

FOURTH QUARTER 2012 FINANCIAL RESULTS PRESENTATION

5 FEBRUARY 2013

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

Fourth Quarter FY 2012

1 October 2012 – 31 December 2012

Commentary

- 4Q2012 Interim Dividend Per Unit: 2.7 sen
- Six Years Track Record of Positive Results

Operational & Financial Performance (Fourth Quarter)

- Portfolio Occupancy: ~ 96.3%
- Rent Reversions: ~ 7.6%
- Net Income per Unit (Realised) 2.7 sen
vs. previous comparable period/quarter¹: -13.3%
- Dividend per Unit (DPU) 2.70 sen
vs. previous comparable period¹: -10.0%

¹ 4Q11 Net Income per unit: 3.00 sen

Dividend Distribution

Fourth Quarter Dividend Per Unit (DPU) :	2.7 sen
4Q11 DPU:	3.0 sen
DPU Yield ² :	7.2%

² Based on total declared DPU of 10.5 sen (FY12) and closing price of RM1.46 on 31 Dec 2012.

Distribution Details

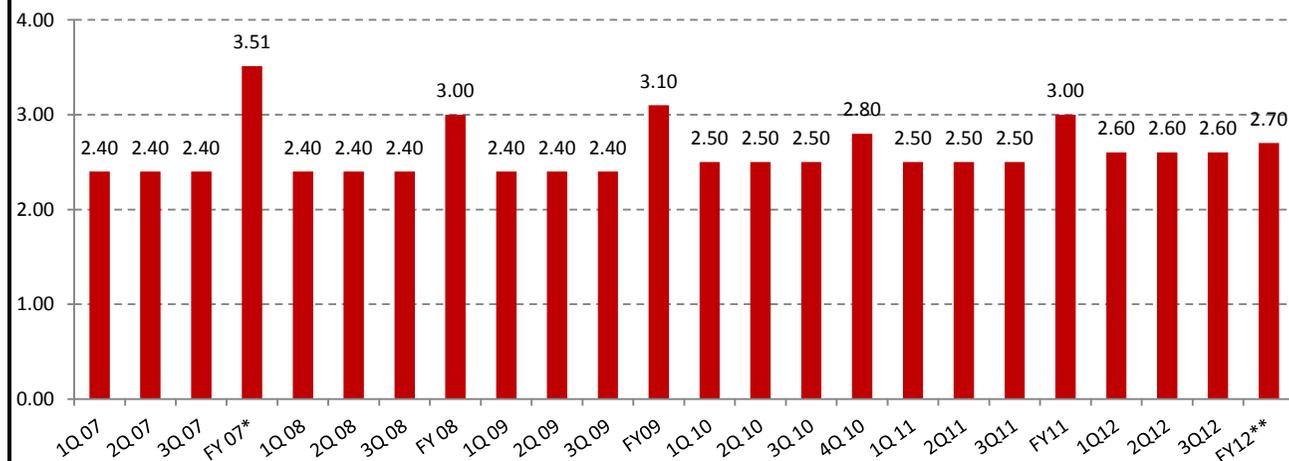
Hektar REIT Annual DPU Positive Growth Since IPO

Current Dividend Distribution Details

Fourth Quarter 2012

- Distribution Period: 1 Oct – 31 Dec 2012
- Quarterly DPU: 2.7 sen
- Notice of Entitlement: 6 February 2013
- Ex-Dividend Date: 20 February 2013
- Book Closure Date: 22 February 2013
- Payment Date: 11 March 2013

