

ACQUISITION OF REMAINING 40% INTEREST IN CAMBRIDGE SPV1 LLP

1. INTRODUCTION

Cambridge Industrial Trust Management Limited, as manager of Cambridge Industrial Trust (“**CIT**”, and the manager to 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 20 March 2015 entered into a sale and purchase agreement (the “**Sale and Purchase Agreement**”) with Oxley Projects Pte. Ltd. (formerly known as Oxley Opportunity #9 Pte. Ltd.) (“**Oxley**”) to acquire Oxley’s 40% partnership interest (the “**Sale Interest**”) in Cambridge SPV1 LLP (the “**LLP**”). The Trustee already owns 60% of the partnership interest in the LLP. The LLP holds an industrial property at 3 Tuas South Avenue 4 Singapore 637610 (Lot 3633K Mukim 7) (the “**Property**”). The purchase consideration for the Sale Interest (the “**Purchase Consideration**”) is estimated at S\$11.0 million, subject to post-completion adjustments.

Completion of the acquisition of the Sale Interest (“**Completion**”) has also taken place on the same day and the Sale Interest comprising 40% of the partnership interest in the LLP was transferred to and held 39.9% by the Trustee and 0.1% by Cambridge SPV2 Pte. Ltd. (incorporated on 20 March 2015 and wholly-owned by the Trustee) (the “**SPV**”), in order for the minimum number of partners required to maintain a limited liability partnership structure. The principal activity of the SPV is investment holding and it has an issued and paid-up share capital of S\$1.00. CIT now wholly-owns the Property through its 100% partnership interests in the LLP.

2. INFORMATION ON 3 TUAS SOUTH AVE 4

The Property, which was acquired by the LLP on 19 March 2013, comprises an investment grade, purpose-built, three-storey warehouse, manufacturing and distribution facility situated within the Jurong Town Corporation (“**JTC**”) Tuas Biomedical Park. The Property has a gross floor area of approximately 316,000 square feet on a land area of approximately 643,000 square feet. The land is subject to a JTC leasehold for 30+30 years with effect from 1 May 1999. The Property is leased to the master lessee, Agila Specialties Global Pte Ltd, for a period of 25 years commencing on 19 March 2013.

3. RATIONALE FOR AND BENEFITS OF THE ACQUISITION

The Manager believes that the Property is a well-located, investment grade industrial asset which will continue to enhance and complement the overall portfolio quality as well as yield positive returns. The long WALE of 23 years with built-in rental escalation will continue to provide organic growth and a steady income stream to

unitholders of CIT (“**Unitholders**”). There is also potential to maximise the underutilised plot ratio of the site.

4. CERTAIN PRINCIPAL TERMS OF THE ACQUISITION

4.1 Sale and Purchase

The Purchase Consideration, which is based on 40.0% of the net asset value of the LLP (comprising mainly the Property with an agreed value of S\$38.0 million and borrowings of S\$11.6 million) as at the date of Completion, was arrived at on a willing-buyer willing-seller basis and on arm’s length terms and was fully satisfied by the Trustee in cash. The estimated Purchase Consideration of S\$11.0 million is subject to post-completion adjustments.

The holding company of Oxley, Oxley Global Limited, indirectly holds an “effective” interest of 24% in the Manager. Accordingly, Oxley is deemed to be an “interested person” of CIT for the purposes of the Listing Manual of Singapore Exchange Securities Trading Limited (the “**Listing Manual**”) and an “interested party” for the purposes of Appendix 6 to the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore (the “**Property Funds Appendix**”).

In accordance with the provisions of the Property Funds Appendix, the agreed value of the Property for the purposes of determining the Purchase Consideration is not more than the higher of two assessed values of the Property, one determined by Knight Frank Pte Ltd, an independent valuer jointly appointed by the Manager and the LLP, and the other by CBRE Pte Ltd, an independent valuer appointed by the Trustee.

