IMPORTANT NOTICE

NOT FOR DISTRIBUTION IN THE UNITED STATES OR TO US PERSONS

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the attached information memorandum. You are advised to read this disclaimer carefully before accessing, reading or making any other use of the attached information memorandum. In accessing the attached information memorandum, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from us as a result of such access.

Confirmation of Your Representation: In order to be eligible to view the attached information memorandum or make an investment decision with respect to the securities, investors must not be a U.S. person (within the meaning of Regulation S under the U.S. Securities Act of 1933, as amended (the "**Securities Act**")). The attached information memorandum is being sent at your request and by accepting the e-mail and accessing the attached information memorandum, you shall be deemed to have represented to us that (1) you are not resident in the United States nor a U.S. Person, as defined in Regulation S under the Securities Act nor are you acting on behalf of a U.S. Person, the electronic mail address that you gave us and to which this email has been delivered is not located in the U.S. and, to the extent you purchase the securities described in the attached information memorandum, you will be doing so pursuant to Regulation S under the Securities Act, and (2) that you consent to delivery of the attached information memorandum and any amendments or supplements thereto by electronic transmission. By accepting this document, if you are an investor in Singapore, you (1) represent and warrant that you are either an institutional investor as defined under Section 4A(1) of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"), a relevant person as defined under Section 275(2) of the SFA or persons to whom an offer is being made, as referred to in Section 275(1A) of the SFA, and (2) agree to be bound by the limitations and restrictions described herein.

The attached document has been made available to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently neither Cambridge-MTN Pte. Ltd. (the "**Issuer**"), RBC Dexia Trust Services Singapore Limited (in its capacity as trustee of Cambridge Industrial Trust) (the "**Guarantor**"), Australia and New Zealand Banking Group Limited nor any person who controls any of them nor any of their respective directors, officers, employees, representatives or affiliates accepts any liability or responsibility whatsoever in respect of any discrepancies between the document distributed to you in electronic format and the hard copy version. **We will provide a hard copy version to you upon request.**

Restrictions: The attached document is being furnished in connection with an offering exempt from registration under the Securities Act solely for the purpose of enabling a prospective investor to consider the purchase of the securities described therein.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE OF THE U.S. OR OTHER JURISDICTION AND MAY NOT BE OFFERED OR SOLD WITHIN THE U.S. OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT), EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

Except with respect to eligible investors in jurisdictions where such offer is permitted by law, nothing in this electronic transmission constitutes an offer or an invitation by or on behalf of either the Issuer, the Guarantor or Australia and New Zealand Banking Group Limited to subscribe for or purchase any of the securities described therein, and access has been limited so that it shall not constitute in the United States or elsewhere a general solicitation or general advertising (as those terms are used in Regulation D under the Securities Act) or directed selling efforts (within the meaning of Regulation S under the Securities Act).

The attached information memorandum or any materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the dealers or any affiliate of the dealers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the dealers or such affiliate on behalf of the Issuer or, as the case may be, the Guarantor in such jurisdiction.

You are reminded that you have accessed the attached information memorandum on the basis that you are a person into whose possession this information memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not nor are you authorised to deliver this document, electronically or otherwise, to any other person. **If you have gained access to this transmission contrary to the foregoing restrictions, you will be unable to purchase any of the securities described therein.**

Actions that You May Not Take: If you receive this document by e-mail, you should not reply by e-mail, and you may not purchase any securities by doing so. Any reply e-mail communications, including those you generate by using the "Reply" function on your e-mail software, will be ignored or rejected.

YOU ARE NOT AUTHORISED AND YOU MAY NOT FORWARD OR DELIVER THE ATTACHED INFORMATION MEMORANDUM, ELECTRONICALLY OR OTHERWISE, TO ANY OTHER PERSON OR REPRODUCE SUCH INFORMATION MEMORANDUM IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT AND THE ATTACHED INFORMATION MEMORANDUM IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

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Information Memorandum dated 2 February 2012

CAMBRIDGE INDUSTRIAL TRUST

CAMBRIDGE-MTN PTE. LTD.

(Incorporated in the Republic of Singapore on 2 February 2012)
(Company Registration No. 201202505K)

S$500,000,000
Multicurrency Medium Term Note Programme
(the "Programme")

Unconditionally and irrevocably guaranteed by

RBC DEXIA TRUST SERVICES SINGAPORE LIMITED

(in its capacity as trustee of Cambridge Industrial Trust)

This Information Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Information Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of notes (the "**Notes**") to be issued from time to time by Cambridge-MTN Pte. Ltd. (the "**Issuer**") pursuant to the Programme may not be circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

(1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or (in the case of such corporation) where the transfer arises from an offer referred to in Section 276(3)(i)(B) of the SFA or (in the case of such trust) where the transfer arises from an offer referred to in Section 276(4)(i)(B) of the SFA;

(2) where no consideration is or will be given for the transfer;

(3) where the transfer is by operation of law; or

(4) as specified in Section 276(7) of the SFA.

All sums payable in respect of the Notes are unconditionally and irrevocably guaranteed by RBC Dexia Trust Services Singapore Limited (in its capacity as trustee of Cambridge Industrial Trust ("**CIT**")) (the "**Guarantor**" or the "**CIT Trustee**").

Application has been made to the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for permission to deal in and the quotation for any Notes which are agreed at the time of issue thereof to be so listed on the SGX-ST. Such permission will be granted when such Notes have been admitted to the Official List of the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained herein. Admission to the Official List of the SGX-ST and quotation of any Notes on the SGX-ST is not to be taken as an indication of the merits of the Issuer, the Guarantor, CIT, their respective subsidiaries and/or associated companies (if any), the Programme or such Notes.

THE NOTES AND THE GUARANTEE (AS DEFINED HEREIN) HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT (AS DEFINED HEREIN) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND THE NOTES ARE SUBJECT TO U.S. TAX LAW REQUIREMENTS. SUBJECT TO CERTAIN EXCEPTIONS, THE NOTES MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED, AND REGULATIONS THEREUNDER).

Arranger

ANZ

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NOTICE

Australia and New Zealand Banking Group Limited (the "**Arranger**") has been authorised by Cambridge-MTN Pte. Ltd. (the "**Issuer**") to arrange the S$500,000,000 Multicurrency Medium Term Note Programme (the "**Programme**") described herein. Under the Programme, the Issuer may, subject to compliance with all relevant laws, regulations and directives, from time to time issue notes (the "**Notes**") denominated in Singapore dollars and/or any other currencies. The payment of all amounts payable in respect of the Notes will be unconditionally and irrevocably guaranteed by RBC Dexia Trust Services Singapore Limited (in its capacity as trustee of Cambridge Industrial Trust ("**CIT**") (the "**Guarantor**").

This Information Memorandum contains information with regard to the Issuer, the Guarantor, CIT, the CIT Manager (as defined herein), the Property Manager (as defined herein), the Group (as defined herein), the Programme, the Notes and the Guarantee (as defined herein). Each of the Issuer and the Guarantor, having made all reasonable enquiries, confirms that this Information Memorandum contains all information (including information with regard to CIT, the Guarantor, the CIT Manager and the assets of CIT) which is material in the context of the Programme, the issue and offering of the Notes and the giving of the Guarantee, that the information in this Information Memorandum is true and accurate in all material respects, that the opinions, expectations and intentions expressed in this Information Memorandum have been carefully considered and are based on relevant considerations and facts existing at the date of this Information Memorandum, and that there are no other facts the omission of which in the context of the Programme, the issue and offering of the Notes and the giving of the Guarantee would or might make any such information or expressions of opinion, expectation or intention misleading in any material respect.

Notes may be issued in series having one or more issue dates and the same maturity date, and on identical terms (including as to listing) except (in the case of Notes other than variable rate notes (as described under "Summary of the Programme")) for the issue dates, issue prices and/or the dates of the first payment of interest, or (in the case of variable rate notes) for the issue prices and rates of interest. Each series may be issued in one or more tranches on the same or different issue dates. The Notes will be issued in bearer form and may be listed on a stock exchange. The Notes will initially be represented by either a Temporary Global Note (as defined herein) or a Permanent Global Note (as defined herein) which will be deposited on the issue date with either CDP (as defined herein) or a common depositary on behalf of Euroclear Bank S.A./N.V. ("**Euroclear**"), and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") or otherwise delivered as agreed between the Issuer and the relevant Dealer (as defined herein). Subject to compliance with all relevant laws, regulations and directives, the Notes may have maturities of such tenor as may be agreed between the Issuer and the relevant Dealer and may be subject to redemption or purchase in whole or in part. The Notes will bear interest at a fixed, floating, variable or hybrid rate or may not bear interest or may be such other notes as may be agreed between the Issuer and the relevant Dealer. The Notes will be repayable at par, at a specified amount above or below par or at an amount determined by reference to a formula, in each case with terms as specified in the Pricing Supplement (as defined herein) issued in relation to each series or tranche of Notes. Details applicable to each series or tranche of Notes will be specified in the applicable Pricing Supplement which is to be read in conjunction with this Information Memorandum.

The maximum aggregate principal amount of the Notes to be issued, when added to the aggregate principal amount of all Notes outstanding (as defined in the Trust Deed referred to herein) shall be S$500,000,000 (or its equivalent in any other currencies) or such higher amount as may be increased in accordance with the Programme Agreement (as defined herein).

No person has been authorised to give any information or to make any representation other than those contained in this Information Memorandum and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Guarantor, the Arranger or any of the Dealers (as defined herein). Save as expressly stated in this Information Memorandum, nothing contained herein is, or may be relied upon as, a promise or representation as to the future performance or policies of the Issuer, the Guarantor, CIT or any of their respective subsidiaries and/or associated companies (if any). Neither this Information Memorandum nor any other document or information (or any part thereof) delivered or supplied under or in relation to the Programme may be used for the purpose of, and does not constitute an offer of, or solicitation or invitation by or on behalf of the Issuer, the Guarantor, the Arranger or any of the Dealers to subscribe for or purchase, the Notes in any jurisdiction or under any circumstances in which such offer, solicitation or invitation is unlawful, or not authorised or to any person to whom it is unlawful to make such offer, solicitation or invitation. The distribution and publication of this Information Memorandum or any such other document or information and the offer of the Notes in certain jurisdictions may be restricted by law. Persons who distribute or publish this Information Memorandum or any such other document or information or into whose possession this Information Memorandum or any such other document or information comes are required to inform themselves about and to observe any such restrictions and all applicable laws, orders, rules and regulations.

To the fullest extent permitted by law, none of the Dealers or the Arranger accepts any responsibility for the contents of this Information Memorandum or for any other statement, made or purported to be made by the Arranger or a Dealer or on its behalf in connection with the Issuer, the Guarantor, or the issue and offering of the Notes. The Arranger and each Dealer accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Information Memorandum or any such statement.

The Notes and the Guarantee have not been, and will not be, registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and are subject to U.S. tax law requirements and restrictions. Subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder).

Neither this Information Memorandum nor any other document or information (or any part thereof) delivered or supplied under or in relation to the Programme shall be deemed to constitute an offer of, or an invitation by or on behalf of the Issuer, the Guarantor, the Arranger or any of the Dealers to subscribe for or purchase, any of the Notes.

This Information Memorandum and any other document or material in relation to the issue, offering or sale of the Notes have been prepared solely for the purpose of the initial sale by the relevant Dealers of the Notes from time to time to be issued pursuant to the Programme. This Information Memorandum and such other documents or materials are made available to the recipients thereof solely on the basis that they are persons falling within the ambit of Section 274 and/or Section 275 of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**") and may not be relied upon by any person other than persons to whom the Notes are sold or with whom they are placed by the relevant Dealers as aforesaid or for any other purpose. Recipients of this Information Memorandum shall not reissue, circulate or distribute this Information Memorandum or any part thereof in any manner whatsoever.

Neither the delivery of this Information Memorandum (or any part thereof) nor the issue, offering, purchase or sale of the Notes shall, under any circumstances, constitute a representation, or give rise to any implication, that there has been no change in the prospects, results of operations or general affairs of the Issuer, the Guarantor, CIT or any of their respective subsidiaries and/ or associated companies (if any) or any statement of fact or the information herein since the date hereof or the date on which this Information Memorandum has been most recently amended or supplemented.

The Arranger and the Dealers have not separately verified the information contained in this Information Memorandum. None of the Arranger, the Dealers or any of their respective officers or employees is making any representation, warranty or undertaking expressed or implied as to the merits of the Notes or the subscription for, purchase or acquisition thereof or the creditworthiness or financial condition or otherwise of the Issuer, the Guarantor, CIT or their respective subsidiaries and/or associated companies (if any). Further, neither the Arranger nor any of the Dealers makes any representation or warranty and no responsibility or liability is accepted by the Arranger or any of the Dealers as to the Issuer, the Guarantor, CIT, their respective subsidiaries and/or associated companies (if any) or as to the accuracy, reliability or completeness of the information set out herein (including the legal and regulatory requirements pertaining to Sections 274, 275 and 276 or any other provisions of the SFA) and the documents which are incorporated by reference in, and form part of, this Information Memorandum.

Neither this Information Memorandum nor any other document or information (or any part thereof) delivered or supplied under or in relation to the Programme or the issue of the Notes is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer, the Guarantor, the Arranger or any of the Dealers that any recipient of this Information Memorandum or such other document or information (or such part thereof) should subscribe for or purchase any of the Notes. A prospective purchaser shall make its own assessment of the foregoing and other relevant matters including the financial condition and affairs and the creditworthiness of the Issuer, the Guarantor, CIT and their respective subsidiaries and/or associated companies (if any), and obtain its own independent legal or other advice thereon, and its investment shall be deemed to be based on its own independent investigation of the financial condition and affairs and its appraisal of the creditworthiness of the Issuer, the Guarantor, CIT and their respective subsidiaries and/or associated companies (if any). Accordingly, notwithstanding anything herein, none of the Arranger, the Dealers or any of their respective officers, employees or agents shall be held responsible for any loss or damage suffered or incurred by the recipients of this Information Memorandum or such other document or information (or such part thereof) as a result of or arising from anything expressly or implicitly contained in or referred to in this Information Memorandum or such other document or information (or such part thereof) and the same shall not constitute a ground for rescission of any purchase or acquisition of any of the Notes by a recipient of this Information Memorandum or such other document or information (or such part thereof).

The Issuer, the Guarantor and the CIT Manager are not authorised deposit taking institutions for the purposes of the Banking Act 1959 (Commonwealth of Australia) and the obligations of the Issuer, the Guarantor and the CIT Manager do not represent deposits or other liabilities of National Australia Bank Limited ("**NAB**"). NAB does not guarantee or otherwise provide assurance in respect of the obligations of the Issuer, the Guarantor and the CIT Manager. Investments in CIT are not deposits with or other liabilities of NAB, its subsidiaries and successors in title, and are subject to investment risk including possible delays in repayment and loss of income and principal invested. Neither the NAB, its subsidiaries and successors in title guarantees the performance of the fund or the repayment of capital from the fund, or any particular rate of return.

Any purchase or acquisition of the Notes is in all respects conditional on the satisfaction of certain conditions set out in the Programme Agreement and the issue of the Notes by the Issuer pursuant to the Programme Agreement. Any offer, invitation to offer or agreement made in connection with the purchase or acquisition of the Notes or pursuant to this Information Memorandum shall (without any liability or responsibility on the part of the Issuer, the Guarantor, the Arranger or any of the Dealers) lapse and cease to have any effect if (for any other reason whatsoever) the Notes are not issued by the Issuer pursuant to the Programme Agreement.

Any discrepancies in the tables included herein between the listed amounts and totals thereof are due to rounding.

The attention of recipients of this Information Memorandum is drawn to the restrictions on resale of the Notes set out under "Subscription, Purchase and Distribution" on pages 103 and 104 of this Information Memorandum.

Any person(s) who is invited to purchase or subscribe for the Notes or to whom this Information Memorandum is sent shall not make any offer or sale, directly or indirectly, of any Notes or distribute or cause to be distributed any document or other material in connection therewith in any country or jurisdiction except in such manner and in such circumstances as will result in compliance with any applicable laws and regulations.

It is recommended that persons proposing to subscribe for or purchase any of the Notes consult their own legal and other advisers before purchasing or acquiring the Notes.

Prospective purchasers of the Notes are advised to consult their own tax advisers concerning the tax consequences of the acquisition, ownership or disposal of the Notes.

FORWARD-LOOKING STATEMENTS

All statements contained in this Information Memorandum that are not statements of historical fact constitute "forward-looking statements". Some of these statements can be identified by forward-looking terms such as "expect", "believe", "plan", "intend", "estimate", "anticipate", "may", "will", "would" and "could" or similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding the expected financial position, business strategy, plans and prospects of the Issuer, the Guarantor, CIT and/or the Group (including statements as to the Issuer's, the Guarantor's, CIT's and/or the Group's revenue and profitability, prospects, future plans and other matters discussed in this Information Memorandum regarding matters that are not historical fact and including the financial forecasts, profit projections, statements as to the expansion plans of the Issuer, the Guarantor, CIT and/or the Group, expected growth in the Issuer, the Guarantor, CIT and/or the Group and other related matters), if any, are forward-looking statements and accordingly, are only predictions. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Issuer, the Guarantor, CIT and/or the Group to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These factors are discussed in greater detail under, in particular, but not limited to, the section "Risk Factors".

Given the risks and uncertainties that may cause the actual future results, performance or achievements of the Issuer, the Guarantor, CIT or the Group to be materially different from the results, performance or achievements expected, expressed or implied by the financial forecasts, profit projections and forward-looking statements in this Information Memorandum, undue reliance must not be placed on those forecasts, projections and statements. The Issuer, the Guarantor, the Arranger and the Dealers do not represent or warrant that the actual future results, performance or achievements of the Issuer, the Guarantor, CIT or the Group will be as discussed in those statements.

Neither the delivery of this Information Memorandum nor the issue of any Notes by the Issuer shall under any circumstances constitute a continuing representation or create any suggestion or implication that there has been no change in the affairs of the Issuer, the Guarantor, CIT, the Group or any statement of fact or information contained in this Information Memorandum since the date of this Information Memorandum or the date on which this Information Memorandum has been most recently amended or supplemented.

Further, the Issuer, the Guarantor, the Arranger and the Dealers disclaim any responsibility, and undertake no obligation, to update or revise any forward-looking statements contained herein to reflect any changes in the expectations with respect thereto after the date of this Information Memorandum or to reflect any change in events, conditions or circumstances on which any such statements are based.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents published or issued from time to time after the date hereof shall be deemed to be incorporated by reference in, and to form part of, this Information Memorandum: (1) any annual reports or audited accounts (consolidated, if any) of the Issuer, the Guarantor, CIT and its subsidiaries (if any), (2) the unaudited financial statements of the Issuer, the Guarantor, CIT and its subsidiaries (if any) which is made available on SGXNET and (3) any supplement or amendment to this Information Memorandum issued by the Issuer. This Information Memorandum is to be read in conjunction with all such documents which are incorporated by reference herein and, with respect to any series or tranche of Notes, any Pricing Supplement (as defined herein) in respect of such series or tranche. Any statement contained in this Information Memorandum or in a document deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Information Memorandum to the extent that a statement contained in this Information Memorandum or in such subsequent document that is also deemed to be incorporated by reference herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Information Memorandum.

Copies of all documents deemed incorporated by reference herein are available for inspection at the specified office of the Issuing and Paying Agent (as defined herein).

DEFINITIONS

The following definitions have, where appropriate, been used in this Information Memorandum:

"**Agency Agreement**"	:	The Agency Agreement dated 2 February 2012 between (1) the Issuer, as issuer, (2) the Guarantor, as guarantor, (3) the Issuing and Paying Agent, as issuing and paying agent, (4) the Agent Bank, as agent bank, and (5) the Trustee, as trustee, as amended, varied or supplemented from time to time.
"**Agent Bank**"	:	British and Malayan Trustees Limited.
"**Arranger**"	:	Australia and New Zealand Banking Group Limited.
"**Board**"	:	The Board of Directors of the CIT Manager.
"**BTS**"	:	Built-to-suit.
"**Business Day**"	:	In respect of each Note, (a) a day (other than a Saturday, Sunday or gazetted public holiday) on which Euroclear, Clearstream, Luxembourg and CDP, as applicable, are operating, (b) a day on which banks and foreign exchange markets are open for general business in the country of the Issuing and Paying Agent's specified office and (c) (if a payment is to be made on that day) (i) (in the case of Notes denominated in Singapore dollars) a day on which banks and foreign exchange markets are open for general business in Singapore, (ii) (in the case of Notes denominated in Euros) a day on which TARGET is open for settlement in Euros and (iii) (in the case of Notes denominated in a currency other than Singapore dollars and Euros) a day on which banks and foreign exchange markets are open for general business in the principal financial centre for that currency.
"**CDP**"	:	The Central Depository (Pte) Limited.
"**CIS Code**"	:	The Code on Collective Investment Schemes issued by the MAS, as amended or modified from time to time.
"**CIT**"	:	Cambridge Industrial Trust established in Singapore as a collective investment scheme and constituted by the CIT Trust Deed.
"**CIT Manager**"	:	Cambridge Industrial Trust Management Limited, as manager of CIT.
"**CIT Trust Deed**"	:	The trust deed dated 31 March 2006 made between (1) the CIT Manager, as manager, and (2) the CIT Trustee (as supplemented by the Supplemental Deed of Amendment dated 15 August 2007, the Second Supplemental Deed dated 28 January 2009, the Third Supplemental Deed dated 13 November 2009, the Fourth Supplemental Deed dated 27 January 2010, the Fifth Supplemental Deed dated 22 April 2010 and the Sixth Supplemental Deed dated 2 February 2012 and as amended, modified or supplemented from time to time).
"**CIT Trustee**"	:	RBC Dexia Trust Services Singapore Limited (in its capacity as trustee of CIT).

"**Companies Act**"	:	The Companies Act, Chapter 50 of Singapore, as amended or modified from time to time.
"**Conditions**"	:	In relation to the Notes of any Series, the terms and conditions applicable thereto, which shall be substantially in the form set out in Part II of Schedule 1 to the Trust Deed, as modified, with respect to any Notes represented by a Global Note, by the provisions of such Global Note, shall incorporate any additional provisions forming part of such terms and conditions set out in the Pricing Supplement(s) relating to the Notes of such Series and shall be endorsed on the Definitive Notes subject to amendment and completion as referred to in the first paragraph appearing after the heading "Terms and Conditions of the Notes" as set out in Part II of Schedule 1 of the Trust Deed, and any reference to a particular numbered Condition shall be construed accordingly.
"**Couponholders**"	:	The holders of the Coupons.
"**Coupons**"	:	The interest coupons appertaining to an interest-bearing Definitive Note.
"**Dealers**"	:	Persons appointed as dealers under the Programme.
"**Definitive Notes**"	:	A definitive Note in bearer form, being substantially in the form set out in Part I of Schedule 1 to the Trust Deed and having, where appropriate, Coupons attached on issue.
"**Deposited Property**"	:	The gross assets of CIT, including all the authorised investments of CIT for the time being held or deemed to be held upon the trust constituted under the CIT Trust Deed.
"**Euro**"	:	The lawful currency of the Participating Member States.
"**Extraordinary Resolution**"	:	A resolution passed at a meeting of Noteholders duly convened and held in accordance with the Trust Deed by a majority of at least 75% of the votes cast.
"**Fitch**"	:	Fitch, Inc or its successors.
"**FY**"	:	Financial year ended 31 December.
"**GFA**"	:	Gross floor area.
"**Global Note**"	:	A global Note representing Notes of one or more Tranches of the same Series, being a Temporary Global Note and/or, as the context may require, a Permanent Global Note, in each case without Coupons.
"**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 and licence fees (where applicable)).
"**Gross Revenue**"	:	Gross Rent and other income earned from CIT's properties.
"**Group**"	:	CIT and its subsidiaries.

“**GST**”	:	Goods and Services Tax.
“**Guarantee**”	:	The guarantee and indemnity of the Guarantor contained in the Trust Deed.
“**Guarantor**”	:	RBC Dexia Trust Services Singapore Limited (in its capacity as trustee of CIT).
“**Half Year**”	:	Means a period of six months ending 30 June or 31 December in each year.
“**HDB**”	:	Housing and Development Board.
“**Issuer**”	:	Cambridge-MTN Pte. Ltd.
“**Issuing and Paying Agent**”	:	British and Malayan Trustees Limited.
“**JTC**”	:	Jurong Town Corporation.
“**Latest Practicable Date**”	:	31 January 2012.
“**Listing Manual**”	:	The Listing Manual of the SGX-ST.
“**MAS**”	:	The Monetary Authority of Singapore.
“**Moody’s**”	:	Moody’s Investors Service or its successors.
“**MRT**”	:	Mass Rapid Transit.
“**Net Property Income**”	:	Consists of Gross Revenue less Property Expenses.
“**NIOS**”	:	nabInvest Oxley Singapore Pte. Ltd.
“**Noteholders**”	:	The holders of the Notes.
“**Notes**”	:	The notes to be issued by the Issuer under the Programme.
“**Participating Member States**”	:	Any member state of the European Communities that adopts or has adopted the Euro as its lawful currency in accordance with legislation of the European Communities relating to Economic and Monetary Union.
“**Permanent Global Note**”	:	A Global Note representing Notes of one or more Tranches of the same Series, either on issue or upon exchange of interests in a Temporary Global Note being substantially in the form set out in Schedule 3 to the Trust Deed.
“**Pricing Supplement**”	:	In relation to a Series or Tranche, a pricing supplement, to be read in conjunction with this Information Memorandum, specifying the relevant issue details in relation to such Series or, as the case may be, Tranche, being substantially in the form set out in Appendix 2 to the Programme Agreement.
“**Programme**”	:	The S$500,000,000 Multicurrency Medium Term Note Programme of the Issuer.

"**Programme Agreement**"	:	The Programme Agreement dated 2 February 2012 made between (1) the Issuer, as issuer, (2) the Guarantor, as guarantor, (3) Australia and New Zealand Banking Group Limited, as arranger, and (4) Australia and New Zealand Banking Group Limited, as dealer, as amended, varied or supplemented from time to time.
"**Properties**"	:	Refers collectively to the forty-five (45) properties as set out under "Cambridge Industrial Trust – Property Statistics and Details – Properties and Property Types" in this Information Memorandum as at 31 December 2011 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) other property expenses, including property maintenance expenses and property insurance charges, to the extent borne by CIT.
"**Property Funds Appendix**"	:	Appendix 6 to the CIS Code issued by MAS in relation to real estate investment trusts as amended or modified from time to time.
"**Property Manager**"	:	Cambridge Industrial Property Management Pte. Ltd., (in its capacity as property manager of CIT).
"**Property Management Agreement**"	:	The property management agreement entered into between the CIT Manager, the Property Manager and the CIT Trustee on 21 April 2006.
"**REIT**"	:	Real estate investment trust.
"**Securities Act**"	:	Securities Act of 1933 of the United States, as amended.
"**Series**"	:	(1) (in relation to Notes other than variable rate notes) a Tranche, together with any further Tranche or Tranches, which are (a) expressed to be consolidated and forming a single series and (b) identical in all respects (including as to listing) except for their respective issue dates, issue prices and/or dates of the first payment of interest and (2) (in relation to variable rate notes) Notes which are identical in all respects (including as to listing) except for their respective issue prices and rates of interest.
"**SFA**"	:	Securities and Futures Act, Chapter 289 of Singapore, as amended or modified from time to time.
"**SGX-ST**"	:	Singapore Exchange Securities Trading Limited.
"**Shares**"	:	Ordinary shares in the capital of the Issuer.
"**SLA**"	:	Singapore Land Authority.
"**sq m**"	:	Square metres.
"**Standard & Poor's**"	:	Standard & Poor's Rating Services, a division of The McGraw Hill Companies, Inc. or its successors.

"**Subsidiary**" or "**subsidiary**"	:	Any company which is for the time being, a subsidiary (within the meaning of Section 5 of the Companies Act, Chapter 50 of Singapore) and, in relation to CIT, means any company, corporation, trust, fund or other entity (whether or not a body corporate): (i) which is controlled, directly or indirectly, by the CIT (acting through the CIT Trustee in its capacity as the trustee of CIT); or (ii) more than half the interests of which is beneficially owned, directly or indirectly, by the CIT (acting through the CIT Trustee in its capacity as the trustee of CIT); or (iii) which is a subsidiary of any company, corporation, trust, fund or other entity (whether or not a body corporate) to which paragraph (i) or (ii) above applies, and for these purposes, any company, corporation, trust, fund or other entity (whether or not a body corporate) shall be treated as being controlled by CIT if CIT (whether through its trustee or otherwise) is able to direct its affairs and/or to control the composition of its board of directors or equivalent body.
"**TARGET**"	:	The Trans-European Automated Real-time Gross Settlement Express Transfer payment system.
"**Temporary Global Note**"	:	A Global Note representing Notes of one or more Tranches of the same Series on issue, being substantially in the form set out in Schedule 2 to the Trust Deed.
"**Tranche**"	:	Notes which are identical in all respects (including as to listing).
"**Trust Deed**"	:	The Trust Deed dated 2 February 2012 made between (1) the Issuer, as issuer, (2) the Guarantor, as guarantor, and (3) the Trustee, as trustee, as amended, varied or supplemented from time to time.
"**Trustee**"	:	British and Malayan Trustees Limited.
"**Unit**"	:	An undivided interest in CIT as provided for in the CIT Trust Deed.
"**Unitholders**"	:	The holders of the Units.
"**S$**" or "**$**" and "**cents**"	:	Singapore dollars and cents respectively.
"**United States**" or "**U.S.**"	:	United States of America.
"**US$**" or "**US dollars**"	:	United States dollars.
"**%**"	:	Per cent.

Words importing the singular shall, where applicable, include the plural and *vice versa*, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall, where applicable, include corporations. Any reference to a time of day in this Information Memorandum shall be a reference to Singapore time unless otherwise stated. Any reference in this Information Memorandum to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act or the SFA or any statutory modification thereof and used in this Information Memorandum shall, where applicable, have the meaning ascribed to it under the Companies Act or, as the case may be, the SFA.

CORPORATE INFORMATION

Cambridge-MTN Pte. Ltd.

Board of Directors	:	Dr Chua Yong Hai Mr Christopher Dale Calvert
Company Secretaries	:	Ms Yvonne Goh Ms Shirley Lim
Registered Office	:	61 Robinson Road #12-01 Robinson Centre Singapore 068893
Auditors	:	KPMG LLP 16 Raffles Quay #22-00 Hong Leong Building Singapore 048581

RBC Dexia Trust Services Singapore Limited (in its capacity as trustee of CIT)

Registered Office	:	20 Cecil Street #28-01 Equity Plaza Singapore 049705
Auditors for CIT	:	KPMG LLP 16 Raffles Quay #22-00 Hong Leong Building Singapore 048581

Cambridge Industrial Trust Management Limited (in its capacity as manager of CIT)

Board of Directors	:	Dr Chua Yong Hai Professor Ong Seow Eng Mr Tan Guong Ching Mr Ian Keith Crow Mr Ian Andrew Smith Mr Michael Patrick Dwyer Mr Victor Ong Wei Tak (Alternate Director to Mr Michael Dwyer) Mr Masaki Kurita Mr Christopher Dale Calvert
Company Secretaries	:	Ms Yvonne Goh Ms Shirley Lim
Registered Office	:	61 Robinson Road #12-01 Robinson Centre Singapore 068893

Cambridge Industrial Property Management Pte. Ltd. (in its capacity as property manager of CIT)

Board of Directors	:	Mr Ian Andrew Smith Mr Nicholas Gregory Basile Mr Victor Ong Wei Tak
Company Secretaries	:	Ms Yvonne Goh Ms Shirley Lim
Registered Office	:	61 Robinson Road #12-01 Robinson Centre Singapore 068893

Arranger of the Programme

Australia and New Zealand Banking Group Limited
10 Collyer Quay
#21-00 Ocean Financial Centre
Singapore 049315

Legal Advisers to the Arranger and the Trustee

Allen & Gledhill LLP
One Marina Boulevard #28-00
Singapore 018989

Legal Advisers to the Issuer and the CIT Manager

WongPartnership LLP
One George Street #20-01
Singapore 049145

Legal Advisers to the Guarantor

Lee & Lee
50 Raffles Place
#06-00 Singapore Land Tower
Singapore 048623

Issuing and Paying Agent and Agent Bank

British and Malayan Trustees Limited
1 Coleman Street
#08-01 The Adelphi
Singapore 179803

Trustee for the Noteholders

British and Malayan Trustees Limited
1 Coleman Street
#08-01 The Adelphi
Singapore 179803

SUMMARY OF THE PROGRAMME

The following summary is derived from, and should be read in conjunction with, the full text of this Information Memorandum (and any relevant supplement to this Information Memorandum), the Programme Agreement, the Trust Deed, the Agency Agreement and the relevant Pricing Supplement.

