CAMBRIDGE INDUSTRIAL TRUST

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CAMBRIDGE Industrial

(a unit trust constituted on 31 March 2006
under the laws of the Republic of Singapore)

Offer for Subscription by
CAMBRIDGE INDUSTRIAL TRUST MANAGEMENT LIMITED
Of 206,109,000 Units (Subject to the Over-allotment Option)
Offering Price : S$0.68 per Unit

Prospectus dated 14 July 2006

Registered by the Monetary Authority of Singapore on 14 July 2006.

Cambridge Industrial Trust Management Limited, as manager ("CITM" or the "Manager") of the Cambridge Industrial Trust ("CIT"), is making an offering (the "Offering") of 206,109,000 units representing undivided interests in CIT ("Units") for subscription at the Offering Price (as defined below). The Offering consists of (i) an international placement of 188,609,000 Units to investors, including institutional and other investors in Singapore (the "Placement Tranche"); and (ii) an offering of 17,500,000 Units to the public in Singapore (the "Public Offer") of which 11,500,000 Units (the "CIT Reserved Units") will be reserved for subscription by the Directors, management, employees and business associates of the Manager and others who have contributed to the success of the Offering, as well as employees of the vendors of the Properties (as defined herein) (the "Vendors").

The Offering is fully underwritten by ABN AMRO Rothschild and CLSA Singapore Pte Ltd (together, the "Joint Lead Underwriters" and together with CLSA Merchant Bankers Limited, the "Joint Global Co-ordinators and Bookrunners") at the Offering Price.

Separate from the Offering, the Vendors of certain of the Properties (the "Investing Vendors") will receive an aggregate of 193,841,142 Units at the Offering Price, as part consideration for the sale of their respective Properties to RBC Dexia Trust Services Singapore Limited (formerly known as Dexia Trust Services Singapore Limited), as trustee of CIT (the "Trustee"). Also separate from the Offering, each of the Cornerstone Investors (as defined herein) has entered into a subscription agreement with the Manager to subscribe for an aggregate of 97,118,412 Units at the Offering Price, conditional upon, *inter alia*, the Underwriting Agreement having been entered into and not having been terminated pursuant to its terms on or prior to the close of the Application List.

Investors who are members of the CPF in Singapore may use their CPF Ordinary Account savings to subscribe for Units as an investment included under the CPF Investment Scheme - Ordinary Account. CPF members are allowed to invest up to 35.0% of the Investible Savings (as defined herein) in their CPF Ordinary Accounts to subscribe for the Units.

Prior to the Offering, there has been no market for the Units. The offer of Units under this Prospectus will be by way of an initial public offering in Singapore. Application has been made to the Singapore Exchange Securities Trading Limited (the "SGX-ST") for permission to list on the Main Board of the SGX-ST all the Units which are the subject of the Offering, the Over-allotment Units (as defined below), if any, the Units to be issued to the Investing Vendors (the "Investing Vendor Consideration Units"), the Units to be subscribed by the Cornerstone Investors (the "Cornerstone Units") and all the Units which will be issued to the Manager from time to time in full or part payment of the Manager's management fees. Such permission will be granted when CIT has been admitted to the Official List of the SGX-ST (the "Listing Date"). Acceptance of applications for Units in the Offering will be conditional upon issue of such Units and upon permission being granted to list the Units. In the event that such permission is not granted, application monies will be returned in full, at each investor's own risk, without interest or any share of revenue or other benefit arising therefrom, and without any right or claim against CIT, the Manager, the Joint Global Co-ordinators and Bookrunners, the Public Offer Co-ordinator or the Trustee.

CIT has received a letter of eligibility from the SGX-ST for the listing and quotation on the Main Board of the SGX-ST of all the Units which are the subject of the Offering, the Over-allotment Units, if any, the Investing Vendor Consideration Units, the Cornerstone Units and all the Units which will be issued to the Manager from time to time in full or part payment of the Manager's management fees. CIT's eligibility to list on the Main Board of the SGX-ST does not indicate the merits of the Offering, CIT, the Manager or the Units. The SGX-ST assumes no responsibility for the correctness of any statements or opinions made or reports contained in this Prospectus. Admission to the Official List of the SGX-ST is not to be taken as an indication of the merits of the Offering, CIT, the Manager or the Units.

The collective investment scheme offered in this Prospectus is an authorised scheme under the Securities and Futures Act, Chapter 289 of Singapore (the "Securities and Futures Act" or "SFA"). A copy of this Prospectus has been lodged with, and registered by, the Monetary Authority of Singapore (the "MAS" or the "Authority"). The Authority assumes no responsibility for the contents of this Prospectus. Registration of this Prospectus by the Authority does not imply that the SFA or any other legal or regulatory requirements have been complied with. The Authority has not, in any way, considered the investment merits of the collective investment scheme. The date of registration of this Prospectus with the Authority is 14 July 2006. This Prospectus will expire on 13 July 2007 (12 months after the date of registration).

This document is important. If you are in any doubt as to the action you should take, you should consult your legal, financial, tax or other professional adviser.

See the section titled "Risk Factors" commencing on page 70 of this Prospectus for a discussion of certain factors to be considered in connection with an investment in Units. None of the Manager, the Joint Global Co-ordinators and Bookrunners, the Public Offer Co-ordinator or the Trustee guarantees the performance of CIT, the repayment of capital or the payment of a particular return on the Units.

Investors applying for Units by way of Application Forms or Electronic Applications (both as referred to in Appendix VI of this Prospectus, "Terms, Conditions and Procedures for Application for and Acceptance of Offering Units in Singapore") in the Public Offer will pay the equivalent in Singapore dollars of the Offering Price of S$0.68 per Unit on application, subject to a refund of the full amount or, as the case may be, the balance of the application monies (in each case without interest or any share of revenue or other benefit arising therefrom), where (i) an application is rejected or accepted in part only, or (ii) if the Offering does not proceed for any reason.

The Joint Global Co-ordinators have been granted, for stabilisation purposes, an over-allotment option (the "Over-allotment Option") by the Manager on behalf of CIT, exercisable in full or in part by ABN AMRO Rothschild (acting through its affiliate, ABN AMRO Asia Securities (Singapore) Pte Limited) (the "Stabilising Manager"), on behalf of the Joint Global Co-ordinators, in consultation with the other Joint Lead Underwriter after the Listing Date but within 30 days after the date of this Prospectus, to subscribe for up to an aggregate of 29,000,000 (the "Over-allotment Units") Units at the Offering Price solely to cover the over-allotment of Units (if any). The total number of outstanding Units immediately after the completion of the Offering and prior to any exercise of the Over-allotment Option will be 497,068,554 Units.

In connection with the Offering, the Stabilising Manager (or any person acting on its behalf) may, in consultation with the other Joint Lead Underwriter, over-allot or effect transactions with a view to supporting the market price of the Units at a level higher than that which might otherwise prevail. The Stabilising Manager may purchase up to 29,000,000 Units to undertake stabilisation action. However, there is no assurance that the Stabilising Manager (or any person acting on its behalf) will undertake stabilisation action. Any stabilisation action may begin on or after the Listing Date and, if begun, may be ended at any time, but it must end no later than the earlier of (i) 30 days after the date of this Prospectus or (ii) the date that the Stabilising Manager has purchased the total number of Units that the Stabilising Manager may purchase to undertake the stabilising action.

The Units have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") and, subject to certain exemptions, may not be offered or sold within the United States. The Units are being offered and sold outside the United States in reliance on Regulation S under the Securities Act ("Regulation S").

JOINT GLOBAL CO-ORDINATORS, JOINT LEAD UNDERWRITERS AND BOOKRUNNERS AND JOINT FINANCIAL ADVISERS

ABN·AMRO ROTHSCHILD

CLSA ASIA-PACIFIC MARKETS

PUBLIC OFFER CO-ORDINATOR AND SUB-PLACEMENT AGENT

PhillipCapital

THIS OVERVIEW SECTION IS QUALIFIED IN ITS ENTIRETY BY, AND SHOULD BE READ IN CONJUNCTION WITH THE FULL TEXT OF THE PROSPECTUS. WORDS AND EXPRESSIONS NOT DEFINED HEREIN HAVE THE SAME MEANING AS IN THE MAIN BODY OF THE PROSPECTUS REGISTERED BY THE MONETARY AUTHORITY OF SINGAPORE ON 14 JULY 2006 (THE "PROSPECTUS") UNLESS THE CONTEXT OTHERWISE REQUIRES. MEANINGS OF CAPITALISED TERMS THAT ARE NOT DEFINED IN THIS OVERVIEW SECTION MAY BE FOUND IN THE GLOSSARY OF THE PROSPECTUS.

SINGAPORE'S FIRST INDEPENDENT[1] INDUSTRIAL REIT

- Cambridge Industrial Trust ("CIT") is a real estate investment trust established with the objective of investing directly or indirectly in income-producing real estate and real estate-related assets which are used mainly for industrial (including warehousing) purposes.

- CIT seeks to provide Unitholders with a competitive rate of return on their investment by ensuring stable and regular distributions and long-term growth in both distributions and net asset value per Unit.

- The initial portfolio of CIT will comprise 27 properties, covering an aggregate of approximately 426,725.2 sq m of Lettable Area, all of which are located in Singapore. The total Appraised Value, as determined by the Independent Valuers[2], of the entire initial portfolio of Properties amounts to S$519.0 million with annualised gross revenue of approximately S$43.2 million for the Forecast Period 2006.

- Cambridge Industrial Trust Management Limited (the "Manager") is a joint venture between Cambridge Real Estate Investment Management Pte. Ltd. ("CREIM"), CWT Limited ("CWT"), a Singapore-incorporated company listed on the Main Board of the SGX-ST which is engaged in the business of cargo logistics and distribution, and Mitsui & Co., Ltd ("Mitsui"). Mitsui developed Japan Logistics Fund Inc., the first listed REIT in Japan dedicated to investing in distribution facilities. 60.0% of the issued share capital of the Manager is held by CREIM, 20.0% is held by Mitsui and the remaining 20.0% is held by CWT.

- As Mitsui is a shareholder of the Manager, the Manager believes that Mitsui will contribute its expertise gained in managing Japan's first listed REIT dedicated to investing in distribution facilities and will assist the Manager in seeking opportunities for acquisitions and tenancies from Mitsui's existing business network, especially Japanese companies, both in Singapore and the region.

- RBC Dexia Trust Services Singapore Limited (formerly known as Dexia Trust Series Singapore Limited), as the trustee ("Trustee") of CIT, has been granted a right of first refusal and last look by CWT over each of the industrial properties owned or that may be owned by CWT or its subsidiaries in Singapore, and such other properties that may be owned by CWT or its subsidiaries in Malaysia, Indonesia, Thailand, Philippines, Australia, China, Taiwan and the special administrative regions of Hong Kong and Macau during the period for which the right of first refusal and last look is granted. The Trustee has also been granted a right of first refusal by C & P Holdings, the parent company of CWT over a property under construction at Lot 8814 Mukim 27 at Changi South Lane which is expected to have a gross floor area of approximately 33,850 sq m.

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[1] The Manager is not majority controlled by any property company which develops or owns real estate for commercial sale or investment purposes.

[2] The Manager has, for the purpose of obtaining an additional independent opinion, commissioned the Additional Independent Valuer to conduct additional independent valuations on each of the top 10 Properties by Acquisition Value. See "*Additional Independent Property Valuation Summary Reports*" in Appendix IV of the Prospectus.

KEY INVESTMENT HIGHLIGHTS

Exposure to high growth industrial sector

Potential for yield accretion through acquisitions

Future financing flexibility

Exposure to a diversified property portfolio

Independence of the Manager

Experienced and professional management

Management fee structure to incentivise and align interests of the Manager with those of Unitholders

Tax benefits for Unitholders

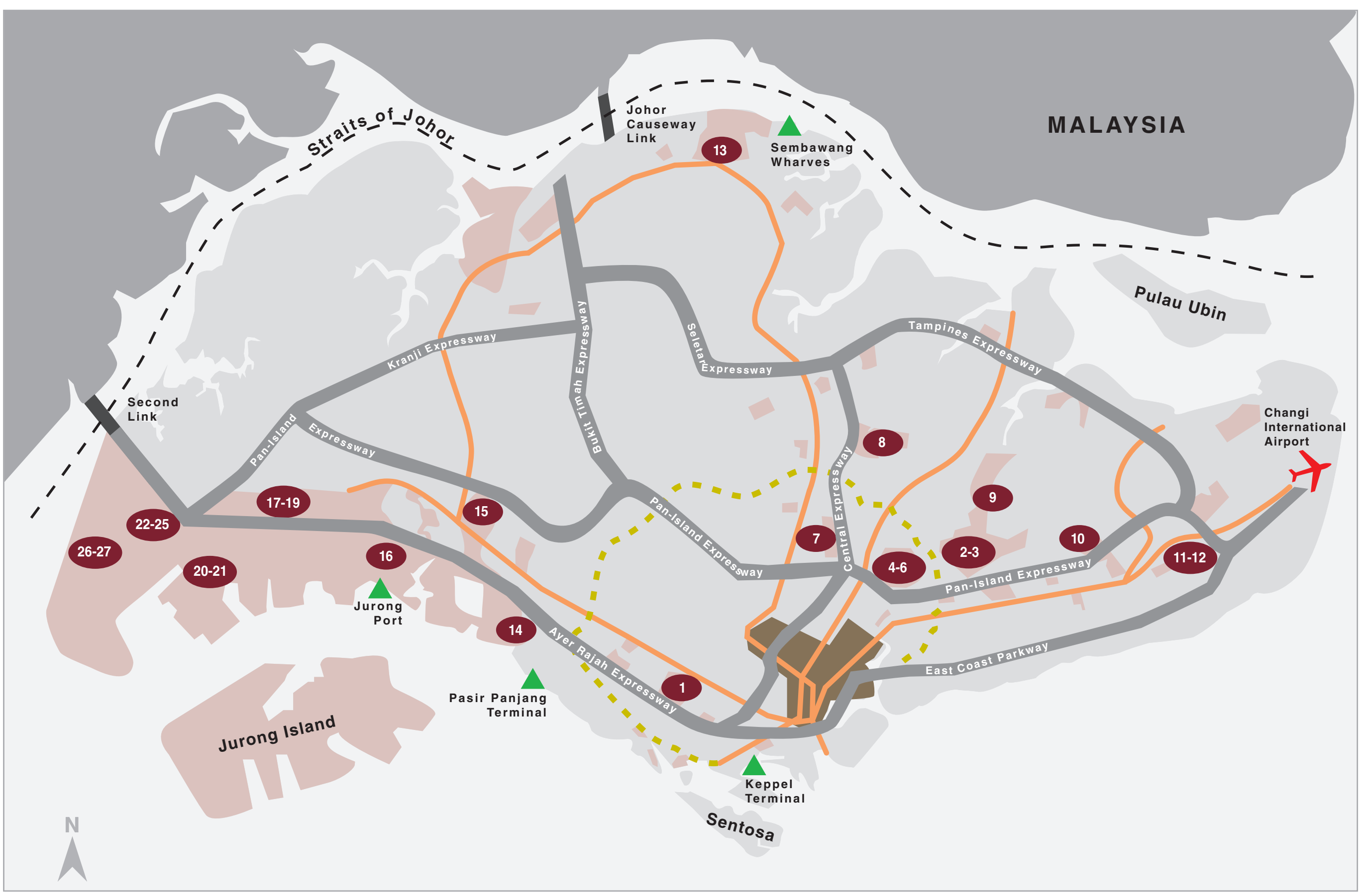
- CIT has obtained a Tax Ruling from the IRAS in relation to its investment in properties in Singapore. The Tax Ruling grants tax transparency to CIT on its taxable income that is distributed to Unitholders such that CIT will not be taxed on such taxable income.

- Instead, tax will be imposed on the distributions made out of such taxable income to the Unitholders, by way of tax deduction at source at the prevailing corporate tax rate, currently 20.0%. However, individuals and qualifying Unitholders will receive distributions without any tax deduction at source and distributions to foreign non-individual Unitholders will be subject to tax deduction at source at the reduced rate of 10.0% for the period up to 17 February 2010.

- Unitholders may, depending on their respective circumstances, claim a credit for a proportionate amount of the tax paid at CIT's level.

COMPETITIVE STRENGTHS OF THE PROPERTIES

- Strategic locations
- Long average lease term of approximately 7.9 years[5]
- Built-in rental escalation
- Generic use with High Building Specifications[6]
- Full occupancy of the Properties
- High levels of security deposit of approximately 14.0 months[7] relative to market practice
- Potential rental and capital appreciation
- Diversified property portfolio and tenant base
- Diversified tenant mix
- Low capital expenditure requirements and no routine maintenance and utilities expenses



LEGEND

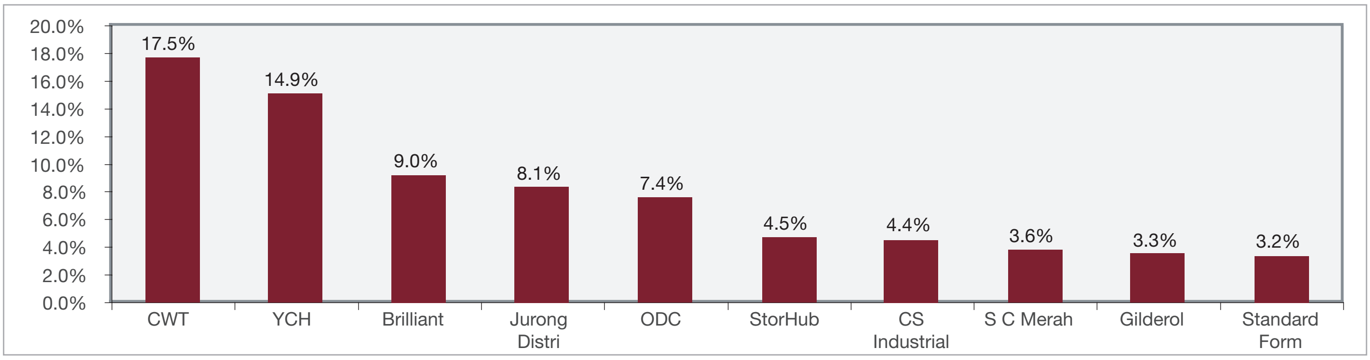
CIT Properties

1	Panasonic Building	8	MI Building	15	ODC Districentre	21	7 Gul Lane		
2	21 Ubi Road 1	9	MEC TechnoCentre	16	CWT Distripark (HQ)	22	YCH DistriPark		
3	CSE Global Building	10	Standard Form Building	17	86/88 International Road	23	23 Tuas Avenue 10		
4	160 Kallang Way	11	25 Changi South Avenue 2	18	1 Third Lok Yang Road and 4 Fourth Lok Yang Road	24	31 Tuas Avenue 11		
5	Olivine Building	12	Techplas Industrial Building			25	16 Tuas Avenue 18A		
6	136 Joo Seng Road	13	28 Woodlands Loop	19	31 Kian Teck Way	26	2 Tuas South Avenue 2		
7	23 Lorong 8 Toa Payoh	14	27 Pandan Crescent	20	Jurong Districentre	27	9 Tuas View Crescent		

Airports Ports Circle Line MRT Routes Major Highways Industrial Estates Central Business District

[5] The weighted average term of the leases (by Acquisition Value) for the Properties from the date of completion of the acquisition of the Properties.
[6] Means building specifications with high floor loading, high ceiling height and wide column span.
[7] On a weighted average basis by Acquisition Value.

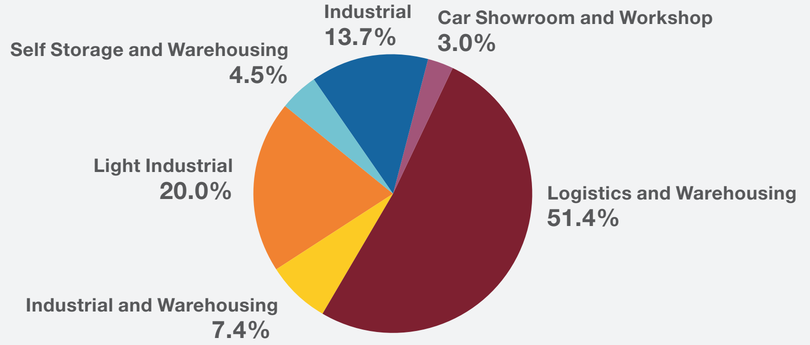
Top 10 Tenants as % of annualised Gross Revenue for the Forecast Period 2006



CWT : CWT Limited • YCH : YCH DistriPark (Pte) Ltd • Brilliant : Brilliant Manufacturing Ltd • Jurong Distri : Jurong Districentre Pte Ltd • ODC : ODC Logistics (S) Pte Ltd • StorHub : StorHub Self Storage Pte Ltd • CS Industrial : CS Industrial Land Pte Ltd • S C Merah : S C Merah Pte Ltd • Gilderol : Gilderol Doors (S) Pte Ltd • Standard Form : Standard Form Pte Ltd

Diverse Tenant Trade Sectors

Gross Revenue Contribution By Tenant Trade Sector[8,9]



8 The activities carried out by tenants in each of these sectors are set out in footnotes (1) to (6) on page 7 of the Prospectus.

9 For the Forecast Period 2006.

Property Statistics - A Summary

Property	Lettable Area (sq m)	Occupancy Rate %	Gross Revenue per month S$	Appraised Value by the Independent Valuers S$'000	% of Aggregate Appraised Value by the Independent Valuers %	Land Lease Expiry (Years)
Logistics and Warehousing Properties						
CWT DistriPark (HQ)	75,903.8	100.0	629, 750	96,000	18.5	2037
Jurong Districentre	38,352.1	100.0	292, 333	49,000	9.4	2050
ODC Districentre	29,460.2	100.0	268,167	35,000	6.7	2055
31 Tuas Avenue 11	7,021.5	100.0	70,000	8,700	1.7	2054
25 Changi South Avenue 2	6,781.7	100.0	57,500	7,300	1.4	2054
YCH DistriPark	53,065.2	100.0	454,000	73,000	14.1	2039
1 Third Lok Yang Road and 4 Fourth Lok Yang Road	10,601.3	100.0	82,333	12,414	2.4	2031
Light Industrial Properties						
21 Ubi Road 1	18,838.0	100.0	179,167	25,000	4.8	2057
136 Joo Seng Road	9,413.0	100.0	82,250	10,310	2.0	2050
CSE Global Building	4,055.6	100.0	44,667	7,500	1.5	2059
MI Building	13,621.4	100.0	109,250	14,000	2.7	2057
Olivine Building	10,992.3	100.0	100,500	12,000	2.3	2051
Panasonic Building	7,678.6	100.0	127,917	20,000	3.9	2062
MEC TechnoCentre	9,365.2	100.0	76,628	13,065	2.5	2050
Industrial and Warehousing Properties						
86/88 International Road	12,772.5	100.0	117,916	14,000	2.7	2054
23 Tuas Avenue 10	9,504.9	100.0	53,583	8,550	1.6	2056
9 Tuas View Crescent	6,650.1	100.0	46,333	5,600	1.1	2058
27 Pandan Crescent	6,914.5	100.0	47,667	7,700	1.5	2055
Industrial Properties						
7 Gul Lane	4,499.0	100.0	30,750	3,200	0.6	2041
31 Kian Teck Way	3,074.0	100.0	27,750	3,200	0.6	2042
Techplas Industrial Building	6,845.5	100.0	49,833	8,250	1.6	2055
2 Tuas South Avenue 2	20,474.1	100.0	160,167	23,000	4.4	2059
28 Woodlands Loop	12,249.9	100.0	108,917	13,000	2.5	2055
Standard Form Building	10,733.2	100.0	88,333	10,560	2.0	2054
16 Tuas Avenue 18A	3,168.0	100.0	23,417	2,600	0.5	2051
Self Storage and Warehousing Property						
160 Kallang Way	29,970.9	100.0	161,500	23,200	4.5	2033
Car Showroom and Workshop Property						
23 Lorong 8 Toa Payoh	4,718.7	100.0	109,379	12,870	2.5	2052
Total	**426,725.2**	**100.0**	**3,600,007**	**519,019**	**100.0**	

21 UBI ROAD 1

2 TUAS SOUTH AVENUE 2

CWT DISTRIPARK (HQ)

PANASONIC BUILDING

ODC DISTRICENTRE

JURONG DISTRICENTRE

160 KALLANG WAY

86/88 INTERNATIONAL ROAD

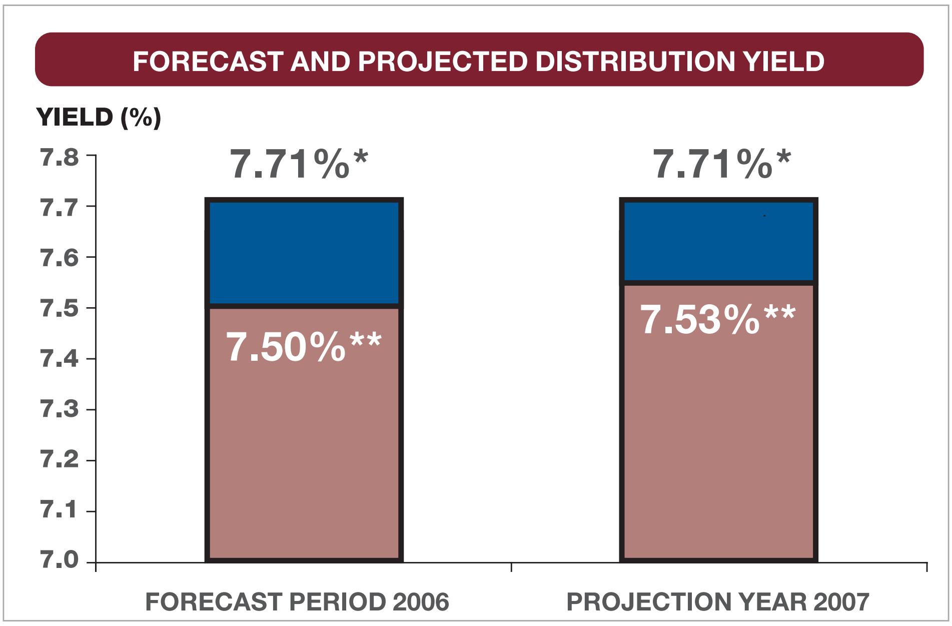
YCH DISTRIPARK

MI BUILDING

STABLE AND REGULAR DISTRIBUTIONS

Forecast yield of up to **7.71%**[3] tax-free[4]

- CIT's distribution policy is to distribute 100.0% of its taxable income for the period from the Listing Date to 31 December 2006 and thereafter to distribute at least 90.0% of its taxable income. Distributions will be made on a quarterly basis, except for the first distribution,which will be in respect of the period from the Listing Date to 30 September 2006 and will be paid by the Manager on or before 29 November 2006.



* On the assumption that the Over-allotment Option is not exercised and based on the Offering Price of S$0.68 per Unit :

a) For the Forecast Period 2006, the annualised distribution yield is 7.71% and total distribution per Unit is 2.12 Cents per Unit, based on the weighted average number of approx. 497.4 million Units in issue as at 31 Dec 2006.
b) In respect of the Projection Year 2007, the annualised distribution yield is 7.71% and total distribution per Unit is 5.24 Cents per Unit, based on the weighted average number of approx. 499.9 million Units in issue as at 31 Dec 2007.

** Assuming the Over-allotment Option is fully exercised: -
a) For the Forecast Period 2006, the annualised distribution yield is 7.50% and total distribution per Unit is 2.06 Cents per Unit, based on the weighted average number of approx. 526.4 million Units in issue as at 31 Dec 2006.
b) In respect of the Projection Year 2007, the annualised distribution yield is 7.53% and total distribution per Unit is 5.12 Cents per Unit, based on the weighted average number of approx. 528.9 million Units in issue as at 31 Dec 2007.

The performance, repayment of capital or the payment of any distributions or any particular return is not guaranteed. The forecast and projected yields stated are based on the Offering Price of S$0.68 per Unit and the assumptions set out in the Prospectus. Such yields will vary accordingly for investors who purchase Units in the secondary market at a market price that differs from the Offering Price.

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[3] Annualised yield for the Forecast Period 2006 (for the period from 31 July 2006 to 31 December 2006) assuming the Over-allotment Option is not exercised and based on the Offering Price of S$0.68 per Unit and other assumptions as set out in the Prospectus.

[4] For individuals (regardless of nationality) who hold Units as investment assets and not through a partnership in Singapore.

STRATEGY

Acquisition Growth Strategy

This involves pursuing acquisition opportunities available to CIT that will enhance CIT's asset base and provide an attractive cash flow and distribution profile for Unitholders. In forming CIT's initial portfolio of Properties, as well as evaluating future acquisition opportunities, the Manager's focus was and will primarily be on the following factors:

- Choice of location
- Building and facilities specifications
- Age of buildings
- Land lease expiry profile
- Value adding opportunities
- Tenant credit quality and diversification
- Lease expiry profile
- Security deposits
- Regional diversification

Active Asset Management Strategy

This involves actively managing CIT's property portfolio to maximise returns through prudent control of property outgoings, active marketing and leasing of any vacant properties or properties whose leases are expiring and asset refurbishment and enhancement projects to maintain competitive positioning of the assets.

Capital and Risk Management Strategy

This involves employing appropriate debt and equity financing in the acquisition of the Properties and future acquisitions and utilising interest rate and currency hedging instruments where appropriate to optimise risk-adjusted returns to Unitholders.

INDICATIVE TIMETABLE

DATE AND TIME	EVENT
14 July 2006, 7.00 p.m.	**Opening date and time for the Offering**
19 July 2006, 12.00 noon	**Closing date and time for the Offering**
25 July 2006, 2.00 p.m.	**Commence trading on a "ready" basis**[10]

[10] Subject to the SGX-ST being satisfied that all conditions necessary for the commencement of trading in the Units through the SGX-ST on a "ready" basis have been fulfilled.

NOTICE TO INVESTORS

No person is authorised to give any information or to make any representation not contained in this Prospectus and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of CIT, the Manager, any of the Joint Global Co-ordinators and Bookrunners, the Public Offer Co-ordinator or the Trustee. Neither the delivery of this Prospectus nor any offer, subscription, sale or transfer made hereunder shall under any circumstances imply that the information herein is correct as of any date subsequent to the date hereof or constitute a representation that there has been no change or development reasonably likely to involve a material adverse change in the affairs, conditions and prospects of CIT, the Manager or the Units since the date hereof. Where such changes occur and are material or required to be disclosed by law, the SGX-ST and/or any other regulatory or supervisory body or agency, the Manager will make an announcement of the same to the SGX-ST and, if required, issue and lodge a supplementary document or replacement document pursuant to section 298 of the Securities and Futures Act and take immediate steps to comply with the said section 298. Investors should take notice of such announcements and documents and upon release of such announcements and documents shall be deemed to have notice of such changes. No representation, warranty or covenant, express or implied, is made by any of CIT, the Manager, the Joint Global Co-ordinators and Bookrunners, the Public Offer Co-ordinator, the Trustee or any of their respective affiliates, Directors, officers, employees, agents, representatives or advisers as to the accuracy or completeness of the information contained herein, and nothing contained in this Prospectus is, or shall be relied upon as, a promise, representation or covenant by the Manager, the Joint Global Co-ordinators and Bookrunners, the Public Offer Co-ordinator, the Trustee or their respective affiliates, Directors, officers, employees, agents, representatives or advisers.

None of CIT, the Manager, the Joint Global Co-ordinators and Bookrunners, the Public Offer Co-ordinator, the Trustee or any of their respective affiliates, Directors, officers, employees, agents, representatives or advisers is making any representation or undertaking to any purchaser or subscriber of Units regarding the legality of an investment by such purchaser or subscriber under appropriate legal, investment or similar laws. In addition, this Prospectus is issued solely for the purpose of the Offering and investors in the Units should not construe the contents of this Prospectus as legal, business, financial or tax advice. Investors should be aware that they may be required to bear the financial risks of an investment in the Units for an indefinite period of time. Investors should consult their own professional advisers as to the legal, tax, business, financial and related aspects of an investment in the Units.

Copies of this Prospectus and the Application Forms may be obtained on request, subject to availability, from:

ABN AMRO Rothschild	**CLSA Merchant Bankers Limited**	**Phillip Securities Pte Ltd**
63 Chulia Street Singapore 049514	9 Raffles Place #19-20/21 Republic Plaza II Singapore 048619	250 North Bridge Road #06-00 Raffles City Tower Singapore 179101

and, where applicable, from members of the Association of Banks in Singapore, members of the SGX-ST and merchant banks in Singapore. A copy of this Prospectus is also available on the SGX-ST website at http://www.sgx.com.

The distribution of this Prospectus and the offering, subscription, purchase, sale or transfer of the Units which are the subject of the Offering in certain jurisdictions may be restricted by law. CIT, the Manager, the Joint Global Co-ordinators and Bookrunners, the Public Offer Co-ordinator and the Trustee require persons into whose possession this Prospectus comes to inform themselves about and to observe any such restrictions at their own expense and without liability to CIT, the Manager, the Joint Global Co-ordinators and Bookrunners, the Public Offer Co-ordinator or the Trustee. This Prospectus does not constitute an offer of, or an invitation to subscribe for any Units in any jurisdiction in which such offer or invitation would be unlawful. Persons to whom a copy of this Prospectus has been issued shall not circulate to any other person, reproduce or otherwise distribute this Prospectus or any information herein for any purpose whatsoever nor permit or cause the same to occur.

In connection with the Offering, the Stabilising Manager (or any person acting on its behalf) may, in consultation with the other Joint Lead Underwriter, over-allot or effect transactions with a view to supporting the market price of the Units at a level higher than that which might otherwise prevail. The Stabilising Manager may purchase up to 29,000,000 Units to undertake stabilisation action. However, there is no assurance that the Stabilising Manager (or any person acting on its behalf) will undertake stabilisation action. Any stabilisation action may begin on or after the Listing Date and, if begun, may be ended at any time, but it must end no later than the earlier of (i) 30 days after the date of this Prospectus or (ii) the date that the Stabilising Manager has purchased the total number of Units that the Stabilising Manager may purchase to undertake the stabilising action.

FORWARD-LOOKING STATEMENTS

Certain statements in this Prospectus constitute "forward-looking statements". This Prospectus also contains forward-looking financial information in the section titled "Profit Forecast and Profit Projection". Such forward-looking statements and financial information involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of CIT or the Manager, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements and financial information. Such forward-looking statements and financial information are based on numerous assumptions regarding the Manager's present and future business strategies and the environment in which CIT or the Manager will operate in the future. Because these statements and financial information reflect the Manager's current views concerning future events, these statements and financial information necessarily involve risks, uncertainties and assumptions. Actual future performance could differ materially from these forward-looking statements and financial information.

Among the important factors that could cause CIT's or the Manager's actual results, performance or achievements to differ materially from those in the forward-looking statements and financial information are the condition of, and changes in, the domestic, regional or global economies that result in reduced occupancy or rental rates for CIT's properties, changes in government laws and regulations affecting CIT, competition in the Singapore property market, interest rates, relations with service providers, relations with lenders and the quality of tenants and other matters not yet known to the Manager or not currently considered material by the Manager. Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under "Risk Factors", "Profit Forecast and Profit Projection", "Forecast and Projected Statements of Total Return", "The Industrial Property Markets in Singapore and the Region", "Strategy" and "Business and Properties". These forward-looking statements and financial information are made only as of the date of this Prospectus. The Manager expressly disclaims any obligation or undertaking to release publicly any updates of or revisions to any forward-looking statement or financial information contained herein to reflect any change in the Manager's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement or information is based, subject to compliance with all applicable laws and regulations and/or the rules of the SGX-ST and/or any other regulatory or supervisory body or agency.

CERTAIN DEFINED TERMS AND CONVENTIONS

CIT will publish its financial statements in Singapore dollars. In this Prospectus, references to "$", "S$" or "Singapore dollars" are to Singapore dollars, the lawful currency of the Republic of Singapore; references to "US$" or "US dollars" are to United States dollars, the lawful currency of the United States; references to "Rp" are to Indonesian rupiah, the lawful currency of Indonesia; references to "RM" are to the Malaysian ringgit, the lawful currency of Malaysia and references to "NT$" are to New Taiwan dollars, the lawful currency of Taiwan.

Capitalised terms used in this Prospectus shall have the meanings set out in the Glossary.

This Prospectus contains certain information with respect to the business sectors of CIT's tenants. The Manager has determined the business sectors in which CIT's tenants are primarily involved based upon the Manager's general understanding of the business activities conducted by such tenants in the premises occupied by them. The Manager's knowledge of the business activities of CIT's tenants is necessarily limited and such tenants may conduct business activities that are in addition to, or different from, those shown herein.

The forecast and projected yields and yield growth are calculated based on the Offering Price. Such yields and yield growth will vary accordingly for investors who purchase Units in the secondary market at a market price different from the Offering Price.

Any discrepancies in the tables, graphs and charts included herein between the listed amounts and totals thereof are due to rounding. Where applicable, figures and percentages are rounded to one decimal place. Measurements in square metres ("sq m") are converted to square feet ("sq ft") and *vice versa* based on the conversion rate of one sq m = 10.7639 sq ft. References to "Appendices" are to the appendices set out in this Prospectus. All references herein to dates and times shall mean Singapore dates and times unless otherwise specified.

In addition, unless otherwise indicated, all information in this Prospectus assumes the Over-allotment Option has not been exercised.

MARKET AND INDUSTRY INFORMATION

This Prospectus includes market and industry data and forecasts that have been obtained from internal surveys, reports and studies, where appropriate, as well as market research, publicly available information and industry publications. Industry publications, surveys and forecasts generally state that the information they contain has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of such included information. While the Manager has taken reasonable steps to ensure that the information is extracted accurately and in its proper context, the Manager has not independently verified any of the data from third party sources or ascertained the underlying economic assumptions relied upon therein.

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SUMMARY

The following summary is qualified in its entirety by, and is subject to, the more detailed information and the pro forma financial information and the notes thereto contained in or referred to elsewhere in this Prospectus. The meanings of terms not defined in this summary can be found in the section titled "Glossary" of this Prospectus or in the Trust Deed. A copy of the Trust Deed can be inspected at the registered office of the Manager.

Statements contained in this summary that are not historical facts may be forward-looking statements. Such statements are based on certain assumptions and are subject to certain risks, uncertainties and other factors which could cause actual results to differ materially from those forecast or projected (see the section titled "Forward-looking Statements"). Under no circumstances should the inclusion of such information herein be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions by CIT, the Manager, the Joint Global Co-ordinators and Bookrunners, the Public Offer Co-ordinator or the Trustee or any other person or that these results will be achieved or are likely to be achieved. Investing in the Units of CIT involves risks. Prospective investors should read this Prospectus in its entirety and, in particular, the section titled "Risk Factors".

Overview of CIT, the first independent[1] industrial real estate investment trust in Singapore

CIT is a real estate investment trust established with the objective of investing directly or indirectly in income-producing real estate and real estate-related assets which are used mainly for industrial (including warehousing) purposes. CIT seeks to provide Unitholders with a competitive rate of return on their investment by ensuring stable and regular distributions and long-term growth in both distributions and net asset value per Unit. This involves sourcing and acquiring value-enhancing assets in Asia, with an initial focus on properties in Singapore.

The initial portfolio of CIT will comprise 27 properties, details of which are set out below (the "Properties" and each, a "Property"), covering an aggregate of approximately 426,725.2 sq m of Lettable Area, all of which are located in Singapore. The total Appraised Value, as determined by the Independent Valuers[2], of the entire initial portfolio of Properties amounts to S$519.0 million with annualised gross revenue of approximately S$43.2 million for the Forecast Period 2006.

Although the initial focus of CIT will be on properties in Singapore, CIT intends to explore opportunities in China, Malaysia, and possibly Thailand in the short to medium term and other Asian countries in the longer term, subject to investment opportunities and market conditions. CIT's investments will generally be of a long term nature. CIT's investments may be by way of direct acquisition and ownership of property by CIT or may be effected indirectly through the acquisition and ownership of companies or other legal entities whose primary purpose is to hold or own real estate or real estate-related assets.

The Manager aims to provide attractive total returns for Unitholders through the following strategies:

(a) **Acquisition Growth Strategy** — This involves pursuing acquisition opportunities available to CIT that will enhance CIT's asset base and provide an attractive cash flow and distribution profile for Unitholders. Acquisition opportunities will be evaluated in accordance with the Manager's strategy of investing in real estate and real estate-related assets used mainly for industrial (including warehousing) purposes;

[1] The Manager is not majority controlled by any property company which develops or owns real estate for commercial sale or investment purposes.

[2] The Manager has, for the purpose of obtaining an additional independent opinion, commissioned the Additional Independent Valuer to conduct additional independent valuations on each of the top 10 Properties by Acquisition Value. See "Additional Independent Property Valuation Summary Reports" in Appendix IV.

(b) **Active Asset Management Strategy** — This involves actively managing CIT's property portfolio to maximise returns through prudent control of property outgoings, active marketing and leasing of any vacant properties or properties whose leases are expiring and asset refurbishment and enhancement projects to maintain the competitive positioning of the assets; and

(c) **Capital and Risk Management Strategy** — This involves employing appropriate debt and equity financing in the acquisition of the Properties and future acquisitions and utilising interest rate and currency hedging instruments where appropriate to optimise risk-adjusted returns to Unitholders.

The table below sets out certain information with respect to each of the Properties as at the date of this Prospectus:

Property	Lettable Area		Occupancy rate[34]	Gross Revenue per month[35]		Appraised Value by the Independent Valuers[36], [40]	Appraised Value by the Additional Independent Valuer[39]	Percentage of aggregate Appraised Value by the Independent Valuers[36]	Acquisition Value[38]	Vendor	Land lease expiry
	(sq m)	(%)	(%)	(S$)	(%)	(S$ '000)	(S$ '000)	(%)	(S$ '000)		(Year)
Logistics and Warehousing Properties[1]											
CWT DISTRIPARK (HQ)	75,903.8	17.8	100.0	629,750	17.5	96,000	96,500	18.5	96,000	CWT Limited	2037[7]
JURONG DISTRICENTRE	38,352.1	9.0	100.0	292,333	8.1	49,000	49,000	9.4	49,000	Jurong Districentre Pte Ltd	2050[8]
ODC DISTRICENTRE	29,460.2	6.9	100.0	268,167	7.4	35,000	35,000	6.7	35,000	ODC Logistics (S) Pte Ltd	2055[9]
31 TUAS AVENUE 11	7,021.5	1.6	100.0	70,000	1.9	8,700	—	1.7	8,700	SLS Holdings (Pte) Ltd	2054[10]
25 CHANGI SOUTH AVENUE 2	6,781.7	1.6	100.0	57,500	1.6	7,300	—	1.4	7,300	Wan Tai and Company (Private) Limited	2054[11]
YCH DISTRIPARK	53,065.2	12.4	100.0	454,000	12.6	73,000	70,000	14.1	73,000	YCH DistriPark (Pte) Ltd	2039[12]
1 THIRD LOK YANG ROAD AND 4 FOURTH LOK YANG ROAD	10,601.3	2.5	100.0	82,333	2.3	12,414	—	2.4	12,414	Chempark Pte Ltd	2031[13]
Light Industrial Properties[2]											
21 UBI ROAD 1	18,838.0	4.4	100.0	179,167	5.0	25,000	25,000	4.8	25,000	Brilliant Manufacturing Limited	2057[14]
136 JOO SENG ROAD	9,413.0	2.2	100.0	82,250	2.3	10,310	—	2.0	10,310	Brilliant Manufacturing Limited	2050[15]
CSE GLOBAL BUILDING	4,055.6	1.0	100.0	44,667	1.2	7,500	—	1.5	7,500	CSE Global Limited	2059[16]
MI BUILDING	13,621.4	3.2	100.0	109,250	3.0	14,000	14,000	2.7	14,000	MI Technologies Pte Ltd	2057[17]
OLIVINE BUILDING	10,992.3	2.6	100.0	100,500	2.8	12,000	—	2.3	12,000	Olivine Magnetics Pte Ltd	2051[18]
PANASONIC BUILDING	7,678.6	1.8	100.0	127,917	3.6	20,000	20,000	3.9	20,000	S C Merah Pte Ltd	2062[19]
MEC TECHNOCENTRE	9,365.2	2.2	100.0	76,628	2.1	13,065[37]	—	2.5	13,064[37]	The Excalibur Corporation Pte Ltd	2050[20]

Property	Lettable Area		Occupancy rate[34]	Gross Revenue per month[35]		Appraised Value by the Independent Valuers[36], [40]	Appraised Value by the Additional Independent Valuer[39]	Percentage of aggregate Appraised Value by the Independent Valuers[36]	Acquisition Value[38]	Vendor	Land lease expiry
	(sq m)	(%)	(%)	(S$)	(%)	(S$ '000)	(S$ '000)	(%)	(S$ '000)		(Year)
Industrial and Warehousing Properties[3]											
86/88 INTERNATIONAL ROAD	12,772.5	3.0	100.0	117,916	3.3	14,000	14,000	2.7	14,000	Gliderol Doors (S) Pte Ltd	2054[21]
23 TUAS AVENUE 10	9,504.9	2.2	100.0	53,583	1.5	8,550	—	1.6	8,550	Uchem Products Pte Ltd	2056[22]
9 TUAS VIEW CRESCENT	6,650.1	1.6	100.0	46,333	1.3	5,600	—	1.1	5,600	United Central Engineering Pte Ltd	2058[23]
27 PANDAN CRESCENT	6,914.5	1.6	100.0	47,667	1.3	7,700	—	1.5	7,700	Wong Sam Ngian Engineering (Pte) Ltd	2055[24]
Industrial Properties[4]											
7 GUL LANE	4,499.0	1.1	100.0	30,750	0.9	3,200	—	0.6	3,200	BG Casting Private Ltd	2041[25]
31 KIAN TECK WAY	3,074.0	0.7	100.0	27,750	0.8	3,200	—	0.6	3,200	Brilliant Magnesium Pte Ltd	2042[26]
TECHPLAS INDUSTRIAL BUILDING	6,845.5	1.6	100.0	49,833	1.4	8,250	—	1.6	8,250	Chung Shan Plastics Pte Ltd	2055[27]
2 TUAS SOUTH AVENUE 2	20,474.1	4.8	100.0	160,167	4.4	23,000	22,700	4.4	23,000	CS Industrial Land Pte Ltd	2059[28]
28 WOODLANDS LOOP	12,249.9	2.9	100.0	108,917	3.0	13,000	—	2.5	13,000	Sanwa Plastic Industry Pte Ltd	2055[29]
STANDARD FORM BUILDING	10,733.2	2.5	100.0	88,333	2.5	10,560	—	2.0	10,560	Standard Form Pte Ltd	2054[30]
16 TUAS AVENUE 18A	3,168.0	0.7	100.0	23,417	0.7	2,600	—	0.5	2,600	Standard Form Pte Ltd	2051[31]
Self Storage and Warehousing Property[5]											
160 KALLANG WAY	29,970.9	7.0	100.0	161,500	4.5	23,200	22,200	4.5	23,200	StorHub Self Storage Pte Ltd	2033[32]

Property	Lettable Area		Occupancy rate[34]	Gross Revenue per month[35]		Appraised Value by the Independent Valuers[36], [40]	Appraised Value by the Additional Independent Valuer[39]	Percentage of aggregate Appraised Value by the Independent Valuers[36]	Acquisition Value[38]	Vendor	Land lease expiry
	(sq m)	(%)	(%)	(S$)	(%)	(S$ '000)	(S$ '000)	(%)	(S$ '000)		(Year)
Car Showroom and Workshop Property[6]											
23 LORONG 8 TOA PAYOH	4,718.7	1.1	100.0	109,379	3.0	12,870[37]	—	2.5	12,870[37]	Exklusiv Auto Services Pte Ltd	2052[33]
Total	426,725.2	100.0	100.0	3,600,007	100.0	519,019		100.0	519,018		

Notes:

(1) These Properties are used by tenants for warehousing, distribution and logistics services including third party logistics and supply chain management.

(2) These Properties are primarily used by tenants for light industrial activities including assembly and storage of electronics and computer peripherals, medical equipment as well as information technology and system integration.

(3) These Properties are used by tenants for production and/or storage of cables, aluminium products, printed circuit boards and metals.

(4) These Properties are primarily used by tenants for industrial activities including printing, precision engineering works, metal stamping, plastics injection and extrusion, and metal fabrication works.

(5) This Property is used by the tenant to operate a self storage business.

(6) This Property is used by the tenant as a car showroom and service workshop.

(7) CIT holds the remainder of a 30+12 year lease commencing from 1 March 1995.

(8) CIT holds the remainder of a 30+30 year lease commencing from 16 December 1990.

(9) CIT holds the remainder of a 30+30 year lease commencing from 16 August 1995.

(10) CIT holds the remainder of a 30+30 year lease commencing from 1 April 1994.

(11) CIT holds the remainder of a 30+30 year lease commencing from 16 October 1994.

(12) CIT holds the remainder of a 30+30 year lease commencing from 1 July 1979.

(13) CIT holds the remainder of a 30 year lease commencing from 16 December 2001.

(14) CIT holds the remainder of a 30+30 year lease commencing from 1 February 1997.

(15) CIT holds the remainder of a 30+30 year lease commencing from 1 October 1990.

(16) CIT holds the remainder of a 60 year lease commencing from 4 January 1999.

(17) CIT holds the remainder of a 30+30 year lease commencing from 16 April 1997.

(18) CIT holds the remainder of a 30+30 year lease commencing from 1 December 1991.

(19) CIT holds the remainder of a 99 year lease commencing from 1 July 1963.

(20) CIT holds the remainder of a 30+30 year lease commencing from 1 November 1990.

(21) CIT holds the remainder of a 30+30 year lease commencing from 16 December 1994.

(22) CIT holds the remainder of a 30+29 year lease commencing from 1 November 1997.

(23) CIT holds the remainder of a 30+30 year lease commencing from 16 July 1998.

(24) CIT holds the remainder of a 30+30 year lease commencing from 16 May 1995.

(25) CIT holds the remainder of a 30+30 year lease commencing from 16 May 1981.

(26) CIT holds the remainder of a 30+19 year lease commencing from 1 September 1993.

(27) CIT holds the remainder of a 30+30 year lease commencing from 1 September 1995.

(28) CIT holds the remainder of a 60 year lease commencing from 4 January 1999.

(29) CIT holds the remainder of a 30+30 year lease commencing from 16 October 1995.

(30) CIT holds the remainder of a 30+30 year lease commencing from 1 September 1994.

(31) CIT holds the remainder of a 30+30 year lease commencing from 1 March 1991.

(32) CIT holds the remainder of a 60 year lease commencing from 16 February 1973.

(33) CIT holds the remainder of a 30+30 year lease commencing from 1 February 1992.

(34) Based on committed leases of the Properties as at the Listing Date. Each of these Properties is leased to a single lessee.

(35) For the Forecast Period 2006 based on the committed leases of the Properties as at the Listing Date.

(36) See “Independent Property Valuation Summary Reports” in Appendix III.

(37) The Acquisition Value is lower than the Appraised Value by less than S$500.

(38) The Acquisition Value represents the purchase consideration paid by CIT for the applicable Property pursuant to the relevant Sale and Purchase Agreement.

(39) The Manager has, for the purpose of obtaining an additional independent opinion, commissioned the Additional Independent Valuer to conduct additional independent valuations on each of the top 10 Properties by Acquisition Value. The Properties were valued by the Additional Independent Valuer on 15 May 2006. See “Additional Independent Property Valuation Summary Reports” in Appendix IV.

(40) The Properties were valued by the Independent Valuers on 19 January 2006. A more limited valuation for each Property was carried out by the Independent Valuers on 15 May 2006 and, based on that valuation, the Independent Valuers were of the opinion that the Appraised Values of the Properties as at 19 January 2006 remained the same as at 15 May 2006. The limited valuation carried out on 15 May 2006 did not involve a physical inspection of the Properties but was based on (i) the same particulars and leaseback terms on which the Independent Valuers had based their 19 January 2006 valuations; (ii) an analysis of market conditions and transactions; and (iii) a review of the discounted cash flow analysis.

Where there is an option to renew the lease of a Property, such renewal is subject to compliance with certain terms of the relevant lease.

In respect of Properties which were granted tenure extension, the investment criteria set by JTC to qualify for such tenure extension have already been met or waived.

Outlook for Industrial Properties

Regional economic growth

The Manager believes sustained economic growth in Asia could potentially lead to growth in the rental yields of industrial real estate.

According to the Independent Industrial Market Overview and Individual Asset Reports set out in Appendix VII of this Prospectus, aggregate gross domestic product ("GDP") for Asia and Australasia (excluding Japan) expanded by 6.5% in 2005. According to the same report, China's economy has grown rapidly over the past 10 years with an average annual GDP growth rate of 9.2%, hitting a record high of 10.1% in 2004. This rapid economic growth in China is expected to have follow-on effects for other Asian economies in the form of the import and export of raw materials, production components and packaging materials and the provision of logistics services and storage facilities. Asian countries which are located near China, and hub countries such as Singapore, are, according to the report, best positioned to capture the follow-on effects of China's strong growth.

Healthy demand for industrial properties

The Manager believes that there is a healthy demand for real estate used for industrial purposes in Asia due primarily to the following factors:

- Industrial operations in Asia, particularly for the manufacturing, logistics and semiconductor sectors have experienced rapid growth as a result of strong global demand for consumer products and the advantage of having a low-cost labour supply and a skilled workforce. These trends have resulted in the parallel need for industrial space in the region. Throughout 2004 and 2005, there has been continuing growth within the manufacturing sectors across most Asian countries.
- In Singapore, the net number of manufacturing establishments formed grew strongly in 2004 and the first 10 months of 2005. According to the Independent Industrial Market Overview and Individual Asset Reports set out in Appendix VII of this Prospectus, net formation in the first 10 months of 2005 exceeded net formation in the whole of 2004 by 1.5%, contributing to the growing take-up of factory space.

To further promote activities in the manufacturing sector, the Government of Singapore announced in September 2005 a blueprint to double annual manufacturing output to S$300.0 billion by 2018. The Manager believes this to be a sign of the Government of Singapore's strong commitment towards accelerating growth in the manufacturing sector.

Competitive Strengths of the Properties

The Manager believes that the Properties enjoy the following competitive strengths:

- Strategic locations

  Most of the Properties are strategically located in close proximity to amenities, public transportation and major highways that enhance the accessibility of these Properties to various parts of Singapore. The attractiveness of a number of Properties located near the new Circle Line MRT stations and the potential for growth in rental and appreciation in property values will be further enhanced when the Circle Line is operational, which is expected to be in 2010.

  — Nine of the Properties, namely, Panasonic Building, 21 Ubi Road 1, CSE Global Building, Olivine Building, 136 Joo Seng Road, 160 Kallang Way, MEC TechnoCentre, MI Building and 23 Lorong 8 Toa Payoh are all centrally located and are in close proximity to public housing estates and major expressways such as the Pan-Island Expressway, the Central Expressway and the future Kallang/Paya Lebar Expressway. Properties located in the vicinity of Ubi Road and Joo Seng Road are likely to enjoy future rental and property value enhancement with the completion of the Circle Line MRT stations which are currently under construction.

— ODC Districentre in Jurong East is located along Toh Guan Road opposite the IMM Building. Other developments in the vicinity include the International Business Park and JTC Summit. The Property is readily accessible via the Ayer Rajah Expressway and the Pan-Island Expressway while the Jurong East MRT station is about one kilometre away.

— 13 of the Properties, namely, 27 Pandan Crescent, CWT Distripark (HQ), 86/88 International Road, Jurong Districentre, 31 Kian Teck Way, 7 Gul Lane, 1 Third Lok Yang Road and 4 Fourth Lok Yang Road, YCH DistriPark, 23 Tuas Avenue 10, 31 Tuas Avenue 11, 16 Tuas Avenue 18A, 2 Tuas South Avenue 2 and 9 Tuas View Crescent are located in the western part of Singapore. The Properties are well served by major thoroughfares and expressways such as the Ayer Rajah Expressway, the Pan-Island Expressway and the West Coast Highway. In addition, the proximity of the Second Link facilitates travel to Malaysia from these Properties.

— Standard Form Building is located along the Pan-Island Expressway within Tampines Industrial Estate. 25 Changi South Avenue 2 and Techplas Industrial Building are both located within the Changi South Industrial and Logistics Park and are in close proximity to Changi Business Park. Both Properties are readily accessible via the Pan-Island Expressway and the East Coast Parkway, thus providing quick access to Changi International Airport, the City Centre and other parts of Singapore.

— 28 Woodlands Loop is located within the Woodlands Industrial Estate and is accessible via the Bukit Timah Expressway and the Seletar Expressway. The Woodlands Industrial Estate also houses a number of major multi-national corporations including Seagate Limited, 3M Limited and Flextronics Limited. In addition, the Property has the particular advantage of a readily available labour supply due to its proximity to Malaysia.

- Long average lease term

  The weighted average term of the leases (by Acquisition Value) for the Properties is approximately 7.9 years from the date of completion of the acquisition of the Properties.

The lease profile of the Properties as at the date of this Prospectus is shown in the table and graph below:

Lease profile of the Properties

Lease term	Total number of tenancies	Monthly Gross Revenue for the Forecast Period 2006 (S$)	Monthly Gross Revenue as a percentage of aggregate monthly Gross Revenue for the Forecast Period 2006 (%)
5 Years	1	127,917	3.6
7 Years	19	1,757,674	48.8
8 Years	2	922,083	25.6
10 Years	5	792,333	22.0
Total	**27**	**3,600,007**	**100.0**

Expiring leases as a percentage of aggregate Gross Revenue

Based on monthly Gross Revenue as a percentage of the aggregate monthly Gross Revenue for the Forecast Period 2006, over 96.0% of the leases on a weighted basis will expire seven years or more from the Listing Date. None of the leases of the Properties is due to expire before five years from the Listing Date. 3.6% of these leases (in terms of monthly Gross Revenue as a percentage of the aggregate monthly Gross Revenue for the Forecast Period 2006) will expire in 2011 (i.e. five years from the Listing Date) with the remainder expiring from 2013 (i.e. seven years from the Listing Date) onwards.

- Built-in rental escalation

  All the leases of the Properties provide for fixed rental escalation, thus providing Unitholders with a stable and growing income stream. The structure of the escalations is standardised throughout the entire initial portfolio of Properties, as follows:

	Year of effect of rent escalation on the Properties	Duration of lease			
		5 years	7 years	8 years	10 years
Rent escalation in year three[(1)]	2008	5.0%	5.0%	5.0%	—
Rent escalation in year four[(1)]	2009	—	—	—	7.0%
Rent escalation in year five[(1)]	2010	—	5.0%	5.0%	—
Rent escalation in year six[(1)]	2011	—	—	—	—
Rent escalation in year seven[(1)]	2012	—	—	5.0%	7.0%

Note:

(1) References to years are to the number of years from the Listing Date, when the leases commence. In each case, the rent escalation will take effect from the first day of the specified year (i.e. on the relevant anniversary of the Listing Date).

- Generic use with High Building Specifications

  The majority of the Properties have High Building Specifications which feature high floor loading, high ceiling height and wide column span. These specifications translate to more flexibility in space planning, better storage capacity and a wide range of usage. These specifications thus make the Properties potentially attractive to a wide range of tenants. The Manager believes the potential tenant base of CIT is therefore larger than landlords whose property portfolios focus on specialised buildings.

- Full occupancy of the Properties

  All the Properties will be fully leased-back to their respective Vendors or their related companies on completion of their acquisition by CIT. The Manager believes that the anticipated strong and healthy demand for industrial and logistics properties in Singapore, the long weighted average lease term and the High Building Specifications of the Properties will enable high occupancy to be maintained.

- High levels of security deposits relative to market practice

  On a weighted average basis by Acquisition Value, the Properties have a lease tenure of approximately 7.9 years and the rents and lessee obligations are backed by security deposits averaging approximately 14.0 months on the same basis. This is much higher than the market practice for security deposits of one month per year of the lease for industrial properties. This not only creates stability in the portfolio in cases of payment default or the early termination of a lease, but allows the Manager a longer period to find replacement tenants, thus minimising risks of rental disruption to CIT.

- Potential rental and capital appreciation

  Within the initial portfolio of Properties, there are a number of Properties that are located close to the future Circle Line MRT stations. Such Properties (for example 21 Ubi Road 1, Olivine Building and 136 Joo Seng Road) have potential for value enhancement once the Circle Line is completed and for rental enhancement upon renewal of their respective leases.

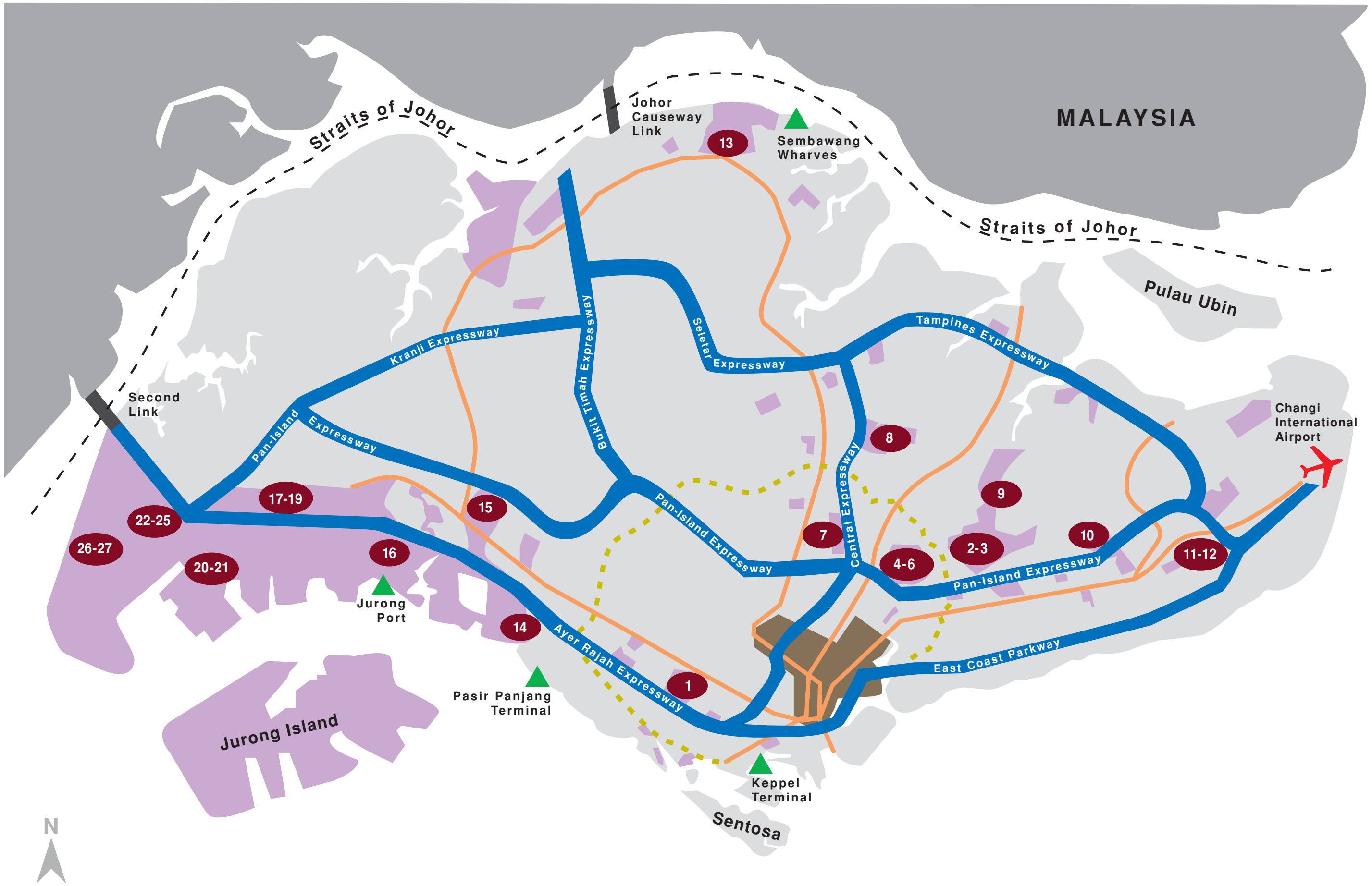
  Certain Properties have built-up plot ratios which are much lower than the maximum allowable plot ratio of up to 2.5 under the Master Plan. For example, 7 Gul Lane, 31 Kian Teck Way, 16 Tuas Avenue 18A, 86/88 International Road, 27 Pandan Crescent, Jurong Districentre, YCH DistriPark and 1 Third Lok Yang Road and 4 Fourth Lok Yang Road have a current plot ratio of between 0.7 and 0.9 which allows for the addition of further space in future. Returns from such potential space addition are likely to be higher than normal property yields, as they are not subject to land costs. Such asset enhancement opportunities arising from space addition are likely to take place, for example, as and when existing tenants require additional space to accommodate business growth or at the end of the term of the lease.

  There exists potential for further value appreciation resulting from change of use. For example, ODC Districentre on the main Toh Guan Road, is directly opposite the IMM Building, and has the potential to be converted to WRS (Warehouse Retail Scheme) use. The Vendor of ODC Districentre has also recently completed the conversion of part of the ground floor into a showroom.

- Diversified property portfolio and tenant base

  CIT's initial portfolio comprises the Properties which are located across Singapore's key industrial zones. The largest Property by Acquisition Value, being CWT Distripark (HQ), comprises only approximately 18.5% of the total Acquisition Value.

The map below depicts the locations of the Properties within Singapore.



LEGEND

CIT Properties

1 Panasonic Building
2 21 Ubi Road 1
3 CSE Global Building
4 160 Kallang Way
5 Olivine Building
6 136 Joo Seng Road
7 23 Lorong 8 Toa Payoh
8 MI Building
9 MEC TechnoCentre
10 Standard Form Building
11 25 Changi South Avenue 2
12 Techplas Industrial Building
13 28 Woodlands Loop
14 27 Pandan Crescent
15 ODC Districentre
16 CWT Distripark (HQ)
17 86/88 International Road
18 1 Third Lok Yang Road and 4 Fourth Lok Yang Road
19 31 Kian Teck Way
20 Jurong Districentre
21 7 Gul Lane
22 YCH DistriPark
23 23 Tuas Avenue 10
24 31 Tuas Avenue 11
25 16 Tuas Avenue 18A
26 2 Tuas South Avenue 2
27 9 Tuas View Crescent

Airport
Ports
Circle Line
MRT Routes
Major Highways
Industrial Estates
Central Business District

- Diversified tenant mix

  The Properties are fully occupied and, pursuant to agreements entered into with the respective Vendors, will have committed leases from the Listing Date. CIT's largest tenant by revenue contribution will account for approximately 17.5% of the total annualised Gross Revenue for the Forecast Period 2006 and, on average, each tenant will account for approximately 3.7% of the total annualised Gross Revenue for the Forecast Period 2006. Approximately 44.7% of the total annualised Gross Revenue for the Forecast Period 2006 will be contributed by tenants which are either SGX-ST listed companies or are subsidiaries of SGX-ST listed companies, most of whose lease obligations are guaranteed by their respective SGX-ST listed parent companies.

  The following table sets out the annualised Gross Revenue for the Forecast Period 2006 attributable to each of CIT's tenants:

Gross Revenue attributable to each of CIT's tenants		
Tenant	**Annualised Gross Revenue for the Forecast Period 2006 (S$'000)**	**Percentage of annualised Gross Revenue for the Forecast Period 2006 (%)**
CWT Limited [(1)]	7,557	17.5
Jurong Districentre Pte Ltd [(2)]	3,508	8.1
ODC Logistics (S) Pte Ltd	3,218	7.4
SLS Bearings (Singapore) Pte Ltd	840	1.9
Wan Tai and Company (Private) Limited	690	1.6
YCH DistriPark (Pte) Ltd [(3)]	6,436	14.9
Brilliant Manufacturing Ltd [(1)] [(4)]	3,839	9.0
CSE Global Ltd [(1)]	536	1.2
MI Technologies Pte Ltd	1,311	3.0
Olivine Magnetics Pte Ltd	1,206	2.8
S C Merah Pte Ltd	1,535	3.6
The Excalibur Corporation Pte Ltd	919	2.1
Gliderol Doors (S) Pte Ltd	1,415	3.3
Uchem Products Pte Ltd	643	1.5
United Central Engineering Pte Ltd	556	1.3
Wong Sam Ngian Engineering (Pte) Ltd	572	1.3
Chung Shan Plastics Pte Ltd	598	1.4
CS Industrial Land Pte Ltd [(2)]	1,922	4.4
Sanwa Plastic Industry Pte Ltd	1,307	3.0
Standard Form Pte Ltd [(5)]	1,341	3.2
StorHub Self Storage Pte Ltd [(2)]	1,938	4.5
Exklusiv Auto Services Pte Ltd	1,313	3.0
Total	**43,200**	**100.0**

Notes:

(1) Company listed on the Main Board of the SGX-ST.

(2) Subsidiary of SGX-ST listed company. Jurong Districentre Pte Ltd is a subsidiary of CWT Limited. CS Industrial Land Pte Ltd is a subsidiary of CSC Holdings Limited. StorHub Self Storage Pte Ltd is a subsidiary of Hersing Corporation Ltd.

(3) YCH DistriPark (Pte) Ltd will, upon completion of the Sale and Purchase Agreements and commencement of the leaseback to CIT, be the tenant of both YCH DistriPark and 1 Third Lok Yang Road and 4 Fourth Lok Yang Road.

(4) Brilliant Manufacturing Ltd includes its wholly-owned subsidiaries, Brilliant Magnesium Pte Ltd and BG Casting Pte Ltd. Brilliant Manufacturing Ltd will, upon completion of the Sale and Purchase Agreements and commencement of the leaseback to CIT, be the tenant of both 21 Ubi Road 1 and 136 Joo Seng Road. Its subsidiary, Brilliant Magnesium Pte Ltd, will, upon completion of the Sale and Purchase Agreement and commencement of the leaseback to CIT, be the tenant of 31 Kian Teck Way, and its subsidiary, BG Casting Pte Ltd, will, upon completion of the Sale and Purchase Agreement and commencement of the leaseback to CIT, be the tenant of 7 Gul Lane.

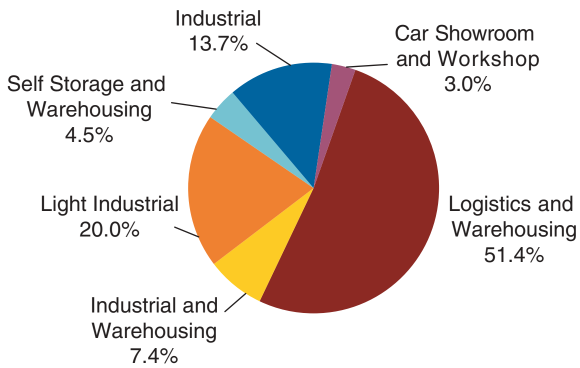
(5) Standard Form Pte Ltd will, upon completion of the Sale and Purchase Agreements and commencement of the leaseback to CIT, be the tenant of both Standard Form Building and 16 Tuas Avenue 18A.

- Diverse tenant trade sectors

  The tenants of the Properties are engaged in diverse trade sectors including logistics and warehousing, light industrial, industrial and warehousing, self storage and warehousing, industrial and car showroom and workshop services, although with greater weighting on the logistics and warehousing sector and the light industrial sector, with these tenants forecast to contribute approximately 51.4% and 20.0%, respectively of the annualised Gross Revenue of CIT for the Forecast Period 2006.

The chart below shows details of overall tenant diversification of the Properties, in terms of industrial sub-sector, by reference to the respective tenants' forecast contribution to CIT's annualised Gross Revenue for the Forecast Period 2006.

Gross Revenue contribution by tenant trade sector(1)



Note:

(1) The activities carried out by tenants in each of these sectors are set out in footnotes (1) to (6) on page 7 of this Prospectus.

- Low capital expenditure requirements and no routine maintenance and utilities expenses

  Building audits on the Properties have been commissioned by the Manager to identify defects. The Vendors are legally bound to rectify all such defects pursuant to the relevant Sale and Purchase Agreements. Thus, total capital expenditure is expected to be minimal during the Forecast Period 2006 and the Projection Year 2007.

  Additionally, all tenants of the Properties are fully responsible for the routine maintenance and utilities expenses of the leased premises for the duration of their respective committed leases. This will minimise CIT's exposure to any potential increase in labour costs and utilities expenses.

Key Investment Highlights

Stable and regular distributions

CIT's distribution policy is to distribute 100.0% of its taxable income for the period from the Listing Date to 31 December 2006 and thereafter to distribute at least 90.0% of its taxable income, largely comprising its income from the letting of its properties after deduction of allowable expenses. The actual level of distribution will be determined at the Manager's discretion.

The actual proportion of taxable income distributed to Unitholders beyond 31 December 2006 may be greater than 90.0% to the extent that the Manager believes it to be appropriate, having regard to CIT's funding requirements, other capital management considerations and the overall stability of distributions. Distributions, when made, will be in Singapore dollars.

CIT will make distributions to Unitholders on a quarterly basis, with the amount calculated as at 31 March, 30 June, 30 September and 31 December in each year for the three-month period ending on each of those dates. CIT's first distribution after the Listing Date, however, will be for the period from the Listing Date to 30 September 2006 and will be paid by the Manager on or before 29 November 2006. Subsequent distributions will be made on a quarterly basis. Under the Trust Deed, the Manager is required to pay distributions within 60 days after the end of each distribution period.

Based on the Offering Price of S$0.68 per Unit and assuming the Over-allotment Option is exercised in full, the Manager has forecast a distribution of approximately 2.06 Cents per Unit in respect of the Forecast Period 2006, which, on an annualised basis, is equivalent to a distribution of 5.10 Cents per Unit. However, the actual amount distributed will be adjusted based on the actual number of days from the Listing Date to 31 December 2006.

Based on the Offering Price of S$0.68 per Unit and assuming the Over-allotment Option is exercised in full, the Manager has projected a distribution of approximately 5.12 Cents per Unit in respect of the Projection Year 2007.

The forecast distribution for the Forecast Period 2006 represents an annualised yield of approximately 7.50% based on the Offering Price of S$0.68 per Unit and assuming the Over-allotment Option is exercised in full. If the Over-allotment Option is not exercised, the forecast distribution for the Forecast Period 2006 represents an annualised yield of approximately 7.71%. Based on the projected distribution for the Projection Year 2007, the yield will be approximately 7.53% based on the Offering Price of S$0.68 per Unit, and assuming the Over-allotment Option is exercised in full, and approximately 7.71% if the Over-allotment Option is not exercised.

Such yields will vary accordingly for investors who purchase Units in the secondary market at a market price different from the Offering Price. The profit forecast and profit projection from which this information is extracted are based on the various assumptions set out in the section titled "Profit Forecast and Profit Projection". **There can be no assurance that the profit forecast and profit projection will be met and the actual yields per Unit may be materially different from the forecast and projected amounts (see the section titled "Risk Factors — Risks Relating to an Investment in the Units — The actual performance of CIT and the Properties may differ materially from the forward-looking statements in this Prospectus").**

Exposure to high growth industrial sector

The Manager believes the Government of Singapore's continued efforts in promoting the country as a leading global logistics hub in Asia is expected to underpin activities in the logistics and other related sectors in the near term. In addition, in September 2005, the Government of Singapore announced a blueprint to double annual manufacturing output by 2018. As such, demand for industrial and warehousing space in Singapore is likely to remain strong. This, coupled with moderating supply of new industrial space, should help to support rent and price levels in the short to medium term.

In Singapore, industrial REITs (including CIT, assuming it had already acquired the Properties in its portfolio) held in aggregate approximately 11.9% of total industrial space amounting to 352.9 million sq ft as at 31 December 2005. There is potential for REITs to expand their industrial property portfolio in Singapore. Net yields for investment-grade industrial properties in Singapore averaged approximately 7.5% as at 31 December 2005.

Similar to Singapore, conditions elsewhere in Asia are also favourable for industrial REITs. In the past few decades, Asia, due to improved export opportunities arising from free-trade negotiations and the region's relatively low-cost and high-skilled labour force, has become a major force in manufacturing globally. This, together with the rising preference towards leasing rather than purchasing or owning properties among manufacturing companies, is expected to support rent and price levels of industrial properties in Asia.

According to Colliers International Consultancy & Valuation (Singapore) Pte Ltd ("Colliers International"), the yields of industrial space in various parts of Asia (as reflected in the following table) ranged between 5.0% and 10.0% as at 31 December 2005.

Yields of investment-grade industrial buildings in the region as at 31 December 2005

Country/City	Yields
China:	
– Beijing	10.0%(1)
– Shanghai	7.8%(2)
Indonesia:	
– Jakarta	8.0%(1) to 9.0%(1)
Malaysia:	
– Klang Valley	9.0%(1)
– Penang	7.0%(1) to 9.0%(1)
Singapore	7.5%(1)
Taiwan	5.0%(3) to 7.0%(3)

Source: Colliers International

Notes:

(1) Based on net yields of investment-grade industrial buildings in the relevant country/city as at 31 December 2005.

(2) Based on gross yields of investment-grade industrial buildings in the relevant country/city as at 31 December 2005.

(3) Based on gross yields for individual industrial strata units.

Potential for yield accretion through acquisitions

The Manager intends to pursue acquisition opportunities available to CIT that will enhance CIT's asset base and maintain an attractive cash flow and yield profile for Unitholders. Acquisition opportunities will be evaluated in accordance with the Manager's strategy of investing primarily in real estate used for industrial purposes taking into account the following factors:

- location: the Manager aims to pursue opportunities located in Singapore which are near highways, MRT stations, labour resources and amenities. With respect to overseas acquisitions, the Manager aims to pursue opportunities located in or near key established and high growth cities and industrial parks;

- use of buildings: the Manager aims for generic and less specialised assets, focusing more on warehouses, light industrial buildings and quasi-offices;
- age of buildings: the Manager aims to lower the overall average age of the portfolio by acquiring new properties of an age which is lower than the average age of the initial portfolio of Properties;
- length of land leases: the Manager aims for reasonably long land leases, preferably more than 30 years;
- asset enhancement: the Manager aims for potential asset enhancement resulting from external improvements to the assets such as infrastructure enhancement, rental floor area expansion (if the maximum allowable plot ratio has not been fully utilised) and potential for change of use of building;
- quality of the lease-back tenants: the Manager seeks high quality tenants and, for all tenants, seeks to ensure that their lease obligations are supported by high levels of security deposit; and
- regional diversification: contribution to the diversity of the overall portfolio in terms of geography.

The Manager's acquisition strategy is underpinned by the following:

- the Manager's belief that companies are increasingly looking to lighten balance sheets to free up capital for business expansion, which may increase the availability of assets for acquisition;
- CIT's regional investment strategy and focus on industrial properties provide significant acquisition opportunities;
- the Directors and Executive Officers of the Manager have relevant experience and track records and have demonstrated their ability to identify and execute industrial property acquisitions in forming the initial portfolio of Properties;
- the Manager, through the formation of the initial portfolio of Properties, has established strong relationships with the Vendors and tenants of the initial portfolio. The Manager will seek to maintain and strengthen these relationships. The Manager will also seek to capitalise on these relationships to further expand the portfolio's tenant network by acquiring and leasing back the properties of CIT's tenants and the Vendors as they expand overseas;
- CWT is a Singapore-incorporated company listed on the Main Board of the SGX-ST and is engaged in the business of cargo logistics and distribution. The Trustee has been granted a right of first refusal and last look by CWT over each of the industrial properties owned or that may be owned by CWT or its subsidiaries in Singapore, and such other properties that may be owned by CWT or its subsidiaries in Malaysia, Indonesia, Thailand, Philippines, Australia, China, Taiwan and the special administrative regions of Hong Kong and Macau during the period for which the right of first refusal and last look is granted. (See the section titled "The Manager and Corporate Governance — The Manager of CIT"). CWT has announced its intention to accelerate its expansion in Asia.[1] (See the section titled "The Manager and Corporate Governance — The Manager of CIT"). The Manager is not dependent on CWT for CIT's future property acquisitions;
- The Trustee has been granted a right of first refusal by C & P Holdings, the parent company of CWT, over a property under construction at Lot 8814 Mukim 27 at Changi South Lane which is expected to have a gross floor area of approximately 33,850 sq m. (See the section titled "The Manager and Corporate Governance — The Manager of CIT"); and
- Mitsui & Co., Ltd. ("Mitsui"), a company incorporated in Japan, developed Japan Logistics Fund Inc., the first listed REIT in Japan dedicated to investing in distribution facilities. Japan Logistics Fund Inc. was listed on the Tokyo Stock Exchange in May 2005. As Mitsui is a shareholder of the Manager, the Manager believes that Mitsui will contribute its expertise gained in managing Japan's first listed REIT dedicated to investing in distribution facilities and will assist the Manager in seeking opportunities for acquisitions and tenancies from Mitsui's existing business network, especially Japanese companies, both in Singapore and the region.

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1 Source: CWT's Annual Report 2004.

Future financing flexibility

The Trustee has entered into an agreement with ABN AMRO Bank N.V. ("ABN AMRO Bank") setting out the terms and conditions of a 6-month secured bridge loan facility of S$400.0 million (the "Bridge Loan Facility") and has entered into an agreement with ABN AMRO Bank setting out the terms and conditions of an interest rate swap (the "Interest Rate Swap Agreement"). The Bridge Loan Facility will be drawn down on the Listing Date in the amount of approximately S$202.9 million as part payment of the Acquisition Value of the Properties. After the draw down of the Bridge Loan Facility, CIT's gearing will be approximately 38.5% of the Deposited Property. Furthermore, the Trustee has also agreed to mandate ABN AMRO Bank to arrange the Facilities, namely the Warehouse Facility extended by the Issuer SPV/Trust of up to S$390.0 million, which is a two-year secured term loan ultimately funded through the United States commercial paper market, and the Overdraft Facility of up to S$10.0 million from the Singapore branch of ABN AMRO Bank or the Issuer SPV/Trust which, subject to the agreement of relevant terms, definitive documentation and the satisfaction of the conditions contained in the Warehouse Facility and the Overdraft Facility, will together be used to repay the Bridge Loan Facility. Under the Property Funds Guidelines, the total borrowings and deferred payments (including deferred payments for assets whether to be settled in cash or in units of CIT) of CIT should not exceed 35.0% of its Deposited Property. The aggregate leverage of CIT may exceed 35.0% of the Deposited Property (up to a maximum of 60.0%) only if a credit rating of CIT from Fitch, Inc., Moody's or Standard & Poor's is obtained and disclosed to the public. CIT should continue to maintain and disclose a credit rating so long as its aggregate leverage exceeds 35.0% of its Deposited Property. On 3 July 2006, Standard & Poor's International, LLC assigned to CIT a long term corporate credit rating of 'BBB-', conditional upon the Offering and the acquisition of the Properties.[1] The Manager's policy is for average gearing over time to be between 30.0% and 40.0% of the Deposited Property with the capacity to increase borrowings on a short-term basis.

Exposure to a diversified property portfolio

CIT's initial portfolio will comprise 27 Properties (valued by the Independent Valuers at S$519.0 million) which are located across Singapore's key industrial zones. The largest Property by Acquisition Value will comprise only approximately 18.5% of the total Acquisition Value. All the Properties will be fully occupied with committed leases from the Listing Date. The largest tenant by revenue contribution will account for only approximately 17.5% of the total annualised Gross Revenue for the Forecast Period 2006.

Independence of the Manager

The Manager is not majority controlled by any property company which develops or owns real estate for commercial sale or investment purposes. The Manager believes that CIT and the Manager therefore have the following advantages:

- potentially being viewed more positively when they approach property owners who are also property developers as they would not be or be perceived to be in competition with the property owner's other related property development businesses; and
- in the course of its decision-making for CIT, the Manager will focus on the interests of CIT and its Unitholders, and this will enable the interests of the Manager to be aligned with those of Unitholders.

The Manager believes that this will provide it with the advantage of access to a larger pool of potential properties.

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[1] Standard & Poor's International, LLC has given its written consent to the issue of this Prospectus with the statements about the rating assigned to CIT in the form and context in which they are included, and has not withdrawn that consent before the date of this Prospectus. A rating may be changed, suspended or withdrawn at any time as a result of changes in, or unavailability of, information, or based on other circumstances. A Standard & Poor's rating is not a recommendation to buy, hold or sell any securities and Standard & Poor's International, LLC, in giving a rating, does not comment on market price of or suitability in relation to a particular investor.

Experienced and professional management

The Manager believes that Unitholders will benefit from the experience of key staff members of the Manager and the Property Manager in fund, asset and property management in the Singapore and regional industrial property markets.

Certain of the Directors of the Manager are real estate specialists who have strong academic credentials and/or practical experience in the real estate industry and have demonstrated their ability to source and execute acquisitions of industrial properties. In addition, the Manager has a team of experienced Executive Officers, most of whom have more than 10 years of experience in the property sector including experience in industrial properties.

Management fee structure to incentivise and align interests of the Manager with those of Unitholders

The Management Fees payable to the Manager have a performance-based element which is designed to align the interests of the Manager with those of Unitholders and incentivise the Manager to increase revenues and minimise operating costs. Under the Trust Deed, the Manager is entitled to receive a base fee of 0.5% per annum of the value of CIT's Deposited Property as well as a Performance Fee (where the total return of the Trust Index exceeds the total return of the Benchmark Index) in every Half Year, payable in cash or Units or a combination of cash and Units.

Any increase in the rate or any change in the structure of the Manager's Management Fees must be approved by an Extraordinary Resolution of Unitholders passed at a Unitholders' meeting duly convened and held in accordance with the provisions of the Trust Deed. (See the section titled "The Manager and Corporate Governance").

Tax benefits for Unitholders

CIT has obtained a Tax Ruling from the IRAS in relation to its investment in properties in Singapore.

The Tax Ruling grants tax transparency to CIT on its taxable income that is distributed to Unitholders such that CIT will not be taxed on such taxable income. Instead, tax will be imposed on the distributions made out of such taxable income to the Unitholders, by way of tax deduction at source.

Taxable income of CIT for the purposes of the Tax Ruling refers to the income from the letting of its properties, after deduction of allowable expenses.

Tax transparency is not extended to taxable income that is not distributed (i.e. retained taxable income) and any gains arising from the sale of properties. Such income (other than capital gains from the sale of properties) will be taxed at CIT's level.

Distributions made out of income of CIT which has previously been taxed at CIT's level and capital gains arising from the sale of properties will not be subject to tax deduction at source.

Unitholders may, depending on their respective circumstances, claim a credit for a proportionate amount of the tax paid at CIT's level.

Key tax implications on distributions made out of the taxable income of CIT and received by each class of Unitholders

The key tax implications on the distributions made out of the taxable income of CIT and received by each class of Unitholders are summarised as follows:

Individuals who hold the Units in CIT as investment assets and not through a partnership in Singapore	• Taxable income will not be taxed at CIT's level. The distribution out of such income will also not be subject to tax deduction at source at CIT's level. • The distribution will be tax-exempt at the individuals' level.
Individuals who hold the Units in CIT as trading assets	• Taxable income will not be taxed at CIT's level. The distribution out of such income will also not be subject to tax deduction at source at CIT's level. • The distribution will however be subject to tax at the individuals' level at their applicable income tax rates.
Qualifying Unitholders(1)	• Taxable income will not be taxed at CIT's level. The distribution out of such income will also not be subject to tax deduction at source at CIT's level. • The distribution will however be subject to tax at the Qualifying Unitholders' level at their applicable income tax rates.
Foreign non-individual Unitholders(2)	• Taxable income will not be taxed at CIT's level. However, the distribution out of such income will be subject to tax deduction at source at the reduced tax rate of 10.0% for a period of five years from 18 February 2005 to 17 February 2010. • The tax deducted at source of 10.0% is generally a final tax and such Unitholders who do not have a permanent establishment in Singapore do not need to pay any further Singapore tax on the distribution.
Other Unitholders	• Taxable income will not be taxed at CIT's level. The distribution out of such income will however be subject to tax deduction at source at the prevailing corporate tax rate, currently at 20.0%. • The distribution will be taxed at the Unitholders' level at their applicable income tax rates. The Unitholders may, depending on their respective circumstances, claim a credit for a proportionate amount of the tax paid at CIT's level.

Investors should consult their own tax advisers concerning the application of Singapore tax laws to their particular situations as well as any consequences of the purchase, ownership and disposition of Units arising under the laws of any other tax jurisdictions.

Notes:

(1) A Qualifying Unitholder is a Unitholder which is:

(a) a Singapore-incorporated company which is tax resident in Singapore;

(b) a body of persons, other than a company or a partnership, registered or constituted in Singapore (for example, town councils, statutory boards, registered charities, registered co-operative societies, registered trade unions, management corporations, clubs and trade and industry associations); or

(c) a Singapore branch of a foreign company which has presented a letter of approval from the IRAS granting a waiver from tax deduction at source in respect of distributions from CIT.

(2) A foreign non-individual investor is one which is not a resident of Singapore for income tax purposes and:

(a) which does not have a permanent establishment in Singapore; or

(b) which carries on any operation in Singapore through a permanent establishment in Singapore, where the funds used to acquire the Units are not obtained from that operation in Singapore.

(See the sections titled "Taxation" and Appendix V "Independent Taxation Report" for further information on the Singapore income tax consequences of the purchase, ownership and disposition of Units).

INFORMATION ON THE PROPERTIES

The following tables set out certain information as at 19 January 2006 with respect to each of the Properties. With respect to the top 10 Properties by Acquisition Value, the Appraised Value determined by the Additional Independent Valuer is as at 15 May 2006.

CWT Distripark (HQ) 24 Jurong Port Road Singapore 619097	
Property use	Logistics and Warehousing
Location	CWT Distripark (HQ) is located along Jurong Port Road, close to its junction with Jalan Buroh and within the Jurong Industrial Estate
Title	Leasehold title of 30 + 12 years expiring 28 February 2037
Description	A part 4/part 5-storey warehouse/office with basement carpark
Issue of Certificate of Statutory Completion	1999
Occupancy	100.0%
Land area	30,262.2 sq m
Gross floor area	75,903.8 sq m
Lettable Area	75,903.8 sq m
Tenant	CWT Limited
Appraised Value by the Independent Valuers	S$96,000,000
Appraised Value by the Additional Independent Valuer	S$96,500,000
Gross Revenue contribution for the Forecast Period 2006	17.5%
Competitive strengths(1)	• Located along Jurong Port Road, a popular logistics and warehouse location in close proximity to Jurong Port • Easily accessible via the Ayer Rajah Expressway and the West Coast Highway • High Building Specifications to meet logistics and warehousing needs

(1) Source: Colliers International

Jurong Districentre 3 Pioneer Sector 3 Singapore 628342	
Property use	Logistics and Warehousing
Location	Jurong Districentre is located along Pioneer Sector 3, close to its junction with Gul Road and within the Jurong Industrial Estate
Title	Leasehold title of 30 + 30 years expiring 15 December 2050
Description	A part 2/part 3-storey distribution centre and warehouse with ancillary offices and a container yard
Issue of Certificate of Statutory Completion	1996
Occupancy	100.0%
Land area	47,551.2 sq m
Gross floor area	38,352.1 sq m
Lettable Area	38,352.1 sq m
Tenant	Jurong Districentre Pte Ltd
Appraised Value by the Independent Valuers	S$49,000,000
Appraised Value by the Additional Independent Valuer	S$49,000,000
Gross Revenue contribution for the Forecast Period 2006	8.1%
Competitive strengths(1)	• Located within the Jurong Industrial Estate • Easily accessible via the Ayer Rajah Expressway • Close proximity to labour supply in Johor Bahru via the Second Link

(1) Source: Colliers International

ODC Districentre 30 Toh Guan Road Singapore 608840	
Property use	Logistics and Warehousing
Location	ODC Districentre is located on the western side of Toh Guan Road, a short distance from its junction with Jurong East Street 21/Toh Guan East, off Boon Lay Way
Title	Leasehold title of 30 + 30 years expiring 15 August 2055
Description	A part 6/part 8-storey warehouse building with ancillary offices on the 2nd, 7th and 8th storeys
Issue of Certificate of Statutory Completion	1998
Occupancy	100.0%
Land area	12,338.1 sq m
Gross floor area	29,460.2 sq m
Lettable Area	29,460.2 sq m
Tenant	ODC Logistics (S) Pte Ltd
Appraised Value by the Independent Valuer	S$35,000,000
Appraised Value by the Additional Independent Valuer	S$35,000,000
Gross Revenue contribution for the Forecast Period 2006	7.4%
Competitive strengths(1)	• Prominently situated along Toh Guan Road opposite the IMM Building • Close proximity to the International Business Park and the Jurong East MRT station • Easily accessible via the Ayer Rajah Expressway • Readily available labour supply and amenities from nearby housing estates

(1) Source: Colliers International

31 Tuas Avenue 11 Singapore 639105	
Property use	Logistics and Warehousing
Location	31 Tuas Avenue 11 is located along Tuas Avenue 11 off Pioneer Road
Title	Leasehold title of 30 + 30 years expiring 31 March 2054
Description	A single storey warehouse with 5-storey plus mezzanine level office development
Issue of Certificate of Statutory Completion	1998
Occupancy	100.0%
Land area	6,612.4 sq m
Gross floor area	7,021.5 sq m
Lettable Area	7,021.5 sq m
Tenant	SLS Bearings (Singapore) Pte Ltd
Appraised Value by the Independent Valuer	S$8,700,000
Gross Revenue contribution for the Forecast Period 2006	1.9%
Competitive strengths(1)	• Located within the Jurong Industrial Estate • Close proximity to labour supply in Johor Bahru via the Second Link • Single-storey warehouse with High Building Specifications to meet logistics and warehousing needs

(1) Source: Colliers International

25 Changi South Avenue 2 Singapore 486594	
Property use	Logistics and Warehousing
Location	25 Changi South Avenue 2 is located along Changi South Avenue 2 within Changi South Industrial Estate
Title	Leasehold title of 30 + 30 years expiring 15 October 2054
Description	A 3-storey warehouse building with an ancillary showroom and mezzanine office
Issue of Certificate of Statutory Completion	1997
Occupancy	100.0%
Land area	5,028.5 sq m
Gross floor area	6,781.7 sq m
Lettable Area	6,781.7 sq m
Tenant	Wan Tai and Company (Private) Limited
Appraised Value by the Independent Valuer	S$7,300,000
Gross Revenue contribution for the Forecast Period 2006	1.6%
Competitive strengths(1)	• Located within the Changi South Logistics Park, in close proximity to Changi International Airport, Changi Business Park and Singapore Expo • Prominently situated along Changi South Avenue 2 • Easily accessible via the Pan-Island Expressway and the East Coast Parkway

(1) Source: Colliers International

YCH DistriPark 30 Tuas Road Singapore 638492	
Property use	Logistics and Warehousing
Location	YCH DistriPark is located at the junction of Tuas Avenue 5 and Tuas Road, approximately 30 kilometres from the City Centre
Title	Leasehold title of 30 + 30 years expiring 30 June 2039
Description	YCH DistriPark comprises eight buildings on site. These are the administrative building and seven warehouse buildings denoted as Blocks 1, 2, 3, 4, 5, 6 and 7
Issue of Certificate of Statutory Completion	1982
Occupancy	100.0%
Land area	78,279.4 sq m
Gross floor area	53,065.2 sq m
Lettable Area	53,065.2 sq m
Tenant	YCH DistriPark (Pte) Ltd
Appraised Value by the Independent Valuer	S$73,000,000
Appraised Value by the Additional Independent Valuer	S$70,000,000
Gross Revenue contribution for the Forecast Period 2006	12.6%
Competitive strengths(1)	• Located within the Jurong Industrial Estate • Prominently situated at the major road junction fronting Tuas Road and Pioneer Road • Easily accessible via the Ayer Rajah Expressway and the Pan-Island Expressway • Close proximity to labour supply in Johor Bahru via the Second Link • Single-storey building with High Building Specifications to meet logistics and warehousing needs

(1) Source: Colliers International

1 Third Lok Yang Road Singapore 627996 and 4 Fourth Lok Yang Road Singapore 629701	
Property use	Logistics and Warehousing
Location	1 Third Lok Yang Road and 4 Fourth Lok Yang Road is located at Lok Yang Road off Lok Yang Way and International Road
Title	Leasehold title of 30 years expiring 15 December 2031
Description	A part single, part two-storey warehouse and a 4-storey ancillary office block
Issue of Certificate of Statutory Completion	1977
Occupancy	100.0%
Land area	12,431.6 sq m
Gross floor area	10,601.3 sq m
Lettable Area	10,601.3 sq m
Tenant	YCH DistriPark (Pte) Ltd
Appraised Value by the Independent Valuer	S$12,414,000
Gross Revenue contribution for the Forecast Period 2006	2.3%
Competitive strengths[(1)]	• Located within the Jurong Industrial Estate • Easily accessible via the Ayer Rajah Expressway and the Pan-Island Expressway • Close proximity to labour supply in Johor Bahru via the Second Link • Single-storey warehouse with High Building Specifications to meet logistics and warehousing needs

(1) Source: Colliers International

21 Ubi Road 1 Singapore 408724	
Property use	Light Industrial
Location	21 Ubi Road 1 is located along Ubi Road 1 off Ubi Avenue 1 and 2
Title	Leasehold title of 30 + 30 years expiring 31 January 2057
Description	A 6-storey light industrial building with semi-basement carpark and a block of 3-storey workers' dormitories
Issue of Certificate of Statutory Completion	1999
Occupancy	100.0%
Land area	7,538.5 sq m
Gross floor area	18,838.0 sq m
Lettable Area	18,838.0 sq m
Tenant	Brilliant Manufacturing Limited
Appraised Value by the Independent Valuer	S$25,000,000
Appraised Value by the Additional Independent Valuer	S$25,000,000
Gross Revenue contribution for the Forecast Period 2006	5.0%
Competitive strengths(1)	• Located in the central region within the Kampong Ubi Industrial Estate • Easily accessible via the Pan-Island Expressway and the future Kallang/Paya Lebar Expressway • Walking distance from the future MacPherson Circle Line MRT Station • Readily available labour supply and amenities from nearby housing estates

(1) Source: Colliers International

136 Joo Seng Road Singapore 368360	
Property use	Light Industrial
Location	136 Joo Seng Road is located along Joo Seng Road close to its junction with Jalan Bunga Rampai
Title	Leasehold title of 30 + 30 years expiring 30 September 2050
Description	A 6-storey light industrial building
Issue of Certificate of Statutory Completion	1996
Occupancy	100.0%
Land area	4,258.6 sq m
Gross floor area	9,413.0 sq m
Lettable Area	9,413.0 sq m
Tenant	Brilliant Manufacturing Limited
Appraised Value by the Independent Valuer	S$10,310,000
Gross Revenue contribution for the Forecast Period 2006	2.3%
Competitive strengths(1)	• Located in the central region within the Joo Seng Industrial Estate • Easily accessible via the Pan-Island Expressway and the future Kallang/Paya Lebar Expressway • Walking distance from the future Upper Paya Lebar Circle Line MRT Station • Readily available labour supply and amenities from nearby housing estates

(1) Source: Colliers International

CSE Global Building 2 Ubi View Singapore 408556	
Property use	Light Industrial
Location	CSE Global Building is located on the northern side of Ubi View, at its south-western junction of Ubi Road 3 and Ubi Avenue 3, off Eunos Link and approximately 10 kilometres from the City Centre
Title	Leasehold title of 60 years expiring 3 January 2059
Description	A 5-storey light industrial building
Issue of Certificate of Statutory Completion	2002
Occupancy	100.0%
Land area	1,998.7 sq m
Gross floor area	4,055.6 sq m
Lettable Area	4,055.6 sq m
Tenant	CSE Global Limited
Appraised Value by the Independent Valuer	S$7,500,000
Gross Revenue contribution for the Forecast Period 2006	1.2%
Competitive strengths[(1)]	• Located in the central region within the Kampong Ubi Industrial Estate • Easily accessible via the Pan-Island Expressway and the future Kallang/Paya Lebar Expressway • Readily available labour supply and amenities from nearby housing estates

(1) Source: Colliers International

MI Building 11 Serangoon North Avenue 5 Singapore 554809	
Property use	Light Industrial
Location	MI Building is located along Serangoon North Avenue 5, off Yio Chu Kang and within Serangoon North Industrial Estate
Title	Leasehold title of 30 + 30 years expiring 15 April 2057
Description	A part 6/part 7-storey purpose-built light industrial building with a basement level
Issue of Certificate of Statutory Completion	2002
Occupancy	100.0%
Land area	5,462.3 sq m
Gross floor area	13,621.4 sq m
Lettable Area	13,621.4 sq m
Tenant	MI Technologies Pte Ltd
Appraised Value by the Independent Valuer	S$14,000,000
Appraised Value by the Additional Independent Valuer	S$14,000,000
Gross Revenue contribution for the Forecast Period 2006	3.0%
Competitive strengths[(1)]	• Centrally located within the Serangoon North Industrial Estate • Easily accessible via the Central Expressway • Readily available labour supply and amenities from Serangoon North and nearby housing estates

(1) Source: Colliers International

Olivine Building 130 Joo Seng Road Singapore 368357	
Property use	Light Industrial
Location	Olivine Building is located on the southern side of Joo Seng Road, near its junction with Kampong Ampat, off MacPherson Road and approximately eight kilometres from the City Centre
Title	Leasehold title of 30 + 30 years expiring 30 November 2051
Description	A 7-storey light industrial building with a basement carpark
Issue of Certificate of Statutory Completion	1996
Occupancy	100.0%
Land area	4,391.2 sq m
Gross floor area	10,992.3 sq m
Lettable Area	10,992.3 sq m
Tenant	Olivine Magnetics Pte Ltd
Appraised Value by the Independent Valuer	S$12,000,000
Gross Revenue contribution for the Forecast Period 2006	2.8%
Competitive strengths[(1)]	• Located in the central region within the Joo Seng Industrial Estate • Easily accessible via the Pan-Island Expressway and the future Kallang/Paya Lebar Expressway • Under one kilometre from the future Upper Paya Lebar Circle Line MRT Station • Readily available labour supply and amenities from nearby housing estates

(1) Source: Colliers International

Panasonic Building 2 Jalan Kilang Barat Singapore 159346	
Property use	Light Industrial
Location	Panasonic Building is located along Jalan Kilang Barat, at its junction with Jalan Bukit Merah and approximately 5 kilometres from the City Centre
Title	Leasehold title of 99 years expiring 30 June 2062
Description	A 9-storey light industrial development with a basement car park and other ancillary facilities
Issue of Certificate of Statutory Completion	2002
Occupancy	100.0%
Land area	3,063.1 sq m
Gross floor area	7,678.6 sq m
Lettable Area	7,678.6 sq m
Tenant	S C Merah Pte Ltd
Appraised Value by the Independent Valuer	S$20,000,000
Appraised Value by the Additional Independent Valuer	S$20,000,000
Gross Revenue contribution for the Forecast Period 2006	3.6%
Competitive strengths(1)	• Located in the central region and prominently situated along Jalan Bukit Merah • Easily accessible via the Ayer Rajah Expressway and the Central Expressway • Modern high-tech building with a multi-national corporation tenant • Readily available labour supply and amenities from nearby housing estates

(1) Source: Colliers International

MEC TechnoCentre 87 Defu Lane 10 Singapore 539219	
Property use	Light Industrial
Location	MEC TechnoCentre is located on the western side of Defu Lane 10, off Hougang Avenue 3, within Defu Industrial Estate and approximately 11.5 kilometres from the City Centre
Title	Leasehold title of 30 + 30 years expiring 31 October 2050
Description	MEC TechnoCentre is a 6-storey light industrial building with a basement carpark
Issue of Certificate of Statutory Completion	1995
Occupancy	100.0%
Land area	4,330.8 sq m
Gross floor area	9,365.2 sq m
Lettable Area	9,365.2 sq m
Tenant	The Excalibur Corporation Pte Ltd
Appraised Value by the Independent Valuer	S$13,065,000
Gross Revenue contribution for the Forecast Period 2006	2.1%
Competitive strengths[1]	• Prominently situated along Hougang Avenue 3 within the Defu Industrial Estate • Easily accessible via the Pan-Island Expressway and the future Kallang/Paya Lebar Expressway • Readily available labour supply and amenities from Hougang and nearby housing estates

(1) Source: Colliers International

86/88 International Road Singapore 629176/629177	
Property use	Industrial and Warehousing
Location	86/88 International Road is located along International Road. It is approximately 20 kilometres from the City Centre
Title	Leasehold title of 30 + 30 years expiring 15 December 2054
Description	2 blocks of single storey industrial warehouses with a 3-storey office annex each
Issue of Certificate of Statutory Completion	1997
Occupancy	100.0%
Land area	15,907.9 sq m
Gross floor area	12,772.5 sq m
Lettable Area	12,772.5 sq m
Tenant	Gliderol Doors (S) Pte Ltd
Appraised Value by the Independent Valuer	S$14,000,000
Appraised Value by the Additional Independent Valuer	S$14,000,000
Gross Revenue contribution for the Forecast Period 2006	3.3%
Competitive strengths[1]	• Located within the Jurong Industrial Estate • Easily accessible via the Pan-Island Expressway and the Ayer Rajah Expressway • Close proximity to labour supply in Johor Bahru via the Second Link

(1) Source: Colliers International

23 Tuas Avenue 10 Singapore 639149	
Property use	Industrial and Warehousing
Location	23 Tuas Avenue 10 is located on the northern side of Tuas Avenue 10, off Tuas Avenue 1/Jalan Ahmad Ibrahim, within the Jurong Industrial Estate and approximately 27 kilometres from the City Centre
Title	Leasehold title of 30 + 29 years expiring 31 October 2056
Description	A 4-storey industrial cum warehouse building
Issue of Certificate of Statutory Completion	2001
Occupancy	100.0%
Land area	6,802.8 sq m
Gross floor area	9,504.9 sq m
Lettable Area	9,504.9 sq m
Tenant	Uchem Products Pte Ltd
Appraised Value by the Independent Valuer	S$8,550,000
Gross Revenue contribution for the Forecast Period 2006	1.5%
Competitive strengths[1]	• Located within the Jurong Industrial Estate • Easily accessible via the Pan-Island Expressway and the Ayer Rajah Expressway • Close proximity to labour supply in Johor Bahru via the Second Link

(1) Source: Colliers International

9 Tuas View Crescent Singapore 637612	
Property use	Industrial and Warehousing
Location	9 Tuas View Crescent is located along Tuas View Crescent, off Tuas South Avenue 3
Title	Leasehold title of 30 + 30 years expiring 15 July 2058
Description	A single storey factory cum warehouse with 3-storey office annex
Issue of Certificate of Statutory Completion	2001
Occupancy	100.0%
Land area	6,633.4 sq m
Gross floor area	6,650.1 sq m
Lettable Area	6,650.1 sq m
Tenant	United Central Engineering Pte Ltd
Appraised Value by the Independent Valuer	S$5,600,000
Gross Revenue contribution for the Forecast Period 2006	1.3%
Competitive strengths(1)	• Located within the Jurong Industrial Estate • Close proximity to labour supply in Johor Bahru via the Second Link

(1) Source: Colliers International

27 Pandan Crescent Singapore 128476	
Property use	Industrial and Warehousing
Location	27 Pandan Crescent is located near the end of Pandan Crescent, off West Coast Highway and approximately 14 kilometres from the City Centre
Title	Leasehold title of 30 + 30 years expiring 15 May 2055
Description	A part single/part 3-storey industrial cum warehouse building with ancillary offices on the first and second storeys
Issue of Certificate of Statutory Completion	1997
Occupancy	100.0%
Land area	8,808.2 sq m
Gross floor area	6,914.5 sq m
Lettable Area	6,914.5 sq m
Tenant	Wong Sam Ngian Engineering (Pte) Ltd
Appraised Value by the Independent Valuer	S$7,700,000
Gross Revenue contribution for the Forecast Period 2006	1.3%
Competitive strengths(1)	• Located within the Pandan Industrial Estate • Easily accessible via the West Coast Highway and the Ayer Rajah Expressway • Close proximity to labour supply in Johor Bahru via the Second Link

(1) Source: Colliers International

7 Gul Lane Singapore 629406	
Property use	Industrial
Location	7 Gul Lane is located along Gul Lane, at its junction with Gul Crescent, off Gul Circle
Title	Leasehold title of 30 + 30 years expiring 15 May 2041
Description	A single-storey detached factory with mezzanine level
Issue of Certificate of Statutory Completion	1984
Occupancy	100.0%
Land area	6,343.2 sq m
Gross floor area	4,499.0 sq m
Lettable Area	4,499.0 sq m
Tenant	BG Casting Pte Ltd
Guarantor	Brilliant Manufacturing Limited
Appraised Value by the Independent Valuer	S$3,200,000
Gross Revenue contribution for the Forecast Period 2006	0.9%
Competitive strengths[(1)]	• Located within the Jurong Industrial Estate • Easily accessible via the Pan-Island Expressway and the Ayer Rajah Expressway • Close proximity to labour supply in Johor Bahru via the Second Link

(1) Source: Colliers International

31 Kian Teck Way Singapore 628751	
Property use	Industrial
Location	31 Kian Teck Way is located along Kian Teck Way off Pioneer Road North
Title	Leasehold title of 30 + 19 years expiring 31 August 2042
Description	A part single/part 2-storey detached industrial building, served by a cargo lift
Issue of Certificate of Statutory Completion	1998
Occupancy	100.0%
Land area	3,638.7 sq m
Gross floor area	3,074.0 sq m
Lettable Area	3,074.0 sq m
Tenant	Brilliant Magnesium Pte Ltd
Guarantor	Brilliant Manufacturing Limited
Appraised Value by the Independent Valuer	S$3,200,000
Gross Revenue contribution for the Forecast Period 2006	0.8%
Competitive strengths[1]	• Located within the Jurong Industrial Estate • Easily accessible via the Pan-Island Expressway and the Ayer Rajah Expressway • Close proximity to labour supply in Johor Bahru via the Second Link

(1) Source: Colliers International

Techplas Industrial Building 45 Changi South Avenue 2 Singapore 486133	
Property use	Industrial
Location	Techplas Industrial Building is located at the northern junction of Changi South Avenue 2/4, within Changi South Industrial Estate, off Xilin Avenue and approximately 18.5 kilometres from the City Centre
Title	Leasehold title of 30 + 30 years expiring 31 August 2055
Description	A 4-storey light industrial building cum office block
Issue of Certificate of Statutory Completion	2001
Occupancy	100.0%
Land area	5,153.0 sq m
Gross floor area	6,845.5 sq m
Lettable Area	6,845.5 sq m
Tenant	Chung Shan Plastics Pte Ltd
Appraised Value by the Independent Valuer	S$8,250,000
Gross Revenue contribution for the Forecast Period 2006	1.4%
Competitive strengths(1)	• Located within the Changi South Industrial and Logistics Park • Easily accessible via the Pan-Island Expressway and the East Coast Parkway • Close proximity to Changi International Airport, Changi Business Park and Singapore Expo

(1) Source: Colliers International

2 Tuas South Avenue 2 Singapore 637601	
Property use	Industrial
Location	2 Tuas South Avenue 2 is bounded by Tuas South Avenue 2, Tuas South Avenue 1 and Tuas South Avenue 3 within the Jurong Industrial Estate
Title	Leasehold title of 60 years expiring 3 January 2059
Description	A part 4/part 6-storey industrial building with ancillary facilities and basement car parking
Issue of Certificate of Statutory Completion	2006
Occupancy	100.0%
Land area	12,425.2 sq m
Gross floor area	20,474.1 sq m
Lettable Area	20,474.1 sq m
Tenant	CS Industrial Land Pte Ltd
Guarantor	CSC Holdings Limited
Appraised Value by the Independent Valuer	S$23,000,000
Appraised Value by the Additional Independent Valuer	S$22,700,000
Gross Revenue contribution for the Forecast Period 2006	4.4%
Competitive strengths[(1)]	• Located within the Jurong Industrial Estate • Easily accessible via the Pan-Island Expressway and the Ayer Rajah Expressway • Close proximity to labour supply in Johor Bahru via the Second Link

(1) Source: Colliers International

28 Woodlands Loop Singapore 738308	
Property use	Industrial
Location	28 Woodlands Loop is located on the eastern side of Woodlands Loop, off Woodlands Avenue 10, within Woodlands East Industrial Estate and some 25 kilometres from the City Centre
Title	Leasehold title of 30 + 30 years expiring 15 October 2055
Description	A 4-storey industrial building
Issue of Certificate of Statutory Completion	1998
Occupancy	100.0%
Land area	9,345.0 sq m
Gross floor area	12,249.9 sq m
Lettable Area	12,249.9 sq m
Tenant	Sanwa Plastic Industry Pte Ltd
Appraised Value by the Independent Valuer	S$13,000,000
Gross Revenue contribution for the Forecast Period 2006	3.0%
Competitive strengths(1)	• Located within the Woodlands Industrial Estate • Easily accessible via the Bukit Timah Expressway and the Seletar Expressway • Readily available labour supply and amenities from Woodlands and nearby housing estates

(1) Source: Colliers International

Standard Form Building 37 Tampines Street 92 Singapore 528885	
Property use	Industrial
Location	Standard Form Building is located along Tampines Street 92, accessible via Tampines Avenue 1
Title	Leasehold title of 30 + 30 years expiring 31 August 2054
Description	A 4-storey purpose-built industrial building with a basement carpark
Issue of Certificate of Statutory Completion	2003
Occupancy	100.0%
Land area	4,805.2 sq m
Gross floor area	10,733.2 sq m
Lettable Area	10,733.2 sq m
Tenant	Standard Form Pte Ltd
Appraised Value by the Independent Valuer	S$10,560,000
Gross Revenue contribution for the Forecast Period 2006	2.5%
Competitive strengths(1)	• Located within the Tampines Industrial Estate, prominently situated along the Pan-Island Expressway • Easily accessible via the Pan-Island Expressway and the Tampines Expressway • Readily available labour supply and amenities from Tampines and nearby housing estates

(1) Source: Colliers International

16 Tuas Avenue 18A Singapore 638864	
Property use	Industrial
Location	16 Tuas Avenue 18A is located along Tuas Avenue 18A off Tuas Crescent
Title	Leasehold title of 30 + 30 years expiring 28 February 2051
Description	A part 1/part 3-storey industrial building
Issue of Certificate of Statutory Completion	1994
Occupancy	100.0%
Land area	3,975.2 sq m
Gross floor area	3,168.0 sq m
Lettable Area	3,168.0 sq m
Tenant	Standard Form Pte Ltd
Appraised Value by the Independent Valuer	S$2,600,000
Gross Revenue contribution for the Forecast Period 2006	0.7%
Competitive strengths(1)	• Located within the Jurong Industrial Estate • Easily accessible via the Pan-Island Expressway and the Ayer Rajah Expressway • Close proximity to labour supply in Johor Bahru via the Second Link

(1) Source: Colliers International

160 Kallang Way Singapore 349246	
Property use	Self Storage and Warehousing
Location	160 Kallang Way is located on the north-eastern side of Kallang Way, off the Pan-Island Expressway/Aljunied Road/MacPherson Road, and approximately eight kilometres from the City Centre
Title	Leasehold estate of 60 years expiring 15 February 2033
Description	A part 4/part 5-storey warehouse building with mezzanine level
Issue of Certificate of Statutory Completion	1976
Occupancy	100.0%
Land area	12,068.8 sq m
Gross floor area	29,970.9 sq m
Lettable Area	29,970.9 sq m
Tenant	StorHub Self Storage Pte Ltd
Appraised Value by the Independent Valuer	S$23,200,000
Appraised Value by the Additional Independent Valuer	S$22,200,000
Gross Revenue contribution for the Forecast Period 2006	4.5%
Competitive strengths(1)	• Centrally located in the MacPherson Industrial Estate • Easily accessible to the Central Business District, Jurong Port and Changi International Airport via the Pan-Island Expressway and the future Kallang/Paya Lebar Expressway • Specifically designed for self-storage use • Readily available labour supply and amenities from nearby housing estates

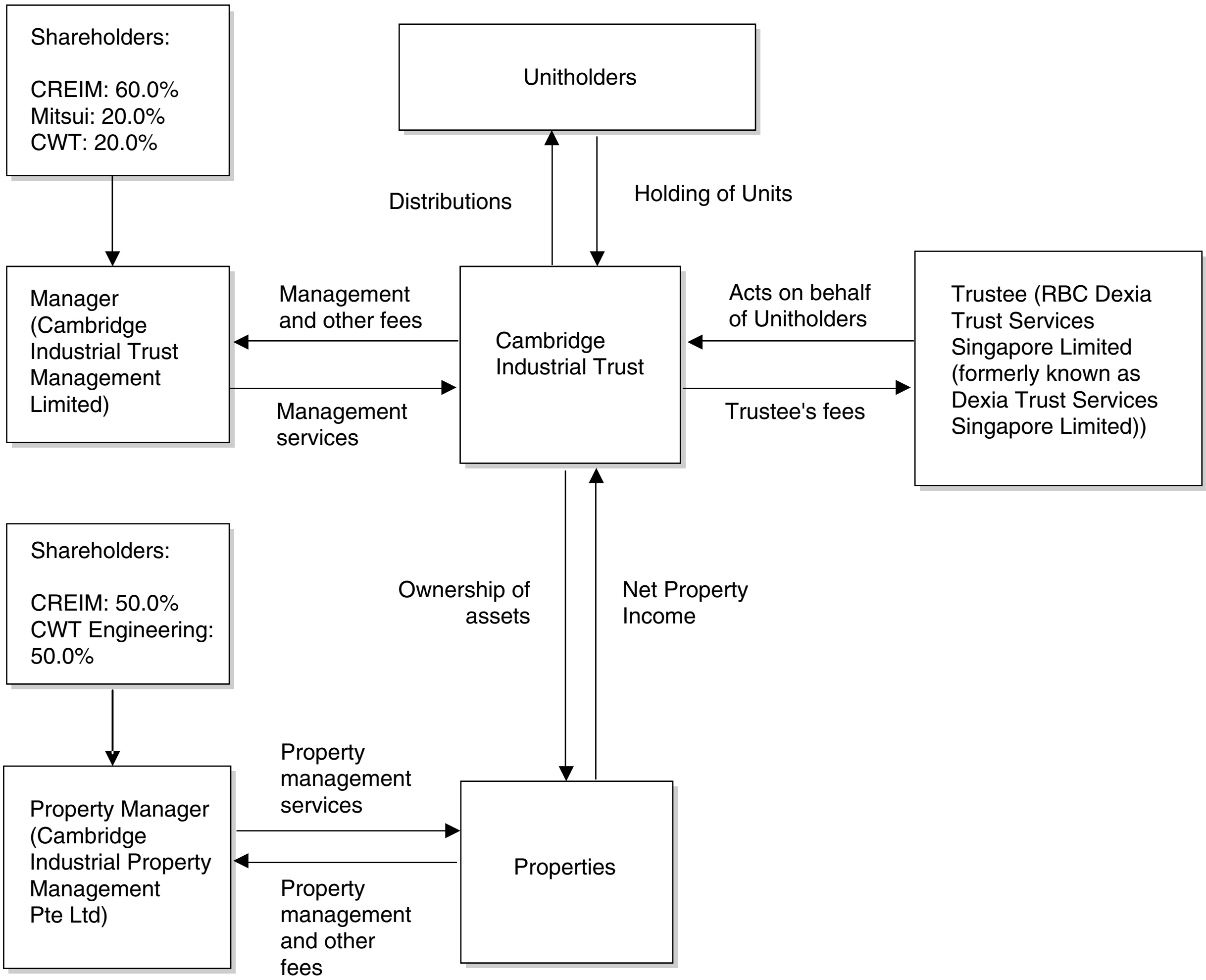
(1) Source: Colliers International

23 Lorong 8 Toa Payoh Singapore 319257	
Property use	Car Showroom and Workshop
Location	23 Lorong 8 Toa Payoh is located on the north-eastern side of Lorong 8 Toa Payoh, north of Toa Payoh Industrial Park, off Braddell Road and approximately 9.5 kilometres from the City Centre
Title	Leasehold title of 30 + 30 years expiring 31 January 2052
Description	A part 2/part 3-storey motor vehicle workshop with ancillary motor vehicle showroom and office
Issue of Certificate of Statutory Completion	1994
Occupancy	100.0%
Land area	4,381.7 sq m
Gross floor area	4,718.7 sq m
Lettable Area	4,718.7 sq m
Tenant	Exklusiv Auto Services Pte Ltd
Appraised Value by the Independent Valuer	S$12,870,000
Gross Revenue contribution for the Forecast Period 2006	3.0%
Competitive strengths(1)	• Located in the central region within the Toa Payoh Industrial Estate and along the car showroom belt • Easily accessible via the Pan-Island Expressway and the Central Expressway • Approved for use as a motor vehicle showroom and workshop, which is sought after by major motorcar distributors • Readily available labour supply and amenities from Toa Payoh and nearby housing estates

(1) Source: Colliers International

STRUCTURE OF CAMBRIDGE INDUSTRIAL TRUST

The following diagram illustrates the relationships between CIT, the Manager, the Property Manager, the Trustee and the Unitholders:



CIT is regulated by the Securities and Futures Act as well as the CIS Code (including the Property Funds Guidelines — see Appendix VIII "Property Funds Guidelines"). The Property Funds Guidelines impose certain restrictions on REITs in Singapore, including a restriction on the types of investments that REITs in Singapore may hold and certain restrictions with respect to "interested party transactions" (as defined in the Property Funds Guidelines). The Property Funds Guidelines also impose restrictions on the level of borrowings of REITs. Under the Property Funds Guidelines, the total borrowings and deferred payments (including deferred payments for assets whether to be settled in cash or in Units of CIT) of CIT should not exceed 35.0% of its Deposited Property. The aggregate leverage of CIT may exceed 35.0% of the Deposited Property (up to a maximum of 60.0%) only if a credit rating of CIT from Fitch, Inc., Moody's or Standard & Poor's is obtained and disclosed to the public. CIT should continue to maintain and disclose a credit rating so long as its aggregate leverage exceeds 35.0% of its Deposited Property. On 3 July 2006, Standard & Poor's International, LLC assigned to CIT a long term corporate credit rating of 'BBB-', conditional upon the Offering and the acquisition of the Properties.[1]

[1] Standard & Poor's International, LLC has given its written consent to the issue of this Prospectus with the statements about the rating assigned to CIT in the form and context in which they are included, and has not withdrawn that consent before the date of this Prospectus. A rating may be changed, suspended or withdrawn at any time as a result of changes in, or unavailability of, information, or based on other circumstances. A Standard & Poor's rating is not a recommendation to buy, hold or sell any securities and Standard & Poor's International, LLC, in giving a rating, does not comment on market price of or suitability in relation to a particular investor.

CIT's manager is CITM which is responsible for CIT's investment and financing strategies, asset acquisition and disposition policies and overall management of real estate and real estate-related assets. CIT's property manager is Cambridge Industrial Property Management Pte Ltd, which will provide property management, lease management, project management, marketing and property tax services for the properties of CIT.

The Manager: Cambridge Industrial Trust Management Limited

The Manager, Cambridge Industrial Trust Management Limited, was incorporated in Singapore under the Companies Act on 14 September 2005.

The Manager has a paid-up capital of approximately S$2.7 million and its registered office is located at 61 Robinson Road, #14-02 Robinson Centre, Singapore 068893.

The Manager is a joint venture between CREIM, Mitsui and CWT. 60.0% of the issued share capital of the Manager is held by CREIM, 20.0% is held by Mitsui and the remaining 20.0% is held by CWT.

CREIM is the Real Estate Investment Consultant of CIT. CREIM was incorporated under the Companies Act on 15 December 2004. The shareholders of CREIM are Mr Chan Wang Kin (Managing Director, Strategy of the Manager) who holds 28.0% of the issued share capital of CREIM, Mr Ang Poh Seong (Managing Director, Investment of the Manager) who holds 28.0% of the issued share capital of CREIM, Dollarton Pte. Ltd. which holds 10.0% of the issued share capital of CREIM, Vickers Financial Group Ltd which holds 16.0% of the issued share capital of CREIM and Vickers Private Equity Fund V Limited Partnership, a fund managed by Vickers Financial Group Ltd, which holds 18.0% of the issued share capital of CREIM. Dr Tan Seng Chin, Finian, the Chairman and a Non-executive Director of the Manager, holds approximately 83.0% of the issued share capital of Vickers Financial Group Ltd.

Mitsui, a company incorporated in Japan, developed Japan Logistics Fund Inc., the first listed REIT in Japan dedicated to investing in distribution facilities. Japan Logistics Fund Inc. was listed on the Tokyo Stock Exchange in May 2005. As Mitsui is a shareholder of the Manager, the Manager believes that Mitsui will contribute its expertise gained in managing Japan's first listed REIT dedicated to investing in distribution facilities and will assist the Manager in seeking opportunities for acquisitions and tenancies from Mitsui's existing business network, especially Japanese companies, both in Singapore and the region.

CWT, which will be one of CIT's tenants, is a Singapore-incorporated company listed on the Main Board of the SGX-ST and is engaged in the business of cargo logistics and distribution.

Generally, the Manager will provide the following management services to CIT:

- *Principal investment strategy.* Formulate and execute CIT's principal investment strategy, including determining the location, sub-sector type and other characteristics of CIT's property portfolio;
- *Acquisitions and sales.* Make recommendations to the Trustee on the acquisition or sale of properties;
- *Planning and reporting.* Make periodic property plans, including budgets and reports, relating to the performance of CIT's properties;
- *Financing.* Provide advisory services for CIT's property acquisitions, distribution payments, expense payments, capital expenditure payments and property maintenance payments;
- *Administrative and advisory services.* Perform day-to-day administrative services as CIT's representative, including providing administrative services relating to meetings of Unitholders when such meetings are convened;
- *Investor relations.* Communicate and liaise with Unitholders and potential investors;

- *Compliance management.* Make requisite regulatory filings on behalf of CIT and ensure that CIT is in compliance with the applicable provisions of the SFA and all other relevant legislation, the listing rules of the SGX-ST, the CIS Code (including the Property Funds Guidelines), the Trust Deed, the Tax Ruling and all relevant contracts; and
- *Accounting records.* Maintain financial records and prepare or cause to be prepared financial accounts and annual reports.

(For further information, please see the section titled "The Manager and Corporate Governance — The Manager of CIT").

The Trustee: RBC Dexia Trust Services Singapore Limited (formerly known as Dexia Trust Services Singapore Limited)

The Trustee, RBC Dexia Trust Services Singapore Limited (formerly known as Dexia Trust Services Singapore Limited), is a company incorporated in Singapore and registered as a trust company under the Trust Companies Act. The Trustee has a place of business in Singapore at 9 Raffles Place, #42-01 Republic Plaza, Singapore 048619. The Trustee's powers and duties include:

- *Trustee.* Acting as trustee of CIT;
- *Holding of Properties.* Holding the properties of CIT for the benefit of the Unitholders; and
- *Powers of Trustee.* Exercising all the powers of a trustee and the powers accompanying ownership of the properties of CIT (see the section titled "The Formation and Structure of Cambridge Industrial Trust — The Trustee").

The Property Manager: Cambridge Industrial Property Management Pte Ltd

The Property Manager, Cambridge Industrial Property Management Pte Ltd, was incorporated in Singapore on 4 November 2005. Its registered office is located at 61 Robinson Road, #14-02 Robinson Centre, Singapore 068893.

The issued share capital of the Property Manager is held in equal proportion by CREIM and CWT Engineering. CWT Engineering is a wholly-owned subsidiary of CWT.

The Manager, the Trustee and the Property Manager have entered into the Property Management Agreement under which the Property Manager will provide the following services for the properties of CIT, subject to the overall management and supervision of the Manager:

- *Property management services.* These include co-ordinating tenants' fitting out requirements, recommending third party contracts for the provision of property management services (including parking facilities management), maintenance services, supervising the performance of service providers and contractors, arranging for adequate insurance and ensuring compliance with building and safety regulations;
- *Lease management services.* These include administration of rental collection, management of rental arrears, initiating lease renewals and negotiation of terms;
- *Property tax services.* These include advising on property tax and submitting property tax returns to the tax authorities where necessary;
- *Marketing services.* These include providing marketing and marketing co-ordination services; and
- *Project management services.* These include the development, redevelopment, refurbishment, retrofitting and renovation of the properties of CIT.

(See the section titled "Certain Agreements Relating to Cambridge Industrial Trust and Its Properties — Property Management Agreement").

Certain Fees and Charges

The following is a summary of the amounts of certain fees and charges which are or may be payable by the Unitholders in connection with the subscription of Units (so long as the Units are listed):

Payable by the Unitholders directly	Amount payable
(a) Subscription fee or preliminary charge	N.A.[1]
(b) Realisation fee	N.A.[1]
(c) Switching fee	N.A.[1]
(d) Any other fee	Clearing fee for trading of Units on the SGX-ST at the rate of 0.05% of the transaction value, subject to a maximum of S$200 per transaction

Note:

(1) As the Units will be listed and traded on the SGX-ST and Unitholders will have no right to request the Manager to redeem their Units while the Units are listed, no subscription fee, preliminary charge, realisation fee or switching fee is payable in respect of the Units.

The following is a summary of certain fees and charges payable by CIT in connection with the establishment and on-going management of CIT:

	Payable by CIT	Amount payable
(a)	Manager's Management Fees	**Management Fees — Base Fee** 0.5% per annum of the value of the Deposited Property. The Manager has elected to receive for the Forecast Period 2006 and the Projection Year 2007, respectively, at least 92.0% and 97.0% of the Base Fee in respect of the Properties in the form of Units, with the remainder of the Base Fee in cash. The Manager may elect to receive the Base Fee in respect of the Properties in cash or Units or a combination of cash and Units (as it may determine) after 31 December 2007. In respect of any new property acquired by CIT after the Listing Date, the Manager may, at any time, opt to receive the Base Fee in cash or Units or a combination of cash and Units (as it may determine). The portion of the Base Fee payable in cash shall be payable monthly in arrears and the portion of the Base Fee payable in the form of Units shall be payable quarterly in arrears. If a Trigger Event occurs, resulting in the Manager being removed, the Manager is entitled to be paid the Base Fee up to the day on which the Trigger Event occurs. (See the section titled "The Manager and Corporate Governance — Management Fees: Payment of Management Fees upon the occurrence of a Trigger Event").

	Payable by CIT	Amount payable
		When the Base Fee or part thereof is payable to the Manager in the form of Units, the Manager shall be entitled to receive such number of Units as may be purchased with the relevant amount of the Base Fee attributable to the relevant period at the Market Price. **Management Fees — Performance Fee** A Performance Fee, where the total return (comprising capital gains and accumulated distributions and assuming all distributions are re-invested in CIT) of the Units (expressed as the Trust Index) in any Half Year exceeds the total return (comprising capital gains and accumulated distributions and assuming re-investment of all distributions) of the Benchmark Index. The Performance Fee is calculated in two tiers as follows: • a Tier 1 Performance Fee equal to 5.0% of the amount by which the total return of the Trust Index exceeds the total return of the Benchmark Index, multiplied by the Equity Market Capitalisation of CIT; and • a Tier 2 Performance Fee which is applicable only where the total return of the Trust Index is in excess of 2.0% per annum (1.0% for each Half Year) above the total return of the Benchmark Index. This tier of the fee is calculated at 15.0% of the amount by which the total return of the Trust Index is in excess of 2.0% per annum above the total return of the Benchmark Index, multiplied by the Equity Market Capitalisation of CIT. (For the purposes of the Tier 1 Performance Fee and the Tier 2 Performance Fee, the amount by which the total return of the Trust Index exceeds the total return of the Benchmark Index shall be referred to as "outperformance".) The outperformance of the Trust Index is assessed on a cumulative basis (see Example 1 and Example 2 in the section titled "The Manager and Corporate Governance — Management Fees: Examples for Calculation of the Performance Fee") and any prior underperformance of CIT will need to be recovered before the Manager is entitled to any Performance Fee (see Example 3 in the section titled "The Manager and Corporate Governance — Management Fees: Examples for Calculation of the Performance Fee").

	Payable by CIT	Amount payable
		The Trust Index will be calculated by FTSE or another index provider. The Trust Index will be calculated in accordance with the index provider's standard practices in relation to index calculation. The Trust Index will measure the total return of CIT, combining both capital performance of the security and its reinvested income. The Trust Index will be calculated daily using declared dividends. The calculation method will be adjusted according to whether any dividends are declared ex-dividend on a given day. The ex-dividend adjustment represents the value of dividends declared by the security on the ex-dividend date expressed in index points. FTSE is an entity independent from the Manager and CIT. The Manager has opted to receive, from the Listing Date up to 31 December 2006, 100.0% of the Performance Fee (if any) in the form of Units. The Manager may opt to receive the Performance Fee (if any) in cash or Units or a combination of cash and Units (as it may determine) after 31 December 2006 having regard to the cashflow of CIT. To the extent that payment of the Performance Fee erodes the distributable income as set out in the section titled "Profit Forecast and Profit Projection", the Manager will, for the Forecast Period 2006 or the Projection Year 2007 (as the case may be) defer part or all of the payment of the Performance Fee to the next Financial Year as would be required to achieve, to the extent possible, the forecast and projected distributions during the said periods. The Performance Fee, whether payable in any combination of cash and Units or solely in cash or Units, will be payable six-monthly in arrears. If a Trigger Event occurs in any Half Year, resulting in the Manager being removed, the Manager shall be entitled to payment of any Performance Fee (whether in cash or in the form of Units) to which it might otherwise have been entitled for that Half Year in cash, which shall be calculated, as if the end of the Half Year was the date of occurrence of the Trigger Event, in accordance with Clause 15.1.2 of the Trust Deed. If a Trigger Event occurs, resulting in the Manager being removed, the Manager is entitled to be paid the Base Fee up to the day on which the Trigger Event occurs. (See the section titled "The Manager and Corporate Governance — Management Fees: Payment of Management Fees upon the occurrence of a Trigger Event").

	Payable by CIT	Amount payable
		When the Performance Fee or part thereof is payable to the Manager in the form of Units, the issue price of the Units will be the greater of the volume weighted average price for a Unit for all trades on the SGX-ST in the ordinary course of trading during the five Business Days preceding the last day of the relevant Half Year (including the last day of the relevant Half Year) and the five Business Days after the last day of the relevant Half Year (10 Business Days in total) and the value of Deposited Property per Unit at the end of the Half Year. *Annual Fee Cap* The Management Fees (Base Fee and Performance Fee, including any accrued Performance Fee which has been carried forward from previous Financial Years but excluding any Acquisition Fee or Disposal Fee) to be paid to the Manager in respect of a Financial Year, whether in cash or Units or a combination of cash and Units, are capped at an amount equivalent to 0.8% per annum of the value of Deposited Property as at the end of the Financial Year (referred to as the "annual fee cap"). If the amount of such fees for a Financial Year exceeds the annual fee cap, the Base Fee for that Financial Year shall be paid to the Manager and only that portion of the Performance Fee equal to the balance of the amount up to the annual fee cap will be paid to the Manager. The remaining portion of the Performance Fee, which will not be paid, shall be accrued and carried forward for payment to the Manager in future Half Years. (See the section titled "The Manager and Corporate Governance — Management Fees: Example for payment of the Performance Fee subject to the annual fee cap"). If, at the end of a Half Year, there is any accrued Performance Fee which has been accrued for a period of at least three years prior to the end of that Half Year, such accrued Performance Fee shall be paid to the Manager if the total return of the Trust Index in that three-year period exceeds the total return of the Benchmark Index over the same period. The payment of such accrued Performance Fee shall not be subject to the annual fee cap. Accordingly, for periods in which there are three years of cumulative outperformance by CIT, the Management Fees to be paid to the Manager could exceed the annual fee cap. However, as the Manager may opt to receive the Performance Fee in cash or Units or a combination of cash and Units (as it may determine) after 31 December 2006, it will have the flexibility to receive such accrued Performance Fee in cash or Units or a combination of cash and Units having regard to the cash flow of CIT.

	Payable by CIT	Amount payable
		If CITM ceases to be the manager of CIT, it shall be entitled to receive payment of all accrued Performance Fees within a period of seven days after the date on which it ceases to be the manager of CIT.
(b)	Trustee's fee	A maximum of 0.1% per annum of the value of the Deposited Property, excluding out-of-pocket expenses and GST. The actual fee payable will be determined between the Manager and the Trustee from time to time. The Trustee's fee is presently charged on a scaled basis of up to 0.02% per annum of the value of the Deposited Property.
(c)	Any other substantial fee or charge (i.e. 0.1% or more of CIT's asset value)	
	(i) Property management fee (payable to the Property Manager)	2.0% per annum of the Gross Revenue of the relevant property.
	(ii) Lease management fee (payable to the Property Manager)	1.0% per annum of the Gross Revenue of the relevant property.
	(iii) Acquisition Fee (payable to the Manager)	**Acquisition Fee** The Manager is also entitled to receive: (a) an Acquisition Fee of 1.0% of each of the following as is applicable, subject to there being no double-counting: (i) the purchase price, excluding GST, of any Real Estate acquired, whether directly by CIT or indirectly through a Special Purpose Vehicle; (ii) the value of any underlying Real Estate (pro-rata, if applicable, to the proportion of CIT's interest in such Real Estate) where CIT invests in any class of Real Estate Related Assets, including any class of equity, equity-linked securities and/or securities issued in Real Estate securitisation, of any entity directly or indirectly owning or acquiring such Real Estate, provided that: (A) CIT shall hold or invest in at least 50.0% of the equity of such entity; or (B) if CIT holds or invests in 30.0% or more but less than 50.0% of the equity of such entity, CIT shall have management control of the underlying Real Estate and/or such entity;

	Payable by CIT	Amount payable
		(iii) the value of any shareholder's loan extended by CIT to the entity referred to in paragraph (ii) above, provided that the proviso in paragraph (ii) is complied with; and (iv) the value of any investment by CIT in any loan extended to, or in debt securities of, any property corporation or other Special Purpose Vehicle owning or acquiring Real Estate (where such investment does not fall within the ambit of paragraph (ii)), made with the prior consent of the Unitholders passed by ordinary resolution at a meeting of Unitholders duly convened and held in accordance with the provisions of the Trust Deed. For the meanings of "equity" and "management control", please refer to pages 228 and 229 of the section titled "The Manager and Corporate Governance — Management Fees: Acquisition Fee and Disposal Fee". For the avoidance of doubt, the Acquisition Fee is payable for the acquisition of the Properties. For any acquisition or transaction made in Singapore, any payment to third party agents or brokers in connection with the acquisition of any Real Estate in Singapore for CIT shall be borne by the Manager, and not additionally out of the assets of CIT. For any acquisition or transaction made outside Singapore for CIT, if any such payment is made to third party agents or brokers, such payment shall be paid out of the Deposited Property, provided that the Manager shall charge an acquisition fee of 0.6% instead of 1.0%. The Manager may opt to receive such Acquisition Fee in the form of cash or Units or a combination of cash and Units as it may determine. When the Acquisition Fee or part thereof is payable to the Manager in the form of Units, the Manager shall be entitled to receive such number of Units as may be purchased with the relevant amount of the Acquisition Fee attributable to the relevant period at the Market Price.

	Payable by CIT	Amount payable
	(iv) Disposal Fee (payable to the Manager)	**Disposal Fee** (b) a Disposal Fee of 0.5% of each of the following as is applicable, subject to there being no double-counting: (i) the sale price, excluding GST, of any investment of the type referred to in paragraph (a)(i) above for the Acquisition Fee; (ii) in relation to an investment of the type referred to in paragraph (a)(ii) above for the Acquisition Fee, the value of any underlying Real Estate (pro-rata, if applicable, to the proportion of CIT's interest in such Real Estate); (iii) the proceeds of sale, repayment or (as the case may be) redemption of an investment in a loan referred to in paragraph (a)(iii) above for the Acquisition Fee; and (iv) the value of an investment referred to in paragraph (a)(iv) above for the Acquisition Fee. For any divestment or transaction made in Singapore, any payment to third party agents or brokers in connection with the divestment of any one of the assets forming a part of the Deposited Property in Singapore for CIT shall be borne by the Manager and not additionally out of the assets of CIT. For any divestment or transaction made outside Singapore for CIT, if any such payment is made to third party agents or brokers, such payment shall be paid out of the Deposited Property provided that the Manager shall also charge a Disposal Fee of 0.5% of the sale price. The Manager may opt to receive such Disposal Fee in the form of cash or Units or a combination of cash and Units as it may determine. When the Disposal Fee or part thereof is payable to the Manager in the form of Units, the Manager shall be entitled to receive such number of Units as may be purchased with the relevant amount of the Disposal Fee attributable to the relevant period at the Market Price.

	Payable by CIT	Amount payable
	(v) Marketing services commissions[1] (payable to the Property Manager)	(i) One month's gross rent, inclusive of service charge, for securing a tenancy of three years or less; (ii) Two months' gross rent, inclusive of service charge, for securing a tenancy of more than three years; (iii) Half month's gross rent, inclusive of service charge, for securing a renewal of tenancy of three years or less; and (iv) One month's gross rent, inclusive of service charge, for securing a renewal of tenancy of more than three years.
	(vi) Project management fees (payable to the Property Manager)	In relation to development and redevelopment (if not prohibited by the Property Funds Guidelines or if otherwise permitted by the MAS), the refurbishment, retrofitting and renovation works on a property: (i) where the construction costs are S$2.0 million or less, a fee of 3.0% of the construction costs; (ii) where the construction costs exceed S$2.0 million but do not exceed S$20.0 million, a fee of 2.0% of the construction costs; (iii) where the construction costs exceed S$20.0 million but do not exceed S$50.0 million, a fee of 1.5% of the construction costs; and (iv) where the construction costs exceed S$50.0 million, a fee to be mutually agreed by the Manager, the Property Manager and the Trustee.
	(vii) Property tax services fees (payable to the Property Manager)	In respect of property tax objections submitted to the tax authority on any proposed annual value of a property if, as a result of such objections, the proposed annual value is reduced resulting in property tax savings for the relevant property: (i) where the proposed annual value is S$1.0 million or less, a fee of 7.5% of the property tax savings; (ii) where the proposed annual value is more than S$1.0 million but does not exceed S$5.0 million, a fee of 5.5% of the property tax savings; and (iii) where the proposed annual value is more than S$5.0 million, a fee of 5.0% of the property tax savings. The above-mentioned fee is a lump sum fixed fee based on the property tax savings calculated over a 12-month period.

	One-Time Fee Payable by CIT	Amount payable
	(i) Financial advisory fees (payable to ABN AMRO Rothschild and CLSA)	S$2.25 million[(2)]
	(ii) Real estate investment consultancy fees (payable to CREIM)	S$2.25 million[(2)]

Note:–

(1) If a third party agent secures a new tenancy, the Property Manager will be responsible for any marketing services commissions payable to such third party agent and the Property Manager will be entitled to a marketing services commission of:

(i) 1.2 months' gross rent inclusive of service charge for securing a tenancy of three years or less; and

(ii) 2.4 months' gross rent inclusive of service charge for securing a tenancy of more than three years.

(2) A one-time fee payable on the Listing Date.

THE OFFERING

CIT	Cambridge Industrial Trust. CIT is a real estate investment trust established in Singapore as a single fund and constituted by the Trust Deed.
The Manager	Cambridge Industrial Trust Management Limited.
The Trustee	RBC Dexia Trust Services Singapore Limited (formerly known as Dexia Trust Services Singapore Limited).
The Offering	206,109,000 Units offered under the Placement Tranche and the Public Offer (subject to the Over-allotment Option).
The Placement Tranche	Units offered by way of an international placement to investors, including institutional and other investors in Singapore. The Units are being offered and sold outside the United States in reliance on Regulation S. The Units have not been and will not be registered under the Securities Act and, subject to certain exceptions, may not be offered or sold within the United States.
The Public Offer (including CIT Reserved Units)	The offer of 17,500,000 Units to the public in Singapore, comprising: (i) 6,000,000 Units offered by way of a public offer in Singapore; and (ii) 11,500,000 Units reserved for subscription by the Directors, management, employees and business associates of the Manager and others who have contributed to the success of the Offering, as well as employees of the Vendors (the "CIT Reserved Tranche"). In the event that any of the CIT Reserved Units is not subscribed for, such Unit(s) will be made available to satisfy over-subscription in the Placement Tranche and/or the Public Offer (other than the CIT Reserved Tranche).
Clawback and Reallocation	The Units may be reallocated between the Placement Tranche and the Public Offer, at the discretion of the Joint Lead Underwriters, in the event of an excess of applications in one and a deficit of applications in the other.
Offering Price	S$0.68 per Unit.
Subscription by Cornerstone Investors	Also, separate from the Offering, each of the Cornerstone Investors has entered into a subscription agreement with the Manager to subscribe for an aggregate of 97,118,412 Units at the Offering Price, conditional upon, *inter alia*, the Underwriting Agreement having been entered into and not having been terminated pursuant to its terms on or prior to the close of the Application List.

Subscription for the Public Offer	Investors applying for Units by way of Application Forms or Electronic Applications (both as referred to in Appendix VI "Terms, Conditions and Procedures for Application for and Acceptance of the Offering Units in Singapore") in the Public Offer will pay the equivalent in Singapore dollars of the Offering Price of S$0.68 per Unit on application, subject to a refund of the full amount or, as the case may be, the balance of the application monies (in each case, without interest or any share of revenue or other benefit arising therefrom) where: (i) an application is rejected or accepted in part only; or (ii) the Offering does not proceed for any reason. For the purpose of illustration, an investor who applies for 1,000 Units by way of an Application Form or an Electronic Application will have to pay S$680, which is subject to a refund of the full amount or the balance of the application monies (without interest or any share of revenue or other benefit arising therefrom) in Singapore dollars, as the case may be, upon the occurrence of any of the foregoing events. The minimum initial subscription is for 1,000 Units. An applicant may subscribe for a larger number of Units in integral multiples of 1,000 Units. Investors in Singapore must follow the application procedures set out in Appendix VI "Terms, Conditions and Procedures for Application for and Acceptance of the Offering Units in Singapore". Subscriptions under the Public Offer must be paid for in Singapore dollars. No fees are payable by applicants for the Units, save for an administration fee of S$1.00 for each application made through automated teller machines ("ATMs") and the Internet bank websites of certain participating banks (as set out in Appendix VI "Terms, Conditions and Procedures for Application for and Acceptance of the Offering Units in Singapore") pursuant to the Public Offer.
Lock-ups	Each of the Investing Vendors, the Executive Directors of the Manager, the Manager and Mitsui has entered into certain lock-up arrangements with the Joint Lead Underwriters for a period of 180 days from and including the Listing Date (the "Lock-up Period"), subject to certain exceptions. In the case of one of the Investing Vendors, CWT, and in the case of Mitsui, the restrictions will also apply in respect of 50% of their Units for a further 180 days after the Lock-up Period (see the section titled "Plan of Distribution — Lock-up Arrangements").
Capitalisation and Indebtedness	S$525.2 million (see the section titled "Capitalisation and Indebtedness").
Use of Proceeds	See the sections titled "Use of Proceeds" and "Certain Agreements Relating to Cambridge Industrial Trust and its Properties".

Listing and Trading	Prior to the Offering, there has been no market for the Units. Application has been made to the SGX-ST for permission to list on the Main Board of the SGX-ST all the Units which are the subject of the Offering, the Over-allotment Units, if any, the Investing Vendor Consideration Units, the Cornerstone Units and all the Units which will be issued to the Manager from time to time in full or part payment of the Manager's Management Fees. (See the section titled "The Manager and Corporate Governance — Management Fees"). Such permission will be granted when CIT has been admitted to the Official List of the SGX-ST. The Units will, upon their issue, listing and quotation on the SGX-ST, be traded in Singapore dollars on the SGX-ST under the book-entry (scripless) settlement system of the CDP. The Units will be traded in board lot sizes of 1,000 Units.
Over-allotment Option	The Stabilising Manager has been granted, for stabilisation purposes, the Over-allotment Option by the Manager on behalf of CIT, exercisable in full or in part by the Stabilising Manager, on behalf of the Joint Global Co-ordinators, in consultation with the other Joint Lead Underwriter after the Listing Date but within 30 days after the date of this Prospectus, to subscribe for up to an aggregate of 29,000,000 Units at the Offering Price, solely to cover the over-allotment of Units (if any). The total number of outstanding Units immediately after the completion of the Offering and prior to any exercise of the Over-allotment Option will be 497,068,554 Units.
Stabilisation	In connection with the Offering, the Stabilising Manager (or any person acting on its behalf) may, in consultation with the other Joint Lead Underwriter, over-allot or effect transactions with a view to supporting the market price of the Units at a level higher than that which might otherwise prevail. The Stabilising Manager may purchase up to 29,000,000 Units to undertake stabilisation action. However, there is no assurance that the Stabilising Manager (or any person acting on its behalf) will undertake stabilisation action. Any stabilisation action may begin on or after the Listing Date and, if begun, may be ended at any time, but it must end no later than the earlier of (i) 30 days after the date of this Prospectus or (ii) the date that the Stabilising Manager has purchased the total number of Units that the Stabilising Manager may purchase to undertake the stabilising action.
Risk Factors	**Prospective investors should carefully consider certain risks connected with an investment in the Units, as set out in the section titled "Risk Factors".**

Distribution Policy	CIT's distribution policy is to distribute 100.0% of its taxable income for the period from the Listing Date to 31 December 2006 and thereafter to distribute at least 90.0% of its taxable income. The actual proportion of taxable income distributed to Unitholders beyond 31 December 2006 may be greater than 90.0% to the extent the Manager believes it to be appropriate, having regard to CIT's funding requirements, other capital management considerations and the overall stability of distributions. Distributions will be made on a quarterly basis, except for the first distribution, which will be in respect of the period from the Listing Date to 30 September 2006 and will be paid by the Manager on or before 29 November 2006 (see the section titled "Distributions").
Termination of CIT	CIT may be terminated by either the Manager or the Trustee under certain circumstances specified in the Trust Deed. For example, the Manager may terminate CIT if, at any time, it is delisted permanently from the SGX-ST (see the section titled "The Formation and Structure of Cambridge Industrial Trust — Termination of CIT").

INDICATIVE TIMETABLE

An indicative timetable for trading in the Units is set out below for the reference of applicants for the Units:

Date and time	Event
14 July 2006, 7.00 p.m.	Opening date and time for the Offering.
19 July 2006, 12.00 noon	Closing date and time for the Offering.
20 July 2006	Balloting of applications, if necessary. Commence returning or refunding of application monies to unsuccessful or partially successful applicants.
25 July 2006, at or before 2.00 p.m.	Completion (subject to the Listing) of the acquisition of the Properties.
25 July 2006, 2.00 p.m.	Commence trading on a “ready” basis.
28 July 2006	Settlement date for all trades done on a “ready” basis on 25 July 2006.

The above timetable is indicative only and is subject to change at the Manager’s discretion. It assumes: (i) that the closing of the Application List is 19 July 2006; (ii) that the Listing Date is 25 July 2006; (iii) compliance with the SGX-ST’s unitholding spread requirement; and (iv) the Units will be issued and fully paid up prior to 2.00 p.m. on 25 July 2006. All dates and times referred to above are Singapore dates and times.

Trading in the Units on a “ready” basis will commence at 2.00 p.m. on 25 July 2006 (subject to the SGX-ST being satisfied that all conditions necessary for the commencement of trading in the Units through the SGX-ST on a “ready” basis have been fulfilled), as the completion of the acquisition of Properties (subject to the Listing) is expected to take place on or before 2.00 p.m. on 25 July 2006 (see the section titled “Certain Agreements Relating to Cambridge Industrial Trust and its Properties”). If CIT is terminated by either the Manager or the Trustee under the circumstances specified in the Trust Deed prior to, or the acquisition of the Properties (subject to the Listing) is not completed by 2.00 p.m. on 25 July 2006 (being the time and date of commencement of trading in the Units through the SGX-ST), the Offering will not proceed and the application monies will be returned in full (without interest or any share of revenue or other benefit arising therefrom and at each applicant’s own risk and without any right or claim against CIT, the Manager, the Joint Global Co-ordinators and Bookrunners, the Public Offer Co-ordinator or the Trustee). It is expected that such monies will be returned within three Market Days (a “Market Day” being a day on which the SGX-ST is open for trading in securities) but in any event not later than 14 Market Days after the close of the Application List.

In the event of any early or extended closure of the Application List, the shortening or extension of the time period during which the Offering is open or the exercise of the Over-allotment Option, the Manager will publicly announce the same:

(i) through an SGXNET announcement to be posted on the internet at the SGX-ST website http://www.sgx.com; and

(ii) in one or more major Singapore newspapers such as *The Straits Times*, *The Business Times* and *Lianhe Zaobao*.

Investors should consult the SGXNET announcement on the "ready" listing date on the internet (at the SGX-ST website), INtv or in the newspapers, or check with their brokers on the date on which trading on a "ready" basis will commence.

The Manager will provide details of and the results of the Public Offer through SGXNET or in one or more major Singapore newspapers such as *The Straits Times, The Business Times and Lianhe Zaobao*.

The Manager reserves the right to reject or accept, in whole or in part, or to scale down or ballot any application for Units, without assigning any reason therefor, and no enquiry and/or correspondence on the decision of the Manager will be entertained. In deciding the basis of allotment, due consideration will be given to the desirability of allotting the Units to a reasonable number of applicants with a view to establishing an adequate market for the Units.

Where an application is rejected or accepted in part only or if the Offering does not proceed for any reason, the full amount or the balance of the application monies, as the case may be, will be refunded (without interest or any share of revenue or other benefit arising therefrom) to the applicant, at his own risk and without any right or claim against CIT, the Manager, the Joint Global Co-ordinators and Bookrunners or the Trustee.

Where an application is not successful, the full amount of the application monies will be refunded (without interest or any share of revenue or other benefit arising therefrom) to the applicant, at his own risk, within two Market Days (or such shorter period as the SGX-ST may require) after the close of the Offering (provided that such refunds in relation to applications in Singapore are made in accordance with the procedures set out in Appendix VI "Terms, Conditions and Procedures for Application for and Acceptance of the Offering Units in Singapore").

Where an application is accepted in full or in part only, any balance of the application monies will be refunded (without interest or any share of revenue or other benefit arising therefrom) to the applicant, at his own risk, within 14 Market Days after the close of the Offering (provided that such refunds in relation to applications in Singapore are made in accordance with the procedures set out in Appendix VI "Terms, Conditions and Procedures for Application for and Acceptance of the Offering Units in Singapore").

Where the Offering does not proceed for any reason, the full amount of application monies (without interest or any share of revenue or other benefit arising therefrom) will, within three Market Days after the Offering is discontinued, be returned to the applicants at their own risk (provided that such refunds in relation to applications in Singapore are made in accordance with the procedures set out in Appendix VI "Terms, Conditions and Procedures for Application for and Acceptance of the Offering Units in Singapore").

PROFIT FORECAST AND PROFIT PROJECTION

Statements contained in this section that are not historical facts may be forward-looking statements. Such statements are based on the assumptions set out in this section of the Prospectus and are subject to certain risks and uncertainties which could cause actual results to differ materially from those forecast and projected. Under no circumstances should the inclusion of such information herein be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions by CIT, the Manager, the Joint Global Co-ordinators and Bookrunners, the Public Offer Co-ordinator, the Trustee, or any other person, nor that these results will be achieved or are likely to be achieved (see the sections titled "Forward-looking Statements" and "Risk Factors"). Investors in the Units are cautioned not to place undue reliance on these forward-looking statements which are made only as at the date of this Prospectus.

None of CIT, the Manager, the Joint Global Co-ordinators and Bookrunners, the Public Offer Co-ordinator or the Trustee guarantees the performance of CIT, the repayment of capital, the payment of any distributions or any particular return on the Units. The forecast and projected yields stated in the following table are calculated based on (i) the Offering Price and (ii) the assumption that the Listing Date is 31 July 2006. Such yields will vary accordingly if the Listing Date is after 31 July 2006 and in relation to investors who purchase Units in the secondary market at a market price that differs from the Offering Price.

The following table sets forth CIT's forecast and projected Statements of Total Return for the Forecast Period 2006 and the Projection Year 2007, respectively. The financial year-end of CIT is 31 December. CIT's first accounting period is for the period from 31 March 2006, being the date of its establishment, to 31 December 2006 and its next accounting period will be for the period from 1 January 2007 to 31 December 2007. The profit forecast and profit projection are based on the assumptions set out in this section of the Prospectus. The assumptions have been reviewed and the computations have been checked by the Independent Reporting Accountants. The profit forecast and profit projection should be read together with the report set out in Appendix I "Independent Accountants' Report on the Profit Forecast and Profit Projection", as well as the assumptions and the sensitivity analysis set out in this section of the Prospectus.

FORECAST AND PROJECTED STATEMENTS OF TOTAL RETURN

	Forecast Period 2006 (from 31 July 2006 to 31 December 2006)	Projection Year 2007 (full year from 1 January 2007 to 31 December 2007)
	(S$'000)	(S$'000)
Gross Revenue	**18,116**	**43,200**
Less: Property Expenses	(3,115)	(7,469)
Net Property Income	**15,001**	**35,731**
Manager's Management Fees	(1,098)	(2,598)
Other trust expenses	(593)	(653)
Interest income	39	88
Borrowing costs	(3,760)	(8,570)
Net income	**9,589**	**23,998**
Revaluation deficit	(9,470)	—
Total return for the period before income tax and distribution	**119**	**23,998**
Less: Income tax expense	—	—
Total return for the period after income tax, before distribution	**119**	**23,998**
On the assumption that the Over-allotment Option is not exercised:		
Borrowing costs	(4,044)	(9,444)
Total return after income tax, before distribution	(165)	23,124

Note:

(1) This amount results from the revaluation based on the Manager's hypothetical assumption of the open market value of the Properties (see the section titled "Profit Forecast and Profit Projection — Assumptions, (XI) Properties") and includes the Acquisition Related Costs (including the Acquisition Fee) of the Properties.

FORECAST AND PROJECTED DISTRIBUTION

	Forecast Period 2006 (from 31 July 2006 to 31 December 2006)	Projection Year 2007 (full year from 1 January 2007 to 31 December 2007)
	(S$'000)	(S$'000)
Total return for the period after income tax, before distribution	119	23,998
Add back non-tax deductible expenses(1)	10,743	3,092
Total distribution to Unitholders	10,862	27,090
Distribution to Unitholders	10,862	27,090
Offering Price (S$)	0.68	0.68
Number of Units in issue ('000)(2),(6)	526,666.0	530,325.5
Total distribution per Unit (Cents)	2.06(3),(7)	5.12(8)
Annualised distribution yield (%)	7.50%(4),(7)	7.53%(8)
On the assumption that the Over-allotment Option is not exercised:		
Distribution to Unitholders	10,578	26,216
Number of Units in issue ('000)(6)	497,666.0	501,325.5
Total distribution per Unit (Cents)	2.12(5),(9)	5.24(10)
Annualised distribution yield (%)	7.71%(4),(9)	7.71%(10)

Notes:

(1) These include amortisation of transaction costs related to interest-bearing borrowings, the fees paid to the Trustee, the fees payable in Units to the Manager and the revaluation deficit, each of which is non-deductible for tax purposes.

(2) Assuming the Over-allotment Option of 29,000,000 Units is fully exercised.

(3) The annualised distribution per Unit is 5.10 Cents for the Forecast Period 2006.

(4) Annualised distribution yield has been computed by extrapolating the revenue and expenses of CIT for the period from 31 July 2006 to 31 December 2006, except that "Other trust expenses" have not been extrapolated as such expenses are expected to remain unchanged regardless of the length of the financial period under review.

(5) The annualised distribution per Unit is 5.24 Cents for the Forecast Period 2006.

(6) Units in issue at the end of each period is inclusive of the Manager's forecast and projected number of Units to be issued in payment of the Manager's Base Fee.

(7) Based on the weighted average number of approximately 526.4 million units in issue as at 31 December 2006 assuming the Over-allotment Option of 29,000,000 Units is fully exercised.

(8) Based on the weighted average number of approximately 528.9 million units in issue as at 31 December 2007 assuming the Over-allotment Option of 29,000,000 Units is fully exercised.

(9) Based on the weighted average number of approximately 497.4 million units in issue as at 31 December 2006 assuming the Over-allotment Option is not exercised.

(10) Based on the weighted average number of approximately 499.9 million units in issue as at 31 December 2007 assuming the Over-allotment Option is not exercised.

Prospective investors should consider carefully, together with all other information contained in this Prospectus, the factors described below before deciding whether to invest in the Units.

This Prospectus also contains forward-looking statements (including profit forecasts and profit projections) that involve risks, uncertainties and assumptions. The actual results of CIT could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks faced by CIT as described below and elsewhere in this Prospectus.

As an investment in a collective investment scheme is meant to produce returns over the long-term, investors should not expect to obtain short-term gains.

Investors should be aware that the price of units in a collective investment scheme, and the income from them, may fall or rise. Investors should note that they may not get back their original investment and the income received with respect to the Units may not compensate for any losses incurred.

Before deciding to invest in the Units, prospective investors should seek professional advice from the relevant advisers about their particular circumstances.

Risks Relating to the Properties

There are specific risks in relation to the Properties (see the section titled "Certain Agreements Relating to Cambridge Industrial Trust and its Properties" for more information about the specific risks).

CIT, as the lessor in respect of the Properties, is exposed to risks associated with its tenants and sub-tenants

The loss of key tenants, sub-tenants and licensees or a prolonged downturn in the business of its tenants could have an adverse effect on CIT's financial condition and results of operations. The weighted average lease term of the Properties by Acquisition Value is approximately 7.9 years. Most of the sub-tenancies for the Properties are valid for an average period of three years. As a result, each of the Properties experiences sub-tenancy cycles in which a significant number of the sub-tenancies may expire in certain given years. This high concentration of renewal rates exposes CIT to certain risks, including the risk that vacancies following non-renewal of sub-tenancies may affect the ability of the tenants to pay rental under the leases and lead to an increase in tenant defaults which could in turn reduce CIT's net income (see the section titled "Business and Properties — Expiries and Renewals"). If a large number of sub-tenants do not renew their sub-tenancies in the year that has a high concentration of sub-tenancy expiries, this would have a material adverse effect on the relevant Property and any consequential increase in tenant defaults may adversely affect the net income of CIT.

In particular, the Land Transport Authority (the "LTA") is anticipated to carry out the extension works in respect of the Boon Lay railway extension from the existing Boon Lay MRT station to Joo Koon Circle, which will involve temporary occupation of part of 86/88 International Road by the LTA and such works are scheduled to commence from August 2005 and to continue until August 2009. As at the date of this Prospectus, the Land Transport Authority has yet to commence temporary occupation of 86/88 International Road. The abovementioned works may have an adverse impact on business and commercial activities to be conducted at 86/88 International Road and this may in turn affect the rental income from 86/88 International Road.

CIT's financial condition and results of operations and ability to make distributions may be adversely affected by the bankruptcy, insolvency or downturn in the business of its key tenants, sub-tenants or licensees, including the decision by any of such tenants, sub-tenants or licensees not to renew their leases or licences or to terminate their leases or licences before they expire or to terminate their licences (in the case of key licensees). Further, the ability of the tenants to pay rental under the leases may in turn be affected by the decision of their sub-tenants not to renew their sub-tenancies. In such event, the net income of CIT may be adversely affected.

The net income earned from, and the value of, the Properties may be adversely affected by a number of factors

The net income earned from, and the value of, the Properties may be adversely affected by a number of factors, including:

- vacancies following expiry or termination of leases or licences that lead to reduced occupancy rates which reduce CIT's net income and its ability to recover certain operating costs through Charge-out Collections;
- the Manager's ability to collect rent or licence fees from tenants and licensees on a timely basis or at all;
- the amount and extent to which CIT is required to grant rebates on rental rates to tenants, due to market pressure;
- tenants seeking the protection of bankruptcy laws which could result in delays in receipt of rent payments, inability to collect rentals at all or delays in the termination of the tenant's lease, or which could hinder or delay the sale of a Property or the re-letting of the premises in question;
- the amount of rent payable by tenants and the terms on which lease renewals and new leases are agreed being less favourable than current leases;
- the national and international economic climate and real estate market conditions (such as oversupply of, or reduced demand for, industrial space, the Government of Singapore's release of land, changes in market rental rates and operating expenses for the Properties);
- the Manager's ability to provide adequate management and maintenance services or to purchase adequate insurance;
- tenants or sub-tenants failing to comply with the terms of their leases or sub-leases;
- bankruptcy, insolvency or downturn in the business of tenants or sub-tenants which may cause any of them not to renew their leases or sub-leases or to terminate them before they expire;
- competition for tenants from other similar properties which may affect rental levels or occupancy levels at the Properties;
- changes in laws and governmental regulations in relation to real estate, including those governing usage, zoning, taxes and government charges. Such revisions may lead to an increase in management expenses or unforeseen capital expenditure to ensure compliance. Rights related to the relevant Properties may also be restricted by legislative actions, such as revisions to the building standards laws or the town planning laws, or the enactment of new laws relating to contamination and redevelopment; and
- acts of God, wars, terrorist attacks, riots, civil commotions, widespread communicable diseases and other events beyond the control of the Manager.

The Properties may be affected by contamination and other environmental issues

Various properties owned by CIT may, from time to time, be affected by contamination or other environmental issues which may not previously have been identified and/or rectified. If such Properties are found to be contaminated, they would be required to be decontaminated accordingly. In such event, CIT may be required to incur unbudgeted additional expenditure in order to remedy such issues and may be liable to JTC and/or any third party for the consequences of contamination and decontamination where CIT has agreed to carry out decontamination works. In addition, if JTC and/or CIT require an EBS to be carried out during the period of leaseback to the Vendor, CIT is required to bear the costs of the EBS conducted regardless of the outcome of the results of the EBS. There is also the possibility that CIT may be prosecuted by the relevant authorities for contamination issues. In such event, the net income of CIT may be adversely affected.

The state lease for 45 Changi South Avenue 2 has not been issued

Although the President of Singapore has not issued to JTC the state lease for 45 Changi South Avenue 2, JTC has entered into a building agreement dated 13 July 1996 as amended by a first supplementary agreement dated 16 May 2003 with Chung Shan Plastics Pte. Ltd. ("CSP") in respect of 45 Changi South Avenue 2 (the "Building Agreement"), whereby JTC agreed to grant to CSP a lease for a term of 30 years commencing from 1 September 1995. CSP's rights, title, benefit and interest to the Building Agreement will be assigned to the Trustee on completion of the sale and purchase of 45 Changi South Avenue 2.

For as long as the President of Singapore does not issue the state lease for 45 Changi South Avenue 2 to JTC, CIT will only have an equitable interest in the lease granted by JTC in respect of 45 Changi South Avenue 2. This may have an adverse effect on the future marketability of this Property.

CIT may be liable for encroachment on neighbouring properties

As a result of changes to the Boundaries and Survey Maps Act of Singapore, the boundaries of a number of properties in Singapore including several of the Properties have changed and as a result there may be encroachment by some structures or boundary walls on neighbouring state or private land. If the Government of Singapore or the relevant private land owner requires such encroachments to be rectified by CIT, it could adversely affect the net income of CIT.

In particular, the Singapore Land Authority (the "SLA") has inserted an encroachment statement on the Certificate of Title relating to the Panasonic Building giving notice that part of a retaining wall of the Panasonic Building encroaches onto state land adjoining the Panasonic Building (the "State Land"). The Vendor of the Panasonic Building, S C Merah Pte Ltd ("SCM") had, at SLA's request, given an undertaking to SLA in a form and on the terms stipulated by SLA in connection with the encroachment (the "SLA Undertaking").

The terms of the SLA Undertaking provide that the owner of the Panasonic Building undertakes to remove at its cost and expense, the encroachment as and when the State Land is required for development and to reinstate the State Land to the full satisfaction of the Collector of Land Revenue. The owner also undertakes to indemnify the Government of Singapore in respect of such encroachment and to obtain a similar undertaking from any party to whom the Panasonic Building is transferred, failing which, the owner shall be required to remove at its cost and expense, the encroachment and reinstate the State Land to the full satisfaction of the Collector of Land Revenue.

The Trustee, as the new future owner of the Panasonic Building, agreed with SCM to give the SLA Undertaking to SLA but SCM has in turn given the Trustee an indemnity and undertaking in support of certain obligations or liabilities that the Trustee may have in respect of the encroachment. Unless the encroachment is earlier removed, the indemnity and undertaking is for a period of 15 years or for as long as SCM remains a tenant, whichever is longer. However, if the Trustee is required to remove the encroachment or re-instate the relevant land after that period, the cost of such removal or reinstatement could have an adverse effect on the net income of CIT. In addition, although the benefit of the indemnity and undertaking from SCM can be assigned to a future purchaser, once the indemnity and undertaking terminates after the aforesaid period, it may affect the marketability of the Property.

Damage to the Properties prior to Completion may not constitute "material damage" in the Sale and Purchase Agreements and some Vendors may have an extended period to rectify both damage and existing defects

The Sale and Purchase Agreements in relation to the Properties provide the Trustee with the right to elect to rescind the Sale and Purchase Agreements in the event that there is "material damage" to the Properties prior to Completion. The test for "material damage" is by reference to the extent of the reduction in the fair market value of the Property as a result of the damage to the Property. This may range from 3.0% or more to 10.0% or more, depending on the particular Sale and Purchase Agreement (see the section titled "Certain Agreements relating to Cambridge Industrial Trust and its Properties"). In respect of certain of the Properties, such as Jurong Districentre and CWT Distripark (HQ), material damage is considered to have occurred only in the event that the respective fair market values of these Properties is reduced by more than 10.0% as a result of the damage. In the event of the occurrence of any damage to the Properties not constituting "material damage", the Trustee is legally bound to proceed with completion of the acquisition of the Property even though that same damage may constitute material damage if it had occurred in respect of another Property with a lower test threshold. This may result in CIT purchasing Properties whose actual values are below the purchase consideration which CIT is paying. The respective Vendors of Jurong Districentre and CWT Distripark (HQ) are also only obliged to make good any defects and damage to the facade of the Properties within one year after completion of the acquisition and, for repairs other than to the facade, within five years after the completion of the acquisition of the Properties. This may adversely affect CIT's ability to sell the abovementioned Properties within those periods if any such defects or damage have not been rectified by the relevant Vendor.

CIT may not be entitled to the assignment of all the guarantees and/or warranties from the main contractor, builders and/or suppliers of the Properties, as provided for in the respective Sale and Purchase Agreements

CIT is, pursuant to the Sale and Purchase Agreements in respect of the Properties (other than in respect of 28 Woodlands Loop, where the contractor is no longer in business), entitled to the assignment of all guarantees and/or warranties from the main contractor, builders and/or suppliers of services to the respective Properties. However, such guarantees and/or warranties may not be assignable to CIT. For example, where such guarantees and/or warranties have lapsed and/or expired, where the relevant contractors, builders and/or suppliers have been wound up or, for any other reason, are not available to carry out the relevant assignments or where such guarantees and/or warranties are, for any reason, not assignable to third parties.

The appraisals of the Properties are based on various assumptions and the price at which CIT is able to sell a Property may be different from the initial Acquisition Value of such Property

CIT will use the net proceeds of the Offering to complete its purchase of the Properties on the day of commencement of listing of the Units on the SGX-ST, which is expected to be 25 July 2006. The purchase consideration paid by CIT is generally equivalent to, but in certain cases is higher or lower than, the Appraised Values of the Properties as determined by Chesterton International Property Consultants Pte Ltd, Colliers International Consultancy & Valuation (Singapore) Pte Ltd (each an "Independent Valuer") or Jones Lang LaSalle Property Consultants Pte Ltd (the "Additional Independent Valuation") (see Appendix III "Independent Property Valuation Summary Reports" and Appendix IV "Additional Independent Property Valuation Summary Reports").

The appraisals were conducted in accordance with instructions issued by the Manager and the Independent Valuers and Additional Independent Valuer used the discounted cash flow analysis (the "DCF Method") as well as other valuation methods commonly used in evaluating properties. The DCF Method is based on assumed cash flows from a particular property over a certain future time period and, after deducting all relevant outgoings, a discount rate is applied to determine the net present value (the "NPV") of this income stream. Many assumptions are made under the DCF Method, such as the property will be sold at the end of an assumed holding period.

In addition to the DCF Method, the Independent Valuers also used the direct comparison method. One of the Independent Valuers, Colliers International, has also used the income method and the replacement cost method. The Additional Independent Valuer has used the direct capitalisation method in addition to the DCF Method (see Appendix IV "Additional Independent Property Valuation Summary Reports"). Although the Independent Valuers and Additional Independent Valuer conducted market research before finalising their assumptions, there can be no assurance that these assumptions are accurate measures of the market and, thus, the Appraised Values of the Properties may be inaccurate.

In addition, the methods and assumptions used by each of the Independent Valuers and the Additional Independent Valuer differed in certain aspects even for valuations conducted in respect of the same Property.

The Appraised Value of any of the Properties is not an indication of, and does not guarantee, a sale price at that value at present or in the future. The price at which CIT may sell a Property may be lower than its purchase price.

The Properties may be subject to increases in operating and other expenses

CIT's ability to make distributions to Unitholders could be adversely affected if operating and other expenses increase without a corresponding increase in revenues.

Factors which could increase operating and other costs include, among others:

- increases in property taxes and other statutory charges;
- changes in statutory laws, regulations or government policies which increase the cost of compliance with such laws, regulations or policies;
- increases in sub-contracted service costs;
- increases in the rate of inflation;
- increases in insurance premiums; and
- defects affecting the Properties which need to be rectified, leading to unforeseen capital expenditure.

