



Axis REIT 2009 Results

January 21 2010, Westin Kuala Lumpur



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January 2010



Highlights

- ✓ Increase in annual DPU to **15.8 sen** [15.27 sen in 2008] despite an increase of 51,180,200 additional units being listed in September 2009
- ✓ Revenue increased to RM 71,597,796 in 2009 from RM 63,331,379 in 2008 an increase of **13%**
- ✓ Income for Distribution increased to RM 42,877,263 in 2009 from RM 38,970,857 in 2008 an increase of **10%**
- ✓ Raised RM 85 million through a successful placement of 51,180,200 new units at RM 1.66 a discount of 5.14% from VWAMP and was 2.03 times to book
- ✓ Unit price recovers from RM 1.12 in January 1 2009 to RM 1.93 in December 31 2009 and increase of **72%**

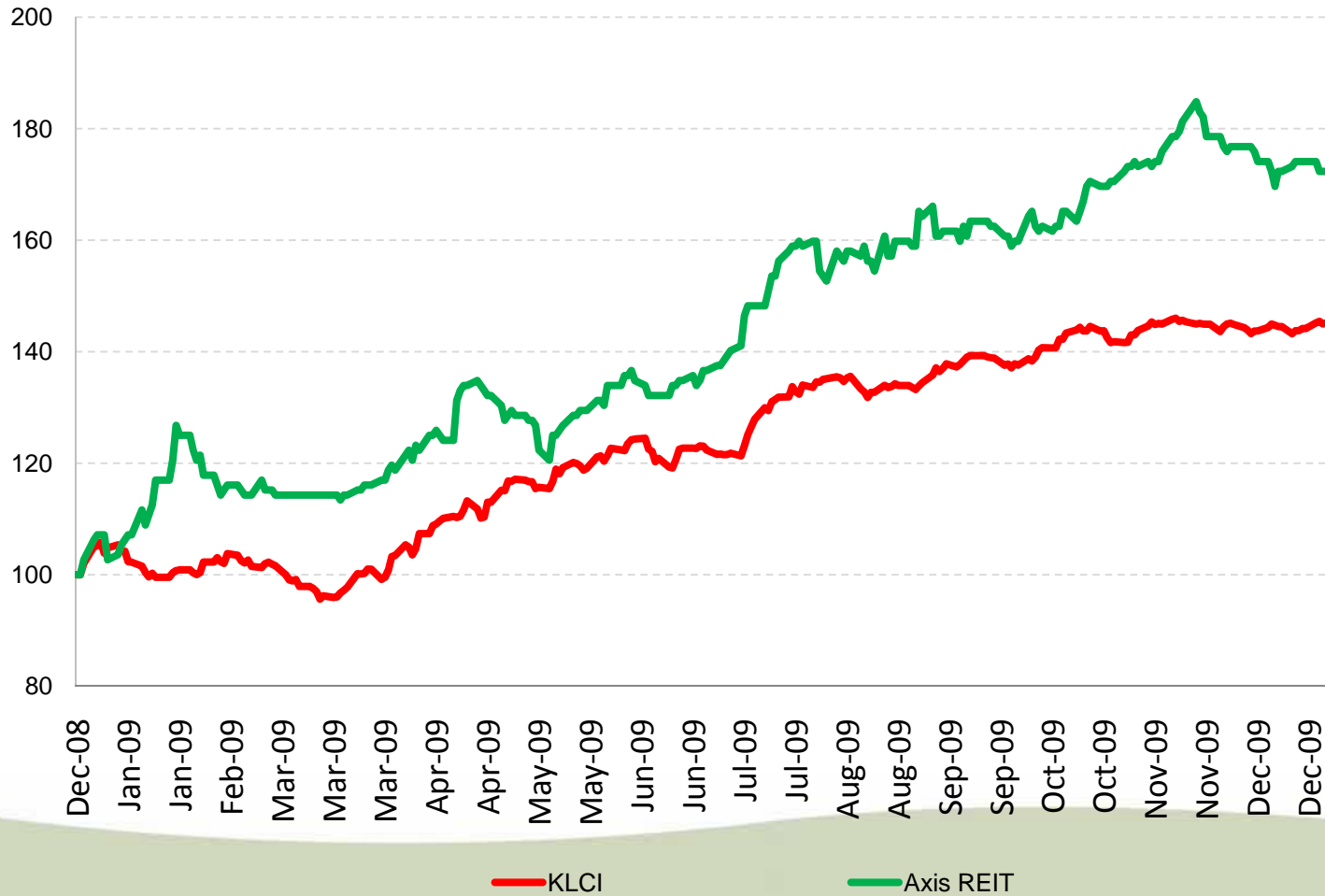


Highlights

- ✓ Successfully restarted the acquisitions of new assets for the fund with purchase of 4 new properties (2 are pending completion)
- ✓ Increased the value of investment properties to RM 884,962,000 from RM 723,371,000 in 2008 an increase of **23.3%**
- ✓ Successfully converted **50%** of the short term debt into 3-5 year term loans providing the fund with a blended interest rate of 4.5%.
- ✓ Successfully initiated the formation of the **Malaysian Association of REIT Managers** with 8 members to date

