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## PROPOSED ACQUISITION OF 12 ANG MO KIO STREET 65

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### 1. INTRODUCTION

- 1.1 Cambridge Industrial Trust Management Limited, as manager of Cambridge Industrial Trust (“**CIT**”, and the manager of CIT, the “**Manager**”), is pleased to announce that RBC Investor Services Trust Singapore Limited, in its capacity as trustee of CIT (the “**Trustee**”) has on 25 August 2014 entered into a conditional sale and purchase agreement (“**SPA**”) with Freshlane (CP) Pte Ltd (the “**Vendor**”) in connection with the proposed acquisition (the “**Acquisition**”) of 12 Ang Mo Kio Street 65 Singapore 569060 (the “**Property**”) for a purchase consideration of S\$39.8 million (the “**Consideration**”).
- 1.2 Based on the relative figures calculated on the bases set out in Rule 1006 of the Listing Manual of Singapore Exchange Securities Trading Limited (the “**Listing Manual**”), the Acquisition is a non-discloseable transaction for the purposes of Chapter 10 of the Listing Manual.

### 2. DETAILS OF THE ACQUISITION

The Property is a 6-storey purpose-built light industrial building located along Ang Mo Kio Street 65, off Yio Chu Kang Road. It is situated within the established Ang Mo Kio Industrial Estate which is located at the northern fringe of the Ang Mo Kio New Town. Accessibility to other parts of the island is facilitated by the Central Expressway and Seletar Expressway. The Yio Chu Kang MRT station and nearest bus interchange are situated about 1 km from the Property.

The Property is a leasehold property with remaining land tenure of approximately 36 years. It has a gross floor area of approximately 16,762 square metres. The Property will be sold on an ‘as-is-where-is’ basis and the existing sub-leases will be assigned to CIT on completion. The Property is currently 85% occupied by two tenants, Nepes Pte Ltd and Singapore Technologies Electronics Ltd.

### **3. CONDITIONS PRECEDENT**

The Acquisition is subject to the Vendor and the Trustee having received the head lessor's approval to the sale and transfer of the Property by the Vendor to CIT. The head lessor is Ascendas Land (Singapore) Pte Ltd.

### **4. INDEPENDENT VALUATION**

The appraised value of the Property based on a valuation conducted by Jones Lang Lasalle as at 1 June 2014 using the capitalisation approach and discounted cash flow analysis was S\$39.8 million. The valuation was commissioned by the Manager.

### **5. PURCHASE CONSIDERATION**

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

### **6. ESTIMATED COST OF THE ACQUISITION**

The estimated total cost of the Acquisition is approximately S\$40.6 million, comprising:

- (a) the Consideration of S\$39.8 million;
- (b) the acquisition fee payable to the Manager in respect of the Acquisition, which amounts to approximately S\$0.4 million; and
- (c) professional and other fees and expenses incurred or to be incurred in connection with the Acquisition which amount to approximately S\$0.4 million in aggregate.

**7. RATIONALE FOR AND BENEFITS OF THE ACQUISITION**

The Manager believes that the Acquisition will enhance CIT's overall portfolio as the Property is located in a prime location, with good building specifications and has strong tenant covenants.

"Despite intense competition in the industrial sector, we have managed to identify and acquire a value-add opportunity for the Trust. We are confident that there is potential for yield increment and capital appreciation upon the property achieving full occupancy and through capitalising on the positive rental reversion of existing leases. This acquisition is a good example of the Manager's strategy to acquire properties that will achieve long-term growth in net asset value. We anticipate the acquisition will complete by 3Q2014," said Mr Philip Levinson, Chief Executive Officer of CITM.

**8. METHOD OF FINANCING**

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

**9. INTERESTS OF THE DIRECTORS AND CONTROLLING UNITHOLDERS**

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

**10. DIRECTOR'S SERVICE CONTRACTS**

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

**11. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the SPA and valuation certificate in respect of the Acquisition may be inspected, by prior appointment, at the registered office of the Manager during normal business hours for a period of three months from the date of this announcement.

**BY ORDER OF THE BOARD**

Cambridge Industrial Trust Management Limited  
As Manager of Cambridge Industrial Trust  
(Company Registration No. 200512804G, Capital Markets Services Licence No. 100132-2)

Philip Levinson  
Chief Executive Officer and Executive Director

26 August 2014

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## 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 48 properties located across Singapore, with a total gross floor area of approximately 8.1 million sq ft and a property value of S\$1.3 billion as at 30 June 2014. They range from logistics, warehousing, light industrial properties, general industrial to car showroom and workshop properties, which are located close to major transportation hubs and key industrial zones island-wide.

The Manager’s objective is to provide Unitholders with a stable and secure income stream through the successful implementation of the following strategies:

- Acquisition of value-enhancing properties;
- Pro-active asset management;
- Divestment of non-core properties; and
- Prudent capital and risk management.

Cambridge Industrial Trust Management Limited, the Manager of CIT, is indirectly owned by three strategic sponsors, namely, National Australia Bank Group (“NAB”) (56%), Oxley Group (24%) and Mitsui & Co., Ltd (“Mitsui”) (20%):

- NAB, one of Australia’s four largest banks, is an international financial services group that provides a comprehensive and integrated range of financial products and services;
- Oxley Group is an innovative private investment house specialising in real estate and private equity investments across Asia-Pacific; and
- Mitsui is one of the largest corporate conglomerates in Japan and listed on the Tokyo Stock Exchange. It is one of the largest publicly traded companies in the world. Mitsui also developed the Japan Logistics Fund Inc., a publicly listed REIT in Japan dedicated to investing in distribution facilities.

For further information on CIT, please visit <http://www.cambridgeindustrialtrust.com/>

**Important Notice**

The value of units in CIT ("**Units**") and the income derived from them may fall as well as rise. Units are not investments or deposits in, or liabilities or obligations, of Cambridge Industrial Trust Management Limited ("**Manager**"), RBC Investor Services Trust Singapore Limited (in its capacity as trustee of CIT) ("**Trustee**"), or any of their respective related corporations and affiliates (including but not limited to National Australia Bank Limited, nabInvest Capital Partners Pty Limited, or other members of the National Australia Bank group) and their affiliates (individually and collectively "**Affiliates**"). An investment in Units is subject to equity investment risk, including the possible delays in repayment and loss of income or the principal amount invested. Neither CIT, the Manager, the Trustee nor any of the Affiliates guarantees the repayment of any principal amount invested, the performance of CIT, any particular rate of return from investing in CIT, or any taxation consequences of an investment in CIT. Any indication of CIT performance returns is historical and cannot be relied on as an indicator of future performance.

Investors have no right to request that the Manager redeem or purchase their Units while the Units are listed. It is intended that investors may only deal in their Units through trading on Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This release may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of occupancy or property rental income, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in amounts and on terms necessary to support future CIT business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events.

This release is for informational purposes only and does not have regard to your specific investment objectives, financial situation or your particular needs. Any information contained in this release is not to be construed as investment or financial advice, and does not constitute an offer or an invitation to invest in CIT or any investment or product of or to subscribe to any services offered by the Manager, the Trustee or any of the Affiliates.