
PROPOSED ACQUISITION OF 30 TEBAN GARDENS CRESCENT

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- 1.1 Cambridge Industrial Trust Management Limited, as manager of Cambridge Industrial Trust (“**CIT**” and the manager of CIT, the “**Manager**”), is pleased to announce that RBC Dexia Trust Services Singapore Limited, in its capacity as trustee of CIT (the “**Trustee**”), has on 4 July 2012 entered into a conditional sale and purchase agreement (“**SPA**”) with Eurosports Auto Pte Ltd (the “**Vendor**”) in connection with the proposed acquisition (the “**Acquisition**”) of the property located at 30 Teban Gardens Crescent Singapore 608927 (“**30 Teban Gardens Crescent**”) for a purchase consideration of S\$41,000,000.
- 1.2 The purchase consideration of S\$41,000,000 for 30 Teban Gardens Crescent comprises the purchase price of (a) a purpose built 3-storey industrial building with a single storey factory cum car showroom (the “**Buildings**”) and (b) a brand new annex block of a 2-storey showroom with ancillary office to be completed by the Vendor as set out in paragraph 1.3 below (the “**Building and Civil Works**”). The gross floor area of 30 Teban Gardens Crescent is expected to be approximately 12,922 square metres upon completion of the Building and Civil Works.
- 1.3 30 Teban Gardens Crescent is easily accessible and visible along Ayer Rajah Expressway. 30 Teban Gardens Crescent is leased from the Jurong Town Corporation (“**JTC**”), with an initial lease term of 10 years commencing from 1 June 2007 and a further lease term of 22 years, which will be granted by JTC, provided that the Vendor fulfils the investment criteria stipulated by JTC and obtains the Confirmation of Tenure (the “**COT**”) from JTC. On completion of the acquisition of the property, the Vendor has agreed to enter into a lease agreement (the “**Lease**”) as lessee with the Trustee, acting on behalf of CIT, as lessor, in respect of 30 Teban Gardens Crescent for a period of six years.
- 1.4 The Acquisition is subject to the fulfillment of among others, the following key conditions precedent which include (but are not limited to) the following:
- (a) The Vendor must obtain the COT from JTC;
 - (b) CIT having received the relevant approvals, including the approval from JTC for the sale and leaseback arrangement;
 - (c) CIT having received satisfactory results to its due diligence investigations in respect of, among others, the Buildings, the Building and Civil Works, the mechanical and electrical equipment and the financial condition of the Vendor;
 - (d) successful debt and equity fund raising by CIT; and

- (e) such other consents or approvals as may be required to be obtained by CIT or the Vendor from any third party or any relevant authority in relation to the Acquisition or the Lease.

2. INDEPENDENT VALUATION OF 30 TEBAN GARDENS CRESCENT

The value of 30 Teban Gardens Crescent on completion (taking into account the Building and Civil Works), based on an independent valuation dated 15 June 2012 conducted by Jones Lang LaSalle Property Consultants Pte Ltd (the “**Valuation**”) using the discounted cash flow analysis and the direct capitalisation approach, is S\$41,000,000. The Valuation was commissioned by the Manager.

3. PURCHASE CONSIDERATION

The purchase consideration for 30 Teban Gardens Crescent, inclusive of the Building and Civil Works, is S\$41,000,000, and was arrived at on a willing-buyer and willing-seller basis, taking into consideration the Valuation. A deposit of S\$50,000 was paid on 4 July 2012 and the balance of the purchase consideration of S\$40,950,000 shall be paid in cash on completion of the Acquisition. Completion is expected to take place in or around December 2013.

CIT intends to fund the Acquisition via a combination of debt and equity.

4. ESTIMATED COST OF THE ACQUISITION

The estimated total cost of the Acquisition, including the Building and Civil Works, is approximately S\$41.55 million, comprising:

- 4.1. the purchase consideration of S\$41.0 million;
- 4.2. the acquisition fee payable to the Manager in respect of the Acquisition, which amounts to approximately S\$0.41 million; and
- 4.3. the professional and other fees and expenses incurred or to be incurred in connection with the Acquisition which amount to approximately S\$0.14 million in aggregate.

