AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
FIRST QUARTER ENDED 30 JUNE 2010 (“1Q FY 2011”)

Summary of AIMS AMP Capital Industrial REIT Group results

	Note	1Q FY 2011	4Q FY 2010	+/(-)	1Q FY 2010	+/(-)
		S$’000	S$’000	%	S$’000	%
Gross revenue	(a)	16,047	15,595	2.9	10,964	46.4
Net property income	(a)	11,749	11,889	(1.2)	9,317	26.1
Amount available for distribution	(a)	8,086	7,781	3.9	4,022	>100
Distribution per Unit (“DPU”) (cents)						
- For the Period	(b)	0.5376	0.5376	-	1.5100	(64.4)
- Annualised		2.1504	2.1504	-	6.0400	(64.4)
- Annualised yield	(c)	9.3%				

(a) Please refer to section 8 on “Review of the Performance” for an explanation of the variances.

(b) Please refer to note (b) of section 6 for an explanation of the variances on the DPU.

(c) Based on annualised DPU divided by closing market price per Unit of S$0.23 as at 28 July 2010.

Introduction

The investment policy of AIMS AMP Capital Industrial REIT (“**AIMSAMPIREIT**” or the “**Trust**”) is to invest primarily in industrial real estate assets in Singapore and Asia. The Manager’s key objectives are to deliver secure and stable distributions to Unitholders and to provide long-tem capital growth.

As at 30 June 2010, the Trust has a portfolio of twenty five properties in Singapore and one property in Japan.

The pro forma analysis set out in the circular to Unitholders of AIMSAMPIREIT dated 6 November 2009 (“**Circular**”) and the Offer Information Statement dated 30 November 2009, showed a pro forma DPU of 1.04 cents for the six months ended 30 September 2009 (or 0.52 cents for three months (“**Pro forma DPU**”)). On the basis of a distribution of 97.5% of the taxable income available for distribution, the actual DPU for 1Q FY 2011 of 0.5376 cents is 3.4% above the Pro forma DPU.

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

	Note	Group 1Q FY 2011 S$'000	Group 1Q FY 2010 S$'000	+/(-) %
Gross revenue		16,047	10,964	46.4
Property operating expenses		(4,298)	(1,647)	>100
Net property income		11,749	9,317	26.1
Interest income		43	33	30.3
Manager's management fees		(825)	(678)	21.7
Borrowing costs		(3,154)	(2,943)	7.2
Other trust expenses		(219)	(303)	(27.7)
Non-property expenses		(4,198)	(3,924)	7.0
Net income		7,594	5,426	40.0
Net change in fair value of financial derivatives	(b)	(1,315)	(140)	>100
Net change in fair value of investment properties	(c)	(730)	(3,144)	(76.8)
Total return before income tax		5,549	2,142	>100
Income tax expense		-	-	-
Total return after income tax		5,549	2,142	>100
Non-controlling interests		5	39	(87.2)
Total return after income tax and non-controlling interests		5,554	2,181	>100

Notes:

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

(b) This relates to the change in fair value due to the revaluation of cross currency swap contracts, foreign exchange forward contracts and interest rate swap contracts in accordance with Financial Reporting Standard ("**FRS**") 39. Please refer to note (c) of section 1(b)(i) for further details on the derivative financial instruments. Net change in fair value of financial derivatives is a non-tax chargeable/deductible item and has no impact on the taxable income and distributable income to the Unitholders.

(c) The investment properties in Singapore and in Japan were valued by independent professional valuers, as at 21 December 2009 and 28 January 2010 respectively. As at 30 June 2010, the investment properties were based on management's valuation. The net change in fair value of investment properties is a non-tax chargeable/deductible item and has no impact on the taxable income and distributable income to the Unitholders.

1(a)(ii) Distribution Statement

	Note	Group 1Q FY 2011 S$'000	Group 1Q FY 2010 S$'000	+/(-) %
Total return after income tax and non-controlling interests		5,554	2,181	>100
Net effect of tax adjustments	(a)	2,737	1,945	40.7
Other adjustments	(b)	(205)	(104)	97.1
Amount available for distribution to the Unitholders		8,086	4,022	>100
Distribution to Unitholders	(c)	7,884	4,022	96.0

Notes:

(a) Net effect of tax adjustments

	Group 1Q FY 2011 S$'000	Group 1Q FY 2010 S$'000	+/(-) %
Amortisation of borrowing costs	618	384	60.9
Net change in fair value of financial derivatives	1,315	140	>100
Straight-lining of rental income	175	(277)	>(100)
Net change in fair value of investment properties	730	3,144	(76.8)
Industrial building allowance	-	(1,641)	>(100)
Temporary differences and other tax adjustments	(101)	195	>(100)
Net effect of tax adjustments	2,737	1,945	40.7

(b) Other adjustments comprised primarily the net accounting profits of the Trust’s subsidiaries.

