

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

AIMS AMP Capital Industrial REIT announces first greenfield build-to-suit development

Singapore, 4 August 2016 – The Manager of AIMS AMP Capital Industrial REIT (AA REIT) today announced plans for its first third-party greenfield build-to-suit (BTS) development facility for leading manufacturer, Beyonics International Pte Ltd (Beyonics).

Located at the junction of Marsiling Road and Marsiling Lane, the five-storey build-to-suit production facility will cost approximately S\$39.4 million, including land and associated transaction costs. The facility will be built on a 8,611.6 sqm plot of land acquired by AA REIT.

Beyonics has committed to a 10 year master lease term on the entire property with annual rent escalations throughout the lease term, providing an estimated S\$3.5 million in rental income in the first year.

The Manager's Chief Executive Officer Mr Koh Wee Lih said, "The project is a significant step for AA REIT as our first third-party greenfield development which builds on our successful track record with four prior redevelopments of our existing portfolio."

"This is in line with our strategy of seeking risk-adjusted yield accretive investments, on top of unlocking organic growth within our portfolio."

He said, "The development further underscores our focus on building long-term relationships with high-quality tenants by offering customised solutions."

AA REIT has sufficient funding capacity for this development which is expected to be completed in the second half of 2017. AA REIT's pro forma leverage based on its position at 31 March 2016, and taking into account the completion of the ongoing redevelopments at 30 & 32 Tuas West Road and 8 & 10 Tuas Avenue 20, will remain healthy at 36.0 per cent.

The development will impact Distribution per Unit (DPU) by 0.30 cents¹ and the yield on cost of this development is estimated to be around 8.9 per cent.

¹ The DPU impact set out in this announcement is for illustration purposes only and purely on a pro forma basis based on the assumptions that AA REIT had completed, held and operated the proposed development for the whole of the financial year ended 31 March 2016, the proposed development was fully funded with debt and based on Units in issue of 635,366,206 as at 31 March 2016.

Boustead Projects Limited has been appointed as the contractor.

More about the proposed development

The property will be a purpose-built five-storey production facility with a gross floor area of approximately 231,738 sqft. The expected gross development value upon completion is estimated at S\$42.9 million². The land tenure of the development site is approximately 28 years.

Situated strategically within the Marsiling Industrial Estate, the new development will be well-served by major arterial expressways and will be in close proximity to the Johor-Singapore causeway.

Fig 1. Artist's impression of the development



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² Based on CBRE Pte. Ltd.'s valuation dated 3 August 2016 on an "as-if-complete" basis.

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 AA 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 AA REIT is not necessarily indicative of the future performance of AA 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, AA REIT was established with the principal investment objective of owning and investing in a diversified portfolio of income-producing industrial real estate located throughout the Asia Pacific that is used for industrial purposes, including, but not limited to warehousing and distribution activities, business park activities and manufacturing activities. The principal sponsors of AA 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. AA REIT's existing portfolio consists of 26 industrial properties, 25 of which are located throughout Singapore with a total appraised value of S\$1.22 billion based on valuations obtained as at 31 March 2016. AA REIT has 49.0% interest in one business park property, Optus Centre located in Macquarie Park, New South Wales, Australia valued at A\$445.0 million as at 31 March 2016.

About AIMS Financial Group ("AIMS")

Established in 1991, AIMS Financial Group ("AIMS") is a diversified financial services and investment group, active in the areas of mortgage lending, securitisation, investment banking, funds management, property investment and stock broking. AIMS also 100% owns Sydney Stock Exchange.

Since 1999, AIMS has raised approximately A\$4.0 billion in funds from the capital markets. This includes both residential mortgage-backed securities and investments into Australia from overseas investors. AIMS is also the investment manager for AIMS Fund Management and manages approximately A\$1.8 billion as at 31 March 2016. Since 2009 after the global financial crisis, AIMS Group had a total acquisition and investment amount of over A\$2.0 billion assets.

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 committed to delivering outstanding investment outcomes for clients with contemporary solutions in fixed income, equities, real estate, infrastructure and multi-asset portfolios. Sharing a heritage with AMP that spans more than 160 years, AMP Capital is one of the largest investment managers in the Asia Pacific region. A home strength in Australia and New Zealand has enabled AMP Capital to grow internationally, and operations are now established in Bahrain, China, Hong Kong, India, Japan, Luxembourg, the United Kingdom and the United States.

AMP Capital collaborates with a network of global investment partners, leveraging insights to provide greater access to new investment opportunities across a range of single sector and diversified funds. For more information, please visit: ampcapital.com.au