



# DBS Pulses of Asia Conference

1 July 2014

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# Highlights



# Key Highlights



- ✓ 1Q2014 DPU at 1.251 cents, a 1.4% increase year-on-year from 1.234 cents
- ✓ 1Q2014 gross revenue grew 6.1% year-on-year on a like-for-like basis
- ✓ Completed the acquisitions of 30 Teban Gardens Crescent and 11 Chang Charn Road totalling S\$73.0 million
- ✓ AEI at 3 Pioneer Sector 3 completed ahead of schedule with cost savings. Commenced Phase II AEI for S\$12.4 million
- ✓ Occupancy remains strong at 97.0%
- ✓ Gearing ratio of 29.9% with 78.3% of debt fixed for the next two years





# Portfolio Updates

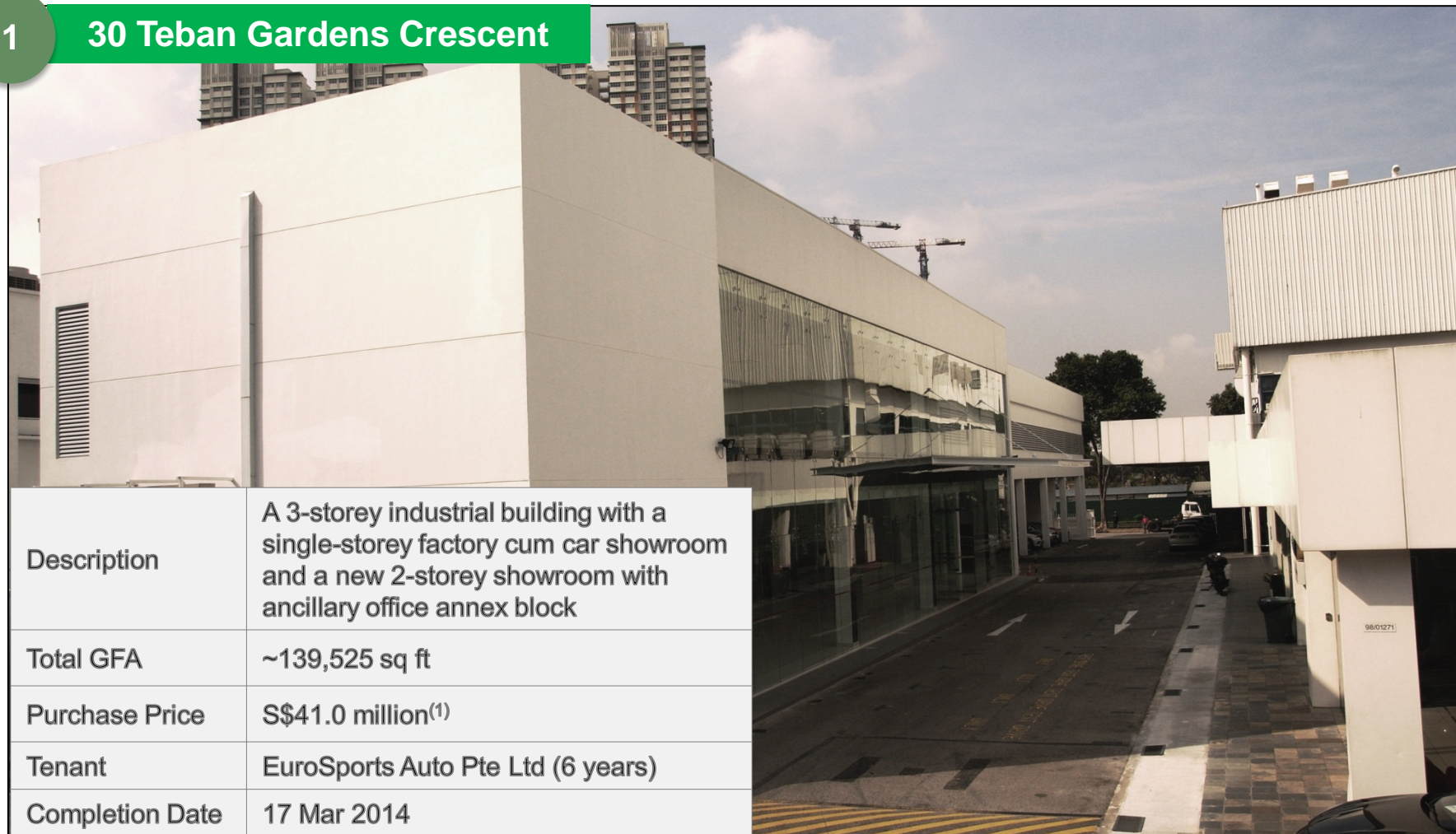
54 Serangoon Ave 4

# Completed 2 Acquisitions in 1Q2014, Totalling S\$73.0 Million



Accessible via Ayer Rajah Expressway

## 1 30 Teban Gardens Crescent



|                 |  |
|-----------------|--|
| Description     | A 3-storey industrial building with a single-storey factory cum car showroom and a new 2-storey showroom with ancillary office annex block |
| Total GFA       | ~139,525 sq ft   |
| Purchase Price  | S\$41.0 million <sup>(1)</sup>   |
| Tenant          | EuroSports Auto Pte Ltd (6 years)  |
| Completion Date | 17 Mar 2014  |

