

THIRD QUARTER 2012 FINANCIAL RESULTS PRESENTATION

20 NOVEMBER 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

Third Quarter FY 2012

1 July 2012 – 30 September 2012

Commentary

- 3Q2012 Interim Dividend Per Unit: 2.6 sen
- Five Years Track Record of Positive Results

Operational & Financial Performance (Third Quarter)

- Portfolio Occupancy: ~ 97.8%
- Rent Reversions: ~ 8.7%
- Net Income per Unit (Realised) 3.11 sen
vs. previous comparable period/quarter¹: + 3.7%
- Dividend per Unit (DPU) 2.60 sen
vs. previous comparable period¹: + 4.0%

¹3Q11 Net Income per unit: 3.00 sen

Dividend Distribution

Third Quarter
Dividend Per Unit

(DPU) : **2.6 sen**

3Q11 DPU: **2.5 sen**

DPU Yield²: **7.4%**

²Based on 3Q12 DPU of 2.6 sen - annualised and closing price of RM1.40 on 28 Sep 2012.

Distribution Details

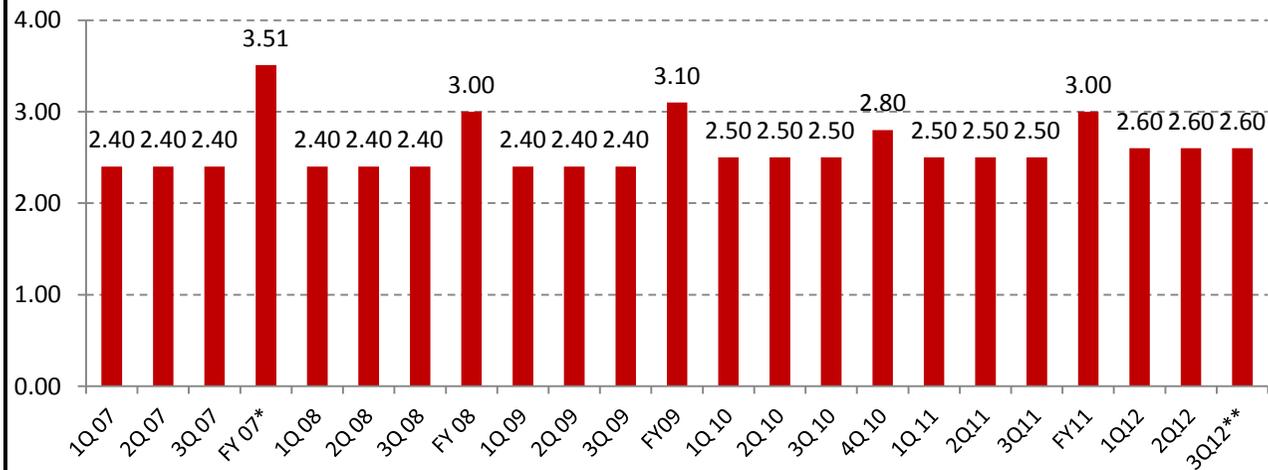
Hektar REIT Annual DPU Positive Growth Since IPO

Current Dividend Distribution Details

Third Quarter 2012

- Distribution Period: 1 July – 30 Sept 2012
- Quarterly DPU: 2.6 sen
- Notice of Entitlement: 10 September 2012
- Ex-Dividend Date: 26 September 2012
- Book Closure Date: 28 September 2012
- Payment Date: 18 October 2012

