



AIMS AMP CAPITAL INDUSTRIAL REIT

FY2015: Second Quarter Financial Results Ended 30 September 2014
Results Presentation

RHB OSK DMG Asean and Hong Kong Corporate Day – 13 to 14 January 2015



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Important notice

Disclaimer

This Presentation is focused on comparing actual results for the financial period from 1 July 2014 to 30 September 2014 ("2Q FY2015") versus actual results year-on-year ("y-o-y") and quarter-on-quarter ("q-o-q"). This Presentation shall be read in conjunction with AIMS AMP Capital Industrial REIT's ("AA REIT" or the "Trust") results for 2Q FY2015 as per the SGXNet Announcement.

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OVERVIEW OF AA REIT

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Overview of AIMS AMP Capital Industrial REIT

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Overview

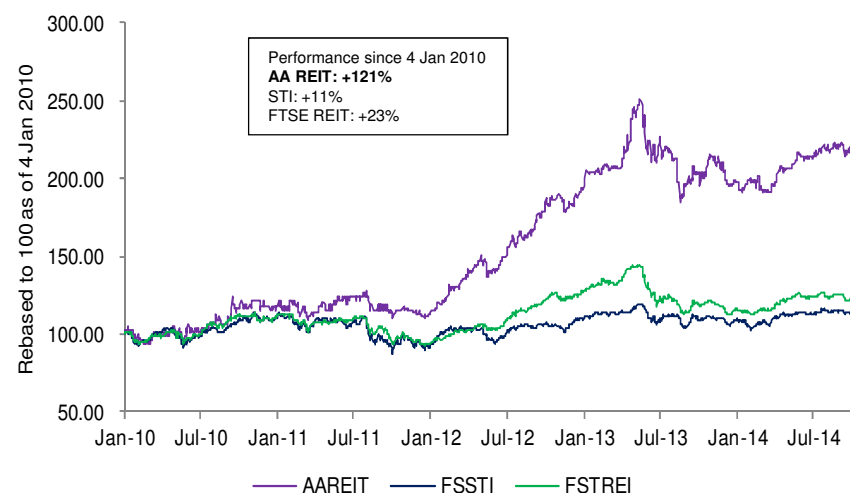
Objective	AIMS AMP Capital Industrial REIT focuses on investing in a diversified portfolio of industrial real estate in Singapore & Asia Pacific
Listing date	19 April 2007
No. of properties	25 properties in Singapore and 1 in Australia, total NLA of 620,841.8 sqm
Market cap ⁽¹⁾	S\$900.3 m
Free float (%)	83.56% as at 30 September 2014
Total Assets	S\$1.45bn as at 30 September 2014
Gearing	32.2% as at 30 September 2014
DPU yield ⁽¹⁾	7.36%
NAV per unit	S\$1.52 as at 30 September 2014
Discount to NAV ⁽¹⁾	(4.9)%
Weighted debt maturity	3.6 years ⁽²⁾
Interest Cover Ratio	4.2 times
Rating (S&P)	Investment Grade BBB-

Note:

(1) Based on closing price of S\$1.445 as at 9 January 2015 and annualised DPU of 10.64 cents.

(2) Proforma based on 30 September 2014

Performance of AIMS AMP Capital Industrial REIT^{(A)(B)}



Source: Bloomberg as of 29 October 2014

Note:

(A) Assumes dividends reinvested

(B) Price is adjusted for Equity Transactions

Delivery on Our Strategy

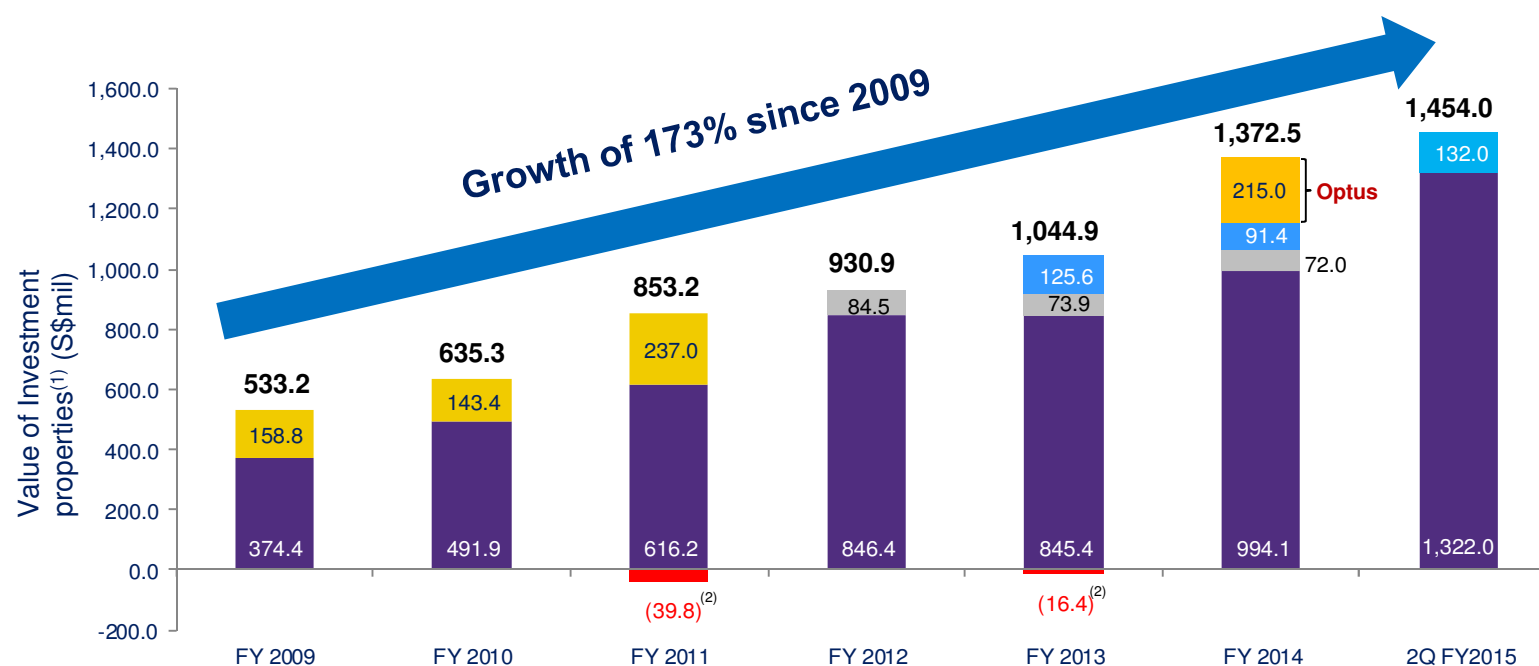
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Demonstrated track record in delivering on our strategy successfully

Growth from Prudent Acquisitions

Strategic Divestment and Capital Recycling to Better Quality Assets

Growth from Expanded Redevelopment Strategy



Notes:

(1) Includes investment properties under development

(2) Based on sale price

Existing portfolio

Acquisition

Properties under development

Completed redevelopment

Divestment

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EXECUTING OUR STRATEGY

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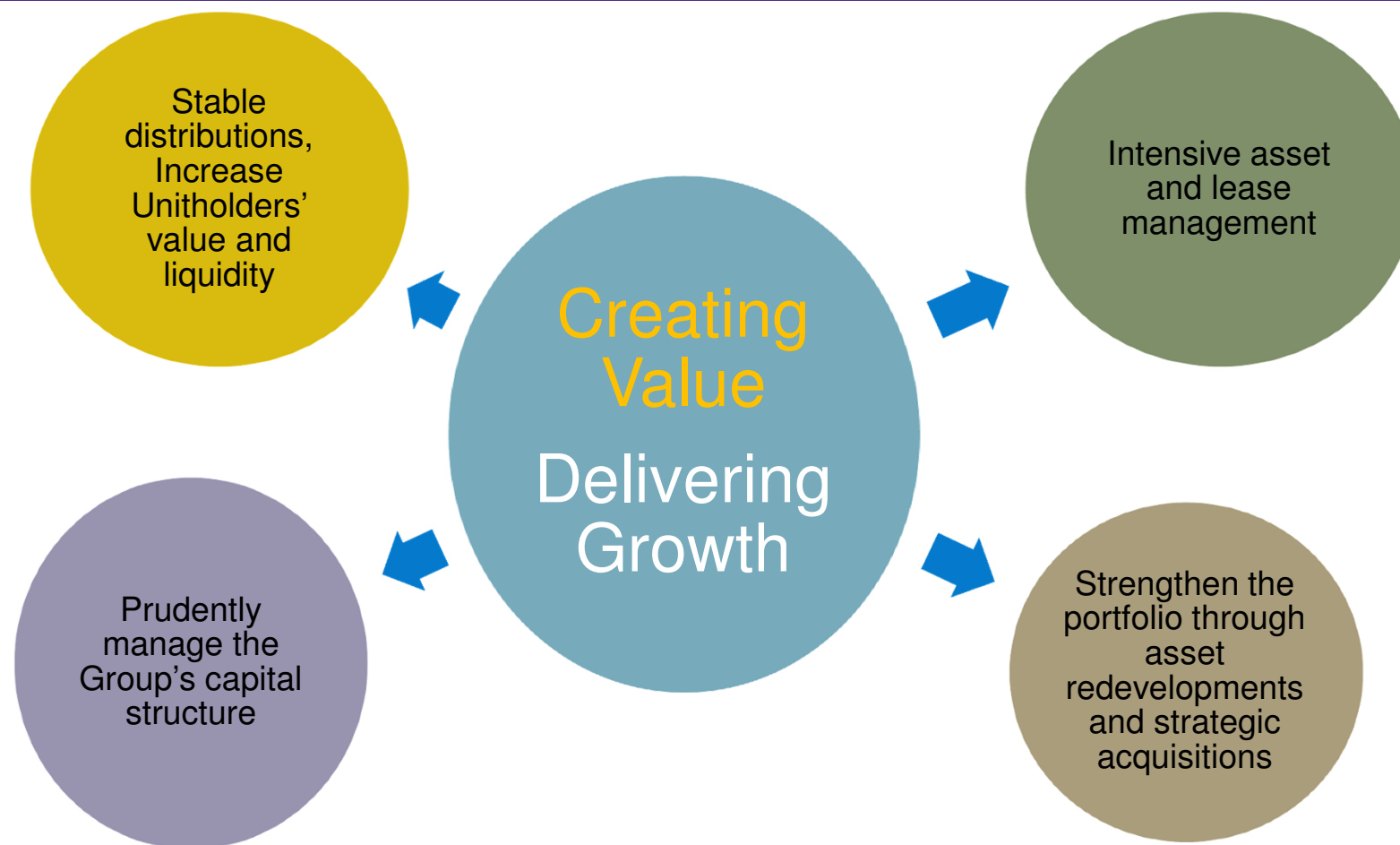
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Objectives

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Strategy

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Yield accretive investments

Focus on successful delivery of current developments on time and within budget.

