

Axis-REIT
Unaudited Results
1Q 2013
22nd April 2013



Highlights for 2012



Highlights 1Q 2013

- ✓ Achieved a DPU of 4.5 sen 1Q 2013.
- ✓ Provided our Unitholders with a total return of 20.3%*.
- ✓ Preparing to launch our 2nd Sukuk for RM 190 million.
- ✓ Completed our IT Transformation program for the company with the adoption of the YARDI platform.
- ✓ Currently trades at a premium of 73% to our NAV.
- ✓ Completed our Management Restructuring to roll out the Fund's 5 year strategy plan.
- ✓ Implementation of our 3rd Income Distribution Reinvestment Plan (IDRP) in conjunction with the payment of the 1st Interim 2013 Income Distribution, at an attractive discount rate of 6.03%.

*From Jan 1st 2013 to April 19th 2013

Our Strategy



Our Strategy

- ✓ Targeting Growth in our asset class
- ✓ Leading the Malaysian REIT Managers Association to drive Regulatory and Tax Reform
- ✓ To build on our SUKUK presence in the market
- ✓ Continue to enhance existing assets to drive value and income
- ✓ Trading of assets to reward our Unitholders
- ✓ Best practices & Corporate Governance
- ✓ Setting Standards as a World Class Asset Management Company
- ✓ Leveraging on Technology & Sustainability

Axis- REIT
Financials for 31
March 2013



A Quick Snapshot

	1Q 2013
Total Net Income (RM' 000)	20,875
Earnings per Unit ("EPU") ("Realised") (Sen)	4.50
Income Distribution Declared (RM'000)	20,543
Distribution per Unit* ("DPU") (Sen)	4.50
Number of Investment Properties	31
Units in Circulation (Units)	456,517,221
Assets Under Management (RM'000)	1,565,502
Total Financing (RM'000)	531,391
Gearing Ratio	33.94%
Total Unitholder's Fund (RM'000)	985,163
Market Capitalization (RM'000)	1,552,159
Net Asset Value per Unit (RM)	2.1580
IPO Retail Unit Price	1.25
Unit Price as at 31 March (RM)	3.40
Number of Unitholders	2,854

* First Interim Income distribution to be paid on 13 June 2013

Financial Results – Income Statement

	1Q 2013 (RM '000)	1Q 2012 (RM'000)	Changes / Movement
No. of Properties	31	29	+ 2
Property Income	34,893	32,236	+ 8.24%
Property Expenses	(5,105)	(4,792)	+ 6.53%
Net Property Income	29,788	27,444	+ 8.54%
Interest Income	114	50	
Non-Property Expenses	(3,142)	(2,937)	+6.98%
Islamic Financing Cost	(6,212)	(4,702)	+32.11%
Income Before Taxation	20,548	19,855	+ 3.49%
DPU – sen	4.50	4.30	+4.65%
No. of units in issuance	456,517,221	453,814,096	+ 0.60%

Note: The above excludes unrealised earnings due to changes in fair value of investment properties /tenants' deposits.

Financial Results – Income Statement

	1Q 2013 (RM '000)	4Q 2012 (RM'000)	Changes / Movement
No. of Properties	31	31	-
Property Income – Note 1	34,893	34,906	- 0.04%
Property Expenses – Note 2	(5,105)	(5,393)	-5.34%
Net Property Income	29,788	29,513	+ 0.93%
Interest Income	114	93	
Non-Property Expenses – Note 3	(3,142)	(3,050)	+ 3.02%
Islamic financing cost – Note 4	(6,212)	(6,793)	- 8.55%
Income Before Taxation From Operation	20,548	19,763	+ 3.97%
Gain/(loss) on disposal	-	1,012	
Realisation of Revaluation Gain on Disposal	-	4,918	
Adjusted Income Before Taxation – Note 5	20,548	25,693	- 20.02%
Earnings Per Unit – sen	4.50	4.55	-1.10%
DPU – sen	4.50	5.60*	-19.64%

Note: The above excludes unrealised earnings due to changes in fair value of investment properties/tenants' deposit.

* Includes the net gain on disposal of Kayangan Depot which contributed 1.30 sen per unit. Kayangan Depot was disposed on 31 Dec 2013 had contributed full 3 months income to the performance of 4Q2013.

Note 1 – Property Income

Property income is in line with the last preceding quarter as the loss of income from Kayangan Depot which was disposed on 31 December 2012 has been offset against the positive rental revisions.

Note 2 – Property Expenses

Property expenses decreased as Kayangan Depot was disposed off as at 31 December 2012. The efficiency ratio (based on the ratio of property expenses over income) of the portfolio of properties has improved to 14.63% in comparison to last quarter's 15.45%.

Note 3 – Non-Property Expenses

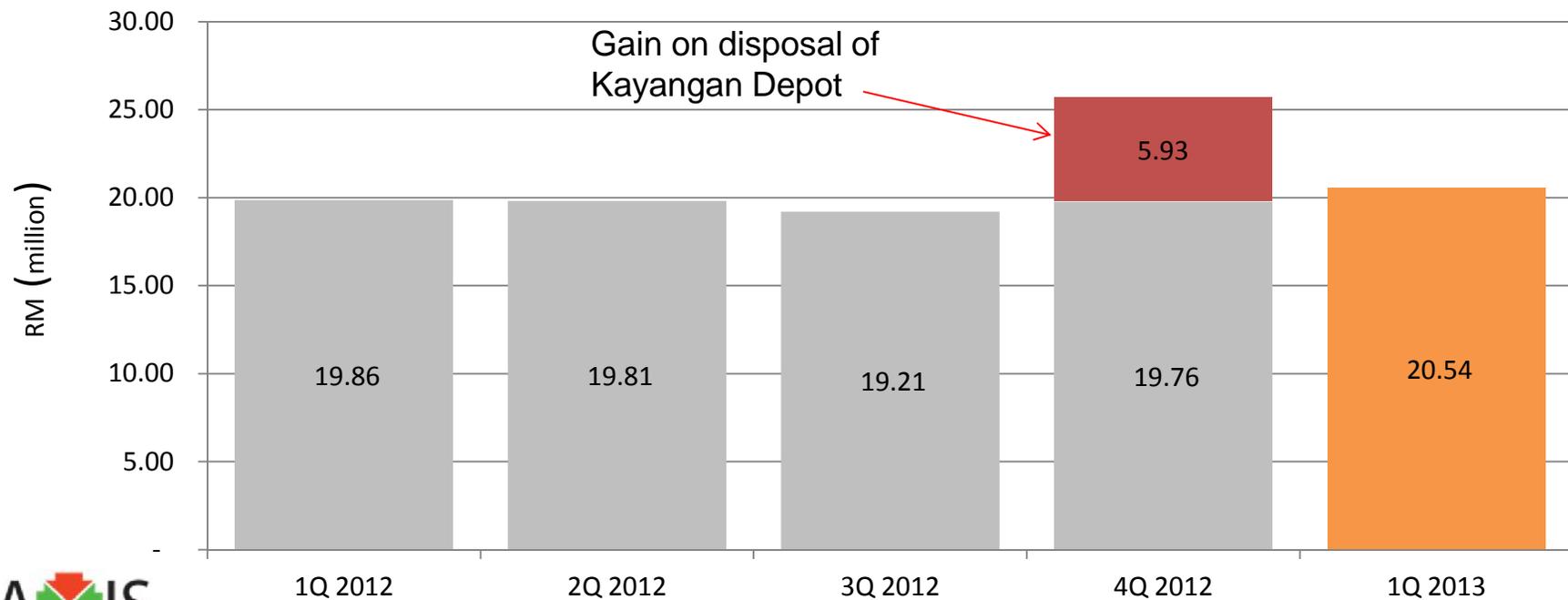
The increase in non-property expenses is due to higher manager fee arising from the increase in the Net Asset Value of the Fund and also the higher projected valuation fee for YE 2013. The Management Expenses Ratio ("MER") for the first quarter of the financial year is at 1.28% of NAV.

Note 4 – Islamic financing cost

The decrease in Islamic financing cost is due to the drop in gearing level of the Fund from the proceed of disposal of Kayangan Depot that was completed on 31 December 2012. The gearing level of the Fund dropped from 34.56% as of 31 December 2012 to 33.94% as of 31 March 2013.

Note 5 – Adjusted Income Before Taxation

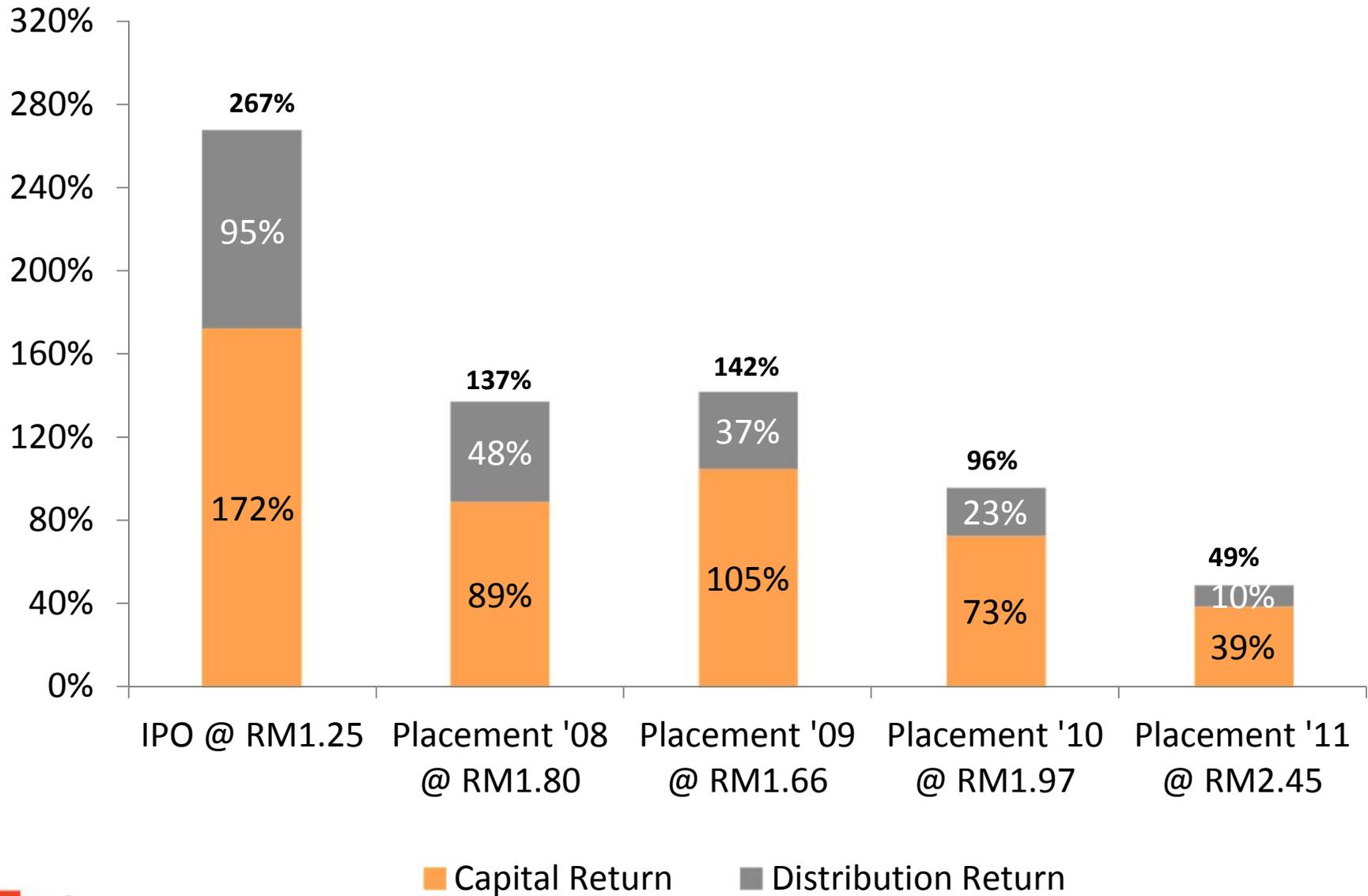
Earnings by Quarter (1Q 2013 vs Previous 4 Quarters in FY2012)



