

# 4Q/FY2011 Results Presentation

January 2012



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# 4Q2011 Snapshot



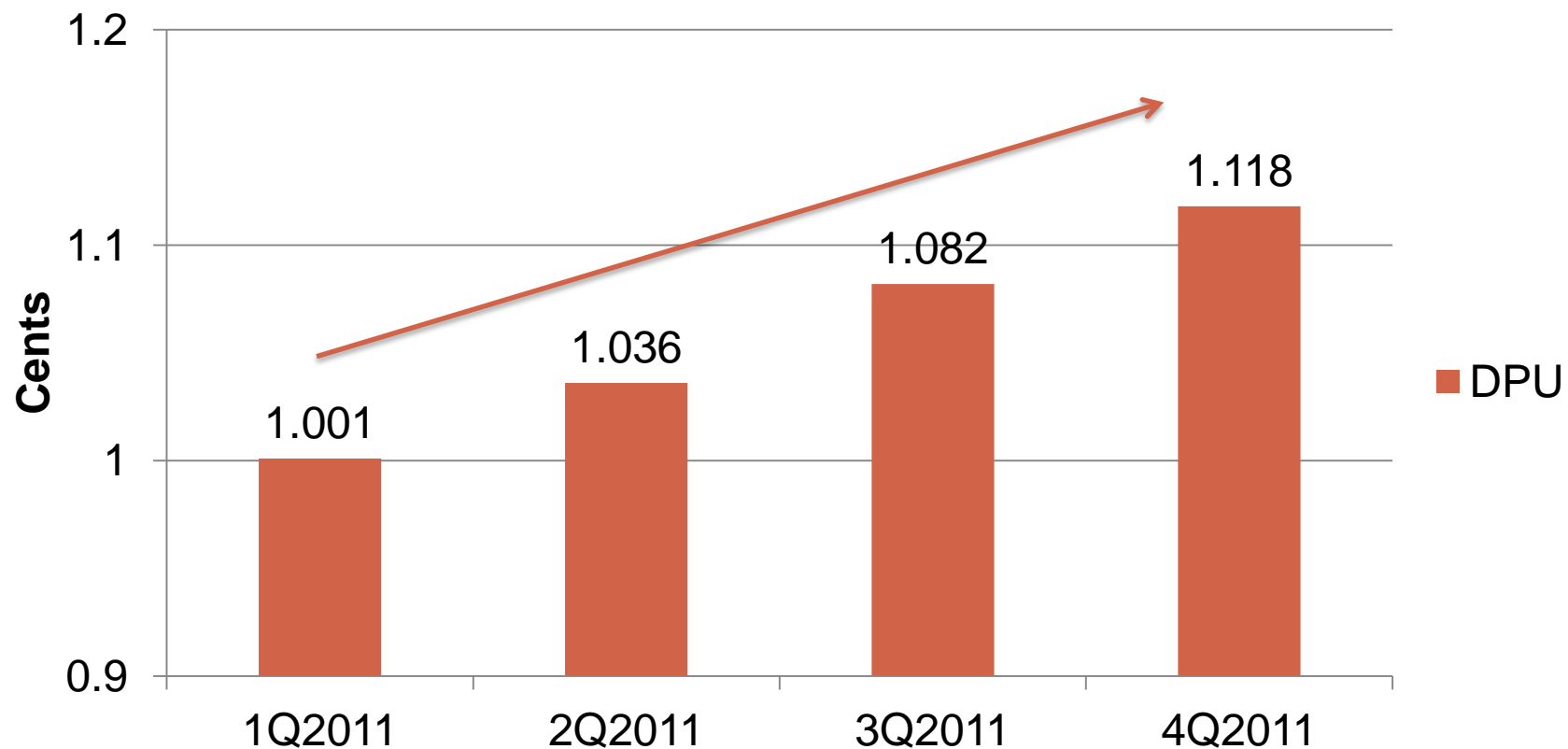
- DPU increased by 3.3% over 3Q2011 to 1.118 cents.
- Properties are revalued<sup>1</sup> upward to S\$1,023.6 million.
- High occupancy rates at 98.5% and low arrears at 0.6% annualised rent.
- NTA per unit increased to 62.0 cents from 61.7 cents in 3Q2011.

<sup>1</sup> Valuation conducted by Colliers International Consultancy & Valuation (Singapore) Pte Ltd with exception of 30 Tuas Road, which was valued by Knight Frank Pte Ltd. The property at 1 Tuas Avenue 3 has been kept at its carrying value as at 31 December 2010.

# DPU in FY2011



## DPU in FY2011



# Delivering on our Strategies



In FY2011, we have delivered on all fronts of our strategic platform

## Pro-active Asset Management

- Maintained high occupancy, low arrears and high level of security deposits across the year.
- Commenced asset enhancement works at 2 properties which are yield accretive to the portfolio.

## Acquisitions of Value-Enhancing Assets

- Distribution Income achieved S\$50.4 million, a 12.7% increase against FY2010.
- NTA per unit increased to 62.0 cents against FY2010's 60.7 cents.
- Completed acquisition of 3 properties and commenced 2 built-to-suit projects.

## Prudent Capital & Risk Management

- No refinancing risk till 2014, weighted average interest cost dropped to 3.3% from 3.8% in FY2010.
- Gearing ratio decreased to 33.1% from 34.7% in FY2010.
- Interest cover ratio increased to 5 times from FY2010's 4 times.

## Divestment of Non-core Assets

- Completed divestment of 36 strata units at 48 Toh Guan Road East, with net sales proceeds of S\$24.2 million, exceeding book value by approximately 10.0%.