The Properties are located in Singapore which exposes CIT to economic and real estate market conditions in Singapore

The Properties are all situated in Singapore which exposes CIT to the risk of a downturn in economic and real estate market conditions in Singapore. The value of the Properties may also be adversely affected by a number of local real estate market conditions such as oversupply, the performance of other competing industrial properties or reduced demand for industrial space.

Renovation works or physical damage to the Properties may disrupt the business and operations of those Properties and CIT

The demand and rental rates for space in the Properties are likely to be affected by the quality and design of the Properties. The Properties may need to undergo renovation works from time to time. During the period of such renovation works, the business and operations of the Properties may be disrupted and it may not be possible to collect rental income on premises affected by such renovation works.

In addition, physical damage to the Properties resulting from fire or other causes may lead to a significant disruption to the business or operation of the Properties and result in an adverse impact on the financial condition and results of operations of CIT.

CIT may not have legal rights of access to the roads which give access to certain Properties

Some of the Properties which are held under HDB leases, namely 21 Ubi Road 1, Standard Form Building and MEC TechnoCentre, two of the Properties which are held under URA leases, namely CSE Global Building and 2 Tuas South Avenue 2, and one of the Properties which is held under a JTC lease, 9 Tuas View, are accessible only by way of roads which are owned by the state, JTC or Ascendas (Ubi) Pte Ltd. CIT has obtained written confirmations that CIT and any of its tenants, sub-tenants or other permitted users are entitled to access such roads. However, there is no assurance that such confirmations would not be revoked or withdrawn in the future. In the event of such revocations or withdrawals of confirmations, or objections, CIT may find itself unable to gain and grant proper access to the respective Properties, which may adversely affect the proper usage by CIT or any of its tenants, sub-tenants or other permitted users of such Properties and have an adverse impact on the net income of CIT and the value of CIT's property portfolio.

CIT will hold the Properties on leases from JTC, HDB and the President of Singapore, and these leases contain certain provisions that may have an adverse effect on the financial condition and results of operations of CIT

The Trustee, on behalf of CIT, will hold the Properties pursuant to separate leases from JTC, HDB and the President of Singapore. Each Property which is held under a lease from JTC (the "JTC Lease") contains terms and conditions ordinarily found in building agreements entered into or leases granted by JTC such as provisions requiring the lessee:

- to pay a yearly rent to JTC;
- not to demise, assign, mortgage, let, sublet or underlet or grant a licence or part with or share the possession or occupation of the whole or part of the Property without first obtaining JTC's prior written consent; and
- not to use or permit the Property to be used otherwise than for such purposes as approved by JTC.

Each Property which is held under a lease from HDB (the "HDB Lease") contains terms and conditions ordinarily found in building agreements entered into or leases granted by HDB such as provisions requiring the lessee:

- to pay yearly rent to HDB; and
- not to demise, transfer, assign, mortgage, let, sublet or underlet or licence or part with possession of the Property or any part thereof and not to effect any form of reconstruction including any form of amalgamation or merger with or take-over by another company or body without first obtaining the consent of HDB in writing.

Each Property which is held under a lease from the President of Singapore (the "State Lease") contains terms and conditions ordinarily found in leases granted by the President of Singapore, such as provisions:

- preventing the lessee, without the written approval of the lessor, from using or permitting the Property to be used otherwise than as permitted by the terms of the State Lease or in accordance with approval obtained from the lessor and the competent planning authority;
- granting the lessor the right of re-entry if the lessee fails to perform or observe any of the terms and conditions of the State Lease. Upon re-entry, the term of the State Lease will cease but without prejudice to any right of action or other remedy that the lessor may have; and
- requiring the lessee to surrender to the Government of Singapore, without compensation, such portions of the Property which may be required from time to time for roads, drainage, or any other public purpose as may be declared or notified to the lessee.

While the Properties are located in Singapore, CIT's future acquisitions may be located elsewhere in Asia, which exposes CIT to economic and real estate market conditions and changes in fiscal policies in such other countries

The principal investment strategy of CIT is to invest in a diversified portfolio of income-producing real estate which is used for industrial purposes in Singapore and elsewhere in Asia.

Investment in properties in such other countries will expose CIT to local real estate market conditions in these countries. An economic decline in any one or more of the countries in which the properties of CIT are located could adversely affect CIT's operations and future growth. Other local real estate market conditions which may adversely affect the performance of CIT include the attractiveness of competing industrial properties or, for example, if there is an oversupply of industrial properties or reduced demand for industrial properties. CIT may also be exposed to risks associated with exchange rate fluctuations between the Singapore dollar and the local currency of those countries in which it invests.

Further, CIT will be subject to foreign real estate laws, regulations and policies as a result of its property investments in foreign countries. There might be a negative impact on CIT's properties in foreign countries as a result of measures and policies adopted by the relevant foreign governments and regulatory authorities at national, provincial or local levels, such as government control over property investments or regulations in relation to foreign exchange. Legal protection and recourse available to CIT in certain countries may be limited.

In addition, the income and gains derived from investment in properties in foreign countries will be subject to various types of taxes in Singapore and in such countries, including income tax, withholding tax, capital gains tax and any other taxes that may be imposed specifically for ownership of real estate. All these taxes, which are subject to changes in laws and regulations that may lead to an increase in tax rates or the introduction of new taxes, could adversely affect and erode the returns from these properties and hence the yield to investors. There is also no assurance that CIT will be able to repatriate to Singapore the income and gains derived from investment in properties outside Singapore on a timely and regular basis. Any inability to repatriate the income and gains to Singapore will affect CIT's ability to make distributions to Unitholders out of such income and gains.

CIT's purchase of the Properties may be subject to risks associated with the acquisition of new properties

While the Manager believes that reasonable due diligence investigations have been conducted with respect to the Properties prior to their acquisition, there can be no assurance that the Properties will not have certain defects or deficiencies other than those disclosed in this Prospectus. In addition, some of the Properties may be in breach of laws and administrative regulations (including those in relation to real estate which the Manager's due diligence did not uncover) or may not comply with certain regulatory requirements. As a result, CIT may incur additional financial or other obligations in relation to such defects or deficiencies.

In addition, the Manager has obtained appraisal reports from the Independent Valuers, in respect of valuations on each of the Properties on which it has based its negotiation of the purchase consideration and other terms and conditions relating to the purchase of the Properties (in particular with respect to the representations, warranties and/or indemnities agreed to or not agreed to, as the case may be) and letters of confirmation as at 15 May 2006 that, based on a more limited review (see "Independent Property Valuation Summary Reports" in Appendix III), the values in the appraisal reports dated 19 January 2006 remained unchanged. For the purpose of obtaining an additional independent opinion, the Manager has also obtained appraisal reports from the Additional Independent Valuer, in respect of valuations as at 15 May 2006 on the top 10 Properties by Acquisition Value. There is no assurance that the appraisal reports or letters of confirmation obtained in respect of the Properties are accurate, or do not contain over-valuations of the Properties. Where such appraisal reports contain inaccuracies or deficiencies, there is no guarantee that the terms and conditions on which CIT entered into, and the purchase consideration paid for, the acquisition of the relevant Property do not collectively reflect an over-valuation of the Property at the time of the acquisition.

CIT may be adversely affected by the illiquidity of real estate investments

CIT invests in industrial real estate which entails a higher level of risk than a portfolio which has a diverse range of investments. Real estate investments, particularly investments in high value properties, such as those in which CIT intends to invest, are relatively illiquid. Such illiquidity may affect CIT's ability to vary its investment portfolio or dispose of part of its assets in response to changes in economic, real estate market or other conditions. For example, CIT may be unable to dispose of its assets on short notice or may be forced to give a substantial reduction in the price that may otherwise be sought for such assets in order to ensure a quick sale. Moreover, CIT may face difficulties in securing timely and commercially favourable financing in asset-based lending transactions secured by real estate due to the illiquid nature of real estate assets. This could have an adverse effect on CIT's financial condition and results of operations, with a consequential adverse effect on CIT's ability to make expected distributions to Unitholders.

The Properties or part thereof may be acquired compulsorily

The Land Acquisition Act, Chapter 152 of Singapore gives the Government of Singapore the power to acquire any land in Singapore:

(i) for any public purpose;

(ii) where the acquisition is of public benefit or of public utility or in the public interest; or

(iii) for any residential, commercial or industrial purposes.

The compensation to be awarded pursuant to any compulsory acquisition would be based on the lowest of: (i) the market value of the property as at 1 January 1995; (ii) the market value of the property as at the date of the publication in the Government Gazette of the notification of the likely acquisition of the land (provided that within six months from the date of publication, a declaration of intention to acquire is made by the publication in the Government Gazette of the notification of the likely acquisition of the land); and (iii) the market value of the property as at the date of publication in the Government Gazette of the declaration of intention to acquire.

Accordingly, if the market value of a Property (or part thereof) is greater than the lowest of the market values referred to above, the compensation paid in respect of the Property will be less than its market value. In such event, such compulsory acquisitions would have an adverse effect on the net income of CIT and the value of CIT's property portfolio.

Further, properties that CIT acquires in future may be located in other countries. The laws of these countries may also provide for a right by the governments of these countries to compulsorily acquire any land or property with no compensation to the owner or with compensation which is below market value. Such compulsory acquisitions would have an adverse effect on the net income of CIT and the value of CIT's property portfolio.

CIT may suffer material losses in excess of insurance proceeds

The Properties may suffer physical damage caused by fire or other causes, or CIT may suffer public liability claims, resulting in losses (including loss of rent) which may not be fully compensated by insurance proceeds. In addition, certain types of risk (such as war risk, terrorist acts and losses caused by the outbreak of contagious diseases, contamination or other environmental breaches) may be uninsurable or the cost of insurance may be prohibitive when compared to the risk. Should an uninsured loss or a loss in excess of insured limits occur, CIT could be required to pay compensation and/or lose capital invested in the affected Property as well as anticipated future revenue from that Property. CIT would also remain liable for any debt or other financial obligation related to that Property.

No assurance can be given that material losses in excess of insurance proceeds will not occur in the future. In the event that an uninsured loss or a loss in excess of insured limits occurs, CIT may not be able to rent out such affected Property and this would in turn have an adverse effect on the net income of CIT and the value of CIT's property portfolio.

CIT may not be able to renew the terms of the underlying leases of certain of the Properties for which there is an option to renew

The underlying leases of certain of the Properties contain a covenant by the relevant lessor to grant a further renewal term following the expiry of the current lease subject to compliance with the terms of the underlying leases. While the terms of the respective investment criteria have either been satisfied or waived, there is no assurance that CIT would eventually be able to extend the lease term of the underlying leases of these Properties. If CIT for whatever reason is not able to extend the lease term of the underlying leases of any of these Properties, CIT will have to surrender such Property to its lessor upon the expiry of the original lease term. The value of the Deposited Property, and consequently the asset value underlying the Units, may be substantially reduced upon such surrender. Any potential income expected after the extension of the lease term will not be realised. In addition, in compliance with the terms of the lease, CIT may be required to incur the expenditure of substantial amounts of money to reinstate the Property to a state and condition acceptable to the lessor, including the demolition of any existing building and/or reinstatements on the Property. This would have an adverse effect on the net income of CIT.

The Properties may be affected or damaged by acts of terrorism

Following the terrorist attacks in the United States in 2001 and subsequent attacks in South-East Asia, there is a heightened risk of terrorism in the region. Various properties owned by CIT may be affected or damaged by acts of terrorism. Where such damage occurs, this may lead to a significant disruption to the business or operation of the relevant Properties and result in an adverse impact on the financial condition and results of operations of CIT. In such event, the net income of CIT may be adversely affected.

Risks Relating to CIT's Operations

Both CIT and the Manager, as new entities, do not have established operating histories for investors to rely on in making an investment decision

CIT was established on 31 March 2006 and the Manager was incorporated on 14 September 2005. As such, neither CIT (as a REIT) nor the Manager (as the manager of a REIT) have operating histories by which their past performance may be judged. This will make it more difficult for investors to assess their likely future performance. There can be no assurance that CIT will be able to generate sufficient revenue from operations to make distributions to Unitholders or that such distributions will be in line with those set out in the section titled "Profit Forecast and Profit Projection".

Historical pro forma financial information in relation to the Properties is not available

The Manager is unable to prepare historical pro forma statements of total return, cash flow statements and balance sheets to show the pro forma financial performance of CIT as:

- the Properties will be acquired from third parties and historical financial information relating to the relevant Properties is not available to CIT; and
- the Properties were wholly or partly occupied by the Vendors prior to CIT's acquisition thereof. As such, even if the relevant historical financial information was made available to CIT, CIT would not be able to identify the property-related expenses of the Vendors from the expenses incurred by the Vendors in connection with their overall business operations. There would also not be any historical rental income for the Properties occupied, wholly or partly, by the Vendors.

As such, there is no pro forma information by which the past performance of any or all of the Properties may be judged. This will make it more difficult for investors to assess their likely future performance. There can be no assurance that the Properties will be able to generate sufficient revenue for CIT to make distributions to Unitholders or that such distributions will be in line with those set out in the section titled "Profit Forecast and Profit Projection".

CIT's strategy of investing in industrial properties may entail a higher level of risk compared to other types of trusts that have a more diverse range of investments

CIT's principal strategy of investing in real estate which is used for industrial purposes may entail a higher level of risk compared to other types of unit trusts that have a more diverse range of investments. A concentration of investments in a portfolio of such industrial real estate assets in Singapore may cause CIT to be susceptible to a downturn in the industrial real estate market. This may lead to a corresponding decline in the rental income for such industrial real estate assets in CIT's portfolio and/or a decline in the capital value of CIT's portfolio, which will have an adverse impact on distributions to Unitholders and/or the results of operations and the financial condition of CIT.

Payment of Management Fees in cash by CIT to the Manager may have an adverse effect on the cash flow of CIT and its ability to make distributions to Unitholders

In addition to the Base Fee, the Manager is entitled to a Performance Fee where the total return (comprising capital gains and accumulated distributions, and assuming all distributions are re-invested in CIT) of the Units (expressed as the Trust Index) in any Half Year exceeds the total return (comprising capital gains and accumulated distributions and assuming reinvestment of all distributions) of the Benchmark Index. If the Trust Index outperforms the Benchmark Index by a substantial margin, the amount of Performance Fee to be paid to the Manager will increase considerably. The Manager is also entitled to payment of the Base Fee and/or Performance Fee (if any), upon the occurrence of a Trigger Event, resulting in the Manager being removed (see the section titled "The Manager and Corporate Governance — Management Fees: Payment of Management Fees"). In addition, although the maximum amount of Management Fees to be paid to the Manager in respect of a Financial Year is subject to an annual fee cap, the payment of accrued Performance Fees could exceed the annual fee cap (see the section titled "Summary — Structure of Cambridge Industrial Trust: Certain Fees and Charges: (a) Manager's Management Fees — Annual Fee Cap"). If CIT is required to pay a large amount of Performance Fee or accrued Performance Fee in cash, its cash flow and its ability to make distributions to Unitholders may be adversely affected. (See the sections titled "Summary — Structure of Cambridge Industrial Trust: Certain Fees and Charges: (a) Manager's Management Fees — Management Fee — Performance Fee" and "The Manager and Corporate Governance — Management Fees: Payment of Management Fees").

The Manager may not be able to implement its future plans

One of the Manager's future plans is to grow CIT's portfolio of industrial properties in Singapore and Asia and provide stable distributions to Unitholders. There can be no assurance that the Manager will be able to expand CIT's portfolio at all, or at any specified rate or to any specified size. The Manager may not be able to make investments or acquisitions on favourable terms in a desired time frame. CIT will rely on external sources of funding to expand its portfolio, which may not be available on favourable terms or at all. Even if CIT were able to complete additional property investments successfully, there is no assurance that CIT will achieve its intended return on such investments. As the amount of debt CIT can incur to finance acquisitions is limited, such acquisitions will be dependent on CIT's ability to raise equity capital which may result in a dilution of Unitholders' holdings. Potential vendors may also view the necessity of raising equity capital to fund any such purchase negatively and may prefer other potential purchasers.

Furthermore, there may be significant competition for attractive investment opportunities from other real estate investors, including commercial property development companies and private investment funds. There can be no assurance that CIT will be able to compete effectively against such entities.

In addition, CIT also intends to engage in various projects, such as an intended development project to be entered into between CIT and YCH DistriPark (Pte) Ltd (see the section titled "Business and Properties — Capital Expenditure"). However, as the terms of the agreement governing the intended development project have not been negotiated and agreed upon, there is no assurance that the intended property development project will eventually be carried out.

CIT depends on certain key personnel, and the loss of any key personnel may adversely affect its operations

CIT's success depends, in part, upon the continued service and performance of members of the Manager's senior management team and certain key senior personnel, particularly Mr Leong Weng Chee, the Manager's Chief Executive Officer, Mr Chan Wang Kin, the Manager's Managing Director, Strategy and Mr Ang Poh Seong, the Manager's Managing Director, Investment. These key personnel may leave the Manager or compete with it and CIT. The loss of any of these individuals, or of one or more of the Manager's other key employees, could have a material adverse effect on CIT's results of operations and financial condition.

The amount CIT may borrow is limited, which may affect the operations of CIT

Under the Property Funds Guidelines, the total borrowings and deferred payments (including deferred payments for assets whether to be settled in cash or in units of CIT) of CIT should not exceed 35.0% of its Deposited Property. The aggregate leverage of CIT may exceed 35.0% of the Deposited Property (up to a maximum of 60.0%) only if a credit rating of CIT from Fitch, Inc., Moody's or Standard & Poor's is obtained and disclosed to the public. CIT should continue to maintain and disclose a credit rating so long as its aggregate leverage exceeds 35.0% of its Deposited Property. On 3 July 2006, Standard & Poor's International, LLC assigned to CIT a long term corporate credit rating of 'BBB-', conditional upon the Offering and the acquisition of the Properties.[1] Upon its listing on the SGX-ST, CIT will have an initial level of indebtedness of 38.5% of the value of its Deposited Property based on:

- CIT's unaudited pro forma balance sheet as at the Listing Date (see the section titled "Unaudited Pro Forma Balance Sheet as at Listing Date"); and
- the Offering Price of S$0.68 per Unit.

Adverse business consequences of this limitation on borrowings may include:

- an inability to fund capital expenditure requirements in relation to CIT's existing portfolio or in relation to the acquisition by CIT of additional properties to expand its portfolio;
- a decline in the value of the Deposited Property may cause the borrowing limit to be exceeded, thus affecting CIT's ability to incur further borrowings; and
- cash flow shortages (including with respect to distributions) which CIT might otherwise be able to resolve by borrowing funds.

CIT may have a higher level of gearing than certain other types of unit trust

The Trustee has entered into an agreement with ABN AMRO Bank setting out the terms and conditions of the Bridge Loan Facility of S$400.0 million.

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[1] Standard & Poor's International, LLC has given its written consent to the issue of this Prospectus with the statements about the rating assigned to CIT in the form and context in which they are included, and has not withdrawn that consent before the date of this Prospectus. A rating may be changed, suspended or withdrawn at any time as a result of changes in, or unavailability of, information, or based on other circumstances. A Standard & Poor's rating is not a recommendation to buy, hold or sell any securities and Standard & Poor's International, LLC, in giving a rating, does not comment on market price of or suitability in relation to a particular investor.

Furthermore, the Trustee has also agreed to mandate ABN AMRO Bank to arrange the Facilities, namely the Warehouse Facility extended by the Issuer SPV/Trust of up to S$390.0 million, which is a two-year secured term loan ultimately funded through the United States commercial paper market, and the Overdraft Facility of up to S$10.0 million from the Singapore branch of ABN AMRO Bank or the Issuer SPV/Trust which, subject to the agreement of relevant terms, definitive documentation and the satisfaction of the conditions contained in the Warehouse Facility and the Overdraft Facility, will together be used to repay the Bridge Loan Facility.

CIT may also, from time to time, require additional debt financing to achieve the Manager's investment strategies.

CIT's level of borrowings may represent a higher level of gearing as compared to certain other types of unit trust, such as non-specialised collective investment schemes which invest in equities and/or fixed income instruments.

CIT faces risks associated with debt financing

CIT will be subject to risks associated with debt financing, including the risk that cash flow will be insufficient to meet required payments of principal and interest under such financing and to make distributions to Unitholders.

As security for payments in connection with the Bridge Loan Facility, any interest rate swap pursuant to the Interest Rate Swap Agreement and the Facilities (assuming the Facilities are entered into), all the assets of CIT including the Properties, and the rights, title and interest in leases, insurances and rental proceeds relating to the Properties, and the rights and interests under the Property Management Agreement, will be mortgaged, assigned and charged to ABN AMRO Bank or the Issuer SPV/Trust (as the case may be) and any new assets acquired by CIT, and the rights and interests of CIT in certain contracts, may also be mortgaged, assigned and charged to ABN AMRO Bank or the Issuer SPV/Trust (as the case may be). If CIT is unable to meet interest or principal payments in respect of such indebtedness, the Properties or any of them and any other assets of CIT so mortgaged, assigned or charged could be foreclosed by ABN AMRO Bank or the Issuer SPV/Trust (as the case may be), or ABN AMRO Bank or the Issuer SPV/Trust (as the case may be) could require a forced sale of the Properties or any of them, or such other assets, with a consequent loss of income and asset value to CIT.

If the Manager wishes to dispose of the Properties, it would (for so long as the Properties are mortgaged) require the approval of ABN AMRO Bank or the Issuer SPV/Trust (as the case may be). The need for such approval may restrict the ability of CIT to freely dispose of the Properties as there is no assurance that the approval would be obtained in time or at all.

In connection with the Bridge Loan Facility, the Interest Rate Swap Agreement and the Facilities, (assuming the Facilities are entered into), the Trustee will upon finalisation of the documentation be required to furnish convenants, representations and warranties in favour of ABN AMRO Bank or the Issuer SPV/Trust (as the case may be) relating to, among other things, CIT, the Manager, the Trustee and the Properties and to indemnify ABN AMRO Bank or the Issuer SPV/Trust (as the case may be) in relation to any breach of such convenants, representations and warranties. The Trustee is or may, in the case of the Bridge Loan Facility, the Interest Rate Swap Agreement and the Facilities, (assuming the Facilities are entered into), upon finalisation of the documentation, also be required to give certain other indemnities to ABN AMRO Bank or the Issuer SPV/Trust (as the case may be). In the event that ABN AMRO Bank or the Issuer SPV/Trust (as the case may be) or any party entitled to enforce the said convenants, representations, warranties and indemnities actually makes a claim in respect of any of them, the assets of CIT would be utilised to satisfy such a claim which could have a material adverse effect on CIT.

CIT's distribution policy is to distribute 100.0% of its taxable income for the period from the Listing Date to 31 December 2006 and thereafter to distribute at least 90.0% of its taxable income. As a result of this distribution policy, CIT may not be able to meet all of its obligations to repay principal on its debt obligations through its cash flow from operations. As such, CIT may be required to repay maturing debt with funds from additional debt or equity financing or both. There can be no assurance that such financing will be available on acceptable terms or at all.

CIT will also be subject to the risk that its existing borrowings may be terminated by ABN AMRO Bank upon the occurrence of certain events and it may not be able to refinance its existing borrowings. Even if CIT is able to refinance its existing borrowings, it will also be subject to the risk that the terms of such refinancing will not be as favourable as the terms of its existing borrowings. In addition, CIT may be subject to certain covenants in connection with any future borrowings that may limit or otherwise adversely affect its operations and its ability to make distributions to Unitholders. Such covenants may also restrict CIT's ability to acquire properties or undertake other capital expenditure or may require it to set aside funds for maintenance or repayment of security deposits.

In addition to the risks set out above, if prevailing interest rates or other factors at the time of refinancing (such as the possible reluctance of lenders to make loans in relation to industrial properties) result in higher interest rates upon refinancing, the interest expense relating to such refinanced indebtedness would increase, which would adversely affect CIT's cash flow and the amount of distributions it could make to Unitholders.

The right of first refusal and last look granted to the Manager (and later assigned to the Trustee) by CWT may lapse after the expiry of the three-year period from 3 October 2005

On 3 October 2005, the Manager was granted a right of first refusal and last look by CWT over each of the industrial properties owned or that may be owned by CWT or its subsidiaries in Singapore, and such other properties that may be owned by CWT or its subsidiaries in Malaysia, Indonesia, Thailand, Philippines, Australia, China, Taiwan, and the special administrative regions of Hong Kong and Macau during the period for which the right of first refusal and last look is granted, being three years from 3 October 2005 (See the section titled "The Manager and Corporate Governance — The Manager of CIT"). Although this period of grant may be extended, there is no assurance that the conditions attached to its extension will be adhered to and hence that the right of first refusal and last look would be valid after the expiry of three years from 3 October 2005. In particular, the Trustee, to whom the right of first refusal and last look was assigned on 31 March 2006, has no control over any of the conditions which the extension of the right of first refusal and last look is subject to. In the event that any of the conditions cannot be adhered to, the right of first refusal and last look would lapse and the Trustee would lose all competitive advantages granted to it pursuant to the right of first refusal and last look.

The right of first refusal granted to the Manager (and later assigned to the Trustee) by C & P Holdings may lapse after the expiry of the three-year period from 3 October 2005

On 3 October 2005 the Manager entered into a deed of covenant with C & P Holdings, whereby C & P Holdings agreed to procure the grant by C & P Distribution, a wholly-owned subsidiary of C & P Holdings, and the legal owner of the property under construction at Lot 8814 Mukim 27 at Changi South Lane, to the Manager of a right of first refusal over that property, which is expected to have a gross floor area of approximately 33,850 sq m. (See the section titled "The Manager and Corporate Governance — The Manager of CIT").

Although the period of grant may be extended beyond the initial period of three years, there is no assurance that the conditions attached to its extension will be adhered to and hence that the right of first refusal would be valid after the expiry of three years from 3 October 2005. In particular, the Trustee, to whom the right of first refusal was assigned on 31 March 2006, has no control over any of the conditions which the extension of the right of first refusal and last look is subject to. In the event that any of the conditions cannot be adhered to, the right of first refusal would lapse and the Trustee would lose all competitive advantages granted to it pursuant to the right of first refusal.

Further, although the Manager does not anticipate that the completion of the construction of this property will be delayed beyond the period of three years from 3 October 2005, there is nevertheless the possibility that due to unforseseen circumstances, completion may be delayed until after the abovementioned three-year period.

CIT may not be able to control or exercise any influence over entities in which it has minority interests

CIT may, in the course of future acquisitions, acquire minority interests in real estate-related investment entities. There can be no assurance that CIT will be able to control such entities or exercise any influence over the assets of such entities or their distributions to CIT. Such entities may develop objectives which are different from those of CIT and not be able to make distributions. The management of such entities may make decisions regarding the entities they control which could in turn adversely affect the operations of CIT and its ability to make distributions to Unitholders.

Risks Relating to an Investment in the Units

The actual performance of CIT and the Properties may differ materially from the forward-looking statements in this Prospectus

This Prospectus contains forward-looking statements regarding, among other things, forecast and projected distribution levels for the period from 31 July 2006 until 31 December 2006 and 1 January 2007 until 31 December 2007. These forward-looking statements are based on a number of assumptions which are subject to significant uncertainties and contingencies, many of which are outside CIT's control (see the section titled "Profit Forecast and Profit Projection — Assumptions"). In addition, CIT's revenue is dependent on rent from the Properties, which may decrease for a number of reasons including the insolvency of tenants or delays in rent payments by tenants. This may adversely affect CIT's ability to achieve the forecast and projected distributions as some or all of the events and circumstances assumed may not occur as expected, or events and circumstances may arise which are not currently anticipated. Actual results may be materially different from the forecasts and projections. While the Manager currently expects to meet the forecast and projected distribution levels, no assurance can be given that the assumptions will be realised and the actual distributions will be as forecast and projected.

The sale or possible sale of a substantial number of Units by the Investing Vendors (following the lapse of their lock-up arrangements or pursuant to applicable waivers) and/or the Cornerstone Investors in the public market following the Offering could adversely affect the price of the Units

Following the Offering, assuming the Over-allotment Option is not exercised, CIT will have 497,068,554 Units outstanding, of which 206,109,000 Units, or approximately 41.5%, will be held by investors participating in the Offering, an aggregate of 193,841,142 Units, or approximately 39.0%, will be held by the Investing Vendors and an aggregate of 97,118,412 Units, or approximately 19.5%, will be held by the Cornerstone Investors. The Units will be tradeable on the Main Board of the SGX-ST. If the Investing Vendors (following the lapse of their lock-up arrangements or pursuant to applicable waivers) and/or the Cornerstone Investors sell or are perceived as intending to sell a substantial amount of Units, the market price for the Units could be adversely affected. The Cornerstone Investors are not subject to any lock-up arrangements in respect of their holdings of Units with the exception of Mitsui (see section titled "Plan of Distribution — Lock-up Arrangements").

Distributions to Unitholders will be subject to CIT's cash flow

The net operating profit earned from real estate investments depends on, amongst other factors, the amount of rental income received, and the level of property, operating and other expenses incurred. If properties held by CIT do not generate sufficient net income, CIT's income, cash flow and ability to make distributions will be adversely affected.

No assurance can be given as to CIT's ability to pay or maintain distributions. Neither is there an assurance that the level of distributions will increase over time or that the receipt of rental income in connection with expansion of the Properties or future acquisitions of properties will increase CIT's cash flow available for distribution to Unitholders.

Distribution of 100.0% of its taxable income for the period from the Listing Date to 31 December 2006 and at least 90.0% of its taxable income thereafter may cause CIT to face liquidity constraints

CIT's distribution policy is to distribute 100.0% of CIT's taxable income for the period commencing from the Listing Date to 31 December 2006 and thereafter to distribute at least 90.0% of its taxable income. CIT is required by the Tax Ruling to distribute at least 90.0% of its taxable income. If CIT's taxable income is greater than its cash flow from operations, it may have to borrow to meet ongoing cash flow requirements in order to distribute at least 90.0% of its taxable income since it may not have any reserves to draw on. CIT's ability to borrow is, however, limited by the Property Funds Guidelines and the willingness of relevant banks to lend. Failure to make distributions would put CIT in breach of the terms of the Tax Ruling and CIT would be liable to pay income tax on its taxable income.

The Manager may change CIT's investment policies

CIT's policies with respect to certain activities including investments and acquisitions will be determined by the Manager. While the Manager has stated its intention to restrict investments to real estate in Singapore (used or substantially used) for industrial purposes, the Trust Deed gives the Manager wide powers to invest in other types of assets, including any real estate, real estate-related assets as well as listed and unlisted securities in Singapore and other jurisdictions. There are risks and uncertainties with respect to the selection of investments and with respect to the investments themselves.

CIT may not be able to comply with the terms of the Tax Ruling or the Tax Ruling may be revoked or amended

CIT has received the Tax Ruling from the IRAS under which tax transparency has been granted to CIT on stipulated terms and conditions. These terms and conditions include undertakings by the Trustee and the Manager to take all reasonable steps necessary to safeguard the IRAS against the loss of tax as a result of the Tax Ruling and to comply with all administrative requirements to ensure ease of tax administration.

The Tax Ruling grants tax transparency to CIT on taxable income that is distributed to Unitholders. The Tax Ruling, either in whole or in part, may be revoked or its terms may be reviewed and amended by the IRAS at any time. If the Tax Ruling is revoked or if CIT is unable to comply with its terms, CIT will be subject to tax on its taxable income and the tax will be assessed on, and collected from, the Trustee, in which case distributions to all Unitholders will be made after tax. If the terms of the Tax Ruling are amended, CIT may not be able to comply with the new terms imposed and this non-compliance could affect CIT's tax transparent status and its ability to distribute its taxable income free of tax deduction at source (see the section titled "Taxation — Terms and Conditions of the Tax Ruling" and Appendix V "Independent Taxation Report" for more information on the terms of the Tax Ruling.)

Foreign Unitholders may not be permitted to participate in future rights issues by CIT

The Trust Deed provides that in relation to any rights issue, the Manager may, in its absolute discretion, elect not to extend an offer of Units under a rights issue to those Unitholders whose addresses, as registered with CDP, are outside Singapore. The rights or entitlements to the Units to which such Unitholders would have been entitled will be offered for sale and sold in such manner, at such price and on such terms and conditions as the Manager may determine, subject to such other terms and conditions as the Trustee may impose. The proceeds of any such sale, if successful, will be paid to the Unitholders whose rights or entitlements have been so sold, provided that where such proceeds payable to the relevant Unitholder are less than S$10.00, the Manager is entitled to retain such proceeds as part of the Deposited Property. The Unitholding of the relevant Unitholder may be diluted as a result of such sale.

Unitholders may bear the effects of tax adjustments on income distributed in prior periods

Distributions will be based on CIT's taxable income as computed by the Manager. The taxable income of CIT as computed by the Manager may, however, be subject to adjustment by the IRAS. The effect of this adjustment would mean that CIT's actual taxable income may be either higher or lower than what was computed by the Manager. The difference between CIT's actual taxable income and CIT's taxable income as computed by the Manager for the purpose of making a distribution to Unitholders will be added to or deducted from the taxable income computed by the Manager for the subsequent distribution to Unitholders.

Tax transparency does not apply to gains realised from the disposal of properties and such gains will be subsequently assessed for taxation by the IRAS. Distributions will only be made out of such gains after tax has been paid by the Trustee in the case of trading gains or when the full amount of the gains is confirmed as non-taxable by the IRAS (see Appendix V "Independent Taxation Report" for further details).

Market and economic conditions may affect the market price and demand for the Units

Movements in domestic and international securities markets, economic conditions, foreign exchange rates and interest rates may affect the market price and demand for the Units. In particular, an increase in market interest rates may have an adverse impact on the market price of and demand for the Units if the annual yield on the price paid for the Units gives investors a lower return than other investments.

The Manager is not obliged to redeem Units

Unitholders have no right to request the Manager to redeem their Units while the Units are listed on the SGX-ST. It is intended that Unitholders may only deal in their listed Units through trading on the SGX-ST.

Third parties may be unable to recover in claims brought against the Manager as the Manager is not an entity with significant assets and CIT does not have a sponsor

Third parties, in particular Unitholders, may in future have claims against the Manager in connection with the carrying on of its duties as manager of CIT (including in relation to the Offering and this Prospectus).

Under the terms of the Trust Deed, the Manager is indemnified from the Deposited Property against any actions, costs, claims, damages, expenses or demands to which it may be put as manager of CIT unless occasioned by the fraud, gross negligence or wilful default of the Manager or breach of the Trust Deed by the Manager. In the event of any such fraud, gross negligence, wilful default or breach, only the assets of the Manager itself and not the Deposited Property would be available to satisfy a claim and there are no other parties, such as a sponsor, from whom recourse could be sought. The Manager was incorporated on 14 September 2005 and does not have significant assets and only has a paid up capital of approximately S$2.7 million.

The Units have never been publicly traded and the Offering may not result in an active or liquid market for the Units

Prior to the Offering, there has been no public market for the Units and an active public market for the Units may not develop or be sustained after the Offering. The Manager has received a letter of eligibility from the SGX-ST to have the Units listed and quoted on the Main Board of the SGX-ST. Listing and quotation does not, however, guarantee that a trading market for the Units will develop or, if a market does develop, the liquidity of that market for the Units.

Although it is currently intended that the Units will remain listed on the SGX-ST, there is no guarantee of the continued listing of the Units. CIT may not continue to satisfy the listing requirements for REITs.

The net asset value per Unit may be diluted if further issues are priced below the current net asset value per Unit

The Trust Deed contemplates that new issues of Units may occur, the offering price for which may be above, at or below the then current net asset value per Unit. Where new Units including Units which may be issued to the Manager in part payment of its management, acquisition and disposal fees, are issued at less than the net asset value per Unit, the net asset value of each of the existing Units may be diluted.

The rights of Unitholders are not identical to, and in some cases less protective than, the rights of shareholders under Singapore law

The rights of Unitholders are not identical to those granted to holders of shares in companies incorporated in Singapore.

For example, the Singapore Code on Takeovers and Mergers and the provisions of sections 138 to 140 of the SFA do not apply to acquisitions of Units. As such, a person may acquire any number of Units without being required to make a general offer to acquire the Units held by other Unitholders. In such an event, there is a risk that Unitholders may not benefit from a possible premium price over the then prevailing market price of the Units.

The price of the Units may decline after the Offering

The Offering Price of the Units is determined by agreement between the Manager and the Joint Lead Underwriters and may not be indicative of the market price of the Units after the completion of the Offering.

The price of the Units after the Offering may trade significantly below the Offering Price. The price of the Units will depend on many factors, including:

- the perceived prospects of CIT's business and investments and the Singapore industrial real estate market;
- differences between CIT's actual financial and operating results and those expected by investors and analysts;
- changes in analysts' recommendations or projections;
- changes in general economic or market conditions;
- the market value of CIT's assets;
- the perceived attractiveness of the Units against those of other equity securities, including those not in the real estate sector;
- the balance of buyers and sellers of the Units;
- the future size and liquidity of the Singapore REIT markets;
- any future changes to the regulatory system, including the tax system, both generally and specifically in relation to Singapore REITs;
- any inability on CIT's part to implement successfully its investment and growth strategies;
- foreign exchange rates; and

- broad market fluctuations, including weakness of the equity markets and increases in interest rates.

For these reasons, among others, Units may trade at prices that are higher or lower than the net asset value per Unit. To the extent that CIT retains operating cash flow for investment purposes, working capital reserves or other purposes, these retained funds, while increasing the value of its underlying assets, may not correspondingly increase the market price of the Units. Any failure on CIT's part to meet market expectations with regard to future earnings and cash distributions may adversely affect the market price for the Units.

In addition, the Units are not capital-protected products and there is no guarantee that Unitholders can regain the amount invested. If CIT is terminated or liquidated, it is possible that investors may lose all or a part of their investment in the Units.

Corporate disclosure, accounting and governance standards in Singapore may differ from those in other countries

There may be less publicly available information about Singapore REITs and public companies, such as CIT and the Manager, respectively, than is regularly made available by REITs or public companies in other jurisdictions. In addition, CIT's pro forma financial information has been, and financial information reported in the future will be, prepared in accordance with Singapore SFRS, which differs in certain significant respects from generally accepted accounting principles in other jurisdictions. Also, corporate governance standards in Singapore may differ from those in other jurisdictions.

Accounting standards in Singapore are subject to change

The financial statements of CIT may be affected by the introduction of new or revised accounting standards. The extent and timing of these changes in accounting standards are currently unknown. The Manager has not quantified the effects of such possible changes and there can be no assurance that these changes will not have a significant impact on the presentation of CIT's financial statements or on CIT's financial condition and results of operations. In addition, such changes may adversely affect the ability of CIT to make distributions to Unitholders.

CIT may be affected by the introduction of new or revised legislation, regulations, guidelines or directions affecting REITs

CIT may be affected by the introduction of new or revised legislation, regulations, guidelines or directions affecting REITs. There is no assurance that the MAS or any other relevant authority will not introduce new legislation, regulations, guidelines or directions which would adversely affect REITs generally, or CIT specifically.

USE OF PROCEEDS

The total proceeds to CIT from the Offering, combined with the proceeds from the subscription of Units by the Cornerstone Investors are estimated to be S$206.2 million, based on the Offering Price of S$0.68 per Unit.

The following table, for the purposes of illustration, sets out the intended source and application of the total proceeds from the Offering, and the subscription by the Cornerstone Investors as described above as well as the drawdown of the Bridge Loan Facility.

Source	**(S$'000)**	**Application**	**(S$'000)**
Borrowings	202,900	Cash portion of Acquisition Value of the Properties(1)	387,206
Offering and Cornerstone Units	206,195	Transaction costs(2) and debt related costs	21,456
		Working capital(3)	433
Total	409,095	Total	409,095

Notes:

(1) Excludes part settlement of the Acquisition Value of the Properties via Investing Vendor Consideration Units (see the section titled "Certain Agreements Relating to Cambridge Industrial Trust and its Properties").

	(S$'000)
Acquisition Value of the Properties	519,018
Less: Part settlement via Investing Vendor Consideration Units	(131,812)
Cash portion of the Acquisition Value	387,206

(2) This comprises payment of the Acquisition Related Costs of the Properties and issue costs, incurred in relation to the Offering and the subscription by the Cornerstone Investors.

(3) Excludes current portion of Borrowings.

As at the Listing Date, CIT is expected to have a cash balance of approximately S$1.6 million. The Manager believes that this cash balance together with any available undrawn amount of the Bridge Loan Facility and/or the Facilities will be sufficient for CIT's working capital requirements over the next 12 months following the close of the Offering.

OWNERSHIP OF THE UNITS

Upon completion of the Offering, the principal Unitholders of CIT and their Unitholdings will be as set out in the table below:

	Units owned after the Offering but before the exercise of the Over-allotment Option(1)		Units owned after the Offering and after the exercise of the Over-allotment Option(2)	
Cornerstone Investors:				
ABN AMRO Asset Management (Asia) Limited	22,000,000	4.4%	22,000,000	4.2%
Allianz Global Investors Hong Kong Limited	22,000,000	4.4%	22,000,000	4.2%
Mitsui & Co., Ltd.(3)	19,118,412	3.9%	19,118,412	3.6%
Henderson(4)	19,000,000	3.8%	19,000,000	3.6%
NTUC Income Insurance Cooperative Limited	15,000,000	3.0%	15,000,000	2.9%
Sub-total	97,118,412	19.5%	97,118,412	18.5%
Investing Vendors(5):				
YCH Group Pte Ltd(6)	42,941,177	8.6%	42,941,177	8.2%
Brilliant Manufacturing Ltd	31,155,883	6.2%	31,155,883	5.9%
CWT Limited(7)	29,411,765	5.9%	29,411,765	5.6%
Jurong Districentre Pte Ltd(8)	22,058,824	4.4%	22,058,824	4.2%
Gliderol Doors (S) Pte Ltd	14,411,765	2.9%	14,411,765	2.7%
ODC Logistics (S) Pte Ltd	7,352,942	1.5%	7,352,942	1.4%
S C Merah Pte Ltd	7,352,942	1.5%	7,352,942	1.4%
Chempark Pte Ltd	7,302,353	1.5%	7,302,353	1.4%
StorHub Self Storage Pte Ltd	6,823,530	1.4%	6,823,530	1.3%
Exklusiv Auto Services Pte Ltd	4,731,525	0.9%	4,731,525	0.9%
The Excalibur Corporation Pte Ltd	3,842,551	0.8%	3,842,551	0.7%
Uchem Products Pte Ltd	3,750,000	0.8%	3,750,000	0.7%
Sanwa Plastic Industry Pte Ltd	3,382,353	0.7%	3,382,353	0.7%
Wong Sam Ngian Engineering (Pte) Ltd	2,941,177	0.6%	2,941,177	0.6%
BG Casting Pte Ltd	2,823,530	0.6%	2,823,530	0.5%
Brilliant Magnesium Pte Ltd	2,823,530	0.6%	2,823,530	0.5%
SLS Holdings (Pte) Ltd	735,295	0.1%	735,295	0.1%
Sub-total	193,841,142	39.0%	193,841,142	36.8%
Public and institutional investors(9)	206,109,000	41.5%	235,109,000	44.7%
	497,068,554	100.0%	526,068,554	100.0%

Notes:

(1) Assuming that the Over-allotment Option is not exercised.

(2) Assuming that the Over-allotment Option is exercised in full.

(3) Mitsui & Co., Ltd. holds 20.0% of the issued share capital of the Manager.

(4) Refers to Henderson Global Investors Limited which will be subscribing for 13,255,000 Cornerstone Units and its wholly-owned subsidiary Henderson Fund Management plc, which will be subscribing for 5,745,000 Cornerstone Units.

(5) Under the Sale and Purchase Agreements, an aggregate of 193,841,142 Investing Vendor Consideration Units will be issued to the Investing Vendors as part consideration for the acquisition of the Properties. The price per Investing Vendor Consideration Unit is the same as the Offering Price per Unit.

(6) YCH Group Pte Ltd is the nominee of YCH DistriPark (Pte) Ltd in respect of the Investing Vendor Consideration Units which YCH DistriPark (Pte) Ltd is entitled to in respect of the sale of YCH DistriPark.

(7) CWT Limited holds 20.0% of the issued share capital of the Manager.

(8) Jurong Districentre Pte Ltd is a subsidiary of CWT Limited.

(9) Includes the CIT Reserved Units.

Each of the above Investing Vendors has entered into lock-up agreements in relation to their Investing Vendor Consideration Units and Mitsui has entered into a lock-up agreement in relation to its Cornerstone Units, in each case as set out on page 350 and 351 respectively of this Prospectus.

Each of the Cornerstone Investors (as set out below) has entered into a subscription agreement, as supplemented or amended, (collectively, the "Cornerstone Subscription Agreements") with the Manager to subscribe for Units at the Offering Price, conditional upon the Manager and the Joint Global Co-ordinators and Bookrunners entering into the Underwriting Agreement and the Underwriting Agreement not having been terminated pursuant to its terms on or prior to the close of the Application List.

In the event that one or more of the Cornerstone Investors fails to subscribe and pay for its portion of the Cornerstone Units, the Manager and/or the Joint Global Co-ordinators and Bookrunners reserve the right to procure alternative investors and the Joint Global Co-ordinators and Bookrunners reserve the right to terminate the Underwriting Agreement.

Information on the Cornerstone Investors

ABN AMRO Asset Management (Asia) Limited in Hong Kong is the regional headquarters of ABN AMRO Asset Management in Asia-Pacific. ABN AMRO Asset Management, the asset management arm of ABN AMRO Bank N.V., is a global asset management group with total assets under management of approximately Euro 176 billion and over 1,600 employees as of 31 December 2005. From its joint headquarters in Amsterdam and London, ABN AMRO Asset Management is locally represented in over 20 countries worldwide. Global asset management is co-ordinated through key regional centres with each centre responsible for account management, sales, marketing, client servicing and local product development in its region. The regional headquarters in Hong Kong functions as the firm's regional investment centre. There are a total of nine offices in the Asia-Pacific region.

Allianz Global Investors Hong Kong Limited ("Allianz Global Investors Hong Kong") is an indirect wholly owned subsidiary of Allianz Global Investors Asia Pacific GmbH which is part of the Allianz group of companies. Allianz Global Investors Hong Kong was formed and has been operating in Hong Kong since 1983, managing assets for both retail and institutional clients.

Mitsui, a company incorporated in Japan, developed Japan Logistics Fund Inc., the first listed REIT in Japan dedicated to investing in distribution facilities. Japan Logistics Fund Inc. was listed on the Tokyo Stock Exchange in May 2005. As Mitsui is a shareholder of the Manager, the Manager believes that Mitsui will contribute its expertise gained in managing Japan's first listed REIT dedicated to investing in distribution facilities and will assist the Manager in seeking opportunities for acquisitions and tenancies from Mitsui's existing business network, especially Japanese companies, both in Singapore and the region.

Henderson Group plc is a leading international investment management company providing, through its subsidiary companies, a wide range of investment products and services to institutions and individuals in Asia, Europe and North America. As at 31 December 2005, Henderson Group plc, through its subsidiary companies, has over £67.7 billion of assets under management and employs approximately 900 people through its offices in London, Amsterdam, Frankfurt, Paris, Milan, Zurich, Vienna, Chicago, Hartford, Hong Kong, Singapore and Tokyo. The wide range of investment products and services provided by the subsidiary companies of Henderson Group plc include all major asset classes, such as, equities, government and corporate bonds, property, private capital, hedge funds and portfolio management services. Henderson Global Investors Limited is a wholly owned subsidiary of Henderson Group plc and Henderson Fund Management plc is a wholly owned subsidiary of Henderson Global Investors Limited.

NTUC Income Insurance Cooperative Limited is the only insurance cooperative in Singapore. It was set up in 1970 to provide affordable insurance services to workers. From a modest initial capital of S$1.2 million, it has since become a local market leader in life, motor, annuity and health insurance with total assets of S$16 billion and more than 1.8 million policyholders, representing nearly half of the Singapore population. The cooperative has about 2,700 insurance advisers, 1,500 office staff, and a network of 11 branches located islandwide to meet the needs of its policyholders. The insurer has been rated 'AA' by the rating agency Standard & Poor's since 1999.

Subscription for CIT Reserved Units

11,500,000 Units have been reserved for subscription by the Directors, management, employees and business associates of the Manager and others who have contributed to the success of the Offering, as well as employees of the Vendors.

Subscription by the Directors

The Directors of the Manager may subscribe for Units under the Public Offer and/or the Placement Tranche. Save for the Manager's internal policy which prohibits the Directors of the Manager from dealing in the Units at certain times (see the section titled "The Manager and Corporate Governance" for further details) and the restrictions agreed by the Executive Directors of the Manager (see "Plan of Distribution — Lock-up Arrangements"), there are no restrictions on the Directors disposing of or transferring all or any part of their Unitholdings.

Subscription by Vickers Financial Group Ltd and/or funds managed by Vickers Financial Group Ltd

Vickers Financial Group Ltd and/or funds managed by Vickers Financial Group Ltd (each, a "Vickers Entity") may subscribe for Units in the Placement Tranche.

Any such Units subscribed for will be subject to a lock-up arrangement with the Joint Lead Underwriters in which the Vickers Entity will undertake that it will not for a period of 180 days from and including the Listing Date (the "Lock-Up Period") offer, pledge, lend, sell or contract to sell, grant any option over, charge or otherwise grant security over, create any encumbrance over or otherwise transfer or dispose of, (or enter into enter into any swap, hedge, derivatives or other transaction or arrangement which is designed to, or might reasonably be expected to, result in such transfer or disposition whether by actual disposition or effective economic disposition due to cash settlement or otherwise), directly or indirectly, conditionally or unconditionally, any of the Units (or any interest therein or in respect thereof) to be issued to it by CIT as at the Listing Date or any other securities convertible into or exchangeable for such Units or which carry rights to subscribe for or purchase such Units or agree to do, or announce any intention to do, any of the foregoing or deposit any such Units (or any securities convertible into or exchangeable for such Units or which carry rights to subscribe for or purchase such Units) in any depository receipt facilities. These restrictions will also apply in respect of 50% of any such Units issued to the Vickers Entity for a further 180 days after the Lock-Up Period.

DISTRIBUTIONS

CIT's distribution policy is to distribute 100.0% of its taxable income for the period from the Listing Date to 31 December 2006 and thereafter to distribute at least 90.0% of its taxable income, comprising substantially its income from the letting of its properties after deduction of allowable expenses. The actual level of distribution will be determined at the Manager's discretion. The actual proportion of taxable income distributed to Unitholders beyond 31 December 2006 may be greater than 90.0% to the extent that the Manager believes it to be appropriate, having regard to CIT's funding requirements, other capital management considerations and the overall stability of distributions. Distributions, when made, will be in Singapore dollars.

After CIT is admitted to the Main Board of the SGX-ST, CIT will make distributions to Unitholders on a quarterly basis, with the amount calculated as at 31 March, 30 June, 30 September and 31 December in each year for the three-month period ending on each of those dates. CIT's first distribution after the Listing Date, however, will be for the period from the Listing Date to 30 September 2006 and will be paid by the Manager on or before 29 November 2006. Subsequent distributions will take place on a quarterly basis. Under the Trust Deed, the Manager is required to pay distributions within 60 days after the end of each distribution period.

In the event that there are gains arising from sales of real properties, and only if such gains are surplus to the business requirements and needs of CIT, the Manager may, at its discretion, direct the Trustee to distribute such gains. Such gains, if not distributed, will form part of the Deposited Property.

(See the section titled "Taxation" and Appendix V "Independent Taxation Report" for information on the Singapore income tax consequences of the purchase, ownership and disposition of the Units).

CAPITALISATION AND INDEBTEDNESS

The following table sets forth the pro forma capitalisation and indebtedness of CIT as at the Listing Date and after application of the total net proceeds from the Offering and the subscription of the Cornerstone Units, based on the Offering Price. The information in the table below should be read in conjunction with the section entitled "Use of Proceeds".

	(S$'000) **Pro forma**
Borrowings	202,900
Net assets attributable to Unitholders	322,331
Total capitalisation and indebtedness	525,231

Indebtedness

The Trustee has entered into an agreement with ABN AMRO Bank setting out the terms and conditions of the Bridge Loan Facility of S$400.0 million and has entered into the Interest Rate Swap Agreement with ABN AMRO Bank.

Furthermore, the Trustee has also agreed to mandate ABN AMRO Bank to arrange the Facilities, namely the Warehouse Facility extended by the Issuer SPV/Trust of up to S$390.0 million, which is a two-year term loan ultimately funded through the United States commercial paper market, and the Overdraft Facility of up to S$10.0 million from the Singapore branch of ABN AMRO Bank or the Issuer SPV/Trust which, subject to the agreement of definitive documentation and the satisfaction of the conditions contained in the Warehouse Facility and Overdraft Facility, will together be used to repay the Bridge Loan Facility.

As security for payments in connection with the Bridge Loan Facility, any interest rate swap pursuant to the Interest Rate Swap Agreement and the Facilities (assuming the Facilities are entered into), all the assets of CIT including the Properties, and the rights, title and interest in leases, insurances and rental proceeds relating to the Properties, and the rights and interests under the Property Management Agreement, will be mortgaged, assigned and charged to ABN AMRO Bank or the Issuer SPV/Trust (as the case may be) and any new assets acquired by CIT, and the rights and interests of CIT in certain contracts, may also be mortgaged, assigned and charged to ABN AMRO Bank or the Issuer SPV/Trust (as the case may be).

Interest on the Bridge Loan Facility and the Warehouse Facility will be based on the one to three months Singapore dollar swap offer rate plus a margin, whereas interest on the Overdraft Facility will be at the Prime Lending Rate.

The Bridge Loan Facility will be drawn down on the Listing Date in an amount of approximately S$202.9 million as part payment of the Acquisition Value of the Properties. Pursuant to the Interest Rate Swap Agreement, the Manager will also, by the Listing Date, enter into a 12-month interest rate swap to provide fixed rate funding for approximately S$183.0 million of the amount drawn down. After the draw down of the Bridge Loan Facility, CIT's gearing will be approximately 38.5% of the Deposited Property.

UNAUDITED PRO FORMA BALANCE SHEET AS AT THE LISTING DATE

The Manager is unable to prepare pro forma statements of total return, cash flow statements and balance sheets to show the pro forma historical financial performance of CIT as:

- the Properties will be acquired from third parties and historical financial information relating to the relevant Properties is not available to CIT; and
- all of the Properties were wholly or partly occupied by the Vendors prior to CIT's acquisition thereof. As such, even if the relevant historical financial information were made available to CIT, CIT would not be able to identify the property-related expenses of the Vendors from the expenses incurred by the Vendors in connection with their overall business operations. There would also not be any historical rental income for the Properties occupied, wholly or partly, by the Vendors.

For the reasons stated above, the SGX-ST has granted CIT a waiver from the requirement to prepare historical pro forma statements of total return, cash flow statements and balance sheets. In lieu of such pro forma historical financial statements, the Manager has prepared the pro forma balance sheet below setting out the assets and liabilities of CIT as of the Listing Date (the "Unaudited Pro Forma Balance Sheet"), upon completion of the Offering and the acquisition of the Properties.

The Unaudited Pro Forma Balance Sheet has been prepared on the basis of the assumptions and accounting policies set out in Appendix II "Independent Accountants' Report on the Unaudited Pro Forma Balance Sheet as at the Listing Date". The Unaudited Pro Forma Balance Sheet should be read together with these assumptions and accounting policies.

The objective of the Unaudited Pro Forma Balance Sheet of CIT is to show what the financial position of CIT might be at the Listing Date, on the basis described above. However, the Unaudited Pro Forma Balance Sheet is not necessarily indicative of CIT's actual financial position on the Listing Date. The Unaudited Pro Forma Balance Sheet, because of its nature, may not give a true picture of CIT's financial position.

	Unaudited Pro Forma Balance Sheet as at Listing Date
	S$'000
Current assets	
Trade and other receivables	1,061
Cash and cash equivalents	1,619
	2,680
Non-current assets	
Investment properties	524,689
Total assets	527,369
Current liabilities	
Trade and other payables[(1)]	2,248
Interest-bearing borrowings[(2)]	202,790
	205,038
Net assets attributable to Unitholders	322,331
Total liabilities	527,369
Net assets attributable to Unitholders	322,331
Number of Units in issue ('000)[(3)]	497,068.6
Net asset value attributable to Unitholders per Unit (S$)[(4)]	0.65

Notes:

(1) "Trade and other payables" includes a Retention Sum of S$2,132,000 withheld from the Vendors. Included in the Retention Sum is an amount of approximately S$300,049 relating to the construction of an administration block within YCH DistriPark. Pursuant to the Option Agreement dated 26 October 2005 and side letters signed on 6 December 2005 and 28 March 2006, the Retention Sum will be released to the Vendor upon issuance of the Temporary Occupation Permit ("TOP"). The TOP may be issued before the Listing Date. If the TOP is issued before the Listing Date, "Trade and other payables" and "Cash and cash equivalents" will each be reduced by approximately S$300,049.

(2) "Interest-bearing borrowings" is stated at fair value on the Listing Date less attributable transaction costs related to such borrowings.

(3) "Number of Units in issue" refers to the number of Units in issue immediately after the completion of the Offering and prior to the exercise of the Over-allotment Option.

(4) The Offering Price of S$0.68 per Unit represents a premium of 4.6% to the net asset value attributable to Unitholders per Unit (S$0.65 per Unit).

Statements contained in this section that are not historical facts may be forward-looking statements. Such statements are based on the assumptions set out in this section of the Prospectus and are subject to certain risks and uncertainties which could cause actual results to differ materially from those forecast and projected. Under no circumstances should the inclusion of such information herein be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions by CIT, the Manager, the Joint Global Co-ordinators and Bookrunners, the Public Offer Co-ordinator, the Trustee or any other person, nor that these results will be achieved or are likely to be achieved (see the sections titled *"Forward-looking Statements" and "Risk Factors"). Investors in the Units are cautioned not to place undue reliance on these forward-looking statements which are made only as at the date of this Prospectus.*

None of CIT, the Manager, the Joint Global Co-ordinators and Bookrunners, the Public Offer Co-ordinator or the Trustee guarantees the performance of CIT, the repayment of capital or the payment of any distributions or any particular return on the Units. The forecast and projected yields stated in the following table are calculated based on (i) the Offering Price and (ii) the assumption that the Listing Date is 31 July 2006. Such yields will vary accordingly if the Listing Date is after 31 July 2006 and in relation to investors who purchase Units in the secondary market at a market price that differs from the Offering Price.

The following table sets forth CIT's forecast and projected Statements of Total Return for the Forecast Period 2006 and the Projection Year 2007, respectively. The financial year-end of CIT is 31 December. CIT's first accounting period is for the period from 31 March 2006, being the date of its establishment, to 31 December 2006 and its next accounting period will be for the period from 1 January 2007 to 31 December 2007. The profit forecast and profit projection are based on the assumptions set out in this section of the Prospectus. The assumptions have been reviewed and the computations have been checked by the Independent Reporting Accountants. The profit forecast and profit projection should be read together with the report set out in Appendix I "Independent Accountants' Report on the Profit Forecast and Profit Projection", as well as the assumptions and the sensitivity analysis set out in this section of the Prospectus.

FORECAST AND PROJECTED STATEMENTS OF TOTAL RETURN

	Forecast Period 2006 (from 31 July 2006 to 31 December 2006)	Projection Year 2007 (full year from 1 January 2007 to 31 December 2007)
	(S$'000)	**(S$'000)**
Gross Revenue	**18,116**	**43,200**
Less: Property Expenses	(3,115)	(7,469)
Net Property Income	**15,001**	**35,731**
Manager's Management Fees	(1,098)	(2,598)
Other trust expenses	(593)	(653)
Interest income	39	88
Borrowing costs	(3,760)	(8,570)
Net income	**9,589**	**23,998**
Revaluation deficit[1]	(9,470)	—
Total return for the period before income tax and distribution	**119**	**23,998**
Less: Income tax expenses	—	—
Total return for the period after income tax and before distribution	**119**	**23,998**

On the assumption that the Over-allotment Option is not exercised:		
Borrowing costs	(4,044)	(9,444)
Total return after income tax, before distribution	(165)	23,124

Note:

(1) This amount results from the revaluation based on the Manager's hypothetical assumption of the open market value of the Properties (see the section titled "Profit Forecast and Profit Projection — Assumptions, (XI) Properties") and includes the Acquisition Related Costs (including the Acquisition Fee) of the Properties.

FORECAST AND PROJECTED DISTRIBUTION

	Forecast Period 2006 (from 31 July 2006 to 31 December 2006)	Projection Year 2007 (full year from 1 January 2007 to 31 December 2007)
	(S$'000)	(S$'000)
Total return for the period after income tax, before distribution	119	23,998
Add back non-tax deductible expenses[(1)]	10,743	3,092
Total distribution to Unitholders	10,862	27,090
Distribution to Unitholders	10,862	27,090
Offering Price (S$)	0.68	0.68
Number of Units in issue ('000)[(2),(6)]	526,666.0	530,325.5
Total distribution per Unit (Cents)	2.06[(3),(7)]	5.12[(8)]
Annualised distribution yield (%)	7.50%[(4),(7)]	7.53%[(8)]
On the assumption that the Over-allotment Option is not exercised:		
Distribution to Unitholders	10,578	26,216
Number of Units in issue ('000)[(6)]	497,666.0	501,325.5
Total distribution per Unit (Cents)	2.12[(5),(9)]	5.24[(10)]
Annualised distribution yield (%)	7.71%[(4),(9)]	7.71%[(10)]

Notes:

(1) These include amortisation of transaction costs related to interest-bearing borrowings, the fees paid to the Trustee, the fees payable in Units to the Manager and the revaluation deficit, each of which is non-deductible for tax purposes.

(2) Assuming the Over-allotment Option of 29,000,000 Units is fully exercised.

(3) The annualised distribution per Unit is 5.10 Cents for the Forecast Period 2006.

(4) Annualised distribution yield has been computed by extrapolating the revenue and expenses of CIT for the period from 31 July 2006 to 31 December 2006, except that "Other trust expenses" have not been extrapolated as such expenses are expected to remain unchanged regardless of the length of the financial period under review.

(5) The annualised distribution per Unit is 5.24 Cents for the Forecast Period 2006.

(6) Units in issue at the end of each period is inclusive of the Manager's forecast and projected number of Units to be issued in payment of the Manager's Base Fee.

(7) Based on the weighted average number of approximately 526.4 million units in issue as at 31 December 2006 assuming the Over-allotment Option of 29,000,000 Units is fully exercised.

(8) Based on the weighted average number of approximately 528.9 million units in issue as at 31 December 2007 assuming the Over-allotment Option of 29,000,000 Units is fully exercised.

(9) Based on the weighted average number of approximately 497.4 million units in issue as at 31 December 2006 assuming the Over-allotment Option is not exercised.

(10) Based on the weighted average number of approximately 499.9 million units in issue as at 31 December 2007 assuming the Over-allotment Option is not exercised.

Gross Revenue contribution of each Property

The forecast and projected contributions of each Property to Gross Revenue are as follows:

Property	Contribution to Gross Revenue forecast for the Forecast Period 2006 (from 31 July 2006 to 31 December 2006)		Contribution to Gross Revenue forecast for the Projection Year 2007 (full year from 1 January 2007 to 31 December 2007)	
	(S$'000)	(%)	(S$'000)	(%)
CWT DISTRIPARK (HQ)	3,168	17.5%	7,557	17.5%
JURONG DISTRICENTRE	1,471	8.1%	3,508	8.1%
ODC DISTRICENTRE	1,349	7.4%	3,218	7.4%
31 TUAS AVENUE 11	352	1.9%	840	1.9%
25 CHANGI SOUTH AVENUE 2	289	1.6%	690	1.6%
YCH DISTRIPARK	2,284	12.6%	5,448	12.6%
1 THIRD LOK YANG ROAD AND 4 FOURTH LOK YANG ROAD	414	2.3%	988	2.3%
21 UBI ROAD 1	902	5.0%	2,150	5.0%
136 JOO SENG ROAD	414	2.3%	987	2.3%
CSE GLOBAL BUILDING	225	1.2%	536	1.2%
MI BUILDING	550	3.0%	1,311	3.0%
OLIVINE BUILDING	506	2.8%	1,206	2.8%
PANASONIC BUILDING	644	3.6%	1,535	3.6%
MEC TECHNOCENTRE	386	2.1%	919	2.1%
86/88 INTERNATIONAL ROAD	593	3.3%	1,415	3.3%
23 TUAS AVENUE 10	270	1.5%	643	1.5%
9 TUAS VIEW CRESCENT	233	1.3%	556	1.3%
27 PANDAN CRESCENT	240	1.3%	572	1.3%
7 GUL LANE	155	0.9%	369	0.9%
31 KIAN TECK WAY	140	0.8%	333	0.8%
TECHPLAS INDUSTRIAL BUILDING	251	1.4%	598	1.4%
2 TUAS SOUTH AVENUE 2	806	4.4%	1,922	4.4%
28 WOODLANDS LOOP	548	3.0%	1,307	3.0%
STANDARD FORM BUILDING	445	2.5%	1,060	2.5%
16 TUAS AVENUE 18A	118	0.7%	281	0.7%
160 KALLANG WAY	813	4.5%	1,938	4.5%
23 LORONG 8 TOA PAYOH	550	3.0%	1,313	3.0%
Total	18,116	100.0%	43,200	100.0%

Assumptions

The Manager has prepared the profit forecast and profit projection for the Forecast Period 2006 and the Projection Year 2007 based on the Offering Price of S$0.68, assuming the Over-allotment Option is fully exercised, and the following assumptions. The Manager considers these assumptions to be appropriate and reasonable as at the date of this Prospectus. However, investors should consider these assumptions as well as the profit forecast and profit projection and make their own assessment of the future performance of CIT.

(I) Gross Revenue

Gross Revenue comprises (a) Gross Rent and (b) other income earned from the Properties. A summary of the assumptions which have been used in calculating Gross Revenue is set out below:

(a) Gross Rent

Gross Rent refers to net rental income (after rent rebates and provisions for rent free periods) and service charge, if applicable. Based on the contracted leases, there are no rent rebates and no rent free periods. No service charges are payable as the lessees are responsible for the maintenance of the leased premises. All of the 27 tenancies of the Properties are long term tenancies ranging from five to 10 years. These have the following fixed Gross Rent escalations:

Five-year lease	—	fixed rent for years one and two, 5.0% rental escalation in year three, fixed rent thereafter until the end of the lease
Seven-year lease	—	fixed rent for years one and two, 5.0% rental escalation in year three, fixed rent until year four, 5.0% rental escalation in year five and fixed rent thereafter until the end of the lease
Eight-year lease	—	fixed rent for years one and two, 5.0% rental escalation in year three, fixed rent until year four, 5.0% rental escalation in year five, fixed rent until year six, 5.0% rental escalation in year seven and fixed rent thereafter until the end of the lease
Ten-year lease	—	fixed rent for years one, two and three, 7.0% rental escalation in year four, fixed rent until year six, 7.0% rental escalation in year seven and fixed rent thereafter until the end of the lease

Net rental income is based on the contractual net rent receivable under current lease agreements.

Based on the contracted leases, there are no leases due for renewal during the Forecast Period 2006 and the Projection Year 2007.

The percentage of forecast and projected Gross Rent attributable to committed leases is as follows:

	Forecast Period 2006 (from 31 July 2006 to 31 December 2006)	Projection Year 2007 (full year from 1 January 2007 to 31 December 2007)
Percentage of Gross Rent attributable to committed leases[1]	100.0%	100.0%

Note:

(1) Based on contracted leases in respect of the Properties as at the Listing Date.

(b) Other Income

Other income reflects miscellaneous income earned from the Properties. It has been assumed that no such income will be generated by the Properties for the Forecast Period 2006 and the Projection Year 2007.

(II) Property Expenses

Property Expenses comprise (a) the Property Manager's fees, (b) property tax, (c) payment of land rents to JTC and HDB, and (d) other property expenses. No maintenance and utilities charges are payable as the tenants are responsible for such charges based on the contracted lease agreements.

A summary of the assumptions which have been used in calculating the Property Expenses is set out below:

(a) Property Manager's fees

The Property Manager is entitled to the following fees, among others, in relation to the Properties:

(i) a fee of 2.0% per annum of the Gross Revenue of each Property for property management services provided by the Property Manager;

(ii) a fee of 1.0% per annum of the Gross Revenue of each Property for lease management services provided by the Property Manager; and

(iii) certain commissions for securing new tenancies or renewal of tenancies pursuant to marketing services rendered by the Property Manager.

(b) Property tax

Property tax on 10 of the Properties is paid by the tenants based on the respective contracted lease agreements. For 17 of the Properties, it has been assumed that property tax will be at 10.0% of the Gross Rent for each of the Properties. It has also been assumed that no property tax rebate will be given by the tax authorities.

(c) Payment of land rents to JTC and HDB

Land rents for 12 of the Properties are not applicable as the upfront land premium has either already been paid by the Vendors or borne by the tenants based on the respective contracted lease agreements. For 15 of the Properties, CIT is required to pay land rents to JTC and HDB. The land rents for the Forecast Period 2006 are assumed to be based on the actual annual land rents paid or payable to JTC and HDB based on billings received up to 31 March 2006 and are assumed to increase by 2.0% for the Projection Year 2007 based on the Manager's knowledge of the historical trend of land rent increases and its expectations of JTC/HDB land rents in 2007.

(d) Other property expenses

Other property expenses include fire and structural insurance and other miscellaneous expenses, such as advertising and promotional expenses and legal and professional fees relating to the Properties. The insurance expense and miscellaneous expenses are assumed to be S$450,000 and S$100,000 per annum respectively, for the Projection Year 2007 and pro-rated for the Forecast Period 2006.

(III) Manager's Management Fees

Pursuant to the Trust Deed, the Manager is entitled to Management Fees comprising the Base Fee and the Performance Fee as follows:

(a) Base Fee of 0.5% per annum of the value of the Deposited Property; and

(b) Performance Fee, where the total return of the Trust Index in any Half Year exceeds the total return of the Benchmark Index.

The Manager's Management Fees are payable in the form of cash and/or Units as the Manager may elect. It has been assumed that 92.0% of the Base Fee in respect of the Properties for the Forecast Period 2006 is payable in Units, with the remainder of the Base Fee payable in cash. For the Projection Year 2007, it has been assumed that 97.0% of the Base Fee in respect of the Properties is payable in Units, with the remainder of the Base Fee payable in cash. The Base Fee is accrued daily. The portion of the Base Fee payable in cash shall be payable monthly in arrears and the portion of the Base Fee payable in Units shall be payable quarterly in arrears. Where the Base Fee is payable in Units, the Manager has assumed that such Units are issued at the Offering Price (S$0.68 per Unit).

The Performance Fee, whether payable in any combination of cash and Units or solely in cash or Units, will be payable semi-annually in arrears.

It is assumed that no Performance Fee will be paid or is payable in the Forecast Period 2006 or the Projection Year 2007. For analysis of the impact of payment of the Performance Fee, please refer to "Sensitivity Analysis: Performance Fee".

(See the section titled "The Manager and Corporate Governance — Management Fees").

(IV) Manager's Acquisition Fee

No acquisition of new properties is assumed for the Forecast Period 2006 and the Projection Year 2007. An Acquisition Fee of approximately S$5.2 million or 1.0% of the total Acquisition Value of the Properties amounting to approximately S$519.0 million is payable on the date of Completion. The line item, "Revaluation deficit" in the Forecast Statement of Total Return for the Forecast Period 2006 relates to the Acquisition Fee and other acquisition related costs of the Properties.

(V) Trustee's fee

The Trustee's fee is presently charged on a scaled basis of up to 0.02% per annum of the value of the Deposited Property, excluding out-of-pocket expenses and GST.

The fee is accrued daily and paid monthly in arrears in accordance with the provisions of the Trust Deed.

(VI) Other trust expenses

Other trust expenses comprise CIT's recurring operating expenses, which include annual listing fees, registration fees, accounting, audit and tax advisory fees, valuation fees, costs associated with the preparation and distribution of reports to Unitholders, investor communication costs and other miscellaneous expenses.

(VII) Interest income

It has been assumed that CIT will earn interest on its cash at the rate of 1.75% per annum, calculated quarterly, for both the Forecast Period 2006 and the Projection Year 2007.

(VIII) Borrowing Costs

The Trustee has entered into an agreement with ABN AMRO Bank setting out the terms and conditions of the Bridge Loan Facility of S$400.0 million and has entered into the Interest Rate Swap Agreement with ABN AMRO Bank. Furthermore, the Trustee has agreed to mandate ABN AMRO Bank to arrange the Facilities, namely the Warehouse Facility extended by the Issuer SPV/Trust of up to S$390.0 million, which is a two-year secured term loan ultimately funded through the United States commercial paper market, and the Overdraft Facility of up to S$10.0 million from the Singapore branch of ABN AMRO Bank or the Issuer SPV/Trust which, subject to the agreement of relevant terms, definitive documentation and the satisfaction of the conditions contained in the Warehouse Facility and the Overdraft Facility, will together be used to repay the Bridge Loan Facility.

Interest on the Bridge Loan Facility and the Warehouse Facility will be based on the one to three months Singapore dollar swap offer rate plus a margin, whereas interest on the Overdraft Facility will be at the Prime Lending Rate.

The Bridge Loan Facility will be drawn down on the Listing Date in an amount of S$202.9 million as part payment of the Acquisition Value of the Properties. Pursuant to the Interest Rate Swap Agreement, the Manager will also by the Listing Date, enter into a 12-month interest rate swap to provide fixed rate funding for approximately S$183.0 million of the amount drawn down. The Manager has assumed that the Facility will be subject to average effective interest rates of approximately 4.8% and 4.7% per annum (inclusive of commitment fee and amortisation of transaction costs relating to interest-bearing borrowings) for the Forecast Period 2006 and the Projection Year 2007, respectively.

This assumption is based on the one-year and two-year Singapore dollar interest rate swap offer rates of approximately 3.8% per annum as of 29 June 2006.

The Manager has assumed that the proceeds from the exercise of the Over-allotment Option (which has been assumed to be fully exercised) of approximately S$19.2 million will, together with approximately S$0.5 million sourced from excess working capital, be used to reduce borrowings by S$19.7 million within one month after the Listing Date.

(IX) Capital Expenditure

Building audits on the Properties have been commissioned by the Manager to identify defects. The Vendors of the Properties are legally bound to rectify all such defects pursuant to the relevant Sale and Purchase Agreements. As such, the Manager expects that capital expenditure during the Forecast Period 2006 and the Projection Year 2007 will be minimal.

An allowance for capital expenditure has been included based on the Manager's budget. It has been assumed that such capital expenditure will be funded from internal resources. Capital expenditure is assumed to be incurred for structural works and is therefore treated as an expense.

The following table sets out the forecast and projected capital expenditure for the Forecast Period 2006 and the Projection Year 2007:

	Forecast Period 2006 (from 31 July 2006 to 31 December 2006)	**Projection Year 2007 (full year from 1 January 2007 to 31 December 2007)**
Capital expenditure	S$548,000	S$1,307,000

(X) Issue Costs

The costs associated with the issue of the Units at the Listing Date and the Over-allotment Units (assuming the Over-allotment Option is exercised in full) will be paid for by CIT. These costs are deducted directly against net assets attributable to Unitholders in the balance sheet and have no impact on CIT's total return or distributable income.

(XI) Properties

The Manager has made a hypothetical assumption that the open market value of the Properties will, until 31 December 2007, remain at the amounts at which they were valued based on the latest full valuation reports available. Based on the latest full valuation reports, the aggregate market value of the Properties is approximately S$515.2 million, comprising the valuation as at 15 May 2006 for the top 10 properties by Acquisition Value amounting to S$368.4 million (by the Additional Independent Valuer) and the valuation as at 19 January 2006 for the remaining 17 properties amounting to approximately S$146.8 million (by the Independent Valuers).

Any subsequent write-down of the values of the Properties will not affect the forecast and projected distribution per Unit for the Forecast Period 2006 and the Projection Year 2007 because CIT's distributions are based on taxable income, which excludes appreciation and depreciation upon revaluation of the Properties.

(XII) Accounting Standards

The Manager has assumed no change in applicable accounting standards or other financial reporting requirements that may have a material effect on the forecast or projected total return.

Significant accounting policies adopted by the Manager in the preparation of the profit forecast and profit projection are set out in Appendix II "Independent Accountants' Report on the Unaudited Pro Forma Balance Sheet as at the Listing Date".

(XIII) Other Assumptions

The Manager has made the following additional assumptions in preparing the profit forecast and profit projection for the Forecast Period 2006 and the Projection Year 2007:

- that the property portfolio of CIT remains unchanged for the Forecast Period 2006 and the Projection Year 2007;
- that no further capital will be raised for CIT during the Forecast Period 2006 and the Projection Year 2007;
- that bankers' guarantees/insurance bonds/bank drafts, whichever are applicable in lieu of tenancy deposits, are sufficient to cover any bad debts that may arise during the Forecast Period 2006 and the Projection Year 2007 and that no allowance for doubtful receivables is required;
- that the Bridge Loan Facility is available for the Forecast Period 2006 and the Facilities are available for the Forecast Period 2006 and the Projection Year 2007;
- that the 12-month interest rate swap for approximately S$183.0 million pursuant to the Interest Rate Swap Agreement is available by the Listing Date;
- where derivative financial instruments are undertaken to hedge against interest rate movements, there is no change in the fair value of such instruments during the Forecast Period 2006 and the Projection Year 2007;
- that there will be no material change to the Tax Ruling;
- that GST remission is obtained for all Issue Costs and Acquisition Related Costs;

- that 100.0% of CIT's taxable income for the Forecast Period 2006 and the Projection Year 2007 is distributed; and
- that all leases in relation to the Properties are enforceable and will be performed in accordance with their terms during the Forecast Period 2006 and the Projection Year 2007.

Sensitivity Analysis

The forecast and projected distributions included in this Prospectus are based on a number of assumptions that have been outlined above. The forecast and projected distributions are also subject to a number of risks as set out in "Risk Factors".

Investors should be aware that future events cannot be predicted with any certainty and deviations from the figures forecast or projected in this Prospectus are to be expected. To assist investors in assessing the impact of these assumptions on the profit forecast and profit projection, a series of tables demonstrating the sensitivity of the distribution per Unit to changes in the principal assumptions are set out below.

The sensitivity analysis is intended to provide a guide only and variations in actual performance could exceed the ranges shown. Movement in other variables may offset or compound the effect of a change in any variable beyond the extent shown.

Gross Rent

As all the Properties are 100.0% leased out and committed, there will be no change in the Gross Rent for both the Forecast Period 2006 and the Projection Year 2007 and there will be no resultant changes to the distribution per Unit.

Property Expenses

Changes in Property Expenses will impact the Net Property Income of CIT and, consequently, the distribution per Unit. The assumptions for Property Expenses have been set out earlier in this section. The effect of variations in Property Expenses on the distribution per Unit is set out below:

	Distribution per Unit (Cents) pursuant to changes in Property Expenses	
	Forecast Period 2006[(1)] (from 31 July 2006 to 31 December 2006)	**Projection Year 2007 (full year from 1 January 2007 to 31 December 2007)**
Property Expenses are 5.0% below base case (Cents)	5.14	5.16
Base case (Cents)	**5.10**	**5.12**
Property Expenses are 5.0% above base case (Cents)	5.06	5.08

Note:

(1) Annualised figures.

Borrowing Costs

Changes in borrowing costs will affect the net income of CIT and, consequently, the distribution per Unit. The assumptions for borrowing costs have been set out earlier in this section. The effect of variations in borrowing costs on the distribution per Unit is set out below:

	Distribution per Unit (Cents) pursuant to changes in borrowing costs	
	Forecast Period 2006[1] (from 31 July 2006 to 31 December 2006)	**Projection Year 2007 (full year from 1 January 2007 to 31 December 2007)**
25 basis points decrease in the applicable interest rate (Cents)	5.19	5.20
Base case (Cents)	**5.10**	**5.12**
25 basis points increase in the applicable interest rate (Cents)	5.01	5.03

Note:

(1) Annualised figures.

Performance Fee

Payment of the Performance Fee will impact the net income of CIT and, consequently, the distribution per Unit. The impact of outperformance by CIT resulting in the Manager being paid a Performance Fee equal to 0.3% of the value of the Deposited Property (such that the aggregate of the Base Fee and the Performance Fee is an amount equivalent to 0.8% per annum of the Value of Deposited Property) is set out below:

	Distribution per Unit (Cents) pursuant to changes in Performance Fee	
	Forecast Period 2006[1] (from 31 July 2006 to 31 December 2006)	**Projection Year 2007 (full year from 1 January 2007 to 31 December 2007)**
Base case (Cents)	**5.10**	**5.12**
Performance Fee paid 100.0% in Units (Cents)	5.10	5.10
Performance Fee paid 100.0% in Units, with up to 100.0% of Base Fee paid in Units[2] (Cents)	5.10	5.12

Notes:

(1) Annualised figures.

(2) Assuming 92.0% of the Base Fee for the Forecast Period 2006 and 100.0% of the Base Fee for the Projection Year 2007, are payable in Units.

The Manager has assumed that the Performance Fee will all be received in the form of Units for the Forecast Period 2006 and the Projection Year 2007. If the aggregate of the Base Fee and the Performance Fee exceeds the annual fee cap, that part of the Performance Fee which is in excess of the annual fee cap will not be paid to the Manager and shall be accrued and carried forward for payment to the Manager in future Half Years (see the section titled "The Manager and Corporate Governance — Management Fees").

THE INDUSTRIAL PROPERTY MARKETS IN SINGAPORE AND THE REGION

The Manager commissioned Colliers International to prepare a report (the "Industrial Property Market Report") on the Singapore and regional industrial property market. The following is a summary of the Industrial Property Market Report (see Appendix VII "Independent Industrial Market Overview and Individual Asset Reports"). All information in the summary is as at 31 December 2005, unless otherwise specified.

For the reader's convenience, certain US dollar, Indonesian rupiah, Malaysian ringgit and New Taiwan dollar amounts have been translated into Singapore dollars based on the exchange rates of US$1.00 = S$1.6309, Rp1.00 = S$0.0001759, RM1 = S$0.45 and NT$1 = S$0.05001. Such translations should not be construed as representations that the US dollar, Indonesian rupiah, Malaysian ringgit or New Taiwan dollar amounts have been, could have been or could be converted into Singapore dollars at that or any other rate.

THE INDUSTRIAL PROPERTY MARKETS IN SINGAPORE AND THE REGION — A SUMMARY —

REGIONAL ECONOMIC OVERVIEW

In 2004, the Asia and Australasia economies (excluding Japan) achieved their strongest performance since the Asian financial crisis. The Asia and Australasia region's aggregate real GDP expanded by 7.0% in 2004, underpinned by sustained external demand and generally buoyant domestic demand particularly with respect to business investments.

The region's economies continued to perform well in the first half of 2005 with faster than anticipated growth in China and a strong showing in South Asia. However, high oil prices and other adverse developments, including a downturn in the global electronics cycle as well as poor agricultural harvests dampened growth in Southeast Asia in the second half of 2005.

For the whole of 2005, the economies of Asia and Australasia (excluding Japan) expanded by an average of 6.5%, which was slower than the growth recorded in 2004. Looking ahead, these economies are forecast to expand by a healthy average growth rate of 5.8% per annum between 2006 through to 2010, led by one of its largest economies, China.

Potential threats to economic growth in the Asian region include a continued increase in oil prices, the possible outbreak of epidemics, potential interest rate hikes and instability in currency markets.

Annual Percentage Change in Aggregate Real GDP of Asia and Australasia (excluding Japan)

Description	2003	2004	2005	2006F	2007F	2008F	2009F	2010F
Real GDP Growth	6.1	7.0	6.5	6.1	5.9	5.8	5.8	5.6
ASEAN[1]	4.9	6.3	5.2	5.3	5.1	5.3	5.4	5.4
China	10.0	10.1	9.9	8.6	8.0	7.9	7.6	7.2

Source: Economist Intelligence Unit, February 2006

[1] ASEAN refers to Association of Southeast Asian Nations.

SINGAPORE INDUSTRIAL PROPERTY MARKET

OVERVIEW OF THE ECONOMY

In 2004, Singapore recorded a real GDP growth of 8.7%, its strongest annual growth rate since its last recession in 2001. For the whole of 2005, the economy expanded by an average of 6.4%[1], exceeding the official growth forecast for the year. The Ministry of Trade and Industry has raised the 2006 GDP growth forecast for Singapore to between 4.0% and 6.0%, from a previous forecast of between 3.0% and 5.0%.

SINGAPORE FACTORY MARKET

Demand Drivers

Demand for factory space is driven by the manufacturing sector, whose performance in turn hinges on factors such as the regional business environment and government regulations. These demand drivers include:

- ***Strength of the Manufacturing Sector***

  Most sub-sectors experienced a general upward surge throughout the last decade with the exception of the general manufacturing industries sector.

- ***Number of Manufacturing Establishments***

  The net number of new manufacturing establishments increased strongly in 2004. Net set up of manufacturing establishments continued to be strong in 2005, with the number of manufacturing companies formed in the first 10 months exceeding net formation in the whole of 2004 by 1.5%.

- ***Conducive Business Environment***

  Singapore has a conducive business environment as evidenced by the high rankings given to it by numerous institutions for various aspects such as legislation and political stability.

- ***Government Policies and Regulations***

  The Government's continued emphasis on the importance of the manufacturing sector to the economy is expected to have an impact on the demand for factory space. Government's initiatives included:

  a) setting up a target to double annual manufacturing output to S$300.0 billion by 2018;

  b) transforming Singapore into a knowledge-based economy by injecting S$5.0 billion over the next five years into a research and development trust fund;

  c) focusing on attracting at least 500 world-class companies to set up significant headquarters operations in Singapore by 2010;

  d) providing alternative access to finance for local enterprises through the Loan Insurance Scheme;

  e) providing local enterprises with insurance cover for their potential start-up losses arising from investments under the Enterprise Investment Incentive Scheme; and

  f) keeping industrial occupancy costs in line with the market, both locally and internationally, through constant reviews of land and building rents.

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[1] The Singapore Department of Statistics has revised the national accounts to incorporate methodological improvements and has updated the base year from 1995 to 2000 as at January 2006.

- ***Global Demand***

  The Semiconductor Industry Association has forecast that global semiconductor sales would reach approximately US$308.7 billion (approximately S$503.2 billion) by 2008. In line with such projections, by the end of 2005, the Semiconductor Industry Association reported that major end-markets for chips saw chip sales rise substantially above expectations, with global chip sales reaching US$227.3 billion (approximately S$370.5 billion), or 0.7% over the projected US$225.8 billion (approximately S$368.1 billion) for 2005. Continual growth is a positive sign that factory take-up may be on the rise in the near future.

Factory Supply — Existing and Future

According to the Urban Redevelopment Authority ("URA"), there was 290.7 million sq ft of factory space in Singapore as at 31 December 2005.

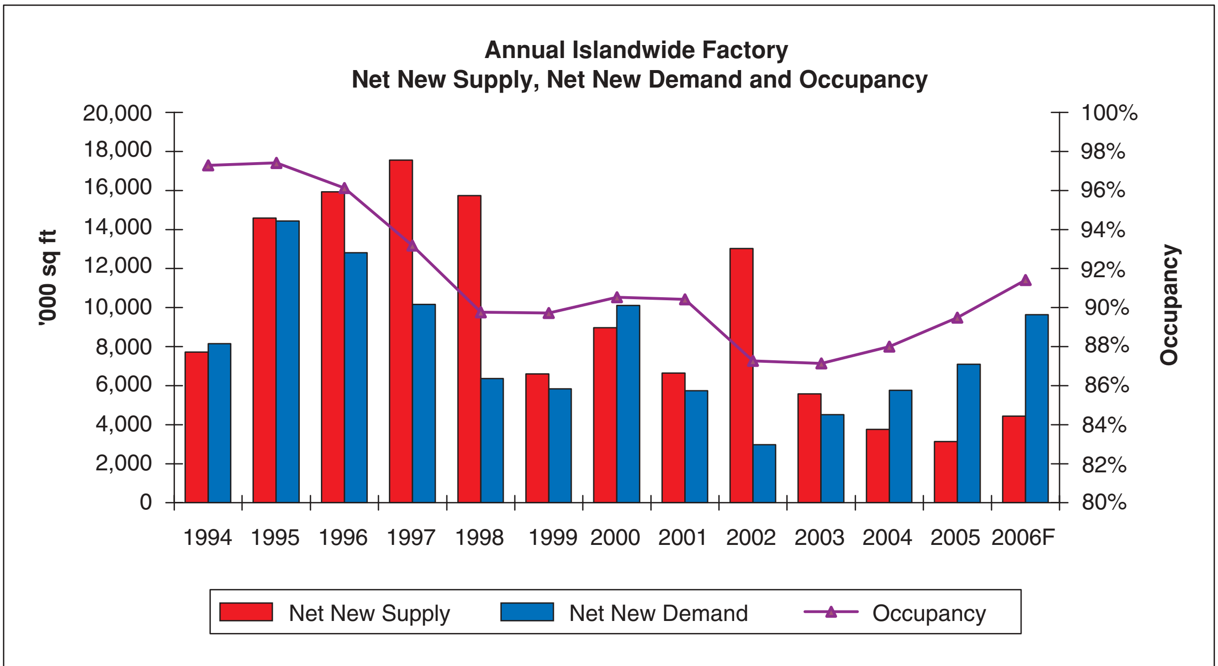
Net New Supply of factory space has moderated considerably in 2004 and 2005 averaging 3.5 million sq ft per annum. This is 63.9% lower than the average annual Net New Supply of 9.7 million sq ft between 1996 and 2005. In 2005, the Net New Supply of factory space amounted to 3.1 million sq ft, 16.3% lower than that in 2004.

According to URA statistics, approximately 32.6 million sq ft of new factory space, representing 11.2% of the stock as at 31 December 2005, is expected to come on stream from 2006 onwards.

Demand and Occupancy

Due to strong demand and moderate supply growth, the average occupancy rate of factory space recovered from a trough of 87.1% as at 31 December 2003 to 89.5% as at 31 December 2005.

During the period between 1994 and 2003, Net New Supply of factory space was generally stronger than demand, leading to downward pressure on occupancy rates. However, this trend was reversed in 2004, with demand exceeding supply, and continued into 2005. Net New Demand of factory space in 2005 amounted to 7.1 million sq ft against Net New Supply of 3.1 million sq ft during the same period.



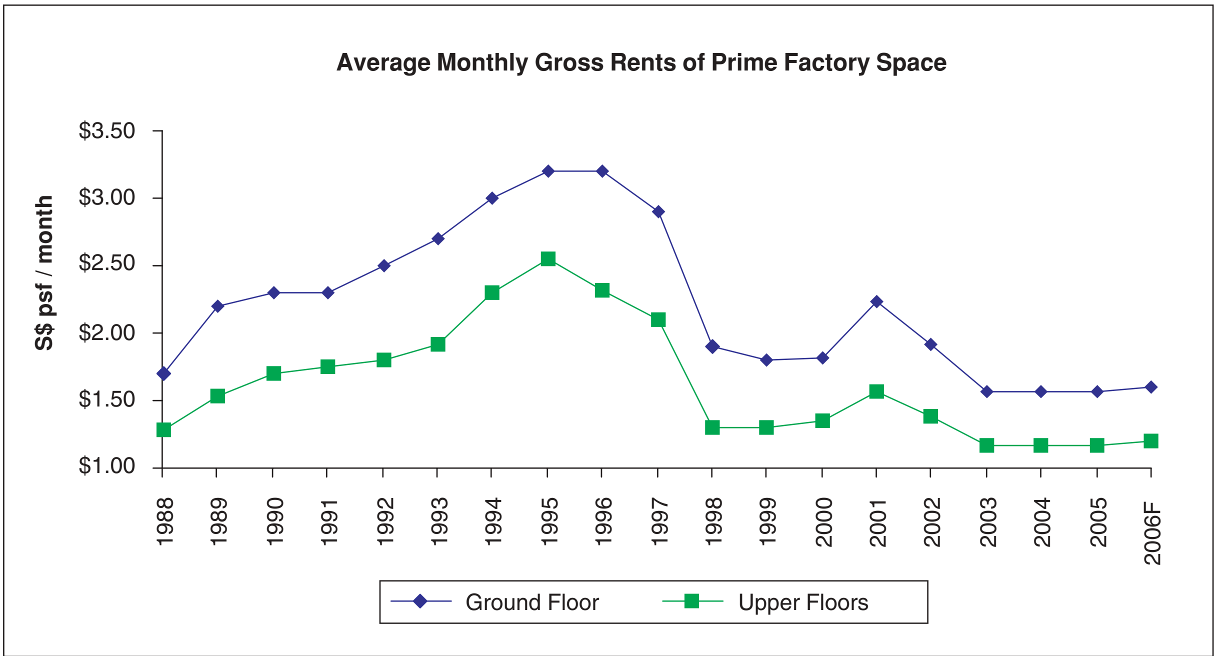
Source: Urban Redevelopment Authority/Colliers International

Some new demand trends have emerged in recent years. These include:

- preference for leasing;
- preference for build-and-lease option; and
- relocation of companies from the Central Business District to High-Specs factories[1].

Rents

Rents of factory space, which had been on a downward trend since early 2001, bottomed in the second half of 2004.



Source: Colliers International

Average Monthly Gross Rents of Prime Factory Space

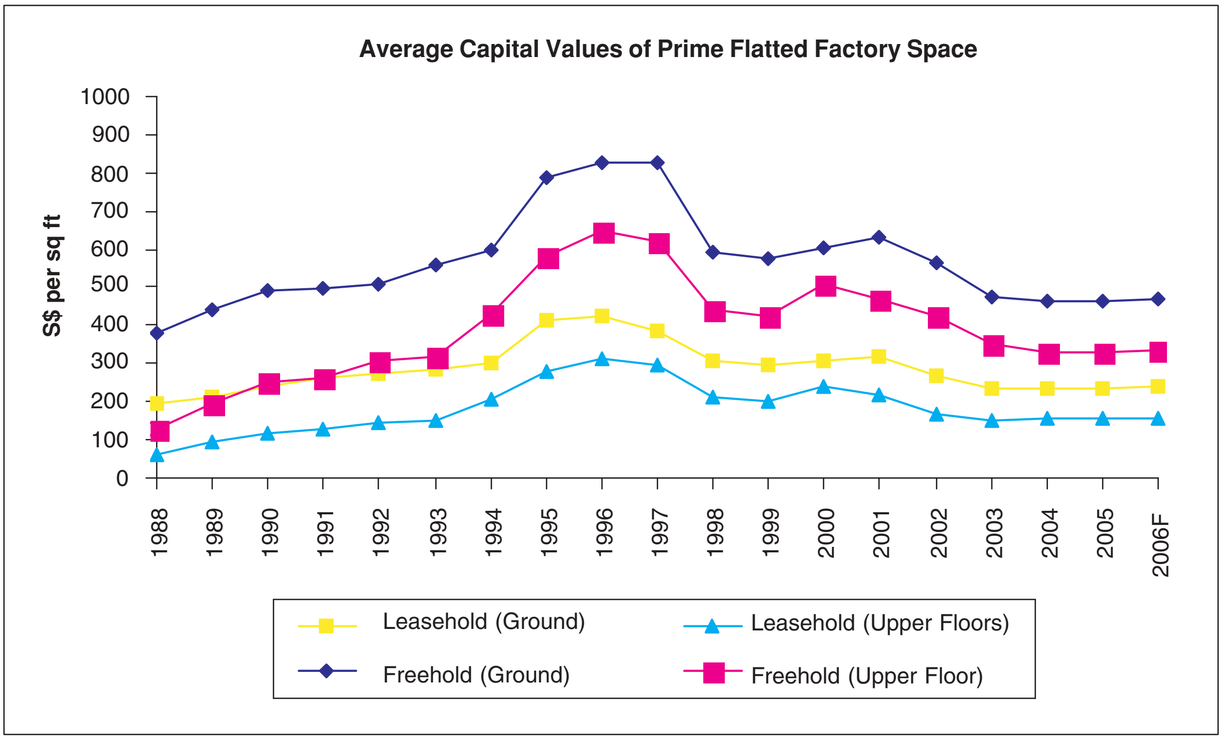
Type	Floor	Average Monthly Gross Rents (S$ per sq ft)		Year-on-Year Change
		31 December 2004	31 December 2005	
Flatted Factories	Ground	S$1.57	S$1.57	0.0%
	Upper	S$1.17	S$1.17	0.0%
High-Specs Factories	Ground	S$1.82	S$1.97	8.2%
	Upper	S$1.68	S$1.83	8.9%

Source: Colliers International

[1] High-Specs factories are factories with office-like facades and high building specifications such as wider column span, higher electrical power, central air-conditioning, broadband access and which are well-equipped with sophisticated in-house amenities such as meeting rooms, food courts, ATM machines, tennis courts and swimming pools. Hi-Specs factories are usually designed for high-tech manufacturing and research and development activities.

Capital Values

Capital values experienced a steep downward trend from 1996 and although they had a brief upturn in 2000, continued on a more gradual downward trend from 2001. Prices of factory space as at 31 December 2005 were approximately 50.0% lower than the peak in 1996.



Source: Colliers International

Average Capital Values of Prime Flatted Factory Space

Type	Floor	Average Capital Values (S$ per sq ft)		Year-on-Year Change
		31 December 2004	31 December 2005	
Freehold	Ground	S$461	S$461	0.0%
	Upper	S$329	S$327	-0.6%
60-year Leasehold	Ground	S$237	S$237	0.0%
	Upper	S$154	S$155	0.6%

Source: Colliers International

SINGAPORE WAREHOUSE MARKET

Demand Drivers

Singapore's warehouse market is influenced by several key factors including the size and strength of Singapore's logistics industry, which in turn depends largely on factors such as the quality and extent of Singapore's infrastructure and connectivity, as well as the Government of Singapore's policies and regulations.

- ***Size and Strength of Singapore's Logistics Industry***

  The logistics industry has always played a critical role in Singapore's economy, with the transport and communications sector contributing approximately S$23.1 billion or 11.8% of Singapore's GDP in 2005.

- ***Number of Transport and Storage Establishments***

  In 2004, the net number of transport and storage establishments set up increased significantly. Net formation was also strong in 2005, with the number of companies formed in the first 10 months of the year almost matching that in the whole year of 2004, which is a positive development for warehouse space take-up.

- ***Established Infrastructure and Connectivity***

  Singapore is well-connected by air and sea and has an excellent telecommunications infrastructure.

- ***Government Policies and Regulations***

  The Government of Singapore has put in place a framework to develop Singapore into an integrated logistics centre in Asia by 2010. Some of the Government of Singapore's initiatives include:

  a) Providing incentives for the maritime and logistics industry in the annual budget of 2006 such as:

     - Tax exemptions for qualifying income of ship investment vehicles and a 10.0% concessionary tax rate for qualifying income of ship financing activities in Singapore;
     - Enhancing the "Approved International Shipping Incentive" by lengthening the maximum period of incentive from 20 to 30 years to encourage shipping companies to remain in Singapore;
     - Removing the need for companies to show that derivative trades are incidental to physical trades before such income can be treated as qualifying income; and
     - The waiver of import GST for goods removed from zero-GST warehouses will be extended to all who qualify under the "Major Exporter Scheme" and "Approved Third Party Logistics Company Scheme"; and

  b) Creating the Airport Logistics Park of Singapore and classifying it as a free trade zone.

- ***Growth of Global Logistics Industry***

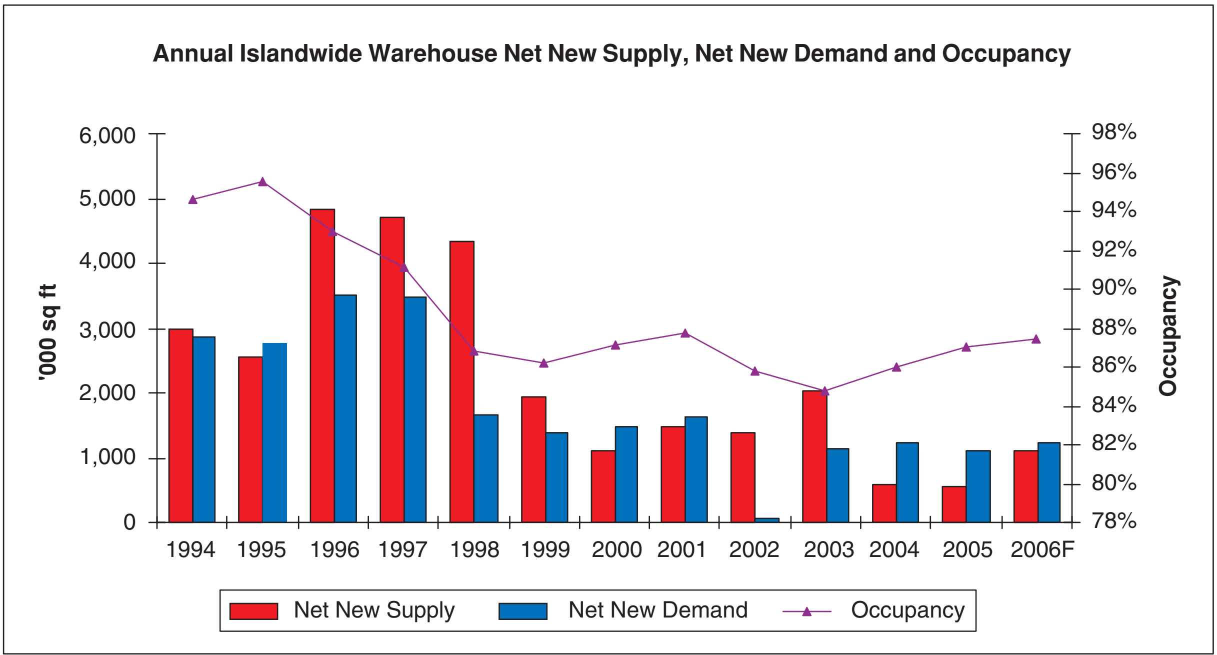
  According to the MTI, the transport and logistics industry is a sizeable growth market worldwide and is expected to attain annual growth rates in the range of 3.0% to 10.0%. As the pace of outsourcing gathers momentum, the logistics sector is likely to see further growth.

Warehouse Supply — Existing and Future

According to the URA, there was 62.2 million sq ft of warehouse space in Singapore as at 31 December 2005. Some 5.1 million sq ft of new warehouse space, or 8.2% of warehouse stock as at 31 December 2005 is expected to come on stream from 2006 onwards.

Demand and Occupancy

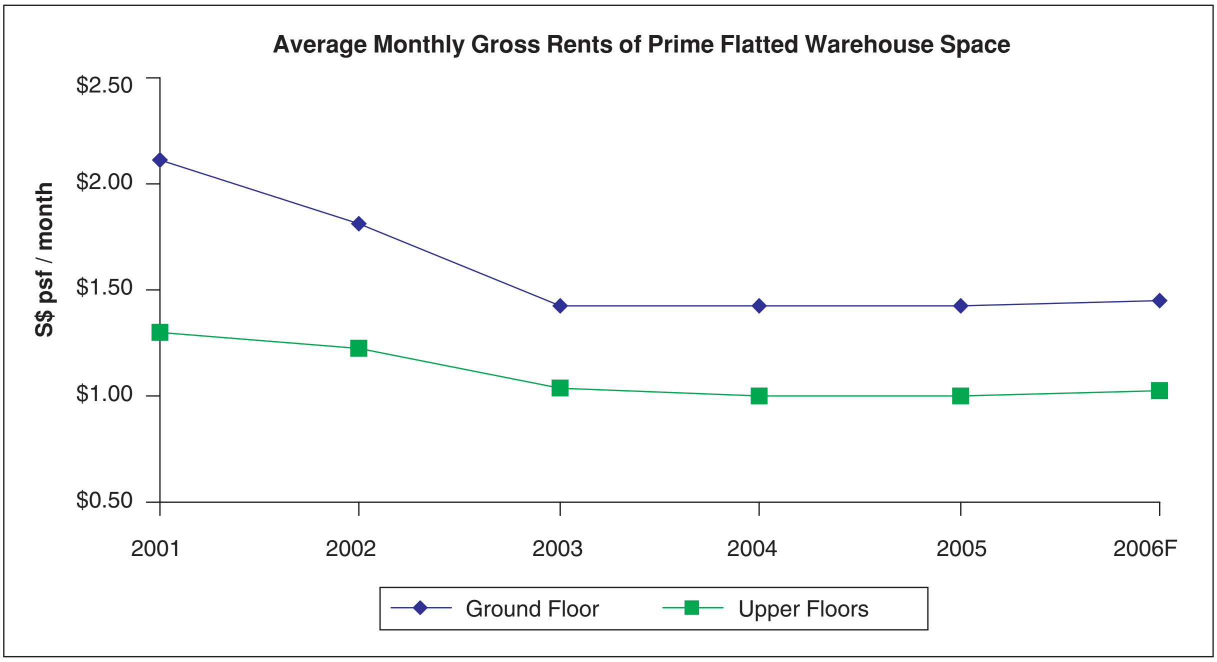
Historically, the Net New Supply of warehouse space has been strong in relation to demand for such warehouse space. However in 2004, the average annual Net New Supply fell to a low of 581,000 sq ft while Net New Demand was more than double Net New Supply at 1.2 million sq ft, raising occupancy to 86.0%. This trend of Net New Demand exceeding Net New Supply continued into 2005 with Net New Demand at 1.1 million sq ft and Net New Supply at 560,000 sq ft. Occupancy rose further to 87.0% as at 31 December 2005.



Source: Urban Redevelopment Authority/Colliers International

Rents

Rents of warehouse space, which had been on a downward trend since early 2001, bottomed in 2004 and have remained relatively flat from then until 31 December 2005.



Source: Colliers International

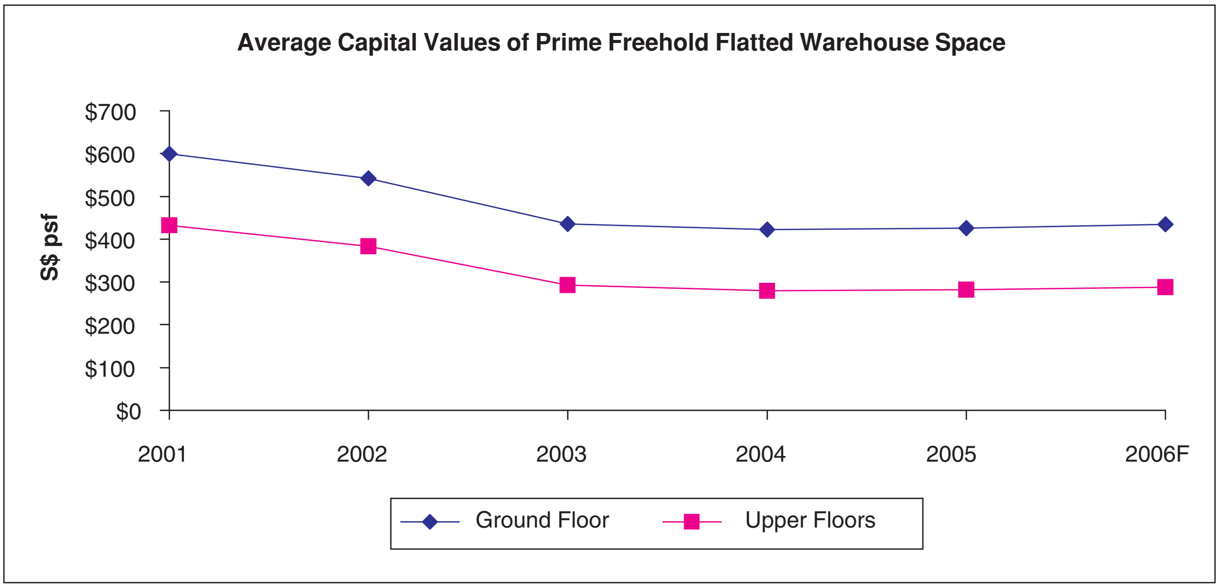
Average Monthly Gross Rents of Prime Flatted Warehouse Space

Floor	Average Monthly Gross Rents (S$ per sq ft)		Year-on-Year Change
	31 December 2004	31 December 2005	
Ground	S$1.42	S$1.42	0.0%
Upper	S$1.00	S$1.00	0.0%

Source: Colliers International

Capital Values

As in the case of rents, capital values of warehouse space have also experienced a downward trend since the end of 2000.



Source: Colliers International

Average Capital Values of Prime Freehold Flatted Warehouse Space

Floor	Capital Values (S$ per sq ft)		Year-on-Year Change
	31 December 2004	31 December 2005	
Ground	S$422	S$426	0.9%
Upper	S$279	S$282	1.1%

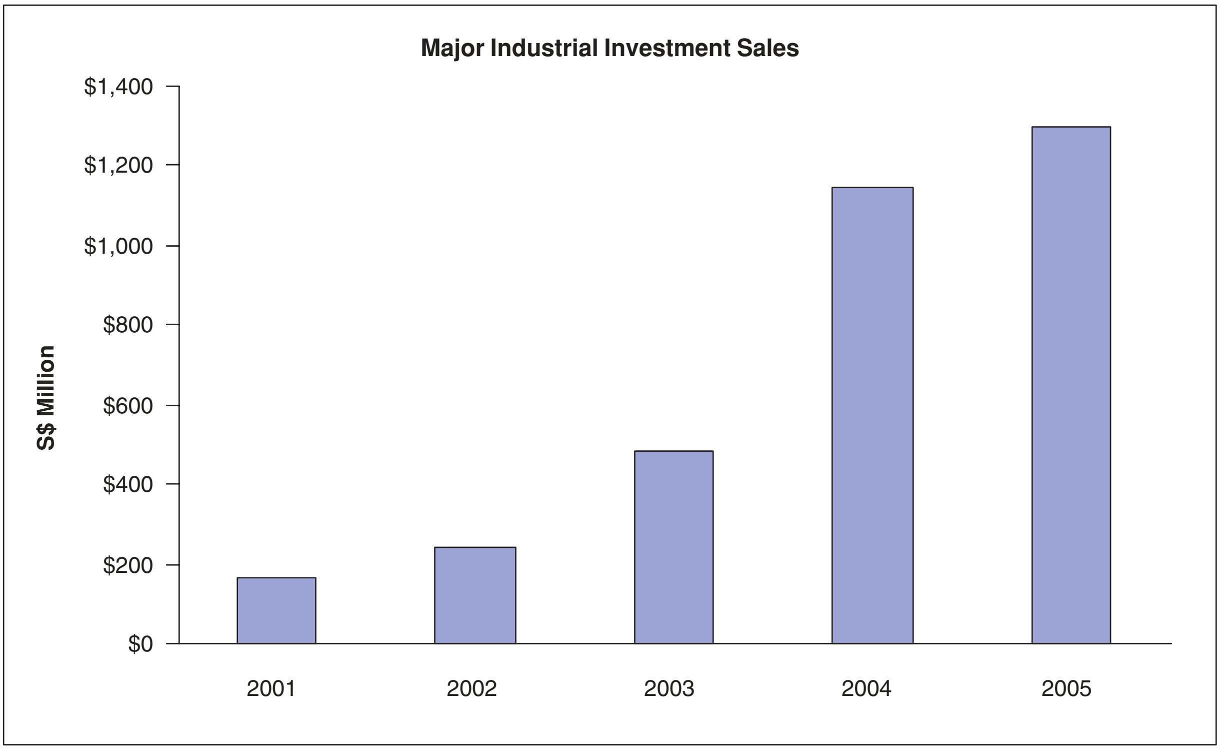
Source: Colliers International

SINGAPORE INVESTMENT MARKET

In the past three years, the emergence of industrial REITs has provided a stimulus to the industrial investment market. From a total investment value of some S$167.9 million in 2001, the industrial investment volume has risen nearly eight-fold to S$1.3 billion by 2005.

REIT-related acquisitions were also strong. On the assumption that CIT had acquired its initial portfolio of Properties in 2005, such acquisitions would have accounted for 86.6% of total industrial investment sales in 2005.

Net yields of investment-grade industrial properties averaged 7.5% as at 31 December 2005.



Source: Colliers International

Going forward, the investment sales market looks positive, particularly after JTC's announcement that it would stop developing industrial land and divest half of its ready-built facilities including 71 blocks of high-rise factories, three business park buildings, a high-rise warehouse in Clementi, 800 units of workshops and three workers' dormitories totalling 28.0 million sq ft. This sizeable group of buildings represents good potential for industrial REITs to grow their portfolios.

OUTLOOK

The outlook for the industrial property market in Singapore appears to be bright for the medium term, driven by the Government of Singapore's continued efforts to strengthen Singapore's role as a leading manufacturing and logistics hub in the Asia-Pacific region. Demand for industrial space is expected to remain buoyant, underpinned by record investments committed in the manufacturing and logistics sector. However, new supply of industrial space is set to slow down. Against this backdrop, rents and capital values of factories and warehouses are poised to remain stable, with some room for a moderate upturn in the medium term.

On the investment front, the three industrial REITs in Singapore, including CIT on the assumption that it had acquired its initial property portfolio, would have held approximately 11.9% of the islandwide stock of industrial space of 352.9 million sq ft as at 31 December 2005. Thus, there is potential for REITs to grow their portfolio of Singapore properties.

CHINA INDUSTRIAL PROPERTY MARKET

THE ECONOMY

China's economy grew rapidly between 1996 and 2005 at an average annual growth rate of 9.2%. China's economy was resilient during the Asian financial crisis and posted strong GDP growth of 9.3% and 7.8% in 1997 and 1998 respectively. Growth accelerated in the last few years on the back of increased investments, with GDP growth reaching a high of 10.1% in 2004. The fast pace of growth gave rise to concerns that the economy may overheat. The Chinese authorities have attempted to contain the growth and rebalance the economy by shifting the economy's reliance on investment.

By the end of 2005, China's economy grew by 9.9% and official results indicate that China's economy has already achieved its long-awaited soft landing with a slow down in inflation and investment growth. These figures suggest that further measures would not be needed to hold back the economy, as there is now little risk of a burst of the growth bubble. According to the National Statistics Bureau ("NSB"), the industrial sector grew by 11.4% (year-on-year) in 2005 and accounted for 41.8% of China's total GDP in 2005.

Beijing's economy expanded by 11.1% on a year-on-year basis in 2005 while realised foreign direct investments ("FDI") grew by 14.4% to reach US$3.5 billion (approximately S$5.7 billion) in the same year. The industrial sector, which accounted for 30.8% of Beijing's overall economy, grew by 11.7% reaching US$26.2 billion (approximately S$42.7 billion).

Shanghai has enjoyed double-digit economic growth for 13 consecutive years since 1992. GDP growth for 2005 was recorded at 11.1% and realised FDI amounted to US$6.9 billion (approximately S$11.3 billion), reflecting a growth of 4.7% over 2004. The city's industrial output grew by 13.9% to US$210.7 billion (approximately S$343.6 billion) in 2005, exceeding the city's growth rate. The industrial sector accounted for 45.4% of Shanghai's total GDP in 2005.

GOVERNMENT INITIATIVES

A series of macro-economic controls put in place by the Chinese Government, particularly in the residential real estate sector, has resulted in the chanelling of investment capital into the commercial and industrial sectors. According to the NSB, the Investment Real Estate Development Index showed investments in real estate development totalled US$185.3 billion (approximately S$302.2 billion) in the first 11 months of 2005, a 23.6% year-on-year growth.

In July 2003, the National Development and Reform Commission, the Ministry of Land and Resources and the Ministry of Construction began a nationwide audit of investment zones, which resulted in the closure of more than 4,800 sites, leaving some 2,000 zones in operation, out of which only 230 were reported to have been granted State Council approvals. Many industrial parks have had previously approved land reclaimed by the State Council.

The Government also aims to regulate the industrial property market by integrating scattered industrial areas and upgrading them to industrial park status while eliminating some low value industries. The efficiency of land use was improved by increasing the centralisation rate of industrial areas to between 70.0% and 80.0%. The controls in land supply in the midst of rising demand for both land and industrial facilities have led to increases in both land prices and building rents across Beijing and Shanghai.

SHANGHAI

Supply and Demand

Shanghai has nine key industrial zones, namely Baoshan, Jiading, Jinqiao, Kangqiao, Qingpu, Songjiang, Waigaoqiao, Xinzhuang and Zhangjiang.

Due to the limited land supply and a more stringent approval process for land acquisition since the macro land control policies were implemented, many enterprises keen on acquiring industrial park land were often put on a waiting list. Land use statistics from the Shanghai Economic Commercial Bureau, the Shanghai Statistics Bureau and the Shanghai Real Estate Bureau for 33 industrial land areas in 19 districts showed that the Shanghai Government has reduced the city's total number of development areas by 55.1% since 2003.

The market for industrial land in Shanghai is thus a case of demand outstripping supply. As at 31 December 2005, a total of about 62,600 hectares ("ha") has been set aside for 80 development areas and the centralisation rate for pillar industries is about 80.0%. The Chinese Government's plan to increase the industrial centralisation rate from the current 47.0% will reduce scattered industrial land by 5,000 ha.

There are mainly four types of industrial facilities in Shanghai's industrial market, namely the single-level workshops, the multi-level workshops, warehouses and offices (or business space). The main types of facilities available in the nine industrial parks in Shanghai are the standard single and multi-level workshops.

As at 31 December 2005, industrial stock in Shanghai stood at 207.0 million sq ft. The macro policies resulted in a tight supply of industrial facilities in 2004. However, continued strong demand for industrial facilities has brought about the construction and launch of new facilities totalling 23.1 million sq ft in 2005, almost matching the peak achieved in 2001.

Some 22.6 million sq ft of industrial facilities is expected to come on stream in 2006 and 2007. This translates to about 11.3 million sq ft per annum, which is approximately twice the 5.6 million sq ft of space that was released into the market in the whole of 2004. However, this is almost half of the 23.1 million sq ft released in 2005.

A sustained increase in FDI in Shanghai has supported the strong demand for high-quality factory and warehouse space in the nine industrial parks in Shanghai. Shanghai's World Trade Organisation member status and its opening of the logistics market have attracted an increasing number of logistics enterprises. This has in turn boosted the demand for logistics facilities and resulted in the building of more logistics facilities in the industrial parks. Additionally, Shanghai's booming retail developments have also strengthened the demand from local enterprises for workshops and warehouses. Logistics facilities have thus emerged as the new investment sub-segment of choice in the city's industrial property market.

The shift in industrial focus towards higher value-added industries, research and development and headquarter facilities in Shanghai has seen many multi-national corporations relocating or setting up their regional headquarters in the city. The city's pool of skilled labour, both local and foreign, is appealing to multi-national corporations. Occupancy rates of industrial facilities in the nine industrial parks averaged at about 90.0% with Xinzhuang and Kangqiao enjoying higher occupancy rates at 94.1% and 94.5% respectively as at 31 December 2005.

Rents, Capital Values and Yields

Rents for industrial facilities have been increasing since 1999 due to strong demand vis-à-vis tight supply. As at 31 December 2005, monthly rents averaged US$0.26 per sq ft (approximately S$0.42 per sq ft), reflecting a growth of 10.3% from the preceding year. Similarly, capital values of facilities in Shanghai have been on an upward trend since 1999. As at 31 December 2005, average capital values of facilities stood at US$40.24 (approximately S$65.63) per sq ft, reflecting a 5.4% growth from 31 December 2004. Average gross yields for industrial facilities stood at 7.8% as at 31 December 2005.

Outlook

In view of continued economic buoyancy, more multi-national corporations are expected to be established in China. As an important high-tech research base, Shanghai will continue to attract foreign investors. Land and facility supply will remain tight, lagging behind expanding demand for industrial land and facilities. Occupancy rates of facilities, industrial prices and rents are therefore expected to increase further. Looking ahead, the bright spots will be in the logistics/multi-modal logistics, information technology, research and development, and advanced technology sectors, industrial offices for headquarters and campus amenities. Industrial land and facilities catering to such development areas will see strong upside potential in demand, rents and capital values.

BEIJING

Supply and Demand

As a result of the land audits in 2003, the development zones in Beijing saw a drastic reduction in the supply of industrial land, leading to an increase in occupancy rates. The total planned stock of industrial land as at 31 December 2005 stood at 6,500 ha, including the new supply of 3,900 ha and the existing stock of 2,600 ha.

The supply of available industrial land for the construction of facilities remained tight resulting in a limited supply of industrial facilities with supply volume almost matching demand. The stock of industrial facilities as at 31 December 2005 stood at 984.9 million sq ft.

Nonetheless, in view of the Chinese Government's efforts to maintain a sustainable and healthy industrial market, it is predicted that it will release more land to increase the supply of facilities and thereby meet demand in the future. Over 125.2 million sq ft of industrial space is expected to come on stream between 2006 and 2007. This translates to about 62.6 million sq ft per annum, which is about half of the supply seen in 2004 and 29.8% lower than the total new supply for the year of 2005.

The majority of large industrial premises in Beijing are built by corporations for their own use and are rarely put up for sale. On the other hand, the industrial facilities available in major industrial estates (typically smaller in size as well) are generally custom-built for lease rather than for sale. Corporations which lease such facilities are usually small-and-medium-sized enterprises. Due to the limited supply of industrial land, and consequently industrial facilities, some industrial users turned to leasing facilities from third parties on a long-term basis instead of acquiring land and building their own facilities. These third parties have been allowed to acquire land and build as per the requirements of the tenants. Such types of undertaking have already become the norm in the Beijing Economic and Technological Development Area.

The strong demand for facilities by enterprises, especially for standard facilities, saw some 130.7 million sq ft of space being absorbed by the market in 2004 and 86.3 million sq ft in 2005. Average occupancy rates improved marginally from 94.7% as at 31 December 2004 to 94.8% as at 31 December 2005.

Rents, Capital Values and Yields

Average monthly gross rental rates of industrial facilities have remained fairly stable between 2001 and 2005 due to keen competition between the industrial parks. Monthly rental rates for industrial facilities averaged at US$0.41 per sq ft (approximately S$0.67 per sq ft) as at 31 December 2005. Capital values of industrial facilities have appreciated at a stable rate of approximately 4.7% per annum over the period between 1996 and 2005. The average capital values of industrial facilities stood at US$38.93 per sq ft (approximately S$63.49 per sq ft) as at 31 December 2005. Average net yields remained stable at about 10.0% as at 31 December 2005.

Outlook

In line with the Chinese Government's macro-economic controls, Beijing's real estate industry will gradually account for less of the city's GDP. High-tech, modern-manufacturing and new service industries are likely to assume greater significance as main drivers of the city's economic growth. Beijing is now focusing on the high-tech, information technology and telecommunications sectors. The land supply control policy and the expected healthy demand will support further take-up of vacant land. A new land supply plan is expected to be implemented to meet the development requirements of enterprises, thereby strengthening Beijing's positioning to attract investments. However, the impact on facility take-up, prices and rents is likely to be minimal until the newly constructed facilities are completed. The rental market for industrial facilities is expected to perform better than the sales market. Rents are likely to experience further growth potential.

With further increases in land prices expected in Beijing, there should be a preference for industrial properties in suburban areas. Additionally, due to the increase in risks in investing in other property sectors, the industrial market is expected to serve as a new investment opportunity worth exploring. Potential sectors to look into include high-tech, modern-manufacturing facilities and those catering to new service industries.

INDONESIA INDUSTRIAL PROPERTY MARKET

THE ECONOMY

Indonesia's economic structure is gradually shifting from being consumption to investment driven. In 2005, Indonesia's GDP grew by 5.6%. In line with GDP growth, the manufacturing and logistics sectors expanded by an average of 5.0% to 6.0% per annum from 2000 to 2004. In 2005, the manufacturing and logistics sectors contributed 28.1% to the national GDP.

In 2005, realised FDI increased by 193.7% (year-on-year) to Rp82,593 billion (approximately S$14.5 million), dominated by the transportation/storage/communication (33.1% of total FDI) and manufacturing sectors (chemicals/pharmaceuticals, food industry, metal/machinery and electronic industry) (25.5% of total FDI). Domestic investment also improved by 101.0% (year-on-year) to Rp30,665 billion (approximately S$5.4 billion), led by the manufacturing sector particularly the paper and printing industry and food industry (68.3% of total domestic investment).

The Indonesian Government has drawn up a strategy to boost foreign and domestic investments through a pro-investment policy package that is expected to be unveiled in 2006. The results of the reorganisation of the Cabinet have been positive although the economy faces a certain level of threat from high inflation rates and increasing business costs that could likely deter foreign investments. The GDP growth forecast for 2006 is 5.9%.

Supply and Demand

The Greater Jakarta area covers the six cities of Jakarta, Bekasi, Bogor, Tangerang, Karawang and Serang. Almost all the industrial estates in the Greater Jakarta area sell only industrial land.

The supply of serviceable (or saleable) industrial land in Greater Jakarta stood at 8,567 ha as at 31 December 2005. Prominent industrial estates are mainly concentrated in the Bekasi and Jakarta areas, and experienced high occupancy rates as at 31 December 2005.

Supply in the near future is expected to come from small, incremental additions and subsequent phased releases within existing industrial estates. The entire Greater Jakarta area is expected to see 525 ha of land potentially being released in 2006 and 2007, of which 66.5% or 349 ha is expected to come on stream in 2006.

In 2005, land absorption reached 274.7 ha, higher than 2004's total absorption of 81.4 ha. The average occupancy level of industrial parks in Greater Jakarta was relatively low at 60.7% as at 31 December 2005. In contrast, industrial parks in Jakarta and Bekasi performed fairly well, registering healthy occupancy rates of 99.3% and 87.0% respectively for the same period. Karawang achieved a 49.0% occupancy rate as at 31 December 2005 and Bogor's occupancy stood at 64.6%. In contrast, industrial parks in Serang and Tangerang registered weak occupancy rates averaging 33.7% and 39.6% respectively due to poor infrastructure.

Rents, Capital Values And Yields

Land prices in Greater Jakarta have remained relatively unchanged. The low level of investment and weak demand did not result in an immediate reduction in prices. Developers were still able to continue holding land intended for future expansion owing to the relatively cheaper holding cost. This is in contrast to the situation in 2003 when developers resorted to offering discounts of between 5.0% and 10.0% to buyers purchasing large industrial land plots.

Land in industrial estates with good take-up and tight supply is able to command higher prices. In Bekasi, developers raised land prices by between 8.0% and 10.0% over a period of one year. In Karawang, a particular industrial estate was able to increase prices by 5.0% over a period of one year. Other regions are holding out for a market upturn before adjusting prices.

Outlook

The demand momentum for industrial land is expected to continue into 2006. However, this may be affected by the Indonesian Government's plan to raise the country's electricity tariff. Investors will continue to acquire industrial land and space for their expansion needs in Bekasi, Karawang and Serang albeit at a slower rate. Automotive related industries will continue to be the key demand generator next year. Other active industries will include logistics, packaging, food and beverages and electronics. Most enterprises are likely to opt for the Bekasi and Karawang regions while those in the steel, chemicals and other related industries are likely to choose the Serang region. Bogor is expected to see an increasing concentration of logistics operations in the near future. Land prices will continue to improve, primarily within preferred locations like Bekasi and Karawang.

MALAYSIA INDUSTRIAL PROPERTY MARKET

THE ECONOMY

The Malaysian economy continued to experience steady and sustained growth in most sectors. In 2004, the economy recorded an impressive GDP growth of 7.1%, following two consecutive years of high GDP growth. Growth was broad-based with the manufacturing sector recording the highest growth of 9.8% in 2004. The logistics sector, measured as part of the transport/storage/communications sector, saw a growth of 8.1% for the same period.

In 2005, the economy slowed sharply in the first half. Real year-on-year GDP growth declined from 8.4% in the first half of 2004 to 4.4% in the first half of 2005 but improved to 5.3% in the first nine months of 2005. According to the preliminary estimates from the Department of Statistics in Malaysia, the manufacturing sector expanded by 4.5% in the whole year of 2005. According to official figures, the economy is estimated to have grown by 5.0% in 2005 and is expected to grow by between 5.3% and 5.5% in 2006.

KLANG VALLEY

Supply and Demand

Key industrial zones in the Klang Valley include:

Petaling Jaya: An established industrial zone that has built itself around the earlier existing residential sprawl of the Klang Valley. It is known that the Government is planning to relocate existing heavy industries and reposition Petaling Jaya as a residential area with only light industrial showrooms and office suites in the periphery;

Shah Alam: A major industrial location with key car assembly, logistics and manufacturing operators. Key names include Proton (auto assembly), Volvo (auto assembly), Ikea (warehouse), Cadbury (manufacturing) and Johnson & Johnson (medical manufacturing);

Guthrie: A new area lying to the north of Shah Alam is attracting big names such as the New Straits Times;

Banting/Klang: Various sections of these areas contain a number of industrial parks. Many have operations focused on the ports, either Klang Port, North Port or Westport; and

Puchong*:* A newer growth area for the industrial market. Many operators needing access to Kuala Lumpur International Airport are located in this section. DHL for example has a large distribution warehouse here.

The industrial market within the Klang Valley has seen a slow but steady recovery from the oversupply situation caused by the Asian financial crisis. Nationwide, the industrial property supply overhang was reduced in 2004, with the Klang Valley experiencing a small reduction in the overhang, particularly for terraced industrial units, which were the most oversupplied. Industrial properties in Malaysia are categorised into terraced industrial units, semi-detached industrial units, detached factories, Flatted Factories and industrial complexes.

Potential supply is large, particularly for the traditional terraced industrial units. Many projects are under construction in the new township but the developers have been slow to complete them due to the weak demand. Historically, the supply of industrial units has tapered since 1999 due to oversupply, especially in the context of terraced industrial units.

Land supply for industrial parks continues to come on stream with plantation companies cum developers holding large tracts that can be converted and brought on stream as required. These areas are the Sungai Buloh/'Guthrie Corridor', Puchong fringes, the growth areas of Rawang in the north and Nilai in the south[1]. There is also considerable land available on Pulau Indah, designated to support the growth of Westport.

A total of 511 units of all industrial property types were launched in 2004 and 51.2% were sold as at 31 December 2004. All of the unsold units were terraced industrial units and 87.0% of these had been in the market for over 24 months. In general, developers' interest is increasingly moving away from the traditional terraced factories towards detached factory units.

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1 Although Nilai is in Negeri Sembilan, it is considered part of the Klang Valley property market.

Anecdotal evidence from brokerage operations indicated a reasonable level of demand for well-located warehouse/distribution properties. A number of third party logistics operators have also been actively looking for facilities, typically requiring free-standing detached industrial space with sizeable built-up areas, good container circulation space and sufficient self-leveling docking bays. However, such industrial space was limited, probably due to a lack of similar demand in the past.

Rents, Capital Values and Yields

The industrial real estate sector is recovering gradually. The marginal increases in take-up within the Klang Valley have not produced a broad-based increase in rents or capital values, except for those in good locations such as areas of Shah Alam and Glenmarrie, where prices have risen by between 4.0% to 9.0% year-on-year as at 31 December 2004.

Investment yields for industrial properties have fallen over the last few years. However in 2004, there were instances of institutional buyers acquiring free standing industrial properties with good tenants and achieving yields of 9.0% (on a Triple Net Basis). Net yields for the smaller terraced properties that were let out were down at around 5.0% to 6.0%.

Outlook

The industrial market in the Klang Valley will continue to recover with positive capital and rental growth in the more established areas such as in Shah Alam and Glenmarrie. Terraced industrial units will remain oversupplied for some time. However, industrial parks in growth zones in the Banting/Klang and Puchong areas will attract interest from new set ups underpinned by continued economic growth and a buoyant manufacturing sector.

PENANG

Supply and Demand

The Penang industrial market is split between the island and the mainland. The main player in the industrial market is the Penang Development Corporation, which developed most of the major industrial parks in Penang. The other regional player is Kulim High Technology Development Authority. The main industrial parks in Penang are as follows:

<u>On Penang Island</u>

Bayan Lepas Free Industrial Zone — Comprises 570 acres of industrial land near Penang International Airport, which is mainly used for export driven activities. Industrial land is tightly held and available only through secondary sales.

Bayan Lapas Industrial Lots — Comprises over 600 acres of land with very little available to the market. It was designed for general industrial use and ancillary support to the Free Trade Zone.

Penang Technoplex — A small area designated for high-tech use. Motorola was one of the first major players in this park.

<u>On the Mainland</u>

The major park on the mainland is the Prai Industrial Estate where many major companies such as Mattel and Sony are located. Its facilities include industrial land for detached factories and a bulk port terminal facility. Other estates include some privately developed ones offering freehold land. There is ample supply with at least 100 acres in various estates available for sale at present.

The market has seen significant supply overhang for all types of industrial properties but there are signs of recovery and take-up has gradually improved, especially in the sought after areas such as in the Prai

Industrial Estate. Developers were, however, careful in adding new stock into the market. There were more units under construction than there were planned, indicating that developers were not keen to increase stock levels. There also remains considerable potential supply of industrial land through the conversion of oil palm plantations to industrial land.

The electronics manufacturing industry is the major demand driver for the industrial property market in Penang, especially for industrial parks that specialise in this area. Demand has shrunk as investments in this sector have been diverted to other regional locations, mainly China. However, there are still sufficient players in the market to generate demand and in turn reduce the supply overhang. The oversupply of all types of industrial units was reduced from 141 units at the end of 2003 to 114 units at the end of 2004.

Land sales have been generally quiet with agents reporting a soft market with very few sales.

Rents, Capital Values and Yields

Capital values and rents have been soft since the Asian financial crisis. Recovery has been marginal with weak demand and continued supply that came mostly from the Penang Development Corporation.

Most industrial property transactions achieved net yields of between 7.0% and 9.0%, including those of leasehold properties with remaining tenure of only 40 to 50 years.

Outlook

The outlook for the Penang industrial market is dependent on the performance of the Malaysian economy. Slow but sustainable growth can be achieved if the electronics manufacturing and component assembly industries continue to maintain a market presence in Penang. Penang remains a major hub within the context of Asean and under the Asean Free Trade Agreement there are opportunities for it to become an established regional distribution hub.

TAIWAN INDUSTRIAL PROPERTY MARKET

THE ECONOMY

For nearly two decades prior to the late 1990s, Taiwan was one of the fastest growing economies in the world. However, as a result of the Asian financial crisis in 1997 to 1998, the Dot.com collapse and the SARS outbreak, Taiwan's economy has slowed down substantially.

In 2004, the economy picked up and expanded by 5.7% year-on-year. In the first half of 2005, economic growth was slow due to increased oil and raw material prices, flagging demand for high-tech products, softer demand from China and a more subdued export performance. Growth, however, quickly rebounded in the second half of the year, on the back of favourable exports and improved industrial production. In 2005, Taiwan's economy grew at 4.9%.

In the last decade, Taiwan has seen the continued migration of manufacturing capacities across the Taiwan Straits to China due to geographical and cultural proximity, generous incentives offered by the Chinese Government, lower wages for assembly workers and the strong potential of the Chinese domestic market. The continuing migration has led to concerns about the "hollowing out" of the country's industrial sector. Nonetheless, the value of industrial production has not decreased as the manufacturing sector still accounts for approximately 25.0% of Taiwan's total GDP. In 2004, the manufacturing sector contributed more than NT$2.9 trillion (approximately S$145.1 billion) to the GDP of Taiwan and the manufacturing index rose by nearly 30.0% between 2001 and 2004.

On the logistics front, the total value of the sector grew by 31.0% between 2001 and 2004. In 2005, it contributed around NT$749.7 billion (approximately S$37.5 billion) to total GDP. Kaohsiung, Taiwan's largest port, is the sixth largest port in the world today. Taiwan is also the home to two of the world's largest shipping lines, Evergreen and Yang Ming, as well as the biggest intra-Asia carrier, Wan Hai. However, Taiwan has been slow in realising its goal of becoming a global logistics centre, largely due to its ban on direct transport links with China. The restrictions are not expected to be fully removed any time soon, and this does not bode well for Taiwan's prospects as a global logistics hub.

Supply and Demand

The Greater Taipei Area, which includes both Taipei City and Taipei County, is one of the largest manufacturing bases in Taiwan. In 2004, The Greater Taipei Area accounted for around 6.0% of the country's total supply of industrial land. The total stock of industrial space in the Greater Taipei Area as at 31 December 2005 is estimated to be around 138.8 million sq ft, of which 41.2 million sq ft are located in Taipei City and 97.5 million sq ft in Taipei County. Elsewhere in Taiwan, factory operations have shrunk significantly in 2003 and 2004 as a significant number of manufacturing establishments have relocated to China or other Asian countries. As a result, older and less well-located factories have been left vacant. In contrast, demand for quality industrial/office space has been reasonably stable over the same period.

The bulk of the stock in Taipei City is distributed in two districts, namely Neihu and Nangang. Nearly all of the stock within these two sub-markets is of the industrial/office type. Located within close proximity to the CBD, Neihu is home to the corporate headquarters of many high-tech companies. The building standard of the majority of Neihu's industrial property stock is comparable to the city's Grade A or Grade AB office buildings. Nangang's industrial supply is concentrated within the Nangang Software Park, which has a total land area of 8.5 ha and is being developed over three phases. The first two phases have been completed and are nearly fully occupied whilst the construction of the final phase is currently underway.

The key industrial centres within Taipei County are Jhonghe, Sindian, Sanchong, Sinjhuang, Sijhih, Tucheng, Wugu and Linkou. The Jhonghe, Sindian and Sanchong industrial centres are situated close to the city centre and are served by the Metro Rapid Transit. These centres have more buildings designated for industrial/office use and therefore command higher rents. Industrial properties in the Wugu, Tucheng and Linkou industrial centres are mainly strata-titled factories that are either older or of lower building standards. As part of a comprehensive programme for upgrading the industrial sector, the County Government is currently planning to upgrade aging industrial buildings to better quality industrial/office space.

The total future supply of industrial space that is expected to come on stream in 2006 and 2007 is estimated at around 7.5 million sq ft, out of which 2.7 million sq ft will be developed in Taipei City and 4.8 million sq ft in Taipei County. The bulk of the total potential supply in both areas is expected to be industrial/office space. The total potential supply of 7.5 million sq ft is low compared to historical levels. Taipei City's annual new supply peaked in 2001 with a total of 8.7 million sq ft while its county counterpart peaked earlier in 1999 with a total of 16.6 million sq ft. As Taiwan's factory operations are expected to continue to shrink, it is expected that the size of future supply will continue to moderate.

Demand for factories has been weak in Taipei County and almost non-existent in Taipei City. Demand for industrial/office space on the other hand, has been stable in both locations. High-tech industries and trading companies are among the major sources of demand. Due to healthy demand and limited new supply of industrial/office space, the Neihu industrial centre in Taipei City has seen good take-up. Average occupancy rates have risen to a near historic high of 95.0% as at 31 December 2005. In view of the limited supply of developable sites, occupancy rates are expected to continue to rise.

Occupancy levels at Jhonghe and Sindian (in Taipei County) are reasonably healthy as most buildings in the area are designated for industrial/office use, located close to the city centre and well connected by the public transportation system. Demand for older industrial estates in Taipei County, on the other hand, has been weak and many of them are unoccupied. As manufacturers continue to relocate elsewhere, the situation is unlikely to improve.

Rents, Capital Values and Yields

Industrial rents and capital values in almost all sub-markets have either reached their peak or have started to trend downwards. In Jhonghe, Sindian, Sanchong, Sinjhuang, Tucheng and Linkou, rents and capital values have started to decline whilst those in Sijhih and Wugu are likely to have reached their respective peaks. Rents and capital values of industrial space in Neihu and Nangang, however, are expected to climb further due to better supporting infrastructure being available in these industrial centres.

The gross yields of industrial properties in the Greater Taipei Area ranged from 5.0% to 7.0% as at 31 December 2005.

Outlook

Taiwan's economy is expected to expand by a forecasted growth rate of 4.3% in 2006 underpinned by steady growth in private consumption and an improving outlook for exports. There remain a number of risks in the short to medium-term, including high oil prices and slower global demand for information technology products. Continued cross-Straits tension may further dent consumer and business confidence and in turn economic growth. In the longer term, structural reform of the economy will continue as the country's manufacturing sector continues its migration across the Taiwan Straits. In 2006 and 2007, investment growth is expected to moderate, as more resources are devoted to research and development.

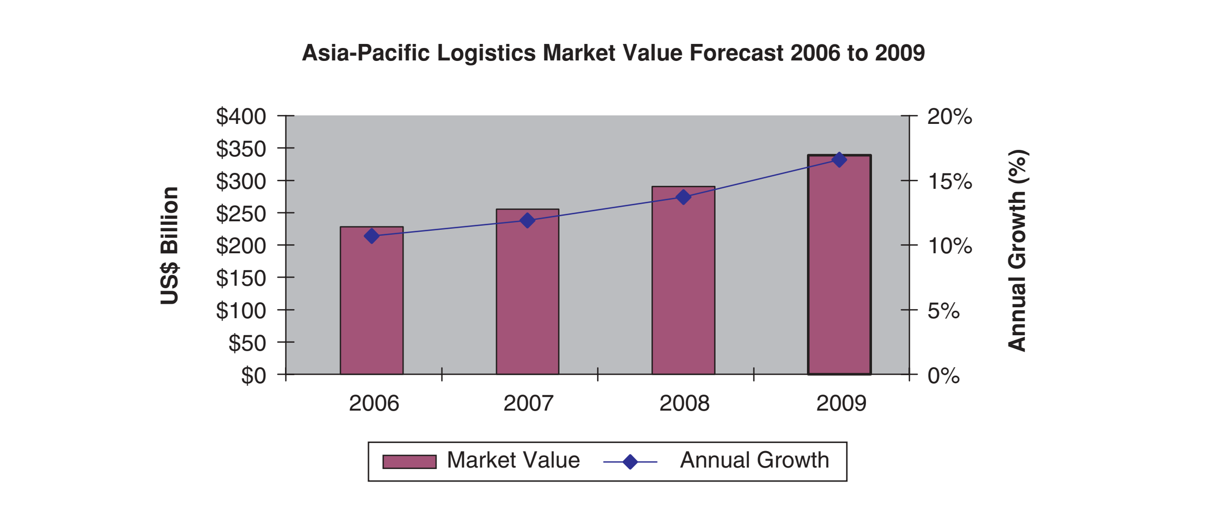
Dedicated warehouses or logistics facilities present potential investment opportunities as the Taiwan Government continues in its effort in developing Taiwan into a global logistics hub. This is, however, dependent on whether the restrictions on free cross-Straits flow of money, goods and people can be lifted. Owner-occupied industrial properties are also good investment targets for Taiwan's newly developed REITs market and such properties are therefore closely monitored. However, some difficulties may be encountered as owners typically value their properties significantly higher than market price.

INVESTMENT OPPORTUNITIES IN THE REGION

Asia is one of the world's growth engines and the main origin of many products worldwide. Industrial operations in the Asia region, particularly in sub-sectors such as manufacturing, logistics and semiconductors, have experienced strong growth boosted by the region's relatively low labour costs, skilled workforce and strong global demand for consumer products.

In addition, the Asia Pacific region's logistics market has been growing rapidly. As 31 December 2004, the value of the Asia Pacific region's logistics market accounted for US$187.0 billion (approximately S$317.9 million) or 35.5% of the global market share[1]. Datamonitor forecast that the market value of the Asia Pacific region's logistics industry would grow by 81.1% from 2004 to US$338.6 billion (approximately S$576.6 billion) by 2009.

1 Datamonitor, (February 2005), "Logistics in Asia-Pacific".



Source: Datamonitor, February 2005

Going forward, the outlook for the industrial property market in the region remains favourable. Asia's status as the world's workshop bodes well for industrial real estate both in the short and long term. This is particularly true in China, which will continue to be a major player in world trade.

The continuing trend of manufacturing companies preferring to lease, as opposed to owning their business premises will present vast opportunities for industrial and logistics REITs to expand via acquisitions in the region. The yields of industrial space in the region (as reflected in the following table) ranged between 5.0% and 10.0% as at 31 December 2005.

Yields of investment-grade industrial buildings in the region as at 31 December 2005

Country/City	Yields
China:	
– Beijing	10.0%(1)
– Shanghai	7.8%(2)
Indonesia:	
– Jakarta	8.0%(1) to 9.0%(1)
Malaysia:	
– Klang Valley	9.0%(1)
– Penang	7.0%(1) to 9.0%(1)
Singapore	7.5%(1)
Taiwan	5.0%(3) to 7.0%(3)

Source: Colliers International

Notes:

(1) Based on net yields of investment-grade industrial buildings in the relevant country/city as at 31 December 2005.

(2) Based on gross yields of investment-grade industrial buildings in the relevant country/city as at 31 December 2005.

(3) Based on gross yields for individual industrial strata units.

STRATEGY

The principal investment strategy of CIT is to invest, directly or indirectly, in income-producing real estate and real estate-related assets which are used mainly for industrial (including warehousing) purposes. In accordance with the requirements of the Listing Manual, the Manager's investment strategy for CIT will be adhered to for at least three years following the Listing Date, unless otherwise agreed by Unitholders by Extraordinary Resolution in a meeting of Unitholders duly convened and held in accordance with the Trust Deed.

Although the initial focus of CIT will be on properties in Singapore, CIT intends to explore opportunities in China, Malaysia, and possibly Thailand in the short to medium term and other Asian countries in the longer term, subject to investment opportunities and market conditions. CIT's investments will generally be of a long-term nature.

The Manager's key financial objectives are to provide Unitholders with a competitive rate of return on their investment by ensuring stable and regular distributions and long-term growth in both distributions and net asset value per Unit.

The Manager aims to produce attractive total returns for Unitholders through the following strategies:

- ***Acquisition Growth Strategy*** — This involves pursuing acquisition opportunities available to CIT that will enhance CIT's asset base and provide an attractive cash flow and distribution profile for Unitholders. Acquisition opportunities will be evaluated in accordance with the Manager's strategy of investing in real estate and real estate-related assets used mainly for industrial (including warehousing) purposes;
- ***Active Asset Management Strategy*** — This involves actively managing CIT's property portfolio to maximise returns through prudent control of property outgoings, active marketing and leasing of any vacant properties or properties whose leases are expiring and asset refurbishment and enhancement projects to maintain competitive positioning of the assets; and
- ***Capital and Risk Management Strategy*** — This involves employing appropriate debt and equity financing in the acquisition of the Properties and future acquisitions and utilising interest rate and currency hedging instruments where appropriate to optimise risk-adjusted returns to Unitholders.

Acquisition Growth Strategy

The Manager will pursue acquisition opportunities available to CIT that will enhance CIT's asset base and provide an attractive cash flow and distribution profile for Unitholders.

In forming CIT's initial portfolio of Properties, as well as evaluating future acquisition opportunities, the Manager's focus was and will primarily be on the following factors:

Choice of location

The Manager will carefully assess the geographic attributes of acquisition opportunities. For future Singapore-based acquisitions, properties which are located near to highways, MRT stations, labour resources and amenities are preferred.

For example, the majority of the Properties within the initial portfolio are easily accessible and located close to the following expressways which span Singapore:

Ayer Rajah Expressway	:	between the City Centre and the Western industrial areas of Jurong;
East Coast Parkway	:	between the City Centre and Changi International Airport in the East;
Pan-Island Expressway	:	across Singapore from East to West;
Central Expressway	:	across Singapore from North to South; and
Kallang/Paya Lebar Expressway	:	connecting the central business district to the important North-East region.

For future overseas acquisitions, the Manager intends to focus on assets located in or close to:

(i) key established cities, for example Shanghai, Beijing, Kuala Lumpur and Bangkok;

(ii) cities with high growth potential, for example Dalian (gateway to North Eastern China), Chengdu and Chongqing (gateway to inner Western China) and Wuhan along the Yangtze River;

(iii) cities and locations with unique commercial specialisation, for example biomedical parks and automobile cities, for example Anting in Shanghai and Jilin;

(iv) cities and locations with good international accessibility such as those near seaports and airports, for example Pudong in Shanghai; and/or

(v) cities and locations with good accessibility such as those near major highways, railways and subways.

Building and facilities specifications

The Manager will seek to acquire high quality buildings that can be used by a wide range of tenants. This approach would also enhance the tenant mix and occupancy levels. Generic and less specialised assets such as warehouses are preferred. High quality light industrial buildings and quasi offices are also preferred. Due consideration will be given to the age and state of maintenance of the Properties.

Age of buildings

The Manager will seek to lower the average age of the initial portfolio of Properties within the next few years by acquiring new properties of an age which is lower than the average age of the initial portfolio of Properties. The weighted average age of the buildings (by Acquisition Value) in the initial portfolio of Properties is approximately 12.8 years without taking into account major renovations which have been undertaken in respect of certain of the Properties.

Land lease expiry profile

The Manager believes that property values generally correlate positively with the duration of the associated land leases and therefore properties with short land leases (i.e. less than 30 years) with no lease renewal potential are generally not preferred. The weighted average duration of land lease of the initial portfolio of Properties by Acquisition Value is approximately 41 years.

Value adding opportunities

In evaluating acquisition opportunities, the Manager will also assess the potential for asset enhancement through renovations or other external improvements, for example, infrastructure enhancements, rental floor area expansion (if the maximum allowable plot ratio has not been fully utilised) and potential for change of use of building. Several Properties are located in the Ubi and Joo Seng areas in central Singapore, namely 21 Ubi Road 1, 136 Joo Seng Road, CSE Global Building, Olivine Building and MEC TechnoCentre, which is currently undergoing substantial infrastructure upgrading e.g. building of the Circle Line MRT and the Kallang/Paya Lebar Expressway.

Tenant credit quality and diversification

The Manager will evaluate the credit quality of tenants and will carry out relevant enquiries and checks as and when necessary. In the initial portfolio of Properties, approximately 44.7% of the total annualised Gross Revenue for the Forecast Period 2006 is contributed by tenants which are SGX-ST listed companies or are subsidiaries of SGX-ST listed companies, most of whose lease obligations are guaranteed by their respective SGX-ST listed parent companies.

The Manager will aim to have exposure to a diversified tenant base in order to minimise single tenant risk. In the initial portfolio of Properties, the single largest tenant by revenue contribution will account for only approximately 17.5% of the total annualised Gross Revenue for the Forecast Period 2006.

Lease expiry profile

The Manager will seek to acquire properties that improve the weighted average lease expiry profile of CIT's property portfolio and/or provide added diversification to the lease expiry profile to minimise CIT's exposure to lease expiry in any one year.

The initial portfolio of Properties has tenures ranging from five to 10 years, with 19 of the Properties having a lease tenure of seven years. On a weighted average basis by Acquisition Value, the Properties have a lease tenure of approximately 7.9 years.

Based on monthly Gross Revenue as a percentage of aggregate monthly Gross Revenue for the Forecast Period 2006, over 96.0% of the leases will expire seven years or more from the Listing Date. This should provide cashflow stability for the initial portfolio of Properties. The Manager will continue to ensure such cashflow stability for new acquisitions.

In addition to leases with long tenures, the Manager will seek to ensure that fixed rental escalation clauses are included to ensure growth in Gross Revenue. Such escalation clauses are applicable to the initial portfolio of Properties depending on the tenure of the leases as follows:

	Year of effect of rent escalation on the Properties	**Duration of lease**			
		5 years	**7 years**	**8 years**	**10 years**
Rent escalation in year 3[(1)]	2008	5.0%	5.0%	5.0%	—
Rent escalation in year 4[(1)]	2009	—	—	—	7.0%
Rent escalation in year 5[(1)]	2010	—	5.0%	5.0%	—
Rent escalation in year 6[(1)]	2011	—	—	—	—
Rent escalation in year 7[(1)]	2012	—	—	5.0%	7.0%

Note:

(1) References to years are to the number of years from the Listing Date, when the leases commence. In each case the rent escalation will take effect from the first day of the specified year (i.e. on the relevant anniversary of the Listing Date).

Security deposits

In order to further enhance tenant credit quality, the Manager will seek to obtain a high level of security deposits (in the form of cash, bankers' guarantees or insurance bonds). On a weighted average basis (by Acquisition Value), the initial portfolio of Properties is secured by security deposits equivalent to approximately 14 months' of rental based on a weighted average lease term of approximately 7.9 years (by Acquisition Value). The Manager believes this level of security deposits is higher than the market norm of one month per year of the lease for industrial properties.

Regional diversification

While Singapore will continue to account for the majority of the assets in the short term, the medium and longer term strategy is to pursue opportunities in Asia in order to enhance the geographical spread and tenant base of CIT's portfolio.

In assessing overseas acquisitions, the Manager will consider a number of factors, including:

- Country risks (e.g. political stability, business environment, law and order);
- Currency risks (e.g. currency volatility);
- Market risks (e.g. property price and rental yield volatility, industry regulation and infrastructure); and
- Asset-specific risks.

Factors underpinning the Manager's acquisition strategy

The Manager's acquisition strategy is underpinned by the following:

- The Manager's belief that companies are increasingly looking to lighten balance sheets to free up capital for business expansion, which may increase the availability of assets for acquisition;
- CIT's regional investment strategy and focus on industrial properties provide significant acquisition opportunities;
- The Directors and Executive Officers of the Manager have relevant experience and track records and have demonstrated their ability to identify and execute industrial property acquisitions in forming the initial portfolio of Properties;
- The Manager, through the formation of the initial portfolio of Properties, has established strong relationships with the Vendors and tenants of the initial portfolio. The Manager will seek to maintain and strengthen these relationships. The Manager will also seek to capitalise on these relationships to further expand the portfolio's tenant network by acquiring and leasing back the properties of CIT's tenants and the Vendors as they expand overseas;
- CWT is a Singapore-incorporated company listed on the Main Board of the SGX-ST and is engaged in the business of cargo logistics and distribution. The Trustee has been granted a right of first refusal and last look by CWT over each of the industrial properties owned or that may be owned by CWT or its subsidiaries in Singapore, and such other properties that may be owned by CWT or its subsidiaries in Malaysia, Indonesia, Thailand, Philippines, Australia, China, Taiwan and the special administrative regions of Hong Kong and Macau during the period for which the right of first refusal and last look is granted. (See the section titled "The Manager and Corporate Governance — The Manager of CIT"). CWT has announced its intention to accelerate its expansion in Asia[1] (See the section titled "The Manager and Corporate Governance — The Manager of CIT"). The Manager is not dependent on CWT for CIT's future property acquisitions;

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[1] Souce: CWT's Annual Report 2004.

- The Trustee has also been granted a right of first refusal by C & P Holdings, the parent company of CWT, over a property under construction at Lot 8814 Mukim 27 at Changi South Lane which is expected to have a gross floor area of approximately 33,850 sq m. (See the section titled "The Manager and Corporate Governance — The Manager of CIT");
- Mitsui, a company incorporated in Japan, developed Japan Logistics Fund Inc., the first listed REIT in Japan dedicated to investing in distribution facilities. Japan Logistics Fund Inc. was listed on the Tokyo Stock Exchange in May 2005. As Mitsui is a shareholder of the Manager, the Manager believes that Mitsui will contribute its expertise gained in managing Japan's first listed REIT dedicated to investing in distribution facilities and will assist the Manager in seeking opportunities for acquisitions and tenancies from Mitsui's existing business network, especially Japanese companies, both in Singapore and the region.

Active Asset Management Strategy

The Manager will actively manage the properties in CIT's portfolio in order to develop strong relationships and maintain high tenant retention levels and minimise vacancy levels.

The Manager will seek to add value to existing properties and maximise returns on CIT's portfolio through the following strategies:

Asset enhancements

The Manager will aim to add value through selective renovations or other enhancement work, subject to compliance with prevailing planning and other relevant regulations.

In selecting the initial portfolio of Properties, one of the key focuses was to identify properties with inherent asset enhancement and capital appreciation potential. Properties with the following attributes are preferred:

- Expansion potential — Certain Properties have built-up plot ratios which are much lower than the maximum allowable plot ratio of up to 2.5 under the Master Plan. CIT is currently in discussion with the tenant of one Property which is requesting expansion of the gross floor area. Returns from such potential expansion are likely to be higher than normal property yields as they are not subject to land costs; and
- Potential for changing building use — In assembling the initial portfolio of Properties, the Manager also took into account potential value appreciation resulting from change of property use. For example, ODC Districentre situated on Toh Guan Road directly opposite the IMM Building has the potential to be converted to a property for WRS (Warehouse Retail Scheme) use. The Vendor has also recently completed the conversion of part of the ground floor into a showroom.

Controlling property expenses

The Manager will seek to control expenses at each of the Properties without compromising the quality of services to tenants. The Manager intends to leverage on the size of CIT's portfolio to achieve economies of scale and cost savings in providing services to tenants.

Maintaining high occupancy rates and improving rentals

The Manager aims to maintain a 100.0% occupancy rate by actively managing lease renewals through proactive negotiations with tenants and sub-tenants or pursuing new leasing opportunities well in advance of the expiry of the respective leases and sub-leases. The Manager's leasing and sub-leasing strategy will target new and existing tenants and sub-tenants which can enhance the tenant base and overall yield of the portfolio.

Capital and Risk Management Strategy

The Manager aims to optimise CIT's capital structure and cost of capital within the borrowing limits set out in the Property Funds Guidelines and intends to use a combination of debt and equity to fund acquisitions and refurbishments of its property portfolio.

The objectives of the Manager in relation to capital management are to:

- maintain a strong balance sheet by adopting and maintaining a target gearing ratio;
- secure diversified funding sources from both financial institutions and capital markets as CIT grows in size and scale;
- minimise the cost of debt financing; and
- manage the exposure arising from adverse market movements in interest rates and foreign currency through appropriate use of hedging instruments.

The Manager will consider diversifying its sources of debt financing in the future by possibly accessing the public debt capital markets through a commercial mortgage-backed security structure or, alternatively, the establishment of a medium-term note programme.

Access to the public debt markets will improve CIT's ability to secure debt for acquisitions, refurbishment of its properties and the refinancing of existing loans. The public debt markets may also provide CIT with the ability to secure longer term funding options in a more cost efficient manner.

Target gearing policy

The Manager's policy is for CIT's average gearing over time to be between 30.0% and 40.0% of the Deposited Property with the capacity to increase borrowings on a short-term basis to facilitate acquisitions by CIT, capital expenditure requirements of CIT's property portfolio and distributions to Unitholders.

Interest rate hedging strategy

The Manager intends, subject to market conditions, to have at least 50.0% of its borrowings subject to fixed interest rates. This can initially be achieved through the use of interest rate swap contracts and, in the medium and longer term, the Manager intends for CIT to gain access to fixed rate capital market instruments, such as fixed rate corporate bonds, subject to market conditions.

Foreign exchange hedging strategy

The Manager intends to use foreign currency denominated borrowings to fund relevant overseas acquisitions and enter into foreign currency hedges to hedge non-Singapore denominated income against possible adverse currency movements.

The Bridge Loan Facility and the Facilities

The Trustee has entered into an agreement with ABN AMRO Bank setting out the terms and conditions of the Bridge Loan Facility of S$400.0 million and has entered into the Interest Rate Swap Agreement with ABN AMRO Bank.

Furthermore, the Trustee has also agreed to mandate ABN AMRO Bank to arrange the Facilities, namely the Warehouse Facility extended by the Issuer SPV/Trust of up to S$390.0 million, which is a two-year secured term loan ultimately funded through the United States commercial paper market, and the Overdraft Facility of up to S$10.0 million from the Singapore branch of ABN AMRO Bank or the Issuer SPV/Trust which, subject to the agreement of relevant terms, definitive documentation and the satisfaction of the conditions contained in the Warehouse Facility and the Overdraft Facility, will together be used to repay the Bridge Loan Facility.

As security for payments in connection with the Bridge Loan Facility, any interest rate swap pursuant to the Interest Rate Swap Agreement and the Facilities (assuming the Facilities are entered into), all the assets of CIT including the Properties, and the rights, title and interest in leases, insurances and rental proceeds relating to the Properties, and the rights and interests under the Property Management Agreement, will be mortgaged, assigned and charged to ABN AMRO Bank or the Issuer SPV/Trust (as the case may be) and any new assets acquired by CIT, and the rights and interests of CIT in certain contracts, may also be mortgaged, assigned and charged to ABN AMRO Bank or the Issuer SPV/Trust (as the case may be).

Interest on the Bridge Loan Facility and the Warehouse Facility will be based on the one to three months Singapore dollar swap offer rate plus a margin, whereas interest on the Overdraft Facility will be at the Prime Lending Rate.

The Bridge Loan Facility will be drawn down on the Listing Date in an amount of approximately S$202.9 million as part payment of the Acquisition Value of the Properties. Pursuant to the Interest Rate Swap Agreement, the Manager will also, by the Listing Date, enter into a 12-month interest rate swap to provide fixed rate funding for approximately S$183.0 million of the amount drawn down. After the draw down of the Bridge Loan Facility, CIT's gearing will be approximately 38.5% of the Deposited Property.

BUSINESS AND PROPERTIES

Overview of CIT, the first independent[1] industrial real estate investment trust in Singapore

CIT is a real estate investment trust established with the objective of investing directly or indirectly in income-producing real estate and real estate-related assets which are used mainly for industrial (including warehousing) purposes. CIT seeks to provide Unitholders with a competitive rate of return on their investment by ensuring stable and regular distributions and long-term growth in both distributions and net asset value per Unit. This involves sourcing and acquiring value-enhancing assets in Asia, with an initial focus on properties in Singapore.

The initial portfolio of CIT will comprise 27 properties, details of which are set out below (the "Properties" and each, a "Property"), covering an aggregate of approximately 426,725.2 sq m of Lettable Area, all of which are located in Singapore. The total Appraised Value, as determined by the Independent Valuers[2] of the entire initial portfolio of Properties amounts to S$519.0 million, with annualised gross revenue of approximately S$43.2 million for the Forecast Period 2006.

Although the initial focus of CIT will be on properties in Singapore, CIT intends to explore opportunities in China, Malaysia, and possibly Thailand in the short to medium term and other Asian countries in the longer term, subject to investment opportunities and market conditions. CIT's investments will generally be of a long term nature. CIT's investments may be by way of direct acquisition and ownership of property by CIT or may be effected indirectly through the acquisition and ownership of companies or other legal entities whose primary purpose is to hold or own real estate or real estate-related assets.

The Manager aims to provide attractive total returns for Unitholders through the following strategies:

(a) **Acquisition Growth Strategy** — This involves pursuing acquisition opportunities available to CIT that will enhance CIT's asset base and provide an attractive cash flow and distribution profile for Unitholders. Acquisition opportunities will be evaluated in accordance with the Manager's strategy of investing in real estate and real estate-related assets used mainly for industrial (including warehousing) purposes;

(b) **Active Asset Management Strategy** — This involves actively managing CIT's property portfolio to maximise returns through prudent control of property outgoings, active marketing and leasing of any vacant properties or properties whose leases are expiring and asset refurbishment and enhancement projects to maintain the competitive positioning of the assets; and

(c) **Capital and Risk Management Strategy** — This involves employing appropriate debt and equity financing in the acquisition of the Properties and future acquisitions and utilising interest rate and currency hedging instruments where appropriate to optimise risk adjusted returns to Unitholders.

Outlook for Industrial Properties

Regional economic growth

The Manager believes sustained economic growth in Asia could potentially lead to growth in the rental yields of industrial real estate.

According to the Independent Industrial Market Overview and Individual Asset Reports set out in Appendix VII of this Prospectus, aggregate GDP for Asia and Australasia (excluding Japan) expanded by 6.5% in 2005. According to the same report, China's economy has grown rapidly over the past 10 years with an average annual GDP growth rate of 9.2%, hitting a record high of 10.1% in 2004. This

1 The Manager is not majority controlled by any property company which develops or owns real estate for commercial sale or investment purposes.

2 The Manager has, for the purpose of obtaining an additional independent opinion, commissioned the Additional Independent Valuer to conduct additional independent valuations on each of the top 10 Properties by Acquisition Value. See "Additional Independent Property Valuation Summary Reports" in Appendix IV.

rapid economic growth in China is expected to have follow-on effects for other Asian economies in the form of the import and export of raw materials, production components and packaging materials and the provision of logistics services and storage facilities. Asian countries which are located near China, and hub countries such as Singapore, are, according to the report, best positioned to capture the follow-on effects of China's strong growth.

Healthy demand for industrial properties

The Manager believes that there is healthy demand for real estate used for industrial purposes in Asia due primarily to the following factors:

- Industrial operations in Asia, particularly for the manufacturing, logistics and semiconductor sectors have experienced rapid growth as a result of strong global demand for consumer products and the advantage of having a low-cost labour supply and a skilled workforce. These trends have resulted in the parallel need for industrial space in the region. Throughout 2004 and 2005, there has been continuing growth within the manufacturing sectors across most Asian countries.
- In Singapore, the net number of manufacturing establishments formed grew strongly in 2004 and the first 10 months of 2005. According to the Independent Industrial Market Overview and Individual Asset Reports set out in Appendix VII of this Prospectus, net formation in the first 10 months of 2005 exceeded net formation in the whole of 2004 by 1.5%, contributing to the growing take-up of factory space.

To further promote activities in the manufacturing sector, the Government of Singapore announced in September 2005 a blueprint to double annual manufacturing output to S$300.0 billion by 2018. The Manager believes this to be a sign of the Government of Singapore's strong commitment towards accelerating growth in the manufacturing sector.

Competitive Strengths of the Properties

The Manager believes that the Properties enjoy the following competitive strengths:

- Strategic locations
    - Most of the Properties are strategically located in close proximity to amenities, public transportation and major highways that enhance the accessibility of these Properties to various parts of Singapore. The attractiveness of a number of Properties located near the new Circle Line MRT stations and the potential for growth in rental and appreciation in property values will be further enhanced when the Circle Line is operational, which is expected to be in 2010.
    - Nine of the Properties, namely, Panasonic Building, 21 Ubi Road 1, CSE Global Building, Olivine Building, 136 Joo Seng Road, 160 Kallang Way, MEC TechnoCentre, MI Building and 23 Lorong 8 Toa Payoh are all centrally located and are in close proximity to public housing estates and major expressways such as the Pan-Island Expressway, the Central Expressway and the future Kallang/Paya Lebar Expressway. Properties located in the vicinity of Ubi Road and Joo Seng Road are likely to enjoy future rental and property value enhancement with the completion of the Circle Line MRT stations which are currently under construction.
    - ODC Districentre in Jurong East is located along Toh Guan Road opposite the IMM Building. Other developments in the vicinity include the International Business Park and JTC Summit. The Property is readily accessible via the Ayer Rajah Expressway and the Pan-Island Expressway while the Jurong East MRT station is about one kilometre away.
    - 13 of the Properties, namely, 27 Pandan Crescent, CWT Distripark (HQ), 86/88 International Road, Jurong Districentre, 31 Kian Teck Way, 7 Gul Lane, 1 Third Lok Yang Road and 4 Fourth Lok Yang Road, YCH DistriPark, 23 Tuas Avenue 10, 31 Tuas Avenue 11, 16 Tuas Avenue 18A, 2 Tuas South Avenue 2 and 9 Tuas View Crescent are located in the western

part of Singapore. The Properties are well served by major thoroughfares and expressways such as the Ayer Rajah Expressway, the Pan-Island Expressway and the West Coast Highway. In addition, the proximity of the Second Link facilitates travel to Malaysia from these Properties.

— Standard Form Building is located along the Pan-Island Expressway within Tampines Industrial Estate. 25 Changi South Avenue 2 and Techplas Industrial Building are both located within the Changi South Industrial and Logistics Park and are in close proximity to Changi Business Park. Both Properties are readily accessible via the Pan-Island Expressway and the East Coast Parkway, thus providing quick access to Changi International Airport, the City Centre and other parts of Singapore.

— 28 Woodlands Loop is located within the Woodlands Industrial Estate and is accessible via the Bukit Timah Expressway and the Seletar Expressway. The Woodlands Industrial Estate also houses a number of major multi-national corporations including Seagate Limited, 3M Limited and Flextronics Limited. In addition, the Property has the particular advantage of a readily available labour supply due to its proximity to Malaysia.

- Long average lease term

  The weighted average term of the leases (by Acquisition Value) for the Properties is approximately 7.9 years from the date of completion of the acquisition of the Properties.

The lease profile of the Properties as at the date of this Prospectus is shown in the table and graph below:

Lease profile of the Properties			
Lease term	**Total number of tenancies**	**Monthly Gross Revenue for the Forecast Period 2006 (S$)**	**Monthly Gross Revenue as a percentage of aggregate monthly Gross Revenue for the Forecast Period 2006 (%)**
5 Years	1	127,917	3.6
7 Years	19	1,757,674	48.8
8 Years	2	922,083	25.6
10 Years	5	792,333	22.0
Total	**27**	**3,600,007**	**100.0**

- Built-in rental escalation

  All the leases of the Properties provide for fixed rental escalation, thus providing Unitholders with a stable and growing income stream. The structure of the escalations is standardised throughout the entire initial portfolio of Properties, as follows:

	Year of effect of rent escalation on the Properties	**Duration of lease**			
		5 years	**7 years**	**8 years**	**10 years**
Rent escalation in year three(1)	2008	5.0%	5.0%	5.0%	—
Rent escalation in year four(1)	2009	—	—	—	7.0%
Rent escalation in year five(1)	2010	—	5.0%	5.0%	—

	Year of effect of rent escalation on the Properties	Duration of lease			
		5 years	7 years	8 years	10 years
Rent escalation in year six(1)	2011	—	—	—	—
Rent escalation in year seven(1)	2012	—	—	5.0%	7.0%

Note:

(1) References to years are to the number of years from the Listing Date, when the leases commence. In each case, the rent escalation will take effect from the first day of the specified year (i.e. on the relevant anniversary of the Listing Date).

- Generic use with High Building Specifications

  The majority of the Properties have High Building Specifications which feature high floor loading, high ceiling height and wide column span. These specifications translate to more flexibility in space planning, better storage capacity and a wide range of usage. These specifications thus make the Properties potentially attractive to a wide range of tenants. The Manager believes the potential tenant base of CIT is therefore larger than landlords whose property portfolios focus on specialised buildings.

- Full occupancy of the Properties

  All the Properties will be fully leased-back to their respective Vendors or their related companies on completion of their acquisition by CIT. The Manager believes that the anticipated strong and healthy demand for industrial and logistics properties in Singapore, the long weighted average lease term and the High Building Specifications of the Properties will enable high occupancy to be maintained.

- High levels of security deposits relative to market practice

  On a weighted average basis by Acquisition Value, the Properties have a lease tenure of approximately 7.9 years and the rents and lessee obligations are backed by security deposits averaging approximately 14.0 months on the same basis. This is much higher than the market practice for security deposits of one month per year of the lease for industrial properties. This not only creates stability in the portfolio in cases of payment default or the early termination of a lease, but allows the Manager a much longer period to find replacement tenants, thus minimising risks of rental disruption to CIT.

- Potential rental and capital appreciation

  Within the initial portfolio of Properties, there are a number of Properties that are located close to the future Circle Line MRT stations. Such Properties (for example 21 Ubi Road 1, Olivine Building and 136 Joo Seng Road) have potential for value enhancement once the Circle Line is completed and for rental enhancement upon renewal of the respective leases.

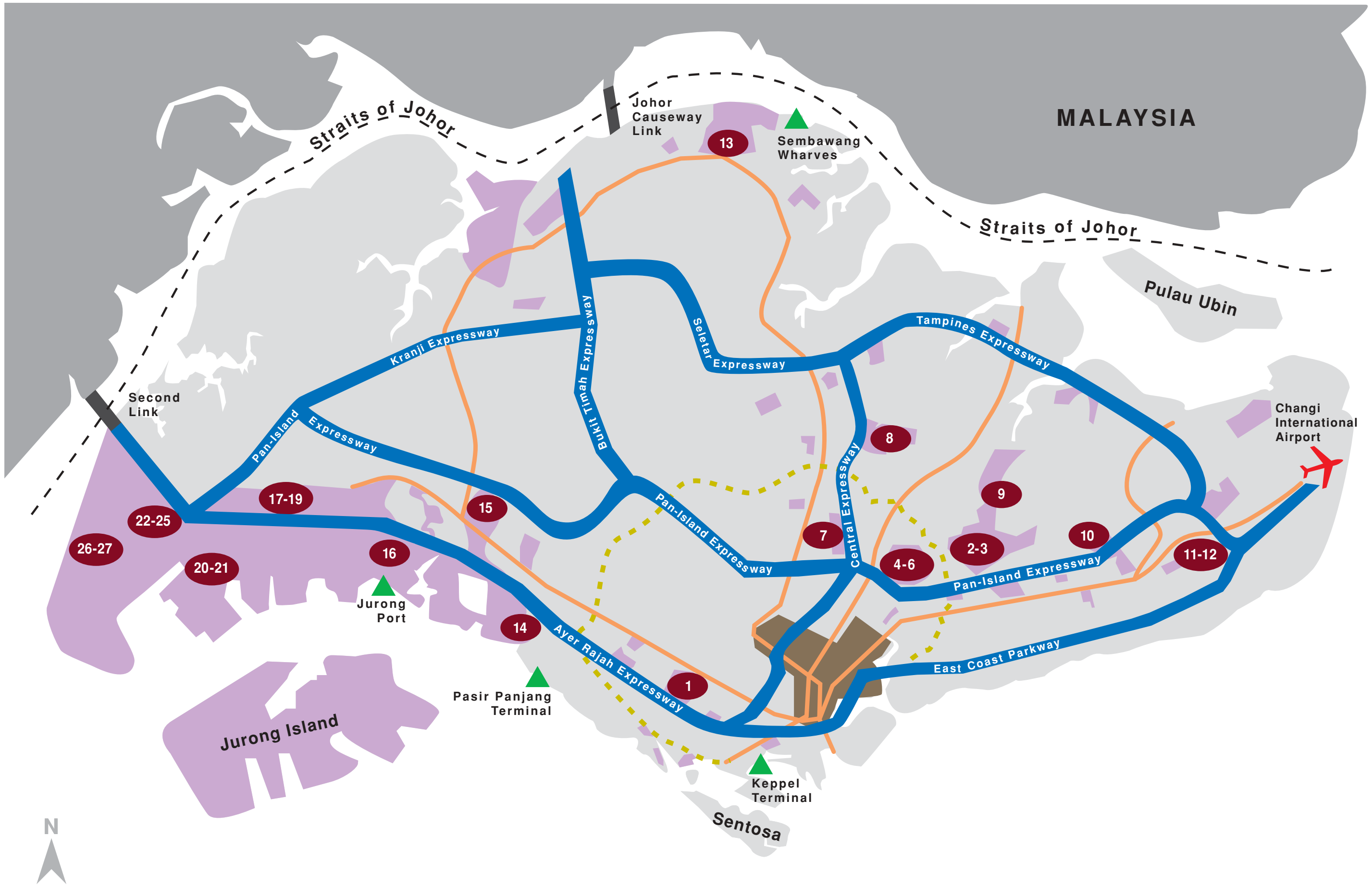
  Certain Properties have built-up plot ratios which are much lower than the maximum allowable plot ratio of up to 2.5 under the Master Plan. For example, 7 Gul Lane, 31 Kian Teck Way, 16 Tuas Avenue 18A, 86/88 International Road, 27 Pandan Crescent, Jurong Districentre, YCH DistriPark and 1 Third Lok Yang Road and 4 Fourth Lok Yang Road have a current plot ratio of between 0.7 and 0.9 which allows for the addition of further space in future. Returns from such potential space addition are likely to be higher than normal property yields, as they are not subject to land costs. Such asset enhancement opportunities arising from space addition are likely to take place, for example, as and when existing tenants require additional space to accommodate business growth or at the end of the term of the lease.

