

FIRST QUARTER 2012 FINANCIAL RESULTS PRESENTATION

25 MAY 2012

HEKTAR ASSET MANAGEMENT SDN BHD



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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 2012

1 January 2012 – 31 December 2012

Commentary

- 1Q2012 Dividend Per Unit: 2.6 sen (highest Q1 dividend announced since listing)
- Five Years Track Record of Positive Results

Operational & Financial Performance (First Quarter)

- Portfolio Occupancy: ~ 98.2%
- Rent Reversions: ~ 8.9%
- Net Income per Unit (Realised) 3.04 sen
vs. previous comparable period/quarter¹: -2.2%
- Dividend per Unit (DPU) 2.60 sen
vs. previous comparable period¹: + 4.0%

¹ 1Q11 Net Income per unit: 3.11 sen

Dividend Distribution

First Quarter

Dividend Per Unit

(DPU) : **2.6 sen**

1Q11 DPU: **2.5 sen**

DPU Yield²: **7.6%**

² Based on 1Q12 DPU of 2.6 sen - annualised and closing price of RM1.37 on 30 March 2012.

Distribution Details

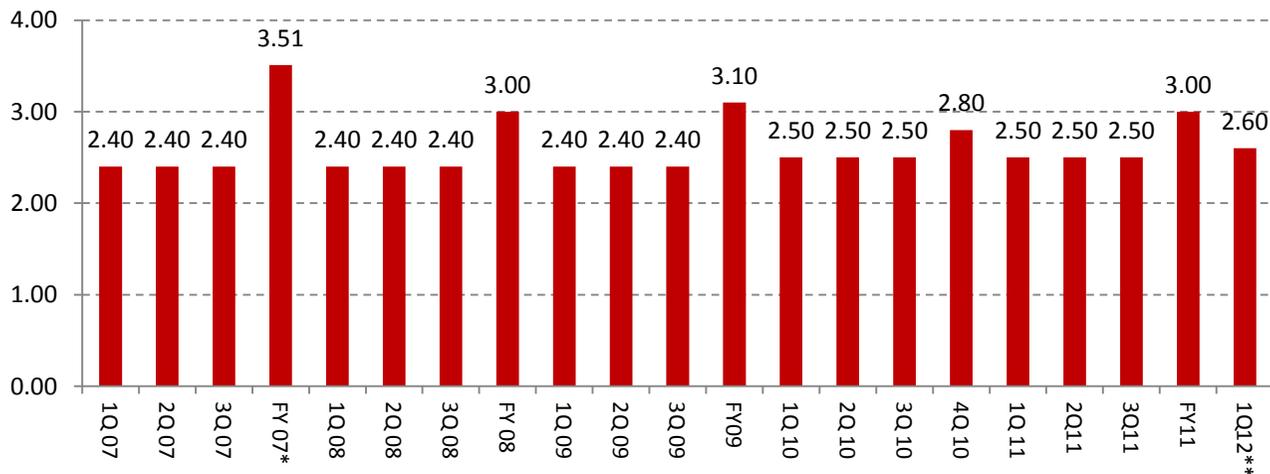
Hektar REIT Annual DPU Positive Growth Since IPO

Current Dividend Distribution Details

Fourth Quarter 2011

- Distribution Period: 1 January – 31 March 2012
- Quarterly DPU: 2.6 sen
- Notice of Entitlement: 25 May 2012
- Ex-Dividend Date: 7 June 2012
- Book Closure Date: 11 June 2012
- Payment Date: 26 June 2012

