
FINANCIAL STATEMENT ANNOUNCEMENT FOR THE QUARTER ENDED 31 MARCH 2016

The Directors of Cambridge Industrial Trust Management Limited (“CITM”), as manager (“Manager”) of Cambridge Industrial Trust (“CIT”) are pleased to announce the unaudited results of the Group and CIT for the first quarter ended 31 March 2016.

CIT is a Singapore-based real estate investment trust constituted by the Trust Deed entered into on 31 March 2006 between CITM as the Manager of CIT and RBC Investor Services Singapore Limited as the Trustee of CIT, as amended and restated. CIT was listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”) on 25 July 2006.

CIT’s distribution policy is to distribute at least 90% of its annual distributable income, comprising income from letting of its properties after deduction of allowable expenses. The actual level of distribution will be determined at the manager’s discretion.

As at 31 March 2016, CIT and its subsidiaries (the “Group”) have a diversified portfolio of 51 properties located across Singapore with a diversified tenant base of around 193 tenants across the following business sectors: logistics, warehousing, light industrial, general industrial properties, car showroom and workshop, and business park. The portfolio has a carrying value of approximately S\$1.4 billion and a total gross floor area of approximately 8.5 million square feet.

The Group’s results included the consolidation of its wholly-owned subsidiaries, Cambridge-MTN Pte. Ltd. (“Cambridge MTN”), Cambridge SPV1 LLP (“Cambridge LLP”) and Cambridge SPV2 Pte. Ltd. (“Cambridge SPV2”). The commentaries below are based on Group results unless otherwise stated.

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Summary of Group's Results

	1Q2016 S\$'000	1Q2015 S\$'000	Inc/ (Dec) %
Gross revenue	28,365	27,474	3.2
Net property income	21,492	21,230	1.2
Amount available for distribution	14,512	15,686	(7.5)
Distribution per unit ("DPU") (cents)	1.112	1.225	(9.2)
Annualised DPU (cents)	4.448	4.900	(9.2)
Annualised Distribution Yield (%)^(a)	7.94	8.75	(9.2)

Note:

(a) Annualised Distribution Yield is computed based on the closing price of S\$0.560 as at 31 March 2016, being the last trading day of the quarter.

Distribution and Book Closure Date Details

Distribution period	1 January 2016 to 31 March 2016
Distribution rate	1.112 cents per unit
Books closure date	9 May 2016
Payment date	31 May 2016

The Manager has determined that the distribution reinvestment plan will not apply to the distribution for the period from 1 January 2016 to 31 March 2016.

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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

	Note	Group			Trust		
		1Q2016 S\$'000	1Q2015 S\$'000	Inc/ (Dec) %	1Q2016 S\$'000	1Q2015 S\$'000	Inc/ (Dec) %
Gross revenue	(a)	28,365	27,474	3.2	27,713	27,399	1.1
Property manager's fees	(b)	(1,295)	(1,123)	15.3	(1,278)	(1,121)	14.0
Property tax	(c)	(1,642)	(1,516)	8.3	(1,642)	(1,516)	8.3
Land rental	(c)	(2,046)	(1,760)	16.3	(2,046)	(1,760)	16.3
Other property expenses		(1,890)	(1,845)	2.4	(1,884)	(1,844)	2.2
Property expenses		(6,873)	(6,244)	10.1	(6,850)	(6,241)	9.8
Net property income		21,492	21,230	1.2	20,863	21,158	(1.4)
Management fees	(d)	(1,766)	(1,742)	1.4	(1,766)	(1,742)	1.4
Trust expenses	(e)	(466)	(818)	(43.0)	(453)	(818)	(44.6)
Interest income		5	47	(89.4)	5	47	(89.4)
Borrowing costs	(f)	(5,051)	(5,208)	(3.0)	(5,051)	(5,191)	(2.7)
Non-property expenses		(7,278)	(7,721)	(5.7)	(7,265)	(7,704)	(5.7)
Net income before distributable income from subsidiary/jointly-controlled entity		14,214	13,509	5.2	13,598	13,454	1.1
Share of profits in jointly-controlled entity	(g)	-	123	(100.0)	-	-	-
Distribution income from subsidiary/joint-controlled entity	(g)	-	-	-	430	190	126.3
Net income after distributable income from subsidiary/jointly-controlled entity		14,214	13,632	4.3	14,028	13,644	2.8
Change in fair value of financial derivatives	(h)	(428)	1,028	n.m	(428)	1,028	n.m
Total return for the period before income tax and distribution		13,786	14,660	(6.0)	13,600	14,672	(7.3)
Less: Income tax expense*		-	-	-	-	-	-
Total return for the period after income tax before distribution		13,786	14,660	(6.0)	13,600	14,672	(7.3)

