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**FINANCIAL STATEMENT ANNOUNCEMENT FOR THE QUARTER ENDED 30 JUNE 2014**


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The Directors of Cambridge Industrial Trust Management Limited ("CITM"), as Manager of Cambridge Industrial Trust ("CIT") are pleased to announce the unaudited results of the Group and CIT for the second quarter ended 30 June 2014.

CIT and its subsidiary (the "Group") have a diversified portfolio of 48 properties located across Singapore, with a combined carrying value of approximately S\$1.3 billion as at 30 June 2014, with a total gross floor area of approximately 8.1 million square feet. They range from logistics and warehousing properties to light and general industrial properties to car show room and workshop located close to major transportation hubs and key industrial zones island-wide.

The Group's results included the consolidation of 100% interest in a wholly-owned subsidiary, Cambridge-MTN Pte. Ltd. ("Cambridge MTN") and a 60% interest in a limited liability partnership, Cambridge SPV1 LLP ("Cambridge LLP"), on an equity accounting basis. Cambridge LLP owns a property with a carrying value of S\$38.0 million.

The commentaries below are based on Group results unless otherwise stated.

**Summary of Group's Results**

	<b>2Q2014</b> <b>S\$'000</b>	<b>2Q2013</b> <b>S\$'000</b>	<b>Inc/ (Dec)</b> <b>%</b>
<b>Gross revenue</b>	<b>24,571</b>	<b>24,571</b>	<b>0.0</b>
<b>Net property income</b>	<b>19,657</b>	<b>20,823</b>	<b>(5.6)</b>
<b>Distributable amount</b>	<b>15,707</b>	<b>15,256</b>	<b>3.0</b>
<b>Distribution per unit ("DPU") (cents)</b>	<b>1.251</b>	<b>1.240</b>	<b>0.9</b>
<b>Annualised DPU (cents)</b>	<b>5.018</b>	<b>4.974</b>	<b>0.9</b>
<b>Annualised Distribution Yield (%) (a)</b>	<b>6.47</b>	<b>6.42</b>	<b>0.8</b>

**Note:**

- (a) All yields are computed based on the closing price of S\$0.775 as at 30 June 2014, being the last trading day of the quarter.

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**Distribution and Book Closure Date Details**

<b>Distribution period</b>	<b>1 April 2014 to 30 June 2014</b>
<b>Distribution rate</b>	<b>1.251 cents per unit comprising:</b> <b>(a) taxable income</b> <b>1.022 cents per unit</b> <b>(b) tax exempt income<sup>(1)</sup></b> <b>0.002 cents per unit</b> <b>(c) capital gains<sup>(2)</sup></b> <b>0.093 cents per unit</b> <b>(d) capital<sup>(3)</sup></b> <b>0.134 cents per unit</b>
<b>Books closure date</b>	<b>4 August 2014</b>
<b>Payment date</b>	<b>10 September 2014</b>

**Notes:**

- (1) Tax exempt income relates to rental support received less tax payable by CIT.
- (2) Distribution of approximately S\$1.2 million from capital gains on sale of investment properties from prior years that have been confirmed by IRAS as capital gains to fund reduction in income contribution for the period from properties undergoing asset enhancement initiatives including asset repositioning.
- (3) Distribution of approximately S\$1.7 million from capital to fund the reduction in net income from the performance fees payable in cash.

The Manager has determined that the distribution reinvestment plan will apply to the distribution for the period from 1 April 2014 to 30 June 2014. The pricing of the DRP units issued will be based on the market price to be announced by the Manager on 5 August 2014, less a discount of 2%.

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**1(a) Income statement together with a comparative statement for the corresponding period of the immediately preceding financial year**

**Statement of Total Return (2Q2014 vs 2Q2013)**

	Note	Group			Trust		
		2Q2014 S\$'000	2Q2013 S\$'000	Inc/ (Dec) %	2Q2014 S\$'000	2Q2013 S\$'000	Inc/ (Dec) %
<b>Gross revenue</b>	(a)	<b>24,571</b>	<b>24,571</b>	<b>0.0</b>	<b>24,571</b>	<b>24,571</b>	<b>0.0</b>
Property manager's fees	(b)	(953)	(772)	23.4	(953)	(772)	23.4
Property tax		(902)	(908)	(0.7)	(902)	(908)	(0.7)
Land rents	(c)	(1,255)	(1,137)	10.4	(1,255)	(1,137)	10.4
Other property expenses	(d)	(1,804)	(931)	93.8	(1,804)	(931)	93.8
<b>Property expenses</b>		<b>(4,914)</b>	<b>(3,748)</b>	<b>31.1</b>	<b>(4,914)</b>	<b>(3,748)</b>	<b>31.1</b>
<b>Net property income</b>		<b>19,657</b>	<b>20,823</b>	<b>(5.6)</b>	<b>19,657</b>	<b>20,823</b>	<b>(5.6)</b>
Management fees		(1,632)	(1,635)	(0.2)	(1,632)	(1,635)	(0.2)
Performance fees	(e)	(1,684)	(13,869)	(87.9)	(1,684)	(13,869)	(87.9)
Trust expenses	(f)	(316)	(593)	(46.7)	(316)	(594)	(46.8)
Interest income		30	21	42.9	30	21	42.9
Borrowing costs	(g)	(4,174)	(5,425)	(23.1)	(4,174)	(5,425)	(23.1)
<b>Non-property expenses</b>		<b>(7,776)</b>	<b>(21,501)</b>	<b>(63.8)</b>	<b>(7,776)</b>	<b>(21,502)</b>	<b>(63.8)</b>
<b>Net income before share of profits in jointly-controlled entity</b>		<b>11,881</b>	<b>(678)</b>	<b>n.m</b>	<b>11,881</b>	<b>(679)</b>	<b>n.m</b>
Share of profits in jointly-controlled entity	(h)	127	6	n.m	-	-	-
Distribution income from jointly-controlled entity		-	-	-	156	-	n.m
<b>Net income after share of profits in jointly-controlled entity</b>		<b>12,008</b>	<b>(672)</b>	<b>n.m</b>	<b>12,037</b>	<b>(679)</b>	<b>n.m</b>
Change in fair value of financial derivatives	(i)	(421)	855	n.m	(421)	855	n.m
Change in fair value of investment properties and investment properties under development	(j)	(7,251)	31,877	n.m	(7,251)	31,877	n.m
<b>Total return for the period before income tax and distribution</b>		<b>4,336</b>	<b>32,060</b>	<b>(86.5)</b>	<b>4,365</b>	<b>32,053</b>	<b>(86.4)</b>
Less: Income tax expense	(k)	(97)	-	n.m	(97)	-	n.m
<b>Total return for the period after income tax before distribution</b>		<b>4,239</b>	<b>32,060</b>	<b>(86.8)</b>	<b>4,268</b>	<b>32,053</b>	<b>(86.7)</b>