Dividend Distribution Track Record



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

Hektar REIT Dividend Policy

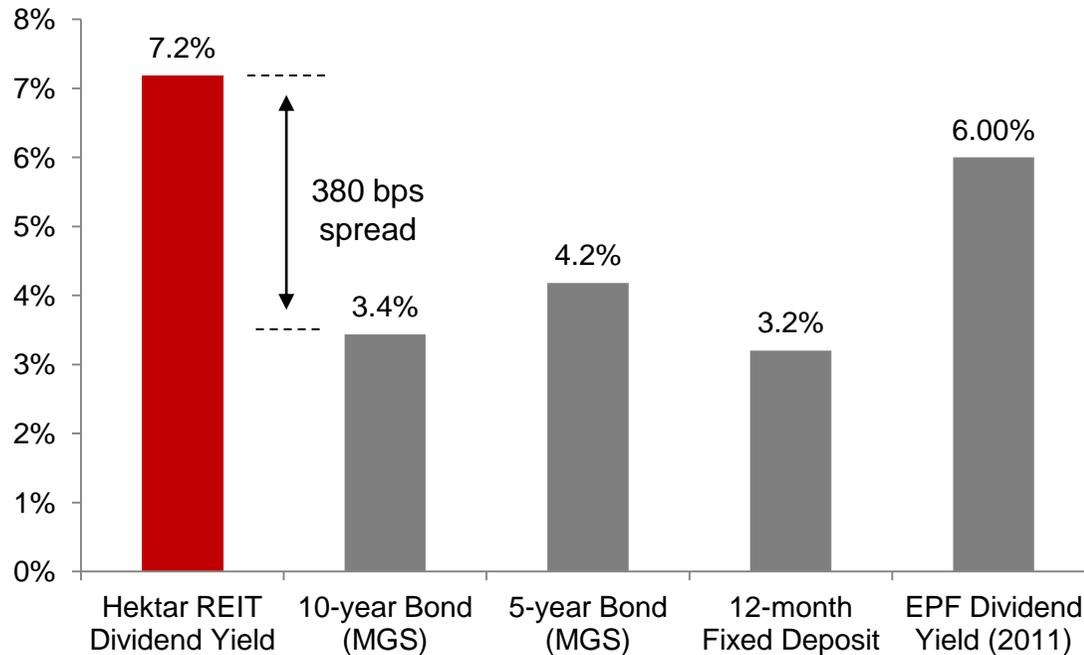
Barring unforeseen circumstances, Hektar REIT will pay dividends equivalent to at least 90% of distributable net income for the financial year 2012. Distributable net income excludes non-cash items such as FRS117 revenue recognition and capital allowances.

Comparative Yields - Malaysia

Hektar REIT Dividend Yield at approximately 7.2%

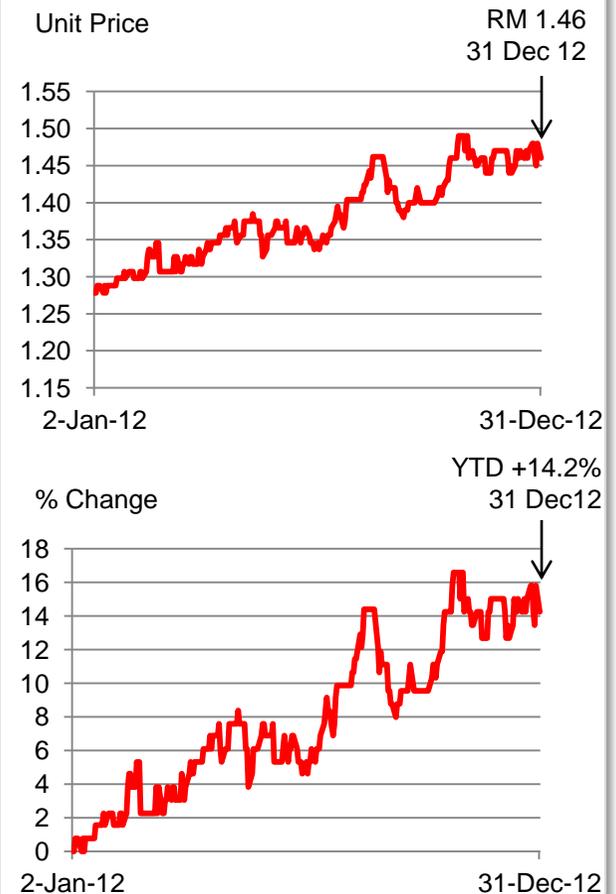
- Traded at a 380 bps spread over MGS 10-year
- Unit Price increased by 14.2% since beginning of the year

Hektar REIT Comparative Yields



Sources: Bloomberg (31 Dec 2012), EPF (March 2012), BNM (25 Jan 2013), RHB (13 Jan 2012). Hektar REIT's yield based on closing price of RM1.46 on 31 December 2012 and Total Declared DPU of 10.50 sen.