Dividend Distribution Track Record



Hektar REIT Dividend Policy

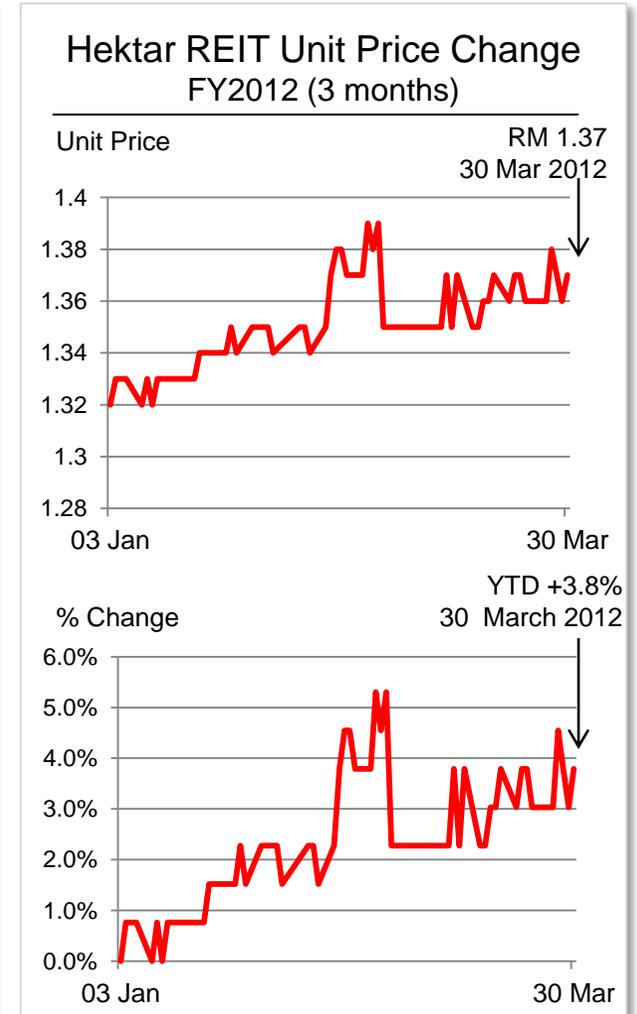
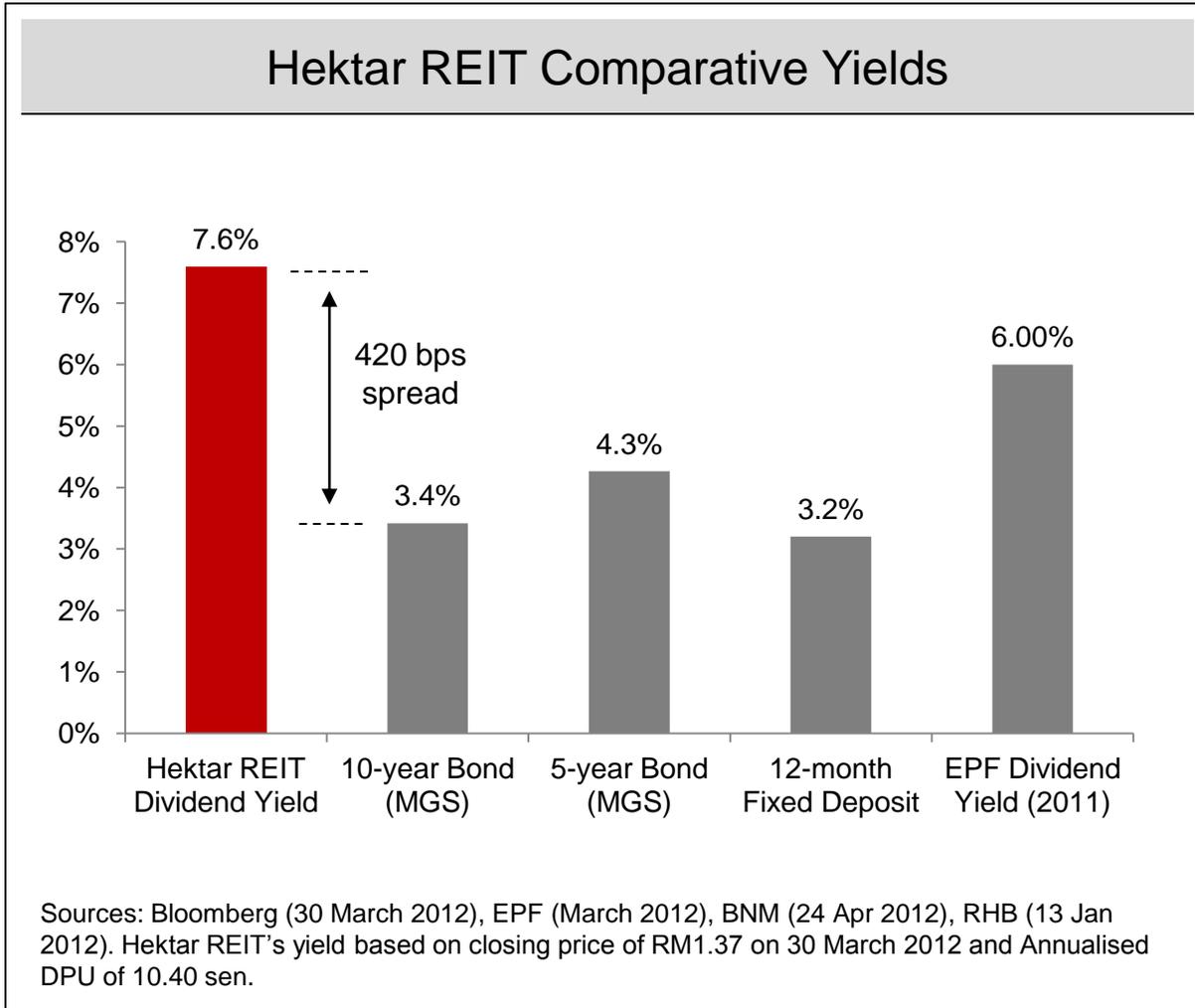
Barring unforeseen circumstances, Hektar REIT will pay dividends equivalent to at least 90% of distributable net income for the financial year 2012. Distributable net income excludes non-cash items such as FRS117 revenue recognition and capital allowances.