There exists potential for further value appreciation resulting from change of use. For example, ODC Districentre on the main Toh Guan Road, is directly opposite the IMM Building, and has the potential to be converted to WRS (Warehouse Retail Scheme) use. The Vendor of ODC Districentre has also recently completed the conversion of part of the ground floor into a showroom.

- Diversified property portfolio and tenant base

  CIT's initial portfolio comprises the Properties which are located across Singapore's key industrial zones. The largest Property by Acquisition Value, being CWT Distripark (HQ), comprises only approximately 18.5% of the total Acquisition Value.

The map below depicts the locations of the Properties in Singapore.



LEGEND

CIT Properties

1 Panasonic Building
2 21 Ubi Road 1
3 CSE Global Building
4 160 Kallang Way
5 Olivine Building
6 136 Joo Seng Road
7 23 Lorong 8 Toa Payoh
8 MI Building
9 MEC TechnoCentre
10 Standard Form Building
11 25 Changi South Avenue 2
12 Techplas Industrial Building
13 28 Woodlands Loop
14 27 Pandan Crescent
15 ODC Districentre
16 CWT Distripark (HQ)
17 86/88 International Road
18 1 Third Lok Yang Road and 4 Fourth Lok Yang Road
19 31 Kian Teck Way
20 Jurong Districentre
21 7 Gul Lane
22 YCH DistriPark
23 23 Tuas Avenue 10
24 31 Tuas Avenue 11
25 16 Tuas Avenue 18A
26 2 Tuas South Avenue 2
27 9 Tuas View Crescent

Airport
Ports
Circle Line
MRT Routes
Major Highways
Industrial Estates
Central Business District

- Diversified tenant mix

  The Properties are fully occupied and, pursuant to agreements entered into with the respective Vendors, will have committed leases from the Listing Date. CIT's largest tenant by revenue contribution will account for approximately 17.5% of the total annualised Gross Revenue for the Forecast Period 2006 and, on average, each tenant will account for approximately 3.7% of the total annualised Gross Revenue for the Forecast Period 2006. Approximately 44.7% of the total annualised Gross Revenue for the Forecast Period 2006 will be contributed by tenants which are either SGX-ST listed companies or are subsidiaries of SGX-ST listed companies, most of whose lease obligations are guaranteed by their respective SGX-ST listed parent companies.

  The following table sets out the annualised Gross Revenue for the Forecast Period 2006 attributable to each of CIT's tenants:

Gross Revenue attributable to each of CIT's tenants		
Tenant	**Annualised Gross Revenue for the Forecast Period 2006 (S$'000)**	**Percentage of annualised Gross Revenue for the Forecast Period 2006 (%)**
CWT Limited[(1)]	7,557	17.5
Jurong Districentre Pte Ltd[(2)]	3,508	8.1
ODC Logistics (S) Pte Ltd	3,218	7.4
SLS Bearings (Singapore) Pte Ltd	840	1.9
Wan Tai and Company (Private) Limited	690	1.6
YCH DistriPark (Pte) Ltd[(3)]	6,436	14.9
Brilliant Manufacturing Ltd[(1)(4)]	3,839	9.0
CSE Global Ltd[(1)]	536	1.2
MI Technologies Pte Ltd	1,311	3.0
Olivine Magnetics Pte Ltd	1,206	2.8
S C Merah Pte Ltd	1,535	3.6
The Excalibur Corporation Pte Ltd	919	2.1
Gliderol Doors (S) Pte Ltd	1,415	3.3
Uchem Products Pte Ltd	643	1.5
United Central Engineering Pte Ltd	556	1.3
Wong Sam Ngian Engineering (Pte) Ltd	572	1.3
Chung Shan Plastics Pte Ltd	598	1.4
CS Industrial Land Pte Ltd[(2)]	1,922	4.4
Sanwa Plastic Industry Pte Ltd	1,307	3.0
Standard Form Pte Ltd[(5)]	1,341	3.2
StorHub Self Storage Pte Ltd[(2)]	1,938	4.5
Exklusiv Auto Services Pte Ltd	1,313	3.0
Total	**43,200**	**100.0**

Notes:

(1) Company listed on the Main Board of the SGX-ST.

(2) Subsidiary of SGX-ST listed company. Jurong Districentre Pte Ltd is a subsidiary of CWT Limited. CS Industrial Land Pte Ltd is a subsidiary of CSC Holdings Limited. StorHub Self Storage Pte Ltd is a subsidiary of Hersing Corporation Ltd.

(3) YCH DistriPark (Pte) Ltd will, upon completion of the Sale and Purchase Agreements and commencement of the leaseback to CIT, be the tenant of both YCH DistriPark and 1 Third Lok Yang Road and 4 Fourth Lok Yang Road.

(4) Brilliant Manufacturing Ltd includes its wholly-owned subsidiaries, Brilliant Magnesium Pte Ltd and BG Casting Pte Ltd. Brilliant Manufacturing Ltd will, upon completion of the Sale and Purchase Agreements and commencement of the leaseback to CIT, be the tenant of both 21 Ubi Road 1 and 136 Joo Seng Road. Its subsidiary, Brilliant Magnesium Pte Ltd, will, upon completion of the Sale and Purchase Agreement and commencement of the leaseback to CIT, be the tenant of 31 Kian Teck Way, and its subsidiary, BG Casting Pte Ltd, will, upon completion of the Sale and Purchase Agreement and commencement of the leaseback to CIT, be the tenant of 7 Gul Lane.

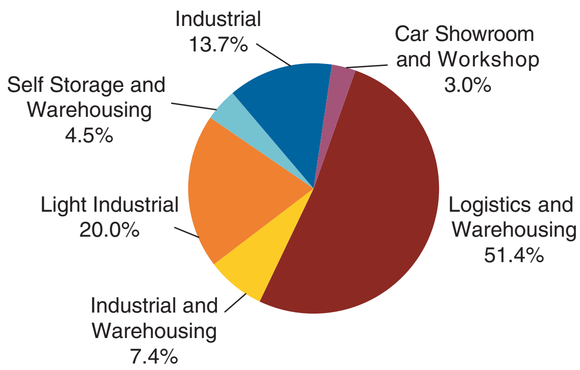
(5) Standard Form Pte Ltd will, upon completion of the Sale and Purchase Agreements and commencement of the leaseback to CIT, be the tenant of both Standard Form Building and 16 Tuas Avenue 18A.

- Diverse tenant trade sectors

  The tenants of the Properties are engaged in diverse trade sectors including logistics and warehousing, light industrial, industrial and warehousing, self storage and warehousing, industrial and car showroom and workshop services, although with greater weighting on the logistics and warehousing sector and the light industrial sector, with these tenants forecast to contribute approximately 51.4% and 20.0%, respectively of the annualised Gross Revenue of CIT for the Forecast Period 2006.

The chart below shows details of overall tenant diversification of the Properties, in terms of industrial sub-sector, by reference to the respective tenants' forecast contribution to CIT's annualised Gross Revenue for the Forecast Period 2006.

Gross Revenue contribution by tenant trade sector[(1)]



Note:

(1) The activities carried out by tenants in each of these sectors are set out in footnotes (1) to (6) on page 143 of this Prospectus.

- Low capital expenditure requirements and no routine maintenance and utilities expenses

  Building audits on the Properties have been commissioned by the Manager to identify defects. The Vendors are legally bound to rectify all such defects pursuant to the relevant Sale and Purchase Agreements. Thus, total capital expenditure is expected to be minimal during the Forecast Period 2006 and the Projection Year 2007.

  Additionally, all tenants of the Properties are fully responsible for the routine maintenance and utilities expenses of the leased premises for the duration of their respective committed leases. This will minimise CIT's exposure to any potential increase in labour costs and utilities expenses.

The Properties

The table below sets out certain information with respect to each of the Properties as at the date of this Prospectus.

Property	Acquisition Value[1]	Lettable Area	Original Construction[2]	Completion of most recent expansion/ renovation	Land Lease Expiry
	(S$'000)	(sq m)	(Year)	(Year)	(Year)
Logistics & Warehousing Properties[3]					
CWT Distripark (HQ)	96,000	75,903.8	1997	2000	2037[10]
Jurong Districentre	49,000	38,352.1	1993	—	2050[11]
ODC Districentre	35,000	29,460.2	1997	—	2055[12]
31 Tuas Avenue 11	8,700	7,021.5	1997	2003	2054[13]
25 Changi South Avenue 2	7,300	6,781.7	1996	2006[9]	2054[14]
YCH DistriPark	73,000	53,065.2	1982	2006[9]	2039[15]
1 Third Lok Yang Road and 4 Fourth Lok Yang Road	12,414	10,601.3	1976	1999	2031[16]
Light Industrial Properties[4]					
21 Ubi Road 1	25,000	18,838.0	1999	—	2057[17]
136 Joo Seng Road	10,310	9,413.0	1994	—	2050[18]
CSE Global Building	7,500	4,055.6	2001	—	2059[19]
MI Building	14,000	13,621.4	2000	—	2057[20]
Olivine Building	12,000	10,992.3	1994	—	2051[21]
Panasonic Building	20,000	7,678.6	2002	—	2062[22]
MEC TechnoCentre	13,064	9,365.2	1992	1995	2050[23]
Industrial & Warehousing Properties[5]					
86/88 International Road	14,000	12,772.5	1996	—	2054[24]
23 Tuas Avenue 10	8,550	9,504.9	1999	—	2056[25
9 Tuas View Crescent	5,600	6,650.1	2001	—	2058[26]
27 Pandan Crescent	7,700	6,914.5	1997	1998	2055[27]
Industrial Properties[6]					
7 Gul Lane	3,200	4,499.0	1982	1995	2041[28]
31 Kian Teck Way	3,200	3,074.0	1996	—	2042[29]
Techplas Industrial Building	8,250	6,845.5	1998	—	2055[30]
2 Tuas South Avenue 2	23,000	20,474.1	2001	2004	2059[31]
28 Woodlands Loop	13,000	12,249.9	1997	2005	2055[32]
Standard Form Building	10,560	10,733.2	1998	2003	2054[33]
16 Tuas Avenue 18A	2,600	3,168.0	1992	—	2051[34]
Self Storage & Warehousing Property[7]					
160 Kallang Way	23,200	29,970.9	1976	2005	2033[35]
Car Showroom and Workshop[8]					
23 Lorong 8 Toa Payoh	12,870	4,718.7	1994	2002	2052[36]
Total	**519,018**	**426,725.2**			

Notes:

(1) The Acquisition Value represents the purchase consideration paid by CIT for the applicable Property pursuant to the relevant Sale and Purchase Agreement.

(2) Original construction refers to the year in which the occupation permit in respect of the development/building, of which the Property forms part, was issued. The occupation permit is a written permission issued by the Building and Construction Authority certifying that the relevant development or building is fit for occupation.

(3) These Properties are used by tenants for warehousing, distribution and logistics services including third party logistics and supply chain management.

(4) These Properties are primarily used by tenants for light industrial activities including assembly and storage of electronics and computer peripherals, medical equipment as well as information technology and system integration.

(5) These Properties are used by tenants for production and/or storage of cables, aluminium products, printed circuit boards and metals.

(6) These Properties are primarily used by tenants for industrial activities including printing, precision engineering works, metal stamping, plastics injection and extrusion, and metal fabrication works.

(7) This Property is used by the tenant to operate a self storage business.

(8) This Property is used by the tenant as a car showroom and service workshop.

(9) Works are still in progress at the time of publication of this Prospectus.

(10) CIT holds the remainder of a 30+12 year lease commencing from 1 March 1995.

(11) CIT holds the remainder of a 30+30 year lease commencing from 16 December 1990.

(12) CIT holds the remainder of a 30+30 year lease commencing from 16 August 1995.

(13) CIT holds the remainder of a 30+30 year lease commencing from 1 April 1994.

(14) CIT holds the remainder of a 30+30 year lease commencing from 16 October 1994.

(15) CIT holds the remainder of a 30+30 year lease commencing from 1 July 1979.

(16) CIT holds the remainder of a 30 year lease commencing from 16 December 2001.

(17) CIT holds the remainder of a 30+30 year lease commencing from 1 February 1997.

(18) CIT holds the remainder of a 30+30 year lease commencing from 1 October 1990.

(19) CIT holds the remainder of a 60 year lease commencing from 4 January 1999.

(20) CIT holds the remainder of a 30+30 year lease commencing from 16 April 1997.

(21) CIT holds the remainder of a 30+30 year lease commencing from 1 December 1991.

(22) CIT holds the remainder of a 99 year lease commencing from 1 July 1963.

(23) CIT holds the remainder of a 30+30 year lease commencing from 1 November 1990.

(24) CIT holds the remainder of a 30+30 year lease commencing from 16 December 1994.

(25) CIT holds the remainder of a 30+29 year lease commencing from 1 November 1997.

(26) CIT holds the remainder of a 30+30 year lease commencing from 16 July 1998.

(27) CIT holds the remainder of a 30+30 year lease commencing from 16 May 1995.

(28) CIT holds the remainder of a 30+30 year lease commencing from 16 May 1981.

(29) CIT holds the remainder of a 30+19 year lease commencing from 1 September 1993.

(30) CIT holds the remainder of a 30+30 year lease commencing from 1 September 1995.

(31) CIT holds the remainder of a 60 year lease commencing from 4 January 1999.

(32) CIT holds the remainder of a 30+30 year lease commencing from 16 October 1995.

(33) CIT holds the remainder of a 30+30 year lease commencing from 1 September 1994.

(34) CIT holds the remainder of a 30+30 year lease commencing from 1 March 1991.

(35) CIT holds the remainder of a 60 year lease commencing from 16 February 1973.

(36) CIT holds the remainder of a 30+30 year lease commencing from 1 February 1992

Where there is an option to renew the lease of a Property, such renewal is subject to compliance with certain terms of the relevant lease.

In respect of Properties which were granted tenure extension, the investment criteria set out by JTC to qualify for such tenure extension have already been met or waived.

Valuation

The Properties were valued by the Independent Valuers on 19 January 2006[1]. The Appraised Value of each Property is set out in the following table:

Property	Appraised Value by the Independent Valuers[2]	Appraised Value by the Additional Independent Valuer	Percentage of aggregate Appraised Value by the Independent Valuers
	(S$'000)	(S$'000)	(%)
Logistics and Warehousing Properties			
CWT Distripark (HQ)	96,000	96,500	18.5
Jurong Districentre	49,000	49,000	9.4
ODC Districentre	35,000	35,000	6.7
31 Tuas Avenue 11	8,700	—	1.7
25 Changi South Avenue 2	7,300	—	1.4
YCH DistriPark	73,000	70,000	14.1
1 Third Lok Yang Road and 4 Fourth Lok Yang Road	12,414	—	2.4
Light Industrial Properties			
21 Ubi Road 1	25,000	25,000	4.8
136 Joo Seng Road	10,310	—	2.0
CSE Global Building	7,500	—	1.5
MI Building	14,000	14,000	2.7
Olivine Building	12,000	—	2.3
Panasonic Building	20,000	20,000	3.9
MEC TechnoCentre	13,065	—	2.5
Industrial and Warehousing Properties			
86/88 International Road	14,000	14,000	2.7
23 Tuas Avenue 10	8,550	—	1.6
9 Tuas View Crescent	5,600	—	1.1
27 Pandan Crescent	7,700	—	1.5
Industrial Properties			
7 Gul Lane	3,200	—	0.6
31 Kian Teck Way	3,200	—	0.6
Techplas Industrial Building	8,250	—	1.6
2 Tuas South Avenue 2	23,000	22,700	4.4
28 Woodlands Loop	13,000	—	2.5
Standard Form Building	10,560	—	2.0
16 Tuas Avenue 18A	2,600	—	0.5
Self Storage and Warehousing Property			
160 Kallang Way	23,200	22,200	4.5
Car Showroom and Workshop Property			
23 Lorong 8 Toa Payoh	12,870	—	2.5
Total	**519,019**		**100.0**

Notes:

(1) The Properties were valued by the Independent Valuers on 19 January 2006. A more limited valuation for each Property was carried out by the Independent Valuers on 15 May 2006 and, based on that valuation, the Independent Valuers were of the opinion that the Appraised Values of the Properties as at 19 January 2006 remained the same as at 15 May 2006. The limited valuation carried out on 15 May 2006 did not involve a physical inspection of the Properties but was based on (i) the same particulars and leaseback terms on which the Independent Valuers had based their 19 January 2006 valuations; (ii) an analysis of market conditions and transactions; and (iii) a review of the discounted cash flow analysis.

(2) See "Independent Property Valuation Summary Reports" in Appendix III.

Occupancy

The table below sets out information on the occupancy rate and lease term of each Property:

Property	Occupancy rate[1]	Lease term
	(%)	(Years)
Logistics and Warehousing Properties		
CWT Distripark (HQ)	100.0	8
Jurong Districentre	100.0	8
ODC Districentre	100.0	7
31 Tuas Avenue 11	100.0	7
25 Changi South Avenue 2	100.0	7
YCH DistriPark	100.0	10
1 Third Lok Yang Road and 4 Fourth Lok Yang Road	100.0	10
Light Industrial Properties		
21 Ubi Road 1	100.0	7
136 Joo Seng Road	100.0	7
CSE Global Building	100.0	10
MI Building	100.0	7
Olivine Building	100.0	7
Panasonic Building	100.0	5
MEC TechnoCentre	100.0	7
Industrial and Warehousing Properties		
86/88 International Road	100.0	7
23 Tuas Avenue 10	100.0	7
9 Tuas View Crescent	100.0	7
27 Pandan Crescent	100.0	7
Industrial Properties		
7 Gul Lane	100.0	7
31 Kian Teck Way	100.0	7
Techplas Industrial Building	100.0	10
2 Tuas South Avenue 2	100.0	7
28 Woodlands Loop	100.0	7
Standard Form Building	100.0	7
16 Tuas Avenue 18A	100.0	7
Self Storage and Warehousing Property		
160 Kallang Way	100.0	10
Car Showroom and Workshop Property		
23 Lorong 8 Toa Payoh	100.0	7

Note:

(1) Based on the committed leases of the Properties as at the Listing Date. Each of these Properties is leased to a single lessee.

Tenant Profile

The table below sets out information on the 10 largest tenants of the Properties in terms of total gross rental income as at the date of this Prospectus:

Tenant	Tenant trade sector	Lease term	Gross Revenue per month for the Forecast Period 2006	Lettable Area	Percentage of forecast total gross rental income[1]	Percentage of Lettable Area
		(Years)	(S$)	(sq m)	(%)	(%)
CWT Limited	Logistics and Warehousing	8	629,750	75,903.8	17.5	17.8
YCH DistriPark (Pte) Ltd[2]	Logistics and Warehousing	10	536,333	63,666.5	14.9	14.9
Brilliant Manufacturing Ltd[3]	Light Industrial	7	319,917	35,824.0	9.0	8.4
Jurong Districentre Pte Ltd	Logistics and Warehousing	8	292,333	38,352.1	8.1	9.0
ODC Logistics (S) Pte Ltd	Logistics and Warehousing	7	268,167	29,460.2	7.4	6.9
StorHub Self Storage Pte Ltd	Self Storage and Warehousing	10	161,500	29,970.9	4.5	7.0
CS Industrial Land Pte Ltd	Industrial	7	160,167	20,474.1	4.4	4.8
S C Merah Pte Ltd	Light Industrial	5	127,917	7,678.6	3.6	1.8
Gliderol Doors (S) Pte Ltd	Industrial and Warehousing	7	117,916	12,772.5	3.3	3.0
Standard Form Pte Ltd[4]	Industrial	7	111,750	13,901.2	3.2	3.2
10 largest tenants by total gross rental income			2,725,750	328,003.9	75.9	76.8
Other tenants			874,257	98,721.3	24.1	23.2
Vacant space			Nil	Nil	Nil	Nil
Total			**3,600,007**	**426,725.2**	**100.0**	**100.0**

Notes:

(1) Calculated on the basis of each tenant's percentage contribution to forecast total gross rental income of the Properties for the Forecast Period 2006. The total gross rental income of the Properties for the Forecast Period 2006 is equivalent to the total Gross Revenue of the Properties in the same period.

(2) YCH DistriPark (Pte) Ltd is the tenant of both 30 Tuas Road and 1 Third Lok Yang Road and 4 Fourth Lok Yang Road.

(3) Brilliant Manufacturing Ltd includes its wholly-owned subsidiaries, Brilliant Magnesium Pte Ltd and BG Casting Pte Ltd.

(4) Standard Form Pte Ltd is the tenant of both 37 Tampines Street 92 and 16 Tuas Avenue 18A.

The table below sets out details of the Properties' overall tenant diversification, in terms of industrial sub-sector by reference to leased Lettable Area:

	Trade sectors as a percentage of total leased Lettable Area					
	Logistics and Warehousing	**Light Industrial**	**Industrial and Warehousing**	**Industrial**	**Car Showroom and Workshop**	**Self Storage and Warehousing**
	(%)	**(%)**	**(%)**	**(%)**	**(%)**	**(%)**
Tenant						
CWT Limited	17.8	—	—	—	—	—
YCH DistriPark (Pte) Ltd	14.9	—	—	—	—	—
Brilliant Manufacturing Ltd	—	6.6	—	1.8	—	—
Jurong Districentre Pte Ltd	9.0	—	—	—	—	—
ODC Logistics (S) Pte Ltd	6.9	—	—	—	—	—
StorHub Self Storage Pte Ltd	—	—	—	—	—	7.0
CS Industrial Land Pte Ltd	—	—	—	4.8	—	—
S C Merah Pte Ltd	—	1.8	—	—	—	—
Gliderol Doors (S) Pte Ltd	—	—	3.0	—	—	—
MI Technologies Pte Ltd	—	3.2	—	—	—	—
Sanwa Plastic Industry Pte Ltd	—	—	—	2.9	—	—
Exklusiv Auto Services Pte Ltd	—	—	—	—	1.1	—
Olivine Magnetics Pte Ltd	—	2.6	—	—	—	—
Standard Form Pte Ltd	—	—	—	3.2	—	—
The Excalibur Corporation Pte Ltd	—	2.2	—	—	—	—
SLS Bearings (Singapore) Pte Ltd	1.6	—	—	—	—	—
Wan Tai and Company (Private) Limited	1.6	—	—	—	—	—
Uchem Products Pte Ltd	—	—	2.2	—	—	—
Chung Shan Plastics Pte Ltd	—	—	—	1.6	—	—
Wong Sam Ngian Engineering (Pte) Ltd	—	—	1.6	—	—	—
United Central Engineering Pte Ltd	—	—	1.6	—	—	—
CSE Global Ltd	—	1.0	—	—	—	—
Total	**51.8**	**17.4**	**8.4**	**14.3**	**1.1**	**7.0**

The table below sets out details of the Properties' overall tenant diversification, in terms of industrial sub-sector by reference to gross rental income:

	Trade sectors as a percentage of total gross rental income[1]					
	Logistics and Warehousing	**Light Industrial**	**Industrial and Warehousing**	**Industrial**	**Car Showroom and Workshop**	**Self Storage and Warehousing**
	(%)	**(%)**	**(%)**	**(%)**	**(%)**	**(%)**
Tenant						
CWT Limited	17.5	—	—	—	—	—
YCH DistriPark (Pte) Ltd	14.9	—	—	—	—	—
Brilliant Manufacturing Ltd	—	7.3	—	1.7	—	—
Jurong Districentre Pte Ltd	8.1	—	—	—	—	—
ODC Logistics (S) Pte Ltd	7.4	—	—	—	—	—
StorHub Self Storage Pte Ltd	—	—	—	—	—	4.5
CS Industrial Land Pte Ltd	—	—	—	4.4	—	—
S C Merah Pte Ltd	—	3.6	—	—	—	—
Gliderol Doors (S) Pte Ltd	—	—	3.3	—	—	—
MI Technologies Pte Ltd	—	3.0	—	—	—	—
Sanwa Plastic Industry Pte Ltd	—	—	—	3.0	—	—
Exklusiv Auto Services Pte Ltd	—	—	—	—	3.0	—
Olivine Magnetics Pte Ltd	—	2.8	—	—	—	—
Standard Form Pte Ltd	—	—	—	3.2	—	—
The Excalibur Corporation Pte Ltd	—	2.1	—	—	—	—
SLS Bearings (Singapore) Pte Ltd	1.9	—	—	—	—	—
Wan Tai and Company (Private) Limited	1.6	—	—	—	—	—
Uchem Products Pte Ltd	—	—	1.5	—	—	—
Chung Shan Plastics Pte Ltd	—	—	—	1.4	—	—
Wong Sam Ngian Engineering (Pte) Ltd	—	—	1.3	—	—	—
United Central Engineering Pte Ltd	—	—	1.3	—	—	—
CSE Global Ltd	—	1.2	—	—	—	—
Total	**51.4**	**20.0**	**7.4**	**13.7**	**3.0**	**4.5**

Note:

(1) Calculated on the basis of the percentage contribution of all tenants within each tenant trade sector to the aggregate of the annualised Gross Revenue for the Forecast Period 2006. The total gross rental income of the Properties for the Forecast Period 2006 is equivalent to the total annualised Gross Revenue of the Properties in the same period.

Expiries and Renewals

The following table sets out the expiry profile of the tenancies in the Properties:

	Total number of expiring tenancies	Annual Gross Revenue of expiring tenancies based on the annualised Gross Revenue for the Forecast Period 2006	Expiring tenancies as a percentage of aggregate Gross Revenue for the Forecast Period 2006
		S$'000	**(%)**
Period			
Forecast Period 2006	—	—	—
Projection Year 2007	—	—	—
Next Three Years after projection year (2008-2010)	—	—	—
Year Ending 31 December 2011	1	1,535	3.6
Year Ending 31 December 2012	—	—	—
Year Ending 31 December 2013	19	21,092	48.8
Year Ending 31 December 2014	2	11,065	25.6
Year Ending 31 December 2015	—	—	—
Year Ending 31 December 2016	5	9,508	22.0
Total	**27**	**43,200**	**100.0**

Expiring leases as a percentage of aggregate Gross Revenue

Based on monthly Gross Revenue as a percentage of the aggregate monthly Gross Revenue for the Forecast Period 2006, over 96.0% of the leases on a weighted basis will expire seven years or more from the Listing Date. None of the leases of the Properties is due to expire before five years from the Listing Date. 3.6% of leases (in terms of monthly Gross Revenue as a percentage of the aggregate monthly Gross Revenue for the Forecast Period 2006) will expire in 2011 (i.e. five years from the Listing Date) with the remainder expiring from 2013 (i.e. seven years from the Listing Date) onwards.

Capital Expenditure

The Manager has commissioned consultants to carry out building audits on the Properties to identify defects. The Vendors are legally bound to rectify all such defects pursuant to the relevant Sale and Purchase Agreements. Therefore, the Manager expects minimal capital expenditure to be incurred during the Forecast Period 2006 and the Projection Year 2007.

The funding of any future improvement works will come from cash flow from operations and/or further borrowings (see the section titled “Profit Forecast and Profit Projection” for further details of forecast and projected capital expenditure).

YCH DistriPark (Pte) Ltd has, on 30 Tuas Road, an open compound available for extension of a warehouse building which will increase the gross floor area by approximately 21,397 sq m. CIT intends to engage in a property development project with YCH DistriPark in relation to the extension of the abovementioned warehouse. Subject to further terms to be agreed between CIT and YCH DistriPark (Pte) Ltd, YCH DistriPark (Pte) Ltd would be permitted the right to complete the warehouse extension on 30 Tuas Road within two years from the completion of the sale of 30 Tuas Road to CIT, subject to the relevant authorities’ approval and the leaseback to YCH DistriPark (Pte) Ltd of the warehouse for 10 years.

Marketing

As the Properties are subject to long term leases, no immediate marketing is required for the initial portfolio. The Property Manager will be able to focus its marketing efforts on future acquisitions of any multi-tenanted properties to prospective tenants through media advertisements, direct calls and its network of property consultants and agents. Regular updates and site visits will also be organised for consultants, agents and prospective tenants to familiarise themselves with the relevant properties.

Competition

As the Properties are fully leased to the Vendors or their related companies for periods ranging from five to ten years, CIT would not need to compete for new tenants during the term. However, the tenants may face competition should they wish to sublet part of the premises. How well the respective Properties can withstand competition will depend very much on their location, building specifications and layout.

Properties located in the central part of Singapore such as those in the Ubi, Joo Seng, Defu Lane, Serangoon North and Jalan Kilang Barat (off Jalan Bukit Merah) areas are generally more sought after and are likely to experience an increase in demand when major infrastructure works such as the Circle Line MRT and the Kallang/Paya Lebar Expressway are completed. The Circle Line MRT is expected to be completed in 2010. These Properties were mostly built with High Building Specifications and competition is likely to come from new industrial park developments such as iPark at Paya Lebar.

The Properties located in the Jurong Industrial Estate, being the largest industrial estate in Singapore, are likely to face more competition from properties within the estate.

High Building Specifications and adaptability of the industrial and warehouse Properties within the initial portfolio of Properties should enable them to remain competitive.

Properties located in Changi South and Tampines are likely to face competition from newer developments in Changi North and Changi Business Park. However, the general single-user nature of these developments will limit the amount of new supply into the market.

The Manager expects that CIT will face competition for future acquisition of properties in Singapore and elsewhere in Asia from other property funds which focus on industrial and logistics properties. The Manager has adopted a regional investment strategy to deal with such competition and intends to work closely with industrial users, logistics service providers as well as property consultants/agents to achieve CIT’s investment strategy.

Tenancy Agreements and Lease Management

Tenancy agreements entered into between tenants and CIT are in line with market practices, with slight variances to accommodate the specific needs of tenants.

Prospective tenants are evaluated for rental servicing capability, via evaluation of their financial strength, present and continuing profitability and future business plans. If available or appropriate, the underlying rents of existing sub-tenants are also evaluated. All tenants will on the date of Completion enter into agreements with the Trustee whereby they will undertake to execute a deed of assignment to assign their rental proceeds from underlying sub-tenants either in the event of default by the tenant or where the tenant has been in default in relation to payment of rent under the lease agreement for a period of at least five months.

Where the financial capability of tenants is weaker, corporate guarantees from companies with stronger financial capabilities are required.

Finally, to secure rental cashflows further, security deposits ranging from 10 months to 24 months are requested. This can be in the form of cash, banker's guarantee or insurance bond from approved insurance companies in Singapore. Security deposits serve a two-fold purpose in mitigating any shortfall in rental servicing and giving CIT a longer time to find replacement tenants. Such flexibility is especially important, as vacancy and rental collection disruption can be minimised and possibly eliminated, due to the lengthy period for finding replacement tenants, made possible by the high security deposit levels of approximately 14.0 months on a weighted average basis (by Acquisition Value), for CIT's initial portfolio of Properties.

Land rent and property taxes may be paid by either party, depending on negotiations. The Property Manager will maintain good relations and close communication with the tenants, to minimise tenancy turnover. The Property Manager will also ensure close monitoring of payment trends, to anticipate any potential default. These steps will help to reduce the volatility of the rental cashflow of CIT.

Legal Proceedings

None of the Manager, the Property Manager or CIT is currently involved in any material litigation nor, to the best of the Manager's knowledge, is any material litigation currently contemplated or threatened against the Manager, the Property Manager or CIT.

Asset Enhancements

Asset enhancement opportunities are likely to be derived from the following:

- Potential to increase space

  Certain Properties have built-up plot ratios which are much lower than the maximum allowable plot ratio of up to 2.5 under the Master Plan. CIT is currently in discussion with the tenant of one Property which is requesting expansion of the gross floor area. Returns from such potential expansion are likely to be higher than normal property yields as they are not subject to land costs. Such asset enhancement opportunities arising from space addition are likely to take place as and when existing tenants require space expansion resulting from business growth or at the end of the term of the lease.

  For illustrative purposes only, the following table sets out examples of Properties with expansion potential based on an estimated plot ratio of 1.4.

Properties	Current plot ratio	Land area	Potential space addition
		(sq m)	(sq m)
YCH DistriPark	0.7	78,279.4	54,795.6
Jurong Districentre	0.8	47,551.2	28,530.7
86/88 International Road	0.8	15,907.9	9,544.7
1 Third Lok Yang Road and 4 Fourth Lok Yang Road	0.9	12,431.6	6,215.8
27 Pandan Crescent	0.8	8,808.2	5,284.9
7 Gul Lane	0.7	6,343.2	4,440.2
16 Tuas Avenue 18A	0.8	3,975.2	2,385.1
31 Kian Teck Way	0.8	3,638.7	2,183.2
Total		**176,935.4**	**113,380.2**

- Potential for change of use

  In assembling the initial portfolio of Properties, the Manager also took into account potential value appreciation resulting from change of property use. For example, ODC Districentre situated on Toh Guan Road directly opposite the IMM Building has the potential to be converted to a property for WRS (Warehouse Retail Scheme) use. The Vendor has also recently completed the conversion of part of the ground floor to a showroom.

  The Manager will continually monitor and analyse the portfolio of CIT to take advantage of any such asset enhancement opportunities arising from change of use of the assets.

Insurance

The Manager will ensure that the Properties are insured in accordance with industry practice in Singapore with effect from the Listing Date. Insurance policies taken up include insurance against physical damage, consequential loss, public liability, and workmen's compensation as well as all risks insurance. There are no significant or unusual excess or deductible amounts required under these policies. There are, however, certain types of risk that are not covered by such insurance policies, including acts of war, environmental damage and breaches of environmental laws and regulations. All tenants are also required to take up insurance against loss of rents and public liability insurance. The Property Manager on behalf of CIT is required to take up insurance against structural risks.

The Manager will in the future take up additional insurance policies as and when required.

CWT Distripark (HQ)

24 Jurong Port Road
Singapore 619097

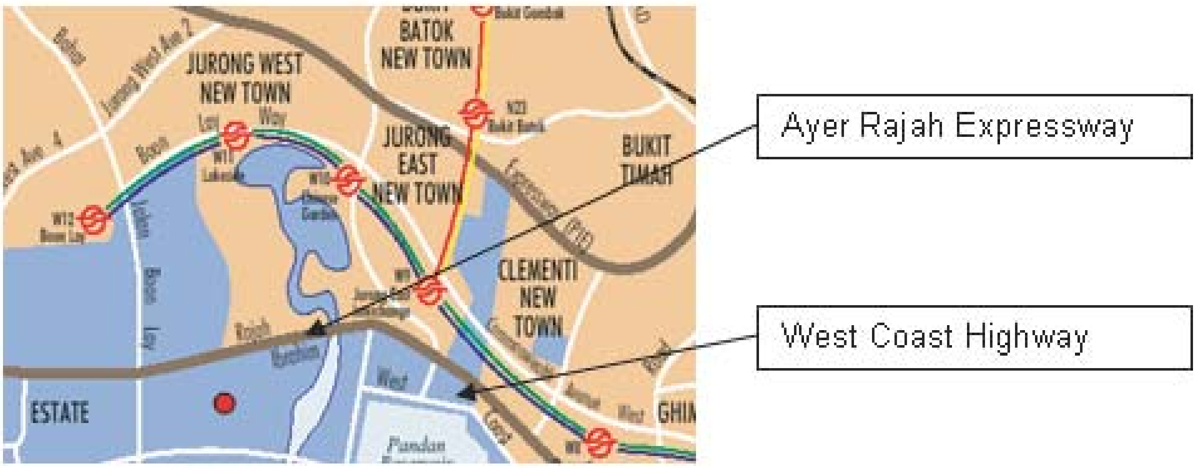
Occupancy:
100.0%

Property Use:
Logistics and Warehousing

Description

CWT Distripark (HQ) is located along Jurong Port Road, close to its junction with Jalan Buroh and within the Jurong Industrial Estate. It is approximately 20 kilometres from the City Centre. The surrounding area is predominantly industrial in nature, comprising mainly JTC standard factories and some purpose-built factories. Public transportation and all other urban amenities are available in the vicinity. The Property is easily accessible from Jalan Buroh and the West Coast Highway.

The Property comprises a part four/part five-storey warehouse/office with a basement carpark. The building is served by two passenger lifts, two service lifts, nine cargo lifts and 11 staircases. It is protected by a 24-hour guard surveillance and alarm system and a fire and water sprinkler system. The site is enclosed by chain-link fencing with a metal sliding gate. Other improvements include a control room, a guard house and a substation.



● Subject Property

Key Statistics		
Land Area	–	30,262.2 sq m
Gross floor area	–	75,903.8 sq m
Lettable Area	–	75,903.8 sq m
Title	–	Leasehold estate of 30 + 12 years expiring 28 February 2037
Issue of Certificate of Statutory Completion	–	1999
Valuation by the Independent Valuers (as at 19 January 2006)	–	S$96,000,000
Valuation by the Additional Independent Valuer (as at 15 May 2006)	–	S$96,500,000
Rental per annum	–	S$7,557,000

Tenancy Information

The Property will be leased back to CWT Limited for eight years upon completion of the sale and purchase. The initial annual rent is S$7,557,000 for the first two years and thereafter it is increased at a fixed rate of 5.0% over the preceding year's rent at the commencement of the third, fifth and seventh years of the lease term. The tenant will at its own cost and expense maintain the Property save for capital expenditure exceeding S$2,000 per occurrence agreed to be borne by the landlord. A security deposit of 12 months' rent totalling S$7,557,000 will be retained by the landlord for the duration of the lease period. Further, the tenant will on the date of Completion enter into an agreement to assign all the rental proceeds received by the tenant from its sub-tenant(s) to the landlord in the event of rental default for a period of at least six months.

Competitive strengths of the Property[(1)]:

(i) Located along Jurong Port Road, a popular logistics and warehouse location in close proximity to Jurong Port;

(ii) Easily accessible via the Ayer Rajah Expressway and the West Coast Highway; and

(iii) High Building Specifications to meet logistics and warehousing needs.

Note:

(1) Source: Colliers International.

Jurong Districentre

3 Pioneer Sector 3
Singapore 628342

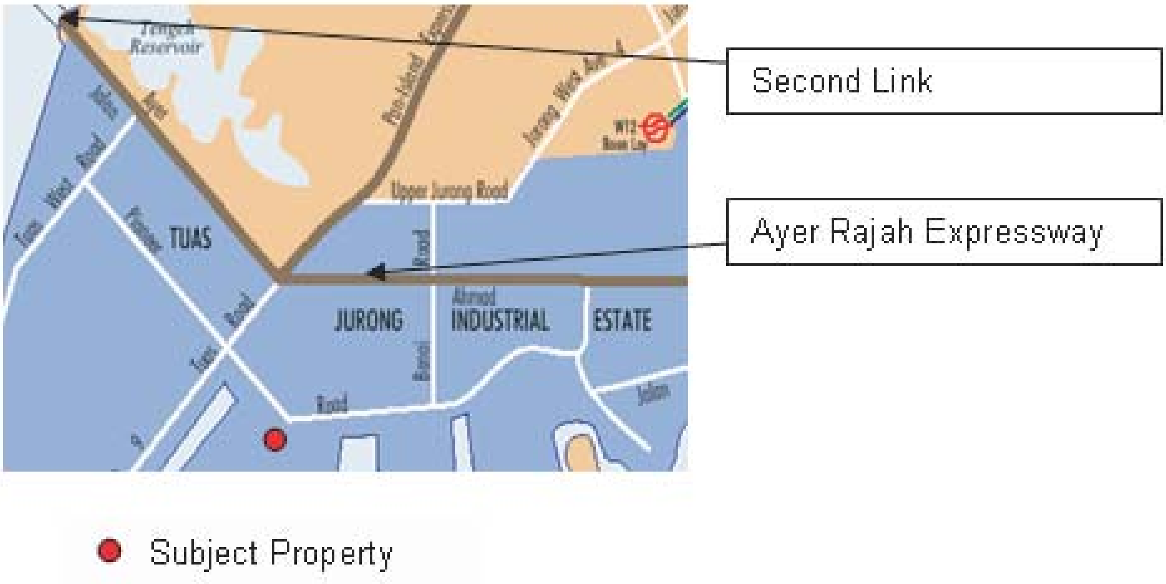
Occupancy:
100.0%

Property Use:
Logistics and Warehousing

Description

Jurong Districentre is located along Pioneer Sector 3, close to its junction with Gul Road, and within the Jurong Industrial Estate. It is approximately 25 kilometres from the City Centre. The surrounding area is predominantly industrial in nature, comprising mainly JTC standard factories and some purpose-built factories. Public transportation and all other urban amenities are available in the vicinity. The area is easily accessible from the Ayer Rajah Expressway.

The Property is a part two/part three-storey distribution centre and warehouse with ancillary offices and a container yard with office. The building is served by a passenger lift, two cargo lifts (capacity six tons), two cargo lifts (capacity four tons) and staircases. Other site improvements include a concrete driveway, guard house, bin centre, chain-link fencing with a metal main gate, 30 carpark lots, 46 lorry lots and 33 container trailer lots. The Property is protected by a 24-hour guard surveillance and alarm system and a fire and water sprinkler system.



Key Statistics		
Land Area	–	47,551.2 sq m
Gross floor area	–	38,352.1 sq m
Lettable Area	–	38,352.1 sq m
Title	–	Leasehold estate of 30 + 30 years expiring 15 December 2050
Issue of Certificate of Statutory Completion	–	1996
Valuation by the Independent Valuers (as at 19 January 2006)	–	S$49,000,000
Valuation by the Additional Independent Valuer (as at 15 May 2006)	–	S$49,000,000
Rental per annum	–	S$3,508,000

Tenancy Information

The Property will be leased back to Jurong Districentre Pte Ltd for eight years upon completion of the sale and purchase. The initial annual rent is S$3,508,000 for the first two years and thereafter it is increased at a fixed rate of 5.0% over the preceding year's rent at the commencement of the third, fifth and seventh years of the lease term. The tenant will at its own cost and expense maintain the Property save for capital expenditure exceeding S$2,000 per occurrence agreed to be borne by the landlord. A security deposit of 12 months' rent totalling S$3,508,000 will be retained by the landlord for the duration of the lease period. Further, the tenant will on the date of Completion enter into an agreement to assign all the rental proceeds received by the tenant from its sub-tenant(s) to the landlord in the event of rental default for a period of at least six months.

Competitive strengths of the Property[(1)]:

(i) Located within the Jurong Industrial Estate;

(ii) Easily accessible via the Ayer Rajah Expressway; and

(iii) Close proximity to labour supply in Johor Bahru via the Second Link.

Note:

(1) Source: Colliers International.

ODC Districentre

30 Toh Guan Road
Singapore 608840

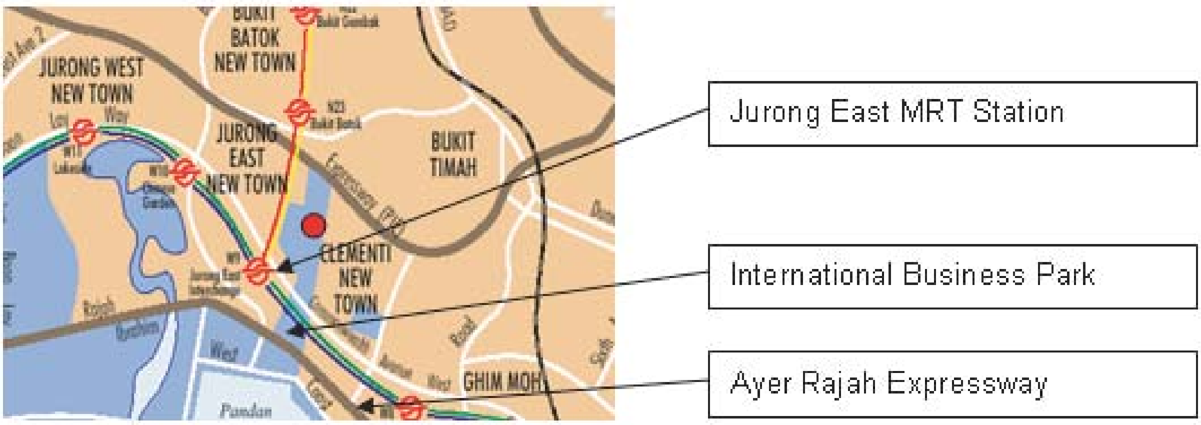
Occupancy:
100.0%

Property Use:
Logistics and Warehousing

Description

ODC Districentre is located on the western side of Toh Guan Road, a short distance from its junction with Jurong East St 21/Toh Guan East, off Boon Lay Way. It is just a few minutes' drive to the Jurong MRT Station and approximately 16 kilometres from the City Centre. The immediate locality comprises a mixture of purpose-built industrial, hi-tech and logistics developments. Labour supply, social and recreational amenities are readily available within the nearby West Coast, Jurong East and Bukit Batok New Towns. Accessibility to other parts of the island is enhanced by its close proximity to the Pan-Island Expressway and the Ayer Rajah Expressway.

The Property is a part six/part eight-storey warehouse building with ancillary offices on the second, seventh and eighth storeys. A warehouse of approximately six storeys or 37 metres in height is annexed to the rear of the building. The building is served by two passenger lifts and three goods lifts (6,000 kg capacity) and supplemented by reinforced concrete staircases. Air-conditioning is provided for the office and showroom areas. A modern fire protection system as well as a 24-hour security guard service is provided. Other site improvements include paved driveways, a guardhouse, bin centre, substation, 18 loading and unloading bays, 31 lorry parking lots and 27 carparking lots.



Key Statistics		
Land Area	–	12,338.1 sq m
Gross floor area	–	29,460.2 sq m
Lettable Area	–	29,460.2 sq m
Title	–	Leasehold estate of 30 + 30 years expiring 15 August 2055
Issue of Certificate of Statutory Completion	–	1998
Valuation by the Independent Valuer (as at 19 January 2006)	–	S$35,000,000
Valuation by the Additional Independent Valuer (as at 15 May 2006)	–	S$35,000,000
Rental per annum	–	S$3,218,000

Tenancy Information

The Property will be leased back to ODC Logistics (S) Pte Ltd for seven years upon completion of the sale and purchase at an initial annual rental of S$3,218,000 and to be increased at the commencement of the third and fifth years by 5.0% over the preceding year's rent. The landlord will pay the subletting/administrative fees which may be imposed by the JTC. The tenant will at its own cost and expense maintain the Property, save for capital expenditure which the landlord has agreed to bear, provided that such capital expenditure is not caused by the negligence of the tenant or its sub-tenants and their respective agents. A security deposit of S$3,689,111 will be retained by the landlord for the duration of the lease period. Further, the tenant will on the date of Completion enter into an agreement to assign all the rental proceeds received by the tenant from its sub-tenant(s) to the landlord in the event of rental default for a period of at least five months.

Competitive strengths of the Property(1):

(i) Prominently situated along Toh Guan Road, opposite the IMM Building;

(ii) Close proximity to the International Business Park and the Jurong East MRT Station;

(iii) Easily accessible via the Ayer Rajah Expressway; and

(iv) Readily available labour supply and amenities from nearby housing estates.

Note:

(1) Source: Colliers International.

31 Tuas Avenue 11

31 Tuas Avenue 11
Singapore 639105

Occupancy:
100.0%

Property Use:
Logistics and Warehousing

Description

31 Tuas Avenue 11 is located along Tuas Avenue 11, off Pioneer Road. It is approximately 24 kilometres from the City Centre. The surrounding area generally comprises JTC standard and purpose-built factories. It is accessible from Jalan Ahmad Ibrahim and the Ayer Rajah Expressway.

The Property comprises a single-storey warehouse with a five-storey plus mezzanine level office development. The warehouse area is equipped with ASRS while the office areas are generally fitted with air-conditioners. The Property is equipped with a fire alarm, fire extinguishers, sprinkler system and hosereel. Other improvements include a tarmac driveway, interlocking brick-paved covered car park lots and chain-link fencing with a metal sliding main gate.

Key Statistics		
Land Area	–	6,612.4 sq m
Gross floor area	–	7,021.5 sq m
Lettable Area	–	7,021.5 sq m
Title	–	Leasehold estate of 30 + 30 years expiring 31 March 2054
Issue of Certificate of Statutory Completion	–	1998
Valuation by the Independent Valuer (as at 19 January 2006)	–	S$8,700,000
Rental per annum	–	S$840,000

Tenancy Information

The Property will be leased back to SLS Bearings (S) Pte Ltd for seven years. The initial annual rent is S$840,000 for the first two years and thereafter it is increased at a fixed rate of 5.0% over the preceding year's rent at the commencement of the third and fifth years of the lease term. The tenant will at its own cost and expense maintain the Property. A security deposit of 16 months' rent totalling S$1,120,000 will be retained by the landlord for the duration of the lease period. Further, the tenant will on the date of Completion enter into an agreement to assign all the rental proceeds received by the tenant from its sub-tenant(s) to the landlord upon any breach of or non-performance or observance of the covenants, conditions, stipulations and agreements by the tenant.

Competitive strengths of the Property[(1)]:

(i) Located within the Jurong Industrial Estate;

(ii) Close proximity to labour supply in Johor Bahru via the Second Link; and

(iii) Single-storey warehouse with High Building Specifications to meet logistics and warehousing needs.

Note:

(1) Source: Colliers International.

25 Changi South Avenue 2

25 Changi South Avenue 2
Singapore 486594

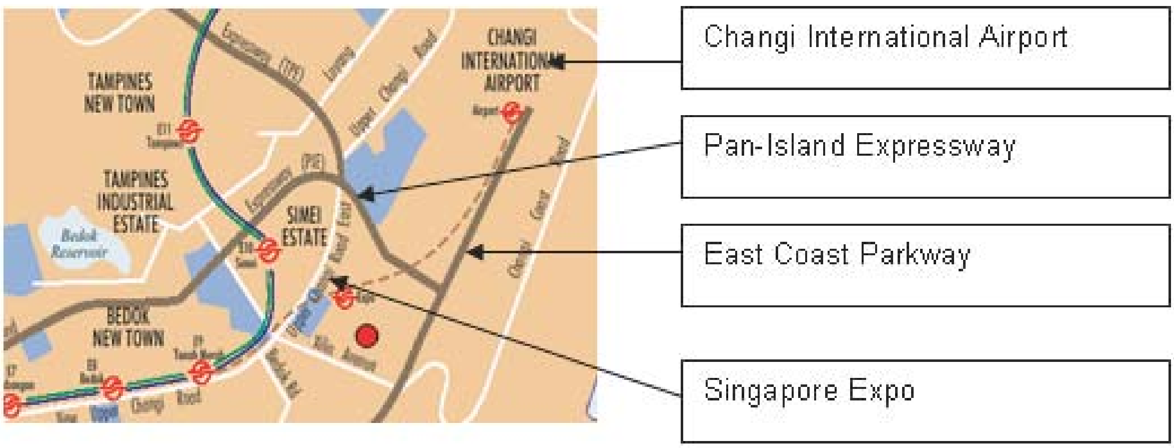
Occupancy:
100.0%

Property Use:
Logistics and Warehousing

Description

25 Changi South Avenue 2 is located along Changi South Avenue 2 within Changi South Industrial Estate. It is approximately 13 kilometres from the City Centre. The surrounding area comprises mainly purpose-built factories. Public transportation and all other urban amenities are available in the vicinity. The Property is easily accessible from the East Coast Parkway and the Pan-Island Expressway.

The Property is a three-storey warehouse building with an ancillary showroom and mezzanine office. It is served by two cargo lifts, staircases and a passenger lift. The building is equipped with a fire alarm, fire extinguishers and hosereel. Other site improvements include a concrete driveway, a guard house, bin centre, boundary brickwall, chain-link fencing with a metal main gate and 14 surface car park lots.



● Subject Property

Key Statistics

Land Area	–	5,028.5 sq m
Gross floor area	–	6,781.7 sq m
Lettable Area	–	6,781.7 sq m
Title	–	Leasehold estate of 30 + 30 years expiring 15 October 2054
Issue of Certificate of Statutory Completion	–	1997
Valuation by the Independent Valuer (as at 19 January 2006)	–	S$7,300,000
Rental per annum	–	S$690,000

Tenancy Information

The Property will be leased back to Wan Tai and Company (Private) Limited for seven years upon completion of the sale and purchase. The initial annual rent is S$690,000 for the first two years and thereafter it is increased at a fixed rate of 5.0% over the preceding year's rent at the commencement of the third and fifth years of the lease term. The tenant will at its own cost and expense maintain the Property save for capital expenditure exceeding S$2,000 per occurrence which shall be borne by the landlord. A security deposit of 18 months' rent totalling S$1,035,000 will be retained by the landlord for the duration of the lease period. Further, the tenant will on the date of Completion enter into an agreement to assign all the rental proceeds received by the tenant from its sub-tenant(s) to the landlord upon any breach of or non-performance or observance of the covenants, conditions, stipulations and agreements by the tenant.

Competitive strengths of the Property[1]:

(i) Located within the Changi South Logistics Park, in close proximity to Changi International Airport, Changi Business Park and Singapore Expo;

(ii) Prominently located along Changi South Avenue 2; and

(iii) Easily accessible via the Pan-Island Expressway and the East Coast Parkway.

Note:

(1) Source: Colliers International.

YCH DistriPark

30 Tuas Road
Singapore 638492

Occupancy:
100.0%

Property Use:
Logistics and Warehousing

Description

YCH DistriPark is located at the junction of Tuas Avenue 5 and Tuas Road, approximately 30 kilometres from the City Centre. It is within the Jurong Industrial Estate which comprises both purpose-built as well as standard JTC factories. The estate is served by a public feeder bus system plying between the estate and the Jurong Bus Interchange. Access to the Property is facilitated by the Pan-Island Expressway, the Ayer Rajah Expressway and the Tuas Checkpoint linking Singapore and Malaysia.

The Property comprises eight buildings on site. They are the administrative building and seven warehouse buildings denoted as Blocks 1, 2, 3, 4, 5, 6 and 7. Included in the warehouse buildings are an ASRS, some cold rooms, container bays, loading/unloading bays and dock levellers. The site is enclosed by chain-link fencing/metal grilles with a pair of wide span metal gates. Other site improvements include a guardhouse at the entrance, surface car parking lots, a substation, consumer switch room, sprinkler water tanks and a storage area.

Key Statistics		
Land Area	–	78,279.4 sq m
Gross floor area	–	53,065.2 sq m
Lettable Area	–	53,065.2 sq m
Title	–	Leasehold estate of 30 + 30 years expiring 30 June 2039
Issue of Certificate of Statutory Completion	–	1982
Valuation by the Independent Valuer (as at 19 January 2006)	–	S$73,000,000
Valuation by the Additional Independent Valuer (as at 15 May 2006)	–	S$70,000,000
Rental per annum	–	S$5,448,000

Tenancy Information

The Property will be leased back to YCH DistriPark (Pte) Ltd for 10 years at an initial rent of S$5,448,000 per annum and thereafter the rent is to be increased at a fixed rate of 7.0% over the preceding year's rent at the commencement of the fourth and seventh years of the lease term. The tenant will at its own cost and expense maintain the Property save for capital expenditure exceeding S$2,000 per occurrence agreed to be borne by the landlord. A security deposit of 12 months' rent totalling S$5,448,000 will be retained by the landlord for the duration of the lease period. Further, the tenant will upon default of the terms of the leaseback agreement, execute a deed of assignment to assign all the rental proceeds received by the tenant from its sub-tenant(s) to the landlord.

Competitive strengths of the Property[(1)]:

(i) Located within the Jurong Industrial Estate;

(ii) Prominently situated at the major road junction fronting Tuas Road and Pioneer Road;

(iii) Easily accessible via the Ayer Rajah Expressway and the Pan-Island Expressway;

(iv) Close proximity to labour supply in Johor Bahru via the Second Link; and

(v) Single-storey building with High Building Specifications to meet logistics and warehousing needs.

Note:

(1) Source: Colliers International.

1 Third Lok Yang Road and 4 Fourth Lok Yang Road

1 Third Lok Yang Road and 4 Fourth Lok Yang Road Singapore 627996/ 629701

Occupancy:
100.0%

Property Use:
Logistics and Warehousing

Description

1 Third Lok Yang Road and 4 Fourth Lok Yang Road is located at Lok Yang Road, off Lok Yang Way and International Road. It is approximately 20 kilometres from the City Centre. The surrounding area is predominantly industrial in nature, comprising mainly JTC standard factories and purpose-built factories. Public transportation and all other urban amenities such as public canteens are available in the vicinity. The Property is accessible from the Ayer Rajah Expressway.

The Property comprises a single-storey warehouse building with mezzanine level and four-storey ancillary office block. The office building is served by a passenger lift (750 kg) and reinforced concrete staircases. The two-storey warehouse/production building has six loading bays with dock levellers in the front section and two cold rooms (with temperature range of -10 degrees to 15 degrees) on the second storey. The floor to ceiling height of the warehouse is about 13 metres. Other site improvements include a tarmac/concrete driveway, covered carpark, guard house, bin centre and chain-link fencing with a pair of metal main gates. The building is equipped with a fire alarm, fire extinguishers, hosereel and a break glass system.

Key Statistics		
Land Area	–	12,431.6 sq m
Gross floor area	–	10,601.3 sq m
Lettable Area	–	10,601.3 sq m
Title	–	Leasehold estate of 30 years expiring 15 December 2031
Issue of Certificate of Statutory Completion	–	1977
Valuation by the Independent Valuer (as at 19 January 2006)	–	S$12,414,000
Rental per annum	–	S$988,000

Tenancy Information

The Property will be leased back to YCH DistriPark (Pte) Ltd for 10 years at an initial rent of S$988,000 per annum. The rent is to be increased at a fixed rate of 7.0% over the preceding year's rent at the commencement of the fourth and seventh years of the lease term. The tenant will at its own cost and expense maintain the Property save for capital expenditure exceeding S$2,000 per occurrence agreed to be borne by the landlord. A security deposit of 12 months' rent totalling S$988,000 will be retained by the landlord for the duration of the lease period. Further, the tenant will upon default of the terms of the leaseback agreement, execute a deed of assignment to assign all the rental proceeds received by the tenant from its sub-tenant(s) to the landlord.

Competitive strengths of the Property[1]:

(i) Located within the Jurong Industrial Estate;

(ii) Easily accessible via the Ayer Rajah Expressway and the Pan-Island Expressway;

(iii) Close proximity to labour supply in Johor Bahru via the Second Link; and

(iv) Single-storey warehouse with High Building Specifications to meet logistics and warehousing needs.

Note:

(1) Source: Colliers International.

21 Ubi Road 1

21 Ubi Road 1
Singapore 408724

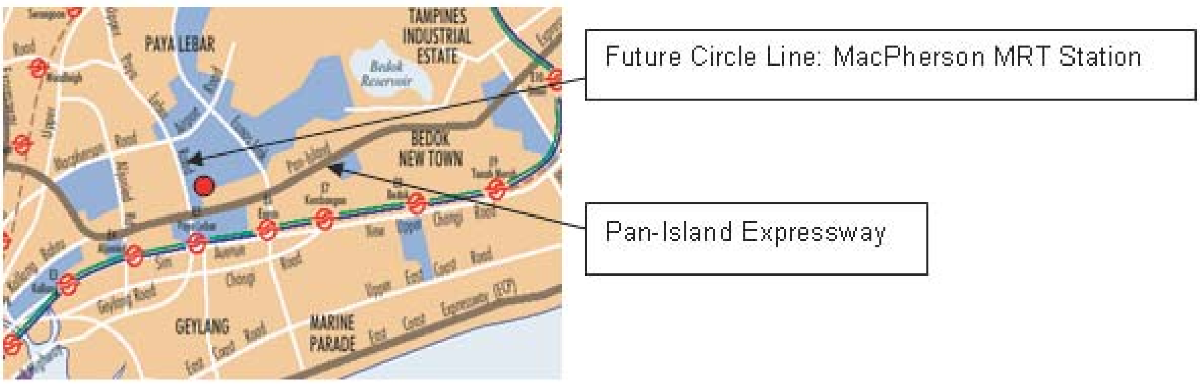
Occupancy:
100.0%

Property Use:
Light Industrial

Description

21 Ubi Road 1 is located along Ubi Road 1, off Ubi Avenue 1 and 2. It is approximately 6.5 kilometres from the City Centre and the Pan-Island Expressway is about one kilometre away. Kaki Bukit and Kampong Ubi Industrial Estates are located nearby. The Eunos MRT Station is approximately 800 metres from the Property while the Circle Line MRT Station (currently under construction) will be approximately 150 metres from the Property.

The Property comprises a six-storey light industrial building with semi-basement carpark and a three-storey workers' dormitory block. The main building is served by three goods lifts, a fire lift and a passenger lift. Other site improvements include a tarmac/concrete driveway, guard house and a pair of metal sliding gates. The main building is equipped with a fire alarm, fire extinguishers, smoke detector system and hosereel.



● Subject Property

Key Statistics		
Land Area	–	7,538.5 sq m
Gross floor area	–	18,838.0 sq m
Lettable Area	–	18,838.0 sq m
Title	–	Leasehold estate of 30 + 30 years expiring 31 January 2057
Issue of Certificate of Statutory Completion	–	1999
Valuation by the Independent Valuer (as at 19 January 2006)	–	S$25,000,000
Valuation by the Additional Independent Valuer (as at 15 May 2006)	–	S$25,000,000
Rental per annum	–	S$2,150,000

Tenancy Information

The Property will be leased back to Brilliant Manufacturing Limited for seven years upon completion of the sale and purchase. The initial annual rent is S$2,150,000 for the first two years and thereafter it is increased at a fixed rate of 5.0% over the preceding year's rent at the commencement of the third and fifth years of the lease term. The tenant will at its own cost and expense maintain the Property save for capital expenditure exceeding S$2,000 per occurrence which is agreed to be borne by the landlord. A security deposit of 18 months' rent totalling S$3,225,000 will be retained by the landlord for the duration of the lease period. Further, the tenant will on the date of Completion enter into an agreement to assign all the rental proceeds received by the tenant from its sub-tenant(s) to the landlord in the event of rental default for a period of at least five months.

Competitive strengths of the Property[(1)]:

(i) Located in the central region within the Kampong Ubi Industrial Estate;

(ii) Easily accessible via the Pan-Island Expressway and the future Kallang/Paya Lebar Expressway;

(iii) Walking distance from the future MacPherson Circle Line MRT Station; and

(iv) Readily available labour supply and amenities from nearby housing estates.

Note:

(1) Source: Colliers International.

136 Joo Seng Road

136 Joo Seng Road
Singapore 368360

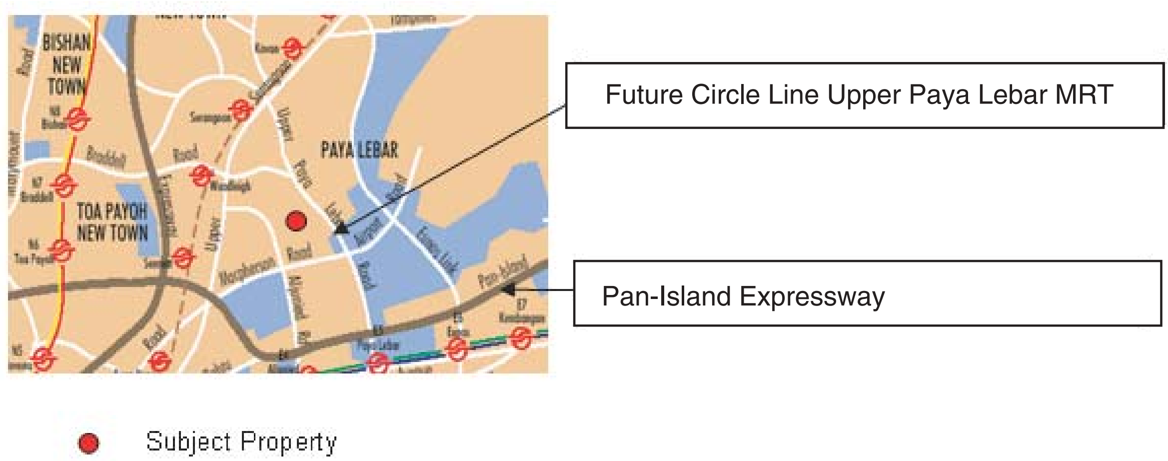
Occupancy:
100.0%

Property Use:
Light Industrial

Description

136 Joo Seng Road is located along Joo Seng Road, close to its junction with Jalan Bunga Rampai. It is accessible via Upper Paya Lebar Road and is approximately 7.5 kilometres from the City Centre. The neighbourhood is characterized predominantly by purpose-built flatted factories and developments nearby include the Upper Aljunied public housing estate, eateries, a market and a food centre. The Circle Line MRT in the vicinity is currently under construction.

The Property comprises a six-storey light industrial building which is served by two cargo lifts and a passenger lift. Other site improvements include concrete interlocking tiles to the driveway, a guard house and bin centre, chain-link fencing and a pair of metal sliding main gates. The building is equipped with a fire alarm, fire extinguishers, sprinklers and hosereel.



Key Statistics		
Land Area	–	4,258.6 sq m
Gross floor area	–	9,413.0 sq m
Lettable Area	–	9,413.0 sq m
Title	–	Leasehold estate of 30 + 30 years expiring 30 September 2050
Issue of Certificate of Statutory Completion	–	1996
Valuation by the Independent Valuer (as at 19 January 2006)	–	S$10,310,000
Rental per annum	–	S$987,000

Tenancy Information

The Property will be leased back to Brilliant Manufacturing Limited for seven years upon completion of the sale and purchase. The initial annual rent is S$987,000 for the first two years and thereafter it is increased at a fixed rate of 5.0% over the preceding year's rent at the commencement of the third and fifth years of the lease term. The tenant will at its own cost and expense maintain the Property save for capital expenditure exceeding S$2,000 per occurrence which is agreed to be borne by the landlord. A security deposit of 18 months' rent totalling S$1,480,500 will be retained by the landlord for the duration of the lease period. Further, the tenant will on the date of Completion enter into an agreement to assign all the rental proceeds received by the tenant from its sub-tenant(s) to the landlord in the event of rental default for a period of at least five months.

Competitive strengths of the Property[(1)]:

(i) Located in the central region within the Joo Seng Industrial Estate;

(ii) Easily accessible via the Pan-Island Expressway and the future Kallang/Paya Lebar Expressway;

(iii) Walking distance from the future Upper Paya Lebar Circle Line MRT Station; and

(iv) Readily available labour supply and amenities from nearby housing estates.

Note:

(1) Source: Colliers International.

CSE Global Building

2 Ubi View
Singapore 408556

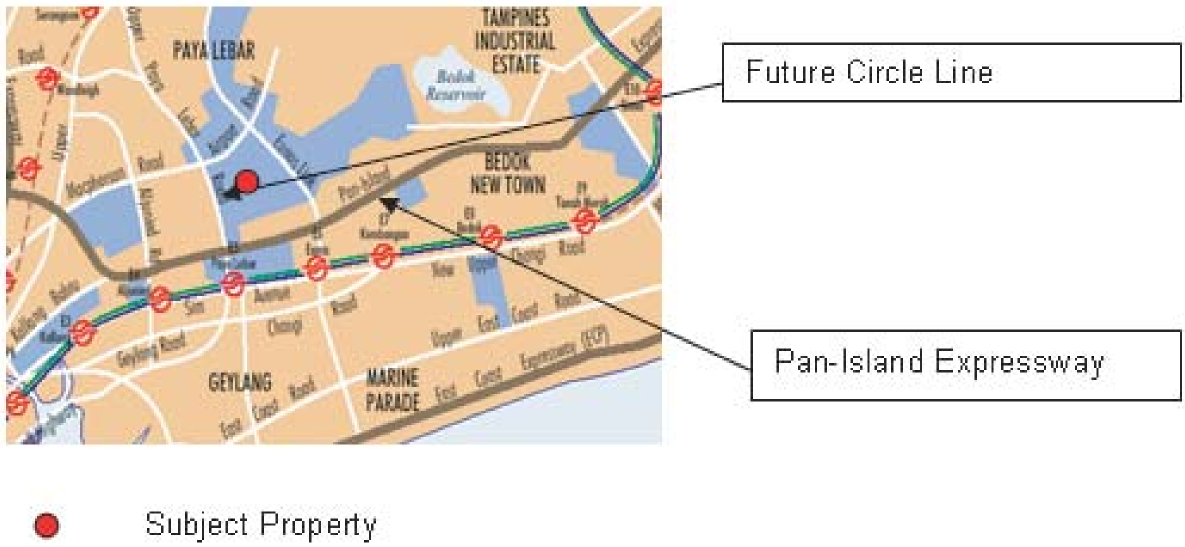
Occupancy:
100.0%

Property Use:
Light Industrial

Description

CSE Global Building is located on the northern side of Ubi View, at the south-western junction of Ubi Road 3 and Ubi Avenue 3, off Eunos Link and approximately 10 kilometres from the City Centre. The immediate surroundings comprise both private and JTC/HDB light industrial buildings, flatted/terrace factories and car showrooms/workshops. Labour supply is available from the nearby Ubi/Eunos/Bedok HDB housing estates. Accessibility to other parts of the island is enhanced by its proximity to the Eunos MRT Station and the Pan-Island Expressway.

The Property is a five-storey light industrial building. It is served by a passenger lift (13-person), a cargo lift (2,000 kg) and reinforced concrete staircases. A variable refrigerant volume air-conditioning system is provided for the whole building except for the first storey assembly area. A modern fire protection system and 24-hour security guard services are provided. Other site improvements include a paved driveway, guard house, a mega volt ampere capacity substation with a stand-by generator of 100 kilovolt amperes and a loading/unloading bay.



Key Statistics		
Land Area	–	1,998.7 sq m
Gross floor area	–	4,055.6 sq m
Lettable Area	–	4,055.6 sq m
Title	–	Leasehold estate of 60 years expiring 3 January 2059
Issue of Certificate of Statutory Completion	–	2002
Valuation by the Independent Valuer (as at 19 January 2006)	–	S$7,500,000
Rental per annum	–	S$536,000

Tenancy Information

The Property will be leased back to CSE Global Ltd for 10 years upon completion of the sale and purchase at an initial annual rental of S$536,000, to be increased at the commencement of the fourth and seventh years by 7.0% over the preceding year's rent. The tenant will be responsible for property tax.The tenant will at its own cost and expense maintain the Property save for capital expenditure exceeding S$2,000 per occurrence which will be borne by the landlord. A security deposit of 15 months' rent totalling S$670,000 will be retained by the landlord for the duration of the lease period. Further, the tenant will on the date of Completion enter into an agreement to assign all the rental proceeds received by the tenant from its sub-tenant(s) to the landlord upon any breach of or non-performance or observance of the covenants, conditions, stipulations and agreements by the tenant.

Competitive strengths of the Property(1):

(i) Located in the central region within the Kampong Ubi Industrial Estate;

(ii) Easily accessible via the Pan-Island Expressway and the future Kallang/Paya Lebar Expressway; and

(iii) Readily available labour supply and amenities from nearby housing estates.

Note:

(1) Source: Colliers International.

MI Building

11 Serangoon North Avenue 5
Singapore 554809

Occupancy:
100.0%

Property Use:
Light Industrial

Description

MI Building is located along Serangoon North Avenue 5, off Yio Chu Kang and within the Serangoon North Industrial Estate. It is approximately 12 kilometres from the City Centre. The immediate vicinity is industrial in nature, comprising purpose-built factories and light industrial factories. The Property is easily accessible via the Central Expressway.

The Property comprises a part six/part seven-storey light industrial building with a basement level. The building is served by two cargo lifts, staircases and two passenger lifts. Other site improvements include a concrete driveway, a guard house, a bin centre, two switchgear rooms, chain-link fencing with two pairs of metal main gates and a provision of three loading/unloading bays for 40-foot containers, 39 surface carpark lots and three lorry surface parking lots. The buildings are equipped with a fire alarm, fire extinguishers, sprinkler system and hosereel.

Key Statistics		
Land Area	–	5,462.3 sq m
Gross floor area	–	13,621.4 sq m
Lettable Area	–	13,621.4 sq m
Title	–	Leasehold estate of 30 + 30 years expiring 15 April 2057
Issue of Certificate of Statutory Completion	–	2002
Valuation by the Independent Valuer (as at 19 January 2006)	–	S$14,000,000
Valuation by the Additional Independent Valuer (as at 15 May 2006)	–	S$14,000,000
Rental per annum	–	S$1,311,000

Tenancy Information

The Property will be leased back to MI Technologies Pte Ltd for seven years. The initial annual rent is S$1,311,000 for the first two years and thereafter it is increased at a fixed rate of 5.0% over the preceding year's rent at the commencement of the third and fifth years of the lease term. The tenant will at its own cost and expense maintain the Property save for capital expenditure exceeding S$2,000 per occurrence which will be borne by the landlord. A security deposit of 18 months' rent totalling S$1,966,500 will be retained by the landlord for the duration of the lease period. Further, the tenant will on the date of Completion enter into an agreement to assign all the rental proceeds received by the tenant from its sub-tenant(s) to the landlord upon any breach of or non-performance or observance of the covenants, conditions, stipulations and agreements by the tenant.

Competitive strengths of the Property[1]:

(i) Centrally located within the Serangoon North Industrial Estate;

(ii) Easily accessible via the Central Expressway; and

(iii) Readily available labour supply and amenities from Serangoon North and nearby housing estates.

Note:

(1) Source: Colliers International.

Olivine Building

130 Joo Seng Road
Singapore 368357

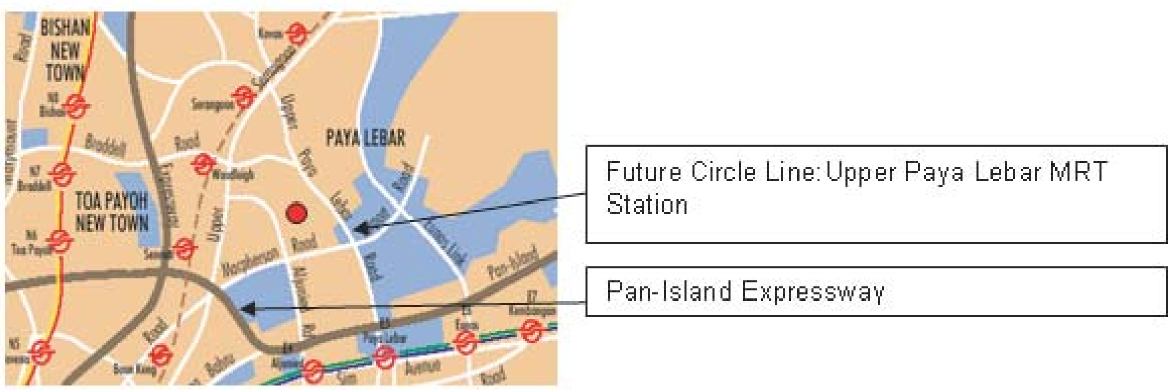
Occupancy:
100.0%

Property Use:
Light Industrial

Description

Olivine Building is located on the southern side of Joo Seng Road, near its junction with Kampong Ampat, off MacPherson Road and approximately eight kilometres from the City Centre. The immediate surroundings are an established industrial estate comprising both private and JTC/HDB light industrial buildings, flatted/terrace factories and warehouses. Accessibility to other parts of the island is enhanced by its proximity to the Woodleigh MRT Station, the Pan-Island Expressway and the Central Expressway.

The Property is a seven-storey light industrial building with a basement carpark. It is served by a passenger lift, a service lift, a cargo lift and reinforced concrete staircases. The premises are cooled by a split-unit air-conditioning system. A modern fire protection and 24-hour security guard service are provided. Other site improvements include guard houses, a substation, loading and unloading bays, 54 car parking lots and four lorry lots.



Subject Property

Key Statistics		
Land Area	–	4,391.2 sq m
Gross floor area	–	10,992.3 sq m
Lettable Area	–	10,992.3 sq m
Title	–	Leasehold estate of 30 + 30 years expiring 30 November 2051
Issue of Certificate of Statutory Completion	–	1996
Valuation by the Independent Valuer (as at 19 January 2006)	–	S$12,000,000
Rental per annum	–	S$1,206,000

Tenancy Information

The Property will be leased back to Olivine Magnetics Pte Ltd for seven years upon completion of the sale and purchase at an initial annual rental of S$1,206,000, to be increased at the commencement of the third and fifth years by 5.0% over the preceding year's rent. The tenant will at its own cost and expense maintain the Property save for capital expenditure exceeding S$2,000 per occurrence agreed to be borne by the landlord. A security deposit of 24 months' rent totalling S$2,412,000 will be retained by the landlord for the duration of the lease period. Further, the tenant will on the date of Completion enter into an agreement to assign all the rental proceeds received by the tenant from its sub-tenant(s) to the landlord upon any breach of or non-performance or observance of the covenants, conditions, stipulations and agreements by the tenant.

Competitive strengths of the Property(1):

(i) Located in the central region within the Joo Seng Industrial Estate;

(ii) Easily accessible via the Pan-Island Expressway and the future Kallang/Paya Lebar Expressway;

(iii) Under one kilometre from the future Upper Paya Lebar Circle Line MRT Station; and

(iv) Readily available labour supply and amenities from nearby housing estates.

Note:

(1) Source: Colliers International.

Panasonic Building

2 Jalan Kilang Barat
Singapore 159346

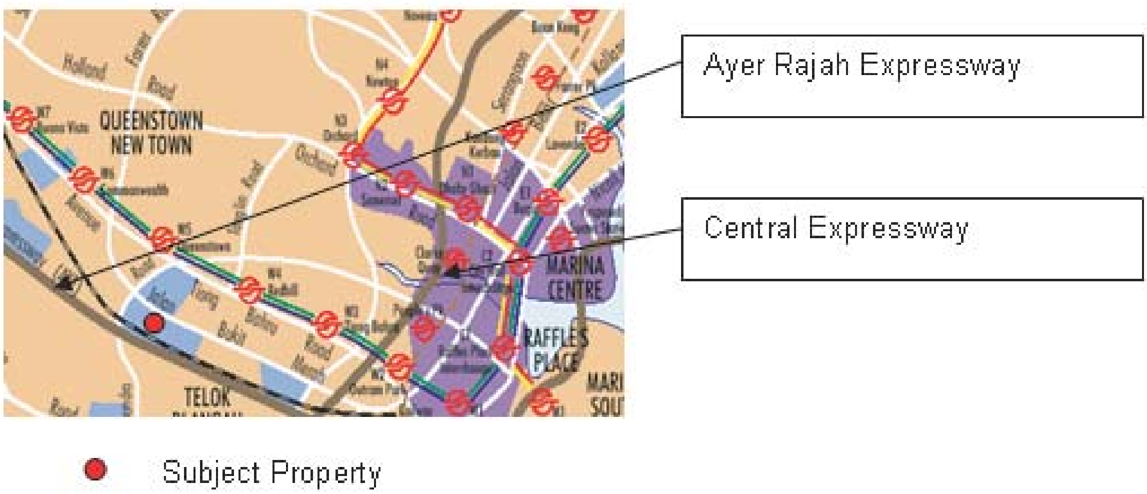
Occupancy:
100.0%

Property Use:
Light Industrial

Description

Panasonic Building is located along Jalan Kilang Barat, at its junction with Jalan Bukit Merah and is approximately five kilometres from the City Centre. Amenities such as a food centre, banks and shops are provided within Bukit Merah Central and Alexandra Village. Public bus transport is available along Jalan Bukit Merah.

The Property comprises a nine-storey light industrial development with a basement car park and other ancillary facilities. The building is served by two passenger lifts, a service lift and two loading/unloading bays. Car parking facilities are available at the basement level, second and third storeys. The building is fitted with central/split-unit air-conditioners, fire alarm, fire extinguishers, sprinkler system, hosereel and security access card system. Other improvements include an interlocking brick-paved driveway and chain-link fencing with a metal main gate.



Key Statistics		
Land Area	–	3,063.1 sq m
Gross floor area	–	7,678.6 sq m
Lettable Area	–	7,678.6 sq m
Title	–	Leasehold estate of 99 years expiring 30 June 2062
Issue of Certificate of Statutory Completion	–	2002
Valuation by the Independent Valuer (as at 19 January 2006)	–	S$20,000,000
Valuation by the Additional Independent Valuer (as at 15 May 2006)	–	S$20,000,000
Rental per annum	–	S$1,535,000

Tenancy Information

The Property will be leased back to S C Merah Pte Ltd for five years upon completion of the sale and purchase. The initial annual rent is S$1,535,000 for the first two years and thereafter it is increased at a fixed rate of 5.0% over the preceding year's rent at the commencement of the third year of the lease term. The tenant will at its own cost and expense maintain the Property save for capital expenditure including the replacement of mechanical and electrical equipment exceeding S$2,000 per occurrence which will be borne by the landlord. A security deposit of 10 months' rent totalling S$1,279,166.70 will be retained by the landlord for the duration of the lease period. Further, the tenant will on the date of Completion enter into an agreement to assign all the rental proceeds received by the tenant from its sub-tenant(s) to the landlord in the event of rental default for a period of at least five months.

Competitive strengths of the Property[(1)]:

(i) Located in the central region and prominently situated along Jalan Bukit Merah;

(ii) Easily accessible via the Ayer Rajah Expressway and the Central Expressway;

(iii) Modern high-tech building with a multi-national corporation tenant; and

(iv) Readily available labour supply and amenities from nearby housing estates.

Note:

(1) Source: Colliers International.

MEC TechnoCentre

87 Defu Lane 10
Singapore 539219

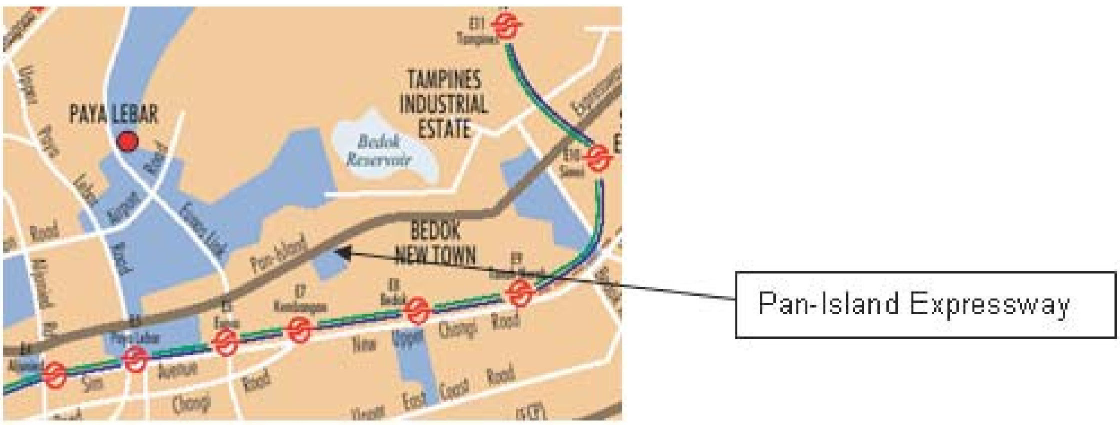
Occupancy:
100.0%

Property Use:
Light Industrial

Description

MEC TechnoCentre is located on the western side of Defu Lane 10, off Hougang Avenue 3, within the Defu Industrial Estate and approximately 11.5 kilometres from the City Centre. The immediate locality comprises a mixture of purpose-built factories and standard JTC factories/workshops. The Property has easy access to other parts of the city via the Pan-Island Expressway, the Tampines Expressway and the Central Expressway. The nearest MRT Station at Kovan is within 5–10 minutes' drive away.

The Property is a six-storey purpose-built light industrial building including a semi-basement carpark. It is served by one passenger lift and two service lifts and supplemented with reinforced concrete staircases. Male/female toilets are provided on every level. The building is equipped with an air-conditioning system comprising generally cassette-unit and split-unit air-conditioners. It is further equipped with a fire protection system comprising a fire alarm with water sprinklers, hosereels and fire extinguishers, and is monitored by closed circuit television and a 24-hour security guard service. Other site improvements include paved driveways, a guard house, bin centre and a significant number of surface/basement car parking lots. Loading/unloading bays with dock levellers are available within the compound.



Subject Property

Key Statistics		
Land Area	–	4,330.8 sq m
Gross floor area	–	9,365.2 sq m
Lettable Area	–	9,365.2 sq m
Title	–	Leasehold estate of 30 + 30 years expiring 31 October 2050
Issue of Certificate of Statutory Completion	–	1995
Valuation by the Independent Valuer (as at 19 January 2006)	–	S$13,065,000
Rental per annum	–	S$919,538

Tenancy Information

The Property will be leased back to The Excalibur Corporation Pte Ltd for seven years upon completion of the sale and purchase at an initial annual rental of S$919,538, to be increased at the commencement of the third and fifth years by 5.0% over the preceding year's rent. The tenant will be responsible for property tax and land rental. A security deposit of 15 months' rent totalling S$1,149,422.50 will be retained by the landlord for the duration of the lease period. Further, the tenant will on the date of Completion enter into an agreement to assign all the rental proceeds received by the tenant from its sub-tenant(s) to the landlord upon any breach of or non-performance or observance of the covenants, conditions, stipulations and agreements by the tenant.

Competitive strengths of the Property[1]:

(i) Prominently located along Hougang Avenue 3 within the Defu Industrial Estate;

(ii) Easily accessible via the Pan-Island Expressway and the future Kallang/Paya Lebar Expressway; and

(iii) Readily available labour supply and amenities from Hougang and nearby housing estates.

Note:

(1) Source: Colliers International.

86/88 International Road

86/88 International Road
Singapore 629176/629177

Occupancy:
100.0%

Property Type:
Industrial and Warehousing

Description

86/88 International Road is located along International Road. It is approximately 20 kilometres from the City Centre. The surrounding area is predominantly industrial in nature, comprising mainly JTC standard factories and purpose-built factories. Public transportation and all other urban amenities such as public canteens are available in the vicinity. The Property is easily accessible from the Ayer Rajah Expressway.

The Property comprises two blocks of single-storey industrial/warehouse buildings with a three-storey office annex each. The buildings are served by one passenger lift each. Other site improvements include a tarmac/concrete driveway, two guard houses, chain-link fencing with two metal main gates and car parking. The buildings are equipped with a fire alarm, fire extinguishers, sprinkler system and hosereel.

Key Statistics		
Land Area	–	15,907.9 sq m
Gross floor area	–	12,772.5 sq m
Lettable Area	–	12,772.5 sq m
Title	–	Leasehold estate of 30 + 30 years expiring 15 December 2054
Issue of Certificate of Statutory Completion	–	1997
Valuation by the Independent Valuer (as at 19 January 2006)	–	S$14,000,000
Valuation by the Additional Independent Valuer (as at 15 May 2006)	–	S$14,000,000
Rental per annum	–	S$1,415,000

Tenancy Information

The Property will be leased back to Gliderol Doors (S) Pte Ltd for seven years. The initial annual rent is S$1,415,000 for the first two years and thereafter it is increased at a fixed rate of 5.0% over the preceding year's rent at the commencement of the third and fifth years of the lease term. The tenant will at its own cost and expense maintain the Property save for capital expenditure exceeding S$2,000 per occurrence agreed to be borne by the landlord. A security deposit of 12 months' rent totalling S$1,415,000 will be retained by the landlord for the duration of the lease period. Further, the tenant will on the date of Completion enter into an agreement to assign all the rental proceeds received by the tenant from its sub-tenant(s) to the landlord upon any breach of or non-performance or observance of the covenants, conditions, stipulations and agreements by the tenant.

Competitive strengths of the Property(1):

(i) Located within the Jurong Industrial Estate;

(ii) Easily accessible via the Pan-Island Expressway and the Ayer Rajah Expressway; and

(iii) Close proximity to labour supply in Johor Bahru via the Second Link.

Note:

(1) Source: Colliers International.

23 Tuas Avenue 10

23 Tuas Avenue 10
Singapore 639149

Occupancy:
100.0%

Property Type:
Industrial and Warehousing

Description

23 Tuas Avenue 10 is located on the northern side of Tuas Avenue 10, off Tuas Avenue 1/Jalan Ahmad Ibrahim, within the Jurong Industrial Estate and approximately 27 kilometres from the City Centre. The immediate surroundings comprise a mixture of detached factories, workshops and standard JTC factories. The Property has easy access to the Pan-Island Expressway, the Ayer Rajah Expressway and the Bukit Timah Expressway, whilst the Tuas Checkpoint at the Second Link is just a few minutes' drive away.

The Property is a four-storey industrial cum warehouse building. It is served by one passenger lift and two cargo lifts and supplemented by reinforced concrete staircases. Male/female toilets are provided on every level. The building is equipped with an air-conditioning system generally comprising cassette-unit and split-unit air-conditioners. It is further equipped with a fire protection system comprising a fire alarm, hosereels and fire extinguishers and a 24-hour security guard service. Other site improvements include paved driveways, guard houses, a bin centre, sub-station and a significant number of lorry/car parking lots. Loading/unloading bays with eight dock levellers are available.

Key Statistics		
Land Area	–	6,802.8 sq m
Gross floor area	–	9,504.9 sq m
Lettable Area	–	9,504.9 sq m
Title	–	Leasehold estate of 30 + 29 years expiring 31 October 2056
Issue of Certificate of Statutory Completion	–	2001
Valuation by the Independent Valuer (as at 19 January 2006)	–	S$8,550,000
Rental per annum	–	S$643,000

Tenancy Information

The Property will be leased back to Uchem Products Pte Ltd for seven years upon completion of the sale and purchase at an initial annual rental of S$643,000, to be increased at the commencement of the third and fifth years by 5.0% over the preceding year's rent. A security deposit of 18 months' rent totalling S$964,500 will be retained by the landlord for the duration of the lease period. Further, the tenant will on the date of Completion enter into an agreement to assign all the rental proceeds received by the tenant from its sub-tenant(s) to the landlord upon any breach of or non-performance or observance of the covenants, stipulations and agreements by the tenant.

Competitive strengths of the Property(1):

(i) Located within the Jurong Industrial Estate;

(ii) Easily accessible via the Pan-Island Expressway and the Ayer Rajah Expressway; and

(iii) Close proximity to labour supply in Johor Bahru via the Second Link.

Note:

(1) Source: Colliers International.

9 Tuas View Crescent

9 Tuas View Crescent
Singapore 637612

Occupancy:
100.0%

Property Type:
Industrial and Warehousing

Description

9 Tuas View Crescent is located along Tuas View Crescent, off Tuas South Avenue 3. It is approximately 26 kilometres from the City Centre. The surrounding area is predominantly industrial in nature, generally comprising JTC standard and purpose-built factories. It is accessible from the Ayer Rajah Expressway.

The Property comprises a single-storey production/warehouse and a three-storey office building. The Property is equipped with a fire alarm, fire extinguisher and hosereels. The floor loading capacity for each storey of the office building is 7.5kN/m^2 and for the production factory is 10kN/m^2. Other site improvements include a tarmac driveway, bin centre, guard room and metal grille/chain-link fencing with two pairs of metal gates.

Key Statistics		
Land Area	–	6,633.4 sq m
Gross floor area	–	6,650.1 sq m
Lettable Area	–	6,650.1 sq m
Title	–	Leasehold estate of 30 + 30 years expiring 15 July 2058
Issue of Certificate of Statutory Completion	–	2001
Valuation by the Independent Valuer (as at 19 January 2006)	–	S$5,600,000
Rental per annum	–	S$556,000

Tenancy Information

The Property will be leased back to United Central Engineering Pte Ltd for seven years. The initial annual rent is S$556,000 for the first two years and thereafter the rent will be increased at a fixed rate of 5.0% over the preceding year's rent at the commencement of the third and fifth years of the lease term. The tenant will at its own cost and expense maintain the Property save for capital expenditure exceeding S$2,000 per occurrence which will be borne by the landlord. A security deposit of 24 months' rent totalling S$1,112,000 will be retained by the landlord for the duration of the lease period. Further, the tenant will on the date of Completion enter into an agreement to assign all the rental proceeds received by the tenant from its sub-tenant(s) to the landlord upon any breach of or non-performance or observance of the covenants, conditions, stipulations and agreements by the tenant.

Competitive strengths of the Property[(1)]:

(i) Located within the Jurong Industrial Estate; and

(ii) Close proximity to labour supply in Johor Bahru via the Second Link.

Note:

(1) Source: Colliers International.

27 Pandan Crescent

27 Pandan Crescent
Singapore 128476

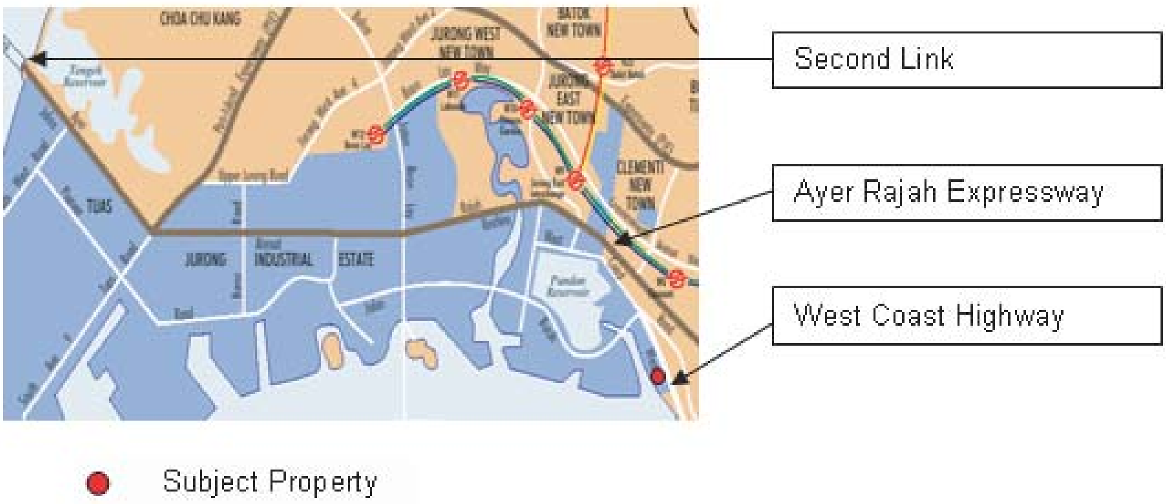
Occupancy:
100.0%

Property Use:
Industrial and Warehousing

Description

27 Pandan Crescent is located near the end of Pandan Crescent, off the West Coast Highway and approximately 14 kilometres from the City Centre. It lies within JTC's Pandan Industrial Estate. The immediate vicinity comprises a mixture of purpose-built factories, workshops, motor showrooms/ service centres and warehouses. Public transport is available along the main arterial roads. The nearest MRT Station at Clementi is within a 2-kilometre radius. Accessibility to other parts of the island is facilitated via the nearby Ayer Rajah Expressway, the Pan-Island Expressway and the West Coast Highway, all within a short drive away.

The Property is a part single/part three-storey industrial building with ancillary offices on the first and second storeys. It is served by a goods lift and reinforced concrete staircases. Air-conditioning is provided for the office areas and one section of the warehouse on the third storey. A modern fire protection system is provided. Other site improvements include a paved driveway, guard house, bin centre, main distribution frame room, switchrooms, transformer room, loading and unloading bays and a significant number of motorcycle/car parking lots.



Key Statistics		
Land Area	–	8,808.2 sq m
Gross floor area	–	6,914.5 sq m
Lettable Area	–	6,914.5 sq m
Title	–	Leasehold estate of 30 + 30 years expiring 15 May 2055
Issue of Certificate of Statutory Completion	–	1997
Valuation by the Independent Valuer (as at 19 January 2006)	–	S$7,700,000
Rental per annum	–	S$572,000

Tenancy Information

The Property will be leased back to Wong Sam Ngian Engineering (Pte) Ltd for seven years upon completion of the sale and purchase at an initial annual rental of S$572,000, to be increased at the commencement of the third and fifth years by 5.0% over the preceding year's rent. The tenant shall at its own cost and expense maintain the Property. A security deposit of 18 months' rent totalling S$858,000 will be retained by the landlord for the duration of the lease period. Further, the tenant will on the date of Completion enter into an agreement to assign all the rental proceeds received by the tenant from its sub-tenant(s) to the landlord upon any breach of or non-performance or observance of the covenants, conditions, stipulations and agreements by the tenant.

Competitive strengths of the Property[(1)]:

(i) Located within the Pandan Industrial Estate;

(ii) Easily accessible via the West Coast Highway and the Ayer Rajah Expressway; and

(iii) Close proximity to labour supply in Johor Bahru via the Second Link.

Note:

(1) Source: Colliers International.

7 Gul Lane

7 Gul Lane
Singapore 629406

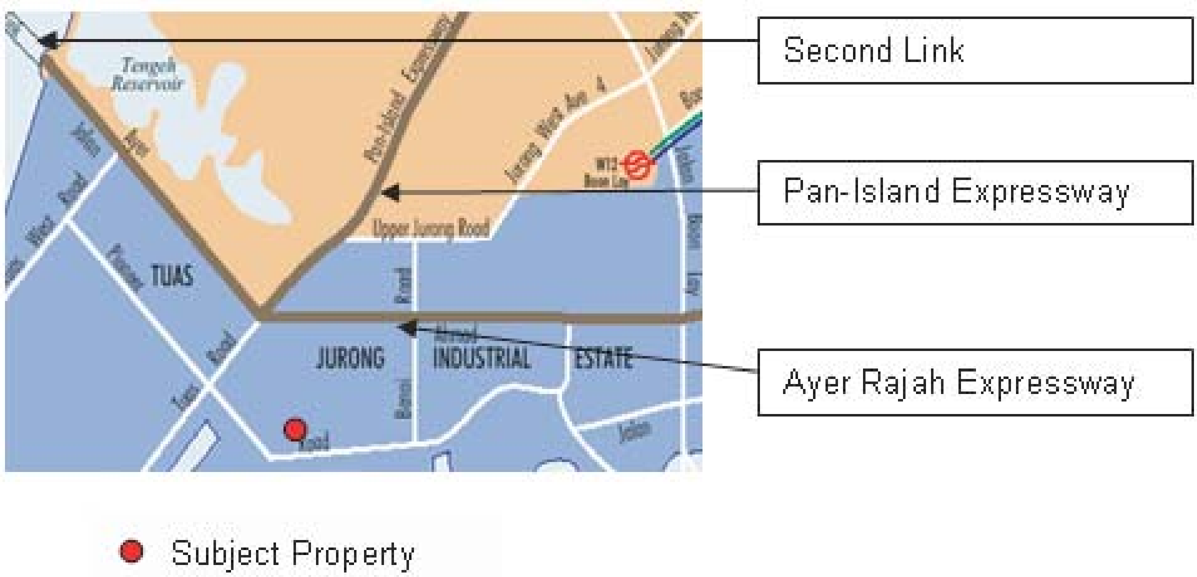
Occupancy:
100.0%

Property Use:
Industrial

Description

7 Gul Lane is located along Gul Lane, at its junction with Gul Crescent, off Gul Circle. It is approximately 25 kilometres from the City Centre and is easily accessible via the Ayer Rajah Expressway. The surrounding area is predominantly industrial in nature, comprising mainly JTC standard factories and some purpose-built factories.

The Property comprises a single-storey purpose-built factory building with a mezzanine level. Site improvements include a tarmac/concrete driveway, covered car park lots, guard house/bin centre and chain-link fencing with a pair of metal main gates. The building is equipped with a fire alarm, fire extinguishers, hosereel and break glass system.



Key Statistics		
Land Area	–	6,343.2 sq m
Gross floor area	–	4,499.0 sq m
Lettable Area	–	4,499.0 sq m
Title	–	Leasehold estate of 30 + 30 years expiring 15 May 2041
Issue of Certificate of Statutory Completion	–	1984
Valuation by the Independent Valuer (as at 19 January 2006)	–	S$3,200,000
Rental per annum	–	S$369,000

Tenancy Information

The Property will be leased back to BG Casting Pte Ltd for seven years. The initial annual rent is S$369,000 for the first two years and thereafter it is increased at a fixed rate of 5.0% over the preceding year's rent at the commencement of the third and fifth years of the lease term. The tenant will at its own cost and expense maintain the Property save for capital expenditure exceeding S$2,000 per occurrence which will be borne by the landlord. A security deposit of 18 months' rent totalling S$553,500 will be retained by the landlord for the duration of the lease period. Further, the tenant will on the date of Completion enter into an agreement to assign all the rental proceeds received by the tenant from its sub-tenant(s) to the landlord in the event of rental default for a period of at least five months.

Competitive strengths of the Property[(1)]:

(i) Located within the Jurong Industrial Estate;

(ii) Easily accessible via the Pan-Island Expressway and the Ayer Rajah Expressway; and

(iii) Close proximity to labour supply in Johor Bahru via the Second Link.

Note:

(1) Source: Colliers International.

31 Kian Teck Way

31 Kian Teck Way
Singapore 628751

Occupancy:
100.0%

Property Use:
Industrial

Description

31 Kian Teck Way is located along Kian Teck Way off Pioneer Road North. It is approximately 25 kilometres from the City Centre. The surrounding area is predominantly industrial in nature, comprising mainly JTC standard factories and some purpose-built factories with amenities like food centres. The Property is approximately 1.3 kilometres from the Ayer Rajah Expressway and the Pan-Island Expressway.

The Property comprises a part single and part two-storey detached factory building, served by a cargo lift. Site improvements include a concrete driveway, a guard house/bin centre and a pair of metal sliding gates. The building is equipped with a fire alarm, fire extinguishers, sprinklers and hosereel.

Key Statistics		
Land Area	–	3,638.7 sq m
Gross floor area	–	3,074.0 sq m
Lettable Area	–	3,074.0 sq m
Title	–	Leasehold estate of 30 + 19 years expiring 31 August 2042
Issue of Certificate of Statutory Completion	–	1998
Valuation by the Independent Valuer (as at 19 January 2006)	–	S$3,200,000
Rental per annum	–	S$333,000

Tenancy Information

The Property will be leased back to Brilliant Magnesium Pte Ltd for seven years upon completion of the sale and purchase. The initial annual rent is S$333,000 for the first two years and thereafter it is increased at a fixed rate of 5.0% over the preceding year's rent at the commencement of the third and fifth years of the lease term. The tenant will at its own cost maintain the Property save for capital expenditure exceeding S$2,000 per occurrence which will be borne by the landlord. A security deposit of S$499,500 will be retained by the landlord for the duration of the lease period. Further, the tenant will on the date of Completion enter into an agreement to assign all the rental proceeds received by the tenant from its sub-tenant(s) to the landlord in the event of rental default for a period of at least five months.

Competitive strengths of the Property[(1)]:

(i) Located within the Jurong Industrial Estate;

(ii) Easily accessible via the Pan-Island Expressway and the Ayer Rajah Expressway; and

(iii) Close proximity to labour supply in Johor Bahru via the Second Link.

Note:

(1) Source: Colliers International.

Techplas Industrial Building

45 Changi South Avenue 2
Singapore 486133

Occupancy:
100.0%

Property Use:
Industrial

Description

Techplas Industrial Building is located at the northern junction of Changi South Avenue 2/4, within Changi South Industrial Estate, off Xilin Avenue and approximately 18.5 kilometres from the City Centre. The locality comprises mainly purpose-built industrial buildings that are used for a variety of uses including air-freight logistics and distribution, manufacturing, hi-technology businesses, data and software enterprises and research and development. The Expo MRT Station and Changi International Airport are just a few minutes' drive away. Accessibility to other parts of the island is enhanced by its close proximity to the East Coast Parkway and the Tampines/Pan-Island Expressways.

The Property is a four-storey industrial cum office block. The premises are partially air-conditioned and are served by a passenger lift. Modern fire fighting equipment is provided within the development. A 24-hour security guard service is also provided. The loading and unloading bays (3 units and one with dock-leveller) are located at the side of the building. The compound is enclosed with plastered brick walls and chain-link fencing with an automatic sliding metal gate. Other site improvements include paved driveways, surface car parking lots, a bin centre and a single-storey guard house.

Key Statistics		
Land Area	–	5,153.0 sq m
Gross floor area	–	6,845.5 sq m
Lettable Area	–	6,845.5 sq m
Title	–	Leasehold estate of 30 + 30 years expiring 31 August 2055
Issue of Certificate of Statutory Completion	–	2001
Valuation by the Independent Valuer (as at 19 January 2006)	–	S$8,250,000
Rental per annum	–	S$598,000

Tenancy Information

The Property will be leased back to Chung Shan Plastics Pte Ltd for 10 years upon completion of the sale and purchase at an initial annual rent of S$598,000, to be increased at the commencement of the fourth and seventh years by 7.0% over the preceding year's rent. The tenant will at its own cost and expense maintain the Property save for capital expenditure exceeding S$2,000 per occurrence agreed to be borne by the landlord. A security deposit of 24 months' rent totalling S$1,196,000 will be retained by the landlord for the duration of the lease period. Further, the tenant will on the date of Completion enter into an agreement to assign all the rental proceeds received by the tenant from its sub-tenant(s) to the landlord upon any breach of or non-performance or observance of the covenants, conditions, stipulations and agreements by the tenant.

Competitive strengths of the Property[(1)]:

(i) Located within the Changi South Industrial and Logistics Park;

(ii) Easily accessible via the Pan-Island Expressway and the East Coast Parkway; and

(iii) Close proximity to Changi International Airport, Changi Business Park and Singapore Expo.

Note:

(1) Source: Colliers International.

2 Tuas South Avenue 2

2 Tuas South Avenue 2
Singapore 637601

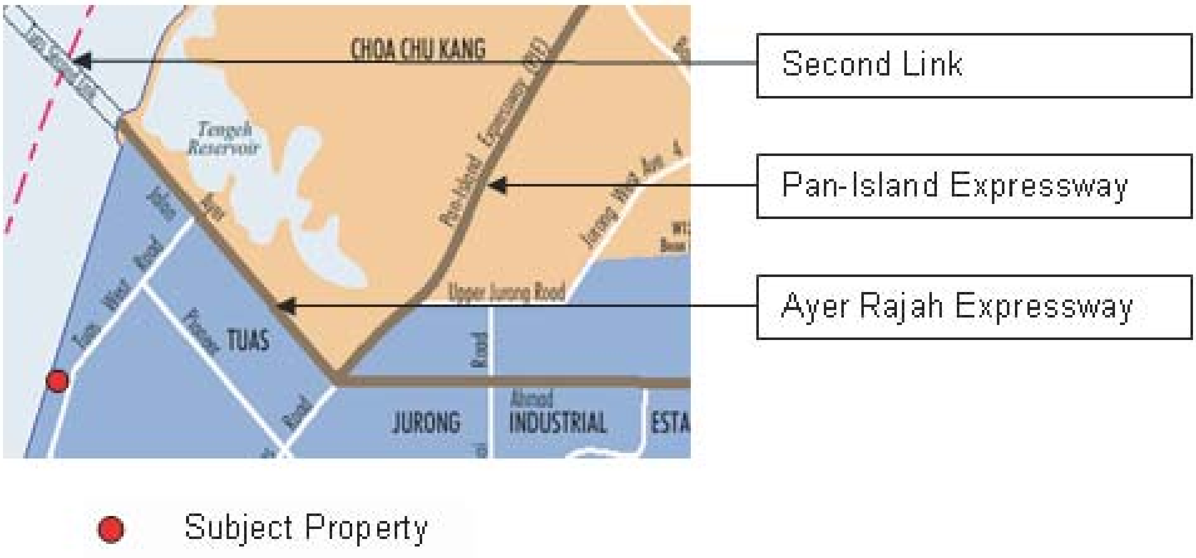
Occupancy:
100.0%

Property Use:
Industrial

Description

2 Tuas South Avenue 2 is bounded by Tuas South Avenue 2, Tuas South Avenue 1 and Tuas South Avenue 3 within the Jurong Industrial Estate. It is approximately 30 kilometres from the City Centre. The surroundings comprise mainly standard and purpose-built factories. Eating amenities are available in the vicinity. Accessibility of the area is enhanced by a good network of roads, with links to the Ayer Rajah Expressway.

The Property comprises a part four/part six-storey industrial development with ancillary facilities and basement car parking. Site improvements include a concrete driveway/car park lots and chain-link fencing with a metal sliding main gate. The building is equipped with a fire alarm, fire extinguishers, sprinkler system and hosereel. The office area is equipped with a security access card system. There are two cargo lifts and three passenger lifts.



Key Statistics		
Land Area	–	12,425.2 sq m
Gross floor area	–	20,474.1 sq m
Lettable Area	–	20,474.1 sq m
Title	–	Leasehold estate of 60 years expiring 3 January 2059
Issue of Certificate of Statutory Completion	–	2006
Valuation by the Independent Valuer (as at 19 January 2006)	–	S$23,000,000
Valuation by the Additional Independent Valuer (as at 15 May 2006)	–	S$22,700,000
Rental per annum	–	S$1,922,000

Tenancy Information

The Property will be leased back to CS Industrial Land Pte Ltd for seven years. The initial annual rent is S$1,922,000 for the first two years and thereafter it is increased at a fixed rate of 5.0% over the preceding year's rent at the commencement of the third and fifth years of the lease term. The landlord will be responsible for property tax levied in respect of the Property. A security deposit of 12 months' rent totalling S$1,922,000 will be retained by the landlord for the duration of the lease period. Further, the tenant will upon default of the terms of the leaseback agreement, execute a deed of assignment to assign all the rental proceeds received by the tenant from its subtenant(s) to the landlord.

Competitive strengths of the Property[(1)]:

(i) Located within the Jurong Industrial Estate;

(ii) Easily accessible via the Pan-Island Expressway and the Ayer Rajah Expressway; and

(iii) Close proximity to labour supply in Johor Bahru via the Second Link.

Note:

(1) Source: Colliers International.

28 Woodlands Loop
28 Woodlands Loop
Singapore 738308

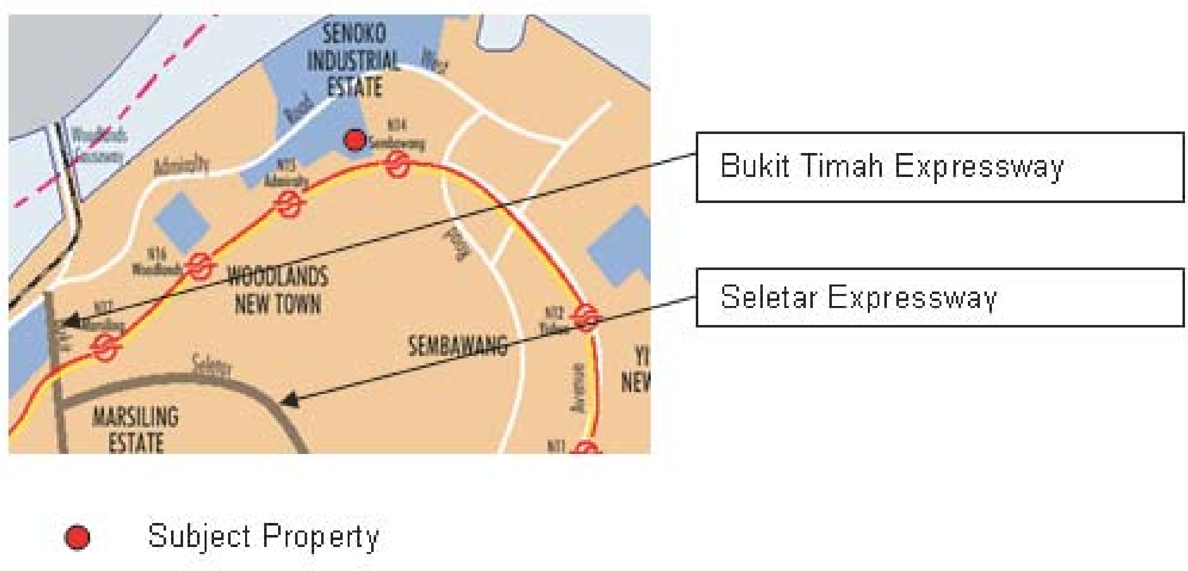
Occupancy:
100.0%

Property Use:
Industrial

Description

28 Woodlands Loop is located on the eastern side of Woodlands Loop, off Woodlands Avenue 10, within Woodlands East Industrial Estate, and approximately 25 kilometres from the City Centre. The immediate surrounding locality comprises a mixture of detached factories, workshops and standard JTC factories. The Senoko Industrial Estate, Woodlands Spectrum and Woodlands Central Industrial Estate are all in the vicinity. Public transportation is available along Woodlands Avenues 7 and 10 with a feeder bus service to the Woodlands Bus Interchange. The Admiralty MRT Station is just a short drive away.

The Property is a four-storey industrial building served by one passenger lift and two cargo lifts and supplemented by reinforced concrete staircases. Male/female toilets are provided on every level. The building is equipped with an air-conditioning system comprising generally cassette-unit and split-unit air-conditioners. It is further equipped with a fire protection system comprising a fire alarm with hosereels and fire extinguishers. Other site improvements include paved driveways, a guard house, bin centre and 45 covered/non-covered car park lots. Loading/unloading bays are available at the rear of the building.



Key Statistics		
Land Area	–	9,345.0 sq m
Gross floor area	–	12,249.9 sq m
Lettable Area	–	12,249.9 sq m
Title	–	Leasehold estate of 30 + 30 years expiring 15 October 2055
Issue of Certificate of Statutory Completion	–	1998
Valuation by the Independent Valuer (as at 19 January 2006)	–	S$13,000,000
Rental per annum	–	S$1,307,000

Tenancy Information

The Property will be leased back to Sanwa Plastic Industry Pte Ltd for seven years upon completion of the sale and purchase at an initial annual rental of S$1,307,000, to be increased at the commencement of the third and fifth years by 5.0% over the preceding year's rent. The landlord will be responsible for capital expenditure exceeding S$2,000 per occurrence. A security deposit of 12 months' rent totalling S$1,307,000 will be retained by the landlord for the duration of the lease period. Further, the tenant will on the date of Completion enter into an agreement to assign all the rental proceeds received by the tenant from its sub-tenant(s) to the landlord upon any breach of or non-performance or observance of the covenants, conditions, stipulations and agreements by the tenant.

Competitive strengths of the Property(1):

(i) Located within the Woodlands Industrial Estate;

(ii) Easily accessible via the Bukit Timah Expressway and the Seletar Expressway; and

(iii) Readily available labour supply and amenities from Woodlands and nearby housing estates.

Note:

(1) Source: Colliers International.

Standard Form Building

37 Tampines Street 92
Singapore 528885

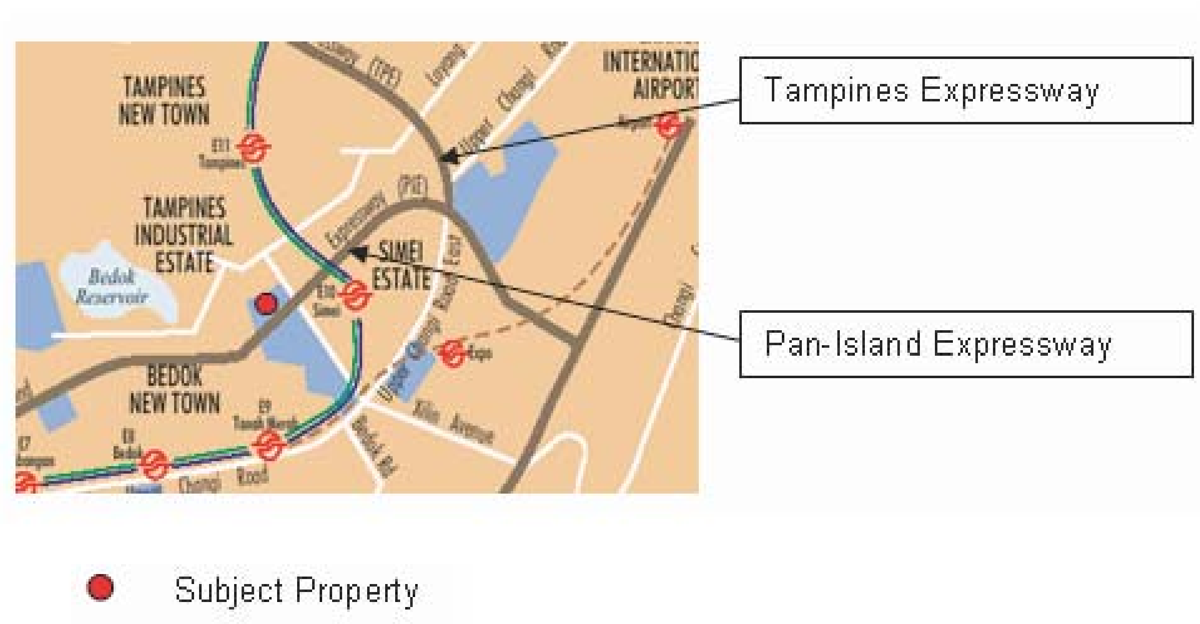
Occupancy:
100.0%

Property Use:
Industrial

Description

Standard Form Building is located along Tampines Street 92, accessible via Tampines Avenue 1. It is approximately 13 kilometres from the City Centre. The surrounding area generally comprises a mixture of industrial and residential developments with amenities like a food centre, market and education institutions. Public transportation facilities are available along Tampines Avenue 1 and Avenue 5. The Pan-Island Expressway is easily accessible.

The Property comprises a four-storey industrial building with a basement carpark which is served by two passenger lifts (capacity 1,000 kg), two cargo lifts (capacity three tons) and staircases. The building is served by an air-conditioning system with individual controls. Fire protection system includes smoke/heat detectors, alarm, hosereel and fire sprinklers. The floor loading capacity is 20 kN/m^2 on basement and first storey and 10 kN/m^2 on the other storeys. The ceiling heights are 2.6 metres on the basement, 7 metres on the first storey and 4.6 metres on the other storeys. Other improvements include a guard house, open carpark lots and the 22 basement carpark lots, loading/unloading bays with two electric and two manual dock levellers and a cargo hoist serving the basement and first storey.



Key Statistics		
Land Area	–	4,805.2 sq m
Gross floorarea	–	10,733.2 sq m
Lettable Area	–	10,733.2 sq m
Title	–	Leasehold estate of 30 + 30 years expiring 31 August 2054
Issue of Certificate of Statutory Completion	–	2003
Valuation by the Independent Valuer (as at 19 January 2006)	–	S$10,560,000
Rental per annum	–	S$1,060,000

Tenancy Information

The Property will be leased back to Standard Form Pte Ltd for seven years upon completion of the sale and purchase. The initial annual rent is S$1,060,000 for the first two years and thereafter it is increased at a fixed rate of 5.0% over the preceding year's rent at the commencement of the third and fifth years of the lease term. The tenant will at its own cost and expense maintain the Property save for capital expenditure exceeding S$2,000 per occurrence which will be borne by the landlord. A security deposit of 16 months' rent totalling S$1,413,333.33 will be retained by the landlord for the duration of the lease period. Further, the tenant will on the date of Completion enter into an agreement to assign all the rental proceeds received by the tenant from its sub-tenant(s) to the landlord upon any breach of or non-performance or observance of the covenants, conditions, stipulations and agreements by the tenant.

Competitive strengths of the Property[1]:

(i) Located within the Tampines Industrial Estate, prominently situated along the Pan-Island Expressway;

(ii) Easily accessible via the Pan-Island Expressway and the Tampines Expressway; and

(iii) Readily available labour supply and amenities from Tampines and nearby housing estates.

Note:

(1) Source: Colliers International.

16 Tuas Avenue 18A

16 Tuas Avenue 18A
Singapore 638864

Occupancy:
100.0%

Property Use:
Industrial

Description

16 Tuas Avenue 18A is located along Tuas Avenue 18A off Tuas Crescent. It is approximately 28 kilometres from the City Centre. The Property is within the Jurong Industrial Estate which comprises both purpose-built as well as standard JTC factories. Labour supply is readily available at the nearby housing estate. Access to the Property is facilitated by the Pan-Island Expressway, the Ayer Rajah Expressway and the Tuas Checkpoint between Singapore and Malaysia.

The Property comprises a part one/part three-storey industrial building. The building is equipped with a fire alarm, fire extinguishers and hosereels. Other site improvements include cement sand screed driveway, guard room and metal grille/chain-link fencing with two automated metal sliding gates.

Key Statistics		
Land Area	–	3,975.2 sq m
Gross floor area	–	3,168.0 sq m
Lettable Area	–	3,168.0 sq m
Title	–	Leasehold estate of 30 + 30 years expiring 28 February 2051
Issue of Certificate of Statutory Completion	–	1994
Valuation by the Independent Valuer (as at 19 January 2006)	–	S$2,600,000
Rental per annum	–	S$281,000

Tenancy Information

The Property will be leased back to Standard Form Pte Ltd for seven years upon completion of the sale and purchase. The initial annual rent is S$281,000 for the first two years and thereafter it is increased at a fixed rate of 5.0% over the preceding year's rent at the commencement of the third and fifth years of the lease term. The tenant shall at its own cost and expense maintain the Property save for capital expenditure exceeding S$2,000 per occurrence which shall be borne by the landlord. A security deposit of 16 months' rent totalling S$374,666.67 will be retained by the landlord for the duration of the lease period. Further, the tenant will on the date of Completion enter into an agreement to assign all the rental proceeds received by the tenant from its sub-tenant(s) to the landlord upon any breach of or non-performance or observance of the covenants, conditions, stipulations and agreements by the tenant.

Competitive strengths of the Property[1]:

(i) Located within the Jurong Industrial Estate;

(ii) Easily accessible via the Pan-Island Expressway and the Ayer Rajah Expressway; and

(iii) Close proximity to labour supply in Johor Bahru via the Second Link.

Note:

(1) Source: Colliers International.

160 Kallang Way

160 Kallang Way
Singapore 349246

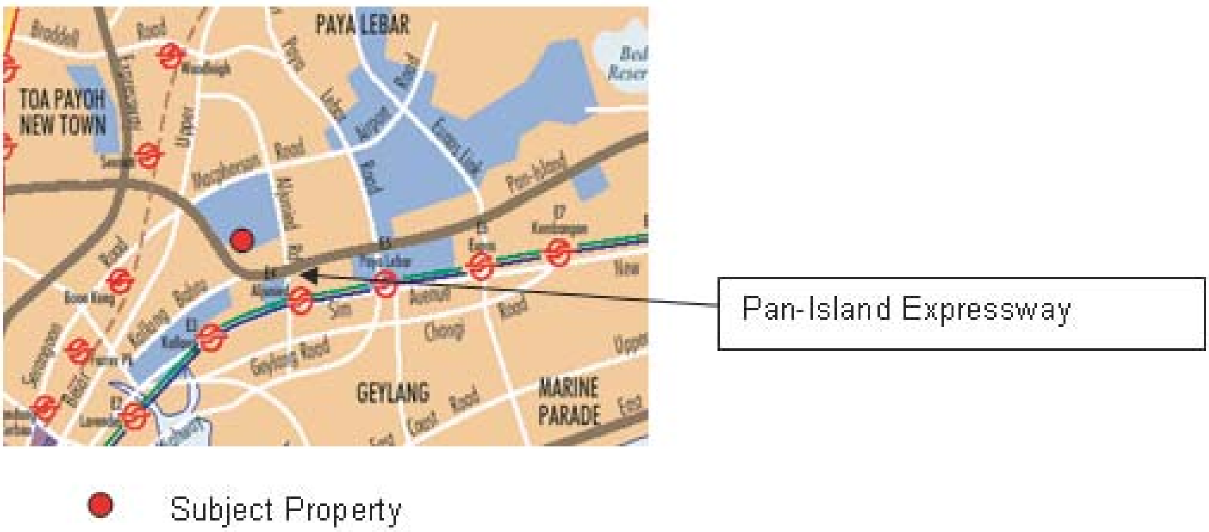
Occupancy:
100.0%

Property Use:
Self Storage and Warehousing

Description

160 Kallang Way is located on the north-eastern side of Kallang Way, off the Pan-Island Expressway/ Aljunied Road/MacPherson Road, and approximately eight kilometres from the City Centre. The locality is predominantly industrial in nature. Accessibility to other parts of Singapore is enhanced by its proximity to the Pan-Island Expressway, the Central Expressway and the Aljunied MRT Station.

The Property is a part four/part five-storey light industrial/warehouse building with mezzanine level. It is served by one passenger lift (capacity 550 kg) and four cargo lifts (capacity 1,020 kg to 1,500 kg) and supplemented by reinforced concrete staircases. Male/female toilets are provided on every level. The building is equipped with ventilation fans, air-conditioning system, sensor triggered light system, biometric security access system and climate controlled storehub units. It is further equipped with a fire protection system comprising a fire alarm with water sprinklers, hosereels and fire extinguishers and monitored by 24-hour surveillance cameras and a security guard service. Other site improvements include a paved driveway, guardhouses, a bin centre and 37 covered car parking lots and 51 surface car parking lots. Loading/unloading bays are available at the side of the building.



Key Statistics		
Land Area	–	12,068.8 sq m
Gross floor area	–	29,970.9 sq m
Lettable Area	–	29,970.9 sq m
Title	–	Leasehold estate of 60 years expiring 15 February 2033
Issue of Certificate of Statutory Completion	–	1976
Valuation by the Independent Valuer (as at 19 January 2006)	–	S$23,200,000
Valuation by the Additional Independent Valuer (as at 15 May 2006)	–	S$22,200,000
Rental per annum	–	S$1,938,000

Tenancy Information

The Property will be leased back to StorHub Self Storage Pte Ltd for 10 years upon completion of the sale and purchase at an initial annual rental of S$1,938,000, and to be increased at the commencement of the fourth and seventh years by 7.0% over the preceding year's rent. A security deposit of 15 months' rent totalling S$2,422,500 will be retained by the landlord for the duration of the lease period. Further, the tenant will on the date of Completion enter into an agreement to assign all the rental proceeds received by the tenant from its sub-tenant(s) to the landlord upon any breach of or non-performance or observance of the covenants, conditions, stipulations and agreements by the tenant.

Competitive strengths of the Property(1):

(i) Centrally located in the MacPherson Industrial Estate;

(ii) Easily accessible to the Central Business District, Jurong Port and Changi International Airport via the Pan-Island Expressway and the future Kallang/Paya Lebar Expressway;

(iii) Specifically designed for self-storage use; and

(iv) Readily available labour supply and amenities from nearby housing estates.

Note:

(1) Source: Colliers International.

23 Lorong 8 Toa Payoh

23 Lorong 8 Toa Payoh
Singapore 319257

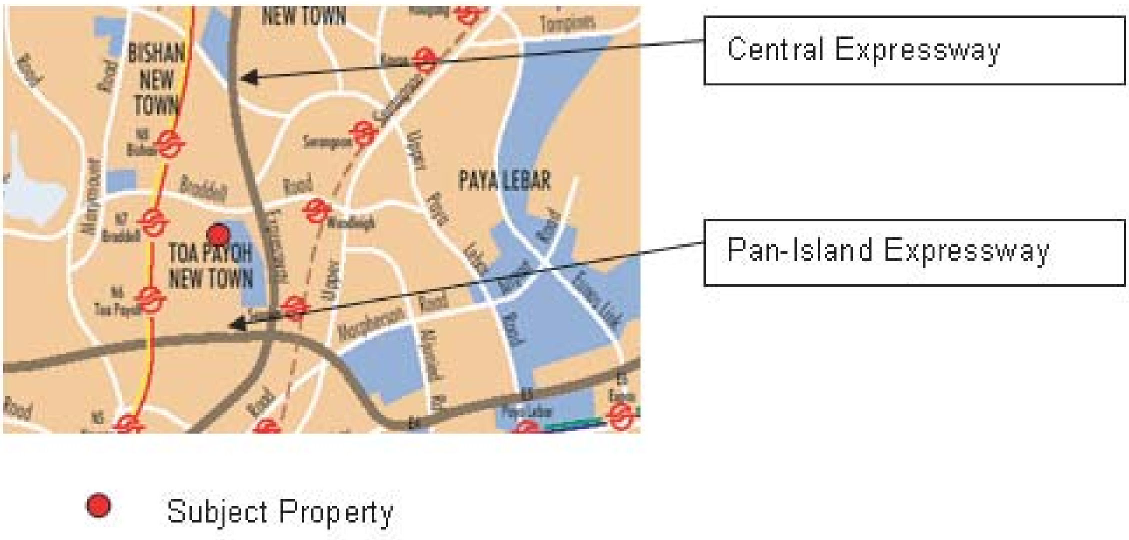
Occupancy:
100.0%

Property Use:
Car Showroom/Workshop

Description

23 Lorong 8 Toa Payoh is located on the north-eastern side of Lorong 8 Toa Payoh, north of Toa Payoh Industrial Park, off Braddell Road and approximately 9.5 kilometres from the City Centre. The locality is mixed in nature comprising industrial developments, educational institutions and HDB flats. Public transportation is available along Lorong 8 Toa Payoh whilst labour supply is readily available from the nearby Toa Payoh, Bishan, Kim Keat and Potong Pasir HDB housing estates. A host of amenities are readily available within the Toa Payoh Town Centre and HDB Hub, just a short drive away. Accessibility to other parts of Singapore is enhanced by its proximity to the Pan-Island Expressway and the Central Expressway and the Braddell and Toa Payoh MRT Stations.

The Property is a part two/part three-storey motor vehicle workshop with an ancillary motor vehicle showroom and office. Vertical access within the building is via reinforced concrete staircases. There is a ramp-up facility at one side of the building leading to the second storey. Air-conditioning is provided for the office and showroom areas. Fire protection is via hosereels, fire extinguishers, a smoke detector and fire alarm. A 24-hour security guard service is also provided. Other site improvements include a paved driveway, guardhouse, bin centre, 22KV substation, hoist facility and loading /unloading bay.



Key Statistics		
Land Area	–	4,381.7 sq m
Gross floor area	–	4,718.7 sq m
Lettable Area	–	4,718.7 sq m
Title	–	Leasehold estate of 30 + 30 years expiring 31 January 2052
Issue of Certificate of Statutory Completion	–	1994
Valuation by the Independent Valuer (as at 19 January 2006)	–	S$12,870,000
Rental per annum	–	S$1,312,545

Tenancy Information

The Property will be leased back to Exklusiv Auto Services Pte Ltd for seven years upon completion of the sale and purchase at an initial annual rental of S$1,312,545, to be increased at the commencement of the third and fifth years by 5.0% over the preceding year's rent. The tenant will at its own cost and expense maintain the Property save for capital expenditure exceeding S$2,000 per occurrence which will be borne by the landlord. A security deposit of 15 months' rent of S$1,640,681 will be retained by the landlord for the duration of the lease period. Further, the tenant will on the date of Completion enter into an agreement to assign all the rental proceeds received by the tenant from its sub-tenant(s) to the landlord in the event of rental default as a result of which monies are due and payable to the landlord under the lease agreement and such monies remain outstanding.

Competitive strengths of the Property[1]:

(i) Located in the central region within the Toa Payoh Industrial Estate and along the car showroom belt;

(ii) Easily accessible via the Pan-Island Expressway and the Central Expressway;

(iii) Approved for use as a motor vehicle showroom and workshop, which is sought after by major motorcar distributors; and

(iv) Readily available labour supply and amenities from Toa Payoh and nearby housing estates.

Note:

(1) Source: Colliers International.

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THE MANAGER AND CORPORATE GOVERNANCE

The Manager of CIT

The Manager was incorporated in Singapore under the Companies Act on 14 September 2005. The Manager has a paid-up capital of approximately S$2.7 million and its registered office is located at 61 Robinson Road, #14-02 Robinson Centre, Singapore 068893 and its telephone number is (65) 6236 9286.

The Manager is a joint venture between CREIM, Mitsui and CWT. 60.0% of the issued share capital of the Manager is held by CREIM, 20.0 % is held by Mitsui, and the remaining 20.0% is held by CWT. CREIM is the Real Estate Investment Consultant of CIT. CREIM was incorporated under the Companies Act on 15 December 2004. The shareholders of CREIM are Mr Chan Wang Kin (Managing Director, Strategy of the Manager) who holds 28.0% of the issued share capital of CREIM, Mr Ang Poh Seong (Managing Director, Investment of the Manager) who holds 28.0% of the issued share capital of CREIM, Dollarton Pte. Ltd. which holds 10.0% of the issued share capital of CREIM, Vickers Financial Group Ltd which holds 16.0% of the issued share capital of CREIM and Vickers Private Equity Fund V Limited Partnership, a fund managed by the Vickers Financial Group Ltd, which holds 18.0% of the issued share capital of CREIM. Dr Tan Seng Chin, Finian, the Chairman and a Non-executive Director of the Manager, holds approximately 83.0% of the issued share capital of Vickers Financial Group Ltd.

Mitsui, a company incorporated in Japan, developed Japan Logistics Fund Inc., the first listed REIT in Japan dedicated to investing in distribution facilities. Japan Logistics Fund Inc. was listed on the Tokyo Stock Exchange in May 2005. As Mitsui is a shareholder of the Manager, the Manager believes that Mitsui will contribute its expertise gained in managing Japan's first listed REIT dedicated to investing in distribution facilities and will assist the Manager in seeking opportunities for acquisitions and tenancies from Mitsui's existing business network, especially Japanese companies, both in Singapore and the region.

The Manager, CREIM, Mitsui and CWT entered into a shareholders' agreement on 31 March 2006 (as supplemented or amended) (the "Shareholders' Agreement") pursuant to which the parties agreed on the following arrangements which may result in a change in the shareholding structure of the Manager:

(a) The Manager (or failing which, CREIM) is required to purchase the 50,000 new shares in the Manager (the "Mitsui New Shares") which Mitsui subscribed for under the terms of a subscription agreement entered into between Mitsui and the Manager on 29 March 2006 (as supplemented or amended) (the "Subscription Agreement") in the event that:

  (i) the Manager commits a material breach of its representations and warranties in the Subscription Agreement on or prior to the expiry of 24 months after the Listing;

  (ii) CREIM commits a material breach of or materially fails to comply with certain provisions in the Shareholders' Agreement relating to reserved matters, co-sale and preferred co-sale rights, pre-emption rights and dividend and distribution policy; or

  (iii) the collective total shareholdings of Vickers Financial Group Ltd and the funds managed by Vickers Financial Group Ltd, Mr Chan Wang Kin and Mr Ang Poh Seong in CREIM fall below 30.0% of the total issued share capital of CREIM.

(b) CREIM is required to purchase from Mitsui the 160,000 shares in the Manager (the "Mitsui Sale Shares") which Mitsui had agreed to purchase from CREIM under the terms of a share purchase agreement entered into between Mitsui and CREIM on 29 March 2006 (as supplemented or amended) (the "Share Purchase Agreement") in the event that:

  (i) the Manager commits a material breach of its representations and warranties in the Share Purchase Agreement on or prior to the expiry of 24 months after the Listing;

(ii) CREIM commits a material breach of or materially fails to comply with certain provisions in the Shareholders' Agreement relating to reserved matters, co-sale and preferred co-sale rights, pre-emption rights and dividend and distribution policy; or

(iii) the collective total shareholdings of Vickers Financial Group Ltd and the funds managed by Vickers Financial Group Ltd, Mr Chan Wang Kin and Mr Ang Poh Seong in CREIM fall below 30.0% of the total issued share capital of CREIM.

(c) Subject to the Shareholders' Undertaking (as defined below), the Shareholders' Agreement also confers on CWT and Mitsui certain co-sale rights and preferred co-sale rights which provide that in the event CREIM proposes to transfer the shares in the Manager (the "CITM Shares") held by it to a third party, CWT and Mitsui would have the right (but not the obligation) to require CREIM to procure the third party to acquire their CITM Shares. If, as a result of the exercise of this co-sale right by CWT or Mitsui, the proportion of CITM Shares held by CWT or Mitsui falls below 15.0%, CWT or Mitsui will have the right to require CREIM to procure the third party to acquire all its CITM Shares before such third party may acquire any CITM Shares held by CREIM.

(d) Subject to the provisions of the Shareholders' Agreement (which include among others the provisions as described in paragraphs (a), (b) and (c)), CREIM, Mitsui and CWT have each undertaken to own, for a period of 2 years commencing from the date of the Shareholders' Agreement, not less than 60.0%, 20.0% and 20.0% respectively of the total issued share capital of the Manager (the "Shareholders' Undertaking").

(e) CWT and CREIM have each agreed to provide the following undertakings under the Shareholders' Agreement:

(i) each shall not, and CREIM undertakes to procure that Mr Chan Wang Kin and Mr Ang Poh Seong shall not, compete with CITM in certain territories comprising Singapore, Malaysia, Indonesia, Thailand, Philippines, Australia, China, Hong Kong, Macau and Taiwan (the "Restricted Territories") in relation to the setting up, management or operation of other industrial REITs; and

(ii) each shall not, and CREIM undertakes to procure that Mr Chan Wang Kin and Mr Ang Poh Seong shall not, set up or control any entity in the Restricted Territories which establishes, manages or operates any other industrial REITs.

CWT would however, be entitled to set up, manage or control other industrial REITs in any of the Restricted Territories in which CITM is not managing any industrial REITs in the event that (i) CITM decides not to participate in such industrial REIT or (ii) CWT had been invited by third parties to jointly set up, manage or operate such industrial REITs in the Restricted Territories other than Singapore and such third parties had objected to the participation of CITM.

(f) CREIM has in addition, undertaken with Mitsui and CWT to procure that Dr Tan Seng Chin, Finian, Mr Chan Wang Kin and Mr Ang Poh Seong are appointed to the Executive Committee of the Board for not less than 3 years from the date of the Shareholders' Agreement.

CWT, one of CIT's tenants, is a Singapore-incorporated company listed on the Main Board of the SGX-ST and is engaged in the business of cargo logistics and distribution.

On 3 October 2005, the Manager was granted a right of first refusal and last look by CWT, for a period of three years, over each of the industrial properties owned or that may be owned by CWT or its subsidiaries in Singapore, and such other properties that may be owned by CWT or its subsidiaries in Malaysia, Indonesia, Thailand, Philippines, Australia, China, Taiwan and the special administrative regions of Hong Kong and Macau (the "Territories") (the "Industrial Properties" and each an "Industrial Property"). In relation to the Industrial Properties, the above mentioned right of first refusal and last look shall be subject to the unanimous approval of the joint owners of such Industrial Properties and/or shareholders of the relevant subsidiary of CWT in the Territories (excluding Singapore). This right of first refusal and last look will be extended (the extended period, together with the period of three years, to be referred to as the "First Right and Last Look Period") for such period as:

(a) the Manager is the manager of CIT;

(b) CIT and the Units are listed and quoted on the Official List of the SGX-ST;

(c) Vickers Financial Group Ltd and the funds managed by Vickers Financial Group Ltd, Mr Chan Wang Kin and Mr Ang Poh Seong have collectively not less than a 30.0% effective interest in the Manager; and

(d) CWT owns not less than 20.0% of the total issued share capital of the Manager (excluding any changes due to dilution).

The right of first refusal and last look was assigned to the Trustee on 31 March 2006.

During the First Right and Last Look Period, the Trustee will have the right of first refusal for each of the Industrial Properties (excluding any sale or disposal by any mortgagee of such Industrial Properties). During the First Right and Last Look Period, CWT and its subsidiaries are required to make an offer to the Trustee to sell their Industrial Properties to the Trustee first before they make an offer to sell such Industrial Properties to third parties (the "Initial Offer"). The Initial Offer to the Trustee will be valid for 45 days after the date of such Initial Offer (the "Initial Offer Period"), during which time the Trustee shall notify CWT and/or its subsidiary (as the case may be) as to whether it wishes to purchase the Industrial Property, and if so, the price at which it proposes to purchase such Industrial Property and the payment terms thereof (the "Initial Offer Terms"). If the Trustee declines the Initial Offer or the Initial Offer Period lapses without any indication of the Initial Offer Terms by the Trustee (whichever is earlier), CWT and/or its subsidiary may thereafter offer the Industrial Property to third parties at any terms subject to the right of counter-offer set out below. If the Trustee notifies CWT and/or its subsidiary (as the case may be) of the Initial Offer Terms within the Initial Offer Period, CWT and/or its subsidiary (as the case may be) shall, subject to obtaining the necessary approval of its shareholders, within 90 days thereafter notify the Trustee whether it accepts such Initial Offer Terms. If CWT and/or its subsidiary (as the case may be) is not agreeable to the Initial Offer Terms, it shall be free to sell such Industrial Property to any third party provided that such sale is on more favourable terms than the Initial Offer Terms and subject to the right of counter-offer set out below.

If (i) the Trustee declines the Initial Offer or (ii) the Trustee fails to indicate any Initial Offer Terms during the Initial Offer Period, or (iii) the Initial Offer Terms indicated by the Trustee during the Initial Offer Period are not accepted by CWT and/or its subsidiary (as the case may be), and CWT and/or its subsidiary (as the case may be) reaches an in-principle agreement to sell such Industrial Property to a third party, CWT and/or its subsidiary (as the case may be) shall notify the Trustee of the main terms of such transfer (the "Transfer Terms") but without disclosing the identity of such third parties. The Trustee will be entitled to review the proposed Transfer Terms, and match the offer made to such third parties (the "Counter-Offer") anytime within 7 business days after the receipt by the Trustee of the notification and Transfer Terms from CWT and/or its subsidiary subject to any requsite approval from the Trustee and/or Unitholders and compliance with any requirement of the SGX-ST and the Authority. If the Trustee makes the Counter-Offer, CWT and/or its subsidiary will be obliged to transfer to the Trustee and the Trustee will be obliged to purchase the Industrial Property based on the terms of the Counter-Offer. Should the Trustee fail to make the Counter-Offer during the abovementioned 7 business day period, CWT and/or its subsidiary shall be entitled to sell or dispose of the Industrial Property to any third party on the Transfer Terms.

The Audit Committee will review the recommendation of the Manager to the Trustee as to whether to exercise the abovementioned right of first refusal and last look, for the benefit of CIT. The Trustee will decide whether to exercise the abovementioned right of first refusal and last look at its own discretion, after taking into account the recommendation of the Manager.

On 3 October 2005, C & P Holdings, the controlling shareholder of CWT, entered into a Deed of Covenant with the Manager whereby C & P Holdings agreed to procure C & P Distribution, a wholly-owned subsidiary of C & P Holdings, and the legal owner of the Changi Property (as defined below) for a period of three years to grant the Manager a right of first refusal over its property under construction at Lot 8814 Mukim 27 at Changi South Lane (the "Changi Property") which is expected to have a gross floor area of approximately 33,850 sq m. This right of first refusal will be extended (the extended period, together with the period of three years, to be referred to as the "First Right Period") for such period as:

(a) the Manager is the manager of CIT;

(b) CIT and the Units are listed and quoted on the Official List of the SGX-ST;

(c) Vickers Financial Group Ltd and the funds managed by Vickers Financial Group Ltd, Mr Chan Wang Kin and Mr Ang Poh Seong have collectively not less than a 30.0% effective interest in the Manager;

(d) C & P Holdings remains the controlling shareholder of CWT and C & P Distribution (the Deed of Covenant does not define "controlling shareholder" for this purpose); and

(e) CWT owns not less than 20.0% of the total issued and paid up share capital of the Manager (including any changes due to dilution).

The right of first refusal was assigned to the Trustee on 31 March 2006.

During the First Right Period, the Trustee will have the right of first refusal to buy the Changi Property in the event of any proposed sale or disposal of the Changi Property (excluding any sale or disposal by any mortgagee of the Changi Property) by C & P Distribution. In such event, C & P Holdings shall procure C & P Distribution to make an offer to the Trustee to buy the Changi Property first before it and/or C & P Distribution makes an offer to any third parties (the "Offer"). The Offer to the Trustee will be valid for 45 days after the date of such Offer (the "Offer Period"), during which time the Trustee shall notify C & P Distribution as to whether it wishes to purchase the Changi Property, and if so, the price at which it proposes to purchase the Changi Property and the payment terms thereof (the "Offer Terms"). If the Trustee declines the Offer or the Offer Period lapses without any indication of the Offer Terms by the Trustee (whichever is earlier), C & P Distribution will be free to offer the Changi Property to third parties at any terms. If the Trustee notifies C & P Distribution of the Offer Terms within the Offer Period, C & P Distribution shall, subject to obtaining the necessary approval of the shareholders of C & P Holdings, within 45 days thereafter notify the Trustee whether it accepts such Offer Terms. If C & P Distribution is not agreeable to the Offer Terms, it will be free to sell the Changi Property to any third party provided that such sale is on more favourable terms than the Offer Terms.

The Audit Committee will review the recommendation of the Manager to the Trustee as to whether to exercise the abovementioned right of first refusal, for the benefit of CIT. The Trustee will decide whether to exercise the abovementioned right of first refusal at its own discretion, after taking into account the recommendation of the Manager.

Directors of the Manager

The Board of Directors is entrusted with responsibility for the overall management of the Manager. The following table sets forth information regarding the Directors of the Manager:

Name	Age	Address	Position
Tan Seng Chin, Finian	44	43 Jalan Sampurna Singapore 268296	Chairman and Non-executive Director
Leong Weng Chee	50	15 Jalan Seni Singapore 299015	Chief Executive Officer and Executive Director
Chan Wang Kin	45	15 Kew Heights Singapore 466013	Managing Director, Strategy and Executive Director

Name	Age	Address	Position
Ang Poh Seong	40	143 Serangoon Avenue 3 #15-07 Singapore 556121	Managing Director, Investment and Executive Director
Chi Chien-Chuen, Jeffrey	38	39 Mount Sinai Rise #23-02 Singapore 276957	Non-executive Director
Liao Chung Lik	48	6 Namly Crescent Singapore 267523	Non-executive Director
Ravindran s/o Ramasamy	46	93 Loyang View Singapore 507188	Independent Director
Ong Seow Eng	45	46 Sea Breeze Avenue Singapore 487565	Independent Director
Lee Kim Mon	77	2 Morley Road Singapore 267724	Independent Director

It is intended that Mitsui shall, after the Listing Date, appoint two persons to the Board of Directors, one of whom shall be an Executive Director, as well as a member of the Executive Committee, and the other, a Non-executive Director. It is further intended that the Manager will appoint an additional Independent Director upon the appointment of the abovementioned two Directors such that one third of the Board of Directors will comprise Independent Directors.

Experience and Expertise of the Board of Directors

Information on the business and working experience of the Directors is set out below:

Dr Tan Seng Chin, Finian is the Chairman and a Non-executive Director of the Manager, as well as the Chairman of its Executive Committee and Human Resource and Remuneration Committee. Dr Tan is currently the Chairman of Vickers Financial Group Ltd, an international private equity and merchant banking house. Prior to joining Vickers Financial Group Ltd, Dr Tan was a Managing Director and head of the Credit Suisse First Boston ("CSFB") group of banks in Singapore.

Before joining CSFB in 2002, Dr Tan was Partner and Managing Director of a Silicon Valley venture capital firm, Draper Fisher Jurvetson Eplanet (S) Pte Ltd ("DFJ") and was responsible for their Asia Pacific operations. During his time with CSFB, Dr Tan remained on the board of DFJ and was the chairman of its Asian investment committee. Dr Tan served in the Government of Singapore as Deputy Secretary of the Ministry of Trade and Industry and later as Deputy Chairman of the National Science and Technology Board and Co-Chairman of the US$1 billion Technopreneurship Investment Fund.

Prior to his tenure in the Government of Singapore, Dr Tan spent three years at Goldman Sachs (Singapore) Pte, starting as a Vice President at J. Aron & Company (Singapore) Pte., rising to Executive Director, and eventually to Regional Head of Asia Pacific. Prior to joining Goldman Sachs, Dr Tan was with Shell Eastern Petroleum (Pte) Ltd in Singapore and was later posted to Shell Japan Ltd, where he was promoted to Chief Trader.

Dr Tan currently serves on several boards and committees including Deputy Chairman of EProve Ltd (South Africa), Chairman of Vitamin Research Asia Pacific Pte. Ltd., Director of Singapore Technologies Electronics Limited, Chairman of Benchmark Online Pte. Ltd., Chairman of AFC Network Private Limited, Chairman of CREIM, Chairman of Vickers Advisory Partners Pte. Ltd., Chairman of Vickers Venture Partners Ltd, board member of the Media Development Authority, governor of the Singapore Polytechnic and committee member of the Singapore Venture Capital & Private Equity Association.

Dr Tan has also served as Chairman or board member on numerous other boards and committees, including Baidu.com (China), the Defence Science and Technology Agency, the Life Sciences Investments Pte Ltd, SMA (Singapore-MIT) Governing Board, the Singapore National Computer Board, The National University of Singapore, The National Cancer Centre, The Eastern Cluster of Hospitals in Singapore (SingHealth), Tuas Power Pte Ltd (presently known as Tuas Power Ltd), Sentosa Cove Pte Ltd and the Singapore-Shandong Business Council. Dr Tan was also a member of the Economic Review Committee of 1997 (Chaired by Minister Lee Yock Suan) and the working group of the Economic Review Committee of 2002 (Chaired by Prime Minister Lee Hsien Loong).

Dr Tan is also involved in non-profit organisations in Singapore including the Gabrielite Foundation and the National Arts Council.

Dr Tan received his Doctor of Philosophy and Master of Philosophy degrees in Engineering from Cambridge University on the Shell and Christ College Scholarships. Dr Tan received his Bachelor of Science Degree in Engineering from the University of Glasgow with first class honours, where he won the most distinguished graduate award.

Mr Leong Weng Chee is the Chief Executive Officer of the Manager as well as a member of its Executive Committee. He has over 20 years of experience in the real estate industry. Mr Leong was the Managing Director, Developments of SC Global Developments Ltd (formerly known as ANA Hotels Singapore Limited) which is currently listed on the Main Board of the SGX-ST, where he was responsible for its real estate business. Previously, Mr Leong was employed by SembCorp Industries Ltd (an SGX-ST Main Board listed company) and was later transferred to head SembCorp Properties Pte Ltd, the real estate development and investment arm of the group as its General Manager. Before this, Mr Leong was the General Manager, Developments at Marco Polo Developments Ltd (presently known as Wheelock Properties (Singapore) Ltd). Prior to this, Mr Leong was the Head of Research and Corporate Investments at JLW Property Consultants Pte Ltd (now part of Jones Lang LaSalle).

Mr Leong practised architecture from 1981 to 1987, completing many residential, institutional and commercial buildings in Singapore. He taught briefly at the School of Architecture, National University of Singapore from 1987 to 1988.

Mr Leong obtained a Master in Design Studies from Harvard University majoring in Finance, Law and Real Estate, and a Bachelor of Architecture (with Honours) from the National University of Singapore.

Mr Chan Wang Kin is the Managing Director, Strategy of the Manager as well as a member of its Executive Committee. Mr Chan joined the Manager from Wee Poh Holdings Limited, an SGX-ST listed company, where he held the position of Managing Director until January 2005. Prior to joining Wee Poh Holdings Limited, Mr Chan was the Director (Corporate Finance) of Mapletree Investments Pte Ltd, between 2002 and 2003, where he oversaw the initial preparatory and review work of Mapletree Investments Pte Ltd's REIT initiative. Prior to joining Mapletree Investments Pte Ltd, Mr Chan was the Director of Business Development of GE Capital Real Estate and was responsible for identifying real estate and real estate-related investment opportunities for GE Capital in Hong Kong, Singapore and Malaysia from 2000 to 2002. Mr Chan was the in-country real estate leader for GE Capital Real Estate's proposed purchases of non-performing loans in Taiwan during his employment with GE Capital Real Estate. Before joining GE Capital Real Estate, Mr Chan was with Keppel Land Limited from 1996 to 1999 where he initiated and headed Keppel Land's project to set up a real estate fund with the Australian Mutual Provident Society of Australia ("AMP") for Asian distressed property assets. Mr Chan also led negotiations with AMP to set up the fund management joint-venture to manage this fund. From 1994 to 1996, Mr Chan was the Business Development Manager with OCBC Property Services Pte Ltd and was in charge of sourcing for investment opportunities in Vietnam and Myanmar. From 1990 to 1992, Mr Chan was an Assistant Vice President of the Bank of America, Singapore branch, where he was in charge of the real estate portfolio of the bank, undertaking work relating to real estate loans in connection with the acquisition, investment in or development of properties in Singapore. Mr Chan has also held other positions such as the Investment Manager of UOB-Walden Capital Management Pte Ltd, and Deputy Manager (Credit and Marketing) with United Overseas Bank.

Mr Chan has a Masters degree in Design Studies with specialisation in Real Estate and Urban Development from Harvard University and a Masters degree in Business Administration (specialisation in Real Estate, Finance and Management) from Kellogg, Northwestern University.

Mr Ang Poh Seong is the Managing Director, Investment of the Manager as well as a member of its Executive Committee. For the past 13 years from 1993 to April 2005, Mr Ang was with Colliers International (S) Pte Ltd and he rose through the ranks from an Assistant Manager to Executive Director, Head of Industrial Department. During the last five years of Mr Ang's tenure at Colliers International (S) Pte Ltd, as the Director, Head of Industrial Department and more recently as Executive Director, Head of Industrial Department, his responsibilities included the growth and profitability of the Industrial Department, industrial investment sales especially to REITs, conducting development feasibility studies and design appraisal and managing major development projects. During his time with Colliers International (S) Pte Ltd, Mr Ang received awards within the organisation such as the 2004 Top Performer (Department) Award, the 2003 Achievement Award, the 1999 Asia Pacific 500 Club Achiever, the Top Performer's Award (1997) and the Regions' Outstanding Industrial Operator Award (1995). Before joining Colliers International, Mr Ang was a Senior Marketing Executive with Knight Frank Pte Ltd for two years.

Mr Ang holds a Bachelor of Science (Estate Management) (Honours) degree from the National University of Singapore.

Dr Chi Chien-Chuen, Jeffrey is a Non-executive Director of the Manager, as well as a member of its Executive Committee and its Audit Committee. He is currently the Executive Director of Vickers Financial Group Ltd where he manages investment and corporate finance activities within the Vickers Group of companies. Dr Chi is also currently a partner of a private equity fund managed by Vickers Financial Group Ltd.

Dr Chi's experience covers a variety of industries including information technology, healthcare and media. He was a corporate finance specialist and an Executive Director at Pegasus Capital Pte Ltd ("Pegasus Capital") and, prior to Pegasus Capital, was a senior consultant with Monitor Company Asia Pacific LLC, a strategy consulting firm.

Dr Chi's operational background includes seven years on the management team of Spandeck Engineering (S) Pte Ltd ("Spandeck Engineering"), an engineering and construction group. As its Managing Director in 1997, Dr Chi led the group into the Enterprise 50, a ranking of the top 50 privately held enterprises in Singapore. Dr Chi oversaw operations in Singapore, Malaysia, Taiwan and Indonesia, established Spandeck Engineering's construction business and successfully combined it with the original engineering business, enabling the firm to become a provider of integrated solutions to its clients. From 1994 to 1995, Dr Chi managed the firm's joint venture with a major Chinese construction group.

Dr Chi graduated from Cambridge University with first class honours in Engineering. He earned his Doctor of Philosophy degree from the Massachusetts Institute of Technology in organisational knowledge and information technology.

Mr Liao Chung Lik is a Non-executive Director of the Manager. He is currently the Deputy Group Managing Director of C & P Holdings Pte Ltd, assisting the Group Managing Director in overseeing the activities of the C & P Group and the finance of C & P Holdings. In 1994, Mr Liao was promoted to Deputy Managing Director of the C & P Group to assist the Managing Director of the C & P Group in its day-to-day running. Mr Liao is responsible for overseeing the development of the C & P Districentres which have, to date, a completed total gross floor area of approximately 195,000 sq m.

In October 2004, Mr Liao assisted the Managing Director of the C & P Group in the successful acquisition of CWT, a company listed on the Main Board of the SGX-ST, and was subsequently appointed as a Non-executive Director of CWT with effect from 26 November 2004.

Mr Liao holds a Bachelor of Business Administration degree from the National University of Singapore.

Mr Ravindran s/o Ramasamy is an Independent Director of the Manager, as well as the Chairman of its Audit Committee and a member of its Human Resource and Remuneration Committee. Mr Ravindran is currently a legal consultant with Chris Chong and CT Ho Partnership. Prior to this, Mr Ravindran was a lawyer with Derrick, Ravi & Partners from 1987 and when the latter was corporatised to Straits Law Practice LLC in 2001, he held the post of Director until 2005. He is currently an Independent Director of two Singapore-incorporated SGX-ST listed companies, Serial System Ltd and Best World International Ltd.

Mr Ravindran was a Member of Parliament for the Marine Parade Group Representation Constituency and the Bukit Timah Group Representation Constituency from 2001 to 2006 and from 1997 to 2001 respectively. He has held other appointments such as Chairman of the Government Parliamentary Committee for Defence and Foreign Affairs, Board Member of the People's Association, and membership in the Government Parliamentary Committee for Home Affairs and Law, the Marine Parade Town Council, the South East Community Development Council, the Singapore Institute of Directors and the Singapore Academy of Law.

Mr Ravindran holds a Bachelor of Law degree and a Masters of Law degree from the National University of Singapore.

Dr Ong Seow Eng is an Independent Director of the Manager, as well as a member of its Audit Committee and its Human Resource and Remuneration Committee. Since 1992, he has held various positions within the National University of Singapore, including the Acting Head of the Department of Real Estate, and is now the Deputy Head (Research) cum Associate Director, Centre for Financial Engineering. Prior to that, Dr Ong was a Vice President, Investment Banking Division of the former Overseas Union Bank Limited for approximately two years, a Senior Investment Officer/Investment Officer, Equities Department of the Government of Singapore Investment Corporation Private Limited for five years and a Valuer/Assessor with the Valuation and Assessment Division of the Inland Revenue Department of Singapore for two years.

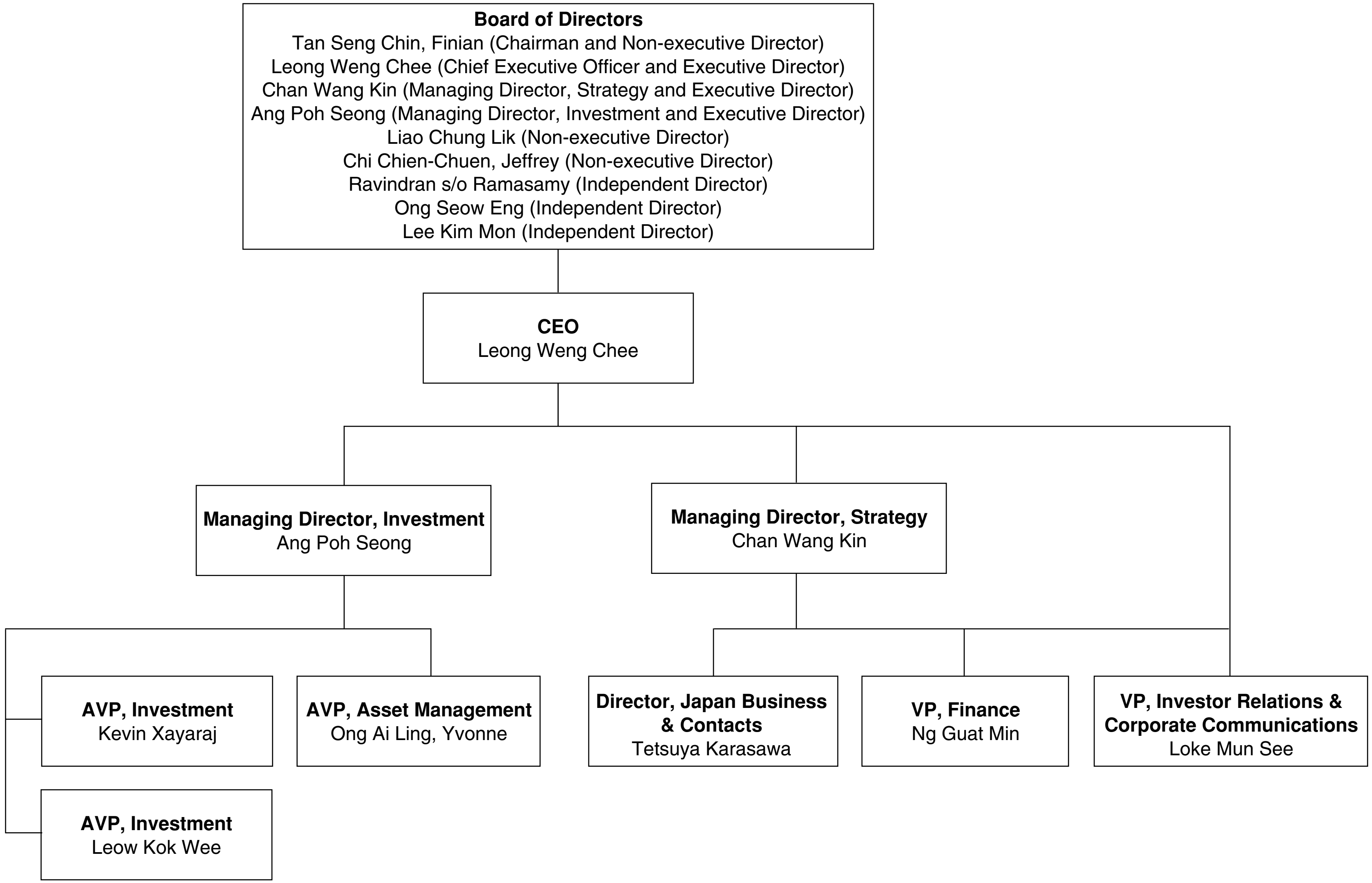
Dr Ong received his Doctor of Philosophy degree in Business and Master of Business degree from Indiana University. Dr Ong also holds a Bachelor of Science (Estate Management) degree from the National University of Singapore. He is also a Chartered Financial Analyst charterholder.

Mdm Lee Kim Mon is an Independent Director of the Manager, as well as a member of its Human Resource and Remuneration Committee. She has over 30 years of experience in real estate development, investment and management through Chanster Enterprises (Pte.) Ltd, a real estate agency, of which she is the founder, and has been a Director and Chief Executive Officer since the company's incorporation until today. Mdm Lee is also the Director and CEO of Chanster Holdings Pte. Ltd, a property holding company.

Prior to founding Chanster Enterprises (Pte.) Ltd, Mdm Lee was involved in the development and management of a project in the Kenny Hill Estate in Kuala Lumpur, Malaysia in the 1950s while working with the Anglo-Thai Company.

Mdm Lee holds a Diploma in Interior Design from the Chicago School of Interior Design.

Management Reporting Structure of the Manager



Roles of the Executive Officers of the Manager

The **CEO** of the Manager is responsible for the overall planning, management and operation of CIT. He works with the Board members to determine the overall business, investment and operational strategies for CIT. The CEO also manages and oversees the management team of the Manager to ensure that the investment, asset management, financial and operational strategies and objectives of CIT are carried out as planned and in accordance with the Manager's stated investment strategy.

The **Managing Director, Strategy** of the Manager focuses on the strategic direction of CIT. His responsibilities include reviewing investment policy, gearing, growth strategy, business development including overseas expansion, and developing partnerships. In addition, he assists the CEO in the day-to-day operations of CIT and in the formulation of the overall business, investment and operational strategies of CIT. He works together with the CEO to manage and oversee the management team of the Manager to ensure that the investment, asset management, financial and operational strategies and objectives of CIT are carried out as planned and in accordance with the Manager's stated investment strategy.

The **Managing Director, Investment** of the Manager focuses on developing investment strategies for acquisitions and divestments of CIT. Together with the CEO, he reports to the Board and Executive Committee (the "Exco") to obtain requisite approvals for all investments and divestments. He also manages the investment team on a day-to-day basis. He sets the investment objectives and works with his team to identify and evaluate suitable local and overseas investment opportunities to achieve the best possible returns for CIT. Conversely, when a property is no longer strategic, ceases to enhance the value of CIT's portfolio or to be yield accretive, he evaluates the benefits of potential divestments and reviews various disposal strategies before executing the final divestment.

The **Director, Japan Business and Contacts** focuses on developing acquisition strategies in relation to Japanese companies, both in Singapore and the region. Reporting to the Managing Director, Strategy, the Director seeks to utilise Mitsui's network of Japanese business contacts outside Japan in order to identify Japanese property owners and potential Japanese tenants in Singapore and in Asia and evaluate suitable investment opportunities and potential acquisitions for CIT.

The **VP, Finance** of the Manager reports to the Managing Director, Strategy and is responsible for the financial performance and for ensuring key performance indicators are achieved for the effective management of CIT. He oversees all finance functions which cover financial projections of rental returns, ascertaining the distributable income to Unitholders, accounting for rental collections, credit control and collections as well as monitoring operating expenses. The VP, Finance, also oversees the preparation of statutory accounts, coordinates with external auditors and manages taxes and borrowings. In addition, he is also responsible for the preparation of regular performance reports for investors and regulators.

The **VP, Investor Relations and Corporate Communications** reports to the CEO and Managing Director, Strategy and is responsible for all corporate communications and investor relations with Unitholders and regulators. Working together with the VP, Finance, he is in charge of preparing regular statutory reports such as reporting to the SGX-ST and to the MAS when necessary, in compliance with the Listing Manual as well as producing the annual reports to Unitholders. This position is focused on formulating strategic communication plans to create value for Unitholders and promoting and marketing CIT to Unitholders, prospective investors and the media through its marketing communications. In addition to this, the VP, Investor Relations and Corporate Communications seeks to ensure adherence to corporate governance standards.

The **AVP, Asset Management** formulates strategic plans to maximise rental income while exercising cost effective strategies to minimise expenses. The AVP, Asset Management also formulates strategic short to medium term plans to enhance the marketability of the portfolio through asset enhancement initiatives and improving cost efficiencies to maximise the income generation potential of the portfolio. He leads the asset management team to focus on the operation and implementation of the short to medium term objectives of the portfolio. In addition, he supervises the Property Manager in the day-to-day operation of the portfolio and oversees the preparation of monthly budgets, reports and forecasting of the performance of the portfolio.

The **AVPs, Investment** report to the Managing Director, Investment. Their role is to identify and evaluate suitable industrial properties for yield accretive acquisitions by conducting feasibility studies. Their objective is to meet and exceed the investment objectives set by the Board and the Management. In addition, the AVPs, Investment will explore and employ the appropriate disposal strategies for divesting non-yield accretive properties. All investments and divestments will be presented to the Executive Committee or Board for approval.

Experience and Expertise of the Executive Officers of the Manager

Information on the working experience of the Executive Officers of the Manager is set out below:

Mr Leong Weng Chee is the CEO of the Manager. Details of his working experience are set out under "Experience and Expertise of the Board of Directors".

Mr Chan Wang Kin is the Managing Director, Strategy of the Manager. Details of his working experience are set out under "Experience and Expertise of the Board of Directors".

Mr Ang Poh Seong is the Managing Director, Investment of the Manager. Details of his working experience are set out under "Experience and Expertise of the Board of Directors".

Mr Tetsuya Karasawa is the Director, Japan Business and Contacts of the Manager. Mr Karasawa is seconded to the Manager from the Singapore branch of Mitsui. Mr Karasawa has been a VP at UE Managed Solutions Pte Ltd since 2005 and a Manager within the general merchandise and new business development department of the Singapore branch of Mitsui since 2003. From 2002 to 2003, he was assistant to the representative at the machinery, information and development group of the representative office of Mitsui in Indonesia. From 1999 to 2002, Mr Karasawa was a Manager within the property development and construction division of Mitsui and he has worked for Mitsui since 1992.

Mr Karasawa holds a Bachelor of Law degree from Waseda University, Japan.

Ms Ng Guat Min is the VP, Finance of the Manager. She has over 15 years of experience in financial management and accounting. Before joining the Manager, Ms Ng was the Chief Financial Officer of Internet Technology Group Limited ("ITG Group"), an investment holding and management services company, which she joined in 2002. She was responsible for the overall financial accounting, tax, treasury, corporate finance and investee company relationships of the ITG Group, and assisted with the evaluation and execution of business development projects. Prior to joining the ITG Group, Ms Ng was the Regional Financial Controller of Ossia International Limited (the "Ossia Group") and VGO Corporation Limited (the "VGO Group") (formerly known as eWorld of Sports.com Limited) with overall responsibilities in finance. She was instrumental in helping both the ITG Group and VGO Group in attaining their respective listing status in 2000 and she assisted in the listing of the Ossia Group in 1996. Ms Ng was previously a regional internal auditor with AT&T Singapore Pte Ltd and an audit supervisor with PricewaterhouseCoopers before she joined the Ossia Group in 1995.

Ms Ng holds a Bachelor of Accountancy (Honours) degree from the National University of Singapore and is a non-practising member of the Institute of Certified Public Accountants of Singapore.

Ms Loke Mun See is the VP, Investor Relations and Corporate Communications of the Manager. Prior to joining the Manager, Ms Loke was the Senior Manager, SMRT Properties with SMRT Investments Pte Ltd from May 2003. She was in charge of SMRT Properties with overall responsibility for profitability, leasing, tenant management and advertising and promotions ("A&P") with a portfolio of close to 270,000 sq ft of retail space. Prior to this, she was the General Manager of The Furniture Mall Pte Ltd and Assistant Executive Director of the Singapore Furniture Association with overall responsibility for finance, leasing, marketing, operations and A&P. From mid-2001 to early 2002, she held the position of Senior Manager (Leasing) of Orchard 290 Ltd (Paragon shopping centre and previously, the Promenade shopping centre) during which she headed the Leasing Department with a portfolio of over 200 tenancies. From mid-2000 to mid-2001, she was the Associate Director, Head of Commercial with Savills (Singapore) Pte Ltd in charge of the agency business of the office sector. Prior to joining Savills, Ms Loke was the Manager, Commercial Leasing at CB Richard Ellis Pte Ltd and the Leasing Executive with Seiyu Wing On Department Store (Singapore) Pte Ltd.

Ms Loke holds a Bachelor of Arts (Honours) degree from the National University of Singapore.

Mr Kevin Xayaraj is one of the two AVPs, Investment of the Manager. Prior to joining the Manager, he was the Manager, Business Development and Asset Management of Ascendas Land (Singapore) Pte Ltd for two years. During his tenure, he was involved in sourcing and evaluating various projects including the 160,000 sq ft project for Hamilton Sundstrand in Changi North Rise as well as managing a portfolio of single and multi-tenanted industrial buildings. From July 2002 to December 2003, he held various positions including Vice President, Research & Finance and Assistant Manager, Project & Financial Analysis with Pacific Star Asset Management Pte Ltd and Pacific Star Property Management Pte Ltd as well as other companies which are related to the ERGO Insurance Group (one of the largest insurance companies in Europe) where he was involved in the property and asset management of Wisma Atria shopping centre and office tower, part of the Ngee Ann City complex and the Capital Square office building. He also held other positions such as Senior Manager, Research with Jones Lang LaSalle Property Consultants Pte Ltd, Equities Research Analyst with OUB Securities Pte Ltd, UOB Investment Research Pte Ltd and Tsang & Ong Research (Pte) Ltd, and Property Analyst/Valuer with Stewart, Young, Hillesheim & Atlin Ltd in Toronto (Canada).

Mr Xayaraj holds a Master of Business Administration degree with specialisation in International Business and Finance from the Management School, Imperial College of Science, Technology and Medicine, University of London, and a Bachelor of Applied Science – Industrial Engineering (Honours) degree from University of Windsor (Canada).

