



AIMS AMP CAPITAL INDUSTRIAL REIT

**AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT
ANNOUNCEMENT
FOURTH QUARTER ENDED 31 MARCH 2017
("4Q FY2017")**

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 27 industrial properties, 26 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 FY2017	3Q FY2017	+ / (-)	4Q FY2016	+ / (-)	FY2017	FY2016	+ / (-)
		S\$'000	S\$'000	%	S\$'000	%	S\$'000	S\$'000	%
Gross revenue	(a)	30,606	30,369	0.8	30,287	1.1	120,119	124,389	(3.4)
Net property income	(a)	19,973	19,789	0.9	20,372	(2.0)	79,433	82,329	(3.5)
Share of results of joint venture (net of tax)	(a)	4,119	3,714	10.9	10,720	(61.6)	14,758	36,769	(59.9)
Distribution to Unitholders	(b)	17,755	17,690	0.4	18,743	(5.3)	70,497	72,062	(2.2)
Distribution per Unit ("DPU") (cents)		2.78	2.77	0.4	2.95	(5.8)	11.05	11.35	(2.6)

Notes:

- (a) Please refer to section 8 on "Review of the performance" for explanation of the variances.
- (b) The Manager resolved to distribute S\$17.8 million for 4Q FY2017, comprising (i) taxable income of S\$16.8 million from Singapore operations; and (ii) tax-exempt income distribution of S\$0.6 million and capital distribution of S\$0.4 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 FY2017, 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.

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.

**AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
FOURTH QUARTER ENDED 31 MARCH 2017**

Distribution and Books Closure Date

Distribution	For 1 January 2017 to 31 March 2017
Distribution Type	(a) Taxable Income (b) Tax-Exempt Income (c) Capital Distribution ³
Distribution Rate	(a) Taxable Income Distribution: 2.62 cents per Unit (b) Tax-Exempt Income Distribution: 0.10 cents per Unit (c) Capital Distribution ³ : <u>0.06 cents per Unit</u> <u>2.78 cents per Unit</u>
Books Closure Date	9 May 2017
Payment Date	22 June 2017

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

		Group 4Q FY2017	Group 4Q FY2016	+ /(-) %	Group FY2017 S\$'000	Group FY2016 S\$'000	+ /(-) %
	Note	S\$'000	S\$'000		S\$'000	S\$'000	
Gross revenue	(a)	30,606	30,287	1.1	120,119	124,389	(3.4)
Property operating expenses	(a)	(10,633)	(9,915)	7.2	(40,686)	(42,060)	(3.3)
Net property income	(a)	19,973	20,372	(2.0)	79,433	82,329	(3.5)
Foreign exchange gain/(loss)		32	(7)	>(100.0)	39	2	>100.0
Interest and other income	(b)	16	150	(89.3)	2,387	523	>100.0
Borrowing costs	(a)	(4,674)	(5,018)	(6.9)	(18,602)	(20,152)	(7.7)
Manager's management fees							
- Base fees	(a)	(1,843)	(1,825)	1.0	(7,405)	(7,325)	1.1
- Performance fees	(a)	-	(1,459)	(100.0)	-	(1,459)	(100.0)
Other trust expenses	(a)	(470)	(496)	(5.2)	(1,755)	(1,935)	(9.3)
Non-property expenses		(6,987)	(8,798)	(20.6)	(27,762)	(30,871)	(10.1)
Net income before joint venture's results		13,034	11,717	11.2	54,097	51,983	4.1
Share of results of joint venture (net of tax)	(a),(c)	4,119	10,720	(61.6)	14,758	36,769	(59.9)
Net income		17,153	22,437	(23.6)	68,855	88,752	(22.4)
Net change in fair value of investment properties and investment properties under development	(d)	(54,617)	(28,577)	91.1	(54,317)	(42,405)	28.1
Net change in fair value of derivative financial instruments	(e)	(1,165)	(1,198)	(2.8)	470	(692)	>(100.0)
Total return before income tax		(38,629)	(7,338)	>100.0	15,008	45,655	(67.1)
Income tax expense	(f)	(527)	(1,365)	(61.4)	(1,529)	(4,846)	(68.4)
Total return after income tax		(39,156)	(8,703)	>100.0	13,479	40,809	(67.0)

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.

**AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
FOURTH QUARTER ENDED 31 MARCH 2017**

Notes:

- (a) Please refer to section 8 on “Review of the performance” for explanation of the variances.
- (b) Interest and other income in the current year included proceeds of S\$2.3 million from the full and final settlement received from the insurance company for the property at 8 & 10 Tuas Avenue 20 due to a fire incident in 2015.
- (c) 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 FY2016 was mainly due to the share of revaluation surplus of S\$7.1 million recognised from the valuation of the underlying property. As at 31 March 2017, the independent valuation of the underlying property was carried out by CBRE Valuations Pty Limited and maintained at A\$445 million (equivalent to approximately S\$474.8 million) (31 March 2016: A\$445 million (equivalent to approximately S\$459.9 million)).
- (d) The net change in fair value of investment properties and investment properties under development for 4Q FY2017 arose mainly from the revaluation of the Trust’s 26 Singapore properties as at 31 March 2017. The independent valuations of the properties were carried out by CBRE Pte. Ltd. and Savills Valuation And Professional Services (S) 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.