# Building on our Strengths



As at 31 December 2011, CIT's portfolio comprises 45 properties and 2 built-to-suit projects at an aggregate book value of S\$1,027.2 million

Strategically  
Located  
Quality Assets

Robust  
Occupancy  
Rates

Stable  
Income  
Flow



Diversified Asset  
Class & Tenant  
Trade

Built-in  
Rental  
Escalation



Low  
Arrears  
Ratio

High Level  
Of Security  
Deposits



Strong Lease  
Expiry  
Profile

Long  
Average  
Lease Term

## 4Q/FY2011 Financial Results





# 4Q2011 Performance



	4Q2011 (S\$ million)	3Q2011 (S\$ million)	Q-o-Q (%)	4Q2010 (S\$ million)	Y-o-Y (%)
Gross Revenue	20.8	20.7	0.2	19.1	9.0
Net Property Income	18.1	17.6	2.8	16.8	7.6
Distributable Income	13.3	12.9	3.3	12.0	10.6
<b>Distribution Per Unit ("DPU") (cents)</b>	<b>1.118</b>	<b>1.082</b>	<b>3.3</b>	<b>1.193</b>	<b>(6.3)</b>
Annualised DPU (cents)	4.436	4.293	3.3	4.733	(6.3)

# FY2011 Financial Summary



	FY2011 (S\$ million)	FY2010 (S\$ million)	Y-o-Y(%)
Gross Revenue	80.4	74.2	8.3
Net Property Income	69.1	65.1	6.2
Distributable Income	50.4	44.7	12.7
<b>Distribution Per Unit ("DPU") (cents)</b>	<b>4.237<sup>(1)</sup></b>	<b>4.892</b>	<b>(13.4)</b>

(1) 4.362 (excluding the effect of rights units issued in April 2011 and entitled to 1Q2011's distributions)

# Balance Sheet



	31 Dec 2011 (S\$ million)	31 Dec 2010 (S\$ million)	30 Sep 2011 (S\$ million)
Investment Properties	1,023.6 <sup>(1)</sup>	928.5	1,018.8 <sup>(1)</sup>
Properties under development	3.6 <sup>(2)</sup>	-	1.4 <sup>(2)</sup>
Current Assets <sup>(3)</sup>	80.2	72.1	87.3
<b>Total Assets</b>	<b>1,107.4</b>	<b>1,000.6</b>	<b>1,107.5</b>
Borrowings	356.6	339.2	355.7
Other Liabilities	12.9	19.2	17.8
<b>Total Liabilities</b>	<b>369.5</b>	<b>358.4</b>	<b>373.5</b>
<b>Net Assets</b>	<b>737.9</b>	<b>642.2</b>	<b>734.0</b>
<b>Gearing ratio</b>	<b>33.1%</b>	<b>34.7%</b>	<b>33.1%</b>
No. of units issued (millions)	1,189.2	1,057.1	1,189.2
<b>NTA Per Unit (cents)</b>	<b>62.0</b>	<b>60.7</b>	<b>61.7</b>

(1) Investment properties included a property held for divestment at 7 Ubi Close.

(2) Properties under development comprised the progress of the development projects at Tuas View Circuit and at Seletar Aerospace Park

(3) Current assets comprised mainly cash of S\$78.8 million ( 31 Dec 2010: S\$71.1 million)

# Distribution Timetable



Event	Dates
Distribution Period	1 October 2011 to 31 December 2011
Distribution Rate	1.118 cents per unit
Last Day of Trading on a “cum” Basis	Friday, 3 February 2012 (5pm)
Ex-date	Monday, 6 February 2012 (9am)
Books Closure Date	Wednesday, 8 February 2012 (5pm)
<b>Distribution Payment Date</b>	<b>Wednesday, 29 February 2012</b>