(1) Excludes land premium

# Completed 2 Acquisitions in 1Q2014, Totalling S\$73.0 Million



Well Connected via Major Roads and Expressways; 10 mins' Drive to CBD

2

## 11 Chang Charn Road



|                 |                                      |
|-----------------|--------------------------------------|
| Description     | A 6-storey light industrial building |
| Total GFA       | ~97,542 sq ft                        |
| Purchase Price  | S\$32.0 million                      |
| Tenant          | Multi-tenanted                       |
| Completion Date | 31 Mar 2014                          |



# AEI at 3 Pioneer Sector 3 Completed Ahead of Schedule



TOP Obtained in June 2014 instead of 4Q2014; Cost Savings of S\$1.0 Million

Total GFA 716,570 sq ft

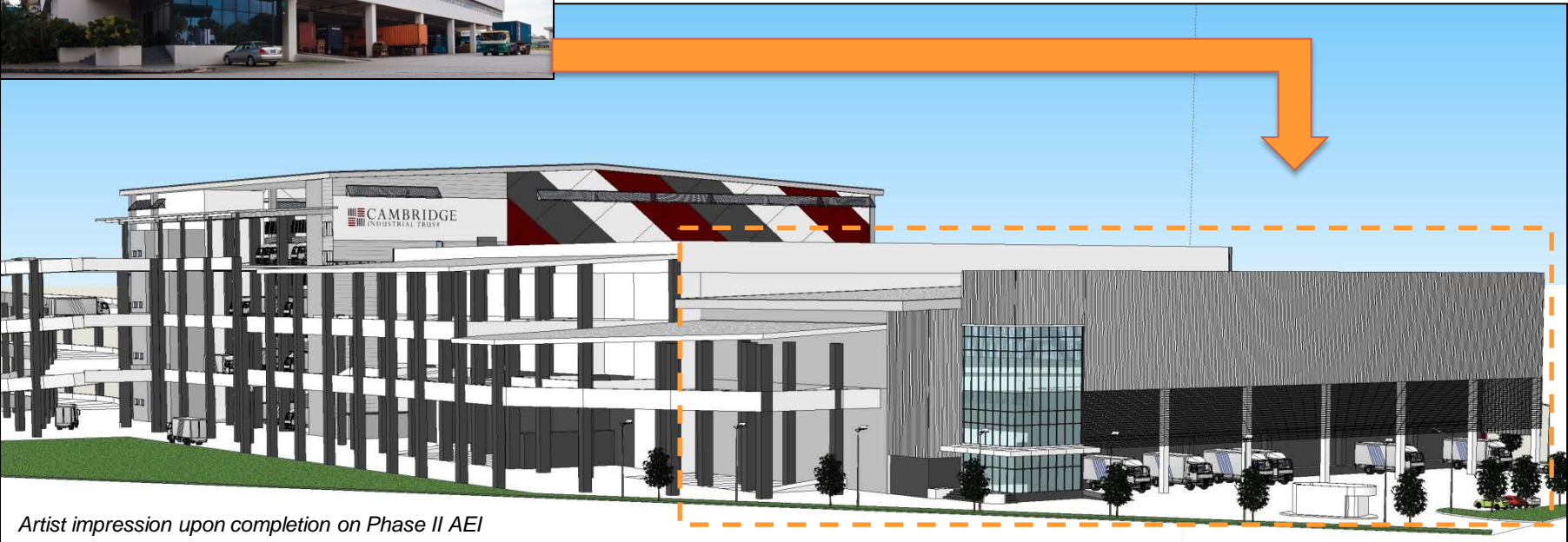


|                |                       |
|----------------|-----------------------|
| Additional GFA | 315,350 sq ft         |
| Cost           | S\$44.4 million       |
| Tenant         | CWT Limited (3 years) |
| Land Tenure    | 36 years              |
| Yield on Cost  | 9.4%                  |

# Commenced Phase II AEI for 3 Pioneer Sector 3



|                 |   |
|-----------------|---|
| Description     | Connect the new ramp-up warehouse with the existing building, upgrade the building façade and facilities. |
| Cost            | ~S\$12.4 million  |
| Completion Date | Target 1Q2015   |



Artist impression upon completion on Phase II AEI

# Remaining 2 AEsIs to be Completed in 4Q2014



1

## 21B Senoko Loop



Artist's impression

Additional GFA ~98,788 sq ft (Total: 195,890 sq ft)

Cost ~S\$12.8 million

Tenant Tellus Marine Engineering Pte Ltd (10 years)

Completion Date Target 4Q2014

2

## 31 Changi South Avenue 2



Additional GFA ~9,242 sq ft (Total: 59,886 sq ft)

Cost ~S\$1.6 million

Tenant Presscrete Engineering Pte Ltd (5 years lease extension from 2017)

