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<p>AIMS AMP CAPITAL INDUSTRIAL REIT</p>		

(Constituted in the Republic of Singapore pursuant to a trust deed dated 5 December 2006 (as amended))

SGX-ST Announcement: 25 November 2013

**PROPOSED ACQUISITION OF A 49.0% INTEREST IN OPTUS CENTRE, SYDNEY, AUSTRALIA
EXPANSION OF THE MANAGER'S INVESTMENT OBJECTIVE FOR
AIMS AMP CAPITAL INDUSTRIAL REIT IN CONNECTION WITH THE PROPOSED ACQUISITION**

1. INTRODUCTION

AIMS AMP Capital Industrial REIT Management Limited, as manager of AIMS AMP Capital Industrial REIT ("**AACI REIT**", and as manager of AACI REIT, the "**Manager**"), wishes to announce that AACI REIT is proposing to acquire from Stockland Capital Partners Limited, in its capacity as responsible entity of Stockland Direct Office Trust No. 2 (the "**Vendor**"), a 49.0% indirect interest in Optus Centre located at 1-5 Lyonpark Road, Macquarie Park, New South Wales 2113, Australia (the "**Property**", and the acquisition of a 49.0% indirect interest in the Property, the "**Acquisition**") for the aggregate purchase consideration of A\$184,425,000 (approximately S\$215.0 million¹) (the "**Purchase Consideration**")^{2,3}.

Optus Centre is a secure A Grade business park office complex which comprises six buildings (buildings A-F) with a total lettable area of 84,194 sq m. The Property has excellent exposure and access to Epping Road and is within minutes of the Macquarie Shopping Centre and Macquarie University. It is located approximately 15 km to the northwest of the Sydney central business district ("**CBD**") and 12 km to the northwest of the North Sydney CBD. The Property was completed in 2007 and is fully let to Optus Administration Pty Limited.

The estimated total cost of the Acquisition (the "**Total Acquisition Cost**") is approximately S\$218.5 million, comprising:

- (i) the Purchase Consideration of A\$184,425,000 (approximately S\$215.0 million)³;
- (ii) the acquisition fee payable to the Manager for the Acquisition (the "**Acquisition Fee**") of A\$1.8 million (S\$2.2 million); and
- (iii) the estimated professional and other fees and expenses incurred or to be incurred in connection with the Acquisition which amount to approximately S\$1.3 million.

The Manager has on 30 October 2013 received letters of commitment for a new five-year term loan facility of A\$110.7 million (S\$129.0 million) (the "**New Loan**") from various financiers and the Manager intends to fully finance the Total Acquisition Cost in cash from the New Loan and

¹ Unless otherwise indicated, all S\$ equivalent figures are derived based on the exchange rate of A\$1 = S\$1.1658.

² The 49.0% indirect interest in the Property is proposed to be acquired by AACI REIT through the acquisition of 172,867,925 fully paid ordinary units in Macquarie Park Trust (comprising 49.0% of the units in Macquarie Park Trust) held by the Vendor. Macquarie Park Trust is an Australian unit trust holding the legal title to the Property.

³ The Purchase Consideration will be subject to completion adjustment for the net assets or net liabilities of Macquarie Park Trust (excluding the value of the Property and any associated accounts) as at the completion date of the Acquisition.

the existing dual currency SGD/AUD revolving credit facility of S\$120.0 million (the “**Existing Loan**”)⁴.

The Manager will be seeking approval from unitholders of AACI REIT (“**Unitholders**”) for the proposed Acquisition by way of an Ordinary Resolution⁵ at an extraordinary general meeting and will be despatching a circular to Unitholders (the “**Unitholders’ Circular**”) in due course.

2. RATIONALE FOR THE TRANSACTIONS

The Manager believes that the Acquisition and the entering into of the New Loan (collectively, the “**Transactions**”) if carried out, will bring the following key benefits to Unitholders:

- (i) Signature maiden investment in Australia, leveraging the Sponsors⁶ Australian real estate expertise;
- (ii) Entry into a favourable Sydney non-CBD business park market;
- (iii) Strategic addition of a premium business park office space to AACI REIT’s portfolio which is fully let to Optus Administration Pty Limited;
- (iv) Accretive transaction;
- (v) Enhanced cashflow stability and portfolio diversification;
- (vi) Opportunity for AACI REIT to improve its debt maturity profile; and
- (vii) Increased size of AACI REIT’s portfolio following the completion of the Acquisition.

Further details of the benefits of the Transactions will be set out in the Unitholders’ Circular.

3. THE ACQUISITION

3.1 Description of the Property

Optus Centre is a secure A Grade business park office complex which was completed in 2007 and comprises six buildings (buildings A-F) with a total lettable area of 84,194 sq m. The buildings are a combination of four and five levels, arranged in a chevron shape that opens to the main entrance. The buildings are serviced by a total of 15 passenger lifts and two goods (cargo) lifts. Additional on-site amenities include a secure central courtyard featuring extensive landscaping, water features, paved areas and a basketball court. The ground level of each building includes various cafes, eateries, bars, automated teller machines, convenience stores and the Property also includes one childcare centre for the exclusive use of employees. A total of 2,100 car parking spaces are provided on-site over two basement levels, providing a generous ratio of one space for every 40 sq m of lettable area.

Optus Centre is one of Australia’s largest business park office campuses and is fully let to Optus Administration Pty Limited, for a weighted average lease term (by rental income) of

⁴ A portion of the refundable deposit of A\$9,187,500 (S\$10.7 million) (the “**Deposit**”) payable upon the entry into of the conditional unit sale deed (the “**Unit Sale Deed**”) in relation to the Acquisition was funded in the interim by the working capital of AACI REIT and it is the intention of the Manager to draw down on the Existing Loan at a later date to replenish the working capital of AACI REIT when required.