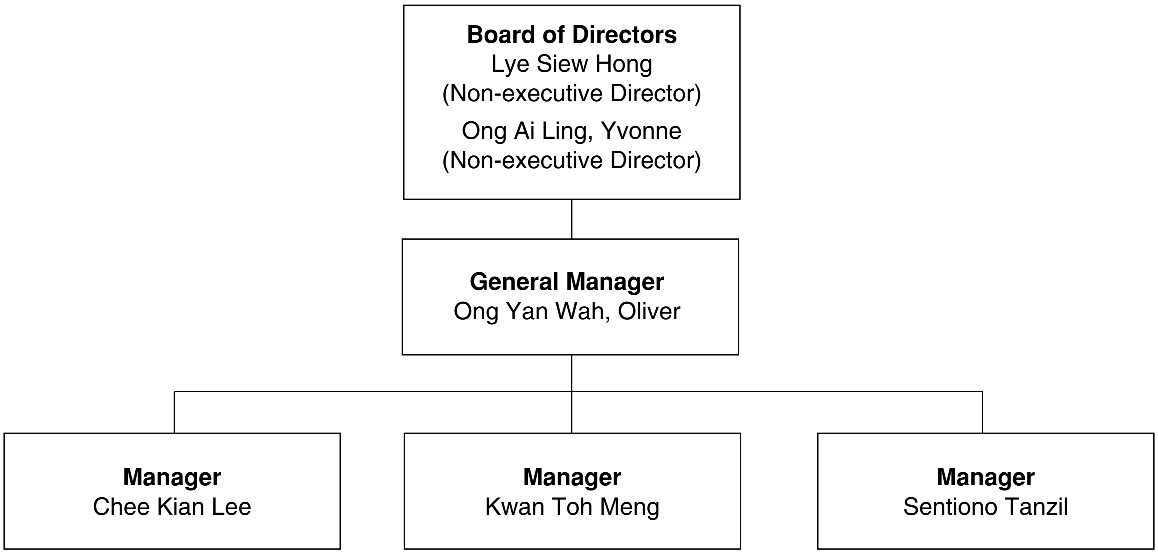
Mr Leow Kok Wee is one of the two AVPs, Investment of the Manager. Prior to joining the Manager, he was the Assistant Director, heading the Marketing and Agency Department of United PREMAS Limited (previously known as PREMAS International Ltd). He joined PREMAS International (formerly known as Pidemco Land Ltd) in 1996 as a Marketing Executive in the marketing department with leasing and international sales exposure in projects such as Pidemco Centre, Albert Complex, Goldenshoe/Market Street Carpark, Bugis Village and overseas projects in Pidemco Tower (Shanghai), Suzhou (Taihu Villas), Xiamen Huiteng Metropolis, Suasana Sentral (KL) and Canary Wharf (London). After the merger between Pidemco Land Ltd and DBS Land Limited in 1999, he was seconded to the Marketing and Agency department of PREMAS International Ltd, a subsidiary of CapitaLand Ltd, where he was involved in various leasing transactions in Capital Tower, Temasek Tower, 6 Battery Road, Hitachi Tower and Caltex House. Prior to this, he held the post of Marketing Executive with Wing Tai Holdings Limited for two years and was involved in property management and marketing of projects, such as the Singa Plaza in Suzhou Township and residential projects in Singapore.

Mr Leow holds a Bachelor of Science (Estate Management) (Honours) degree from the National University of Singapore.

Ms Ong Ai Ling, Yvonne is the AVP, Asset Management of the Manager and leads the asset management department. Prior to joining the Manager, she was a manager in the Properties and Administration Division of Singapore Power Ltd for over one year, responsible for office space renovation, property and project management, including overseeing security, fire safety, maintenance, tenancy and administrative matters. Before working at Singapore Power Ltd, she was with Chambers Valuers & Property Management Pte Ltd for more than eight years, her last position being that of Assistant Director. During her tenure, she headed the valuation and agency departments, handled construction and upgrading project management and property management.

Ms Ong holds a Bachelor of Science (Estate Management) (Honours) degree from the National University of Singapore, has an Appraiser's Licence (Lands and Buildings) and is a member of The Singapore Institute of Surveyors and Valuers.

Management Reporting Structure of the Property Manager



Directors and Executive Officers of the Property Manager

Cambridge Industrial Property Management Pte Ltd has been appointed as the Property Manager of CIT. Information on the working experience of the Executive Officers of the Property Manager, who will be appointed by the Property Manager with effect from the Listing Date, is set out below:

Mdm Lye Siew Hong is a Non-executive Director of the Property Manager. She is presently the Chief Financial Officer of CWT and concurrently the Managing Director of CWT Engineering Pte Ltd ("CWT Engineering") (previously known as Invo-Tech Engineering Pte Ltd), a wholly-owned subsidiary of CWT. In addition, she holds several directorships within the CWT Group of companies. Mdm Lye has more than 25 years of working experience in accounting, financial and corporate management of which 14 years were spent holding senior positions within CWT. As Chief Financial Officer of CWT, Mdm Lye's key role is to assist the CEO in strategic development and expansion, corporate finance and general management of the CWT Group of companies. Other roles include managing financial, human resource, business, corporate and strategic development, mergers and acquisitions, and new business start ups. As Managing Director of CWT Engineering, Mdm Lye is focused on the strategic expansion of CWT's engineering business.

Mdm Lye is a Certified Public Accountant and a Fellow of The Chartered Association of Certified Accountants in the United Kingdom.

Ms Ong Ai Ling, Yvonne is a Non-executive Director of the Property Manager. She is also the AVP, Asset Management of the Manager. Details of her working experience are set out under "Experience and Expertise of the Executive Officers of the Manager".

Mr Ong Yan Wah, Oliver will be the General Manager of the Property Manager. Mr Ong has 12 years of working experience in regional and global marketing, strategic planning and implementation of strategic businesses and business start ups. Mr Ong is currently the Senior Manager, Business Development of CWT Engineering which he joined in January 2006, and is responsible for the overall management, business strategies and new businesses of CWT Engineering.

Prior to joining CWT Engineering, Mr Ong was managing his own company dealing with maintenance, construction and engineering services. His achievements include securing building and maintenance contracts with multinational corporations and small and medium-sized enterprises in various industries.

Mr Ong holds a Bachelor of Business Administration degree from the National University of Singapore.

Mr Chee Kian Lee will be a Manager of the Property Manager. Mr Chee has a total of 13 years of work experience in facilities and project management. He currently holds the post of Manager, Estate Management with CWT which he joined in July 2003. In this role, Mr Chee has been responsible for the facilities management and security affairs of the office building and warehouses of the CWT group of companies. His secondary responsibilities, as Fire Safety Manager and Deputy Leader of the Emergency Response Team, include the handling of all emergency situations and leading and ensuring activities on fire safety. Prior to joining CWT, Mr Chee was a Facility Manager with Alkaff Mansion.

Mr Chee holds a Diploma in Marine Engineering from Singapore Polytechnic.

Mr Kwan Toh Meng will be a Manager of the Property Manager. He currently holds the post of Manager, Airport Services with CWT Engineering which he joined in January 2005. Mr Kwan was responsible for the execution and management of all operational and engineering aspects of the building and infrastructure maintenance services for the Changi International Airport Services Cargo Terminal, the Civil Aviation Authority of Singapore and Singapore Airport Terminal Services Ltd. He has also been responsible for business development in the aviation sector. Prior to joining CWT Engineering, he was involved in business development and sales.

Mr Kwan holds a Bachelor of Commerce degree from the University of Alberta in Canada.

Mr Sentiono Tanzil will be a Manager of the Property Manager. Mr Tanzil has a total of 15 years of work experience. He is currently with CWT Engineering, which he joined in June 2001, in charge of preventive maintenance services, including on-site technical support and programme scheduling for the automatic cargo handling system at CIAS Cargo Terminal, Federal Express and Singapore Post Ltd. He has also been involved in preparation of tender costing and evaluation of projects. Prior to joining CWT Engineering, he was involved in the sales and technical negotiations for projects in Indonesia, Malaysia, China and Turkey and the design and commissioning of steel mills while with Natsteel Ltd and Hotaka Engineering Co., Ltd.

Mr Tanzil holds a Bachelor of Engineering degree from McGill University in Canada.

Roles and Responsibilities of the Manager

The Manager has general powers of management over the assets of CIT. The Manager's main responsibility is to manage CIT's assets and liabilities for the benefit of Unitholders.

The Manager will set the strategic direction of CIT and provide recommendations to the Trustee on the acquisition, divestment or enhancement of assets of CIT in accordance with its stated principal investment strategy.

The Manager has covenanted in the Trust Deed to use its best endeavours to carry on and conduct its own business in a proper and efficient manner and to ensure that the business of CIT is carried out and conducted in a proper and efficient manner and to conduct all transactions with or for CIT at arm's length.

Further, the Manager will prepare asset management plans on a regular basis, which may contain proposals and forecasts on net income, capital expenditure, sales and valuations, explanations of major variances to previous forecasts, written commentaries on key issues and any relevant assumptions. The purpose of these plans is to explain the performance of CIT's properties.

The Manager will also be responsible for ensuring compliance with the applicable provisions of the SFA and all other relevant legislation, the Listing Manual, the CIS Code (including the Property Funds Guidelines), the Trust Deed, the Tax Ruling and all relevant contracts. The Manager will be responsible for all regular communications with the Unitholders.

The Manager may require the Trustee to borrow on behalf of CIT (upon such terms and conditions as the Manager deems fit, including the charging or mortgaging of all or any part of the Deposited Property) whenever the Manager considers, among other things, that such borrowings are necessary or desirable in order to enable CIT to meet any liabilities or to finance the acquisition of any property or the redemption of any Units. However, the Manager must not direct the Trustee to incur a borrowing if to do so would mean that CIT's total borrowings and deferred payments (including deferred payments for assets whether to be settled in cash or in units of CIT) exceed 35.0% of the value of its Deposited Property (or such other limit as may be stipulated by the MAS, including in the Property Funds Guidelines). The aggregate leverage of CIT may exceed 35.0% of CIT's Deposited Property (up to a maximum of 60.0%) only if a credit rating of CIT from Fitch, Inc., Moody's or Standard & Poor's is obtained and disclosed to the public. CIT should continue to maintain and disclose a credit rating so long as its aggregate leverage exceeds 35.0% of CIT's Deposited Property. On 3 July 2006, Standard & Poor's International, LLC assigned to CIT a long term corporate credit rating of 'BBB-', which is conditional upon the Offering and the acquisition of the Properties.[1]

In the absence of fraud, gross negligence, wilful default or breach of the Trust Deed by the Manager, it shall not incur any liability by reason of any error of law or any matter or thing done or suffered to be done or omitted to be done by it in good faith under the Trust Deed. In addition, the Manager shall be entitled, for the purpose of indemnity against any actions, costs, claims, damages, expenses or demands to which it may be put as the Manager, to have recourse to the Deposited Property or any part thereof save where such action, cost, claim, damage, expense or demand is occasioned by the fraud, gross negligence, wilful default or breach of the Trust Deed by the Manager. The Manager may, in managing CIT and in carrying out and performing its duties and obligations under the Trust Deed, with the written consent of the Trustee, appoint such person to exercise any or all of its powers and discretions and to perform all or any of its obligations under the Trust Deed, provided always that the Manager shall be liable for all acts and omissions of such persons as if such acts and omissions were its own.

Management Fees

The Manager is entitled under the Trust Deed to Management Fees comprising the Base Fee and the Performance Fee as follows:

(a) a Base Fee of 0.5% per annum of the value of Deposited Property; and

(b) a Performance Fee, where the total return (comprising capital gains and accumulated distributions and assuming all distributions are re-invested in CIT) of the Trust Index in any Half Year exceeds the total return (comprising capital gains and accumulated distributions and assuming re-investment of all distributions) of the Benchmark Index (as defined in the Trust Deed).

In relation to the Performance Fee, the Benchmark Index refers to:

(a) a performance tracking index comprising all of the real estate investment trusts contained in the FTSE AllCap Singapore universe (but excluding CIT) provided by FTSE or another index provider with similar capabilities; or

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[1] Standard & Poor's International, LLC has given its written consent to the issue of this Prospectus with the statements about the rating assigned to CIT in the form and context in which they are included, and has not withdrawn that consent before the date of this Prospectus. A rating may be changed, suspended or withdrawn at any time as a result of changes in, or unavailability of, information, or based on other circumstances. A Standard & Poor's rating is not a recommendation to buy, hold or sell any securities and Standard & Poor's International, LLC, in giving a rating, does not comment on market price of or suitability in relation to a particular investor.

(b) if the index referred to in paragraph (a) above is, in the opinion of the Manager, in consultation with the Trustee, not practical or relevant, a similar index calculated by FTSE or another index provider with similar capabilities (the composition of which shall be determined by the Manager after consultation with the Trustee) which the Manager, after consultation with the Trustee, determines is more appropriate for measuring the performance of CIT.

If the Benchmark Index is to be changed pursuant to the above, the new index shall be adopted as the new Benchmark Index as soon as practicable, if possible, for the following Half Year.

The Benchmark Index will commence at a base value of 100 on the Listing Date, based upon the closing value of the securities comprising the Benchmark Index on the Business Day preceding the Listing Date.

The closing value of the Benchmark Index for the relevant Half Year will be based on the investible (i.e. free float) market capitalisation weighting of the securities comprising the Benchmark Index recorded on the SGX-ST (or other exchange on which such securities are quoted) during the five Business Days preceding the last day of the relevant Half Year (including the last day of the relevant Half Year) and the five Business Days after the last day of the relevant Half Year (ten Business Days in total).

Investors may refer to the Benchmark Index published on the FTSE website http://www.ftse.com, when it becomes operational (expected to be on the Listing Date). The Manager will work with Bloomberg or a similar information provider to allow access to current and historical data on the Benchmark Index.

If CIT is included in the Benchmark Index, the Benchmark Index will, for the purpose of calculating the Performance Fee, be adjusted by the index provider by removing CIT.

Subsequent changes to the REITs contained in the FTSE AllCap Singapore universe will, together with any other changes to the Benchmark Index, be publicly announced by the Manager via SGXNET, with the announcement to be posted on the internet at the SGX-ST website http://www.sgx.com.

CIT is not in any way sponsored, endorsed, sold or promoted by FTSE International Limited ("FTSE") or by the London Stock Exchange Plc or by The Financial Times Limited, European Public Real Estate Association ("EPRA") or National Association of Real Estate Investment Trusts ("NAREIT") and neither FTSE, the London Stock Exchange Plc, The Financial Times Limited, EPRA or NAREIT makes any warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the Benchmark Index, being a new index created by FTSE, EPRA and NAREIT, and/or the figure at which the Benchmark Index stands at any particular time on any particular day or otherwise. Such index is compiled and calculated by FTSE. However, neither FTSE, the London Stock Exchange Plc, The Financial Times Limited, EPRA or NAREIT shall be liable (whether in negligence or otherwise) to any person for any error in the Benchmark Index and neither FTSE, the London Stock Exchange Plc, The Financial Times Limited, EPRA or NAREIT shall be under any obligation to advise any person of any error therein.

In relation to the Performance Fee, the Trust Index (as defined in the Trust Deed) refers to the performance tracking index for CIT, as calculated by FTSE or another index provider with similar capabilities, as appointed by the Manager, in consultation with the Trustee, for calculating the Benchmark Index. The Trust Index will commence at a base value of 100 on the Listing Date based on the Offering Price.

Calculation of the Performance Fee

The Performance Fee is calculated in two tiers as follows:

- a Tier 1 Performance Fee equal to 5.0% of the amount by which the total return of the Trust Index exceeds the total return of the Benchmark Index, multiplied by the Equity Market Capitalisation of CIT; and
- a Tier 2 Performance Fee which is applicable only where the total return of the Trust Index is in excess of 2.0% per annum (1.0% for each Half Year) above the total return of the Benchmark

Index. This tier of the fee is calculated at 15.0% of the amount by which the total return of the Trust Index is in excess of 2.0% per annum above the total return of the Benchmark Index, multiplied by the Equity Market Capitalisation of CIT.

(For the purposes of the Tier 1 Performance Fee and the Tier 2 Performance Fee, the amount by which the total return of the Trust Index exceeds the total return of the Benchmark Index shall be referred to as "outperformance").

The outperformance of the Trust Index is assessed on a cumulative basis (see Example 1 and Example 2 in "Examples for Calculation of the Performance Fee") and any prior underperformance of CIT will need to be recovered before the Manager is entitled to any Performance Fee (see Example 3 in "Examples for Calculation of the Performance Fee").

The Trust Index will be calculated by FTSE or another index provider. The Trust Index will be calculated in accordance with the index provider's standard practices in relation to index calculation. The Trust Index will measure the total return of CIT, combining both capital performance of the security and its reinvested income. The Trust Index will be calculated daily using declared dividends. The calculation method will be adjusted according to whether any dividends are declared ex-dividend on a given day. The ex-dividend adjustment represents the value of dividends declared by the security on the ex-dividend date expressed in index points.

FTSE is an entity independent from the Manager and CIT.

Examples for Calculation of the Performance Fee

It is assumed for the purposes of the hypothetical examples below that the Equity Market Capitalisation of CIT for that Half Year is S$500.0 million.

The examples below are illustrative only and do not purport to represent the likely Performance Fee (if any) to be received by the Manager.

Example 1:

If the total return of the Benchmark Index for a Half Year was 4.0% and the total return of the Trust Index was 4.5%, the outperformance of CIT would be 0.5% for that Half Year.

The amount of the Performance Fee would be:

- Tier 1 Performance Fee: Outperformance of 0.5% x Equity Market Capitalisation of S$500.0 million x 5.0% = S$125,000; and
- Tier 2 Performance Fee: Not applicable, as outperformance was not in excess of 2.0% per annum above the total return of the Benchmark Index (i.e. 1.0% for that Half Year).

Therefore, the total Performance Fee = Tier 1 Performance Fee of S$125,000 for that Half Year.

Example 2:

If the total return of the Benchmark Index for a Half Year was 4.0% and the total return of the Trust Index was 8.0%, the outperformance of CIT would be 4.0% for that Half Year.

The amount of the Performance Fee would be:

- Tier 1 Performance Fee: Outperformance of 4.0% x Equity Market Capitalisation of S$500.0 million x 5.0% = S$1.0 million; and
- Tier 2 Performance Fee: Outperformance of 3.0% in excess of 2.0% per annum above the total return of the Benchmark Index (i.e. 4.0% - 1.0%) x Equity Market Capitalisation of S$500.0 million x 15.0% = S$2.25 million.

Therefore, the total Performance Fee = Tier 1 Performance Fee of S$1.0 million + Tier 2 Performance Fee of S$2.25 million = S$3.25 million for that Half Year.

Example 3:

If the total return of the Benchmark Index for a Half Year was 17.0% and the total return of the Trust Index was 10.0%, there would be no outperformance by CIT for that Half Year and no Performance Fee would be earned in that Half Year.

In order for any Performance Fee to be payable in the following Half Year, the outperformance of CIT in that following Half Year must effectively make up for the underperformance from the previous Half Year. This means that CIT must outperform during the following Half Year to the extent that the underperformance in the previous Half Year is earned back before any Performance Fee is payable in the following Half Year.

Calculation of the Performance Fee in the following Half Year would also be based on the respective total returns of the Benchmark Index and the Trust Index from the start of the previous Half Year to the close of the following Half Year. If the total return of the Benchmark Index for the following Half Year was 0.0% and the total return of the Trust Index was 10.0%:

(a) the total return of the Trust Index, calculated from the start of the previous Half Year to the end of the following Half Year would be 21.0% (i.e. (100.0% + 10.0%) x (100.0% + 10.0%)) - 100.0%); and

(b) the total return of the Benchmark Index, calculated over the same period would be 17.0% (i.e. (100.0% + 17.0%) x (100.0% + 0%) - 100.0%).

The outperformance of CIT would be 4.0% (i.e. 21.0% - 17.0%) for the following Half Year (taking into account the underperformance of 7.0% in the previous Half Year).

The amount of the Performance Fee would be:

- Tier 1 Performance Fee: Outperformance of 4.0% x Equity Market Capitalisation of S$500.0 million x 5.0% = S$1.0 million; and
- Tier 2 Performance Fee: Outperformance of 3.0% in excess of 2.0% per annum above the total return of the Benchmark Index (i.e. 4.0% - 1.0%) x Equity Market Capitalisation of S$500.0 million x 15.0% = S$2.25 million.

Therefore, the total Performance Fee = Tier 1 Performance Fee of S$1.0 million + Tier 2 Performance Fee of S$2.25 million = S$3.25 million for the following Half Year.

Payment of Management Fees

- Base Fee

  The Manager has elected to receive for the Forecast Period 2006 and the Projection Year 2007, respectively, at least 92.0% and 97.0% of the Base Fee in respect of the Properties in the form of Units, with the remainder of the Base Fee in cash. The Manager may elect to receive the Base Fee in respect of the Properties in cash or Units or a combination of cash and Units (as it may determine) after 31 December 2007. In respect of any new property acquired by CIT after the Listing Date, the Manager may, at any time, opt to receive the Base Fee in cash or Units or a combination of cash and Units (as it may determine).

  The portion of the Base Fee payable in cash shall be payable monthly in arrears and the portion of the Base Fee payable in the form of Units shall be payable quarterly in arrears. If a Trigger Event occurs, resulting in the Manager being removed, the Manager is entitled to be paid the Base Fee up to the day on which the Trigger Event occurs. (See the section titled "Payment of Management Fees upon the occurrence of a Trigger Event").

When the Base Fee or part thereof is payable to the Manager in the form of Units, the Manager shall be entitled to receive such number of Units as may be purchased with the relevant amount of the Base Fee attributable to the relevant period at the volume weighted average price per Unit for all trades on the SGX-ST, in the ordinary course of trading, for the period of 10 Business Days immediately preceding the relevant Business Day or, where the Manager believes that such price is not a fair reflection of the market price of a Unit, such amount as determined by the Manager and the Trustee (after consultation with a stockbroker approved by the Trustee), as being the fair market price of a Unit (the "Market Price").

- Performance Fee

The Manager has opted to receive, from the Listing Date up to 31 December 2006, 100.0% of the Performance Fee (if any) in the form of Units. The Manager may opt to receive the Performance Fee (if any) in cash or Units or a combination of cash and Units (as it may determine) after 31 December 2006 having regard to the cashflow of CIT.

To the extent that payment of the Performance Fee erodes the distributable income as set out in the Profit Forecast and the Profit Projection, the Manager will, for the Forecast Period 2006 or the Projection Year 2007 (as the case may be) defer part or all of the payment of the Performance Fee to the next Financial Year as would be required to achieve, to the extent possible, the forecast and projected distributions during the said periods.

If a Trigger Event occurs in any Half Year, resulting in the Manager being removed, the Manager shall be entitled to payment of any Performance Fee (whether in cash or in the form of Units) to which it might otherwise have been entitled for that Half Year in cash, which shall be calculated, as if the end of the Half Year was the date of occurrence of the Trigger Event, in accordance with Clause 15.1.2 of the Trust Deed. (See the section titled "The Manager and Corporate Governance - Manager's Fees: Payment of Management Fees upon the Occurrence of a Trigger Event").

When the Performance Fee or part thereof is payable to the Manager in the form of Units, the issue price of the Units will be the greater of the volume weighted average price for a Unit for all trades on the SGX-ST in the ordinary course of trading during the five Business Days preceding the last day of the relevant Half Year (including the last day of the relevant Half Year) and the five Business Days after the last day of the relevant Half Year (10 Business Days in total) and the value of Deposited Property per Unit at the end of the Half Year.

Units issued to the Manager in payment of the Base Fee and Performance Fee are entitled to all the rights attached to Units as for any other Unitholders, including being entitled to receive distributions.

Subject to the Manager's undertaking to the MAS and to the Joint Lead Underwriters not to deal in the Units during certain specified periods (see the sections titled "Corporate Governance of the Manager" and "Plan of Distribution — Lock-up Arrangements" for further details), the Manager may, at its option, sell any such Units issued and is entitled to keep any gains made on such sale for its own account.

Any increase in the rate or any change in the structure of the Management Fees must be approved by an Extraordinary Resolution of Unitholders passed at a Unitholders' meeting duly convened and held in accordance with the provisions of the Trust Deed.

Annual fee cap

The Management Fees (Base Fee and Performance Fee, including any accrued Performance Fee which has been carried forward from previous Financial Years but excluding any Acquisition Fee or Disposal Fee) to be paid to the Manager in respect of a Financial Year, whether in cash or Units or a combination of cash and Units, are capped at an amount equivalent to 0.8% per annum of the value of Deposited Property as at the end of the Financial Year (referred to as the "annual fee cap").

If the amount of such fees for a Financial Year exceeds the annual fee cap, the Base Fee for that Financial Year shall be paid to the Manager and only that portion of the Performance Fee equal to the balance of the amount up to the annual fee cap will be paid to the Manager. The remaining portion of the Performance Fee, which will not be paid, shall be accrued and carried forward for payment to the Manager in future Half Years. See the section titled "Example for payment of the Performance Fee subject to the annual fee cap".

If, at the end of a Half Year, there is any accrued Performance Fee which has been accrued for a period of at least three years prior to the end of that Half Year, such accrued Performance Fee shall be paid to the Manager if the total return of the Trust Index in that three-year period exceeds the total return of the Benchmark Index over the same period. The payment of such accrued Performance Fee shall not be subject to the annual fee cap. Accordingly, for periods in which there are three years of cumulative outperformance by CIT, the Management Fees to be paid to the Manager could exceed the annual fee cap.

However, as the Manager may opt to receive the Performance Fee in cash or Units or a combination of cash and Units (as it may determine) after 31 December 2006, it will have the flexibility to receive such accrued Performance Fee in cash or Units or a combination of cash and Units having regard to the cash flow of CIT.

If CITM ceases to be the manager of CIT, it shall be entitled to receive payment of all accrued Performance Fees within a period of seven days after the date on which it ceases to be the manager of CIT.

Example for payment of the Performance Fee subject to the annual fee cap

It is assumed for the purposes of this hypothetical example that the value of Deposited Property as at the end of the Financial Year is S$700.0 million. Accordingly, the aggregate Base Fee and Performance Fee paid to the Manager in both the first Half Year and the second Half Year is subject to the half year fee cap of S$2.8 million, being half of the annual fee cap of S$5.6 million (i.e. (0.8% x S$700.0 million) divided by 2).

The examples below are illustrative only and do not purport to represent the likely Performance Fee (if any) to be received by the Manager.

(a) payment of the Performance Fee in the first Half Year (subject to the annual fee cap)

    If the total return of the Benchmark Index was 2.0% in the first Half Year and the total return of the Trust Index was 4.0%, the outperformance of CIT would be 2.0% for the first Half Year.

    If there is no accrued Performance Fee carried forward from previous Financial Years, the amount of the Performance Fee would be:

    - Tier 1 Performance Fee: Outperformance of 2.0% x Equity Market Capitalisation of S$500.0 million x 5.0% = S$0.5 million; and
    - Tier 2 Performance Fee: Outperformance of 1.0% in excess of 2.0% per annum above the total return of the Benchmark Index (i.e. 2.0% - 1.0%) x Equity Market Capitalisation of S$500.0 million x 15.0% = S$0.75 million.

    Therefore, the total Performance Fee = Tier 1 Performance Fee of S$0.5 million + Tier 2 Performance Fee of S$0.75 million = S$1.25 million for the first Half Year.

If it is assumed that the Base Fee for the first Half Year is S$1.75 million (i.e. (0.5% x S$700.0 million) divided by 2), the Performance Fee paid to the Manager in the first Half Year, which is subject to the half year fee cap of S$2.8 million, must not exceed S$1.05 million (i.e. S$2.8 million - S$1.75 million = S$1.05 million).

Since the Performance Fee for the first Half Year (as calculated above) is S$1.25 million and only S$1.05 million of the Performance Fee can be paid to the Manager in the first Half Year (such that the aggregate Base Fee and Performance Fee paid to the Manager is S$2.8 million), the remaining S$0.2 million of the Performance Fee will be accrued and carried forward for payment to the Manager in the subsequent Half Year.

(b) payment of the Performance Fee in the second Half Year (subject to the annual fee cap)

If the total return of the Benchmark Index was 6.0% in the second Half Year and the total return of the Trust Index was 4.0%, there would be no outperformance by CIT in the second Half Year and no Performance Fee would be earned in the second Half Year.

If it is also assumed that the Base Fee for the second Half Year is S$1.75 million (i.e. (0.5% x S$700.0 million) divided by 2), and since no Performance Fee has been earned in the second Half Year, the accrued Performance Fee of S$0.2 million carried forward from the first Half Year can be paid to the Manager as the aggregate Base Fee and Performance Fee paid to the Manager (i.e. S$1.75 million + S$0.2 million) will not exceed the half year fee cap of S$2.8 million.

Payment of Management Fees upon the occurrence of a Trigger Event

A "Trigger Event" refers to any of the following:

(a) a resolution is passed at a meeting of Unitholders removing or replacing the Manager;

(b) CIT is terminated;

(c) CIT becomes Unlisted (as defined in the Trust Deed); or

(d) the Unitholders approving a scheme of arrangement pursuant to which CIT is to merge with any other entity or pursuant to which there is a material change in the ownership or control of CIT.

The portion of the Base Fee payable in cash shall be payable monthly in arrears and the portion of the Base Fee payable in the form of Units shall be payable quarterly in arrears. If a Trigger Event occurs, resulting in the Manager being removed, the Manager is entitled to be paid the Base Fee up to the day on which the Trigger Event occurs.

The Performance Fee, whether payable in any combination of cash and Units or solely in cash or Units, will be payable six-monthly in arrears. If a Trigger Event occurs in any Half Year, resulting in the Manager being removed, the Manager shall be entitled to payment of any Performance Fee (whether in cash or in the form of Units) to which it might otherwise have been entitled for that Half Year in cash, which shall be calculated as if the end of the Half Year was the date of occurrence of the Trigger Event, in accordance with Clause 15.1.2 of the Trust Deed, as follows (such payment to be made to the entity which was the Manager on the day upon which the Trigger Event occurred notwithstanding that the entity may have ceased to be the Manager or that CIT has been terminated):

(a) the cash payment is to be equal to the Performance Fee as if the end of the Half Year was the date of the occurrence of the Trigger Event but in determining the performance of CIT at the close of the period, there is to be substituted for the market price of the Units:

    (i) in the case of a resolution being passed at a meeting of Unitholders removing or replacing the Manager, the volume weighted average price for a Unit for all trades on the SGX-ST in the ordinary course of trading during the ten Business Days prior to the date of the notice of such meeting;

(ii) in the case of a scheme of arrangement, the mid-point of the value range for the Units contained in the independent expert's report (if any) prepared for the members in relation to the scheme of arrangement or if there is no independent expert's report, the fair value of the consideration per Unit as determined by an independent accountant appointed by the Manager;

(iii) in the case where CIT becomes Unlisted, the volume weighted average price for a Unit for all trades on the SGX-ST in the ordinary course of trading during the ten Business Days prior to the date of delisting; or

(iv) in the case of termination of CIT, the amount per Unit to be received by the Unitholders after accruing the amount payable to the Manager for the Performance Fee; and

(b) the cash payment is payable as soon as it can be calculated. If there has been any accrual of the Performance Fee from any prior Half Year whether due to the total returns of the Trust Index being negative although exceeding the total returns of the Benchmark Index or otherwise, the amount accrued shall be paid in cash rather than Units on the date of occurrence of the Trigger Event.

If a Trigger Event occurs, resulting in the Manager being removed at a time when any accrued Performance Fee has not been paid, the Manager is entitled to payment of such accrued Performance Fee in cash.

Acquisition Fee and Disposal Fee

The Manager is also entitled to receive:

(a) an Acquisition Fee of 1.0% of each of the following as is applicable, subject to there being no double-counting:

(i) the purchase price, excluding GST, of any Real Estate acquired, whether directly by CIT or indirectly through a Special Purpose Vehicle;

(ii) the value of any underlying Real Estate (pro-rata, if applicable, to the proportion of CIT's interest in such Real Estate) where CIT invests in any class of Real Estate Related Assets, including any class of equity, equity-linked securities and/or securities issued in Real Estate securitisation, of any entity directly or indirectly owning or acquiring such Real Estate, provided that:

(a) CIT shall hold or invest in at least 50.0% of the equity of such entity; or

(b) if CIT holds or invests in 30.0% or more but less than 50.0% of the equity of such entity, CIT shall have management control of the underlying Real Estate and/or such entity.

The reference to the "equity" of such entity, where it involves an investment in equity-linked instruments, shall mean the share of the equity of such entity as represented by the notional conversion of the equity-linked instrument into ordinary shares of the entity, on a fully diluted enlarged basis;

(iii) the value of any shareholder's loan extended by CIT to the entity referred to in paragraph (ii) above, provided that the proviso in paragraph (ii) is complied with. For the avoidance of doubt, the reference to the "equity" of such entity here has the same meaning as set out in paragraph (ii); and

(iv) the value of any investment by CIT in any loan extended to or in debt securities of any property corporation or other Special Purpose Vehicle owning or acquiring Real Estate (where such investment does not fall within the ambit of paragraph (ii)), made with the prior consent of the Unitholders passed by ordinary resolution at a meeting of Unitholders duly convened and held in accordance with the provisions of the Trust Deed.

The reference to "management control", in relation to any entity or, as the case may be, any Real Estate referred to above, means:

(a) CIT having the power or authority to secure that the affairs or business of that entity or Real Estate is conducted directly or indirectly in accordance with the wishes of CIT;

(b) CIT having the right to appoint or remove a majority of the Directors of that entity or otherwise control the votes at board meetings of that entity;

(c) CIT having the right to control more than half of the votes at shareholders' meetings of that entity;

(d) CIT or the Manager having the right to appoint, or direct the appointment of, the property manager for that Real Estate; or

(e) CIT or the Manager having the capacity to direct the management or operation of that Real Estate in accordance with the wishes of CIT, or to secure that the decision-making, directly or indirectly, in relation to such management or operation is conducted in accordance with the wishes of CIT.

For the avoidance of doubt, the Acquisition Fee is payable for the acquisition of the Properties.

For any acquisition or transaction made in Singapore, any payment to third party agents or brokers in connection with the acquisition of any Real Estate in Singapore for CIT shall be borne by the Manager, and not additionally from the assets of CIT. For any acquisition or transaction made outside Singapore for CIT, if any such payment is made to third party agents or brokers, such payment shall be paid out of the Deposited Property, provided that the Manager shall charge an acquisition fee of 0.6% instead of 1.0%.

The Manager may opt to receive such Acquisition Fee in the form of cash or Units or a combination of cash and Units as it may determine. When the Acquisition Fee or part thereof is payable to the Manager in the form of Units, the Manager shall be entitled to receive such number of Units as may be purchased with the relevant amount of the Acquisition Fee attributable to the relevant period at the Market Price; and

(b) a Disposal Fee of 0.5% of each of the following as is applicable, subject to there being no double-counting;

(i) the sale price, excluding GST, of any investment of the type referred to in paragraph (a)(i) above for the Acquisition Fee;

(ii) in relation to an investment of the type referred to in paragraph (a)(ii) above for the Acquisition Fee, the value of any underlying Real Estate (pro-rata, if applicable, to the proportion of CIT's interest in such Real Estate);

(iii) the proceeds of sale, repayment or (as the case may be) redemption of an investment in a loan referred to in paragraph (a)(iii) above for the Acquisition Fee; and

(iv) the value of an investment referred to in paragraph (a)(iv) above for the Acquisition Fee.

For any divestment or transaction made in Singapore, any payment to third party agents or brokers in connection with the divestment of any one of the assets forming a part of the Deposited Property in Singapore for CIT shall be borne by the Manager and not additionally from the assets of CIT. For any divestment or transaction made outside Singapore for CIT, if any such payment is made to third party agents or brokers, such payment shall be paid out of the Deposited Property, provided that the Manager shall also charge a Disposal Fee of 0.5% of the sale price.

The Manager may opt to receive such Disposal Fee in the form of cash or Units or a combination of cash and Units as it may determine. When the Disposal Fee or part thereof is payable to the Manager in the form of Units, the Manager shall be entitled to receive such number of Units as may be purchased with the relevant amount of the Disposal Fee attributable to the relevant period at the Market Price.

Any increase in the maximum permitted level of the acquisition fee or disposal fee must be approved by an Extraordinary Resolution of Unitholders passed at a Unitholders' meeting duly convened and held in accordance with the provisions of the Trust Deed.

Annual Reports

An annual report will be issued by the Manager to Unitholders within three months from the end of each accounting period of CIT, containing, among other things, the following key items:

(i) details of all real estate transactions entered into during the accounting period;

(ii) details of all of CIT's real estate assets;

(iii) tenant profile of CIT's real estate assets, including the:

  (a) total number of tenants;

  (b) top ten tenants, and the percentage of total gross rental income attributable to each of these top ten tenants;

  (c) trade sector mix of tenants, in terms of the percentage of total gross rental income attributable to major trade sectors; and

  (d) lease maturity profile, in terms of the percentage of total gross rental income, for each of the next five years;

(iv) if applicable, with respect to investments other than real property:

  (a) a brief description of the business;

  (b) proportion of share capital owned;

  (c) cost;

  (d) (if relevant) Directors' valuation and in the case of listed investments, market value;

  (e) dividend cover or underlying earnings;

  (f) net assets attributable to investments;

  (g) ten most significant holdings (including the amount and percentage of fund size at market valuation); and

  (h) distribution of investments in dollar and percentage terms by country, asset class and by credit rating of all debt securities;

(v) cost of each property held by CIT;

(vi) the Manager's objective for each property of CIT;

(vii) annual valuation of each property of CIT;

(viii) annual rental income for each property of CIT;

(ix) analysis of provision for diminution in value of each property of CIT (to the extent possible);

(x) occupancy rates for each property of CIT;

(xi) remaining term for each of CIT's leasehold properties;

(xii) amount of distributable income held pending distribution;

(xiii) details of assets other than real estate;

(xiv) details of CIT's exposure to derivatives;

(xv) details of CIT's investments in other property funds;

(xvi) details of borrowings by the Trustee and other financial accommodation to the Trustee in relation to CIT;

(xvii) value of the Deposited Property and the net asset value of CIT at the beginning and end of the financial year under review;

(xviii) the prices at which the Units were quoted at the beginning and end of the accounting period, and the highest and lowest prices at which the Units were traded on the SGX-ST during the accounting period;

(xix) volume of trade in the Units during the accounting period;

(xx) the aggregate value of all transactions entered into by the Trustee (for and on behalf of CIT) with an "interested party" (as defined in the Property Funds Guidelines) or with an "interested person" (as defined in the Listing Manual) during the financial year under review;

(xxi) total operating expenses of CIT in respect of the accounting period, including expenses paid to the Manager and interested parties (if any) and the Trustee, and taxation incurred in relation to CIT's properties;

(xxii) historical performance of CIT, including rental income obtained and occupancy rates for each property in respect of the accounting period and other various periods of time (e.g. one-year, three-year, five-year or 10-year) and any distributions made;

(xxiii) total amount of fees paid to the Trustee;

(xxiv) name of the manager of CIT, together with an indication of the terms and duration of its appointment and the basis of its remuneration;

(xxv) total amount of fees paid to the Manager and the price(s) at which they were issued in part payment thereof;

(xxvi) total amount of fees paid to the Property Manager; and

(xxvii) an analysis of realised surpluses or losses, stating separately profits and losses as between listed and unlisted investments, if applicable.

The first report will cover the period from the Establishment Date to 31 December 2006.

Additionally, CIT will announce its net asset value on a quarterly basis. Such announcements will be based on the latest available valuation of CIT's real estate and real estate-related assets, which will be conducted at least once a year (as required under the Property Funds Guidelines). The first such valuation after the Listing Date will be conducted by 31 December 2006.

Retirement or Removal of the Manager

The Manager shall have the power to retire in favour of a corporation approved by the Trustee to act as the manager of CIT.

Also, the Manager may be removed by notice given in writing by the Trustee if:

- the Manager goes into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Trustee) or a receiver is appointed over its assets or a judicial manager is appointed in respect of the Manager;
- the Manager ceases to carry on business;
- the Manager fails or neglects after reasonable notice from the Trustee to carry out or satisfy any material obligation imposed on the Manager by the Trust Deed;
- the Unitholders, by a resolution duly passed by 50.0% or more of the total number of votes represented by all the Units in issue entitled to vote on the matter at a Unitholders' meeting duly convened and held in accordance with the provisions of the Trust Deed, shall so decide;
- for good and sufficient reason, the Trustee is of the opinion, and states so in writing, that a change of the Manager is desirable in the interests of the Unitholders;
- the MAS directs the Trustee to remove the Manager; or
- the MAS revokes its authorisation of CIT as an authorised scheme under section 286 of the SFA or revokes its authorisation of the Manager under the Property Funds Guidelines.

Where the Manager is removed on the basis that a change of the Manager is desirable in the interests of the Unitholders, the Manager has a right under the Trust Deed to refer the matter to arbitration. Any decision made pursuant to such arbitration proceedings is binding upon the Manager, the Trustee and all Unitholders.

Corporate Governance of the Manager

This statement outlines the main corporate governance practices of the Manager.

Board of Directors of the Manager

The Board is responsible for the overall corporate governance of the Manager including establishing goals for management and monitoring the achievement of these goals.

The responsibilities of the Board members include the following:

- establishing goals for management and monitoring the achievement of these goals;
- strategic business direction and risk management of CIT;
- review of financial objectives, financial controls, budget and performance;
- release of financial results of CIT to the SGX-ST;
- acceptance of bank facilities; and
- approval of investments and divestments based on pre-determined authorised limits.

All Board members participate in matters relating to corporate governance, business operations and risks, financial performance and the nomination and review of the performance of Directors. The Board will establish a framework for the management of the Manager and CIT, including a system of internal control and a business risk management process. Currently, the Board consists of nine members, three of whom are Independent Directors. None of the Directors of the Manager has entered into any service contract directly with CIT.

The composition of the Board is as follows:

- Dr Tan Seng Chin, Finian (Chairman and Non-executive Director);
- Mr Leong Weng Chee (Chief Executive Officer and Executive Director);
- Mr Chan Wang Kin (Managing Director, Strategy and Executive Director);
- Mr Ang Poh Seong (Managing Director, Investment and Executive Director);
- Dr Chi Chien-Chuen, Jeffrey (Non-executive Director);
- Mr Liao Chung Lik (Non-executive Director);
- Mr Ravindran s/o Ramasamy (Independent Director);
- Dr Ong Seow Eng (Independent Director); and
- Mdm Lee Kim Mon (Independent Director).

The composition is determined using the following principles:

- the majority of board members are Non-executive Directors and Independent Directors;
- the Chairman of the Board is a Non-executive Director;
- the Board should comprise Directors with a broad range of commercial experience including expertise in the property, finance, fund management, and banking industries; and
- at least one-third of the Board should comprise Independent Directors.

The composition of the Board will be reviewed regularly to ensure that the Board has the appropriate mix of expertise and experience.

As Mdm Lee Kim Mon is over the age of 70, any renewal of the appointment of Mdm Lee Kim Mon as Independent Director will require an ordinary resolution to be passed at each annual general meeting of the Manager re-appointing Mdm Lee Kim Mon as Independent Director until the next annual general meeting of the Manager.

The Management provides the Board with regular updates on financial results, market and business developments, business and operational information.

The Board has established committees to assist it in discharging its responsibilities. These committees and its current members are as follows:

Board of Directors	**Designation**	**Executive Committee**	**Audit Committee**	**Human Resource and Remuneration Committee**
Tan Seng Chin, Finian	Chairman and Non-executive Director	Chairman	—	Chairman
Leong Weng Chee	CEO and Executive Director	Member	—	—
Chan Wang Kin	Managing Director, Strategy and Executive Director	Member	—	—
Ang Poh Seong	Managing Director, Investment and Executive Director	Member	—	—
Chi Chien-Chuen, Jeffrey	Non-executive Director	Member	Member	—

Board of Directors	Designation	Executive Committee	Audit Committee	Human Resource and Remuneration Committee
Liao Chung Lik	Non-executive Director	—	—	—
Ravindran s/o Ramasamy	Independent Director	—	Chairman	Member
Ong Seow Eng	Independent Director	—	Member	Member
Lee Kim Mon	Independent Director	—	—	Member

Roles of Chairman and Chief Executive Officer are separate

The role of the Chairman is to ensure that the members of the Board work together with management with integrity, competency and moral authority, engaging management in constructive debate on strategy, business operations and enterprise risks.

The CEO has full executive responsibilities over the business direction and operational decisions in managing CIT.

Executive Committee

The Executive Officers are responsible for day-to-day operations and report to the Board. The Executive Committee, which includes two Non-executive Directors, has been empowered by the Board to oversee the Executive Officers in conducting the day-to-day activities of the Manager.

The Executive Officers and the Executive Committee report to the Board. The Executive Committee shall act unanimously with regard to the following matters when submitting the same to the Board for approval:

(i) the development of the annual business plan in relation to CIT, including strategy on the location of acquisitions;

(ii) the issuance of new Units in CIT; and

(iii) any material modification, alteration or addition to the Trust Deed relating to CIT.

A period of 7 days' notice must be given before the Executive Committee meets to discuss the abovementioned matters.

If a member of the Executive Committee has an interest in a transaction, he or she will abstain from voting.

The Board remains responsible for the management of CIT.

Audit Committee

The Audit Committee is appointed based on the following principles:

- the majority are to be Independent Directors; and
- the Chairman is to be an Independent Director.

The scope of duty of the Audit Committee is as follows:

- review the quality and reliability of information prepared for inclusion in financial reports;

- monitor and evaluate the effectiveness of the internal control process through reviewing internal and external audit reports to ensure that where deficiencies in internal controls have been identified, appropriate and prompt remedial action is taken by management;
- nominate external auditors and review the adequacy of external audits in respect of cost, scope and performance;
- monitor procedures to ensure compliance with applicable legislation, the Listing Manual and the Property Funds Guidelines;
- review the financial statements of CIT and the audit report; and
- monitor the procedures established to regulate Related Party Transactions, including ensuring compliance with the provisions of the Listing Manual relating to transactions between the Trustee (as the trustee of CIT) and an "interested person" (as defined therein) and the provisions of the Property Funds Guidelines relating to transactions between the Trustee (as the trustee of CIT) and an "interested person" (as defined therein) (both such types of transactions constituting "Related Party Transactions").

The Audit Committee will have full access to and cooperation of the management and full discretion to invite any Director or Executive Officer to attend its meetings.

Human Resource and Remuneration Committee

The Human Resource and Remuneration Committee has full responsibility for the:

- appointment of new Directors of the Manager;
- appointment of any key staff of the Manager;
- review of the composition of the Board to ensure adequacy and appropriate mix of expertise and experience;
- recommendation of Directors' Remuneration;
- determination of year-end bonus/profit sharing for the staff;
- determination of whether to take up Units versus cash for the Manager's fees; and
- approval of all other fees.

Dealings in CIT Units

The Trust Deed requires each Director of the Manager to give notice to the Manager of his acquisition of Units or of changes in the number of Units which he holds or in which he has an interest, within two Business Days after such acquisition or the occurrence of the event giving rise to changes in the number of Units which he holds or in which he has an interest. (See the section titled "The Formation and Structure of Cambridge Industrial Trust — Directors' Declaration of Unitholdings").

All dealings in Units by Directors of the Manager will be announced via SGXNET, with the announcement to be posted on the internet at the SGX-ST website http://www.sgx.com. Company policy encourages the Directors and employees of the Manager to hold units in CIT but prohibits them from dealing in the Units:

(i) in the period commencing one month before the public announcement of CIT's annual and half year results and (where applicable) property valuations and two weeks before the announcement of CIT's quarterly results and ending on the date of announcement of the relevant results or, as the case may be, property valuations; and

(ii) at any time whilst in possession of price sensitive information.

In addition, the Manager has given an undertaking to the MAS that it will announce to the SGX-ST the particulars of its holdings in the Units and any changes thereto within two business days after the date on which it acquires or disposes of any Units, as the case may be.

Management of Business Risk

The Board will meet regularly or more often if necessary to review the financial performance of the Manager and CIT against a previously approved budget. The Board will also review the risks to the assets of CIT, examine liability management and will act upon any comments from the auditors of CIT.

The Manager has appointed experienced and well-qualified management to handle the day-to-day operations of the Manager and CIT. In assessing business risk, the Board will consider the economic environment and risks associated with the property industry. The Board will review management reports and feasibility studies on individual development projects prior to approving major transactions.

Conflicts of Interest

The Manager has instituted the following procedures to deal with conflicts of interest issues:

(i) The Manager will be a dedicated manager to CIT and will not manage any other real estate investment trust or be involved in any other real property business.

Each of the Executive Directors of the Manager, namely Mr Leong Weng Chee, Mr Chan Wang Kin and Mr Ang Poh Seong, has entered into a non-compete undertaking, for so long as the Manager remains the manager of CIT, not to set up or manage or be involved, whether directly or indirectly, in any other industrial REITs established in Singapore or elsewhere, other than CIT, which may compete with CIT for investments in real estate and real estate-related assets which are used mainly for industrial (including warehousing) purposes for:

(a) a period of three years from and including the date of admission of CIT to the Official list of the SGX-ST; or

(b) for so long as he remains as an Executive Director of the Manager,

whichever is longer.

Further, Dr Tan Seng Chin, Finian, the Chairman and a Non-executive Director of the Manager, has given an undertaking to the Trustee that he will, for so long as he remains a Director of the Manager, disclose to the Board any investment in competing funds or businesses made by himself, any of his investment companies, or any of the funds under the management of any of his investment companies.

(ii) All Executive Officers will be employed by the Manager;

(iii) All resolutions in writing of the Directors of the Manager in relation to matters concerning CIT must be approved by a majority of the Directors, including at least one Independent Director;

(iv) At least one-third of the Board are Independent Directors;

(v) All Related Party Transactions must be reviewed by the Audit Committee and approved by a majority of the Audit Committee. If a member of the Audit Committee has an interest in a transaction, he or she will abstain from voting;

(vi) In respect of matters in which a Director of the Manager or his Associates has an interest, direct or indirect, such interested Director will abstain from voting. In such matters, the quorum must comprise a majority of the Directors of the Manager and must exclude such interested Directors;

(vii) Under the Trust Deed, save for a meeting convened for the removal of the Manager, the Manager and its Associates are prohibited from being counted in a quorum for or voting at any meeting of Unitholders convened to approve any matter in which the Manager or any of its Associates has a material interest. For so long as CITM is the Manager, the controlling shareholders (as defined in the Listing Manual) of CITM and their respective Associates are prohibited from being counted in the quorum for or voting at any meeting of Unitholders convened to consider a matter in respect of which the relevant controlling shareholder of CITM and/or their Associates have a material interest.

(viii) It is also provided in the Trust Deed that if the Manager is required to decide whether or not to take any action against any person in relation to any breach of any agreement entered into by the Trustee for and on behalf of CIT with a related party of the Manager, the Manager shall be obliged to consult with a reputable law firm (acceptable to the Trustee) which shall provide legal advice on the matter. If the said law firm is of the opinion that the Trustee, on behalf of CIT, has a prima facie case against the party allegedly in breach under such agreement, the Manager shall be obliged to take appropriate action in relation to such agreement. The Directors of the Manager will have a duty to ensure that the Manager so complies. Notwithstanding the foregoing, the Manager shall inform the Trustee as soon as it becomes aware of any breach of any agreement entered into by the Trustee for and on behalf of CIT with a related party of the Manager and the Trustee may take such action as it deems necessary to protect the rights of Unitholders and/or which is in the interests of Unitholders. Any decision by the Manager not to take action against a related party of the Manager shall not constitute a waiver of the Trustee's right to take such action as it deems fit against such related party.

Related Party Transactions

The Manager's Internal Control System

The Manager has established an internal control system to ensure that all future transactions involving the Trustee, as the trustee of CIT and a related party of the Manager or CIT ("Related Party Transactions") will be undertaken on normal commercial terms and will not be prejudicial to the interests of CIT and the Unitholders. As a general rule, the Manager must demonstrate to the Audit Committee that such transactions satisfy the foregoing criteria, which may entail obtaining (where practicable) quotations from parties unrelated to the Manager, or obtaining one or more valuations from independent professional valuers (in accordance with the Property Funds Guidelines).

The Manager will maintain a register to record all Related Party Transactions which are entered into by CIT and the bases, including any quotations from unrelated parties and independent valuations obtained to support such bases, on which they are entered into. The Manager will also incorporate into its internal audit plan a review of all Related Party Transactions entered into by CIT. The Audit Committee will review the internal audit reports to ascertain that the guidelines and procedures established to monitor Related Party Transactions have been complied with. In addition, the Trustee will also have the right to review such audit reports to ascertain that the Property Funds Guidelines have been complied with. Further, the following procedures will be undertaken:

- transactions (either individually or as part of a series or if aggregated with other transactions involving the same related party during the same financial year) equal to or exceeding S$100,000 in value but below 3.0% of the value of CIT's net tangible assets will be subject to review by the Audit Committee at regular intervals;
- transactions (either individually or as part of a series or if aggregated with other transactions involving the same related party during the same financial year) equal to or exceeding 3.0% but below 5.0% of the value of CIT's net tangible assets will be subject to the review and approval of the Audit Committee. Such approval will only be given if the transactions are on normal commercial terms and consistent with similar types of transactions made by the Trustee, as trustee of CIT, with third parties which are unrelated to the Manager; and
- transactions (either individually or as part of a series or if aggregated with other transactions involving the same related party during the same financial year) equal to or exceeding 5.0% of the value of CIT's net tangible assets will be reviewed and approved, on the basis described in the preceding paragraph, by the Audit Committee which may, as it deems fit, request advice on the transaction from independent sources or advisers, including the obtaining of valuations from

independent professional valuers. Further, under the Listing Manual and the Property Funds Guidelines, such transactions would have to be approved by the Unitholders at a meeting of Unitholders.

Where matters concerning CIT relate to transactions entered into or to be entered into by the Trustee for and on behalf of CIT with a related party of the Manager or CIT, the Trustee is required to consider the terms of such transactions to satisfy itself that such transactions are conducted on normal commercial terms, are not prejudicial to the interests of CIT and the Unitholders, and in accordance with all applicable requirements of the Property Funds Guidelines and/or the Listing Manual relating to the transaction in question. Further, the Trustee, as trustee of CIT, has the ultimate discretion under the Trust Deed to decide whether or not to enter into a transaction involving a related party of the Manager or CIT. If the Trustee is to sign any contract with a related party of the Manager or CIT, the Trustee will review the contract to ensure that it complies with the requirements relating to interested party transactions in the Property Funds Guidelines (as may be amended from time to time) and the provisions of the Listing Manual relating to interested person transactions (as may be amended from time to time) as well as such other guidelines as may from time to time be prescribed by the MAS and the SGX-ST to apply to REITs.

Save for transactions described under "Related Party Transactions in connection with the setting up of CIT and the Offering" and "Other Related Party Transactions", CIT will, in compliance with Rule 905 of the Listing Manual, announce any interested person transaction if such transaction, by itself or when aggregated with other interested person transactions entered into with the same interested person during the same financial year, is 3.0% or more of CIT's latest audited net tangible assets.

The aggregate value of all Related Party Transactions which are subject to Rules 905 and 906 of the Listing Manual in a particular financial year will be disclosed in CIT's annual report for the relevant financial year.

Role of the Audit Committee for Related Party Transactions

The Audit Committee will periodically review all Related Party Transactions to ensure compliance with the Manager's internal control system and with the relevant provisions of the Listing Manual as well as the Property Funds Guidelines. The review will include the examination of the nature of the transaction and its supporting documents or such other data deemed necessary to the Audit Committee.

If a member of the Audit Committee has an interest in a transaction, he or she is to abstain from participating in the review and approval process in relation to that transaction.

Related Party Transactions in connection with the setting up of CIT and the Offering

The Trustee, on behalf of CIT, has entered into a number of transactions with the Manager and certain related parties of the Manager in connection with the setting up of CIT and the Offering. These Related Party Transactions are as follows:

(i) The Trustee has entered into the Trust Deed with the Manager. The terms of the Trust Deed are generally described in the section titled "The Formation and Structure of Cambridge Industrial Trust". The Trust Deed provides for, *inter alia*, the payment from the Trustee to the Manager, of an Acquisition Fee of approximately S$5.2 million for the acquisition of the Properties details of which are set out in the section titled "Summary – Structure of Cambridge Industrial Trust: Certain Fees and Charges".

(ii) CREIM has entered into option agreements with each of the Vendors pursuant to which CREIM was granted the right to require the Vendors to enter into the sale and purchase agreements described in paragraph (iii) below. These option agreements were assigned to the Trustee on 31 March 2006. These option agreements are more particularly described in the section titled "Certain Agreements Relating to Cambridge Industrial Trust and its Properties". Based on its experience, expertise and knowledge, the Manager believes that the option agreements were made on an arm's length basis at prevailing market rates and on normal commercial terms.

(iii) The Trustee will, upon the exercise of the options under the option agreements, be entering into sale and purchase agreements for the acquisition of the Properties. These sale and purchase agreements are more particularly described in the section titled "Certain Agreements Relating to Cambridge Industrial Trust and its Properties".

(iv) The Trustee and the Manager have entered into the Property Management Agreement with the Property Manager for the operation, maintenance, management and marketing of the Properties and all other properties in Singapore subsequently acquired by CIT. This agreement is more particularly described in the section titled "Certain Agreements Relating to Cambridge Industrial Trust and its Properties — Property Management Agreement". The Manager considers that the Property Manager has the necessary expertise and resources to perform the property management, lease management and marketing services for the Properties.

Based on its experience, expertise and knowledge of contracts, the Manager believes that the Property Management Agreement was made on normal commercial terms and is not prejudicial to the interests of CIT or the Unitholders.

(v) The Manager has on 20 September 2005 entered into an agreement with CREIM pursuant to which the Manager appointed CREIM as the Real Estate Investment Consultant to CIT. The fee payable to CREIM upon the listing of CIT on the SGX-ST for the abovementioned appointment is S$2.25 million.

CREIM holds 60.0% of the issued share capital of the Manager. The shareholders of CREIM consist of Mr Chan Wang Kin (Managing Director, Strategy of the Manager) who holds 28.0% of the issued share capital of CREIM, Mr Ang Poh Seong (Managing Director, Investment of the Manager) who holds 28.0% of the issued share capital of CREIM, Dollarton Pte. Ltd. which holds 10.0% of the issued share capital of CREIM, Vickers Financial Group Ltd which holds 16.0% of the issued share capital of CREIM and Vickers Private Equity Fund V Limited Partnership, a fund managed by the Vickers Financial Group Ltd, which holds 18.0% of the issued share capital of CREIM. Dr Tan Seng Chin, Finian, the Chairman and a Non-executive Director of the Manager holds approximately 83.0% of the issued share capital of Vickers Financial Group Ltd.

The Manager believes that the agreement was made on normal commercial terms and is not prejudicial to the interests of CIT and the Unitholders. The Audit Committee has also reviewed the abovementioned transaction and believes that the agreement was made on normal commercial terms and is not prejudicial to the interests of CIT or the Unitholders.

Other Related Party Transactions

Leaseback of CWT Distripark (HQ) to CWT

CWT Distripark (HQ) will be leased back to CWT for a period of eight years commencing on the Listing Date (the "CWT Term"). CWT is a Singapore-incorporated company listed on the Main Board of the SGX-ST and is engaged in the business of cargo logistics and distribution. CWT owns 20.0% of the issued share capital of the Manager.

The rent is S$629,750 per month, subject to (a) a rental escalation of 5.0% on the commencement of the 3rd year from the commencement date of the CWT Term; (b) a further rental escalation of 5.0% on the commencement of the 5th year from the commencement date of the CWT Term on the rental amount applicable immediately before the commencement of the 5th year; and (c) a further rental escalation of 5.0% on the commencement of the 7th year from the commencement date of the CWT Term on the rental amount applicable immediately before the commencement of the 7th year.

The rental rates were based on the valuations as set out in the Appendix III — Independent Property Valuation Summary Reports. Having taken into consideration factors such as the size of CWT Distripark (HQ) and the rental rates of similar properties, the Manager believes that the lease-back agreement was entered into on an arm's-length basis and on normal commercial terms and is not prejudicial to the interests of CIT or the Unitholders.

Leaseback of Jurong Districentre to Jurong Districentre Pte Ltd

Jurong Districentre will be leased-back to Jurong Districentre Pte Ltd for a period of eight years commencing on the Listing Date (the "JD Term"). 70.0% of the issued share capital of Jurong Districentre Pte Ltd is owned by CWT, which in turn owns 20.0% of the issued share capital of the Manager.

The rent is S$292,333.33 per month, subject to (a) a rental escalation of 5.0% on the commencement of the 3rd year from the commencement date of the JD Term; (b) a further rental escalation of 5.0% on the commencement of the 5th year from the commencement date of the JD Term on the rental amount applicable immediately before the commencement of the 5th year; and (c) a further rental escalation of 5.0% on the commencement of the 7th year from the commencement date of the JD Term on the rental amount applicable immediately before the commencement of the 7th year.

The rental rates were based on the valuations as set out in Appendix III — Independent Property Valuation Summary Reports. Having taken into consideration factors such as the size of Jurong Districentre and the rental rates of similar properties, the Manager believes that the lease-back agreement was entered into at arm's-length and on normal commercial terms and is not prejudicial to the interests of CIT or the Unitholders.

Exempted Agreements

The Trust Deed, the Property Management Agreement and the agreements set out under "Related Party Transactions in connection with the setting up of CIT and the Offering" and "Other Related Party Transactions" above (collectively, the "Exempted Agreements"), each of which constitutes or would constitute a Related Party Transaction, are deemed to have been specifically approved by the Unitholders upon subscription for the Units and are therefore not subject to Rules 905 and 906 of the Listing Manual to the extent that there is no subsequent change to the rates and/or bases of the fees charged thereunder which will adversely affect CIT. However, the renewal of such agreements will be subject to Rules 905 and 906 of the Listing Manual.

Future Related Party Transactions

As a REIT, CIT is regulated by the Property Funds Guidelines and the Listing Manual. The Property Funds Guidelines regulate, among other things, transactions entered into by the Trustee (for and on behalf of CIT) with an "interested party" relating to CIT's acquisition of assets from or sale of assets to an "interested party", CIT's investment in securities of or issued by an "interested party" and the engagement of an "interested party" as property management agent or marketing agent for CIT's properties. Depending on the materiality of transactions entered into by CIT for the acquisition of assets from, the sale of assets to or the investment in securities of or issued by, an "interested party", the Property Funds Guidelines may require that an immediate announcement to the SGX-ST be made, and may also require that the approval of the Unitholders be obtained.

The Listing Manual regulates all "interested person transactions" (as defined therein), including transactions already governed by the Property Funds Guidelines. Depending on the materiality of the transaction, CIT may be required to make a public announcement of the transaction, or to make a public announcement of and to obtain the Unitholders' prior approval for the transaction. The Trust Deed requires the Trustee and the Manager to comply with the provisions of the Listing Manual relating to "interested person transactions" as well as such other guidelines relating to "interested person transactions" as may be prescribed by the SGX-ST to apply to REITs.

The Manager may at any time in the future seek a general annual mandate from the Unitholders pursuant to Rule 920(1) of the Listing Manual for recurrent transactions of a revenue or trading nature or those necessary for its day-to-day operations, including a general mandate in relation to tenancy agreements and/or licence agreements to be entered into with "interested persons" (as defined in the Listing Manual), and all transactions conducted under such general mandate for the relevant financial year will not be subject to the requirements of Rules 905 and 906 of the Listing Manual. In seeking such a general annual mandate, the Trustee will appoint an independent financial adviser (without being required to consult the Manager) pursuant to Rule 920(1)(b)(v) of the Listing Manual to render an opinion as to whether the methods or procedures for determining the transaction prices of the transactions contemplated under the annual general mandate are sufficient to ensure that such transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of CIT and the Unitholders.

Both the Property Funds Guidelines and the Listing Manual requirements would have to be complied with in respect of a proposed transaction which is *prima facie* governed by both sets of rules. Where matters concerning CIT relate to transactions entered or to be entered into by the Trustee for and on behalf of CIT with a related party (either an "interested party" under the Property Funds Guidelines or an "interested person" under the Listing Manual) of the Manager or CIT, the Trustee is required to ensure that such transactions are conducted in accordance with applicable requirements of the Property Funds Guidelines and/or the Listing Manual relating to the transaction in question.

The Manager is not prohibited by either the Property Funds Guidelines or the Listing Manual from contracting or entering into any financial, banking or any other type of transaction with the Trustee (when acting other than in its capacity as trustee of CIT) or from being interested in any such contract or transaction, provided that any such transaction shall be on normal commercial terms and is not prejudicial to the interests of CIT and the Unitholders. The Manager shall not be liable to account to the Trustee or to the Unitholders for any profits or benefits or other commissions made or derived from or in connection with any such transaction. The Trustee shall not be liable to account to the Manager or to the Unitholders for any profits or benefits or other commissions made or derived from or in connection with any such transaction.

Generally, under the Listing Manual, the Manager, its "connected persons" (as defined in the Listing Manual) and any Director of the Manager are prohibited from voting their respective own Units at, or being part of a quorum for, any meeting to approve any matter in which it has a material interest in the business to be conducted.

Right of First Refusal and Last Look granted to CITM by CWT

CWT holds 20.0% of the issued share capital of the Manager. CWT, being a controlling shareholder of the Manager, is hence considered an "Interested Party" pursuant to the Property Funds Guidelines, and all transactions between CWT and the Trustee will fall within the definition of "Related Party Transactions".

On 3 October 2005, the Manager was granted a right of first refusal and last look by CWT, for a period of three years, over each of the industrial properties owned or that may be owned by CWT or its subsidiaries in Singapore, and such other properties that may be owned by CWT or its subsidiaries in Malaysia, Indonesia, Thailand, Philippines, Australia, China, Taiwan and the special administrative regions of Hong Kong and Macau (the "Territories")(the "Industrial Properties" and each an "Industrial Property"). In relation to the Industrial Properties, the abovementioned right of first refusal and last look shall be subject to the unanimous approval of the joint owners of such Industrial Properties and/or shareholders of the relevant subsidiary of CWT in the Territories (excluding Singapore). This right of first refusal and last look will be extended (the extended period, together with the period of three years, to be referred to as the "First Right and Last Look Period"), for such period as:

(a) the Manager is the manager of CIT;

(b) CIT and the Units are listed and quoted on the Official List of the SGX-ST;

(c) Vickers Financial Group Ltd and the funds managed by Vickers Financial Group Ltd, Mr Chan Wang Kin and Mr Ang Poh Seong have collectively not less than a 30.0% effective interest in the Manager; and

(d) CWT owns not less than 20.0% of the total issued share capital of the Manager (excluding any changes due to dilution).

The right of first refusal and last look was assigned to the Trustee on 31 March 2006.

During the First Right and Last Look Period, the Trustee will have the right of first refusal for each of the Industrial Properties (excluding any sale or disposal by any mortgagee of such Industrial Properties). During the First Right and Last Look Period, CWT and its subsidiary are required to make an offer to the Trustee to sell their Industrial Properties to the Trustee first before they make an offer to sell such Industrial Properties to third parties (the "Initial Offer"). The Initial Offer to the Trustee will be valid for 45 days after the date of such Initial Offer (the "Initial Offer Period"), during which time the Trustee will notify CWT and/or its subsidiary (as the case may be) as to whether it wishes to purchase the Industrial Property, and if so, the price at which it proposes to purchase such Industrial Property and the payment terms thereof (the "Initial Offer Terms"). If the Trustee declines the Initial Offer or the Initial Offer Period lapses without any indication of the Initial Offer Terms by the Trustee (whichever is earlier), CWT and/or its subsidiary may thereafter offer the Industrial Property to third parties at any terms subject to the right of counter-offer set out below. If the Trustee notifies CWT and/or its subsidiary (as the case may be) of the Initial Offer Terms within the Initial Offer Period, CWT and/or its subsidiary (as the case may be) shall, subject to obtaining the necessary approval of its shareholders, within 90 days thereafter notify the Trustee whether it accepts such Initial Offer Terms. If CWT and/or its subsidiary (as the case may be) is not agreeable to the Initial Offer Terms, it shall be free to sell such Industrial Property to any third party provided that such sale is on more favourable terms than the Initial Offer Terms and subject to the right of counter-offer set out below.

If (i) the Trustee declines the Initial Offer or (ii) the Trustee fails to indicate any Initial Offer Terms during the Initial Offer Period, or (iii) the Initial Offer Terms indicated by the Trustee during the Initial Offer Period are not accepted by CWT and/or its subsidiary (as the case may be), and CWT and/or its subsidiary (as the case may be) reaches an in-principle agreement to sell such Industrial Property to a third party, CWT and/or its subsidiary (as the case may be) shall notify the Trustee of the main terms of such transfer (the "Transfer Terms") but without disclosing the identity of such third parties. The Trustee will be entitled to review the proposed Transfer Terms, and match the offer made to such third parties (the "Counter-Offer") anytime within 7 business days after the receipt by the Trustee of the notification and Transfer Terms from CWT and/or its subsidiary subject to any requsite approval from the Trustee and/or Unitholders and compliance with any requirements of the SGX-ST and the Authority. If the Trustee makes the Counter-Offer, CWT and/or its subsidiary will be obliged to transfer to the Trustee and the Trustee will be obliged to purchase the Industrial Property based on the terms of the Counter-Offer. Should the Trustee fail to make the Counter-Offer during the abovementioned 7 business day period, CWT and/or its subsidiary shall be entitled to sell or dispose of the Industrial Property to any third party on the Transfer Terms.

CIT shall ensure that all transactions carried out pursuant to the right of first refusal and last look shall be in compliance with the requirements of the Property Funds Guidelines and the Listing Manual, as set out under the section titled "Future Related Party Transactions".

Right of First Refusal granted to CITM by C & P Holdings

CWT holds 20.0% of the issued share capital of the Manager. C & P Holdings holds approximately 59.1% of the issued share capital of CWT. The shareholders of C & P Holdings are Stanley Liao Private Limited (36.3%), Loi Kai Meng (Pte.) Limited (29.0%), Lim Soo Seng (Pte.) Ltd (26.6%), Chung Boon Hoe (4.5%) and Ng Tai Chuan (Pte.) Ltd (3.6%). C & P Holdings, as the controlling shareholder of CWT, is deemed to be a controlling shareholder (as defined in the Listing Manual) of the Manager. C & P Holdings is therefore considered an “interested party” pursuant to the Property Fund Guidelines, and all transactions between C & P Holdings and CIT will fall within the definition of “Related Party Transactions”.

On 3 October 2005, C & P Holdings, the controlling shareholder of CWT, entered into a Deed of Covenant with the Manager whereby C & P Holdings agreed to procure C & P Distribution, a wholly-owned subsidiary of C & P Holdings, and the legal owner of the Changi Property (as defined below) for a period of three years to grant the Manager a right of first refusal over its property under construction at Lot 8814 Mukim 27 at Changi South Lane (the “Changi Property”) which is expected to have a gross floor area of approximately 33,850 sq m. This right of first refusal will be extended (the extended period, together with the period of three years, to be referred to as the “First Right Period”) for such period as:

(a) the Manager is the manager of CIT;

(b) CIT and the Units are listed and quoted on the Official List of the SGX-ST;

(c) Vickers Financial Group Ltd and the funds managed by Vickers Financial Group Ltd, Mr Chan Wang Kin and Mr Ang Poh Seong have collectively not less than a 30.0% effective interest in the Manager;

(d) C & P Holdings remains the controlling shareholder of CWT and C & P Distribution (the Deed of Covenant does not define “controlling shareholder” for this purpose); and

(e) CWT owns not less than 20.0% of the total issued and paid up share capital of the Manager (including any changes due to dilution).

The right of first refusal was assigned to the Trustee on 31 March 2006.

During the First Right Period, the Trustee will have the right of first refusal to buy the Changi Property in the event of any proposed sale or disposal of the Changi Property (excluding any sale or disposal by any mortgagee of the Changi Property) by C & P Distribution. In such event, C & P Holdings shall procure C & P Distribution to make an offer to the Trustee to buy the Changi Property first before they and/or C & P Distribution make an offer to any third parties (the “Offer”). The Offer to the Trustee will be valid for 45 days after the date of such Offer (the “Offer Period), during which time the Trustee shall notify C & P Distribution as to whether it wishes to purchase the Changi Property, and if so, the price at which it proposes to purchase the Changi Property and the payment terms thereof (the “Offer Terms”). If the Trustee declines the Offer or the Offer Period lapses without any indication of the Offer Terms by the Trustee (whichever is earlier), C & P Distribution will be free to offer the Changi Property to third parties at any terms. If the Trustee notifies C & P Distribution of the Offer Terms within the Offer Period, C & P Distribution shall, subject to obtaining the necessary approval of the shareholders of C & P Holdings, within 45 days thereafter notify the Trustee whether it accepts such Offer Terms. If C & P Distribution is not agreeable to the Offer Terms, it will be free to sell the Changi Property to any third party provided that such sale is on more favourable terms than the Offer Terms. CIT will ensure that all transactions carried out pursuant to the right of first refusal will be in compliance with the requirements of the Property Funds Guidelines and the Listing Manual, as set out under “Future Related Party Transactions”.

THE FORMATION AND STRUCTURE OF CAMBRIDGE INDUSTRIAL TRUST

The Trust Deed is a complex document of which the following is only a summary and is qualified in its entirety by, and is subject to, the contents of the Trust Deed. Investors should refer to the Trust Deed itself to confirm specific information or for a detailed understanding of CIT. The Trust Deed is available for inspection at the registered office of the Manager at 61 Robinson Road, #14-02 Robinson Centre, Singapore 068893.

The Trust Deed

CIT is a real estate investment trust constituted by the Trust Deed and principally regulated by the SFA and the CIS Code (including the Property Funds Guidelines).

The Trust Deed was entered into on 31 March 2006 between Cambridge Industrial Trust Management Limited as the manager of CIT and RBC Dexia Trust Services Singapore Limited (formerly known as Dexia Trust Services Singapore Limited) as the trustee of CIT.

The terms and conditions of the Trust Deed shall be binding on each Unitholder (and persons claiming through such Unitholder) as if such Unitholder had been a party to the Trust Deed and as if the Trust Deed contains covenants by such Unitholder to observe and be bound by the provisions of the Trust Deed and an authorisation by each Unitholder to do all such acts and things as the Trust Deed may require the Manager and/or the Trustee to do.

The provisions of the SFA and the CIS Code (including the Property Funds Guidelines) prescribe certain terms of the Trust Deed and certain rights, duties and obligations of the Manager, the Trustee and the Unitholders under the Trust Deed.

The Property Funds Guidelines also impose certain restrictions on REITs in Singapore, including a restriction on the types of investments which REITs in Singapore may hold and a general limit on their level of borrowings. The Manager must not direct the Trustee to incur a liability if to do so would mean that CIT's total borrowings and deferred payments (including deferred payments for assets whether to be settled in cash or in units of CIT) exceed 35.0% of the value of its Deposited Property (or such other limit as may be stipulated by the MAS, including in the Property Funds Guidelines). The aggregate leverage of CIT may exceed 35.0% of CIT's Deposited Property (up to a maximum of 60.0% or such other limit as may be stipulated by the MAS, including in the Property Funds Guidelines) only if a credit rating of CIT from Fitch, Inc., Moody's or Standard & Poor's is obtained and disclosed to the public. CIT should continue to maintain and disclose a credit rating so long as its aggregate leverage exceeds 35.0% of CIT's Deposited Property. On 3 July 2006, Standard & Poor's International, LLC assigned to CIT a long term corporate credit rating of 'BBB-', conditional upon the Offering and the acquisition of the Properties.[1]

Operational Structure

CIT is a real estate investment trust established with the objective of investing directly or indirectly in income-producing real estate and real estate-related assets which are used mainly for industrial (including warehousing) purposes. CIT seeks to provide Unitholders with a competitive rate of return on their investment by ensuring stable and regular distributions and long-term growth in both distributions and net asset value per Unit. This involves sourcing and acquiring value-enhancing assets in Asia, with an initial focus on properties in Singapore.

The initial portfolio of CIT will comprise the Properties covering an aggregate of approximately 426,725.2 sq m of Lettable Area, all of which are located in Singapore. The total Appraised Value, as

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[1] Standard & Poor's International, LLC has given its written consent to the issue of this Prospectus with the statements about the rating assigned to CIT in the form and context in which they are included, and has not withdrawn that consent before the date of this Prospectus. A rating may be changed, suspended or withdrawn at any time as a result of changes in, or unavailability of, information, or based on other circumstances. A Standard & Poor's rating is not a recommendation to buy, hold or sell any securities and Standard & Poor's International, LLC, in giving a rating, does not comment on market price of or suitability in relation to a particular investor.

determined by the Independent Valuers[1] of the entire initial portfolio of Properties amounts to S$519.0 million, with annualised gross revenue of approximately S$43.2 million for the Forecast Period 2006. Although the initial focus of CIT will be on properties in Singapore, CIT intends to explore opportunities in China, Malaysia, and possibly Thailand in the short to medium term and other Asian countries in the longer term, subject to investment opportunities and market conditions. CIT's investments will generally be of a long term nature. CIT's investments may be by way of direct acquisition and ownership of property by CIT or may be effected indirectly through the acquisition and ownership of companies or other legal entities whose primary purpose is to hold or own real estate or real estate-related assets.

For further details of the investment objectives and policies of the Manager, see Clause 10.2 of the Trust Deed.

The Units and Unitholders

The rights and interests of Unitholders are contained in the Trust Deed. Under the Trust Deed, these rights and interests are safeguarded by the Trustee.

Each Unit represents an undivided interest in CIT. A Unitholder has no equitable or proprietary interest in the underlying assets of CIT and is not entitled to the transfer to it of any asset (or any part thereof) or of any real estate or real estate-related assets (or any part thereof) of CIT. A Unitholder's right is limited to the right to require due administration of CIT in accordance with the provisions of the Trust Deed, including, without limitation, by suit against the Trustee or the Manager.

Under the Trust Deed, each Unitholder acknowledges and agrees that it will not commence or pursue any action against the Trustee or the Manager seeking an order for specific performance or for injunctive relief in respect of the assets of CIT (or any part thereof), including all its Authorised Investments (as defined in the Trust Deed), and waives any rights it may otherwise have to such relief. If the Trustee or the Manager breaches or threatens to breach its duties or obligations to the Unitholder under the Trust Deed, the Unitholder's recourse against the Trustee or the Manager is limited to a right to recover damages or compensation from the Trustee or the Manager in a court of competent jurisdiction and the Unitholder acknowledges and agrees that damages or compensation is an adequate remedy for such breach or threatened breach.

Further, unless otherwise expressly provided in the Trust Deed, a Unitholder may not interfere or seek to interfere with the rights, powers, authority or discretion of the Manager or the Trustee, exercise any right in respect of the assets of CIT or any part thereof or lodge any caveat or other notice affecting the real estate assets and real estate-related assets of CIT or any part thereof, or require that any Authorised Investments forming part of the assets of CIT be transferred to such Unitholder.

No certificate shall be issued to Unitholders by either the Manager or the Trustee in respect of Units issued to Unitholders. For so long as CIT is listed, quoted and traded on the SGX-ST and/or any other Recognised Stock Exchange and the Units have not been suspended from such listing, quotation and trading for more than 60 consecutive calendar days or de-listed permanently, the Manager shall, pursuant to the Depository Agreement, appoint CDP as the Unit depository for CIT, and all Units issued will be represented by entries in the register of Unitholders kept by the Trustee or the agent appointed by the Trustee in the name of, and deposited with, CDP as the registered holder of such Units. The Manager or the agent appointed by the Manager shall issue to CDP not more than 10 Business Days (as defined in the Trust Deed) after the issue of Units a confirmation note confirming the date of issue and the number of Units so issued and, if applicable, also stating that the Units are issued under a lock-up and the expiry date of such lock-up and for the purposes of the Trust Deed, such confirmation note shall be deemed to be a certificate evidencing title to the Units issued.

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[1] The Manager has, for the purpose of obtaining an additional independent opinion, commissioned the Additional Independent Valuer to conduct additional indpendent valuations on each of the top 10 Properties by Acquisition Value. See "Additional Independent Property Valuation Summary Reports" in Appendix IV.

There are no restrictions under the Trust Deed or Singapore law on a person's right to subscribe for (or purchase) Units and to own Units. However, the Securities Industry Council on 21 June 2006 issued a consultation paper on revision of the Singapore Code on Takeovers and Mergers. The consultation paper invited views and comments from the public in relation to a number of proposed changes to the Singapore Code on Takeovers and Mergers, amongst which was whether the Singapore Code on Takeovers and Mergers should apply to REITs constituted as collective investment schemes under the SFA. Should the feedback be in favour of such changes, it is likely that the Singapore Code on Takeovers and Mergers would be amended to apply to REITs constituted as collective investment schemes under the SFA. In such event, any subscription for (or purchase) of Units which may result in any change in effective control of CIT will be subject to the mandatory general offer and other provisions of the Singapore Code on Takeovers and Mergers.

Issue of Units

The following is a summary of the provisions of the Trust Deed relating to the issue of Units in CIT.

The Manager has the exclusive right to issue Units for the account of CIT. The issue of Units for the purpose of an initial public offering of Units shall be at an Issue Price (as defined in the Trust Deed) of S$0.68 per Unit.

However, in relation to the initial issue of Units by CIT, the Manager is not bound to accept an application for fewer than 1,000 Units. No fractions of Units shall be issued and the Manager shall, in respect of each Unitholder's entitlement to Units, truncate but not round off to the nearest whole Unit and any balance arising from such truncation shall be retained as part of the Deposited Property.

Units, when listed on the SGX-ST, may be traded on the SGX-ST and settled through CDP. For so long as CIT is listed on the SGX-ST, the Manager may, subject to the provisions of the Listing Manual and the Trust Deed, issue further Units at Issue Prices to be determined in accordance with the following provisions:

(i) Units may be issued on a Business Day at the Market Price;

(ii) the Issue Price (as defined in the Trust Deed) of a Unit for a rights issue offered on a pro rata basis to all existing Unitholders must not be less than 50.0% of the Market Price on the Business Day preceding the day on which the intention to make the offer or issue is announced. If required and not waived by the SGX-ST or the Recognised Stock Exchange in which CIT is listed, any such rights entitlement must be tradable on the SGX-ST or the Recognised Stock Exchange on which CIT is listed. The Trustee must ensure that such a rights issue is made at a price that is in accordance with the terms specified in this sub-paragraph (ii);

(iii) the Issue Price (as defined in the Trust Deed) of a Unit for any reinvestment of distribution arrangement under the Trust Deed must not be less than 90.0% of the Market Price as at the Business Day immediately following the Record Date (as defined in the Trust Deed) for the determination of Unitholders' entitlements to distributions. The Trustee must ensure that such an issue is made at a price that is in accordance with the terms specified in this sub-paragraph (iii);

(iv) the Issue Price (as defined in the Trust Deed) of a Unit issued other than by way of a rights issue offered on a pro-rata basis to all existing Unitholders must be determined in accordance with the conditions set out in sub-paragraphs (v) and (vi) below;

(v) new Units may be issued, other than by way of a rights issue offered on a pro rata basis to all existing Unitholders, without the prior approval of Unitholders in a meeting of Unitholders if:

    (a) the issue (together with any other issue of Units, including Units issued to the Manager in payment of the Manager's fees, other than by way of a rights issue offered on a pro rata basis to all existing Unitholders, in the same financial year) is of Units which in aggregate value would not, immediately after the issue, exceed 10.0% of the value of the Deposited Property (or such other percentage as may, from time to time, be prescribed by the MAS) provided that the number of Units which would be represented by such percentage does not exceed the number of Units represented by 20.0% of the outstanding Units (or such other percentage of outstanding Units as may, from time to time, be prescribed by SGX-ST); and

(b) if such an issue is made at a discount to the "market price", the discount does not exceed 5.0% or such other percentage as may, from time to time, be prescribed by the MAS; and

(vi) where Units are listed, any issue of new Units exceeding any of the thresholds in sub-paragraphs (v)(a) and (b) above will require specific prior approval of Unitholders by Extraordinary Resolution of Unitholders passed at a Unitholders' meeting duly convened by the Manager in accordance with the Trust Deed. In addition, any issue of new Units, other than by way of a rights issue offered on a pro rata basis to all existing Unitholders, must comply with the following:

(a) where no prior approval of Unitholders has been obtained for such issue, the Trustee must ensure that the conditions set out in sub-paragraphs (v)(a) and (b) above are complied with;

(b) if an issue of new Units (together with any other issue of Units, including Units issued to the Manager in payment of the Manager's Base Fee, other than by way of a rights issue offered on a pro rata basis to all existing Unitholders, in the same financial year) would, immediately after the issue, exceed 10.0% of the value of the Deposited Property (or such other percentage as may, from time to time, be prescribed by the MAS), or if it exceeds the number of Units represented by 20.0% of the outstanding Units (or such other percentage of outstanding Units as may, from time to time, be prescribed by the SGX-ST), specific prior approval must have been obtained at a meeting of Unitholders by Extraordinary Resolution to be convened by the Manager in accordance with the Trust Deed. If relevant in the circumstances, specific prior approval of Unitholders by Extraordinary Resolution must also have been obtained to permit the issue of Units to the Manager in payment of the Manager's Base Fee if the issue of Units contemplated hereunder exceeds any of the percentage limits stated above;

(c) the Trustee, the Manager and their related parties, and the Directors and immediate family members of the Directors of such corporations, may, if required and not waived by the SGX-ST, only participate in a private placement with prior specific approval of the Unitholders at a general meeting at which the person to which the placement is to be made, its related parties, their Directors and immediate family members of those Directors must abstain from voting. For the purposes of this sub-paragraph, "related parties" shall mean related corporations as defined in the Companies Act, as well as associated companies; and

(d) for the purposes of sub-paragraph (v) above and this sub-paragraph (vi), "market price" shall mean the volume weighted average price for trades done on the Recognised Stock Exchange on which CIT is listed, on the day the placement agreement or equivalent agreement is signed. The volume weighted average price shall be calculated based on the trades done for a full market day, or if trading in the listed Units is not available for a full market day, the volume weighted average price shall be calculated based on the trades done on the preceding market day up to the time the placement agreement is signed (or such other time as may be deemed appropriate by the Trustee).

In addition, the SGX-ST has directed that the aggregate number of additional Units which CIT may issue, without obtaining Unitholders' approval in every 12-month period, shall not exceed 50.0% of the number of Units in issue as at the date of the commencement of the first and each successive 12-month period, of which the aggregate number of Units issued other than on a pro rata basis to existing Unitholders shall not exceed 20.0% of the number of Units in issue as at the said date. The first 12-month period will commence on the Listing Date.

If in connection with an issue of a Unit, payment of the Issue Price for such Unit has not been received by the Trustee before the seventh Business Day after the Unit was agreed to be issued (or such other date as the Manager and the Trustee may agree), the Manager may cancel its agreement to issue such Unit and upon notice being given to the Trustee, such Unit will be deemed never to have been issued or agreed to be issued. In such an event, the Manager may, at its discretion, charge the investor (and retain the same for its own account) (i) a cancellation fee of such amount as the Manager may from time to time determine to represent the administrative costs involved in processing the application for such Unit and (ii) an amount (if any) by which the Issue Price of such Unit exceeds the repurchase price applying if such Unit was requested to have been repurchased or redeemed on the same day.

Suspension of Issue of Units

The Manager or the Trustee may, with the prior written approval of the other and subject to the listing rules of the SGX-ST, suspend the issue of Units during:

(i) any period when the SGX-ST or any other relevant Recognised Stock Exchange is closed (otherwise than for public holidays) or during which dealings are restricted or suspended;

(ii) the existence of any state of affairs which, in the opinion of the Manager or the Trustee (as the case may be) might seriously prejudice the interests of the Unitholders as a whole or of the Deposited Property;

(iii) any breakdown in the means of communication normally employed in determining the price of any assets of CIT or the current price thereof on the SGX-ST or any other relevant Recognised Stock Exchange, or when for any reason the prices of any assets of CIT cannot be promptly and accurately ascertained;

(iv) any period when remittance of money which will or may be involved in the realisation of any asset of CIT or in the payment for such asset of CIT cannot, in the opinion of the Manager, be carried out at normal rates of exchange;

(v) in relation to any general meeting of the Unitholders, the period of 48 hours before such extraordinary general meeting or any adjournment thereof;

(vi) any period where the issuance of Units is suspended pursuant to any order or direction issued by the MAS; or

(vii) any period when the business operations of the Manager or the Trustee in relation to CIT are substantially interrupted or closed as a result of, or arising from, pestilence, acts of war, terrorism, insurrection, revolution, civil unrest, riots, strikes or acts of God.

Such suspension shall take effect forthwith upon the declaration in writing thereof by the Manager or the Trustee (as the case may be) and shall terminate on the day following the first Business Day on which the condition giving rise to the suspension ceases to exist and no other conditions under which suspension is authorised (as set out above) shall exist, upon the declaration in writing thereof by the Manager or the Trustee (as the case may be).

In the event of any suspension while CIT is listed on the SGX-ST, the Manager shall ensure that immediate announcement of such suspension is made through the SGX-ST.

Redemption of Units

When Units are Listed on the SGX-ST

Unitholders have no right to request the Manager to repurchase or redeem their Units while the Units are listed on the SGX-ST. It is intended that Unitholders may only deal in their listed Units through trading on the SGX-ST. However, under the Trust Deed, the Manager may decide to make any offer to repurchase or redeem Units (in which case the repurchase price shall be the Current Unit Value per Unit (as defined in the Trust Deed)). In the event the Manager so decides, such repurchase or redemption must comply with the Property Funds Guidelines and the listing rules of the SGX-ST. Any offer of repurchase or redemption of Units shall be offered on a pro rata basis to all Unitholders.

The Manager may also, subject to the listing rules of the SGX-ST, suspend the repurchase or redemption of Units for any period when the issue of Units is suspended pursuant to the terms and conditions of the Trust Deed (see the section titled "Suspension of Issue of Units").

When Units are Suspended or De-listed

If the Units of CIT have been suspended from trading for at least 60 consecutive calendar days or de-listed from the SGX-ST, the Manager is required to offer to redeem the Units within 30 calendar days from such suspension or de-listing. In offering such redemption, the Manager is required to offer to redeem Units representing in value at least 10.0% of CIT's Deposited Property.

Should a trading suspension be lifted within 30 calendar days after the suspension, the Manager has the option to withdraw any redemption offer made. Should the trading suspension be lifted after the offer period to redeem has commenced, the Manager is required to satisfy all redemption requests which have been received prior to the date the trading suspension is lifted. The Manager will not be obliged to satisfy those redemption requests received after the date the trading suspension is lifted.

When Units are Suspended Indefinitely or De-listed

If CIT continues to be suspended indefinitely or has been de-listed from the SGX-ST, the Manager is required to offer to redeem Units at least once a year after the first offer to redeem Units on a suspension or de-listing explained above has closed. In other words, CIT will then be treated as an unlisted property fund.

Redemption Procedures

The Manager will send an offer notice to Unitholders in the event of any offer to redeem the Units. Unitholders wishing to redeem will be asked to respond by sending a request for repurchase or redemption. Following receipt of the request for repurchase or redemption, the repurchase price for the Units that are the subject of the request shall be paid by the Manager to the Unitholder as soon as practicable (and as may be prescribed by the Property Funds Guidelines) after the date of the receipt of the request. The repurchase price shall be the Current Unit Value of the relevant Unit on the day the request is accepted by the Manager less the Repurchase Charge (as defined below) and less an amount to adjust the resultant total downwards to the nearest whole Cent. The Repurchase Charge is a charge upon the repurchase or redemption of a Unit of such amount as may from time to time be fixed by the Manager generally or in relation to any specific or class of transaction provided that it shall not exceed 2.0% (or such other percentage as the Manager and the Trustee may agree) of the repurchase price at the time the request for repurchase or redemption of the Unit is accepted by the Manager and that this charge shall not apply while the Units are listed, quoted and traded on the SGX-ST and/or any other Recognised Stock Exchange and the Units have not been suspended from such listing, quotation and trading for more than 60 consecutive calendar days or been de-listed permanently.

Rights and Liabilities of Unitholders

The key rights of Unitholders include rights to:

(i) receive income and other distributions attributable to the Units held;

(ii) receive audited accounts and the annual reports of CIT; and

(iii) participate in the termination of CIT by receiving a share of all net cash proceeds derived from the realisation of the assets of CIT less any liabilities, in accordance with their proportionate interests in CIT.

No Unitholder has a right to require that any asset of CIT be transferred to him.

Further, Unitholders cannot give any directions to the Trustee or the Manager (whether at a meeting of Unitholders or otherwise) if it would require the Trustee or the Manager to do or omit doing anything which may result in:

(i) CIT ceasing to comply with applicable laws and regulations; or

(ii) the exercise of any discretion expressly conferred on the Trustee or the Manager by the Trust Deed or the determination of any matter which, under the Trust Deed, requires the agreement of either or both of the Trustee and the Manager.

The Trust Deed contains provisions that are designed to limit the liability of a Unitholder to the amount paid or payable for any Unit. The provisions seek to ensure that if the Issue Price (as defined in the Trust Deed) of the Units held by a Unitholder has been fully paid, no such Unitholder, by reason alone of being a Unitholder, will be personally liable to indemnify the Trustee or any creditor of CIT in the event that the liabilities of CIT exceed its assets.

Amendment of the Trust Deed

Subject to the third paragraph below, save where an amendment to the Trust Deed has been approved by an Extraordinary Resolution passed at a meeting of Unitholders duly convened and held in accordance with the provisions of the Trust Deed, no amendment may be made to the provisions of the Trust Deed unless the Trustee certifies, in its opinion, that such amendment:

(i) does not materially prejudice the interests of Unitholders and does not operate to release to any material extent the Trustee or the Manager from any responsibility to the Unitholders;

(ii) is necessary in order to comply with applicable fiscal, statutory or official requirements (whether or not having the force of law); or

(iii) is made to correct a manifest error.

No such amendment shall impose upon any Unitholder any obligation to make any further payments in respect of his Units or to accept any liability in respect thereof.

Notwithstanding any of the above, the Manager and the Trustee may, with the written approval of the competent authorities, alter certain provisions in Clause 10.17 of the Trust Deed relating to the use of derivatives.

Meeting of Unitholders

Under applicable law and the provisions of the Trust Deed, CIT will not hold any meetings for Unitholders unless the Trustee or the Manager convenes a meeting or unless not less than 50 Unitholders or one tenth in number of Unitholders (whichever is the lesser) requests a meeting to be convened.

A meeting of Unitholders when convened may, by Extraordinary Resolution and in accordance with the Trust Deed:

(i) sanction any modification, alteration or addition to the Trust Deed which shall be agreed by the Trustee and the Manager as provided in the Trust Deed;

(ii) sanction a supplemental deed increasing the maximum permitted limit or any change in the structure of the Manager's Base Fee, Performance Fee, Acquisition Fee and Disposal Fee and the Trustee's fees;

(iii) sanction any issue of Units by the Manager other than by way of an issue of Units as described in sub-paragraphs (2)–(6) of the section titled "The Formation and Structure of Cambridge Industrial Trust — Issue of Units";

(iv) remove the auditors;

(v) remove the Trustee;

(vi) remove the Manager; and

(vii) direct the Trustee to take any action pursuant to section 295 of the SFA.

Any decision to be made by resolution of Unitholders other than the above shall be made by Ordinary Resolution, unless an Extraordinary Resolution is required by the SFA, the CIS Code or the Listing Manual.

Except as otherwise provided for in the Trust Deed, 14 days' notice at the least (not inclusive of the day on which the notice is served or deemed to be served and of the day for which the notice is given) of every meeting shall be given to the Unitholders in the manner provided in the Trust Deed. The quorum at a meeting shall not be less than two Unitholders present in person or by proxy of one-tenth in value of all the Units for the time being in issue. Each notice shall specify the place, day and hour of the meeting, and the terms of the resolutions to be proposed, and each such notice may, in general, be given by advertisement in the daily press and in writing to each stock exchange on which CIT is listed. Any notice of a meeting called to consider special business shall be accompanied by a statement regarding the effect of any proposed resolutions in respect of such special business.

Voting at a meeting shall be by a show of hands unless a poll is demanded by the chairman of the meeting, or by five or more Unitholders present in person or by proxy, or holding or representing one tenth in value of all the Units represented at the meeting. Unitholders do not have different voting rights on account of the number of Units held by a particular Unitholder. On a show of hands, every Unitholder has one vote. On a poll, every Unitholder has one vote for each Unit of which it is the Unitholder. The Trust Deed does not contain any limitation on non-Singapore resident or foreign Unitholders holding Units or exercising the voting rights with respect to their Unitholdings.

Save for a meeting convened to consider the removal of the Manager, neither the Manager nor any of its related parties or connected persons (as defined in the Listing Manual) of the Manager shall be entitled to vote or be counted in the quorum at a meeting convened to consider a matter in respect of which the Manager or its related parties or connected person has a material interest.

Substantial Holdings

Under Section 137A of the Securities and Futures Act, Unitholders holding 5.0% or more of the total number of Units (the "Substantial Unitholders") will be required to notify the SGX-ST of their deemed and direct holdings and subsequent change in the percentage level of such holdings (rounded down to the next whole number) or their ceasing to hold 5.0% or more of the total number of Units within two Business Days of acquiring such holdings or of such changes or such cessation.

Under Section 137B of the Securities and Futures Act, Substantial Unitholders must also, within the same time limit, submit such notifications to the Trustee.

Failure to comply with either section 137A or section 137B of the Securities and Futures Act constitutes an offence and will render a Substantial Unitholder liable to a fine on conviction.

Directors' Declaration of Unitholdings

Under the Trust Deed, the Directors of the Manager are required to give notice to the Manager of their acquisition of Units or to changes to the number of Units which they hold or in which they have an interest, within two Business Days after such acquisition or the occurrence of the event giving rise to changes in the number of Units which they hold or in which they have an interest, as applicable.

A Director of the Manager is deemed to have an interest in Units in the following circumstances:

(i) where the Director is the beneficial owner of a Unit (whether directly through a direct Securities Account or indirectly through a depository agent or otherwise), he is deemed to have an interest in that Unit;

(ii) where a body corporate is the beneficial owner of a Unit and the Director is entitled to exercise or control the exercise of not less than 20.0% of the votes attached to the voting shares in the body corporate, he is deemed to have an interest in that Unit;

(iii) where the Director's spouse or infant child (including step-child and adopted child) has any interest in a Unit, he is deemed to have an interest in that Unit;

(iv) where the Director, his spouse or infant child (including step-child and adopted child):

(a) has entered into a contract to purchase a Unit;

(b) has a right to have a Unit transferred to any of them or to their order, whether the right is exercisable presently or in the future and whether on the fulfilment of a condition or not;

(c) has the right to acquire a Unit under an option, whether the right is exercisable presently or in the future and whether on the fulfilment of a condition or not; or

(d) is entitled (otherwise than by reason of any of them having been appointed a proxy or representative to vote at a meeting of Unitholders) to exercise or control the exercise of a right attached to a Unit, not being a Unit of which any of them is the holder,

the Director is deemed to have an interest in that Unit; and

(v) where the property subject to a trust consists of or includes a Unit and the Director knows or has reasonable grounds for believing that he has an interest under the trust and the property subject to the trust consisting of or including such Unit, he is deemed to have an interest in that Unit.

The Trustee

The Trustee of CIT is RBC Dexia Trust Services Singapore Limited (formerly known as Dexia Trust Services Singapore Limited). The Trustee is a company incorporated in Singapore and registered as a trust company under the Trust Companies Act. It is approved to act as a trustee for authorised collective investment schemes under the SFA. As at 31 December 2005, the Trustee had a paid-up capital of S$6.0 million.

Powers, Duties and Obligations of the Trustee

The Trustee's powers, duties and obligations are set out in the Trust Deed. The powers and duties of the Trustee include:

(i) acting as trustee of CIT and, therefore, safeguarding the rights and interests of the Unitholders;

(ii) holding the assets of CIT on the trusts contained in the Trust Deed for the benefit of the Unitholders; and

(iii) exercising all the powers of a trustee and the powers that are incidental to the ownership of the assets of CIT.

The Trustee has covenanted in the Trust Deed that it will exercise all due diligence and vigilance in carrying out its functions and duties, and in safeguarding the rights and interests of Unitholders.

In the exercise of its powers, the Trustee may (on the recommendation of the Manager) and subject to the provisions of the Trust Deed, acquire or dispose of any real or personal property, borrow and encumber any asset.

The Trustee may, subject to the provisions of the Trust Deed, appoint and engage:

(i) a person or entity to exercise any of its powers or perform its obligations; and

(ii) any real estate agents or managers, including a related party of the Manager, in relation to the management, development, leasing, purchase or sale of any real estate assets and real estate-related assets.

Although the Trustee may borrow money and obtain other financial accommodation for the purposes of CIT, both on a secured and unsecured basis, the Manager must not direct the Trustee to incur a liability if to do so would mean that CIT's total borrowings and deferred payments (including deferred payments for assets whether to be settled in cash or in units of CIT) exceed 35.0% of the value of its Deposited Property (or such other limit as may be stipulated by the MAS, including in the Property Funds Guidelines). The aggregate leverage of CIT may exceed 35.0% of CIT's Deposited Property (up to a maximum of 60.0% or such other limit as may be stipulated by the MAS, including in the Property Funds Guidelines) only if a credit rating of CIT from Fitch, Inc., Moody's or Standard & Poor's is obtained and disclosed to the public. CIT should continue to maintain and disclose a credit rating so long as its aggregate leverage exceeds 35.0% of CIT's Deposited Property. On 3 July 2006, Standard & Poor's International, LLC assigned to CIT a long term corporate credit rating of 'BBB-', conditional upon the Offering and the acquisition of the Properties.[1]

The Trustee must carry out its functions and duties and comply with all the obligations imposed on it and set out in the Trust Deed, the Listing Manual, the SFA, the CIS Code (including the Property Funds Guidelines), the Tax Ruling and all other relevant laws. It must retain CIT's assets, or cause CIT's assets to be retained, in safe custody and cause CIT's accounts to be audited. It can appoint valuers to value the real estate assets and real estate-related assets of CIT.

The Trustee is not personally liable to a Unitholder in connection with the office of the Trustee except in respect of its own fraud, gross negligence, wilful default, or breach of trust. Any liability incurred and any indemnity to be given by the Trustee shall be limited to the assets of CIT over which the Trustee has recourse, provided that the Trustee has acted without fraud, gross negligence, wilful default, or breach of the Trust Deed. The Trust Deed contains certain indemnities in favour of the Trustee under which it will be indemnified out of the assets of CIT for liability arising in connection with certain acts or omissions. These indemnities are subject to any applicable laws.

Retirement and Replacement of the Trustee

The Trustee may retire or be replaced under the following circumstances:

(i) the Trustee shall not be entitled to retire voluntarily except upon the appointment of a new Trustee (such appointment to be made in accordance with the provisions of the Trust Deed); and

(ii) the Trustee may be removed by notice in writing to the Trustee by the Manager:

  (a) if the Trustee goes into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Manager) or if a receiver is appointed over any of its assets or if a judicial manager is appointed in respect of the Trustee;

  (b) if the Trustee ceases to carry on business;

  (c) if the Trustee fails or neglects after reasonable notice from the Manager to carry out or satisfy any material obligation imposed on the Trustee by the Trust Deed;

  (d) if the Unitholders by Extraordinary Resolution duly passed at a meeting of Unitholders held in accordance with the provisions of the Trust Deed, and of which at least 21 days' notice has been given to the Trustee and the Manager, shall so decide; or

  (e) if the MAS directs that the Trustee be removed.

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1 Standard & Poor's International, LLC has given its written consent to the issue of this Prospectus with the statements about the rating assigned to CIT in the form and context in which they are included, and has not withdrawn that consent before the date of this Prospectus. A rating may be changed, suspended or withdrawn at any time as a result of changes in, or unavailability of, information, or based on other circumstances. A Standard & Poor's rating is not a recommendation to buy, hold or sell any securities and Standard & Poor's International, LLC, in giving a rating, does not comment on market price of or suitability in relation to a particular investor.

Trustee's Fee

Under the Trust Deed, the maximum fee payable to the Trustee is 0.1% per annum of the value of the Deposited Property, excluding out-of-pocket expenses and GST. The actual fee payable to the Trustee will be determined between the Manager and the Trustee from time to time. The Trustee's fee is presently charged on a scaled basis of up to 0.02% per annum of the value of the Deposited Property.

Any increase in the maximum permitted amount or any change in the structure of the Trustee's fee must be passed by an Extraordinary Resolution of Unitholders at a Unitholders' meeting convened and held in accordance with the provisions of the Trust Deed.

Termination of CIT

Under the provisions of the Trust Deed, the duration of CIT shall end on the earliest of:

- the date on which CIT is terminated by the Manager in such circumstances as set out under the provisions of the Trust Deed, as described below; and
- the date on which CIT is terminated by the Trustee in such circumstances as set out under the provisions of the Trust Deed, as described below.

The Manager may in its absolute discretion terminate CIT by giving notice in writing to all Unitholders and the Trustee not less than three months in advance and to the MAS not less than seven days before the termination in any of the following circumstances:

- if any law shall be passed which renders it illegal or in the opinion of the Manager impracticable or inadvisable to continue CIT;
- if the net asset value of the Deposited Property shall be less than S$50 million after the end of the first anniversary of the date of the Trust Deed or any time thereafter; and
- if at any time CIT becomes unlisted after it has been listed.

Subject to the SFA and any other applicable law or regulation, CIT may be terminated by the Trustee by notice in writing in any of the following circumstances, namely:

- if the Manager shall go into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Trustee) or if a receiver is appointed over any of its assets or if a judicial manager is appointed in respect of the Manager or if any encumbrancer shall take possession of any of its assets or if it shall cease business and the Trustee fails to appoint a successor manager in accordance with the provisions of the Trust Deed;
- if any law shall be passed which renders it illegal or in the opinion of the Trustee impracticable or inadvisable to continue CIT; and
- if within the period of three months from the date of the Trustee expressing in writing to the Manager the desire to retire, the Manager shall have failed to appoint a new trustee in accordance with the provisions of the Trust Deed.

The decision of the Trustee in any of the events specified above shall be final and binding upon all the parties concerned but the Trustee shall be under no liability on account of any failure to terminate CIT pursuant to the paragraph above or otherwise. The Manager shall accept the decision of the Trustee and relieve the Trustee of any liability to it therefor and hold it harmless from any claims whatsoever on its part for damages or for any other relief.

Generally, upon the termination of CIT, the Trustee shall, subject to any authorisations or directions given to it by the Manager or the Unitholders pursuant to the Trust Deed, sell the Deposited Property and repay any borrowings incurred on behalf of CIT in accordance with the Trust Deed (together with any interest accrued but remaining unpaid) as well as all other debts and liabilities in respect of CIT before distributing the balance of the Deposited Property to the Unitholders in accordance with their proportionate interests in CIT.

CERTAIN AGREEMENTS RELATING TO CAMBRIDGE INDUSTRIAL TRUST AND ITS PROPERTIES

The agreements discussed in this section are complex documents and the following is a summary only. Investors should refer to the agreements themselves to confirm specific information or for a detailed understanding of CIT. The agreements are available for inspection at the registered office of the Manager at 61 Robinson Road, #14-02 Robinson Centre, Singapore 068893 for a period of six months from the date of this Prospectus.

CWT Distripark (HQ) 24 Jurong Port Road Singapore 619097

Pursuant to an option agreement dated 3 October 2005 as amended by a supplemental letter dated 6 December 2005, a second supplemental letter dated 17 January 2006 and a third supplemental letter dated 22 May 2006 (the "Option Agreement"), CWT granted to CREIM a call option which, when exercised by CREIM in accordance with the terms of the Option Agreement, will require CWT to enter into a sale and purchase agreement with CREIM for the purchase of the Property (the "Sale and Purchase Agreement") and a lease agreement with CREIM for the leaseback of the Property to CWT (the "Lease Agreement") on the same day as the Listing Date (the "Completion Date").

CREIM has assigned its right, title, benefit and interest to, in and under the Option Agreement to the Trustee on 31 March 2006.

Terms of the Sale and Purchase Agreement

The principal terms of the Sale and Purchase Agreement include, *inter alia*, the following:

- The Property will be sold on an "as is, where is" basis on Completion subject to CWT's obligation to repair, rectify and make good all defects recommended by CREIM ("Rectification Items") and any damage to the Property occurring up to and including the Completion Date.
- If any of the Rectification Items is not repaired, rectified or made good by the expiry of five years after Completion (save for any of such Rectification Items in respect of the façade of the Property which shall be repaired, rectified or made good by the expiry of one year after Completion), the Trustee will be entitled to carry out and complete such works and the cost of such works shall be paid by CWT to the Trustee upon demand.
- The purchase price of the Property is S$96,000,000.
- Completion is subject to and conditional upon concurrent Completion of the sale and purchase of the property known as Jurong Districentre provided that the Trustee shall be entitled to require CWT to complete the purchase of this Property notwithstanding that JTC's approval to the sale and/or leaseback of Jurong Districentre has not been obtained or any reply to legal requisitions or plans in respect of Jurong Districentre is unsatisfactory.
- On Completion, S$20,000,000 of the purchase price will be paid in Units and the balance of the purchase price will be paid in cash.
- If at any time prior to Completion, the Property is materially damaged such that the valuation of the fair market value of the Property as at the date of the Option Agreement is affected by more than 10% of its current valuation of S$96,000,000, the Trustee may, by notice in writing to CWT, elect to rescind the Sale and Purchase Agreement. In the event the Trustee elects not to rescind the Sale and Purchase Agreement, and subject to CWT agreeing at its cost and expense to repair that damage prior to Completion, the Trustee may extend the Completion Date (free of interest) to a later date when all such repair and reinstatement works to make good the material damage are completed by CWT.

- CWT shall comply, at its cost and expense, with all conditions imposed by JTC in connection with the conduct of an environmental baseline study on the Property ("EBS Obligation"), particulars of which are set out below under the section titled "Terms of JTC consent letter". Subject to JTC's consent, if the Trustee agrees with CWT to take over CWT's EBS Obligation, then CWT agrees to indemnify the Trustee against all costs, expenses, losses or liabilities incurred by the Trustee arising from or in connection with the Trustee taking over CWT's EBS Obligation and complying with the terms and conditions imposed or to be imposed by JTC in respect of the EBS Obligation.
- As Vendor, CWT has made certain representations and warranties in respect of the Property.

Terms of the Lease Agreement

The principal terms of the Lease Agreement include, *inter alia*, the following:

- The term of the leaseback to CWT shall be for eight years commencing on the Completion Date ("Term").

  The rent is S$629,750 per month, subject to:

  (a) a rental escalation of 5% on the commencement of the 3rd year from the commencement date of the Term; and

  (b) a further rental escalation of 5% on the commencement of the 5th year from the commencement date of the Term on the rental amount applicable immediately before the commencement of the 5th year; and a further rental escalation of 5% on the commencement of the 7th year from the commencement date of the Term on the rental amount applicable immediately before the commencement of the 7th year.
- CWT shall pay on the Completion Date to the Trustee a security deposit of an amount equal to 12 months' rent totalling S$7,557,000 by way of banker's guarantee or insurance bond and maintained throughout the Term as security for the due observance and performance by CWT of all and singular the several covenants, conditions, stipulations and agreements on the part of CWT contained in the Lease Agreement.
- CWT shall be responsible for property tax and land rental, levied by the IRAS and JTC respectively, in respect of the Property.
- CWT shall at its own cost and expense maintain the Property save for capital expenditure exceeding S$2,000 per occurrence agreed to be borne by the Trustee.
- At the commencement date of the Term, CWT shall enter into an agreement with the Trustee whereby CWT agrees and undertakes, upon default in payment of rent under the Lease Agreement for a period of at least six months, to execute a deed of assignment to assign to the Trustee all of its rights, title and interest in all rental proceeds and rental deposits from time to time payable by its sub-tenant(s) and to notify all its sub-tenant(s) of the said assignment.
- There is provision for an option to renew the leaseback for such further term as may be agreed between the Trustee and CWT and on such other terms and conditions as may be agreed.
- The Trustee shall indemnify CWT against all damages, losses, costs and expenses suffered by CWT in the event that the JTC Lease (defined below: see "Terms of JTC Lease") is terminated by JTC provided that such termination is caused by the Trustee's breach of its obligations under the JTC Lease.

Terms of the JTC consent letter

By its letter of 27 October 2005, JTC has, in principle, no objection to the proposed assignment or transfer of the Property to the Trustee subject to, *inter alia*, the following terms and conditions of the said letter:

- The Trustee shall not demise, assign, charge, create a trust or agency, mortgage, let, sublet, grant a licence or part with or share the possession or occupation of the Property ("Prohibition") within a period of three years from the Completion Date ("Prohibition Period") except that the Trustee may, subject to JTC's prior written consent, sublet the Property or mortgage or charge the Property for the purpose of obtaining financing for the Trustee's working capital requirements.
- After the Prohibition Period, the Trustee shall not demise, assign, charge, create a trust or agency, mortgage, let, sublet, grant a licence or part with or share the possession or occupation of the Property in whole or in part ("Restriction") without JTC's prior written consent.
- In granting its consent relating to the Prohibition or the Restriction or otherwise, JTC may, in its discretion, impose terms and conditions including but not limited to requiring a purchaser to be subject to the Prohibition for a period of three years from the date of transfer except that the purchaser may not sublet, mortgage or charge the Property without JTC's prior written consent and the payment of monies, fee or deposit.
- CWT shall at its own cost engage a reputable consultant to conduct an environmental baseline study ("Baseline Study") to determine the level of minerals, hydrocarbons and chemicals on and beneath the Property. If the results of the Baseline Study indicate that the level of minerals, hydrocarbons or chemicals exceeds that: (i) of the first baseline study previously submitted to JTC ("First Baseline Study") (if any) or (ii) permitted by laws, bye-laws and other regulations ("Prevailing Laws") or in the absence of such Prevailing Laws, the prevailing Dutch standards regulating intervention levels ("Prevailing Dutch Standards"), then before Completion, CWT shall, at its own cost, properly carry out all works necessary to decontaminate the Property to either of the following states and conditions, whichever is less stringent:

  (a) the state and condition existing at the time of the First Baseline Study; or

  (b) the state and condition required under the Prevailing Laws or, in the absence of such Prevailing Laws, the Prevailing Dutch Standards,

  in each case to the satisfaction of JTC and the relevant government and statutory authorities, and CWT shall reinstate any damage to the Property and leave it in tenantable repair in accordance with its covenants under the JTC Lease (defined below).

Terms of the State Lease

A State Lease No. 12190 was issued by the President of the Republic of Singapore, as lessor, in favour of JTC, as lessee, in respect of the Property for a term of 999 years commencing from 17 October 1962.

The principal terms of State Lease No. 12190 include, *inter alia*, the following:

- The Property shall be used for industry or purposes approved by the planning and building authorities.
- The lessor is entitled to exercise the right of re-entry if JTC fails to perform or observe any of the terms and conditions of the State Lease. Upon re-entry, the term of the State Lease will cease but without prejudice to any right of action or other remedy that the lessor may have.

There is no restriction in the State Lease on JTC's right to sub-lease the Property. The terms of the State Lease shall bind the purchaser of the Property.

Terms of the JTC Lease

A registered Lease No. I/39585R comprised in Certificate of Title (SUB) Volume 610 Folio 167 ("JTC Lease") for the Property was issued by JTC to CWT for a term of 30 years commencing from 1 March 1995. JTC has confirmed in its letter dated 17 July 2002 that CWT has qualified for a further term of 12 years commencing from 1 March 2025 subject to the terms of the JTC Lease.

The principal terms of the JTC Lease include, *inter alia*, the following:

- Provision for the payment of yearly rent by CWT to JTC in advance by quarterly instalments. The yearly rent shall be subject to revision on the 1st day of March of every year subject to a yearly fixed rental increase of 4% over the yearly rent for each immediately preceding year. By a supplemental deed to the JTC Lease made between JTC and CWT dated 29 August 2003, it was agreed that with effect from 1 March 2004, the yearly rent shall be revised to a rate based on the market rent then prevailing, and on the 1st day of March of every year thereafter, the yearly rent shall be revised to a rate based on the market rent but subject to a maximum increase not exceeding 5.5% of the yearly rent for each immediately preceding year.
- Not to demise, assign, mortgage, let, sublet or underlet or grant a licence or part with or share the possession or occupation of the whole or part of the Property without first obtaining JTC's prior written consent. In addition, JTC may, in its absolute discretion, require, *inter alia*, the lessee to meet the fixed investment criteria as set out in the JTC lease and to show due proof within such period of time as JTC may stipulate.
- The lessee must ensure that at least 60% of the total floor area of the Property is used for purely warehousing activities and the remaining floor area may be used for ancillary offices, production areas, neutral areas and communal facilities provided that the said ancillary offices shall not exceed 25% of the total floor area and provided further that the lessee shall not use and occupy the Property for the purpose of commercial office and storage unrelated to the lessee's approved warehousing activity.
- Not to use or permit the Property to be used otherwise than as a warehouse and workshop for containers, vehicles and machinery repair and refurbishment only except with the prior consent of JTC. In giving its consent, JTC may, in its absolute discretion, require the lessee to meet the fixed investment criteria as set out in the JTC Lease (and shall include the maintenance of the fixed investment criteria) and to show due proof within such period of time as JTC may stipulate.
- Provision for an option to renew for a further term of 12 years upon fulfilment of fixed investment criteria imposed by JTC provided that:
  - (a) the gross plot ratio shall not be less than 0.8;
  - (b) at the expiry of the current term there is no existing breach or non-observance of any of the covenants and conditions in the JTC Lease; and
  - (c) rent payable for the further term shall be payable by the lessee to JTC in advance by quarterly instalments. The yearly rent for the first year of the further term shall be at a rate based on the market rent at the commencement of the further term subject to revision pursuant to the terms of the JTC Lease.

Jurong Districentre No. 3 Pioneer Sector 3 Singapore 628342

Pursuant to an option agreement dated 3 October 2005 as amended by a supplemental letter dated 6 December 2005, a second supplemental letter dated 17 January 2006 and a third supplemental letter dated 22 May 2006 (the "Option Agreement"), Jurong Districentre Pte Ltd ("JDPL") granted to CREIM a call option which, when exercised by CREIM in accordance with the terms of the Option Agreement, will require JDPL to enter into a sale and purchase agreement with CREIM for the purchase of the Property (the "Sale and Purchase Agreement") and a lease agreement with CREIM for the leaseback of the Property to JDPL (the "Lease Agreement") on the same day as the Listing Date (the "Completion Date").

CREIM has assigned its right, title, benefit and interest to, in and under the Option Agreement to the Trustee on 31 March 2006.

Terms of the Sale and Purchase Agreement

The principal terms of the Sale and Purchase Agreement include, *inter alia*, the following:

- The Property will be sold on an "as is, where is" basis on Completion subject to JDPL's obligation to repair, rectify and make good all defects recommended by CREIM ("Rectification Items") and any damage to the Property occurring up to and including the Completion Date.
- If any of the Rectification Items is not repaired, rectified or made good by the expiry of five years after Completion (save for any of such Rectification Items in respect of the façade of the Property which shall be repaired, rectified or made good by the expiry of one year after Completion), the Trustee will be entitled to carry out and complete such works and the cost of such works shall be paid to the Trustee upon demand.
- The purchase price of the Property is S$49,000,000.
- On Completion, S$15,000,000 of the purchase price will be paid in Units and the balance of S$34,000,000 will be paid in cash.
- Completion is subject to and conditional upon concurrent Completion of the sale and purchase of the property known as CWT Distripark (HQ) provided that the Trustee shall be entitled to require JDPL to complete the purchase of this Property notwithstanding that JTC's approval to the sale and/or leaseback of the said property has not been obtained and that any reply to legal requisitions or plans in respect of the said property is unsatisfactory to CWT.
- If at any time prior to Completion, the Property is materially damaged such that the valuation of the fair market value of the Property as at the date of the Option Agreement is affected by more than 10% of its current valuation of S$49,000,000, the Trustee may, by notice in writing to JDPL, elect to rescind the Sale and Purchase Agreement. In the event the Trustee elects not to rescind the Sale and Purchase Agreement, and subject to JDPL agreeing at its cost and expense to repair that damage prior to Completion, the Trustee may extend the Completion Date (free of interest) to a later date when all such repair and reinstatement works to make good the material damage are completed by JDPL.
- JDPL shall comply, at its cost and expense, with all conditions imposed by JTC in connection with the conduct of an environmental baseline study on the Property ("EBS Obligation"), particulars of which are set out below under the section titled "Terms of JTC consent letter". Subject to JTC's consent, if the Trustee agrees with JDPL to take over JDPL's EBS Obligation, then JDPL agrees to indemnify the Trustee against all costs, expenses, losses or liabilities incurred by the Trustee arising from or in connection with the Trustee taking over JDPL's EBS Obligation and complying with the terms and conditions imposed or to be imposed by JTC in respect of the EBS Obligation.
- As Vendor, JDPL has made certain representations and warranties in respect of the Property.

Terms of the Lease Agreement

The principal terms of the Lease Agreement include, *inter alia,* the following:

- The term of the leaseback to JDPL shall be for eight years commencing on the Completion Date ("Term").
- The rent is S$292,333.33 per month, subject to:
  - (a) a rental escalation of 5% on the commencement of the 3rd year from the commencement date of the Term; and
  - (b) a further rental escalation of 5% on the commencement of the 5th year from the commencement date of the Term on the rental amount applicable immediately before the commencement of the 5th year; and a further rental escalation of 5% on the commencement

of the 7th year from the commencement date of the Term on the rental amount applicable immediately before the commencement of the 7th year.

- JDPL shall pay on the Completion Date to the Trustee a security deposit of an amount equal to 12 months' rent totalling S$3,508,000 by way of banker's guarantee or insurance bond and maintained throughout the Term as security for the due observance and performance by JDPL of all and singular the several covenants, conditions, stipulations and agreements on the part of JDPL contained in the Lease Agreement.
- JDPL shall be responsible for property tax and land rental, levied by the IRAS and JTC, respectively, in respect of the Property.
- JDPL shall at its own cost and expense maintain the Property save for capital expenditure exceeding S$2,000 per occurrence agreed to be borne by the Trustee.
- The Trustee shall keep in good repair the structural items set out in the Lease Agreement (fair wear and tear excepted).
- At the commencement date of the Term, JDPL shall enter into an agreement with the Trustee whereby JDPL agrees and undertakes, upon default in payment of rent under the Lease Agreement for a period of at least six months, to execute a deed of assignment to assign to the Trustee all of its rights, title and interest in all rental proceeds and rental deposits payable by its sub-tenant(s) and to notify all its sub-tenant(s) of the said assignment.
- There is provision for an option to renew the leaseback for a further term as may be agreed between the Trustee and JDPL and on such other terms and conditions as may be agreed.
- The Trustee shall indemnify JDPL against all damages, losses, costs and expenses suffered by JDPL in the event that the JTC Lease (defined below: see "Terms of JTC Lease") issued is terminated by JTC provided that such termination is caused by the Trustee's breach of its obligations under the JTC Lease.

Terms of the JTC consent letter

By its letters of 26 October 2005 and 25 November 2005, JTC has, in principle, no objection to the proposed assignment or transfer of the Property to the Trustee subject to, *inter alia*, the following terms and conditions of the said letters:

- The Trustee shall not demise, assign, charge, create a trust or agency, mortgage, let, sublet, grant a licence or part with or share the possession or occupation of the Property ("Prohibition") within a period of three years from the Completion Date ("Prohibition Period") except that the Trustee may, subject to JTC's prior written consent, sublet the Property or mortgage or charge the Property for the purpose of obtaining financing for the Trustee's working capital requirements.
- After the Prohibition Period, the Trustee shall not demise, assign, charge, create a trust or agency, mortgage, let, sublet, grant a licence or part with or share the possession or occupation of the Property in whole or in part ("Restriction") without JTC's prior written consent.
- In granting its consent relating to the Prohibition or the Restriction or otherwise, JTC may, in its discretion, impose terms and conditions including but not limited to requiring a purchaser to be subject to the Prohibition for a period of three years from the date of transfer except that the purchaser may not sublet, mortgage or charge the Property without JTC's prior written consent and the payment of monies, fee or deposit.
- JDPL shall at its own cost engage a reputable consultant to conduct an environmental baseline study ("Baseline Study") to determine the level of minerals, hydrocarbons and chemicals on and beneath the Property. If the results of the Baseline Study indicate that the level of minerals, hydrocarbons or chemicals exceeds that: (i) of the first baseline study previously submitted to JTC ("First Baseline Study") (if any) or (ii) permitted by laws, bye-laws and other regulations ("Prevailing Laws") or in the absence of such Prevailing Laws, the prevailing Dutch standards regulating intervention levels ("Prevailing Dutch Standards"), then before Completion, JDPL shall,

at its own cost, properly carry out all works necessary to decontaminate the Property to either of the following states and conditions, whichever is less stringent:

(a) the state and condition existing at the time of the First Baseline Study; or

(b) the state and condition required under the Prevailing Laws or, in the absence of such Prevailing Laws, the Prevailing Dutch Standards,

in each case to the satisfaction of JTC and the relevant government and statutory authorities, and JDPL shall reinstate any damage to the Property and leave it in tenantable repair in accordance with its covenants under the JTC Lease (defined below).

Terms of the State Lease

A State Lease No. 21522 was issued by the President of the Republic of Singapore, as lessor, in favour of JTC, as lessee, in respect of the Property for a term of 999 years commencing from 18 November 1969.

The principal terms of State Lease No. 21522 include, *inter alia*, the following:

- The Property shall be used for industrial development.
- JTC shall surrender gratis all land required for roads and drainage purposes.
- The lessor is entitled to exercise the right of re-entry if JTC fails to perform or observe any of the terms and conditions of the State Lease. Upon re-entry, the term of the State Lease will cease but without prejudice to any right of action or other remedy that the lessor may have.

There is no restriction in the State Lease on JTC's right to sub-lease the Property. The terms of the State Lease shall bind the purchaser of the Property.

Terms of the JTC Lease

A registered Lease No. I/49001Q comprised in Certificate of Title (SUB) Volume 595 Folio 21 ("JTC Lease") for the Property was issued by JTC to JDPL for a term of 30 years commencing from 16 December 1990. JTC has confirmed in its letter dated 19 March 2001 that JDPL has qualified for a further term of 30 years commencing from 16 December 2020 subject to the terms of the JTC Lease.

The principal terms of the JTC Lease include, *inter alia*, the following:

- Provision for the payment of yearly rent by JDPL to JTC in advance by quarterly instalments. The yearly rent shall be subject to revision on the 16th day of December of every year subject to a yearly fixed rental increase of 4% over the yearly rent for each immediately preceding year. By a supplemental deed to the JTC Lease made between JTC and JDPL dated 27 October 2003, it was agreed that with effect from 16 December 2004, the yearly rent shall be revised to a rate based on the market rent then prevailing, and on the 16th day of December of every year thereafter, the yearly rent shall be revised to a rate based on the market rent but subject to a maximum increase not exceeding 5.5% of the yearly rent for each immediately preceding year.
- Not to demise, assign, mortgage, create a trust or agency, let, sublet or underlet or grant a licence or part with or share the possession or occupation of the whole or part of the Property except with the prior written consent of JTC.
- Not to use or permit or suffer the demised premises to be used otherwise than for the development of a warehouse, a vehicle testing centre, a maintenance and repair centre, for container storage and as a laboratory reagent store only except with the prior consent of JTC.
- The lessee must ensure that at least 60% of the total floor area of the Property is used for purely warehousing activities and the remaining floor area may be used for ancillary offices, production areas, neutral areas and communal facilities provided that the said ancillary offices shall not

exceed 10% of the total floor area and provided further that the lessee shall not use and occupy the Property for the purpose of commercial offices and storage unrelated to the lessee's approved industrial activity.

- Provision for an option to renew for a further term of 30 years upon fulfilment of fixed investment criteria imposed by JTC provided that:
  (a) at the expiry of the current term, there is no existing breach or non-observance of any of the covenants and conditions by the lessee; and
  (b) the rent for the first year of the further term commencing on 16 December 2020 shall be at a rate based on the market rent at the commencement of the further term subject to revision pursuant to the terms of the JTC Lease.

ODC Districentre 30 Toh Guan Road Singapore 608840

Pursuant to an option agreement dated 14 October 2005 as amended by a supplemental agreement dated 18 November 2005 and a second supplemental agreement dated 18 January 2006 (the "Option Agreement"), ODC Logistics (S) Pte. Ltd. ("ODC") granted to CREIM a call option which, when exercised by CREIM in accordance with the terms of the Option Agreement, will require ODC to enter into a sale and purchase agreement with CREIM for the purchase of the Property (the "Sale and Purchase Agreement") and a lease agreement with CREIM for the leaseback of the Property to ODC (the "Lease Agreement") on the same day as the Listing Date (the "Completion Date").

CREIM has assigned its right, title, benefit and interest to, in and under the Option Agreement to the Trustee on 31 March 2006.

Terms of the Sale and Purchase Agreement

The principal terms of the Sale and Purchase Agreement include, *inter alia*, the following:

- The Property will be sold on an "as is, where is" basis on Completion subject to ODC's obligation to repair, rectify and make good at its own cost all agreed defects and any damage which is not material and is not caused by negligence, default or omission on the part of the Trustee, its agents, contractors or employees. In the event that the cost of such agreed defects exceeds S$200,000, ODC may in its discretion rescind the Sale and Purchase Agreement by giving prior written notice to the Trustee. In the event of the failure by ODC to fulfil its obligation to repair, rectify or make good such defects for which ODC is liable under the Sale and Purchase Agreement, ODC undertakes and agrees to reimburse the Trustee all professional fees and rectification costs in respect thereof.
- The purchase price of the Property is S$35,000,000.
- On Completion, S$30,000,000 of the purchase price will be paid in cash and S$5,000,000 of the purchase price will be paid in Units.
- If at any time prior to Completion, the Property is materially damaged (save where such damage is caused by negligence, default or omission on the part of the Trustee, its agents, contractors or employees) such that the fair market value of the Property as at the date of the Option Agreement is reduced by 7% or more, the Trustee may by notice in writing to ODC elect to rescind the Sale and Purchase Agreement. In the event the Trustee elects not to rescind, ODC shall forthwith repair that damage prior to Completion at its own cost and expense. Alternatively, the Trustee may in its discretion permit ODC to complete such repair and reinstatement works as soon as practicable after Completion, failing which ODC undertakes and agrees to reimburse the Trustee all professional fees and rectification costs in respect thereof.
- The Trustee must pay for the survey fees and other charges payable to JTC up to S$5,000, under the building agreement dated 6 February 1996 entered into between JTC and ODC in connection with or arising from the survey of the Property, and ODC agrees to pay any such fees and/or charges in excess thereof.

- ODC shall comply, at its cost and expense, with the terms of the letter from JTC dated 11 November 2005, relating to the payment of the differential premium to the URA pursuant to URA's written permission dated 28 June 2005 in respect of the Property ("Differential Payment Obligation"). If the Trustee agrees with ODC to take over the Differential Payment Obligation in respect of the Property, the same shall be subject to such terms and conditions as the purchaser may impose, including requiring an indemnity from ODC for all costs, claims, expenses, losses or liability incurred by the Trustee arising from or in connection with the Trustee taking over the Differential Payment Obligation and complying with the terms and conditions imposed or to be imposed by URA and/or JTC in respect of the Differential Payment Obligation.
- As Vendor, ODC has made certain representations and warranties in respect of the Property.

Terms of the Lease Agreement

The principal terms of the Lease Agreement include, *inter alia*, the following:

- The term of the leaseback to ODC shall be for seven years commencing on the Completion Date ("Term").
- The rent is S$268,166.67 per month, subject to:
  (a) a rental escalation of 5% on the commencement of the 3rd year from the commencement of the Term; and
  (b) a further rental escalation of 5% on the commencement of the 5th year from the commencement of the Term on the rental amount applicable immediately before the commencement of such 5th year.
- ODC shall pay on the Completion Date to the Trustee a security deposit of an amount totalling S$3,689,111 by way of banker's guarantee (which shall be on terms reasonably acceptable to the Trustee) and maintained throughout the Term as security for the due observance and performance by ODC of all and singular the several covenants, conditions, stipulations and agreements on the part of ODC contained in the Lease Agreement.
- The Trustee shall pay the subletting/administrative fees which may be imposed by JTC and property tax and land rental in respect of the Property.
- ODC shall at its own cost and expense maintain the Property, save for capital expenditure which the Trustee has agreed to bear, provided that such capital expenditure is not caused by the negligence of ODC or its sub-tenants and their respective agents.
- At the commencement date of the Term, ODC shall enter into an agreement with the Trustee whereby ODC agrees and undertakes, upon default in payment of rent under the Lease Agreement for a period of at least five months, to execute a deed of assignment to assign to the Trustee all amounts from time to time payable by customers of ODC for services (including any warehouse services or logistics services) provided by ODC and to notify all such customers of the said assignment.
- There is provision for an option to renew the leaseback for a further term of seven years and on such terms and conditions (including but not limited to rent) to be mutually agreed.

Terms of the JTC consent letter

By its letter of 11 November 2005, JTC has, in principle, no objection to the proposed assignment or transfer of the Property to the Trustee subject to, *inter alia*, the following terms and conditions of the said letter:

- ODC is to pay the differential premium and fulfil all terms and conditions imposed by the URA, in its written permission dated 28 June 2005, for the change of use by the Completion Date unless the Trustee undertakes to assume full responsibility and performance of the terms and conditions including payment of the differential premium. The Trustee shall be fully responsible and liable (including for such rectification and remedy) for any outstanding breach or non performance of any condition or covenant imposed on ODC and/or the Trustee relating to the change of use whether or not perpetrated by ODC or the Trustee, failing which JTC shall be entitled to exercise its rights and remedies including the right of re-entry.

- The Trustee shall be permitted to use the Property throughout the remainder of the lease term only for distribution, warehousing and packing.
- A prohibition ("Prohibition") against the Trustee demising, assigning, charging, creating a trust or agency, mortgaging, letting, subletting, granting a licence or parting with or sharing possession or occupation of the whole or part of the Property within three years from the Completion Date ("Prohibition Period") except that the Trustee may sublet the Property, subject to JTC's prior written consent, or mortgage or charge the Property for the purpose of obtaining financing for the working capital requirements of the Trustee subject to JTC's prior written consent or prior written notification to JTC (as the case may be).
- After the Prohibition Period, the Trustee shall not demise, assign, charge, create a trust or agency, mortgage, let, sublet, grant a licence or part with or share possession or occupation of the whole or part of the Property without JTC's prior written consent ("Restriction").
- In granting its consent relating to the Prohibition or the Restriction or otherwise, JTC may, in its absolute discretion, impose terms and conditions including but not limited to conditions requiring a purchaser to be subject to the Prohibition for a period of three years from the Completion Date except that the purchaser may not sublet, mortgage or charge the Property without JTC's prior written consent and the payment of monies, fee or deposit.

Terms of the State Lease

A State Lease No. 23638 (as varied by the Supplemental Lease dated 1 March 2000) was issued by the President of the Republic of Singapore, as lessor, in favour of JTC, as lessee, in respect of the Property for a term of 99 years commencing from 5 January 1976.

The principal terms of State Lease No. 23638 (as varied by the Supplemental Lease dated 1 March 2000) include, *inter alia*, the following:

- To use the Property for warehouse development with a gross plot ratio not exceeding 2.2 and JTC shall be required to pay a differential premium as imposed by the lessor in respect of any increase in plot ratio (or density or floor area) or change of use which will result in an enhanced value.
- The lessor is entitled to exercise the right of re-entry if JTC fails to perform or observe any of the terms and conditions of the State Lease. Upon re-entry, the term of the State Lease will cease but without prejudice to any right of action or other remedy that the lessor may have.

There is no restriction in the State Lease on JTC's right to sub-lease the Property. The purchaser's interest in the Property shall be subject to the terms of the State Lease. The terms of the State Lease shall bind the purchaser of the Property.

Terms of the Building Agreement

JTC entered into a building agreement with ODC dated 6 February 1996 ("Building Agreement") whereby JTC agreed to grant to ODC a lease for a term of 30 years commencing from 16 August 1995. JTC has confirmed in its letter dated 24 October 2001 that ODC has qualified for a further lease term of 30 years commencing from 16 August 2025 subject to the terms of the Building Agreement.

Terms of the Building Agreement include, *inter alia*, the following:

- Provision for the payment of yearly rent by the licensee to JTC in advance by quarterly instalments. The yearly rent shall be subject to revision on the 16th day of August every year to a rate based on the market rent subject to a maximum increase not exceeding 7.6% of the annual rent for each immediately preceding year. Currently, the yearly rent payable to JTC is subject to revision to a rate based on the market rent then prevailing subject to a maximum increase not exceeding 5.5% of the yearly rent for each immediately preceding year.

- The licensee shall use and shall ensure that at least 60% of the total floor area of the Property is used for purely warehousing activities and may use the remaining floor area for ancillary production and offices, neutral areas, communal facilities and such other uses as JTC and the relevant governmental and statutory authorities approve in writing provided that the said ancillary offices do not exceed 25% of the total floor area and that the licensee does not use and occupy the demised land for the purpose of commercial offices and storage unrelated to the licensee's approved warehousing activity.
- Not to assign, charge, create a trust or agency, let, sublet or underlet or grant a licence or part with or share his interest under the Building Agreement, or the possession or occupation of the whole or part of the Property except that, subject to the prior written consent of JTC, the licensee may mortgage or charge its interest under the Building Agreement.
- There is a provision for an option to renew for a further term of 30 years commencing from the expiry of the current term upon the same terms and conditions and containing like covenants as the lease for the initial lease term, except for the present covenant for renewal, upon fulfilment of fixed investment criteria imposed by JTC provided that, *inter alia*:
  - (a) at the expiry of the current term, there is no existing breach or non-observance of any of the covenants and conditions in the Building Agreement;
  - (b) gross plot ratio shall not be less than 2.0 and not more than 2.5; and
  - (c) rental payable for the further term shall be payable by the licensee to JTC in advance by quarterly instalments. The yearly rent for the further term shall be at a rate based on the market rent at the commencement of the further term subject to revision pursuant to the terms of the Building Agreement.

31 Tuas Avenue 11 Singapore 639105

Pursuant to an option agreement dated 23 September 2005 as amended by a supplemental letter dated 28 November 2005 and a second supplemental letter dated 18 January 2006 (the "Option Agreement"), SLS Holdings (Pte) Ltd. ("SLS") granted to CREIM a call option which, when exercised by CREIM in accordance with the terms of the Option Agreement, will require SLS to enter into a sale and purchase agreement with CREIM for the purchase of the Property (the "Sale and Purchase Agreement") and either SLS or SLS Bearings (Singapore) Private Limited ("SLS Bearings") to enter into a lease agreement with CREIM for the lease of the Property to SLS or SLS Bearings (the "Lease Agreement") on the same day as the Listing Date (the "Completion Date").

CREIM has assigned its right, title, benefit and interest to, in and under the Option Agreement to the Trustee on 31 March 2006.

By a side letter dated 28 November 2005 to CREIM and the Trustee, SLS Bearings agreed to enter into the Lease Agreement.

Terms of the Sale and Purchase Agreement

The principal terms of the Sale and Purchase Agreement include, *inter alia*, the following:

- The Property will be sold on an "as is, where is" basis subject to SLS's obligation to repair, rectify and make good all defects recommended by CREIM and any damage to the Property occurring up to and including the Completion Date. In the event of the failure by SLS to fulfil its obligation to repair, rectify or make good such defects for which SLS is liable under the Sale and Purchase Agreement, a Retention Sum will be retained by the Trustee on Completion.
- The purchase price of the Property is S$8,700,000.

- On Completion, S$500,000 of the purchase price will be paid in Units, and the balance of the purchase price less a Retention Sum not exceeding S$100,000 will be paid in cash.
- If at any time prior to Completion, the Property is materially damaged such that the fair market value of the Property as at the date of the Option Agreement is reduced by 3% or more, the Trustee may, by notice in writing to SLS, elect to rescind the Sale and Purchase Agreement. In the event the Trustee elects, by notice in writing to SLS, not to rescind the Sale and Purchase Agreement, SLS must at its cost and expense forthwith repair that damage prior to Completion. Alternatively, the Trustee may in its discretion permit SLS to complete such repair and reinstatement works as soon as practicable after Completion, subject to the Trustee retaining the Retention Sum.
- As Vendor, SLS has made certain representations and warranties in respect of the Property.

Terms of the Lease Agreement

The principal terms of the Lease Agreement include, *inter alia,* the following:

- The term of the leaseback to SLS Bearings shall be for seven years commencing on the Completion Date ("Term").
- The rent is S$70,000 per month, subject to:
  (a) a rental escalation of 5% on the commencement of the 3rd year from the commencement date of the Term; and
  (b) a further rental escalation of 5% on the commencement of the 5th year from the commencement date of the Term on the rental amount applicable immediately before the commencement of such 5th year.
- SLS Bearings shall pay on the Completion Date to the Trustee a security deposit of an amount equal to 16 months' rent totalling S$1,120,000 by way of banker's draft, banker's guarantee or insurance bond and maintained throughout the Term as security for the due observance and performance by SLS Bearings of all and singular the several covenants, conditions, stipulations and agreements on the part of SLS Bearings contained in the Lease Agreement.
- The Trustee shall pay the property tax levied by the IRAS in respect of the Property. SLS Bearings shall pay to the Trustee any difference in land rental calculated by reference to the sum of S$13.13 per square metre per annum (plus GST thereon), less the effective land rent payable to JTC as at 1 July 2005 (plus GST thereon) (pursuant to JTC's review of the land rent for the Property) from the commencement date of the Term up to and including 31 March 2006.
- The Trustee shall keep all structural walls of the Property and the roof in good and tenantable repair and condition (fair wear and tear and damage by fire excepted).
- SLS Bearings shall at its own cost and expense maintain the Property.
- At the commencement date of the Term, SLS Bearings shall enter into an agreement with the Trustee whereby SLS Bearings agrees and undertakes, upon any breach of and non-performance or observance of the covenants, conditions, stipulations and agreements of the Lease Agreement by SLS Bearings, to execute a deed of assignment to assign to the Trustee all of its rights, title and interest in all rental proceeds, rental deposits and other amounts from time to time payable by its sub-tenant(s) and to notify its sub-tenant(s) of the said assignment.
- There is provision for an option to renew the leaseback for a further term of five years on such terms and conditions as may be agreed.

Terms of the JTC consent letter

By its letter of 24 October 2005, JTC has, in principle, no objection to the proposed assignment or transfer of the Property to the Trustee subject to, *inter alia*, the following terms and conditions of the said letter:

- The Trustee shall not demise, assign, charge, create a trust or agency, mortgage, let, sublet, grant a licence or part with or share the possession or occupation of the Property ("Prohibition") within a period of three years from the date of completion of the assignment ("Prohibition Period") except that the Trustee may, subject to JTC's prior written consent, sublet the Property or mortgage or charge the Property for the purpose of obtaining financing for the working capital requirements of the Trustee.
- After the Prohibition Period, the Trustee shall not demise, assign, charge, create a trust or agency, mortgage, let, sublet, grant a licence or part with or share the possession or occupation of the Property in whole or in part ("Restriction") without JTC's prior written consent.
- In granting its consent relating to the Prohibition or the Restriction or otherwise, JTC may, in its discretion, impose terms and conditions including but not limited to requiring a purchaser to be subject to the Prohibition for a period of three years from the date of the assignment except that the purchaser may sublet, mortgage or charge the Property subject to JTC's prior written consent and the payment of monies, fee or deposit.

Terms of the State Lease

A State Lease No. 21927 was issued by the President of the Republic of Singapore, as lessor, in favour of JTC, as lessee, in respect of the Property for a term of 99 years commencing from 1 April 1980.

The principal terms of the State Lease include, *inter alia*, the following:

- The Property shall be used for industrial development and such other related purposes in accordance with plans approved by the competent authorities under the Planning Act.
- JTC shall be responsible for the resettlement and clearance of squatters on its land at its own cost.
- JTC shall surrender to the Government of Singapore such portions of the land as may be required for roads or drainage.
- JTC shall release to the Government of Singapore such portions of the Property which may be required for other public purposes at the same cost as the State Lease with interest save where JTC is specifically directed by the Government of Singapore to contribute such land free of charge.
- The lessor is entitled to exercise the right of re-entry if JTC fails to perform or observe any of the terms and conditions of the State Lease. Upon re-entry, the term of the State Lease will cease but without prejudice to any right of action or other remedy that the lessor may have.

There is no restriction in the State Lease on JTC's right to sub-lease the Property. The terms of the State Lease shall bind the purchaser of the Property.

Terms of the JTC Lease

A registered Lease No. I/17330N comprised in Certificate of Title (SUB) Volume 543 Folio 171 ("JTC Lease") for the Property was issued by JTC to SLS for a term of 30 years commencing from 1 April 1994. JTC has confirmed in its letter dated 19 March 1999 that SLS has qualified for a further lease term of 30 years from 1 April 2024 subject to the terms of the JTC Lease.

Terms of the JTC Lease include, *inter alia*, the following:

- Provision for the payment of yearly rent by the lessee to JTC in advance by quarterly instalments. The yearly rent shall be subject to revision on the 1st day of April of every year to a rate based on the market rent subject to a maximum increase not exceeding 7.6% of the annual rent for each immediately preceding year. Currently, the yearly rent payable to JTC is subject to revision to a rate based on the market rent then prevailing subject to a maximum increase not exceeding 5.5% of the yearly rent for each immediately preceding year.
- The lessee shall use at least 60% of the total floor area of the Property for purely warehousing activities, and may use the remaining floor area for ancillary production and offices, neutral areas and communal facilities, provided that the said ancillary offices shall not exceed 25% of the total floor area. The lessee shall not use and occupy the Property for the purposes of commercial offices and production unrelated to the approved warehousing activity of the lessee.
- Not to use or permit the Property to be used otherwise than for storage of bearings, housing pillow blocks, bolts and nuts, roller chains, power transmission products and other related products except with the prior written consent of JTC. In giving its consent, JTC may, in its absolute discretion, require, *inter alia*, that the lessee meet fixed investment criteria and due proof thereof be shown within such period of time as JTC may stipulate.
- The lessee shall ensure that the gross plot ratio shall not be less than 0.8.
- Not to demise, assign, mortgage, let, sublet, underlet or grant a licence or part with or share the possession or occupation of the whole or part of the Property except with JTC's prior written consent. In granting its consent, JTC may, in its absolute discretion, require, *inter alia*, that the lessee meet fixed investment criteria and due proof thereof be shown within such period of time as JTC may stipulate.
- Provision for an option to renew for a further term of 30 years upon fulfilment of fixed investment criteria imposed by JTC provided that:
  - (a) the gross plot ratio shall not be less than 0.8;
  - (b) at the expiry of the current term, there is no existing breach or non-observance of any of the covenants and conditions by the lessee; and
  - (c) the yearly rent for the further term shall be at a rate based on the market rent at the commencement of the further term subject to revision pursuant to the terms of the JTC Lease.

25 Changi South Avenue 2 Singapore 486594

Pursuant to an option agreement dated 23 September 2005 as amended by a supplemental agreement dated 13 December 2005 (the "Option Agreement"), Wan Tai and Company (Private) Limited ("WTC") granted to CREIM a call option which, when exercised by CREIM in accordance with the terms of the Option Agreement, will require WTC to enter into a sale and purchase agreement with CREIM for the purchase of the Property (the "Sale and Purchase Agreement") and a lease agreement with CREIM for the leaseback of the Property to WTC (the "Lease Agreement") on the same day as the Listing Date (the "Completion Date").

CREIM has assigned its right, title, benefit and interest to, in and under the Option Agreement to the Trustee on 31 March 2006.

Terms of the Sale and Purchase Agreement

The principal terms of the Sale and Purchase Agreement include, *inter alia*, the following:

- The Property will be sold on an "as is, where is" basis subject to WTC's obligation to repair, rectify and make good all defects recommended by CREIM and any damage to the Property occurring up to and including the Completion Date. In the event of the failure by WTC to fulfil its obligation to repair, rectify or make good such defects for which WTC is liable under the Sale and Purchase Agreement, a Retention Sum will be retained by the Trustee on Completion.
- The purchase price of the Property is S$7,300,000.
- On Completion, the purchase price will be paid fully in cash less a Retention Sum not exceeding S$43,500.
- If at any time prior to Completion, the Property is materially damaged such that the fair market value of the Property as at the date of the Option Agreement is reduced by 3% or more, the Trustee may, by notice in writing, to WTC elect to rescind the Sale and Purchase Agreement. In the event the Trustee elects, by notice in writing to WTC, not to rescind the Sale and Purchase Agreement, WTC must at its cost and expense forthwith repair that damage prior to Completion. Alternatively, the Trustee may in its discretion permit WTC to complete such repair and reinstatement works as soon as practicable after Completion subject to the Trustee retaining the Retention Sum.
- As Vendor, WTC has made certain representations and warranties in respect of the Property.

Terms of the Lease Agreement

The principal terms of the Lease Agreement include, *inter alia*, the following:

- The term of the leaseback to WTC shall be for seven years commencing on the Completion Date ("Term").
- The rent is S$57,500 per month, subject to:
  - (a) a rental escalation of 5% on the commencement of the 3^{rd} year from the commencement date of the Term; and
  - (b) a further rental escalation of 5% on the commencement of the 5^{th} year from the commencement date of the Term on the rental amount applicable immediately before the commencement of such 5^{th} year.
- WTC shall pay on the Completion Date to the Trustee a security deposit of an amount equal to 18 months' rent totalling S$1,035,000 by way of banker's draft, banker's guarantee or insurance bond and maintained throughout the Term as security for the due observance and performance by WTC of all and singular the several covenants, conditions, stipulations and agreements on the part of WTC contained in the Lease Agreement.
- The Trustee shall pay the land rental levied by JTC in respect of the Property. WTC shall pay such amount of additional property tax levied by IRAS in respect of the Property due to the annual value of the Property exceeding the amount of the annual rent of the Property payable under the Lease Agreement.
- The Trustee shall keep all structural walls of the Property and the roof in good and tenantable repair and condition (fair wear and tear and damage by fire excepted).
- WTC shall at its own cost and expense maintain the Property save for capital expenditure exceeding S$2,000 per occurrence which shall be borne by the Trustee.
- At the commencement date of the Term, WTC shall enter into an agreement with the Trustee whereby WTC agrees and undertakes, upon any breach of and non-performance or observance of the covenants, conditions, stipulations and agreements of the Lease Agreement by WTC, to execute a deed of assignment to assign to the Trustee all of its rights, title and interest in all rental

proceeds, rental deposits and other amounts from time to time payable by its sub-tenant(s) and to notify its sub-tenant(s) of the said assignment.

- There is provision for an option to renew the leaseback for a further term, subject to a revised rent which shall be pegged to the market rental for similar properties in the area and on such other terms and conditions as may be agreed.

Terms of the JTC consent letter

By its letter of 11 November 2005, JTC has, in principle, no objection to the proposed assignment or transfer of the Property to the Trustee subject to, *inter alia*, the following terms and conditions of the said letter:

- The Trustee shall not demise, assign, charge, create a trust or agency, mortgage, let, sublet, grant a licence or part with or share the possession or occupation of the Property ("Prohibition") within a period of three years from the date of completion of the assignment ("Prohibition Period") except that the Trustee may, subject to JTC's prior written consent, sublet the Property or mortgage or charge the Property for the purpose of obtaining financing for the working capital requirements of the Trustee.
- After the Prohibition Period, the Trustee shall not demise, assign, charge, create a trust or agency, mortgage, let, sublet, grant a licence or part with or share the possession or occupation of the Property in whole or in part ("Restriction") without JTC's prior written consent.
- In granting its consent relating to the Prohibition or the Restriction or otherwise, JTC may, in its discretion, impose terms and conditions including but not limited to requiring a purchaser to be subject to the Prohibition for a period of three years from the date of the assignment except that the purchaser may sublet, mortgage or charge the Property subject to JTC's prior written consent and the payment of monies, fee or deposit.

Terms of the State Lease

A State Lease No. 23603 (supplemented by a Supplemental Lease dated 15 January 2002 and a Second Supplemental Lease dated 23 March 2006) was issued by the President of the Republic of Singapore, as lessor, in favour of JTC, as lessee, in respect of the Property for a term of 99 years commencing from 16 August 1993.

The principal terms of State Lease No. 23603 include, *inter alia*, the following:

- The Property shall at all times be used for the development of Aviation Distri-Zone on a gross plot ratio not exceeding 1.6 only except that:

  (i) for the period commencing from the 9th day of April 2001 and expiring on the 15th day of November 2029, Lot 9536K Mukim 27 (forming part of the Property) shall be used for the development of Aviation Distri-Zone on a gross plot ratio not exceeding 1.6039 only; and

  (ii) for the period commencing from the 31st day of October 2002 and expiring on the 31st day of October 2055, Lot 9516P Mukim 27 (forming part of the Property) shall be used for the development of Aviation Distri-Zone on a gross plot ratio not exceeding 1.7769 only.

  even if the aforesaid usage of Lots 9536K and 9516P both of Mukim 27 during the periods specified above will result in the gross plot ratio for the Property exceeding 1.6 during such periods.

- The Property shall not be used other than for the above-stated development, except with the lessor's prior permission. JTC shall be required to pay a differential premium, as appropriate, in respect of any increase in plot ratio (or density or floor area) or change of use which will result in an enhanced value.

- JTC shall surrender to the Government of Singapore free of charge such portions of the land as may be required for road and drainage.
- JTC shall release to the Government of Singapore such portions of the Property which may be required for any public purpose or which are not required for the purpose specified in the State Lease at the same cost as the State Lease with interest.
- The lessor is entitled to exercise the right of re-entry if JTC fails to perform or observe any of the terms and conditions of the State Lease. Upon re-entry, the term of the State Lease will cease but without prejudice to any right of action or other remedy that the lessor may have.

There is no restriction in the State Lease on JTC's right to sub-lease the Property. The terms of the State Lease shall bind the purchaser of the Property.

Terms of the JTC Lease

A registered Lease No. IA/206507G comprised in Certificate of Title (SUB) Volume 633 Folio 37 ("JTC Lease") for the Property was issued by JTC to WTC for a term of 30 years commencing from 16 October 1994. JTC has confirmed in its letter dated 7 November 2000 that WTC has qualified for a further lease term of 30 years from 16 October 2024 subject to the terms of the JTC Lease.

Terms of the JTC Lease include, *inter alia*, the following:

- Provision for the payment of yearly rent by the lessee to JTC in advance by quarterly instalments. The yearly rent shall be subject to revision on the 16^{th} day of October annually to a rate based on the market rent subject to a maximum increase not exceeding 5.5% of the yearly rent for each immediately preceding year.
- Not to use or permit the Property to be used otherwise than for warehousing of sanitary wares, building materials and showroom except with the prior written consent of JTC. JTC may, in its absolute discretion, require, *inter alia*, that the lessee meet the fixed investment criteria and due proof thereof be shown within such period of time as JTC may stipulate.
- Not to demise, assign, charge, create a trust or agency, mortgage, let, sublet or underlet or grant a licence or part with or share the possession or occupation of the whole or part of the Property ("Prohibition"):
  - (a) within three years of 10 September 2003, except that, subject to JTC's prior written consent, the lessee may sublet the Property, or mortgage the Property by way of assignment or charge it by way of deed of debenture for the purpose of obtaining financing for the working capital requirements of the lessee; and
  - (b) thereafter except with JTC's prior written consent.
- JTC in granting the aforesaid consent may, in its absolute discretion, impose terms and conditions including but not limited to the following:
  - (a) the lessee meet the fixed investment criteria and due proof thereof be shown within such period of time as JTC may stipulate;
  - (b) an assignee be subject to the Prohibition for a period of three years from the date of assignment except that the assignee may mortgage or sublet the demised premises with JTC's prior written consent; and
  - (c) the payment of monies, fee or deposit.
- The lessee shall ensure that at least 60% of the total floor area of the Property shall be used for purely warehousing activities, and may use the remaining floor area for ancillary production and offices, neutral areas, communal facilities and such other use as may be approved in writing by JTC and the relevant authorities provided that the said ancillary offices shall not exceed 25% of the total floor area and that the lessee shall not use and occupy the Property for the purpose of commercial offices and storage unrelated to the lessee's approved activity.

- The lessee shall ensure that the gross plot ratio shall not be less than 0.8 and not more than 1.6.
- There is a provision for an option to renew for a further term of 30 years upon fulfilment of a fixed investment criteria imposed by JTC provided that:
  (a) the gross plot ratio shall not be less than 0.8 and not more than 1.6;
  (b) at the expiry of the current term, there is no existing breach or non-observance of any of the covenants and conditions by the lessee; and
  (c) the yearly rent for the further term shall be at a rate based on the market rent at the commencement of the further term subject to revision pursuant to the terms of the JTC Lease.

YCH DistriPark 30 Tuas Road Singapore 638492

Pursuant to an option agreement dated 26 October 2005 as amended by a supplemental agreement dated 6 December 2005 and a second supplemental letter dated 18 January 2006 (the "Option Agreement"), YCH DistriPark (Pte) Ltd ("YCH") granted to CREIM a call option which, when exercised by CREIM in accordance with the terms of the Option Agreement, will require YCH to enter into a sale and purchase agreement with CREIM for the purchase of the Property (the "Sale and Purchase Agreement") and a lease agreement with CREIM for the leaseback of the Property to YCH (the "Lease Agreement") on the same day as the Listing Date (the "Completion Date").

CREIM has assigned its right, title, benefit and interest to, in and under the Option Agreement to the Trustee on 31 March 2006.

Terms of the Sale and Purchase Agreement

The principal terms of the Sale and Purchase Agreement include, *inter alia*, the following:

- The Property will be sold on an "as is, where is" basis on Completion subject to YCH's obligation to repair, rectify and make good all defects recommended by CREIM and any damage to the Property occurring up to and including the Completion Date. In the event that such cost exceeds S$150,000, YCH may in its discretion rescind the Sale and Purchase Agreement by giving prior written notice to the Trustee pursuant to clause 10.4 of the Sale and Purchase Agreement ("Clause 10.4"). In the event of the failure by YCH to fulfil its obligation to repair, rectify or make good such defects for which YCH is liable under the Sale and Purchase Agreement, a retention sum in respect of such recommended defects ("Recommended Defects Retention Sum") will be retained by the Trustee on Completion.
- YCH undertakes, at its own cost and expense to:
  (a) within two years from the Completion Date, rectify and make good certain defects in Block 4 of the Property ("Block 4 Defects") in the event that the Vendor fails to construct the warehouse building in accordance with the Sale and Purchase Agreement ("Warehouse Building Construction"); and
  (b) within two years from the Completion Date, rectify and make good certain defects in Block 1 of the Property ("Block 1"), details of which are set out in Sale and Purchase Agreement ("Block 1 Defects") in the event that the Vendor fails to refurbish and/or upgrade the building facilities in Block 1 ("Block 1 Upgrading").
- If YCH carries out the Warehouse Building Construction, then it shall not be required to rectify and make good the Block 4 Defects and/or if YCH carries out the Block 1 Upgrading, then it shall not be required to rectify and make good the Block 1 Defects.
- YCH does not have any right under Clause 10.4 to rescind the Sale and Purchase Agreement even if: (i) the aggregate cost of repairing, rectifying and making good the Block 4 Defects and/or Block 1 Defects (collectively, the "Defects Costs") exceed S$150,000; or (ii) the aggregate of the

Defects Costs together with the costs of repairing, rectifying and making good all such other defects and recommendations described in Clause 10.4 exceed S$150,000.

- The Trustee shall be entitled to deduct and retain from the amount of the Purchase Price payable on Completion an amount equal to the Defects Costs but not exceeding S$150,000 ("Defects Retention Sum") for a period of two years from the Completion Date.
- If YCH does not (i) complete, within two years from the Completion Date, the Warehouse Building Construction or the repair or rectification of the Block 4 Defects (as the case may be) and/or (ii) complete, within two years from the Completion Date, the Block 1 Upgrading or the repair or rectification of the Block 1 Defects (as the case may be), (aforesaid building, repair, rectification or removal works are collectively referred to herein as the "Works"), the Trustee shall be entitled to carry out and complete all or such part of the Works (as the case may be) as the Trustee deems fit and apply the Defects Retention Sum towards the payment of the costs and expenses for carrying out and completing such Works (as the case may be). If such costs and expenses exceed the Defects Retention Sum, the excess shall be a debt due from YCH to the Trustee and shall be paid to the Trustee upon demand notwithstanding that Completion has taken place. If such costs and expenses are less than the Defects Retention Sum, the difference shall be refunded by the Trustee to YCH.
- YCH undertakes, at its own cost and expense, to carry out and complete all additions and alterations to the existing single-storey ancillary office block and a two-storey ancillary office extension in the existing warehouse development on the Property ("Office Extensions"). In the event that YCH fails to complete the Office Extensions by the Completion Date, the Trustee is entitled to retain an amount equal to the total cost of carrying out and completing the Office Extensions less the amount disbursed to the contractors for works done up to the Completion Date as certified by the architect appointed by YCH ("Extensions Retention Sum"), and the Trustee is entitled to carry out and complete all or such part of the Office Extensions as the Trustee deems fit, and apply the Extensions Retention Sum towards the payment of the costs and expenses of carrying out and completing such Office Extensions.
- During the period of one year commencing from the date of issue of the Temporary Occupation Permit for the Office Extensions ("Defects Liability Period"), YCH shall, and shall procure, that any defects in respect of the Office Extensions shall be remedied, rectified or made good, and in the event that the Trustee incurs any cost or expense in order to remedy, rectify or make good such defects, YCH shall indemnify the Trustee against such aforesaid cost or expense.
- The purchase price of the Property is S$73,000,000.
- On Completion, 40% of the purchase price will be paid in Units and 60% of the purchase price will be paid in cash after deducting a Retention Sum not exceeding S$2,172,326 which comprises the aggregate of the Recommended Defects Retention Sum, Defects Retention Sum and Extensions Retention Sum. Subject to all necessary regulatory approvals being obtained, YCH is entitled to assign its rights to receive the said Units to its nominee.
- If at any time prior to Completion, the Property is materially damaged such that the valuation of the Property as at the date of the Option Agreement is reduced by 5% or more, the Trustee may, by notice in writing to YCH, elect to rescind the Sale and Purchase Agreement. In the event the Trustee elects not to rescind, YCH shall forthwith repair that damage prior to Completion at its own cost and expense. Alternatively, the Trustee may in its discretion permit YCH to complete such repair and reinstatement works as soon as practicable after Completion, subject to the Trustee retaining such part of the Retention Sum for such repairs and reinstatement works.
- As Vendor, YCH has made certain representations and warranties in respect of the Property.
- Subject to the prior approval of the relevant governmental authorities, any approval of the Unitholders in general meeting of CIT, where required, and the terms and conditions of such approval being mutually acceptable to the Trustee and YCH, the Trustee agrees to enter into a warehouse sale and purchase agreement with YCH for the purchase and leaseback of a logistics warehouse building ("Warehouse Building") to be constructed and completed within two years

from the Completion Date (or such other time as may be agreed between the parties) by YCH on a specified portion of the Property ("Warehouse Sale and Purchase Agreement") on such terms and conditions as may be agreed.

Terms of the Lease Agreement

The principal terms of the Lease Agreement include, *inter alia,* the following:

- The term of the leaseback to YCH shall be for 10 years commencing on the Completion Date ("Term").
- The rent is S$454,000 per month, subject to:
  - (a) a rental escalation of 7% on the commencement of the 4th year from the commencement date of the Term; and
  - (b) a further rental escalation of 7% on the commencement of the 7th year from the commencement date of the Term on the rental amount applicable immediately before the commencement of such 7th year.
- YCH shall pay on the Completion Date to the Trustee a security deposit of an amount equal to 12 months' rent totalling S$5,448,000 by way of banker's draft, guarantee or insurance bond and maintained throughout the Term as security for the due observance and performance by YCH of all and singular the several covenants, conditions, stipulations and agreements on the part of YCH contained in the Lease Agreement.
- YCH shall pay the property tax and land rental levied by the IRAS and JTC respectively in respect of the Property.
- YCH shall at its own cost and expense maintain the Property save for capital expenditure exceeding S$2,000 per occurrence which shall be borne by the Trustee.
- The Trustee shall keep all structural walls of the demised premises and the roof in good and tenantable repair and condition (fair wear and tear excepted, subject to the functionality of the same).
- YCH agrees and undertakes that it will immediately upon default of the terms of the Lease Agreement execute a deed of assignment to assign all rental proceeds, rental deposits and other amounts from time to time payable by its sub-tenant(s) to the Trustee and to notify all sub-tenants of the said assignment.
- There is provision for an option to renew the leaseback for a further term of five years subject to a revised rent which shall be pegged to the market rental for similar properties in the area (subject to a variance of not more than 15% of the last paid rent) and a rental escalation of 5% on the commencement of the third year from the date of the commencement of the renewal term, and on such other terms and conditions as may be agreed.
- Subject to the prior regulatory approval of any relevant governmental authority and any approval of the Unitholders in general meeting of CIT, where required, and subject further to the terms and conditions of such approval being mutually acceptable to the Trustee and YCH, the Trustee agrees to enter into the Warehouse Sale and Purchase Agreement with YCH for the purchase and leaseback of the Warehouse Building to be constructed by YCH on the portion of the Property on such terms and conditions as may be agreed, provided that such Warehouse Sale and Purchase Agreement shall incorporate the selling price of S$1,189.41 per square metre (subject to actual survey) of gross floor area of the Warehouse Building and the leaseback to YCH of such Warehouse Building at the rate of S$7.535 per square metre per month for a period of 10 years commencing upon the completion of the purchase of such Warehouse Building pursuant to such Warehouse Sale and Purchase Agreement.

Terms of the JTC consent letter

By its letter of 11 November 2005, JTC has, in principle, no objection to the proposed assignment or transfer of the Property to the Trustee subject to, *inter alia*, the following terms and conditions of the said letter:

- The Trustee shall be permitted to use the Property throughout the remainder of the lease term only for the purposes of a central distribution centre for general cargo and storage of non-toxic chemicals, dextromethorpham and tretinion and hazardous cargo (i.e. IBC Test Roche (EBK), Unimate 7 UIBC, Cobas Integra UIBC and Unimate 3 Lipase), including warehousing, central distribution and warehousing of food and beverages in packed form, tobacco, leather goods, electronics, health products, general cargoes and non-toxic chemicals.
- There is a prohibition ("Prohibition") against the Trustee demising, assigning, charging, creating a trust or agency, mortgaging, letting, subletting, granting a licence or parting with or sharing possession or occupation of the whole or part of the Property within three years from the Completion Date ("Prohibition Period") except that the Trustee may sublet the Property subject to JTC's prior written consent, or mortgage or charge the Property for the purpose of obtaining financing for the Trustee's working capital requirements subject to JTC's prior written consent or prior written notification to JTC (as the case may be).
- After the Prohibition Period, the Trustee shall not demise, assign, charge, create a trust or agency, mortgage, let, sublet, grant a licence or part with or share possession or occupation of the whole or part of the Property without JTC's prior written consent ("Restriction").
- In granting its consent relating to the Prohibition or the Restriction or otherwise, JTC may, in its absolute discretion, impose terms and conditions including but not limited to conditions requiring a purchaser to be subject to the Prohibition for a period of three years from the date of assignment except that the purchaser may not sublet, mortgage or charge the Property without JTC's prior written consent and the payment of monies, fee or deposit.

Terms of the State Lease

A State Lease No. 17948 was issued by the President of the Republic of Singapore, as lessor, in favour of JTC, as lessee, in respect of the Property for a term of 99 years commencing from 1 May 1964.

The principal terms of State Lease No. 17948 include, *inter alia*, the following:

- The Property shall be used for industrial development only in accordance with plans approved or to be approved by the competent authorities under the Planning Act.
- JTC shall be responsible for the resettlement and clearance at its own expense of any squatters or other encumbrances on the Property.
- JTC shall surrender free of charge to the Government of Singapore such portions of the Property which may be required in future for roads, drainage, etc.
- JTC shall surrender to the Government of Singapore such portions of the Property which may be required for any public purpose at the same cost as the State Lease plus interest, save where JTC is specifically directed by the Government of Singapore to contribute such land free of charge.
- The lessor is entitled to exercise the right of re-entry if JTC fails to perform or observe any of the terms and conditions of the State Lease. Upon re-entry, the term of the State Lease will cease but without prejudice to any right of action or other remedy that the lessor may have.

There is no restriction in the State Lease on JTC's right to sub-lease the Property. The terms of the State Lease shall bind the purchaser of the Property.

Terms of the JTC Lease

A registered Lease No. I/202M as supplemented by a Supplemental Deed dated 2 April 1998 between YCH and JTC comprised in Certificate of Title (SUB) Volume 502 Folio 81 ("JTC Lease") for the Property was issued by JTC to YCH for a term of 30 years commencing from 1 July 1979. JTC confirmed in its letter dated 11 August 2003 that YCH has qualified for a further lease term of 30 years commencing from 1 July 2009 subject to the terms of the JTC Lease.

The principal terms of the JTC Lease include, *inter alia*, the following:

- Provision for the payment of yearly rent by the lessee to JTC in advance by quarterly instalments. The yearly rent shall be subject to revision on the 1st day of July, 16th day of October and 16th day of February of every year, in respect of each respective private lot of the Property, to a rate based on the market rent subject to a maximum increase not exceeding 7.6% of the annual rent for each immediately preceding year.
- The lessee shall not create a trust or agency, charge, transfer, demise, assign, mortgage, let, sublet or underlet or grant a licence or part with or share the possession or occupation of the whole or part of the Property except with JTC's prior written consent ("Restriction"). In granting any consent relating to the Restriction, JTC may, in its absolute discretion, impose terms and conditions including but not limited to requiring the lessee to meet the fixed investment criteria within such period of time as JTC may stipulate.
- The lessee shall use and shall ensure that at least 60% of the total floor area of the Property is used for purely warehousing activities and may use the remaining floor area for ancillary production and offices, neutral areas, communal facilities and such other uses which JTC and the relevant governmental and statutory authorities approve in writing provided that the said ancillary offices do not exceed 25% of the total floor area and that the lessee does not use and occupy the demised land for the purpose of commercial offices and storage unrelated to the lessee's approved warehousing activity.
- The lessee shall not use, and ensure that the demised land is only used as a central distribution centre for general cargo and storage of, dextromethorpham, tretinion and hazardous cargo such as IBC Test Roche (EBK), Unimate 7 UIBC, Cobas Integra UIBC and Unimate 3 Lipase and for no other purpose whatsoever provided that the lessee shall itself at all times wholly manage and operate the whole warehousing operations at the Property and every part thereof, including the handling, documentation, storing, daily allocation and control of space for storage, stuffing and de-stuffing by the lessee and its workers, of all the goods at the Property regardless of whether the goods belong to the lessee, its customers or other third parties, and for no other purpose whatsoever except with the prior written consent of JTC.
- The lessee shall not permit any open storage and loading and unloading activities to be carried out on the Property fronting Pioneer and Tuas Roads.
- There is a provision for an option to renew for a further term of 30 years commencing from the expiry of the current term upon the same terms and conditions and containing like covenants as the lease for the initial lease term, except for the present covenant for renewal, upon fulfilment of fixed investment criteria imposed by JTC provided that, *inter alia*:

  (a) at the expiry of the current term, there is no existing breach or non-observance of any of the covenants and conditions in the JTC Lease and in the supplemental deed dated 2 April 1998 ("Supplemental Deed") by the lessee;

  (b) JTC must not have exercised its right of re-entry;

  (c) a concessionary premium of S$6,812,174 is paid to JTC for the existing buildings at least one month before the commencement of the further term. By its letter of offer of lease renewal dated 22 April 1996, and its letter dated 15 December 1997, JTC waived the said concessionary premium payable for the existing buildings;

(d) the redevelopment works referred to in the Supplemental Deed have been completed to the satisfaction of JTC and the relevant governmental building and other authorities within the stipulated completion period;

(e) (i) notwithstanding the foregoing, no request for consent to create a trust or agency, charge, assign, transfer, demise or part with possession in whole or in part must have been made to JTC, nor any such consent granted by JTC at any time during the period from 1 May 1996 until after due documentary proof of the stipulated fixed investment criteria of the Supplemental Deed has been shown, the minimum gross plot ratio requirement has been met and all such Temporary Occupation Permits and Certificates of Statutory Completion (if any) as may be required by the relevant governmental building authorities have been obtained by 31 October 2001 ("Prohibition Period") except that subject to JTC's prior written consent, the lessee may assign its interest under the JTC Lease by way of mortgage or charge by way of a deed of debenture to secure the payment of such sum(s) for the purpose of completing the said redevelopment works or for the lessee's operations at the Property; and

(ii) if any such request for consent is made to JTC within three years after the Prohibition Period ("Restricted Period"), JTC shall be entitled to require that in place of the said concessionary premium, the consideration to be paid to JTC shall instead be a sum based on and equal to the market value of the existing buildings at the commencement of the further term ("Market Value Premium") and JTC's assessment shall be final. As both the Prohibition Period and Restricted Period have expired, the Market Value Premium is no longer payable; and

(f) the rent for the first year of the further term commencing on 1 July 2009 shall be at a rate based on the market rent at the commencement of the further term. Thereafter the yearly rent shall be subject to revision every year commencing on 1 July 2010 to a rate based on the market rent subject to a revision pursuant to the terms of the JTC Lease.