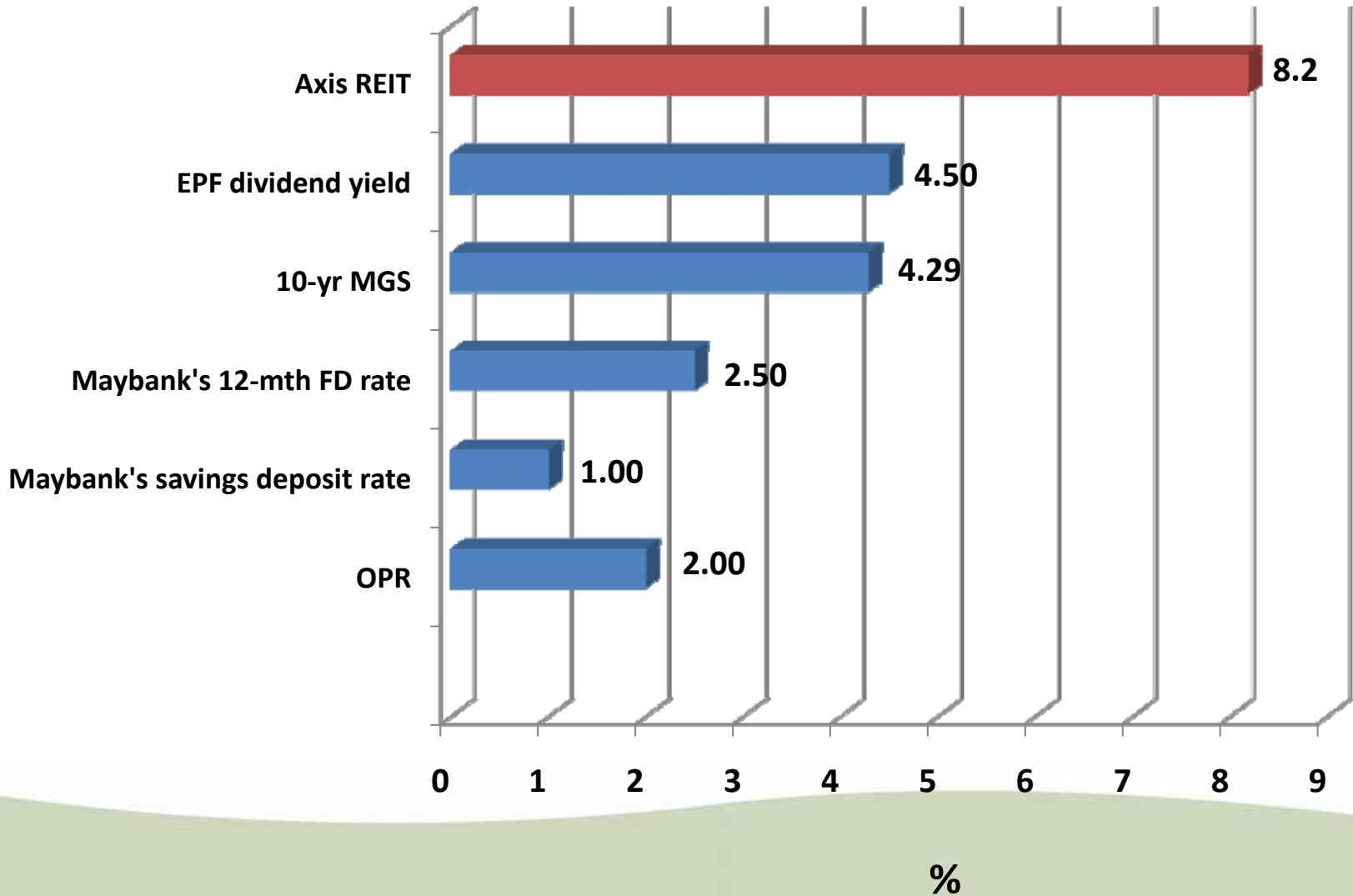


2009: KLCI Index vs Axis REIT Performance





Comparison of Yields

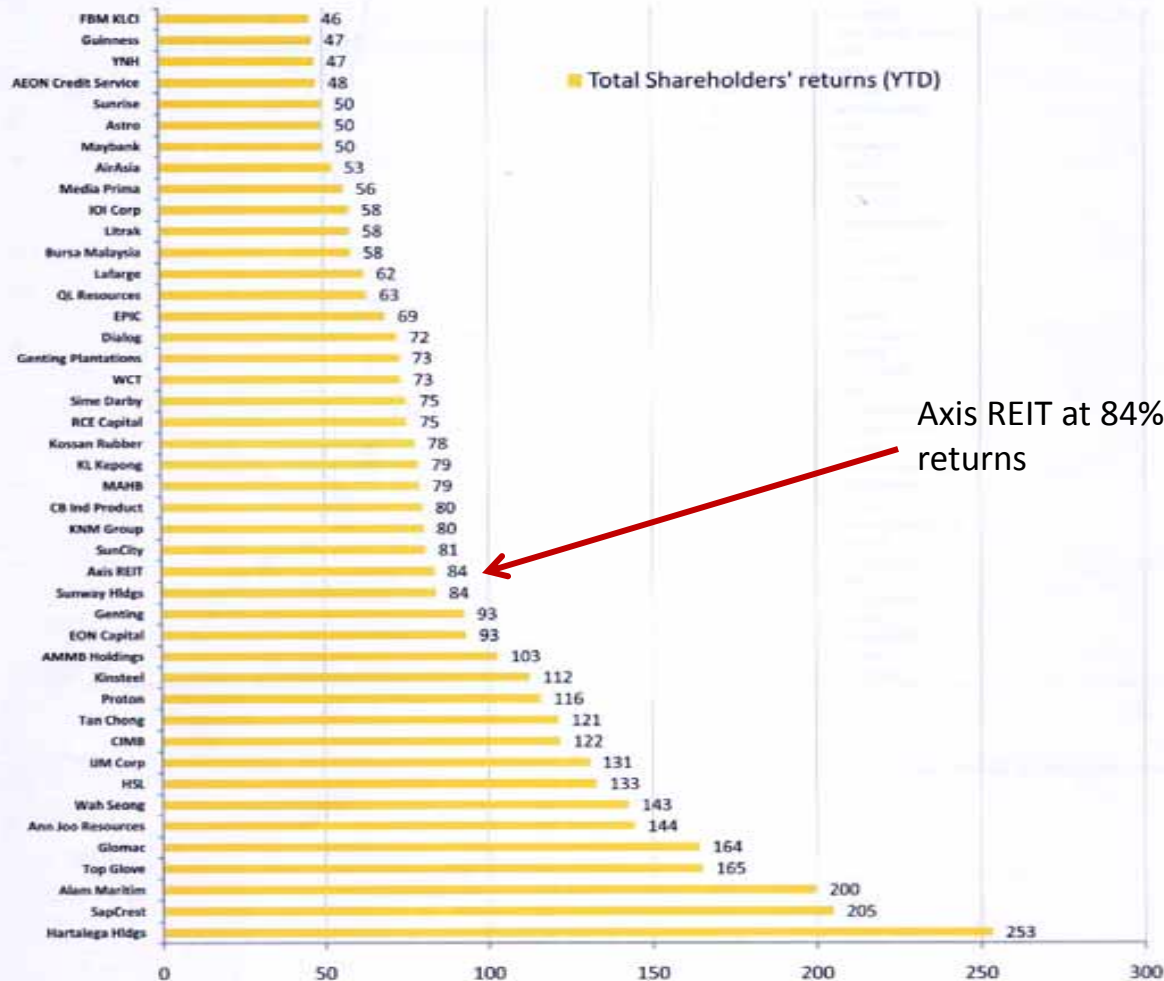




2009: Outperformers relative to the KLCI

Outperformers and underperformers of 2009

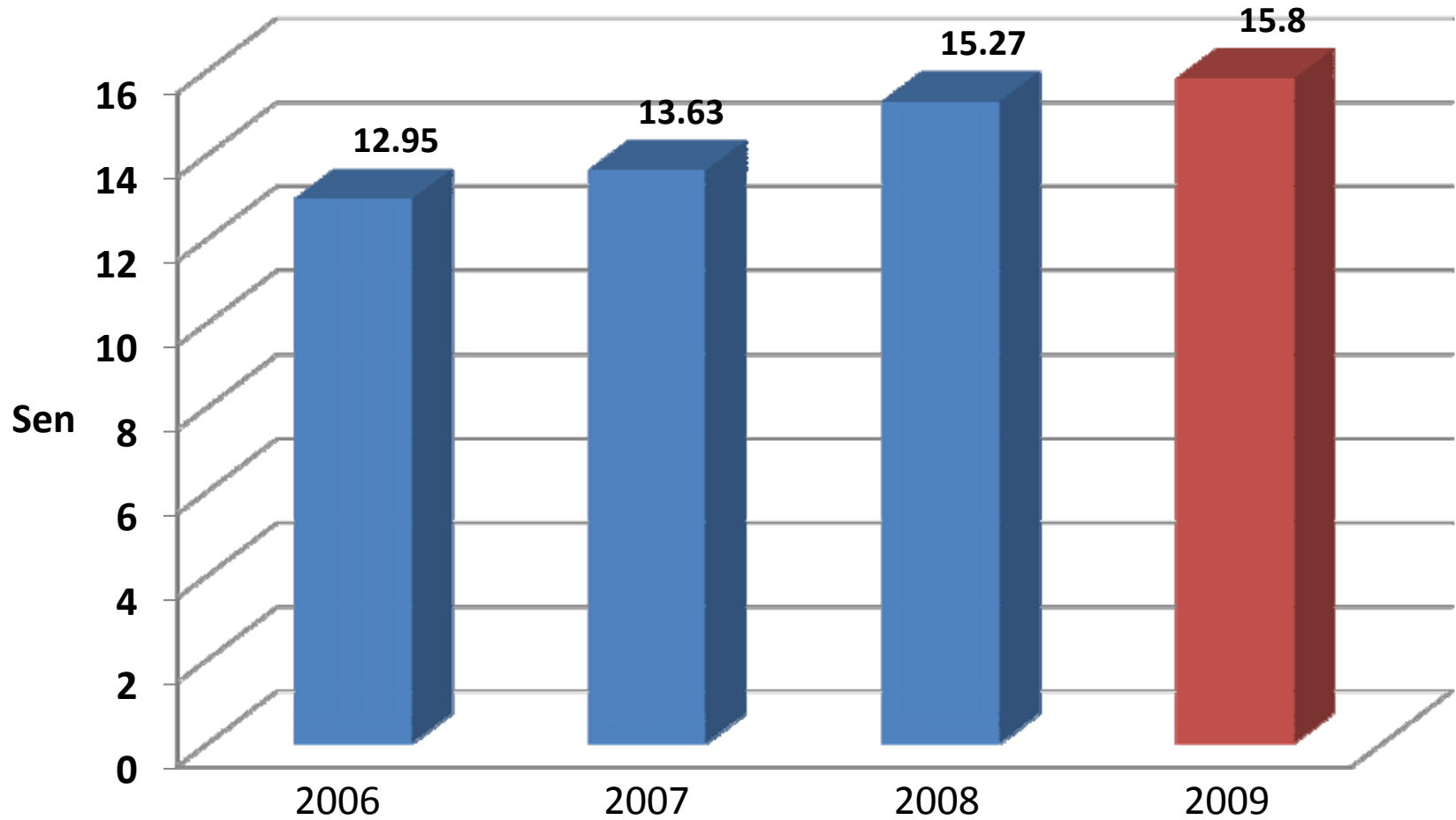
Outperformers relative to KLCI



Axis REIT at 84% shareholders returns

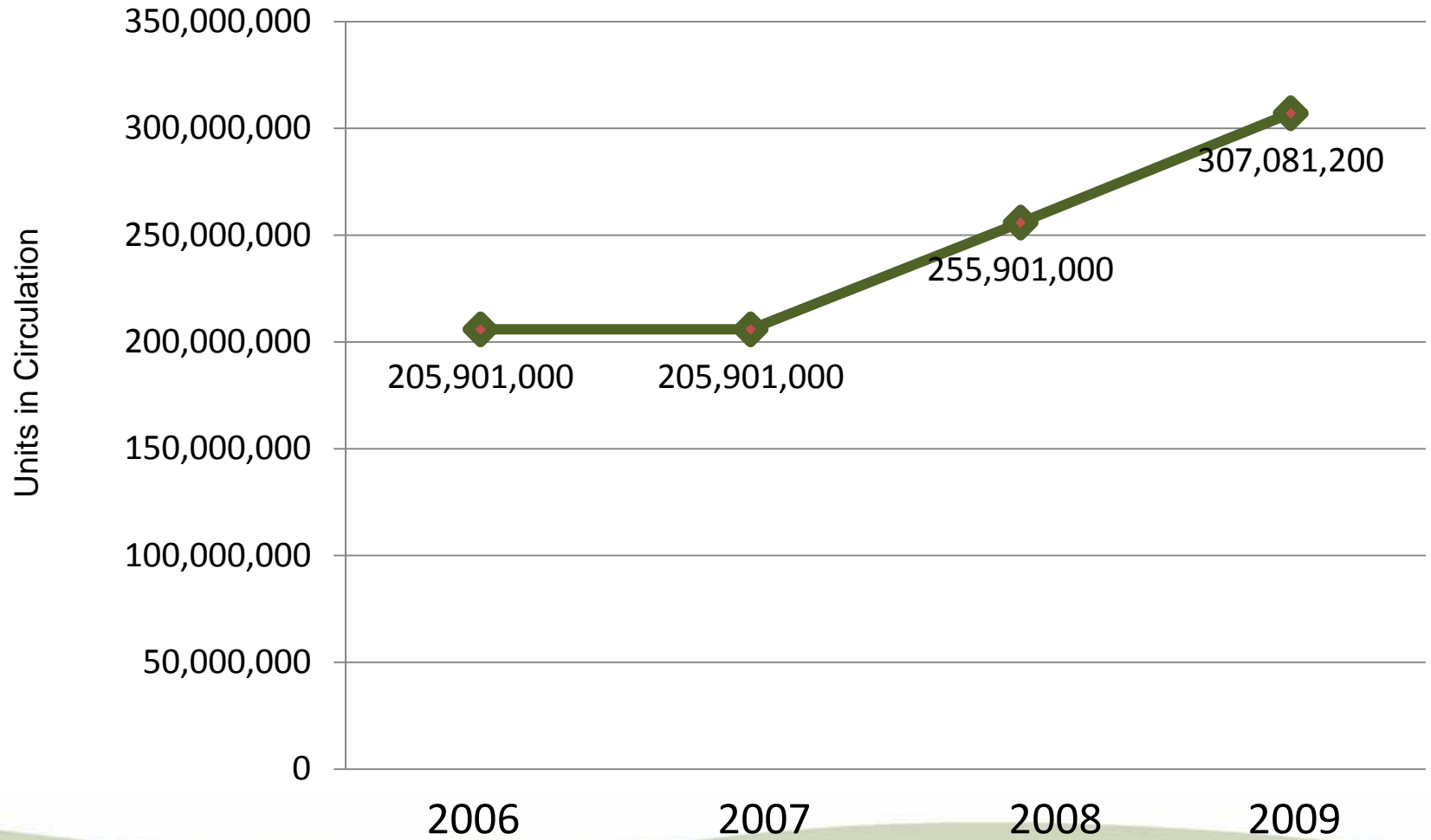


Distribution per Unit (sen)



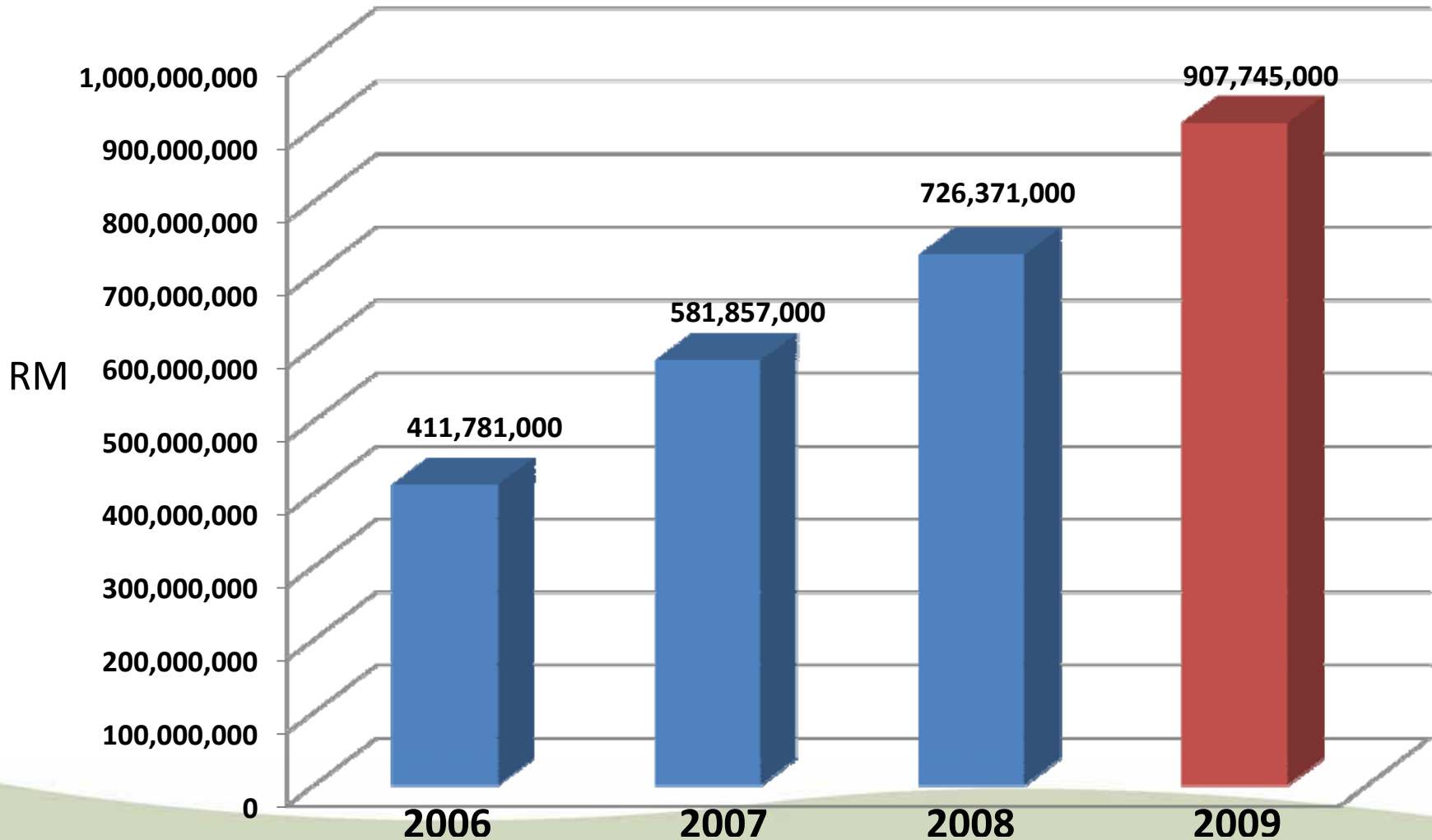


Units in Circulation



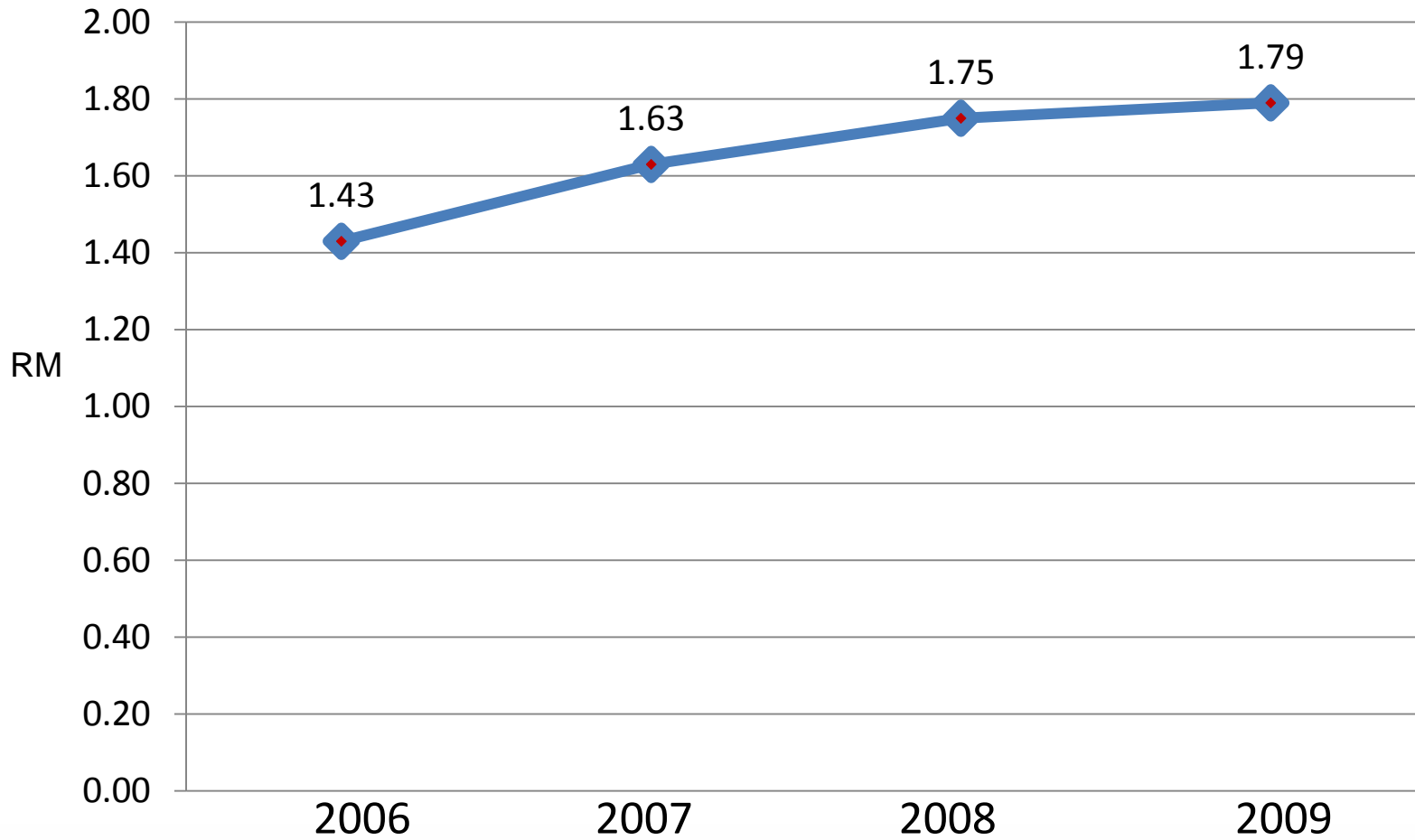


Comparison of Total Assets





2009: NAV of the Fund





A Quick Snapshot

Approved Fund Size

❑ 307,081,200 units

Manager

❑ Axis REIT Managers Bhd

Assets Under Management

❑ 884.96 million

Market Capitalisation
Unit Price

❑ RM592.67 million (as at 31 December 2009)

❑ RM1.93 (as at 31 December 2009)

Gearing

❑ RM311.13 million (34.03% of Total Asset Value as at 31 December 2009 – Unaudited)

