

 <p><b>AIMS</b> 宝泽</p> <p><b>AIMS AMP CAPITAL INDUSTRIAL REIT</b></p>	<p><b>AIMS AMP CAPITAL INDUSTRIAL REIT MANAGEMENT LIMITED</b></p> <p>As Manager of AIMS AMP Capital Industrial REIT One George Street, #23-03 Singapore 049145</p>
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## Media Release

### AIMS AMP Capital Industrial REIT Q3 distribution to unitholders up 26.3 percent

**Singapore 29 January 2014** – AIMS AMP Capital Industrial REIT Management Limited (the Manager) as manager of AIMS AMP Capital Industrial REIT (the Trust) today announced the 3Q FY2014 distribution to unitholders rose 26.3 percent year-on-year to \$14.6 million.

The Board of Directors declared Distribution Per Unit (DPU) of 2.77 cents per unit, an increase of 7.4 percent compared to the same period last year.

The Manager’s Chief Executive Officer, Mr Koh Wee Lih said: “We are pleased to deliver a solid and growing DPU to investors in the third quarter of FY2014.

“The Trust performed strongly during the quarter, with net property income up 26.6 percent compared to the same period last year. This was primarily due to the rental contribution from the completed redevelopment of 20 Gul Way Phases One & Two,” Mr Koh said.

During the quarter the Trust successfully secured 12 leases (new and renewal), at a weighted average rental increase of 27.2 percent which will contribute positively to distributions in the coming quarters. New and renewed leases represented 1.9 percent of the portfolio’s net lettable area and the Trust’s occupancy rose to 98.2 percent.

“In addition to active property and lease management, we remain committed to enhancing value within our portfolio. In September we commenced the next development phase of 20 Gul Way (Phase Two Extension and Phase Three), which will add 496,949 sqft gross floor area to the site. With master tenant CWT Limited leasing the entire floor space, the development is expected to contribute an additional S\$6.3<sup>1</sup> million rental income per annum once completed,” he said.

During 3Q FY2014, the Manager achieved the following milestones:

- Made a maiden Australian investment to acquire a 49 percent interest in a premium business park, Optus Centre, in Macquarie Park, Sydney, Australia
- Progressed development of 103 Defu Lane 10, which is now 75 percent complete and TOP expected by the end of May 2014

The Manager maintained prudent capital management, with the quarter’s aggregate leverage at 26.5 percent.

<sup>1</sup> Please refer to SGX announcement dated 6 June 2013

Key highlights for 3Q FY2014 are:

- DPU of 2.77 cents per unit for the quarter
- Increased distribution to unitholders by 26.3 percent year-on-year to S\$14.6 million
- Increased net property income by 26.6 percent year-on-year to S\$18.7 million
- Portfolio value grew to S\$1.13 billion at 3Q FY2014 from S\$1.09 billion at 2Q FY2014
- Announced major acquisition of 49 percent interest in Optus Centre, Sydney, Australia

For the third quarter of FY2014, the Manager achieved the following financial performance metrics:

- Aggregate leverage of 26.5 percent (average of 30% for 17 consecutive quarters);
- An Interest Cover Ratio (ICR) of 6.3 times for 3Q FY2014, compared to the Trust's bank facility ICR covenant of 2.5 times;
- A weighted average debt maturity of 2.5 years

The Trust's stable distributions are supported by the following portfolio strengths:

- Portfolio value rose from S\$1.09 billion (as at 30 September 2013) to S\$1.13 billion (as at 31 December 2013)
- Higher portfolio occupancy rate of 98.2 percent, compared to the Singapore industrial average of 91.9 percent;
- A weighted average land lease expiry of 38.4 years.

## **Outlook**

"In December 2013, the US Federal Reserve announced the start of its tapering of quantitative easing programme. In addition, the Fed has indicated that interest rates will remain low until there are improvements in employment rates. There continues to be concern about interest rates rising, which is expected to affect funding costs of real estate vehicles such as REITs. The Trust's existing capital structure is well positioned to manage these challenges with no debt due for refinancing until October 2015 and with 83.5 per cent of the Group's borrowings on fixed rates taking into account the interest rate swaps and the Medium Term Notes.

"The Singapore industrial property market entered a relatively steady state in 4Q 2013 with rents moderating significantly. Similar to the previous quarter, leasing activity in 4Q 2013 was driven by renewals. Barring any unforeseen event, the Trust is well positioned to maintain a stable performance for the financial year ending 31 March 2014," Mr Koh said.

