

Axis Real Estate Investment Trust

Unaudited 30 September 2014 Results

20 October 2014



- ✓ Successfully signed the Sales & Purchase Agreements for the acquisition of 3 properties with related parties, for RM280.5 million on 4 August 2014, where the Unitholders' Meeting is scheduled to be convened in November 2014 for the relevant approval.
- ✓ Successfully signed the Sales & Purchase Agreement for the acquisition of an industrial facility for RM153.5 million on 3 October 2014, where the completion is targeted in December 2014.
- ✓ Total Acquisitions achieved for 2014 is a record at RM 434 million.
- ✓ DPU rises by 13.0 % to 15.60 sen DPU for YTD 3Q 2014 (DPU for YTD 3Q 2013 was 13.8 sen) which includes 100% of the distributable gain of RM 10.952 million from the disposal of Axis Plaza, which was completed on 25 March 2014.
- ✓ A total of RM20.869 million revaluation gain has been recorded for YTD 3Q 2014.
- ✓ Inaugural issuance of new units for the purpose of the payment of management fee to the Manager for 3Q 2014 to strengthen the Managers alignment of interest ahead of the Trusts proposed placement.

- ✓ Currently trades at a premium of 59.8% to our NAV.
- ✓ Axis Business Campus ready for leasing after enhancement; CCC obtained in July 2014
- ✓ Implementation of Yardi Voyager system Phase 2 on Advanced Budgeting and Finance and Job Costing in 1Q 2014.
- ✓ Launched the Trust's Sustainability Program
- ✓ Successfully implemented the Income Distribution Reinvestment Plan (IDRP) in 1H2014 with a success rate of 84%.

- ✓ Targeting growth in our asset class.
- ✓ To build on our SUKUK presence in the market. To continue to improve on our capital management.
- ✓ Continue to enhance existing assets to drive value and income.
- ✓ Trading of assets to reward our Unitholders.
- ✓ Best Practices and Corporate Governance to be core to the managements values.
- ✓ Leading the Malaysian REIT Managers Association to drive Regulatory and Tax Reform.
- ✓ Setting Standards as a World Class Asset Management Company.
- ✓ Leveraging on Technology and Sustainability.



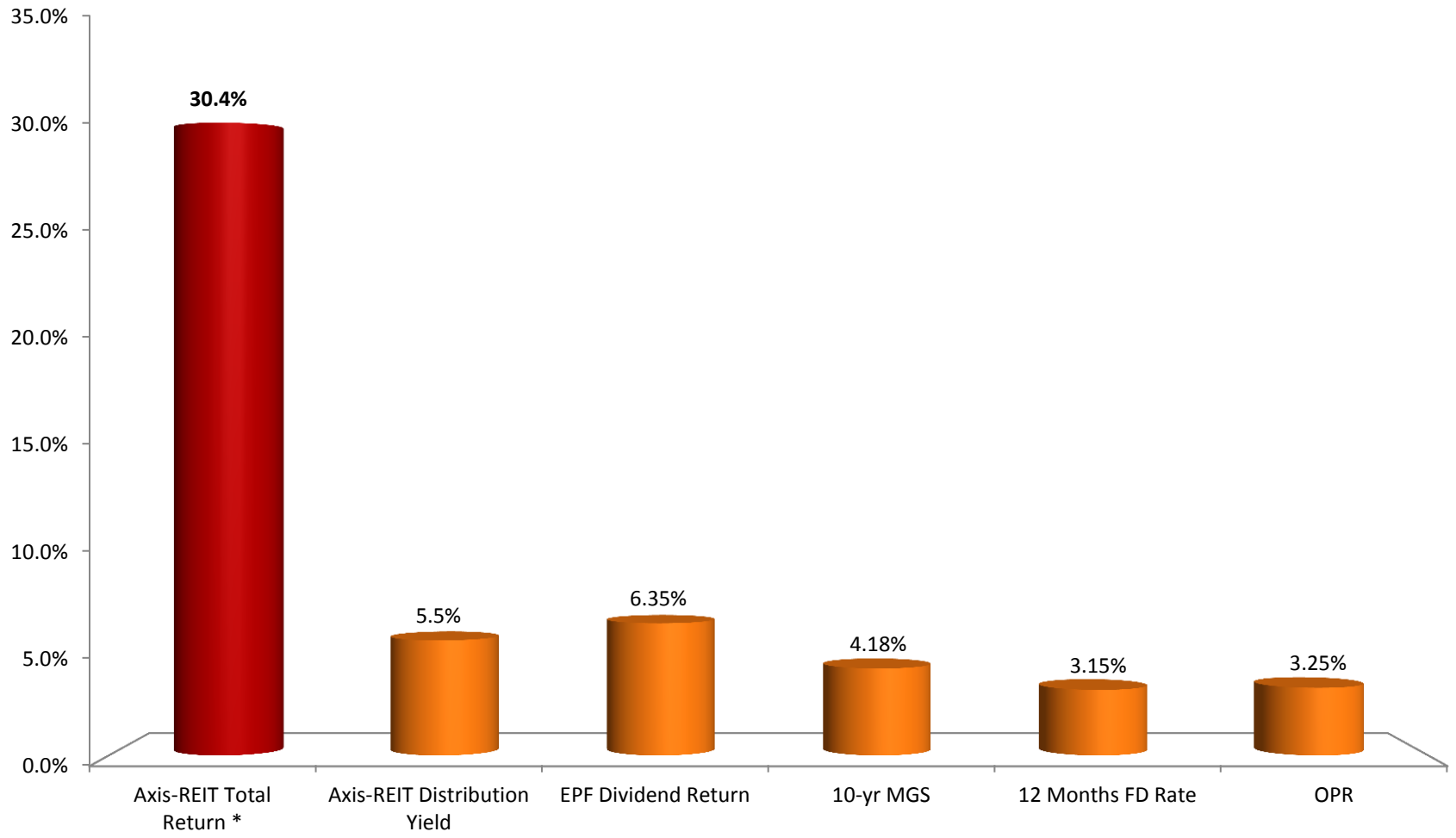
Financial Highlights for 3Q 2014

A Quick Snapshot

	YTD 3Q 2014
Total Net Income (RM' 000)	61,957
Income Available for Distribution ("Realised") (RM' 000)	72,455
Earnings per Unit ("EPU") ("Realised") (Sen)	13.40
Income Distribution Declared (RM'000)	72,207
Distribution per Unit* ("DPU") (Sen)	15.60
Number of Investment Properties	30
Units in Circulation (Units)	463,700,098
Assets Under Management (RM'000)	1,644,794
Total Financing (RM'000)	549,692
Gearing Ratio	33.42%
Total Unitholder's Fund (RM'000)	1,050,155
Market Capitalization (RM'000)	1,678,594
Net Asset Value per Unit (RM)	2.26
IPO Retail Unit Price	1.25
Unit Price as at 30 September 2014 (RM)	3.62
Number of Unitholders	3,138

* Third interim income distribution to be paid on 28 November 2014

Return Comparatives



* (based on DPU from operations + gain on disposal + movement in market price)/ Opening market price as at 1 January 2014)

Income Statement 3Q 2014 vs 3Q 2013

	3Q 2014 (RM '000)	3Q 2013 (RM'000)	Changes / Movement
No. of Properties	30	31	- 1
Property Income	33,004	35,192	- 6.2%
Property Expenses	(5,099)	(5,073)	+ 0.5%
Net Property Income	27,905	30,119	- 7.4%
Profit Income	117	115	+ 1.7%
Non-Property Expenses	(3,352)	(3,059)	+ 9.6%
Islamic Financing Cost	(5,777)	(5,855)	- 1.3%
Net Income	18,893	21,320	- 11.4%
Earnings per unit (EPU) (realised)	4.06	4.64	-12.5%
DPU – sen	5.00	4.70	+ 6.4%
No. of units in issuance	463,700,098	458,940,983	+ 1.0%

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

Reconciliation of 3Q2014 realised EPU to 3rd interim DPU

	RM (sen)
EPU (realised) for 3Q2014	4.06
Add : Balance of undistributed gain from Axis Plaza (final tranche)	0.76
Add : Payment of manager's fee in units	0.19
Add : Other adjustments allowed under the Trust Deed	0.01
Income available for distribution	5.02
3rd interim income distribution (99.6% payout ratio)	5.00

Income Statement YTD 3Q 2014 vs YTD 3Q 2013

	YTD 3Q 2014 (RM '000)	YTD 3Q 2013 (RM'000)	Changes / Movement
No. of Properties	30	31	- 1
Property Income - Note 1	103,255	105,307	- 2.0%
Property Expenses - Note 2	(16,318)	(15,425)	+ 5.8%
Net Property Income	86,937	89,882	- 3.3%
Profit Income	547	480	+14%
Gain on disposal of investment (AP) - Note 3	1,614	-	-
Non-Property Expenses - Note 4	(10,172)	(9,329)	+ 9.0%
Islamic Financing Cost - Note 5	(16,969)	(17,959)	- 5.5%
Net Income	61,957	63,074	- 1.8%
Net realisation FV gain on disposal - Note 3	9,338	-	-
Total Income available for distribution	72,455	63,415	+14.3%
DPU – sen	15.60	13.80	+ 13.0%
No. of units in issuance	463,700,098	458,940,983	+ 1.0%

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

Note 1 – Property Income

Property income is lower as compared to the corresponding nine months in 2013. The loss of rental from the sale of Axis Plaza and the time taken to complete Axis Business Campus for the first nine months of this year (due to the enhancement), coupled by the lower occupancy registered in the multi-tenanted office and office/industrial Assets was partly offset by the higher car park income due to the revision of the car park rates across the portfolio in August 2013.

However the asset management and leasing teams have been focusing on filling up these voids and are confident that they will be fully occupied in due course. Re-leasing these spaces is expected to add as much as 4.6 sen to the DPU.

Note 2 – Property Expenses

Property expenses increased due to higher maintenance cost as repainting works have been carried out in most of the properties beginning of this year.

Note 3 – Gain on disposal of investment**Computation of Distributable Gain on Disposal:**

	RM'000
Disposal price	34,000
Less: Current book value	<u>(32,034)</u>
	1,966
Less : <u>Incidental cost</u>	
Legal fees - SPA	(85)
Valuation fees	(8)
Disposal fee	(180)
Defect repair works	(79)
	<u>(352)</u>
Gain on Disposal recognized in income statement	<u>1,614</u>
Add: Realization of unrealized income	<u>9,338</u>
Total Distributable Gain on Disposal	<u>10,952</u>
Translated into additional DPU	2.36 sen

Note 3 – Gain on disposal of investment

The disposal of Axis Plaza, which was completed on the 25 March 2014, has resulted in a total realized gain on disposal of RM10,952,000 (“Gain on disposal”) which is represented by the gain on disposal of RM1,614,000 and realization of unrealized income* of RM9,338,000. The Gain on disposal translates to additional income distribution of 2.36 sen per Unit.

In ensuring stability of the Fund’s income distribution payment, the Manager is pleased to report that the Gain on disposal will be distributed in 3 tranches as part of the interim income distribution to be payable as follows:

	Distribution of Gain on Disposal (RM)	Additional DPU
1st interim 2014	3.7 million	0.80 sen
2nd interim 2014 **	3.7 million	0.80 sen
3rd interim 2014 **	3.5 million	0.76 sen
	10.9 million	2.36 sen

**realization of unrealized income – recognition of prior years unrealized fair value gain on market value of Axis Plaza as realized income upon the disposal.*

