



Hektar Real Estate Investment Trust

FINANCIAL YEAR 2011 FINANCIAL RESULTS PRESENTATION

13 FEBRUARY 2012

HEKTAR ASSET MANAGEMENT SDN BHD



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The material that follows is a presentation of general background information about the activities of the Hektar Group (including Hektar REIT and any other affiliates) as at the date of this Presentation.

The information contained herein is given in summary form solely to provide an understanding of the business of the Hektar Group and does not purport to be complete. You should conduct your own investigation and analysis of the Hektar Group and other data contained in this Presentation. It is not intended to be relied upon as advice for investment or invitation to invest in the Hektar Group or an evaluation of the Hektar Group. No representation, warranty, express or implied, is made and no reliance should be placed on the accuracy, fairness or completeness of the information contained herein. This presentation may contain forward-looking statements that involves risks 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 Hektar Group's current view of future events.

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The past performance of Hektar REIT is not necessarily indicative of the future performance of Hektar REIT.

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 mainly consists of quality shopping centres situated in Subang Jaya, Bandar Melaka and Muar. Hektar REIT was listed on the Main Board of Bursa Malaysia Securities Berhad on 4 December 2006. 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 refer to the back page of this Presentation for Contact Information.

This Presentation should be read in conjunction with the Quarterly Report Announcement as reported on Bursa Malaysia.

Financial Summary

Financial Year 2011

1 January 2011 – 31 December 2011

Commentary

- FY2011 Dividend Per Unit: 10.50 sen (up 1.95%)
- Five Years Track Record of Positive Results

Operational & Financial Performance (Full Year)

- Portfolio Occupancy: ~ 97.5%
- Rent Reversions: ~ 20%
- Net Income per Unit (Realised) **12.17 sen**
vs. previous comparable period¹: + 2.0%
- 4Q11 Net Income per Unit (Realised): **3.12 sen**
vs. previous comparable quarter¹: - 3.4%

¹ FY 10 Net Income per unit: 11.93 sen, 4Q10 Net Income per unit: 3.23 sen

Dividend Distribution

Quarterly
Dividend Per Unit

(DPU), Final: **3.0 sen**
 FY 2011 DPU: **10.50 sen**
 DPU Yield²: **7.95%**

² Based on FY2011 DPU of 10.50 sen and closing price of RM1.32 on 30 December 2011.

Distribution Details

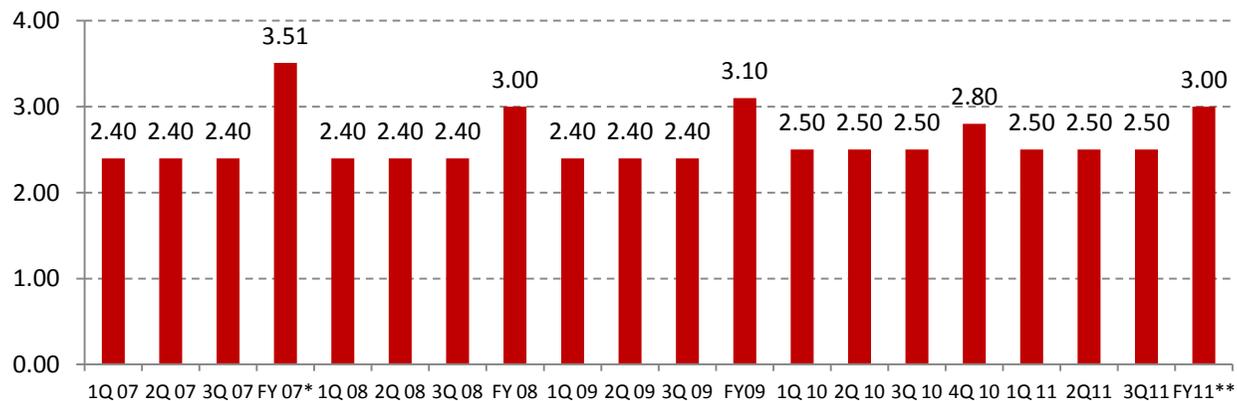
Hektar REIT Annual DPU Positive Growth Since IPO

Current Dividend Distribution Details

Fourth Quarter 2011

- Distribution Period: 1 October – 31 December 2011
- Quarterly DPU: 3.0 sen
- Notice of Entitlement: 13 February 2012
- Ex-Dividend Date: 2 March 2012
- Book Closure Date: 4 March 2012
- Payment Date: 18 March 2012

Dividend Distribution Track Record



Hektar REIT Dividend Policy

Barring unforeseen circumstances, Hektar REIT will pay dividends equivalent to at least 90% of distributable net income for the financial year 2011. Distributable net income excludes non-cash items such as FRS117 revenue recognition and capital allowances.

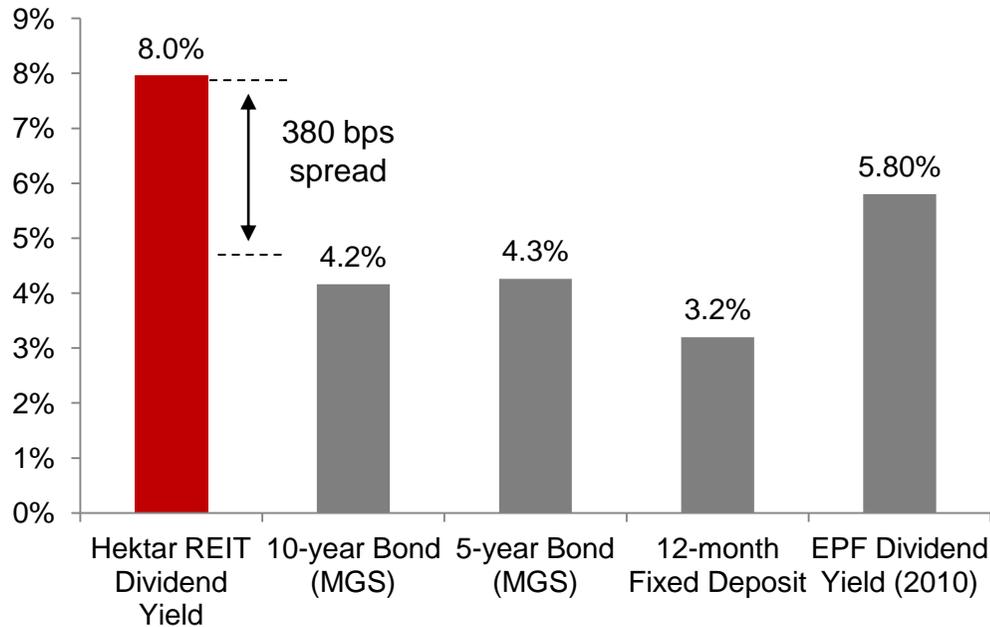
* FY 07 represented a 13 month period from December 2006 to 31 December 2007 ** Declared