⁵ A resolution proposed and passed as such by a majority being more than 50.0% of the total number of votes cast for and against such resolution at a meeting of Unitholders convened in accordance with the provisions of the trust deed dated 5 December 2006 constituting AACI REIT (as amended) (the “**Trust Deed**”).

⁶ “**Sponsors**” means AIMS Financial Group and AMP Capital as sponsors of AACI REIT.

8.6⁷ years under three leases which expire in June 2021, June 2022 and June 2023 respectively (the “**Optus Leases**”). The Optus Leases are guaranteed by SingTel Optus Pty Limited (“**SingTel Optus**”), a wholly-owned subsidiary of the internationally recognised leading telecommunications group, Singapore Telecommunications Limited (“**SingTel**”).

Location of the Property

The Property is prominently located at 1-5 Lyonpark Road, Macquarie Park, with excellent exposure and access to Epping Road and is within minutes of the Macquarie Shopping Centre and Macquarie University. It is located approximately 15 km to the northwest of the Sydney CBD and 12 km to the northwest of the North Sydney CBD.

Macquarie Park is one of Australia’s largest and newest high tech business park office precincts in metropolitan Sydney located approximately 20 minutes to the Sydney CBD and 40 minutes to Sydney’s Kingsford Smith international airport. Macquarie Park is connected to Central and Greater Sydney via two train stations located within the precinct and is also directly accessible by the M2 Motorway and from there to Sydney’s rapidly growing northwest corridor.

Macquarie Park represents 76.7% of the North Ryde market and covers 640,118 sq m. Railway stations have been strategically built throughout North Ryde and include Macquarie University Station, Macquarie Park Station and North Ryde Rail Station. Some key establishments within Macquarie Park include Macquarie University Hospital, which is Australia’s first campus based university hospital and forms part of an integrated medical community, and Macquarie Centre, which is currently undergoing a A\$390 million (S\$455 million) expansion to become the second largest shopping centre in Sydney (which is expected to include a new David Jones department store, a new two-level fashion gallery, two supermarkets, a fresh food marketplace, and a dining precinct). In addition, Cochlear has established its global headquarters within a campus style facility in the Macquarie University Research Park.

3.2 Valuation and Purchase Consideration

The Manager has commissioned an independent property valuer, CBRE Pte. Ltd. (the “**Independent Valuer**”), to value the Property. The Independent Valuer in its report dated 10 October 2013, opined that the open market value of the Property is A\$377.0 million (S\$439.5 million). Accordingly, the open market value of a 49.0% indirect interest in the Property is A\$184.7 million (S\$215.4 million). The valuation was derived based on the Capitalisation Approach, Discounted Cash Flow Analysis and Direct Comparison Method.

The Purchase Consideration was arrived at on a willing-buyer willing-seller basis after taking into account, among other things, the independent valuation of the Property by the Independent Valuer which considered relevant general and economic factors and in particular recent sales and leasing transactions of comparable properties, length of lease, quality of lease covenant, certainty of income and fixed annual increases over the unexpired lease term. The Purchase Consideration will be subject to completion adjustment for the net assets or net liabilities of Macquarie Park Trust (excluding the value of the Property and any associated accounts) as at the completion date of the Acquisition.

⁷

As at 30 September 2013.

3.3 Unit Sale Deed

On 23 November 2013, the Sub-Trustee⁸ and HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of AACI REIT (the “**Trustee**”), entered into the conditional Unit Sale Deed with the Vendor and Stockland Corporation Limited (as guarantor to the Vendor) to acquire the 172,867,925 fully paid ordinary units (comprising a 49.0% indirect interest in the Property) held by the Vendor in Macquarie Park Trust (an Australian unit trust holding the legal title to the Property) at the Purchase Consideration of A\$184,425,000 (approximately S\$215.0 million)³.

The refundable Deposit of A\$9,187,500 (S\$10.7 million) was paid by the Sub-Trustee upon the entry into the Unit Sale Deed. The Deposit is to be refunded to the Sub-Trustee if the approval of Unitholders for the Acquisition is not obtained.

3.4 Conditions Precedent for the Completion of the Acquisition

Completion of the sale and purchase of the 172,867,925 units (comprising a 49.0% indirect interest in the Property) held by the Vendor in Macquarie Park Trust is conditional upon the fulfilment or waiver (as the case may be) of, among others, the following conditions:

- (i) receipt of formal approvals by the relevant Australian regulatory authorities of the acquisition of the units held by the Vendor in Macquarie Park Trust under the Unit Sale Deed, either unconditionally or on terms and conditions reasonably acceptable to the Sub-Trustee (acting reasonably);
- (ii) the approval of Unitholders for the Acquisition; and
- (iii) the Vendor having obtained consent from the other unitholders of Macquarie Park Trust relating to the sale of the units held by the Vendor in Macquarie Park Trust and a waiver of any pre-emptive rights which the other unitholders of Macquarie Park Trust may have in relation to the units in Macquarie Park Trust.

3.5 Unitholders' Agreement

Upon the completion of the Acquisition, Stockland Trust Management Limited as responsible entity for Stockland Trust, The Trust Company Limited as custodian for Stockland Trust, Stockland Trust Management Limited as trustee for Macquarie Park Trust, The Trust Company Limited as custodian for Macquarie Park Trust and the Sub-Trustee will enter into a unitholders' agreement (the “**Unitholders' Agreement**”) to record their agreement as to certain matters in relation to Macquarie Park Trust. The following terms in the Unitholders' Agreement shall ensure that AACI REIT's interests are safeguarded (all capitalised terms used but not otherwise defined herein shall have the same meaning ascribed to them in the Unitholders' Agreement):

- (i) the Sub-Trustee and Stockland Trust Management Limited as responsible entity for Stockland Trust shall each be entitled to appoint up to two members (each a “**Unitholder Appointee**”) to the Special Committee and each of those persons is entitled to nominate one delegate who is entitled to attend and participate in meetings of the Special Committee in place of the Unitholder Appointee. Voting by the Special Committee will be by a show of hands; and
- (ii) reserved matters in relation to key operational and management issues affecting Macquarie Park Trust require the unanimous agreement of the Special Committee.

