

**HEKTAR REIT**



**HEKTAR REIT  
FULL YEAR 2008  
FINANCIAL RESULTS PRESENTATION**

**HEKTAR ASSET MANAGEMENT SDN BHD**

**4 FEBRUARY 2009**

PRIVATE & CONFIDENTIAL



# Disclaimers

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The material that follows is a presentation of general background information about the activities of Hektar Real Estate Investment Trust (Hektar REIT) as at the date of this Presentation.

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# Financial Summary – Full Year 2008

|                                |  |
|--------------------------------|--|
| <b>Full Year 2008</b>          | <ul style="list-style-type: none"> <li>▪ 1 January 2008 – 31 December 2008</li> <li>▪ 12 Months</li> </ul>   |
| <b>Operational Performance</b> | <ul style="list-style-type: none"> <li>▪ Portfolio Occupancy: ~95.8%</li> <li>▪ Rent Reversions: +8%</li> <li>▪ Net Income per Unit: <b>11.32</b> sen</li> <li>▪ Net Income <b>+7%</b> over previous comparable year<sup>1</sup> and <b>+25.7%</b> over Prospectus Forecast<sup>2</sup></li> </ul> |
| <b>DPU Distribution</b>        | <ul style="list-style-type: none"> <li>▪ Final Quarter DPU Declared: <b>3.00</b> sen</li> <li>▪ FY2008 DPU: <b>10.20</b> sen</li> <li>▪ DPU Yield: <b>13.2%</b><sup>3</sup></li> <li>▪ Exceeds FY2007 DPU by <b>+3.2%</b><sup>4</sup></li> </ul>   |

<sup>1</sup> FY2007 annualised Net Income per unit: 10.59 sen per unit (13 months: 11.47 sen per unit)

<sup>2</sup> As per Hektar REIT Initial Public Offering Prospectus dated 15 November 2006

<sup>3</sup> Based on DPU of 10.20 sen and closing price of RM0.77 on 31 December 2008.

<sup>4</sup> FY2007 annualised DPU: 9.89 sen (13 months: 10.71 sen per unit)

DPU = Dividend Per Unit

# Financial Summary – Full Year 2008

## Hektar REIT Dividend up 3.2% in FY2008

|   | FY08<br>12 months | FY07<br>13 months |
|---|-------------------|-------------------|
| <b>Net Income - Realised (RM '000)</b>      | 36,238            | 36,682            |
| Fair Value Gain on Investment Properties    | 24,115            | 43,842            |
| <b>Net Income Before Tax</b>                | <u>60,353</u>     | <u>80,524</u>     |
| Net Income Per Unit (sen)                   | 18.86             | 25.16             |
| <b>Net Income Per Unit - Realised (sen)</b> | 11.32             | 11.46             |
| <b>Payout Ratio</b>                         | 90%               | 93%               |
| <b>Dividend Per Unit (DPU) (sen)</b>        | 10.20             | 10.71             |
| <b>Annualised DPU (sen)</b>                 | <u>10.20</u>      | <u>9.89</u>       |
| <b>Change in DPU (Annualised)</b>           | <b>+ 3.2%</b>     |                   |

# Distribution Details

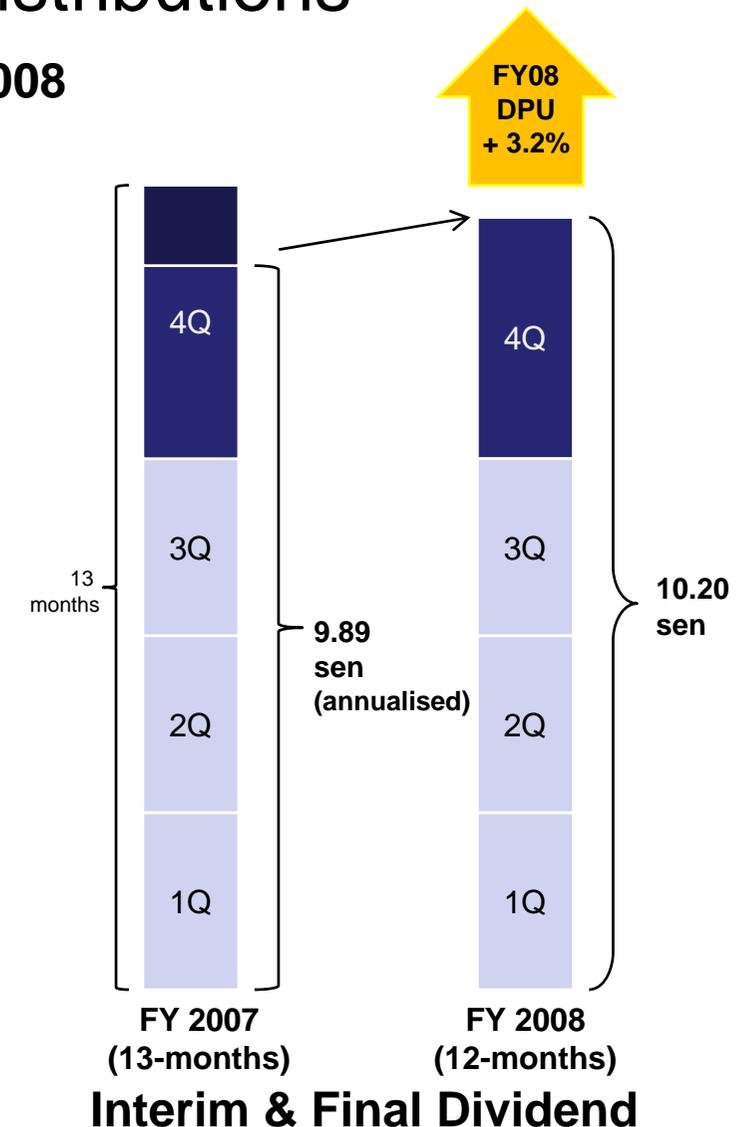
## Hektar REIT Quarterly Dividend Distributions

### Current Dividend Distribution Details: 4<sup>th</sup> Quarter 2008

|                                  |                              |
|----------------------------------|------------------------------|
| <b>Distribution Period</b>       | 1 October – 31 December 2008 |
| <b>Quarterly DPU</b>             | 3.00 sen                     |
| <b>Notice of Entitlement</b>     | 5 February 2009              |
| <b>Ex-Dividend Date</b>          | 18 February 2009             |
| <b>Book Closure Date</b>         | 20 February 2009             |
| <b>Distribution Payment Date</b> | 5 March 2009                 |

### Previous Dividend Distributions

| Year | Dividend     | Period               | DPU      |
|------|--------------|----------------------|----------|
| 2008 | 3Q08 Interim | 1 Jul – 30 Sep 08    | 2.40 sen |
| 2008 | 2Q08 Interim | 1 Apr 08 – 30 Jun 08 | 2.40 sen |
| 2008 | 1Q08 Interim | 1 Jan 08 – 30 Mar 08 | 2.40 sen |
| 2007 | FY07 Final   | 1 Oct 07 – 30 Dec 07 | 3.51 sen |
| 2007 | 3Q07 Interim | 1 Jul 07 – 30 Sep 07 | 2.40 sen |
| 2007 | 2Q07 Interim | 1 Apr 07 – 30 Jun 07 | 2.40 sen |
| 2007 | 1Q07 Interim | 1 Dec 06 – 31 Mar 07 | 2.40 sen |

