

3Q
2017

Axis REIT Managers Berhad Results Presentation



23 October 2017

Our Milestones



- ✓ Assets Under Management RM296 million → RM2.35 billion
- ✓ Space Under Management 978,000 sq ft → 7,595,482 sq ft
- ✓ Properties 5 → 39
- ✓ Fund Size RM206 million → RM1.40 billion
- ✓ Valuation Gain since listing RM311,000,000
- ✓ First REIT to be listed on Bursa Malaysia
- ✓ First REIT to convert into an Islamic REIT
- ✓ First REIT to introduce the Income Distribution Reinvestment Plan
- ✓ First REIT to implement Unit Split
- ✓ Axis-REIT undertakes first built-to-suit development



**3Q2017
HIGHLIGHTS**

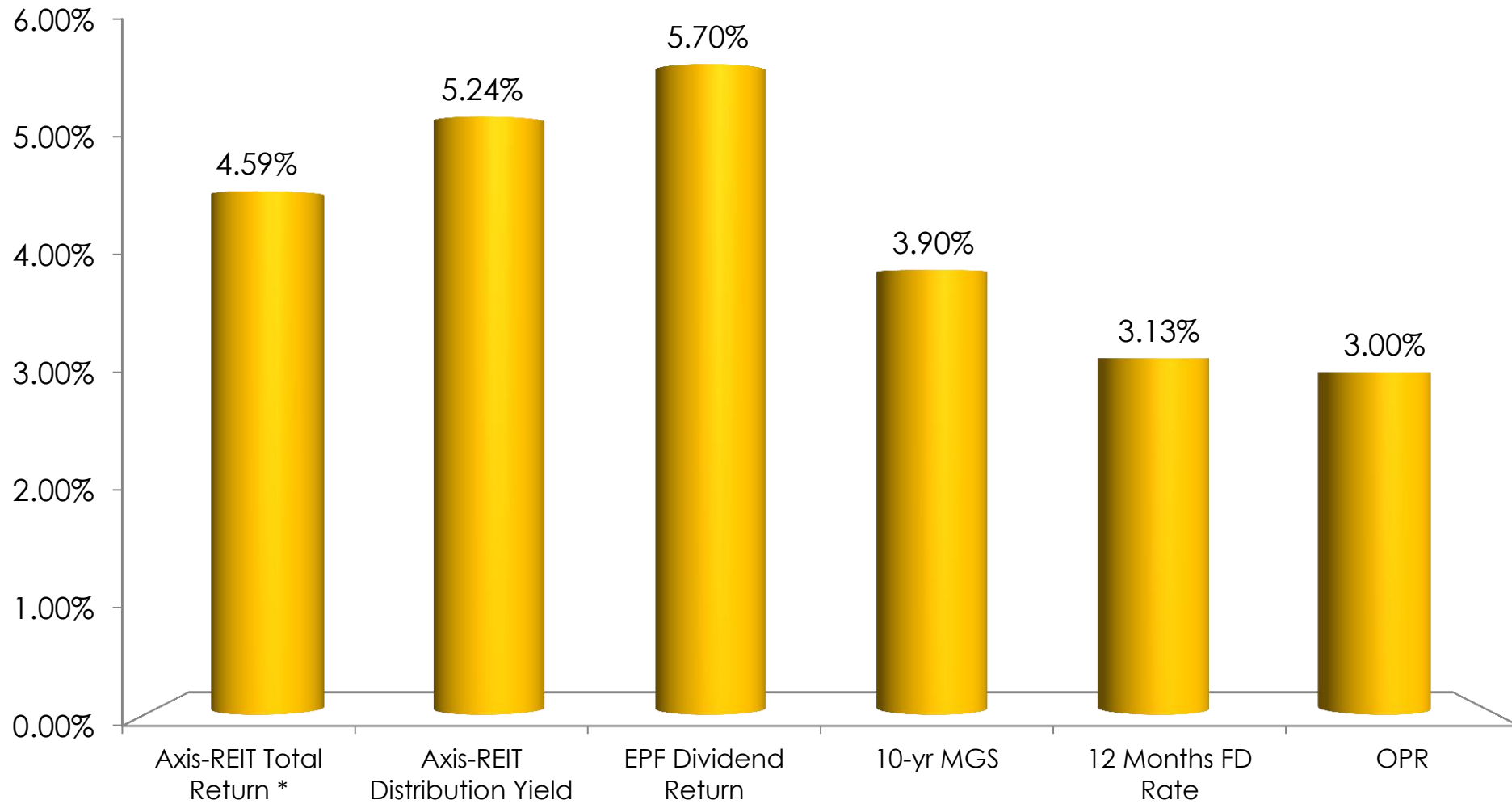
RM 2,292,890,000



Investment
Properties

- ✓ Completed the acquisition of Kerry Warehouse located at Pasir Gudang, Johor for RM33.0 million on 24 July 2017.
- ✓ Successfully signed the Sales & Purchase Agreement for the acquisition of an industrial facility located at Kuantan, Pahang for a purchase consideration of RM155.0 million on 24 July 2017.
- ✓ Acceptance of a Letter of Offer to acquire an industrial facility for RM50.0 million located at Iskandar Puteri, Johor on 7 April 2017.
- ✓ Acceptance of a Letter of Offer to acquire an industrial facility for RM18.5 million located at Senawang, Negeri Sembilan on 20 October 2017.
- ✓ Declared 2.00 sen DPU for 3Q 2017.
- ✓ Announced the implementation of the Income Distribution Reinvestment Plan (IDRP) in conjunction with the payment of the 3rd interim 2017 DPU.
- ✓ Traded at a premium of 26% to our NAV.
- ✓ A total of RM9.871 million revaluation gain has been recorded in 3Q 2017.
- ✓ Number of unitholders further increased ⁵5% to 4,098.

3Q2017 Return Comparatives



* (Based on annualised DPU from operations + movement in market price)/opening market price as at 1 January 2017)



**3Q2017
FINANCE
REPORT**

3Q2017 Summary



	3Q2017
Total Net Income ("Realised") (RM' 000)	68,350
Income Available for Distribution ("Realised") (RM' 000)	70,062
Earnings per Unit ("EPU") ("Realised") (Sen)	6.18
Income Distribution Declared (RM'000)	69,846
Distribution per Unit ("DPU") (Sen) *	6.32
Number of Investment Properties	39
Units in Circulation (Units)	1,105,173,591
Assets Under Management (RM'000)	2,350,978
Total Financing (RM'000)	856,913
Gearing Ratio (%)	36.45%
Total Unitholder's Fund (RM'000)	1,400,490
Market Capitalization (RM'000)	1,768,278
Net Asset Value per Unit (RM)	1.2672
IPO Retail Unit Price (RM) (restated from RM1.25)	0.625
Unit Price as at 30 September 2017 (RM)	1.60
Number of Unitholders	4,098

* Third interim income distribution to be paid on 13 December 2017

Income Statement 3Q2017 vs 3Q2016



	3Q2017 (RM '000)	3Q2016 (RM'000)	Changes
No. of Properties	39	38	+1
Property Income	41,865	41,765	+0.24%
Property Expenses	(7,143)	(7,047)	+1.36%
Net Property Income	34,722	34,718	+0.01%
Profit Income / other income	131	217	
Loss on disposal of property	(6)	-	
Non-Property Expenses	(4,589)	(4,418)	+3.87%
Islamic Financing Cost	(8,253)	(8,031)	+2.76%
Net Income	22,005	22,486	-2.14%
DPU (sen)	2.00	2.05	-2.44%
No. of units in issuance	1,105,173,591	1,105,173,591	

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

Income Statement YTD 3Q2017 vs YTD 3Q2016 AIS

	YTD 3Q2017 (RM '000)	YTD 3Q2016 (RM'000)	Changes
No. of Properties	39	38	+1
Property Income - Note 1	125,848	124,455	+1.12%
Property Expenses - Note 2	(19,905)	(20,423)	-2.54%
Net Property Income	105,943	104,032	+1.84%
Profit Income / other income	480	518	
Loss on disposal of property - Note 5	(419)	-	
Non-Property Expenses - Note 3	(13,384)	(13,708)	-2.36%
Islamic Financing Cost - Note 4	(24,270)	(23,776)	+2.08%
Net Income	68,350	67,066	+1.91%
DPU (sen)			
- on core performance	6.20	6.15	+0.81
- gain of disposal	0.12	-	-
No. of units in issuance	1,105,173,591	1,105,173,591	

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

Note 1 – Property Income

Increase in property income as compared to preceding year corresponding period are due to rental proceeds from newly acquired Scomi Facility @ Rawang and Kerry Warehouse coupled with positive rental revision and rental of 17.6 acres land at Axis PDI Centre. This has offset the short term rental loss from Delfi Warehouse , D21 Logistics Warehouse (formerly known as BMW Centre PTP) and Axis Eureka due to its disposal. New tenants have been secured for both Delfi Warehouse and D21 Logistics Warehouse.

Note 2 – Property Expenses

The lower property expenses is due to the disposal of Axis Eureka which was completed on 8 March 2017 and the higher one-off maintenance works had been carried out in 2016.

Note 3 – Non-Property Expenses

The MER of the Fund as at 30 September 2017 is at 1.27% as compared to 1.28% for 2016.

Note 4 – Islamic Financing Cost

Increase in financing cost due to additional financing facilities utilised to fund the new acquisition.

