
 AIMS AIMS AMP CAPITAL INDUSTRIAL REIT	 AIMS AMP CAPITAL INDUSTRIAL REIT MANAGEMENT LIMITED As Manager of AIMS AMP Capital Industrial REIT 1 Raffles Place, #21-01 OUB Centre Singapore 048616
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(Constituted in the Republic of Singapore pursuant to a Trust Deed dated 5 December 2006 (as amended))

Press Release: 12 May 2010

AIMS AMP Capital Industrial REIT announces Full Year 2010 Financial Results

Financial results summary

	4QFY2010	4QFY2009	Var (%)	FY2010	FY2009	Var. (%)
Gross Revenue (S\$'000)	15,595	13,065	+19.4	50,944	50,827	+0.2
Net Property Income (S\$'000)	11,889	9,272	+28.2	40,140	36,856	+8.9
Distributable income to Unitholders (S\$'000) ¹	7,885	4,995	+57.9	22,343	23,421	(4.6)
Distribution per unit ("DPU")(Cents) ²	0.5376	1.875	(71.3)	5.1234	8.925	(42.6)
Annualised DPU	2.1504					
Annualised Yield ³	10.0%					

Distribution details

Distribution Period	1 January 2010 – 31 March 2010
DPU (Cents)	0.5376
Ex - Date	20 May 2010
Books Closure Date	24 May 2010
Distribution Payment Date	28 June 2010

¹ The Trust's distribution policy is to distribute at least 90% of its taxable income for the full financial year. For FY2010, the Manager has resolved to distribute 100% of the taxable income available for distribution to the Unitholders.

² DPU for 4QFY2010 and FY2010 were lower than the corresponding periods largely due to (i) the issuance of 221,428,572 Placement Units and 975,627,332 Rights Units in 3QFY2010 and (ii) higher borrowing costs.

³ Based on annualised 4QFY2010 DPU of 2.1504 cents and closing unit price of 21.5 cents on 11 May 2010.

Singapore, 12 May 2010 – AIMS AMP Capital Industrial REIT Management Limited (the “**Manager**”) as Manager of AIMS AMP Capital Industrial REIT (the “**Trust**”) is pleased to announce a distribution to Unitholders of S\$7.9 million for the fourth quarter ended 31 March 2010 (“**4QFY2010**”), which represents a **DPU of 0.5376 cents**.

The pro forma impact of the recapitalization transactions carried out in the third quarter ended 31 December 2009 was set out in the Circular to Unitholders of AIMS AMP Capital Industrial REIT dated 6 November 2009 (the “**Circular**”) and the Offer Information Statement dated 30 November 2009. In essence, the pro forma analysis showed a pro forma DPU of 1.04 cents for the six months (or 0.52 cents for the three months (“**Pro forma DPU**”)) ended 30 September 2009. The actual DPU for 4QFY2010 was 0.5376 cents, which is 3.4% above the Pro forma DPU.

The total distribution for the financial year (“**FY2010**”) is S\$22.3 million.

The **books closure date** to determine the entitlement to the distribution for 4QFY2010 is **24 May 2010** and the date payable is 28 June 2010.

Gross revenue was up 19.4% period-on-period to S\$15.6 million in 4QFY2010, reflecting the full quarterly rental income contribution from 1A IBP which was acquired in 3QFY2010 and 80 days rental income contribution from the four AMP Capital properties which were acquired in 4QFY2010. The five newly acquired properties will contribute an aggregate full year rental income of approximately S\$12.0 million for the next financial year.

Net property income was up 28.2% period-on-period to S\$11.9 million in 4QFY10 and up 8.9% year-on-year to S\$40.1 million in FY2010. The increase in net property income was driven by the acquisition of the five properties together with net lower operating expenses.

The amount available for distribution was up by 57.9% period-on-period to S\$7.9 million in 4QFY2010 and was slightly down by 4.6% year-on-year to S\$22.3 million for FY2010. These results were driven by the contribution from the five newly acquired properties off-set by higher interest expense.

The Trust’s distributions are supported by the following key factors:

- **Portfolio occupancy is 96.0%**, which compares favourably with the Singapore industrial average of 91.2%⁴.
- **Security deposits** which support the rental obligation of tenants, with the **average security deposit** being **9.5 months per property**.

⁴ URA 1st quarter 2010 Real Estate Statistics dated 23 April 2010.

- **A weighted average lease expiry of 4.4 years.**
- **Organic rental growth** is supported by built-in escalations which range from 2.5% to 8% and which average approximately **1.5% per annum** on each of the Trust's 21 properties subject to a master lease.
- The Trust has **five multi-tenanted properties** in its portfolio, giving it exposure to **expected growth in market rentals** as the Singapore economy continues to improve.

