AIMS 宝泽 | AMP CAPITAL

AIMS AMP CAPITAL INDUSTRIAL REIT

AIMS AMP CAPITAL INDUSTRIAL REIT UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT SECOND QUARTER ENDED 30 SEPTEMBER 2012 ("2Q FY2013")

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 stable distributions to Unitholders and to provide long-term capital growth.

The Trust has a portfolio of 25 properties in Singapore as at 30 September 2012.

Summary of AIMS AMP Capital Industrial REIT Group results

	Note	2Q FY2013	1Q FY2013	+/(-)	2Q FY2012	+/(-)	1H FY2013	1H FY2012	+/(-)
		S$'000	S$'000	%	S$'000	%	S$'000	S$'000	%
Gross revenue	(a)	21,583	20,948	3.0	21,475	0.5	42,531	42,470	0.1
Net property income	(a)	14,691	14,897	(1.4)	15,440	(4.9)	29,588	29,781	(0.6)
Amount available for distribution	(b)	11,342	11,405	(0.6)	11,989	(5.4)	22,747	24,073	(5.5)
Distribution to Unitholders	(b)	11,208	11,149	0.5	11,096	1.0	22,357	22,794	(1.9)
Distribution per Unit ("**DPU**")(cents)		2.500	2.500	-	2.500	-	5.000	5.150[c]	(2.9)

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

(b) The Trust achieved an amount available for distribution of S$11.3 million for 2Q FY2013. AIMSAMPIREIT's distribution policy is to distribute at least 90% of the Trust's taxable income for the full financial year. For 2Q FY2013, the Manager has resolved to distribute 98.8% of the taxable income available for distribution to the Unitholders, amounting to S$11.2 million. Please refer to details in section 1(a)(ii) for the distribution statement.

(c) The applicable number of Units used to compute DPU were adjusted for the effect of the Unit Consolidation took place on 3 October 2011, for every five existing units into one consolidated Unit.

Distribution and Book Closure Date

Distribution	For 1 July 2012 to 30 September 2012
Distribution Rate	2.5 cents per Unit
Book Closure Date	6 November 2012
Payment Date	20 December 2012

The Manager has determined that the distribution reinvestment plan (the "**AIMSAMPIREIT DRP**") will apply to the distribution for the period from 1 July 2012 to 30 September 2012.

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

	Note	Group 2Q FY2013 S$'000	Group 2Q FY2012 S$'000	+/(-) %	Group 1H FY2013 S$'000	Group 1H FY2012 S$'000	+/(-) %
Gross revenue	(a)	21,583	21,475	0.5	42,531	42,470	0.1
Property operating expenses	(a)	(6,892)	(6,035)	14.2	(12,943)	(12,689)	2.0
Net property income	(a)	14,691	15,440	(4.9)	29,588	29,781	(0.6)
Interest and other income		5	15	(66.7)	7	20	(65.0)
Borrowing costs	(a)	(3,899)	(2,806)	39.0	(6,539)	(5,617)	16.4
Manager's management fees	(a)	(1,205)	(1,100)	9.5	(2,369)	(2,176)	8.9
Other trust expenses	(a)	(352)	(240)	46.7	(429)	(419)	2.4
Non-property expenses		(5,456)	(4,146)	31.6	(9,337)	(8,212)	13.7
Net income		9,240	11,309	(18.3)	20,258	21,589	(6.2)
Net change in fair value of investment properties	(b)	21,524	13,484	59.6	21,524	14,623	47.2
Net change in fair value of financial derivatives	(c)	(131)	(659)	(80.1)	(1,403)	(1,594)	(12.0)
Gain/(loss) on liquidation of subsidiaries	(d)	1,411	-	NM	1,411	(172)	>(100.0)
Total return before income tax		32,044	24,134	32.8	41,790	34,446	21.3
Income tax expense		-	-	-	-	-	-
Total return after income tax		32,044	24,134	32.8	41,790	34,446	21.3

NM : not meaningful

Notes:

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

(b) The net change in fair value of investment properties of S$21.5 million relates to surplus on revaluation of 24 properties . The independent valuation of 15 investment properties was carried out by Cushman & Wakefield and the independent valuation of 9 investment properties was carried out by Colliers International Consultancy & Valuation (Singapore) Pte Ltd as at 30 September 2012. Investment property under development was not subject to independent valuation as at 30 September 2012 and it is carried at fair value based on directors' 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.

