

A low-angle photograph of a modern building facade. The words "CRYSTAL PLAZA" are written vertically in large, metallic, 3D block letters on a dark grey panel. Above the letters is a logo consisting of a red and green cross. To the left, a curved architectural element with horizontal bands is visible. The sky is overcast.

CRYSTAL PLAZA

Presentation of 3Q Results

October 17, 2011





Snapshot

Approved Fund Size	❖ 375,901,000 units
Manager	❖ Axis REIT Managers Bhd
Investment Properties	❖ 27 Properties worth RM1. 28 billion (as at 30 September 2011 – Unaudited)
Market Capitalisation	❖ RM883 million (as at 30 September 2011)
Unit Price	❖ RM2.35 (as at 30 September 2011)
Gearing	❖ RM 529.4 million (38.25% of Total Asset Value as at 30 September 2011 – Unaudited)
Distribution Policy	<ul style="list-style-type: none">❖ 1st to 3rd Quarter - at least 95% of the current year-to-date distributable income and❖ 4th Quarter – at least 99% of the current year-to-date distributable income



Third Quarter 2011 Results



Highlights 3Q 2011

Unitholders have approved to increase the Approved Fund Size from 375,901,000 units to **451,081,200 units**

Building Enhancement Program continues with the extensive makeover of Crystal Plaza set to complete October 2011

SPA for RM 59 million logistics warehouse signed 3Q 2011
Total Acquisition to date RM 140.25 Million
AUM now RM1.28 Billion

Winner

2011 Best Practices Award
Asia Pacific Real Estate Association

Declared a record DPU of **13 sen** for 3Q 2011

Highlights-Income Statement

Net Property Income exceeds 3Q2010 by 32.29%

	3Q2011	3Q2010	Changes / Movement
No. of Properties	27	23	+ 4
Property Income (RM'000)	29,175	22,003	+ 32.60%
Net Property Income (RM'000)	24,571	18,573	+ 32.29%
Profit before Taxation (RM'000)	16,241	12,589	+ 29.01%
Distribution per Unit – sen	4.30	4.00 #	+ 7.50%
Units in Circulation	375,901,000	375,901,000	-

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

#Based on weighted average of the no of units in issued of 319,049,861 + 68,819,800 listed 15 September 2010



Highlights – Balance Sheet

Trading at premium to NAV of 17.59%

	YTD 3Q 2011 (RM '000)	31 DEC 2010 (RM'000)
Total Assets	1,280,567	1,208,897
Investment Properties	1,256,035	1,178,682
Borrowings	489,156	416,609
Net Asset Value	751,208	755,230
Unitholders' Capital	540,281	540,281
Gearing	38.20%	34.46%
NAV per unit	1.9984	2.0091
Price Premium to NAV	17.59%	17.96%

Governance- Wins APREA Best Practices Award 2011



Recently won the Asia Pacific Real Estate Association (APREA) Best Practices Award 2011 (Emerging Markets Category) and six sub categories. This is the second year Axis REIT Managers Bhd have won the award.

30 September 2011 Financial Results

Financial Results – Income Statement

	3Q 2011 (RM '000)	3Q 2010 (RM'000)	Changes / Movement
No. of Properties	27	23	+ 4
Property Income	29,175	22,003	+ 32.60%
Property Expenses	(4,604)	(3,430)	+ 34.23%
Net Property Income	24,571	18,573	+ 32.29%
Interest Income	68	386	
Non-Property Expenses	(2,350)	(1,892)	+ 24.21%
Islamic Financing Cost	(6,048)	(4,478)	+ 35.06%
Income Before Taxation	16,241	12,589	+ 29.01%
Earnings per Unit – sen	4.32	3.94#	+ 9.64%
DPU – sen	4.30	4.00	+ 7.50%
No. of units in issuance	375,901,000	375,901,000	-

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

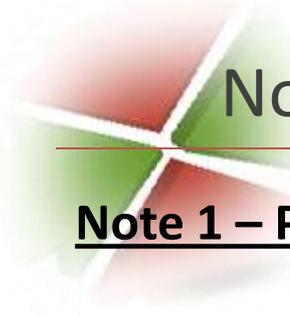
Based on weighted average of the no of units in issued of 319,049,861 + 68,819,800 listed 15 September 2010

Financial Results – Income Statement

	YTD 3Q 2011 (RM '000)	YTD 3Q 2010 (RM'000)	Changes / Movement
No. of Properties	27	23	+ 4
Property Income – Note 1	84,785	62,778	+35.06%
Property Expenses – Note 2	(12,762)	(9,730)	+ 31.16%
Net Property Income	72,023	53,048	+ 35.77%
Accounting loss on disposal – Note 3	(258)	-	
Interest Income	142	480	
Non-Property Expenses – Note 4	(6,870)	(5,169)	+ 32.91%
Islamic financing cost – Note 5	(17,007)	(11,941)	+ 42.43%
Income Before Taxation	48,030	36,418	+ 31.89%
Realisation of Revaluation Gain on Disposal – Note 3	1,043	-	
Adjusted Income Before Taxation	49,073	36,418	+ 34.75%
Adjusted Earnings Per Unit (sen) – Note 6	13.05	11.70#	+ 11.54%
DPU – sen – Note 6	13.00	11.70	+ 11.11%
No.of units in issuance ('mil)	375.901	375.901	-

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

Based on weighted average of the no of units in issued of 319,049,861 + 68,819,800 listed 15 September 2010



Notes to Financial Results – Income Statement

Note 1 – Property Income

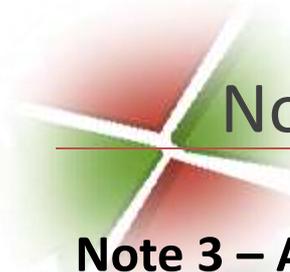
Increase in property income as compared to last preceding year are due to:-

- a) Contribution of rental proceeds from the property acquisitions completed since the 2nd half of last year ie Tesco Bukit Indah, Axis PDI Centre, Axis Technology Centre, D8 Logistic Warehouse and Axis Eureka.

- b) Positive rental reversion during the first nine-month of this year.

Note 2 – Property Expenses

Increase in property expenses is due to additional property completed since the 2nd half of 2010. The efficiency ratio (based on the ratio of property expenses over income) of the portfolio of properties has improved from 15.50% in last preceding year to 15.05% for the nine-month of this year.



Notes to Financial Results – Income Statement

Note 3 – Accounting loss on disposal and Realisation of revaluation gain on disposal

The disposal of Axis North Port LC 1 on 18 April 2011 (“the Disposal”), has resulted in a net gain of RM785,000 which can be calculated as follow:

Simple mathematical computation of the net gain:

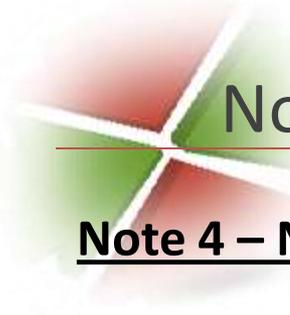
	RM'000
Disposal price	14,500
Less: Cost of investment	(13,257)
Less: Incidental cost of disposal	(458)
Net gain on disposal	785

Notes to Financial Results – Income Statement

Note 3 – Accounting loss on disposal and Realisation of revaluation gain on disposal (cont'd)

Due to the compliance requirement with the FRS 140 accounting standard, the Accounting loss on disposal of (RM258,000) needs to be offset against the Realisation of revaluation gain on disposal of RM1,043,000 to arrive at the actual net gain on the Disposal of RM785,000.

	RM'000	To compute actual gain on disposal RM'000
Disposal price	14,500	
Less: Incidental cost of disposal	(458)	
Less: Book value of Axis North Port LC 1	(14,300)	
Accounting loss on disposal	(258)	(258)
Book value of Axis North Port LC 1	14,300	
Less: Cost of investment	(13,257)	
Realisation of revaluation gain on disposal	1,043	1,043
Net gain on disposal		758



Notes to Financial Results – Income Statement

Note 4 – Non-Property Expenses

The increase in non-property expenses is due to the increase in the Net Asset Value (“NAV”) of the Fund. The Management Expenses Ratio (“MER”) for the first nine-month is at 1.22% of NAV.

Note 5 – Islamic financing cost

The increase in Islamic financing cost is due to additional borrowings being utilized to finance the new acquisitions.

