CAMBRIDGE
INDUSTRIAL TRUST

(CONSTITUTED IN THE REPUBLIC OF SINGAPORE PURSUANT TO A TRUST DEED DATED 31 MARCH 2006 (AS AMENDED))

Press Release

Cambridge Industrial Trust increases gross revenue in 1H2016

- Gross revenue for 1H2016 increased 2.5% year-on-year to S$56.7 million
- 1H2016 DPU increased 1.9% year-on-year on adjusted(1) 1H2015 DPU
- Completed divestment of 23 Tuas Avenue 10 for S$16.5 million
- S$50 million 7-year Medium Term Notes issued at 3.95% in May 2016 were 1.25x subscribed
- Focused on proactive tenant, asset and cost management and strategies for the future

Summary of Financial Results:

	1H2016 (S$ million)	1H2015 (S$ million)	YoY (%)	Adjusted 1H2015 (S$ million)(1)	Adjusted YoY (%)
Gross Revenue (2)	56.7	55.3	2.5	55.3	2.5
Net Property Income (3)	42.7	42.8	(0.4)	42.8	(0.4)
Net Income	26.3	25.4	3.8	25.4	3.8
Amount available for distribution (4)	28.6	31.5	(9.2)	27.6	3.6
Distribution Per Unit ("DPU") (cents)	2.190	2.450	(10.6)	2.150	1.9
Annualised DPU (cents)	4.380	4.941	(11.3)	4.335	1.0

(1) *1H2015 results adjusted to reflect management fees wholly paid in cash and no capital distribution for a like-for-like comparison to 1H2016.*

(2) *Includes straight line rent adjustment of S$0.8 million (1H2015: S$1.2 million)*

(3) *Lower due to higher operating expenses of properties converted to multi-tenancy offset by revenue contribution from property acquisition in prior year, leasing up and rental escalations of several properties since 1H2015.*

(4) *100% of management fees paid in cash in 1H2016 compared to 50% cash/50% units in 1H2015.*

Singapore, 22 July 2016 – Cambridge Industrial Trust Management Limited ("CITM"), the Manager ("Manager") of **Cambridge Industrial Trust** ("CIT"), today announced gross revenue of S$56.7 million for the six months ended 30 June 2016 ("1H2016"), an increase of 2.5% from a year ago ("1H2015"). Net property income ("NPI") decreased marginally to S$42.7 million, due mainly to higher property operating expenses incurred for new and renewed leases, as well as the ongoing conversion of assets from single-tenancy to multi-tenancy.

Distribution per unit ("DPU") for 1H2016 was 2.190 cents, a 10.6% decrease year-on-year. However, after adjusting 1H2015 DPU to exclude one-off capital distribution and management fees paid in units, 1H2016 DPU was 1.9% higher year-on-year.

Mr. Philip Levinson, CEO of CITM, commented, "In the first six months of 2016 we focused on active asset management and improving the quality of our DPU. I believe the team has performed commendably given the continued adverse market conditions, working hard to sustain underlying DPU and further strengthen our balance sheet."

"We see the current challenging market as an opportunity to recalibrate our current business and lay the groundwork for the future. We are progressing well on the execution of our strategy to recycle capital through the sale of non-core properties and reduce gearing", he added.

Real Estate Highlights

Despite the slowdown in the manufacturing sector in Q1 and challenges in the industrial property market, as at 30 June 2016, occupancy for CIT's portfolio comprising 201 tenants remained stable at 93.4%, with weighted average lease expiry (WALE) maintained at 3.6 years. Approximately 625,844 sq ft of space was renewed in 1H2016.

Further to the press release dated 11 April 2016, CIT is pleased to announce the completion of the divestment of 23 Tuas Avenue 10 for S$16.5 million, representing 5% above valuation and almost double the original purchase price from 2006. This divestment is consistent with CIT's FY2016 strategy to focus on recycling capital for greater investment flexibility, and the Manager's role to actively review and divest non-core assets to improve overall portfolio quality and generate better returns.

Financial and Capital Management

As at 30 June 2016, CIT's gearing ratio is 37.4%, within the Manager's target gearing range of 30-40%. CIT maintains a prudent capital management approach, with all-in cost of debt at 3.68% p.a. and a healthy weighted average debt expiry of 3.1 years. Approximately 86.6% of the Trust's interest rate exposure is fixed for the next 3.4 years. Unencumbered investment properties are valued approximately S$1.2 billion, representing 82.6% of CIT's investment properties by value.

During the quarter, CIT issued S$50 million 7-year Medium Term Notes at 3.95%. The issuance was 1.25x oversubscribed and fully taken up by institutional investors, reflecting investor confidence in the Trust. The proceeds were deployed to refinance existing loans.

Mr. Levinson further commented, "Looking towards the rest of 2016, we remain cautious about the outlook for the industrial sector as a whole. The difficult economic environment creates challenges for our clients and in turn may continue to affect our performance. In the medium-term however, the Manager is undeterred in our commitment to continue working hard to deliver sustainable value for unitholders."

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About Cambridge Industrial Trust

Cambridge Industrial Trust ("CIT"), publicly listed on the Singapore Exchange Securities Trading Limited since 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 51 properties located across Singapore, with a total gross floor area of approximately 8.5 million sq ft and a property value of S$1.42 billion as at 30 June 2016. The properties range from logistics, warehousing, light industrial, general industrial, a car showroom and a workshop to a business park, and are located close to major transportation hubs and key industrial zones island-wide.

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

- Acquisition of value-enhancing properties;
- Pro-active asset management;
- Divestment of non-core properties; and
- Prudent capital and risk management.

Cambridge Industrial Trust Management Limited, the Manager of CIT, is indirectly owned by three stakeholders, 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 specialising in real estate and private equity investments across Asia-Pacific; and

- Mitsui is one of the largest corporate conglomerates in Japan and listed on the Tokyo Stock Exchange. It is one of the largest publicly traded companies in the world. 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

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