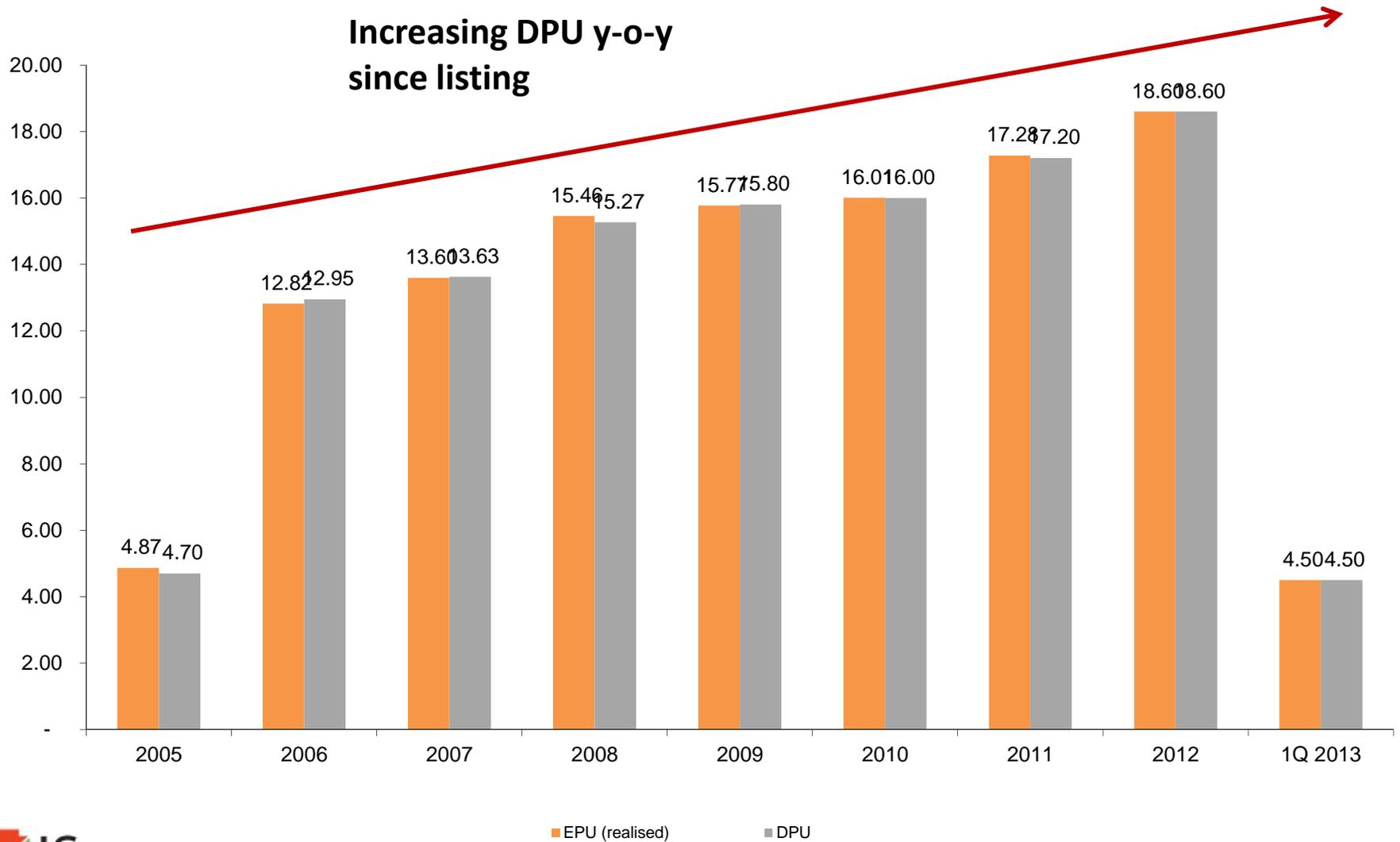
Balance Sheet Highlights (RM'000)

	31/03/13	31/12/12	Changes
Investment Properties	1,524,892	1,519,519	+ 5,373
Fixed Assets	508	521	- 13
Other Assets	40,102	69,368	- 29,266
TOTAL ASSETS	1,565,502	1,589,408	- 23,906
Financing	531,391	549,285	- 17,894
Other Payables	48,948	50,418	- 1,470
TOTAL LIABILITIES	580,339	599,703	- 19,364
NET ASSETS VALUE ("NAV")	985,163	989,705	- 4,542
Unitholders' Capital	735,429	735,429	-
Undistributed Distributable Income	20,600	25,617	- 5,017
Non-Distributable Reserve	229,134	228,659	+ 475
TOTAL UNITHOLDERS' FUND	985,163	989,705	- 4,542
GEARING	33.94%	34.56%	
NAV/unit (RM)	2.1580	2.1679	
No. of units in issuance	456,517,221	456,517,221	