Comparative Yields - Malaysia

Hektar REIT Dividend Yield at approximately 8.0%

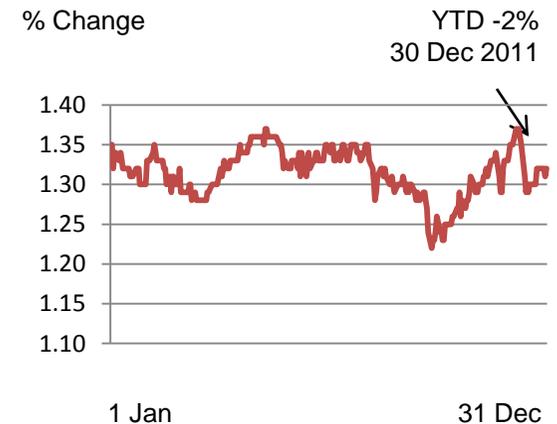
- Traded at a 380 bps spread over MGS 10-year

Hektar REIT Comparative Yields



Sources: Bloomberg (31 January 2011), EPF (March 2010). Hektar REIT's yield based on closing price of RM1.32 on 30 December 2011 and DPU of 10.50 sen.

Hektar REIT Unit Price Change FY2011 (12 months)



Portfolio Performance

- Overall Occupancy at ~97.5% ▶
- Visitor Traffic to Portfolio Hits 22.1 million ▶
- Rental Reversions +20% for FY2011 ▶
- Diversified Portfolio Tenancy Mix ▶
- Top Ten Tenants Contribute 27.6% of Monthly Rental Income ▶
- Tenancy Expiry Profile ▶
- Portfolio Tenancy Provisions ▶

Hektar REIT Portfolio - Occupancy

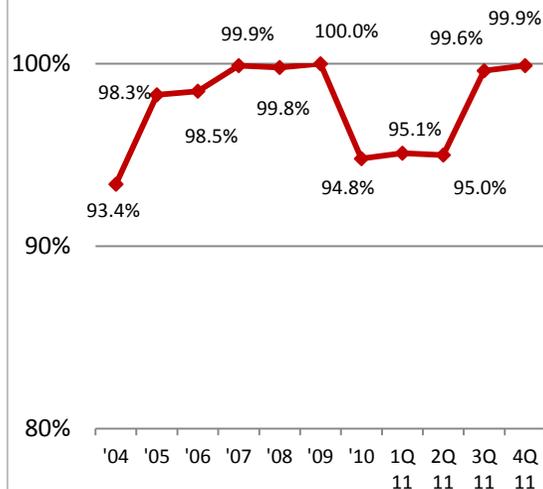
Overall Portfolio Occupancy at ~97.5%

Hektar REIT Portfolio Occupancy

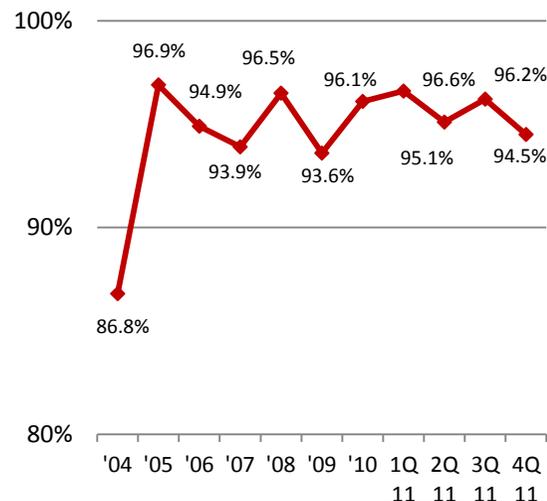
Property	As at 31	As at 31	As at 30	As at 31	As at 30						
	Dec 2004	Dec 2005	Sept 2006	Dec 2007	Dec 2008	Dec 2009	Dec 2010	Mar 2011	June 2011	As at 30 Sept 2011	As at 31 Dec 2011
Subang Parade	93.4%	98.3%	98.5%	99.9%	99.8%	100.0%	94.8%	95.1%	95.0%	99.6%	99.9%
Mahkota Parade	86.8%	96.9%	94.9%	93.9%	96.5%	93.6%	96.1%	96.6%	95.1%	96.2%	94.5%
Wetex Parade					83.1%	90.1%	95.6%	96.3%	99.6%	98.6%	98.6%
Overall*	91.3%	97.6%	96.7%	96.9%	95.8%	95.8%	95.5%	95.9%	95.7%	97.8%	97.5%

*Approximate average, weighted by Net Lettable Area.