*Amounts less than S\$1,000

Distribution Statement

	Group			Trust			
	Note	1Q2016 S\$'000	1Q2015 S\$'000	Inc/ (Dec) %	1Q2016 S\$'000	1Q2015 S\$'000	Inc/ (Dec) %
Total return for the period after income tax before distribution		13,786	14,660	(6.0)	13,600	14,672	(7.3)
Net effect of non-taxable items	(i)	726	(100)	n.m	912	(112)	n.m
Net income available for distribution for the period		14,512	14,560	(0.3)	14,512	14,560	(0.3)
Distribution from capital		-	1,126	(100.0)	-	1,126	(100.0)
Total amount available for distribution for the period	(j)	14,512	15,686	(7.5)	14,512	15,686	(7.5)
Distribution per unit (cents):							
For the period	(k)	1.112	1.225	(9.2)	1.112	1.225	(9.2)
Annualised		4.448	4.900	(9.2)	4.448	4.900	(9.2)

Notes:

- (a) Excluding the straight line rent adjustment of S\$0.5 million for both periods, 1Q2016 adjusted gross revenue was S\$27.9 million, S\$0.9 million or 3.2% higher than the gross revenue in 1Q2015.

The increase was attributable to additional revenue contribution from property acquisitions and asset enhancement initiatives projects ("AEI projects") completed during the period from 1Q2015, partially offset by lower revenue due to lease expiries in some existing properties.

- (b) Property operating expenses were S\$6.9 million in 1Q2016, S\$0.6 million or 10.1% higher than 1Q2015, mainly due to higher property manager's fees, land rental and property tax.

Property manager's fees for 1Q2016 were higher by S\$0.2 million over the comparative quarter largely due to the higher marketing service commission incurred for securing new leases and lease renewals for the properties and as a result of higher rental income in (a).

- (c) The increase in property tax and land rental of S\$0.4 million was mainly due to an increased number of multi-tenanted buildings where CIT bears such costs. The number of multi-tenanted buildings in the portfolio increased from 15 to 20 since 1Q2015.
- (d) The Manager has elected to receive its management fee wholly in cash for 1Q2016.
- (e) Trust expenses for 1Q2016 were S\$0.4 million lower as 1Q2015 expenses included the legal and professional fees incurred for acquiring the remaining 40% partnership interest in Cambridge LLP from Oxley Projects Pte. Ltd. in March 2015 (“Cambridge LLP Acquisition”).
- (f) Borrowing costs comprises loan interest expense and loan transaction costs. The total cost was S\$0.2 million lower in 1Q2016, comprising the net effect of lower total loan transaction costs and commitment fee of S\$0.6 million incurred during the period and higher interest expense of S\$0.4 million from the increased level of borrowings in 1Q2016.

Please refer to 1(b)(ii) for more details on borrowings.

- (g) Cambridge LLP became a subsidiary of the Group on completion of the Cambridge LLP Acquisition on 20 March 2015 and, accordingly, its results were consolidated from this date.
- (h) The change in fair value of financial derivatives represented the change in fair value of interest rate swaps which were entered into to hedge interest rate risk on the floating rate loans.

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.