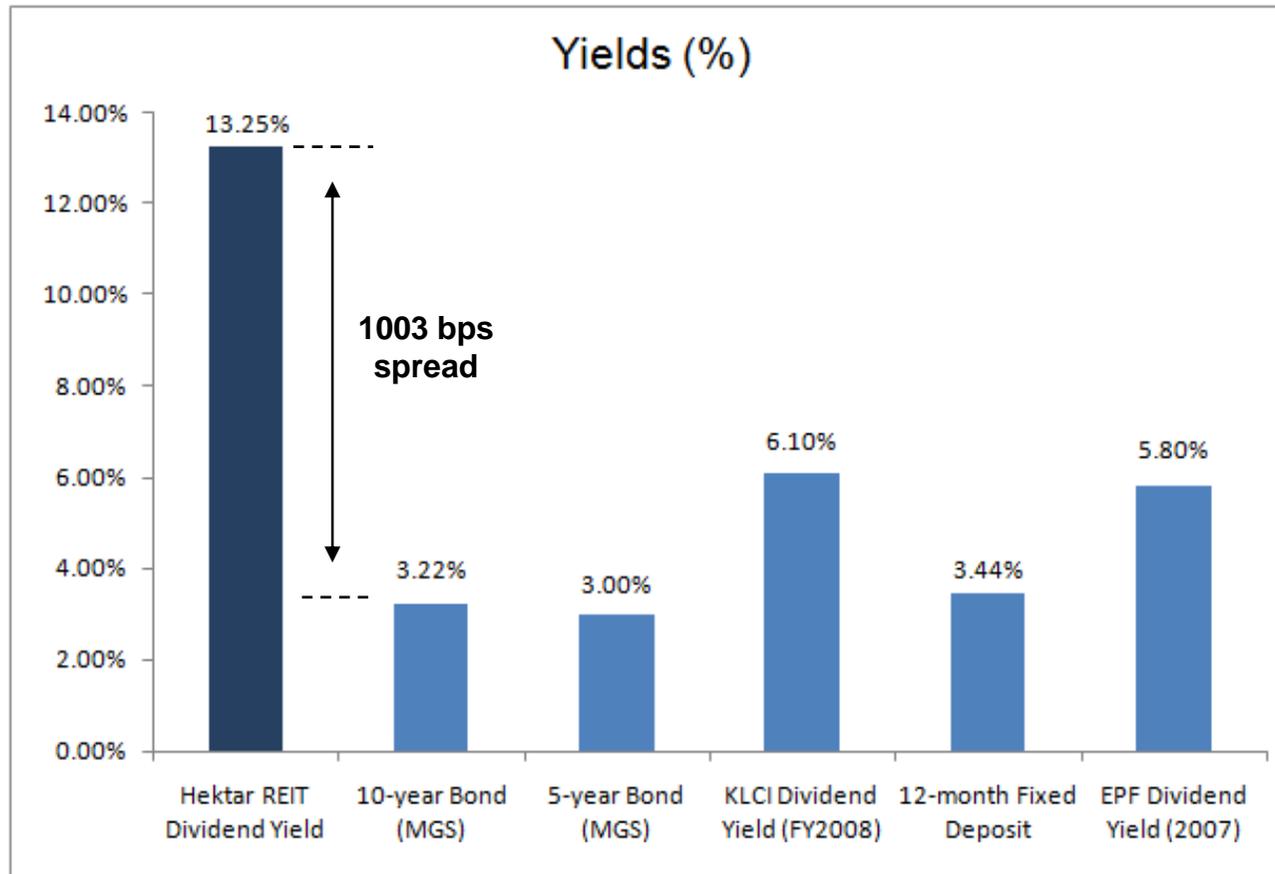


### Interim & Final Dividend

# Comparative Yields - Malaysia

## Hektar FY2008 Dividend Yield at 13.25%

- Traded at a 1003 bps spread over MGS 10-year



Sources: Bloomberg (9 January 2009) , The Star. Hektar REIT yield based on closing price of RM0.77 on 31 December 2008 and FY2008 DPU of 10.2 sen.

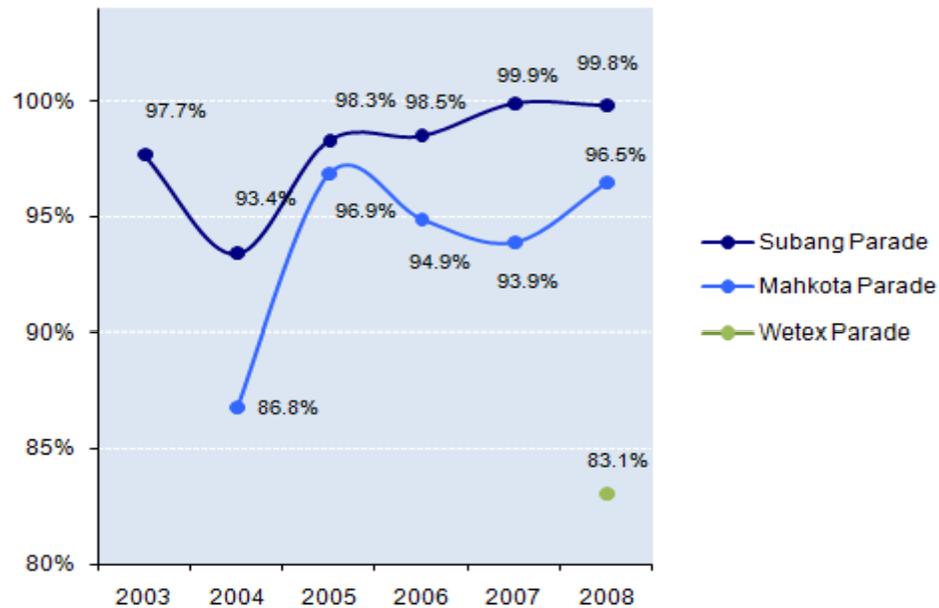
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# Portfolio Performance

# Hektar Portfolio - Occupancy

## Portfolio Occupancy at ~95.8% for 2008

| Property       | As at 31 December 2003 | As at 31 December 2004 | As at 31 December 2005 | As at 30 September 2006 | As at 31 December 2007 | As at 31 December 2008 |
|----------------|------------------------|------------------------|------------------------|-------------------------|------------------------|------------------------|
| Subang Parade  | 97.7%                  | 93.4%                  | 98.3%                  | 98.5%                   | 99.9%                  | 99.8%                  |
| Mahkota Parade |                        | 86.8%                  | 96.9%                  | 94.9%                   | 93.9%                  | 96.5%                  |
| Wetex Parade   |                        |                        |                        |                         |                        | 83.1%                  |
| Overall*       | 97.7%                  | 91.3%                  | 97.6%                  | 96.7%                   | 96.9%                  | 95.8%                  |



\*Approximate average weighted by Net Lettable Area.