(c) The Trust’s distribution policy is to distribute at least 90% of the Trust’s taxable income for the full financial year. For 1Q FY 2011, the Manager has resolved to distribute 97.5% of the taxable income available for distribution to the Unitholders.

1(b)(i) Balance Sheets as at 30 Jun 2010 vs. 31 Mar 2010

	Note	Group 30 Jun 2010 S$'000	Group 31 Mar 2010 S$'000	+/(-) %	Trust 30 Jun 2010 S$'000	Trust 31 Mar 2010 S$'000	+/(-) %
Non-current assets							
Investment properties		631,143	631,066	-	602,334	602,158	-
Subsidiaries	(a)	-	-	-	16,508	16,741	(1.4)
		631,143	631,066	-	618,842	618,899	-
Current assets							
Trade and other receivables	(b)	7,199	6,093	18.2	7,187	6,054	18.7
Cash and cash equivalents		22,017	20,569	7.0	20,290	18,566	9.3
		29,216	26,662	9.6	27,477	24,620	11.6
Total assets		**660,359**	**657,728**	0.4	**646,319**	**643,519**	0.4
Current liabilities							
Derivative financial instruments	(c)	835	1,017	(17.9)	835	1,017	(17.9)
Trade and other payables	(d)	14,039	12,609	11.3	15,368	13,301	15.5
		14,874	13,626	9.2	16,203	14,318	13.2
Non-current liabilities							
Rental deposits		3,370	2,625	28.4	2,855	2,124	34.4
Interest-bearing borrowings	(e)	183,578	182,499	0.6	168,848	168,230	0.4
Derivative financial instruments	(c)	3,613	2,115	70.8	3,613	2,115	70.8
		190,561	187,239	1.8	175,316	172,469	1.7
Total liabilities		**205,435**	**200,865**	2.3	**191,519**	**186,787**	2.5
Net assets		**454,924**	**456,863**	(0.4)	**454,800**	**456,732**	(0.4)
Represented by:							
Unitholders' funds		454,800	456,737	(0.4)	454,800	456,732	(0.4)
Non-controlling interests		124	126	(1.6)	-	-	-
		454,924	**456,863**	(0.4)	**454,800**	**456,732**	(0.4)

Notes:

(a) This relates to the investment in the Trust's wholly owned subsidiary, Japan Industrial Property Pte Ltd, a company incorporated in Singapore. The subsidiary company in turn has a 99.3% interest in a property in Japan - Ohmiya Warehouse, through Goudou Kaisha Bayside, a company incorporated in Japan.

(b) Trade and other receivables were higher mainly due to late payment by certain tenants. No impairment allowance on receivables from tenants is necessary as they relate to tenants that have provided sufficient rental deposits.

(c) The derivative financial instruments as at 30 June 2010 relate to the following contracts:

  (i) cross currency swaps with tenors of between two to five years with total notional amount of JPY970.0 million (1Q FY 2010: JPY730.0 million) to manage the foreign currency risk of the Trust's investment in Japan;

  (ii) a five-year coupon-only foreign exchange forward contract to minimise the foreign exchange exposure of the forecast distributions from the Trust's investment in Japan; and

  (iii) three-year interest rate swap contracts with total notional amount of S$175.0 million (1Q FY 2010: S$100.0 million) where the Trust pays fixed interest rates of 1.905% - 1.91% and receives floating interest rates equal to Singapore Dollar swap offer rate on the notional amount.

(d) Trade and other payables were higher largely due to higher rental deposits received from tenants.

(e) Please refer to details in section 1(b)(ii).