Evaluation of further redevelopment opportunities in Singapore.

Continued evaluation of yield accretive investment opportunities in Singapore and Australia.

Active asset and leasing management

Continual prudent management of lease expiry profile and using this as an opportunity to achieve positive rental reversions.

Unlocking value of selected asset(s) within the portfolio through asset enhancement.

To ensure high occupancy is maintained.

Prudent capital and risk management

Prudent capital management by splitting of debt maturities. Target leverage between 30% - 40%.

Focus on maintaining stable DPU.

Maintenance of investment grade rating.

Unlocking value within Portfolio: 20 Gul Way

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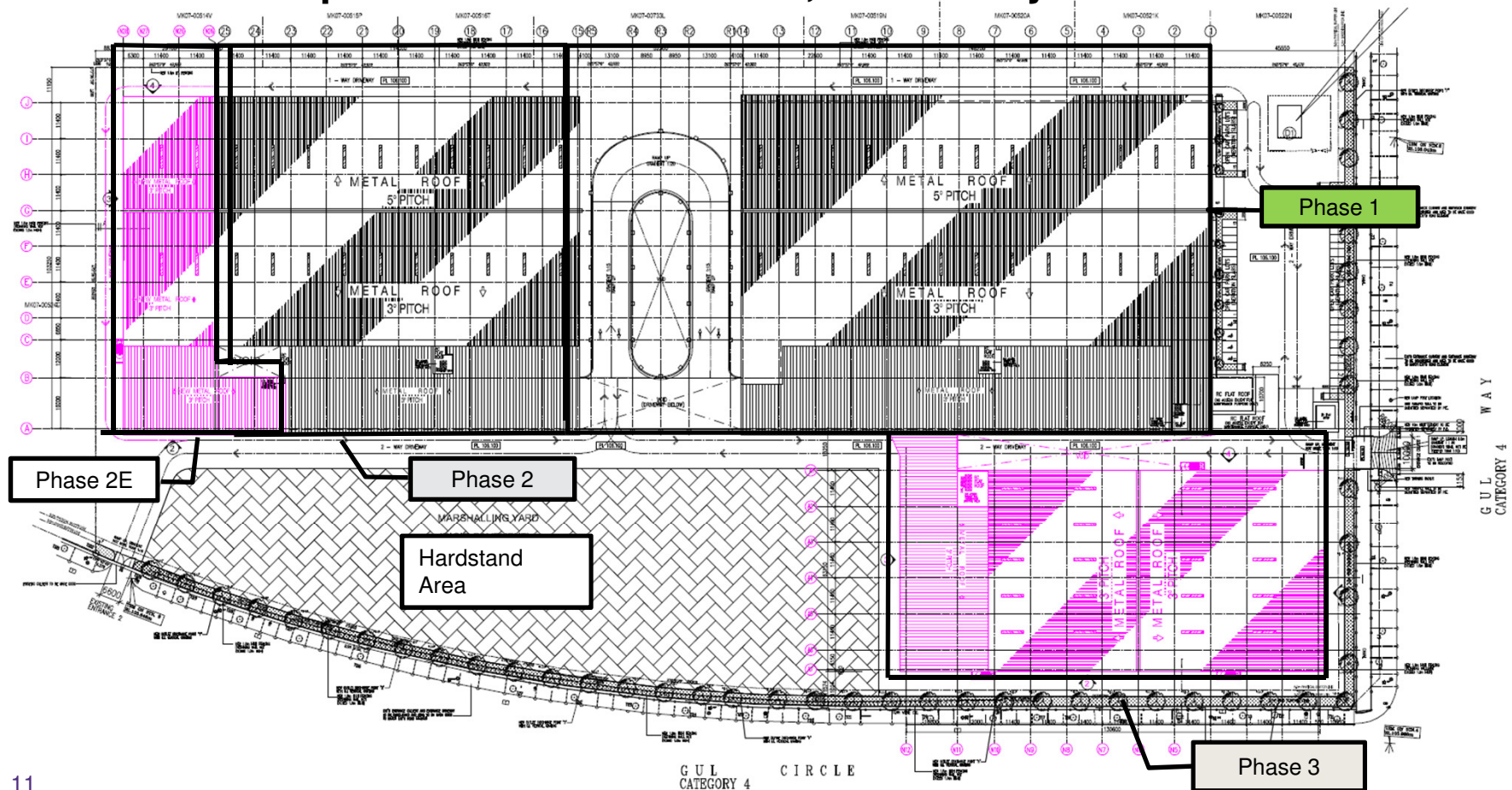
	Prior to redevelopment	Redevelopment Phase 1 & 2	Development Phase 2E & 3
Property	10 single storey buildings	Five storey ramp up warehouse (completed in two Phases)	Extension to Phase 2 (Phase 2E) and new warehouse connected to the existing ramp (Phase 3)
Valuation	S\$41.8 m ¹	S\$217.0 m ²	Additional S\$89.4 m ²
Annual Rental Income	S\$3.6 m ¹	S\$16.3 m	Additional S\$5.9 m ³
Plot Ratio	0.46	1.4 (max)	2.0 ^{4,5}
Land Area	828,248 sqft	828,248 sqft	828,248 sqft
Gross Floor Area (GFA)	378,064 sqft	1,159,547 sqft	Additional 496,949 sqft
Lease Term	Enviro-Metals (Master Tenant)	CWT Limited (Master Tenant)	CWT Limited (Master Tenant)
Profit		S\$25.7 million	S\$16.4 million
Profit Margin		13.4%	22.4%
NPI yield (based on development cost)		8.3%	8.1%

1. As at 31 March 2011.
2. Based on Colliers International Consultancy & Valuation (Singapore) Pte Ltd's valuation dated 30 September 2014
3. Rental income net of additional unrecovered Land Rent at the property.
4. The plot ratio at 20 Gul Way was rezoned from the existing 1.4 to 2.0. Please refer to the announcement dated 16 April 2013.
5. Land rent revised to prevailing market land rent payable at plot ratio 2.0 under area West of Sungei Lanchar.

Execution on development pipeline

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Further development of Phase 2E and 3, 20 Gul Way



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Completed redevelopment of Phase One and Two, 20 Gul Way, Singapore

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Phase Two

- TOP was granted on 7 May 2013
 - 7 months ahead of schedule and on budget
- Income contribution in September 2013 quarter – boosting DPU
- Valuation of S\$91.4m
 - Profit recognised of S\$10.9m

Phase One

- TOP was granted on 29 October 2012
 - 4 weeks ahead of schedule and on budget
- Income contribution in March 2013 quarter – boosting DPU
- Valuation of S\$125.6m
 - Profit recognised of S\$14.2m



Completed redevelopment of Phase 2E and Three, 20 Gul Way, Singapore

> 2

Phase 2E

- TOP was granted on 14 June 2014
 - 6.5 months ahead of schedule time and on budget
- Income contribution in September 2014 quarter
 - Boosting DPU
- Valuation of S\$22.2 million
 - Profit recognised of S\$0.6 million



Phase Three

- TOP was granted on 9 September 2014
 - 4 months ahead of schedule and on budget
- Income contribution in December 2014 quarter
 - Boosting DPU
- Valuation of S\$67.2 million
 - Profit recognised of S\$15.8 million



Summary Financials update: 20 Gul Way, Phase 2E & 3

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Summary Financials update

	Per 6 Jun 2013 announcement (S\$ million)	Actual Achieved (S\$ million)
1. Gross development value upon completion	89.4 ¹	89.4 ²
2. Project development cost	(77.1)	(73.0)
3. Profit	12.3	16.4
4. Profit margin	15.9%	22.4%
5. Yield on cost		8.1%

¹ Based on CBRE Pte. Ltd's valuation dated 15 April 2013 on an "as-if-complete" basis

² Based on Colliers International Consultancy & Valuation (Singapore) Pte Ltd's assessment dated 30 September 2014

Unlocking value within the Portfolio : 103 Defu Lane 10

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103 Defu Lane 10

- TOP was granted on 28 May 2014
 - On time and on budget
- Income contribution in September 2014 quarter
 - Boosting DPU
- Valuation of S\$42.6 million
 - Profit recognised of S\$8.9 million



Summary Financials update

	Per 28 Jan 2013 announcement (S\$ million)	Actual Achieved (S\$ million)
1. Gross development value upon completion	42.6 ¹	42.6 ²
2. Project development cost	(25.4)	(21.7)
3. Land cost ³	(12.0)	(12.0)
4. Profit	5.2	8.9
5. Profit margin	14.0%	26.4%
6. Yield on cost		8.4%

¹ Based on Colliers International Consultancy and Valuation (Singapore) Pte Ltd's valuation dated 25 January 2013