- (e) This relates to changes in fair value due to the revaluation of the Trust’s 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.

- (f) Income tax expense relates to withholding tax paid / payable by the Trust on the distribution and interest income 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.

**AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
FOURTH QUARTER ENDED 31 MARCH 2017**

1(a)(ii) Distribution Statement

		Group 4Q FY2017 S\$'000	Group 4Q FY2016 S\$'000	+ /(-) %	Group FY2017 S\$'000	Group FY2016 S\$'000	+ /(-) %
	Note						
Total return before income tax		(38,629)	(7,338)	>100.0	15,008	45,655	(67.1)
Net effect of tax adjustments	(a)	57,432	32,595	76.2	59,367	51,319	15.7
Other adjustments	(b)	(2,484)	(9,162)	(72.9)	(8,503)	(30,614)	(72.2)
Release of distribution retained in previous quarters		414	818	(49.4)	-	-	-
Amount available for distribution from Singapore taxable income		16,733	16,913	(1.1)	65,872	66,360	(0.7)
Distribution from Singapore taxable income	(c)	16,733	16,913	(1.1)	65,872	66,360	(0.7)
Distribution from tax-exempt income	(d)	639	686	(6.9)	2,680	1,797	49.1
Capital distribution	(e)	383	1,144	(66.5)	1,945	3,905	(50.2)
Distribution to Unitholders		17,755	18,743	(5.3)	70,497	72,062	(2.2)

Notes:

(a) Net effect of tax adjustments

		Group 4Q FY2017 S\$'000	Group 4Q FY2016 S\$'000	+ /(-) %	Group FY2017 S\$'000	Group FY2016 S\$'000	+ /(-) %
Amortisation and write-off of borrowing transaction costs		189	222	(14.9)	808	895	(9.7)
Foreign exchange (gain)/loss		(33)	26	>(100.0)	(45)	19	>(100.0)
Manager's management fees in Units							
- Base fees		921	218	>100.0	3,700	1,869	98.0
- Performance fees		-	1,459	(100.0)	-	1,459	(100.0)
Net change in fair value of investment properties and investment properties under development		54,617	28,577	91.1	54,317	42,405	28.1
Net change in fair value of derivative financial instruments		1,165	1,198	(2.8)	(470)	692	>(100.0)
Net tax adjustment on foreign sourced income		613	585	4.8	2,415	2,368	2.0
Proceeds from insurance claims		-	-	-	(2,330)	-	NM
Temporary differences and other tax adjustments		(40)	310	>(100.0)	972	1,612	(39.7)
Net effect of tax adjustments		57,432	32,595	76.2	59,367	51,319	15.7

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 FY2017, 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.

**AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
FOURTH QUARTER ENDED 31 MARCH 2017**

1(b)(i) Statements of Financial Position as at 31 March 2017 vs. 31 March 2016

	Note	Group 31 Mar 2017 S\$'000	Group 31 Mar 2016 S\$'000	+ / (-) %	Trust 31 Mar 2017 S\$'000	Trust 31 Mar 2016 S\$'000	+ / (-) %
Non-current assets							
Investment properties	(a)	1,175,100	1,172,400	0.2	1,175,100	1,172,400	0.2
Investment properties under development	(b)	37,600	44,900	(16.3)	37,600	44,900	(16.3)
Subsidiaries	(c)	-	-	-	85,200	85,200	-
Joint venture	(d)	232,113	225,213	3.1	-	-	-
Trade and other receivables	(e)	2,599	2,719	(4.4)	2,599	2,719	(4.4)
Derivative financial instruments	(f)	408	-	NM	408	-	NM
		1,447,820	1,445,232	0.2	1,300,907	1,305,219	(0.3)
Current assets							
Trade and other receivables	(e)	5,928	6,731	(11.9)	5,307	5,599	(5.2)
Cash and cash equivalents	(g)	11,727	7,490	56.6	10,819	7,385	46.5
		17,655	14,221	24.1	16,126	12,984	24.2
Total assets		1,465,475	1,459,453	0.4	1,317,033	1,318,203	(0.1)
Non-current liabilities							
Trade and other payables	(h)	7,424	9,921	(25.2)	7,424	9,921	(25.2)
Interest-bearing borrowings	(i)	444,921	371,578	19.7	327,201	257,720	27.0
Derivative financial instruments	(f)	2,760	3,528	(21.8)	247	396	(37.6)
Deferred tax liabilities	(j)	5,849	5,237	11.7	-	-	-
		460,954	390,264	18.1	334,872	268,037	24.9
Current liabilities							
Trade and other payables	(k)	33,271	28,430	17.0	32,138	27,397	17.3
Interest-bearing borrowings	(i)	82,585	99,906	(17.3)	82,585	99,906	(17.3)
Derivative financial instruments	(f)	218	132	65.2	218	132	65.2
		116,074	128,468	(9.6)	114,941	127,435	(9.8)
Total liabilities		577,028	518,732	11.2	449,813	395,472	13.7
Net assets		888,447	940,721	(5.6)	867,220	922,731	(6.0)
Represented by:							
Unitholders' funds		888,447	940,721	(5.6)	867,220	922,731	(6.0)
		888,447	940,721	(5.6)	867,220	922,731	(6.0)

NM: not meaningful.

