

Client communications

AMP capital
INVESTORS



Dear Investor

AMP Capital Core Infrastructure Fund

We are writing to update you on the performance fees that may be charged to the AMP Capital Core Infrastructure Fund (the 'Fund').

The current performance fee arrangement entitles the Fund manager to earn a performance fee of 15% of outperformance (exclusive of GST) if the Fund has outperformed its current benchmark on an after management fee basis.

The Fund's benchmark is the 10 year Australian Government Bond Yield plus 3.25% per annum. The performance fee provides additional incentive for the Fund manager to exceed the benchmark.

The performance fee is normally calculated on each business day. The daily performance fee can be positive or negative depending on whether or not the benchmark return has been exceeded. If, at the end of a performance fee period (which is every six months), the aggregate of all performance fees is positive, a performance fee is payable to the Fund manager. If the amount is negative, no performance fee is payable and the negative amount is used to offset any positive performance fee in each following period. To date, no performance fees have been paid. On each third anniversary after 31 December 2007, we may determine that any negative amount is zero, i.e. to reset the performance fee.

Please see the PDS for further details on the performance fee (available at www.ampcapital.com.au).

The Fund was launched in late 2007 and the impact of the global financial crisis in the first year of the Fund's operation has meant that the absolute performance objectives of the Fund, while positive, have not met benchmark. The Fund's structure and successful management provided a defensive investment product with a low risk of capital loss. With the economic recovery in its second year and the Fund now being able to take advantage of the improved market conditions, we have decided to reinforce the alignment of interest between the Fund manager and investors to outperform the Fund's investment objectives by resetting the performance record to zero from 30 June 2011 (i.e. not carrying forward a negative amount).

From 1 July 2011, the performance fee will be reset. There are, however, no changes to the current fee arrangement. The performance fee will be calculated on each business day and only if the aggregate of all performance fees is positive at the end of a performance fee period, then a performance fee of 15% (exclusive of GST) may be charged on the outperformance of the Fund.

Further information

If you would like further information on the Fund's features, performance or the change outlined above please, visit our website (www.ampcapital.com.au), contact your Client services manager or our Client Services team on **1800 658 404**.

Yours sincerely,

Brian Delaney

Business Director, Client, Product and Marketing

AMP Capital Investors