Note 5 – Loss on disposal of property

Computation of distributable gain on disposal :

		RM'000
Disposal price		56,132
Less: Market value		<u>(55,000)</u>
		1,132
Less : <u>Incidental cost</u>		
Legal fees - SPA	(106)	
Valuation fee	(28)	
Agency fee	(1,059)	
Disposal fee, RPGT & others	(358)	<u>(1,551)</u>
Loss on Disposal recognised in income statement		(419)
Add: Realisation of revaluation gain		<u>1,764</u>
Gain on Disposal		<u>1,345</u>
Additional DPU distributed as part of 1st & 2nd interim 2017 income distribution		0.12 sen

Gross Yield of Investment Properties



Properties		Gross yield (%)	Average YTD gross yield = 9.6%	
1	Wisma Kemajuan	17.65%	21	Axis Business Park 8.67%
2	FCI Senai	14.85%	22	Axis Vista 8.59%
3	Crystal Plaza	14.44%	23	Infinite Centre 8.49%
4	Menara Axis	13.53%	24	Axis Technology Centre 8.28%
5	Strateq Data Centre	12.21%	25	Beyonics i-Park Campus Block C 8.08%
6	D8 Logistics Warehouse	12.15%	26	Scomi Facility @ Rawang 8.06%
7	Niro Warehouse	11.76%	27	Beyonics i-Park Campus Block B 8.06%
8	Fonterra HQ	11.38%	28	Beyonics i-Park Campus Block A 8.06%
9	Axis Steel Centre	10.86%	29	Axis Shah Alam DC 3 8.05%
10	Seberang Prai Logistic Warehouse 3	10.80%	30	Beyonics i-Park Campus Block D 8.05%
11	Bayan Lepas Distribution Centre	10.67%	31	Axis MRO Hub 7.82%
12	Emerson Industrial Facility Nilai	10.64%	32	Axis Shah Alam DC 2 7.74%
13	Wisma Academy Parcel	10.22%	33	Axis Steel Centre@ SiLC 7.46%
14	Seberang Prai Logistic Warehouse 1	9.85%	34	Quattro West 7.08%
15	Giant Hypermarket, Sungai Petani	9.48%	35	The Annex 5.96%
16	Bukit Raja Distribution Centre	9.48%	36	Kerry Warehouse 8.10%
17	Seberang Prai Logistic Warehouse 2	9.38%	37	Axis Business Campus 1.93%
18	Axis Shah Alam DC 1	9.33%	38	Delfi Warehouse -
19	D21 Logistics Warehouse	8.96%	39	Axis PDI Centre <i>Under development</i>
20	Tesco Bukit Indah	8.85%		

Net Yield of Investment Properties

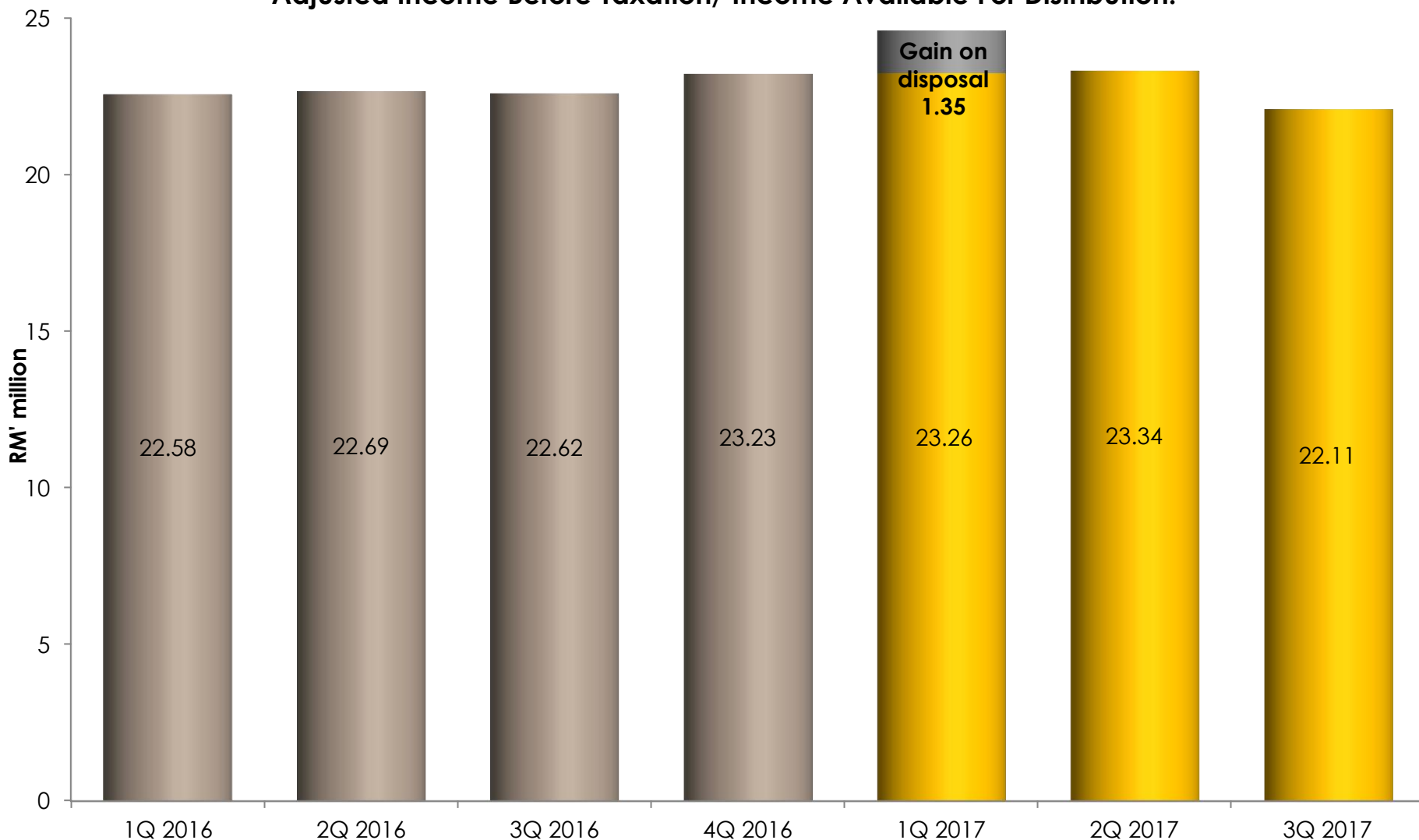


Properties		Net yield (%)	Average YTD net yield = 8.2%		
1	FCI Senai	13.53%	21	Axis Vista	7.28%
2	Wisma Kemajuan	13.25%	22	Axis MRO Hub	7.20%
3	Crystal Plaza	12.15%	23	Axis Steel Centre@ SiLC	7.14%
4	Strateq Data Centre	11.53%	24	Axis Shah Alam DC 3	7.07%
5	Menara Axis	11.10%	25	Beyonics i-Park Campus Block D	7.05%
6	D8 Logistics Warehouse	11.09%	26	Beyonics i-Park Campus Block A	7.05%
7	Niro Warehouse	10.65%	27	Beyonics i-Park Campus Block B	7.05%
8	Fonterra HQ	9.78%	28	Beyonics i-Park Campus Block C	7.02%
9	Emerson Industrial Facility Nilai	9.72%	29	Axis Shah Alam DC 2	7.00%
10	Seberang Prai Logistic Warehouse 3	9.63%	30	Axis Business Park	6.66%
11	Seberang Prai Logistic Warehouse 1	9.38%	31	Axis Technology Centre	6.44%
12	Axis Steel Centre	9.23%	32	Infinite Centre	6.04%
13	Bayan Lepas Distribution Centre	9.07%	33	D21 Logistics Warehouse	5.83%
14	Bukit Raja Distribution Centre	9.06%	34	Quattro West	4.46%
15	Seberang Prai Logistic Warehouse 2	8.86%	35	The Annex	4.29%
16	Giant Hypermarket, Sungai Petani	8.73%	36	Kerry Warehouse	7.31%
17	Axis Shah Alam DC 1	8.50%	37	Axis Business Campus	0.18%
18	Tesco Bukit Indah	8.26%	38	Delfi Warehouse	-
19	Scomi Facility @ Rawang	7.56%	39	Axis PDI Centre	<i>Under development</i>
20	Wisma Academy Parcel	7.33%			

Income Available for Distribution



Adjusted Income Before Taxation/ Income Available For Distribution:



* Marginal decrease in 3Q2017 income compared to 2Q2017 due to short term rental loss from D21 Logistic Warehouse (formerly known as BMW Centre PTP) and Delfi Warehouse (upon tenancy lease expiry). New tenants have signed up for both properties and will commence on 1 February 2018 and end September 2017 respectively.

3rd Quarter 2017 Income Distribution: 2.00 sen

The 2.00 sen DPU represents 99.69% income available for distribution from performance of properties for the period from 1 July 2017 to 30 September 2017.

Important dates:

Ex-date	: 3 November 2017
Entitlement date	: 7 November 2017
Payment date	: 13 December 2017

Implementation of Income Distribution Reinvestment Plan (IDRP)

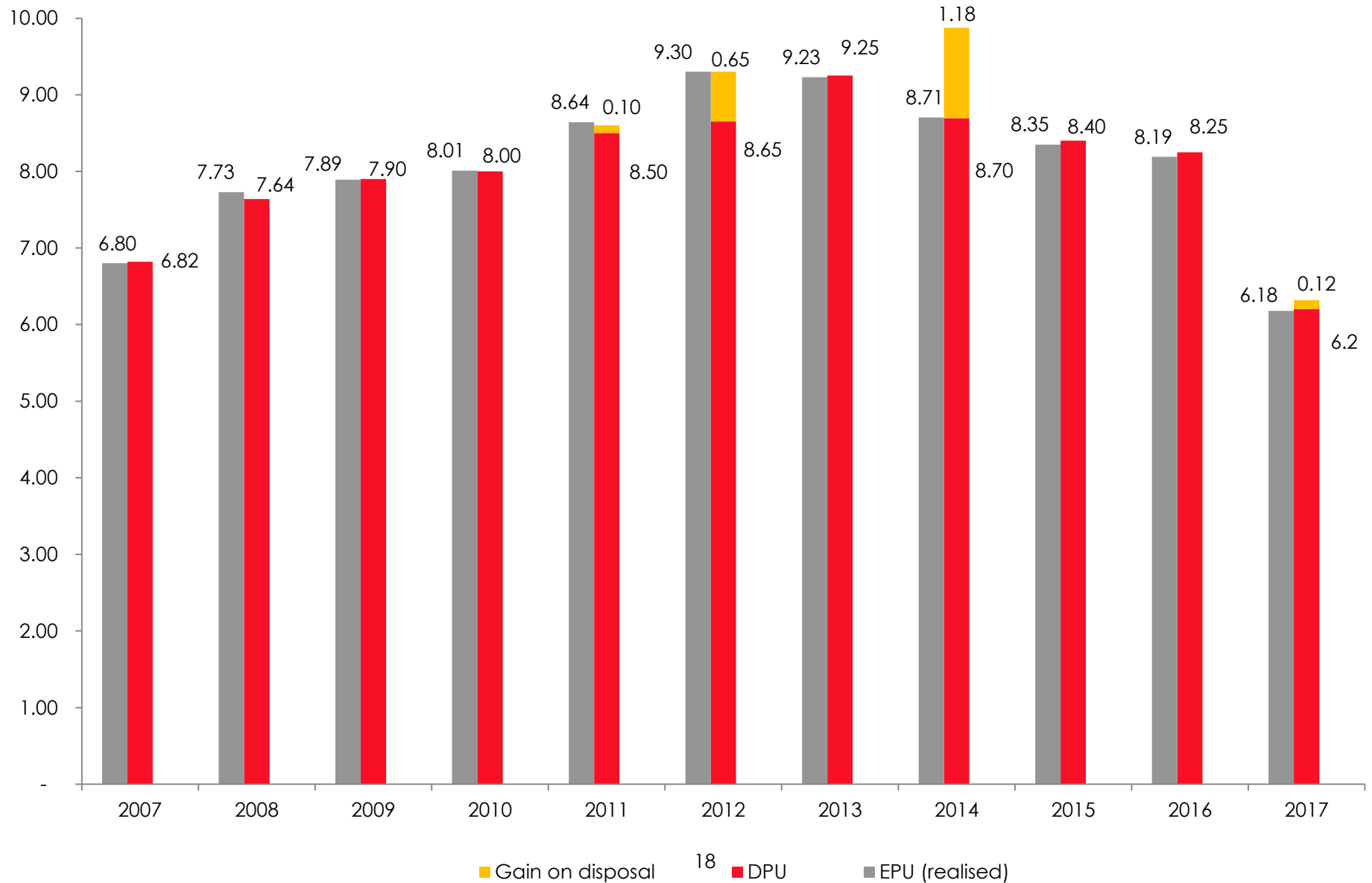


The Manager wishes to announce that it will be implementing the Income Distribution Reinvestment Plan for the 3Q 2017.

