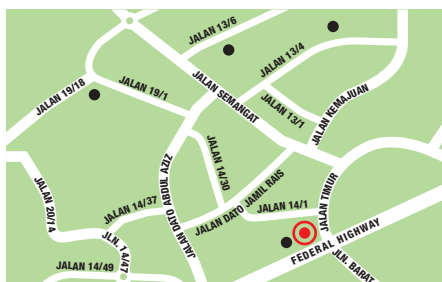


Property Portfolio - Menara Axis



" Menara Axis is a unique boutique office building where tenants enjoy a real presence in the building through signage offerings as well as showrooms on the ground floor."



PROPERTY MENARA AXIS

ADDRESS
No 2 Jalan 51A/223
46100 Petaling Jaya
Selangor D.E.

CATEGORY
Office

TITLE
Commercial Leasehold expiring
29th August 2065

AGE OF BUILDING
Approx 1 year

NET LETTABLE AREA
174,025 sq ft

PURCHASE PRICE
RM 71,400,000

APPRAISED VALUE
RM 80,000,000

GROSS REVENUE *
RM 3,617,181

AVERAGE OCCUPANCY **
100%

NUMBER OF TENANTS **
13

MAJOR TENANTS

Fuji Photo Film (M) Sdn Bhd
American International Assurance
Co Ltd
Sportathlon (M) Sdn Bhd
Philips Malaysia Sdn Bhd
DHL Worldwide Express Sdn Bhd

* For the period 3 August 2005 - 31 December 2005
** As at 31 December 2005

Menara Axis is the newest building in the Axis-REIT portfolio being completed in 2004. Featuring a unique and distinctive moorish design, the building has well defined and highly efficient floor spaces with the possibility of flexible operating hours by tenants. To date it remains one of Petaling Jaya's top office choices for Multinationals.

Menara Axis is strategically located within the established industrial and commercial area of Section 51A, Petaling Jaya. Prominent landmarks within the immediate vicinity include Crystal Plaza, Armada Hotel, PJ Hilton, Wisma MCIS Zurich, Stamford College and Menara PKNS.

Menara Axis enjoys excellent accessibility from Kuala Lumpur city centre as well from Subang Jaya and Shah Alam via the Federal Highway or alternatively, via Lebuhraya Damansara-Puchong and Lebuhraya SPRINT. It has further benefited from the Asia Jaya Putra LRT station as well as the main bus stop along the Federal Highway, both of which are located about 100 metres away.

Owing to its strategic location, Menara Axis has attracted major tenants of the service sectors such as AIA, Fuji Photo Film (M) Sdn Bhd and Sportathlon which operates Fitness First.

Property Portfolio - Crystal Plaza



" Crystal Plaza provides tenants with a large floor plate design featuring a twin lobby enabling unprecedented possibilities for highly efficient office layouts and lower overall real rents."



PROPERTY CRYSTAL PLAZA

ADDRESS
No 4 Jalan 51A/223
46100 Petaling Jaya
Selangor D.E. .

CATEGORY
Office

TITLE
Commercial Leasehold Expiring
9th June 2059

AGE OF BUILDING
About 9 years

NET LETTABLE AREA
200,970 sq ft

PURCHASE PRICE
RM 56,400,000

APPRAISED VALUE
RM 65,000,000

GROSS REVENUE *
RM 3,198,588

AVERAGE OCCUPANCY **
100%

NUMBER OF TENANTS **
9

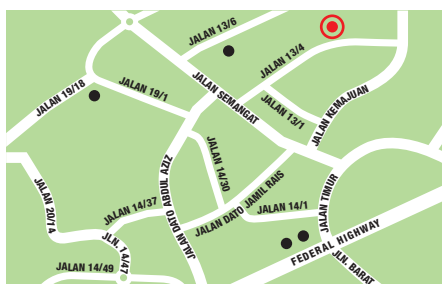
MAJOR TENANTS

Tenaga Nasional Bhd
Scope International (M) Sdn Bhd
UCI Education Sdn Bhd
Cosmopoint Sdn Bhd
Asia Training Sdn Bhd

* For the period 3 August 2005 - 31 December 2005
** As at 31 December 2005

Located next door to Menara Axis the building enjoys the same convenience for transport and connectivity. In addition the building is designed with high tension electrical supply system with large power reserves so essential to data and recovery centres.

Built with one of the highest floor plate efficiency of all the buildings in the Axis-REIT portfolio, its tenants have taken advantage of the efficient design of the building to maximize their office layouts.



