AIMS AMP CAPITAL INDUSTRIAL REIT	**AIMS AMP CAPITAL INDUSTRIAL REIT UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT THIRD QUARTER ENDED 31 DECEMBER 2016 ("3Q FY2017")**

Introduction

AIMS AMP Capital Industrial REIT ("AA REIT" or the "Trust") is a real estate investment trust which was listed on the Main Board of the SGX-ST on 19 April 2007. The principal investment objective of the Manager is to invest in a diversified portfolio of income-producing real estate assets located in Singapore and throughout the Asia-Pacific region that is used for industrial purposes, including, but not limited to warehousing and distribution activities, business park activities and manufacturing activities. The Manager's key objectives are to deliver stable distributions to Unitholders and to provide long-term capital growth.

The Group[1] has a portfolio of 27 industrial properties, 26 of which are located throughout Singapore and one business park property in Macquarie Park, New South Wales ("NSW"), Australia[2].

Summary of AIMS AMP Capital Industrial REIT Group results

	Note	3Q FY2017	2Q FY2017	+/(-)	3Q FY2016	+/(-)	YTD FY2017	YTD FY2016	+/(-)
		S$'000	S$'000	%	S$'000	%	S$'000	S$'000	%
Gross revenue	(a)	30,369	29,910	1.5	32,547	(6.7)	89,513	94,102	(4.9)
Net property income	(a)	19,789	19,266	2.7	21,055	(6.0)	59,460	61,957	(4.0)
Share of results of joint venture (net of tax)	(a)	3,714	3,320	11.9	3,539	4.9	10,639	26,049	(59.2)
Distribution to Unitholders	(b)	17,691	17,526	0.9	18,108	(2.3)	52,742	53,319	(1.1)
Distribution per Unit ("DPU") (cents)		2.77	2.75	0.7	2.85	(2.8)	8.27	8.40	(1.5)

Notes:

(a) Please refer to section 8 on "Review of the performance" for explanation of the variances.

(b) The Manager resolved to distribute S$17.7 million for 3Q FY2017, comprising (i) taxable income of S$16.6 million from Singapore operations; and (ii) tax-exempt income distribution of S$0.6 million and capital distribution of S$0.5 million from distributions remitted from the Group's investment in Optus Centre, Macquarie Park, NSW, Australia.

AA REIT's distribution policy is to distribute at least 90.0% of the Trust's Singapore taxable income for the full financial year. For 3Q FY2017, the Manager has resolved to distribute 98.8% of the Singapore taxable income available for distribution to the Unitholders. Please refer to details in section 1(a)(ii) for the distribution statement.

[1] The Group comprises AIMS AMP Capital Industrial REIT, its wholly-owned subsidiaries and its interest in a joint venture.

[2] AA REIT has a 49.0% interest in Optus Centre located in Macquarie Park, NSW, Australia.

Distribution and Books Closure Date

Distribution	For 1 October 2016 to 31 December 2016	
Distribution Type	(a) Taxable Income (b) Tax-Exempt Income (c) Capital Distribution[3]	
Distribution Rate	(a) Taxable Income Distribution: (b) Tax-Exempt Income Distribution: (b) Capital Distribution[3]:	2.60 cents per Unit 0.10 cents per Unit 0.07 cents per Unit 2.77 cents per Unit
Books Closure Date	17 February 2017	
Payment Date	23 March 2017	

1 (a)(i) Consolidated Statements of Total Return

	Note	Group 3Q FY2017 S$'000	Group 3Q FY2016 S$'000	+/(-) %	Group YTD FY2017 S$'000	Group YTD FY2016 S$'000	+/(-) %
Gross revenue	(a)	30,369	32,547	(6.7)	89,513	94,102	(4.9)
Property operating expenses	(a)	(10,580)	(11,492)	(7.9)	(30,053)	(32,145)	(6.5)
Net property income	(a)	19,789	21,055	(6.0)	59,460	61,957	(4.0)
Foreign exchange gain		2	32	(93.8)	7	9	(22.2)
Interest and other income	(b)	15	314	(95.2)	2,371	373	>100.0
Borrowing costs	(a)	(4,426)	(5,033)	(12.1)	(13,928)	(15,134)	(8.0)
Manager's management fees		(1,885)	(1,844)	2.2	(5,562)	(5,500)	1.1
Other trust expenses	(a)	(488)	(417)	17.0	(1,285)	(1,439)	(10.7)
Non-property expenses		(6,799)	(7,294)	(6.8)	(20,775)	(22,073)	(5.9)
Net income before joint venture's results		13,007	14,107	(7.8)	41,063	40,266	2.0
Share of results of joint venture (net of tax)	(a),(c)	3,714	3,539	4.9	10,639	26,049	(59.2)
Net income		16,721	17,646	(5.2)	51,702	66,315	(22.0)
Net change in fair value of investment properties and investment properties under development	(d)	5,147	(2,752)	>(100.0)	300	(13,828)	>(100.0)
Net change in fair value of derivative financial instruments	(e)	2,191	499	>100.0	1,635	506	>100.0
Total return before income tax		24,059	15,393	56.3	53,637	52,993	1.2
Income tax expense	(f)	(562)	(557)	0.9	(1,002)	(3,481)	(71.2)
Total return after income tax		23,497	14,836	58.4	52,635	49,512	6.3

[3] This relates to the tax deferred component arising from the distributions remitted from the Group's investment in Optus Centre, Macquarie Park, NSW, Australia.

Notes:

(a) Please refer to section 8 on "Review of the performance" for explanation of the variances.

(b) Interest and other income in the current year included the proceeds of S$2.3 million from the full and final settlement received from the insurance company for the property at 8 & 10 Tuas Avenue 20 due to a fire incident in 2015.