Notes:

- (a) The increase in investment properties was mainly due to the transfer of S\$60.7 million (which included revaluation gain of S\$5.1 million recognised in 3Q FY2017) for 30 Tuas West Road upon obtaining Temporary Occupation Permit on 27 December 2016 and offset by a revaluation deficit of S\$59.4 million recognised in FY2017.
- (b) As of 31 March 2017, investment properties under development relates to the redevelopment of 8 & 10 Tuas Avenue 20 and a Build-To-Suit ("BTS") development at Marsiling.

**AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
FOURTH QUARTER ENDED 31 MARCH 2017**

On 14 April 2016, the Manager announced plans for the Trust's fourth redevelopment project which would transform two adjoining two-storey detached industrial spaces at 8 & 10 Tuas Avenue 20 into a versatile industrial facility with ramp and cargo lift access. This redevelopment would increase the gross floor area of the property by around 41,614 square feet from 117,521 square feet to approximately 159,135 square feet.

On 4 August 2016, the Manager announced plans for the Trust's first third-party greenfield BTS development facility for leading manufacturer, Beyonics International Pte Ltd at Marsiling. The five-storey BTS production facility with an estimated gross floor area of approximately 231,738 square feet will cost around S\$39.4 million, including land and associated costs.

The two developments are targeted to be completed in the second half of 2017.

- (c) This relates to the Trust's interest in its wholly-owned subsidiaries, AACI REIT MTN, 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 increase in the joint venture balances was mainly due to the strengthening of the Australian dollar against the Singapore dollar. As the cost of the Australian investment is substantially hedged through the use of Australian dollar denominated loans, there is a corresponding increase in interest-bearing borrowings of S\$5.9 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 2017 was S\$5.9 million was S\$0.8 million lower compared to balances as at 31 March 2016. The decrease was mainly due to the timing of billing and collection of receivables from tenants.
- (f) The derivative financial instruments as at 31 March 2017 were in relation to interest rate swap contracts with a total notional amount of S\$316.7 million. As at 31 March 2017, approximately 84.4% 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 1.570% to 3.825% per annum and receives interest at the three-month Singapore dollar swap offer rate or at the three-month Australian bank bill swap bid rates, as the case may be.
- (g) Cash and cash equivalents as at 31 March 2017 of S\$11.7 million was S\$4.2 million higher compared to balances as at 31 March 2016. This was partly attributable to the timing of borrowings and payment for capital expenditure on investment properties and investment properties under development including the payment of final retention sum of S\$1.7 million for the redevelopment of Phase 2E and Phase 3 of 20 Gul Way. The property at 20 Gul Way obtained Certification of Statutory Completion on 29 June 2016.
- (h) Non-current trade and other payables comprised rental deposits received from tenants with tenors of more than one year and retention sum of S\$0.2 million relating to the redevelopment of 8 & 10 Tuas Avenue 20 (31 March 2016: retention sum of S\$1.7 million relating to the redevelopment of 30 Tuas West Road).

**AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
FOURTH QUARTER ENDED 31 MARCH 2017**

- (i) The borrowings of the Group as at 31 March 2017 of S\$527.5 million was S\$56.0 million higher compared to balances as at 31 March 2016 mainly due to the net drawdown of S\$50.0 million to fund the redevelopment of 30 Tuas West Road, 8 & 10 Tuas Avenue 20, the land acquisition and development costs of the greenfield development at Marsiling as well as the increase in the Australian dollar denominated borrowings of S\$5.9 million due to the strengthening of the Australian dollar against the Singapore dollar.

On 25 July 2016, the Trust executed a supplemental loan facility agreement with its syndicate of five financial institutions to upsize its existing secured facility with a four-year term loan facility of S\$100.0 million. The term loan facility was drawn down to redeem the S\$100.0 million unsecured Medium Term Notes which matured on 8 August 2016. Please refer to the details of interest-bearing borrowings in section 1(b)(ii).

On 22 March 2017, AACI REIT MTN issued S\$50.0 million Medium Term Notes from the Trust's S\$500 million Medium Term Note Programme ("MTN Programme") to partially repay its revolving credit facility which was due to expire in November 2017.

The current interest-bearing borrowings relate to the Trust's revolving credit facility of S\$13.3 million and A\$65.1 million term loan facility which are due to mature in November 2017. In April 2017, the Trust received commitment from a syndicate of five financial institutions to refinance the secured facilities due in November 2017 with a new four-year revolving credit facility and three-year A\$ term loan.

- (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 2017 included retention sum of S\$2.6 million relating to the development of 30 Tuas West Road, 8 & 10 Tuas Avenue 20 and greenfield development at Marsiling as well as redevelopment costs payable of S\$8.8 million relating to 8 & 10 Tuas Avenue 20 and greenfield development at Marsiling (31 March 2016: included retention sum of S\$1.7 million relating to the redevelopment of 20 Gul Way and development costs payable of S\$6.5 million relating to the redevelopment of 30 Tuas West Road). These costs will be funded by the committed loan facilities of the Trust. As at 31 March 2017, the Group and the Trust have undrawn committed facilities of S\$133.3 million to fulfil their liabilities as and when they fall due.

**AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
FOURTH QUARTER ENDED 31 MARCH 2017**

1(b)(ii) Aggregate amount of borrowings

	Group 31 Mar 2017 S\$'000	Group 31 Mar 2016 S\$'000	Trust 31 Mar 2017 S\$'000	Trust 31 Mar 2016 S\$'000
Interest-bearing borrowings				
Amount repayable within one year				
Secured				
Term loans	69,492	-	69,492	-
Revolving credit facility	13,300	-	13,300	-
Unsecured				
Medium Term Notes	-	100,000	-	100,000
	<u>82,792</u>	<u>100,000</u>	<u>82,792</u>	<u>100,000</u>
Less: Unamortised borrowing transaction costs	(207)	(94)	(207)	(94)
	<u>82,585</u>	<u>99,906</u>	<u>82,585</u>	<u>99,906</u>
Amount repayable after one year				
Secured				
Term loans	316,495	274,417	198,439	160,056
Revolving credit facility	-	19,000	-	19,000
Unsecured				
Medium Term Notes	130,000	80,000	130,000	80,000
	<u>446,495</u>	<u>373,417</u>	<u>328,439</u>	<u>259,056</u>
Less: Unamortised borrowing transaction costs	(1,574)	(1,839)	(1,238)	(1,336)
	<u>444,921</u>	<u>371,578</u>	<u>327,201</u>	<u>257,720</u>
Total	<u><u>527,506</u></u>	<u><u>471,484</u></u>	<u><u>409,786</u></u>	<u><u>357,626</u></u>

Details of borrowings and collateral

(a) Secured borrowings

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

The facility comprised:

- a three-year term loan facility of A\$65.1 million to partially fund the 49.0% interest in Optus Centre, Macquarie Park, NSW, Australia;
- a four-year term loan facility of S\$125.0 million to fund real estate development and/or acquisitions;
- a three-year revolving credit facility of S\$120.0 million; and
- a four-year term loan facility of S\$100.0 million to redeem the S\$100.0 million unsecured Medium Term Notes which matured on 8 August 2016.

The details of the collateral for the facility are as follows:

- first legal mortgage over 13 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\$110,655,000 five-year term loan facility 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

**AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
FOURTH QUARTER ENDED 31 MARCH 2017**

- 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.

On 8 August 2016, AACI REIT MTN redeemed the S\$100.0 million four-year Medium Term Notes with a fixed rate of 4.90% issued in August 2012, being the maturity date of the Medium Term Notes.

On 22 March 2017, AACI REIT MTN issued S\$50.0 million five-year fixed rate notes due 2022 under its S\$500 million MTN Programme. The notes will mature on 22 March 2022 and bear interest at a fixed rate of 3.60% per annum payable semi-annually in arrears. AACI REIT MTN has on-lent to the Trust the proceeds from the issuance of the notes to enable the Trust to partially repay its revolving credit facility which was due to expire in November 2017.

As at 31 March 2017, 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.

**AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
FOURTH QUARTER ENDED 31 MARCH 2017**

1(b)(iii) Use of Proceeds from 2014 Rights Issue

On 20 March 2014, AA REIT issued 92,512,712 Units at an issue price of S\$1.08 per Unit in an underwritten and renounceable rights issue on the basis of seven rights Units for every 40 existing Units, raising gross proceeds of S\$99.9 million ("2014 Rights Issue").

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

	2014 Rights Issue S\$ million
Gross Proceeds	<u>99.9</u>
Use of proceeds	
Development costs at 30 Tuas West Road	38.6
Development costs at 8 & 10 Tuas Avenue 20	6.3
Land and development costs for greenfield development at Marsiling	13.0
Repay outstanding borrowings	17.2
Issue expenses in relation to the 2014 Rights Issue	2.5
Asset enhancement initiatives	<u>6.6</u>
	<u>84.2</u>

As at 31 March 2017, the balance proceeds of the 2014 Rights Issue was approximately S\$15.7 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 to partially fund the balance redevelopment costs at 30 Tuas West Road, the redevelopments at 8 & 10 Tuas Avenue 20 and the greenfield development at Marsiling progressively over the course of the construction.

The use of proceeds from the 2014 Rights Issue was in accordance with the stated use of proceeds and there is no material deviation from the percentage allocated as previously disclosed.

**AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
FOURTH QUARTER ENDED 31 MARCH 2017**

1(c) Consolidated Statements of Cash Flows

	Group 4Q FY2017 S\$'000	Group 4Q FY2016 S\$'000	Group FY2017 S\$'000	Group FY2016 S\$'000
Cash flows from operating activities				
Total return after income tax	(39,156)	(8,703)	13,479	40,809
Adjustments for:				
Share of results of joint venture (net of tax)	(4,119)	(10,720)	(14,758)	(36,769)
Borrowing costs	4,674	5,018	18,602	20,152
Foreign exchange (gain)/loss	(32)	7	(39)	(2)
Manager's base fees in Units	921	218	3,700	1,869
Manager's performance fees in Units	-	1,459	-	1,459
Net change in fair value of derivative financial instruments	1,165	1,198	(470)	692
Net change in fair value of investment properties	54,617	28,577	54,317	42,405
Income tax expense	527	1,365	1,529	4,846
Operating income before working capital changes	18,597	18,419	76,360	75,461
Changes in working capital				
Trade and other receivables	1,104	1,179	1,545	147
Trade and other payables	1,476	(410)	1,082	(237)
Income tax paid	(262)	(194)	(917)	(743)
Net cash from operating activities	20,915	18,994	78,070	74,628
Cash flows from investing activities				
Capital expenditure on investment properties and investment properties under development	(7,406)	(10,002)	(47,990)	(22,699)
Investment in a joint venture	-	-	-	(432)
Distributions from a joint venture	3,921	3,614	14,988	14,329
Net cash used in investing activities	(3,485)	(6,388)	(33,002)	(8,802)
Cash flows from financing activities				
Borrowing costs paid	(3,979)	(5,328)	(19,340)	(19,332)
Distributions to Unitholders	(17,692)	(18,207)	(71,536)	(68,043)
Proceeds from interest-bearing borrowings	68,551	13,760	233,555	21,760
Repayments of interest-bearing borrowings	(61,551)	(2,760)	(183,555)	(2,760)
Issue expenses paid	-	-	-	(30)
Net cash used in financing activities	(14,671)	(12,535)	(40,876)	(68,405)
Net increase/(decrease) in cash and cash equivalents	2,759	71	4,192	(2,579)
Cash and cash equivalents at beginning of the period	8,939	7,439	7,490	10,111
Effect of exchange rate fluctuation	29	(20)	45	(42)
Cash and cash equivalents at end of the period	11,727	7,490	11,727	7,490

**AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
FOURTH QUARTER ENDED 31 MARCH 2017**

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

There were the following significant non-cash transactions:

- (i) During the financial year, the Trust issued an aggregate 1,089,469 new Units amounting to S\$1.5 million as payment for the performance component of the Manager's management fees incurred for the year ended 31 March 2016.
- (ii) During the financial year, Trust issued an aggregate of 2,202,650 new Units amounting to S\$3.0 million as partial payment for 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 FY2017 vs. 4Q FY2016)

	Group 4Q FY2017 S\$'000	Group 4Q FY2016 S\$'000	Trust 4Q FY2017 S\$'000	Trust 4Q FY2016 S\$'000
Balance at beginning of the period	943,506	965,910	924,435	953,736
Operations				
Total return after income tax	(39,156)	(8,703)	(40,446)	(14,574)
Foreign currency translation reserve				
Translation differences relating to financial statements of foreign subsidiaries and net investment in foreign operations	836	175	-	-
Hedging reserve				
Effective portion of changes in fair value of cash flow hedges	30	(230)	-	-
Unitholders' transactions				
Issuance of Units (including units to be issued):				
- Manager's management fees	921	218	921	218
- Manager's performance fees	-	1,459	-	1,459
Distributions to Unitholders	(17,690)	(18,108)	(17,690)	(18,108)
Change in Unitholders' funds resulting from Unitholders' transactions	(16,769)	(16,431)	(16,769)	(16,431)
Total decrease in Unitholders' funds	(55,059)	(25,189)	(57,215)	(31,005)
Balance at end of the period	888,447	940,721	867,220	922,731

**AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
FOURTH QUARTER ENDED 31 MARCH 2017**

1(d)(ii) Statements of Movements in Unitholders' Funds (FY2017 vs. FY2016)

	Group FY2017 S\$'000	Group FY2016 S\$'000	Trust FY2017 S\$'000	Trust FY2016 S\$'000
Balance at beginning of the period	940,721	962,095	922,731	963,073
Operations				
Total return after income tax	13,479	40,809	12,274	23,180
Foreign currency translation reserve				
Translation differences relating to financial statements of foreign subsidiaries and net investment in foreign operations	1,291	238	-	-
Hedging reserve				
Effective portion of changes in fair value of cash flow hedges	741	1,101	-	-
Unitholders' transactions				
Issuance of Units (including units to be issued):				
- Manager's management fees	3,700	1,869	3,700	1,869
- Manager's performance fees	-	1,459	-	1,459
- Distribution Reinvestment Plan	-	3,632	-	3,632
- Property Manager's fees	-	1,232	-	1,232
Distributions to Unitholders	(71,485)	(71,684)	(71,485)	(71,684)
Issue expenses	-	(30)	-	(30)
Change in Unitholders' fund resulting from Unitholders' transactions	(67,785)	(63,522)	(67,785)	(63,522)
Total decrease in Unitholders' funds	(52,274)	(21,374)	(55,511)	(40,342)
Balance at end of the period	888,447	940,721	867,220	922,731

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

Note	Trust 4Q FY2017 Units '000	Trust 4Q FY2016 Units '000	Trust FY2017 Units '000	Trust FY2016 Units '000
Units in issue at beginning of the period	637,290	634,642	635,366	628,935
<u>Issue of new Units relating to:</u>				
- Manager's performance fees (a)	-	-	1,090	1,992
- Manager's management fees (b)	1,368	724	2,202	1,152
- Property Manager's fees	-	-	-	824
- Distribution Reinvestment Plan	-	-	-	2,463
Units in issue at end of the period	638,658	635,366	638,658	635,366
<u>Units to be issued:</u>				
Manager's performance fees	-	1,090	-	1,090
Manager's base fees (c)	679	168	679	168
Total Units in issue and to be issued at end of the period	639,337	636,624	639,337	636,624

**AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
FOURTH QUARTER ENDED 31 MARCH 2017**

- (a) On 25 May 2016, the Trust issued 1,089,469 new Units at an issue price of S\$1.3396 per Unit as payment for the performance component of the Manager's management fees for the year ended 31 March 2016.
- (b) During the financial year, there were the following issuances of Units to the Manager:
- (i) 834,372 Units on 28 July 2016 at an average issue price of S\$1.3478 to the Manager as partial payment of the base fee element of the Manager's management fees incurred for the period from 1 January 2016 to 30 June 2016; and
 - (ii) 1,368,278 Units on 24 January 2017 at an average issue price of S\$1.3680 to the Manager as partial payment of the base fee element of the Manager's management fees incurred for the period from 1 July 2016 to 31 December 2016.
- (c) The new Units to be issued relate to 679,091 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 2017 to 31 March 2017.

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 2016.

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.

**AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
FOURTH QUARTER ENDED 31 MARCH 2017**

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

	Group 4Q FY2017	Group 4Q FY2016	Group FY2017	Group FY2016
<u>Basic EPU</u>				
Weighted average number of Units ('000)	638,309	635,157	637,110	633,559
Earnings per Unit (cents)	(6.13)	(1.37)	2.12	6.44
<u>Diluted EPU</u>				
Weighted average number of Units ('000)	638,546	635,157	637,169	633,559
Earnings per Unit (cents)	(6.13)	(1.37)	2.12	6.44

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 decrease in the EPU for the current period/year was mainly due to the net change in fair value of investment properties and investment properties under development. 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 FY2017	Group 4Q FY2016	Group FY2017	Group FY2016
Number of Units in issue at end of period ('000)	638,658	635,366	638,658	635,366
Distribution per Unit (cents)	2.78	2.95	11.05	11.35

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

	Group 31 Mar 2017 S\$	Group 31 Mar 2016 S\$	Trust 31 Mar 2017 S\$	Trust 31 Mar 2016 S\$
Net asset value / net tangible asset per Unit ⁴	1.3896	1.4777	1.3564	1.4494

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

**AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
FOURTH QUARTER ENDED 31 MARCH 2017**

8 Review of the performance

	Group 4Q FY2017 S\$'000	Group 4Q FY2016 S\$'000	Group 3Q FY2017 S\$'000	Group FY2017 S\$'000	Group FY2016 S\$'000
Gross revenue	30,606	30,287	30,369	120,119	124,389
Property operating expenses	(10,633)	(9,915)	(10,580)	(40,686)	(42,060)
Net property income	19,973	20,372	19,789	79,433	82,329
Foreign exchange gain/(loss)	32	(7)	2	39	2
Interest and other income	16	150	15	2,387	523
Borrowing costs	(4,674)	(5,018)	(4,426)	(18,602)	(20,152)
Manager's management fees					
- Base fees	(1,843)	(1,825)	(1,885)	(7,405)	(7,325)
- Performance fees	-	(1,459)	-	-	(1,459)
Other trust expenses	(470)	(496)	(488)	(1,755)	(1,935)
Non-property expenses	(6,987)	(8,798)	(6,799)	(27,762)	(30,871)
Net income before joint venture's results	13,034	11,717	13,007	54,097	51,983
Share of results of joint venture (net of tax)	4,119	10,720	3,714	14,758	36,769
Net income	17,153	22,437	16,721	68,855	88,752
Distribution to Unitholders	17,755	18,743	17,690	70,497	72,062

Review of the performance for 4Q FY2017 vs. 3Q FY2017

The gross revenue achieved for 4Q FY2017 of S\$30.6 million was S\$0.2 million higher than the gross revenue for 3Q FY2017 of S\$30.4 million. This was mainly due to the maiden contribution from the newly completed property at 30 Tuas West Road from 27 February 2017 and higher rental contributions from the property at 27 Penjuru Lane, partially offset by lower rental and recoveries from 20 Gul Way as two phases of the property reverted to multi-tenancy leases on 28 December 2016 and 13 February 2017.

Property operating expenses for 4Q FY2017 of S\$10.6 million were comparable to the property operating expenses for 3Q FY2017.

Net property income for 4Q FY2017 stood at S\$20.0 million, or S\$0.2 million higher than 3Q FY2017 which was in line with higher gross revenue.

Borrowing costs for 4Q FY2017 of S\$4.7 million were S\$0.3 million higher than the preceding quarter mainly due to interest expense incurred on the borrowings in relation to the redevelopment of 30 Tuas West Road which was previously capitalised whilst the property was under redevelopment and now expensed upon its completion on 27 December 2017.

The distribution to Unitholders for 4Q FY2017 stood at S\$17.8 million, which was S\$0.1 million higher compared to the distribution to Unitholders for 3Q FY2017.

**AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
FOURTH QUARTER ENDED 31 MARCH 2017**

Review of the performance for 4Q FY2017 vs. 4Q FY2016

Gross revenue for 4Q FY2017 of S\$30.6 million was S\$0.3 million higher compared to the gross revenue of 4Q FY2016 of S\$30.3 million. This was mainly due to the maiden contribution from the newly completed property at 30 Tuas West Road from 27 February 2017 and higher rental contributions from the property at 29 Woodlands Industrial Park E1, partially offset by lower rental and recoveries from 20 Gul Way as two phases of the property reverted to multi-tenancy leases on 28 December 2016 and 13 February 2017.

Property expenses for 4Q FY2017 of S\$10.6 million were S\$0.7 million higher than the property expenses for 4Q FY2016 of S\$9.9 million mainly due to higher expenditure to maintain the properties as well as higher costs arising from the reversion of the two phases of 20 Gul Way to multi-tenancy leases.

Net property income for 4Q FY2017 stood at S\$20.0 million, or S\$0.4 million lower compared to 4Q FY2016.

Borrowing costs for 4Q FY2017 of S\$4.7 million were S\$0.3 million lower than the borrowing costs for the corresponding quarter in the previous year. This was mainly due to lower interest costs incurred on the new S\$100.0 million four-year term loan facility which was drawn down to redeem the S\$100.0 million unsecured Medium Term Notes that matured in August 2016.

The distribution to Unitholders for 4Q FY2017 stood at S\$17.8 million, a decrease of S\$1.0 million compared to 4Q FY2016 mainly in line with lower net property income and 4Q FY2016 distributions which included higher retained distributions from the previous three quarters of the prior year.

Review of the performance for FY2017 vs. FY2016

The gross revenue achieved for FY2017 of S\$121.2 million⁵ was S\$1.9 million lower than the gross revenue achieved for FY2016 of S\$123.1 million⁶ mainly due to lower rental contributions for the properties at 27 Penjuru Lane, 8 & 10 Pandan Crescent, 135 Joo Seng Road and 61 Yishun Industrial Park A and the loss in revenue due to the redevelopment of 8 & 10 Tuas Avenue 20. This was partially offset by higher rental and recoveries for the properties at 29 Woodlands Industrial Park E1 and 20 Gul Way.

Property expenses for FY2017 of S\$41.8 million⁵ were S\$1.1 million higher comparable to the property expenses for FY2016 of S\$40.7 million⁶ mainly due to higher expenditure to maintain the properties as well as higher costs arising from the reversion of two phases of 20 Gul Way to multi-tenancy leases.

Net property income for FY2017 stood at S\$79.4 million, which was S\$2.9 million lower compared to FY2016.

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 IRAS 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.

⁶ For FY2016, the gross revenue of S\$124.4 million included an additional property tax of S\$1.3 million for 20 Gul Way for the period from 14 June 2014 to 31 December 2015. The additional property tax was due to the change in annual value of property assessed by IRAS which was fully recoverable from the master tenant, CWT Limited. Excluding this additional recovery, the gross revenue and property operating expenses for FY2016 would have been S\$123.1 million and S\$40.7 million respectively.

**AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
FOURTH QUARTER ENDED 31 MARCH 2017**

Borrowing costs for FY2017 of S\$18.6 million was S\$1.6 million lower than the borrowing costs for FY2016 mainly due to lower interest costs incurred on the new S\$100.0 million four-year term loan facility which was drawn down to redeem the S\$100.0 million unsecured Medium Term Notes matured in August 2016.

The Manager's management fees were higher in FY2017 vis-à-vis FY2016 mainly due to the increase in the size of the Group's portfolio. No performance fee is payable to the Manager in FY2017.

Other trust expenses for FY2017 of S\$1.8 million was S\$0.1 million lower compared to the previous financial year mainly due to lower expenditure incurred on other trust expenses such as printing cost and cost associated with administering the distribution reinvestment plan.

The share of results of joint venture (net of tax) for FY2017 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 FY2016 included the share of revaluation surplus of S\$22.5 million recognised from the valuation of Optus Centre. In FY2017, the valuation of property was maintained at A\$445 million based on the independent valuation carried out by CBRE Valuations Pty Limited as at 31 March 2017.

The distribution to Unitholders for FY2017 stood at S\$70.5 million, a decrease of S\$1.6 million compared to FY2016 in line with lower 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 2017⁷ that the Singapore economy grew by 2.5% on a year-on-year basis in the first quarter of 2017, easing from the 2.9% growth in the previous quarter. On a quarter-on-quarter seasonally-adjusted annualised basis, the economy contracted by 1.9% after posting a strong rebound of 12.3% in the preceding quarter.

On a year-on-year basis, the manufacturing sector expanded by 6.6% in the first quarter, moderating from the 11.5% growth in the previous quarter. Growth was supported primarily by robust output expansions in the electronics and precision engineering clusters, which outweighed output declines in the biomedical manufacturing, transport engineering and general manufacturing clusters. The construction sector contracted by 1.1% on a year-on-year basis in the first quarter, extending the 2.8% decline recorded in the previous quarter, weighed down by a slowdown in private sector construction activities. The services producing industries expanded by 1.5% on a year-on-year basis in the first quarter, an improvement from the 1.0% growth in the preceding quarter. The growth was mainly supported by the wholesale & retail trade and transportation & storage sectors, which were in turn bolstered by a continued recovery in exports.

⁷ Source: www.mti.gov.sg.

**AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
FOURTH QUARTER ENDED 31 MARCH 2017**

Based on JTC 4Q 2016 statistics released on 26 January 2017⁸, overall occupancy rates of Singapore's industrial property market rebounded slightly to 89.5% from 89.1% in the preceding quarter. In 4Q 2016, the price and rental indices for the overall industrial property market fell by 3.0% and 0.5% respectively compared to the previous quarter. Compared to a year ago, the price and rental indices fell by 9.1% and 6.8%. In 2016, the total stock of industrial space increased by 1.8 million sqm. In 2017, about 2.4 million sqm of industrial space, which includes around 548,000 sqm of multiple-user factory space, is estimated to come on-stream. This is higher than the average annual supply and demand of around 1.8 million sqm and 1.3 million sqm respectively in the past 3 years.

The Group's portfolio occupancy remained healthy at 94.6% as at 31 March 2017 and continued to be above the industry average.

Outlook for financial year ending 31 March 2018

Given the uncertain macroeconomic and geopolitical outlook and the industrial oversupply situation in Singapore, rentals will continue to be under pressure. AA REIT is focused on active asset management, and unlocking organic value within the portfolio through asset enhancement initiatives and redevelopments. AA REIT currently has two ongoing development projects (namely: 8 & 10 Tuas Avenue 20 and greenfield development at Marsiling) which are targeted to complete in the second half of 2017.

The current capital structure of the Group is well positioned with an increased weighted average debt maturity of 2.3 years as at 31 March 2017 from 2.1 years as at 31 December 2016 due to the issuance of a S\$50 million 5-year fixed rate notes. Furthermore, 84.4% 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 27 properties.

⁸ Source: www.jtc.gov.sg.

**AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
FOURTH QUARTER ENDED 31 MARCH 2017**

11 Distributions

(a) Current financial period

Any distributions declared for the current 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.

**AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
FOURTH QUARTER ENDED 31 MARCH 2017**

(b) Corresponding period of the immediately preceding period

Any distributions declared for the previous corresponding financial period:	Yes								
Name of distribution:	Thirty-ninth distribution, for the period from 1 January 2016 to 31 March 2016								
Distribution Type:	Taxable Income Tax-Exempt Income Capital Distribution								
Distribution Rate:	<table> <tr> <td>Taxable Income</td> <td>2.662 cents per Unit</td> </tr> <tr> <td>Tax-Exempt Income</td> <td>0.108 cents per Unit</td> </tr> <tr> <td>Capital Distribution</td> <td><u>0.180 cents per Unit</u></td> </tr> <tr> <td>Total</td> <td><u>2.950 cents per Unit</u></td> </tr> </table>	Taxable Income	2.662 cents per Unit	Tax-Exempt Income	0.108 cents per Unit	Capital Distribution	<u>0.180 cents per Unit</u>	Total	<u>2.950 cents per Unit</u>
Taxable Income	2.662 cents per Unit								
Tax-Exempt Income	0.108 cents per Unit								
Capital Distribution	<u>0.180 cents per Unit</u>								
Total	<u>2.950 cents per Unit</u>								
Par value of units:	Not applicable								
Tax Rate:	<u>Taxable Income Distributions</u>								

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:	9 May 2017
(d) Date payable:	22 June 2017

**AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
FOURTH QUARTER ENDED 31 MARCH 2017**

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

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
FY2016	Singapore S\$'000	Australia S\$'000	Total S\$'000
Revenue and expenses			
Gross revenue	124,389	-	124,389
Property operating expenses	(42,060)	-	(42,060)
Net property income	82,329	-	82,329
Share of results of joint venture (net of tax)	-	36,769 ⁹	36,769
Net change in fair value of investment properties and investment properties under development	(42,405)	-	(42,405)
Net change in fair value of derivatives	(465)	(227)	(692)
			76,001
Unallocated items:			
Foreign exchange gain			2
Interest and other income			523
Borrowing costs			(20,152)
Trust expenses			(10,719)
Total return before income tax			45,655
Income tax expense			(4,846)
Total return after income tax			40,809

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 S\$22.5 million.

**AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
FOURTH QUARTER ENDED 31 MARCH 2017**

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 FY2017 S\$'000	Group FY2016 S\$'000	+(-) %
<u>First half of year</u>			
Gross revenue	59,144	61,555	(3.9)
Total return after income tax	29,138	34,676	(16.0)
<u>Second half of year</u>			
Gross revenue	60,975	62,834	(3.0)
Total return after income tax	(15,659)	6,133	>(100.0)

17 Breakdown of the total annual distributions

	DPU (Cents)	Group FY2017 S\$'000	Group FY2016 S\$'000
<u>Distribution paid during the year</u>			
For the period :			
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	-
01/10/2015 to 31/12/2015	2.85	-	18,108
01/07/2015 to 30/09/2015	2.80	-	17,770
01/04/2015 to 30/06/2015	2.75	-	17,441
01/01/2015 to 31/03/2015	2.92	-	18,365
		<u>71,485</u>	<u>71,684</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.

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.

**AIMS AMP CAPITAL INDUSTRIAL REIT
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
FOURTH QUARTER ENDED 31 MARCH 2017**

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
27 April 2017