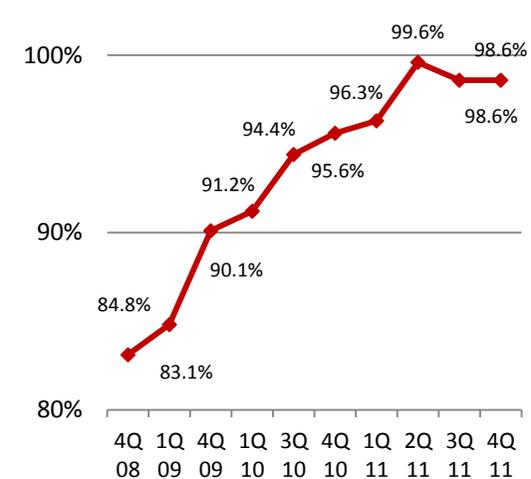
Subang Parade Occupancy (%)



Mahkota Parade Occupancy (%)



Wetex Parade Occupancy (%)



Hektar REIT Properties Recorded 22.1 million Visits in 2011

- Tracked by Footfall, camera-based system installed in each centre
- Overall traffic edged higher by 9.0% in 2011 v 2010
- Subang Parade traffic up 6.0% over previous year
- Mahkota Parade traffic up by 14.0% over previous year. (major refurbishment was completed in May 2010)
- Wetex Parade traffic at 5.9 million visits, an increase of 8.0% from 2010

Hektar REIT Visitor Traffic

Property	No. of Visits 2011	No. of Visits 2010	No. of Visits 2009	No. of Visits 2008	No. of Visits 2007	No. of Visits 2006
Subang Parade	7.95 million	7.52 million	7.76 million	7.62 million	7.84 million	5.92 million
<i>% Change in Traffic</i>	5.8%	-3.1%	1.8%	-2.8%	32.6%	4.0%
Mahkota Parade	8.17 million	7.19 million	7.88 million	8.32 million	8.82 million	8.64 million
<i>% Change in Traffic</i>	14.0%	-8.8%	-5.3%	-5.7%	2.1%	7.8%
Wetex Parade*	5.93 million	5.51 million	5.63 million	1.96 million	-	-
<i>% Change in Traffic</i>	7.6%	-2.2%				
Total	22.1 million	20.2 million	21.3 million	17.9 million	16.6 million	14.5 million

Note: Wetex Parade 2008 traffic figures from September – December, following Footfall installation.

Hektar REIT Portfolio – Rental Reversions

Rental Reversions +20% for the year

- 4Q 11: 27 new tenancies / renewals at 25% higher average rental rate
- Subang Parade recorded significant increases due to opening of new retail space for Cube. Excluding the new retail space rental reversion would be at 9%.
- Mahkota Parade FY11 rental reversion stabilised at +3% as compared to -1% in FY10.

Hektar REIT Rental Reversions: Quarter

Fourth Quarter (3 months) (Ended 31 December)	No. of New Tenancies / Renewals	NLA (sq ft)	% of Total NLA	% Increase / (Decrease) Over Previous Rent Rates
Subang Parade	13	57,457	12%	31%
Mahkota Parade	7	31,936	7%	17%
Wetex Parade	7	4,832	3%	14%
Total / Average*	27	94,225	8%	25%

*Average Weighted by NLA. NLA = Net Lettable Area

Addition of new retail space at Subang Parade for Cube and Rosette.

Hektar REIT Rental Reversions: Year-To-Date

Full Year (12 months) (Ended 31 December)	No. of New Tenancies / Renewals	NLA (sq ft)	% of Total NLA	% Increase / (Decrease) Over Previous Rent Rates
Subang Parade	68	173,683	35%	31%
Mahkota Parade	32	114,276	25%	3%
Wetex Parade	24	101,405	65%	20%
Total / Average*	124	389,364	35%	20%