Key financial and operational metrics

Mr Nicholas McGrath, Chief Executive Officer of the Manager, said, "We are pleased to complete the financial year in a position of strength after having achieved a number of significant milestones which have improved the Trust's financial and operational metrics.

Following the successful recapitalization of the Trust in 3QFY2010 which raised S\$217.1 million, the Trust ended its financial year with a market capitalization of S\$315.3 million, low aggregate leverage of 28.9% as at 31 March 2010 and a stable debt platform with no maturities out to 2012. The quality and diversity of the Trust's portfolio was further improved with the acquisition of five investment grade properties⁵ as part of the recapitalization transactions."

Mr McGrath went on to say: "As we commence our 2011 financial year, the key financial and operational metrics of the REIT include:

- An **annualized yield of 10.0%**⁶ which represents a spread of 9.5% over the Singapore 12 month fixed deposit rate of 0.5%⁷ and a spread of 1.9% over the Singapore industrial REIT sector average yield of 8.1%⁸ as at 11 May 2010.
- **Aggregate leverage of 28.9%** as at 31 March 2010.
- A **robust net asset value ("NAV") of 31 cents per unit** as at 31 March 2010, following a write down of asset values of 13.1% during the period from 31 December 2008 to 31 March 2010.
- A **unit price of 21.5 cents** as at 11 May 2010, representing a **30.6% discount** to the NAV.
- An **interest cover ratio ("ICR") of 4.2x** for 4QFY2010, compared to the Trust's bank facility ICR of 2.5x.

⁵ The acquisition of 1A International Business Park ("1A IBP") was completed on 30 November 2009. The acquisition of the four AMP Capital Properties, 23 Tai Seng Drive, 3 Toh Tuck Link, 56 Serangoon North Avenue 4 and 30/32 Tuas West Road was completed on 11 January 2010.

⁶ Based on annualised 4QFY2010 DPU of 2.1504 cents and closing unit price of 21.5 cents on 11 May 2010.

⁷ 12 month fixed deposit rate as at 30 April 2010. Source: Website of the Monetary Authority of Singapore.

⁸ Based on Bloomberg analyst consensus estimates as at 11 May 2010.

- Strong, stable and predictable cashflows supported by **occupancy of 96.0%**, a **weighted average lease expiry of 4.4 years** and an **average of 9.5 months of security deposit per property** underpinning contracted rental obligations.
- Property portfolio of 26 properties with an independently assessed total value of S\$635.25 million.”

Key Achievements in FY2010

Mr McGrath said: “FY2010 was truly a transformational year for AIMS AMP Capital Industrial REIT. Key achievements during the year included the following:

- Rebranding of MI-REIT to AIMS AMP Capital Industrial REIT.
- Acquisition of 50% of the Trust’s Manager and Property Manager by AMP Capital Investors, resulting in the REIT enjoying the benefit of the joint sponsorship of AIMS Financial Group and AMP Capital Investors.
- Refinance and partial repayment of the S\$ Term Loan of S\$202.3 million.
- Refinance and partial repayment of the JPY Term Loan of JPY1.5 billion.
- Completion of the recapitalization exercise involving a S\$62 million placement and a S\$155.1 million rights issue.
- Completion of the acquisition of 1A International Business Park, the premium grade business park property space for S\$90.2 million.
- Completion of the acquisition of four high quality properties from AMP Capital Investors for S\$68.6 million.
- Issue of a Capital Markets Service License to the Manager in January 2010.”

Strategy for AIMS AMP Capital Industrial REIT moving forward

Mr McGrath said: “AIMS AMP Capital Industrial REIT commences financial year 2011 having resolved all of the issues holding it back in previous years, with a solid balance sheet demonstrating low leverage against conservative asset valuations, and is well positioned for growth. The Trust now has the support of two strong sponsors in AIMS Financial Group and AMP Capital Investors who bring a combination of demonstrated real estate funds management experience and an open approach to investment opportunities to enhance the management team.

AIMS AMP Capital Industrial REIT has a clear set of strategies which are designed to close the gap between trading price and NAV and to clearly differentiate itself from other Singapore industrial REITs. The goal of management, at all times, is to enhance Unitholder wealth by growing distributable income and to maximize the value of the Trust's portfolio."

