



AIMS AMP CAPITAL INDUSTRIAL REIT

**AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT
ANNOUNCEMENT
SECOND QUARTER ENDED 30 SEPTEMBER 2013
("2Q FY2014")**

Introduction

The investment policy of AIMS AMP Capital Industrial REIT ("AIMSAMPIREIT" or the "Trust") is to invest 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 2013.

Summary of AIMS AMP Capital Industrial REIT Group¹ results

	Note	2Q FY2014	1Q FY2014	+ / (-)	2Q FY2013	+ / (-)	1H FY2014	1H FY2013	+ / (-)
		S\$'000	S\$'000	%	S\$'000	%	S\$'000	S\$'000	%
Gross revenue	(a)	26,926	24,524	9.8	21,583	24.8	51,450	42,531	21.0
Net property income	(a)	18,224	15,734	15.8	14,742	23.6	33,958	29,626	14.6
Distribution to Unitholders	(b)	14,481	12,488	16.0	11,208	29.2	26,969	22,357	20.6
Distribution per Unit ("DPU") (cents)		2.750	2.500	10.0	2.500	10.0	5.250	5.000	5.0

(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\$14.6 million for 2Q FY2014. AIMSAMPIREIT's distribution policy is to distribute at least 90.0% of the Trust's taxable income for the full financial year. For 2Q FY2014, the Manager has resolved to distribute 99.2% of the taxable income available for distribution to the Unitholders. Please refer to details in section 1(a)(ii) for the distribution statement.

Distribution and Books Closure Date

Distribution	For 1 July 2013 to 30 September 2013
Distribution Rate	2.750 cents per Unit
Books Closure Date	5 November 2013
Payment Date	18 December 2013

The Manager has determined that the distribution reinvestment plan (the "AIMSAMPIREIT DRP") will apply to the distribution for the period from 1 July 2013 to 30 September 2013.

¹ The Group comprises AIMS AMP Capital Industrial REIT and its wholly-owned subsidiaries, AACI REIT MTN Pte Ltd ("AACI REIT MTN") and Japan Industrial Property Pte Ltd ("JIP"). The liquidation of JIP was completed on 8 August 2012.

AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
SECOND QUARTER ENDED 30 SEPTEMBER 2013

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

		Group 2Q FY2014 S\$'000	Group 2Q FY2013 S\$'000	+ / (-) %	Group 1H FY2014 S\$'000	Group 1H FY2013 S\$'000	+ / (-) %
	Note						
Gross revenue	(a)	26,926	21,583	24.8	51,450	42,531	21.0
Property operating expenses	(a)	(8,702)	(6,841)	27.2	(17,492)	(12,905)	35.5
Net property income	(a)	18,224	14,742	23.6	33,958	29,626	14.6
Interest and other income		3	5	(40.0)	10	7	42.9
Borrowing costs	(a)	(3,053)	(3,899)	(21.7)	(6,270)	(6,539)	(4.1)
Manager's management fees	(a)	(1,394)	(1,205)	15.7	(2,751)	(2,369)	16.1
Other trust expenses	(a)	(389)	(403)	(3.5)	(828)	(467)	77.3
Non-property expenses		(4,836)	(5,507)	(12.2)	(9,849)	(9,375)	5.1
Net income		13,391	9,240	44.9	24,119	20,258	19.1
Net change in fair value of investment properties	(b)	5,891	21,524	(72.6)	16,822	21,524	(21.8)
Net change in fair value of financial derivatives	(c)	(383)	(131)	>100.0	2,204	(1,403)	>(100.0)
Gain on liquidation of a subsidiary	(d)	-	1,411	(100.0)	-	1,411	(100.0)
Total return before income tax		18,899	32,044	(41.0)	43,145	41,790	3.2
Income tax expense	(e)	-*	-	NM	-*	-	NM
Total return after income tax		18,899	32,044	(41.0)	43,145	41,790	3.2

NM : not meaningful

* : less than \$1,000

**AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
SECOND QUARTER ENDED 30 SEPTEMBER 2013**

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\$5.9 million for 2Q FY2014 relates to surplus on revaluation of 24 properties which were valued as at 30 September 2013. The independent valuation of 24 properties was carried out by CBRE Pte. Ltd.. Investment properties under development relates to redevelopment of 103 Defu Lane 10 and extension of development at 20 Gul Way which are carried at fair value based on directors’ valuation.

For 1H FY2014, the net change in fair value of investment properties of S\$16.8 million also included S\$10.9 million surplus on revaluation of Phase Two of the 20 Gul Way development upon achieving Temporary Occupation Permit (“TOP”) on 7 May 2013. The valuation was assessed by an independent valuer, CBRE Pte. Ltd..

