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## **Hektar Group Launches Prospectus for Hektar REIT**

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**Kuala Lumpur, November 15, 2006** - Hektar Group, via its subsidiary Hektar Asset Management Sdn Bhd, today launched the Prospectus for the initial public offering (IPO) of 159,500,000 new units representing undivided interests in Hektar Real Estate Investment Trust (Hektar REIT).

The group aims to raise RM176 million from the exercise. Hektar Asset Management Sdn Bhd is the Manager for Hektar REIT.

Hektar REIT has an approved valuation of RM523 million comprising two of the group's prime properties situated in Selangor and Melaka, namely the newly refurbished Subang Parade at Subang Jaya and Mahkota Parade near the historic district of Melaka. The REIT is forecasting revenues of RM74.6 million for the thirteen months (13) ending December 31, 2007.

Hektar Asset Management's mandate is to invest and manage a portfolio of prime retail properties. The company's principal investment objective is to provide unitholders with a secure income distribution and to enhance the long term value of the fund.

"Hektar REIT will provide investors an opportunity to own a part of a portfolio of professionally managed retail shopping centres," said Hektar group's Chairman, Dato' Jaafar Abdul Hamid, "We are the first pure-play retail REIT exclusively focused on commercial retail properties."

Hektar REIT's IPO comprises of a retail offer and an institutional offer with a total value of 159,500,000 units available under the offering.

A total of 16,000,000 units will be offered to retail, eligible directors, employees and business associates under the retail offer and the remaining 143,500,000 units will be offered to Malaysian and foreign investors under the institutional offer.

The final retail price will be the lower of the retail offer price of RM1.05 per unit (ROP) or 95% of the institutional offer price (IOP), which will be determined by way of book building.

“We are offering a best-in-class yield of 8.47% to retail investors at an indicative price of RM1.05,” said Puan Zalila Mohd Toon, Hektar Asset Management’s Director and Chief Financial Officer, adding that she believes Hektar REIT is structured to provide sustainable cash dividends to its investors.

Based on ROP of RM1.05 per unit the forecast gross yields for Hektar-REIT is as follows:-

For the financial period ending December 31		
2007	2008	2009
8.47%	8.58%	8.84%

Hektar REIT was established by a trust deed entered into on 05 October 2006 between Hektar Asset Management Sdn Bhd and AmTrustee Berhad, as manager and trustee, respectively, of Hektar REIT.

#### INDICATIVE TIMETABLE

The indicative timing of events leading up to the listing of and quotation for Hektar REIT on Bursa Securities is set out below:

Event	Date
Opening of the Institutional Offer	15 November 2006
Opening of the Retail Offer	15 November 2006
Closing of the Retail Offer	22 November 2006
Closing of the Institutional Offer	22 November 2006
Price Determination Date	22 November 2006
Balloting of applications for Units pursuant to the Retail Offer	24 November 2006
Allotment of Units to successful applicants pursuant to the Retail Offer	29 November 2006
Allotment of Units pursuant to the Institutional Offer	29 November 2006
Listing of Units on the Main Board of Bursa Securities	04 December 2006

The offer period of the IPO will close on 22 November 2006. Hektar REIT will be listed on the Main Board of the Bursa Malaysia Securities Berhad tentatively on Monday, 04 December 2006.

For more information, please log on to our website at [www.hektargroup.com](http://www.hektargroup.com)

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## **IMPORTANT NOTICE**

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. The past performance of Hektar REIT is not indicative of the future performance of Hektar REIT.

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