Details are as follows:

- a) Electable Portion : 1.00 sen which is 50% of the 2.00 sen DPU to be allowed for reinvestment
- b) Exercise Price : RM1.49 represents a 5.09% discount to the VMAMP up to and including 20 October 2017

Summary of Realised EPU and DPU



Statement of Financial Position



	30/09/17 (RM'000)	31/12/16 (RM'000)	Changes
Investment Properties – Note 1	2,292,890	2,198,149	+94,741
Fixed Assets	2,583	2,899	-316
Other Assets – Note 2	55,505	43,226	+12,279
TOTAL ASSETS	2,350,978	2,244,274	+106,704
Borrowings – Note 3	856,913	780,665	+76,248
Other Payables	93,575	70,638	+22,937
TOTAL LIABILITIES	950,488	851,303	+99,185
NET ASSET VALUE (NAV)	1,400,490	1,392,971	+7,519
Unitholders' Capital – Note 4	1,060,320	1,060,320	-
Undistributed Distributable Income	18,530	19,368	-838
Non-Distributable Reserve – Note 5	321,640	313,283	+8,357
TOTAL UNITHOLDERS' FUND	1,400,490	1,392,971	+7,519
GEARING	36.45%	34.78%	
NAV/unit (RM)	1.2672	1.2604	
No. of units in issuance	1,105,173,591	1,105,173,591	

Note 1 – Investment Properties

Disposal of Axis Eureka was completed on 8 March 2017 and Kerry Warehouse acquisition was completed on 24 July 2017. During the year, a total of RM8.7 million was spent on enhancement works of the properties in the portfolio and RM97.5 million has been incurred for development cost for the Nestle DC at Axis PDI Centre.

Note 2 – Other assets

The average collection of trade receivables is as shown below:

For Period Ended	Avg. Collection Period (in days)
30-June-17	5
30-Sep-17	6

Statement of Financial Position – Note 3

Financing



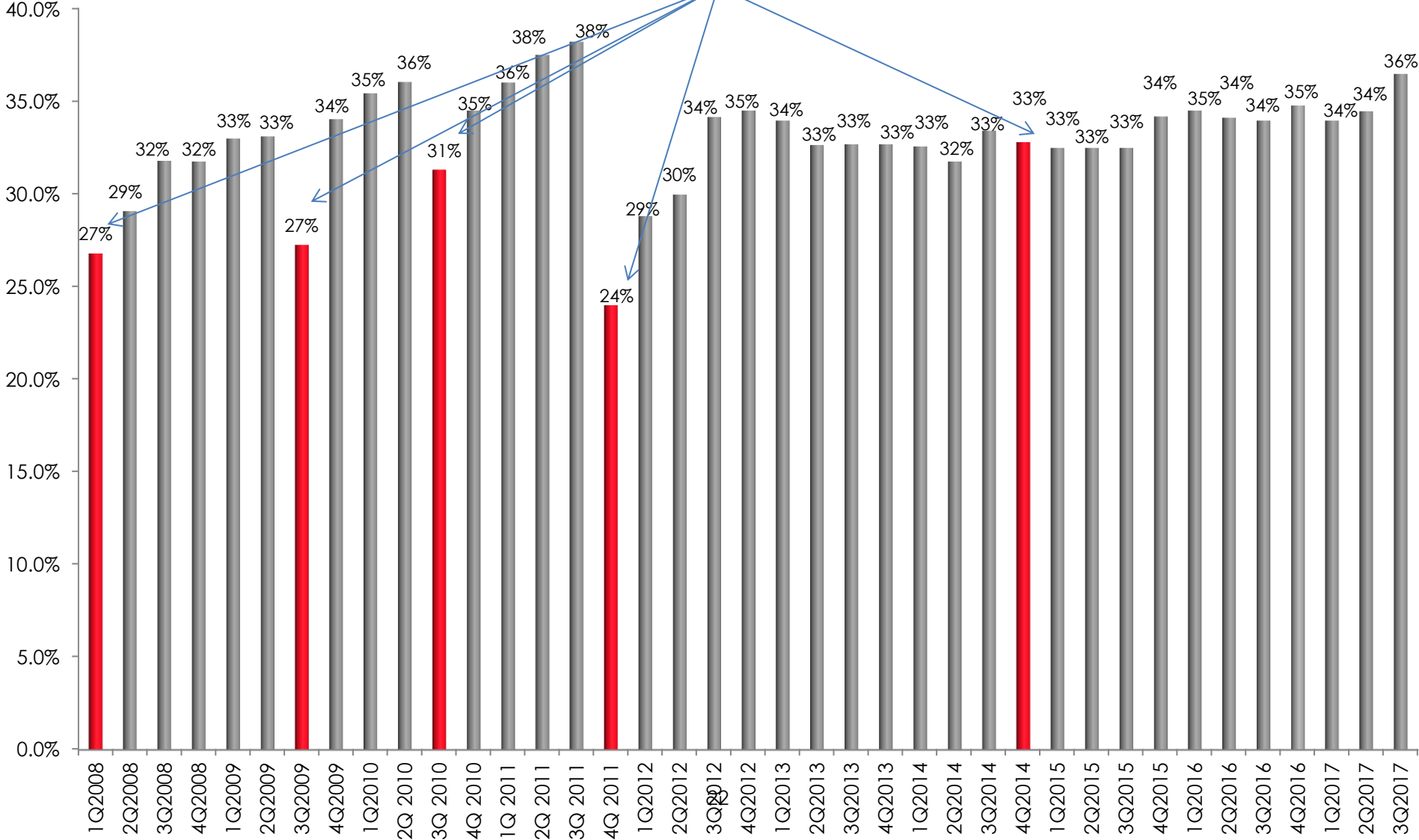
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Total Financing (RM'000)	230,456	308,932	416,609	311,338	548,920	528,004	683,769	731,814	780,665	856,913
Total Assets (RM'000)	726,371	907,745	1,208,897	1,298,431	1,589,408	1,616,523	2,085,883	2,141,493	2,244,274	2,350,978
Gearing	31.73%	34.03%	34.46%	23.98%	34.54%	32.66%	32.78%	34.17%	34.78%	36.45%
Effective Profit Rate	4.28%	4.11%	4.48%	4.66%	4.58%	4.38%	4.24%	4.28%	4.25%	4.18%
Percentage of short term financing- Maturity < 1 Year	100%	47%	48%	52%	62%	50%	61%	55%	58%	71%
Percentage of medium/ long term financing (maturity more than 1 years and less than 8 years)	-	53%	52%	48%	38%	50%	39%	45%	42%	29%
Percentage of floating rate financing	100%	47%	48%	52%	62%	40%	47%	50%	53%	63%
Percentage of fixed rate financing	-	53%	52%	48%	38%	60%	53%	50%	47%	37%
Total unencumbered assets	13	12	11	12	6	5	5	10	15	14
Percentage of unencumbered assets/total assets	44%	52%	42%	44%	19%	16%	21%	26%	30%	24%
Financing cost cover	5.5	4.8	4.1	3.8	4.6	4.5	4.5	4.1	3.8	3.8