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 (g) 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 FY2014 compared to 1Q FY2014. This was mainly due to lower Singapore dollar interest rates as at the end of 2Q FY2014 as compared to the end of 1Q FY2014. The 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 a subsidiary in 1H FY2013 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 the realisation of a translation gain. JIP was dormant following the liquidation of its Japanese subsidiary, Guodou Kaisha Bayside in November 2011.
- (e) Income tax expense is payable by the Trust’s wholly-owned subsidiary, AACI REIT MTN Pte Ltd (“AACI REIT MTN”). Please refer to note (d) of section 1(b)(i) for further details of the subsidiary.

AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
SECOND QUARTER ENDED 30 SEPTEMBER 2013

1(a)(ii) Distribution Statement

		Group 2Q FY2014 S\$'000	Group 2Q FY2013 S\$'000	+ /(-) %	Group 1H FY2014 S\$'000	Group 1H FY2013 S\$'000	+ /(-) %
Note							
	Total return after income tax	18,899	32,044	(41.0)	43,145	41,790	3.2
	Net effect of tax adjustments	(4,306)	(20,648)	(79.1)	(15,986)	(18,989)	(15.8)
	Other adjustments	(1)	(54)	(98.1)	(1)	(54)	(98.1)
	Amount available for distribution to Unitholders	14,592	11,342	28.7	27,158	22,747	19.4
	Distribution to Unitholders	14,481	11,208	29.2	26,969	22,357	20.6

Notes:

(a) Net effect of tax adjustments

	Group 2Q FY2014 S\$'000	Group 2Q FY2013 S\$'000	+ /(-) %	Group 1H FY2014 S\$'000	Group 1H FY2013 S\$'000	+ /(-) %
Amortisation and write-off of borrowing costs	216	1,453	(85.1)	468	2,033	(77.0)
Manager's management fees in Units	697	403	73.0	1,715	403	>100.0
Net change in fair value of investment properties	(5,891)	(21,524)	(72.6)	(16,822)	(21,524)	(21.8)
Net change in fair value of financial derivatives	383	131	>100.0	(2,204)	1,403	>(100.0)
Prepayment fee on borrowings	-	125	(100.0)	-	125	(100.0)
Gain on liquidation of a subsidiary	-	(1,411)	(100.0)	-	(1,411)	(100.0)
Industrial building allowance	-	-	NM	-	112	(100.0)
Temporary differences and other tax adjustments	289	175	65.1	857	(130)	>(100.0)
Net effect of tax adjustments	(4,306)	(20,648)	(79.1)	(15,986)	(18,989)	(15.8)

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 90.0% of the Trust's taxable income for the full financial year. For 2Q FY2014, the Manager has resolved to distribute 99.2% of the taxable income available for distribution to the Unitholders.

AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
SECOND QUARTER ENDED 30 SEPTEMBER 2013

1(b)(i) Statements of Financial Position as at 30 September 2013 vs. 31 March 2013

	Note	Group 30 Sep 2013 S\$'000	Group 31 Mar 2013 S\$'000	+ / (-) %	Trust 30 Sep 2013 S\$'000	Trust 31 Mar 2013 S\$'000	+ / (-) %
Non-current assets							
Investment properties	(a)	1,071,840	971,040	10.4	1,071,840	971,040	10.4
Investment properties under development	(b)	18,570	73,945	(74.9)	18,570	73,945	(74.9)
Other assets	(c)	4,119	-	NM	4,119	-	NM
Subsidiary	(d)	-	-	NM	-*	-*	-
Plant and equipment		43	71	(39.4)	43	71	(39.4)
		1,094,572	1,045,056	4.7	1,094,572	1,045,056	4.7
Current assets							
Trade and other receivables	(e)	5,979	8,217	(27.2)	5,969	8,210	(27.3)
Cash at banks and in hand	(f)	8,632	2,975	>100.0	8,631	2,974	>100.0
		14,611	11,192	30.5	14,600	11,184	30.5
Total assets		1,109,183	1,056,248	5.0	1,109,172	1,056,240	5.0
Current liabilities							
Derivative financial instruments	(g)	162	534	(69.7)	162	534	(69.7)
Trade and other payables		19,419	19,659	(1.2)	19,410	19,652	(1.2)
		19,581	20,193	(3.0)	19,572	20,186	(3.0)
Non-current liabilities							
Rental deposits		7,159	7,276	(1.6)	7,159	7,276	(1.6)
Trade and other payables		3,421	3,481	(1.7)	3,421	3,481	(1.7)
Interest-bearing borrowings	(h)	277,080	356,860	(22.4)	277,080	356,860	(22.4)
Derivative financial instruments	(g)	930	3,102	(70.0)	930	3,102	(70.0)
		288,590	370,719	(22.2)	288,590	370,719	(22.2)
Total liabilities		308,171	390,912	(21.2)	308,162	390,905	(21.2)
Net assets		801,012	665,336	20.4	801,010	665,335	20.4
Represented by:							
Unitholders' funds		801,012	665,336	20.4	801,010	665,335	20.4
		801,012	665,336	20.4	801,010	665,335	20.4