Issuer	:	Cambridge-MTN Pte. Ltd.
Guarantor	:	RBC Dexia Trust Services Singapore Limited (in its capacity as trustee of CIT).
Arranger	:	Australia and New Zealand Banking Group Limited.
Dealer	:	Australia and New Zealand Banking Group Limited and/or such other Dealers as may be appointed by the Issuer in accordance with the Programme Agreement.
Trustee	:	British and Malayan Trustees Limited.
Issuing and Paying Agent and Agent Bank	:	British and Malayan Trustees Limited.
Description	:	S$500,000,000 Multicurrency Medium Term Note Programme.
Programme Size	:	The maximum aggregate principal amount of the Notes outstanding at any time shall be S$500,000,000 (or its equivalent in other currencies) or such higher amount as may be increased in accordance with the Programme Agreement.
Currency	:	Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in Singapore dollars or any other currency agreed between the Issuer and the relevant Dealer(s).
Method of Issue	:	Notes may be issued from time to time under the Programme on a syndicated or non-syndicated basis. Each Series may be issued in one or more Tranches, on the same or different issue dates. The specific terms of each Series or Tranche will be specified in the relevant Pricing Supplement.
Issue Price	:	Notes may be issued at par or at a discount, or premium, to par.
Maturities	:	Subject to compliance with all relevant laws, regulations and directives, Notes may have maturities of such tenor as may be agreed between the Issuer and the relevant Dealer.
Mandatory Redemption	:	Unless previously redeemed or purchased and cancelled, each Note will be redeemed at its redemption amount on the maturity date shown on its face.
Interest Basis	:	Notes may bear interest at fixed, floating, variable or hybrid rates or may not bear interest.
Fixed Rate Notes	:	Fixed Rate Notes will bear a fixed rate of interest which will be payable in arrear on specified dates and at maturity.

Floating Rate Notes	:	Floating Rate Notes which are denominated in Singapore dollars will bear interest to be determined separately for each Series by reference to S$ SIBOR or S$ SWAP RATE (or in any other case such other benchmark as may be agreed between the Issuer and the relevant Dealer(s)), as adjusted for any applicable margin. Interest periods in relation to the Floating Rate Notes will be agreed between the Issuer and the relevant Dealer(s) prior to their issue. Floating Rate Notes which are denominated in other currencies will bear interest to be determined separately for each Series by reference to such other benchmark as may be agreed between the Issuer and the relevant Dealer(s).
Variable Rate Notes	:	Variable Rate Notes will bear interest at a variable rate determined in accordance with the Conditions of the Notes. Interest periods in relation to the Variable Rate Notes will be agreed between the Issuer and the relevant Dealer(s) prior to their issue.
Hybrid Notes	:	Hybrid Notes will bear interest, during the fixed rate period to be agreed between the Issuer and the relevant Dealer(s), at a fixed rate of interest which will be payable in arrear on specified dates and, during the floating rate period to be agreed between the Issuer and the relevant Dealer(s), at the rate of interest to be determined by reference to S$ SIBOR or S$ SWAP RATE (or such other benchmark as may be agreed between the Issuer and the relevant Dealer(s)), as adjusted for any applicable margin (provided that if the Hybrid Notes are denominated in a currency other than Singapore dollars, such Hybrid Notes will bear interest to be determined separately by reference to such benchmark as may be agreed between the Issuer and the relevant Dealer(s)), in each case payable at the end of each interest period to be agreed between the Issuer and the relevant Dealer(s).
Zero Coupon Notes	:	Zero Coupon Notes may be issued at their nominal amount or at a discount to it and will not bear interest other than in the case of late payment.
Form and Denomination of Notes	:	The Notes will be issued in bearer form only and in such denominations as may be agreed between the Issuer and the relevant Dealer(s). Each Tranche or Series of Notes may initially be represented by a Temporary Global Note or a Permanent Global Note. Each Temporary Global Note may be deposited on the relevant issue date with CDP, a common depositary for Euroclear and Clearstream, Luxembourg and/or any other agreed clearing system and will be exchangeable, upon request as described therein, either for a Permanent Global Note or definitive Notes (as indicated in the applicable Pricing Supplement). Each Permanent Global Note may be exchanged, unless otherwise specified in the applicable Pricing Supplement, upon request as described therein, in whole (but not in part) for definitive Notes upon the terms therein.

Custody of the Notes	:	Notes which are to be listed on the SGX-ST may be cleared through CDP. Notes which are to be cleared through CDP are required to be kept with CDP as authorised depository. Notes which are cleared through Euroclear and/or Clearstream, Luxembourg are required to be kept with a common depositary on behalf of Euroclear and Clearstream, Luxembourg.
Status of the Notes and the Guarantee	:	The Notes and Coupons of all Series will constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu*, without any preference or priority among themselves, and *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Issuer. The payment obligations of the Guarantor under the Guarantee and the Trust Deed constitute direct, unconditional, unsubordinated and unsecured obligations of the Guarantor and shall rank *pari passu* with all other unsecured obligations (other than subordinated obligations and priorities created by law) of the Guarantor.
Redemption and Purchases	:	If so provided on the face of the Note and the relevant Pricing Supplement, Notes may be redeemed (either in whole or in part) prior to their stated maturity at the option of the Issuer and/or the Noteholders. Further, if so provided on the face of the Note and the relevant Pricing Supplement, Notes may be purchased by the Issuer (either in whole or in part) prior to their stated maturity at the option of the Issuer and/or the Noteholders.
Mandatory Redemption upon Termination of CIT	:	In the event that CIT is terminated in accordance with the provisions of the CIT Trust Deed, the Issuer shall redeem all (and not some only) of the Notes at their Redemption Amount together with interest accrued to the date fixed for redemption on any date on which interest is due to be paid on such Notes or, if earlier, the date of termination of CIT.
Mandatory Redemption upon Cessation of Trading of Units	:	In the event that the Units cease to be listed and/or traded on the SGX-ST, the Issuer shall redeem all (and not some only) of the Notes at their Redemption Amount, together with interest accrued to the date fixed for redemption, not later than the date falling 30 days after the date of cessation of listing or trading.
Negative Pledge of Issuer	:	The Issuer has covenanted with the Trustee that so long as any of the Notes or Coupons remains outstanding, it will not, and will procure that none of its subsidiaries falling within the Group will, create or have outstanding any security on or over their respective present or future assets, save for: (a) liens or rights of set-off arising in the ordinary course of its business or by operation of law; and (b) any other security which has been approved by the Noteholders by way of an Extraordinary Resolution.

Negative Pledge of Guarantor	:	The Guarantor has covenanted with the Trustee that so long as any of the Notes or Coupons remains outstanding, it will not, and will procure that its subsidiaries falling within the Group will not, create or permit to be created or have outstanding any security ("**Subsequent Security**") over any of their respective assets (including any undertaking, revenue or rights to receive dividend) and properties, present or future, which is already subject to a first ranking security interest and where the Subsequent Security ranks, in point of priority, completely after any such first ranking security interest existing at the time of creation of the Subsequent Security over such assets (including any undertaking, revenue or rights to receive dividend) and properties, except for any Subsequent Security created or outstanding with the prior consent in writing of the Trustee or the Noteholders by way of an Extraordinary Resolution. For the avoidance of doubt, nothing in the foregoing paragraph shall prohibit: (a) any new first ranking security to be created by the Guarantor or any of its subsidiaries falling within the Group over any of their respective assets (including any undertaking, revenue or rights to receive dividend) and properties, present or future, whether or not any such asset(s) or property(ies) is already subject to a first ranking security interest; and (b) any first ranking security to be created by the Guarantor or any of its subsidiaries falling within the Group over any units or shares in any company, trust or other entity and which units or shares are not secured notwithstanding that the undertaking, assets, property or revenues belonging to such company, trust or entity may be secured.
Financial Covenants	:	In the Trust Deed, the Guarantor has covenanted with the Trustee that so long as any of the Notes or Coupons remains outstanding, it will, at all times, ensure that: (a) the ratio of Consolidated Total Debt (as defined in the Trust Deed) to Consolidated Total Assets (as defined in the Trust Deed) shall not exceed 0.6 times; and (b) the ratio of Consolidated EBITDA (as defined in the Trust Deed) to Consolidated Interest Expense (as defined in the Trust Deed) shall be at least 1.5 times.
Further Covenants	:	In the Trust Deed, the Issuer and the Guarantor have jointly and severally covenanted with the Trustee that so long as any of the Notes remains outstanding, *inter alia*: (a) each of them will ensure that the Guarantor will at all times own (directly or indirectly) the whole of the issued share capital for the time being of the Issuer; and (b) the Guarantor will comply with the Property Funds Appendix.
Events of Default	:	See Condition 9 of the Notes.

Taxation	:	All payments in respect of the Notes and the Coupons by the Issuer or, as the case may be, the Guarantor shall be made free and clear of, and without deduction or withholding for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In such event, the Issuer or, as the case may be, the Guarantor shall pay such additional amounts as will result in the receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such deduction or withholding been required, save for certain exceptions. For further details, please see the section "Singapore Taxation".
Listing	:	Each Series of the Notes may, if so agreed between the Issuer and the relevant Dealer(s), be listed on the SGX-ST or any stock exchange(s) as may be agreed between the Issuer and the relevant Dealer(s), subject to all necessary approvals having been obtained.
Selling Restrictions	:	For a description of certain restrictions on offers, sales and deliveries of Notes and the distribution of offering material relating to the Notes, see the section on "Subscription, Purchase and Distribution" herein. Further restrictions may apply in connection with any particular Series or Tranche of Notes.
Governing Law	:	The Programme and any Notes issued under the Programme will be governed by, and construed in accordance with, the laws of Singapore.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions which, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Pricing Supplement, will be endorsed on the Notes in definitive form issued in exchange for the Global Note(s) representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of the Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Pricing Supplement. Those definitions will be endorsed on the definitive Notes. References in the Conditions to "Notes" are to the Notes of one Series only, not to all Notes that may be issued under the Programme. Details of the relevant Series will be shown on the face of the relevant Notes and in the relevant Pricing Supplement.

The Notes are constituted by a Trust Deed (as amended and supplemented, the "**Trust Deed**") dated 2 February 2012 made between (1) Cambridge-MTN Pte. Ltd. (the "**Issuer**"), (2) RBC Dexia Trust Services Singapore Limited (in its capacity as trustee of Cambridge Industrial Trust ("**CIT**")) (the "**Guarantor**") and (3) British and Malayan Trustees Limited (the "**Trustee**", which expression shall wherever the context so admits include such company and all other persons for the time being the trustee or trustees of the Trust Deed), as trustee for the Noteholders (as defined below), and (where applicable) the Notes are issued with the benefit of a deed of covenant (as amended and supplemented, the "**Deed of Covenant**") dated 2 February 2012, relating to the Notes executed by the Issuer. These terms and conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed, which include the form of the Notes and Coupons referred to below. The Issuer and the Guarantor have entered into an Agency Agreement (as amended and supplemented, the "**Agency Agreement**") dated 2 February 2012 made between (1) the Issuer, (2) the Guarantor, (3) British and Malayan Trustees Limited, as issuing and paying agent (in such capacity, the "**Issuing and Paying Agent**") and agent bank (in such capacity, the "**Agent Bank**"), and (4) the Trustee, as trustee. The Noteholders and the holders of the coupons (the "**Coupons**") appertaining to the interest-bearing Notes (the "**Couponholders**") are bound by and are deemed to have notice of all of the provisions of the Trust Deed, the Agency Agreement and the Deed of Covenant.

Copies of the Trust Deed, the Agency Agreement and the Deed of Covenant are available for inspection at the principal office of the Trustee for the time being and at the specified office of the Issuing and Paying Agent for the time being.

1. Form, Denomination and Title

(a) Form and Denomination

(i) The Notes of the Series of which this Note forms part (in these Conditions, the "**Notes**") are issued in bearer form in each case in the Denomination Amount shown hereon.

(ii) This Note is a Fixed Rate Note, a Floating Rate Note, a Variable Rate Note, a Hybrid Note or a Zero Coupon Note (depending upon the Interest Basis shown on its face).

(iii) Notes are serially numbered and issued with Coupons attached, save in the case of Notes that do not bear interest in which case references to interest (other than in relation to default interest referred to in Condition 6(f)) in these Conditions are not applicable.

(b) Title

(i) Title to the Notes and the Coupons appertaining thereto shall pass by delivery.

(ii) Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Note or Coupon shall be deemed to be and may be treated as the absolute owner of such Note or of such Coupon, as the case may be, for the purpose of receiving payment thereof or on account thereof and for all other purposes, whether or not such Note or Coupon shall be overdue and notwithstanding any notice of ownership, theft, loss or forgery thereof or any writing thereon made by anyone, and no person shall be liable for so treating the holder.

(iii) For so long as any of the Notes is represented by a Global Note and such Global Note is held by a common depositary for Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") and/or The Central Depository (Pte) Limited (the "**Depository**"), each person who is for the time being shown in the records of Euroclear, Clearstream, Luxembourg and/or the Depository as the holder of a particular principal amount of such Notes (in which regard any certificate or other document issued by Euroclear, Clearstream, Luxembourg and/or the Depository as to the principal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Guarantor, the Issuing and Paying Agent, the Agent Bank, all other agents of the Issuer and the Trustee as the holder of such principal amount of Notes other than with respect to the payment of principal, interest and any other amounts in respect of the Notes, for which purpose the bearer of the Global Note shall be treated by the Issuer, the Guarantor, the Issuing and Paying Agent, the Agent Bank, all other agents of the Issuer and the Trustee as the holder of such Notes in accordance with and subject to the terms of the Global Note (and the expressions "**Noteholder**" and "**holder of Notes**" and related expressions shall be construed accordingly). Notes which are represented by the Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear, Clearstream, Luxembourg and/or the Depository.

(iv) In these Conditions, "**Global Note**" means the relevant Temporary Global Note representing each Series or the relevant Permanent Global Note representing each Series, "**Noteholder**" means the bearer of any Definitive Note and "**holder**" (in relation to a Definitive Note or Coupon) means the bearer of any Definitive Note or Coupon, "**Series**" means (a) (in relation to Notes other than Variable Rate Notes) a Tranche, together with any further Tranche or Tranches, which are (i) expressed to be consolidated and forming a single series and (ii) identical in all respects (including as to listing) except for their respective issue dates, issue prices and/or dates of the first payment of interest and (b) (in relation to Variable Rate Notes) Notes which are identical in all respects (including as to listing) except for their respective issue prices and rates of interest and "**Tranche**" means Notes which are identical in all respects (including as to listing).

(v) Words and expressions defined in the Trust Deed or used in the applicable Pricing Supplement (as defined in the Trust Deed) shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Trust Deed and the applicable Pricing Supplement, the applicable Pricing Supplement will prevail.

2. Status and Guarantee

(a) Status

The Notes and Coupons of all Series constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu*, without any preference or priority among themselves, and *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Issuer.

(b) Guarantee

The payment of all sums expressed to be payable by the Issuer under the Trust Deed, the Notes and the Coupons are unconditionally and irrevocably guaranteed by the Guarantor. The obligations of the Guarantor under the Guarantee are contained in the Trust Deed. The payment obligations of the Guarantor under the Guarantee and the Trust Deed constitute direct, unconditional, unsubordinated and unsecured obligations of the Guarantor and shall rank *pari passu* with all other unsecured obligations (other than subordinated obligations and priorities created by law) of the Guarantor.

3. Negative Pledge and Financial Covenants

(a) The Issuer has covenanted with the Trustee in the Trust Deed that so long as any of the Notes or Coupons remains outstanding, it will not, and will procure that none of its subsidiaries falling within the Group (as defined in the Trust Deed) will, create or have outstanding any security on or over their respective present or future assets, save for:

(i) liens or rights of set-off arising in the ordinary course of its business or by operation of law; and

(ii) any other security which has been approved by the Noteholders by way of an Extraordinary Resolution.

(b) The Guarantor has covenanted with the Trustee in the Trust Deed that so long as any of the Notes or Coupons remains outstanding, it will not, and will procure that its subsidiaries falling within the Group will not, create or permit to be created or have outstanding any security ("**Subsequent Security**") over any of their respective assets (including any undertaking, revenue or rights to receive dividend) and properties, present or future, which is already subject to a first ranking security interest and where the Subsequent Security ranks, in point of priority, completely after any such first ranking security interest existing at the time of creation of the Subsequent Security over such assets (including any undertaking, revenue or rights to receive dividend) and properties, except for any Subsequent Security created or outstanding with the prior consent in writing of the Trustee or the Noteholders by way of an Extraordinary Resolution.

For the avoidance of doubt, nothing in this Condition shall prohibit:

(i) any new first ranking security to be created by the Guarantor or any of its subsidiaries falling within the Group over any of their respective assets (including any undertaking, revenue or rights to receive dividend) and properties, present or future, whether or not any such asset(s) or property(ies) is already subject to a first ranking security interest; and

(ii) any first ranking security to be created by the Guarantor or any of its subsidiaries falling within the Group over any units or shares in any company, trust or other entity and which units or shares are not secured notwithstanding that the undertaking, assets, property or revenues belonging to such company, trust or entity may be secured.

(c) The Guarantor has further covenanted with the Trustee in the Trust Deed that so long as any of the Notes or Coupons remains outstanding, it will, at all times, ensure that:

(i) the ratio of Consolidated Total Debt to Consolidated Total Assets shall not exceed 0.6 times; and

(ii) the ratio of Consolidated EBITDA to Consolidated Interest Expense shall be at least 1.5 times.

For the purposes of this Condition 3(c):

(1) "**Consolidated EBITDA**" means, in relation to any period, the total operating profit of the Group for that period:

(A) before taking into account for that period:

(I) Consolidated Interest Expense;

(II) tax; and

(III) extraordinary and exceptional items; and

(B) after adding back all amounts provided for depreciation and amortisation for that period, as determined from the financial statements of the Group. For the avoidance of doubt, Consolidated EBITDA does not include fair value changes in investment properties and fair value changes in financial derivatives, other assets and liabilities;

(2) "**Consolidated Interest Expense**" means, in relation to any period, the aggregate amount of interest (including capitalised interest) and any other finance charges (whether or not paid or payable) accrued by the Group in that period in respect of the indebtedness of the Group including:

(A) the interest element of leasing and hire purchase payments;

(B) commitment fees, commissions and guarantee fees; and

(C) amounts in the nature of interest payable in respect of any shares other than equity share capital,

as determined from the financial statements of the Group;

(3) "**Consolidated Total Assets**" means, at any particular time, the consolidated amount of the book values of all the assets of the Group, determined as assets in accordance with generally accepted accounting principles in Singapore;

(4) "**Consolidated Total Borrowings**" means, in relation to the Group, an amount (expressed in Singapore dollars) for the time being, calculated on a consolidated basis, in accordance with generally accepted accounting principles in Singapore, equal to the aggregate of (and where such aggregate amount falls to be calculated, no amount shall be taken into account more than once in the same calculation):

(A) bank overdrafts and all other indebtedness in respect of any borrowings maturing within 12 months;

(B) the principal amount of the Notes or any bonds or debentures of any member of the Group whether issued for cash or a consideration other than cash;

(C) the liabilities of the Issuer under the Trust Deed or the Notes;

(D) all other indebtedness whatsoever of the Group for borrowed moneys; and

(E) any redeemable preference shares or units issued by any member of the Group and which is regarded by generally accepted accounting principles in Singapore as debt or other liability of the Group (other than those shares or units which are regarded as equity as reflected in the latest audited consolidated balance sheet of the Group); and

(5) "**Consolidated Total Debt**" means the aggregate of Consolidated Total Borrowings plus, insofar as not already taken into account, all other liabilities of the Group calculated in accordance with generally accepted accounting principles in Singapore, including:

(A) current creditors and taxation payable within 12 months;

(B) the principal amount raised by acceptances under any acceptance credit in favour of any member of the Group;

(C) the face amount of any bills of exchange (other than cheques) or other instruments upon which any member of the Group is liable as drawer, acceptor or endorser;

(D) all actual and contingent liabilities (only insofar as such liabilities are reflected in the latest audited consolidated balance sheet of the Group) of whatsoever nature of any member of the Group in respect of borrowed moneys including, without limitation, the maximum premium payable on a redemption of any debenture or other indebtedness of any member of the Group and all actual and contingent liabilities of any other person (including the par value (if any) of any shares and the principal amount of any debentures of any person) to the extent that such liabilities, shares or debentures are directly or indirectly guaranteed or secured by or are, directly or indirectly, the subject of an indemnity given by, or with a right of recourse against, any member of the Group;

(E) the aggregate of the principal amounts outstanding under all agreements or transactions entered into by any member of the Group for leasing, hire purchase, conditional sale or purchase on deferred terms (only insofar as the same has been reflected in the latest audited consolidated balance sheet of the Group), or provision of funds in support of obligations of third parties and similar transactions in relation to any property (other than land), and any other amounts due to creditors other than current creditors (other than in relation to land); and

(F) amounts standing to the credit of any deferred tax account or tax equalisation reserve,

provided that no liabilities shall be included in a calculation of Consolidated Total Debt more than once.

4. (I) Interest on Fixed Rate Notes

(a) Interest Rate and Accrual

Each Fixed Rate Note bears interest on its Calculation Amount (as defined in Condition 4(II)(e)) from the Interest Commencement Date in respect thereof and as shown on the face of such Note at the rate per annum (expressed as a percentage) equal to the Interest Rate shown on the face of such Note payable in arrear on each Interest Payment Date or Interest Payment Dates shown on the face of such Note in each year and on the Maturity Date shown on the face of such Note if that date does not fall on an Interest Payment Date.

The first payment of interest will be made on the Interest Payment Date next following the Interest Commencement Date (and if the Interest Commencement Date is not an Interest Payment Date, will amount to the Initial Broken Amount shown on the face of such Note), unless the Maturity Date falls before the date on which the first payment of interest would otherwise be due. If the Maturity Date is not an Interest Payment Date, interest from the preceding Interest Payment Date (or from the Interest Commencement Date, as the case may be) to the Maturity Date will amount to the Final Broken Amount shown on the face of the Note.

Interest will cease to accrue on each Fixed Rate Note from the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed, payment of principal is improperly withheld or refused, in which event interest at such rate will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 4(I) to the Relevant Date (as defined in Condition 7).

(b) Calculations

In the case of a Fixed Rate Note, interest in respect of a period of less than one year will be calculated on the Day Count Fraction specified hereon.

(II) Interest on Floating Rate Notes or Variable Rate Notes

(a) Interest Payment Dates

Each Floating Rate Note or Variable Rate Note bears interest on its Calculation Amount from the Interest Commencement Date in respect thereof and as shown on the face of such Note, and such interest will be payable in arrear on each interest payment date ("**Interest Payment Date**"). Such Interest Payment Date is/are either shown hereon as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which (save as mentioned in these Conditions) falls the number of months specified as the Interest Period on the face of the Note (the "**Specified Number of Months**") after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date (and which corresponds numerically with such preceding Interest Payment Date or the Interest Commencement Date, as the case may be), provided that the Agreed Yield (as defined in Condition 4(II)(c)) in respect of any Variable Rate Note for any Interest Period (as defined below) relating to that Variable Rate Note shall be payable on the first day of that Interest Period. If any Interest Payment Date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a business day, then if the Business Day Convention specified is (1) the Floating Rate Business Day Convention, such date shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month, in which event (i) such date shall be brought forward to the immediately preceding business day and (ii) each subsequent such date shall be the last business day of the month in which such date would have fallen had it not been subject to adjustment, (2) the Following Business Day Convention, such date shall be postponed to the next day that is a business day, (3) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a business day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding business day or (4) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding business day.

The period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date is herein called an "**Interest Period**".

Interest will cease to accrue on each Floating Rate Note or Variable Rate Note from the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed, payment of the Redemption Amount is improperly withheld or refused, in which event interest will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 4(II) to the Relevant Date.

(b) Rate of Interest - Floating Rate Notes

(i) Each Floating Rate Note bears interest at a floating rate determined by reference to a Benchmark as stated on the face of such Floating Rate Note, being (in the case of Notes which are denominated in Singapore dollars) SIBOR (in which case such Note will be a SIBOR Note) or Swap Rate (in which case such Note will be a Swap Rate Note) or in any case (or in the case of Notes which are denominated in a currency other than Singapore dollars) such other Benchmark as is set out on the face of such Note.

Such floating rate may be adjusted by adding or subtracting the Spread (if any) stated on the face of such Note. The "**Spread**" is the percentage rate per annum specified on the face of such Note as being applicable to the rate of interest for such Note. The rate of interest so calculated shall be subject to Condition 4(V)(a) below.

The rate of interest payable in respect of a Floating Rate Note from time to time is referred to in these Conditions as the "**Rate of Interest**".

(ii) The Rate of Interest payable from time to time in respect of each Floating Rate Note will be determined by the Agent Bank on the basis of the following provisions:

(1) in the case of Floating Rate Notes which are SIBOR Notes:

(A) the Agent Bank will, at or about the Relevant Time on the relevant Interest Determination Date in respect of each Interest Period, determine the Rate of Interest for such Interest Period which shall be the offered rate for deposits in Singapore dollars for a period equal to the duration of such Interest Period which appears on Page ABSI on the monitor of the Bloomberg agency under the caption "ASSOCIATION OF BANKS IN SG – SWAP OFFER AND SIBOR FIXING RATES – RATES AT 11:00AM SINGAPORE TIME" and under the column headed "SGD SIBOR" (or such other replacement page thereof) and as adjusted by the Spread (if any);

(B) if on any Interest Determination Date, no such rate appears on Page ABSI on the monitor of the Bloomberg agency (or such other replacement page thereof), the Agent Bank will determine the Rate of Interest for such Interest Period which shall be the rate which appears on the Reuters Screen ABSIRFIX01 Page under the caption "ASSOCIATION OF BANKS IN SINGAPORE – SIBOR AND SWAP OFFER RATES – RATES AT 11:00 AM SINGAPORE TIME" and under the column headed "SGD SIBOR" (or such other replacement page thereof) and as adjusted by the Spread (if any);

(C) if no such rate appears on the Reuters Screen ABSIRFIX01 Page (or such other replacement page thereof or such other Screen Page (as defined below) as may be provided hereon) or if the Reuters Screen ABSIRFIX01 Page (or such other replacement page thereof or such other Screen Page as may be provided hereon) is unavailable for any reason, the Agent Bank will request the principal Singapore offices of each of the Reference Banks to provide the Agent Bank with the rate at which deposits in Singapore dollars are offered by it at approximately the Relevant Time on the Interest Determination Date to prime banks in the Singapore interbank market for a period equivalent to the duration of such Interest Period commencing on such Interest Payment Date in an amount comparable to the aggregate principal amount of the relevant Floating Rate Notes. The Rate of Interest for such Interest Period shall be the arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) of such offered quotations and as adjusted by the Spread (if any), as determined by the Agent Bank;

(D) if on any Interest Determination Date, two but not all the Reference Banks provide the Agent Bank with such quotations, the Rate of Interest for the relevant Interest Period shall be determined in accordance with (C) above on the basis of the quotations of those Reference Banks providing such quotations;

(E) if on any Interest Determination Date, one only or none of the Reference Banks provides the Agent Bank with such quotation, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Agent Bank determines to be the arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) of the prime lending rates for Singapore dollars quoted by the Reference Banks at or about the Relevant Time on such Interest Determination Date and as adjusted by the Spread (if any);

(2) in the case of Floating Rate Notes which are Swap Rate Notes:

(A) the Agent Bank will, at or about the Relevant Time on the relevant Interest Determination Date in respect of each Interest Period, determine the Rate of Interest for such Interest Period which shall be the Average Swap Rate for such Interest Period (determined by the Agent Bank as being the rate which appears on Page ABSI on the monitor of the Bloomberg agency under the caption "ASSOCIATION OF BANKS IN SG – SWAP OFFER AND SIBOR FIXING RATES – RATES AT 11:00AM SINGAPORE TIME" and under the column headed "SGD SWAP OFFER" (or such other page as may replace Page ABSI for the purpose of displaying the swap rates of leading reference banks) at or about the Relevant Time on such Interest Determination Date and for a period equal to the duration of such Interest Period) and as adjusted by the Spread (if any);

(B) if on any Interest Determination Date, no such rate appears on Page ABSI on the monitor of the Bloomberg agency (or such other replacement page thereof), the Agent Bank will determine the Rate of Interest for such Interest Period which shall be the Average Swap Rate for such Interest Period (determined by the Agent Bank as being the rate which appears on the Reuters Screen ABSIRFIX01 Page under the caption "ASSOCIATION OF BANKS IN SINGAPORE – SIBOR AND SWAP OFFER RATES – RATES AT 11:00 AM SINGAPORE TIME" and under the column headed "SGD SWAP OFFER" (or such other page as may replace the Reuters Screen ABSIRFIX01 Page for the purpose of displaying the swap rates of leading reference banks) at or about the Relevant Time on such Interest Determination Date and for a period equal to the duration of such Interest Period) and as adjusted by the Spread (if any);

(C) if on any Interest Determination Date, no such rate appears on the Reuters Screen ABSIRFIX01 Page (or such other replacement page thereof or such other Screen Page as may be provided hereon) or if the Reuters Screen ABSIRFIX01 Page (or such other replacement page thereof or such other Screen Page as may be provided hereon) is unavailable for any reason, the Agent Bank will determine the Average Swap Rate (which shall be rounded up, if necessary, to the nearest 1/16 per cent.) for such Interest Period in accordance with the following formula:

In the case of Premium:

$$\text{Average Swap Rate} = \frac{365}{360} \times \text{SIBOR} + \frac{(\text{Premium} \times 36500)}{(\text{T} \times \text{Spot Rate})} + \frac{(\text{SIBOR} \times \text{Premium})}{(\text{Spot Rate})} \times \frac{365}{360}$$

In the case of Discount:

$$\text{Average Swap Rate} = \frac{365}{360} \times \text{SIBOR} - \frac{(\text{Discount} \times 36500)}{(\text{T} \times \text{Spot Rate})} - \frac{(\text{SIBOR} \times \text{Discount})}{(\text{Spot Rate})} \times \frac{365}{360}$$

where:

SIBOR = the rate which appears on Page ABSI on the monitor of the Bloomberg agency under the caption "ASSOCIATION OF BANKS IN SG – SWAP OFFER AND SIBOR FIXING RATES – RATES AT 11:00AM SINGAPORE TIME" and under the column headed "USD SIBOR" (or such other page as may replace Page ABSI for the purpose of displaying Singapore interbank United States dollar offered rates of leading reference banks) at or about the Relevant Time on the relevant Interest Determination Date for a period equal to the duration of the Interest Period concerned;

Spot Rate = the rate being the composite quotation or in the absence of which, the arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) (determined by the Agent Bank) of the rates quoted by the Reference Banks and which appear on Page ABSI on the monitor of the Bloomberg agency under the caption "ASSOCIATION OF BANKS IN SG – FX and SGD Swap Points" (or such other page as may replace Page ABSI for the purpose of displaying the spot rates and swap points of leading reference banks) at or about the Relevant Time on the relevant Interest Determination Date for a period equal to the duration of the Interest Period concerned;

Premium or Discount = the rate being the composite quotation or in the absence of which, the arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) (determined by the Agent Bank) of the rates quoted by the Reference Banks for a period equal to the duration of the Interest Period concerned which appears on Page ABSI on the monitor of the Bloomberg agency under the caption "ASSOCIATION OF BANKS IN SG – FX and SGD Swap Points" (or such other page as may replace Page ABSI for the purpose of displaying the spot rates and swap points of leading reference banks) at or about the Relevant Time on the relevant Interest Determination Date for a period equal to the duration of the Interest Period concerned; and

T = the number of days in the Interest Period concerned.

