# AMP Capital Enhanced Yield Fund – special distribution for December 2013 quarter

JANUARY 2014

AMP Capital Investors (AMP Capital), the fund manager of the underlying fund into which the OneAnswer AMP Capital Enhanced Yield Fund (the Fund) invests, has advised there will be no distribution of capital or income following the end of the December 2013 quarter.

AMP Capital advised that available income/cash will be set aside to offset expected foreign exchange losses resulting from the recent depreciation of the Australian dollar. A number of the investments of the Fund are held outside of Australia.

## Timing and amount of payments

### ANZ OneAnswer Investment Portfolio

AMP Capital Investors (AMP Capital), the fund manager of the underlying fund into which AMP Capital Enhanced Yield (the Fund) invests, has not made a special distribution following the end of December 2013 quarter.

### ANZ OneAnswer Personal Super and Pension

Details of payments are outlined in the following table.

| AMP Capital Enhanced Yield Fund | Expected pro rata payment | Approximate date of processing |
|---|---|---|
| OneAnswer Personal Super | 0% | N/A |
| OneAnswer Pension and Term Allocated Pension | 0% | N/A |

### Unit price update

The unit price of the OneAnswer AMP Capital Enhanced Yield Fund fell by approximately 6.98% around 19 December 2013. The main reason was an asset write-down in the underlying fund managed by AMP Capital.

#### Why did the asset write down occur?

One of the underlying investments, APCOA, accessed through the AMP Capital Strategic High Yield Fund, is undergoing capital restructure which could lead to a material loss on the loan, and as such impairment has been recognised.

APCOA is a European car parking business based in Germany.

Under the terms of the AMP Capital Illiquid Debt Valuation Policy, the final impairment adjustment for APCOA will be made using an independent valuation by an appropriately qualified external valuer. In the interim, the AMP Capital Strategic High Yield Fund's investment team has recorded an impairment adjustment based on the average of quotes provided by recognised European brokers. This impairment adjustment will apply until a solution is agreed which would then allow the debt to be valued externally.