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

	Group		Trust	
	1Q2016 S\$'000	1Q2015 S\$'000	1Q2016 S\$'000	1Q2015 S\$'000
<u>Non-tax deductible items and other adjustments:</u>				
Management fees payable in units	-	871	-	871
Trustee's fees	95	94	95	94
Transaction costs relating to debt facilities	405	1,002	405	1,000
Change in fair value of financial derivatives	428	(1,028)	428	(1,028)
Professional fees	35	265	35	265
Straight line rent and lease incentives	(457)	(828)	(265)	(805)
Share of profits in jointly-controlled entity	-	(123)	-	-
Distribution income from jointly-controlled entity	-	156	-	-
Miscellaneous expenses/(income)	220	(509)	214	(509)
Net effect of non-taxable items	726	(100)	912	(112)

- (j) Total amount available for distribution for the period comprised:

	Group and Trust		
	1Q2016 S\$'000	1Q2015 S\$'000	Inc/ (Dec) %
Taxable income	14,512	14,560	(0.3)
Capital	-	1,126	(100.0)
Total amount available for distribution for the period	14,512	15,686	(7.5)

- (k) The total distributable amount of S\$14.5 million, based on 1,304.4 million units which were entitled to the distribution for the period, translates to a DPU of 1.112 cents for 1Q2016 which is 9.2% below the DPU in 1Q2015.

However, if capital distributions and management fees in units are excluded from 1Q2015, being one-off items, DPU would have been 3.8% higher in 1Q2016.

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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	
	31-03-16 S\$'000	31-12-15 S\$'000	31-03-16 S\$'000	31-12-15 S\$'000
Assets				
Non-current assets				
Investment properties	(a) 1,385,337	1,377,400	1,347,037	1,339,100
Investment in subsidiaries	(b) -	-	25,206	25,206
	1,385,337	1,377,400	1,372,243	1,364,306
Current assets				
Investment properties held for divestment	(a) 34,348	40,600	34,348	40,600
Trade and other receivables	(c) 10,390	9,652	10,648	9,564
Derivative financial instruments	(d) 229	604	229	604
Cash and cash equivalents	(e) 4,630	2,656	3,415	2,231
	49,597	53,512	48,640	52,999
Total assets	1,434,934	1,430,912	1,420,883	1,417,305
Liabilities				
Current liabilities				
Trade and other payables	(f) 21,257	24,004	21,030	23,806
	21,257	24,004	21,030	23,806
Non-current liabilities				
Trade and other payables	(f) 8,908	8,743	8,678	8,742
Interest-bearing borrowings (net of transaction costs)	(g) 529,599	525,254	529,599	525,254
	538,507	533,997	538,277	533,996
Total liabilities	559,764	558,001	559,307	557,802
Net assets	875,170	872,911	861,576	859,503
Represented by:				
Unitholders' funds	875,170	872,911	861,576	859,503

Notes:

- (a) The total carrying value of investment properties was S\$1,419.7 million as at 31 March 2016. The net increase during the period was mainly attributable to capital expenditure (“capex”) of S\$1.7 million on the portfolio.

As at 31 March 2015, two investment properties were classified as investment properties held for divestment. This classification is required by *FRS 105 – Non-current Assets held for Sale and Discontinued Operations* as the divestment is planned within the next 12 months from the reporting date.

- (b) At the Trust level, the cost of investment in wholly-owned subsidiaries comprises, Cambridge LLP, Cambridge MTN and Cambridge SPV2, which are eliminated at the consolidated level.
- (c) Trade and other receivables were S\$0.7 million higher, largely due to an increase in rent receivables and other receivables of S\$0.2 million and unbilled debtors of S\$0.5 million arising from the accounting of rental revenue on a straight line basis over the lease term.
- (d) Derivative financial instruments represent the fair value of interest rate swaps entered into to hedge the interest rate risk on the floating rate loans.
- (e) Cash and cash equivalents increased by S\$1.9 million as at 31 March 2016 mainly due to rescheduling of AEI/capex payments.
- (f) The trade and other payables decreased by S\$2.6 million to S\$30.2 million mainly due to the payment of project costs and manager’s management fees (including base fees and historical performance fees) at a total of S\$5.6 million, offset by an increase of borrowing costs payable of S\$3.0 million.