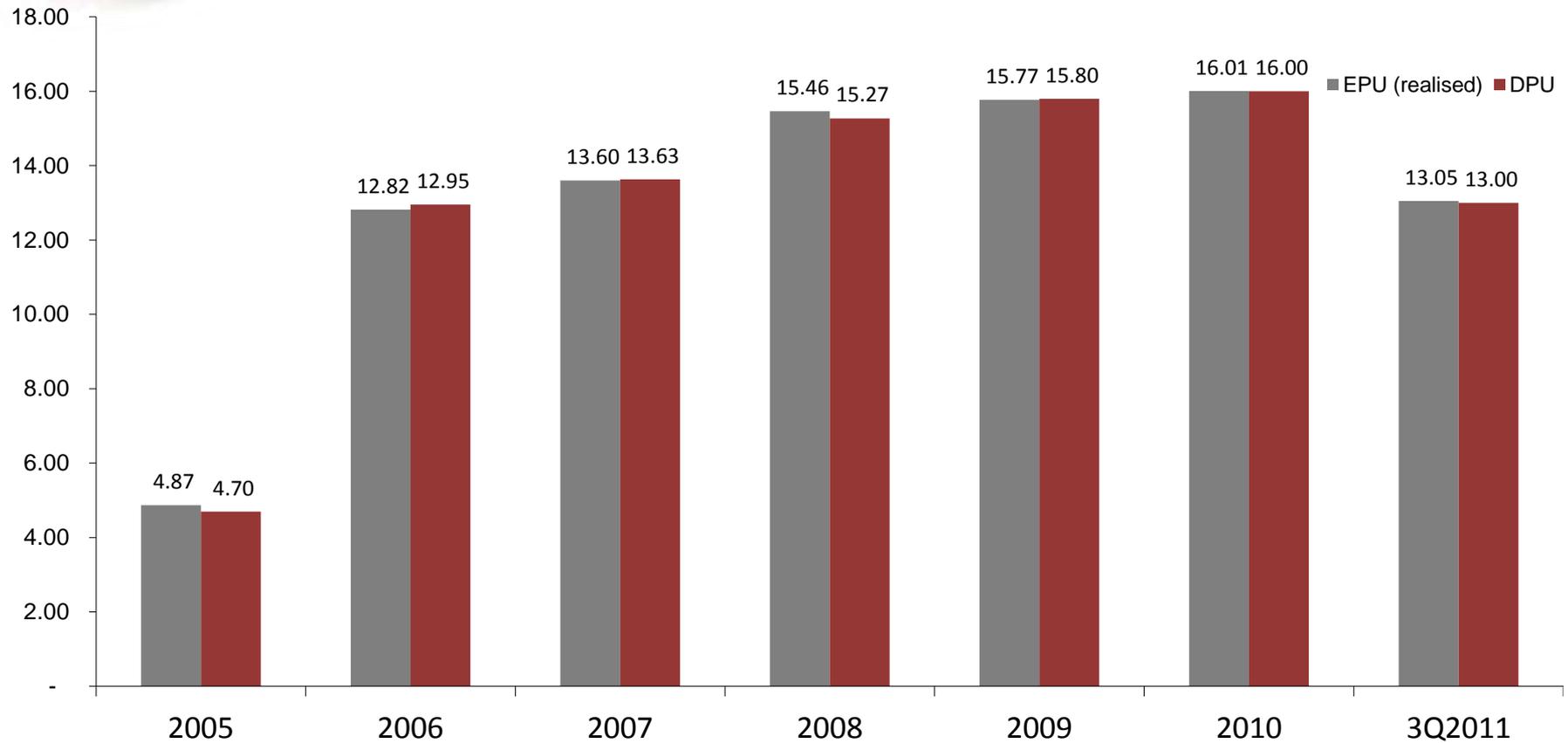
Note 6 – Earnings Per Unit and (EPU) Distribution Per Unit (DPU)

Proceeding year EPU and DPU is based on weighted average number of units post the placement of the 68,819,800 units on 15 September 2010.

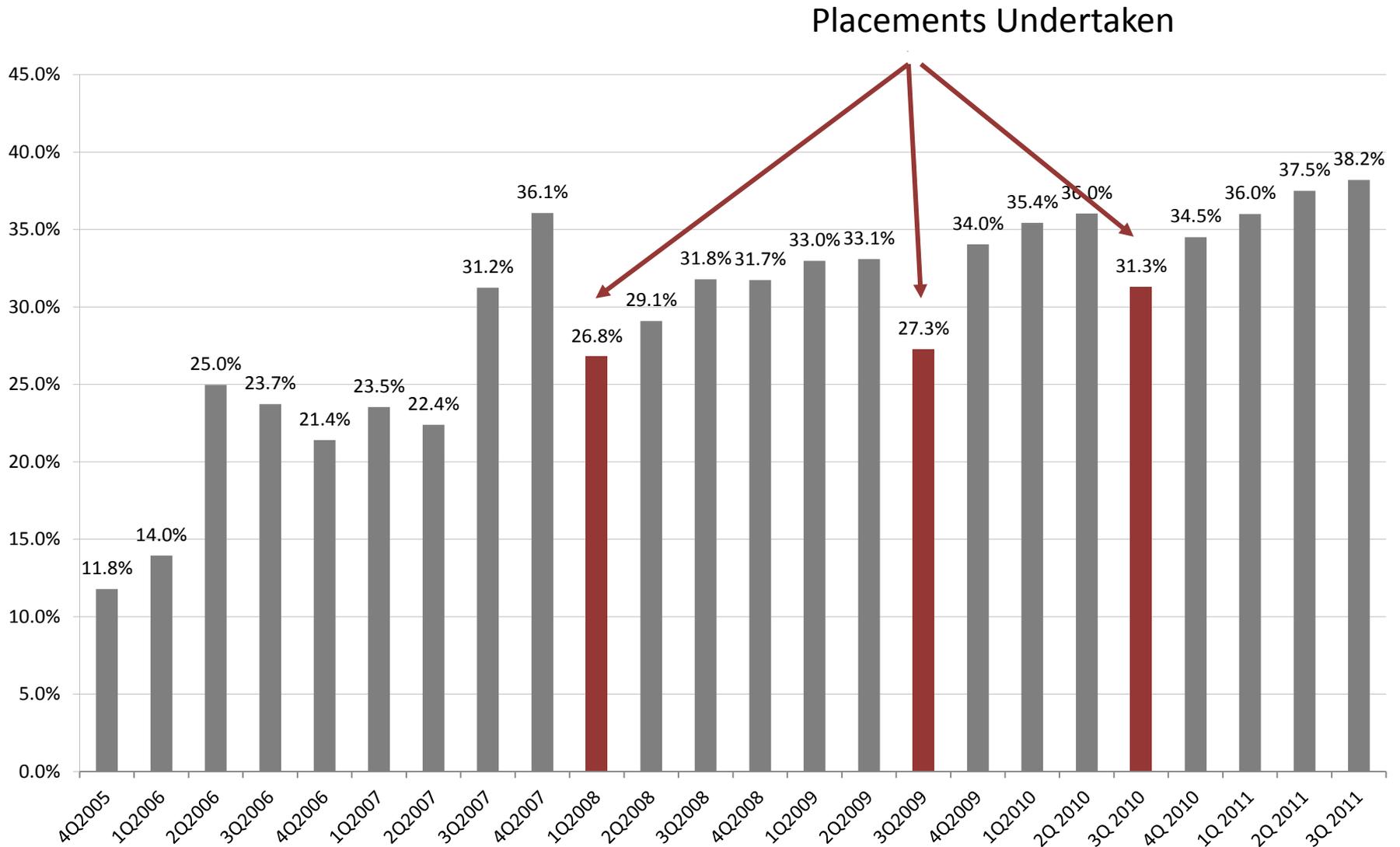
Balance Sheet Highlights (RM'000)

	30/9/11	31/12/10	Changes
Investment Properties	1,256,035	1,178,682	+ 77,353
Other Assets	24,532	30,215	- 5,683
TOTAL ASSETS	1,280,567	1,208,897	+ 71,670
Borrowings	489,156	416,609	+ 72,547
Other Payables	40,203	37,058	+ 3,145
TOTAL LIABILITIES	529,359	453,667	+ 75,692
NET ASSETS VALUE ("NAV")	751,208	755,230	- 4,022
Unitholders' Capital	540,281	540,281	-
Undistributed Distributable Income	16,402	19,766	- 3,364
Non-Distributable Reserve	194,525	195,183	- 658
TOTAL UNITHOLDERS' FUND	751,208	755,230	- 4,022
GEARING	38.20%	34.46%	
NAV/unit (RM)	1.9984	2.0091	
No. of units in issuance (mil)	375.901	375.901	