The Rate of Interest for such Interest Period shall be the Average Swap Rate (as determined by the Agent Bank) and as adjusted by the Spread (if any);

(D) if on any Interest Determination Date, any one of the components for the purposes of calculating the Average Swap Rate under (C) above is not quoted on Page ABSI on the monitor of the Bloomberg agency (or such other replacement page thereof) or if Page ABSI on the monitor of the Bloomberg agency (or such other replacement page thereof) is unavailable for any reason, the Agent Bank will determine the Average Swap Rate (which shall be rounded up, if necessary, to the nearest 1/16 per cent.) for such Interest Period in accordance with the following formula:

In the case of Premium:

$$\text{Average Swap Rate} = \frac{365}{360} \times \text{SIBOR} + \frac{(\text{Premium} \times 36500)}{(\text{T} \times \text{Spot Rate})} + \frac{(\text{SIBOR} \times \text{Premium})}{(\text{Spot Rate})} \times \frac{365}{360}$$

In the case of Discount:

$$\text{Average Swap Rate} = \frac{365}{360} \times \text{SIBOR} - \frac{(\text{Discount} \times 36500)}{(\text{T} \times \text{Spot Rate})} - \frac{(\text{SIBOR} \times \text{Discount})}{(\text{Spot Rate})} \times \frac{365}{360}$$

where:

SIBOR = the rate which appears on the Reuters Screen ABSIRFIX01 Page under the caption "ASSOCIATION OF BANKS IN SINGAPORE – SIBOR AND SWAP OFFER RATES – RATES AT 11:00 AM SINGAPORE TIME" and under the column headed "USD SIBOR" (or such other page as may replace the Reuters Screen ABSIRFIX01 Page for the purpose of displaying Singapore interbank United States dollar offered rates of leading reference banks) at or about the Relevant Time on the relevant Interest Determination Date for a period equal to the duration of the Interest Period concerned;

Spot Rate = the rate being the composite quotation or in the absence of which, the arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) (determined by the Agent Bank) of the rates quoted by the Reference Banks and which appear on the Reuters Screen ABSIRFIX06 Page under the caption "ASSOCIATION OF BANKS IN SINGAPORE – SGD SPOT AND SWAP OFFER RATES – RATES AT 11:00 AM SINGAPORE TIME" and under the column headed "SPOT" (or such other page as may replace the Reuters Screen ABSIRFIX06 Page for the purpose of displaying the spot rates and swap points of leading reference banks) at or about the Relevant Time on the relevant Interest Determination Date for a period equal to the duration of the Interest Period concerned;

Premium or Discount = the rate being the composite quotation or in the absence of which, the arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) (determined by the Agent Bank) of the rates quoted by the Reference Banks for a period equal to the duration of the Interest Period concerned which appear on the Reuters Screen ABSIRFIX06-7 Pages under the caption "ASSOCIATION OF BANKS IN SINGAPORE – SGD SPOT AND SWAP OFFER RATES – RATES AT 11:00 AM SINGAPORE TIME" (or such other page as may replace the Reuters Screen ABSIRFIX06-7 Pages for the purpose of displaying the spot rates and swap points of leading reference banks) at or about the Relevant Time on the relevant Interest Determination Date for a period equal to the duration of the Interest Period concerned; and

T = the number of days in the Interest Period concerned.

The Rate of Interest for such Interest Period shall be the Average Swap Rate (as determined by the Agent Bank) and as adjusted by the Spread (if any);

(E) if on any Interest Determination Date, any one of the components for the purposes of calculating the Average Swap Rate under (D) above is not quoted on the relevant Reuters Screen Page (or such other replacement page thereof or such other Screen Page as may be provided hereon) or the relevant Reuters Screen Page (or such other replacement page thereof or such other Screen Page as may be provided hereon) is unavailable for any reason, the Agent Bank will request the principal Singapore offices of the Reference Banks to provide the Agent Bank with quotations of their Swap Rates for the Interest Period concerned at or about the Relevant Time on that Interest Determination Date and the Rate of Interest for such Interest Period shall be the Average Swap Rate for such Interest Period (which shall be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) of the Swap Rates quoted by the Reference Banks to the Agent Bank) and as adjusted by the Spread (if any). The Swap Rate of a Reference Bank means the rate at which that Reference Bank can generate Singapore dollars for the Interest Period concerned in the Singapore interbank market at or about the Relevant Time on the relevant Interest Determination Date and shall be determined as follows:

In the case of Premium:

$$\text{Swap Rate} = \frac{365}{360} \times \text{SIBOR} + \frac{(\text{Premium} \times 36500)}{(\text{T} \times \text{Spot Rate})} + \frac{(\text{SIBOR} \times \text{Premium})}{(\text{Spot Rate})} \times \frac{365}{360}$$

In the case of Discount:

$$\text{Swap Rate} = \frac{365}{360} \times \text{SIBOR} - \frac{(\text{Discount} \times 36500)}{(\text{T} \times \text{Spot Rate})} - \frac{(\text{SIBOR} \times \text{Discount})}{(\text{Spot Rate})} \times \frac{365}{360}$$

where:

SIBOR = the rate per annum at which United States dollar deposits for a period equal to the duration of the Interest Period concerned are being offered by that Reference Bank to prime banks in the Singapore interbank market at or about the Relevant Time on the relevant Interest Determination Date;

Spot Rate = the rate at which that Reference Bank sells United States dollars spot in exchange for Singapore dollars in the Singapore interbank market at or about the Relevant Time on the relevant Interest Determination Date;

Premium = the premium that would have been paid by that Reference Bank in buying United States dollars forward in exchange for Singapore dollars on the last day of the Interest Period concerned in the Singapore interbank market;

Discount = the discount that would have been received by that Reference Bank in buying United States dollars forward in exchange for Singapore dollars on the last day of the Interest Period concerned in the Singapore interbank market; and

T = the number of days in the Interest Period concerned;

(F) if on any Interest Determination Date, two but not all the Reference Banks provide the Agent Bank with quotations of their Swap Rate(s), the Average Swap Rate for the relevant Interest Period shall be determined in accordance with (E) above on the basis of the quotations of those Reference Banks providing such quotations; and

(G) if on any Interest Determination Date, one only or none of the Reference Banks provides the Agent Bank with such quotation, the Rate of Interest for the relevant Interest Period shall be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) of the prime lending rates for Singapore dollars quoted by the Reference Banks at or about the Relevant Time on such Interest Determination Date and as adjusted by the Spread (if any); and

(3) in the case of Floating Rate Notes which are not SIBOR Notes or Swap Rate Notes or which are denominated in a currency other than Singapore dollars, the Agent Bank will determine the Rate of Interest in respect of any Interest Period at or about the Relevant Time on the Interest Determination Date in respect of such Interest Period as follows:

(A) if the Primary Source (as defined below) for the Floating Rate is a Screen Page (as defined below), subject as provided below, the Rate of Interest in respect of such Interest Period shall be:

(aa) the Relevant Rate (as defined below) (where such Relevant Rate on such Screen Page is a composite quotation or is customarily supplied by one entity); or

(bb) the arithmetic mean of the Relevant Rates of the persons whose Relevant Rates appear on that Screen Page, in each case appearing on such Screen Page at the Relevant Time on the Interest Determination Date,

and as adjusted by the Spread (if any);

(B) if the Primary Source for the Floating Rate is Reference Banks or if paragraph (b)(ii)(3)(A)(aa) applies and no Relevant Rate appears on the Screen Page at the Relevant Time on the Interest Determination Date or if paragraph (b)(ii)(3)(A)(bb) applies and fewer than two Relevant Rates appear on the Screen Page at the Relevant Time on the Interest Determination Date, subject as provided below, the Rate of Interest shall be the rate per annum which the Agent Bank determines to be the arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) of the Relevant Rates that each of the Reference Banks is quoting to leading banks in the Relevant Financial Centre (as defined below) at the Relevant Time on the Interest Determination Date and as adjusted by the Spread (if any); and

(C) if paragraph (b)(ii)(3)(B) applies and the Agent Bank determines that fewer than two Reference Banks are so quoting Relevant Rates, the Rate of Interest shall be the Rate of Interest determined on the previous Interest Determination Date.

(iii) On the last day of each Interest Period, the Issuer will pay interest on each Floating Rate Note to which such Interest Period relates at the Rate of Interest for such Interest Period.

(c) Rate of Interest – Variable Rate Notes

(i) Each Variable Rate Note bears interest at a variable rate determined in accordance with the provisions of this paragraph (c). The interest payable in respect of a Variable Rate Note on the first day of an Interest Period relating to that Variable Rate Note is referred to in these Conditions as the "**Agreed Yield**" and the rate of interest payable in respect of a Variable Rate Note on the last day of an Interest Period relating to that Variable Rate Note is referred to in these Conditions as the "**Rate of Interest**".

(ii) The Agreed Yield or, as the case may be, the Rate of Interest payable from time to time in respect of each Variable Rate Note for each Interest Period shall, subject as referred to in paragraph (c)(iv) below, be determined as follows:

(1) not earlier than 9.00 a.m. (Singapore time) on the ninth business day nor later than 3.00 p.m. (Singapore time) on the third business day prior to the commencement of each Interest Period, the Issuer and the Relevant Dealer (as defined below) shall endeavour to agree on the following:

(A) whether interest in respect of such Variable Rate Note is to be paid on the first day or the last day of such Interest Period;

(B) if interest in respect of such Variable Rate Note is agreed between the Issuer and the Relevant Dealer to be paid on the first day of such Interest Period, an Agreed Yield in respect of such Variable Rate Note for such Interest Period (and, in the event of the Issuer and the Relevant Dealer so agreeing on such Agreed Yield, the Interest Amount (as defined below) for such Variable Rate Note for such Interest Period shall be zero); and

(C) if interest in respect of such Variable Rate Note is agreed between the Issuer and the Relevant Dealer to be paid on the last day of such Interest Period, a Rate of Interest in respect of such Variable Rate Note for such Interest Period (an "**Agreed Rate**") and, in the event of the Issuer and the Relevant Dealer so agreeing on an Agreed Rate, such Agreed Rate shall be the Rate of Interest for such Variable Rate Note for such Interest Period; and

(2) if the Issuer and the Relevant Dealer shall not have agreed either an Agreed Yield or an Agreed Rate in respect of such Variable Rate Note for such Interest Period by 3.00 p.m. (Singapore time) on the third business day prior to the commencement of such Interest Period, or if there shall be no Relevant Dealer during the period for agreement referred to in (1) above, the Rate of Interest for such Variable Rate Note for such Interest Period shall automatically be the rate per annum equal to the Fall Back Rate (as defined below) for such Interest Period.

(iii) The Issuer has undertaken to the Issuing and Paying Agent and the Agent Bank that it will as soon as possible after the Agreed Yield or, as the case may be, the Agreed Rate in respect of any Variable Rate Note is determined but not later than 10.30 a.m. (Singapore time) on the next following business day:

(1) notify the Guarantor, the Issuing and Paying Agent and the Agent Bank of the Agreed Yield or, as the case may be, the Agreed Rate for such Variable Rate Note for such Interest Period; and

(2) cause such Agreed Yield or, as the case may be, Agreed Rate for such Variable Rate Note to be notified by the Issuing and Paying Agent to the relevant Noteholder at its request.

(iv) For the purposes of sub-paragraph (ii) above, the Rate of Interest for each Interest Period for which there is neither an Agreed Yield nor Agreed Rate in respect of any Variable Rate Note or no Relevant Dealer in respect of the Variable Rate Note(s) shall be the rate (the "**Fall Back Rate**") determined by reference to a Benchmark as stated on the face of such Variable Rate Note(s), being (in the case of Variable Rate Notes which are denominated in Singapore dollars) SIBOR (in which case such Variable Rate Note(s) will be SIBOR Note(s)) or Swap Rate (in which case such Variable Rate Note(s) will be Swap Rate Note(s)) or (in any other case or in the case of Variable Rate Notes which are denominated in a currency other than Singapore dollars) such other Benchmark as is set out on the face of such Variable Rate Note(s).

Such rate may be adjusted by adding or subtracting the Spread (if any) stated on the face of such Variable Rate Note. The "**Spread**" is the percentage rate per annum specified on the face of such Variable Rate Note as being applicable to the rate of interest for such Variable Rate Note. The rate of interest so calculated shall be subject to Condition 4(V)(a) below.

The Fall Back Rate payable from time to time in respect of each Variable Rate Note will be determined by the Agent Bank in accordance with the provisions of Condition 4(II)(b)(ii) above (*mutatis mutandis*) and references therein to "**Rate of Interest**" shall mean "**Fall Back Rate**".

(v) If interest is payable in respect of a Variable Rate Note on the first day of an Interest Period relating to such Variable Rate Note, the Issuer will pay the Agreed Yield applicable to such Variable Rate Note for such Interest Period on the first day of such Interest Period. If interest is payable in respect of a Variable Rate Note on the last day of an Interest Period relating to such Variable Rate Note, the Issuer will pay the Interest Amount for such Variable Rate Note for such Interest Period on the last day of such Interest Period.

(d) Minimum Rate of Interest

If the applicable Pricing Supplement specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with Condition 4(II)(b) or Condition 4(II)(c) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

(e) Definitions

As used in these Conditions:

"**Benchmark**" means the rate specified as such in the applicable Pricing Supplement;

"**business day**" means in respect of each Note, (a) a day (other than a Saturday, Sunday or gazetted public holiday) on which Euroclear, Clearstream, Luxembourg and the Depository, as applicable, are operating, (b) a day on which banks and foreign exchange markets are open for general business in the country of the Issuing and Paying Agent's specified office and (c) (if a payment is to be made on that day) (i) (in the case of Notes denominated in Singapore dollars) a day on which banks and foreign exchange markets are open for general business in Singapore, (ii) (in the case of Notes denominated in Euros) a day on which TARGET is open for settlement in Euros and (iii) (in the case of Notes denominated in a currency other than Singapore dollars and Euros) a day on which banks and foreign exchange markets are open for general business in the principal financial centre for that currency;

"**Calculation Amount**" means the amount specified as such on the face of any Note, or if no such amount is so specified, the Denomination Amount of such Note as shown on the face thereof;

"**Euro**" means the lawful currency of the Participating Member States;

"**Interest Commencement Date**" means the Issue Date or such other date as may be specified as the Interest Commencement Date on the face of such Note;

"**Interest Determination Date**" means, in respect of any Interest Period, that number of business days prior thereto as is set out in the applicable Pricing Supplement or on the face of the relevant Note;

"**Participating Member States**" means any member state of the European Communities that adopts or has adopted the Euro as its lawful currency in accordance with legislation of the European Communities relating to Economic and Monetary Union;

"**Primary Source**" means the Screen Page specified as such in the applicable Pricing Supplement and (in the case of any Screen Page provided by any information service other than the Bloomberg agency or the Reuters Monitor Money Rates Service ("**Reuters**")) agreed by the Agent Bank;

"**Reference Banks**" means the institutions specified as such hereon or, if none, three major banks selected by the Agent Bank (after consultation with the Issuer) in the interbank market that is most closely connected with the Benchmark;

"**Relevant Currency**" means the currency in which the Notes are denominated;

"**Relevant Dealer**" means, in respect of any Variable Rate Note, the Dealer party to the Programme Agreement referred to in the Agency Agreement with whom the Issuer has concluded or is negotiating an agreement for the issue of such Variable Rate Note pursuant to the Programme Agreement;

"**Relevant Financial Centre**" means, in the case of interest to be determined on an Interest Determination Date with respect to any Floating Rate Note or Variable Rate Note, the financial centre with which the relevant Benchmark is most closely connected or, if none is so connected, Singapore;

"**Relevant Rate**" means the Benchmark for a Calculation Amount of the Relevant Currency for a period (if applicable or appropriate to the Benchmark) equal to the relevant Interest Period;

"**Relevant Time**" means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Relevant Currency in the inter-bank market in the Relevant Financial Centre;

"**Screen Page**" means such page, section, caption, column or other part of a particular information service (including, but not limited to, the Bloomberg agency or Reuters) as may be specified hereon for the purpose of providing the Benchmark, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Benchmark; and

"**TARGET**" means Trans-European Automated Real-time Gross Settlement Express Transfer payment system.

(III) Interest on Hybrid Notes

(a) Interest Rate and Accrual

Each Hybrid Note bears interest on its Calculation Amount from the Interest Commencement Date in respect thereof and as shown on the face of such Note.

(b) Fixed Rate Period

(i) In respect of the Fixed Rate Period shown on the face of such Note, each Hybrid Note bears interest on its Calculation Amount from the first day of the Fixed Rate Period at the rate per annum (expressed as a percentage) equal to the Interest Rate shown on the face of such Note payable in arrear on each Interest Payment Date or Interest Payment Dates shown on the face of the Note in each year and on the last day of the Fixed Rate Period if that date does not fall on an Interest Payment Date.

(ii) The first payment of interest will be made on the Interest Payment Date next following the first day of the Fixed Rate Period (and if the first day of the Fixed Rate Period is not an Interest Payment Date, will amount to the Initial Broken Amount shown on the face of such Note), unless the last day of the Fixed Rate Period falls before the date on which the first payment of interest would otherwise be due. If the last day of the Fixed Rate Period is not an Interest Payment Date, interest from the preceding Interest Payment Date (or from the first day of the Fixed Rate Period, as the case may be) to the last day of the Fixed Rate Period will amount to the Final Broken Amount shown on the face of the Note.

(iii) Where the due date of redemption of any Hybrid Note falls within the Fixed Rate Period, interest will cease to accrue on the Note from the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed, payment of principal (or Redemption Amount, as the case may be) is improperly withheld or refused, in which event interest at such rate will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 4(III) to the Relevant Date.

(iv) In the case of a Hybrid Note, interest in respect of a period of less than one year will be calculated on the Day Count Fraction specified hereon during the Fixed Rate Period.

(c) Floating Rate Period

(i) In respect of the Floating Rate Period shown on the face of such Note, each Hybrid Note bears interest on its Calculation Amount from the first day of the Floating Rate Period, and such interest will be payable in arrear on each interest payment date ("**Interest Payment Date**"). Such Interest Payment Date is/are either shown hereon as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which (save as mentioned in these Conditions) falls the number of months specified as the Interest Period on the face of the Note (the "**Specified Number of Months**") after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the first day of the Floating Rate Period (and which corresponds numerically with such preceding Interest Payment Date or the first day of the Floating Rate Period, as the case may be). If any Interest Payment Date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a business day, then if the Business Day Convention specified is (1) the Floating Rate Business Day Convention, such date shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month, in which event (i) such date shall be brought forward to the immediately preceding business day and (ii) each subsequent such date shall be the last business day of the month in which such date would have fallen had it not been subject to adjustment, (2) the Following Business Day Convention, such date shall be postponed to the next day that is a business day, (3) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a business day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding business day or (4) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding business day.

(ii) The period beginning on (and including) the first day of the Floating Rate Period and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date is herein called an "**Interest Period**".

(iii) Where the due date of redemption of any Hybrid Note falls within the Floating Rate Period, interest will cease to accrue on the Note from the due date for redemption thereof unless, upon due presentation thereof, payment of principal (or Redemption Amount, as the case may be) is improperly withheld or refused, in which event interest will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 4(III) and the Agency Agreement to the Relevant Date.

(iv) The provisions of Condition 4(II)(b) shall apply to each Hybrid Note during the Floating Rate Period as though references therein to Floating Rate Notes are references to Hybrid Notes.

(IV) Zero Coupon Notes

Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note (determined in accordance with Condition 5(h)). As from the Maturity Date, the rate of interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as defined in Condition 5(h)).

(V) Calculations

(a) Determination of Rate of Interest and Calculation of Interest Amounts

The Agent Bank will, as soon as practicable after the Relevant Time on each Interest Determination Date determine the Rate of Interest and calculate the amount of interest payable (the "**Interest Amounts**") in respect of each Calculation Amount of the relevant Floating Rate Notes, Variable Rate Notes or (where applicable) Hybrid Notes for the relevant Interest Period. The amount of interest payable in respect of any Note shall be calculated by multiplying the product of the Rate of Interest and the Calculation Amount, by the Day Count Fraction shown on the Note and rounding the resultant figure to the nearest sub-unit of the relevant currency. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Agent Bank shall (in the absence of manifest error) be final and binding upon all parties.

(b) Notification

The Agent Bank will cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date to be notified to the Issuing and Paying Agent, the Trustee and the Issuer as soon as possible after their determination but in no event later than the fourth business day thereafter. In the case of Floating Rate Notes, the Agent Bank will also cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date to be notified to Noteholders in accordance with Condition 15 as soon as possible after their determination. The Interest Amounts and the Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period by reason of any Interest Payment Date not being a business day. If the Floating Rate Notes, Variable Rate Notes or, as the case may be, Hybrid Notes become due and payable under Condition 9, the Rate of Interest and Interest Amounts payable in respect of the Floating Rate Notes, Variable Rate Notes or, as the case may be, Hybrid Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest and Interest Amounts need to be made unless the Trustee requires otherwise.

(c) Determination or Calculation by the Trustee

If the Agent Bank does not at any material time determine or calculate the Rate of Interest for an Interest Period or any Interest Amount, the Trustee shall do so. In doing so, the Trustee shall apply the foregoing provisions of this Condition, with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and, in all other respects, it shall do so in such manner as it shall deem fair and reasonable in all the circumstances.

(d) Agent Bank and Reference Banks

The Issuer will procure that, so long as any Floating Rate Note, Variable Rate Note or Hybrid Note remains outstanding, there shall at all times be three Reference Banks (or such other number as may be required) and, so long as any Floating Rate Note, Variable Rate Note, Hybrid Note or Zero Coupon Note remains outstanding, there shall at all times be an Agent Bank. If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank or the Agent Bank is unable or unwilling to act as such or if the Agent Bank fails duly to establish the Rate of Interest for any Interest Period or to calculate the Interest Amounts, the Issuer will appoint another bank with an office in the Relevant Financial Centre to act as such in its place. The Agent Bank may not resign its duties without a successor having been appointed as aforesaid.

5. Redemption and Purchase

(a) Final Redemption

Unless previously redeemed or purchased and cancelled as provided below, this Note will be redeemed at its Redemption Amount on the Maturity Date shown on its face (if this Note is shown on its face to be a Fixed Rate Note, Hybrid Note (during the Fixed Rate Period) or Zero Coupon Note) or on the Interest Payment Date falling in the Redemption Month shown on its face (if this Note is shown on its face to be a Floating Rate Note, Variable Rate Note or Hybrid Note (during the Floating Rate Period)).

(b) Purchase at the Option of Issuer

If so provided hereon, the Issuer shall have the option to purchase all or any of the Fixed Rate Notes, Floating Rate Notes, Variable Rate Notes or Hybrid Notes at their Redemption Amount on any date on which interest is due to be paid on such Notes and the Noteholders shall be bound to sell such Notes to the Issuer accordingly. To exercise such option, the Issuer shall give irrevocable notice to the Noteholders within the Issuer's Purchase Option Period shown on the face hereof. Such Notes may be held, resold or surrendered to the Issuing and Paying Agent for cancellation. The Notes so purchased, while held by or on behalf of the Issuer, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Conditions 9, 10 and 11.

In the case of a purchase of some only of the Notes, the notice to Noteholders shall also contain the certificate numbers of the Notes to be purchased, which shall have been drawn by or on behalf of the Issuer in such place and in such manner as may be agreed between the Issuer and the Trustee, subject to compliance with any applicable laws. So long as the Notes are listed on the Singapore Exchange Securities Trading Limited, the Issuer shall comply with the rules of such Stock Exchange in relation to the publication of any purchase of Notes.

(c) Purchase at the Option of Noteholders

(i) Each Noteholder shall have the option to have all or any of his Variable Rate Notes purchased by the Issuer at their Redemption Amount on any Interest Payment Date and the Issuer will purchase such Variable Rate Notes accordingly. To exercise such option, a Noteholder shall deposit any Variable Rate Notes to be purchased with the Issuing and Paying Agent at its specified office together with all Coupons relating to such Variable Rate Notes which mature after the date fixed for purchase, together with a duly completed option exercise notice in the form obtainable from the Issuing and Paying Agent within the Noteholders' VRN Purchase Option Period shown on the face hereof. Any Variable Rate Notes so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer. Such Variable Rate Notes may be held, resold or surrendered to the Issuing and Paying Agent for cancellation. The Variable Rate Notes so purchased, while held by or on behalf of the Issuer, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Conditions 9, 10 and 11.

(ii) If so provided hereon, each Noteholder shall have the option to have all or any of his Fixed Rate Notes, Floating Rate Notes or Hybrid Notes purchased by the Issuer at their Redemption Amount on any date on which interest is due to be paid on such Notes and the Issuer will purchase such Notes accordingly. To exercise such option, a Noteholder shall deposit any Notes to be purchased with the Issuing and Paying Agent at its specified office together with all Coupons relating to such Notes which mature after the date fixed for purchase, together with a duly completed option exercise notice in the form obtainable from the Issuing and Paying Agent within the Noteholders' Purchase Option Period shown on the face hereof. Any Notes so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer. Such Notes may be held, resold or surrendered to the Issuing and Paying Agent for cancellation. The Notes so purchased, while held by or on behalf of the Issuer, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Conditions 9, 10 and 11.

(d) Redemption at the Option of the Issuer

If so provided hereon, the Issuer may, on giving irrevocable notice to the Noteholders falling within the Issuer's Redemption Option Period shown on the face hereof, redeem all or, if so provided, some of the Notes at their Redemption Amount or integral multiples thereof and on the date or dates so provided. Any such redemption of Notes shall be at their Redemption Amount, together with interest accrued to the date fixed for redemption.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption of the Notes, the notice to Noteholders shall also contain the certificate numbers of the Notes to be redeemed, which shall have been drawn by or on behalf of the Issuer in such place and in such manner as may be agreed between the Issuer and the Trustee, subject to compliance with any applicable laws. So long as the Notes are listed on the Singapore Exchange Securities Trading Limited, the Issuer shall comply with the rules of such Stock Exchange in relation to the publication of any redemption of Notes.

(e) Redemption at the Option of Noteholders

If so provided hereon, the Issuer shall, at the option of the holder of any Note, redeem such Note on the date or dates so provided at its Redemption Amount, together with interest accrued to the date fixed for redemption. To exercise such option, the holder must deposit such Note (together with all unmatured Coupons) with the Issuing and Paying Agent at its specified office, together with a duly completed option exercise notice in the form obtainable from the Issuing and Paying Agent or the Issuer (as applicable) within the Noteholders' Redemption Option Period shown on the face hereof. Any Note so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(f) Redemption for Taxation Reasons

If so provided hereon, the Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable), at their Redemption Amount or (in the case of Zero Coupon Notes) Early Redemption Amount (as defined in Condition 5(h) below) (together with interest accrued to (but excluding) the date fixed for redemption), if (i) the Issuer (or, if the Guarantee was called, the Guarantor) has or will become obliged to pay additional amounts as provided or referred to in Condition 7, or increase the payment of such additional amounts, as a result of any change in, or amendment to, the laws (or any regulations, rulings or other administrative pronouncements promulgated thereunder) of Singapore or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws, regulations, rulings or other administrative pronouncements, which change or amendment is made public on or after the Issue Date or any other date specified in the Pricing Supplement, and (ii) such obligations cannot be avoided by the Issuer or, as the case may be, the Guarantor taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or, as the case may be, the Guarantor would be obliged to pay such additional amounts were a payment in respect of the Notes then due. Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Issuing and Paying Agent a certificate signed by a duly authorised officer of the Issuer or, as the case may be, the Guarantor stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer or, as the case may be, the Guarantor has or is likely to become obliged to pay such additional amounts as a result of such change or amendment.

(g) Purchases

The Issuer, the Guarantor or any of the respective related corporations of the Issuer and the Guarantor may at any time purchase Notes at any price (provided that they are purchased together with all unmatured Coupons relating to them) in the open market or otherwise, provided that in any such case such purchase or purchases is in compliance with all relevant laws, regulations and directives.

Notes purchased by the Issuer, the Guarantor or any of the respective related corporations of the Issuer and the Guarantor may be surrendered by the purchaser through the Issuer to the Issuing and Paying Agent for cancellation or may at the option of the Issuer or relevant subsidiary be held or resold.

For the purposes of these Conditions, "**directive**" includes any present or future directive, regulation, request, requirement, rule or credit restraint programme of any relevant agency, authority, central bank department, government, legislative, minister, ministry, official public or statutory corporation, self-regulating organisation, or stock exchange.

(h) Early Redemption of Zero Coupon Notes

(i) The Early Redemption Amount payable in respect of any Zero Coupon Note, the Early Redemption Amount of which is not linked to an index and/or formula, upon redemption of such Note pursuant to Condition 5(f) or upon it becoming due and payable as provided in Condition 9, shall be the Amortised Face Amount (calculated as provided below) of such Note unless otherwise specified hereon.

(ii) Subject to the provisions of sub-paragraph (iii) below, the Amortised Face Amount of any such Note shall be the scheduled Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.

(iii) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 5(f) or upon it becoming due and payable as provided in Condition 9 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (ii) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph will continue to be made (as well after as before judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Redemption Amount of such Note on the Maturity Date together with any interest which may accrue in accordance with Condition 4(IV).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown hereon.

(i) Mandatory Redemption upon Termination of CIT

In the event that CIT is terminated in accordance with the provisions of the CIT Trust Deed (as defined in the Trust Deed), the Issuer shall redeem all (and not some only) of the Notes at their Redemption Amount together with interest accrued to the date fixed for redemption on any date on which interest is due to be paid on such Notes or, if earlier, the date of termination of CIT.

The Issuer shall forthwith notify the Trustee, the Agents and the Noteholders of the termination of CIT and the proposed date of redemption of the Notes. The Issuer shall be bound to redeem the Notes on the date specified in such notice.

(j) Mandatory Redemption upon Cessation of Trading of Units

In the event that the units of CIT cease to be listed and/or traded on the SGX-ST (as defined in the Trust Deed), the Issuer shall redeem all (and not some only) of the Notes at their Redemption Amount, together with interest accrued to the date fixed for redemption, not later than the date falling 30 days after the date of cessation of listing or trading. The Issuer shall forthwith notify the Trustee, the Agents and the Noteholders of the occurrence of the event specified above and the proposed date of redemption of the Notes. The Issuer shall be bound to redeem the Notes on the date specified in the notice

(k) Cancellation

All Notes purchased by or on behalf of the Issuer, the Guarantor or any of the respective related corporations of the Issuer and the Guarantor may be surrendered for cancellation by surrendering each such Note together with all unmatured Coupons to the Issuing and Paying Agent at its specified office and, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Coupons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold.

6. Payments

(a) Principal and Interest

Payments of principal (or, as the case may be, Redemption Amounts) and interest in respect of the Notes will, subject as mentioned below, be made against presentation and surrender of the relevant Notes or Coupons, as the case may be, at the specified office of the Issuing and Paying Agent by a cheque drawn in the currency in which payment is due on, or, at the option of the holders, by transfer to an account maintained by the payee in that currency with, a bank in the principal financial centre for that currency.

(b) Payments subject to law etc.

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of Condition 7. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(c) Appointment of Agents

The Issuing and Paying Agent initially appointed by the Issuer and its specified office are listed below. The Issuer and the Guarantor reserve the right at any time to vary or terminate the appointment of the Issuing and Paying Agent and to appoint additional or other Issuing and Paying Agents, provided that they will at all times maintain an Issuing and Paying Agent having a specified office in Singapore.

Notice of any such change or any change of any specified office will promptly be given to the Noteholders in accordance with Condition 15.

The Agency Agreement may be amended by the Issuer, the Guarantor, the Issuing and Paying Agent and the Trustee, without the consent of any holder, for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective provision contained therein or in any manner which the Issuer, the Guarantor, the Issuing and Paying Agent and the Trustee may mutually deem necessary or desirable and which does not, in the reasonable opinion of the Issuer, the Guarantor, the Issuing and Paying Agent and the Trustee, adversely affect the interests of the holders.

(d) Unmatured Coupons

(i) Fixed Rate Notes and Hybrid Notes should be surrendered for payment together with all unmatured Coupons (if any) relating to such Notes (and, in the case of Hybrid Notes, relating to interest payable during the Fixed Rate Period), failing which an amount equal to the face value of each missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon which the sum of principal so paid bears to the total principal due) will be deducted from the Redemption Amount due for payment. Any amount so deducted will be paid in the manner mentioned above against surrender of such missing Coupon within a period of three years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 8).

(ii) Subject to the provisions of the relevant Pricing Supplement upon the due date for redemption of any Floating Rate Note, Variable Rate Note or Hybrid Note, unmatured Coupons relating to such Note (and, in the case of Hybrid Notes, relating to interest payable during the Floating Rate Period) (whether or not attached) shall become void and no payment shall be made in respect of them.