1 Third Lok Yang Road and 4 Fourth Lok Yang Road Singapore 627996\629701

Pursuant to an option agreement dated 26 October 2005 as amended by a supplemental agreement dated 6 December 2005 and a second supplemental agreement dated 18 January 2006 (the "Option Agreement"), Chempark Pte Ltd ("Chempark") granted to CREIM a call option which, when exercised by CREIM in accordance with the terms of the Option Agreement, will require Chempark to enter into a sale and purchase agreement with CREIM for the purchase of the Property (the "Sale and Purchase Agreement") and procure YCH DistriPark (Pte) Ltd ("YCH") to enter into a lease agreement with CREIM for the leaseback of the Property to YCH (the "Lease Agreement") on the same day as the Listing Date (the "Completion Date"). Chempark is a wholly-owned subsidiary of YCH Holdings (Pte) Ltd ("YCH Holdings"), which in turn is owned by two individuals, Yap Chin Kok and Yap Ai Cheng. YCH Holdings, Yap Chin Kok and Yap Ai Cheng together own approximately 86.3% of YCH Group Pte Ltd, which in turn wholly owns YCH. Under the said Option Agreement, Chempark warranted that it has obtained YCH's agreement to enter into the said Lease Agreement and that it has the power to enter into, exercise its rights and perform and comply with its obligations under the Lease Agreement.

By a side letter dated 24 November 2005, YCH agreed to enter into the Lease Agreement with the Trustee on the Completion Date.

CREIM has assigned its right, title, benefit and interest to, in and under the Option Agreement to the Trustee on 31 March 2006.

Terms of the Sale and Purchase Agreement

The principal terms of the Sale and Purchase Agreement include, *inter alia*, the following:

- The Property will be sold on an "as is, where is" basis on Completion subject to Chempark's obligation to repair, rectify and make good all defects recommended by CREIM and any damage to the Property occurring up to and including the Completion Date. In the event that such cost exceeds S$150,000, Chempark may in its discretion rescind the Sale and Purchase Agreement by giving prior written notice to the Trustee pursuant to clause 10.4 of the Sale and Purchase Agreement. In the event of the failure by Chempark to fulfil its obligation to repair, rectify or make good such defects for which Chempark is liable under the Sale and Purchase Agreement, a Retention Sum will be retained by the Trustee on Completion.
- The purchase price of the Property is S$12,414,000.
- On Completion, 60% of the purchase price less a Retention Sum not exceeding S$13,000[1] will be paid in cash and 40% of the purchase price in Units.
- If at any time prior to Completion, the Property is materially damaged such that the valuation of the Property as at the date of the Option Agreement is reduced by 5% or more, the Trustee may by notice in writing to Chempark elect to rescind the Sale and Purchase Agreement. In the event the Trustee elects not to rescind, Chempark shall forthwith repair that damage prior to Completion at its own cost and expense. Alternatively, the Trustee may in its discretion permit Chempark to complete such repair and reinstatement works as soon as practicable after Completion, subject to the Trustee retaining such part of the Retention Sum for such repairs and reinstatement works.
- Chempark shall comply, at its cost and expense, with all conditions imposed by JTC in connection with the conduct of an environmental baseline study on the Property ("EBS Obligation"), particulars of which are set out below under the section titled "Terms of JTC consent letter". Subject to JTC's consent, if the Trustee agrees with Chempark to take over Chempark's EBS Obligation, then Chempark agrees to indemnify the Trustee against all costs, expenses, losses or liabilities incurred by the Trustee arising from or in connection with the Trustee taking over Chempark's EBS Obligation and complying with the terms and conditions imposed or to be imposed by JTC in respect of the EBS Obligation.
- As Vendor, Chempark has made certain representations and warranties in respect of the Property.

Terms of the Lease Agreement

The principal terms of the Lease Agreement include, *inter alia,* the following:

- The term of the leaseback to YCH shall be for 10 years commencing on the Completion Date ("Term").
- The rent is S$82,333.33 per month, subject to:
  - (a) a rental escalation of 7% on the commencement of the 4th year from the commencement date of the Term; and
  - (b) a further rental escalation of 7% on the commencement of the 7th year from the commencement date of the Term on the rental amount applicable immediately before the commencement of such 7th year.
- YCH shall pay on the Completion Date to the Trustee a security deposit of an amount equal to 12 months' rent totalling S$988,000 by way of banker's draft, guarantee or insurance bond and maintained throughout the Term as security for the due observance and performance by YCH of all and singular the several covenants, conditions, stipulations and agreements on the part of YCH contained in the Lease Agreement.

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1 All defects have been rectified as comfirmed by Johnson Controls (S) Pte Ltd in its letter dated 1 December 2005. As such, no monies will be retained.

- YCH shall pay the property tax and land rental levied by the IRAS and JTC respectively in respect of the Property.
- YCH shall at its own cost and expense maintain the Property save for capital expenditure exceeding S$2,000 per occurrence which shall be borne by the Trustee.
- YCH shall keep all structural walls of the demised premises and the roof in good and tenantable repair and condition (fair wear and tear excepted, subject to the functionality of the same).
- YCH agrees and undertakes that it will immediately upon default of the terms of the Lease Agreement execute a deed of assignment to assign all rental proceeds, rental deposits and other amounts from time to time payable by its sub-tenant(s) to the Trustee and to notify all sub-tenant(s) of the said assignment.
- There is provision for an option to renew the leaseback for a further term of five years subject to a revised rent which shall be pegged to the market rental for similar properties in the area (subject to a variance of not more than 15% of the last paid rent) and a rental escalation of 5% on the commencement of the third year from the date of the commencement of the renewal term, and on such other terms and conditions as may be agreed.

Terms of the JTC consent letter

By its letter of 14 November 2005, JTC has, in principle, no objection to the proposed assignment or transfer of the Property to the Trustee subject to, *inter alia*, the following terms and conditions of the said letter:

- Chempark shall at its own cost engage a reputable independent consultant to conduct an environmental baseline study ("Baseline Study") to determine the level of minerals, hydrocarbons and chemicals on and beneath the Property. If the results of the Baseline Study indicate that the level of minerals, hydrocarbons or chemicals exceeds that: (i) of the first baseline study previously submitted to JTC ("First Baseline Study") or (ii) permitted by laws, bye-laws and other regulations ("Prevailing Laws") or in the absence of such Prevailing Laws, the prevailing Dutch standards regulating intervention levels ("Prevailing Dutch Standards"), then before Completion, Chempark shall, at its own cost, properly carry out all works necessary to decontaminate the Property:

  (a) to the state and condition existing at the time of the First Baseline Study ("First Baseline Level") if the JTC Lease (defined below) contains a covenant requiring decontamination to the First Baseline Level; or

  (b) in the absence of the said covenant, to either of the following state and condition, whichever is less stringent:

    (i) under the First Baseline Level if there was a First Baseline Study; or

    (ii) required under such Prevailing Laws or, in the absence of such Prevailing Laws, the Prevailing Dutch Standards,

  and to the satisfaction of JTC and the relevant government and statutory authorities, and Chempark shall reinstate any damage to the Property and leave it in tenantable repair in accordance with its covenants under the JTC Lease.

- The Trustee shall be permitted to use the Property throughout the remainder of the lease term for warehousing, storage and distribution of chemicals for third parties only.
- A prohibition ("Prohibition") against the Trustee demising, assigning, charging, creating a trust or agency, mortgaging, letting, subletting, granting a licence or parting with or sharing possession or occupation of the whole or part of the Property within three years from the Completion Date ("Prohibition Period") except that the Trustee may sublet the Property subject to JTC's prior written consent, or mortgage or charge the Property for the purpose of obtaining financing for the Trustee's working capital requirements subject to JTC's prior written consent or prior written notification to JTC (as the case may be).

- After the Prohibition Period, the Trustee shall not demise, assign, charge, create a trust or agency, mortgage, let, sublet, grant a licence or part with or share possession or occupation of the whole or part of the Property without JTC's prior written consent ("Restriction").
- In granting its consent relating to the Prohibition or the Restriction or otherwise, JTC may, in its absolute discretion, impose terms and conditions including, but not limited to requiring a purchaser to be subject to the Prohibition for a period of three years from the date of assignment except that the purchaser may not sublet, mortgage or charge the Property without JTC's prior written consent and the payment of monies, fee or deposit.

Terms of the State Lease

State Leases Nos. 14304 and 14305 were issued by the President of the Republic of Singapore, as lessor, in favour of JTC, as lessee, in respect of the Property for a term of 999 years commencing on 17 October 1962.

The principal terms of State Leases Nos. 14304 and 14305 include, *inter alia*, the following:

- The Property shall be used for industry or purposes approved by the planning and building authorities.
- The lessor is entitled to exercise the right of re-entry if JTC fails to perform or observe any of the terms and conditions of the State Lease. Upon re-entry, the term of the State Lease will cease but without prejudice to any right of action or other remedy that the lessor may have.

There is no restriction in the State Lease on JTC's right to sub-lease the Property. The purchaser's interest in the Property shall be subject to the terms of the State Lease.

Terms of the JTC Lease

A registered Lease No. I/97681Q comprised in Certificate of Title (SUB) Volume 604 Folio 84 ("JTC Lease") for the Property was issued by JTC to Chempark for a term of 30 years commencing from 16 December 2001.

The principal terms of the JTC Lease include, *inter alia*, the following:

- Provision for the payment of yearly rent by the lessee to JTC in advance by quarterly instalments. The yearly rent shall be subject to revision on the 1st day of March of every year to a rate based on the market rent subject to a maximum increase not exceeding 5.5% of the annual rent for each immediately preceding year.
- Not to demise, assign, charge, create a trust or agency, mortgage, let, sublet or underlet or grant a licence or part with or share the possession or occupation of the whole or part of the Property except with JTC's prior written consent ("Restriction"). In granting any consent relating to the Restriction, JTC may, in its absolute discretion, impose terms and conditions including but not limited to:
  (a) requiring the lessee to meet the fixed investment criteria within such period of time as JTC may stipulate;
  (b) an assignee to be subject to the prohibition to demise, assign, charge, create a trust or agency, mortgage, let, sublet or underlet or grant a licence or part with or share the possession or occupation of the whole or part of the Property for a period of three years from the date of assignment except that the assignee may mortgage or sublet the Property with JTC's prior written consent; and
  (c) the payment of monies, fee or deposit.
- Not to use or permit the Property to be used otherwise than for warehousing, storage and distribution of chemicals for third parties only, except with the prior written consent of JTC.

- The lessee shall at all times throughout the term of lease keep in full operation and continue full operations at the whole of the Property in accordance with the use permitted in the aforesaid clause.
- On the expiry or sooner termination of the lease term created under the JTC Lease, the lessee is required to carry out a Baseline Study to determine the level of minerals, hydrocarbons and chemicals and other contamination at the Property. If the results show that the level of such contamination exceeds that of the First Baseline Study, the lessee is required to carry out works, at the lessee's cost, to decontaminate the Property to the state and condition existing at the time of the First Baseline Study, or the state and condition required under any Prevailing Laws or, in the absence of such Prevailing Laws, the Prevailing Dutch Standards, whichever is less stringent, and to the satisfaction of JTC and the relevant governmental and statutory authorities.

21 Ubi Road 1 Singapore 408724

Pursuant to an option agreement dated 21 September 2005 as amended by a supplemental letter dated 7 December 2005, a second supplemental letter dated 17 January 2006 and a third supplemental letter dated 23 May 2006 (the "Option Agreement"), Brilliant Manufacturing Limited ("BML") granted to CREIM a call option which, when exercised by CREIM in accordance with the terms of the Option Agreement, will require BML to enter into a sale and purchase agreement with CREIM for the purchase of the Property (the "Sale and Purchase Agreement") and a lease agreement with CREIM for the leaseback of the Property to BML (the "Lease Agreement") on the same day as the Listing Date (the "Completion Date").

CREIM has assigned its right, title, benefit and interest to, in and under the Option Agreement to the Trustee on 31 March 2006.

HDB granted consent for the sale and leaseback of the Property to the Trustee on the terms and conditions of its consent letter dated 19 January 2006.

Terms of the Sale and Purchase Agreement

The principal terms of the Sale and Purchase Agreement include, *inter alia*, the following:

- The Property (together with the fixtures and fittings and the mechanical and electrical equipment) will be sold on an "as is, where is" basis subject to BML's obligation to repair, rectify and make good all defects recommended by CREIM and any damage to the Property occurring up to and including the Completion Date. In the event of the failure by BML to fulfil its obligation to repair, rectify or make good such defects for which BML is liable under the Sale and Purchase Agreement, a Retention Sum will be retained by the Trustee on Completion.
- The purchase price of the Property is S$25,000,000.
- On Completion, 40% of the purchase price less a Retention Sum not exceeding S$620,000 will be paid in cash and 60% of the purchase price will be paid in Units.
- Completion is subject to and conditional upon concurrent completion of the sale and purchase of the properties at 31 Kian Teck Way, Singapore 628751, 136 Joo Seng Road, Singapore 368360 and 7 Gul Lane, Singapore 629406 ("Brilliant Related Properties") provided that the Trustee shall be entitled to require BML to complete the purchase of this Property notwithstanding that the approval of HDB or JTC (as the case may be) to the sale and leaseback of any of the Brilliant Related Properties has not been obtained or any reply to legal requisitions or plans in respect of the Brilliant Related Properties is unsatisfactory.
- If at any time prior to Completion, the Property is materially damaged such that the valuation of the fair market value of the Property as at the date of the Option Agreement is reduced by 5% or more, the Trustee may by notice in writing to BML elect to rescind the Sale and Purchase Agreement. In the event that the Trustee elects not to rescind and subject to BML agreeing at its own cost and expense to repair that damage, BML shall repair that damage prior to Completion

provided that if it is a requirement of SGX-ST or MAS that the sale and purchase be completed notwithstanding that the Property is materially damaged, then BML shall repair that damage at its own cost and expense. Alternatively, the Trustee may in its discretion permit BML to complete such repair and reinstatement works as soon as practicable after Completion, subject to the Trustee retaining such part of the Retention Sum for such repairs and reinstatement works.

- As Vendor, BML has made certain representations and warranties in respect of the Property.

Terms of the Lease Agreement

The principal terms of the Lease Agreement include, *inter alia,* the following:

- The term of the leaseback to BML shall be for seven years commencing on the Completion Date ("Term").
- The rent is S$179,166.67 per month, subject to:
  - (a) a rental escalation of 5% on the commencement of the 3rd year from the commencement date of the Term; and
  - (b) a further rental escalation of 5% on the commencement of the 5th year from the commencement date of the Term on the rental amount applicable immediately before the commencement of such 5th year.
- BML shall pay on the Completion Date to the Trustee a security deposit of an amount equal to 18 months' rent totalling S$3,225,000 by way of banker's draft, banker's guarantee or insurance bond and maintained throughout the Term as security for the due observance and performance by BML of all and singular the several covenants, conditions, stipulations and agreements on the part of BML contained in the Lease Agreement.
- The Trustee shall pay the property tax and land rental, levied by the IRAS and HDB respectively, in respect of the Property.
- The Trustee shall keep the structural items listed in the Lease Agreement in good repair (fair wear and tear excepted).
- BML shall at its own cost and expense maintain the Property save for capital expenditure exceeding S$2,000 per occurrence which is agreed to be borne by the Trustee.
- At the commencement date of the Term, BML shall enter into an agreement with the Trustee whereby BML agrees and undertakes, upon default in payment of rent under the Lease Agreement for a period of at least five months, to execute a deed of assignment to assign to the Trustee all of its rights, title and interest in rental proceeds, rental deposits and other amounts from time to time payable by its sub-tenant(s) and to notify all its sub-tenant(s) of the said assignment.
- The Trustee shall indemnify BML against all damages, losses, costs and expenses suffered by BML in the event that the Building Agreement (as defined below) is terminated by HDB provided that such termination is caused by the Trustee's breach of its obligations under the Building Agreement.
- There is an option to renew the leaseback for such further term as may be agreed between the Trustee and BML and on such other terms and conditions as may be agreed.

Terms of the State Lease

A State Lease No. 23095 was issued by the President of the Republic of Singapore, as lessor, in favour of HDB, as lessee, in respect of the Property for a term of 99 years commencing from 1 February 1997.

The principal terms of State Lease No. 23095 include, *inter alia*, the following:

- The Property shall be used for industrial development only with a gross plot ratio not exceeding 2.5.
- HDB shall not change the use of the Property and/or increase the gross plot ratio without the prior permission of the lessor.
- HDB shall be liable to impose the restriction on its sub-lessee in terms of investment criteria, assignment and subletting so as to ensure that the land alienated is subject to optimal and productive use and not for property speculation.
- HDB shall surrender free to the lessor such portions of the Property which may be required in future for roads and drainage.
- The lessor is entitled to exercise the right of re-entry if HDB fails to perform or observe any of the terms and conditions of the State Lease. Upon re-entry, the term of the State Lease will cease but without prejudice to any right of action or other remedy that the lessor may have.

There is no restriction in the State Lease on HDB's right to sub-lease the Property. The terms of the State Lease shall bind the purchaser of the Property.

Terms of the HDB Lease

A registered Lease No. IA/338968L comprised in Certificate of Title (Sub) Volume 637 Folio 76 ("HDB Lease") for the Property was issued by HDB to BML for the Property for a term of 30 years commencing from 1 February 1997. HDB has covenanted to grant to BML a further term of 30 years commencing from the date immediately following the expiry of the current lease term, subject to the terms of the HDB Lease.

Terms of the HDB Lease include, *inter alia*, the following:

- Provision for the payment of yearly rent by the lessee to HDB in advance by quarterly instalments. The yearly rent shall be subject to revision on the 1st day of February of every year. By the terms of HDB's consent letter to BML dated 19 January 2006, such rent shall be revised to the posted rent prevailing at the time of revision, subject to a maximum increase of 5.5% of the annual rent for the immediately preceding year.
- Not to demise, transfer, assign, mortgage, let, sublet or underlet or licence or part with possession of the Property or any part thereof and not to effect any form of reconstruction including any form of amalgamation or merger with or take-over by another company or body without first obtaining the consent of HDB in writing. Any consent, if granted by HDB, shall be given on such terms and conditions as HDB in its entire and unfettered discretion may deem fit and shall include full revision of the rental to the prevailing market rate from the date of assignment and payment of such administrative fees as determined by HDB.
- Provision to use the Property for the purpose of manufacturing of components for disk drives subject to the approval of the competent authority under section 3 of the Planning Act.
- HDB has agreed with the lessee that it shall at the written request of the lessee made not less than 12 months before the expiry of the term but not earlier than the 28th year of the term, grant to the lessee of the Property a further term of 30 years commencing from the date immediately following the expiry of the current lease term upon the same terms and conditions and containing like covenants as the lease for the current term with the exception of the covenant for renewal provided that:

  (a) at the expiry of the current term, there is no existing breach or non-observance of any of the covenants and conditions by the lessee;

  (b) the rent for the first year of the further term commencing on 1 February 2027 shall be at a rate based on the market rent at the commencement of the further term subject to revision pursuant to the terms of the HDB Lease; and

(c) any demise, transfer or assignment of the Property or any part thereof within five years of the commencement of the further term will be approved by HDB upon payment by the lessee of an additional fee which shall be equivalent to the value of the buildings and there shall also be a full revision of the rental to the prevailing market rate from the date of assignment and payment of such administrative fee as determined by HDB. The value of the buildings shall be determined by HDB and its assessment shall be final and conclusive and not be subject to review by the lessee provided that the lessee shall not be required to pay the additional fee for any demise, transfer or assignment or parting with possession of the Property or any part thereof by the lessee after the aforesaid period of five years.

136 Joo Seng Road Singapore 368360

Pursuant to an option agreement dated 21 September 2005 as amended by a supplemental letter dated 7 December 2005, a second supplemental letter dated 17 January 2006 and a third supplemental letter dated 23 May 2006 (the "Option Agreement"), Brilliant Manufacturing Limited ("BML") granted to CREIM a call option which, when exercised by CREIM in accordance with the terms of the Option Agreement, will require BML to enter into a sale and purchase agreement with CREIM for the purchase of the Property (the "Sale and Purchase Agreement") and a lease agreement with CREIM for the leaseback of the Property to BML (the "Lease Agreement") on the same day as the Listing Date (the "Completion Date").

CREIM has assigned its right, title, benefit and interest to, in and under the Option Agreement to the Trustee on 31 March 2006.

HDB granted consent for the sale and leaseback of the Property to the Trustee on the terms and conditions of its consent letter dated 19 January 2006.

Terms of the Sale and Purchase Agreement

The principal terms of the Sale and Purchase Agreement include, *inter alia*, the following:

- The Property (together with the fixtures and fittings and the mechanical and electrical equipment) will be sold on an "as is, where is" basis subject to BML's obligation to repair, rectify and make good all defects recommended by CREIM and any damage to the Property occurring up to and including the Completion Date. In the event of the failure by BML to fulfil its obligation to repair, rectify or make good such defects for which BML is liable under the Sale and Purchase Agreement, a Retention Sum will be retained by the Trustee on Completion.
- The purchase price of the Property is S$10,310,000.
- On Completion, 40% of the purchase price less a Retention Sum not exceeding S$21,000 will be paid in cash and 60% of the purchase price will be paid in Units.
- Completion is subject to and conditional upon concurrent completion of the sale and purchase of the properties at 31 Kian Teck Way, Singapore 628751, 7 Gul Lane, Singapore 629406 and 21 Ubi Road 1, Singapore 408724 ("Brilliant Related Properties") provided that the Trustee shall be entitled to require BML to complete the purchase of this Property notwithstanding that the approval of HDB or JTC (as the case may be) to the sale and leaseback of any of the Brilliant Related Properties has not been obtained or any reply to legal requisitions or plans in respect of any of the Brilliant Related Properties is unsatisfactory.
- If at any time prior to Completion, the Property is materially damaged such that the valuation of the fair market value of the Property as at the date of the Option Agreement is reduced by 5% or more, the Trustee may by notice in writing to BML elect to rescind the Sale and Purchase Agreement. In the event the Trustee elects not to rescind and subject to BML agreeing at its own cost and expense to repair that damage, BML shall repair that damage prior to Completion provided that if it is a requirement of SGX-ST or MAS that the sale and purchase be completed notwithstanding that the Property is materially damaged, then BML shall repair that damage at its

own cost and expense. Alternatively, the Trustee may in its discretion permit BML to complete such repair and reinstatement works as soon as practicable after Completion subject to the Trustee retaining such part of the Retention Sum for such repairs and reinstatement works.

- As Vendor, BML has made certain representations and warranties in respect of the Property.

Terms of the Lease Agreement

The principal terms of the Lease Agreement include, *inter alia,* the following:

- The term of the leaseback to BML shall be for seven years commencing on the Completion Date ("Term").
- The rent is S$82,250 per month, subject to:
  - (a) a rental escalation of 5% on the commencement of the 3rd year from the commencement date of the Term; and
  - (b) a further rental escalation of 5% on the commencement of the 5th year from the commencement date of the Term on the rental amount applicable immediately before the commencement of such 5th year.
- BML shall pay on the Completion Date to the Trustee a security deposit of an amount equal to 18 months' rent totalling S$1,480,500 by way of banker's draft, banker's guarantee or insurance bond and maintained throughout the Term as security for the due observance and performance by BML of all and singular the several covenants, conditions, stipulations and agreements on the part of BML contained in the Lease Agreement.
- The Trustee shall pay the property tax and land rental, levied by the IRAS and HDB respectively, in respect of the Property.
- The Trustee shall keep the structural items listed in the Lease Agreement in good repair (fair wear and tear excepted).
- BML shall at its own cost and expense maintain the Property save for capital expenditure exceeding S$2,000 per occurrence which shall be borne by the Trustee.
- At the commencement date of the Term, BML shall enter into an agreement with the Trustee whereby BML agrees and undertakes, upon default in payment of rent under the Lease Agreement for a period of at least five months, to execute a deed of assignment to assign to the Trustee all of its rights, title and interest in all rental proceeds, rental deposits and other amounts as from time to time payable by its sub-tenant(s) and to notify all its sub-tenant(s) of the said assignment.
- There is an option to renew the leaseback for such further term as may be agreed between the Trustee and BML and on such other terms and conditions as may be agreed.
- The Trustee shall indemnify BML against all damages, losses, costs and expenses suffered by BML in the event that the HDB Lease (as defined below) is terminated by HDB provided that such termination is caused by the Trustee's breach of its obligations under the HDB Lease.

Terms of the State Lease

A State Lease No. 20857 was issued by the President of the Republic of Singapore, as lessor, in favour of HDB, as lessee, in respect of the Property for a term of 99 years commencing from 1 September 1990.

The principal terms of State Lease No. 20857 include, *inter alia*, the following:

- The Property shall be used for industrial development only with a gross plot ratio not exceeding 2.5.

- HDB shall not change the use of the Property and/or increase the gross plot ratio without the prior permission of the lessor.
- HDB shall surrender free to the lessor such portions of the Property which may be required in future for roads and drainage.
- The lessor is entitled to exercise the right of re-entry if HDB fails to perform or observe any of the terms and conditions of the State Lease. Upon re-entry, the term of the State Lease will cease but without prejudice to any right of action or other remedy that the lessor may have.

There is no restriction in the State Lease on HDB's right to sub-lease the Property. The terms of the State Lease shall bind the purchaser of the Property.

Terms of the HDB Lease

A registered Lease No. I/11482L (varied vide Variation of Lease No. I/29862P) comprised in Certificate of Title (SUB) Volume 458 Folio 195 ("HDB Lease") for the Property was issued by HDB to BML for a term of 30 years commencing from 1 October 1990. HDB has covenanted to grant to BML a further term of 30 years commencing from the date immediately following the expiry of the current lease term, subject to the terms of the HDB Lease.

The principal terms of the HDB Lease include, *inter alia*, the following:

- Provision for the payment of yearly rent by the lessee to HDB in advance by quarterly instalments. The yearly rent shall be subject to revision on the 1st day of October of every year. By the terms of HDB's consent letter to BML dated 19 January 2006, such rent shall be revised to the posted rent prevailing at the time of revision, subject to a maximum increase of 5.5% of the annual rent for the immediately preceding year.
- Not to demise, transfer, assign, mortgage, create a trust or agency, let, sublet or underlet or grant a licence or part with the possession of the Property or any part thereof and not to effect any form of reconstruction including any form of amalgamation or merger with or take-over by another company or body without first obtaining the consent of HDB in writing. Any consent, if granted by HDB, shall be given on such terms and conditions as may be imposed by HDB in its entire and unfettered discretion as it deems fit and shall include full revision of the rental to the prevailing market rate from the date of assignment and payment of such administrative fees as determined by HDB.
- Not to use or permit the Property to be used otherwise than as factory premises for manufacture of mechanical components for the computer industry subject to the approval of the competent authority under the Planning Act.
- HDB has agreed with the lessee that it shall at the written request of the lessee made not less than 12 months before the expiry of the term but not earlier than the 28th year of the term, grant to the lessee a lease of the Property for a further term of 30 years commencing from the date immediately following the expiry of the current lease term upon the same terms and conditions and containing like covenants as the lease for the current term with the exception of the covenant for renewal provided that:

  (a) at the expiry of the current term, there is no existing breach or non-observance of any of the covenants and conditions by the lessee;

  (b) the rent for the first year of the further term commencing on 1 October 2020 shall be at a rate based on the market rent at the commencement of the further term subject to revision pursuant to the terms of the HDB Lease; and

  (c) any demise, transfer or assignment or parting with possession of the Property within five years of the commencement of the further term will be approved by HDB upon payment by the lessee of an additional fee which shall be equivalent to the value of the buildings and there shall also be a full revision of the rental to the prevailing market rate from the date of assignment and payment of such administrative fee. The value of the buildings shall be determined by HDB and its assessment shall be final and conclusive and not be subject to review by the lessee provided that the lessee shall not be required to pay the additional fee for any demise, transfer or assignment or parting with possession of the Property or any part thereof by the lessee after the aforesaid period of five years.

CSE Global Building 2 Ubi View Singapore 408556

Pursuant to an option agreement dated 19 September 2005 as amended by the supplemental agreement dated 24 November 2005 and the supplemental agreement dated 17 January 2006 (the "Option Agreement"), CSE Global Limited (formerly known as CSE Systems & Engineering Ltd.) ("CSE") granted to CREIM a call option which, when exercised by CREIM in accordance with the terms of the Option Agreement, will require CSE to enter into a sale and purchase agreement with CREIM for the purchase of the Property (the "Sale and Purchase Agreement") and a lease agreement with CREIM for the leaseback of the Property to CSE (the "Lease Agreement") on the same day as the Listing Date (the "Completion Date").

CREIM has assigned its right, title, benefit and interest to, in and under the Option Agreement to the Trustee on 31 March 2006.

Terms of the Sale and Purchase Agreement

The principal terms of the Sale and Purchase Agreement include, *inter alia*, the following:

- The Property will be sold on an "as is, where is" basis on Completion subject to CSE's obligation to repair, rectify and make good all defects recommended by CREIM and any damage to the Property occurring up to and including the Completion Date. In the event of the failure by CSE to fulfil its obligation to repair, rectify or make good such defects for which CSE is liable under the Sale and Purchase Agreement, a Retention Sum will be retained by the Trustee on Completion.
- The purchase price of the Property is S$7,500,000.
- On Completion, the purchase price less a Retention Sum not exceeding S$31,000 will be paid fully in cash by way of banker's draft.
- If at any time prior to Completion, the Property is materially damaged such that the fair market value of the Property as at the date of the Option Agreement is reduced by 5% or more, the Trustee may by notice in writing to CSE elect to rescind the Sale and Purchase Agreement. In the event the Trustee elects not to rescind, CSE shall forthwith repair that damage prior to Completion at its own cost and expense. Alternatively, the Trustee may in its discretion permit CSE to complete such repair and reinstatement works as soon as practicable after Completion, subject to the Trustee retaining such part of the Retention Sum for such repairs and reinstatement works.
- As Vendor, CSE has made certain representations and warranties in respect of the Property.

Terms of the Lease Agreement

The principal terms of the Lease Agreement include, *inter alia,* the following:

- The term of the leaseback to CSE shall be for 10 years commencing on the Completion Date ("Term").
- The rent is S$44,666.67 per month, subject to a rental escalation of 7% over the preceding year's rent at the commencement of the 4th and 7th years from the commencement date of the Term.
- CSE shall on the Completion Date pay to the Trustee a security deposit of an amount equal to 15 months' rent totalling S$670,000 by way of banker's guarantee and maintained throughout the Term as security for the due observance and performance by CSE of all and singular the several covenants, conditions, stipulations and agreements on the part of CSE contained in the Lease Agreement.

- CSE shall pay the property tax levied by the IRAS in respect of the Property. The Trustee shall pay for any land rental levied in respect of the Property.
- The Trustee shall keep all structural walls of the Property and the roof in good and tenantable repair and condition (fair wear and tear and damage by fire caused by CSE excepted).
- At the commencement date of the Term, CSE shall enter into an agreement with the Trustee whereby CSE agrees and undertakes, upon any breach of and non-performance or observance of the covenants, conditions, stipulations and agreements of the Lease Agreement by CSE, to execute a deed of assignment to assign to the Trustee all rental proceeds, rental deposits and other amounts from time to time payable by its sub-tenant(s) and to notify all sub-tenants of the said assignment.
- CSE shall at its own cost and expense maintain the Property save for capital expenditure exceeding S$2,000 per occurrence which shall be borne by the Trustee.
- There is provision for an option to renew the leaseback for a further term of five years subject to a revised rent which shall be pegged to the market rental for similar properties in the area and on such other terms and conditions as may be agreed.

Terms of the State Lease

A State Lease No. 23418 was issued by the President of the Republic of Singapore, as lessor, in favour of Arcasia (Ubi) Pte Ltd (now known as Ascendas (Ubi) Pte Ltd), as lessee, in respect of the Property for a term of 60 years commencing from 4 January 1999. The Property was transferred by Ascendas (Ubi) Pte Ltd (formerly known as Arcasia (Ubi) Pte Ltd) to CSE pursuant to an instrument of Transfer I/64680R.

The principal terms of State Lease No. 23418 include, *inter alia*, the following:

- The Property shall only be used for light industrial use and shall have a gross plot ratio not exceeding 2.0 but not less than 1.6.
- The gross plot ratio and the use of the Property shall not be varied or changed without approval in writing of the lessor, and if such variation or change will in the lessor's opinion result in an enhancement in value of the demised land, the lessee has to pay the lessor by way of differential premium such amount as the lessor may determine as the amount representing such enhanced value.
- The lessor is entitled to exercise the right of re-entry if the rent is in arrears and unpaid for 14 days after being payable or there is any breach of the lessee's covenants under the State Lease or of any term or stipulation contained in the building agreement dated 4 January 1999 made between the lessor and the lessee or if the lessor is at any time entitled to exercise certain rights and remedies set out in the said building agreement. Upon re-entry, the term of the State Lease will cease but without prejudice to any right of action or other remedy that the lessor may have, provided that if the Property has been mortgaged or charged and there is a breach of the said covenants, terms and stipulations, the lessor will not exercise such right of re-entry nor will the term of the State Lease cease until the lessor has served a written notice on the mortgagee and the mortgagee has failed to remedy such breach within one month from the date of service of such notice.
- The lessee shall surrender to the Government of Singapore free of charge such portions of the Property which may be required from time to time for roads, drainage, or any other public purpose as may be declared or notified to the lessee.
- Prior to the issue of Temporary Occupation Permit(s) by the relevant competent authority for the whole of the Property not to mortgage, charge, transfer, sell, sub-lease or otherwise dispose of the Property.

The purchaser's interest in the Property shall be subject to the terms of the State Lease.

Terms of Restriction

Pursuant to the restriction dated 16 April 2003 entered into between Ascendas (Ubi) Pte Ltd (formerly known as Arcasia (Ubi) Pte Ltd), as covenantee, and CSE, as covenantor, it was agreed *inter alia* that the covenantor will:

- Not at any time alienate any estate or interest in the Property or any part thereof without imposing terms and conditions contained in the restriction.
- Not use the Property or any part thereof otherwise than in accordance with the approval of the competent authorities.
- Not commence any business operations and/or industrial activities in the Property without first obtaining clearance from the Pollution Control Department.

MI Building 11 Serangoon North Avenue 5 Singapore 554809

Pursuant to an option agreement dated 20 September 2005 as amended by a supplemental agreement dated 25 November 2005 (the "Option Agreement"), MI Technologies Pte Ltd ("MI") granted to CREIM a call option which, when exercised by CREIM in accordance with the terms of the Option Agreement, will require MI to enter into a sale and purchase agreement with CREIM for the purchase of the Property (the "Sale and Purchase Agreement") and a lease agreement with CREIM for the leaseback of the Property to MI (the "Lease Agreement") on the same day as the Listing Date (the "Completion Date").

CREIM has assigned its right, title, benefit and interest to, in and under the Option Agreement to the Trustee on 31 March 2006.

Terms of the Sale and Purchase Agreement

The principal terms of the Sale and Purchase Agreement include, *inter alia*, the following:

- The Property will be sold on an "as is, where is" basis on Completion subject to MI's obligation to repair, rectify and make good all defects recommended by CREIM and any damage to the Property occurring up to and including the Completion Date. In the event of the failure by MI to fulfil its obligation to repair, rectify or make good such defects for which MI is liable under the Sale and Purchase Agreement, a Retention Sum will be retained by the Trustee on Completion.
- The purchase price of the Property is S$14,000,000.
- On Completion the purchase price less Retention Sum not exceeding S$100,000 will be fully paid in cash.
- If at any time prior to Completion, the Property is materially damaged such that the valuation of the fair market value of the Property as at the date of the Option Agreement is reduced by 3% or more, the Trustee may by notice in writing to MI elect to rescind the Sale and Purchase Agreement. In the event the Trustee elects not to rescind, MI shall forthwith repair that damage prior to Completion at its own cost and expense. Alternatively, the Trustee may in its discretion permit MI to complete such repair and reinstatement works as soon as practicable after Completion, subject to the Trustee retaining such part of the Retention Sum for such repairs and reinstatement works.
- As Vendor, MI has made certain representations and warranties in respect of the Property.

Terms of the Lease Agreement

The principal terms of the Lease Agreement include, *inter alia*, the following:

- The term of the leaseback to MI shall be for seven years commencing on the Completion Date ("Term").

- The rent is S$109,250 per month, subject to:
  - (a) a rental escalation of 5% on the commencement of the 3rd year from the commencement date of the Term; and
  - (b) a further rental escalation of 5% on the commencement of the 5th year from the commencement date of the Term on the rental amount applicable immediately before the commencement of the 5th year.
- MI shall pay on the Completion Date to the Trustee a security deposit of an amount equal to 18 months' rent totalling S$1,966,500 by way of banker's draft, banker's guarantee or insurance bond and maintained throughout the Term as security for the due observance and performance by MI of all and singular the several covenants, conditions, stipulations and agreements on the part of MI contained in the Lease Agreement.
- The Trustee shall pay the land rental levied by JTC in respect of the Property. MI shall be responsible for such amount of additional property tax levied in respect of the Property due to the annual value of the Property exceeding the amount of the annual rent of the Property payable under the Lease Agreement.
- MI shall at its own cost and expense maintain the Property save for capital expenditure exceeding S$2,000 per occurrence which shall be borne by the Trustee.
- The Trustee shall keep the roof and all structural walls in good and tenantable repair and condition (fair wear and tear and damage by fire excepted).
- At the commencement date of the Term, MI shall enter into an agreement with the Trustee whereby MI agrees and undertakes, upon any breach of and non-performance or observance of the covenants, conditions, stipulations and agreements of the Lease Agreement by MI, to execute a deed of assignment to assign to the Trustee all rental proceeds, rental deposits and other amounts from time to time payable by its sub-tenant(s) and to notify all sub-tenant(s) of the said assignment.
- There is provision for an option to renew the leaseback for such further term and on such other terms and conditions as may be agreed.

Terms of the State Lease

A State Lease No. 24915 was issued by the President of the Republic of Singapore, as lessor, in favour of JTC, as lessee, in respect of the Property for a term of 99 years commencing from 3 September 1982.

The principal terms of State Lease No. 24915 include, *inter alia*, the following:

- The Property shall be used for industrial development on a gross plot ratio not exceeding 2.5 and JTC shall be required to pay a differential premium as imposed by the President of the Republic of Singapore in respect of any increase in plot ratio (or density or floor area) or change of use which will result in an enhanced value.
- JTC shall surrender to the Government of Singapore free of charge such portions of the Property which may be required in future for roads and drainage.
- The lessor is entitled to exercise the right of re-entry if JTC fails to perform or observe any of the terms and conditions of the State Lease. Upon re-entry, the term of the State Lease will cease but without prejudice to any right of action or other remedy that the lessor may have.

There is no restriction in the State Lease on JTC's right to sub-lease the Property. The purchaser's interest in the Property shall be subject to the terms of the State Lease.

Terms of the JTC Lease

A registered Lease No. IA/245915U comprised in Certificate of Title (SUB) Volume 636 Folio 146 ("JTC Lease") for the Property was issued by JTC to MI for a term of 30 years commencing from 16 April 1997. JTC has confirmed in its letter dated 31 January 2005 that MI has qualified for a further lease term of 30 years from 16 April 2027 subject to the terms of the JTC Lease.

Terms of the JTC Lease include, *inter alia*, the following:

- Provision for the payment of yearly rent by the lessee to JTC in advance by quarterly instalments. The yearly rent shall on the 16th day of April every year be subject to an annual fixed rental increase of 4% over the yearly rent for each immediately preceding year. By a supplemental deed to the JTC Lease made between JTC and MI dated 31 March 2006, it was agreed that with effect from 16 April 2006, the yearly rent shall be revised to a rate based on the market rent then prevailing, and on the 16th day of April of every year thereafter, the yearly rent shall be revised to a rate based on the market rent but subject to a maximum increase not exceeding 5.5% of the yearly rent for each immediately preceding year.
- The lessee shall use at least 60% of the total floor area of the Property for purely industrial activities, and may use the remaining floor area for ancillary stores and offices, neutral areas, communal facilities and such other use as may be approved in writing by JTC and the relevant authorities, provided that the said ancillary offices shall not exceed 25% of the total floor area and provide that the lessee shall not use and occupy the Property for the purposes of commercial offices and storage unrelated to the approved industrial activity of the lessee.
- Not to use or permit the Property to be used otherwise than for manufacturing of precision engineering components, precision toolings fabrication, precision rubber forming, supplying and servicing of cleanroom products only except with the prior written consent of JTC. In granting its consent, JTC may in its absolute discretion require, *inter alia*, that the lessee meet the fixed investment criteria and that due proof thereof be shown within such period of time as JTC may stipulate.
- To ensure that the gross plot ratio shall not be less than 2.0 and not more than 2.5.
- Not to demise, assign, charge, create a trust or agency, mortgage, let, sublet or underlet or grant a licence or part with or share the possession or occupation of the whole or part of the Property without obtaining JTC's prior written consent. In granting its consent, JTC may in its absolute discretion require, *inter alia*, that the lessee meet the fixed investment criteria and that due proof thereof be shown within such period of time as JTC may stipulate.
- Provision for an option to renew for a further term of 30 years upon fulfilment of fixed investment criteria imposed by JTC provided that:
  - (a) at the expiry of the current term, there is no existing breach or non-observance of any of the covenants and conditions by the lessee; and
  - (b) the yearly rent for the further term shall be at a rate based on the market rent at the commencement of the further term, subject to revision pursuant to the terms of the JTC Lease.

Terms of the JTC consent letter

By its letter of 21 October 2005, JTC has, in principle, no objection to the proposed assignment or transfer of the Property to the Trustee subject to, *inter alia*, the following terms and conditions of the said letter:

- The Trustee shall be permitted to use the Property throughout the remainder of the lease term only for manufacturing of precision engineering components, precision toolings fabrication, precision rubber forming, supplying and servicing of cleanroom products.

- A prohibition ("Prohibition") against the Trustee demising, assigning, charging, creating a trust or agency, mortgaging, letting, subletting, granting a licence or parting with or sharing possession or occupation of the whole or part of the Property within three years from the date of completion of assignment ("Prohibition Period") except that the Trustee may sublet the Property subject to JTC's prior written consent, or mortgage or charge the Property for the purpose of obtaining financing for the working capital requirements of the Trustee subject to JTC's prior written consent or prior written notification to JTC (as the case may be).
- After the Prohibition Period, the Trustee shall not demise, assign, charge, create a trust or agency, mortgage, let, sublet, grant a licence or part with or share possession or occupation of the whole or part of the Property without JTC's prior written consent ("Restriction").
- In granting its consent relating to the Prohibition or the Restriction or otherwise, JTC may in its absolute discretion impose terms and conditions including, but not limited to conditions requiring a purchaser to be subject to the Prohibition for a period of three years from the date of assignment except that the purchaser may not sublet, mortgage or charge the Property without JTC's prior written consent, and the payment of monies, fee or deposit.

Olivine Building 130 Joo Seng Road Singapore 368357

Pursuant to an option agreement dated 13 October 2005 as amended by a supplemental agreement dated 18 November 2005, a second supplemental agreement dated 18 January 2006 and a third supplemental agreement dated 31 March 2006 (the "Option Agreement"), Olivine Magnetics Pte Ltd ("Olivine") granted to CREIM a call option which, when exercised by CREIM in accordance with the terms of the Option Agreement, will require Olivine to enter into a sale and purchase agreement with CREIM for the purchase of the Property (the "Sale and Purchase Agreement") and a lease agreement with CREIM for the leaseback of the Property to Olivine (the "Lease Agreement") on the same day as the Listing Date (the "Completion Date").

CREIM has assigned its right, title benefit and interest to, in and under the Option Agreement to the Trustee on 31 March 2006.

Under the first supplemental agreement, if HDB does not issue to Olivine the lease agreement in relation to the Property ("HDB Lease") due to Olivine's default in making any payment or complying with any term or condition in relation to the HDB Lease required or imposed by HDB, then Olivine shall undertake to make any such payment or comply with any such term or condition as may be required or imposed by HDB and Olivine shall indemnify the Trustee against all costs, claims, expenses, losses or liability incurred by the Trustee arising from or in connection with the Trustee taking over Olivine's obligation to make any such payment or comply with any such term or condition required or imposed by HDB.

Pursuant to its consent letter dated 19 January 2006 to Olivine and CREIM, HDB granted its consent to the proposed sale, acquisition and leaseback arrangement of the Property between Olivine and the Trustee on the terms and conditions of its said letter.

Terms of the Sale and Purchase Agreement

The principal terms of the Sale and Purchase Agreement include, *inter alia*, the following:

- The Property will be sold on an "as is, where is" basis on Completion subject to Olivine's obligation to repair, rectify and make good all defects recommended by CREIM and any damage to the Property occurring up to and including the Completion Date. In the event of the failure by Olivine to fulfil its obligation to repair, rectify or make good such defects for which Olivine is liable under the Sale and Purchase Agreement, a Retention Sum will be retained by the Trustee on Completion.
- The purchase price of the Property is S$12,000,000.

- On Completion, the purchase price will be paid fully in cash less a Retention Sum not exceeding S$28,000.
- If at any time prior to Completion, the Property is materially damaged such that the valuation of the fair market value of the Property as at the date of the Option Agreement is reduced by 3% or more, the Trustee may by notice in writing to Olivine elect to rescind the Sale and Purchase Agreement. In the event the Trustee elects not to rescind, Olivine shall forthwith repair that damage prior to Completion at its own cost and expense. Alternatively, the Trustee may in its discretion permit Olivine to complete such repair and reinstatement works as soon as practicable after Completion, subject to the Trustee retaining such part of the Retention Sum for such repairs and reinstatement works.
- As Vendor, Olivine has made certain representations and warranties in respect of the Property.

Terms of the Lease Agreement

The principal terms of the Lease Agreement include, *inter alia,* the following:

- The term of the leaseback to Olivine shall be for seven years commencing on the Completion Date ("Term").

  The rent is S$100,500 per month, subject to:

  (a) a rental escalation of 5% on the commencement of the 3rd year from the commencement date of the Term; and

  (b) a further rental escalation of 5% on the commencement of the 5th year from the commencement date of the Term on the rental amount applicable immediately before the commencement of the 5th year.
- Olivine shall pay on the Completion Date to the Trustee a security deposit of an amount equal to 24 months' rent totalling S$2,412,000 by way of banker's draft, banker's guarantee or insurance bond and maintained throughout the Term as security for the due observance and performance by Olivine of all and singular the several covenants, conditions, stipulations and agreements on the part of Olivine contained in the Lease Agreement.
- The Trustee shall be responsible for property tax levied by the IRAS in respect of the Property. Olivine shall pay to the Trustee any difference in land rental calculated by reference to the land rent payable to HDB as at the commencement date of the Term and the new land rent payable to HDB with effect from the first land rent revision date after the commencement date of the Term as stipulated in the HDB Lease (as defined below).
- Olivine shall at its own cost and expense maintain the Property save for capital expenditure exceeding S$2,000 per occurrence which shall be borne by the Trustee.
- The Trustee shall keep all structural walls of the demised premises and the roof in good and tenantable repair and condition (fair wear and tear and damage by fire excepted).
- At the commencement date of the Term, Olivine shall enter into an agreement with the Trustee whereby Olivine agrees and undertakes, upon any breach of and non-performance or observance of the covenants, conditions, stipulations and agreements of the Lease Agreement by Olivine, to execute a deed of assignment to assign to the Trustee all rental proceeds, rental deposits and other amounts from time to time payable by its sub-tenant(s) and to notify all sub-tenant(s) of the said assignment.
- There is provision for an option to renew the leaseback for a further term of five years in respect of the Property, subject to a revised rent which shall be pegged to the market rental for similar properties in the area, and on such other terms and conditions as may be agreed.

Terms of the State Lease

A State Lease No. 21767 was issued by the President of the Republic of Singapore, as lessor, in favour of HDB, as lessee, in respect of the Property for a term of 99 years commencing from 1 December 1991.

The principal terms of State Lease No. 21767 include, *inter alia*, the following:

- The Property shall be used for industrial development with a gross plot ratio not exceeding 2.5 and HDB shall not change the use of the Property and/or increase the gross plot ratio without the prior written permission of the President of the Republic of Singapore which permission may be granted subject to planning approval and payment of differential premium.
- The lessor is entitled to exercise the right of re-entry if HDB fails to perform or observe any of the terms and conditions of the State Lease. Upon re-entry, the term of the State Lease will cease but without prejudice to any right of action or other remedy that the lessor may have.
- HDB shall surrender to the Government of Singapore free of charge such portions of the Property which may be required in future for roads and drainage.

There is no restriction in the State Lease on HDB's right to sub-lease the Property. The purchaser's interest in the Property shall be subject to the terms of the State Lease.

Terms of the HDB Lease

A registered Lease No. IA/361393P comprised in Certificate of Title (SUB) Volume 639 Folio 110 ("HDB Lease") for the Property was issued by HDB to Olivine for a term of 30 years commencing from 1 December 1991. HDB has covenanted to grant to Olivine a further term of 30 years commencing from the date of expiry of the current term, subject to the terms of the HDB Lease.

The principal terms of the HDB Lease include, *inter alia*, the following:

- Provision for the payment of yearly rent by the lessee to HDB in advance by quarterly instalments. The yearly rent shall be subject to yearly revision on 1 December. By the terms of HDB's consent letter to Olivine dated 19 January 2006, such rent shall be revised to the posted rent prevailing at the time of revision, subject to a maximum increase of 5.5% of the annual rent for the immediately preceding year.
- Not to use or permit the Property or any part thereof to be used otherwise than for manufacture of plastic parts and assembly of audio/video, cassettes, magnetic tapes and electrical appliances only, subject to the approval of competant authorities appointed under the Planning Act.
- Not to demise, transfer, assign, mortgage, let, sublet, underlet or grant a licence or part with the possession of the whole or part of the Property, and not to effect any form of reconstruction, including any amalgamation or merger with or take-over by another party, without first obtaining the written consent of HDB, which consent shall be given on such terms and conditions as HDB may impose in its absolute discretion, and shall include:
  - (a) full revision of the rental to the prevailing market rate from the date of assignment; and
  - (b) payment of such administrative fees as determined by HDB.
- HDB has agreed with the lessee that it shall at the written request of the lessee made not less than 12 months before the expiry of the current term but not earlier than the 28th year of the said term, grant to the lessee a lease of the Property for a further term of 30 years which will commence from the day immediately following the expiry of the current term upon the same terms and conditions and containing like covenants as the lease for the current term with the exception of the covenant for renewal provided that:
  - (a) there is no existing breach or non-observance of any of the covenants and conditions by the lessee;

(b) the rent for the further term commencing on 1 December 2021 shall be at a rate based on the market rent at the commencement of the further term subject to revision pursuant to the terms of the HDB Lease;

(c) any demise, transfer assignment, or parting of possession of the Property or any part thereof within five years of the commencement of the further term will be approved by HDB upon payment by the lessee of an additional fee which shall be equivalent to the value of the buildings and there shall also be a full revision of the rental to the prevailing market rate from the date of assignment and payment of such administrative fee as determined by HDB. The value of the buildings shall be determined by HDB and its assessment shall be final and conclusive and not be subject to review by the lessee provided that the lessee shall not be required to pay the additional fee for any demise, transfer, assignment or parting with possession of the Property or any part thereof by the lessee after the aforesaid period of five years.

Panasonic Building 2 Jalan Kilang Barat Singapore 159346

Pursuant to an option agreement dated 23 September 2005 as amended by a supplemental letter dated 9 December 2005, a second supplemental letter dated 19 January 2006 and a third supplemental letter dated 22 May 2006 (the "Option Agreement"), S C Merah Pte Ltd ("SCM") granted to CREIM a call option which, when exercised by CREIM in accordance with the terms of the Option Agreement, will require SCM to enter into a sale and purchase agreement with CREIM for the purchase of the Property (the "Sale and Purchase Agreement") and a lease agreement with CREIM for the leaseback of the Property to SCM (the "Lease Agreement") on the same day as the Listing Date (the "Completion Date").

CREIM has assigned its right, title, benefit and interest to, in and under the Option Agreement to the Trustee on 31 March 2006.

The Singapore Land Authority granted consent for the sale and leaseback of the Property to the Trustee in its letters dated 1 September 2005, 30 November 2005 and 5 January 2006.

Terms of the Sale and Purchase Agreement

The principal terms of the Sale and Purchase Agreement include, *inter alia*, the following:

- The Property (together with the fixtures and fittings and the mechanical and electrical equipment) will be sold on an "as is, where is" basis subject to SCM's obligation to repair, rectify and make good all defects recommended by CREIM and any damage to the Property occurring up to and including the Completion Date. In the event of the failure by SCM to fulfil its obligation to repair, rectify or make good such defects for which SCM is liable under the Sale and Purchase Agreement, a Retention Sum will be retained by the Trustee on Completion.
- The purchase price of the Property is S$20,000,000.
- On Completion, 75% of the purchase price less a Retention Sum not exceeding S$13,000 will be paid in cash and 25% of the purchase price will be paid in Units.
- If at any time prior to Completion, the Property is materially damaged such that the valuation of the fair market value of the Property as at the date of the Option Agreement is reduced by 5% or more, the Trustee may elect by notice in writing to SCM to rescind the Sale and Purchase Agreement. In the event the Trustee elects not to rescind and subject to SCM agreeing at its own cost and expense to repair that damage, SCM shall repair that damage prior to Completion provided that if it is a requirement by the SGX-ST or MAS that the sale and purchase be completed notwithstanding that the Property is materially damaged, SCM shall repair that damage at its own cost and expense. Alternatively, the Trustee may in its discretion permit SCM to complete such repair and reinstatement works as soon as practicable after Completion.
- As Vendor, SCM has made certain representations and warranties in respect of the Property.

Terms of the Lease Agreement

The principal terms of the Lease Agreement include, *inter alia,* the following:

- The term of the leaseback to SCM shall be for five years commencing on the Completion Date ("Term").
- The rent is S$127,916.67 per month, subject to a rental escalation of 5% on the commencement of the 3rd year from the commencement date of the Term.
- SCM shall pay on the Completion Date to the Trustee a security deposit of an amount equal to 10 months' rent totalling S$1,279,166.70 by way of banker's draft, banker's guarantee or insurance bond and maintained throughout the Term as security for the due observance and performance by SCM of all and singular the several covenants, conditions, stipulations and agreements on the part of SCM contained in the Lease Agreement.
- The Trustee shall pay the property tax and land rental levied by the IRAS and the President of the Republic of Singapore respectively in respect of the Property.
- The Trustee shall keep the structural items listed in the Lease Agreement in good repair (fair wear and tear excepted).
- SCM shall at its own cost and expense maintain the Property save for capital expenditure including the replacement of the mechanical and electrical equipment (as defined in the Lease Agreement) and all other repair and/or replacement costs (not mentioned in the Lease Agreement as SCM's responsibility) exceeding S$2,000 per occurrence which shall be borne by the Trustee.
- The Trustee shall purchase the carpark system located in the carpark from SCM at the expiry or sooner determination of the Term at the then prevailing market value of the carpark system.
- At the commencement date of the Term, SCM shall enter into an agreement with the Trustee whereby SCM agrees and undertakes, upon default in payment of rent under the Lease Agreement for a period of at least five months, to execute a deed of assignment to the Trustee to assign all of its rights, title and interest in rental proceeds, rental deposits and other amounts from time to time payable by its sub-tenant(s) and notify all its sub-tenant(s) of the said assignment.
- The Trustee shall indemnify SCM against all damages, losses, costs and expenses suffered by SCM in the event that the State Lease is terminated by the lessor provided that such termination is caused by the Trustee's breach of its obligations under the State Lease.
- There is an option to renew the leaseback for a further term of three years or such other period as may be agreed between the Trustee and SCM subject to a revised rent to be mutually agreed which shall be pegged to the market rental and such other terms and conditions as may be agreed.

Terms of the State Lease

A State Lease No. 9844 was issued by the President of the Republic of Singapore, as lessor, in favour of General Food Industries Limited, as lessee, in respect of the Property for a term of 99 years commencing on 1 July 1963. The registered proprietor of the Property is now SCM pursuant to an instrument of Transfer I/70099N.

The principal terms of State Lease No. 9844 include, *inter alia*, the following:

- Not to demise or assign the Property in whole or in part without first obtaining the approval of the lessor in writing provided that this covenant shall not apply to an assignment to a mortgagee in security of his loan, nor shall it affect or in any way diminish the rights and power of such mortgagee to enter into possession of and sell the said Property on default by SCM in accordance with the provisions of the mortgage deed and the Conveyancing and Law of Property Ordinance (Ordinance 6 of 1886).

- Not without the written approval of the lessor to use or permit the Property to be used otherwise than as light industrial premises or in accordance with approval obtained from the lessor and the competent planning authority.
- To insure and keep insured against loss or damage by fire the Property to the full value thereof and to pay all premiums necessary for that purpose within seven days after the same shall become due and to produce and show to the lessor whenever required the policy of such insurance and the receipt for every such premium and to cause all monies received by virtue of any of such insurance to be forthwith laid out in rebuilding or reinstating the Property and to make up any deficiency out of its own monies.
- The lessor is entitled to exercise the right of re-entry if SCM fails to perform or observe any of the terms and conditions of the State Lease. Upon re-entry, the term of the State Lease will cease but without prejudice to any right of action or other remedy that the lessor may have.

MEC TechnoCentre 87 Defu Lane 10 Singapore 539219

Pursuant to an option agreement dated 6 October 2005 as amended by a supplemental letter dated 15 December 2005 and a second supplemental letter dated 18 January 2006 (the "Option Agreement"), The Excalibur Corporation Pte Ltd ("TEC") granted to CREIM a call option which, when exercised by CREIM in accordance with the terms of the Option Agreement, will require TEC to enter into a sale and purchase agreement with CREIM for the purchase of the Property (the "Sale and Purchase Agreement") and a lease agreement with CREIM for the leaseback of the Property to TEC (the "Lease Agreement") on the same day as the Listing Date (the "Completion Date").

CREIM has assigned its right, title, benefit and interest to, in and under the Option Agreement to the Trustee on 31 March 2006.

HDB granted consent for the sale and leaseback of the Property to the Trustee on the terms and conditions of its consent letter dated 19 January 2006.

Terms of the Sale and Purchase Agreement

The principal terms of the Sale and Purchase Agreement include, *inter alia*, the following:

- The Property (excluding air-conditioning units and the compressors and chillers) will be sold on an "as is, where is" basis subject to TEC's obligation to repair, rectify and make good all defects recommended by CREIM and any damage to the Property occurring up to and including the Completion Date. In the event of the failure by TEC to fulfil its obligation to repair, rectify or make good such defects for which TEC is liable under the Sale and Purchase Agreement, a Retention Sum will be retained by the Trustee on Completion.
- The purchase price of the Property is S$13,064,672.
- On Completion, 80% of the purchase price less a Retention Sum of S$30,000 will be paid in cash and 20% of the purchase price will be paid in Units.
- If at any time prior to Completion the Property is materially damaged such that the fair market value of the Property as at the date of the Option Agreement is reduced by 10% or more, the Trustee may by notice in writing to TEC elect to rescind the Sale and Purchase Agreement. In the event the Trustee elects not to rescind, TEC shall repair that damage prior to Completion at its own cost and expense. Alternatively, the Trustee may in its discretion permit TEC to complete such repair and reinstatement works as soon as practicable after Completion, subject to the Trustee retaining the Retention Sum.
- TEC agrees and undertakes at its own cost and expense to carry out and complete the erection on the 6^{th} floor of the Property of an insulated roof and enclose the area with adequate windows and concrete walls ("Roof Works") in accordance with the requirements of the relevant competent authorities to the reasonable satisfaction of the Trustee at least one year prior to the expiry of the

term of the leaseback of the Property to TEC as described below. On Completion, TEC will provide a banker's guarantee in respect of the sum of S$200,000 as security for the construction and completion of the Roof Works.

- TEC agrees and undertakes at its own cost and expense to carry out and complete the construction works to convert part of the basement carpark on the Property into usable space in accordance with the requirements of the relevant competent authorities to the reasonable satisfaction of the Trustee ("Carpark Alterations").
- The Trustee shall pay TEC a one-time lump sum not exceeding S$1,015,328 ("Alterations Sum") within 21 days of the Trustee's receipt of the Certificate of Statutory Completion for the Carpark Alterations ("CSC Carpark Alterations") and the final approved building plans for the Property. The Trustee and TEC agree that the Alterations Sum shall be calculated using the formula "$1,395.026 per square metre × A", where "A" equals the difference (measured in square metres) between: (i) the enlarged gross floor area of the Property as at the date of the Trustee's receipt of the CSC Carpark Alterations; and (ii) the existing approved gross floor area of the Property of 9,365.18 square metres.
- TEC shall, at its cost and expense, pay the differential premium or development charge (if any) to the relevant competent government or statutory authorities for any increase to the existing gross floor area, alterations and additions works or redevelopments to or on the Property carried out or to be carried out by TEC ("Differential Payment Obligation"). In the event that the Trustee agrees with TEC to take over the Differential Payment Obligation in respect of the Property, the same shall be subject to such terms and conditions as the Trustee may impose, including requiring an indemnity from TEC for all costs, claims, expenses, losses or liabilities incurred by the Trustee arising from or in connection with the Trustee taking over the Differential Payment Obligation and complying with the terms and conditions imposed or to be imposed by HDB and/or the relevant competent authorities in respect of the Differential Payment Obligation.
- As Vendor, TEC has made certain representations and warranties in respect of the Property.

Terms of the Lease Agreement

The principal terms of the Lease Agreement include, *inter alia,* the following:

- The term of the leaseback to TEC shall be for seven years commencing on the Completion Date ("Term").
- The rent is S$76,628.17 per month, subject to:
  - (a) a rental escalation of 5% over the rent for the 2nd year on the commencement of the 3rd and 4th years from the commencement date of the Term; and
  - (b) a further rental escalation of 5% over the rent for the 4th year on the commencement of the 5th, 6th and 7th years from the commencement date of the Term.
- TEC shall on the Completion Date pay to the Trustee a security deposit of an amount equal to 15 months' rent totalling S$1,149,422.50 by way of banker's guarantee and maintained throughout the Term as security for the due observance and performance by TEC of all and singular the several covenants, conditions, stipulations and agreements on the part of TEC contained in the Lease Agreement.
- Upon TEC's receipt of the Alterations Sum from the Trustee, the aforesaid rent and the security deposit payable by TEC shall be adjusted on the basis of S$8.182 per square metre per month up to a maximum monthly rent of S$82,583.33. Such adjusted rent and the corresponding increase in the security deposit payable by TEC to the Trustee shall be effective from the same day that TEC receives the Alterations Sum from the Trustee.
- TEC shall be responsible for property tax and land rental, levied by the IRAS and HDB respectively in respect of the Property.

- TEC shall at its own cost and expense maintain the Property save for capital expenditure including the replacement of major mechanical and electrical equipment including the lift (but excluding the air-conditioning units and the compressors and chillers) exceeding S$2,000 per occurrence which is agreed to be borne by the Trustee.
- Prior to the commencement of the Term, TEC has submitted the relevant plans for the Carpark Alterations to the relevant competent authorities for approval. TEC agrees and undertakes at its own cost and expense to carry out and complete the Carpark Alterations and to obtain all necessary approvals, consents and licences from all relevant government or statutory authorities in connection thereto. Upon the Trustee's receipt of the CSC Carpark Alterations and the final approved building plans for the Property, the Trustee shall within 21 days pay TEC the Alterations Sum.
- TEC undertakes at its own cost and expense to construct the Roof Works, which shall be completed at least one year prior to the expiry of the Term and to obtain all necessary approvals, consents and licences from all relevant government or statutory authorities in connection thereto.
- TEC shall, at its cost and expense, pay the differential premium or development charge (if any) or any charge, fee or whatsoever to the relevant competent government or statutory authorities for any increase to the existing gross floor area, alterations and additions works or redevelopments to or on the Property carried out by TEC.
- The Trustee shall keep all structural walls of the Property and the roof in good and tenantable repair and condition (fair wear and tear excepted provided that the same does not affect the functionality of the demised premises), and shall at its own cost carry out promptly all necessary repairs to the same, in particular the Trustee shall at its own cost commence rectification of any leakage of the roof of the demised premises within such time as may be reasonably necessary upon written notification by TEC.
- At the commencement date of the Term, TEC shall enter into an agreement with the Trustee whereby TEC agrees and undertakes, upon any breach of and non-performance or observance of the covenants, conditions, stipulations and agreements of the Lease Agreement by TEC, to execute a deed of assignment to assign to the Trustee all of its rights, title and interest in all rental proceeds, rental deposit and other amounts from time to time payable by its sub-tenant(s) and notify all its sub-tenant(s) of the said assignment.
- There is provision for an option to renew the leaseback for a further term of seven years on such revised rent which shall be pegged to the market rental for similar properties in the area, and on such other terms and conditions as mutually agreed by the Trustee and TEC under the Lease Agreement, provided that at the time of renewal there shall not be any existing breach or non-observance of any of the covenants on the part of TEC.

Terms of the State Lease

A State Lease No. 20191 was issued by the President of the Republic of Singapore, as lessor, in favour of HDB, as lessee, in respect of the Property for a term of 99 years commencing from 1 November 1990.

Principal terms of State Lease No. 20191 include, *inter alia*, the following:

- The Property shall be used for industrial development only with a gross plot ratio not exceeding 2.5.
- HDB shall surrender free of charge to the lessor such portions of the Property which may be required in future for roads and drainage.
- The lessor is entitled to exercise the right of re-entry if HDB fails to perform or observe any of the terms and conditions of the State Lease. Upon re-entry, the term of the State Lease will cease but without prejudice to any right of action or other remedy that the lessor may have.

There is no restriction in the State Lease on HDB's right to sub-lease the Property. The terms of the State Lease shall bind the purchaser of the Property.

Terms of the HDB Lease

A registered Lease No. I/35326L (varied vide Variation of Lease No. I/90423P) comprised in Certificate of Title (SUB) Volume 473 Folio 5 ("HDB Lease") for the Property was issued by HDB to TEC for a term of 30 years commencing from 1 November 1990. HDB has covenanted to grant to TEC a further term of 30 years commencing from the date immediately following the expiry of the current lease term, subject to the terms of the HDB Lease.

Principal terms of the HDB Lease include, *inter alia*, the following:

- Provision for the payment of yearly rent by the lessee to HDB in advance by quarterly instalments. The yearly rent shall be subject to revision on the 1st day of November of every year. By the terms of HDB's consent letter to TEC dated 19 January 2006, such rent shall be revised to the posted rent prevailing at the time of revision, subject to a maximum increase of 5.5% of the annual rent for the immediately preceding year.
- Not to demise, transfer, assign, mortgage, let, sublet or underlet or licence or part with the possession of the Property or any part thereof and not to effect any form of reconstruction including any form of amalgamation or merger with or take-over by another company or body without first obtaining the consent of HDB in writing. Any consent, if granted by HDB, shall be given on such terms and conditions as may be imposed by HDB in its entire and unfettered discretion as it deems fit and shall include full revision of the rental to the prevailing market rate from the date of assignment and payment of such administrative fees as determined by HDB.
- Not to use or permit the Property to be used otherwise than as factory premises for electrical and mechanical assembly and distribution of electronic products subject to the approval of the competent authority under the Planning Act.
- HDB has agreed with the lessee that it shall, at the written request of the lessee made not less than 12 months before the expiry of the term but not earlier than the 28th year of the term, grant to the lessee a lease of the Property for a further term of 30 years commencing from the date immediately following the expiry of the current lease term upon the same terms and conditions and containing like covenants as the lease for the current term with the exception of the covenant for renewal provided that:
  (a) at the expiry of the current term, there is no existing breach or non-observance of any of the covenants and conditions by the lessee;
  (b) the rent for the first year of the further term commencing on 1 November 2020 shall be at a rate based on the market rent at the commencement of the further term subject to revision pursuant to the terms of the HDB Lease; and
  (c) any demise, transfer or assignment of the Property or any part thereof within five years of the commencement of the further term will be approved by HDB upon payment by the lessee of an additional fee which shall be equivalent to the value of the buildings and there shall also be a full revision of the rental to the prevailing market rate from the date of assignment and payment of such administrative fee. The value of the buildings shall be determined by HDB and its assessment shall be final and conclusive and not be subject to review by the lessee provided that the lessee shall not be required to pay the additional fee for any demise, transfer or assignment or parting with possession of the Property or any part thereof by the lessee after the aforesaid period of five years.

86 and 88 International Road Singapore 629176/629177

Pursuant to an option agreement dated 26 September 2005 as amended by a supplemental letter dated 7 December 2005 and a second supplemental letter dated 9 January 2006 (the "Option Agreement"), Gliderol Doors (S) Pte Ltd ("GDS") granted to CREIM a call option which, when exercised by CREIM in accordance with the terms of the Option Agreement, will require GDS to enter into a Sale and purchase agreement with CREIM for the purchase of the Property (the "Sale and Purchase Agreement") and a lease agreement with CREIM for the leaseback of the Property to GDS (the "Lease Agreement") on the same day as the Listing Date (the "Completion Date").

CREIM has assigned its right, title, benefit and interest to, in and under the Option Agreement to the Trustee on 31 March 2006.

Terms of the Sale and Purchase Agreement

The principal terms of the Sale and Purchase Agreement include, *inter alia*, the following:

- The Property will be sold on an "as is, where is" basis, subject to GDS's obligation to repair, rectify and make good all defects recommended by CREIM and any damage to the Property occurring up to and including the Completion Date, provided that the cost of such repairs, rectification and making good does not amount to more than S$50,000. In the event that such cost exceeds S$50,000, GDS may, by prior written notice to the Trustee (which notice must be given within three weeks of being notified in writing by the Trustee of the repairs, rectification and making good required), elect to rescind the Sale and Purchase Agreement. If the cost of such repairs, rectification and making good does not exceed S$50,000 and GDS has not complied with the obligation to repair, rectify and make good such defects by Completion, a Retention Sum will be retained by the Trustee on Completion.
- The purchase price of the Property is S$14,000,000.
- On Completion, S$9,800,000 of the purchase price will be paid in Units and S$4,200,000 of the purchase price less a Retention Sum not exceeding S$50,000, will be paid in cash.
- If at any time prior to Completion, the Property is materially damaged such that the valuation of the fair market value of the Property as at the date of the Option Agreement is reduced by 3% or more, the Trustee may elect by notice in writing to GDS to rescind the Sale and Purchase Agreement. In the event the Trustee elects, by notice in writing to GDS, not to rescind the Sale and Purchase Agreement, GDS must at its cost and expense forthwith repair that damage prior to Completion. Alternatively, the Trustee may in its discretion permit GDS to complete such repair and reinstatement works as soon as practicable after Completion.
- GDS shall comply, at its cost and expense, with all conditions imposed by JTC in connection with the conduct of an environmental baseline study on the Property ("EBS Obligation"), particulars of which are set out below under the section titled "Terms of JTC consent letter". Subject to JTC's consent, if the Trustee agrees with GDS to take over GDS' EBS Obligation, then GDS agrees to indemnify the Trustee against all costs, expenses, losses or liabilities incurred by the Trustee arising from or in connection with the Trustee taking over GDS' EBS Obligation and complying with the terms and conditions imposed or to be imposed by JTC in respect of the EBS Obligation.
- On Completion, GDS must deliver to the Trustee a cashier's order for the sum of S$215.30 payable to the Trustee, as reimbursement for the registration fees paid by the Trustee under the terms of JTC consent letter (defined below), for the application for and issuance of a new Certificate of Title pursuant to the sub-division of Lot 2950 into Lot 3793M and Lot 3794W.
- As Vendor, GDS has made certain representations and warranties in respect of the Property.

Terms of the Lease Agreement

The principal terms of the Lease Agreement include, *inter alia,* the following:

- The term of the leaseback to GDS shall be for seven years commencing on the Completion Date ("Term").
- The rent is S$117,916.67 per month, subject to:
  - (a) a rental escalation of 5% on the commencement of the 3rd year from the commencement date of the Term; and
  - (b) a further rental escalation of 5% on the commencement of the 5th year from the commencement date of the Term, on the rental amount applicable immediately before the commencement of such 5th year.
- GDS shall pay on the Completion Date to the Trustee a security deposit of an amount equal to 12 months' rent totalling S$1,415,000 by way of banker's draft, banker's guarantee or insurance bond and maintained throughout the Term as security for the due observance and performance by GDS of all and singular the several covenants, conditions, stipulations and agreements on the part of GDS contained in the Lease Agreement.
- GDS shall promptly at its own expense obtain all necessary approvals and consents, and comply with all rules, regulations, notices, orders, requisitions or directions, made or issued by any competent authority in respect of the steel access staircase at the 2nd storey of the Property (as set out in Annexure C of the Lease Agreement) ("Tenant's Alterations"), including but not limited to the removal of the Tenant's Alterations to the satisfaction of the relevant competent authority and the Trustee. GDS shall further indemnify the Trustee against all claims, demands, damages, costs, losses and expenses which the Trustee may suffer or incur in connection with the Tenant's Alterations.
- The Trustee shall pay the property tax and land rental, levied by the IRAS and JTC, respectively, in respect of the Property.
- The Trustee shall keep all structural walls of the Property, the roof, driveways and perimeter drains in good and tenantable repair and condition (fair wear and tear and damage by fire excepted).
- GDS shall at its own cost and expense maintain the Property save for capital expenditure exceeding S$2,000 per occurrence agreed to be borne by the Trustee.
- At the commencement date of the Term, GDS shall enter into an agreement with the Trustee whereby GDS agrees and undertakes, upon any breach of and non-performance or observance of the covenants, conditions, stipulations and agreements of the Lease Agreement by GDS, to execute a deed of assignment to assign to the Trustee all of its rights, title and interest in all rental proceeds, rental deposits and other amounts from time to time payable by its sub-tenant(s) and to notify its sub-tenant(s) of the said assignment.
- There is provision for an option to renew the leaseback for a further term of five years, subject to a revised rent which shall be pegged to the market rental for similar properties in the area, but otherwise on the terms and conditions contained in the Lease Agreement save for the option to renew.

Terms of the JTC consent letter

By its letter of 11 November 2005, JTC has, in principle, no objection to the proposed assignment or transfer of the Property to the Trustee subject to, *inter alia*, the following terms and conditions of the said letter:

- GDS shall at its own cost engage a reputable consultant to conduct an environmental baseline study ("Baseline Study") to determine the level of minerals, hydrocarbons and chemicals on and beneath the Property. If the results of the Baseline Study indicate that the level of minerals, hydrocarbons or chemicals exceeds: (i) that of the first baseline study previously submitted to JTC

("First Baseline Study") (if any) or (ii) that permitted by laws, bye-laws and other regulations ("Prevailing Laws"), or in the absence of such Prevailing Laws, the prevailing Dutch standards regulating intervention levels ("Prevailing Dutch Standards"), then before Completion, GDS shall, at its own cost, properly carry out all works necessary to decontaminate the Property to either of the following states and conditions, whichever is less stringent:

(a) the state and condition existing at the time of the First Baseline Study; or

(b) the state and condition required under the Prevailing Laws or, in the absence of such Prevailing Laws, the Prevailing Dutch Standards, in each case to the satisfaction of JTC and the relevant government and statutory authorities, and GDS shall reinstate any damage to the Property and leave it in tenantable repair in accordance with its covenants under the JTC Lease (defined below).

- The Trustee shall not demise, assign, charge, create a trust or agency, mortgage, let, sublet, grant a licence or part with or share the possession or occupation of the Property ("Prohibition") within a period of three years from the date of completion of the assignment ("Prohibition Period") except that the Trustee may, subject to JTC's prior written consent, sublet the Property or mortgage or charge the Property for the purpose of obtaining financing for the working capital requirements of the Trustee.
- After the Prohibition Period, the Trustee shall not demise, assign, charge, create a trust or agency, mortgage, let, sublet, grant a licence or part with or share the possession or occupation of the Property in whole or in part ("Restriction") without JTC's prior written consent.
- In granting its consent relating to the Prohibition or the Restriction or otherwise, JTC may in its discretion impose terms and conditions including but not limited to requiring a purchaser to be subject to the Prohibition for a period of three years from the date of the assignment except that the purchaser may sublet, mortgage or charge the Property subject to JTC's prior written consent and the payment of monies, fee or deposit.

Terms of the State Lease

A State Lease No. 22717 was issued by the President of the Republic of Singapore, as lessor, in favour of JTC, as lessee, in respect of the Property for a term of 999 years commencing from 17 October 1962.

The principal terms of the State Lease include, *inter alia*, the following:

- The Property shall be used for industry or purposes approved by the planning and building authorities.
- JTC shall resettle the squatters on the land at its expense.
- The lessor is entitled to exercise the right of re-entry if JTC fails to perform or observe any of the terms and conditions of the State Lease. Upon re-entry, the term of the State Lease will cease but without prejudice to any right of action or other remedy that the lessor may have.

There is no restriction in the State Lease on JTC's right to sub-lease the Property. The terms of the State Lease shall bind the purchaser of the Property.

Terms of the JTC Lease

A registered Lease No. I/32960M (varied vide First Variation of Lease No. I/67435N) comprised in Certificate of Title (SUB) Volume 602 Folio 171 and Certificate of Ttle (SUB) Volume 602 Folio 172 ("JTC Lease") for the Property was issued by JTC to GDS for a term of 30 years commencing from 16 December 1994. JTC has confirmed in its letter dated 23 June 1998 that GDS has qualified for a further lease term of 30 years from 16 December 2024 subject to the terms of the JTC Lease.

Terms of the JTC Lease include, *inter alia*, the following:

- Provision for the payment of yearly rent by the lessee to JTC in advance by quarterly instalments. The yearly rent shall be subject to a yearly fixed rental increase of 4% over the yearly rent for each immediately preceding year on the 16th day of December every year. By a supplemental deed to the JTC Lease made between JTC and GDS dated 27 February 2006, it was agreed that with effect from 16 December 2006, the yearly rent shall be revised to a rate based on the market rent then prevailing, and on the 16th day of December of every year thereafter, the yearly rent shall be revised to a rate based on the market rent but subject to a maximum increase not exceeding 5.5% of the yearly rent for each immediately preceding year.
- The lessee shall ensure the minimum gross plot ratio is not less than 0.5.
- Not to use or permit the Property to be used otherwise than for manufacturing of proprietary door, door automation systems and components, power coating and fluorocarbon (PVF2) coating except with the prior written consent of JTC. In giving its consent, JTC may in its absolute discretion require, *inter alia*, that the lessee meet the fixed investment criteria as set out in the JTC Lease and show due proof within such period of time as JTC may stipulate.
- The lessee shall ensure that at least 60% of the total floor area of the Property shall be used for purely industrial activities, and may use the remaining floor area for ancillary stores and offices, neutral areas, communal facilities and such other use as may be approved in writing by JTC and the relevant authorities, provided that the said ancillary offices shall not exceed 25% of the total floor area and that the lessee shall not use and occupy the Property for the purpose of commercial offices and storage unrelated to the lessee's approved activity.
- Not to demise, assign, mortgage, let, sublet, underlet, or grant a licence or part with or share the possession or occupation of the whole or part of the Property except with JTC's prior written consent. In granting its consent, JTC may in its absolute discretion require, *inter alia*, that the lessee meet fixed investment criteria and that due proof thereof be shown within such period of time as JTC may stipulate.
- Provision for an option to renew for a further term of 30 years upon fulfilment of fixed investment criteria imposed by JTC provided that:
  (a) the minimum gross plot ratio is 0.6;
  (b) at the expiry of the current term, there is no existing breach or non-observance of any of the covenants and conditions by the lessee; and
  (c) the yearly rent for the further term shall be at a rate based on the market rent at the commencement of the further term, subject to revision pursuant to the terms of the JTC Lease.

23 Tuas Avenue 10 Singapore 639149

Pursuant to an option agreement dated 15 September 2005 as amended by a supplemental letter dated 24 November 2005 and a second supplemental letter dated 17 January 2006 (the "Option Agreement"), Uchem Products Pte Ltd ("UPPL") granted to CREIM a call option which, when exercised by CREIM in accordance with the terms of the Option Agreement, will require UPPL to enter into a sale and purchase agreement with CREIM for the purchase of the Property (the "Sale and Purchase Agreement") and a lease agreement with CREIM for the leaseback of the Property to UPPL (the "Lease Agreement") on the same day as the Listing Date (the "Completion Date").

Under the Option Agreement, UPPL irrevocably undertakes and agrees that its issued share capital shall be capitalised by a further S$1,000,000 within 14 days after receipt of the Trustee's notice of its receipt of the letter of eligibility to list on the SGX-ST.

CREIM has assigned its right, title, benefit and interest to, in and under the Option Agreement to the Trustee on 31 March 2006.

Terms of the Sale and Purchase Agreement

The principal terms of the Sale and Purchase Agreement include, *inter alia*, the following:

- The Property will be sold on an "as is, where is" basis subject to UPPL's obligation to repair, rectify and make good all defects recommended by CREIM and any damage to the Property occurring up to and including the Completion Date. In the event of the failure by UPPL to fulfil its obligation to repair, rectify or make good such defects for which UPPL is liable under the Sale and Purchase Agreement, a Retention Sum will be retained by the Trustee on Completion.
- The purchase price of the Property is S$8,550,000.
- On Completion, S$2,550,000 of the purchase price will be paid in Units and the balance of the purchase price less a Retention Sum not exceeding S$130,000 will be paid in cash.
- If at any time prior to Completion, the Property is materially damaged such that the fair market value of the Property as at the date of the Option Agreement is reduced by 3% or more, the Trustee may by notice in writing to UPPL elect to rescind the Sale and Purchase Agreement. In the event the Trustee elects not to rescind, UPPL shall repair that damage prior to Completion at its own cost and expense. Alternatively, the Trustee may in its discretion permit UPPL to complete such repair as soon as practicable after Completion, subject to the Trustee retaining the Retention Sum.
- As Vendor, UPPL has made certain representations and warranties in respect of the Property.

Terms of the Lease Agreement

- The term of the leaseback to UPPL shall be for seven years commencing on the Completion Date ("Term").
- The rent is S$53,583.33 per month, subject to:
  - (a) a rental escalation of 5% on the commencement of the 3rd year from the commencement date of the Term; and
  - (b) a further rental escalation of 5% on the commencement of the 5th year from the commencement date of the Term on the rental amount applicable immediately before the commencement of such 5th year.
- UPPL shall on the Completion Date pay to the Trustee a security deposit of an amount equal to 18 months' rent totalling S$964,500 by way of banker's draft or guarantee or insurance bond and maintained throughout the Term as security for the due observance and performance by UPPL of all and singular the several covenants, conditions, stipulations and agreements on the part of UPPL contained in the Lease Agreement.
- UPPL shall be responsible for property tax and land rental, levied by the IRAS and JTC respectively, in respect of the Property.
- The Trustee shall keep all structural walls of the demised premises and the roof in good and tenantable repair and condition (fair wear and tear and damage by fire excepted).
- At the commencement date of the Term, UPPL shall enter into an agreement to assign with the Trustee whereby UPPL agrees and undertakes, upon any breach of and non-performance or observance of the covenants, conditions, stipulations and agreements of the Lease Agreement by UPPL, to execute a deed of assignment to assign to the Trustee all of its rights, title and interest in all rental proceeds, rental deposit and other amounts from time to time payable by its sub-tenant(s) and to notify all its sub-tenant(s) of the said assignment.
- There is provision for an option to renew the leaseback for such further term as may be agreed between the Trustee and UPPL on such revised rent which shall be pegged to the market rental for similar properties in the area and on such other terms and conditions as may be agreed between the Trustee and UPPL, provided that at the time of renewal there shall not be any existing breach or non-observance of any of the covenants on the part of UPPL.

Terms of the JTC consent letter

By its letters of 18 October 2005 and 25 October 2005, JTC has, in principle, no objection to the proposed assignment and transfer of the Property to the Trustee subject to, *inter alia*, the terms and conditions of the said letter:

- The Trustee shall not demise, assign, charge, create a trust or agency, mortgage, let, sublet, grant a licence or part with or share the possession or occupation of the Property ("Prohibition") within a period of three years from the Completion Date ("Prohibition Period") except that the Trustee may, subject to JTC's prior written consent, sublet the Property or mortgage or charge the Property for the purpose of obtaining financing for the Trustee's working capital requirements.
- After the Prohibition Period, the Trustee shall not demise, assign, charge, create a trust or agency, mortgage, let, sublet, grant a licence or part with or share the possession or occupation of the Property in whole or in part ("Restriction") without JTC's prior written consent.
- In granting its consent relating to the Prohibition or the Restriction or otherwise, JTC may in its discretion impose terms and conditions including but not limited to requiring a purchaser to be subject to the Prohibition for a period of three years from the date of the transfer except that the purchaser may not sublet, mortgage or charge the Property without JTC's prior written consent and the payment of monies, fee or deposit.

Terms of the State Lease

A State Lease No. 24975 was issued by the President of the Republic of Singapore, as lessor, in favour of JTC, as lessee, in respect of the Property for a term of 99 years commencing from 15 March 1976.

The principal terms of State Lease No. 24975 include, *inter alia*, the following:

- The Property shall be used for development of clean industries in accordance with plans to be approved by the competent authorities under the Planning Act.
- JTC shall release to the Government of Singapore free of charge such portions of the alienated land which may be required from time to time for roads, drainage, etc.
- The lessor is entitled to exercise the right of re-entry if JTC fails to perform or observe any of the terms and conditions of the State Lease. Upon re-entry, the term of the State Lease will cease but without prejudice to any right of action or other remedy that the lessor may have.

There is no restriction in the State Lease on JTC's right to sub-lease the Property. The terms of the State Lease shall bind the purchaser of the Property.

Terms of the JTC Lease

A registered Lease No. I/91731S comprised in Certificate of Title (SUB) Volume 618 Folio 158 ("JTC Lease") for the Property was issued by JTC to UPPL for a term of 30 years commencing from 1 November 1997. JTC has confirmed in its letter dated 24 November 1999 that UPPL has qualified for a further term of 29 years commencing from 1 November 2027 subject to the terms of the JTC Lease.

The principal terms of the JTC Lease include, *inter alia*, the following:

- Provision for the payment of yearly rent by the lessee to JTC in advance by quarterly instalments. The yearly rent shall be subject to revision on the 1st day of November of every year to a rate based on the market rent subject to a maximum increase not exceeding 5.5% of the annual rent for each immediately preceding year.
- Not to demise, assign, charge, create a trust or agency, mortgage, let, sublet or underlet or grant a licence or part with or share the possession or occupation of the whole or part of the Property except with the prior written consent of JTC. In addition, JTC may in its absolute discretion require, *inter alia*, the lessee to meet the fixed investment criteria as set out in the JTC Lease and to show due proof within such period of time as JTC may stipulate.

- Not to use or permit the Property to be used otherwise than for the manufacture/assembly of a PCB drilling/testing machine and precision drilling and testing of PCB, servicing of electronics products and machinery, ancillary repair, service, packing and repacking of pallets, servicing and repacking of electronics consumer products only except with the prior consent of JTC. In giving its consent, JTC may in its absolute discretion require the lessee to meet the fixed investment criteria as set out in the JTC Lease (and shall include the maintenance of the fixed investment criteria) and to show due proof within such period of time as JTC may stipulate.
- The lessee shall at all times throughout the term of the lease keep in full operation and continue full operations at the whole of the demised premises in accordance with the use permitted in the aforesaid clause.
- Provision for an option to renew for a further term of 29 years upon fulfilment of fixed investment criteria imposed by JTC as set out in the JTC Lease provided that:
  (a) at the expiry of the current term, there is no existing breach or non-observance of any of the covenants and conditions by the lessee subject to revision pursuant to the terms of the JTC Lease; and
  (b) the rent for the first year of the further term shall be at a rate based on the market rent at the commencement of the further term.

9 Tuas View Crescent Singapore 637612

Pursuant to an option agreement dated 29 September 2005 as amended by a supplemental letter dated 14 December 2005 (the "Option Agreement"), United Central Engineering Pte Ltd ("UCE") granted to CREIM a call option which, when exercised by CREIM in accordance with the terms of the Option Agreement, will require UCE to enter into a sale and purchase agreement with CREIM for the purchase of the Property (the "Sale and Purchase Agreement") and a lease agreement with CREIM for the leaseback of the Property to UCE (the "Lease Agreement") on the same day as the Listing Date (the "Completion Date").

CREIM has assigned its right, title, benefit and interest to, in and under the Option Agreement to the Trustee on 31 March 2006.

Terms of the Sale and Purchase Agreement

The principal terms of the Sale and Purchase Agreement include, *inter alia*, the following:

- The Property will be sold on an "as is, where is" basis, subject to UCE's obligation to repair, rectify and make good all defects recommended by CREIM and any damage to the Property occurring up to and including the Completion Date. In the event of the failure by UCE to fulfil its obligation to repair, rectify or make good such defects for which UCE is liable under the Sale and Purchase Agreement, a Retention Sum will be retained by the Trustee on Completion.
- The purchase price of the Property is S$5,600,000.
- On Completion, the purchase price will be paid fully in cash less a Retention Sum not exceeding S$31,000.
- If at any time prior to Completion, the Property is materially damaged such that the fair market value of the Property as at the date of the Option Agreement is reduced by 3% or more, the Trustee may by notice in writing to UCE elect to rescind the Sale and Purchase Agreement. In the event the Trustee elects, by notice in writing to UCE, not to rescind the Sale and Purchase Agreement, UCE must at its cost and expense forthwith repair that damage prior to Completion. Alternatively, the Trustee may in its discretion permit UCE to complete such repair and reinstatement works as soon as practicable after Completion subject to the Trustee retaining the Retention Sum.
- As Vendor, UCE has made certain representations and warranties in respect of the Property.

Terms of the Lease Agreement

The principal terms of the Lease Agreement include, *inter alia,* the following:

- The term of the leaseback to UCE shall be for seven years commencing on the Completion Date ("Term").
- The rent is S$46,333.33 per month, subject to:
  (a) a rental escalation of 5% on the commencement of the 3rd year from the commencement date of the Term; and
  (b) a further rental escalation of 5% on the commencement of the 5th year from the commencement date of the Term on the rental amount applicable immediately before the commencement of such 5th year.
- UCE shall pay on the Completion Date to the Trustee a security deposit of an amount equal to 24 months' rent totalling S$1,112,000 by way of banker's guarantee and maintained throughout the Term as security for the due observance and performance by UCE of all and singular the several covenants, conditions, stipulations and agreements on the part of UCE contained in the Lease Agreement.
- The Trustee shall pay the property tax levied by the IRAS in respect of the Property. UCE shall pay to the Trustee any difference in land rental levied by JTC calculated by reference to S$12.83 per square metre per annum (plus GST thereon), less S$10.02 per square metre per annum (plus GST thereon) from the commencement date of the Term until and including the date of conversion of the land rent to the applicable market rate by JTC.
- The Trustee shall keep all structural walls of the Property and the roof in good and tenantable repair and condition (fair wear and tear and damage by fire excepted).
- UCE shall at its own cost and expense maintain the Property save for a capital expenditure exceeding S$2,000 per occurrence which shall be borne by the Trustee.
- At the commencement date of the Term, UCE shall enter into an agreement with the Trustee whereby UCE agrees and undertakes, upon any breach of and non-performance or observance of the covenants, conditions, stipulations and agreements of the Lease Agreement by UCE, to execute a deed of assignment to assign to the Trustee all of its rights, title and interest in all rental proceeds, rental deposits and other amounts from time to time payable by its sub-tenant(s) and notify its sub-tenant(s) of the said assignment.
- There is provision for an option to renew the leaseback for a further term, subject to a revised rent which shall be pegged to the market rental for similar properties in the area, and on such other terms and conditions as may be agreed.

Terms of the JTC consent letter

By its letter of 24 October 2005, JTC has, in principle, no objection to the proposed assignment or transfer of the Property to the Trustee subject to, *inter alia*, the following terms and conditions of the said letter:

- The Trustee shall not demise, assign, charge, create a trust or agency, mortgage, let, sublet, grant a licence or part with or share the possession or occupation of the Property ("Prohibition") within a period of three years from the date of completion of the assignment ("Prohibition Period") except that the Trustee may, subject to JTC's prior written consent, sublet the Property or mortgage or charge the Property for the purpose of obtaining financing for the working capital requirements of the Trustee.
- After the Prohibition Period, the Trustee shall not demise, assign, charge, create a trust or agency, mortgage, let, sublet, grant a licence or part with or share the possession or occupation of the Property in whole or in part ("Restriction") without JTC's prior written consent.

- In granting its consent relating to the Prohibition or the Restriction or otherwise, JTC may in its discretion impose terms and conditions including but not limited to requiring a purchaser to be subject to the Prohibition for a period of three years from the date of the assignment except that the purchaser may sublet, mortgage or charge the Property subject to JTC's prior written consent and the payment of monies, fee or deposit.

Terms of the State Lease

A State Lease No. 23973 was issued by the President of the Republic of Singapore, as lessor, in favour of JTC, as lessee, in respect of the Property for a term of 99 years commencing from 3 March 1997.

The principal terms of the State Lease include, *inter alia*, the following:

- The Property shall be used for industrial development on a gross plot ratio not exceeding 1.4.
- The Property shall not be used other than for the above-stated development except with the prior permission of the lessor. JTC shall be required to pay a differential premium in respect of any increase in the plot ratio (or density or floor area) or change of use which will result in an enhanced value.
- JTC shall be entitled to impose restrictions on its sub-lessees in terms of investment criteria, assignment and subletting so as to ensure that the land demised is subject to optimal and productive use and not for property speculation.
- JTC shall surrender free of charge to the Government of Singapore such portions of the Property which may be required in future for roads and drainage.
- JTC shall release to the Government of Singapore such portions of the Property which may be required for any public purposes or which are not required for the purpose under the State Lease at the same cost as the State Lease with interest.
- The lessor is entitled to exercise the right of re-entry if JTC fails to perform or observe any of the terms and conditions of the State Lease. Upon re-entry, the term of the State Lease will cease but without prejudice to any right of action or other remedy that the lessor may have.

There is no restriction in the State Lease on JTC's right to sub-lease the Property. The terms of the State Lease shall bind the purchaser of the Property.

Terms of the JTC Lease

A registered Lease No. IA/307365M comprised in Certificate of Title (SUB) Volume 637 Folio 69 ("JTC Lease") for the Property was issued by JTC to UCE for a term of 30 years commencing from 16 July 1998. JTC has confirmed in its letter dated 27 August 2001 that UCE has qualified for a further lease term of 30 years from 16 July 2028 subject to the terms of the JTC Lease.

Terms of the JTC Lease include, *inter alia*, the following:

- Provision for the payment of yearly rent by the lessee to JTC in advance by equal monthly instalments. The yearly rent shall be subject to a yearly fixed rental increase of 4% over the yearly rent for each immediately preceding year on the 16^{th} day of July every year. By a supplemental deed to the JTC Lease made between JTC and UCE dated 15 March 2006, it was agreed that with effect from 17 May 2006 the yearly rent shall be revised to a rate based on the market rent then prevailing, and on the 16^{th} day of July of every year thereafter, the yearly rent shall be revised to a rate based on the market rent but subject to a maximum increase not exceeding 5.5% of the yearly rent for each immediately preceding year.
- Not to use or permit the Property to be used otherwise than for fabrication and assembly of mechanical and metal structural engineering works for customised projects, standard structural products, design and consultancy services for structural works and civil engineering, fabrication and assembly of auto-filling machines and bulk handling systems, except with the prior written

consent of JTC. JTC in giving its consent may in its absolute discretion require, *inter alia*, that the lessee meet the fixed investment criteria and due proof thereof be shown within such period of time as JTC may stipulate.

- The lessee shall ensure that at least 60% of the total floor area of the Property shall be used for purely industrial activities, and may use the remaining floor area for ancillary stores and offices, neutral areas, communal facilities and such other use as may be approved in writing by JTC and the relevant authorities, provided that the said ancillary offices shall not exceed 25% of the total floor area and that the lessee shall not use and occupy the Property for the purpose of commercial offices and storage unrelated to the lessee's approved activity.
- Not to demise, assign, charge, create a trust or agency, mortgage, let, sublet or underlet or grant a licence or part with or share the possession or occupation of the whole or part of the Property except with JTC's prior written consent. In granting its consent, JTC may in its absolute discretion require, *inter alia*, that the lessee meet the fixed investment criteria and due proof thereof be shown within such period of time as JTC may stipulate.
- The lessee shall ensure that the gross plot ratio shall not be less than 1.0 and not more than 1.4.
- Provision for an option to renew for a further term of 30 years upon fulfilment of fixed investment criteria imposed by JTC provided that:

  (a) at the expiry of the current term, there is no existing breach or non-observance of any of the covenants and conditions under the JTC Lease by the lessee; and

  (b) the yearly rent for the further term shall be at a rate based on the market rent at the commencement of the further term, subject to revision pursuant to the terms of the JTC Lease.

27 Pandan Crescent Singapore 128476

Pursuant to an option agreement dated 22 September 2005 as amended by a supplemental agreement dated 7 December 2005 and a second supplemental agreement dated 16 January 2006 (the "Option Agreement"), Wong Sam Ngian Engineering (Pte) Ltd ("WSN") granted to CREIM a call option which, when exercised by CREIM in accordance with the terms of the Option Agreement, will require WSN to enter into a sale and purchase agreement with CREIM for the purchase of the property (the "Sale and Purchase Agreement") and a lease agreement with CREIM for the leaseback of the Property to WSN (the "Lease Agreement") on the same day as the Listing Date (the "Completion Date").

CREIM has assigned its right, title, benefit and interest to, in and under the Option Agreement to the Trustee on 31 March 2006.

Terms of the Sale and Purchase Agreement

The principal terms of the Sale and Purchase Agreement include, *inter alia*, the following:

- The Property will be sold on an "as is, where is" basis subject to WSN's obligation to repair, rectify and make good all defects recommended by CREIM and any damage to the Property occurring up to and including the Completion Date, provided always that the cost of such repairs, rectification and/or making good shall not exceed S$150,000. In the event of the failure by WSN to fulfil its obligation to repair, rectify or make good such defects for which WSN is liable under the Sale and Purchase Agreement, a Retention Sum will be retained by the Trustee on Completion. Where the cost of repairs, rectification and/or making good exceeds S$150,000, the Trustee may by notice in writing to WSN elect to rescind the Sale and Purchase Agreement. In the event the Trustee elects not to rescind the Sale and Purchase Agreement, WSN shall bear the cost of such repairs, rectification and/or making good up to the sum of S$150,000 and the Trustee shall bear the sum in excess thereof.
- The purchase price of the Property is S$7,700,000.

- On Completion, S$2,000,000 of the purchase price will be paid in Units and the S$5,700,000 of the purchase price will be paid in cash less a Retention Sum not exceeding S$8,000.
- If at any time prior to Completion, the Property is materially damaged such that the valuation of the fair market value of the Property as at the date of the Option Agreement is reduced by 5% or more, the Trustee may by notice in writing to WSN elect to rescind the Sale and Purchase Agreement. In the event the Trustee elects, by notice in writing to WSN, not to rescind the Sale and Purchase Agreement, WSN must at its cost and expense forthwith repair that damage prior to Completion. Alternatively, the Trustee may in its reasonable discretion and at WSN's request permit WSN to complete such repair and reinstatement works as soon as practicable after Completion subject to the Trustee retaining the Retention Sum.
- As Vendor, WSN has made certain representations and warranties in respect of the Property.

Terms of the Lease Agreement

The principal terms of the Lease Agreement include, *inter alia,* the following:

- The term of the leaseback to WSN shall be for seven years commencing on the Completion Date ("Term").
- The rent is S$47,666.67 per month, subject to:
  (a) a rental escalation of 5% on the commencement of the 3rd year from the commencement date of the Term; and
  (b) a further rental escalation of 5% on the commencement of the 5th year from the commencement date of the Term on the rental amount applicable immediately before the commencement of such 5th year.
- WSN shall pay on the Completion Date to the Trustee a security deposit of an amount equal to 18 months' rent totalling S$858,000 by way of banker's draft, banker's guarantee or insurance bond and maintained throughout the Term as security for the due observance and performance by WSN of all and singular the several covenants, conditions, stipulations and agreements on the part of WSN contained in the Lease Agreement.
- WSN shall pay the property tax and land rental levied by the IRAS and JTC, respectively, in respect of the Property.
- The Trustee shall keep all structural walls of the Property and the roof in good and tenantable repair and condition (fair wear and tear and damage by fire excepted).
- WSN shall at its own cost and expense maintain the Property.
- At the commencement date of the Term, WSN shall enter into an agreement with the Trustee whereby WSN agrees and undertakes, upon any breach of and non-performance or observance of the covenants, conditions, stipulations and agreements of the Lease Agreement by WSN, to execute a deed of assignment to assign to the Trustee all of its rights, title and interest in all rental proceeds, rental deposits and other amounts from time to time payable by its sub-tenant(s) and to notify its sub-tenant(s) of the said assignment.
- There is provision for an option to renew the leaseback for a further term of two years subject to a revised rent which shall be pegged to the market rental for similar properties in the area and otherwise on the terms and conditions of the Lease Agreement save for the option to renew.

Terms of the JTC consent letter

By its letter of 28 October 2005, JTC has, in principle, no objection to the proposed assignment or transfer of the Property to the Trustee subject to, *inter alia*, the following terms and conditions of the said letter:

- The Trustee shall not demise, assign, charge, create a trust or agency, mortgage, let, sublet, grant a licence or part with or share the possession or occupation of the Property ("Prohibition") within a period of three years from the date of completion of the assignment ("Prohibition Period") except that the Trustee may, subject to JTC's prior written consent, sublet the Property or mortgage or charge the Property for the purpose of obtaining financing for the working capital requirements of the Trustee.
- After the Prohibition Period, the Trustee shall not demise, assign, charge, create a trust or agency, mortgage, let, sublet, grant a licence or part with or share the possession or occupation of the Property in whole or in part ("Restriction") without JTC's prior written consent.
- In granting its consent relating to the Prohibition or the Restriction or otherwise, JTC may in its discretion impose terms and conditions including but not limited to requiring a purchaser to be subject to the Prohibition for a period of three years from the date of the assignment except that the purchaser may not sublet, mortgage or charge the Property without JTC's prior written consent and the payment of monies, fee or deposit.

Terms of the State Lease

A State Lease No. 22605 was issued by the President of the Republic of Singapore, as lessor, in favour of JTC, as lessee, in respect of the Property for a term of 99 years commencing from 1 January 1970.

The principal terms of the State Lease include, *inter alia*, the following:

- The Property shall be used for industrial development and such other related purposes in accordance with plans approved by the competent authority.
- JTC shall be responsible for the clearance and re-settlement of squatters.
- JTC shall surrender free of charge such portions of the land as may be required for road and drainage purposes.
- JTC shall release to the Government of Singapore at cost such portions of the Property which may be required for Government development except where it is specifically directed by the Government of Singapore that JTC shall contribute such land gratis.
- The lessor is entitled to exercise the right of re-entry if JTC fails to perform or observe any of the terms and conditions of the State Lease. Upon re-entry, the term of the State Lease will cease but without prejudice to any right of action or other remedy that the lessor may have.

There is no restriction in the State Lease on JTC's right to sub-lease the Property. The terms of the State Lease shall bind the purchaser of the Property.

Terms of the JTC Lease

A registered Lease No. I/13840M varied vide Variation of Lease No. I/793Q comprised in Certificate of Title (SUB) Volume 509 Folio 104 ("JTC Lease") for the Property was issued by JTC to WSN for a term of 30 years commencing from 16 May 1995. JTC has confirmed in its letter dated 31 January 2000 that WSN has qualified for a further lease term of 30 years from 16 May 2025 subject to the terms of the JTC Lease.

The terms of the JTC Lease include, *inter alia*, the following:

- Provision for the payment of yearly rent by the lessee to JTC in advance by quarterly instalments. The yearly rent shall be subject to revision on the 16th day of May every year to a rate based on the market rent subject to a maximum increase not exceeding 5.5% of the annual rent for each immediately preceding year.

- Not to demise, assign, transfer, create a trust or agency, mortgage, charge, let, sublet or underlet or grant a licence or part with or share the possession or occupation of the whole or part of the Property:

  (a) within three years of 10 February 2000, except that, subject to JTC's prior written consent, the lessee may mortgage or charge its interest in the Property by way of assignment or debenture for the purpose of financing the purchase of the Property by the lessee or the working capital requirements of the lessee; and

  (b) thereafter except with JTC's prior written consent.

  In granting its consent, JTC may in its absolute discretion require, *inter alia*, that the lessee meet the fixed investment criteria and due proof thereof be shown within such period of time as JTC may stipulate.

- Not to use or permit the Property to be used otherwise than for cable installation, jointing and related engineering works, fabrication of steel structures, manufacturing and assembling of heat pipes and cable joints except with the prior written consent of JTC. In granting its consent, JTC may in its absolute discretion require, *inter alia*, that the lessee meet fixed investment criteria and due proof thereof be shown within such period of time as JTC may stipulate.

- The lessee shall ensure that at least 60% of the total floor area of the Property shall be used for purely industrial activities, and may use the remaining floor area for ancillary stores and offices, neutral areas, communal facilities and such other use as may be approved in writing by JTC and the relevant authorities, provided that the said ancillary offices shall not exceed 25% of the total floor area and that the lessee shall not use and occupy the Property for the purpose of commercial offices and storage unrelated to the lessee's approved activity.

- Provision for an option to renew for a further term of 30 years upon fulfilment of fixed investment criteria imposed by JTC provided that:

  (a) the gross plot ratio shall not be less than 0.6;

  (b) at the expiry of the current term, there is no existing breach or non-observance of any of the covenants and conditions by the lessee; and

  (c) the yearly rent for the further term shall be at a rate based on the market rent at the commencement of the further term, subject to revision pursuant to the terms of the JTC Lease.

7 Gul Lane Singapore 629406

Pursuant to an option agreement dated 21 September 2005 as amended by a supplemental letter dated 7 December 2005, a second supplemental letter dated 17 January 2006 and a third supplemental letter dated 23 May 2006 (the "Option Agreement"), BG Casting Private Ltd ("BGC") granted to CREIM a call option which, when exercised by CREIM in accordance with the terms of the Option Agreement, will require BGC to enter into a sale and purchase agreement with CREIM for the purchase of the Property (the "Sale and Purchase Agreement") and a lease agreement with CREIM for the leaseback of the Property to BGC (the "Lease Agreement") on the same day as the Listing Date (the "Completion Date").

CREIM has assigned its right, title, benefit and interest to, in and under the Option Agreement to the Trustee on 31 March 2006.

Terms of the Sale and Purchase Agreement

The principal terms of the Sale and Purchase Agreement include, *inter alia*, the following:

- The Property (together with the fixtures and fittings and the mechanical and electrical equipment) will be sold on an "as is, where is" basis subject to BGC's obligation to repair, rectify and make good all defects recommended by CREIM and any damage to the Property occurring up to and including the Completion Date. In the event of the failure by BGC to fulfil its obligation to repair, rectify or make good such defects for which BGC is liable under the Sale and Purchase Agreement, a Retention Sum will be retained by the Trustee on Completion.
- The purchase price of the Property is S$3,200,000.
- Completion is subject to and conditional upon concurrent completion of the sale and purchase of the properties at 31 Kian Teck Way Singapore 628751, 136 Joo Seng Road Singapore 368360 and 21 Ubi Road 1 Singapore 408724 ("Brilliant Related Properties") provided that the Trustee shall be entitled to require BGC to complete the purchase of this Property notwithstanding that the approval of HDB or JTC (as the case may be) to the sale and leaseback of any of the Brilliant Related Properties has not been obtained and that any reply to legal requisitions or plans in respect of any of the Brilliant Related Properties is unsatisfactory.
- On Completion, 40% of the purchase price less a Retention Sum not exceeding S$50,000 will be paid in cash and 60% of the purchase price will be paid in Units.
- If at any time prior to Completion the Property is materially damaged such that the fair market value of the Property as at the date of the Option Agreement is reduced by 5% or more, the Trustee may by notice in writing to BGC elect to rescind the Sale and Purchase Agreement. In the event the Trustee elects not to rescind and subject to BGC agreeing at its own cost and expense to repair that damage, BGC shall repair that damage prior to Completion provided that if it is a requirement of SGX-ST or MAS that the sale and purchase be completed notwithstanding that the Property is materially damaged, then BGC shall repair that damage at its own cost and expense. Alternatively, the Trustee may in its discretion permit BGC to complete such repair and reinstatement works as soon as practicable after Completion subject to the Trustee retaining such part of the Retention Sum for such repairs and reinstatement works.
- BGC shall comply, at its own cost and expense, with all conditions imposed by JTC in connection with the conduct of an environmental baseline study on the Property ("EBS Obligation"), particulars of which are set out below under the section titled "Terms of JTC consent letter". Subject to JTC's consent, if the Trustee agrees with BGC to take over BGC's EBS Obligation, then BGC agrees to indemnify the Trustee against all costs, expenses, losses or liabilities incurred by the Trustee arising from or in connection with the Trustee taking over BGC's EBS Obligation and complying with the terms and conditions imposed or to be imposed by JTC in respect of the EBS Obligation.
- As Vendor, BGC has made certain representations and warranties in respect of the Property.

Terms of the Lease Agreement

The principal terms of the Lease Agreement include, *inter alia,* the following:

- The term of the leaseback to BGC shall be for seven years commencing on the Completion Date ("Term").
- The rent is S$30,750 per month, subject to:
  - (a) a rental escalation of 5% on the commencement of the 3rd year from the commencement date of the Term; and
  - (b) a further rental escalation of 5% on the commencement of the 5th year from the commencement date of the Term on the rental amount applicable immediately before the commencement of such 5th year.

- BGC shall pay on the Completion Date to the Trustee a security deposit of an amount equal to 18 months' rent totalling S$553,500 by way of banker's draft, banker's guarantee or insurance bond and maintained throughout the Term as security for the due observance and performance by BGC of all and singular the several covenants, conditions, stipulations and agreements on the part of BGC contained in the Lease Agreement.
- The Trustee shall pay the property tax and land rental, levied by the IRAS and JTC, respectively, in respect of the Property.
- BGC shall at its own cost and expense maintain the Property save for capital expenditure exceeding S$2,000 per occurrence agreed to be borne by the Trustee.
- The Trustee shall keep the structural items listed in the Lease Agreement in good repair (fair wear and tear excepted).
- At the commencement date of the Term, BGC shall enter into an agreement with the Trustee whereby BGC agrees and undertakes, upon default in payment of rent under the Lease Agreement for a period of at least five months, to execute a deed of assignment to assign to the Trustee all rental proceeds, rental deposits and other amounts from time to time payable by its sub-tenant(s) and to notify all its sub-tenant(s) of the said assignment.
- There is an option to renew the leaseback for a further term as may be agreed between the Trustee and BGC and on such other terms and conditions as may be agreed.
- The Trustee shall indemnify BGC against all damages, losses, costs and expenses suffered by BGC in the event that the JTC Lease is terminated by JTC provided that such termination is caused by the Trustee's breach of its obligations under the JTC Lease.

Terms of the JTC consent letter

By its letter of 4 November 2005, JTC has, in principle, no objection to the proposed assignment or transfer of the Property to the Trustee subject to, *inter alia*, the terms and conditions of the said letter:

- The Trustee shall not demise, assign, charge, create a trust or agency, mortgage, let, sublet, grant a licence or part with or share the possession or occupation of the Property ("Prohibition") within a period of three years from the Completion Date ("Prohibition Period") except that the Trustee may, subject to JTC's prior written consent, sublet the Property or mortgage or charge the Property for the purpose of obtaining financing for the Trustee's working capital requirements.
- After the Prohibition Period, the Trustee shall not demise, assign, charge, create a trust or agency, mortgage, let, sublet, grant a licence or part with or share the possession or occupation of the Property in whole or in part ("Restriction") without JTC's prior written consent.
- In granting its consent relating to the Prohibition or the Restriction or otherwise, JTC may in its discretion impose terms and conditions including but not limited to requiring a purchaser to be subject to the Prohibition for a period of three years from the date of the transfer except that the purchaser may not sublet, mortgage or charge the Property without JTC's prior written consent and the payment of monies, fee or deposit.
- BGC shall at its own cost engage a reputable consultant to conduct an environmental baseline study ("Baseline Study") to determine the level of minerals, hydrocarbons and chemicals on and beneath the Property. If the results of the Baseline Study indicate that the level of minerals, hydrocarbons or chemicals exceeds: (i) that of the first baseline study previously submitted to JTC ("First Baseline Study") (if any) or (ii) that permitted by laws, bye-laws and other regulations ("Prevailing Laws") or in the absence of such Prevailing Laws, the prevailing Dutch standards regulating intervention levels ("Prevailing Dutch Standards"), then before Completion BGC shall, at its own cost, properly carry out all works necessary to decontaminate the Property to either of the following states and conditions, whichever is less stringent:

  (a) the state and condition existing at the time of the First Baseline Study; or

(b) the state and condition required under the Prevailing Laws or, in the absence of such Prevailing Laws, the Prevailing Dutch Standards,

in each case to the satisfaction of JTC and the relevant governmental and statutory authorities, and BGC shall reinstate any damage to the Property and leave it in tenantable repair in accordance with its covenants under the JTC Lease (defined below).

Terms of the State Lease

A State Lease No. 14440 was issued by the President of the Republic of Singapore, as lessor, in favour of JTC, as lessee, in respect of the Property for a term of 999 years commencing from 18 November 1969.

The principal terms of State Lease No. 14440 include, *inter alia*, the following:

- The Property shall be used for industry or purposes approved by the planning and building authorities.
- The lessor is entitled to exercise the right of re-entry if JTC fails to perform or observe any of the terms and conditions of the State Lease. Upon re-entry, the term of the State Lease will cease but without prejudice to any right of action or other remedy that the lessor may have.

There is no restriction in the State Lease on JTC's right to sub-lease the Property. The terms of the State Lease shall bind the purchaser of the Property.

Terms of the JTC Lease

A registered Lease No. I/42106C (varied vide Variation of Lease No. I/11752E, Second Variation of Lease No. I/41503G and Third Variation of Lease No. I/83423P) comprised in Certificate of Title (SUB) Volume 545 Folio 121 ("JTC Lease") for the Property was issued by JTC for a term of 30 years commencing from 16 May 1981. The registered proprietor of the Property is now BGC pursuant to an instrument of Transfer I/66443M. JTC has confirmed in its letter dated 15 December 2005 that BGC has qualified for a further term of 30 years commencing from 16 May 2011 subject to the terms of the JTC Lease.

The principal terms of the JTC Lease include, *inter alia*, the following:

- Provision for the payment of yearly rent by the lessee to JTC in advance by quarterly instalments. The yearly rent shall be subject to revision on the 16th day of May of every year to a rate based on the market rent subject to a maximum increase not exceeding 5.5% of the annual rent for each immediately preceding year.
- The lessee shall not assign, charge, mortgage, create a trust or agency, let, sublet or underlet or grant a licence or part with or share the possession or occupation of the whole or part of the Property except with the prior written consent of JTC.
- Not to use or permit or suffer the demised premises or any part thereof to be used otherwise than for the manufacture of aluminium die casting parts, machining and electroplating only except with the prior consent of JTC.
- The lessee shall at all times throughout the remaining term of the lease keep in full operation and continue operations at the whole of the demised premises in accordance with the use permitted in the aforesaid clause.
- Provision for an option to renew for a further term of 30 years from the expiry of the current term provided that:

  (a) at the expiry of the current term there is no existing breach or non-observance of any of the covenants and conditions by the lessee; and

  (b) the rent for the first year of the further term shall be at a rate based on the market rent at the commencement of the further term.

31 Kian Teck Way Singapore 628751

Pursuant to an option agreement dated 21 September 2005 as amended by a supplemental letter dated 7 December 2005, a second supplemental letter dated 17 January 2006 and a third supplemental letter dated 23 May 2006 (the "Option Agreement"), Brilliant Magnesium Pte Ltd ("BMPL") granted to CREIM a call option which, when exercised by CREIM in accordance with the terms of the Option Agreement, will require BMPL to enter into a sale and purchase agreement with CREIM for the purchase of the Property (the "Sale and Purchase Agreement") and a lease agreement with CREIM for the leaseback of the Property to BMPL (the "Lease Agreement") on the same day as the Listing Date (the "Completion Date").

CREIM has assigned its right, title, benefit and interest to, in and under the Option Agreement to the Trustee on 31 March 2006.

Terms of the Sale and Purchase Agreement

The principal terms of the Sale and Purchase Agreement include, *inter alia*, the following:

- The Property (together with the fixtures and fittings and the mechanical and electrical equipment) will be sold on an "as is, where is" basis subject to BMPL's obligation to repair, rectify and make good all defects recommended by CREIM and any damage to the Property occurring up to and including the Completion Date. In the event of the failure by BMPL to fulfil its obligation to repair, rectify or make good such defects for which BMPL is liable under the Sale and Purchase Agreement, a Retention Sum will be retained by the Trustee on Completion.
- The purchase price of the Property is S$3,200,000.
- Completion is subject to and conditional upon concurrent completion of the sale and purchase of the properties at 7 Gul Lane Singapore 629406, 136 Joo Seng Road Singapore 368360 and 21 Ubi Road 1 Singapore 408724 ("Brilliant Related Properties") provided that the Trustee shall be entitled to require BMPL to complete the purchase of this Property notwithstanding that the approval of HDB or JTC (as the case may be) to the sale and leaseback of any of the Brilliant Related Properties has not been obtained and that any reply to legal requisitions or plans in respect of any of the Brilliant Related Properties is unsatisfactory.
- On Completion, 40% of the purchase price less a Retention Sum not exceeding S$53,000 will be paid in cash and 60% of the purchase price will be paid in Units.
- If at any time prior to Completion the Property is materially damaged such that the fair market value of the Property as at the date of the Option Agreement is reduced by 5% or more, the Trustee may by notice in writing to BMPL elect to rescind the Sale and Purchase Agreement. In the event the Trustee elects not to rescind and subject to BMPL agreeing at its own cost and expense to repair that damage, BMPL shall repair that damage prior to Completion provided that if it is a requirement of SGX-ST or MAS that the sale and purchase be completed notwithstanding that the Property is materially damaged, then BMPL shall repair that damage at its own cost and expense. Alternatively, the Trustee may in its discretion permit BMPL to complete such repair and reinstatement works as soon as practicable after Completion subject to the Trustee retaining such part of the Retention Sum for such repairs and reinstatement works.
- As Vendor, BMPL has made certain representations and warranties in respect of the Property.
- On Completion, BMPL will also deliver a deed of convenant duly executed by its parent company, BML to guarantee the due performance of all duties and obligations of BMPL under the lease agreement to be entered into between BMPL and the Trustee.

Terms of the Lease Agreement

The principal terms of the Lease Agreement include, *inter alia,* the following:

- The term of the leaseback to BMPL shall be for seven years commencing on the Completion Date ("Term").
- The rent is S$27,750 per month, subject to:
  - (a) a rental escalation of 5% on the commencement of the 3rd year from the commencement date of the Term; and
  - (b) a further rental escalation of 5% on the commencement of the 5th year from the commencement date of the Term on the rental amount applicable immediately before the commencement of such 5th year.
- BMPL shall pay on the Completion Date to the Trustee a security deposit of an amount equal to 18 months' rent totalling S$499,500 by way of banker's draft, banker's guarantee or insurance bond and maintained throughout the Term as security for the due observance and performance by BMPL of all and singular the several covenants, conditions, stipulations and agreements on the part of BMPL contained in the Lease Agreement.
- The Trustee shall pay the property tax and land rental, levied by the IRAS and JTC, respectively, in respect of the Property.
- The Trustee shall keep the structural items listed in the Lease Agreement in good repair (fair wear and tear excepted).
- BMPL shall at its own cost and expense maintain the Property save for capital expenditure exceeding S$2,000 per occurrence which shall be borne by the Trustee.
- At the commencement date of the Term, BMPL shall enter into an agreement with the Trustee whereby BMPL agrees and undertakes, upon default in payment of rent under the Lease Agreement for a period of at least five months, to execute a deed of assignment to assign to the Trustee all rental proceeds, rental deposits and other amounts from time to time payable by its sub-tenant(s) and to notify all sub-tenant(s) of the said assignment.
- There is provision for an option to renew the leaseback for such further term as may be agreed between the Trustee and BMPL and on such other terms and conditions as may be agreed.
- The Trustee shall indemnify BMPL against all damages, losses, costs and expenses suffered by BMPL in the event that the JTC Lease is terminated by JTC provided that such termination is caused by the Trustee's breach of its obligations under the JTC Lease.

Terms of the JTC consent letter

By its letters of 28 October 2005 and 9 December 2005, JTC has, in principle, no objection to the proposed assignment or transfer of the Property to the Trustee subject to, *inter alia*, the terms and conditions of the said letter:

- The Trustee shall not demise, assign, charge, create a trust or agency, mortgage, let, sublet, grant a licence or part with or share the possession or occupation of the Property ("Prohibition") within a period of three years from the Completion Date ("Prohibition Period") except that the Trustee may, subject to JTC's prior written consent, sublet the Property or mortgage or charge the Property for the purpose of obtaining financing for the Trustee's working capital requirements.
- After the Prohibition Period, the Trustee shall not demise, assign, charge, create a trust or agency, mortgage, let, sublet, grant a licence or part with or share the possession or occupation of the Property in whole or in part ("Restriction") without JTC's prior written consent.
- In granting its consent relating to the Prohibition or the Restriction or otherwise, JTC may in its discretion impose terms and conditions including but not limited to requiring a purchaser to be subject to the Prohibition for a period of three years from the date of the transfer except that the

purchaser may not sublet, mortgage or charge the Property without JTC's prior written consent and the payment of monies, fee or deposit.

Terms of the State Lease

A State Lease No. 21645 was issued by the President of the Republic of Singapore, as lessor, in favour of JTC, as lessee, in respect of the Property for a term of 51 years commencing from 1 January 1992.

The principal terms of State Lease No. 21645 include, *inter alia*, the following:

- The Property shall be used for industrial development on a plot ratio not exceeding 0.9 gross in accordance with plans as approved pursuant to the Planning Act.
- JTC shall surrender free of charge to the Government of Singapore such portions of the Property which may be required in future for roads and drainage.
- JTC shall surrender free of charge to the Government of Singapore such portions of the Property which may be required for any public purpose at alienation cost plus interest.
- The lessor is entitled to exercise the right of re-entry if JTC fails to perform or observe any of the terms and conditions of the State Lease. Upon re-entry, the term of the State Lease will cease but without prejudice to any right of action or other remedy that the lessor may have.

There is no restriction in the State Lease on JTC's right to sub-lease the Property. The terms of the State Lease shall bind the purchaser of the Property.

Terms of the JTC Lease

A registered Lease No. I/49873Q comprised in Certificate of Title (SUB) Volume 595 Folio 76 ("JTC Lease") for the Property was issued by JTC to BMPL for a term of 30 years commencing 1 September 1993. JTC has confirmed in its letter dated 24 May 2001 that BMPL has qualified for a further term of 19 years commencing from 1 September 2023 subject to the terms of the JTC Lease.

The principal terms of the JTC Lease include, *inter alia*, the following:

- Provision for the payment of yearly rent by the lessee to JTC in advance by quarterly instalments. The yearly rent shall be subject to revision on the 1st day of September of every year to a rate based on the market rent subject to a maximum increase not exceeding 5.5% of the annual rent for each immediately preceding year.
- Not to assign, charge, create a trust or agency, mortgage, let, sublet or underlet or grant a licence or part with or share the possession or occupation of the whole or part of the Property except with the prior written consent of JTC.
- Not to use or permit or suffer the demised premises or any part thereof to be used otherwise than for die-casting and precision machining of magnesium alloy components only except with the prior consent in writing of JTC. In giving its consent, JTC may in its absolute discretion require the lessee to meet the fixed investment criteria as set out in the JTC lease (and shall include the maintenance of the fixed investment criteria) and to show due proof within such period of time as JTC may stipulate.
- As often as any building or structure on the demised premises or any part thereof shall be destroyed or damaged, to cause all insurance monies received by the lessee to be laid out in rebuilding and reinstating the same to the satisfaction of JTC and in accordance with the plans and specifications approved by JTC and in accordance with the laws, bye-laws, regulations and planning schemes of every relevant governmental and statutory authority prevailing at the time, and in case the monies so received shall be insufficient for that purpose then the lessee shall make up the deficiency out of its own monies provided that the rebuilding and reinstatement shall in any event commence and be completed within the period specified by JTC.

- Not to assign, charge, create a trust or agency, mortgage, let, sublet or underlet or grant a licence or part with or share the possession or occupation of the whole or part of the Property except with the prior written consent of JTC ("Restriction").
- The lessee shall at all times throughout the term of lease keep in full operation and continue full operations at the whole of the demised premises in accordance with the use permitted in the aforesaid clause.
- In granting any consent relating to the Restriction, JTC may in its absolute discretion impose terms and conditions including but not limited to:
  - (a) requiring the lessee to meet the fixed investment criteria as set out in the JTC lease within such period of time as JTC may stipulate;
  - (b) an assignee to be subject to the prohibition to assign, charge, create a trust or agency, mortgage, let, sublet or underlet or grant a licence or part with or share the possession or occupation of the whole or part of the Property for a period of three years from the date of assignment except that the assignee may mortgage or sublet the Property with JTC's prior written consent; and
  - (c) the payment of monies, fee or deposit.
- Provision for an option to renew for a further term of 19 years upon fulfilment of the fixed investment criteria imposed by JTC as set out in the JTC Lease provided that:
  - (a) at the expiry of the current term, there is no existing breach or non-observance of any of the covenants and conditions by the lessee; and
  - (b) the rent for the first year of the further term shall be at a rate based on the market rent at the commencement of the further term subject to revision pursuant to the terms of the JTC Lease.

Techplas Industrial Building 45 Changi South Avenue 2 Singapore 486133

Pursuant to an option agreement dated 30 September 2005 as amended by a supplemental letter dated 28 November 2005 and a second supplemental letter dated 23 March 2006 (the "Option Agreement"), Chung Shan Plastics Pte. Ltd. ("CSP") granted to CREIM a call option which, when exercised by CREIM in accordance with the terms of the Option Agreement, will require CSP to enter into a sale and purchase agreement with CREIM for the purchase of the Property (the "Sale and Purchase Agreement") and a lease agreement with CREIM for the leaseback of the Property to CSP (the "Lease Agreement") on the same day as the Listing Date (the "Completion Date").

CREIM has assigned its right, title, benefit and interest to, in and under the Option Agreement to the Trustee on 31 March 2006.

Terms of the Sale and Purchase Agreement

The principal terms of the Sale and Purchase Agreement include, *inter alia*, the following:

- The Property will be sold on an "as is, where is" basis subject to CSP's obligation to repair, rectify and make good all defects recommended by CREIM and any damage to the Property occurring up to and including the Completion Date, provided that the cost of such repair, rectification and making good does not exceed S$130,000. In the event of the failure by CSP to fulfil its obligation to repair, rectify or make good such defects for which CSP is liable under the Sale and Purchase Agreement, a Retention Sum will be retained by the Trustee on Completion. Where the aforementioned cost exceeds S$130,000 then, save where the Trustee agrees to bear such part of the cost in excess of S$130,000, CSP may, by giving prior written notice to the Trustee, elect to rescind the Sale and Purchase Agreement.
- The purchase price of the Property is S$8,250,000.

- On Completion, the purchase price will be paid fully in cash less a Retention Sum not exceeding S$33,100.
- If at any time prior to Completion the Property is materially damaged such that the fair market value of the Property as at the date of the Option Agreement is reduced by 3% or more, the Trustee may by notice in writing to CSP elect to rescind the Sale and Purchase Agreement. In the event the Trustee elects, by notice in writing to CSP, not to rescind the Sale and Purchase Agreement, CSP must at its cost and expense forthwith repair that damage prior to Completion. Alternatively, the Trustee may in its discretion permit CSP to complete such repair and reinstatement works as soon as practicable after Completion, subject to the Trustee retaining the Retention Sum.
- As Vendor, CSP has made certain representations and warranties in respect of the Property.

Terms of the Lease Agreement

The principal terms of the Lease Agreement include, *inter alia,* the following:

- The term of the leaseback to CSP shall be for 10 years commencing on the Completion Date ("Term").
- The rent is S$49,833.33 per month, subject to:
  - (a) a rental escalation of 7% on the commencement of the 4th year from the commencement date of the Term; and
  - (b) a further rental escalation of 7% on the commencement of the 7th year from the commencement date of the Term on the rental amount applicable immediately before the commencement of such 7th year.
- CSP shall pay on the Completion Date to the Trustee a security deposit of an amount equal to 24 months' rent totalling S$1,196,000 by way of banker's draft, banker's guarantee or insurance bond and maintained throughout the Term as security for the due observance and performance by CSP of all and singular the several covenants, conditions, stipulations and agreements on the part of CSP contained in the Lease Agreement.
- CSP shall pay the property tax and land rental levied by the IRAS and JTC, respectively, in respect of the Property.
- The Trustee shall keep all structural walls of the Property and the roof in good and tenantable repair and condition (fair wear and tear and damage by fire excepted).
- CSP shall at its own cost and expense maintain the Property save for capital expenditure exceeding S$2,000 per occurrence which shall be borne by the Trustee.
- At the commencement date of the Term, CSP shall enter into an agreement with the Trustee whereby CSP agrees and undertakes, upon any breach of and non-performance or observance of the covenants, conditions, stipulations and agreements of the Lease Agreement by CSP, to execute a deed of assignment to assign to the Trustee all of its rights, title and interest in all rental proceeds, rental deposits and other amounts from time to time payable by its sub-tenant(s) and to notify its sub-tenant(s) of the said assignment.
- There is provision for an option to renew the leaseback for a further term of two years subject to a revised rent which shall be pegged to the market rental for similar properties in the area and on such other terms and conditions as may be agreed.

Terms of the JTC consent letter

By its letter of 20 October 2005, JTC has, in principle, no objection to the proposed assignment or transfer of the Property to the Trustee subject to, *inter alia*, the following terms and conditions of the said letter:

- If the land area on which the annual land rent is calculated is adjusted on final survey any time after the assignment of the Property to the Trustee, then any differential land rent pursuant to the adjustment of land area shall be payable by or refunded to the Trustee retrospectively from the commencement date of the lease term.
- The Trustee shall not demise, assign, charge, create a trust or agency, mortgage, let, sublet, grant a licence or part with or share the possession or occupation of the Property ("Prohibition") within a period of three years from the date of completion of the assignment ("Prohibition Period") except that the Trustee may, subject to JTC's prior written consent, sublet the Property or mortgage or charge the Property for the purpose of obtaining financing for the working capital requirements of the Trustee.
- After the Prohibition Period, the Trustee shall not demise, assign, charge, create a trust or agency, mortgage, let, sublet, grant a licence or part with or share the possession or occupation of the Property in whole or in part ("Restriction") without JTC's prior written consent.
- In granting its consent relating to the Prohibition or the Restriction or otherwise, JTC may in its discretion impose terms and conditions including but not limited to requiring a purchaser to be subject to the Prohibition for a period of three years from the date of the assignment except that the purchaser may not sublet, mortgage or charge the Property without JTC's prior written consent and the payment of monies, fee or deposit.

Terms of the Building Agreement

A State Lease is expected to be issued by the President of the Republic of Singapore, as lessor, in favour of JTC, as lessee, in respect of the Property.

The terms of the State Lease when issued will be binding on the purchaser of the Property.

Pending the issue of the State Lease, there is a deed of confirmation between the President of the Republic of Singapore and JTC, by which the President of the Republic of Singapore confirms the alienation of the pieces of land situate in the district of Changi South more particularly described and delineated in the plan attached to the deed of confirmation to JTC to hold the same unto JTC, its successors and assigns, subject to payment of an annual rental and to the terms and conditions contained in the State Lands Act (CAP 314) and the leases issued or to be issued to JTC.

JTC entered into a building agreement dated 13 July 1996 as amended by a first supplementary agreement dated 16 May 2003 with CSP ("Building Agreement"), whereby JTC agreed to grant to CSP a lease for a term of 30 years commencing from 1 September 1995. JTC has confirmed in its letter dated 12 June 2000 that CSP has qualified for a further lease term of 30 years from 1 September 2025 subject to the terms of the Building Agreement.

Terms of the Building Agreement include, *inter alia*, the following:

- Provision for the payment of yearly rent by the lessee to JTC in advance by quarterly instalments. The yearly rent shall be subject to revision on the 1st day of September of every year, to a rate based on the market rent subject to a maximum increase not exceeding 5.5% of the annual rent for each immediately preceding year.
- Not to use or permit the Property to be used otherwise than for manufacture and assembly of PVC door frames, doors, cable trunking and other plastic extrusion profiles only.
- The lessee shall ensure that at least 60% of the total floor area of the Property shall be used for purely industrial activities, and may use the remaining floor area for ancillary stores and offices, neutral areas, communal facilities and such other use as may be approved in writing by JTC and the relevant authorities, provided that the said ancillary offices shall not exceed 25% of the total floor area and that the lessee shall not use and occupy the Property for the purpose of commercial offices, and storage unrelated to the lessee's approved activity.
- To develop the land to a gross plot ratio of not less than 0.5 and not more than 1.4.

- Not to assign, charge, create a trust or agency, let, sublet, underlet, or grant a licence or part with or share the interest under the Building Agreement, or the possession or occupation of the whole or part of the Property, except that, with JTC's prior written consent, which consent shall not be unreasonably withheld, the licensee may mortgage or charge its interest under the Building Agreement by way of assignment or debenture to secure repayment of such sum or sums as the licensee may require for the purpose only of erecting or completing the building or other structure to be built on the land in accordance with the provisions of the Building Agreement.
- Provision for an option to renew for a further term of 30 years upon fulfilment of fixed investment criteria imposed by JTC provided that:
  - (a) at the expiry of the current term, there is no existing breach or non-observance of any of the covenants and conditions by the lessee; and
  - (b) the yearly rent for the further term shall be at a rate based on the market rent at the commencement of the further term, subject to revision pursuant to the terms of the Building Agreement.

2 Tuas South Avenue 2 Singapore 637601

Pursuant to an option agreement dated 15 September 2005 as amended by a supplemental agreement dated 29 November 2005 (the "Option Agreement"), CS Industrial Land Pte Ltd ("CS Industrial") granted to CREIM a call option which, when exercised by CREIM in accordance with the terms of the Option Agreement, will require CS Industrial to enter into a sale and purchase agreement with CREIM for the purchase of the Property (the "Sale and Purchase Agreement") and a lease agreement with CREIM for the leaseback of the Property to CS Industrial (the "Lease Agreement") on the same day as the Listing Date (the "Completion Date").

CREIM has assigned its right, title, benefit and interest to, in and under the Option Agreement to the Trustee on 31 March 2006.

The Singapore Land Authority granted its consent to the sale and leaseback of the Property on the terms and conditions of its letters dated 9 and 13 January 2006.

Terms of the Sale and Purchase Agreement

The principal terms of the Sale and Purchase Agreement include, *inter alia*, the following:

- The Property will be sold on an "as is, where is" basis on Completion subject to CS Industrial's obligation to repair, rectify and make good all defects recommended by CREIM and any damage to the Property occurring up to and including the Completion Date. In the event of the failure by CS Industrial to fulfil its obligation to repair, rectify or make good such defects for which CS Industrial is liable under the Sale and Purchase Agreement, a Retention Sum will be retained by the Trustee on Completion.
- The purchase price of the Property is S$23,000,000.
- On Completion, the purchase price less Retention Sum not exceeding S$252,000 will be paid fully in cash.
- If at any time prior to Completion the Property is materially damaged such that the valuation of the Property as at the date of the Option Agreement is reduced by 3% or more, the Trustee may elect by notice in writing to CS Industrial to rescind the Sale and Purchase Agreement. In the event the Trustee elects not to rescind, CS Industrial shall forthwith repair that damage prior to Completion at its own cost and expense. Alternatively, the Trustee may in its discretion permit CS Industrial to complete such repair and reinstatement works as soon as practicable after Completion, subject to the Trustee retaining such part of the Retention Sum for such repairs and reinstatement works.
- As Vendor, CS Industrial has made certain representations and warranties in respect of the Property.

- On Completion, CS Industrial will also deliver a deed of covenant duly executed by its parent company CSC Holdings Limited to guarantee the due performance of all duties and obligations of CS Industrial under the lease agreement to be entered into between CS Industrial and the Trustee.

Terms of the Lease Agreement

The principal terms of the Lease Agreement include, *inter alia,* the following:

- The term of the leaseback to CS Industrial shall be for seven years commencing on the Completion Date ("Term").
- The rent is S$160,166.67 per month, subject to:
  (a) a rental escalation of 5% on the commencement of the 3rd year from the commencement date of the Term; and
  (b) a further rental escalation of 5% on the commencement of the 5th year from the commencement date of the Term on the rental amount applicable immediately before the commencement of the 5th year.
- CS Industrial shall on the Completion Date pay to the Trustee a security deposit of an amount equal to 12 months' rent totalling S$1,922,000 by way of banker's draft or guarantee or insurance bond and maintained throughout the Term as security for the due observance and performance by CS Industrial of all and singular the several covenants, conditions, stipulations and agreements on the part of CS Industrial contained in the Lease Agreement.
- The Trustee shall pay the property tax levied by the IRAS in respect of the Property and any land rental levied in respect of the Property.
- The Trustee shall keep all structural walls of the Property and the roof in good and tenantable repair and condition (fair wear and tear excepted, subject to the functionality of the same).
- CS Industrial agrees and undertakes that it will immediately upon default of the terms of the Lease Agreement, execute a deed of assignment to assign all rental proceeds, rental deposits and other amounts from time to time payable by its sub-tenant(s) to the Trustee and to notify all sub-tenants of the said assignment.
- There is provision for an option to renew the leaseback for a further term of five years subject to a revised rent which shall be pegged to the market rental for similar properties in the area and on such other terms and conditions as may be agreed.

Terms of the State Lease

A State Lease No. 23553 (as varied by a supplemental lease dated 30 March 2004) was issued by the President of the Republic of Singapore, as lessor, in favour of CS Industrial, as lessee, in respect of the Property for a term of 60 years commencing from 4 January 1999.

The principal terms of State Lease No. 23553 (as varied by a supplemental lease dated 30 March 2004) include, *inter alia*, the following:

- The Property shall only be used for general industrial use and shall have a gross plot ratio not exceeding 2.5 but not less than 0.7.
- The gross plot ratio and the use of the Property shall not be varied or changed without approval in writing of the lessor, and if such variation or change will in the lessor's opinion result in an enhancement in value of the demised land, CS Industrial has to pay the lessor by way of differential premium such amount as the lessor may determine as the amount representing such enhanced value.

- To maintain and keep the Property together with the buildings and appurtenances to be erected thereon during the term in good and tenantable condition and repair and in clean and sanitary order and condition.
- Not at any time during the term without the previous consent in writing of the lessor to demolish or make any alteration or addition to any building or any part thereof erected on the Property and not without the same consent to erect or put up any building or erection whatsoever in addition to the buildings already erected on the Property.
- The lessor is entitled to exercise the right of re-entry if the rent is in arrears and unpaid for 14 days after being payable or there is any breach of CS Industrial's covenants under the State Lease or of any term or stipulation contained in the building agreement dated 4 January 1999 made between the lessor and CS Industrial ("Building Agreement") or if the lessor is at any time entitled to exercise certain rights and remedies set out in the Building Agreement. Upon re-entry, the term of the State Lease will cease but without prejudice to any right of action or other remedy that the lessor may have, provided that if the Property has been mortgaged or charged and there is a breach of the said covenants, terms and stipulations, the lessor will not exercise such right of re-entry nor will the term of the State Lease cease until the lessor has served a written notice on the mortgagee and the mortgagee has failed to remedy such breach within one month from the date of service of such notice.
- CS Industrial shall surrender to the Government of Singapore free of charge such portions of the Property which may be required from time to time for roads, drainage, or any other public purpose as may be declared or notified to CS Industrial.
- Prior to the issue of Temporary Occupation Permit(s) by the relevant competent authority for the whole of the Property, not to mortgage, charge, transfer, sell, sub-lease or otherwise dispose of the Property, except in accordance with the terms of the Building Agreement.

The Purchaser's interest in the Property shall be subject to the terms of the State Lease.

28 Woodlands Loop Singapore 738308

Pursuant to an option agreement dated 23 September 2005 as amended by a supplemental letter dated 23 November 2005 and a second supplemental letter dated 17 January 2006 (the "Option Agreement"), Sanwa Plastic Industry Pte. Ltd. ("SPI") granted to CREIM a call option which, when exercised by CREIM in accordance with the terms of the Option Agreement, will require SPI to enter into a purchase agreement with CREIM for the purchase of the Property (the "Sale and Purchase Agreement") and a lease agreement with CREIM for the leaseback of the Property to SPI (the "Lease Agreement") on the same day as the Listing Date (the "Completion Date").

CREIM has assigned its right, title, benefit and interest to, in and under the Option Agreement to the Trustee on 31 March 2006.

Terms of the Sale and Purchase Agreement

The principal terms of the Sale and Purchase Agreement include, *inter alia*, the following:

- The Property (together with the fixtures and fittings required for the functionality of the building and the mechanical and electrical equipment) will be sold on an "as is, where is" basis subject to SPI's obligation to repair, rectify and make good all defects recommended by CREIM and any damage to the Property occurring up to and including the Completion Date. In the event of the failure by SPI to fulfil its obligation to repair, rectify or make good such defects for which SPI is liable under the Sale and Purchase Agreement, a Retention Sum will be retained by the Trustee on Completion.
- As at the date of the Sale and Purchase Agreement, the Property is subject to damage amounting to not more than 3% of the Purchase Price.

- The purchase price of the Property is S$13,000,000.
- On Completion, 82.3% of the purchase price less a Retention Sum not exceeding S$732,808 will be paid in cash and 17.7% of the purchase price will be paid in Units. Upon the progressive completion of the repair, rectification or making good of any defects by SPI to the reasonable satisfaction of the Trustee, the Trustee shall refund such amount attributable for such item of repair, rectification or making good from the Retention Sum or make payment of the same to SPI.
- If at any time prior to Completion the Property is materially damaged such that the valuation of the fair market value of the Property as at the date of the Option Agreement is reduced by 3% or more, the Trustee may by notice in writing to SPI elect to rescind the Sale and Purchase Agreement. In the event the Trustee elects not to rescind, SPI shall repair that damage prior to Completion at its own cost and expense. Alternatively, the Trustee may in its discretion permit SPI to complete such repair as soon as practicable after Completion, subject to the Trustee retaining the Retention Sum.
- As Vendor, SPI has made certain representations and warranties in respect of the Property.

Terms of the Lease Agreement

The principal terms of the Lease Agreement include, *inter alia,* the following:

- The term of the leaseback to SPI shall be for seven years commencing on the Completion Date ("Term").
- The rent is S$108,916.67 per month, subject to:
  - (a) a rental escalation of 5% over the rent for the 2nd year on the commencement of the 3rd and 4th years from the commencement date of the Term; and
  - (b) a further rental escalation of 5% over the rent for the 4th year on the commencement of the 5th, 6th and 7th years from the commencement date of the Term.
- SPI shall on the Completion Date pay to the Trustee a security deposit of an amount equal to 12 months' rent totalling S$1,307,000 by way of banker's draft or banker's guarantee and maintained throughout the Term as security for the due observance and performance by SPI of all and singular the several covenants, conditions, stipulations and agreements on the part of SPI contained in the Lease Agreement.
- The Trustee shall pay the property tax and land rental, levied by the IRAS and JTC, respectively, in respect of the Property.
- The Trustee shall keep all structural walls of the Property and the main roof and the roofs of the 1st, 2nd and 3rd floors in good and tenantable repair and condition and shall at its own cost carry out promptly all necessary repairs to the same. In particular the Trustee shall at its own cost commence rectification of any leakage of the roof of the demised premises within 24 hours or such other reasonable period.
- The Trustee shall be responsible for capital expenditure exceeding S$2,000 per occurrence including the replacement and/or repair of major mechanical and electrical equipment (for example, fixtures and fittings required for the functionality of the Property, all the chillers, the high tension transformer, the lift, the main distribution board and the distribution board on each floor), provided that SPI has maintained the equipment and Property (fair wear and tear excepted) in accordance with the Lease Agreement and such expenditure is not caused by the negligence of SPI or its sub-tenant(s) or its respective agents, and repainting of the Property.
- At the commencement date of the Term, SPI shall enter into an agreement with the Trustee whereby SPI agrees and undertakes, upon any breach of or non-performance or observance of the covenants, conditions, stipulations and agreements by SPI of the Lease Agreement, to execute a deed of assignment to assign to the Trustee all of its rights, title and interest in all rental proceeds, rental deposits and other amounts from time to time payable by its sub-tenant(s) and to notify all its sub-tenant(s) of the said assignment.

- There is provision for an option to renew the leaseback for a further term of three years on such revised rent which shall be pegged to the market rental for similar properties in the area and on such other terms and conditions as may be agreed between the Trustee and SPI, provided that at the time of renewal there shall not be any existing breach or non-observance of any of the covenants on the part of SPI.

Terms of the JTC consent letter

By its letter of 21 November 2005, JTC has, in principle, no objection to the proposed assignment and transfer of the Property to the Trustee subject to, *inter alia*, the terms and conditions of the said letter:

- The Trustee shall not demise, assign, charge, create a trust or agency, mortgage, let, sublet, grant a licence or part with or share the possession or occupation of the Property ("Prohibition") within a period of three years from the Completion Date ("Prohibition Period") except that the Trustee may, subject to JTC's prior written consent, sublet the Property or mortgage or charge the Property for the purpose of obtaining financing for the Trustee's working capital requirements.
- After the Prohibition Period, the Trustee shall not demise, assign, charge, create a trust or agency, mortgage, let, sublet, grant a licence or part with or share the possession or occupation of the Property in whole or in part ("Restriction") without JTC's prior written consent.
- In granting its consent relating to the Prohibition or the Restriction or otherwise, JTC may in its discretion impose terms and conditions including but not limited to requiring a purchaser to be subject to the Prohibition for a period of three years from the date of the assignment except that the purchaser may not sublet, mortgage or charge the Property without JTC's prior written consent and the payment of monies, fee or deposit.

Terms of the State Lease

A State Lease No. 24873 was issued by the President of the Republic of Singapore, as lessor, in favour of JTC, as lessee, in respect of the Property for a term of 66 years commencing from 2 May 1999.

The principal terms of State Lease No. 24873 include, *inter alia*, that the lessor is entitled to exercise the right of re-entry if JTC fails to perform or observe any of the terms and conditions of the State Lease. Upon re-entry, the term of the State Lease will cease but without prejudice to any right of action or other remedy that the lessor may have.

There is no restriction in the State Lease on JTC's right to sub-lease the Property. The terms of the State Lease shall bind the purchaser of the Property.

Terms of the JTC Lease

A registered Lease No. IA/293224V comprised in Certificate of Title (SUB) Volume 637 Folio 75 ("JTC Lease") for the Property was issued by JTC to SPI for a term of 30 years commencing from 16 October 1995. JTC has confirmed in its letter dated 5 January 1998 that SPI has qualified for a further term of 30 years commencing from 16 October 2025 subject to the terms of the JTC Lease.

Terms of the JTC Lease include, *inter alia*, the following:

- Provision for the payment of annual rent by the lessee to JTC by equal monthly instalments. The annual rent shall be subject to revision on the 16th day of October of every year to a rate based on the market rent then prevailing subject to a maximum increase not exceeding 5.5% of the annual rent for each immediately preceding year.
- Not to use or permit or suffer the Property to be used otherwise than for electrical switching fabrication, precision engineering for plastic components and other moulding activities only except with the prior consent of JTC. In giving its consent, JTC may, in its absolute discretion,

require the lessee to meet the fixed investment criteria as set out in the JTC lease and to show due proof within such period of time as JTC may stipulate.

- Not to demise, assign, charge, create a trust or agency, mortgage, let, sublet or underlet or grant a licence or part with or share the possession or occupation of the whole or part of the Property without first obtaining the consent of JTC in writing. In addition, JTC may in its absolute discretion require, *inter alia*, the lessee to meet the fixed investment criteria as set out in the JTC lease and to show due proof within such period of time as JTC may stipulate.
- Provision for an option to renew for a further term of 30 years upon fulfilment of fixed investment criteria imposed by JTC provided that, *inter alia*:
  (a) at the expiry of the current term, there is no existing breach or non-observance of any of the covenants and conditions in the JTC Lease; and
  (b) the annual rent for the further term shall be at a rate based on the market rent at the commencement of the further term subject to revision pursuant to the terms of the JTC Lease.

Standard Form Building 37 Tampines Street 92 Singapore 528885

Pursuant to an option agreement dated 12 October 2005 as amended by a supplemental letter dated 28 November 2005 (the "Option Agreement"), Standard Form Pte Ltd ("SFPL") granted to CREIM a call option which, when exercised by CREIM in accordance with the terms of the Option Agreement, will require SFPL to enter into a sale and purchase agreement with CREIM for the purchase of the Property (the "Sale and Purchase Agreement") and a lease agreement with CREIM for the leaseback of the Property to SFPL (the "Lease Agreement") on the same day as the Listing Date (the "Completion Date").

CREIM has assigned its right, title, benefit and interest to, in and under the Option Agreement to the Trustee on 31 March 2006.

HDB granted consent for the sale and leaseback of the Property to the Trustee on the terms and conditions of its consent letter dated 19 January 2006.

Terms of the Sale and Purchase Agreement

The principal terms of the Sale and Purchase Agreement include, *inter alia*, the following:

- The Property will be sold on an "as is, where is" basis on Completion, subject to SFPL's obligation to repair, rectify and make good all defects recommended by CREIM and any damage to the Property occurring up to and including the Completion Date. In the event of the failure by SFPL to fulfil its obligation to repair, rectify or make good such defects for which SFPL is liable under the Sale and Purchase Agreement, a Retention Sum will be retained by the Trustee on Completion.
- The purchase price of the Property is S$10,560,000.
- On Completion, the purchase price will be paid fully in cash less a Retention Sum not exceeding S$27,000.
- If at any time prior to Completion the Property is materially damaged such that the fair market value of the Property as at the date of the Option Agreement is reduced by 5% or more, the Trustee may by notice in writing to SFPL elect to rescind the Sale and Purchase Agreement. In the event the Trustee elects, by notice in writing to SFPL, not to rescind the Sale and Purchase Agreement, SFPL must at its cost and expense forthwith repair that damage prior to Completion. Alternatively, the Trustee may in its discretion permit SFPL to complete such repair and reinstatement works as soon as practicable after Completion subject to the Trustee retaining the Retention Sum.
- As Vendor, SFPL has made certain representations and warranties in respect of the Property.

Terms of the Lease Agreement

The principal terms of the Lease Agreement include, *inter alia,* the following:

- The term of the leaseback to SFPL shall be for seven years commencing on the Completion Date ("Term").
- The rent is S$88,333.33 per month, subject to:
  - (a) a rental escalation of 5% on the commencement of the 3rd year from the commencement date of the Term; and
  - (b) a further rental escalation of 5% on the commencement of the 5th year from the commencement date of the Term, on the rental amount applicable immediately before the commencement of such 5th year.
- SFPL shall pay on the Completion Date to the Trustee a security deposit of an amount equal to 16 months' rent totalling S$1,413,333.33 by way of security bond and maintained throughout the Term as security for the due observance and performance by SFPL of all and singular the several covenants, conditions, stipulations and agreements on the part of SFPL under the Lease Agreement.
- The Trustee shall pay the property tax and land rental levied by the IRAS and HDB, respectively, in respect of the Property.
- The Trustee shall keep all structural walls of the Property and the roof in good and tenantable repair and condition (fair wear and tear and damage by fire excepted).
- SFPL shall at its own cost and expense maintain the Property save for capital expenditure exceeding S$2,000 per occurrence which shall be borne by the Trustee.
- At the commencement date of the Term, SFPL shall enter into an agreement with the Trustee whereby SFPL agrees and undertakes, upon any breach of and non-performance or observance of the covenants, conditions, stipulations and agreements of the Lease Agreement by SFPL, to execute a deed of assignment to assign to the Trustee all of its rights, title and interest in all rental proceeds, rental deposits and other amounts from time to time payable by its sub-tenant(s) and to notify its sub-tenant(s) of the said assignment.
- There is provision for an option to renew the leaseback for a further term subject to a revised rent which shall be pegged to the market rental for similar properties in the area and on such other terms and conditions as may be agreed.

Terms of the State Lease

A State Lease No. 22736 was issued by the President of the Republic of Singapore, as lessor, in favour of HDB, as lessee, in respect of the Property for a term of 99 years commencing from 1 September 1994.

The principal terms of the State Lease include, *inter alia*, the following:

- The Property shall be used for industrial development only with a gross plot ratio not exceeding 2.5.
- HDB shall not change the use of the Property and/or increase the gross plot ratio without the prior written permission of the lessor who may grant such permission subject to planning approval and payment of differential premium.
- HDB shall release to the lessor free of charge such portions of the Property which may be required in future for roads and drainage.
- HDB shall release to the lessor such portions of the Property which may be required for any public purpose or which are not required for the purpose specified in the State Lease at the same cost as the State Lease with interest.

- The lessor is entitled to exercise the right of re-entry if HDB fails to perform or observe any of the terms and conditions of the State Lease. Upon re-entry, the term of the State Lease will cease but without prejudice to any right of action or other remedy that the lessor may have.

There is no restriction in the State Lease on HDB's right to sub-lease the Property. The terms of the State Lease shall bind the purchaser of the Property.

Terms of the HDB Lease

A registered Lease No. IA/126968D comprised in Certificate of Title (SUB) Volume 631 Folio 163 ("HDB Lease") for the Property was issued by HDB to SFPL for a term of 30 years commencing from 1 September 1994. HDB has covenanted to grant to the lessee a further term of 30 years commencing from the date of expiry of the current term, subject to the terms of the HDB Lease.

Terms of the HDB Lease include, *inter alia*, the following:

- Provision for the payment of yearly rent by the lessee to HDB. The yearly rent payable from 1 September 2001 and for each succeeding year thereafter shall be subject to revision. By the terms of HDB's consent letter to SFPL dated 19 January 2006, such rent shall be revised to the posted rent prevailing at the time of revision, subject to a maximum increase of 5.5% of the annual rent for the immediately preceding year.
- Not to use or permit the Property to be used otherwise than for the printing of forms and labels only subject to the approval of competent authorities appointed under section 5 of the Planning Act.
- Not to demise, transfer, assign, mortgage, let, sublet, underlet or grant a licence or part with the possession of the whole or part of the Property, and not to effect any form of reconstruction, including any amalgamation or merger with or take-over by another party, without first obtaining the written consent of HDB, which consent shall be given on such terms and conditions as HDB may impose in its absolute discretion, and shall include:

  (a) full revision of the rental to the prevailing market rate from the date of assignment; and

  (b) payment of such administrative fees as determined by HDB.
- HDB has agreed with the lessee that it shall at the written request of the lessee made not less than 12 months before the expiry of the current term but not earlier than the 28^{th} year of the said term, grant to the lessee a lease of the Property for a further term of 30 years which will commence from the day immediately following the expiry of the current term upon the same terms and conditions and containing like covenants as the lease for the current term with the exception of the covenant for renewal provided that:

  (a) there is no existing breach or non-observance of any of the covenants and conditions by the lessee;

  (b) the rent for the first year of the further term commencing on 1 September 2024 shall be at a rate based on the market rent at the commencement of the further term, subject to revision pursuant to the terms of the HDB Lease; and

  (c) any demise, transfer, assignment or parting with possession of the Property or any part thereof within five years of the commencement of the further term will be approved by HDB upon payment by the lessee of an additional fee which shall be equivalent to the value of the buildings and there shall also be a full revision of the rental to the prevailing market rate from the date of assignment and payment of such administrative fee as determined by HDB. The value of the buildings shall be determined by HDB and its assessment shall be final and conclusive and not be subject to review by the lessee, provided that the lessee shall not be required to pay the additional fee for any demise, transfer, assignment or parting with possession of the Property or any part thereof by the lessee after the aforesaid period of five years.

16 Tuas Avenue 18A Singapore 638864

Pursuant to an option agreement dated 12 October 2005 as amended by a supplemental letter dated 28 November 2005 (the "Option Agreement"), Standard Form Pte Ltd ("SFPL") granted to CREIM a call option which, when exercised by CREIM in accordance with the terms of the Option Agreement, will require SFPL to enter into a sale and purchase agreement with CREIM for the purchase of the Property (the "Sale and Purchase Agreement") and a lease agreement with CREIM for the leaseback of the Property to SFPL (the "Lease Agreement") on the same day as the Listing Date (the "Completion Date").

CREIM has assigned its right, title, benefit and interest to, in and under the Option Agreement to the Trustee on 31 March 2006.

Terms of the Sale and Purchase Agreement

The principal terms of the Sale and Purchase Agreement include, *inter alia*, the following:

- The Property will be sold on an "as is, where is" basis, subject to SFPL's obligation to repair, rectify and make good all defects recommended by CREIM and any damage to the Property occurring up to and including the Completion Date. In the event of the failure by SFPL to fulfil its obligation to repair, rectify or make good such defects for which SFPL is liable under the Sale and Purchase Agreement, a Retention Sum will be retained by the Trustee on Completion. In particular, SFPL shall be required to rectify and make good at its own expense the breaches set out in paragraph 2.3(e) of the JTC Consent Letter (as defined below) before Completion.
- The purchase price of the Property is S$2,600,000.
- On Completion, the purchase price will be paid fully in cash less a Retention Sum not exceeding S$41,000.
- If at any time prior to Completion the Property is materially damaged such that the fair market value of the Property as at the date of the Option Agreement is reduced by 5% or more, the Trustee may by notice in writing to SFPL elect to rescind the Sale and Purchase Agreement. In the event the Trustee elects, by notice in writing to SFPL, not to rescind the Sale and Purchase Agreement, SFPL must at its cost and expense forthwith repair that damage prior to Completion. Alternatively, the Trustee may in its discretion permit SFPL to complete such repair and reinstatement works as soon as practicable after Completion subject to the Trustee retaining the Retention Sum.
- As Vendor, SFPL has made certain representations and warranties in respect of the Property.

Terms of the Lease Agreement

The principal terms of the Lease Agreement include, *inter alia,* the following:

- The term of the leaseback to SFPL shall be for seven years commencing on the Completion Date ("Term").
- The rent is S$23,416.67 per month, subject to:
  - (a) a rental escalation of 5% on the commencement of the 3rd year from the commencement date of the Term; and
  - (b) a further rental escalation of 5% on the commencement of the 5th year from the commencement date of the Term, on the rental amount applicable immediately before the commencement of such 5th year.
- SFPL shall pay on the Completion Date to the Trustee a security deposit of an amount equal to 16 months' rent totalling S$374,666.67 by way of security bond and maintained throughout the

Term as security for the due observance and performance by SFPL of all and singular the several covenants, conditions, stipulations and agreements on the part of SFPL under the Lease Agreement.

- The Trustee shall pay the property tax and land rental levied by the IRAS and JTC, respectively, in respect of the Property.
- The Trustee shall keep all structural walls of the Property and the roof in good and tenantable repair and condition (fair wear and tear and damage by fire excepted).
- SFPL shall at its own cost and expense maintain the Property save for a capital expenditure exceeding S$2,000 per occurrence which shall be borne by the Trustee.
- At the commencement date of the Term, SFPL shall enter into an agreement with the Trustee whereby SFPL agrees and undertakes, upon any breach of and non-performance or observance of the covenants, conditions, stipulations and agreements of the Lease Agreement by SFPL, to execute a deed of assignment to assign to the Trustee all of its rights, title and interest in all rental proceeds, rental deposit and other amounts from time to time payable by its sub-tenant(s) and to notify its sub-tenant(s) of the said assignment.
- There is provision for an option to renew the leaseback for a further term subject to a revised rent which shall be pegged to the market rental for similar properties in the area and on such other terms and conditions as may be agreed.

Terms of the JTC consent letter

By its letter of 11 November 2005 ("JTC Consent Letter"), JTC has, in principle, no objection to the proposed assignment or transfer of the Property to the Trustee subject to, *inter alia*, the following terms and conditions of the said letter:

- SFPL shall rectify the breaches set out in paragraph 2.3(e) of the JTC Consent Letter, unless the Trustee undertakes the full responsibility and liability to rectify these breaches.
- The Trustee shall not demise, assign, charge, create a trust or agency, mortgage, let, sublet, grant a licence or part with or share the possession or occupation of the Property ("Prohibition") within a period of three years from the date of completion of the assignment ("Prohibition Period") except that the Trustee may, subject to JTC's prior written consent, sublet the Property or mortgage or charge the Property for the purpose of obtaining financing for the working capital requirements of the Trustee.
- After the Prohibition Period, the Trustee shall not demise, assign, charge, create a trust or agency, mortgage, let, sublet, grant a licence or part with or share the possession or occupation of the Property in whole or in part ("Restriction") without JTC's prior written consent.
- In granting its consent relating to the Prohibition or the Restriction or otherwise, JTC may in its discretion impose terms and conditions including but not limited to requiring a purchaser to be subject to the Prohibition for a period of three years from the date of the assignment except that the purchaser may sublet, mortgage or charge the Property subject to JTC's prior written consent and the payment of monies, fee or deposit.

Terms of the State Lease

A State Lease No. 19743 was issued by the President of the Republic of Singapore, as lessor, in favour of JTC, as lessee, in respect of the Property for a term of 99 years commencing from 1 April 1980.

The principal terms of the State Lease include, *inter alia*, the following:

- The Property shall be used for industrial development and such other related purposes in accordance with the plan(s) approved by the competent authority under the Planning Act.

- JTC shall be responsible for the resettlement and clearance at its own expense of any squatters on the land.
- JTC shall release to the Government of Singapore such portions of the alienated land which may be required from time to time for roads and drainage.
- JTC shall release to the Government of Singapore such portions of the alienated land as may be required for other public purposes at the same cost as the State Lease with interest save where JTC is specifically directed by the Government of Singapore to contribute such land free of charge.
- The lessor is entitled to exercise the right of re-entry if JTC fails to perform or observe any of the terms and conditions of the State Lease. Upon re-entry, the term of the State Lease will cease but without prejudice to any right of action or other remedy that the lessor may have.

There is no restriction in the State Lease on JTC's right to sub-lease the Property. The terms of the State Lease shall bind the purchaser of the Property.

Terms of the JTC Lease

A registered Lease No. I/18963K comprised in Certificate of Title (SUB) Volume 435 Folio 180 ("JTC Lease") for the Property was issued by JTC to SFPL for a term of 30 years commencing from 1 March 1991. JTC has confirmed in its letter dated 12 April 1994 that SFPL has qualified for a further lease term of 30 years from 1 March 2021 subject to the terms of the JTC Lease.

Terms of the JTC Lease include, *inter alia*, the following:

- Provision for the payment of yearly rent by the lessee to JTC in advance by quarterly instalments. The yearly rent shall be subject to revision on the 1st day of March annually to a rate based on the market rent subject to a maximum increase not exceeding 7.6% of the yearly rent for each immediately preceding year. Currently, the yearly rent payable to JTC is subject to revision to a rate based on the market rent then prevailing subject to a maximum increase not exceeding 5.5% of the yearly rent for each immediately preceding year.
- Not to use or permit the Property to be used otherwise than for the printing of computer forms except with the prior written consent of JTC. JTC may in its absolute discretion in giving its consent require, *inter alia*, that fixed investment criteria be met and due proof thereof be shown within such period of time as JTC may stipulate.
- The lessee shall ensure that at least 60% of the total floor area of the Property shall be used for purely industrial activities, and may use the remaining floor area for ancillary stores and offices, neutral areas, communal facilities and such other use as may be approved in writing by JTC and the relevant authorities provided that the said ancillary offices shall not exceed 25% of the total floor area and that the lessee shall not use and occupy the Property for the purpose of commercial offices and storage unrelated to the lessee's approved activity.
- Not to demise, assign, charge, create a trust or agency, mortgage, let, sublet or underlet or grant a licence or part with or share the possession or occupation of the whole or part of the Property without first obtaining the written consent of JTC. JTC may in its absolute discretion in giving its consent require, *inter alia*, that the fixed investment criteria be met and due proof thereof be shown within such period of time as JTC may stipulate.
- The lessee shall ensure that the gross plot ratio shall not be less than 0.6.
- Provision for an option to renew for a further term of 30 years upon fulfilment of fixed investment criteria imposed by JTC provided that:
  - (a) the gross plot ratio shall not be less than 0.6;
  - (b) at the expiry of the current term, there is no existing breach or non-observance of any of the covenants and conditions by the lessee; and

(c) the yearly rent for the further term shall be at a rate based on the market rent at the commencement of the further term, subject to revision pursuant to the terms of the JTC Lease.

160 Kallang Way StorHub Kallang Singapore 349246

Pursuant to an option agreement dated 16 September 2005 as amended by a supplemental letter dated 25 November 2005 and a second supplemental letter dated 12 January 2006 (the "Option Agreement"), StorHub Self Storage Pte Ltd ("SSSPL") granted to CREIM a call option which, when exercised by CREIM in accordance with the terms of the Option Agreement, will require SSSPL to enter into a sale and purchase agreement with CREIM for the purchase of the Property (the "Sale and Purchase Agreement") and a lease agreement with CREIM for the leaseback of the Property to SSSPL (the "Lease Agreement") on the same day as the Listing Date (the "Completion Date").

CREIM has assigned its right, title, benefit and interest to, in and under the Option Agreement to the Trustee on 31 March 2006.

Terms of the Sale and Purchase Agreement

The principal terms of the Sale and Purchase Agreement include, *inter alia*, the following:

- The Property will be sold on an "as is, where is" basis subject to SSSPL's obligation to repair, rectify and make good all defects recommended by CREIM and any damage to the Property occurring up to and including the Completion Date. In the event of the failure by SSSPL to fulfil its obligation to repair, rectify or make good such defects for which SSSPL is liable under the Sale and Purchase Agreement, a Retention Sum will be retained by the Trustee on Completion provided that the cost of the said repairs and rectification amounts to less than or equal to 3% of the purchase price of the Property.
- If the cost of the aforesaid repairs and rectification exceeds 3% of the purchase price of the Property, such repair and rectification works shall be on terms mutually agreed between SSSPL and the Trustee. If there is no mutual agreement as aforesaid, the Trustee shall be entitled to deduct the Retention Sum.
- The purchase price of the Property is S$23,200,000.
- On Completion, 80% of the purchase price less a Retention Sum not exceeding S$648,000 will be paid in cash and 20% of the purchase price will be paid in Units.
- If at any time prior to Completion the Property is materially damaged such that the valuation of the fair market value of the Property as at the date of the Option Agreement is reduced by 3% or more, the Trustee may by notice in writing to SSSPL elect to rescind the Sale and Purchase Agreement. In the event the Trustee elects not to rescind, SSSPL shall repair that damage prior to Completion at its own cost and expense. Alternatively, the Trustee may in its discretion permit SSSPL to complete such repair as soon as practicable after Completion, subject to the Trustee retaining such part of the Retention Sum for such repairs.
- As Vendor, SSSPL has made certain representations and warranties in respect of the Property.
- On Completion, SSSPL will also deliver a deed of covenants duly executed by its parent company, Hersing Corporation Ltd, to guarantee the due performance of all duties and obligations of SSSPL under the Lease Agreement as defined below to be entered into between SSSPL and the Trustee.

Terms of the Lease Agreement

The principal terms of the Lease Agreement include, *inter alia,* the following:

- The term of the leaseback to SSSPL shall be for 10 years commencing on the Completion Date ("Term").

- The rent is S$161,500 per month, subject to:
  - (a) a rental escalation of 7% on the commencement of the 4th year from the commencement date of the Term; and
  - (b) a further rental escalation of 7% on the commencement of the 7th year from the commencement date of the Term on the rental amount applicable immediately before the commencement of the 7th year.
- SSSPL shall on the Completion Date pay to the Trustee a security deposit of an amount equal to 15 months' rent totalling S$2,422,500 by way of banker's draft or guarantee or insurance bond and maintained throughout the Term as security for the due observance and performance by SSSPL of all and singular the several covenants, conditions, stipulations and agreements on the part of SSSPL contained in the Lease Agreement.
- SSSPL shall be responsible for property tax and land rental, levied by the IRAS and JTC, respectively, in respect of the Property.
- The Trustee shall keep all structural walls of the Property and the roof in good and tenantable repair and condition (fair wear and tear and damage by fire excepted).
- At the commencement date of the Term, SSSPL shall enter into an agreement with the Trustee whereby SSSPL agrees and undertakes, upon any breach of or non-performance or observance of the covenants, conditions, stipulations and agreements by SSSPL of the Lease Agreement, to execute a deed of assignment to assign to the Trustee all of its rights, title and interest in all rental proceeds, rental deposits and other amounts from time to time payable by its sub-tenant(s) and to notify all sub-tenant(s) of the said assignment.
- There is provision for an option to renew the leaseback for a further term on such revised rent which shall be pegged to the market rental for similar properties in the area and on such other terms and conditions as may be agreed between the Trustee and SSSPL, provided that at the time of renewal there shall not be any existing breach or non-observance of any of the covenants on the part of SSSPL.

Terms of the JTC consent letter

By its letters of 20 October 2005 and 21 October 2005, JTC has, in principle, no objection to the proposed assignment or transfer of the Property to the Trustee subject to, *inter alia*, the following terms and conditions of the said letter:

- The Trustee shall not demise, assign, charge, create a trust or agency, mortgage, let, sublet, grant a licence or part with or share the possession or occupation of the Property ("Prohibition") within a period of three years from the Completion Date ("Prohibition Period") except that the Trustee may, subject to JTC's prior written consent, sublet the Property or mortgage or charge the Property for the purpose of obtaining financing for the Trustee's working capital requirements.
- After the Prohibition Period, the Trustee shall not demise, assign, charge, create a trust or agency, mortgage, let, sublet, grant a licence or part with or share the possession or occupation of the Property in whole or in part ("Restriction") without JTC's prior written consent.
- In granting its consent relating to the Prohibition or the Restriction or otherwise, JTC may in its discretion impose terms and conditions including but not limited to requiring a purchaser to be subject to the Prohibition for a period of three years from the date of the transfer except that the purchaser may not sublet, mortgage or charge the Property without JTC's prior written consent and the payment of monies, fee or deposit.

Terms of the State Lease

A State Lease No. 13933 was issued by the President of the Republic of Singapore, as lessor, in favour of JTC, as lessee, in respect of the Property for a term of 99 years commencing from 22 November 1972.

The principal terms of the State Lease include, *inter alia*, the following:

- The Property shall be used for industrial development.
- JTC shall release to the Government of Singapore free of charge such portions of the alienated land which may be required from time to time for roads and drainage.
- The lessor is entitled to exercise the right of re-entry if JTC fails to perform or observe any of the terms and conditions of the State Lease. Upon re-entry, the term of the State Lease will cease but without prejudice to any right of action or other remedy that the lessor may have.

There is no restriction in the State Lease on JTC's right to sub-lease the Property. The terms of the State Lease shall bind the purchaser of the Property.

Terms of the JTC Lease

A registered Lease No. I/24267C (varied vide Variation of Lease Nos. I/37325H and I/248051S) comprised in Certificate of Title (SUB) Volume 545 Folio 102 ("JTC Lease") for the Property was issued by JTC to Sanyo Electronics (S) Pte. Limited for a term of 60 years commencing from 16 February 1973. The Property was transferred by Sanyo Asia Pte Ltd to SSSPL pursuant to an Instrument of Transfer I/23293R.

The principal terms of the JTC Lease include, *inter alia*, the following:

- Provision for the payment of yearly rent by the lessee to JTC in advance by quarterly instalments. The yearly rent shall be subject to revision on the 1st day of January of every year to a rate based on the market rent subject to a maximum increase not exceeding 5.5% of the annual rent for each immediately preceding year.
- Not to demise, assign, charge, create a trust or agency, mortgage, let, sublet or underlet or grant a licence or part with or share the possession or occupation of the whole or part of the Property except with the prior written consent of JTC ("Restriction"). In granting any consent relating to the Restriction, JTC may in its absolute discretion impose terms and conditions including but not limited to:

  (a) requiring the lessee to meet the fixed investment criteria within such period of time as JTC may stipulate;

  (b) an assignee to be subject to the prohibition to assign, charge, create a trust or agency, let, sublet or underlet or grant a licence or part with or share the possession or occupation of the whole or part of the Property for a period of three years from the date of assignment except that the assignee may mortgage or sublet the Property with JTC's prior written consent; and

  (c) the payment of monies, fee or deposit.
- Not to use or permit the Property to be used otherwise than for self storage only except with the prior consent of JTC.
- The lessee shall at all times throughout the term of lease keep in full operation and continue full operations at the whole of the demised premises in accordance with the use permitted in the aforesaid clause.

No. 23 Lorong 8 Toa Payoh Singapore 319257

Pursuant to an option agreement dated 13 October 2005 as amended by a supplemental letter dated 7 December 2005 and a second supplemental letter dated 18 January 2006 (the "Option Agreement"), Exklusiv Auto Services Pte. Ltd. ("EAS") granted to CREIM a call option (the "Call Option") which, when exercised by CREIM in accordance with the terms of the Option Agreement, will require EAS to enter into a sale and purchase agreement with CREIM for the Purchase of the Property (the "Sale and Purchase Agreement") and a lease agreement with CREIM for the leaseback of the Property to EAS (the "Lease Agreement") on the same day as the Listing Date (the "Completion Date").

The exercise of the Call Option by the Trustee is conditional, *inter alia*, upon the Trustee obtaining the approval of HDB to the aforesaid sale and leaseback arrangement, provided that if the terms and conditions of the HDB approval require EAS to perform any obligation(s) which may result in EAS having to incur or suffer any payment, cost and/or expense exceeding S$20,000 (assignment/consent fee or levy excepted), and neither party is prepared to bear any sum in excess of the said S$20,000, the HDB approvals shall be deemed not to have been granted.

CREIM has assigned its right, title, benefit and interest to, in and under the Option Agreement to the Trustee on 31 March 2006.