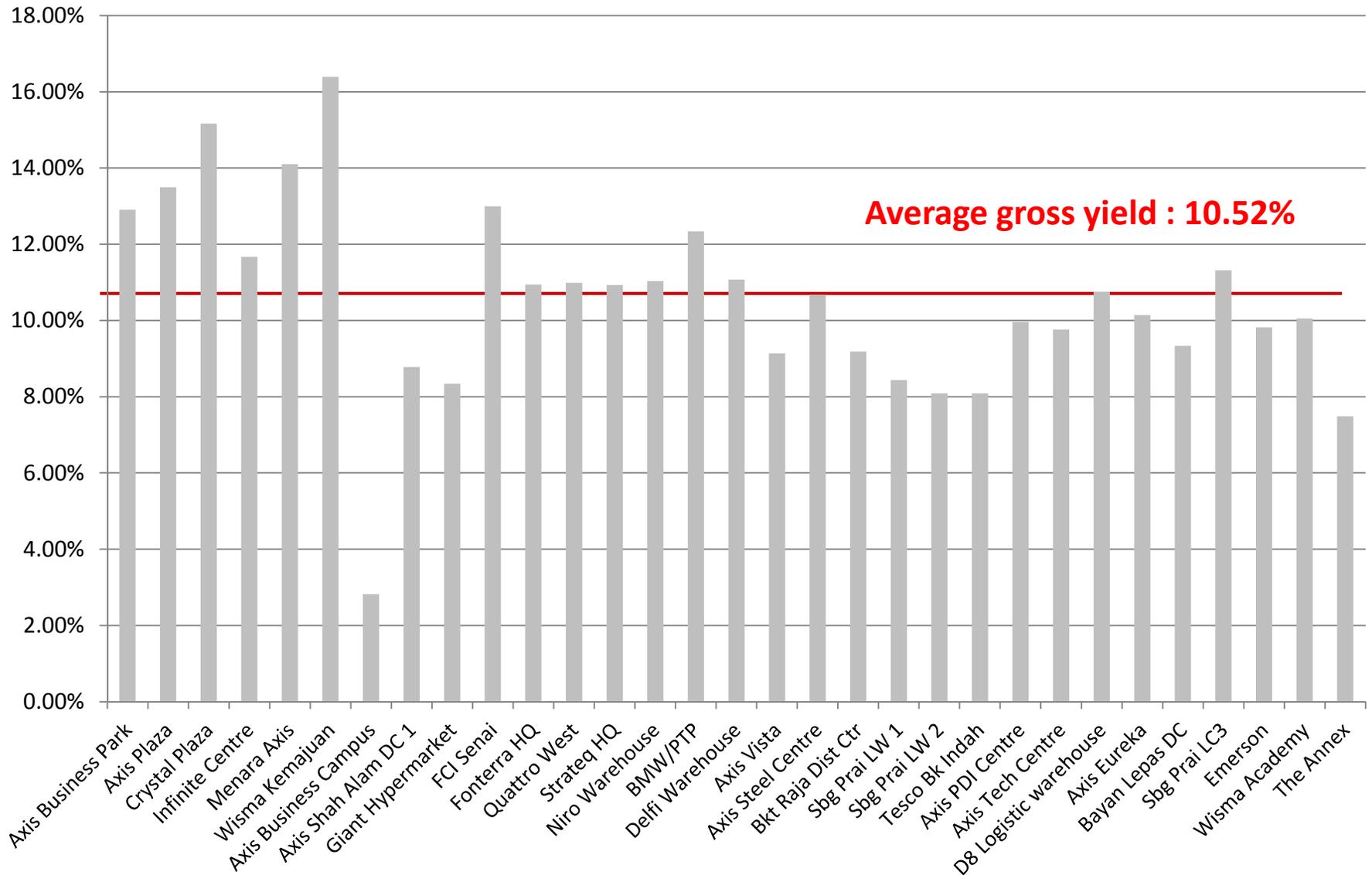
Capital Return and Dividend Return



Summary of EPU (Realized) and DPU



Gross Yield Of Investment Properties

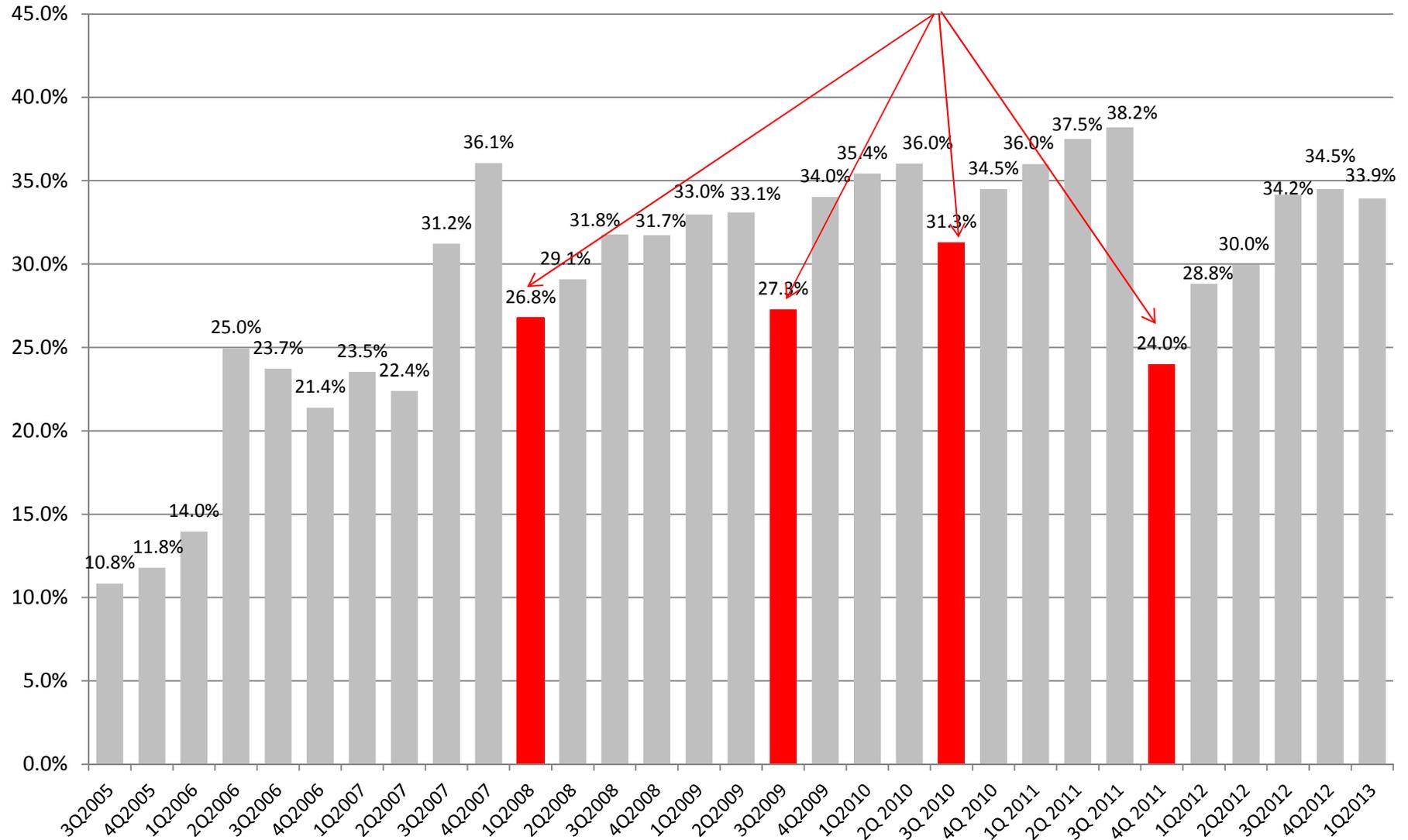


Borrowings

	2006	2007	2008	2009	2010	2011	2012	1Q 2013
Total Financing (RM'000)	88,089	209,816	230,456	308,932	416,609	311,338	548,920	531,391
Total Assets (RM'000)	411,781	581,857	726,371	907,745	1,208,897	1,298,431	1,589,408	1,565,502
Gearings	21.39%	36.06%	31.73%	34.03%	34.46%	23.98%	34.54%	33.94%
Effective Interest Rate	4.38%	4.39%	4.28%	4.11%	4.48%	4.66%	4.58%	4.58%
Percentage of short term borrowings- Maturity < 1 Year	100%	100%	100%	47%	48%	52%	62%	61%
Percentage of medium term borrowings (maturity more than 1 years and less than 10 years)	-	-	-	53%	52%	48%	38%	39%

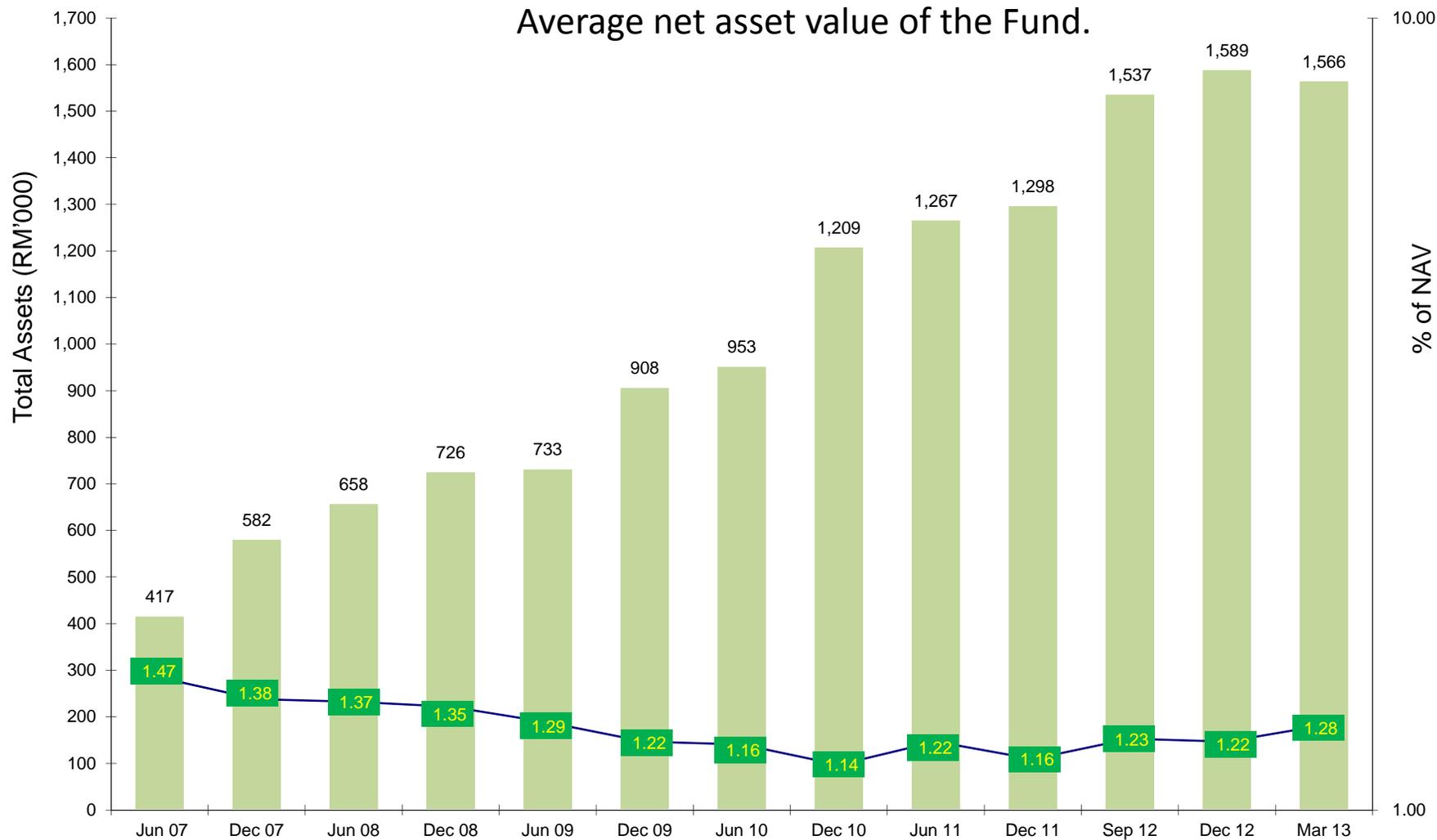
Gearing Levels

Placements Undertaken

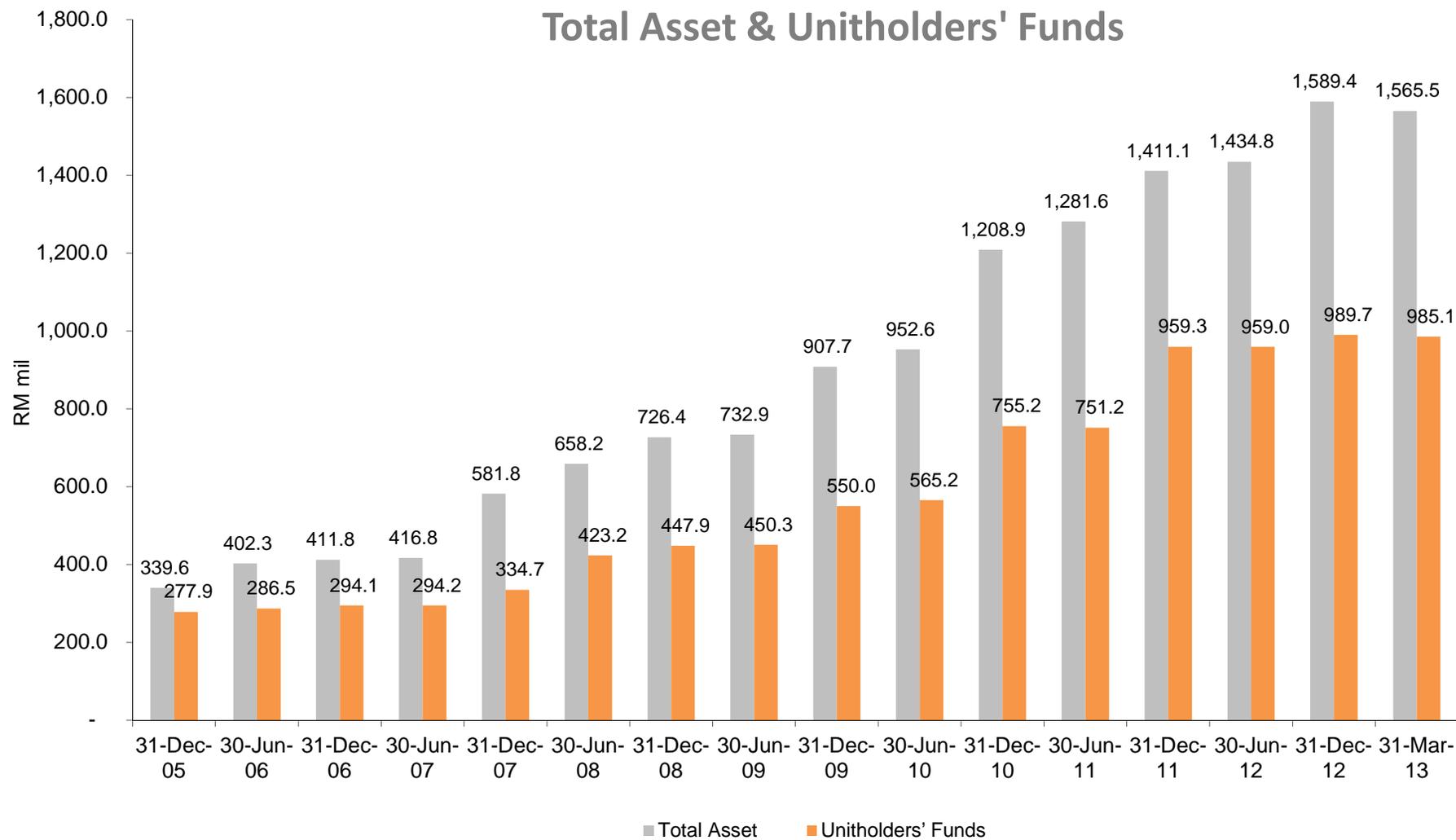


Management Expense Ratio ("MER")

MER= Total administrative expenses incl. Manager and Trustee's fees
Average net asset value of the Fund.