*Average Weighted by NLA. NLA = Net Lettable Area

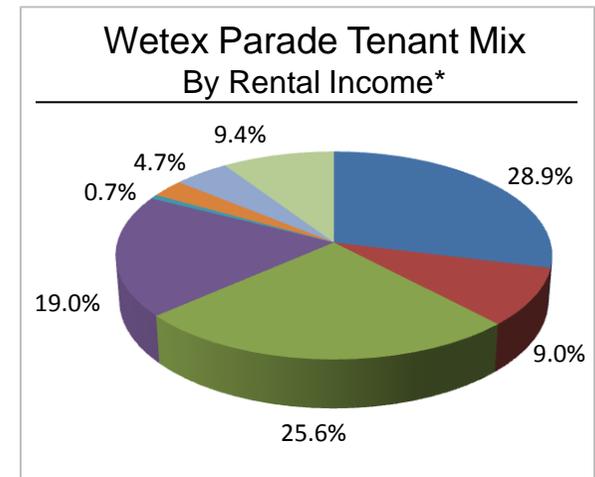
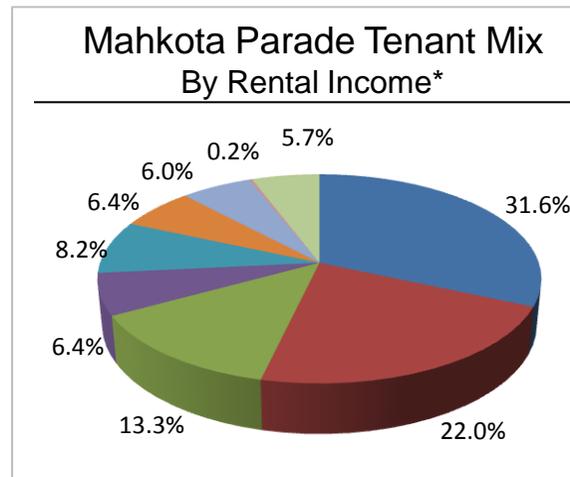
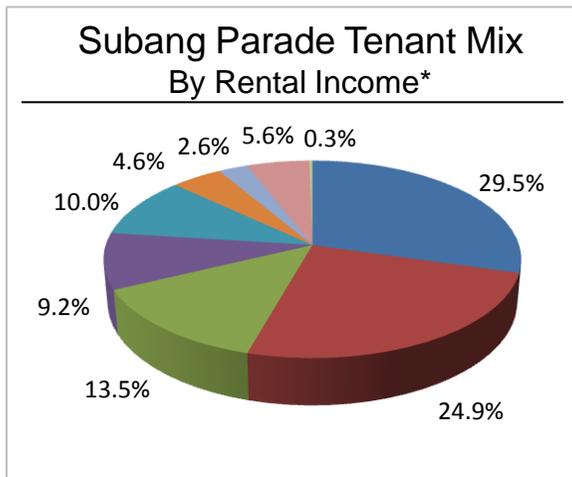
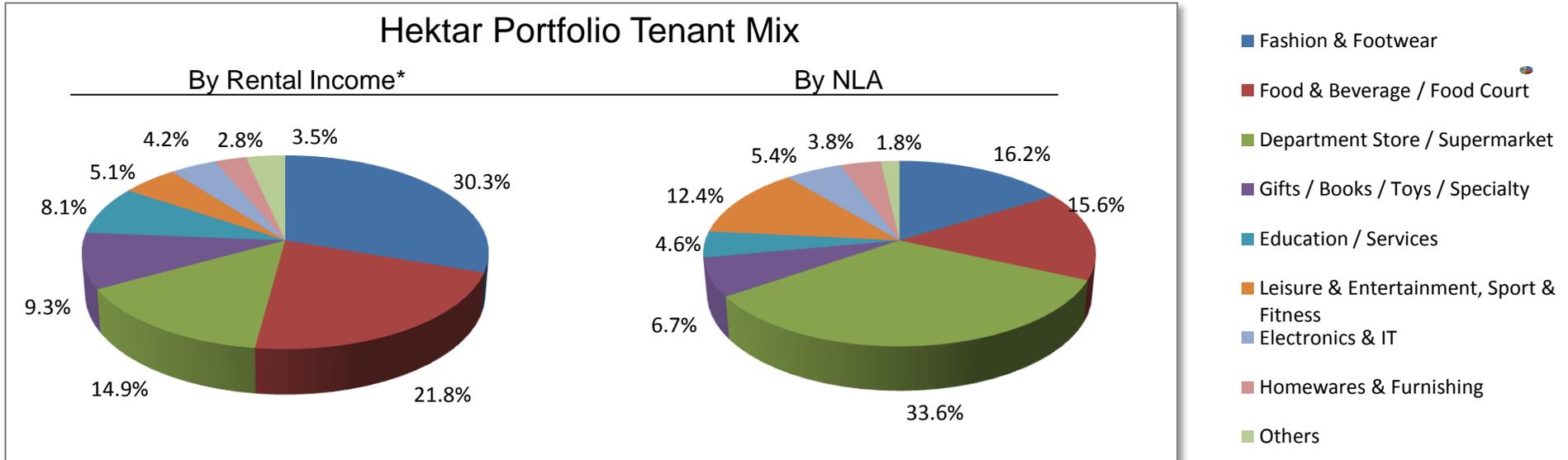
Opening of new retail area at the Market Place & Cube

Launching of Quadrix

Hektar Portfolio – Tenant Mix

Diversified Portfolio Tenant Mix

- Fashion, Footwear, F&B are largest sectors within overall portfolio



* Based on monthly rental income for December 2011. NLA = Net Lettable Area

Top Ten Tenants Contribute 26.3% of Monthly Rental Income

- Concentration Risk: Parkson contributes ~11.1% of total monthly rental income to REIT

Hektar REIT Top Ten Tenants by Monthly Rental Income

As at 31 December 2011

	Tenant	Trade Sector	NLA (sq ft)	% of Total NLA	% of Monthly Rental Income*
1	Parkson	Department Store	254,009	22.9%	11.1%
2	The Store	Department Store	85,413	7.7%	3.1%
3	McDonald's	Food & Beverage	12,946	1.2%	1.9%
4	The Reject Shop	Fashion & Footwear	17,695	1.6%	1.7%
5	Ampang Superbowl	Leisure & Entertainment	36,717	3.3%	1.5%
6	World Of Sports	Fashion & Footwear	11,517	1.0%	1.5%
7	Kenny Rogers Roasters	Food & Beverage	7,096	0.6%	1.5%
8	K.F.C.	Food & Beverage	10,282	0.9%	1.4%
9	Celebrity Fitness	Sport & Fitness	34,317	3.1%	1.4%
10	Bata	Fashion & Footwear	4,200	0.4%	1.3%
	Top 10 Tenants (By Monthly Rental Income)		474,192	42.7%	26.3%
	Other Tenants		637,337	57.3%	73.7%
	Total		1,111,529	100.0%	100.0%

* Based on monthly rental income for December 2011. NLA = Net Lettable Area

Hektar REIT Portfolio – Tenancy Expiry Profile

Hektar REIT Tenancy Expiry Profile by Property

Hektar REIT Tenancy Expiry Profile by Property

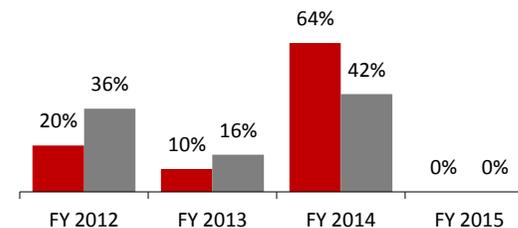
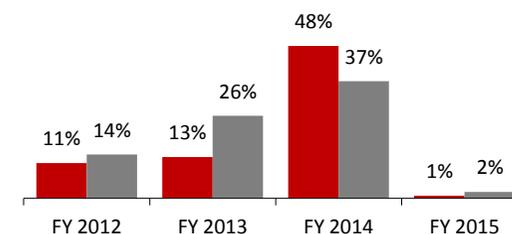
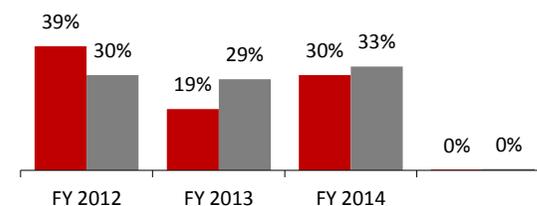
As At 31 December 2011