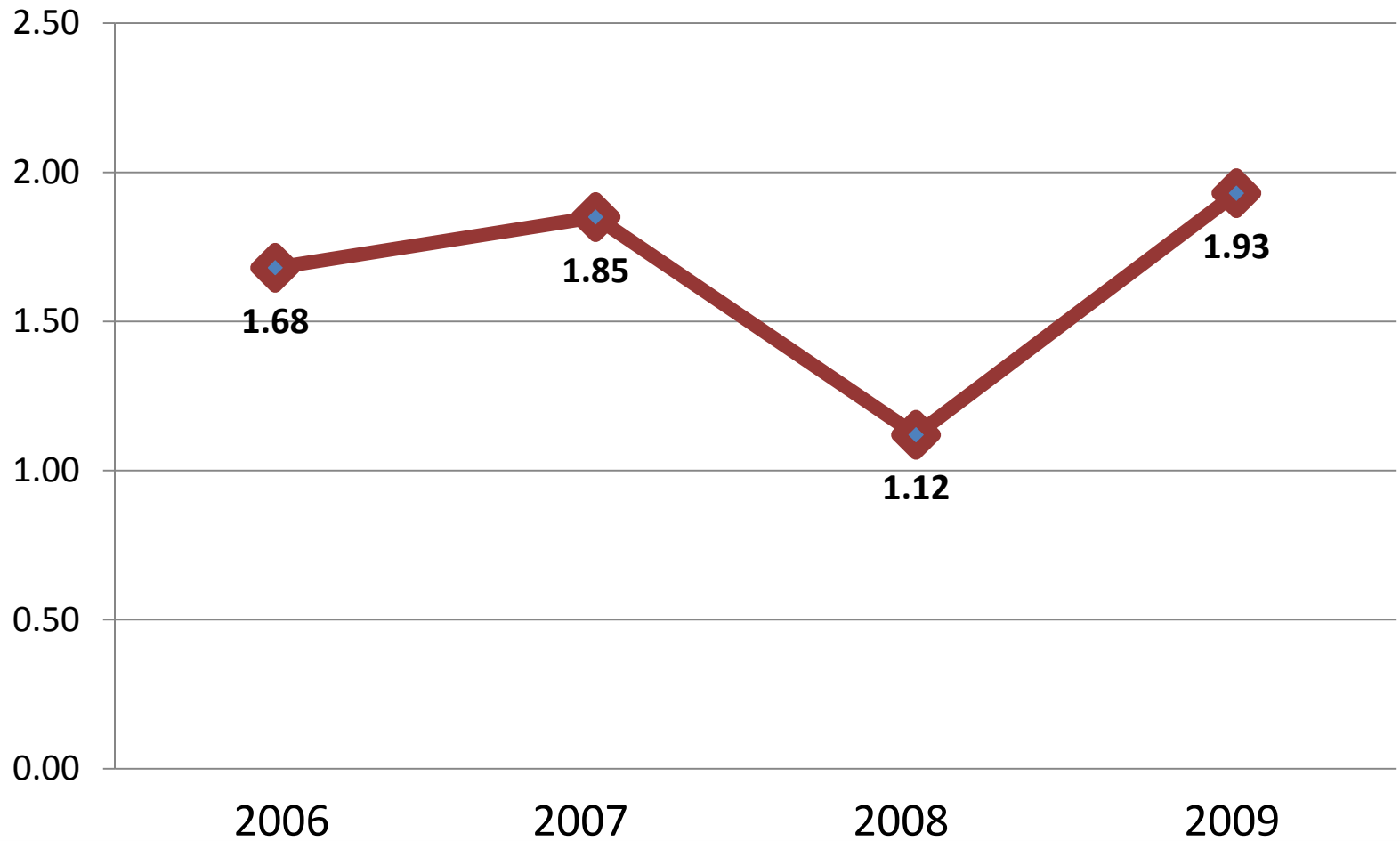
Distribution Policy

❑ 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



Share price performance





Financial Highlights – Income Statement (Unaudited)

Net Property Income exceeds YTD2008 by 12.12%

	YTD 2009 (RM '000)	YTD 2008 (RM'000)	Changes / Movement
No. of Properties	21	19	↑ + 2
Property Income	71,597	63,331	↑ + 13.05%
Net Property Income	59,936	53,455	↑ + 12.12%
Income before Taxation	42,878	38,971	↑ + 10.03%
Earnings Per Unit – sen	15.77	15.46	↑ + 2.01%
Distribution per Unit – sen	15.80	15.27	↑ + 3.47%
Management Expense Ratio	1.22%	1.35%	↓ - 9.6%


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



Financial Highlights – Balance Sheet (Unaudited)

Trading at premium to NAV of 7.69%










	2009 (RM '000)	2008 (RM'000)
Total Assets	907,745	726,371
Investment Properties	884,962	723,100
Borrowings	308,932	230,456
Net Asset Value	550,357	447,846
Unitholders' Funds	550,357	447,846
Gearing	34.03%	31.73%
NAV per unit	1.7922	1.7501
Price Discount to NAV	7.69%	(36%)



A  IS 31 Dec 2009 Financial Results
REAL ESTATE INVESTMENT TRUST



Financial Results - Income Statement (Unaudited)

Excluding unrealised earnings due to changes in fair value of investment properties	4Q2009 (RM '000)	4Q2008 (RM'000)	Changes / Movement
No. of Properties	21	19	 + 2
Property Income	19,387	16,862	 + 14.97%
Property Expenses	(3,231)	(2,638)	 + 22.48%
Net Property Income	16,156	14,224	 + 13.58%
Interest Income	121	76	
Non-Property Expenses	(1,696)	(1,404)	 + 20.80%
Borrowing Cost	(165)	-	
Interest /Islamic financing cost	(2,791)	(2,401)	 +16.24%
Income Before Taxation	11,625	10,495	 + 10.77%
Earnings Per Unit – sen	3.79	4.10	 - 7.56%
Distribution Per Unit – sen	3.74	4.06	 - 7.88%











Financial Results – 4th qtr 2009 Income Statement (Cont'd.)

- The 7% drop in EPU and DPU for the current quarter as compared to last year corresponding quarter is due to the placement of additional 51,180,200 units in September 2009 (represented 20% of the previous no. of units in issuance).
- The RM83.5 million net proceeds received from the placement in September, were initially placed as REPO prior to redemption of debt on the maturity date in end September and November resulting in interest savings of approx. 3.5%.
- On completion of placement the Fund has committed to acquire 3 properties with 8% triple net yield from IDS Logistics Services Sdn Bhd for RM96.0 million of which the acquisition of Bukit Raja Distribution Centre is concluded in December 2009 and the other 2 properties are scheduled to be completed by the 1st quarter 2010.



Financial Results - Income Statement (Unaudited)

Excluding unrealised earnings due to changes in fair value of investment properties	YTD 2009 (RM '000)	YTD 2008 (RM'000)	Changes / Movement
No. of Properties	21	19	 + 2
Property Income – Note 1	71,598	63,331	 + 13.05%
Property Expenses – Note 2	(11,661)	(9,876)	 + 18.07%
Net Property Income	59,937	53,455	 + 12.13%
Interest Income – Note 3	272	111	
Non-Property Expenses – Note 4	(6,115)	(5,975)	 + 2.34%
Borrowing Cost – Note 5	(739)	(227)	
Interest /Islamic financing cost – Note 6	(10,477)	(8,393)	 + 24.83%
Income Before Taxation	42,878	38,971	 + 10.03%
Distribution Per Unit – sen	15.80	15.27	 + 3.47%



Notes to Financial Results – Income Statement

Note 1 – Property Income

Increase in property income during the year are due to:

- (a) rental proceeds from the newly acquired properties in 4th qtr 2009
 - Axis Steel Centre
 - Bukit Raja Distribution Centre,
- (b) full 12-months rental from properties acquired during the year 2009; and
- (c) positive rental reversions during the year.

Note 2 – Property Expenses

Increase in property expenses is due to additional property completed during the year 2009.

Note 3 – Interest Income

Being Islamic REPO interest on RM83.5 million net proceeds from September 2009 placement prior to redemption of debt on the maturity date.



Notes to Financial Results – Income Statement (Cont'd)

Note 4 – Non- Property Expenses

Increase in non-property expenses is due to Corporate Social Responsibility expenses of RM50,000 and the increase in Manager's Fee during the year brought by the increase in the Net Asset Value ("NAV") of the Fund.

Nevertheless the Management Expense Ratio ("MER") for 2009 has reduced to 1.22% of NAV as compared to 1.35% in the year before.

Note 5 - Borrowing Cost

Included in the borrowing cost are the stamping and legal fee for the additional RM75.0 million facilities and also the amortisation of the term loan expenses.



Notes to Financial Results – Income Statement (Cont'd)

Note 6 – Interest/ Islamic Financing Cost

The increase in the interest/ Islamic financing cost for year as compared to last year is due to increase in the borrowings of the Trust.

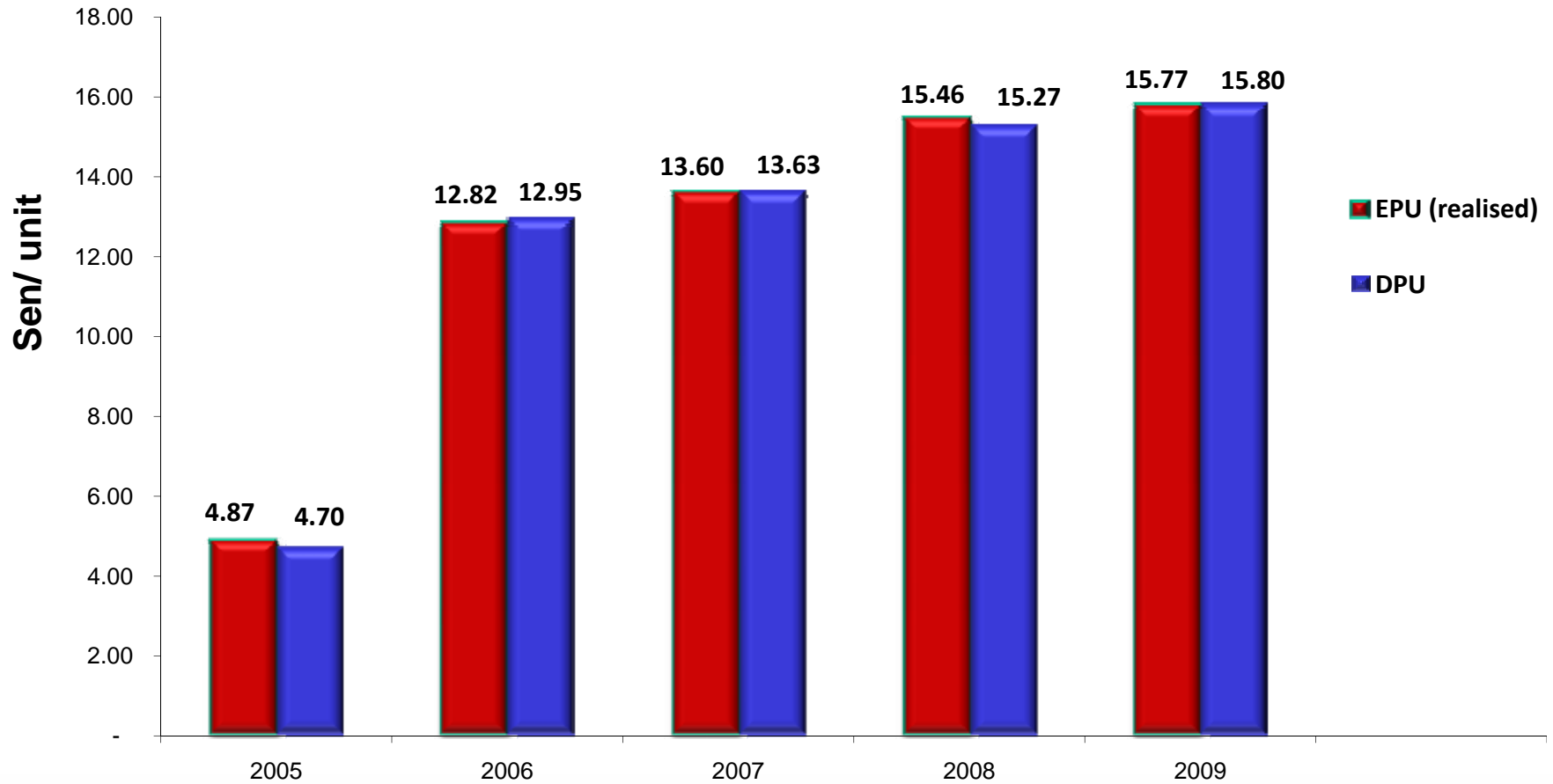
In January 2008, the placement of 50.0 million units has lowered the gearings to 25% and as more borrowings are being utilised to fund the acquisitions of properties i.e. Niro warehouse, BMW Centre PTP, Delfi warehouse and Axis Vista in 2008 this had pushed the gearings 35% prior to the placement of 51,180,200 units in September 2009. Post September 2009 the gearing has dropped to 27% for only a month before it was again pushed back to 34% to finance the acquisition of Axis Steel Centre & Bukit Raja Distribution Centre in October and December 2009.

Note 7 – Distribution per unit

Based on the enlarged unit capital of 307,081,200 units with the September 2009 placement of 51,180,200 units.