# Asset Management



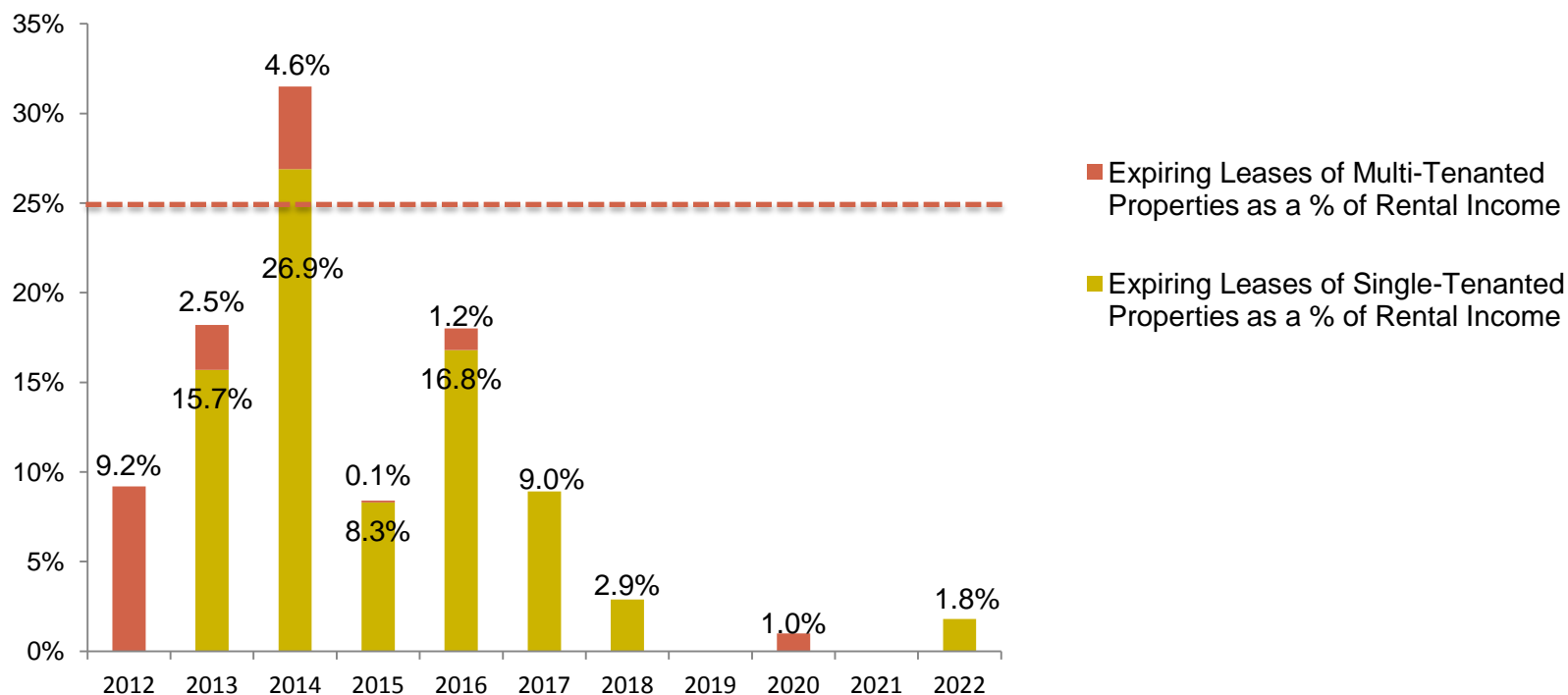
# Portfolio Details



	31 Dec 2011	31 Dec 2010	30 Sep 2011
Total Portfolio GFA (sq m)	678,775	656,465	677,847
Net Lettable Area (sq m)	657,777	640,908	657,059
Portfolio Occupancy (%)	98.5	99.0	98.7
Total number of Tenants	161	110	151
Total number of Properties	45 + 2 BTS	43	45 + 2 BTS
Weighted Average Lease to Expiry (years)	3.3	4.1	3.5
Arrears Ratio (%) (against CIT's annualised rent)	0.6	0.3	0.2
Average Security Deposits (months)	12.5	14.0	12.7
Portfolio Running Yield (%)	8.1	8.4	8.1
2013 & 2014 Lease Expiry Concentration (% of Portfolio)	49.7	54.6	49.2
Top 10 Tenants Gross Revenue (% of Portfolio)	50.6	56.6	50.8
Balance Land Lease (years)	36.0	36.5	36.1

# Managing our Leases

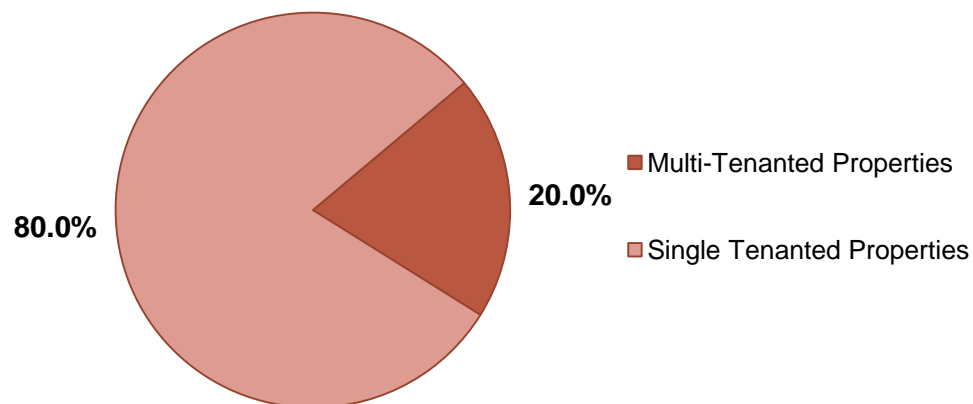
- Weighted average lease expiry (“WALE”) of 3.3 years
- Active asset management improves lease expiry profile towards targeted 20-25% per annum



# Properties Tenancy Mix



Single-Tenanted vs Multi-Tenanted Properties (By Rental Income) as at 31 Dec 2011