Hektar REIT Unit Price Change FY2012 (12 months)



Portfolio Performance

- First quarter with the enlarged Portfolio including the newly acquired Kedah Malls ►
 - Overall Occupancy at ~96.3% ►
 - Rental Reversions +7.6% for 4Q12 ►
 - Tenancy Expiry Profile ►
- 29% of Portfolio Tenancy Rental Income Expires in 2013 ►
 - Portfolio Tenancy Provisions ►

Hektar REIT Portfolio - Occupancy

New Addition of Central Square and Landmark Central

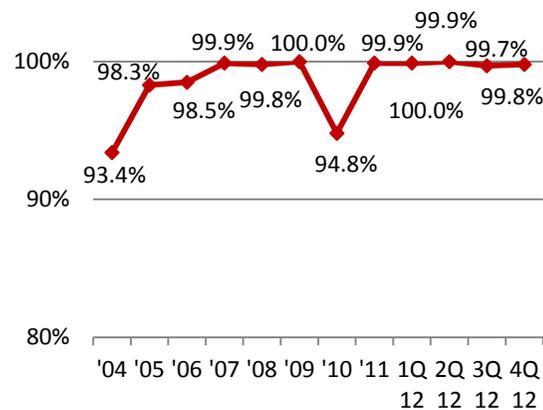
Overall Portfolio Occupancy at ~96.3%

Hektar REIT Portfolio Occupancy

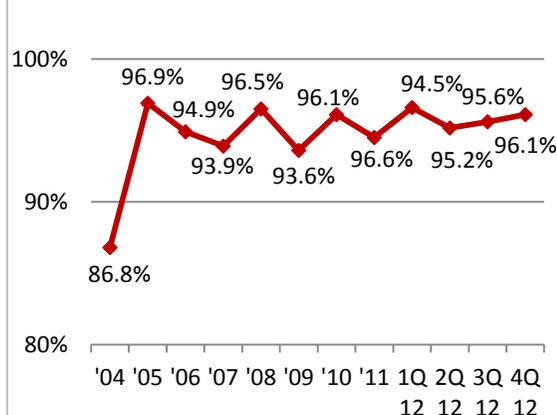
Property	As at 31 Dec 2004	As at 31 Dec 2005	As at 30 Sep 2006	As at 31 Dec 2007	As at 31 Dec 2008	As at 31 Dec 2009	As at 31 Dec 2010	As at 31 Dec 2011	As at 31 Mar 2012	As at 30 Jun 2012	As at 30 Sep 2012	As at 31 Dec 2012
Subang Parade	93.4%	98.3%	98.5%	99.9%	99.8%	100.0%	94.8%	99.9%	99.9%	100.0%	99.7%	99.8%
Mahkota Parade	86.8%	96.9%	94.9%	93.9%	96.5%	93.6%	96.1%	94.5%	96.6%	95.2%	95.6%	96.1%
Wetex Parade					83.1%	90.1%	95.6%	98.6%	98.2%	98.5%	98.6%	97.8%
Central Square												89.8%
Landmark Central												96.9%
Overall*	91.3%	97.6%	96.7%	96.9%	95.8%	95.8%	95.5%	97.5%	98.2%	97.7%	97.8%	96.3%

*Approximate average, weighted by Net Lettable Area.

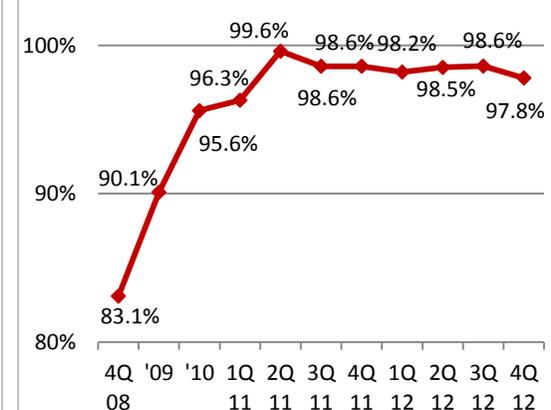
Subang Parade
Occupancy (%)



Mahkota Parade
Occupancy (%)



Wetex Parade
Occupancy (%)



Hektar REIT Portfolio – Rental Reversions

Rental Reversions +8% for the year

- 4Q 12: 27 new tenancies / renewals at 8% reversion rate
- Mahkota Parade recorded positive reversion - high reversion accounted from the new tenancy signed with Ogawa & Activo.