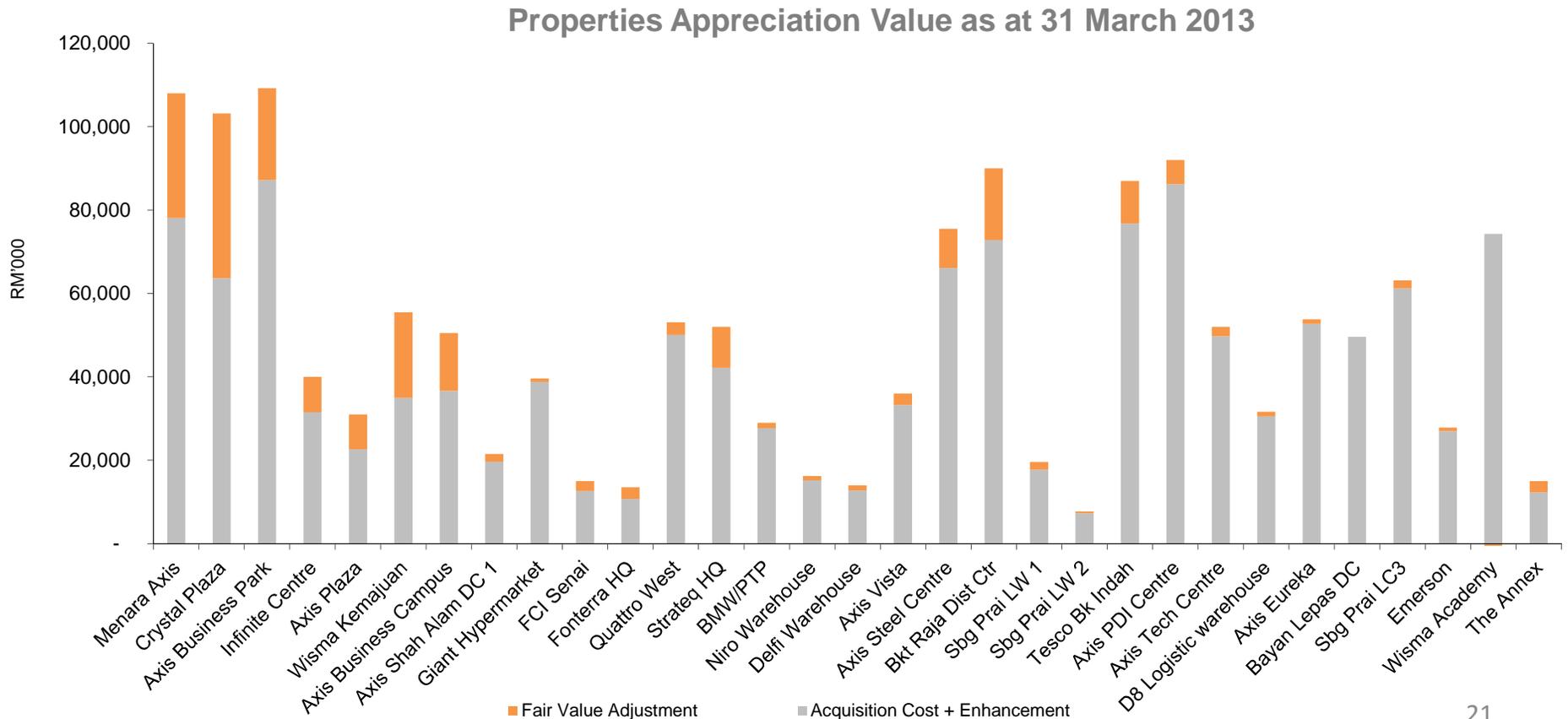


Total Assets and Unitholders' Funds



Asset Enhancement & Appreciation of Values

- As at 31 March 2013, only Axis Shah Alam DC1 have undergone a full revaluation, as it is mandatory for the management to have a full valuation done every 3 years for each investment property.
- To-date, the Portfolio has recorded a favorable gain in fair value of RM223.03 million.



Annual General Meeting



First AGM and Unitholders' Meeting

Date : 30th April 2013
Time : AGM at 10.00 a.m. followed by UM after adjournment of AGM
Venue : Level 1, The Westin

Agenda of AGM

Ordinary Business – to receive Audited Financial Statements for FY2012

Special Business – Approval for renewal of IDRPs Authority

Agenda of Unitholders' Meeting

To obtain approvals from Unitholders for the following:-

Proposed Authority 1 - Additional issuance of up to 90,762,819 new units in Axis-REIT and the corresponding increase in fund size and;

Proposed subscription of new Units under the proposed placement by interested persons

Proposed authority 2 - to allot and issue up to 2 million new units in Axis-REIT for the purpose of payment of management fee to the manager and the corresponding increase in fund size

First AGM and Unitholders' Meeting

Details of the Proposed Authority 1&2

- Proposed placement of 90,762,819 new units;
- Issuance of 2.0 mil units for payment of management fee in units
- Approval for directors (including person relating to the director) of ARMB to subscribe for the units:

	Maximum subscription
Dato' Abas	200,000 units
Datin Kuyas	100,000 units
Mr Stephen Tew	200,000 units
Dato' Stewart	50,000 units
Mr Alex Lee Lao	250,000 units
Mr Dean Lee Lao	1,050,000 units
Mr John Lee Lao	550,000 units
Total	2,400,000 units (representing 2.6% of the placement size)

- Approval for the above has been obtained from Securities Commission on 14 December 2012.

Updates on the REIT Guidelines



The highlights of the latest updates to the Guidelines on Real Estate Investment Trusts issued by the Securities Commission effective on 28 December 2012

- Insertion of definitions on ‘accounts’, ‘consolidated accounts and financial statements’.
- Requirement to call an annual general meeting (“AGM”) and to lay before the meeting the audited financial statements of the Fund and such AGM to be held within 4 months from the close of financial year end.
- *In Axis-REIT’s case an AGM must be held latest by end of April each year. It is scheduled to be held on the 30 April 2013 at the Westin Kuala Lumpur*
- Notices of meeting can now be advertised in an English OR Bahasa Malaysia newspaper and not BOTH as previously prescribed by the Capital Markets and Services Act, 2007.

Licensing of REIT Managers and The Application for Certification for Tax Incentive

The Capital Markets and Services Act 2007 was amended and came into effect on 28 December 2012. Amendments include expanding the definition of fund management to include the management of assets in a unit trust scheme and therefore, requires REIT Managers to be licensed by the Securities Commission (“SC”)

Real Estate Report



Key Metrics

Portfolio Size:

As at 31st March 2013 the Portfolio have 31 assets comprising 5,463,599 sq. ft. and 130 tenants

Occupancy:

The Portfolio has an occupancy of 95.64% as at 31st March 2013. There is a slight decrease from 96.21% as at 31st December 2012

Gross Income

Our Gross Income was RM 34,884,405 as at 1Q 2013

Property Expenses

Our Operation Property Expenses was RM5,056,721 as at 1Q 2013

Net Operating Income (NOI)