(iii) Where any Floating Rate Note, Variable Rate Note or Hybrid Note is presented for redemption without all unmatured Coupons relating to it (and, in the case of Hybrid Notes, relating to interest payable during the Floating Rate Period), redemption shall be made only against the provision of such indemnity as the Issuer may require.

(iv) If the due date for redemption or repayment of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Note.

(e) Non-business days

Subject as provided in the relevant Pricing Supplement or subject as otherwise provided in these Conditions, if any date for the payment in respect of any Note or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day and shall not be entitled to any further interest or other payment in respect of any such delay.

(f) Default Interest

If on or after the due date for payment of any sum in respect of the Notes, payment of all or any part of such sum is not made against due presentation of the Notes or, as the case may be, the Coupons, the Issuer shall pay interest on the amount so unpaid from such due date up to the day of actual receipt by the relevant Noteholders or, as the case may be, Couponholders (as well after as before judgment) at a rate per annum determined by the Issuing and Paying Agent to be equal to two per cent. per annum above (in the case of a Fixed Rate Note or a Hybrid Note during the

Fixed Rate Period) the Interest Rate applicable to such Note, (in the case of a Floating Rate Note or a Hybrid Note during the Floating Rate Period) the Rate of Interest applicable to such Note or (in the case of a Variable Rate Note) the variable rate by which the Agreed Yield applicable to such Note is determined or, as the case may be, the Rate of Interest applicable to such Note, or in the case of a Zero Coupon Note, as provided for in the relevant Pricing Supplement. So long as the default continues then such rate shall be re-calculated on the same basis at intervals of such duration as the Issuing and Paying Agent may select, save that the amount of unpaid interest at the above rate accruing during the preceding such period shall be added to the amount in respect of which the Issuer is in default and itself bear interest accordingly. Interest at the rate(s) determined in accordance with this paragraph shall be calculated on the Day Count Fraction specified hereon and the actual number of days elapsed, shall accrue on a daily basis and shall be immediately due and payable by the Issuer.

7. Taxation

All payments in respect of the Notes and the Coupons by the Issuer or, as the case may be, the Guarantor shall be made free and clear of, and without deduction or withholding for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In such event, the Issuer or, as the case may be, the Guarantor shall pay such additional amounts as will result in the receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such deduction or withholding been required, except that no such additional amounts shall be payable in respect of any Note or Coupon presented for payment:

(a) by or on behalf of a holder who is subject to such taxes, duties, assessments or governmental charges by reason of his being connected with Singapore otherwise than by reason only of the holding of such Note or Coupon or the receipt of any sums due in respect of such Note or Coupon (including, without limitation, the holder being a resident of, or a permanent establishment in, Singapore);

(b) more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to such additional amounts on presenting the same for payment on the last day of such period of 30 days; or

(c) by or on behalf of a holder who could lawfully avoid (but has not so avoided) such deduction or withholding by complying or procuring compliance with any statutory requirements or by making or procuring that any third party makes a declaration of non-residence or other similar claim for exemption to any tax authority in the place where the relevant Note or Coupon is presented for payment.

As used in these Conditions, "**Relevant Date**" in respect of any Note or Coupon means the date on which payment in respect thereof first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date falling seven days after that on which notice is duly given to the Noteholders in accordance with Condition 15 that, upon further presentation of the Note or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon presentation, and references to "**principal**" shall be deemed to include any premium payable in respect of the Notes, all Redemption Amounts, Early Redemption Amounts and all other amounts in the nature of principal payable pursuant to Condition 5, "**interest**" shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 4 and any reference to "**principal**" and/or "**premium**" and/or "**Redemption Amounts**" and/or "**interest**" and/or "**Early Redemption Amounts**" shall be deemed to include any additional amounts which may be payable under these Conditions.

8. Prescription

The Notes and Coupons shall become void unless presented for payment within three years from the appropriate Relevant Date for payment.

9. Events of Default

If any of the following events ("**Events of Default**") occurs the Trustee at its discretion may, and if so requested by holders of at least 25 per cent. in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall, give notice in writing to the Issuer that the Notes are immediately repayable, whereupon the Redemption Amount of such Notes or (in the case of Zero Coupon Notes) the Early Redemption Amount of such Notes together with accrued interest to the date of payment shall become immediately due and payable:

(a) the Issuer or the Guarantor does not pay (i) the principal, the Redemption Amount or (in the case of Zero Coupon Notes) the Early Redemption Amount of any of the Notes when due and such default continues for three business days after the due date or (ii) the interest on any of the Notes when due and such default continues for five business days after the due date;

(b) the Issuer or the Guarantor does not perform or comply with any one or more of its obligations (other than the payment obligation of the Issuer or the Guarantor referred to in paragraph (a)) under any of the Issue Documents or any of the Notes and, if in the opinion of the Trustee that default is capable of remedy, it is not in the reasonable opinion of the Trustee remedied within 21 days after notice of such default shall have been given by the Trustee to the Issuer or, as the case may be, the Guarantor;

(c) any representation, warranty or statement by the Issuer or the Guarantor in any of the Issue Documents or any of the Notes or in any document delivered under any of the Issue Documents or any of the Notes is not complied with in any respect or is or proves to have been incorrect in any respect when made or deemed repeated and if the event resulting in such non-compliance or incorrectness is, in the opinion of the Trustee, capable of remedy, it is not in the reasonable opinion of the Trustee remedied within 21 days after notice of such non-compliance or incorrectness shall have been given by the Trustee to the Issuer or, as the case may be, the Guarantor;

(d) the Guarantee is not (or is claimed by the Guarantor not to be) in full force and effect;

(e) (i) any other indebtedness of the Issuer, CIT or any of the Principal Subsidiaries in respect of borrowed money is or is declared to be or is capable of being rendered due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (however described) or is not paid when due or, as the case may be, within any originally applicable grace period in any agreement relating to that indebtedness; or

(ii) the Issuer, CIT or any of the Principal Subsidiaries fails to pay when due (taking into account any originally applicable grace period) any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised,

provided however that no Event of Default will occur under this paragraph (e) unless and until the aggregate amount of the indebtedness in respect of which one or more of the events mentioned above in this paragraph (e) has/have occurred equals or exceeds S$20,000,000 or its equivalent in other currency or currencies;

(f) the Issuer, CIT or any of the Principal Subsidiaries is (or is, or could be, deemed by law or a court to be) insolvent or unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or any material part of (or of a particular type of) its indebtedness (other than those contested in good faith and by appropriate proceedings), begins negotiations or takes any other step with a view to the deferral, rescheduling or other readjustment of all or any material part of (or of a particular type of) its indebtedness (or of any material part which it will otherwise be unable to pay when due), proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors or a moratorium is agreed or declared in respect of or affecting all or any material part of (or of a particular type of) the indebtedness of the Issuer, CIT or any of the Principal Subsidiaries;

(g) a distress, attachment, execution or other legal process is levied, enforced or sued out on or against all or any material part of the assets of the Issuer, the Guarantor or any of the Principal Subsidiaries and is not discharged or stayed within 21 days;

(h) any security on or over the whole or any material part of the assets of the Issuer, CIT or any of the Principal Subsidiaries becomes enforceable;

(i) (i) a petition or an originating summons is presented or an order is made or a resolution is passed with a view to the winding-up or termination or for the appointment of a liquidator (including a provisional liquidator) or a judicial manager of the Issuer, CIT or any of the Principal Subsidiaries (except (only in the case of a voluntary liquidation or winding-up of a Principal Subsidiary not involving insolvency) for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation (1) to another member of the Group and such event is not likely to have a material adverse effect on the Issuer or the Guarantor or (2) on terms approved by the Trustee or the Noteholders by way of an Extraordinary Resolution) before such petition or originating summons is presented or such order is made or such resolution is passed or actual appointment made (as the case may be)); or

(ii) a receiver, trustee, administrator, agent or similar officer of the Issuer, CIT or any of the Principal Subsidiaries or over all or any part of the assets of the Issuer, CIT or any of the Principal Subsidiaries is appointed;

(j) the Issuer, CIT or any of the Principal Subsidiaries ceases or threatens to cease to carry on all or any substantial part of its business or (save as permitted by Clause 16.27 of the Trust Deed) disposes or threatens to dispose of the whole or any part of its property or assets;

(k) any step is taken by any person with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or a material part of the assets of the Issuer, CIT or any of the Principal Subsidiaries and such seizure, compulsory acquisition, expropriation or nationalisation is likely to have a material adverse effect on the Issuer or the Guarantor;

(l) any action, condition or thing (including the obtaining of any necessary consent) at any time required to be taken, fulfilled or done for any of the purposes stated in Clause 15.7 of the Trust Deed is not taken, fulfilled or done, or any such consent ceases to be in full force and effect without modification or any condition in or relating to any such consent is not complied with (unless that consent or condition is no longer required or applicable) and, if in the opinion of the Trustee such default is capable of remedy, it is not in the reasonable opinion of the Trustee remedied within seven days after notice of such default shall have been given by the Trustee to the Issuer or, as the case may be, the Guarantor;

(m) it is or will become unlawful for the Issuer or the Guarantor to perform or comply with any one or more of their obligations under any of the Issue Documents or any of the Notes;

(n) any of the Issue Documents to which it is a party or any of the Notes ceases for any reason (or is claimed by the Issuer or the Guarantor not) to be the legal and valid obligations of the Issuer or the Guarantor, binding upon it in accordance with its terms;

(o) any litigation, arbitration or administrative proceeding (other than those of a frivolous or vexatious nature or those contested in good faith and in each case, which are discharged within 21 days of its commencement) is current or pending against the Issuer, the Guarantor, CIT or any of the Principal Subsidiaries (i) to restrain the exercise of any of the rights and/or the performance or enforcement of or compliance with any of the obligations of the Issuer or the Guarantor under any of the Issue Documents or any of the Notes or (ii) which has or is likely to have a material adverse effect on the Issuer, the Guarantor or CIT;

(p) if (i)(1) the CIT Trustee (as defined in the Trust Deed) resigns or is removed; (2) an order is made for the winding-up of the CIT Trustee, a receiver, judicial manager, administrator, agent or similar officer of the CIT Trustee is appointed; and/or (3) there is a declaration, imposition or promulgation in Singapore or in any relevant jurisdiction of a moratorium, any form of exchange control or any law, directive or regulation of any agency or the amalgamation, reconstruction or reorganisation of the CIT Trustee which prevents or restricts the ability of the Guarantor to perform its obligations under any of the Issue Documents to which it is a party or any of the Notes and (ii) the replacement or substitute trustee of CIT is not appointed in accordance with the terms of the CIT Trust Deed (as defined in the Trust Deed);

(q) the CIT Manager is removed pursuant to the terms of the CIT Trust Deed, and the replacement or substitute manager is not appointed in accordance with the terms of the CIT Trust Deed;

(r) any event occurs which, under the law of any relevant jurisdiction, has an analogous or equivalent effect to any of the events mentioned in paragraph (f), (g), (h), (i), (j) or (k);

(s) the Issuer, the Guarantor or any of the Principal Subsidiaries is declared by the Minister of Finance to be a declared company under the provisions of Part IX of the Companies Act, Chapter 50 of Singapore;

(t) for any reason the CIT Trustee ceases to own (directly or indirectly) the whole of the issued share capital for the time being of the Issuer; or

(u) the CIT Trustee loses its right to be indemnified out of the assets of CIT in respect of all liabilities, claims, demands and actions under or in connection with any of the Issue Documents or the Notes.

In these Conditions:

(1) "**Principal Subsidiaries**" means any Subsidiary of CIT whose total assets, as shown by the accounts of such Subsidiary (consolidated in the case of a Subsidiary which itself has Subsidiaries), based upon which the latest audited consolidated accounts of the Group have been prepared, is at least 20 per cent. of the total assets of the Group as shown by such audited consolidated accounts, provided that if any such Subsidiary (the "**transferor**") shall at any time transfer the whole or a substantial part of its business, undertaking or assets to another Subsidiary or CIT (the "**transferee**") then:

(aa) if the whole of the business, undertaking and assets of the transferor shall be so transferred, the transferor shall thereupon cease to be a Principal Subsidiary and the transferee (unless it is CIT) shall thereupon become a Principal Subsidiary; and

(bb) if a substantial part only of the business, undertaking and assets of the transferor shall be so transferred, the transferor shall remain a Principal Subsidiary and the transferee (unless it is CIT) shall thereupon become a Principal Subsidiary.

Any Subsidiary which becomes a Principal Subsidiary by virtue of (aa) above or which remains or becomes a Principal Subsidiary by virtue of (bb) above shall continue to be a Principal Subsidiary until the date of issue of the first audited consolidated accounts of the Group prepared as at a date later than the date of the relevant transfer which show the total assets as shown by the accounts of such Subsidiary (consolidated in the case of a Subsidiary which itself has Subsidiaries) or the date of issue of a report by the Auditors described below (whichever is earlier), based upon which such audited consolidated accounts or, as the case may be, Auditor's report have been prepared, to be less than 20 per cent. of the total assets of the Group, as shown by such audited consolidated accounts or, as the case may be, Auditor's report. A report by the Auditors, who shall also be responsible for producing any pro-forma accounts required for the above purposes, that in their opinion a Subsidiary is or is not a Principal Subsidiary shall, in the absence of manifest error, be conclusive; and

(2) "**Subsidiary**" or "**subsidiary**" has the meaning ascribed to it in the Trust Deed.

10. Enforcement of Rights

At any time after the Notes shall have become due and payable, the Trustee may, at its discretion and without further notice, institute such proceedings against the Issuer or the Guarantor as it may think fit to enforce repayment of the Notes, together with accrued interest, but it shall not be bound to take any such proceedings unless (a) it shall have been so directed by an Extraordinary Resolution of the Noteholders or so requested in writing by Noteholders holding not less than 25 per cent. in principal amount of the Notes outstanding and (b) it shall have been indemnified and/or by the Noteholders to its satisfaction. No Noteholder or Couponholder shall be entitled to proceed directly against the Issuer or the Guarantor unless the Trustee, having become bound to do so, fails or neglects to do so within a reasonable period and such failure or neglect shall be continuing.

11. Meeting of Noteholders and Modifications

The Trust Deed contains provisions for convening meetings of Noteholders of a Series to consider any matter affecting their interests, including modification by Extraordinary Resolution of the Notes of such Series (including these Conditions insofar as the same may apply to such Notes) or any of the provisions of the Trust Deed.

The Trustee, the Issuer or the Guarantor at any time may, and the Trustee upon the request in writing by Noteholders holding not less than one-tenth of the principal amount of the Notes of any Series for the time being outstanding shall, convene a meeting of the Noteholders of that Series. An Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders of the relevant Series, whether present or not and on all relevant Couponholders, except that any Extraordinary Resolution proposed, *inter alia*, (a) to amend the dates of maturity or redemption of the Notes or any date for payment of interest or Interest Amounts on the Notes, (b) to reduce or cancel the principal amount of, or any premium payable on redemption of, the Notes, (c) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates of interest or the basis for calculating any Interest Amount in respect of the Notes, (d) to vary any method of, or basis for, calculating the Redemption Amount or the Early Redemption Amount including the method of calculating the Amortised Face Amount, (e) to vary the currency or currencies of payment or denomination of the Notes, (f) to take any steps that as specified hereon may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply, (g) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution or (h) to modify or cancel the Guarantee, will only be binding if passed at a meeting of the Noteholders of the relevant Series (or at any adjournment thereof) at which a special quorum (provided for in the Trust Deed) is present.

The Trustee may agree, without the consent of the Noteholders or Couponholders, to (i) any modification of any of the provisions of the Trust Deed which in the opinion of the Trustee is of a formal, minor or technical nature, is made to correct a manifest error or to comply with mandatory provisions of Singapore law or is required by Euroclear Bank S.A./N.V. and/or Clearstream Banking, société anonymé and/or The Central Depository (Pte) Limited and/or any other clearing system in which the Notes may be held and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed which is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders. Any such modification, authorisation or waiver shall be binding on the Noteholders and the Couponholders and, if the Trustee so requires, such modification shall be notified to the Noteholders as soon as practicable.

In connection with the exercise of its functions (including but not limited to those in relation to any proposed modification, waiver, authorisation or substitution) the Trustee shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders or Couponholders.

These Conditions may be amended, modified, or varied in relation to any Series of Notes by the terms of the relevant Pricing Supplement in relation to such Series.

12. Replacement of Notes and Coupons

If a Note or Coupon is lost, stolen, mutilated, defaced or destroyed it may be replaced, subject to applicable laws, at the specified office of the Issuing and Paying Agent, or at the specified office of such other Issuing and Paying Agent as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders in accordance with Condition 15, on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, undertaking, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note or Coupon is subsequently presented for payment, there will be paid to the Issuer on demand the amount payable by the Issuer in respect of such Note or Coupon) and otherwise as the Issuer may require. Mutilated or defaced Notes or Coupons must be surrendered before replacements will be issued.

13. Further Issues

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes having the same terms and conditions as the Notes of any Series and so that the same shall be consolidated and form a single Series with such Notes, and references in these Conditions to "**Notes**" shall be construed accordingly.

14. Indemnification of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking proceedings to enforce repayment unless indemnified and/or secured to its satisfaction. The Trust Deed also contains a provision entitling the Trustee to enter into business transactions with the Issuer, the Guarantor or any of the respective related corporations of the Issuer and CIT without accounting to the Noteholders or Couponholders for any profit resulting from such transactions.

15. Notices

Notices to the holders will be valid if published in a daily newspaper of general circulation in Singapore (or, if the holders of any Series of Notes can be identified, notices to such holders will also be valid if they are given to each of such holders). It is expected that such publication will be made in the Business Times. Notices will, if published more than once or on different dates, be deemed to have been given on the date of the first publication in such newspaper as provided above.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice to the holders in accordance with this Condition 15.

Until such time as any Definitive Notes (as defined in the Trust Deed) are issued, there may, so long as the Global Note(s) is or are held in its or their entirety on behalf of Euroclear, Clearstream, Luxembourg and/or the Depository, be substituted for such publication in such newspapers the delivery of the relevant notice to Euroclear, Clearstream, Luxembourg and/or (subject to the agreement of the Depository) the Depository for communication by it to the Noteholders, except that if the Notes are listed on the SGX-ST and the rules of such exchange so require, notice will in any event be published in accordance with the previous paragraph. Any such notice shall be deemed to have been given to the Noteholders on the seventh day after the day on which the said notice was given to Euroclear, Clearstream, Luxembourg and/or the Depository.

Notices to be given by any Noteholder pursuant hereto (including to the Issuer) shall be in writing and given by lodging the same, together with the relative Note or Notes, with the Issuing and Paying Agent. Whilst the Notes are represented by a Global Note, such notice may be given by any Noteholder to the Issuing and Paying Agent through Euroclear, Clearstream, Luxembourg and/or the Depository in such manner as the Issuing and Paying Agent and Euroclear, Clearstream, Luxembourg and/or the Depository may approve for this purpose.

Notwithstanding the other provisions of this Condition, in any case where the identity and addresses of all the Noteholders are known to the Issuer, notices to such holders may be given individually by recorded delivery mail to such addresses and will be deemed to have been given when received at such addresses.

16. Contracts (Rights of Third Parties) Act

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore.

17. Acknowledgement

(a) Notwithstanding any provision to the contrary in the Trust Deed, the Notes and the Coupons, the Trustee, the Noteholders and the Couponholders acknowledge and agree that RBCD has entered into the Trust Deed only in its capacity as trustee of CIT and not in its personal capacity and all references to the Guarantor in the Trust Deed, the Notes and the Coupons shall be construed accordingly. Accordingly, notwithstanding any provision to the contrary in the Trust Deed, the Notes and the Coupons, RBCD has assumed all obligations under the Trust Deed, the Notes and the Coupons in its capacity as trustee of CIT and not in its personal capacity and any liability of or indemnity, covenant, undertaking, representation and/or warranty given by the Guarantor under the Trust Deed, the Notes and the Coupons is given by RBCD only in its capacity as trustee of CIT and not in its personal capacity and any power and right conferred on any receiver, attorney, agent and/or delegate under the Trust Deed, the Notes and the Coupons is limited to the assets of CIT over which RBCD, in its capacity as trustee of CIT, has recourse and shall not extend to any personal or other assets of RBCD or any assets held by RBCD as trustee of any other trust (other than CIT). Any obligation, matter, act, action or thing required to be done, performed or undertaken by RBCD under the Trust Deed, the Notes and the Coupons shall only be in connection with matters relating to CIT (and shall not extend to the obligations of RBCD in respect of any other trust or real estate investment trust of which it is a trustee). The foregoing shall not restrict or prejudice the rights or remedies of the Trustee, the Noteholders and the Couponholders under law or equity whether in connection with any negligence, fraud or breach of trust of the Guarantor or otherwise.

(b) Notwithstanding any provision to the contrary in the Trust Deed, the Notes and the Coupons, it is hereby agreed that the Guarantor's obligations under the Trust Deed, the Notes and the Coupons will be solely the corporate obligations of the Guarantor and there shall be no recourse against the shareholders, directors, officers or employees of RBCD for any claims, losses, damages, liabilities or other obligations whatsoever in connection with any of the transactions contemplated by the provisions of the Trust Deed, the Notes and the Coupons. The foregoing shall not restrict or prejudice the rights or remedies of the Trustee, the Noteholders and the Couponholders under law or equity whether in connection with any negligence, fraud or breach of trust of the Guarantor or otherwise.

(c) For the avoidance of doubt, any legal action or proceedings commenced against the Guarantor whether in Singapore or elsewhere pursuant to the Trust Deed, the Notes and the Coupons shall be brought against RBCD in its capacity as trustee of CIT and not in its personal capacity. The foregoing shall not restrict or prejudice the rights or remedies of the Trustee, the Noteholders and the Couponholders under law or equity whether in connection with any negligence, fraud or breach of trust of the Guarantor or otherwise.

18. Governing Law

The Notes and the Coupons are governed by, and shall be construed in accordance with, the laws of Singapore.

Issuing and Paying Agent

British and Malayan Trustees Limited
1 Coleman Street
#08-01 The Adelphi
Singapore 179803

RISK FACTORS

Prior to making an investment or divestment decision, prospective investors in or existing holders of the Notes should carefully consider all the information set forth in this Information Memorandum including the risk factors set out below. The risk factors set out below do not purport to be complete or comprehensive of all the risks that may be involved in the businesses of the Issuer, the Guarantor, CIT or the Group or any decision to purchase, own or dispose of the Notes. Additional risks which the Issuer or the Guarantor is currently unaware of may also impair the business, assets, property, financial condition, performance, results of operations or prospects.

If any of the following risk factors develops into actual events, the business, assets, property, financial condition, performance, results of operations and/or prospects of the Issuer, the Guarantor, CIT or the Group could be materially and adversely affected. In such cases, the ability of the Issuer and the Guarantor to comply with their respective obligations under the Trust Deed and the Notes may be adversely affected.

LIMITATIONS OF THIS INFORMATION MEMORANDUM

This Information Memorandum does not purport to nor does it contain all information that a prospective investor in or existing holder of the Notes may require in investigating the Issuer, the Guarantor, CIT or the Group, prior to making an investment or divestment decision in relation to the Notes issued under the Programme.

Neither this Information Memorandum nor any other document or information (or any part thereof) delivered or supplied under or in relation to the Programme or the Notes (or any part thereof) is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer, the Guarantor, the Arranger or any of the Dealers that any recipient of this Information Memorandum or any such other document or information (or such part thereof) should subscribe for or purchase or sell any of the Notes. Each person receiving this Information Memorandum acknowledges that such person has not relied on the Issuer, the Guarantor, CIT, their respective subsidiaries (if any) or associated companies (if any), the Arranger, any of the Dealers or any person affiliated with each of them in connection with its investigation of the accuracy or completeness of the information contained herein or of any additional information considered by it to be necessary in connection with its investment or divestment decision. Any recipient of this Information Memorandum contemplating subscribing for or purchasing or selling any of the Notes should determine for itself the relevance of the information contained in this Information Memorandum and any such other document or information (or any part thereof) and its investment or divestment should be, and shall be deemed to be, based solely upon its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer, the Guarantor, CIT, their respective subsidiaries (if any) and associated companies (if any), the terms and conditions of the Notes and any other factors relevant to its decision, including the merits and risks involved. A prospective investor should consult with its legal, tax and financial advisers prior to deciding to make an investment in the Notes.

INVESTMENT CONSIDERATIONS ASSOCIATED WITH INVESTMENT IN THE NOTES

Limited liquidity of the notes issued under the Programme

There can be no assurance regarding the future development of the market for the Notes issued under the Programme, the ability of the Noteholders, or the price at which the Noteholders may be able, to sell their Notes.

Although the issue of additional Notes may increase the liquidity of the Notes, there can be no assurance that the price of such Notes will not be adversely affected by the issue in the market of such additional Notes.

Absence of secondary market

There is no assurance that there will be a secondary market for the Notes, or that there will be liquidity for the Noteholders during the life of the Notes. Any secondary market activities may not be continuous or regular and the value of the Notes may fluctuate for various reasons.

Fluctuation of market value of notes issued under the Programme

Trading prices of the Notes are influenced by numerous factors, including the operating results and/or financial condition of any of the Issuer, the Guarantor, CIT and/or their respective subsidiaries and/or associated companies (if any), political, economic, financial and any other factors that can affect the capital markets, the industry, the Issuer, the Guarantor, CIT, their respective subsidiaries and/or associated companies (if any) generally. Adverse economic developments, in Singapore as well as countries in which the Issuer, the Guarantor, CIT, their respective subsidiaries and/or associated companies (if any) operate or have business dealings, could have a material adverse effect on the Singapore economy and the operating results and/or the financial condition of the Issuer, the Guarantor, CIT, their respective subsidiaries and/or associated companies (if any).

Interest rate risk

Noteholders may suffer unforeseen losses due to fluctuation in interest rates. Generally, a rise in interest rates may cause a fall in the price of the Notes, resulting in a capital loss for the Noteholders. However, the Noteholders may reinvest the interest payments at higher prevailing interest rates. Conversely, when interest rates fall, the price of the Notes may rise. The Noteholders may enjoy a capital gain but interest payments received may be reinvested at lower prevailing interest rates.

Inflation risk

Noteholders may suffer erosion on the return of their investments due to inflation. Noteholders would have an anticipated rate of return based on expected inflation rates on the purchase of the Notes. An unexpected increase in inflation could reduce the actual returns.

Currency risk associated with Notes denominated in foreign currencies

CIT's revenue is generally denominated in Singapore dollars and the majority of CIT's operating expenses are generally incurred in Singapore dollars as well. As the Notes can be denominated in currencies other than Singapore dollars, CIT may be affected by fluctuations between the Singapore dollar and such foreign currencies in meeting the payment obligations under such Notes and there is no assurance that CIT may be able to fully hedge the currency risks associated with such Notes denominated in foreign currencies.

Rating of the Notes

Any rating assigned by Fitch, Moody's or Standard & Poor's to a particular Series or Tranche of Notes is based on the views of the relevant rating agency only. Future events may have a negative impact on the rating of such Notes and prospective investors should be aware that there is no assurance that ratings given will continue or that the ratings will not be reviewed, revised, suspended or withdrawn as a result of future events, unavailability of information or if, in the judgment of the relevant rating agency, circumstances so warrant. Any rating changes that may occur may have a negative impact on the market value of such Notes.

The Notes may be subject to optional redemption by the Issuer

An optional redemption feature is likely to limit the market value of Notes. During any period when the Issuer may elect to redeem Notes, the market value of such Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period. The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Notes may be issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium to their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

The Notes and the Guarantee are not secured

The Notes and Coupons of all Series constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu* without any preference or priority among themselves, and *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Issuer. The payment obligations of the Guarantor under the Guarantee and the Trust Deed constitute direct, unconditional, unsubordinated and unsecured obligations of the Guarantor and shall rank *pari passu* with all other unsecured obligations (other than subordinated obligations and priorities created by law) of the Guarantor.

Accordingly, on a winding-up or termination of the Issuer and/or CIT at any time prior to maturity of any Notes, the Noteholders will not have recourse to any specific assets of the Issuer, CIT or their respective subsidiaries and/or associated companies (if any) as security for outstanding payment or other obligations under the Notes and/or Coupons owed to the Noteholders and there can be no assurance that there would be sufficient value in the assets of the Issuer and/or CIT, after meeting all claims ranking ahead of the Notes, to discharge all outstanding payment and other obligations under the Notes and/or Coupons owed to the Noteholders.

Modification

The Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The Trustee may request the Noteholders to provide an indemnity and/or security and/or prefunding to its satisfaction before taking action on behalf of Noteholders

In certain circumstances (including giving of notice to the Issuer pursuant to Condition 9 of the Notes), the Trustee may (at its sole discretion) request Noteholders to provide an indemnity and/or security and/or prefunding to its satisfaction before it takes actions on behalf of Noteholders. The Trustee shall not be obliged to take any such actions if not indemnified and/or secured and/or prefunded to its satisfaction. Negotiating and agreeing to an indemnity and/or security and/or prefunding can be a lengthy process and may impact on when such actions can be taken.

The Trustee may not be able to take actions, notwithstanding the provision of an indemnity or security or prefunding to it, in breach of the terms of the Trust Deed and in circumstances where there is uncertainty or dispute as to the applicable laws or regulations and, to the extent permitted by the agreements and the applicable law, it will be for the Noteholders to take such actions directly.

Performance of contractual obligations by the Issuer is dependent on other parties

The ability of the Issuer to make payments in respect of the Notes may depend upon the due performance by the other parties to the Trust Deed and the Agency Agreement of their obligations thereunder including the performance by the Trustee, the Issuing and Paying Agent and/or the Agent Bank of their respective obligations. Whilst the non-performance of any relevant parties will not relieve the Issuer of its obligations to make payments in respect of the Notes, the Issuer may not, in such circumstances, be able to fulfil its obligations to the Noteholders and the Couponholders.

Variable Rate Notes may have a multiplier or other leverage factor

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

Singapore Tax Risk

The Notes to be issued from time to time under the Programme during the period from the date of this Information Memorandum to 31 December 2013 are intended to be "qualifying debt securities" for the purposes of the Income Tax Act, Chapter 134 of Singapore ("**ITA**"), subject to the fulfillment of certain conditions more particularly described in the section "Singapore Taxation". However, there is no assurance that such Notes will continue to enjoy the tax concessions should the relevant tax laws be amended or revoked at any time.

The Qualifying Debt Securities Plus Scheme ("**QDS Plus Scheme**") has also been introduced as an enhancement of the Qualifying Debt Securities Scheme. Under the QDS Plus Scheme, subject to certain qualifications and conditions, income tax exemption is granted on interest, discount income (not including discount income from secondary trading), "prepayment fee", "redemption premium" and "break cost" (as such terms are defined in the ITA) derived by any investor from qualifying debt securities (excluding Singapore Government Securities) which:

(a) are issued during the period from 16 February 2008 to 31 December 2013;

(b) have an original maturity of not less than 10 years;

(c) cannot be redeemed, called, exchanged or converted within 10 years from the date of their issue; and

(d) cannot be re-opened with a resulting tenure of less than 10 years to the original maturity date.

With respect to any tranche of the Notes issued with an original maturity of at least 10 years and which are "qualifying debt securities", there is no assurance that holders of such Notes would enjoy any tax exemption under the QDS Plus Scheme as it is currently unclear how the above requirements would be applicable in the context of certain events occurring or which may occur within 10 years from the date of issue of such Notes.

Enforcement of Guarantee

Potential investors in the Notes should note that the Guarantee is issued by the Guarantor, and not CIT, since CIT is not a legal entity. Noteholders should note that under the terms of the Guarantee, Noteholders shall only have recourse in respect of the Guarantee to the assets of CIT which the Guarantor has recourse to under the CIT Trust Deed and not to RBC Dexia Trust Services Singapore Limited ("**RBCD**") personally nor any other assets held by RBCD as trustee of any trust (other than CIT). Further, Noteholders do not have direct access to the assets of CIT but can only gain access to such assets through the Guarantor and if necessary seek to subrogate to the Guarantor's right of indemnity out of such assets, and accordingly, any claim of the Noteholders to the assets of CIT is derivative in nature. A Noteholder's right of subrogation therefore could be limited by the Guarantor's right of indemnity under the CIT Trust Deed. Noteholders should also note that such right of indemnity of the Guarantor may be limited or lost through fraud, gross negligence, wilful default, breach of trust or breach of the CIT Trust Deed.