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**Distribution Statement (2Q2014 vs 2Q2013)**

	Note	Group			Trust		
		2Q2014 S\$'000	2Q2013 S\$'000	Inc/ (Dec) %	2Q2014 S\$'000	2Q2013 S\$'000	Inc/ (Dec) %
<b>Total return for the period after income tax before distribution</b>		<b>4,239</b>	<b>32,060</b>	<b>(86.8)</b>	<b>4,268</b>	<b>32,053</b>	<b>(86.7)</b>
Net effect of non-taxable items	(l)	8,612	(31,837)	n.m	8,583	(31,830)	n.m
<b>Net income available for distribution for the period</b>		<b>12,851</b>	<b>223</b>	<b>n.m</b>	<b>12,851</b>	<b>223</b>	<b>n.m</b>
<b>Distribution from capital gains and capital</b>	(m)	2,856	15,033	(81.0)	2,856	15,033	(81.0)
<b>Net amount available for distribution for the period</b>	(n)	<b>15,707</b>	<b>15,256</b>	<b>3.0</b>	<b>15,707</b>	<b>15,256</b>	<b>3.0</b>
<b>Distribution per unit (cents):</b>							
<b>For the period</b>	(o)	<b>1.251</b>	<b>1.240</b>	<b>0.9</b>	<b>1.251</b>	<b>1.240</b>	<b>0.9</b>
<b>Annualised</b>		<b>5.018</b>	<b>4.974</b>	<b>0.9</b>	<b>5.018</b>	<b>4.974</b>	<b>0.9</b>

n.m. - Not meaningful

**Notes:**

- (a) Gross revenue for 2Q2014 remained the same as its comparative quarter, 2Q2013 at S\$24.6 million. Excluding straight line rent adjustments of S\$0.2 million and S\$0.8 million for 2Q2014 and 2Q2013 respectively, gross revenue for 2Q2014 was S\$24.4 million, an increase of S\$0.6 million in relation to the comparative gross revenue for 2Q2013 of S\$23.8 million.

The increase was attributable to additional revenue from new property acquisitions, completion of property developments and asset enhancement initiatives ("AEIs"), net of divestments since 2Q2013.

- (b) Property Manager's fees for 2Q2014 were higher by S\$0.2 million over the previous comparative quarter largely due to the marketing service commission paid for securing new leases and lease renewals for the properties.
- (c) The increase in land rents was mainly due to an upward revision of land rent rates for several properties in the portfolio.

- (d) Other property expenses were higher in 2Q2014 by S\$0.9 million mainly due to:
- increased utilities costs and integrated facility management expenses with more multi-tenanted buildings where CIT bears these costs. The number of multi-tenanted properties has increased from six to 13 since 2Q2013;
  - higher legal and professional fees incurred in connection with increased leasing activities; and
  - provision for doubtful debts of S\$0.25 million relating to one overdue account.

- (e) This refers to the performance fee payable to the Manager during the half year ended 30 June 2014.

Performance fees are calculable every half-year to 30 June and 31 December. For the Half Year ended 30 June 2014, the total return of CIT's Trust Index exceeded the total return of the Benchmark Index by 2.27% (Half Year to 30 June 2013: 16.9%), resulting in a fee of approximately S\$1.68 million (Half Year to 30 June 2013: S\$13.9 million).

- (f) Trust expenses were lower by S\$0.3 million for 2Q2014, as 2Q2013 included legal and professional fees of S\$0.2 million in connection with Cambridge LLP.
- (g) Borrowing costs for 2Q2014 decreased by approximately S\$1.3 million, largely due to:
- net interest cost saving of S\$0.7 million as a result of lower average borrowings outstanding for 2Q2014 (approximately S\$401.7 million) compared to 2Q2013 (approximately S\$464.1 million);
  - lower loan transaction costs of S\$0.5 million; and
  - lower commitment fees of S\$0.1 million as revolving credit facilities were drawn to finance AELs which commenced in 3Q2013.

Please refer to 1(b)(ii) for more details on the loan facilities.

- (h) The share of profits in the jointly-controlled entity refers to the equity accounting of CIT's 60% interest in Cambridge LLP's 2Q2014 results which comprises mainly the net rental income from the 3 Tuas South Avenue 4 property.
- (i) The change in fair value of financial derivatives represented the change in fair value of interest rate swaps which were entered into, to hedge the interest rate risk on the loan facilities. Please refer to 1(b)(i)(f) for more details.

In accordance with *FRS 39 Financial Instruments*, the fair value change on interest rate swaps is recognised in the Statement of Total Return. It is non-tax deductible and has no impact on the net income available for distribution.

- (j) This refers to the fair value change on revaluation of the investment properties and the investment properties under development. The revaluation amount is inclusive of adjustments for straight line rent of S\$1.8 million.

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Independent valuations for all the properties including the investment property under development for June 2014 were undertaken by Colliers International Consultancy & Valuation (Singapore) Pte Ltd. The valuations were based on the discounted cashflow analysis, the income capitalisation and direct comparison methods of valuation.

The revaluations are non-tax deductible and have no impact on the net income available for distribution.

- (k) This refers to income tax payable on the rental support received in respect of one property. IRAS has confirmed that this revenue is not tax transparent income and hence is taxable at the trust level and distributable to the unitholders as tax exempt income in 2Q2014.

- (l) Non-taxable items (distribution adjustments)

	Group		Trust	
	2Q2014 S\$'000	2Q2013 S\$'000	2Q2014 S\$'000	2Q2013 S\$'000
<u>Non-tax deductible items and other adjustments:</u>				
Trustee's fees	90	91	90	91
Transaction costs relating to debt facilities	1,037	1,530	1,037	1,530
Change in fair value of investment properties and investment properties under development	7,251	(31,877)	7,251	(31,877)
Change in fair value of financial derivatives	421	(855)	421	(855)
Professional fees	97	83	97	83
Straight line rent and lease incentives	(644)	(760)	(644)	(760)
Share of profits in jointly-controlled entity	(127)	(6)	-	-
Distribution income from jointly-controlled entity	156	-	-	-
Miscellaneous expenses	81	(43)	81	(42)
Provision for doubtful debts	250	-	250	-
<b>Net effect of non-taxable items</b>	<b>8,612</b>	<b>(31,837)</b>	<b>8,583</b>	<b>(31,830)</b>

- (m) Distribution from capital gains and capital includes an aggregate of:

- (i) approximately S\$1.2 million from capital gains realised from the sale of investment properties to fund the reduction in income contribution for the period from properties undergoing asset enhancement initiatives including asset repositioning; and
- (ii) approximately S\$1.7 million from capital to fund the reduction in net income from the performance fees payable in cash. Please refer to 1(a)(e) for more details.