Dividend Distribution Track Record



Hektar REIT Dividend Policy

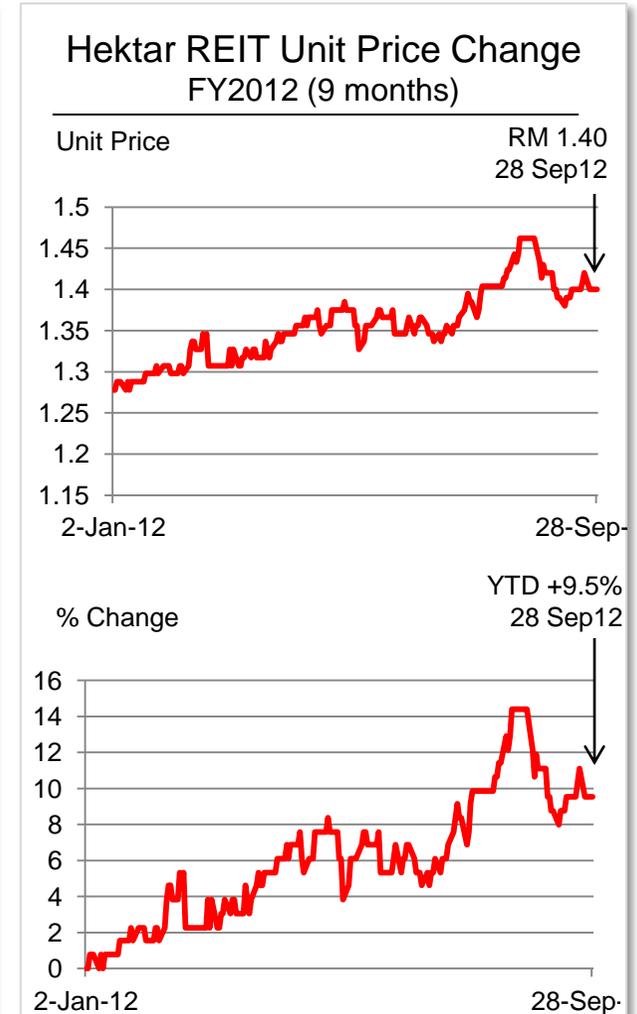
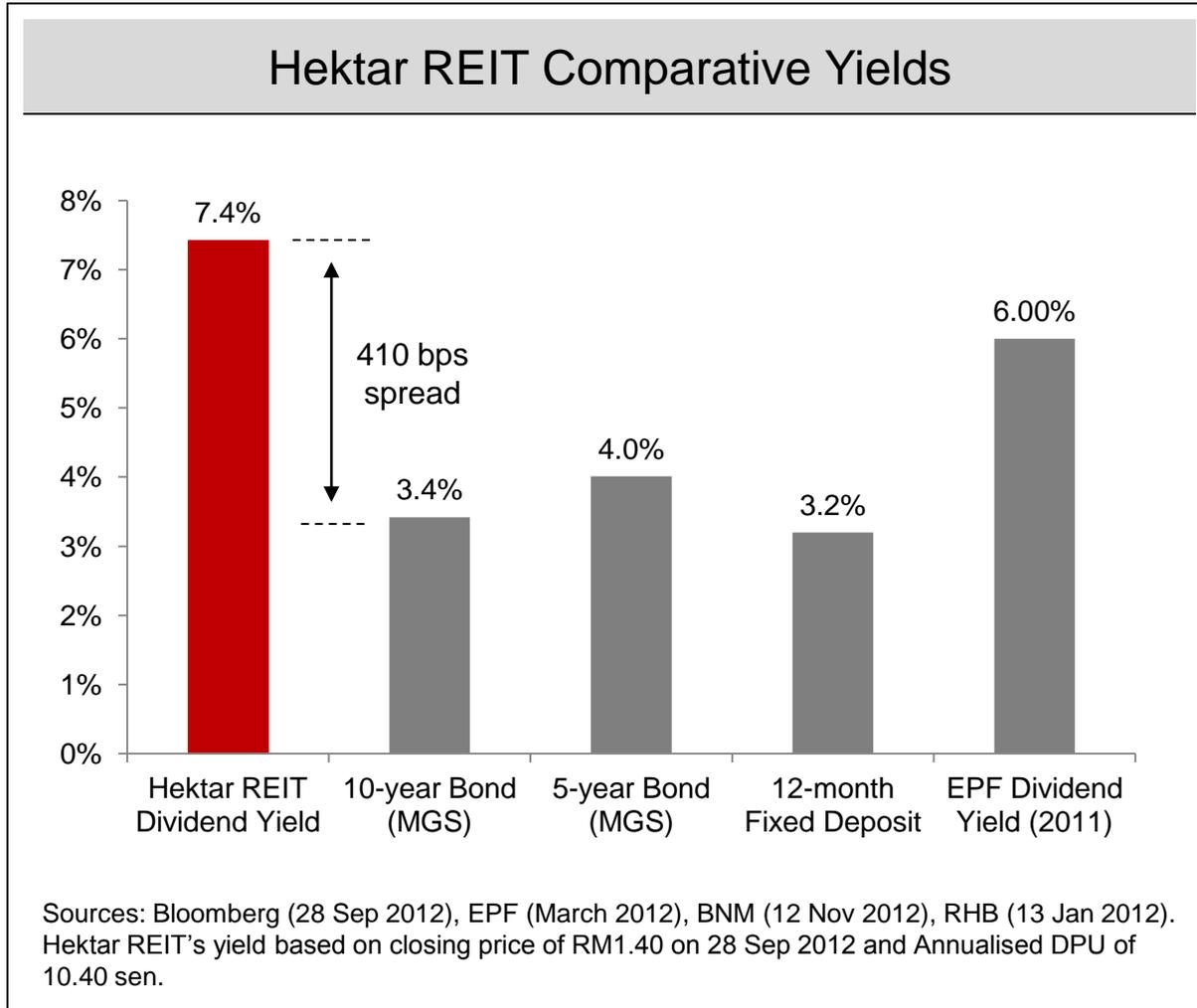
Barring unforeseen circumstances, Hektar REIT will pay dividends equivalent to at least 90% of distributable net income for the financial year 2012. Distributable net income excludes non-cash items such as FRS117 revenue recognition and capital allowances.