HDB granted consent for the sale and leaseback of the Property to the Trustee on the terms and conditions of its consent letter dated 19 January 2006.

Terms of the Sale and Purchase Agreement

The principal terms of the Sale and Purchase Agreement include, *inter alia*, the following:

- The Property will be sold on an "as is, where is" basis subject to EAS' obligation to repair, rectify and make good all damage to the Property occurring up to and including the Completion Date and to carry out the works listed in Schedule 4 of the Sale and Purchase Agreement. In the event of the failure by EAS to fulfil its obligation to repair, rectify or make good such damage and/or carry out such works, a Retention Sum will be retained by the Trustee on Completion. The Trustee agrees to release to EAS the Retention Sum on a pro rata basis, upon receipt of satisfactory evidence of the completion of repair or rectification of the uncompleted items.
- The purchase price of the Property is S$12,869,747.
- On Completion, 25% of the purchase price will be paid in Units and the balance of the purchase price less a Retention Sum not exceeding S$250,000 will be paid in cash.
- If at any time prior to Completion the Property is materially damaged such that the costs of reinstating the damaged premises to the state it was before the event of damage exceed 10% of the purchase price, the Trustee may by notice in writing to EAS elect to rescind the Sale and Purchase Agreement. In the event the Trustee elects, by notice in writing to EAS, not to rescind the Sale and Purchase Agreement, EAS must at its cost and expense forthwith repair the Property to the state it was before the event of damage prior to Completion. Where it is not reasonably feasible to complete before the Completion Date, the Trustee shall permit EAS to complete such repair and reinstatement works as soon as practicable after Completion subject to the Trustee retaining the Retention Sum.
- EAS shall comply, at its cost and expense, with the terms of the HDB consent letter (as defined below) on payment of differential premium or development charge to the relevant authorities for any increase to the existing gross floor area, alterations and additions or redevelopment works to the Property ("Differential Payment Obligation"). If the Trustee agrees to take over the Differential Payment Obligation, the same shall be subject to such terms and conditions as the Trustee may impose, including requiring an indemnity from EAS for all costs, claims, expenses, losses or liabilities incurred by the Trustee in taking over the Differential Payment Obligation and complying with the terms and conditions imposed by HDB and/or the relevant authorities.
- As Vendor, EAS has made certain representations and warranties in respect of the Property.

Terms of the Lease Agreement

The principal terms of the Lease Agreement include, *inter alia,* the following:

- The term of the leaseback to EAS shall be for seven years commencing on the Completion Date ("Term").

- The rent is S$109,378.77 per month, subject to:
  - (a) a rental escalation of 5% on the commencement of the 3rd year from the commencement date of the Term; and
  - (b) a further rental escalation of 5% on the commencement of the 5th year from the commencement date of the Term, on the rental amount applicable immediately before the commencement of such 5th year.
- EAS shall pay on the Completion Date to the Trustee a security deposit of an amount equal to 15 months' rent totalling S$1,640,681 by way of banker's draft, banker's guarantee or insurance bond and maintained throughout the Term as security for the due observance and performance by EAS of all and singular the several covenants, conditions, stipulations and agreements on the part of EAS under the Lease Agreement.
- The Trustee shall pay the property tax and land rental levied by the IRAS and HDB, respectively, in respect of the Property.
- The Trustee shall keep all structural walls of the Property and the roof in good and tenantable repair and condition (fair wear and tear and damage by fire excepted).
- EAS shall at its own cost and expense maintain the Property save for capital expenditure exceeding S$2,000 per occurrence which shall be borne by the Trustee.
- At the commencement date of the Term, EAS shall enter into an agreement with the Trustee whereby EAS agrees and undertakes, upon any breach of and non-performance or observance of the covenants, conditions, stipulations and agreements of the Lease Agreement by EAS as a result whereof monies are due and payable to the Trustee under the Lease Agreement and such monies remain outstanding, to execute a deed of assignment to assign to the Trustee all of its rights, title and interest in all rental proceeds, rental deposits and other amounts from time to time payable by its sub-tenant(s) and to notify its sub-tenant(s) of the said assignment.
- There is provision for an option to renew the leaseback for a further term subject to a revised rent which shall be pegged to the market rental for similar properties in the area and on such other terms and conditions as may be agreed.

Terms of the State Lease

A State Lease No. 20352 was issued by the President of the Republic of Singapore, as lessor, in favour of HDB, as lessee, in respect of the Property for a term of 99 years commencing from 1 February 1992.

The principal terms of the State Lease include, *inter alia*, the following:

- The Property shall be used for industrial development only with a gross plot ratio not exceeding 2.5 in accordance with the original plans approved by the competent authority under the Planning Act.
- HDB shall not change the use of the Property and/or increase the gross plot ratio without the prior written permission of the lessor who may grant such permission subject to planning approval and payment of a differential premium.
- HDB shall surrender free to the lessor such portions of the Property which may be required in future for roads, drainage etc.
- HDB shall release to the lessor such portions of the Property which may be required for any public purpose or which are not required for the purpose specified in the State Lease at the same cost as the State Lease with interest.
- The lessor is entitled to exercise the right of re-entry if HDB fails to perform or observe any of the terms and conditions of the State Lease. Upon re-entry, the term of the State Lease will cease but without prejudice to any right of action or other remedy that the lessor may have.

There is no restriction in the State Lease on HDB's right to sub-lease the Property. The terms of the State Lease shall bind the purchaser of the Property.

Terms of the HDB Lease

A registered Lease No. IA/322312B comprised in Certificate of Title (SUB) Volume 636 Folio 158 ("HDB Lease") for the Property was issued by HDB to EAS for a term of 30 years commencing from 1 February 1992. HDB has covenanted to grant to EAS a further term of 30 years commencing from the date of expiry of the current term, subject to the terms of the HDB Lease.

The principal terms of the HDB Lease include, *inter alia*, the following:

- Provision for the payment of yearly rent by the lessee to HDB quarterly in advance. The yearly rent shall be subject to revision on the 1st day of February each year. By the terms of HDB's consent letter to EAS dated 19 January 2006, such rent shall be revised to the posted rent prevailing at the time of revision, subject to a maximum increase of 5.5% of the annual rent for the immediately preceding year.
- Not to use or permit the Property to be used otherwise than for the lessee's own occupation and for a motor vehicle workshop (excluding spray painting, panel beating and other pollutive activities) with ancillary motor vehicle showroom and ancillary office only, subject to the approval of competent authorities appointed under the Planning Act.
- Not to demise, transfer, assign, mortgage, let, sublet, underlet or grant a licence or part with the possession of the whole or part of the Property, and not to effect any form of reconstruction, including any amalgamation or merger with or take-over by another party, without first obtaining the written consent of HDB, which consent shall be given on such terms and conditions as HDB may impose in its absolute discretion, and shall include:

  (a) full revision of the rental to the prevailing market rate from the date of assignment; and

  (b) payment of such administrative fees as determined by HDB.
- HDB has agreed with the lessee that it shall at the written request of the lessee made not less than 12 months before the expiry of the current term but not earlier than the 28th year of the said term, grant to the lessee a lease of the Property a further term of 30 years which will commence from the day immediately following the expiry of the current term upon the same terms and conditions and containing like covenants as the lease for the current term with the exception of the covenant for renewal provided that:

  (a) there is no existing breach or non-observance of any of the covenants and conditions by the lessee;

  (b) the rent for the first year of the further term commencing on 1 February 2022 shall be at a rate based on the market rent at the commencement of the further term subject to revision pursuant to the terms of the HDB Lease; and

  (c) any demise, transfer, assignment or parting with possession of the Property or any part thereof within five years of the commencement of the further term will be approved by HDB upon payment by the lessee of an additional fee which shall be equivalent to the value of the buildings and there shall also be a full revision of the rental to the prevailing market rate from the date of assignment and payment of such administrative fee as determined by HDB. The value of the buildings shall be determined by HDB and its assessment shall be final and conclusive and not be subject to review by the lessee, provided that the lessee shall not be required to pay the additional fee for any demise, transfer, assignment or parting with possession of the Property or any part thereof by the lessee after the aforesaid period of five years.

Property Management Agreement

The Property Manager will manage the Properties and all properties located in Singapore subsequently acquired by CIT, whether such properties are directly or indirectly held by CIT, or are wholly or partly owned by CIT in accordance with the terms of the Property Management Agreement.

The Property Management Agreement was entered into on 21 April 2006 by the Trustee, the Manager and the Property Manager pursuant to which the Property Manager was appointed to operate, maintain, manage and market all the Properties and all subsequent properties, subject to overall management by the Manager.

The Property Management Agreement provides that in respect of each Property and in respect of each subsequently acquired property, the Trustee, the Manager and the Property Manager will enter into a separate property management agreement which will incorporate the specific terms set out in the Property Management Agreement in their application to each of such properties.

The initial term of the Property Management Agreement is eight years from the Listing Date.

Six months prior to expiry of the initial term of the Property Management Agreement, the Property Manager may request to extend its appointment for a further eight years on the same terms and conditions, except for revision of all fees payable to the Property Manager to market rates prevailing at the time of such extension.

Two months before expiry of the initial term, the Trustee will decide the prevailing market rates for the extension term, based on the recommendation of the Manager. If the Property Manager disagrees with the Trustee's decision on the prevailing market rates for the extension term, the matter will be referred to an independent expert whose determination of the prevailing market rates shall be final and binding on the parties.

The Trustee will, based on the recommendation of the Manager, agree to extend the appointment of the Property Manager for the extension term, on the revised fees based on the prevailing market rates determined as aforesaid, subject to the approval of the Unitholders of CIT, if such approval is required pursuant to any applicable legislation or regulations (including regulatory requirements on Related Party Transactions relating to real estate investment trusts).

The Trustee shall not be obliged to extend the appointment of the Property Manager if the above conditions are not fulfilled.

Property Manager's Services

The services provided by the Property Manager for each property under its management include the following:

(a) property management services, recommending third party contracts for provision of property maintenance services, supervising the performance of service providing contractors, arranging for adequate insurances and ensuring compliance with building and safety regulations;

(b) lease management services, including co-ordinating tenants' fitting-out requirements, administration of rental collection, management of rental arrears, administration of all property tax matters, and initiating lease renewals and negotiation of terms;

(c) marketing and marketing co-ordination services, including acting as a non-exclusive marketing agent for the marketing and letting out of properties; and

(d) project management services in relation to the development or redevelopment (unless otherwise prohibited by the Property Funds Guidelines or any other laws or regulations), the refurbishment, retrofitting and renovation works to a property, including recommendation of project budget and project consultants, and supervision and implementation of the project.

Fees

Under the Property Management Agreement, the Property Manager is entitled to the following fees, to be borne out of the Deposited Property, for each property under its management:

Property Management Fees

For property management services rendered by the Property Manager, the Trustee will pay the Property Manager for each property a property management fee of 2.0% per annum of the Gross Revenue of the relevant property.

In relation to any new property in Singapore which is hereafter acquired by CIT where the property management services to be provided for that property are varied from the scope of services set out in the Property Management Agreement, the Property Manager shall be entitled to receive a fee for the provision of such varied property management services for that relevant property, as may be adjusted by the Trustee and the Property Manager.

Lease Management Fees

For lease management services, the Trustee will pay the Property Manager for each property a lease management fee of 1.0% per annum of the Gross Revenue of the relevant property.

Property tax services fees

In addition, in relation to the services provided by the Property Manager in respect of property tax objections submitted to the tax authorities on any proposed annual value of a property, the Property Manager is entitled to the following fees if, as a result of such objections, the proposed annual value is reduced resulting in property tax savings for the relevant property:

(a) where the proposed annual value is S$1.0 million or less, a fee of 7.5% of the property tax savings;

(b) where the proposed annual value is more than S$1.0 million but does not exceed S$5.0 million, a fee of 5.5% of the property tax savings; and

(c) where the proposed annual value is more than S$5.0 million, a fee of 5.0% of the property tax savings.

The above-mentioned fee is a lump sum fixed fee based on the property tax savings calculated on a 12-month period in compliance with applicable regulatory requirements relating to Related Party Transactions, the approval of Unitholders is required for payment of such fees, such payment will be subject to the obtaining of such Unitholders' approval, and if such approval cannot be obtained within the requisite time period for lodgement of such objections, the Property Manager shall not be obliged to undertake the relevant property tax objections and the Trustee shall be entitled to engage other consultants to undertake the relevant property tax objections.

Marketing services commissions

For marketing services provided for a property, the Trustee will pay the Property Manager the following commissions:

(a) one month's Gross Rent inclusive of service charge, for securing a tenancy of three years or less;

(b) two months' Gross Rent inclusive of service charge, for securing a tenancy of more than three years;

(c) if a third party agent secures a tenancy, the Property Manager will be responsible for all marketing services commissions payable to such third party agent, and the Property Manager will be entitled to a marketing services commission of:

  (i) 1.2 months' Gross Rent inclusive of service charge, for securing a tenancy of three years or less; and

  (ii) 2.4 months' Gross Rent inclusive of service charge, for securing a tenancy of more than three years;

(d) half month's Gross Rent inclusive of service charge, for securing a renewal of tenancy of three years or less; and

(e) one month's Gross Rent inclusive of service charge, for securing a renewal of tenancy of more than three years.

Project management services fees

For the project management services, the Trustee will pay the Property Manager the following fees for the development or redevelopment (if not prohibited by the Property Funds Guidelines or if otherwise permitted by the MAS), the refurbishment, retrofitting and renovation works on a property:

(a) where the construction costs are S$2.0 million or less, a fee of 3.0% of the construction costs;

(b) where the construction costs exceed S$2.0 million but do not exceed S$20.0 million, a fee of 2.0% of the construction costs;

(c) where the construction costs exceed S$20.0 million but do not exceed S$50.0 million, a fee of 1.5% of the construction costs; and

(d) where the construction costs exceed S$50.0 million, a fee to be mutually agreed by the Manager, the Property Manager and the Trustee.

For the purpose of calculating the fees payable to the Property Manager, "construction costs" means all construction costs and expenditure valued by the quantity surveyor engaged by the Trustee for the project, excluding development charges, differential premiums, statutory payments, consultants' professional fees and GST.

If in compliance with applicable regulatory requirements relating to Related Party Transactions relating to real estate investment trusts, the approval of Unitholders is required for payment of any of the abovementioned fees for project management services, such payment will be subject to the obtaining of such Unitholders' approval, and if such approval is not obtained, the Property Manager shall not be obliged to undertake the relevant project management services and the Trustee shall be entitled to engage other consultants to undertake the relevant project management services.

Expenses

The Property Manager is authorised to utilise funds deposited in operating accounts maintained in the name of CIT and to make payment of all costs and expenses incurred in the operation, maintenance, management and marketing of each property within the annual budget approved by the Trustee on the recommendation of the Manager.

Provision of office space

Where applicable, the Trustee shall permit employees of the Property Manager engaged to manage a property to occupy suitable office space at such property (as approved by the Trustee on the recommendation of the Manager) without the Property Manager being required to pay any rent, service charge, utility charges or other sums.

Termination

The Trustee or the Manager may terminate the appointment of the Property Manager in relation to all the properties of CIT under the management of the Property Manager on the occurrence of certain specified events, which include the liquidation or cessation of business of the Property Manager.

The Trustee or the Manager may also terminate the appointment of the Property Manager specifically in relation to a property under its management in the event of the sale of such property, but the Property Management Agreement will continue to apply with respect to the remaining properties managed by the Property Manager under the terms of the Property Management Agreement.

In addition, if the Property Manager, within 90 days of receipt of written notice, fails to remedy any breach (which is capable of remedy) of its obligations in relation to a property, the Trustee or the Manager may terminate the appointment of the Property Manager in relation only to such property in respect of which the breach relates, upon giving 30 days' written notice to the Property Manager.

On the termination of the appointment of the Property Manager, the Manager shall, as soon as practicable, procure the appointment of a replacement property manager for the affected property.

Novation

The Trustee and the Manager are entitled to novate their respective rights, benefits and obligations under the Property Management Agreement to a new trustee of CIT or a new manager of CIT appointed in accordance with the terms of the Trust Deed.

Exclusion of Liability

In the absence of fraud, gross negligence, wilful default or breach of the Property Management Agreement by the Property Manager, it shall not incur any liability by reason of any error of law or any matter or thing done or suffered or omitted to be done by it in good faith under the Property Management Agreement.

In addition, CIT shall indemnify the Property Manager against any actions, costs, claims, damages, expenses or demands which it may suffer or incur as Property Manager, save where such action, cost, claim, damage, expense or demand is occasioned by the fraud, gross negligence, wilful default or breach of the Property Management Agreement by the Property Manager, its employees or agents.

No restriction on Property Manager

The Property Manager may provide services similar to those contemplated under the Property Management Agreement to other parties operating in the same or similar business as CIT, or in other businesses.

TAXATION

The following summary of certain Singapore income tax consequences of the purchase, ownership and disposition of the Units is based upon laws, regulations, rulings and decisions now in effect, all of which are subject to change (possibly with retroactive effect). The summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Units and does not purport to apply to all categories of investors, some of which may be subject to special rules. Investors should consult their own tax advisers concerning the application of Singapore tax laws to their particular situations as well as any consequences of the purchase, ownership and disposition of the Units arising under the laws of any other tax jurisdictions.

The IRAS has issued the Tax Ruling on the taxation of CIT and its Unitholders.

In accordance with the Tax Ruling, the Singapore taxation consequences for CIT and that of the Unitholders are described below.

Taxation of CIT

Subject to meeting the terms and conditions of the Tax Ruling, the Trustee will not be assessed to tax on the taxable income of CIT. Instead, the Trustee and the Manager will deduct income tax at the prevailing corporate tax rate, currently at 20.0%, from the distributions made to Unitholders that are made out of the taxable income of CIT. However, where the beneficial owners are individuals or Qualifying Unitholders, the Trustee and the Manager will make the distributions to such Unitholders without deducting any income tax. Also, where the beneficial owners are foreign non-individual Unitholders, the Trustee and the Manager will deduct Singapore income tax at the reduced rate of 10.0% for distributions made during the period from 18 February 2005 to 17 February 2010.

A Qualifying Unitholder is a Unitholder which is:

(a) a Singapore-incorporated company which is tax resident in Singapore;

(b) a body of persons, other than a company or a partnership, registered or constituted in Singapore (for example, town councils, statutory boards, registered charities, registered co-operative societies, registered trade unions, management corporations, clubs and trade and industry associations); or

(c) a Singapore branch of a foreign company which has presented a letter of approval from the IRAS granting a waiver from tax deduction at source in respect of distributions from CIT.

A "foreign non-individual Unitholder" is one which is not a resident of Singapore for income tax purposes and:

(a) which does not have a permanent establishment in Singapore; or

(b) which carries on any operation in Singapore through a permanent establishment in Singapore where the funds used to acquire the Units are not obtained from that operation in Singapore.

To obtain distributions without tax deduction at source, Unitholders who are Qualifying Unitholders must disclose their respective tax status in a prescribed form provided by the Trustee. Similarly, to obtain distribution where tax is deducted at the reduced rate of 10.0% for distributions made between 18 February 2005 to 17 February 2010, foreign non-individual Unitholders must disclose their respective tax status in a prescribed form provided by the Trustee (see "Independent Taxation Report" in Appendix V").

Where Units are held in joint names, the Trustee and the Manager will deduct income tax from the distributions made out of the taxable income of CIT, unless all the joint Unitholders are individuals.

Where the Units are held through a nominee, the Trustee and the Manager will deduct income tax from the distributions made out of CIT's taxable income except in the following situations:

(a) where Units are held for beneficial owners who are individuals or Qualifying Unitholders, tax may not be deducted at source/withheld under certain circumstances. This includes a situation where a declaration is made by the nominee of the beneficial owners' status and the provision of certain particulars of the beneficial owners in a prescribed form to the Trustee and the Manager;

(b) where Units are held for foreign non-individual Unitholders, tax may be deducted at source/withheld at the reduced rate of 10.0% for distributions made between 18 February 2005 and 17 February 2010 under certain circumstances. This includes a situation where a declaration is made by the nominee of the beneficial owners' status and the provision of certain particulars of the beneficial owners in a prescribed form to the Trustee and the Manager; and

(c) where Units are held by the nominees as agent banks or Supplementary Retirement Scheme ("SRS") operators acting for individuals who purchased the Units within the CPF Investment Scheme or the SRS respectively, tax will not be deducted at source/withheld for distributions made in respect of these Unitholders.

CIT will distribute 100.0% of its taxable income for the period from the Listing Date to 31 December 2006 and thereafter distribute at least 90.0% of its taxable income. For the remaining amount of taxable income not distributed, tax will be assessed on, and collected from, the Trustee on such remaining amount (referred to as "retained taxable income"). In the event that a distribution is subsequently made out of such retained taxable income, the Trustee and the Manager will not have to make a further deduction of income tax from the distribution.

Gains or profits arising from sale of real properties, if considered to be trading gains derived from a trade or business carried on by CIT, will be taxable under section 10(1)(a) of the Income Tax Act, Chapter 134 of Singapore. Tax on such gains or profits will be assessed on, and collected from, the Trustee. Consequently, if such after tax gains or profits are distributed, the Trustee and the Manager will not have to make a further deduction of income tax from the distribution.

Gains or profits arising from the sale of real properties, if confirmed to be capital gains by the IRAS, are not subject to tax as there is no capital gains tax in Singapore. Such capital gains may be distributed (at the discretion of the Trustee and the Manager) to Unitholders. If a distribution is made out of such confirmed capital gains, the Trustee and the Manager will not have to deduct tax from the distribution.

Taxation of CIT's Unitholders

Distributions of taxable income

Individuals who hold Units as Investment Assets

All individuals who hold Units in CIT as investment assets (excluding individuals who hold such Units as trading assets or individuals who hold such Units through a partnership in Singapore) are exempt from income tax on the distributions of taxable income (excluding distributions out of franked dividends) made by CIT, regardless of the individual's nationality or tax residence status.

Distributions made out of income previously taxed at the Trustee level (because the distributions were made out of retained taxable income or out of gains or profits taxed as trading gains from the disposal of real properties) will also be exempt from tax in the hands of such individuals.

Individuals who hold the Units as trading assets or through a partnership in Singapore

Individuals who hold Units in CIT as trading assets or individuals who hold Units through a partnership in Singapore are subject to income tax on the gross amount of distributions that are made out of the taxable income of CIT. Such distributions will be taxed in the individuals' own hands at their applicable income tax rates.

Distributions made out of income previously taxed at the Trustee level (because the distributions were made out of retained taxable income or out of gains or profits taxed as trading gains from the disposal of real properties) will also be taxed in the hands of these individuals at their applicable income tax rates. The amount of distribution that is subject to tax is the re-grossed amount (the amount of distribution and the proportionate amount of the imputed tax). However, these individuals may claim a tax credit for the imputed tax paid by the Trustee as a set-off against their Singapore income tax liabilities.

Non-individuals

Non-individual Unitholders are subject to Singapore income tax on the gross amount of distributions that are made out of the taxable income of CIT, regardless of whether the Trustee and the Manager have deducted tax from the distributions. Where tax has been deducted at source at the prevailing corporate tax rate, the tax deducted is not a final tax. Non-individual Unitholders can use such tax deducted at source as a set-off against their Singapore income tax liabilities.

Distributions made out of income previously taxed at the Trustee level (because the distributions were made out of retained taxable income or out of trading gains from the disposal of real properties) will also be taxed in the hands of these non-individuals at their applicable income tax rates. The amount of distribution that is subject to tax is the re-grossed amount (the amount of distribution and the proportionate amount of the imputed tax). However, these non-individuals may claim a tax credit for the imputed tax paid by the Trustee as a set-off against their Singapore income tax liabilities.

Distributions made by CIT to its foreign non-individual Unitholders will be subject to Singapore withholding tax or tax deduction at source at the reduced rate of 10.0% for a period of five years from 18 February 2005. This reduced withholding tax rate of 10.0% will also apply to nominee Unitholders who can demonstrate that the Units are held for beneficial owners who are qualifying foreign non-individual investors.

Distributions of capital gains

Distributions made out of gains or profits arising from the future sale of real properties that have been confirmed by the IRAS as capital gains are not taxable in the hands of Unitholders provided that the Units are not held by them as trading assets. Where the Unitholders are subject to tax on such gains, they will be assessable to tax at their own respective rates.

Disposal of Units

Any gains on disposal of Units are not liable to Singapore tax provided the Units are not held as trading assets.

Terms and Conditions of the Tax Ruling

The application of the Tax Ruling is conditional upon the Trustee and the Manager fulfilling certain terms and conditions. The Trustee and the Manager have given undertakings to take all reasonable steps necessary to safeguard the IRAS against tax leakages and to comply with all administrative requirements to ensure ease of tax administration.

The IRAS has expressly reserved the right to review, amend and revoke the Tax Ruling either in part or in whole at any time.

Stamp Duty

By virtue of the Stamp Duty (Real Estate Investment Trust) (Remission) Rules 2005, stamp duty on the instruments of transfer in respect of Singapore properties to REITs to be listed or already listed on the SGX-ST would be waived for a period of five years from 18 February 2005.

Following this announcement, stamp duty will be waived on the transfer of Singapore properties to CIT for a period of five years from 18 February 2005.

Stamp duty will not be imposed on instruments of transfer relating to the Units. In the event of a change of trustee for CIT, stamp duty on any document effecting the appointment of a new trustee and the transfer of trust assets from the incumbent trustee to the new trustee will be charged at a nominal rate not exceeding S$10.00 as specified under Article 3(g)(ii) of the First Schedule to the Stamp Duties Act, Chapter 312 of Singapore.

PLAN OF DISTRIBUTION

The Manager is making an Offering of 206,109,000 Units (representing 41.5% of the total number of Units which will be in issue immediately after the Offering) for subscription at the Offering Price under the Placement Tranche and the Public Offer. The Offering consists of (i) the Placement Tranche of 188,609,000 Units and (ii) the Public Offer of 17,500,000 Units of which 11,500,000 Units will constitute the CIT Reserved Units which are reserved for subscription by the Directors, management, employees and business associates of the Manager and others who have contributed to the success of the Offering, as well as employees of the Vendors. The Units may be reallocated between the Placement Tranche and the Public Offer at the discretion of the Joint Lead Underwriters, in the event of an excess of applications in one and a deficit of applications in the other. In the event that any of the CIT Reserved Units is not subscribed for, such Unit(s) will be made available to satisfy over-subscriptions in the Placement Tranche and/or the Public Offer (other than the CIT Reserved Tranche).

The Public Offer is open to members of the public in Singapore. Under the Placement Tranche, the Manager intends to offer the Units by way of an international placement through the Joint Lead Underwriters to investors, including institutional and other investors in Singapore. Subject to the terms and conditions set forth in the Underwriting Agreement, the Manager is expected to effect, for the account of CIT, the issue of, and the Joint Lead Underwriters are expected to severally (and not jointly) subscribe or procure subscribers for, the 206,109,000 Units which are the subject of the Offering in the amounts set forth opposite their respective names below.

Joint Lead Underwriters	Number of Units
ABN AMRO Rothschild	103,054,500
CLSA Singapore	103,054,500
Total	206,109,000

The Units will be offered at the Offering Price. The Offering Price per Unit in the Placement Tranche and Public Offer will be identical. The Joint Lead Underwriters have agreed to severally (and not jointly) subscribe or procure subscribers for 206,109,000 Units at the Offering Price, less the Underwriting and Selling Commission and certain costs and expenses of the Offering which are to be borne by CIT.

The Manager has agreed in the Underwriting Agreement to indemnify the Joint Global Co-ordinators and Bookrunners against certain liabilities.

The Underwriting Agreement also provides that the obligations of the Joint Lead Underwriters to subscribe or procure subscribers for the Units in the Offering are subject to certain conditions contained in the Underwriting Agreement.

As set out in the Underwriting Agreement, either of the Joint Lead Underwriters may, in its absolute discretion, terminate the Underwriting Agreement prior to Listing, upon the occurrence of certain events including, among other things, any change or development in the local, international or national financial markets, or any outbreak of hostilities or escalation thereof, act of terrorism, epidemic, declaration by Hong Kong, Singapore, the United Kingdom or the United States of a national emergency or war or other calamity or crisis or any change or development involving a prospective change in local, national or international political, financial or economic conditions, in each case the effect of which is, in the judgment of the Joint Lead Underwriters, to prejudice materially the ability of the Joint Lead Underwriters to market the Offering, to enforce contracts for the subscription of the Units or dealings in the Units in the secondary market or the success of the Offering generally.

The Cornerstone Investors have agreed to subscribe for an aggregate of 97,118,412 Units, which will constitute 19.5% of the total number of outstanding Units immediately after the close of the Offering. As the Units to be subscribed by the Cornerstone Investors will not be underwritten, and as payment for those Units is not expected until after the close of the Application List, any failure or default by the

Cornerstone Investors to subscribe and pay for the Units under their respective subscription agreements may result in CIT having insufficient funds with which to purchase the Properties. Under such circumstances, the Joint Global Co-ordinators and Bookrunners would have the right not to complete the Offering.

Subscribers of the Units may be required to pay brokerage (and if so required, such brokerage will be up to 1.0% of the Offering Price) and applicable stamp duties, taxes and other similar charges (if any) in accordance with the laws and practices of the country of subscription, in addition to the Offering Price.

Over-allotment and Price Stabilisation

The Joint Global Co-ordinators have been granted the Over-allotment Option by the Manager on behalf of CIT. The Over-allotment Option is exercisable in full or in part by the Stabilising Manager, on behalf of the Joint Global Co-ordinators, in consultation with the other Joint Lead Underwriter, after the Listing Date but within 30 days after the date of this Prospectus, to subscribe for up to an aggregate of 29,000,000 Units at the Offering Price solely to cover the over-allotment of Units (if any). The total number of outstanding Units immediately after the completion of the Offering and prior to any exercise of the Over-allotment Option will be 497,068,554 Units.

In connection with the Over-allotment Option, the Stabilising Manager and CWT have entered into a unit lending agreement pursuant to which the Stabilising Manager may borrow up to an aggregate of 29,000,000 Units from CWT for the purpose of facilitating settlement of the over-allotment of Units in connection with the Offering. The Stabilising Manager will re-deliver to CWT, such number of Units which have not been purchased pursuant to the exercise of the Over-allotment Option, no later than the date of expiry of the Over-allotment Option (or such earlier time as may be agreed between the parties).

In connection with the Offering, the Stabilising Manager (or any person acting on its behalf) may, in consultation with the other Joint Lead Underwriter, over-allot or effect transactions with a view to supporting the market price of the Units at a level higher than that which might otherwise prevail. The Stabilising Manager may purchase up to 29,000,000 Units to undertake stabilisation action. However there is no assurance that the Stabilising Manager (or any person acting on its behalf) will undertake stabilisation action. Any stabilisation action may begin on or after the Listing Date and, if begun, may be ended at any time, but it must end no later than the earlier of (i) 30 days after the date of this Prospectus or (ii) the date that the Stabilising Manager has purchased the total number of Units that the Stabilising Manager may purchase to undertake the stabilising action.

None of CIT, the Manager, the Joint Global Co-ordinators and Bookrunners nor the Stabilising Manager makes any representation or prediction as to the magnitude of any effect that the transactions described above may have on the price of the Units. In addition, none of CIT, the Manager, the Joint Global Co-ordinators and Bookrunners nor the Stabilising Manager makes any representation that the Stabilising Manager will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice (unless such notice is required by law). The Stabilising Manager will be required to make a public announcement via SGXNET in relation to the total number of Units purchased by the Stabilising Manager, not later than 12.00 noon on the next trading day of the SGX-ST after the transactions are effected. The Stabilising Manager will also be required to make a public announcement through the SGX-ST in relation to the cessation of stabilising action and the number of Units in respect of which of the Over-allotment Option has been exercised not later than the start of the next trading day of the SGX-ST immediately following the day of cessation of stabilising action.

Other Relationships

Certain of the Joint Global Co-ordinators and Bookrunners and their affiliates engage in transactions with, and perform services for CIT in the ordinary course of business and have engaged, and may in the future engage, in commercial banking and investment banking transactions with CIT, for which they have received, and may in the future receive, customary compensation. The Trustee has entered into an agreement with ABN AMRO Bank setting out the terms and conditions of the Bridge Loan Facility of S$400.0 million and has entered into the Interest Rate Swap Agreement with ABN AMRO Bank. Furthermore, the Trustee has also agreed to mandate ABN AMRO Bank to arrange the Facilities, namely the Warehouse Facility extended by the Issuer SPV/Trust of up to S$390.0 million which is a two-year secured term loan ultimately funded through the United States commercial paper market and the Overdraft Facility of up to S$10.0 million from the Singapore branch of ABN AMRO Bank or the Issuer SPV/Trust which, subject to the agreement of relevant terms, definitive documentation and the satisfaction of the conditions contained in the Warehouse Facility and the Overdraft Facility, will together be used to repay the Bridge Loan Facility. Interest on the Bridge Loan Facility and the Warehouse Facility will be based on the one to three months Singapore dollar swap offer rate plus a margin, whereas interest on the Overdraft Facility will be at the Prime Lending Rate.

In addition, ABN AMRO Asset Management (Asia) Limited is one of the Cornerstone Investors and has executed a Cornerstone Subscription Agreement in respect of 22,000,000 Cornerstone Units.

The Joint Lead Underwriters and their affiliates may also subscribe for Units in the Placement Tranche other than pursuant to their underwriting commitments.

Lock-up Arrangements

The Investing Vendors have undertaken to the Joint Lead Underwriters that they will not, or in those cases where the Investing Vendor Consideration Units are being acquired by a nominee, will procure that such nominee does not for a period of 180 days from and including the Listing Date (the "Lock-up Period") offer, pledge, lend, sell or contract to sell, grant any option over, charge or otherwise grant security over, create any encumbrance over or otherwise transfer or dispose of, (or enter into any swap, hedge, derivatives or other transaction or arrangement which is designed to, or might reasonably be expected to, result in such transfer or disposition whether by actual disposition or effective economic disposition due to cash settlement or otherwise), directly or indirectly, conditionally or unconditionally, any of the Investing Vendor Consideration Units (or any interest therein or in respect thereof) to be issued to them by CIT as at the Listing Date or any other securities convertible into or exchangeable for Investing Vendor Consideration Units or which carry rights to subscribe for or purchase Investing Vendor Consideration Units or agree to do, or announce any intention to do, any of the foregoing or deposit any Investing Vendor Consideration Units (or any securities convertible into or exchangeable for Investing Vendor Consideration Units or which carry rights to subscribe for or purchase Investing Vendor Consideration Units) in any depository receipt facilities. For certain Vendors, these restrictions do not apply to all or a proportion of their Investing Vendor Consideration Units which are to be pledged in favour of licensed financial institutions. In the case of one of the Investing Vendors, CWT, the restrictions will also apply in respect of 50% of its Investing Vendor Consideration Units for a further 180 days after the Lock-up Period.

The Manager has undertaken to the Joint Lead Underwriters that it will not during the Lock-up Period offer, pledge, lend, issue, sell or contract to sell, grant any option over, charge or otherwise grant security over, create any encumbrance over or otherwise transfer or dispose of, (or enter into any swap, hedge, derivatives or other transaction or arrangement which is designed to, or might reasonably be expected to, result in such transfer or disposition whether by actual disposition or effective economic disposition due to cash settlement or otherwise), directly or indirectly, conditionally or unconditionally, any Units (or any interest therein or in respect thereof) or any other securities convertible into or exchangeable for Units or which carry rights to subscribe for or purchase Units or agree to do, or announce any intention to do, any of the foregoing or deposit any Units (or any securities convertible into or exchangeable for Units or which carry rights to subscribe for or purchase Units) in any depository receipt facilities. These restrictions on the Manager do not apply to the issue of Units under the Offering or pursuant to the exercise of the Over-allotment Option, the issue of Investing Vendor Consideration Units and Cornerstone Units and the issue of Units to the Manager from time to time in full or part payment of the Manager's Management Fees.

Mitsui has undertaken to the Joint Lead Underwriters that it will not during the Lock-up Period offer, pledge, lend, sell or contract to sell, grant any option over, charge or otherwise grant security over, create any encumbrance over or otherwise transfer or dispose of, (or enter into any swap, hedge, derivatives or other transaction or arrangement which is designed to, or might reasonably be expected to, result in such transfer or disposition whether by actual disposition or effective economic disposition due to cash settlement or otherwise), directly or indirectly, conditionally or unconditionally, any of the Cornerstone Units to be issued to it (or any interest therein or in respect thereof) or any other securities convertible into or exchangeable for such Cornerstone Units or which carry rights to subscribe for or purchase such Cornerstone Units or agree to do, or announce any intention to do, any of the foregoing or deposit any such Units (or any securities convertible into or exchangeable for such Cornerstone Units or which carry rights to subscribe or purchase such Cornerstone Units) in any depository receipt facilities. These restrictions will also apply in respect of 50% of the Cornerstone Units to be issued to Mitsui for a further 180 days after the Lock-Up Period.

The Executive Directors of the Manager have undertaken to the Joint Lead Underwriters that they will not, for the Lock-up Period offer, pledge, lend, sell or contract to sell, grant any option over, charge or otherwise grant security over, create any encumbrance over or otherwise transfer or dispose of, (or enter into any swap, hedge, derivatives or other transaction or arrangement which is designed to, or might reasonably be expected to, result in such transfer or disposition whether by actual disposition or effective economic disposition due to cash settlement or otherwise), directly or indirectly, conditionally or unconditionally, any of the Units (or any interest therein or in respect thereof) to be issued to them by CIT as at the Listing Date or any other securities convertible into or exchangeable for such Units or which carry rights to subscribe for or purchase such Units or agree to do, or announce any intention to do, any of the foregoing or deposit any such Units (or any securities convertible into or exchangeable for such Units or which carry rights to subscribe for or purchase such Units) in any depository receipt facilities. These restrictions on the Executive Directors of the Manager do not apply to a portion of their Units which are to be pledged in favour of specified licensed financial institutions.

SGX-ST Listing

CIT has received a letter of eligibility from the SGX-ST for the listing and quotation of the Units on the Main Board of the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any statements or opinions made or reports contained in this Prospectus. Admission to the Official List of the SGX-ST is not to be taken as an indication of the merits of the Offering, CIT, the Manager or the Units. The Manager expects that the Units will commence trading on the SGX-ST on a “ready” basis on or about 25 July 2006.

Prior to this Offering, there has been no trading market for the Units. There can be no assurance that an active trading market will develop for the Units or that the Units will trade in the public market subsequent to this Offering at or above the Offering Price.

Issue Costs

The estimated amount of the expenses in relation to the issue of all Units at the Listing Date and the Over-allotment Units (assuming the Over-allotment Option is exercised in full) includes the financial advisory fees, the underwriting and selling commissions, professional and other fees and all other incidental expenses in relation to the Offering and subscription of Cornerstone Units, which will be borne by CIT. A breakdown of these estimated expenses is as follows[(1)]:

	(S$'000)
Professional and other fees[(2)]	7,173
Underwriting and selling commissions[(3)]	7,477
Miscellaneous issue costs[(4)]	1,568
Total issue costs	16,218

Notes:

(1) Amounts exclude GST, where applicable.

(2) Include financial advisory fees, solicitors' fees and fees for the Independent Reporting Accountants, the Independent Tax Adviser and other professionals' fees.

(3) Such amount represents the maximum fees and commission payable by CIT pursuant to the Offering and includes arrangement fees relating to the subscription of Units by the Cornerstone Investors and underwriting and selling commission (including the Over-allotment Units).

(4) Include the cost of prospectus production, and certain other expenses incurred or to be incurred in connection with the Offering and subscription of the Cornerstone Units.

Acquisition Related Costs

The stamp duties (if any), valuation fees, building audit due diligence fees, legal costs and Acquisition Fee, and any other disbursements and expenses directly related to the acquisition of the Properties acquired by CIT in connection with the Offering, will be borne by CIT ("Acquisition Related Costs"). A breakdown of these estimated Acquisition Related Costs is as follows:

	(S$'000)
Acquisition Fee	5,190
Legal costs, valuation fees, building audit fees and other acquisition related costs	480
Total estimated Acquisition Related Costs	5,670

Distribution and Selling Restrictions

No action has been or will be taken in any jurisdiction that would permit a public offering of the Units or the possession, circulation or distribution of this Prospectus or any other offering or publicity material relating to CIT or the Units in any country or jurisdiction (other than Singapore, where action for the purpose is required). Accordingly, the Units may not be offered or sold, directly or indirectly, and neither this Prospectus nor any other offering material, circular, form of application or advertisement in connection with the Units may be distributed or published, in or from any country or jurisdiction except under circumstances that will result in compliance with all applicable rules and regulations of any such country or jurisdiction.

Applicants for Units are recommended to consult their professional advisers if they are in any doubt as to the regulatory implications of subscribing for, purchasing, holding, disposing of or otherwise dealing in the Units.

United States

The Units have not been and will not be registered under the Securities Act, and subject to certain exceptions may not be offered or sold within the United States. The Units are being offered and sold outside the United States in reliance on Regulation S. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Each Joint Lead Underwriter has agreed that, except as permitted by the Underwriting Agreement, it will not offer or sell the Units (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the Closing Date, within the United States and it will have sent to each dealer to which it sells Units during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Units within the United States. Terms used in this paragraph have the meanings given to them by Regulation S.

The Units are being offered and sold outside of the United States in reliance on Regulation S.

In addition, until 40 days after the commencement of the offering of the Units, an offer or sale of Units within the United States by a dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

United Kingdom

This Prospectus is not available for general distribution in, from or into the United Kingdom because CIT is an unregulated collective investment scheme whose promotion is restricted by sections 238 and 240 of the Financial Services and Markets Act 2000. When distributed in, from or into the United Kingdom, this Prospectus is only intended for investment professionals, high net worth companies, partnerships, associations or trusts and investment personnel of any of the foregoing (each within the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005), persons outside the European Economic Area receiving it electronically, persons outside the United Kingdom receiving it non-electronically and any other persons to whom it may be communicated lawfully. No other person should act or rely on it. Persons distributing this Prospectus in, from or into the United Kingdom must satisfy themselves that it is lawful to do so.

European Economic Area

In relation to each member state of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State"), each Joint Lead Underwriter has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "Relevant Implementation Date"), it has not made and will not make an offer of Units to the public in that Relevant Member State prior to the publication of a prospectus in relation to the Units which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that it may, with effect from and including the Relevant Implementation Date, make an offer of Units to the public in that Relevant Member State at any time:

(a) to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;

(b) to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts; or

(c) in any other circumstances which do not require the publication by the Manager of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of Units to the public" in relation to any Units in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Units to be offered so as to enable an investor to decide to purchase or subscribe the Units, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "Prospectus Directive" means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

Malaysia

No approval from the Malaysian Securities Commission or any other Malaysian authority is or will be obtained nor will any prospectus be filed or registered for the offering of the Units in Malaysia. Therefore no person should make available, offer for subscription or purchase, or issue any invitation to subscribe or purchase, the Units in Malaysia, nor should any offering or advertisement, document or material relating to the Units be issued, distributed or published in Malaysia.

Ireland

The Units described in this Offering Circular are interests in a collective investment scheme which is not supervised or authorised by the Irish Financial Services Regulatory Authority (the "Financial

Regulator") or approved by the Financial Regulator to market the Units in Ireland. Therefore, no advertising or marketing of Units may take place in Ireland without the prior approval in writing of the Financial Regulator. In addition, any sales or marketing of Units in Ireland must take place in accordance with all applicable provisions of the Irish Investment Intermediaries Act, 1995 (as amended) and all other relevant laws and regulations.

The Netherlands

Units in CIT are not, will not and may not be offered in the Netherlands, other than to persons who trade or invest in investment objects in the conduct of their profession or trade, which includes banks, securities firms, investment institutions, insurance companies, pension funds, other institutional investors, and finance companies and large commercial enterprises which as an ancillary activity regularly invest in investment objects all within the meaning of section 1 of the Regulation under section 14 of the Dutch Act on the Supervision of Collective Investment Schemes.

Germany

The Units which are the subject of this Prospectus are neither registered for public distribution with the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht* — the "BaFin") according to the German Investment Act nor listed on a German exchange. No sales prospectus pursuant to the German Securities Prospectus Act or German Sales Prospectus Act or German Investment Act has been filed with the BaFin. Consequently, the Units must not be distributed within Germany by way of a public offer, public advertisement or in any similar manner and this Prospectus and any other document relating to the Units, as well as information or statements contained therein, may not be supplied to the public in Germany or used in connection with any offer for subscription of Units to the public in Germany or any other means of public marketing. No view on taxation is expressed. Prospective investors in Germany are urged to consult their own tax advisers as to the tax consequences that may arise from purchasing Units.

France

Except pursuant to any approval of CIT by the *Autorité des marchés financiers*, the Units of CIT are not being and may not be offered or sold in France and this Prospectus, or any information contained in this Prospectus or any offering material relating to the Units of CIT, may not be distributed or caused to be distributed in France.

Australia

This Prospectus has not been lodged with the Australian Securities and Investments Commission (the "ASIC"), and is not a disclosure document or product disclosure statement for the purposes of Australian law.

The provision of this Prospectus to any person in Australia does not constitute an offer of the Units to that person or an invitation to that person to subscribe for the Units unless the recipient is a person to whom an offer of the Units may be made in Australia without the need for a product disclosure statement under Chapter 7.9 of the Corporations Act 2001 (Cth). This Prospectus is not, and under no circumstances is to be construed as, an advertisement or a public offering of the Units in Australia. CIT is not a registered scheme in Australia. Neither ASIC nor any other similar authority in Australia has reviewed or in any way approved this document or the merits of investing in the Units. The Units may not be resold in Australia within a period of 12 months after the date of issue of the Units unless a product disclosure statement is not required for the sale in accordance with sections 1012D or 1012DA of the Corporations Act 2001 (Cth).

This is not a securities recommendation or investment advice. You should seek your own financial advice.

This Prospectus has been prepared without taking account of any investor's objectives, financial situation or needs, and before acting on it, investors should consider the appropriateness of the information in this Prospectus, having regard to their own objectives, financial situation and needs.

Italy

Each Joint Lead Underwriter undertakes that no offering of the Units or distribution of any offering materials relating to the Units will be made in the Republic of Italy unless the requirements of Italian law concerning the offering of securities in general and collective investment schemes in particular have been complied with, including (i) the requirements of Article 42 and Article 94 and seq. of Legislative Decree No 58 of 24 February 1998 and CONSOB Regulation No 11971 of 14 May 1999, and (ii) all other Italian securities tax and exchange controls and any other applicable laws and regulations, all as amended from time to time.

Hong Kong

CIT has not been authorised by the Hong Kong Securities and Futures Commission. Accordingly, no person may issue, or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Units which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Units which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors", as defined in the Securities and Futures Ordinance (Chapter 571) of Hong Kong and any rules made under that Ordinance.

Switzerland

This Prospectus does not constitute an issue prospectus pursuant to Articles 652a or 1156 of the Swiss Code of Obligations and CIT has not and will not register with the Swiss Federal Banking Commission as a foreign investment fund. The Units will not be listed on the SWX Swiss Exchange and, therefore, this Prospectus may not comply with the Disclosure Standards of the Listing Rules of the Swiss Exchange.

Accordingly, the Units may not be offered to the public in or from Switzerland, but only to a selected and limited circle of investors. The investors will be individually approached by CIT and/or the Joint Lead Underwriters from time to time.

This Prospectus is personal to each offeree and does not constitute an offer to any other person. It may only be used by those persons to whom it has been delivered in connection with the Offering and may neither be copied nor directly or indirectly distributed or made available to other persons without the express consent of CIT and/or the Joint Lead Underwriters. Any person to whom this Prospectus has been delivered, may not on-sell or offer the Units to any other person, except that banks, securities dealers, and asset managers in Switzerland may acquire the Units for the account of their clients based on a written asset management agreement which complies with the Portfolio Management Guidelines of the Swiss Bankers' Association or equivalent standards.

For United Arab Emirates residents only

Each Joint Lead Underwriter has represented and agreed that the Units have not been and will not be offered, sold or publicly promoted or advertised by it in the United Arab Emirates other than in compliance with any laws applicable in the United Arab Emirates governing the issue, offering and/or sale of securities. The information contained in this Prospectus does not constitute a public offer of securities in the United Arab Emirates in accordance with the Commercial Companies Law (Federal Law No. 8 of 1984 (as amended)) or otherwise is not intended to be an offer or an invitation to subscribe for or purchase any Units. Further, the information contained in this Prospectus is not intended to lead to the conclusion of any contract of whatsoever nature within the territory of the United Arab Emirates.

Japan

The Units offered outside of Japan have not been and will not be registered under the Securities and Exchange Law of Japan (the "SEL") and the Investment Trust and Investment Company Law of Japan (the "ITICL"). Accordingly, the Units will not, directly or indirectly, be offered or sold in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the SEL and the ITICL and other relevant laws and regulations of Japan.

CLEARANCE AND SETTLEMENT

Introduction

A letter of eligibility has been obtained from the SGX-ST for the listing and quotation of the Units. For the purpose of trading on the SGX-ST, a board lot for the Units will comprise 1,000 Units. Upon listing and quotation on the SGX-ST, the Units will be traded under the electronic book-entry clearance and settlement system of CDP. All dealings in and transactions of the Units through the SGX-ST will be effected in accordance with the terms and conditions for the operation of Securities Accounts, as amended from time to time.

CDP, a wholly-owned subsidiary of Singapore Exchange Limited, is incorporated under the laws of Singapore and acts as a depository and clearing organisation. CDP holds securities for its accountholders and facilitates the clearance and settlement of securities transactions between accountholders through electronic book-entry changes in the Securities Accounts maintained by such accountholders with CDP.

It is expected that the Units will be credited into the Securities Accounts of applicants for the Units within four Market Days after the closing date for applications for the Units.

Clearance and Settlement under the Depository System

The Units will be registered in the name of CDP or its nominee and held by CDP for and on behalf of persons who maintain, either directly or through depository agents, Securities Accounts with CDP. Persons named as direct Securities Account holders and depository agents in the depository register maintained by CDP will be treated as Unitholders in respect of the number of Units credited to their respective Securities Accounts.

Transactions in the Units under the book-entry settlement system will be reflected by the seller's Securities Account being debited with the number of Units sold and the buyer's Securities Account being credited with the number of Units acquired and no transfer stamp duty is currently payable for the transfer of Units that are settled on a book-entry basis.

Units credited to a Securities Account may be traded on the SGX-ST on the basis of a price between a willing buyer and a willing seller. Units credited into a Securities Account may be transferred to any other Securities Account with CDP, subject to the terms and conditions for the operation of Securities Accounts and a S$10 transfer fee payable to CDP. All persons trading in the Units through the SGX-ST should ensure that the relevant Units have been credited into their Securities Account, prior to trading in such Units, since no assurance can be given that the Units can be credited into the Securities Account in time for settlement following dealing. If the Units have not been credited into the Securities Account by the due date for the settlement of the trade, the buy-in procedures of the SGX-ST will be implemented.

Clearing Fees

A clearing fee for the trading of Units on the SGX-ST is payable at the rate of 0.05% of the transaction value, subject to a maximum of S$200 per transaction. The clearing fee, deposit fee and unit withdrawal fee may be subject to GST of 5.0%.

Dealings in the Units will be carried out in Singapore dollars and will be effected for settlement in CDP on a scripless basis. Settlement of trades on a normal "ready" basis on the SGX-ST generally takes place on the third Market Day following the transaction date. CDP holds securities on behalf of investors in Securities Accounts. An investor may open a direct account with CDP or a sub-account with any CDP depository agent. A CDP depository agent may be a member company of the SGX-ST, bank, merchant bank or trust company.

EXPERTS

KPMG (the "Independent Reporting Accountants") was responsible for preparing the Independent Accountants' Report on the Profit Forecast and Profit Projection found in Appendix I of this Prospectus and the Independent Accountants' Report on the Unaudited Pro Forma Balance Sheet as at the Listing Date found in Appendix II of this Prospectus.

KPMG Tax Services Pte Ltd (the "Independent Tax Adviser") was responsible for preparing the Independent Taxation Report found in Appendix V of this Prospectus.

Colliers International Consultancy & Valuation (Singapore) Pte Ltd and Chesterton International Property Consultants Pte Ltd (the "Independent Valuers") were responsible for preparing (i) the Independent Property Valuation Summary Reports in Appendix III of this Prospectus and (ii) the full Independent Property Valuation Reports for each of the Properties. Jones Lang LaSalle Property Consultants Pte Ltd (the "Additional Independent Valuer") was responsible for preparing (i) the Additional Independent Property Valuation Summary Reports in Appendix IV of this Prospectus and (ii) the Additional Independent Property Valuation Reports for the top 10 Properties by Acquisition Value.

Colliers International Consultancy & Valuation (Singapore) Pte Ltd (the "Independent Property Consultant") was responsible for preparing the Independent Industrial Market Overview and Individual Asset Reports in Appendix VII of this Prospectus on the industrial sector in Singapore, upon which the section "The Industrial Property Market, in Singapore and the Region" is based, and the Industrial Market Overview and the Individual Asset Reports referred to therein.

The Independent Reporting Accountants, the Independent Tax Adviser, the Independent Valuers and the Independent Property Consultant have each given and have not withdrawn their written consents to the issue of this Prospectus with the inclusion herein of their names and their respective reports and all references thereto in the form and context in which they respectively appear in this Prospectus and to act in such capacity in relation to this Prospectus.

Standard & Poor's International, LLC has given and has not withdrawn its written consent to the issue of this Prospectus with the inclusion herein of its name in the form and context in which it appears in this Prospectus.

Each of Drew & Napier LLC, Wong Partnership, Linklaters Allen & Gledhill and Shook Lin & Bok does not make, or purport to make, any statement in this Prospectus or any statement upon which a statement in this Prospectus is based and to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any liability to any person which is based on, or arises out of, the statements, information or opinions in this Prospectus.

GENERAL INFORMATION

1. The Directors of the Manager collectively and individually accept full responsibility for the accuracy of the information given in this Prospectus and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, the facts contained in this Prospectus are true and accurate in all material respects, all expressions of opinion, intention and expectation contained in this Prospectus have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable and there are no material facts the omission of which would make any statement in this Prospectus misleading. Where information in this Prospectus has been extracted from public sources, the Directors of the Manager accept responsibility for accurately reproducing such information, but accept no further or other responsibility in respect of such information.

2. The profit forecast and profit projection contained in the section titled "Profit Forecast and Profit Projection" have been stated by the Directors of the Manager after due and careful enquiry.

3. There are no legal or arbitration proceedings pending or, so far as the Directors of the Manager are aware, threatened against the Manager the outcome of which, in the opinion of the Directors of the Manager, may have or have had during the 12 months prior to the date of this Prospectus, a material adverse effect on the financial position of the Manager.

4. There are no legal or arbitration proceedings pending or, so far as the Directors of the Manager are aware, threatened against CIT the outcome of which, in the opinion of the Directors, may have or have had during the 12 months prior to the date of this Prospectus, a material adverse effect on the financial position (on a pro forma consolidated basis) of CIT.

5. Save as disclosed below, none of the Directors or Executive Officers of the Manager is or was involved in any of the following events:

   - during the last 10 years, an application or a petition under any bankruptcy laws of any jurisdiction filed against him or her or against a partnership of which he or she was a partner at the time when he or she was a partner or at any time within two years from the date he or she ceased to be a partner;
   - during the last 10 years, an application or a petition under any law of any jurisdiction filed against an entity (not being a partnership) of which he or she was a director or an equivalent person or a key executive at the time when he or she was a director or an equivalent person or a key executive of that entity or at any time within two years from the date he or she ceased to be a director or an equivalent person or a key executive of that entity, for the winding-up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency;
   - having any unsatisfied judgment against him or her;
   - convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or been the subject of any criminal proceedings (including any pending criminal proceedings which he or she is aware of) for such purpose;
   - convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or been the subject of any criminal proceedings (including pending criminal proceedings which he or she is aware of) for such breach;
   - during the last 10 years, any judgment entered against him or her in any civil proceeding in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his or her part, or been the subject of any civil proceedings (including any pending civil proceedings which he or she is aware of) involving an allegation of fraud, misrepresentation or dishonesty on his or her part;

- convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust;
- disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or taking part in any way directly or indirectly in the management of any entity or business trust;
- been the subject of any order, judgment or ruling of any court, tribunal or governmental body permanently or temporarily enjoining him or her from engaging in any type of business practice or activity;
- to his or her knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:
  (i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere;
  (ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere;
  (iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or
  (iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during the period when he was so concerned with the entity or business trust; and
- been the subject of any current or past investigation or disciplinary proceedings, or been reprimanded or issued any warning, by the Authority or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere.

Dr Tan Seng Chin, Finian, the Chairman and a Non-executive Director of the Manager, had represented Draper Fisher Jurvetson Eplanet International (Singapore) Advisors Pte Ltd in Phosistor Technologies, Inc., a company incorporated in the United States, as a non-executive director. Dr Tan resigned from his position as a Non-executive director of Phosistor Technologies, Inc. in April 2002. Dr Tan believes that Phosistor Technologies, Inc. was subsequently wound up at around the third quarter of 2003. Draper Fisher Jurvetson Eplanet International (Singapore) Advisors Pte Ltd wrote off its investment in Phosistor Technologies, Inc. in December 2003.

6. CIT is newly established and no Units have been issued prior to the Offering. Accordingly, there is no Unitholder as at the date of this Prospectus.

7. The name, age and address of each of the Directors of the Manager are set out in "The Manager and Corporate Governance — The Manager of CIT — Directors of the Manager". A list of the present and past principal directorships of each Director and Executive Officer of the Manager over the last five years preceding the date of this Prospectus is set out in "List of Present and Past Principal Directorships of Directors and Executive Officers of the Manager" in Appendix IX.

8. There is no family relationship amongst the Directors and Executive Officers of the Manager.

9. The financial year-end of CIT is 31 December. The annual audited financial statements of CIT will be prepared and sent to Unitholders within three months of the financial year-end.

10. A full valuation of each of the real estate assets held by CIT will be carried out at least once a year in accordance with the Property Funds Guidelines. Generally, where the Manager proposes to issue new Units or to redeem existing Units, a valuation of the real properties held by CIT must be carried out in accordance with the Property Funds Guidelines. The Manager or the Trustee may at any other time arrange for the valuation of any of the real properties held by CIT if it is of the opinion that it is in the best interest of Unitholders to do so.

11. While CIT is listed on the SGX-ST, investors may check the SGX-ST website http://www.sgx.com for the prices at which Units are being traded on the SGX-ST. Investors may also check one or more major Singapore newspapers such as *The Straits Times*, *The Business Times* and *Lianhe Zaobao* for the price range within which Units were traded on the SGX-ST on the preceding day.

12. The Manager does not intend to receive soft dollars (as defined in the CIS Code) in respect of CIT. Save as disclosed in this Prospectus, unless otherwise permitted under the Listing Manual, neither the Manager nor any of the Manager's Associates will be entitled to receive any part of any brokerage charged to CIT, or any part of any fees, allowances or benefits received on purchases charged to CIT.

13. The dates of, parties to and general nature of every material contract which the Trustee (in its capacity as trustee of CIT) has entered into within the two years preceding the date of this Prospectus (not being contracts entered into in the ordinary course of its business or of the business of CIT) are as follows:

    (a) the Trust Deed;

    (b) the Option Agreements (with the forms of the Sale and Purchase Agreements attached);

    (c) the supplemental agreements and letters amending and/or supplementing the Option Agreements for each of the Properties;

    (d) the Property Management Agreement;

    (e) the agreement pertaining to the right of first refusal and last look granted by CWT to the Manager as described in the section titled "The Manager and Corporate Governance — The Manager of CIT";

    (f) the Deed of Covenant entered into between the Manager and C & P Holdings, as described in the section titled "The Manager and Corporate Governance — The Manager of CIT";

    (g) the Deeds of Covenant between the Trustee and (i) Brilliant Manufacturing Limited; (ii) CSC Holdings Limited; and (iii) Hersing Corporation Ltd;

    (h) the assignment agreements assigning the Option Agreements in favour of the Trustee for each of the Properties;

    (i) the assignment agreement pertaining to the right of first refusal and last look granted by CWT to the Manager as described in the section titled "The Manager and Corporate Governance — The Manager of CIT", entered into between CWT and the Manager in favour of the Trustee;

    (j) the agreement pertaining to the Bridge Loan Facility and the related security documents; and

    (k) the Interest Rate Swap Agreement.

14. Copies of the following documents are available for inspection at the registered office of the Manager at 61 Robinson Road, #14-02 Robinson Centre, Singapore 068893 for a period of six months from the date of this Prospectus:

    (a) the material contracts referred to in paragraph 13 above, save for the Trust Deed (which will be available for inspection for so long as CIT is in existence);

    (b) the Underwriting Agreement;

    (c) the Independent Accountants' Report on the Profit Forecast and Profit Projection as set out in Appendix I of this Prospectus;

    (d) the Independent Accountants' Report on the Unaudited Pro Forma Balance Sheet as at the Listing Date as set out in Appendix II of this Prospectus;

(e) the Independent Property Valuation Summary Reports as set out in Appendix III of this Prospectus;

(f) the Additional Independent Property Valuation Summary Reports as set out in Appendix IV of this Prospectus;

(g) the Independent Taxation Report as set out in Appendix V of this Prospectus;

(h) the Independent Industrial Market Overview and Individual Asset Reports as set out in Appendix VII of this Prospectus;

(i) the written consents of each of the Independent Reporting Accountants, the Independent Tax Adviser, the Independent Valuers, the Independent Property Consultant and Standard & Poor's International, LLC as described in "Experts";

(j) the undertaking of the Manager to the MAS covenanting, among other things, not to deal in the Units during certain stipulated periods as described in the section titled "The Manager and Corporate Governance — Dealings in CIT Units";

(k) the undertaking by Dr Tan Seng Chin, Finian, to the Trustee undertaking that he will, for so long as he remains a Director of the Manager, disclose to the Board any investment in competing funds or businesses made by himself, any of his investment companies, or any of the funds under the management of any of his investment companies;

(l) the non-compete undertakings by each of the Executive Directors of the Manager to the Trustee;

(m) the Depository Agreement; and

(n) the Cornerstone Subscription Agreements.

GLOSSARY

Properties

"CWT Districpark (HQ)"	:	24 Jurong Port Road Singapore 619097
"Jurong Districentre"	:	3 Pioneer Sector 3 Singapore 628342
"ODC Districentre"	:	30 Toh Guan Road Singapore 608840
"31 Tuas Avenue 11"	:	31 Tuas Avenue 11 Singapore 639105
"25 Changi South Avenue 2"	:	25 Changi South Avenue 2 Singapore 486594
"YCH DistriPark"	:	30 Tuas Road Singapore 638492
"1 Third Lok Yang Road" and "4 Fourth Lok Yang Road"	:	No. 1 Third Lok Yang Road Singapore 627996 and No. 4 Fourth Lok Yang Road Singapore 629701
"21 Ubi Road 1"	:	21/23 Ubi Road 1 Singapore 408724/408725
"136 Joo Seng Road"	:	136 Joo Seng Road Singapore 368360
"CSE Global Building"	:	2 Ubi View Singapore 408556
"MI Building"	:	11 Serangoon North Avenue 5 Singapore 554809
"Olivine Building"	:	130 Joo Seng Road Singapore 368357
"Panasonic Building"	:	2 Jalan Kilang Barat Singapore 159346
"MEC TechnoCentre"	:	87 Defu Lane 10 Singapore 539219
"86/88 International Road"	:	86/88 International Road Singapore 629176/629177
"23 Tuas Avenue 10"	:	23 Tuas Avenue 10 Singapore 639149
"9 Tuas View Crescent"	:	9 Tuas View Crescent Singapore 637612
"27 Pandan Crescent"	:	27 Pandan Crescent Singapore 128476
"7 Gul Lane"	:	7 Gul Lane Singapore 629406
"31 Kian Teck Way"	:	31 Kian Teck Way Singapore 628751
"Techplas Industrial Building"	:	45 Changi South Avenue 2 Singapore 486133
"2 Tuas South Avenue 2"	:	2 Tuas South Avenue 2 Singapore 637601
"28 Woodlands Loop"	:	28 Woodlands Loop Singapore 738308
"Standard Form Building"	:	37 Tampines Street 92 Singapore 528885
"16 Tuas Avenue 18A"	:	16 Tuas Avenue 18A Singapore 638864
"160 Kallang Way"	:	160 Kallang Way Singapore 349246
"23 Lorong 8 Toa Payoh"	:	No. 23 Lorong 8 Toa Payoh Singapore 319257

General

"%" or "per cent."	:	Per centum or percentage
"ABN AMRO Bank"	:	ABN AMRO Bank N.V.
"ABN AMRO Rothschild"	:	The unincorporated equity capital markets joint venture between ABN AMRO Bank N.V., Singapore branch, and N.M. Rothschild & Sons (Singapore) Limited, each trading as ABN AMRO Rothschild
"Acquisition Fee"	:	Has the meaning ascribed to it in the Trust Deed and as set out under the sections titled "Summary — Structure of Cambridge Industrial Trust: Certain Fees and Charges" and "The Manager and Corporate Governance — Management Fees"
"Acquisition Related Costs"	:	Has the meaning as set out on page 352 of the Prospectus
"Acquisition Value"	:	In relation to each Property, its acquisition value as determined in accordance with the relevant Sale and Purchase Agreement
"Additional Independent Valuer"	:	Jones Lang LaSalle Property Consultants Pte Ltd
"Allianz Global Investors Hong Kong"	:	Allianz Global Investors Hong Kong Limited
"Application Forms"	:	The official printed application forms to be used for the purpose of the Offering and which form part of this Prospectus
"Application List"	:	The list of applications to subscribe for the Units which are the subject of the Public Offer
"Appraised Value"	:	In relation to each Property, the appraised value by the Independent Valuers as at 19 January 2006 and, where applicable, the Additional Independent Valuer as at 15 May 2006 for that Property as set out in this Prospectus (see the section titled "Business and Properties — Valuation")
"ASRS"	:	Automated Storage and Retrieval System
"Associate"	:	Has the meaning ascribed to it in the Listing Manual
"ATMs"	:	Automated Teller Machines
"AVP"	:	Assistant Vice President
"Base Fee"	:	0.5% per annum of CIT's Deposited Property
"Benchmark Index"	:	Has the meaning ascribed to it in the Trust Deed and as set out in the section titled "The Manager and Corporate Governance — Management Fees"
"Board"	:	The Board of Directors of the Manager
"Bridge Loan Facility"	:	The 6-month secured bridge loan facility of S$400.0 million extended to the Trustee, on behalf of CIT, by ABN AMRO Bank N.V.

"Business Day"	:	Any day (other than a Saturday, Sunday, or gazetted public holiday) on which commercial banks are open for business in Singapore and the SGX-ST is open for trading in securities
"C & P Distribution"	:	C & P Distribution Pte Ltd
"C & P Group"	:	C & P Holdings and its subsidiaries
"C & P Holdings"	:	C & P Holdings Pte Ltd
"CDP"	:	The Central Depository (Pte) Limited
"Cents"	:	Singapore cents
"CEO"	:	Chief Executive Officer
"Certificate of Statutory Completion"	:	A certificate of statutory completion issued under section 21 of the Building Control Act, Chapter 29 of Singapore
"Charge-out Collections"	:	Consists of air conditioning charges, promotional charges, government rates, government rents, utility charges, cleaning and other charges payable by the tenants and licensees
"China"	:	People's Republic of China, excluding the Hong Kong Special Administrative Region and the Macau Special Administrative Region for the purposes of this Prospectus and for geographical reference only
"CIPM"	:	Cambridge Industrial Property Management Pte. Ltd.
"CIS Code"	:	The Code on Collective Investment Schemes issued by the MAS
"CIT"	:	Cambridge Industrial Trust
"CITM"	:	Cambridge Industrial Trust Management Limited
"CITM Shares"	:	Shares in the issued share capital capital of the Manager
"CIT Reserved Tranche"	:	The portion of the Units under the Public Offer which are CIT Reserved Units
"CIT Reserved Units"	:	The 11,500,000 Units reserved for subscription by the Directors, management, employees and business associates of the Manager and others who have contributed to the success of the Offering, as well as employees of the Vendors
"City Centre"	:	Fullerton Hotel, Singapore at 1 Fullerton Square, Singapore 049178
"CLSA"	:	CLSA Merchant Bankers Limited
"CLSA Singapore"	:	CLSA Singapore Pte Ltd
"Colliers International"	:	Colliers International Consultancy & Valuation (Singapore) Pte Ltd
"Companies Act"	:	Companies Act, Chapter 50 of Singapore
"Completion"	:	The completion of the sale and purchase of the Properties pursuant to the Sale and Purchase Agreements

"Completion Date"	:	The date of Completion, being the Listing Date
"Cornerstone Investors"	:	ABN AMRO Asset Management (Asia) Limited, Allianz Global Investors Hong Kong Limited, Mitsui & Co., Ltd, Henderson Fund Management plc, Henderson Global Investors Limited and NTUC Income Insurance Cooperative Limited
"Cornerstone Subscription Agreements"	:	The Cornerstone Subscription Agreements (as supplemented or amended), entered into between each of the Cornerstone Investors (or companies in their respective groups) and the Manager pursuant to which the Cornerstone Investors have agreed to subscribe for an aggregate of 97,118,412 Units
"Cornerstone Units"	:	The Units to be purchased by the Cornerstone Investors pursuant to the Cornerstone Subscription Agreements
"CPF"	:	Central Provident Fund
"CREIM"	:	Cambridge Real Estate Investment Management Pte. Ltd.
"Current Unit Value"	:	At any time, the net asset value of the Deposited Property divided by the number of Units in issue and deemed to be in issue at that time
"CWT"	:	CWT Limited
"CWT Engineering"	:	CWT Engineering Pte Ltd
"DCF Method"	:	Discounted Cash Flow Method
"Deposited Property"	:	The value of all the gross assets of CIT, including the Properties and all the authorised investments of CIT for the time being held or deemed to be held upon the trust constituted under the Trust Deed
"Depository Agreement"	:	The Depository Agreement dated 26 April 2006 entered into between CDP, the Manager and the Trustee relating to the deposit of the Units with CDP
"Disposal Fee"	:	Has the meaning ascribed to it in the Trust Deed, as set out in the sections titled under "Summary — Structure of Cambridge Industrial Trust: Certain Fees and Charges" and "The Manager and Corporate Governance — Management Fees"
"EBS"	:	Environmental Baseline Study
"Electronic Applications"	:	ATM Electronic Application, Internet Electronic Application or Internet Placement Application
"EPRA"	:	European Public Real Estate Association. "EPRA" is the trade mark of the European Public Real Estate Association

"Equity Market Capitalisation"	:	Has the meaning ascribed to it in the Trust Deed and means the volume weighted average price for a Unit for all trades on the SGX-ST in the ordinary course of trading during the five Business Days preceding the last day of the relevant Half Year (including the last day of the relevant Half Year) and the five Business Days after the last day of the relevant Half Year (ten Business Days in total) multiplied by the number of Units in issue at the close of the last day of the prior Half Year
"Establishment Date"	:	31 March 2006, being the date on which CIT was constituted pursuant to the Trust Deed
"Executive Officers"	:	The Executive Officers of the Manager as at the date of this Prospectus
"Extraordinary Resolution"	:	A resolution proposed and passed as such by a majority consisting of 75.0% or more of the total number of votes cast for and against such resolution at a meeting of Unitholders duly convened under the provisions of the Trust Deed
"Facilities"	:	The Warehouse Facility of up to S$390.0 million extended by the Issuer SPV/Trust, and the Overdraft Facility of up to S$10.0 million from the Singapore branch of ABN AMRO Bank N.V. or the Issuer SPV/Trust
"FDI"	:	Foreign direct investments
"Financial Year"	:	Has the meaning ascribed to it in the Trust Deed and means: (i) for the first Financial Year, the period from and including the date of establishment of CIT to 31 December 2006; (ii) for the last Financial Year, the period from and including the most recent 1 January before the date CIT terminates to and including the date CIT terminates; and (iii) in all other circumstances, the 12-month period ending on 31 December in each year
"Flatted Factory"	:	High-rise factory building that is capable of being sub-divided and used by multiple users for manufacturing, assembly and associated storage
"Flatted Warehouse"	:	High-rise warehouse building that is capable of being sub-divided and used by multiple users for warehousing/storage purposes
"Forecast Period 2006"	:	The period from 31 July 2006 to 31 December 2006
"FTSE"	:	FTSE International Limited. "FTSE®" is the trade mark of the London Stock Exchange Plc and the Financial Times Limited and is used by FTSE International Limited under licence

"FTSE AllCap Singapore universe"	:	The top 98.0% of all entities listed on the SGX-ST ranked by the entities' full market capitalisation. The bottom 2.0% of entities by market capitalisation are excluded. The entities included are subject to three further tests as follows: (a) size — only entities with market capitalisation greater than US$100 million; (b) liquidity — only entities whose securities have a turnover of at least 0.5% of their securities in issue in at least 10 months out of every 12; and (c) free float — only entities whose securities have more than 15% free float
"GDP"	:	Gross domestic product
"Gross Rent"	:	Comprises net rental income (after rent rebates and provisions for rent free periods), service charge where applicable (which is a contribution paid by tenant(s) towards the operating and maintenance expenses of the properties of CIT) and licence fees (where applicable)
"Gross Revenue"	:	Consists of (i) Gross Rent and (ii) other income earned from CIT's properties
"GST"	:	Goods and Services Tax
"ha"	:	Hectares
"Half Year"	:	Has the meaning ascribed to it in the Trust Deed and means a period of six months ending 30 June or 31 December in each year and for the first Half Year, the period from and including the Listing Date to 31 December 2006
"HDB"	:	Housing and Development Board
"HDB Lease"	:	The lease from HDB under which certain of the Properties are held
"High Building Specifications"	:	Means building technical specifications with high floor loading, high ceiling height and wide column span
"Independent Property Consultant"	:	Colliers International
"Independent Valuers"	:	Chesterton International Property Consultants Pte Ltd and Colliers International, and "Independent Valuer" shall mean any of them
"Independent Reporting Accountants"	:	KPMG
"Independent Tax Adviser"	:	KPMG Tax Services Pte Ltd
"Interest Rate Swap Agreement"	:	The interest rate swap agreement (comprising the 1992 Master Agreement of the International Swaps and Derivatives Association, Inc. and an attached schedule) entered into between the Trustee, on behalf of CIT, and ABN AMRO Bank

"Investible Savings"	:	The balance in the CPF Ordinary Account plus the net amounts (if any) withdrawn for education and investment
"Investing Vendors"	:	BG Casting Pte Ltd, Brilliant Magnesium Pte Ltd, Brilliant Manufacturing Limited, Chempark Pte Ltd., CWT Limited, Jurong Districentre Pte Ltd, Exklusiv Auto Services Pte Ltd, Gliderol Doors (S) Pte Ltd, ODC Logistics (S) Pte Ltd, Sanwa Plastic Industry Pte Ltd, S C Merah Pte Ltd, SLS Holdings (Pte) Ltd, StorHub Self Storage Pte Ltd, The Excalibur Corporation Pte Ltd, Uchem Products Pte Ltd, Wong Sam Ngian Engineering (Pte) Ltd and YCH Group Pte Ltd
"IRAS"	:	Inland Revenue Authority of Singapore
"Issue Costs"	:	Has the meaning as set out on page 351 of the Prospectus
"Issuer SPV/Trust"	:	An existing bankruptcy remote special purpose vehicle established in Singapore which will extend loans in Singapore dollars to CIT on the basis of issuing indebtedness in the form of a variable funding note via the United States asset-backed commercial paper market
"Joint Financial Advisers"	:	ABN AMRO Rothschild and CLSA
"Joint Global Co-ordinators"	:	ABN AMRO Rothschild and CLSA
"Joint Global Co-ordinators and Bookrunners"	:	ABN AMRO Rothschild, CLSA Singapore and CLSA
"Joint Lead Underwriters"	:	ABN AMRO Rothschild and CLSA Singapore
"JTC"	:	Jurong Town Corporation
"JTC Lease"	:	The lease from JTC under which certain of the Properties are held
"kN/m^2"	:	Kilonewton per square metre
"KV"	:	Kilovolts
"Lettable Area"	:	Space comprised in the Properties in respect of which CIT will be receiving Gross Rent. In respect of a Property, consists of the gross floor area
"Listing"	:	The admission of the Units to the Official List of the SGX-ST
"Listing Date"	:	The date of admission of the Units to the Official List of the SGX-ST
"Listing Manual"	:	The Listing Manual of the SGX-ST
"Lock-up Period"	:	The period of 180 days from and including the Listing Date
"LTA"	:	Land Transport Authority
"M&E"	:	The building's mechanical and electrical system
"Management Fees"	:	Has the meaning ascribed to it in the Trust Deed and as set out under the sections titled "Summary – Structure of Cambridge Industrial Trust: Certain Fees and Charges" and "The Manager and Corporate Governance – Management Fees"

"Manager"	:	Cambridge Industrial Trust Management Limited
"Market Day"	:	A day on which the SGX-ST is open for trading in securities
"Market Price"	:	The volume weighted average traded price for a Unit for all trades on the SGX-ST, in the ordinary course of trading, for the period of 10 Business Days immediately preceding the relevant business day or, where the Manager believes that such price is not a fair reflection of the market price of a Unit, such amount as determined by the Manager and the Trustee (after consultation with a stockbroker approved by the Trustee), as being the fair market price of a Unit
"MAS"	:	The Monetary Authority of Singapore
"Master Plan"	:	The master plan that was originally submitted to and approved under the Singapore Improvement Ordinance, Chapter 259 of Singapore, and as subsequently amended under the repealed Planning Act, Chapter 232 of Singapore, or the Planning Act, and includes the approved maps and written statement
"Mitsui"	:	Mitsui & Co., Ltd.
"Mitsui Sale Shares"	:	The 160,000 CITM shares acquired by Mitsui pursuant to the Share Purchase Agreement
"MRT"	:	Mass Rapid Transit
"NAREIT"	:	National Association of Real Estate Investment Trusts. "NAREIT®" is the trade mark of the National Association of Real Estate Investment Trusts
"Net New Demand"	:	Net change in occupied space between two points in time
"Net New Supply"	:	Newly constructed space added to the existing stock less space withdrawn due to change of use, redevelopment and demolition
"Net Property Income"	:	Consists of Gross Revenue less Property Expenses
"NPV"	:	Net present value
"NSB"	:	National Statistics Bureau of the People's Republic of China
"NT$"	:	New Taiwan dollars, the lawful currency of Taiwan
"Overdraft Facility"	:	The bank overdraft facility of up to S$10.0 million from the Singapore branch of ABN AMRO Bank N.V. or the Issuer SPV/Trust
"Offering"	:	The offering of 206,109,000 Units by the Manager for subscription at the Offering Price under the Placement Tranche and the Public Offer
"Offering Price"	:	S$0.68 per Unit
"Option Agreements"	:	The option agreements entered into between CREIM and the Vendors relating to the acquisition of the Properties

"Ordinary Resolution"	:	A resolution proposed and passed as such by a majority being more than 50.0% of the total number of votes cast for and against such resolution at a meeting of Unitholders duly convened under the provisions of the Trust Deed
"Over-allotment Option"	:	An option granted by the manager on behalf of CIT to the Stabilising Manager, on behalf of the Joint Global Co-ordinators, to subscribe, up to an aggregate of 29,000,000 Units at the Offering Price, solely to cover the over-allotment of Units (if any)
"Over-allotment Units"	:	The 29,000,000 units which are the subject of Over-allotment Option
"Participating Banks"	:	United Overseas Bank Limited ("UOB") and its subsidiary, Far Eastern Bank Limited (the "UOB Group"), DBS Bank Ltd (including POSB) ("DBS Bank"), and Oversea-Chinese Bank Corporation Limited ("OCBC")
"Performance Fee"	:	Has the meaning ascribed to it in the Trust Deed, as set out under "Summary — Certain Fees and Charges" and "The Manager and Corporate Governance — Management Fees" of this Prospectus
"Placement Tranche"	:	The international placement of Units to investors, including institutional and other investors in Singapore, pursuant to the Offering
"Planning Act"	:	Planning Act, Chapter 232 of Singapore
"Prime Lending Rate"	:	ABN AMRO Bank N.V., Singapore Branch's prime lending rate
"Projection Year 2007"	:	The period from 1 January 2007 to 31 December 2007
"Properties"	:	Refers collectively to the twenty-seven (27) properties as set out under "Information on the Properties" and "Business and Properties" or certain of these properties (as the context requires) and "Property" shall mean any of them
"Property Expenses"	:	Comprises (a) the Property Manager's fees, (b) property tax, (c) payments of land rents to JTC and HDB, (d) property maintenance expenses, (e) property insurance charges and (f) other property expenses to the extent borne by CIT
"Property Funds Guidelines"	:	The guidelines for real estate investment trusts issued by the MAS as Appendix 2 to the CIS Code
"Property Management Agreement"	:	The property management agreement entered into between the Manager, the Property Manager and the Trustee on 21 April 2006
"Property Manager"	:	Cambridge Industrial Property Management Pte Ltd
"Public Offer"	:	The Offering to the public in Singapore
"Public Offer Co-ordinator"	:	Phillip Securities Pte Ltd

"Real Estate"	:	Has the meaning ascribed to it in the Trust Deed and refers to any land, and any interest, option or other right in or over any land, and includes any shares in an unlisted company whose sole purpose is to hold/own such real estate, such as a Special Purpose Vehicle
"Real Estate Investment Consultant"	:	CREIM
"Real Estate Related Assets"	:	Has the meaning ascribed to it in the Trust Deed and means listed or unlisted debt securities and listed shares of or issued by property companies or corporations or a Special Purpose Vehicle, mortgaged-backed securities, listed or unlisted units in unit trusts or interests in other property funds and assets incidental to the ownership of Real Estate, including, without limitation, furniture, carpets, furnishings, machinery and plant and equipment installed or used or to be installed or used in or in association with any Real Estate or any building thereon
"Recognised Stock Exchange"	:	Any stock exchange of repute in any part of the world
"Regulation S"	:	Regulation S under the Securities Act
"REIT"	:	Real estate investment trust
"Related Party"	:	Refers to an "interested person" (as defined in the Listing Manual) and/or, as the case may be, an "interested party" (as defined in the Property Funds Guidelines)
"Retention Sum"	:	A sum to be retained under the relevant Sale and Purchase Agreement by the Trustee upon Completion should the relevant Vendor fail to repair, rectify and make good all defects
"Rp"	:	Indonesian rupiah, the lawful currency of the Republic of Indonesia
"S$" or Singapore dollars"	:	Singapore dollars, the lawful currency of Singapore
"Sale and Purchase Agreements"	:	The sale and purchase agreements to be entered into between the Trustee and the Vendors relating to the acquisition of the Properties and "Sale and Purchase Agreement" refers to any one of them
"Securities Account"	:	Securities account or sub-account maintained by a Depositor (as defined in section 130A of the Companies Act) with CDP
"Securities Act"	:	The U.S. Securities Act of 1933
"Shareholders' Agreement"	:	The shareholders' agreement entered into between the Manager, CREIM, Mitsui and CWT on 31 March 2006
"Shareholders' Undertaking"	:	The undertaking by CREIM, Mitsui and CWT in the Shareholders' Agreement to own for a period of 2 years commencing from the date of the Shareholders' Agreement, not less than 60%, 20% and 20% respectively of the total issued share capital of the Manager

"Share Purchase Agreement"	The agreement entered into by Mitsui and CREIM on 29 March 2006 to acquire 160,000 CITM Shares
"SFA" or "Securities and Futures Act"	Securities and Futures Act, Chapter 289 of Singapore
"SFRS"	Singapore Financial Reporting Standards
"SGX-ST"	Singapore Exchange Securities Trading Limited
"Special Purpose Vehicle"	Any entity whose primary purpose is to hold or own Real Estate, including owning all or part of the issued share capital of any corporation in or outside Singapore
"sq ft"	Square feet
"sq m"	Square metres
"Stabilising Manager"	ABN AMRO Rothschild (acting through its affiliate, ABN AMRO Asia Securities (Singapore) Pte Limited)
"Subscription Agreement"	The subscription agreement entered into between Mitsui and Manager on 29 March 2006 to subscribe 50,000 CITM shares
"Tax Ruling"	The tax ruling dated 21 November 2005 issued by the IRAS on the taxation of CIT and the Unitholders
"TOP"	Temporary occupation permit
"Trigger Event"	Has the meaning ascribed to it in the Trust Deed and as set out in the section titled "The Manager and Corporate Governance — Management Fees"
"Triple Net Basis"	Means, in the section titled "The Industrial Property Markets in Singapore and the Region" and in Appendix VII "Independent Industrial Market Overview and Individual Asset Reports", the basis for net rental calculation that excludes an amount of rental foregone for utility charges, basic maintenance and outgoings and, where used elsewhere in this Prospectus, means the basis for net rental calculation that excludes property tax, JTC/HDB land rent and maintenance charges
"Trust Companies Act"	Trust Companies Act, Chapter 336 of Singapore
"Trust Deed"	The trust deed dated 31 March 2006 entered into between the Trustee and the Manager constituting CIT
"Trust Index"	Has the meaning ascribed to it in the Trust Deed and as set out under "The Manager and Corporate Governance — Management Fees" of this Prospectus
"Trustee"	RBC Dexia Trust Services Singapore Limited (formerly known as Dexia Trust Services Singapore Limited)
"Underwriting Agreement"	The underwriting agreement dated 23 May 2006 entered into between the Manager, CREIM and the Joint Global Co-ordinators and Bookrunners in connection with the Offering (as amended and restated on 14 July 2006)
"Unit"	An undivided interest in CIT as provided for in the Trust Deed

"United States"	:	The United States of America
"Unitholder(s)"	:	The registered holder for the time being of a Unit including persons so registered as joint holders, except that where the registered holder is CDP, the term "Unitholder" shall, in relation to Units registered in the name of CDP, mean, where the context requires, the depositor whose Securities Account with CDP is credited with Units
"Unitholding"	:	A holding of Units by a Unitholder
"URA"	:	Urban Redevelopment Authority
"US$"	:	United States dollars, the lawful currency of the United States
"Investing Vendor Consideration Unit(s)"	:	The Units issued to vendor(s) or nominee(s) of vendor(s) as part consideration for the acquisition of the Properties by CIT
"Vendor(s)"	:	CWT Limited, Jurong Districentre Pte Ltd, ODC Logistics (S) Pte Ltd, SLS Holdings (Pte) Ltd, Wan Tai and Company (Private) Limited, YCH DistriPark (Pte) Ltd, Chempark Pte Ltd, Brilliant Manufacturing Limited, CSE Global Limited, M1 Technologies Pte Ltd, Olivine Magnetics Pte Ltd, S C Merah Pte Ltd, The Excalibur Corporation Pte Ltd, Gliderol Door (S) Pte Ltd, Uchem Products Pte Ltd, United Central Engineering Pte Ltd, Wong Sam Ngian Engineering (Pte) Ltd, BG Casting Private Limited, Brilliant Magnesium Pte Ltd, Chung Shan Plastics Pte Ltd, CS Industrial Land Pte Ltd, Sanwa Plastic Industry Pte Ltd, Standard Form Pte Ltd, StorHub Self Storage Pte Ltd and Exklusiv Auto Services Pte Ltd
"VP"	:	Vice President
"Warehouse Facility"	:	A two-year secured term loan funded by the issue of United States commercial paper extended by the Issuer SPV/Trust
"weighted average"	:	Unless otherwise specified in this Prospectus, the weighted average based on Acquisition Value
"WRS"	:	The Warehouse Retail Scheme launched by the Economic Development Board (EDB) in April 2004 to encourage companies to make sizeable investments and establish regional responsibilities in Singapore by allowing greater flexibility in industrial land use. Where previously industrial land could not be used for any retail activity, companies under the WRS can house integrated business models with regional headquarters, industrial and retail activities at the same location to reap the benefits from operational and cost efficiencies

INDEPENDENT ACCOUNTANTS' REPORT ON THE PROFIT FORECAST AND PROFIT PROJECTION

The Board of Directors
Cambridge Industrial Trust Management Limited
(in its capacity as Manager of Cambridge Industrial Trust)
61 Robinson Road
#14-02 Robinson Centre
Singapore 068893

RBC Dexia Trust Services Singapore Limited (formerly known as Dexia Trust Services Singapore Limited)
(in its capacity as Trustee of Cambridge Industrial Trust)
9 Raffles Place
#42-01 Republic Plaza
Singapore 048619

14 July 2006

Dear Sirs

Letter from the Reporting Accountants on the Profit Forecast for the Period from 31 July 2006 to 31 December 2006 and the Profit Projection for the Year Ending 31 December 2007

This letter has been prepared for inclusion in the prospectus (the "Prospectus") to be issued in connection with the offering of between 497,068,554 units to 526,068,554 units (inclusive of the Over-allotment units of 29,000,000) in Cambridge Industrial Trust ("CIT") at the offering price of S$0.68 per unit (the "Offering").

The directors of Cambridge Industrial Trust Management Limited (the "Directors") are responsible for the preparation and presentation of the forecast and projected Statements of Total Return for the period from 31 July 2006 to 31 December 2006 (the "Profit Forecast") and the year ending 31 December 2007 (the "Profit Projection") as set out on page 97 and 98 of the Prospectus, which have been prepared on the basis of the assumptions set out on pages 100 to 105 of the Prospectus.

We have examined the Profit Forecast of CIT for the period from 31 July 2006 to 31 December 2006 and the Profit Projection for the year ending 31 December 2007 as set out on page 97 and 98 of the Prospectus in accordance with Singapore Standard on Assurance Engagements 3400 "*The Examination of Prospective Financial Information*". The Directors are solely responsible for the Profit Forecast and Profit Projection including the assumptions set out on pages 100 to 105 of the Prospectus on which they are based.

Profit Forecast

Based on our examination of the evidence supporting the assumptions, nothing has come to our attention which causes us to believe that these assumptions do not provide a reasonable basis for the Profit Forecast. Further, in our opinion, the Profit Forecast, so far as the accounting policies and calculations are concerned, is properly prepared on the basis of the assumptions, is consistent with the accounting policies set out on pages II-8 to II-11 of the Prospectus, and is presented in accordance with the relevant presentation principles of Recommended Accounting Practice 7 "*Reporting Framework for*

Unit Trusts" (but not all the required disclosures) issued by the Institute of Certified Public Accountants of Singapore ("ICPAS"), which is the framework to be adopted by CIT in the preparation of its financial statements.

Profit Projection

The Profit Projection is intended to show a possible outcome based on the stated assumptions. As CIT is newly established with a short history of activities and because the length of the period covered by the Profit Projection extends beyond the period covered by the Profit Forecast, the assumptions used in the Profit Projection (which include hypothetical assumptions about future events which may not necessarily occur) are more subjective than would be appropriate for a profit forecast. The Profit Projection does not therefore constitute a profit forecast.

Based on our examination of the evidence supporting the relevant assumptions, nothing has come to our attention which causes us to believe that these assumptions do not provide a reasonable basis for the Profit Projection. Further, in our opinion, the Profit Projection, so far as the accounting policies and calculations are concerned, is properly prepared on the basis of the assumptions, is consistent with the accounting policies as set out on pages II-8 to II-11 of the Prospectus, and is presented in accordance with the relevant presentation principles of Recommended Accounting Practice 7 "*Reporting Framework for Unit Trusts"* (but not all the required disclosures), which is the framework to be adopted by CIT in the preparation of its financial statements.

Events and circumstances frequently do not occur as expected. Even if the events anticipated under the hypothetical assumptions occur, actual results are still likely to be different from the Profit Forecast and Profit Projection since other anticipated events frequently do not occur as expected and the variation may be material. The actual results may therefore differ materially from those forecast and projected. For the reasons set out above, we do not express any opinion as to the possibility of achievement of the Profit Forecast and Profit Projection.

Attention is drawn, in particular, to the risk factors set out on pages 70 to 87 of the Prospectus which describe the principal risks associated with the Offering, to which the Profit Forecast and Profit Projection relate and the sensitivity analysis of the Directors' Profit Forecast and Profit Projection set out on pages 105 and 106 of the Prospectus.

Yours faithfully

KPMG
Certified Public Accountants
(Partner-in-charge: Tay Puay Cheng)
Singapore

INDEPENDENT ACCOUNTANTS' REPORT ON THE UNAUDITED PRO FORMA BALANCE SHEET AS AT THE LISTING DATE

The Board of Directors
Cambridge Industrial Trust Management Limited
(in its capacity as Manager of Cambridge Industrial Trust)
61 Robinson Road
#14-02 Robinson Centre
Singapore 068893

RBC Dexia Trust Services Singapore Limited (formerly known as Dexia Trust Services Singapore Limited)
(in its capacity as Trustee of Cambridge Industrial Trust)
9 Raffles Place
#42-01 Republic Plaza
Singapore 048619

14 July 2006

Dear Sirs

Unaudited Pro Forma Balance Sheet as at the Listing Date

We report on the unaudited pro forma balance sheet of Cambridge Industrial Trust ("CIT") as at the Listing Date (the "Unaudited Pro Forma Balance Sheet") set out on pages II-3 to II-22 of the prospectus (the "Prospectus") to be issued in connection with the offering of between 497,068,554 units to 526,068,554 units (inclusive of the Over-allotment units of 29,000,000) in CIT, which has been prepared for illustrative purposes only and based on certain assumptions after making certain adjustments.

The Unaudited Pro Forma Balance Sheet as at the Listing Date has been prepared on the basis of the assumptions set out on pages II-4 and II-5 to provide information on the financial position of CIT, had the purchase of the properties, comprising CWT Distripark (HQ), Jurong Districentre, ODC Districentre, 31 Tuas Avenue 11, 25 Changi South Avenue 2, YCH DistriPark, 1 Third Lok Yang Road and 4 Fourth Lok Yang Road, 21 Ubi Road 1, 136 Joo Seng Road, CSE Global Building, MI Building, Olivine Building, Panasonic Building, MEC TechnoCentre, 86/88 International Road, 23 Tuas Avenue 10, 9 Tuas View Crescent, 27 Pandan Crescent, 7 Gul Lane, 31 Kian Teck Way, Techplas Industrial Building, 2 Tuas South Avenue 2, 28 Woodlands Loop, Standard Form Building, 16 Tuas Avenue 18A, 160 Kallang Way, 23 Lorong 8 Toa Payoh, been undertaken by CIT under the same terms set out in the Prospectus on the day CIT is admitted to the Official List of the Singapore Exchange Securities Trading Limited ("Listing Date").

The Unaudited Pro Forma Balance Sheet has been prepared for illustrative purposes only and, because of its nature, may not give a true picture of CIT's actual financial position.

The Unaudited Pro Forma Balance Sheet is the responsibility of the directors of Cambridge Industrial Trust Management Limited (the "Directors"). Our responsibility is to express an opinion on the Unaudited Pro Forma Balance Sheet based on our work.

We carried out procedures in accordance with Singapore Statement of Auditing Practice 24 *"Auditors and Public Offering Documents"*. Our work, which involved no independent examination of the underlying financial information, consisted primarily of:

(i) comparing the Unaudited Pro Forma Balance Sheet to the unaudited balance sheet of CIT as at 31 March 2006 (date of constitution); and

(ii) considering the evidence supporting the pro forma adjustments and discussing the Unaudited Pro Forma Balance Sheet with the Directors.

In our opinion:

(A) the Unaudited Pro Forma Balance Sheet has been properly prepared from the unaudited balance sheet of CIT as at 31 March 2006 (date of constitution) (which was prepared in accordance with Recommended Accounting Practice ("RAP") 7 *"Reporting Framework for Unit Trusts"* issued by the Institute of Certified Public Accountants of Singapore ("ICPAS")) and is presented in accordance with the relevant presentation principles of RAP 7 issued by the ICPAS;

(B) the Unaudited Pro Forma Balance Sheet has been properly prepared in a manner consistent with both the format of the balance sheet and the relevant accounting policies of CIT;

(C) each material adjustment to the information used in the preparation of the Unaudited Pro Forma Balance Sheet is appropriate for the purpose of preparing such a balance sheet; and

(D) the Unaudited Pro Forma Balance Sheet has been properly prepared on the basis of the assumptions set out on pages II-4 and II-5, after making the adjustments described on pages II-6 and II-7.

Yours faithfully

KPMG
Certified Public Accountants
(Partner-in-charge: Tay Puay Cheng)
Singapore

(A) INTRODUCTION

Cambridge Industrial Trust ("CIT") was constituted as a private trust in Singapore pursuant to a trust deed ("Trust Deed") dated 31 March 2006 ("Establishment Date"). The trust was established to acquire certain properties and with the intention that the units in CIT will ultimately be listed on the Main Board of the Singapore Exchange Securities Trading Limited ("SGX-ST"). Prior to the date CIT is admitted to the Official List of SGX-ST (the "Listing Date"), CIT appointed Cambridge Industrial Trust Management Limited (the "Manager") and RBC Dexia Trust Services Singapore Limited (formerly known as Dexia Trust Services Singapore Limited) ("Trustee") as the Manager and the Trustee, respectively. The Manager is a subsidiary of Cambridge Real Estate Investment Management Pte. Ltd. ("CREIM"). In addition, CIT will appoint Cambridge Industrial Property Management Pte Ltd ("CIPM") as the Property Manager. CIPM is an affiliated company of the Manager.

CIT's principal investment strategy is to invest, directly or indirectly, in income-producing real estate and real estate-related assets which are used mainly for industrial (including warehousing) purposes. On the Listing Date, CIT's property portfolio will comprise CWT Distripark (HQ), Jurong Districentre, ODC Districentre, 31 Tuas Avenue 11, 25 Changi South Avenue 2, YCH DistriPark, 1 Third Lok Yang Road and 4 Fourth Lok Yang Road, 21 Ubi Road 1, 136 Joo Seng Road, CSE Global Building, MI Building, Olivine Building, Panasonic Building, MEC TechnoCentre, 86/88 International Road, 23 Tuas Avenue 10, 9 Tuas View Crescent, 27 Pandan Crescent, 7 Gul Lane, 31 Kian Teck Way, Techplas Industrial Building, 2 Tuas South Avenue 2, 28 Woodlands Loop, Standard Form Building, 16 Tuas Avenue 18A, 160 Kallang Way, 23 Lorong 8 Toa Payoh (collectively, the "Properties").

The Manager is making an offering of 206,109,000 units (the "Offering") in CIT at an offering price of S$0.68 per unit (the "Offering Price"). The Offering consists of (i) an international placement to investors, including institutional and other investors in Singapore and (ii) an offering to the public in Singapore, of which 11,500,000 units are reserved for purchases by the directors, management, employees and business associates of the Manager and others who have contributed to the success of the Offering, as well as employees of the vendors of the Properties. Separate from the Offering, the vendors of certain of the Properties will receive an aggregate of 193,841,142 units ("Investing Vendor Consideration Units") at the Offering Price as part consideration for the sale of their respective Properties to the Trustee. Also separate from the Offering, the Manager has entered into separate subscription agreements with certain investors ("Cornerstone Investors") pursuant to which the Cornerstone Investors will subscribe for an aggregate of 97,118,412 units at the Offering Price ("Cornerstone Units"). The units under the Offering, together with the Investing Vendor Consideration Units and Cornerstone Units will be listed on the Main Board of SGX-ST.

Details on the Manager's Management Fees, Property Manager's fee and Trustee's fee are set out in Section G.

(B) PRO FORMA HISTORICAL FINANCIAL INFORMATION

No pro forma statement of total return, cash flow statement and balance sheet have been prepared to show the pro forma historical financial performance of CIT as:

- The Properties were acquired from third parties and historical financial information relating to the relevant Properties are not available to CIT; and
- The Properties were wholly or partly occupied by their owners prior to CIT's acquisition. As such, even if the relevant historical financial information were made available to CIT, CIT will not be able to identify the property-related expenses of these vendors from the expenses incurred by the vendors in connection with their overall business operations. There would also not be any historical rental income for the Properties occupied, wholly or partly, by the vendors.

For the reasons set out above, SGX-ST has granted CIT a waiver from the requirement to prepare pro forma statement of total return, cash flow statement and balance sheet. In lieu of such pro forma historical financial information, a pro forma balance sheet of CIT, setting out its assets and liabilities at the Listing Date, upon completion of the Offering, subscription of units by the Cornerstone Investors and the acquisition of the Properties, has been compiled by the Manager as set out below.

(C) BASIS OF PREPARATION OF UNAUDITED PRO FORMA BALANCE SHEET AS AT THE LISTING DATE

An unaudited pro forma balance sheet of CIT as at the Listing Date ("Unaudited Pro Forma Balance Sheet") is set out in this report. The Unaudited Pro Forma Balance Sheet is prepared for illustrative purposes only and based on certain assumptions after making certain adjustments.

The Unaudited Pro Forma Balance Sheet is prepared based on the unaudited balance sheet of CIT as at the date of its establishment, and incorporating adjustments necessary to reflect the financial position of CIT as if it had acquired all the Properties on the Listing Date, pursuant to the terms set out in the prospectus to be issued in connection with the Offering (the "Prospectus"). As at 26 October 2005, CREIM had entered into option agreements to acquire the Properties and assigned these option agreements to the Trustee on 31 March 2006.

The Unaudited Pro Forma Balance Sheet has been prepared on the basis of the accounting policies set out in Section F and is to be read in conjunction with Section G. In addition, the Unaudited Pro Forma Balance Sheet has been prepared based on the assumption that the issue price of the units under the Offering, the Investing Vendor Consideration Units and the Cornerstone Units is S$0.68.

The objective of the Unaudited Pro Forma Balance Sheet of CIT is to show what the financial position might have been at the Listing Date, on the basis as described above. However, the Unaudited Pro Forma Balance Sheet is not necessarily indicative of the financial position that would have been attained by CIT on the Listing Date. The Unaudited Pro Forma Balance Sheet, because of its nature, may not give a true picture of CIT's financial position.

The Unaudited Pro Forma Balance Sheet has been prepared after incorporating the following key adjustments:

- Adjustments to reflect the acquisition of the Properties and the related assets and liabilities (namely cash, retention sums payable, goods and services tax recoverable and rental received in advance) attributable to such Properties, on the Listing Date;
- Adjustments to reflect CIT's issuance of 193,841,142 units at S$0.68 per unit to the vendors as part settlement for the purchase of the Properties amounting to S$131,811,977;
- Adjustments to reflect CIT's issuance of the aggregate of 303,227,412 units under the Offering and to the Cornerstone Investors at S$0.68 per unit for cash amounting to approximately S$206,194,640, and draw-down of bank facility of S$202,900,000, to fund the acquisition of the Properties and related costs, all on the Listing Date;
- Adjustments to reflect transaction costs of S$110,000 relating to the bank facility of S$400,000,000 which is assumed to be accepted by CIT by the Listing Date; and
- Adjustments to incorporate the issue costs relating to the Offering, and subscription of units by the Cornerstone Investors, which are estimated to be S$15,676,000.

In addition, the following assumptions were made:

- The valuations of the Properties adopted as at the Listing Date remain unchanged from the latest independent valuations as at 19 January 2006 based on the independent valuation reports issued by Colliers International Consultancy & Valuation (Singapore) Pte Ltd and Chesterton International Property Consultants Pte Ltd, and as at 15 May 2006 based on the independent valuation reports issued by Jones Lang LaSalle Property Consultants Pte Ltd;
- GST remission is obtained for all issue costs and acquisition related costs; and
- The Over-allotment Option* is not exercised as at the Listing Date.

* Over-allotment Option refers to an option granted by the Manager on behalf of CIT to the Joint Global Co-ordinators, exercisable within 30 days after the date of the Prospectus, to subscribe for up to an aggregate of 29,000,000 units at the Offering Price solely to cover the over-allotment of units (if any).

(D) UNAUDITED PRO FORMA BALANCE SHEET AS AT THE LISTING DATE

The Unaudited Pro Forma Balance Sheet of CIT as at the Listing Date below has been prepared for inclusion in this Prospectus and is presented below. The assumptions used to prepare the Unaudited Pro Forma Balance Sheet are consistent with those described in Basis of Preparation of Unaudited Pro Forma Balance Sheet as at the Listing Date.

	Note	Unaudited Balance Sheet (1) S$'000	Pro Forma Adjustments S$'000	Unaudited Pro Forma Balance Sheet as at Listing Date S$'000
Current assets				
Trade and other receivables		—	1,061	1,061
Cash and cash equivalents		—	1,619	1,619
		—	2,680	2,680
Non-current assets				
Investment properties	2	—	524,689	524,689
Total assets		—	527,369	527,369
Current liabilities				
Trade and other payables	3	—	2,248	2,248
Interest-bearing borrowings	4	—	202,790	202,790
		—	205,038	205,038
Net assets attributable to Unitholders	5	—	322,331	322,331
Total liabilities		—	527,369	527,369

Note:

(1) As at Establishment Date of CIT.

(E) PRO FORMA ADJUSTMENTS

In arriving at the Unaudited Pro Forma Balance Sheet as at the Listing Date, the following pro forma adjustments were made:

		S$'000
(i)	**Trade and other receivables**	—
	Adjustments:	
	Incorporate input goods and services taxes on acquisition related costs relating to Properties acquired and issue costs	1,067
	Incorporate output goods and services tax on rental received in advance	(6)
		1,061
	Trade and other receivables per Unaudited Pro Forma Balance Sheet	1,061
(ii)	**Cash and cash equivalents**	—
	Adjustments:	
	Incorporate net proceeds from units issued under the Offering and the Cornerstone Units net of issue costs	190,519
	Incorporate drawdown of bank borrowings net of related transaction costs	202,790
	Incorporate cash payment as part settlement for Properties acquired[a]	(390,745)
	Incorporate rental received in advance relating to Properties acquired	116
	Incorporate net goods and services tax paid on Listing Date	(1,061)
		1,619
	Cash and cash equivalents per Unaudited Pro Forma Balance Sheet	1,619

Note:

(a) Includes acquisition related costs and net of funds withheld from vendors as retention sums on certain Properties acquired.

(iii)	**Investment properties**	—
	Adjustments:	
	Incorporate Properties[b] acquired (including acquisition related costs)	524,689
	Investment properties per Unaudited Pro Forma Balance Sheet	524,689

Note:

(b) Comprising CWT Distripark (HQ), Jurong Districentre, ODC Districentre, 31 Tuas Avenue 11, 25 Changi South Avenue 2, YCH DistriPark, 1 Third Lok Yang Road and 4 Fourth Lok Yang Road, 21 Ubi Road 1, 136 Joo Seng Road, CSE Global Building, MI Building, Olivine Building, Panasonic Building, MEC TechnoCentre, 86/88 International Road, 23 Tuas Avenue 10, 9 Tuas View Crescent, 27 Pandan Crescent, 7 Gul Lane, 31 Kian Teck Way, Techplas Industrial Building, 2 Tuas South Avenue 2, 28 Woodlands Loop, Standard Form Building, 16 Tuas Avenue 18A, 160 Kallang Way, 23 Lorong 8 Toa Payoh.

	S$'000
(iv) **Trade and other payables**	—
Adjustments:	
Incorporate rental received in advance relating to Properties acquired	116
Incorporate retention sums on the acquisition of Properties	2,132
	2,248
Trade and other payables per Unaudited Pro Forma Balance Sheet	2,248
(v) **Interest-bearing borrowings**	—
Adjustments:	
Incorporate bank borrowings to partially fund the acquisition of Properties	202,900
Incorporate transaction costs relating to bank borrowings	(110)
	202,790
Interest-bearing borrowings per Unaudited Pro Forma Balance Sheet	202,790
(vi) **Net assets attributable to Unitholders**	—
Adjustments:	
Incorporate units issued as part settlement for the acquisition of the Properties	131,812
Incorporate units issued under the Offering and the Cornerstone Units	206,195
Incorporate issue costs[(c)]	(15,676)
	322,331
Net assets attributable to Unitholders per Unaudited Pro Forma Balance Sheet	322,331

Note:

(c) Issue costs (excluding goods and services tax and assuming the Over-allotment Option is not exercised) comprise the following:

	S$'000
Professional and other fees[(1)]	*7,173*
Underwriting and selling commissions[(2)]	*6,935*
Miscellaneous issue costs[(3)]	*1,568*
	15,676

Issue costs have been deducted directly against the proceeds from the issuance of units.

1. *Include financial advisory fees, solicitors' fees, fees for the Independent Reporting Accountants, the Independent Tax Adviser and other professionals' fees.*
2. *Such amount represents the maximum fees and commission payable by CIT pursuant to the Offering and includes arrangement fees relating to the subscription of units by the Cornerstone Investors, and underwriting and selling commissions.*
3. *Include cost of prospectus production and certain other expenses incurred or to be incurred in connection with the Offering and subscription of the Cornerstone Units.*

(F) NOTES TO THE UNAUDITED PRO FORMA BALANCE SHEET

1. Significant Accounting Policies of CIT

The significant accounting policies of CIT, which have been consistently applied in preparing the Unaudited Pro Forma Balance Sheet set out in this report, are as follows:

(a) Basis of Preparation of Unaudited Pro Forma Balance Sheet

The Unaudited Pro Forma Balance Sheet expressed in Singapore dollars and rounded to the nearest thousand, is prepared in accordance with the bases set out in Section C and applied to financial information prepared in accordance with the Statement of Recommended Accounting Practice ("RAP") 7 "Reporting Framework for Unit Trusts" issued by the Institute of Certified Public Accountants of Singapore and the applicable requirements of the Code on Collective Investment Schemes issued by The Monetary Authority of Singapore ("MAS") and the provisions of the Trust Deed.

The Unaudited Pro Forma Balance Sheet is prepared on the historical cost basis, except that investment properties are stated at valuation and derivative financial instruments are stated at fair value.

The functional currency of CIT is Singapore dollars.

(b) Investment Properties

Investment properties are accounted for as non-current assets and are stated at initial cost on acquisition, and at valuation thereafter. Valuations are determined in accordance with the Trust Deed, which requires the investment properties to be valued by independent registered valuers at least once a year, in accordance with the Code on Collective Investment Schemes issued by MAS.

Any increase or decrease on revaluation is credited or charged directly to the Statement of Total Return as a net appreciation or depreciation in the value of the investment properties.

When an investment property is disposed of, the resulting gain or loss recognised in the Statement of Total Return is the difference between net disposal proceeds and the carrying amount of the property.

(c) Trade and Other Receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less allowance for impairment.

(d) Impairment

The carrying amounts of CIT's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount is estimated at each balance sheet date.

An impairment loss is recognised in the Statement of Total Return whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. An impairment loss in respect of investment property carried at revalued amount is recognised in the same way as a revaluation decrease on the basis set out in note 1(b).

(e) Trade and Other Payables

Trade and other payables are recognised initially at fair value. Subsequent to initial recognition, trade and other payables are stated at amortised cost with any difference between cost and redemption value being recognised in the Statement of Total Return over the period of the obligations on an effective interest basis.

(f) Interest-bearing Borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the Statement of Total Return over the period of the borrowings on an effective interest basis.

(g) Net assets attributable to Unitholders

Net assets attributable to Unitholders represents the Unitholders' residual interest in CIT's net assets upon termination.

Expenses incurred in connection with the initial public offering of CIT and listing on the SGX-ST are deducted directly against net assets attributable to Unitholders.

(h) Derivative Financial Instruments

Derivative financial instruments are used to manage exposure to foreign exchange and interest rate risks arising from operational, financing and investment activities. Derivative financial instruments are not used for trading purposes. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments.

Derivative financial instruments are recognised initially at cost. Subsequent to initial recognition, derivative financial instruments are stated at fair value. The gain or loss on remeasurement to fair value is recognised immediately in the Statement of Total Return.

(i) Revenue Recognition

(i) Rental income from operating leases

Rental income receivable under operating leases is recognised on a straight-line basis over the term of the lease. Lease incentives granted are recognised on a straight-line basis over the term of the lease.

(ii) Interest income

Interest income is recognised using the effective interest method.

(j) Expenses

(i) Property expenses

Property expenses are recognised on an accrual basis. Included in property expenses is Property Manager's fee which is based on the applicable formula stipulated in Section G note (a).

(ii) Manager's Management Fees

Manager's Management Fees are recognised on an accrual basis based on the applicable formula stipulated in Section G note (b).

(iii) Trust expenses

Trust expenses are recognised on an accrual basis. Included in trust expenses is trustee's fee which is based on the applicable formula stipulated in Section G note (c).

(iv) Borrowing costs

Interest expense and similar charges are recognised in the period in which they are incurred using the effective interest rate method.

(k) Taxation

Taxation on the return for the year comprises current and deferred tax. Income tax is recognised in the Statement of Total Return except to the extent that it relates to items directly related to net assets attributable to Unitholders, in which case it is recognised in net assets attributable to Unitholders.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The temporary differences on initial recognition of assets or liabilities that affect neither accounting nor taxable profit are not provided for. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the unused tax losses and credits can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

The Inland Revenue Authority of Singapore ("IRAS") has issued a tax ruling on the taxation of CIT and its Unitholders. Subject to meeting the terms and conditions of the tax ruling issued by IRAS, the Trustee will not be assessed to tax on the taxable income of CIT. Instead, the Trustee and the Manager will deduct income tax at the prevailing corporate tax rate (currently at 20.0%) from the distributions made to Unitholders that are made out of the taxable income of CIT. However, where the beneficial owners are individuals or Qualifying Unitholders, the Trustee and the Manager will make the distributions to such Unitholders without deducting any income tax. Also, where the beneficial owners are foreign non-individual Unitholders, the Trustee and the Manager will deduct Singapore income tax at the reduced rate of 10.0% for distributions made during the period from 18 February 2005 to 17 February 2010.

A Qualifying Unitholder is a Unitholder who is:

(a) a Singapore-incorporated company which is a tax resident in Singapore;

(b) a body of persons, other than a company or a partnership, registered or constituted in Singapore (for example, a town council, a statutory board, a registered charity, a registered co-operative society, a registered trade union, a management corporation, a club and a trade and industry association); or

(c) a Singapore branch of a foreign company which has been presented a letter of approval from the IRAS granting a waiver from tax deduction at source in respect of distributions from CIT.

A foreign non-individual Unitholder is one who is not a resident of Singapore for income tax purposes and

(a) who does not have a permanent establishment in Singapore; or

(b) who carries on any operation in Singapore through a permanent establishment in Singapore where the funds used to acquire the Units are not obtained from that operation in Singapore.

Based on the Trust Deed, CIT will distribute at least 90.0% of its taxable income. For the remaining amount of taxable income not distributed, tax will be assessed on, and collected from, the Trustee on such remaining amount (referred to as retained taxable income). In the event where a distribution is subsequently made out of such retained taxable income, the Trustee and the Manager will not have to make a further deduction of income tax from the distribution.

The above tax transparency ruling does not apply to gains from sale of real estate properties, if considered to be trading gains derived from a trade or business carried on by CIT. Tax on such gains or profits will be assessed, in accordance to section 10(1)(a) of the Income Tax Act, Chapter 134 and collected from, the Trustee. Where the gains are capital gains, it will not be assessed to tax and the Trustee and the Manager may distribute the capital gains without tax being deducted at source.

(l) Segment Reporting

A segment is a distinguishable component of the Trust that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

No business segment information has been prepared as the Manager is of the view that all properties are in the business of providing industrial facilities. No geographical segment information has been prepared as all the properties are located within Singapore.

2. Investment Properties

	Pro forma as at Listing Date S$'000
Cost of investment properties	519,018
Acquisition related costs	5,671
	524,689

Building Name	Address	Title	Term of Lease (years)	Remaining Term (years)	Existing Use	As at Listing Date		Valuation Date
						At Cost	Latest Valuation	
						S$'000	S$'000	
CWT Distripark (HQ)	24 Jurong Port Road, Singapore 619097	Leasehold	30+12[1]	31	Logistics and warehousing	96,000	96,500	15/05/2006
Jurong Districentre	3 Pioneer Sector 3, Singapore 628342	Leasehold	30+30[2]	44	Logistics and warehousing	49,000	49,000	15/05/2006
ODC Districentre	30 Toh Guan Road, Singapore 608840	Leasehold	30+30[3]	49	Logistics and warehousing	35,000	35,000	15/05/2006
31 Tuas Avenue 11	31 Tuas Avenue 11, Singapore 639105	Leasehold	30+30[4]	48	Logistics and warehousing	8,700	8,700	19/01/2006
25 Changi South Avenue 2	25 Changi South Avenue 2, Singapore 486594	Leasehold	30+30[4]	48	Logistics and warehousing	7,300	7,300	19/01/2006
YCH DistriPark	30 Tuas Road, Singapore 638492	Leasehold	30+30[5]	33	Logistics and warehousing	73,000	70,000	15/05/2006
1 Third Lok Yang Road and 4 Fourth Lok Yang Road	1 Third Lok Yang Road, Singapore 627996 and 4 Fourth Lok Yang Road, Singapore 629701	Leasehold	30	25	Logistics and warehousing	12,414	12,414	19/01/2006
21 Ubi Road 1	21/23 Ubi Road 1, Singapore 408724/408725	Leasehold	30+30[6]	51	Light industrial	25,000	25,000	15/05/2006
136 Joo Seng Road	136 Joo Seng Road, Singapore 368360	Leasehold	30+30[2]	44	Light industrial	10,310	10,310	19/01/2006
CSE Global Building	2 Ubi View, Singapore 408556	Leasehold	60	53	Light industrial	7,500	7,500	19/01/2006
MI Building	11 Serangoon North Avenue 5, Singapore 554809	Leasehold	30+30[6]	51	Light industrial	14,000	14,000	15/05/2006
Olivine Building	130 Joo Seng Road, Singapore 368357	Leasehold	30+30[7]	45	Light industrial	12,000	12,000	19/01/2006
Panasonic Building	2 Jalan Kilang Barat, Singapore 159346	Leasehold	99	56	Light industrial	20,000	20,000	15/05/2006

Building Name	Address	Title	Term of Lease (years)	Remaining Term (years)	Existing Use	As at Listing Date At Cost	As at Listing Date Latest Valuation	Valuation Date
						S$'000	S$'000	
MEC TechnoCentre	87 Defu Lane 10, Singapore 539219	Leasehold	30+30(2)	44	Light industrial	13,064(13)	13,065(13)	19/01/2006
86/88 International Road	86/88 International Road, Singapore 629176/629177	Leasehold	30+30(4)	48	Industrial and warehousing	14,000	14,000	15/05/2006
23 Tuas Avenue 10	23 Tuas Avenue 10, Singapore 639149	Leasehold	30+29(8)	50	Industrial and warehousing	8,550	8,550	19/01/2006
9 Tuas View Crescent	9 Tuas View Crescent, Singapore 637612	Leasehold	30+30(9)	52	Industrial and warehousing	5,600	5,600	19/01/2006
27 Pandan Crescent	27 Pandan Crescent, Singapore 128476	Leasehold	30+30(3)	49	Industrial and warehousing	7,700	7,700	19/01/2006
7 Gul Lane	7 Gul Lane, Singapore 629406	Leasehold	30+30(10)	35	Industrial	3,200	3,200	19/01/2006
31 Kian Teck Way	31 Kian Teck Way, Singapore 628751	Leasehold	30+19(11)	36	Industrial	3,200	3,200	19/01/2006
Techplas Industrial Building	45 Changi South Avenue 2, Singapore 486133	Leasehold	30+30(3)	49	Industrial	8,250	8,250	19/01/2006
2 Tuas South Avenue 2	2 Tuas South Avenue 2, Singapore 637601	Leasehold	60	53	Industrial	23,000	22,700	15/05/2006
28 Woodlands Loop	28 Woodlands Loop, Singapore 738308	Leasehold	30+30(3)	49	Industrial	13,000	13,000	19/01/2006
Standard Form Building	37 Tampines Street 92, Singapore 528885	Leasehold	30+30(4)	48	Industrial	10,560	10,560	19/01/2006
16 Tuas Avenue 18A	16 Tuas Avenue 18A, Singapore 638864	Leasehold	30+30(7)	45	Industrial	2,600	2,600	19/01/2006
160 Kallang Way	160 Kallang Way, Singapore 349246	Leasehold	60	27	Self storage and warehousing	23,200	22,200	15/05/2006

						As at Listing Date		
Building Name	**Address**	**Title**	**Term of Lease (years)**	**Remaining Term (years)**	**Existing Use**	**At Cost**	**Latest Valuation**	**Valuation Date**
						S$'000	**S$'000**	
23 Lorong 8 Toa Payoh	23 Lorong 8 Toa Payoh, Singapore 319257	Leasehold	30+30[12]	46	Car showroom and workshop	12,870	12,870	19/01/2006
						519,018	515,219	
	Acquisition related costs					5,671		
	Investment properties					524,689		

Notes:

(1) *CIT has an option to renew the land lease for a further term of 12 years from 2025.*

(2) *CIT has an option to renew the land lease for a further term of 30 years from 2020.*

(3) *CIT has an option to renew the land lease for a further term of 30 years from 2025.*

(4) *CIT has an option to renew the land lease for a further term of 30 years from 2024.*

(5) *CIT has an option to renew the land lease for a further term of 30 years from 2009.*

(6) *CIT has an option to renew the land lease for a further term of 30 years from 2027.*

(7) *CIT has an option to renew the land lease for a further term of 30 years from 2021.*

(8) *CIT has an option to renew the land lease for a further term of 29 years from 2027.*

(9) *CIT has an option to renew the land lease for a further term of 30 years from 2028.*

(10) *CIT has an option to renew the land lease for a further term of 30 years from 2011.*

(11) *CIT has an option to renew the land lease for a further term of 19 years from 2023.*

(12) *CIT has an option to renew the land lease for a further term of 30 years from 2022.*

(13) *The acquisition value is lower than the appraised value by less than $500.*

Independent valuations of the Properties were undertaken by Chesterton International Property Consultants Pte Ltd and Colliers International Consultancy & Valuation (Singapore) Pte Ltd on 19 January 2006 and Jones Lang LaSalle Property Consultants Pte Ltd on 15 May 2006. These firms are independent valuers having appropriate professional qualifications and recent experience in the location and category of the Properties being valued.

The independent valuations for CWT Distripark (HQ), Jurong Districentre, ODC Districentre, YCH DistriPark, 21 Ubi Road 1, MI Building, Panasonic Building, 86/88 International Road, 2 Tuas South Avenue 2 and 160 Kallang Way were undertaken by Jones Lang LaSalle Property Consultants Pte Ltd on 15 May 2006. The valuations for these properties were based on Discounted Cash Flow Analysis and Direct Capitalization Approach.

The independent valuations for 31 Tuas Avenue 11, 25 Changi South Avenue 2, 1 Third Lok Yang Road and 4 Fourth Lok Yang Road, 136 Joo Seng Road, 9 Tuas View Crescent, 7 Gul Lane, 31 Kian Teck Way, Standard Form Building and 16 Tuas Avenue 18A were undertaken by Chesterton International Property Consultants Pte Ltd on 19 January 2006. The valuations for these properties were based on Discounted Cash Flow Analysis and Direct Sale Comparison Approach.

The independent valuations for CSE Global Building, Olivine Building, MEC TechnoCentre, 23 Tuas Avenue 10, 27 Pandan Crescent, Techplas Industrial Building, 28 Woodlands Loop and 23 Lorong 8 Toa Payoh were undertaken by Colliers International Consultancy & Valuation (Singapore) Pte Ltd on 19 January 2006. The valuations for these properties were based on Direct Comparison Method, Income Method, Replacement Cost Method and Discounted Cashflow Analysis.

Investment properties comprise industrial facilities that are leased to external customers. The leases contain an initial non-cancellable period ranging from 5 to 10 years.

3. Trade and Other Payables

	Pro forma as at Listing Date S$'000
Rental received in advance	116
Retention sums payable	2,132
	2,248

Included in retention sums is an amount of approximately S$300,049 relating to the construction of an administration block within YCH DistriPark. Pursuant to the option agreement dated 26 October 2005 and side letters signed on 6 December 2005 and 28 March 2006, the retention sum will be released to the vendor upon issuance of the Temporary Occupation Permit (TOP). TOP may be issued before Listing Date. If TOP is issued before Listing Date, retention sums payable and cash and cash equivalents will each be reduced by approximately S$300,049.

4. Interest-bearing Borrowings

	Pro forma as at Listing Date S$'000
Bank loan maturing within 1 year	202,790

The Trustee has entered into an agreement with ABN AMRO Bank N.V. setting out the terms and conditions of a 6-month secured bridge loan facility of S$400.0 million (the "Bridge Loan Facility") and a secured interest rate swap agreement comprising the 1992 Master Agreement of the International Swaps and Derivatives Association, Inc. and the attached schedule (the "Interest Rate Swap Agreement"). The Bridge Loan Facility will be drawn down on the Listing Date in an amount of approximately S$202.9 million as part payment of the acquisition value of the Properties.

The Trustee has also agreed to mandate ABN AMRO Bank N.V. to arrange a 2-year secured term loan of up to S$390.0 million funded by the issue of United States commercial papers extended by a bankruptcy remote special purpose vehicle (the "Issuer SPV/Trust") (the "Warehouse Facility"), and an overdraft facility of up to S$10.0 million (collectively, the "Facilities") from the Singapore branch of ABN AMRO Bank N.V. or the Issuer SPV/Trust which will be used to repay the Bridge Loan Facility, subject to the agreement of relevant terms, definitive documentation and the satisfaction of the conditions contained in the Warehouse Facility and the overdraft facility.

Interest on the Bridge Loan Facility and the Warehouse Facility are at 1 to 3-month Singapore dollar swap offer rate plus a margin, whereas the overdraft facility is at the prime lending rate of the Singapore branch of ABN AMRO Bank N.V..

The Manager intends, by the Listing Date, to enter into a 12-month interest rate swap under the Interest Rate Swap Agreement for approximately S$183.0 million of the amount drawn down to provide fixed rate funding.

The Bridge Loan Facility, interest rate swaps entered into pursuant to the Interest Rate Swap Agreement (the "Interest Rate Swaps") and the Facilities are or will be secured by all the assets of CIT including the Properties, and the rights, title and interests in leases, insurances and rental proceeds relating to the Properties, and the rights and interests under the Property Management Agreement, as the case may be. Any new assets acquired by CIT, and the rights and interests of CIT in certain contracts, may also be mortgaged, assigned and charged to ABN AMRO Bank N.V. or the Issuer SPV/Trust (as the case may be).

Under the terms and conditions of the Bridge Loan Facility and the Interest Rate Swap Agreement, CIT is subject to the following covenants:

- A ratio of total borrowings to the aggregate open market value of the Properties' not exceeding 55%; and
- A minimum ratio of earnings before interest, tax, depreciation and amortisation to interest expense of 2.0 times.

In relation to the Facilities, the aggregate outstanding amount of the secured facilities shall not exceed an adjusted Loan to Value ratio of 55% of the portfolio of commercial and industrial assets which are securities for the Facilities.

The assumed effective interest rate of the Bridge Loan Facility as at the Listing Date is 4.8% per annum.

5. Net assets attributable to Unitholders

	Pro forma as at Listing Date Number of units in issue	Pro forma as at Listing Date S$'000
Creation of new units arising from:		
— as part settlement for the purchase of the Properties, at S$0.68 per unit	193,841,142	131,812
— the Offering and subscription by Cornerstone Investors, at issue price of S$0.68 per unit	303,227,412	206,195
	497,068,554	338,007
Less: Issue costs		15,676
		322,331
Net assets attributable to Unitholders per unit (S$)		0.65

Number of units in issue as at the Listing Date relates to the number of units in issue immediately after the completion of the Offering and prior to the exercise of the Over-allotment Option.

Each unit in CIT represents an undivided interest in CIT. The rights and interests of Unitholders are contained in the Trust Deed and include the right to:

- Receive income and other distributions attributable to the units held;
- Participate in the termination of CIT by receiving a share of all net cash proceeds derived from the realisation of the assets of CIT less any liabilities, in accordance with their proportionate interests in CIT. However, a Unitholder does not have the right to require that any assets (or part thereof) of CIT be transferred to him; and
- Attend all Unitholders' meeting. The Trustee or the Manager may (and the Manager shall at the request in writing of not less than 50 Unitholders or one-tenth in number of the Unitholders, whichever is lesser) at any time convene a meeting of Unitholders in accordance with the provisions of the Trust Deed.

The restrictions of a Unitholder include the following:

- A Unitholder's right is limited to the right to require due administration of CIT in accordance with the provisions of the Trust Deed; and
- A Unitholder has no right to request to redeem his units while the units are listed on SGX-ST.

A Unitholder's liability is limited to the amount paid or payable for any units in CIT. The provisions of the Trust Deed provide that no Unitholders will be personally liable to indemnify the Trustee or any creditor of the Trustee in the event that the liabilities of CIT exceed its assets.

6. Financial Instruments

Financial risk management objectives and policies

Exposure to credit, currency, interest rate and liquidity risks arises in the normal course of the CIT's business. CIT has written policies and guidelines, which set out its overall business strategies and its general risk management philosophy.

Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer to settle its financial and contractual obligations to CIT, as and when they fall due.

The Manager has established credit limits for customers and monitors their balances on an ongoing basis. Credit evaluations are performed by the Manager before lease agreements are entered into with the lessees. In addition, CIT requires the lessees to provide tenancy security deposits or corporate guarantees, or to assign rental proceeds from sub-lessees to CIT. Cash and fixed deposits are placed with financial institutions which are regulated.

At the balance sheet date, there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying value of each financial asset on the balance sheet.

Currency risk

The Manager's investment strategy includes investing in Asia. In order to manage the currency risk involved in investing in assets outside of Singapore, the Manager will adopt currency risk management strategies that may include:

- the use of foreign currency denominated borrowings to match the currency of the asset investment as a natural currency hedge;
- the use of foreign exchange derivatives to hedge the foreign currency income received from the offshore assets back into Singapore dollars; and
- the use of cross currency swaps to swap a portion of any Singapore dollar denominated debt into foreign currency to increase the matching of foreign currency denominated debt against the foreign currency equity investment, thereby reducing the underlying currency exposure.

Interest rate risk

CIT's exposure to changes in interest rates relate primarily to interest-earning financial assets and interest-bearing financial liabilities. Interest rate risk is managed by the Manager on an ongoing basis with the primary objective of limiting the extent to which net interest expense could be affected by adverse movements in interest rates. The Manager adopts a policy of fixing the interest rates for a portion of its outstanding borrowings.

Liquidity risk

The Manager monitors the liquidity risk of CIT and maintains a level of cash and cash equivalents deemed adequate by management to finance CIT's operations. In addition, the Manager monitors and observes the Code on Collective Investment Schemes issued by the MAS concerning limits on total borrowings.

Fair values

The Manager believes that the carrying amounts of the financial assets and liabilities approximate their fair values at the Listing Date.

7. Commitments

(a) CIT is required to pay land rent to Jurong Town Corporation and Housing & Development Board for 15 properties. Land rents for the remaining 12 Properties are either not applicable as the upfront land premium has already been paid by the vendors or borne by the tenants of these properties.

(b) CIT leases out its investment properties. Non-cancellable operating lease rentals are receivable as follows:

	Pro forma as at Listing Date S$'000
Receivable	
— Within 1 year	43,200
— After 1 year but within 5 years	180,874
— After 5 years	138,042
	362,116

(c) As at the date of listing, CIT has obtained Bankers' Guarantee and Performance Bonds in its favour amounting to S$51,206,381. These are provided to CIT by the lessees, in lieu of security deposits.

8. Significant Related Party Transactions

For the purposes of these financial statements, parties are considered to be related to CIT if CIT has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where CIT and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

As at the Listing Date, there were the following transactions carried out on terms agreed between the related parties (see "The Manager and Corporate Governance: Related Party Transactions in connection with the setting up of CIT and the Offering"):

	Pro forma as at Listing Date S$'000
The Manager	
Acquisition fee payable relating to the purchase of investment properties	5,190
Immediate and ultimate holding company of the Manager	
Real estate investment consulting fee payable included in issue costs	2,250
Corporate shareholder of the Manager	
Purchase of investment property *	96,000
Subsidiary of corporate shareholder of the Manager	
Purchase of investment property *	49,000

* On completion of these acquisitions by CIT, the investment properties are leased back to the related parties at rates agreed between the parties.

(G) PROPERTY MANAGER'S FEE, MANAGER'S MANAGEMENT FEES, AND TRUSTEE'S FEES

(a) Property Manager's Fee

The Property Manager is entitled to receive the following remuneration for the provision of property management, lease management and marketing services:

- Property management fee of 2.0% per annum of the gross revenue of each Property;
- Lease management fee of 1.0% per annum of the gross revenue of each Property;
- Where a tenancy is secured by the Property Manager, a commission of:
    - 1 month's gross rent inclusive of service charge, for securing a tenancy of three years or less; and
    - 2 months' gross rent inclusive of service charge, for securing a tenancy of more than three years.
- Where a tenancy is secured by a third party agent, a commission of:
    - 1.2 months' gross rent inclusive of service charge, for securing a tenancy of three years or less; and
    - 2.4 months' gross rent inclusive of service charge, for securing a tenancy of more than three years.

The Property Manager is responsible for all commissions payable to third party agents.

In addition, the Property Manager is entitled to receive the following:

- 0.5 month's gross rent inclusive of service charge, for securing a renewal of tenancy of three years or less; and
- 1 month's gross rent inclusive of service charge, for securing a renewal of tenancy of more than three years.

The Property Manager's fee will be paid on a monthly basis, in arrears.

Other fees payable to the Property Manager include project Management Fees in relation to refurbishment, retrofitting and renovation works, and property tax services fees.

(b) Manager's Management Fees

Under the Trust Deed, the Manager is entitled to receive the base fee and the performance fees as follows:

Base Fee

The Manager is entitled to receive a base fee of 0.5% per annum of the value of Deposited Property of CIT or such higher percentage as may be fixed by an Extraordinary Resolution of a meeting of Unitholders.

The Manager's base fees are payable in the form of cash and/or units as the Manager may elect. The portion of the base fee payable in cash shall be payable monthly in arrears and the portion of the base fee payable in the form of units shall be payable quarterly in arrears. If a trigger event occurs, resulting in the Manager being removed, the Manager is entitled to be paid the base fee up to the day on which the trigger event occurs.

Performance Fee

The Manager is entitled to a performance fee where the total return (comprising capital gains and accumulated distributions and assuming all distributions are re-invested in CIT) of the units (expressed as the "Trust Index") in any six-month period ending 30 June or 31 December ("Half-Year") exceeds the total return (comprising capital gains and accumulated distributions and assuming reinvestment of all distributions) of the Benchmark Index ("Performance Fee"). (See "The Manager and Corporate Governance — Management Fee").

The Performance Fee is calculated in two tiers as follows:

- a Tier 1 Performance Fee equal to 5.0% of the amount by which the total return of the Trust Index exceeds the total return of the Benchmark Index, multiplied by the equity market capitalisation of CIT; and
- a Tier 2 Performance Fee which is applicable only where the total return of the Trust Index is in excess of 2.0% per annum (1.0% for each Half-Year) above the total return of the Benchmark index. This tier of the fee is calculated at 15.0% of the amount by which the total return of the Trust Index is in excess of 2.0% per annum above the total return of the Benchmark Index, multiplied by the equity market capitalisation of CIT.

  (For the purposes of the Tier 1 Performance Fee and the Tier 2 Performance Fee, the amount by which the total return of the Trust Index exceeds the total return of the Benchmark Index shall be referred to as "outperformance").

  The outperformance of the Trust Index is assessed on a cumulative basis and any prior underperformance will need to be recovered before the Manager is entitled to any performance fee.

  The performance fee, whether payable in any combination of cash and units or solely in cash or units will be payable six-monthly in arrears. If a trigger event occurs in any Half-Year, resulting in the Manager being removed, the Manager is entitled to payment of any performance fee (whether in cash or in the form of units) to which it might otherwise have been entitled for that Half-Year in cash, which shall be calculated, as if the end of the Half-Year was the date of occurrence of the trigger event, in accordance with the Trust Deed. If a trigger event occurs at a time when any accrued performance fee has not been paid, resulting in the Manager being removed, the Manager is entitled to payment of such accrued performance fee in cash. (See "The Manager and Corporate Governance — Management Fees: Payment of Management Fees upon the occurrence of a Trigger Event")

Management Fees (base fee and performance fee, including any accrued performance fee which have been carried forward from previous financial years but excluding any acquisition fee or disposal fee) to be paid to the Manager in respect of a financial year, whether in cash or in units or a combination of cash and units, are capped at an amount equivalent to 0.8% per annum of the value of Deposited Property as at the end of the financial year (referred to as the "annual fee cap").

If the amount of such fees for a financial year exceeds the annual fee cap, the base fee for that financial year shall be paid to the Manager and only that portion of the performance fee equal to the balance of an amount up to the annual fee cap will be paid to the Manager. The remaining portion of the performance fee, which will not be paid, shall be accrued and carried forward for payment to the Manager in future Half-Years. If, at the end of a Half-Year, there is any accrued performance fee which has been accrued for a period of at least three years prior to the end of that Half-Year, such accrued performance fee shall be paid to the Manager if the total return of the Trust Index in that three-year period exceeds the total return of the Benchmark Index over the same period. The payment of such accrued performance fee shall not be subject to the annual fee cap. (See "The Manager and Corporate Governance — Management Fees: Annual fee cap").

Other Fees

The Manager is also entitled to receive acquisition fees and disposal fees. (See "The Manager and Corporate Governance — Acquisiton Fee and Disposal Fee").

(c) Trustee's Fee

Under the Trust Deed, the Trustee's fee shall not exceed 0.1% per annum of the value of Deposited Property or such higher percentage as may be fixed by an Extraordinary Resolution of a meeting of Unitholders. The Trustee's fee is accrued daily and is payable out of the Deposited Property of CIT on a monthly basis, in arrears. The Trustee is also entitled to reimbursement of expenses incurred in the performance of its duties under the Trust Deed.

Based on the current agreement between the Manager and the Trustee, the Trustee's fee is charged on a scaled basis of up to 0.02% per annum of the value of the Deposited property.

INDEPENDENT PROPERTY VALUATION SUMMARY REPORTS

COLLIERS INTERNATIONAL

Colliers International Consultancy & Valuation (Singapore) Pte Ltd
50 Raffles Place
#18-01 Singapore Land Tower
Singapore 048623
Tel 65 6223 2323
Direct **65 6531 8560**
Fax 65 6438 6826

RCB No. 1981-05965-E

15 May 2006

RBC Dexia Trust Services Singapore Limited
as Trustee of Cambridge Industrial Trust

and

Cambridge Industrial Trust Management Limited
61 Robinson Road #14-02
Robinson Centre
Singapore 068893

Dear Sirs,

RE: CONFIRMATION OF VALUATION REPORT DATED 19 JANUARY 2006

We have been instructed by Cambridge Industrial Trust Management Limited ("CITM") to conduct an update of the market values of the 12 properties (the "Properties" and each a "Property") previously valued by Colliers International Consultancy & Valuation (Singapore) Pte Ltd ("Colliers") as at 19 January 2006.

We wish to highlight that our updates were carried out and the market values were reviewed based on the same Property information and on the same terms and conditions of the proposed leaseback of each Property. In addition, we are not aware of any changes to the Property particulars or the leaseback terms and conditions with respect to the Properties. For the purpose of this update, Colliers did not undertake a physical inspection of the Properties. However, full physical site inspections of the Properties for the previous valuation as of 19 January 2006 were conducted then.

Colliers has reviewed and analysed the latest market conditions of the areas where the Properties are located. In addition we have reviewed our discounted cash flow analysis as well as the latest available market transactions.

After taking into consideration the above and based on our review, we are of the considered opinion that the market conditions in relation to the Properties as of 15 May 2006 have remained relatively stable since the last valuation reports prepared by Colliers as at 19 January 2006. Accordingly, we are of the view that the market value of each of the subject Property can be maintained.

Yours faithfully,

Colliers International

For and on behalf of
Colliers International Consultancy & Valuation (Singapore) Pte Ltd

15 May 2006

RBC Dexia Trust Services Singapore Limited
9 Raffles Place
#42-01
Republic Plaza
Singapore 048619

Cambridge Industrial Trust Management Limited
61 Robinson Road
#14-02
Robinson Centre
Singapore 068893

Dear Sirs

Confirmation of Valuation Report dated 19 January 2006

We have been instructed by Cambridge Industrial Trust Management Limited ("CITM") to undertake an update of the market values of the 17 properties (the "Properties" and each a "Property") previously valued by Chesterton International Property Consultants Pte Ltd ("Chesterton") as of 19 January 2006.

In conducting our update, we have carried out a review of the market values of the Properties based on the same Property details and on the same terms and conditions of the proposed leaseback for each Property. To the best of our knowledge and belief, we are not aware of any changes to the Property details or the leaseback terms and conditions with respect to the Properties. Chesterton did not undertake a physical inspection of the Properties for the purpose of the update. We had undertaken a physical inspection of the Properties for the previous valuation as of 19 January 2006.

In addition, Chesterton observed and analysed the latest market conditions of the areas where the Properties are situated and we reviewed the values based on the latest available market transactions and a review of the discounted cash flow analysis for each respective Property.

Chesterton
INTERNATIONAL

Based on our review, we are of the view that the market conditions in relation to the Properties as of 15 May 2006 have remained stable since the last valuation report prepared by Chesterton as of 19 January 2006 and in our opinion, the market value of each Property and the Properties as of 19 January 2006 remains the same in terms of value, as of 15 May 2006.

Yours faithfully
For and on behalf of
CHESTERTON INTERNATIONAL
PROPERTY CONSULTANTS Pte Ltd

Chng Shih Hian
Senior Executive Director

Colliers International Consultancy & Valuation (Singapore) Pte Ltd
50 Raffles Place
#18-01 Singapore Land Tower
Singapore 048623
Tel 65 6223 2323
Fax 65 6438 6826
RCB No. 198105965E

VALUATION CERTIFICATE

Date of Valuation	:	19 January 2006
Address of Property	:	24 Jurong Port Road CWT DISTRIPARK (HQ) Singapore 619097
Legal Description	:	Lot 3079V (Pte Lot A14435) Mukim 6
Tenure	:	Leasehold 30+12 years with effect from 1 March 1995
Registered Lessee	:	CWT Distribution Limited
Brief Description	:	A part 4/5-storey warehouse development with a basement carpark located on the western side of Jurong Port Road, close to its junction with Jalan Buroh and approximately 20 kilometres from The Fullerton Hotel. The subject land comprises a rectangular shaped land with frontage onto Jurong Port Road. The land is generally flat and at access road level. The building is well equipped with adequate fire-protection, security and air-conditioning systems. Vertical access is via 2 passenger lifts, 9 cargo lifts and 2 service lifts and supplemented by reinforced concrete staircases. Loading and unloading bays and 57 dock-levellers are provided within the compound.
Site Area	:	30,262.2 sq metres or thereabouts
Gross Floor Area	:	Approximately 75,903.8 sq metres, as provided by your goodselves and subject to final survey

Year of Completion : We understand that Temporary Occupation Permit was issued on 22 October 1997.

Permitted Use : To be used as a warehouse and workshop for containers, vehicles and machinery repair and refurbishment only

Condition : Fairly good

Tenancy Brief : The property will be leased back to CWT Distribution Limited for 8 years upon completion of the sale and purchase of Property at an initial annual rental of S$7,557,000/- and to be increased at the commencement of 3rd, 5th and 7th year by 5% over the preceding year's rent.

The lessee is responsible for maintenance and all outgoings. The lessor is however responsible for capital expenditure.

Land Rent : S$521,764 (including GST)

Annual Value* : S$5,192,000/-

* *For the purpose of property tax computation, currently payable at 10% of the Annual Value*

Master Plan Zoning (2003 Edition) : "Business 2" with Plot Ratio 2.5

Open Market Value as at 19 January 2006 : **S$96,000,000/-** (Singapore Dollars Ninety-Six Million Only)

Colliers International

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Colliers International Consultancy & Valuation (Singapore) Pte Ltd

CYC/CN/slk

This valuation certificate is subject to the attached Limiting Conditions.

Chesterton INTERNATIONAL

VALUATION CERTIFICATE

Date of Valuation	:	19 January 2006
Address of Property	:	24 Jurong Port Road Singapore 619097
Legal Description	:	Lots 3079V (Private Lot A14435) Mukim 6
Tenure	:	30 years commencing from 1 March 1995 with an option for a further term of 12 years
Registered Lessee	:	CWT Limited
Brief Description	:	The subject property comprises a part 4/part 5-storey warehouse/office with basement carpark The buildings are constructed of reinforced concrete frames with plastered infill brickwalls, reinforced concrete floors, staircases, reinforced concrete flat roof and aluminium cladding with glass panel. Fenestration comprises aluminium framed glass windows. Vertical transportation is facilitated by 9 cargo lifts, 2 service lifts, 2 passenger lifts and 11 staircases. Other site improvements include tarmac/concrete driveway, 1 guard house and a pair of metal sliding gate. The subject property is equipped with fire alarm, fire extinguishers, sprinklers and hosereel.
Site Area	:	30,262.2 square metres
Gross floor area	:	Approximately 75,903.8 square metres
Year of Completion	:	TOP was obtained on 22 Oct 1997 and CSC on 30 Apr 1999
Permitted Use	:	To be used as a warehouse and workshop for containers, vehicles and machinery repair and refurbishment only.

24 Jurong Port Rd
Singapore 619097

Condition	:	Good
Leaseback Terms	:	Property will be leased back to CWT Limited for 8 years. The initial annual rent is S$7,557,000/- for the 1st two years and thereafter, the rent to be increased at a fixed rate of 5% on the third, fifth and seventh year of the term. The Lessee will be responsible for property tax; land rent, insurance, maintenance and all outgoings like utility costs, servicing of lifts and other M & E, cleaning and security and landscaping from the lease commencement date. The Lessor will be responsible for capital expenditure.
Annual Land Rent	:	Current land rent payable is S$521,764.32 (including GST)
Annual Value*	:	S$5,192,000/-
2003 Master Plan Zoning	:	Business 2 with Plot Ratio 2.5
Market Value **As at 19 January 2006**	:	**S$96,000,000/-** (Singapore Dollars Ninety-Six Million)

* For the purpose of property tax computation, currently payable at 10% of Annual Value.

Chesterton International

Chesterton International Property Consultants Pte Ltd

2051335-15a/LYM/ET/ll

This valuation certificate is subject to the attached Limiting Conditions.

Colliers International Consultancy & Valuation (Singapore) Pte Ltd
50 Raffles Place
#18-01 Singapore Land Tower
Singapore 048623
Tel 65 6223 2323
Fax 65 6438 6826
RCB No. 198105965E

VALUATION CERTIFICATE

Date of Valuation	:	19 January 2006
Address of Property	:	3 Pioneer Sector 3 Singapore 628342
Legal Description	:	Lot 2111N Mukim 7
Tenure	:	30+30-years from 16 December 1990
Registered Lessee	:	Jurong Districentre Pte Ltd
Brief Description	:	An industrial complex comprising a part 2-storey/part 3 storey warehouse with ancillary offices located at Pioneer Sector 3, off Gul Road and within Jurong Industrial Estate. It is some 25 kilometres away from The Fullerton Hotel. The building is specifically designed for warehouse storage and ancillary office use. The office is centrally air-conditioned and protected by security alarm system and modern fire fighting systems. There are ample carparking lots, loading and unloading bays as well as a container yard.
Site Area	:	47,551.2 sq metres or thereabouts
Gross Floor Area	:	Approximately 38,352.1 sq metres (as provided by your goodselves and subject to final survey)
Date of Temporary Occupation Permit	:	Circa 24 September 1993

Permitted Use	:	For the development of a warehouse, a vehicle testing centre, a maintenance and repair centre, for container storage and laboratory reagent store only.
Condition	:	Fairly good
Tenancy Brief	:	We understand that the property will be 100% leaseback at S$3,508,000/- per annum. The term will be 8 years from the completion of the sale. We understand that the rent is to be increased at a rate of 5% on the commencement of the 3rd , 5th and 7th year terms. The lessee is responsible for maintenance and all outgoings. The lessor is however responsible for capital expenditure.
Annual Land Rent	:	The current market land rent payable to Jurong Town Corporation is S$12.71 per sq metres per annum (excluding GST). The annual rent is subject to revision on the 16 December every year, to the prevailing market rent, subject to maximum increase of 4% of the yearly rent of the immediately preceding year.
Annual Value*	:	S$2,816,000/- * *For the purpose of property tax computation, currently payable at 10% of the Annual Value*
2003 Master Plan Zoning	:	Business 2 with a gross plot ratio of 1.4
Open Market Value as at 19 January 2006	:	**S$49,000,000/-** (Singapore Dollars Forty-Nine Million Only)

Colliers International

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Colliers International Consultancy & Valuation (Singapore) Pte Ltd

SS/CN/ct

This valuation certificate is subject to the attached Limiting Conditions

Chesterton INTERNATIONAL

VALUATION CERTIFICATE

Date of Valuation	:	19 January 2006
Address of Property	:	3 Pioneer Sector 3 Singapore 628342
Legal Description	:	Lot 2111N (Private Lot A11514) Mukim 7
Tenure	:	Leasehold for 30 years commencing from 16 December 1990 with an entitlement for further term of 30 years.
Registered Lessee	:	Jurong Districentre Pte Ltd
Brief Description	:	A part 2/part 3-storey warehouse and distribution centre with ancillary office and a container yard, located along Pioneer Sector 3 close to its junction with Gul Road, and within the Jurong Industrial Estate. It is approximately 25 kilometres from The Fullerton Hotel. It is erected on a regular shaped plot of land with a general flat contour and accessible at road level. The building accomodates warehouse and ancillary offices. The building is protected by 24-hour guard surveillance, security alarm and modern fire fighting system. Vertical transportation is facilitated by 4 cargo lifts, staircases and a passenger lift. There is a provision of loading/unloading bays, 30 surface carpark lots, 46 lorry lots and 33 container trailer lots within the subject premises.
Site Area	:	47,551.2 square metres
Gross floor area	:	Approximately 38,352.1 square metres
Year of Completion	:	The Temporary Occupation Permit was issued on 24 September 1993 and the Certificate of Statutory Completion was issued on 10 December 1996.
Permitted Use	:	For the development of a warehouse, a vehicle testing centre, a maintenance and repair centre, for container storage and laboratory reagent store only

3 Pioneer Sector 3
Singapore 628342

Condition	:	Good
Leaseback Terms	:	Property will be leased back to Jurong Districentre Pte Ltd for 8 years. The initial annual rent is S$3,508,000/- for the 1st two years and thereafter, the rent to be increased at a fixed rate of 5% over the preceding year's rent at the commencement of the 3rd, 5th and 7th year of the lease term. The Lessee will be responsible for property tax, land rent, insurance, maintenance and all outgoings like utility costs, servicing of lifts and other M & E, cleaning, security and landscaping from the lease commencement date. The Lessor will be responsible for capital expenditures.
Annual Land Rent	:	Current annual land rent payable is S$634,595 (inclusive of GST).
Annual Value*	:	S$2,816,000/-
2003 Master Plan Zoning	:	Business 2 with a maximum Plot Ratio of 1.4
Market Value **As at 19 January 2006**	:	**S$49,000,000/-** (Singapore Dollars Forty-Nine Million)

* For the purpose of property tax computation, currently payable at 10% of Annual Value.

Chesterton International

Chesterton International Property Consultants Pte Ltd

2051335-16a/FG/ET

Colliers International Consultancy & Valuation (Singapore) Pte Ltd
50 Raffles Place
#18-01 Singapore Land Tower
Singapore 048623
Tel 65 6223 2323
Fax 65 6438 6826
RCB No. 198105965E

VALUATION CERTIFICATE

Date of Valuation	:	19 January 2006
Address of Property	:	30 Toh Guan Road Singapore 608840
Legal Description	:	Lot 7956T (Pte Lot A14744) Mukim 5
Tenure	:	30+30-years from 16 August 1995
Registered Lessee	:	ODC Logistics (S) Pte Ltd
Brief Description	:	An industrial development comprising a 6-storey conventional warehouse with a showroom on the 1st storey, offices on the 7th and 8th storey and a 37-metre high Automatic Storage & Retrieval System (ASRS) block located at Toh Guan Road, opposite IMM Building, off Boon Lay Way. It is about 16 kilometres away from The Fullerton Hotel. The building is specifically designed for logistics warehouse storage and ancillary office use. The office is centrally air-conditioned and protected by 24-hour security and modern fire fighting systems. There are 27 carpark lots (open/covered), 31 lorry parking lots with 18 loading and unloading bays within the development.
Site Area	:	12,338.1 sq metres or thereabouts
Gross Floor Area	:	Approximately 29,460.19 sq metres (according to your goodselves and subject to survey)

Year of Completion	:	Circa 1997
Permitted Use	:	For the purpose of distribution, warehousing and related packing activities only
Condition	:	Good
Tenancy Brief	:	We understand that the property is will be 100% leaseback at S$3,218,000/- per annum for a period of 7 + 7 years from the completion of the sale. We understand that the rent is to be increased at a rate of 5% on the commencement of the 3rd and 5th year.
Land Rent	:	The current market land rent is payable is S$29.84 per sq metres per annum (excluding GST). The annual rent is subject to revision on the 16 August every year, to the prevailing market rent, subject to maximum increase of 7.6% of the yearly rent of the immediately preceding year.
Annual Value*	:	S$3,500,000/- * *For the purpose of property tax computation, currently payable at 10% of the Annual Value*
Master Plan Zoning (2003 Edition)	:	Business 1 with gross Plot Ratio of 2.5
Open Market Value as at 19 January 2006	:	**S$35,000,000/-** (Singapore Dollars Thirty-Five Million Only)

Colliers International

Colliers International Consultancy & Valuation (Singapore) Pte Ltd

SS/CN/ct

This valuation certificate is subject to the attached Limiting Conditions.

Chesterton
INTERNATIONAL

VALUATION CERTIFICATE

Date of Valuation	:	19 January 2006
Address of Property	:	31 Tuas Avenue 11 Singapore 639105
Legal Description	:	Lot 2227K (Private Lot A13803) Mukim 7
Tenure	:	30 year lease commencing 1 April 1994 with an option for a further term of 30 years
Registered Lessee	:	SLS Holdings (Pte) Ltd
Brief Description	:	A single-storey warehouse with 5-storey plus mezzanine level office development located at Tuas Avenue 11, off Pioneer Road. It is approximately 24 kilometres from The Fullerton Hotel. It is erected on a squarish shaped land which is generally flat and at the access road level. The building accommodates ancillary offices and warehouse areas with Automated Storage and Retrieval System (ASRS). The building is fitted with cassette/split-unit air-conditioners, fire alarm, fire extinguishers, sprinklers system and hosereels. There is a passenger lift and covered car park lots are available within the compound.
Site Area	:	6,612.4 square metres
Gross floor area	:	Approximately 7,021.5 square metres
Year of Completion	:	The building is completed circa 1997
Permitted Usage	:	For the storage of bearings, housing pillow blocks, bolts and nuts, roller chains, power transmission products and other related products only.

Chesterton INTERNATIONAL

31 Tuas Avenue 11
Singapore 639105

Condition : Good

Leaseback Terms : Property will be leased back to SLS Bearings (Singapore) Pte Ltd for 7 years with an option term of 5 years. The initial annual rent is S$840,000/- for the 1st two years and thereafter, the rent to be increased at a fixed rate of 5% over the preceding year's rent at the commencement of the 3rd and 5th year of the lease term.

The Lessee will be responsible for insurance, maintenance and all outgoings like utility costs, servicing of lifts and other M & E, cleaning & security, landscaping and servicing and all repairs of ASRS. The Lessee shall bear the cost of routine servicing of equipment in the subject development while the Lessor shall bear all major repairs/overhauls except for ASRS. Both routine and major servicing/repairs of the ASRS shall be borne by the Lessee.

The Lessor will be responsible for property tax, land rent and capital expenditures.

Annual Land Rent : Current annual land rent payable is S$91,170.12/- per annum (inclusive of GST)

Annual Value* : S$952,000/-

2003 Master Plan Zoning : Business 2 with maximum Plot Ratio 1.4

Market Value
As at 19 January 2006 : **S$8,700,000/-**
(Singapore Dollars Eight Million And Seven Hundred Thousand)

* For the purpose of property tax computation, currently payable at 10% of Annual Value.

Chesterton International

Chesterton International Property Consultants Pte Ltd

2051335-03a/TM/ET/yl

This valuation certificate is subject to the attached Limiting Conditions.

Chesterton
INTERNATIONAL

VALUATION CERTIFICATE

Date of Valuation	:	19 January 2006
Address of Property	:	25 Changi South Avenue 2 Singapore 486594
Legal Description	:	Lot 9539L (Private Lot A22330) Mukim 27
Tenure	:	Leasehold for 30 years commencing from 16 October 1994 with an entitlement for further term of 30 years.
Registered Lessee	:	Wan Tai & Co. (Pte) Ltd
Brief Description	:	A 3-storey purpose-built warehouse with a mezzanine showroom/office building located along Changi South Avenue 2, within Changi South Industrial Estate. It is approximately 13 kilometres from The Fullerton Hotel. It is erected on a trapezoidal shaped plot of land with a general flat contour and accessible at road level. The building accomodates warehouse/showroom areas and ancillary offices. The building is protected by modern fire fighting system and 24-hour security service. Vertical transportation is facilitated by 2 cargo lifts, staircases and a passenger lift. There is a provision of 14 surface carpark lots within the subject premises.
Site Area	:	5,028.5 square metres
Gross Floor Area	:	Approximately 6,781.7 square metres
Year of Completion	:	The building is completed circa 1996.
Permitted Use	:	For warehousing of sanitary wares, building materials and showroom only.

25 Changi South Avenue 2
Singapore 486594

Condition	:	Good
Leaseback Terms	:	Property will be leased back to Wan Tai & Co. (Pte) Ltd. for a term of 7 years at a initial rent of S$690,000/- per annum, and thereafter to be increased at the fixed rate of 5% over the preceding year's rent at the commencement of the 3^{rd} and 5^{th} year of the lease term. The Lessee will be responsible for maintenance, insurance and all outgoings like utility costs, lift servicing and other M&E, cleaning, security and landscaping from the lease commencement date. The Lessor will be responsible for property tax, land rent and capital expenditures.
Annual Land Rent	:	Current annual land rent is S$115,694.76/- (including GST).
Annual Value *	:	S$803,000/-
2003 Master Plan Zoning	:	Business 2 with a maximum Plot Ratio 1.6
Market Value **As at 19 January 2006**	:	**S$7,300,000/-** **(Singapore Dollars Seven Million And Three Hundred Thousand)**

* For the purpose of property tax computation, currently payable at 10% of Annual Value.

Chesterton International

Chesterton International Property Consultants Pte Ltd

2051335-12a/FG/ET

* For the purpose of property tax computation, currently payable at 10% of Annual Value.

This valuation certificate is subject to the attached Limiting Conditions.

VALUATION CERTIFICATE

Date of Valuation	:	19 January 2006
Address of Property	:	30 Tuas Road Singapore 638492
Legal Description	:	Lot 1289X Mukim 7
Tenure	:	Leasehold for 30 years commencing from 1 July 1979 with an entitlement for further term of 30 years.
Registered Lessee	:	YCH DistriPark Pte Ltd
Brief Description	:	The property comprises 8 buildings on site. They are the administrative building and 7 warehouse buildings denoted as Blocks 1, 2, 3, 4, 5, 6 and 7.

Block	Description
Admin building	Currently undergoing additions and alterations works
Block 1	A L-shaped warehouse building. It is generally of pitch roof on rolled steel joist portal frames, steel stanchions, beams and columns, with reinforced concrete floors.
Block 2	A single storey warehouse building with a canteen on the 2^{nd} storey of the annexe building. Construction of the building is similar to Block 1.
Block 3	A single-storey warehouse building which is of steel frame structure with klip-lok wall enclosures and metal roofing sheets.
Block 4	A partially open-sided single-storey warehouse building. Construction is of steel frame structure with plastered brickwalls /klip-lok wall enclosures and metal roofing sheets.
Block 5	A single-storey warehouse building which is of fibre glass insulated trimdek pitched roof resting on rolled steel joist portal frames, low plastered brickwalls and reinforced concrete floors.
Block 6	A 2-storey warehouse building with mezzanine level. Construction is of reinforced concrete frame with plastered brickwalls and pitched metal steel roof on steel roof trusses.
Block 7	A single-storey automated high-racking system (ASRS) warehouse which is of mild steel roof trusses supported by 1-section steel columns and pitched metal sheet roofing.

Brief Description (Cont'd)	:	Other site improvements include a guardhouse at the entrance, surface car parking lots, a substation, consumer switch room, sprinkler water tanks and storage area
Site Area	:	78,279.4 square metres
Gross floor area	:	Approximately 53,065.2 square metres
Year of Completion	:	Block 1 to 4 were completed in 1979, Block 5 was completed in 1985, while Block 6 and 7 were completed in 1997. The administration building is currently undergoing additions and alterations works.
Permitted Usage	:	For End to End supply chain management, central distribution and warehousing for food and beverage in packed form, tobacco, leather goods, electronics and health products and general cargoes.
Condition	:	Good
Leaseback Terms	:	The subject property will be leased back to YCH DistriPark Pte Ltd for 10 years at a commencement rent of S$5,448,000 per annum based on triple net basis and thereafter, the rent is to be increased at a fixed rate of 7% over the preceding year's rent at the commencement of the 4th and 7th year of the lease term. The option term is 5 years, thereafter, the renewal rental shall be based on market rental subject to an upper and lower capping of 15% from the last paid rental. The rental is then to be increased at 5% on the 3rd year of the renewal term. The Lessee will be responsible for insurance and maintenance like utility costs, servicing of lifts and other M & E, cleaning and security and landscaping from the lease commencement date. The Lessee will also be responsible for property tax and land rent. The Lessor will be responsible for capital expenditure.

Leaseback Terms (Cont'd) : The Owner has an option to extend the Gross Floor Area by a further 21,960 square metres within the subject plot of land within two years from the date of Completion of Sale and Purchase based on the following terms.

(a)	Price	:	S$26.5 million
(b)	Rental	:	S$2,006,000 per annum on Triple Net Basis
(c)	Lease Term	:	10 years
(d)	Option to Renew	:	5 years

Annual Land Rent : Current land rent payable is S$945,041.83/- per annum (inclusive of GST).

Annual Value* : S$4,696,000/-

2003 Master Plan Zoning : Business 2 with maximum Plot Ratio 1.4

Market Value
As at 19 January 2006 : **S$73,000,000/-**
(Singapore Dollars Seventy Three Million)

* For the purpose of property tax computation, currently payable at 10% of Annual Value.

Chesterton International

Chesterton International Property Consultants Pte Ltd

2051335-20a/JT/ET/yl

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Chesterton INTERNATIONAL

VALUATION CERTIFICATE

Date of Valuation	:	19 January 2006
Address of Property	:	1 Third Lok Yang Road Singapore 627996 & 4 Fourth Lok Yang Road Singapore 629701
Legal Description	:	Lot 1842L Mukim 6
Tenure	:	Leasehold for 30 years commencing from 16 December 2001
Registered Lessee	:	Chempark Pte Ltd
Brief Description	:	A 4-storey ancillary office building and a single-storey warehouse/production building with mezzanine level located along Fourth Lok Yang Road. It is approximately 20 kilometres from The Fullerton Hotel. The 4-storey ancillary office building is constructed of reinforced concrete frames with plastered infill brickwalls, reinforced concrete floors, staircases and roof. Fenestration comprise aluminium framed glass windows. It is served by passenger lift and staircases. The single-storey warehouse/production building with mezzanine level is constructed of steel portal frame structure with steel rafters and purlins; reinforced concrete floor and pitched jack-roof with klip-lok roofing sheets. The 4-storey office building accommodates reception area, general area, office area, pantry and toilets. The single-storey warehouse building with a mezzanine level comprise warehouse area, production area, 2 cold rooms, training room, toilets, canteens, offices and conference rooms. Other site improvements include tarmac/concrete driveway, covered carpark, guard house, bin centre and chain-linked fencing complete with a pair of metal main gates. In addition, there are two stand-alone small buildings located at the rear portion of the site, facing Third Lok Yang Road. The subject property is equipped with fire alarm, fire extinguishers, hosereel and break glass system.
Site Area	:	12,431.6 square metres
Gross floor area	:	Approximately 10,601.3 square metres
Year of Completion	:	The subject property is completed circa 1985 with some extensions to the production/warehouse building and office annex in the 1990's. It is in a good state of repair and maintenance.

Chesterton INTERNATIONAL

1 Third Lok Yang Road Singapore 627996
& 4 Fourth Lok Yang Road Singapore 629406

Permitted Usage	:	For warehousing, storage and distribution of chemicals for third parties only
Condition	:	Good
Leaseback Terms	:	The property will be leased back to YCH DistriPark (Pte) Ltd for 10 years for a commencement rent of S$988,000/- per annum based on triple net basis. The Rent is to be increased at a fixed rate of 7% over the preceding year's rent at the commencement of the 4^{th} and 7^{th} year of the lease term. The option term is 5 years and the renewal rental shall be based on market rental subject to an upper and lower capping of 15% from the last paid rental. The Rental is to be increased at 5% on the 3^{rd} year of the renewal term. The Lessee will be responsible for insurance and maintenance like utility costs, servicing of lifts and other M & E, cleaning and security and landscaping from the lease commencement date. The Lessee will also be responsible for land rent and property tax. The Lessor will be responsible for capital expenditure.
Annual Land Rent	:	Current land rent payable is S$165,906/- per annum (inclusive of GST).
Annual Value*	:	S$959,000/-
2003 Master Plan Zoning	:	Business 2 with maximum Plot Ratio 2.5
Market Value **As at 19 January 2006**	:	**S$12,414,000/-** (Singapore Dollars Twelve Million, Four Hundred And Fourteen Thousand)

* For the purpose of property tax computation, currently payable at 10% of Annual Value.

Chesterton International

Chesterton International Property Consultants Pte Ltd

2051335-19a/JT/ET/yl

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Chesterton INTERNATIONAL

VALUATION CERTIFICATE

Date of Valuation	:	19 January 2006
Address of Property	:	21 Ubi Road 1 Singapore 408724
Legal Description	:	Lot 5097V Mukim 23
Tenure	:	30 years commencing from 1 February 1997 with an option for further term of 30 years
Registered Lessee	:	Brilliant Manufacturing Ltd
Brief Description	:	The subject property comprises a 6-storey single-user factory building with semi-basement carpark and a block of 3-storey workers dormitory. It is erected on a rectangular plot of land. The buildings are constructed of reinforced concrete frames with plastered infill brickwalls, reinforced concrete floors, staircases and reinforced concrete flat roof. Fenestration comprises aluminium framed glass windows. Vertical transportation is facilitated by 3 goods lift, 1 fire lift and 1 passenger lift for the main factory building. Other site improvements include tarmac/concrete driveway, 1 guard house and a pair of metal sliding gate. The subject property is equipped with fire alarm, fire extinguishers, sprinklers and hosereel.
Site Area	:	7,538.50 square metres
Gross floor area	:	Approximately 18,838.0 square metres
Year of Completion	:	CSC was issued on 21 Dec 1999.
Permitted Use	:	For manufacturing of components for disk drive

Chesterton INTERNATIONAL

21/23 Ubi Road 1
Singapore 408724/408725

Condition	:	Good
Leaseback Terms	:	Property will be leased back to Brilliant Manufacturing Limited for 7 years upon completion of the sale and purchase of Property. The initial annual rent is S$2,150,000/- for the 1st two years and, thereafter, rent to be increased at a fixed rate of 5% over the preceding year's rent at the commencement of the 3rd and 5th year of the lease term. The Lessee will be responsible for insurance, maintenance and all outgoings like utility costs, cleaning & security and landscaping from the lease commencement date. The Lessor will be responsible for property tax, land rent and capital expenditures.
Annual Land Rent	:	Current land rent payable is S$345,592.80/- per annum (inclusive of GST)
Annual Values*	:	S$1,914,000/-
2003 Master Plan Zoning	:	Business 1 with a maximum Plot Ratio 2.5
Market Value **As at 19 January 2006**	:	**S$25,000,000/-** (Singapore Dollars Twenty-Five Million)

* For the purpose of property tax computation, currently payable at 10% of Annual Value.

Chesterton International

Chesterton International Property Consultants Pte Ltd

2051335-05a/LYM/ET/ll

This valuation certificate is subject to the attached Limiting Conditions.

Chesterton INTERNATIONAL

VALUATION CERTIFICATE

Date of Valuation	:	19 January 2006
Address of Property	:	136 Joo Seng Road Singapore 368360
Legal Description	:	Lot 7127V Mukim 24
Tenure	:	30 years commencing from 1 October 1990 with an option for a further term of 30 years
Registered Lessee	:	Brilliant Manufacturing (S) Pte Ltd
Brief Description	:	The subject property comprises a 6-storey single-purpose light industrial factory building. It is erected on a squarish plot of land which is generally flat. The building is constructed of reinforced concrete frame with plastered infill brickwalls, reinforced concrete floors, staircases, reinforced concrete flat roof and metal roof deck. Fenestration comprise aluminium framed glass windows. Vertical transportation is facilitated by 2 cargo lifts and 1 passenger lift. Other site improvements include concrete interlocking tiles to the driveway, 1 guard house and bin centre and a pair of metal sliding main gate. The subject property is equipped with fire alarm, fire extinguishers, sprinklers and hosereel.
Site Area	:	4,258.6 square metres
Gross floor area	:	Approximately 9,413.04 square metres
Year of Completion	:	Circa 1994
Permitted Use	:	For manufacture of mechanical components for the computer industry.
Condition	:	Good

Leaseback Terms	:	Property will be leased back to Brilliant Manufacturing Ltd for 7 years upon completion of the sale and purchase of Property. The initial annual rent is S$987,000/- for the 1st two years and, thereafter, rent to be increased at a fixed rate of 5% over the preceding year's rent at the commencement of the 3rd and 5th year of the lease term. The lessee will be responsible for insurance, maintenance and all outgoings date such as utility costs, cleaning & security and landscaping from the lease commencement date. The Lessor will be responsible for property tax, land rent and capital expenditures.
Annual Land Rent	:	Current land rent payable is S$146,462.40 per annum (inclusive of GST)
Annual Value*	:	

#01-01	**S$168,000/-**
#02-01	S$52,700/-
#02-02	S$107,000/-
#03-01	S$54,200/-
#03-02	S$106,000/-
#04-01	S$21,900/-
#04-02	S$138,000/-
#05-01	S$54,200/-
#05-02	S$106,000/-
#06-01	S$51,600/-
#06-02	S$109,000/-

2003 Master Plan Zoning	:	Business 1 with a maximum Plot Ratio 2.5
Market Value **As at 19 January 2006**	:	**S$10,310,000/-** (Singapore Dollars Ten Million, Three Hundred And Ten Thousand)

* For the purpose of property tax computation, currently payable at 10% of Annual Value.

Chesterton International

Chesterton International Property Consultants Pte Ltd

2051335-06a/LYM/ET/ll

This valuation certificate is subject to the attached Limiting Conditions.

COLLIERS INTERNATIONAL

Colliers International Consultancy & Valuation (Singapore) Pte Ltd
50 Raffles Place
#18-01 Singapore Land Tower
Singapore 048623
Tel 65 6223 2323
Fax 65 6438 6826

RCB No. 198105965E

VALUATION CERTIFICATE

Date of Valuation	:	19 January 2006
Address of Property	:	2 Ubi View Singapore 408556
Legal Description	:	Lot 6125W Mukim 23
Tenure	:	Leasehold 60 years with effect from 4 January 1999
Registered Lessee	:	CSE Global Limited
Brief Description	:	A 5-storey light industrial building located on the northern side of Ubi View, at its south-western junction of Ubi Road 3 & Ubi Ave 3, off Eunos Link and approximately 10 kilometres from The Fullerton Hotel. The subject land comprises a near trapezoidal shaped land, generally flat and at access road level. The building is well equipped with fire-protection and VRV air-conditioning systems. Vertical access is via a passenger lift and a cargo lift and supplemented by reinforced concrete staircases. Loading and unloading bays and 23 surfaced car parking lots are provided within the compound.
Site Area	:	1,998.7 sq metres or thereabouts
Gross Floor Area	:	Approximately 4,055.6 sq metres, as provided by your goodselves and subject to final survey
Year of Completion	:	We understand that the property was completed around 2000.

Permitted Use	:	Light industrial
Condition	:	Good
Tenancy Brief	:	The property will be leased back to CSE Global Ltd for 10 years upon completion of the sale and purchase of Property at an initial annual rental of S$536,000/- and to be increased at the commencement of 4th and 7th year by 7% over the preceding year's rent. The lessee is responsible for maintenance and all outgoings. The lessor is however responsible for capital expenditure including replacement of major M & E equipments .
Land Rent	:	Nil
Annual Value*	:	S$469,000/- * *For the purpose of property tax computation, currently payable at 10% of the Annual Value*
Master Plan Zoning (2003 Edition)	:	"Business 1" with Plot Ratio 2.0
Open Market Value as at 19 January 2006	:	**S$7,500,000/-** (Singapore Dollars Seven Million And Five Hundred Thousand Only)

Colliers International

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Colliers International Consultancy & Valuation (Singapore) Pte Ltd

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This valuation certificate is subject to the attached Limiting Conditions.

