

FIRST QUARTER 2013 FINANCIAL RESULTS PRESENTATION

7 MAY 2013

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 REIT (including Hektar REIT's 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 REIT and does not purport to be complete. You should conduct your own investigation and analysis of the Hektar REIT 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 REIT or an evaluation of the Hektar REIT. 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 REIT'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.

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

First Quarter FY 2013

1 January 2013 – 31 March 2013

Commentary

- 1Q2013 Interim Dividend Per Unit: 2.6 sen
- Six Years Track Record of Positive Results

Operational & Financial Performance (First Quarter)

- Portfolio Occupancy: ~ 95.5%
- Rent Reversions: ~ 8.2%
- Net Income per Unit (Realised) 2.76 sen
vs. previous comparable period/quarter¹: -9.2%
- Dividend per Unit (DPU) 2.60 sen
vs. previous comparable period¹: maintained

¹ 1Q12 Net Income per unit: 3.04 sen

Dividend Distribution

First Quarter	
Dividend Per Unit	
(DPU) :	2.6 sen
1Q12 DPU:	2.6 sen
DPU Yield ² :	6.9%

² Based on total annualized declared DPU of 2.6 sen for 1Q13 and closing price of RM1.50 on 29 Mar 2013.

Distribution Details

Hektar REIT Annual DPU Positive Growth Since IPO

Current Dividend Distribution Details

First Quarter 2013

- Distribution Period: 1 Jan – 31 Mar 2013
- Quarterly DPU: 2.6 sen
- Notice of Entitlement: 7 May 2013
- Ex-Dividend Date: 21 May 2013
- Book Closure Date: 23 May 2013
- Payment Date: 12 June 2013

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.

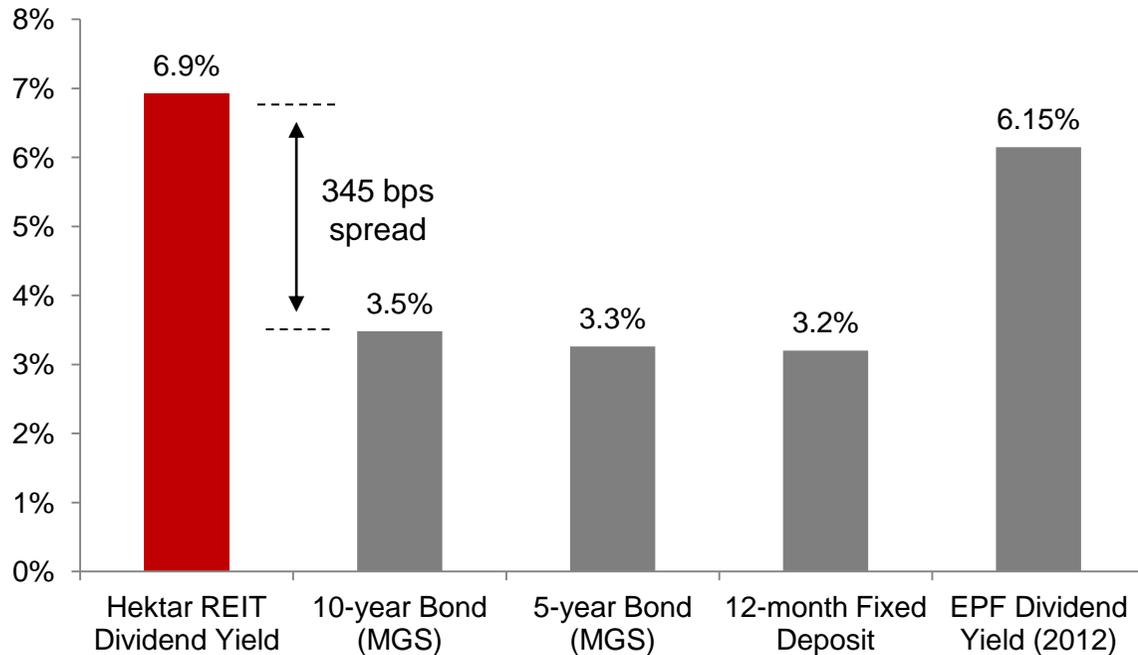
* FY 07 represented a 13 month period from December 2006 to 31 December 2007 ** Declared

