

**Type:           Announcement**

**Subject:       Axis Real Estate Investment Trust (“Axis-REIT” or the “Fund”)  
Valuation of Investment Properties**

**1.           Introduction**

The Board of Directors of Axis REIT Managers Berhad (“the Board” or “Manager”), the management company of Axis Real Estate Investment Trust (“Axis-REIT”) wishes to announce that RHB Trustees Berhad, the trustee of Axis-REIT, has carried out the valuation on the following properties of Axis-REIT in accordance with the purposes stated in section 2 below:

- 1)   Axis Business Park
- 2)   Crystal Plaza
- 3)   Menara Axis
- 4)   Infinite Centre
- 5)   Wisma Kemajuan
- 6)   Axis Business Campus
- 7)   Axis Shah Alam DC 1
- 8)   Giant Hypermarket
- 9)   FCI Senai
- 10)  Fonterra HQ
- 11)  Quattro West
- 12)  Strateq Data Centre
- 13)  BMW Centre PTP
- 14)  Niro Warehouse
- 15)  Delfi Warehouse
- 16)  Axis Steel Centre
- 17)  Bukit Raja Distribution Centre
- 18)  Seberang Prai Logistic Warehouse 1
- 19)  Seberang Prai Logistic Warehouse 2
- 20)  Tesco Bukit Indah
- 21)  Axis PDI Centre
- 22)  Axis Technology Centre
- 23)  D8 Logistics Warehouse
- 24)  Axis Eureka
- 25)  Emerson Industrial Facility Nilai
- 26)  Wisma Academy Parcel
- 27)  The Annex
- 28)  Axis Shah Alam DC 3
- 29)  Axis MRO Hub
- 30)  Axis Steel Centre @ SiLC

hereinafter referred to as (“Valuation”).

## 2. Purpose of Valuation

Axis Shah Alam DC 3, Axis MRO Hub and Axis Steel Centre @ SiLC were valued to comply with Clause 10.02 of the Guidelines on Real Estate Investment Trusts (“REIT Guidelines”) issued by the Securities Commission (“SC”) for acquisition purposes. The acquisitions of Axis Shah Alam DC 3 and Axis MRO Hub were completed on 18 December 2014 whilst the acquisition of Axis Steel Centre @ SiLC was completed on 30 December 2014.

Wisma Kemajuan was revalued to comply with Clause 10.03 of the SC’s REIT Guidelines where such property is required to be revalued once in every three (3) years.

The remaining twenty-six (26) properties were revalued to ascertain the current market value for accounting purposes in line with the Malaysian Financial Reporting Standard (“MFRS”) 140.

Under the fair value model of MFRS 140, the fair value of the investment property shall reflect market conditions as at the balance sheet date (i.e. the investment property is revalued every year). As Axis-REIT has adopted the fair value model stipulated in MFRS 140, Axis-REIT will be required to conduct a yearly revaluation on all its real estate properties.

The valuation carried out on all the above properties in accordance with the purposes as hereinabove mentioned was not subject to the approval of the SC. The valuation reports in respect of the three (3) completed acquisitions had been deposited with the SC and the valuation reports of the remaining properties shall be deposited with the SC together with the annual report of Axis-REIT to be issued in due course in accordance with the SC’s REIT Guidelines.

## 3. Valuation Surplus

The details of the valuation surplus are set out in the tabulation below:

	<b>Name of Property</b>	<b>Valuation Date</b>	<b>Net Book Value as at 31 December 2014 (RM'000)</b>	<b>Open Market Value (RM'000)</b>	<b>Surplus / (deficit) to be incorporated into Axis-REIT (RM'000)</b>
1	Axis Business Park#	31-12-2014	119,281	119,000	(281)
2	Crystal Plaza#	05-11-2014	106,553	109,000	2,447
3	Menara Axis*	11-11-2014	114,788	118,000	3,212
4	Infinite Centre##	12-11-2014	42,500	41,500	(1,000)
5	Wisma Kemajuan#	18-11-2014	57,346	57,700	354
6	Axis Business Campus#	05-11-2014	73,096	68,000	(5,096)