⁸ “**Sub-Trustee**” means AMP Capital AA REIT Investments (Australia) Pty Limited (an indirect wholly-owned subsidiary of AMP Capital, a Sponsor of AACI REIT) in its capacity as trustee of AA REIT Macquarie Park Investment Trust (the “**Sub-Trust**”, an indirect wholly-owned subsidiary of AACI REIT).

3.6 Investment and Property Management Agreements

Upon the completion of the Acquisition, AIMS AMP Capital Industrial REIT Management Australia Pty Limited (a joint venture investment management company of the Sponsors, the “**Investment Manager**”) will be appointed to manage and invest the assets of AACI REIT MIT and to promote AACI REIT MIT^{9,10}. In addition, the Sponsors (or as the case may be, a joint venture company of the Sponsors) will also be appointed to co-manage and invest the assets of Macquarie Park Trust and to promote Macquarie Park Trust¹¹.

3.7 Use of Unit Trust to Acquire the Property

AACI REIT has established a sub-trust named AIMS AMP Capital Industrial REIT (Australia) Trust, an Australian unit trust constituted in New South Wales, Australia, pursuant to a trust deed, where AMP Capital Investors Limited (a wholly-owned subsidiary of AMP Capital, a Sponsor of AACI REIT) has been appointed as the trustee of AACI REIT MIT^{10,12}.

The 172,867,925 fully paid ordinary units in Macquarie Park Trust (comprising 49.0% of the units in Macquarie Park Trust, an Australian unit trust holding the legal title to the Property) held by the Vendor to be acquired by AACI REIT will be held on the completion of the Acquisition by the intermediate Sub-Trust named AA REIT Macquarie Park Investment Trust under and for the benefit of AACI REIT MIT. The Sub-Trust has been constituted in New South Wales, Australia pursuant to a trust deed with AMP Capital AA REIT Investments (Australia) Pty Limited (an indirect wholly-owned subsidiary of AMP Capital, a Sponsor of AACI REIT) being appointed as the trustee of the Sub-Trust^{10,13}.

100.0% of the issued units in the Sub-Trust will be wholly-owned by AACI REIT MIT¹⁴ and 100.0% of the issued units of AACI REIT MIT are in turn wholly-owned by the Trustee and AACI REIT Opera Pte. Ltd., a wholly-owned subsidiary established earlier by AACI REIT in Singapore for the purposes of the Acquisition¹⁵. Through AACI REIT Opera Pte. Ltd., AACI REIT MIT and the Sub-Trust, AACI REIT will hold a 49.0% beneficial trust interest in the Property and be entitled to its *pro rata* share of Macquarie Park Trust's distributions. The Property is the sole property asset of Macquarie Park Trust.

⁹ The Investment Manager will be paid an investment management fee of approximately A\$0.3 million (S\$0.4 million) per annum by the AACI REIT MIT Trustee in accordance with the terms of an investment management agreement to be entered into between the Investment Manager and the AACI REIT MIT Trustee.

¹⁰ The aggregate fees payable to (i) the Investment Manager, (ii) AMP Capital Investors Limited (a wholly-owned subsidiary of AMP Capital, a Sponsor of AACI REIT) in its capacity as the trustee (the “**AACI REIT MIT Trustee**”) of AIMS AMP Capital Industrial REIT (Australia) Trust (“**AACI REIT MIT**”) and (iii) the Sub-Trustee, will not be more than the management fees payable to AIMS AMP Capital Property Management Pte. Ltd. (the “**Existing AACI REIT Property Manager**”) under the fee structure set out in the property management agreement dated 16 March 2007 (as amended) and the property management agreement – 2 dated 24 December 2009 (as amended) (collectively, the “**Existing Property Management Agreements**”).

The term of the investment management agreement will correspond with the term of the Existing Property Management Agreements. For the avoidance of doubt, the Property will not be managed by the Existing AACI REIT Property Manager under the Existing Property Management Agreements and no fees will be payable to the Existing AACI REIT Property Manager in relation to the Property.

¹¹ The Sponsors (or as the case may be, a joint venture company of the Sponsors) will be paid a property management fee (to be negotiated) by Optus Administration Pty Limited in accordance with the terms of a property co-management agreement to be entered into between the Sponsors (or as the case may be, a joint venture company of the Sponsors), Stockland Property Management Pty Limited, Stockland Trust Management Limited as responsible entity of Macquarie Park Trust and Optus Administration Pty Limited (the tenant of the Property). For the avoidance of doubt, any fees payable to the property co-managers of Macquarie Park Trust will be paid by Optus Administration Pty Limited (the tenant of the Property) and not by any AACI REIT entity.

¹² The AACI REIT MIT Trustee will be paid an annual trustee fee of A\$60,000 (approximately S\$70,000), subject to adjustment in accordance with the terms of the AACI REIT MIT trust deed.

¹³ The Sub-Trustee will be paid an annual trustee fee of A\$60,000 (approximately S\$70,000), subject to adjustment in accordance with the terms of the Sub-Trust trust deed.

¹⁴ AACI REIT MIT has subscribed for 9,187,500 initial units in the Sub-Trust at A\$1.00 each.

¹⁵ The Trustee has subscribed for two initial units in AACI REIT MIT at A\$1.00 each and AACI REIT Opera Pte. Ltd. has subscribed for one initial unit in AACI REIT MIT at A\$1.00. AACI REIT Opera Pte. Ltd. has an issued and paid-up share capital of S\$2.