Summary of EPU (Realised) and DPU



EPU(realised) = Income available for distribution



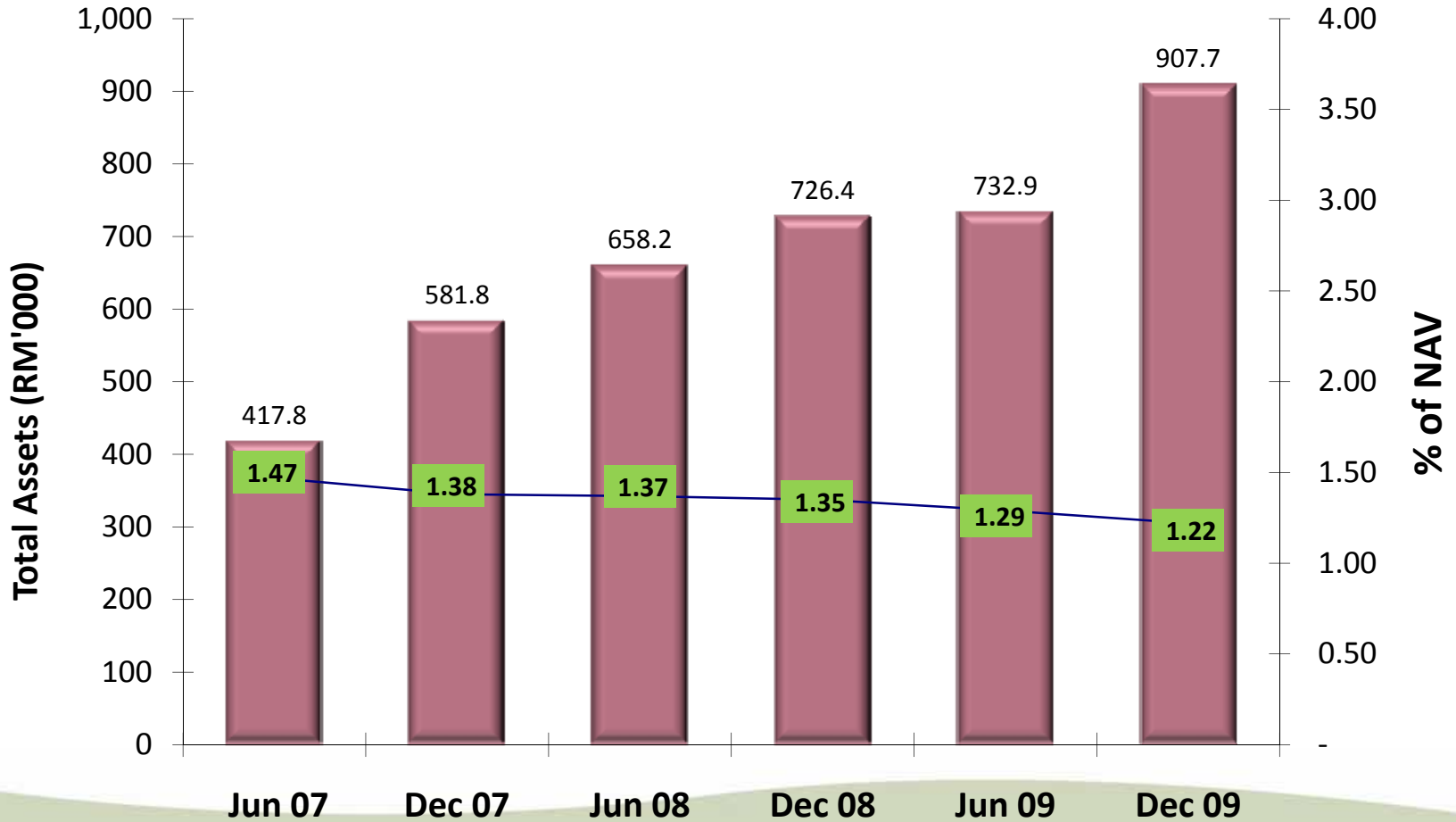
Detailed Property Performance Analysis – 31.12.2009 (RM'000)

		Book Value (a)	Fair Value Adjustment (b)	Acq Cost + Enhancement (c)	12 Months Annualised Revenue (d)	Gross Yield (d) / (c)
1	ABP	105,900	20,855	85,045	11,214	13.19%
2	Axis Plaza	29,500	6,998	22,502	2,790	12.40%
3	Crystal Plaza	89,800	33,263	56,537	9,375	16.58%
4	Infinite Centre	34,700	9,054	25,646	3,395	13.24%
5	Menara Axis	93,000	19,086	73,914	9,376	12.69%
6	Wisma Kemajuan	53,600	20,386	33,214	4,897	14.74%
7	Axis North Port	15,312	2,157	13,155	1,064	8.09%
8	Kayangan Depot	22,000	5,380	16,620	2,132	12.83%
9	Wisma Bintang	38,750	6,066	32,684	2,730	8.35%
10	Shah Alam DC1	18,500	(563)	19,063	1,474	7.73%
11	Giant Hypermarket	39,000	322	38,678	2,898	7.49%
12	FCI – Senai	14,000	1,449	12,551	1,312	10.45%
13	Nestle Warehouse	7,600	249	7,351	615	8.37%
14	Nestle House	38,000	(3,062)	41,062	4,088	9.96%
15	Kompakar	40,000	2,443	37,557	3,210	8.55%
16	Niro	14,500	(311)	14,811	1,560	10.53%
17	BMW	27,100	(371)	27,471	3,246	11.82%
18	Delfi Warehouse	13,500	746	12,754	1,306	10.24%
19	Axis Vista	35,000	2,495	32,505	3,151	9.69%
20	Axis Steel Centre *	75,000	9,118	65,882	7,056	10.71%
21	Bukit Raja D. Centre*	80,200	7,564	72,636	5,977	8.23%
	Total	884,962	143,324	741,638	82,866	11.17%
	* Annualised					



Management Expense Ratio ("MER")

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



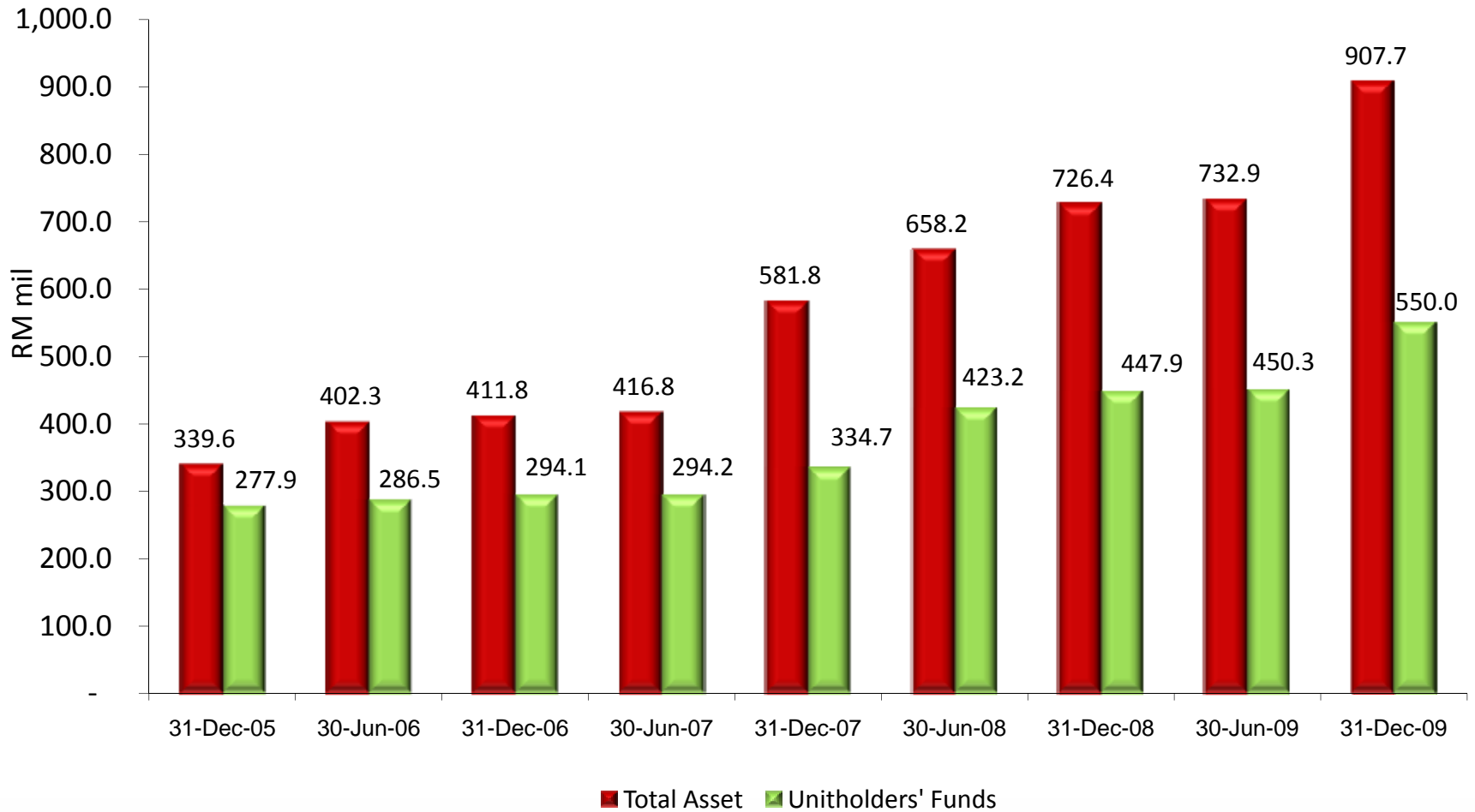


Balance Sheet Highlights (Unaudited)

	31/12/09	31/12/08	Changes
	RM '000	RM '000	
Investment Properties	884,962	723,100	+ 161,862
Other Assets	22,783	3,271	+ 19,512
TOTAL ASSETS	907,745	726,371	+ 181,374
Borrowings	308,932	230,456	+ 78,476
Other Payables	48,456	48,069	+ 387
TOTAL LIABILITIES	357,388	278,525	+ 78,863
NET ASSETS VALUE ("NAV")	550,357	447,846	+ 102,511
Unitholders' Capital	406,854	323,338	+ 83,516
Undistributed Income	143,503	124,508	+ 18,995
TOTAL UNITHOLDERS' FUND	550,357	447,846	+ 102,511
GEARING	34.03%	31.73%	
NAV/unit (RM)	1.7922	1.7501	
No. of units in issuance (mil)	307.081	255.901	



Total Assets & Unitholders' Funds



Total Asset and Unitholders' Funds have increased rapidly since IPO.

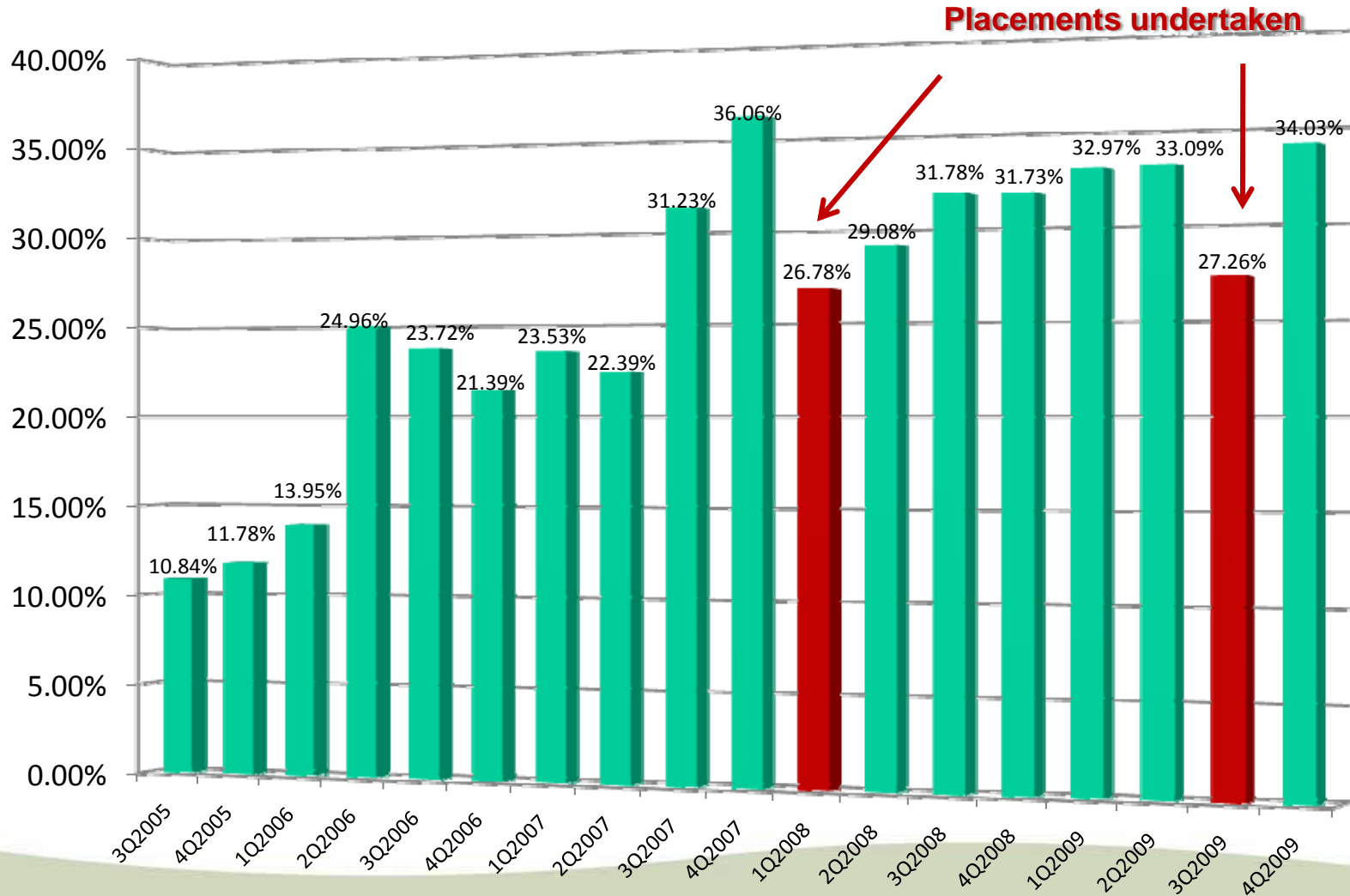


Borrowings

	2006	2007	2008	2009
Total Borrowings (RM'000)	88,089	209,816	230,456	308,932
Total Assets (RM'000)	411,781	581,857	726,371	907,745
Gearings	21.39%	36.06%	31.73%	34.03%
Effective Interest Rate	4.38%	4.39%	4.28%	4.11%
Percentage of short term borrowings	100%	100%	100%	47%
Percentage of medium/ long term borrowings	-	-	-	53%



