



FOR IMMEDIATE RELEASE

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ARTIS RELEASES FOURTH QUARTER AND 2007 RESULTS; POSTS RECORD 21.6% INCREASE IN YEAR-OVER-YEAR FFO PER UNIT

Today Artis Real Estate Investment Trust ("Artis" or "the REIT") issued its financial results and achievements for the three month and twelve month periods ended December 31, 2007.

FINANCIAL AND OPERATIONAL HIGHLIGHTS

- ◆ Q4 revenue increased 93.2% to \$31.9 million; year over year, revenue increased 85.5% to \$99.3 million.
- ◆ Q4 net operating income ("NOI") increased 111.8% to \$22.1 million; year over year, NOI increased 97.0% to \$67.5 million.
- ◆ Q4 distributable income ("DI") increased 145.7% to \$12.7 million (\$0.41 per unit). Year over year, DI increased 137.0% to \$37.6 million (\$1.49 per unit).
- ◆ Q4 funds from operations ("FFO") increased 167.9% to \$12.3 million; year over year, FFO increased 154.9% to \$35.7 million.
- ◆ Record FFO per unit results were achieved in Q4; FFO per unit increased 30.0% to \$0.39; year over year, FFO per unit increased 21.6% to \$1.41.
- ◆ Q4 same property NOI (excluding non-cash revenue adjustments) increased 9.0% over last year (year-to-date, 8.5%) as a result of positive absorption of space in the properties and rate increases achieved on lease rollovers, particularly in Alberta.
- ◆ 2007 FFO results are exclusive of the \$2.5 million gain on the disposition of a non-core property in Saskatoon, Saskatchewan (\$0.08 per unit, net of tax).
- ◆ \$566.9 million of acquisitions were completed in 2007; \$179.6 million of acquisitions were completed in Q4.
- ◆ At December 31, 2007, mortgage debt-to-gross book value ("GBV") decreased to 49.2% from 52.1% at December 31, 2006.
- ◆ At December 31, 2007, portfolio occupancy increased to 97.4% (97.6% including committed space) from 95.8% at December 31, 2006.

SELECTED FINANCIAL INFORMATION

<i>\$000's, except per unit amounts</i>	Three month period ended December 31,		Year ended December 31,	
	2007	2006	2007	2006
Revenue	\$ 31,850	\$ 16,489	\$ 99,259	\$ 53,522
NOI	22,097	10,433	67,469	34,251
DI	12,681	5,162	37,638	15,878
FFO	12,276	4,582	35,670	13,995
DI per unit (basic)	0.41	0.34	1.49	1.32
FFO per unit (basic)	0.39	0.30	1.41	1.16
Distributions	0.26	0.26	1.05	1.05
FFO payout ratio	66.7%	86.7%	74.5%	90.5%

<i>\$000's</i>	December 31, 2007	December 31, 2006
Total assets	\$ 1,176,448	\$ 492,940
GBV	1,247,047	523,081
Mortgage debt	612,996	272,341
Debt-to-GBV	49.2%	52.1%
Total market capitalization	\$ 469,436	\$ 248,834

"Fiscal 2007 was, by every key measure, Artis REIT's most successful year to date," said Armin Martens, President and Chief Executive Officer of Artis. "Our portfolio GLA more than doubled and our total assets increased from \$493 million at the start of the year to almost \$1.2 billion at December 31, 2007. We are particularly pleased to report our FFO per unit results increased to \$1.41, a 21.6% increase over last year. At the same time, we have decreased our ratio of debt to GBV to less than 50% by year end, and our distribution payout ratio to less than 75% of FFO. We also have an excellent mortgage maturity profile and continue to enjoy a strong embedded growth profile."

2007 Acquisition Highlights:

In 2007, Artis acquired 45 commercial properties in western Canada, adding nearly 3.2 million square feet of leasable area to the portfolio. In Q4-07, Artis concluded the following acquisitions:

Property	Location	Acquisition Date	Type	Square Feet of Leasable Area (000's)
Glenmore Commerce Court	Calgary, AB	November 9, 2007	Office	58
Winnipeg Industrial Portfolio - 16 Buildings	Winnipeg, MB	November 15, 2007	Industrial	949
Brick Centre	Grande Prairie, AB	November 30, 2007	Retail	46
Paramount Building	Calgary, AB	November 30, 2007	Office	68
North City Centre	Edmonton, AB	November 30, 2007	Retail	105
Fort McMurray Portfolio - 6 Buildings	Fort McMurray, AB	November 30, 2007	Retail	164
Total				1,390

Readers are invited to view more details on these properties on our web site at www.artisreit.com.