# Hektar Portfolio – Visitor Traffic

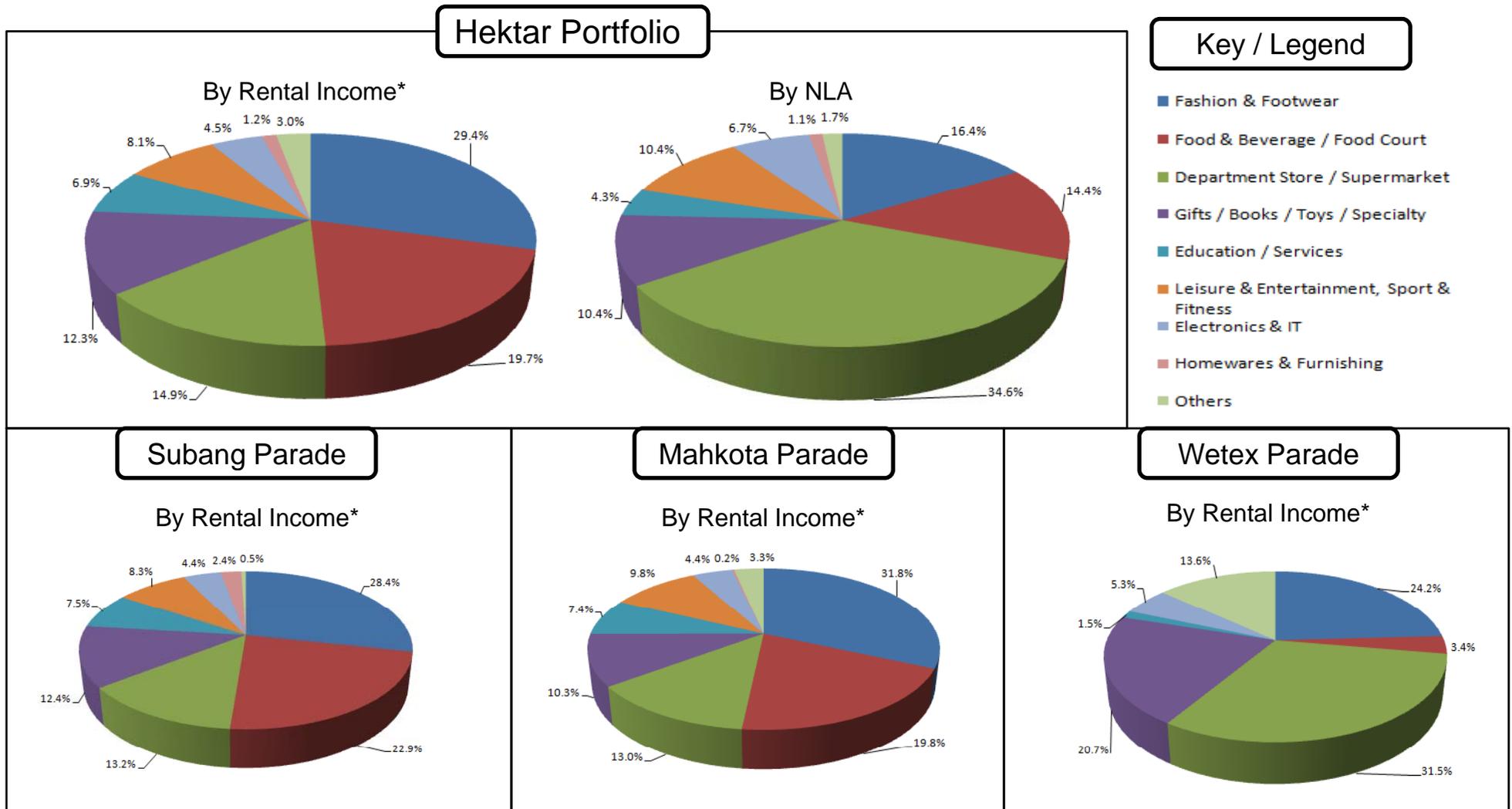
## Slight Dip in Visitor Traffic to Portfolio

- Tracked by Footfall, camera-based system installed in each centre
- Overall visitor traffic up 14.5% in 2007, down 4.3% in 2008 for Subang and Mahkota Parade
- Wetex Parade traffic system installed in September 2008

| Property   | No. of Visits<br>(2005) | No. of Visits<br>(2006) | No. of Visits<br>(2007) | No. of Visits<br>(2008) |
|--|-------------------------|-------------------------|-------------------------|-------------------------|
| Subang Parade  | 5,689,196               | 5,916,354               | 7,842,409               | 7,621,874               |
| <i>% Change in Traffic</i>                             | -                       | 4.0%                    | 32.6%                   | -2.8%                   |
| Mahkota Parade   | 8,012,968               | 8,636,714               | 8,817,065               | 8,318,261               |
| <i>% Change in Traffic</i>                             | -                       | 7.8%                    | 2.1%                    | -5.7%                   |
| Wetex Parade (4 months)<br><i>Acquired in May 2008</i> |                         |                         |                         | 1,960,835               |
| <b>Total</b>   | <b>13,702,164</b>       | <b>14,553,068</b>       | <b>16,659,474</b>       | <b>17,900,970</b>       |
| <i>% Change in Traffic</i>                             | -                       | 6.2%                    | 14.5%                   | 7.5%                    |

# Hektar Portfolio – Tenant Mix

## Diversified Portfolio Tenant Mix



\* Based on monthly rental income for December 2008. NLA = Net Lettable Area

# Hektar Portfolio – Tenant Diversity

## Hektar Top Ten Tenants by Rental Income

- Top 10 Tenants Contribute 27.5% of REIT's Monthly Rental Income
  - Retailer Dependency: only Parkson contributes ~11.0% of total monthly rental income to REIT, no other tenant contributes more than 3.1%

| Tenant   | Trade Sector            | NLA (sq ft) | % of Total NLA | % of Monthly Rental Income* |
|--|-------------------------|-------------|----------------|-----------------------------|
| 1 Parkson  | Department Store        | 254,009     | 22.8%          | 11.0%                       |
| 2 The Store  | Department Store        | 91,357      | 8.2%           | 3.1%                        |
| 3 Bata   | Fashion & Footwear      | 8,409       | 0.8%           | 2.1%                        |
| 4 McDonalds  | F&B                     | 12,946      | 1.2%           | 1.9%                        |
| 5 The Reject Shop                                    | Fashion & Footwear      | 17,695      | 1.6%           | 1.9%                        |
| 6 Ampang Superbowl                                   | Leisure & Entertainment | 36,717      | 3.3%           | 1.6%                        |
| 7 World Of Sports                                    | Fashion & Footwear      | 10,796      | 1.0%           | 1.5%                        |
| 8 Kenny Rogers Roasters                              | F&B                     | 7,096       | 0.6%           | 1.5%                        |
| 9 B.U.M. City  | Fashion & Footwear      | 16,078      | 1.4%           | 1.5%                        |
| 10 Celebrity Fitness                                 | Leisure & Entertainment | 34,317      | 3.1%           | 1.4%                        |
| <b>Top 10 Tenants<br/>(By Monthly Rental Income)</b> |                         | 489,420     | 43.9%          | 27.5%                       |
| Other Tenants  |                         | 624,443     | 56.1%          | 72.5%                       |
| Total  |                         | 1,113,863   | 100.0%         | 100.0%                      |