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

Comparative Yields - Malaysia

Hektar REIT Dividend Yield at approximately 7.4%

- Traded at a 400 bps spread over MGS 10-year



Portfolio Performance

- Overall Occupancy at ~97.8% ►
- Rental Reversions +8.7% for 3Q12 ►
- Tenancy Expiry Profile ►
- 27% of Portfolio Tenancy Rental Income Expires in 2013 ►
- Portfolio Tenancy Provisions ►

Hektar REIT Portfolio - Occupancy

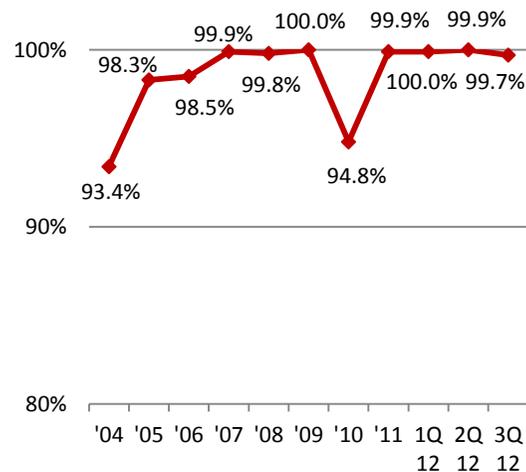
Overall Portfolio Occupancy at ~97.8%

Hektar REIT Portfolio Occupancy

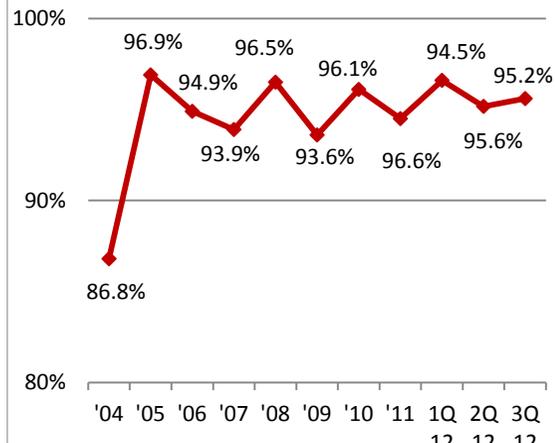
Property	As at 31 Dec 2004	As at 31 Dec 2005	As at 30 Sep 2006	As at 31 Dec 2007	As at 31 Dec 2008	As at 31 Dec 2009	As at 31 Dec 2010	As at 31 Dec 2011	As at 31 Mar 2012	As at 30 Jun 2012	As at 30 Sep 2012
Subang Parade	93.4%	98.3%	98.5%	99.9%	99.8%	100.0%	94.8%	99.9%	99.9%	100.0%	99.7%
Mahkota Parade	86.8%	96.9%	94.9%	93.9%	96.5%	93.6%	96.1%	94.5%	96.6%	95.2%	95.6%
Wetex Parade					83.1%	90.1%	95.6%	98.6%	98.2%	98.5%	98.6%
Overall*	91.3%	97.6%	96.7%	96.9%	95.8%	95.8%	95.5%	97.5%	98.2%	97.7%	97.8%

*Approximate average, weighted by Net Lettable Area.