## Financial results summary

	Note	3Q FY2014	2Q FY2014	+/(-) %	3Q FY2013	+/(-) %	YTD FY2014	YTD FY2013	+/(-) %
		S\$'000	S\$'000	%	S\$'000	%	S\$'000	S\$'000	%
Gross revenue	(a)	27,317	26,926	1.5	25,741	6.1	78,767	68,272	15.4
Net property income	(a)	18,677	18,224	2.5	14,754	26.6	52,635	44,380	18.6
Distribution to Unitholders	(b)	14,643	14,481	1.1	11,595	26.3	41,612	33,951	22.6
Distribution per Unit ("DPU") (cents)		2.770	2.750	0.7	2.580	7.4	8.020	7.580	5.8

- (a) Please refer to section 8 on "Review of the performance" under unaudited financial statement for explanation of the variances.
- (b) The Trust achieved an amount available for distribution of S\$15.0 million for 3Q FY2014. AACI REIT's distribution policy is to distribute at least 90.0% of the Trust's taxable income for the full financial year. For 3Q FY2014, the Manager has resolved to distribute 97.4% of the taxable income available for distribution to the Unitholders.

## Distribution and Books Closure Date

Distribution	For 1 October 2013 to 31 December 2013
Distribution Rate	2.770 cents per Unit
Books Closure Date	10 February 2014
Payment Date	27 March 2014

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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 AACI 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 AACI REIT is not necessarily indicative of the future performance of AACI 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**

Managed by AIMS AMP Capital Industrial REIT Management Limited, AACI 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 AACI REIT are the AIMS Financial Group and AMP Capital Investors International Holdings Limited, part of the AMP Group, one of Australia's largest retail and corporate pension providers and one of the region's most significant investment managers. AACI REIT consists of 25 industrial properties located throughout Singapore with an appraised total value of S\$1.09 billion based on valuations obtained as at 30 September 2013.

#### **About AIMS Financial Group ("AIMS")**

Established in 1991, AIMS Financial Group (AIMS) is a diversified financial services and investment group with a solid track record and enviable reputation in the mortgage lending, fund management and securitisation markets in Australia, active in the areas of lending, securitisation, investment banking, funds management, property investment and high-tech investment. AIMS also 100% owns Asia Pacific Stock Exchange (APX).

Since 1999, AIMS has raised approximately A\$4.0 billion in funds from the capital markets. Of this, AIMS has issued approximately A\$3.0 billion residential mortgage-backed securities, with most of them rated AAA by both Standard & Poors and Fitch Ratings, and has originated over A\$5.0 billion of high quality prime home loans since 1997.

AIMS has actively introduced a number of international investors into the Australian markets and to date has also attracted over A\$1.0 billion of investments into Australia from overseas investors.

AIMS is also the investment manager for AIMS' funds, which amount to approximately A\$1.5 billion fund as at 31 December 2012.

AIMS' head office is in Sydney, Australia, and it has businesses across Australia, China, Hong Kong and Singapore. Our highly qualified, professional and experienced cross-cultural teams enable AIMS to bridge the gap between Australia and China across various sectors.

#### **About AMP Capital**

AMP Capital is one of Asia Pacific's largest investment managers with over A\$131 billion in funds under management (as at 30 June 2013). Ranked a Top 5 real estate investment manager in Asia by ANREV 2013, AMP Capital has over A\$21 billion in global direct and listed real estate funds under management (as at 30 June 2013), and over 50 years of investment experience.

AMP Capital's team of specialists operate across direct and listed real estate and infrastructure, fixed income, equities and diversified funds. AMP Capital is proud to support the AIMS AMP Capital Industrial REIT with specialist expertise across industrial development, industrial asset management and debt management. The team also has access to AMP Capital's structuring and operating professionals with legal, tax, fund accounting and investor relations capabilities.

AMP Capital has established operations in Australia, Bahrain, China, Hong Kong, India, Japan, Luxembourg, New Zealand, Singapore, the United Kingdom and the United States. AMP Capital's ongoing commitment to the Asian region is exemplified through their strategic partnerships in the region. In 2011 AMP Capital entered a strategic business and capital alliance with Mitsubishi UFJ Trust and Banking Corporation (MUTB), a leading Japanese trust bank which provides services to institutions and retail clients, across retail and corporate banking, trust assets, real estate and global markets. In September 2013 AMP Capital formed a joint venture with China Life Insurance (Group) Company to create China Life AMP Asset Management Company Limited, which will offer retail and institutional investors in China access to investment solutions.

AMP Capital's on the ground resources and extensive network of carefully selected regional investment partners means AMP Capital can source competitive investment opportunities catering to the varied needs of its clients.