



AIMS AMP CAPITAL INDUSTRIAL REIT

**AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT
ANNOUNCEMENT
FOURTH QUARTER ENDED 31 MARCH 2018
("4Q FY2018")**

Introduction

AIMS AMP Capital Industrial REIT ("AA REIT" or the "Trust") is a real estate investment trust which was listed on the Main Board of the SGX-ST on 19 April 2007. The principal investment objective of the Manager is to invest in a diversified portfolio of income-producing real estate assets located in Singapore and throughout the Asia-Pacific region that is used for industrial purposes, including, but not limited to warehousing and distribution activities, business park activities and manufacturing activities. The Manager's key objectives are to deliver stable distributions to Unitholders and to provide long-term capital growth. The Group¹ has a portfolio of 26 industrial properties, 25 of which are located throughout Singapore and one business park property in Macquarie Park, New South Wales ("NSW"), Australia².

Summary of AIMS AMP Capital Industrial REIT Group results

	Note	4Q FY2018	3Q FY2018	+/(−)	4Q FY2017	+/(−)	FY2018	FY2017	+/(−)
		S\$'000	S\$'000	%	S\$'000	%	S\$'000	S\$'000	%
Gross revenue	(a)	28,032	28,867	(2.9)	30,606	(8.4)	116,916	120,119	(2.7)
Net property income	(a)	17,669	19,233	(8.1)	19,973	(11.5)	76,417	79,433	(3.8)
Share of results of joint venture (net of tax)	(a)	6,363	3,654	74.1	4,119	54.5	17,418	14,758	18.0
Distributions to Unitholders	(b)	17,975	17,076	5.3	17,755	1.2	67,370	70,497	(4.4)
Distribution per Unit ("DPU") (cents)	(c)	2.63	2.62	0.4	2.78	(5.4)	10.30	11.05	(6.8)

Notes:

- (a) Please refer to section 8 on "Review of the performance" for explanation of the variances.
- (b) The Manager resolved to distribute S\$18.0 million for 4Q FY2018, comprising (i) taxable income of S\$16.1 million from Singapore operations; and (ii) tax-exempt income distribution of S\$1.0 million and capital distribution of S\$0.9 million from distributions remitted from the Group's investment in Optus Centre, Macquarie Park, NSW, Australia. AA REIT's distribution policy is to distribute at least 90.0% of the Trust's Singapore taxable income for the full financial year. For FY2018, the Manager has resolved to distribute 100.0% of the Singapore taxable income available for distribution to the Unitholders. Please refer to details in section 1(a)(ii) for the distribution statement.
- (c) The DPU for FY2018 was lower compared to FY2017 partly due to the increase in Units arising from the private placement of 42,145,000 Units in December 2017. Excluding the effects from the private placement, DPU for 4Q FY2018 and FY2018 would be approximately 2.75 cents and 10.46 cents respectively.

¹ The Group comprises AIMS AMP Capital Industrial REIT, its wholly-owned subsidiaries and its interest in a joint venture.

² AA REIT has a 49.0% interest in Optus Centre located in Macquarie Park, NSW, Australia.

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Distribution and Books Closure Date

Distribution	For 1 January 2018 to 31 March 2018
Distribution Type	(a) Taxable Income (b) Tax-Exempt Income (c) Capital Distribution ³
Distribution Rate	(a) Taxable Income Distribution: 2.35 cents per Unit (b) Tax-Exempt Income Distribution: 0.15 cents per Unit (c) Capital Distribution ³ : <u>0.13 cents per Unit</u> <u>2.63 cents per Unit</u>
Books Closure Date	8 May 2018
Payment Date	21 June 2018

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

		Group 4Q FY2018 S\$'000	Group 4Q FY2017 S\$'000	+ / (-) %	Group FY2018 S\$'000	Group FY2017 S\$'000	+ / (-) %
	Note						
Gross revenue	(a)	28,032	30,606	(8.4)	116,916	120,119	(2.7)
Property operating expenses	(a)	(10,363)	(10,633)	(2.5)	(40,499)	(40,686)	(0.5)
Net property income	(a)	17,669	19,973	(11.5)	76,417	79,433	(3.8)
Foreign exchange (loss)/gain	(b)	(110)	32	>(100.0)	(149)	39	>(100.0)
Interest and other income	(c)	18	16	12.5	189	2,387	(92.1)
Borrowing costs	(a)	(4,854)	(4,674)	3.9	(19,417)	(18,602)	4.4
Manager's management fees		(1,822)	(1,843)	(1.1)	(7,385)	(7,405)	(0.3)
Other trust expenses	(a)	(496)	(470)	5.5	(1,881)	(1,755)	7.2
Non-property expenses		(7,172)	(6,987)	2.6	(28,683)	(27,762)	3.3
Net income before joint venture's results		10,405	13,034	(20.2)	47,774	54,097	(11.7)
Share of results of joint venture (net of tax)	(a),(d)	6,363	4,119	54.5	17,418	14,758	18.0
Net income		16,768	17,153	(2.2)	65,192	68,855	(5.3)
Net change in fair value of investment properties and investment properties under development	(e)	2,079	(54,617)	>(100.0)	(4,682)	(54,317)	(91.4)
Net change in fair value of derivative financial instruments	(f)	842	(1,165)	>(100.0)	506	470	7.7
Gain on divestment of investment property	(g)	1,597	-	NM	1,597	-	NM
Total return before income tax		21,286	(38,629)	>(100.0)	62,613	15,008	>100.0
Income tax expense	(h)	(577)	(527)	9.5	(1,421)	(1,529)	(7.1)
Total return after income tax		20,709	(39,156)	>(100.0)	61,192	13,479	>100.0

NM: not meaningful.

³ This relates to the tax deferred component arising from the distributions remitted from the Group's investment in Optus Centre, Macquarie Park, NSW, Australia.

