

# 4Q/FY2011 Results Presentation

2012



# Important Notice

**This material shall be read in conjunction with CIT's financial statements for the financial period ended 31 December 2011.**

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 presentation 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 presentation 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 presentation 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.

# Contents

- Overview of CIT
- Portfolio Management
  - Acquisitions
  - Built-To-Suit Projects
  - Asset Enhancement Initiatives
- Capital and Risk Management
- 4Q/FY2011 Financial Results
- Looking Ahead



# Experienced Manager

The management team has extensive experience and a proven history in fund, compliance, asset and property management in Singapore and the region.

## Finance & Corporate Services



**David Mason**  
*Chief Financial Officer*



**Christopher Calvert**  
*Chief Executive Officer  
and Executive Director*

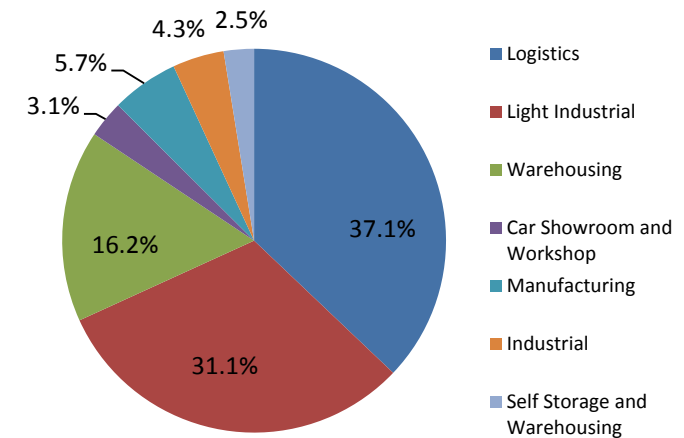
## Real Estate



**Nancy Tan**  
*Head of Real Estate*

# CIT Overview

- Industrial SREIT with Pan-Asian mandate, principally investing in industrial and warehousing properties.
- 45 diversified properties and 2 built-to-suit projects (161 tenants) with 657,777 sq m of total NLA and an aggregate appraised value of S\$1,023.6 million.
- Almost full occupancy rate of 98.5% and low current arrears ratio of around 0.6% of annualised rent.
- Reaffirmed Credit Rating of BBB- with stable outlook by Standard & Poors'.
- Most properties located close to strategic infrastructure amenities, public transportation and major highways within Singapore.



46.6% of rental income contributed by tenants from public listed companies / or their wholly/majority owned subsidiaries

