

THIRD QUARTER 2013 FINANCIAL RESULTS PRESENTATION

11 NOVEMBER 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, Muar, Sungai Petani and Kulim. 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

Third Quarter FY 2013

1 July 2013 – 30 September 2013

Commentary

- 3Q2013 Interim Distribution Per Unit: 2.6 sen
- Six Years Track Record of Positive Results

Operational & Financial Performance (Third Quarter)

- Portfolio Occupancy: ~ 94.7%
- Rent Reversions: ~ 3.3%
- Net Income per Unit (Realised) 2.77 sen
vs. previous comparable period/quarter¹: -10.8%
- Distribution per Unit (DPU) 2.60 sen
vs. previous comparable period¹: maintained

¹ 3Q12 Net Income per unit: 3.11 sen

Distribution and Yield

3Q13 DPU:	2.6 sen
3Q12 DPU:	2.6 sen
DPU Yield ² :	6.8%

² Based on total annualized declared DPU of 2.6 sen for 3Q13 and closing price of RM1.53 on 30 Sept 2013.

Distribution Details

Hektar REIT Annual DPU Positive Growth Since IPO

Current Distribution Details

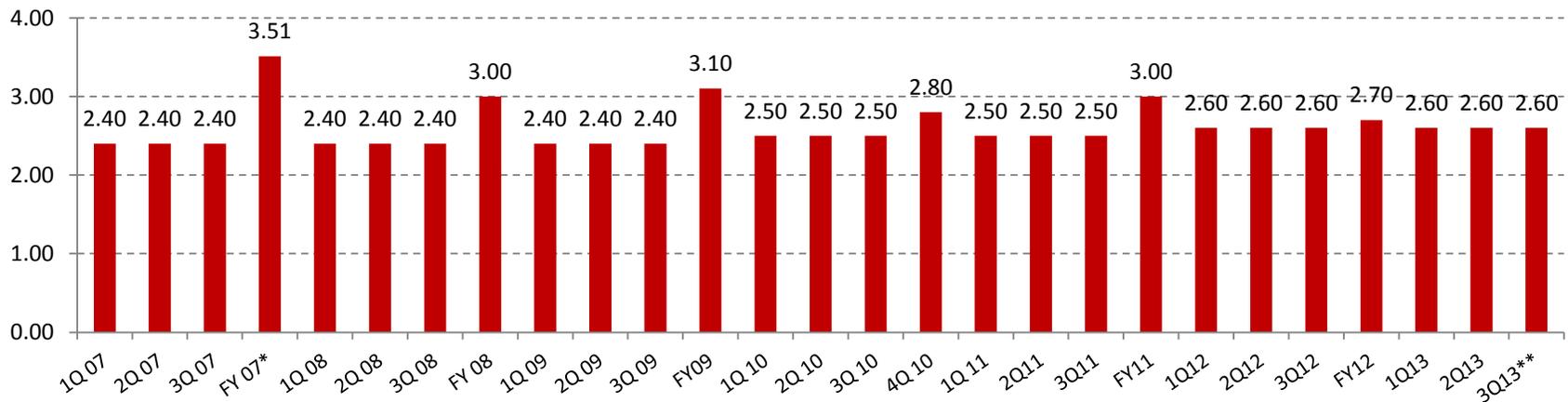
Third Quarter 2013

- Distribution Period: 1 Jul 2013 – 30 Sep 2013
- Quarterly DPU: 2.6 sen
- Notice of Entitlement: 12 Nov 2013
- Ex-Dividend Date: 25 Nov 2013
- Book Closure Date: 27 Nov 2013
- Payment Date: 12 Dec 2013

Hektar REIT Distribution Policy

Barring unforeseen circumstances, Hektar REIT will pay distributions 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.

