

Hektar REIT 2Q15 Results

Gross Revenue Up 2.6%

Realised Net Income Up 3.4%

Stable Dividend per Unit announced at 2.60 sen

Kuala Lumpur, August 14, 2015 – For the three months period ended 30 June 2015, Hektar Asset Management Sdn Bhd (“Hektar”) announced that Hektar Real Estate Investment Trust (“Hektar REIT”) recorded positive gross revenue of RM 30.9 million, up 2.6% from the previous year’s corresponding period (2Q14). Meanwhile, Net Property Income (NPI) has also increased by 5.6%, to RM19.7 million. Realised net income reached RM 11.9 million, up 3.4% from the previous year’s corresponding quarter.

For the cumulative period ended 30 June 2015, realised net income is RM 23.0 million, 4.7% higher than the preceding year period. The six months gross revenue was RM 62.2 million, up 3.0% over the six months ended 30 June 2014. NPI has also improved by 5.7% to RM 38.3 million.

“With commencement of the tenancy with MBO in Central Square, the occupancy rate has now improved to 97%. This has brought about a healthy rental reversion of 21.4% where previous rental rates were suppressed prior to our tenant remixing exercise and asset enhancement initiative. We will be re-launching the shopping centre in September 2015, and we are excited to see Central Square grow into a modern and family-friendly shopping centre,” said Chief Executive Officer, Dato’ Jaafar Abdul Hamid.

“There was a softening in the retail market, especially post-GST, in the month of April which led to negative reversion recorded at Mahkota Parade. We remain cautiously optimistic of the retail performance for this financial year and hope to see improvements in the following quarters,” he added.

Hektar REIT declared an interim distribution per unit (“DPU”) of 2.60 sen, maintained as per the distribution declared in the previous year’s corresponding quarter. The Book Closing Date is September 3, 2015 and payment of the distribution will be made on September 18, 2015. Based on the closing price of RM1.50 on June 30, 2015, DPU for the year represented a distribution yield of approximately 6.9%.

Hektar REIT maintains a distribution policy of at least 90% of distributable net income, which typically excludes items such as capital allowances and revenue arising from Financial Reporting Standards 117, an accounting standard adopted in FY2010.

Hektar REIT's portfolio of shopping malls include Subang Parade in Subang Jaya, Selangor, Mahkota Parade in Melaka, Wetex Parade in Muar, Johor, Central Square in Sungai Petani, Kedah and Landmark Central in Kulim, Kedah. The portfolio's catchment serves a market size of 3.0 million shoppers. As at end of the preceding financial year, FY2014, the portfolio had an average occupancy of 94.3% and recorded over 30.8 million shopper visits.

Overview of Hektar REIT Financial Results (unaudited)	2Q 2015 (3 months) (RM '000)	2Q 2014 (3 months) (RM '000)	Variance (%)
Gross Revenue	30,980	30,194	+2.6%
Direct Cost & Property Expenses	(11,327)	(11,575)	-2.1%
Net Property Income (NPI)	19,653	18,619	+5.6%
Net Income – Realised	11,863	11,477	+3.4%
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Net Income Per Unit – Realised (sen)	2.96	2.86	+3.4%
Distribution Per Unit (DPU) (sen)	2.60	2.60	-

For further information, please log on to www.bursamalaysia.com

ABOUT HEKTAR REIT

Hektar Real Estate Investment Trust (“Hektar REIT”) is a retail-focused REIT in Malaysia, focused on investing and managing commercial retail properties. Hektar REIT was listed on the Main Market of Bursa Malaysia Securities Berhad on 4 December 2006 and currently owns 1.7 million square feet of retail space in Selangor, Melaka, Johor and Kedah with assets valued at RM1.06 billion as at December 2014. The primary objectives of Hektar REIT are to provide unitholders with sustainable dividend income and to achieve long-term capital appreciation of the REIT.

Hektar REIT is managed by Hektar Asset Management Sdn. Bhd. (“Manager”) and was formed with the vision of creating world-class retail environments through the adoption and implementation of international best practices.

For more information, please visit www.HektarREIT.com

IMPORTANT NOTICE

The past performance of Hektar REIT is not indicative of the future performance of Hektar REIT. This document may contain forward-looking statements that involve risk 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 the Manager's current view of future events.

For more information, please contact:

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