*** based on existing units in issuance of 463,700,098*

Note 4 – Non-Property Expenses

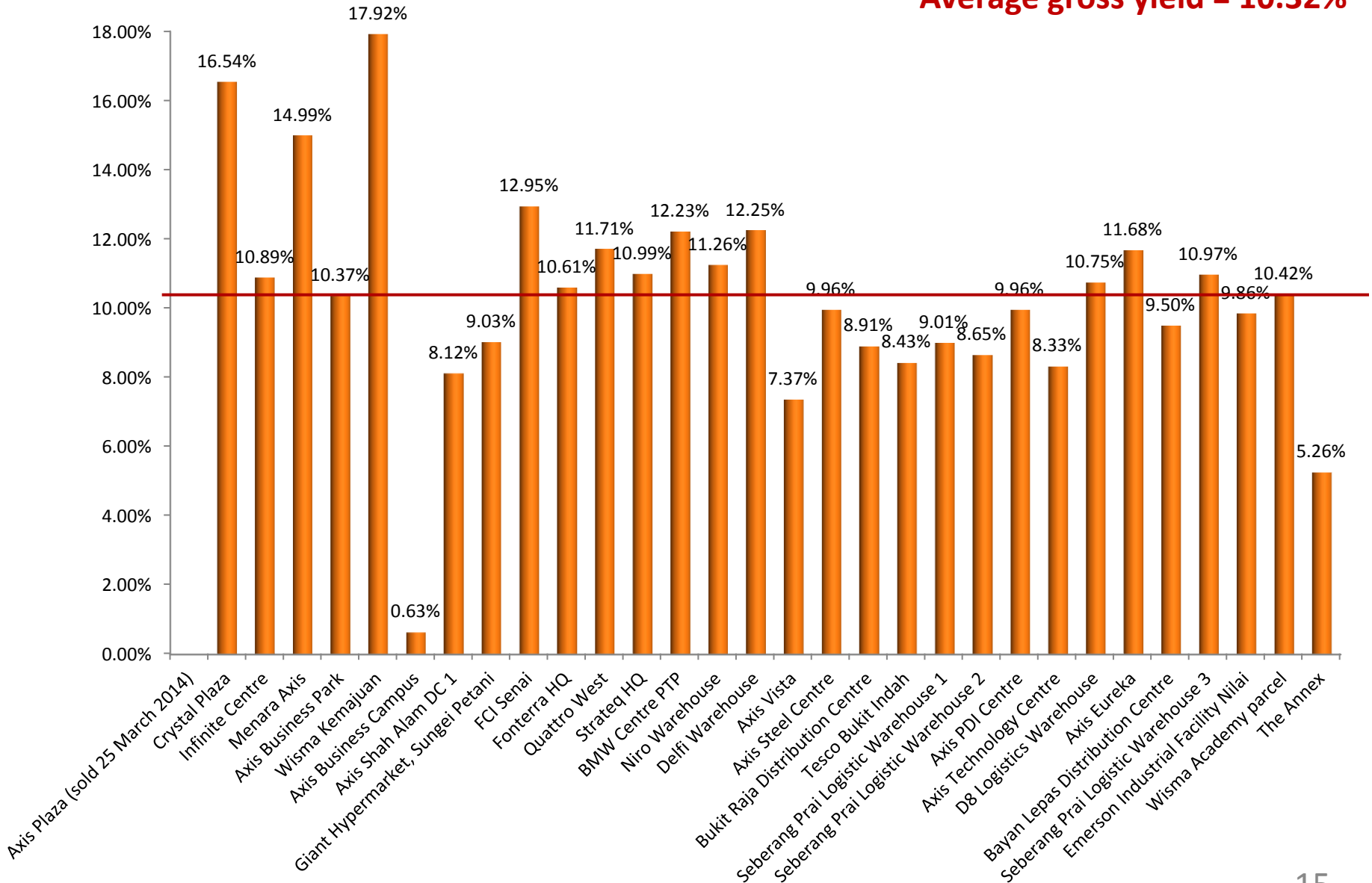
The MER of the Fund as at 30 September 2014 is 1.30% of NAV as compared to 1.25% for 2013. The increase is due to increase in the Manager's and Trustee's fees which resulted from the increase in the NAV of the Fund, and higher information technology expenses due to higher number of users and implementation Advanced Budget Advanced Budgeting and Finance and Job Costing modules in the beginning of this year

Note 5 – Islamic Financing Cost

The decrease in the Islamic Financing Cost in the nine months of 2014, despite higher financing, is mainly due to reduction in Islamic financing rate from 4.35% in nine months 2013 to 4.24% in nine months 2014.

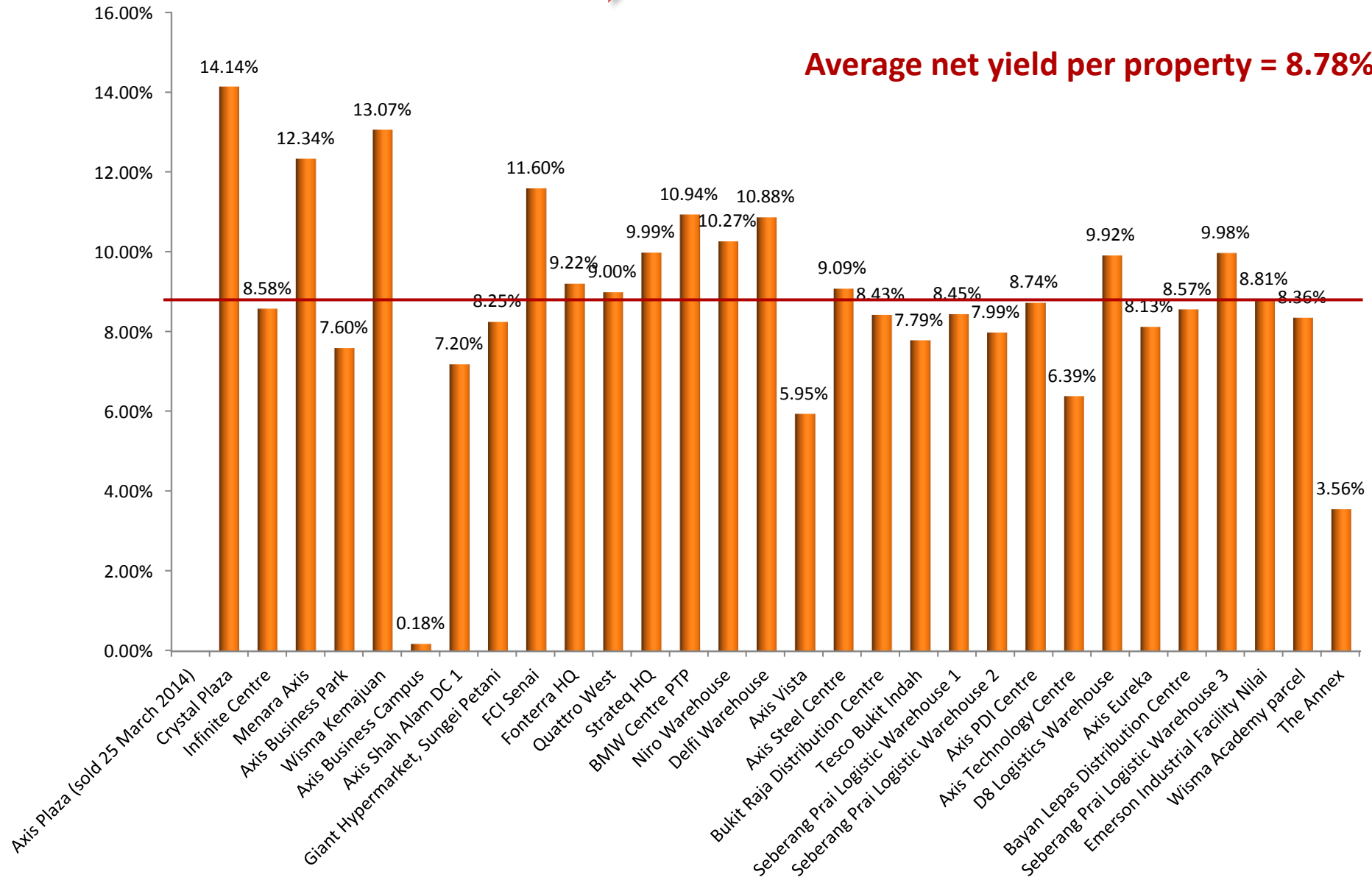
Gross Yield Of Investment Properties

Average gross yield = 10.32%

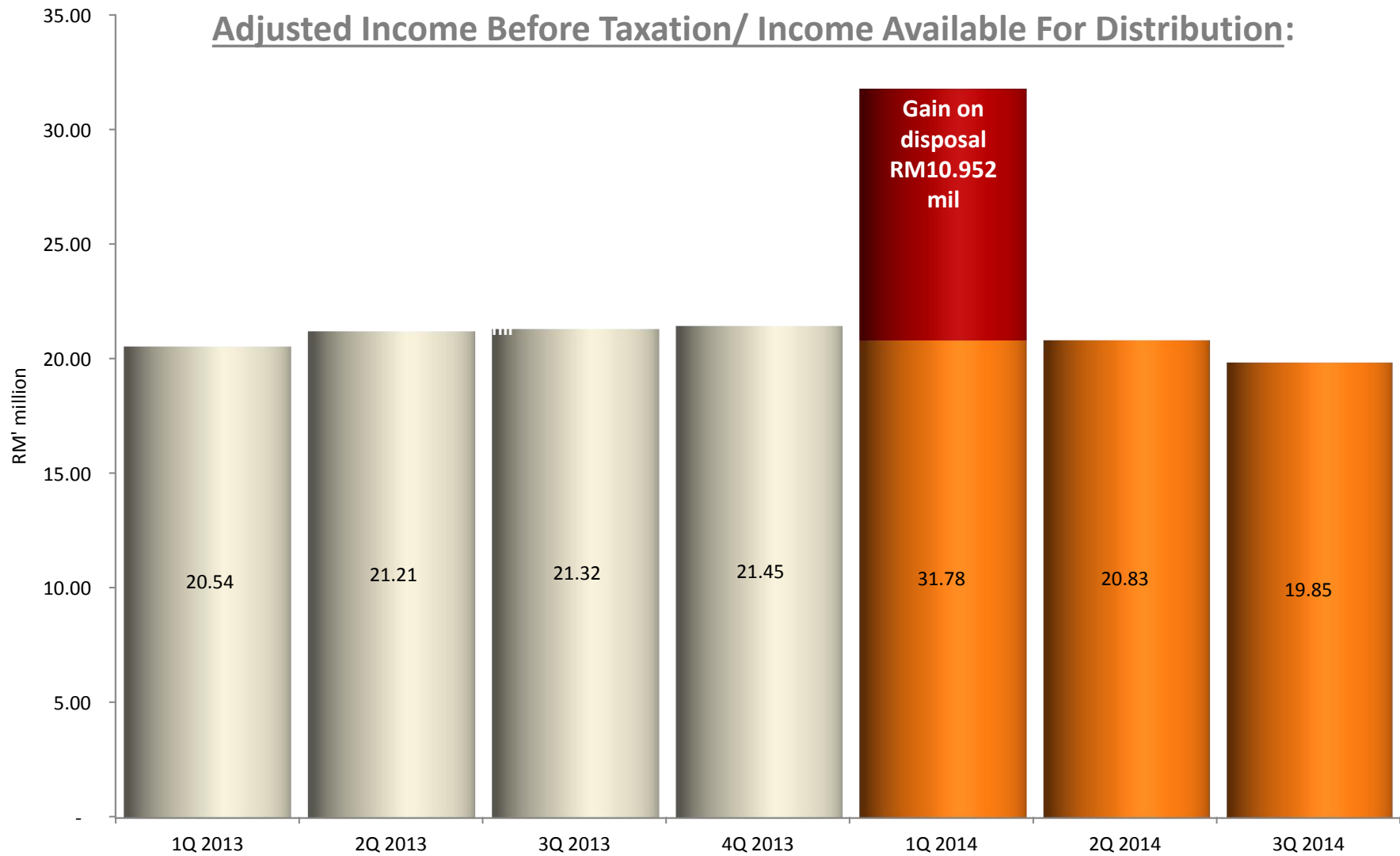


Net Yield Of Investment Properties/ Cost

Average net yield per property = 8.78%



Adjusted Income Before Taxation/ Income Available For Distribution:



3rd Interim Distribution 2014 – 5.0 sen

The **5.00 sen DPU** is based on 99.6% income available for distribution from performance of properties and the balance gain on disposal of Axis Plaza. This payment together with the 1st and 2nd interim income distribution, represents a payout ratio of 99.7% of its Income Available for Distribution for the nine months of 2014.

Important dates:

Ex-date: 31 October 2014

Entitlement date: 4 November 2014

Payment date: 28 November 2014

Details of the 2014 IDRП (in conjunction with 2014 First Interim Income Distribution):

Electable portion : 2.20 sen out of the 5.30 sen

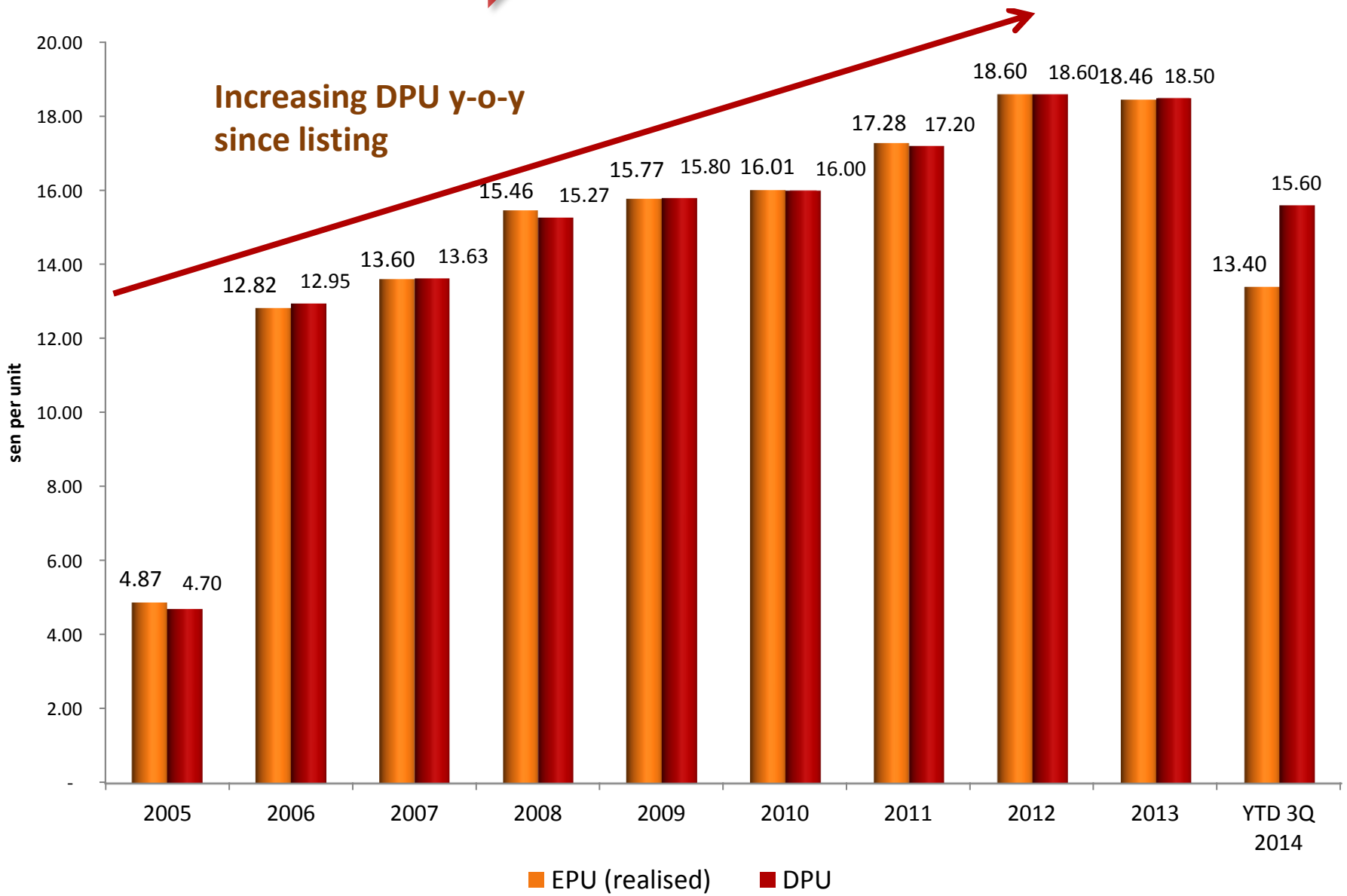
Exercise price : RM3.20; representing **5.9% discount** to 5-days VWAMP RM3.4005

Subscription rate : **84%**

Net amount converted into new units: RM7.9 million

In view of the placement, it is proposed to postpone implement the IDRP for 3rd quarter 2014 as the number of new units that can be issued under the placement will then need to be adjusted by the IDRP units subscribed.