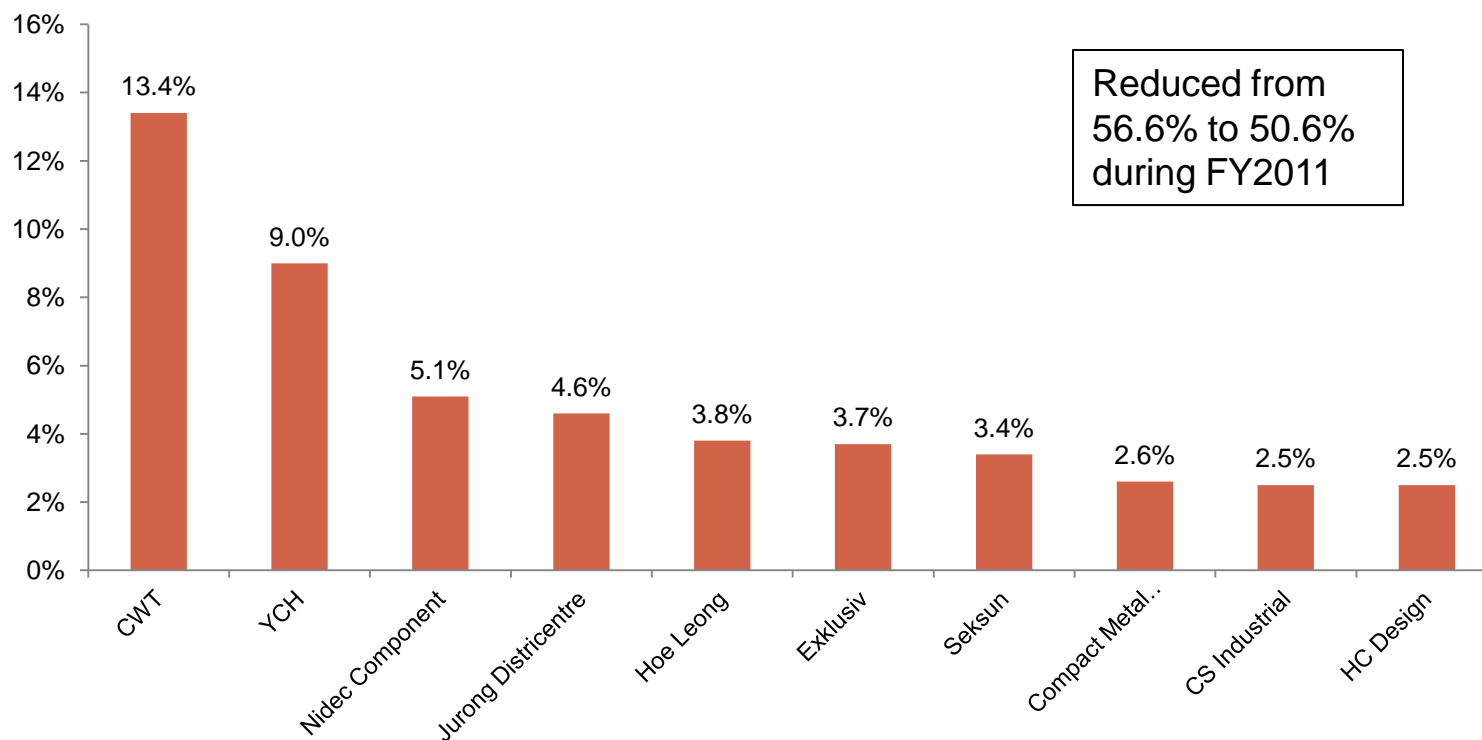
	Weighted Average Lease to Expiry ("WALE") (years)	Average Security Deposits (months)
Total Portfolio (45 properties)	3.3	12.5
Single-Tenanted Properties (39 properties)	3.6	14.6
Multi-Tenanted Properties (6 properties)	2.1	3.4



# Top 10 Tenants

As at 31 December 2011, top 10 tenants account for 50.6% of Gross Rent

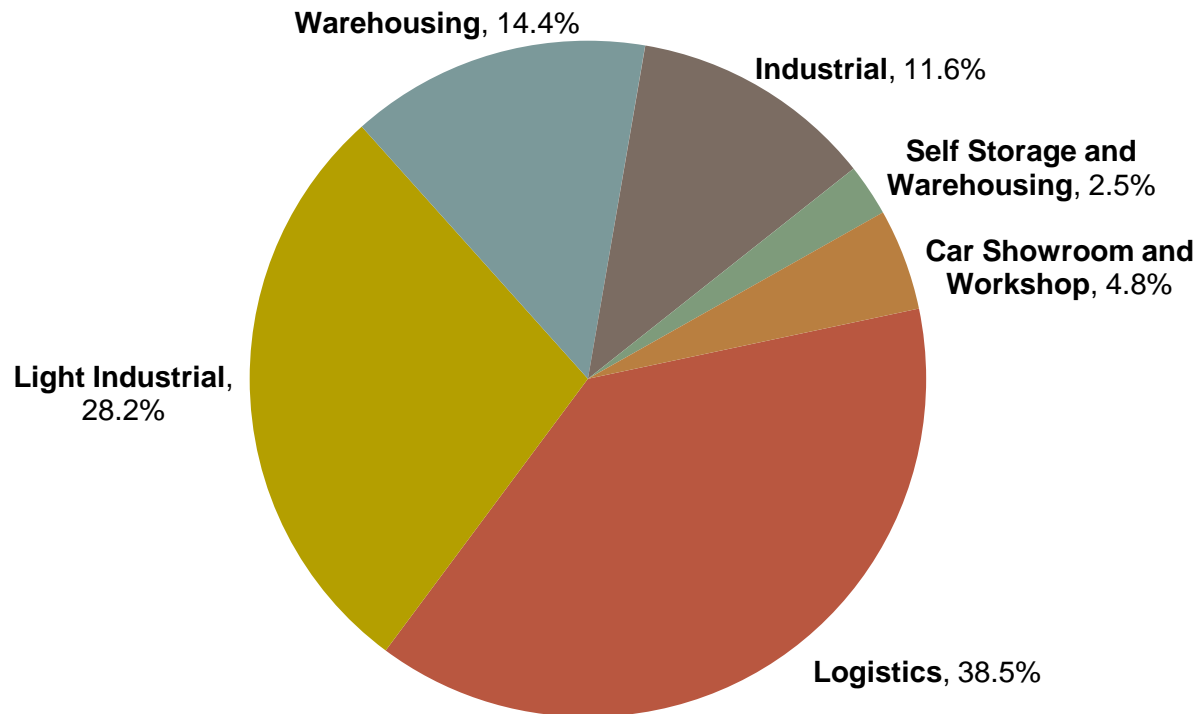
Top 10 Tenants as % of Gross Rent (as at 31 Dec 2011)



