

6 November 2009

## Media release

### **AMP Capital Investors takes strategic stake in Singapore REIT and acquires 50% of management and property management companies**

AMP Capital Investors announced today that it has entered into an agreement to acquire 50 per cent of MacarthurCook Industrial REIT's (MI REIT) management and property management companies as well as taking a cornerstone stake of up to 19.2 per cent in MI REIT. The amount invested for the cornerstone stake is up to A\$42.6 million (S\$54.1 million).

The proposed transaction involves:

- AMP Capital Investors acquiring 50 per cent of the Singapore REIT management and property management companies that manage the Singapore Exchange-listed MacarthurCook Industrial REIT from MacarthurCook Limited, a subsidiary of the AIMS Financial Group.
- AMP Capital Investors becoming a cornerstone investor in the listed MI REIT by acquiring up to approximately 19.2 per cent of MI REIT.
- AMP Capital Investors selling four high quality Singapore industrial assets to MI REIT.

The transaction is subject to regulatory and unitholder approvals.

#### **Growing AMP Capital's property investment business in Asia**

AMP Capital Investors Head of Asian Property, Mr Simon Vinson said: "Expanding our business in Asia is a key part of AMP Capital Investors' targeted growth strategy. This transaction allows us to further our property investment ambitions and build a strong platform in Singapore from which we can continue to develop within the region.

"This is an excellent opportunity for AMP Capital to enter the Singapore REIT market by taking a cornerstone stake in MI REIT, and at the same time leverage our property investment expertise through forming a long term joint venture with a property management company which has a strong track record in real estate funds management in the Asia Pacific.

"MI REIT has a high quality portfolio valued at approximately A\$389 million (S\$494 million) and we believe our extensive property fund and asset management capabilities, improved portfolio diversification through MI REIT's acquisition of additional assets and its recapitalisation will competitively position it for growth," Mr Vinson continued.

AMP Capital Investors has been operating in Singapore since 2006 and is committed to building Singapore as a regional hub, specialising in Asian real estate, equities and distribution.

## **MI REIT better positioned for future growth**

Mr Nicholas McGrath, CEO of MI REIT said: "This proposed transaction has many benefits for MI REIT. We will be recapitalised, we will have a much stronger asset portfolio as well as cornerstone investors who like our business model and who will give us long-term support."

"With AMP Capital, an internationally respected funds management company, joining us as both a key investor and joint sponsor of our REIT, we are now better positioned to tap opportunities in Singapore and across Asia. If approved by our unitholders, MI REIT can potentially deliver more value to unitholders over time," Mr McGrath continued.

The proposed transaction enables the MI REIT manager to retire A\$27.7 million (S\$35.2 million) in debt, diversify its portfolio revenue streams by acquiring premium industrial assets, and strengthen MI REIT's capital base.

A stronger capital position and reduction of its leverage to approximately 29 per cent will help underpin the unit price and allow MI REIT to be better positioned to take advantage of future growth opportunities.

MI REIT will continue to manage the portfolio of high quality assets with the aim of delivering value and consistent returns to unitholders.

## **Other key information**

In the new joint venture, the MI REIT management team will continue with Mr Nicholas McGrath as Chief Executive Officer. The MI REIT Board will include two AMP Capital nominated directors.

The Singapore Exchange has given in principle approval for the transaction, which is subject to approval by MI REIT unitholders. An Extraordinary General Meeting will be held on Monday 23 November 2009 where MI REIT unitholders will vote on the proposed transaction.

The Singapore joint venture will be known as AIMS AMP Capital Industrial REIT Management and MI REIT will be rebranded and trade as AIMS AMP Capital Industrial REIT from 28 December 2009, subject to approvals.

## **Media enquiries:**

Lara Evans  
Ph: +61 2 9257 1113  
M: +61 419 226 449  
[lara.evans@ampcapital.com](mailto:lara.evans@ampcapital.com)

Jane Anderson  
Ph: +61 2 9257 9870  
M: +61 402 967 791  
[jane\\_anderson@amp.com.au](mailto:jane_anderson@amp.com.au)

## **About AMP Capital Investors**

AMP Capital Investors is a specialist investment manager with A\$96.9 billion in assets under management and one of the largest institutional property investors in Australia and New Zealand with A\$22 billion in global real estate of which \$15.4 billion is in direct real estate (as at 30 September 2009). We have established operations across Asia and the United Kingdom, and were ranked a Global Top 20 real estate investment manager by Watson Wyatt in 2009.

AMP Capital Investors is a wholly owned subsidiary of AMP Limited, one of Australia's largest retail and corporate pension providers, and one of the region's most significant investment managers. AMP Limited is a 160-year old wealth management company listed on the ASX, and operates in Australia and New Zealand with selected investment management activities in Asia.

AMP Capital Investors has been operating in Singapore since 2006 and is committed to building Singapore as a regional hub, specialising in Asian real estate, equities and distribution.

**About MacarthurCook Industrial REIT (MI REIT)**

Managed by MacarthurCook Investment Managers (Asia) Limited, MI-REIT was established with the principal investment objective of owning and investing in a diversified portfolio of income-producing industrial real estate assets in Singapore and Asia. The principle sponsor of MI-REIT is AIMS Financial Group, which has a solid track record in the Australian mortgage and securitisation markets. MI-REIT's existing portfolio consists of 20 industrial properties located throughout Singapore and one property in Tokyo, Japan, with an appraised total value of S\$494.0 million as of 30 September 2009.