\* Based on monthly rental income for December 2008. NLA = Net Lettable Area

# Hektar Portfolio – Rental Reversions

## FY2008 – Rental Reversions up 8%

- 4Q08: 36 new tenancies / renewals at an average 14% higher rental rate
- FY2008: total 101 new tenancies / renewals at average 8% higher rate

| Fourth Quarter<br>(3 months)<br>(Ended 31 December) | No. of New<br>Tenancies /<br>Renewals | NLA<br>(sq ft) | % of<br>Total<br>NLA | %<br>Increase / (Decrease)<br>Over Previous Rent Rates |
|---|---------------------------------------|----------------|----------------------|--|
| Subang Parade                                       | 13                                    | 57,950         | 12%                  | 9%   |
| Mahkota Parade                                      | 11                                    | 154,885        | 33%                  | 10%  |
| Wetex Parade  | 12                                    | 10,843         | 6%                   | 74%  |
| <b>Total / Average*</b>                             | <b>36</b>                             | <b>223,678</b> | <b>20%</b>           | <b>14%</b>   |

| Full Year 2008<br>(12 months)<br>(Ended 31 Dec) | No. of New<br>Tenancies /<br>Renewals | NLA<br>(sq ft) | % of<br>Total<br>NLA | %<br>Increase / (Decrease)<br>Over Previous Rent Rates |
|---|---------------------------------------|----------------|----------------------|--|
| Subang Parade                                   | 42                                    | 270,646        | 57%                  | 8%   |
| Mahkota Parade                                  | 41                                    | 214,214        | 46%                  | 5%   |
| Wetex Parade                                    | 18                                    | 14,048         | 8%                   | 66%  |
| <b>Total / Average*</b>                         | <b>101</b>                            | <b>498,908</b> | <b>45%</b>           | <b>8%</b>  |

\*Average Weighted by NLA. Figures as of 31 December 2008. NLA = Net Lettable Area

# Hektar's Portfolio – Tenancy Expiry Profile

## Hektar's Tenancy Expiry Profile 2008 – 2012

- By Property (as at 31 December 2008)

| <b>Subang Parade</b><br>For Year Ending<br>31 December | No. of<br>Tenancies<br>Expiring | NLA of tenancies<br>expiring<br>(sq ft) | NLA of tenancies<br>expiring as % of<br>total NLA | % of Total<br>Monthly Rental<br>Income* |
|--|---------------------------------|---|---|---|
| FY 2009  | 29                              | 45,155                                  | 10%   | 28%                                     |
| FY 2010  | 45                              | 136,777                                 | 29%   | 37%                                     |
| FY 2011  | 44                              | 138,548                                 | 29%   | 31%                                     |
| FY 2012  | 5                               | 146,097                                 | 31%   | 17%                                     |

| <b>Mahkota Parade</b><br>For Year Ending<br>31 December | No. of<br>Tenancies<br>Expiring | NLA of tenancies<br>expiring<br>(sq ft) | NLA of tenancies<br>expiring as % of<br>total NLA | % of Total<br>Monthly Rental<br>Income* |
|---|---------------------------------|---|---|---|
| FY 2009   | 23                              | 50,739                                  | 11%   | 17%                                     |
| FY 2010   | 40                              | 95,285                                  | 20%   | 32%                                     |
| FY 2011   | 38                              | 222,930                                 | 48%   | 40%                                     |
| FY 2012   | 7                               | 11,607                                  | 2%  | 3%                                      |

| <b>Wetex Parade</b><br>For Year Ending<br>31 December | No. of<br>Tenancies<br>Expiring | NLA of tenancies<br>expiring<br>(sq ft) | NLA of tenancies<br>expiring as % of<br>total NLA | % of Total<br>Monthly Rental<br>Income* |
|---|---------------------------------|---|---|---|
| FY 2009   | 32                              | 22,864                                  | 13%   | 30%                                     |
| FY 2010   | 16                              | 13,238                                  | 8%  | 14%                                     |
| FY 2011   | 16                              | 99,497                                  | 57%   | 46%                                     |





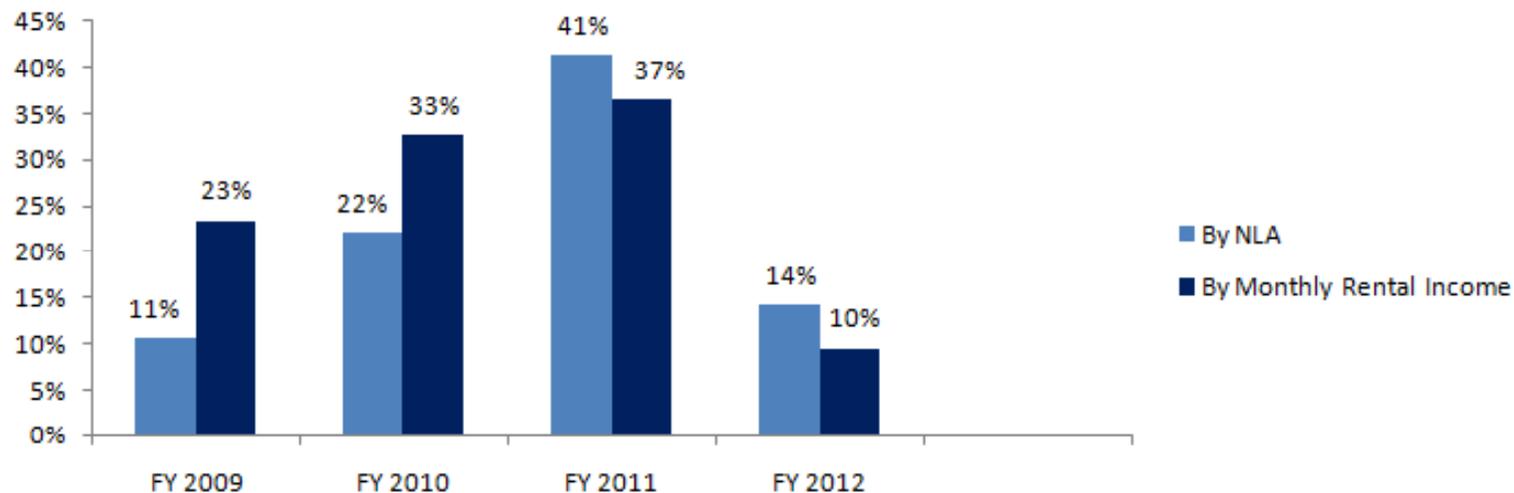
\* Based on monthly rental income for December 2008.