² Based on Knight Frank Pte Ltd's assessment dated 30 September 2014

³ Based on Cushman & Wakefield VHS Pte Ltd's valuation dated 30 September 2012

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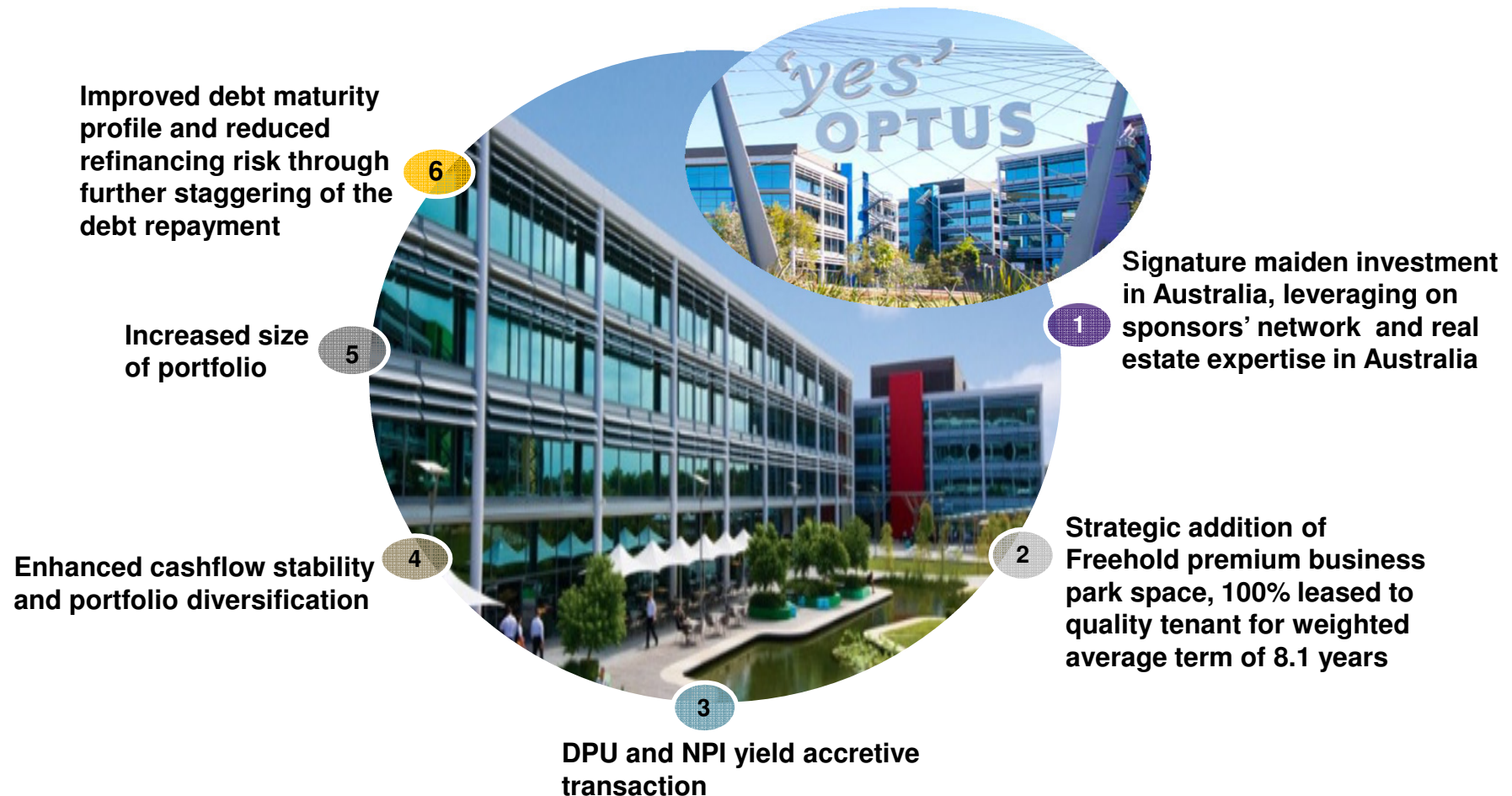
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Strategic Acquisition in Australia

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AEI at 26 Tuas Ave 7

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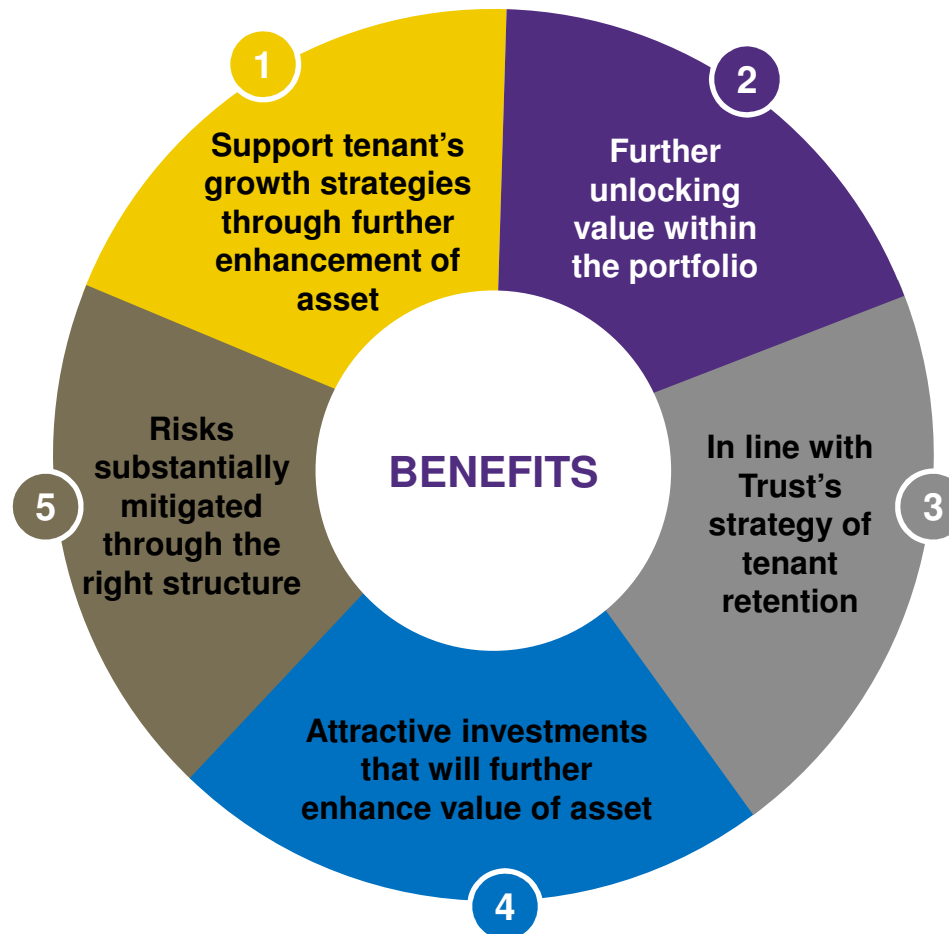
	Prior (FY2014)	Post A&A works
Property	Two storey purpose-built factory with a mezzanine office level	Additional production line and additional storage space.
Valuation	S\$10.3 million ¹	Cost of AEI at S\$1.19 million for further asset enhancement
Lease Terms	10 years till 18 April 2017	Extends master lease for further term of 5 years till 18 April 2022, with rental escalation in 2017, 2019 and 2021
Annual Rental Income	S\$0.87 million	Approximately S\$1.05 million (start of new term) triple net lease from tenant occupying 100% of the Gross Floor Area.
Yield	8.4%	9.1% ²
Return on Investment		10%

1. Based on valuation as at 31 March 2014

2. Assuming valuation uplift on the full cost of AEI, ie. final valuation of S\$11.49 million

Benefits of AEI at 26 Tuas Ave 7

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Potential opportunities within portfolio

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A large proportion of current portfolio remains unutilised; with select organic opportunities available to AA REIT



10 Soon Lee Rd



3 Tuas Avenue 2



8 Senoko South Rd



10 Changi South Lane



541 Yishun Industrial Park A



2 Ang Mo Kio St 65



3 Toh Tuck Link



7 Clementi Loop



11 Changi South St 3



8 and 10 Tuas Ave 20

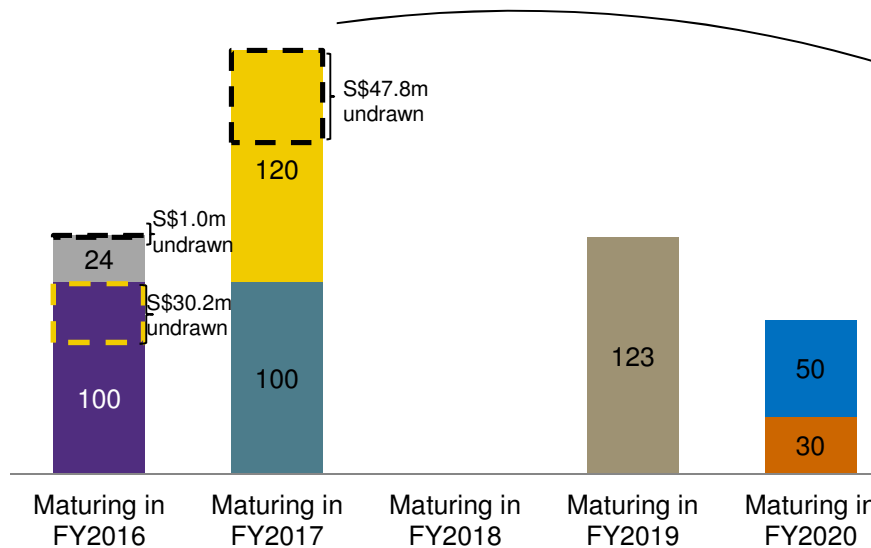
Potential untapped GFA
≈ 801,308 sqft

Debt maturity profile as at 30 September 2014

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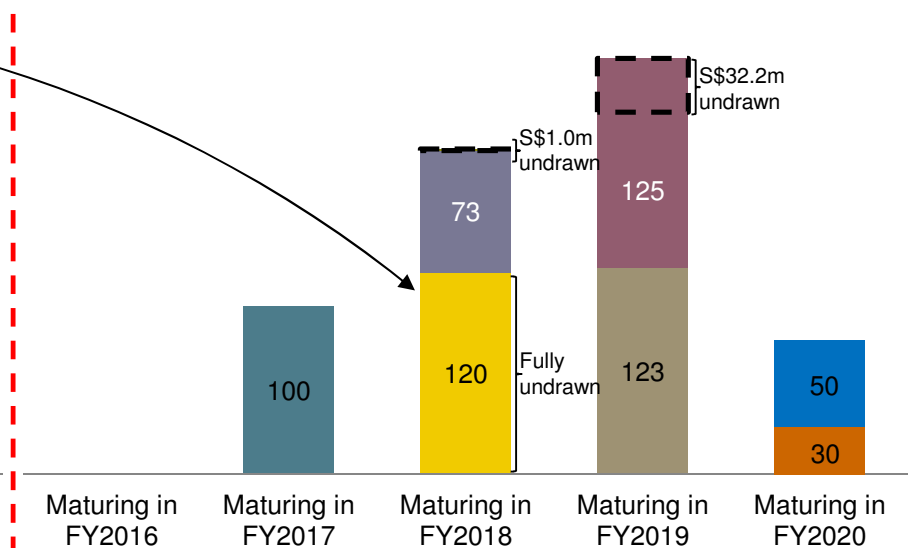
Before refinancing

Syndicate of 5 banks



After refinancing (Proforma basis)¹

Increased syndicate to 6 banks



AA REIT will save approximately S\$1.3 million² per annum in interest cost under the new refinancing arrangement.