2007 Financing Initiatives

During 2007, Artis concluded three public offerings of units, issuing at total of 15.3 million new trust units for gross aggregate proceeds of \$259.2 million. The proceeds of the offerings were used to fund acquisitions and for general working capital purposes. On December 12, 2007, Artis received TSX approval to initiate a Normal Course Issuer Bid (the "NCIB"). The NCIB commenced December 14, 2007 and remains in effect for one year. Under the terms of the NCIB, Artis may acquire up to 3,055,099 units; in fiscal 2007, Artis acquired 13,000 units for a total of \$196,000.

Artis entered into an agreement for a revolving term credit facility in the amount of \$75 million which may be utilized to fund acquisitions of commercial properties. \$7.5 million of the facility may be used for general corporate purposes and an additional \$10 million of the balance is available to purchase units under its NCIB. At December 31 2007, no amounts were drawn on the facility.

Operational Improvements and Internal Growth:

As a result of strong on-going leasing and renewal activity, Artis achieved overall portfolio occupancy of 97.4% (97.6% including committed space) at December 31, 2007, up from 95.8% at December 31, 2006. On a same property basis, occupancy increased from 95.8% to 96.4% at the end of 2007.

Quarterly growth in same property NOI was 2.8% (5.0% on a year-to-date basis); same property NOI growth is calculated using revenue calculated in accordance with generally accepted accounting principles ("GAAP"), less property operating expenses. Excluding GAAP adjustments for straight-line rent and above- and below-market rent adjustments, growth in same property NOI was 9.0% (8.5% on a year-to-date basis). The same property growth was driven primarily by increases in base rental rates achieved on lease turnovers. In Q4, the weighted average rental rates achieved on lease expiries in the period were approximately 50% higher than the rates in-place at expiry. Year-to-date, the increase over expiring rates was approximately 35%.

"By actively managing our growing portfolio - consistently moving our expiring below-market leases up to market rents - we have been able to surface significant embedded growth in our existing portfolio", said Martens. "Looking ahead, we have great visibility on our 2008 lease expiry schedule, with approximately 56% of our 2008 lease expiries already renewed at rates approximately 79% higher than the expiring rent rates. As we push ahead into the remaining 2008 expiries and 2009 expiries, we expect that under current market conditions, we can continue to surface embedded value for our unitholders."

At December 31, 2007, Artis estimates that the gap between in-place rental rates and current market rental rates on the 747,000 square feet of leases expiring in 2008 is over \$7 per square foot on average. More details on upcoming lease expiries and average in-place rents can be found in the REIT's December 31, 2007, Supplemental Information package. The Supplemental Information, as well as the audited Annual Consolidated Financial Statements and Management's Discussion and Analysis for the years ended December 31, 2007 and 2006, can be accessed from the REIT's web site at www.artisreit.com.

2008 Outlook

Artis expects to deliver another year of strong growth in 2008. Artis anticipates that there will be additional growth in revenues, property NOI, DI and FFO as the full impact of 2007 acquisitions is realized in 2008.

Acquisitions in 2008 are also expected to positively impact growth. Acquisitions aggregating \$45.6 million have already been concluded, as follows:

- ◆ On January 15, 2008, the REIT acquired King Edward Centre, located in Coquitlam, British Columbia.
- ◆ On February 1, 2008, the REIT acquired the Leon's Building, located in Nanaimo, British Columbia.
- ◆ On March 20, 2008, the REIT acquired two single tenant properties, known as Moose Jaw Sobeys and Estevan Sobeys, located in Saskatchewan.

At the existing level of debt to GBV and with funds available on the credit facility, Artis has sufficient capacity to pursue further acquisition opportunities in its target markets in 2008.

At December 31, 2007, in-place rental rates on our 2008 lease maturities were estimated to be 38.6% below market rates. As these leases expire and are renewed at current market rates, this will be an additional source of growth in revenues, property NOI, DI and FFO.

Artis has minimal exposure to financing risk, with 2% of its mortgage debt maturing late in 2008 and 4% maturing in 2009. The REIT does not anticipate difficulty in renewing or replacing these mortgages.

