

## Hektar REIT First Quarter 2009 Net Income up 4.5%

*84% of portfolio rental income locked-in for 2009*

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**Kuala Lumpur, May 18, 2009** – Hektar Asset Management Sdn. Bhd. (“the Manager”) announced today that Hektar Real Estate Investment Trust (“Hektar REIT”) recorded a first quarter net income of RM9.1 million or 2.85 sen per unit for the 3 months ended 31 March 2009 (“1Q 09”). This is 4.5% higher over the preceding year quarter. Revenue for the period reached RM21.8 million, which was 15.9% higher over the preceding year quarter.

The Manager declared a first quarter Dividend Per Unit (DPU) of 2.40 sen. The Book Closing Date is 4 June 2009 and the payment of the quarterly dividend will be made on 16 June 2009. Based on the closing price of RM0.875 on 18 May 2009; this represents an annualized yield of 11%.

Hektar REIT’s Net Asset Value (NAV) was RM1.26 on 31 March 2009, which represents that the current price is trading at a 29 percent discount to NAV.

### Key Highlights

- Portfolio Occupancy at approximately 95.9%
- Rental Reversions positive at 3% for new and renewed tenancies in 1Q 09
- Tenancy expiries representing approximately 16% of monthly rental income due to expire in 2009
- Refurbishment planned for Mahkota Parade

Dato’ Jaafar Abdul Hamid, Chief Executive Officer of Hektar Asset Management Sdn Bhd remains optimistic that Hektar REIT is well positioned to maintain good performance due to its solid business model and strong and diverse tenant base.

“Amidst the current market sentiment, especially in equities and property, we are pleased to be able to deliver continued growth in revenue and net income. Within the REIT’s portfolio, tenancy expiries for the rest of 2009 account for approximately 16% of the REIT’s monthly rental income as at March 2009. This means at least 84% of our rental income for 2009 is locked-in by tenancy agreements,” said Jaafar.

“Furthermore, our portfolio is spread out over 3 markets – in Selangor, Melaka and Johor. This provides us with geographic diversity towards maintaining income stability”, added Jaafar, “we have a defensible income stream based on our portfolio”.

Based on the asset valuation figures for 2008, Hektar REIT’s asset value was distributed 46% to Selangor (Subang Parade), 35% to Melaka (Mahkota Parade) and the remaining 18% attributed to Johor (Wetex Parade and Classic Hotel).

Hektar Asset Management has also announced it is planning a refurbishment of Mahkota Parade, drawn from experiences with Subang Parade’s award-winning refurbishment from 2006-2007. The Subang Parade refurbishment project was awarded a Silver Award for Development & Design at the recent Asia Shopping Centre Awards 2008 in Macau, as hosted by the International Council of Shopping Centres, a worldwide trade organisation.

Mahkota Parade is also expected to undergo a ‘makeover’ to maintain its market relevance and leadership in the Melaka market. The refurbishment is expected to commence from the third quarter of 2009 and extend to the first quarter of 2010. Further details of the refurbishment are expected to be announced in due course.

<b>First Quarter Results (Unaudited)</b>	<b>Quarter Ending 31 March 2009 (RM ‘000)</b>	<b>Quarter Ending 31 March 2008 (RM ‘000)</b>	<b>Variance (%)</b>
Revenue	21,768	18,781	+ 15.9%
Direct Cost & Property Expenses	(8,280)	(6,763)	- 22.4%
Net Property Income (NPI)	13,488	12,018	+ 12.2%
Interest Expense	(3,200)	(1,929)	- 65.9%
Net Income – Realised	9,126	8,730	+ 4.5%
Net Income Per Unit – Realised (sen)	2.85	2.73	+ 4.5%
Distribution Per Unit (sen)	2.40	2.40	0.0%

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

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## ABOUT HEKTAR

Hektar Real Estate Investment Trust (Hektar REIT) is Malaysia's first retail-focused REIT. Hektar REIT's principal objective is to provide its Unitholders with a defensible income distribution and to enhance the long-term value of the fund.

Hektar REIT invests in income-producing real estate primarily used for retail purposes. Hektar REIT's portfolio currently consists of quality shopping centres situated in Subang Jaya, Melaka and Muar with a combined value of RM713.4 million as of 31 December 2008.

Hektar REIT was listed on the Main Board of Bursa Malaysia Securities Berhad on 4 December 2006 and has outperformed its forecast in its first two years of listing. The REIT's cornerstone investor is Frasers Centrepoint Trust, part of the Fraser & Neave Group, headquartered in Singapore.

Hektar REIT is managed by Hektar Asset Management Sdn. Bhd., a part of the Hektar Group. The Hektar Group was formed with a vision to develop world-class shopping centres for Malaysian consumers, based on international best practices.

For more information, please visit [www.HektarREIT.com](http://www.HektarREIT.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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