Summary of EPU (Realized) and DPU



Statement of Financial Positions

	30/9/14 (RM'000)	31/12/13 (RM'000)	Changes
Investment Properties – Note 1	1,572,416	1,543,248	+ 29,168
Fixed Assets	2,895	2,407	+ 488
Other Assets – Note 2	69,483	70,868	- 1,385
TOTAL ASSETS	1,644,794	1,616,523	+ 28,271
Borrowings – Note 3	549,692	528,004	+ 21,688
Other Payables	44,947	59,879	- 14,932
TOTAL LIABILITIES	594,639	587,883	+ 6,756
NET ASSETS VALUE (“NAV”)	1,050,155	1,028,640	+ 21,515
Unitholders' Capital	758,810	750,966	+ 7,844
Undistributed Distributable Income	21,949	21,355	+ 594
Non-Distributable Reserve – Note 4	269,396	256,319	+ 13,077
TOTAL UNITHOLDERS' FUND	1,050,155	1,028,640	+ 21,515
GEARING	33.42%	32.68%	
NAV/unit (RM)	2.2647	2.2302	
No. of units in issuance	463,700,098	461,239,089	

Note 1 – Investment properties

A total of RM8.299 million was spent on Asset Enhancement Initiatives in the first nine months of 2014.

Note 2 – Other assets

Trade receivables dropped by 61.5%. The average collection for nine months 2014 has reduced to 2 days as shown below:

For Period Ended	Avg. Collection Period (in days)
31-DEC-13	3
31-MAR-14	3
30-JUN-14	2
30-SEP-14	2

Also included in Other Assets is total of RM31.88 million; as deposit for the proposed acquisitions of Axis Shah Alam DC 2, Axis Shah Alam DC 3, Axis MRO Hub, Axis Steel Centre @ SiLC Johor and an industrial facility in Prai.

Statement of Financial Positions

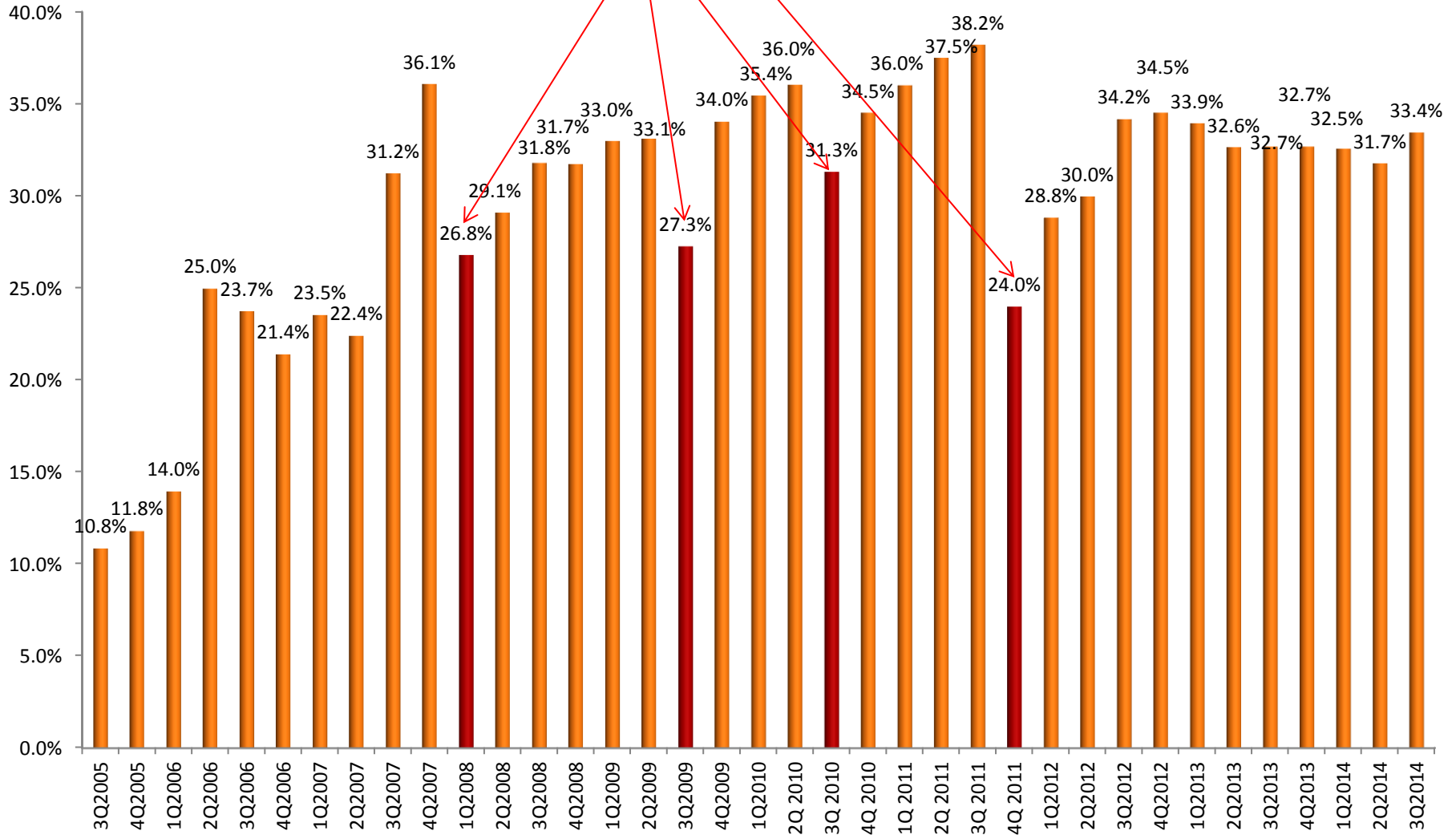
Note 3 – Borrowings

	2006	2007	2008	2009	2010	2011	2012	2013	YTD 3Q 2014
Total Borrowings (RM'000)	88,089	209,816	230,456	308,932	416,609	311,338	548,920	528,004	549,692
Total Assets (RM'000)	411,781	581,857	726,371	907,745	1,208,897	1,298,431	1,589,408	1,616,523	1,644,794
Gearings	21.39%	36.06%	31.73%	34.03%	34.46%	23.98%	34.54%	32.66%	33.42%
Effective Profit Rate	4.38%	4.39%	4.28%	4.11%	4.48%	4.66%	4.58%	4.38%	4.24%
Percentage of short term borrowings-Maturity < 1 Year	100%	100%	100%	47%	48%	52%	62%	50%	52%
Percentage of medium/ long term borrowings (maturity more than 1 years and less than 9 years)	-	-	-	53%	52%	48%	38%	50%	48%
Percentage of floating rate borrowings	100%	100%	100%	47%	48%	52%	62%	40%	25%
Percentage of fixed rate borrowings	-	-	-	53%	52%	48%	38%	60%	75%
Total unencumbered assets	7	8	13	12	11	12	6	5	5
Percentage of unencumbered assets/total assets	57%	34%	44%	52%	42%	44%	19%	16%	19%
Financing cost cover	9.4	5.6	5.5	4.8	4.1	3.8	4.6	4.5	4.7

Statement of Financial Positions

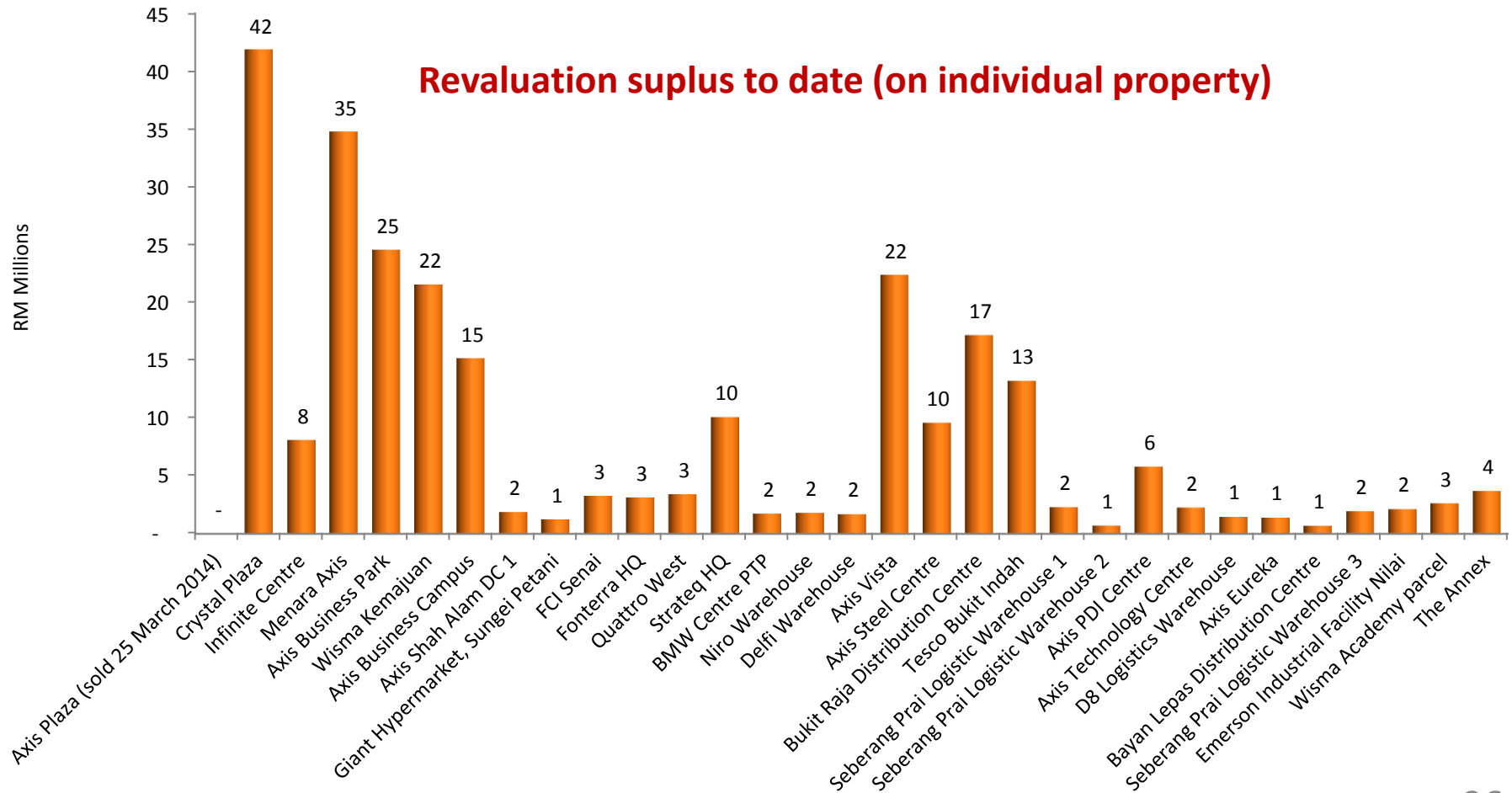
Gearing Levels

Placements Undertaken



Note 4 – Non-distributable reserve

Non-distributable reserve mainly comprises the favorable gain in fair value of approx. RM262 million to date.



