

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

SGX-ST Announcement: 14 February 2011

AIMS AMP CAPITAL INDUSTRIAL REIT ACQUISITION OF 29 WOODLANDS INDUSTRIAL PARK E1, NORTHTECH AND LAUNCH OF PRIVATE PLACEMENT OF 219,989,907 NEW UNITS

1. Introduction

AIMS AMP Capital Industrial REIT Management Limited, as manager of AIMS AMP Capital Industrial REIT ("**AIMSAMPIREIT**", and as the manager of AIMSAMPIREIT, the "**Manager**"), wishes to announce that:

- (a) On 14 February 2011, HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of AIMSAMPIREIT (the "**Trustee**"), has entered into a sale and purchase agreement (the "**Sale and Purchase Agreement**") with Prime Industrial Holdings Private Limited (the "**Vendor**") for the acquisition of a property located at 29 Woodlands Industrial Park E1, Singapore 757716 ("**NorthTech**", and the acquisition of NorthTech, the "**Acquisition**") at the purchase consideration of S\$72.0 million (the "**Purchase Consideration**"); and
- (b) the Manager is proposing to carry out a private placement of 219,989,907 new units in AIMSAMPIREIT ("**Units**", and the new Units, the "**New Units**") to institutional and other investors at an issue price ("**Issue Price**") of between S\$0.1976 (the "**Minimum Issue Price**") and S\$0.2041 per New Unit (the "**Issue Price Range**") pursuant to Section 302C of the Securities and Futures Act (Cap. 289) to raise gross proceeds of between S\$43.5 million and S\$44.9 million (the "**Private Placement**"). Based on the Issue Price Range, the net proceeds from the Private Placement will range from approximately S\$42.0 million to S\$43.4 million, after deducting for the underwriting, selling and management fee as well as other estimated fees and expenses (including professional fees and expenses) incurred in connection with the Private Placement.

The total acquisition cost of S\$72.9 million (including acquisition-related costs¹) (the "**Total Acquisition Cost**") will be partly funded by the net proceeds from the Private Placement with the remainder to be financed by a partial draw-down from AIMSAMPIREIT's existing loan facility (the "**Existing Loan Facility**") as well as a partial draw-down on the Acquisition Loan Facility (as defined herein).

¹ Such acquisition-related costs include an acquisition fee of S\$0.7 million which is payable to the Manager in the form of cash and is calculated in accordance with the Trust Deed dated 5 December 2006 (as amended) (the "**Trust Deed**").

Prior to the injection of the net proceeds from the Private Placement, the Purchase Consideration on Completion will be initially funded by a partial draw-down from the Existing Loan Facility as well as a partial draw-down on the Acquisition Loan Facility. Subsequently, the Existing Loan Facility will be partly repaid by the net proceeds from the Private Placement.

2. Overview of the Acquisition

2.1 Building Description

NorthTech is a four-storey high technology light industrial building with basement car park located in the northern part of Singapore at the corner of Admiralty Road West and Woodlands Avenue 8 and is easily accessible by the Seletar Expressway and the Admiralty MRT Station. Surrounding developments are predominantly industrial in nature, comprising purpose-built factories and ramp-up and terrace factories. The property is primarily used for office and warehouse and has an occupancy rate of 98.3% as at 1 January 2011 with a total gross rental of S\$1.8 million from 1 October 2010 to 31 December 2010. NorthTech is a multi-tenancy building and a majority of the tenants are in the engineering and technology sector, for example, Broadcom, Nikon Precision and Schmidt Electronics.

The table below sets out a summary of additional selected information on NorthTech:

Title	URA leasehold estate with a remaining land tenure of approximately 44.0 years
Land area	197,691 square feet ("sq ft")
Net lettable area	390,130 sq ft
Gross floor area	489,560 sq ft

2.2 Sale and Purchase Agreement

On 14 February 2011, the Trustee, entered into the conditional Sale and Purchase Agreement with the Vendor for the Acquisition at the Purchase Consideration and a deposit of S\$3.6 million has been paid.