Our NOI was RM29,827,684 as at 1Q 2013

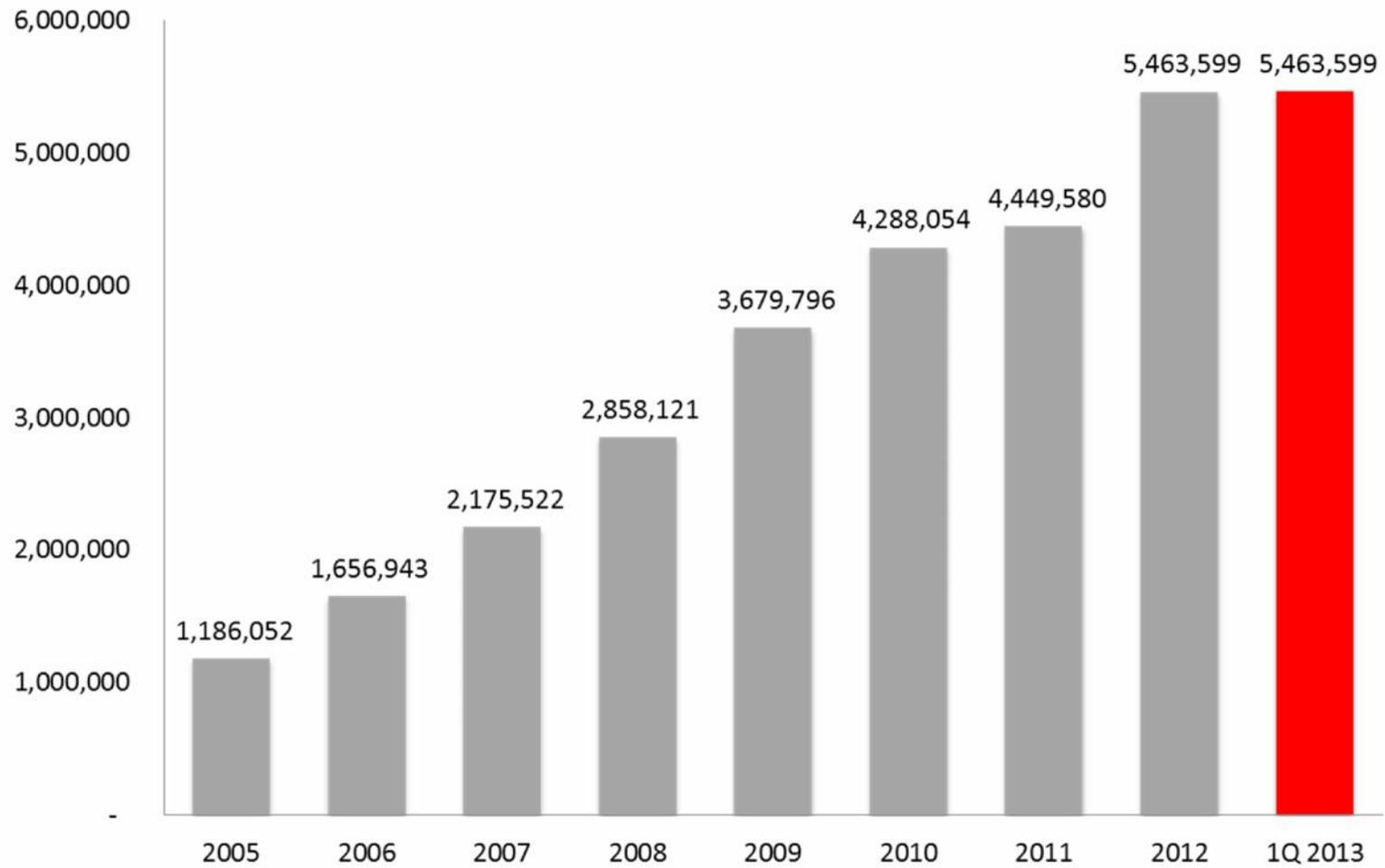
Average Rental

Office properties – RM4.00 per sq. ft.

Office industrial properties - RM2.44 per sq. ft.

Across the portfolio – RM2.14 per sq. ft.

Space Under Management (Sq Ft)



Income Growth – Rental Reversions in Q1 2013

Properties	Space Renegotiated (Sq. Ft.)	% Rent Movement
MENARA AXIS	25,443	+9.01%
CRYSTAL PLAZA	- *	+7.69%
AXIS BUSINESS PARK	7,000	No Change
INFINITE CENTRE	- *	7.69%
AXIS PLAZA	- *	7.69%
WISMA KEMAJUAN	19,560	+6.67%
QUATTRO WEST	52,342	13.51%
ANNEX	25,046	No Change
AXIS TECHNOLOGY CENTER	34,020	+13.64%
AXIS EUREKA	160	+16.67%
WISMA ACADEMY	16,840	7.41%

- ✓ The Manager has successfully renegotiated 180,411 sq ft of space accounting to 3.3% of total NLA, achieving average positive rent reversion of 9.90% .
- ✓ The Manager also secured new tenancies for 28,037 sq ft of space.

* Telco station on roof

Occupancy Rates – 31st March 2013

As at 31st March 2013 Axis-REIT has 9 out of 31 properties that carry any vacancy. The balance 22 properties enjoy 100% full occupancy

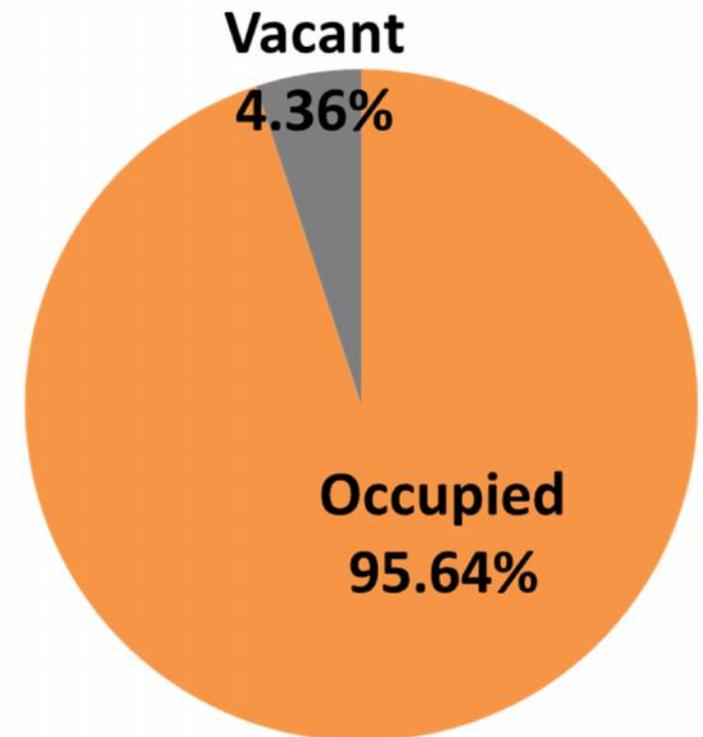
Occupancy

As at 31st Dec, 2012 96.21%

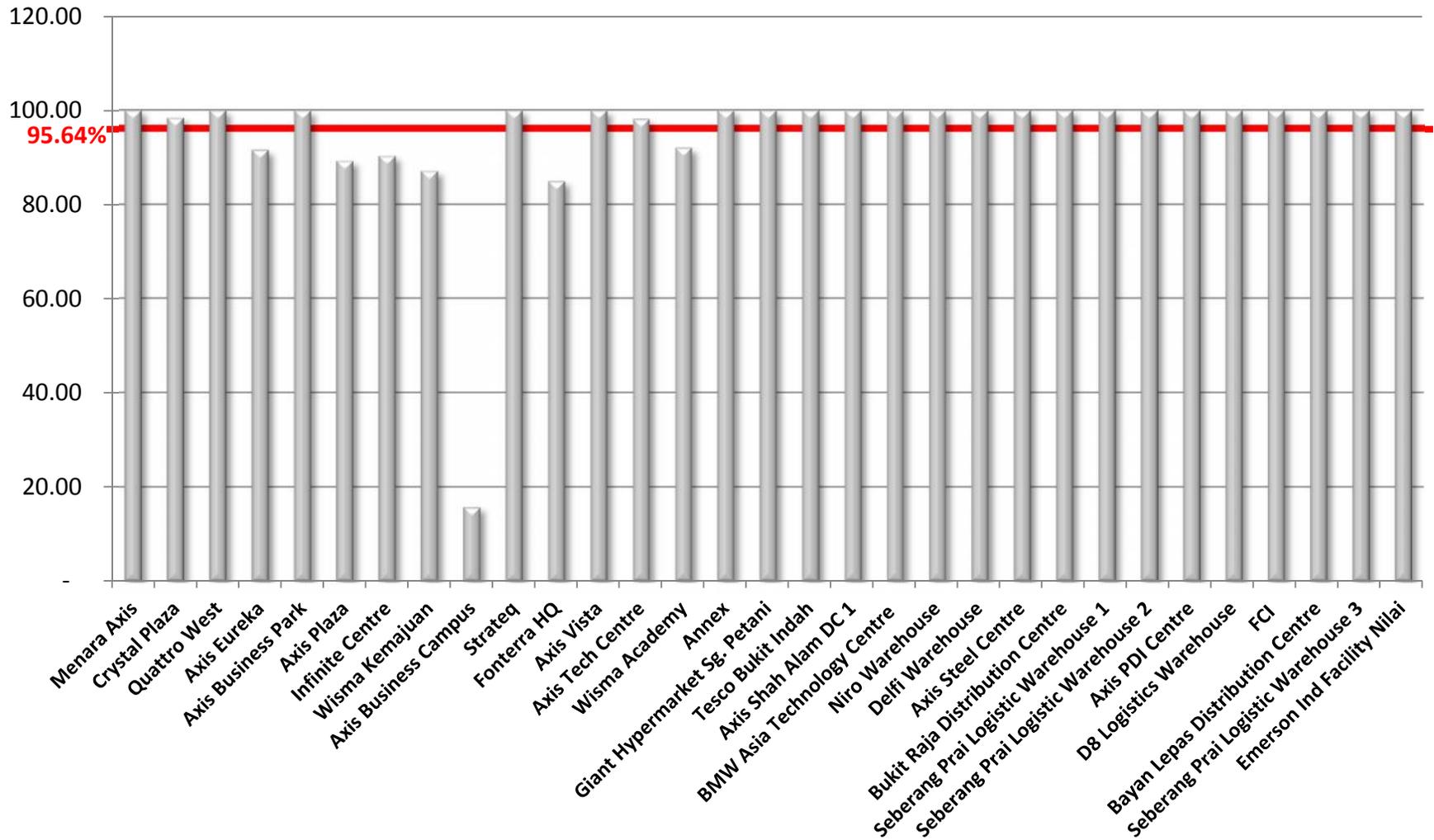
As at 31st Mar, 2013 95.64%

This is only **4.36%** vacant of total NLA

For our Multi-tenanted Buildings
Q1 2013 occupancy is **96.16%**

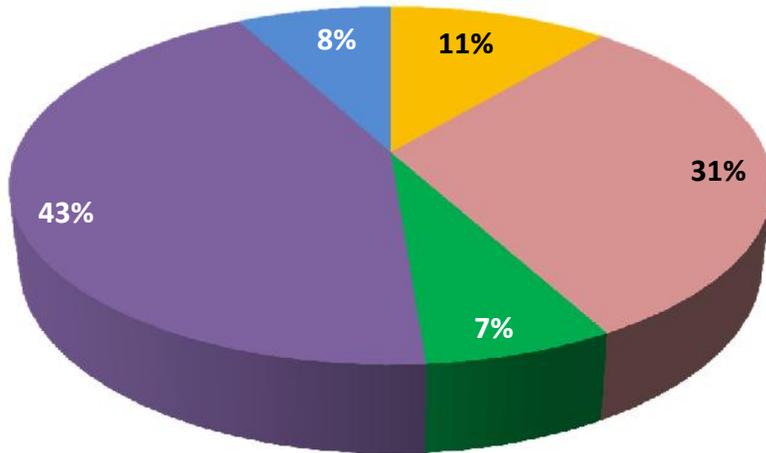


Occupancy Rates – 31st March 2013



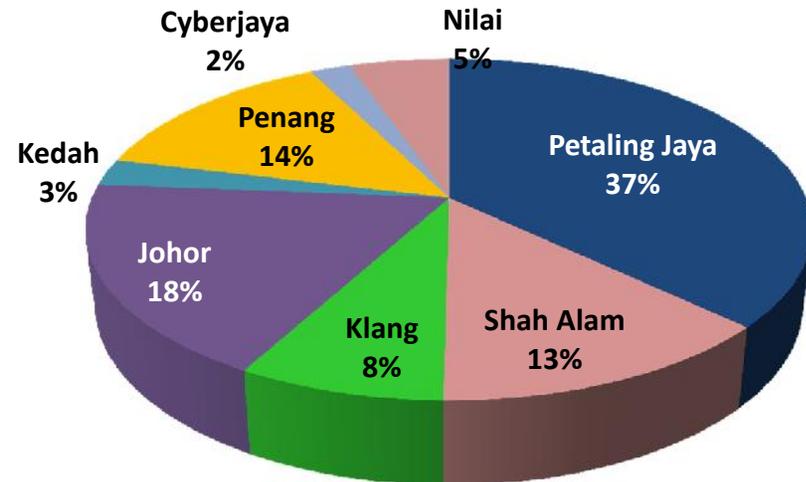
Risk Management- Keeping a Diverse Portfolio

