
Hektar REIT FY2008 Net Income up 7%

Net Income Outperformed Forecast by 25.7%

FY2008 DPU at 10.20 sen, exceeds FY2007 by 3.2% on an annualised basis

Final Quarter DPU declared at 3.00 sen

Kuala Lumpur, February 4, 2009 – Hektar Asset Management Sdn Bhd (“Hektar”) announced today that Hektar Real Estate Investment Trust (“Hektar REIT”) recorded solid growth in revenue to RM84.1 million for the financial year ended December 31, 2008 (“FY2008”), an increase of 7.4% from the previous year of RM78.3 million.

Net income (realised) rose to RM36.2 million, or 11.32 sen per unit, which was 7% higher than annualised net income (realised) of 10.58 sen in the previous year. The previous financial year 2007 was a 13-month period ended December 31, 2007.

“We are pleased with our full year results for 2008”, Chief Executive Officer of Hektar Asset Management Sdn Bhd, Dato’ Jaafar Abdul Hamid said.

“In spite of the turbulent financial markets and uncertainties in the global economy, the financial performance at our shopping centres continued to exceed its forecast targets”, he continued.

“We believe our strategy of focusing on neighbourhood shopping centres, which are well-located in significant population centres, has provided the REIT with solid, stable assets. Most of the retailers in our shopping centres provide basic necessities and non-discretionary items which consumers need even in an economic downturn. Larger regional malls, typically those over 1 million square feet in size, may be more vulnerable to economic downturns, when consumers cut back on luxury and discretionary spending.”

Hektar REIT has shopping malls in Subang Jaya, Melaka and Muar. The portfolio continued to hold steady with an average occupancy of 95.8%. For the year, overall rental rate reversions were up an average 8% for new and renewed tenancies, indicating that rental rate growth was still positive in 2008.

Hektar declared a payout of 90% of the actual net income for FY2008, resulting in FY2008 dividend per unit (DPU) at 10.20 sen. The final quarter DPU was declared at 3.00 sen, following the three previous quarterly distributions each declared at 2.40 sen. On an annualised basis FY2008 DPU surpassed FY2007 by 3.2%.

The Book Closing Date is February 20, 2009 and the payment of the final quarter dividend of 3.00 sen will be made on March 5, 2009.

Based on the closing price of RM0.885 on 30 January, 2009, FY2008's DPU represented a yield of approximately 11.5%.

Hektar has increased FY2008 DPU by approximately 3.2% on an annualised basis compared to the previous year.

"We are delighted to increase our dividend payout to our unitholders last year", said Jaafar, "Our policy is to maintain our dividend in good times and bad times and we trust our unitholders will recognise our track record over time."

Overview of Hektar REIT Financial Results	FY 2008 (12 months) (RM '000)	FY2007 (13 months) (RM '000)	Variance (%)
Gross Revenue	84,276	78,454	+ 7.4%
Direct Cost & Property Expenses	(31,377)	(29,052)	- 8.0%
Net Property Income (NPI)	52,715	49,279	+ 7.0%
Net Income – Realised	36,238	36,682	- 1.2%
Net Income Per Unit – Realised (sen)	11.32	11.46	- 1.2%
Annualised Net Income Per Unit – Realised (sen)	11.32	10.58	+ 7.0%
Dividend Per Unit (DPU) (sen)	10.20	10.71	- 4.8%
Annualised DPU (sen)	10.20	9.89	+ 3.2%

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 Board of Bursa Malaysia Securities Berhad in December 2006 and currently owns 1.1 million square feet of retail space in Selangor, Melaka and Johor, with assets valued in excess of RM700 million. 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.

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