

Hektar REIT 3Q14 Results
Gross Revenue Up 2.4%, NPI up by 2.0%
& Realised Net Income lower by 2.1%
3Q14 DPU maintained at 2.60 sen

Kuala Lumpur, November 7, 2014 – Hektar Asset Management Sdn Bhd (“Hektar”) announced that Hektar Real Estate Investment Trust (“Hektar REIT”) recorded positive realised net income of RM10.9 million for the three month period ended 30 September 2014 (“3Q14”). Revenue increased to RM 30.8 million, up 2.4% in comparison to the preceding year’s corresponding quarter (3Q13). Net Property Income increased by 2.0% at RM18.2 million for this quarter.

“The refurbishment at Central Square is at its final stage and is expected to be fully completed by the first quarter of 2015. We look forward to Central Square being the main growth driver for the financial period following the completion of the AEI. The temporary lower occupancy rates at Central Square during the AEI period afford us with the opportunity to improve the tenancy mix and to bring in better tenants. We hope to replicate our past success with Wetex Parade where the new tenancies will contribute towards improved rental reversion rates post AEI,” said Chief Executive Officer, Dato’ Jaafar Abdul Hamid.

“So far the other malls in the portfolio have all maintained their performances despite the negative impacts of the tariff and other cost hikes experienced during the 9 months period in 2014.” said Dato’ Jaafar further.

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 November 26, 2014 and the payment of the third quarter distribution will be made on December 12, 2014. Based on the closing price of RM1.51 on 30 September 2014, 3Q2014 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 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 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.

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Overview of Hektar REIT Financial Results (unaudited)	3Q 2014 (3 months) (RM '000)	3Q 2013 (3 months) (RM '000)	Variance (%)
Gross Revenue	30,792	30,068	+ 2.4%
Direct Cost & Property Expenses	(12,595)	(12,236)	- 2.9%
Net Property Income (NPI)	18,197	17,832	+ 2.0%
Net Income – Realised	10,875	11,108	-2.1%
Net Income	10,875	11,108	-2.1%
Net Income Per Unit – Realised (sen)	2.71	2.77	-2.1%
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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