Following the completion of the Acquisition, AACI REIT will be in joint venture with the Stockland Group in Macquarie Park Trust.

3.8 Information on the Vendor

The Vendor, a wholly-owned entity of Stockland, is the responsible entity of Stockland Direct Office Trust No. 2, which is an unlisted property fund managed by Stockland. Stockland is a diversified Australian property group consisting of Stockland Trust and Stockland Corporation Ltd. which is listed on the Australian Securities Exchange. Stockland develops and manages retail centres, residential communities, retirement living assets, office properties and industrial properties, primarily in Australia. As at 30 June 2013, Stockland has assets of over A\$14.0 billion (S\$16.3 billion) and market capitalisation of around A\$9.3 billion (S\$10.8 billion).

4. DEBT FINANCING

4.1 The Acquisition will be fully funded by:

- (i) a drawdown of the entire New Loan (a new five-year term loan facility of A\$110.7 million (S\$129.0 million); and
- (ii) a partial drawdown of the Existing Loan (the existing dual currency SGD/AUD revolving credit facility of S\$120.0 million)⁴.

4.2 The debt financing terms of the New Loan were secured by AMP Capital Investors (Singapore) Pte Limited and AIMS Financial Holding Limited (wholly-owned subsidiaries of each of the respective Sponsors, collectively, the “Debt Advisors”) as joint debt advisors to AACI REIT in connection with the New Loan¹⁶.

5. PRO FORMA FINANCIAL INFORMATION

5.1 Pro Forma Financial Effects of the Transactions based on the FY2013 Audited Financial Statements

The pro forma financial effects of the Transactions presented below are strictly for illustrative purposes only and were prepared based on the audited financial statements of AACI REIT for financial year ended 31 March 2013 (“FY2013”, and the audited financial statements for FY2013, the “FY2013 Audited Financial Statements”) and assuming:

- (i) AACI REIT will acquire a 49.0% indirect interest in the Property at the Purchase Consideration of A\$184,425,000 (approximately S\$215.0 million)³;
- (ii) AACI REIT had drawn down A\$110.7 million (S\$129.0 million) from the New Loan at an all-in annual interest cost of 4.9% to part finance the Acquisition and for payment of debt-related costs;
- (iii) AACI REIT had drawn down S\$91.6 million from its Existing Loan at an all-in annual interest cost of 5.1% to part finance the Acquisition and for payment of debt-related costs⁴;
- (iv) the valuation of the Property is to remain unchanged throughout the period presented;
- (v) the Acquisition Fee payable to the Manager on the Acquisition is at 1.0% of the Purchase Consideration which is equal to A\$1.8 million (S\$2.2 million);

¹⁶ In consideration of the provision of the debt advisory services by the Debt Advisors, the Debt Advisors shall receive from AACI REIT a fee of approximately A\$158,000 (approximately S\$184,000), representing 0.14% of the New Loan.

- (vi) the Trustee's fees and the Manager's base fees are computed pursuant to the terms as set out in the Trust Deed and are paid in cash and/or Units;
- (vii) AACI REIT will account for the 49.0% indirect interest in the Property as an investment in a jointly controlled entity using the equity method. As net property income ("NPI") and NPI yield are more appropriate measures of the economic contribution of the Property to AACI REIT's portfolio, the pro forma financial effects on NPI and NPI yield were prepared based on AACI REIT's 49.0% share of NPI from the Property;
- (viii) foreign-sourced interest income and / or trust distributions received from AACI REIT MIT will be granted income tax exemption in Singapore ("tax-exempt income") under Section 13(12) of the Income Tax Act, Chapter 134 of Singapore ("ITA"), subject to qualifying conditions being fulfilled; and
- (ix) 100.0% of the net taxable income and net tax-exempt income available for distribution to Unitholders, after adjusting for allowable and relevant expenses, are declared for distribution at each distribution period, and that the additional distributions to Unitholders due to pro forma adjustments are declared and paid on the same dates as the dates of the actual distributions for these periods.

5.1.1 Pro Forma DPU and Distribution Yield, NPI and NPI Yield

The table below sets out the pro forma financial effects of the Transactions on the distribution per Unit ("DPU") and distribution yield, NPI and NPI yield as if AACI REIT had on 1 April 2012 (i) drawn down A\$110.7 million (S\$129.0 million) of the New Loan, (ii) drawn down on additional borrowings of S\$91.6 million from the Existing Loan and (iii) purchased the 49.0% indirect interest in the Property and held the interest through to 31 March 2013.

DPU and Distribution Yield

	FY2013	
	Actual	Pro forma after the Transactions
Distribution to Unitholders (S\$'000)	46,714 ⁽¹⁾	49,824
Units in issue ('000)	449,399 ⁽²⁾	450,125 ⁽³⁾
DPU (cents) ⁽⁴⁾	10.39	11.07
Distribution yield ⁽⁵⁾	6.86%	7.31%

Notes:

- (1) Based on the FY2013 Audited Financial Statements (excluding capital gain arising from the divestment of 31 Admiralty Road).
- (2) Based on the FY2013 Audited Financial Statements.
- (3) Includes 725,665 Units issued for payment of the Manager's base fee at an issue price of S\$1.1129 per Unit, calculated based on the volume-weighted average price ("VWAP") for a Unit for all trades completed on the SGX-ST for the 10 Business Days¹⁷ prior to 1 April 2012.
- (4) Based on distribution to Unitholders divided by Units in issue.
- (5) Based on the DPU divided by the closing price of S\$1.515 per Unit on the SGX-ST (the "Closing Price") on 21 November 2013, the latest practicable date prior to the release of this announcement (the "Latest Practicable Date").