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	8	15,347	3%		7%
Mahkota Parade	9	12,195	3%		8%
Wetex Parade	8	4,801	3%		10%
Central Square	1	1,144	0.4%		14%
Landmark Central	1	517	0.2%		20%
Total / Average*	27	34,004	2%		8%

*Average Weighted by NLA.

NLA = Net Lettable Area

High reversion rate due to the standardization of tenancy terms.

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	32	231,726	46%		9%
Mahkota Parade	36	85,219	18%		2%
Wetex Parade	44	31,466	20%		13%
Central Square	1	1,144	0%		14%
Landmark Central	1	517	0%		20%
Total / Average*	112	348,411	31%		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 31 Dec 2012

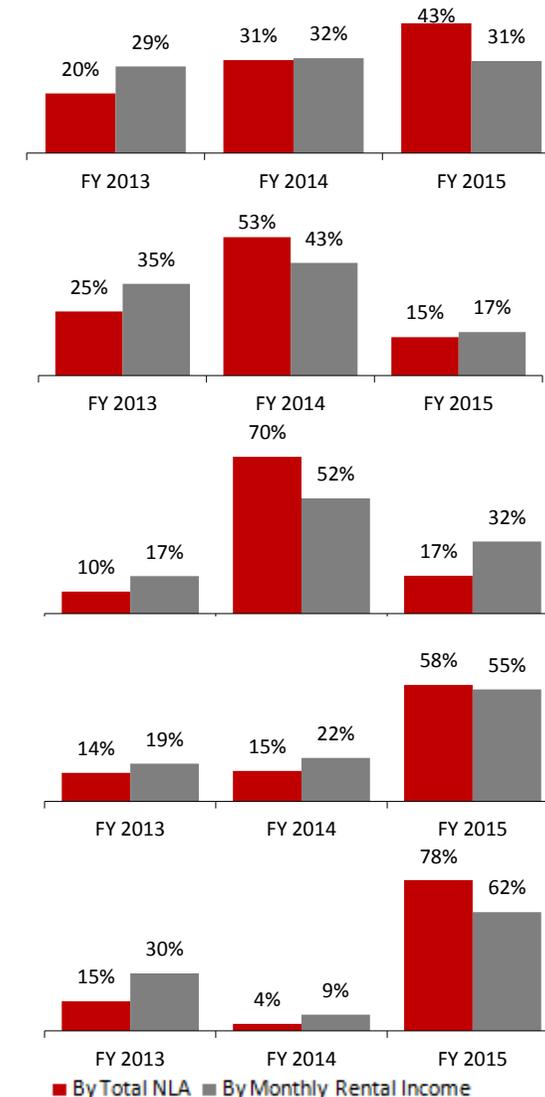
Subang Parade For Year Ending 31 December	No. of Tenancies Expiring	NLA of Tenancies Expiring (sq ft)	NLA of Tenancies Expiring as % of Total NLA	% of Total Monthly Rental Income*
FY 2013	46	99,896	20%	29%
FY 2014	55	155,394	31%	32%
FY 2015	27	217,174	43%	31%

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 2013	41	118,604	25%	35%
FY 2014	36	256,665	53%	43%
FY 2015	26	71,360	15%	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 2013	26	15,352	10%	17%
FY 2014	24	109,047	70%	52%
FY 2015	37	26,221	17%	32%

Central Square 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 2013	38	42,069	14%	19%
FY 2014	35	44,984	15%	22%
FY 2015	11	172,919	58%	55%