# Quality Tenant Base

As at 31 December 2011, 46.6% of rental income contributed by tenants are from public-listed companies or their subsidiaries

Diversified Rental by Sectors (as at 31 Dec 2011)

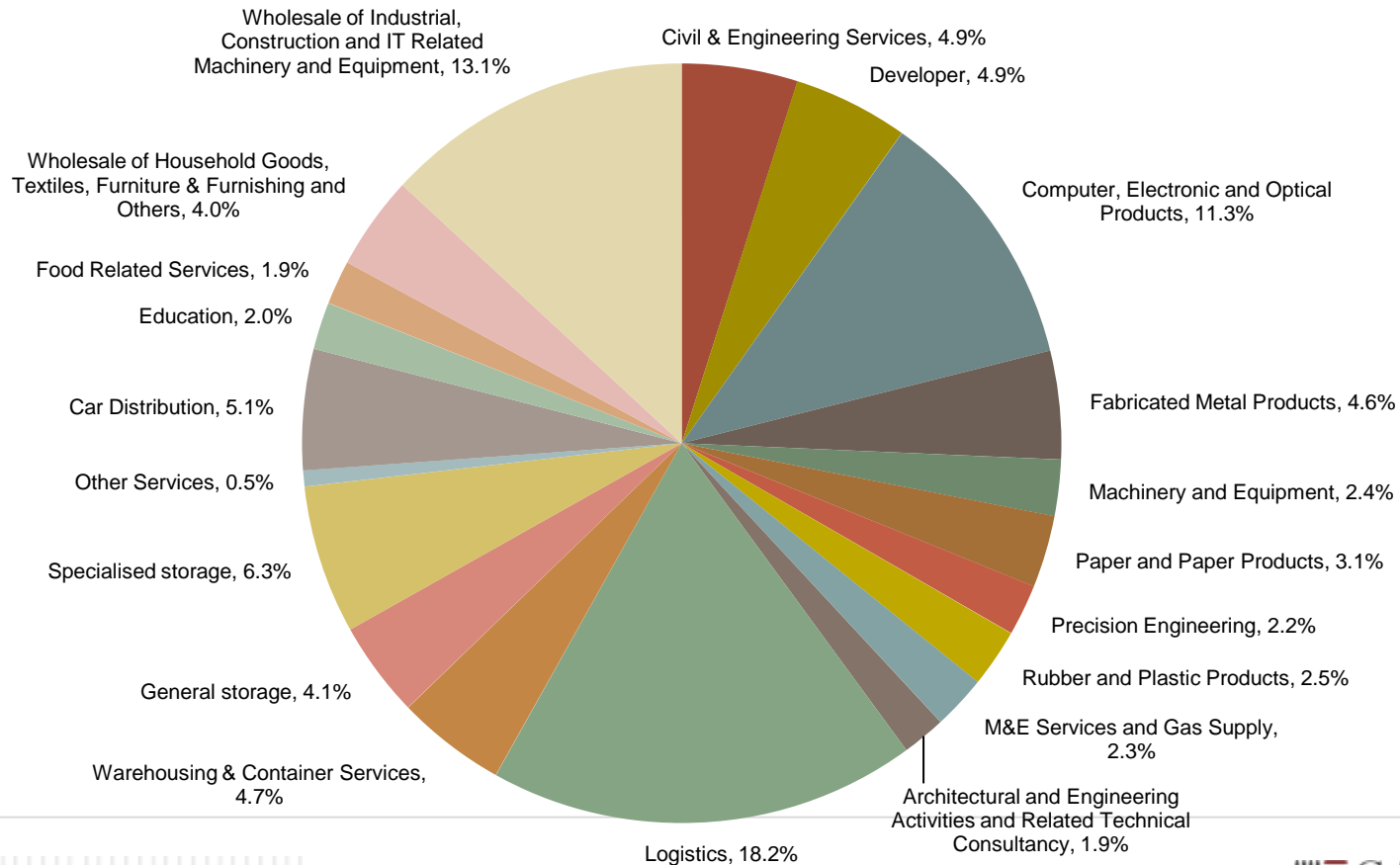


# Diversified Tenant Base



We have a diversified tenant base from a wide range of trade sectors

Rental Income Contribution by Tenant Trade Sector  
(as at 31 Dec 2011)



# Portfolio Update



- **Completed acquisition of 3C Toh Guan Road East.**
- **Two ‘Built-To-Suit’ projects undergoing development**
  - Tuas View Circuit
  - Seletar Aerospace Park
- **Asset enhancement works ongoing at**
  - 30 Toh Guan Road
  - 88 International Road
- **Compensation claims regarding land acquisitions remain with SLA pending its review.**

# Acquisitions



## 3C Toh Guan Road East

<b>Location</b>	Easily accessible via the AYE and PIE
<b>Property Description</b>	Five storey warehouse with ancillary office
<b>Tenant</b>	Tye Soon Ltd
<b>Land Area</b>	Approximately 79,719 sq ft
<b>Gross Floor Area</b>	Approximately 192,864 sq ft
<b>Land Lease Expiry/Title</b>	30+30 years from 16 February 1991
<b>Tenant Lease Term</b>	3+3 years
<b>Occupancy</b>	100%
<b>Valuation by JLL</b>	S\$35.5 million
<b>Purchase Consideration</b>	S\$35.5 million
<b>Timing</b>	Acquisition completed on 30 January 2012



