AIMS 宝泽 | AMP CAPITAL AIMS AMP CAPITAL INDUSTRIAL REIT	**AIMS AMP CAPITAL INDUSTRIAL REIT MANAGEMENT LIMITED** As Manager of AIMS AMP Capital Industrial REIT One George Street, #23-03 Singapore 049145

Media Release

AIMS AMP Capital Industrial REIT announces DPU of 2.50 cents in 1Q FY2019

Singapore, 26 July 2018 – AIMS AMP Capital Industrial REIT Management Limited (the "Manager"), as the Manager of AIMS AMP Capital Industrial REIT ("AA REIT"), today announced a Distribution Per Unit ("DPU") of 2.50 cents and a total distributable income of S$17.1 million for the first quarter ended 30 June 2018 ("1Q FY2019").

Gross revenue rose by 3.2% to S$28.9 million in 1Q FY2019 compared to the preceding quarter ended 31 March 2018 ("4Q FY2018"), mainly attributable to the maiden rental contribution from AA REIT's first third-party greenfield build-to-suit development at 51 Marsiling Road. Net property income rose by 10.0% to S$19.4 million compared to 4Q FY2018 as a result of higher gross revenue coupled with lower property operating expenses.

The Manager's Chief Executive Officer, Koh Wee Lih, said, "Although the operating environment remains competitive, we continue to deliver stable results by actively managing leases to maintain high portfolio occupancy, whilst looking for opportunities to further unlock organic value in our portfolio through our asset enhancement and development strategy."

Continuing with its commendable leasing efforts during FY2018, the Manager successfully executed 15 new and renewal leases representing 31,886 sqm (5.0% of total net lettable area) in 1Q FY2019. Portfolio occupancy increased from the preceding quarter of 90.5% to 91.5%, above the industry average of 89.0%[1].

The Manager is also embarking on its asset enhancement initiative ("AEI") for NorthTech, its property at 29 Woodlands Industrial Park E1. Due for completion in the second half of 2019, the AEI will further enhance the hi-tech industrial property as a modern and energy efficient facility, cater to the anchor tenant's additional lease commitment, and strengthen AA REIT's portfolio of quality properties in the fast-developing Woodlands area.

Mr Koh added, "In addition to building a quality portfolio, our focus is also on managing risks and keeping a strong balance sheet in the current soft market, as well as optimising returns for our investors."

[1] JTC Corporation, Quarterly Market Report - Industrial Properties 1Q 2018 released on 26 April 2018.

On 29 June 2018, AA REIT and its subsidiary executed a supplemental loan facility agreement with a syndicate of financial institutions for a four-year S$125 million term loan and a five-year A$110 million term loan. The new facilities were drawn down on 25 July 2018 to refinance the secured facilities due in November 2018 and February 2019, respectively. As a result, weighted average debt maturity on a pro forma basis will increase to 3.1 years and AA REIT will save approximately S$0.7 million per annum in interest cost.

In May 2018, Standard & Poor's affirmed AA REIT's "BBB-" investment grade rating with a stable outlook.

Key highlights for 1Q FY2019 are:

- DPU of 2.50 cents for the quarter;
- Gross revenue and net property income increased by 3.2% and 10.0% to S$28.9 million and S$19.4 million, respectively as compared to 4Q FY2018;
- Executed 15 new and renewal leases in 1Q FY2019, representing 31,886 sqm (5.0% of total net lettable area);
- Achieved portfolio occupancy of 91.5% vs 4Q FY2018 occupancy of 90.5%, above industry average of 89.0%; and
- Announced the AEI for NorthTech to upgrade the common areas and air-conditioning system of the building (including implementation of energy and water efficient initiatives) at approximately S$13.0 million.

For 1Q FY2019, the Manager achieved the following financial performance metrics:

- Increased weighted average debt maturity to 3.1 years (on a pro forma basis) after taking into account the refinancing in July 2018, with interest savings of approximately S$0.7 million per annum;
- 88.1% of the portfolio's interest rate is fixed taking into account interest rate swaps and fixed rate notes;
- Aggregate leverage as at 30 June 2018 is at 33.6%; and
- Overall blended funding cost (including funding of the Australian asset with Australian dollar loan) of 3.8%.

Outlook for the financial year ending 31 March 2019

The global economy has remained on a steady expansionary path since the start of the year, with full-year growth expected to improve slightly as compared to 2017. The International Monetary Fund has also upgraded the 2018 growth outlook of some of Singapore's key final demand markets, including the US and Eurozone. The Singapore economy grew by 3.8% on a year-on-year basis in the second quarter of 2018 based on advance estimates and is expected to grow at 2.5% to 3.5% in 2018.

Despite the improved global growth momentum, uncertainties and downside risks remain (including escalating trade tensions between the US and the People's Republic of China and expected rising of interest rates) which may continue to cloud the outlook for the Singapore manufacturing sector.

