

## News Release

### For Immediate Release

#### **Axis-REIT Announces 1<sup>st</sup> Quarter Ended 31 March 2008 Results**

#### **- Successful Acquisition Strategy in 2007 Sees Income Before Taxation in 1Q 2008 up by 44.59%; Compared to 1<sup>st</sup> Quarter of Corresponding Year**

*Kuala Lumpur, May 5<sup>th</sup>, 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 Income Before Taxation of Axis-REIT rose by 44.59% to RM9,032,571 from RM6,247,000 in the corresponding quarter of 2007.

In a Statement released here today the Company reported a total revenue of RM14,462,654 for the 1<sup>st</sup> Quarter Ended 31 March 2008. Total expenditure for the quarter under review was RM5,430,083 of which RM2,234,648 were attributable to property expenses, and RM3,195,435 to non property expenses. The realized income before taxation and available for distribution amounted to RM9,032,571.

Axis-REIT also made a provision of RM8, 942, 245 (approximate to 99% of the realized income before tax) for income distribution for the 1<sup>st</sup> Quarter Ended 31 March 2008, and of which there was the first interim income distribution amounting to RM 1,544,258; paid on 20 February 2008 (0.75 sen per unit) prior to the listing of 50 million new units. The Earnings per Unit for the 1st Quarter Ended 31 March 2008 rose by 24% to 3.76 sen compared to 3.03 sen for the proceeding year’s corresponding quarter of 2007. This was over a larger unit base of 255,901,000 Units compared to 205,901,000 in the corresponding quarter of 2007.

As of 31 March 2008 the Fund’s stable of properties stand at (15) compared to just nine (9) in the corresponding quarter of 2007. Two (2) acquisitions were recently finalized on the 1<sup>st</sup> of May, 2008 and three (3) more properties are expected to be completed towards the 3<sup>rd</sup> Quarter 2008. This will mean that Axis-REIT will have (20) properties compared to the five (5) when it listed and with assets under management of RM 690.2 Million.

More/-

As at 31 March 2008, the Fund's total assets are valued at RM620,647.000 compared to RM412,791.000 in the corresponding quarter of 2007.

The Company also announced that the RM90 million raised as gross proceeds from the placement of 50 million new Axis-REIT units on Bursa Malaysia Securities Berhad on 30 January 2008 was used to pare down the borrowings of Axis-REIT during the quarter. As a result the gearing of the Fund has been reduced from 36.06% as of 31 December 2007 to 26.78% as of 31 March 2008. The number of units in issue for the Quarter Ended 31 March 2008 is 255,901,000.

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.

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Hansra Consultants/May 5th, 2008

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