
**UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT FOR THE
 SECOND QUARTER ENDED 30 JUNE 2009**

Summary of Cambridge Industrial Trust's ("CIT's") Results

	Note	Actual 2Q2009 S\$'000	Actual 2Q2008 S\$'000	Inc/ (Dec) %	Actual YTD 2Q2009 S\$'000	Actual YTD 2Q2008 S\$'000	Inc/ (Dec) %
Gross revenue		18,460	17,949	2.8	36,834	35,574	3.5
Net property income		16,009	15,871	0.9	32,073	31,437	2.0
Distributable income		10,715	12,434	(13.8)	21,000	25,062	(16.2)
Distribution per unit ("DPU") (in cents)	(a)/(b)	1.345	1.561	(13.8)	2.636	3.149	(16.3)
Annualized distribution per unit (in cents)	(c)	5.395	6.278	(14.1)	5.316	6.332	(16.0)
No. of units issued (in millions)		796	796	-	796	796	-
Net asset value per unit (in cents)		62	79	(21.5)	62	79	(21.5)

Note:

(a) This is based on the applicable number of units as at the respective period-ends, except for YTD 2Q2009 and YTD 2Q2008 which were computed using the sum of the actual DPU paid/payable for the quarters.

(b) DPU for 2Q2009 was lower than that of 2Q2008 resulting from:

**CAMBRIDGE INDUSTRIAL TRUST
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
FOR THE SECOND QUARTER ENDED 30 JUNE 2009**

2

- Higher borrowing costs by S\$2.7 million on the new debt facility of S\$390.1 million (drawn down in February 2009) to refinance the previous outstanding debt of S\$369.3 million, and to pay the upfront costs related to the new loan.
- The Manager received 100% of the Manager's management fee in cash for 2Q2009. In 2Q2008, the Manager elected for partial payment of the Manager's management fee in units and the remaining settlement in cash.

(c) The annualized DPU was based on a simple annualisation of the distribution per unit for each quarter of the respective years.

PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1& Q3, HALF-YEAR AND FULL YEAR RESULTS)

1(a) Income statement together with a comparative statement for the corresponding period of the immediately preceding financial year

Statement of Total Return

	Actual 2Q2009 S\$'000	Actual 2Q2008 S\$'000	Inc/ (Dec) %	Actual YTD 2Q2009 S\$'000	Actual YTD 2Q2008 S\$'000	Inc/ (Dec) %
Gross revenue	18,460	17,949	2.8	36,834	35,574	3.5
Property manager's fees	(553)	(538)	2.8	(1,103)	(1,067)	3.4
Property tax	(617)	(647)	(4.6)	(1,242)	(1,294)	(4.0)
Land rents	(747)	(767)	(2.6)	(1,484)	(1,513)	(1.9)
Other property expenses	(534)	(126)	323.8	(932)	(263)	254.4
Property expenses	(2,451)	(2,078)	17.9	(4,761)	(4,137)	15.1
Net property income	16,009	15,871	0.9	32,073	31,437	2.0
Manager's management fees	(1,184)	(1,237)	(4.3)	(2,390)	(2,456)	(2.7)
Trust expenses	(561)	(256)	119.1	(797)	(534)	49.3
Interest income	-	29	(100.0)	2	104	(98.1)
Borrowing costs	(5,712)	(3,033)	88.3	(10,601)	(5,547)	91.1
Non-property expenses	(7,457)	(4,497)	65.8	(13,786)	(8,433)	63.5
Total return for the period before tax	8,552	11,374	(24.8)	18,287	23,004	(20.5)
Less: Income tax expense	-	-	-	-	-	-
Total return for the period after tax	8,552	11,374	(24.8)	18,287	23,004	(20.5)

**CAMBRIDGE INDUSTRIAL TRUST
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
FOR THE SECOND QUARTER ENDED 30 JUNE 2009**

3

Statement of Comprehensive Income

	Actual	Actual		Actual	Actual	
	2Q2009	2Q2008	Inc/ (Dec)	YTD	YTD	Inc/ (Dec)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Total return before changes in fair value of financial derivative and investment properties	8,552	11,374	(24.8)	18,287	23,004	(20.5)
Change in fair value of financial derivative	-	19,320	(100.0)	(8,089)	20,040	(140.4)
Change in fair value of investment properties	(87,519)	(240)	n.m	(87,519)	(26)	n.m
	(87,519)	19,080	(558.7)	(95,608)	20,014	(577.7)
Less : Income tax expense	-	-	-	-	-	-
Other comprehensive income after tax	(87,519)	19,080	(558.7)	(95,608)	20,014	(577.7)
Total comprehensive income	(78,967)	30,454	(359.3)	(77,321)	43,018	(279.7)