Completion Date Target 4Q2014





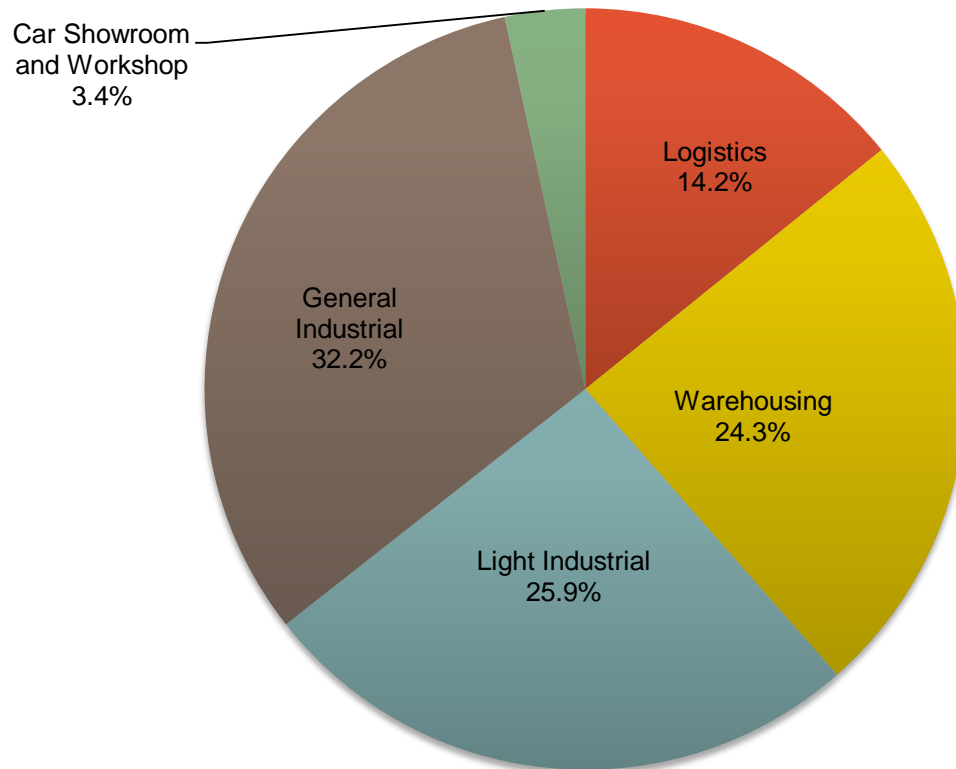
# Portfolio Details

# Diversified Portfolio



48 Properties with a Total GFA of ~7.8 million sq ft and a Property Value of ~S\$1.3 billion

## Asset Class by Rental Income



## Portfolio Details of Properties

|                             |               |
|-----------------------------|---------------|
| Total number of Properties  | 48            |
| Total Portfolio GFA (sq ft) | ~ 7.8 million |
| Net Lettable Area (sq ft)   | ~ 7.4 million |
| Portfolio Occupancy (%)     | 97.0%         |
| Total number of Tenants     | 146           |

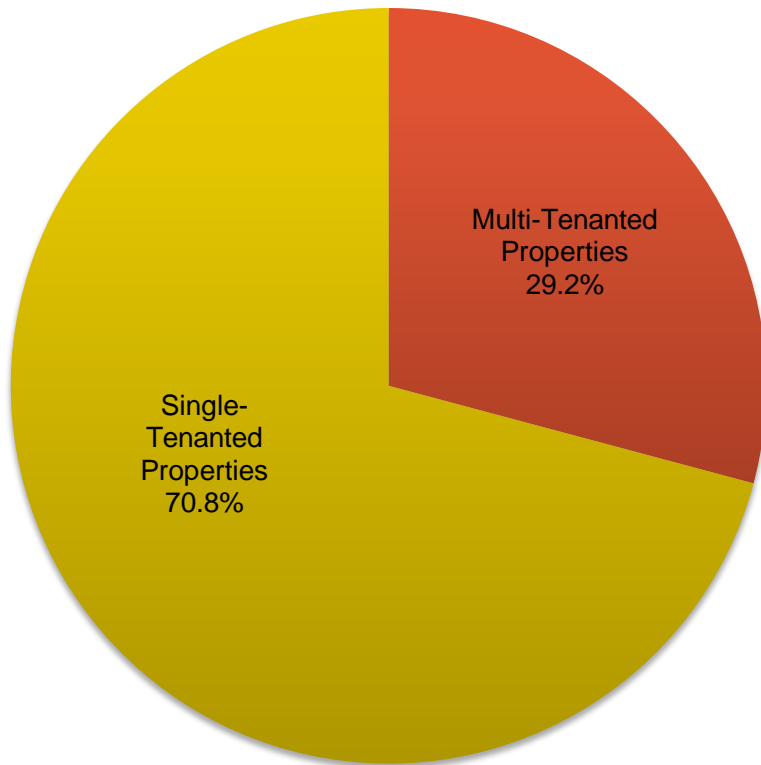


Data based on gross rental for March 2014

# Stable Rental Income with Potential Rental Growth



**Single-Tenanted vs Multi-Tenanted Properties  
(By Rental Income)**



- ✓ Renewed a total of 228,002 sq ft of leases
- ✓ Positive reversions registered across portfolio
- ✓ Average 2.5% annual step-ups for single-tenanted properties
- ✓ Average portfolio rent of S\$1.06 psf per month