(c) This relates to changes in fair value due to the revaluation of interest rate swap contracts in accordance with Financial Reporting Standard ("**FRS**") 39. Please refer to note (h) of section 1(b)(i) for further details of the swap contracts. The net change in fair value of financial derivatives registered an unfavourable change in 2Q FY2013. This was mainly due to lower Singapore dollar interest rates as at the end of 2Q FY2013 as compared to the end of 1Q FY2013. 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.

(d) The gain on liquidation of subsidiaries relates to the Trust's investment in its wholly-owned subsidiary, Japan Industrial Property Pte Ltd ("**JIP**"), a company incorporated in Singapore. The liquidation of JIP was completed on 8 August 2012 and resulted in realisation of translation reserve. JIP was dormant following the liquidation of its Japanese subsidiary, Guodou Kaisha Bayside ("**GK Bayside**") in November 2011.

The loss on liquidation of subsidiaries in 1H FY2012 relates to the Trust's indirect subsidiary in Japan, GK Bayside, following the sale of Asahi Ohmiya Warehouse, Japan in March 2011.

1(a)(ii) Distribution Statement

	Note	Group 2Q FY2013 S$'000	Group 2Q FY2012 S$'000	+/(-) %	Group 1H FY2013 S$'000	Group 1H FY2012 S$'000	+/(-) %
Total return after income tax		32,044	24,134	32.8	41,790	34,446	21.3
Net effect of tax adjustments	(a)	(20,648)	(12,151)	69.9	(18,989)	(10,354)	83.4
Other adjustments	(b)	(54)	6	>(100.0)	(54)	(19)	>100.0
Amount available for distribution to Unitholders		11,342	11,989	(5.4)	22,747	24,073	(5.5)
Distribution to Unitholders	(c)	11,208	11,096	1.0	22,357	22,794	(1.9)

Notes:

(a) Net effect of tax adjustments

	Group 2Q FY2013 S$'000	Group 2Q FY2012 S$'000	+/(-) %	Group 1H FY2013 S$'000	Group 1H FY2012 S$'000	+/(-) %
Amortisation of borrowing costs	1,453	582	>100.0	2,033	1,160	75.3
Manager's management fees in units	403	-	NM	403	-	NM
Net change in fair value of financial derivatives	131	659	(80.1)	1,403	1,594	(12.0)
Prepayment fee on borrowings	125	-	NM	125	-	NM
Straight-lining of rental income	-	84	(100.0)	-	1,229	(100.0)
(Gain)/loss on liquidation of subsidiaries	(1,411)	-	NM	(1,411)	172	>(100.0)
Net change in fair value of investment properties	(21,524)	(13,484)	59.6	(21,524)	(14,623)	47.2
Industrial building allowance	-	-	-	112	-	NM
Temporary differences and other tax adjustments	175	8	>100.0	(130)	114	>(100.0)
Net effect of tax adjustments	(20,648)	(12,151)	69.9	(18,989)	(10,354)	83.4

NM: not meaningful

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

(c) The Trust's distribution policy is to distribute at least 90% of the Trust's taxable income for the full financial year. For 2Q FY2013, the Manager has resolved to distribute 98.8% of the taxable income available for distribution to the Unitholders.