The Notes may not be a suitable investment for all investors

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

(i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Information Memorandum or any applicable supplement;

(ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;

(iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;

(iv) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and

(v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks. Some Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

RISKS RELATING TO THE BUSINESS, FINANCIAL CONDITION AND/OR RESULTS OF OPERATIONS OF CIT

Uncertainties and instability in global market conditions could adversely affect the business, financial condition and results of operations of CIT

The global credit markets have experienced, and in light of, *inter alia,* the depressed U.S. economy and the current European sovereign debt crisis, may continue to experience, volatility, liquidity disruptions. Such events could adversely affect CIT insofar as they result in:

- a negative impact on the ability of the tenants to pay their rents in a timely manner or continuing their leases, thus reducing CIT's cash flow;
- an increase in counterparty risk; and/or
- an increased likelihood that one or more of (i) CIT's banking syndicate, (ii) banks providing bankers' guarantees for CIT's rental deposits or (iii) CIT's insurers may be unable to honour their commitments to CIT.

The properties held by CIT may be revalued downwards

There can be no assurance that CIT will not be required to make downward revaluation of the properties owned by CIT in the future. Any fall in the gross revenue or net property income earned from CIT's properties will result in downward revaluation of the properties owned by CIT. Further downward revaluations could negatively impact CIT's gearing, which in turn could trigger a default under certain loan covenants and/or impact CIT's ability to refinance its existing borrowings or its ability to secure additional borrowings.

In addition, CIT is required to measure investment properties at fair value at each balance sheet date and any change in the fair value of the investment properties is recognised in the statements of total return. The changes in fair value may have an adverse effect on CIT's financial results in the financial years where there is a significant decrease in the valuation of CIT's investment properties which will result in revaluation losses that will be charged to its statements of total return.

The borrowing limit may be exceeded if there is a downward revaluation of properties

CIT is subject to the aggregate leverage limit as defined in the Property Funds Appendix. Under the Property Funds Appendix, the aggregate leverage of a REIT may exceed 35.0% of the value of its Deposited Property (up to a maximum of 60.0%) only if a credit rating of the REIT from Fitch, Moody's or Standard & Poor's is obtained and disclosed to the public. A REIT should maintain and disclose a credit rating so long as its aggregate leverage exceeds 35.0% of its Deposited Property.

CIT is currently assigned a credit rating of "BBB-/Stable/--" by Standard & Poor's and is permitted to borrow up to a maximum of 60.0% of the value of its Deposited Property. As at 31 December 2011, CIT's aggregate leverage is approximately 33.1%.

CIT may, from time to time, require further debt financing to achieve its investment strategy. A substantial decline in the value of the Deposited Property may affect CIT's ability to make further borrowings due to the aggregate leverage limit under the Property Funds Appendix. A failure to maintain the credit rating from Fitch, Moody's or Standard & Poor's may also affect CIT's ability to make further borrowings.

Adverse business consequences of this limitation on borrowings may include:

- an inability to fund acquisitions, capital expenditure requirements, refurbishments, renovation and improvements, asset enhancement initiatives and development works in relation to the properties held by CIT;

- an inability to fund working capital requirements which may further constrain CIT's operational flexibility; and

- an inability to obtain additional debt financing or be able to obtain such financing on favourable terms.

There is no assurance that the current rating given to CIT by Standard & Poor's will be maintained or that the rating will not be reviewed, downgraded, suspended or withdrawn in the future

CIT is currently assigned a credit rating of "BBB-/Stable/--" by Standard & Poor's on 27 August 2009 and reaffirmed on 1 June 2011. The rating assigned by Standard & Poor's is based on the views of Standard & Poor's only. Future events could have a negative impact on the rating of CIT and prospective investors should be aware that there is no assurance that the rating given will continue or that the rating would not be reviewed, downgraded, suspended or withdrawn as a result of future events or judgment on the part of Standard & Poor's. A downgrade or withdrawal of the credit rating assigned by Standard & Poor's may have a negative impact on the market value of the Notes and may lead to CIT being unable to obtain future credit on terms which are as favourable as those of its existing borrowings, resulting in loans at higher interest rates.

CIT may experience limited availability of funds

CIT may require additional financing to fund working capital requirements, to support the future growth of its business and/or to refinance existing debt obligations. There can be no assurance that additional financing, either on a short-term or long-term basis, will be made available or, if available, that such financing will be obtained on terms favourable to CIT. Factors that could affect CIT's ability to procure financing include the cyclicality of the property market and market disruption risks which could adversely affect the liquidity, interest rates and the availability of funding sources. The global credit crunch also has an adverse impact on the availability and cost of funding and hence may also hinder CIT's ability to obtain additional financing.

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

CIT may, from time to time, require additional debt financing to achieve its investment strategies and to fund working capital requirements and/or to refinance existing debt obligations.

CIT's level of borrowings may represent a higher level of gearing as compared to certain other types of unit trusts, such as non-specialised collective investment schemes which invest in equities and/or fixed income instruments. This could affect CIT's ability to make timely interest payments or otherwise comply with applicable debt covenants, which may in turn affect the Issuer's ability to fulfil its payment obligations under the Notes.

CIT faces risks associated with its existing debt financing arrangements

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

As at the Latest Practicable Date, as security for payments in connection with CIT's existing borrowings, the Properties, except for Lam Soon Industrial Building, are mortgaged. If CIT is unable to meet interest or principal payments in respect of such indebtedness, the Properties or any one of them and any other assets of CIT so mortgaged, could be foreclosed by the lenders, or the lenders could require a forced sale of the Properties or any one of them, or such other assets, with a consequent loss of income and asset value to CIT. If the CIT Manager wishes to dispose of any of the Properties, it would (for so long as the properties are mortgaged) require the approval of the lenders. The need for such approval may restrict CIT's ability to freely dispose of the Properties as there is no assurance that the approval would be obtained in time or at all.

CIT was required to furnish covenants, representations and warranties in favour of the lenders, relating to, among other things, CIT, the CIT Manager, the CIT Trustee and the Properties and to indemnify the lenders in relation to any breach of such covenants, representations and warranties. In the event that the lenders, or any party entitled to enforce the covenants, representations, warranties and indemnities make a claim in respect of any of them, the assets of CIT would be used to satisfy such a claim which could have a material adverse effect on CIT.

CIT may seek to repay maturing debt with funds from additional debt or equity financings 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 the existing borrowings may have their repayment accelerated or be terminated by the lenders upon the occurrence of certain events. Even if CIT is able to refinance part of such existing debt, 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 debt. In addition, CIT may be subject to certain covenants in connection with any future borrowings that may limit or otherwise adversely affect its operations. Such covenants may also restrict CIT's ability to acquire future properties or to undertake other capital expenditures 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 its debt (such as the possible reluctance of lenders to make loans in relation to industrial properties) result in CIT having to bear higher interest rates subsequent to refinancing its debt, the interest expense relating to such refinanced indebtedness would increase, which would adversely affect CIT's cash flow. In addition, CIT may be subject to certain covenants in connection with any future borrowings that may limit or otherwise adversely affect its operations. The occurrence of such events may adversely affect the financial condition of CIT, which may in turn affect the Issuer's ability to fulfil its payment obligations under the Notes.

Additionally, a proportion of CIT's expected cash flow may be required to be dedicated to the payment of interest on its indebtedness, thereby reducing the funds available to CIT for use in its general business operations. Such indebtedness may also restrict CIT's ability to obtain additional financing for capital expenditure, acquisitions or general corporate purposes and may cause it to be vulnerable in the event of a general economic downturn.

CIT is subject to interest rate fluctuations

As at 31 December 2011, CIT has S$366.5 million of gross borrowings with staggered loan maturities of three- and five-year terms, of which approximately 87.3% of the gross borrowings are subject to fixed interest rates by way of interest rate swaps of various terms. CIT maintains part of its debts on a floating rate basis. Consequently, the interest cost to CIT for the floating interest rate debts will be subject to fluctuations in interest rates. CIT has entered into some hedging transactions to partially mitigate the risk of interest rate fluctuations. However, its hedging policy may not adequately cover CIT's exposure to interest rate fluctuations. As a result, CIT's operations or financial condition could potentially be adversely affected by interest rate fluctuations.

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

CIT invests primarily in industrial real estate which entails a higher level of risk than a portfolio which has a diverse range of investments. Real estate investments 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, which may in turn affect the Issuer's ability to fulfil its payment obligations under the Notes.

CIT's strategy to invest in industrial properties may entail a higher level of risk compared to other types of trusts that have a more diverse range of permitted investments and are spread over more diverse geographical locations

The Properties, which are used for industrial purposes, are predominantly concentrated in Singapore. The current concentration of investments in a portfolio of such industrial real estate assets in Singapore may cause CIT to be susceptible to a downturn in that industrial real estate market. This may lead to a corresponding decline in the rental income in CIT's properties and/or a decline in the capital value of such properties, either of which will have an adverse impact on the results of operations and the financial condition of CIT, which may in turn affect the Issuer's ability to fulfil its payment obligations under the Notes.

The CIT Manager may not be able to implement its investment strategy

One of the CIT Manager's future plans is to grow CIT's portfolio of industrial properties in Singapore and Asia. There can be no assurance that the CIT Manager will be able to expand CIT's portfolio at all, or at any specified rate or to any specified size. The CIT 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 (for example, by the Property Funds Appendix and various financial and restrictive covenants in CIT's loan facilities), such acquisitions will be dependent on CIT's ability to raise equity capital. 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 has been significant competition for attractive investment opportunities in particular for industrial properties both in Singapore and regionally from other real estate investors, including other industrial REITs, commercial property development companies and private investment funds. These real estate investors may include foreign or domestic companies, which may be larger in terms of assets and revenue or have greater financial resources, better quality of assets and stronger relationships with potential vendors and tenants than CIT. There can be no assurance that CIT will be able to compete effectively against such entities. CIT's failure to effectively compete against its competitors may in turn adversely affect the ability of the Issuer to fulfil its payment obligations under the Notes.

The CIT Manager may invest overseas and may be subject to associated risks

The CIT Manager may venture to invest in yield accretive properties overseas to enhance CIT's value. As part of the expansion, there may be operational and currency risks involved in overseas business.

Furthermore, real estate laws differ from country to country and CIT's business in these countries may not always enjoy the same level of legal rights or protection that it is afforded in Singapore. More stringent or onerous real estate laws may be adopted in the future in the countries where CIT may operate its business, and that may restrict CIT's ability to operate its business. The risk profile of CIT may therefore encompass the risks involved in each of the countries or businesses that CIT operates. The businesses, financial condition, performance or prospects of CIT may be adversely affected by any of such risks. Adverse economic and/or property and property-related developments locally, regionally and/or globally may also have a material adverse effect on performance of CIT.

The CIT Manager's strategy to initiate asset enhancement and/or development works on the properties held by CIT from time to time may not materialise

The CIT Manager may from time to time initiate asset enhancement and/or development works on some of the properties held by CIT at the request of existing or pre-committed tenants or to attract new tenants. There is no assurance that such plans for asset enhancement and/or development works will materialise, or in the event that they do materialise and such asset enhancement and/or development works are completed, they will be able to achieve their desired results as such properties may still be unable to attract new tenants or retain existing tenants or pre-committed tenants may default on their pre-commitment obligations, and significant costs may have been incurred by CIT in the course of such asset enhancement and/or development works. This may adversely affect the financial condition of CIT, which may in turn affect the Issuer's ability to fulfil its payment obligations under the Notes.

CIT may not be able to control or exercise any influence over entities in which it has minority interests or over the management of strata sub-divided properties in which it owns strata lots

CIT may, in the course of future acquisitions, acquire minority interests in real estate-related investment entities ("**Other Investment Entities**"). CIT currently owns and may also in future acquire strata lots in strata sub-divided properties ("**Strata Sub-divided Properties**"). There can be no assurance that CIT will be able to (i) control such Other Investment Entities or exercise any influence over the assets of such entities or their distributions to CIT or (ii) control or exercise any influence over the management of the Strata Sub-divided Properties, depending on the share value of the strata lots owned by CIT. Furthermore, the Other Investment Entities may also develop objectives which are different from those of CIT and not be able to make distributions. The management of such Other Investment Entities and Strata Sub-divided Properties may make decisions regarding such entities or properties they control which may in turn adversely affect the operations of CIT, which may in turn affect the Issuer's ability to fulfil its payment obligations under the Notes.

CIT may be involved in legal and other proceedings from time to time

CIT may be involved from time to time in disputes with various parties such as contractors, sub-contractors, consultants, suppliers, construction companies, purchasers and other partners involved in the asset enhancement, operation and purchase of the properties held by CIT. These disputes may lead to legal and other proceedings, and may cause CIT to suffer additional costs and delays. In the event that such proceedings are resolved in favour of other parties against CIT, there may be an adverse impact on CIT's financial condition and results of operations, which may in turn affect the Issuer's ability to fulfil its payment obligations under the Notes.

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 CIT Manager's senior management team and certain key senior personnel. These key personnel may leave the CIT Manager or compete with it and CIT. The loss of any of these individuals, or of one or more of the CIT Manager's other key employees, could have a material adverse effect on CIT's results of operations and financial condition, which may in turn affect the Issuer's ability to fulfil its payment obligations under the Notes.

CIT's properties and operation may be affected or damaged by acts of terrorism and other acts of violence or war and adverse political developments

The development of terrorist activities (such as the terrorist attacks in the United States in 2001, subsequent attacks in Mumbai, India in 2008 and the attack in Baghdad, Iraq in February 2010), acts of violence or war and adverse political developments could materially and adversely affect international financial markets and the Singapore economy. 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.

Outbreak of infectious disease or any other serious public health concerns in Singapore and elsewhere could adversely impact CIT's financial condition, business and results of operation

The outbreak of infectious disease such as the avian influenza and severe acute respiratory syndrome in Singapore and elsewhere, together with any resulting restrictions on travel and/or imposition of quarantines, could have a negative impact on the economy and business activities in Singapore and could thereby adversely impact the revenues and results of operations of CIT. A future outbreak of an infectious disease or any other serious public health concern in Singapore could seriously harm CIT's business.

If the Capital Markets Services Licence of the CIT Manager is cancelled or not renewed by MAS, the operations of CIT may be adversely affected

The Capital Markets Services ("**CMS**") Licence issued to the CIT Manager is subject to certain conditions. If the CMS Licence of the CIT Manager is cancelled or revoked by MAS, CIT will need to expend time and resources searching for a replacement, and accordingly the operations of CIT may be adversely affected, which may in turn affect the Issuer's ability to fulfil its payment obligations under the Notes.

RISKS RELATING TO THE PROPERTIES OF CIT

CIT is exposed to general risks associated with the ownership and management of real estate

Property investment is subject to risks incidental to the ownership and management of industrial properties including, among other things, competition for tenants, changes in market rent, inability to renew leases or re-let space as existing leases expire, inability to collect rent from tenants due to bankruptcy or insolvency of tenants or otherwise, inability to dispose of major investment properties for the values at which they are recorded in CIT's financial statements, increased operating costs, the need to renovate, repair and re-let space periodically, wars, terrorist attacks, riots, civil commotions, natural disasters and other events beyond CIT's control. The activities of CIT may also be impacted by 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 laws relating to building standards or town planning laws, or the enactment of new laws relating to government appropriation, condemnation and redevelopment.

The Properties are located in Singapore and are therefore exposed to the economic and real estate conditions in Singapore

The Properties are mainly located in Singapore which exposes CIT to the risk of a prolonged downturn in economic and real estate conditions in Singapore. A decline in Singapore's economy could adversely affect CIT's results of operations and future growth. The performance of CIT may also be adversely affected by a number of local real estate market conditions, such as the competitiveness of competing industrial properties or an oversupply of industrial properties or reduced demand for industrial properties. The occurrence of any such adverse events may adversely affect the financial condition of CIT, which may in turn affect the Issuer's ability to fulfil its payment obligations under the Notes.

The properties held by CIT may face competition from other properties

There are many existing and new industrial properties in Singapore that compete with CIT's properties in attracting and retaining tenants. Whenever competing properties in the vicinity of properties held by CIT are developed or substantially upgraded and refurbished, the attractiveness of such properties may be affected. The properties held by CIT will also compete with properties that may be developed in the future which may adversely affect the demand and rental rates for space in CIT's properties and consequently the financial condition and results of operations of CIT, which may in turn affect the availability of cash flows and the Issuer's ability to fulfil its payment obligations under the Notes.

Factors that affect the ability of industrial properties to attract or retain tenants include connectivity through proximity to strategic infrastructure amenities and major highways. The income from, and market value of, CIT's properties will be largely dependent on the ability of CIT's properties to compete with other industrial properties in the relevant localities in attracting and retaining tenants. Historical operating results and the market values of the Properties may not be indicative of future operating results and market values of CIT's properties.

The revenue stream and the value of CIT's properties may be adversely affected by a number of factors

The revenue stream and the value of CIT's properties may be adversely affected by a number of factors which include:

(i) vacancies following expiry or termination of leases or licences that lead to lower occupancy rates which in turn reduce CIT's revenue and its ability to recover certain operating costs such as government rates (including property and other taxes), government rents, utility charges and other charges payable by the tenants and licensees;

(ii) the CIT Manager's ability to collect rent or licence fees from tenants and licensees on a timely basis or at all;

(iii) the amount and extent to which CIT is required to grant rebates to tenants, due to market pressure;

(iv) tenants seeking the protection of bankruptcy laws which could result in delays in the receipt of rent payments, inability to collect rental income 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;

(v) 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;

(vi) 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 compulsory acquisitions or release of land and changes in market rental rates and operating expenses for the properties held by CIT);

(vii) the CIT Manager's ability to provide adequate management and maintenance services and insurance;

(viii) tenants or sub-tenants failing to comply with the terms of their leases or sub-leases;

(ix) 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;

(x) competition for tenants from other similar properties which may affect rental or occupancy rates of the properties held by CIT;

(xi) changes in laws and governmental regulations in relation to real estate, including those governing usage, zoning, taxes and governmental charges. Such revisions may lead to an increase in management expenses or unforeseen capital expenditure to ensure compliance. Rights relating 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 government appropriation, contamination and redevelopment;

(xii) acts of God, wars, terrorist attacks, riots, civil commotions, widespread communicable diseases, natural disasters and other events beyond the control of the CIT Manager; and

(xiii) defects affecting any of the properties held by CIT which could affect the operations of tenants resulting in the inability of such tenants to make timely payments of rent or at all.

The properties held by CIT may be subject to increases in operating and other expenses

CIT's net income 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:

(i) increases in property taxes and other statutory charges;

(ii) changes in direct or indirect tax policies;

(iii) changes in statutory laws, regulations or government policies which increase the cost of compliance with such laws, regulations or policies;

(iv) increases in sub-contracted service costs;

(v) increases in agent commission expenses for procuring new tenants;

(vi) increases in the rate of inflation;

(vii) increases in insurance premiums;

(viii) increases in the amount of maintenance and sinking fund contributions payable to the management corporations of its properties;

(ix) increases in repair and maintenance costs;

(x) defects affecting any of the properties held by CIT which need to be rectified, leading to unforeseen capital expenditure; and

(xi) increases in costs of utilities.

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

While the CIT 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 such properties will not have certain defects or deficiencies requiring repair or maintenance (including design, construction or other latent property or equipment defects in the Properties which may require additional capital expenditure, special repair or maintenance expenses) other than those which have been previously disclosed or disclosed in this Information Memorandum. Such undisclosed defects or deficiencies may require significant capital expenditures or obligations to third parties and involve significant and unpredictable patterns and levels of expenditure which may have a material adverse effect on CIT's earnings and cash flows. This may in turn affect the Issuer's ability to fulfil its payment obligations under the Notes.

Any experts' reports that the CIT Manager relies on as part of its due diligence investigations of the Properties and for any future acquisitions may be subject to inaccuracies and deficiencies. This may be because certain building defects and deficiencies are difficult or impossible to ascertain due to limitations inherent in the scope of the inspections, the technologies or techniques used and other factors.

Notwithstanding the due diligence investigations which have been carried out on CIT's properties, some of CIT's properties may still not be in compliance with certain laws and regulations. CIT may incur financial or other obligations in relation to such breaches or non-compliance, and this may in turn affect the Issuer's ability to fulfil its payment obligations under the Notes.

The representations, warranties and indemnities granted in favour of CIT by the vendors of CIT's properties may be subject to limitations as to their scope and as to the amount and timing of claims which can be made, and further, the time frame for claims as a result of a breach in the representations, warranties and indemnities granted in favour of CIT by the vendors of CIT's properties might have expired. There is no assurance that CIT would be entitled to be reimbursed under such representations, warranties and indemnities for any losses or liabilities suffered or incurred by it as a result of its acquisition of these properties, and this may in turn affect the Issuer's ability to fulfil its payment obligations under the Notes.

The loss of anchor tenants, sub-tenants and licencees could directly or indirectly reduce the cash flow of CIT

CIT is directly dependent upon the anchor tenants, sub-tenants and licensees of CIT's properties for the revenue from the properties. CIT is therefore subject to the risk of default on rental payments and negotiation of reduced rent by the anchor tenants, sub-tenants and licensees and non-renewal, non-replacement or early termination of the underlying tenancies in the event that these anchor tenants, sub-tenants and licensees become bankrupt or insolvent, suffer a downturn in business, prematurely terminate their leases, do not renew their leases at expiry, or reduce their leased space in CIT's properties. The business of anchor tenants, sub-tenants and licensees may be adversely affected by external factors such as acts of Gods, terrorists' attacks, riots, civil commotions, widespread communicable diseases or other events beyond the control of the CIT Manager in Singapore or in countries overseas where the anchor tenants, sub-tenants and licensees may have business dealings in. In the event that the tenancies are terminated, there is no guarantee that replacement anchor tenants, sub-tenants and licensees on satisfactory terms may be found in a timely manner or at all.

The loss of one or more of the anchor tenants, sub-tenants and licensees of CIT's properties could result in periods of vacancy which could adversely affect CIT's income. In addition, the amount of rent and the terms of new leases entered into with replacement anchor tenants, sub-tenants and licensees or renewal leases entered into with current tenants and licensees may be less favourable than the existing leases. This would adversely affect CIT's operating results and its ability to generate revenue, which may in turn affect the Issuer's ability to fulfil its payment obligations under the Notes.

The Properties are held pursuant to leases from JTC and HDB and/or the President of Singapore, and these land leases contain certain provisions that may have an adverse effect on CIT's financial condition and results of operations

Except for the strata units in the Lam Soon Industrial Building which are held under a freehold title, the CIT Trustee, on behalf of CIT, owns the Properties pursuant to land leases from JTC, HDB and/or the President of Singapore. Each of the Properties which is held under a lease from JTC contains certain standard terms and conditions ordinarily found in building agreements or agreements for lease entered into or leases granted by JTC requiring the lessee:

(i) to pay a yearly rent to JTC;

(ii) 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 relevant property without first obtaining JTC's prior written consent; and

(iii) not to use or permit the relevant property to be used other than for such purposes as approved by JTC.

Each of the Properties which is held under a lease from HDB contains certain standard terms and conditions requiring the lessee:

(i) to pay yearly rent to HDB;

(ii) not to demise, transfer, assign, mortgage, let, sublet or underlet or licence or part with possession of the relevant 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; and

(iii) not to use or permit the relevant property to be used other than for such purposes as approved by HDB.

Each of the Properties which is held under a lease from the President of Singapore contains certain terms and conditions, several of the more material and pertinent ones of which include:

(i) preventing the lessee, without the written approval of the lessor, from using or permitting the relevant property to be used otherwise than as permitted by the terms of the lease from the President of Singapore or in accordance with approval obtained from the lessor and the competent planning authority;

(ii) granting the lessor the right of re-entry if the lessee fails to perform or observe any of the terms and conditions of the lease from the President of Singapore. Upon re-entry, the term of the lease from the President of Singapore will cease without prejudice to any right of action or other remedy that the lessor may have; and

(iii) requiring the lessee to surrender to the Government of Singapore, without compensation, such portions of the relevant 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.

Compliance with the terms of such leases may restrict CIT's ability to respond to changing real estate market conditions, re-let a property to different tenants or perform asset enhancements. In addition, any current or future breaches of its land leases may require rectification. These restrictions may have an adverse effect on CIT's financial condition and results of operations, which may in turn affect the ability of the Issuer to fulfil its payment obligations under the Notes.

JTC has announced that all new leases from JTC as well as transfers of JTC properties by owners should give JTC the right to buy the relevant property should the owner decide to sell the property in the future

In order to facilitate overall land use planning and development needs in Singapore, JTC has announced that all new leases from JTC as well as transfers/assignments and lease renewals of JTC properties by owners should give JTC the right to buy the relevant property should the owner decide to sell the property in the future (excluding sale and lease-back transactions and mortgagee sales). According to the announcement, the reason behind this policy is that land in Singapore is scarce and the constant rejuvenation of land use is essential to optimise land use in Singapore. There is currently no certainty or clarity as to how JTC will implement this policy, which may have an impact on CIT's ability to acquire properties or dispose of its properties.

CIT may not be able to extend the terms of the underlying land leases of certain of the properties held by CIT which contain options to renew

The underlying leases of certain of the properties held by CIT contain a covenant by the relevant lessor thereof to grant a further term following the expiry of the current lease term subject to the satisfaction of certain conditions, such as there being no breach of any terms and conditions of the underlying leases and that certain fixed investment criteria in respect of these properties are fulfilled.

While CIT had, where applicable, required the then vendors, at the time of the acquisition of the relevant properties held by CIT to provide written confirmation of the relevant head lessor (namely, JTC or HDB, as the case may be) that the pertinent fixed investment criteria had been fulfilled, there can be no assurance that such conditions for extension have been or will be satisfied or that CIT's tenants while in occupation of the premises have not been or will not be in breach of the terms and conditions of the underlying leases or that any such breach has been or will be rectified in time or at all.

If CIT for whatever reason is not able to extend the lease term of the underlying leases of any of such properties held by CIT, CIT may have to surrender such property to its lessor upon expiry of the original lease term. The value of the properties held by CIT, may be substantially reduced upon such surrender. Any potential income expected after the expiry of the original lease term will not be realised. In addition, CIT may be required to incur substantial amounts of money to reinstate a property to a state and condition acceptable to the relevant lessor.

CIT's 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, among other factors:

(a) 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 publication in the Government Gazette); or

(b) 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 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 revenue of CIT and the value of the properties held by CIT.

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 revenue of CIT and the value of such properties.

Certain CIT's properties are affected by such compulsory acquisition. Please refer to "Cambridge Industrial Trust – Property Statistics and Details – Properties Affected by Compulsory Acquisition" for more details. In addition to the above, SLA may acquire other properties belonging to CIT, including all or any part of the Affected Properties (as defined below) which are currently not the subject of compulsory acquisition by SLA.

The sub-tenancies in respect of the Properties with existing sub-tenants may not have been properly approved by or notified to JTC and/or HDB

Some of the Properties are sub-tenanted by the anchor tenants. These anchor tenants may sub-let parts of the properties to third parties. Some of the sub-tenancies in respect of these properties may not have been approved by or notified to, as the case may be, JTC under the relevant JTC lease or HDB under the relevant HDB lease or any other head lessor, or where approval is necessary and has been obtained, the terms of the approval (including duration of sub-tenancy, term of sub-tenancy and permitted use) may not reflect the actual terms of the sub-tenancy (including the duration and term of the sub-tenancy or the permitted use under such sub-tenancy). This may be a breach of the respective JTC lease or HDB lease or lease with any head lessor, which may give rise, *inter alia*, to a right of re-entry by the head lessor.

Arising from the recent changes in JTC sub-letting policies where JTC requires a minimum of 50% of GFA to be occupied by approved anchor tenant(s) with effect from 1 January 2012, there may be a potential risk that the sub-tenancies in respect of CIT's properties with existing anchor tenant(s) and/or subtenants not being in compliance.

Any breach of JTC leases, HDB leases or any other head lease or non-compliance with JTC sub-letting polices could result in significant financial loss and adversely affect CIT's financial condition and results of operations, which may in turn affect the Issuer's ability to fulfil its payment obligations under the Notes.

Amenities and transportation infrastructure near the CIT properties may be closed, relocated or terminated, or the commencement of their operations may be delayed

The proximity of amenities and transportation infrastructure such as train stations and bus interchanges to the properties held by CIT influence the demand for and hence the occupancy of the properties.

There is no assurance that the amenities, transportation infrastructure and shuttle services near the properties held by CIT will not be closed, relocated, terminated in the future, or the commencement of their operations will not be delayed. If such an event were to occur, it would adversely impact the accessibility of the affected properties and their attractiveness and marketability to tenants. This may have a negative impact on their occupancy rates and may consequently affect CIT's financial condition and results of operations.

CIT may be involved in boundary disputes and there may be encroachment by, or affecting, CIT's properties

CIT may be involved in boundary disputes which may cause difficulties in future dispositions of the land or unexpected costs or losses including, but not limited to, the loss of part of the area of the land or liability for damages arising in relation to such properties. Some of the Properties are encroaching on, or being encroached upon, by the adjoining properties. Such encroachment by, or affecting, CIT's properties may restrict the use of the land or lead to claims from neighbours and may adversely affect CIT's rental income and cause additional expense to be incurred by CIT in the removal of the encroachment or reinstatement of the relevant land. These risks may have an adverse effect on CIT's financial condition and results of operations, which may in turn affect the Issuer's ability to fulfil its payment obligations under the Notes.

CIT is exposed to general risks associated with the development and asset enhancement works on CIT's properties

From time to time, CIT carries out development and asset enhancement works on some of CIT's properties, including building and property fitting-out works, alterations and additions, interior decoration, installation of air-conditioning units and lifts, and gardening and landscaping works. These projects may be subject to delays in completion or cost overruns beyond project estimates due to several factors, including disputes with the contractors and suppliers, industrial accidents, work stoppages arising from accidents at the worksite, and shortages of labour, equipment and construction materials. Such delays and cost overruns could have an adverse effect on CIT's financial condition and results of operations.

CIT has entered into, and may in the future enter into, arrangements to develop BTS facilities. Please refer to the section "Cambridge Industrial Trust – Property Statistics and Details – Properties and Property Types – Built-To-Suit Projects" for details of these arrangements. Construction of new developments entails significant risks, including shortages of materials or skilled labour, unforeseen engineering, environmental or geological problems, work stoppages, litigation, weather interference, floods and unforeseen cost increases, any of which could give rise to delayed completions or cost overruns. Difficulties in obtaining any requisite licenses, permits, allocations or authorisations from regulatory authorities could also increase the cost, or delay the construction or opening of, new developments. All of these factors may affect CIT's business, financial condition and results of operations.

CIT relies on third parties to provide various services

CIT engages, or will engage, and relies, or will rely, on third-party contractors to carry out the development and asset enhancement works, in addition to providing various services in connection with the day-to-day operation of CIT's properties, CIT is exposed to the risk that a third-party contractor may cause a delay in project completion or incur costs in excess of project estimates. This may in turn result in excess costs which may have to be borne by CIT in order to complete the project in a timely manner.

Major third-party contractors may experience financial or other difficulties which may affect their ability to carry out construction or related works, thus increasing the risk of delaying the completion of development projects, or the inability to continue with the project, resulting in additional costs to CIT as CIT will need to engage other third-party contractors to complete the remaining works.

There can also be no assurance that the services rendered by the third-party contractors will always be satisfactory, adequately covered by insurances or match CIT's targeted quality levels. All of these factors could adversely affect CIT's business, financial condition and results of operation.

Renovation or redevelopment works or physical damage to CIT's properties may disrupt the operations of such properties and collection of rental income or otherwise have an adverse effect on the financial condition of CIT

The quality and design of CIT's properties have a direct influence on the demand for space in, and the rental rates of such properties. CIT's properties may need to undergo renovation or redevelopment works from time to time to retain their competitiveness and may also require unforeseen *ad hoc* maintenance or repairs in respect of faults or problems that may develop from time to time or because of new planning laws, regulations or building codes. The costs of maintaining industrial properties and the risk of unforeseen maintenance or repair requirements tend to increase over time as the building ages. In addition, some of the older properties held by CIT may be required to undergo regularisation exercises to comply with updated building codes. The business and operations of CIT's properties may suffer some disruption and it may not be possible to collect the full or any rental income on space affected by such renovation, redevelopment works, maintenance or repairs. This may adversely affect the financial condition of CIT, and in turn affect the Issuer's ability to fulfil its payment obligations under the Notes.

In addition, physical damage to any of the properties held by CIT resulting from fire or other causes may lead to a significant disruption to the business and operation of such properties and, together with the foregoing, may cause significant losses of rental income and result in an adverse impact on the financial condition and results of operations of CIT, which may in turn affect the Issuer's ability to fulfil its payment obligations under the Notes.