Distribution Track Record



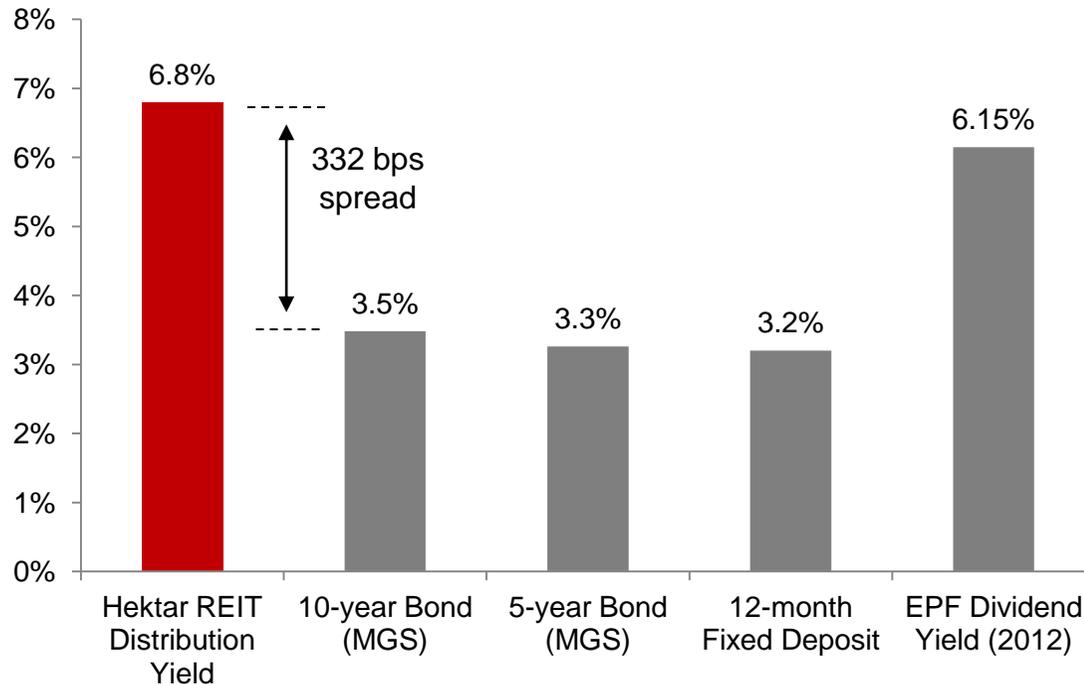
* FY 07 represented a 13 month period from December 2006 to 31 December 2007 ** Declared

Comparative Yields - Malaysia

Hektar REIT Distribution Yield at approximately 6.8%

- Traded at a 332 bps spread over MGS 10-year
- Unit Price increased by 4.8% since beginning of the year

Hektar REIT Comparative Yields



Sources: Bloomberg (30 Sept 2013), EPF (March 2013), BNM (10 Oct 2013), RHB (13 Jan 2012). Hektar REIT's yield based on closing price of RM1.57 on 28 June 2013 and Total Declared DPU of 2.60 sen.

Hektar REIT Unit Price Change FY2013 (9 months)



Portfolio Performance

- Overall Occupancy at ~94.7% ►
- Rental Reversions +3.3% for 3Q13 ►
- Tenancy Expiry Profile ►
- 38% of Portfolio Tenancy Rental Income Expires in 2014 ►

Hektar REIT Portfolio - Occupancy

Central Square occupancy rate reduced with additional acquisition of sold lots.