1(b)(i) Statements of Financial Position as at 30 September 2012 vs. 31 March 2012

	Note	Group 30 Sep 2012 S$'000	Group 31 Mar 2012 S$'000	+/(-) %	Trust 30 Sep 2012 S$'000	Trust 31 Mar 2012 S$'000	+/(-) %
Non-current assets							
Investment properties	(a)	851,900	830,000	2.6	851,900	830,000	2.6
Investment property under development	(b)	113,761	84,500	34.6	113,761	84,500	34.6
Subsidiary	(c)	-	-	-	*	*	-
Plant and equipment		99	50	98.0	99	50	98.0
		965,760	914,550	5.6	965,760	914,550	5.6
Current assets							
Asset held for sale	(d)	-	16,438	(100.0)	-	16,438	(100.0)
Trade and other receivables		4,438	4,404	0.8	4,434	4,404	0.7
Cash and cash equivalents	(e)	4,838	3,580	35.1	4,838	3,580	35.1
		9,276	24,422	(62.0)	9,272	24,422	(62.0)
Total assets		**975,036**	**938,972**	3.8	**975,032**	**938,972**	3.8
Current liabilities							
Derivative financial instruments	(h)	-	292	(100.0)	-	292	(100.0)
Rental deposits		798	736	8.4	798	736	8.4
Trade and other payables	(f)	12,836	27,500	(53.3)	12,886	27,500	(53.3)
		13,634	28,528	(52.2)	13,684	28,528	(52.0)
Non-current liabilities							
Rental deposits		6,681	4,945	35.1	6,681	4,945	35.1
Interest-bearing borrowings	(g)	303,969	277,297	9.6	303,969	277,297	(26.4)
Derivative financial instruments	(h)	3,469	1,965	76.5	3,469	1,965	76.5
		314,119	284,207	10.5	314,119	284,207	10.5
Total liabilities		**327,753**	**312,735**	4.8	**327,803**	**312,735**	4.8
Net assets		**647,283**	**626,237**	3.4	**647,229**	**626,237**	3.4
Represented by:							
Unitholders' funds		647,283	626,237	3.4	647,229	626,237	3.4
		647,283	**626,237**	3.4	**647,229**	**626,237**	3.4

NM: not meaningful

*: less than $1,000

Notes:

(a) The increase in investment properties was primarily due to revaluation surplus of S$21.5 million recognised during the quarter.

(b) Investment property under development refers to the redevelopment of 20 Gul Way into a five storey ramp up warehouse facility with estimated gross floor area of approximately 1.2 million square feet. The estimated redevelopment cost is approximately S$155 million. Please refer to section 1(b)(ii) for details of the development loans. Phase 1 of the redevelopment is expected to achieve temporary occupation permit in the last quarter of calendar year 2012.

(c) This relates to the Trust's investment in its wholly owned subsidiary, AACI REIT MTN Pte Ltd ("AACI REIT MTN") incorporated on 28 May 2012. The principal activity of the subsidiary is the provision of financial and treasury services, including on-lending to the Trust the net proceeds from issuance of notes under an unsecured multicurrency medium term notes ("MTN" or "Notes") programme.

As at 31 March 2012, the subsidiary relates to the Trust wholly owned subsidiary, JIP. The liquidation of the company was completed on 8 August 2012.

(d) The sale of 31 Admiralty Road to Storhub 31A Pte Ltd for a consideration of S$16.438 million was completed on 11 May 2012. The net sales proceeds of S$15.94 million was used to repay the Trust's revolving credit facility.

(e) Cash and cash equivalents of the Group were S$4.8 million which is S$1.3 million higher than S$3.6 million as at 31 March 2012 mainly due to the timing of collection received and the repayment of the borrowings under the Trust's revolving credit facility.

(f) Trade and other payables as at 30 September 2012 included retention sum of S$4.0 million relating to 20 Gul Way redevelopment (31 March 2012: included development cost of S$13.0 million and retention sum of S$3.6 million). Development cost of the property at 20 Gul Way is funded by development loans. As at 30 September 2012, the Trust has undrawn revolving credit facility of S$69.7 million (31 March 2012: S$50.0 million) to fulfil its liabilities as and when they fall due.

(g) The increase in the interest-bearing borrowings by S$26.7 million as at 30 September 2012 was mainly due to the drawdown of S$45.4 million for development costs, partially offset by the repayment of the revolving credit facility. The Trust used the net sales proceeds from the sale of 31 Admiralty Road and the cash generated from operations to repay the revolving credit facility by S$19.7 million.