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Notes:

- (a) Please refer to section 8 on “Review of the performance” for explanation of the variances.
- (b) The foreign exchange loss mainly relates to the exchange differences on the Trust’s Australian distribution income and Australian Dollar cash and cash equivalents.
- (c) Interest and other income in FY2018 included proceeds of S\$0.1 million from insurance claim on capital item for the property at 1A International Business Park. Interest and other income in FY2017 included proceeds of S\$2.3 million from the full and final settlement received from the insurance company for the property at 8 Tuas Avenue 20 due to a fire incident in 2015.
- (d) The share of results of joint venture (net of tax) comprised contribution from the Group’s 49.0% interest in Optus Centre, which is located in Macquarie Park, NSW, Australia. The higher contribution in 4Q FY2018 was mainly due to the share of revaluation surplus recognised from the valuation of the underlying property. As at 31 March 2018, the independent valuation of the underlying property was carried out by Jones Lang LaSalle Advisory Services Pty Ltd and valued at A\$450.0 million (equivalent to approximately S\$453.1 million) (31 March 2017: A\$445.0 million (equivalent to approximately S\$474.8 million)).
- (e) The net change in fair value of investment properties and investment properties under development for 4Q FY2018 arose mainly from the revaluation of the Trust’s 25 Singapore properties as at 31 March 2018. The independent valuations of the properties were carried out by Jones Lang LaSalle Property Consultants Pte Ltd or Colliers International Consultancy & Valuation (Singapore) Pte Ltd.

The net change in fair value of investment properties and investment properties under development is a non-tax chargeable/deductible item and has no impact on the taxable income and distributable income to the Unitholders.

- (f) This relates to changes in fair value due to the revaluation of the Trust’s Singapore dollar interest rate swap contracts in accordance with Financial Reporting Standard (“FRS”) 39. Please refer to note (f) of section 1(b)(i) for further details of the swap contracts.

The net change in fair value of derivative financial instruments is a non-tax chargeable/deductible item and has no impact on the taxable income and distributable income to the Unitholders.

- (g) The gain on divestment of investment property relates to the completion of sale of property at 10 Soon Lee Road on 29 March 2018 for a consideration of S\$8.17 million.
- (h) Income tax expense relates to withholding tax paid/payable by the Trust on the distribution from Australia, income tax payable by the Trust’s wholly-owned subsidiary, AACI REIT MTN Pte Ltd (“AACI REIT MTN”) as well as provision for deferred tax liabilities for the Trust’s investment in Australia.

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1(a)(ii) Distribution Statement

		Group 4Q FY2018 S\$'000	Group 4Q FY2017 S\$'000	+ / (-) %	Group FY2018 S\$'000	Group FY2017 S\$'000	+ / (-) %
	Note						
Total return before income tax		21,286	(38,629)	>(100.0)	62,613	15,008	>100.0
Net effect of tax adjustments	(a)	(2,380)	57,432	>(100.0)	10,133	59,367	(82.9)
Other adjustments	(b)	(4,792)	(2,484)	92.9	(11,088)	(8,503)	30.4
Release of distribution retained in previous quarters		1,947	414	>100.0	-	-	-
Amount available for distribution from Singapore taxable income		16,061	16,733	(4.0)	61,658	65,872	(6.4)
Distribution from Singapore taxable income	(c)	16,061	16,733	(4.0)	61,658	65,872	(6.4)
Distribution from tax-exempt income	(d)	1,025	639	49.8	2,698	2,680	0.7
Capital distribution	(e)	889	383	>100.0	3,014	1,945	55.0
Distributions to Unitholders		17,975	17,755	1.2	67,370	70,497	(4.4)

Notes:

(a) Net effect of tax adjustments

		Group 4Q FY2018 S\$'000	Group 4Q FY2017 S\$'000	+ / (-) %	Group FY2018 S\$'000	Group FY2017 S\$'000	+ / (-) %
Amortisation and write-off of borrowing transaction costs		176	189	(6.9)	774	808	(4.2)
Foreign exchange loss/(gain)		93	(33)	>(100.0)	143	(45)	>(100.0)
Manager's management fees in Units		911	921	(1.1)	3,692	3,700	(0.2)
Net change in fair value of investment properties and investment properties under development		(2,079)	54,617	>(100.0)	4,682	54,317	(91.4)
Net change in fair value of derivative financial instruments		(842)	1,165	>(100.0)	(506)	(470)	7.7
Gain on divestment of investment property		(1,597)	-	NM	(1,597)	-	NM
Net tax adjustment on foreign sourced income		570	613	(7.0)	2,377	2,415	(1.6)
Proceeds from insurance claims		-	-	-	(114)	(2,330)	(95.1)
Temporary differences and other tax adjustments		388	(40)	>(100.0)	682	972	(29.8)
Net effect of tax adjustments		(2,380)	57,432	>(100.0)	10,133	59,367	(82.9)

NM: not meaningful.

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

(c) The Trust's distribution policy is to distribute at least 90.0% of the Trust's Singapore taxable income for the full financial year. For FY2018, the Manager has resolved to distribute 100.0% of the Singapore taxable income available for distribution to the Unitholders.

(d) This relates to tax-exempt income arising from the distributions remitted from the Group's investment in Optus Centre, Macquarie Park, NSW, Australia.

(e) This relates to the tax deferred component arising from the distributions remitted from the Group's investment in Optus Centre, Macquarie Park, NSW, Australia.

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1(b)(i) Statements of Financial Position as at 31 March 2018 vs. 31 March 2017

