

## Press Release

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# CIT announces proposed divestment of non-core asset; initiates execution of FY2016 strategy

- CIT will divest 23 Tuas Avenue 10 for S\$16.5 million, representing a premium of approximately 5% above book value
- Divestment of non-core asset is consistent with CIT's FY2016 strategy, focused on recycling capital for greater flexibility and higher returns
- Proceeds will be used to pare down debt and gearing, and provide funds for potential growth opportunities locally and overseas

**Singapore, Monday, 11 April 2016** – Cambridge Industrial Trust Management Limited (“CITM”), the Manager (“**Manager**”) of Cambridge Industrial Trust (“**CIT**” or “**the Trust**”), today announced the proposed sale of the remaining leasehold interest in 23 Tuas Avenue 10, Singapore 639149 (the “**Property**”) for a consideration of S\$16.5 million (“**Sale Consideration**”).

The Sale Consideration represents a premium of approximately 5% above the current book value of S\$15.7 million and close to double the original purchase price of S\$8.55 million in 2006. Proceeds from the sale will be used to repay debt, as well as to fund asset enhancement initiatives (“**AEI**”) and potential acquisition opportunities. The completion of the Property, which is subject to approval by JTC Corporation, is expected to take place in June 2016.

Mr. Philip Levinson, Chief Executive Officer of CITM, commented, “This divestment is consistent with CIT’s FY2016 strategy, focused on recycling capital for greater investment flexibility and better returns. As the Manager of CIT, this is in line with our ongoing commitment to create value for our Unitholders.”

The Manager’s strategy for FY2016 will focus on four key areas: divestment of non-core assets; asset enhancement initiatives for existing assets; repaying debt and reducing gearing, and acquisition of quality assets both locally and overseas.

“The strategic recycling of capital will strengthen our portfolio and put CIT in a premium position relative to peers, which will in turn allow us to remain competitive in an increasingly challenging environment”, Mr Levinson added.

### About the Property

The Property is a 4-storey industrial building located along Tuas Ave 10, off Jalan Ahmad Ibrahim. It has remaining land tenure of about 40 years and a gross floor area of 102,310 square feet.



Sale Price	S\$16.5 million
Purchaser	Reliance Products Pte Ltd
Land Tenure	Approx. 40 years remaining
Gross Floor Area	Approx. 102,310 sq ft (9,504.9 sq m)

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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 31 December 2015. 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 per cent), Oxley Group (24 per cent) and Mitsui & Co., Ltd ("Mitsui") (20 per cent):

- 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>

## Important Notice

The value of units in CIT (“**Units**”) and the income derived from them may fall as well as rise. Units are not investments or deposits in, liabilities or obligations of, Cambridge Industrial Trust Management Limited (“**Manager**”), RBC Investor Services Trust 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 Limited, 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 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. 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 release 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 release 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.