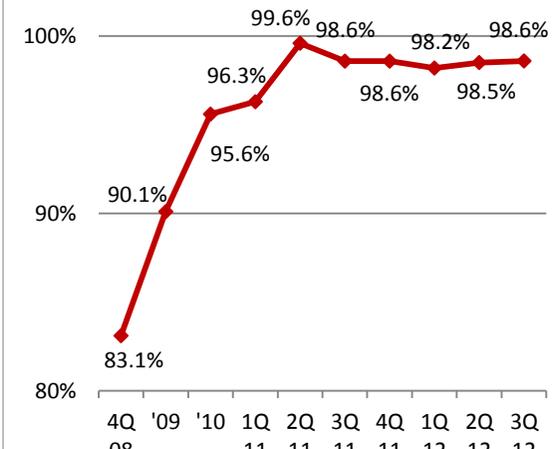
Subang Parade Occupancy (%)



Mahkota Parade Occupancy (%)



Wetex Parade Occupancy (%)



Rental Reversions +8% for the year

- 3Q 12: 25 new tenancies / renewals at 9% reversion rate
- Mahkota Parade recorded a negative reversion due to a new tenancy signed at -39% for a protracted vacant lot. Excluding the effect of this new tenancy, the reversion for 3Q12 would be +6.8%

Hektar REIT Rental Reversions: Quarter

Third Quarter (3 months) (Ended 30 September)	No. of New Tenancies / Renewals	NLA (sq ft)	% of Total NLA	Increase / (Decrease) Over Previous Rent Rates	%
Subang Parade	13	53,720	11%		15%
Mahkota Parade	9	33,067	7%		-2%
Wetex Parade	3	2,131	1%		6%
Total / Average*	25	88,918	8%		9%

*Average Weighted by NLA.

NLA = Net Lettable Area

Low reversion rate due to new tenancy signed for a protracted vacant lot (New tenant : Old Town White Coffee)

Hektar REIT Rental Reversions: Year-To-Date

Year-To-Date (9 months) (Ended 30 September)	No. of New Tenancies / Renewals	NLA (sq ft)	% of Total NLA	Increase / (Decrease) Over Previous Rent Rates	%
Subang Parade	24	216,379	43%		10%
Mahkota Parade	27	73,024	15%		1%
Wetex Parade	36	26,665	17%		13%
Total / Average*	87	316,068	28%		8%

*Average Weighted by NLA.

NLA = Net Lettable Area

Hektar REIT Portfolio – Tenancy Expiry Profile

Hektar REIT Tenancy Expiry Profile by Property

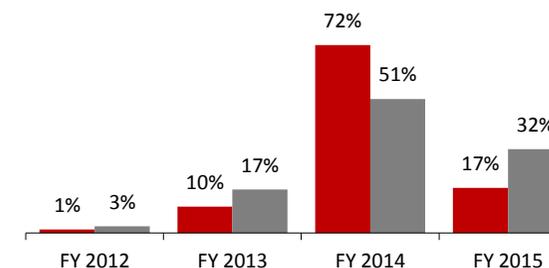
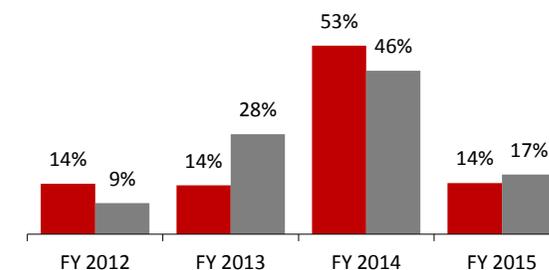
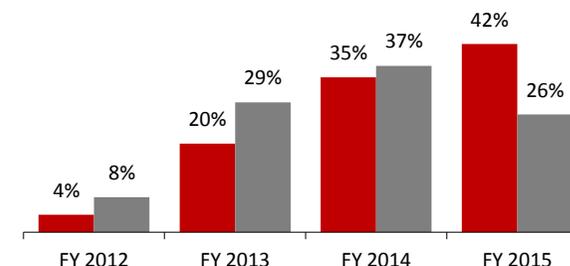
Hektar REIT Tenancy Expiry Profile by Property

As at 30 Sept 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	14	19,388	4%	8%
FY 2013	44	99,029	20%	29%
FY 2014	56	173,236	35%	37%
FY 2015	18	210,392	42%	26%

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	8	68,478	14%	9%
FY 2013	38	66,374	14%	28%
FY 2014	37	255,975	53%	46%
FY 2015	24	69,391	14%	17%