# Option Signed



## 25 Pioneer Crescent \*

<b>Location</b>	Easily accessible via the AYE
<b>Property Description</b>	A purpose built 4-storey factory cum warehouse with ancillary office on the 3 <sup>rd</sup> and 4 <sup>th</sup> storey
<b>Tenant</b>	Kalzip Asia Pte Ltd (part of the Tata Steel Group)
<b>Land Area</b>	Approximately 75,282 sq ft
<b>Gross Floor Area</b>	Approximately 76,003 sq ft
<b>Land Lease Expiry/Title</b>	30+12 years from 1 February 2009 subject to JTC's confirmation
<b>Tenant Lease Term</b>	Novation of existing lease for the balance term of approximately 13 years with three consecutive 5-year options to renew
<b>Occupancy</b>	100%
<b>Valuation by Colliers and DTZ</b>	S\$15.0 million
<b>Purchase Consideration</b>	S\$15.0 million
<b>Timing</b>	Option signed on 12 October 2011



\* The seller is Oxley Opportunity #9 Pte Ltd, a related party of an ultimate shareholder of the Manager.



# Built-To-Suit Development Projects



## Peter's Polyethylene Industries – Tuas View Circuit

<b>Location</b>	A0964602 Tuas View Circuit Easily accessible via the AYE and PIE
<b>Property Description</b>	Three level office and warehouse complex
<b>Tenant</b>	Fully leased by Peter's Polyethylene Industries Pte Ltd
<b>Land Area</b>	Approximately 141,416 sq ft
<b>Gross Floor Area</b>	Approximately 121,423 sq ft
<b>Land Lease Expiry/Title</b>	30 years from 01 February 2008 (subject to JTC's confirmation)
<b>Lease terms</b>	10 + 5 years Rental escalation of 5% in years 3, 5, 6, 7 and 9
<b>Estimated development cost</b>	S\$13.2 million
<b>Estimated value on completion</b>	S\$16.0 million
<b>Timing</b>	Development completion forecast at 2 <sup>nd</sup> half of 2012.



# Built-To-Suit Development Projects (cont'd)



## Air Transport Training College – Seletar Aerospace Park

<b>Location</b>	Seletar Aerospace Park Easily accessible via the TPE
<b>Property Description</b>	Part single-storey storey and part 2/3 storey industrial building with hangar and ancillary office
<b>Tenant</b>	Fully leased by Air Transport Training College Pte Ltd (“ATTC”)
<b>Land Area</b>	Approximately 57,286 sq ft
<b>Gross Floor Area</b>	Approximately 52,170 sq ft
<b>Land Lease Expiry/Title</b>	30 years from 16 October 2011 (subject to JTC’s confirmation)
<b>Lease terms</b>	Tenant to lease back the balance land lease upon completion of construction. Rental escalation of 1.5% annually for first 15 years.
<b>Estimated development cost</b>	S\$8.7 million
<b>Estimated value on completion</b>	S\$10.0 million
<b>Timing</b>	Development completion forecast at 3Q2012





# Asset Enhancement Initiatives



## 30 Toh Guan Road

<b>Location</b>	Close proximity to Jurong East MRT station Earmarked for regional development under the 2008 Masterplan
<b>Project objective</b>	Add floor space to fully utilise available plot ratio Upgrade building to present repositioned image Achieve Green Mark Certification
<b>Detailed project works</b>	Design and build new warehouse facility including part demolition of existing building Upgrade of existing building lifts and services to Green Mark standard
<b>Additional gross floor area</b>	Approximately 14,000 sq ft
<b>Estimated cost</b>	S\$8.3 million
<b>Projected Incremental NPI</b>	S\$0.83 million
<b>NPI Yield</b>	10.0%
<b>Timing</b>	Completion forecast at 4Q2012



# Asset Enhancement Initiatives (cont'd)



## 88 International Road

<b>Location</b>	Close proximity to Joo Koon MRT station
<b>Project objective</b>	Add floor space to fully utilise available plot ratio
<b>Detailed project works</b>	Redevelopment of existing warehouse into 3-storey warehouse/production facility with basement carparking
<b>Additional gross floor area</b>	GFA increased from 53,500 sq ft to 155,800 sq ft, representing an additional 102,300 sq ft
<b>Estimated cost</b>	S\$16.0 million
<b>Projected Incremental NPI</b>	S\$1.86 million
<b>NPI Yield</b>	11.6%
<b>Timing</b>	Work forecast to commence in 2Q2012 Completion forecast for 4Q2013



# Asset Enhancement Initiatives (cont'd)



## 4 & 6 Clementi Loop (Stage 2)

<b>Location</b>	Easily accessible via the AYE and PIE
<b>Project objective</b>	Add floor space to fully utilise available plot ratio
<b>Detailed project works</b>	<p>Development of a new 4-storey warehouse cum office facility including part demolition of the existing warehouse.</p> <p>Project was precommitted before asset was acquired (Stage 1) in June 2011.</p>
<b>Additional gross floor area</b>	GFA increased by 110,725 sq ft
<b>Tenant</b>	Hoe Leong Corporation Ltd
<b>Purchase Consideration</b>	S\$23.25 million
<b>Timing</b>	Completion forecast for 4Q2012