On 8 August 2012, AACI REIT MTN issued S$100 million 4 year Medium Term Notes. The proceeds from the issuance of the Notes were used to repay a term loan of S$100 million which was due to expire in October 2013. Please refer to details in section 1(b)(ii).

(h) The derivative financial instruments as at 30 September 2012 were in relation to interest rate swap contracts for a total notional amount of S$201.8 million. As at 30 September 2012, 98.1% of the Group's borrowings are on fixed rates taking into account the (i) interest rate swaps entered into and (ii) the fixed rate notes. Under the interest rate swap contracts, the Trust pays fixed interest rates of between 0.748% to 1.86% per annum and receives interest at the three-month Singapore dollar swap offer rate.

1(b)(ii) Aggregate amount of borrowings

Interest-bearing borrowings	Group 30 Sep 2012 S$'000	Group 31 Mar 2012 S$'000	Trust 30 Sep 2012 S$'000	Trust 31 Mar 2012 S$'000
Amount repayable after one year				
Secured				
Term loans	197,259	251,844	197,259	251,844
Revolving credit facilities	10,300	30,000	10,300	30,000
	207,559	281,844	207,559	281,844
Unsecured				
Medium term notes	100,000	-	100,000	-
	307,559	281,844	307,559	281,844
Less : Unamortised loan transaction costs	(3,590)	(4,547)	(3,590)	(4,547)
	303,969	277,297	303,969	277,297

Details of borrowings and collateral

(a) Secured borrowings

(i) The Group has a secured S$330.0 million term loan facility from a syndicate of four financial institutions. Out of the facility, S$150.0 million ("**development loans**") was to partially finance the redevelopment of the property at 20 Gul Way. The Trust has drawn down S$68.4 million under the development loan facility as at 30 September 2012.

The details of the collateral for the S$330.0 million facility are as follows:

- First legal mortgage over 24 investment properties of the Trust (it is noted that the Trust's lenders have granted consent to the discharge of security of 7 of these properties with a total value of S$122.5 million);
- Assignment of rights, title and interest in leases, insurances, contracts and rental proceeds of the related mortgaged investment properties; and
- A fixed and floating charge over certain assets arising out of or in connection with the mortgaged properties.

(ii) The Group has in place a secured S$28.8 million term loan facility from a syndicate of three financial institutions. The term loan facility was fully drawn down as at 30 September 2012.

The details of the collateral for the S$28.8 million facility are as follows:

- First legal mortgage over one investment property of the Trust;
- Assignment of rights, title and interest in leases, insurances, contracts and rental proceeds of the related mortgaged property; and
- A fixed and floating charge over certain assets arising out of or in connection with the mortgaged property.

(b) Unsecured borrowings

On 8 August 2012, the Trust has drawn down from AACI REIT MTN a S$100 million fixed rate notes due 2016 under its S$500 million Multicurrency MTN Programme. The Notes will mature on 8 August 2016 and will bear interest at a fixed rate of 4.90% per annum payable semi-annually.

AACI REIT MTN has on-lent the proceeds from the issuance of the Notes to the Trust to repay a term loan of S$100 million which was due to expire in October 2013.

