
PROPOSED ACQUISITION OF 160A GUL CIRCLE

1. INTRODUCTION

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 Investor Services Trust Singapore Limited, in its capacity as trustee of CIT (the “**Trustee**”) has on 17 February 2015 entered into a sale and purchase agreement (“**SPA**”) with Unicable Pte Ltd (the “**Vendor**”) in connection with the proposed acquisition (the “**Acquisition**”) of 160A Gul Circle Singapore 629635 (the “**Property**”) for a purchase consideration of S\$16.2 million (the “**Consideration**”).

Based on the relative figures calculated on the bases set out in Rule 1006 of the Listing Manual of Singapore Exchange Securities Trading Limited (the “**Listing Manual**”), the Acquisition is a non-discloseable transaction for the purposes of Chapter 10 of the Listing Manual.

2. DETAILS OF THE ACQUISITION

The Property comprises an existing single-storey factory and a newly completed four-storey factory with ancillary office located within the mature and established industrial precinct of Jurong. The property is accessible via the Pan Island Expressway, Ayer Rajah Expressway, Joo Koon MRT station and the upcoming Tuas West Extension MRT line which is scheduled to complete in 2016.

The Property has a gross floor area of approximately 7,997 square metres and a remaining land tenure of approximately 26 years. Subject to completion of the Acquisition, the Property will be leased to the Vendor for five years.

3. CONDITIONS PRECEDENT

The Acquisition is subject to the fulfillment of certain conditions precedent, including (but not limited to) the following:

- (a) CIT having received the relevant approvals, including the approval from JTC for the acquisition of the Property and the leaseback agreement (where applicable);

- (b) CIT having received satisfactory results to its due diligence investigations and legal requisitions;
- (c) there being no compulsory acquisition or notice of intended compulsory acquisition affecting the Property in whole or in part; and
- (d) 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 leaseback arrangement (where applicable).

4. INDEPENDENT VALUATION

The appraised value of the Property, based on a valuation conducted by Jones Lang Laselle Property Consultants Pte Ltd as at 31 January 2015 using the capitalisation approach and discounted cash flow analysis, was S\$16.2 million. The valuation was commissioned by the Manager.

5. PURCHASE CONSIDERATION

The Consideration for the Acquisition was arrived at on a willing-buyer and willing-seller basis, taking into consideration the independent valuation conducted in respect of the Property.

6. ESTIMATED COST OF THE ACQUISITION

The estimated total cost of the Acquisition is approximately S\$19.9 million, comprising:

- (a) Consideration of S\$16.2 million;
- (b) Estimated upfront land premium of S\$3.3 million payable to JTC for the balance of the 26-year land lease term;
- (c) Acquisition fee payable to the Manager in respect of the Acquisition, which amounts to approximately S\$0.2 million; and
- (d) Estimated professional and other fees and expenses incurred or to be incurred in connection with the Acquisition which amount to approximately S\$0.2 million in aggregate.

7. RATIONALE FOR AND BENEFITS OF THE ACQUISITION

The Manager believes that the acquisition of a stabilised asset with a five-year leaseback term and with built-in annual escalations will be a quality addition to CIT's overall portfolio.

Mr. Philip Levinson, CEO of CITM, said, “We are pleased to have acquired 160A Gul Circle. This is a strong-yielding and quality asset that will provide a steady income stream and enhance our overall portfolio. The acquisition is in line with CIT’s strategy to acquire yield-accretive assets that support our objective of creating sustainable growth and value.”

8. METHOD OF FINANCING

CIT intends to fund the Acquisition via cash on hand and existing debt facilities.

9. INTERESTS OF THE DIRECTORS AND CONTROLLING UNITHOLDERS

As at the date of this announcement, none of the directors of the Manager has any interest, direct or indirect, in the Acquisition and CIT does not have any controlling Unitholders.

10. DIRECTOR’S SERVICE CONTRACTS

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

11. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the SPA and valuation certificate in respect of the Acquisition may be inspected, by 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
As Manager of Cambridge Industrial Trust
(Company Registration No. 200512804G, Capital Markets Services Licence No. 100132-2)

Philip Levinson
Chief Executive Officer and Executive Director

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For analyst enquiries, please contact:

Ms Brenda Ng
Senior Manager, Investor Relations & Corporate Communications
Cambridge Industrial Trust Management Limited
Tel: +65 6827 9363
brenda.ng@cambridgeitm.com

For media enquiries, please contact:

Tulchan Communications, Tel: +65 6222 3765

Angela Campbell-Noë, Senior Partner
HP: +65 8200 5915
acampbell-noe@tulchangroup.com

Jean Zhuang, Director
HP: +65 9061 1075
jzhuang@tulchangroup.com

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 50 properties located across Singapore, with a total gross floor area of approximately 8.4 million sq ft and a property value of S\$1.37 billion as at 31 December 2014. They range from logistics, warehousing, light industrial, general industrial, car showroom and workshop to business park properties, which 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 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 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, or 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.