(c) The share of results of joint venture (net of tax) comprised contribution from the Group's 49.0% interest in Optus Centre, which is located in Macquarie Park, NSW, Australia.

(d) The net change in fair value of investment properties of S$5.1 million for 3Q FY2017 relates to the surplus on revaluation of 30 Tuas West Road development upon obtaining Temporary Occupation Permit ("TOP") on 27 December 2016. The independent valuation of the property was carried out by Savills Valuation And Professional Services (S) Pte Ltd as at 27 December 2016. For 3Q FY2016, the net change in fair value of investment properties of S$2.8 million was in relation to the partial write-off of the property at 8 & 10 Tuas Avenue 20 due to a fire incident.

The net change in fair value of investment properties and investment properties under development is a non-tax chargeable/deductible item and has no impact on the taxable income and distributable income to the Unitholders.

(e) This relates to changes in fair value due to the revaluation of the Trust's interest rate swap contracts in accordance with Financial Reporting Standard ("FRS") 39. Please refer to note (f) of section 1(b)(i) for further details of the swap contracts.

The net change in fair value of derivative financial instruments is a non-tax chargeable/deductible item and has no impact on the taxable income and distributable income to the Unitholders.

(f) Income tax expense relates to withholding tax paid / payable by the Trust on the distribution and interest income from Australia, income tax payable by the Trust's wholly-owned subsidiary, AACI REIT MTN Pte Ltd ("AACI REIT MTN") as well as provision for deferred tax liabilities for the Trust's investment in Australia.

1(a)(ii) Distribution Statement

	Note	Group 3Q FY2017 S$'000	Group 3Q FY2016 S$'000	+/(-) %	Group YTD FY2017 S$'000	Group YTD FY2016 S$'000	+/(-) %
Total return before income tax		24,059	15,393	56.3	53,637	52,993	1.2
Net effect of tax adjustments	(a)	(5,119)	3,990	>(100.0)	1,935	18,724	(89.7)
Other adjustments	(b)	(2,139)	(2,029)	5.4	(6,019)	(21,453)	(71.9)
Amount available for distribution from Singapore taxable income		16,801	17,354	(3.2)	49,553	50,264	(1.4)
Distribution from Singapore taxable income	(c)	16,605	16,837	(1.4)	49,139	49,447	(0.6)
Distribution from tax-exempt income	(d)	639	508	25.8	2,041	1,111	83.7
Capital distribution	(e)	447	763	(41.4)	1,562	2,761	(43.4)
Distribution to Unitholders		17,691	18,108	(2.3)	52,742	53,319	(1.1)

Notes:

(a) Net effect of tax adjustments

	Group 3Q FY2017 S$'000	Group 3Q FY2016 S$'000	+/(-) %	Group YTD FY2017 S$'000	Group YTD FY2016 S$'000	+/(-) %
Amortisation and write-off of borrowing transaction costs	192	225	(14.7)	619	673	(8.0)
Foreign exchange gain	(4)	(29)	(86.2)	(12)	(7)	71.4
Manager's management fees in Units	943	459	>100.0	2,779	1,651	68.3
Net change in fair value of investment properties and investment properties under development	(5,147)	2,752	>(100.0)	(300)	13,828	>(100.0)
Net change in fair value of derivative financial instruments	(2,191)	(499)	>100.0	(1,635)	(506)	>100.0
Net tax adjustment on foreign sourced income	617	593	4.0	1,802	1,783	1.1
Proceeds from insurance claims	-	-	-	(2,330)	-	NM
Temporary differences and other tax adjustments	471	489	(3.7)	1,012	1,302	(22.3)
Net effect of tax adjustments	(5,119)	3,990	>(100.0)	1,935	18,724	(89.7)

NM: not meaningful.

(b) Other adjustments comprised primarily the net accounting results of the Trust's subsidiaries.

(c) The Trust's distribution policy is to distribute at least 90.0% of the Trust's Singapore taxable income for the full financial year. For 3Q FY2017, the Manager has resolved to distribute 98.8% of the Singapore taxable income available for distribution to the Unitholders.

(d) This relates to tax-exempt income arising from the distributions remitted from the Group's investment in Optus Centre, Macquarie Park, NSW, Australia.

(e) This relates to the tax deferred component arising from the distributions remitted from the Group's investment in Optus Centre, Macquarie Park, NSW, Australia.

1(b)(i) Statements of Financial Position as at 31 December 2016 vs. 31 March 2016

	Note	Group 31 Dec 2016 S$'000	Group 31 Mar 2016 S$'000	+/(-) %	Trust 31 Dec 2016 S$'000	Trust 31 Mar 2016 S$'000	+/(-) %
Non-current assets							
Investment properties	(a)	1,229,142	1,172,400	4.8	1,229,142	1,172,400	4.8
Investment properties under development	(b)	24,087	44,900	(46.4)	24,087	44,900	(46.4)
Subsidiaries	(c)	-	-	-	85,200	85,200	-
Joint venture	(d)	227,368	225,213	1.0	-	-	-
Trade and other receivables	(e)	2,403	2,719	(11.6)	2,403	2,719	(11.6)
Derivative financial instruments	(f)	1,436	-	NM	1,436	-	NM
		1,484,436	1,445,232	2.7	1,342,268	1,305,219	2.8
Current assets							
Trade and other receivables		6,725	6,731	(0.1)	5,835	5,599	4.2
Cash and cash equivalents	(g)	8,939	7,490	19.3	8,439	7,385	14.3
		15,664	14,221	10.1	14,274	12,984	9.9
Total assets		**1,500,100**	**1,459,453**	2.8	**1,356,542**	**1,318,203**	2.9
Non-current liabilities							
Trade and other payables	(h)	8,499	9,921	(14.3)	8,499	9,921	(14.3)
Interest-bearing borrowings	(i)	386,981	371,578	4.1	271,618	257,720	5.4
Derivative financial instruments	(f)	2,519	3,528	(28.6)	25	396	(93.7)
Deferred tax liabilities	(j)	5,584	5,237	6.6	-	-	-
		403,583	390,264	3.4	280,142	268,037	4.5
Current liabilities							
Trade and other payables	(k)	22,866	28,430	(19.6)	21,820	27,397	(20.4)
Interest-bearing borrowings	(i)	129,841	99,906	30.0	129,841	99,906	30.0
Derivative financial instruments	(f)	304	132	>100.0	304	132	>100.0
		153,011	128,468	19.1	151,965	127,435	19.2
Total liabilities		**556,594**	**518,732**	7.3	**432,107**	**395,472**	9.3
Net assets		**943,506**	**940,721**	0.3	**924,435**	**922,731**	0.2
Represented by:							
Unitholders' funds		943,506	940,721	0.3	924,435	922,731	0.2
		943,506	**940,721**	0.3	**924,435**	**922,731**	0.2

