FOR IMMEDIATE RELEASE **AUGUST 8, 2013**

ARTIS RELEASES SECOND QUARTER RESULTS: YEAR-OVER-YEAR AFFO PER UNIT INCREASES 12.5% AND PAYOUT RATIO DECREASES TO 85.7%

Today Artis Real Estate Investment Trust ("Artis" or "the REIT") issued its financial results and achievements for the three and six month periods ended June 30, 2013. All amounts are in thousands of Canadian dollars, unless otherwise noted.

"In Q2-13 we continued to execute on our internal and external growth strategy. We closed on eight new accretive property acquisitions in our our key target markets, raised $172.5 million of new equity capital and delivered solid performance in our operating results" said Armin Martens, CEO of Artis. "Occupancy levels remain above 95%, Same Property NOI growth is strong at 3.1% and the leasing program for the remainder of 2013 is nearly complete."

2013 SECOND QUARTER HIGHLIGHTS

- Acquired a total of 8 commercial properties in Q2-13 for $76.7 million, reaching a gross book value ("GBV") of $4.9 billion at June 30, 2013, compared to $4.4 billion at December 31, 2012.
- Raised $172.5 million of equity pursuant to a prospectus offering of new units at a price of $16.55.
- Decreased mortgage debt to GBV to 45.4% at June 30, 2013, compared to 47.3% at December 31, 2012; decreased total debt to GBV to 49.2%, compared to 51.5% at December 31, 2012.
- Increased Q2-13 Property NOI by 25.0% to $71.7 million compared to Q2-12; increased year-over-year Property NOI by 30.0% to $143.3 million.
- Increased Q2-13 Same Property NOI by 3.1% compared to Q2-12; increased year-over-year Same Property NOI by 2.8%.
- Increased Q2-13 FFO per unit by 12.9% to $0.35 per unit compared to Q2-12; increased year-over-year FFO per unit by 17.7% to $0.73 per unit.
- Increased Q2-13 AFFO per unit by 11.1% to $0.30 per unit compared to Q2-12; increased year-over-year AFFO per unit by 12.5% to $0.63 per unit.
- Decreased FFO payout ratio to 74.0% at June 30, 2013, compared to 87.1% at June 30, 2012; decreased AFFO payout ratio to 85.7% at June 30, 2013, compared to 96.4% at June 30, 2012.
- Improved Q2-13 interest coverage ratio to 2.77 times, from 2.38 times at Q2-12; improved year-over-year interest coverage ratio to 2.80 times, from 2.35 times.

SELECTED FINANCIAL INFORMATION

		Three month period ended		June 30,		Six month period ended		June 30,
$000's, except per unit amounts		**2013**		**2012**		**2013**		**2012**
Revenue	$	110,737	$	86,835	$	219,516	$	168,967
Property NOI	$	71,739	$	57,381		143,255		110,223
Distributions per common unit	$	0.27	$	0.27		0.54		0.54
FFO (1)	$	43,927	$	33,329		88,704		63,219
Diluted FFO per unit (1)	$	0.35	$	0.31	$	0.73	$	0.62
FFO payout ratio (1)		77.1 %		87.1 %		74.0 %		87.1 %
AFFO	$	37,420	$	28,991		76,284		55,591
Diluted AFFO per unit	$	0.30	$	0.27	$	0.63	$	0.56
AFFO payout ratio		90.0 %		100.0 %		85.7 %		96.4 %

(1) Calculated after adjustments for transaction costs.