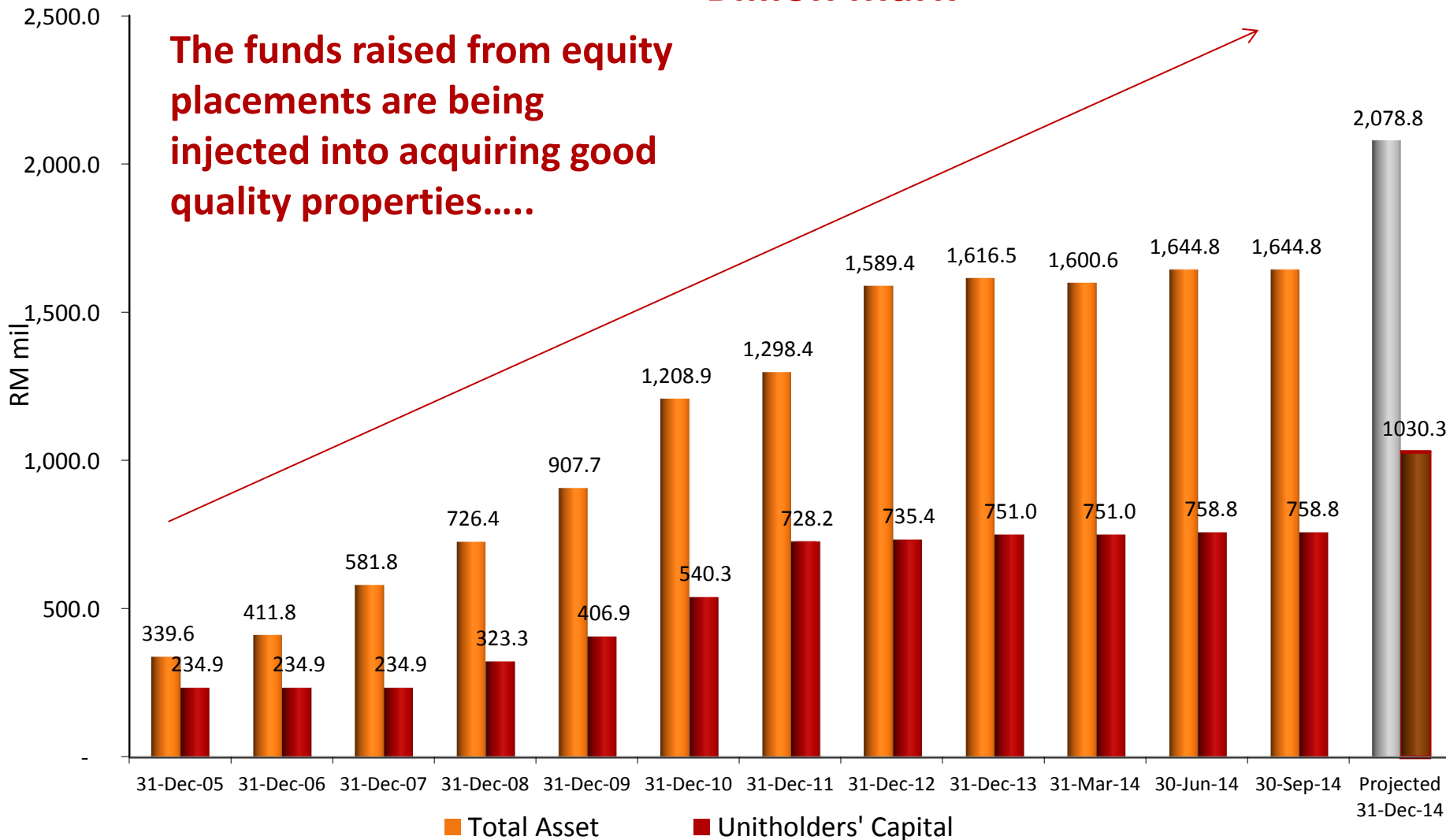
Placement of 83,579,942* units

- ✓ Mandate from unitholders renewed on 29 April 2014.
- ✓ Expected to raise approximately RM280.0 million.
- ✓ Timing : End November 2014 to coincide with the completion of the new acquisitions.
- ✓ ** The earlier approved placement units by Unitholders on 29 April 2014 of 86,040,951 will need to be reduced by 2,461,009 IDRPs listed on 16 June 2014, therefore the number of placement units will be reduced to 83,579,942 as the earlier approved units in issuance is cap at 547,280,040.*

Placement for Year 2014

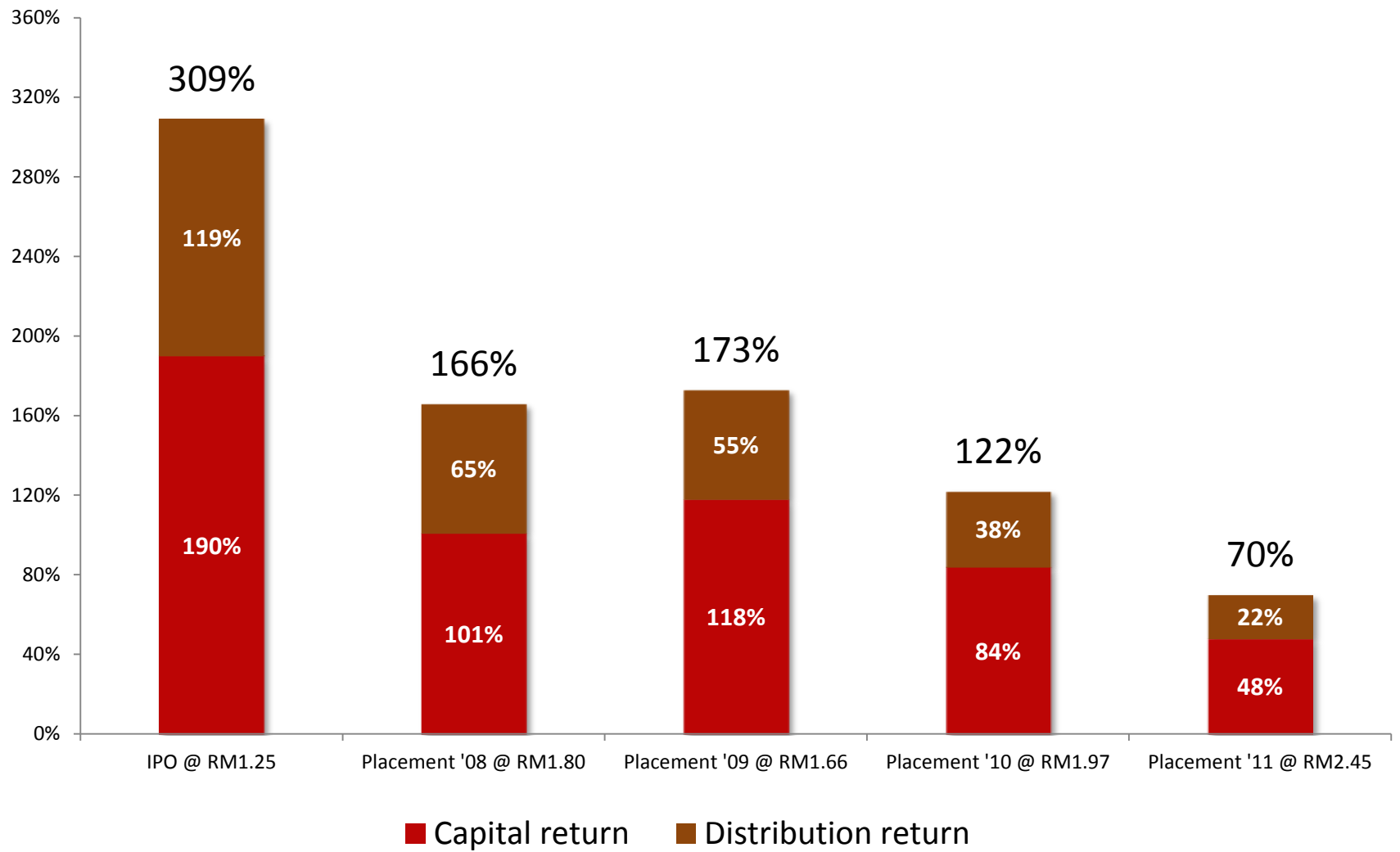
Total Assets set to cross the RM 2 Billion mark

The funds raised from equity placements are being injected into acquiring good quality properties.....



Return to unitholders

... resulting in good total returns to unitholders .





Report on Revaluation of properties

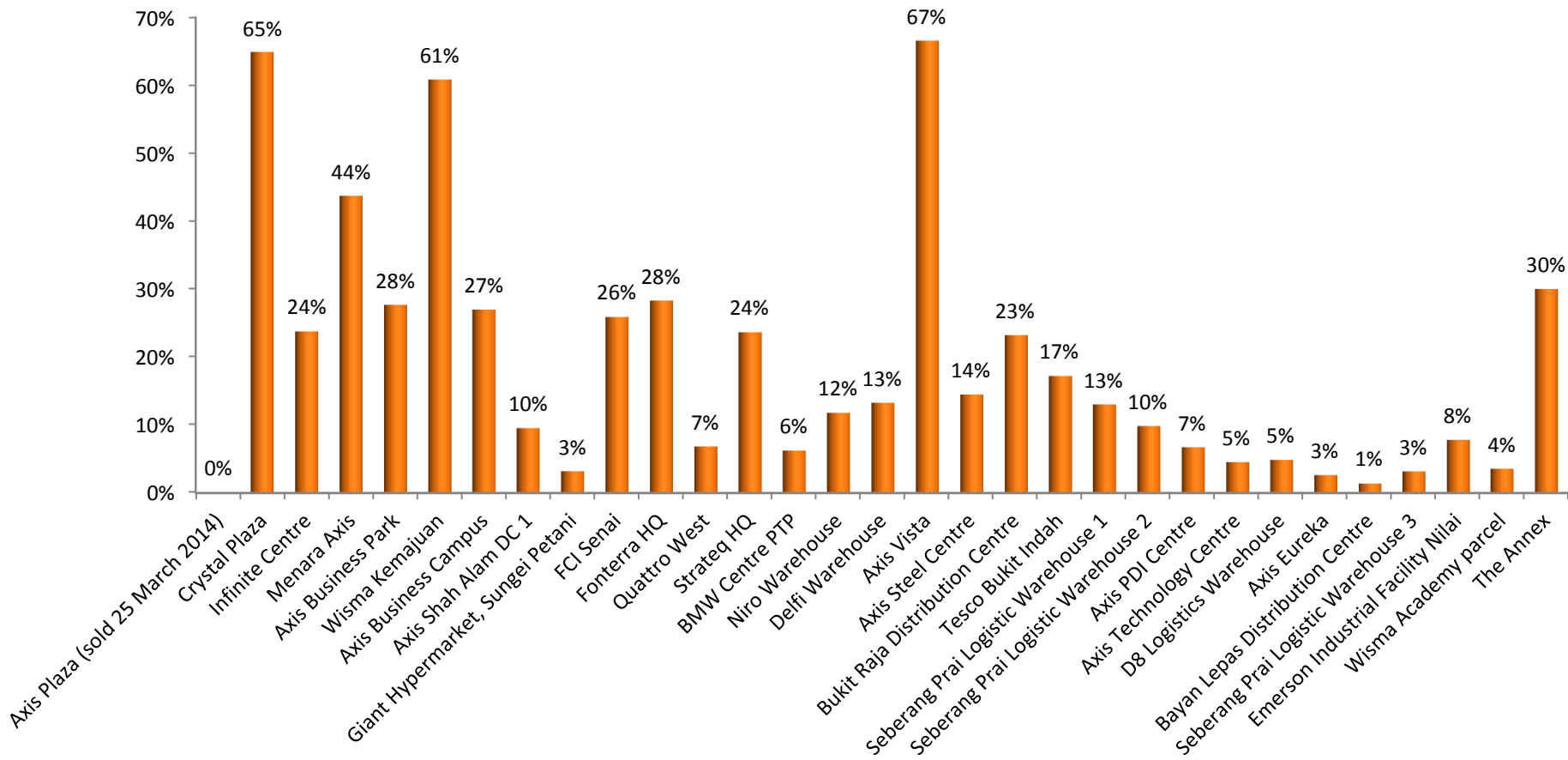
Revaluation of properties

Name of Properties	Net Book Value as at 30 September 2014 (RM'000)	Open Market Value (RM'000)	Surplus to be incorporated into Axis-REIT (RM'000)
1. Seberang Prai Logistic Warehouse 3	63,236	63,500	264
2. Axis Vista	36,344	56,000	19,656
3. Bayan Lepas Distribution Centre	49,551	50,500	949
Total	149,131	170,000	20,869