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

Comparative Yields - Malaysia

Hektar REIT Dividend Yield at approximately 7.6%

- Traded at a 420 bps spread over MGS 10-year



Portfolio Performance

- Overall Occupancy at ~98.2 ▶
- Rental Reversions +8.9% for 1Q12 ▶
- Diversified Portfolio Tenancy Mix ▶
- Tenancy Expiry Profile ▶
- 21% of Portfolio Tenancy Rental Income Expires in 2012 ▶
- Portfolio Tenancy Provisions ▶

Hektar REIT Portfolio - Occupancy

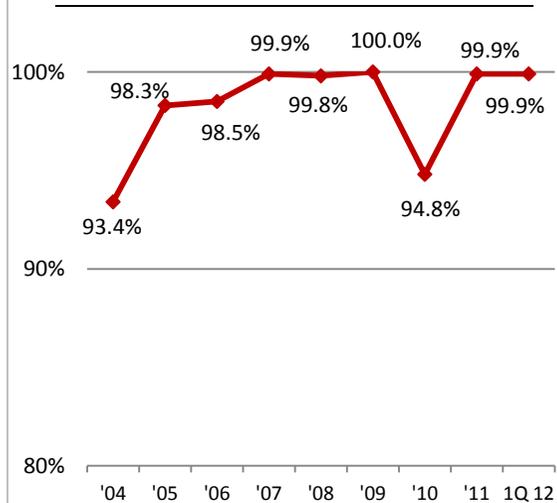
Overall Portfolio Occupancy at ~98.2%

Hektar REIT Portfolio Occupancy

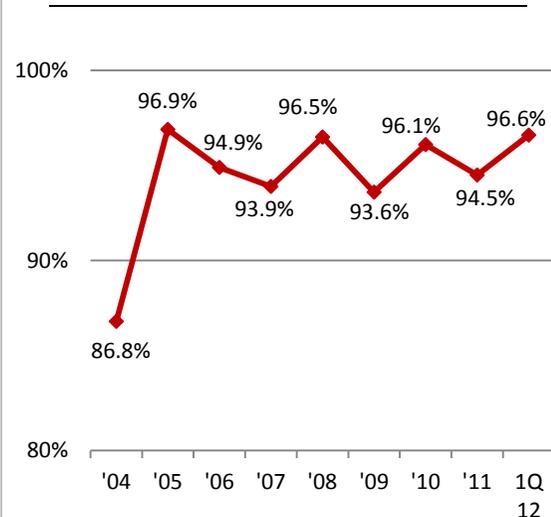
Property	As at 31 December 2004	As at 31 December 2005	As at 30 September 2006	As at 31 December 2007	As at 31 December 2008	As at 31 December 2009	As at 31 December 2010	As at 31 December 2011	As at 31 March 2012
Subang Parade	93.4%	98.3%	98.5%	99.9%	99.8%	100.0%	94.8%	99.9%	99.9%
Mahkota Parade	86.8%	96.9%	94.9%	93.9%	96.5%	93.6%	96.1%	94.5%	96.6%
Wetex Parade					83.1%	90.1%	95.6%	98.6%	98.2%
Overall*	91.3%	97.6%	96.7%	96.9%	95.8%	95.8%	95.5%	97.5%	98.2%

*Approximate average, weighted by Net Lettable Area.