Statement of Financial Position

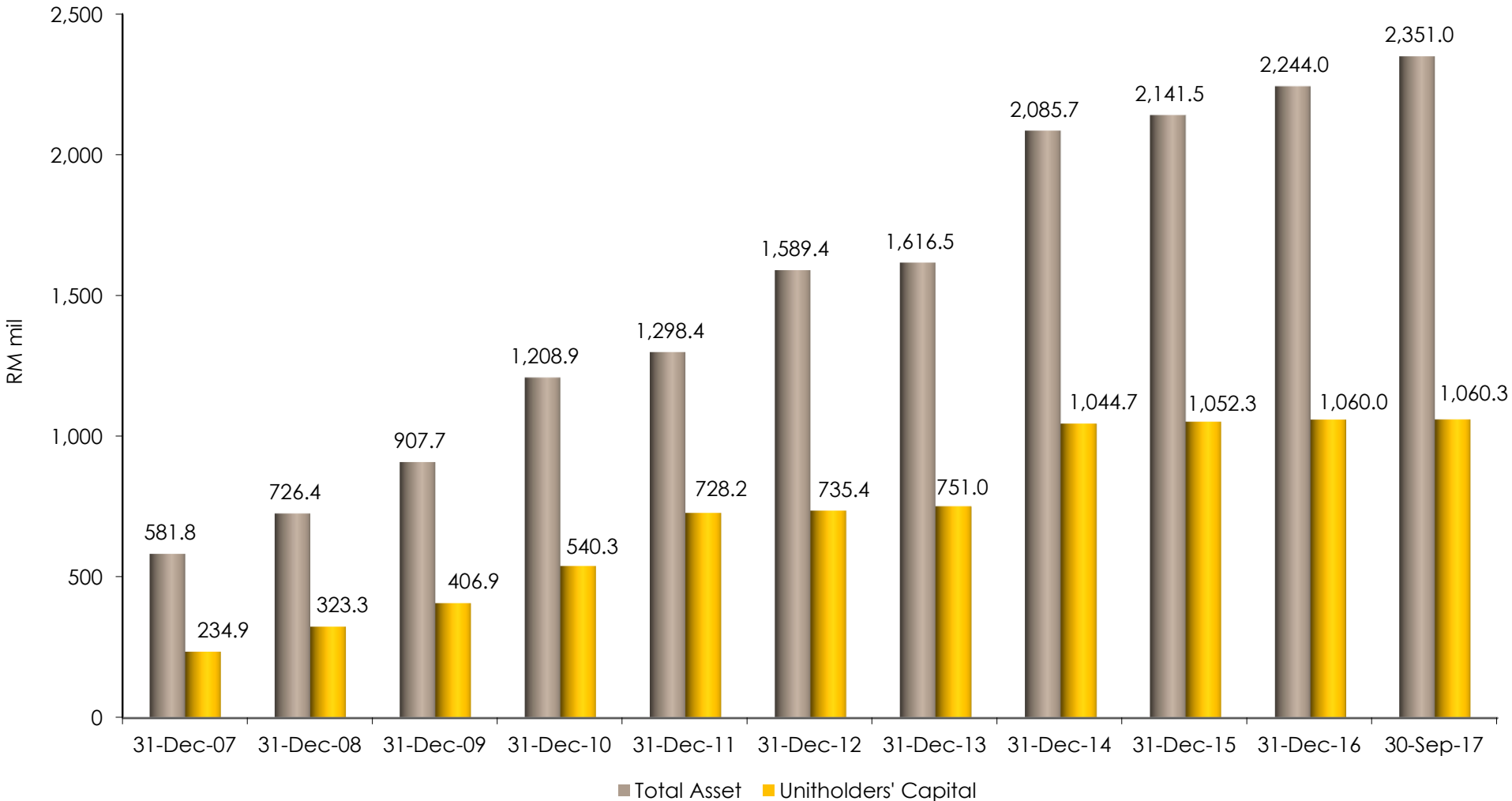
Gearing Levels



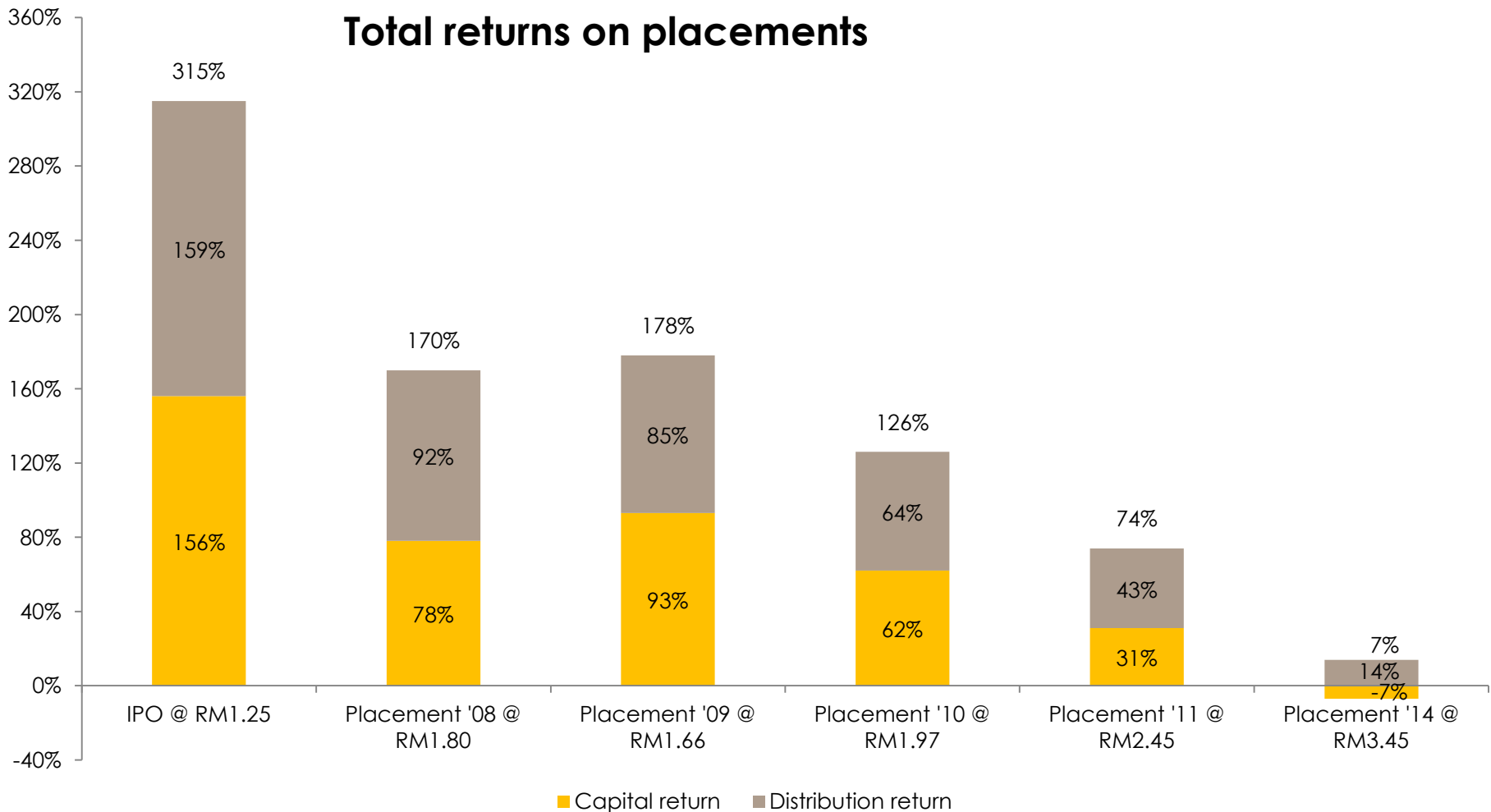
Placements Undertaken



Unitholders' Capital – Note 4



... resulting in good total returns to unitholders.



Statement of Financial Position – Note 5

Non-distributable Reserve



Non-distributable reserve mainly comprises the favorable gain in fair value of approximately **RM311** million to date.

Property	Gain/(loss) RM'000
Crystal Plaza	44,754
Menara Axis	37,617
Wisma Kemajuan	26,710
Bukit Raja Distribution Centre	26,073
Axis Vista	22,188
Axis Business Park	20,232
Tesco Bukit Indah	19,076
Strateq Data Centre	14,271
Axis Business Campus	12,841
Bayan Lepas Distribution Centre	9,917
Axis Shah Alam DC 1	9,853
Infinite Centre	7,557
FCI Senai	7,307
Giant Hypermarket, Sungei Petani	7,027
Quattro West	5,925
The Annex	5,678
Fonterra HQ	5,572
Seberang Prai Logistic Warehouse 3	4,079
Axis Steel Centre	3,888
Niro Warehouse	3,766

Property	Gain/(loss) RM'000
Axis Technology Centre	3,746
Emerson Industrial Facility Nilai	3,183
Delfi Warehouse	2,997
Seberang Prai Logistic Warehouse 1	2,678
D8 Logistics Warehouse	2,252
D21 Logistics Warehouse	2,217
Axis Steel Centre@ SiLC	1,051
Axis Shah Alam DC 2	819
Seberang Prai Logistic Warehouse 2	815
Scomi Facility @ Rawang	304
Beyonics i-Park Campus - Block D	196
Beyonics i-Park Campus - Block B	185
Beyonics i-Park Campus - Block C	166
Beyonics i-Park Campus - Block A	131
Wisma Academy Parcel	(369)
Axis MRO Hub	(375)
Axis PDI Centre	(1,687)
Axis Shah Alam DC 3	(2,009)



3Q2017 PROPERTY REPORT

As at 30 September 2017, the occupancy rate of Axis-REIT's portfolio of properties stands at 90.1% with a stable weighted average lease expiry period of 4.51 years (based on rental). As at year to-date 30 September 2017, the Manager has achieved positive rental reversion of 5.9%.

With the acquisition of Kerry Warehouse located in Pasir Gudang completed on 24 July 2017, 163,000 sq. ft. space was added to the portfolio, bringing total space under management to 7,595,482 sq. ft.

As of to-date, notwithstanding the challenging economic environment, we managed to conclude a total of 1,333,096 sq. ft. through new tenancies and tenancy renewals. We are delighted to welcome new tenants Kerry Ingredients (M) Sdn Bhd, MIG Network & Consultancy Sdn Bhd, ERIKS Sdn Bhd, Almedico Sdn Bhd, NQ Cultural Commercial Sdn Bhd, Damco Logistics Sdn Bhd and Guan Chong Cocoa Manufacturer Sdn Bhd into our Axis-REIT community.

The office market is expected to continue to remain challenging for the rest of 2017 with new supply continuing to outstrip demand. However, with the increasing demand from the logistics and manufacturing sectors, the industrial market is expected to remain positive.

We are pleased to report that the development of Nestle Distribution Centre is on schedule and upon completion will increase the portfolio size by 515,000 sq. ft. of space by early 2018. This additional space will start contributing to the Fund by June 2018.

Vacancy in the portfolio currently stands at 753,404 sq. ft. We are in advanced stages to conclude new tenants for some of these spaces. The Manager's focus in 2017 is to fill the voids and tenants retention. By filling the current vacant spaces, we expect to add as much as 1.72 sen to the annual DPU.

	3Q2017	2Q2017	Movement
No. of properties	39	38	↑
Weighted Average Lease Expiry (WALE) by NLA	4.06	4.41	↓
Weighted Average Lease Expiry (WALE) by Rental	4.17	4.51	↓
Occupancy	90.1%	89.1%	↑

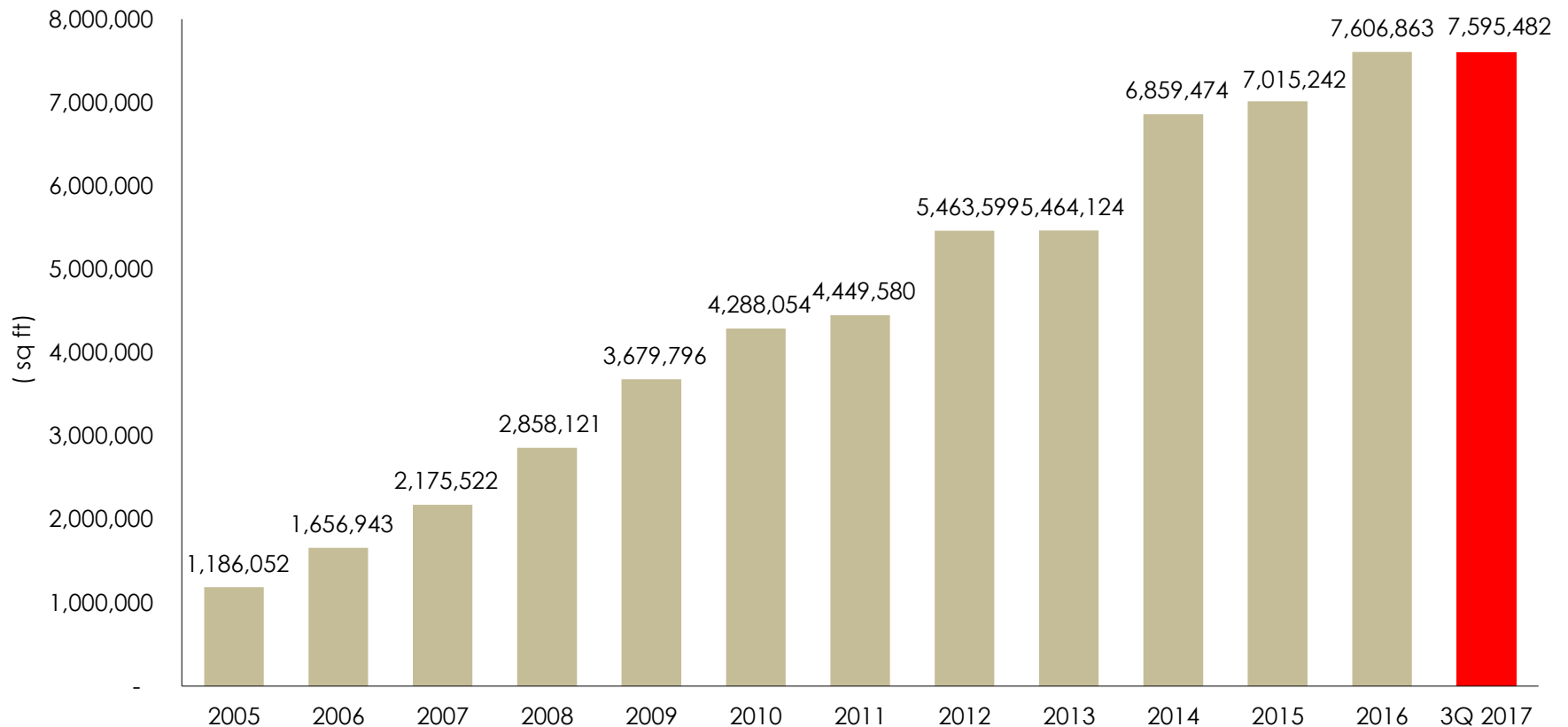
The Fund has completed the Kerry Warehouse acquisition on 24 July 2017, taking the total number of properties up to 39.