CIT may suffer material losses in excess of insurance proceeds

CIT maintains insurance policies covering its real properties in line with general business practices in the real estate industry, with policy specifications and insured limits which CIT believes are adequate. Risks insured against include industrial special risk which covers buildings from physical loss, damage and destruction and their consequential loss arising from business interruption, terrorism and public liability. The properties held by CIT may suffer physical damage caused by fire, natural disaster or other causes, or CIT may suffer public liability claims and loss of rent from the inability to use such properties, resulting in losses which may not be fully compensated by insurance proceeds.

In addition, certain types of risk (such as war risk, terrorism and losses caused by 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 for a period of time until the property is fit for occupation and this would have an adverse effect on the revenue of CIT and the value of the CIT's properties, which may in turn affect the Issuer's ability to fulfil its payment obligations under the Notes.

Major natural catastrophes may materially disrupt and adversely affect the business and operations of the properties held by CIT

Severe weather conditions and natural disasters such as earthquakes and floods may affect the operations of the properties held by CIT. These events may cause substantial structural and physical damage to the properties held by CIT, resulting in expenses to repair the damage caused. The environmental conditions may also cause disruptions, affect investments and result in various other adverse effects on the relevant economies in general. This could materially and adversely affect CIT's business, financial condition and results of operations, which may in turn affect the Issuer's ability to fulfil its payment obligations under the Notes.

The properties held by CIT are subject to environmental regulations and may be affected by contamination and other environmental issues

The properties held 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. This gives rise to a number of risks including:

- the risk of prosecution by relevant authorities;
- the requirement for unbudgeted additional expenditure to remedy such issues; and
- the adverse impact on the business operations and financial position of tenants arising from the above, affecting their ability to trade and meet their tenancy obligations.

The factors above could have an adverse impact on CIT's financial condition and results of operations, which may in turn affect the Issuer's ability to fulfil its payment obligations under the Notes.

CIT's properties might be adversely affected if the CIT Manager or the Property Manager do not provide adequate management and maintenance services

Should the CIT Manager or the Property Manager fail to provide adequate management and maintenance services, the value of CIT's properties might be adversely affected and this may result in a loss of end-users, which in turn affects the tenants' ability to pay their rent, and which will adversely affect the cash flow of CIT and this may in turn affect the Issuer's ability to make payments under the Notes.

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 MAS or any other relevant authority will not introduce new legislation, regulations, guidelines or directions which would adversely affect REITs generally or CIT specifically.

THE ISSUER
CAMBRIDGE-MTN PTE. LTD.

1. HISTORY AND BUSINESS

Cambridge-MTN Pte. Ltd. was incorporated under the Companies Act on 2 February 2012. It is a wholly-owned subsidiary of the CIT Trustee.

Its principal activities are the provision of financial and treasury services for and on behalf of CIT. Since its incorporation, Cambridge-MTN Pte. Ltd. has not engaged in any material activities other than the establishment of the MTN Programme, the proposed issue of the Notes under the Programme and the authorisation of documents and agreements referred to in this Information Memorandum to which it is or will be a party.

The registered office of Cambridge-MTN Pte. Ltd. is at 61 Robinson Road, #12-01 Robinson Centre, Singapore 068893.

2. SHAREHOLDING AND CAPITAL

The issued share capital of Cambridge-MTN Pte. Ltd. is one ordinary share of S$1. The issued ordinary share in the capital of Cambridge-MTN Pte. Ltd. is held by the Guarantor.

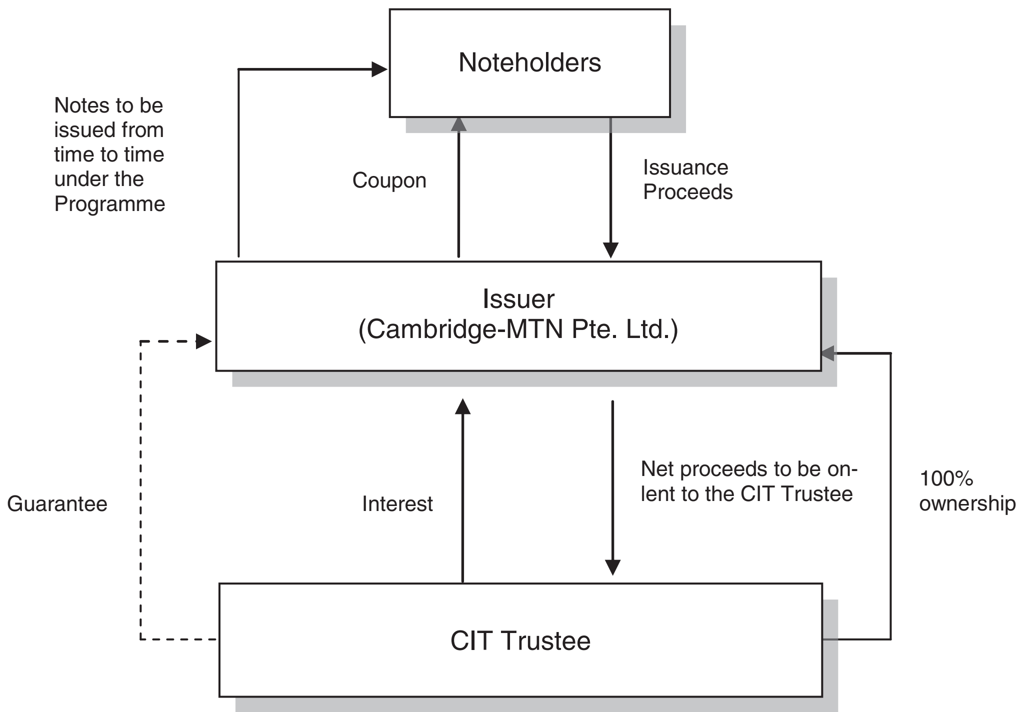
Cambridge-MTN Pte. Ltd. has no borrowings, indebtedness in the nature of borrowings, loan capital outstanding or created but unissued (including term loans), guarantees or material contingent liabilities.

3. DIRECTORS

The Directors of Cambridge-MTN Pte. Ltd. are:

Name	Designation in the CIT Manager
Dr Chua Yong Hai	Independent Chairman
Mr Christopher Dale Calvert	Chief Executive Officer (“**CEO**”) and Executive Director

4. ISSUANCE STRUCTURE UNDER THE PROGRAMME



CAMBRIDGE INDUSTRIAL TRUST

1. HISTORY AND BACKGROUND

CIT is a Singapore-based industrial REIT, principally investing directly or indirectly in income-producing real estate and real estate related assets in Singapore used primarily for industrial, warehousing and logistics purposes.

CIT was constituted on 31 March 2006 under a trust deed (as amended), entered into between the CIT Manager and the CIT Trustee. CIT was officially listed on the Main Board of the SGX-ST on 25 July 2006 (the "**Listing Date**") and has a market capitalisation of S$606.5 million as at the Latest Practicable Date.

Since the Listing Date, CIT has grown its initial portfolio of 27 properties to a portfolio comprising 45 properties and two BTS projects at a total book value of S$1,027.2 million as at 31 December 2011. The Properties serve tenants in diverse trade sectors covering the logistics, warehousing, industrial, car showroom, car workshop, light industrial and self storage with warehousing. Many of these Properties are located in close proximity to strategic infrastructure amenities, public transportation and major highways within Singapore. As at 31 December 2011, the Properties comprised approximately 657,777 sq m of net lettable area, leased to 161 tenants.

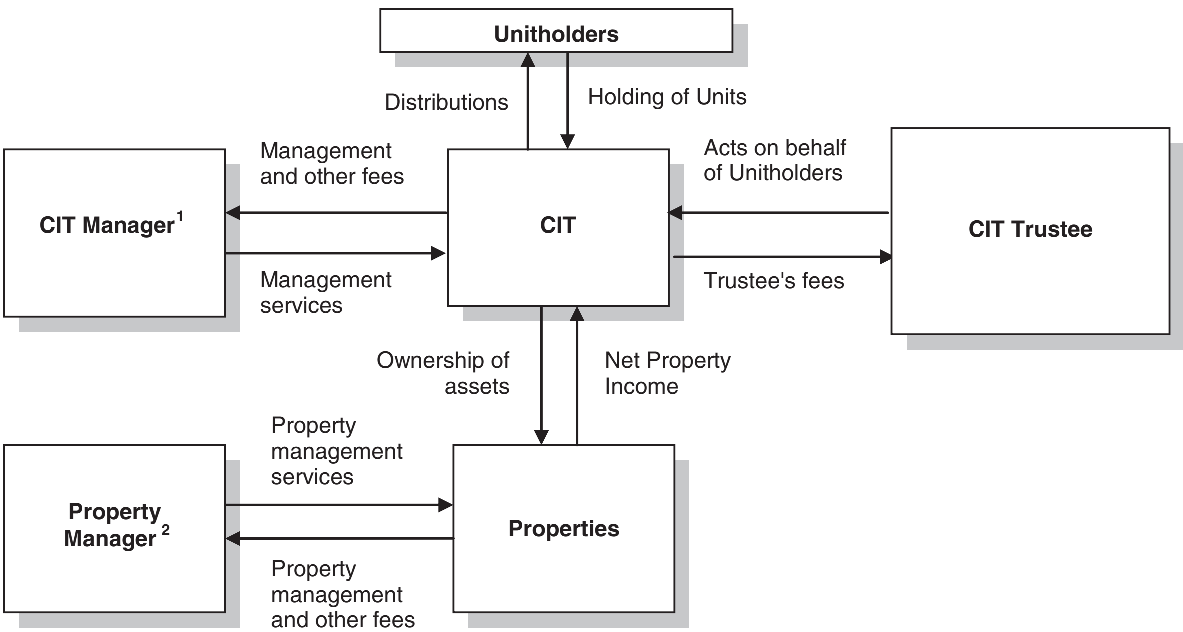
CIT has a credit rating of "BBB-/Stable/--" which was assigned by Standard & Poor's on 27 August 2009 and reaffirmed on 1 June 2011.

2. STRUCTURE OF CIT

As the manager of CIT, the CIT Manager has general powers of management over the assets of CIT. The CIT Manager's main responsibility is to manage CIT's assets and liabilities for the benefit of the Unitholders. The CIT Manager will set the strategic direction of CIT and give recommendations to the CIT Trustee on the acquisition, property development, divestment and/or enhancement of assets of CIT in accordance with its stated investment strategy.

The Property Manager is responsible for providing property management, lease management, project management, marketing and administration of property tax services for the properties held by CIT.

The following diagram illustrates the relationships between CIT, the CIT Manager, the Property Manager, the CIT Trustee and the Unitholders as at the Latest Practicable Date:



[1] As at the Latest Practicable Date, the shareholders of the CIT Manager are Mitsui & Co., Ltd (holding a 20% interest in the CIT Manager) and NIOS (holding the remaining 80% interest in the CIT Manager through its wholly-owned subsidiary, Cambridge Real Estate Investment Management Pte. Ltd. ("**CREIMPL**")).

[2] As at the Latest Practicable Date, the shareholder of the Property Manager is NIOS (holding the entire issued share capital of the Property Manager through CREIMPL).

Management of the CIT Manager

The key management of the CIT Manager as at the Latest Practicable Date comprises the following:

Name	Designation
Mr Christopher Dale Calvert	Executive Director and Chief Executive Officer
Mr David Graham Mason	Chief Financial Officer ("**CFO**")
Ms Nancy Tan	Head of Real Estate
Ms Cindy Seetoh	Compliance Manager

Experience and Expertise of the CIT Manager's Management

The CIT Manager's management team has extensive experience in finance, fund management, compliance, asset management and property management. Information on the working experience of the key management team as at the Latest Practicable Date is set out below:

Christopher Dale Calvert
Chief Executive Officer and Executive Director

Please see section titled "The CIT Manager - Experience and Expertise of the Board of Directors" for details.

David Graham Mason
Chief Financial Officer

Mr Mason joined the CIT Manager in July 2010 as CFO. The CFO reports to the CEO and oversees the Finance and Corporate Services departments for CIT. He is responsible for the financial performance of CIT and for ensuring key performance indicators are achieved for the effective management of CIT. In addition, the CFO is responsible for the preparation of regular performance reports for investors and regulators.

Prior to joining the CIT Manager, Mr Mason was a Financial Consultant to YTL Starhill Global REIT Management Limited, advising on various projects and other financial matters of Starhill Global REIT (formerly known as Macquarie Prime REIT). He was also the Senior Vice President, Finance & Accounting of Starhill Global REIT and has over 10 years experience in the REIT sector in Singapore and Australia.

Mr Mason holds a Bachelor of Accounting (Honours) from Birmingham City University and is a Chartered Accountant. He is a member of the Institute of Chartered Accountants in England & Wales and the Institute of Chartered Accountants in Australia. He is also a director on the Board of Directors of Asia Pacific Real Estate Association ("**APREA**").

Nancy Tan
Head of Real Estate

Ms Tan joined the CIT Manager in February 2009 and was appointed as the Head of Real Estate in February 2011. The Head of Real Estate reports to the CEO and formulates strategic plans to maximise the returns of the CIT's assets. She oversees the asset management, investment and property management departments for CIT. She has over 20 years of experience in the real estate and asset management industry.

Prior to joining the CIT Manager, Ms Tan was the Fund Manager of MacarthurCook Industrial REIT, where she assisted in expanding the value of the portfolio from 12 to 21 properties and to approximately S$555.4 million in value. She also held management positions in a number of established real estate firms, including Far East Organisation and City Developments Limited.

Ms Tan holds a Bachelor of Science (Estate Management) from the National University of Singapore and a Graduate Diploma in Marketing from the Marketing Institute of Singapore.

Cindy Seetoh
Compliance Manager

Ms Seetoh joined the CIT Manager in June 2010 as the Compliance Manager. The Compliance Manager reports to the CEO and is responsible for all internal and external compliance processes for the CIT Manager. She is also the liaison for corporate secretarial matters. Ms Seetoh has more than six years of professional experience in compliance.

Prior to joining the CIT Manager, Ms Seetoh was the Head of Compliance and Financial Crime Prevention of Newedge Financial Singapore Pte. Ltd., where she oversaw all compliance and financial crime prevention related matters.

Ms Seetoh holds a Bachelor of Business and Commerce from Monash University, Melbourne and is a member of the Golden Key International Honour Society.

Roles and Responsibilities of the CIT Manager

The CIT Manager has general powers of management over the assets of CIT. The CIT Manager's main responsibility is to manage CIT's assets and liabilities for the benefit of Unitholders.

The main functions and responsibilities of the CIT Manager are as follows:

- *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 CIT Trustee on the acquisition or sale of properties;

- *Planning and reporting.* Make periodic property business 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, including the Listing Manual, the CIS Code (including the Property Funds Appendix), the CIT Trust Deed and the Capital Markets Services Licence;

- *Accounting.* Maintain financial records and prepare or cause to be prepared financial accounts and annual reports; and

- *Property Management Supervision*. Supervising the execution of works by the Property Manager.

The CIT Manager will set the strategic direction of CIT and provide recommendations to the CIT Trustee on the acquisition, divestment or enhancement of assets of CIT in accordance with its stated principal investment strategy.

The CIT Manager has covenanted in the CIT Trust Deed to use its best endeavours to carry on and conduct its own business and the business of CIT in a proper and efficient manner and to conduct all transactions with or for CIT at arm's length.

Further, the CIT Manager prepares asset management plans on an annual basis with a review every six months, 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 CIT Manager may require the CIT Trustee to borrow on behalf of CIT (upon such terms and conditions as the CIT Manager deems fit, including the charging or mortgaging of all or any part of the Deposited Properties) whenever the CIT 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. However, the CIT Manager must not direct the CIT Trustee to incur a borrowing if to do so would mean that CIT's total borrowings and deferred payments exceed the limit stipulated by MAS based on the value of its Deposited Property at the time of the borrowing is incurred, taking into account deferred payments (including deferred payments for assets whether to be settled in cash or in Units).

In the absence of fraud, gross negligence, wilful default or breach of the CIT Trust Deed by the CIT Manager, the CIT Manager 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 CIT Trust Deed. In addition, the CIT 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 CIT 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 CIT Trust Deed by the CIT Manager.

The CIT Manager manages CIT and performs its duties and obligations under the CIT Trust Deed.

Retirement and Removal of the CIT Manager

The CIT Manager shall have the power to retire in favour of a corporation approved by the CIT Trustee to act as the manager of CIT.

Also, the CIT Manager may be removed by notice given in writing by the CIT Trustee if:

- the CIT Manager goes into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the CIT Trustee) or a receiver is appointed over its assets or a judicial manager is appointed in respect of the CIT Manager;

- the CIT Manager ceases to carry on business;

- the CIT Manager fails or neglects after reasonable notice from the CIT Trustee to carry out or satisfy any material obligation imposed on the CIT Manager by the CIT 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 CIT Trust Deed, shall so decide;

- for good and sufficient reason, the CIT Trustee is of the opinion, and states so in writing, that a change of the CIT Manager is desirable in the interests of the Unitholders;

- the MAS directs the CIT Trustee to remove the CIT 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 CIT Manager under the Property Funds Appendix.

Where the CIT Manager is removed on the basis that a change of the CIT Manager is desirable in the interests of the Unitholders, the CIT Manager has a right under the CIT Trust Deed to refer the matter to arbitration. Any decision made pursuant to such arbitration proceedings is binding upon the CIT Manager, the CIT Trustee and all Unitholders.

Management of the Property Manager

The key management of the Property Manager as at the Latest Practicable Date comprises the following:

Name	Designation
Mr Christopher Dale Calvert	Chief Executive Officer
Mr David Graham Mason	Chief Financial Officer
Ms Nancy Tan	Head of Real Estate
Mr Michael Long	Development Manager

Experience and Expertise of the Property Manager's Management

The Property Manager's management team shares the same structure and functions in a similar manner as the CIT Manager's management team.

As the Head of Real Estate, Ms Nancy Tan oversees the operations of the Property Manager and reports to the CEO of the CIT Manager and the Board of Directors of the Property Manager. The CEO of the CIT Manager provides operational control over the activities and the staff of the Property Manager, subject to the constraints imposed by the Property Manager's Board of Directors. Mr Michael Long, as the Development Manager, oversees the property development activities of CIT while Mr David Graham Mason oversees the finance and accounting of the Property Manager.

Information on the working experience of the key management team as at the Latest Practicable Date is set out below:

Christopher Dale Calvert
Chief Executive Officer

Please see section titled "Cambridge Industrial Trust – Structure of CIT - Experience and Expertise of the CIT Manager's Management" for details.

David Graham Mason
Chief Financial Officer

Please see section titled "Cambridge Industrial Trust – Structure of CIT - Experience and Expertise of the CIT Manager's Management" for details.

Nancy Tan
Head of Real Estate

Please see section titled "Cambridge Industrial Trust – Structure of CIT - Experience and Expertise of the CIT Manager's Management" for details.

Michael Long
Development Manager

Mr Long joined the Property Manager in July 2011 as Development Manager. Mr Long reports to the Head of Real Estate and is responsible for implementing the strategic goals and objectives for development projects, and subsequently providing the direction and leadership necessary to achieve them. He has over 20 years of experience in the real estate development and construction industry from an array of sectors including large scale industrial, residential and retail projects.

During his 20 years in project development & construction, Mr Long has successfully delivered premium quality projects in large scale residential, retail, commercial and industrial sectors working as a Senior Project Manager for Confluence Project Management in Singapore and Bovis Lend Lease in Singapore, London & Sydney. Mr Long has a proven ability to build key relationships and communicate effectively with authorities, consultants, financiers, managers and peers alike.

The primary objective of the Development Manager is to deliver the development projects in accordance with the client's objectives in terms of cost, quality and schedule. The Development Manager is also responsible for the management of the consortium of design & build consultants required for delivery of the projects.

Mr Long holds a Clerk Of Works, Building Diploma from Sydney TAFE and is an active member of the Project Managers Institute of Australia.

Services provided by the Property Manager

The CIT Manager, the CIT 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 CIT 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 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 for leases; and

- *Project management services.* These include the development, redevelopment, refurbishment, retrofitting and renovation of the properties of CIT.

Removal of the Property Manager

The CIT Trustee or the CIT 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 CIT Trustee or the CIT 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 or CIT Trustee or the CIT 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 party who is not in breach 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 party in breach.

On the termination of the appointment of the Property Manager, the CIT Manager shall, as soon as practicable, procure the appointment of a replacement property manager for the affected property.

3. CIT STRATEGIES

The CIT Manager intends to implement the investment strategy of CIT in accordance with the following guidelines:

- Investment portfolio will primarily comprise prime real estate used mainly for industrial purposes (including investments in real estate-related assets and/or other related value enhancing assets or instruments);

- Investments will be made in Singapore and overseas markets depending on investment opportunities and conditions; and

- Investments will generally be for the long-term.

The key objectives of the CIT Manager are to deliver regular and stable distributions to Unitholders and to achieve long-term growth in net asset value per Unit in order to provide Unitholders with a competitive rate of return for their investment. Plans for achieving these objectives include:

- Actively managing CIT's property portfolio to maximise returns;

- Selectively acquiring properties that meet the CIT Manager's investment criteria; and

- Employing appropriate debt and equity financing strategies and strategies that enhance Unitholders' value.

In achieving its objectives, the CIT Manager has the following strategies:

(i) Acquisition Growth and Property Development Strategy

The CIT Manager will pursue strategic acquisitions of industrial assets and explore development opportunities designed to consistently improve the quality of CIT's properties. Factors considered by the CIT Manager include providing attractive cash flows and yields relative to CIT's weighted average cost of capital, potential for future income and capital growth and portfolio diversification.

Acquisition Growth

In evaluating acquisition and development opportunities, the CIT Manager will focus primarily on the following investment criteria:

- ***Impact on distributions*** – properties with income yields above CIT's weighted average cost of capital and with sustainable long term growth.

- ***Choice of location*** – properties which are located in close proximity to, and have convenient access to major expressways and roads, MRT stations and established industrial precincts.

- ***Building and facilities specifications*** – properties with quality specifications that can be used by a wide range of tenants so as to enhance the tenant mix and occupancy levels. Some of these quality specifications may include but are not limited to adequate floor load capacity, sufficient clear usable ceiling heights, regular floor plates and adequate power provision.

- ***Tenant credit quality and diversification*** – properties which have (i) tenants with good credit quality, (ii) diversified tenant mix for multi-tenanted properties and (iii) established and reputable tenants. The CIT Manager will evaluate the credit quality of tenants and carry out relevant enquiries and checks as and when necessary. The CIT Manager will aim to have exposure to a diversified tenant base in order to minimise single tenant risk.

- ***Land lease tenure expiry profile*** – properties with longer underlying land lease tenure to extend the underlying land lease maturity profile of the Properties. The CIT Manager believes that property values generally correlate positively with the duration of the associated land leases.

- ***Lease expiry profile*** – properties that will improve the weighted average lease to expiry profile of the Properties and/or provide added diversification to the lease expiry profile to minimise CIT's exposure to lease expiry in any one year.

- ***Asset enhancement potential*** – properties where there is potential for adding value through selective capital expenditure and/or other asset enhancement initiatives with the view to maximising available plot ratio.

Acquisition with Regional Diversification

While Singapore will continue to account for the majority of the assets, the medium and longer term strategy is to pursue acquisition opportunities in Asia in order to enhance the geographical spread and tenant base of properties held by CIT.

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

- Country risks (e.g. political stability, business environment, law and order);

- Currency and tax risks (e.g. currency volatility and different tax regime);

- Market risks (e.g. property price and rental yield volatility, industry regulation and infrastructure); and

- Asset-specific risks.

Property Development

On a selective basis and in accordance with the Property Funds Appendix, the CIT Manager will undertake developments which will add value to the properties held by CIT. The CIT Manager will explore BTS developments which can cater to prospective tenants' operational requirements and specifications. Such developments are usually associated with long-term leases which will help to extend the lease expiry profile of the Properties. In carrying out development activities, the CIT Manager will consider, among other things, development and construction risks, as well as benefits to the tenants.

(ii) Active Asset Management Strategy

The CIT Manager will actively manage the Properties, together with the Property Manager, 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 enhancement projects to maintain competitive positioning of the assets.

In addition, the CIT Manager, together with the Property Manager, will continue to work closely with the tenants of the Properties to establish strong relationships necessary for maintaining high tenant retention levels and minimising vacancy levels.

The CIT Manager, together with the Property Manager, pro-actively seeks to maximise returns on CIT's properties through the following strategies:

Implement Asset Enhancements

The CIT Manager will aim to enhance the intrinsic value of the Properties via implementing a pro-active asset management strategy, which includes selective renovations or other asset enhancement work, subject to compliance with prevailing planning and other relevant regulations.

CIT currently has three main asset enhancement projects for Properties at 30 Toh Guan Road, 88 International Road and 4&6 Clementi Loop respectively.

Employ Proactive Leasing and Marketing Initiatives

The CIT Manager aims to maintain a high occupancy rate by actively working with the Property Manager in 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 CIT Manager's leasing and sub-leasing strategy will target new and existing anchor tenants, sub-tenants and licensees which can enhance the tenant base and overall yield of the properties held by CIT.

As part of the CIT Manager's pro-active lease management strategy, the weighted average lease expiry for FY2013 and FY2014 of the Properties has been reduced from 54.6% as at 31 December 2010 to 49.7% as at 31 December 2011.

Improve Operational Efficiency to Reduce Operating Cost

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

(iii) Capital and Risk Management Strategy

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

Capital Management

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

- maintain a strong balance sheet;
- employ an appropriate mix of debt and equity in financing acquisitions, developments and asset enhancement initiatives;
- diversify funding sources from both financial institutions and capital markets;
- diversify its debt expiry profile;
- minimise the cost of debt financing; and
- manage the exposure arising from adverse market movements in interest rates through appropriate use of hedging instruments.

The CIT Manager will seek to diversify its sources of debt financing in the future to secure debt for acquisitions, refurbishment of its properties and the refinancing of existing loans.

Interest rate hedging strategy

The CIT Manager intends, subject to market conditions, to hedge the majority of CIT's borrowings. This may be achieved through the use of interest rate swap contracts and, in the medium and longer term, the CIT Manager intends for CIT to gain access to fixed rate capital market instruments, such as fixed rate corporate bonds, subject to market conditions.

As at 31 December 2011, CIT's gross borrowings were S$366.5 million. The borrowings were structured with staggered loan maturities of three and five years with a weighted average term of debt of 2.9 years as at 31 December 2011.

As at 31 December 2011, 87.3% of the CIT's total gross borrowings have been hedged into fixed rate borrowings through interest rate swaps and CIT's aggregate leverage and weighted average all-in cost of debt were at 33.1% and 4.1% respectively.

4. COMPETITIVE STRENGTHS OF CIT

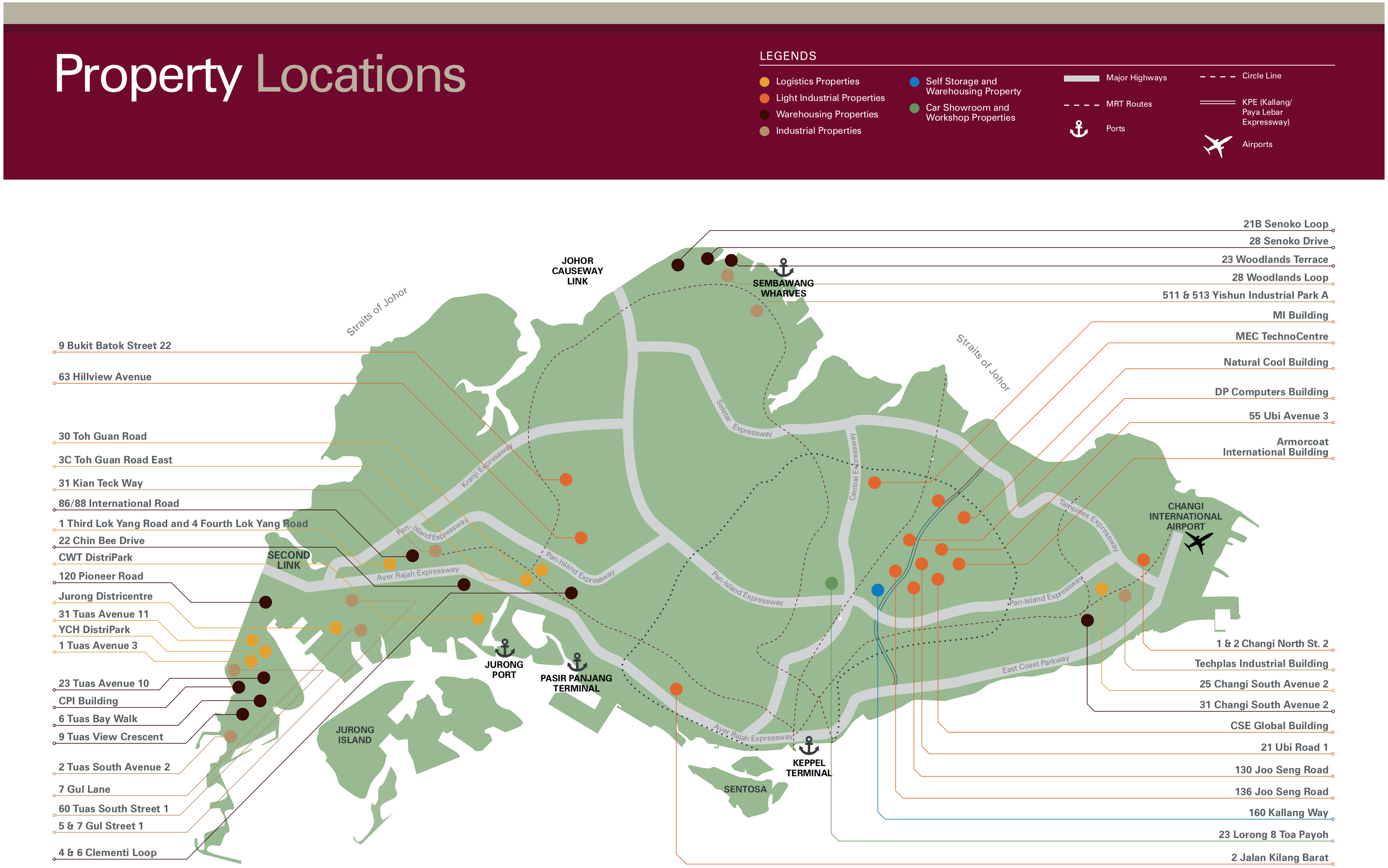
The CIT Manager believes that CIT and its properties enjoy the following competitive strengths:

- ***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 map below depicts the locations of the Properties in Singapore as at the Latest Practicable Date:

Property Locations



- ***Diverse Property Portfolio***

  CIT maintains six major types of properties in its portfolio. A brief description of the property types is set out below:

  – **Logistics:** used by tenants for warehousing, distribution and logistics services, including third party logistics and supply chain management.

  – **Light industrial:** primarily used by tenants for activities that include assembly and storage of medical equipment, electronics and computer peripherals, as well as information technology and system integration.

  – **Warehousing:** used by tenants for the production and/or storage of cables, aluminium products, printed circuit boards and metals.

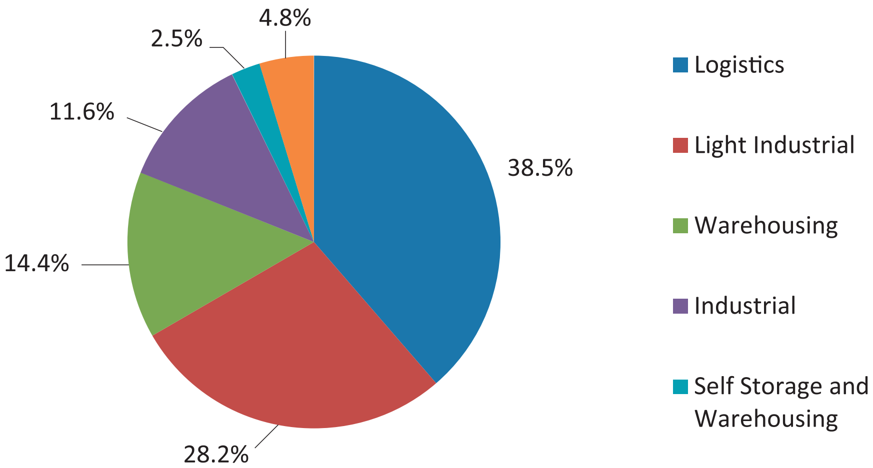
  – **Industrial:** primarily used by tenants for industrial activities, that include precision engineering, metal stamping, plastic injection and extrusion, and metal fabrication works.