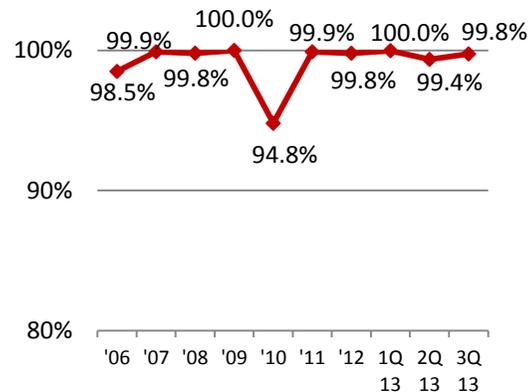
Overall Portfolio Occupancy at ~94.7%

Hektar REIT Portfolio Occupancy

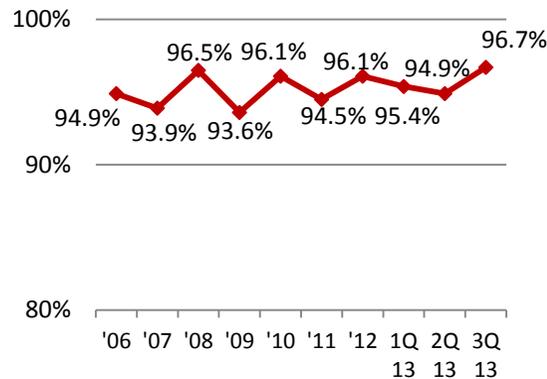
Property	As at 30 Sep 2006	As at 31 Dec 2007	As at 31 Dec 2008	As at 31 Dec 2009	As at 31 Dec 2010	As at 31 Dec 2011	As at 31 Dec 2012	As at 31 Mar 2013	As at 30 Jun 2013	As at 30 Sep 2013
Subang Parade	98.5%	99.9%	99.8%	100.0%	94.8%	99.9%	99.8%	100.0%	99.4%	99.8%
Mahkota Parade	94.9%	93.9%	96.5%	93.6%	96.1%	94.5%	96.1%	95.4%	94.9%	96.7%
Wetex Parade			83.1%	90.1%	95.6%	98.6%	97.8%	98.0%	97.7%	97.6%
Central Square							89.8%	85.3%	82.2%	80.9%
Landmark Central							96.9%	97.3%	95.0%	95.3%
Overall*	96.7%	96.9%	95.8%	95.8%	95.5%	97.5%	96.3%	95.5%	94.2%	94.7%

*Approximate average, weighted by Net Lettable Area.

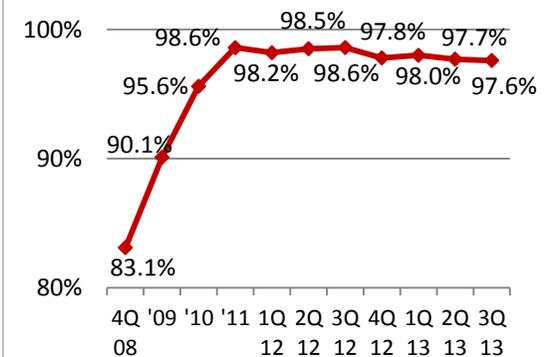
Subang Parade
Occupancy (%)



Mahkota Parade
Occupancy (%)



Wetex Parade
Occupancy (%)



Hektar REIT Portfolio – Rental Reversions

Rental Reversions +6% for 9M 2013

- 3Q 13: 49 new tenancies / renewals at 3.3% reversion rate
- Average reversion lower due to negative reversion recorded for Mahkota Parade

Hektar REIT Rental Reversions: Quarter

Third Quarter (3 months) (Ended 30 Sep)	No. of New Tenancies / Renewals	NLA (sq ft)	% of Total NLA	% Increase / (Decrease) Over Previous Rent Rates
Subang Parade	19	37,450	7%	6.0%
Mahkota Parade	11	18,065	4%	-11.6%
Wetex Parade	4	5,044	3%	4.0%
Central Square	4	7,242	2.4%	9.4%
Landmark Central	11	12,137	4.3%	22.9%
Total / Average*	49	79,938	5%	3.3%

*Average Weighted by NLA.

NLA = Net Lettable Area

Long-vacant lots are now filled up but at a lower rent.