Distribution Statement

Total comprehensive income	(78,967)	30,454	(359.3)	(77,321)	43,018	(279.7)
Add: Net effect of Non-cash/Non-taxable items	89,682	(18,020)	597.7	98,321	(17,956)	647.6
Net income available for distribution for the period	10,715	12,434	(13.8)	21,000	25,062	(16.2)
Distribution per unit (in cents)						
For the period	1.345	1.561	(13.8)	2.636	3.149	(16.3)
Annualised	5.395	6.278	(14.1)	5.316	6.332	(16.0)

n.m. – Not meaningful.

The explanation for the significant items in the above income statement is found in Section 8 of this announcement.

CAMBRIDGE INDUSTRIAL TRUST
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
FOR THE SECOND QUARTER ENDED 30 JUNE 2009

4

1(b)(i) Balance Sheet, together with comparatives as at the end of the immediately preceding financial year

	Note	As at 30/06/09 S\$'000	As at 31/12/08 S\$'000
Current assets			
Trade and other receivables		1,683	1,179
Cash and cash equivalents		8,355	9,004
		10,038	10,183
Non-current assets			
Investment properties	(a)	880,300	967,682
Total assets		890,338	977,865
Current liabilities			
Trade and other payables	(b)	14,203	5,553
Financial derivative	(c)	-	10,260
Interest-bearing borrowings (net of transaction costs)		-	369,118
		14,203	384,931
Non-current liabilities			
Other payables	(d)	9,987	-
Interest-bearing borrowings (net of transaction costs)	(e)	371,750	-
		395,940	384,931
Net assets attributable to Unitholders		494,398	592,934
Total liabilities		890,338	977,865

Note:

- (a) There were no property acquisitions in 2Q09, only the incurrence of minor capital expenditure on the investment properties. Refer to Item 8(e) for further information relating to the valuation of the properties.
- (b) The increase in trade and other payables of S\$8.6 million in the first six months was attributable to the net effect of the following: -
- an increase in interest payable of S\$2.4 million due to a higher interest cost for a new syndicated term loan facility. Interest payments on the new facility are made quarterly from the drawdown date of 17 February 2009;
 - a provision for transaction costs of S\$0.2 million related to the new loan facility;
 - rental deposits received from tenants of S\$0.4 million;
 - the refund of retention sums of S\$0.5 million to tenants post completion of works; and
 - the current portion of the financial derivative liability of S\$18.35 million of S\$6.1 million, repayable within the next 12 months.
- (c) The fair value derivative liability of S\$10.3 million as at 31 December 2008 related to an interest rate swap of S\$358.0 million effected in 1Q08 to hedge against interest rate risk on the debt outstanding at that time. This swap was unwound on 17 February 2009, upon drawing of the new facility.

The new facility is a fixed rate facility and therefore is not exposed to the risk of cashflow variability on interest expense payments.

**CAMBRIDGE INDUSTRIAL TRUST
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
FOR THE SECOND QUARTER ENDED 30 JUNE 2009**

5

- (d) As at 30 June 2009, there was an account payable to the special purpose vehicle (SPV), Alhambra Pte. Ltd of S\$16.1 million, pursuant to the unwinding of the S\$358.0 million interest rate swap for assuming the financial derivative liability of S\$18.35 million. This liability will be repaid to SPV over the tenor of the new loan, being three years. The amount of S\$10.0 million is repayable after the next 12 months and recorded as a non-current liability.
- (e) A syndicated term loan of S\$390.1 million was effected in February 2009 with four banks, comprising The HongKong and Shanghai Banking Corporation (HSBC), National Australia Bank Limited (nab), The Royal Bank of Scotland plc. (RBS) and RHB Bank Berhad (RHB).

This syndicated term loan expiring on 17 February 2012 was utilised to refinance the previous outstanding debt of S\$369.3 million, as well as to pay upfront costs related to the refinancing exercise. Refer to 1(b)(ii)(a) for more details.