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Consistent with the approach that has been taken on the previous occasions when a performance fee was payable by CIT, a capital distribution equal to the tax deductible amount of the performance fee included in CIT's distribution. In this manner, the performance fee will have no impact on CIT's distribution for 2Q2014.

(n) Net amount available for distribution for the period comprised:

	<b>Group and Trust</b>		
	<b>2Q2014</b> <b>S\$'000</b>	<b>2Q2013</b> <b>S\$'000</b>	<b>Inc/</b> <b>(Dec)</b> <b>%</b>
Taxable income	12,820	223	n.m
Tax exempt income <sup>(1)</sup>	31	-	n.m
Capital gains	1,172	1,164	0.7
Capital	1,684	13,869	(87.9)
<b>Net amount available for distribution for the period</b>	<b>15,707</b>	<b>15,256</b>	<b>3.0</b>

**Note:**

(1) Tax exempt income relates to rental support received less tax payable by CIT.

(o) The total distributable amount of S\$15.7 million after distribution adjustments of S\$8.6 million and based on 1,255,547,939 issued units, translated to a DPU of 1.251 cents for 2Q2014.

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**Statement of Total Return (1H2014 vs 1H2013)**

	Note	Group			Trust		
		1H2014 S\$'000	1H2013 S\$'000	Inc/ (Dec) %	1H2014 S\$'000	1H2013 S\$'000	Inc/ (Dec) %
<b>Gross revenue</b>	(a)	<b>48,111</b>	<b>49,370</b>	<b>(2.5)</b>	<b>48,111</b>	<b>49,370</b>	<b>(2.5)</b>
Property manager's fees	(b)	(1,847)	(1,547)	19.4	(1,847)	(1,547)	19.4
Property tax	(c)	(1,902)	(1,816)	4.7	(1,902)	(1,816)	4.7
Land rents	(c)	(2,458)	(2,156)	14.0	(2,458)	(2,156)	14.0
Other property expenses	(d)	(3,275)	(1,698)	92.8	(3,275)	(1,698)	92.8
<b>Property expenses</b>		<b>(9,482)</b>	<b>(7,217)</b>	<b>31.4</b>	<b>(9,482)</b>	<b>(7,217)</b>	<b>31.4</b>
<b>Net property income</b>		<b>38,629</b>	<b>42,153</b>	<b>(8.4)</b>	<b>38,629</b>	<b>42,153</b>	<b>(8.4)</b>
Management fees		(3,185)	(3,218)	(1.0)	(3,185)	(3,218)	(1.0)
Performance fees	(e)	(1,684)	(13,869)	(87.9)	(1,684)	(13,869)	(87.9)
Trust expenses	(f)	(701)	(1,142)	(38.6)	(701)	(1,143)	(38.7)
Interest income		71	39	82.1	71	39	82.1
Borrowing costs	(g)	(8,643)	(13,178)	(34.4)	(8,643)	(13,178)	(34.4)
<b>Non-property expenses</b>		<b>(14,142)</b>	<b>(31,368)</b>	<b>(54.9)</b>	<b>(14,142)</b>	<b>(31,369)</b>	<b>(54.9)</b>
<b>Net income before share of profits in jointly-controlled entity</b>		<b>24,487</b>	<b>10,785</b>	<b>127.0</b>	<b>24,487</b>	<b>10,784</b>	<b>127.1</b>
Share of profits in jointly-controlled entity	(h)	298	13,380	(97.8)	-	-	-
Distribution income from jointly-controlled entity		-	-	-	336	-	n.m
<b>Net income after share of profits in jointly-controlled entity</b>		<b>24,785</b>	<b>24,165</b>	<b>2.6</b>	<b>24,823</b>	<b>10,784</b>	<b>130.2</b>
Gain on disposal of investment properties	(i)	1,047	-	n.m	1,047	-	n.m
Change in fair value of financial derivatives	(j)	13	1,036	(98.7)	13	1,036	(98.7)
Change in fair value of investment properties and investment properties under development	(k)	(7,251)	31,877	n.m	(7,251)	31,877	n.m
<b>Total return for the period before income tax and distribution</b>		<b>18,594</b>	<b>57,078</b>	<b>(67.4)</b>	<b>18,632</b>	<b>43,697</b>	<b>(57.4)</b>
Less: Income tax expense	(l)	(102)	-	n.m	(102)	-	n.m
<b>Total return for the period after income tax before distribution</b>		<b>18,492</b>	<b>57,078</b>	<b>(67.6)</b>	<b>18,530</b>	<b>43,697</b>	<b>(57.6)</b>



**Distribution Statement (1H2014 vs 1H2013)**

	Note	Group			Trust		
		1H2014 S\$'000	1H2013 S\$'000	Inc/ (Dec) %	1H2014 S\$'000	1H2013 S\$'000	Inc/ (Dec) %
<b>Total return for the period after income tax before distribution</b>		<b>18,492</b>	<b>57,078</b>	<b>(67.6)</b>	<b>18,530</b>	<b>43,697</b>	<b>(57.6)</b>
Net effect of non-taxable items	(m)	8,613	(42,049)	n.m	8,575	(28,668)	n.m
<b>Net income available for distribution for the period</b>		<b>27,105</b>	<b>15,029</b>	<b>80.4</b>	<b>27,105</b>	<b>15,029</b>	<b>80.4</b>
<b>Distribution from capital gains and capital</b>	(n)	4,202	15,334	(72.6)	4,202	15,334	(72.6)
<b>Total amount available for distribution</b>	(o)	<b>31,307</b>	<b>30,363</b>	<b>3.1</b>	<b>31,307</b>	<b>30,363</b>	<b>3.1</b>
<b>Distribution per unit (cents):</b>							
<b>For the period</b>	(p)	<b>2.502</b>	<b>2.474</b>	<b>1.1</b>	<b>2.502</b>	<b>2.474</b>	<b>1.1</b>
<b>Annualised</b>		<b>5.045</b>	<b>4.989</b>	<b>1.1</b>	<b>5.045</b>	<b>4.989</b>	<b>1.1</b>

n.m. - Not meaningful

**Notes:**

- (a) Gross revenue for 1H2014 was S\$48.1 million, being lower than that of 1H2013 by S\$1.3 million or 2.5%. Excluding straight line rent adjustments of S\$0.2 million and S\$1.6 million for 2Q2014 and 2Q2013 respectively, gross revenue for 1H2014 was S\$47.9 million, a marginal increase of S\$0.1 million in relation to the comparative gross revenue for 1H2013 of S\$47.8 million.