Subang Parade 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 2012	27	194,097	39%	30%
FY 2013	33	95,934	19%	29%
FY 2014	41	149,074	30%	33%
FY 2015	38	1,129	0%	0%

Mahkota Parade 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 2012	26	51,549	11%	14%
FY 2013	35	60,479	13%	26%
FY 2014	27	223,506	48%	37%
FY 2015	4	3,688	1%	2%

Wetex Parade 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 2012	55	31,141	20%	36%
FY 2013	25	15,287	10%	16%
FY 2014	13	99,687	64%	42%
FY 2015	-	-	0%	0%

*Based on monthly rental income for December 2011. Figures may not round to 100% due to misc. items



■ By Total NLA ■ By Monthly Rental Income

Hektar REIT Portfolio – Tenancy Expiry Profile

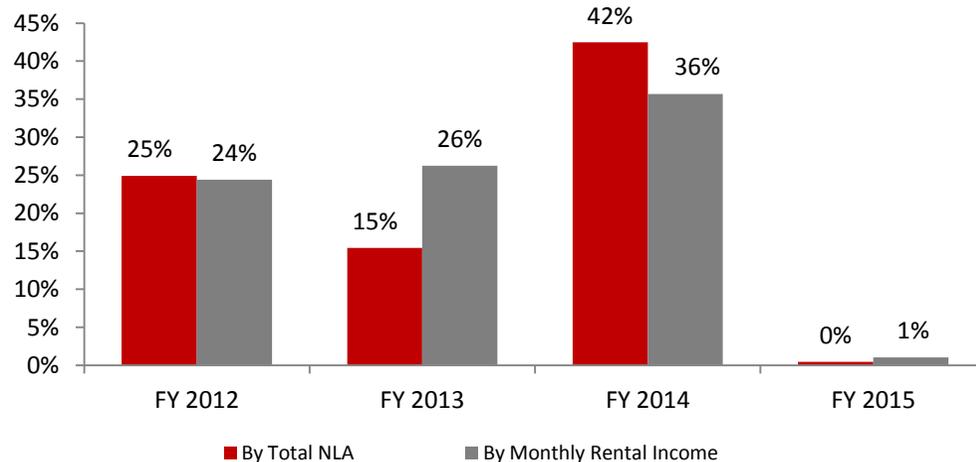
Tenancy Portfolio Expiry Profile 2012 – 2015

- FY2012 108 tenancy expiries account for approximately 24% of monthly rental income*

Hektar REIT Tenancy Expiry Profile – Overall Portfolio

As At 31 December 2011

Overall 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 2012	108	276,787	25%	24%
FY 2013	93	171,700	15%	26%
FY 2014	81	472,267	42%	36%
FY 2015	42	4,817	0%	1%

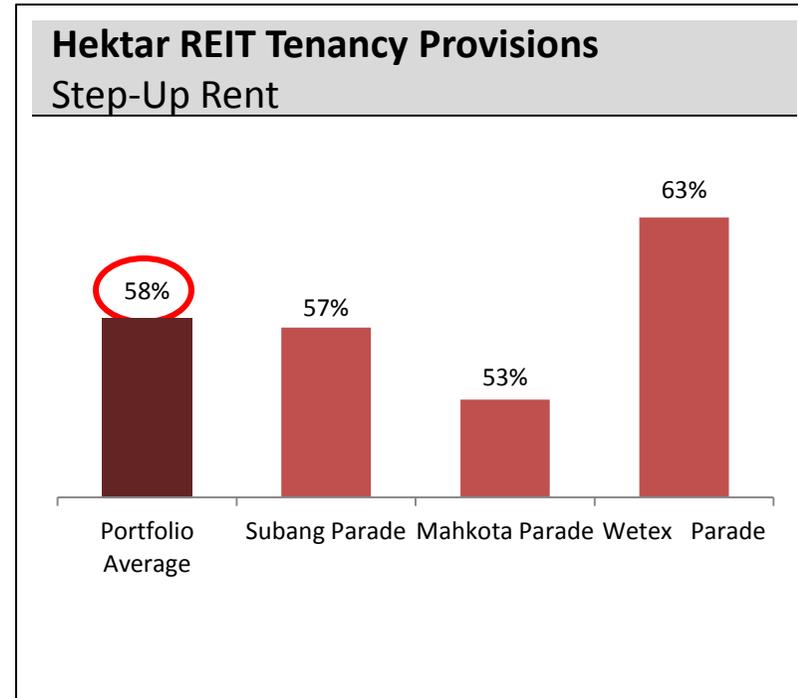
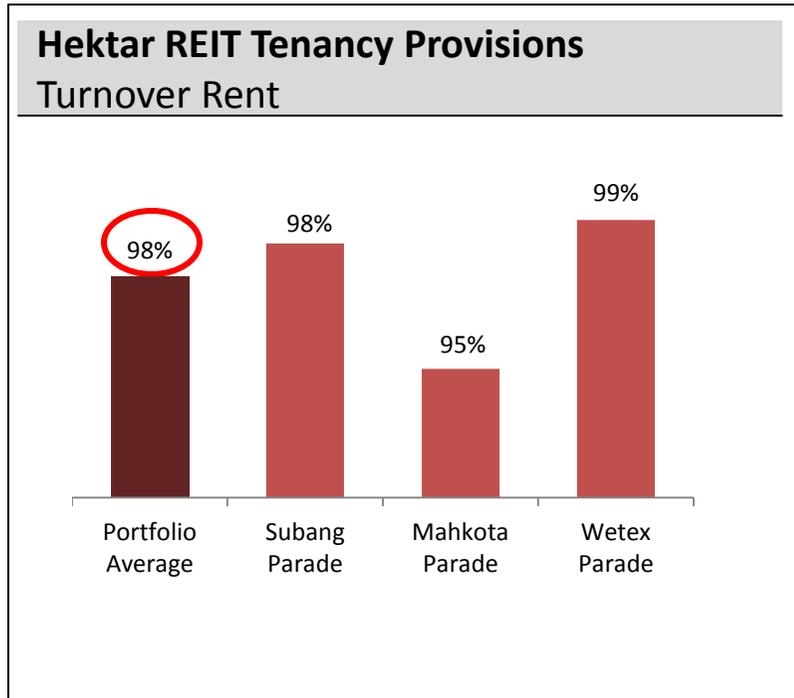