Average Rental Rates

Type of Properties	3Q2017	2Q2017	Movement	
Office (RM/sq. ft.)	4.80	4.74	↑	0.06
Office Industrial (RM/sq. ft.)	2.74	2.71	↑	0.03
Manufacturing Facilities (RM/sq. ft.)	1.29	1.29		-
Warehouse Logistics (RM/sq. ft.)	1.54	1.57	↓	0.03
Hypermarket (RM/sq. ft.)	2.36	2.36		-

Note: The reduction in average rental for warehouse logistics is due to the RM1.40 per sq. ft. rental of Kerry Warehouse.

Space Under Management (sq ft)



Note:

The reduction in space under management is due to the disposal of Axis Eureka and the development of Axis PDI Centre.

As at 30 September 2017, Axis-REIT has only 12 out of 39 properties that carry vacancy, while 1 is undergoing development.

26 properties enjoy 100% occupancy.

Occupancy

As at 30 September 2017 90.1%

Vacancy

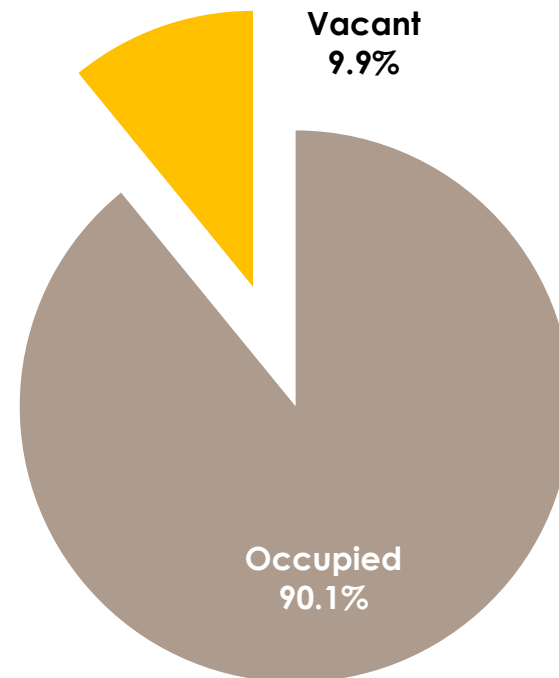
As at 30 September 2017 9.9 %
Space to be let out 753,405 sq. ft.

Occupancy

Multi-tenants properties 82.2%
Single tenant properties 95.0%

Unbilled space income **RM19 million per year**
Potential annual DPU upside 1.72 sen per unit/year

Occupancy Rate



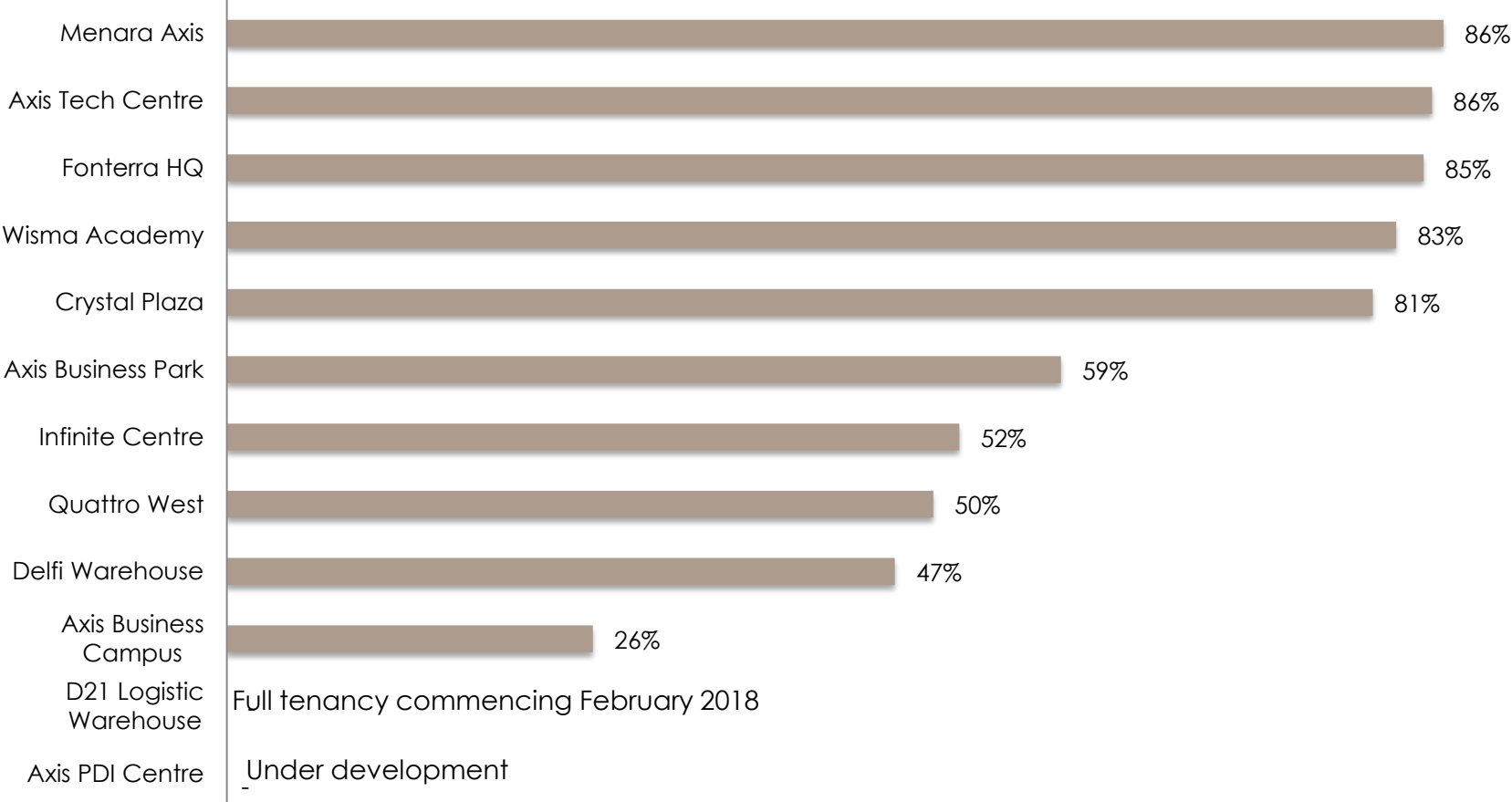
Occupancy Rates by Property as at 30 September 2017



1	Menara Axis	86%	21	Bukit Raja Distribution Centre	100%
2	Crystal Plaza	81%	22	Seberang Prai Logistic Warehouse 1	100%
3	Quattro West	50%	23	Seberang Prai Logistic Warehouse 2	100%
4	Axis Business Park	59%	24	D8 Logistics Warehouse	100%
5	Infinite Centre	52%	25	FCI Senai	100%
6	Wisma Kemajuan	90%	26	Bayan Lepas Distribution Centre	100%
7	Axis Business Campus	26%	27	Seberang Prai Logistic Warehouse 3	100%
8	Strateq Data Centre	100%	28	Emerson Industrial Facility Nilai	100%
9	Fonterra HQ	85%	29	Axis Shah Alam DC 3	100%
10	Axis Vista	100%	30	Axis MRO Hub	100%
11	Axis Technogy Centre	86%	31	Axis Steel Centre @ SiLC	100%
12	Wisma Academy Parcel	83%	32	Axis Shah Alam DC 2	100%
13	The Annex	100%	33	Beyonics I-Park Campus Block A	100%
14	Giant Hypermarket Sg. Petani	100%	34	Beyonics i-Park Campus Block B	100%
15	Tesco Bukit Indah	100%	35	Beyonics i-Park Campus Block C	100%
16	Axis Shah Alam DC 1	100%	36	Beyonics i-Park Campus Block D	100%
17	D21 Logistics Warehouse	0%	37	Scomi Facility @ Rawang	100%
18	Niro Warehouse	100%	38	Kerry Warehouse	100%
19	Delfi Warehouse	47%	39	Axis PDI Centre	(Under development)
20	Axis Steel Centre	100%			

Properties Below 90% Occupancy

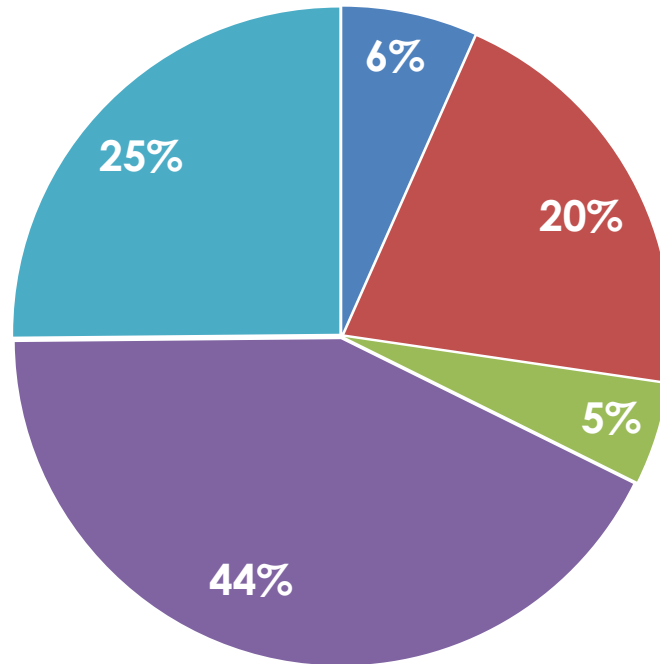
Occupancy rates of properties below 90% as at 30 September 2017