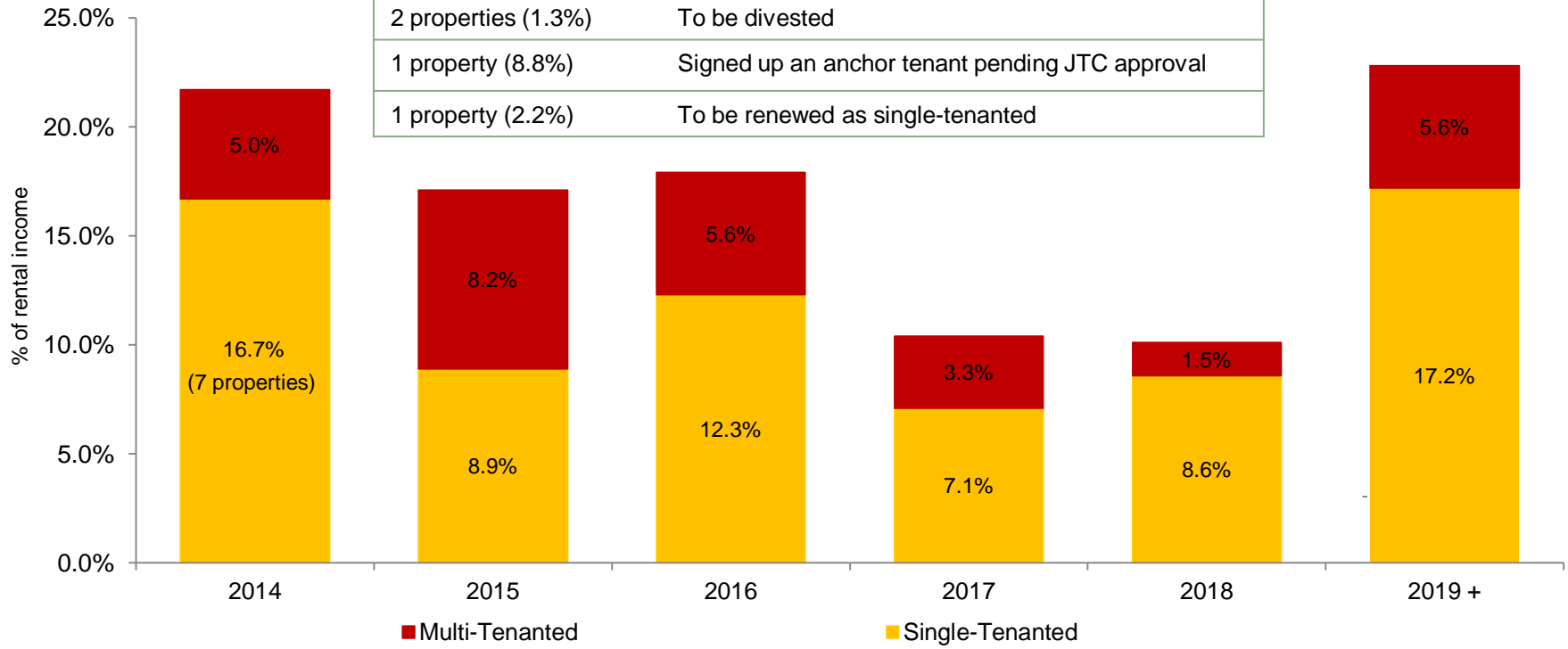
Data based on gross rental for March 2014

# Proactive Management of Our Leases



## Lease Expiry Profile as a % of Rental Income

| Total of 7 Single-Tenanted Properties Expiring in 2014 |   |
|--|---|
| 3 properties (4.4%)                                    | To be converted to multi-tenanted               |
| 2 properties (1.3%)                                    | To be divested                                  |
| 1 property (8.8%)                                      | Signed up an anchor tenant pending JTC approval |
| 1 property (2.2%)                                      | To be renewed as single-tenanted                |



|                        | Weighted Average Lease Expiry ("WALE") (years) | Average Security Deposits (months) |
|------------------------|--|------------------------------------|
| <b>Total Portfolio</b> | <b>3.6</b>                                     | <b>11.3</b>                        |