  – **Self storage and warehousing:** used by tenants who are operating self storage businesses.

  – **Car showroom and workshop:** used by tenants as car showrooms and service workshops.

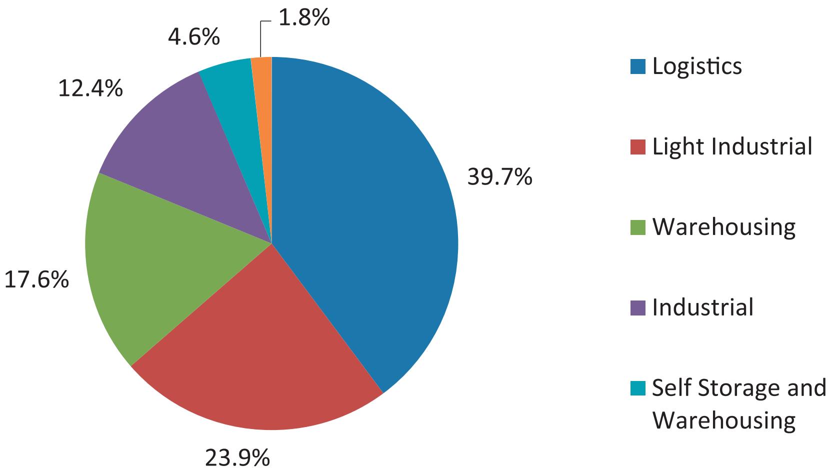
  The pie charts below provide a breakdown of the property types as at 31 December 2011.

  Profile of CIT's Properties by Gross Rent



Note: Based on the month of December 2011

Profile of CIT's Properties by Lettable Area

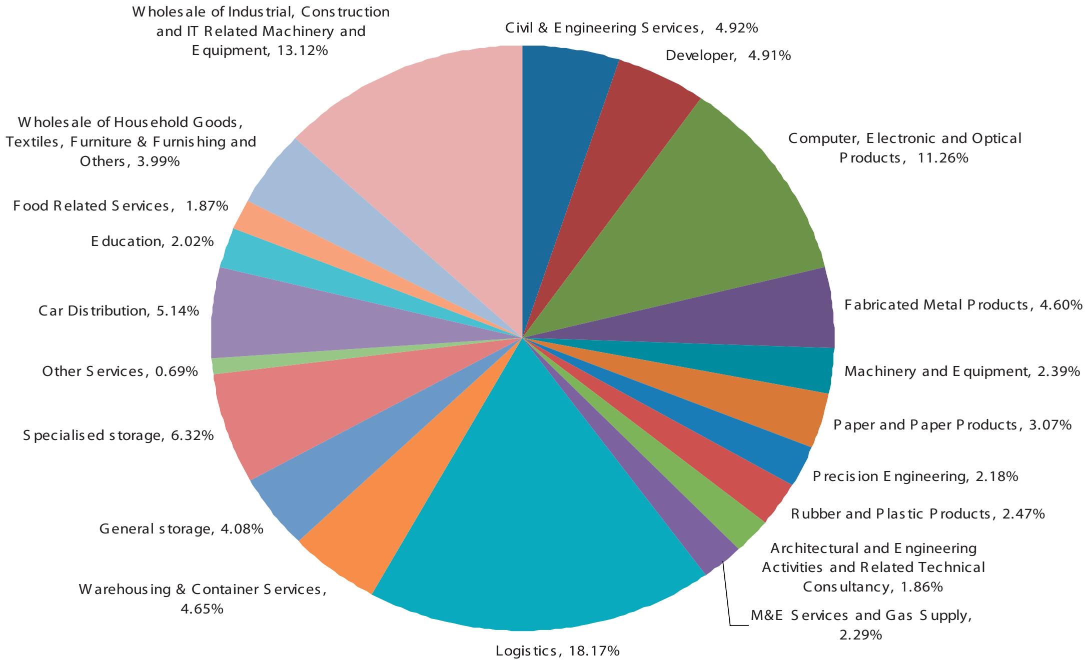


• ***Diverse Tenancies Across the Trade Sectors***

The tenants of the Properties are engaged in diverse trade sectors which include, on a board basis, 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.

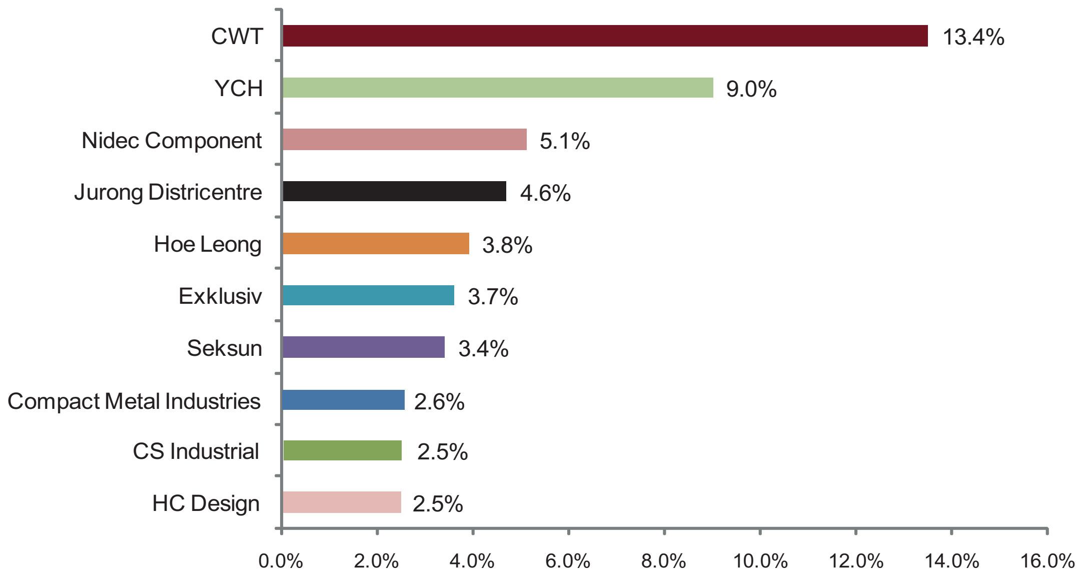
Consistent with the CIT Manager's strategy of maintaining a diversified tenancy portfolio to spread income risk, the tenant trade sector mix as at 31 December 2011 is illustrated in the pie chart below:

Trade Sector Analysis of CIT's Properties



Approximately 46.6% of the monthly Gross Rent for the month of December 2011 has been contributed by tenants that are SGX-ST listed companies or are subsidiaries of SGX-ST listed companies.

Top Ten Tenants by Gross Rent Contribution

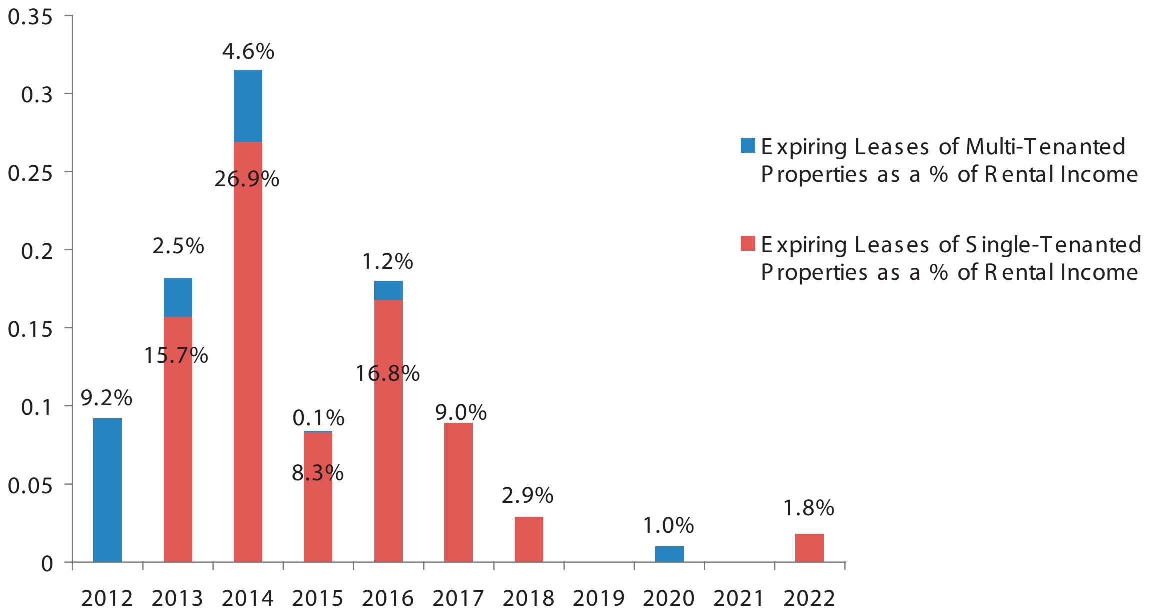


Based on the monthly Gross Rent for the month of December 2011, the top ten tenants together accounted for 50.6% of the total Gross Rent.

- ***Mixture of Medium and Long Leases***

  As at 31 December 2011, the weighted average lease to expiry for the Properties was 3.3 years. The weighted average lease term reflects a good mix of medium and long term leases. The long term leases provide certainty while the leases expiring in short to medium term offer potentially positive rental revisions and growth potential. The chart below shows the weighted average lease to expiry profile of the Properties as at 31 December 2011, based on the monthly Gross Rent for the month of December 2011:

  Lease Expiry Profile



- ***Generic Use with High Building Specifications***

  The majority of the Properties have building technical specifications which feature high floor loading, high ceiling height and wide column span ("**High Building Specifications**"). 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.

- ***High Levels of Security Deposits***

  On a weighted average basis by Gross Rent, the rents and lessee obligations are backed by security deposits averaging approximately 12.5 months as at 31 December 2011. This not only creates stability in the Properties in cases of payment default or the early termination of a lease, but allows the CIT Manager a much longer period to find replacement tenants, thus minimising risks of rental disruption to CIT.

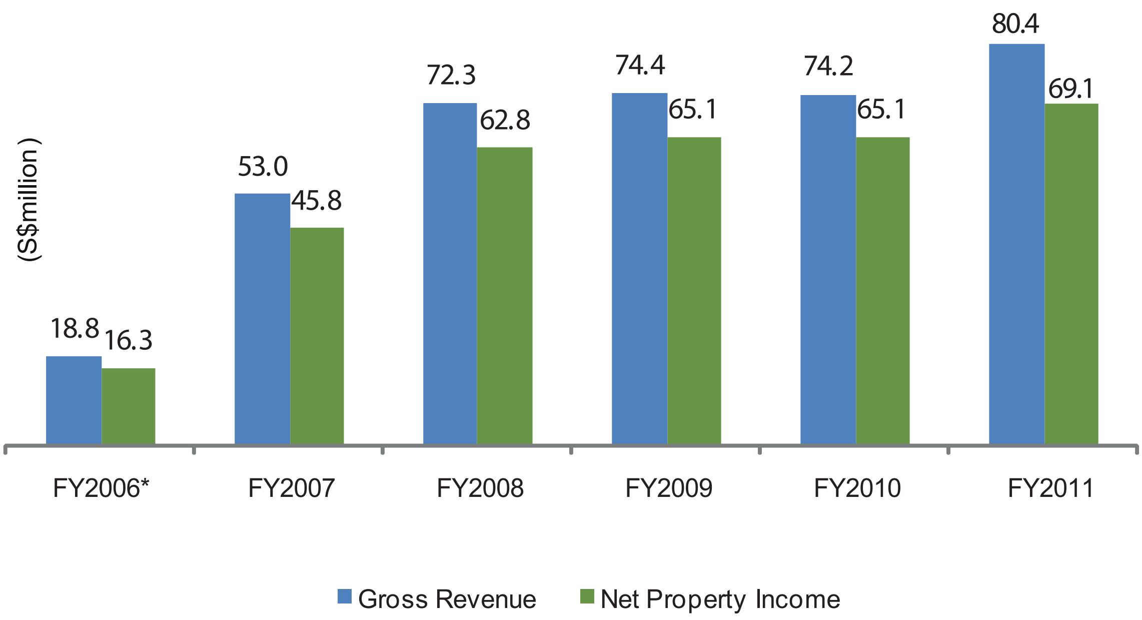
- ***Managed by an Experienced and Professional Management Team***

  The properties held by CIT are managed by a management team that has extensive experience in finance, fund, compliance, asset and property management.

  Please see the section titled "The CIT Manager – Experience and Expertise of the CIT Manager's Management" for details.

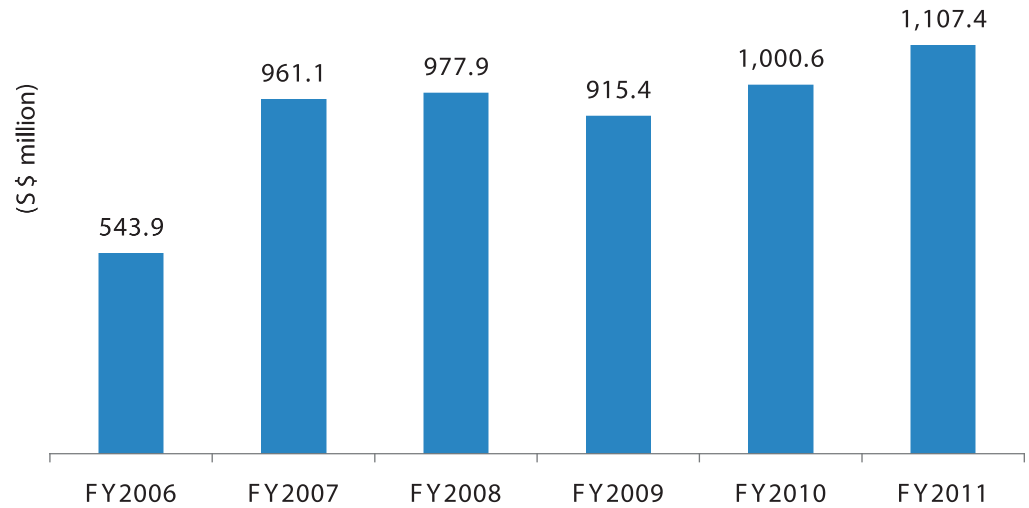
  Since the Listing Date, CIT's revenue, net property income and assets under management have increased as shown in the figures below:

Revenue and Net Property Income Performance of CIT



** Year 2006 represents the period from 31 March 2006 to 31 December 2006.*

Total Assets under Management



5. **PROPERTY STATISTICS AND DETAILS**

(i) **Properties and Property Types**

The table below sets out certain information on the Properties (excluding the two BTS projects which are more fully described under "Built-To-Suit Projects" below) as at 31 December 2011:

No.	Property Name	Address	Land Area (sq m)	Gross Floor Area (sq m)	Net Lettable Area (sq m)	Land Tenure (years)	Occupancy Rate (as at 31 December 2011) (%)	Independent Valuation (as at 31 December 2011) (S$'m)[1]	Lease Term (years)	Lease Expiry Date	Anchor Tenant
Logistics											
1	CWT Distripark (HQ)	24 Jurong Port Road	30,262.2	75,903.8	75,903.8	Leasehold estate of 30 + 12 years expiring 28 February 2037	100.0	103.0	8.0	24-Jul-14	CWT Limited
2	Jurong Districentre	3 Pioneer Sector 3	47,551.2	38,352.1	38,352.1	Leasehold estate of 30 + 30 years expiring 15 December 2050	100.0	54.0	8.0	24-Jul-14	Jurong Districentre Pte Ltd
3	30 Toh Guan Road	30 Toh Guan Road	12,338.1	29,460.2	23,404.7	Leasehold estate of 30 + 30 expiring 15 August 2055	87.9	48.3	4.3	*15-Aug-55	Multi-tenanted
4	31 Tuas Avenue 11	31 Tuas Avenue 11	6,612.4	7,021.5	7,021.5	Leasehold estate of 30 + 30 years expiring 31 March 2054	100.0	10.2	12.0	24-Jul-18	SLS Bearings (Singapore) Pte Ltd
5	25 Changi South Avenue 2	25 Changi South Avenue 2	5,028.5	6,781.7	6,781.7	Leasehold estate of 30 + 30 years expiring 15 October 2054	100.0	10.6	11.0	24-Jul-17	Wan Tai and Company (Private) Limited
6	YCH Distripark	30 Tuas Road	78,279.4	53,065.2	53,065.2	Leasehold estate of 30 + 30 years expiring 30 June 2039	100.0	72.4	10.0	24-Jul-16	YCH DistriPark (Pte) Ltd

No.	Property Name	Address	Land Area (sq m)	Gross Floor Area (sq m)	Net Lettable Area (sq m)	Land Tenure (years)	Occupancy Rate (as at 31 December 2011) (%)	Independent Valuation (as at 31 December 2011) (S$'m)[1]	Lease Term (years)	Lease Expiry Date	Anchor Tenant
7	1 Third Lok Yang Rd and 4 Fourth Lok Yang Rd	1 Third Lok Yang Rd and 4 Fourth Lok Yang Rd	12,431.6	10,601.3	10,601.3	Leasehold estate of 30 years expiring 15 December 2031	100.0	12.0	10.0	24-Jul-16	YCH DistriPark (Pte) Ltd
8	4&6 Clementi Loop	4&6 Clementi Loop	18,623.2	17,648.1	17,648.1	Leasehold estate of 30 + 30 years expiring 31 September 2053	100.0	40.0	5.0	12-Jun-16	Hoe Leong Corporation Ltd
9	1 Tuas Avenue 3	1 Tuas Avenue 3	30,682.4	28,674.0	28,674.0	Leasehold estate 30 + 23 years expiring 30 September 2032	100.0	29.2	8.0	30-Oct-15	CWT Limited
Light Industrial											
10	21 Ubi Road 1 and 23 Ubi Road 1	21 Ubi Road 1	7,538.5	18,838.0	18,838.0	Leasehold estate of 30 + 30 years expiring 31 January 2057	100.0	34.5	7.0	24-Jul-13	Nidec Component Technology Co., Ltd.
11	136 Joo Seng Road	136 Joo Seng Road	4,258.6	9,413.0	9,413.0	Leasehold estate of 30 + 30 years expiring 30 September 2050	100.0	12.8	7.0	24-Jul-13	Nidec Component Technology Co., Ltd.
12	CSE Global Building	2 Ubi View	1,998.7	4,055.6	4,055.6	Leasehold estate of 60 years expiring 3 January 2059	100.0	8.5	10.0	24-Jul-16	CSE Global Limited
13	MI Building	11 Serangoon North Avenue 5	5,462.3	13,621.4	13,621.4	Leasehold estate of 30 + 30 years expiring 15 April 2057	100.0	17.5	7.0	24-Jul-13	MI Technologies Pte Ltd

No.	Property Name	Address	Land Area (sq m)	Gross Floor Area (sq m)	Net Lettable Area (sq m)	Land Tenure (years)	Occupancy Rate (as at 31 December 2011) (%)	Independent Valuation (as at 31 December 2011) (S$'m)[1]	Lease Term (years)	Lease Expiry Date	Anchor Tenant
14	130 Joo Seng Road	130 Joo Seng Road	4,391.2	10,992.3	8,530.4	Leasehold estate of 30 + 30 years expiring 30 November 2051	100.0	12.5	2.6	*30-Nov-51	Multi-tenanted
15	2 Jalan Kilang Barat	2 Jalan Kilang Barat	3,063.1	7,678.6	6,166.4	Leasehold estate of 99 years expiring 30 June 2062	96.0	27.7	2.9	*30-Jun-62	Multi-Tenanted
16	MEC TechnoCentre	87 Defu Lane 10	4,330.8	10,211.9	10,211.9	Leasehold estate of 30 + 30 years expiring 31 October 2050	100.0	15.0	7.0	24-Jul-13	The Excalibur Corporation Pte Ltd
17	55 Ubi Avenue 3	55 Ubi Avenue 3	6,556.5	13,111.9	10,905.2	Leasehold estate of 30 + 30 years expiring 30 June 2056	100.0	19.2	1.88	*30-Jun-56	Multi-tenanted
18	Armorcoat International Building	361 Ubi Road 3	4,563.7	8,997.0	8,997.0	Leasehold estate of 30 + 30 years expiring 31 January 2057	100.0	17.7	10.0	7-Jun-17	Chartered World Academy Pte Ltd/ Armorcoat International Pte Ltd
19	63 Hillview Avenue	63 Hillview Avenue	Strata title	35,537.0	27,526.7	Freehold	90.4	90.0	1.1	Freehold	Multi-tenanted
20	DP Computers Building	128 Joo Seng Road	3,451.8	8,626.0	8,626.0	Leasehold estate of 30 + 30 years expiring 30 April 2052	100.0	12.0	7.0	24-Jun-14	Seng Huat Packaging Pte Ltd/ DP Computers Pte Ltd

No.	Property Name	Address	Land Area (sq m)	Gross Floor Area (sq m)	Net Lettable Area (sq m)	Land Tenure (years)	Occupancy Rate (as at 31 December 2011) (%)	Independent Valuation (as at 31 December 2011) (S$'m)[1]	Lease Term (years)	Lease Expiry Date	Anchor Tenant
21	Natural Cool Building	81 Defu Lane 10	2,934.2	4,203.1	4,203.1	Leasehold estate of 30 + 30 years expiring 30 November 2050	100.0	5.3	7.0	14-Nov-14	Natural Cool Airconditioning & Engineering Pte Ltd
22	9 Bukit Batok Street 22	9 Bukit Batok Street 22	6,258.2	14,666.0	14,666.0	Leasehold estate of 30 + 30 years expiring 31 January 2053	100.0	22.9	7.0	24-Oct-14	Ascender Investment Pte Ltd
23	1 & 2 Changi North Street 2	1 Changi North Street 2 2 Changi North Street 2	7,957.8	11,693.7	11,693.7	Leasehold estate of 30 + 30 years expiring 28 February 2061 Leasehold estate of 30 + 30 years expiring 22 November 2065	100.0	22.7	7.0	18-Oct-17	ETLA Limited
Warehousing											
24	86 International Road	86 International Road	8,181.0	7,804.0	7,804.0	Leasehold estate of 30 + 30 years expiring 15 December 2054	100.0	17.5	12.0	24-Jul-18	Gliderol Doors (S) Pte Ltd
	88 International Road	88 International Road	7,726.9	4,970.0	4,731.5		63.8		0.4	30-Apr-12[2]	Multi-Tenanted
25	23 Tuas Avenue 10	23 Tuas Avenue 10	6,802.8	9,504.9	9,504.9	Leasehold estate of 30 + 29 years expiring 31 October 2056	100.0	11.1	7.0	24-Jul-13	Reliance Products Pte Ltd
26	9 Tuas View Crescent	9 Tuas View Crescent	6,633.4	6,650.1	6,650.1	Leasehold estate of 30 + 30 years expiring 15 July 2058	100.0	7.3	7.0	24-Jul-13	United Central Engineering Pte Ltd

No.	Property Name	Address	Land Area (sq m)	Gross Floor Area (sq m)	Net Lettable Area (sq m)	Land Tenure (years)	Occupancy Rate (as at 31 December 2011) (%)	Independent Valuation (as at 31 December 2011) (S$'m)[1]	Lease Term (years)	Lease Expiry Date	Anchor Tenant
27	28 Senoko Drive	28 Senoko Drive	20,070.9	14,803.0	14,803.0	Leasehold estate of 30 + 30 years expiring 15 December 2039	100.0	12.5	15.0	24-Jun- 22	Tat Seng Packaging Group Ltd
28	31 Changi South Avenue 2	31 Changi South Avenue 2	4,958.0	4,705.0	4,705.0	Leasehold estate of 30 + 30 years expiring 28 February 2055	100.0	6.8	10.0	26-Jul-17	Presscrete Engineering Pte Ltd
29	120 Pioneer Road	120 Pioneer Road	16,980.5	22,716.0	22,716.0	Leasehold estate of 30 + 28 years expiring 16 February 2055	100.0	32.0	7.0	23-Oct-14	Compact Metal Industries Ltd
30	21B Senoko Loop	21B Senoko Loop	7,454.6	10,755.4	10,755.4	Leasehold estate of 30 + 30 years expiring 31 January 2053	100.0	14.5	7.0	27-Jan-15	Tellus marine Engineering Pte Ltd
31	79 Tuas South Street 5	79 Tuas South Street 5	6,313.2	6,312.0	6,312.0	Leasehold estate of 30 + 30 years expiring 31 January 2060	100.0	10.0	6.0	29-Apr-14	Creative Polymer Industries Pte Ltd
32	6 Tuas Bay Walk	6 Tuas Bay Walk	4,019.6	5,475.7	4,980.3	Leasehold estate of 30 + 30 years expiring 15 May 2057	54.4	6.5	1.3	*15-May-57	Multi-Tenanted
33	23 Woodlands Terrace	23 Woodlands Terrace	6,272.4	11,559.5	11,559.5	Leasehold estate of 30 + 30 years expiring 15 November 2056	100.0	16.3	7.0	25-Oct-14	Metform Industries Pte Ltd
34	22 Chin Bee Drive	22 Chin Bee Drive	6,434.1	11,209.0	11,209.0	Leasehold estate of 30 years expiring 15 September 2035	100.0	15.5	7.0	27-Sep-17	Deluge Fire Protection (S.E.A) Pte Ltd

No.	Property Name	Address	Land Area (sq m)	Gross Floor Area (sq m)	Net Lettable Area (sq m)	Land Tenure (years)	Occupancy Rate (as at 31 December 2011) (%)	Independent Valuation (as at 31 December 2011) (S$'m)[1]	Lease Term (years)	Lease Expiry Date	Anchor Tenant
Industrial											
35	7 Gul Lane	7 Gul Lane	6,343.2	4,499.0	4,499.0	Leasehold estate of 30 + 30 years expiring 15 May 2041	100.0	4.3	7.0	24-Jul-13	Nidec Component Technology Co., Ltd.
36	31 Kian Teck Way	31 Kian Teck Way	3,638.7	3,074.0	3,074.0	Leasehold estate of 30 + 19 years expiring 31 August 2042	100.0	3.7	7.0	24-Jul-13	Nidec Component Technology Co., Ltd.
37	Techplas Industrial Building	45 Changi South Avenue 2	5,151.1	6,845.5	6,845.5	Leasehold estate of 30 + 30 years expiring 31 August 2055	100.0	10.3	10.0	24-Jul-16	Chung Shan Plastics Pte Ltd
38	2 Tuas South Avenue 2	2 Tuas South Avenue 2	12,425.2	20,474.1	20,474.1	Leasehold estate of 60 years expiring 3 January 2059	100.0	30.0	7.0	24-Jul-13	CS Industrial Land Pte Ltd
39	511 & 513 Yishun Industrial Park A	511 Yishun Industrial Park A	11,054.8	20,874.3	20,874.3	Leasehold estate of 30 + 29 years expiring 31 May 2054	100.0	33.2	5.0	29-Nov-15	Seksun International Pte Ltd
		513 Yishun Industrial Park A				Leasehold estate of 30 + 30 years expiring 30 November 2053					
40	60 Tuas Street 1	60 Tuas Street 1	3,990.3	4,150.4	4,150.4	Leasehold estate of 30 + 30 years expiring 15 March 2065	100.0	6.4	7.0	28-Jun-18	Peter's Polythylene Industries Pte Ltd

No.	Property Name	Address	Land Area (sq m)	Gross Floor Area (sq m)	Net Lettable Area (sq m)	Land Tenure (years)	Occupancy Rate (as at 31 December 2011) (%)	Independent Valuation (as at 31 December 2011) (S$'m)[1]	Lease Term (years)	Lease Expiry Date	Anchor Tenant
41	5&7 Gul Street 1	5&7 Gul Street 1	7,318.5	9,184.8	9,184.8	Leasehold estate of 29 years and 6 months expiring 30 September 2037	100.0	14.5	6.0	14-Jul-17	Precise Industries Pte Ltd
42	28 Woodlands Loop	28 Woodlands Loop	9,345.0	12,249.9	12,249.9	Leasehold estate of 30 + 30 years expiring 15 October 2055	100.0	15.5	7.0	24-Jul-13	Sanwa Plastic Industry Pte Ltd
Self Storage and Workshop											
43	160 Kallang Way	160 Kallang Way	12,068.8	29,970.9	29,970.9	Leasehold estate of 60 years expiring 15 February 2033	100.0	26.0	10.0	24-Jul-16	HC Design Pte Ltd
Car Show room and Workshop											
44	23 Lorong 8 Toa Payoh	23 Lorong 8 Toa Payoh	4,381.7	4,718.7	4,718.7	Leasehold estate of 30 + 30 years expiring 31 January 2052	100.0	13.4	7.0	24-Jul-13	Exklusiv Auto Services Pte Ltd/ Triangle Auto Pte Ltd & DCH Foton Auto Pte Ltd
45	7 Ubi Close[3]	7 Ubi Close	5,133.2	7,116.3	7,116.3	Leasehold estate of 30 years expiring 31 July 2024	100.0	18.3	7	13-Nov-14	Group Exklusiv Pte Ltd

1 Save for the following:

(i) YCH Distripark at 30 Tuas Road, which was valued by Knight Frank Pte Ltd ("**Knight Frank**") as at 31 December 2011; and

(ii) 1 Tuas Avenue 3, which was valued by Collier International Consulting & Valuation (Singapore) Pte Ltd ("**Colliers**") as at 31 December 2010,

the valuation of the Properties was carried out by Colliers.

2 Upon expiry of the lease on 30 April 2012, redevelopment works are scheduled to commence at 88 International Road.

3 This property was divested on 30 January 2012. For further details, please refer to section "Cambridge Industrial Trust - Property Statistics and Details - Properties and Property Types - Recent Developments" for further details.

* Refers to land lease expiry date for multi-tenanted properties.

Valuation of the Properties

The Properties (other than the properties located at 1 Tuas Avenue 3 and 30 Tuas Road respectively) were last valued as at 31 December 2011 by an independent valuer, Colliers. The property located at 1 Tuas Avenue 3 was last valued as at 31 December 2010 by Colliers. The property located at 30 Tuas Road was valued by Knight Frank, another independent valuer, as at 31 December 2011. These valuations were based on discounted cash flow analysis and the income capitalisation method.

The properties located at 30 Tuas Road and 1 Tuas Avenue 3 are affected to varying degrees by SLA's compulsory land acquisition. For more details, please see the section titled "Cambridge Industrial Trust – Property Statistics and Details – Properties Affected by Compulsory Acquisition" and note 10 on "Compulsory Land Acquisition" to the "Unaudited Financial Statement Announcement of Cambridge Industrial Trust for the Year Ended 31 December 2011" in Appendix IV of this document. Please see also the section titled "Risk Factors – Risks Relating to the Properties of CIT - CIT's properties or part thereof may be acquired compulsorily".

Built-To-Suit Projects

As part of the CIT Manager's objective to diversify its growth platform so that CIT does not rely solely on the acquisition of already completed income producing properties, whilst concurrently creating a long term development pipeline for CIT, it has entered into arrangements to develop BTS facilities at the Tuas View Circuit and Seletar Aerospace View sites.

Seletar Aerospace View

CIT has been allocated the land at Lot A3000029 Seletar Aerospace View by JTC in August 2011 to complete a BTS facility for Air Transport Training College Pte Ltd ("**ATTC**"). The site is located at Seletar Aerospace View in Seletar Aerospace Park. This is an industrial park dedicated as an aviation landmark for a wide range of aerospace activities ranging from aerospace maintenance, repair, design and training for pilots, aviation professionals and technical personnel. The BTS facility, which will be a maintenance and industrial training facility for ATTC, has an estimated GFA of 52,170 square feet.

A lease of the site for a term of 30 years will be granted by JTC to CIT upon the fulfilment of certain fixed investment criteria and compliance with their terms and conditions. A lease will then be granted to ATTC upon completion of the building for the balance of the land tenor.

ATTC is a Singapore Workforce Development Agency Approved Training Organisation ("**ATO**"), having been awarded ATO status since 2 August 2007.

The building is targeted for completion in the third quarter of 2012 at an estimated total cost of S$8.7 million.

Tuas View Circuit

CIT has been assigned the land at Tuas View Circuit by JTC in September 2011 to develop a BTS facility for Peter's Polyethylene Industries Pte Ltd ("**PPIP**"). The BTS facility will be a three-storey office cum warehouse complex, with an estimated GFA of 121,423 square feet, which will be leased to PPIP for a term of 10 years with an option to renew for another five years. The land tenure is a term of 30 years, subject to the fulfilment of JTC's fixed investment criteria and compliance with their terms and conditions.