Gearings





Business Development and Investor Relations



Growth in Property Portfolio Since Listing



Property Portfolio in 2005



Axis Plaza, Shah Alam



Infinite Centre, Petaling Jaya



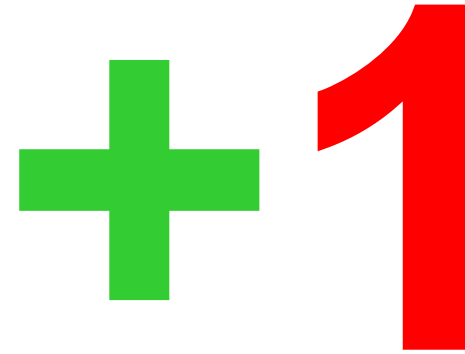
Axis Business Park, Petaling Jaya



Crystal Plaza, Petaling Jaya



Menara Axis, Petaling Jaya



high yielding property



Wisma Kemajuan, Petaling Jaya
(Purchase Price : RM 29,192,000)

* Gross Yield



Property Portfolio in 2006



8.4%*

Cycle & Carriage Bintang Bhd HQ, Petaling Jaya
(Purchase price: RM 32.68mil)



8.1%*

North Port Logistics Centre 1, Klang
(Purchase Price: RM 10.37mil)

+ 3

high yielding properties



12.8%*

Kayangan Depot, Shah Alam
(Purchase Price : RM 16.24mil)

* Gross Yield



Property Portfolio in 2007



10.5%*

FCI Connectors, Senai, Johor
(Purchase Price : RM12.30mil)



8.4%*

Nestle Office & Warehouse, Shah Alam
(Purchase Price :RM7.20mil)



7.5%*

Giant Hypermarket, Sg Petani, Kedah
(Purchase Price : RM38.00mil)



9.9%*

Nestle House, Petaling Jaya
(Purchase Price : RM39.80mil)



7.7%*

Axis Shah Alam DC1, Shah Alam
(Purchase Price : RM 18.50mil)

+5

high yielding properties

* Gross Yield



Property Portfolio in 2008



11.8%*

BMW Asia Technology Centre
Tanjung Pelepas, Johor
(Purchase Price : RM27.00mil)



8.6%*

Kompakar, Petaling Jaya
(Purchase Price : RM 37.00mil)



10.2%*

Delfi Warehouse
Pasir Gudang, Johor
(Purchase Price RM12.5mil)



10.5%*

Niro Granite Warehouse,
Pasir Gudang, Johor
(Purchase Price RM 14.5 mil)



9.8%*

Axis Vista, Petaling Jaya
(Purchase Price : RM32.00mil)

+ 5

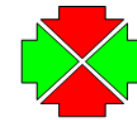
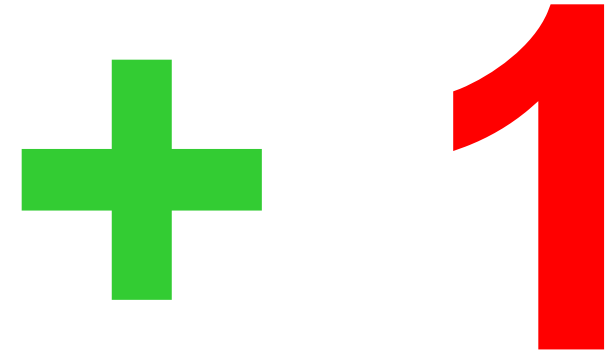
high yielding properties

Total - 19

* Gross Yield



Acquisitions for 2009



Axis

Steel Centre

North Port

Port Klang

Total - 20



Acquisitions for 2009

- 2nd related party acquisition out of the past 15 acquisitions since IPO
- The purchase price of RM65 million is at 13% discount to the market value providing Unitholders with a capital gain of approximately RM 9.1 Million
- Strengths of Axis Steel Centre – good location, enhancement possibilities, unique product positioning i.e. high floor loading capabilities

Land Area	: 16.42 Acres (715,262 sq ft)
Built Up	: 366,839 sq ft
Land Tenure	: 99 yr leasehold with 93 yrs remaining
Tenant	: Konsortium Logistik Berhad
Occupancy	: 100%
Tenure	: 5 yr lease with a 3 yr option
Purchase Price	: RM65.00 million
Acquisition Price	: RM65.84 million
Valuation	: RM75.00 million
Gain	: RM9.16 million
Triple Net Yield	: 9.70%





Acquisitions for 2009



+ 3

IDS Distribution
Center & Logistic
Warehouses

Total - 23



Acquisitions for 2009

- Sale & Purchase Agreement signed on 19 November 2009
- Completion date : 14 December 2009
- The purchase price of RM71.75 million is at 11.8% discount to the market value providing Unitholders with a capital gain of approximately RM7.56 million
- Strengths of Bukit Raja Distribution Centre – good location and strong lease of 15 years + 15 years with fixed step-up for the first 9 years.

Land Area	: 772,127sq ft
Built Up	: 437,178 sq ft
Land Tenure	: Freehold
Tenant	: IDS Logistics Services (M) Sdn Bhd
Occupancy	: 100%
Tenure	: 15 yr with a further 15 yr option
Purchase Price	: RM71.75 million
Acquisition Price	: RM72.64 million
Valuation	: RM80.2 million
Gain	: RM7.56 million
Triple Net Yield	: 8%





Acquisitions for 2009 – Pending Completion

Two (2) logistic warehouses at Seberang Perai, Pulau Pinang

- Sale & Purchase Agreement signed on 19 November 2009
- Estimated completion date : 1 March 2010
- The purchase price of RM24.25 million is at 9.2% discount to the market value providing Unitholders with a capital gain of approximately RM 1.78 Million
- Strengths – good location and strong lease of 15 years + 15 years with fixed step-us for the first 9 years

Land Area	: 2.677 hectares
Built Up	: 147,985 sq ft
Land Tenure	: Freehold
Tenant	: IDS Logistics Services (M) Sdn Bhd
Occupancy	: 100%
Tenure	: 15 yr with a further 15 yr option
Purchase Price	: RM24.25 million
Acquisition Price	: RM24.70 million
Valuation	: RM26.48 million
Gain	: RM1.78 million
Triple Net Yield	: 8%



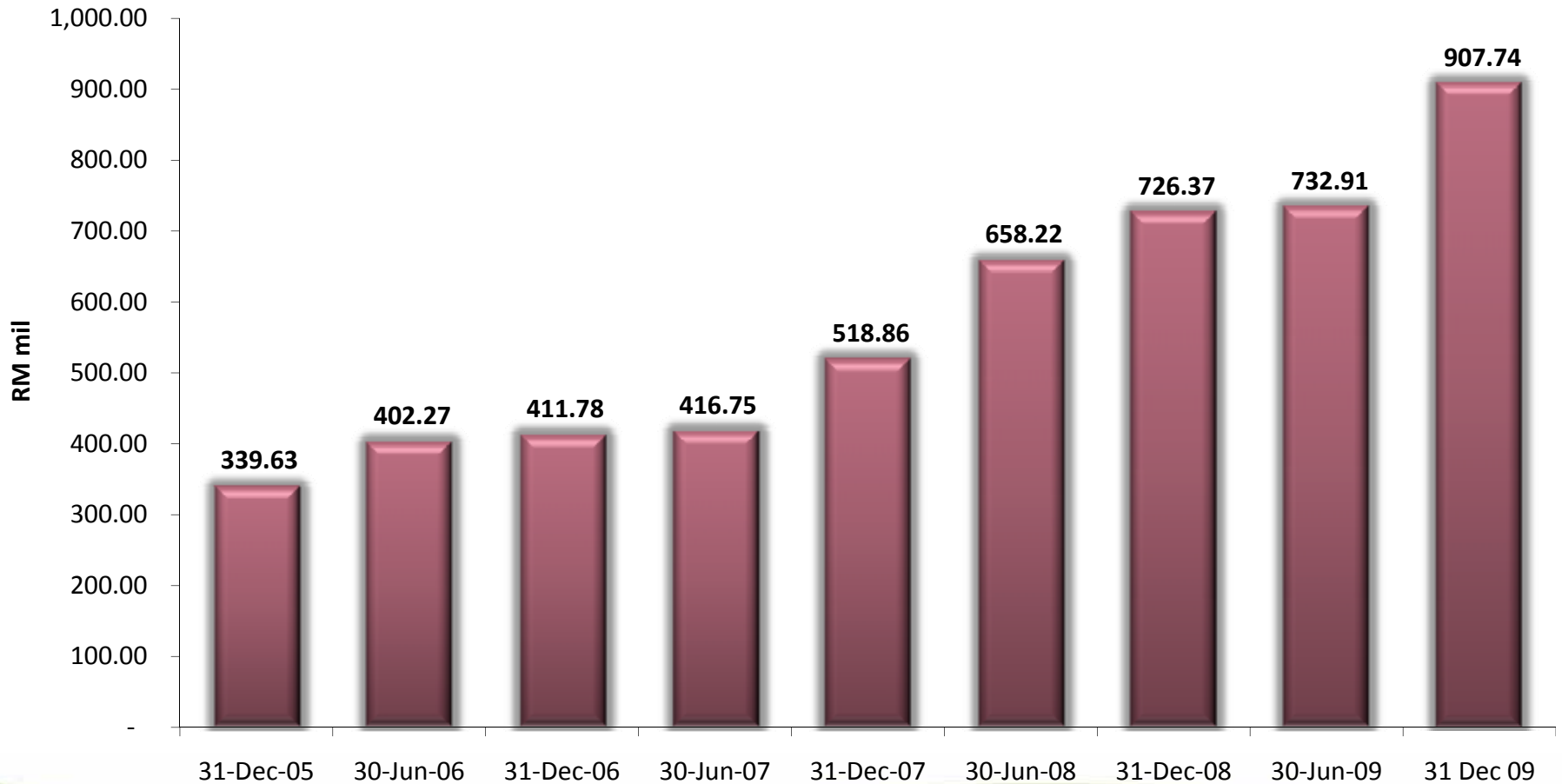


IDS Logistic Warehouses (Prai) – Financials

- The Acquisition will be by means of bank borrowings.
- Funds for the Proposed Acquisition has been secured with an average interest of 3.7%.
- The acquisition is yield accretive.
- The Proposed Acquisition will have the following financial impact :
 - Increase the NAV from RM1.7922 to **RM1.7980**
 - Increase the existing gearing level from 34.03% to **35.61%**
 - Contribution to EPU for FY2010 by **0.26sen** (assuming completion on 1 March 2010)



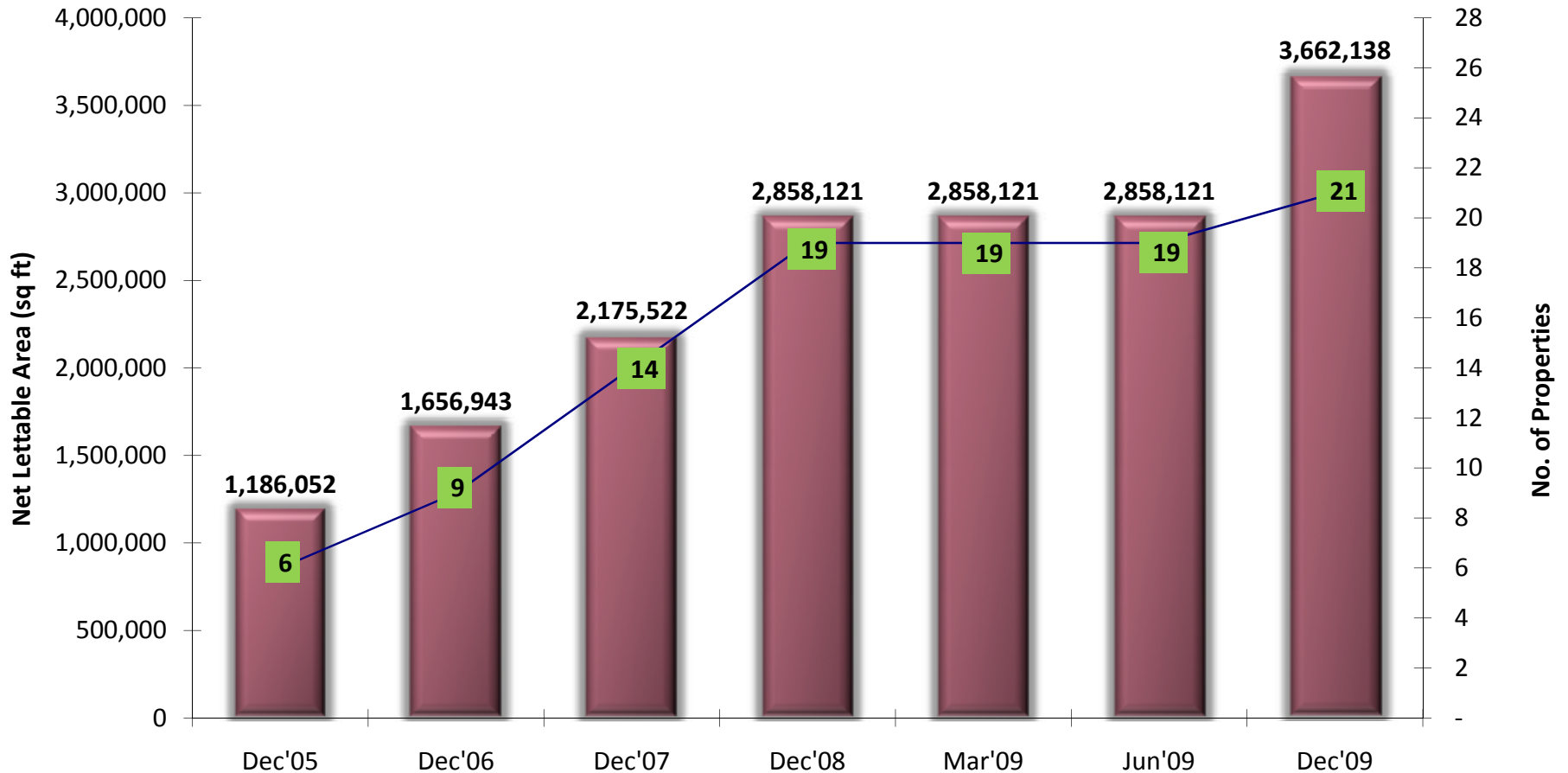
Impact on Assets Under Management (AUM)