Summary of EPU (Realised) and DPU



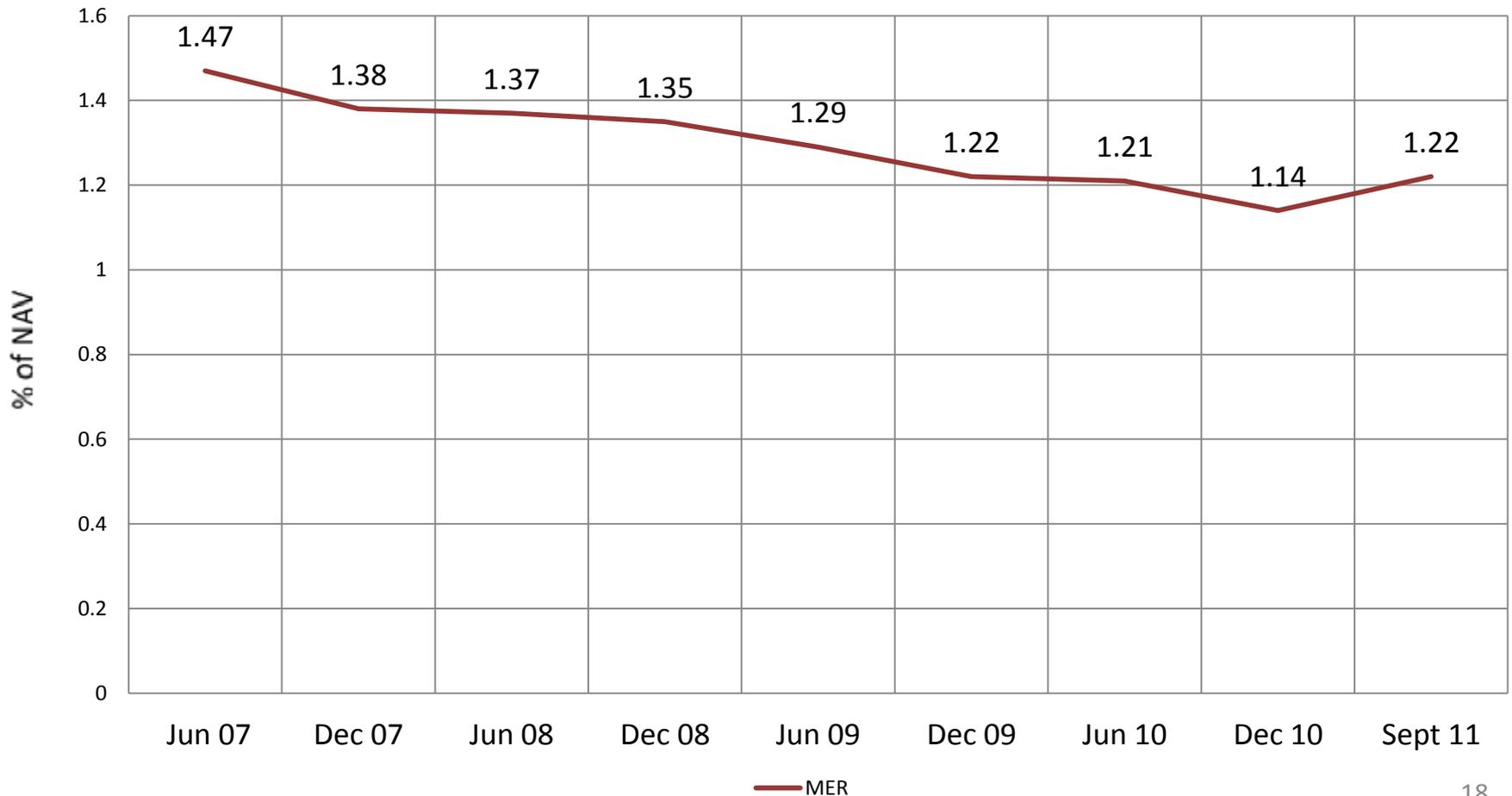
Gearing Levels



Management Expense Ratio ("MER")

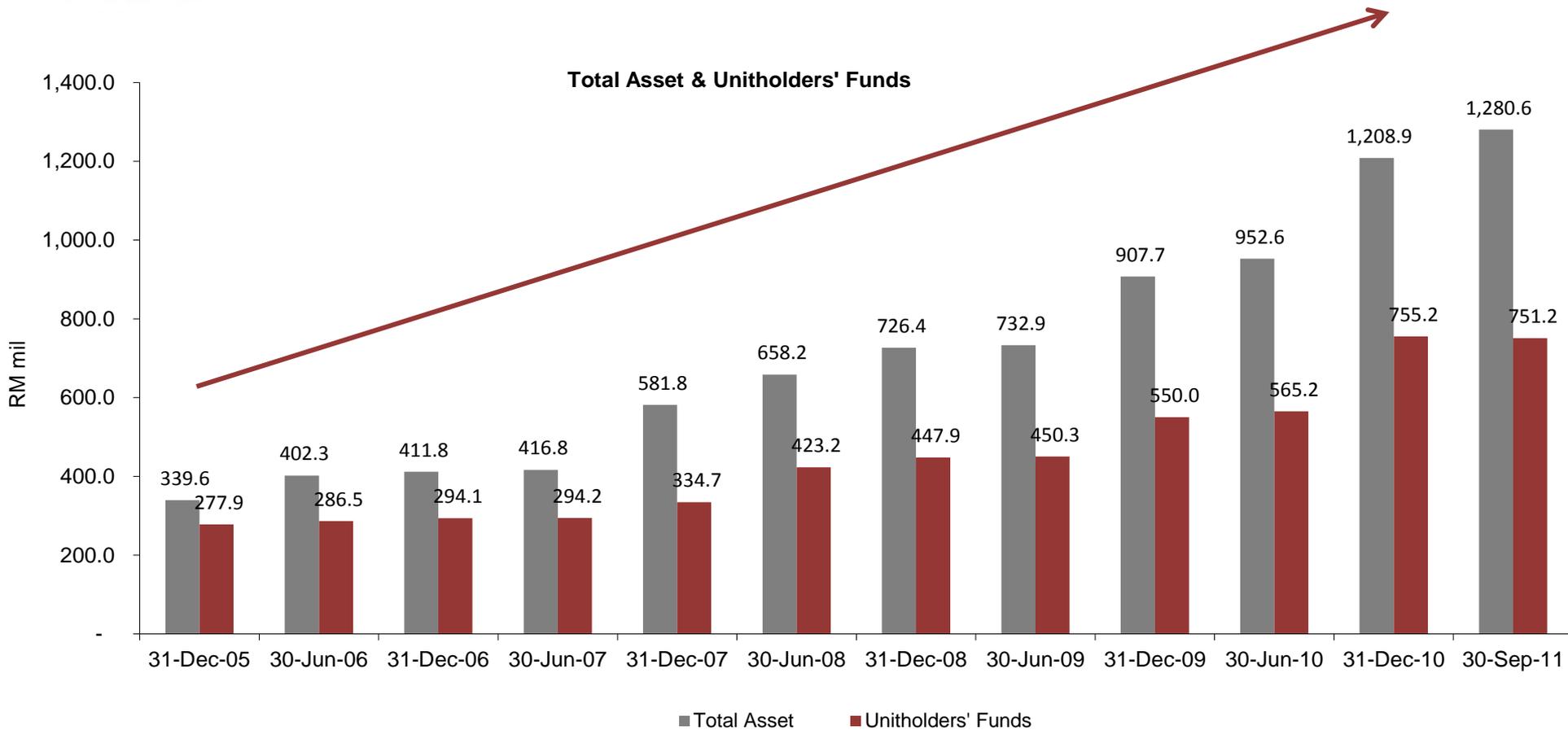
MER= Total administrative expenses incl. Manager and Trustee's fees
Average net asset value of the Fund.