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	41	71,664	14%	9%
Mahkota Parade	22	49,731	10%	-5%
Wetex Parade	22	14,161	9%	6%
Central Square	6	8,606	2.9%	7.7%
Landmark Central	23	19,495	6.9%	22.6%
Total / Average*	114	163,657	9%	6%

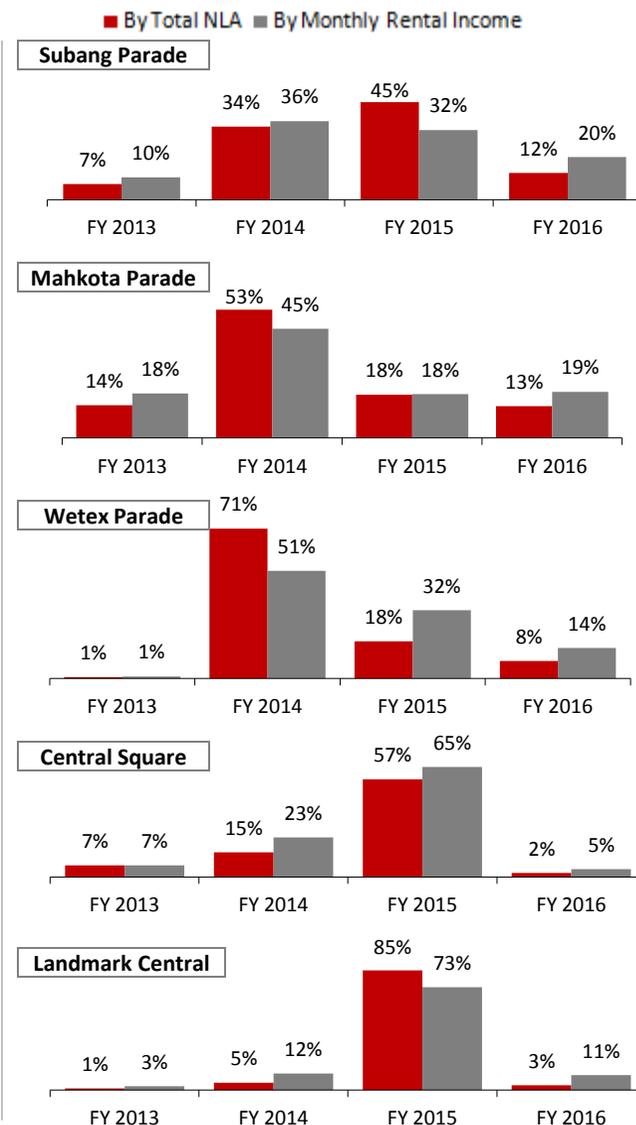
*Average Weighted by NLA.

NLA = Net Lettable Area

Hektar REIT Tenancy Expiry Profile by Property as at 30 September 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	17	36,496	7%	10%
FY 2014	57	169,581	34%	36%
FY 2015	29	226,274	45%	32%
FY 2016	31	62,152	12%	20%
Mahkota Parade				
FY 2013	16	65,419	14%	18%
FY 2014	36	256,665	53%	45%
FY 2015	26	86,119	18%	18%
FY 2016	29	63,222	13%	19%
Wetex Parade				
FY 2013	2	872	1%	1%
FY 2014	28	109,779	71%	51%
FY 2015	39	27,204	18%	32%
FY 2016	15	12,861	8%	14%
Central Square				
FY 2013	8	20,356	7%	7%
FY 2014	33	43,950	15%	23%
FY 2015	12	173,426	57%	65%
FY 2016	2	6,835	2%	5%
Landmark Central				
FY 2013	4	3,444	1%	3%
FY 2014	14	14,653	5%	12%
FY 2015	39	239,369	85%	73%
FY 2016	11	9,519	3%	11%

*Based on monthly rental income for Sept 2013. Figures may not round to 100% due to misc. items



