



FOR IMMEDIATE RELEASE

May 29, 2012

ARTIS ANNOUNCES INTENTION TO REDEEM OUTSTANDING SERIES E DEBENTURES

Artis Real Estate Investment Trust (TSX: AX.UN) ("Artis") announced today that it intends to redeem all of its outstanding 5 Year 7.50% Series E convertible redeemable unsecured subordinated debentures due June 30, 2014 (the "Series E Debentures") effective June 30, 2012 (the "Redemption Date") pursuant to and subject to the terms of the trust indenture dated as of July 9, 2009.

Each outstanding Series E Debenture in the principal amount of \$1,000 will be redeemed as at the Redemption Date upon payment by Artis of a redemption amount of \$1,037.50, being equal to the aggregate of the \$1,000 principal amount and all accrued and unpaid interest thereon up to but excluding the Redemption Date, less any taxes required to be deducted or withheld. Such amount will be payable upon presentation and surrender of the certificate(s) representing the Series E Debentures at the corporate trust office of BNY Trust Company of Canada, 320 Bay Street, 11th Floor, Toronto, Ontario M5H 4A6, Attention: Operations Department.

The trust indenture relating to the Series E Debentures provides that no conversion of Series E Debentures is permitted within the three business day period prior to June 30, 2012. Accordingly, each Series E Debenture will remain convertible into trust units of Artis at the option of the holder (the "**Series E Debentureholder**") at any time prior to the close of business on June 26, 2012, at a conversion price of \$9.30 per Unit, being a conversion rate of 107.527 per \$1,000 principal amount of the Series E Debentures. A Series E Debentureholder converting Series E Debentures will receive accrued and unpaid interest on such Series E Debentures from December 31, 2011 to and including May 31, 2012. Series E Debentureholders will receive payment on July 3, 2012, being the first business day following the redemption date.

As of May 28, 2012, an aggregate principal amount of \$7,351,000 of Series E Debentures was outstanding. The Series E Debentures are listed for trading on the Toronto Stock Exchange under the trading symbol "AX.DB.E".

Artis is a diversified Canadian real estate investment trust investing in office, industrial and retail properties. Since 2004, Artis has executed an aggressive but disciplined growth strategy, building a portfolio of commercial properties in Canada and the United States, with a major focus on Western Canada. Artis' commercial property comprises nearly 18.1 million square feet of leasable area in 170 properties. Leasable area by asset class is approximately 21.6% retail, 38.7% office and 39.7% industrial. The portfolio is located 9.2% in British Columbia, 29.6% in Alberta, 5.5% in Saskatchewan, 19.7% in Manitoba, 11.0% in Ontario and 25.0% in the U.S.

For further information please contact Mr. Armin Martens, President and Chief Executive Officer,
Mr. Jim Green, Chief Financial Officer or Ms. Kirsty Stevens, Chief Administrative Officer at
1.204.947.1250

*The Toronto Stock Exchange does not accept responsibility for the adequacy or accuracy of this
press release.*

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