MER



Total Assets and Unitholders' Funds

Rapid increase in both Total Assets and Unitholders' Funds



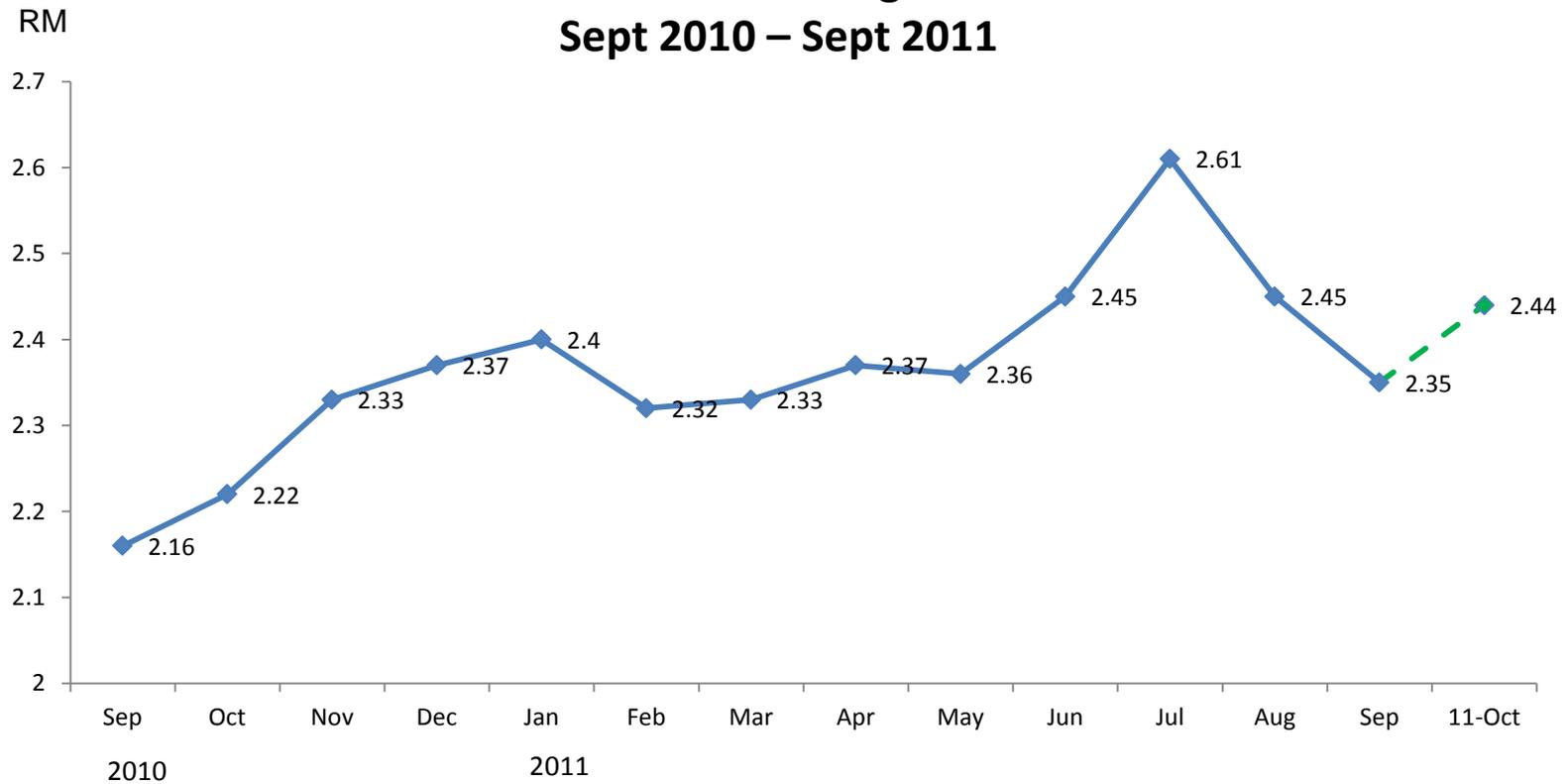
Detailed Property Performance Analysis (RM'000)

	Book Value (a)	Fair Value Adjust (b)	Acq Cost + Enhancement (c)	Annualised Revenue (d)	Gross Yield (d) / (c)
1 ABP	107,546	21,883	85,663	11,179	13.05%
2 Axis Plaza	31,095	8,498	22,597	2,854	12.63%
3 Crystal Plaza	99,645	39,458	60,187	10,260	17.05%
4 Infinite Centre	36,057	10,352	25,705	3,739	14.54%
5 Menara Axis	98,719	20,766	77,953	10,466	13.43%
6 Wisma Kemajuan	53,915	20,402	33,513	5,039	15.04%
7 Kayangan Depot	20,088	3,321	16,767	1,669	9.95%
8 Wisma Bintang	47,009	14,296	32,713	2,860	8.74%
9 Shah Alam DC1	19,098	(499)	19,597	1,634	8.34%
10 Giant Hypermarket	39,088	322	38,767	3,196	8.24%
11 FCI – Senai	14,012	1,449	12,563	1,312	10.44%
12 Nestle Warehouse	8,319	849	7,470	694	9.25%
13 Quattro West	53,743	3,998	49,745	4,431	8.91%
14 Kompakar	40,261	2,443	37,817	3,625	9.58%
15 Niro	15,740	789	14,951	1,625	10.87%
16 BMW	28,585	980	27,605	3,416	12.38%
17 Delfi Warehouse	13,500	746	12,754	1,306	10.24%
18 Axis Vista	35,783	2,534	33,249	3,257	9.80%
19 Axis Steel Centre	75,000	9,118	65,882	7,056	10.71%
20 Bukit Raja D. Centre	80,600	7,964	72,636	5,977	8.23%
21 SP Logistic Warehouse1	18,990	1,295	17,695	1,450	8.20%
22 SP Logistic Warehouse2	7,490	509	6,981	573	8.20%
23 Tesco Bukit Indah	85,000	8,250	76,750	6,166	8.03%
24 Axis PDI Centre	92,000	5,854	86,146	8,617	10.00%
25 Axis Technology Centre	52,007	2,297	49,710	4,779	9.61%
26 D8 Logistic warehouse	30,521	-	30,521	2,873	9.41%
27 Axis Eureka	52,224	-	52,224	5,822	11.15%
Total	1,256,035	187,874	1,068,161	115,875	10.85%

Investor Relations

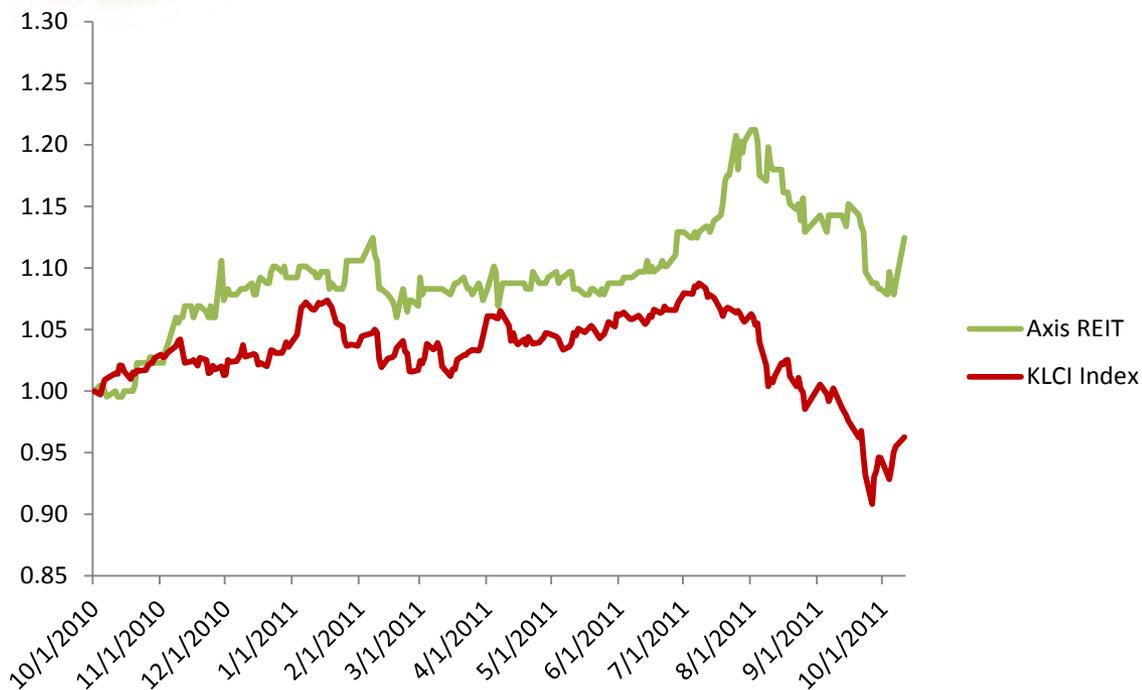
Unit Price Performance

**Month End Closing Prices
Sept 2010 – Sept 2011**



Highlights - YTD Unit Price Performance

AXIS vs KLCI (12 month)



Source: Bloomberg as at 11 Oct 2011



Outperformed the KLCI Index



12% unit price appreciation since Oct 1st, 2010

Price & Volume Statistic

Current Price	:	RM2.42
52 Week Hi	:	RM2.63
52 Week Lo	:	RM2.16
1-Mth Daily Avg Volume	:	134,485
3-Mth Daily Avg Volume	:	210,122
6-Mth Daily Avg Volume	:	194,929

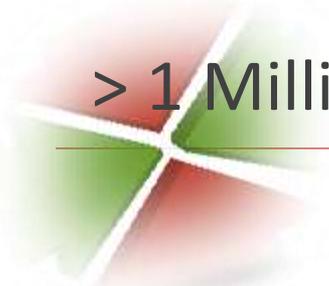
Source: Bloomberg, updated as at 11 Oct 2011



> 1 Million Unitholders – Key Points

Top 10 unitholders

1	EMPLOYEES PROVIDENT FUND BOARD
2	TEW PENG HWEE @ TEOH PENG HWEE
3	ALEX LEE LAO
4	AMANAH RAYA TRUSTEES BERHAD SKIM AMANAH SAHAM BUMIPUTERA
5	KUMPULAN WANG PERSARAAN (DIPERBADANKAN)
6	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR AMERICAN INTERNATIONAL ASSURANCE BERHAD
7	AMANAH RAYA NOMINEES (TEMPATAN) SDN BHD AMANAH SAHAM DIDIK
8	AMANAH RAYA TRUSTEES BERHAD AS 1MALAYSIA
9	ABAS CARL GUNNAR BIN ABDULLAH
10	VALUECAP SDN BHD