Comparative Yields - Malaysia

Hektar REIT Dividend Yield at approximately 6.9%

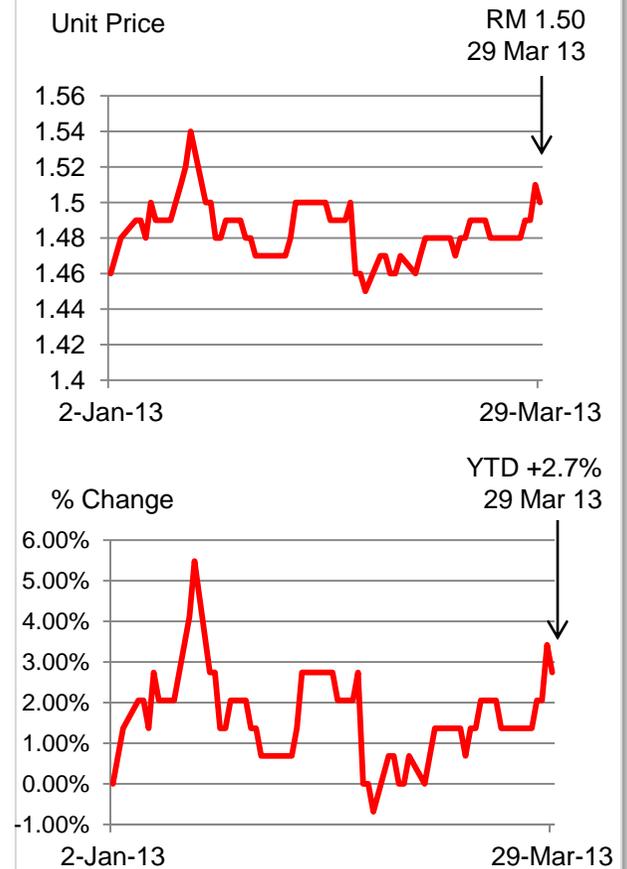
- Traded at a 345 bps spread over MGS 10-year
- Unit Price increased by 2.7% since beginning of the year

Hektar REIT Comparative Yields



Sources: Bloomberg (29 Mar 2013), EPF (March 2013), BNM (2 May 2013), RHB (13 Jan 2012). Hektar REIT's yield based on closing price of RM1.50 on 29 March 2013 and Total Declared DPU of 2.60 sen.

Hektar REIT Unit Price Change FY2013 (3 months)



Portfolio Performance

- Overall Occupancy at ~95.5% ►
- Rental Reversions +8.2% for 1Q13 ►
- Tenancy Expiry Profile ►
- 26% of Portfolio Tenancy Rental Income Expires in 2013 ►

Hektar REIT Portfolio - Occupancy

Central Square and Landmark Central undergo tenancy remixing exercises

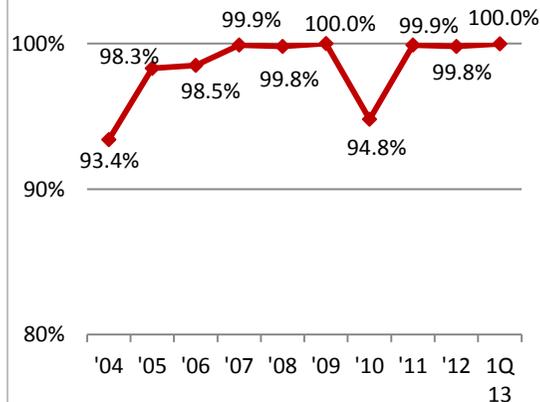
Overall Portfolio Occupancy at ~95.5%

Hektar REIT Portfolio Occupancy

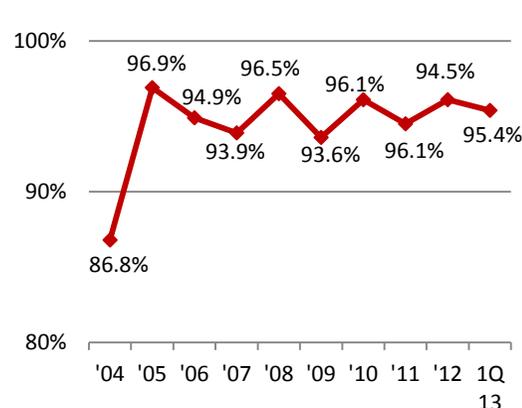
Property	As at 31 Dec 2004	As at 31 Dec 2005	As at 30 Sep 2006	As at 31 Dec 2007	As at 31 Dec 2008	As at 31 Dec 2009	As at 31 Dec 2010	As at 31 Dec 2011	As at 31 Dec 2012	As at 31 Mar 2013
Subang Parade	93.4%	98.3%	98.5%	99.9%	99.8%	100.0%	94.8%	99.9%	99.8%	100.0%
Mahkota Parade	86.8%	96.9%	94.9%	93.9%	96.5%	93.6%	96.1%	94.5%	96.1%	95.4%
Wetex Parade					83.1%	90.1%	95.6%	98.6%	97.8%	98.0%
Central Square									89.8%	85.3%
Landmark Central									96.9%	97.3%
Overall*	91.3%	97.6%	96.7%	96.9%	95.8%	95.8%	95.5%	97.5%	96.3%	95.5%