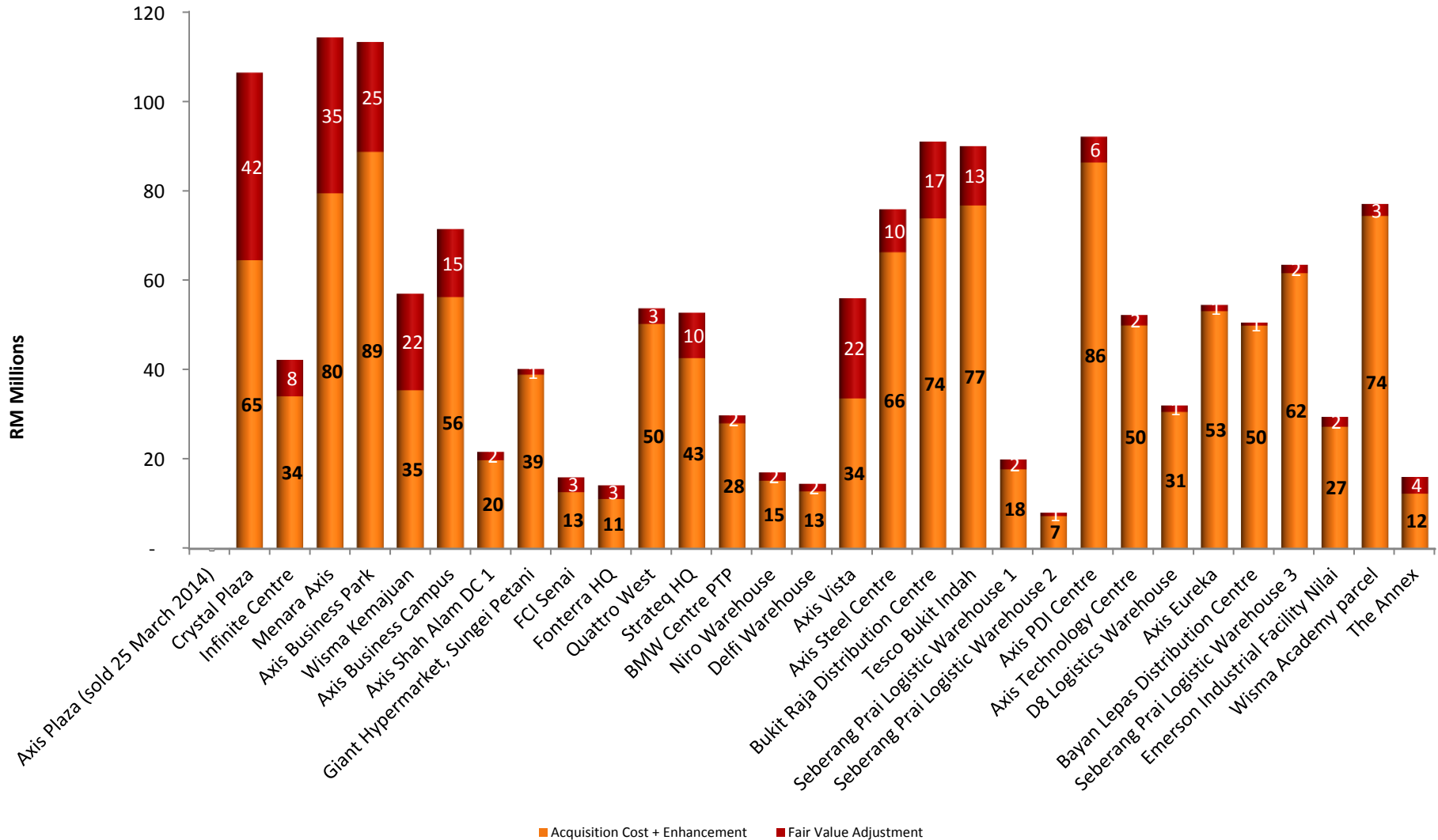
Revaluation of properties

% of Revaluation on Properties = Revaluation Surplus to date / Investment Cost

The increase in value demonstrated the ability of the Manager to create value to the assets



Properties Appreciation Value as at 30 September 2014





Property Report

As we enter our 10th Year of Asset Management many leases in our portfolio that were in place since the time of our listing, came due for renewal in 2014. Unfortunately some of our tenants decided to relocate to other countries or relocate as their space requirements outstripped our ability to house them in our properties.

As a result we have experienced a drop in occupancy in some of our multi tenanted properties with an accompanying fall in operating income.

However we are optimistic that as we introduce new tenants to our buildings the trend will be reversed. We strongly feel that our assets are still much in demand due to their unique configuration or by the fact that they are well located.

By filling the voids we expect to add as much as 4.6 sen to the DPU and the team is working hard to achieve these results.




Portfolio Size:

As at 30 Sept 2014 the Portfolio have 30 assets comprising 5,325,101 sq. ft. and 126 tenants.

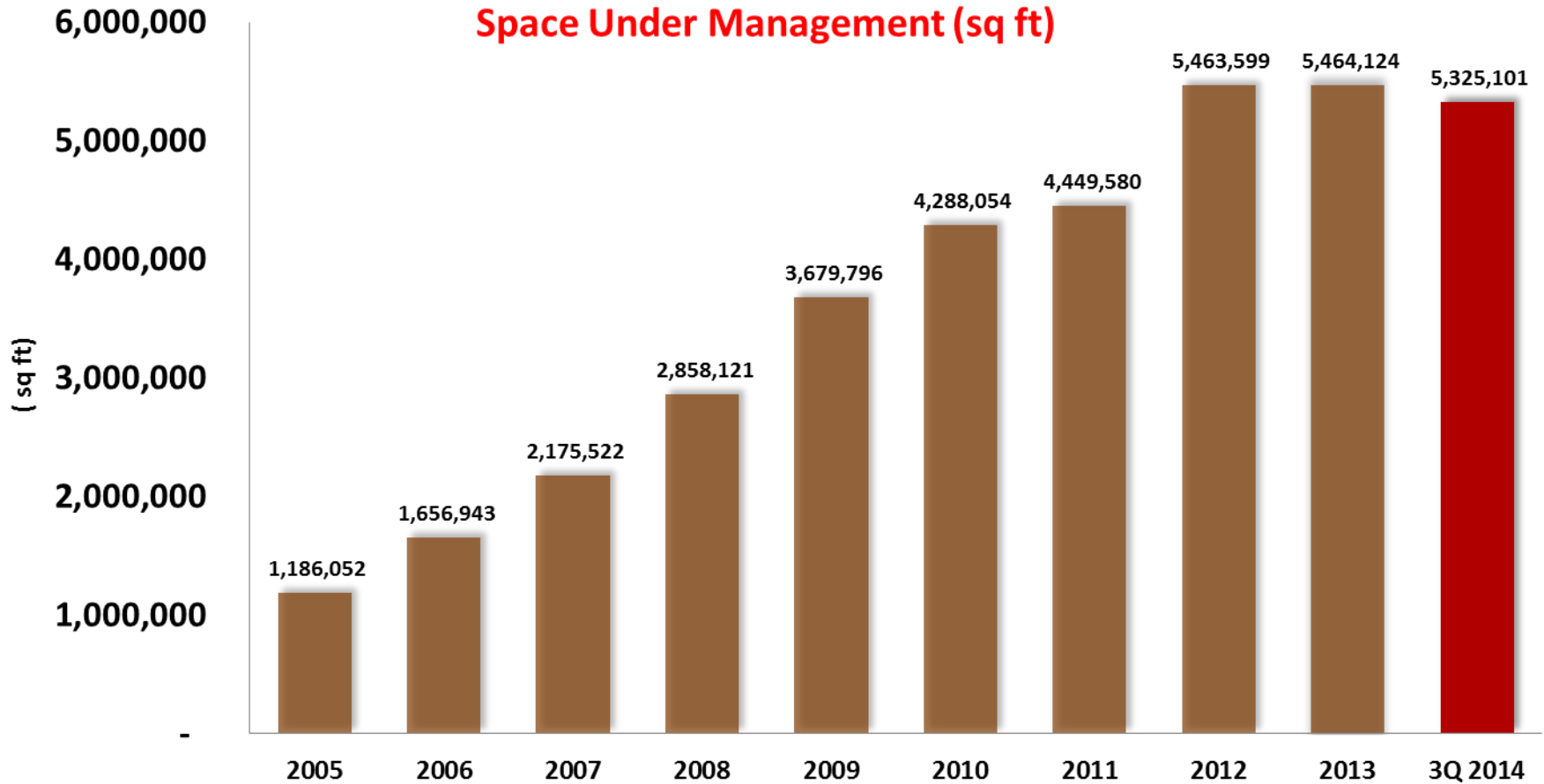
Portfolio Performance:

Type	3Q2014	2Q2014	Movement
Property Income (RM'000)	33,004	34,839	▼ - 5.27%
Property Expenses (RM'000)	5,099	5,379	▼ - 5.20%
Net Property Income (RM'000)	27,905	29,460	▼ - 5.28%
Occupancy	90.54%	91.95%	▼ -1.41%

Average Rental

Type of Properties	2Q2014	2Q2014	Movement
Office (RM/Sq ft)	4.56	4.52	 +0.88%
Office Industrial (RM/Sq ft)	2.60	2.55	 +1.96%
Manufacturing Facilities (RM/Sq ft)	0.84	0.84	No change
Warehouse/Logistics (RM/Sq ft)	1.63	1.65	 -1.21%
Hypermarket (RM/Sq ft)	2.24	2.24	No change

Space Under Management (Sq Ft)



Lease Expiry Profile

Property	Year	% of	% of Rental	Year	% of	% of Rental	Year	% of	% of Rental
	2014	Total NLA	Income/month	2015	Total NLA	Income/month	2016	Total NLA	Income/month
Menara Axis	54,587	1.03	2.39	-	-	0.03	91,514	1.72	3.57
Crystal Plaza	81,339	1.53	3.04	3,407	0.06	0.08	120,122	2.26	4.70
Axis Business Park	284,450	5.34	6.92	15,713	0.30	0.33	41,304	0.78	0.92
Infinite Centre	79,159	1.49	1.60	28,219	0.53	0.64	51,145	0.96	1.42
Wisma Kemajuan	9,583	0.18	0.30	68,095	1.28	1.37	116,119	2.18	2.68
Axis Business Campus	-	-	-	-	-	-	-	-	-
Axis Vista	60,400	1.13	0.94	-	-	-	40,937	0.77	0.89
Quattro West	33,911	0.64	1.33	10,991	0.21	0.33	68,643	1.29	2.90
Axis Technology Centre	-	-	-	129,237	2.43	2.42	21,493	0.40	0.46
Axis Eureka	57,727	1.08	2.13	160	0.003	0.01	15,235	0.29	0.64
Wisma Academy	55,462	1.04	1.36	119,222	2.24	2.11	45,103	0.85	0.90
Annex	18,000	0.34	0.31	2,354	0.04	0.01	-	-	-
Emerson	-	-	-	-	-	-	291,642	5.48	2.05
Axis Steel Centre	366,839	6.89	5.37	-	-	-	-	-	-
Niro	167,193	3.14	1.28	-	-	-	-	-	-
SPLC3	395,225	7.42	5.23	64,500	1.21	0.69	330,725	6.21	4.38
Fontera HQ	600	0.01	0.01	-	-	-	600	0.01	0.01
BMW	161,474	3.03	2.60	-	-	-	-	-	-
PDI	-	-	-	58,009	1.09	6.53	-	-	-
Shah Alam DC 1	-	-	-	110,406	2.07	1.31	-	-	-
FCI	-	-	-	136,619	2.57	1.25	-	-	-
Delfi	-	-	-	130,743	2.46	1.19	-	-	-
TOTAL	1,825,948	34.29	34.79	877,675	16.48	18.30	1,234,582	23.18	25.51

Properties	Space Renegotiated (Sq. Ft.)	% Rent Movement
MENARA AXIS	15,763	+4.87%
CRYSTAL PLAZA	7,747	+9.91%
AXIS BUSINESS PARK	136,809	+11.43%
INFINITE CENTRE	28,074	+11.76%
WISMA KEMAJUAN	3,571	+4.66%
AXIS EUREKA *		+2.41%
AXIS STEEL CENTRE	366,839	-17.54%
SPLW 3	395,225	No Change
QUATTRO WEST	17,422	+8.14%
NIRO	167,193	+7.65%
AXIS VISTA	60,400	+10.14%
WISMA ACADEMY	38,822	+3.12%
FONTERA HQ	600	+3.75%
ANNEX	18,000	No Change
BMW	161,474	No Change

* Telco on Roof Top

- ✓ The Manager has successfully renegotiated 1,417,938 sq. ft. of space for 3Q 2014 out of 1,825,948 sq. ft. space due for renewal in 2014.
- ✓ 77.65% tenants retention rate achieved.
- ✓ Rental growth of 575,050 sq. ft. space achieved from pre-negotiated rent step up in the leases.
- ✓ The leases in the portfolio achieved positive rent reversion of 1.94%.
- ✓ The Manager also secured new tenancies for 95,288 sq. ft. of space as at 3Q 2014.

As at 30 September 2014 Axis REIT has 12 out of 30 properties that carry vacancy. 18 properties enjoy 100% occupancy.