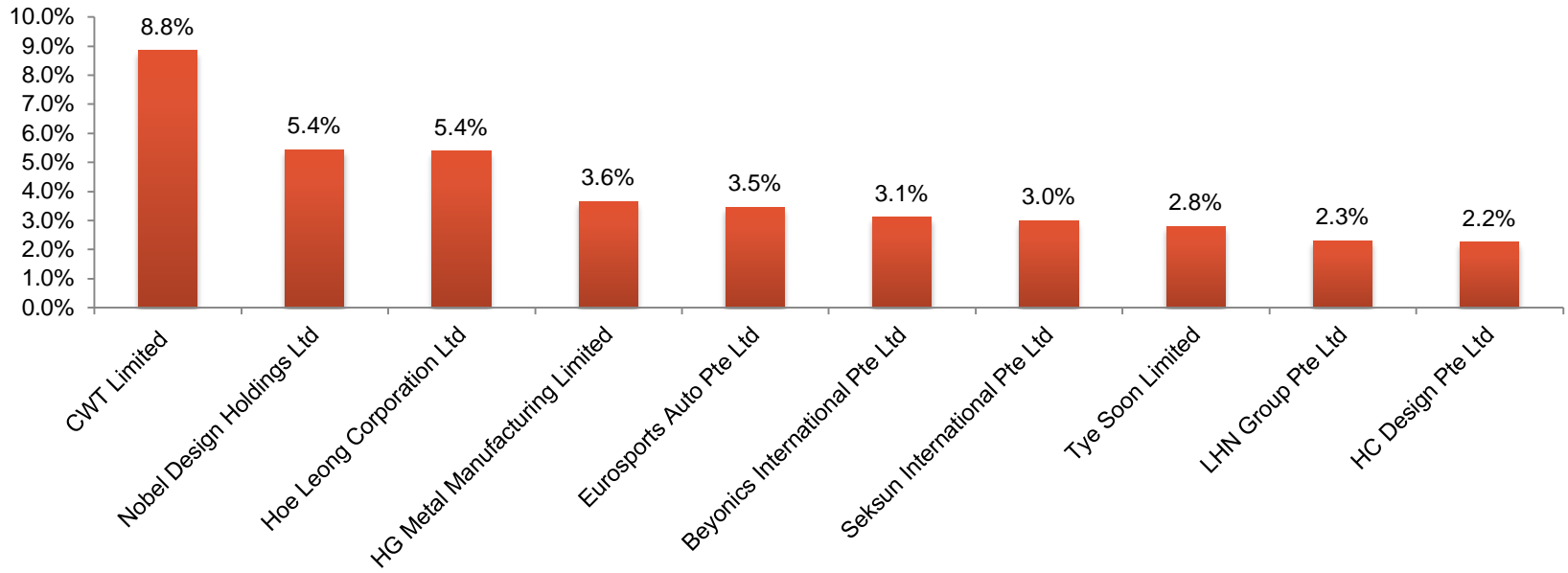
Data based on gross rental for March 2014



# Quality and Diversified Tenant Base

## Top 10 Tenants Account for ~40.1% of Rental Income

% of rental Income



Data based on gross rental for March 2014





# Financial Highlights and Capital Management

30 Marsiling Industrial Road

# 1Q2014 Financial Highlights



|  | 1Q2014<br>(S\$ mil)  | 1Q2013<br>(S\$ mil) | YoY (%) |
|--|----------------------|---------------------|---------|
| Gross Revenue                            | 23.5                 | 24.8 <sup>(1)</sup> | 5.1 ↓   |
| Net Property Income                      | 19.0 <sup>(2)</sup>  | 21.3 <sup>(1)</sup> | 11.1 ↓  |
| Distributable Amount                     | 15.6 <sup>(3)</sup>  | 15.1                | 3.3 ↑   |
| Distribution Per Unit<br>("DPU") (cents) | 1.251 <sup>(4)</sup> | 1.234               | 1.4 ↑   |
| Annualised DPU (cents)                   | 5.074                | 5.005               | 1.4 ↑   |

Gross revenue increased 6.1% year-on-year on a like-for-like basis

(1) Includes straight line rent adjustment of S\$0.9 million

(2) Due to higher property expenses from increased number of multi-tenanted properties from six to 12 since 1Q2013

(3) Includes capital distribution of S\$1.3 million from capital gains realised from the sale of investment properties.

(4) Includes capital distribution of 0.108 cents per unit from capital gains realised from the sale of investment properties.