1(c) Consolidated Statement of Cash Flows

	Group 2Q FY2013 S$'000	Group 2Q FY2012 S$'000	Group 1H FY2013 S$'000	Group 1H FY2012 S$'000
Operating activities				
Total return before income tax	32,044	24,134	41,790	34,446
Adjustments for:				
Net change in fair value of financial derivatives	131	659	1,403	1,594
Borrowing costs	3,899	2,806	6,539	5,617
Straight-lining of rental income	-	84	-	1,229
Depreciation	14	7	28	15
(Gain)/loss on liquidation of a subsidiary	(1,411)	-	(1,411)	172
Manager's management fees payable in units	403	-	403	-
Net change in fair value of investment properties	(21,524)	(13,484)	(21,524)	(14,623)
Operating income before working capital changes	**13,556**	**14,206**	**27,228**	**28,450**
Changes in working capital				
Rental deposits	1,734	628	1,837	685
Trade and other receivables	(1,085)	(1,579)	(1,629)	(2,018)
Trade and other payables	(1,800)	1,040	(1,366)	(220)
Cash from operating activities	**12,405**	**14,295**	**26,070**	**26,897**
Investing activities				
Capital expenditure on investment properties and investment property under development	(27,701)	(2,597)	(41,212)	(2,603)
Proceeds from divestment of investment properties	-	-	15,938	-
Purchase of plant and equipment	-	-	(76)	-
Net cash used in investing activities	**(27,701)**	**(2,597)**	**(25,350)**	**(2,603)**
Financing activities				
Proceeds from issuance of units in relation to Distribution Reinvestment Plan	2,918	-	3,407	-
Distributions to Unitholders	(10,386)	(11,697)	(22,332)	(17,325)
Borrowing costs paid	(3,831)	(2,229)	(6,242)	(4,514)
Proceeds from interest-bearing borrowings	134,729	6,000	155,315	6,000
Repayments of interest-bearing borrowings	(106,600)	(3,500)	(129,600)	(20,000)
Proceeds from placements	-	2,500	-	2,500
Issue expenses paid	(5)	(5)	(10)	(5)
Distribution to non-controlling interests	-	-	-	(15)
Net cash from/(used) in financing activities	**16,825**	**(8,931)**	**538**	**(33,359)**
Net increase/(decrease) in cash and cash equivalents	**1,529**	**2,767**	**1,258**	**(9,065)**
Cash and cash equivalents at beginning of the period	**3,309**	**6,016**	**3,580**	**17,851**
Effect of exchange rate fluctuation	-	(1)	-	(4)
Cash and cash equivalents at end of the period	**4,838**	**8,782**	**4,838**	**8,782**

1(d)(i) Statement of Movements in Unitholders' Funds (2Q FY2013 vs. 2Q FY2012)

	Group 2Q FY2013 S$'000	Group 2Q FY2012 S$'000	Trust 2Q FY2013 S$'000	Trust 2Q FY2012 S$'000
Balance at beginning of the period	624,483	591,074	624,483	591,074
Operations				
Total return after income tax	32,044	24,134	30,579	24,134
Foreign currency translation reserve				
Exchange difference realised on liquidation of a subsidiary	(1,411)	-	-	-
Unitholders' transactions				
Manager's management fees payable in units	403	-	403	-
Proceeds from placements	-	2,500	-	2,500
Distribution Reinvestment Plan	2,918	-	2,918	-
Distributions to Unitholders	(11,149)	(11,697)	(11,149)	(11,697)
Issue expenses	(5)	(45)	(5)	(45)
Total increase in Unitholders' funds	22,800	14,892	22,746	14,892
Balance at end of the period	647,283	605,966	647,229	605,966

1(d)(i) Statement of Movements in Unitholders' Funds (1H FY2013 vs. 1H FY2012)

	Group 1H FY2013 S$'000	Group 1H FY2012 S$'000	Trust 1H FY2013 S$'000	Trust 1H FY2012 S$'000
Balance at beginning of the period	626,237	586,217	626,237	586,213
Operations				
Total return after income tax	41,790	34,446	40,325	34,618
Foreign currency translation reserve				
Exchange difference realised on liquidation of a subsidiary	(1,411)	168	-	-
Unitholders' transactions				
Manager's management fees payable in units	403	-	403	-
Proceeds from placements	-	2,500	-	2,500
Distribution Reinvestment Plan	3,407	-	3,407	-
Distributions to Unitholders	(23,133)	(17,325)	(23,133)	(17,325)
Issue expenses	(10)	(40)	(10)	(40)
Total increase in Unitholders' funds	21,046	19,749	20,992	19,753
Balance at end of the period	647,283	605,966	647,229	605,966

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

		Trust 2Q FY2013 Units '000	Trust 2Q FY2012 Units '000	Trust 1H FY2013 Units '000	Trust 1H FY2012 Units '000
Units in issue at beginning of the period	(a)	445,958	441,413	443,852	441,413
New units issued:					
Distribution Reinvestment Plan	(b)	2,349	-	2,769	-
Manager's management fees	(c)	-	-	1,686	-
Placement Units	(d)	-	2,439	-	2,439
Units in issue at end of the period		448,307	443,852	448,307	443,852
Units to be issued:					
Manager's management fees	(e)	299	-	299	-
Total Units in issue and to be issued at end of the period		448,606	443,852	448,606	443,852

(a) The comparative number of Units in issue has been restated for the effect of the Unit Consolidation which took place on 3 October 2011, for every five existing units into one consolidated Unit.