Landmark Central 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 2013	39	43,200	15%	30%
FY 2014	12	10,293	4%	9%
FY 2015	28	220,269	78%	62%



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

Hektar REIT Portfolio – Tenancy Expiry Profile

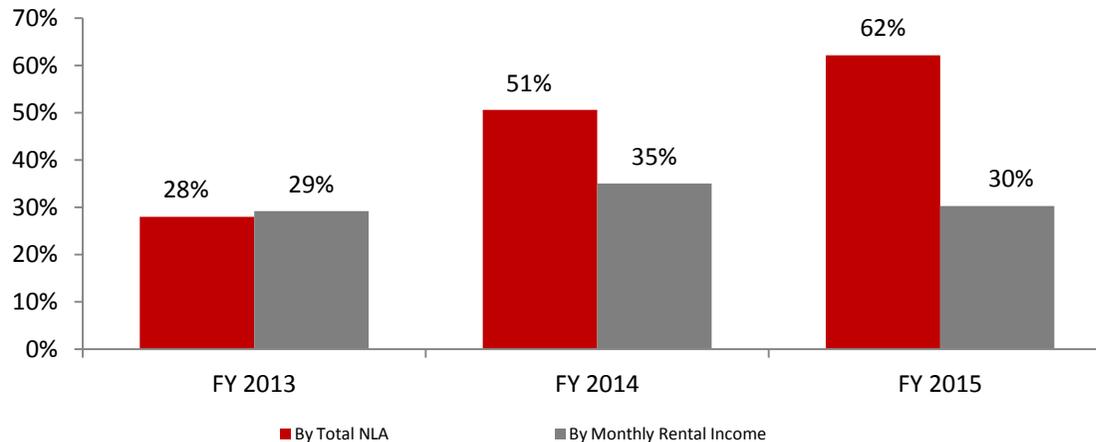
Tenancy Portfolio Expiry Profile 2012 – 2015

- FY2013 - 190 tenancy expiries account for approximately 29% of monthly rental income*

Hektar REIT Tenancy Expiry Profile – Overall Portfolio

As at 31 December 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 2013	190	319,121	28%	29%
FY 2014	162	576,383	51%	35%
FY 2015	129	708,450	62%	30%
<i>Total</i>	<i>481</i>	<i>1,603,954</i>	<i>141%</i>	<i>95%</i>



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

Financial Results

4Q2012 Net Income (Realised) up 8.6% from previous period ►

Hektar REIT Average Cost of Debt at 4.6% ►

Income Statement – Quarter Comparative

4Q2012 Net Income (Unrealised) down 48.8% vs corresponding quarter 4Q2011

- Due to lower Fair Value Adjustment of Investment Properties.
- Realised Net Income up by 8.6%

Income Statement Fourth Quarter 2012 (Unaudited)	4Q12 (RM '000)	4Q11 (RM '000)	Variance (%)
Revenue	29,058	24,255	+ 19.8%
Direct Cost & Property Expenses	(10,887)	(9,102)	+ 19.6%
Net Property Income (NPI)	18,171	15,154	+ 19.9%
Interest & Other Income	70	60	+ 17.7%
Total Income	18,241	15,213	+ 19.9%
Trust Fees & Expenses	(2,577)	(1,815)	+ 41.9%
Interest Expense	(4,857)	(3,444)	+ 41.0%
Fair Value Adjustment of Investment Properties	18,712	47,737	
Net Income Before Tax	29,520	57,691	- 48.8%
Net Income per Unit (sen)	7.37	18.03	- 59.1%
- realised	2.70	3.11	- 13.3%

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 – 31 Dec 2012 (versus previous comparable period)

Income Statement Year-To-Date FY12 (Unaudited)	FY12 (RM '000)	FY11 (RM '000)	Variance (%)
Revenue	103,232	94,881	+ 8.8%
Direct Cost & Property Expenses	(39,485)	(36,585)	+ 7.9%
Net Property Income (NPI)	63,747	58,296	+ 9.4%
Interest & Other Income	319	177	+ 80.1%
Total Income	64,066	58,473	+ 9.6%
Trust Fees & Expenses	(8,397)	(6,787)	+ 23.7%
Interest Expense	(15,911)	(12,772)	+ 24.6%
Fair Value Adjustment of Investment Properties	18,712	47,737	
Net Income Before Tax	58,470	86,651	- 32.5%
Net Income per Unit (sen)	17.19*	27.08	- 36.5%
- realised	11.69*	12.16	- 3.9%

