

Hektar REIT Second Quarter 2009 Results

*Q2 Revenue up 4.6% over Previous Year's Quarter
Portfolio Occupancy Steady at 97%
Q2 DPU at 2.40 sen*

Kuala Lumpur, August 11, 2009 – Hektar Asset Management Sdn. Bhd. (Manager) announced today that Hektar Real Estate Investment Trust (Hektar REIT) recorded a second quarter net income of RM8.85 million or 2.77 sen per unit for the 3 months ended 30 June 2009. Revenue for the period reached RM21.85 million, which was 4.6 per cent (%) higher over the preceding year quarter.

First half 2009 revenue ended 30 June 2009, reached RM43.6 million, up 10% over the preceding year period. Net Income reached RM17.98 million, essentially flat compared to the preceding period.

The Manager declared a second quarter Dividend Per Unit (DPU) of 2.40 sen. The Book Closing Date is 26 August 2009 and the payment of the quarterly dividend will be made on 11 September 2009. The closing price of RM1.09 on 6 August 2009 represents an annualized yield of 8.8%.

Hektar REIT's Net Asset Value (NAV) was RM1.26 on 30 June 2009, which represents that the current price is trading at a 13.5% discount to NAV.

Key Highlights

- Portfolio Occupancy at approximately 97.0%
- Tenancy rental income from tenancy locked in for 2009; expiries representing approximately 10% of monthly rental income due to expire this year
- Refurbishment for Mahkota Parade commencing

Chief Executive Officer of Hektar Asset Management Sdn Bhd, Dato' Jaafar Abdul Hamid, commented, "Hektar is commencing with the comprehensive refurbishment of Mahkota Parade. We intend to revitalise the property to maintain its position as the leading shopping centre in Melaka."

The scope of work includes painting, flooring, ceiling and lighting works and improved amenities including an expanded guest services desk, lifts, floor directory and facility signage. The car park capacity will also be increased by 12% which will house 1,074 car park bays.

“We believe these enhancements will improve the shopping ambience and experience in Mahkota Parade for shoppers, which will have a positive effect on the operating performance of the centre in the long run,” continued Jaafar.

The refurbishment of Mahkota Parade is expected to cost RM30.4 million and will take place over in three (3) phases commencing from July 2009 and stretching until April 2010.

Refurbishment work will take place from 10pm to 7am, allowing the shopping centre to remain open during normal operating hours.

“Based on our successful refurbishment experience at Subang Parade, we aim to replicate our best practice approach which allowed us to improve the centre with minimal disruption to the businesses,” commented Jaafar.

Subang Parade’s refurbishment exercise earned the centre a Silver Award in the Development and Design category at the recent International Council of Shopping Centres Asia Shopping Centre Awards in 2008.

Second Quarter Results (Unaudited)	Quarter Ended 30 June 2009 (RM ‘000)	Quarter Ended 30 June 2008 (RM ‘000)	Variance (%)
Revenue	21,850	20,888	+ 4.6%
Net Property Income (NPI)	12,959	13,487	- 3.9%
Net Income – Realised	8,852	9,407	- 5.9%
Net Income Per Unit – Realised (sen)	2.77	2.94	- 5.9%
Distribution Per Unit (sen)	2.40	2.40	0.0%

For further information, please log onto www.bursamalaysia.com.my

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 currently consists of quality shopping centres situated in Subang Jaya, Melaka and Muar with a combined value of RM713.4 million as of 31 December 2008.

Hektar REIT was listed on the Main Board of Bursa Malaysia Securities Berhad on 4 December 2006 and has outperformed its forecast in its first two years of listing. 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 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.

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