

News Release

For Immediate Release

Axis-REIT Announces Purchases of Two Industrial Properties Worth RM27 Million in the State of Johor

Kuala Lumpur, April 1st, 2008 – Axis REIT Managers Berhad (“ARMB”), the Manager of the Axis Real Estate Investment Trust (“Axis-REIT” or the “Fund”) is pleased to announce that the Trustee of Axis-REIT; OSK Trustees Bhd has entered into Sale and Purchase Agreements with Well-Built Holdings Sdn Bhd for the two properties as below;

- Freehold Industrial Factory with ancillary buildings on part of Lot No 211, Senai-Kulai for a total lump sum cash consideration of RM14.0 Million.
- Freehold Industrial Factory with ancillary buildings on Lot No 205, Senai-Kulai for a total lump sum cash consideration of RM13.0 Million.

Both of the Subject Properties are situated within the Iskandar Development Region, and located about 5km north of Senai airport, and 26km to the north-west of the Johor Bahru City Centre. Both of these properties are currently tenanted and occupied by Celestica (AMS) Sdn Bhd and is one of the 30 manufacturing and design facilities worldwide owned by Celestica; a public listed Canadian MNC with an annual turnover of USD 8.1 Billion reported in 2007. The Celestica Senai facility principal activity is the manufacturing of electronic products and inkjet cartridges. The monthly rentals for property on Lot 211 and Lot 205 are RM112,928.40 and RM103,140 respectively. Both of the two properties have a three year tenancy which will expire by March 2010 for property on Lot 211, and December 2008 for property on Lot 205. Celestica (AMS) Sdn Bhd has an option to renew for a further two terms of three years each.

The two properties have an estimated combined gross yield of 9.46% and a triple net yield of 8.74%. The acquisitions of both the properties are yield accretive at 0.47 sen per unit (annualized) based on the current capital of 255,901,000 units. The Manager is also pleased to announce that the proposed acquisitions will have no impact or changes to unaudited Net Asset Value (NAV) of Axis-REIT at time of completion. ARMB expects the Proposed Acquisitions to contribute positively to the Fund for the financial year ending 31 December 2008, and intends to utilize the debt facility from Axis-REIT’s existing credit lines.

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The acquisition of the two properties will increase Axis-REIT's gearing ratio to 38.9% of audited total assets as at 31 December 2007, which will still be below the gearing limit of 50% prescribed by the Guidelines on Real Estate Investment Trusts issued by the Securities Commission. Details of the Proposed Acquisitions are as below:

a.

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|-------------------------------|--|
| Property (Address) | Lot No.211, Jalan Seelong, 81400 Senai, Johor |
| Name/Type | Single-storey Detached Factory + Ancillary Buildings |
| Category | Industrial |
| Purchase Price | RM14.0 million |
| Total Land Area | 5.335 acres approximately |
| Built-up Area | 125,476 sq ft approximately |
| Tenure | Freehold interest |
| Approx. Age of Building | One year |
| Occupancy as at 31 March 2008 | 100% |
| Tenant/s | Celestica (AMS) Sdn Bhd |

b.

| | |
|-----------------------------|--|
| Property (Address) | Lot No.211, Jalan Seelong, 81400 Senai, Johor |
| Name/Type | Single-storey Detached Factory + Ancillary Buildings |
| Category | Industrial |
| Purchase Price | RM13.0 million |
| Total Land Area | 2.0477 hectares approximately |
| Built-up Area | 10,646.68 sqm approximately |
| Tenure | Freehold |
| Approx. Age of Building | Two years |
| Occupancy as at 31 Jan 2008 | 100% |
| Tenant/s | Celestica (AMS) Sdn Bhd |

ARMB aims to provide Unitholders with stable distribution and to achieve growth in net asset value (NAV) per unit of the Fund through inter-alia, selectively acquiring properties that meet the Manager's investment criteria. The proposed acquisition will be accretive to Axis-REIT's distributable income while at the same time diversifying and enlarging Axis-REIT's portfolio of properties and is expected to benefit the Fund.

ISSUED ON BEHALF OF: Axis-REIT Managers Berhad
 By: DK Hansra (Hansra Consultants): (0123981365)
 For Further Information: The Executive Director/Chief Financial Controller,
 Axis REIT Managers Bhd
 (03 79584881/2/6)
 -The Bursa Securities Website @ www.bursa.com.my
 Hansra Consultants/April 1st, 2008