(b) This relates to the issuance of 2,348,604 on 18 September 2012 at an issue price of S$1.2421 per unit pursuant to the AIMSAMPIREIT DRP. The new units were issued to eligible unitholders who elected to participate in the AIMSAMPIREIT DRP in respect of the 1Q FY2013 distribution.

In 1Q FY2013, there was issuance of 420,591 units on 19 June 2012 at an issue price of S$1.1622 per unit pursuant to the AIMSAMPIREIT DRP. The new units were issued to eligible unitholders who elected to participate in the AIMSAMPIREIT DRP in respect of the 4Q FY2012 distribution.

(c) This relates to the issuance of 1,685,917 units on 25 May 2012 at an issue price of S$1.1139 per unit as payment of the performance component of the Manager's management fee for the year ended 31 March 2012.

(d) This relates to the issuance of 12,195,122 units on 5 September 2011 to CWT Limited at an issue price of S$0.205 per Unit (the placement taking place prior to the Unit Consolidation), raising gross proceeds of S$2.5 million.

(e) This relates to 299,157 units to be issued to the Manager as partial satisfaction of the base fee element of the management fee incurred for the period from 1 July 2012 to 30 September 2012. The issue price was determined based on the volume weighted average traded price 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 management fee accrues.

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 2012.

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.

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

	Note	Group 2Q FY2013	Group 2Q FY2012	Group 1H FY2013	Group 1H FY2012
Weighted average number of units ('000)	(a)	446,293	442,102	445,448	441,759
Earnings per unit (cents) - basic and diluted		7.18	5.22	9.38	7.56
Number of units in issue at end of period ('000)		448,606	2,219,259	448,606	2,219,259
Adjustment arising from Unit Consolidation ('000)		-	(1,775,407)	-	(1,775,407)
Applicable number of units for calculation of DPU ('000)	(b)	448,606	443,852	448,606	443,852
Distribution per unit (cents)		2.500	2.500	5.000	5.150

(a) In accordance with FRS 33, the weighted average number of Units for 2Q FY2012 has been adjusted for the effect of Unit Consolidation, completed on 3 October 2011.

(b) The applicable number of Units for the calculation of DPU for 2Q FY2012 was adjusted for the effect of the Unit Consolidation.

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

	Group 30 Sep 2012 S$	Group 31 Mar 2012 S$	Trust 30 Sep 2012 S$	Trust 31 Mar 2012 S$
Net asset value per Unit	1.4429	1.4056	1.4428	1.4056

8 Review of the performance

	Group 2Q FY2013 S$'000	Group 1Q FY2013 S$'000	Group 2Q FY2012 S$'000	Group 1H FY2013 S$'000	Group 1H FY2012 S$'000
Gross revenue	21,583	20,948	21,475	42,531	42,470
Property operating expenses	(6,892)	(6,051)	(6,035)	(12,943)	(12,689)
Net property income	14,691	14,897	15,440	29,588	29,781
Interest and other income	5	2	15	7	20
Borrowing costs	(3,899)	(2,640)	(2,806)	(6,539)	(5,617)
Manager's management fees	(1,205)	(1,164)	(1,100)	(2,369)	(2,176)
Other trust expenses	(352)	(77)	(240)	(429)	(419)
Non-property expenses	(5,456)	(3,881)	(4,146)	(9,337)	(8,212)
Net Income	9,240	11,018	11,309	20,258	21,589
Amount available for distribution	11,342	11,405	11,989	22,747	24,073
Distribution to the Unitholders	11,208	11,149	11,096	22,357	22,794

Review of the performance for 2Q FY2013 vs. 1Q FY2013

Gross revenue for 2Q FY2013 of S$21.6 million was S$0.6 million higher than 1Q FY2013 despite the loss of revenue from the divestment of 31 Admiralty Road on 11 May 2012 and redevelopment of 20 Gul Way.