7	Axis Shah Alam DC 1*	12-11-2014	21,758	25,700	3,942
8	Giant Hypermarket##	11-11-2014	40,122	41,000	878
9	FCI Senai###	13-11-2014	15,945	16,000	55
10	Fonterra HQ*	12-11-2014	14,197	15,000	803
11	Quattro West##	07-11-2014	53,866	55,800	1,934
12	Strateq Data Centre^	19-11-2014	52,726	53,000	274
13	BMW Centre PTP###	14-11-2014	29,805	30,000	195
14	Niro Warehouse**	10-11-2014	17,024	17,700	676
15	Delfi Warehouse**	11-11-2014	14,500	15,600	1,100
16	Axis Steel Centre##	13-11-2014	75,881	70,000	(5,881)
17	Bukit Raja Distribution Centre###	06-11-2014	91,085	94,500	3,415
18	Seberang Prai Logistic Warehouse 1***	10-11-2014	20,006	20,200	194
19	Seberang Prai Logistic Warehouse 2***	10-11-2014	8,040	8,000	(40)
20	Tesco Bukit Indah###	11-11-2014	90,028	90,500	472
21	Axis PDI Centre^	19-11-2014	92,115	92,000	(115)
22	Axis Technology Centre*	10-11-2014	52,370	53,000	630
23	D8 Logistics Warehouse**	11-11-2014	32,065	32,500	435
24	Axis Eureka^	19-11-2014	54,640	53,000	(1,640)
25	Emerson Industrial Facility Nilai^^	21-10-2014	29,430	29,490	60
26	Wisma Academy Parcel#	06-11-2014	77,058	77,000	(58)
27	The Annex#	06-11-2014	16,070	17,000	930
28	Axis Shah Alam DC 3^^	02-07-2014	185,661	183,245	(2,416)
29	Axis MRO Hub^^^	30-06-2014	53,358	53,000	(358)

30	Axis Steel Centre @ SiLC*	15-08-2014	156,020	156,000	(20)
	<b>Total</b>		1,807,334	1,812,435	5,101

Notes:

- \* The Properties were valued by CB Richard Ellis (Malaysia) Sdn. Bhd., an independent firm of professional valuers
- \*\* The Properties were valued by CB Richard Ellis (Johor) Sdn. Bhd., an independent firm of professional valuers
- \*\*\* The Properties were valued by CB Richard Ellis (Penang) Sdn. Bhd., an independent firm of professional valuers
- # The Properties were valued by PA International Property Consultants (KL) Sdn. Bhd., an independent firm of professional valuers
- ## The Properties were valued by Rahim & Co Chartered Surveyors Sdn. Bhd., an independent firm of professional valuers
- ### The Properties were valued by CH Williams Talhar & Wong Sdn. Bhd., an independent firm of professional valuers
- ^ The Properties were valued by First Pacific Valuers Property Consultants Sdn. Bhd., an independent firm of professional valuers
- ^^ The Properties were valued by KGV International Property Consultants (M) Sdn. Bhd., an independent firm of professional valuers
- ^^^ The Properties were valued by VPC Alliance (KL) Sdn. Bhd., an independent firm of professional valuers

#### 4. Effects on the Net Asset Value

The Valuation resulted in an increase of 0.28% over the unaudited net book value of the abovementioned thirty (30) properties of RM1,807,334,000 as at 31 December 2014 (before Valuation). Based on the unaudited results as at 31 December 2014 (before Valuation), the finalised unaudited net asset value per unit of RM2.4132 will increase to RM2.4225 upon incorporation of the valuation surplus of RM5,101,000.

#### 5. Documents Available For Inspection

The valuation reports in relation to the Valuation are available for inspection at the:

- 5.1 registered office of the Manager at Suite 11.1A, Level 11, Menara Weld, 76, Jalan Raja Chulan, 50200 Kuala Lumpur; and
- 5.2 Manager's office at Penthouse, Menara Axis, No. 2, Jalan 51A/223, 46100 Petaling Jaya, Selangor Darul Ehsan

during normal office hours from Monday to Friday (except public holidays) for a period of three (3) months from the date of this announcement.

This announcement is dated 19 January 2015.