**Built-to-suit**



**Light Industrial**



**Self-Storage and Warehousing**



**Warehousing**



**Car Showroom & Workshop**



# 4Q2011 Snapshot and 2011 Overview



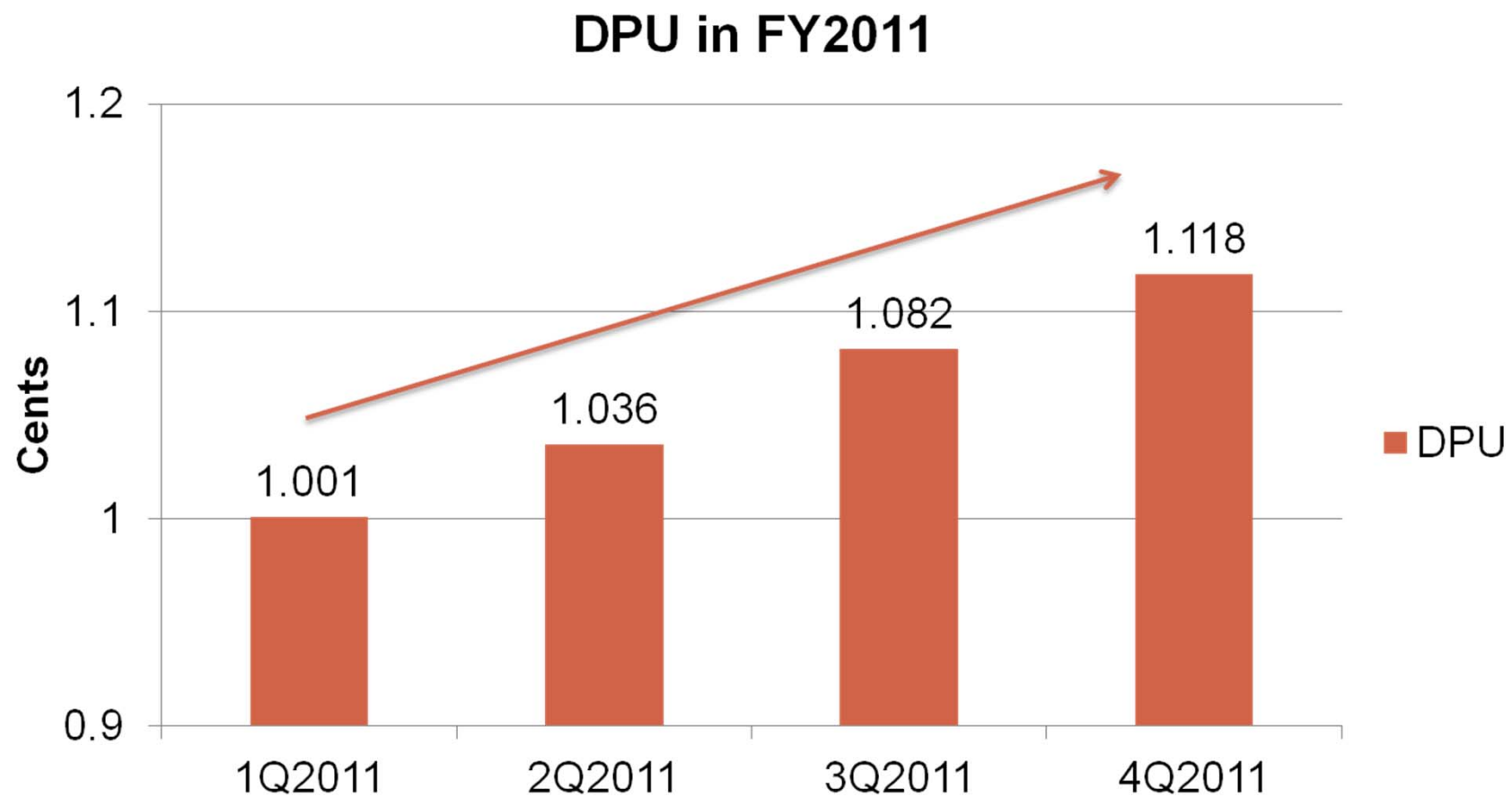
- DPU increased by 3.3% over 3Q2011 to 1.118 cents,
- Distributable Income increased 12.7% for FY2011,
- Properties are revalued<sup>1</sup> upward to S\$1,023.6 million, a 10.2%<sup>2</sup> increase from the valuation of S\$928.5 million as at Dec 2010.
- High occupancy rates at 98.5% and low arrears at 0.6% annualised rent.
- NTA per unit increased to 62.0 cents from 60.7 cents in FY2011.

<sup>1</sup> Valuations 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.

<sup>2</sup> Including revaluation increment totaling S\$50.5 million and net acquisitions totaling S\$39.8 million in FY2011.



# DPU in FY2011



# Objectives for 2012



To continue the momentum from 2010 and 2011 and:

- grow the Trust's DPU,
- increase the scale of the Trust's portfolio,
- lift the NTA per unit.





# 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\$2.2 million which exceeded book value by approximately 10.0%.

# 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 \$18.7 million, 2.2% premium to the latest independent valuation of S\$18.3 million.
- Recycling and redeploying capital for future yield accretive assets.

