



(Constituted in the Republic of Singapore pursuant to a Trust Deed dated 31 March 2006 (as amended))

## Media Release

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### ***CIT distributes a DPU of 1.274 cents per unit for 1Q2010***

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Date	21 April 2010
Release	Immediate

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**Cambridge Industrial Trust (“CIT”) announces its unaudited first quarter financial results for the period ended 31 March 2010 (“1Q2010”). Key financial and portfolio management highlights are noted below:**

#### **Quarterly highlights:**

- Near full occupancy rate of 99.9% in 1Q2010, as compared with Singapore's industrial average of 91.9%<sup>1</sup>.
- Total distributable income attributable to Unitholders in 1Q2010 was S\$11.1 million, which translated to a distribution per unit (“DPU”) of 1.274 cents.
- Completion of the divestments of 32 strata units at 48 Toh Guan East Road with total gross sale proceeds of S\$21.5 million, exceeding book value by S\$1.6 million.
- The first Distribution Reinvestment Plan offered to Unitholders in relation to the 4Q2009 distribution received a take-up rate of approximately 10%.

**Singapore, 21 April 2010** - Cambridge Industrial Trust Management Limited (“CITM”), the Manager (“Manager”) of CIT, announced that CIT achieved gross revenue of S\$18.6 million and a net property income (“NPI”) of S\$16.3 million for its 1Q2010 financial results.

“CIT has achieved a set of stable first quarter financial results for its Unitholders. Unitholders will receive a DPU of 1.274 cents, which will be payable on Monday, 14 June 2010,” said Mr. Chris Calvert, Chief Executive Officer of CITM. “While the outlook for 2010 has improved, we remain cautiously optimistic of a full economic recovery. This further reinforces the need for management to maintain its disciplined strategy of prudent capital and risk management, pro-active asset management and the divestment of non-core assets that do not meet the Trust’s investment criteria.”

1Q2010 NPI increased by 1.2% to S\$16.3 million in comparison to 1Q2009. The increase is attributed to rental escalations and the improved occupancy in CIT’s two multi-tenanted properties. 1Q2010 NPI was marginally lower by 2.4% in comparison to 4Q2009, predominantly due to a reduction in rental revenue arising from asset disposals (i.e. 32

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<sup>1</sup> Urban Redevelopment Authority, Release of 4Q2009 Real Estate Statistics, 22 January 2010.

strata units at 48 Toh Guan Road East, Enterprise Hub were divested during 1Q2010). Total gross sale proceeds of S\$21.5 million exceeded book value by S\$1.6 million.

“Divestment proceeds will be used to lower CIT’s gearing level where they cannot be reinvested into the Trust’s existing assets to create additional capital value. The Manager expects gearing level to be around the 38% mark by the end of 2010,” highlighted Mr. Calvert.

#### Overview of 1Q2010 Financial Results:

	1Q2010 (S\$ 'm)	4Q2009 (S\$ 'm)	Q-o-Q Incr / (Decr) %	1Q2009 (S\$ 'm)	Y-o-Y Incr / (Decr) %
<b>Gross Revenue</b>	18.6	18.9	(1.6)	18.4	1.1
<b>Net Property Income ("NPI")</b>	16.3	16.7	(2.4)	16.1	1.2
<b>Distributable Income</b>	11.1	11.9	(6.7)	10.3	7.8
<b>Distribution Per Unit ("DPU") in cents</b>	1.274	1.377	(7.5)	1.291	(1.3)
<b>Annualised DPU in cents</b>	5.167	5.463	(5.4)	5.236	(1.3)

#### Property Portfolio

As of 31 March 2010, CIT has a portfolio of 42 properties with about 639,800 sq m of lettable area and a carrying value of S\$854.5 million. These properties are leased to a total of 79 tenants in diverse trade sectors covering the logistics, warehousing and light industrial sectors, which are well spread and strategically located within Singapore.

The Trust’s underlying property fundamentals have remained resilient, with 1Q2010 portfolio occupancy increasing to a robust level of 99.9%, a weighted average lease expiry of 4.4 years and continued low arrears trending at around 1.0% of annualised rent.

#### Distribution Reinvestment Plan

The Manager is pleased to announce that for the first offering of the Distribution Reinvestment Plan ("DRP") to Unitholders, in relation to the 4Q2009 distribution, it received a take-up rate of approximately 10%.

The DRP will apply again to the 1Q2010 distribution. Participation in the DRP is optional. Unitholders may elect or vary their participation from the plan at any quarter whilst it is in operation.