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¹ Based on exchange rate of A\$1 = S\$1.108275 as at 30 September 2014

² Proforma based on outstanding loan balance as of 30 September 2014

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HIGHLIGHTS FOR 2Q FY2015

Highlights for 2Q FY2015

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Active portfolio management driving higher distributions

- DPU performance: 2.77 cents per Unit for the quarter (increased by 8.6% q-o-q from 2.55 cents per Unit)
- Net property income in 2Q FY2015 increased by 8.2% y-o-y to S\$19.7 million
- Distribution to Unitholders in 2Q FY2015 increased by 19.2% y-o-y to S\$17.3 million

Leasing renewals

- 6 new and renewal leases in 2Q FY2015, representing 7,668.2 sqm at a weighted average rental increase of 8.6% on the renewals
- Improved occupancy in 2Q FY2015 to 96.6% which is above industrial average

Developing a higher value portfolio

- Temporary Occupation Permit for the development of Phase Three, 20 Gul Way achieved on 9 September 2014, with income contribution in December 2014 quarter
- Singapore portfolio value uplift of 3.1% to S\$1.23 billion due to positive rental increases and completion of properties under development.
- Increased Net Asset Value to S\$1.52 from S\$1.48 in 2Q FY2015 due to recognition of the development profit and portfolio value uplift

Highlights for 2Q FY2015

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Prudent capital management

- Aggregate leverage of 32.2% (average of approximately 30% for 20 consecutive quarters)
- Weighted average debt maturity was 3.6 years¹ with 72.6% of debt on fixed interest rate in 2Q FY2015
- Total 13 unencumbered assets that were valued at S\$527.2 million^{2,3} which is about 42.9 per cent of the current total appraised value of the Singapore portfolio as at September 2014.

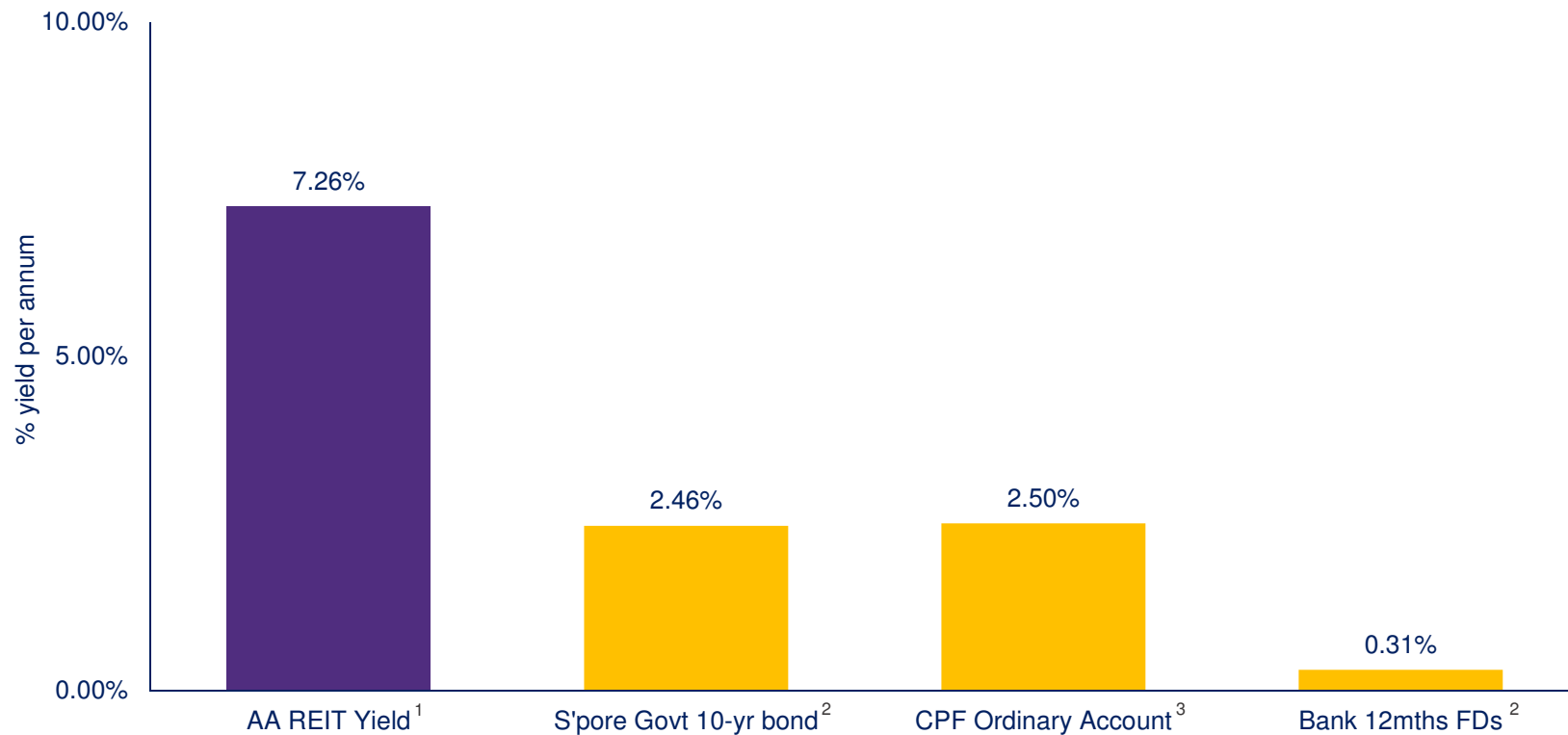
¹ Proforma based on 30 September 2014.

² Kindly refer to SGX announcement on eight assets freed from bank security dated 16 April 2013 and further five assets freed from bank security dated 19 November 2014.

³ Based on valuation for as at 30 September 2014 appraised by Knight Frank Pte Ltd and Colliers International Consultancy & Valuation (Singapore) Pte Ltd..

Stable and attractive yield

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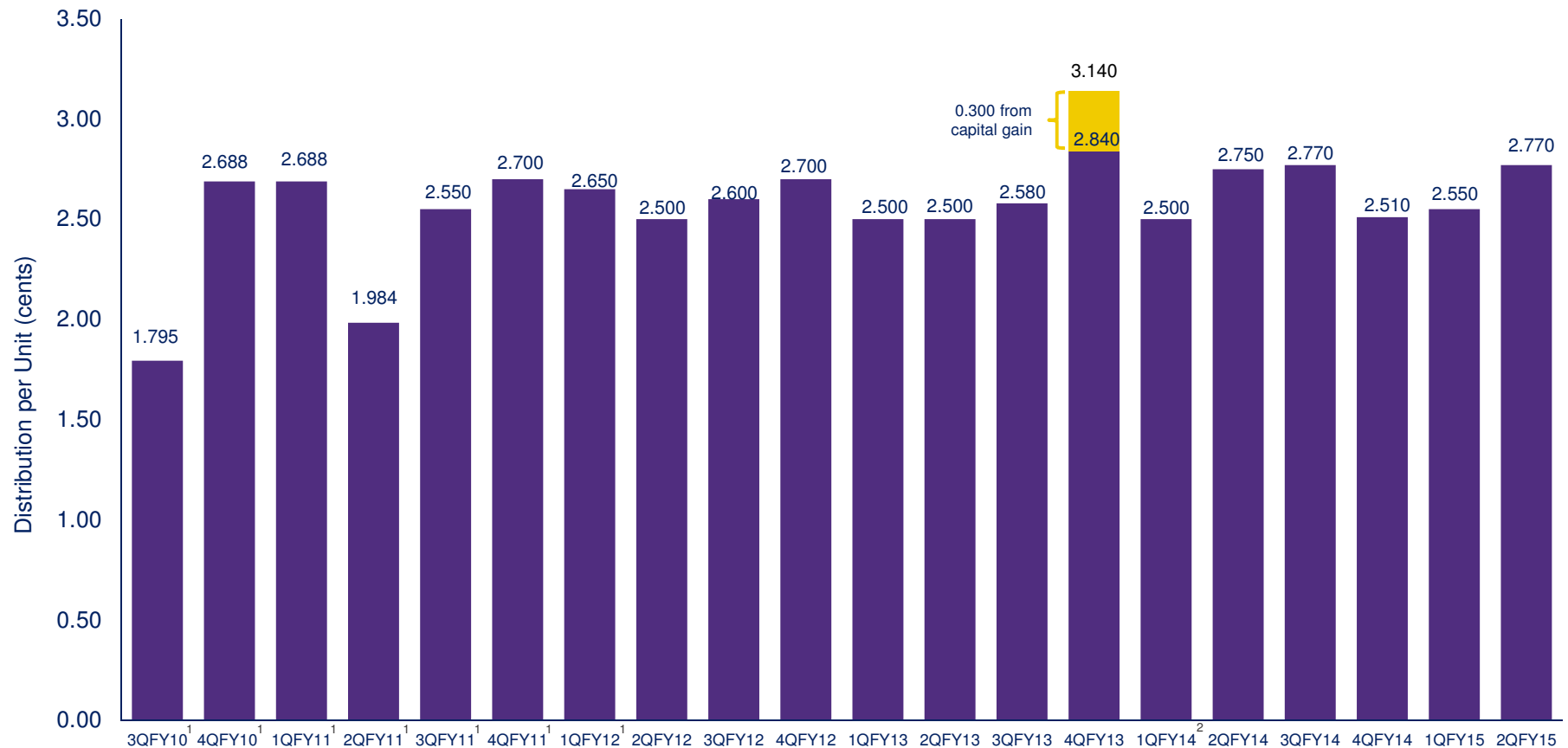
¹ Based on closing price of S\$1.465 on 29 October 2014 and annualised DPU of 10.64 cents. Annualised DPU is computed based on actual DPU payout for 1H FY2015 and annualised to full year.

² Source: Bloomberg data as at September 2014.

³ Prevailing CPF Ordinary Account interest rate.

Stable and growing DPU

> 3



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¹ The number of Units used to calculate the distribution per Unit ("DPU") has been adjusted for the effect of the Unit Consolidation to allow for comparison.

² 1Q FY2014 DPU comprised (i) advanced distribution of 0.85 cents for the period from 1 April to 1 May 2013 which was paid on 18 June 2013 and (ii) DPU of 1.65 cents for the period from 2 May to 30 June 2013 which was paid on 20 September 2013.