NM: not meaningful.

Notes:

(a) The increase in investment properties was mainly due to the transfer of S$60.7 million (which included revaluation gain of S$5.1 million recognised in 3Q FY2017) from investment properties under development for 30 Tuas West Road upon obtaining TOP on 27 December 2016 and partially offset by a revaluation deficit of S$4.8 million recognised in September 2016.

(b) As of 31 December 2016, investment properties under development relates to the redevelopment of 8 & 10 Tuas Avenue 20 and a Build-To-Suit ("BTS") development at Marsiling.

On 14 April 2016, the Manager announced plans for the Trust's fourth redevelopment project which would transform two adjoining two-storey detached industrial spaces at 8 & 10 Tuas Avenue 20 into a versatile industrial facility with ramp and cargo lift access. This redevelopment would increase the gross floor area of the property by around 41,614 square feet from 117,521 square feet to approximately 159,135 square feet.

On 4 August 2016, the Manager announced plans for the Trust's first third-party greenfield BTS development facility for leading manufacturer, Beyonics International Pte Ltd at Marsiling. The five-storey BTS production facility with an estimated gross floor area of approximately 231,738 square feet will cost around S$39.4 million, including land and associated costs.

The two developments are targeted to be completed in the second half of 2017.

(c) This relates to the Trust's interest in its wholly-owned subsidiaries, AACI REIT MTN, AIMS AMP Capital Industrial REIT (Australia) Trust and AACI REIT Opera Pte. Ltd.

(d) This relates to the Group's 49.0% interest in Macquarie Park Trust, the Australian unit trust which holds Optus Centre, located in Macquarie Park, NSW, Australia. The increase in the joint venture balances was mainly due to the strengthening of the Australian dollar against the Singapore dollar. As the cost of the Australian investment is substantially hedged through the use of Australian dollar denominated loans, there is a corresponding increase in interest-bearing borrowings of S$2.2 million (see note 1(b)(i)(i) below).

(e) Non-current trade and other receivables relate to the unamortised portion of the marketing services commission for leases with tenors of more than one year.

(f) The derivative financial instruments as at 31 December 2016 were in relation to interest rate swap contracts with a total notional amount of S$355.9 million. As at 31 December 2016, approximately 84.0% of the Group's borrowings were on fixed rates taking into account (i) the interest rate swap contracts entered into and (ii) the Medium Term Notes. Under the interest rate swap contracts, the Group pays fixed interest rates of between 1.500% to 3.825% per annum and receives interest at the three-month Singapore dollar swap offer rate or at the three-month Australian bank bill swap bid rates, as the case may be.

(g) Cash and cash equivalents as at 31 December 2016 of S$8.9 million was S$1.4 million higher compared to balances as at 31 March 2016. This was partly attributable to the timing of cash generated from operating activities, net of distributions to Unitholders and the payment of retention sum of S$1.7 million for the redevelopment of Phase 2E and Phase 3 of 20 Gul Way. The property at 20 Gul Way obtained Certification of Statutory Completion on 29 June 2016.

(h) Non-current trade and other payables comprised rental deposits received from tenants with tenors of more than one year and retention sum of S$1.0 million (31 March 2016: S$1.7 million) relating to the redevelopment of 30 Tuas West Road.

(i) The increase in interest-bearing borrowings of the Group by S$45.3 million as at 31 December 2016 was mainly due to the net drawdown of S$43.0 million of the Trust's facilities to fund the redevelopment of 30 Tuas West Road, 8 & 10 Tuas Avenue 20, the land acquisition and development costs of the greenfield development at Marsiling and working capital purposes as well as the increase in the Australian dollar denominated borrowings of S$2.2 million due to the strengthening of the Australian dollar against the Singapore dollar. The current interest-bearing borrowings relate to the Trust's revolving credit facility and A$65.1 million term loan which are due to mature in November 2017. The Trust is currently working with its lenders to assess the refinancing options for these borrowings. Please refer to the details of interest-bearing borrowings in section 1(b)(ii).

On 25 July 2016, the Trust executed a supplemental loan facility agreement with its syndicate of five financial institutions to upsize its existing secured facility for a four-year term loan facility of S$100.0 million. The term loan facility was drawn down to redeem the S$100.0 million unsecured medium term notes ("Medium Term Notes") which matured on 8 August 2016.

(j) This relates to the provision of deferred tax liabilities for the Trust's investment in Australia.

(k) Current trade and other payables as at 31 December 2016 included retention sums of S$1.5 million relating to the development of 30 Tuas West Road, 8 & 10 Tuas Avenue 20 and greenfield development at Marsiling as well as development costs payable of S$2.9 million relating to the redevelopment of 30 Tuas West Road and 8 & 10 Tuas Avenue 20 (31 March 2016: included retention sum of S$1.7 million relating to the redevelopment of 20 Gul Way and development costs payable of S$6.5 million relating to the redevelopment of 30 Tuas West Road). These costs will be funded by the committed loan facilities of the Trust. As at 31 December 2016, the Group and the Trust have undrawn committed facilities of S$90.3 million to fulfil their liabilities as and when they fall due.