* Based on monthly rental income for December 2011. NLA = Net Lettable Area

Hektar Portfolio – Tenancy Provisions

Hektar Portfolio Tenancy Provisions in 2011

- Turnover Rent provisions present in 98% of all tenancies
- Step-Up Rent provisions present in 58% of all tenancies



Notes: Data as at 31 December 2011. 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

- 4Q2011 Net Income (Realised) down 4% from previous period ►
- Year-To-Date 2011 Net Income (Realised) up 2% from previous period ►
- Hektar REIT Average Cost of Debt at 4.21% ►
- Centre Breakdown ►
- Valuations ►

Income Statement – Quarter Comparative

4Q2011 Net Income up >100% vs corresponding quarter 4Q2010

- Fair Value Adjustment of RM47.7 million in 4Q11

Income Statement Fourth Quarter 2011 (Unaudited)	4Q11 (RM '000)	4Q10 (RM '000)	Variance (%)
Revenue	24,255	24,036	+ 0.9%
Direct Cost & Property Expenses	(9,102)	(8,731)	+ 4.2%
Net Property Income (NPI)	15,154	15,305	- 1.0%
Interest & Other Income	60	64	- 6.1%
Total Income	15,213	15,368	- 1.0%
Trust Fees & Expenses	(1,815)	(2,353)	- 22.8%
Interest Expense	(3,444)	(2,686)	+ 28.2%
Fair Value Adjustment of Investment Properties	47,737	1,012	+ 4618.7%
Net Income Before Tax	57,691	11,341	+ 408.7%
Net Income per Unit (sen)	18.03	3.544	+ 408.7%
- realised	3.11	3.23	- 3.6%

Note: With effect from 1 January 2010, revenue is now reported following implementation of FRS 117, which recognises rental income on an averaged basis over the term of tenancy; step-up rent in future periods is averaged and reported proportionately in the present period, while turnover rent is recognised in each accounting period on a receipt basis.

Income Statement – Year-To-Date Comparative

FY2011 up >100% vs FY2010

For Period 1 January – 31 December 2011 (versus previous comparable period)

Income Statement Year-To-Date 2011 (Unaudited)	FY11 (RM '000)	FY10 (RM '000)	Variance (%)
Revenue	94,881	90,873	+ 4.4%
Direct Cost & Property Expenses	(36,585)	(35,530)	+ 3.0%
Net Property Income (NPI)	58,296	55,343	+ 5.3%
Interest & Other Income	177	175	+ 1.3%
Total Income	58,473	55,518	+ 5.3%
Trust Fees & Expenses	(6,787)	(7,197)	- 5.7%
Interest Expense	(12,772)	(10,149)	+ 25.8%
Fair Value Adjustment of Investment Properties	47,737	1,012	+ 4618.7%
Net Income Before Tax	86,651	39,184	+ 121.1%
Net Income per Unit (sen)	27.08	12.24	+ 121.1%
- realised	12.16	11.93	+ 1.9%

Note: With effect from 1 January 2010, revenue is now reported following implementation of FRS 117, which recognises rental income on an averaged basis over the term of tenancy; step-up rent in future periods is averaged and reported proportionately in the present period, while turnover rent is recognised in each accounting period on a receipt basis. FRS117 rental income for FY2011 was RM1.12 million (FY2010: RM1.37 million). Barring unforeseen circumstances, Hektar REIT will pay dividends equivalent to at least 90% of distributable net income for the financial year 2010. Distributable net income excludes non-cash items such as FRS117 revenue recognition and capital allowances.

Hektar REIT's Balance Sheet for FY2011

Balance Sheet (Unaudited)	As at 31.12.2011 (RM '000)	As at 31.12.2010 (RM '000)
Non-Current Assets		
Investment Properties	822,000	752,000
Capital Work in Progress		553
Fixed Deposit with a licensed bank	2,339	2,269
	<u>824,339</u>	<u>754,822</u>
Current Assets		
Trade Receivables	3,003	1,931
Other Receivables, Deposits, Prepayments	20,452	1,016
Cash and Bank Balances	19,266	24,671
	<u>867,059</u>	<u>782,439</u>
TOTAL ASSETS		
Current Liabilities		
Trade Payables	267	565
Other Payables and Accruals	5,709	4,896
Tenancy Deposits	22,450	21,516
Borrowings		184,000
	<u>838,633</u>	<u>571,462</u>
Unitholders' Capital	328,137	328,137
Retained Earnings - realised	29,911	23,957
Retained Earnings - unrealised	117,106	69,368
NET ASSET VALUE	<u>475,153</u>	<u>421,462</u>
Long Term Liabilities		
Borrowings	363,480	150,000
	<u>838,633</u>	<u>571,462</u>

Unit Price Statistics As at 31 December 2011
No. of Units Outstanding 320,001,000
Net Asset Value (RM) 1.4848
Unit Price (RM) 1.32
Premium / (Discount) to NAV (11.1)%

Successful extension for another 5 years for Tranch 1 RM184 million loan expiring 2016.

