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July 2010

AMP Capital Structured High Yield Fund - On-platform Class A

Investment objective

To provide a total return, after costs and before tax, higher than the return from the benchmark on a rolling 12 month basis.

Type of fund

The Fund typically invests in the subordinated debt piece of the capital structure which ranks ahead of equity and unsecured creditors and behind senior lenders in the event of a wind-up. This piece of the capital structure attracts a higher rate of interest than the senior lending position while having the equity buffer at risk ahead of it.

Performance benchmark

UBS Bank Bill Index

Inception date

07 Jun 2005

Fund size

\$1,504.91 million

Management costs

0.9738%

Distribution frequency

Quarterly

Buy/sell spread

Nil

Investment approach

The AMP Capital Structured High Yield Fund (the Fund) invests in defensive businesses designed to perform across the economic cycle. The Fund looks for companies with visible and secure cash flows and typically finds these companies in regulated environments and monopolistic industries. Underpinning our investment approach is our belief that adding leverage to defensive businesses offers a strong risk/reward outcome.

Asset allocation by Industry

%	Current
Cash	12.98
Commercial services & supplies	10.45
Water utilities	9.22
Transportation infrastructure - Airport services	9.13
Diversified consumer services	8.57
Transportation infrastructure - Marine ports & services	8.08
Specialty retail	6.39
Wireless telecommunication services	6.10
Food Products	4.61
Hotels, restaurants & leisure	3.71
Containers & Packaging	3.48
Sundry	3.03
Diversified financial services	2.62
Other	11.62

Sundries largely consist of unrealised fx gains.

Performance – periods to 31 July 2010

%	1 mth	3 mth	6 mth	1 yr	3 yr	incept
Before tax and after fees	-1.77	-3.26	-1.62	-2.10	5.60	7.42
Benchmark	0.42	1.20	2.23	4.05	5.52	5.76

*Performance more than 1 year is annualised

Returns are calculated using the unit price which uses the net asset values for the relevant month end. This price may differ from the actual unit price for an individual investor. Actual unit prices will be confirmed following any transaction by an investor. Returns quoted are before tax, after Class 'A' fees and costs, assume all distributions are reinvested and are annualised for periods greater than one year.

Performance and Activity

The AMP Capital Structured High Yield Fund - On-platform Class A (the Fund) returned -1.77% (Before tax and after fees) in the month of Jul, compared to the benchmark return of 0.42%

Sector specific comments

In early July, the Fund received the full prepayment of Loscam, a total of A\$80 million. This included a prepayment fee on the mezzanine tranche which we had negotiated when originating and structuring the deal. This prepayment was included in the A\$145 million which was paid out to investors in the capital payment for the quarter ended July 2010. At this stage, there are no more legal maturities this year, but there may be an early prepayment of one or more of the performing assets over the next few months as market liquidity slowly returns.

The team in Sydney has been particularly busy in July regarding the Beston asset, where the current refinancing risk brought about a revaluation of the asset to zero early in the month. We are working with the sponsors, management and an external advisor to either sell the business or recapitalise, and are hopeful that we will be able to realise some value for investors over the month of August. The team also continues to stay close to the Godfrey's restructuring, as a sluggish trading environment has been weakening the headroom above the business' financial covenants. The possible risk of a default in coming quarters and a subsequent amendment to the Fund's carrying value of the asset are being closely monitored. The team is also beginning work on the restructuring of the Air-Serv asset, one of the Fund's US investments. The legal maturity of the senior debt is mid-2011, and the company needs time and free cash flow to continue its recovery from the effects of the global financial crisis in order to reduce leverage for a refinancing or a sale to be achieved.

The London team continues to work with the sponsor and other lenders to the East London Bus Group to work towards the best possible outcome for investors. Given the changing nature of the industry in which it operates following the global financial crisis, the revenues of the business have been severely affected. This may affect the Fund's holding value of the asset in time. The team is also continuing to drive negotiations on the European Directories asset in order to realise value for investors, as this asset was written down to zero earlier in the year. We will keep investors abreast of both situations as more information comes to light. The team continues to closely monitor all European assets, in particular Zenith and Alimak Hek. While performance is being maintained, these assets remain fragile in the face of a slowly improving economic climate.

Outlook

As we enter the second half of 2010 and a new financial year, we are looking for signs of continued economic recovery in many of the portfolio companies. As markets improve, most restructurings undertaken over the last two years have lead to positive results for the companies in question, and we are hopeful that this will continue for the portfolio. However, there is ongoing weakness in some

geographies, particularly in Europe, and we are particularly attentive to assets with exposure to these areas.

Top 10 holdings – as at 31 Jul 2010

Security Details	% Portf
Godfreys	6.42
Macquarie UK Broadcast	6.04
Air-Serv	5.02
Thames Water	4.94
Maher Ports	4.69
NZ Poultry	4.63
Xtralis (Vision Group)	4.29
Southern Water	4.20
Air Port Development	3.69
Premier Education	3.53

Investors should consider the current product disclosure statement (PDS) available from AMP Capital Investors Limited (ABN 59001 777 591) (AFSL 232497) for the AMP Capital Structured High Yield Fund - On-platform Class A unit class before making any decision regarding the Fund. The PDS contains important information about investing in the Fund and it's important investors read the PDS before making a decision about whether to acquire, continue to hold or dispose of units in the Fund. Neither AMP Capital, nor any other company in the AMP Group, guarantees the repayment of capital or the performance of the product or any particular rate of return. Past performance is not a reliable indicator of future performance. AMP Capital makes no representation or warranty as to the accuracy or completeness of any statement in this fact sheet including any forecasts. This fact sheet has been prepared for the purpose of providing general information, without taking account of any particular investor's objectives or financial situation. An investor should, before making any investment decisions, consider the appropriateness of the information in this fact sheet, and seek professional advice, having regard to the investor's objectives and financial situation