1(b)(ii) Aggregate amount of borrowings

Note	As at 30/06/09 S\$'000	As at 31/12/08 S\$'000
Interest-bearing borrowings - secured		
(a)		
Amount payable within one year	-	369,300
Less: Unamortised loan transaction costs	-	(182)
	-	369,118
Amount payable after one year	390,100	-
Less : Unamortised loan transaction costs	(18,350)	-
	371,750	-
Total interest-bearing borrowings	371,750	369,118

Note:

(a) Details of borrowings and collateral

Currently, CIT had in place a syndicated term loan of S\$390.1 million through a Special Purpose Vehicle (SPV), Alhambra Pte. Ltd. The SPV is incorporated for the purpose of the loan transaction and administered by HSBC Institutional Trust Services (Singapore) Limited (HSBC Trust).

The CIT facility comprises a term loan facility of S\$390.1 million, consisting of two rated tranches being:

- Tranche A facility with an aggregate principal of S\$330.1 million rated AAA; and
- Tranche B facility with an aggregate principal of S\$60.0 million rated AA.

The tenor of the CIT facility is three years from the date of drawdown, which was 17 February 2009. The CIT facility bears a fixed interest rate.

**CAMBRIDGE INDUSTRIAL TRUST
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
FOR THE SECOND QUARTER ENDED 30 JUNE 2009**

6

The CIT facility granted by the lenders is secured by the following:

- Mortgage of 42 of the total 43 investment properties ("Portfolio Properties") with an aggregate carrying value amounting to S\$877.7 million as at 30 June 2009;
- Assignment by way of security of the rights, titles and interests of the CIT Trustee and charged in favour of the SPV, in respect of the building agreements, property management agreements, insurances and proceeds relating to the 42 mortgaged investment properties; and
- a debenture creating by way of a first fixed and floating charge on all present and future assets of CIT.

As at 30 June 2009, the total amount outstanding under the CIT facility is S\$390.1 million (excluding borrowing transaction costs) and CIT's YTD weighted average effective interest rate is 5.5% per annum (inclusive of the amortisation of transaction costs relating to the interest-bearing borrowings).

The event of default covenants on the CIT facility includes a Loan to Value Ratio ("LTV") of 0.55 and a Debt Service Cover Ratio ("DSCR") of 2.2 times. In addition to the above, there is a mechanism in the CIT facility which allows the banks to lock up the cash proceeds if the LTV exceeds 0.50 or the DSCR reduces to below 2.5 times.

As at 30 June 2009, CIT has a LTV ratio of 46% (computed on secured properties) and an interest cover ratio for the quarter of 3.2 times.

Subsequent to the successful completion of the refinancing exercise and draw down of the new loan facility in February 2009, the previous borrowings of S\$369.3 million (excluding borrowing costs) were refinanced and terminated.

**CAMBRIDGE INDUSTRIAL TRUST
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
FOR THE SECOND QUARTER ENDED 30 JUNE 2009**

7

1(c) Statement of Cashflows

	Actual	Actual	Actual	Actual
	2Q2009	2Q2008	YTD	YTD
Note	S\$'000	S\$'000	S\$'000	S\$'000
Operating activities				
Total return for the period after tax before distribution	(78,967)	30,454	(77,321)	43,018
Adjustments for:				
Interest income	-	(29)	(2)	(104)
Borrowing costs	5,712	3,033	10,601	5,547
Manager's management fee paid/payable in units	-	783	-	1,556
Change in fair value of financial derivative	-	(19,320)	8,089	(20,040)
Change in fair value of investment properties	87,519	240	87,519	26
Operating income before working capital changes	14,264	15,161	28,886	30,003
Changes in working capital				
Trade and other receivables	(249)	(583)	(989)	(1,020)
Trade and other payables	1,584	(395)	355	(1,185)
Rental deposit received/(paid)	(347)	-	182	(14,056)
Cash generated from operating activities	15,252	14,183	28,434	13,742
Investing activities				
Interest received	-	29	2	104
Net cash outflow on purchase of investment properties (including acquisition costs)	(398)	(10,894)	(675)	(39,004)
Cash used in investing activities	(398)	(10,865)	(673)	(38,900)
Financing activities				
Proceeds from borrowings	-	10,600	390,100	32,300
Issue expenses paid	-	(2)	1	(2)
Borrowing costs paid	(5,799)	(2,990)	(27,995)	(5,445)
Repayment of borrowings	-	-	(369,300)	-
Distribution to Unitholders	(10,281)	(12,629)	(21,216)	(22,617)
Cash (used in)/generated from financing activities	(16,080)	(5,021)	(28,410)	4,236