1(b)(ii) Aggregate amount of borrowings

Interest-bearing borrowings - secured	Group 30 Jun 2010 S$'000	Group 31 Mar 2010 S$'000	Trust 30 Jun 2010 S$'000	Trust 31 Mar 2010 S$'000
Amount repayable after one year	190,364	189,978	175,000	175,000
Less: Unamortised portion of transaction fees in relation to the secured borrowings	(6,786)	(7,479)	(6,152)	(6,770)
	183,578	182,499	168,848	168,230

Details of collateral

As security for the borrowings, AIMSAMPIREIT has granted in favour of the lenders the following:

(a) S$175.0 million term loan

- First legal mortgage over 21 investment properties of the Trust in Singapore; and
- Assignment of rights, title and interest in leases, insurances and rental proceeds of the related mortgaged investment properties.

(b) JPY997.3 million (FY 2010: JPY1.0 billion) term loan

- Mortgage over the property in Japan; and
- Assignment of rights and interest in the insurances of the related mortgaged investment property.

1(c) Consolidated cash flow statement

	Group 1Q FY 2011 S$'000	Group 1Q FY 2010 S$'000
Operating activities		
Total return before income tax	5,549	2,142
Adjustments for:		
Net change in fair value of financial derivatives	1,315	140
Borrowing costs	3,154	2,943
Straight-lining of rental income	175	(277)
Net change in fair value of investment properties	730	3,144
Operating income before working capital changes	**10,923**	**8,092**
Changes in working capital		
Rental deposits	2,225	-
Trade and other receivables	(1,282)	(191)
Trade and other payables	(315)	(1,696)
Cash generated from operating activities	**11,551**	**6,205**
Investing activities		
Purchase of investment properties (including acquisition costs)	(16)	(4)
Capital expenditure on investment properties	(147)	(53)
Net cash used in investing activities	**(163)**	**(57)**
Financing activities		
Borrowing costs paid	(1,951)	(3,891)
Distributions to Unitholders	(7,884)	(4,995)
Proceeds from interest-bearing borrowings	-	1,087
Repayment of interest-bearing borrowings	(42)	-
Decrease in restricted cash and deposits	331	11
Issue expenses paid	(80)	-
Distribution to non-controlling interests	(1)	(3)
Net cash used in financing activities	**(9,627)**	**(7,791)**
Net increase/(decrease) in cash and cash equivalents	**1,761**	**(1,643)**
Cash and cash equivalents at beginning of the period	**19,295**	**9,171**
Effect of exchange rate fluctuation	17	(59)
Cash and cash equivalents at end of the period	**21,073**	**7,469**

For purposes of the consolidated cash flow statement, the cash and cash equivalents comprised the following:

	30 Jun 2010 S$'000	30 Jun 2009 S$'000
Cash at bank and in hand	13,017	3,254
Fixed deposits with financial institutions	9,000	5,000
Cash and cash equivalents at end of the period	22,017	8,254
Restricted cash and deposits	(944)	(785)
Cash and cash equivalents in the consolidated cash flow statement	21,073	7,469

Restricted cash and deposits represent bank balances and deposits of the Japan subsidiary that are required to be maintained to comply with terms of the Japan term loan. The restricted cash and deposits are not freely available for use by the Group.

1(d)(i) Statement of Movements in Unitholders' Funds (1Q FY 2011 vs. 1Q FY 2010)

	Group 1Q FY 2011 S$'000	Group 1Q FY 2010 S$'000	Trust 1Q FY 2011 S$'000	Trust 1Q FY 2010 S$'000
Balance at beginning of the period	456,737	289,074	456,732	289,080
Operations				
Total return after income tax and non-controlling interests	5,554	2,181	5,952	1,935
Foreign currency translation reserve				
Translation differences relating to financial statements of a foreign subsidiary and net investment in foreign operation	393	(244)	-	-
Unitholders' transactions				
Distributions to Unitholders	(7,884)	(4,995)	(7,884)	(4,995)
Total decrease in Unitholders' funds	(1,937)	(3,058)	(1,932)	(3,060)
Balance at end of the period	454,800	286,016	454,800	286,020

1(d)(ii) Details of any change in the units

	Note	Trust 1Q FY 2011 Units	Trust 1Q FY 2010 Units
Units in issue at beginning of the period		1,466,599,377	261,715,845
New units issued:			
Units issued as payment of management fees		-	4,669,249
Total Units in issue and to be issued at end of the period		1,466,599,377	266,385,094

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 our 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 for the current financial period are consistent with those described in the audited financial statements for the year ended 31 March 2010.