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	11	2,027	1%	3%
FY 2013	26	15,352	10%	17%
FY 2014	24	109,047	72%	51%
FY 2015	37	26,221	17%	32%



■ By Total NLA ■ By Monthly Rental Income

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

Hektar REIT Portfolio – Tenancy Expiry Profile

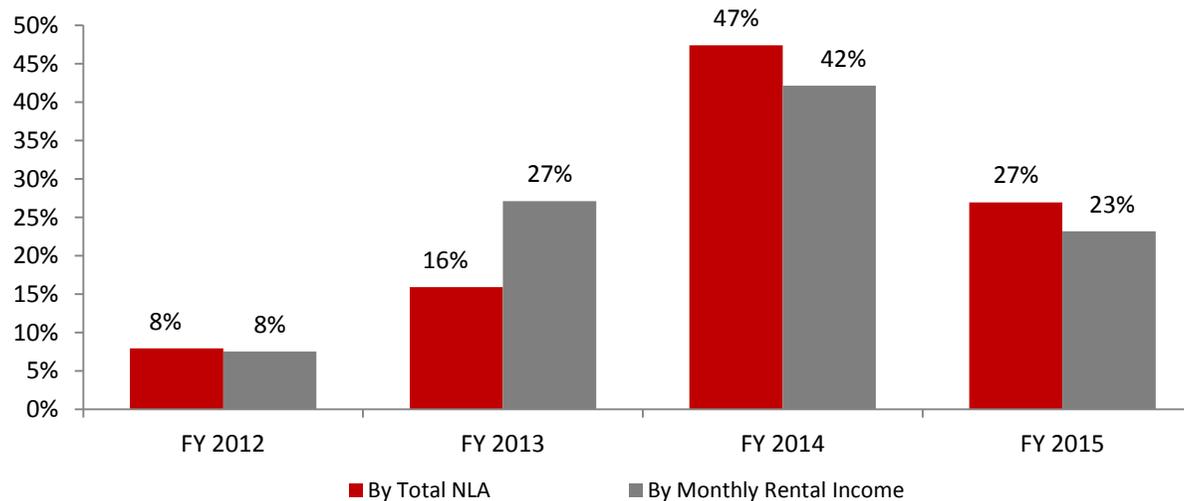
Tenancy Portfolio Expiry Profile 2012 – 2015

- FY2012 - 33 tenancy expiries account for approximately 8% of monthly rental income*

Hektar REIT Tenancy Expiry Profile – Overall Portfolio

As at 30 September 2012

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	33	89,893	8%	8%
FY 2013	108	180,755	16%	27%
FY 2014	117	538,258	47%	42%
FY 2015	79	306,004	27%	23%



* Based on monthly rental income for June 2012. NLA = Net Lettable Area

Financial Results

3Q2012 Net Income (Realised) up 3.4% from previous period ►

Hektar REIT Average Cost of Debt at 4.6% ►

Income Statement – Quarter Comparative

3Q2012 Net Income up 3.4% vs corresponding quarter 3Q2011

Income Statement Third Quarter 2012 (Unaudited)	3Q12 (RM '000)	3Q11 (RM '000)	Variance (%)
Revenue	25,409	24,028	+ 5.7%
Direct Cost & Property Expenses	(9,492)	(9,406)	+ 0.9%
Net Property Income (NPI)	15,917	14,622	+ 8.9%
Interest & Other Income	43	27	+ 58.9%
Total Income	15,960	14,649	+ 8.9%
Trust Fees & Expenses	(2,070)	(1,680)	+ 23.2%
Interest Expense	(3,944)	(3,354)	+ 17.6%
Fair Value Adjustment of Investment Properties			
Net Income Before Tax	9,947	9,615	+ 3.4%
Net Income per Unit (sen)	3.11	3.00	+ 3.4%
- realised	3.11	3.00	+ 3.4%

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 Net income per unit maintained with FY2011

For Period 1 January – 30 Sept 2012 (versus previous comparable period)

Income Statement Year-To-Date 3Q12 (Unaudited)	FY12 (RM '000)	FY11 (RM '000)	Variance (%)
Revenue	74,174	70,626	+ 5.0%
Direct Cost & Property Expenses	(28,598)	(27,484)	+ 4.1%
Net Property Income (NPI)	45,576	43,142	+ 5.6%
Interest & Other Income	249	118	+ 111.7%
Total Income	45,825	43,260	+ 5.9%
Trust Fees & Expenses	(5,821)	(4,972)	+ 17.1%
Interest Expense	(11,054)	(9,328)	+ 18.5%
Fair Value Adjustment of Investment Properties			
Net Income Before Tax	28,950	28,961	- 0.0%
Net Income per Unit (sen)	9.05	9.05	- 0.0%
- realised	9.05	9.05	- 0.0%