# Balance Sheet



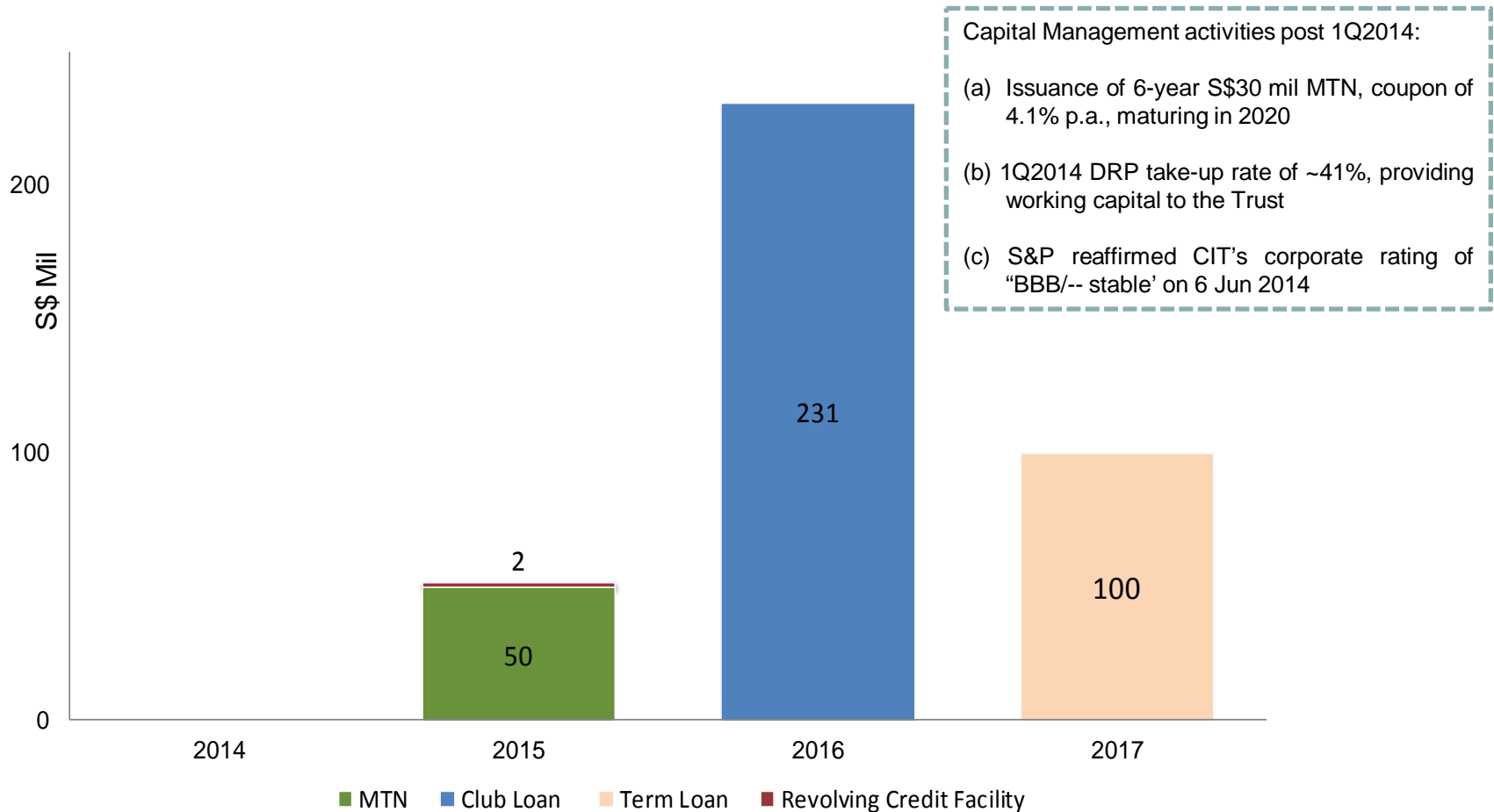
|  | 1Q2014<br>(S\$ mil) |
|--|---------------------|
| Investment Properties                      | 1,207.9             |
| Properties under Development               | 40.8                |
| Interest in Jointly-controlled Entity      | 16.4                |
| Other non-current assets                   | 1.9                 |
| Current Assets                             | 16.9                |
| <b>Total Assets</b>                        | <b>1,283.9</b>      |
| Borrowings (net of loan transaction costs) | 377.2               |
| Other Liabilities                          | 41.3                |
| <b>Total Liabilities</b>                   | <b>418.5</b>        |
| <b>Net Assets</b>                          | <b>865.4</b>        |
| No. of Units Issued (mil)                  | 1,247.0             |
| NAV Per Unit (cents)                       | 69.4                |



# Well Positioned to Pursue Growth Opportunities



Debt Headroom of ~S\$100 mil<sup>(1)</sup> to Fund Future Acquisitions



(1) Assuming a gearing ratio of 35%

# Balance Sheet



|  | 1Q2014                    |
|--|---------------------------|
| Total Debt (S\$ mil)                     | 383.3                     |
| <b>Gearing Ratio (%)</b>                 | <b>29.9</b>               |
| <b>All-in Cost (%)</b>                   | <b>3.85<sup>(1)</sup></b> |
| Weighted Average Debt Expiry (years)     | 2.24                      |
| <b>Unencumbered Properties (S\$ mil)</b> | <b>334.1</b>              |
| Interest Rate Exposure Fixed (%)         | 78.3                      |

(1) After adjusting for the effect of interest rate swaps entered into in December 2013, the all-in cost was reduced to 3.6% p.a. in June 2014