All Unitholders on the Central Depository (“CDP”) register of CIT on the books closure date will be eligible to participate in the DRP to increase their holdings in the Trust without brokerage or transaction costs, subject to the Unitholders having a Singapore registered address for the service of notices and documents relating to the DRP.

The pricing of the DRP units will be based on the market price to be announced by the Manager on 29 April 2010, less a discount of 2%.

### **Outlook**

According to the Ministry of Trade and Industry report in April 2010, Singapore GDP is expected to grow by 7.0 to 9.0 per cent in 2010, following a contraction of 2.0 per cent in 2009<sup>2</sup>. A March 2010 reading of the Singapore Purchasing Managers’ Index, an indicator of future manufacturing production, was 51.1 points. The index, which remains above 50, indicates that the factory output continues to expand<sup>3</sup>.

At the property level, a recent DTZ Research reported that industrial rents in Singapore held firm after declining for five consecutive quarters. The report expects industrial rents to bottom in 2010, though expecting recovery to be at a slow pace in view of the potential new supply coming on stream<sup>4</sup>.

“Moving forward, the Manager will continue its efforts to deliver Unitholders with a stable and secure income stream by pro-actively managing future tenant lease expires and debt expiries well ahead of its due dates. It will also consider and implement where feasible value-adding asset enhancement initiatives and look to undertake value accretive acquisitions at an appropriate time of the market,” said Mr. Calvert.

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<sup>2</sup> Ministry of Trade and Industry, “MTI Revises 2010 Growth Forecast to 7.0 to 9.0 Per Cent”, 14 April 2010.

<sup>3</sup> Singapore Institute of Purchasing & Materials Management, “MARCH PMI recorded further expansion at 51.1 – The electronics index also expanded again at 53.4”, April 2010.

<sup>4</sup> DTZ Research, “Industrial rents held firm after five quarters of decline”, 31 March 2010.

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### **About Cambridge Industrial Trust**

Cambridge Industrial Trust ("CIT"), publicly listed on the Singapore Exchange Securities Trading Limited on 25 July 2006, is Singapore's first independent industrial real estate investment trust (REIT).

CIT invests in quality income-producing industrial properties and has a diversified portfolio of 42 properties valued at S\$854.5 million (as at 31 March 2010), located across Singapore.

The Manager's objective is to provide unitholders with a stable and secure income stream through the successful implementation of the following strategies:

- prudent capital and risk management;
- proactive asset management; and
- value enhancing investments and disposal of non-core assets.

Cambridge Industrial Trust Management Limited, the Manager of CIT, is indirectly owned by three strategic sponsors namely National Australia Bank Group ("NAB") (56%), Oxley Group (24%) and Mitsui & Co., Ltd ("Mitsui") (20%). NAB, one of Australia's four largest banks, is an international financial services group that provides a comprehensive and integrated range of financial products and services. Oxley Group is an innovative private investment house specializing in real estate and private equity investments across Asia-Pacific. Mitsui is a company incorporated in Japan and listed on the Tokyo Stock Exchange in Japan. Mitsui also developed the Japan Logistics Fund Inc., a publicly listed REIT

in Japan dedicated to investing in distribution facilities.

For further information on CIT, please visit <http://www.cambridgeindustrialtrust.com/>

## Important Notice

The value of units in CIT ("**Units**") and the income derived from them may fall as well as rise. Units are not investments, liabilities or obligations of, or deposits in, Cambridge Industrial Trust Management Limited ("**Manager**"), RBC Dexia Trust Services Singapore Limited (in its capacity as trustee of CIT) ("**Trustee**"), or any of their respective related corporations and affiliates (including but not limited to National Australia Bank Limited, nabInvest Capital Partners Pty Ltd, or other members of the National Australia Bank group) and their affiliates (individually and collectively "**Affiliates**"). An investment in Units is subject to equity investment risk, including the possible delays in repayment and loss of income or the principal amount invested. Neither CIT, the Manager, the Trustee nor any of the Affiliates guarantees the repayment of any principal amount invested, the performance of CIT, any particular rate of return from investing in CIT, or any taxation consequences of an investment in CIT. Any indication of CIT performance returns is historical and cannot be relied on as an indicator of future performance.

Investors have no right to request that the Manager redeem or purchase their Units while the Units are listed. It is intended that investors may only deal in their Units through trading on Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This release may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of occupancy or property rental income, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in amounts and on terms necessary to support future CIT business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events.

This release is for informational purposes only and does not have regard to your specific investment objectives, financial situation or your particular needs. Any information contained in this release is not to be construed as investment or financial advice, and does not constitute an offer or an invitation to invest in CIT or any investment or product of or to subscribe to any services offered by the Manager, the Trustee or any of the Affiliates.