# Portfolio Management



# 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

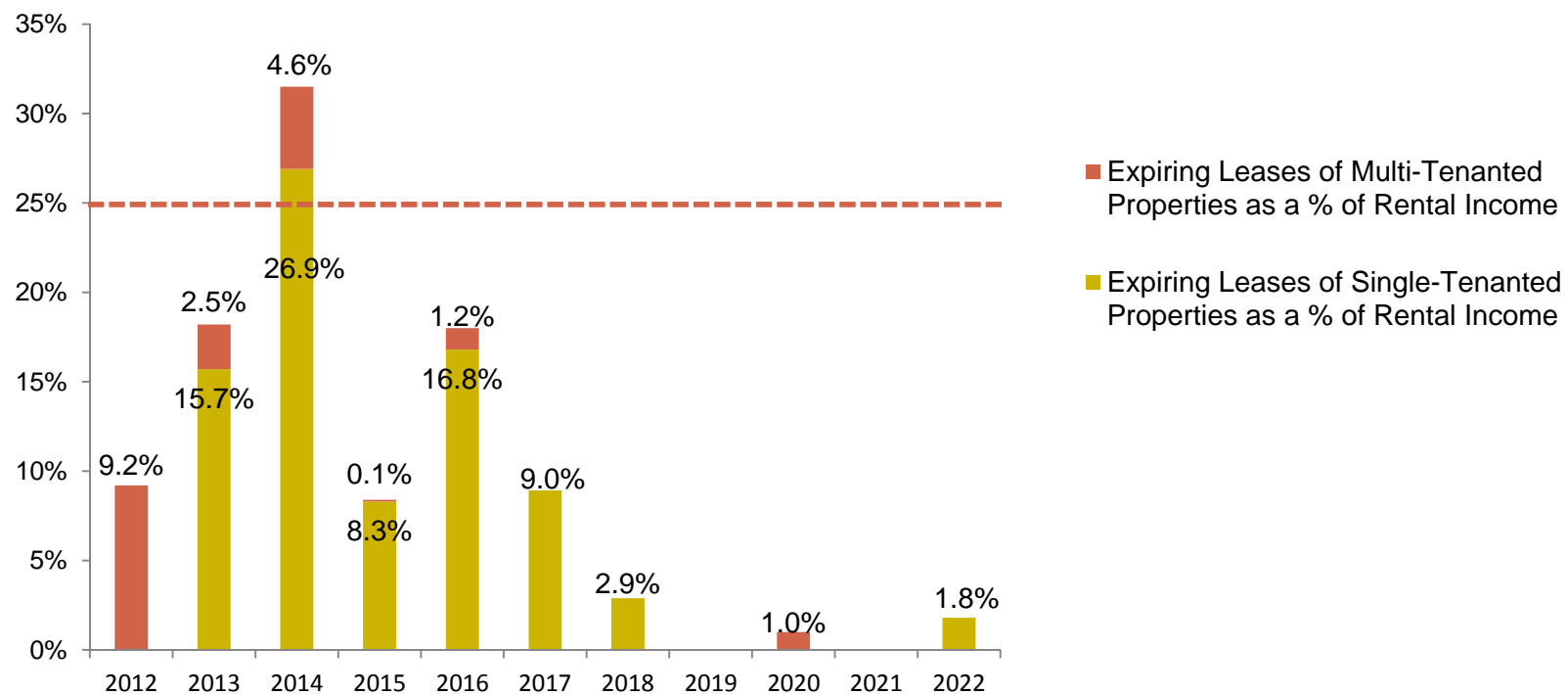
# Portfolio Details



	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

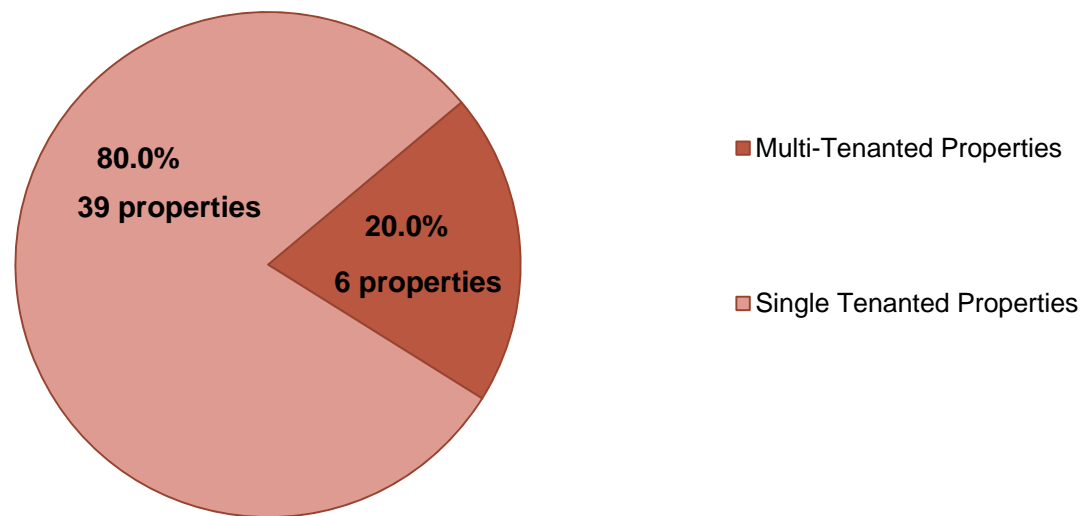
# Managing Our Leases

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



# Delivering Stable and Secure Income

Single-Tenanted versus Multi-Tenanted Properties by rental income (as at 31 Dec 2011)