Note:

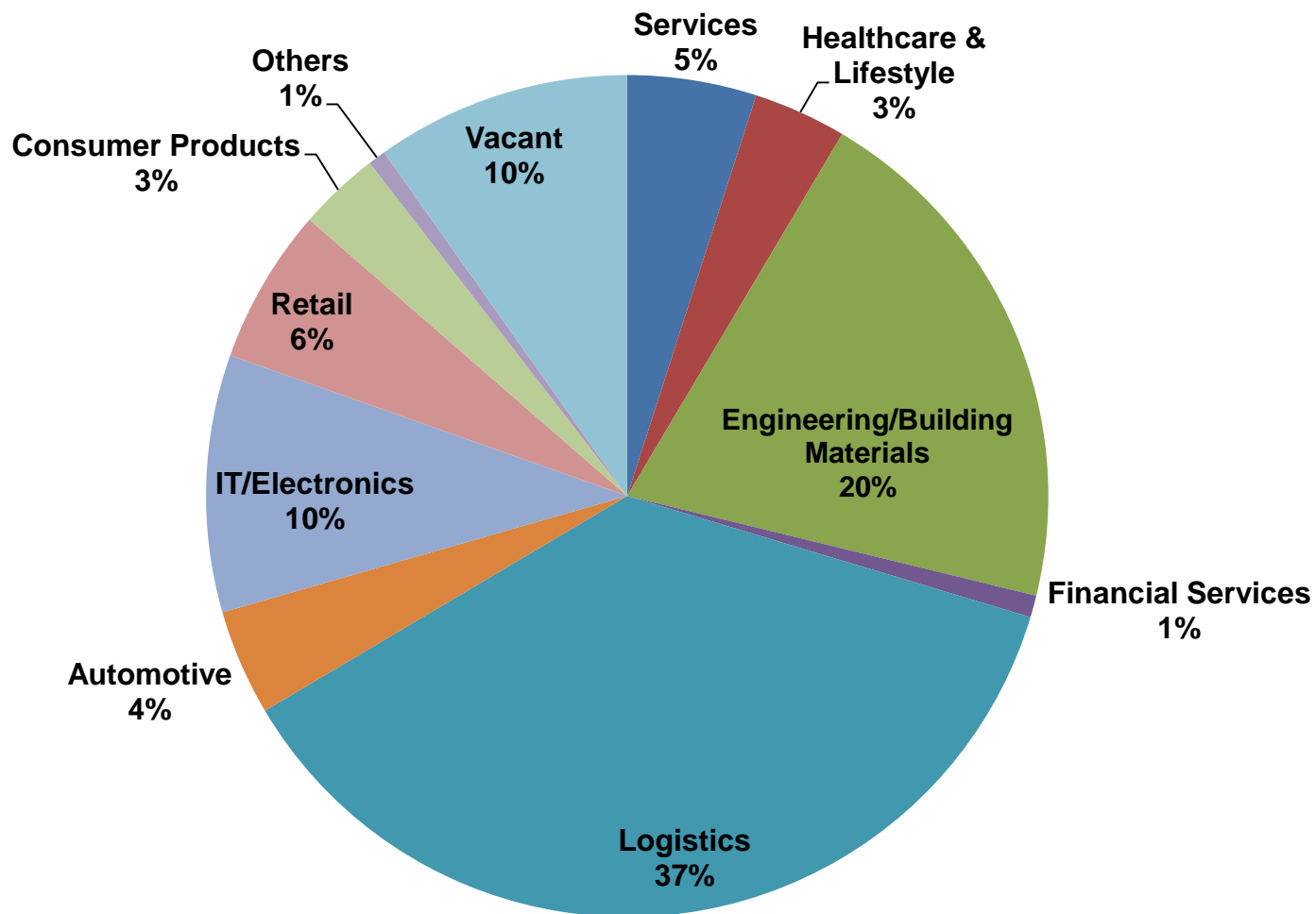
- Fonterra HQ: Vacant space is built for future expansion
- D21 Logistic Warehouse (formerly BMW Warehouse): New tenant, Damco Logistics tenancy commencing February 2018
- Axis PDI Centre: 17.6 acres reserved for Phase 2 development is rented out as a vehicle storage yard

Portfolio Diversification by Type and NLA

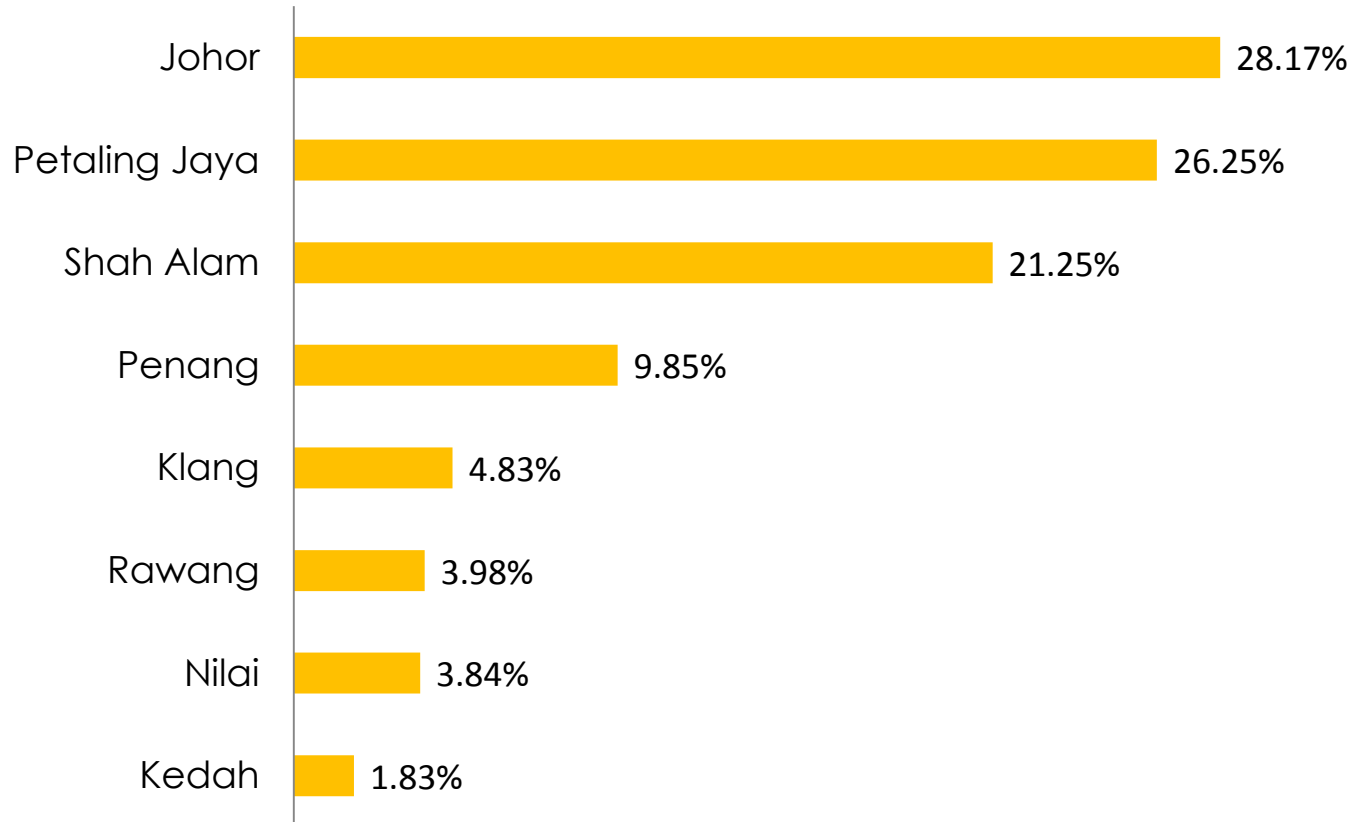


- Office
- Office/ Industrial
- Hypermarkets
- Warehouse Logistic
- Manufacturing Facilities - Light Industrial

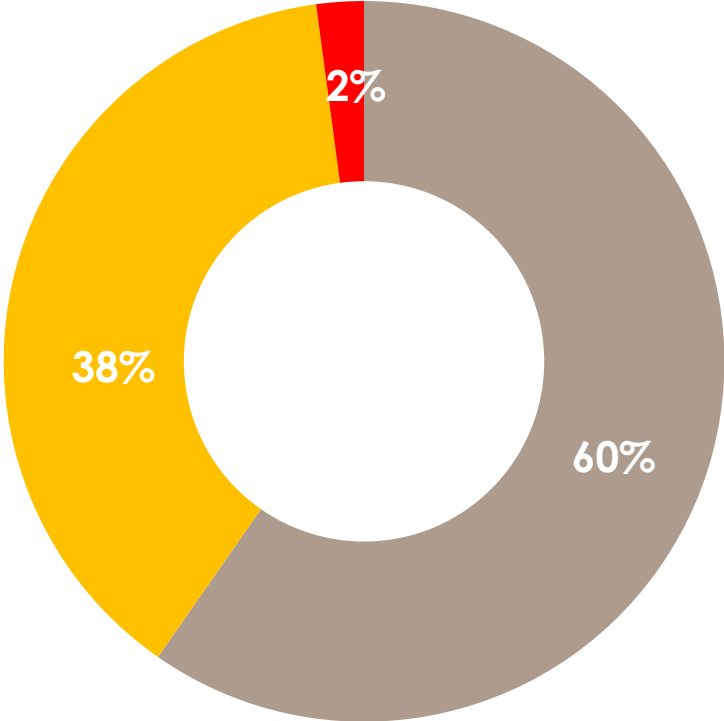
NLA by Industry Sector



Portfolio Diversification by Geographical Location



Single Tenant vs Multi-Tenants



■ Single Tenant ■ Multi Tenants ■ Vacant

Lease Expiry Profile



Year	Area Up for Renewal	% of Total NLA	% of Rental Income
2017	1,299,012 sq. ft.	17.10%	22.96%
2018	1,126,685 sq. ft.	14.83%	16.09%
2019	1,263,784 sq. ft.	16.64%	23.35%

Lease Expiry Profile



5.9% positive rental reversion year to-date

By Location

Location	Year	% of	% of Rental	Year	% of	% of Rental	Year	% of	% of Rental
	2017	Total NLA	Income/ month	2018	Total NLA	Income/ month	2019	Total NLA	Income/ month
Petaling Jaya	565,548	7.45	13.32	291,899	3.84	5.90	576,917	7.60	17.03
Klang	366,839	4.83	3.84	-	-	-	-	-	-
Shah Alam	-	-	-	527,167	6.94	6.51	-	-	-
Johor	161,474	2.13	2.55	307,619	4.05	3.68	-	-	-
Nilai	-	-	-	-	-	-	291,642	3.84	1.92
Penang	205,151	2.70	3.25	-	-	-	395,225	5.20	4.40
TOTAL	1,299,012	17.10	22.96	1,126,685	14.83	16.09	1,263,784	16.64	23.35