Pursuant to the Sale and Purchase Agreement, the agreement may be terminated and the sum of S\$3.6 million will be refunded if, inter alia:

- (i) the Sale and Purchase Agreement is rescinded by either party to the agreement due to Material Damage² to NorthTech prior to the Completion Date (as defined below); and
- (ii) the Sale and Purchase Agreement is rescinded by AIMSAMPIREIT due to compulsory acquisition of NorthTech or any material part of NorthTech (other than the

² "Material Damage" means damage to or destruction of NorthTech and/or the Mechanical and Electrical Equipment (as defined in the Sale and Purchase Agreement) or any part thereof which causes or results in at least 25.0% loss or fall in the monthly gross rental income of NorthTech.

NSE Acquisition³) by the Government or other competent authority on or before the Completion Date.

The date of completion of the Acquisition is expected to be on or around 21 February 2011 (the “**Completion Date**”), subject to the consent of the Head Lessor.

2.3 Debt Financing

In connection with the Acquisition, the Trustee has on 11 February 2011 accepted a commitment letter from Standard Chartered Bank (“**SCB**”) for new loan facilities in an aggregate amount of up to S\$45.0 million, comprising a three-year secured term loan facility and a one-year revolving credit facility, made available to AIMSAMPIREIT by SCB (the “**Acquisition Loan Facility**”).

The Total Acquisition Cost will be partly funded by the net proceeds from the Private Placement with the remainder to be drawn down and financed by a partial draw-down from the Existing Loan Facility as well as a partial draw-down on the Acquisition Loan Facility.

Prior to the injection of the net proceeds from the Private Placement, the Purchase Consideration on Completion will be initially funded by a partial draw-down from the Existing Loan Facility as well as a partial draw-down on the Acquisition Loan Facility. Subsequently, the Existing Loan Facility will be partly repaid by the net proceeds from the Private Placement.

2.4 Independent Valuation and Purchase Consideration

NorthTech has been appraised by an independent valuer commissioned by the Trustee, Cushman & Wakefield VHS Pte. Ltd. (the “**Independent Valuer**”), using the discounted cash flow approach and direct capitalisation approach. The Independent Valuer has in its independent valuation report dated 31 January 2011, appraised NorthTech at S\$72.0 million.

The Purchase Consideration was arrived at on a willing-buyer willing-seller basis after taking into account the independent valuation of NorthTech.

3. The Private Placement

3.1 Details and Timing of the Private Placement

The Manager and Standard Chartered Securities (Singapore) Pte. Limited (the “**Sole Underwriter**”) have on 14 February 2011 entered into a placement agreement (the “**Placement Agreement**”) in relation to the Private Placement. Pursuant to the Placement Agreement, the Sole Underwriter has agreed to procure subscriptions for, or to subscribe and pay for, the New Units to be issued pursuant to the Private Placement at the Issue Price, on the terms and subject to the conditions of the Placement Agreement.

The Issue Price Range of between S\$0.1976 and S\$0.2041 per New Unit represents a discount of between:

³ “**NSE Acquisition**” means the compulsory acquisition of an area of 410.4 square metres (or thereabout) for the construction of the North South Expressway Stage 1.

- (i) 10.0% and 7.0% respectively to the volume weighted average price (“**VWAP**”) of S\$0.2195 per Unit for trades in the Units done on Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the full Market Day⁴ on 11 February 2011 and up to the time the Placement Agreement is signed on 14 February 2011; and
- (ii) (for illustrative purposes only) 8.8% and 5.8% respectively to the adjusted volume weighted average price (“**Adjusted VWAP**”) ⁵ of S\$0.2167 per Unit for trades done on the SGX-ST for the full Market Day on 11 February 2011 and up to the time the Placement Agreement is signed on 14 February 2011.

The Issue Price will be determined by the Sole Underwriter, in consultation with the Manager, following an accelerated book-building process. The Manager will make an announcement via SGXNET once the Issue Price has been determined which is expected to be no later than 14 February 2011. If there is no agreement on the Issue Price between the Manager and the Sole Underwriter, pursuant to the Placement Agreement, the Issue Price will be the Minimum Issue Price.

The Private Placement shall be subject to certain conditions precedent more particularly set out in the Placement Agreement, including the approval in-principle of the SGX-ST for the listing of and quotation for the New Units on the Main Board of the SGX-ST.

3.2. Eligibility to participate in the Private Placement

The offer of New Units under the Private Placement will be made to institutional and other investors.