	Note	Group 31 Mar 2018 S\$'000	Group 31 Mar 2017 S\$'000	+ / (-) %	Trust 31 Mar 2018 S\$'000	Trust 31 Mar 2017 S\$'000	+ / (-) %
Non-current assets							
Investment properties	(a)	1,210,100	1,175,100	3.0	1,210,100	1,175,100	3.0
Investment properties under development	(b)	18,600	37,600	(50.5)	18,600	37,600	(50.5)
Subsidiaries	(c)	-	-	-	85,200	85,200	-
Joint venture	(d)	220,763	232,113	(4.9)	-	-	-
Trade and other receivables	(e)	3,569	2,599	37.3	3,569	2,599	37.3
Derivative financial instruments	(f)	512	408	25.5	512	408	25.5
		1,453,544	1,447,820	0.4	1,317,981	1,300,907	1.3
Current assets							
Trade and other receivables	(e)	6,525	5,928	10.1	6,037	5,307	13.8
Cash and cash equivalents	(g)	17,550	11,727	49.7	16,281	10,819	50.5
		24,075	17,655	36.4	22,318	16,126	38.4
Total assets		1,477,619	1,465,475	0.8	1,340,299	1,317,033	1.8
Non-current liabilities							
Trade and other payables	(h)	9,735	7,424	31.1	9,735	7,424	31.1
Interest-bearing borrowings	(i)	305,043	444,921	(31.4)	305,043	327,201	(6.8)
Derivative financial instruments	(f)	95	2,760	(96.6)	95	247	(61.5)
Deferred tax liabilities	(j)	6,411	5,849	9.6	-	-	-
		321,284	460,954	(30.3)	314,873	334,872	(6.0)
Current liabilities							
Trade and other payables	(k)	28,094	33,271	(15.6)	26,885	32,138	(16.3)
Interest-bearing borrowings	(i)	188,164	82,585	>100.0	76,882	82,585	(6.9)
Derivative financial instruments	(f)	1,118	218	>100.0	-	218	(100.0)
		217,376	116,074	87.3	103,767	114,941	(9.7)
Total liabilities		538,660	577,028	(6.6)	418,640	449,813	(6.9)
Net assets		938,959	888,447	5.7	921,659	867,220	6.3
Represented by:							
Unitholders' funds		938,959	888,447	5.7	921,659	867,220	6.3
		938,959	888,447	5.7	921,659	867,220	6.3

Notes:

- (a) The increase in investment properties was primarily due to the transfer of S\$67.1 million (which included net revaluation gain of S\$5.7 million recognised in FY2018) from investment properties under development for 8 Tuas Avenue 20 and 51 Marsiling Road upon obtaining their Temporary Occupation Permits ("TOP") on 29 August 2017 and 27 October 2017 respectively. This was partially offset by a revaluation loss of S\$10.4 million recognised in FY2018, the divestment of property at 10 Soon Lee Road and the transfer of 3 Tuas Avenue 2 to investment properties under development as at 31 March 2018.

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- (b) As at 31 March 2018, investment properties under development relates to the redevelopment of 3 Tuas Avenue 2. On 25 April 2018, the Manager announced plans to redevelop the property into a contemporary ramp-up industrial facility for general industrial usage, subject to authorities' approval. Upon completion, the gross floor area of the property will increase by 52% to approximately 24,890 square metres, improving the plot ratio from the current 0.92 to 1.40. Investment properties under development as at 31 March 2017 comprised 8 Tuas Avenue 20 and 51 Marsiling Road which were completed during the current financial year and transferred to investment properties.
- (c) This relates to the Trust's interest in its wholly-owned subsidiaries, AACI REIT MTN Pte. Ltd., AIMS AMP Capital Industrial REIT (Australia) Trust and AACI REIT Opera Pte. Ltd.
- (d) This relates to the Group's 49.0% interest in Macquarie Park Trust, the Australian unit trust which holds Optus Centre, located in Macquarie Park, NSW, Australia. The decrease in the joint venture balances was mainly due to the strengthening of the Singapore Dollar against the Australian Dollar of S\$13.1 million, partially offset by the share of revaluation surplus of the underlying property. As the Australian investment is substantially hedged through the use of Australian Dollar denominated loans, there is a corresponding reduction in Australian Dollar denominated interest-bearing borrowings of S\$10.5 million (see note 1(b)(i)(i) below).
- (e) Non-current trade and other receivables relate to the unamortised portion of the marketing services commission for leases with tenors of more than one year. Current trade and other receivables as at 31 March 2018 of S\$6.5 million were S\$0.6 million higher compared to balances as at 31 March 2017. The increase was mainly due to the timing of billing and collection of receivables from tenants.
- (f) The derivative financial instruments as at 31 March 2018 were in relation to interest rate swap contracts with a total notional amount of S\$306.0 million. As at 31 March 2018, approximately 88.1% of the Group's borrowings were on fixed rates taking into account (i) the interest rate swap contracts entered into and (ii) the medium term notes ("Medium Term Notes"). Under the interest rate swap contracts, the Group pays fixed interest rates of between 1.57% to 3.825% per annum and receives interest at the three-month Singapore swap offer rate or at the three-month Australian bank bill swap bid rates, as the case may be. The changes in fair value were mainly due to the revaluation of the interest rate swap contracts in accordance with FRS 39.
- (g) Cash and cash equivalents as at 31 March 2018 of S\$17.6 million were S\$5.8 million higher compared to balances as at 31 March 2017. This was partly attributable to the receipt of balance proceeds from divestment of 10 Soon Lee Road in end March 2018.
- (h) Non-current trade and other payables mainly comprised rental deposits received from tenants with tenors of more than one year.

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- (i) The borrowings of the Group as at 31 March 2018 of S\$493.2 million were S\$34.3 million lower compared to balances as at 31 March 2017 mainly due to the utilisation of net proceeds from the private placement during the year to repay borrowings as well as the decrease in the Australian Dollar denominated borrowings of S\$10.5 million due to the strengthening of the Singapore Dollar against the Australian Dollar. This was partially offset by the net drawdown of borrowings which were primarily used to fund the development of 8 Tuas Avenue 20 and greenfield development at 51 Marsiling Road. During the year, the Trust refinanced its Australian Dollar secured term loan facility and revolving credit facility (both originally due in November 2017) with its syndicate of financial institutions and extended the loan maturity periods to November 2020 and November 2021 respectively.

The current interest-bearing borrowings relate to the Trust's four-year term loan facility of S\$100.3 million and a subsidiary's five-year term loan facility of A\$110.655 million which are due to mature in November 2018 and February 2019 respectively. In April 2018, the Group received commitments from a syndicate of financial institutions to refinance these facilities with a new four-year term loan facility of S\$125.0 million and a new five-year term loan facility of A\$110.0 million.

- (j) This relates to the provision of deferred tax liabilities for the Trust's investment in Australia.
- (k) Current trade and other payables as at 31 March 2018 included retention sum of S\$2.9 million relating to the development of 30 Tuas West Road, 8 Tuas Avenue 20 and greenfield development at 51 Marsiling Road as well as development cost payable of S\$0.9 million relating to 8 Tuas Avenue 20 and greenfield development at 51 Marsiling Road (31 March 2017: included retention sum of S\$2.6 million relating to the development of 30 Tuas West Road, 8 Tuas Avenue 20 and greenfield development at 51 Marsiling Road as well as development cost payable of S\$8.8 million relating to 8 Tuas Avenue 20 and greenfield development at 51 Marsiling Road). As at 31 March 2018, the Group and the Trust have undrawn committed facilities of S\$132.3 million to fulfil their liabilities as and when they fall due.