Artis' ratio of mortgages, loans and bank indebtedness to GBV declined since December 31, 2012, as follows:

$000's	June 30, 2013	December 31, 2012
GBV	4,916,446	4,380,766
Mortgages, loans and bank indebtedness	2,230,227	2,073,607
Mortgages, loans and bank indebtedness to GBV	45.4 %	47.3 %

Portfolio Acquisition Activity

During Q2-13, Artis acquired the following properties:

Property	Property Count	Acquisition Date	Location	Property Type	Owned Share of GLA
220 Portage	1	April 30, 2013	Winnipeg, MB	Office	170,158
Quarry Park Portfolio	3	May 15, 2013	Calgary, AB	Office	282,327
1700 Broadway (1)	1	May 22, 2013	Denver, CO	Office	197,076
ASM America Headquarters Building	1	June 4, 2013	Phoenix, AZ	Industrial	130,282
Cara Foods Building (2)	-	June 5, 2013	Vaughan, ON	Office	100,398
Oakdale Village	1	June 10, 2013	Twin Cities Metropolitan Area, MN	Retail	164,860
PTI Building	1	June 28, 2013	Edmonton, AB	Industrial	71,654

(1) The REIT acquired a 50% interest in this joint venture.

(2) The REIT acquired the remaining 50% interest in this property.

Artis acquired the above eight commercial properties in addition to the remaining 50% interest in Cara Foods Building, for aggregate purchase prices of $237.9 million and US$102.8 million respectively. This represented a weighted-average capitalization rate of 6.5%. Artis also acquired two parcels of development lands – one in Winnipeg, MB for $7.2 million, and the other in the Twin Cities Metropolitan Area, MN, for US$2.7 million. The purchase prices for the acquisitions and development lands were settled with cash on hand and from proceeds of new or assumed mortgage financing aggregating $118.6 million and US$34.4 million. Subsequent to closing the Cara Foods Building acquisition, Artis refinanced the mortgage for an additional $1.7 million for a ten-year term. The weighted-average interest rate and term to maturity of these financings is 3.6% per annum and nine years, respectively.

Subsequent to June 30, Artis obtained new 7.5 year mortgage financing on the Oakdale Village property in an amount of US$20.4 million. A 3-year interest rate swap has been placed on the mortgage, such that the mortgage bears interest at a fixed rate of 2.80% per annum.

Liquidity and Capital Resources

At June 30, 2013, Artis had $42.7 million of cash and cash equivalents on hand and $70.0 million available on the revolving term credit facility. Liquidity and capital resources will be impacted by financings, portfolio acquisition activities and debt repayments occurring subsequent to June 30, 2013.

Subsequent to Q2-13, Artis acquired or entered into unconditional agreements to acquire the following properties:

Property	Property Count	Anticipated Acquisition Date	Location	Property Type	Owned Share of GLA
161 Inverness	1	July 31, 2013	Denver, CO	Office	256,767
North Scottsdale Corporate Center II	1	September 10, 2013	Scottsdale, AZ	Office	152,629

These properties are being acquired for aggregate purchase prices of US$109.6 million, representing a weighted-average capitalization rate of 6.2%. 161 Inverness was settled with cash on hand and from the proceeds of a new seven-year mortgage in an amount of US$39.1 million, bearing interest at a fixed rate of 3.96% per annum. North Scottsdale Corporate Center II is expected to be settled with cash on hand and from the proceeds of new mortgage financing, to be arranged.

On July 29, 2013, Artis closed a bought deal offering of cumulative rate reset preferred trust units, Series G, for aggregate gross proceeds of $80.0 million, including the partial exercise of the underwriters' over-allotment option.

Portfolio Operational and Leasing Results

Artis' key operational and leasing results continued to perform in-line with expectations in Q2-13. Occupancy at June 30, 2013 was 95.1% (96.6% including commitments on vacant space) compared to 95.8% at March 31, 2013, and 94.6% at June 30, 2012. Excluding GAAP adjustments for straight-line rent and amortization of tenant inducements, Same Property NOI results for Q2-13 increased 3.1% over Q2-12 results (year-over-year, 2.8%). In Q2-13, Artis renewed 598,165 square feet of leasable area at a weighted-average rate increase of 10.0% (year-to-date, 8.6%).