This increase in revenue came from :

(i) the higher contribution from the property at 8 and 10 Pandan Crescent with positive rental reversion at the property upon the expiry of the master lease on 18 April 2012;

(ii) a full quarter contribution for the two tenants at 3 Toh Tuck Link; and

(iii) an existing tenant at 7 Clementi Loop taking up an additional space in the property.

Property operating expenses for 2Q FY2013 were S$0.8 million higher than 1Q FY2013 due to (i) in line with the increase in revenue from 8 and 10 Pandan Crescent and 3 Toh Tuck Link due to the reversion of the triple net master lease properties to gross lease multi-tenancy properties and (ii) repair and maintenance of some properties.

Net property income for 2Q FY2013 stood at S$14.7 million which was S$0.2 million lower compared to 1Q FY2013.

Borrowing costs of S$3.9 million were S$1.3 million higher than 1Q FY2013 largely due to accelerated recognition of unamortised loan transaction costs and prepayment fee of S$1.1 million as a result of early refinancing of the secured borrowings due in October 2013 with the proceeds from the issuance of the Medium Term Notes on 8 August 2012. The amortisation of transaction costs and prepayment fee are a non-tax deductible items and as such have no impact on the amount available for distribution.

Manager’s management fees were higher in 2Q FY2013 vis-à-vis 1Q FY2013 due to the increase in value in the assets under management.

The distribution to the Unitholders for 2Q FY2013 stood at S$11.2 million, an increase of S$0.1 million as compared to 1Q FY2013.

Review of the performance for 2Q FY2013 vs. 2Q FY2012

Gross revenue for 2Q FY2013 of S$21.6 million was S$0.1 million higher than the corresponding quarter in the previous year despite the loss of revenue due to the divestment of 31 Admiralty Road on 11 May 2012 and redevelopment of 20 Gul Way.

The lower contributions as described above were largely offset by the positive rental reversion and recoveries from 8 and 10 Pandan Crescent, 1 Bukit Batok Street 22 and 29 Woodlands Industrial Park E1.

Property operating expenses for 2Q FY2013 were S$0.9 million higher than 2Q FY2012 in line with the increase in revenue from 8 and 10 Pandan Crescent and 3 Toh Tuck Link due to the reversion of the triple net master lease properties to gross lease multi-tenancy properties.

Net property income for 2Q FY2013 stood at S$14.7 million which was S$0.8 million lower compared to 2Q FY2012.

Manager's management fees were higher by S$0.1 million in 2Q FY2013 vis-à-vis 2Q FY2012 as a result of the net increase in the value of the Trust's property portfolio.

Borrowing costs of S$3.9 million were S$1.1 million higher than 2Q FY2012 largely due to accelerated recognition of unamortised loan transaction costs and prepayment fee of S$1.1 million as a result of early refinancing of the secured borrowings due in October 2013 with the proceeds from the issuance of the Medium Term Notes on 8 August 2012.

The distribution to the Unitholders for 2Q FY2013 stood at S$11.2 million, an increase of S$0.1 million as compared to 2Q FY2012.

Review of the performance for 1H FY2013 vs. 1H FY2012

Gross revenue for 1H FY2013 of S$42.5 million was in line with the corresponding period despite (i) the loss of revenue from the divestment of 31 Admiralty Road on 11 May 2012 and redevelopment of 20 Gul Way and (ii) the lower contribution from 3 Toh Tuck Link upon expiry of the master lease on 31 January 2012, as the rent-free periods for the new tenants extended until April and June 2012.

The lower contributions as described above were largely offset by the positive rental reversion and recoveries from 8 and 10 Pandan Crescent, 1 Bukit Batok Street 22 and 29 Woodlands Industrial Park E1.