The increase was attributable to additional revenue from new property acquisitions, completion of property developments and AEI and rent escalations, net of divestments since 1H2013.

- (b) Property Manager's fees for 1H2014 were higher than 1H2013 due to the marketing service commission paid for securing new leases and lease renewals for the properties.
- (c) The increase in land rents and property tax was mainly due to an upward revision of land rent rates and annual values for several properties in the portfolio.

- (d) Other property expenses were higher in 1H2014 by approximately S\$1.6 million mainly due to:
- increased utilities costs and integrated facility management expenses with more multi-tenanted buildings in the portfolio;
  - increased legal and professional fees incurred in connection with increased leasing activities; and
  - provision for doubtful debts of S\$0.25 million relating to one overdue account.
- (e) This refers to the performance fee payable to the Manager during the half year ended 30 June 2014. Please refer to 1(a)(e) for more details.
- (f) Trust expenses decreased by approximately S\$0.4 million mainly due to a reduction in valuation fees of S\$0.1 million and included in 1H2013 were legal and professional fees of S\$0.2 million in connection with Cambridge LLP.
- (g) Borrowing costs for 1H2014 decreased by approximately S\$4.5 million, largely due to:
- net interest cost saving of S\$1.6 million as a result of lower average borrowings outstanding for loan facilities for 1H2014 (approximately S\$391.1 million) compared to 1H2013 (approximately S\$491.3 million) and additional interest cost on the issue of Series 002 MTN in April 2014;
  - loan transaction costs were lower than 1H2013 by S\$2.6 million, as the comparative period included accelerated loan transaction cost from loan repayments and a bridge loan expiry; and
  - lower commitment fee of S\$0.3 million due to revolving credit facilities were drawn to finance AEs which commenced in 3Q2013.
- Please refer to 1(b)(ii) for more details on loan facilities.
- (h) The share of profits in the jointly-controlled entity referred to the equity accounting of CIT's 60% interest in Cambridge LLP's results for 1H2013 which comprised mainly the net rental income from the 3 Tuas South Avenue 4 property.
- (i) This refers to the net gain on disposal of the 81 Defu Lane property in 1Q2014.
- (j) The change in fair value of financial derivatives represented the change in fair value of interest rate swaps which were entered into, to hedge the interest rate risk on the loan facilities. Please refer to 1(b)(i)(f) for more details.

In accordance with *FRS 39 Financial Instruments*, the fair value change on interest rate swaps is recognised in the Statement of Total Return. It is non-tax deductible and has no impact on the net income available for distribution.

- (k) This refers to the fair value change on revaluation of the investment properties and the investment properties under development. The revaluations are inclusive of adjustments for the straight line rent of S\$1.8 million.

Independent valuations for all the properties including the investment properties under development for June 2014 were undertaken by Colliers International Consultancy & Valuation (Singapore) Pte Ltd. The valuations were based on the discounted cashflow analysis, the income capitalisation and direct comparison methods of valuation.

The revaluations are non-tax deductible and have no impact on the net income available for distribution.

Please refer to 1(a)(j) for more details.

(l) This refers to income tax payable on the rental support received in respect of one property. IRAS has confirmed that this revenue is not tax transparent income and hence is taxable at the trust level and distributable to the unitholders as tax exempt income in 1H2014.

(m) Non-taxable items (distribution adjustments)

	Group		Trust	
	1H2014 S\$'000	1H2013 S\$'000	1H2014 S\$'000	1H2013 S\$'000
<u>Non-tax deductible items and other adjustments:</u>				
Trustee's fees	177	179	177	179
Transaction costs relating to debt facilities	2,387	5,425	2,387	5,425
Change in fair value of investment properties and investment properties under development	7,251	(31,877)	7,251	(31,877)
Change in fair value of financial derivatives	(13)	(1,036)	(13)	(1,036)
Professional fees	108	276	108	276
Straight line rent and lease incentives	(644)	(1,625)	(644)	(1,625)
Share of profits in jointly-controlled entity	(298)	(13,380)	-	-
Distribution income from jointly-controlled entity	336	-	-	-
Miscellaneous expenses	106	(11)	106	(10)
Provision for doubtful debts	250	-	250	-
	9,660	(42,049)	9,622	(28,668)
<u>Income not subject to tax:</u>				
Gain on disposal of investment properties	(1,047)	-	(1,047)	-
<b>Net effect of non-taxable items</b>	<b>8,613</b>	<b>(42,049)</b>	<b>8,575</b>	<b>(28,668)</b>

(n) The distribution from capital gains and capital includes an aggregate of:

- (i) approximately S\$2.5 million from the capital gains realised from the sale of investment properties from prior years to fund the reduction in income contribution for the period from properties undergoing asset enhancement initiatives, including asset repositioning; and
- (ii) approximately S\$1.7 million from capital to fund the reduction in net income from the performance fees payable in cash.

Please refer to 1(a)(m) for more details.

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(o) Net amount available for distribution for the period comprised:

<b>Group and Trust</b>		
	<b>1H2014 S\$'000</b>	<b>1H2013 S\$'000</b>
		<b>Inc/ (Dec) %</b>
Taxable income	26,890	15,029
Tax exempt income <sup>(1)</sup>	215	-
Capital gains	2,518	1,465
Capital	1,684	13,869
<b>Net amount available for distribution for the period</b>	<b>31,307</b>	<b>30,363</b>

**Note:**

(1) Tax exempt income relates to rental support received less tax payable by CIT.

(p) The total distributable amount of S\$31.3 million after distribution adjustments of S\$8.6 million, translated to a DPU of 2.502 cents for 1H2014.

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**1(b)(i) Statement of Financial Position, together with comparatives as at the end of the immediately preceding financial year**