Considering all properties owned at June 30, 2013 (and not subsequently sold), 7.6% of the portfolio's leasable area is set to expire in 2013 and 10.7% in 2014. Thus far, 64.9% of leasable area expiring in the remainder of 2013 has been renewed or committed to new leases; the 2013 leasing program is approximately 85% complete. Management estimates that the weighted-average market rent for leases expiring in the remainder of 2013 and in 2014 are 4.2% and 8.0%, respectively, above in-place rents. Across the portfolio, management estimates that the weighted-average market rents at expiry for the entire portfolio are 7.6% above in-place rents.

Tenant Profile

The weighted-average term to maturity of leases at June 30, 2013, is 4.9 years. Approximately 62.5% of the REIT's gross revenue is derived from national or government tenants. Government tenants account for 7.4% of the portfolio's gross revenues, with a weighted-average lease term to maturity of 7.6 years. The top twenty non-government tenants are well-diversified across industry sectors include many national, international and publicly listed companies. They collectively account for 18.5% of the portfolio's gross revenues, with a weighted-average term to maturity of 6.6 years.

Upcoming Webcast and Conference Call:

Interested parties are invited to participate in a conference call with management on Friday, August 9, 2013 at 12:00 p.m. CST (1:00 p.m. EST). In order to participate, please dial 1-416-340-2216 or 1-866-226-1792. 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.com/investor-link/conference-callspresentations/. Prior to the webcast, you may follow the link to confirm you have the right software and system requirements.

If you cannot participate on August 9, 2013, a replay of the conference call will be available by dialing 1-905-694-9451 or 1-800-408-3053 and entering passcode #3164633. The replay will be available until August 23, 2013. The webcast will be archived 24 hours after the end of the conference call and will be accessible for 90 days.

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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 over 24.7 million square feet of leasable area in 232 properties. Property NOI by asset class is approximately 24.5% retail, 52.1% office and 23.4% industrial. Property NOI by geographical region is approximately 8.8% in British Columbia, 38.8% in Alberta, 6.0% in Saskatchewan, 12.3% in Manitoba, 12.3% in Ontario and 21.8% in the U.S.

Non-GAAP Performance Measures

Property Net Operating Income (“Property NOI”), Funds from Operations (“FFO”) and Adjusted Funds from Operations ("AFFO") are non-GAAP measures commonly used by Canadian real estate investment trusts as an indicator of financial performance. "GAAP" means the generally accepted accounting principles described by the Canadian Institute of Chartered Accountants ("CICA") Handbook - Accounting, which are applicable as at the date on which any calculation using GAAP is to be made. As a publicly accountable enterprise, Artis applies the International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board ("IASB").

Artis calculates Property NOI as revenues, measured in accordance with IFRS, less property operating expenses such as taxes, utilities, repairs and maintenance. Property NOI does not include charges for interest and amortization. Management considers Property NOI to be a valuable measure for evaluating the operating performance of the REIT's properties.

Artis calculates FFO substantially in accordance with the guidelines set out by the Real Property Association of Canada (“REALpac”), as issued in November 2012. Management considers FFO to be a valuable measure for evaluating the REIT’s operating performance in achieving its objectives.

Artis calculates AFFO based on FFO for the period, net of allowances for normalized capital expenditures and leasing costs and excluding straight-line rent adjustments and unit-based compensation expense.

Property NOI, FFO and AFFO are not measures defined under IFRS. Property NOI, FFO and AFFO are not intended to represent operating profits for the period, or from a property, nor should any of these measures be viewed as an alternative to net income, cash flow from operating activities or other measures of financial performance calculated in accordance with IFRS. Readers should be further cautioned that Property NOI, FFO and AFFO as calculated by Artis may not be comparable to similar measures presented by other issuers.

Cautionary Statements

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. Particularly, statements regarding the REIT's future operating results, performance and achievements are 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 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, Chief Administrative Officer of the REIT at (204) 947-1250.