**CAMBRIDGE INDUSTRIAL TRUST
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
FOR THE SECOND QUARTER ENDED 30 JUNE 2009**

8

Note	Actual	Actual	Actual	Actual
	2Q2009	2Q2008	YTD	YTD
	S\$'000	S\$'000	2Q2009	2Q2008
	S\$'000	S\$'000	S\$'000	S\$'000
Net decrease in cash and cash equivalents	(1,226)	(1,703)	(649)	(20,922)
Cash at bank and in hand at beginning of the period	9,581	13,246	9,004	32,465
Cash at bank and in hand at end of the period	8,355	11,543	8,355	11,543

Note:

- (a) Net cash outflow on purchase of investment properties (including acquisition related costs)

Note	Actual	Actual	Actual	Actual
	2Q2009	2Q2008	YTD	YTD
	S\$'000	S\$'000	2Q2009	2Q2008
	S\$'000	S\$'000	S\$'000	S\$'000
Investment properties	-	(10,460)	-	(38,437)
Acquisition related costs	-	(179)	(6)	(539)
Capital expenditure incurred	(123)	-	(131)	-
Investment properties acquired (including acquisition related costs)	(123)	(10,639)	(137)	(38,976)
Retention sums paid (net)	(275)	(255)	(538)	(28)
Net cash outflow	(398)	(10,894)	(675)	(39,004)

CAMBRIDGE INDUSTRIAL TRUST
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
FOR THE SECOND QUARTER ENDED 30 JUNE 2009

9

1(d)(i) Net Assets Attributable to Unitholders

	Actual	Actual	Actual	Actual
	2Q2009	2Q2008	YTD	YTD
Note	S\$'000	S\$'000	S\$'000	S\$'000
Balance at beginning of period	583,646	607,943	592,934	604,594
<u>Operations</u>				
Total return before changes in fair value of financial derivative and investment properties	8,552	11,374	18,287	23,004
Change in fair value of financial derivative	-	19,320	(8,089)	20,040
Change in fair value of investment properties	(87,519)	(240)	(87,519)	(26)
Net (decrease)/increase in net assets resulting from operations	(78,967)	30,454	(77,321)	43,018
<u>Unitholders' transactions</u>				
Issue of new units				
- Manager's management fees paid/payable in units (base fee)	-	783	-	1,556
Overprovision of issue costs	-	257	1	257
Distribution to Unitholders	(10,281)	(12,629)	(21,216)	(22,617)
Net decrease in net assets resulting from Unitholders' transactions	(10,281)	(11,589)	(21,215)	(20,804)
Net assets attributable to Unitholders at end of the period	494,398	626,808	494,398	626,808

**CAMBRIDGE INDUSTRIAL TRUST
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
FOR THE SECOND QUARTER ENDED 30 JUNE 2009**

10

1(d)(ii) Details of any changes in the units

Note	Actual	Actual	Actual	Actual
	2Q2009 Units	2Q2008 Units	YTD 2Q2009 Units	YTD 2Q2008 Units
Issued units at the beginning of period	796,405,934	794,007,861	796,405,934	792,646,555
Issue of new units: – Manager’s management fees paid in units (base fee)	-	1,247,468	-	2,608,774
Issued units at the end of period	796,405,934	795,255,329	796,405,934	795,255,329
Units to be issued: – Manager’s management fees payable in units (base fee)	(a) -	1,150,605	-	1,150,605
Total issued and issuable units	796,405,934	796,405,934	796,405,934	796,405,934

Note:

(a) No units were issuable for the period from 1 April to 30 June 2009 as 100% of the Manager’s management fee was paid in cash.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period, and as at the end of the immediately preceding year.

There were no treasury units since the date of listing of CIT on 25 July 2006. The total number of issued units as at the end of the current and the preceding financial periods are disclosed in 1(d)(ii).

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by our auditors.