1(b)(ii) Aggregate amount of borrowings

	Group 31 Dec 2016 S$'000	Group 31 Mar 2016 S$'000	Trust 31 Dec 2016 S$'000	Trust 31 Mar 2016 S$'000
Interest-bearing borrowings				
Amount repayable within one year				
Secured				
Term loans	68,127	-	68,127	-
Revolving credit facility	62,000	-	62,000	-
Unsecured				
Medium Term Notes	-	100,000	-	100,000
	130,127	100,000	130,127	100,000
Less: Unamortised borrowing transaction costs	(286)	(94)	(286)	(94)
	129,841	99,906	129,841	99,906
Amount repayable after one year				
Secured				
Term loans	308,476	274,417	192,739	160,056
Revolving credit facility	-	19,000	-	19,000
Unsecured				
Medium Term Notes	80,000	80,000	80,000	80,000
	388,476	373,417	272,739	259,056
Less: Unamortised borrowing transaction costs	(1,495)	(1,839)	(1,121)	(1,336)
	386,981	371,578	271,618	257,720
Total	516,822	471,484	401,459	357,626

Details of borrowings and collateral

(a) Secured borrowings

(i) Secured debt facility and revolving credit facility of the Trust

The facility comprised:

- a three-year term loan facility of A$65.1 million to partially fund the 49.0% interest in Optus Centre, Macquarie Park, NSW, Australia;
- a four-year term loan facility of S$125.0 million to fund real estate development and/or acquisitions;
- a three-year revolving credit facility of S$120.0 million; and
- a four-year term loan facility of S$100.0 million to redeem the S$100.0 million unsecured Medium Term Notes which matured on 8 August 2016.

The details of the collateral for the facility are as follows:

- first legal mortgage over 13 investment properties of the Trust; and
- assignment of rights, title and interest in leases, insurances and rental proceeds of the related mortgaged investment properties.

(ii) Secured Australian dollar denominated term loan facility of a subsidiary

The syndicated debt facility comprised a A$110,655,000 five-year term loan facility to partially fund the acquisition of the 49.0% interest in Optus Centre.

The details of the collateral are as follows:

- first ranking general security agreement over the current and future assets and undertakings of AMP Capital AA REIT Investments (Australia) Pty Limited in its capacity as trustee of AA REIT Macquarie Park Investment Trust (an indirect wholly-owned subsidiary of the Trust) (the "Borrower"), including the Borrower's units in Macquarie Park Trust; and
- first ranking specific security agreement from AMP Capital Investors Limited in its capacity as trustee for AIMS AMP Capital Industrial REIT (Australia) Trust over the units of the Borrower and all present and future rights and property interests in respect of the units in the Borrower.

(b) Unsecured borrowings

On 25 July 2012, the Trust, through its subsidiary AACI REIT MTN, established a S$500 million Multi-currency Medium Term Note Programme ("MTN Programme").

As at 31 December 2016, S$80.0 million Medium Term Notes had been issued comprising:

(i) S$50.0 million five-year Medium Term Notes with a fixed rate of 3.80% per annum, payable semi-annually in arrears and will mature on 21 May 2019; and

(ii) S$30.0 million seven-year Medium Term Notes with a fixed rate of 4.35% per annum, payable semi-annually in arrears and will mature on 5 December 2019.

On 8 August 2016, AACI REIT MTN redeemed the S$100.0 million four-year Medium Term Notes with a fixed rate of 4.90% issued in August 2012, being the maturity date of the Medium Term Notes.

1(b)(iii) Use of Proceeds from 2014 Rights Issue

On 20 March 2014, AA REIT issued 92,512,712 Units at an issue price of S$1.08 per Unit in an underwritten and renounceable rights issue on the basis of seven rights Units for every 40 existing Units, raising gross proceeds of S$99.9 million ("2014 Rights Issue").

Status report on the specific use of proceeds is as follows:

	2014 Rights Issue S$ million
Gross Proceeds	99.9
Use of proceeds	
Development costs at 30 Tuas West Road	38.3
Development costs at 8 & 10 Tuas Avenue 20	2.2
Land and development costs for greenfield development at Marsiling	10.3
Repay outstanding borrowings	17.2
Issue expenses in relation to the 2014 Rights Issue	2.5
Asset enhancement initiatives	5.9
	76.4

As at 31 December 2016, the balance proceeds of the 2014 Rights Issue was approximately S$23.5 million which was primarily used to temporarily repay outstanding borrowings pending the deployment of such funds for their intended use. The Trust intends to set aside the balance proceeds to partially fund the balance development costs at 30 Tuas West Road, the developments at 8 & 10 Tuas Avenue 20 and the greenfield development at Marsiling progressively over the course of the construction.

The use of proceeds from the 2014 Rights Issue was in accordance with the stated use of proceeds and there is no material deviation from the percentage allocated as previously disclosed.