	Note	Group		Trust	
		30-06-14 S\$'000	31-12-13 S\$'000	30-06-14 S\$'000	31-12-13 S\$'000
<b>Assets</b>					
<b>Non-current assets</b>					
Investment properties	(a)	1,231,619	1,132,598	1,231,619	1,132,598
Investment properties under development	(b)	9,681	22,292	9,681	22,292
Investment in subsidiary	(c)	-	-	-	-
Investment in jointly-controlled entity	(d)	16,396	16,435	3,078	3,078
Trade and other receivables	(e)	-	1,820	-	1,820
Derivative financial instruments	(f)	-	227	-	227
		1,257,696	1,173,372	1,244,378	1,160,015
<b>Current assets</b>					
Investment properties held for divestment	(a)	17,200	6,700	17,200	6,700
Trade and other receivables	(e)	10,589	7,304	10,588	7,304
Cash and cash equivalents	(g)	24,477	73,540	24,469	73,526
		52,266	87,544	52,257	87,530
<b>Total assets</b>		<b>1,309,962</b>	<b>1,260,916</b>	<b>1,296,635</b>	<b>1,247,545</b>
<b>Liabilities</b>					
<b>Current liabilities</b>					
Trade and other payables	(h)	23,190	31,320	23,184	31,308
Interest-bearing borrowings (net of transaction costs)	(i)	49,831	-	49,831	-
Derivative financial instruments	(f)	-	1,161	-	1,161
		73,021	32,481	73,015	32,469
<b>Non-current liabilities</b>					
Trade and other payables	(h)	11,822	11,986	11,822	11,986
Interest-bearing borrowings (net of transaction costs)	(i)	364,238	354,903	364,238	354,903
Derivative financial instruments	(f)	782	-	782	-
		376,842	366,889	376,842	366,889
<b>Total liabilities</b>		<b>449,863</b>	<b>399,370</b>	<b>449,857</b>	<b>399,358</b>
<b>Net assets</b>		<b>860,099</b>	<b>861,546</b>	<b>846,778</b>	<b>848,187</b>
<b>Represented by:</b>					
Unitholders' funds		860,099	861,546	846,778	848,187

**Notes:**

- (a) The total carrying value of investment properties (including investment properties held for divestment) was S\$1,248.8 million as at 30 June 2014. The net increase of S\$109.5 million during the period was mainly attributable to the following:
- Property acquisitions and completion of a development property, net of divestments, at a total of S\$111.6 million;
  - capital expenditure and asset enhancement initiatives of S\$3.4 million; and
  - net revaluation decrement arising from independent valuation of the properties in June 2014 of S\$5.5 million.

Phase I of the development project at 3 Pioneer Sector 3 was completed and transferred to investment properties after its temporary occupation permit ("TOP") was granted on 3 June 2014.

Two investment properties, which have a combined carrying value of S\$17.2 million as at 30 June 2014, have been reclassified as investment properties held for divestment. This reclassification is required by *FRS 105 – Non-current Assets held for Sale and Discontinued Operations* as the divestments are planned within the next 12 months from the reporting date.

- (b) Investment properties under development refers to the progress billings of a development project located at 21B Senoko Loop. This project is carried in the books at cost which approximates its valuation as at 30 June 2014.
- (c) At the Trust level, this pertains to an investment in a wholly owned subsidiary, Cambridge MTN, with a capital of S\$1.00, which is eliminated at the consolidated level.
- (d) The interest in jointly-controlled entity referred to CIT's 60% interest in Cambridge LLP.
- (e) The trade and other receivables were up by S\$1.5 million (including the current and non-current portion), largely due to increased rent receivable of S\$1.3 million from two tenants.

Subsequent to 2Q2014, rent payments of S\$0.4 million were received and additional bankers' guarantees of S\$0.6 million were obtained.

- (f) Derivative financial instruments represent the fair value of interest rate swaps entered into to hedge the interest rate risk on the loan facilities.

- (g) Cash and cash equivalents decreased by S\$49.1 million as at 30 June 2014, largely due to the net result of the following:
- acquisition of two new properties (including related acquisition costs) of S\$74.0 million;
  - total proceeds from the issue of Series 002 MTN in April 2014 of S\$30.0 million; and
  - partial financing of progress payments for the properties under development and asset enhancement initiatives from existing cash of S\$8.2 million.
- (h) The decrease in trade and other payables approximately by S\$8.3 million to S\$35.0 million (including current and non-current portion) attributes mainly to the following:
- refund of retention sums of S\$4.7 million;
  - a decrease in trade payables and other accruals of \$1.8 million mainly relating to the payment of progress billings of development projects; and
  - a decrease in the GST payable of S\$1.8 million due to the input tax claims on the progress billings of the development projects and capital expenditure.

Trade and other payables included security deposits of S\$1.5 million (current) and S\$3.8 million (non-current), performance fees payable of S\$4.0 million (current) and S\$8.0 million (non-current).

The payment for the total of the Manager's fees and performance fees are capped at 0.4% of the CIT's total deposited property value per half year under the Trust Deed. The amount payable for the half year ended 30 June 2014 is approximately S\$2.0 million, and the amount in excess of the fee cap of approximately S\$10.0 million will be carried forward for payment in the future half year periods.

- (i) The increase in the interest-bearing borrowings (including current and non-current portion) of S\$354.9 million as 31 December 2013, to S\$414.1 million as at 30 June 2014 was mainly due to:
- loans drawn down of S\$27.4 million to finance the payments for development works and AElS;
  - issue of Series 002 MTN of S\$30.0 million in April 2014 pursuant to the S\$500 million Multicurrency Medium Term Note Programme; and
  - amortisation of loan facilities of S\$1.8 million.

1(b)(ii) Aggregate amount of borrowings

Note	Group and Trust	
	30-06-14 S\$'000	31-12-13 S\$'000
<b>Secured borrowings</b>	(a)	
Amount payable after one year	339,552	312,172
Less: Unamortised loan transaction costs	(5,084)	(6,980)
	334,468	305,192
<b>Total Secured borrowings</b>	334,468	305,192
<b>Unsecured borrowings</b>	(b)	
Amount payable within one year	50,000	-
Less: Unamortised loan transaction costs	(169)	-
	49,831	-
Amount payable after one year	30,000	50,000
Less: Unamortised loan transaction costs	(230)	(289)
	29,770	49,711
<b>Total Unsecured borrowings</b>	79,601	49,711
<b>Total borrowings</b>	<b>414,069</b>	<b>354,903</b>
Current	49,831	-
Non-current	364,238	354,903
	<b>414,069</b>	<b>354,903</b>

Details of borrowings and collateral:

(a) Secured borrowings

CIT has in place a secured S\$250.0 million club loan facility ("CLF") from a syndicate of four financial institutions consisting of:

- Facility A: S\$100 million term loan facility, maturing in June 2016;
- Facility B: S\$100 million term loan facility, maturing in June 2016; and
- Facility D: S\$50 million revolving credit facility, maturing in June 2016.

The S\$100 million short term loan facility (Facility C) was repaid in 1Q2013 when the facility matured in March 2013.



The CLF bears an interest rate comprising a margin plus swap offer rate per annum and is secured by way of the following:

- mortgages over a single pool of 20 investment properties ("Portfolio Properties 1");
- debentures creating fixed and floating charges on all present and future assets in relation to the Portfolio Properties 1;
- an assignment of all tenancy agreements, sales agreements, insurance policies, rental assignments, bankers' guarantees and property management agreement in relation to the Portfolio Properties 1; and
- an assignment of all rental, sale and insurance proceeds and all sums from time to time which CIT is entitled to receive from Portfolio Properties 1.

A total of S\$239.6 million was outstanding on the CLF as at 30 June 2014.