Against this backdrop, AA REIT will continue to focus on active asset and lease management and to optimise its portfolio through sector and tenant diversification across its portfolio of 26 properties, supported by a prudent capital management approach.

Summary of AIMS AMP Capital Industrial REIT Group results

	1Q FY2019	4Q FY2018	+/(-)	1Q FY2018	+/(-)
	S$'000	S$'000	%	S$'000	%
Gross revenue	28,925	28,032	3.2	30,503	(5.2)
Net property income	19,431	17,669	10.0	20,119	(3.4)
Share of results of joint venture (net of tax)	3,339	6,363	(47.5)	3,661	(8.8)
Distributions to Unitholders[(1)]	17,139	17,975	(4.7)	15,999	7.1
Distribution per Unit ("DPU") (cents)	2.50	2.63	(4.9)	2.50	-

Note:

(1) The Manager resolved to distribute S$17.1 million for 1Q FY2019, comprising (i) taxable income of S$15.7 million from Singapore operations; and (ii) tax-exempt income distribution of S$0.69 million and capital distribution of S$0.75 million from distributions remitted from the Group's investment in Optus Centre, Macquarie Park, New South Wales ("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 1Q FY2019, the Manager has resolved to distribute 99.7% of the Singapore taxable income available for distribution to the Unitholders.

Distribution and Books Closure Date

Distribution	For 1 April 2018 to 30 June 2018	
Distribution Type	(a) Taxable Income (b) Tax-Exempt Income (c) Capital Distribution[2]	
Distribution Rate	(a) Taxable Income Distribution (b) Tax-Exempt Income Distribution (c) Capital Distribution[2]	2.29 cents per Unit 0.10 cents per Unit 0.11 cents per Unit 2.50 cents per Unit
Books Closure Date	7 August 2018	
Payment Date	20 September 2018	

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

Important Notice

The value of units of AIMS AMP Capital Industrial REIT ("**AA REIT**") ("**Units**") and the income derived from them may fall as well as rise. The Units are not obligations of, deposits in, or guaranteed by, AIMS AMP Capital Industrial REIT Management Limited ("**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 AA REIT may only deal in their Units through trading on the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units. The past performance of AA REIT is not necessarily indicative of the future performance of AA REIT.

This announcement 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 the Manager, AA REIT was established with the principal investment objective of owning and investing in a diversified portfolio of income-producing industrial 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. The principal sponsors of AA REIT are the AIMS Financial Group ("**AIMS**") and AMP Capital, 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. AA REIT's existing portfolio consists of 26 industrial properties, 25 of which are located throughout Singapore (including one redevelopment at 3 Tuas Avenue 2) with a total value of S$1.23 billion based on valuations obtained as at 31 March 2018. AA REIT also has 49.0% interest in one business park property, Optus Centre, which is located in Macquarie Park, New South Wales, Australia, and is valued at A$450.0 million as at 31 March 2018.

About AIMS Financial Group (www.aims.com.au)

Established in 1991, AIMS is a diversified financial services and investment group, active in the areas of mortgage lending, securitisation, investment banking, funds management, property investment, private equity, venture capital, stock broking and high-tech investment. AIMS is also a strategic investor in the Sydney Stock Exchange.

Since 1999, AIMS has raised more than A$4.0 billion in funds from the capital markets. AIMS has issued approximately A$3.0 billion of residential mortgage-backed securities, predominantly rated AAA by both Standard & Poor's and Fitch Ratings and has originated over A$8.0 billion mortgages.

AIMS has actively introduced a number of international investors into the Australian markets and to date has attracted in excess of A$1.0 billion of investment funding into Australia from overseas investors. AIMS is the investment manager for AIMS' funds, which amount to circa A$2.0 billion.

During the global financial crisis ("**GFC**"), AIMS expanded its activities and acquired three businesses at a time when many other businesses were experiencing immense difficulties.

Since the GFC in 2009, AIMS has completed total asset acquisition and investment volumes of over A$2.0 billion.

AIMS' head office is in Sydney 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 Asia across various sectors.

About AMP Capital (www.ampcapital.com.au)

AMP Capital is one of the largest investment managers in the Asia Pacific region. As part of the AMP Group, we share a heritage that spans over 160 years.

Our home strength in Australia and New Zealand has enabled us to grow internationally, and today we have operations established in Dubai, China, Hong Kong, India, Ireland, Japan, Luxembourg, the United Kingdom and the United States. We also collaborate with a network of global investment partners, leveraging our shared capabilities to provide greater access to new investment opportunities.

Our asset class specialists, investment strategists and economists work together with the aim of delivering strong investment outcomes for clients. That is why our clients trust us to invest over A$187.7 billion (as at 31 December 2017) on their behalf, across a range of single sector and diversified funds.