# Hektar's Portfolio – Tenancy Expiry Profile

## Portfolio Tenancy Expiry Profile 2008 – 2012

- Relatively Distributed Expiry Portfolio as at 31 December 2008
  - FY2009 expires account for no more than 23% of monthly rental income\*

| Portfolio For Year Ending 31 December | No. of Tenancies Expiring | NLA of tenancies expiring (sq ft) | NLA of tenancies expiring as % of total NLA | % of Total Monthly Rental Income* |
|---------------------------------------|---------------------------|-----------------------------------|---|-----------------------------------|
| FY 2009                               | 84                        | 118,758                           | 11%   | 23%                               |
| FY 2010                               | 101                       | 245,300                           | 22%   | 33%                               |
| FY 2011                               | 98                        | 460,975                           | 41%   | 37%                               |
| FY 2012                               | 12                        | 157,704                           | 14%   | 10%                               |

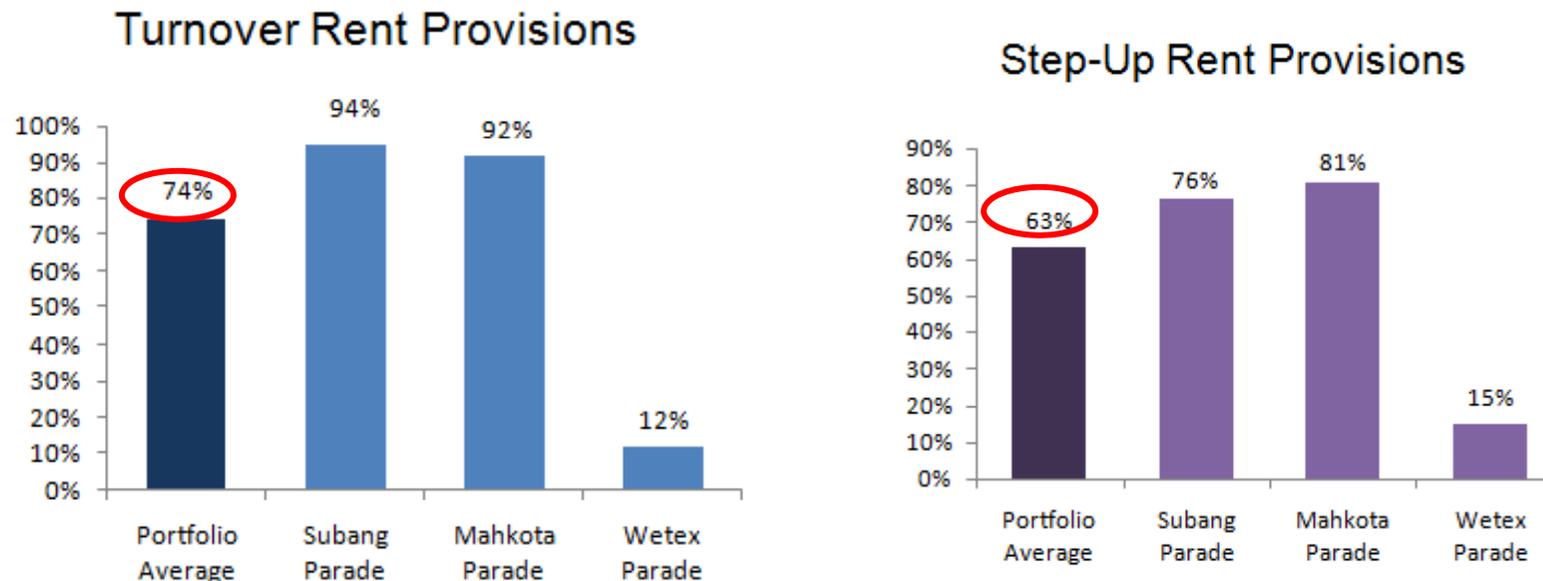


\* Based on monthly rental income for December 2008. NLA = Net Lettable Area

# Hektar's Portfolio – Step-Up & Turnover

## Hektar Portfolio Tenancy Provisions

- Turnover Rent Provisions: Portfolio average of 72% of tenancies
- Step-Up Rent Provisions: Portfolio average 63% of tenancies
- Wetex Parade: implementing provisions for new tenancies / renewals



Notes: Data as at 31 December 2008. Wetex Parade acquired in May 2008. Turnover Rent Provision: rent calculated as a proportion of annual turnover of the tenant's business. Turnover Rent is paid to the REIT if it exceeds the base rent specified in the tenancy agreement on an annual basis. Step-Up Rent Provision: Specified in tenancy agreement as a pre-determined increase in rent at defined intervals during a tenancy agreement, typically each year. Forms the base rent of any tenancy agreement.

# Financial Results

# Revenues & Expenses

## Gross Revenue up 23.9% over Budget

For Period 1 October 2008 – 31 December 2008

| Fourth Quarter 2008 (Unaudited)            | Actual<br>(RM '000) | Budget<br>(RM '000) | Variance<br>(%) |
|--|---------------------|---------------------|-----------------|
| <b>Gross Rental Income</b>                 |                     |                     |                 |
| Revenue from Tenancy                       | 20,321              | 16,401              | + 23.9%         |
| Car Park                                   | 1,938               | 1,557               | + 24.5%         |
| <b>Gross Revenue</b>                       | <b>22,259</b>       | <b>17,958</b>       | <b>+ 23.9%</b>  |
| <b>Direct Cost &amp; Property Expenses</b> |                     |                     |                 |
| Property Management Fees                   | (446)               | (369)               | - 20.7%         |
| Assessment, Quit Rent & Insurance          | (729)               | (774)               | + 5.8%          |
| Other Operating Expenses                   | (7,920)             | (5,707)             | - 38.8%         |
| <b>Total Property Expenses</b>             | <b>(9,094)</b>      | <b>(6,851)</b>      | <b>- 32.8%</b>  |
| <b>Trust Fees &amp; Expenses</b>           |                     |                     |                 |
| Manager's fee                              |                     |                     |                 |
| Base Fee                                   | (481)               | (348)               | - 38.4%         |
| Performance Fee                            | (537)               | (407)               | - 31.8%         |
| Trustee's fee                              | (34)                | (30)                | - 10.4%         |
| Valuation fee                              | 25                  | (12)                | + 304.0%        |
| Administration expenses                    | (386)               | (100)               | - 286.4%        |
| <b>Total Trust Fees &amp; Expenses</b>     | <b>(1,412)</b>      | <b>(898)</b>        | <b>- 57.3%</b>  |

Note: Budget based on FY2008 figures from Hektar REIT's Initial Public Offering Prospectus dated 15 November 2006.