Hektar REIT Portfolio – Tenancy Expiry Profile

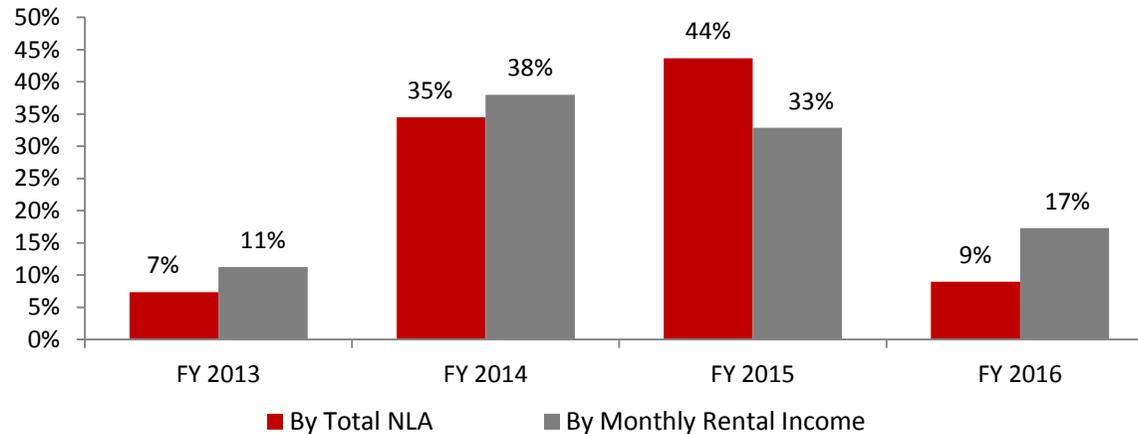
Tenancy Portfolio Expiry Profile 2013 – 2016

- FY2014 - 168 tenancy expiries account for approximately 38% of monthly rental income*

Hektar REIT Tenancy Expiry Profile – Overall Portfolio

As at 30 September 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	47	126,587	7%	11%
FY 2014	168	594,628	35%	38%
FY 2015	145	752,392	44%	33%
FY 2016	88	154,589	9%	17%



* Based on monthly rental income for Sept 2013. NLA = Net Lettable Area

Financial Results

- Gross Revenue up 18.3% and NPI up 12.0% from preceding year ►
- 3Q2013 Net Income (Realised) up 11.7% from preceding year ►
- Hektar REIT Average Cost of Debt at 4.5% ►

Income Statement – Quarter Comparative

3Q2013 Net Income (Realised) up 11.7% vs corresponding quarter 3Q2012

- Increase due to addition of Central Square, Landmark Central and improved turnover rents from Mahkota Parade

Income Statement Third Quarter 2013 (Unaudited)	3Q13 (RM '000)	3Q12 (RM '000)	Variance (%)
Revenue	30,068	25,409	+ 18.3%
Direct Cost & Property Expenses	(12,236)	(9,492)	+ 28.9%
Net Property Income (NPI)	17,832	15,917	+ 12.0%
Interest & Other Income	233	43	+ 439.1%
Total Income	18,065	15,960	+ 13.2%
Trust Fees & Expenses	(2,227)	(2,070)	+ 7.6%
Interest Expense	(4,730)	(3,944)	+ 19.9%
Fair Value Adjustment of Investment Properties			
Net Income Before Tax	11,108	9,947	+ 11.7%
Net Income per Unit (sen)	2.77	3.11	- 10.8%
- realised	2.77	3.11	- 10.8%

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 – 30 September 2013
(versus previous comparable period)

Income Statement Year-To-Date FY13 (Unaudited)	9M13 (RM '000)	9M12 (RM '000)	Variance (%)
Revenue	89,803	74,174	+ 21.1%
Direct Cost & Property Expenses	(35,737)	(28,598)	+ 25.0%
Net Property Income (NPI)	54,067	45,576	+ 18.6%
Interest & Other Income	411	249	+ 65.2%
Total Income	54,478	45,825	+ 18.9%
Trust Fees & Expenses	(7,323)	(5,821)	+ 25.8%
Interest Expense	(14,173)	(11,054)	+ 28.2%
Fair Value Adjustment of Investment Properties			
Net Income Before Tax	32,982	28,950	+ 13.9%
Net Income per Unit (sen)	8.23	9.05	- 9.0%
- realised	8.23	9.05	- 9.0%

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.



