

*Kuala Lumpur, July 27th, 2007* – Axis REIT Managers Berhad (ARMB), the Manager of the Axis REIT Real Estate Investment Trust (“Axis-REIT”) is pleased to announce that the Trustees of Axis-REIT; OSK Trustees have entered into a Sales and Purchase Agreement on behalf of ARMB with the following vendors as below;

- Raya Pegun Sdn Bhd; Single-storey Warehouse (for the operations of the Giant Hypermarket) in Sg Petani, Kedah,
- Innonature (M) Sdn Bhd; 6-storey Office Building + Car Park (the Nestle House) in Petaling Jaya
- Innonature (M) Sdn Bhd; 2-Storey Office Building + Annexed Single-storey Warehouse (the Nestle Office & Warehouse) in Shah Alam,
- AME Construction Sd Bhd; Single-storey Factory and 2-storey Office, Senai, Johor (the FCIM Johor)
- AME Construction Sd Bhd; Single-storey Warehouse, and Annex 2-storey Office in Tanjong Palapas, Johor (the BMW Asia Technology Centre Johor).

The Manager is also pleased to announce that the proposed acquisitions are expected to contribute positively to the earnings of the Fund for the financial year ending 31 December 2007 and that it will not have any effect on the total units in issue as the acquisition will be paid entirely in cash. The proposed acquisition will not impact the unaudited NAV of Axis-REIT at time of completion.

The Manager intends to utilize Axis-REIT’s existing credit facilities to fund the acquisitions, which will still be below the gearing limit of 50% as prescribed by the ‘Guidelines on Real Estate Investment Trusts’ issued by the Securities Commission. The total proposed acquisitions of the Properties are expected to be completed by the 4<sup>th</sup> quarter of 2007, or latest by the 1st quarter of 2008.

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Details of the Proposed Acquisitions are as below:

a. Giant Hypermarket (Sungei Petani):

Property (Address)	Jalan Lencongan Barat, 08000 Sungei Petani, Kedah Darul Aman
Name/Type	Purpose-built 1- storey retail
Category	Commercial
Purchase Price	RM38, 000.000
Titled Land Area	366, 264sq ft
Tenure	Freehold
Gross Floor Area:	199,476sq ft
Total Lettable Floor Area:	138,000sq ft
Approx. Age of Building	Less than one year
Occupancy	100%
Tenant/s	Dairy Farm (M) Sdn Bhd

b. Nestle House (Petaling Jaya):

Property (Address)	No 4, Lorong Persiaran Barat, 46200 Petaling Jaya, Selangor Darul Ehsan
Name/Type	6-storey office building + lower ground floor Car Park + external parking bays
Category	Commercial
Purchase Price	RM39, 800.000
Titled Land Area	42,841sq ft
Tenure	Leasehold (99years with an unexpired term of about 65years)
Total Lettable Floor Area:	106,130sq ft
Approx. Age of Building	25 years
Occupancy	100%
Tenant/s	Nestle Products Sdn Bhd

c. Nestle Office & Warehouse (Shah Alam):

Property (Address)	Lot 14, Jalan Delima 1/1, Subang Hi-Tech Industrial Park, Batu Tiga, 40000 Shah Alam, Selangor Darul Ehsan
Name/Type	2 - storey Office/1-storey warehouse
Category	Industrial
Purchase Price	RM7,200,000
Titled Land Area	97,952sq ft
Tenure	Freehold
Gross Floor Area:	28,040sq ft
Lettable Floor Area:	27,554sq ft
Approx. Age of Building	8 years old
Occupancy	100%
Tenant/s	Nestle Product Sdn Bhd

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d. BMW Asia Technology Centre (Johor):

Property (Address)	Lot D21, Jalan Tanjung A/3, Port of Tanjung Pelepas, Johor Darul Takzim
Name/Type	2-storey office annexe/1-storey warehouse/ Guardhouse
Category	Industrial
Purchase Price	RM27,000.000
Total Land Area	3.9821 hectares
Tenure	Leasehold (99 yrs-expiring May 2099)
Gross Floor Area:	185,338 sq ft
Lettable Floor Area:	177,143 sq ft
Approx. Age of Building	About 3 years old
Occupancy	100%
Tenant/s	BMW Asia Technology Sdn Bhd

e. FCI (Senai, Johor):

Property (Address)	PLO 205, Jalan Cyber 14, Senai IV Industrial Area, 81400 Senai, Johor Darul Takzim
Name/Type	1-storey factory/2-storey office bldg
Category	Building (Industrial)
Purchase Price	RM12,300.000
Lettable Floor Area	136,619 sq ft
Tenure	Leasehold (For 60 yrs expiring June 2067)
Approx. Age of Building	Less than 1 Year
Occupancy	100%
Tenant/s	FCI Connectors (M) 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"), Axis-REIT owns a portfolio of 15 commercial, office and office/industrial real estate. The properties are Axis Business Park, Menara Axis, Crystal Plaza, Infinite Centre, Axis Plaza, Kompleks Kemajuan, Kayangan Depot, Axis North Port Logistics Centre 1, Wisma Bintang, SKB Shah Alam, Giant Hypermarket (Sungei Petani), Nestle House (Petaling Jaya), Nestle Office & Warehouse (Shah Alam), BMW Technology Centre (Johor) and FCIM (Senai, Johor).

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.

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ISSUED ON BEHALF OF: Axis-REIT Managers Berhad  
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Hansra Consultants/April 27th, 2007

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