

Hektar REIT 2Q14 Results

NPI up by 4.2%

2Q14 DPU maintained at 2.60 sen

Kuala Lumpur, August 14, 2014 – Hektar Asset Management Sdn Bhd (“Hektar”) announced that Hektar Real Estate Investment Trust (“Hektar REIT”) recorded positive realised net income of RM11.5 million for the three months period ended 30 June 2014 (“2Q14”). Revenue increased to RM 30.2 million, up 1.8% in comparison to the preceding year’s corresponding quarter (2Q13). This resulted in an increase in Net Property Income of 4.2%, which was recorded at RM18.7 million for this quarter.

“The asset enhancement initiative (“AEI”) at Central Square is at its final stage now and is expected to be completed by 2015. We anticipate Central Square to be the main growth driver for the financial period following the completion of the AEI. The temporary lower occupancy rate during the AEI period provides us with the opportunity to improve the tenancy mix and to bring in better tenants. We hope to replicate our success with Wetex Parade previously in Central Square – where new tenancies have contributed towards good rental reversion rates post AEI,” said Chief Executive Officer, Dato’ Jaafar Abdul Hamid.

“The remaining malls in our portfolio have all recorded stable performances this quarter. Albeit the utility and operation cost hikes, the steady performances of our malls have managed to compensate for the rising costs and hence we expect our performance to remain flattish this year. We are, however, cautious over tenants’ sales growth in the run-up to the implementation of the goods and services tax (“GST”),” he added.

Hektar REIT declared a second distribution per unit (“DPU”) of 2.60 sen, maintained with the distribution declared in the previous year’s corresponding quarter. The Book Closing Date is August 29, 2014 and the payment of the second quarter distribution will be made on September 17, 2014. Based on the closing price of RM1.51 on 30 June 2014, 2Q2014 annualised DPU represented a distribution yield of approximately 6.9%.

Hektar REIT maintains a distribution policy of at least 90% of distributable net income, which typically exclude 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 mall includes 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 1.9 million shoppers. As at end FY2013, the portfolio had an average occupancy of 95.0% and recorded over 31.2 million shopper visits.

Overview of Hektar REIT Financial Results (unaudited)	2Q 2014 (3 months) (RM '000)	2Q 2013 (3 months) (RM '000)	Variance (%)
Gross Revenue	30,194	29,657	+ 1.8%
Direct Cost & Property Expenses	(11,575)	(11,797)	- 1.9%
Net Property Income (NPI)	18,619	17,860	+ 4.2%
Net Income – Realised	11,477	10,813	+ 6.1%
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Net Income Per Unit – Realised (sen)	2.86	2.70	+ 6.1%
Dividend 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 RM1.05 billion in December 2013. 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.

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