> 1 Million Unitholders – Key Points

Notable mentions of changes in shareholdings

1. EPF Board has added 1.852 million units retaining its top spot.
2. Uni.Asia General Insurance Berhad has added 2.83 million units to move up from 14th to 12th place
3. ING Insurance Berhad has added 540,000 million units to move up from 20th to 19th place
4. Kumpulan Wang Persaraan (Diperbadankan) has reduced 4.64 million units to move down from 4th to 5th place

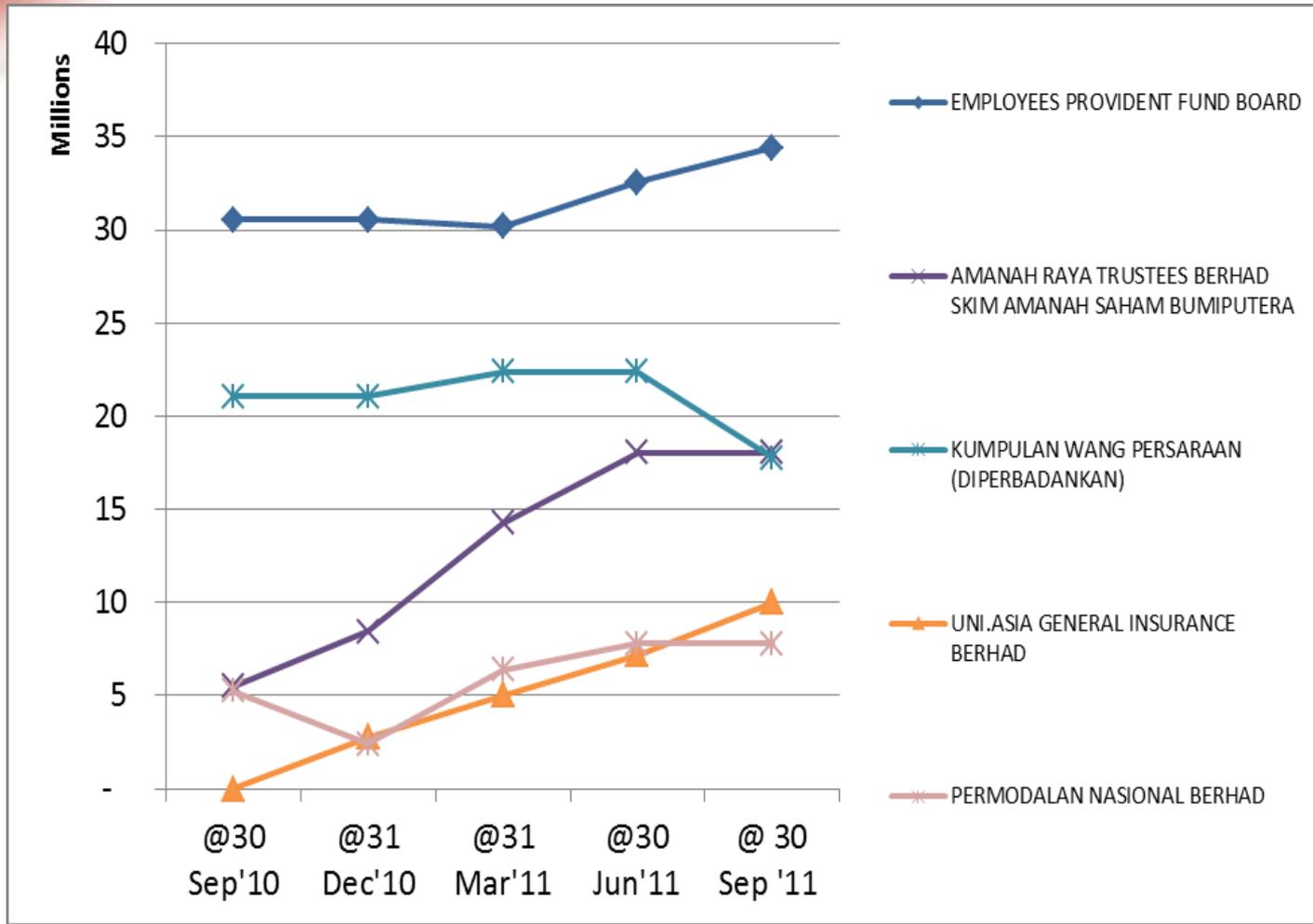
Top unitholders' percentage holdings

1. Top 5 CDS accounts hold 32% of total units.
2. Top 10 unit holders hold 50% of total units.
3. 1 million unit holders total shareholding = 84.2%

Number of unit holders

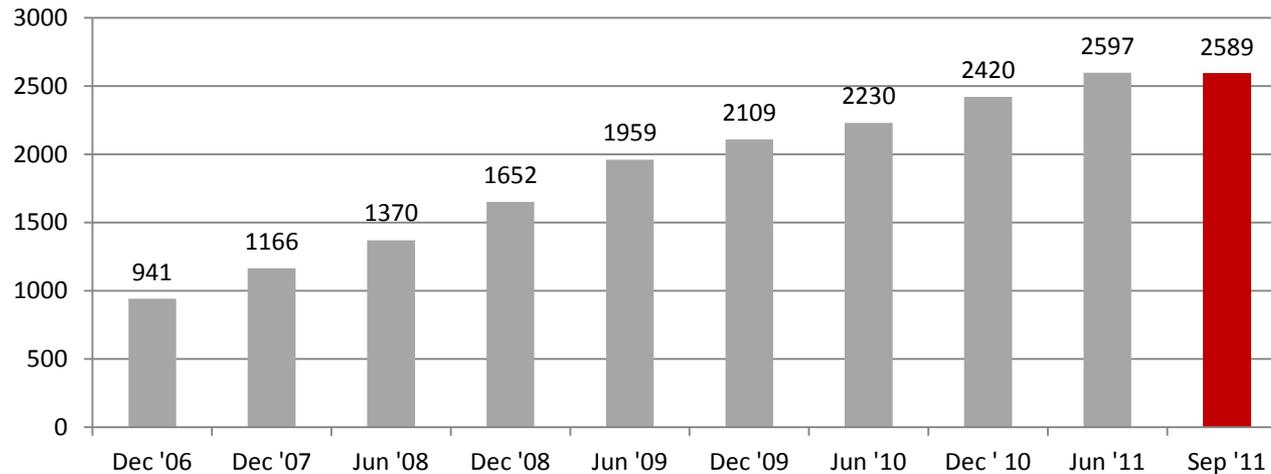
1. Total number of unit holders decreased by 8 to 2589