*Approximate average, weighted by Net Lettable Area.

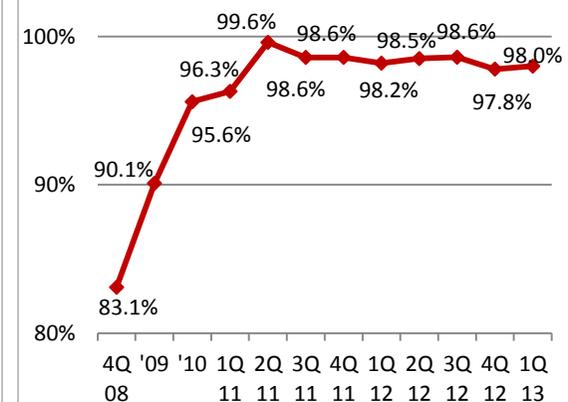
Subang Parade
Occupancy (%)



Mahkota Parade
Occupancy (%)



Wetex Parade
Occupancy (%)



Rental Reversions +8% for the year

- 1Q 13: 33 new tenancies / renewals at 8% reversion rate
- Subang Parade recorded high reversion due to re-zoning exercise;
- Mahkota Parade facing slight negative reversion due to competition.

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	14	17,131	3%	15%	
Mahkota Parade	8	26,198	5%	-2%	
Wetex Parade	10	4,223	3%	9%	
Central Square	1	572	0.2%	7%	
Landmark Central	0	-	0.0%	0%	
Total / Average*	33	48,124	3%		8%

*Average Weighted by NLA.

NLA = Net Lettable Area

High reversion rate due to the re-zoning exercise (Eg, Cellini, Big Apple Donut)

Hektar REIT Rental Reversions: Year-To-Date

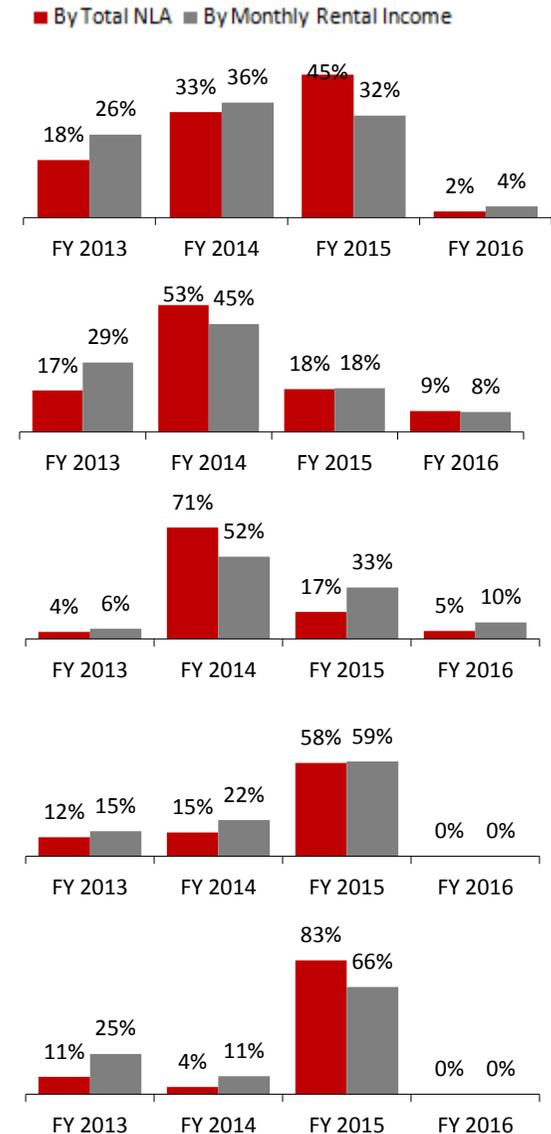
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Hektar REIT Tenancy Expiry Profile by Property as at 29 Mar 2013