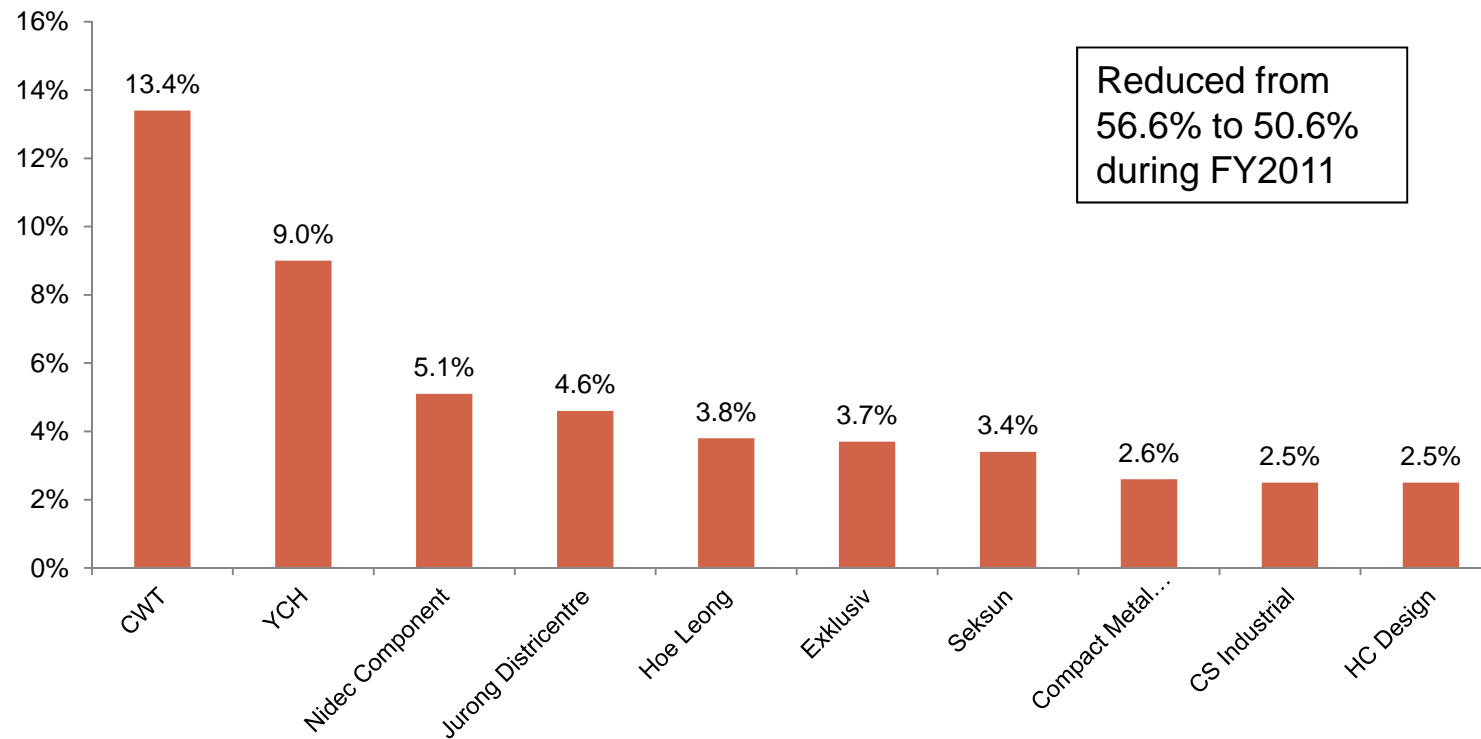


- Underlying subtenants represent approx 35% of single-tenanted properties income.
- 46.6% of rental income contributed by SGX-listed tenants.
- High levels of security deposits averaging 12.5 months per tenant.