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 3Q2012

Balance Sheet (Unaudited)	As at 30.09.2012 (RM '000)	As at 31.12.2011 (RM '000)
Non-Current Assets		
Investment Properties	822,000	822,000
Capital Work in Progress	1,575	
Fixed Deposit with a licensed bank	2,594	2,339
	<u>826,170</u>	<u>824,339</u>
Current Assets		
Trade Receivables	2,988	3,003
Other Receivables, Deposits, Prepayments	53,522	20,452
Cash and Bank Balances	18,013	19,266
TOTAL ASSETS	<u>900,692</u>	<u>867,059</u>
Current Liabilities		
Trade Payables	232	267
Other Payables and Accruals	13,431	5,709
Tenancy Deposits	23,386	22,450
Borrowings	150,000	
	<u>713,645</u>	<u>838,633</u>
Unitholders' Capital	328,137	328,137
Retained Earnings - realised	24,301	29,911
Retained Earnings - unrealised	117,106	117,106
NET ASSET VALUE	<u>469,543</u>	<u>475,153</u>
Long Term Liabilities		
Borrowings	244,101	363,480
	<u>713,645</u>	<u>838,633</u>

Unit Price Statistics

As at 30 Sep 2012

No. of Units Outstanding

320,001,000

Net Asset Value (RM)

1.4673

Unit Price (RM)

1.40

Premium / (Discount) to NAV

(4.6)%

Debt Profile

Debt Profile for 3Q 2012

Debt Information

As at 30 Sep 2012

- Total Debt: **RM394.1 million**
- Weighted Cost of Debt: **4.6%**
- Gearing Ratio¹: **43.8%**
- Interest Cover²: **3.52**

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

² Based on quarter ended 30 Sep 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: 4.85%
- Refinancing: December 2016

Tranche 2

- Term: 5 Years, Expiring 2013
- Pledged: Mahkota Parade
- Facility Size: RM150 million
- Drawdown: Fully Drawn
- Cost: 4.48%
- Rate Reset: April 2012

Tranche 3

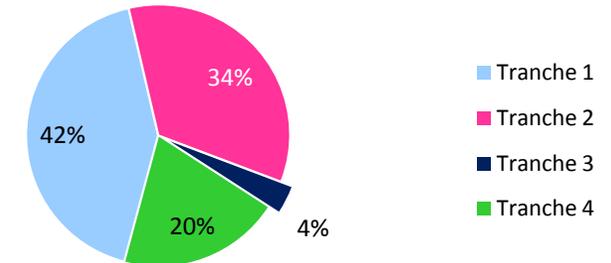
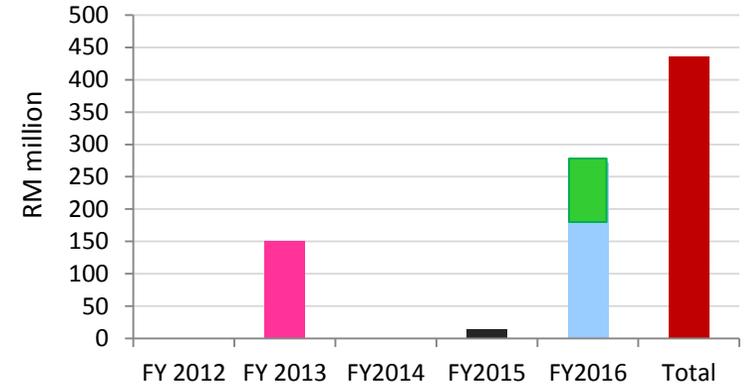
- Term: 5 Years, Expiring 2015
- Pledged: Subang Parade
- Facility Size: RM15 million
- Drawdown: Fully Drawn
- Cost: 4.11%
- Refinancing: December 2015

Tranche 4

- Term: 5 Years, Expiring 2016
- Pledged: Wetex Parade
- Facility Size: RM87.1 million
- Drawdown: Partially Drawn
- Cost: 4.24%
- Refinancing: December 2016

Debt Expiry Profile

As at 30 Sep 2012



“Creating The Places Where People Love To Shop”

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