Moving forward the Trust's clear objective is to increase Unitholders' value and liquidity through repositioning and growth of the existing portfolio. The Manager intends to achieve this through:-

- An immediate focus on repositioning the Singapore portfolio through selective asset recycling seeking to replace likely underperforming assets, combined with intensive asset management programs on retained assets.
- Negotiation for an increase in the facility amount under the existing debt facility bringing total aggregate leverage from the current level of 29% up to approximately 35%. This will be the medium term targeted maximum debt level.
- Refinancing of the existing S\$175 million debt facility.
- Positioning the Trust as an investor across all of the major industrial / business space sub sectors in medium sized single tenant assets and, potentially, larger facilities, where the income can be derived from multiple tenants, thus spreading income risk and allowing for organic value add through management input.
- Focus on the Singapore market in the near to medium term, but true to the original investment mandate for the Trust, over the longer term seeking opportunities across Asia where the two Sponsors have a presence, such as China, and increasing that geographical footprint as the Sponsors' own businesses expand across Asia.
- Exploring the medium term opportunities for delivering development value to Unitholders through participation in selective development opportunities.
- Enhancing the skills applied by the current management team through selective additional appointments and systems upgrades, with particular emphasis on the provision of high level support where needed from the Sponsors.

Moving forward, the Manager intends to actively implement its strategies through one or more of the following activities:-

1. *Portfolio management*

- The disposal of the existing single asset held in Japan during the next six months with a redeployment of the net proceeds into either repayment of Singapore debt or into a Singapore acquisition.

- The potential sale of one or more smaller assets in Singapore as a result of management's analysis of likely underperforming assets with the intention of redeploying the proceeds into repayment of Singapore debt and/or Singapore property acquisition.
- The utilization of asset sale proceeds and existing debt capacity to acquire quality Singapore industrial real estate.
- An increase of the critical mass of the Trust so as to position it for successful future growth. The Manager is targeting to increase the assets under management from the current S\$657.7 million as at 31 March 2010 towards \$1.4 billion within five years.
- As existing master leases expire and the Trust assumes multi-tenant relationships on its property portfolio, a sharply increased focus on positive leasing outcomes to capitalize on the expected improvement in market rentals as the Singapore economy recovers from the global financial crisis.
- The potential participation in build to suit development opportunities with partners over the medium term within the limits prescribed by the Singapore Property Funds Appendix.
- The enhancement of selected assets in the portfolio by increasing net lettable area to meet tenants' growth requirements or identified demand in the market.

2. Capital management

- The maintenance of aggregate leverage between 30-35% through the next property cycle, increasing to the maximum in this band in the short term to fund the acquisition activity discussed above.
- A broadening and diversification of the Trust's funding sources beyond the existing key relationships with Standard Chartered Bank, Commonwealth Bank of Australia and National Australia Bank.
- The targeting of a refinance of the Trust's existing S\$175 million facility with a view to improving the financing terms for the Trust.
- Continuity of appropriate hedging of market based risks such as interest rate and exchange rate risks.
- The targeting of an investment grade rating of Baa3 or above (current rating Ba2) from Moody's by maintaining strict financial discipline and investment grade metrics over the cycle.

3. Revised geographic focus

AIMS AMP Capital Industrial REIT was listed in April 2007 with an investment mandate to invest in a diversified portfolio of income producing real estate located throughout Asia, which is used for industrial/business space purposes.

The strategy in the near to medium term is to re-focus the Trust on opportunities in Singapore.

Beyond this, management will consider opportunities in overseas markets where the Trust's Sponsors have a presence, such as China, and to take advantage of opportunities arising from the growth of the Sponsors' businesses across the Asia region. Management will allocate resources to a complete analysis of investing structures and opportunities in those markets to prepare the REIT for possible acquisitions in the future.

For now the Trust will seek to dispose of its single asset in Japan, but may seek to re-enter the Japanese market in a considered and more sustainable manner over the medium to long term when suitable opportunities arise.

Outlook

In April 2010, the Ministry of Trade and Industry revised Singapore's growth estimates for 2010 upwards to between 7.0% to 9.0%. The upward revision came on the back of an exceptionally strong first quarter 2010 performance in Singapore and a significant improvement in global financial markets and economic climate since April 2009.

The Singapore industrial property sector appears to have begun its recovery with a plateau in the decline of industrial rental rates and a small increase in rental rates for selected sub-sectors. A sustained economic recovery in Singapore and Asia will support the industrial market's recovery.

Barring any unforeseen adverse circumstances and based on Units in issue as at 31 March 2010, management's guidance for DPU in FY2011 of approximately 2.08 cents is consistent with the proforma analysis set out in the Circular.