The New Units have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) or the securities laws of any state or jurisdiction of the United States and may not be offered or sold within the United States except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The New Units are being offered and sold outside the United States in reliance on Regulation S under the Securities Act and may be offered and sold to a limited number of institutional “accredited investors” (within the meaning of Rule 501(a)(1), (2), (3) or (7) under the Securities Act) in the United States pursuant to the exemption from the registration requirements of the Securities Act under Section 4(2) thereof. The Manager, along with the Sole Underwriter, reserve the absolute discretion in determining whether to allow such participation as well as the persons who may be allowed to do so.

3.3. Use of Proceeds

Subject to relevant laws and regulations, and for illustrative purposes, the Manager intends to use the gross proceeds of S\$43.5 million from the Private Placement based on the Minimum Issue Price in the following manner:

- (i) S\$42.0 million to partly fund the Total Acquisition Cost (which is equivalent to 96.6% of the gross proceeds of the Private Placement); and

⁴ “**Market Day**” refers to a day on which the SGX-ST is open for securities trading.

⁵ The Adjusted VWAP is computed based on the volume-weighted average price of all trades on SGX-ST for the full Market Day on 11 February 2011 and up to the time the Placement Agreement is signed on 14 February 2011 (being the preceding Market Day up to the time the Placement Agreement is signed) and subtracting 0.285 cents per Unit being the approximate amount of the Advanced Distribution (as defined herein).

- (ii) S\$1.5 million to pay for the underwriting, selling and management fee as well as other estimated fees and expenses (including professional fees and expenses), incurred or to be incurred by AIMSAMPIREIT in connection with the Private Placement (which is equivalent to 3.4% of the gross proceeds of the Private Placement).

In the event that the Issue Price is above the Minimum Issue Price, the additional net proceeds will be used to partly fund the Acquisition.

Notwithstanding its current intention, the Manager may, subject to relevant laws and regulations, use the net proceeds from the Private Placement at its absolute discretion for other purposes, including, without limitation, to repay existing indebtedness.

Pending the deployment of the net proceeds from the Private Placement, the net proceeds from the Private Placement may, subject to relevant laws and regulations, be deposited with banks and/or financial institutions or used to repay outstanding borrowings or for any other purpose on a short-term basis as the Manager may, in its absolute discretion, deem fit.

The Manager will make periodic announcements on the utilisation of the net proceeds of the Private Placement via SGXNET as and when such funds are materially utilised.

4. Merits of the Acquisition and Private Placement

The Manager believes that the Acquisition and Private Placement will bring the following benefits to Unitholders:

- (i) **Acquisition of a High Quality Asset**

NorthTech has a weighted average lease expiry of 3.5 years as at 31 December 2010. The initial net property income yield ("**NPI Yield**") for NorthTech is 7.6%⁶. This compares favourably with the NPI yield of AIMSAMPIREIT's current portfolio of 7.2%⁷.

- (ii) **AIMSAMPIREIT will have readily available financing to capitalise on growth opportunities**

With the proposed Acquisition, AIMSAMPIREIT was able to secure the Acquisition Loan Facility from SCB. Upon completion of the Acquisition and the sale of 23 Changi South Avenue 2 ("**KTL**")⁸, based on the Minimum Issue Price, AIMSAMPIREIT will have a total of S\$37.6 million in undrawn debt facilities.

Following the completion of the Acquisition and the sale of KTL, AIMSAMPIREIT's Aggregate Leverage⁹ is expected to be 33.6%, which is below the maximum

⁶ Based on the Net Property Income ("**NPI**") of NorthTech for the three months ended 31 December 2010 divided by the purchase consideration for NorthTech. The NPI of NorthTech is based on the agreed amount of rent paid pursuant to the tenancies, licences and/or occupation agreements for the three months ended 31 December 2010 and the estimated other income and estimated operating costs for the three months ended 31 December 2010.

⁷ Based on the NPI of the existing portfolio for the three months ended 31 December 2010 divided by the latest valuation.

⁸ For details on the sale of KTL, please refer to the SGXNET announcement made by the Manager on 3 November 2010.

⁹ "**Aggregate Leverage**" refers to the ratio of the value of total borrowings and deferred payments (if any) to the value of the gross assets of AIMSAMPIREIT, including all its Authorised Investments (as defined in the Trust Deed) held or deemed to be held under the Trust Deed.