NM: not meaningful

*: less than \$1,000

**AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
SECOND QUARTER ENDED 30 SEPTEMBER 2013**

Notes:

- (a) The increase in investment properties was primarily due to:
- (i) the transfer of S\$91.4 million (which included revaluation gain of S\$10.9 million recognised in 1Q FY2014) from investment properties under development for Phase Two of the 20 Gul Way development upon achieving TOP on 7 May 2013;
 - (ii) revaluation surplus of S\$5.9 million recognised in September 2013; and
 - (iii) capital expenditure capitalised on asset enhancement work of S\$3.5 million.

- (b) As at 30 September 2013, investment properties under development refers to the redevelopment at 103 Defu Lane 10 and capitalised costs incurred on Phase 2 Extension ("2E") and Phase Three of the 20 Gul Way development.

The redevelopment of 103 Defu Lane 10 will see the site transform into a six storey industrial facility with an estimated gross floor area of approximately 202,900 square feet. The redevelopment is expected to complete in May 2014.

On 5 September 2013, the Trust announced that it will commence development of Phase 2E and Phase Three of 20 Gul Way following the satisfaction of all conditions precedent to the second development agreement with CWT Limited and Indeco Engineers (Pte) Ltd. The development will add 496,949 square feet of gross floor area ("GFA") to 20 Gul Way, bringing the total GFA to approximately 1,656,485 square feet. The construction is expected to take approximately 17 months.

The estimated redevelopment costs of 103 Defu Lane 10 and Phase 2E and Phase Three of 20 Gul Way are approximately S\$25.4 million and S\$77.2 million respectively, which are expected to be funded mainly by the proceeds from the private placement in May 2013.

- (c) Other assets relate to marketing services commissions incurred by the Trust. The commissions are amortised over the respective tenors of the leases. The unamortised portion of the marketing services commission for leases with tenors of more than 12 months have been reclassified from trade and other receivables to other assets.
- (d) This relates to the Trust's investment in its wholly-owned subsidiary, AACI REIT MTN Pte. Ltd., whose main objective is to issue notes under an unsecured Multi-currency Medium Term Note Programme for and on behalf of the Trust, and to provide financial and treasury services in connection with such issuance and lend the proceeds from the issuance of such notes to the Trust.
- (e) Trade and other receivables as at 30 September 2013 were S\$6.0 million. This was S\$2.2 million lower compared to trade and other receivables as at 31 March 2013 mainly due to the reclassification of marketing services commissions to other assets as mentioned in note (c) above.

AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
SECOND QUARTER ENDED 30 SEPTEMBER 2013

- (f) Cash at banks and in hand as at 30 September 2013 was S\$8.6 million which was S\$5.7 million higher compared to 31 March 2013 position mainly due to the gross proceeds of S\$110.0 million received from the private placement of 68,750,000 new Units in the Trust on 2 May 2013. The proceeds were substantially used to repay outstanding term loan facility (including interest accrued) of S\$100.2 million, pending the deployment of such funds for their intended use.
- (g) The derivative financial instruments as at 30 September 2013 were in relation to interest rate swap contracts for a total notional amount of S\$151.8 million. For the main movements in the value of the derivative financial instruments, please refer to note 1(a)(i)(c). As at 30 September 2013, all the Group's borrowings were on fixed rates taking into account (i) the interest rate swaps entered into and (ii) the Medium Term 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.
- (h) The decrease in interest-bearing borrowings by S\$79.8 million as at 30 September 2013 was mainly due to the repayment of a S\$100.0 million term loan facility using the proceeds received from the private placement. This was partially offset by the drawdown of S\$19.8 million for the development costs incurred on the redevelopment of Phase Two of 20 Gul Way.

On 30 September 2013, the Trust executed a supplemental loan facility agreement with a syndicate of five financial institutions to extend the revolving credit facility which is due to mature in October 2013 to October 2016 and increase the facility limit from S\$80.0 million to S\$120.0 million. In addition, the Trust can redraw under the S\$100.0 million term loan facility (which was prepaid using the proceeds from the private placement) to fund the redevelopment of 103 Defu Lane 10, Phase 2E and Phase Three of 20 Gul Way and acquisitions. Therefore, the Trust has sufficient debt capacity to fulfil its liabilities as and when they fall due.

Please refer to the details of interest-bearing borrowings in section 1(b)(ii).