- (ii) CIT has in place a secured S\$100 million term loan facility ("TLF"), which bears an interest rate comprising a margin plus swap offer rate per annum. TLF has a tenor of 3 years and matures in April 2017.

The TLF is secured by way of the following:

- a mortgage over seven investment properties ("Portfolio Properties 2");
- a debenture creating fixed and floating charges on all present and future assets in relation to the Portfolio Properties 2;
- an assignment of all tenancy agreements, sales agreements, insurance policies, rental assignments, bankers' guarantees and property management agreement in relation to the Portfolio Properties 2; and
- an assignment of all rental, sale and insurance proceeds and all sums from time to time which CIT is entitled to receive from Portfolio Properties 2.

A total of S\$100.0 million was outstanding on the TLF as at 30 June 2014.

- (iii) The Group has in place a secured S\$40 million Revolving Credit Facility ("RCF"), which bears an interest rate comprising a margin plus swap offer rate per annum. The RCF has a tenor of 3 years and matures in July 2015.

The RCF bears an interest rate comprising a margin plus swap offer rate per annum and is secured by way of the following:

- a mortgage over three investment properties ("Portfolio Properties 3");
- a debenture creating fixed and floating charges on all present and future assets in relation to the Portfolio Properties 3;
- an assignment of all tenancy agreements, sales agreements, insurance policies, rental assignments, bankers' guarantees and property management agreement in relation to the Portfolio Properties 3; and
- an assignment of all rental, sale and insurance proceeds and all sums from time to time which CIT is entitled to receive from Portfolio Properties 3.

There was no balance outstanding for RCF as at 30 June 2014.

(b) Unsecured borrowings

The unsecured borrowings of the Group comprise the following notes issued under its S\$500 million Multicurrency MTN Programme:

- S\$50 million three-year Singapore Dollar MTN in series 001 (the “Series 001 Notes”) issued in March 2012 and maturing in March 2015. The Series 001 Notes are unsecured and have a fixed rate of 4.75% per annum payable semi-annually in arrears; and
- S\$30 million six-year Singapore Dollar MTN in series 002 (the “Series 002 Notes”) issued in April 2014 and maturing in April 2020. The Series 002 Notes are unsecured and have a fixed rate of 4.10% per annum payable semi-annually in arrears.

(c) Unsecured investment properties

As at 30 June 2014, the Group has 17 unencumbered investment properties with a combined carrying value of S\$333.0 million.

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**1 (c) Statement of Cash Flows**

Note	Group			
	2Q2014 S\$'000	2Q2013 S\$'000	1H2014 S\$'000	1H2013 S\$'000
<b>Cash flows from operating activities</b>				
Total return for the period after income tax before distribution	4,239	32,060	18,492	57,078
<b>Adjustments for:</b>				
Interest income	(30)	(21)	(71)	(39)
Borrowing costs	4,174	5,425	8,643	13,178
Share of profits in jointly-controlled entity	(127)	(6)	(298)	(13,380)
Gain on disposal of an investment property	-	-	(1,047)	-
Change in fair value of investment properties and investment properties under development	7,251	(31,877)	7,251	(31,877)
Change in fair value of financial derivatives	421	(855)	(13)	(1,036)
<b>Operating income before working capital changes</b>	<b>15,928</b>	<b>4,726</b>	<b>32,957</b>	<b>23,924</b>
<b>Changes in working capital</b>				
Trade and other receivables	(2,444)	(818)	(3,048)	(2,136)
Trade and other payables	1,833	16,736	(467)	14,839
<b>Net cash generated from operating activities</b>	<b>15,317</b>	<b>20,644</b>	<b>29,442</b>	<b>36,627</b>
<b>Cashflows from investing activities</b>				
Net cash outflow on investment properties	(a) (7,674)	(14,911)	(82,904)	(98,034)
Payment for investment properties under development	(14,500)	(7,118)	(32,667)	(11,986)
Proceeds from disposal of investment properties	(b) -	-	7,800	72,400
Payment for divestment costs	(9)	-	(107)	-
Investment in jointly-controlled entity	-	-	-	(3,078)
Interest received	30	20	71	39
Distribution income from jointly-controlled entity	-	-	198	-
<b>Net cash used in investing activities</b>	<b>(22,153)</b>	<b>(22,009)</b>	<b>(107,609)</b>	<b>(40,659)</b>
<b>Cash flows from financing activities</b>				
Equity issue costs paid	(45)	(68)	(67)	(132)
Proceeds from borrowings	(c) 36,204	29,924	57,379	96,836
Borrowing costs paid	(4,370)	(2,396)	(8,391)	(8,433)
Repayment of borrowings	-	-	-	(121,533)
Distributions paid to Unitholders	(d) (9,488)	(9,794)	(19,817)	(19,249)
<b>Net cash generated from/(used in) financing activities</b>	<b>22,301</b>	<b>17,666</b>	<b>29,104</b>	<b>(52,511)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>15,465</b>	<b>16,301</b>	<b>(49,063)</b>	<b>(56,543)</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>9,012</b>	<b>16,913</b>	<b>73,540</b>	<b>89,757</b>
<b>Cash and cash equivalents at end of the period</b>	<b>24,477</b>	<b>33,214</b>	<b>24,477</b>	<b>33,214</b>

**Notes:**

- (a) Net cash outflow on investment properties (including acquisition related costs)

	<b>Group</b>		<b>Group</b>	
	<b>2Q2014</b>	<b>2Q2013</b>	<b>1H2014</b>	<b>1H2013</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Investment properties acquired	-	(13,657)	(73,000)	(101,022)
Acquisition related costs	(158)	(201)	(995)	(1,185)
Capital expenditure incurred	(1,748)	(1,531)	(2,924)	(3,241)
Retention sums	(5,768)	478	(5,985)	7,414
<b>Net cash outflow</b>	<b>(7,674)</b>	<b>(14,911)</b>	<b>(82,904)</b>	<b>(98,034)</b>

- (b) Proceeds from Disposal of Investment Properties

The proceeds from the disposal of investment properties for 1H2014 refers to the sale of the property located at 81 Defu lane 10, which was completed in March 2014.

- (c) Proceeds from Borrowings

The proceeds from borrowings are inclusive of note issue for Series 002 MTN in April 2014 of S\$30.0 million.

- (d) Non-cash Transaction

The distribution paid to unitholders excludes the units issued as part payment of distributions, pursuant to the Distribution Reinvestment Plan.

The Group issued 8,526,823 units in CIT amounting to approximately S\$6.1 million (net of withholding tax) in 2Q2014 as part payment of the distribution for 1Q2014 pursuant to the DRP.