# 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)

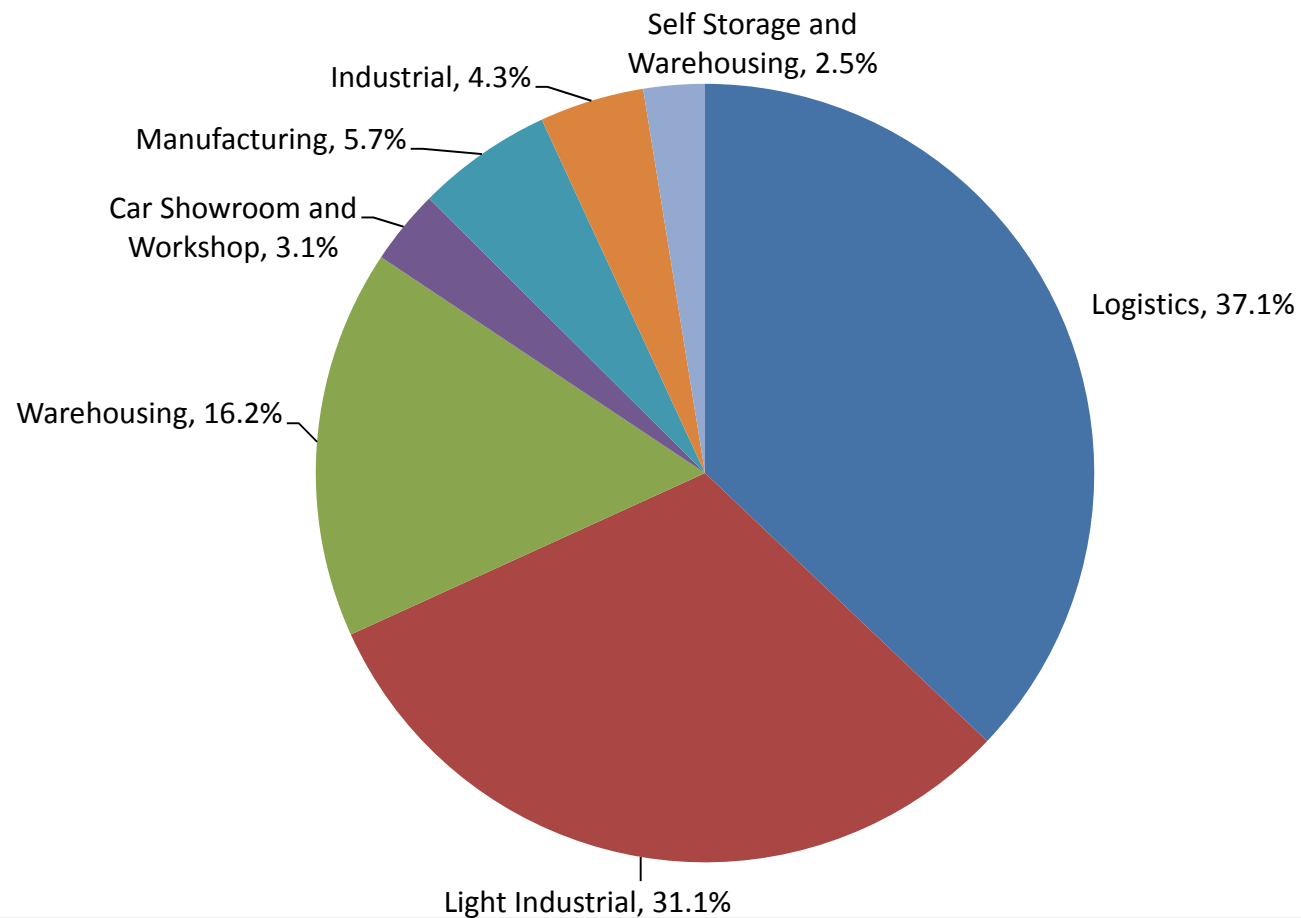




# Diversified Asset Sectors



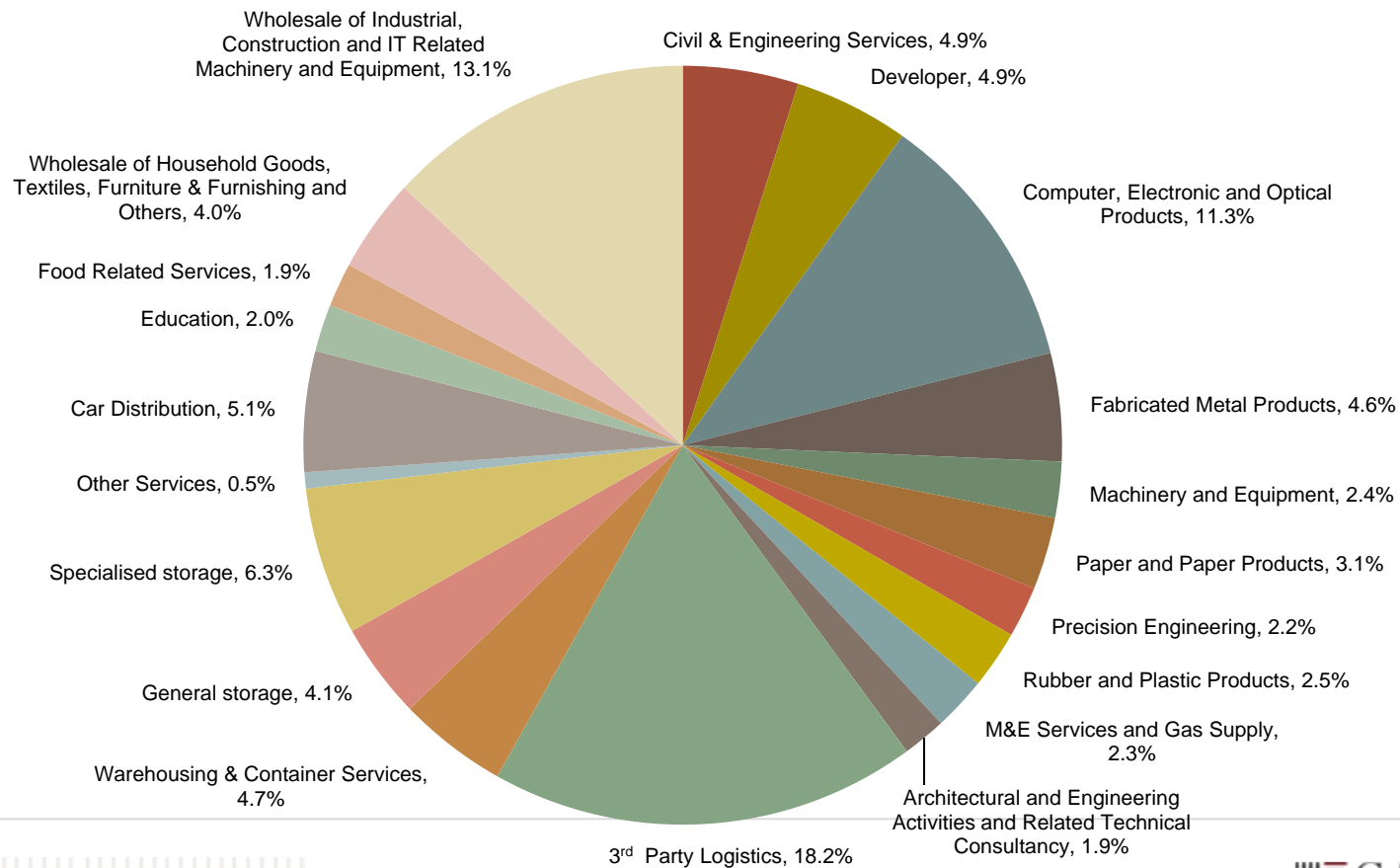
**Asset Class (By Asset Value as at 31 Dec 2011)**