Aggregate Leverage of up to 60.0% permitted by the Monetary Authority of Singapore (the “MAS”) for real estate investment trusts in Singapore¹⁰.

The Manager is actively evaluating acquisition opportunities at attractive NPI yields and the readily available financing will give AIMSAMPIREIT greater financial flexibility and allow it to capitalise on these opportunities expediently.

(iii) **Possible increase in trading liquidity of Units**

The New Units to be issued pursuant to the Private Placement will increase the number of Units in issue by 219,989,907 Units, which is an increase of 11.1% of the total number of Units in issue as at 31 December 2010.

The Manager expects this increase in the total number of Units to improve the level of trading liquidity of the Units.

5. Authority to Issue New Units

The Manager is relying on the general mandate (the “**General Mandate**”) given by the Unitholders to the Manager obtained at the annual general meeting of AIMSAMPIREIT on 30 June 2010 for the issue of New Units under the Private Placement. The General Mandate allows the Manager to issue new Units and/or convertible securities or other instruments (including but not limited to warrants) which may be convertible into Units (“**Convertible Securities**”) such that the number of new Units (and/or Units into which the Convertible Securities may be converted) does not exceed 50.0% of the number of Units in issue as at 30 June 2010, of which the aggregate number of new Units (and/or Units into which the Convertible Securities may be converted) issued other than on a pro rata basis to existing Unitholders, shall not be more than 20.0% of the Base Figure (as defined herein).

As at 30 June 2010, the number of Units in issue was 1,466,599,377 (the “**Base Figure**”).

Following the rights issue in October 2010 where 513,309,781 Units were issued pursuant to the rights issue, the maximum number of New Units that can be issued pursuant to the General Mandate is 219,989,907. Accordingly, the prior approval of the Unitholders is not required for the issue of the New Units under the Private Placement.

6. Advanced Distribution

AIMSAMPIREIT's policy is to distribute its distributable income on a quarterly basis to Unitholders.

In connection with the Private Placement, the Manager however intends to declare in respect of the Units in issue immediately prior to the issue of the New Units (“**Existing Units**”), a distribution of the distributable income of AIMSAMPIREIT for the period from 1 January 2011

¹⁰ Paragraph 9.2 of the Property Funds Appendix states that the aggregate leverage of a property fund should not exceed 35.0% of the fund's deposited property. The aggregate leverage of a property fund may exceed 35.0% of the fund's deposited property (up to a maximum of 60.0%) only if a credit rating of the property fund from Fitch Inc., Moody's or Standard and Poor's is obtained and disclosed to the public. The property fund should continue to maintain and disclose a credit rating so long as its aggregate leverage exceeds 35.0% of the fund's deposited property. AIMSAMPIREIT currently has a Ba2 credit rating from Moody's as announced by the Manager on 29 December 2009.

to the day immediately prior to the date the New Units are issued pursuant to the Private Placement (the “**Advanced Distribution**”).

The next distribution thereafter will comprise AIMSAMPIREIT’s distributable income for the period from the day the New Units are issued pursuant to the Private Placement to 31 March 2011. Quarterly distributions will resume thereafter.

The Advanced Distribution is intended to ensure that the distributable income of AIMSAMPIREIT accrued up to the day immediately preceding the date of issue of the New Units (which at this point, will be entirely attributable to the Existing Units) is only distributed in respect of the Existing Units, and is being proposed as a means to ensure fairness to holders of the Existing Units.

The current expectation of the Manager is that the quantum of the distribution per Unit (“**DPU**”) under the Advanced Distribution will be approximately 0.285 cents per Unit, estimated based on actual revenue and expenses for the three months ended 31 December 2010. The actual quantum of the DPU under the Advanced Distribution will be announced on a later date after the management accounts of AIMSAMPIREIT for the relevant period have been finalised.

7. Status of the New Units

Other than the Advanced Distribution to which the New Units will not be entitled, the New Units issued pursuant to the Private Placement will, upon issue, rank *pari passu* in all respects with the Existing Units, including the right to any distributions which may be paid for the period from the date on which the New Units are issued to 31 March 2011, as well as all distributions thereafter.