During 1H2014, the Group issued an aggregate of 16,209,058 units in CIT as part payment of the distribution for 4Q2013 and 1Q2014 which amounted to a total of S\$11.3 million (net of withholding tax).

**1(d)(i) Statement of Movements in Unitholders' funds (2Q2014 vs 2Q2013)**

	Group		Trust	
	2Q2014 S\$'000	2Q2013 S\$'000	2Q2014 S\$'000	2Q2013 S\$'000
<b>Balance at beginning of period</b>	<b>865,405</b>	<b>802,192</b>	<b>852,055</b>	<b>788,817</b>
<b>Operations</b>				
Total return for the period after income tax before distribution	4,239	32,060	4,268	32,053
<b>Net increase in net assets resulting from operations</b>	<b>4,239</b>	<b>32,060</b>	<b>4,268</b>	<b>32,053</b>
<b>Unitholders' transactions</b>				
Issuance of units pursuant to:				
- Distribution Reinvestment Plan	6,112	5,309	6,112	5,309
Equity costs pursuant to:				
- Distribution Reinvestment Plan	(57)	(68)	(57)	(68)
Distributions to Unitholders	(15,600)	(15,103)	(15,600)	(15,103)
<b>Net decrease in net assets resulting from Unitholders' transactions</b>	<b>(9,545)</b>	<b>(9,862)</b>	<b>(9,545)</b>	<b>(9,862)</b>
<b>Balance at end of the period</b>	<b>860,099</b>	<b>824,390</b>	<b>846,778</b>	<b>811,008</b>

**Statement of Movements in Unitholders' funds (1H2014 vs 1H2013)**

	Group		Trust	
	1H2014 S\$'000	1H2013 S\$'000	1H2014 S\$'000	1H2013 S\$'000
<b>Balance at beginning of period</b>	<b>861,546</b>	<b>786,693</b>	<b>848,187</b>	<b>786,692</b>
<b>Operations</b>				
Total return for the period after income tax before distribution	18,492	57,078	18,530	43,697
<b>Net increase in net assets resulting from operations</b>	<b>18,492</b>	<b>57,078</b>	<b>18,530</b>	<b>43,697</b>
<b>Unitholders' transactions</b>				
Issuance of units pursuant to:				
- Distribution Reinvestment Plan	11,287	10,799	11,287	10,799
Equity costs pursuant to:				
- Distribution Reinvestment Plan	(122)	(132)	(122)	(132)
Distributions to Unitholders	(31,104)	(30,048)	(31,104)	(30,048)
<b>Net decrease in net assets resulting from Unitholders' transactions</b>	<b>(19,939)</b>	<b>(19,381)</b>	<b>(19,939)</b>	<b>(19,381)</b>
<b>Balance at end of the period</b>	<b>860,099</b>	<b>824,390</b>	<b>846,778</b>	<b>811,008</b>

**1(d)(ii) Details of any changes in the units**

Note	Trust			
	2Q2014 Units	2Q2013 Units	1H2014 Units	1H2013 Units
<b>Issued units at the beginning of period</b>	<b>1,247,021,116</b>	<b>1,223,925,784</b>	<b>1,239,338,881</b>	<b>1,216,015,451</b>
Issue of new units pursuant to:				
- Distribution Reinvestment Plan	8,526,823	6,391,919	16,209,058	14,302,252
<b>Issued units at end of the period</b>	<b>1,255,547,939</b>	<b>1,230,317,703</b>	<b>1,255,547,939</b>	<b>1,230,317,703</b>

**Notes:**

- (a) The new units, which ranked pari passu with existing units for entitlement to distributions, were issued during the period pursuant to the Distribution Reinvestment Plan.

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period, and as at the end of the immediately preceding year.**

There were no treasury units since the date of listing of CIT on 25 July 2006. The total number of issued units as at the end of the current and the preceding financial periods are disclosed in 1(d)(ii).

**1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

**2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by our auditors.

**3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).**

Not applicable.

**4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the accounting policies and methods of computation for the prior financial year ended 31 December 2013.

**5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

Not applicable.

**6 Earnings per unit ("EPU") and distribution per unit ("DPU") for the period**

	Note	Group			
		2Q2014	2Q2013	1H2014	1H2013
<b>EPU</b>					
Total return after income tax before distribution for the period (S\$'000)		4,239	32,060	18,492	57,078
Weighted average number of units for the period ('000)		1,249,551	1,226,103	1,245,831	1,222,486
EPU (cents)	(a)	0.339	2.615	1.484	4.669
<b>DPU</b>					
Total amount available for distribution for the period (S\$'000)		15,707	15,256	31,307	30,363
Applicable number of units for calculation of DPU ('000)		1,255,548	1,230,318	1,251,279	1,227,284
DPU (cents)	(b)	1.251	1.240	2.502	2.474

**Notes:**

- (a) The EPU was calculated using total return after income tax before distribution for the period, which includes the share of profits in jointly-controlled entity, fair value changes investment properties and investment properties under development and financial derivatives, and the weighted average number of units in issue during the period. The diluted EPU is the same as basic EPU as no dilutive instruments were in issue during the period.
- (b) DPU was calculated using total amount available for distribution and the number of units entitled to distribution during the period.

**7 Net tangible assets (NTA) per unit based on units issued at the end of the period**

	Note	Group		Trust	
		30-06-14	31-12-13	30-06-14	31-12-13
Net asset value per unit (cents)	(a)	68.5	69.5	67.4	68.4

**Note:**

- (a) NTA per unit was calculated based on the number of units issued and issuable as at the end of the respective periods.



**8 Review of the performance**

The review of the performance is found in Section 1(a) – Statement of Total Return and Distribution Statement and Section 1(b)(i) – Statement of Financial Position.

**9 Review of the performance against Forecast/Prospect Statement**

The Group has not disclosed any forecast to the market.

**10. Commentary on the significant trends and competitive conditions of the industry in which the group operates.**

Singapore's gross domestic product (GDP) grew by 2.1%<sup>1</sup> on a year-on-year basis in the second quarter of 2014, based on advance estimates, slower than the 4.7% growth in the previous quarter. The moderation in growth in all three sectors, namely manufacturing, construction and services producing sectors are due to a contraction in electronics and transport engineering output, a slowdown in private sector construction activities and slower expansion in the wholesale & retail trade and transportation & storage sectors respectively.

In a joint press release on "Consumer Price Developments in May 2014"<sup>2</sup> by the Monetary Authority of Singapore (MAS) and Ministry of Trade and Industry (MTI), CPI-All Items inflation rose to 2.7% in May from 2.5% in April, due to base effects associated with fluctuations in COE premiums. Price increases for all other major categories moderated slightly during the month. MAS Core Inflation, which excludes the cost of accommodation and private road transport, fell to 2.2% from 2.3% in April, due to lower contributions from services and food items.