Axis Business Park is accessible from Kuala Lumpur city centre via the Federal Highway, LDP or Lebuhraya SPRINT with alternative roads through Jalan Damansara, Jalan Dato Abu Bakar and Jalan 12/18.

Property Portfolio - Axis Plaza



" A landmark building featuring high-quality building finishes, and intelligent design that creates an excellent environment for marketing and distribution companies to operate."



PROPERTY

AXIS PLAZA

ADDRESS

Lot 5, Jalan Penyair U 1/44
Off Jalan Glenmarie
Temasya Industrial Park,
Batu Tiga 40150 Shah Alam,
Selangor D.E.

CATEGORY

Office / Warehouse

TITLE

Freehold

AGE OF BUILDING

About 7 years

NET LETTABLE AREA

118,765 sq ft

PURCHASE PRICE

RM 22,500,000

APPRAISED VALUE

RM 26,000,000

GROSS REVENUE *

RM 1,214,088

AVERAGE OCCUPANCY **

93.4%

NUMBER OF TENANTS **

6

MAJOR TENANTS

Ricoh (Malaysia) Sdn. Bhd.
Electrolux Home Appliances S/B
CSE Automotive Technologies S/B
Electrolux Commercial Products S/B
City-Link Express Sdn. Bhd.
EMS Asia Group Sdn. Bhd.

* For the period 3 August 2005 - 31 December 2005

** As at 31 December 2005

Axis Plaza is strategically located along the Federal Highway within an industrial scheme known as Temasya Industrial Park, which is near the prominent and established industrial development of Glenmarie Industrial Park.

It enjoys a high visibility along the Federal Highway, where major tenants have taken advantage to display their company logos. The building features a high level of finishes with large highly efficient floor plates, and served by three passenger and two goods lifts.

Properties in the immediate vicinity comprise mainly purpose-built factories, warehouses and terraced factories. Prominent industrial premises include Blondal, BMW, Toshiba, National Panasonic, Shah Alam Stadium, Glenmarie Golf and Country Club and Holiday Inn Glenmarie Resort.

Access to Axis Plaza is easily available from the Federal Highway, via the NKVE, KESAS or Sungei Buloh expressway.

Property Portfolio - Infinite Centre



"A convenient combination of office, warehousing and distribution activities can now be housed in yet another property in the Axis-REIT portfolio."



PROPERTY
INFINITE CENTRE

ADDRESS
Lot 1 Jalan 13/6
46200 Petaling Jaya
Selangor D.E.

CATEGORY
Office / Warehouse

TITLE
Industrial Leasehold expiring
24th March 2065

AGE OF BUILDING
18 years

NET LETTABLE AREA
149,888 sq ft

PURCHASE PRICE
RM 25,450,000

APPRAISED VALUE
RM 32,000,000

GROSS REVENUE *
RM 1,377,025

AVERAGE OCCUPANCY **
100%

NUMBER OF TENANTS **
12

MAJOR TENANTS
Pharmaniaga Marketing Sdn Bhd
Konica Minolta Business Solutions
FJ Benjamin
C Melchers GmbH & Co
Crystal Edge Sdn Bhd

* For the period 3 August 2005 - 31 December 2005
** As at 31 December 2005

Infinite Centre is strategically located in Petaling Jaya's Section 13 industrial hub, which provides a central location for its tenants' distribution network.

Properties within the immediate vicinity comprise are mainly purpose-built detached factories and individually designed industrial properties such as the premises of Dutch Lady Milk Industries (M) Sdn Bhd, Robert Bosch, OSIM, UTAR College and Sin Chew Jit Poh.

Infinite Centre is accessible from the Kuala Lumpur city centre via Federal Highway, Lebuhraya SPRINT, LDP or alternatively, via Jalan Damansara.

Property Portfolio - Kompleks Kemajuan



" A unique combination of professional warehousing activities, showroom and office space in a single offering makes this building unique amongst similar tenantable spaces in Petaling Jaya."



PROPERTY KOMPLEKS KEMAJUAN

ADDRESS
Lot 24, Jalan 19/1
46300 Petaling Jaya
Selangor D.E.