1(b)(ii) Aggregate amount of borrowings

	Group 31 Mar 2018 S\$'000	Group 31 Mar 2017 S\$'000	Trust 31 Mar 2018 S\$'000	Trust 31 Mar 2017 S\$'000
Interest-bearing borrowings				
Amount repayable within one year				
Secured				
Term loans	188,427	69,492	77,000	69,492
Revolving credit facility	-	13,300	-	13,300
	188,427	82,792	77,000	82,792
Less: Unamortised borrowing transaction costs	(263)	(207)	(118)	(207)
	188,164	82,585	76,882	82,585
Amount repayable after one year				
Secured				
Term loans	165,453	316,495	165,453	198,439
Revolving credit facility	11,000	-	11,000	-
	176,453	316,495	176,453	198,439
Unsecured				
Medium Term Notes	130,000	130,000	130,000	130,000
	306,453	446,495	306,453	328,439
Less: Unamortised borrowing transaction costs	(1,410)	(1,574)	(1,410)	(1,238)
	305,043	444,921	305,043	327,201
Total	493,207	527,506	381,925	409,786

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Details of borrowings and collateral

(a) Secured borrowings

(i) Secured debt facilities and revolving credit facility of the Trust

The facilities comprised:

- a four-year term loan facility of S\$100.3 million maturing in November 2018, to fund real estate development and/or acquisitions;
- a four-year term loan facility of S\$100.0 million maturing in August 2020;
- a three-year term loan facility of A\$65.0 million maturing in November 2020, to partially fund the 49.0% interest in Optus Centre, Macquarie Park, NSW, Australia; and
- a four-year revolving credit facility of S\$120.0 million maturing in November 2021.

The details of the collateral for the secured debt facilities and revolving credit facility of the Trust are as follows:

- first legal mortgage over 15 investment properties of the Trust; and
- assignment of rights, title and interest in leases, insurances and rental proceeds of the related mortgaged investment properties.

(ii) Secured Australian dollar denominated term loan facility of a subsidiary

The syndicated debt facility comprised a A\$110.655 million five-year term loan facility maturing in February 2019, to partially fund the acquisition of the 49.0% interest in Optus Centre.

The details of the collateral are as follows:

- first ranking general security agreement over the current and future assets and undertakings of AMP Capital AA REIT Investments (Australia) Pty Limited in its capacity as trustee of AA REIT Macquarie Park Investment Trust (an indirect wholly-owned subsidiary of the Trust) (the "Borrower"), including the Borrower's units in Macquarie Park Trust; and
- first ranking specific security agreement from AMP Capital Investors Limited in its capacity as trustee for AIMS AMP Capital Industrial REIT (Australia) Trust over the units of the Borrower and all present and future rights and property interests in respect of the units in the Borrower.

(b) Unsecured borrowings

On 25 July 2012, the Trust, through its subsidiary AACI REIT MTN, established a S\$500 million MTN Programme.

As at 31 March 2018, S\$130.0 million Medium Term Notes had been issued comprising:

- (i) S\$50.0 million five-year Medium Term Notes with a fixed rate of 3.80% per annum, payable semi-annually in arrears and will mature on 21 May 2019;
- (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; and
- (iii) S\$50.0 million five-year Medium Term Notes with a fixed rate of 3.60% per annum, payable semi-annually in arrears and will mature on 22 March 2022.

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1(b)(iii) Use of Proceeds from 2017 Private Placement

On 1 December 2017, AA REIT issued 42,145,000 Units at an issue price of S\$1.305 per Unit by way of private placement ("2017 Placement"), raising gross proceeds of approximately S\$55.0 million.

Status report on the specific use of proceeds is as follows:

	2017 Placement S\$ million
Gross Proceeds	55.0
Use of proceeds	
Repayment of outstanding borrowings	47.9
Asset enhancement initiatives and balance payments on recent development projects	2.4
Issue expenses in relation to the 2017 Placement	1.0
	<u>51.3</u>

As at 31 March 2018, the balance proceeds of the 2017 Placement was approximately S\$3.7 million which was primarily used to temporarily repay outstanding borrowings pending the deployment of such funds for their intended use. The Trust intends to set aside the balance proceeds for asset enhancement initiatives and balance payments on AA REIT's recent development projects.

The use of proceeds from the 2017 Placement was in accordance with the stated use of proceeds and there is no material deviation from the percentage allocated as previously disclosed.

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1(c) Consolidated Statements of Cash Flows

	Group 4Q FY2018 S\$'000	Group 4Q FY2017 S\$'000	Group FY2018 S\$'000	Group FY2017 S\$'000
Cash flows from operating activities				
Total return after income tax	20,709	(39,156)	61,192	13,479
Adjustments for:				
Share of results of joint venture (net of tax)	(6,363)	(4,119)	(17,418)	(14,758)
Borrowing costs	4,854	4,674	19,417	18,602
Foreign exchange loss/(gain)	110	(32)	149	(39)
Manager's management fees in Units	911	921	3,692	3,700
Net change in fair value of derivative financial instruments	(842)	1,165	(506)	(470)
Net change in fair value of investment properties and investment properties under development	(2,079)	54,617	4,682	54,317
Gain on divestment of investment property	(1,597)	-	(1,597)	-
Income tax expense	577	527	1,421	1,529
Operating income before working capital changes	16,280	18,597	71,032	76,360
Changes in working capital				
Trade and other receivables	175	1,104	(1,554)	1,545
Trade and other payables	1,515	1,476	4,719	1,082
Cash generated from operations	17,970	21,177	74,197	78,987
Income tax paid	(263)	(262)	(859)	(917)
Net cash from operating activities	17,707	20,915	73,338	78,070
Cash flows from investing activities				
Capital expenditure on investment properties and investment properties under development	(2,019)	(7,406)	(33,181)	(47,990)
Distributions from a joint venture	3,919	3,921	15,688	14,988
Proceeds from divestment of investment property	7,997	-	7,997	-
Net cash from/(used in) investing activities	9,897	(3,485)	(9,496)	(33,002)
Cash flows from financing activities				
Borrowing costs paid	(4,327)	(3,979)	(19,972)	(19,340)
Distributions to Unitholders	(17,778)	(17,692)	(67,965)	(71,536)
Proceeds from interest-bearing borrowings	5,500	68,551	147,350	233,555
Repayments of interest-bearing borrowings	(3,000)	(61,551)	(171,228)	(183,555)
Proceeds from placement	-	-	54,999	-
Issue expenses paid	-	-	(1,005)	-
Net cash used in financing activities	(19,605)	(14,671)	(57,821)	(40,876)
Net increase in cash and cash equivalents	7,999	2,759	6,021	4,192
Cash and cash equivalents at beginning of the period	9,702	8,939	11,727	7,490
Effect of exchange rate fluctuation	(151)	29	(198)	45
Cash and cash equivalents at end of the period	17,550	11,727	17,550	11,727