> 1 Million Unitholders – Key Points



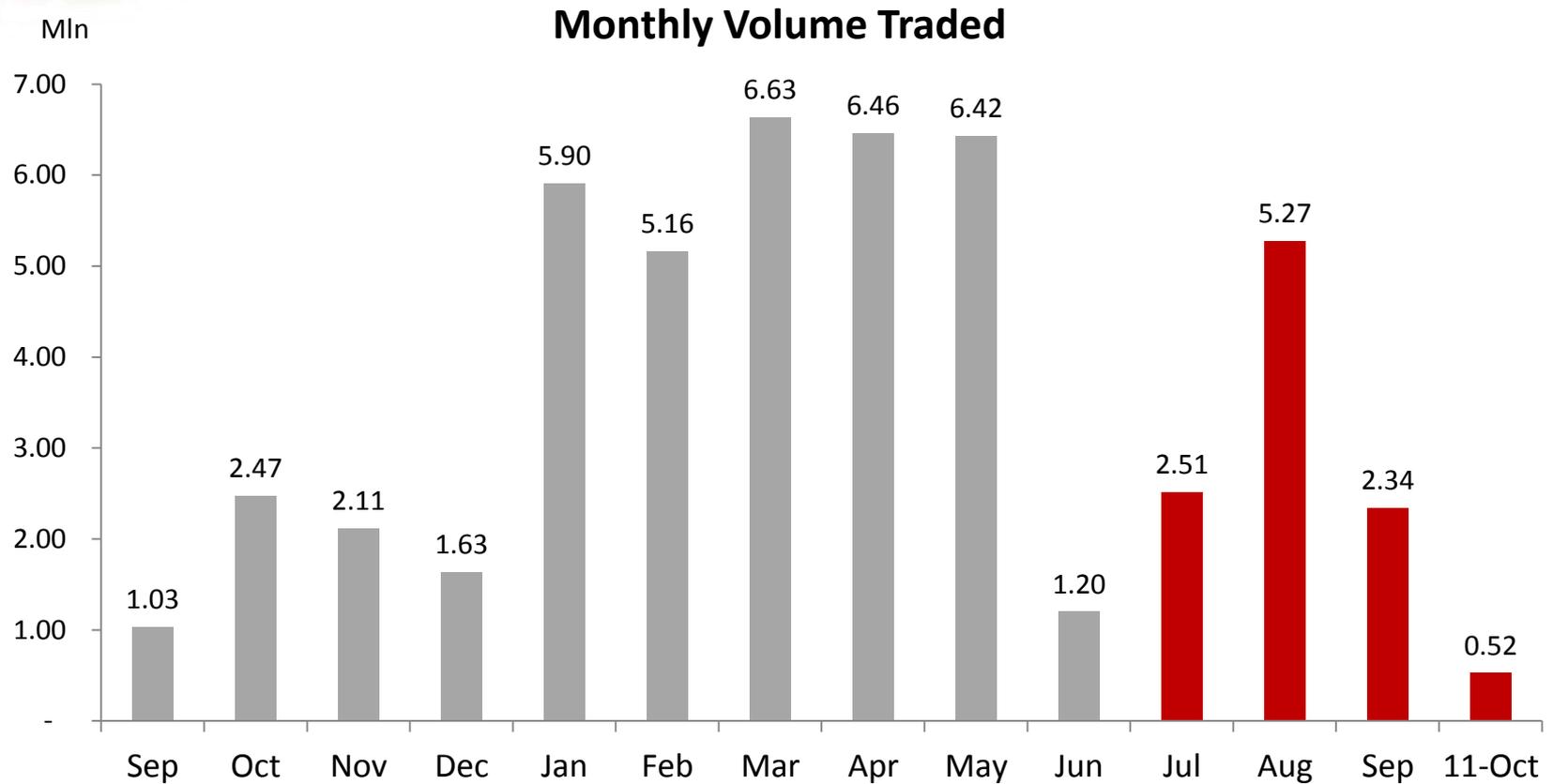
Investor Visibility and Liquidity

No. of Unitholders



- ❖ Liquidity of the stock remains at June 2011 levels
- ❖ **3Q2011 – 10.1 mln units transacted; compared to 3Q2010 – 3.6 mln units transacted**
- ❖ Total foreign holdings stand at 14.08%. Related party 10.58% ; non-related party 3.5%.
- ❖ Promoters current holdings stands at 19.99%.

Volume Performance



Malaysian REIT Managers Association (“MRMA”)



REIT Roadshows- Held on the 29th July 2011 at the Hyatt Regency Kota Kinabalu
Approximately 150 attendees were present

The MRMA now has **12 members** out of 13 listed REITs

The two working committees at the MRMA are the:

Finance Committee – currently engaging with the MOF to ensure continuity of the current withholding regime for a further 5 years and requesting for removal of the 10% withholding tax from individuals.

Regulatory Committee- This committee will be engaging with the regulators to improve the guidelines in order to make M-REITs more competitive.



Malaysian REIT Managers Association (“MRMA”)

The Finance Committee of the MRMA had appealed during 2011 to the Ministry Of Finance to extend the existing regime on income tax distribution Malaysian Real Estate Trusts (M-REIT’s) to Unit holders.

This is covered under Section 6(b) (i) Income Tax Act 1967

We are pleased to report that our appeals were successful and the Government has extended the tax regime for a further 5 years commencing 1 January 2012 until 31 December 2016. This was announced in the Budget speech earlier this month.

However despite vigourous efforts by the MRMA to seek a revision in the withholding tax structure to bring us in alignment with Singapore this was not the case and so the current structure remains for a further year.

Bursa Malaysia Investor Education Program



Bursa Malaysia and together with several brokerage houses held a series of talks targeted to retail investors who wish to know more about investing in ETFs, Derivatives and REITs.

CEO of Axis REIT Managers Bhd Stewart LaBrooy presented during the following dates on “Why Invest in REITs.” both with approximately 150 attendees at each session:

- 24 Sep 2011
- 16 Jun 2011

Business Development

Logistics Warehouse Bukit Tengah, Seberang Pra

SPA Signed



Land Area	: 13.7 acres (596,800 sq ft)
Gross Built Up	: 380,000 sq ft
Land Tenure	: Leasehold
Occupancy	: 100%
Tenancy/lease period	: 3+2 years
Tenants	: DB Schenker
Purchase Price	: RM59.0 million
Valuation	: RM 62 million
Projected Net Yield	: 10.2%

Potential 3rd Party Acquisitions

The Manager is currently assessing the following assets as potential acquisition targets :

- A Logistics Warehouse at Bayan Lepas Penang (Value RM 48,500,000)
- 2 Retail hypermarkets in the Klang Valley Value (Value RM 120,000,000)
- An Industrial Facility in Nilai (Value RM 27,000,000)
- A Warehouse in Pasir Gudang Johor – (Value RM 30,000,000)

**Total currently under negotiation
RM 225,500,000**

Property Report



Asset Performance – 2011

TENANT CARE



GROWING INCOME



MANAGING RISK



WORLD CLASS FACILITIES
MANAGEMENT & ENHANCEMENTS

Income Growth – Rental Reversions in Q3 2011

Properties	Space Renegotiated (sq. ft.)	% Movement
Menara Axis	28,152	+1.35%
Crystal Plaza	7,746	+10.0%
Axis Business Park	234,254	-3.52%
Infinite Centre	38,933	+4.83%
Wisma Kemajuan	40,632	+4.48%
Kayangan Depot	2,609	No Change
Axis Plaza	57,439	No Change
Axis Vista	60,400	+8.0%
Axis Eureka	575	No Change
Axis Technology Center	40,052	+1.09%

❖ The Manager has successfully renegotiated 510,792 sq ft of space in Q3 2011 accounting for 11.49% of total NLA of the portfolio.



Income Growth- Increasing Occupancy Rates for Q3 2011

As at 31st Dec, 2010

95.73%

As at 30th Sept 2011

96.83%

A Comparison to the Market

Selangor Office Occupancy Rates

Q2. 2011

76.00%

Axis Multi-tenanted Buildings

Q2. 2011

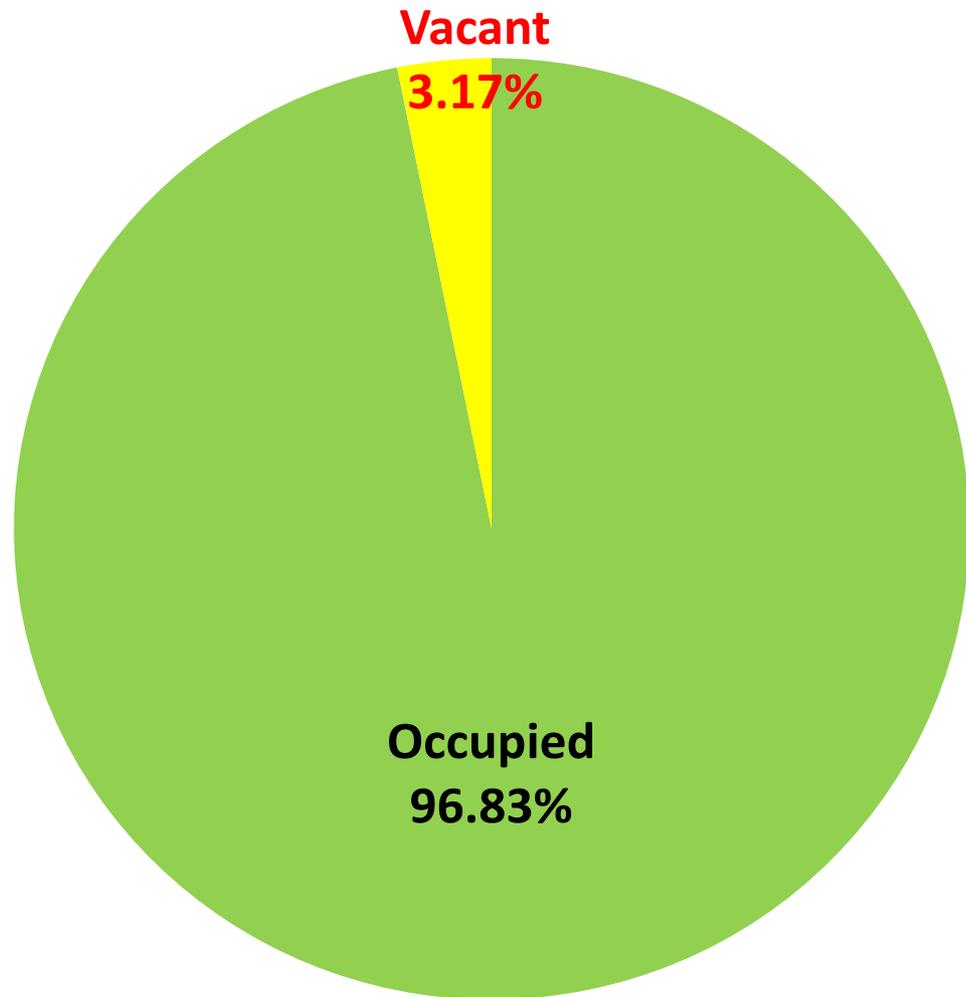
95.98%

Occupancy Rates – Q3 2011

As at 30th Sept 2011
we have only 4 of our
27 buildings that carry
vacancy below 90%.