Note : December AUM excludes the 2 IDS Logistic warehouses in Seberang Prai



Impact on Space Under Management



Note : December AUM excludes the 2 IDS Logistic warehouses in Seberang Prai



Potential Property Pipelines

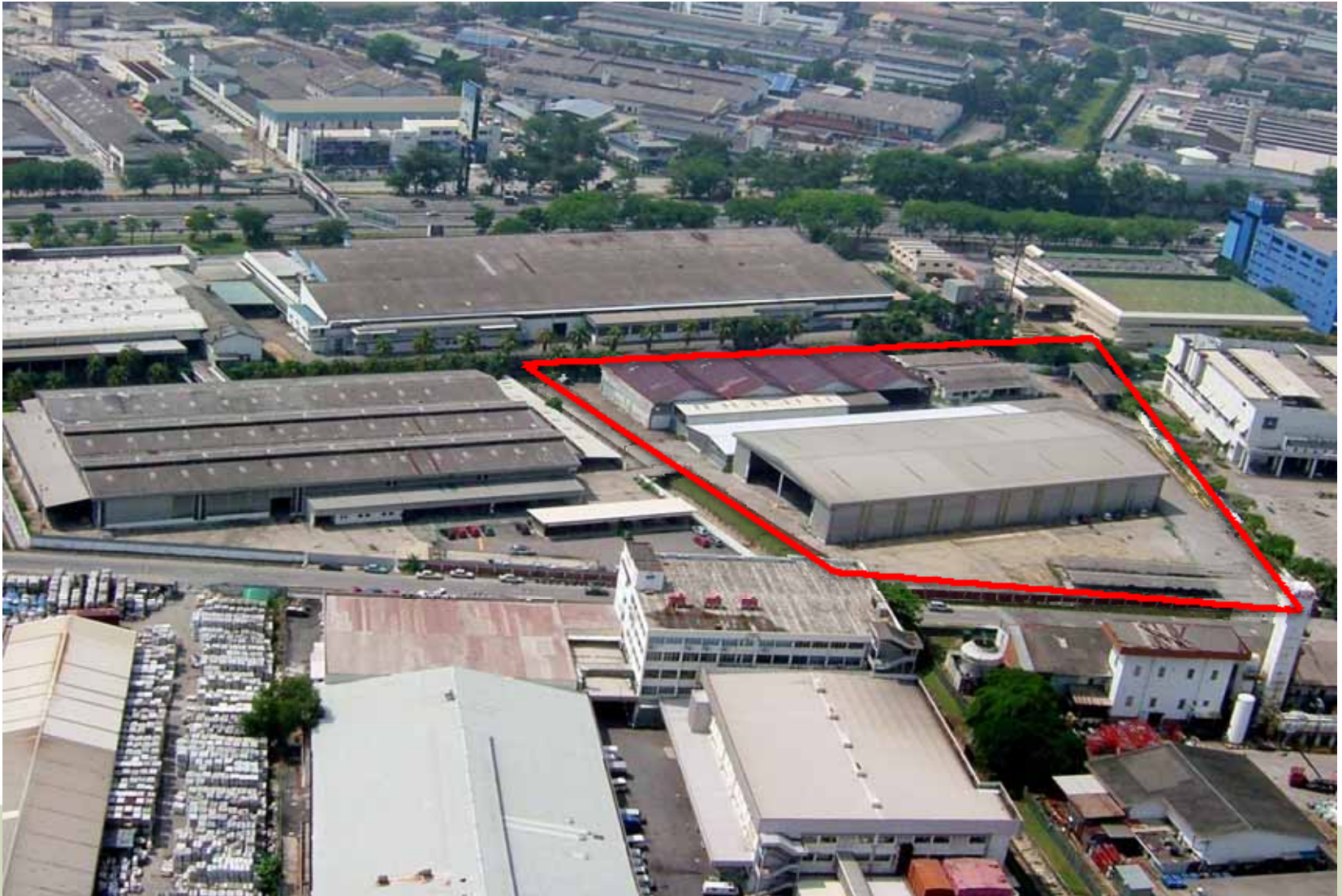


Pipeline of Properties from Private Equity

Special Purpose Vehicles				
1	Axis Technology Center	4.13 acres	Petaling Jaya	168,000 sq ft Office / Warehouse
2	Axis Techpoint 1	2.84 acres	Petaling Jaya	121,800 sq ft Office / Warehouse
3	Axis SADC 2&3	3.23 acres	Shah Alam	200,000 sq ft Logistics Warehouse
4	Axis PDI Center	48.29 acres	Klang, off KESAS Highway	Automotive PDI Center
	Total	58.49 acres		489,800 sq ft
	Estimated Value			RM200,000,000



Axis Technology Center Pre-Redevelopment





Axis Technology Center Post-Redevelopment





Axis Technology Center Post-Redevelopment

Lot 13, Jalan 225, Petaling Jaya Office Warehouse

Site Area	= 4.13 acres (179,902 sq ft)
Built Up Area	= 168,000 sqft
Land Tenure	= 99 yrs expiring Jan 2067
6-storey office block	= 54,000 sqft
2-storey warehouse	= 80,000 sqft
Single storey warehouse	= 34,000 sqft
Car Parks	= 255lots

- Current Tenants
- Sigma Elevators
 - Fresenius Medical
 - Fresenius Kabi
 - Packet One Network

The re-development works are completed and now perfecting the tenancies.





Axis Techpoint One -Currently Under Development





Axis Techpoint One

Lot 11, Jalan 225, Petaling Jaya Office Warehouse

Site Area	= 2.84 acres (123,710 sq ft)
Built Up Area	= 121,800 sq ft
Land Tenure	= 99 yrs expiring May 2067
6-storey office block	= 66,000 sqft
Single storey warehouse	= 55,800 sqft
Car Parks	= 149 lots

Warehouse is currently 100% occupied.
Development works for the office block is ongoing
and expected to be completed by 2Q2010





Axis SADC 2 Post Redevelopment

Persiaran Sabak Bernam, Section 26, Shah Alam Logistics Warehouse

Site Area = 3.23 acres (140,598sq ft)

Built Up Area = 77,000 sq ft

Land Tenure = Freehold

Development work on the new warehouse is complete and currently perfecting the tenancies.





Axis PDI Center



Jalan Klang Banting, Off Kesas Highway PDI Center

Site Area = 48.29 acres

Land Tenure = Leasehold, 99 Years with 81 years remaining

Development works on the PDI Center are ongoing and the lease is being perfected.



Potential 3rd Party Acquisitions

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

1. Two units of brand new Logistics Warehouses in Johor . Each with a long lease arrangement and step ups.
2. A factory/warehouse in Puchong.
3. An office building in Cyberjaya.

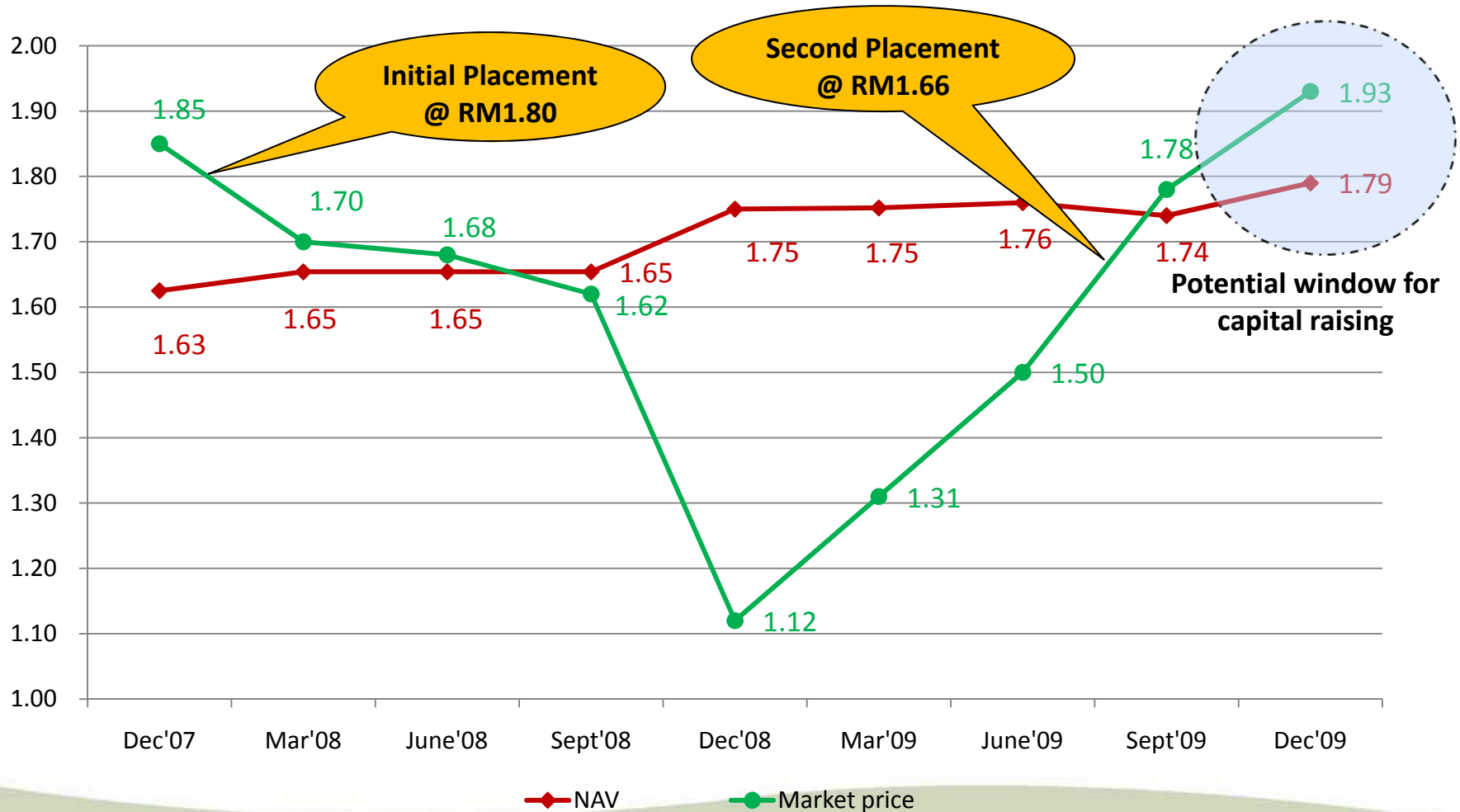
Valued in the region of RM 180million.



Raising Capital via Private Placement



Proposed Placement – Trading at Premium to NAV





Capital Raising

- Successfully issued another 51,180,200 units via private placement. The new units were listed on 10 September 2009.
- The private placement received strong response from the existing Unitholders. The Placement was oversubscribed by **2.03x**.
- The placement price was based on a 5-day VWAMP up to 24 August 2009 of **RM1.75**.
- The placement price of **RM1.66** represents **5.14%** discount to the 5-day VWAMP.
- Targeting another capital raising in early 2010. Have been in close consultation with SC on the next capital raising which will be via a private placement under specific approval.
- Potential to place out another 61.4 million units (20% of current fund size) and raise a war-chest of RM113million for future acquisitions.



Investor Relation Activity



Investors Outreach Program



- ❖ In collaboration with AmFirst REIT, AmanahRaya REIT, Regroup Associates and OSK Investment Bank Bhd , Axis REIT Managers Bhd initiated the first of a series of Retail Investor Roadshows .
- ❖ The first roadshow was held in Penang on 4 July 2009, with over 200 members of the investing public attending. The second was held in Petaling Jaya followed by the third in Ipoh.
- ❖ The next roadshow will be held in Melaka on 23 January 2010.



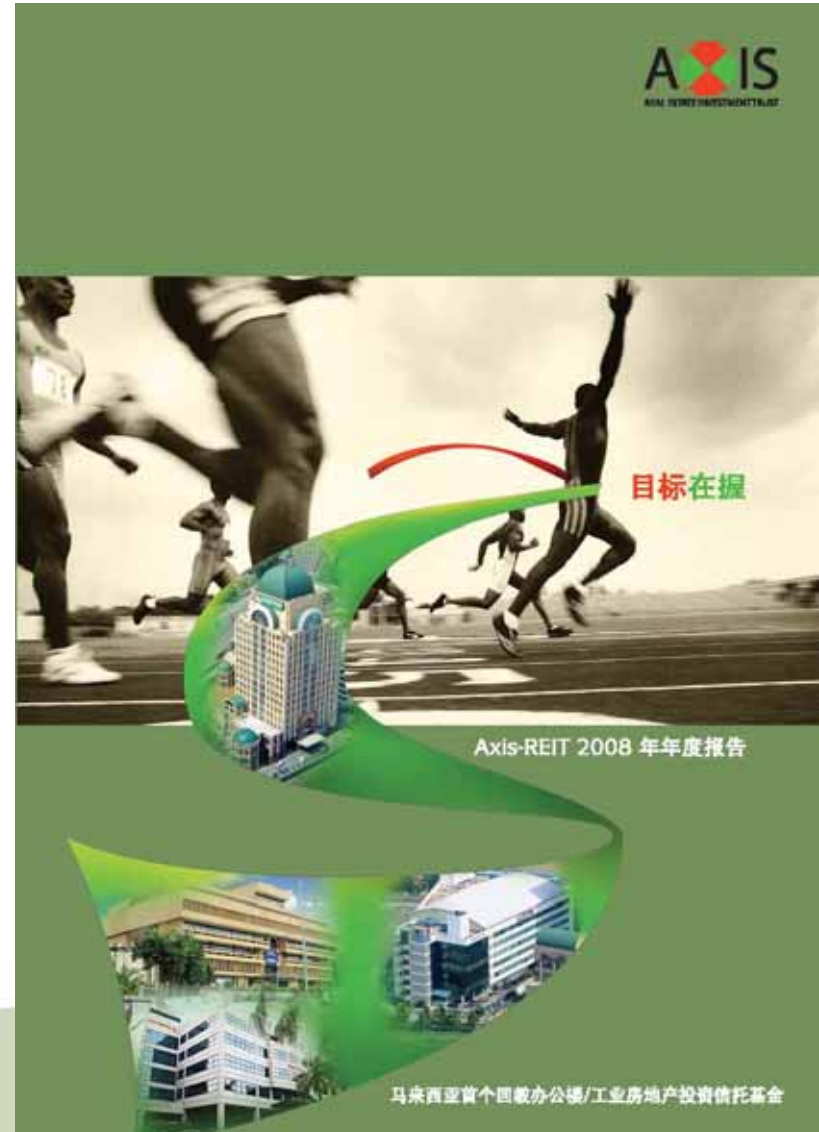
Investors Outreach Program

- ❖ The roadshow targeted the local investment community and remisiers with the aim of creating greater awareness and understanding on REITs.
- ❖ The intention of the roadshow was to increase the participation of retail investors by informing them on the benefits of including REITs as part of their investment portfolio.
- ❖ The investors outreach program has even extended to SC, where we were invited to provide a training session on REITs.