Property operating expenses for 1H FY2013 were S$0.3 million higher than 1H FY2012 corresponding to the increase in revenue from 8 and 10 Pandan Crescent and 1 Bukit Batok Street 22. The increase in expenses were partly offset by the fact that the divestment of 31 Admiralty Road and the redevelopment of 20 Gul Way reduced property operating expenses referable to those properties.

Net property income for 1H FY2013 stood at S$29.6 million which was S$0.2 million lower compared to 1H FY2012.

Borrowing costs of S$6.5 million were S$0.9 million higher than 1H FY2012 largely due to accelerated recognition of unamortised loan transaction costs and prepayment fee of S$1.1 million as a result of early refinancing of the secured borrowings due in October 2013 with the proceeds from the issuance of the Medium Term Notes on 8 August 2012.

Manager's management fees were higher by S$0.2 million in 1H FY2013 vis-à-vis 1H FY2012 due to the increase in value in the assets under management.

The distribution to the Unitholders for 1H FY2013 stood at S$22.4 million.

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

The Ministry of Trade and Industry ("**MTI**") announced on 12 October 2012 that the Singapore economy grew by 1.3% on a year-on-year basis in the third quarter of 2012, compared to 2.3% growth in the preceding quarter. On a quarter-on-quarter seasonally-adjusted annualised basis, the economy contracted by 1.5%, compared to the 0.2% expansion in the second quarter. The pullback in quarter-on-quarter growth momentum in the third quarter was mainly due to contraction in the manufacturing sector. For the rest of the year, growth could be weighed down by the subdued global economic conditions. Externally-oriented sectors such as manufacturing and wholesale trade will be affected by the slowdown in advanced economies. However, there will be modest support to growth from healthy expansion in the transport engineering cluster and construction sector. MTI maintains the growth forecast for 2012 at 1.5% to 2.5%.

According to the Urban Redevelopment Authority's 2Q 2012 statistics released on 27 July 2012, prices and rental rates of industrial space increased by 8.3% and 4.0% respectively in the quarter. Average occupancy rate of factory space remained about the same as the last quarter at 93.1%. The average occupancy of warehouse space decreased marginally to 94.4% from 94.7% in 1Q 2012. The Trust's portfolio occupancy of 99.2% as at 30 September 2012 continued to be above the industry average.

Outlook for financial year ending 31 March 2013

Supported by a general uplift in market sentiment, overall activity in the industrial property market remained healthy in the second quarter of 2012. According to the Singapore Economic Development Board's latest quarterly business expectation survey, the survey showed that the pick-up in business sentiment was broad-based across all manufacturing clusters, although many firms remained concerned about the global economic uncertainties relating to the Eurozone debt crisis, the strength of the United States economic recovery and high oil prices.

Against this backdrop, the Manager is cautiously optimistic about the industrial property outlook, and sees potential for moderate increase in rental rates, given the shortage of quality industrial property. In addition, the rental market will benefit from the current high prices of industrial properties as many industrialists or investors may defer their purchases and renew their leases instead.

11 Distributions

(a) Current financial period

Any distributions declared for the current financial period:	Yes
Name of distribution:	Twenty-fourth distribution, for the period from 1 July 2012 to 30 September 2012
Distribution Type:	Income
Distribution Rate:	2.50 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.

The Manager has determined that the AIMSAMPIREIT DRP will apply to the distribution for the period from 1 July 2012 to 30 September 2012.

The AIMSAMPIREIT DRP provides Unitholders with an option to elect to receive fully paid units in AIMSAMPIREIT in lieu of the cash amount of any distribution (including any interim, final, special or other distribution) which is declared on the holding of units held by them after the deduction of any applicable income tax.

The Unitholders will receive a copy of the Notice of Election for their distribution election. The pricing of the DRP units issued will be announced by the Manager on 7 November 2012.

(b) Corresponding period of the immediately preceding period

Any distributions declared for the previous corresponding financial period:	Yes
Name of distribution:	Twentieth distribution, for the period from 1 July 2011 to 30 September 2011
Distribution Type:	Income
Distribution rate:	2.50 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:** 6 November 2012

(d) **Date payable:** 20 December 2012

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 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)

Andrew Bird
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 Paul McGrath
Chief Executive Officer
24 October 2012