Trade and other payables included security deposits of S\$2.3 million (current) and S\$8.9 million (non-current) and performance fees payable of S\$3.4 million (current).

The payment for the total of the base fees and historical performance fees is capped at 0.8% of the CIT’s total deposited property value per annum under the Trust Deed. The amount in excess of the fee cap will be carried forward for payment in future half year periods, in January and July. Full settlement of the performance fee payable is expected by January 2017.

- (g) The increase in the interest-bearing borrowings (including current and non-current portion) as at 31 March 2016 was mainly due to the additional draw down of S\$4.0 million loan to debt fund AEI/capex payments in 1Q2016.

1(b)(ii) Aggregate amount of borrowings

	Note	Group and Trust	
		31-03-16 S\$'000	31-12-15 S\$'000
Secured borrowings	(a)		
Amount payable after one year		100,000	100,000
Less: Unamortised loan transaction costs		(720)	(892)
Total secured borrowings		99,280	99,108
Unsecured borrowings	(b)		
Amount payable after one year		432,500	428,500
Less: Unamortised loan transaction costs		(2,181)	(2,354)
Total unsecured borrowings		430,319	426,146
Total borrowings		529,599	525,254

Details of borrowings and collateral:

(a) Secured borrowings

The secured borrowings of the Group comprise S\$100 million term loan facility ("TLF1"), which bears an interest rate comprising a margin plus swap offer rate per annum. The TLF1 has a tenor of 3.5 years and matures in April 2017.

The TLF1 is secured by way of the following:

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

TLF1 was fully drawn as at 31 March 2016.

(b) Unsecured borrowings

The unsecured borrowings of the Group comprise:

(i) the following notes issued under its S\$750 million Multicurrency Debt Issuance Programme:

- 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 have a fixed interest rate of 4.10% per annum payable semi-annually in arrears;
- S\$155 million four-year Singapore Dollar MTN in series 003 comprising Tranche 1 S\$100 million Notes issued in November 2014 and Tranche 2 S\$55 million Notes issued in January 2015 respectively. These notes tranches, which were issued and consolidated to form a single series (the "Series 003 Notes"), have a fixed interest rate of 3.50% per annum payable semi-annually in arrears and mature in November 2018; and
- S\$130 million five-year Singapore Dollar MTN in series 004 (the "Series 004 Notes") issued in May 2015 and maturing in May 2020. The Series 004 Notes have a fixed interest rate of 3.95% per annum payable semi-annually in arrears.

Please refer to Section 10(b) for more details.

(ii) four year unsecured loan facility maturing in June 2019 ("TLF2") consisting of:

- Facility A: S\$100 million term loan facility at a fixed interest rate of 3.60% per annum for 3.5 years from date of loan drawn down; and
- Facility B: S\$50 million revolving credit facility at an interest rate of margin plus swap offer rate.

A total of S\$117.5 million was drawn down on the TLF2 as at 31 March 2016.

(c) Unsecured investment properties

As at 31 March 2016, the Group has 44 unencumbered investment properties with a combined carrying value of approximately S\$1.2 billion, representing approximately 83% of the investment properties by value.

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1 (c) Statement of Cash Flows

Note	Group	
	1Q2016 S\$'000	1Q2015 S\$'000
Cash flows from operating activities		
Total return for the period after income tax before distribution	13,786	14,660
Adjustments for:		
Interest income	(5)	(47)
Borrowing costs	5,051	5,208
Management fees payable in units	-	871
Acquisition fees paid in units	-	60
Share of profits in jointly-controlled entity	-	(123)
Change in fair value of financial derivatives	428	(1,028)
Operating income before working capital changes	19,260	19,601
Changes in working capital		
Trade and other receivables	(730)	(1,160)
Trade and other payables	(4,838)	(1,064)
Income tax paid	-	(59)
Net cash generated from operating activities	13,692	17,318
Cashflows from investing activities		
Capital expenditure on investment properties	(2,298)	(11,192)
Acquisition of subsidiary	-	(10,582)
Interest received	5	47
Distribution income from subsidiary/jointly-controlled entity	-	90
Net cash used in investing activities	(2,293)	(21,637)
Cash flows from financing activities		
Equity issue costs paid	(145)	(134)
Proceeds from borrowings	(a) 10,000	73,000
Borrowing costs paid	(1,786)	(3,948)
Repayment of borrowings	(a) (6,000)	(50,000)
Distributions paid to Unitholders	(b) (11,494)	(11,278)
Net cash (used in)/generated from financing activities	(9,425)	7,640
Net increase in cash and cash equivalents	1,974	3,321
Cash and cash equivalents at beginning of the period	2,656	6,100
Cash and cash equivalents at end of the period	4,630	9,421