# Income Statement – Quarter

Fourth Quarter 2008 Net Income exceeds Budget by 12.4%

For Period 1 October 2008 – 31 December 2008 (versus Budget)

| Fourth Quarter 2008 (Unaudited)         | Actual<br>(RM '000) | Budget<br>(RM '000) | Variance<br>(%) |
|---|---------------------|---------------------|-----------------|
| Gross Revenue                           | 22,259              | 17,958              | + 23.9%         |
| Direct Cost & Property Expenses         | (9,094)             | (6,851)             | - 32.8%         |
| <b>Net Property Income (NPI)</b>        | <u>13,164</u>       | <u>11,107</u>       | <u>+ 18.5%</u>  |
| Interest & Other Income                 | 38                  | 57                  | - 32.7%         |
| <b>Total Income</b>                     | <u>13,202</u>       | <u>11,164</u>       | <u>+ 18.3%</u>  |
| Trust Fees & Expenses                   | (1,412)             | (898)               | - 57.3%         |
| Interest Expense                        | (3,277)             | (2,691)             | - 21.8%         |
| <b>Net Income Before Tax - Realised</b> | <u>8,513</u>        | <u>7,575</u>        | <u>+ 12.4%</u>  |
| <b>Net Income per Unit (sen)</b>        | <b>2.66</b>         | <b>2.37</b>         | <b>+ 12.4%</b>  |

Note: Budget based on FY2008 figures from Hektar REIT's Initial Public Offering Prospectus dated 15 November 2006.

# Income Statement – Quarter Comparative

4Q08 Net Income exceeds 4Q07 by 5.8%

For Period 1 October 2008 – 31 December 2008 (versus Previous Comparable Quarter)

| Fourth Quarter 2008 (Unaudited)         | 4Q08<br>(RM '000) | 4Q07<br>(RM '000) | Variance<br>(%) |
|---|-------------------|-------------------|-----------------|
| Gross Revenue                           | 22,259            | 18,346            | + 21.3%         |
| Direct Cost & Property Expenses         | (9,094)           | (7,068)           | - 28.7%         |
| <b>Net Property Income (NPI)</b>        | <u>13,164</u>     | <u>11,278</u>     | <u>+ 16.7%</u>  |
| Interest & Other Income                 | 38                | 29                | + 29.9%         |
| <b>Total Income</b>                     | <u>13,202</u>     | <u>11,307</u>     | <u>+ 16.8%</u>  |
| Trust Fees & Expenses                   | (1,412)           | (1,320)           | - 7.0%          |
| Interest Expense                        | (3,277)           | (1,943)           | - 68.6%         |
| <b>Net Income Before Tax - Realised</b> | <u>8,513</u>      | <u>8,044</u>      | <u>+ 5.8%</u>   |
| <b>Net Income per Unit (sen)</b>        | <b>2.66</b>       | <b>2.51</b>       | <b>+ 5.8%</b>   |

# Income Statement – FY2008

FY 2008 Net Income is 25.7% over Budget

For period 1 January – 31 December 2008 (12 months)

| FY 2008 (Unaudited)                         | YTD Actual<br>(RM '000) | YTD Budget<br>(RM '000) | Variance<br>(%) |
|---|-------------------------|-------------------------|-----------------|
| Gross Revenue                               | 84,092                  | 70,360                  | + 19.5%         |
| Direct Cost & Property Expenses             | (31,377)                | (27,402)                | - 14.5%         |
| <b>Net Property Income (NPI)</b>            | <b>52,715</b>           | <b>42,958</b>           | <b>+ 22.7%</b>  |
| Interest & Other Income                     | 184                     | 227                     | - 18.7%         |
| <b>Total Income</b>                         | <b>52,899</b>           | <b>43,184</b>           | <b>+ 22.5%</b>  |
| Trust Fees & Expenses                       | (5,265)                 | (3,591)                 | - 46.6%         |
| Interest Expense                            | (11,396)                | (10,764)                | - 5.9%          |
| <b>Net Income Before Tax - Realised</b>     | <b>36,238</b>           | <b>28,829</b>           | <b>+ 25.7%</b>  |
| <b>Net Income per Unit - Realised (sen)</b> | <b>11.32</b>            | <b>9.01</b>             | <b>25.7%</b>    |
| <b>DPU (sen)</b>                            | <b>10.20</b>            | <b>9.63</b>             | <b>5.9%</b>     |

Note: Budget based on FY2008 figures from Hektar REIT's Initial Public Offering Prospectus dated 15 November 2006.

# Income Statement – Yearly Comparative

## FY2008 v FY2007 Comparative

- Different comparative period: 12 months v 13 months
- Excluding December 2006, FY2008 net income is 7% higher than FY2007

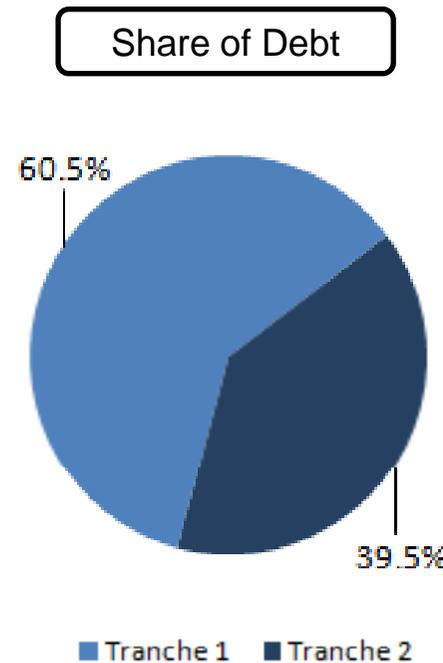
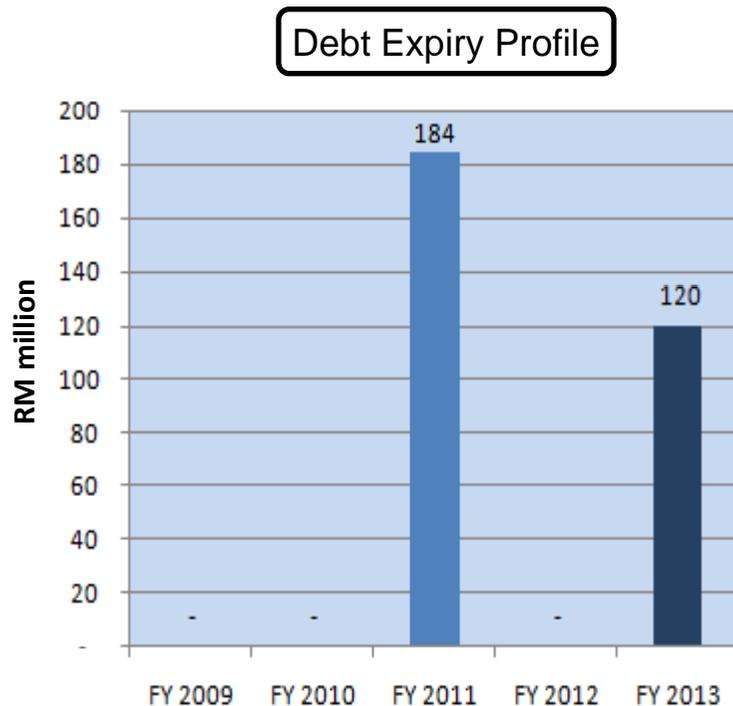
| Year-To-Date (Unaudited)                               | FY08<br>12 months<br>(RM '000) | FY07<br>13 months<br>(RM '000) | Variance<br>(%) |
|--|--------------------------------|--------------------------------|-----------------|
| Gross Revenue  | 84,092                         | 78,331                         | + 7.4%          |
| Direct Cost & Property Expenses                        | (31,377)                       | (29,052)                       | - 8.0%          |
| <b>Net Property Income (NPI)</b>                       | <b>52,715</b>                  | <b>49,279</b>                  | <b>+ 7.0%</b>   |
| Interest & Other Income                                | 184                            | 123                            | + 49.3%         |
| <b>Total Income</b>                                    | <b>52,899</b>                  | <b>49,402</b>                  | <b>+ 7.1%</b>   |
| Trust Fees & Expenses                                  | (5,265)                        | (4,395)                        | - 19.8%         |
| Interest Expense                                       | (11,396)                       | (8,325)                        | - 36.9%         |
| <b>Net Income Before Tax - Realised</b>                | <b>36,238</b>                  | <b>36,682</b>                  | <b>- 1.2%</b>   |
| <b>Net Income per Unit - Realised (sen)</b>            | <b>11.32</b>                   | <b>11.46</b>                   | <b>-1.2%</b>    |
| <b>Annualised Net Income per Unit - Realised (sen)</b> | <b>11.32</b>                   | <b>10.58</b>                   | <b>7.0%</b>     |
| <b>DPU (sen)</b>                                       | <b>10.20</b>                   | <b>10.71</b>                   | <b>-4.8%</b>    |
| <b>Annualised DPU (sen)</b>                            | <b>10.20</b>                   | <b>9.89</b>                    | <b>3.2%</b>     |

