

News Release

For Immediate Release

Axis-REIT Announces RM75.6 Million Acquisition of TESCO JB Hypermarket Complex

- Latest acquisitions will Increase the Assets under Management to over RM 1.2 Billion.

Petaling Jaya, August 24th, 2010 – Axis REIT Managers Berhad (ARMB), the Manager of Malaysia's first REIT; Axis Real Estate Investment Trust ("Axis-REIT") is pleased to announce that the Trustees of the Axis-REIT; OSK Trustees Berhad have entered into a Sale & Purchase Agreement with Bukit Indah Johor Sdn Bhd (a subsidiary of SP Setia Berhad) to acquire their two-storey "Purpose Built" TESCO JB Hypermarket Complex including the existing 1096 carpark bays. The acquisition made was for a total cash consideration of RM75.6 Million.

The Subject Property is located within the Main Commercial Precinct of Setia EcoCity in Taman Bukit Indah; a comprehensive mixed development project which straddles the Johor Bahru Parkway and is close to the Second Link Expressway, and approximately 11 kilometres north-west of the city centre of Johor Bahru. The site is at the north-eastern fringes and forms part of a larger master development project known as Bandar Nusajaya which lies within the Iskandar Development Region of South Johor.

The Subject Property comes with a 30 year fixed lease agreement with the current owner, Bukit Indah Johor Sdn Bhd and Operator, TESCO Stores Malaysia Sdn Bhd. The lease agreement comes with an initial monthly lease rental of RM513, 873.36 for the first three year term, with five percent step-ups every subsequent three years and will be assigned to "Axis-REIT" upon the completion of the Sales & Purchase Agreement.

"We are extremely pleased with this acquisition as it provides a stable income stream for the Trust and will contribute positively to the earnings of the Trust for 2010 and beyond. The acquisition is consistent with the investment objectives and strategy of the Trust and will be accretive to Axis-REIT's distributable income" said Stewart Labrooy, CEO/ED of ARMB at a signing ceremony to conclude the acquisition held here today.

"When we listed in 2005 we had an initial portfolio of five (5) subject properties worth RM296 million which has now increased to 27 properties with this acquisition. This

new acquisition also will see our Assets under Management (“AUM”) rise to over RM1.2 Billion upon completion.”

ARMB expects the Proposed Acquisitions to contribute positively to the Trust for the financial year ending 31 December 2010, and will be utilizing facilities from Axis-REIT’s existing credit lines to finance the purchase.

Details of the Acquisition are as below:

TESCO JB Hypermarket Complex:

Property address	No. 1, Jalan Bukit Indah 15, Taman Bukit Indah 81200 Johor Bahru Johor Darul Takzim
Name/Type	Two- storey hypermarket complex complemented by a largely sheltered 1,096 bay ground floor car park within and flanking the complex, purpose-built structure based on the specifications of Tesco Stores (Malaysia) Sdn Bhd for its hypermarket operation.
Category	Bangunan (Commercial)
Nett Letable Area	Approximately 233,579 square feet (21,700 square metres)
Gross Floor Area	Approximately 308,128 sq. feet (28,626 sq. metres)
Tenure	Freehold interest
Approx. Age of Building	Newly completed; less than a year
Occupancy as at 19 November 2009	100%
Tenant/s	Tesco Stores (Malaysia) Sdn Bhd

About Axis-REIT:

Axis-REIT has been formed to own and invest primarily in commercial, office and office/industrial real estate. The primary objectives of the Fund are to provide Unitholders with distribution of income and to achieve long - term growth in the NAV (Net Asset Value) per unit of the Fund.

Listed on the Main Board of Bursa Malaysia Securities Berhad (“Bursa Securities”) of Stock Code: AXREIT, Axis-REIT currently owns a portfolio of 27 commercial, office and office/industrial real estate in Malaysia.

A REIT is a collective investment scheme, where funds from investors are pooled and invested towards a specified goal as set out in the investment objective of the fund. In addition, a REIT is a fund that invests (via funds raised from investors) in a portfolio of real estate assets or real estate-related assets. These real estates generate income from rent

collected from tenants, which is then, net of expenses, distributed to investors at regular intervals. A REIT may be listed or unlisted.

On the 11th of December 2008, Axis-REIT announced the completion of the Proposed Reclassification from a conventional REIT to the world's first Office/Industrial Islamic REIT. Subsequently, the amendments to Axis-REIT's Trust Deed was registered and lodged with the Securities Commission on 13th April 2009 and 15th April 2009 respectively.

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The Axis REIT Website: www.axis-reit.com.my
The Bursa Securities Website: www.bursa.com.my

Hansra Consultants/August 24th, 2010