1(c) Consolidated Statements of Cash Flows

	Group 3Q FY2017 S$'000	Group 3Q FY2016 S$'000	Group YTD FY2017 S$'000	Group YTD FY2016 S$'000
Cash flows from operating activities				
Total return after income tax	23,497	14,836	52,635	49,512
Adjustments for:				
Share of results of joint venture (net of tax)	(3,714)	(3,539)	(10,639)	(26,049)
Borrowing costs	4,426	5,033	13,928	15,134
Foreign exchange gain	(2)	(32)	(7)	(9)
Manager's management fees in Units	943	459	2,779	1,651
Net change in fair value of derivative financial instruments	(2,191)	(499)	(1,635)	(506)
Net change in fair value of investment properties	(5,147)	2,752	(300)	13,828
Income tax expense	562	557	1,002	3,481
Operating income before working capital changes	**18,374**	**19,567**	**57,763**	**57,042**
Changes in working capital				
Trade and other receivables	1,347	(947)	441	(1,032)
Trade and other payables	420	422	(394)	173
Income tax paid	(260)	(174)	(655)	(549)
Net cash from operating activities	**19,881**	**18,868**	**57,155**	**55,634**
Cash flows from investing activities				
Capital expenditure on investment properties and investment properties under development	(15,138)	(8,351)	(40,584)	(12,697)
Investment in a joint venture	-	(432)	-	(432)
Distributions from a joint venture	3,803	3,507	11,067	10,715
Net cash used in investing activities	**(11,335)**	**(5,276)**	**(29,517)**	**(2,414)**
Cash flows from financing activities				
Borrowing costs paid	(5,122)	(4,394)	(15,361)	(14,004)
Distributions to Unitholders	(17,553)	(17,634)	(53,844)	(49,836)
Proceeds from interest-bearing borrowings	21,181	8,000	165,004	8,000
Repayments of interest-bearing borrowings	(4,681)	-	(122,004)	-
Issue expenses paid	-	-	-	(30)
Net cash used in financing activities	**(6,175)**	**(14,028)**	**(26,205)**	**(55,870)**
Net increase/(decrease) in cash and cash equivalents	**2,371**	**(436)**	**1,433**	**(2,650)**
Cash and cash equivalents at beginning of the period	**6,570**	**7,814**	**7,490**	**10,111**
Effect of exchange rate fluctuation	(2)	61	16	(22)
Cash and cash equivalents at end of the period	**8,939**	**7,439**	**8,939**	**7,439**

1(c)(a) Significant non-cash transactions

(i) On 25 May 2016, the Trust issued an aggregate 1,089,469 new Units amounting to S$1.5 million as payment for the performance component of the Manager's management fees incurred for the year ended 31 March 2016.

(ii) On 28 July 2016, Trust issued an aggregate of 834,372 new Units amounting to S$1.1 million as partial payment for the base fee element of the Manager's management fees incurred. Please refer to details in section 1(d)(iii).

1(d)(i) Statements of Movements in Unitholders' Funds (3Q FY2017 vs. 3Q FY2016)

	Group 3Q FY2017 S$'000	Group 3Q FY2016 S$'000	Trust 3Q FY2017 S$'000	Trust 3Q FY2016 S$'000
Balance at beginning of the period	935,216	966,462	917,146	958,061
Operations				
Total return after income tax	23,497	14,836	23,872	12,986
Foreign currency translation reserve				
Translation differences relating to financial statements of foreign subsidiaries and net investment in foreign operations	26	1,084	-	-
Hedging reserve				
Effective portion of changes in fair value of cash flow hedges	1,350	839	-	-
Unitholders' transactions				
Issuance of Units (including units to be issued):				
- Manager's management fees	943	459	943	459
Distributions to Unitholders	(17,526)	(17,770)	(17,526)	(17,770)
Change in Unitholders' funds resulting from Unitholders' transactions	(16,583)	(17,311)	(16,583)	(17,311)
Total increase/(decrease) in Unitholders' funds	8,290	(552)	7,289	(4,325)
Balance at end of the period	943,506	965,910	924,435	953,736

1(d)(ii) Statements of Movements in Unitholders' Funds (YTD FY2017 vs. YTD FY2016)

	Group YTD FY2017 S$'000	Group YTD FY2016 S$'000	Trust YTD FY2017 S$'000	Trust YTD FY2016 S$'000
Balance at beginning of the period	940,721	962,095	922,731	963,073
Operations				
Total return after income tax	52,635	49,512	52,720	37,754
Foreign currency translation reserve				
Translation differences relating to financial statements of foreign subsidiaries and net investment in foreign operations	455	63	-	-
Hedging reserve				
Effective portion of changes in fair value of cash flow hedges	711	1,331	-	-
Unitholders' transactions				
Issuance of Units (including units to be issued):				
- Manager's management fees	2,779	1,651	2,779	1,651
- Distribution Reinvestment Plan	-	1,232	-	1,232
- Property Manager's fees	-	3,632	-	3,632
Distributions to Unitholders	(53,795)	(53,576)	(53,795)	(53,576)
Issue expenses	-	(30)	-	(30)
Change in Unitholders' fund resulting from Unitholders' transactions	(51,016)	(47,091)	(51,016)	(47,091)
Total increase/(decrease) in Unitholders' funds	2,785	3,815	1,704	(9,337)
Balance at end of the period	943,506	965,910	924,435	953,736

1(d)(iii) Details of any change in the Units

	Note	Trust 3Q FY2017 Units '000	Trust 3Q FY2016 Units '000	Trust YTD FY2017 Units '000	Trust YTD FY2016 Units '000
Units in issue at beginning of the period		637,290	634,642	635,366	628,935
Issue of new Units relating to:					
- Manager's performance fees	(a)	-	-	1,090	1,992
- Manager's management fees	(b)	-	-	834	428
- Property Manager's fees		-	-	-	824
- Distribution Reinvestment Plan		-	-	-	2,463
Units in issue at end of the period		637,290	634,642	637,290	634,642
Units to be issued:					
Manager's management fees	(c)	1,368	724	1,368	724
Total Units in issue and to be issued at end of the period		638,658	635,366	638,658	635,366

(a) On 25 May 2016, the Trust issued 1,089,469 new Units at an issue price of S$1.3396 per Unit as payment for the performance component of the Manager's management fees for the year ended 31 March 2016.

(b) On 28 July 2016, the Trust issued 834,372 Units at an issue price of S$1.3478 to the Manager as partial payment of the base fee element of the Manager's management fees incurred for the period from 1 January 2016 to 30 June 2016.

