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## Hektar REIT FY2007 DPU 11% Above Forecast

*Net Income Outperformed forecast by 19.1%*

*Financial Year 2007 DPU of 10.71 sen for 13 months*

*Final Quarter DPU declared at 3.51 sen*

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**Kuala Lumpur, February 4, 2008** – Hektar Real Estate Investment Trust (“Hektar REIT”), today announced that the dividend per unit (DPU) for the 13-month period ending December 31, 2007 (“FY 2007”) would be 10.71 sen, which is 11.2% higher than its prospectus forecast.

Gross revenue for the year reached RM78.3 million, which was 5.0% above forecast and net income (realised) was RM36.7 million.

Hektar REIT, managed by Hektar Asset Management Sdn Bhd (“The Manager”), reported Net Income per Unit of 11.46 sen, which was 19.1% higher than the earnings forecast when the REIT was launched in December 2006.

As per the initial offering prospectus, Hektar REIT’s policy, in the absence of unforeseen circumstances, was to distribute to unitholders, 9.6 sen for the thirteen (13) month period ending 2007 or 90% of actual earnings, whichever is higher.

The Manager declared a payout of 100% of the actual net income for the month of December 2006 and 90% of the actual net income for the period January – December 2007, which translated into a DPU of 10.71 sen for FY2007. Given that Hektar REIT has already distributed 7.2 sen to unitholders in 3 quarterly distributions, the final quarterly distribution would be 3.51 sen.

Based on the closing price of RM1.40 on 31 January, 2008, the distribution yield will be pegged at an annualised 7.1 percent. The Book Closing Date is February 21 and the payment of the final quarter dividend of 3.51 sen will be made on March 4.

As of 31 January 2008, the Net Asset Value per Unit was RM1.17, net of the provision of RM11.2 million for the final dividend distribution.

“We are happy with our full year results for 2007”, exclaimed Hektar Asset Management Chief Executive Officer, Dato’ Jaafar Abdul Hamid. “Our net income exceeded our budget forecast, which allowed us to distribute to our investors a larger dividend than expected, approximately 11.2% higher than what we promised. We attribute this excellent result to the management team’s solid operating performances at our property portfolio.”

Hektar REIT’s shopping mall portfolio continued to hold steady with near-full occupancy of 96.9%, of which Subang Parade is 99.9% occupied and Mahkota Parade is 93.9% occupied. Traffic for Subang Parade in 2007 increased to 7.8 million visits, up 32.6% since its refurbishment in 2006. Mahkota Parade’s traffic edged up 2.1% to 8.8 million visits in 2007. For the year, overall rental rate reversions were up a positive 20% for new and renewed tenancies.

Jaafar added: “Completing our first year, we appreciate our investors’ continued support and trust and we intend to continue rewarding their patience as we prepare for the next step forward for Hektar REIT.”

<b>Overview of Hektar REIT FY2007 Results (13-months)</b>	<b>Actual (RM ‘000)</b>	<b>Budget (RM ‘000)</b>	<b>Variance (%)</b>
Gross Revenue	78,331	74,580	+ 5.0%
Direct Cost & Property Expenses	(29,052)	(28,738)	- 1.1%
Net Property Income (NPI)	49,279	45,842	+ 7.5%
Net Income – Realised	36,682	30,811	+ 19.1%
Net Income Per Unit – Realised (sen)	11.46	9.63	+ 19.1%
Income Distribution	34,272	30,811	+ 11.2%
Distribution Per Unit (sen)	10.71	9.63	+ 11.2%
Interim DPU (3 Quarters) (sen)	7.20		
Final Quarter DPU (sen)	3.51		

For further information, please log on to [www.bursamalaysia.com](http://www.bursamalaysia.com)

### **ABOUT HEKTAR REIT**

Hektar Real Estate Investment Trust (“Hektar REIT”) is a retail-focused REIT in Malaysia, focused on investing and managing commercial retail properties. Hektar REIT was listed on the Main Board of Bursa Malaysia Securities Berhad in December 2006 and currently owns under 1 million square feet of retail space in Subang Parade, Selangor and Mahkota Parade, Melaka, valued at RM559 million as at December 31, 2007. The primary objectives of Hektar REIT are to provide Unitholders with sustainable dividend income and to achieve long-term capital appreciation of the Trust.

Hektar REIT is managed by Hektar Asset Management Sdn Bhd (“The Manager”), a wholly-owned subsidiary of the Hektar Group, which is focused on the development and management of retail shopping centres. The Hektar Group was formed in 2002 with the vision of creating world-class retail environments through the adoption and implementation of international best practices.

For more information, please log on to our website at [www.hektargroup.com](http://www.hektargroup.com)

### **IMPORTANT NOTICE**

The past performance of Hektar REIT is not indicative of the future performance of Hektar REIT. This document may contain forward-looking statements that involve risk and uncertainties. Actual future results may vary materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager’s current view of future events.

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