Chesterton INTERNATIONAL

VALUATION CERTIFICATE

Date of Valuation	:	19 January 2006
Address of Property	:	11 Serangoon North Avenue 5 Singapore 554809
Legal Description	:	Lot 15726C (Private Lot A16989) Mukim 18
Tenure	:	Leasehold for 30 years commencing from 16 April 1997 with an entitlement for further term of 30 years.
Registered Lessee	:	MI Technologies Pte Ltd
Brief Description	:	A part 6/part 7-storey purpose-built light flatted building with a basement level, located along Serangoon North Avenue 5, accessible via Yio Chu Kang or Ang Mo Kio Avenue 3 and within Serangoon North Industrial Estate. It is approximately 12 kilometres from The Fullerton Hotel. It is erected on a trapezoidal shaped plot of land with a general flat contour and accessible at road level. The building accomodates production/warehouse and ancillary offices. The building is centrally air-conditioned and protected by security alarm and modern fire fighting system. Vertical transportation is facilitated by 2 cargo lifts, staircases and 2 passenger lifts. There is a provision of 3 loading/unloading bays for 40-foot containers, 39 surface carpark lots and 3 lorry surface parking lots within the subject premises.
Site Area	:	5,462.3 square metres
Gross floor area	:	Approximately 13,621.4 square metres

11 Serangoon North Avenue 5
Singapore 554809

Year of Completion	:	TOP was obtained on 23 March 2000 and CSC on 5 March 2002.
Permitted Use	:	For manufacturing of precision engineering components, precision toolings fabrication, precision rubber forming, supplying and servicing of cleanroom products only.
Condition	:	Good
Leaseback Terms	:	Property will be leased back to MI Technologies Pte Ltd for a term of 7 years at an initial rent of S$1,311,000 per annum, and thereafter to be increased at the fixed rate of 5% over the preceding year's rent at the commencement of the 3rd and 5th year of the lease term. The Lessee will be responsible for maintenance, insurance, and all outgoings like utility costs, lift servicing and other M&E, cleaning, security and landscaping from the lease commencement date. The Lessor will be responsible for property tax, land rent and capital expenditures.
Annual Land Rent	:	Current annual land rent payable is S$213,164/- (inclusive of GST).
Annual Value*	:	S$1,501,000/-
2003 Master Plan Zoning	:	Business 1 with a maximum Plot Ratio of 2.5
Market Value **As at 19 January 2006**	:	**S$14,000,000/-** (Singapore Dollars Fourteen Million)

* For the purpose of property tax computation, currently payable at 10% of Annual Value.

Chesterton International

Chesterton International Property Consultants Pte Ltd

2051335-10a/FG/ET

This valuation certificate is subject to the attached Limiting Conditions.

Colliers International Consultancy & Valuation (Singapore) Pte Ltd
50 Raffles Place
#18-01 Singapore Land Tower
Singapore 048623
Tel 65 6223 2323
Fax 65 6438 6826
RCB No. 198105965E

VALUATION CERTIFICATE

Date of Valuation	:	19 January 2006
Address of Property	:	130 Joo Seng Road OLIVINE BUILDING Singapore 368357
Legal Description	:	Lot 7120K (formerly 6347 & 6604 PT) Mukim 24
Tenure	:	Leasehold 30+30 years with effect from 1 December 1991
Registered Lessee	:	Olivine Magnetics Pte Ltd
Brief Description	:	A 7-storey light industrial building located on the southern side of Joo Seng Road, off Macpherson Road and approximately 8 kilometres from The Fullerton Hotel. The subject land comprises a fairly regular shape plot, generally flat and at access road level. The building is well equipped with modern fire-protection and security guard systems. Vertical access is via a passenger lift, a service lift, a cargo lift and supplemented by reinforced concrete staircases. Loading and unloading bays and basement car parking lots are provided.
Site Area	:	4,391.2 sq metres or thereabouts
Gross Floor Area	:	Approximately 10,992.3 sq metres, as provided by your goodselves and subject to final survey

Year of Completion	:	We understand that the property was completed in the early 1990s.
Permitted Use	:	Manufacture of plastic parts and assembly of audio/video, cassettes, magnetic tapes and electrical appliances
Condition	:	Average
Tenancy Brief	:	The property will be leased back to Olivine Magnetics Pte Ltd for 7 years upon completion of the sale and purchase of Property at an initial annual rental of S$1,206,000/- and to be increased at the commencement of the 3rd and 5th year by 5% over the preceding year's rent. The lessee will be responsible for maintenance and all outgoings. The lessor shall be responsible for capital expenditure including replacement of major M & E equipments .
Land Rent	:	S$12,000/- per month (excluding GST)
Annual Value*	:	S$933,000/- * *For the purpose of property tax computation, currently payable at 10% of the Annual Value*

Master Plan Zoning (2003 Edition)	:	"Business 1" with Plot Ratio 2.5
Open Market Value as at 19 January 2006	:	**S$12,000,000/-** (Singapore Dollars Twelve Million Only)

Colliers International

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Colliers International Consultancy & Valuation (Singapore) Pte Ltd

CN/SS/ct

This valuation certificate is subject to the attached Limiting Conditions.

VALUATION CERTIFICATE

Date of Valuation	:	19 January 2006
Address of Property	:	2 Jalan Kilang Barat Singapore 159346
Legal Description	:	Lot 3010W Mukim 1
Tenure	:	99 year lease commencing 1 July 1963
Registered Lessee	:	S.C. Merah Pte Ltd
Brief Description	:	A 9-storey multiple-user clean and light industrial development with a basement car park and other ancillary facilities. It is located at Jalan Kilang Barat, at its junction with Jalan Bukit Merah and is approximately 5 kilometres from The Fullerton Hotel. It is erected on an almost trapezoidal shaped land which is generally flat and at the access road level. The building accommodates customers' service centres, offices, workshops and stores. The building is fitted with central/split-unit air-conditioners, fire alarm, sprinklers system, fire extinguishers and hosereel. There are 2 passenger lifts, 1 service lift and 2 loading/ unloading bays. Car parking facilities are available at the basement level, 2nd and 3rd storeys.
Site Area	:	3,063.1 square metres
Gross floor area	:	Approximately 7,678.6 square metres
Year of Completion	:	The building is completed circa 2002

Chesterton International

2 Jalan Kilang Barat
Singapore 159346

Permitted Use	:	As per current approved use for light industries.
Condition	:	Good
Leaseback Terms	:	The subject property will be leased back to S.C. Merah Pte Ltd for 5 years. The initial annual rent is S$1,535,000/- for the 1st two years and thereafter, the rent to be increased at a fixed rate of 5% over the preceding year's rent at the commencement of the 3rd year of the lease term. No further rent revision after the 3rd year. The Lessee will be responsible for insurance and maintenance and all outgoings like utility costs, servicing of lifts and other M & E, general cleaning & security and landscaping. The Lessor will be responsible for property tax and capital expenditure.
Annual Value*	:	

Location	Annual Value
Carpark	S$48,400/-
#01-01	S$251,000/-
#02-01	S$45,700/-
#03-01	S$39,700/-
#04-01	S$232,000/-
#05-01	S$232,000/-
#06-01	S$232,000/-
#07-01	S$232,000/-
#08-01	S$162,000/-
#09-01	S$113,000/-

2003 Master Plan Zoning	:	Business 1 with maximum Plot Ratio 2.5
Market Value **As at 19 January 2006**	:	**S$20,000,000/-** (Singapore Dollars Twenty Million)

* For the purpose of property tax computation, currently payable at 10% of Annual Value.

Chesterton International

Chesterton International Property Consultants Pte Ltd

2051335-02a/TM/ET/yl

This valuation certificate is subject to the attached Limiting Conditions.

Colliers International Consultancy & Valuation (Singapore) Pte Ltd
50 Raffles Place
#18-01 Singapore Land Tower
Singapore 048623
Tel 65 6223 2323
Fax 65 6438 6826
RCB No. 198105965E

VALUATION CERTIFICATE

Date of Valuation	:	19 January 2006
Address of Property	:	87 Defu Lane 10 MEC TECHNOCENTRE Singapore 539219
Legal Description	:	Lot 4359V Mukim 23
Tenure	:	Leasehold 30+30 years with effect from 1 November 1990
Registered Lessee	:	The Excalibur Corporation Pte Ltd
Brief Description	:	A 6-storey purpose built detached factory located on the western side of Defu Lane 10, off Hougang Avenue 3, within Defu Industrial Estate and approximately 11.5 kilometres from The Fullerton Hotel. The subject land is near trapezoidal in shape. It is at access road level and has a flat contour generally. The building is equipped with modern fire-protection and air-conditioning systems. Vertical access is via 1 passenger lift and 2 service lifts. Loading and unloading bays, dock levelers, open/basement car parking lots, a guardhouse and bin centre are provided within the subject compound.
Site Area	:	4,330.8 sq metres or thereabouts
Gross Floor Area	:	Approximately 9,365.18 sq metres, as provided and subject to final survey

Year of Completion	:	We understand that the subject property was completed in the 1990s
Permitted Use	:	For purpose of light industrial use
Condition	:	Fairly Good
Tenancy Brief	:	The property will be leased back to The Excalibur Corporation Pte Ltd for 7 years with an option for a further term of 7 years upon completion of the sale and purchase of the property at an initial annual rental of S$919,538/- and to be increased as follows: • Rents for 3rd and 4th years to be increased at the fixed rate of 5% over the rent for the 2nd year; • Rents for the 5th, 6th and 7th years to be increased at the fixed rate of 5% over the rent for the 4th year; The lessee is responsible for maintenance, fair wear and tear excepted and all outgoings from the lease commencement date. This will include the following expenses : (1) Utility costs (2) Servicing of lifts and other M&E (3) Cleaning and security (4) Landscaping
Land Rent	:	Current land rent payable to JTC is S$41.54 per sq metre per annum (before GST)
Annual Value*	:	S$1,049,200/- (separate assessments) * *For the purpose of property tax computation, currently payable at 10% of the Annual Value*
2003 Master Plan Zoning	:	"Business 1" with Plot Ratio 2.5

Open Market Value as at 19 January 2006	:	**S$13,065,000/-** (Singapore Dollars Thirteen Million And Sixty-Five Thousand Only)

Colliers International

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Colliers International Consultancy & Valuation (Singapore) Pte Ltd

JG/CN/ds

This valuation certificate is subject to the attached Limiting Conditions.

Chesterton International

VALUATION CERTIFICATE

Date of Valuation	:	19 January 2006
Address of Property	:	86 and 88 International Road Singapore 629176 and 629177
Legal Description	:	Lot 3793M (Private Lot A14016) and Lot 3794W (Private Lot A14016a) Mukim 6
Tenure	:	30 year lease commencing 16 December 1994 with an option for a further term of 30 years
Registered Lessee	:	Gliderol Doors (S) Pte Ltd
Brief Description	:	The subject properties comprise 2 blocks of part single/part 3-storey factory-cum-office buildings located along International Road. It is approximately 20 kilometres from The Fullerton Hotel. It is erected on a trapezoidal shaped land which is generally flat and at the access road level. The buildings accommodate ancillary offices, production and warehouse areas. The buildings are fitted with cassette and split-unit air-conditioning system. They are equipped with fire alarm, fire extinguishers, sprinklers system and hosereel. There is a passenger lift in each block and car parking facilities are available within the compound.
Site Area	:	86 International Road — 8,181.0 square metres 88 International Road — 7,726.9 square metres Total — 15,907.9 square metres
Gross floor area	:	Approximately 12,772.5 square metres
Year of Completion	:	The buildings were completed circa 1996

Chesterton International

86 and 88 International Road
Singapore 629176 and 629177

Permitted Use	:	For manufacturing of proprietary door, door automation systems and components, powdercoating and fluorocarbon (PVF 2) coating only
Condition	:	Good
Leaseback Terms	:	Property will be leased back to Gliderol Doors (S) Pte Ltd for 7 years. The initial annual rent is S$1,415,000/- for the 1st two years and thereafter, the rent to be increased at a fixed rate of 5% over the preceding year's rent at the commencement of the 3rd and 5th year of the lease term. There is an option term of 5 years. The Lessee will be responsible for insurance, maintenance and all outgoings like utility costs, general periodic routine servicing of lifts and other M & E, cleaning and security and landscaping from the lease commencement date. The Lessor will be responsible for property tax, land rent and capital expenditures.
Annual Land Rent	:	Current annual land rent payable is S$212,300.16 (inclusive of GST).
Annual Value*	:	S$1,186,000/-
2003 Master Plan Zoning	:	Business 2 with maximum Plot Ratio 1.4
Market Value **As at 19 January 2006**	:	**S$14,000,000/-** (Singapore Dollars Fourteen Million)

* For the purpose of property tax computation, currently payable at 10% of Annual Value.

Chesterton International

Chesterton International Property Consultants Pte Ltd

2051335-01a/TM/ET/yl

This valuation certificate is subject to the attached Limiting Conditions.

COLLIERS INTERNATIONAL

VALUATION CERTIFICATE

Colliers International Consultancy & Valuation (Singapore) Pte Ltd
50 Raffles Place
#18-01 Singapore Land Tower
Singapore 048623
Tel 65 6223 2323
Fax 65 6438 6826

RCB No. 198105965E

Date of Valuation	:	19 January 2006
Address of Property	:	23 Tuas Avenue 10 Singapore 639149
Legal Description	:	Lot 3370N (Pte Lot A17953) Mukim 7
Tenure	:	Leasehold 30+29 years with effect from 1 November 1997
Registered Lessee	:	Uchem Products Pte Ltd
Brief Description	:	A 4-storey purpose built detached factory located at the north- western side of Tuas Avenue 10, off Tuas Avenue 1, within Jurong Industrial Estate and approximately 27 kilometres from The Fullerton Hotel. The subject land is rectangular in shape except for a splayed corner at its south-eastern corner. It is at access road level and has a flat contour generally. The building is equipped with modern fire-protection and air-conditioning systems. Vertical access is via 1 passenger lift and 2 cargo lifts. Loading and unloading bays, dock levellers, open/covered car parking, a guardhouse, a substation and bin centre are provided within the subject compound.
Site Area	:	6,802.8 sq metres or thereabouts
Gross Floor Area	:	Approximately 9,504.92 sq metres, as provided and subject to final survey

Year of Completion	:	We understand that the subject property was completed in the late 1990s
Permitted Use	:	For purpose of manufacture/assembly of PCB drilling/testing machine and precision drilling and testing of PCB only
Condition	:	Fairly good
Tenancy Brief	:	The property will be leased back to Uchem Products Pte Ltd for 7 years upon completion of the sale and purchase of the property at an initial annual rental of S$643,000/- and to be increased as follows: • Rents for 3rd and 5th years to be increased at the fixed rate of 5% over the rent for the preceding year; The lessee is responsible for maintenance and all outgoings from the lease commencement date. This will include the following expenses : (1) Utility costs (2) Servicing of lifts and other M&E (3) Cleaning and security (4) Landscaping
Land Rent	:	Current land rent payable to JTC is S$13.20 per sq metre per annum (before GST)
Annual Value*	:	S$650,000/- * *For the purpose of property tax computation, currently payable at 10% of the Annual Value*
2003 Master Plan Zoning	:	"Business 2" with Plot Ratio 1.4

COLLIERS INTERNATIONAL

Open Market Value as at 19 January 2006	:	**S$8,550,000/-** (Singapore Dollars Eight Million Five Hundred and Fifty Thousand Only)

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Chesterton INTERNATIONAL

VALUATION CERTIFICATE

Date of Valuation	:	19 January 2006
Address of Property	:	9 Tuas View Crescent Singapore 637612
Legal Description	:	Lot 3466P (Private Lot A18589) Mukim 7
Tenure	:	30 years lease commencing 16 July 1998 with an option for a further term of 30 years
Registered Lessee	:	United Central Engineering Pte Ltd
Brief Description	:	A 3-storey office building cum a single storey production factory development located along Tuas View Crescent, off Tuas South Avenue 3. It is approximately 26 kilometres from The Fullerton Hotel. It is erected on a rectangular shaped land, which is generally flat, and at the access road level The building accommodates production/warehouse areas, partitioned offices and rooms, conference rooms, workshop, general office areas, stores and pantry. The building is fitted with wall fans, exhaust ducts, cassette-unit and spilt-unit air-conditioners, fire alarm, fire extinguisher and hosereels.
Site Area	:	6,633.4 square metres
Gross floor area	:	Approximately 6,650.1 square metres
Year of Completion	:	The building is completed circa 2001
Permitted Usage	:	For the fabrication and assembly of mechanical and metal structural engineering works for customized projects, standard structural products, design and consultancy services for structural works and civil engineering, fabrication and assembly of auto-filling machines and bulk handling systems only.

9 Tuas View Crescent
Singapore 637612

Condition	:	Good
Leaseback Terms	:	Property will be leased back to United Central Engineering Pte Ltd for 7 years. The initial annual rent is S$556,000/- for the 1st two years and thereafter, the rent to be increased at a fixed rate of 5% over the preceding year's rent at the commencement of the 3rd and 5th year of the lease term. The Lessee will be responsible for insurance, maintenance and all outgoings like utility costs, servicing of lifts and other M & E, cleaning & security, landscaping from the lease commencement date. The Lessor will be responsible for property tax, land rent and capital expenditures including replacement of M & E equipments.
Annual Land Rent	:	Current annual land rent payable S$89,356.44 per annum (inclusive of GST)
Annual Value*	:	S$603,000/-
2003 Master Plan Zoning	:	Business 2 with maximum Plot Ratio 1.4
Market Value **As at 19 January 2006**	:	**S$5,600,000/-** (Singapore Dollars Five Million And Six Hundred Thousand)

* For the purpose of property tax computation, currently payable at 10% of Annual Value.

Chesterton International

Chesterton International Property Consultants Pte Ltd

2051335-09a/WL/ET

This valuation certificate is subject to the attached Limiting Conditions.

COLLIERS
INTERNATIONAL

Colliers International Consultancy & Valuation (Singapore) Pte Ltd
50 Raffles Place
#18-01 Singapore Land Tower
Singapore 048623
Tel 65 6223 2323
Fax 65 6438 6826

RCB No. 198105965E

VALUATION CERTIFICATE

Date of Valuation	:	19 January 2006
Address of Property	:	27 Pandan Crescent Singapore 128476
Legal Description	:	Lot 6452K (A15266) Mukim 5
Tenure	:	30+30 years from 16 May 1995
Registered Lessee	:	Wong Sam Ngian Engineering Pte Ltd
Brief Description	:	A part single-storey/part 3 storey factory with ancillary offices located at Pandan Crescent, off West Coast Highway. It is some 14 kilometres away from The Fullerton Hotel. The building is specifically designed for production/warehouse storage and ancillary office use. The office is centrally air-conditioned and protected by security alarm system and modern fire fighting systems. There are ample carpark lots (open/covered) and loading and unloading bay within the compound.
Site Area	:	8,808.2 sq metres or thereabouts
Gross Floor Area	:	Approximately 6,914.5 sq metres (as provided by your goodselves and subject to survey)

Year of Completion	:	Circa 1997/1998
Permitted Use	:	For the use of cable installation, jointing and related engineering works, fabrication of steel structures, manufacturing and assembling of heat pipes and cables joints only.
Condition	:	Fairly good
Tenancy Brief	:	We understand that the property will be 100% leaseback at S$572,000/- per annum. This is a single-user lease for a period of 7 years from the completion of the sale. We understand that the rent is to be increased at a rate of 5% on the commencement of the 3rd and 5th year terms.
Land Rent	:	The current market land rent is payable is S$15.07 per sq metres per annum (excluding GST). The annual rent is subject to revision on the 16 May every year, to the prevailing market rent, subject to maximum increase of 5.5% of the yearly rent of the immediately preceding year.
Annual Value*	:	S$544,000/- * *For the purpose of property tax computation, currently payable at 10% of the Annual Value*
Master Plan Zoning (2003 Edition)	:	Business 2 with a gross plot ratio of 2.5
Open Market Value as at 19 January 2006	:	**S$7,700,000/-** (Singapore Dollars Seven Million & Seven Hundred Thousand Only)

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Colliers International Consultancy & Valuation (Singapore) Pte Ltd

SS/CN/ct

This valuation certificate is subject to the attached Limiting Conditions.

Chesterton INTERNATIONAL

VALUATION CERTIFICATE

Date of Valuation	:	19 January 2006
Address of Property	:	7 Gul Lane Singapore 629406
Legal Description	:	Lot 593V Mukim 7
Tenure	:	Leasehold for 30 years commencing from 16 May 1981 with an entitlement for further term of 30 years.
Registered Lessee	:	BG Casting Pte Ltd
Brief Description	:	A single-storey purpose-built factory building with a mezzanine level located along Gul Lane, off Gul Circle. It is approximately 25 kilometres from The Fullerton Hotel. The building is constructed of reinforced concrete frames with plastered infill brickwalls, reinforced concrete floors, staircases and steel trusses with metal sheet roofing. Fenestrations comprise aluminium framed sliding glass windows. The building accommodates warehouse, production areas, offices, conference rooms, workshops and canteen. The office area is cooled by split-unit air-conditioning system. Other site improvements include tarmac/concrete driveway, covered carpark, guard house, bin centre and chain-linked fencing complete with a pair of metal main gates. The subject property is equipped with fire alarm, fire extinguishers, hosereel and break glass system.
Site Area	:	6,343.2 square metres
Gross floor area	:	Approximately 4,499 square metres

7 Gul Lane
Singapore 629406

Year of Completion : Circa 1982

Permitted Usage : For the manufacture of aluminium die casting parts,machining and electroplating

Condition : Good

Leaseback Terms : Property will be leased back to BG Casting Pte Ltd for 7 years at an initial rent of S$369,000/- per annum, for the 1st two years and, thereafter, rent to be increased at a fixed rate of 5% over the preceding year's rent at the commencement of the 3rd and 5th year of the lease term.

The Lessee will be responsible for insurance, maintenance like utility costs, servicing of lifts and other M & E, cleaning and security and landscaping.

The Lessor will be responsible for property tax, land rent and capital expenditure.

Annual Land Rent : Current land rent payable is S$84,653.17 per annum (inclusive of GST).

Annual Value* : S$353,000/-

2003 Master Plan Zoning : Business 2 with maximum Plot Ratio 1.4

Market Value
As at 19 January 2006 : **S$3,200,000/-**
(Singapore Dollars Three Million And Two Hundred Thousand)

* For the purpose of property tax computation, currently payable at 10% of Annual Value.

Chesterton International

Chesterton International Property Consultants Pte Ltd

2051335-08a/JT/ET/yl

VALUATION CERTIFICATE

Date of Valuation	:	19 January 2006
Address of Property	:	31 Kian Teck Way Singapore 628751
Legal Description	:	Lot 2736N (Private Lot A20089) Mukim 6
Tenure	:	30 years commencing from 1 September 1993 with a further term of 19 years from 1 September 2023
Registered Lessee	:	Brilliant Magnesium Pte Ltd
Brief Description	:	The subject property comprises a part single- /part 2-storey JTC detached factory building. The buildings are constructed of reinforced concrete frames with plastered infill brickwalls, reinforced concrete floors, staircases, reinforced concrete flat roof, steel roof trusses with metal deck roofing. Fenestration comprises aluminium framed glass windows generally. Vertical transportation is facilitated by a cargo lift. Other site improvements include concrete driveway, 1 guard house/bin centre and a pair of metal sliding gate. The subject property is equipped with fire alarm, fire extinguishers, sprinklers and hosereel.
Site Area	:	3,638.7 square metres
Gross floor area	:	Approximately 3,074.04 square metres

31 Kian Teck Way
Singapore 628751

Year of Completion	:	The subject property is completed circa 1998 and CSC was obtained on 28 August 1998
Permitted Use	:	For die-casting and precision machining of magnesium alloy components.
Condition	:	Good
Leaseback Terms	:	Property will be leased back to Brilliant Magnesium Pte Ltd for 7 years upon completion of the sale and purchase of property. The initial annual rent is S$333,000/- for the 1st two years and, thereafter, rent to be increased at a fixed rate of 5% over the preceding year's rent at the commencement of the 3rd and 5th year of the lease term. The lessee will be responsible for insurance, maintenance and all outgoings such as utility costs, cleaning & security and landscaping from the lease commencement date. The Lessor will be responsible for property tax, land rent and capital expenditures.
Annual Land Rent	:	Current land rent payable is S$38,404.56 per annum (inclusive of GST)
Annual Value*	:	S$353,000/-
2003 Master Plan Zoning	:	Business 2 with a maximum Plot Ratio 2.5
Market Value **As at 19 January 2006**	:	**S$3,200,000/-** (Singapore Dollars Three Million And Two Hundred Thousand)

* For the purpose of property tax computation, currently payable at 10% of Annual Value.

Chesterton International

Chesterton International Property Consultants Pte Ltd

2051335-07a/LYM/ET/ll

This valuation certificate is subject to the attached Limiting Conditions.

Colliers International Consultancy & Valuation (Singapore) Pte Ltd
50 Raffles Place
#18-01 Singapore Land Tower
Singapore 048623
Tel 65 6223 2323
Fax 65 6438 6826
RCB No. 198105965E

VALUATION CERTIFICATE

Date of Valuation	:	19 January 2006
Address of Property	:	45 Changi South Avenue 2 Singapore 486133
Legal Description	:	Pte Lot A15126 Mukim 27
Tenure	:	Leasehold 30+30 years with effect from 1 September 1995
Registered Lessee	:	To be RBC Dexia Trust Services Singapore Limited (as Trustee of Cambridge Industrial Trust)
Brief Description	:	A 4-storey light industrial factory cum office block located at the northern junction of Changi South Avenue 2/4, within Changi South Industrial Estate, off Xilin Avenue and approximately 18.5 kilometres from the Fullerton Hotel. The subject property stands on a near rectangular plot with a flat contour and is at access road level. It has a corner frontage onto Changi South Avenue 2/4. The building is well equipped with fire-protection and air-conditioning systems. Vertical access is via one passenger lift and reinforced concrete staircases. Loading and unloading bays and covered/ uncovered car parking lots are provided within the compound.
Site Area	:	5,153 sq metres or thereabouts

Gross Floor Area	:	Approximately 6,845.54 sq metres, as provided by your goodselves and subject to final survey
Year of Completion	:	We understand that Certificate of Statutory Completion was obtained on 28 August 2001 whilst Temporary Occupation Permit was issued on 1 October 1998.
Permitted Use	:	We understand that it is for general light industrial use.
Condition	:	Fairly good
Tenancy Brief	:	The property will be 100% leased back to Chung Shan Plastics Pte Ltd for 10 years upon completion of the sale and purchase of property at an initial annual rental of S$598,000/- and to be increased at the commencement of 4th and 7th year by 7% over the preceding year's rent. The lessee is responsible for maintenance and all outgoings. The lessor is however responsible for capital expenditure including replacement of major M & E equipments .
Land Rent	:	S$13.77 per sq metre per annum (excluding GST)
Annual Value*	:	S$894,000/- * *For the purpose of property tax computation, currently payable at 10% of the Annual Value*
Master Plan Zoning (2003 Edition)	:	"Business 2" with gross plot ratio 1.6

Open Market Value as at 19 January 2006	:	**S$8,250,000/-** (Singapore Dollars Eight Million Two Hundred And Fifty Thousand Only)

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Chesterton INTERNATIONAL

VALUATION CERTIFICATE

Date of Valuation	:	19 January 2006
Address of Property	:	2 Tuas South Avenue 2 Singapore 637601
Legal Description	:	Lot 2865P Mukim 7
Tenure	:	60 years lease commencing 4 January 1999
Registered Lessee	:	CS Industrial Land Pte Ltd
Brief Description	:	A part 4/part 6-storey single-user industrial development with ancillary facilities and basement car parking. It is bounded by Tuas South Avenue 2, Tuas South Avenue 1 and Tuas South Avenue 3 and approximately 30 kilometres from The Fullerton Hotel. It is erected on a regular shaped land which is generally flat and at the access road level. The building accommodates production/warehouse areas, offices, canteen, showrooms, workshops, stores and staff recreational rooms. The building is fitted with central/cassette air-conditioners, fire alarm, fire extinguishers, sprinkler system and hosereel. The office area is equipped with security access card system. There are 2 cargo lifts, 3 passenger lifts and basement car parking within the development.
Site Area	:	12,425.2 square metres
Gross floor area	:	Approximately 20,474.1 square metres as provided and subject to final survey
Year of Completion	:	4-storey factory block was completed circa 2001 and the 6-storey office block was completed circa 2004

Chesterton INTERNATIONAL

2 Tuas South Avenue 2
Singapore 637601

Permitted Usage	:	As per current approved use for workshop, factory, showroom, office, storage, warehouse, staff recreational rooms and canteen.
Condition	:	Good
Leaseback Terms	:	Property will be leased back to CS Industrial Land Pte Ltd for 7 years with an option term of 5 years. The initial annual rent is S$1,922,000/- for the 1st two years and thereafter, the rent to be increased at a fixed rate of 5% over the preceding year's rent at the commencement of the 3rd and 5th year of the lease term. The Lessee will be responsible for maintenance and all outgoings like utility costs, servicing of lifts and other M & E, cleaning & security and landscaping. The Lessor will be responsible for property tax and capital expenditure.
Annual Value*	:	S$1,425,000/-
2003 Master Plan Zoning	:	Business 2 with maximum Plot Ratio 2.5
Market Value **As at 19 January 2006**	:	**S$23,000,000/-** (Singapore Dollars Twenty-Three Million)

* For the purpose of property tax computation, currently payable at 10% of Annual Value.

Chesterton International

Chesterton International Property Consultants Pte Ltd

2051335-04a/TM/ET/yl

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COLLIERS
INTERNATIONAL

Colliers International Consultancy & Valuation (Singapore) Pte Ltd
50 Raffles Place
#16-01 Singapore Land Tower
Singapore 048623
Tel 65 6223 2323
Fax 65 6438 6826

RCB No. 198105965E

VALUATION CERTIFICATE

Date of Valuation	:	19 January 2006
Address of Property	:	28 Woodlands Loop Singapore 738308
Legal Description	:	Lot 2841K (Pte Lot A14724) Mukim 13
Tenure	:	Leasehold 30+30 years with effect from 16 October 1995
Registered Lessee	:	Sanwa Plastic Industry Pte Ltd
Brief Description	:	A 4-storey light industrial building located on the eastern side of Woodlands Loop, within Woodlands East Industrial Estate, and approximately 25 kilometres from The Fullerton Hotel. The subject land is of axed shape with the main building on a trapezoidal plot while ingress and egress are via a long driveway at its south western boundary. The building is well equipped with modern fire-protection and air-conditioning systems. Vertical access is via 1 passenger lift and 2 cargo lifts. Loading and unloading bays, open/covered car parking, a guardhouse and bin centre are provided within the subject compound.
Site Area	:	9,345 sq metres or thereabouts
Gross Floor Area	:	Approximately 12,249.9 sq metres, as provided and subject to final survey

Year of Completion	:	We understand that the subject property was completed in the mid 1990s.
Permitted Use	:	For electrical switching fabrication precision engineering for plastic component and other moulding activities only
Condition	:	Average
Tenancy Brief	:	The property will be leased back to Sanwa Plastic Industry Pte Ltd for 7 years upon completion of the sale and purchase of the property at an initial annual rental of S$1,307,000/- and to be increased as follows:

- Rents for 3rd and 4th years to be increased at the fixed rate of 5% over the rent for the 2nd year;
- Rents for the 5th, 6th and 7th years to be increased at the fixed rate of 5% over rent for the 4th year of the lease term
- An option of a further 3 years will be agreed upon expiry of the initial term.

The lessee is responsible for maintenance, fair wear and tear excepted and all outgoings from the lease commencement date. This will include the following expenses :

(1) Utility costs
(2) Servicing of lifts and other M&E
(3) Cleaning and security
(4) Landscaping

Land Rent	:	Current land rent payable to JTC is S$19.37 per sq metre per annum (before GST)
Annual Value*	:	S$1,109,000/-
		* *For the purpose of property tax computation, currently payable at 10% of the Annual Value*
2003 Master Plan Zoning	:	"Business 2" with Plot Ratio 2.5
Open Market Value as at 19 January 2006	:	**S$13,000,000/-** (Singapore Dollars Thirteen Million Only)

Colliers International

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Chesterton INTERNATIONAL

VALUATION CERTIFICATE

Date of Valuation	:	19 January 2006
Address of Property	:	37 Tampines Street 92 Singapore 528885
Legal Description	:	Lot 5581W Mukim 28
Tenure	:	Leasehold for 30 years commencing from 1 September 1994 with an option granted for further term of 30 years.
Registered Lessee	:	Standard Form Pte Ltd
Brief Description	:	A 4-storey purpose-built industrial building with a basement carpark located along Tampines Street 92, accessible Tampines Avenue 1. It is approximately 13 kilometres from The Fullerton Hotel. It is erected on a rectangular shaped plot of land with a general flat contour and accessible at road level. The building accommodates factory/production areas and ancillary offices. The building is protected by fire alarms, hosereel, sprinklers and smoke/heat detectors. Vertical transportation is facilitated by 2 cargo lifts, staircases and 2 passenger lifts. There is a provision of 22 basement carpark lots, some open carpark lots and unloading/loading bays within the subject premises.
Site Area	:	4,805.2 square metres
Gross floor area	:	Approximately 10,733.22 square metres

Chesterton
INTERNATIONAL

37 Tampines Street 92
Singapore 528885

Year of Completion	:	The building is completed circa 1996.
Permitted Use	:	For printing of forms and labels.
Condition	:	Good
Leaseback Terms	:	Property will be leased back to Standard Form Pte Ltd for a term of 7 years at a initial rent of S$1,060,000/- per annum, and thereafter to be increased at the fixed rate of 5% over the preceding year's rent at the commencement of the 3rd and 5th year of the lease term. The Lessee will be responsible for maintenance, insurance and all outgoingings like utility costs, lift servicing and other M&E, cleaning, security and landscaping from the lease commencement date. The Lessor will be responsible for property tax, land rent and capital expenditures.
Annual Land Rent	:	Current land rent payable is S$127,335.60 (including GST).
Annual Value*	:	S$1,129,000/-
2003 Master Plan Zoning	:	Business 2 with a maximum Plot Ratio 2.5
Market Value **As at 19 January 2006**	:	**S$10,560,000/-** (Singapore Dollars Ten Million Five Hundred And Sixty Thousand)

* For the purpose of property tax computation, currently payable at 10% of Annual Value.

Chesterton International

Chesterton International Property Consultants Pte Ltd

2051335-13a/WL/ET

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Chesterton INTERNATIONAL

VALUATION CERTIFICATE

Date of Valuation	:	19 January 2006
Address of Property	:	16 Tuas Avenue 18A Singapore 638864
Legal Description	:	Lot 1986K (Private Lot A12082) Mukim 7
Tenure	:	Leasehold for 30 years commencing from 1 March 1991 with an option for further term of 30 years.
Registered Lessee	:	Standard Form Pte Ltd
Brief Description	:	A part 1/part 3- storey factory building located along Tuas Avenue 18A, off Tuas Crescent. It is approximately 28 kilometres from The Fullerton Hotel. It is erected on a rectangular shaped plot of land with a general flat contour and slightly above access road level. The building accommodates factory/production, warehousing areas, canteen, partitioned areas and ancillary offices. The building is protected by fire alarms, hosereels, and fire extinguishers.
Site Area	:	3,975.2 square metres
Gross floor area	:	Approximately 3,168 square metres
Year of Completion	:	The building is completed circa 1992.
Permitted Use	:	For printing of computer forms only.

Chesterton
INTERNATIONAL

16 Tuas Avenue 18A
Singapore 638864

Condition	:	Good
Leaseback Terms	:	Property will be leased back to Standard Form Pte Ltd for a term of 7 years at a initial rent of S$281,000/- per annum, and thereafter to be increased at the fixed rate of 5% over the preceding year's rent at the commencement of the 3rd and 5th year of the lease term. The Lessee will be responsible for maintenance, insurance and all outgoingings like utility costs, lift servicing and other M&E, cleaning, security and landscaping from the lease commencement date. The Lessor will be responsible for property tax, land rent and capital expenditures.
Annual Land Rent	:	Current land rent payable is S$54,801.36 (including GST).
Annual Value*	:	S$281,000/-
2003 Master Plan Zoning	:	Business 2 with a maximum Plot Ratio 1.4
Market Value **As at 19 January 2006**	:	**S$2,600,000/-** (Singapore Dollars Two Million And Six Hundred Thousand)

* For the purpose of property tax computation, currently payable at 10% of Annual Value.

Chesterton International

Chesterton International Property Consultants Pte Ltd

2051335-14a/WL/ET

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COLLIERS INTERNATIONAL

Colliers International Consultancy & Valuation (Singapore) Pte Ltd
50 Raffles Place
#18-01 Singapore Land Tower
Singapore 048623
Tel 65 6223 2323
Fax 65 6438 6826

RCB No. 198105965E

VALUATION CERTIFICATE

Date of Valuation	:	19 January 2006
Address of Property	:	160 Kallang Way STORHUB KALLANG Singapore 349246
Legal Description	:	Lot 5273W Mukim 24
Tenure	:	Leasehold 60 years with effect from 16 February 1973
Registered Lessee	:	Storhub Self Storage Pte Ltd
Brief Description	:	A part 4/part 5-storey light industrial building (with mezzanine level) located at the north-eastern bend of Kallang Way, off Pan-Island Expressway and approximately 8.0 kilometres from The Fullerton Hotel. The subject land comprises a trapezoidal plot with a corner frontage of about 209 metres onto Kallang Way. Vehicular access to the building is via Kallang Way. The building is equipped with modern fire-protection, air-conditioning, sensor triggered light system; 24-hour surveillance and biometric security access systems. Vertical access is via 1 passenger lifts and 4 cargo lifts. Loading and unloading bays, open car parking and lorry parking lots are provided within the subject compound.
Site Area	:	12,068.8 sq metres or thereabouts
Gross Floor Area	:	Approximately 29,970.9 sq metres, as provided by your goodselves and subject to final survey

Year of Completion	:	Originally completed in mid 1970s and converted into a self-storage facility in 2002 or thereabouts.
Permitted Use	:	For light industrial use
Condition	:	Average
Tenancy Brief	:	The property will be leased back to Storhub Self Storage Pte Ltd for 10 years upon completion of the Sale and Purchase of Property at an initial annual rental of S$1,938,000/- and to be increased at the commencement of 4th and 7th year by 7% over the preceding year's rent. The lessee is responsible for all maintenance, outgoings, land rent, property tax and insurance. The lessor is however responsible for capital expenditure including replacement of major M & E equipments.
Land Rent	:	Current land rent payable to JTC is S$45.99 per sq metre per annum (before GST)
Annual Value*	:	S$3,376,000/- * *For the purpose of property tax computation, currently payable at 10% of the Annual Value*
Master Plan Zoning (2003 Edition)	:	"Business 1" with Plot Ratio 2.5
Open Market Value as at 19 January 2006	:	**S$23,200,000/-** (Singapore Twenty-Three Million And Two Hundred Thousand Only)

Colliers International

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Colliers International Consultancy & Valuation (Singapore) Pte Ltd

CYC/CN/slk

This valuation certificate is subject to the attached Limiting Conditions.

Colliers International Consultancy & Valuation (Singapore) Pte Ltd
50 Raffles Place
#18-01 Singapore Land Tower
Singapore 048623
Tel 65 6223 2323
Fax 65 6438 6826
RCB No. 198105965E

VALUATION CERTIFICATE

Date of Valuation	:	19 January 2006
Address of Property	:	23 Lorong 8 Toa Payoh Singapore 319257
Legal Description	:	Lot 6922X Mukim 17
Tenure	:	Leasehold 30 + 30 years with effect from 1 February 1992
Registered Lessee	:	To be RBC Dexia Trust Services Singapore Limited (as Trustee of Cambridge Industrial Trust)
Brief Description	:	A part 2/3-storey motor vehicle workshop (with ancillary motor vehicle showroom & ancillary office) located on the eastern side of Lorong 8 Toa Payoh, off Braddell Road and approximately 9.5 kilometres from The Fullerton Hotel. The subject land comprises an almost trapezoidal shaped land with a frontage of about 51 metres onto Lorong 8 Toa Payoh. Abutting the rear and boundary of the subject plot is Kallang River. Vehicular access to the building is via Lorong 8 Toa Payoh. The building is well equipped with fire-protection and air-conditioning systems. Vertical access is via 3 sets of reinforced concrete staircases. Loading and unloading bays and open car parking lots are provided within the compound.
Site Area	:	4,381.7 sq metres or thereabouts
Gross Floor Area	:	Approximately 4,718.7 sq metres, as provided by your goodselves and subject to final survey

Year of Completion	:	Certificate Of Statutory Completion was obtained on 8 July 1994
Permitted Use	:	For motor vehicle workshop (excluding spray painting, panel beating and other pollutive activities) with ancillary motor vehicle showroom and ancillary office only
Condition	:	Fairly Good
Tenancy Brief	:	The property will be leased back to Exklusiv Auto Services Pte Ltd for 7 years upon completion of the sale and purchase of Property at an initial annual rental of S$1,312,545/- and to be increased at the commencement of 3rd and 5th year by 5% over the preceding year's rent. The lessee is responsible for maintenance and all outgoings. The lessor is however responsible for capital expenditure including replacement of major M & E equipments .
Land Rent	:	S$200,894.40 per annum (including GST)
Annual Value*	:	S$669,000/- * *For the purpose of property tax computation, currently payable at 10% of the Annual Value*

Master Plan Zoning (2003 Edition)	:	"Business 1" with Plot Ratio 2.5
Open Market Value as at 19 January 2006	:	**S$12,870,000/-** (Singapore Dollars Twelve Million Eight Hundred And Seventy Thousand Only)

Colliers International

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Colliers International Consultancy & Valuation (Singapore) Pte Ltd

CYC/CN/slk

This valuation certificate is subject to the attached Limiting Conditions.

ADDITIONAL INDEPENDENT PROPERTY VALUATION SUMMARY REPORTS

Jones Lang LaSalle 仲量聯行

Jones Lang LaSalle Property Consultants Pte Ltd
Jones Lang LaSalle Property Management Pte Ltd
9 Raffles Place #39-00 Republic Plaza Singapore 048619
tel +65 6220 3888 fax +65 6438 3360
Company Reg No. 198004794D
Company Reg No. 197600508K

RBC Dexia Trust Services Singapore Limited
9 Raffles Place
#42-01 Republic Plaza
Singapore 048619

Cambridge Industrial Trust Management Limited
61 Robinson Road #14-02
Robinson Centre
Singapore 068893

15 May 2006

Dear Sirs,

OPEN MARKET VALUATION OF THE PORTFOLIO OF 10 PROPERTIES:-
1) 24 JURONG PORT ROAD CWT DISTRIPARK SINGAPORE 619097
2) 3 PIONEER SECTOR 3 JURONG DISTRICENTRE SINGAPORE 628342
3) 30 TOH GUAN ROAD SINGAPORE 608840
4) 30 TUAS ROAD YCH DISTRIPARK SINGAPORE 638492
5) 21 UBI ROAD 1 SINGAPORE 408724
6) 11 SERANGOON NORTH AVENUE 5 SINGAPORE 554809
7) 2 JALAN KILANG BARAT PANASONIC BUILDING SINGAPORE 159346
8) 86 AND 88 INTERNATIONAL ROAD SINGAPORE 629176 AND 629177
9) 2 TUAS SOUTH AVENUE 2 SINGAPORE 637601
10) 160 KALLANG WAY STORHUB KALLANG SINGAPORE 349246

We have been instructed by Cambridge Industrial Trust Management Limited (as Manager of Cambridge Industrial Trust (CIT)) (the "Manager") to determine the Open Market Value as at 15 May 2006, of the abovementioned properties, (collectively, the "Properties") subject to the existing leases and occupancy arrangements.

We have prepared a comprehensive formal valuation report in accordance with the instructions of the Manager for the specific purpose of its inclusion in the prospectus to be issued in connection with the Initial Public Offer of units in CIT.

.../Page 2

RBC Dexia Trust Services Singapore Limited and
Cambridge Industrial Trust Management Limited
– Open Market Valuation of the Portfolio of 10 Properties **15 May 2006**

Our basis of value is Open Market Value is defined as follows:

"An opinion of the best price at which the sale of an interest in property would have been completed unconditionally for cash consideration on the date of valuation, assuming:

- a willing seller;
- that, prior to the date of valuation, there had been a reasonable period (having regard to the nature of the property and the state of the market) for the proper marketing of the interest, for the agreement of the price and terms and for the completion of the sale;
- that the state of the market, level of values and other circumstances were, on any earlier assumed date of exchange of contracts, the same as on the date of valuation;
- that no account is taken of any additional bid by a prospective purchaser with a special interest; and
- that both parties to the transaction had acted prudently and without compulsion."

Included within this valuation are building fixtures and fittings but exclude all movable equipment, furniture, furnishings and plant and machinery.

RELIANCE ON THIS LETTER

This letter is a summary of the comprehensive reports that we, Jones Lang LaSalle Property Consultants Pte Ltd, have carried out and it does not contain all the necessary information and assumptions which are included in the valuation reports. Further reference may be made to these valuation reports which are available during normal office hours at the registered office of the Manager at 61 Robinson Road #14-02 Robinson Centre Singapore 068893, for a period of six months from the date of the Prospectus.

The opinion of value contained in the valuation reports are not guarantees or predictions but are based on the information obtained from reliable and reputable agencies and sources, the Manager and other related parties. Whilst Jones Lang LaSalle has endeavored to obtain accurate information, it has not independently verified all the information provided by the Manager or other reliable and reputable agencies.

The methodologies used in valuing the Properties namely, the Capitalization Approach and Discounted Cashflow Approach, are based on our professional opinion and estimates of the future results and are not guarantees or predictions. The valuation methodologies are summarized in this letter. Each methodology is based on a set of assumptions as to the income and expenses taking into considerations the changes in economic conditions and other relevant factors affecting the Properties.

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The resultant market value is, in our opinion, the best estimate but it is not be construed to be a guarantee or prediction and it is fully dependent upon the accuracy of the assumptions made. Every investor who intends to make an investment in CIT should review the valuation reports to understand the assumptions and methodologies made in the valuation reports to appreciate the context in which the values are arrived at and also carry out their assessment with regard to the risk of the investment on their own.

We have not carried out investigations on site in order to determine the suitability of ground conditions, nor have we undertaken archaeological, ecological or environmental surveys. Our valuation is on the basis that these aspects are satisfactory.

VALUATION RATIONALE

Overview

In arriving at our opinion of market value, we have adopted the discounted cash flow (DCF) and capitalization approaches by making the necessary research on the respective relevant property market, the economic condition and all information necessary to enable us to arrive at our values of the Properties.

Discounted Cash Flow Approach

We have adopted the discounted cash flow approach to value the Properties taking into consideration the terms of the leaseback arrangement.

For the discounted cash flow approach, the net operating income is discounted at an appropriate discount rate to arrive at the Open Market Value. The net income is derived by deducting from the gross income after allowing for vacancies and the operating expenses incurred.

The discounted cash flow analysis is carried out over the term of the leaseback periods with the appropriate growth rates and inflation rates. The projected net income is discounted at an appropriate market derived rate to arrive at the present value of the net income for the term. The terminal value of the property is derived by capitalizing the net income at the end to the leaseback term after providing for disposal cost and related expenses and it is discounted to give the present value. The 10 years discounted cash flow and present value of the terminal value together will give rise to the capital value of the Properties. The terminal value took into account the remaining lease term of the Properties.

.../Page 4

Capitalization Approach

The capitalization approach involves the determination of gross income, less vacancy and a deduction of all outgoings to arrive at the net income of the Properties. The net income is assumed to be a level of annuity based on the term of the lease and is capitalized using an appropriate capitalization rate derived from the analysis of relevant sales evidence.

Further adjustments for capital expenditure, rental shortfalls and overages and other expenses are made to arrive at the capital value.

Summary of Valuation

S/No	Property	Balance of Tenure (years)	Leaseback Term (years)	Capitalization Rate	Target Discount Rate	Terminal Yield	Open Market Value as at May 15, 2006*
1	24 Jurong Port Road	30.79	8.00	7.00%	7.50%	7.50%	$96,500,000
2	3 Pioneer Sector 3	44.58	8.00	7.00%	7.50%	7.50%	$49,000,000
3	30 Toh Guan Road	49.25	7.00	7.00%	7.50%	7.50%	$35,000,000
4	30 Tuas Road	33.11	10.00	7.00%	7.50%	7.50%	$70,000,000
5	21 Ubi Road 1	50.71	7.00	7.00%	7.50%	7.50%	$25,000,000
6	11 Serangoon North Avenue 5	50.92	7.00	7.00%	7.50%	7.50%	$14,000,000
7	2 Jalan Kilang Barat	56.10	5.00	7.00%	7.50%	7.50%	$20,000,000
8	86 & 88 International Road	48.58	7.00	7.00%	7.50%	7.50%	$14,000,000
9	2 Tuas South Avenue 2	52.64	7.00	7.00%	7.50%	7.50%	$22,700,000
10	160 Kallang Way	26.74	10.00	7.25%	7.50%	7.75%	$22,200,000

* Our opinion of the open market value is derived from the values obtained from the capitalization approach and the discounted cash flow approach.

The valuation summary for each of the Properties is attached.

DISCLAIMER

We have prepared this valuation summary which appears in this Prospectus and specifically disclaim liability to any person in the event of any omission from or false or misleading statement included in the Prospectus, other than in respect of the information provided within the valuation reports and summary. We do not make any warranty or representation as to the accuracy of the information in any part of the Prospectus other than as expressly made or given in this valuation summary.

.../Page 5

RBC Dexia Trust Services Singapore Limited and
Cambridge Industrial Trust Management Limited
– Open Market Valuation of the Portfolio of 10 Properties **15 May 2006**

Jones Lang LaSalle has relied upon the Properties data supplied by the Manager which we assume to be true and accurate. Jones Lang LaSalle takes no responsibility for inaccurate data supplied by the client and subsequent conclusions related to such data.

The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, unbiased professional analyses, opinions and conclusions. We have no present or prospective interest in the Properties and are not a related corporation of nor do we have a relationship with the Manager, adviser or other party/parties whom the property trust is contracting with. The valuers' compensation is not contingent upon the reporting of a predetermined value or direction in value that favours the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

We hereby certify that our valuers undertaking these valuations are authorized to practise as valuers and have the necessary expertise and experience in valuing similar types of properties.

Faithfully,

Tan Keng Chiam
B. Sc. (Est. Mgt.) MSISV
License No: AD041-2004796D
National Director
JONES LANG LASALLE

JONES LANG LASALLE 仲量聯行

VALUATION SUMMARY

Date of Valuation	:	15 May 2006
Property	:	24 Jurong Port Road CWT DistriPark Singapore 619097
Legal Description	:	Lot 3079V Mukim 6
Tenure	:	30 years commencing from 1 March 1995 with an option for a further term of 12 years.
Registered Lessee	:	CWT Limited
Brief Description of Property	:	The subject property comprises a part 4/part 5-storey warehouse/office with basement carpark. The buildings are constructed of reinforced concrete frames with plastered infill brickwalls, reinforced concrete floors, staircases, reinforced concrete flat roof and aluminium cladding with glass panel. Fenestration comprises aluminium framed glass windows. Vertical transportation is facilitated by 9 cargo lifts, 2 fire lifts for the warehouse building and 2 passenger lifts for the office building. Other site improvements include tarmac/concrete driveway, 1 guard house and a pair of metal sliding gate. The subject property is equipped with fire alarm, fire extinguishers, sprinklers and hosereel.
Site Area	:	30,262.2 sq.m.
Gross Floor Area	:	Approximately 75,903.77 sq.m.
Year of Completion	:	Temporary Occupation Permit was obtained on 22 October 1997 and Certificate of Statutory Completion on 30 April 1999.
Permitted Use	:	To be used as a warehouse and workshop for containers, vehicles and machinery repair and refurbishment only.
Age	:	Approximately 9 years old.
Condition	:	Good

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JONES LANG LASALLE 仲量聯行

Sale and Leaseback Terms	:	Property will be leased back to CWT Limited for 8 years. The initial monthly rent is S$629,750/- for the 1st two years and thereafter, the rent to be increased at a fixed rate of 5% on the third, fifth and seventh year of the term. The Lessee will be responsible for property tax; land rent, maintenance and all outgoings like utility costs, servicing of lifts and other M & E, cleaning and security and landscaping from the lease commencement date. The Lessor will be responsible for capital expenditure and insurance of property.	
Master Plan Zoning	:	Business 2 with a plot ratio of 2.5. (2003 Edition)	
Annual Value	:	S$5,192,000/	
Open Market Value as at 15 May 2006	:	S$96,500,000/-	Singapore Dollars Ninety-Six Million and Five Hundred Thousand)

Jones Lang LaSalle

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VALUATION SUMMARY

Date of Valuation	: 15 May 2006
Property	: 3 Pioneer Sector 3 Jurong Districentre Singapore 628342
Legal Description	: Lot 2111N Mukim 7
Tenure	: Leasehold for 30 years commencing from 16 December 1990 with an entitlement for further term of 30 years.
Registered Lessee	: Jurong Districentre Pte Ltd
Brief Description of Property	: A 3-storey distribution centre and container yard with office, located along Pioneer Sector 3 close to its junction with Gul Road. It is erected on a regular shaped plot of land with a general flat contour and accessible at road level. The building accommodates warehouse and ancillary offices. The building is protected by 24-hour guard surveillance, security alarm and modern fire fighting system. Vertical transportation is facilitated by 4 cargo lifts, staircases and a passenger lift. There is a provision of loading/unloading bays, 30 surface carpark lots, 46 lorry lots and 33 container trailer lots within the subject premises.
Site Area	: 47,551.2 sq.m.
Gross Floor Area	: Approximately 38,352.14 sq.m.
Year of Completion	: The Temporary Occupation Permit was issued on 24 September 1993 and the Certificate of Statutory Completion was issued on 10 December 1996.
Permitted Usage	: For the development of a warehouse, a vehicle testing centre, a maintenance and repair centre, for container storage and laboratory reagent store only.
Age	: Approximately 13 years old.
Condition	: Good

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Sale and Leaseback Terms	:	Property will be leased back to Jurong Districentre Pte Ltd for 8 years. The initial monthly rent is S$292,333.33/- for the 1st two years and thereafter, the rent to be increased at a fixed rate of 5% over the preceding year's rent at the commencement of the 3rd, 5th and 7th year of the lease term. The Lessee will be responsible for property tax, land rent, insurance, maintenance and all outgoings like utility costs, servicing of lifts and other M&E, cleaning, security and landscaping from the lease commencement date. The Lessor will be responsible for capital expenditures and insurance of property.
Annual Value	:	S$2,816,000/
Annual Value	:	Business 2 with maximum plot ratio of 1.4
Open Market Value as at 15 May 2006	:	S$49,000,000/- (Singapore Dollars Forty-Nine Million)

Jones Lang LaSalle

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VALUATION SUMMARY

Date of Valuation	:	15 May 2006
Property	:	30 Toh Guan Road Singapore 608840
Legal Description	:	Lot 7956T (Pte Lot A14744) Mukim 5
Tenure	:	30 + 30 years from 16 August 1995
Registered Proprietor	:	ODC Logistics Pte Ltd
Brief Description of Property	:	An industrial development comprising a 6-storey conventional warehouse with a showroom on the 1st storey, offices on the 7th and 8th storeys and a 37 metre high Automatic Storage & Retrieval System (ASRS) annex located at Toh Guan Road, opposite IMM Building, off Boon Lay Way. It is about 16 kilometres away from the city centre at Collyer Quay. The building is specifically designed for logistics warehouse storage and ancillary office use. The office is centrally air-conditioned and protected by 24-hour security and modern fire fighting systems. There are 27 carpark lots (open/covered), 31 lorry parking lots with loading and unloading bays within the development.
Site Area	:	12,338.1 sq.m.
Gross Floor Area	:	Approximately 29,460.19 sq.m. (according to the Option Agreement and subject to survey)
Year of Completion	:	Circa 1997. Certificate of Statutory Completion was issued on 28 December 1998.
Permitted Use	:	For the purpose of distribution, warehousing and related packing activities only
Age	:	Approximately 9 years old
Condition	:	Good

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Sale and Leaseback Terms	:	The term of the leaseback to ODC shall be for 7 years commencing on the Completion Date ("Term"). The rent is S$268,166.67 per month, subject to: (a) a rental escalation of 5% on the commencement of the 3rd year from the commencement of the Term; and (b) a further rental escalation of 5% on the commencement of the 5th year from the commencement of the Term on the rental amount applicable immediately before the commencement of such 5th year. The Trustee shall pay the subletting/administrative fees which may be imposed by JTC, property tax and land rental in respect of the Property. ODC shall at its own cost and expense maintain the Property, save for capital expenditure which the Trustee has agreed to bear, provided that such capital expenditure is not caused by the negligence of ODC or its sub-tenants and their respective agents. There is an option to renew the leaseback for a further term of seven years and on such terms and conditions (including but not limited to rent) to be mutually agreed.
Annual Value	:	S$3,500,000/
Master Plan Zoning (2003 Edition)	:	Business 1 with gross plot ratio of 2.5
Open Market Value as at 15 May 2006	:	S$35,000,000/- (Singapore Dollars Thirty-Five Million Only)

Jones Lang LaSalle

JONES LANG LASALLE

VALUATION SUMMARY

Date of Valuation	:	15 May 2006
Property	:	30 Tuas Road YCH DistriPark Singapore 638492
Legal Description	:	Lot 1289X Mukim 7
Tenure	:	Leasehold for 30 years commencing from 1 July 1979 with an entitlement for further term of 30 years.
Registered Lessee	:	YCH DistriPark (Pte) Ltd
Brief Description of Property	:	The property comprises 8 buildings on site. They are the administrative building and 7 warehouse buildings denoted as Blocks 1, 2, 3, 4, 5, 6 and 7.

Block	Description
Admin building	Currently undergo additions and alterations works
Block 1	A L-shaped warehouse building. It is generally of pitch roof on rolled steel joist portal frames, steel stanchions, beams and columns, with reinforced concrete floors.
Block 2	A single-storey warehouse building with a canteen on the 2nd storey of the annex building. Construction of the building is similar to Block 1.
Block 3	A single-storey warehouse building which is of steel frame structure with klip-lok wall enclosures and metal roofing sheets.
Block 4	A partially open-sided single-storey warehouse building. Construction is of steel frame structure with plastered brickwalls/klip lok wall enclosures and metal roofing sheets.
Block 5	A single-storey warehouse building which is of fibreglass insulated 'Trimdek' pitched roof resting on rolled steel joist portal frames, low plastered brickwalls and reinforced concrete floors.
Block 6	A 2-storey warehouse building with mezzanine level. Construction is of reinforced concrete frame with plastered brickwalls and pitched metal steel roof on steel roof trusses.
Block 7	A single-storey automated high-racking system (ASRS) warehouse which is of mild steel roof trusses supported by 1-section steel columns and pitched metal sheet roofing.

Other site improvements include a guardhouse at the entrance, surface car parking lots, a substation, consumer switch room, sprinkler water tanks and storage area.

.../Page 2

Site Area	:	78,279.4 sq.m.
Gross Floor Area	:	Approximately 53,065.15 sq.m.
Year Of Completion	:	Block 1 to 4 were completed in 1979, Block 5 was completed in 1985, while Block 6 and 7 were completed in 1997. The administration building is currently under addition and alteration works.
Permitted Usage	:	For the purpose of central distribution centre for general cargo and storage of dextromethorpham, tretinion and hazardous cargo (ie IBC Test Roche (EBK), Unimate 7U1BC, Cobas Integra UIBC and Unimate 3 Lipase) only.
Condition	:	Good
Sale and Leaseback Terms	:	The subject property will be leased back to YCH DistriPark Pte Ltd for 10 years at a commencement rent of S$454,000/- per month based on triple net basis and thereafter, the rent is to be increased at a fixed rate of 7% over the preceding year's rent at the commencement of the 4th and 7th year of the lease term. The option term is 5 years, thereafter, the renewal rental shall be based on market rental subject to an upper and lower capping of 15% from the last paid rental. The rental is then to be increased at 5% on the 3rd year of the renewal term. The Lessee will be responsible for insurance and maintenance like utility costs, servicing of lifts and other M & E, cleaning and security and landscaping from the lease commencement date. The Lessee will also be responsible for property tax and land rent. The Lessor will be responsible for capital expenditure and insurance of property.
Master Plan Zoning (2003 Edition)	:	Business 2 with maximum plot ratio 1.4
Annual Value	:	S$4,696,000/
Open Market Value as at 15 May 2006	:	S$70,000,000/- (Singapore Dollar Seventy Million)

Jones Lang Lasalle

JONES LANG LASALLE

JONES LANG LASALLE 仲量聯行

VALUATION SUMMARY

Date of Valuation	:	15 May 2006
Property	:	21 Ubi Road 1 Singapore 408724
Legal Description	:	Lot 5097V Mukim 23
Tenure	:	30 years commencing from 1 February 1997 with an option for further term of 30 years.
Registered Lessee	:	Brilliant Manufacturing Ltd
Brief Description of Property	:	The subject property comprises a 6-storey single-user factory building with semi-basement carpark and a block of 3-storey workers dormitory. It is erected on a rectangular plot of land. The buildings are constructed of reinforced concrete frames with plastered infill brickwalls, reinforced concrete floors, staircases and reinforced concrete flat roof. The 6-storey building is finished with aluminum cladding. Fenestration comprises aluminium framed glass windows. Vertical transportation is facilitated by 3 goods lift, 1 fire lift and 1 passenger lift for the main factory building. Other site improvements include tarmac/concrete driveway, a guard house and enclosed by plastered brick boundary walls with entry via a pair of automatic barrier gates opening onto a driveway leading to the basement and of surface carpark. The subject property is equipped with fire alarm, fire extinguishers, sprinklers and hosereel.
Site Area	:	7,538.50 sq.m.
Gross Floor Area	:	Approximately 18,838 sq.m.
TOP & CSC Date	:	25 March 1999 & 21 December 1999
Permitted Use	:	For manufacturing of components for disk drive.
Condition	:	Good

.../Page 2

Leaseback Terms : Property will be leased back to Brilliant Manufacturing Limited for 7 years upon completion of the sale and purchase of Property. The initial annual rent is S$179,166.67 per month for the 1st two years and, thereafter, rent to be increased at a fixed rate of 5% over the preceding year's rent as the commencement of the 3rd and 5th year of the lease term.

The Lessee will be responsible for maintenance and all outgoings like utility costs, cleaning and security and landscaping from the lease commencement date.

The Lessor will be responsible for insurance, property tax, land rent and capital expenditures.

Annual Value : 21 Ubi Road 1

#01-01	S$270,000/
#02-01	S$296,000/
#03-01	S$315,000/
#04-01	S$305,000/
#05-01	S$315,000/
#06-01	S$320,000/

23 Ubi Road 1
S$93,000/-

Master Plan Zoning : Business 1 with a Plot Ratio 2.5. (2003 Edition)

Open Market Value as at 15 May 2006 : S$ 25,000,000/- (Singapore Dollars Twenty-Five Million)

Jones Lang LaSalle

JONES LANG LASALLE

VALUATION SUMMARY

Date of Valuation	:	15 May 2006
Property	:	11 Serangoon North Avenue 5 Singapore 554809
Legal Description	:	Lot 15726C (Private Lot A16989) Mukim 18
Tenure	:	Leasehold for 30 years commencing from 16 April 1997 with an entitlement for further term of 30 years.
Registered Lessee	:	MI Technologies Pte Ltd
Brief Description of Property	:	A part 6/part 7-storey purpose-built light flatted building with a basement level, located along Serangoon North Avenue 5, accessible via Yio Chu Kang Road or Ang Mo Kio Avenue 3 and within Serangoon North Industrial Estate. It is approximately 12 km from the city centre at Collyer Quay. It is erected on a trapezoidal shaped plot of land with a general flat contour and accessible at road level. The building accommodates production/warehouse and ancillary offices. The building is centrally air-conditioned and protected by security alarm and modern fire fighting system. Vertical transportation is facilitated by 2 cargo lifts, staircases and 2 passenger lifts. There is a provision of 3 loading/unloading bays, 39 surface carpark lots and 3 lorry surface parking lots within the subject premises.
Site Area	:	5,462.3 sq.m.
Gross Florr Area	:	Approximately 13,621.4 sq.m.
Date of CSC	:	5 March 2002
Permitted Use	:	For manufacturing of precision engineering components, precision tooling fabrication, precision rubber forming, supplying and servicing of cleanroom products only.
Condition	:	Good

.../Page 2

JONES LANG LASALLE 仲量聯行

Leaseback Terms	:	Property will be leased back to MI Technologies Pte Ltd for a term of 7 years at an initial rent of S$109,250/- per month, and thereafter to be increased at a fixed rate of 5% over the preceding year's rent on the commencement of the 3rd and 5th year of the lease term. The Lessee will be responsible for maintenance and all outgoings like utility costs, maintenance and repair of lifts and other M&E, cleaning, security and landscaping from the lease commencement date. The Lessor will be responsible for property tax, insurance, land rent and capital expenditures.
Annual Value	:	S$1,501,000/
Master Plan Zoning (2003 Edition)	:	Business 1 with a maximum Plot Ratio 2.5.
Open Market Value as at 15 May 2006	:	S$14,000,000/- (Singapore Dollars Fourteen Million)

Jones Lang LaSalle

JONES LANG LASALLE

VALUATION SUMMARY

Date of Valuation	:	15 May 2006
Property	:	2 Jalan Kilang Barat Panasonic Building Singapore 159346
Legal Description	:	Lot 3010W Mukim 1
Tenure	:	99 years lease commencing 1 July 1963.
Registered Lessee	:	S C Merah Pte Ltd
Brief Description of Property	:	A 9-storey multiple-user clean and light industrial development with a basement car park and other ancillary facilities. It is located at Jalan Kilang Barat, at its junction with Jalan Bukit Merah and is approximately 5 km from the City Centre at Collyer Quay. It is erected on an almost trapezoidal shaped land which is generally flat and at the access road level. The building accommodates customers' service centres, offices, workshops and stores. The building is fitted with central/split-unit air-conditioners, fire alarm, sprinklers system, fire extinguishers and hosereel. There are 2 passenger lifts, 1 service lift and 2 loading/ unloading bays. Car parking facilities are available at the basement level, 2nd and 3rd storeys.
Site Area	:	3,063.1 sq.m.
Gross Floor Area	:	Approximately 7,678.56 sq.m.
Year of Completion	:	The building is completed circa 2002.
Permitted Use	:	As per current approved use for light industries.
Age	:	Approximately 4 years
Condition	:	Good

.../Page 2

JONES LANG LASALLE 仲量聯行

Leaseback Terms	:	The subject property will be leased back to S.C. Merah Pte Ltd for 5 years. The initial annual rental is S$127,916.67 per month for the 1st two years and thereafter, the rent to be increased at a fixed rate of 5% over the preceding year's rent at the commencement of the 3rd year of the lease term. No further rent revision after the 3rd year. The Lessee will be responsible for insurance and maintenance and all outgoings like utility costs, servicing of lifts and other M & E, general cleaning and security and landscaping. The Lessor will be responsible for property tax and capital expenditure. There is an option to renew for a further term of 3 years.
Annual Value	:	S$ 1,587,800/
Master Plan Zoning (2003 Edition)	:	Business 1 with maximum Plot Ratio of 2.5.
Open Market Value as at 15 May 2006	:	S$20,000,000/- (Singapore Dollars Twenty Million)

Jones Lang Lasalle

JONES LANG LASALLE

JONES LANG LASALLE 仲量聯行

VALUATION SUMMARY

Date of Valuation	:	15 May 2006
Property	:	86 and 88 International Road Singapore 629176 and 629177
Legal Description	:	Lot 3793M (Private Lot A14016) and Lot 3794W (Private Lot A14016a) Mukim 6
Tenure	:	Leasehold 30 years commencing 16 December 1994 with an entitlement for a further term of 30 years.
Registered Lessee	:	Gliderol Doors (S) Pte Ltd
Brief Description of Property	:	The subject properties comprise 2 blocks of part single/part 3storey factory-cum-office buildings located along International Road. Its is approximately 20 km from the city centre at Collyer Quay. It is erected on a trapezoidal shaped land which is generally flat and slightly above the access road level. The buildings accommodate ancillary offices, production and warehouse areas. The offices are fitted with cassette-unit airconditioning system. They are equipped with break-the-glass alarm system, fire extinguishers, sprinklers system and hosereel. There is a passenger lift in each block and car parking facilities are available within the compound.
Site Area	:	86 International Road 8,181.0 sq.m. 88 International Road 7,726.9 sq.m. Total 15,907.9 sq.m.
Gross Floor Area	:	Approximately 12,772.5 sq.m.
TOP and CSC Date	:	30 August 1996 and 8 December 1997
Permitted Usage	:	For manufacturing of proprietary door, door automation systems and components, powder-coating and fluorocarbon (PVF 2) coating only.
Age	:	Approximately 10 years old.
Condition	:	Good

.../Page 2

JONES LANG LASALLE 仲量聯行

Sale and Leaseback Terms	:	The subject property will be leased back to Gliderol Doors (S) Pte Ltd for 7 years. The initial rent is S$117,916.67/- per month for the 1st two years and thereafter, the rent to be increased at a fixed rate of 5% over the preceding year's rent at the commencement of the 3rd and 5th year of the lease term. There is an option term of 5 years. The Lessee will be responsible for maintenance and all outgoings like utility costs, maintenance and repairs of lifts and other M&E, cleaning and security and landscaping from the lease commencement date. The Lessor will be responsible for property tax, insurance, land rent and capital expenditures.
Annual Value	:	S$1,186,000/
Master Plan Zoning (2003 Edition)	:	Business 2 with maximum plot ratio of 1.4
Open Market Value as at 15 May 2006	:	S$14,000,000/- (Singapore Dollars Fourteen Million)

Jones Lang LaSalle

JONES LANG LASALLE

VALUATION SUMMARY

Date of Valuation	:	15 May 2006
Property	:	2 Tuas South Avenue 2 Singapore 637601
Legal Description	:	Lot 2865P Mukim 7
Tenure	:	60 years commencing 4 January 1999.
Registered Lessee	:	CS Industrial Land Pte Ltd
Brief Description of Property	:	A part 4/part 6-storey single-user industrial development with ancillary facilities and basement carparking. It is erected on a regular shaped land which is generally flat and at the access road level. The building accommodates production/warehouse areas, offices, canteen, showrooms, workshops, stores and staff recreational rooms. The building is fitted with central/cassette air-conditioners, fire alarm, fire extinguishers, sprinkler system and hosereel. The office area is equipped with security access card system. There are 2 cargo lifts, 3 passenger lifts and basement car parking within the development.
Site Area	:	12,425.2 sq.m.
Gross Floor Area	:	Approximately 20,474.1 sq.m. – as provided and subject to final survey.
TOP Date	:	4-storey factory block Temporary Occupation Permit was issued on 26 March 2001 and the 6-storey office block was issued on 17 March 2004. Certificate of Statutory Completion was issued on 30 March 2006.
Permitted Usage	:	General Industrial use.
Age	:	Approximately 5 and 2 years old for the factory block and office block respectively.
Condition	:	Good

.../Page 2

Sale and Leaseback Terms	:	Property will be leased back to CS Industrial Land Pte Ltd for 7 years with an option term of 5 years. The initial monthly rent is S$160,166.67 for the 1st two years and thereafter, the rent to be increased at a fixed rate of 5% over the preceding year's rent at the commencement of the 3rd and 5th year of the lease term. The Lessee will be responsible for maintenance and all outgoings like utility costs, servicing of lifts and other M&E, cleaning & security and landscaping. The Lessor will be responsible for property tax, fire insurance and capital expenditure.
Master Plan Zoning (2003 Edition)	:	Business 2 with maximum plot ratio of 2.5
Annual Value	:	S$1,983,000/
Open Market Value as at 15 May 2006	:	S$22,700,000/- (Singapore Dollars Twenty-Two Million Seven Hundred Thousand)

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JONES LANG LASALLE

JONES LANG LASALLE 仲量聯行

VALUATION SUMMARY

Date of Valuation	:	15 May 2006
Property	:	160 Kallang Way Storhub Kallang Singapore 349246
Legal Description	:	Lot 5273W Mukim 24
Registered Lessee	:	StorHub Self Storage Pte Ltd
Tenure	:	Leasehold 60 years commencing from 16 February 1973.
Brief Description of Property	:	A part 4/part 5-storey light industry building (with mezzanine level) located at the north-eastern bend of Kallang Way, off Pan-Island Expressway and approximately 8 km from The Fullerton Hotel. The subject land comprises a trapezoidal plot with a corner frontage of about 209 m onto Kallang Way. Vehicular access to the building is via Kallang Way. The building is equipped with modern fire-protection, airconditioning, sensor triggered light system; 24-hour surveillance and biometric security access systems. Vertical access is via 1 passenger lifts and 4 cargos lifts. Loading and unloading bays, open/sheltered car parking and lorry parking lots are provided within the subject compound.
Site Area	:	12,068.8 sq.m.
Gross Floor Area	:	Approximately 29,970.86 sq.m. -subject to final survey.
TOP Date	:	Originally completed in mid 1970s and converted into a selfstorage facility in 2002 or thereabouts.
Permitted Usage	:	For self storage only.
Age	:	Approximately 30 years old.
Condition	:	Average

.../Page 2

JONES LANG LASALLE 仲量聯行

Sale and Leaseback Terms	:	The property will be leased back to StorHub Self Storage Pte Ltd for 10 years from Term Commencement date at an initial monthly rental of S$161,500/- and to be increased at the commencement of 4th and 7th year by 7% over the preceding year's rent. The Lessee is responsible for all maintenance, outgoings, land rent and property tax. The Lessor is however responsible for capital expenditure including replacement of major M&E equipments and insurance of property.
Master Plan Zoning (2003 Edition)	:	Business 1 with plot ratio 2.5.
Annual Value	:	S$3,376,000/-
Open Market Value as at 15 May 2006	:	S$22,200,000/- (Singapore Dollars Twenty-Two Million and Two Hundred Thousand)

Jones Lang LaSalle

JONES LANG LASALLE

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INDEPENDENT TAXATION REPORT

The Board of Directors
Cambridge Industrial Trust Management Limited
(as the Manager of Cambridge Industrial Trust)
61 Robinson Road
#14-02 Robinson Centre
Singapore 068893

RBC Dexia Trust Services Singapore Limited
(in its capacity as the Trustee of Cambridge Industrial Trust)
9 Raffles Place
#42-01 Republic Plaza
Singapore 048619

Dear Sirs

THE SINGAPORE TAXATION REPORT

This letter has been prepared at the request of the Manager for inclusion in the prospectus to be issued (the "Prospectus") in relation to the initial public offering and listing of units (the "Units") in Cambridge Industrial Trust ("CIT") on the Singapore Exchange Securities Trading Limited.

The purpose of this letter is to provide prospective purchasers of the Units with an overview of the Singapore income tax consequences of the acquisition, ownership and disposal of the Units. This letter addresses principally purchasers who hold the Units as investment assets. Purchasers who acquire the Units for dealing purposes should consult their own tax advisers concerning the tax consequences of their particular situations.

This letter is not a tax advice and does not attempt to describe comprehensively all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Units. Prospective purchasers of the Units should consult their own tax advisers to take into account the tax law applicable to their particular situations. In particular, prospective purchasers who are not Singapore tax residents are advised to consult their own tax advisers to take into account the tax laws of their respective countries of tax residence and the existence of any tax treaty which their country of tax residence may have with Singapore.

This letter is based on Singapore income tax laws and relevant interpretations thereof current as at the date of this letter, all of which are subject to change, possibly with retroactive effect.

Words and expressions defined in the Prospectus have the same meaning in this letter. In addition, unless the context requires otherwise, words in the singular include the plural and the other way around and words of one gender include the other gender.

THE GENERAL PRINCIPLES OF TAXATION OF A TRUST

The income of a trust derived from or accrued in Singapore is chargeable to Singapore income tax. In addition, income earned outside Singapore and received or deemed received in Singapore is also chargeable to Singapore income tax unless otherwise exempted. There is no capital gains tax. However, gains from the sale of investments (including real properties) are chargeable to tax if such gains are derived from a trade or business of dealing in investments (including real properties).

Singapore income tax is imposed on all income chargeable to tax after deduction of the allowable expenses incurred and the tax depreciation claimed on assets used in the generation of the income (the "Taxable Income").

The Taxable Income of the trust is assessed to tax in the name of the trustee at the prevailing corporate tax rate. The tax paid by the trustee is imputed to be the tax paid by the beneficiaries (the "imputed tax"). The Taxable Income after accounting for the tax payable will be distributed to the beneficiaries in the proportion of their respective share of the trust income.

The beneficiaries are chargeable to Singapore income tax on any distributions made by the trust. Tax will be imposed on the re-grossed amount of distributions received (that is, the amount of distributions and the proportionate amount of the imputed tax) at their applicable income tax rates. Depending on their respective circumstances, the beneficiaries may claim a tax credit on the imputed tax under the provisions of section 46(1)(b) of the Income Tax Act, Chapter 134.

THE TAX RULING

CIT has obtained a Tax Ruling dated 21 November 2005 from the Inland Revenue Authority of Singapore ("IRAS") to give effect to the application of the provisions of section 43(2) of the Income Tax Act, Chapter 134, to impose income tax on the holders of Units ("Unitholders") on the Taxable Income of CIT instead of imposing income tax on the Trustee (i.e. the "tax transparency treatment"). Section 43(2) of the Income Tax Act, Chapter 134 states:

"Where any trustee proves to the satisfaction of the Comptroller that any beneficiary of the trust is entitled to a share of the trust income, a corresponding share of the statutory income of the trustee may be charged at a lower rate or not charged with any tax, as the Comptroller shall determine."

Subject to full compliance with the terms and conditions of the Tax Ruling, the taxation of CIT and that of the Unitholders are described below.

TAXATION OF CIT

General

Notwithstanding the Tax Ruling, the Taxable Income of CIT will be determined in accordance with the provisions of the Income Tax Act, Chapter 134, as is the case of any trust having income that is chargeable to Singapore income tax.

Tax Treatment of Taxable Income

The Taxable Income of CIT will comprise substantially income from the letting of industrial properties but does not include gains from the disposal of such properties. The Taxable Income of CIT shall qualify to be treated as income derived from the business of the making of investments and shall be determined under the provisions of section 10E of the Income Tax Act, Chapter 134.

The Tax Ruling grants tax transparency treatment on CIT's Taxable Income that is distributed to the Unitholders. Any portion of such Taxable Income not distributed (the "Retained Taxable Income") will be assessed to tax in the name of the Trustee.

Requirement on Tax Deduction at Source

Subject to meeting the terms and conditions of the Tax Ruling issued by IRAS, the Trustee will not be assessed to tax on CIT's Taxable Income. Instead, the Trustee and the Manager will deduct income tax at the prevailing corporate tax rate, currently at 20.0%, from the distributions made to Unitholders that are made out of CIT's Taxable Income. However, where the beneficial owners are individuals or Qualifying Unitholders, the Trustee and the Manager will make the distributions to such Unitholders without deducting any income tax. Also, where the beneficial owners are foreign non-individual Unitholders, the Trustee and the Manager will deduct Singapore income tax at the reduced rate of 10.0% for distributions made during the period from 18 February 2005 to 17 February 2010.

"Qualifying Unitholders" refer to:

(a) Singapore-incorporated companies which are tax residents in Singapore;

(b) Bodies of persons, other than companies or partnerships, registered or constituted in Singapore (for example, town councils, statutory boards, registered charities, registered co-operative societies, registered trade unions, management corporations, clubs and trade and industry associations); or

(c) Singapore branches of foreign companies which have presented a letter of approval from the IRAS granting a waiver from tax deduction at source in respect of distributions from CIT.

"Foreign non-individual Unitholders" refer to Unitholders which are non-residents of Singapore for income tax purposes and;

(a) which do not have a permanent establishment in Singapore; or

(b) which carry on any operation in Singapore through a permanent establishment in Singapore, where the funds used to acquire the Units are not obtained from that operation in Singapore.

Unitholders who are individuals ("Individual Unitholders") and who do not hold the Units through a partnership in Singapore will receive their distributions made out of the Taxable Income of CIT without any tax deduction at source.

Where the Units are held in joint names, the Trustee and the Manager will deduct income tax from the distributions made out of the Taxable Income of CIT, unless all the joint Unitholders are individuals.

Where the Units are held through a nominee, the Trustee and the Manager will deduct income tax from the distribution made out of the Taxable Income of CIT except in the following situations:

- where the Units in CIT are held for beneficial owners who are individuals or Qualifying Unitholders, tax may not be deducted at source/withheld under certain circumstances. This includes a situation where a declaration is made by the nominee of the beneficial owners' status and the provision of certain particulars of the beneficial owners in a prescribed form to the Trustee and the Manager;

- where the Units of CIT are held for foreign non-individual Unitholders, tax may be deducted at source/withheld at the reduced rate of 10.0% for distributions made between 18 February 2005 and 17 February 2010 under certain circumstances. This includes a situation where a declaration is made by the nominee of the beneficial owners' status and the provision of certain particulars of the beneficial owners in a prescribed form to the Trustee and the Manager; and

- where the Units of CIT are held by the nominees as agent banks or Supplementary Retirement Scheme ("SRS") operators acting for individuals who purchased the Units within the CPF Investment Scheme or the SRS respectively, tax will not be deducted at source/withheld for distributions made in respect of these Unitholders.

Tax Treatment of Retained Taxable Income

In accordance with the Tax Ruling, the Trustee and the Manager will distribute at least 90.0% of the Taxable Income of CIT to Unitholders. For the remaining amount of the Taxable Income not distributed, tax will be assessed on, and collected from, the Trustee. In the event that the Trustee and the Manager exercise their discretion to make a distribution out of such Retained Taxable Income that has been assessed to tax directly on the Trustee, the Trustee and the Manager will not have to make further deduction of income tax from the distribution made.

Tax Treatment of Gains from Disposal of Properties

It is important to note that the tax transparency treatment under the Tax Ruling is not extended to gains or profits realised from the sale of real properties.

Where CIT disposes of its real properties, and in the process realizes gains or profits from the disposal, the gains or profits realised from the disposal will be assessed to tax on the Trustee if they are considered to be trading gains. Such gains or profits realized will be assessed at the prevailing corporate tax rate and the Trustee will have to pay the tax so assessed. In the event that the Trustee and the Manager exercise their discretion to make a distribution out of such gains assessed to tax directly on the Trustee, the Trustee and the Manager will not have to make further deduction of income tax from the distribution made.

Gains or profits of CIT arising from sale of real properties, if confirmed to be capital gains by IRAS, are not subject to tax as there is no capital gains tax in Singapore.

Whether a gain realised from the disposal of real properties is a capital gain or a trading profit will have to be determined based on the circumstances of the transaction and the overall business traits of CIT.

Rollover Adjustment

It is the intention of the Trustee and the Manager that distributions be made out of Taxable Income so determined by them. This may vary from the Taxable Income determined by the IRAS when the tax returns of CIT are subsequently examined. In order to address this variance, the Tax Ruling has allowed the Trustee and the Manager, subject to certain terms and conditions, to adopt a rollover adjustment, such that the variance will be adjusted against the Taxable Income determined by the Trustee and the Manager for the next distribution immediately after the variance has been agreed with the IRAS.

TAXATION OF UNITHOLDERS

Basis of Assessment

Unitholders are charged to Singapore income tax on distributions from CIT for the year of assessment corresponding to the year of assessment to which the Taxable Income of CIT relates. This means that if a distribution is made out of Taxable Income of CIT for the financial year ending on 31 December 2006 forming the basis period for the year of assessment 2007, the Unitholders will be taxed on such distribution for the year of assessment 2007 regardless of when the distribution is actually made.

The Income Source of Distributions

Unitholders will be chargeable to Singapore income tax on distributions from CIT either as income sourced under section 10(1)(a) or section 10(1)(g) of the Income Tax Act, Chapter 134, depending on the circumstances of the Unitholders. If a Unitholder holds the Units as investment assets, the distributions are chargeable to tax under section 10(1)(g) as gains or profits of an income nature. If a Unitholder holds the Units as trading assets, the distributions are chargeable to tax under section 10(1)(a) as gains or profits from a trade or business.

Taxation of Individual Unitholders who hold Units as Investment Assets

All distributions (other than out of franked dividends) from CIT to Individual Unitholders who are beneficially entitled to the distributions, regardless of their nationality or place of residence, will be exempted from Singapore income tax if they receive such distributions as their investment income and not through a partnership in Singapore.

Taxation of Individual Unitholders who hold Units as Trading Assets or through a Partnership in Singapore

Individuals who beneficially own Units will be subject to Singapore income tax if the distributions they receive do not qualify to be regarded as their investment income or that the distributions are received through a partnership in Singapore. Whether or not the distributions received by the Individual Unitholders form part of their investment income is a question of fact and has to be determined based on the factual situations of the Individual Unitholders. It is advisable for Individual Unitholders to consult their tax advisers in relation to their particular situations.

Individual Unitholders who do not qualify for the tax exemption as mentioned above will be chargeable to Singapore income tax on distributions received from CIT (including distributions made out of capital gains realised from the sale of real properties if the Units are held as trading assets). They are required to report the re-grossed amount (the amount of distributions received and the proportionate amount of the imputed tax, if any) and to claim a tax credit for the proportionate amount of the imputed tax.

The Tax Ruling has stipulated that distribution of such Retained Taxable Income and trading gains from the disposal of real properties (on which the Trustee has been assessed to tax) shall be treated as the net distribution and shall be re-grossed at the corporate tax rate prevailing at the time the distribution is made. Where the prevailing corporate tax rate at the time the distribution is made is lower than the corporate tax rate used in determining the tax payable by the Trustee on the Retained Taxable Income and trading gains from the disposal of real properties, a part of the tax paid by the Trustee will not be imputed as tax paid by the Unitholders.

Taxation of Non-Individual Unitholders

All Unitholders who are not individuals ("Non-Individual Unitholders") are chargeable to Singapore income tax on distributions from CIT regardless of whether tax has been deducted at source. Such Unitholders are required to report the gross amount (including the tax deducted at source, as the case may be) or the re-grossed amount (the amount of distributions received and the proportionate amount of the imputed tax, if any) when filing their tax returns and to claim a tax credit for the tax deducted at source or the imputed tax. The reporting of the gross amount is applicable when distributions from CIT are made out of Taxable Income. The reporting of re-grossed amount is applicable when distributions from CIT are made out of Retained Taxable Income or trading gains from the disposal of real properties where tax has been assessed on the Trustee. For the purpose of arriving at the re-grossed amount, the Tax Ruling has stipulated that the distribution from CIT shall be treated as the net distribution and shall be re-grossed at the corporate tax rate prevailing at the time the distribution is made. Where the prevailing corporate tax rate at the time the distribution is made is lower than the corporate tax rate used in determining the tax payable by the Trustee on the Retained Taxable Income and trading gains from the disposal of real properties, a part of the tax paid by the Trustee will not be imputed as tax paid by the Non-Individual Unitholders.

The Non-Individual Unitholders will not be taxable on distributions from CIT made out of capital gains from the disposal of real properties if the Units are held by them as investment assets. Non-Individual Unitholders who are traders of such Units or other related assets will be taxable on such distributions.

Distributions made by CIT to its foreign non-individual Unitholders will be subject to Singapore withholding tax or tax deduction at source at the reduced rate of 10.0% for a period of five years from

18 February 2005. This reduced withholding tax rate of 10.0% will also apply to nominee Unitholders who can demonstrate that the Units are held for beneficial owners who are foreign non-individual investors.

Distributions of Capital Gains

Distributions made out of gains or profits arising from the future sale of real properties that have been confirmed by IRAS as capital gains are not taxable in the hands of Unitholders provided that the Units are not held by them as trading assets. Where the Unitholders are subject to tax on such gains, they will be assessable to tax at their own respective rates.

Gains on Disposal of Units

Unitholders who are in the trade or business of dealing in investments will be chargeable to tax on the profits realised from the disposal of Units. Whether or not a Unitholder is in the trade or business of dealing in investments will be determined based on the Unitholder's circumstances. Unitholders who are not in the trade or business of dealing in investments may also be chargeable to tax on the gains realised from the disposal of Units if such gains are treated as trading gains having regard to the circumstances of the transaction. Unitholders are encouraged to seek advice from their tax advisers to determine the tax implications regarding the acquisition, ownership and disposition of their investments in Units.

Declarations by Unitholders

All Qualifying Unitholders, foreign non-individual Unitholders and nominee Unitholders who can demonstrate that the Units are held for beneficial owners who are Qualifying Unitholders or foreign non-individual investors are required to make a declaration of their legal and tax residence status in the prescribed form to be provided by the Trustee. A draft sample is attached as an annex to this letter. The prescribed form must be completed and returned to the Trustee within the time limit set by the Trustee and the Manager. The Trustee and the Manager will make a distribution without deduction of tax or with deduction at the reduced tax rate of 10.0% only if they are satisfied from the declarations made in the prescribed forms as to their legal and tax residence status.

Individual Unitholders do not have to make this declaration.

Definition of Tax Resident in the case of a Company

A company is considered to be a tax resident in Singapore if the control and management of the company is exercised in Singapore.

Terms and Conditions of the Tax Ruling

The Tax Ruling granted by the IRAS is conditional upon the Trustee and the Manager complying with certain terms and conditions. The Trustee and the Manager have given the relevant undertakings to the IRAS to take all reasonable steps necessary to safeguard the IRAS against tax leakages as a result of the Tax Ruling and to comply with all administrative requirements to ensure ease of tax administration.

The IRAS has expressly reserved the rights to review, amend and revoke the Tax Ruling either in part or in whole at any time.

Yours faithfully,

Leonard Ong
Director, Tax
For and on behalf of
KPMG Tax Services Pte Ltd

ANNEX A

To: B.A.C.S. Private Limited
63 Cantonment Road
Singapore 089758

FORM A
DECLARATION FOR SINGAPORE TAX PURPOSES

Name of registered holder (preprinted) Address (preprinted)	Securities Account No. (preprinted) Holding: Units (preprinted)
Name of Counter: Cambridge Industrial Trust	

Please read the following important notes carefully before completion of this Form:

1. The Trustee and the Manager of Cambridge Industrial Trust ("CIT") will not deduct tax from distributions made out of CIT's taxable income that is not taxed at the trustee level of CIT to:

   (a) Unitholders who are individuals and who hold the units either in their sole names or jointly with other individuals;

   (b) Unitholders which are companies incorporated and tax resident in Singapore;

   (c) Unitholders which are Singapore branches of foreign companies that have obtained specific approval from the Inland Revenue Authority of Singapore to receive the distribution from the trustee of CIT without deduction of tax; or

   (d) Unitholders which are non-corporate entities (excluding partnerships) constituted or registered in Singapore, such as:

      (i) institutions, authorities, persons or funds specified in the First Schedule to the Income Tax Act (Cap. 134);

      (ii) co-operative societies registered under the Co-operative Societies Act (Cap. 62);

      (iii) trade unions registered under the Trade Unions Act (Cap. 333);

      (iv) charities registered under the Charities Act (Cap. 37) or established by an Act of Parliament; and

      (v) town councils.

2. For distributions made to classes of unitholders that do not fall within the categories stated under Note 1 above, the Trustee and the Manager of CIT will deduct tax at the rate of 10% if the unitholders are foreign non-individual investors. A foreign non-individual investor is one which is not a resident of Singapore* for income tax purposes and:

   (a) which does not have a permanent establishment^ in Singapore; or

   (b) which carries on any operation in Singapore through a permanent establishment in Singapore, where the funds used to acquire the units in CIT are not obtained from that operation.

3. Unitholders are required to complete the applicable Section A, B or C if they fall within the categories (b) to (d) stated under Note 1 or Section D if they qualify as a foreign non-individual investor as described under Note 2.

4. The Trustee and the Manager of CIT will rely on the declarations made in this Form to determine (i) if tax is to be deducted for the categories of unitholders listed in (b) to (d) under Note 1; and (ii) if tax is to be deducted at the rate of 10% for distributions to foreign non-individual investors. Please therefore ensure that the appropriate section of this Form is completed in full and legibly and is returned to B.A.C.S. Private Limited within the stipulated time limit. Failure to comply with any of these requirements will render this Form invalid and therefore, the Trustee and the Manager will be obliged to deduct tax at the prevailing corporate tax rate from the distributions in respect of which this declaration is made.

5. **Unitholders who fall within class (a) under Note 1 are not required to submit this declaration form.**

6. Unitholders who do not fall within the classes of Unitholders listed in Note 1 and Note 2 above can choose not to return this Form as tax will be deducted from the distributions made to them at the prevailing corporate tax rate in any case.

7. Unitholders who hold their Units jointly (where at least one of the joint holders is not an individual) or through nominees do not have to return this Form.

8. Please make sure that the information given and the declaration made in this Form is true and correct. The making of a false or incorrect declaration constitutes an offence under the Income Tax Act and the Declarant shall be liable to the appropriate penalties imposed under the said Act.

9. This Form must be returned to B.A.C.S. Private Limited, 63 Cantonment Road, Singapore 089758 by **[Date]** .

* A company is not a resident of Singapore if the management and control of its business is exercised outside Singapore.

^ Under the Singapore Income Tax Act, permanent establishment means a fixed place where a business is wholly or partly carried on including a place of management, a branch, an office, a factory, a warehouse, a workshop, a farm or plantation, a mine, oil well, quarry or other place of extraction of natural resources, a building or work site or a construction, installation or assembly project. A unitholder shall be deemed to have a permanent establishment in Singapore if it:

(i) carries on supervisory activities in connection with a building or work site or a construction, installation or assembly project; or

(ii) has another person acting on the unitholder's behalf in Singapore who:

  (a) has and habitually exercises an authority to conclude contracts;

  (b) maintains stock of goods or merchandise for the purpose of delivery on its behalf, or

  (c) habitually secures orders wholly and almost wholly for the unitholder or for such other enterprises as are controlled by the unitholder.

ANNEX A1

DECLARATION FOR SINGAPORE TAX PURPOSES

Section A: To be completed by Unitholder which is a Singapore incorporated company

I, ____ , NRIC/Passport No _____________________, the Director of ____ ("the Company") hereby declare that the Company is the beneficial owner of the holdings stated above and that:

Tick (/) either the "Yes" or "No" box	**Yes**	**No**
(a) the Company is incorporated in Singapore and its registration number is ☐☐☐☐☐☐☐☐☐☐☐☐ :	☐	☐
(b) the management and control of the Company's business for the preceding year and from the beginning of this year to the date of this Declaration was exercised in Singapore and there is no intention, at the time of this Declaration, to change the place of management and control of the Company to a location outside Singapore; and	☐	☐
(c) the Company has previously filed tax returns with the Inland Revenue Authority of Singapore.	☐	☐

If your reply to (c) is "Yes", please proceed with (d) -

(d) the Company is declared as a tax resident of Singapore# based on the latest tax return filed with the Inland Revenue Authority of Singapore.	☐	☐

Signature of Declarant : __________________________ Date: ___________________________

Contact No: __________________________________

A company is tax resident in Singapore if the management and control of its business is exercised in Singapore

Section B : To be completed by Unitholder which is a Singapore branch of a foreign company

I, ______________________________________ NRIC/Passport No ______________________ , the manager of ____ (the "Singapore Branch") hereby declare that the Singapore Branch is the beneficial owner of the holdings stated above and that the Inland Revenue Authority of Singapore has granted approval to the Singapore Branch to receive distribution from CIT without deduction of tax. A copy of the letter of approval dated _______________________ is attached

Signature of Declarant : ____________________________ Date: _______________________

Contact No: _____________________________________

Section C : To be completed by Unitholder which falls under Note 1(d)

I, ____________________________, NRIC/Passport No. ___________________, the principal officer of _______________________________ ("the Entity") hereby declare that the Entity is the beneficial owner of the holdings stated above and that the entity is (tick whichever is applicable):

☐ – an institution, authority, person or fund specified in the First Schedule to the Income Tax Act (Cap. 134).

☐ – a co-operative society registered under the Co-operative Societies Act (Cap. 62).

☐ – a trade union registered under the Trade Unions Act (Cap. 333).

☐ – a charity registered under the Charities Act (Cap. 37) or a charity established by an Act of Parliament.

☐ – a town council.

☐ – any other non-corporate entity (other than a partnership) constituted or registered in Singapore.

Signature of Declarant : _______________________ Date: _________________________

Contact No: ________________________________

Section D : To be completed by Unitholder which falls under Note 2

I, ____________________________, NRIC/Passport No. ___________________, the Director/Principal Officer of _________________________________ (the "Entity") hereby declare that the Entity is the beneficial owner of the holdings stated above and that:

Tick (/) either the "Yes" or "No" box

		Yes	**No**
(a)	the Entity is not a resident of Singapore* for income tax purposes for the preceding year and from the beginning of this year to the date of this Declaration and there is no intention, at the time of this Declaration, to change the tax residence of the Entity to Singapore; and	☐	☐
(b)	the Entity does not have a permanent establishment^ in Singapore.	☐	☐

If your reply to (b) is "No", please proceed with (c) -

(c)	the funds used to acquire the holdings in CIT are not obtained by the Entity from any operation carried on in Singapore through a permanent establishment in Singapore.	☐	☐

Signature of Declarant : _______________________ Date: _________________________

Contact No: ________________________________

*/^ Please see front page.

ANNEX B

To: B.A.C.S. Private Limited
63 Cantonment Road
Singapore 089758

FORM B
DECLARATION BY DEPOSITORY AGENTS FOR SINGAPORE TAX PURPOSES

Name of registered holder (preprinted) Address (preprinted)	Securities Account No. (preprinted) Holding: Units (preprinted)
Name of Counter: Cambridge Industrial Trust	

Please read the following important notes carefully before completion of this Form:

1. The Trustee and the Manager of Cambridge Industrial Trust ("CIT") will deduct tax at the prevailing corporate tax rate from distributions made out of CIT's taxable income, that is not taxed at the trustee level of CIT, in respect of units held by you in your capacity as a Depository Agent except where the beneficial owners of these units are: –

    (i) individuals and the units are not held through a partnership in Singapore;

    (ii) qualifying unitholders; or

    (iii) foreign non-individual investors.

2. Tax will not be deducted for distributions made in respect of units held by you for the benefit of unitholders who fall within categories (i) and (ii) of Note 1. Tax will be deducted at the reduced rate of 10% for distributions made in respect of units held by you for the benefit of foreign non-individuals.

3. A qualifying unitholder refers to:

    (i) a company incorporated and tax resident in Singapore;

    (ii) non-corporate entities (excluding partnerships) constituted or registered in Singapore; such as

        (a) institutions, authorities, persons or funds specified in the First Schedule to the Income Tax Act (Cap. 134);

        (b) co-operative societies registered under the Co-operative Societies Act (Cap. 62);

        (c) trade unions registered under the Trade Unions Act (Cap. 333);

        (d) charities registered under the Charities Act (Cap. 37) or established by an Act of Parliament; and

        (e) town councils.

    (iii) a Singapore branch of a foreign company which has obtained from the Inland Revenue Authority of Singapore, a waiver from tax deducted at source in respect of distributions from the Trustee of CIT.

4. A foreign non-individual is one which is not a resident in Singapore* for income tax purposes and:
   (i) which does not have a permanent establishment^ in Singapore; or
   (ii) which carries on any operation in Singapore through a permanent establishment in Singapore, where the funds used to acquire the units in CIT are not obtained from that operation.

5. The Trustee and the Manager of CIT will rely on the declarations made in this Form to determine the applicable rate at which tax is to be deducted in respect of the units held by you in your capacity as a Depository Agent. Please therefore ensure that this Form and the Annexes are completed in full and legibly and is returned to B.A.C.S. Private Limited within the stipulated time limit. Failure to comply with any of these requirements will render this Form invalid and the Trustee and the Manager will deduct tax at the prevailing corporate tax rate from the distributions in respect of which this declaration is made.

6. Please make sure that the information given and the declaration made in this Form is true and correct. The making of false or incorrect declaration constitutes an offence under the Income Tax Act and the Declarant shall be liable to the appropriate penalties imposed under the said Act.

7 This Form, together with hard copy of the Annexes, must be returned to B.A.C.S. Private Limited, 63 Cantonment Road, Singapore 089758 by **[Date]**. Please complete the Annexes using the soft copy of the excel spreadsheet provided to you and also email a soft copy of the completed Annexes to B.A.C.S. Private Limited at **[Email]** by **[Date]**. Please note that it is **compulsory** to email the soft copy of the completed Annexes.

Declaration

I, ________________________________, NRIC/Passport No. _______________, the principal officer of _________________("the Depository Agent") hereby declare that the CIT units registered in the name of the Depository Agent and deposited in the sub-accounts maintained with The Central Depository (Pte) Ltd, as listed in the Annexes B1 to B3 to this declaration, belonged beneficially to persons who are individuals, qualifying unitholders (as defined in Note 3 above) and foreign non-individuals (as defined in Note 4 above), respectively. The details of each of these beneficial owners are also listed in the respective Annexes.

We hereby also undertake to provide the actual amount of gross distribution made to each qualifying unitholder in the format provided in Annex B2.1 and to email a soft copy of Annex B2.1 to B.A.C.S. Private Limited within 21 days from the date of the distribution.

Signature of Declarant:__________________________ Date:___________________

Contact No:___________________

* A company is a not resident of Singapore if the management and control of its business for the preceding year and from the beginning of this year to the date of this declaration was exercised outside Singapore and there is no intention, at the time of this declaration, to change tax residence of the company to Singapore.

^ Under the Singapore Income Tax Act, permanent establishment means a fixed place where a business is wholly or partly carried on including a place of management, a branch, an office, a factory, a warehouse, a workshop, a farm or plantation, a mine, oil well, quarry or other place of extraction of natural resources, a building or work site or a construction, installation or assembly project. A unitholder shall be deemed to have a permanent establishment in Singapore if it:

(i) carries on supervisory activities in connection with a building or work site or a construction, installation or assembly project; or

(ii) has another person acting on the unitholder's behalf in Singapore who:

  (a) has and habitually exercises an authority to conclude contracts;

  (b) maintains stock of goods or merchandise for the purpose of delivery on its behalf; or

  (c) habitually secures orders wholly and almost wholly for the unitholder or for such other enterprises as are controlled by the unitholder.

CAMBRIDGE INDUSTRIAL TRUST ("CIT") **ANNEX B1**

Distribution Period:

Annex to Declaration Form B — Individuals

S/No.	CDP Sub-Account No.	Name of beneficiary holder(s)	Identification No.*	Number of units
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				

* This refers to Singapore NRIC No., foreign ID No. or Passport No.

CAMBRIDGE INDUSTRIAL TRUST ("CIT") **ANNEX B2**

Distribution Period:

Annex to Declaration Form B — Qualifying Unitholders

S/No.	CDP Sub-Account No.	Name of beneficiary holder(s)	Registration No.*	Number of units
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				

* This refers to Company Registration No./Tax Reference No.

CAMBRIDGE INDUSTRIAL TRUST ("CIT") **ANNEX B2.1**

Distribution Period:

Annex to Declaration Form B — Qualifying Unitholders

S/No	CDP Sub-Account No.	Name of beneficiary holder(s)	Registration No.*	Number of units	Gross Distribution Paid
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					

* This refers to Company Registration No./Tax Reference No.

Distribution Period:

Annex to Declaration Form B — Foreign Non-Individuals

S/No.	CDP Sub-Account No.	Name of beneficiary holder(s)	Address	Number of units
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				

TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION FOR AND ACCEPTANCE OF THE OFFERING UNITS IN SINGAPORE

Applications are invited for the subscription of the Units under the Offering at the subscription price of S$0.68 per Unit (the "Offering Price") on the terms and conditions set out below and in the relevant Application Forms or, as the case may be, the Electronic Applications (as defined below). Investors applying for the Offer Units (as defined below) by way of Application Forms or Electronic Applications are required to pay the Offering Price of S$0.68 per Unit, subject to a refund of the full amount or, as the case may be, the balance of the applications monies (in each case without interest or any share of revenue or other benefit arising therefrom) where (i) an application is rejected or accepted in part only, or (ii) if the Offering does not proceed for any reason.

Investors applying for the Placement Units (as defined below) are required to pay, in Singapore dollars for each Placement Unit applied for, the Offering Price in the case of an application by way of a Placement Units Application Form, subject to a refund of the full amount or, as the case may be, the balance of the application monies (without interest or any share of revenue or other benefit arising therefrom) where (i) an application is rejected or accepted in part only, or (ii) if the Offering does not proceed for any reason.

(1) **Your application must be made in lots of 1,000 Units or integral multiples thereof. Your application for any other number of Units will be rejected.**

(2) You may apply for the Units under the Offering only during the period commencing at 7.00 p.m. on 14 July 2006 and expiring at 12.00 noon on 19 July 2006. The Offering period may be extended or shortened to such date and/or time as the Manager may agree with the Joint Lead Underwriters, subject to all applicable laws and regulations and the rules of the SGX-ST.

(3) (a) Your application for the Units offered in the Public Offer (the "Offer Units"), other than the CIT Reserved Units, may be made by way of the printed **WHITE** Offer Units Application Forms or by way of Automated Teller Machines ("ATMs") belonging to the Participating Banks ("ATM Electronic Applications") or the Internet Banking ("IB") website of the relevant Participating Banks ("Internet Electronic Applications").

(b) Your application for the Units offered in the Placement Tranche (the "Placement Units") may be made by way of the printed **BLUE** Placement Units Application Forms (or in such other manner as the Joint Lead Underwriters may in their absolute discretion deem appropriate).

(c) Your application for CIT Reserved Units may only be made by way of the printed **PINK** Reserved Units Application Forms.

(4) **You may use up to 35.0 per cent. of your CPF Investible Savings ("CPF Funds") to apply for the Units.** Approval has been obtained from the Central Provident Fund Board ("CPF Board") for the use of such CPF Funds pursuant to the Central Provident Fund (Investment Schemes) Regulations, as may be amended from time to time, for the subscription of the Units. You may also use up to 35.0 per cent. of your CPF Funds for the purchase of the Units in the secondary market.

(5) If you are using CPF Funds to apply for the Units, you must have a CPF Investment Account maintained with the relevant Participating Bank. You do not need to instruct the CPF Board to transfer CPF Funds from your CPF Ordinary Account to your CPF Investment Account.

The use of CPF Funds to apply for the Units is further subject to the terms and conditions set out in the section on "Terms and Conditions for Use of CPF Funds" on page VI-22 of this Prospectus.

(6) **Only one application may be made for the benefit of one person for the Offer Units (other than CIT Reserved Units) in his own name. Multiple applications for the Offer Units (other than CIT Reserved Units) will be rejected, except in the case of applications by approved nominee companies where each application is made on behalf of a different beneficiary.**

You may not submit multiple applications for the Offer Units (other than CIT Reserved Units) via the Offer Units Application Form, ATM Electronic Applications or Internet Electronic Applications. A person who is submitting an application for the Offer Units (other than CIT Reserved Units) by way of the Offer Units Application Form may not submit another application for the Offer Units (other than CIT Reserved Units) by way of an ATM Electronic Application or Internet Electronic Application and vice versa.

A person, other than an approved nominee company, who is submitting an application for the Offer Units (other than CIT Reserved Units) in his own name should not submit any other applications for the Offer Units (other than CIT Reserved Units), whether on a printed Application Form or through an ATM Electronic Application or Internet Electronic Application, for any other person. Such separate applications will be deemed to be multiple applications and may be rejected at the discretion of the Manager.

Joint or multiple applications for the Offer Units (other than CIT Reserved Units) shall be rejected. Persons submitting or procuring submissions of multiple applications for the Offer Units (other than CIT Reserved Units) may be deemed to have committed an offence under the Penal Code, Chapter 224 of Singapore and the Securities and Futures Act, and such applications may be referred to the relevant authorities for investigation.

(7) **Multiple applications may be made in the case of applications by any person for (i) the Placement Units only, or (ii) the Placement Units together with a single application for the Offer Units (other than CIT Reserved Units).**

Multiple applications may also be made by any person entitled to apply for the CIT Reserved Units, in respect of a single application for the CIT Reserved Units and (i) a single application for the Offer Units (other than CIT Reserved Units), or (ii) a single or multiple application(s) for the Placement Units or (iii) both (i) and (ii).

(8) Applications from any person under the age of 21 years, undischarged bankrupts, sole proprietorships, partnerships, non-corporate bodies, joint Securities Account holders of CDP will be rejected.

(9) Applications from any person whose addresses (furnished in their printed Application Forms or, in the case of ATM Electronic Applications and Internet Electronic Applications, contained in the records of the relevant Participating Bank, as the case may be) bear post office box numbers will be rejected. No person acting or purporting to act on behalf of a deceased person is allowed to apply under the Securities Account with CDP in the deceased's name at the time of the application.

(10) The existence of a trust will not be recognised. Any application by a trustee or trustees must be made in his/her or their own name(s) and without qualification or, where the application is made by way of a printed Application Form by a nominee, in the name(s) of an approved nominee company or approved nominee companies after complying with paragraph 11 below.

(11) **Nominee applications may only be made by approved nominee companies.** Approved nominee companies are defined as banks, merchant banks, finance companies, insurance companies, licensed securities dealers in Singapore and nominee companies controlled by them. Applications made by nominees other than approved nominee companies will be rejected.

(12) **If you are not an approved nominee company, you must maintain a Securities Account with CDP in your own name at the time of your application.** If you do not have an existing Securities Account with the CDP in your own name at the time of application, your application will be rejected (if you apply by way of an Application Form) or you will not be able to complete your application (if you apply by way of an Electronic Application).

(13) Subject to paragraph 17 below, your application is liable to be rejected if your particulars such as name, National Registration Identity Card ("NRIC") or passport number, nationality and permanent residence status, and CDP Securities Account number provided in your Application Form, or in the records of the relevant Participating Bank at the time of your Electronic Application, as the case may be, differ from those particulars in your Securities Account as maintained by CDP. If you have more than one individual direct Securities Account with the CDP, your application shall be rejected.

(14) **If your address as stated in the Application Form or, in the case of an Electronic Application, contained in the records of the relevant Participating Bank, as the case may be, is different from the address registered with CDP, you must inform CDP of your updated address promptly, failing which the notification letter on successful allocation from CDP will be sent to your address last registered with CDP.**

(15) This Prospectus and its accompanying Application Forms have not been registered in any jurisdiction other than in Singapore. The distribution of this Prospectus and its Application Forms may be prohibited or restricted (either absolutely or unless various securities requirements, whether legal or administrative, are complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. Without limiting the generality of the foregoing, neither this Prospectus (including its Application Forms) nor any copy thereof may be published or distributed, directly or indirectly, in whole or in part, in or into the United States and they do not constitute an offer of securities for sale into the United States or any jurisdiction in which such offer is not authorized or to any person to whom it is unlawful to make such an offer. The Units have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") and, subject to certain exceptions, may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act ("Regulation S")). The Units are being offered and sold outside the United States to non-U.S. persons (including institutional and other investors in Singapore) in reliance on Regulation S. There will be no public offer of Units in the United States. Any failure to comply with this restriction may constitute a violation of United States securities laws.

The Manager reserves the right to reject any applications for Units where the Manager believes or has reason to believe that such applications may violate the securities laws of any jurisdiction.

No person in any jurisdiction outside Singapore receiving this Prospectus or its accompanying Application Forms may treat the same as an offer or invitation to subscribe for any Units unless such an offer or invitation could lawfully be made without compliance with any regulatory or legal requirements in those jurisdictions.

(16) The Manager reserves the right to reject any application which does not conform strictly to the instructions set out in this Prospectus (including the instructions set out in the Application Forms, in the ATM and IB websites of the relevant Participating Banks) or, in the case of an application by way of an Application Form, which is illegible, incomplete, incorrectly completed or which is accompanied by an improperly drawn up or improper form of remittance.

(17) The Manager further reserves the right to treat as valid any applications not completed or submitted or effected in all respects in accordance with the instructions set out in this Prospectus (including the instructions set out in the Application Forms and in the ATMs and IB websites of the relevant Participating Banks), and also to present for payment or other processes all remittances at any time after receipt and to have full access to all information relating to, or deriving from, such remittances or the processing thereof.

Without prejudice to the rights of the Manager, the Joint Lead Underwriters, as agents of the Manager, have been authorised to accept, for and on behalf of the Manager, such other forms of application as the Joint Lead Underwriters may, in consultation with the Manager, deem appropriate.

(18) The Manager reserves the right to reject or to accept, in whole or in part, or to scale down or to ballot, any application, without assigning any reason therefor, and none of the Trustee, Manager and any of the Joint Lead Underwriters will entertain any enquiry and/or correspondence on the decision of the Manager. This right applies to applications made by way of Application Forms and by way of Electronic Applications and by such other forms of application as the Joint Lead Underwriters may, in consultation with the Manager, deem appropriate. In deciding the basis of allocation, the Manager will give due consideration to the desirability of allocating the Units to a reasonable number of applicants with a view to establishing an adequate market for the Units.

(19) The Units may be reallocated between the Placement Tranche and the Public Offer at the discretion of the Joint Lead Underwriters in the event of excess applications in one and a deficit of applications in the other. In the event that any of the CIT Reserved Units are not subscribed for, such unit(s) will be made available to satisfy over-subscription in the Placement Tranche and/or the Public Offer (other than the CIT Reserved Tranche).

(20) It is expected that CDP will send to you, at your own risk, within 15 Market Days after the close of the Offering, and subject to the submission of valid applications and payment for the Units and the Offering Price being agreed upon between the Joint Lead Underwriters and the Manager, a statement of account stating that your Securities Account has been credited with the number of Units allocated to you. This will be the only acknowledgement of application monies received and is not an acknowledgement by the Manager. You irrevocably authorise CDP to complete and sign on your behalf as transferee or renouncee any instrument of transfer and/or other documents required for the issue or transfer of the Units allocated to you. This authorisation applies to applications made both by way of Application Forms and by way of Electronic Applications.

(21) You irrevocably authorise CDP to disclose the outcome of your application, including the number of Units allocated to you pursuant to your application, to the Manager, the Joint Lead Underwriters, the Public Offer Co-ordinator and any other parties so authorised by the Manager and/or the Joint Lead Underwriters.

(22) Any reference to "you" or the "Applicant" in this section shall include a person, a corporation, an approved nominee company and trustee applying for the Units by way of an Application Form or by way of Electronic Application.

(23) By completing and delivering an Application Form or such other forms of application as the Joint Lead Underwriters may, in consultation with the Manager, deem appropriate and, in the case of an ATM Electronic Application, by pressing the "Enter" or "OK" or "Confirm" or "Yes" key or any other relevant key on the ATM or, in the case of an Internet Electronic Application, by clicking "Submit" or "Continue" or "Yes" or "Confirm" or any other button on the IB website screen in accordance with the provisions herein, you:

(a) irrevocably agree and undertake to subscribe for the number of Units specified in your application (or such smaller number for which the application is accepted) at the Offering Price for each Unit and agree that you will accept such number of Units as may be allocated to you, in each case on the terms of, and subject to the conditions set out in, this Prospectus and its accompanying Application Forms and the Trust Deed;

(b) agree that, in the event of any inconsistency between the terms and conditions for application set out in this Prospectus and its accompanying Application Forms and those set out in the IB websites or ATMs of the Participating Banks, the terms and conditions set out in this Prospectus and its accompanying Application Forms shall prevail;

(c) in the case of an application by way of an Offer Units Application Form, an ATM Electronic Application or Internet Electronic Application, agree that the aggregate Offering Price for the Units applied for is due and payable to the Manager upon application;

(d) warrant the truth and accuracy of the information contained, and representations and declarations made, in your application, and acknowledge and agree that such information, representations and declarations will be relied on by the Manager in determining whether to accept your application and/or whether to allocate any Units to you; and

(e) agree and warrant that, if the laws of any jurisdictions outside Singapore are applicable to your application, you have complied with all such laws and none of the Manager, the Joint Lead Underwriters or the Public Offer Co-ordinator will infringe any such laws as a result of the acceptance of your application.

(24) In the event that the Manager lodges a supplementary or replacement prospectus ("Relevant Document") pursuant to the Securities and Futures Act or any applicable legislation in force from time to time prior to the close of the Offering, and the Offering Units have not been issued, the Manager will within seven days of the lodgement of the Relevant Document give you a copy of the Relevant Document.

(25) Acceptance of applications will be conditional upon, *inter alia*, the Manager being satisfied that:

(a) permission has been granted by the SGX-ST to deal in and for quotation of all the Units on the Official List of the SGX-ST; and

(b) the Underwriting Agreement has become unconditional and has not been terminated.

(26) In the event that a stop order in respect of the Offering Units is served by the Authority or other competent authority, and

(a) the contributions of the applicants to CIT have not yet been invested in accordance with the Trust Deed:–

(i) where the Offering Units have not been issued, the Manager will (as required by law) deem all applications withdrawn; or

(ii) where the Offering Units have been issued, the issue will (as required by law) be deemed void,

and the Manager will, within seven days from the date of the stop order, refund the application monies (without interest or any share of revenue or other benefit arising therefrom) to you, including contributions to CIT and charges paid to the Manager, its agent, or any person through whom you have applied for the Offering Units; or

(b) the contributions of the applicants to CIT have been invested in accordance with the Trust Deed, the Authority may by notice in writing issue such directions to the Manager as it deems fit, including a direction that the Manager provide the applicants with an option, on such terms as the Authority may approve, to obtain from the manager a refund of all monies contributed by the applicants or to redeem their Units in accordance with the Trust Deed.

This shall not apply where only an interim stop order has been served.

(27) In the event that an interim stop order in respect of the Offering Units is served by the Authority or other competent authority, no Offering Units shall be issued to you until the Authority revokes the interim stop order.

(28) The Authority is not able to serve a stop order in respect of the Offering Units if the Offering Units have been issued and listed on a securities exchange and trading in them has commenced.

(29) Additional terms and conditions for applications by way of Application Forms are set out in the section "Additional Terms and Conditions for Applications using Printed Application Forms" on pages VI-6 to VI-10 of this Prospectus.

(30) Additional terms and conditions for applications by way of Electronic Applications are set out in the section "Additional Terms and Conditions for Electronic Applications" on pages VI-11 to VI-16 of this Prospectus.

(31) Terms and conditions governing the use of CPF funds are set out in the section "Terms and Conditions for Use of CPF Funds" on page VI-22 of this Prospectus.

(32) No application will be held in reserve.

(33) The Prospectus is dated 14 July 2006. No Units will be allocated on the basis of this Prospectus later than 12 months after the date of the Prospectus.

ADDITIONAL TERMS AND CONDITIONS FOR APPLICATIONS USING PRINTED APPLICATION FORMS

Applications by way of an Application Form shall be made on, and subject to the terms and conditions of this Prospectus, including but not limited to the terms and conditions set out below, as well as those set out under the section "Terms, Conditions and Procedures for Application for and Acceptance of the Offering Units in Singapore" on pages VI-1 to VI-22 of this Prospectus and the Trust Deed.

(1) Applications for the Offer Units (other than CIT Reserved Units) must be made using the printed **WHITE** Offer Units Application Forms and printed **WHITE** official envelopes "A" and "B", accompanying and forming part of this Prospectus.

Applications for the Placement Units must be made using the printed **BLUE** Placement Units Application Forms, accompanying and forming part of this Prospectus.

Applications for the CIT Reserved Units must be made using the printed **PINK** Reserved Units Application Forms, accompanying and forming part of this Prospectus.

Without prejudice to the rights of the Manager, the Joint Lead Underwriters, as agents of the Manager, have been authorised to accept, for and on behalf of the Manager, such other forms of application, as the Joint Lead Underwriters may (in consultation with the Manager) deem appropriate.

Your attention is drawn to the detailed instructions contained in the respective Application Forms and this Prospectus for the completion of the Application Forms, which must be carefully followed. **The Manager reserves the right to reject applications which do not conform strictly to the instructions set out in the Application Forms and this Prospectus or which are illegible, incomplete, incorrectly completed or which are accompanied by improperly drawn remittances or improper form of remittances.**

(2) You must complete your Application Forms in English. Please type or write clearly in ink using BLOCK LETTERS.

(3) You must complete all spaces in your Application Forms except those under the heading "FOR OFFICIAL USE ONLY" and you must write the words "NOT APPLICABLE" or "N.A." in any space that is not applicable.

(4) Individuals, corporations, approved nominee companies and trustees must give their names in full. If you are an individual, you must make your application using your full name as it appears on your identity card (if you have such an identification document) or in your passport and, in the case of a corporation, in your full name as registered with a competent authority. If you are not an individual, you must complete the Application Form under the hand of an official who must state the name and capacity in which he signs the Application Form. If you are a corporation completing the Application Form, you are required to affix your Common Seal (if any) in accordance with your Memorandum and Articles of Association or equivalent constitutive documents of the corporation. If you are a corporate applicant and your application is successful, a copy of your Memorandum and Articles of Association or equivalent constitutive documents must be lodged with the CIT's Unit Registrar and Unit Transfer Office. The Manager reserves the right to require you to produce documentary proof of identification for verification purposes.

(5) (a) You must complete Sections A and B and sign page 1 of the Application Form.

(b) You are required to delete either paragraphs 6(c) or 6(d) on page 1 of the Application Form. Where paragraph 6(c) is deleted, you must also complete Section C of the Application Form with particulars of the beneficial owner(s).

(c) If you fail to make the required declaration in paragraph 6(c) or 6(d), as the case may be, on page 1 of the Application Form, your application is liable to be rejected.

(6) You (whether an individual or corporate applicant, whether incorporated or unincorporated and wherever incorporated or constituted) will be required to declare whether you are a citizen or permanent resident of Singapore or a corporation in which citizens or permanent residents of Singapore or any body corporate constituted under any statute of Singapore have an interest in the aggregate of more than 50 per cent. of the issued share capital of or interests in such corporation. If you are an approved nominee company, you are required to declare whether the beneficial owner of the Units is a citizen or permanent resident of Singapore or a corporation, whether incorporated or unincorporated and wherever incorporated or constituted, in which citizens or permanent residents of Singapore or any body corporate incorporated or constituted under any statute of Singapore have an interest in the aggregate of more than 50 per cent. of the issued share capital of or interests in such corporation.

(7) You may apply and make payment for your application for the Units in Singapore currency in the following manner:

(a) **Cash only** — You may apply for the Units using only cash. Each application must be accompanied by a remittance in Singapore currency for the full amount payable at the Offering Price of S$0.68 for each Offer Unit or each Placement Unit, as the case may be, in respect of the number of Units applied for. The remittance must be in the form of a **BANKER'S DRAFT** or **CASHIER'S ORDER** drawn on a bank in Singapore, made out in favour of **"CIT UNIT ISSUE ACCOUNT"** crossed **"A/C PAYEE ONLY"** with the name, Securities Account number and address of the applicant written clearly on the reverse side. Applications not accompanied by any payment or accompanied by any other form of payment will not be accepted. No combined Bankers' Draft or Cashiers' Order for different Securities Accounts shall be accepted. Remittances bearing "NOT TRANSFERABLE" or "NON-TRANSFERABLE" crossings will be rejected.

(b) **CPF Funds only** — You may apply for the Units using only CPF Funds. Each application must be accompanied by a remittance in Singapore currency for the full amount payable at the Offering Price of S$0.68 for each Offer Unit or each Placement Unit, as the case may be, in respect of the number of Units applied for. The remittance must be in the form of a **CPF**

CASHIER'S ORDER (available for purchase at the CPF approved bank with which the applicant maintains his CPF Investment Account), made out in favour of **"CIT UNIT ISSUE ACCOUNT"** with the name, Securities Account number and address of the applicant written clearly on the reverse side. Applications not accompanied by any payment or accompanied by any other form of payment will not be accepted. For additional terms and conditions governing the use of CPF Funds, please refer to page VI-22 of this document.

(c) **Cash and CPF Funds** — You may apply for the Units using a combination of cash and CPF Funds, PROVIDED THAT the number of Units applied for under each payment method is in lots of 1,000 Units or integral multiples thereof. Such applications must comply with the requirements for applications by cash and by CPF Funds as set out in the preceding paragraphs. In the event that applications for Offer Units are accepted in part only, the cash portion of the application monies will be used in respect of such applications before the CPF Funds are used. In the case of applications for Placement Units that are accepted in part only, the CPF Funds portion of the application monies will be used in respect of such applications before the cash portion is used.

An applicant applying for 1,000 Units must use either cash only or CPF Funds only. No acknowledgement of receipt will be issued for applications and application monies received.

(8) Monies paid in respect of unsuccessful applications are expected to be returned (without interest or any share of revenue or other benefit arising therefrom) to you by ordinary post within two Market Days (or such shorter period as the SGX-ST may require) after the balloting at your own risk. Where your application is accepted in part only, the balance of the application monies will be refunded (without interest or any share of revenue or other benefit arising therefrom) to you by ordinary post at your own risk within 14 Market Days after the close of the Offering, PROVIDED THAT the remittance accompanying such application which has been presented for payment or other processes has been honoured and the application monies received in the designated unit issue account. If the Offering does not proceed for any reason, the full amount of application monies (without interest or any share of revenue or other benefit arising therefrom) will be returned to you within three Market Days after the Offering is discontinued.

(9) Capitalised terms used in the Application Forms and defined in this Prospectus shall bear the meanings assigned to them in the Prospectus.

(10) By completing and delivering the Application Forms, you agree that:

(a) in consideration of the Manager having distributed the Application Form to you and by completing and delivering the Application Form before the close of the Offering:

(i) your application is irrevocable;

(ii) your remittance will be honoured on first presentation and that any monies returnable may be held pending clearance of your payment without interest or any share of revenue or other benefit arising therefrom; and

(iii) you represent and agree that you are not a U.S. person (within the meaning of Regulation S);

(b) all applications, acceptances or contracts resulting therefrom under the Offering shall be governed by and construed in accordance with the laws of Singapore and that you irrevocably submit to the non-exclusive jurisdiction of the Singapore courts;

(c) in respect of the Units for which your application has been received and not rejected, acceptance of your application shall be constituted by written notification by or on behalf of the Manager and not otherwise, notwithstanding any remittance being presented for payment by or on behalf of the Manager;

(d) the Manager may return (without interest or any share of revenue or other benefit arising therefrom) to you by ordinary post, at your own risk:

    (i) where your application is unsuccessful, the monies paid within two Market Days (or such shorter period as the SGX-ST may require) after the balloting;

    (ii) where your application is accepted in part only, the balance of the application monies within 14 Market Days after the close of the Offering; and

    (iii) where the Offering does not proceed for any reason, the monies paid within three Market Days after the Offering is discontinued,

    PROVIDED THAT the remittance accompanying such application which has been presented for payment or other processes has been honoured and the application monies received in the designated unit issue account;

(e) you will not be entitled to exercise any remedy of rescission for misrepresentation at any time after acceptance of your application;

(f) reliance is placed solely on information contained in this Prospectus and that none of CIT, the Manager, the Trustee, any of the Joint Lead Underwriters, the Public Offer Co-ordinator or any other person involved in the Offering shall have any liability for any information not contained therein;

(g) you consent to the disclosure of your name, NRIC/passport number, address, nationality, permanent resident status, Securities Account number, and Unit application amount to our Unit Registrar, CDP, CPF Board, Securities Clearing Computer Services (Pte) Ltd ("SCCS"), SGX-ST, the Manager, the Trustee, the Public Offer Co-ordinator and the Joint Lead Underwriters (the "Relevant Parties"); and

(h) you irrevocably agree and undertake to subscribe for the number of Units applied for as stated in the Application Form or any smaller number of such Units that may be allocated to you in respect of your application. In the event that the Manager decides to allocate any smaller number of such Units or not to allocate any Units to you, you agree to accept such decision as final.

Procedures Relating to Applications for the Offer Units (other than CIT Reserved Units) by way of Printed Application Forms

(1) Your application for the Offer Units (other than CIT Reserved Units) by way of printed Application Forms must be made using the **WHITE** Offer Units Application Forms and **WHITE** official envelopes "A" and "B".

(2) You must:

    (a) enclose the **WHITE** Offer Units Application Form, duly completed and signed, together with correct remittance for the full amount payable at the Offering Price in Singapore currency in accordance with the terms and conditions of the Prospectus and its accompanying documents, in the **WHITE** official envelope "A" provided;

    (b) in appropriate spaces on the WHITE official envelope "A":

        (i) write your name and address;

        (ii) state the number of Offer Units (other than CIT Reserved Units) applied for; and

        (iii) tick the relevant box to indicate the form of payment;

    (c) **SEAL THE WHITE OFFICIAL ENVELOPE "A"**;

    (d) write, in the special box provided on the larger **WHITE** official envelope "B" addressed to B.A.C.S. Private Limited, 65 Cantonment Road, Singapore 089758, the number of Offer Units (other than CIT Reserved Units) you have applied for;

(e) insert the **WHITE** official envelope "A" into the **WHITE** official envelope "B" and seal the **WHITE OFFICIAL ENVELOPE "B"**; and

(f) **DESPATCH BY ORDINARY POST OR DELIVER BY HAND** the documents at your own risk to B.A.C.S. Private Limited, 65 Cantonment Road, Singapore 089759, so as to arrive by 12.00 noon on 19 July 2006 or such other date(s) and time(s) as the Manager may agree with the Joint Lead Underwriters. Courier services or Registered Post must NOT be used.

(3) Applications that are illegible, incomplete or incorrectly completed or accompanied by improperly drawn remittances or which are not honoured upon their first presentation are liable to be rejected.

(4) **ONLY ONE APPLICATION** should be enclosed in each envelope. No acknowledgement of receipt will be issued for any application or remittance received.

Procedures Relating to Applications for the Placement Units by way of Printed Application Forms

(1) Your application for the Placement Units by way of printed Application Forms must be made using the **BLUE** Placement Units Application Forms.

(2) The completed and signed **BLUE** Placement Units Application Form and your remittance, in accordance with the terms and conditions of this Prospectus, for the full amount payable at the Offering Price for each Unit in respect of the number of Placement Units applied for, with your name, Securities Account number and address clearly written on the reverse side, must be enclosed and sealed in an envelope to be provided by you. Your application for Placement Units must be delivered to Phillip Securities Pte Ltd, 250 North Bridge Road, #06-00 Raffles City Tower, Singapore 179101, to arrive by 12.00 noon on 19 July 2006 or such other date(s) and time(s) as the Manager may agree with the Joint Lead Underwriters.

(3) Applications that are illegible, incomplete or incorrectly completed or accompanied by improperly drawn remittances or which are not honoured upon their first presentation are liable to be rejected.

(4) **ONLY ONE APPLICATION** should be enclosed in each envelope. No acknowledgement of receipt will be issued for any application or remittance received.

Procedures Relating to Applications for the CIT Reserved Units by way of Printed Application Forms

(1) Your application for the CIT Reserved Units by way of printed Application Forms must be made using the **PINK** Reserved Units Application Forms.

(2) The completed and signed **PINK** Reserved Units Application Form and your correct remittance, in accordance with the terms and conditions of this Prospectus, in Singapore currency for the full amount payable at the Offering Price for each Unit in respect of the number of CIT Reserved Units applied for, with your name, Securities Account number and address clearly written on the reverse side, must be enclosed and sealed in an envelope to be provided by you. Your application for CIT Reserved Units must be delivered to B.A.C.S. Private Limited, 63 Cantonment Road, Singapore 089758, to arrive by 12.00 noon on 19 July 2006 or such other date(s) and time(s) as the Manager may agree with the Joint Lead Underwriters.

(3) Applications that are illegible, incomplete or incorrectly completed or accompanied by improperly drawn remittances or which are not honoured upon their first presentation are liable to be rejected.

(4) **ONLY ONE APPLICATION** should be enclosed in each envelope. No acknowledgement of receipt will be issued for any application or remittance received.

ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS

Electronic Applications shall be made on and subject to the terms and conditions of this Prospectus, including but not limited to the terms and conditions set out below and those under the section "Terms, Conditions and Procedures for Application for and Acceptance of the Offering Units in Singapore" on pages VI-1 to VI-22 of this Prospectus, as well as the Trust Deed.

(1) The procedures for Electronic Applications are set out on the ATM screens of the relevant Participating Banks (in the case of ATM Electronic Applications) and the IB website screens of the relevant Participating Banks (in the case of Internet Electronic Applications). Currently, the UOB Group and DBS Bank are the only Participating Banks through which Internet Electronic Applications may be made.

(2) For illustration purposes, the procedures for Electronic Applications through ATMs and the IB website of the UOB Group (together, the "Steps") are set out on pages VI-17 to VI-21 of this Prospectus. The Steps set out the actions that you must take at ATMs or the IB website of the UOB Group to complete an Electronic Application. The actions that you must take at the ATMs or the IB websites of the other Participating Banks are set out on the ATM screens or the IB websites of the respective Participating Banks.

Please read carefully the terms and conditions of this Prospectus, the Steps and the terms and conditions for Electronic Applications set out below before making an Electronic Application.

(3) Any reference to "you" or the "Applicant" in these Additional Terms and Conditions for Electronic Applications and the Steps shall refer to you making an application for the Units through an ATM of one of the relevant Participating Banks or the IB website of a relevant Participating Bank.

(4) If you are making an ATM Electronic Application:

(a) You must have an existing bank account with and be an ATM cardholder of one of the Participating Banks. An ATM card issued by one Participating Bank cannot be used to apply for Units at an ATM belonging to other Participating Banks.

(b) You must ensure that you enter your own Securities Account number when using the ATM card issued to you in your own name. If you fail to use your own ATM card or do not key in your own Securities Account number, your application will be rejected. If you operate a joint bank account with any of the Participating Banks, you must ensure that you enter your own Securities Account number when using the ATM card issued to you in your own name. Using your own Securities Account number with an ATM card which is not issued to you in your own name will render your Electronic Application liable to be rejected.

(c) Upon the completion of your ATM Electronic Application, you will receive an ATM transaction slip ("Transaction Record"), confirming the details of your ATM Electronic Application. The Transaction Record is for your retention and should not be submitted with any printed Application Form.

(5) If you are making an Internet Electronic Application:

(a) You must have an existing bank account with, and a User Identification ("User ID") as well as a Personal Identification Number ("PIN") given by, the relevant Participating Bank.

(b) You must ensure that the mailing address of your account selected for the application is in Singapore and you must declare that the application is being made in Singapore. Otherwise, your application is liable to be rejected.

(c) Upon the completion of your Internet Electronic Application through the IB website of the relevant Participating Bank, there will be an on-screen confirmation ("Transaction Completed Screen") of the application which can be printed out by you for your record. This printed record of the Transaction Completed Screen is for your retention and should not be submitted with any printed Application Form.

(6) In connection with your Electronic Application, you are required to confirm statements to the following effect in the course of activating the Electronic Application:

(a) that you have received a copy of this Prospectus (in the case of ATM Electronic Applications) and have read, understood and agreed to all the terms and conditions of application for the Units and this Prospectus prior to effecting the Electronic Application and agree to be bound by the same;

(b) that you consent to the disclosure of your name, NRIC/passport number, address, nationality, permanent resident status, CDP Securities Account number, CPF Investment Account number (if applicable) and Unit application amount (the "Relevant Particulars") from your account with the relevant Participating Bank to the Relevant Parties; and

(c) where you are applying for the Offer Units (other than CIT Reserved Units), that this is your only application for the Offer Units (other than CIT Reserved Units) and it is made in your name and at your own risk.

Your application will not be successfully completed and cannot be recorded as a completed transaction unless you press the "Enter" or "OK" or "Confirm" or "Yes" or any other relevant key in the ATM or click "Confirm" or "OK" or "Submit" or "Continue" or "Yes" or any other relevant button on the website screen. By doing so, you shall be treated as signifying your confirmation of each of the three statements above. In respect of statement 6(b) above, your confirmation, by pressing the "Enter" or "OK" or "Confirm" or "Yes" or any other relevant key or by clicking "Confirm" or "OK" or "Submit" or "Continue" or "Yes" or any other relevant button, shall signify and shall be treated as your written permission, given in accordance with the relevant laws of Singapore, including section 47(2) of the Banking Act, Chapter 19 of Singapore, to the disclosure by that Participating Bank of the Relevant Particulars of your account(s) with that Participating Bank to the Relevant Parties.

(7) You must have sufficient funds in your bank account with your Participating Bank at the time you make your ATM Electronic Application or Internet Electronic Application, failing which such Electronic Application will not be completed. Any ATM Electronic Application or Internet Electronic Application which does not conform strictly to the instructions set out in this Prospectus or on the screens of the ATMs or on the IB website of the relevant Participating Bank, as the case may be, through which your ATM Electronic Application or Internet Electronic Application is being made shall be rejected.

(8) You may apply and make payment for your application for the Offer Units in Singapore currency in the following manner:

(a) **Cash only** — You may apply for the Offer Units (other than the CIT Reserved Units) through any ATM or IB website (as the case may be) of your Participating Bank using only cash by authorising your Participating Bank to deduct the full amount payable from your bank account(s) with such Participating Bank.

(b) **CPF Funds only** — You may apply for the Offer Units (other than the CIT Reserved Units) through any ATM or IB website (as the case may be) of your Participating Bank using only CPF Funds by authorising your Participating Bank to deduct the full amount payable from your CPF Investment Account with the respective Participating Bank. For additional terms and conditions governing the use of CPF Funds, please refer to page VI-22 of this Prospectus.

(c) **Cash and CPF Funds** — You may apply for the Offer Units (other than the CIT Reserved Units) through any ATM or IB website (as the case may be) of your Participating Bank using a combination of cash and CPF Funds, PROVIDED THAT the number of Offer Units (other than the CIT Reserved Units) applied for under each payment method is in lots of 1,000 Offer

Units or integral multiples thereof. Such applications must comply with the requirements for applications by cash and by CPF Funds as set out in the preceding paragraphs. In the event that such applications are accepted in part only, the cash portion of the application monies will be used in respect of such applications before the CPF Funds are used.

An applicant applying for 1,000 Offer Units (other than the CIT Reserved Units) must use either cash only or CPF Funds only.

(9) You irrevocably agree and undertake to subscribe for and to accept the number of Offer Units (other than the CIT Reserved Units) or Placement Units (as the case may be) applied for as stated on the Transaction Record or the Confirmation Screen or any lesser number of such Offer Units or Placement Units (as the case may be) that may be allocated to you in respect of your Electronic Application. In the event that the Manager decides to allocate any lesser number of such Offer Units or Placement Units (as the case may be) or not to allocate any Offer Units (other than the CIT Reserved Units) or Placement Units (as the case may be) to you, you agree to accept such decision as final. If your Electronic Application is successful, your confirmation (by your action of pressing the "Enter" or "OK" or "Confirm" or "Yes" or any other relevant key on the ATM or clicking "Confirm" or "OK" or "Submit" or "Continue" or "Yes" or any other relevant button on the Internet screen) of the number of Offer Units (other than the CIT Reserved Units) or Placement Units (as the case may be) applied for shall signify and shall be treated as your acceptance of the number of Offer Units (other than the CIT Reserved Units) or Placement Units (as the case may be) that may be allocated to you and your agreement to be bound by the Trust Deed.

(10) The Manager will not keep any application in reserve. Where your Electronic Application is unsuccessful, the full amount of the application monies will be returned (without interest or any share of revenue or other benefit arising therefrom) to you by being automatically credited to your account with your Participating Bank, at your own risk, within two Market Days (or such shorter period as the SGX-ST may require) after balloting provided that the remittance in respect of such application which has been presented for payment or other processes has been honoured and the application monies received in the designated unit issue account.

Where your Electronic Application is accepted in part only, the balance of the application monies will be returned (without interest or any share of revenue or other benefit arising therefrom) to you by being automatically credited to your account with your Participating Bank, at your own risk, within 14 Market Days after the close of the Offering provided that the remittance in respect of such application which has been presented for payment or other processes has been honoured and the application monies received in the designated unit issue account.

If the Offering does not proceed for any reason, the full amount of application monies (without interest or any share of revenue or other benefit arising therefrom) will be returned to you within three Market Days after the Offering is discontinued.

Responsibility for timely refund of application monies (whether from unsuccessful or partially successful Electronic Applications or otherwise) lies solely with the respective Participating Banks. Therefore, you are strongly advised to consult your Participating Bank as to the status of your Electronic Application and/or the refund of any money to you from an unsuccessful or partially successful Electronic Application, to determine the exact number of Offer Units (other than the CIT Reserved Units) or Placement Units (as the case may be), if any, allocated to you before trading the Units on the SGX-ST. None of the SGX-ST, CDP, SCCS, CPF Board, the Participating Banks, CIT, the Manager, the Trustee, the Public Offer Co-ordinator and the Joint Lead Underwriters assume any responsibility for any loss that may be incurred as a result of you having to cover any net sell positions or from buy-in procedures activated by the SGX-ST.

(11) If your ATM Electronic Application or Internet Electronic Application is unsuccessful, no notification will be sent by the relevant Participating Bank.

Applicants who make ATM Electronic Applications through the following banks may check the provisional results of their ATM Electronic Applications as follows:

Bank	Telephone	Other Channels	Operating Hours	Service Expected from
UOB Group	1800-222 2121	ATM (Other Transactions — "IPO Enquiry")[1] www.uobgroup.com[1],[2]	ATM/Phone Banking — 24 hours a day Internet Banking — 24 hours a day	Evening of the balloting day Evening of the balloting day
DBS Bank	1800-339 6666 (for POSB account holders) 1800-111 1111 (for DBS account holders)	Internet Banking www.dbs.com[2]	24 hours a day	Evening of the balloting day
OCBC	1800-363 3333	ATM/Internet Banking/ Phone Banking[3]	24 hours a day	Evening of the balloting day

Notes:

(1) Applicants who have made Electronic Application through the ATMs or the IB website of UOB Group may check the results of their applications through UOB Personal Internet Banking, UOB Group ATMs or UOB Phone Banking services.

(2) Applicants who have made Electronic Applications through the IB websites of UOB Group or DBS Bank may also check the results of their applications through the same channels listed in the table above in relation to ATM Electronic Applications made at the ATMs of UOB Group or DBS Bank.

(3) Applicants who have made Electronic Application through the ATMs of OCBC may check the results of their applications through OCBC Personal Internet Banking, OCBC ATMs or OCBC Phone Banking services.

(12) ATM Electronic Applications shall close at 12.00 noon on 19 July 2006 or such other date(s) and time(s) as the Manager may agree with the Joint Lead Underwriters. All Internet Electronic Applications must be received by 12.00 noon on 19 July 2006, or such other date(s) and time(s) as the Manager may agree with the Joint Lead Underwriters. Internet Electronic Applications are deemed to be received when they enter the designated information system of the relevant Participating Bank.

(13) You are deemed to have irrevocably requested and authorised the Trustee or the Manager to:

(a) register the Offer Units or Placement Units, as the case may be, allocated to you in the name of CDP for deposit into your Securities Account;

(b) return or refund (without interest or any share of revenue earned or other benefit arising therefrom) the application monies, should your Electronic Application be rejected or if the Offering does not proceed for any reason, by automatically crediting your bank account with your Participating Bank, at your own risk, with the relevant amount within two Market Days after balloting (or such shorter period as the SGX-ST may require), or within three Market Days if the Offering does not proceed for any reason, after the close or discontinuation (as the case may be) of the Offering, PROVIDED THAT the remittance in respect of such application which has been presented for payment or such other processes has been honoured and application monies received in the designated unit issue account; and

(c) return or refund (without interest or any share of revenue or other benefit arising therefrom) the balance of the application monies, should your Electronic Application be accepted in part only, by automatically crediting your bank account with your Participating Bank, at your own risk, with the relevant amount within 14 Market Days after the close of the Offering, PROVIDED THAT the remittance in respect of such application which has been presented for payment or such other processes has been honoured and application monies received in the designated unit issue account.

(14) You irrevocably agree and acknowledge that your Electronic Application is subject to risks of electrical, electronic, technical and computer-related faults and breakdown, fires, acts of God and other events beyond the control of the Participating Banks, the Manager, the Trustee, the Public Offer Co-ordinator and the Joint Lead Underwriters, and if, in any such event the Manager, the Trustee, the Public Offer Co-ordinator, the Joint Lead Underwriters and/or the relevant Participating Bank do not receive your Electronic Application, or any data relating to your Electronic Application or the tape or any other devices containing such data is lost, corrupted or not otherwise accessible, whether wholly or partially for whatever reason, you shall be deemed not to have made an Electronic Application and you shall have no claim whatsoever against the Manager, the Trustee, the Public Offer Co-ordinator, the Joint Lead Underwriters and/or the relevant Participating Bank for any Offer Units or Placement Units, as the case may be, applied for or for any compensation, loss or damage.

(15) The existence of a trust will not be recognised. Any Electronic Application by a trustee must be made in his own name and without qualification. The Manager shall reject any application by any person acting as nominee.

(16) All your particulars in the records of your Participating Bank at the time you make your Electronic Application shall be deemed to be true and correct and your Participating Bank and the Relevant Parties shall be entitled to rely on the accuracy thereof. If there has been any change in your particulars after making your Electronic Application, you must promptly notify your Participating Bank.

(17) You should ensure that your personal particulars as recorded by both CDP and the relevant Participating Bank are correct and identical. Otherwise, your Electronic Application is liable to be rejected. You should promptly inform CDP of any change in address, failing which the notification letter on successful allocation will be sent to your address last registered with CDP.

(18) By making and completing an Electronic Application, you are deemed to have agreed that:

(a) in consideration of the Manager making available the Electronic Application facility, through the Participating Banks acting as agents of the Manager at the ATMs and IB websites of the relevant Participating Banks:

(i) your Electronic Application is irrevocable;

(ii) your Electronic Application, the acceptance by the Manager and the contract resulting therefrom under the Offering shall be governed by and construed in accordance with the laws of Singapore and you irrevocably submit to the non-exclusive jurisdiction of the Singapore courts; and

(iii) you represent and agree that you are not a U.S. person (as defined in Regulation S);

(b) none of CDP, CPF, CIT, the Manager, the Public Offer Co-ordinator, the Joint Lead Underwriters and the Participating Banks shall be liable for any delays, failures or inaccuracies in the recording, storage or in the transmission or delivery of data relating to your Electronic Application to the Manager, the Trustee or CDP due to breakdowns or failure of transmission, delivery or communication facilities or any risks referred to in paragraph 14 above or to any cause beyond their respective controls;

(c) in respect of the Units for which your Electronic Application has been successfully completed and not rejected, acceptance of your Electronic Application shall be constituted by written notification by or on behalf of the Manager and not otherwise, notwithstanding any payment received by or on behalf of the Manager;

(d) you will not be entitled to exercise any remedy for rescission for misrepresentation at any time after acceptance of your application; and

(e) reliance is placed solely on information contained in the Prospectus and that none of CIT, the Manager, the Trustee, the Public Offer Co-ordinator or any of the Joint Lead Underwriters and any other person involved in the Offering shall have any liability for any information not contained therein.

STEPS FOR ELECTRONIC APPLICATIONS THROUGH THE ATMS AND IB WEBSITE OF UOB GROUP

The instructions for Electronic Applications will appear on the ATM screens and the IB website screens of the respective Participating Banks. For illustration purposes, the steps for making an Electronic Application through the ATMs or IB website of UOB Group are shown below. Instructions for Electronic Applications appearing on the ATM screens and the IB website screens (if any) of the relevant Participating Banks (other than UOB Group), may differ from that represented below.

Owing to space constraints on UOB Group's ATM screen, the following terms will appear in abbreviated form:

"&"	:	AND
"A/C" and "A/Cs"	:	ACCOUNT AND ACCOUNTS, respectively
"ADDR"	:	ADDRESS
"AMT"	:	AMOUNT
"APPLN"	:	APPLICATION
"CDP"	:	THE CENTRAL DEPOSITORY (PTE) LIMITED
"CPF"	:	CENTRAL PROVIDENT FUND
"CPFINVT A/C"	:	CPF INVESTMENT ACCOUNT
"ESA"	:	ELECTRONIC SHARE APPLICATION
"IC/PSSPT"	:	NRIC or PASSPORT NUMBER
"NO" or "NO."	:	NUMBER
"PERSONAL NO"	:	PERSONAL IDENTIFICATION NUMBER
"REGISTRARS"	:	SHARE REGISTRAS
"SCCS"	:	SECURITIES CLEARING & COMPUTER SERVICES (PTE) LTD
"YR"	:	YOUR

Steps for Electronic Applications through the ATMs of UOB Group

Step 1 : Insert your personal Unicard, Uniplus card or UOB VISA/MASTER card and key in your personal identification number.

2 : Select "CASH CARD/OTHER TRANSACTIONS".

3 : Select "SECURITIES APPLICATION".

4 : Select "ESA-FIXED".

5 : Select the share counter which you wish to apply for.

6 : Read and understand the following statements which will appear on the screen:

THIS OFFER OF SECURITIES (OR UNITS OF SECURITIES) WILL BE MADE IN, OR ACCOMPANIED BY, A COPY OF THE PROSPECTUS/DOCUMENT OR SUPPLEMENTARY DOCUMENTS. ANYONE WISHING TO ACQUIRE THESE SECURITIES (OR UNITS OF SECURITIES) WILL NEED TO MAKE AN APPLICATION IN THE MANNER SET OUT IN THE PROSPECTUS/DOCUMENT OR SUPPLEMENTARY DOCUMENT
(Press "ENTER" key to continue)

PLEASE CALL 1800 222 2121 IF YOU WOULD LIKE TO FIND OUT WHERE YOU CAN OBTAIN A COPY OF THE PROSPECTUS/DOCUMENT OR SUPPLEMENTARY DOCUMENT

WHERE APPLICABLE, A COPY OF THE PROSPECTUS/DOCUMENT OR SUPPLEMENTARY DOCUMENT HAS BEEN LODGED WITH AND REGISTERED BY THE MONETARY AUTHORITY OF SINGAPORE WHO ASSUMES NO RESPONSIBILITY FOR ITS CONTENTS OF THE PROSPECTUS/DOCUMENT OR SUPPLEMENTARY DOCUMENT
(Press "ENTER" key to continue and confirm that you have read and understood the above statements)

7 : Read and understand the following terms which will appear on the screen:

YOU HAVE READ, UNDERSTOOD & AGREED TO ALL TERMS OF THE PROSPECTUS/DOCUMENTS/SUPPLEMENTARY DOCUMENT & THIS ELECTRONIC APPLICATION
(Press "ENTER" key to continue)

YOU CONSENT TO DISCLOSE YR NAME, IC/PSSPT, NATIONALITY, ADDR, APPLN AMT, CPFINVT A/C NO & CDP A/C NO FROM YR A/CS TO CDP, CPF, SCCS, REGISTRARS, SGX-ST AND ISSUER/VENDOR(S)

THIS IS YOUR ONLY FIXED PRICE APPLN & IS IN YOUR NAME & AT YR RISK
(Press "ENTER" key to continue)

8 : Screen will display:

NRIC/Passport No. XXXXXXXXXXXX

IF YOUR NRIC NO/PASSPORT NO IS INCORRECT, PLEASE CANCEL THE TRANSACTION AND NOTIFY THE BRANCH PERSONALLY.
(Press "CANCEL" or "CONFIRM")

9 : Select mode of payment i.e. “CASH ONLY”. You will be prompted to select Cash Account type to debit (i.e., “CURRENT ACCOUNT/I-ACCOUNT”, “CAMPUS” OR “SAVINGS ACCOUNT/TX-ACCOUNT”). Should you have a few accounts linked to your ATM card, a list of linked account numbers will be displayed for you to select.

10 : After you have selected the account, your CDP Securities Account number will be displayed for you to confirm or change. (This screen with your CDP Securities Account number will be shown if your CDP Securities Account number is already stored in the ATM system of UOB Group). If this is the first time you are using UOB Group’s ATM’s to apply for Shares, your CDP Securities Account Number will not be stored in the ATM system of UOB Group, and the following screen will be displayed for the input of your CDP Securities Account Number.

11 : Read and understand the following terms which will appear on the screen:

- PLEASE DO NOT APPLY FOR YOUR JOINT A/C HOLDER OR OTHER THIRD PARTIES
- PLEASE USE YOUR OWN ATM CARD
- DO NOT KEY IN THE CDP A/C NO. OF YOUR JOINT A/C HOLDER OR OTHER THIRD PARTIES
- KEY IN YOUR CDP A/C NO. (12 DIGITS) 1681-XXXX-XXXX
- PRESS ENTER KEY

12 : Key in your CDP Securities Account number (12 digits) and press the “ENTER” key.

13 : Select your nationality status.

14 : Key in the number of Shares you wish to apply for and press the “ENTER” key.

15 : Check the details of your Electronic Application on the screen and press the “ENTER” key to confirm your Electronic Application.

16 : Select “NO” if you do not wish to make any further transactions and remove the Transaction Record. You should keep the Transaction Record for your own reference only.

Owing to space constraints on UOB Group’s IB web-site screens, the following terms will appear in abbreviated form:

“CDP”	:	The Central Depository (Pte) Limited
“CPF”	:	The Central Provident Fund
“NRIC” or “I/C”	:	National Registration Identity Card
“PR”	:	Permanent Resident
“SGD” or “$”	:	Singapore Dollars
“SCCS”	:	Securities Clearing & Computer Services (Pte) Ltd
“SGX-ST”	:	Singapore Exchange Securities Trading Limited

Steps for Internet Electronic Applications through the IB website of UOB Group

Step 1 : Connect to UOB website at http://www.uobgroup.com.

2 : Locate the Login icon on the left hand side next to "Internet Banking".

3 : Click on Login and at the drop list select "UOB Personal Internet Banking".

4 : Enter your Username and Password and click "Submit".

5 : Select "Investment Services" ("IPO" should be the default transaction that appears, click "Application")

6 : Read the IMPORTANT notice and complete the declarations found on the bottom of the page by answering Yes/No to the questions.

7 : Click "Continue".

8 : Select your country of residence (you must be residing in Singapore to apply) and click "Continue".

9 : Select the share counter from the drop list (if there are concurrent IPOs) and click "Continue").

10 : Check the share counter and select the mode of payment and account to debit, and click "Continue".

11 : Read the IMPORTANT instructions and click "Continue" to confirm that:

(a) You have read, understood and agreed to all the terms of this application and Prospectus/Document or Supplementary Document.

(b) You consent to disclose your name, I/C or passport number, address, nationality, CDP Securities Account Number, CPF Investment Account Number (if applicable) and application details to the share registrars, SGX, SCCS, CDP, CPF Board and issuer/vendor(s).

(c) This application is made in your own name, for your own account and at your own risk.

(d) For FIXED/MAX price share application, this is your only application. For TENDER price shares application, this is your only application at the selected tender price.

(e) For FOREIGN CURRENCY securities, subject to the terms of the issue, please note the following: The application monies will be debited from your bank account in S$, based on the Bank's prevailing board rates at the time of application. The different prevailing board rates at the time of application and at the time of refund of application monies may result in either a foreign exchange profit or loss, or application monies may be debited and refunds credited in S$ at the same exchange rate.

(f) For 1ST-COME-1ST-SERVE securities, the number of securities applied for may be reduced, subject to the availability at the point of application.

12 : Check your personal details, details of the share counter you wish to apply for and account to debit.

Select: (a) "Nationality";

Enter: (b) your CDP Securities Account number; and

(c) the number of shares applied for.

13 : Check your personal particulars (name, NRIC/Passport number and nationality), details of the share counter you wish to apply for, CDP Securities Account number, account to debit and number of shares applied for.

14 : Click “Submit”, “Clear” or “Cancel”.

15 : Print the Confirmation Screen (optional) for your own reference and retention.

TERMS AND CONDITIONS FOR USE OF CPF FUNDS

1. If you are using CPF Funds to subscribe for the Units, you must have a CPF Investment Account maintained with a relevant Participating Bank at the time of your application. If you are applying for the Units through an ATM Electronic Application, you must have an ATM card with that Participating Bank at the time of your application before you can use the ATMs of that Participating Bank to apply for the Units. For an Internet Electronic Application, you must have an existing bank account with, and a User Identification as well as a Personal Identification Number given by, the relevant Participating Bank. Upon the completion of your Internet Electronic Application through the IB website of the relevant Participating Bank, there will be a Transacted Completed Screen of the application which can be printed out by you for your record. This printed record of the Transaction Completed Screen is for your retention and should not be submitted with any printed Application Form. The CPF Investment Account is governed by the Central Provident Fund (Investment Schemes) Regulations, as amended.

2. CPF Funds may only be withdrawn for applications for the Units in lots of 1,000 Units or integral multiples thereof.

3. If you are applying for the Units using a printed Application Form and you are using CPF Funds to apply for the Units, you must submit a CPF Cashier's Order for the total amount payable for the number of Units applied for using CPF Funds.

4. Before you apply for the Units using your CPF Funds, you must first make sure that you have sufficient funds in your CPF Investment Account to pay for the Units. You need not instruct the CPF Board to transfer your CPF Funds from your CPF Ordinary Account to your CPF Investment Account. If the balance in your CPF Investment Account is insufficient and you have sufficient investible CPF Funds in your CPF Ordinary Account, the Participating Bank with which you maintain your CPF Investment Account will automatically transfer the balance of the required amount from your CPF Ordinary Account to your CPF Investment Account immediately for you to use these funds to buy a CPF Cashier's Order from your Participating Bank in the case of an application by way of a printed Application Form or submit your application through the Participating Bank in the case of an application by way of an Electronic Application. The automatic transfer facility is available until the close of the Public Offer, and the operating hours of the facility are between 8.00 a.m. and 10.00 p.m. from Mondays to Saturdays, and between 8.00 a.m. and 5.00 p.m. on Sundays and public holidays.

5. The special CPF securities sub-account of the nominee company of the Participating Bank (with whom you maintain a CPF Investment Account) maintained with CDP will be credited with the principal amount of the Units you subscribed for with CPF Funds.

6. Where you are using CPF Funds, you cannot apply for the Units as nominee for any other person.

7. All instructions or authorisations given by you in a printed Application Form or through an Electronic Application are irrevocable.

8. CPF Investment Accounts may be opened with any branch of the Participating Banks.

9. All information furnished by the CPF Board and the relevant Participating Banks on your authorisation will be relied on as being true and correct.

SINGAPORE AND REGIONAL INDUSTRIAL PROPERTY MARKET REPORT

Prepared for

Cambridge Industrial Trust Management Limited

and RBC Dexia Trust Services Singapore Limited
(formerly known as Dexia Trust Services Singapore Limited)
as trustee of Cambridge Industrial Trust

Prepared by

Colliers International Consultancy & Valuation (Singapore) Pte Ltd
50 Raffles Place #18-01
Singapore Land Tower
Singapore 048623

December 2005

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1.0 INTRODUCTION

Cambridge Industrial Trust Management Limited ("CITM"), as Manager for the Cambridge Industrial Trust ("CIT") and RBC Dexia Trust Services Singapore Limited (formerly known as Dexia Trust Services Singapore Limited) as trustee of CIT, commissioned Colliers International to conduct a market study in relation to the industrial property markets of Singapore and several other Asian countries.

The objective of the study is to provide CITM with an independent assessment of some of the key industrial property markets in the region. The entire report or parts of the report shall be reproduced and inserted in the Prospectus for the initial public offering (the "Offering") of CIT.

For the reader's convenience, certain US dollar, Indonesian rupiah, Malaysian ringgit and New Taiwan dollar amounts have been translated into Singapore dollars based on the exchange rates of US$1.00 = S$1.6309, Rp1.00 = S$0.0001759, RM1 = S$0.45 and NT1 = S$0.05001. Such translations should not be construed as representations that the US dollar, Indonesian rupiah, Malaysian ringgit or New Taiwan dollar amounts have been, could have been or could be converted into Singapore dollars at that or any other rate.

2.0 REGIONAL ECONOMIC OVERVIEW

In 2004, the Asia and Australasia economies (excluding Japan) achieved their strongest performance since the Asian financial crisis. According to the Economist Intelligence Unit ("EIU"), aggregate real gross domestic product ("GDP") for the Asia and Australasia region (excluding Japan) expanded by 7.0% in 2004. Some of the region's best performers were China, Hong Kong, India, Malaysia, Singapore and Vietnam. The region's growth was underpinned by a combination of sustained external demand and generally buoyant domestic demand, particularly with respect to business investments. Spurred by a robust expansion in major industrial countries, continued strong growth in China and deepening regional integration, exports from regional countries surged.

The region's economies continued to perform well into the first half of 2005 with faster than anticipated growth in China and a strong showing in South Asia. However, high oil prices and other adverse developments, including a downturn in the global electronics cycle, as well as poor agricultural harvests, dampened growth in Southeast Asia in the second half of 2005. Regional growth decelerated from the third quarter of the year, as external demand moderated, compounded by cyclical adjustments in global information technology ("IT") markets and higher oil prices. The effects of higher oil prices hit Indonesia the hardest as the economy struggled with soaring inflation rates and higher key interest rates.

For the whole of 2005, the economies of Asia and Australasia (excluding Japan) expanded by an average of 6.5%, which was slower than the growth recorded in 2004. Looking ahead, the region's economies are forecast to expand by a healthy average growth rate of 5.8% per annum between 2006 through to 2010, led by growth in one of its largest economies, China.

Annual Percentage Change in Aggregate Real GDP of Asia and Australasia (excluding Japan)

Description	2003	2004	2005	2006F	2007F	2008F	2009F	2010F
Real GDP Growth	6.1	7.0	6.5	6.1	5.9	5.8	5.8	5.6
ASEAN[1]	4.9	6.3	5.2	5.3	5.1	5.3	5.4	5.4
China	10.0	10.1	9.9	8.6	8.0	7.9	7.6	7.2

Source: Economist Intelligence Unit, February 2006

However, a continued increase in oil prices will pose a major threat to economic growth prospects in Asia as the region imports two-thirds of the oil that it consumes. Additionally, the World Bank has warned that the outbreak of epidemics, such as avian flu that may parallel the outbreak of severe acute respiratory syndrome ("SARS") in 2003, could have an adverse economic impact. The Asian Development Bank has cautioned that a mass outbreak of avian flu in humans could push the world economy into recession as a year-long shock effect could cost Asian economies as much as US$283.0 billion (approximately S$481.1 billion) and would reduce the region's GDP by 6.5 percentage points, hitting Hong Kong and Singapore hard due to their dependence on exports. Other significant risks to the region include increases in interest rates and instability in currency markets.

3.0 SINGAPORE INDUSTRIAL PROPERTY MARKET

3.1 OVERVIEW OF THE ECONOMY

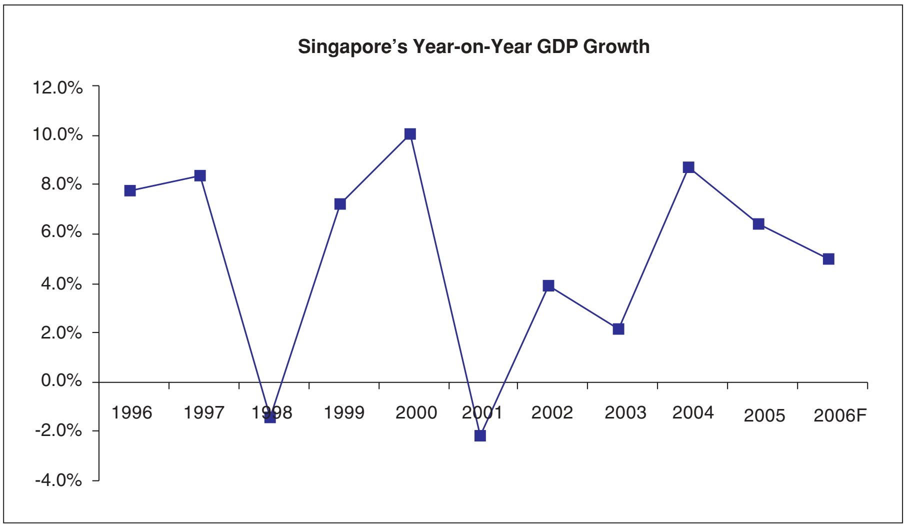
After the Asian financial crisis, Singapore's GDP grew at an average of 5.0% per annum between 1999 and 2004. In 2004, Singapore recorded a real GDP growth of 8.7%, its strongest annual growth rate since its last recession in 2001.

The Singapore economy eased in the first quarter of 2005 but rebounded in the subsequent three quarters. For the whole of 2005, the economy expanded by an average of 6.4%[2], exceeding the official growth forecast for the year. The key pillar of Singapore's economy, the manufacturing sector, accounted for 26.1% of GDP in 2005. Growth in this sector rose by 9.3% during 2005, boosted mainly by the transport engineering sectors, biomedical manufacturing and electronic clusters, which were in turn supported by a sustained recovery in the global electronics industry and strong demand in the marine industry.

The Ministry of Trade and Industry ("MTI") is optimistic of a positive external economic environment and an increase in domestic demand and, in February 2006, raised the 2006 GDP growth forecast for Singapore to between 4.0% and 6.0%, from a previous forecast of between 3.0% and 5.0%.

[1] ASEAN refers to Association of Southeast Asian Nations.

[2] The Singapore Department of Statistics has revised the national accounts to incorporate methodological improvements and has updated the base year from 1995 to 2000 as at January 2006.



Source: Singapore Department of Statistics / Ministry of Trade and Industry / Colliers International

3.2 SINGAPORE FACTORY MARKET

3.2.1 Demand Drivers

Demand for factory space is driven by the manufacturing sector, whose performance in turn hinges on factors such as the regional business environment and government regulations.

- **Strength of the Manufacturing Sector**

  Singapore's manufacturing sector comprises six main clusters: electronics, chemicals, biomedical manufacturing, precision engineering, transport engineering and general manufacturing industries.

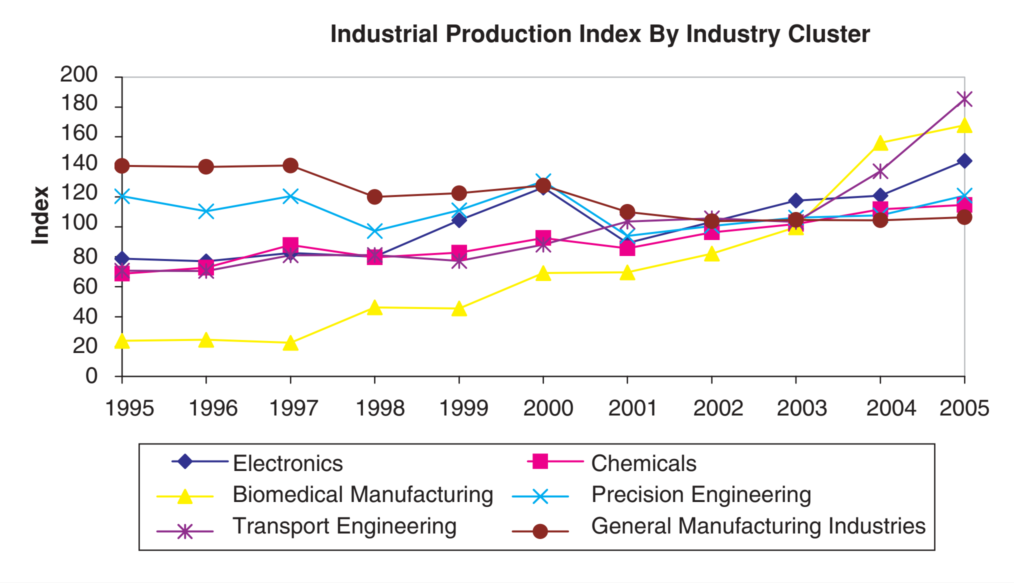
  The components of these six clusters are presented in the table below:

Major Industry Clusters	Components of Main Industry Clusters
Electronics	• Semiconductors • Computer Peripherals • Data Storage • Infocomms and Consumer Electronics • Other Electronic Modules and Components
Chemicals	• Petroleum • Petrochemicals
Biomedical Manufacturing	• Pharmaceuticals • Medical Technology
Precision Engineering	• Machinery and Systems • Precision Modules and Components

Major Industry Clusters	Components of Main Industry Clusters
Transport Engineering	• Marine and Offshore Engineering • Aerospace • Land
General Manufacturing Industries	• Printing • Food and Beverage • Tobacco

Most of the clusters enjoyed a general upward surge through the last decade with the exception of the general manufacturing industries cluster, which suffered downward pressure. This is indicative of the growing trend of moving away from labour-intensive and general manufacturing industries towards knowledge-based and knowledge-intensive industries.

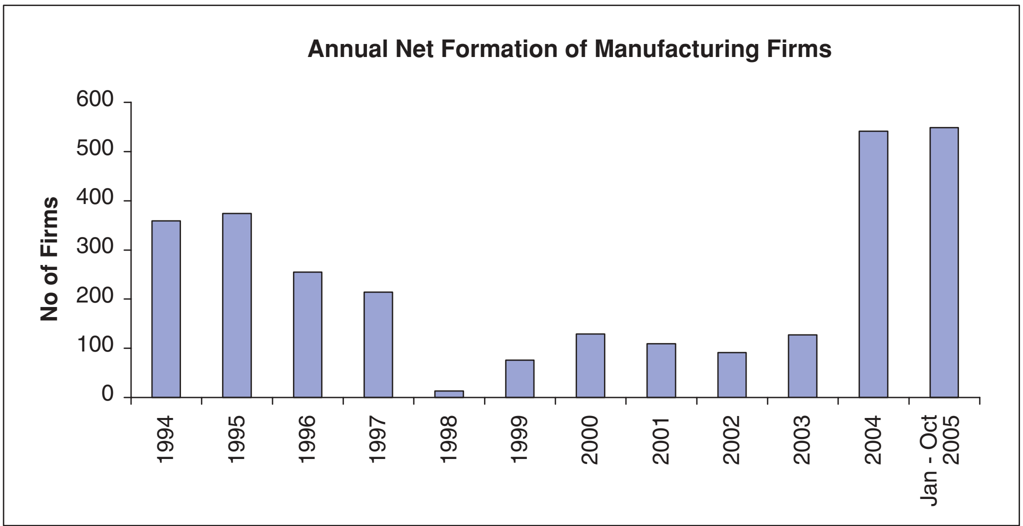
The biomedical manufacturing cluster had seen the strongest surge in growth in the last few years, despite the setback in the first half of 2005. In 2005, it was the second strongest performing cluster, after transport engineering.



Source: Economic Development Board / Colliers International

- **Number of Manufacturing Establishments**

  In 2004, the net number of manufacturing establishments increased strongly, outperforming the growth levels experienced by the sector even in the years prior to the Asian financial crisis. Net set up of manufacturing establishments continued to be strong in 2005, with the number of manufacturing companies formed in the first 10 months exceeding net formation in the whole of 2004 by 1.5%. This contributed to the growing take-up for factory space.



Source: Accounting and Corporate Regulatory Authority / Colliers International

- **Conducive Business Environment**

  Singapore has a conducive business environment as evidenced by the high rankings given to it by numerous institutions for various aspects such as legislation and political stability.

Singapore in Global Rankings

Aspect	Ranking	Year of Ranking	Institution/Source
Ease of Doing Business	1st in Asia/2nd in the World	2006	World Bank
Quality of Government Policies	1st in Asia	2005	Political and Economic Risk Consultancy
World's Most Globalised Nation	1st in the World	2005	A.T. Kearney/ FOREIGN POLICY Magazine Globalization Index
Network Readiness	1st in the World	2004–2005	World Economic Forum
Intelligent Communities of the Year	1st in the World	2005	Intelligent Community Forum

Aspect	Ranking	Year of Ranking	Institution/Source
Worldwide Quality of Life Index	1st in Asia/11th in the World	2005	EIU Quality of Life Index
One of the Most Vital International Air Travel Hubs	4th in the World	2005	National Academy of Science
Global Competitiveness	6th in the World	2005–2006	World Economic Forum
Best Offshore Location Globally	5th in the World	2004	A. T. Kearney Offshore Location Attractiveness Index

In addition, strong legislative and intellectual property ("IP") enforcement policies make Singapore attractive for activities such as rights patenting, IP auditing, valuation, enforcement and licensees sourcing. It is a signatory to several key international IP treaties, such as the Paris Convention for the Protection of Industrial Property and the Agreement on Trade-Related Aspects of Intellectual Property Rights, which provide added protection for companies seeking to maximise their IP potential.

- **Government Policies and Regulations**

  The Government of Singapore's continued emphasis on the importance of the manufacturing sector to the economy is also expected to have an impact on the demand for factory space. In this regard, the Government of Singapore has rolled out numerous programmes and incentives aimed at promoting Singapore as a regional manufacturing hub. These include:

  (a) Target to Double Manufacturing Output by 2018

  In September 2005, the Government of Singapore announced a blueprint to double annual manufacturing output to S$300.0 billion by 2018. This is a sign of the Government of Singapore's strong commitment to accelerate growth in the manufacturing sector.

  (b) Transforming Singapore into a Knowledge-Based Economy

  In the 2006 Budget, it was announced that S$5.0 billion would be injected into a Research and Development Trust Fund ("R&D Trust Fund") over the next five years, beginning with an initial injection of S$500.0 million in 2006. The R&D Trust Fund, together with the MTI's Science & Technology Plan 2010 ("STP2010")[3] and the Ministry of Education's ("MOE") academic research plans, will help raise Singapore's gross expenditure on R&D from 2.3% of GDP in 2004 to 3.0% by 2010.

[3] STP2010 is part of the Government of Singapore's overall strategy to make significant investments in R&D in the next five years, so as to increase national spending on R&D to 3% of GDP by 2010.

(c) The Headquarters Programme

With overseas investors contributing up to 75.0% of manufacturing fixed asset investments in 2005, the Government of Singapore has been active in drawing more foreign firms to increase their investments in Singapore. One of the means is through the Headquarters Programme. Started by the Economic Development Board ("EDB") in 1986, this programme provides concessionary tax rates and subsidies to encourage companies to use Singapore as a base for conducting headquarters management activities. Depending on the scale and value of the companies' headquarters operations in Singapore, companies may receive Regional Headquarters or International Headquarters awards. Since its inception, some 350 companies have received these awards, adding to the pool of over 4,000 companies with their headquarters in Singapore.