Portfolio Diversification by Type and NLA

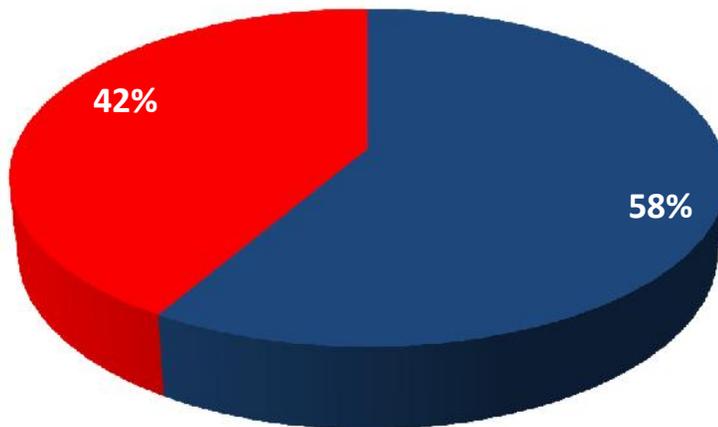


■ Office ■ Office/Industrial ■ Warehouse Retail ■ Warehouse Logistic ■ Light Industrial

Portfolio Diversification by Geographical and NLA



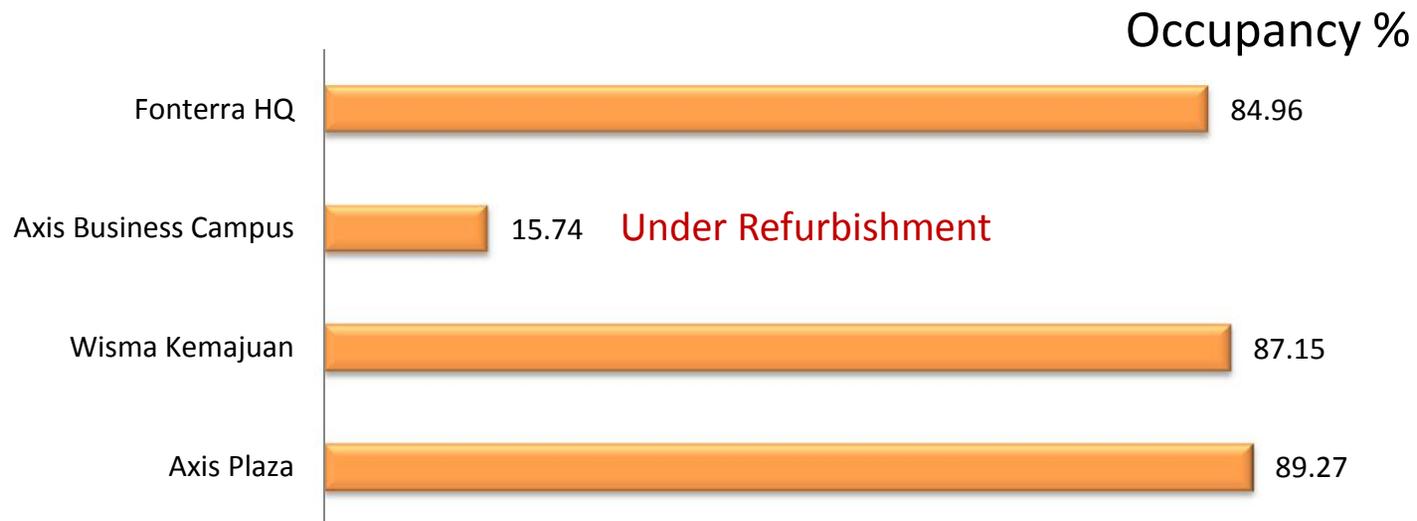
Single Tenant Vs Multi-Tenants



■ Single Tenant
■ Multi Tenants

Occupancy Rates

Occupancy rates of properties below 90% as of 31st March 2013



Note: * Vacant space Fonterra HQ is built for their future expansion
*Axis Business Campus (formerly Wisma Bintang) is undergoing major refurbishment

Risk Profile – Manageable Lease Expiry Profiles

Property	Year 1Q 2013	% of Total NLA	% of Rental Income/mth	Year 2014	% of Total NLA	% of Rental Income/mth	Year 2015	% of Total NLA	% of Rental Income/mth
Menara Axis	74,636	1.37	2.59	54,587	1.00	2.23	-	-	0.03
Crystal Plaza	120,358	2.20	4.05	7,746	0.14	0.30	76,999	1.41	2.35
Axis Business Park	86,676	1.59	1.91	232,197	4.25	5.29	14,163	0.26	0.26
Infinite Centre	99,982	1.83	1.83	28,074	0.51	0.53	9,250	0.17	0.18
Axis Plaza	104,843	1.92	1.98	-	-	0.00	-	-	-
Wisma Kemajuan	91,946	1.68	2.03	9,583	0.18	0.27	50,124	0.92	0.98
Axis Business Campus	27,230	0.50	0.71	-	-	-	-	-	-
Axis Vista	57,617	1.05	1.34	60,400	1.11	0.89	-	-	-
Quattro West	59,294	1.09	2.10	33,911	0.62	1.25	10,991	0.20	0.32
Axis Technology Centre	92,364	1.69	1.52	17,348	0.32	0.46	91,837	1.68	1.51
Axis Eureka (FSBM)	14,660	0.27	0.54	58,067	1.06	3.01	-	-	-
Wisma Academy	59,031	1.08	1.28	51,861	0.95	1.22	118,267	2.16	2.13
Annex	27,400	0.50	0.36	18,000	0.33	0.29	25,046	0.46	0.35
Emerson	22,880	0.42	0.13	-	-	-	-	-	-
Axis steel Centre	-	-	-	366,839	6.71	5.09	-	-	-
Niro	-	-	-	167,193	3.06	1.21	-	-	-
SPLC3	-	-	-	395,225	7.23	4.96	-	-	-
Fontera HQ	-	-	-	600	0.01	0.01	-	-	-
BMW	-	-	-	161,474	2.96	2.47	-	-	-
PDI	-	-	-	-	-	-	58,009	1.06	6.19
Shah Alam DC 1	-	-	-	-	-	-	110,406	2.02	1.24
FCI	-	-	-	-	-	-	136,619	2.50	1.18
Delfi	-	-	-	-	-	-	130,743	2.39	1.02
	938,917	17.18	22.36	1,663,105	30.44	29.49	832,454	15.24	17.75

Weighted Average Lease Expiry (“WALE”)

The Weighted Average Lease Expiry
For the Portfolio is:

	Q1 2013	Q4 2012
By NLA	4.66	4.43
By Rental	4.52	4.17

Portfolio Efficiency (“PE”)

The Efficiency Ratio of the Operating Cost for the Portfolio is:

	1Q 2013	4Q 2012
By %	14.50	15.17

Risk Management -Top Ten Tenants -Strong Rental Covenants

1. Konsortium Logistik Bhd
2. LF Logistics Services (M) Sdn Bhd
3. Tenaga Nasional Berhad
4. Schenker Logistics (M) Sdn Bhd
5. Tesco Stores (M) Sdn Bhd
6. Fuji Xerox Asia Pacific Pte Ltd
7. DHL Properties (M) Sdn Bhd
8. Strateq Data Center Sdn Bhd
9. BMW Asia Technology Centre Sdn Bhd
10. Nippon Express (M) Sdn Bhd

The Top Ten tenants account for 47.43% of the total revenue of the Trust.

Property Report on
Enhancements:
The Value Add
Strategy



Asset Enhancement

The aim of asset enhancement is to assess the REIT's portfolio from a "property player's" perspective. We employ our experience as a group to enhance and reposition these assets to increase their Revenue and Value - the key performance drivers of a REIT.



Summary of Projects In Progress in 2013

Infinite Centre

Total budget approved RM7,376,275.39.

Works awarded: 16th July 2012

Status: Main building works completed 14th February 2013



Summary of Projects In Progress in 2013

Axis Business Campus (formerly Wisma Bintang)

Phase 1 – TNB Sub-station

Contract awarded 28th Sept 2012

Status: Completed 14th February 2013

Phase 2 – West Block & South Block

Contract awarded 7th January 2013

Revised completion date: 31 July 2013

Phase 3 - East Block – pending MBPJ approval



Summary of Projects In Progress in 2013

MSC Application for Menara Axis

MDEC approved application

Status: Works in progress, scheduled completion June 2014

Amalgamation of Titles

Property: Shah Alam DC 1

Bukit Raja Distribution Centre

Seberang Prai Logistic Centre 3

Emerson, Nilai

Status: In progress

Upgrading 4 nos. passenger lifts in Crystal Plaza

Status: Upgrading works for 2 nos lifts in progress, schedule completion Sept 2013

Balance 2 nos. to commence October 2013, schedule completion March 2014

Proposed Enhancement Projects in 2013/ 2014

WISMA ACADEMY PARCEL

Project Aims:

- ✓ Asset repositioning to achieve higher yields
- ✓ Tenants retention
- ✓ Asset valuation enhancement

Proposed Enhancement Projects in 2013/ 2014

Wisma Academy Parcel & The Annex – Current Condition



Proposed Enhancement Projects in 2013/ 2014

Wisma Academy Refurbishment Concepts



Wisma Academy

Proposed Enhancement Projects in 2013/ 2014

Wisma Academy Refurbishment Concepts



Proposed Enhancement Projects in 2013/ 2014

THE ANNEX

Project Aims:

- ✓ Aggressive Aim – This is a “product Re-positioning”
- ✓ Asset valuation enhancement – we are enhancing to unlock the potential value of prime PJ land. We anticipate a significant increase in rentals
- ✓ Creating more car parks to compliment Wisma Academy Parcel

Proposed Enhancement Projects in 2013/ 2014

The Annex Redevelopment Concept



The Annex

Proposed Enhancement Projects in 2013/ 2014

MENARA AXIS

Project Deliverables: Enhancement of toilets and lift lobbies

Project Aims:

- ✓ Asset repositioning to achieve tenants' retention
- ✓ Sustainability features, translating to lower operating costs
- ✓ To keep asset competitiveness

Proposed Enhancement Projects in 2013/ 2014

AXIS TECHNOLOGY CENTRE

Project Deliverables: Passenger lift to roof car park

Project Aims:

- ✓ Improve accessibility to roof top car park
- ✓ Enhance marketability

MICROSOFT 365 platform – completed and running

**YARDI- New software platform for Axis REIT Managers Bhd accounts
and property management**

- ✓ All Departments have gone live on 1 April 2013
- ✓ Data migration completed
- ✓ Data verification completed.
- ✓ Some customization in still underway

MRMA Report



3.4 MRMA Report

Membership

To date we have a total of 15 REIT managers and 1 Bank as members.