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

- (i) During the financial year, the Trust issued an aggregate of 2,648,540 new Units amounting to S\$3.7 million as partial payment of the base fee element of the Manager's management fees incurred. Please refer to details in section 1(d)(iii).

1(d)(i) Statements of Movements in Unitholders' Funds (4Q FY2018 vs. 4Q FY2017)

	Group 4Q FY2018 S\$'000	Group 4Q FY2017 S\$'000	Trust 4Q FY2018 S\$'000	Trust 4Q FY2017 S\$'000
Balance at beginning of the period	923,485	943,506	904,621	924,435
Operations				
Total return after income tax	20,709	(39,156)	21,033	(40,446)
Foreign currency translation reserve				
Translation differences relating to financial statements of foreign subsidiaries and net investment in foreign operations	(1,614)	836	-	-
Hedging reserve				
Effective portion of changes in fair value of cash flow hedges	321	30	(53)	-
Unitholders' transactions				
Issuance of Units (including units to be issued):				
- Manager's management fees	911	921	911	921
Distributions to Unitholders	(4,853)	(17,690)	(4,853)	(17,690)
Change in Unitholders' funds resulting from Unitholders' transactions	(3,942)	(16,769)	(3,942)	(16,769)
Total increase/(decrease) in Unitholders' funds	15,474	(55,059)	17,038	(57,215)
Balance at end of the period	938,959	888,447	921,659	867,220

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1(d)(ii) Statements of Movements in Unitholders' Funds (FY2018 vs. FY2017)

	Group FY2018 S\$'000	Group FY2017 S\$'000	Trust FY2018 S\$'000	Trust FY2017 S\$'000
Balance at beginning of the period	888,447	940,721	867,220	922,731
Operations				
Total return after income tax	61,192	13,479	63,933	12,274
Foreign currency translation reserve				
Translation differences relating to financial statements of foreign subsidiaries and net investment in foreign operations	(2,488)	1,291	-	-
Hedging reserve				
Effective portion of changes in fair value of cash flow hedges	1,272	741	(30)	-
Unitholders' transactions				
Issuance of Units (including units to be issued):				
- Private placement	54,999	-	54,999	-
- Manager's management fees	3,692	3,700	3,692	3,700
Distributions to Unitholders	(67,150)	(71,485)	(67,150)	(71,485)
Issue expenses	(1,005)	-	(1,005)	-
Change in Unitholders' fund resulting from Unitholders' transactions	(9,464)	(67,785)	(9,464)	(67,785)
Total increase/(decrease) in Unitholders' funds	50,512	(52,274)	54,439	(55,511)
Balance at end of the period	938,959	888,447	921,659	867,220

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

	Note	Trust 4Q FY2018 Units '000	Trust 4Q FY2017 Units '000	Trust FY2018 Units '000	Trust FY2017 Units '000
Units in issue at beginning of the period		682,125	637,290	638,658	635,366
<u>Issue of new Units relating to:</u>					
- Manager's performance fees		-	-	-	1,090
- Manager's management fees	(a)	1,327	1,368	2,649	2,202
- Placement Units	(b)	-	-	42,145	-
Units in issue at end of the period		683,452	638,658	683,452	638,658
<u>Units to be issued:</u>					
Manager's management fees	(c)	667	679	667	679
Total Units in issue and to be issued at end of the period		684,119	639,337	684,119	639,337

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- (a) During the financial year, there were the following issuances of Units to the Manager:
- (i) 1,321,199 Units on 28 July 2017 at an average price of S\$1.3869 per Unit to the Manager as partial payment of the base fee element of the Manager's management fees incurred for the period from 1 January 2017 to 30 June 2017; and
 - (ii) 1,327,341 Units on 16 January 2018 at an average price of S\$1.4089 per Unit to the Manager as partial payment of the base fee element of the Manager's management fees incurred for the period from 1 July 2017 to 31 December 2017.
- (b) On 1 December 2017, AA REIT issued 42,145,000 Units at an issue price of S\$1.305 per Unit by way of private placement, raising gross proceeds of approximately S\$55.0 million.
- (c) The new Units to be issued relate to 666,737 Units to be issued to the Manager as partial payment of the base fee element of the Manager's management fees incurred for the period from 1 January 2018 to 31 March 2018.

The issue price for management fees 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 accrue.

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.

The accounting policies and methods of computation applied in the financial statements of the current period are consistent with those applied in the audited financial statements for the year ended 31 March 2017.

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.

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6 Earnings per Unit (“EPU”) and distribution per Unit (“DPU”) for the period

	Group 4Q FY2018	Group 4Q FY2017	Group FY2018	Group FY2017
<u>Basic EPU</u>				
Weighted average number of Units ('000)	683,231	638,309	653,796	637,110
Earnings per Unit (cents)	3.03	(6.13)	9.36	2.12
<u>Diluted EPU</u>				
Weighted average number of Units ('000)	683,461	638,546	653,853	637,169
Earnings per Unit (cents)	3.03	(6.13)	9.36	2.12

The basic EPU is computed using total return after tax over the weighted average number of Units issued for the period. The diluted EPU is computed using total return after tax over the weighted average number of Units issued for the period and adjusted for the effects of Units to be issued to the Manager as partial payment of the Manager's management fees incurred for the period.