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Important Notice

The value of Units and the income derived from them may fall as well as rise. The Units are not obligations of, deposits in, or guaranteed by, the Manager, or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that unitholders of AIMS AMPCI REIT may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This document is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units. The past performance of AIMS AMPCI REIT is not necessarily indicative of the future performance of AIMS AMPCI REIT.

This document may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses (including employee wages, benefits and training costs), property expenses and governmental and public policy changes. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's view of future events.

About AIMS AMP Capital Industrial REIT (AIMS AMPCI REIT)

Managed by AIMS AMP Capital Industrial REIT Management Limited, AIMS AMP Capital Industrial REIT was established with the principal investment objective of owning and investing in a diversified portfolio of income-producing industrial real estate assets in Singapore and Asia. The principal Sponsors of AIMS AMPCI REIT are the AIMS Financial Group, which has a solid track record in the Australian mortgage and securitisation markets, and AMP Capital Investors International Holdings Limited, a direct wholly-owned subsidiary of AMP Capital. AIMS AMPCI REIT consists of 25 industrial properties located throughout Singapore and one property in Tokyo, Japan, with an appraised total value of S\$635.25 million based on valuations obtained as at 21 December 2009 and 28 January 2010, respectively.

About AIMS Financial Group

Established in 1991 by its founder, Mr. George Wang, AIMS Financial Group is an Australian diversified non-bank financial services and investment group which has a solid track record in the Australian mortgage and securitization markets. Since establishment, AIMS Financial Group has also expanded to become an international financial group focusing on lending, securitization, real estate investment, private equity, investment banking, funds management, securities exchange ownership and e-commerce across the Asia Pacific region.

AIMS is an Australian Financial Service (AFS) License holder for securitization trust manager granted by the Australian Securities and Investments Commission (ASIC).

In the eight years to 2007, AIMS has raised directly and indirectly close A\$3 billion in funds from the capital markets, with most of the RMBS rated AAA by both Standard & Poors and Fitch Ratings.

AIMS has originated over A\$5 billion of high quality, prime home loans since 1997.

In the real estate funds management area, AIMS is an Australian Financial Service (AFS) License holder for real estate funds manager and mortgage funds manager granted by the Australian Securities and Investments Commission (ASIC).

AIMS have been very active in introducing international investors into the Australian real estate market, AIMS has attracted over A\$1 billion of investment from its international clients to invest in Australian direct property.

Recent acquisitions have added to AIMS Financial Group's synergy and enhanced the vertical integration of AIMS Financial Group's real estate, funds management and capital market businesses. These include the acquisitions of Asia Pacific Exchange Limited (APX), one of Australia's three licensed securities exchanges in 2008, and Macarthur Cook Limited in 2009.

The winner of over 30 Australian Financial Services Industry awards, AIMS Financial Group is head quartered in Sydney, Australia, with offices across Australia, China and Singapore, and representations in Hong Kong, AIMS Financial Group has a strong physical presence in the Asia Pacific region.

Together with our highly qualified, professional and experienced cross-cultural teams, AIMS Financial Group is in a very strong position to bridging the gap between Australia and China in various markets, especially in properties, resources, fund management, high-tech, banking and financial services.

AMP Capital Investors

AMP Capital Investors is a specialist investment manager with A\$97 billion in assets under management as at 31 December 2009. AMP Capital is a wholly owned subsidiary of AMP Limited. AMP Capital's teams of specialists operate across direct and listed real estate, infrastructure, equities, fixed income and credit.

As one of the largest institutional real estate fund managers in Australia and New Zealand, AMP Capital has A\$15.7 billion in global real estate assets under management. The group has over 45 years of real estate investment expertise and is ranked a Global Top 20 real estate investment manager by Watson Wyatt in 2009.

With established operations in Australia, New Zealand, China, India, Japan, Singapore and the United Kingdom, AMP Capital has almost 240 in-house investment professionals, around 900 staff globally and a carefully selected network of regional investment partners who can source competitive international investment opportunities catering for the varying needs of its clients.

AMP Capital expanded its Singapore office in 2006 and is committed to building its investment business in Asia. As AMP Capital's Asian regional hub, the Singapore team specialises in Asian real estate, equities and distribution.

AMP is one of Australia's largest retail and corporate pension providers, and one of the region's most significant investment managers with over A\$114 billion in assets under management as at 31 December 2009. AMP was established in 1849 as a mutual company and listed on the Australian and New Zealand stock exchanges in 1998. AMP has more than 3.6 million customers and over 3,500 employees. It has one of Australia's largest shareholder registers, with approximately 800,000 shareholders. One in six Australian adults is an AMP customer.