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 and non-controlling interests 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.

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

	Note	Group 1Q FY 2011	Group 1Q FY 2010
Weighted average number of units ('000)	(a)	1,466,599	396,584
Earnings per unit (cents) - basic and diluted		0.38	0.54
Number of units in issue at end of period ('000)		1,466,599	261,716
Number of units to be issued before the Books closure date ('000)		-	4,669
Applicable number of units for calculation of DPU ('000)		1,466,599	266,385
Distribution per unit (cents)	(b)	0.5376	1.5100

(a) The weighted average number of Units for 1Q FY 2010 have been adjusted for the effects of the rights issue.

(b) DPU for 1Q FY 2011 was lower than the corresponding period primarily due to the issuance of 221,428,572 placement units and 975,627,332 rights units in 3Q FY 2010.

7 Net asset value per unit based on issued and issuable units at the end of the period

	Group 30 Jun 2010 S$	Group 31 Mar 2010 S$	Trust 30 Jun 2010 S$	Trust 31 Mar 2010 S$
Net asset value per Unit	0.31	0.31	0.31	0.31

8 Review of the performance

	Group 1Q FY 2011 S$'000	Group 1Q FY 2010 S$'000	Group 4Q FY 2010 S$'000
Gross revenue	16,047	10,964	15,595
Property operating expenses	(4,298)	(1,647)	(3,706)
Net property income	11,749	9,317	11,889
Interest income	43	33	38
Manager's management fees	(825)	(678)	(816)
Borrowing costs	(3,154)	(2,943)	(3,150)
Other trust expenses	(219)	(303)	(690)
Non-property expenses	(4,198)	(3,924)	(4,656)
Net Income	7,594	5,426	7,271
Amount available for distribution to the Unitholders	8,086	4,022	7,781

Review of the performance for 1Q FY 2011 vs. 1Q FY 2010

Gross revenue for 1Q FY 2011 was S$5.1 million or 46.4% higher than that of the corresponding period. The increase was due to the following:

(a) contribution from the five properties acquired during 2H FY 2010; and

(b) lower gross revenue in 1Q FY 2010 mainly due to (i) the refund of excess FY 2009 service charges to the tenants. There was no such refund in this quarter as the Trust had adjusted for the excess service charges refundable to the tenants in 4Q FY 2010, and (ii) lower recovery from the tenants on land rent and property tax due to rebates from the authorities. The property tax and land rent rebates expired in December 2009.

Property operating expenses for 1Q FY 2011 were S$2.7 million higher than 1Q FY 2010. The increase in property operating expenses corresponds with the increase in gross revenue, as explained in paragraphs (a) and (b) above.

The net result was an increase in net property income by S$2.4 million or 26.1% year-on year.

Manager's management fees were higher in 1Q FY 2011 vis-à-vis 1Q FY 2010 and this is in line with the increase in size of the property portfolio.

Other trust expenses decreased by 27.7% mainly due to lower professional fees incurred.

The amount available for distribution to the Unitholders was higher in 1Q FY 2011 mainly due to higher net property income and the absence of claims for industrial building allowance on buildings that are used for qualifying industrial purposes.

Review of the performance for 1Q FY 2011 vs. 4Q FY 2010

Gross revenue improved marginally in 1Q FY 2011, due to the net effect of the following:

(a) Increase in gross revenue due to:

(i) full quarterly contributions from the four properties acquired on 11 January 2010 vis-à-vis 80 days in 4Q FY 2010; and

(ii) In 4Q FY 2010, there was an annual adjustment to the service charge income, to reflect the lower actual operating expenses incurred, resulting from the annual reconciliation in accordance with terms of lease agreements with certain tenants.

These items were partially offset by:

(b) Decrease in straight-lining of rental income recognised. Straight-lining of rental income is a non-tax item and has no impact on the taxable income and distributable income to the Unitholders.

The S$592,000 increase in property operating expenses in 1Q FY 2011 corresponds with the increase in gross revenue as explained in paragraph (a) above.

The net effect was an S$140,000 or 1.2% decrease in net property income. If the straight-lining of rental income had been excluded, net property income would have increased by S$453,000 or 3.9%, mainly due to rental escalations for a number of tenants commencing April 2010.