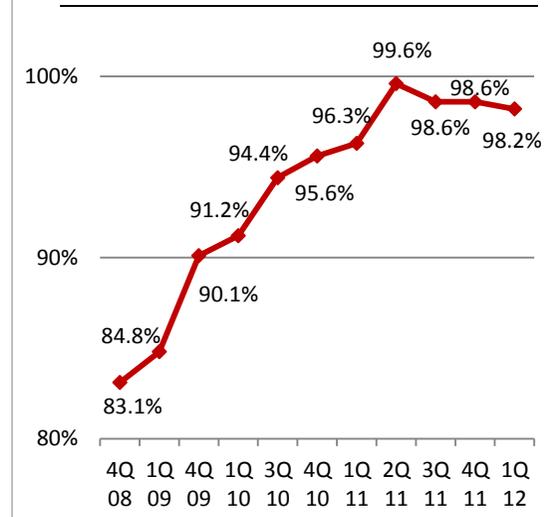
Subang Parade Occupancy (%)



Mahkota Parade Occupancy (%)



Wetex Parade Occupancy (%)



Hektar REIT Portfolio – Rental Reversions

Rental Reversions +9% for the year

- 1Q 12: 34 new tenancies / renewals at 9% higher average rental rate
- Wetex Parade continues to show strong reversion.
- Mahkota Parade FY11 rental reversion stabilised at +2%.

Hektar REIT Rental Reversions: Quarter

First Quarter (3 months) (Ended 31 March)	No. of New Tenancies / Renewals	NLA (sq ft)	% of Total NLA	Increase / (Decrease) Over Previous Rent Rates	%
Subang Parade	8	14,222	3%	11%	←
Mahkota Parade	8	11,774	2%	2%	
Wetex Parade	18	15,823	10%	14%	
Total / Average*	34	41,819	4%	9%	

*Average Weighted by NLA.

NLA = Net Lettable Area

New tenant : House
of DSLR recorded
>20% reversion

Hektar REIT Rental Reversions: Year-To-Date

First Quarter (3 months) (Ended 31 March)	No. of New Tenancies / Renewals	NLA (sq ft)	% of Total NLA	Increase / (Decrease) Over Previous Rent Rates	%
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Hektar REIT Portfolio – Tenancy Expiry Profile

Hektar REIT Tenancy Expiry Profile by Property

Hektar REIT Tenancy Expiry Profile by Property

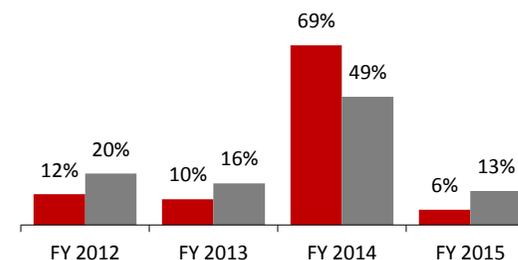
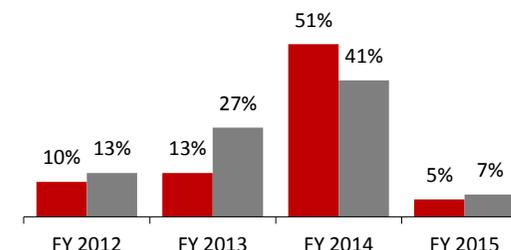
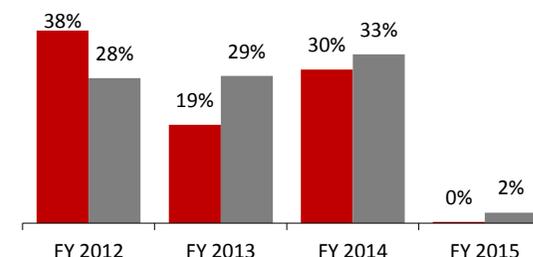
As At 31 March 2012