Committees

The Association voted the following heads of our working committees

- The Regulatory Committee headed by Stewart LaBrooy
- The Finance Committee headed by YP Lim
- The Islamic REITs Committee headed by Shahril Simon of CIMB

Website.

This is now live and the URL is www.mrma.my

The Association has as of 1 January 2013 added a news portal to the main page of the website

3.4 MRMA Report

Members Meeting 1Q 2013

The members met for their 1st Quarterly meeting at the PJ Hilton on the 4th April 2013. It was a breakfast meeting of members and a joint meeting with the APREA Malaysia Chapter. The meeting had 48 attendees.

The meeting featured two presentations.

•**“Claim of Capital Allowance and /or Industrial Building Allowance on the REIT level & the application of S109D withholding tax”** By Mr. Julian Wong and Mr. Chen Keng Haw of Ernst & Young

•**“Implementation of MFRS 10 Consolidated Financial Statements “**By MASB

The presentations were a result of problems faced by REITs with Hotel assets when they were told that they couldn't claim Capital Allowances or IBA when submitting their accounts.

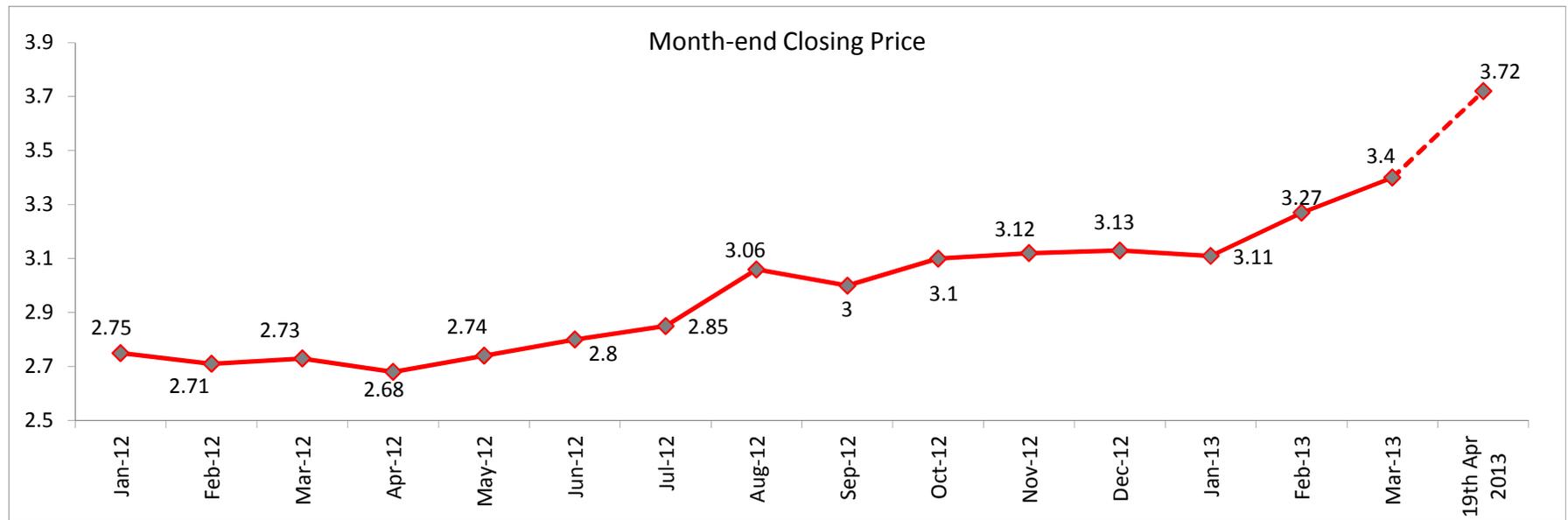
In addition the implementing of MFRS 10 on consolidated statements where Promoters companies who owned more than 50 of the units in a REIT had to consolidate their income in their accounts.

The issues triggered a lively debate with the presenters and the MRMA members benefitted hugely from both presentations.

Investor Relations



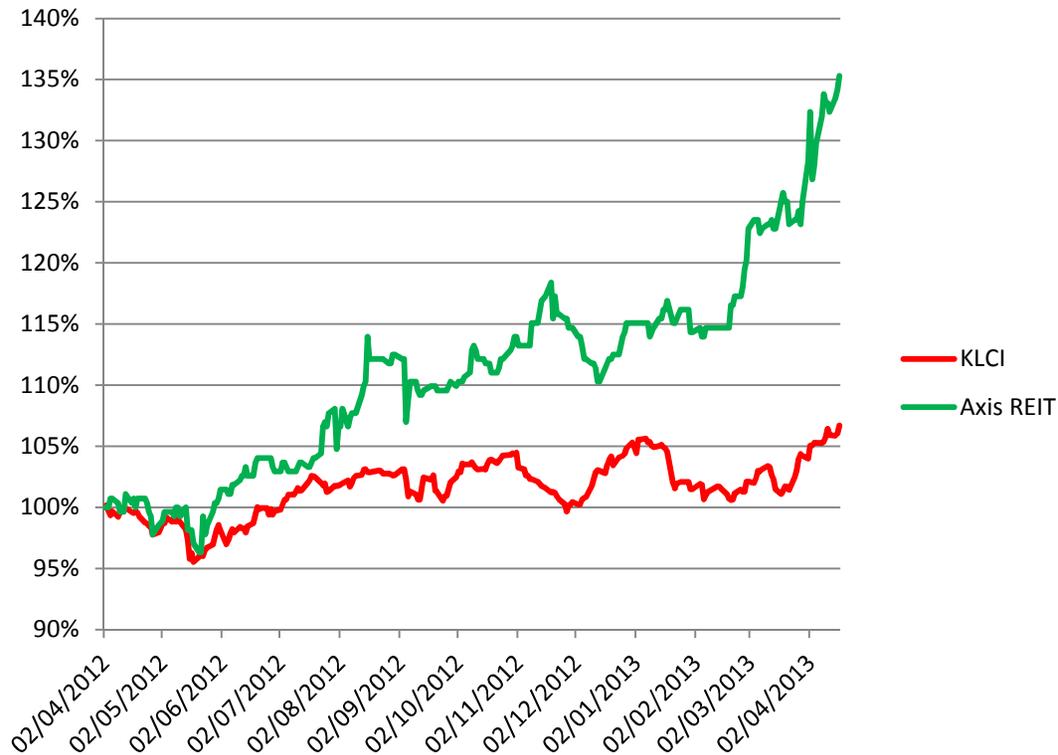
Unit Price Performance - Continues to trend upwards



- Unit price closed at an all time high of RM 3.4 on 29th March 2013, the highest closing price for the 1Q 2013. In April we witnessed an all time high of RM 3.77. It closed at RM 3.72 on 19th April 2013.
- While in Q4 2012, the price trend is flat, the price in Q1 2013 has seen a marked increase once again.
- Within the first 3 months of 2013, the unit price appreciation is approximately 8.6%. At the time of writing (April 19th), unit price appreciation since Jan 1st is 18.9%.

Outperformed the KLSE in FY 2012

AXIS REIT vs KLCI (Apr 2012 to Mar 2013)



➔ Outperformed the KLCI Index

➔ 35% unit price appreciation for the last 12 months

Price & Volume Statistics

Current Price (19 th Apr)	: RM3.72
Average Monthly Volume in the last 12 months	: 5,413,275
Highest Monthly Volume in the last 12 months @Jan 2013	: 11,051,000
Lowest Monthly Volume in the last 12 months @Nov 2012	: 857,100

Source: Bloomberg

Top 10 Unitholders

1	EMPLOYEES PROVIDENT FUND BOARD
2	KUMPULAN WANG PERSARAAN (DIPERBADANKAN)
3	TEW PENG HWEE @ TEOH PENG HWEE
4	SKIM AMANAH SAHAM BUMIPUTERA
5	ALEX LEE LAO
6	AMERICAN INTERNATIONAL ASSURANCE BERHAD
7	AMANAHRAYA TRUSTEES BERHAD AS 1MALAYSIA
8	AMANAH SAHAM DIDIK
9	AMANAH SAHAM MALAYSIA
10	PUBLIC SMALLCAP FUND

ROD analysis

Top unitholders' percentage holdings

1. Top 5 CDS accounts hold 34% of total units
2. Top 10 unitholders hold 49% of total units
3. > 1 million unitholders' total shareholding = 85%