¹⁷ "Business Day" means a day (other than a Saturday, Sunday or public holiday) on which commercial banks are open for business in Singapore.

NPI and NPI Yield

	FY2013		
	Existing Portfolio	The Property	Enlarged Portfolio
NPI (S\$'000)	59,757 ⁽¹⁾	17,394 ⁽²⁾	77,151
Appraised Value / Purchase Consideration (S\$'000)	971,040 ⁽¹⁾⁽³⁾	215,003 ⁽⁴⁾	1,186,043
NPI yield ⁽⁵⁾	6.2%	8.1%	6.5%

Notes:

- (1) Based on the FY2013 Audited Financial Statements.
- (2) Based on a 49.0% share of NPI from the Property.
- (3) Appraised Values were based on valuations obtained for investment properties as at 31 March 2013.
- (4) Based on the Purchase Consideration for a 49.0% indirect interest in the Property.
- (5) Based on NPI divided by Appraised Value / Purchase Consideration.

5.1.2 Pro Forma NTA per Unit

The table below sets out the pro forma financial effects of the Transactions on the NTA per Unit as at 31 March 2013, as if AACI REIT had on 31 March 2013 (i) purchased the 49.0% indirect interest in the Property, (ii) drawn down A\$110.7 million (S\$129.0 million) of the New Loan and (iii) drawn down on additional borrowings of S\$91.6 million from the Existing Loan.

	As at 31 March 2013	
	Actual	Pro forma after the Transactions
NTA (S\$'000)	651,225 ⁽¹⁾	648,087
Units in issue and to be issued ('000) ⁽²⁾	450,890	450,890
NTA per Unit (S\$)	1.4443	1.4374

Notes:

- (1) Based on the FY2013 Audited Financial Statements, adjusted for distribution paid on 18 June 2013 for the period from 1 January 2013 to 31 March 2013.
- (2) Based on the FY2013 Audited Financial Statements.

5.1.3 Pro Forma Capitalisation

The table below sets out the pro forma capitalisation of AACI REIT as at 31 March 2013, as if AACI REIT had on 31 March 2013 (i) purchased the 49.0% indirect interest in the Property, (ii) drawn down A\$110.7 million (S\$129.0 million) of the New Loan and (iii) drawn down on additional borrowings of S\$91.6 million from the Existing Loan.

	As at 31 March 2013	
	Actual	Pro forma after the Transactions
	S\$'000	S\$'000
Short-term debt⁽¹⁾:		
Secured debt	-	-
Unsecured debt	-	-
Total short-term debt	-	-
Long-term debt⁽¹⁾⁽²⁾:		
Secured debt	229,257	449,841
Unsecured debt	130,000	130,000
Total long-term debt	359,257	579,841
Total debt:	359,257	579,841
Total Unitholders' funds	651,225 ⁽³⁾	648,087
Total Capitalisation	1,010,482	1,227,928

Notes:

- (1) Based on the FY2013 Audited Financial Statements.
- (2) Excluding unamortised loan transaction costs.
- (3) Based on the FY2013 Audited Financial Statements, adjusted for distribution paid on 18 June 2013 for the period from 1 January 2013 to 31 March 2013.

5.2 Pro Forma Financial Effects of the Transactions based on the six-month period ended 30 September 2013 ("1H FY2014") Unaudited Financial Statements

The pro forma financial effects of the Transactions presented below are strictly for illustrative purposes only and were prepared based on the unaudited financial statements of AACI REIT for 1H FY2014 (the "1H FY2014 Unaudited Financial Statements") and assuming:

- (i) AACI REIT will acquire a 49.0% indirect interest in the Property at the Purchase Consideration of A\$184,425,000 (approximately S\$215.0 million)³;
- (ii) AACI REIT had drawn down A\$110.7 million (S\$129.0 million) from the New Loan at an all-in annual interest cost of 4.9% to part finance the Acquisition and for payment of debt-related costs;
- (iii) AACI REIT had drawn down S\$91.6 million from its Existing Loan at an all-in annual interest cost of 5.1% to part finance the Acquisition and for payment of debt-related costs⁴;
- (iv) the valuation of the Property is to remain unchanged throughout the period presented;

- (v) the Acquisition Fee payable to the Manager on the Acquisition is at 1.0% of the Purchase Consideration which is equal to A\$1.8 million (S\$2.2 million);
- (vi) the Trustee's fees and the Manager's base fees are computed pursuant to the terms as set out in the Trust Deed and are paid in cash and/or Units;
- (vii) AACI REIT will account for the 49.0% indirect interest in the Property as an investment in a jointly controlled entity using the equity method. As NPI and NPI yield are more appropriate measures of the economic contribution of the Property to AACI REIT's portfolio, the pro forma financial effects on NPI and NPI yield were prepared based on AACI REIT's 49.0% share of NPI from the Property;
- (viii) foreign-sourced interest income and / or trust distributions received from AACI REIT MIT will be granted income tax exemption in Singapore under Section 13(12) of the ITA, subject to qualifying conditions being fulfilled; and
- (ix) 100.0% of the net taxable income and net tax-exempt income available for distribution to Unitholders, after adjusting for allowable and relevant expenses, are declared for distribution at each distribution period, and that the additional distributions to Unitholders due to pro forma adjustments are declared and paid on the same dates as the dates of the actual distributions for these periods.

5.2.1 Pro Forma DPU and Distribution Yield, NPI and NPI Yield

The table below sets out the pro forma financial effects of the Transactions on the DPU and distribution yield, NPI and NPI yield as if AACI REIT had on 1 April 2013 (i) drawn down A\$110.7 million (S\$129.0 million) of the New Loan, (ii) drawn down on additional borrowings of S\$91.6 million from the Existing Loan and (iii) purchased the 49.0% indirect interest in the Property and held the interest through to 30 September 2013.