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2Q FY2015 FINANCIAL RESULTS

Results for 2Q FY2015

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	2Q FY2015 S\$'000	1Q FY2015 S\$'000	Q-o-Q %	2Q FY2014 S\$'000	Y-o-Y %	1H FY2015 S\$'000	1H FY2014 S\$'000	Y-o-Y %
Gross Revenue	28,261 ¹	27,360	3.3	26,926	5.0	55,621	51,450	8.1
Net Property Income	19,714	19,493	1.1	18,224	8.2	39,207	33,958	15.5
Share of joint venture's results	3,898	3,722	4.7	-	NM	7,620	-	NM
Distribution to Unitholders²	17,258	15,849	8.9	14,481	19.2	33,107	26,969	22.8
DPU (cents)	2.77	2.55	8.6	2.75	0.7	5.32	5.25	1.3
DPU yield³ (%)	7.26							

¹ Gross revenue achieved for 2Q FY2015 of S\$28.3 million was S\$0.9 million higher than the gross revenue for 1Q FY2015 of S\$27.4 million mainly due to the maiden rental contribution from the newly completed properties at 103 Defu Lane 10 and Phase 2E of 20 Gul Way as they became income producing from 1 August 2014 and 14 August 2014 respectively.

² The Manager resolved to distribute S\$17.3 million for 2Q FY2015, comprising (i) taxable income of S\$16.2 million from Singapore operations; and (ii) tax-exempt income distribution of S\$0.3 million and capital distribution of S\$0.8 million from distributions remitted from the Group's investment in Optus Centre, Sydney, Australia.

AA REIT's distribution policy is to distribute at least 90.0% of the Trust's taxable income for the full financial year. For 2Q FY2015, the Manager has resolved to distribute 95.6% of the taxable income available for distribution to the Unitholders.

³ Based on closing price of S\$1.465 on 29 October 2014 and annualised DPU of 10.64 cents. Annualised DPU is computed based on actual DPU payout for 1H FY2015 and annualised to full year.

Balance Sheet

> 4

	30 September 2014	30 June 2014	31 March 2014
Total Assets (S\$'M)	1,454.0	1,432.4	1,405.2
Comprising (S\$'M):			
- Investment properties	1,230.1	1,151.1	1,085.5
- Investment properties under development	-	44.4	72.0
- Joint venture	204.9	217.2	215.2
- Trade and other receivables	9.7	10.7	10.5
- Derivative financial instruments	-	-	0.2
- Cash at banks and in hand	9.3	9.0	21.8
Total Liabilities (S\$'M)	503.7	512.1	493.3
Net Assets (S\$'M)	950.3	920.3	911.9
NAV per Unit (S\$)	1.52	1.48	1.47
Total Debt ¹ (S\$'M)	467.6	458.6	445.7
Aggregate Leverage (%)	32.2	32.0	31.7

¹ Excluding unamortised loan transaction costs.

> 5

PRUDENT CAPITAL MANAGEMENT

Debt facilities after refinancing agreement

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Singapore secured borrowings

- Consortium of 6 banks comprising local and foreign banks
- New refinancing arrangement improves debt maturity profile of the Singapore secured borrowings from 1.5 years to 3.6 years¹.
- New Singapore secured Facility
 - A three-year term loan facility of A\$66.0 million;
 - A four-year term loan facility of S\$125.0 million; and
 - A three-year revolving credit facility of S\$120.0 million.
 - Total Funding cost: 3.41%¹

¹ Proforma based on 30 September 2014.

Debt facilities after refinancing agreement

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Australia secured borrowings

- Non-recourse syndicated facility from 2 Australian banks
- Secured facility of A\$110.655 million to part finance the acquisition of Optus Centre
- Total funding cost of approximately 5%
- 50.0% of interest rate fixed for weighted average period of 4.4 years at 3.825% (Fixed Base Rate)

Unsecured borrowings

- S\$100.0 million 4 year Fixed Rate Notes at 4.90% maturing in August 2016
- S\$50.0 million 5 year Fixed Rate Notes at 3.80% maturing in May 2019
- S\$30.0 million 7 year Fixed Rate Notes at 4.35% maturing in December 2019

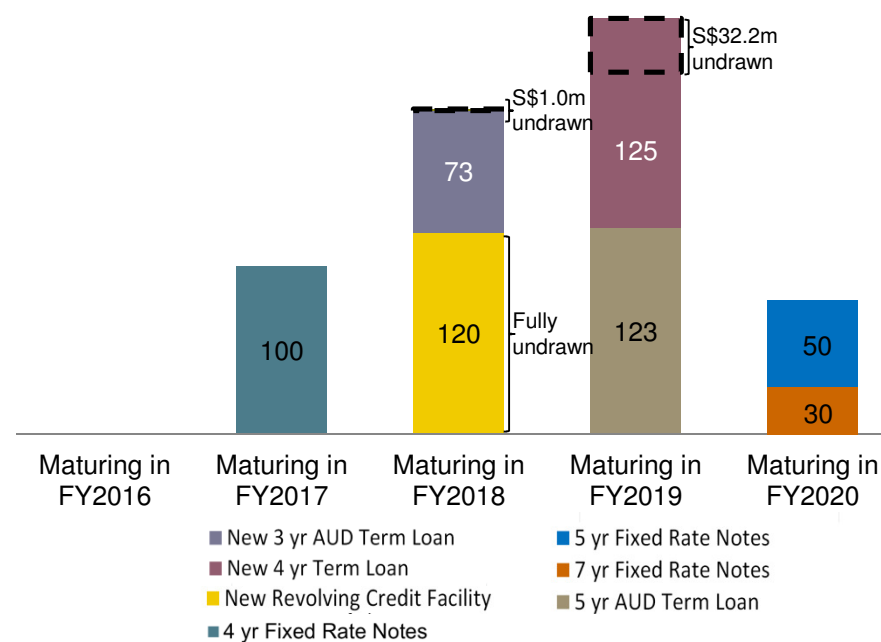
Summary

- Overall blended funding cost of 4.33%²
- 72.6% of portfolio interest is fixed
- Average debt maturity of 3.6 years²

¹ Based on exchange rate of A\$1 = S\$1.108275 as at 30 September 2014

31 ² Proforma based on 30 September 2014.

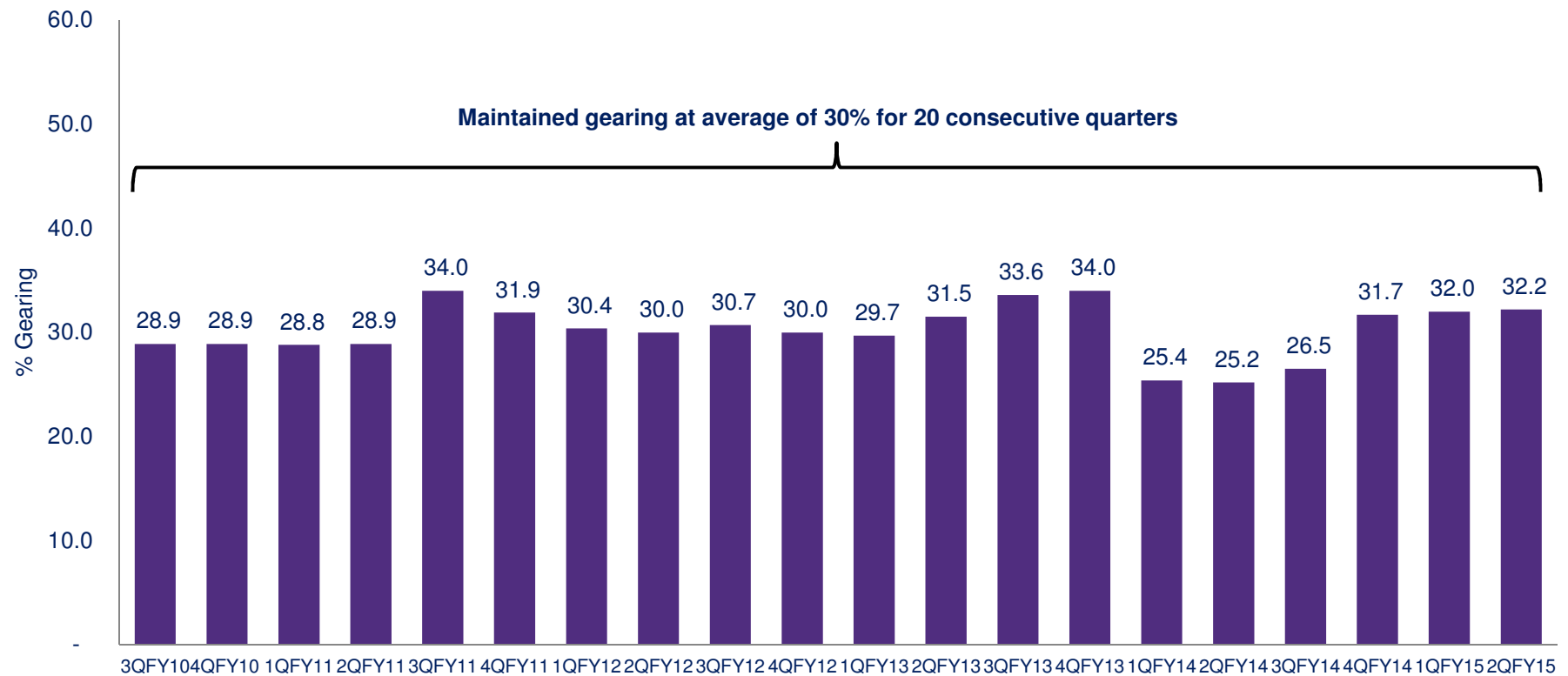
After refinancing (Proforma basis)¹



Gearing level since 2009

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Target LVR between 30 – 40%, max 50% (bank covenant)