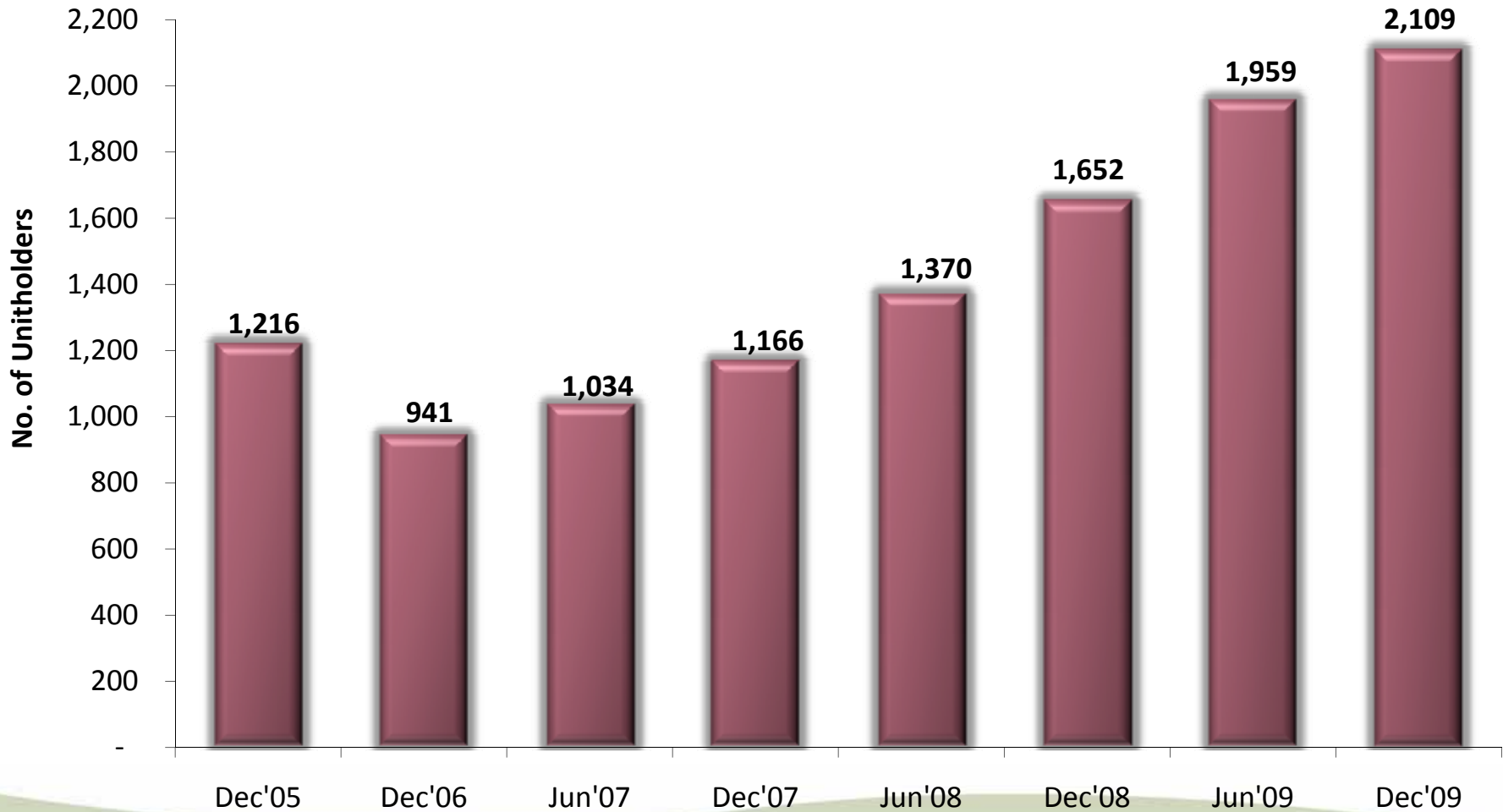
Annual Report in Mandarin

- Inaugural issue in mandarin of the 2008 annual report was made available online at www.axis-reit.com.my.
- Manager will be maintaining the availability of the mandarin version for FY2009.
- Manager felt that it was important to have the widest possible reach to the general investing community both in and outside the country.





Improving Investor Visibility and Liquidity





Improving Investor Visibility and Liquidity

- 2,109 unitholders at year end represents an increase of 28% from 2008.
- The single largest unitholder (non-related party) is EPF with 39,443,800 units or 12.84%. EPF has been actively buying units from the open market post private placement in September 2009.
- The second largest unitholder is Kumpulan Wang Persaraan with 14.47million units followed by AIA with 13.46million units.
- Inclusion of new unitholders from the recent placement with the likes of Kumpulan Wang Persaraan, MCIS Zurich, Koperasi Permodalan Felda Bhd and TA Islamic Fund.
- Have seen significant improvement in the liquidity of the stock for 2009. **Total volume transacted for 2009 was 48.2million units as opposed to 29.6million in 2008.**
- Unit price has also seen significant improvement at the end of 2009 as compared to end 2008. Unit price closed at RM1.93, a 72% increase from the 2008 closing price.
- Total foreign holdings stand at 10.23%. Related party 5.7% ; non-related party 4.53%.
- Promoters current holdings stands at 24%.



Portfolio Performance 2009



Key Strategy for Portfolio

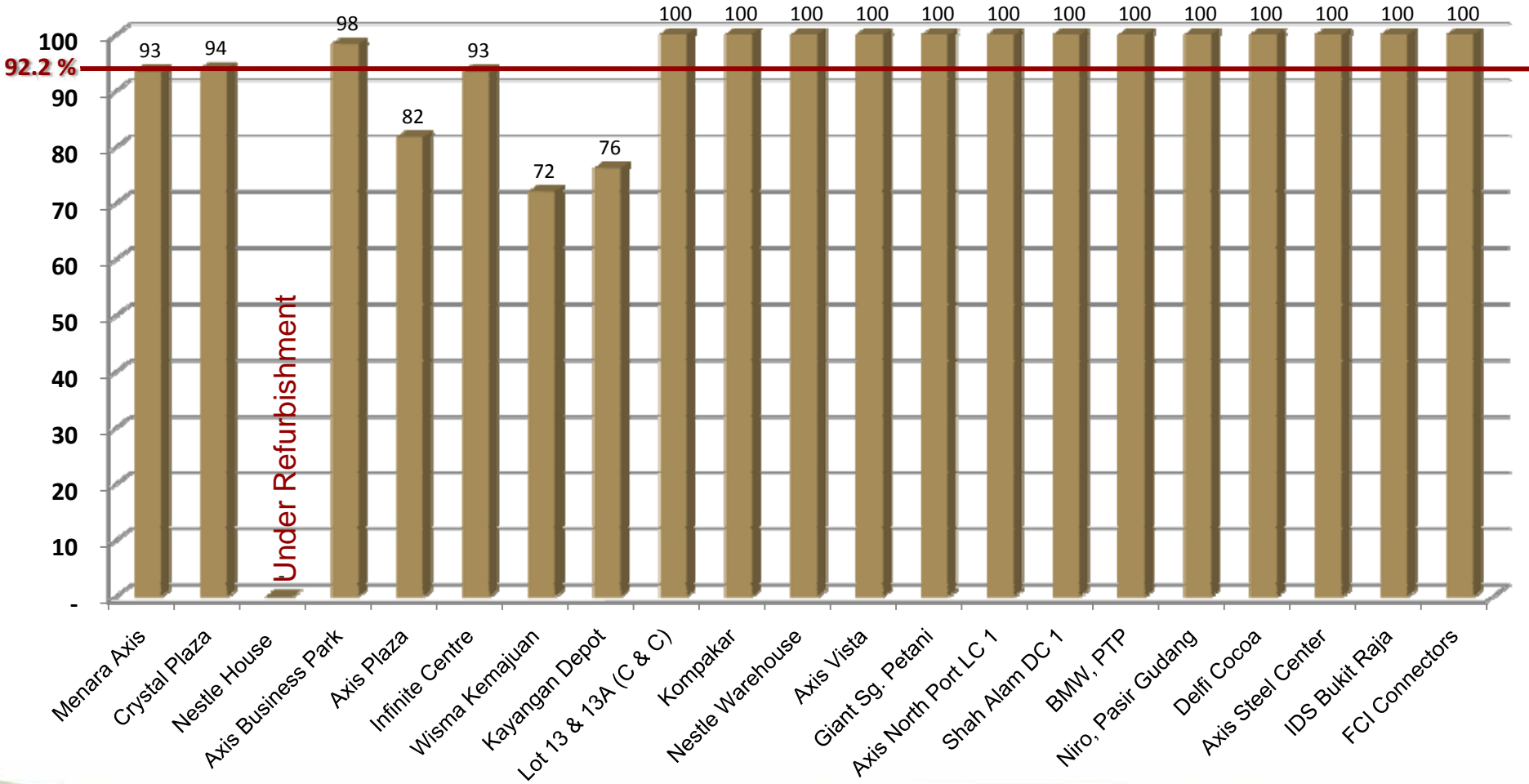
When assessing the impact of the global economic crisis and the sharp rise of space in the KL PJ markets our team determined that the key strategy for 2009 would be **Retention.**

This entailed :

- ❖ Improved customer services
- ❖ Inter action with tenants well before renewals
- ❖ Flexibility in constructing lease terms



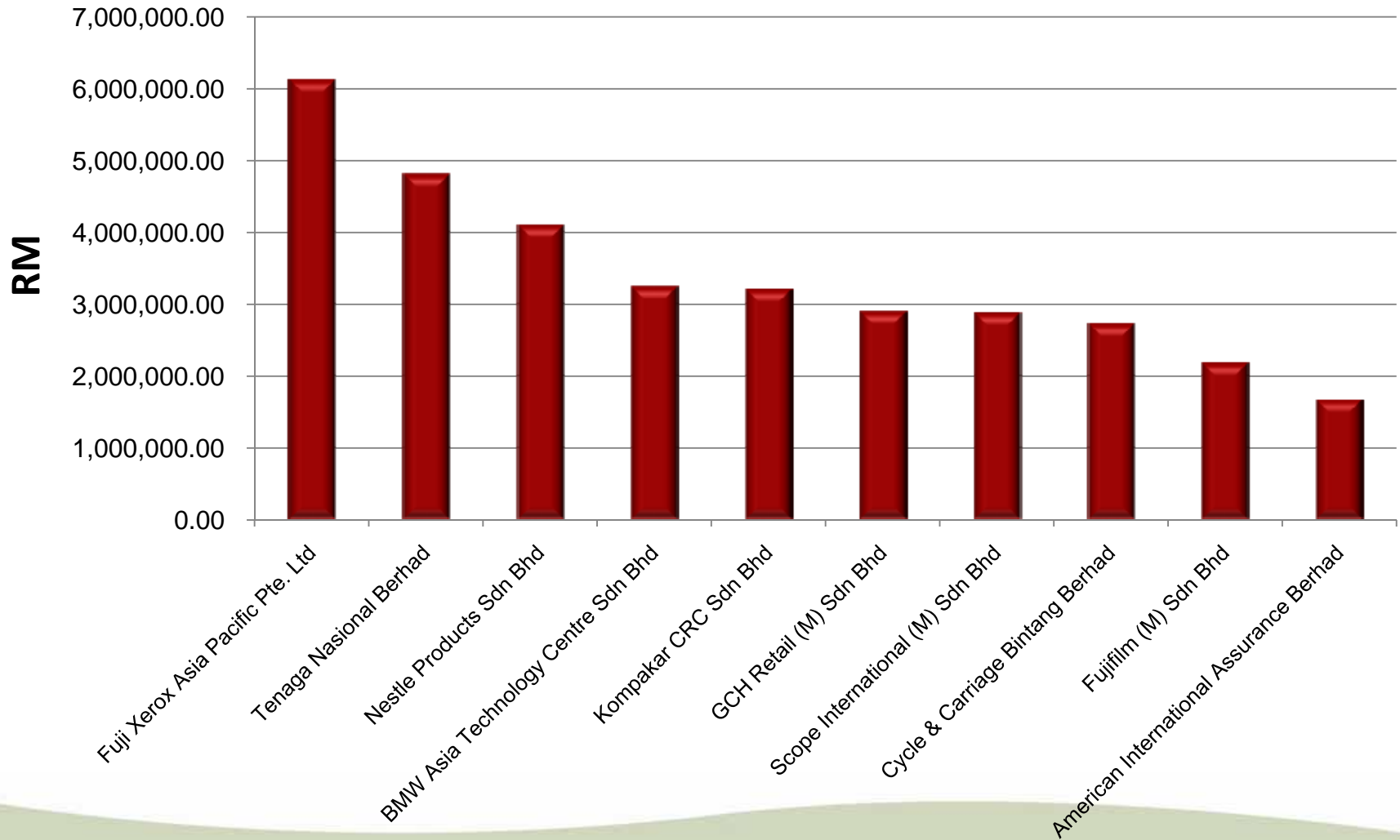
Occupancy Levels



Occupancy by Building as at 31st Dec, 2009



Top Ten Tenants (by revenue RM)



Top Ten Tenants as at 31st Dec, 2009



Lease Expiry Profile 2010-2012

Property	Year 2010	% of NLA	% OF TOTAL RENTAL	Year 2011	% of NLA	% OF TOTAL RENTAL	Year 2012	% of NLA	% OF TOTAL RENTAL
MENARA AXIS	58,002	1.39%	4%	14,034	0.3%	1%	0	0.00%	0%
CRYSTAL PLAZA	169,146	4.60%	7.90%	9,118	0.02%	0.05%	12,433	0.34%	0.70%
AXIS BUSINESS PARK	40,189	1.10%	0.05%	256,269	7.00%	10.30%	38,893	1.06%	1.20%
INFINITE CENTRE	81,680	2.20%	1.20%	33,477	0.90%	1.00%	26,070	0.71%	0.70%
AXIS PLAZA	32,873	0.10%	1.10%	57,439	1.50%	1.80%	0	0.00%	0.00%
WISMA KEMAJUAN	91,137	2.50%	3%	13,943	0.3%	0%	22,898	0.63%	1%
KAYANGAN DEPOT	103,333	2.80%	1.80%	16,856	0.50%	0.20%	0	0.00%	0.00%
KOMPAKAR	104,903	2.80%	3.90%	0	0.00%	0.00%	0	0.00%	0.00%
AXIS VISTA	57,617	1.50%	1.90%	60,400	1.65%	1.30%	0	0.00%	0.00%
AXIS NORTH PORT LC	98,510	2.70%	0.10%	13,000	0.4%	0.2%	98,510	2.70%	0.10%
WISMA BINTANG	0	0.00%	0.00%	0	0.00%	0.00%	176,967	4.70%	3.40%
FCI	0	0.00%	0.00%	0	0.00%	0.00%	136,619	3.70%	1.60%
TOTAL	837,390	21.69%	25%	474,536	11.67%	15.92%	512,390	13.84%	8.70%



Occupancy Levels

As the years progressed we suffered a slight drop in occupancy but Nestle's departure and our decision to refurbish the building has made these figures look worse than they really are.