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Notes:

(a) Proceeds from Borrowings

S\$4.0 million was drawn down from the revolving credit facility in February 2016 primarily to fund the payment of capex.

(b) Non cash transactions

The distributions paid to Unitholders exclude the units issued as part payment of distributions, pursuant to the Distribution Reinvestment Plan (“DRP”).

CIT issued 6.7 million units (approximately S\$3.3 million) in 1Q2016 as part payment of the distribution pursuant to the DRP for 4Q2015.

1(d)(i) Statement of Movements in Unitholders’ funds

	Group		Trust	
	1Q2016 S\$'000	1Q2015 S\$'000	1Q2016 S\$'000	1Q2015 S\$'000
Balance at beginning of period	872,911	866,333	859,503	853,080
Operations				
Total return for the period after income tax before distribution	13,786	14,660	13,600	14,672
Net increase in net assets resulting from operations	13,786	14,660	13,600	14,672
Unitholders' transactions				
Issuance of units pursuant to:				
- Distribution Reinvestment Plan	3,288	4,642	3,288	4,642
- Acquisition fees paid in units	-	60	-	60
Units to be issued:				
- Management fees payable in units	-	871	-	871
Equity costs pursuant to:				
- Distribution Reinvestment Plan	(33)	(95)	(33)	(95)
Distributions to Unitholders	(14,782)	(15,920)	(14,782)	(15,920)
Net decrease in net assets resulting from Unitholders' transactions	(11,527)	(10,442)	(11,527)	(10,442)
Balance at end of the period	875,170	870,551	861,576	857,310

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

Note	Trust	
	1Q2016 Units	1Q2015 Units
Issued units at the beginning of period	1,297,775,187	1,269,029,508
Issue of new units pursuant to:		
- Management fees paid in units	-	2,513,309
- Distribution Reinvestment Plan	6,659,229	6,960,810
- Acquisition fees paid in units	-	85,922
Issued units at end of the period	1,304,434,416	1,278,589,549
Units to be issued:		
- Management fees payable in units	-	1,227,132
Total issued and issuable units at end of the period	1,304,434,416	1,279,816,681

Notes:

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

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.

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

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 previous financial year ended 31 December 2015.

- 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	
		1Q2016	1Q2015
EPU			
Total return after income tax before distribution for the period (S\$'000)		13,786	14,660
Weighted average number of units ('000)		1,300,117	1,273,695
Basic and diluted EPU (cents)	(a)	1.060	1.151
DPU			
Total amount available for distribution for the period (S\$'000)		14,512	15,686
Applicable number of units for calculation of DPU ('000)		1,304,434	1,279,817
DPU (cents)	(b)	1.112	1.225

Notes:

- (a) The basic and diluted EPU was calculated using total return after income tax before distribution for the period, which included the fair value change in financial derivatives, and the weighted average number of units in issue during the period.

- (b) DPU was calculated using the total amount available for distribution and the number of units entitled to distribution during the period.

7 Net assets value (“NAV”) per unit based on units issued at the end of the period

	Note	Group		Trust	
		31-03-16	31-12-15	31-03-16	31-12-15
NAV (cents)	(a)	67.1	67.3	66.0	66.2

Note:

- (a) NAV per unit was calculated based on the number of units issued and issuable as at the end of the respective periods. The decrease was due to dilution from units issued during the period.