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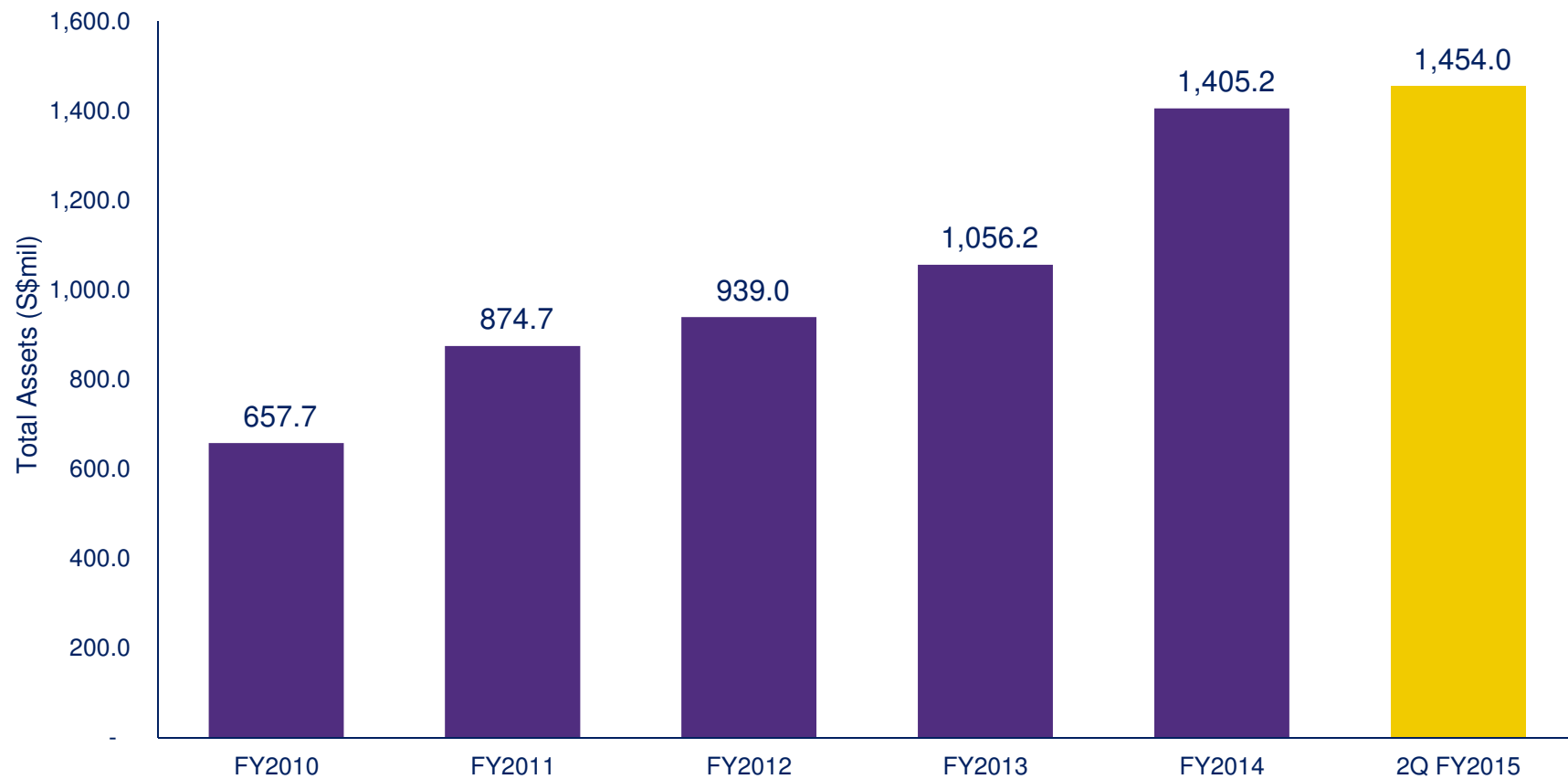
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PORTFOLIO PERFORMANCE

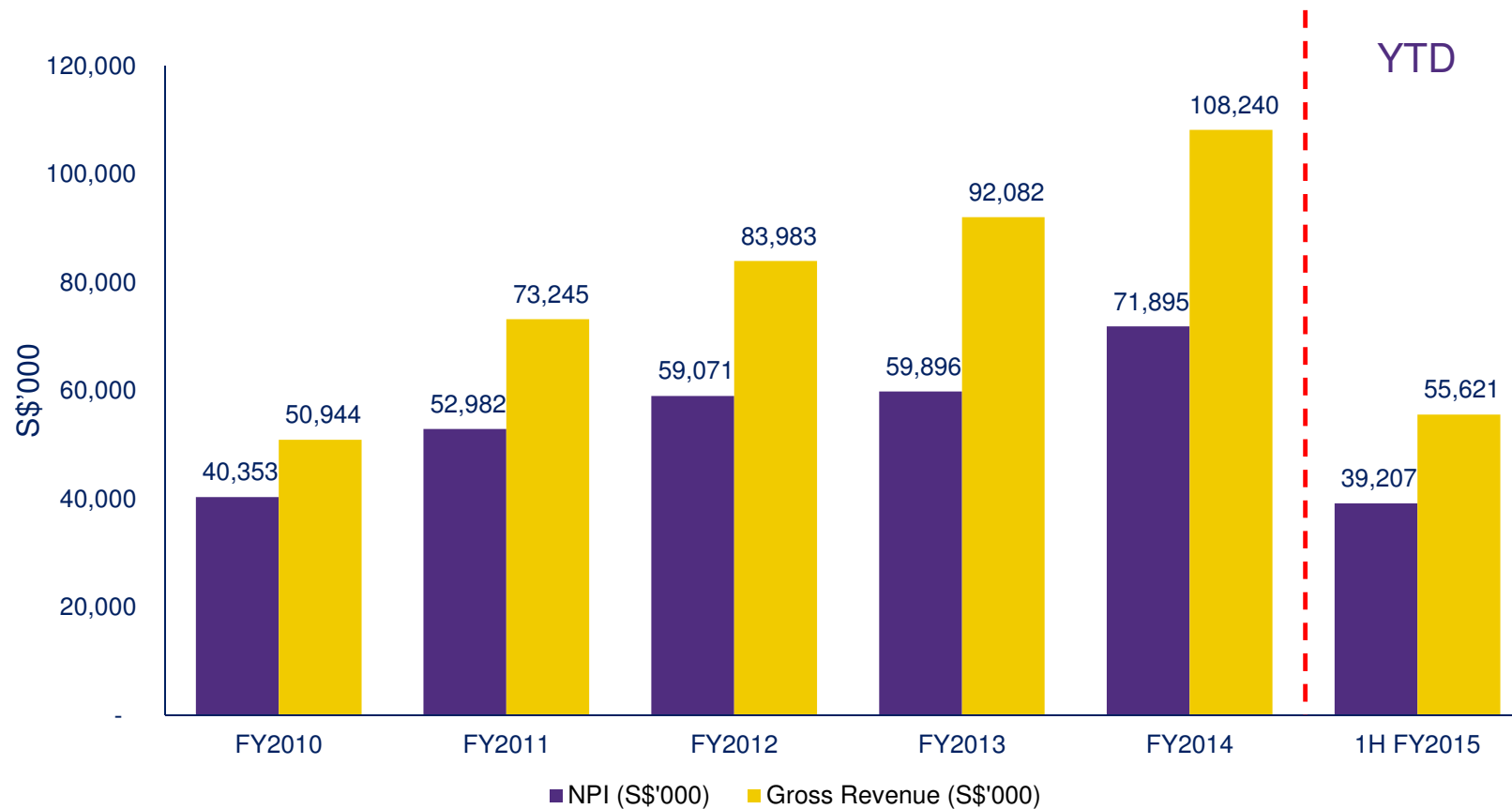
Total assets since 2009

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Revenue performance since 2009

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Key portfolio statistics

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	As at 30 September 2014	As at 30 June 2014	As at 19 April 2007 (Listing)
Number of Properties	26	26	12
Appraised Value (S\$ million)	1,434.9 ^{1,2}	1,412.6 ^{2,3,4}	316.5
Net Lettable Area (sq m)	620,841.8	586,598.3	194,980.7
Number of Tenants	146	144	12
Portfolio Occupancy (%)	96.6	95.5	100.0
Weighted Average Lease Expiry (WALE) (years)	3.57	3.76	6.7
Weighted Average Land Lease Expiry (years)	40.7 ⁵	41.8 ⁵	47.8
Location of Properties	Singapore, Australia	Singapore, Australia	Singapore

¹ Based on valuation as at 30 September 2014 appraised by Knight Frank Pte Ltd and Colliers International Consultancy & Valuation (Singapore) Pte Ltd.

² Based on 49% interest in the property, Optus Centre, Sydney, Australia appraised by Savills Valuations Pty Ltd as at 31 March 2014 and including capitalised capital expenditure.

³ Includes (i) investment properties under development at 20 Gul Way Phase 3 and (ii) capitalised capital expenditure.

⁴ Based on valuation as at 31 March 2014 appraised by Knight Frank Pte Ltd and Colliers International Consultancy & Valuation (Singapore) Pte Ltd, including 103 Defu Lane 10 and Phase Two extension, 20 Gul Way which achieved TOP on 28 May 2014 and 14 June 2014 respectively.

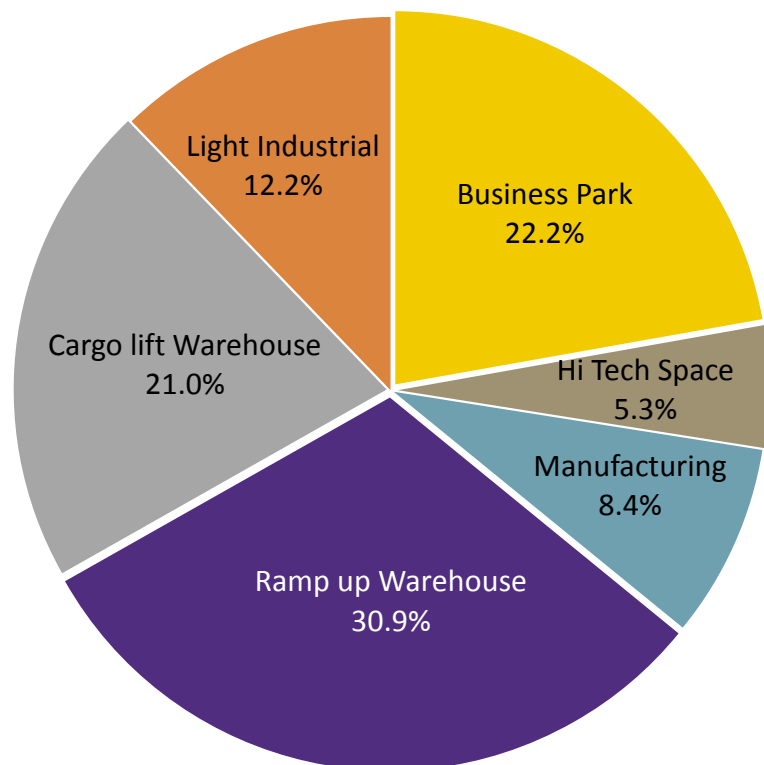
⁵ For the calculation of the weighted average land lease of AA REIT, AA REIT's interest in the freehold property, Optus Centre has been assumed as a 99-year leasehold interest.