# 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)



# Acquisitions



# Acquisitions Completed in FY2011/1Q2012



- In FY2011 / 1Q2012, we have completed the acquisition of
  - 3C Toh Guan Road East
  - 5 & 7 Gul Street 1
  - 60 Tuas South Street 1
  - 4 & 6 Clementi Loop (Stage 1)
- We have also signed an option to purchase 25 Pioneer Crescent, targeted to complete in 1Q2012.



# 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



# Acquisitions



## 5 & 7 Gul Street 1

<b>Location</b>	Easily accessible via the AYE and PIE
<b>Property Description</b>	Four-storey industrial building with an ancillary office
<b>Tenant</b>	Precise Industries Pte Ltd
<b>Land Area</b>	Approximately 78,775 sq ft
<b>Gross Floor Area</b>	Approximately 98,863 sq ft
<b>Land Lease Expiry/Title</b>	29 years 6 months from 1 April 2008
<b>Tenant Lease Term</b>	6+3 years with rental escalation of 4.0% on 3rd and 5th year
<b>Occupancy</b>	100%
<b>Valuation by JLL</b>	S\$14.5 million
<b>Purchase Consideration</b>	S\$14.5 million
<b>Timing</b>	Acquisition completed on 15 July 2011





# Acquisitions



## 60 Tuas South Street 1

<b>Location</b>	Easily accessible via the AYE and PIE
<b>Property Description</b>	Four-storey industrial building with an ancillary office
<b>Tenant</b>	Peter's Polyethylene Industries Pte Ltd
<b>Land Area</b>	Approximately 42,951 sq ft
<b>Gross Floor Area</b>	Approximately 44,675 sq ft
<b>Land Lease Expiry/Title</b>	30+30 years from 16 March 2005
<b>Tenant Lease Term</b>	7 years with rental escalation of 5.0% on 3 <sup>rd</sup> , 5 <sup>th</sup> and 7 <sup>th</sup> year
<b>Occupancy</b>	100%
<b>Valuation by JLL</b>	S\$ 6.4 million
<b>Purchase Consideration</b>	S\$ 6.4 million
<b>Timing</b>	Acquisition completed on 29 June 2011



# Acquisitions

## 4 & 6 Clementi Loop (Stage 1)

<b>Location</b>	Easily accessible via the AYE and PIE
<b>Property Description</b>	Three-storey warehouse and four-storey office building
<b>Tenant</b>	Hoe Leong Corporation Ltd
<b>Land Area</b>	Approx 200,458 sq ft
<b>Gross Floor Area</b>	Approx 189,962 sq ft
<b>Land Lease Expiry/Title</b>	30+30 years from 1 October 1993
<b>Tenant Lease Term</b>	5+5 years with rental escalation of 5.0% on 3rd and 5th year
<b>Occupancy</b>	100%
<b>Valuation by JLL</b>	S\$ 63.3 million
<b>Purchase Consideration</b>	S\$ 63.3 million
<b>Timing</b>	Acquisition completed on 13 June 2011