1(b)(ii) Aggregate amount of borrowings

	Group and Trust	
	30 Sep 2013	31 Mar 2013
	S\$'000	S\$'000
Interest-bearing borrowings		
Amount repayable after one year		
Secured		
Term loans	149,049	229,257
Unsecured		
Medium Term Notes	130,000	130,000
	279,049	359,257
Less : Unamortised borrowing transaction costs	(1,969)	(2,397)
	<u>277,080</u>	<u>356,860</u>

**AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
SECOND QUARTER ENDED 30 SEPTEMBER 2013**

Details of borrowings and collateral

(a) Secured borrowings

The Trust has a S\$330.0 million facility from a syndicate of five financial institutions secured by the collateral described below. Out of the facility, S\$150.0 million ("development loans") is to be used to partially finance the redevelopment of the property at 20 Gul Way Phase One and Two. The Trust has drawn down S\$149.0 million under the development loans as at 30 September 2013.

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

- First legal mortgage over 17 investment properties of the Trust;
- 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.

On 30 September 2013, the Trust executed a supplemental loan facility agreement with its lenders to increase the facility limit from S\$330.0 million to S\$370.0 million with effect from 15 October 2013. The S\$40.0 million increase in the facility limit relates to the increase of the revolving credit facility from S\$80.0 million to S\$120.0 million as discussed in note 1(b)(i)(h) above.

The Trust has undrawn committed facilities of S\$221.0 million (31 March 2013: S\$100.7 million) to fulfil its liabilities as and when they fall due.

(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 30 September 2013, S\$130.0 million medium term notes ("Medium Term Notes") have been issued comprising:

- (i) S\$100.0 million four year Medium Term Notes with a fixed rate of 4.90% per annum, payable semi-annually in arrears and will mature on 8 August 2016.
- (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.

AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
SECOND QUARTER ENDED 30 SEPTEMBER 2013

1(c) Consolidated Statement of Cash Flows

	Group 2Q FY2014 S\$'000	Group 2Q FY2013 S\$'000	Group 1H FY2014 S\$'000	Group 1H FY2013 S\$'000
Cash flows from operating activities				
Total return before income tax	18,899	32,044	43,145	41,790
Adjustments for:				
Borrowing costs	3,053	3,899	6,270	6,539
Depreciation	15	14	28	28
Gain on liquidation of a subsidiary	-	(1,411)	-	(1,411)
Manager's management fees in Units	697	403	1,715	403
Net change in fair value of financial derivatives	383	131	(2,204)	1,403
Net change in fair value of investment properties	(5,891)	(21,524)	(16,822)	(21,524)
Operating income before working capital changes	17,156	13,556	32,132	27,228
Changes in working capital				
Rental deposits	(1,458)	1,734	478	1,837
Trade, other receivables and other assets	517	(1,085)	(40)	(1,629)
Trade and other payables	(314)	(1,800)	(321)	(1,366)
Cash from operating activities	15,901	12,405	32,249	26,070
Cash flows from investing activities				
Capital expenditure on investment properties and investment properties under development	(3,419)	(27,701)	(25,351)	(41,212)
Proceeds from divestment of investment properties	-	-	-	15,938
Purchase of plant and equipment	-	-	-	(76)
Net cash used in investing activities	(3,419)	(27,701)	(25,351)	(25,350)
Cash flows from financing activities				
Borrowing costs paid	(3,728)	(3,831)	(6,658)	(6,242)
Distributions to Unitholders	(8,957)	(7,468)	(21,637)	(18,925)
Proceeds from interest-bearing borrowings	-	134,729	19,791	155,315
Repayments of interest-bearing borrowings	-	(106,600)	(100,000)	(129,600)
Proceeds from placements	-	-	110,000	-
Issue expenses paid	10	(5)	(2,737)	(10)
Net cash (used in)/from financing activities	(12,675)	16,825	(1,241)	538
Net (decrease)/increase in cash at banks and in hand	(193)	1,529	5,657	1,258
Cash at banks and in hand at beginning of the period	8,825	3,309	2,975	3,580
Cash at banks and in hand at end of the period	8,632	4,838	8,632	4,838

**AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
SECOND QUARTER ENDED 30 SEPTEMBER 2013**

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

There were the following significant non-cash transactions:

- (i) On 27 May 2013, the Group issued an aggregate of 671,102 new Units amounting to S\$1.1 million as payment for the performance component of the Manager's management fees for the year ended 31 March 2013.
- (ii) On 30 July 2013, the Group issued an aggregate of 1,428,430 new Units amounting to S\$2.3 million as partial payment for the base fee element of the Manager's management fees incurred for the period from 1 January 2013 to 30 June 2013.
- (iii) In 1H FY2014, the Group issued an aggregate of 3,067,092 new Units amounting to S\$5.1 million as part payment of the distributions for 4Q FY2013 and 1Q FY2014, pursuant to the distribution reinvestment plan (the "AIMSAMP REIT DRP"). Please refer to details in section 1(d).
- (iv) In 1H FY2014, the Group issued an aggregate of 3,259,877 new Units amounting to S\$5.0 million to AIMS AMP Capital Property Management Pte. Ltd. ("Property Manager") as payment for marketing services provided by the Property Manager in respect of securing tenants at three industrial properties, namely 20 Gul Way Phase One and Phase Two, 27 Penjuru Lane and 103 Defu Lane 10.

AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
SECOND QUARTER ENDED 30 SEPTEMBER 2013

1(d)(i) Statement of Movements in Unitholders' Funds (2Q FY2014 vs. 2Q FY2013)

	Group 2Q FY2014 S\$'000	Group 2Q FY2013 S\$'000	Trust 2Q FY2014 S\$'000	Trust 2Q FY2013 S\$'000
Balance at beginning of the period	788,293	624,483	788,292	624,483
Operations				
Total return after income tax	18,899	32,044	18,898	30,579
Foreign currency translation reserve				
Exchange difference realised on liquidation of a subsidiary	-	(1,411)	-	-
Unitholders' transactions				
Issuance of Units (including units to be issued):				
- Manager's management fees	697	403	697	403
- Distribution Reinvestment Plan	199	2,918	199	2,918
- Property Manager's fees in Units	1,582	-	1,582	-
Distributions to Unitholders	(8,668)	(11,149)	(8,668)	(11,149)
Issue expenses	10	(5)	10	(5)
Change in Unitholders' funds resulting from Unitholders' transactions	(6,180)	(7,833)	(6,180)	(7,833)
Total increase in Unitholders' funds	12,719	22,800	12,718	22,746
Balance at end of the period	801,012	647,283	801,010	647,229

AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
SECOND QUARTER ENDED 30 SEPTEMBER 2013

1(d)(i) Statement of Movements in Unitholders' Funds (1H FY2014 vs. 1H FY2013)

	Group 1H FY2014 S\$'000	Group 1H FY2013 S\$'000	Trust 1H FY2014 S\$'000	Trust 1H FY2013 S\$'000
Balance at beginning of the period	665,336	626,237	665,335	626,237
Operations				
Total return after income tax	43,145	41,790	43,144	40,325
Foreign currency translation reserve				
Exchange difference realised on liquidation of a subsidiary	-	(1,411)	-	-
Unitholders' transactions				
Issuance of Units (including units to be issued):				
- Manager's management fees	1,715	403	1,715	403
- Placements	110,000	-	110,000	-
- Distribution Reinvestment Plan	5,117	3,407	5,117	3,407
- Property Manager's fees in Units	5,035	-	5,035	-
Distributions to Unitholders	(26,599)	(23,133)	(26,599)	(23,133)
Issue expenses	(2,737)	(10)	(2,737)	(10)
Change in Unitholders' funds resulting from Unitholders' transactions	92,531	(19,333)	92,531	(19,333)
Total increase in Unitholders' funds	135,676	21,046	135,675	20,992
Balance at end of the period	801,012	647,283	801,010	647,229

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

	Note	Trust 2Q FY2014 Units '000	Trust 2Q FY2013 Units '000	Trust 1H FY2014 Units '000	Trust 1H FY2013 Units '000
Units in issue at beginning of the period		523,882	445,958	449,399	443,852
<u>Issue of new Units:</u>					
- Placements	(a)	-	-	68,750	-
- Manager's performance fees	(b)	-	-	671	1,686
- Manager's management fees	(c)	1,428	-	1,428	-
- Distribution Reinvestment Plan	(d)	127	2,349	3,067	2,769
- Property Manager's fees	(e)	1,138	-	3,260	-
Units in issue at end of the period		526,575	448,307	526,575	448,307
<u>Units to be issued:</u>					
Manager's management fees	(f)	465	299	465	299
Total Units in issue and to be issued at end of the period		527,040	448,606	527,040	448,606

AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
SECOND QUARTER ENDED 30 SEPTEMBER 2013