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	25	187,014	38%	28%
FY 2013	45	95,537	19%	29%
FY 2014	47	149,074	30%	33%
FY 2015	4	1,129	0%	2%

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	24	50,116	10%	13%
FY 2013	36	63,056	13%	27%
FY 2014	32	247,355	51%	41%
FY 2015	10	25,148	5%	7%

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	34	18,154	12%	20%
FY 2013	25	15,287	10%	16%
FY 2014	18	106,500	69%	49%
FY 2015	18	9,010	6%	13%

*Based on monthly rental income for March 2012. Figures may not round to 100% due to misc. items



■ By Total NLA ■ By Monthly Rental Income

Hektar REIT Portfolio – Tenancy Expiry Profile

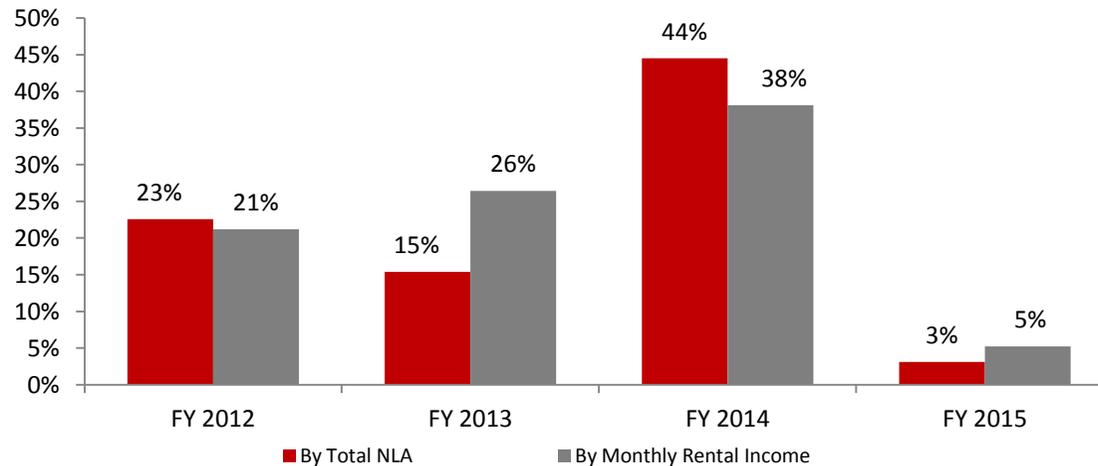
Tenancy Portfolio Expiry Profile 2012 – 2015

- FY2012 - 83 tenancy expiries account for approximately 21% of monthly rental income*

Hektar REIT Tenancy Expiry Profile – Overall Portfolio

As At 31 December 2011

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	83	255,284	23%	21%
FY 2013	106	173,880	15%	26%
FY 2014	97	502,929	44%	38%
FY 2015	32	35,287	3%	5%



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

Financial Results

1Q2012 Net Income (Realised) down 2.2% from previous period ►

Hektar REIT Average Cost of Debt at 4.21% ►

Income Statement – Quarter Comparative

1Q2012 Net Income down 2.2% vs corresponding quarter 1Q2011

Income Statement First Quarter 2012 (Unaudited)	1Q12 (RM '000)	1Q11 (RM '000)	Variance (%)
Revenue	24,456	23,340	+ 4.8%
Direct Cost & Property Expenses	(9,518)	(8,948)	+ 6.4%
Net Property Income (NPI)	14,938	14,392	+ 3.8%
Interest & Other Income	68	31	+ 117.5%
Total Income	15,006	14,424	+ 4.0%
Trust Fees & Expenses	(1,826)	(1,664)	+ 9.8%
Interest Expense	(3,455)	(2,816)	+ 22.7%
Fair Value Adjustment of Investment Properties	-	-	-
Net Income Before Tax	9,725	9,943	- 2.2%
Net Income per Unit (sen)	3.04	3.11	- 2.2%
- realised	3.04	3.11	- 2.2%