With its existing acquisition capacity and embedded growth profile, Artis expects to deliver another year of growth in 2008, in spite of turbulence in the capital markets and uncertainties in the credit markets. Western Canadian employment, retail sales growth and net migration figures outperformed Canada again in 2007. Oil and gas production and oil-sands development continue to be significant growth drivers in Alberta. Global demand for potash, uranium and other precious metals, as well as agricultural commodities continue to fuel growth in western Canada. In Alberta, new supply coming on the market, particularly in the Calgary office market, has slowed the velocity of leasing activity and had a moderating effect on rental rate increases. However, at current and forecast occupancy levels, management anticipates that the Alberta market will continue to be a strong landlord's market for 2008 and well in to 2009.

Upcoming Webcast and Conference Call:

Interested parties are invited to participate in a conference call with management at 1:00 p.m. EST today. In order to participate, please dial 1-416-641-6135 or 1-866-542-4262. You will be required to identify yourself and the organization on whose behalf you are participating.

Alternatively, you may access the simultaneous webcast by following the link from our website at http://www.artisreit.ca/areit_investor.php. Prior to the webcast, you may follow the link to confirm you have the right software and system requirements.

If you cannot participate on March 24th, a replay of the conference call will be available by dialing 1-416-695-5800 or 1-800-408-3053 and entering passcode #3252529. The replay will be available until March 31, 2008. The webcast will be archived 24 hours after the end of the conference call and will be accessible for 90 days.

Artis is a growth oriented real estate investment trust focused exclusively on commercial properties located in primary and growing secondary markets in western Canada, particularly in Alberta. The REIT's goal is to provide unitholders the opportunity to invest in high quality western Canadian office, retail and industrial properties, as well as to provide monthly cash distributions that are stable, tax efficient, and growing over time.

Artis owns approximately \$1.1 billion of commercial property, comprising approximately 6.3 million square feet of leasable area in 84 properties. Leasable area is approximately 31.0% in Manitoba, 7.9% in Saskatchewan, 55.4% in Alberta, and 5.7% in B.C.; by asset class the portfolio is 32.5% retail, 42.1% office and 25.4% industrial.

The REIT's Distribution Reinvestment Plan ("DRIP") allows unitholders to have their monthly cash distributions used to purchase trust units without incurring commission or brokerage fees, and receive bonus units equal to 4% of their monthly cash distributions. More information can be obtained at www.artisreit.com.

Non-GAAP Performance Measures

DI, Property NOI and FFO are non GAAP measures commonly used by Canadian income trusts as an indicator of financial performance. Management uses DI, Property NOI and FFO to analyze operating performance. DI, Property NOI and FFO may not be comparable to similar measures presented by other issuers. DI, Property NOI and FFO are not intended to represent operating profits for the period or from a property nor should any such measure be viewed as an alternative to net income, cash flow from operating activities or other measures of financial performance calculated in accordance with GAAP.

Cautionary Statements

The comments and highlights herein should be read in conjunction with the consolidated financial statements and management's discussion and analysis for the same period. These documents are available on the SEDAR website at www.sedar.com. They are also posted on the Artis web site at www.artisreit.com.

This press release contains forward looking statements. For this purpose, any statements contained herein that are not statements of historical fact may be deemed to be forward looking statements. Without limiting the foregoing, the words "expects", "anticipates", "intends", "estimates", "projects", and similar expressions are intended to identify forward looking statements.

Artis is subject to significant risks and uncertainties which may cause the actual results, performance or achievements of the REIT to be materially different from any future results, performance or achievements expressed or implied in these forward looking statements. Such risk factors include, but are not limited to, risks associated with real property ownership, availability of cash flow, general uninsured losses, future property acquisitions, environmental matters, tax related matters, debt financing, unitholder liability, potential conflicts of interest, potential dilution, reliance on key personnel, changes in legislation and proposed changes in the tax treatment of trusts. Artis cannot assure investors that actual results will be consistent with any forward looking statements and Artis assumes no obligation to update or revise such forward looking statements to reflect actual events or new circumstances. All forward looking statements contained in this press release are qualified by this cautionary statement.

The Toronto Stock Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

For further information please contact Mr. Armin Martens, President and Chief Executive Officer, Mr. Jim Green, Chief Financial Officer or Ms. Kirsty Stevens, Senior Vice President of the REIT at (204) 947 1250.