On the manufacturing front, the Singapore Economic Development Board (EDB)<sup>3</sup> reported that on a year-on-year basis, Singapore's manufacturing output declined 2.5% in May 2014. On a seasonally adjusted month-on-month basis, manufacturing output contracted 5.7% in May 2014. Overall, growth was led by the petrochemicals and the specialties and other chemicals segments, boosted by higher regional demand for additives and perfumes & fragrances, followed by the aerospace segment. The chemical, transport engineering and precision engineering clusters' outputs rose 8.6%, 5.6% and 0.2% respectively year-on-year in May 2014 while the general manufacturing industries, electronics and biomedical manufacturing clusters' outputs fell 1.1%, 7.5% and 9.2% respectively year-on-year in May 2014. The contraction in the biomedical cluster was attributed to the pharmaceuticals segment, with lower production of active pharmaceutical ingredients.

Based on the latest report by CBRE<sup>4</sup>, rents for the city fringe business park sub-market grew while older business parks registered stable rents. Factory rents declined approximately 3% as a result of weak demand while warehouse rents climbed on the back of healthy fundamentals. Investment activity in the industrial property sector continued to be slow. It remains to be seen whether the encouraging economic data in Q2 from China and the United States can translate to a lift in demand and local manufacturing output moving forward.

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<sup>1</sup> MTI, Singapore's GDP Growth Moderated in the Second Quarter of 2014, 14 July 2014

<sup>2</sup> MAS and MTI, Consumer Price Developments in May 2014, 23 June 2014

<sup>3</sup> EDB, Monthly Manufacturing Performance May 2014, 26 June 2014

<sup>4</sup> CBRE Research, Singapore Market View Q2 2014

**Any known factors or events that may affect the group in the next reporting period and the next 12 months.**

**1. Management of lease expiries**

Four properties, which account for approximately 3.6% of total rental revenue for June 2014, have head leases expiring in 2014. The Manager expects to divest two properties and convert the other two properties to multi-tenancy.

**2. Debt expiry**

The Group's S\$50 million three-year Singapore Dollar MTN matures in March 2015. Management expects to refinance this debt expiry ahead of its maturity date.

## **11 Distributions**

### **(a) Current financial period**

Any distributions declared for the current financial period: Yes

Name of distribution: **Thirty-fourth** distribution for the period from 1 April 2014 to 30 June 2014

Distribution Type: Taxable Income

Distribution Rate: 1.251 cents per unit comprising:  
 (a) taxable income 1.022 cents per unit  
 (b) tax exempt income 0.002 cents per unit  
 (c) capital gains 0.093 cents per unit  
 (d) capital 0.134 cents per unit

Par value of units: Not meaningful

Tax Rate: Taxable income distribution  
 The distribution is made out of CIT's taxable income. Unitholders receiving distributions will be subject to Singapore income tax on the distributions received except for individuals where the distribution is exempt from tax (unless they hold their units through partnership or as trading assets).

Tax exempt income distribution  
 The distribution is made out of income that has been taxed on CIT's trustee and will be exempt from tax in the hands of all Unitholders, regardless of their nationality, corporate identity or tax residence status. Unitholders are not entitled to claim tax credit against their Singapore income tax liability in respect of the tax paid at CIT's trustee level.

Capital gains distribution  
 The distribution is made out of gains arising from sale of investment properties from prior years that have been confirmed by the Inland Revenue Authority of Singapore as capital gains. Unitholders receiving distributions out of capital gains are not subject to Singapore income tax unless they hold the Units as trading assets.

Capital distribution  
 The distribution represents a return of capital to Unitholders for Singapore income tax purposes is not subject to income tax. For Unitholders who hold the units as trading assets, the amount of capital distribution will be applied to reduce the cost base of their units for the purpose of calculating the amount of taxable trading gains arising from the disposal of the units.

The Manager has determined that the Distribution Reinvestment Plan (“DRP”) will apply to the distribution for the period from 1 April 2014 to 30 June 2014.

The DRP provides the Unitholders with an option to receive fully paid units in CIT in lieu of the cash amount of distribution (including any final or other distribution) which is declared on the units held by them after the deduction of any applicable income tax. The Unitholders will receive a copy of the Notice of Election for their distribution election. The pricing of the DRP units issued will be based on the market price to be announced by the Manager on 5 August 2014, less a discount of 2%.

**(b) Corresponding period of the immediately preceding year**

Any distributions declared for  
the previous corresponding  
financial period:

Yes

Name of distribution: **Thirtieth** distribution for the period from 1 April 2013 to 30 June 2013

Distribution Type: Taxable Income

Distribution Rate: 1.240 cents per unit comprising:  
(a) taxable income 0.018 cents per unit  
(b) capital gains 0.095 cents per unit  
(c) capital 1.127 cents per unit

Par value of units: Not meaningful

Tax Rate: Taxable income distribution  
The distribution was made out of CIT’s taxable income. Unitholders receiving distributions will be subject to Singapore income tax on the distributions received except for individuals where the distribution is exempt from tax (unless they hold their units through partnership or as trading assets).

Capital gains distribution  
The distribution is made out of gains arising from sale of investment properties from prior years that have been confirmed by the Inland Revenue Authority of Singapore as capital gains. Unitholders receiving distributions out of capital gains are not subject to Singapore income tax unless they hold the Units as trading assets.

Capital distribution

The distribution represents a return of capital to Unitholders for Singapore income tax purposes and is therefore not subject to income tax. For Unitholders who hold the units as trading assets and are liable to income tax on gains arising from the disposal of the units, the amount of capital distribution will be applied to reduce the cost of their units for the purpose of calculating the amount of taxable trading gains when the units are subsequently disposed of.

**(c) Books closure date:** 4 August 2014

**(d) Date payable:** 10 September 2014

**12 If no distribution has been declared/ (recommended), a statement to that effect**

Not applicable.

**13 If the Group has obtained a general mandate from shareholders for IPTs , the aggregate value of each transaction as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Group has not obtained any IPT mandate from the Unitholders.

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  
24 July 2014

**CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(5) OF THE LISTING MANUAL**

We confirm that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of Cambridge Industrial Trust Management Limited (as Manager for Cambridge Industrial Trust) which may render these interim financial results to be false or misleading in any material respect.

On behalf of the Board of Directors of  
Cambridge Industrial Trust Management Limited  
(as Manager for Cambridge Industrial Trust)  
Company Registration No. 200512804G, Capital Markets Services Licence No. 100132-2

Dr Chua Yong Hai  
Chairman

Philip Levinson  
Chief Executive Officer and Executive Director

**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.

Any discrepancies in the tables included in this announcement between the listed amounts and total thereof are due to rounding.