|  | As at 31.12.2008<br>(Unaudited)<br>RM ('000) | As at 31.12.2007<br>(Audited)<br>RM ('000) |                                 |
|--|--|--|---------------------------------|
| <b>Non-Current Assets</b>                |  |  | <b>No. of Units</b>             |
| Investment Properties                    | 713,400                                      | 559,400                                    | 320,001,000                     |
| <b>Current Assets</b>                    |  |  | <b>Net Asset Value Per Unit</b> |
| Trade Receivables                        | 472  | 916  | 1.257                           |
| Other Receivables, Deposits, Prepayments | 5,910  | 6,629                                      | <b>Unit Price, 31 Dec 2008</b>  |
| Capital Work In Progress                 | 106  | 2,756                                      | 0.77                            |
| Cash and Bank Balances                   | 18,221                                       | 18,097                                     | <b>Premium / (Discount) NAV</b> |
|  | 24,708                                       | 28,397                                     | (39%)                           |
| <b>TOTAL ASSETS</b>                      | <b>738,108</b>                               | <b>587,797</b>                             |                                 |
| <b>Liabilities</b>                       |  |  |                                 |
| Trade Payables                           | 188  | 135  |                                 |
| Other Payables and Accruals              | 4,463  | 1,959                                      |                                 |
| Tenancy Deposits                         | 20,256                                       | 16,083                                     |                                 |
| Provision for Income Distribution        | 9,600  | 11,232                                     |                                 |
| Borrowings                               | 301,500                                      | 184,000                                    |                                 |
| <b>TOTAL LIABILITIES</b>                 | <b>336,007</b>                               | <b>213,409</b>                             |                                 |
| <b>NET ASSET VALUE</b>                   | <b>402,101</b>                               | <b>374,389</b>                             |                                 |
| <b>Financed by:</b>                      |  |  |                                 |
| Unitholders' Capital                     | 328,137                                      | 328,137                                    |                                 |
| Undistributed Income - realised          | 6,008  | 2,410                                      |                                 |
| Undistributed Income - unrealised        | 67,956                                       | 43,842                                     |                                 |
| <b>TOTAL UNITHOLDERS' FUND</b>           | <b>402,101</b>                               | <b>374,389</b>                             |                                 |

# Debt Profile

## Hektar REIT's Long-term Debt Structure

- Fixed Term Tenure Annual Floating Rate
- Total Debt: RM301.5 million
- Weighted Average Cost of Capital: **4.70%**
- As at 31 December 2008
- Unencumbered Asset: Wetex Parade

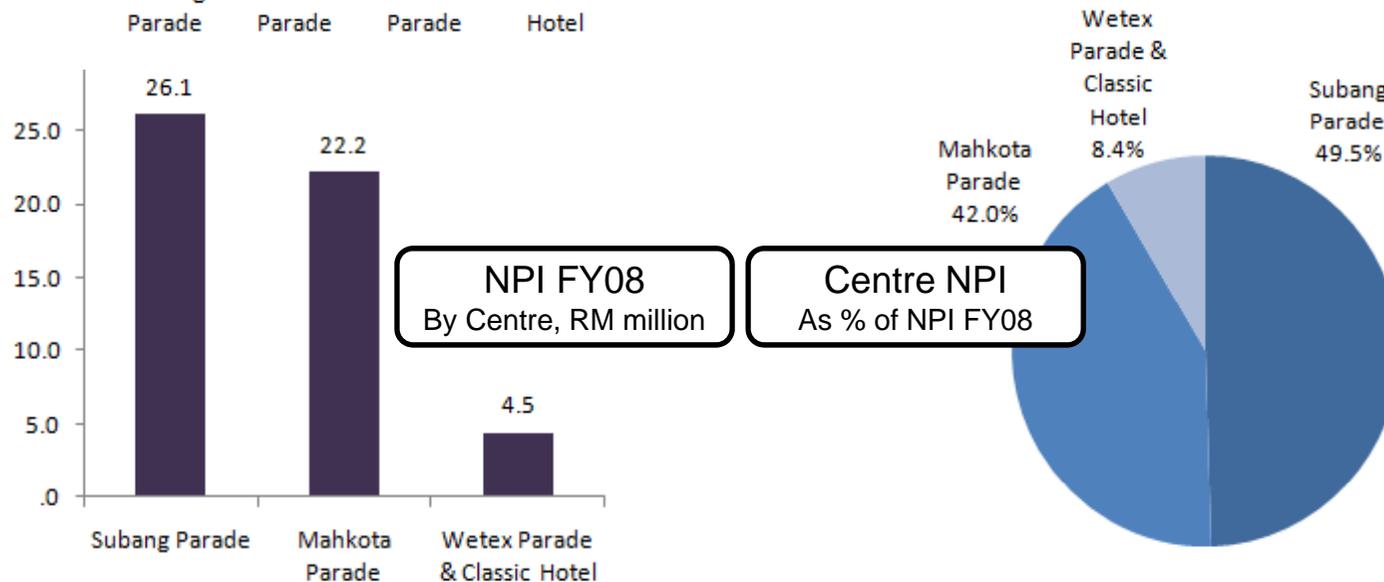
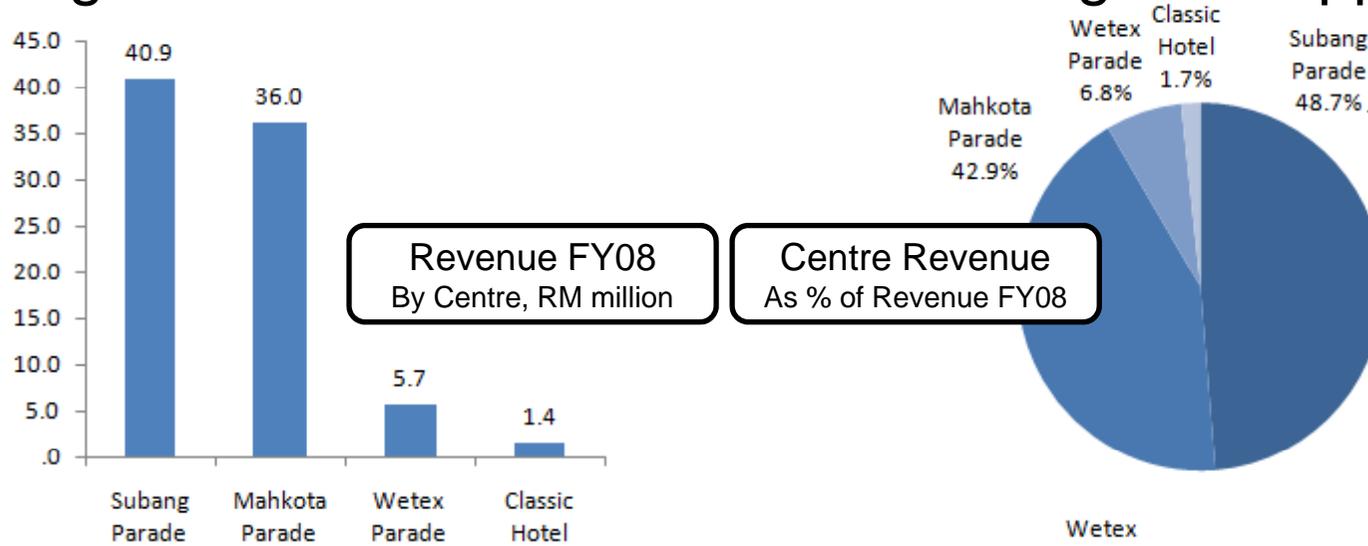