		NET LETTABLE AREA (SF)	AREA OCCUPIED (SF)	OCCUPANCY RATE (%)	VACANT AREA (SF)	VACANCY RATE (%)
1	Q1, 2009	2,858,121	2,726,417	95.39	131,704	4.61
2	Q2, 2009	2,856,522	2,724,309	95.37	132,213	4.63
3	Q3, 2009	2,856,522	2,651,776	92.83	204,746	7.17
4	Q4, 2009	3,679,796	3,395,195	92.27	284,601	7.73

Disregarding Nestle : Occupancy level at year end was **95%**

Portfolio Occupancy by Quarters - 2009



Occupancy Levels

And for the **Good News** on Nestle House [now Quattro West]



Has an anchor tenant for 50% of the space

- ❖ Tenancy is for 15 years
- ❖ Has plans for future expansion

We are also in discussion with another MNC for another 25% of the space.

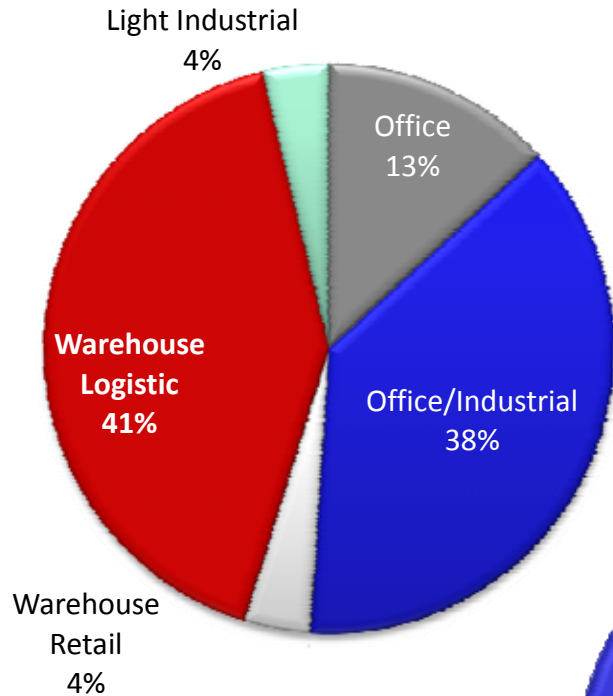
Target 100% tenanted out by April 2010

Occupancy – Our Marketing Efforts

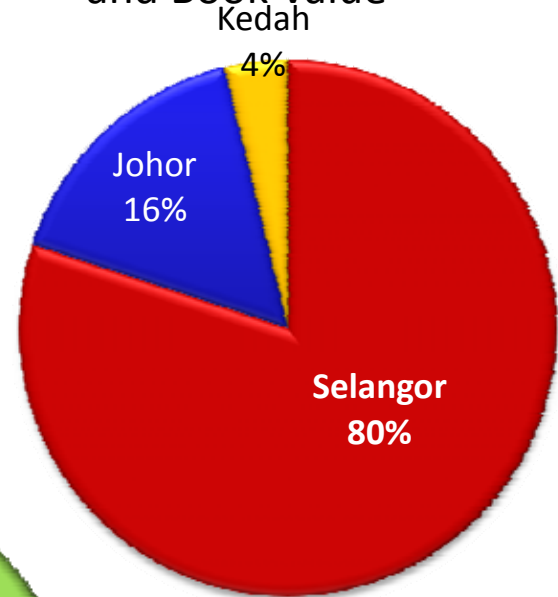


Portfolio Diversification

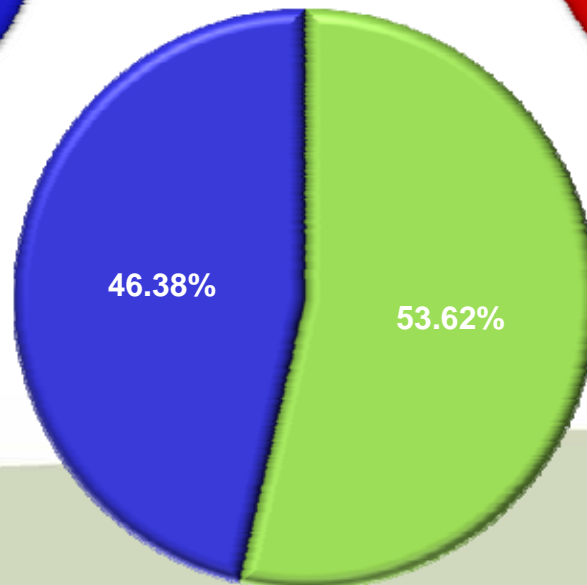
Portfolio Diversification by Type and NLA



Portfolio Diversification by Geographical and Book Value

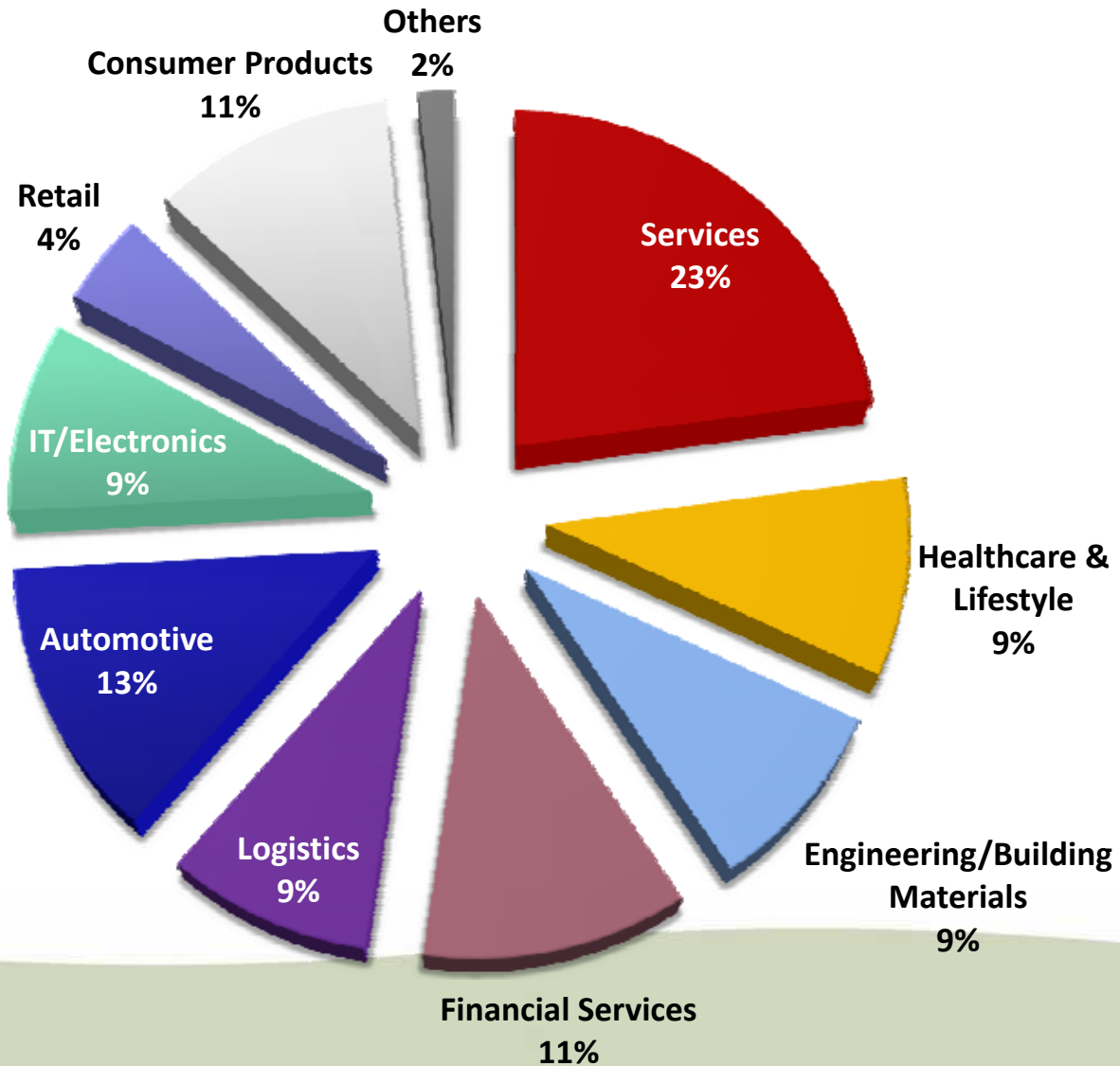


Single vs Multi Tenants





Portfolio Diversification





Portfolio Valuations

No	Property	NBV before Revaluation RM	Market Value RM	Unrealized gain/(loss) RM
1	Axis Business Park	102,581,221	105,900,000	3,318,778
2	Axis Plaza	30,700,000	29,500,000	-1,200,000
3	Crystal Plaza	89,841,521	89,800,000	-41,521
4	infinite Centre	35,232,521	34,700,000	-532,521
5	Kayangan Depot	22,081,460	22,000,000	-81,460
6	Kompleks Kemajuan	52,540,023	53,600,000	1,059,976
7	Menara Axis	92,443,044	93,000,000	556,955
8	Axis Shah Alam DC1	18,500,000	18,500,000	0
9	Giant Hypermarket (Sungei Petani)	38,000,000	39,000,000	1,000,000
10	FCI	14,000,000	14,000,000	0
11	Nestle Warehouse (Shah Alam)	7,500,000	7,600,000	100,000
12	Nestle House (Quattro West)	40,686,468	38,000,000	-2,686,468
13	Kompakar	40,000,000	40,000,000	0
14	Niro Warehouse	14,500,000	14,500,000	0
15	BMW Asia Technology Centre	27,100,000	27,100,000	0
16	Delfi Warehouse	13,511,097	13,500,000	-11,097
17	Axis Vista	36,023,499	35,000,000	-1,023,499
18	Axis Northport LC 1	13,793,271	15,000,000	1,206,728
19	Wisma Bintang	38,000,000	38,750,000	750,000
20	Axis Steel Centre	65,881,890	75,000,000	9,118,110
21	Bukit Raja Distribution Centre	72,635,823	80,200,000	7,564,176
TOTAL		865,551,838	884,650,000	19,098,157



Property Market – looking forward

We expect the property market in 2010 will still be a little soft. Our marketing strategies address this situation.

Key Issues for Axis REIT will be;

- ❖ Supply of office space in PJ – oversupply / caution
- ❖ Logistics demand – looking stronger
- ❖ Industrial Sector – Firm driven by tight supply



Maintaining Positive Rental Reversions

As at 31st December 2009, the Manager successfully renegotiated **30** tenancies, comprising **1,062,527** sq.ft. This included those leases that had automatic contracted step ups.

The result across the portfolio was positive rent reversion of **5.86%** for 2009.



Asset Enhancements



Portfolio Enhancement Projects Underway



Quattro West

A complete refurbishment to reposition asset and increase revenue



Crystal Plaza

A major upgrade is being undertaken to improve retention



Nestle House Enhancement

The Building

NOW





Nestle House Enhancement

READY APRIL 2010

A NEW CORPORATE ADDRESS IN PETALING JAYA



QUATTRO WEST



Crystal Plaza – Refurbishment

The Scope

To give a completely new look to the front and back. New entrance, lobbies and some M&E upgrades

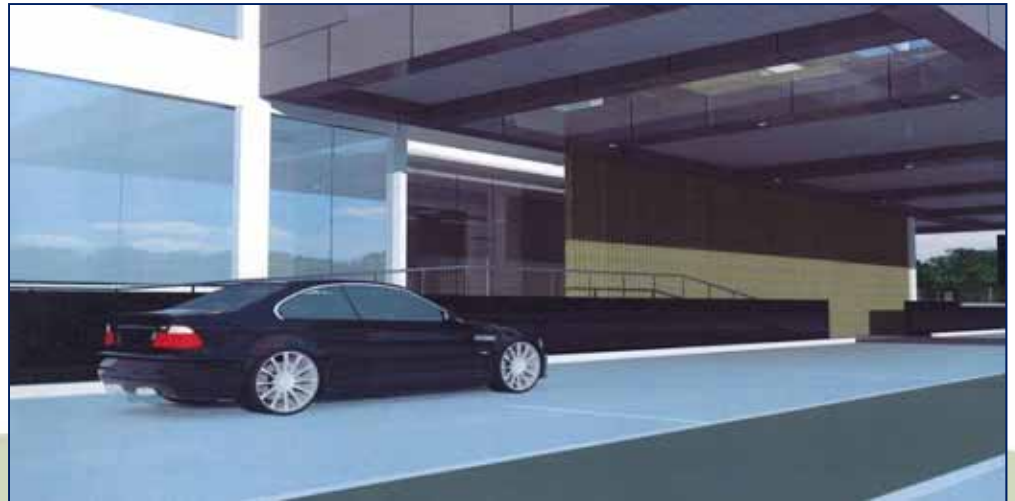
Aim

To ensure retention on key tenants

Status

Plans submitted for MBPJ approval

Timing : Start work Q2/10





Thank You