Portfolio breakdown

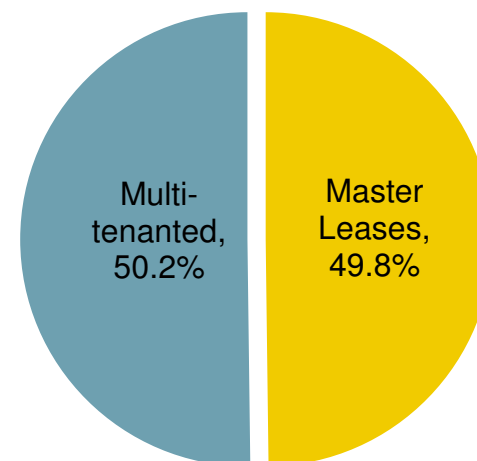
By 2Q FY2015 rental income

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Breakdown by Property Sector



Master Leases vs Multi-tenanted



Occupancy

Average security deposit¹

Total Portfolio (26 properties)	96.6	5.1 months
Master Leases (11 properties)	100.0	7.3 months
Multi-tenanted (15 properties)	93.7	3.7 months

¹ Excluding Optus Centre whose lease is guaranteed by SingTel Optus

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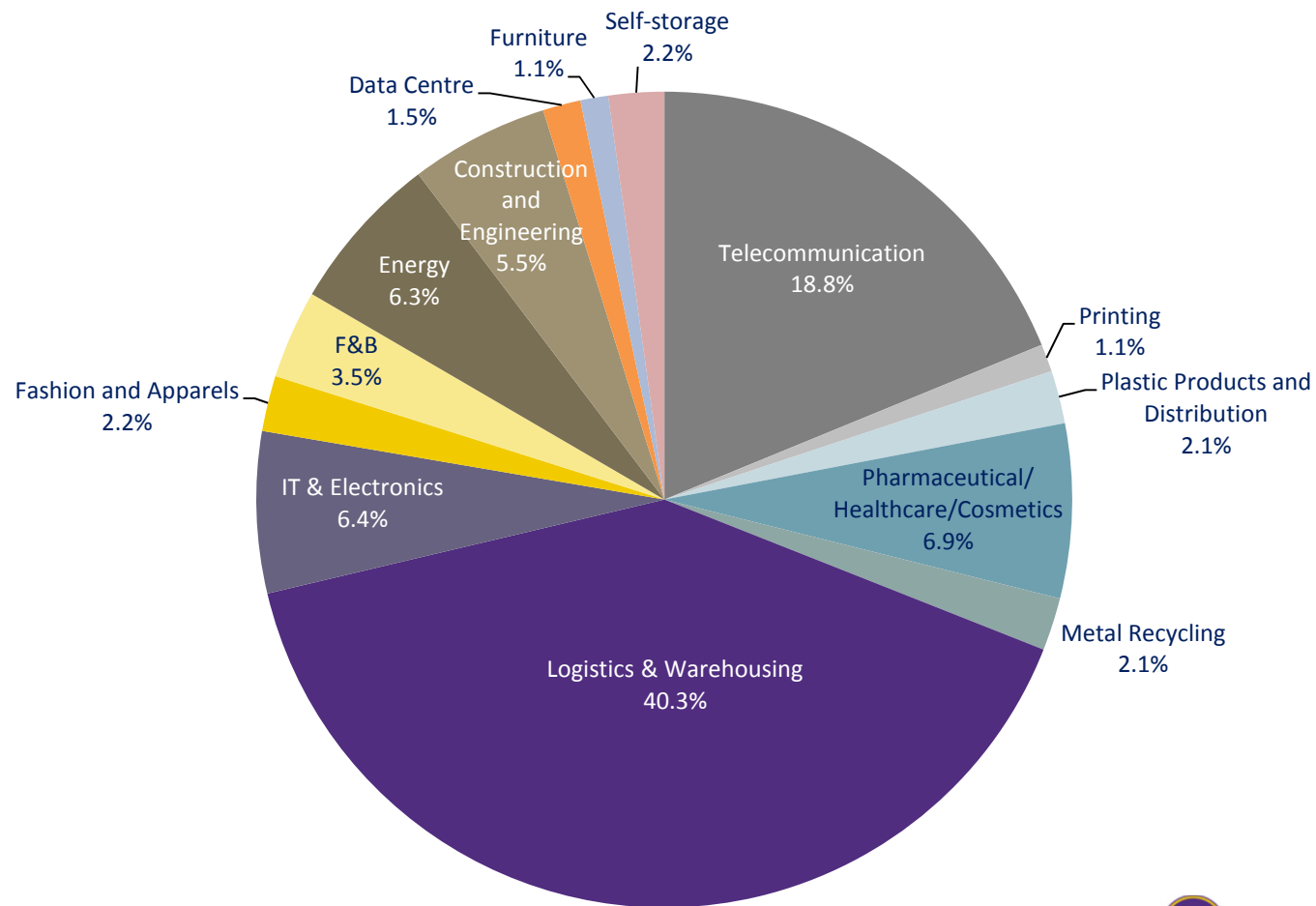


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Diversification reduces risk

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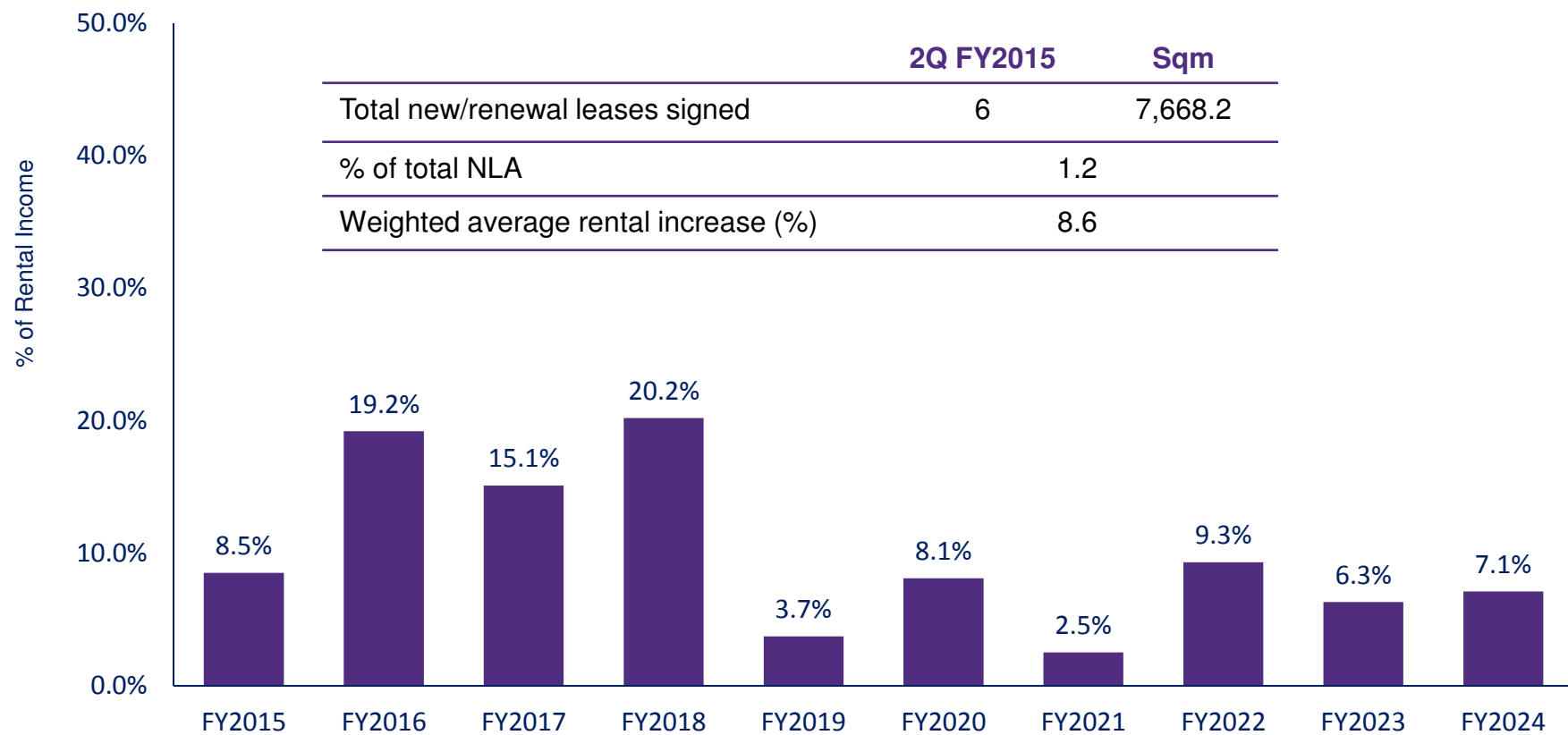
Tenant Base by Industry (By 2Q FY2015 Rental Income)



Active lease management

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Lease Expiry Profile as at 30 September 2014
(By 2Q FY2015 Rental Income)