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*
Subang Parade				
FY 2013	42	90,902	18%	26%
FY 2014	56	166,581	33%	36%
FY 2015	28	225,641	45%	32%
FY 2016	5	9,663	2%	4%
Mahkota Parade				
FY 2013	34	83,999	17%	29%
FY 2014	36	256,665	53%	45%
FY 2015	27	86,766	18%	18%
FY 2016	10	42,463	9%	8%
Wetex Parade				
FY 2013	9	6,825	4%	6%
FY 2014	26	109,546	71%	52%
FY 2015	38	26,698	17%	33%
FY 2016	11	7,995	5%	10%
Central Square				
FY 2013	25	35,145	12%	15%
FY 2014	34	44,041	15%	22%
FY 2015	11	172,919	58%	59%
FY 2016	-	-	0%	0%
Landmark Central				
FY 2013	34	30,305	11%	25%
FY 2014	16	12,361	4%	11%
FY 2015	32	233,442	83%	66%
FY 2016	-	-	0%	0%



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

Hektar REIT Portfolio – Tenancy Expiry Profile

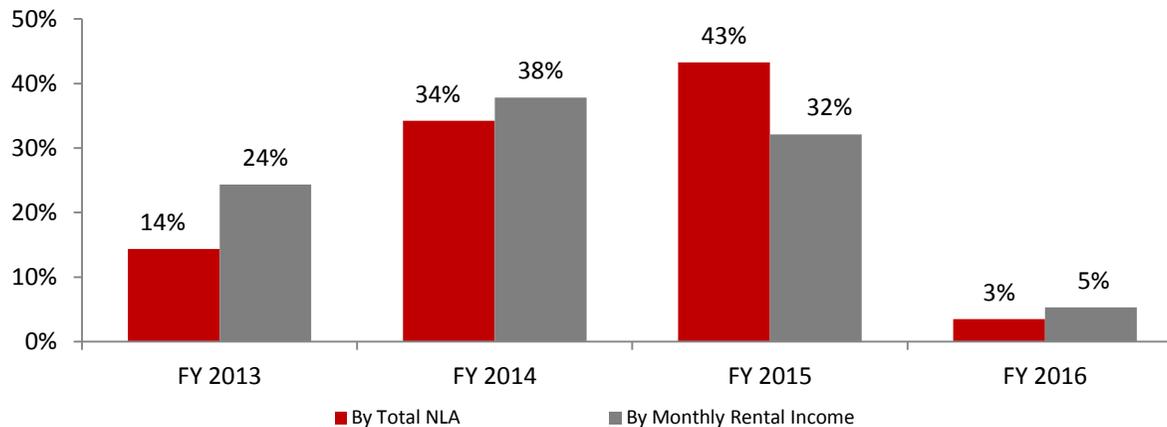
Tenancy Portfolio Expiry Profile 2012 – 2015

- FY2013 - 144 tenancy expiries account for approximately 24% of monthly rental income*

Hektar REIT Tenancy Expiry Profile – Overall Portfolio

As at 31 March 2013

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	144	247,176	14%	24%
FY 2014	168	589,194	34%	38%
FY 2015	136	745,466	43%	32%
FY 2016	26	60,121	3%	5%



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

Financial Results

- Gross Revenue and NPI up 23.0% from preceding year ►
- 1Q2013 Net Income (Realised) up 13.7% from preceding year ►
- Hektar REIT Average Cost of Debt at 4.6% ►

Income Statement – Quarter Comparative

1Q2013 Net Income (Unrealised) down 9.2% vs corresponding quarter 1Q2012

- Due to higher borrowing cost

Income Statement First Quarter 2013 (Unaudited)	1Q13 (RM '000)	1Q12 (RM '000)	Variance (%)
Revenue	30,078	24,456	+ 23.0%
Direct Cost & Property Expenses	(11,703)	(9,518)	+ 23.0%
Net Property Income (NPI)	18,375	14,938	+ 23.0%
Interest & Other Income	79	68	+ 16.7%
Total Income	18,454	15,006	+ 23.0%
Trust Fees & Expenses	(2,691)	(1,826)	+ 47.4%
Interest Expense	(4,703)	(3,455)	+ 36.1%
Fair Value Adjustment of Investment Properties			
Net Income Before Tax	11,060	9,725	+ 13.7%
Net Income per Unit (sen)	2.76	3.04	- 9.2%
- realised	2.76	3.04	- 9.2%

