
Hektar REIT FY2011 Results

Revenue up by 4.4%
Net Property Income up 5.3%
FY2011 DPU up 2% at 10.50 sen
Positive Five-Year Track Record

Kuala Lumpur, February 13, 2011 – Hektar Asset Management Sdn Bhd (“Hektar”) reported today that Hektar Real Estate Investment Trust (“Hektar REIT”) recorded positive results for the financial year ended 31 December 2011 (FY2011). Revenue reached RM94.9 million, up 4.4% from the previous year. Net Income reached RM86.7 million or 27.08 sen per unit, up 121% from the previous year at the back of the RM47.7 million gain on revaluation of investment properties. Hektar REIT’s realised net income edged up 1.8% to RM38.9 million in FY2011.

“Hektar enters its sixth year as a listed entity, capping a track record of five years of positive results”, announced Chief Executive Officer of Hektar Asset Management Sdn Bhd, Dato’ Jaafar Abdul Hamid.

“In terms of revenue, net property income and net asset value, Hektar REIT has recorded healthy increases every year,” he continued. Hektar REIT’s Net Asset Value was RM1.48 as at December 31, 2011.

Hektar declared a final quarter dividend per unit (DPU) of 3.0 sen. The Book Closing Date is March 4, 2012 and the payment of the final quarter dividend payment will be made on March 18, 2012.

Following the previous three quarterly DPU distributions of 2.50 sen per unit, Hektar REIT’s FY2011 DPU is 10.50 sen. Based on the closing price of RM1.32 on 30 December 2011; FY2011 DPU represented a dividend yield of approximately 8.0%.

Hektar REIT maintains a dividend policy of at least 90% of distributable net income, which typically excludes items such as capital allowances and revenue arising from Financial Reporting Standards 117, an accounting standard adopted in FY2010.

Hektar REIT’s portfolio includes Subang Parade in Subang Jaya, Selangor, Mahkota Parade in Melaka and Wetex Parade in Muar, Johor. The portfolio’s catchment serves a market size of 1.3 million Malaysians. In FY2011, the portfolio had an average occupancy of 97.5% and recorded over 22.1 million shopping visits.

Recently, Hektar also announced that it will be acquiring two prominent malls in Sungai Petani and Kulim, Kedah from third parties for a total sum of RM181,000,000. The purchase prices of the two malls represent an overall discount of 2.6% to their market values as reported by an independent valuer Messrs Khong and Jaafar Sdn Bhd. The two malls – Central Square in Sungai Petani and Landmark Central in Kulim are strategically located in prime spots and are therefore leading malls in their respective areas with Landmark Central being the only modern retail mall in Kulim.

Dato' Jaafar also added that the two malls in Kedah being acquired have good tenant mixes and ample room for growth and expansion. Central Square in Sungai Petani currently commands a high occupancy rate of 96% whilst Landmark Central in Kulim being a relatively new comer registered an occupancy rate of 77% with further expected improvement in the occupancy rate to 90% in the very near future.

“Throughout last year, we continued to enhance the portfolio of our assets. Finally at Subang Parade, we saw the much anticipated launch of a new cinema, MBO. It is the first multi-screen cinema complex in Subang Jaya city centre complete with 3D screen offerings. “Market Place”, a new F&B area created at the lower ground floor of Subang Parade was also recently completed and opened for business in October 2011. Mahkota Parade’s refurbishment continues to receive positive feedback from retailers and shoppers for its new look and feel. Wetex Parade’s new retail zone, “The Quadrix”, has also received a positive endorsement from retailers”, continued Dato' Jaafar.

“Overall, we are looking forward to an exciting 2012 since all our major initiatives and enhancements throughout our portfolio are fully in place. Already our 3 malls are enjoying a healthy 9.0% increase in visitors for 2011”, concluded Dato' Jaafar.

Overview of Hektar REIT Financial Results (unaudited)	FY 2011 (12 months) (RM '000)	FY 2010 (12 months) (RM '000)	Variance (%)
Gross Revenue	94,881	90,873	+ 4.4%
Direct Cost & Property Expenses	(36,585)	(35,530)	+3.0%
Net Property Income (NPI)	58,296	53,343	+5.3%
Net Income - Realised	38,914	38,172	+1.8%
Net Income	86,651	39,184	+121.1%
Net Income Per Unit – Realised (sen)	12.16	11.93	+1.93%
Dividend Per Unit (DPU) (sen)	10.50	10.30	+1.95%

For further information, please log on to 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 Market of Bursa Malaysia Securities Berhad and currently owns 1.1 million square feet of retail space in Selangor, Melaka and Johor, with assets valued at RM822 million in December 2011. The primary objectives of Hektar REIT are to provide unitholders with sustainable dividend income and to achieve long-term capital appreciation of the REIT.

Hektar REIT is managed by Hektar Asset Management Sdn Bhd (“Manager”), a 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 visit 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.

For more information, please contact:

Hektar Asset Management Sdn Bhd
D1-U3-10, Block D1, Solaris Dutamas
No 1, Jalan Dutamas 1
50480 Kuala Lumpur
Malaysia

Tel: +6 03 6205 5570
Fax: +6 03 6205 5571
Web: www.HektarREIT.com