# Capital Management



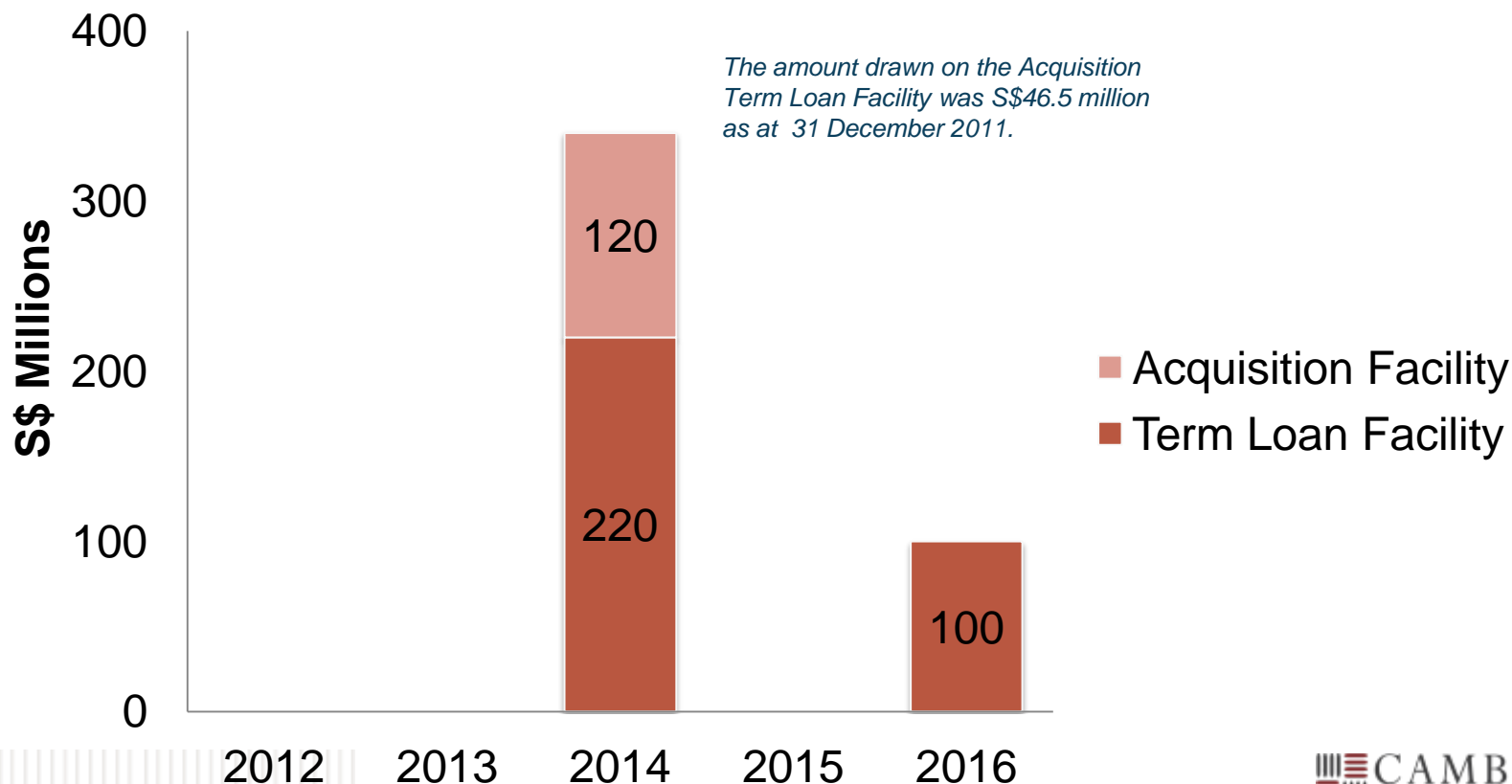
# Long-term Debt Funding

As at 31 December 2011, CIT has the following outstanding borrowings:

1) A term loan of **S\$320.0 million** comprising:

- S\$220.0 million maturing in June 2014 and
- S\$100.0 million maturing in June 2016

2) An acquisition term loan of **S\$46.5 million** maturing in March 2014



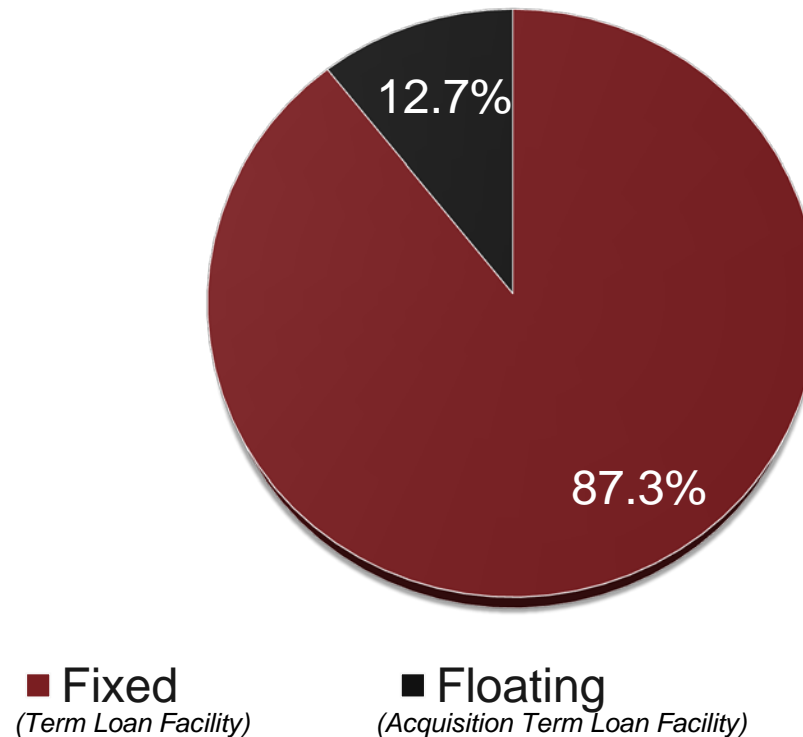


# Financial Risk Management



Interest rate exposure is fixed at 87.3% of total debt for next 2.4 years

## Interest Rate Risk Management



*Based on amounts drawn on the respective facilities*

# Financial Risk Management



Debt Profile	31 Dec 2011	31 Dec 2010
Gearing ratio <sup>(1)</sup> (%)	33.1	34.7
Total outstanding debt (S\$ million)	366.5	347.5
Total debt fixed (%)	87.3	93.0
Weighted average all-in cost of debt <sup>(2)</sup> (%)	4.1	5.9
Weighted average interest cost (%)	3.3	3.8
Weighted average term of debt (years)	2.9	1.2
Weighted average term of fixed debt (years)	2.4	1.1
Interest cover ratio <sup>(3)</sup> (times)	5.0	4.0
Unencumbered investment properties (S\$ million)	90.0	NA

(1) Aggregate gross borrowings divided by total assets.