The increase in the EPU for the current period was mainly due to the EPU for the prior period which included a higher net revaluation deficit recognised for the valuation of the investment properties and investment properties under development in Singapore. The net change in fair value of investment properties and investment properties under development is a non-tax chargeable/deductible item and has no impact on the taxable income and distributable income to the unitholders.

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

	Group 4Q FY2018	Group 4Q FY2017	Group FY2018	Group FY2017
Number of Units in issue at end of period ('000)	683,452	638,658	683,452	638,658
Distribution per Unit (cents)	2.63	2.78	10.30	11.05

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

	Group 31 Mar 2018 S\$	Group 31 Mar 2017 S\$	Trust 31 Mar 2018 S\$	Trust 31 Mar 2017 S\$
Net asset value / net tangible asset per Unit ⁴	1.3725	1.3896	1.3472	1.3564

⁴ Based on Units in issue and to be issued at the end of the period.

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8 Review of the performance

	Group 4Q FY2018 S\$'000	Group 4Q FY2017 S\$'000	Group 3Q FY2018 S\$'000	Group FY2018 S\$'000	Group FY2017 S\$'000
Gross revenue	28,032	30,606	28,867	116,916	120,119
Property operating expenses	(10,363)	(10,633)	(9,634)	(40,499)	(40,686)
Net property income	17,669	19,973	19,233	76,417	79,433
Foreign exchange (loss)/gain	(110)	32	(27)	(149)	39
Interest and other income	18	16	20	189	2,387
Borrowing costs	(4,854)	(4,674)	(4,920)	(19,417)	(18,602)
Manager's management fees	(1,822)	(1,843)	(1,881)	(7,385)	(7,405)
Other trust expenses	(496)	(470)	(520)	(1,881)	(1,755)
Non-property expenses	(7,172)	(6,987)	(7,321)	(28,683)	(27,762)
Net income before joint venture's results	10,405	13,034	11,905	47,774	54,097
Share of results of joint venture (net of tax)	6,363	4,119	3,654	17,418	14,758
Net income	16,768	17,153	15,559	65,192	68,855
Distributions to Unitholders	17,975	17,755	17,076	67,370	70,497

Review of the performance for 4Q FY2018 vs. 3Q FY2018

The gross revenue achieved for 4Q FY2018 of S\$28.0 million was S\$0.8 million lower than that of 3Q FY2018. This was mainly due to lower occupancies at 27 Penjuru Lane and 8 & 10 Pandan Crescent. Some of the vacancies at 27 Penjuru Lane and 8 & 10 Pandan Crescent have since been filled and rental contributions will commence after the rent-free fit-out periods.

Property operating expenses for 4Q FY2018 of S\$10.4 million were S\$0.7 million higher than the property expenses for 3Q FY2018 mainly due to higher costs arising from the reversion of one additional phase of 20 Gul Way to multi-tenancy leases on 28 December 2017 and timing of repair and maintenance works carried out for the Group's portfolio of properties.

Net property income for 4Q FY2018 stood at S\$17.7 million, or S\$1.6 million lower than 3Q FY2018.

The share of results of joint venture (net of tax) for 4Q FY2018 comprised the contribution from the Group's 49.0% interest in Optus Centre which is located in Macquarie Park, NSW, Australia. The share of results of joint venture (net of tax) in 4Q FY2018 included the share of revaluation surplus recognised from the valuation of Optus Centre. The valuation of the property stood at A\$450.0 million (equivalent to approximately S\$453.1 million) (31 March 2017: A\$445.0 million (equivalent to approximately S\$474.8 million)) based on the independent valuation carried out by Jones Lang LaSalle Advisory Services Pty Ltd as at 31 March 2018.

Distributions to Unitholders for 4Q FY2018 stood at S\$18.0 million, which was S\$0.9 million higher compared to the distributions to Unitholders for 3Q FY2018, mainly due to the release of distribution retained during the financial year offset by lower net property income.

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Review of the performance for 4Q FY2018 vs. 4Q FY2017

Gross revenue for 4Q FY2018 of S\$28.0 million was S\$2.6 million lower than the gross revenue for 4Q FY2017. This was mainly due to lower rental and recoveries from 20 Gul Way as five phases of the property reverted to multi-tenancy leases, the expiry of the master lease at 3 Tuas Avenue 2 and lower occupancies at 27 Penjuru Lane. This was partially offset by rental contribution from 30 Tuas West Road as it became income producing from 27 February 2017 and the rental contribution from newly completed property at 8 Tuas Avenue 20 as it became income producing in 3Q FY2018.

Net property income for 4Q FY2018 stood at S\$17.7 million, or S\$2.3 million lower compared to 4Q FY2017 which was in line with the drop in gross revenue.

Borrowing costs for 4Q FY2018 of S\$4.9 million were S\$0.2 million higher than the borrowing costs for the corresponding quarter in the previous year. This was mainly due to interest costs incurred on the borrowings in relation to the development of 8 Tuas Avenue 20 and 51 Marsiling Road which were previously capitalised whilst the properties were under development and now being expensed upon obtaining TOPs on 29 August 2017 and 27 October 2017 respectively.

Review of the performance for FY2018 vs. FY2017

The gross revenue achieved for FY2018 of S\$116.9 million was S\$4.3 million lower than the gross revenue for FY2017 of S\$121.2 million (excluding property tax refund of S\$1.1 million)⁵. This was mainly due to lower rental and recoveries from 20 Gul Way as five phases of the property reverted to multi-tenancy leases and the expiry of the master lease at 3 Tuas Avenue 2. This was partially offset by rental contribution from 30 Tuas West Road as it became income producing from 27 February 2017 and the maiden rental contribution from 8 Tuas Avenue 20 in 3Q FY2018.

Property operating expenses for FY2018 of S\$40.5 million was S\$1.3 million lower than the property expense for FY2017 of S\$41.8 million (excluding property tax refund of S\$1.1 million)⁵ mainly due to lower property tax and land rent expenses on certain properties offset by higher costs arising from the reversion of the five phases of 20 Gul Way to multi-tenancy leases and in line with the increase in revenue from 30 Tuas West Road and 8 Tuas Avenue 20.

Net property income for FY2018 stood at S\$76.4 million, or S\$3.0 million lower compared to FY2017.