- (a) On 2 May 2013, the Trust issued 68,750,000 new Units at an issue price of S\$1.60 per Unit by way of private placement, raising gross proceeds of S\$110.0 million.
- (b) On 27 May 2013, the Trust issued 671,102 new Units at an issue price of S\$1.5739 per Unit as payment of the performance component of the Manager's management fee for the year ended 31 March 2013.
- (c) On 30 July 2013, the Trust issued 1,428,430 new Units at an average issue price of S\$1.6186 per Unit as partial payment of the base fee element of the management fee incurred for the period from 1 January 2013 to 30 June 2013.
- (d) During the current financial period, there were the following issuances of Units pursuant to the AIMSAMPIREIT DRP:
 - (i) 2,939,794 new Units on 18 June 2013 at an issue price of S\$1.6727 per Unit. The new Units were issued to eligible Unitholders who elected to participate in the AIMSAMPIREIT DRP in respect of the 4Q FY2013 distribution; and
 - (ii) 127,298 new Units on 20 September 2013 at an issue price of S\$1.5598 per Unit. The new Units were issued to eligible Unitholders who elected to participate in the AIMSAMPIREIT DRP in respect of the 1Q FY2014 distribution.
- (e) During the current financial period, there were the following issuances of Units to the Property Manager:
 - (i) 2,121,777 new Units on 28 June 2013 at an issue price of S\$1.6276 per Unit as payment of the marketing services provided by the Property Manager in respect of securing tenants at two properties, namely 20 Gul Way Phase One and 27 Penjuru Lane; and
 - (ii) 1,138,100 new Units on 13 September 2013 at an issue price of S\$1.3895 per Unit as payment of the marketing services provided by the Property Manager in respect of securing tenants at two properties, namely 20 Gul Way Phase Two and 103 Defu Lane 10.
- (f) The new Units to be issued relate to 465,087 Units to be issued to the Manager as partial payment of the base fee element of the management fee incurred for the period from 1 July 2013 to 30 September 2013.

The issue price for management fees and marketing services fee 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 accrued.

**AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
SECOND QUARTER ENDED 30 SEPTEMBER 2013**

- 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.**

On 1 April 2013, the Group adopted the revised version of the Statement of Recommended Accounting Practice ("RAP") 7 (2012) and Singapore Financial Reporting Standard ("FRS") 113 *Fair Value Measurement* issued by the Institute of Singapore Chartered Accountants (formerly known as the Institute of Certified Public Accountants of Singapore). The adoption of RAP 7 (2012) and FRS 113 has no significant impact to the financial statements of the Group and the Trust. The accounting policies and methods of computation applied in the financial statements for the current financial period are consistent with those disclosed in the audited financial statements for the year ended 31 March 2013.

- 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 2Q FY2014	Group 2Q FY2013	Group 1H FY2014	Group 1H FY2013
Weighted average number of Units ('000)	525,103	446,293	510,371	445,448
Earnings per Unit (cents) - basic and diluted	3.60	7.18	8.45	9.38

Earnings per Unit was lower in 2Q FY2014 vis-à-vis 2Q FY2013 mainly due to the lower surplus on revaluation of investment properties in 2Q FY2014 of S\$5.9 million compared to 2Q FY2013 of S\$21.5 million. Earnings per Unit was lower in 1H FY2014 vis-à-vis 1H FY2013 mainly due to the lower surplus on revaluation of investment properties in 1H FY2014 of S\$16.8 million compared to 1H FY2013 of S\$21.5 million. In addition, the weighted average number of Units has increased in 2Q FY2014 and 1H FY2014 mainly due to the private placement of new Units issued in May 2013.

AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
SECOND QUARTER ENDED 30 SEPTEMBER 2013

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

	Group 2Q FY2014	Group 2Q FY2013	Group 1H FY2014	Group 1H FY2013
Number of Units in issue at end of period ('000)	526,575	448,307	526,575	448,307
Distribution per Unit (cents)	2.750	2.500	5.250	5.000

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

	Group 30 Sep 2013 S\$	Group 31 Mar 2013 S\$	Trust 30 Sep 2013 S\$	Trust 31 Mar 2013 S\$
Net asset value per Unit	1.5198	1.4756	1.5198	1.4756

8 Review of the performance

	Group 2Q FY2014 S\$'000	Group 1Q FY2014 S\$'000	Group 2Q FY2013 S\$'000	Group 1H FY2014 S\$'000	Group 1H FY2013 S\$'000
Gross revenue	26,926	24,524	21,583	51,450	42,531
Property operating expenses	(8,702)	(8,790)	(6,841)	(17,492)	(12,905)
Net property income	18,224	15,734	14,742	33,958	29,626
Interest and other income	3	7	5	10	7
Borrowing costs	(3,053)	(3,217)	(3,899)	(6,270)	(6,539)
Manager's management fees	(1,394)	(1,357)	(1,205)	(2,751)	(2,369)
Other trust expenses	(389)	(439)	(403)	(828)	(467)
Non-property expenses	(4,836)	(5,013)	(5,507)	(9,849)	(9,375)
Net Income	13,391	10,728	9,240	24,119	20,258
Distribution to the Unitholders	14,481	12,488	11,208	26,969	22,357

Review of the performance for 2Q FY2014 vs. 1Q FY2014

Gross revenue for 2Q FY2014 of S\$26.9 million was S\$2.4 million higher than the 1Q FY2014 gross revenue of S\$24.5 million. This was mainly due to the rental contribution of S\$1.6 million from the completion of Phase Two of 20 Gul Way as it became income producing from 7 July 2013 as well as higher revenue of \$0.4 million from 56 Serangoon North Avenue 4 due to the increase in occupancy rates.

