

## **PRESS RELEASE**

### **CIT delivers 70% growth in distributable income to S\$12.6 million year-on-year**

#### **Highlights:**

- 1Q2008 annualised distribution per unit (“DPU”) of 6.387 cents is 15.2% higher than the forecast of 5.542 cents
- Net Property Income of S\$15.6 million reflects a 66.0% increase year-on-year
- Additional \$100m medium term debt facility obtained
- Base interest rates fixed at 2.58% for 5.5 years
- Two investment properties valued at S\$21.9 million were acquired bringing total investment properties under management to S\$956.4 million as at 31 March 2008
- Option Agreements with a total asset value of S\$18.0 million have been signed and announced to date. MOUs for S\$75.2 million worth of properties were entered into as at 24 April 2008

Statement of total return	1Q2008 (1 January to 31 March 2008)		
	Actual	Forecast <sup>(1)</sup>	Increase / (Decrease) %
Gross Revenue	S\$17.6 mil	S\$17.4 mil	+ 1.1%
Net Property Income (NPI)	S\$15.6 mil	S\$15.0 mil	+ 4.0%
Distributable Income	S\$12.6 mil	S\$11.0 mil	+ 14.5%
Distribution Per Unit (DPU)	1.588 cents <sup>(2)</sup>		
Annualised Distribution Per Unit	6.387 cents <sup>(3)</sup>	5.542 cents <sup>(4)</sup>	+ 15.2%
Annualised Distribution Yield based on:			
2007 Placement Price (S\$0.70)	9.12%	7.92% <sup>(4)</sup>	
Current Price (S\$0.615) <sup>(5)</sup>	10.39%	9.01%	

Note:

- (1) Forecast means prorated forecast figures derived from the Projection Year 2008 (from 1 Jan to 31 Dec 2007) based on the portfolio of 40 investment properties as disclosed in the Offer Information Statement ("OIS") dated 1 Oct 2007, for the quarter ended 31 Mar 2008.
- (2) Computation of the actual DPU of 1.588 cents is based on 795,255,329 applicable units (inclusive of 1,247,468 units to be issued for Manager's management fee) as at 31 March 2008.
- (3) Computation of the actual annualised DPU of 6.387 cents is based on the simple annualisation of the actual DPU of 1.588 cents for 1Q2008.
- (4) Forecast annualised DPU of 5.542 cents was based on the weighted average number of applicable units of 796,916,400 (based on the actual issue price of S\$0.70 per unit) as disclosed in the OIS dated 1 Oct 2007.
- (5) Computation based on closing price of S\$0.615 as at 31 March 2008.

Statement of total return	1Q2008 (1 January to 31 March 2008)		
	Actual (1Q2008)	Actual (1Q2007)	Increase / (Decrease) %
Gross Revenue	S\$17.6 mil	S\$11.0 mil	+ 60.0%
Net Property Income (NPI)	S\$15.6 mil	S\$ 9.4 mil	+ 66.0%
Distributable Income	S\$12.6 mil	S\$ 7.4 mil	+ 70.3%
Distribution Per Unit (DPU)	1.588 cents	1.434 cents <sup>(1)</sup>	
Annualised Distribution Per Unit	6.387 cents	5.816 cents <sup>(2)</sup>	+ 9.8%
Annualised Distribution Yield based on:			
2007 Placement Price (S\$0.70)	9.12%	8.31% <sup>(3)</sup>	
Current Price (S\$0.615) <sup>(4)</sup>	10.39%	9.46%	

Note:

1. Computation of the actual DPU of 1.434 cents is based on 513,833,517 applicable units (inclusive of 839,740 units to be issued for Manager's management fee) as at 31 March 2007.
2. Computation of the actual annualised DPU of 5.816 cents is based on the simple annualisation of the actual DPU of 1.434 cents for 1Q2007.
3. Computation of annualized DPU based on the actual issue price of S\$0.70 per unit from the 2007 placement.
4. Computation based on closing price of S\$0.615 as at 31 March 2008.

*Singapore, 25 April 2008* – Cambridge Industrial Trust Management Ltd. (“CITM”), the Manager (“the Manager”) of Cambridge Industrial Trust (“CIT”), is pleased to announce a distribution of 1.588 cents per unit for the quarter 1 January 2008 to 31 March 2008.