(c) The new Units to be issued relate to 1,368,278 Units to be issued to the Manager as partial payment of the base fee element of the Manager's management fees incurred for the period from 1 July 2016 to 31 December 2016.

The issue price for management fees paid/payable in Units was determined based on the volume weighted average traded price for a Unit for all trades done on the SGX-ST in the ordinary course of trading for the last 10 business days of the relevant period in which the fees accrue.

2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by auditors.

3 Where the figures have been audited or reviewed, the auditor's report (including any qualifications or emphasis of matter).

Not applicable.

4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The accounting policies and methods of computation applied in the financial statements of the current period are consistent with those applied in the audited financial statements for the year ended 31 March 2016.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Not applicable.

6 Earnings per Unit ("EPU") and distribution per Unit ("DPU") for the period

The EPU is computed using total return after income tax over the weighted average number of Units for the period. The diluted EPU is the same as the basic EPU as there were no dilutive instruments in issue as at the end of the period.

	Group 3Q FY2017	**Group 3Q FY2016**	**Group YTD FY2017**	**Group YTD FY2016**
Weighted average number of Units ('000)	637,305	634,650	636,723	633,032
Earnings per Unit (cents) - basic and diluted	**3.69**	**2.34**	**8.27**	**7.82**

EPU was higher in 3Q FY2017 vis-à-vis 3Q FY2016 mainly due to the surplus on revaluation of the 30 Tuas West Road development upon obtaining TOP on 27 December 2016. In 3Q FY2016, revaluation deficit was recorded in relation to the partial write-off of the property at 8 & 10 Tuas Avenue 20 due to a fire incident.

In computing the DPU, the number of Units entitled to the distribution for each respective period was used.

	Group 3Q FY2017	**Group 3Q FY2016**	**Group YTD FY2017**	**Group YTD FY2016**
Number of Units in issue at end of period ('000)	637,290	634,642	637,290	634,642
Number of Units to be issued before the Books Closure Date ('000)	1,368	724	1,368	724
Applicable number of Units for calculation of DPU ('000)	638,658	635,366	638,658	635,366
Distribution per Unit (cents)	**2.77**	**2.85**	**8.27**	**8.40**

7 Net asset value / Net tangible asset per Unit based on issued Units at the end of the period

	Group 31 Dec 2016 S$	**Group 31 Mar 2016 S$**	**Trust 31 Dec 2016 S$**	**Trust 31 Mar 2016 S$**
Net asset value / net tangible asset per Unit[4]	1.4773	1.4777	1.4475	1.4494

8 Review of the performance

	Group 3Q FY2017 S$'000	**Group 2Q FY2017 S$'000**	**Group 3Q FY2016 S$'000**	**Group YTD FY2017 S$'000**	**Group YTD FY2016 S$'000**
Gross revenue	30,369	29,910	32,547	89,513	94,102
Property operating expenses	(10,580)	(10,644)	(11,492)	(30,053)	(32,145)
Net property income	19,789	19,266	21,055	59,460	61,957
Foreign exchange gain	2	30	32	7	9
Interest and other income	15	12	314	2,371	373
Borrowing costs	(4,426)	(4,558)	(5,033)	(13,928)	(15,134)
Manager's management fees	(1,885)	(1,858)	(1,844)	(5,562)	(5,500)
Other trust expenses	(488)	(434)	(417)	(1,285)	(1,439)
Non-property expenses	(6,799)	(6,850)	(7,294)	(20,775)	(22,073)
Net income before joint venture's results	13,007	12,458	14,107	41,063	40,266
Share of results of joint venture (net of tax)	3,714	3,320	3,539	10,639	26,049
Net income	16,721	15,778	17,646	51,702	66,315
Distribution to Unitholders	17,691	17,526	18,108	52,742	53,319

4 Based on Units in issue and to be issued at the end of the period.

Review of the performance for 3Q FY2017 vs. 2Q FY2017

The gross revenue achieved for 3Q FY2017 of S$30.4 million was S$0.5 million higher than the gross revenue for 2Q FY2017 of S$29.9 million. This was mainly due to higher rental contributions from the properties at 27 Penjuru Lane, 29 Woodlands Industrial Park E1 and 11 Changi South Street 3.

Property operating expenses for 3Q FY2017 of S$10.6 million were comparable to the property operating expenses for 2Q FY2017.

Net property income for 3Q FY2017 stood at S$19.8 million, or S$0.5 million higher than 2Q FY2107 which was in line with higher gross revenue.

Borrowing costs for 3Q FY2017 of S$4.4 million were S$0.1 million lower than the borrowing costs in the preceding quarter. This was mainly due to the full quarter effect of lower interest costs incurred on the new S$100.0 million four-year term loan facility which was drawn down in August 2016 to redeem the S$100.0 million unsecured Medium Term Notes matured in August 2016.

The distribution to Unitholders for 3Q FY2017 stood at S$17.7 million, which was S$0.2 million higher compared to the distribution to Unitholders for 2Q FY2017.

Review of the performance for 3Q FY2017 vs. 3Q FY2016

Gross revenue for 3Q FY2017 of S$30.4 million was S$0.8 million lower compared to the gross revenue of 3Q FY2016 of S$31.2 million[5]. This was mainly due to lower rental contributions for the properties at 27 Penjuru Lane, 8 &10 Pandan Crescent as well as the loss in revenue due to the redevelopment of 8 & 10 Tuas Avenue 20. This was partially offset by higher rental and recoveries for the property at 29 Woodlands Industrial Park E1.

Property expenses for 3Q FY2017 of S$10.6 million were S$0.4 million higher than the property expenses for 3Q FY2016 of S$10.2 million (excluding additional property tax expense[5]) mainly due to higher expenditure to maintain the properties.