Net property income for 2Q FY2014 of S\$18.2 million was S\$2.5 million higher than the net property income of 1Q FY2014, mainly in line with the higher gross revenue achieved.

**AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
SECOND QUARTER ENDED 30 SEPTEMBER 2013**

Manager's management fees were higher in 2Q FY2014 vis-à-vis 1Q FY2014 as a result in the net increase in size of the Trust's portfolio.

The distribution to the Unitholders for 2Q FY2014 stood at S\$14.5 million, an increase of S\$2.0 million compared to 1Q FY2014.

Review of the performance for 2Q FY2014 vs. 2Q FY2013

The gross revenue achieved for 2Q FY2014 of S\$26.9 million was S\$5.3 million higher than the corresponding quarter in the previous year mainly due to:

- (i) rental contribution of S\$3.9 million from 20 Gul Way as Phase One and Phase Two of the development became income-producing from 29 December 2012 and 7 July 2013, respectively; and
- (ii) higher rental rates and recoveries achieved of S\$1.1 million from 27 Penjuru Lane as the property reverted to multi-tenancy leases from 12 December 2012.

This was partly offset by the loss in revenue due to the redevelopment of 103 Defu Lane 10.

Property operating expenses for 2Q FY2014 were S\$1.9 million higher than 2Q FY2013, which was consistent with the net increase in revenue and the reversion of 27 Penjuru Lane to a multi-tenancy property.

Net property income for 2Q FY2014 stood at S\$18.2 million which was S\$3.5 million higher compared to 2Q FY2013.

Borrowing costs of S\$3.1 million were S\$0.8 million lower than 2Q FY2013 largely due to:

- (i) accelerated recognition of unamortised loan transaction costs and prepayment fee of S\$1.1 million in 2Q FY2013 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; and
- (ii) interest cost savings from the repayment of a S\$100.0 million term loan facility on 3 May 2013 using the proceeds from the private placement, pending the deployment of such funds for their intended use.

However, this was offset by borrowing costs incurred on the drawdown of development loans to finance the property at 20 Gul Way, and borrowing costs that were previously capitalised whilst the property was under development but are now expensed following the achievement of TOP.

Manager's management fees were higher in 2Q FY2014 vis-à-vis 2Q FY2013 as a result of the net increase in size of the Trust's property portfolio.

The distribution to the Unitholders for 2Q FY2014 stood at S\$14.5 million, an increase of S\$3.3 million as compared to 2Q FY2013 mainly in line with positive net contributions referred to above.

**AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
SECOND QUARTER ENDED 30 SEPTEMBER 2013**

Review of the performance for 1H FY2014 vs. 1H FY2013

The gross revenue achieved for 1H FY2014 of S\$51.5 million was S\$8.9 million higher than the corresponding period in the previous year mainly due to:

- (i) increase in rental contribution of S\$6.1 million from 20 Gul Way as Phase One and Phase Two of the development became income-producing from 29 December 2012 and 7 July 2013, respectively; and
- (ii) higher rental rates and recoveries achieved from 27 Penjuru Lane and 8 and 10 Pandan Crescent as the properties reverted to multi-tenancy leases on 12 December 2012 and 19 April 2012 respectively.

This was partly offset by the loss in revenue due to the redevelopment of 103 Defu Lane 10.

Property operating expenses for 1H FY2014 were S\$4.6 million higher than 1H FY2013, which was consistent with the net increase in revenue and the reversion of certain single tenant properties to multi-tenancy properties.

Net property income for 1H FY2014 stood at S\$34.0 million which was S\$4.3 million higher compared to 1H FY2013.

Borrowing costs of S\$6.3 million were S\$0.3 million lower than 1H FY2013 largely due:

- (i) accelerated recognition of unamortised loan transaction costs and prepayment fee of S\$1.1 million in 1H FY2013 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; and
- (ii) interest cost savings from the repayment of a S\$100.0 million term loan facility on 3 May 2013 using the proceeds from the private placement, pending the deployment of such funds for their intended use.

However, this was offset by:

- (i) borrowing costs incurred on the drawdown of development loans to finance the property at 20 Gul Way, and borrowing costs that were previously capitalised whilst the property was under development but are now expensed following the achievement of TOP; and
- (ii) higher interest rates on the S\$100.0 million four-year fixed rate notes due 2016 and S\$30.0 million seven-year fixed rate notes due 2019 which were issued under the Group's S\$500 million MTN Programme. The Programme was established to provide the Group with more diversified funding sources and to extend the loan tenor of the Group's existing debt portfolio.

Manager's management fees were higher in 1H FY2014 vis-à-vis 1H FY2013 as a result of the net increase in size of the Trust's property portfolio.