Mr Ang Poh Seong, CEO of the Manager said “We are pleased to start off 2008 with a solid set of results. DPU continued to grow compared to the previous quarter. Our Net Property Income for 1Q2008 grew 66.0% to S\$15.6 million year-on-year, and our annualised DPU of 6.387 cents is a 15.2% increase from the Forecast DPU for the same period. We will continue to build upon this set of good results.”

### **Stable and Secure Yield**

CIT’s total net distributable income for the quarter was S\$12.6 million with an annualised DPU of 6.387 cents. This represents an annualised yield of 10.39% based on the closing price of S\$0.615 per unit on 31 March 2008. All the properties are signed with long leases ranging from 5 to 15 years, with fixed rental escalation. The weighted average remaining lease term of CIT’s existing portfolio of 42 properties remained stable at 6.5 years as at 31 March 2008.

### **Property Portfolio**

As at 31 March 2008, CIT has a portfolio of 42 properties with 649,969 sq m of lettable area valued at S\$956.4 million. The weighted average land lease on these properties is 40.0 years, excluding a freehold property which comprises 5.5% of total lettable area. Approximately 35.2% of the portfolio of properties is in the logistics and warehousing sector, with the next significant segment in the light industrial space accounting for 34.8%; the remaining properties are represented across a well-diversified spectrum of tenant uses such as car showrooms, self-storage facilities as well as industrial and warehousing.

### **Full Occupancy Backed by Strong Demand**

The overall occupancy of CIT’s portfolio of 42 properties remained at 100% as at 31 March 2008. 35.2% of CIT’s property portfolio is in the high-growth logistics and warehousing

sector, and 34.8% is in the light industrial space for which demand remains strong. The Manager believes that the demand for quasi-offices will spill into the demand for light industrial space resulting from the current rental pressure on prime office space in the Central Business District.

### **Acquisitions**

CIT has signed and announced Option Agreements valued at S\$18.0 million as at 24 April 2008. Legal completion for the acquisition of these properties is expected to be in 2008. In addition, Memoranda of Understanding (“MOU”) were signed for the acquisition of properties with an aggregate value of S\$75.2 million as at 24 April 2008.

### **Capital Management**

CIT continues to place prudent capital management at the centre of its business strategy. CIT's gearing at 31 March 2008 was 36.9%, an increase of 1.8% during the quarter. CIT's long term leverage target is 45%; the manager does not intend to pursue acquisitions which would take leverage above this target without immediate visibility on further equity.

CIT currently has S\$131 million in committed loan facilities available to fund property acquisitions, including S\$78 million remaining of a S\$100 million, 2 year revolving credit facility executed in January 2008. While equity markets remain depressed, CIT intends to moderate its pace of growth and pursue acquisitions on a highly selective basis.

On 1 February 2008 CIT entered an interest rate swap agreement fixing the base rate on all its existing borrowings at 2.58% p.a. for 5.5 years, delivering an all-in cost of borrowing of 3.32%. This interest rate swap was executed at a rate near a historical low for Singapore Dollar interest rates.

CIT is in the process of negotiating a refinancing of its existing short term debt facilities. The Manager expects to implement this refinancing via a syndicated loan or capital

markets issuance as market conditions allow. The manager is targeting the third quarter of 2008 for completion of this refinancing.

### **Outlook**

Arising from recent volatility in the global financial markets and uncertainties surrounding the global economy, Singapore's economic growth is expected to moderate but remain healthy.

Despite uncertainties in the local economy, the fundamentals supporting the industrial property sector remain stable. Therefore, the Manager believes that the general outlook for the Singapore industrial market in 2008 remains positive. CITM is committed to exercise prudent capital management in pursuing its growth strategy.

----- The End -----

### **Important Notice**

The value of units in CIT ("Units") and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or RBC Dexia Trust Services Singapore Limited (in its capacity as trustee of CIT), or any of their respective affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that the Manager redeem or purchase their Units while the Units are listed. It is intended that holders of Units ("Unitholders") 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. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of management on future events.

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