**CAMBRIDGE INDUSTRIAL TRUST
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
FOR THE SECOND QUARTER ENDED 30 JUNE 2009**

11

- 3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).

Not applicable.

- 4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

CIT has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the accounting policies and methods of computation for the prior financial year ended 31 December 2008.

- 5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Trust adopted the new/revised Financial Reporting Standards ("FRS") – *FRS 1 (Revised) – Presentation of Financial Statements* with effect from the current reporting quarter. The adoption of FRS 1 did not result in any substantial change to the Trust's accounting policies or had any significant impact on the financial statements.

- 6 Earnings per unit ("EPU") and distribution per unit ("DPU") for the period

		Actual	Actual	Actual YTD	Actual YTD
	Note	2Q2009	2Q2008	2Q2009	2Q2008
Number of units in issue at end of period		796,405,934	795,255,329	796,405,934	795,255,329
Weighted average number of units for the period		796,405,934	795,267,973	796,405,934	794,644,771
Earnings per unit in cents (EPU)	(a)	(9.915)	3.830	(9.709)	5.414
Applicable number of units for calculation of DPU		796,405,934	796,405,934	796,405,934	796,405,934
Distribution per unit in cents (DPU)	(b)	1.345	1.561	2.636	3.149

Note:

- (a) EPU in 2Q2009 was negative 9.915 cents as a result of a reduction in earnings from a change in fair value of investment properties of S\$87.5 million as well as the increased cost of borrowings.

**CAMBRIDGE INDUSTRIAL TRUST
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
FOR THE SECOND QUARTER ENDED 30 JUNE 2009**

12

- (b) This was calculated based on the number of units issued and issuable as at the respective period-ends, except for YTD 2Q2009 and YTD 2Q2008 which were computed using the sum of the actual DPU paid/payable for the quarters.

7 Net asset value per unit based on units issued at the end of the period

	Actual as at 30/06/09	Actual as at 31/12/08
Note		
Net asset value per unit (cents)	(a)/(b) 62	74

Note:

- (a) Net asset value per unit was calculated based on the number of units issued and issuable as at the respective period-ends.
- (b) The properties were valued at S\$880.3 million as at 30 June 2009, resulting in a change in the fair value of investment properties of S\$87.5 million and a decrease in the net asset value of 12 cents to 62 cents as at 30 June 2009. Refer to Item 8(e) for further information relating to the valuation of the properties.

**CAMBRIDGE INDUSTRIAL TRUST
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
FOR THE SECOND QUARTER ENDED 30 JUNE 2009**

13

8 Review of the performance

Statement of Total Return

	Actual	Actual		Actual	Actual	
	2Q2009	2Q2008	Inc/ (Dec)	YTD	YTD	Inc/ (Dec)
Note	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Gross revenue	(a) 18,460	17,949	2.9	36,834	35,574	3.5
Property expenses	(b) (2,451)	(2,078)	17.9	(4,761)	(4,137)	15.1
Net property income	16,009	15,871	0.9	32,073	31,437	2.0
Non-property expenses	(c) (7,457)	(4,497)	65.8	(13,786)	(8,433)	63.5
Total return for the period before tax	8,552	11,374	(24.8)	18,287	23,004	(20.5)
Less: Income tax expense	-	-	-	-	-	-
Total return for the period after tax	8,552	11,374	(24.8)	18,287	23,004	(20.5)

CAMBRIDGE INDUSTRIAL TRUST
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
FOR THE SECOND QUARTER ENDED 30 JUNE 2009

14

Statement of Comprehensive Income

	Actual	Actual		Actual	Actual	
	2Q2009	2Q2008	Inc/ (Dec)	YTD	YTD	Inc/ (Dec)
Note	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Total return before changes in fair value of financial derivative and investment properties	8,552	11,374	(24.8)	18,287	23,004	(20.5)
Change in fair value of financial derivative (d)	-	19,320	(100.0)	(8,089)	20,040	(140.4)
Change in fair value of investment properties (e)	(87,519)	(240)	n.m	(87,519)	(26)	n.m
	(87,519)	19,080	(558.7)	(95,608)	20,014	(577.7)
Less : Income tax expense	-	-	-	-	-	-
Other comprehensive income after tax	(87,519)	19,080	(558.7)	(95,608)	20,014	(577.7)
Total comprehensive income	(78,967)	30,454	(359.3)	(77,321)	43,018	(279.7)