Borrowing costs for FY2018 of S\$19.4 million were S\$0.8 million higher compared to the borrowing costs for FY2017. This was mainly due to interest costs incurred on the borrowings in relation to the development of 30 Tuas West Road, 8 Tuas Avenue 20 and 51 Marsiling Road which were previously capitalised whilst the properties were under development and now being expensed upon obtaining TOPs on 27 December 2016, 29 August 2017 and 27 October 2017 respectively.

Other trust expenses for FY2018 of S\$1.9 million were higher compared to FY2017 mainly due to higher expenses incurred on non-deal roadshows and professional fees.

⁵ For FY2017, the gross revenue of S\$120.1 million included a property tax refund of S\$1.1 million for 23 Tai Seng Drive for the period from 1 January 2012 to 31 March 2016. The property tax refund was due to the change in annual value of property assessed by Inland Revenue Authority of Singapore which was refunded to two tenants of the property. Excluding this additional property tax refund, the gross revenue and property operating expenses for FY2017 would have been S\$121.2 million and S\$41.8 million respectively.

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The share of results of joint venture (net of tax) for FY2018 comprised the contribution from the Group's 49.0% interest in Optus Centre which is located in Macquarie Park, NSW, Australia. The share of results of joint venture (net of tax) in FY2018 included the share of revaluation surplus of S\$2.6 million recognised from the valuation of Optus Centre. In FY2018, the valuation of the property stood at A\$450.0 million (equivalent to approximately S\$453.1 million) (31 March 2017: A\$445.0 million (equivalent to approximately S\$474.8 million)) based on the independent valuation carried out by Jones Lang LaSalle Advisory Services Pty Ltd as at 31 March 2018.

Distributions to Unitholders for FY2018 stood at S\$67.4 million, a decrease of S\$3.1 million compared to FY2017. This was mainly in line with the decrease in net property income.

9 Variance between Forecast / Prospect Statement

The Trust has not disclosed to the market any forecast in relation to the current financial period.

10 Commentary on the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

Based on advance estimates, the Ministry of Trade and Industry ("MTI") announced on 13 April 2018⁶ that the Singapore economy grew by 4.3% on a year-on-year basis in the first quarter of 2018, higher than the 3.6% growth in the preceding quarter. On a quarter-on-quarter seasonally-adjusted annualised basis, the economy expanded by 1.4%, a moderation from the 2.1% growth in the last quarter.

On a year-on-year basis, the manufacturing sector expanded by 10.1% in the first quarter, faster than the 4.8% growth in the previous quarter. All the clusters within the sector expanded, with the electronics and precision engineering clusters contributing the most to the sector's growth. The construction sector contracted by 4.4% on a year-on-year basis in the first quarter, extending the 5.0% decline in the previous quarter. The weak performance of the sector was due to fall in both private sector and public sector construction activities. The services producing industries expanded by 3.8% on a year-on-year basis in the first quarter, slightly faster than the 3.5% growth in the previous quarter.

Based on JTC 4Q 2017 statistics released on 25 January 2018⁷ overall occupancy rates of Singapore's industrial property market rebounded slightly to 88.9% from 88.6% in the preceding quarter. In 4Q 2017, the price and rental indices for the overall industrial property market fell by 1.1% and 0.1% respectively compared to the previous quarter. Compared to a year ago, the price and rental indices fell by 5.7% and 2.8%. In 2018, a total of 1.6 million sqm of industrial space, including 361,000 sqm of multiple-user factory space, is estimated to come on-stream. As a comparison, the average annual supply and demand of industrial space in the past 3 years were around 1.8 million sqm and 1.3 million sqm respectively. As new supply starts to taper in the coming years, prices and rentals may start to stabilise in tandem with occupancy rates.

The Group's portfolio occupancy is at 90.6% as at 31 March 2018.

⁶ Source: www.mti.gov.sg.

⁷ Source: www.jtc.gov.sg.

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Outlook for financial year ending 31 March 2019

The Singapore economy clocked faster-than-expected growth of 3.6% in 2017, helped largely by a strong performance in the manufacturing sector which makes up one-fifth of the economy. However, economic growth for 2018 is expected to moderate, with the estimated forecast in the range of 1.5% to 3.5%, barring the materialisation of any downside risk in particular US trade protectionism policies. While the outlook for global growth has improved slightly since last November, growth in most of Singapore's key final demand markets, such as Eurozone, Japan and ASEAN-5, is projected to moderate or remain unchanged in 2018, according to MTI. On balance, the external demand outlook for Singapore is expected to be slightly weaker in 2018 as compared to 2017.⁸ In Singapore, the industrial oversupply situation will continue into 2018 and that may continue to put downward pressure on rentals and occupancy. AA REIT remains focused on active asset and lease management, and unlocking organic value within the portfolio through asset enhancement initiatives and redevelopments.

As at 31 March 2018, the Group's weighted average debt maturity was at 1.8 years. In April 2018, the Group received commitments from a syndicate of financial institutions to refinance its existing secured facilities due in November 2018 and February 2019, increasing the weighted average debt maturity to 3.3 years on a pro forma basis. Post the April 2018 refinancing, there will be no debt due for refinancing until May 2019. Furthermore, 88.1% of the Group's borrowings were on fixed rates taking into account the interest rate swaps and fixed rate notes. AA REIT will continue to remain focused on managing risks through prudent capital management and to optimise the portfolio through sector and tenant diversification across its portfolio of 26 properties.

11 Distributions

(a) Current financial period

Any distributions declared for the current financial period:	Yes								
Name of distribution:	Forty-eighth distribution, for the period from 1 January 2018 to 31 March 2018								
Distribution Type:	Taxable Income Tax-Exempt Income Capital Distribution								
Distribution Rate:	<table> <tr> <td>Taxable Income</td><td>2.35 cents per Unit</td></tr> <tr> <td>Tax-Exempt Income</td><td>0.15 cents per Unit</td></tr> <tr> <td>Capital Distribution</td><td><u>0.13 cents per Unit</u></td></tr> <tr> <td>Total</td><td><u>2.63 cents per Unit</u></td></tr> </table>	Taxable Income	2.35 cents per Unit	Tax-Exempt Income	0.15 cents per Unit	Capital Distribution	<u>0.13 cents per Unit</u>	Total	<u>2.63 cents per Unit</u>
Taxable Income	2.35 cents per Unit								
Tax-Exempt Income	0.15 cents per Unit								
Capital Distribution	<u>0.13 cents per Unit</u>								
Total	<u>2.63 cents per Unit</u>								
Par value of units:	Not applicable								

⁸ Channel Newsasia (14 February 2018): Singapore economy clocks faster-than-expected growth of 3.6% in 2017.