Other trust expenses of S\$0.8 million was S\$0.4 million higher than 1H FY2013. This was largely due to the increase in operating costs in line with the increase in the Trust's size and investor base and costs associated with the distribution reinvestment plan.

The distribution to the Unitholders for 1H FY2014 stood at S\$27.0 million, an increase of S\$4.6 million as compared to 1H FY2013 mainly in line with positive net contributions referred to above.

**AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
SECOND QUARTER ENDED 30 SEPTEMBER 2013**

9 Variance between Forecast / Prospect Statement

The current results are broadly in line with the guidance provided in the previous quarter.

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 14 October 2013 that the Singapore economy grew by 5.1% on a year-on-year basis in the third quarter of 2013, compared to 4.2% in the previous quarter. On a quarter-on-quarter seasonally-adjusted annualised basis, the economy contracted by 1.0%, compared to the 16.9% expansion in the previous quarter. On a year-on-year basis, the manufacturing sector grew by 4.5%, higher than the 1.3% growth in the preceding quarter, whilst on a quarter-on-quarter basis, the sector contracted at an annualised rate of 3.4%, a reversal from the 33.5% expansion in the previous quarter. The construction sector grew by 3.6% on a year-on-year basis, moderating from the 6.9% growth in the previous quarter. The slowdown was mainly due to weaker public sector construction activities, which partially offset robust construction activities in the private sector. On a quarter-on-quarter basis, the construction sector contracted at an annualised rate of 8.8%, in contrast to the 20.9% expansion in the previous quarter. The services producing industries also grew by 5.7% on a year-on-year basis, largely similar to the 5.6% growth in the preceding quarter. Growth in the services producing industries was primarily supported by healthy expansion in the finance & insurance and wholesale & retail trade sectors. On a quarter-on-quarter basis, growth slowed to an annualised rate of 1.0 %, following the 12.3% expansion in the preceding quarter.

According to the Urban Redevelopment Authority's 2Q 2013 statistics released on 26 July 2013, prices of industrial space increased by 0.5% in the quarter, compared with the increase of 2.9% in the previous quarter. Rentals of industrial space increased marginally by 0.1% in the 2Q 2013, which was lower than the 0.4% increase in the previous quarter. Average occupancy rate of factory space decreased to 92.4% from 93.0% while the average occupancy of warehouse space decreased marginally to 92.8% for the quarter from 92.9% in the preceding quarter. The Trust's portfolio occupancy of 98.0% as at 30 September 2013 continued to be above the industry average.

Outlook for financial year ending 31 March 2014

In June 2013, the US Federal Reserve indicated that it was likely to begin tapering its quantitative easing programme this year if the US economy continued to improve as expected. However, the US Federal Reserve surprised the market and chose not to commence tapering in September. With the uncertainty and overhang of possible tapering in the quantitative easing programme in the near future, there continues to be fear of interest rates rising, which will ultimately affect funding costs of vehicles such as REITs. The latest resolution in the US to reopen the federal government and lift the debt ceiling, avoiding actual default, will provide some stability to the financial markets. The Trust's existing capital structure is well positioned with no debt due for refinancing until October 2015, with 100% of its debt fixed for an average of 2.7 years.

The Singapore industrial property market entered a relatively steady state in 2Q 2013 with stable rents and marginal growth in capital values. Similar to the previous quarter, leasing activity in 2Q 2013 was driven by renewals as well as by firms relocating to alternative premises to contain their overall real estate costs. To some extent, demand was also propped up by displaced tenants looking for new space following the sale of their existing premises. However, overall

**AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
SECOND QUARTER ENDED 30 SEPTEMBER 2013**

space take-up remained slow as tenants stayed cost-conscious amid the lingering economic uncertainties and took longer to evaluate and decide on their real estate needs. In some instances, the leasing process was also prolonged by more detailed checks conducted to ensure compliance with the Government's guidelines on qualifying users of industrial space.

Barring any unforeseen event, AIMSAMPIREIT is well positioned to maintain a stable performance for the financial year ending 31 March 2014.

11 Distributions

(a) Current financial period

Any distributions declared for the current financial period:	Yes
Name of distribution:	Twenty-ninth distribution, for the period from 1 July 2013 to 30 September 2013
Distribution Type:	Income
Distribution Rate:	2.75 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 2013 to 30 September 2013.

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 or around 6 November 2013.

**AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
SECOND QUARTER ENDED 30 SEPTEMBER 2013**

(b) Corresponding period of the immediately preceding period

Any distributions declared for the previous corresponding 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.

(c) Books closure date: 5 November 2013

(d) Date payable: 18 December 2013

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 AIMSAMPIREIT) 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

**AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
SECOND QUARTER ENDED 30 SEPTEMBER 2013**

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
23 October 2013