Net property income for 3Q FY2017 stood at S$19.8 million or S$1.3 million lower compared to 3Q FY2016 which was in line with lower gross revenue and higher property expenses.

Borrowing costs for 3Q FY2017 of S$4.4 million were S$0.6 million lower than the borrowing costs for the corresponding quarter in the previous year. This was mainly due to lower interest costs incurred on the new S$100.0 million four-year term loan facility which was drawn down to redeem the S$100.0 million unsecured Medium Term Notes matured in August 2016.

The distribution to Unitholders for 3Q FY2017 stood at S$17.7 million, a decrease of S$0.4 million compared to 3Q FY2016.

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5 For 3Q FY2016, the gross revenue of S$32.5 million included an additional property tax of S$1.3 million for 20 Gul Way for the period from 14 June 2014 to 31 December 2015. The additional property tax was due to the change in annual value of property assessed by Inland Revenue Authority of Singapore ("IRAS") which was fully recoverable from the master tenant, CWT Limited. Excluding this additional recovery, the gross revenue and property operating expenses would have been S$31.2 million and S$10.2 million respectively.

Review of the performance for YTD FY2017 vs. YTD FY2016

The gross revenue achieved for YTD FY2017 of S$90.6 million[6] was S$2.2 million lower than the corresponding period in the previous year of S$92.8 million[7] mainly due to lower rental contributions for the properties at 27 Penjuru Lane, 8 &10 Pandan Crescent, 15 Tai Seng Drive, 61 Yishun Industrial Park A and the loss in revenue due to the redevelopment of 8 & 10 Tuas Avenue 20. This was partially offset by higher rental and recoveries for the properties at 29 Woodlands Industrial Park E1 and 20 Gul Way.

Property expenses for YTD FY2017 of S$31.2 million[6] were comparable to the property expenses for YTD FY2016 of S$30.8 million[7].

Net property income for YTD FY2017 stood at S$59.5 million, which was S$2.5 million lower compared to YTD FY2016.

Borrowing costs for YTD FY2017 of S$13.9 million was S$1.2 million lower than the borrowing costs for the corresponding period in the previous financial year mainly attributed to lower interest costs incurred on the new S$100.0 million four-year term loan facility which was drawn down to redeem the S$100.0 million unsecured Medium Term Notes matured in August 2016.

Other trust expenses for YTD FY2017 of S$1.3 million was S$0.2 million lower compared to the corresponding period in the previous financial year mainly due to lower expenditure incurred on other trust expenses such as printing cost, cost associated with administering the distribution reinvestment plan and timing of expenses incurred.

The share of results of joint venture (net of tax) was broadly in line with YTD FY2016, except for the share of revaluation surplus of S$15.3 million recognised from the valuation of Optus Centre appraised by independent valuer, CBRE Valuations Pty Limited as at 30 September 2015.

The distribution to Unitholders for YTD FY2017 stood at S$52.7 million, a decrease of S$0.6 million compared to YTD FY2016.

9 Variance between Forecast / Prospect Statement

The Trust has not disclosed to the market any forecast in relation to the current financial period.

10 Commentary on the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

Based on advance estimates, the Ministry of Trade and Industry ("MTI") announced on 3 January 2017[8] that the Singapore economy grew by 1.8% on a year-on-year basis in the fourth quarter of 2016, faster than the 1.2% growth in the previous quarter. On a quarter-on-quarter seasonally-adjusted annualised basis, the economy expanded by 9.1%, a reversal from the

6 For YTD FY2017, the gross revenue of S$89.5 million included a property tax refund of S$1.1 million for 23 Tai Seng Drive for the period from 1 January 2012 to 31 March 2016. The property tax refund was due to the change in annual value of property assessed by IRAS which was refunded to two tenants of the property. Excluding this additional property tax refund, the gross revenue and property operating expenses would have been S$90.6 million and S$31.2 million respectively.

7 For YTD FY2016, the gross revenue of S$94.1 million included an additional property tax of S$1.3 million for 20 Gul Way for the period from 14 June 2014 to 31 December 2015. The additional property tax was due to the change in annual value of property assessed by IRAS which was fully recoverable from the master tenant, CWT Limited. Excluding this additional recovery, the gross revenue and property operating expenses for YTD FY2016 would have been S$92.8 million and S$30.8 million respectively.

8 Source: www.mti.gov.sg.

1.9% contraction in the preceding quarter.
For the whole of 2016, the economy grew by 1.8%, above MTI's earlier announced GDP growth forecast of "1.0% to 1.5%".

On a year-on-year basis, the manufacturing sector expanded by 6.5% in the fourth quarter, an improvement from the 1.7% growth in the previous quarter. Growth was primarily driven by the electronics and biomedical manufacturing clusters, even as the transport engineering and general manufacturing clusters continues to contract. The construction sector contracted by 2.8% on a year-on-year basis in the fourth quarter, extending the 0.2% decline recorded in the previous quarter. The slowdown was largely due to the decline in private sector construction activities. The services producing industries recorded a slight growth of 0.6% on a year-on-year basis in the fourth quarter, slightly faster than the 0.3% growth in the preceding quarter. The growth was supported by the "other services industries", transportation & storage and business services sectors.

Based on JTC 4Q 2016 statistics released on 26 January 2017[9], overall occupancy rates of Singapore's industrial property market rebounded slightly to 89.5% from 89.1% in the preceding quarter. In 4Q 2016, the price and rental indices for the overall industrial property market fell by 3.0% and 0.5% respectively compared to the previous quarter. Compared to a year ago, the price and rental indices fell by 9.1% and 6.8%. In 2016, the total stock of industrial space increased by 1.8 million sqm. In 2017, about 2.4 million sqm of industrial space, which includes around 548,000 sqm of multiple-user factory space, is estimated to come on-stream. This is higher than the average annual supply and demand of around 1.8 million sqm and 1.3 million sqm respectively in the past 3 years.