5. RATIONALE FOR AND BENEFITS OF THE ACQUISITION

The Manager believes that 30 Teban Gardens Crescent is a well-located, good quality industrial asset that will enhance the overall portfolio quality. It is a high quality asset, with prominent exposure to the Ayer Rajah Expressway. Additionally, the Acquisition will further reduce the reliance of CIT’s income stream on any single asset or tenant.

“We are pleased to announce our latest acquisition of 30 Teban Gardens Crescent, a high quality asset located close to the expressway and major roads in Jurong. Eurosports Auto Pte Ltd is a representative of luxury European automotive brands such as Lamborghini and Lotus. As manager of CIT, we actively seek to strengthen and diversify our portfolio. The asset will improve our weighted average lease to expiry from 3.2 years to 3.3 years as at 31 March 2012,” said Mr. Chris Calvert, Chief Executive Officer of CITM.

6. METHOD OF FINANCING AND FINANCIAL EFFECTS

The Manager intends to finance all acquisition costs relating to the Acquisition from a combination of equity fund raising and drawdown of debt facilities.

As the Acquisition is expected to complete only in or around December 2013, relevant information relating to the financial effects of the Acquisition, including its impact on CIT’s net tangible assets per unit and distribution per unit will be disclosed in a subsequent announcement once the Manager has determined the most appropriate form of financing of the Acquisition.

7. RELATIVE FIGURES RELATING TO THE ACQUISITION ON THE BASES IN RULE 1006 OF THE LISTING MANUAL

The relative figures for the Acquisition, computed on the bases set out in Rule 1006 of the Listing Manual of Singapore Exchange Securities Trading Limited are as follows:

Rule 1006(a)	Net asset value of assets to be disposed of, compared with the net assets value of CIT	Not applicable as this is an acquisition
Rule 1006(b)	Net property income ⁽¹⁾ attributable to the Acquisition	S\$0.8 million
	Net property income ⁽¹⁾⁽²⁾ of CIT	S\$18.0 million
	Size of relative figure	4.6%
Rule 1006(c)	Aggregate value of consideration of the Acquisition, including the Building and Civil Works	S\$41.0 million
	Market capitalisation of CIT as at 3 July 2012	S\$683.6 million ⁽³⁾
	Size of relative figure	6.0%

Rule 1006(d)	Number of equity securities to be issued by CIT as consideration compared with the number of equity securities previously in issue	Not applicable as no new Units will be issued as consideration for the Acquisition
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Notes:

- (1) In the case of a real estate investment trust, the net property income is a close proxy to the net profits attributable to its assets.
- (2) CIT's actual net property income for the quarter ended 31 March 2012.
- (3) CIT's market capitalisation as at 3 July 2012 (being the last market day the units were traded preceding the date of the SPA) was approximately S\$683.6 million (based on the weighted average price of S\$0.5701 of the units transacted on 3 July 2012).

8. INTEREST OF THE DIRECTORS AND CONTROLLING UNITHOLDERS

As at the date of this announcement, none of the directors of the Manager or controlling unitholders of CIT has any interest, direct or indirect, in the Acquisition.

9. DIRECTOR'S SERVICE CONTRACTS

No person is proposed to be appointed as a director of the Manager in connection with the Acquisition.

10. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the SPA and the Valuation may be inspected, with prior appointment, at the registered office of the Manager during normal business hours for a period of three months from the date of this announcement.

BY ORDER OF THE BOARD

Cambridge Industrial Trust Management Limited
(Company Registration No. 200512804G, Capital Markets Services Licence No. 100132-2)
As Manager of Cambridge Industrial Trust

Chris Calvert
Chief Executive Officer and Executive Director

5 July 2012

For further enquiries, please contact:

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About Cambridge Industrial Trust

Cambridge Industrial Trust (“CIT”), publicly listed on the Singapore Exchange Securities Trading Limited on 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 46 properties and 2 built-to-suit projects at an aggregate book value of S\$1,067.5 million as at 31 March 2012, located across Singapore.

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

- prudent capital and risk management;
- proactive asset management; and
- value enhancing investments.

Cambridge Industrial Trust Management Limited, the Manager of CIT, is indirectly owned by three strategic sponsors 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 specializing in real estate and private equity investments across Asia-Pacific. Mitsui is one of the largest corporate conglomerates in Japan and listed on the Tokyo Stock Exchange. It is also 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, or liabilities or obligations of, 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 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.