Occupancy

As at 30 June 2014 91.95%

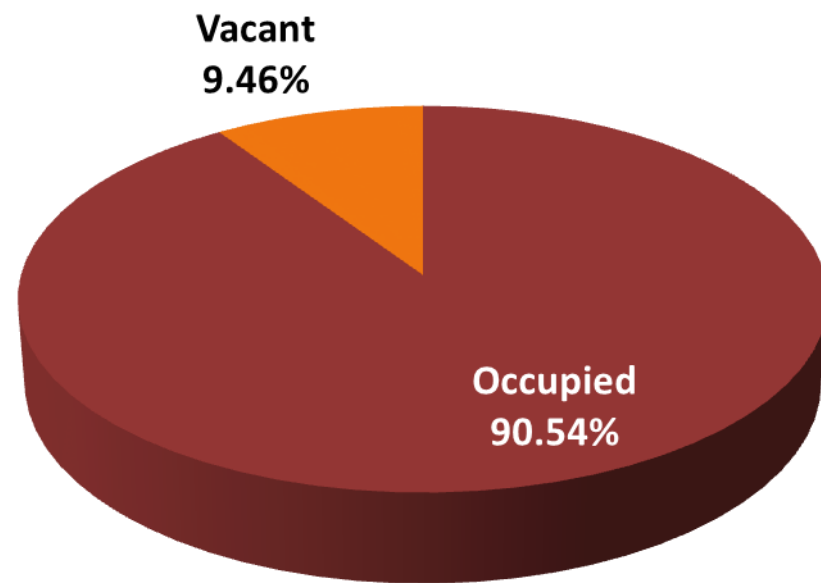
As at 30 September 2014 90.54%

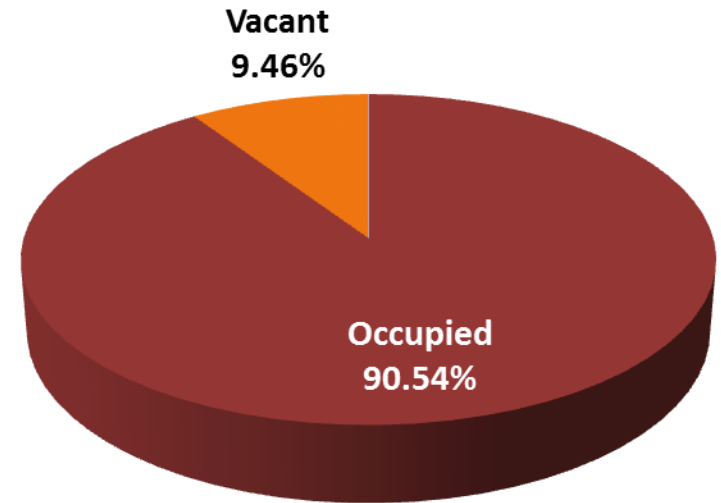
Vacancy

As at 30 September 2014 9.46%

For Axis Multi-tenanted Buildings Q3 2014

Occupancy Rate is 72.08%



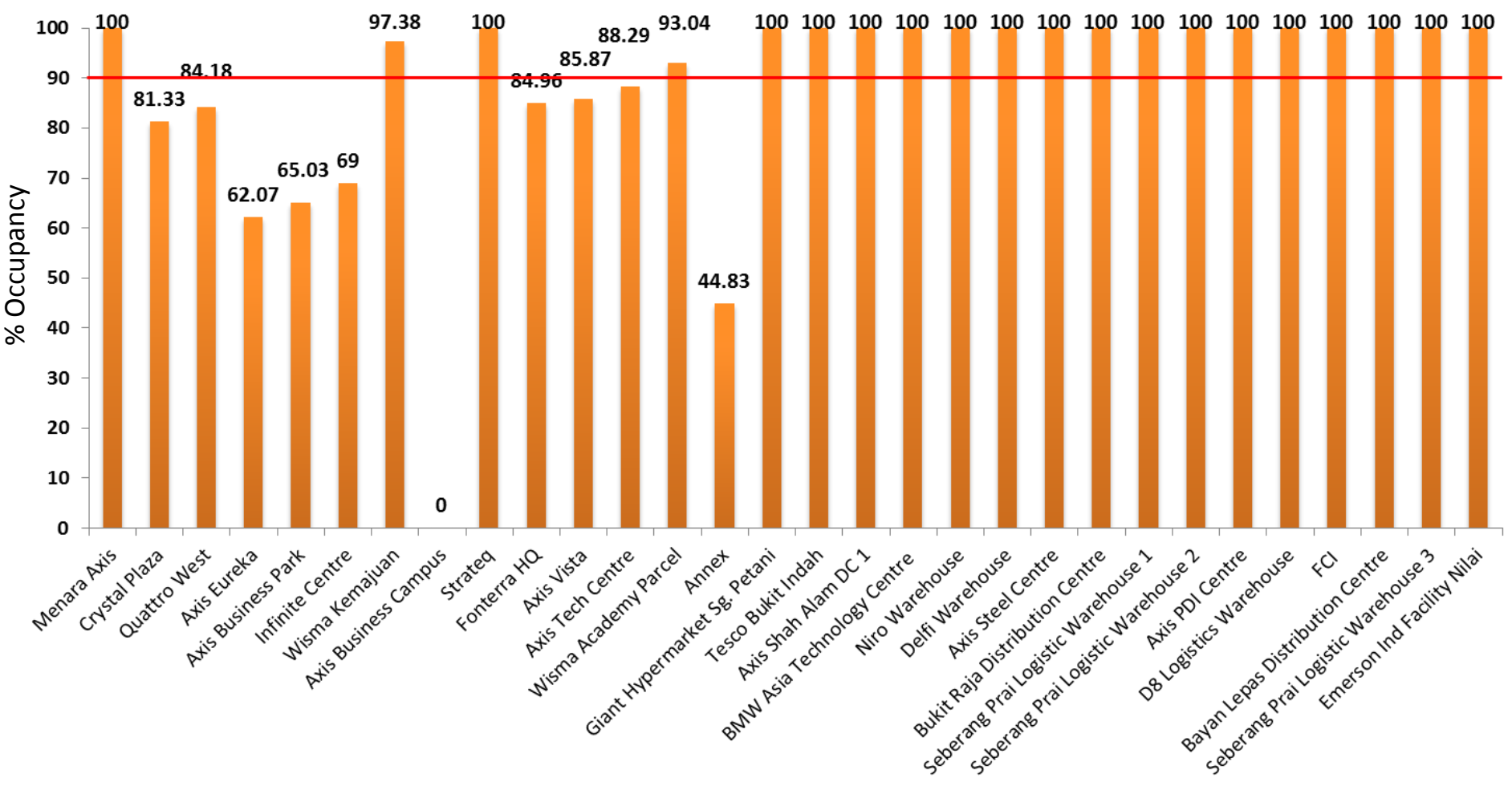


Vacancy

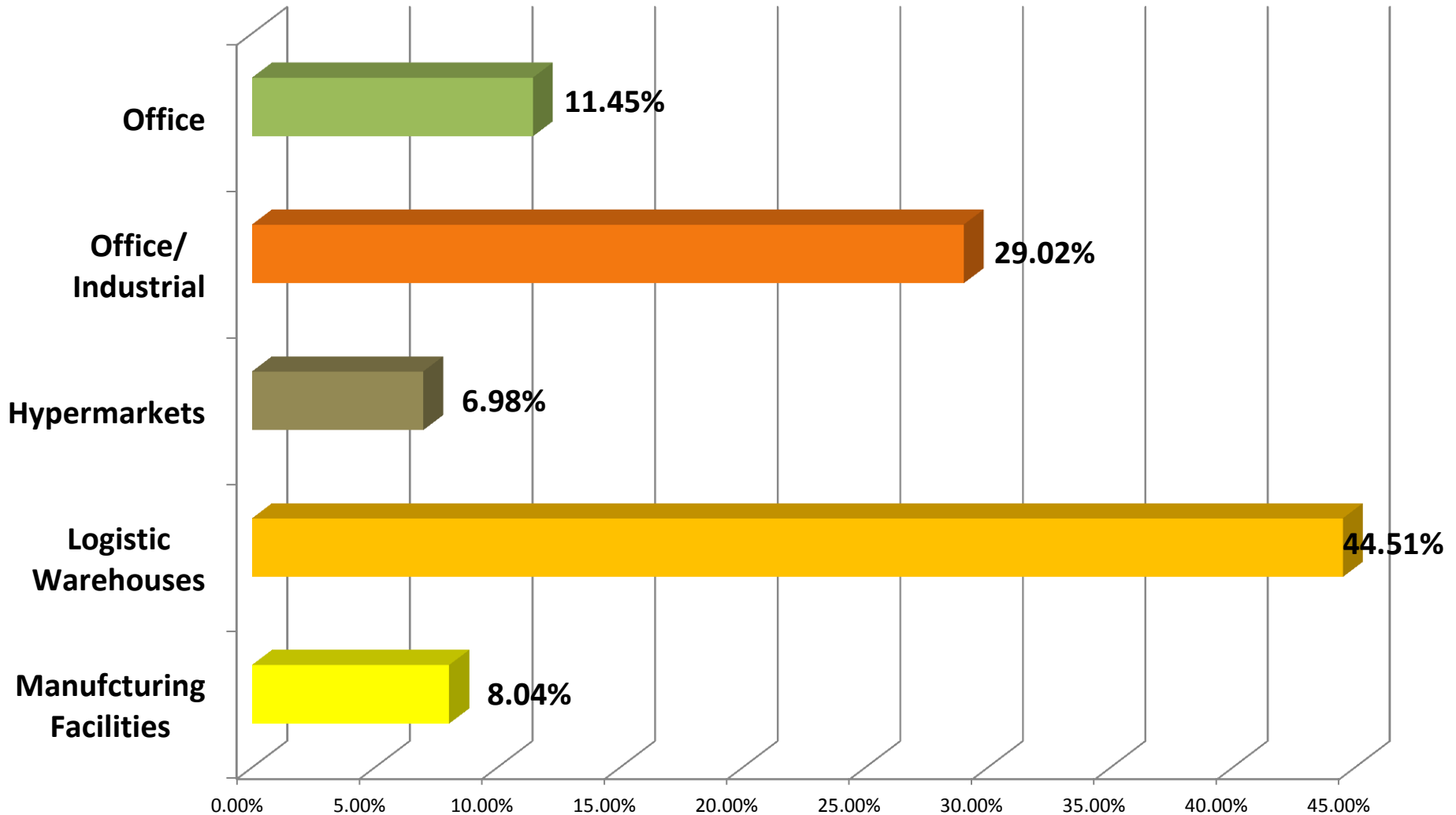
As at 30 Sept 2014	9.46%
Spaces to be let out	503,588 sq. ft.
Unbilled spaces income	RM21.1 million per year

Potential DPU upside 4.6 sen per unit/ year

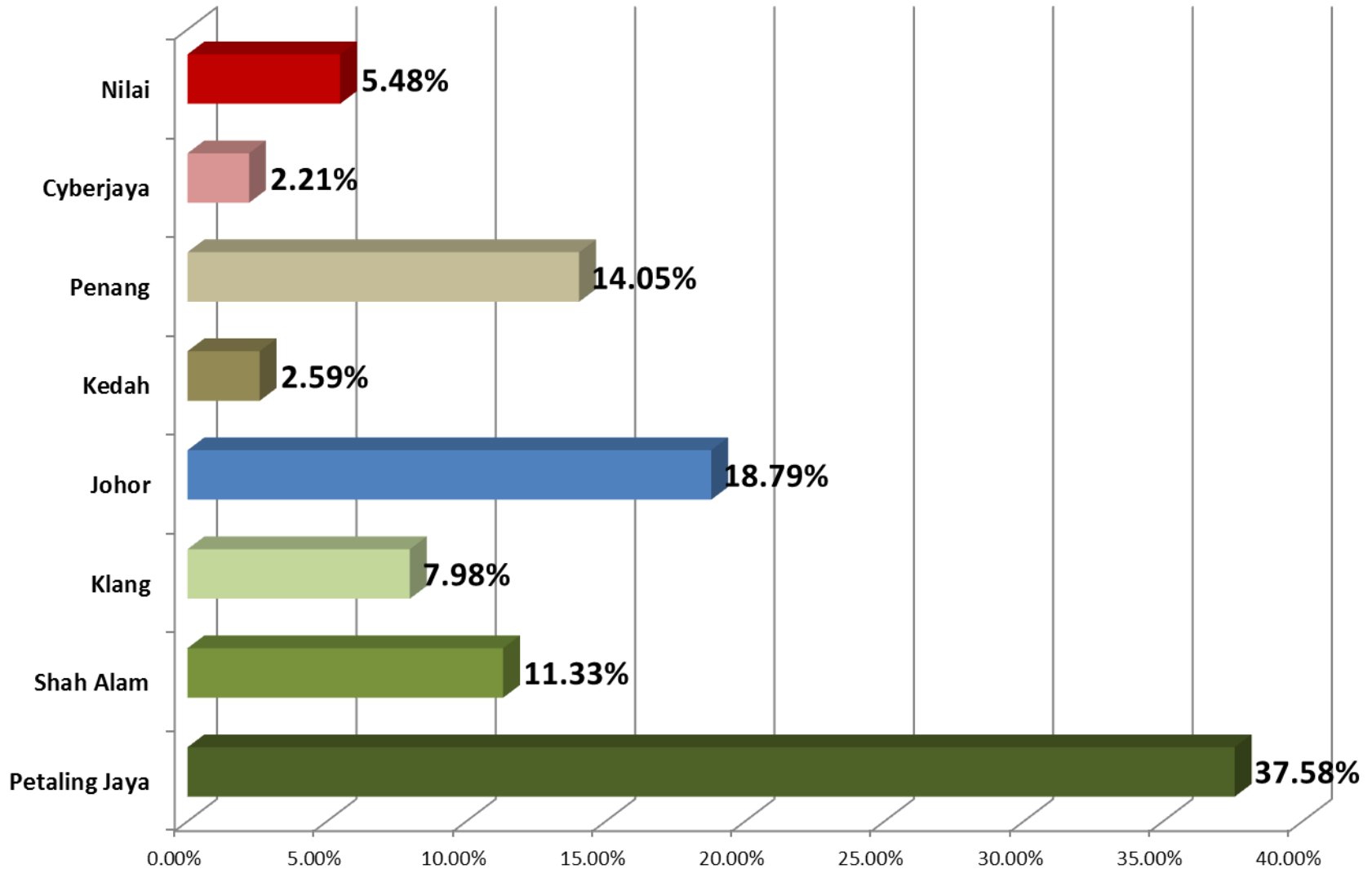
Occupancy Rates by Property As at 30 September 2014