Number of unitholders

1. Total number of unit holders increased by 4 to 2,854

Most Notable Increase in Unitholdings

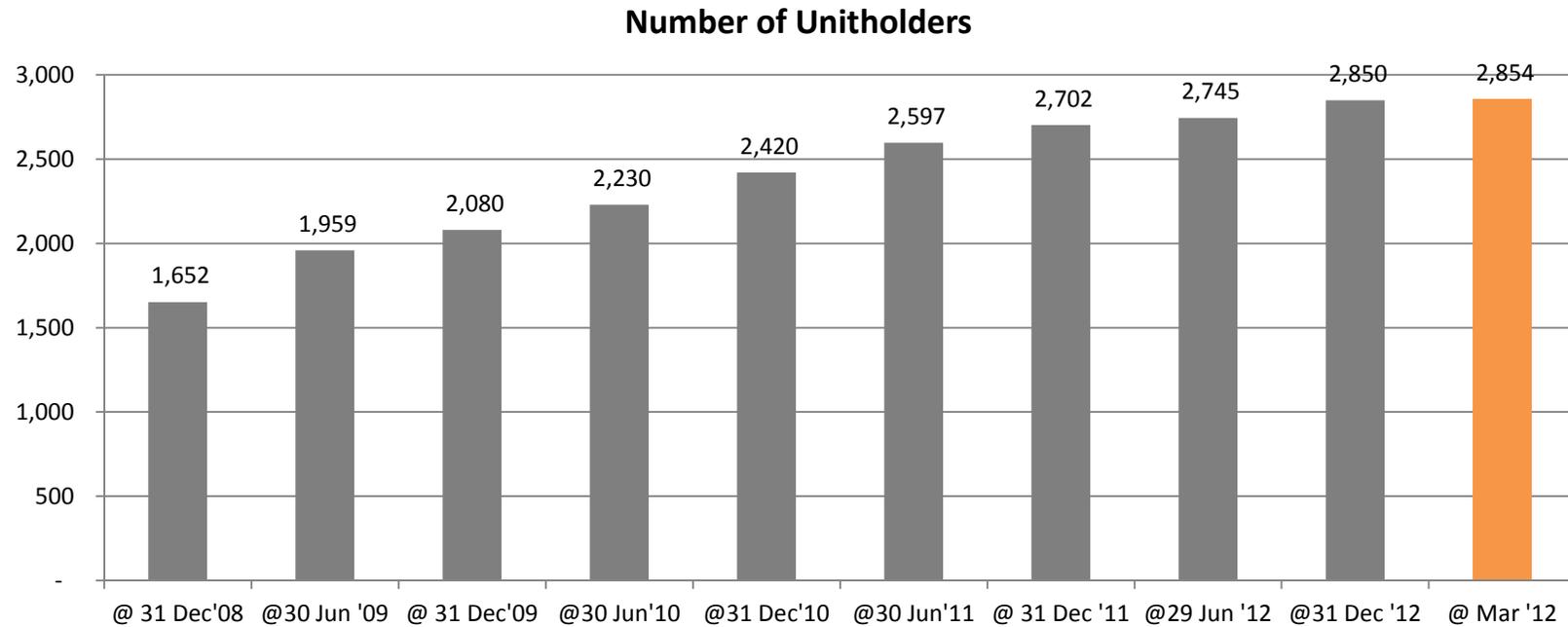
No.	Unitholder	No. of Units	% of Total Units
1	KUMPULAN WANG PERSARAAN (DIPERBADANKAN)	3,950,600	13.59%
2	AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM MALAYSIA	3,526,600	37.31%
3	EPF*	3,324,900	5.65%

* Consolidated number of units which are easily discernible as belonging to EPF in the displayed CDS account name. The individual EPF CDS account with the largest AXREIT unit holdings has no change quarter-on-quarter.

Most Notable Decrease in Unitholdings

No.	Unitholder	No. of Units	% of Total Units
1	UNI.ASIA GENERAL INSURANCE BERHAD	(5,500,000)	-100.00%
2	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR AMERICAN INTERNATIONAL ASSURANCE BERHAD	(4,485,595)	-21.86%
3	AMANAHRAYA TRUSTEES BERHAD AS 1MALAYSIA	(2,575,900)	-16.50%

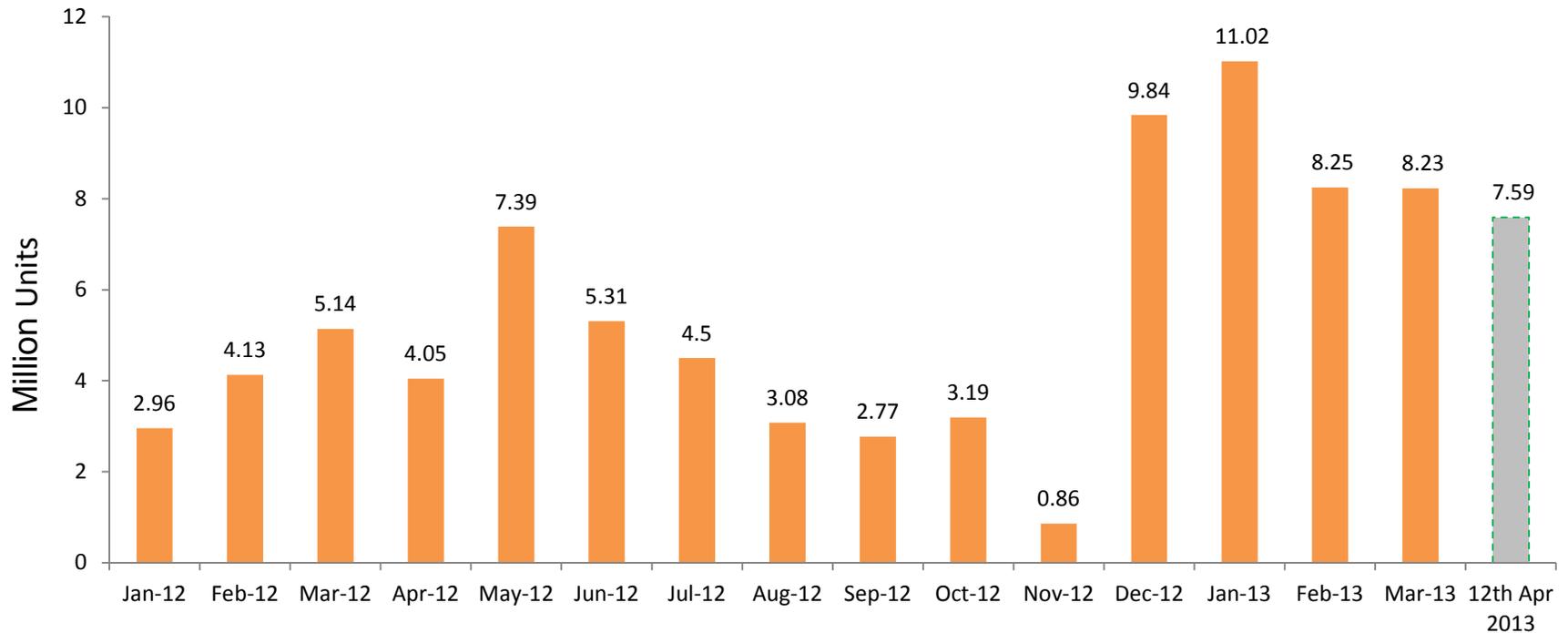
Improving Investor Visibility and Liquidity



- ✓ Total foreign holdings is recorded at 13.7%, of which 8.81% is related party and 4.89% is non-related party.
- ✓ Promoters' current holdings stand at 16.12%

Volume Performance

Month End Volume Traded



- ✓ 27.5 million units were traded in Q1 2013, which is 98% higher than total volumes in the previous quarter (Q4 2012 volume = 13.9 mln units)
- ✓ Compared to the same quarter of last year, Q1 2013's volume is 125% higher (Q1 2012's volume = 12.2 mln units).

Investor Relations Events and Conferences

Q1 2013 Calendar

Date	Conference / Events	Description
13/03/2013	Malaysian Investor Relations Seminar.	Stephanie Ping (SP) attended: Screens and Tools used by Socially Responsible Fund Managers.
13/03/2013	Truventus Industrial Estates and Business Parks.	Dato' Stewart LaBrooy (DSL) and SP attended, DSL as speaker.
14/03/2013	Aprea Workshop.	DSL acted as Chairman. Topic: "Should REITs be part of your Investment Portfolio."
19/03/2013	Asian World Summit.	DSL was a panelist for the Annual Corporate Governance Summit.
28/03/2013	CIMB Johor Property & Infra Play Program.	DSL participated in an extensive tour of Johor's new developments organized by CIMB.
20/04/2013	The Edge Investment Forum.	DSL presentation.
04/05/2013	Property Investment Talk: Towards Education Empowerment & Enrichment.	SP to present: "REITs: One of the best alternative real estate investments you can make."
11/05/2013	The Edge Real Estate Forum.	DSL to present on "Is this the REIT time?"
19/06/2013	Truventus Office Building Conference.	DSL will be speaking on "Increasing Property Values."
06/20/2013	Halal U: Asia Real Estate Investment & Financing Conference in Singapore. Topic: "The Shariah-Compliant Perspective."	SP will be speaking on "Axis REIT: The Success Story of a Shariah REIT." **

* All events attended was at minimal cost to ARMB as conference producers bear all organizational and marketing costs.

**No cost to the manager - SP's travel expense and lodging in Singapore born by the conference organizer.

Analyst Coverage – 2 New Research Reports



ALLIANCE RESEARCH
 (Member of Alliance Bank group)
 07770693/2013 (032116)
4 March 2013

Analyst
 Ian Wan
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12-month upside potential	
Target price	1.57
Current price (as at 1 March)	3.34
Capital upside (%)	6.8
Net distribution (%)	5.0

Initiating Coverage

Axis REIT
 REIT

Buy

Bloomberg Ticker: AXRB MK | Bursa Code: 5106

Industrial REIT, the next big thing...

We initiate coverage on Axis REIT with a BUY recommendation and TP of RM3.57, based on multi-stage DDM valuation model. We like Axis REIT on 3 investment thesis i.e. (1) experienced management team with proven acquisition track record, (2) good proxy to ride on the booming Iskandar Malaysia as the fund is eyeing more acquisitions in this fast-growing region, and (3) more upside surprises in terms of DPU, as it stands a better chance to realise capital gain on its diversified portfolio which comprises 31 investment properties, as compared to retail REITs which normally own limited large size properties.



Axis REIT
 AXRB MK / AXRB KL

Market Cap US\$188.2m RM1.22tr	Avg Daily Turnover US\$0.38m RM1.18tr	Free Float 83.8% 996.7 m shares	Current Target RM3.08	Previous Target N/A	Lp/downside -16.3%
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COMPANY NOTE

SHARE TERM	LONG TERM
TRADING BUY	OUTPERFORM
TRADING HOLD	NEUTRAL
	UNDERPERFORM

Notes from the Field



Proxy for Iskandar's industrial boom

Axis REIT is the first listed Islamic industrial/office REIT globally. We like the stock as it offers exposure to the industrial property boom in Iskandar Malaysia. Management's proactive style means that growth will be driven by acquisitions, apart from organic enhancement plans.

We initiate coverage with an serves as an attractive low-cost Outperform and a target price based alternative for firms seeking to

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- 2 Research Reports were initiated in 2013 by Alliance Research and CIMB
- Both reports gave positive outlooks to Axis REIT
- Both reports gave “BUY” and “OUTPERFORM” calls at RM3.34
- Initiation coverage meetings have been held with other banks. We anticipate more initiation reports in 2013.

Acquisitions



Summary of Target Acquisitions

- ✓ A Business Park Building in Petaling Jaya
- ✓ An Office Building in Petaling Jaya
- ✓ A newly built warehouse in North Port, Port Klang.
- ✓ Great Avenue Warehouses in Shah Alam
- ✓ Logistics Warehouse in Shah Alam
- ✓ A Hypermarket in Prai
- ✓ A Logistics warehouse in PTP

Total value of assets currently under negotiation is RM 444 million

Thank You