Debt Profile

Debt Profile for FY 2011

Debt Information

As at 31 December 2011

- Total Debt: **RM363.48 million**
- Weighted Cost of Debt: **4.2%**
- Gearing Ratio¹: **41.9%**
- Interest Cover²: **7.8**
- Unencumbered Asset: **Wetex Parade**

¹ Gearing ratio calculated by total long term liabilities over Gross Asset Value (GAV).

² Based on quarter ended 31 Dec 2011

Financing Details

Al-Murabahah / OD
 Fixed Term Loan, Annual Floating Rate
 Structure: Cost of Funds + 0.75%

Tranche 1

- Term: 5 Years, Expiring **2016**
- Pledged: Subang Parade
- Facility Size: RM184 million
- Drawdown: Fully Drawn
- Cost: 4.24%
- Refinancing: December 2016

Tranche 2

- Term: 5 Years, Expiring **2013**
- Pledged: Mahkota Parade
- Facility Size: RM150 million
- Drawdown: Fully Drawn
- Cost: 4.16%
- Rate Reset: April 2012

Tranche 3

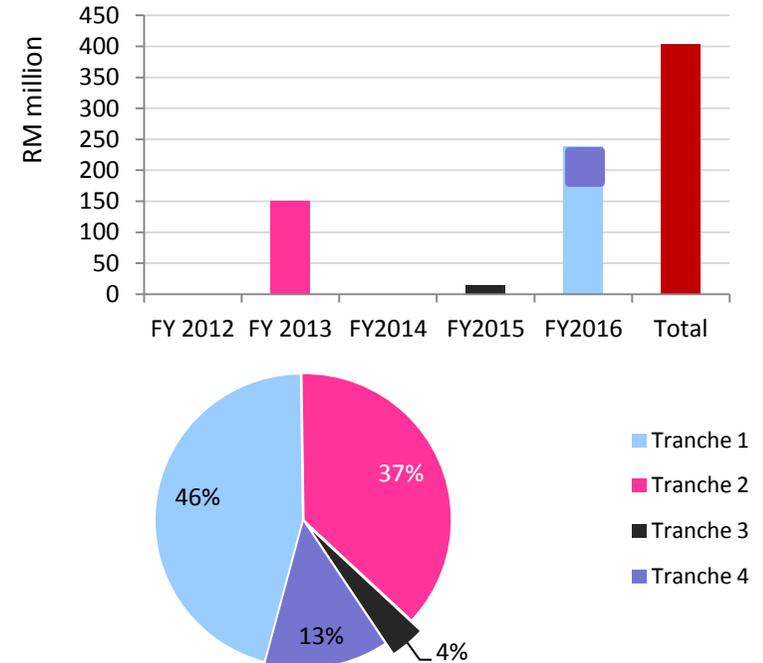
- Term: 5 Years, Expiring **2015**
- Pledged: Subang Parade
- Facility Size: RM15 million
- Drawdown: Fully Drawn
- Cost: 4.11%
- Refinancing: December 2015

Tranche 4

- Term: 5 Years, Expiring **2016**
- Pledged: Subang Parade
- Facility Size: RM15 million
- Drawdown: Partially Drawn
- Cost: 4.24%
- Refinancing: December 2016