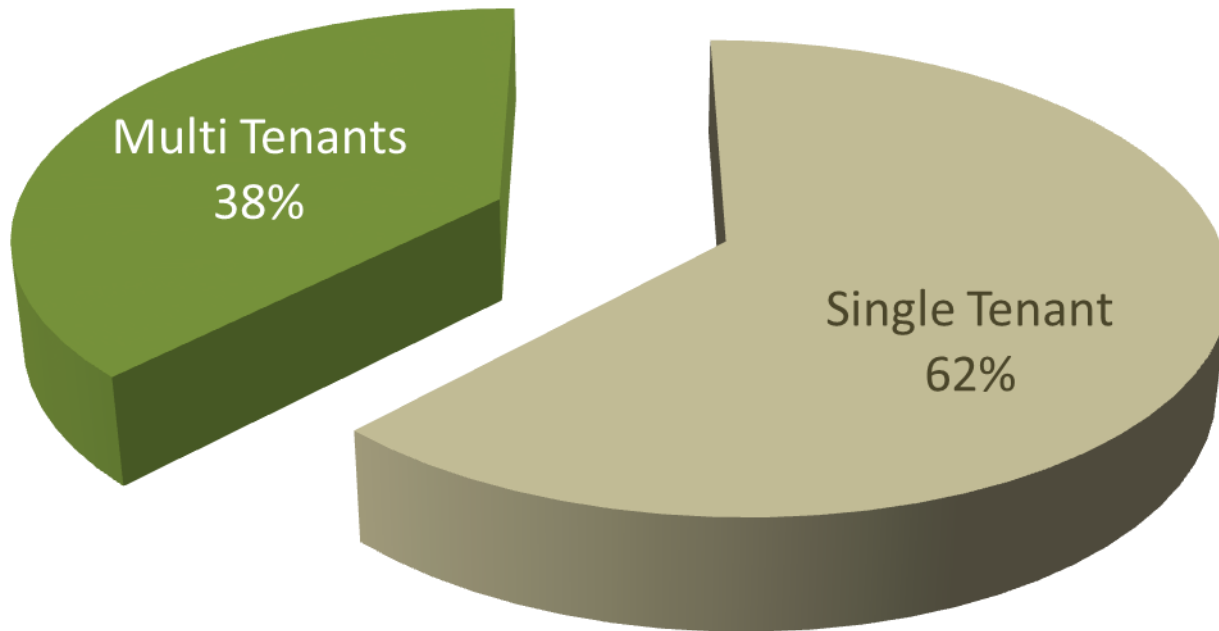
Portfolio Diversification by Type and Diversification



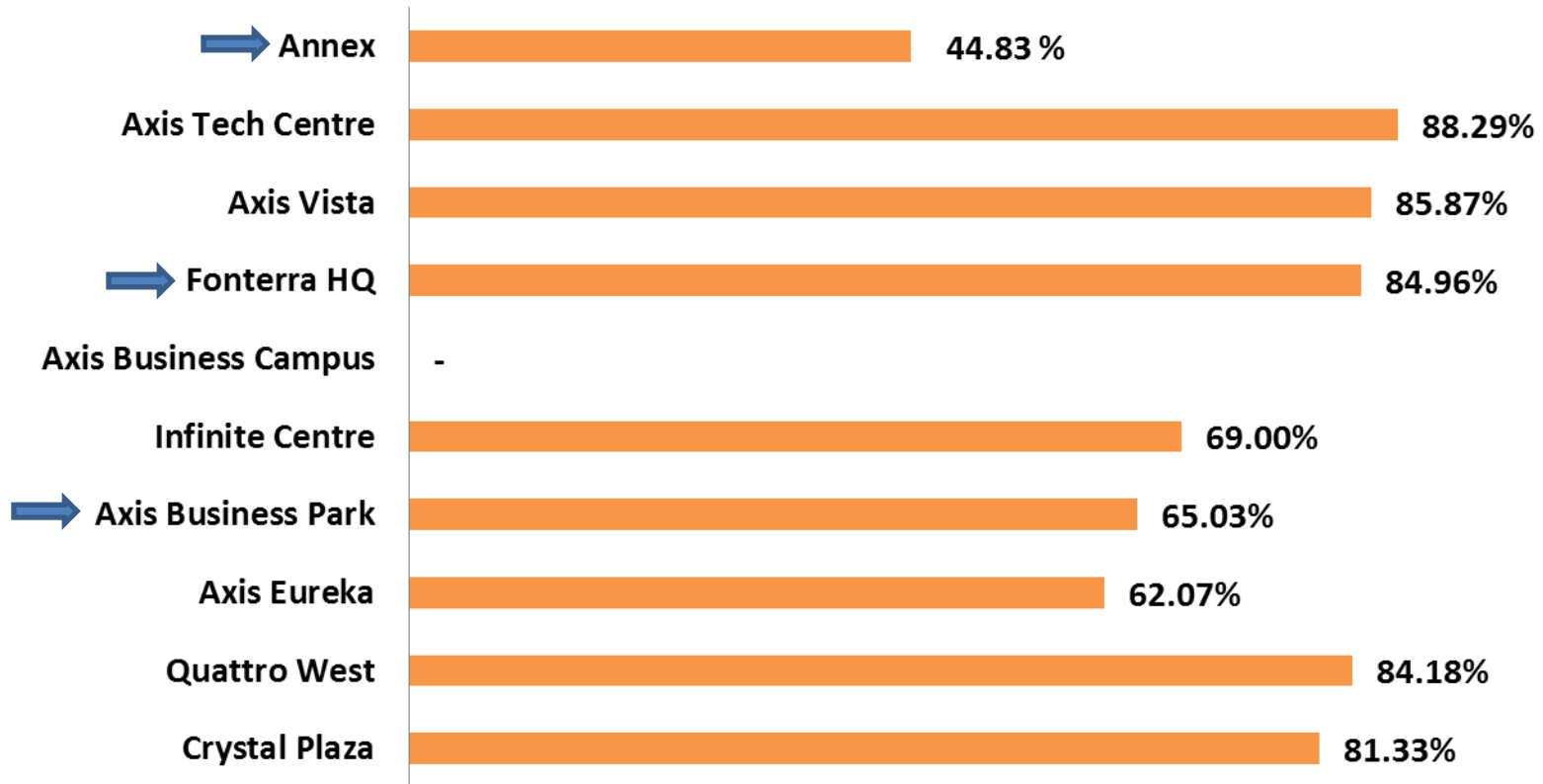
Portfolio Analysis by Geographical Location and NLA



Single Tenant Vs Multi-Tenants



Occupancy rates of properties below 90% as of 30 September 2014



- ➡ Annex is seeking a new operator for its futsal centre
- ➡ Vacant space Fonterra HQ is built for their future expansion
- ➡ Axis Business Park is enhancing Block C

The Average “WALE” For the Portfolio is:

By Year	Q3 2014	Q2 2014
By NLA	3.90	4.04
By Rental	4.06	4.12

The Efficiency Ratio ("ER")

ER= The Operating Cost for the Portfolio / Gross Property Income

3Q2014	2Q2014
15.84%	15.97%

Top 10 Tenants - Strong Rental Covenants

1. Konsortium Logistik Bhd
2. LF Logistics Services (M) Sdn Bhd
3. Schenker Logistics (M) Sdn Bhd
4. Tenaga Nasional Berhad
5. Tesco Stores (M) Sdn Bhd
6. DHL Properties (M) Sdn Bhd
7. Strateq Data Center Sdn Bhd
8. GCH Retail (Malaysia) Sdn Bhd
9. Nippon Express (M) Sdn Bhd
10. Fuji Xerox Asia Pacific Pte Ltd

The Top Ten tenants account for 45.96% of the total revenue of the Trust.



Asset Enhancement Initiatives

West Block (Before)



West Block (After)



South Block (Before)



South Block (After)



Axis Business Campus Refurbishment

Overall (After)



AXIS BUSINESS CAMPUS WINS INTERNATIONAL PROPERTY AWARD FOR COMMERCIAL RENOVATION/ REFURBISHMENT IN MALASYIA AND ASIA PACIFIC

Axis REIT walked away as winners at the prestigious Asia Pacific Property Awards 2014, taking home 2 awards for Axis Business Campus.

At the awards ceremony held at the Shangri-La Hotel in Kuala Lumpur on 9 May 2014, Axis-REIT's newly completed Axis Business Campus received the Five-Star Award for the Best Commercial Renovation/ Redevelopment in Malaysia and for Asia Pacific



The image shows a large award banner for the Axis Business Campus. The banner has a red background. At the top, it says "AXIS BUSINESS CAMPUS" in white. Below that is a photograph of the Axis Business Campus building at night, illuminated with red and white lights. The banner is flanked by two vertical black banners. The left banner features the Asia Pacific Property Awards logo, the text "ASIA PACIFIC PROPERTY AWARDS", "In association with Maybank", "BEST COMMERCIAL RENOVATION/ REDEVELOPMENT ASIA PACIFIC", "Axis Business Campus by Axis REIT Managers Berhad", "2014-2015", and the Yamaha logo. The right banner features the Asia Pacific Property Awards Development logo, the text "ASIA PACIFIC PROPERTY AWARDS DEVELOPMENT", "In association with Maybank", "★★★★★", "BEST COMMERCIAL RENOVATION/ REDEVELOPMENT MALAYSIA", "Axis Business Campus by Axis REIT Managers Berhad", "2014-2015", and the Smeg logo. At the bottom of the banner, it says "Winner of the Asia Pacific Property Award for Best Commercial Renovation & Redevelopment in Malaysia & Asia Pacific" in white text.

AXIS BUSINESS CAMPUS

ASIA PACIFIC PROPERTY AWARDS
In association with **Maybank**

BEST COMMERCIAL RENOVATION/ REDEVELOPMENT ASIA PACIFIC
Axis Business Campus by Axis REIT Managers Berhad
2014-2015
YAMAHA

ASIA PACIFIC PROPERTY AWARDS DEVELOPMENT
In association with **Maybank**

★★★★★
BEST COMMERCIAL RENOVATION/ REDEVELOPMENT MALAYSIA
Axis Business Campus by Axis REIT Managers Berhad
2014-2015
smeg

Winner of the Asia Pacific Property Award for Best Commercial Renovation & Redevelopment in Malaysia & Asia Pacific

Project	Analysis
Axis Business Campus (ABC)	<p><i>Initial Cost</i> : RM 34,173,526.21 <i>Redevelopment</i> : RM 23,639,326.00 <i>Total cost</i> : RM 57,812,852.21</p> <p><i>NLA</i> : 155,401 sq. ft. <i>Estimated Property Income</i> : RM 7,600,000</p> <p>Projected Gross Yield: 13%</p>

Current Status



After Enhancement



Axis Business Park Block C

After Enhancement



Lift Lobby



Entrance Lobby



F&B Corner

Project	Analysis
ABP Block C Refurbishment	<p><i>Initial Cost</i> : RM 46,393,274 <i>Redevelopment</i> : RM 12,324,149 (est.) <i>Total cost</i> : RM 58,735,423</p> <p><i>NLA</i> : 182,187 sq. ft. <i>Number of Car parks</i>: 166 <i>Estimated Property Income</i> : RM 7,200,000</p> <p>Projected Gross Yield : 12.26%</p>