The companies that have recently received the International Headquarters awards are:

- Atos Origin (S) Pte Ltd
- Carmel Manufacturing Pte Ltd
- Consistel Pte Ltd
- Levi Straus Asia Pacific Division Pte Ltd
- Panasonic Asia Pacific Pte Ltd
- Perot Systems TSI
- Schenker (Asia Pacific) Pte Ltd

The EDB hopes to attract at least 500 world-class companies to set up significant headquarters operations in Singapore by 2010.

(d) Loan Insurance Scheme ("LIS")

The LIS provides an alternative access to financing for local enterprises through the use of loan insurance. Under the LIS, Participating Financial Institutions ("PFIs") will have the added flexibility of using their own funds to package attractive loan facilities for the enterprises based on their risk profiles. A portion of the loans will be insured against default risks.

LIS loans can be used to:

- Establish a viable business
- Support establishment of inventory storage and distribution hubs
- Expand existing manufacturing capacity
- Diversify into other product lines and capabilities
- Augment working capital needs
- Expand trading into new markets
- Broaden distribution channels

- Support and fund the local enterprises' majority-owned overseas subsidiaries

The insurance premiums will be co-shared between the Government of Singapore and the enterprises. LIS is offered through a network of PFIs.

(e) Enterprise Investment Incentive ("EII") Scheme

Administered by the Standards, Productivity and Innovation Board, this scheme essentially provides loss insurance to qualifying start-ups for their investments. With an EII status, a start-up can issue certificates to its investors for investments of up to S$3.0 million. Investors with these certificates can deduct any investment loss from their taxable income.

(f) Reducing Industrial Land Rent

The Government is constantly reviewing business costs for manufacturing concerns, including occupancy costs. Towards this end, the various government agencies that provide industrial space are constantly reviewing land and building rents to ensure that they are in line with the market, both locally and internationally. The latest round of revisions took place in July 2005 where land and building rents were adjusted downwards by between 5.0% and 25.0%.

- **Global Demand**

In June 2005, the Semiconductor Industry Association ("SIA") forecast that global sales of semiconductors would grow by 6.0% in 2005 to a record US$225.8 billion (approximately S$368.1 billion). In addition, they projected that by 2008, global semiconductor sales would reach approximately US$308.7 billion (approximately S$503.2 billion).

In line with such projections, by the end of 2005, SIA reported that major end-markets for chips saw chip sales rise substantially above expectations, with global chip sales reaching US$227.3 billion (approximately S$370.5 billion), or 0.7% over the projected US$225.8 billion (approximately S$368.1 billion) for 2005. In particular, sales of semiconductors in the Asia-Pacific region had the largest year-on-year growth of 20.0% compared to the American, European and Japanese markets. Going forward, SIA forecasts that the outlook for the semiconductor industry would remain robust with worldwide sales growing by 7.9% in 2006 to US$244.8 billion (approximately S$399.0 billion).

This growth has seen semiconductor firms in Singapore increasing their current investments. For example, Micron Semiconductor Asia plans to spend approximately US$249.8 million (approximately S$407.2 million) for a new plant extension over the next four to five years, bringing their total investment in Singapore operations to almost US$1.0 billion (approximately S$1.6 billion). Continual growth is a positive sign that factory take-up may be on the rise in the near future.

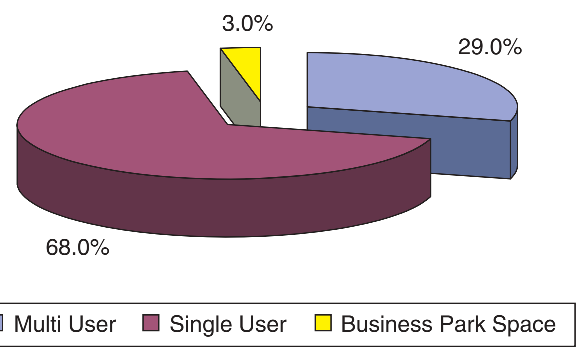
3.2.2 Factory Supply — Existing and Future

Existing

According to the Urban Redevelopment Authority ("URA"), there was 290.7 million sq ft of factory space in Singapore as at 31 December 2005. Some 76.1% of the factory stock is owned by the private sector[4] whilst the remaining 23.9% is held by the public sector[5].

Factory space may be categorised into three main types: multi-user, single-user and business parks. As at 31 December 2005, approximately 68.0% of factory space was attributed to the single-user type.

Factory Space by Type As At 31 December 2005



Source: Urban Redevelopment Authority / Colliers International

The bulk of the industrial areas is concentrated in the western region where the largest industrial estate, Jurong Industrial Estate, is situated. To the north, significant industrial pockets are found in the Senoko, Sungei Kadut and Kranji Industrial Estates. In the east, industrial areas are located along Upper Changi Road, Changi South, as well as in the Tampines and Loyang Industrial Estates. In the central zone of Singapore, more pockets of industrial space are located in areas such as Kallang, MacPherson, Paya Lebar, Eunos and Ang Mo Kio.

Net New Supply of factory space has moderated considerably in 2004 and 2005, averaging 3.5 million sq ft per annum. This is 63.9% lower than the average annual Net New Supply of 9.7 million sq ft between 1996 and 2005. In 2005, Net New Supply of factory space amounted to 3.1 million sq ft, 16.3% lower than that in 2004.

The industrial areas in Singapore are indicated in blue in the following map.

[4] URA defines "private sector" as referring to "*individuals, organisations or companies registered with the Registry of Companies or the Registry of Business Names. It includes clan associations and other organisations registered under the Society Act, Charity Act, Co-operative Societies Act etc.*"

[5] URA defines "public sector" as referring to "*the public authorities which are either government ministries, departments or statutory boards created by an Act of Parliament.*"

Singapore Industrial Map

Future

According to URA statistics, some 32.6 million sq ft of new factory space is expected to come on stream from 2006 onwards. This is equivalent to 11.2% of the existing stock as at 31 December 2005. Of this new space, 16.7 million sq ft was under construction while the remaining 15.9 million sq ft was still at the planning stage as at 31 December 2005.

Supply of Factory Space in the Pipeline As At 31 December 2005

Million sq ft gross floor area

	Total	2006	2007	2008	2009	2010	>2010
Total	32.6	9.3	12.6	5.9	1.8	—	3.0
Under Construction	16.7	9.3	5.5	1.5	0.4	—	—
Planned	15.9	0.0	7.1	4.4	1.4	—	3.0

Source: Urban Redevelopment Authority / Colliers International

Note: Figures may not add up due to rounding off

Evolution of the Factory in Singapore

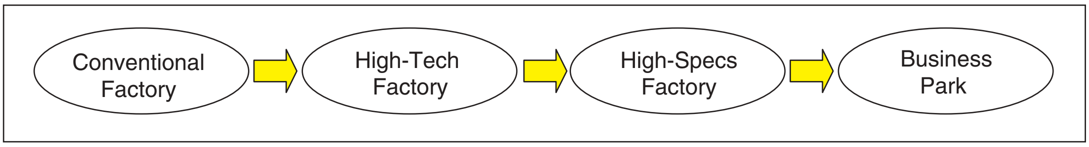
Over the years, the basic factory has grown highly sophisticated in order to meet the changing trends of industrialisation. Conventional factories were typical of the first generation. These are usually industrial space with very basic building specifications, which housed labour intensive industries in the early days of industrialisation in Singapore. Next came the High-Tech factories, which are basically conventional factories with office-like facades. In terms of building specifications, these are very much similar to conventional factories.

Then in the early 90s, High-Specs factories were introduced to the market. In addition to pleasant exteriors, these factories also have high building specifications such as wider column span, higher electrical power, central air-conditioning, broadband access and are well-equipped with sophisticated in-house amenities such as meeting rooms, food courts, ATM machines, tennis courts and swimming pools. Hi-Specs factories are usually designed for high-tech manufacturing, and research and development activities.

Lastly, at the peak of factory sophistication is the Business Park space. In addition to all the features of Hi-Specs factories, Business Park factories are located in a park-like environment complete with lush greenery, attractive landscaping and even more user-centric amenities such as shuttle bus services.

As at 31 December 2005, there were some 14.8 million sq ft (or 5.1% of island-wide factory stock) of High-Specs and Business Park space suitable for the growing high-tech and knowledge-based industries.

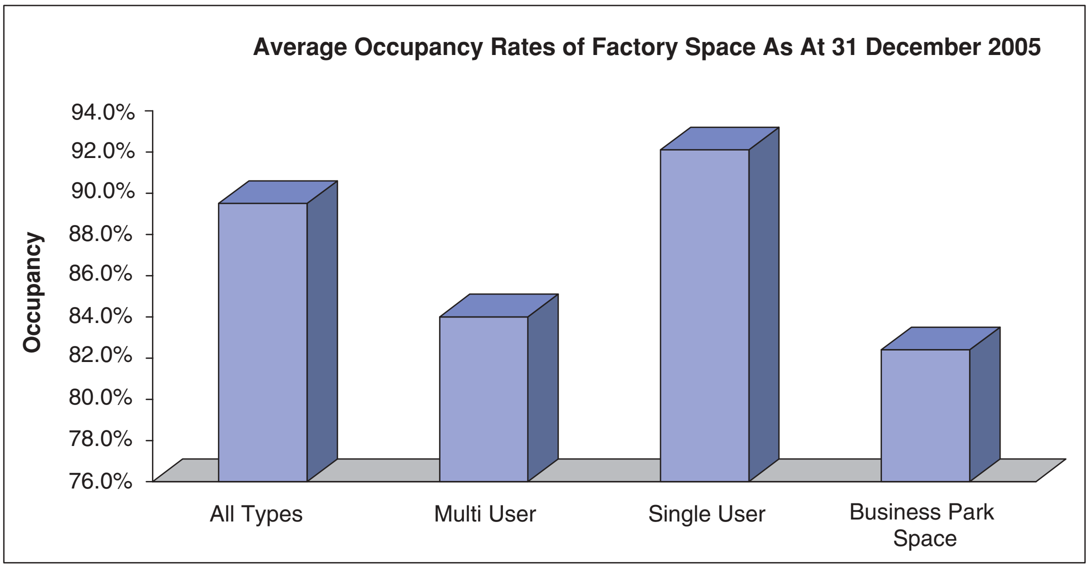
The Evolution of the Factory



Source: Colliers International

3.2.3 Demand and Occupancy

As at 31 December 2005, average occupancy rate of factory space was 89.5%. Single-user factory space had the highest occupancy rate of 92.1%. The average occupancy rate of multi-user factory space was 84.0% while the occupancy rate of Business Parks was 82.4% in the same period.

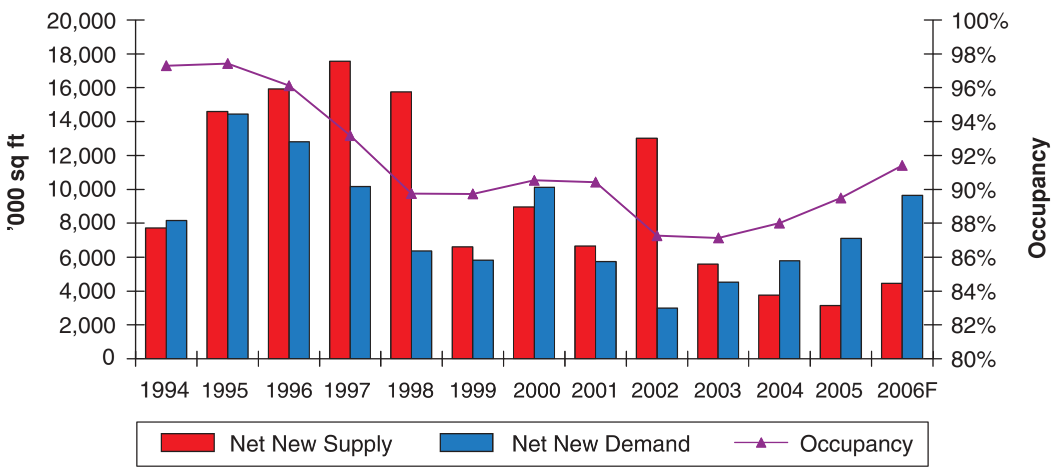


Source: Urban Redevelopment Authority/Colliers International

Average occupancy rates of factory space have been rising steadily from a low of 87.1% as at 31 December 2003 to 89.5% as at 31 December 2005. This was due to a combination of strong demand and moderate supply growth during this period.

Historically, Net New Supply of factory space has generally been higher in relation to demand for such space, leading to downward pressure on occupancy rates. Average annual Net New Supply was 11.2 million sq ft between 1994 and 2003 whilst average annual Net New Demand for the corresponding period was only 8.1 million sq ft. However, this trend was reversed in 2004 with demand exceeding supply. In 2004, some 5.8 million sq ft of net factory space was absorbed whilst Net New Supply amounted to only 3.8 million sq ft. This trend continued into 2005 with Net New Demand of factory space in 2005 amounting to 7.1 million sq ft as against Net New Supply of 3.1 million sq ft.

Annual Islandwide Factory Net New Supply, Net New Demand and Occupancy



Source: Urban Redevelopment Authority / Colliers International

3.2.4 Emerging Demand Trends

Some new demand trends have been observed in recent years. These include:

- **Preference for leasing**

  In line with the global trend for companies to reduce their capital assets, multi-national and large local corporations have shown a preference towards leasing, rather than purchasing or owning industrial real estate.

- **Preference for build-and-lease option**

  More large corporations are showing an interest in the build-and-lease option, which enables corporations to maintain their high space specifications while leasing.

- **Relocation of companies from Central Business District to High-Specs Factories**

  High-Specs factory space has been an attractive alternative for office tenants with its pull factors of lower rents, quality office-like buildings, good corporate image and amenities offered.

As a result, some multi-national corporations with larger space requirements have moved their operations that do not require the convenience of being situated in the Central Business District ("CBD") to outlying High-Specs factories. These include Sony, which moved its operations to the Hi-Specs building, The Strategy at International Business Park; and IBM, which moved out of IBM Towers (now known as Fuji Xerox Building) to a built-to-suit building at Changi Business Park. Reeds, Acer and Bridgestone are some of the other corporations that have consolidated their operations in business park space.

3.2.5 Rents

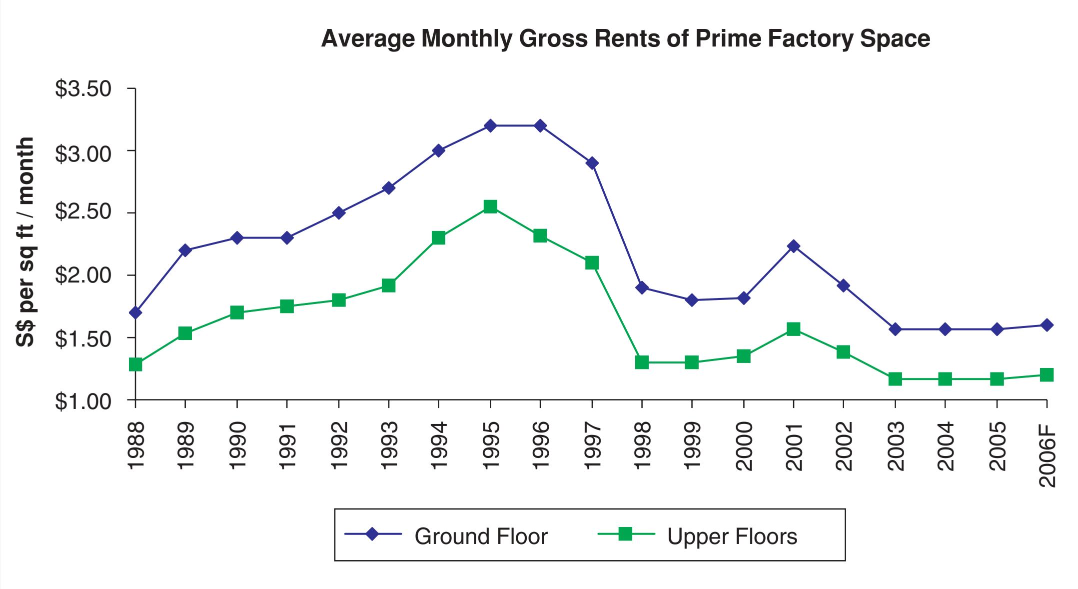
Rents of factory space, which had been on a downward trend since early 2001, bottomed in the second half of 2004.

As at 31 December 2005, ground floor space of prime factory buildings commanded average monthly gross rents of S$1.57 per sq ft whilst those on the upper floors commanded rents of S$1.17 per sq ft. Due to its higher specifications and its ability to attract high value-added as well as office-like tenants, High-Specs factory space could command higher average monthly gross rents of S$1.97 per sq ft on the ground floor and S$1.83 per sq ft on the upper floors.

Average Monthly Gross Rents of Prime Factory Space

Type	Floor	Average Monthly Gross Rents (S$ per sq ft)		Year-on-Year Change
		31 December 2004	31 December 2005	
Flatted Factories	Ground	$1.57	$1.57	0.0%
	Upper	$1.17	$1.17	0.0%
High-Specs Factories	Ground	$1.82	$1.97	8.2%
	Upper	$1.68	$1.83	8.9%

Source: Colliers International



Source: Colliers International

3.2.6 Capital Values

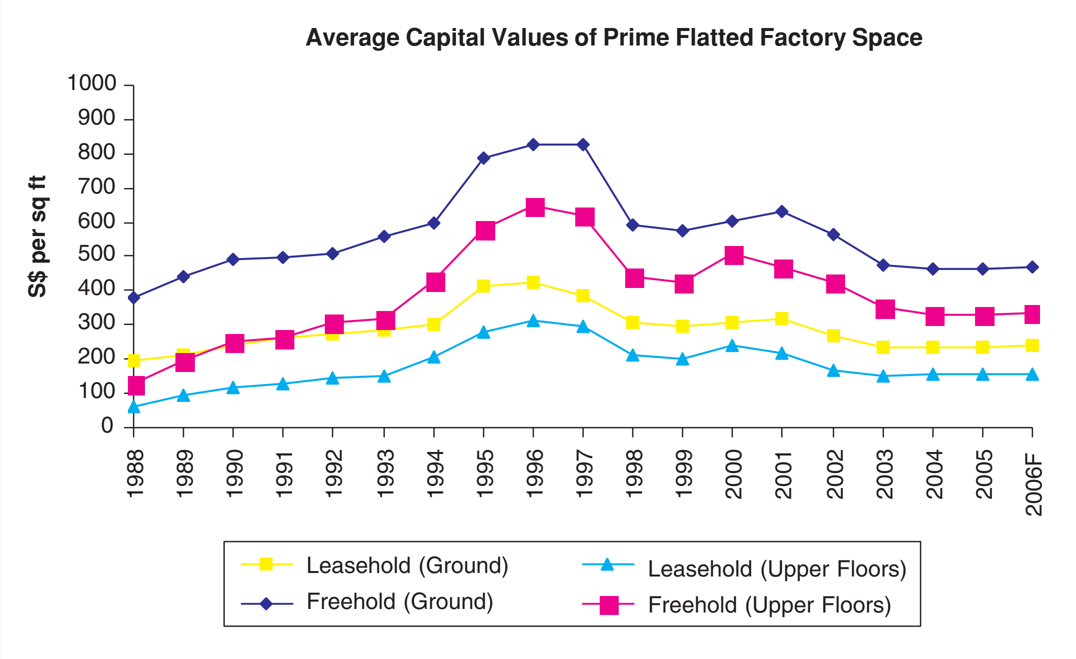
Capital values have experienced a steep downward trend since 1996 and although they had a brief upturn in 2000, continued on a more gradual downward trend from 2001. Prices of factory space as at 31 December 2005 were approximately 50.0% lower than the peak in 1996.

Capital values of 60-year leasehold properties reached their bottom by the first quarter of 2004 and have since risen by 2.6% for ground floor space and 2.0% for upper floor space. Capital values of freehold properties, however, were slower to recover and did not bottom till early 2005. One of the reasons for the continued decline in capital values of freehold properties was weaker demand arising from the need for larger capital outlay and commitment compared to 60-year leasehold properties.

Average Capital Values of Prime Flatted Factory Space

Type	Floor	Average Capital Values (S$ per sq ft)		Year-On-Year Change
		31 December 2004	31 December 2005	
Freehold	Ground	$461	$461	0.0%
	Upper	$329	$327	–0.6%
60-year Leasehold	Ground	$237	$237	0.0%
	Upper	$154	$155	0.6%

Source: Colliers International



Source: Colliers International

3.3 SINGAPORE WAREHOUSE MARKET

3.3.1 Demand Drivers

Singapore's warehouse market is influenced by several key factors including the size and strength of Singapore's logistics industry, which in turn depends largely on factors such as the quality and extent of Singapore's infrastructure and connectivity, as well as the Government of Singapore's policies and regulations.

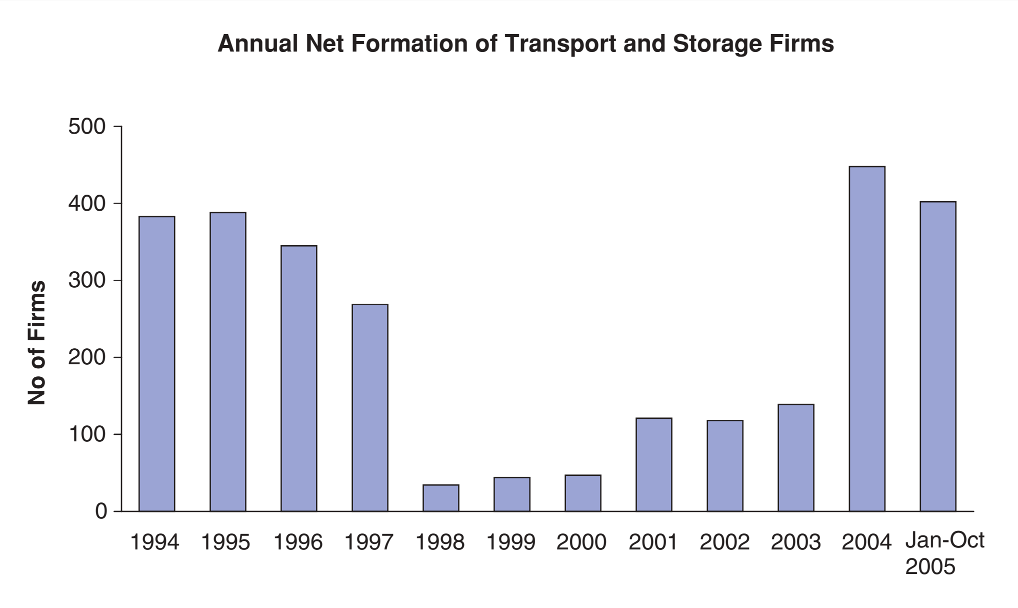
- **Size and Strength of Singapore's Logistics Industry**

  The logistics industry has always played a critical role in Singapore's economy, with the transport and communications sector contributing approximately S$23.1 billion or 11.8% of Singapore's GDP in 2005.

  In 2005, Singapore's container ports handled a record 23.2 million twenty-foot equivalents ("TEUs"), up from 21.3 million TEUs in 2004. For the same period, Changi International Airport also registered a record air cargo throughput of 1.8 million tonnes, an increase of 3.3% over volumes in 2004.

- **Number of Transport and Storage Establishments**

  In 2004, the net number of transport and storage establishments set up increased significantly, outperforming the growth experienced even in the years before the Asian financial crisis. Net formation was also strong in 2005, with the number of companies formed in the first 10 months of the year almost matching that in the whole year of 2004, which is a positive development for warehouse space take-up.



Source: Accounting and Corporate Regulatory Authority / Colliers International

Currently, there are already a large number of established regional and global logistics operators and companies in Singapore. These include Bax Global, Exel Singapore, UPS, EGL Eagle Logistics, TNT Logistics, Menlo Worldwide, Nippon Express, DHL, Fedex, Freight Links, CWT, Sembawang Kimtrans, YCH Global Logistics, C & P Logistics, Keppel Logistics, SembLog, Maersk Logistics and IDS Logistics, amongst others.

- **Established Infrastructure and Connectivity**

Singapore is well-connected by air and sea and has an excellent telecommunications infrastructure:

(a) World's busiest port

Singapore's port is the focal point for more than 400 shipping lines to over 700 ports worldwide. In 2005, the growth in containerised cargo volumes helped the Singapore port surpass Hong Kong to become the world's busiest port.

(b) Leading air hub

Singapore Changi International Airport has a wide global coverage with an offering of 3,700 weekly flights to over 170 cities worldwide. In 2004 alone, the airport received a total of 15 awards including the 'Best Airport in the World' by the Business Traveler Asia-Pacific for the 13th time and 'The Best Airport — Asia' by Cargonews Asia for the 18th time.

(c) **Telecommunications connectivity**

Singapore boasts of a nationwide broadband network infrastructure with 26 terabits per second of installed international capacity that reaches some 99.0% of the population.

- **Government Policies and Regulations**

The Government of Singapore has put in place a framework to develop Singapore into an integrated logistics centre in Asia by 2010. One of the strategies is to develop a full range of logistics capabilities, supporting manufacturing and business services, through third-party logistics providers, chemical logistics companies and electronics distributors. Some of the Government of Singapore's initiatives include:

(a) **Incentives for the Maritime and Logistics Industry in the 2006 Budget:**

The Government recognised the need to attract more international ship-owning and ship-operating companies to set up operations in Singapore in order to develop a dynamic maritime and logistics industry. These operations need to be supported by a comprehensive range of services covering the entire maritime and logistics value chain, including financing.

As such, four changes were unveiled in the 2006 Budget:

1. The introduction of a Maritime Finance Incentive to grant tax exemption for qualifying income of ship investment vehicles and a 10.0% concessionary tax rate for qualifying income of ship financing activities in Singapore. These measures are expected to encourage the development of ship financing activities in Singapore.

2. The Approved International Shipping Incentive is to be enhanced by lengthening the maximum period of incentive from 20 to 30 years to encourage shipping companies to remain in Singapore.

3. To remove the need for companies to show that derivative trades are incidental to physical trades before such income may be treated as qualifying income. This will lower the compliance cost for traders enjoying the 10.0% concessionary tax rate under the Global Trader Programme[6] and enhance Singapore's position as an international trading hub.

4. The waiver of import goods and services tax ("GST") for goods removed from zero-GST warehouses will be extended to all who qualify under the Major Exporter Scheme[7] and Approved Third Party Logistics Company

[6] The Global Trader Programme encourages global trading companies to use Singapore as their regional or global base to conduct activities along the total trade value-add chain from procurement to distribution, in order to expand into the region and beyond.

[7] The Major Exporter Scheme ("MES") is a scheme whereby the payment of GST is deferred at the point of importation. MES traders will be allowed to import goods without paying GST to Singapore Customs. Subsequently when they supply goods locally, they will have to charge GST. This scheme was introduced to alleviate the cashflow problems faced by exporters who have significant imports and exports.

Scheme[8]. This will give them greater flexibility to conduct their business via logistics and warehousing companies and hence, strengthen Singapore's position as a logistics hub.

(b) The Creation of Airport Logistics Park of Singapore ("ALPS")

The 26-hectare ("ha") ALPS located next to the Changi Airfreight Centre was officially opened on 20 March 2003 and gazetted as a free trade zone. The ALPS will enable third-party logistics services providers to offer integrated and innovative logistics solutions as well as enable value-added logistics and regional distribution activities to be undertaken within a free trade zone environment. Take-up by leading logistics players at the ALPS was good in 2004. Following the opening of Exel and Expeditor's new facilities in 2003, SDV International Logistics and Bax Global announced plans to construct new logistics facilities at the ALPS.

- **Growth of Global Logistics Industry**

According to the MTI, the transport and logistics industry is a sizeable growth market worldwide and is expected to attain annual growth rates of between 3.0% to 10.0%. Over the years, this sector has grown in sophistication in relation to the variety of services provided, ranging from individual transport and storage solutions to integrated supply chain management ("SCM") services.

As the pace of outsourcing gathers momentum, the logistics sector is likely to see further growth, especially by SCM and other value-added services. Compared to the United States and Europe, where shipping companies have outsourced up to 25.0% of their logistics functions, Asian shipping companies have outsourced only about 2.5% of their logistics functions. Hence the potential for growth is expected to be strong within Asia.

Asian companies are also showing great interest in revamping their supply chains and integrating them with operations worldwide. JP Morgan forecast that logistics outsourcing in Asia is likely to reach US$79.9 billion (approximately S$130.3 billion) by 2012. With increased efficiency, and subsequently, higher volumes with respect to supply chain operations, the demand for warehousing services in Singapore is expected to increase accordingly.

3.3.2 Warehouse Supply — Existing and Future

Existing

According to the URA, there was 62.2 million sq ft of warehouse space in Singapore as at 31 December 2005, the bulk i.e. 53.6% of which was located in the west region. Some 98.6% of the warehouse stock is owned by the private sector and only 1.4% is held by the public sector.

The main warehouse and logistics areas in Singapore are circled in the map below.

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[8] The Approved Third Party Logistics Company Scheme is a scheme whereby qualifying companies can import goods belonging to them or to foreign principals without payment of GST. Qualifying companies can also move goods to their customers who are under the MES, and other qualifying companies under the same scheme, without charging GST.

Logistics Map of Singapore

Future

According to URA statistics, as at 31 December 2005, some 5.1 million sq ft of new warehouse space is expected to come on stream from 2006 onwards. This is equivalent to 8.2% of the existing stock as at 31 December 2005. Of this new space, 3.1 million sq ft is currently under construction while the remaining 2.1 million sq ft is still being planned.

Supply of Warehouse Space In The Pipeline As At 31 December 2005

Million sq ft gross floor area

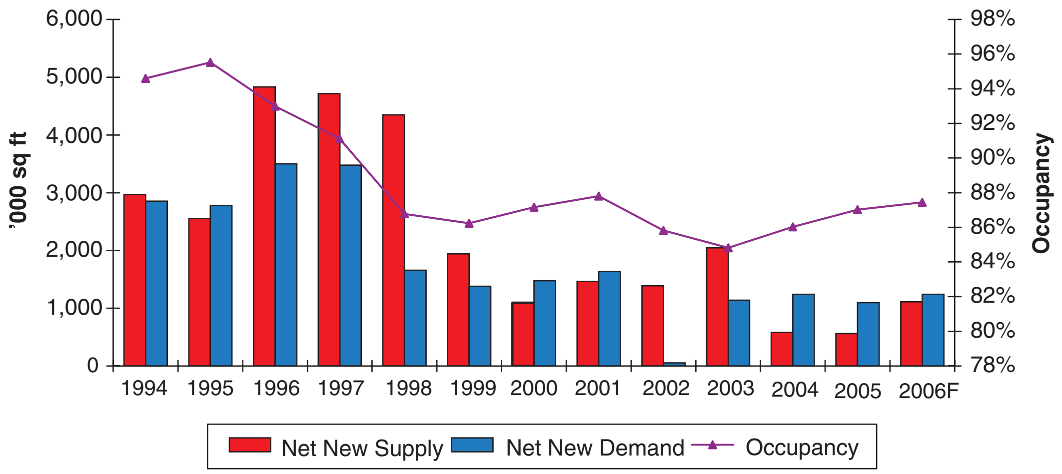
	Total	2006	2007	2008	>2008
Total	5.1	2.4	2.5	0.2	—
Under Construction	3.1	2.3	0.6	0.1	—
Planned	2.0	0.1	1.9	0.0	—

Source: Urban Redevelopment Authority / Colliers International
Note: Figures may not add up due to rounding off

3.3.3 Demand and Occupancy

Historically, the Net New Supply of warehouse space has been strong in relation to demand for such warehouse space. Average annual Net New Supply between 1994 and 2003 was 2.7 million sq ft whilst average annual Net New Demand for the corresponding period was only 2.0 million sq ft, leading to downward pressure on occupancy rates. However in 2004, average annual Net New Supply fell to a low of 581,000 sq ft whilst Net New Demand was more than double Net New Supply at 1.2 million sq ft, raising occupancy to 86.0%. This trend of Net New Demand exceeding Net New Supply continued into 2005 with Net New Demand at 1.1 million sq ft and Net New Supply at 560,000 sq ft. Occupancy rose further to 87.0% as at 31 December 2005.

Annual Islandwide Warehouse Net New Supply, Net New Demand and Occupancy



Source: Urban Redevelopment Authority / Colliers International

3.3.4 Rents

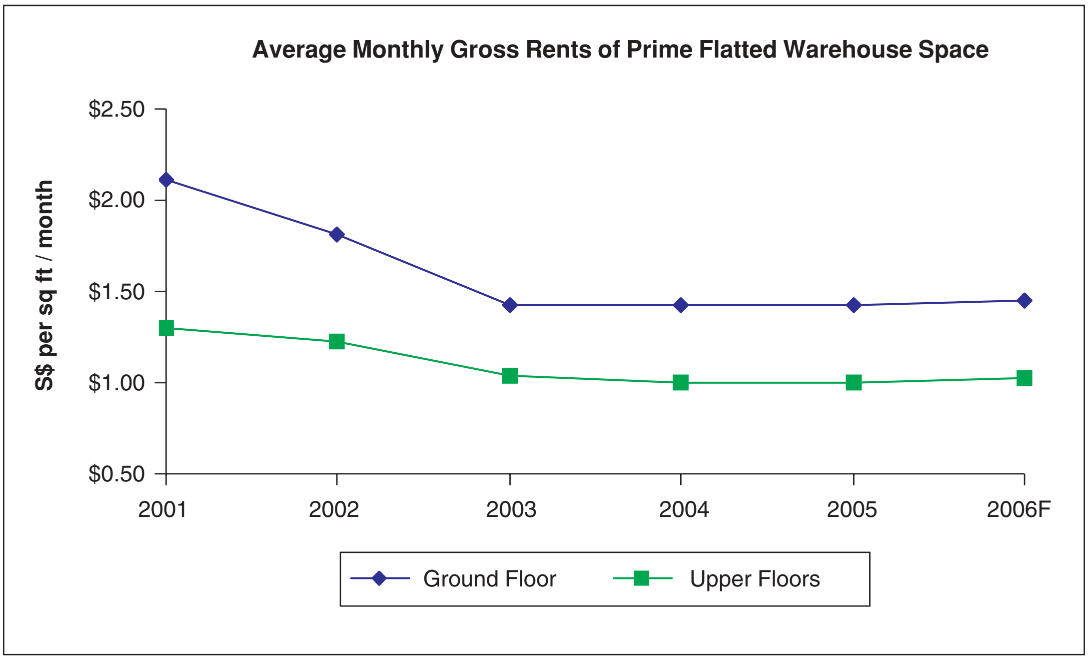
Rents of warehouse space, which had been on a downward trend since early 2001, bottomed in 2004 and have remained relatively flat from then until 31 December 2005.

As at 31 December 2005, ground floor space of prime freehold warehouse buildings commanded average monthly gross rents of S$1.42 per sq ft whilst those on the upper floors commanded rents of S$1.00 per sq ft.

Average Monthly Gross Rents of Prime Flatted Warehouse Space

Floor	Average Monthly Gross Rents (S$ per sq ft)		Year-on-Year Change
	31 December 2004	31 December 2005	
Ground	$1.42	$1.42	0.0%
Upper	$1.00	$1.00	0.0%

Source: Colliers International



Source: Colliers International

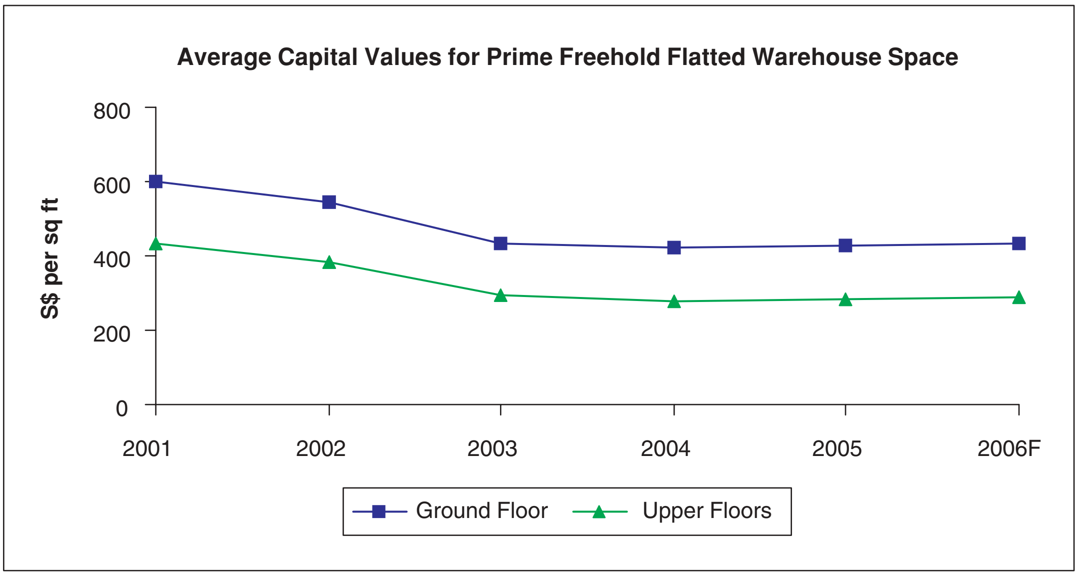
3.3.5 Capital Values

As in the use of rents, capital values of warehouse space have also experienced a downward trend since the end of 2000. Capital values of freehold flatted warehouses (upper floor space) bottomed in the fourth quarter of 2004 and rose by 1.1% by the fourth quarter of 2005.

Average Capital Values of Prime Freehold Flatted Warehouse Space

Floor	Capital Values (S$ per sq ft)		Year-On-Year Change
	31 December 2004	31 December 2005	
Ground	$422	$426	0.9%
Upper	$279	$282	1.1%

Source: Colliers International

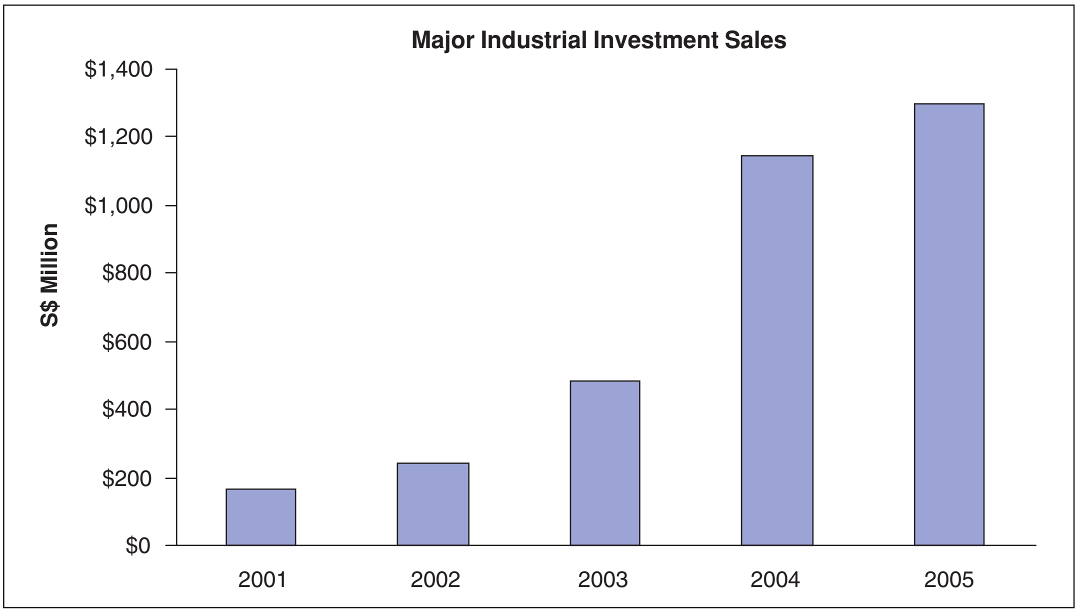


Source: Colliers International

3.4 SINGAPORE INVESTMENT MARKET

The emergence of the industrial Real Estate Investment Trusts ("REITs"), Ascendas REIT ("A-REIT") in 2002, and then Mapletree Logistics Trust ("MLT") in July 2005, has provided a stimulus to the industrial investment market. From a total investment value of some S$167.9 million in 2001, the industrial investment volume has since risen nearly eight-fold to S$1.3 billion by 2005. On the assumption that CIT had acquired its initial portfolio of Properties in 2005, REITs-related acquisitions would have accounted for 86.6% of total industrial investment sales in 2005.

Net yields for investment-grade industrial properties averaged 7.5% as at 31 December 2005.



Source: Colliers International

Going forward, the investment sales market looks positive particularly after JTC's announcement that it would stop developing industrial land and divest half of its ready-built facilities including 71 blocks of high-rise factories, three business park buildings, a high-rise warehouse in Clementi, 800 units of workshops and three workers' dormitories totalling 28.0 million sq ft. This sizeable group of buildings represents good potential for industrial REITs to grow their portfolios.

3.5 OUTLOOK

The outlook of the industrial property market in Singapore appears to be bright for the medium term, driven by the Government of Singapore's continued efforts to strengthen Singapore's role as a leading manufacturing and logistics hub for the Asia-Pacific region. Demand for industrial space is expected to remain buoyant, underpinned by record investments committed in the manufacturing and logistics sector. However, new supply of industrial space is set to slow down. Against this backdrop, rents and capital values of factories and warehouses are poised to remain stable, with some room for a moderate upturn in the medium term.

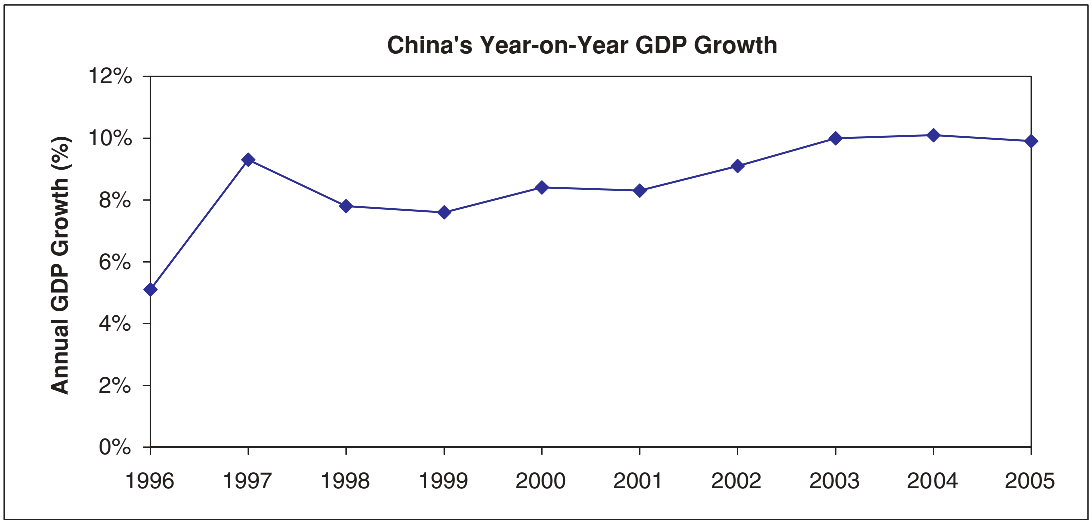
On the investment front, the three industrial REITs in Singapore, including CIT, on the assumption that it had acquired its initial property portfolio would have held approximately 11.9% of the islandwide stock of industrial space of 352.9 million sq ft as at 31 December 2005. There is thus potential for REITs to grow their portfolio of Singapore properties.

4.0 CHINA INDUSTRIAL PROPERTY MARKET

4.1 THE ECONOMY

China is the world's seventh largest economy. Its economy has grown rapidly between 1996 and 2005 at an average annual growth rate of 9.2%. Whilst numerous regional economies went into recession during the years of the Asian financial crisis, China's economy was resilient and posted strong GDP growth of 9.3% and 7.8% in 1997 and 1998 respectively. Growth accelerated in the last few years on the back of increased investments, with GDP growth reaching a high of 10.1% in 2004. The fast pace of growth gave rise to concerns that the economy may overheat. The Chinese authorities have attempted to contain the growth and rebalance the economy by shifting the economy's reliance on investment. By the end of 2005, China's economy grew by 9.9% and official results indicate that China's economy has already achieved its long-awaited soft landing with a slow down in inflation and investment growth. These figures suggest that further measures would not be needed to hold back the economy, as there is now little risk of a burst of the growth bubble.

According to the National Statistics Bureau ("NSB"), the industrial sector grew by 11.4% (year-on-year) in 2005 and accounted for 41.8% of China's total GDP in 2005.



Source: National Statistics Bureau/Colliers International

Being the capital of the nation, Beijing has the key advantage of being located within close proximity of the country's power centre which serves as a key driver for investments into the city. Beijing's economy expanded by 11.1% on a year-on-year basis in 2005 while realised foreign direct investments ("FDI") grew by 14.4% to reach US$3.5 billion (approximately S$5.7 billion) in 2005. The industrial sector, which accounted for 30.8% of Beijing's overall economy, grew by 11.7% reaching US$26.2 billion (approximately S$42.7 billion).

Shanghai has been the forerunner in relation to the Chinese Government's economic development plans. For 13 consecutive years since 1992, Shanghai has enjoyed double-digit economic growth. GDP growth for 2005 was recorded at 11.1% and realised FDI amounted to US$6.9 billion (approximately S$11.3 billion), reflecting a growth of 4.7% over 2004. The city's industrial output grew by 13.9% to US$210.7 billion (approximately S$343.6 billion) in 2005, exceeding the city's growth rate. The value output by the industrial sector makes up 45.4% of Shanghai's total GDP in 2005.

4.2 CHINA INDUSTRIAL PROPERTY MARKET

China opened her doors in 1979 and Shenzhen became the forerunner in China's "Open Door Policy" as the first Special Economic Zone designated to attract foreign investments. Since then, the Pearl River Delta, Yangtze River Delta and the Greater Bohai Bay Area have emerged as the three drivers of economic growth for China. FDI in China burgeoned over the last decade to US$60.6 billion (approximately S$103.0 billion) in 2004, most of which were invested in factories, warehouses, storage facilities and research and development centers located in development zones.

The Bohai-Rim Economic Circle, Yangtze River Delta and South China attracted most of the foreign investment and were the key drivers of China's economy. Although these areas have only 34.0% of China's total population and occupy 10.0% of the country's total area, their joint GDP account for almost half of China's total GDP. Even though operation costs in these three areas are notably higher than the other regions, these well-established areas continue to be focal points of development and foreign investments.

However, in recent years, the Chinese Government has attempted to redistribute wealth by implementing a series of incentives to attract foreign investments to the poorer and less developed provinces. These areas include North-East China, Central China, West China, and those located in the inlands.

The shift in emphasis to relocate manufacturing industries to lower-tier cities in the inlands amidst rising labour, land and operating costs makes Beijing and Shanghai the preferred development zones for higher value-added industrial operations. Beijing and Shanghai are now the hotbeds for headquarters of multi-national corporations, research and development centres, knowledge-based industries and capital intensive, higher value-added industries due to the availability of a large base of skilled labour.

Beijing has successfully attracted more than 10,000 representative offices as well as many multi-national headquarters including Motorola, General Electric, Hewlett-Packard, Volkswagen, Ford and Allied Signal. However, Beijing has also seen its fair share of investments relocating to other cities such as Tianjin, the largest industrial center in northern China. One of the distinct advantages that Tianjin has over Beijing is the port facility. Tianjin is also traditionally regarded as the more affordable cousin of Beijing with excellent management and client-oriented services. It has since attracted some big names such as Motorola, Coca-Cola, Samsung and Nestle.

Large corporations that had set up regional headquarters in Shanghai include Unilever, BASF, Alcatel, General Motors, Honeywell, Infineon, Philips, IBM and SMIC. Many of these have relocated from Tokyo, Hong Kong, Singapore and Taiwan.

4.3 RECENT POLICY CHANGES/GOVERNMENT INITIATIVES

A series of macro-economic controls put in place by the Chinese Government, particularly in the residential real estate sector, has resulted in the channeling of investment capital into the commercial and industrial sectors. According to the NSB, the Investment Real Estate Development Index showed investments in real estate development totalled US$185.3 billion (approximately S$302.2 billion) in the first 11 months of 2005, a 23.6% year-on-year growth.

In July 2003, the National Development and Reform Commission ("NDRC"), Ministry of Land and Resources ("MLR") and Ministry of Construction began a nationwide audit of investment zones, which resulted in the closure of more than 4,800 sites, leaving some 2,000 zones in operation, out of which only 230 were reported to have been granted State Council approvals. Many industrial parks have had previously approved land reclaimed by the State Council. The Government also aims to regulate the industrial property market by integrating scattered industrial areas and upgrading them to industrial park status while eliminating some low value industries. The efficiency of land use was improved by increasing the centralisation rate of industrial areas to between 70.0% and 80.0%.

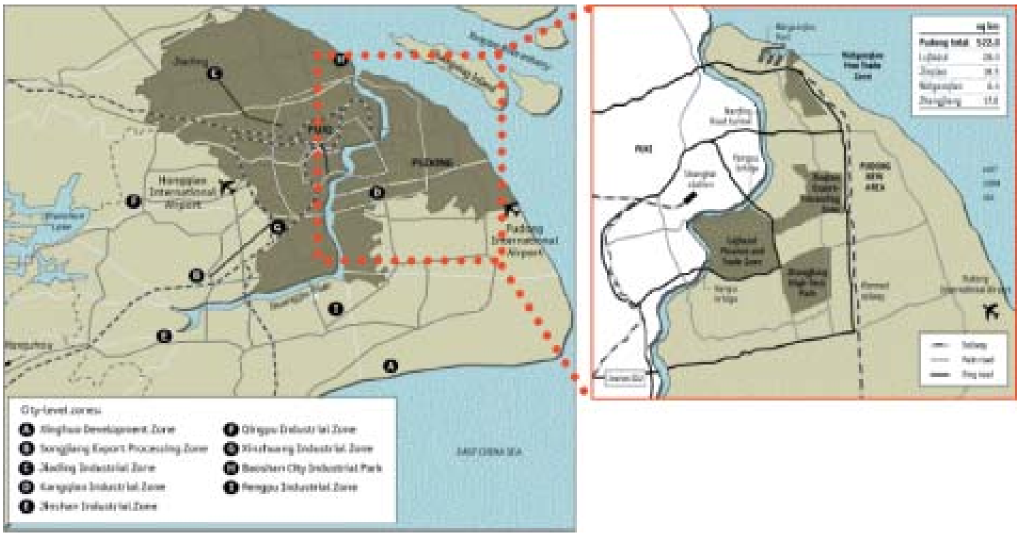
The controls in land supply in the midst of rising demand for both land and industrial facilities have led to increases in both land prices and building rents across Beijing and Shanghai.

4.4 SHANGHAI

4.4.1 Market Overview

Shanghai has nine key industrial zones, namely Baoshan, Jiading, Jinqiao, Kangqiao, Qingpu, Songjiang, Waigaoqiao, Xinzhuang and Zhangjiang.

Development Zones in Shanghai



Source: Economist Intelligence Unit

Due to the limited land supply and a more stringent approval process for land acquisition since the macro land control policies were implemented, many enterprises keen on acquiring industrial park land were often put on a waiting list. Land use statistics from the Shanghai Economic Commercial Bureau, the Shanghai Statistics Bureau and the Shanghai Real Estate Bureau for 33 industrial land areas in 19 districts showed that the Shanghai Government has reduced the city's total number of development areas from the previous 176 to 79, or by 55.1% since 2003. The industrial land market in Shanghai is thus a case of demand outstripping supply.

Shanghai Industrial Land Information as at 31 December 2005

Area	Planned Area (Ha)	Developed Area (Ha)	Total Land Supply (Ha)	Land Price (US$ per sq ft)	Land Price (S$ per sq ft)
Baoshan	435	220	251	6.01	10.22
Jiading	5,720	3,116	839	3.44	5.85
Jinqiao	2,700	1,900	1,900	9.97	16.96
Kangqiao	2,688	2,038	695	8.69	14.78
Qingpu	5,620	3,000	1,464	4.30	7.31
Songjiang	5,980	4,339	2,479	5.50	9.35
Waigaoqiao	1,000	8,90	428	10.31	17.53

Area	Planned Area (Ha)	Developed Area (Ha)	Total Land Supply (Ha)	Land Price (US$ per sq ft)	Land Price (S$ per sq ft)
Xinzhuang	1,788	1,364	267	8.59	14.61
Zhangjiang	2,500	1,671	595	8.59	14.61

Source: Colliers International

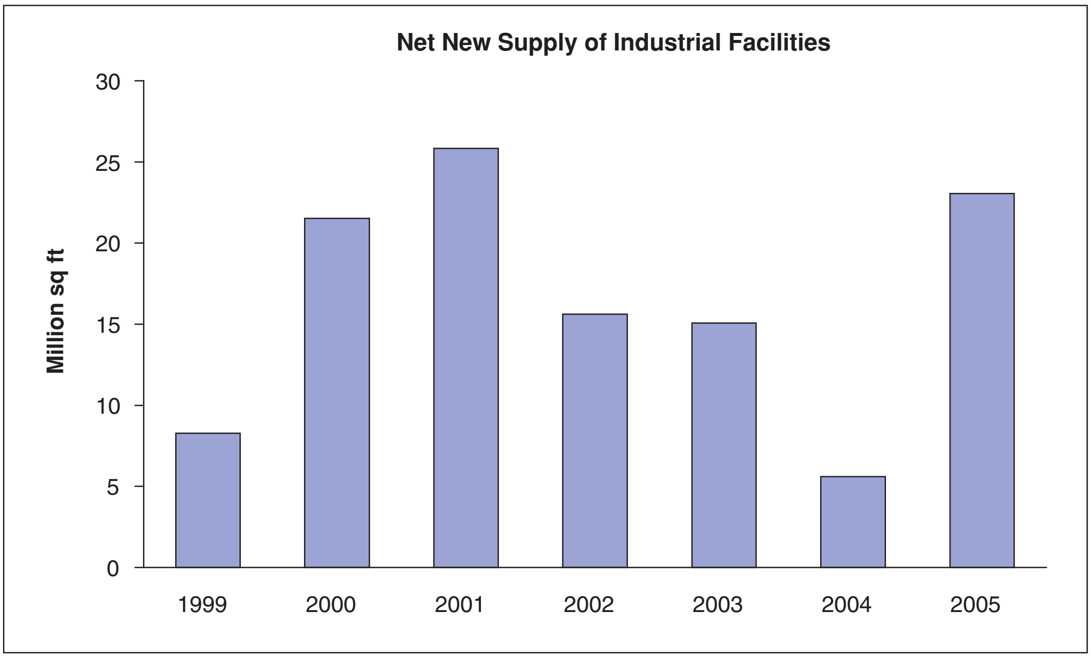
As at 31 December 2005, a total of about 62,600 ha has been set aside for 80 development areas and the centralisation rate for pillar industries is about 80.0%. The Chinese Government's plan to increase the industrial centralisation rate from the current 47.0% will reduce scattered industrial land by 5,000 ha.

The shift in industrial focus towards higher value-added industries, research and development and headquarter facilities in Shanghai has seen many multi-national corporations relocating or setting up their regional headquarters in the city. The city's pool of skilled labour, both local and foreign, is appealing to multi-national corporations, particularly to the production enterprises. Further to that, the city is home to Fudan University, the second most prestigious university in the country after Beijing University, 1,000 research institutions and 49 universities and colleges.

4.4.2 Existing Supply

There are mainly four types of industrial facilities in Shanghai's industrial market, namely the single-level workshop, the multi-level workshops, warehouses and offices (or business space). The main types of facilities available in the nine industrial parks in Shanghai are the standard single and multi-level workshops. Only Waigaoqiao Industrial Park, a logistics industrial park, offers warehousing facilities, which constitutes 54.0% of the park's total available area. Similarly, only a few industrial parks built office facilities. Zhangjiang Hi-Tech Industrial Park mainly houses research and development and incubation industries that commonly require office space. About a third of the total floor space is for office use.

As at 31 December 2005, industrial stock in Shanghai stood at 207.0 million sq ft. Many new facilities were launched during the industrial market boom in Shanghai in 2000 and 2001. However, the macro policies have resulted in a tight supply of industrial facilities since 2004. New supply of industrial facilities declined sharply by 63.0% from 15.1 million sq ft as at 31 December 2003 to 5.6 million sq ft as at 31 December 2004. However, continued strong demand for industrial facilities brought about the construction and launching of new facilities totalling 23.1 million sq ft in 2005, almost matching the peak achieved in 2001.



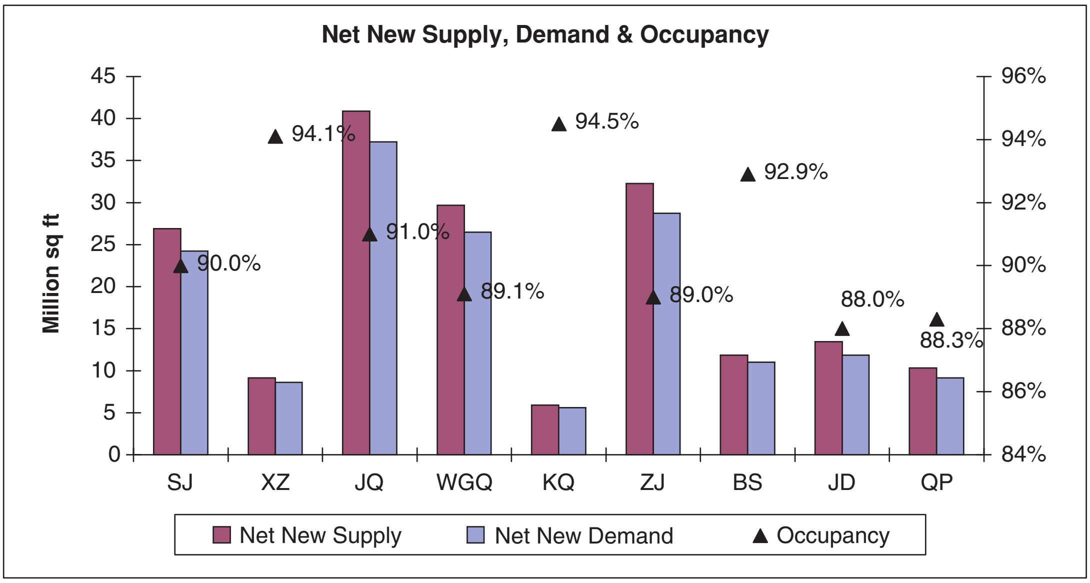
Source: Colliers International

4.4.3 Demand

A sustained increase in FDI in Shanghai has supported the strong demand for high-quality factory and warehouse space in the nine industrial parks in Shanghai. Shanghai's World Trade Organisation member status and its opening of a logistics market have attracted an increasing number of logistics enterprises. This has in turn boosted the demand for logistics facilities and resulted in the building of more logistics facilities in the industrial parks. Additionally, Shanghai's booming retail developments have also strengthened the demand from local enterprises for workshops and warehouses.

Recently, many international third party logistics companies, as well as manufacturers and retailers, have seen strong demand for distribution centers. Indeed logistics facilities have emerged as the new investment sub-segment of choice in the city's industrial property market. However, despite the increasing demand, logistics properties and industrial land are being withheld from the market by owners as they are expecting the authorities to implement a number of policies aimed at promoting the logistics industry in the city. Landlords can thus expect the policies to boost capital inflow into the sector.

Occupancy rates of industrial facilities in the nine industrial parks averaged about 90.0% with Xinzhuang and Kangqiao enjoying higher occupancy rates at 94.1% and 94.5% respectively as at 31 December 2005.



Source: Colliers International

SJ – Songjiang	*WGQ – Waigaoqiao*	*BS – Baoshan*
XZ – Xinzhuang	*KQ -Kangqiao*	*JD – Jiading*
JQ – Jinqiao	*ZJ – Zhangjiang*	*QP – Qingpu*

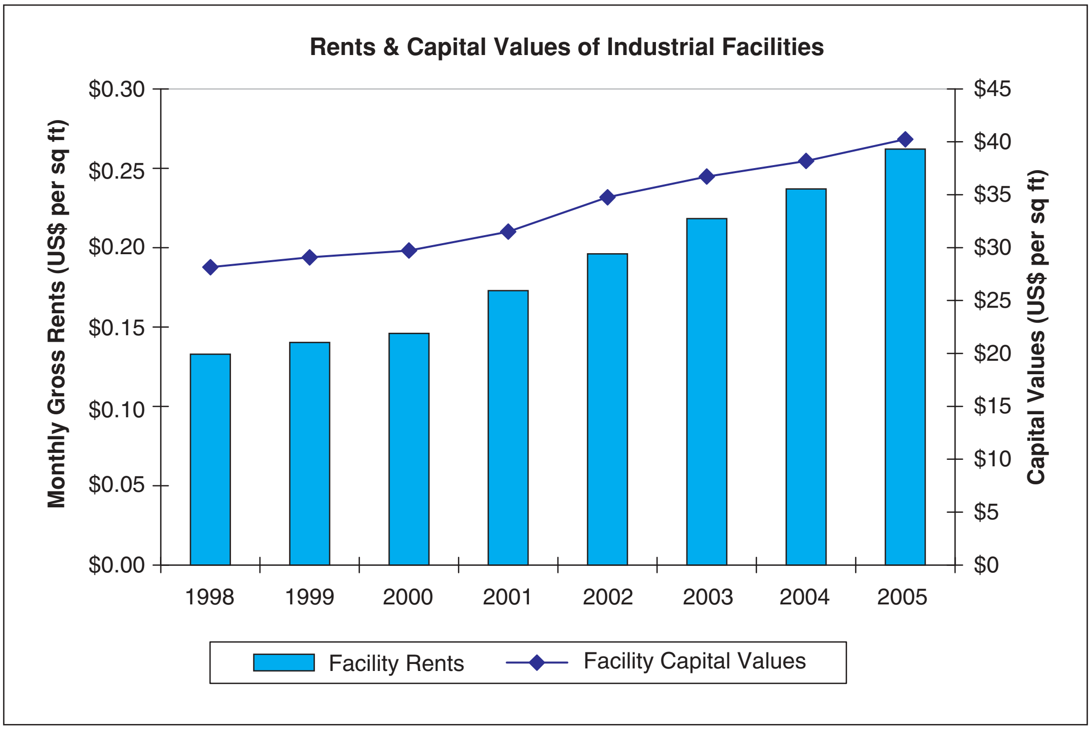
4.4.4 Future Supply

Some 22.6 million sq ft of industrial facilities is expected to come on stream in 2006 and 2007. This translates to about 11.3 million sq ft per annum, which is approximately twice the 5.6 million sq ft of space that was released into the market in the whole of 2004. However, this is almost half of the 23.1 million sq ft released in 2005.

4.4.5 Rents, Capital Values and Yields

Rents for industrial facilities have been increasing since 1999 due to strong demand vis-à-vis tight supply. The growth rate peaked at 18.6% in 2001 but the momentum has since slowed down. As at 31 December 2005, monthly rents averaged US$0.26 per sq ft (approximately S$0.42 per sq ft), reflecting a growth of 10.3% from the preceding year. Of the nine industrial parks, rents at Zhangjiang were highest, reaching US$0.48 per sq ft (approximately S$0.78 per sq ft) per month. Next was Jinqiao, where rents stood at US$0.33 per sq ft (approximately S$0.54 per sq ft) per month. In contrast, rents were lowest at Jiading US$0.16 per sq ft (approximately S$0.26 per sq ft), Baoshan and Songjiang, both at US$0.17 per sq ft (approximately S$0.28 per sq ft).

Similarly, capital values of facilities in Shanghai have been on an upward trend since 1999. In 2002, the growth rate reached 10.5%, the highest since 2000. As at 31 December 2005, average capital values of facilities stood at US$40.24 (approximately S$65.63) per sq ft, reflecting a 5.4% growth from 31 December 2004. Average gross yields for industrial facilities stood at 7.8% as at 31 December 2005.



Source: Colliers International

Average Capital Values, Rents and Yields As At 31 December 2005

Type	Capital Values ($ per sq ft)	Monthly Gross Rents ($ per sq ft)	Gross Yields (%)
Facility	US$40.24 (approximately S$65.63)	US$0.26 (approximately S$0.42)	7.8
Land	US$8.62 (approximately S$14.06)	—	—

Source: Colliers International

4.4.6 Outlook

Shanghai has been the forerunner in relation to the Chinese Government's economic development plans. Its distinct advantage originated from its port heritage. Today, its excellent infrastructure, comprehensive air, sea, road, river and rail transportation network, conducive investment environment and strong support from the Government have made the city a choice location for foreign investments.

In view of the continued economic buoyancy, more multi-national corporations are expected to be established in China. As an important high-tech research base, Shanghai will continue to attract foreign investors. Land and facility supply will remain tight, lagging behind expanding demand for industrial land and facilities. Occupancy rates of facilities, industrial prices and rents are therefore expected to increase further.

Looking ahead, the bright spots will be in the logistics/multi-modal logistics, information technology, research and development, advanced technology sectors, industrial offices for headquarters and campus amenities. Industrial land and facilities catering to such development areas will see strong upside potential in demand, rents and capital values.

4.5 BEIJING

4.5.1 Market Overview

In line with the Chinese Government's macro-economic controls, Beijing's real estate industry will gradually account for less of the city's GDP. High-tech, modern-manufacturing and new service industries are likely to assume greater significance as main drivers of the city's economic growth.

Due to its lack of port facilities, Beijing is generally considered a less attractive location for industrial operations compared to the Yangtze Delta areas. Furthermore, governmental administrative procedures in the capital tend to be more bureaucratic and slower than in Shanghai or Guangzhou. Land prices in Beijing are also comparatively higher thereby making the city less appealing to most investors.

Nonetheless, the draw of Beijing for foreign investors arises mainly from the need to be located near to the Chinese Government to facilitate and maintain good relations with the authorities, especially for those operating in restricted sectors such as banking, insurance and telecommunications. In addition, Beijing offers ready access to an abundant supply of skilled labour and downstream industries supporting several existing multi-national corporations.

Beijing is now focusing on the high-tech, IT and telecommunications sectors. Being home to the nation's leading universities, Beijing University and Tsinghua University, 63 other higher learning institutions and 475 research and development institutions, Beijing is certainly well positioned to grow in this direction. A milestone was reached in Beijing's high-tech industrial development when Lenovo Corporation declared its intention to buy the IBM PC Division in December 2004, making it the largest acquisition in China's IT industry.

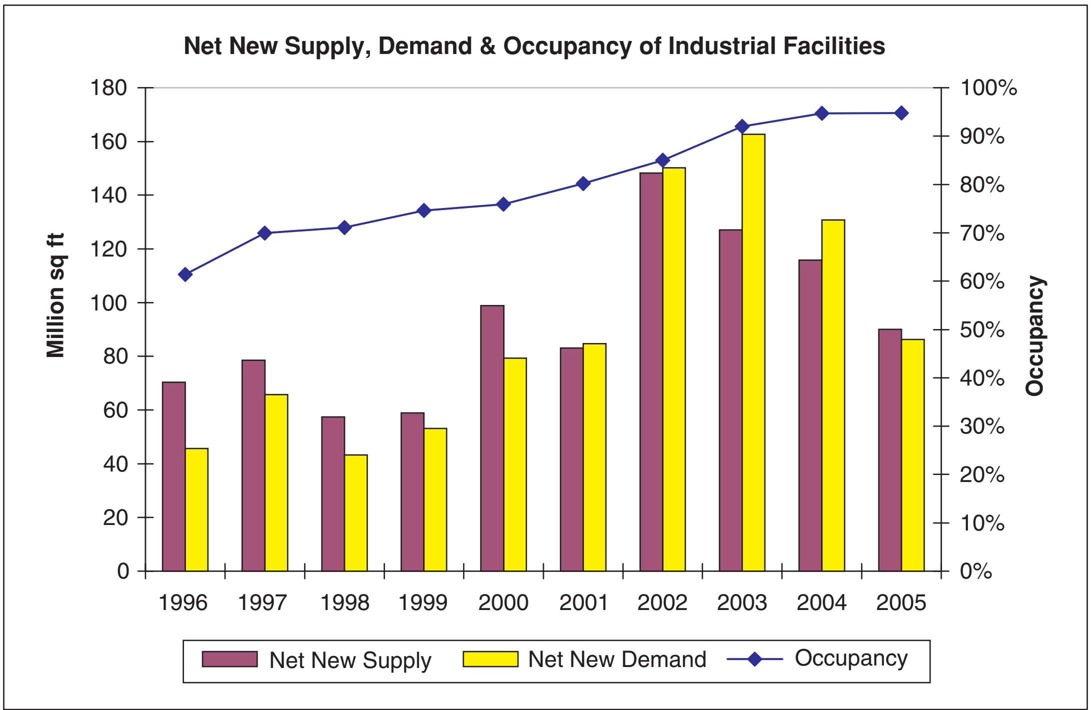
4.5.2 Existing Supply

As a result of the land audits in 2003, the development zones in Beijing saw a drastic reduction in the supply of industrial land, leading to an increase in occupancy rates. The total planned stock of industrial land as at 31 December 2005 stood at 6,500 ha, including the new supply of 3,900 ha and the existing stock of 2,600 ha.

The supply of available industrial land for the construction of facilities remained tight resulting in a limited supply of industrial facilities with supply volume almost matching demand. The stock of industrial facilities as at 31 December 2005 stood at 984.9 million sq ft. Nonetheless, in view of the Government's effort to maintain a sustainable and healthy industrial market, it is predicted that it will release more land to increase the supply of facilities and thereby meet demand in the future.

4.5.3 Demand

A reduction in the supply of industrial land has consequently led to a decrease in industrial facilities available in the market. As such, some industrial users turned to leasing facilities from third parties on a long-term basis instead of acquiring land and building their own facilities. These third parties have been allowed to acquire land and build-to-suit according to the requirements of the tenants. Such undertakings have already become the norm in the Beijing Economic and Technological Development Area.



Source: Colliers International

The strong demand for facilities by enterprises especially for standard facilities saw some 130.7 million sq ft of space being absorbed by the market in 2004 and 86.3 million sq ft in 2005. Average occupancy rate improved marginally from 94.7% as at 31 December 2004 to 94.8% as at 31 December 2005.

4.5.4 Future Supply

Over 125.2 million sq ft of industrial space is expected to come on stream between 2006 and 2007. This translates to about 62.6 million sq ft per annum, which is about half of the supply seen in 2004 and 29.8% lower than the total new supply for the year of 2005.

4.5.5 Rents, Capital Values and Yields

The majority of large industrial premises in Beijing are predominantly built by corporations for their own use and are rarely put up for sale. Industrial facilities available in major industrial estates (typically smaller in size as well) are generally custom-built for lease rather than for sale. Corporations which lease such facilities are usually small-and-medium-sized enterprises.

Average monthly gross rents of industrial facilities have remained fairly stable from between 2001 and 2005 due to keen competition between the industrial parks. Monthly gross rents for industrial facilities averaged at US$0.41 per sq ft (approximately S$0.67 per sq ft) as at 31 December 2005.

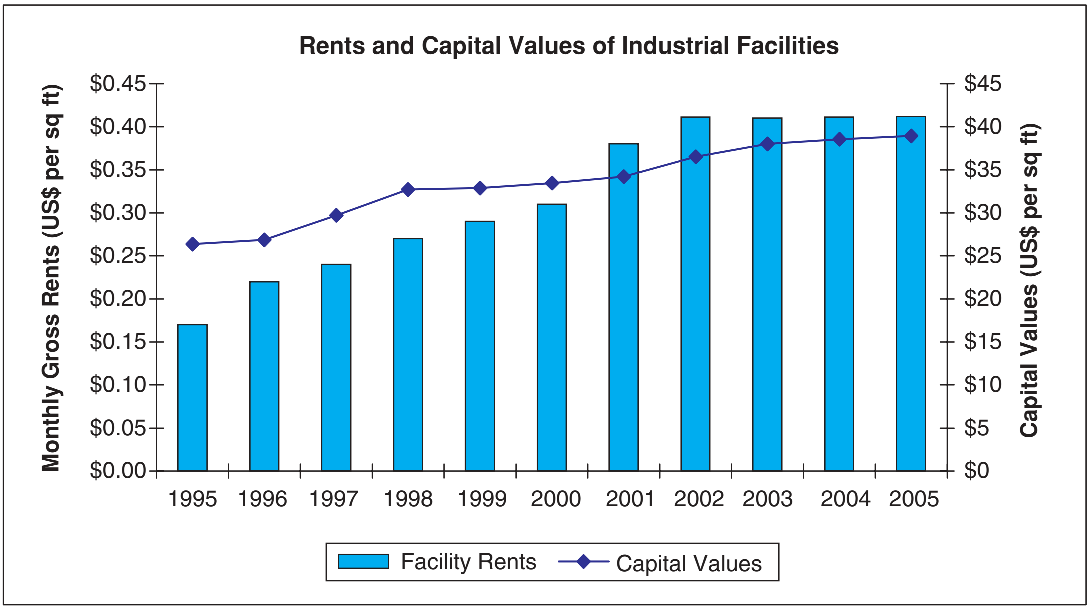
Capital values of industrial facilities have appreciated at a stable rate of approximately 4.7% per annum over the period between 1996 and 2005. The average capital values of industrial facilities stood at US$38.93 per sq ft (approximately S$63.49 per sq ft) as at 31 December 2005.

Average net yields remained stable at about 10.0% as at 31 December 2005

Average Capital Values, Rents and Yields As At 31 December 2005

Type	Capital Values ($ per sq ft)	Monthly Gross Rents ($ per sq ft)	Net Yields (%)
Facility	US$38.93 (approximately S$63.49)	US$0.41 (approximately S$0.67)	10.0%
Land	US$5.57 (approximately S$9.08)	—	—

Source: Colliers International



Source: Colliers International

4.5.6 Outlook

As Beijing is a major economic city in China, the enterprises in the city enjoy incentives for key technology industrial park developments. The traditional Greater Bohai Bay industrial area is also expected to undergo further development. These two factors will jointly contribute to further expansion and improvements in Beijing's industrial market.

The land supply control policy and the expected healthy demand will support further take-up of vacant land. A new land supply plan is expected to be implemented to meet the development requirements of enterprises, thereby strengthening Beijing's positioning to attract investments. However, the impact on facility take-up, prices and rents is likely to be minimal until the newly constructed facilities are completed.

The rental market for industrial facilities is expected to perform better than the sales market. Rents are likely to experience further growth potential.

With further increases in land prices expected in Beijing, there should be a preference for industrial properties in suburban areas. Additionally, due to the increase in risks in investing in other property sectors, the industrial market is expected to serve as a new investment opportunity worth exploring. Potential sectors to look into include high-tech, modern-manufacturing facilities and those catering to new service industries.

5.0 INDONESIA INDUSTRIAL PROPERTY MARKET

5.1 THE ECONOMY

Indonesia is gradually showing signs of economic recovery since the Asian financial crisis. The economic structure is gradually shifting from being consumption to investment driven. Indonesia's GDP grew by 5.6% in 2005.

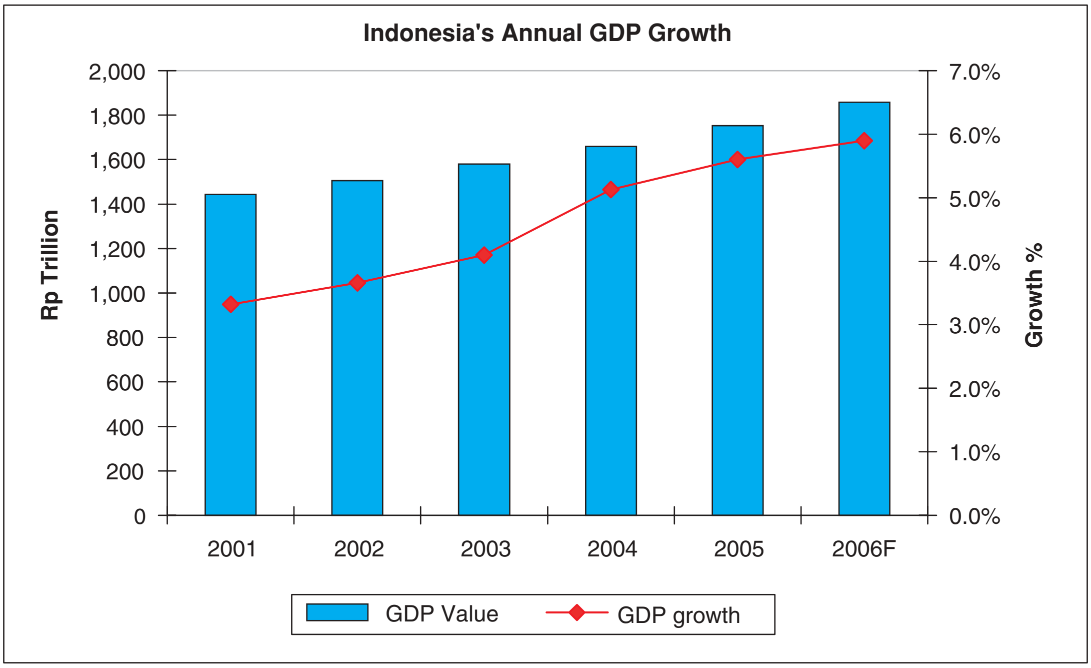
In line with national growth, the manufacturing and logistics sectors expanded by an average of between 5.0% to 6.0% per annum, contributing a minimum of 27.0% to national GDP, from 2000 to 2004. In 2005, the sectors contributed 28.1% to the national GDP.

In 2005, realised FDI increased by 193.7% (year-on-year) to Rp82,593 billion (approximately S$14.5 billion), dominated by the transportation/storage/communication (33.1% of total FDI) and manufacturing sectors (chemicals/pharmaceuticals, food industry, metal/machinery and electronic industry) (25.5% of total FDI).

Domestic investment also improved by 101.0% (year-on-year) to Rp30,665 billion (approximately S$5.4 billion), led by the manufacturing sector particularly the paper and printing industry and food industry (68.3% of total domestic investment).

The Indonesian Government has drawn up a strategy to boost foreign and domestic investments through a pro-investment policy package that is expected to be unveiled in 2006. The package will address issues related to customs, licensing and taxation. The Indonesian Investment Coordinating Board has also been tasked by its Government to finalise the draft of a new investment bill that will cut red tape for business set up, from 156 days to 30 days.

The results of the reorganisation of the Cabinet have been positive although the economy faces a certain level of threat from high inflation rates and increasing business costs that could likely deter foreign investments. The GDP growth forecast for 2006 is 5.9%.



Source: Colliers International

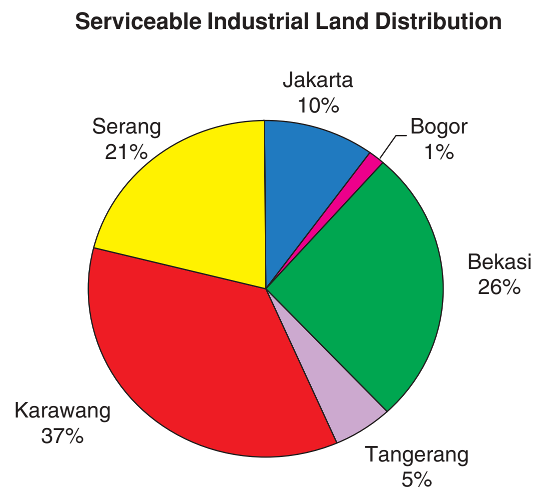
5.2 GREATER JAKARTA INDUSTRIAL PROPERTY MARKET

5.2.1 Market Overview

The Greater Jakarta area covers the six cities of Jakarta, Bekasi, Bogor, Tangerang, Karawang and Serang. The latter five cities are located in the neighborhood of Jakarta. Almost all the industrial estates in the Greater Jakarta area sell only industrial land. Only one industrial estate in Jakarta and another in Karawang lease industrial land parcels and warehouses.

5.2.2 Existing Supply

Two industrial estates were introduced in the beginning of 2005 — Greenland industrial estate in Bekasi and Millenium industrial estate in Tangerang. Greenland, which is part of the new satellite town estate Kota Delta Mas, had 50 ha of serviceable (or saleable) industrial land in 2005. Millenium is a 30 ha stand-alone development with a total planned area of 200 ha. Together, the supply of serviceable (or saleable) industrial land in Greater Jakarta stood at 8,567 ha as at 31 December 2005. A breakdown of industrial land supply distribution in each region is depicted in the graph below:



Source: Colliers International

The current industrial land supply of 8,567 ha as at 31 December 2005 is a small increase of 5.3% from 2001 and 11.5% higher than the supply in 1997 when the Asian financial crisis hit. From 1997 to 2001, the industrial business climate was slow but with modest expansion. Expansion activities mostly took place in the Bekasi region. However, there was no expansion in Jakarta due to the shortage of land.

Prominent industrial estates are mainly concentrated in the Bekasi and Jakarta areas. They were experiencing high occupancy rates as at 31 December 2005.

Prominent Industrial Estates In Greater Jakarta

Industrial Estate		Location
1	Jakarta Industrial Estate Pulogadung	Jakarta
2	Kawasan Berikat Nusantara	Jakarta
3	Cilandak Commercial Estate	Jakarta
4	East Jakarta Industrial Park	Bekasi
5	Jababeka Industrial Estate	Bekasi
6	Bekasi Fajar	Bekasi
7	Lippo Cikarang	Bekasi
8	MM2100 Industrial Town	Bekasi
9	Taman Tekno BSD (BSD Techno Park)	Tangerang
10	KIIC (Karawang International Industrial City)	Karawang
11	Kota Bukit Indah	Karawang
12	Suryacipta City of Industry	Karawang
13	Krakatau Industrial Estate Cilegon	Serang
14	Moderncikande	Serang

Source: Colliers International

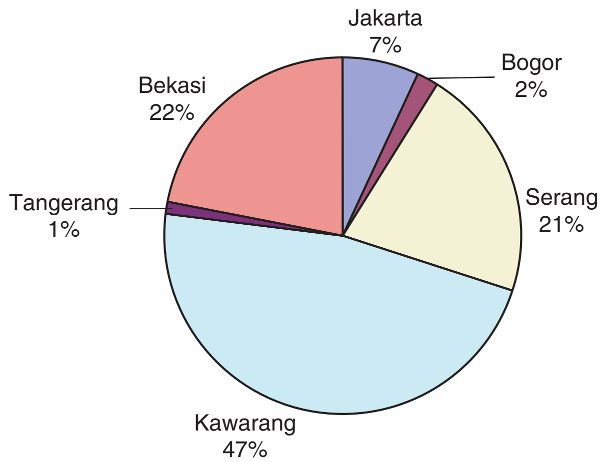
5.2.3 Demand

The industrial market showed some positive signs in 2005. Prior to October's oil price hike, banking institutions offered relatively low interest rates which led to growth in consumers' loans and in turn resulted in a dramatic increase in automobile and motorcycles sales. In line with the thriving sales, the automotive, auto parts and other supporting industries like plastic moulding have grown accordingly. A number of such industries have chosen to establish their future factories in certain industrial estates in Bekasi and Karawang.

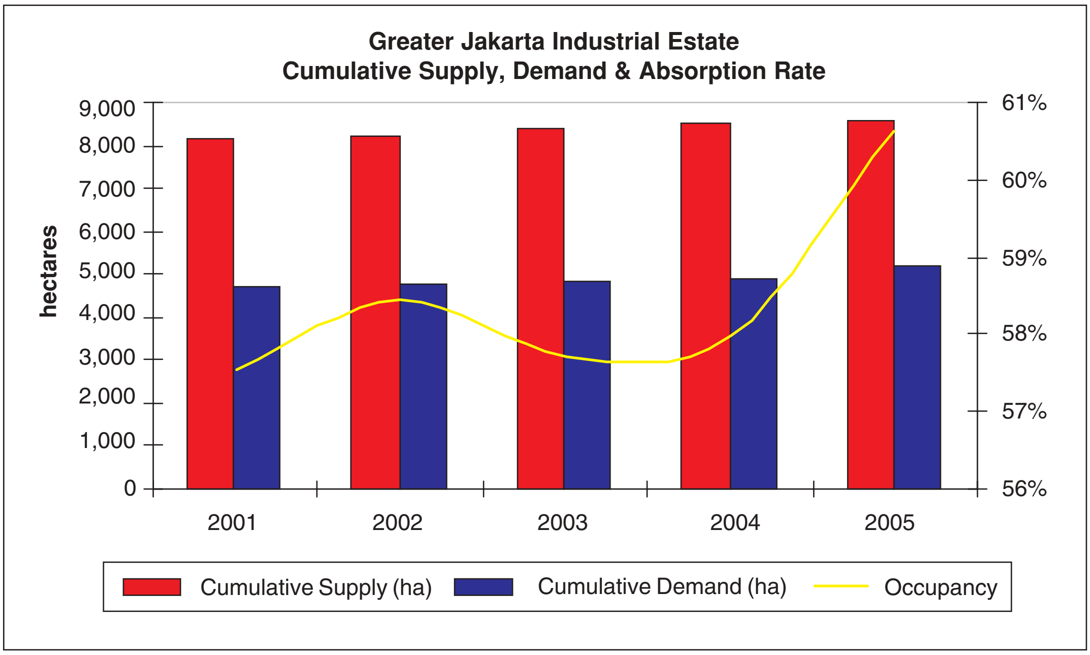
Serang is located near to the port with most of the industrial estates in the area catering mainly to the heavy industries. Demand mainly stems from tenants in the steel and chemical related industries. Jakarta's industrial estates, on the other hand, are more suited for warehousing or logistics usage. KBN Industrial Estate, for example, is a bonded zone that has a concentration of exports oriented garment units.

In 2005, land absorption reached 274.7 ha. This is higher than 2004's total absorption of 81.4 ha. Demand will continue to strengthen, supported by the growth in the automotive industry in the Bekasi and Karawang regions. 2006 will see a better take-up if the economy and investment climate improve further. However, the impending decision by the Government to raise the electricity tariff would raise business costs and could in turn slow down industrial land take-up.

Breakdown of Industrial Land Absorption by City in 2005



Source: Colliers International

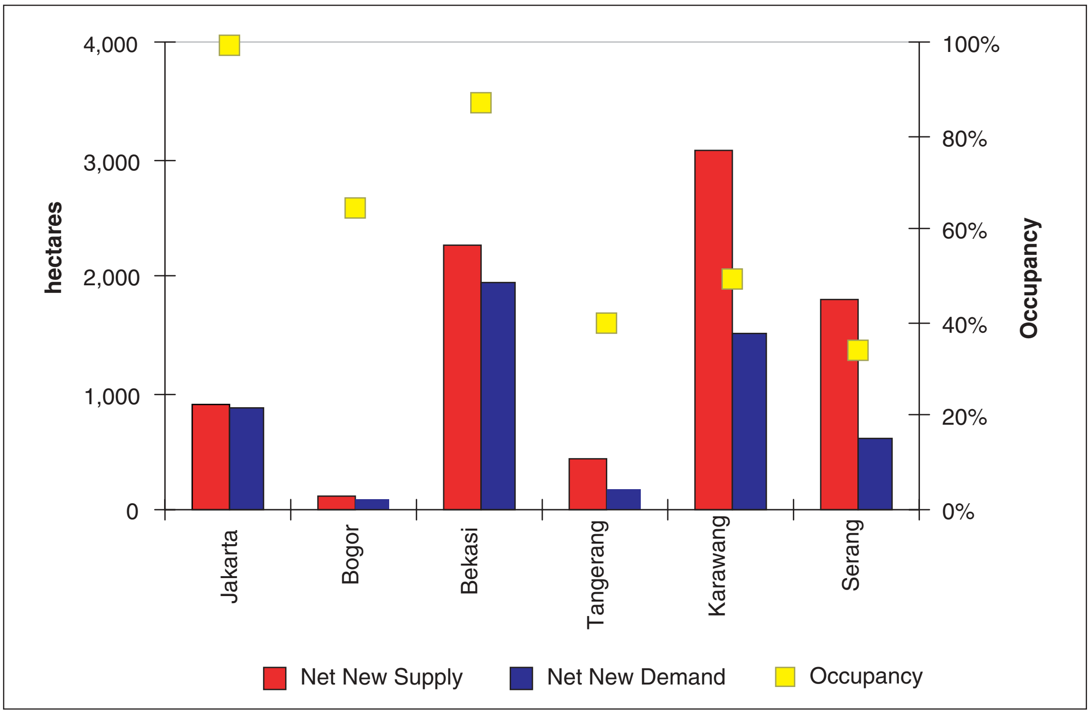


Source: Colliers International

The average occupancy level of industrial parks in Greater Jakarta was relatively low at 60.7% as at 31 December 2005. In contrast, industrial parks in Jakarta and Bekasi performed fairly well, registering healthy occupancy rates of 99.3% and 87.0% respectively for the same period. As such, more land parcels will be required for development in Jakarta to cater to increasing demand. In Bekasi, the healthy occupancy levels will encourage the prominent industrial estates to launch subsequent phases of their developments. The buoyant market condition in Bekasi has filtered down to its sister regency Karawang, which managed to achieve a 49.0% occupancy rate as at 31 December 2005.

In Bogor, where there are only two industrial estates in operation, occupancy stood at 64.6% as at 31 December 2005. In contrast, industrial parks in Serang and Tangerang registered weak occupancy rates averaging 33.7% and 39.9% respectively due to poor infrastructure.

Net New Supply, Net New Demand and Occupancy As At 31 December 2005



Source: Colliers International

5.2.4 Future Supply

Supply in the near future is expected to come from small, incremental additions and subsequent phased releases within existing industrial estates. The entire Greater Jakarta area is expected to see 525 ha of land potentially being released in 2006 and 2007, of which 66.5% or 349 ha is expected to come on stream in 2006. Industrial estates in Karawang will account for the majority (45.7%) of the potential supply followed by Bekasi (40.0%). There will be no supply from Jakarta and Tengerang in the near future.

As part of the expansion plan at the Bekasi Fajar Industrial Estate, some 65 ha of land will be released. Jababeka in Bekasi will soon be expanded in the next phase, where an additional 100 ha of industrial land will be released into the market. More land will also be made available in Kota Delta Mas in Bekasi, depending on the overall supply available in 2006. Out of these, only about 100 ha of land is expected to be launched in the whole of Bekasi in 2006 as developers are expected to focus on selling remaining stock.

In Karawang, another 120 ha of land can potentially be launched from 2006. However, this may not be realised anytime soon as many developers are still struggling with remaining plots.

5.2.5 Rents, Capital Values And Yields

Land prices have remained relatively unchanged. The low level of investment and weak demand did not result in an immediate reduction in prices. Developers were still able to continue holding land intended for future expansion owing to the relatively cheaper holding cost. This is in contrast to the situation that existed in 2003 when developers resorted to offering discounts of between 5.0% and 10.0% to buyers purchasing large industrial land plots.

Land in industrial estates with good take-up and tight supply is able to command higher prices, especially in the context of the increased market for such land. In Bekasi, developers raised land prices by 8.0% to 10.0% over a period of one year. In Karawang, a particular industrial estate was able to increase prices by 5.0% over a period of one year. Other regions are holding out for a market upturn before adjusting prices.

Asking Land Price and Monthly Gross Rents of Standard Factory Buildings As At 31 December 2005

Region	Industrial Land Asking Price (per sq ft)		Standard Factory Buildings Asking Monthly Gross Rents (per sq ft)	
	Rp	S$ (approximately)	Rp	S$ (approximately)
Jakarta	139,355	23.50	2,339–7,482	0.39–1.26
Bogor	51,097	8.61	2,339–2,807	0.39–0.47
Bekasi	37,161–46,452	6.32–7.80	2,573–7,482	0.44–1.26
Tangerang	32,516–83,032	5.48–14.03	N/A	N/A
Karawang	27,871–32,516	4.74–5.48	2,339–3,742	0.39–0.63
Serang	18,580–41,806	3.14–7.06	2,199–3,274	0.37–0.55

Source: Colliers International

5.2.6 Outlook

The demand momentum for industrial land is expected to continue into 2006. However, this may be affected by the Indonesian Government's plan to raise the country's electricity tariff. Investors will continue to acquire industrial land and space for their expansion needs in Bekasi, Karawang and Serang, albeit at a slower rate.

Automotive related industries will continue to be the key demand generator in 2006. Other active industries will include logistics, packaging, food and beverages and electronics. Most enterprises are likely to opt for the Bekasi and Karawang regions while those in the steel, chemicals and other related industries are likely to choose the Serang region. Bogor is expected to see an increasing concentration of logistics operations in the near future. Industrial estates are expected to benefit from a sound overall investment climate and improvements in infrastructure.

Land prices will continue to improve, primarily within preferred locations like Bekasi and Karawang.

6.0 MALAYSIA INDUSTRIAL PROPERTY MARKET

6.1 THE ECONOMY

The Malaysian economy has continued to experience steady and sustained growth in most sectors. The stable political situation has also added to a general sense of positive enthusiasm. In 2004, the economy recorded an impressive GDP growth of 7.1%, following two consecutive years of high GDP growth of 4.2% and 5.2% in 2002 and 2003 respectively. Growth was broad-based with the manufacturing sector recording the highest growth of 9.8% in 2004. The logistics sector, measured as part of the transport/storage/communications sector, saw a growth of 8.1% in the same period.

In 2005, the economy slowed sharply in the first half. Real year-on-year GDP growth declined from 8.4% in the first half of 2004 to 4.4% in the first half of 2005 but improved to 5.3% in the first nine months of 2005. According to the preliminary estimates from the Department of Statistics Malaysia, the manufacturing sector expanded by 4.5% in the whole year of 2005.

According to official figures, the economy is estimated to have grown by 5.0% in 2005 and is expected to grow by between 5.3% and 5.5% in 2006.

6.2 KLANG VALLEY

6.2.1 Market Overview

The industrial market surrounding Kuala Lumpur includes the areas of Kuala Lumpur and Selangor. The latter surrounds the Kuala Lumpur territory and contains the vast majority of the industrial properties that constitutes the Klang Valley. The industrial market within the Klang Valley has seen a slow but steady recovery from the oversupply situation caused by the Asian financial crisis. Nationwide, the industrial property supply overhang was reduced in 2004 with the Klang Valley experiencing a small reduction in the overhang; particularly for terraced industrial units, which were the most oversupplied.

Industrial properties in Malaysia are categorised into terraced industrial units, semi-detached industrial units, detached factories, flatted factories and industrial complexes. In general, developers' interest is increasingly moving away from the traditional terraced factories towards detached factory units.

6.2.2 Existing Supply

Total Stock of Industrial Properties in Klang Valley As At 30 September 2005

Terraced (units)	Semi-Detached (units)	Detached (units)	Flatted Factory (units)	Industrial Complex (units)	Total All Types (units)
27,612	3,450	3,827	1,226	107	36,222

Source: Colliers International

The supply of industrial property is mainly distributed in the western portion of the Klang Valley, generally along the freeway infrastructure. Key industrial zones include:

Petaling Jaya: An established industrial zone that has built itself around the earlier existing residential sprawl of the Klang Valley. It is known that the Government is planning to relocate existing heavy industries and reposition Petaling Jaya as a residential area with only light industrial showrooms and office suites in the periphery;

Shah Alam: A major industrial location with key car assembly, logistics and manufacturing operators. Key names include Proton (auto assembly), Volvo (auto assembly), Ikea (warehouse), Cadbury (manufacturing) and Johnson & Johnson (medical manufacturing);

Guthrie: A new area lying to the north of Shah Alam is attracting big names such as New Straits Times;

Banting/Klang: Various sections of these areas contain a number of industrial parks. Many have operations focused on the ports, either Klang Port, North Port or Westport; and

Puchong: A newer growth area for the industrial market. Many operators needing access to Kuala Lumpur International Airport are located in this section. DHL for example has a large distribution warehouse here.

6.2.3 Demand

The strong performance within the manufacturing and logistics sectors in 2004 has underpinned much of the demand in the industrial property sector. However, market statistics have not shown exceptional take-up of industrial property.

A total of 511 units of all industrial property types were launched in 2004 and 51.2% or 262 units were sold as at 31 December 2004. All of the unsold units were terraced industrial units and 87.0% of these had been in the market for over 24 months. All unsold units were priced below RM250,000 (approximately S$113,333).

Anecdotal evidence from brokerage operations indicated reasonable level of demand for well-located warehouse/distribution properties. Industrial space built within the Glenmarrie area designated for auto showrooms were all taken up within nine months despite the high prices. A number of third party logistics operators have also been actively looking for facilities, typically requiring free-standing detached industrial space, with some 60,000 to 100,000 sq ft of built-up area, good circulation space for 40 containers and at least three or four self-leveling docking bays. However, such industrial space was limited probably due to a lack of similar demand in the past.

6.2.4 Future Supply

Potential supply in the pipeline is large, particularly for the traditional terraced industrial units.

Supply of Industrial Properties In the Pipeline As At 30 September 2005

Supply	Terraced (units)	Semi-Detached (units)	Detached (units)	Flatted Factory (units)	Industrial Complex (units)	Total All Types (units)
Existing	27,612	3,410	3,816	1,226	107	36,171
Under Construction	3,657	2,388	59	0	0	3,954
Planned	1,185	68	1,538	0	1	2,792

Source: Colliers International

The table above shows that there is still considerable interest from developers in building terraced industrial units. Many projects are under construction in the new township but the developers have been slow to complete them due to the weak demand. Historically, the supply of industrial units has tapered over the last five to seven years (1999 to 2005) due to oversupply, especially of terraced industrial units.

Land supply for industrial parks continues to come on stream with plantation companies cum developers holding large tracts that can be converted and brought on stream as required. These areas are the Sungai Buloh/'Guthrie Corridor', Puchong fringes, and the growth areas of Rawang in the north and Nilai in the south[9].

There is also considerable land available on Pulau Indah, designated to support the growth of Westport.

6.2.5 Rents, Capital Values and Yields

The industrial real estate sector is recovering gradually. The marginal increases in take-up within the Klang Valley have not produced a broad-based increase in rents or capital values, except for those in good locations such as the areas of Shah Alam and Glenmarrie. In these sectors prices had risen by between 4.0% and 9.0% year-on-year as at 31 December 2004: Taman Puchang by 6.5% year-on-year, Bandar Baru Sri Damansara by 9.0% year-on-year, Sime UEP by 7.9% year-on-year and Serdang by 4.3% year-on-year.

Investment yields for industrial properties have fallen over the last few years. However in 2004, there were instances of institutional buyers picking up free standing industrial properties with good tenants and achieving yields of 9.0% (on a Triple Net Basis). Net yields for the smaller terraced properties that were let out were down at around 5.0% to 6.0%.

[9] Although Nilai is in Negri Sembilan, it is considered part of the Klang Valley property market.

AVERAGE RENTS & CAPITAL VALUES FOR INDUSTRIAL PROPERTIES WITHIN KLANG VALLEY AS AT 30 SEPTEMBER 2005								
REGION	TENURE	SAMPLED LAND SIZE	CAPITAL VALUES/per sq ft			RENTAL RANGE/per sq ft/mth		
			TYPE	RM	S$ (approximately)	TYPE	RM	S$ (approximately)
Petaling Jaya	Leasehold	1 to 2 acres some sites > 5 acres	Land	50–120	22.50–54.01	Office	1.50–2.60	0.68–1.17
			Building (old)	50–70	22.50–31.51	Warehouse	1.00–1.80	0.45–0.81
Subang Jaya	Freehold/ Leasehold	1 to 3 acres	Land	40–60	18.00–27.00	Office	1.20–1.30	0.54–0.59
			Building (old)	50–65	22.50–29.25	Warehouse	1.00–1.30	0.45–0.59
			Building (New)	85–90	38.26–40.51			
HGIP	Freehold	1 to 2 acres	Land	50–75	22.50–33.75	Office	1.20–1.50	0.54–0.68
			Building	85–90	38.26–40.51	Warehouse	1.00–1.30	0.45–0.59
Shah Alam	Leasehold	2 to 7 acres some > 10 acres	Land	25–45	11.25–20.25	Office	0.80–1.10	0.36–0.50
			Building (old)	50-55	22.50–24.75	Warehouse	0.80–1.00	0.36–0.45
			Building (New)	80–90	36.01–40.51			
Klang	Freehold	2 to 5 acres large sites available	Land	12–25	5.40–11.25	Office	0.60–1.00	0.27–0.45
			Building (old)	50–55	22.50–24.75	Warehouse	0.50–1.00	0.23–0.45
			Building (new)	80–90	36.01–40.51			
Nilai	Freehold/ Leasehold	2 to 5 acres	Land	8–16	3.60–7.20	Office	0.60–0.90	0.27–0.41
						Warehouse	0.50–0.70	0.23–0.32
Bangi	Leasehold	5 to 7 acres larger sites available	Land	12–18	5.40–8.10	Office	0.80–1.00	0.36–0.45
						Warehouse	0.60–0.90	0.27–0.41
Cheras (after 8 mile)	Freehold/ Leasehold	2 to 5 acres	Land	8–15	3.60–6.75	Office	0.70–1.00	0.23–0.45
						Warehouse	0.60–0.80	0.27–0.36
Rawang	Freehold	2 to 7 acres larger sites available	Land	8–16	3.60–7.20	Office	0.70–1.00	0.23–0.45
						Warehouse	0.60–1.00	0.27–0.45

Source: Colliers International

6.2.6 Outlook

The industrial market in the Klang Valley will continue to recover with positive capital and rental growth in the more established areas such as Shah Alam and Glenmarrie. Terraced industrial units will remain oversupplied for some time. However, industrial parks in the growth zones Banting/Klang and Puchong areas will attract interest from new set ups underpinned by continued economic growth and a buoyant manufacturing sector.

6.3 PENANG

6.3.1 Market Overview

The Penang industrial market is split between the island and the mainland. The main player in the industrial market is the Penang Development Corporation ("PDC"), which developed most of the major industrial parks in Penang. The other regional player is Kulim High Technology Development Authority. The Kulim High Tech Park is located in Kedah, a short 15-minute drive to the Penang Bridge, and uses the Penang port for shipping access. The market has seen significant supply overhang for all types of industrial properties but there are signs of recovery and take-up has gradually improved, especially in the sought after areas such as in the Prai Industrial Estate.

6.3.2 Existing Supply

Total Stock of Industrial Properties In Penang As At 30 September 2005

Terraced (units)	Semi-Detached (units)	Detached (units)	Flatted Factory (units)	Industrial Complex (units)	Total All Types (units)
4,638	1,081	1,171	333	42	7,265

Source: Colliers International

The main industrial parks in the Penang market are as follows:

<u>On Penang Island</u>

Bayan Lepas Free Industrial Zone — Comprises 570 acres of industrial land near the Penang International Airport which is mainly used for export driven activities. Industrial land is tightly held and available only through secondary sales.

Bayan Lepas Industrial Lots — Comprises over 600 acres of land with very little available to the market. It was designed for general industrial use and ancillary support to the Free Trade Zone.

Penang Technoplex — A small area designated for high-tech use. Motorola was one of the first major players in this park.

On the Mainland

There are many industrial parks on the mainland. The major park is the Prai Industrial Estate and has been expanded by the developer, PDC, over four phases. The sites in Prai are situated along the main North South Freeway, just south of Butterworth. Many major companies such as Mattel and Sony are located on the Prai Industrial Estate. Its facilities include industrial land for detached factories and a bulk port terminal facility.

Other estates include some privately developed estates offering freehold land. There is ample supply of land with at least 100 acres in various estates available for sale at present.

6.3.3 Demand

The electronics manufacturing industry is the major demand driver for the industrial property market in Penang. This is especially the case for parks that specialise in this area, such as Kulim High Tech Park and the Technoplex on Penang Island. Demand has shrunk as investments in this sector have been diverted to other regional locations, mainly China. However, there are still sufficient players in the market to generate demand and in turn reduce the supply overhang. The oversupply of all types of industrial units was reduced from 141 units as at 31 December 2003 to 114 units as at 31 December 2004.

Land sales have been generally quiet with agents reporting a soft market with very few sales.

6.3.4 Future Supply

Developers were careful in adding new stock into the market. There were more units under construction than there were planned, therefore developers may not be keen to increase stock levels in the future.

Supply of Industrial Properties In The Pipeline As At 30 September 2005

Supply	Terraced (units)	Semi-Detached (units)	Detached (units)	Flatted Factory (units)	Industrial Complex (units)	Total All Types (units)
Existing	4,683	1,082	1,171	333	42	7,311
Under Construction	349	54	26	59	0	488
Planned	174	10	194	0	0	378

Source: Colliers International

There remains considerable potential supply of industrial land through the conversion of oil palm plantations to industrial land.

6.3.5 Rents, Capital Values, and Yields

Rents and capital values have been soft since the Asian financial crisis. Recovery has been marginal with weak demand and continued supply that came mostly from PDC.

Most industrial property transactions achieved net yields between 7.0% and 9.0%, including those of leasehold properties with remaining tenure of only 40 to 50 years.

AVERAGE RENTS AND CAPITAL VALUES FOR INDUSTRIAL PROPERTIES WITHIN PENANG AS AT 30 SEPTEMBER 2005								
REGION	TENURE	SAMPLED LAND SIZE	CAPITAL VALUES per sq ft			RENTAL RANGE per sq ft/mth		
			TYPE	RM	S$ (approximately)	TYPE	RM	S$ (approximately)
Bayan Lepas	60 to 99 yrs	1 to 3 acres	Land	17.00–28.00	7.65–12.60	Office	1.40–1.60	0.63–0.72
			Bldg	50.00–70.00	22.50–31.50	Warehouse	1.00–1.20	0.45–0.54
Prai	Freehold/ Leasehold	2 to >5 acres	Land	14.00–21.00	6.30–9.45	Office	1.20–1.30	0.54–0.59
			Bldg	50.00 –65.00	22.50–29.25	Warehouse	0.60–0.90	0.27–0.41
Bukit Minyak	60-yrs (PDC)	2 to >5 acres	Land	10.00–12.00	4.50–5.40	Office	0.90–1.20	0.41–0.54
			Bldg	50.00–70.00	22.50-31.50	Warehouse	0.60–1.00	0.27–0.45
Bukit Panchor	Freehold	2 to 7 acres some >10 acres	Land	14.00–16.00	6.30–7.20	Office	0.80–1.10	0.36–0.50
			Bldg	50.00-55.00	22.50–24.75	Warehouse	0.60–1.00	0.27–0.45

Source: Colliers International

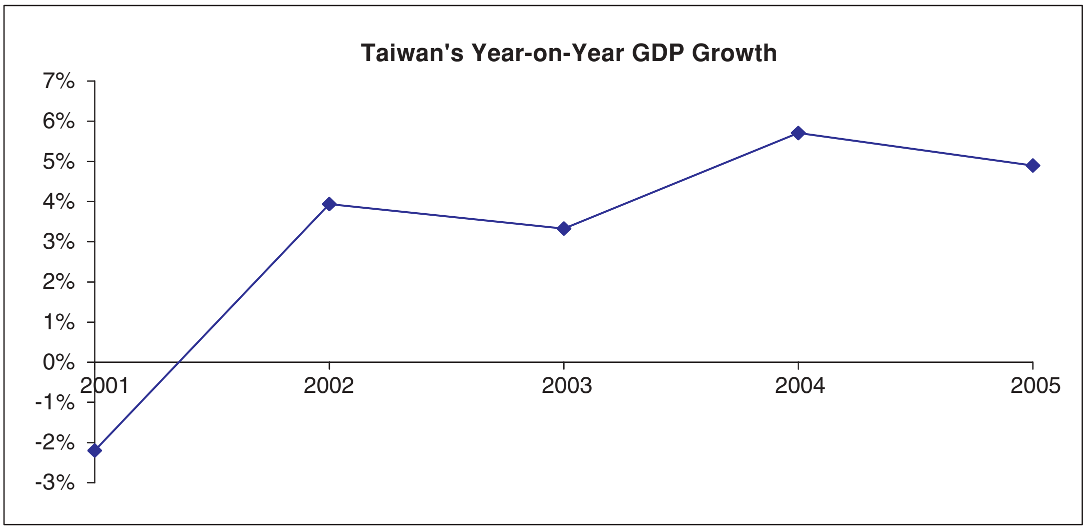
6.3.6 Outlook

The outlook for the Penang industrial market is dependent on the performance of the Malaysian economy. Slow but sustainable growth can be achieved if electronics manufacturing and component assembly industries continue to maintain a market presence in Penang. Penang remains a major hub within the context of Asean and under the Asean Free Trade Agreement there are opportunities for it to become an established regional distribution hub.

7.0 TAIWAN INDUSTRIAL PROPERTY MARKET

7.1 THE ECONOMY

For nearly two decades prior to the late 1990s, Taiwan was one of the fastest growing economies in the world. However, as a result of the Asian financial crisis from 1997 to 1998, the Dot.com collapse and the SARS outbreak, Taiwan's economy has slowed down substantially. In 2004 the economy picked up and expanded by 5.7% year-on-year. In the first half of 2005, economic growth was slow due to an increase in oil and raw material prices, flagging demand for high-tech products, softer demand from China and a more subdued export performance. Growth, however, quickly rebounded in the second half of the year on the back of favourable exports and improved industrial production. In 2005, Taiwan's economy grew at 4.9%.



Source: Colliers International

In the last decade, Taiwan has seen the continued migration of manufacturing capacities across the Taiwan Straits. Taiwanese manufacturers from various sectors have been migrating to China for the same reasons: geographical and cultural proximity, generous incentives offered by the Chinese Government and lower wages for assembly workers. More recently, they are also being drawn by the strong potential of the Chinese domestic market.

The continuing migration has led to the concerns about the "hollowing out" of the country's industrial sector. Nonetheless, the value of industrial production has not decreased as the manufacturing sector still accounts for approximately 25.0% of Taiwan's total GDP. In 2004, the manufacturing sector contributed more than NT$2.9 trillion (approximately S$145.1 billion) to the GDP of Taiwan and the manufacturing index had risen by nearly 30.0% between 2001 and 2004.

On the logistics front, the total value of the sector grew by 31.0% between 2001 and 2004. In 2005, it contributed around NT$749.7 billion (approximately S$37.5 billion) to total GDP. Kaohsiung, Taiwan's largest port, is the sixth largest port in the world today. Taiwan is also home to two of the world's largest shipping lines, Evergreen and Yang Ming, as well as the biggest intra-Asia carrier, Wan Hai. However, Taiwan has been slow in realising its goal of becoming a global logistics centre, largely due to its ban on direct transport links with China. The restrictions are not expected to be fully removed any time soon, and this does not bode well for Taiwan's prospects as a global logistics hub.

7.2 TAIWAN INDUSTRIAL PROPERTY MARKET

7.2.1 Market Overview

The Greater Taipei Area ("GTA"), which includes both Taipei City and Taipei County, is one of the largest manufacturing bases in Taiwan. It is well served by two major transportation hubs, namely the CKS International Airport and the Keelung Port. In 2004, GTA accounted for around 6.0% of the country's total supply of industrial land. Elsewhere in Taiwan, factory operations have shrunk significantly in 2003 and 2004 as a significant number of manufacturing establishments, including some of those owned by multi-national corporations, have relocated to China or other Asian countries. As a result, older and less well-located factories have been left vacant.

In contrast, demand for quality industrial/office space has been reasonably stable over the same period. With limited new supply, vacancy levels in sub-markets such as Neihu, Nangang and Jhonghe have declined steadily.

7.2.2 Existing Supply

As at 31 December 2005, the total stock of industrial space in GTA is estimated at around 138.8 million sq ft, of which 41.2 million sq ft are located in Taipei City and 97.5 million sq ft in Taipei County.

Taipei City

About 8.3 million sq ft or 20.1% of Taipei City's total industrial supply are factories. Whilst the corresponding numbers for industrial space in Taipei County are not available, the share of factory space is estimated to be relatively higher, within the range of 40.0% to 50.0% of the total supply.

The bulk of Taipei City's stock is distributed in two districts, namely Neihu and Nangang. Nearly all of the stock within these two sub-markets is of industrial/office type. Both sub-markets are well served by the only airport in the city centre — the Taipei International Airport. The City Government has petitioned for the Central Government to consider including the Taipei International Airport in the cross-Straits talk for direct transport links to China.

Located within close proximity to the CBD, Neihu, which holds some 19.9 million sq ft of industrial stock, is home to the corporate headquarters of many high-tech companies. The building standard of the majority of Neihu's industrial property stock is comparable to the city's Grade A or Grade AB office buildings.

Nangang's industrial supply is concentrated within the Nangang Software Park. The estate has a total land area of 8.5 ha and is being developed over three phases. The first two phases have been completed and are nearly fully occupied whilst the construction of the final phase is currently underway.

Taipei County

The key industrial centres within Taipei County are Jhonghe, Sindian, Sanchong, Sinjhuang, Sijhih, Tucheng, Wugu and Linkou. The Jhonghe, Sindian and Sanchong industrial centres are situated close to the city centre and are served by the Metro Rapid Transit. These centres have more buildings designated for industrial/office use and therefore command higher rents.

On the other hand, industrial properties in the Wugu, Tucheng and Linkou industrial centres are mainly strata-titled factories that are either older or of lower building standards. As part of a comprehensive program for upgrading the industrial sector, the County Government is currently planning to upgrade aging industrial buildings to better quality industrial/office space.

7.2.3 Demand

Key Demand Drivers

The key demand driver for factory space in the GTA is new factory operation formation and registrations. The number of registered factories in Taipei County has fallen by 18.5% from 27,259 in 2003 to 22,215 in 2004. Prior to 2004, the number of registered factories has remained fairly constant. In Taipei City, the number of registered factories has seen a general decline since 1988, except in 1992, 1995 and 1997. In 2004, 1,745 factories were registered, a large fall of 43.6% from 3,094 registered factories in 1988. As such, the demand for factories has been weak in Taipei County and almost non-existent in Taipei City.

Demand for industrial/office space on the other hand, has been stable in both locations. High-tech industries and trading companies are among the major sources of demand.

Take-up and Occupancy Rates

Due to healthy demand and limited new supply of industrial/office space, the Neihu industrial centre in Taipei City has seen good take-up. The average occupancy rate has risen from a low of 78.9% in slower times as at 30 September 2003 to a near historic high of 95.0% as at 31 December 2005. In view of the limited supply of developable sites, occupancy rates are expected to continue to rise. Nangang (in Taipei City) is also currently enjoying near full occupancy, partially due to the Government's rent subsidies to tenants.

Occupancy levels at Jhonghe and Sindian (in Taipei County) are reasonably healthy as most buildings in the area are designated for industrial/office use. These buildings are also located close to the city centre and well connected by the public transportation system. Demand for older industrial estates in Taipei County, on the other hand, has been weak and many of them are unoccupied. As manufacturers continue to relocate, the situation is unlikely to improve.

On the investment front, two owner-occupied industrial properties in the Neihu Scientific Park were sold to institutional investors in 2005 on a sale and leaseback basis.

7.2.4 Future Supply

The total future supply of industrial space that is expected to come on stream in 2006 and 2007 is estimated at around 7.5 million sq ft, out of which 2.7 million sq ft will be developed in Taipei City and 4.8 million sq ft in Taipei County. The bulk of the total potential supply in both areas is expected to be industrial/office space.

The total potential supply of 7.5 million sq ft is low compared to historical levels. Taipei City's annual new supply peaked at 2001 with a total of 8.7 million sq ft while its county counterpart peaked earlier at 1999 with a total of 16.6 million sq ft. As Taiwan's factory operations are expected to continue to shrink, it is expected that the size of future supply will continue to moderate.

7.2.5 Rents, Capital Values and Yields

Industrial rents and capital values in almost all sub-markets have either reached their peak or have started to trend downwards.

In Jhonghe, Sindian, Sanchong, Sinjhuang, Tucheng and Linkou, rents and capital values have started to decline whilst those in Sijhih and Wugu are likely to have reached their respective peaks. Rents and capital values of industrial space in Neihu and Nangang, however, are expected to climb further due to better supporting infrastructure being available in these industrial centres.

The gross yields of industrial properties in the GTA ranged from 5.0% to 7.0% as at 31 December 2005.

Industrial Land Values, Capital Values and Rents As At 31 December 2005

Industrial Centres	Monthly Gross Rents		Land Values		Capital Values (Industrial/Office Space)	
	(NT$/ping[10])	(S$ /per sq ft) (Approximately)	('000 NT$/ ping)	(S$/per sq ft) (Approximately)	('000 NT$/ping)	(S$/per sq ft) (Approximately)
Neihu	1,075	1.51	300	427	190	270
Nangang	700-900	0.99–1.28	500	711	150-200	213–284
Jhonghe	600-800	0.85–1.14	180-230	256–327	80-140	114 -199
Sindian	600-800	0.85–1.14	140-180	199–256	90-140	128–199
Sanchong	600-700	0.85–0.99	150-250	213–356	80-120	114–170
Sijhih	550-650	0.78–0.92	130-160	185–227	90-100	128–142
Sinjhuang	500-600	0.71–0.85	120-230	170–327	80-120	114–170
Wugu	500-600	0.71–0.85	190-250	270–356	120	170
Linkou	500-600	0.71–0.85	80-120	114–170	70-90	99–128
Tucheng	400-500	0.57–0.71	120-140	170–199	110	157

Source: Colliers International

7.2.6 Outlook

Taiwan's economy is expected to expand by a forecasted growth rate of 4.3% in 2006, underpinned by steady growth in private consumption and an improving outlook for exports. There remain a number of risks in the short to medium-term, including high oil prices and slower global demand for information technology products. Continued cross-Straits tension may further dent consumer and business confidence and in turn, economic growth. In the longer term, structural reform of the economy will continue as the country's manufacturing sector continues its migration across the Taiwan Straits. Investment growth is expected to moderate in 2006 and 2007, as more resources are devoted to research and development.

Industrial production and manufacturing capacities are expected to grow on the back of the steady growth in private consumption and improving outlook for exports. Factory operations will continue to shrink whilst demand for industrial/office buildings is expected to be stable as the economy continues to recover and position itself as an operations hub.

The Taipei industrial property market is well placed to benefit from any positive results of the structural reform of the economy. Industrial/office buildings that are well connected, well

[10] Ping refers to the local standard of measurement for land area.

planned and managed will be in good demand as the structural reform of the economy is expected to bring about further improvements within this industry sector.

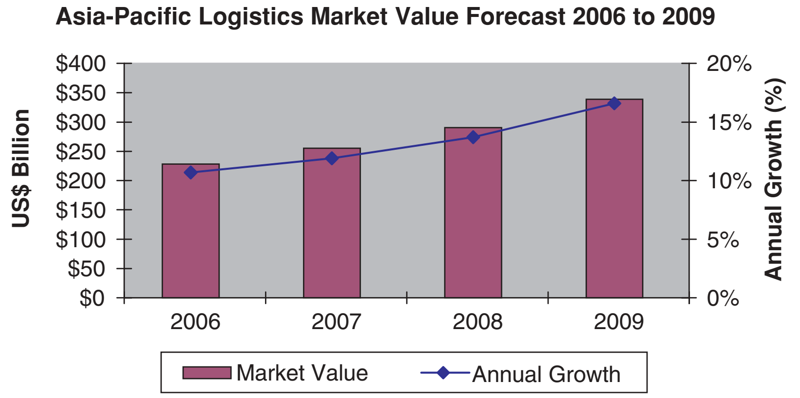
Dedicated warehouses or logistics facilities present potential investment opportunities as the Taiwan Government continues with its efforts to develop Taiwan into a global logistics hub. This is, however, dependent on whether the restrictions on free cross-Straits flow of money, goods and people can be lifted.

Owner-occupied industrial properties are also good investment targets for Taiwan's newly developed REITs market and such properties are therefore closely monitored. However, some difficulties may be encountered as owners typically value their properties significantly higher than market price.

8.0 INVESTMENT OPPORTUNITIES IN THE REGION

Asia is one of the world's growth engines and the main origin of many products worldwide. Industrial operations in the Asia region, particularly in sub-sectors such as manufacturing, logistics and semiconductors have experienced strong growth boosted by the region's relatively low labour costs, skilled workforce and strong global demand of consumer products. Despite the many threats of the looming avian flu epidemic, it also presents potential growth prospects for pharmaceutical and biomedical industries. These trends have resulted in the parallel need for industrial space in the region.

In addition, the Asia-Pacific region's logistics market has been growing rapidly. As at 31 December 2004, the value of the Asia Pacific region's logistics market accounted for US$187.0 billion (approximately S$317.9 billion) or 35.5% of the global market share[11]. Datamonitor forecast that the market value of the Asia-Pacific region's logistics industry would grow by 81.1% from 2004 to US$338.6 billion (approximately S$576.6 billion) by 2009.



Source: Datamonitor, February 2005

[11] Datamonitor, (February 2005), "Logistics in Asia-Pacific"

Going forward, the outlook for the industrial property market in the region remains favourable. Asia's status as the world's workshop bodes well for industrial real estate both in the short and long term. This is particularly true in China, which will continue to be a major player in world trade.

The continuing trend of manufacturing companies preferring to lease, as opposed to owning their business premises will present vast opportunities for industrial and logistics REITs to expand via acquisitions in the region. The yields of industrial space in the region (as reflected in the table below) ranged between 5.0% and 10.0% as at 31 December 2005.

Yields of Investment-Grade Industrial Buildings In The Region As At 31 December 2005

Country/City	Yields
China:	
— Beijing	10.0%[12]
— Shanghai	7.8%[13]
Indonesia:	
— Jakarta	8.0%[12] to 9.0%[12]
Malaysia:	
— Klang Valley	9%[12]
— Penang	7.0%[12] to 9.0%[12]
Singapore	7.5%[12]
Taiwan	5.0%[14] to 7.0%[14]

Source: Colliers International

9.0 CAMBRIDGE INDUSTRIAL TRUST'S PORTFOLIO

9.1 STRENGTHS OF CIT'S PORTFOLIO

- All of CIT's properties enjoy a 100% occupancy rate, which is significantly higher than the islandwide industrial occupancy rate of 89.1% as at 31 December 2005.
- All of CIT's properties are on sale-and-leaseback arrangements with long lease periods averaging 7.9 years (weighted by acquisition value) compared to the market norm of three years. In addition, all leases are signed with fixed rental escalation at defined periods. Such arrangements provide rental stability and growth to the portfolio.
- The average length of security deposits held by CIT (weighted by acquisition value) is 14 months, much longer than the market practice of one to two months. This creates stability in the portfolio in cases of default payment or early termination of lease.
- CIT's properties are distributed across the various sectors of light industrial, logistics/ warehousing, industrial, industrial/warehousing, self-storage/warehousing and car showroom/workshop, providing a diversified portfolio.

[12] Based on net yields of investment-grade industrial buildings in the relevant country/city as at 31 December 2005.

[13] Based on gross yields of investment-grade industrial buildings in the relevant country/city as at 31 December 2005.

[14] Based on gross yields for individual industrial strata units.

- Most of CIT's properties enjoy easy access to all parts of the island. In addition, there are potential rental and value enhancements for a number of properties that are located in close proximity to the future Circle Line MRT stations.

The competitive strengths of each property are listed in the tables below.

CAR SHOWROOM & WORKSHOP	
Property	**Competitive Strengths**
23 Lorong 8 Toa Payoh	• Located in central region within Toa Payoh Industrial Estate and along the car showroom belt • Easily accessible via the Pan-Island Expressway and the Central Expressway • Approved for use as a motor vehicle showroom and workshop, which is sought after by major motorcar distributors • Readily available labour supply and amenities from Toa Payoh and nearby housing estates

INDUSTRIAL	
Property	**Competitive Strengths**
16 Tuas Avenue 18A	• Located within the Jurong Industrial Estate • Easily accessible via the Pan-Island Expressway and the Ayer Rajah Expressway • Close proximity to labour supply in Johor Bahru via the Second Link
2 Tuas South Avenue 2	• Located within the Jurong Industrial Estate • Easily accessible via the Pan-Island Expressway and the Ayer Rajah Expressway • Close proximity to labour supply in Johor Bahru via the Second Link
28 Woodlands Loop	• Located within the Woodlands Industrial Estate • Easily accessible via the Bukit Timah Expressway and the Seletar Expressway • Readily available labour supply and amenities from Woodlands and nearby housing estates
31 Kian Teck Way	• Located within the Jurong Industrial Estate • Easily accessible via the Pan-Island Expressway and the Ayer Rajah Expressway • Close proximity to labour supply in Johor Bahru via the Second Link
37 Tampines Street 92	• Located within the Tampines Industrial Estate, prominently situated along the Pan-Island Expressway • Easily accessible via the Pan-Island Expressway and the Tampines Expressway • Readily available labour supply and amenities from Tampines and nearby housing estates

INDUSTRIAL	
Property	**Competitive Strengths**
45 Changi South Avenue 2	• Located within the Changi South Industrial and Logistics Park • Easily accessible via the Pan-Island Expressway and the East Coast Parkway. • Close proximity to Changi International Airport, Changi Business Park and Singapore Expo
7 Gul Lane	• Located within the Jurong Industrial Estate • Easily accessible via the Pan-Island Expressway and the Ayer Rajah Expressway • Close proximity to labour supply in Johor Bahru via the Second Link

INDUSTRIAL & WAREHOUSING	
Property	**Competitive Strengths**
23 Tuas Avenue 10	• Located within the Jurong Industrial Estate • Easily accessible via the Pan-Island Expressway and the Ayer Rajah Expressway • Close proximity to labour supply in Johor Bahru via the Second Link
27 Pandan Crescent	• Located within the Pandan Industrial Estate • Easily accessible via the West Coast Highway and the Ayer Rajah Expressway • Close proximity to labour supply in Johor Bahru via the Second Link
86/88 International Road	• Located within the Jurong Industrial Estate • Easily accessible via the Pan-Island Expressway and the Ayer Rajah Expressway • Close proximity to labour supply in Johor Bahru via the Second Link
9 Tuas View Crescent	• Located within the Jurong Industrial Estate • Close proximity to labour supply in Johor Bahru via the Second Link

LIGHT INDUSTRIAL	
Property	**Competitive Strengths**
11 Serangoon North Avenue 5	• Centrally located within the Serangoon North Industrial Estate • Easily accessible via Central Expressway • Readily available labour supply and amenities from Serangoon North and nearby housing estates
130 Joo Seng Road	• Located in central region within the Joo Seng Industrial Estate • Easily accessible via the Pan-Island Expressway and the future Kallang/Paya Lebar Expressway • Under one kilometre from the future Upper Paya Lebar Circle Line MRT Station • Readily available labour supply and amenities from nearby housing estates

LIGHT INDUSTRIAL	
Property	**Competitive Strengths**
136 Joo Seng Road	• Located in central region within the Joo Seng Industrial Estate • Easily accessible via the Pan-Island Expressway and the future Kallang/Paya Lebar Expressway • Walking distance from the future Upper Paya Lebar Circle Line MRT Station • Readily available labour supply and amenities from nearby housing estates
2 Jalan Kilang Barat	• Located in central region and prominently situated along Jalan Bukit Merah • Easily accessible via the Ayer Rajah Expressway and the Central Expressway • Modern high-tech building with a multi-national corporation tenant • Readily available labour supply and amenities from nearby housing estates
2 Ubi View	• Located in central region within the Kampong Ubi Industrial Estate • Easily accessible via the Pan-Island Expressway and the future Kallang/Paya Lebar Expressway • Readily available labour supply and amenities from nearby housing estates
21 Ubi Road 1	• Located in central region within the Kampong Ubi Industrial Estate • Easily accessible via the Pan-Island Expressway and the future Kallang/Paya Lebar Expressway • Walking distance from the future MacPherson Circle Line MRT Station • Readily available labour supply and amenities from nearby housing estates
87 Defu Lane 10	• Prominently located along Hougang Avenue 3, within the Defu Industrial Estate • Easily accessible via the Pan-Island Expressway and the future Kallang/Paya Lebar Expressway • Readily available labour supply and amenities from Hougang and nearby housing estates

LOGISTICS AND WAREHOUSING	
Property	**Competitive Strengths**
24 Jurong Port Road	• Located along Jurong Port Road, a popular logistics and warehouse location in close proximity to Jurong Port • Easily accessible via the Ayer Rajah Expressway and the West Coast Highway • High Building Specifications to meet logistics and warehousing needs
3 Pioneer Sector 3	• Located within the Jurong Industrial Estate • Easily accessible via the Ayer Rajah Expressway • Close proximity to labour supply in Johor Bahru via the Second Link

LOGISTICS AND WAREHOUSING	
Property	**Competitive Strengths**
30 Toh Guan Road	• Prominently situated along Toh Guan Road opposite the IMM Building • Close proximity to International Business Park and the Jurong East MRT station • Easily accessible via the Ayer Rajah Expressway • Readily available labour supply and amenities from nearby housing estates
30 Tuas Road	• Located within the Jurong Industrial Estate • Prominently situated at the major road junction fronting Tuas Road and Pioneer Road • Easily accessible via the Ayer Rajah Expressway and the Pan-Island Expressway • Close proximity to labour supply in Johor Bahru via the Second Link • Single-storey building with High Building Specifications to meet logistics and warehousing needs
31 Tuas Avenue 11	• Located within the Jurong Industrial Estate • Close proximity to labour supply in Johor Bahru via the Second Link • Single-storey warehouse with High Building Specifications to meet logistics and warehousing needs
1 Third Lok Yang Road and 4 Fourth Lok Yang Road	• Located within the Jurong Industrial Estate • Easily accessible via the Ayer Rajah Expressway and the Pan-Island Expressway • Close proximity to labour supply in Johor Bahru via the Second Link • Single-storey warehouse with High Building Specifications to meet logistics and warehousing needs
25 Changi South Avenue 2	• Located within the Changi South Logistics Park, in close proximity to Changi International Airport, Changi Business Park and Singapore Expo • Prominently situated along Changi South Avenue 2 • Easily accessible via the Pan-Island Expressway and the East Coast Parkway

SELF STORAGE & WAREHOUSING	
Property	**Competitive Strengths**
160 Kallang Way	• Centrally located in the MacPherson Industrial Estate • Easily accessible to the CBD, Jurong Port and Changi International Airport via the Pan-Island Expressway and the future Kallang/Paya Lebar Expressway. • Specifically designed for self-storage use • Readily available labour supply and amenities from nearby housing estates

LIMITING CONDITIONS

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The opinions, estimates and information given herein or otherwise in relation hereto are made by Colliers International and affiliated companies in their best judgement, in the utmost good faith and are as far as possible based on data or sources which they believe to be reliable in the context hereto. This includes information on Cambridge Industrial Trust, which was supplied by Cambridge Industrial Trust Management Limited. Notwithstanding, Colliers International disclaims any liability in respect of any claim, which may arise from any errors or omissions or from providing such advice, opinion, judgement or information.

PROPERTY FUNDS GUIDELINES

Appendix 2: Property Funds

1. Scope and Definitions

1.1 These Guidelines apply to a collective investment scheme that invests or proposes to invest in real estate and real estate-related assets (hereinafter referred to as "a property fund"). The scheme may or may not be listed on the Singapore Exchange ("SGX"). An investment in real estate may be by way of direct ownership or a shareholding in an unlisted special purpose vehicle ("SPV") constituted to hold/own real estate. *Revised 20 Oct 2005*

1.2 For the purposes of this Appendix:

(a) **Associate of any director** includes

(i) any member of his immediate family[1];

(ii) the trustee, acting in its capacity as a trustee, of any property fund of which the director or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and

(iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 25% or more.

(b) **Cash equivalent items** means instruments or investments of such high liquidity and safety that they are as good as cash.

(c) **Controlling unitholder** means a person who, together with (where applicable) – *Incorporated 29 Aug 2002*

(A) its ultimate/immediate holding company;

(B) its subsidiary;

(C) its associated company;

(D) its fellow subsidiary;

(E) where it is an associated company of another company, say, Company X — a subsidiary of Company X[2];

(F) its fellow associated company;

(G) an associated company of its immediate holding company;

(H) a subsidiary[3] of the entity in sub-paragraph (B), (D) or (E); and

(I) an associated company of the entity in sub-paragraph (B), (D) or (E),

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[1] This refers to his wife, child, adopted child, stepchild, brother, sister and parent.

[2] Where the sponsor/promoter, Manager or adviser is an associated company of more than one company, say, Company X and Company Y, all the subsidiaries of either Company X or Company Y will be considered as interested parties.

[3] This term is capable of successive application. For example, Company A is a subsidiary of the promoter of the fund. If Company B is a subsidiary of Company A, and Company C is a subsidiary of Company B, then Company B and Company C (and so on) will be considered as interested parties.

either

(i) hold 15% or more of the units in the property fund (MAS may determine that such a person is not a controlling unitholder); or

(ii) hold less than 15% of the units in the property fund but in fact exercise control over the property fund.

For the avoidance of doubt, the number of units in the property fund held by a person and persons listed in (A) to (I) should be aggregated in determining if the units held amount to 15% or more of the total units in the property fund.

(d) **Deposited property** means the value of the property fund's total assets based on the latest valuation.

(e) **Desktop valuation** means a valuation based on transacted prices/yields of similar real estate assets, without a physical inspection of the property.

(f) **Interested party** includes:

Revised 20 Oct 2005

(i) the sponsor/promoter of the property fund (if different from the manager)[4];

(ii) the manager of the property fund;

(iii) the trustee of the property fund;

Incorporated 20 Oct 2005

(iv) the adviser to the property fund;

(v) a director, other than an independent director, of the sponsor/promoter, Manager or adviser (or an associate of any such director);

(vi) a controlling unitholder; or

(vii) in respect of the sponsor/promoter, Manager, adviser or controlling unitholder –

(A) its ultimate/immediate holding company;

(B) its subsidiary;

(C) its associated company;

(D) its fellow subsidiary;

(E) where it is an associated company of another company, say, Company X — a subsidiary of Company X[5];

(F) its fellow associated company;

(G) an associated company of its immediate holding company;

(H) a subsidiary[6] of the entity in sub-paragraph (B), (D) or (E); or

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4 For the avoidance of doubt, an entity acting merely as a marketing or sales agent will not be considered a sponsor/promoter.

5 Where the sponsor/promoter, Manager or adviser is an associated company of more than one company, say, Company X and Company Y, all the subsidiaries of either Company X or Company Y will be considered as interested parties.

6 This term is capable of successive application. For example, Company A is a subsidiary of the promoter of the fund. If Company B is a subsidiary of Company A, and Company C is a subsidiary of Company B, then Company B and Company C (and so on) will be considered as interested parties.

(I) an associated company of the entity in sub-paragraph (B), (D) or (E).

(g) **Real estate-related assets** means listed or unlisted debt securities and listed shares of or issued by property corporations, mortgage-backed securities, other property funds, and assets incidental to the ownership of real estate (e.g. furniture).

2. The Manager of a Property Fund *Revised 20 Oct 2005*

2.1 The Manager of a listed property fund should be a corporation with a physical office in Singapore, and have minimum shareholders' funds of S$1 million. The Manager in Singapore should have:

(a) a resident chief executive officer; and

(b) at least two full-time professional employees[7].

2.2 The Manager, as well as its chief executive officer, directors and professional employees should meet the fit and proper criteria as set out in the "Guidelines on Fit and Proper Criteria" [Guideline No: MCG-G01][8] issued by the Authority. In addition, the Manager should:

(a) have at least 5 years of experience in managing property funds;

(b) appoint, with the approval of the trustee, an adviser who has at least 5 years of experience in investing in and/or advising on real estate; or

(c) employ persons who have at least 5 years of experience in investing in and/or advising on real estate.

2.3 Where the Manager has appointed an adviser pursuant to paragraph 2.2 (b), that adviser need not be independent of the Manager, and may act as agent in seeking out buyers/sellers of real estate or in managing the property fund's real estate assets. However, where the adviser has been appointed as the marketing agent for a property, that adviser may recommend the property fund to purchase that property only if:

(a) the adviser has disclosed to the Manager that it is the marketing agent for that property; and

(b) the adviser is not related to the Manager in a manner described in paragraph 1.2(f)(vii).

2.4 Commissions or fees paid by the property fund to the adviser should not be higher than market rates.

2.5 The Singapore office should play a meaningful role in the business activities of the Manager. In the Authority's assessment of the role of the Singapore office, the following factors are relevant, but not exhaustive:

(a) the composition and mandates of the board of directors and management committees; and

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7 Professional employees refer to employees who are engaged in the investment management, asset management, financing, marketing and investor relations functions on behalf of the property fund manager.

8 A copy of the "Guidelines on Fit and Proper Criteria" may be found at: "http://www.mas.gov.sg/masmcm/bin/pt1SFA_Guidelines.htm"

(b) the extent to which the chief executive officer and directors based in Singapore participate in the formulation of investment strategies and financing activities.

2.6 The Manager of a listed property fund should perform the following activities in Singapore:

(a) accounting;

(b) compliance; and

(c) investor relations.

2.7 The manager of a property fund seeking authorisation for the fund under section 286(1) of the Securities and Futures Act (Cap. 289) should complete and submit the form appended in Annex 2A.

3. The Trustee of a Property Fund

Incorporated 20 Oct 2005

3.1 The Trustee should exercise due care and diligence in discharging its functions and duties, including safeguarding the rights and interests of participants.

3.2 Amongst others, the Trustee should exercise reasonable care in ensuring that:

(a) the property fund has proper legal and good marketable titles to the real estate assets owned by the property fund;

(b) the contracts (such as rental agreements) entered into on behalf of the property fund is legal, valid, binding and enforceable by or on behalf of the property fund in accordance with its terms; and

(c) the Manager arranges adequate insurance coverage in relation to the real estate assets of the property fund.

4. Trust Deed Provisions for Removal of Manager and Convening of Meetings

Incorporated 20 Oct 2005

4.1 The trust deed of a property fund should contain the following provisions:

(a) the Manager may be removed by way of a resolution passed by a simple majority of participants present and voting at a general meeting, with no participant being disenfranchised; and

(b) general meeting may be convened at the request in writing of not less than 50 participants or participants representing not less than 10% of the issued units of the property fund.

4.2 Existing property funds are to comply with the guidelines in this paragraph by 20 April 2006.

5. Interested-party Transactions

5.1 A property fund may acquire assets from or sell assets to interested parties, or invest in securities[9] of or issued by interested parties, if: *Revised 20 Oct 2005*

(a) adequate disclosures are made in the prospectus (if it is at the first launch/offer of the property fund) or circular (if it is during the life of the property fund), stating –

(i) the identity of the interested parties and their relationships with the property fund;

(ii) the details of the assets to be acquired or sold, including a description of these assets and their location;

(iii) the prices at which these assets are to be acquired or sold;

(iv) the details of the valuations performed (including the names of the valuers, the methods used to value these assets and the dates of the valuations) and their assessed values;

(v) the current/expected rental yield;

(vi) the minimum amount of subscriptions to be received, if the transactions are conditional upon the property fund receiving the stated amount of subscriptions; and

(vii) any other matters that may be relevant to a prospective investor in deciding whether or not to invest in the property fund or that may be relevant to a participant in deciding whether or not to approve the proposed transactions;

(b) for transactions entered into at the first launch/offer of the property fund, the scheme has entered into agreements to buy those assets at the prices specified in sub-paragraph (a)(iii) from the interested parties. If the transactions are conditional upon the property fund receiving a stated minimum amount of subscriptions, the agreements should reflect this;

(c) two independent valuations of each of those real estate assets, with one of the valuers commissioned independently by the Trustee, have been conducted in accordance with paragraph 8; *Incorporated 20 Oct 2005*

(d) each of those assets is acquired from the interested parties at a price not more than the higher of the two assessed values, or sold to interested parties at a price not less than the lower of the two assessed values; and *Incorporated 20 Oct 2005*

(e) the Trustee provides written confirmation that it is of the view that the transaction is on normal commercial terms and not prejudicial to the interests of participants where participants' approval for the transaction is not required and; *Incorporated 20 Oct 2005*

(i) in the case of an acquisition, the transaction price is not at the lower of the two valuations; or

(ii) in the case of a disposal, the transaction price is not at the higher of the two valuations.

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9 A mortgage-backed security issued by a special purpose vehicle does not come within the ambit of this paragraph.

5.2 A property fund should:

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(a) where a proposed transaction is equal to or greater than 3% of the property scheme's NAV, announce[10] the transaction immediately; or

(b) where a proposed transaction is equal to or greater than 5% of the property fund's NAV, announce the transaction immediately and obtain a majority vote at a participants' meeting. A person who has an interest, whether commercial, financial or personal, in the outcome of the transaction, other than in his capacity as a participant, will not be allowed to vote on the resolution to approve the transaction. There should be an opinion rendered by an Independent Expert stating whether or not the transaction is on normal commercial terms and whether the transaction is prejudicial to participants, based on an assessment of the impact of the transaction on the property fund on an overall basis. The Independent Expert should also draw the participants' attention to any possible disadvantages of the transaction.

5.3 For the purpose of paragraph 5.2, the value of all transactions with the same interested party during the current financial year should be aggregated. If the aggregate value of all transactions with the same interested party[11] during the current financial year is:

(a) equal to or greater than 3% of the property fund's NAV, the requirement in paragraph 5.2(a) will apply to the latest transaction and all future transactions entered into with that interested party during that financial year; or

(b) equal to or greater than 5% of the property fund's NAV, the requirements in paragraph 5.2(b) will apply to the latest transaction and all future transactions entered into with that interested party during that financial year.

5.4 For the purpose of paragraphs 5.1 to 5.3, the agreement to buy or sell the assets should be completed:

(a) where the interested-party transaction is entered into at the first launch/offer of the property fund, within 6 months of the close of the first launch/offer; or

(b) where the interested-party transaction is entered into after the first launch/offer and:

(i) the transaction is less than 5% of the property fund's NAV, within 6 months of the date of the agreement; or

(ii) the transaction is equal to or greater than 5% of the property fund's NAV, within 6 months of the date of the participants' approval referred to in paragraph 5.2(b); or

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[10] For listed property trusts, announcements should be made to the exchange for public release as stated in SGX's listing requirements. For unlisted property trusts, announcements should be made either through paid advertisements in at least one newspaper that is circulated widely in Singapore, or by sending a circular to participants.

[11] For this purpose, a company, its subsidiary companies, its associated companies, and all their directors, chief executive officers and substantial shareholders are regarded as one party.

(c) where there is more than one interested-party transaction entered into during the current financial year and the latest transaction results in the 5% threshold referred to in paragraph 5.3(b) being exceeded, within 6 months of the date of participants' approval in respect of that latest transaction.

5.5 An Independent Expert for the purpose of paragraphs 5.2 should:

(a) not receive payments of more than $200,000 aggregated over the current financial year from the Manager, adviser or other party/parties whom the property fund is transacting with. For the avoidance of doubt, this does not include fees paid by the property fund to the Independent Expert for rendering an opinion on the interested-party transactions;

(b) not be a related corporation as defined in the Interpretation Section of this Code or have a relationship with the Manager, adviser or other party/parties whom the property fund is transacting with which, in the opinion of the trustee, would interfere with the Independent Expert's ability to render an independent and professional opinion on the fairness and reasonableness of the transactions;

(c) disclose to the trustee any pending business transactions, contracts under negotiation, other arrangements with the Manager, adviser or other party/parties whom the property fund is transacting with and other factors that would interfere with the Independent Expert's ability to render an independent and professional opinion on the fairness and reasonableness of the transactions. The trustee should then take such disclosure into account when deciding whether the person concerned is sufficiently independent to act as the Independent Expert for the interested-party transactions; and

(d) have the necessary expertise and experience, in the opinion of the trustee, to form an opinion on the fairness and reasonableness of such transactions.

5.6 A property fund is not prohibited from engaging an interested party as property management agent or marketing agent for the scheme's properties provided that any fees or commissions paid to the interested party are at not more than market rates.

5.7 In instances where the Manager receives a percentage-based fee when the property fund acquires and disposes of real estate assets from/to interested parties, such a fee should be in the form of units issued by the property fund at prevailing market price(s). The units should not be sold within one year from their date of issuance. *Incorporated 20 Oct 2005*

6. Permissible Investments

6.1 Subject to the restrictions and requirements in paragraph 7, a property fund may only invest in:

(a) Real estate, whether freehold or leasehold, in or outside Singapore. An investment in real estate may be by way of direct ownership or a shareholding in an unlisted SPV constituted to hold/own real estate; *Revised 20 Oct 2005*

(b) Real estate-related assets, wherever the issuers/assets/securities are incorporated/located/issued/traded;

(c) Listed or unlisted debt securities and listed shares of or issued by local or foreign non-property corporations;

(d) Government securities (issued on behalf of the Singapore Government or governments of other countries) and securities issued by a supra-national agency or a Singapore statutory board; and

(e) Cash and cash equivalent items.

6.2 A property fund may invest in local or foreign assets, subject to the terms of its trust deed. Where an investment in a foreign real estate asset is made, the Manager should ensure that the investment complies with all the applicable laws and requirements in that foreign country, for example, those relating to foreign ownership and good title to that real estate.

6.3 When investing in leasehold properties, the Manager should consider the remaining term of the lease, the objectives of the property fund, and the lease profile of the property fund's existing property portfolio.

6.4 When investing in real estate as a joint owner, the property fund should make such investment by acquiring shares or interests in an unlisted SPV constituted to hold/own the real estate[12] and the property fund should have freedom to dispose of such investment. The joint venture agreement, memorandum and articles of association and/or other constitutive document of the SPV should provide for: *Incorporated 20 Oct 2005*

(a) a specified minimum percentage of distributable profits of the SPV that will be distributed. The property fund should be entitled to receive its *pro rata* share of such distributions;

(b) veto rights over key operational issues of the SPV, including:

(i) amendment of the joint venture agreement, memorandum and articles of association or other constitutive document of the SPV;

ii) cessation or change of the business of the SPV;

iii) winding up or dissolution of the SPV;

(iv) changes to the equity capital structure of the SPV;

(v) changes to the dividend distribution policy of the SPV;

(vi) issue of securities by the SPV;

(vii) incurring of borrowings by the SPV;

(viii) creation of security over the assets of the SPV;

(ix) transfer or disposal of the assets of the SPV;

(x) approval of asset enhancement and capital expenditure plans for the assets of the SPV;

(xi) entry into interested party transactions;

12 Other ownership arrangements may be allowed if the arrangements are necessary for the purposes of meeting legal or regulatory requirements in a foreign jurisdiction, or when there are other valid justifications. In such cases, prior consent from the Authority should be sought.

(c) a mode for the resolution of disputes between the property fund and joint venture partners.

6.5 Financial derivatives may only be used for the purpose of:

(a) hedging existing positions in a portfolio; or

(b) EPM, provided that derivatives are not used to gear the overall portfolio.

7. Restrictions and Requirements on Investments/Activities

7.1 A property fund should comply with the following restrictions/ requirements:

(a) Subject to paragraph 7.3, at least 35% of the property fund's deposited property should be invested in real estate. A new scheme will be given 24 months from the close of the first launch/offer to comply with this requirement;

(b) At least 70% of the property fund's deposited property should be invested, or proposed to be invested, in real estate and real estate-related assets;

(c) A property fund should not undertake property development activities whether on its own, in a joint venture with others, or by investing in unlisted property development companies, unless the property fund intends to hold the developed property upon completion. For this purpose, property development activities do not include refurbishment, retrofitting and renovations. *Incorporated 20 Oct 2005*

(d) A property fund should not invest in vacant land and mortgages (except for mortgage-backed securities). This prohibition does not prevent a property fund from investing in real estate to be built on vacant land that has been approved for development or other uncompleted[13] property developments. *Incorporated 20 Oct 2005*

(e) The total contract value of property development activities undertaken and investments in uncompleted property developments[14] should not exceed 10% of the property fund's deposited property; and *Incorporated 20 Oct 2005*

(f) For investments in listed or unlisted debt securities and listed shares of or issued by property and non-property corporations (local or foreign) and other locally-registered property funds, not more than 5% of the property fund's deposited property can be invested in any one issuer's securities or any one manager's funds. A corporation and its subsidiary companies are regarded as one issuer or manager. Investments in other property funds should not be made with a view to circumventing the letter or spirit of the prohibition on interested-party transactions set out in paragraph 5. *Revised 20 Oct 2005*

13 An uncompleted property is one that has not been granted a Temporary Occupation Permit or equivalent by the relevant authorities.

14 For the purpose of this paragraph, the value of the investment refers to the contracted purchase price and not the value of progress payments made to date.

7.2 The investment restrictions/requirements in paragraphs 7.1 (e) and (f) are applicable at the time the transactions are entered into. A property fund is not required to divest any assets that breach the restrictions/requirements if such breaches were a result of:

(a) the appreciation or depreciation of the value of the property fund's assets;

(b) any redemption of units or distributions made from the property fund; or

(c) in respect of investments in listed shares of or issued by property and non-property corporations (local or foreign), any changes in the total issued nominal amount of securities arising from rights, bonuses or other benefits that are capital in nature.

7.3 Where as a result of divestment or new issue of units by the property fund, a scheme's investments in real estate fall below 35% of its deposited property, the scheme should increase the proportion of its real estate investments to 35% within:

(a) 12 months if the real estate investments fall to a level between 20% and 35% of the property fund's deposited property; or

(b) 24 months if the real estate investments fall below 20% of the property fund's deposited property.

7.4 Para 7.3 would not apply if:

(a) in the case of divestment, the property fund offers to return (by way of redemption) or distributes *at least* 70% of the proceeds of the divestment in cash within 12 months [in the case of paragraph 7.3(a)] or 24 months [in the case of paragraph 7.3(b)];

(b) in the case of a new issue of units, the property fund offers to return *at least* 70% of the subscription moneys received from such new issue within 12 months [in the case of paragraph 7.3(a)] or 24 months [in the case of paragraph 7.3(b)]; or

(c) in the case of either divestment or new issue of units, the property fund is in the process of being wound up.

8. Valuation of the Property Fund's Real Estate Investments

8.1 A full valuation of each of the property fund's real estate assets should be conducted by a valuer *at least* once a year, in accordance with any applicable Code of Practice for such valuations.

8.2 Where the Manager proposes to issue new units for subscription or redeem existing units, a desktop valuation of all the scheme's real estate assets should be conducted by a valuer *unless* the assets have been valued not more than 6 months ago (based on the date of the valuation report). *Revised 20 Oct 2005*

8.3 A valuer for the purpose of paragraph 8, be it for a full or desktop valuation, should:

(a) not receive payments of more than $200,000 aggregated over the current financial year from the Manager, adviser or the other party/parties whom the property fund is contracting with. For the avoidance of doubt, this does not include fees paid by the property fund to the valuer for valuation work undertaken for the scheme;

(b) not be a related corporation of or have a relationship with the Manager, adviser or other party/parties whom the property fund is contracting with which, in the opinion of the trustee, would interfere with the valuer's ability to give an independent and professional valuation of the property;

(c) disclose to the trustee any pending business transactions, contracts under negotiation, other arrangements with the Manager, adviser or other party/parties whom the property fund is contracting with and other factors that would interfere with the valuer's ability to give an independent and professional valuation of the property. The trustee should then take such disclosure into account when deciding whether the person concerned is sufficiently independent to act as the valuer for the property fund;

(d) be authorised under any law of the state or country where the valuation takes place to practice as a valuer;

(e) have the necessary expertise and experience in valuing properties of the type in question and in the relevant area; and

(f) not value the same property for more than 2 consecutive years.

8.4 For the avoidance of doubt, an adviser appointed by the Manager pursuant to paragraph 2.2(b) should not value the properties that it recommends to be bought or sold by the property fund. However, that adviser may value the property after it has been acquired by the scheme.

8.5 Subject to paragraph 5.1(d) in respect of interested-party transactions, a property fund should purchase or sell real estate assets at a reasonable price. A "reasonable price" means:

(a) in the case of acquisitions, a price not more than 110% of the assessed value (valuer to be commissioned by the scheme) and which assessment is not more than 6 months old; or

(b) in the case of disposals, a price not less than 90% of the assessed value assessed (valuer to be commissioned by the scheme) and which assessment is not more than 6 months old.

8.6 For the purpose of paragraph 8.5, the date of acquisition or disposal means the date of the sale and purchase agreement. Where there is more than one valuation conducted by more than one valuer for the same real estate asset, the Manager should use the average of the assessed values.

8.7 Where a real estate asset is to be bought or sold at a price other than that specified in paragraph 8.5, *prior approval* should be obtained from the trustee.

8.8 Notwithstanding paragraphs 8.1 and 8.2, a valuation of the property fund's real estate assets may be conducted if the trustee or Manager is of the opinion that it is in the best interest of participants to do so.

9. Aggregate Leverage Limit

Revised 20 Oct 2005

9.1 Borrowings[15] may be used for investment or redemption purposes. A property fund may mortgage its assets to secure such borrowings.

9.2 The total borrowings and deferred payments[16] (together the "aggregate leverage") of a property fund should not exceed 35% of the fund's deposited property. The aggregate leverage of a property fund may exceed 35% of the fund's deposited property (up to a maximum of 60%) only if a credit rating of the property fund from Fitch Inc., Moody's or Standard and Poor's is obtained and disclosed to the public. The property fund should continue to maintain and disclose a credit rating so long as its aggregate leverage exceeds 35% of the fund's deposited property.

9.3 If borrowings are to be used to fund partly or wholly the purchase of a new property, the value of the deposited property used for determining the aggregate leverage may include the value of the new property that is being purchased, provided that:

(a) the borrowings are incurred on the same day as that on which the purchase of the property is completed; OR if the borrowings are incurred before the purchase of the property is completed, those borrowings are kept in a separate bank account that is established and kept by the property fund solely for the purpose of depositing such monies;

(b) the monies raised by such borrowings are utilised solely for the purchase of the property including related expenses such as stamp duties, legal fees and fees of experts and advisers (all of which must be determined on an arm's length basis) and for no other purpose; and

(c) if borrowings are incurred before the new property is purchased and the manager subsequently becomes aware or ought reasonably to have become aware that the purchase will not take place, the manager must return the monies raised by such borrowings as soon as practicable.

9.4 The aggregate leverage limit is not considered to be breached if due to circumstances beyond the control of the manager the following occurs:

(a) a depreciation in the asset value of the property fund; or

(b) any redemption of units or payments made from the property fund.

If the aggregate leverage limit is exceeded as a result of (a) or (b) above, the manager should not incur additional borrowings or enter into further deferred payment arrangements.

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15 Bonds, notes, syndicated loans, bilateral loans or other debt. Bonds/notes may be issued, directly by the fund or indirectly via an SPV.16

16 Deferred payments include deferred payments for assets whether to be settled in cash or in units of the property fund.

9.5 For the purpose of calculating the aggregate leverage to determine compliance with the aggregate leverage limit, if a property fund invests in real estate through shareholdings in unlisted SPVs, the aggregate leverage of all SPVs held by the property fund shall be aggregated on a proportionate basis based on the property fund's share of each SPV. For the avoidance of doubt, the assets of such SPVs should also be aggregated on a proportionate basis based on the property fund's share of each SPV.

9.6 An existing property fund with aggregate leverage exceeding 35% of the fund's deposited property should comply with paragraph 9.2 by 20 April 2006.

10. Redemption Requirements for Unlisted Property Funds

Revised 20 Oct 2005

10.1 In respect of unlisted property funds, Managers should offer to redeem units *at least* once a year in accordance with paragraphs 10.2 and 10.3.

10.2 Any offer to redeem units pursuant to paragraph 10.1 should be sent to participants with adequate notice, and should state:

(a) the indicative price at which each unit will be redeemed;

(b) the period during which the offer will remain open (this period should last for *at least* 21 calendar days, but in no case should it remain open for more than 35 calendar days, after the offer is made);

(c) the assets and/or borrowings that will be used to satisfy the minimum amount of redemption requests stipulated in paragraph 10.3 or a greater amount proposed by the Manager, as the case may be. In the case of non-cash assets, the amount of money that is expected to be available from the sale of such assets should be stated;

(d) subject to the minimum amount stipulated in paragraph 10.3, that if the money available (from cash, sale of non-cash assets and/or borrowings earmarked in sub-paragraph (c)), is insufficient to satisfy all redemption requests, the requests are to be satisfied on a pro-rata basis. For this purpose, no redemption requests made pursuant to the offer may be satisfied until after the close of the offer period;

(e) that the actual price at which the units will eventually be redeemed (as determined by reference to the latest valuations available of the property fund's portfolio of assets after deducting appropriate transaction costs) may differ from the indicative price in sub-paragraph (a) due to changes in the values of the property fund's assets during the offer period;

(f) that the participant should elect, at the same time, whether or not he wishes to proceed with the redemption if his entire redemption request cannot be met; and

(g) that redemption requests made pursuant to the offer will be satisfied within 30 calendar days after the closing date of the offer. Such period may be extended to 60 calendar days after the closing date of the offer if the Manager satisfies the trustee that such extension is in the best interest of the property fund. The redemption period may be extended beyond 60 calendar days after the closing date of the offer if such extension is approved by participants.

10.3 In respect of any offer to redeem units pursuant to paragraph 10.1, *at least* 10% of the property fund's deposited property should be offered. Where the total amount of redemption requests received by the Manager is for less than 10%, all redemption requests should be met in full.

11. Disclosure Requirements

11.1 Paragraph 3.3(b), 4.2(b), 7.1 and 7.2 of this Code (in respect of the sending, preparation and content of semi-annual reports) will not apply to a property fund. *Revised 22 Dec 2003*

11.2 An annual report should be prepared by the manager at the end of each financial year, disclosing:

(a) details of all real estate transactions entered into during the year, including the identity of the buyers/sellers, purchase/sale prices, and their valuations (including the methods used to value the assets);

(b) details of all the property fund's real estate assets, including the location of such assets, their purchase prices and latest valuations, rentals received and occupancy rates, and/or the remaining terms of the property fund's leasehold properties[17] (where applicable); *Revised 20 Oct 2005*

(c) the tenant profile of the property fund's real estate assets, including the: *Incorporated 20 Oct 2005*

(i) total number of tenants;

(ii) top ten tenants, and the percentage of total gross rental income attributable to each of these top ten tenants;

(iii) trade sector mix of tenants, in terms of the percentage of total gross rental income attributable to major trade sectors; and

(iv) lease maturity profile, in terms of the percentage of total gross rental income, for each of the next five years.

(d) in respect of the other assets of a property fund, details of the:

(i) 10 most significant holdings (including the amount and percentage of fund size at market valuation); and

(ii) distribution of investments in dollar and percentage terms by country, asset class (e.g. equities, mortgage-backed securities, bonds, etc.) and by credit rating of all debt securities (e.g. "AAA", "AA", etc.);

(e) details of the property fund's exposure to derivatives, including the amount (i.e. net total aggregate value of contract prices) and percentage of derivatives investment of total fund size and at market valuation;

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[17] In order to facilitate more meaningful comparisons between different REITS, the annual report should disclose details of the property fund's investments in leasehold properties. The disclosure should be informative and meaningful, so that participants are provided details of the unexpired lease terms of leasehold properties. One approach would be to provide the proportion of the property fund invested in leasehold properties and the weighted average unexpired lease term of these assets.

(f) details of the property fund's investment in other property funds, including the amount and percentage of total fund size invested in;

(g) details of borrowings of the property fund;

(h) details of deferred payment arrangements entered into by the property fund (if applicable); *Incorporated 20 Oct 2005*

(i) the total operating expenses of the property fund, including all fees and charges paid to the Manager, adviser and interested parties (if any), and taxation incurred in relation to the scheme's real estate assets;

(j) the performance of the property fund in a consistent format, covering various periods of time (e.g. 1-year, 3-year, 5-year or 10-year) whereby:

  (i) in the case of an unlisted property fund, such performance is calculated on an "offer to bid" basis over the period[18]; or

  (ii) in the case of a listed property fund, such performance is calculated on the change in the unit price transacted on the stock exchange over the period[19].

  Calculation of scheme performance should include any dividends/ distributions made assuming that they were reinvested into the property fund on the day they were paid out[20];

(k) its NAV per unit at the beginning and end of the financial year; and

(l) where the property fund is listed, the unit price quoted on the exchange at the beginning and end of the financial year, the highest and lowest unit price and the volume traded during the financial year.

11.3 The Third Schedule of the SFR requires the prospectus to disclose the risks specific to investing in property funds. Some examples of such risks (list is not exhaustive; to be explained in relation to the property fund being offered, where appropriate) include the following: *Incorporated 28 Mar 2003*

(a) *Diversification* —Property funds tend to be less well-diversified than general securities funds.

(b) *High gearing* —Property funds tend to be more highly geared than general securities funds. This could be risky if interest rates rise sharply.

(c) *Valuation* —Property valuation, which affects the offer price of units in a property fund, is subjective.

(d) *Illiquidity of properties* —The underlying properties in a property fund are often illiquid. Property may have to be sold to make distributions if market conditions change, or to meet redemptions if

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18 For the purpose of comparing the property trust's performance with an index or other property funds, such comparisons should be made based on the requirements set out in Regulation 26 of the Securities and Futures (Offers of Investments) (Collective Investment Schemes) Regulations 2005.

19 This should be based on the closing price on the last day of the preceding reporting period (or in the case of a new fund, the opening price on the first day of trading) compared with the closing price on the last day of the current period..

20 The price at which dividends/distributions are assumed to be reinvested should be the bid price (in the case of an unlisted property fund) or the closing price of the unit traded on SGX (in the case of a listed property fund) on the ex-dividend or ex-distribution date.

the fund is unlisted or delisted; the property fund may be unable to do this expediently where the need arises.

11.4 Where the Manager intends to charge or has received a fee upon the property fund's acquisition of real estate assets, the following should be disclosed, in percentage terms and/or dollar value and in tabular form, in the offering document, circular to unitholders or other appropriate medium: *Incorporated 20 Oct 2005*

(a) acquisition fee payable to the REIT manager; and

(b) if a profit forecast is made,

(i) the expected incremental income to the REIT; and

(ii) the expected incremental base and performance fee payable to the REIT manager.

11.5 Where the Manager intends to charge or has received a fee upon the property fund's disposal of real estate assets, such fee (in percentage terms and/or dollar value) should be disclosed in the offering document, circular to unitholders or other appropriate medium. An explanation of how the disposal would be in the interests of participants should also be included. *Incorporated 20 Oct 2005*

11.6 Where forecasts of distribution yields are provided in offering documents, circulars, announcements and marketing materials of a property fund, and deferred payment arrangements have been or will be entered into by the property fund, clear and prominent disclosure of the details of the deferred payment arrangements entered into should be made, including forecasts of distribution yields assuming all deferred payments are settled in full. *Incorporated 20 Oct 2005*

12. Consultation with Authority *Incorporated 20 Oct 2005*

12.1 Where the Manager intends to incorporate features which may lead to inequality of treatment of participants or potential participants (e.g. the provision of volume discounts[21]) or which may make less apparent the value of a proposed transaction, the Authority should be consulted in advance.

[21] Volume discounts refer to discounts given to investors when they subscribe for a specified minimum number of units in the property

LIST OF PRESENT AND PAST PRINCIPAL DIRECTORSHIPS OF DIRECTORS AND EXECUTIVE OFFICERS OF THE MANAGER

Directors of the Manager

Tan Seng Chin, Finian

Current Directorships

AFC Network Private Limited
Benchmark Online Pte. Ltd.
Bizworld Singapore Ltd.
Cambridge Real Estate Investment Management Pte. Ltd.
Dominant China Finance Ltd
Draper Fisher Jurvetson Eplanet International (Singapore) Advisors Pte Ltd
E-Prove (Proprietary) Ltd
Latest Capital Ltd
Realtime Gaming (Asia) Pte. Ltd.
Singapore Technologies Electronics Limited
Up Beat Investments Ltd
Vickers Advisory Partners Pte. Ltd.
Vickers Financial Group (S) Pte. Ltd.
Vickers Financial Group Ltd
Vickers Private Equity Investment Consultancy Co. Ltd
Vickers Private Equity Meta Partners Ltd
Vickers Private Equity Partners Ltd
Vickers Private Equity Partner II Ltd
Vickers Private Equity Partners III Ltd
Vickers Private Equity Partners IV Ltd
Vickers Private Equity Partners V Ltd
Vickers Private Equity Partners VI Ltd
Vickers Private Equity Partners VII Ltd
Vickers Technology Investments Ltd
Vickers Venture Partners Ltd
Vitamin Research Asia Pacific Pte. Ltd.

Past Directorships

Baidu.com, Inc
Credit Suisse First Boston Pacific Limited
Credit Suisse First Boston (Singapore) Futures Pte Ltd
Credit Suisse (Singapore) Limited
Credit Suisse Securities (Singapore) Pte. Limited
Gridnode Pte Ltd
Itelco Communications, Inc.
Majulah Connection Limited
Phosistor Technologies, Inc

Leong Weng Chee

Current Directorships

Nil

Past Directorships

Carden Investments Pte Ltd
Crawforn Pte Ltd
Kimmingston Pte Ltd
Linkford Pte. Ltd.

Current Directorships	Past Directorships
	Razgrad Pte Ltd SC Global Project Management Pte Ltd SC Global Property Management Pte. Ltd. Seven Palms Resorts Management Pte. Ltd. Tabosca Pte Ltd

Chan Wang Kin

Current Directorships	Past Directorships
Cambridge Real Estate Investment Management Pte. Ltd. Columbia Education & Consultancy Services Pte. Ltd.	Wee Poh Holdings Limited Cambridge Industrial Property Management Pte. Ltd.

Ang Poh Seong

Current Directorships	Past Directorships
Cambridge Real Estate Investment Management Pte. Ltd.	Nil

Chi Chien-Chuen, Jeffrey

Current Directorships	Past Directorships
Benchmark Online Pte. Ltd. Cambridge Real Estate Investment Management Pte. Ltd. Primavera Partners Pte. Ltd. Vitamin Research Asia Pacific Pte. Ltd.	Span-Deck South-East Asia (Pte) Ltd Spanmetal Pte Ltd (now known as Eli-Ta Food Pte. Ltd.)

Liao Chung Lik

Current Directorships	Past Directorships
Alpha Container Services Pte Ltd Apex Property Pty Ltd (Australia) Batamindo Shipping & Warehousing Pte Ltd C & P Asia (S) Pte. Ltd. C & P Asia Pte. Ltd. C & P Asia Warehousing Pte. Ltd.	Bahrain Marine (S) Pte. Ltd. C & P Tankhub Pte. Ltd. Cargo World Sdn Bhd CWT Logistics Pte. Ltd. Exploration Trading (S) Pte. Ltd.

Current Directorships

C & P Automotive Pte Ltd
C & P Capital Pte Ltd
C & P China Pte Ltd
C & P Cranes Pte. Ltd.
C & P Distribution Pte. Ltd.
C & P Holdings Pte Ltd
C & P Infobank Pte Ltd
C & P Inland Ports Pte Ltd
C & P Land Pte. Ltd.
C & P Logistics Asia Pacific Limited (Hong Kong)
C & P Logistics Pte Ltd
C & P Marine (Private) Limited
C & P Rent-A-Car (Pte.) Ltd.
C & P Transport Pte Ltd
CP-Sum Cheong (China) Pte Ltd
CWT Limited
CWT Engineering Pte. Ltd.
Dynamic Leasing Pte Ltd
Indeco Engineers (Pte) Ltd
J Logistics Pte. Ltd.
JIC Inspection Services Pte Ltd
K-Invest Pte Ltd
Nippon Express (Singapore) Pte Ltd
PT C & P Marine Indonesia (Indonesia)
Singaport Logistic Services Pte Ltd
Stanley Liao Private Limited
Stargard Pte Ltd
Suzhou Suxin Public Road Construction & Development Co., Ltd. (Suzhou, PRC)

Past Directorships

Intrasea (Pte.) Ltd.
Kzones.com Pte Ltd
Santana International Pte Ltd
SQL View Pte Ltd

Ravindran s/o Ramasamy

Current Directorships

Aldwych International Pte. Ltd.
Best World International Limited
Electronic Stamping Pte. Ltd.
Electronic Stamps Pte. Ltd.
IBC (Australasia) Pte Ltd
Mckanala Consultancy Pte. Ltd.
PDA Professional Development Associates Pte Ltd
SAEA Group Pte. Ltd.
Serial System Ltd
Sri Avantika Contractors Singapore Pte. Ltd.
Veolia Environmental Services Asia Pte. Ltd.

Past Directorships

Cambridge Real Estate Investment Management Pte. Ltd.
Effany Investment Pte Ltd
Enviro-Pro Singapore Pte. Ltd.
E-ventures Capital Pte. Ltd.
Kvinto Trading Pte Ltd
Network Inter Business Services Pte. Ltd.
Resford Investment Pte Ltd
RGC Holdings Pte Ltd
Straits Law Practice LLC
Tele-Centre Services Pte Ltd
The SIFAS Performing Arts Company Limited
Unitec Value Solutions Pte. Ltd.

Ong Seow Eng

Current Directorships	Past Directorships
Nil	Cambridge Real Estate Investment Management Pte. Ltd.

Lee Kim Mon

Current Directorships	Past Directorships
Chanster Enterprises (Pte.) Ltd. Chanster Holdings Pte. Ltd.	Cambridge Real Estate Investment Management Pte. Ltd.

Executive Officers of the Manager

Tetsuya Karasawa

Current Directorships	Past Directorships
Nil	TID Pte. Ltd.

Ng Guat Min

Current Directorships	Past Directorships
Nil	Aithent Technologies Pvt Ltd

Loke Mun See

Current Directorships	Past Directorships
Nil	Nil

Kevin Xayaraj

Current Directorships	Past Directorships
Nil	Nil

Leow Kok Wee

Current Directorships	Past Directorships
Nil	Nil

Ong Ai Ling, Yvonne

Current Directorships	Past Directorships
Cambridge Industrial Property Management Pte. Ltd.	Chambers Valuers & Property Consultants Pte. Ltd.

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MANAGER OF CAMBRIDGE INDUSTRIAL TRUST

Cambridge Industrial Trust Management Limited
61 Robinson Road
#14-02 Robinson Centre
Singapore 068893

JOINT GLOBAL CO-ORDINATORS

ABN AMRO Rothschild
63 Chulia Street
Singapore 049514

CLSA Merchant Bankers Limited
9 Raffles Place
#19-20/21 Republic Plaza II
Singapore 048619

JOINT LEAD UNDERWRITERS AND BOOKRUNNERS

ABN AMRO Rothschild
63 Chulia Street
Singapore 049514

CLSA Singapore Pte Ltd
9 Raffles Place
#19-20/21 Republic Plaza II
Singapore 048619

JOINT FINANCIAL ADVISERS

ABN AMRO Rothschild
63 Chulia Street
Singapore 049514

CLSA Merchant Bankers Limited
9 Raffles Place
#19-20/21 Republic Plaza II
Singapore 048619

PUBLIC OFFER CO-ORDINATOR AND SUB-PLACEMENT AGENT

Phillip Securities Pte Ltd
250 North Bridge Road
#06-00 Raffles City Tower
Singapore 179101

UNIT REGISTRAR AND UNIT TRANSFER OFFICE

B.A.C.S. Private Limited
63 Cantonment Road
Singapore 089758

TRUSTEE

RBC Dexia Trust Services Singapore Limited
(formerly known as Dexia Trust Services Singapore Limited)
9 Raffles Place
#42-01 Republic Plaza
Singapore 048619

LEGAL ADVISERS

LEGAL ADVISER TO THE OFFERING AND TO THE MANAGER

Drew & Napier LLC
20 Raffles Place
#17-00 Ocean Towers
Singapore 048620

LEGAL ADVISER TO THE JOINT LEAD UNDERWRITERS AS TO SINGAPORE LAW

Wong Partnership
One George Street
#20-01
Singapore 049145

LEGAL ADVISER TO THE JOINT LEAD UNDERWRITERS AS TO ENGLISH AND US LAW

Linklaters Allen & Gledhill
One Marina Boulevard
#28-00
Singapore 018989

LEGAL ADVISER TO THE TRUSTEE

Shook Lin & Bok
1 Robinson Road #18-00
AIA Tower
Singapore 048542

INDEPENDENT REPORTING ACCOUNTANTS

KPMG
16 Raffles Quay
#22-00 Hong Leong Building
Singapore 048581

INDEPENDENT TAX ADVISER

KPMG Tax Services Pte Ltd
16 Raffles Quay
#22-00 Hong Leong Building
Singapore 048581

INDEPENDENT PROPERTY CONSULTANT AND VALUER

Colliers International Consultancy & Valuation (Singapore) Pte Ltd
50 Raffles Place #18-01
Singapore Land Tower
Singapore 048623

INDEPENDENT VALUER

Chesterton International Property Consultants Pte Ltd
5 Temasek Boulevard
#07-02
Suntec Tower Five
Singapore 038985

ADDITIONAL INDEPENDENT VALUER

Jones Lang LaSalle Property Consultants Pte Ltd
9 Raffles Place
#39-00 Republic Plaza
Singapore 048619

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25 CHANGI SOUTH AVENUE 2

1 THIRD LOK YANG ROAD AND
4 FOURTH LOK YANG ROAD

MEC TECHNOCENTRE

OLIVINE BUILDING

136 JOO SENG ROAD

9 TUAS VIEW CRESENT

STANDARD FORM BUILDING

28 WOODLANDS LOOP

23 TUAS AVENUE 10

TECHPLAS INDUSTRIAL BUILDING

CAMBRIDGE INDUSTRIAL TRUST MANAGEMENT LIMITED

61 ROBINSON ROAD
#14-02 ROBINSON CENTRE
SINGAPORE 068893
TEL (65) 6236 9286
FAX (65) 6538 1878
EMAIL info@cambridgeITM.com