By Type

Property Type	Year	% of	% of Rental	Year	% of	% of Rental	Year	% of	% of Rental
	2017	Total NLA	Income/ month	2018	Total NLA	Income/ month	2019	Total NLA	Income/ month
Office	98,313	1.29	3.76	18,587	0.24	0.65	258,091	3.40	10.44
Office Industrial	467,235	6.15	9.55	273,912	3.61	5.26	318,826	4.20	6.59
Warehouse Logistics	733,464	9.66	9.64	697,567	9.18	8.94	395,225	5.20	4.40
Manufacturing Facilities	-	-	-	136,619	1.80	1.24	291,642	3.84	1.92
TOTAL	1,299,012	17.10	22.96	1,126,685	14.83	16.09	1,263,784	16.64	23.35

The Portfolio Efficiency Ratio =

Operating Cost for the Portfolio / Gross Property Income

3Q 2017	2Q 2017
15.82%	15.20%

1. LF Logistics Services (M) Sdn Bhd
2. POS Logistics Berhad (formerly known as Konsortium Logistik Berhad)
3. Yongnam Engineering Sdn Bhd
4. Tenaga Nasional Berhad
5. Tesco Stores (M) Sdn Bhd
6. Schenker Logistics (M) Sdn Bhd
7. DHL Properties (M) Sdn Bhd
8. Strateq Data Center Sdn Bhd
9. SR Technics Malaysia Sdn Bhd
10. Nippon Express (M) Sdn Bhd

YTD top ten tenants account for 54% of the total revenue of the Trust.



**3Q2017
ASSET**

ENHANCEMENTS

Completed Enhancement Works



Crystal Plaza

New metal deck roofing, waterproofing and new water tank for cooling towers



Wisma Academy

Building painting and waterproofing works



2017 PROPERTY DEVELOPMENT

The Manager is pleased to announce that on 19 August 2016, RHB Trustees Berhad signed an Agreement to Build and Lease with Nestle Products Sdn Bhd to develop a 515,000 sq. ft. distribution warehouse facility for Nestle as their national distribution centre ("Nestle DC"). The agreement is for an initial lease term of 10 years plus an option to renew for further two terms of three years each.

Axis-REIT expects to derive annual rental income of about RM19.22 million with a step-up every three years.

This development was granted a special waiver by the Securities Commission Malaysia to allow Axis-REIT to develop and lease the distribution centre. This project would increase the fund's gross revenue, net property income and income distribution to its unitholders, whilst enlarging the size of its assets under management.

Nestle DC is the first phase of the development of Axis PDI Centre, which will take up 24.78 acres of the 50 acres property. The development commenced in December 2016 and is on schedule to be completed by end 2017.

Nestle DC at Axis PDI Centre (Before)



50 acre site

Nestle DC at Axis PDI Centre (After)



Artists' Impression

Nestle DC at Axis PDI Centre



Artists' Impression

Nestle DC at Axis PDI Centre (Current)



Phase 2 land – Rented as vehicle storage yard





3Q2017 INVESTMENTS REPORT



Kerry Warehouse – Pasir Gudang, Johor

Completion Date	:	24 July 2017
Land Area	:	Approx. 6 acres
Land Tenure	:	Leasehold
Occupancy	:	100%
Purchase Price	:	RM33 million
Projected Net Property Yield	:	7.5%
WALE	:	3.5 years



Wasco Facility – Gebeng, Pahang

Target Completion Date	:	4Q2017 (SPA signed on 24 July 2017)
Land Area	:	Approx. 120 acres
Land Tenure	:	Leasehold
Occupancy	:	100%
Purchase Price	:	RM155 million
WALE	:	15 years



Manufacturing Facility – Iskandar Puteri, Johor

Target Completion Date	:	4Q2017
Land Area	:	Approx. 9.0 acres
Land Tenure	:	Freehold
Occupancy	:	100%
Purchase Price	:	RM50 million
WALE	:	21 years



Manufacturing Facility – Senawang, Negeri Sembilan

Target Completion Date	:	1H2018
Land Area	:	Approx. 4.21 acres
Land Tenure	:	Freehold
Occupancy	:	100%
Purchase Price	:	RM18.5 million
WALE	:	10 years

The Manager continues to aggressively source and evaluate potential acquisition targets that are deemed investable by Axis-REIT. The selection of properties will continue to focus on:

- Grade A logistics facilities and manufacturing facilities with long leases from tenants with strong covenants;
- Well-located retail warehousing in locations ideal for last-mile distribution; and
- Office, business parks and industrial properties with potential for future enhancement.

