

## **Hektar REIT 3Q15 Results**

**Gross Revenue Up 1.9%**

**Stable Dividend per Unit announced at 2.60 sen**

**Kuala Lumpur, November 27, 2015** – Hektar Asset Management Sdn Bhd (“Hektar”) announced that Hektar Real Estate Investment Trust (“Hektar REIT”) recorded positive gross revenue of RM31.4 million for the three months period ended 30 September 2015 (3Q15). Net Property Income (“NPI”) reached RM 18.7 million, up 2.6% over the corresponding quarter 3Q14. Realised net income, however, reduced slightly by 1.4% to RM10.7 million due to higher borrowing cost.

For the cumulative period ended 30 September 2015, realised net income was recorded at RM 33.7 million, 2.6% higher than the preceding year period. The nine months gross revenue was RM 93.6 million, up 2.7% over the nine months ended 30 September 2015. NPI has also improved by 4.7% to RM 56.9 million.

“Despite increased volatility in the domestic economy resulting in uncertainties and moderation in retail outlook, our assets were able to maintain good and stable performances with high occupancy rates. We are, however, susceptible to market factors like increased interest rates, which have negated the positive results we have achieved this quarter. The bank has imposed higher interest rates due to market uncertainties,” said Chief Executive Officer, Dato’ Jaafar Abdul Hamid.

“In this challenging retail condition, our team has worked closely with retailers to maintain the high occupancy rates we enjoy. Initiatives in terms of advertising and marketing, improved tenancy mix, and new retail experiences are continuously being put in place to boost the retail activity at our malls,” he added.

Hektar REIT declared an interim distribution per unit (“DPU”) of 2.60 sen, maintained as per the distribution declared in the previous year’s corresponding quarter. The Book Closing Date is December 15, 2015 and payment of the distribution will be made on December 31, 2015. Based on the closing price of RM1.51 on September 30, 2015, DPU for the year represented a distribution yield of approximately 6.9%.

Hektar REIT maintains a distribution 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 of shopping malls include Subang Parade in Subang Jaya, Selangor, Mahkota Parade in Melaka, Wetex Parade in Muar, Johor, Central Square in Sungai Petani, Kedah and Landmark Central in Kulim, Kedah. The portfolio's catchment serves a market size of 3.0 million shoppers. As at end of the preceding financial year, FY2014, the portfolio had an average occupancy of 94.3% and recorded over 30.8 million shopper visits.

| Overview of Hektar REIT<br>Financial Results<br>(unaudited) | 3Q 2015<br>(3 months)<br>(RM '000) | 3Q 2014<br>(3 months)<br>(RM '000) | Variance<br>(%) |
|---|------------------------------------|------------------------------------|-----------------|
| Gross Revenue   | 31,390                             | 30,792                             | +1.9%           |
| Direct Cost & Property Expenses                             | (12,715)                           | (12,595)                           | +1.0%           |
| Net Property Income (NPI)                                   | 18,675                             | 18,197                             | +2.6%           |
| Net Income – Realised                                       | 10,720                             | 10,875                             | -1.4%           |
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| Net Income Per Unit – Realised (sen)                        | 2.68                               | 2.71                               | -1.4%           |
| Distribution Per Unit (DPU) (sen)                           | 2.60                               | 2.60                               | -               |

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 Market of Bursa Malaysia Securities Berhad on 4 December 2006 and currently owns 1.7 million square feet of retail space in Selangor, Melaka, Johor and Kedah with assets valued at RM1.06 billion as at December 2014. 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”) and was formed 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](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.

For more information, please contact:

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