Distribution Statement

Total comprehensive income		(78,967)	30,454	(359.3)	(77,321)	43,018	(279.7)
Add: Net effect of Non-cash/Non-taxable items (f)		89,682	(18,020)	597.7	98,321	(17,956)	647.6
Net income available for distribution for the period (g)		10,715	12,434	(13.8)	21,000	25,062	(16.2)
Distribution per unit (in cents)							
For the period (h)		1.345	1.561	(13.8)	2.636	3.149	(16.3)
Annualised		5.395	6.278	(14.1)	5.316	6.332	(16.0)

n.m. – Not meaningful.

**CAMBRIDGE INDUSTRIAL TRUST
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
FOR THE SECOND QUARTER ENDED 30 JUNE 2009**

15

- (a) Gross revenue of S\$18.5 million for 2Q2009 exceeded that of 2Q2008 by S\$0.5 million or 2.9%. The higher gross revenue was mainly attributable to additional rental income from a new property acquired in 2Q2008, the completion of asset enhancements at C&P Asia Warehousing during 1H2008 and the rental escalation for 25 properties commencing July 08.
- (b) Property expenses for 2Q2009 increased by S\$0.4 million or 17.9% over those of 2Q2008. This was mainly due to the cost of reinstatement works of S\$ 0.3 million and the legal and professional fee of S\$ 0.1 million incurred on a property which had been re-entered.
- (c) Non-property expenses for 2Q2009 were S\$7.5 million, an increase of S\$3.0 million or 65.8% over those of 2Q2008. The increase was mainly attributable to an increase in the borrowing costs and the trust expenses as follows:
- The borrowing costs in 2Q2009 were higher by S\$2.7 million due to the unfavourable credit conditions in the financial markets at the time of entering into a loan facility of S\$390.1 million. It was drawn down in February 2009 to refinance the previous outstanding debt of S\$369.3 million and to pay the upfront costs related to the new loan.
 - The increase in Trust expenses for 2Q2009 of S\$0.3 million was principally the result of a S\$0.2 million fee for the external valuation undertaken on the properties in June 2009.

The result was a net income of S\$8.6 million for 2Q2009, being S\$2.8 million or 24.8% lower than that of 2Q2008.

- (d) There was no change in the fair value of the financial derivative as the swap of S\$358.0 million, which was undertaken on 14 February 2008 to hedge against the interest rate risk of the outstanding debt at that time, was unwound upon the draw down of the new debt facility in February 2009.
- (e) The latest external valuation was carried out by CB Richard Ellis at 30 June 2009 on all properties. The firm is an independent valuer having appropriate professional qualifications and recent experiences in the location and category of the properties being valued.

The properties were valued at S\$880.3 million as at 30 June 2009. The valuation for these properties was based on Discounted Cash Flow Analysis and Capitalisation Method.

The change in the fair value of investment properties is a non-tax item and does not affect the DPU as CIT's distributions are based on taxable income.

- (f) These include the change in fair value of investment properties, the change in fair value of financial derivative, amortization of borrowing transaction costs, and other non-cash and non-taxable items.
- (g) CIT's current distribution policy is to distribute 100% of its taxable income. This payout policy is assessed on a quarterly basis.

**CAMBRIDGE INDUSTRIAL TRUST
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
FOR THE SECOND QUARTER ENDED 30 JUNE 2009**

16

The difference between the total return and the distribution amount is due to the non-cash and non-taxable items which include a change in fair value of investment properties, a change in fair value of financial derivative and amortisation of borrowing transaction costs.

- (h) The total distributable income of S\$10.7 million attributable to the Unitholders, after distribution adjustments of S\$89.7 million, was lower than that of 2Q2008 by S\$1.7 million or 13.8%. This translated to a DPU of 1.345 cents for 2Q2009, computed based on the applicable number of units as at the respective period ends was 13.8% lower than the DPU for 2Q2008. The DPU of 1.345 cents for 2Q2009 was lower due to a higher borrowing cost on the new debt facility and the Manager's election to receive 100% of the Manager's management fee in cash.

9 Review of the performance against Forecast/Prospect Statement

CIT has not disclosed any forecast pertaining to the financial year 2009 to the market.