Other trust expenses were S$471,000 lower as compared to 4Q FY 2010 due to lower professional fees and the absence of equity raising expenses in this quarter.

The amount available for distribution was higher mainly due to an increase in net property income, calculated after the exclusion of straight-lining of rental income. Straight-lining of rental income is a non-cash item and has no impact on the distributable income.

9 Variance between Forecast/Prospectus Statement and the actual results

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

On 14 July 2010, the Ministry of Trade and Industry ("**MTI**") announced that it expects the Singapore economy to expand by 13.0% to 15.0% in 2010 in an upward revision from its earlier growth forecast of between 7.0% to 9.0%. The upward revision came on the back of the following:

(1) A better economic performance in the 1st quarter of 2010
In the 1st quarter of 2010, the Singapore economy expanded by 16.9% on a year-on-year basis and 45.9% on a seasonally adjusted quarter-on-quarter annualized basis.

(2) Stronger than expected economic growth in the second quarter
MTI's advance estimates for the 2nd quarter of 2010 indicate that the economy has continued to expand strongly. Real GDP is expected to grow by 19.3%, compared to the same period last year. The economy grew by 26.0% in the 2nd quarter, on a sequential basis. The Singapore economy is expected to have expanded by 18.1% year-on-year, during the first half of 2010.

However, MTI also notes that the exceptionally strong growth experienced in the first half of 2010 is not likely to be sustained into the second half of the year. The pace of global economic recovery has decreased although a double-dip recession is expected to remain unlikely.

The Singapore industrial property market continued to experience increases in both price and rental rates and in the average occupancy rate. According to the Urban Redevelopment Authority's 2nd quarter 2010 statistics, the price and rental rates of industrial space increased by 5.7% and 1.3% respectively in the quarter. This follows a 1.5% and 1.7% increase in industrial prices and rental rates in the ^{1st} quarter 2010.

The average occupancy rate of factory space improved marginally to 92.4% in 2nd quarter 2010 from 92.3% in 1st quarter 2010. The average occupancy of warehouse space also improved to 91.8% in 2nd quarter 2010 from 90.1% in 1st quarter 2010. The Trust's portfolio occupancy of 97.2% as at 30 June 2010 continued to be above the industry average.

A sustained economic recovery in Asia and in Singapore is expected to support the continued recovery of the Singapore industrial real estate market.

Outlook

In July 2010, the International Monetary Fund ("**IMF**") announced that while it expects the global economy, particularly Asia, to continue its recovery in 2010, downside risks have risen sharply largely due to uncertainties surrounding sovereign and financial sector risks in parts of the Euro zone. These risks could spread more widely, posing difficulties for global financial stability and the economic outlook. These trends will in turn, impact the sustainability of Singapore's economic recovery.

With a diversified portfolio across the industrial real estate space and tenant sector mix, and a weighted average lease to expiry of 4.2 years, the Manager expects that the Trust portfolio's earnings are predictable and sustainable for the remainder of FY 2011.

Barring any unforeseen adverse circumstances and based on units in issue as at 30 June 2010, management's guidance for DPU in FY 2011 of approximately 2.08 Singapore cents is consistent with the pro forma analysis set out in the Circular.

11 Distributions

(a) Current financial period

Any distributions declared for the current financial period:	Yes
Name of distribution:	Fourteenth distribution, for the period from 1 April 2010 - 30 June 2010
Distribution Type:	Taxable income
Distribution Rate:	0.5376 cents per unit
Par value of units:	Not applicable
Tax Rate:	These distributions are made out of AIMSAMPIREIT'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.

(b) Corresponding period of the immediately preceding period

Any distributions declared for the previous corresponding financial period:	Yes
Name of distribution:	Ninth distribution, for the period from 1 April 2009 to 30 June 2009
Distribution Type:	Taxable income
Distribution Rate:	1.51 cents per unit
Par value of units:	Not applicable
Tax Rate:	These distributions are made out of AIMSAMPIREIT'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.

(c) **Books closure date:** 11 August 2010

(d) **Date payable:** 16 September 2010

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

Not applicable

13 Confirmation by the board pursuant to rule 705(4) 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 AIMS AMP Capital Industrial REIT) which may render these interim financial results 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
Director

Nicholas Paul McGrath
Director

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)

Nicholas McGrath
Chief Executive Officer
29 July 2010