* Calculated based on weighted average units in circulation of 340,159,279 units

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 4Q2012

Balance Sheet (Unaudited)	As at 31.12.2012 (RM '000)	As at 31.12.2011 (RM '000)
Non-Current Assets		
Investment Properties	1,028,970	822,000
Capital Work in Progress	533	
Fixed Deposit with a licensed bank	4,072	2,339
	1,033,576	824,339
Current Assets		
Trade Receivables	3,332	3,003
Other Receivables, Deposits, Prepayments	3,438	20,452
Cash and Bank Balances	26,107	19,266
TOTAL ASSETS	1,066,454	867,059
Current Liabilities		
Trade Payables	1,319	267
Other Payables and Accruals	5,271	5,709
Tenancy Deposits	27,099	22,450
Borrowings	150,000	
	882,764	838,633
Unitholders' Capital	425,738	328,137
Retained Earnings - realised	35,109	29,911
Retained Earnings - unrealised	135,818	117,106
NET ASSET VALUE	596,664	475,153
Long Term Liabilities		
Borrowings	286,100	363,480
	882,764	838,633

Unit Price Statistics
As at 31 Dec 2012
No. of Units Outstanding
400,634,117
Net Asset Value (RM)
1.4893
Unit Price (RM)
1.46
Premium / (Discount) to NAV
(2.0%)

Debt Profile

Debt Profile for 4Q 2012

Debt Information

As at 31 Dec 2012

- Total Debt: **RM436 million**
- Weighted Cost of Debt: **4.6%**
- Gearing Ratio¹: **40.9%**
- Interest Cover²: **7.08**

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

² Based on quarter ended 31 Dec 2012

Financing Details

Al-Murabahah / OD

Fixed Term Loan, Annual Floating Rate with Partial Hedging

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

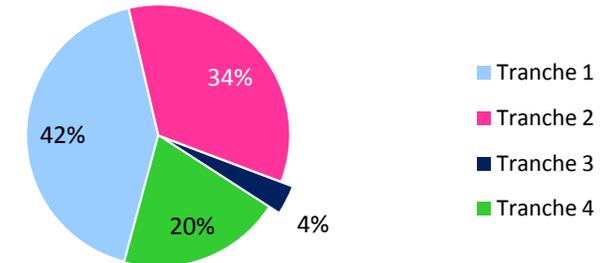
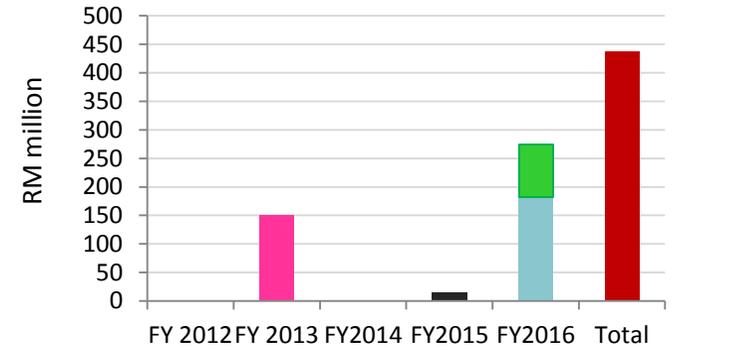
- Term: 5 Years, Expiring **2015**
- Pledged: Subang Parade
- Facility Size: RM15 million
- Drawdown: Fully Drawn
- Cost: 4.11%
- Refinancing: December 2015

Tranche 4

- Term: 5 Years, Expiring **2016**
- Pledged: Wetex Parade
- Facility Size: RM87.1 million
- Drawdown: Fully Drawn
- Cost: 4.35%
- Refinancing: December 2016

Debt Expiry Profile

As at 31 Dec 2012



“Creating The Places Where People Love To Shop”

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