The Group's portfolio occupancy remained healthy at 94.0% as at 31 December 2016 and continued to be above the industry average.

Outlook for financial year ending 31 March 2017

Singapore dodged a technical recession comfortably in the fourth quarter of 2016 but the Singapore economy is likely to remain sluggish. The 2017 outlook remains tentative, with GDP growth likely to rangebound at around 1-2% (official forecast is 1-3%), amid key uncertainties like the Trump presidency potentially having spillover effects for global trade, China's slowdown, and heightened market volatility, especially on the currency and interest rate front, potentially weighing on corporate and consumer confidence.[10]

Given the uncertain macroeconomic and geopolitical outlook and the industrial oversupply situation in Singapore, rentals continue to be under pressure. To overcome this and to create a sustainable future for the REIT, AA REIT is proactively managing its lease expiries with tenant retention as the top priority. In addition, AA REIT is focused on asset enhancement opportunities within its portfolios to rejuvenate the older assets to better support its tenants' needs and to attract and retain quality tenants. AA REIT currently has two ongoing development projects (namely: 8 & 10 Tuas Avenue 20 and greenfield development at Marsiling) which are targeted to complete in the second half of 2017.

The current capital structure of the Group is well positioned with a weighted average debt maturity of 2.1 years. Furthermore, 84.0% of the Group's borrowings were on fixed rates taking into account the interest rate swaps and fixed rate notes. AA

[9] Source: www.jtc.gov.sg.
[10] Source: www.straitstimes.com on 3 January 2017 titled "Singapore dodges recession but economy may stay in 'slow mo'".

REIT will continue to remain focused on managing risks through prudent capital management and diversification across its portfolio of 27 properties.

11 Distributions

(a) Current financial period

Any distributions declared for the current financial period:	Yes	
Name of distribution:	Forty-second distribution, for the period from 1 October 2016 to 31 December 2016	
Distribution Type:	Taxable Income Tax-Exempt Income Capital Distribution	
Distribution Rate:	Taxable Income	2.60 cents per Unit
	Tax-Exempt Income	0.10 cents per Unit
	Capital Distribution	0.07 cents per Unit
	Total	2.77 cents per Unit
Par value of units:	Not applicable	

Tax Rate:

Taxable Income Distributions

Taxable Income distributions are made out of AA REIT's taxable income. Unitholders receiving distributions will be assessable to Singapore income tax on the distributions received except for individuals where these distributions are exempt from tax (unless they hold their units through a partnership or as trading assets). Unitholders should consult their own tax advisers concerning the tax consequences of their particular situation with regard to the distribution.

Tax-Exempt Income Distributions

Tax-exempt income distributions are exempt from tax in the hands of all Unitholders.

Capital Distributions

Capital Distributions represent a return of capital to Unitholders for Singapore income tax purposes and are therefore not subject to income tax. For Unitholders who are liable to Singapore income tax on profits from sale of AA REIT Units, the amount of capital distribution will be applied to reduce the cost base of their AA REIT Units for Singapore income tax purposes. Unitholders should consult their own tax advisers concerning the tax consequences of their particular situation with regard to the distribution.

(b) Corresponding period of the immediately preceding period

Any distributions declared for the previous corresponding financial period:	Yes	
Name of distribution:	Thirty-eighth distribution, for the period from 1 October 2015 to 31 December 2015	
Distribution Type:	Taxable Income Tax-Exempt Income Capital Distribution	
Distribution Rate:	Taxable Income	2.65 cents per Unit
	Tax-Exempt Income	0.08 cents per Unit
	Capital Distribution	0.12 cents per Unit
	Total	2.85 cents per Unit
Par value of units:	Not applicable	

Tax Rate:

Taxable Income Distributions

Taxable Income distributions are made out of AA REIT's taxable income. Unitholders receiving distributions will be assessable to Singapore income tax on the distributions received except for individuals where these distributions are exempt from tax (unless they hold their units through a partnership or as trading assets). Unitholders should consult their own tax advisers concerning the tax consequences of their particular situation with regard to the distribution.

Tax-Exempt Income Distributions

Tax-exempt income distributions are exempt from tax in the hands of all Unitholders.

Capital Distributions

Capital Distributions represent a return of capital to Unitholders for Singapore income tax purposes and are therefore not subject to income tax. For Unitholders who are liable to Singapore income tax on profits from sale of AA REIT Units, the amount of capital distribution will be applied to reduce the cost base of their AA REIT Units for Singapore income tax purposes. Unitholders should consult their own tax advisers concerning the tax consequences of their particular situation with regard to the distribution.

(c) Books closure date: 17 February 2017

(d) Date payable: 23 March 2017

12 If no distribution has been declared (recommended), a statement to that effect

Not applicable.

13 Interested Person Transactions

The Trust has not required nor obtained a general mandate from Unitholders for Interested Person Transactions.

14 Confirmation by the board pursuant to Rule 705(5) of the Listing Manual

We confirm that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of AIMS AMP Capital Industrial REIT Management Limited (as Manager of AA REIT) which may render these interim financial statements to be false or misleading in any material respect

On behalf of the Board of Directors of
AIMS AMP Capital Industrial REIT Management Limited
(as Manager of AIMS AMP Capital Industrial REIT)

George Wang Chairman and Director	Koh Wee Lih Director

15 Confirmation by the board pursuant to Rule 720(1) of the Listing Manual

The Manager confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 pursuant to Rule 720(1) of Listing Manual.

This release 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, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management on future events.

By Order of the Board

AIMS AMP Capital Industrial REIT Management Limited
(Company Registration No. 200615904N)
(as Manager of AIMS AMP Capital Industrial REIT)

Koh Wee Lih
Chief Executive Officer
9 February 2017