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

FY2012 down 2.2% vs FY2011

For Period 1 January – 31 March 2012 (versus previous comparable period)

Income Statement Year-To-Date 2011 (Unaudited)	FY12 (RM '000)	FY11 (RM '000)	Variance (%)
Revenue	24,456	23,340	+ 4.8%
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Balance Sheet

Hektar REIT's Balance Sheet for FY2011

Balance Sheet (Unaudited)	As at 31.03.2012 (RM '000)	As at 31.12.2011 (RM '000)
Non-Current Assets		
Investment Properties	822,000	822,000
Capital Work in Progress	476	
Fixed Deposit with a licensed bank	2,356	2,339
	<u>824,831</u>	<u>824,339</u>
Current Assets		
Trade Receivables	3,003	3,003
Other Receivables, Deposits, Prepayments	20,452	20,452
Cash and Bank Balances	19,266	19,266
TOTAL ASSETS	<u>867,551</u>	<u>867,059</u>
Current Liabilities		
Trade Payables	978	267
Other Payables and Accruals	4,844	5,709
Tenancy Deposits	22,762	22,450
Borrowings		
	<u>838,968</u>	<u>838,633</u>
Unitholders' Capital	328,137	328,137
Retained Earnings - realised	30,036	29,911
Retained Earnings - unrealised	117,106	117,106
NET ASSET VALUE	<u>475,279</u>	<u>475,153</u>
Long Term Liabilities		
Borrowings	363,480	363,480
	<u>838,759</u>	<u>838,633</u>

Unit Price Statistics

As at 30 March 2011

No. of Units Outstanding

320,001,000

Net Asset Value (RM)

1.4852

Unit Price (RM)

1.37

Premium / (Discount) to NAV

(7.8)%

Debt Profile

Debt Profile for FY 2012

Debt Information

As at 31 March 2012

- Total Debt: **RM363.48 million**
- Weighted Cost of Debt: **4.2%**
- Gearing Ratio¹: **41.9%**
- Interest Cover²: **3.82**
- Unencumbered Asset: **Wetex Parade**

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

² Based on quarter ended 31 Mar 2012

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

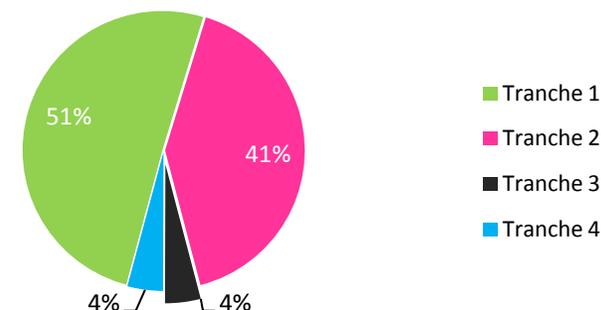
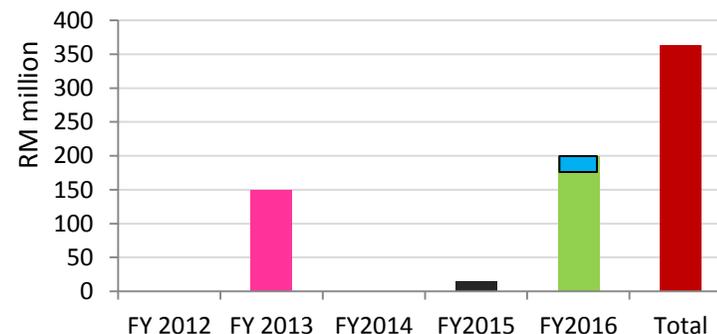
- Term: 5 Years, Expiring 2015
- Pledged: Subang Parade
- Facility Size: RM15 million
- Drawdown: Fully Drawn
- Cost: 4.11%
- Refinancing: December 2015

Tranche 4

- Term: 5 Years, Expiring 2016
- Pledged: Wetex Parade
- Facility Size: RM54.3 million
- Drawdown: Partially Drawn
- Cost: 4.24%
- Refinancing: December 2016

Debt Expiry Profile

As at 31 March 2012



“Creating The Places Where People Love To Shop”

Investor Relations
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