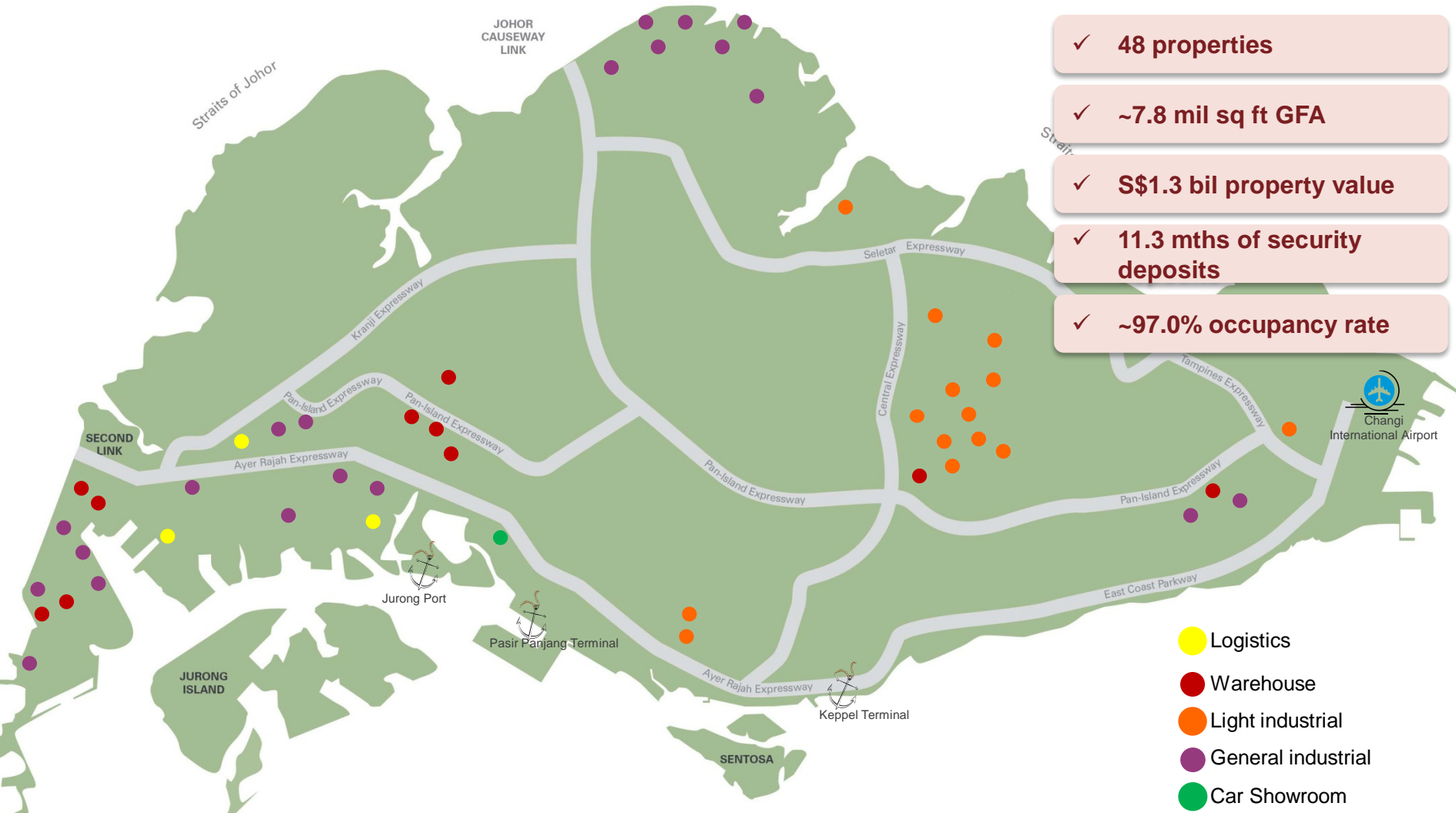


# Appendix

# Overview of CIT



- IPO in Jul 2006 with Market Capitalisation of ~S\$900 mil as at 31 March 2014
- Quality Assets Located Close to Major Transportation Hubs & Key Industrial Zones Island-wide