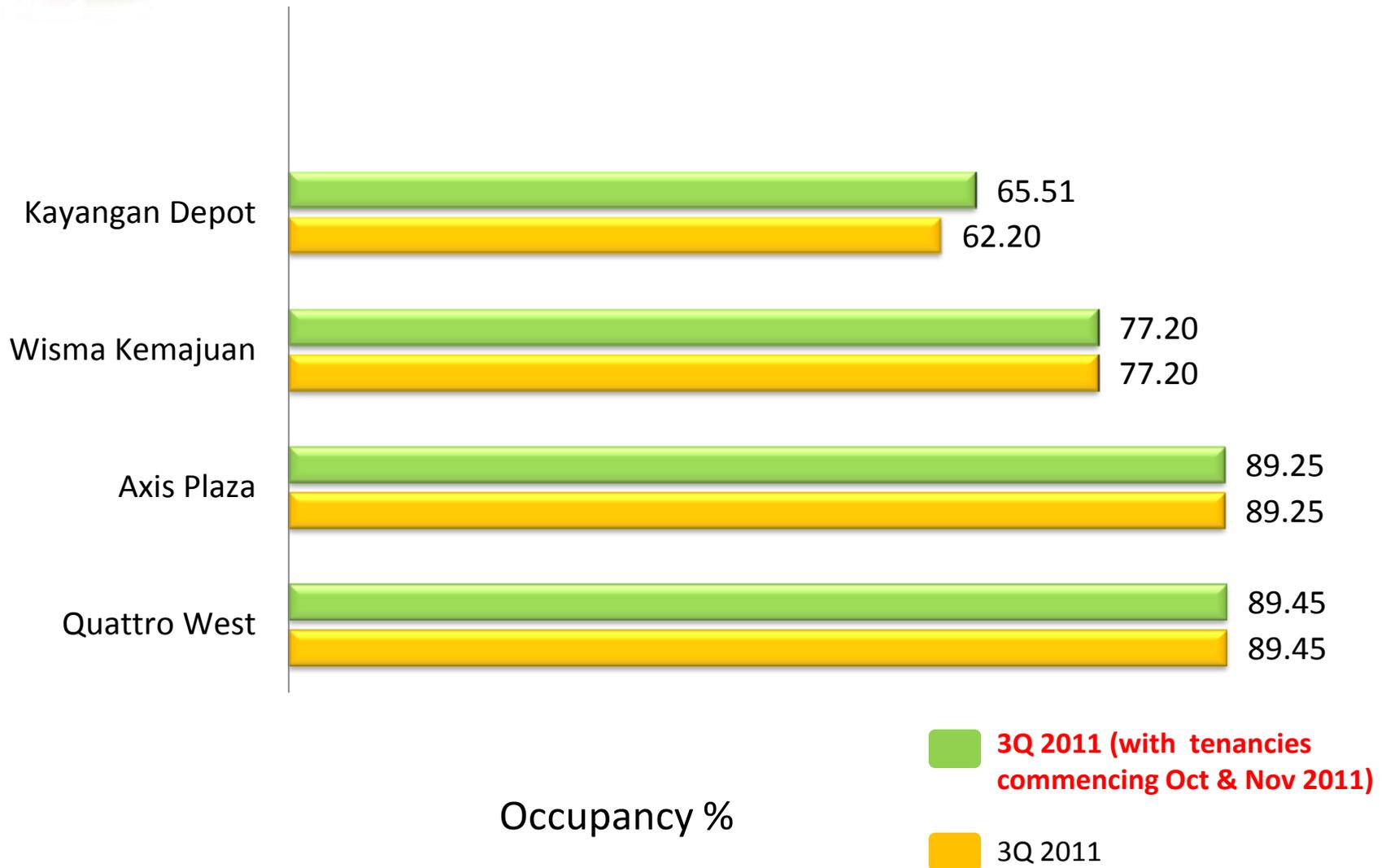
This is only **3.17%** of
NLA

**Occupancy is at
97.09% with tenancies
commencing Oct &
Nov 2011.**



Occupancy Rates – Q3 2011

Occupancy rates (as of 30th September 2011)



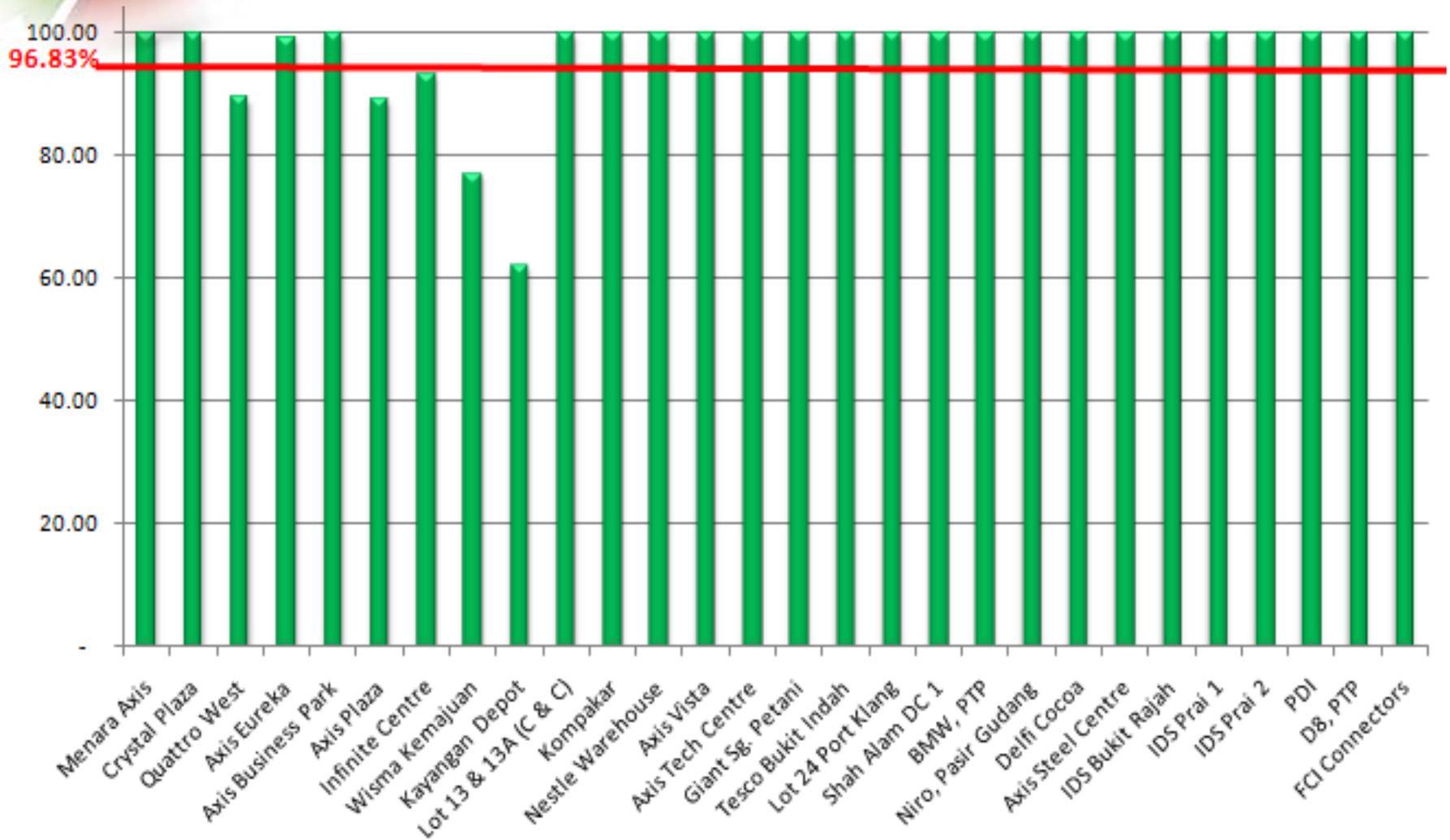


Risk management -Top Ten Tenants -Strong Rental Covenants

1. Konsortium Logistik Bhd
2. IDS Logistics Services (M) Sdn Bhd
3. Tesco Stores (M) Sdn Bhd
4. Fuji Xerox Asia Pacific Pte Ltd
5. Tenaga Nasional Bhd
6. Strateq Data Center Sdn Bhd (formerly Kompakar CRC Sdn Bhd)
7. BMW Asia Technology Centre Sdn Bhd
8. Scope International (M) Sdn Bhd
9. GCH Retail (M) Sdn Bhd
10. Cycle & Carriage Bintang Berhad

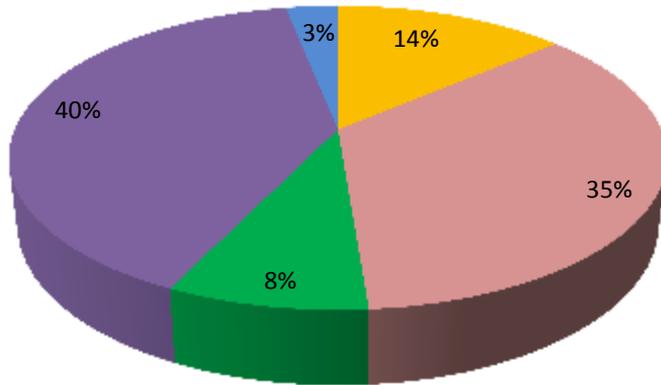
The Top Ten tenants account for 53.83% of the total revenue of the Trust which in 3Q 2011 accounted for RM84,785,052.48.