Debt Expiry Profile

As at 31 December 2011

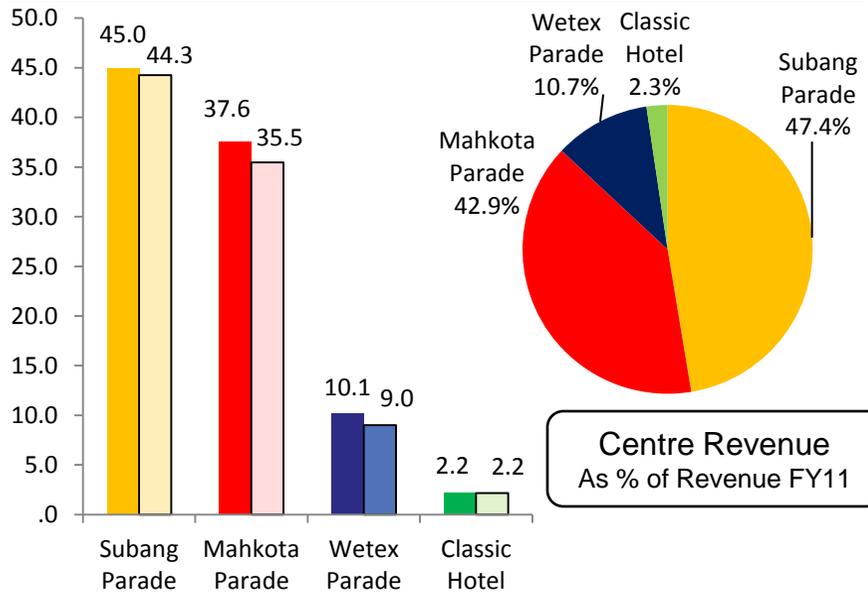


Centre Breakdown

Subang Parade remains Hektar REIT's flagship shopping centre

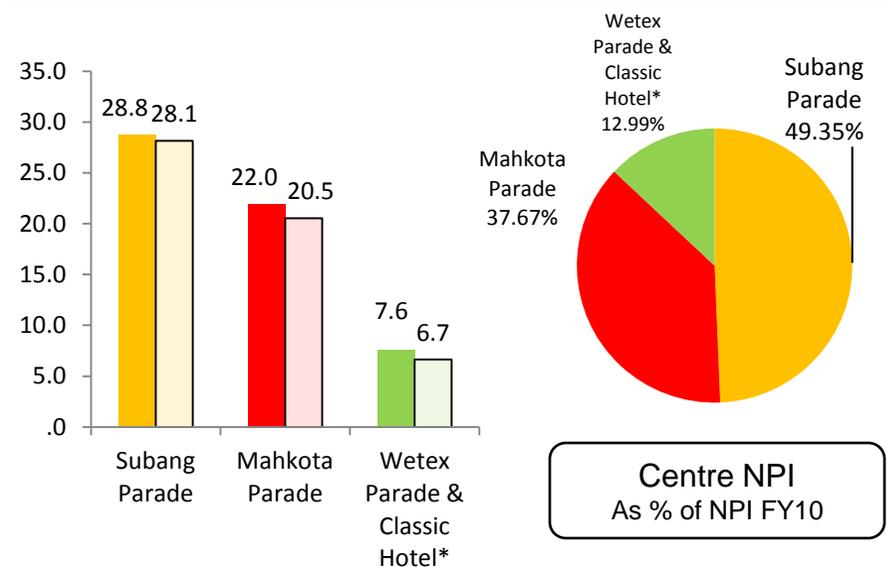
Revenue By Property

By Property	FY 2011 RM Mn	FY 2010 RM Mn	Change FY11 v FY10	FY 2011 Share
Subang Parade	45.0	44.3	1.6%	47.4%
Mahkota Parade	37.6	35.5	5.9%	39.6%
Wetex Parade	10.1	9.0	12.6%	10.7%
Classic Hotel	2.2	2.2	3.1%	2.3%
Total	94.9	90.9	4.4%	100.0%



Net Property Income (NPI) By Property

By Property	FY 2011 RM Mn	FY 2010 RM Mn	Change FY11 v FY10	FY 2011 Share
Subang Parade	28.8	28.1	2.2%	49.35%
Mahkota Parade	22.0	20.5	6.9%	37.67%
Wetex Parade & Classic Hotel*	7.6	6.7	13.7%	12.99%
Total	58.3	55.3	5.3%	100.0%



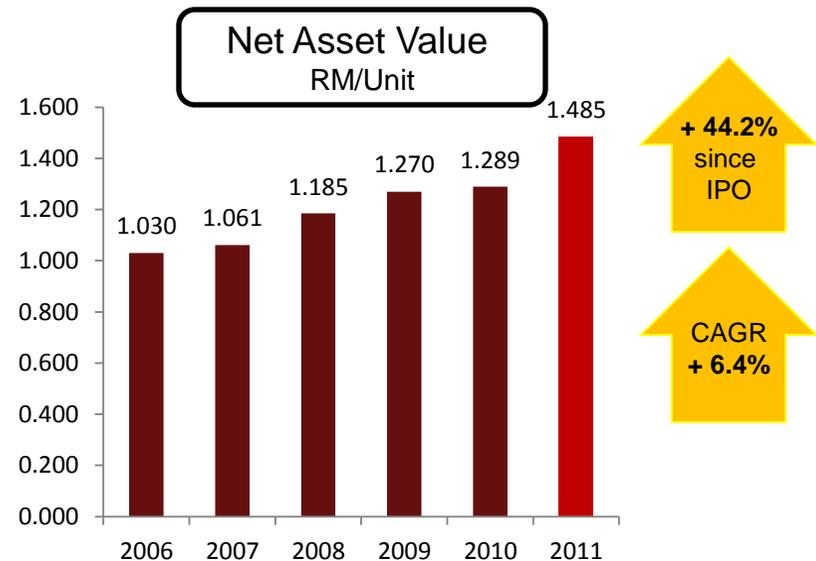
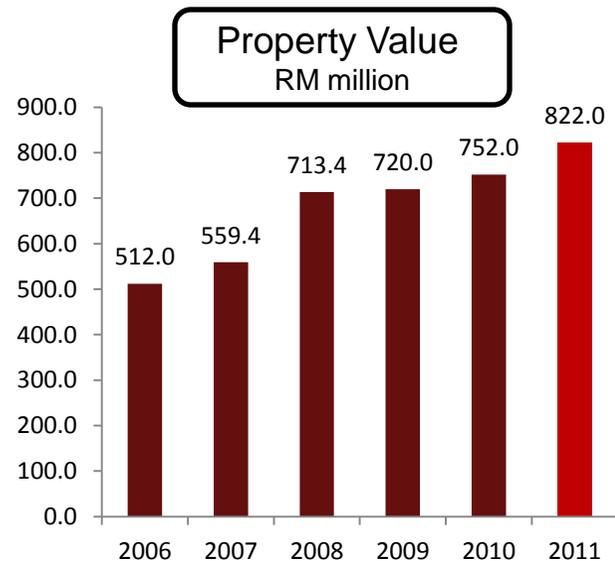
Notes: NPI = Net Property Income. FY = Financial Year.

Valuation

Hektar REIT Valuations

Stable Net Asset Value

Property	Audited Book Value 1 Jan 2011 RM ('000)	Acquisition / (Divestment) / Capital Expenditure in 2011 RM ('000)	Unaudited Book Value as at 31 Dec 2011 RM ('000)	Latest Market Valuation RM ('000)	Share (%)	Revaluation Surplus RM ('000)
Subang Parade	347,000	19,348	366,348	385,000	46.8%	18,652
Mahkota Parade	283,000	1,936	284,936	307,000	37.7%	22,064
Wetex Parade & Classic Hotel	122,000	979	122,979	130,000	15.8%	7,021
Total	752,000	22,263	774,263	822,000	100%	47,737



Note: Latest Market Valuation: as per Bursa Malaysia announcement dated December 2011 based on independent valuation

“Creating The Places Where People Love To Shop”

Investor Relations
Hektar Asset Management Sdn Bhd
D1-U3-10, Solaris Dutamas
No1, Jalan Dutamas 1
50480 Kuala Lumpur
MALAYSIA

 Tel: +6 03 6201 1011

 Fax: +6 03 6201 0012

 Web: www.HektarREIT.com



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