4.2 Acquisition Fee

An acquisition fee of approximately S\$60,000 is payable to the Manager pursuant to the trust deed constituting CIT dated 31 March 2006 (as amended) (the “**Acquisition Fee**”). The Manager has elected to charge its acquisition fee based on the 40% share of the initial purchase price of S\$15.0 million that the LLP paid for the acquisition of the Property instead of on the agreed value of S\$38.0 million.

As Oxley is an “interested party” of CIT under paragraph 5 of the Property Funds Appendix, the Acquisition Fee shall be payable to the Manager in the form of units of CIT (“**Units**”) to be issued at the prevailing market price and not to be sold within one year of their issuance.

5. INDEPENDENT VALUATIONS OF 3 TUAS SOUTH AVE 4

Knight Frank Pte Ltd had in its valuation report to the Manager and the LLP dated 31 December 2014 (the “**Knight Frank Valuation Report**”), stated that, using the Capitalisation Approach and Discounted Cash Flow Analysis Method, the open market value of the Property is S\$38.0 million.

CBRE Pte Ltd had in its valuation report to the Trustee dated 15 January 2015 (the “**CBRE Valuation Report**”), stated that, using the Capitalisation Approach and

Discounted Cash Flow Analysis Method, the open market value of the Property is S\$38.0 million.

6. ESTIMATED COST OF THE ACQUISITION

The estimated total cost of the acquisition of the Sale Interest is approximately S\$11.21 million¹ (“**Estimated Total Cost**”), comprising:

- (a) the Purchase Consideration of approximately S\$11.0 million, which is subject to post-completion adjustments;
- (b) the Acquisition Fee payable to the Manager in respect of the acquisition of the Sale Interest, which amounts to approximately S\$0.06 million; and
- (c) the professional and other fees and expenses incurred or to be incurred in connection with the acquisition of the Sale Interest which amounts to approximately S\$0.15 million (in aggregate).

With the exception of the Acquisition Fee, which is payable to the Manager in the form of Units, the Estimated Total Cost of the Sale Interest was fully funded by debt.

7. INTERESTED PERSON AND INTERESTED PARTY TRANSACTION

CIT’s acquisition of the Sale Interest from Oxley is considered an “interested person transaction” under Chapter 9 of the Listing Manual and an “interested party transaction under Paragraph 5 of the Property Funds Appendix and as the value of the transaction (being the estimated Purchase Consideration of S\$11.0 million) when aggregated with the value of all transactions with Oxley Global Limited Group for the current financial year is less than 3.0% of the net tangible assets or 3.0% of the net asset value of CIT, approval of the Unitholders for the transaction is not required.

Being an “interested person transaction”, the Audit, Risk Management and Compliance Committee of the Manager has reviewed the transaction and is of the view that the transaction is on normal commercial terms and is not prejudicial to the interests of the minority Unitholders.

8. INTEREST OF THE DIRECTORS AND CONTROLLING UNITHOLDERS

Mr Michael Patrick Dwyer is a Non-Executive Director of the Manager and is also an Executive Director of Oxley Global Limited. He also owns 14.76% of the total issued shares with voting rights of Oxley Global Limited.

Mr Victor Ong Wei Tak is the Alternate Director to Mr Michael Patrick Dwyer and is also an Executive Director of Oxley Global Limited and Oxley. He also owns 23.24% of the total issued shares with voting rights of Oxley Global Limited.

Save as disclosed above, none of the directors of the Manager or controlling Unitholders has any interest, direct or indirect, in the transaction.

¹ Excludes both buyer’s stamp duties and seller’s stamp duties payable in connection with the acquisition by CIT and the sale by Oxley, of the Sale Interest, respectively, as Oxley has agreed pursuant to the Sale and Purchase Agreement to bear such stamp duties.

9. DIRECTOR'S SERVICE CONTRACTS

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

10. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the Sale and Purchase Agreement, the Knight Frank Valuation Report and the CBRE Valuation Report 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
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
23 March 2015

For analyst enquiries, please contact:

Ms Brenda Ng
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 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.