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

For Period 1 January – 31 March 2013 (versus previous comparable period)

Income Statement Year-To-Date FY13 (Unaudited)	FY13 (RM '000)	FY12 (RM '000)	Variance (%)
Revenue	30,078	24,456	+ 23.0%
Direct Cost & Property Expenses	(11,703)	(9,518)	+ 23.0%
Net Property Income (NPI)	18,375	14,938	+ 23.0%
Interest & Other Income	79	68	+ 16.7%
Total Income	18,454	15,006	+ 23.0%
Trust Fees & Expenses	(2,691)	(1,826)	+ 47.4%
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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 1Q2013

Balance Sheet (Unaudited)	As at 31.03.2013 (RM '000)	As at 31.12.2012 (RM '000)
Non-Current Assets		
Investment Properties	1,028,970	1,028,970
Capital Work in Progress	1,486	533
Fixed Deposit with a licensed bank	4,091	4,072
	<u>1,034,548</u>	<u>1,033,576</u>
Current Assets		
Trade Receivables	3,353	3,333
Other Receivables, Deposits, Prepayments	3,721	3,231
Cash and Bank Balances	25,418	26,127
TOTAL ASSETS	<u>1,067,039</u>	<u>1,066,267</u>
Current Liabilities		
Trade Payables	1,163	1,319
Other Payables and Accruals	5,588	5,084
Tenancy Deposits	27,281	27,099
Borrowings		150,000
	<u>1,033,007</u>	<u>882,764</u>
Unitholders' Capital	425,738	425,738
Retained Earnings - realised	35,352	35,109
Retained Earnings - unrealised	135,818	135,818
NET ASSET VALUE	<u>596,907</u>	<u>596,664</u>
Long Term Liabilities		
Borrowings	436,100	286,100
	<u>1,033,007</u>	<u>882,764</u>

Unit Price Statistics

As at 29 Mar 2013

No. of Units Outstanding

400,634,117

Net Asset Value (RM)

1.4899

Unit Price (RM)

1.50

Premium / (Discount) to NAV

0.68%

Debt Profile

Debt Profile for 1Q 2013

Debt Information

As at 31 Mar 2013

- Total Debt: **RM436 million**
- Weighted Cost of Debt: **4.6%**
- Gearing Ratio¹: **40.9%**
- Interest Cover²: **3.35**

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

² Based on quarter ended 31 Mar 2013

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: 4.36%
- Rate Reset: April 2017

Tranche 3

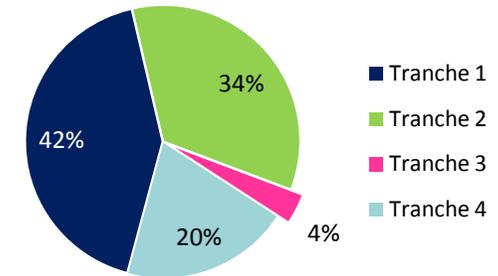
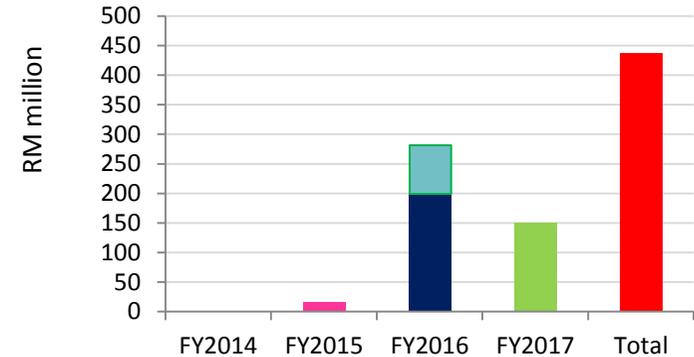
- Term: 5 Years, Expiring **2015**
- Pledged: Subang Parade
- Facility Size: RM15 million
- Drawdown: Fully Drawn
- Cost: 4.11%
- Refinancing: December 2015

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 Mar 2013



“Creating The Places Where People Love To Shop”

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