

AMP CAPITAL GLOBAL PROPERTY SECURITIES FUND

27 SEPTEMBER 2016

New Product Disclosure Statement changes

We are writing to advise you of a number of changes relating to the AMP Capital Global Property Securities Fund ('the Fund') that will be reflected in the new Product Disclosure Statement (PDS) which will be available on our website (www.ampcapital.com.au) on 4 October 2016. These changes include:

- > Change of the Fund's benchmark
- > Introduction of securities lending
- > Enhanced fee disclosure

These changes will provide a more appropriate representation of the global investment opportunity on offer for the Fund and make it easier for investors to make peer comparisons; provide securities lending to generate additional returns for investors; and comply with new fee disclosure standards as mandated by the Australian Securities & Investments Commission (ASIC).

Change of the Fund's benchmark

From 1 October 2016 the benchmark of the Fund will change from FTSE EPRA/NAREIT Developed Rental Index Hedged in AUD Net TRI ('rental index') to FTSE EPRA/NAREIT Developed Index Hedged in AUD Net TRI ('developed index').

The developed index is broader than the rental index and contains an additional 34 names. The new benchmark provides a more appropriate representation of the global investment opportunity on offer in global listed real estate. It enhances the ability of the Fund to generate a better return outcome, whilst still being invested in line with the Fund's current objective. Furthermore, it means investors will be able to more readily compare the Fund to its peers, the majority of which use the developed index as their benchmark.

Introduction of securities lending

AMP Capital has recently piloted the implementation of a securities lending program across a number of AMP Capital funds. Securities lending is an investment practice whereby securities of a fund are lent to a third party (the borrower) for a period of time in return for a fee. Securities lending allows funds to use their assets held in custody to earn additional income return, in the form of fees paid by the borrower. These fees increase the portfolio return and thereby, the return to investors.

Securities lending does expose the Fund to some additional risks, which could cause a loss of capital, in particular the risk that the borrower defaults by failing to return the securities. However, comprehensive processes are in place to manage and mitigate these risks, including careful selection of approved borrowers, borrowing limits, collateral requirements which are monitored and managed daily and restrictions on which securities are to be loaned.

From 4 October 2016 the Fund will be able to enter into securities lending arrangements however we do not expect the securities lending programme to begin until December 2016.

Enhanced fee disclosure

In accordance with amendments to the Corporations Regulations and new regulatory guidance from the Australian Securities & Investments Commission (ASIC), we have implemented new enhanced fee disclosure requirements for the Fund. As a result, the fees and costs information in the PDS has been updated. The enhanced disclosure aims to provide a new level of transparency into the costs of investing – both AMP Capital and non-AMP Capital costs.

It is important to note that the new disclosure requirement does not require investors to pay any additional fees and our fees are currently not changing. The change relates to how fees and costs are classified and disclosed. The main change is to include costs which are classified by the regulation as "indirect costs" in the management costs of the Fund. This re-categorisation of costs will change the indirect cost ratio of the Fund.

Further information

If you have any further questions about this update, please contact your Account Manager or our Client Services Team on 1800 658 404, between 8.30am and 5.30pm (Sydney time) Monday to Friday or via email at clientservices@ampcapital.com.

Yours sincerely,



Nigel McCammon
Global Head of Client Services
AMP Capital Investors Limited

Important note: Investors should consider the Product Disclosure Statement (PDS) available from AMP Capital Investors Limited (ABN 59 001 777 591) (AFSL 232497) (AMP Capital) for the AMP Capital Global Property Securities Fund (Fund) before making any decision regarding the Fund. AMP Capital Funds Management Limited (ABN 15 159 557 721, AFSL 426 455) is the responsible entity of the Fund and the issuer of units in the Fund. The PDS contains important information about investing in the Fund and it is 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 any product or any particular rate of return referred to in this document. Past performance is not a reliable indicator of future performance. While every care has been taken in the preparation of this document, AMP Capital makes no representation or warranty as to the accuracy or completeness of any statement in it including without limitation, any forecasts. This letter has been prepared for the purpose of providing general information, without taking account of any particular investor's objectives, financial situation or needs. Investors should, before making any investment decisions, consider the appropriateness of the information in this fact sheet, and seek professional advice, having regard to their objectives, financial situation and needs.