CATEGORY
Office / Warehouse

TITLE
Industrial Leasehold Expiring
4th July 2065

AGE OF BUILDING
About 13 years

NET LETTABLE AREA
201,972 sq ft

PURCHASE PRICE
RM29,000,000

APPRAISED VALUE
RM 36,200,000

GROSS REVENUE *
RM 146,163

AVERAGE OCCUPANCY **
72.8%

NUMBER OF TENANTS **
18

MAJOR TENANTS

Goucerea Marketing Sdn Bhd
Hong Leong Marketing Co Bhd
Salwan Corporation Bhd
WOFS.COM Sdn Bhd
EP2m Services Sdn Bhd
Scanart Data System (M) Sdn Bhd
Intranet Sdn Bhd

* For the period 16 December 2005 - 31 December 2005
** As at 31 December 2005

Kompleks Kemajuan is strategically located within the established industrial and commercial area of Section 19, Petaling Jaya. Prominent landmarks within the immediate vicinity include UMW Toyota Sales, Service and Spares Centre, Wisma Academy, Wisma KT, Menara Merai and British American Tobacco.

Kompleks Kemajuan enjoys excellent accessibility from Kuala Lumpur City Centre as well as from Subang Jaya and Shah Alam via the Federal Highway, or alternatively, via Lebuhraya Damansara-Puchong and Lebuhraya SPRINT. It has further benefited from the Asia Jaya Putra LRT shuttle bus service which stops 100 meters from the property.

Owing to its strategic location, Kompleks Kemajuan has attracted major tenants of the service sectors such as Gourec Tiling, Hong Leong Marketing, WOFS, EP2M and Salwan Corporation.

Property Portfolio - Kayangan Depot



"Featuring large warehousing and distribution facilities so close to the major road networks, places Kayangan Depot in an excellent position to attract companies, which want visibility and convenience for their operations."



PROPERTY KAYANGAN DEPOT	TITLE Industrial Leasehold Expiring 12th January 2086	APPRAISED VALUE RM 18,200,000	MAJOR TENANTS Maxis Mobile Emitherm Naza Kia Nineteen -O-One
ADDRESS No 3, Jalan 15/16, Lot PT 16, Section 15, 40200 Shah Alam, Selangor D.E.	AGE OF BUILDING About 13 years	AVERAGE OCCUPANCY ** 100%	
CATEGORY Industrial	NET LETTABLE AREA 162,206 sq ft	NUMBER OF TENANTS ** 9	
	PURCHASE PRICE RM 16,100,000		

**** As at 31 December 2005**
(Note: Acquisition will only be completed in 2nd quarter 2006)

Kayangan Depot is strategically located within the established industrial and commercial area of Section 15 Shah Alam. Prominent landmarks within the immediate vicinity include Goodyear, Daihatsu Headquarters, SumiPuteh Steel centre and Nylex (M) Sdn Bhd.

It features a combination of showrooms, offices as well as presented warehouse space for the prospective tenants. As a result, it has attracted companies such as Maxis, Naza Kia as well as Nineteen-O-One to locate their operations there.

Kayangan Depot enjoys excellent accessibility from Kuala Lumpur, Petaling Jaya, Subang Jaya, Port Klang and Klang via the Federal Highway or alternatively, via KESAS or the NKVE. It has further benefited from its very close access to the Federal Highway and the KESAS highway as well as its very prominent location next to the Goodyear roundabout.

Property Report

MALAYSIAN ECONOMY

The Malaysian economy showed sustained growth during 2005 with growth rates of 5.8%, 4.4% and 5.3% recorded for the first, second and third quarters of the year respectively. Overall growth during the first nine months of the year was 5.3%. The services sector has been and will continue to be the major performer within the overall economy.

Bank Negara Malaysia (BNM) is expected to gradually continue to increase interest rates during the year, according to government policy. It is generally felt that a gradual increase in interest rates would prove positive for the local economy as it would decrease the outflow of foreign funds and would at the same time also act to counter inflation rates since it would encourage savings. In terms of lending rates, commercial banks and finance companies have increased base-lending rates (BLR) accordingly by 25 to 30 basis points after the increase in BNM's Overnight Policy Rate. As at the end of December, the average BLRs for commercial banks and finance companies were at 6.20% and 7.03% respectively.

Barring any major slowdown in the US economy, the Malaysian economy is expected to perform well during the course of the year and growth is expected to be at a sustainable rate. The Malaysian Institute of Economic Research (MIER) has projected a growth of 5.3% in Gross Domestic Product (GDP) for the period of 2005, and a further growth of 5.5% for 2006.

PROPERTY MARKET OUTLOOK

OFFICE SECTOR

The office market is expected to benefit from the positive economic outlook, as new businesses and expansions of the existing ones would take place. Together with the country's political stability, it will boost business confidence amongst the multinational companies and contribute to the growth of investment that would lead to higher requirements for office space.