Balance Sheet

Hektar REIT's Balance Sheet for 3Q2013

Balance Sheet (Unaudited)	As at 30.09.2013 (RM '000)	As at 31.12.2012 (RM '000)
Non-Current Assets		
Investment Properties	1,028,970	1,028,970
Capital Work in Progress	3,938	533
Fixed Deposit with a licensed bank	4,146	4,072
	1,037,054	1,033,576
Current Assets		
Trade Receivables	3,269	3,333
Other Receivables, Deposits, Prepayments	2,673	3,231
Cash and Bank Balances	25,301	26,127
	1,068,297	1,066,267
TOTAL ASSETS	1,068,297	1,066,267
Long Term Liabilities		
Tenancy Deposits	14,069	15,856
Borrowings	436,100	286,100
	450,169	301,956
Current Liabilities		
Trade Payables	1,233	1,319
Other Payables and Accruals	4,971	5,084
Tenancy Deposits	13,927	11,243
Borrowings		150,000
	470,301	469,603
TOTAL LIABILITIES	470,301	469,603
NET ASSET VALUE	597,996	596,664
Unitholders' Capital	425,738	425,738
Retained Earnings - realised	36,440	35,109
Retained Earnings - unrealised	135,818	135,818
	597,996	596,664
TOTAL UNITHOLDERS' FUND	597,996	596,664

Unit Price Statistics

As at 30 Sept 2013

No. of Units Outstanding

400,634,117

Net Asset Value (RM)

1.4926

Unit Price (RM)

1.53

Premium / (Discount) to NAV

2.50%

Debt Profile

Debt Profile for 3Q 2013

Debt Information

As at 30 Sept 2013

- Total Debt: **RM436 million**
- Weighted Cost of Debt: **4.5%**
- Gearing Ratio¹: **40.8%**
- Interest Cover²: **3.35**

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

² Based on quarter ended 30 Sept 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%
- Refinancing: April 2017

Tranche 3

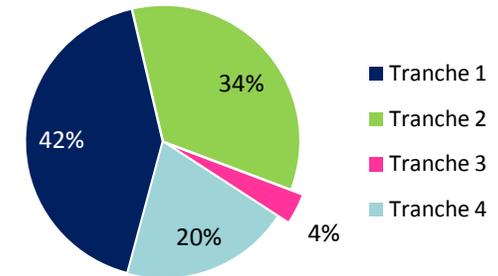
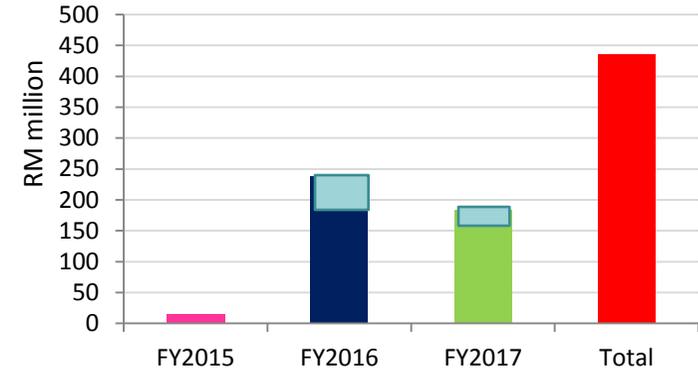
- Term: 5 Years, Expiring **2015**
- Pledged: Subang Parade
- Facility Size: RM15 million
- Drawdown: Fully Drawn
- Cost: 4.10%
- Refinancing: August 2015

Tranche 4

- Term: 5 Years, Expiring **2016/17**
- Pledged: Wetex Parade
- Facility Size: RM87.1 million
- Drawdown: Fully Drawn
- Cost: 4.30%
- Refinancing: December 2016 & October 2017

Debt Expiry Profile

As at 30 Sept 2013



“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 6205 5570

 Fax: +6 03 6205 5571

 Web: www.HektarREIT.com

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