| Debt Structure  |
|---|
| Al-Murabahah / OD<br>Fixed Term Loan<br>Annual Floating Rate<br>Rate: Cost of Funds +0.75%  |
| Tranche 1   |
| Term: 5 years<br>Expiry: 2011<br>Pledged: Subang Parade<br>Size: RM184 million<br>Drawdown: RM184 million<br>Cost: 3.79% + 0.75%<br>Rate Reset: December 2009 |
| Tranche 2   |
| Term: 5 years<br>Expiry: 2013<br>Pledged: Mahkota Parade<br>Size: RM150 million<br>Drawdown: RM117.5 million<br>Cost: 4.20% + 0.75%<br>Rate Reset: March 2009 |
| Gearing (Debt/GAV)*   |
| <b>40.8%</b>  |

\* SC Guidelines (2005): Gearing Limited for Malaysian REITs: 50% of GAV (Gross Asset Value)

# Centre Breakdown

Subang Parade remains Hektar REIT's largest shopping centre



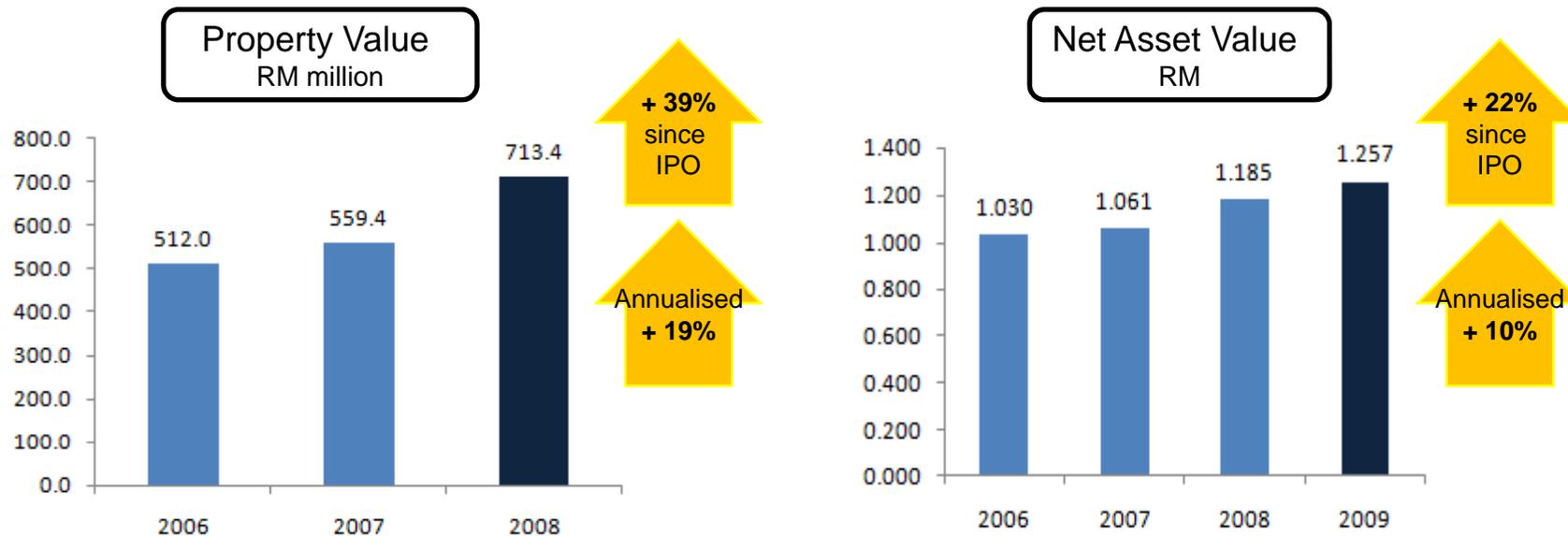
Note: Wetex Parade & Classic Hotel was acquired in May 2008: results are for 8 months only. Revenue from Classic Hotel is based on a fixed annual net lease. NPI = Net Property Income

# Valuation

## Hektar REIT Portfolio Revalued up 5% in 2008

| Property                     | Unaudited Book Value<br>30 Sep 2008<br>RM ('000) | Re-Valuation<br>30 Nov 2008<br>RM ('000) | Share<br>(%) | Revaluation<br>Surplus<br>RM ('000) | Change<br>(%) | Cap Rates<br>(Term)           |
|------------------------------|--|--|--------------|-------------------------------------|---------------|-------------------------------|
| Subang Parade                | 313,789  | 331,400                                  | 46%          | 17,611                              | 6%            | 7.25%                         |
| Mahkota Parade               | 248,000  | 252,000                                  | 35%          | 4,000                               | 2%            | 7.50%                         |
| Wetex Parade & Classic Hotel | 119,946  | 130,000                                  | 18%          | 10,054                              | 8%            | Mall - 7.25%<br>Hotel - 9.25% |
| <b>Total</b>                 | <b>681,734</b>                                   | <b>713,400</b>                           | <b>100%</b>  | <b>31,666</b>                       | <b>5%</b>     |                               |

Note: As per Bursa Malaysia announcement dated 13 January 2009 based on independent valuation



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