# 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 (BTS) Projects



# 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





# 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





## 4Q/FY2011 Financial Results

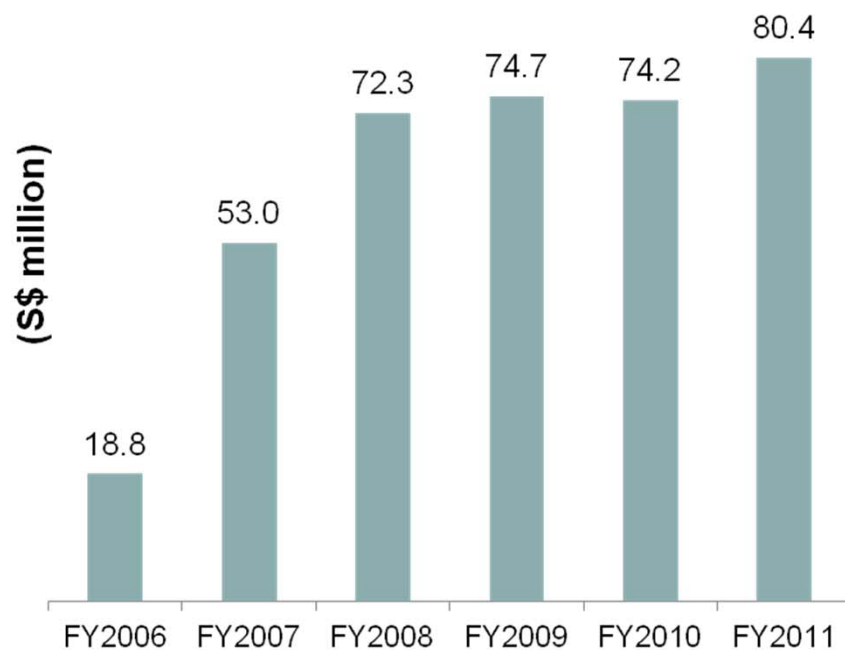


# Financial Highlights

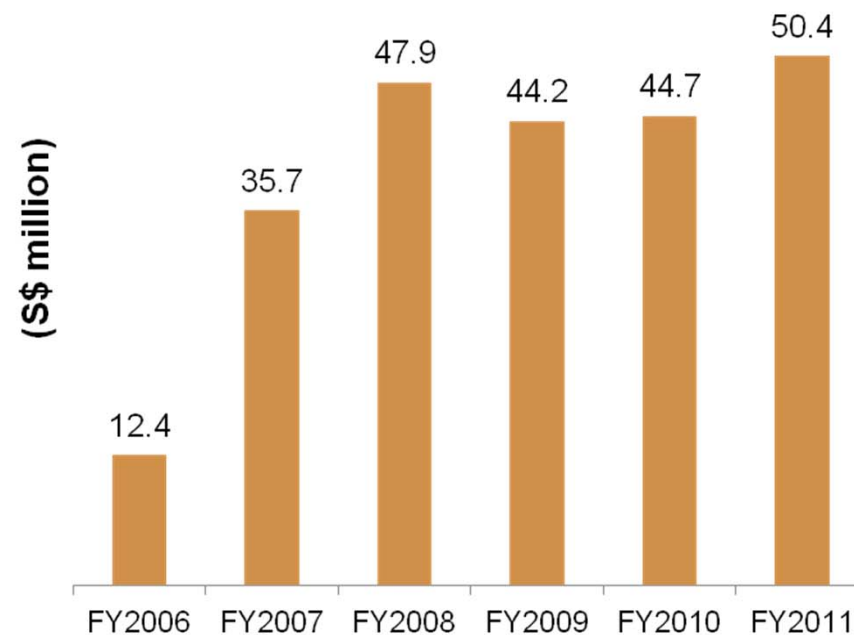


Delivering stable and sustainable revenue performance since IPO

**Gross Revenue**



**Distributable Income**



# 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>	3.3	<b>1.193</b>	(6.3)
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 Seletar Aerospace Park

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

# Capital and Risk Management



# Capital and Risk Management Actions in FY2011



- Refinanced main term loan in June 2011; no refinancing due until 2014
- Increased the acquisition term loan facility from S\$70 million to S\$120 million in March 2011
- Established S\$500 million Multicurrency Medium Term Note (“MTN”) programme in February 2012



# 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
Properties under security pool (S\$ million)	933.6	928.5

(1) Aggregate gross borrowings divided by total assets.