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Tax Rate:

Taxable Income Distributions

Taxable income distributions are made out of AA REIT'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.

Tax-Exempt Income Distributions

Tax-exempt income distributions are exempt from tax in the hands of all Unitholders.

Capital Distributions

Capital distributions represent a return of capital to Unitholders for Singapore income tax purposes and are therefore not subject to income tax. For Unitholders who are liable to Singapore income tax on profits from sale of AA REIT Units, the amount of capital distribution will be applied to reduce the cost base of their AA REIT Units for Singapore income tax purposes. Unitholders should consult their own tax advisers concerning the tax consequences of their particular situation with regard to the distribution.

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(b) Corresponding period of the immediately preceding period

Any distributions declared for the previous corresponding financial period: Yes

Name of distribution: Forty-third distribution, for the period from 1 January 2017 to 31 March 2017

Distribution Type: Taxable Income
Tax-Exempt Income
Capital Distribution

Distribution Rate:	Taxable Income	2.62 cents per Unit
	Tax-Exempt Income	0.10 cents per Unit
	Capital Distribution	<u>0.06 cents per Unit</u>
	Total	<u>2.78 cents per Unit</u>

Par value of units: Not applicable

Tax Rate: Taxable Income Distributions

Taxable income distributions are made out of AA REIT'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.

Tax-Exempt Income Distributions

Tax-exempt income distributions are exempt from tax in the hands of all Unitholders.

Capital Distributions

Capital distributions represent a return of capital to Unitholders for Singapore income tax purposes and are therefore not subject to income tax. For Unitholders who are liable to Singapore income tax on profits from sale of AA REIT Units, the amount of capital distribution will be applied to reduce the cost base of their AA REIT Units for Singapore income tax purposes. Unitholders should consult their own tax advisers concerning the tax consequences of their particular situation with regard to the distribution.

(c) Books closure date: 8 May 2018

(d) Date payable: 21 June 2018

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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 Segment revenue and results

FY2018	Singapore S\$'000	Australia S\$'000	Total S\$'000
Revenue and expenses			
Gross revenue	116,916	-	116,916
Property operating expenses	(40,499)	-	(40,499)
Net property income	76,417	-	76,417
Share of results of joint venture (net of tax)	-	17,418 ⁹	17,418
Net change in fair value of investment properties and investment properties under development	(4,682)	-	(4,682)
Net change in fair value of derivatives	287	219	506
Gain on divestment of investment property	1,597	-	1,597
			91,256
Unallocated items:			
Foreign exchange loss			(149)
Interest and other income			189
Borrowing costs			(19,417)
Trust expenses			(9,266)
Total return before income tax			62,613
Income tax expense			(1,421)
Total return after income tax			61,192
FY2017	Singapore S\$'000	Australia S\$'000	Total S\$'000
Revenue and expenses			
Gross revenue	120,119	-	120,119
Property operating expenses	(40,686)	-	(40,686)
Net property income	79,433	-	79,433
Share of results of joint venture (net of tax)	-	14,758	14,758
Net change in fair value of investment properties and investment properties under development	(54,317)	-	(54,317)
Net change in fair value of derivatives	461	9	470
			40,344
Unallocated items:			
Foreign exchange gain			39
Interest and other income			2,387
Borrowing costs			(18,602)
Trust expenses			(9,160)
Total return before income tax			15,008
Income tax expense			(1,529)
Total return after income tax			13,479

⁹ Included in the share of results of joint venture (net of tax) is the share of revaluation surplus recognised on the valuation of Optus Centre of S\$2.6 million.

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No business segment information has been prepared as all its investment properties are used mainly for industrial (including warehousing and business park) purposes and they are similar in terms of purpose, economic characteristics, types of tenants and nature of services provided to tenants. As such, the Manager is of the view that AA REIT has only one reportable business segment, which is the leasing of investment properties.

15 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Please refer to paragraph 8 for review of actual performance.

16 Breakdown of sales

	Group FY2018 S\$'000	Group FY2017 S\$'000	+(-) %
<u>First half of year</u>			
Gross revenue	60,017	59,144	1.5
Total return after income tax	16,820	29,138	(42.3)
<u>Second half of year</u>			
Gross revenue	56,899	60,975	(6.7)
Total return after income tax	44,372	(15,659)	>(100.0)

17 Breakdown of the total annual distributions

	DPU (Cents)	Group FY2018 S\$'000	Group FY2017 S\$'000
<u>Distributions paid during the year</u>			
For the period :			
01/12/2017 to 31/12/2017	0.71	4,852	-
01/10/2017 to 30/11/2017	1.91	12,224	-
01/07/2017 to 30/09/2017	2.55	16,320	-
01/04/2017 to 30/06/2017	2.50	15,999	-
01/01/2017 to 31/03/2017	2.78	17,755	-
01/10/2016 to 31/12/2016	2.77	-	17,690
01/07/2016 to 30/09/2016	2.75	-	17,526
01/04/2016 to 30/06/2016	2.75	-	17,526
01/01/2016 to 31/03/2016	2.95	-	18,743
		<u>67,150</u>	<u>71,485</u>

18 Confirmation by the board pursuant to Rule 704(13) of the Listing Manual

Pursuant to Rule 704(13) of the Listing Manual, AIMS AMP Capital Industrial REIT Management Limited (the "Company"), the manager of AA REIT, confirms that there is no person occupying a managerial position in the Company who is a relative of a director, chief executive officer, substantial shareholder of the Company or substantial Unitholder of AA REIT.

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19 Confirmation by the board pursuant to Rule 720(1) of the Listing Manual

The Manager confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 pursuant to Rule 720(1) of Listing Manual.

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)

Koh Wee Lih
Chief Executive Officer
25 April 2018