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

Based on advance estimates by the Ministry of Trade and Industry (“MTI”), the Singapore economy grew by 1.8% on a year-on-year (y-o-y) basis in the first quarter of 2016. The growth is at the same pace as the previous quarter and was flat on a quarter-on-quarter seasonally-adjusted annualised basis, in contrast to the 6.2% expansion in the last quarter of 2015. The manufacturing sector contracted at a slower pace by 2.0% on a y-o-y basis following the 6.7% decline in the previous quarter. Growth in the services sector slowed to 1.9% on a y-o-y basis, easing from 2.8% in the previous quarter. The construction sector posted the highest growth of 6.2% on a y-o-y basis, an improvement from the 4.9% in the previous quarter.

Singapore’s March purchasing managers’ index (“PMI”) posted an improved reading of 49.4, an increase of 0.9 point from February but still indicated a contraction of the manufacturing economy for the ninth month. New orders and new export orders were higher over the previous month and factory output recorded improved readings. The electronics sector PMI also posted an improved reading at 49.0 but the sector continued to contract for the ninth consecutive month since June last year.

According to Savills Research, the Singapore manufacturing sector continues to be weighed down by the global economic conditions and sluggish external demand which does not augur well for the industrial market. The upcoming supply of some 31.1 million square feet of factory and warehouse space is expected to add downward pressure on overall rents. However, the government’s commitment to boost Singapore’s logistics industry through public-private partnerships and initiatives to boost Singaporeans’ employability within the sector provide opportunities for the industrial property sector. The growth of e-commerce also puts industrial space at the forefront of the provision of quality space with complementary support services for these e-retailers.

The Manager today announced that it has entered into an agreement with Commercial and General (“C&G”), a leading Australian industrial property specialist, to explore opportunities in the Australian industrial market.

The Manager has announced that it will be conducting a strategic review of CIT's business and operations, as it strives to fulfil its strategy of maximising value for Unitholders of CIT. In this regard, the Manager has recently appointed Goldman Sachs (Singapore) Pte. to assist the Manager in its analysis of certain recent trends and developments in the Singapore REIT sector and the potential implications to CIT.

Outlook for the financial year ending 31 December 2016

As measured by total rental revenue, approximately 20.2% of CIT's leases are due for renewal in FY2016, of which 13.1% (eight properties) are for single-tenanted buildings and 7.1% are for multi-tenanted buildings.

In respect of the eight single-tenanted buildings, the Manager expects to convert one of the properties to multi-tenancy, renew or enter into new leases for four properties, deploy asset enhancements to one property and divest two properties.

For 2016, the Manager expects the industrial leasing market to remain soft in view of the weak demand and rents to remain under pressure from increased competitions. The conversion of properties from single tenancy to multi-tenancy is also expected to continue to have a negative impact on portfolio occupancy and net property income during 2016. Hence, the Manager will continue to focus on tenant retention, cost savings measures and proactive asset management.

11 Distributions

(a) Current financial period

Any distributions declared for the current financial period:

Yes

Name of distribution: **Forty-first** distribution for the period from 1 January 2016 to 31 March 2016

Distribution Type: Taxable income

Distribution Rate: 1.112 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).

Books closure date: 9 May 2016

Date payable: 31 May 2016

The Manager has determined that the Distribution Reinvestment Plan ("DRP") will not apply to the distribution for the period from 1 January 2016 to 31 March 2016.

(b) Corresponding period of the immediately preceding year

Any distributions declared for
the previous corresponding
financial period:

Yes

Name of distribution: **Thirty-seventh** distribution for the period from 1 January 2015 to 31 March 2015

Distribution Type: Taxable income/Capital

Distribution Rate: 1.225 cents per unit comprising:
(a) taxable income 1.137 cents per unit
(b) capital 0.088 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).

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.

Date paid: 29 February 2016

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.

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

The Board of Directors of the Manager has confirmed that, to the best of their knowledge, nothing has come to their attention which may render these interim financial results to be false or misleading in any material respect.

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.

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

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
28 April 2016