The government is promoting the services sector as a new engine of growth for the country's economy. Initiatives have been taken to promote Malaysia as a global and regional hub for several niche areas such as financial services, communication technology and multimedia. This would encourage the growth of the service sector as a whole, which will in turn encourage the demand for office space.

Prime grade office buildings in central locations are expected to benefit the most from the growing market. Therefore, in an established location like Petaling Jaya, the market is expected to remain active and demand is expected to remain favourable.

According to NAPIC, the supply of office space in Petaling Jaya stood at approximately 8.644 million sq. ft. in 3Q05, which was similar to 3Q04. The average occupancy was at 80.4%, up from 79.5% in 3Q04. Thus, there was a drop in the vacant office space from 1.775 million sq. ft. in 3Q04 to 1.692 million sq. ft. in 3Q05.

The incoming supply of office space in Petaling Jaya consists of approximately 67,242 sq. ft. under construction and another 324,575 sq. ft. in the planning stage. Petaling Jaya has lately been in the limelight with its new office developments that include Jaya 33, Jaya 1, 3 2 Square, 8 Avenue and PJ8. In the northern part of Petaling Jaya, new developments include The One Avenue @ Damansara near Bandar Utama and Petaling Jaya Trade Centre (PJTC) in Damansara Perdana. Response to the launches is reported to be encouraging.

The current asking rental rates of office space in Petaling Jaya range from RM2.50 to RM3.50 per sq. ft. An upward movement in the rental rates is expected during the year due to encouraging levels of demand and limited supply of space, particularly prime grade purpose-built offices. REITs are expected to spearhead activities in the office market. More REITs may be set up, which will encourage the emergence of investment grade office buildings, particularly in the Klang Valley.

OFFICE-WAREHOUSE SECTOR

Selangor has long been established as the centre for industrial activities of the country. The state has the highest number of industrial properties in the country. There were 31,341 units of industrial properties as at 3Q05, accounting for 36.75% of the country's stock. Another 3,897 units were being constructed, accounting for 50.24% of the total industrial properties under construction in the country.

Selangor has the highest number of approved manufacturing project establishments in the country. Manufacturing activities in the state are generally on the rise, as indicated by the increasing number of approved manufacturing establishments. In 2004, a total of 335 establishments were approved, with a total proposed investment of RM6,050.30 million. From year 2000 to 2004, Selangor accounted for about 30% of the total number of establishments approved for the country.

It is expected that the industrial market in Selangor will continue to thrive. Besides manufacturing, Selangor is also actively pursuing other types of specialised industries, such as biotechnology, information technology, as well as distribution hub. The country's economic growth will be one of the major determinants of the industrial sector, which will in turn affect the demand for industrial properties.

Popular industrial areas in Selangor include Petaling Jaya and Shah Alam. Their strategic locations, easy access and the availability of supporting facilities/infrastructure help to boost the market and attract multinational companies to set up their operations here. Demand for industrial properties in these areas has been good and stable, notwithstanding the fact that rental rates and selling prices are amongst the highest in Selangor.

The government is promoting Malaysia as a regional centre for the procurement and distribution of goods, including raw materials, components and finished products. It is expected that other than the conventional industrial properties or factories, warehouses would see increasing demand as a result of the growing need for storage and distribution centres by local and international companies.

It is noted that more companies are requiring warehouses that come with office space under one roof. Office-cum-warehouses are particularly practical for companies involved in manufacturing and distribution and import/export of goods, where their primary requirement is a large storage capacity and office space as secondary requirement. This type of property is also useful for multinational companies to occupy as their operation centres that serve the local market. The cost of renting office space within warehouses is lower than renting in office buildings. The average monthly rental rate of an office-cum-warehouse is generally less than RM2.50 per sq. ft.

Preference would be given to properties located in central areas, which have good road networks and easy access to Kuala Lumpur International Airport and Port Klang, which would make the movement of stock convenient and efficient. Proximity to commercial and financial centres would also be prime consideration. With the availability of prerequisite infrastructure, office-cum-warehouses in Petaling Jaya and Shah Alam would benefit from a healthy industrial sector and growing distribution market, and would thus remain popular and continue commanding attractive rental rates as well as selling prices.

Prepared by

Colliers, Jordan Lee & Jaffar Sdn Bhd



**COLLIERS, JORDAN LEE
& JAAFAR SDN. BHD.**

(59901-UJ)[VE(1)0063]

Level 6, Block G North,
Pusat Bandar Damansara,
Damansara Heights,
50450 Kuala Lumpur.
Tel No : 03-20955811 (10 lines)
Fax No : 03-20955843
E-mail : cjjj@tm.net.my