DPU and Distribution Yield

	1H FY2014	
	Actual	Pro forma after the Transactions
Distribution to Unitholders (S\$'000)	26,969 ⁽¹⁾	28,478
Units in issue ('000)	526,575 ⁽¹⁾	526,746 ⁽²⁾
DPU (cents) ⁽³⁾	5.12	5.41
Distribution yield ⁽⁴⁾	6.76%	7.14%

Notes:

- (1) Based on the 1H FY2014 Unaudited Financial Statements.
- (2) Includes 171,039 Units issued for payment of the Manager's base fees at an issue price of S\$1.5739 per Unit, calculated based on the VWAP for a Unit for all trades completed on the SGX-ST for the 10 Business Days prior to 1 April 2013.
- (3) Based on distribution to Unitholders divided by Units in issue.
- (4) Based on the annualised DPU divided by the Closing Price of S\$1.515. The DPU is annualised on the assumption that the distributable income for the next six-month period ending 31 March 2014 will be the same as the distributable income for 1H FY2014. This is not a profit forecast and there is no guarantee that the distribution income for the six-month period ending 31 March 2014 will be the same as that for 1H FY2014.

NPI and NPI Yield

	1H FY2014		
	Existing Portfolio	The Property	Enlarged Portfolio
NPI (S\$'000)	33,958 ⁽¹⁾	8,499 ⁽²⁾	42,457
Appraised Value ⁽³⁾ / Purchase Consideration (S\$'000)	1,071,840	215,003 ⁽⁴⁾	1,286,843
NPI yield ⁽⁵⁾	6.3%	7.9%	6.6%

Notes:

- (1) Based on the 1H FY2014 Unaudited Financial Statements.
- (2) Based on a 49.0% share of NPI from the Property.
- (3) Appraised Values were based on valuations obtained for investment properties as at 30 September 2013.
- (4) Based on the Purchase Consideration for a 49.0% indirect interest in the Property.
- (5) Based on NPI divided by Appraised Value / Purchase Consideration. The NPI yield is annualised on the assumption that the NPI for the next six-month period ending 31 March 2014 will be the same as the NPI for 1H FY2014. This is not a profit forecast and there is no guarantee that the NPI for the six-month period ending 31 March 2014 will be the same as that for 1H FY2014.

5.2.2 Pro Forma NTA per Unit

The table below sets out the pro forma financial effects of the Transactions on the NTA per Unit as at 30 September 2013, as if AACI REIT had on 30 September 2013 (i) purchased the 49.0% indirect interest in the Property, (ii) drawn down A\$110.7 million (S\$129.0 million) of the New Loan and (iii) drawn down on additional borrowings of S\$91.6 million from the Existing Loan.

	As at 30 September 2013	
	Actual	Pro forma after the Transactions
NTA (S\$'000)	786,531 ⁽¹⁾	783,393
Units in issue and to be issued ('000) ⁽²⁾	527,040	527,040
NTA per Unit (S\$)	1.4924	1.4864

Notes:

- (1) Based on the 1H FY2014 Unaudited Financial Statements, adjusted for distribution payable on 18 December 2013 for the period from 1 July 2013 to 30 September 2013.
- (2) Based on the 1H FY2014 Unaudited Financial Statements.

5.2.3 Pro Forma Capitalisation

The table below sets out the pro forma capitalisation of AACI REIT as at 30 September 2013, as if AACI REIT had on 30 September 2013 (i) purchased the 49.0% indirect interest in the Property, (ii) drawn down A\$110.7 million (S\$129.0 million) of the New Loan and (iii) drawn down on additional borrowings of S\$91.6 million from the Existing Loan.

	As at 30 September 2013	
	Actual	Pro forma after the Transactions
	S\$'000	S\$'000
Short-term debt⁽¹⁾:		
Secured debt	-	-
Unsecured debt	-	-
Total short-term debt	-	-
Long-term debt⁽¹⁾⁽²⁾:		
Secured debt	149,049	369,633
Unsecured debt	130,000	130,000
Total long-term debt	279,049	499,633
Total debt:	279,049	499,633
 Total Unitholders' funds	786,531 ⁽³⁾	783,393
Total Capitalisation	1,065,580	1,283,026

Notes:

- (1) Based on the 1H FY2014 Unaudited Financial Statements.
- (2) Excluding unamortised loan transaction costs.
- (3) Based on the 1H FY2014 Unaudited Financial Statements, adjusted for distribution payable on 18 December 2013 for the period from 1 July 2013 to 30 September 2013.

6. DISCLOSURES UNDER THE LISTING MANUAL

6.1 Relative figures computed based on the bases set out in Rule 1006 of the Listing Manual

The relative figures computed on the following bases set out in Rule 1006(b), 1006(c) and 1006(d) of the Listing Manual are set out in the table below:

Comparison of:	The Property	AACI REIT	Relative Figure
NPI ⁽¹⁾⁽²⁾ (S\$'000)	17,394 ⁽³⁾	59,757	29.1%
Purchase Consideration against market capitalisation (S\$'000)	215,003	803,028 ⁽⁴⁾	26.8%
Number of Units issued to part satisfy the Purchase Consideration against number of Units previously in issue	-	526,575,803 ⁽⁵⁾	-

Notes:

- (1) In the case of a REIT, the NPI is a more appropriate measure of the economic contribution of an asset to the REIT.
- (2) NPI is calculated as gross revenue (comprising (i) rental income (ii) service charge, and (iii) reimbursements which are the contributions paid by tenant(s) towards covering the operating maintenance expenses of the properties of AACI REIT and licence fees (where applicable) and (iv) other property income) net of property operating expenses for FY2013 in respect of AACI REIT and pro forma FY2013 in respect of the Acquisition.
- (3) Based on a 49.0% share of NPI from the Property.
- (4) Based on the number of Units in issue as at 22 November 2013, the date prior to the date of the Unit Sale Deed and closing price of S\$1.525 per Unit on the SGX-ST on 22 November 2013.
- (5) As at 22 November 2013.