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Quality tenant base

Top 10 tenants by 2Q FY2015 by rental income

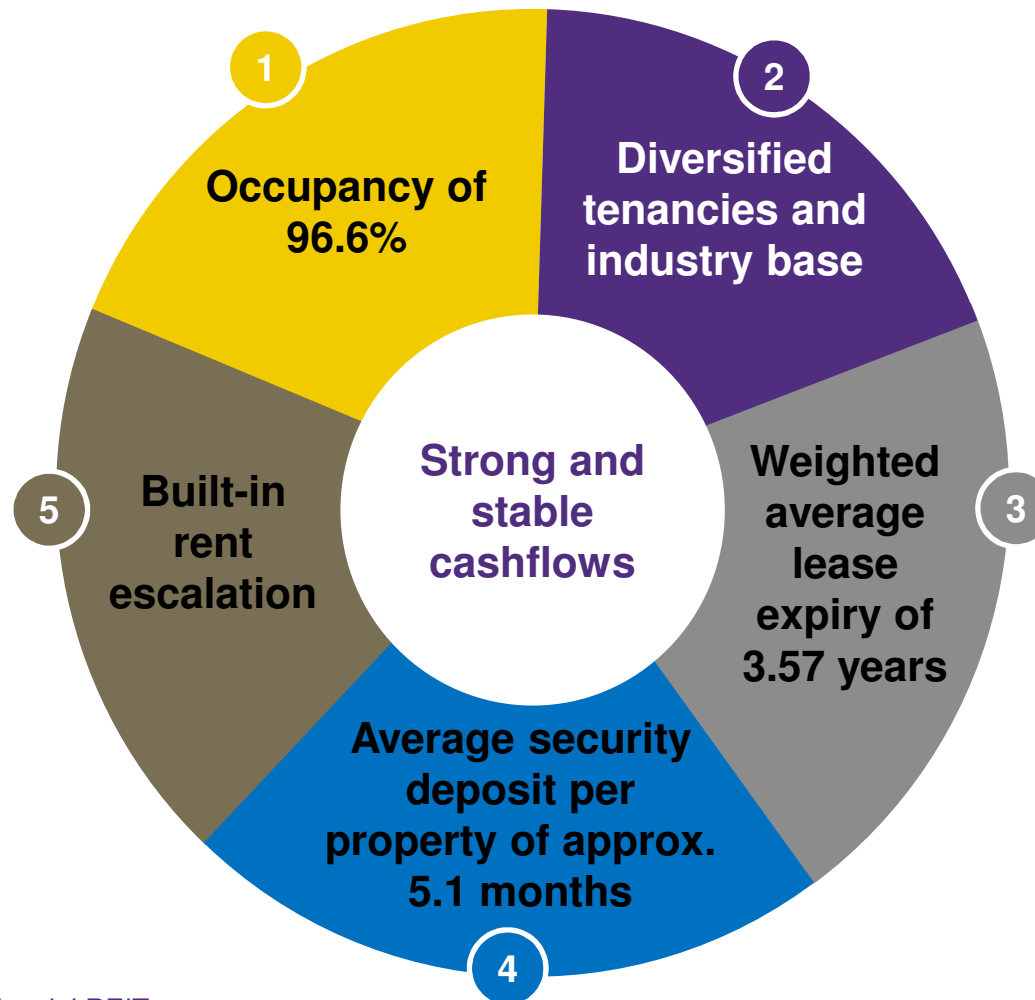
Tenant	%
CWT Limited*	16.8%
Optus Administration Pty Limited*	15.9%
Eurochem Corporation Pte Ltd	6.3%
Schenker Singapore (Pte) Ltd*	3.8%
LTH Logistics (Singapore) Pte Ltd* (Vibrant Group Limited)	2.4%
Illumina Singapore Pte Ltd*	2.3%
Broadcom Singapore Pte Ltd*	2.2%
Lorenzo International Limited*	2.2%
Enviro-Hub Group*	1.8%
Element14*	1.6%
Top 10 tenants	55.3%

* Listed Groups or subsidiaries of listed entities



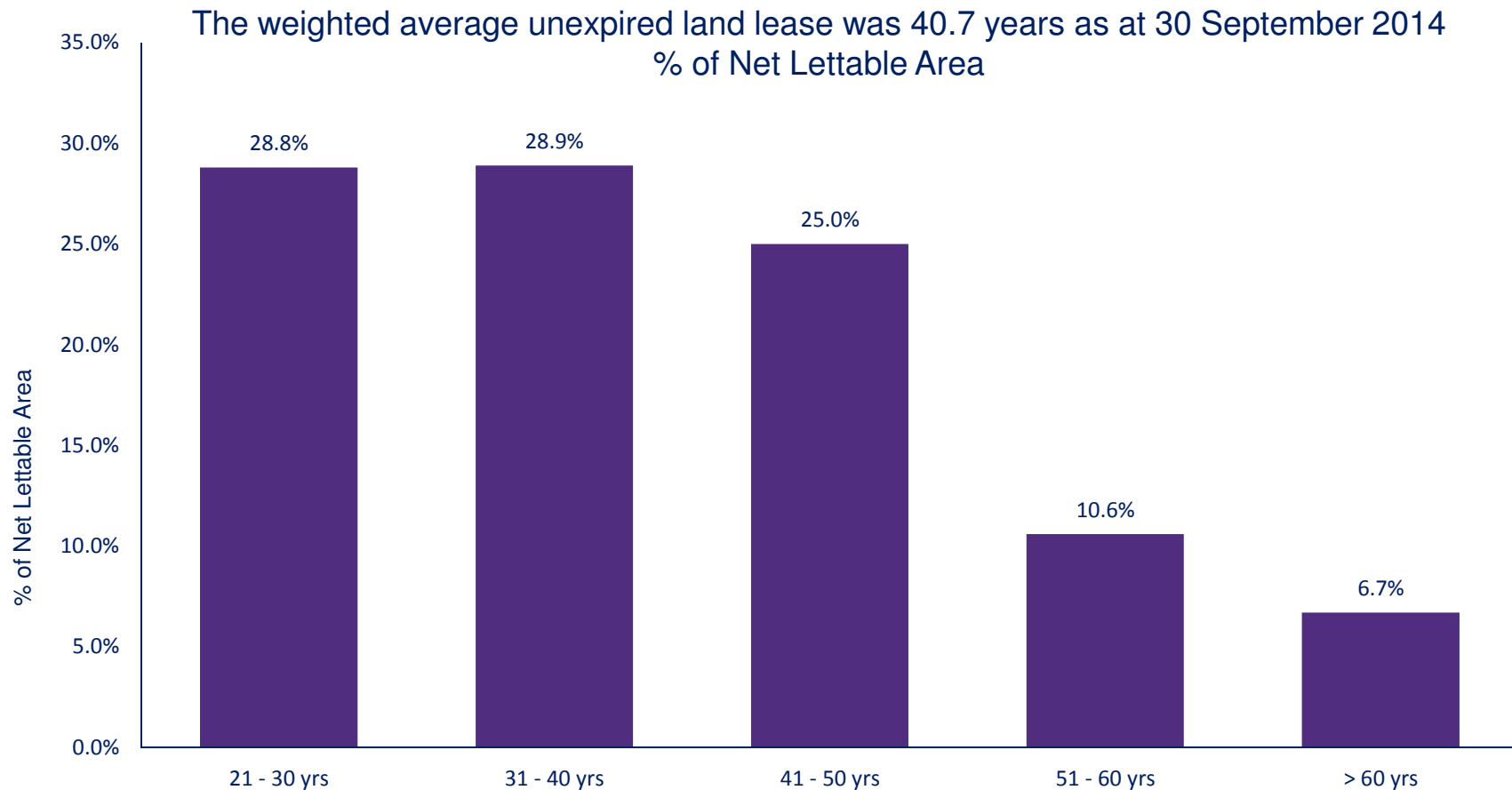
Strong and stable cashflows

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Long land lease expiry – 40.7 years

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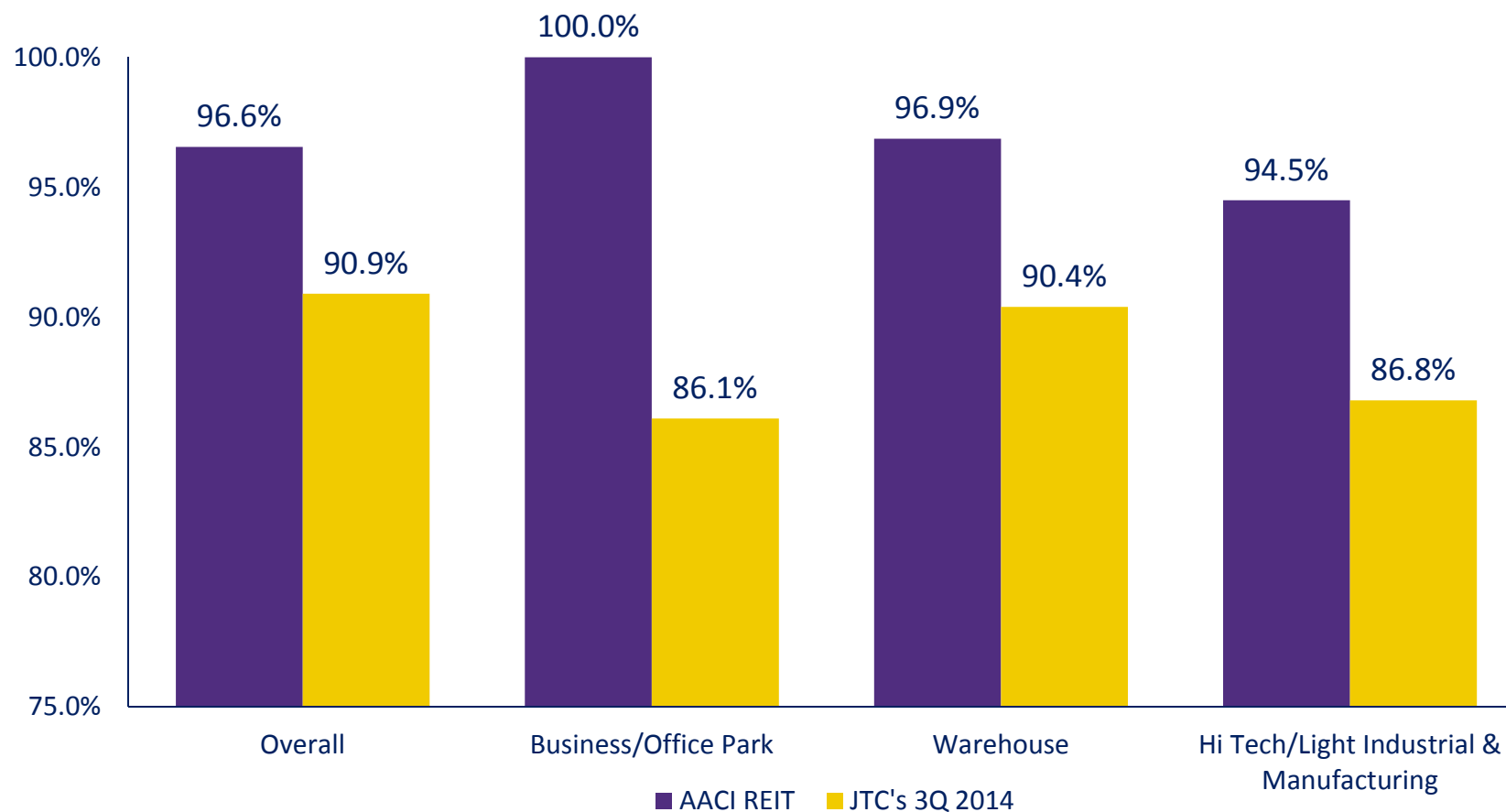


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Note: For the calculation of the weighted average land lease of AA REIT, AA REIT's interest in the freehold property, Optus Centre has been assumed as a 99-year leasehold interest.

Comparisons to Singapore industrial average occupancy levels

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Source: Based on JTC's 3rd quarter 2014 statistics.

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Thank you

For enquiries, kindly contact:

AIMS AMP Capital Industrial REIT Management Limited

Koh Wee Lih

Chief Executive Officer

Tel: + 65 6309 1050

Email: wlkoh@aimsampcapital.com

Lynn Wong

Portfolio Manager

Tel: + 65 6309 1046

Email: lwong@aimsampcapital.com



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