(2) Includes amortisation of upfront fees.

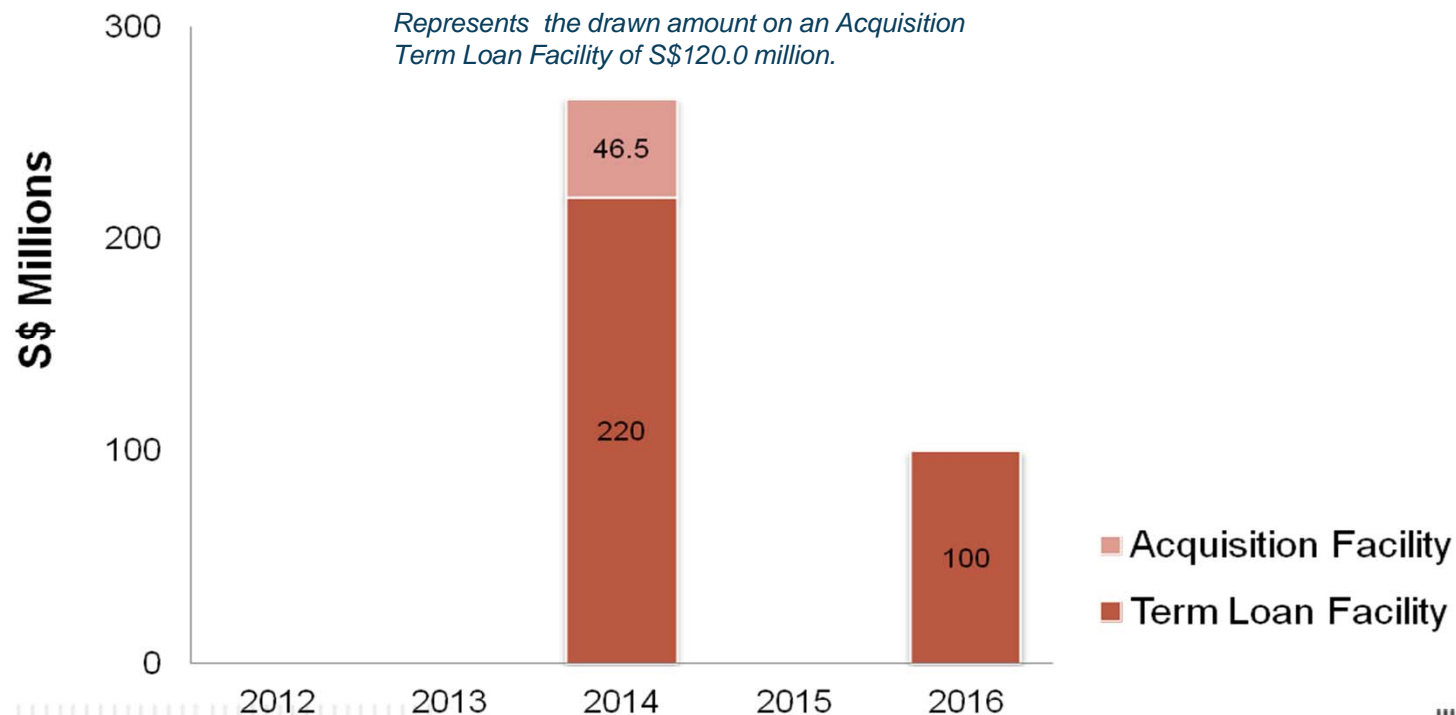
(3) Computed based on EBIDTA (excluding gain on disposal of investment properties and changes in fair value of financial derivatives and investment properties) divided by interest expense.



# 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



## Looking Ahead



# Continued Focus on Strategic Platform



# Further Information



Please contact:

**Mr Chris Calvert**

Chief Executive Officer

[chris.calvert@cambridgeitm.com](mailto:chris.calvert@cambridgeitm.com)

**Ms Nancy Tan**

Head of Real Estate

[nancy.tan@cambridgeitm.com](mailto:nancy.tan@cambridgeitm.com)

**Mr David Mason**

Chief Financial Officer

[david.mason@cambridgeitm.com](mailto:david.mason@cambridgeitm.com)

**Cambridge Industrial Trust Management Limited**

61 Robinson Road, #12-01

Robinson Centre

Singapore 068893

Tel: (65) 6222 3339

Fax: (65) 6827 9339

[www.cambridgeindustrialtrust.com](http://www.cambridgeindustrialtrust.com)