**Total Estimated Value of Acquisition Targets
RM228.5 million**

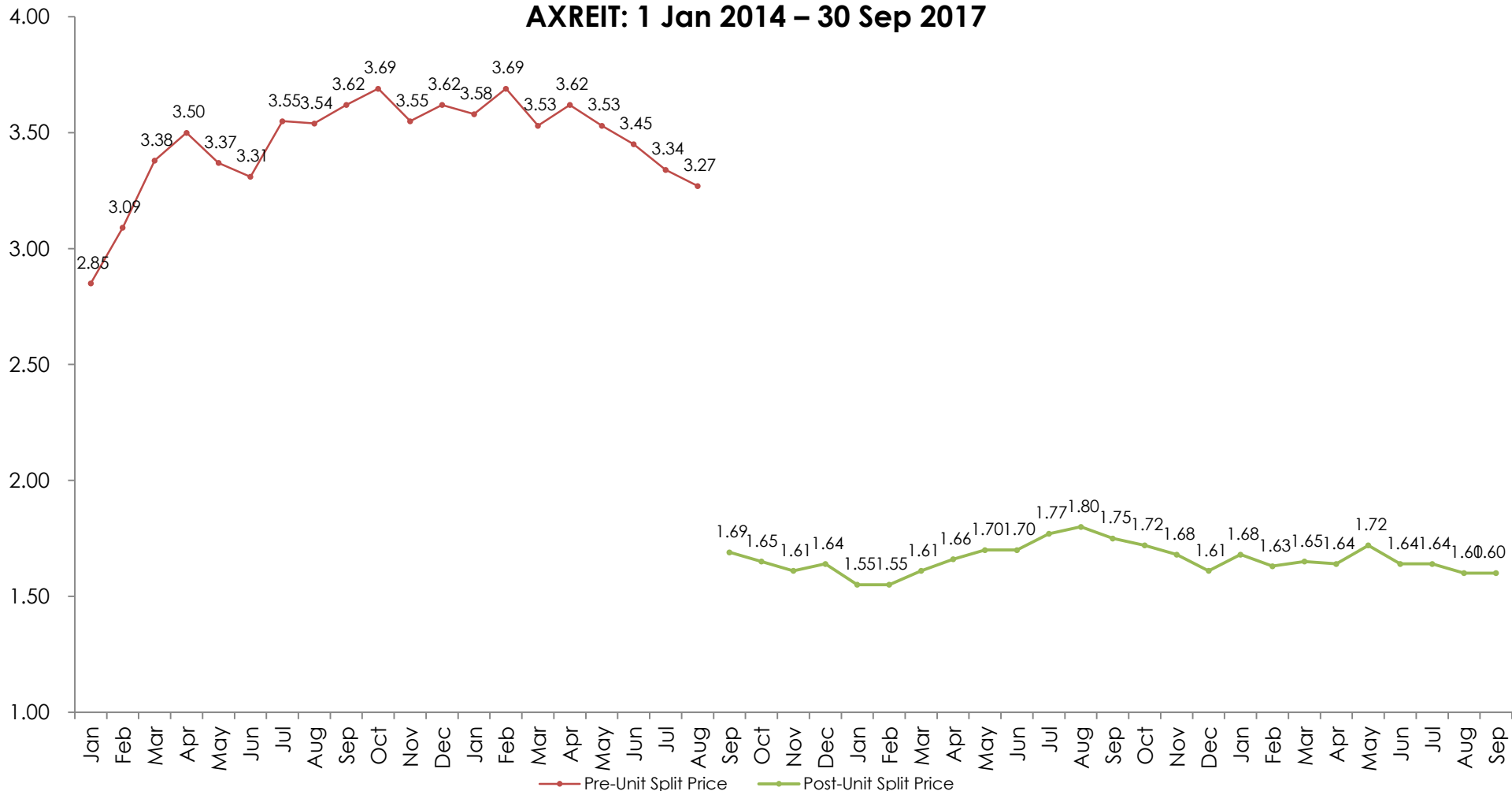


3Q2017 INVESTOR RELATIONS REPORT

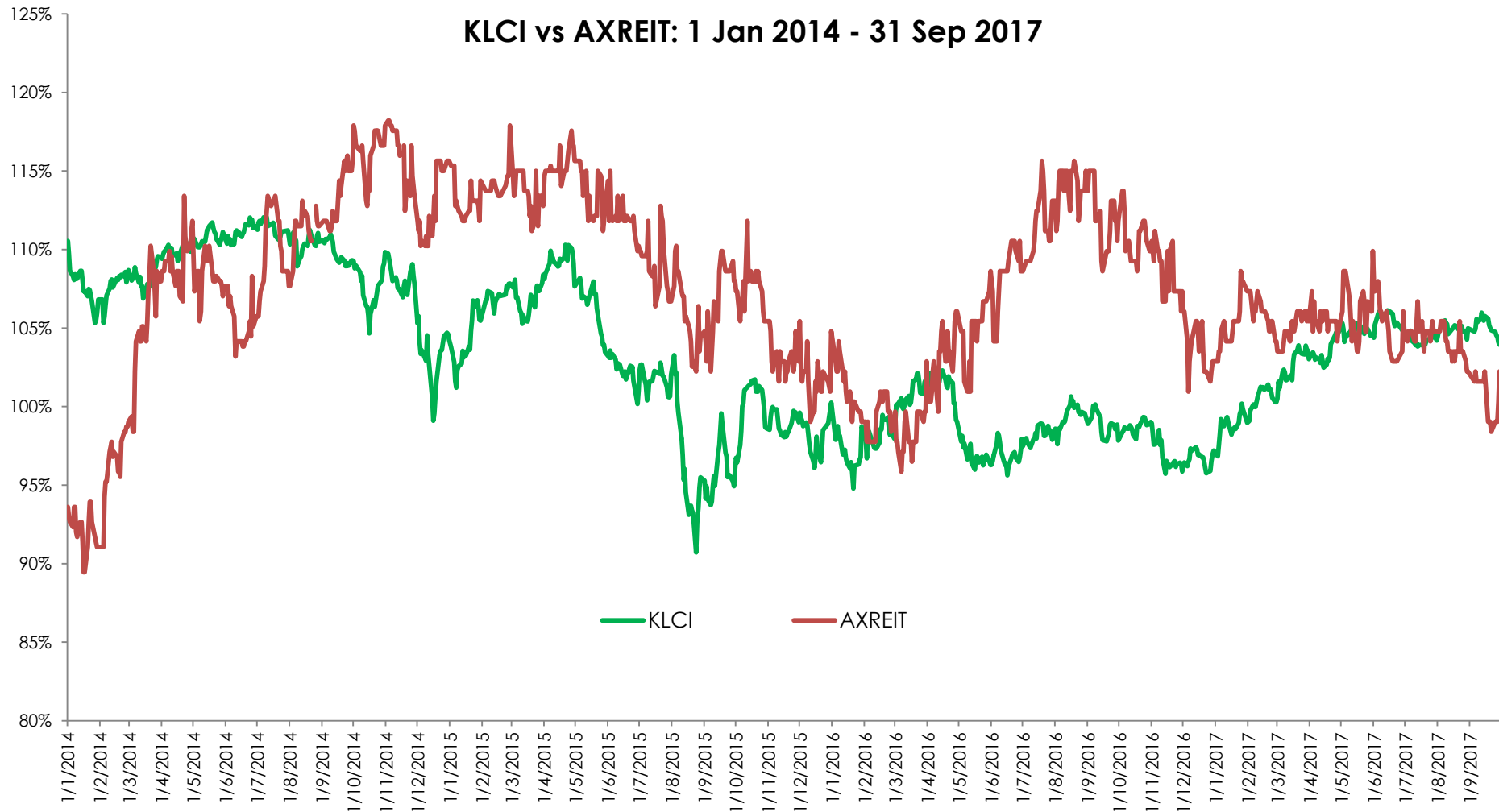
Unit Price Performance 3Q2017



AXREIT: 1 Jan 2014 – 30 Sep 2017



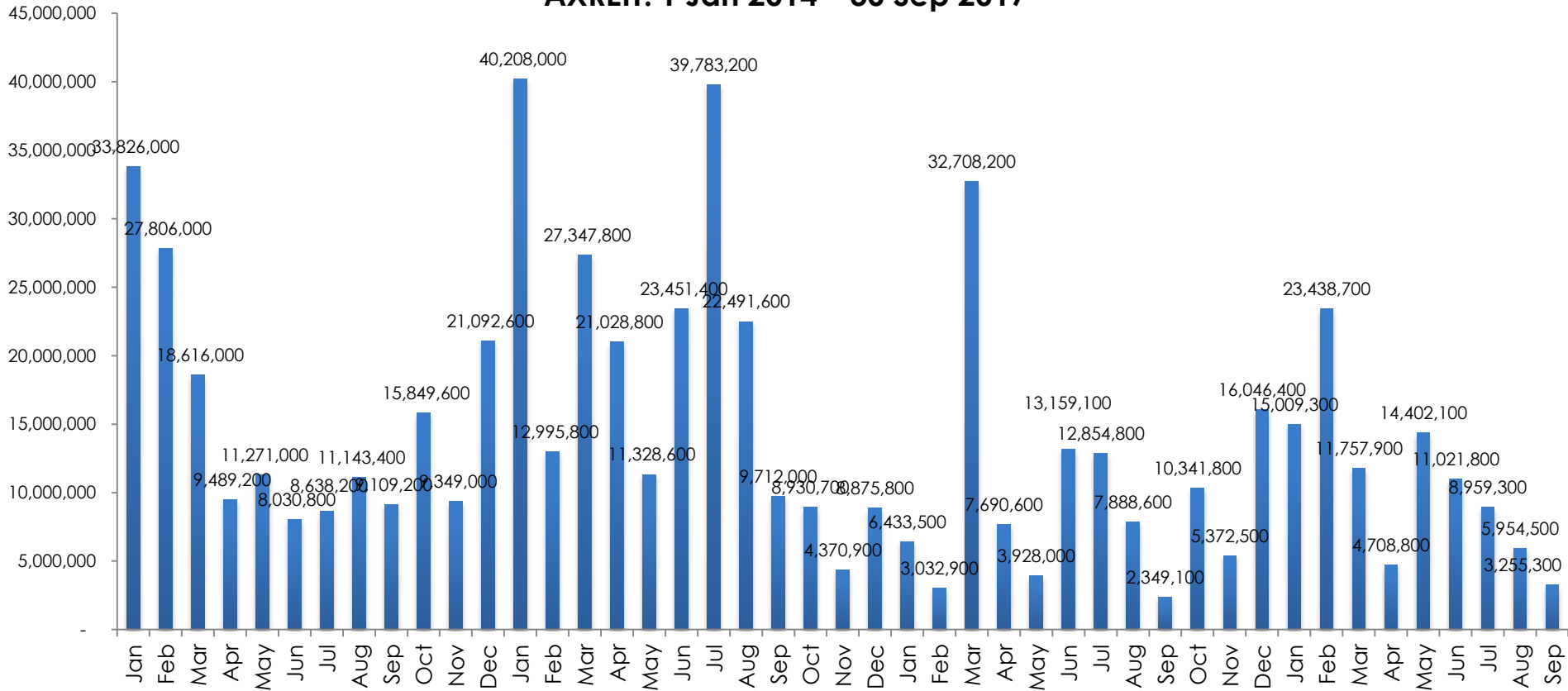
Unit Price Movement 3Q2017



Price Statistics

3Q2017: Unit Price @ 30 Jun 2016	RM1.60	Highest Price YTD: May 2017	RM1.72
2Q2017: Unit Price @ 30 Jun 2016	RM1.64	59	Lowest Price YTD: Sep 2017
			RM1.54

AXREIT: 1 Jan 2014 – 30 Sep 2017



Volume Statistics

Average Monthly Volume 2017	10,945,300
Highest Monthly Volume: Feb 2017	23,438,700
Lowest Monthly Volume: Sep 2017	3,255,300

Top 10 Unitholders 3Q2017



1	EMPLOYEES PROVIDENT FUND	9.29%
2	AMANA SAHAM BUMIPUTERA	9.05%
3	LEMBAGA TABUNG HAJI	5.43%
4	TEW PENG HWEE @ TEOH PENG HWEE	5.04%
5	ALEX LEE LAO	4.63%
6	PERMODALAN NASIONAL BERHAD	3.85%
7	KUMPULAN WANG PERSARAAN (DIPERBADANKAN)	3.79%
8	AMANA SAHAM BUMIPUTERA 2	2.26%
9	AMANA SAHAM MALAYSIA	2.19%
10	AMANA SAHAM 1MALAYSIA	2.18%

Holdings Breakdown	Units Held 3Q2017	Units Held 2Q2017	Movement
Top 5 Unitholders	33.44%	33.44%	0%
Top 10 Unitholders	47.71%	47.81%	-0.10%
Unitholders with > 2 million unitholdings	87.86%	88.07%	-0.21%

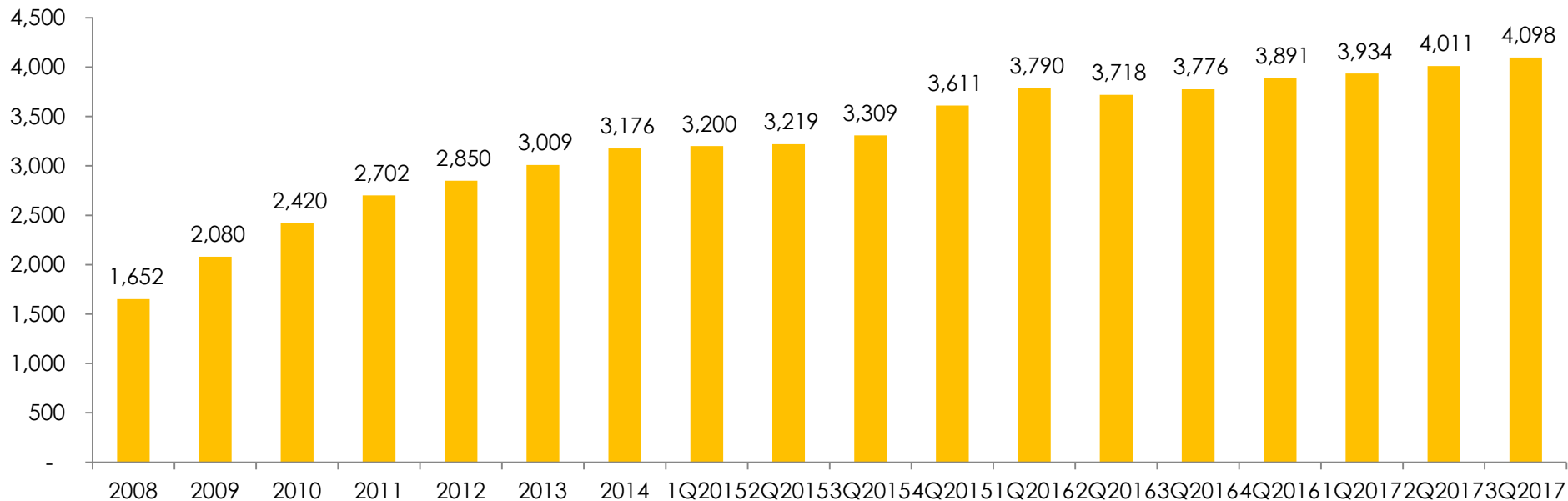
Top 5 increases in unitholdings:

	Last Quarter Increase
EMPLOYEES PROVIDENT FUND	0.6%
KUMPULAN WANG PERSARAAN (DIPERBADANKAN)	0.4%
RHB TRUSTEES BERHAD FOR MANULIFE INVESTMENT SHARIAH PROGRESSFUND	0.1%
ALEX LEE LAO	0.1%
ABERDEEN ASSET MANAGEMENT SDN BHD FOR TENAGA NASIONAL BERHAD RETIREMENT BENEFIT TRUST FUND (FM-ABERDEEN)	0.0%

Top 5 decreases in unitholdings:

	Last Quarter Decrease
PAMB FOR PRULINK EQUITY FUND	-0.7%
LEMBAGA TABUNG HAJI	-0.6%
ABAS CARL GUNNAR BIN ABDULLAH	-0.1%
PERMODALAN NASIONAL BERHAD	-0.1%

No. of CDS Accounts



✓ Quarter-on-quarter, total number of CDS accounts increased by 87 to 4,098

	Units Held 3Q2017	Units Held 2Q2017	Movement
Total foreign holdings	11.91%	11.87%	0.04%
Foreign holdings – related-party	8.04%	7.76%	0.28%
Foreign holdings – non-related-party	3.87%	4.11%	-0.24%
Promoters	14.01%	14.01%	0%

THANK YOU