10 Commentary on the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

Advance estimates by the Ministry of Trade and Industry ("MTI") on 14 July 2009⁽¹⁾ indicated that Singapore's Gross Domestic Product ("GDP") in the second quarter of 2009 contracted by 3.7 per cent⁽¹⁾ in real terms compared to the same period last year. This is a significant improvement over the 9.6 per cent⁽¹⁾ decline registered in the first quarter of 2009. MTI now expects the economy to contract by -4 to -6 per cent⁽¹⁾ in 2009, an upward revision from its forecast of -6 to -9 per cent on 21 May 2009.

The June 2009 reading of the Singapore Purchasing Manager's Index (PMI)⁽²⁾ indicated that the manufacturing sector which accounts for about 25% of the GDP, expanded for the second time after contracting for the past 8 consecutive months. This is also evident in MTI's data which showed that the manufacturing sector is estimated to have contracted merely 1.5 per cent compared to the 24.3 per cent contraction in the first quarter.

Despite the slightly more optimistic economic indicators, the industrial market outlook remains uncertain. Sluggish demand will continue to put pressure on industrial rents and capital values. However, the Manager continues to intensifying efforts to maintain high tenant retention and occupancy levels to optimise the performance of CIT's portfolio.

The Trust continues to deliver consistent cash flow with stable income backed by high occupancy, fixed rental increases and contracted leases.

Notes:

(1) Ministry of Trade and Industry, "MTI Revises 2009 Growth Forecast", 14 July 2009

(2) Singapore Institute of Purchasing & Materials Management, "SIPM Business Bulletin", June 2009

**CAMBRIDGE INDUSTRIAL TRUST
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
FOR THE SECOND QUARTER ENDED 30 JUNE 2009**

17

11 Distributions

(a) Current financial period

Any distributions declared for the current financial period : Yes

Name of distribution : Twelfth distribution for the period from 1 April 2009 to 30 June 2009

Distribution Type : Income/ Taxable Income

Distribution Rate : 1.345 cents per unit

Par value of units : Not meaningful

Tax Rate : The distribution is made out of CIT's taxable income. Unitholders receiving distributions will be subject to Singapore income tax on the distributions received except for individuals where the distribution is exempt from tax (unless they hold their units through a partnership or as trading assets).

(b) Corresponding period of the immediately preceding year

Any distributions declared for the previous corresponding financial period : Yes

Name of distribution : Eighth distribution for the period from 1 April 2008 to 30 June 2008

Distribution Type : Income/ Taxable Income

Distribution Rate : 1.561 cents per unit

Par value of units : Not meaningful

Tax Rate : The distribution is made out of CIT's taxable income. Unitholders receiving distributions will be subject to Singapore income tax on the distributions received except for individuals where the distribution is exempt from tax (unless they hold their units through a partnership or as trading assets).

(c) Book closure date: 3 August 2009

(d) Date payable: 28 August 2009

12 If no distribution has been declared/ (recommended), a statement to that effect

Not applicable.

**CAMBRIDGE INDUSTRIAL TRUST
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
FOR THE SECOND QUARTER ENDED 30 JUNE 2009**

18

This release may contain forward-looking statements that involve 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 property rental income, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.

Any discrepancies in the tables included in this announcement between the listed amounts and total thereof are due to rounding.

By Order of the Board
Cambridge Industrial Trust Management Limited
(as Manager of Cambridge Industrial Trust)
Company Registration No. 200512804G

Wendy Anne Teo
Company Secretary
23 July 2009

This announcement has been prepared and released by Cambridge Industrial Trust Management Limited, as Manager for Cambridge Industrial Trust.

**CAMBRIDGE INDUSTRIAL TRUST
UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT
FOR THE SECOND QUARTER ENDED 30 JUNE 2009**

19

**CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(4) OF THE LISTING
MANUAL**

We confirm that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of Cambridge Industrial Trust Management Limited (as Manager for Cambridge Industrial Trust) which may render these interim financial results to be false or misleading in any material respect.

On behalf of the Board of Directors of
Cambridge Industrial Trust Management Limited
(as Manager for Cambridge Industrial Trust)

Michael Patrick Dwyer
Director

Dr. Chua Yong Hai
Chairman

This announcement has been prepared and released by Cambridge Industrial Trust Management Limited, as Manager for Cambridge Industrial Trust.