(2) Includes amortisation of upfront fees.

(3) Computed based on EBIDTA (excluding gain on disposal of investment properties and changes in fair value of financial derivatives and investment properties) divided by interest expense.

# Looking Ahead





# Kick-starting FY2012



## Acquisition of 3C Toh Guan Road East at S\$35.5 million

- Deployment of cash for higher yielding assets.
- Positive impact on DPU from 1Q2012.



## Pre-lease commitment at 88 International Rd

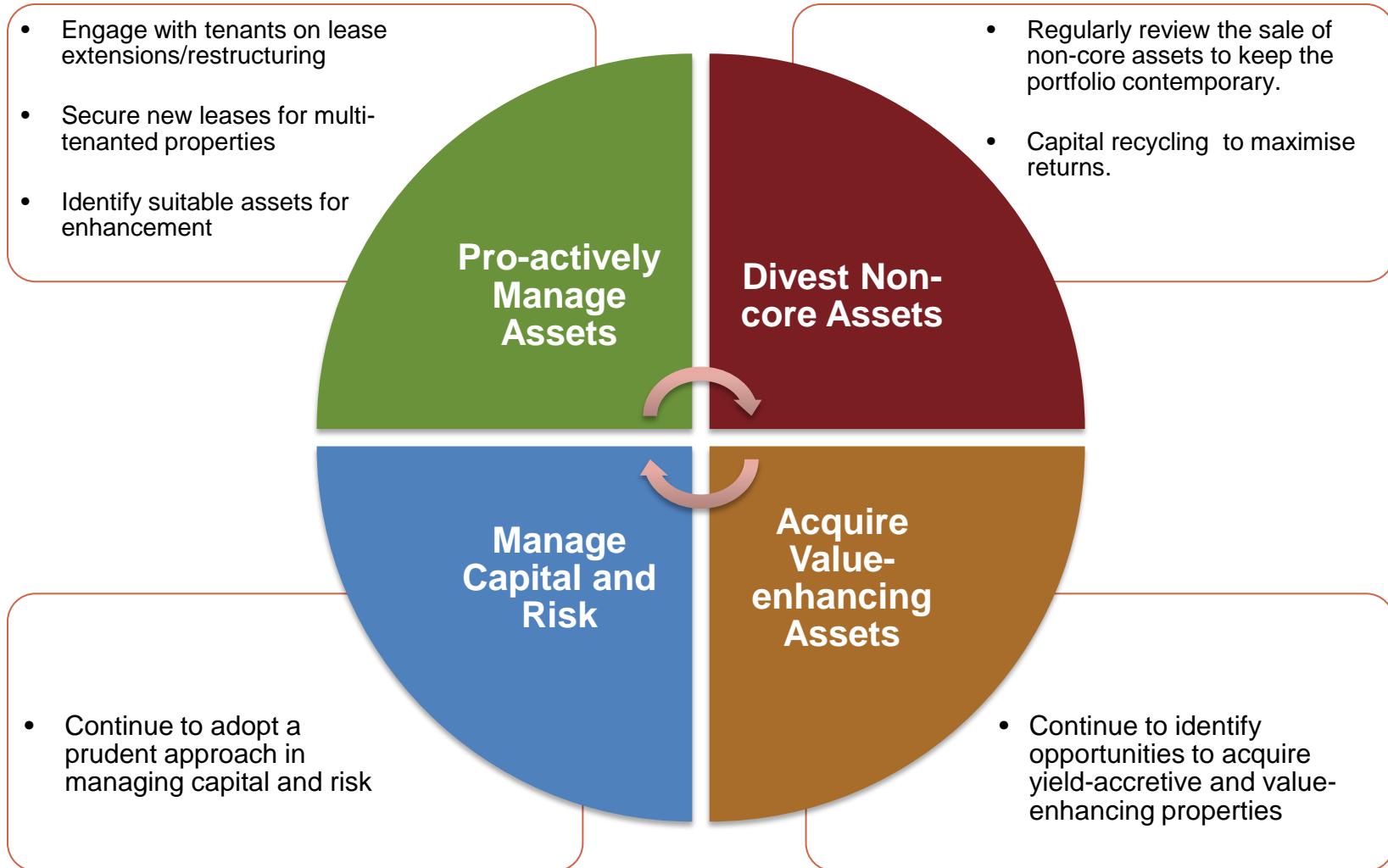
- Attained a quality anchor tenant for a lease term of 7 years upon completion of Asset Enhancement Works.
- Proactive asset management to secure tenancy ahead of completion.



## Divestment of 7 Ubi Close above book value

- Divested at \$18.71 million, 2.2% premium to the latest independent valuation of S\$18.3 million.
- Recycling and redeploying capital for future yield accretive assets.

# Continued Focus on Strategic Platform



# Further Information



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