Where any of the relative figures computed on the bases above falls between 20.0% and 100.0%, the transaction is classified as a major transaction. Chapter 10 of the Listing Manual requires that a major transaction involving AACI REIT be made conditional upon approval by Unitholders in a general meeting. On this basis, the Manager is seeking Unitholders' approval for the proposed Acquisition.

6.2 Directors' Service Contracts

No person is proposed to be appointed as a director of the Manager ("**Director**") in connection with the Transactions.

7. INTERESTS OF DIRECTORS, SUBSTANTIAL UNITHOLDERS¹⁸ AND CONTROLLING UNITHOLDERS¹⁹

7.1 Unitholdings of the Directors

As at the Latest Practicable Date, the details of the unitholdings of the Directors are as follows:

Name of Director	Number of Units			% of total issued Units
	Direct Interest	Deemed Interest	Total Interest	
Mr George Wang ⁽¹⁾	-	37,024,091	37,024,091	7.03
Mr Nicholas Paul McGrath	39,433	-	39,433	0.01
Mr Norman Ip Ka Cheung	135,000	-	135,000	0.03

Note:

(1) Mr George Wang is deemed to have an interest in the following Units: (i) Units held by AIMS Financial Holding Limited, (ii) 1,138,100 Units held by AIMS AMP Capital Property Management Pte Ltd, (iii) 583,607 Units held by the Manager and (iv) Units held by a fund managed by MacarthurCook Fund Management Limited.

7.2 Unitholdings of Substantial Unitholders

As at the Latest Practicable Date, the details of the unitholdings of the Substantial Unitholders, as listed in the register of Substantial Unitholders maintained by the Manager are as follows:

Name of Unitholder	Number of Units			% of total issued Units
	Direct Interest	Deemed Interest	Total Interest	
Dragon Pacific Assets Limited	60,992,000	-	60,992,000	11.58
APG Algemene Pensioen Groep N.V.	47,330,930	-	47,330,930	8.99
AMP Limited ⁽¹⁾	-	49,205,281	49,205,281	9.34
AMP Group Holdings Limited ⁽¹⁾	-	49,205,281	49,205,281	9.34
AMP Holdings Limited ⁽¹⁾	-	49,205,281	49,205,281	9.34
AMP Capital Holdings Limited ⁽¹⁾	-	49,205,281	49,205,281	9.34
AMP Capital Investors International Holdings Limited ⁽²⁾	-	26,452,806	26,452,806	5.02
J.P. Morgan Chase & Co. ⁽³⁾	-	35,000,362	35,000,362	6.65
JF Asset Management Limited	34,504,371	-	34,504,371	6.55
George Wang ⁽⁴⁾	-	37,024,091	37,024,091	7.03
AIMS Capital Holdings Pty Ltd ⁽⁴⁾	-	37,024,091	37,024,091	7.03
AIMS Group Holding Pty Ltd ⁽⁴⁾	-	37,024,091	37,024,091	7.03
AIMS Fund Management Limited ⁽⁵⁾	-	35,480,591	35,480,591	6.74
AIMS Financial Holding Limited ⁽⁶⁾	33,758,884	1,721,707	35,480,591	6.74
Universities Superannuation Scheme Limited	31,448,604	-	31,448,604	5.97

¹⁸ "Substantial Unitholder" refers to a person with an interest in one or more Units constituting not less than 5.0% of all Units in issue.

¹⁹ "Controlling Unitholder" refers to a person with an interest in one or more Units constituting not less than 15.0% of all Units in issue.

Notes:

- (1) Deemed to have an interest in the Units held by AMP Capital Investors (Luxembourg No. 4) S.A.R.L Limited (which is held through BNP Paribas Securities Services, Singapore Branch), Units held by funds managed by AMP Capital Investors Limited, 1,138,100 Units held by AIMS AMP Capital Property Management Pte Ltd and 583,607 Units held by the Manager.
- (2) Deemed to have an interest in the Units held by AMP Capital Investors (Luxembourg No. 4) S.A.R.L Limited (which is held through BNP Paribas Securities Services, Singapore Branch), 1,138,100 Units held by AIMS AMP Capital Property Management Pte Ltd and 583,607 Units held by the Manager.
- (3) Deemed to have an interest in the Units held by JF Asset Management Limited and other J.P. Morgan affiliates.
- (4) Deemed to have an interest in the following Units: (i) Units held by AIMS Financial Holding Limited, (ii) 1,138,100 Units held by AIMS AMP Capital Property Management Pte Ltd, (iii) 583,607 Units held by the Manager and (iv) Units held by a fund managed by MacarthurCook Fund Management Limited.
- (5) Deemed to have an interest in the Units held by AIMS Financial Holding Limited and Units held by a Fund managed by MacarthurCook Fund Management Limited.
- (6) Deemed to have an interest in 1,138,100 Units held by AIMS AMP Capital Property Management Pte Ltd and 583,607 Units held by the Manager.

7.3 Interests of Directors, Substantial Unitholders and Controlling Unitholders in the Acquisition

Save as disclosed in this announcement and based on information available to the Manager as at the Latest Practicable Date, none of the Directors, Substantial Unitholders or Controlling Unitholders has an interest, direct or indirect, in the Acquisition.

8. DOCUMENTS ON DISPLAY

Copies of the following documents are available for inspection during normal business hours at the registered office of the Manager²⁰ at 1 George Street #23-03 Singapore 049145 from the date of the Unitholders' Circular up to and including the date falling three months after the date of the Unitholders' Circular:

- (i) the Unit Sale Deed;
- (ii) the full independent valuation report of the Property;
- (iii) the FY2013 Audited Financial Statements; and
- (iv) the 1H FY2014 Unaudited Financial Statements.