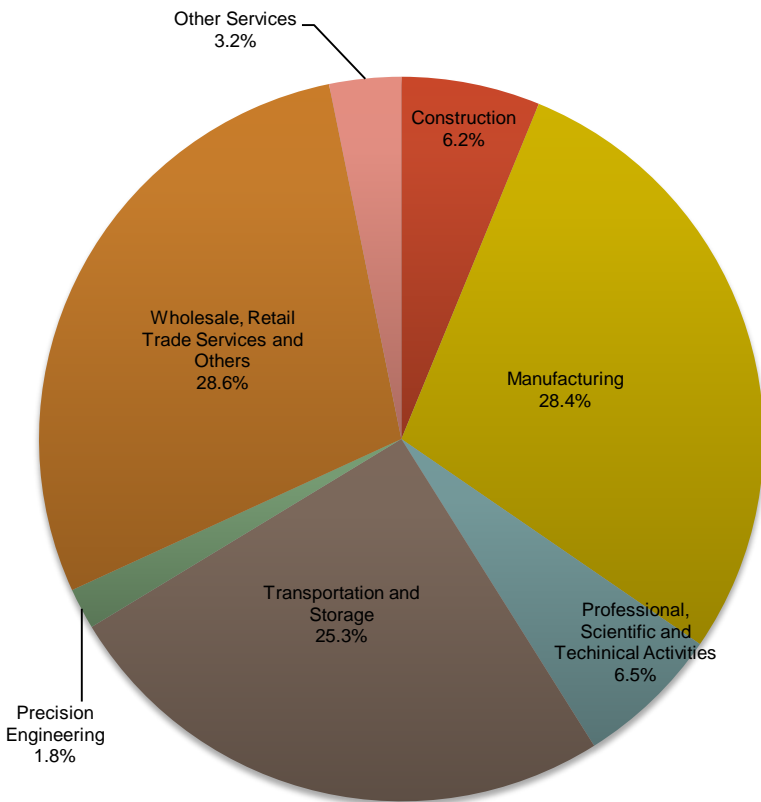




# Diversified Tenant Base and Trade Sector

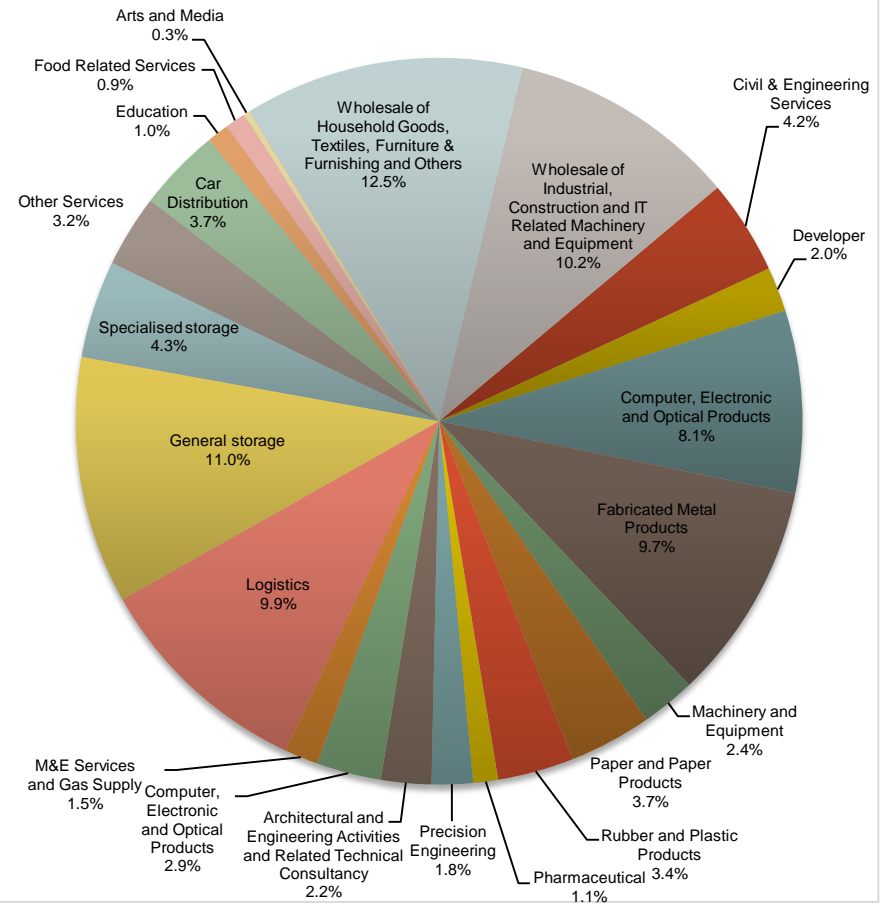


## Diversified Trade Sector (by Rental Income)



Data based on gross rental for March 2014

## Diversified Quality Tenants (by Rental Income)



# YTD2014: Acquisitions and AEI/ Developments and Divestments



| Acquisitions              | GFA (sq ft)     | Completion  | Purchase Price (S\$ mil) |
|---------------------------|-----------------|-------------|--------------------------|
| 11 Chang Charn Road       | ~97,542         | 31 Mar 2014 | 32.0                     |
| 30 Teban Gardens Crescent | ~139,525        | 17 Mar 2014 | 41.0                     |
| <b>Total for 2014</b>     | <b>~237,067</b> |             | <b>73.0</b>              |

| AEIs/Developments             | Add'l GFA (sq ft) | Completion | Cost (S\$ mil) |
|-------------------------------|-------------------|------------|----------------|
| 3 Pioneer Sector 3 (Phase I)  | 315,350           | 3 Jun 2014 | 44.4           |
| 3 Pioneer Sector 3 (Phase II) | N.A.              | 1Q2015     | 12.4           |
| 21B Senoko Loop               | ~98,788           | 4Q2014     | 12.8           |
| 31 Changi South Avenue 2      | ~9,242            | 4Q2014     | 1.6            |
| <b>Total for 2014</b>         | <b>~423,380</b>   |            | <b>71.2</b>    |

| Divestments           | GFA (sq ft)   | Completion  | Gross Proceeds (S\$ mil) |
|-----------------------|---------------|-------------|--------------------------|
| 81 Defu Lane 10       | 45,242        | 24 Mar 2014 | 7.8                      |
| <b>Total for 2014</b> | <b>45,242</b> |             | <b>7.8</b>               |



# Further Information



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