Current Status



Annex Redevelopment

After Enhancement

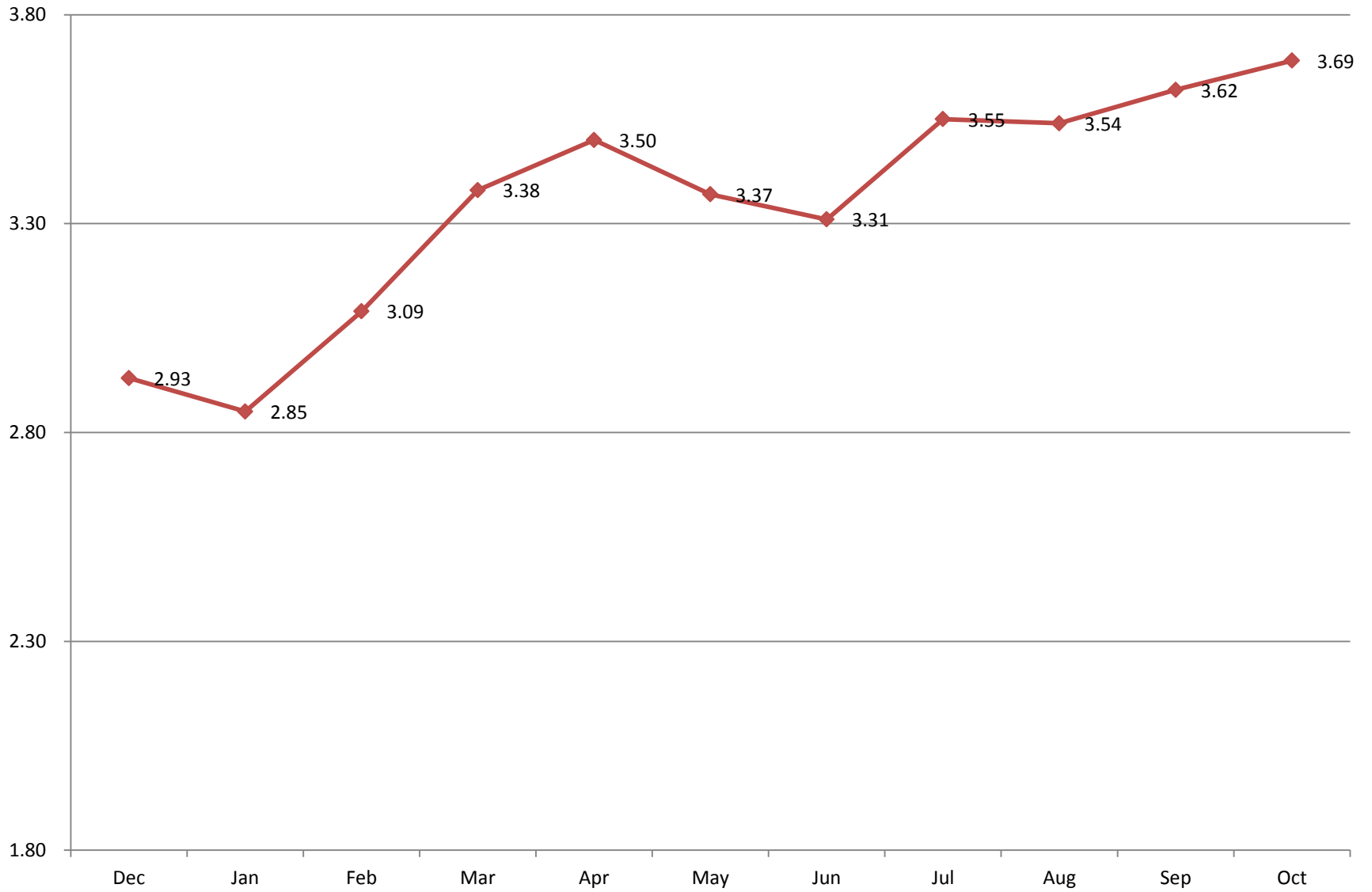


Project	Analysis
Annex Redevelopment	<p><i>Initial Cost</i> : RM 12,289,272.25 <i>Redevelopment</i> : RM 30,000,000.00 (est.) <i>Total cost</i> : RM 42,289,272.25</p> <p><i>NLA</i> : 127,133 sq. ft. (30% office & 70% warehouse) <i>Number of Car Parks</i>: 266 <i>Estimated Gross Property Income</i> : RM 4,500,000</p> <p>Projected Gross Yield : 10.6%</p>

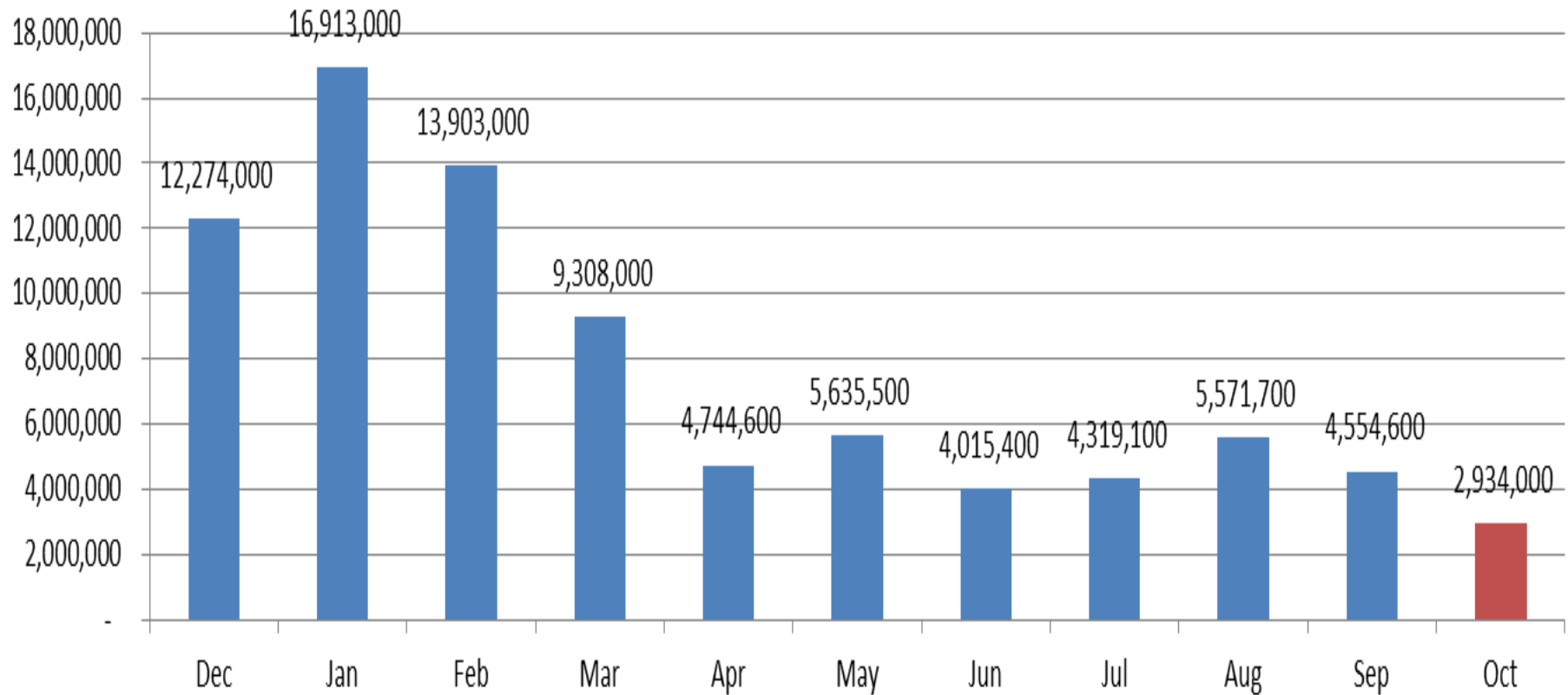


Investor Relations Report

Price Performance



Volume Performance



- Prices are now at RM 3.62 (30 Sept 2014).
- Unit Price appreciation from Dec 31 2013 to 30 Sept 2014 is 24%.

Note : October volume is up to 10 October 2014

1 Jan 2013 – 30 September 2014

Price & Volume Statistics



Source: Kenanga Online

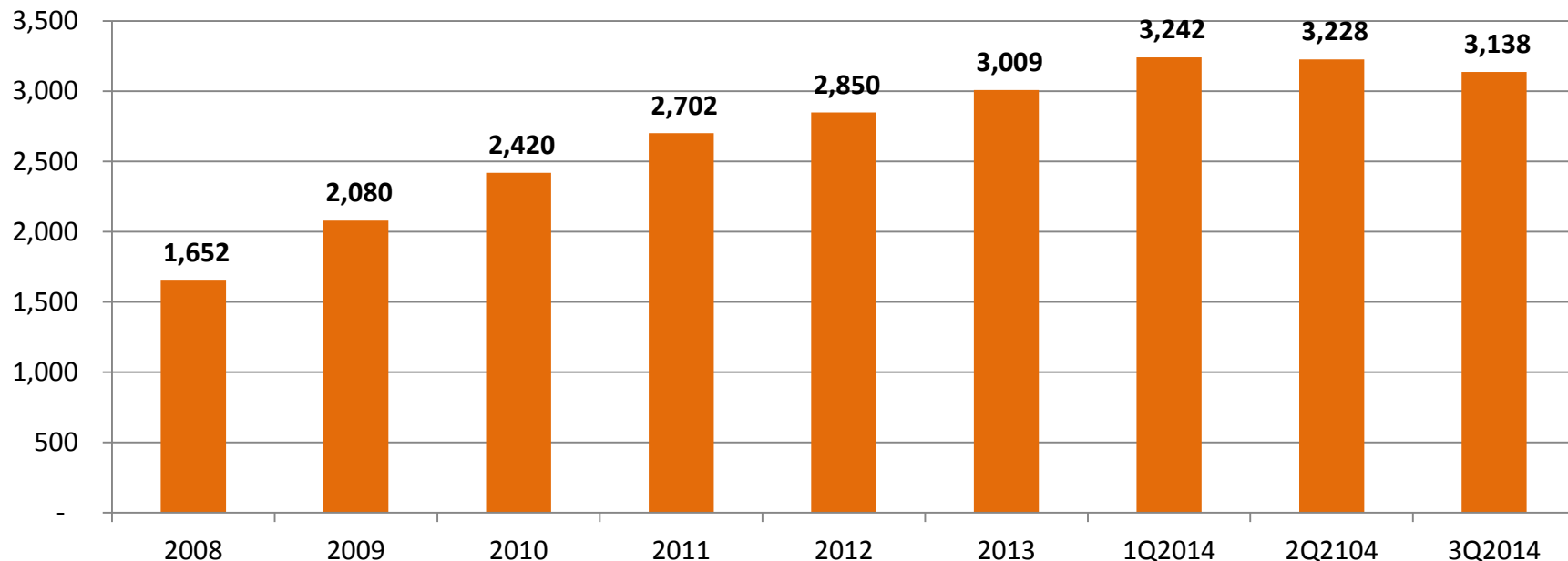
Unit Price 30 Sept 2014	RM 3.62
Unit Price @ 31 Dec 2013	RM 2.93
Unit Price @ 30 June 2014	RM 3.31
Highest Price 3Q2014 (September 2014)	RM 3.63
Lowest Price 1Q 2014 (January 2014)	RM 2.80
Average Monthly Volume YTD (to 30 Sept 2014)	8,124,000
Highest Monthly Volume YTD - (January 2014)	16,913,000
Lowest Monthly Volume YTD - (June 2014)	4,015,400

1	EMPLOYEES PROVIDENT FUND
2	SKIM AMANAH SAHAM BUMIPUTERA
3	KUMPULAN WANG PERSARAAN (DIPERBADANKAN)
4	TEW PENG HWEE @ TEOH PENG HWEE
5	ALEX LEE LAO
6	EXEMPT AN FOR AIA BHD.
7	DATO' CARL GUNNAR MYHRE
8	AS 1 MALAYSIA
9	AMANAH SAHAM DIDIK
10	PUBLIC SMALLCAP FUND

Top Unitholders' Percentage Holdings

1. Top 5 CDS accounts hold approximately 41% of total units in issue
2. Top 10 Unitholders hold approximately 58% of total units in issue
3. Unitholders with > 1 million units holding cumulatively account for 86% of total units in issue

No. of CDS Accounts



- ✓ Quarter-on-quarter, total number of CDS accounts decreased by 90 to 3,138.
- ✓ Total foreign holdings is recorded at 16.66%, of which 8.70 % is related party and 7.96% is non-related party
- ✓ Promoters' current holdings stand at 16.10%



Business Development Report

RELATED PARTY ACQUISITIONS

- ✓ Entered into SPAs for 3 related party assets on 4 August 2014.
- ✓ Total purchase price for all 3 RPTs – RM280.5 million.
- ✓ All 3 RPTs assets are located in Shah Alam prime :
 - SADC 2 - Section 16
 - SADC 3 – Section 33
 - Axis MRO Hub – Section 15
- ✓ Expected completion date – towards end of December 2014

THIRD PARTY ACQUISITION

- ✓ Entered into SPA for Industrial facility in SiLC (“Axis Steel Center @ SiLC”) on 3 October 2014.
- ✓ Expected completion date – towards end of December 2014.



Building C – LF Logistics



Building A&B – Konsortium Logistik

Land Area	:	approximately 23 acres
Gross floor area	:	Total – approx 694,000 sf
	:	Building A & B – approx 362,000 sf (Konsortium Logistik)
	:	Building C – approx 331,000 sf (LF Logistics)
Land Tenure	:	Freehold
Occupancy	:	100%
Solar panel leases	:	approx 297,000sf of roof space
Purchase Price	:	RM183 million
Valuation	:	RM183.245 million
Projected initial net yield	:	7.06%
Overall WALE	:	approx 4 years





Land Area	:	approximately 6 acres
Gross floor area	:	171,650 sf
Land Tenure	:	Leasehold expiring 8 August 2066
Occupancy	:	100%
Solar panel leases	:	approx 145,000sf of roof space
Purchase Price	:	RM45 million
Valuation	:	RM46 million
Projected initial net yield	:	7.0%
WALE	:	3 years



Axis MRO Hub – Section 15



Land Area	:	approximately 3 acres
Gross floor area	:	Total – approx 172,000 sf
Land Tenure	:	Leasehold – exp 12 Jan 2086
Occupancy	:	100%
Purchase Price	:	RM52.5 million
Valuation	:	RM53 million
Projected initial net yield	:	7.07%
Overall WALE	:	approx 7 years



Land Area	:	approximately 27 acres
Gross floor area plus hardstand	:	504,400 sf + 183,611 sf
Land Tenure	:	Freehold
Occupancy	:	100%
Purchase Price	:	RM153.5 million
Valuation	:	RM156.0 million
Projected initial net yield	:	7.2%
Overall WALE	:	15 years

Axis Steel Center @ SiLC Location



Thank you