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

9. EXPANSION OF THE MANAGER'S INVESTMENT OBJECTIVE FOR AACI REIT IN CONNECTION WITH THE PROPOSED ACQUISITION

9.1 Expansion of Investment Objective

In connection with the proposed Acquisition, the Manager wishes to announce that the Manager's investment objective for AACI REIT will be expanded with effect from 26 December 2013.

As stated in the prospectus of AACI REIT (formerly known as MacarthurCook Industrial REIT) dated 12 April 2007 (the "**Prospectus**"), "the principal investment objective of the Manager is to invest in a diversified portfolio of income-producing real estate located throughout Asia that

²⁰ Prior appointment would be appreciated.

is used for industrial purposes, including, but not limited to warehousing, manufacturing and distribution activities.”

The revised investment objective will read as follows:

*“the principal investment objective of the Manager is to invest in a diversified portfolio of income-producing real estate located throughout **the Asia-Pacific** that is used for industrial purposes, including, but not limited to warehousing and distribution activities, **business park activities** and manufacturing activities.”*

9.2 Rationale for Expansion of Investment Objective

The revised investment objective will provide the Manager with a broader mandate to invest in income-producing real estate throughout the Asia-Pacific rather than confining the portfolio of AACI REIT to Asia.

With a geographically diversified portfolio, AACI REIT’s exposure to the Singapore industrial market and its accompanying risks would be reduced. The reduction in risk exposure would correspondingly enable the Manager to improve the stability of returns to Unitholders. The wider investment objective will also allow the Manager the flexibility to take advantage of other opportunities throughout the Asia-Pacific for the benefit of Unitholders.

9.3. Notice under the Trust Deed and Code on Collective Investment Schemes

The Manager is making this announcement pursuant to Clause 9.2.4 of the Trust Deed which provides that the Manager may from time to time change its investment policies for the Trust so long as it has given not less than 30 days’ prior notice of the change to the Trustee and the Unitholders and Section 3.2(d) of the Code on Collective Investment Schemes which requires the Manager to give no less than one month’s notice to existing Unitholders of a change in the investment objective or approach as stated in the Prospectus or Trust Deed.

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

25 November 2013

For enquiries, kindly contact:

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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 AACI REIT 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 AACI REIT is not necessarily indicative of the future performance of AACI REIT.

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.

About AIMS AMP Capital Industrial REIT

Managed by AIMS AMP Capital Industrial REIT Management Limited, AACI REIT 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 AACI REIT are the AIMS Financial Group and AMP Capital Investors International Holdings Limited, part of the AMP Group, one of Australia's largest retail and corporate pension providers and one of the region's most significant investment managers. AACI REIT consists of 25 industrial properties located throughout Singapore with an appraised total value of S\$1.09 billion based on valuations obtained as at 30 September 2013.

About AIMS Financial Group ("AIMS")

Established in 1991, AIMS Financial Group (AIMS) is a diversified financial services and investment group with a solid track record and enviable reputation in the mortgage lending, fund management and securitisation markets in Australia, active in the areas of lending, securitisation, investment banking, funds management, property investment and high-tech investment. AIMS also 100% owns Asia Pacific Stock Exchange (APX).

Since 1999, AIMS has raised approximately A\$4.0 billion in funds from the capital markets. Of this, AIMS has issued approximately A\$3.0 billion residential mortgage-backed securities, with most of them rated AAA by both Standard & Poors and Fitch Ratings, and has originated over A\$5.0 billion of high quality prime home loans since 1997.

AIMS has actively introduced a number of international investors into the Australian markets and to date has also attracted over A\$1.0 billion of investments into Australia from overseas investors.

AIMS is also the investment manager for AIMS' funds, which amount to approximately A\$1.5 billion fund as at 31 December 2012.

AIMS' head office is in Sydney, Australia, and it has businesses across Australia, China, Hong Kong and Singapore. Our highly qualified, professional and experienced cross-cultural teams enable AIMS to bridge the gap between Australia and China across various sectors.

About AMP Capital

AMP Capital is one of Asia Pacific's largest investment managers with over A\$131 billion in funds under management (as at 30 June 2013). Ranked a Top 5 real estate investment manager in Asia by ANREV 2013, AMP Capital has over A\$21 billion in global direct and listed real estate funds under management (as at 30 June 2013), and over 50 years of investment experience.

AMP Capital's team of specialists operate across direct and listed real estate and infrastructure, fixed income, equities and diversified funds. AMP Capital is proud to support the AIMS AMP Capital Industrial REIT with specialist expertise across industrial development, industrial asset management and debt management. The team also has access to AMP Capital's structuring and operating professionals with legal, tax, fund accounting and investor relations capabilities.

AMP Capital has established operations in Australia, Bahrain, China, Hong Kong, India, Japan, Luxembourg, New Zealand, Singapore, the United Kingdom and the United States. AMP Capital's ongoing commitment to the Asian region is exemplified through their strategic partnerships in the region. In 2011 AMP Capital entered a strategic business and capital alliance with Mitsubishi UFJ Trust and Banking Corporation (MUTB), a leading Japanese trust bank which provides services to institutions and retail clients, across retail and corporate banking, trust assets, real estate and global markets. In September 2013 AMP Capital formed a joint venture with China Life Insurance (Group) Company to create China Life AMP Asset Management Company Limited, which will offer retail and institutional investors in China access to investment solutions.

AMP Capital's on the ground resources and extensive network of carefully selected regional investment partners means AMP Capital can source competitive investment opportunities catering to the varied needs of its clients.