Risk Management- Keeping Occupancy Levels High in Q3



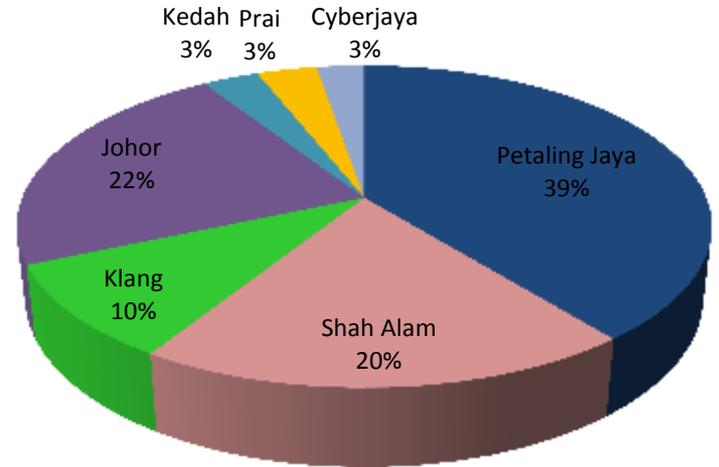
Risk Management- Keeping a Diverse Portfolio

Portfolio Diversification by Type and NLA

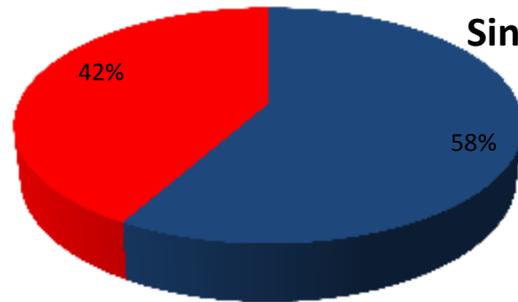


- Office
- Office/Industrial
- Warehouse Retail
- Warehouse Logistic
- Light Industrial

Portfolio Diversification by Geographical and NLA



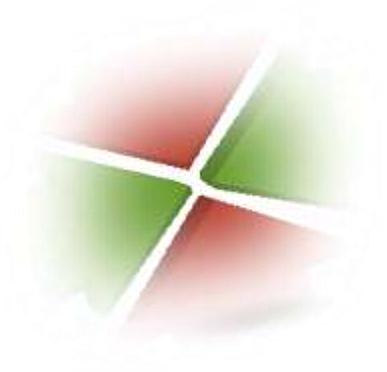
Single Tenant Vs Multi-Tenants



- Single Tenant
- Multi Tenants

Risk Profile – Manageable Lease Expiry Profiles

Property	Year	% of	% of Rental	Year	% of	% of Rental	Year	% of	% of Rental
	2011	Total NLA	Income/ month	2012	Total NLA	Income/ month	2013	Total NLA	Income/ month
Menara Axis	29,313	0.66	1.43	-	-	0.03	74,636	1.68	3.04
Crystal Plaza	9,262	0.21	0.38	12,433	0.28	0.51	181,517	4.08	6.92
Axis Business Park	261,017	5.87	7.37	28,996	0.65	0.66	41,304	0.93	0.91
Infinite Centre	38,933	0.88	0.81	36,231	0.81	0.70	73,338	1.65	1.70
Axis Plaza	57,439	1.29	1.27	50,192	1.13	1.08	47,663	1.07	1.21
Wisma Kemajuan	40,632	0.91	0.85	15,576	0.35	0.51	111,298	2.50	2.69
Kayangan Depot	19,465	0.44	0.21	17,978	0.40	0.24	69,961	1.57	0.93
Wisma Bintang				172,967	3.89	2.43			
Kompakar CRC HQ							104,903	2.36	3.11
Axis Vista	60,400	1.36	0.97				57,617	1.30	1.58
FCI Senai				136,619	3.07	1.12			
Quattro West				16,489	0.37	0.67	59,294	1.33	2.48
Nestle Office/Warehouse				27,554	0.62	0.59			
Delfi Warehouse							130,743	2.94	1.11
Axis Technology Centre	40,052	0.90	0.94	78,366	1.76	1.75	74,072	1.67	1.38
Axis Eureka (FSBM)	1,225	0.03	0.07	23,998	0.54	1.06	14,820	0.33	0.64
	557,738	12.54	14.31	617,399	13.89	11.35	1,041,166	23.42	27.69



Asset Enhancements Creating Value

Crystal Plaza Refurbishment



Crystal Plaza Refurbishment

Project Status:

Board presentation	: 17 th January 2011	✓
Letter of Intent (waterproofing)	: 22 nd December 2011	✓
Letter of award	: 28 th February 2011	✓
Site Possession by ISG	: 21 st March 2011	✓
Current status as of 14 th Oct 2011	: New façade front (facing LRT) and rear (facing fed. Highway) 100% completed.	✓
	: Lobby 1 (Ground, Level 3,4,5) 100% completed.	✓
	: Lobby 2 (Ground, Level 3,4,5) 100% completed.	✓
Completion	: 15 th October 2011	

Axis Business Park – Block B Toilets and Lift Lobbies Refurbishment



Basement 1 – New lift Lobby



Basement 2 – New Lift Lobby



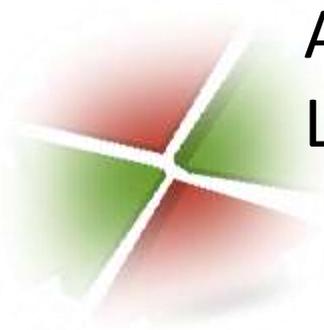
Basement 1 – New Male Toilet



Basement 1 – Male New Urinal, WC and Shower



Basement 1 – Male New Cubicle



Axis Business Park – Block B Toilets and Lift Lobbies Refurbishment

Board presentation

: 25th July 2011

✓

Tendering exercise

: 1st August 2011

✓

Letter of award

: 19th September 2011

✓

Site Possession by Main Contractor

: 19th September 2011

✓

Current status as of 14th Oct 2011

: Basement 1 Lift Lobbies, Toilets
Male/Female completed 100%

✓

: Basement 2 Lift Lobbies
completed 100%

✓

Completion

: 12th December 2011

NIRO Warehouse Upgrading



Before

Repainting in progress



Subang Hi-Tech – Existing Site



Subang Hi-Tech – Built to Suit for Fonterra



The concept follows Fonterra requirement to have a new headquarters built to suit their expansion. The additional investment of RM 2.6 million will enhance yields to 11% p.a. Fonterra will be signed 10 year lease with 3 year step ups in rent

Subang Hi-Tech – Built to Suit for Fonterra

Project Status:

Board presentation

: 25th July 2011



Tendering exercise

: 3rd Oct 2011 (completed
and interview in progress)



MBSJ submission

: 25th August 2011



MBSJ approval

: 21st October 2011



Letter of award

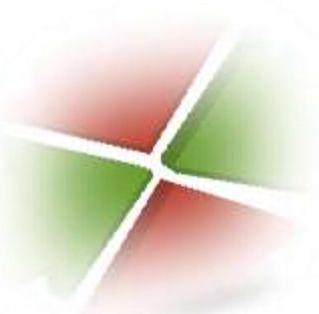
: 26th October 2011

Site Possession by Main Contractor

: 28th October 2011

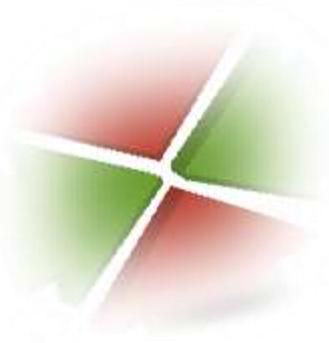
Completion

: 29th February 2012



Infinite Centre – existing site





Infinite Centre – New Enhancement

Perspective View





Infinite Centre – New Enhancement

Project Status:

Board presentation	: 25 th July 2011
Architectural drawing preparation	: 31 st October 2011 (80% drawing completed)
MBPJ submission	: 1 st November 2011
Start tendering	: 5 th December 2011
Contractors Award	: 3 rd January 2012
Site Possession	: 9 th January 2012
Construction Start	: 9 th January 2012
Construction Complete	: 23 rd July 2012



Wisma Bintang Refurbishment



Current Building Complex

Wisma Bintang Refurbishment

Perspective View



Wisma Bintang Refurbishment

Perspective View



Wisma Bintang Refurbishment

Layout View – Overall Site Plan





Thank You