

News Release

For Immediate Release

Axis REIT Delivers Increase in DPU to 15.27 Sen for the Current Year To Date 31 December 08'

- An Increase of 12% compared to the Preceding Year of 2007

Highlights:

	Current Year To Date 31.12.2008	Preceding Year To Date 31.12.2007
Total Trust Revenue	63,442	46,827
Number of units in issue ('000 units)	255,901	205,901
Net income distribution to unitholders (RM'000)	38,971	27,991
Gain in Fair Value of Investment Properties (RM'000)	24,478	40,613
Distribution per unit (DPU) (sen)	15.27*	13.63
Total Assets – (RM'000)	726,371	581,857
No. of Properties	19	14

* Includes the 1st interim income distribution of 0.75 sen per unit paid on 20 February 2008 and 2nd interim income distribution of 6.65 sen per unit paid on 30 August 2008 for the first six-month ended 30 June 2008.

23 January 2009, Kuala Lumpur - The Board of Directors of Axis REIT Managers Berhad the ("Manager") of Axis Real Estate Investment Trust ("Axis-REIT"), is pleased to announce a Distribution per Unit of 7.87 sen for the period 1 July 2008 to 31 December 2008. With the 7.4 sen paid out from the period 1 January 2008 to 30 June 2008, will mean that Axis-REIT have paid a total of 15.27 sen per unit for the Year To Date (YTD) Ended 31 December 08', an increase of 12 % over the 13.63 sen recorded in the preceding year to date of 2007. This was achieved even with additional 50.0 million issued during the year.

"We are pleased to report that despite difficult conditions in the Q3 & Q4 of 2008, we have kept up with our promise of delivering consistent distributions to our Unitholders and will continue to practice distributions of 99% of the realized income before tax (unaudited).

More/-

For the Year ended 31 December 2008, Axis-REIT recorded a gross revenue of RM63,442,000 compared to RM46,827,000 in YTD 07'. For the current year to date under review, realised income before taxation and available for distribution amounted to RM38,971,000, an increase of 39.2% from the preceding YTD 07'.

LaBrooy went on to say that given the prevailing market conditions, the Manager will continue to maintain focus on the core areas of capital management, tenant care, property enhancement and improving occupancy. Gearing levels of the fund are comfortable at the current level of 32%.

On 20th January, 2008, the Manager raised RM90,000,000 million as gross proceeds from a successful placement of 50 million new Axis-REIT units and this was used to pare down the borrowings thereby enabling Axis-REIT to expand its portfolio to 19 properties from the 14 held in 2007.

On 24 September 2008, upon approval from the Securities Commission, Axis-REIT obtained a general mandate from Unitholders to issue up to 51,180,200 new units being part of the Proposed Placement by 31 December 2008. This would have helped increase the fund size of Axis-REIT from 255,901,000 up to a maximum of 307,081,200 units. However, the general mandate has since lapsed on 31 December 2008, and the Board of Axis-REIT will be seeking a fresh general mandate for 2009, which will be exercised once the markets improve.

On the 11th of December 2008, Axis-REIT also announced the successful completion of the Proposed Reclassification of Axis-REIT from a conventional REIT to an Islamic REIT, and made the necessary changes to the Trust Deed.

Effective January 2009, the Manager will adopt a quarterly distribution policy compared to the semi-annual distribution previously practised.

Issued On Behalf Of: Axis-REIT Managers Berhad
By: DK Hansra (0123981365)
For Further Information: The CEO/ED, Stewart LaBrooy (0122003515)
The CFO/Leong Kit May (0123011598)
Axis REIT Managers Berhad (0379584881/2/6)
Hansra Consultants/January 23, 2009