8. Application to the SGX-ST for Approval in-Principle

The Manager will make a formal application to the SGX-ST for the listing of, dealing in, and quotation of, the New Units to be issued pursuant to the Private Placement on the Main Board of the SGX-ST. An appropriate announcement will be made upon the receipt of such in-principle approval from the SGX-ST.

The Private Placement shall be subject to certain conditions precedent more particularly set out in the Placement Agreement, including the approval in-principle of the SGX-ST for the listing of, dealing in, and quotation of, the New Units on the Main Board of the SGX-ST.

9. Documents on Display

Copies of the following documents are available for inspection during normal business hours at the registered office of the Manager at 1 Raffles Place, #21-01 One Raffles Place, Singapore 048616 from the date of this announcement up to and including the date falling three months after the date of this announcement:

- (i) the Sale and Purchase Agreement; and
- (ii) the full independent valuation report of NorthTech.

The Trust Deed will also be available for inspection at the registered office of the Manager for so long as AIMSAMPIREIT continues to be in existence.

BY ORDER OF THE BOARD

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

Name: Nicholas Paul McGrath
Designation: Chief Executive Officer

14 February 2011

For enquiries, kindly contact:

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Nicholas McGrath

Chief Executive Officer

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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 AIMSAMPIREIT 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 AIMSAMPIREIT is not necessarily indicative of the future performance of AIMSAMPIREIT.

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.

This document is for informational purposes only and is not intended, and should not be construed, as an offer of securities for sale in the United States. The securities described herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**") or the laws of any state, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state laws. The Manager does not intend to register any portion of any offering in the United States or to conduct a public offering of securities in the United States.

About AIMSAMPIREIT

Managed by AIMS AMP Capital Industrial REIT Management Limited, AIMSAMPIREIT 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 AIMSAMPIREIT are the AIMS Financial Group and AMP Capital Investors International Holdings Limited, a direct wholly-owned subsidiary of AMP Capital. AIMSAMPIREIT consists of 26 industrial properties located throughout Singapore and one property in Tokyo, Japan, with an appraised total value of S\$803.9 million based on valuations obtained as at 30 September 2010.

About AIMS Financial Group ("AIMS")

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

AIMS holds an Australian Financial Service License ("**AFSL**") for securitisation trust management granted by the Australian Securities and Investments Commission ("**ASIC**").

In the eight years to 2007, AIMS has raised directly and indirectly close A\$3 billion in funds from the capital markets, with most of the residential mortgage-backed securities ("**RMBS**") rated AAA by both

Standard & Poors and Fitch Ratings. AIMS has originated over A\$5 billion of high-quality, prime home loans since 1997.

In the real estate funds management area, AIMS holds an AFSL granted by the ASIC to offer real estate funds management and mortgage funds management services. AIMS actively introduces international investors to the Australian real estate market, and has attracted over A\$1 billion of investment from its international clients to invest in Australian direct property.

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

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

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

AMP Capital Investors (“AMP Capital”)

AMP Capital is a specialist investment manager with over A\$97 billion in assets under management as at 30 September 2010. AMP Capital is a wholly owned subsidiary of AMP Limited. AMP Capital's teams of specialists operate across direct and listed real estate, infrastructure, equities, fixed income and credit.

As one of the largest institutional real estate fund managers in Australia and New Zealand, AMP Capital has over A\$20 billion in global direct and listed real estate funds under management. The group has over 45 years of real estate investment expertise and is ranked a Global Top 20 real estate investment manager by Watson Wyatt in 2009. AMP Capital was also ranked a Top 10 Australian company by Forbes in 2010.

With established operations in Australia, New Zealand, United States, China, Hong Kong, India, Luxembourg, Japan, Singapore and the United Kingdom, AMP Capital has over 250 in-house investment professionals, around 900 staff globally and a carefully selected network of regional investment partners who can source competitive international investment opportunities catering for the varying needs of its clients.

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

AMP is a leading wealth management company operating in Australia and New Zealand, with selected investment management activities in parts of Asia, and a growing banking business in Australia. AMP was established in 1849 as a mutual company and listed on the Australian and New Zealand stock exchanges in 1998. As at 30 June 2010, AMP had \$111 billion of assets under management, more than 3.8 million customers and over 3,700 employees. It has one of Australia's largest shareholder registers, with approximately 790,000 shareholders.