Completion of the building is scheduled for the second half of 2012 at an estimated total cost of S$13.2 million.

Recent Developments

25 Pioneer Crescent

On 12 October 2011, CIT has signed a put and call option agreement to acquire 25 Pioneer Crescent from Oxley Opportunity #9 Pte Ltd, an indirectly-held wholly-owned subsidiary of Oxley Holdings Ltd, which in turn is a related party of an ultimate shareholder of the CIT Manager.

25 Pioneer Crescent is a 4-storey single user detached factory, leased to Kalzip Asia Pte Ltd for a term of 15 years from 17 December 2009 with three consecutive five-year options to renew. The purchase price is S$15.0 million, based on land lease tenure of 42 years from 1 February 2009 but subject to adjustments based on the final confirmation of land lease tenure.

Based on a 42 year land lease tenure, this property was valued at S$15.0 million by Colliers as at 30 September 2011 using the income capitalisation approach, discounted cash flow analysis and direct comparison method and at S$15.0 million by DTZ Debenham Tie Leung (SEA) Pte Ltd as at 1 October 2011 using the income capitalisation approach and discounted cash flow analysis method.

The CIT Manager believes that 25 Pioneer Crescent is a quality industrial asset with a strong tenant covenant which is in line with the CIT Manager's overall strategy to invest in high quality assets, providing stable income for Unitholders.

3C Toh Guan Road East

On 30 January 2012, CIT has completed the acquisition of 3C Toh Guan Road East for a purchase consideration of S$35.5 million from Tye Soon Limited.

On the completion date, CIT entered into a lease agreement with Tye Soon Limited for a period of 3 years with an option to renew for a further 3 years.

3C Toh Guan Road East is an industrial building which comprises a 5-storey warehouse building with ancillary office, with a GFA of approximately 17,917 sq m. This is a JTC leasehold estate of 30+30 years tenure commencing from 16 February 1991.

The appraised value of 3C Toh Guan Road East was valued at S$35.5 million by Jones Lang LaSalle Property Consultants Pte Ltd on 1 October 2011 using the Discounted Cash Flow Analysis and the Income Capitalisation Approach.

The CIT Manager believes that 3C Toh Guan Road East is a quality industrial asset that will enhance the overall portfolio. It is well located in a recognised and established industrial precinct, with prominent exposure to the Pan Island Expressway. Additionally, the acquisition will further reduce the reliance of CIT's income stream on any single asset and tenant.

7 Ubi Close

On 31 January 2012, CIT completed the divestment of 7 Ubi Close for a sale price of $18.7 million. This price represents a premium of 2.2% to the latest independent valuation of $18.3 million conducted by Colliers as at 31 December 2011.

Properties Affected by Compulsory Acquisition

On 11 January 2011, the CIT Manager received a formal notice from SLA with regard to the compulsory acquisition of land at Tuas Road, Pioneer Road, Tuas West Road, Tuas West Drive and Tuas South Avenue 3 for the construction of Tuas West MRT extension and road works along the PIE, Tuas Road, Pioneer Road, Tuas West Road, Tuas West Drive and Tuas South Avenue 3. Based on the CIT Manager's assessment, the following three properties of CIT's portfolio of properties as at 31 December 2011 (the "**Affected Properties**") are affected by this land acquisition as follows:

Property	**Total Land Area of Property (sq m)**	**Land Area of Property Acquired (sq m)**	**Land Area of Property Acquired (%)**
1 Tuas Avenue 3	30,682	30,682	100.0
30 Tuas Road	78,279	27,374	35.0
120 Pioneer Road	16,981	383	2.3
Total	**125,942**	**58,439**	**46.4**

CIT is entitled to receive the compensation based on market value of the land to be acquired as at the date of publication of the notification of acquisition (i.e. 11 January 2011), and any applicable costs and damages as provided for in the Land Acquisition (Amendment) Act 2007.

All of the land situated at 1 Tuas Avenue 3 and approximately 35% of the land on which the 30 Tuas Road property is located will be possessed by the Government of Singapore by January 2013 while part of the land at 120 Pioneer Road will be possessed by March 2012. The total land area to be acquired by SLA for the Affected Properties is approximately 58,439 sq m, which represents approximately 12.0% of CIT's portfolio of Properties as at 31 December 2011.

The property located at 1 Tuas Avenue 3 has been carried at its valuation amount as at 31 December 2010 as CIT is entitled to receive compensation based on the market value of the land to be acquired as at the date of publication of the notification of acquisition (being 11 January 2011). The property located at 30 Tuas Road has been carried at its valuation amount as at 31 December 2011, the valuation having been done by Knight Frank, in view of its partial acquisition.

SLA is currently reviewing the details of compensation claim submitted by the CIT Manager with regards to the Affected Properties located at 1 Tuas Avenue 3 and 30 Tuas Road and discussing the compensation amounts with regards to the Affected Property at 120 Pioneer Road with the CIT Manager.

6. INSURANCE

The Properties are insured in accordance with industry practice in Singapore. Insurance policies cover buildings from physical loss, damage and destruction and their consequential loss arising from business interruption, terrorism and public liability. 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 CIT TRUSTEE

The CIT Trustee is a company incorporated in Singapore and holds a trust business licence under the Trust Companies Act, 2005 of Singapore. It is approved to act as a trustee for authorised collective investment schemes under the SFA. As at the Latest Practicable Date, the CIT Trustee has a paid-up capital of S$6.0 million. The CIT Trustee has a place of business in Singapore at 20 Cecil Street #28-01, Equity Plaza, Singapore 049705.

The CIT Trustee is independent of the CIT Manager.

Powers, Duties and Obligations of the CIT Trustee

The CIT Trustee's powers, duties and obligations are set out in the CIT Trust Deed. The powers and duties of the CIT Trustee include:

- acting as trustee of CIT and, in such capacity, safeguarding the rights and interests of the Unitholders;

- holding the assets of CIT on the trusts contained in the CIT Trust Deed for the benefit of the Unitholders; and

- exercising all the powers of a trustee and the powers that are incidental to the ownership of the assets of CIT.

The CIT Trustee has covenanted in the CIT 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 CIT Trustee may (on the recommendation of the CIT Manager) and subject to the provisions of the CIT Trust Deed, acquire or dispose of any real property, borrow and encumber any asset.

The CIT Trustee may, subject to the provisions of the CIT Trust Deed, appoint and engage:

- a person or entity to exercise any of its powers or perform its obligations; and
- on the recommendations of the CIT Manager, any real estate agents or managers, including a related party of the CIT Manager, in relation to the management, development, leasing, purchase or sale of any real estate assets and real estate-related assets.

Although the CIT Trustee may borrow money and obtain other financial accommodation for the purposes of CIT, both on a secured and unsecured basis, the CIT Manager must not direct the CIT 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 the limit stipulated by the MAS based on the value of Deposited Property at the time the borrowing is incurred.

The CIT Trustee must carry out its functions and duties and comply with all the obligations imposed on it and set out in the CIT Trust Deed, the Listing Manual, the SFA, the CIS Code (including the Property Funds Appendix), the Singapore Code on Take-overs and Mergers, any 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 CIT Trustee is not personally liable to a Unitholder in connection with the office of the CIT 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 CIT Trustee shall be limited to the assets of CIT over which the CIT Trustee has recourse, provided that the CIT Trustee has acted without fraud, gross negligence, wilful default, or breach of the CIT Trust Deed. The CIT Trust Deed contains certain indemnities in favour of the CIT 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 Removal of the CIT Trustee

The CIT Trustee may retire or be removed under the following circumstances:

- the CIT Trustee shall not be entitled to retire voluntarily except upon the appointment of a new CIT Trustee (such appointment to be made in accordance with the provisions of the CIT Trust Deed); and
- the CIT Trustee may be removed by notice in writing to the CIT Trustee by the CIT Manager:
    - if the CIT Trustee goes into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the CIT Manager) or if a receiver is appointed over any of its assets or if a judicial manager is appointed in respect of the CIT Trustee;
    - if the CIT Trustee ceases to carry on business;
    - if the CIT Trustee fails or neglects after reasonable notice from the CIT Manager to carry out or satisfy any material obligation imposed on the CIT Trustee by the CIT Trust Deed;
    - if the Unitholders by Extraordinary Resolution duly passed at a meeting of Unitholders held in accordance with the provisions of the CIT Trust Deed, and of which at least 21 days' notice has been given to the CIT Trustee and the CIT Manager, shall so decide; or
    - if the MAS directs that the CIT Trustee be removed.

THE CIT MANAGER

The CIT Manager was incorporated in Singapore under the Companies Act on 14 September 2005. As at the Latest Practicable Date, it has an issued capital of S$2.7 million and its registered office is located at 61 Robinson Road, #12-01 Robinson Centre, Singapore 068893.

The CIT Manager is owned by NIOS and Mitsui & Co., Ltd, which hold an indirect interest of 80% and a direct interest of 20% in the CIT Manager respectively as at the Latest Practicable Date.

NIOS

NIOS is a joint venture company owned by nabInvest Capital Partners Pty Limited (a wholly-owned subsidiary of National Australia Bank Limited) and CREIM Limited (a wholly-owned subsidiary of Oxley Holdings Limited) which hold direct interests of 70% and 30% in NIOS respectively as at the Latest Practicable Date.

National Australia Bank Limited, one of the four largest banks in Australia, is an international financial services group that provides a comprehensive and integrated range of financial products and services while the Oxley group is an innovative private investment house specialising in real estate and private equity investments across Asia-Pacific.

Mitsui & Co., Ltd

Mitsui & Co., Ltd is one of the largest corporate conglomerates in Japan and is listed on the Tokyo Stock Exchange. Mitsui & Co., Ltd also developed the Japan Logistics Fund Inc., a publicly listed REIT in Japan dedicated to investing in distribution facilities.

Board of Directors

The Board of Directors of the CIT Manager as at the Latest Practicable Date is:

Name	Designation
Dr Chua Yong Hai	Independent Chairman
Professor Ong Seow Eng	Independent Director and Chairman of Audit, Risk Management and Compliance Committee
Mr Tan Guong Ching	Independent Director and Member of Audit, Risk Management and Compliance Committee
Mr Ian Keith Crow	Non-Executive Director
Mr Ian Andrew Smith	Non-Executive Director
Mr Masaki Kurita	Non-Executive Director
Mr Michael Patrick Dwyer[1]	Non-Executive Director and Member of Audit, Risk Management and Compliance Committee
Mr Christopher Dale Calvert	Executive Director and Chief Executive Officer
Mr Victor Ong Wei Tak	Alternate Director to Mr Michael Patrick Dwyer

[1] Mr Michael Patrick Dwyer was appointed as the Member of the Audit, Risk Management and Compliance Committee on 31 October 2011 in place of Mr John Charles Wood who resigned as a Director of the CIT Manager with effect from close of business on 31 October 2011.

Experience and Expertise of the Board of Directors

The Board of the CIT Manager presently comprises three independent and four non-independent, non-executive directors and one executive director. Together they bring to the Board a wide range of industry experience, expertise and knowledge in real estate, asset management, finance and banking, law and strategic planning. The Board is responsible for ensuring that the highest standards of corporate governance are practised in the management of the CIT Manager and CIT.

Information on the business and working experience of the Directors as at the Latest Practicable Date is set out below:

Dr Chua Yong Hai
Independent Chairman

Dr Chua has many years of working experience in the investment management and real estate sectors holding key positions such as Director of Investments in the Ministry of Finance, first General Manager of Temasek Holdings Pte Ltd, Group Managing Director of United Engineers Ltd, Group General Manager of Suntec City Development Pte Ltd and Director of Lend Lease Corporation Ltd. Currently, he holds a number of non-executive directorships and chairmanships in several SGX listed companies.

A Singapore government scholar, Dr Chua holds a Doctorate in Chemical Engineering from The University of New South Wales and a Bachelor of Science (Honours) and a Diploma in Business Administration from the then University of Singapore. He is active in community and social work for which he has been awarded the Public Service Medal and the Public Service Star by the President of Singapore.

Professor Ong Seow Eng
Independent Director – Chairman of the Audit, Risk Management and Compliance Committee

Professor Ong is currently a Professor at the Department of Real Estate, National University of Singapore. He was on the board of the American Real Estate and Urban Economics Association as well as a past president of the International Real Estate Society and past president of the Asian Real Estate Society. He also held various positions in the former Overseas Union Bank Limited, the Government of Singapore Investment Corporation Private Limited, and the Inland Revenue Department of Singapore.

Professor Ong holds a Doctorate of Philosophy in Finance and a Master of Business degree from Indiana University. He is also a CFA charter holder.

Mr Tan Guong Ching
Independent Director – Member of the Audit, Risk Management and Compliance Committee

Mr Tan was the CEO of the Housing and Development Board, which develops and manages a large portfolio of industrial and commercial properties. He served in several Government Ministries and was the Permanent Secretary to the Ministry of Home Affairs, The Environment and Communications. He sits on the Board of several companies including Starhub Limited and Singapore Technologies Telemedia Pte Ltd.

Mr Tan holds a Bachelor and a Master of Engineering from McMaster University of Canada.

Mr Ian Keith Crow
Non-Executive Director

Mr Crow has over 40 years experience in the financial services and property industries. During the 1980's and early 1990's, he held senior positions with the Lend Lease Group, including Finance Director of Lend Lease Corporation Limited and CEO of MLC, the funds management arm of Lend Lease (now owned by National Australia Bank Limited). Since 1994, he has held a number of non-executive directorships of Australian Securities Exchange ("**ASX**") listed and private companies. Mr Crow holds a Bachelor of Commerce and a Master of Business Administration from The University of New South Wales. He is also a CPA of the Australian Society of Certified Practising Accountants.

Mr Ian Andrew Smith
Non-Executive Director

Mr Smith is currently the General Manager of Real Estate at nabInvest Capital Partners Pty Limited which is the direct investment management business of National Australia Bank Limited. His career spans business generation, funds management, engineering, project and development management. His career history includes 17 years with Lend Lease Corporation Limited in Australia, predominantly in its real estate investment management business. He was the CEO and Director of ASX-listed Lend Lease US Office Trust. He was also the Portfolio Manager of the Lazard Global Listed Infrastructure Fund, prior to joining National Australia Bank Limited.

Mr Smith holds a Bachelor of Engineering and a Bachelor of Commerce from the University of Melbourne and a Master of Engineering Science from Monash University.

Mr Masaki Kurita
Non-Executive Director

Mr Kurita was appointed to the Board on 18 February 2008 as an Executive Director and was re-designated as a Non-executive Director on 2 January 2009 as part of the internal restructuring of the CIT Manager's operations.

Mr Kurita has taken various positions in the Urban Planning & Development Department in Mitsui in the past 10 years with roles ranging from land acquisitions, development of office buildings and industrial property in Japan, and equity investment in the overseas real estate business.

Mr Kurita holds a Bachelor of Engineering from Keio University, Tokyo, Japan.

Mr Michael Patrick Dwyer
Non-Executive Director and Member of the Audit, Risk Management and Compliance Committee

Mr Dwyer is the Executive Chairman of Oxley Group, a private investment firm with investments in Real Estate, Agriculture/ Alternative Energy and Natural Resources. He is also a current management board member of the Council of Governors of the APREA.

Mr Dwyer as the CEO, listed the eighth REIT on the Singapore Stock Exchange in 2006. It was the first independent cross-border listed property trust, raising S$500m at listing.

For over 15 years, Mr Dwyer was intimately involved in the mortgage industry in Australia having held the position of Joint Managing Director of a leading Mortgage REIT. He also has a strong involvement with the securities industry regulators and financial service associations in Australia.

Mr Dwyer is a qualified solicitor in Queensland, Australia possessing 20 years of experience in all facets of commercial and property law.

Mr Christopher Dale Calvert
Executive Director and Chief Executive Officer

Mr Calvert joined the CIT Manager as the CEO in December 2008 and was appointed Executive Director on 4 August 2010. The CEO of the CIT 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. He has over 18 years of property and management experience in valuation, consultancy, real estate funds management, and investment management in the Asia Pacific region.

Prior to joining the CIT Manager, Mr Calvert was CEO (Asia) of MacarthurCook Industrial REIT, responsible for the assembly of an industrial property portfolio and the subsequent IPO of the REIT in early 2007. He was also the CEO (Asia) of Blaxland Funds Management, a real estate funds manager. Mr Calvert holds a Bachelor of Business and Property and is a Qualified Valuer from the Australian Property Institute. He is also an active advocate of APREA.

Mr Victor Ong Wei Tak
Alternate Director to Mr Michael Patrick Dwyer

Mr Ong was appointed as an alternate director to Mr Michael Patrick Dwyer on 19 October 2010. Mr Ong is an Executive Director of Oxley Group and has over 20 years of experience in real estate development, funds management and investment banking in Australia and Asia, including roles in senior management positions as executive director and as CEO of various businesses.

Mr Ong holds a Degree in Building from The University of New South Wales and a Master of Business (Applied Finance) from The University of Technology, Sydney.

THE PROPERTY MANAGER

The Property Manager was incorporated in Singapore under the Companies Act on 4 November 2005. As at the Latest Practicable Date, it has an issued capital of S$0.25 million and its registered office is located at 61 Robinson Road, #12-01 Robinson Centre, Singapore 068893.

As at the Latest Practicable Date, the Property Manager is wholly-owned by CREIMPL, a wholly-owned subsidiary of NIOS.

Board of Directors

The Board of Directors of the Property Manager as at the Latest Practicable Date is:

Name	Designation
Mr Ian Andrew Smith	Director
Mr Nicholas Gregory Basile	Director
Mr Victor Ong Wei Tak	Director

Experience and Expertise of the Board of Directors

Information on the business and working experience of Mr Ian Andrew Smith and Mr Victor Ong Wei Tak are set out in the section titled “The CIT Manager – Experience and Expertise of the Board of Directors”. Information on the working experience of Mr Nicholas Gregory Basile as at the Latest Practicable Date is set out below:

Nicholas Gregory Basile
Non-Executive Director

Mr Basile was appointed to the Board of Directors on 31 October 2011. Mr Basile is the Investment Director of nabInvest Capital Partners Pty Limited, the Australian licensed specialist funds manager within the Asset Management division of National Australia Bank Limited. He has over 25 years of financial services and investment management experience including roles as CEO Ascalon Capital Managers, General Manager Investments and Insurance, St. George Bank, Head of Commonwealth Investment Management, Executive Director of Investments for Legal & General Australia, and Investment Manager and Director for Lend Lease Investment Management.

Mr Basile is an Associate of the Institute of Actuaries (Australia), Senior Associate of Financial Services Institute of Australasia (Finsia) and Graduate of the Australian Institute of Company Directors (GAICD).

PURPOSE OF THE PROGRAMME AND USE OF PROCEEDS

The net proceeds arising from the issue of the Notes under the Programme (after deducting issue expenses) will be used for the purpose of (i) on-lending to the Guarantor to (a) refinance the existing borrowings of the Group, (b) finance or refinance the acquisitions and/or investments of CIT and any development and asset enhancement works initiated by CIT or (c) finance general working capital and capital expenditure requirements of the Group; or (ii) such other purpose as may be specified in the relevant Pricing Supplement.

CLEARING AND SETTLEMENT

Clearance and Settlement under the Depository System

In respect of Notes which are accepted for clearance by CDP in Singapore, clearance will be effected through an electronic book-entry clearance and settlement system for the trading of debt securities ("**Depository System**") maintained by CDP. Notes that are to be listed on the SGX-ST may be cleared through CDP.

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.

In respect of Notes which are accepted for clearance by CDP, the entire issue of the Notes is to be held by CDP in the form of a Global Note for persons holding the Notes in securities accounts with CDP ("**Depositors**"). Delivery and transfer of Notes between Depositors is by electronic book-entries in the records of CDP only, as reflected in the securities accounts of Depositors. Although CDP encourages settlement on the third business day following the trade date of debt securities, market participants may mutually agree on a different settlement period if necessary.

Settlement of over-the-counter trades in the Notes through the Depository System may only be effected through certain corporate depositors ("**Depository Agents**") approved by CDP under the Companies Act to maintain securities sub-accounts and to hold the Notes in such securities sub-accounts for themselves and their clients. Accordingly, Notes for which trade settlement is to be effected through the Depository System must be held in securities sub-accounts with Depository Agents. Depositors holding the Notes in direct securities accounts with CDP, and who wish to trade Notes through the Depository System, must transfer the Notes to be traded from such direct securities accounts to a securities sub-account with a Depository Agent for trade settlement.

CDP is not involved in money settlement between Depository Agents (or any other persons) as CDP is not a counterparty in the settlement of trades of debt securities. However, CDP will make payment of interest and repayment of principal on behalf of issuers of debt securities.

Although CDP has established procedures to facilitate transfer of interests in the Notes in global form among Depositors, it is under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuer, the Guarantor, the Issuing and Paying Agent or any other agent will have the responsibility for the performance by CDP of its obligations under the rules and procedures governing its operations.

Clearance and Settlement under Euroclear and/or Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg each holds securities for participating organisations and facilitates the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in the accounts of such participants, thereby eliminating the need for physical movements of certificates and any risks from lack of simultaneous transfer. Euroclear and Clearstream, Luxembourg provide to their respective participants, among other things, services for safekeeping, administration, clearance and settlement of internationally-traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg each also deals with domestic securities markets in several countries through established depository and custodial relationships. The respective systems of Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems which enables their respective participants to settle trades with one another. Euroclear and Clearstream, Luxembourg participants are financial institutions throughout the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect access to Euroclear or Clearstream, Luxembourg is also available to other financial institutions, such as banks, brokers, dealers and trust companies which clear through or maintain a custodial relationship with a Euroclear or Clearstream, Luxembourg participant, either directly or indirectly.

A participant's overall contractual relations with either Euroclear or Clearstream, Luxembourg are governed by the respective rules and operating procedures of Euroclear or Clearstream, Luxembourg and any applicable laws. Both Euroclear and Clearstream, Luxembourg act under those rules and operating procedures only on behalf of their respective participants, and have no record of, or relationship with, persons holding any interests through their respective participants. Distributions of principal with respect to book-entry interests in the Notes held through Euroclear or Clearstream, Luxembourg will be credited, to the extent received by the relevant Paying Agent, to the cash accounts of the relevant Euroclear or Clearstream, Luxembourg participants in accordance with the relevant system's rules and procedures.

SINGAPORE TAXATION

The statements below are general in nature and are based on certain aspects of current tax laws in Singapore and administrative guidelines issued by MAS in force as at the date of this Information Memorandum and are subject to any changes in such laws or administrative guidelines, or the interpretation of those laws or guidelines, occurring after such date, which changes could be made on a retroactive basis. These laws and guidelines are also subject to various interpretations and the relevant tax authorities or the courts could later disagree with the explanations or conclusions set out below. Neither these statements nor any other statements in this Information Memorandum are intended or are to be regarded as advice on the tax position of any holder of the Notes or of any person acquiring, selling or otherwise dealing with the Notes or on any tax implications arising from the acquisition, sale or other dealings in respect of the Notes. The statements made herein do not purport to be a comprehensive or exhaustive description of all the tax considerations that may be relevant to a decision to subscribe for, purchase, own or dispose of the Notes and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or financial institutions in Singapore which have been granted the relevant Financial Sector Incentive tax incentive(s)) may be subject to special rules or tax rates. Prospective holders of the Notes are advised to consult their own professional tax advisers as to the Singapore or other tax consequences of the acquisition, ownership of or disposal of the Notes, including, in particular, the effect of any foreign, state or local tax laws to which they are subject. It is emphasised that neither the Issuer, the Arranger, the Guarantor nor any other persons involved in the Programme accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of the Notes.

1. Interest and Other Payments

Subject to the following paragraphs, under Section 12(6) of the Income Tax Act, Chapter 134 of Singapore (the "**ITA**"), the following payments are deemed to be derived from Singapore:

(a) any interest, commission, fee or any other payment in connection with any loan or indebtedness or with any arrangement, management, guarantee, or service relating to any loan or indebtedness which is (i) borne, directly or indirectly, by a person resident in Singapore or a permanent establishment in Singapore (except in respect of any business carried on outside Singapore through a permanent establishment outside Singapore or any immovable property situated outside Singapore) or (ii) deductible against any income accruing in or derived from Singapore; or

(b) any income derived from loans where the funds provided by such loans are brought into or used in Singapore.

Such payments, where made to a person not known to the paying party to be a resident in Singapore for tax purposes, are generally subject to withholding tax in Singapore. The rate at which tax is to be withheld for such payments (other than those subject to the 15.0% final withholding tax described below) to non-resident persons (other than non-resident individuals) is 17.0% with effect from the year of assessment 2010. The applicable rate for non-resident individuals is 20.0%. However, if the payment is derived by a person not resident in Singapore otherwise than from any trade, business, profession or vocation carried on or exercised by such person in Singapore and is not effectively connected with any permanent establishment in Singapore of that person, the payment is subject to a final withholding tax of 15.0%. The rate of 15.0% may be reduced by applicable tax treaties.

Notwithstanding the above, with effect from 29 December 2009, the said deeming provisions of Section 12(6) of the ITA would not apply to payments for any arrangement, management, service or guarantee relating to any loan or indebtedness, where: (i) the arrangement, management or service is performed outside Singapore; or (ii) the guarantee is provided, for or on behalf of a person resident in Singapore or a permanent establishment in Singapore by a non-resident person who:

(i) is not an individual, is not incorporated, formed or registered in Singapore; and

(ii) (A) does not by himself or in association with others, carry on a business in Singapore and does not have a permanent establishment in Singapore; or

(B) carries on a business in Singapore (by himself or in association with others) or has a permanent establishment in Singapore, but (a) the arrangement, management or service is not performed through; or (b) the giving of the guarantee is not effectively connected with, that business carried on in Singapore or that permanent establishment.

Certain Singapore-sourced investment income derived by individuals from financial instruments is exempt from tax, including:

(a) interest from debt securities derived on or after 1 January 2004;

(b) discount income (not including discount income arising from secondary trading) from debt securities derived on or after 17 February 2006; and

(c) prepayment fee, redemption premium and break cost from debt securities derived on or after 15 February 2007,

except where such income is derived through a partnership in Singapore or is derived from the carrying on of a trade, business or profession.

The terms "**prepayment fee**", "**redemption premium**" and "**break cost**" are defined in the ITA as follows:

"prepayment fee", in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by the terms of the issuance of the securities;

"redemption premium", in relation to debt securities and qualifying debt securities, means any premium payable by the issuer of the securities on the redemption of the securities upon their maturity; and

"break cost", in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by any loss or liability incurred by the holder of the securities in connection with such redemption.

References to "prepayment fee", "redemption premium" and "break cost" in this Singapore tax disclosure have the same meaning as defined in the ITA.

In addition, as the Programme as a whole is arranged by Australia and New Zealand Banking Group Limited (Singapore Branch), which is a Financial Sector Incentive (Bond Market) Company (as defined in the ITA), any tranche of the Notes issued as debt securities under the Programme during the period from the date of this Information Memorandum to 31 December 2013 ("**Relevant Notes**") would be "qualifying debt securities" for the purposes of the ITA, to which the following treatment shall apply:

(i) subject to certain prescribed conditions having been fulfilled (including the furnishing by the Issuer, or such other person as the Comptroller of Income Tax in Singapore (the "**Comptroller**") may direct, of a return on debt securities for the Relevant Notes within such period as the Comptroller may specify and such other particulars in connection with the Relevant Notes as the Comptroller may require to the Comptroller and MAS, and the inclusion by the Issuer in all offering documents relating to the Relevant Notes of a statement to the effect that where interest, discount income, prepayment fee, redemption premium or break cost from the Relevant Notes is derived by a person who is not resident in Singapore and who carries on any operation in Singapore through a permanent establishment in Singapore, the tax exemption for qualifying debt securities shall not apply if the non-resident person acquires the Relevant Notes using funds from that person's operations through the

Singapore permanent establishment), interest, discount income (not including discount income arising from secondary trading), prepayment fee, redemption premium and break cost (collectively, the "**Specified Income**") from the Relevant Notes derived by a holder who is not resident in Singapore and who (aa) does not have any permanent establishment in Singapore or (bb) carries on any operation in Singapore through a permanent establishment in Singapore but the funds used by that person to acquire the Relevant Notes are not obtained from such person's operation through a permanent establishment in Singapore, are exempt from Singapore tax;

(ii) subject to certain conditions having been fulfilled (including the furnishing by the Issuer, or such other person as the Comptroller may direct, of a return on debt securities for the Relevant Notes within such period as the Comptroller may specify and such other particulars in connection with the Relevant Notes as the Comptroller may require to the Comptroller and MAS), Specified Income from the Relevant Notes derived by any company or body of persons (as defined in the ITA) in Singapore is subject to income tax at a concessionary rate of 10.0%; and

(iii) subject to:

(aa) the Issuer including in all offering documents relating to the Relevant Notes a statement to the effect that any person whose interest, discount income, prepayment fee, redemption premium or break cost i.e. the Specified Income derived from the Relevant Notes is not exempt from tax shall include such income in a return of income made under the ITA; and

(bb) the Issuer, or such other person as the Comptroller may direct, furnishing to the Comptroller and MAS a return on debt securities for the Relevant Notes within such period as the Comptroller may specify and such other particulars in connection with the Relevant Notes as the Comptroller may require,

Specified Income derived from the Relevant Notes is not subject to withholding of tax by the Issuer.

However, notwithstanding the foregoing:

(A) if during the primary launch of any tranche of Relevant Notes, the Relevant Notes of such tranche are issued to fewer than four (4) persons and 50.0% or more of the issue of such Relevant Notes is beneficially held or funded, directly or indirectly, by related parties of the Issuer, such Relevant Notes would not qualify as "qualifying debt securities"; and

(B) even though a particular tranche of Relevant Notes are "qualifying debt securities", if, at any time during the tenure of such tranche of Relevant Notes, 50.0% or more of the issue of such Relevant Notes is held beneficially or funded, directly or indirectly, by any related party(ies) of the Issuer, Specified Income derived from such Relevant Notes held by:

(I) any related party of the Issuer; or

(II) any other person where the funds used by such person to acquire such Relevant Notes are obtained, directly or indirectly, from any related party of the Issuer,

shall not be eligible for the tax exemption or concessionary rate of tax as described above.

The term "**related party**", in relation to a person, means any other person who, directly or indirectly, controls that person, or is controlled, directly or indirectly, by that person, or where he and that other person, directly or indirectly, are under the control of a common person.

Notwithstanding that the Issuer is permitted to make payments of Specified Income in respect of the Relevant Notes without deduction or withholding for tax under Section 45 or Section 45A of the ITA, any person whose Specified Income (whether it is interest, discount income, prepayment fee, redemption premium or break cost) derived from the Relevant Notes is not exempt from tax is required to include such income in a return of income made under the ITA.

The Qualifying Debt Securities Plus Scheme ("QDS Plus Scheme") has also been introduced as an enhancement of the Qualifying Debt Securities Scheme. Under the QDS Plus Scheme, subject to certain conditions having been fulfilled (including the furnishing by the Issuer or such other person as the Comptroller may direct, of a return on debt securities in respect of the qualifying debt securities within such period as the Comptroller may specify and such other particulars in connection with the qualifying debt securities as the Comptroller may require to the Comptroller and MAS), income tax exemption is granted on Specified Income derived by any investor from qualifying debt securities (excluding Singapore Government Securities) which:-

(a) are issued during the period from 16 February 2008 to 31 December 2013;

(b) have an original maturity of not less than 10 years;

(c) cannot be redeemed, called, exchanged or converted within 10 years from the date of their issue; and

(d) cannot be re-opened with a resulting tenure of less than 10 years to the original maturity date.

In determining an investor's income that is to be exempted from tax under the QDS Plus Scheme, prescribed conditions apply in relation to how the investor's losses, expenses, capital allowances and donations which are attributable to exempt income are to be treated.

However, even if a particular tranche of the Relevant Notes are "qualifying debt securities" which qualify under the QDS Plus Scheme, if, at any time during the tenure of such tranche of Relevant Notes, 50.0% or more of the issue of such Relevant Notes is held beneficially or funded, directly or indirectly, by any related party(ies) of the Issuer, Specified Income from such Relevant Notes derived by:

(i) any related party of the Issuer; or

(ii) any other person where the funds used by such person to acquire such Relevant Notes are obtained, directly or indirectly, from any related party of the Issuer,

shall not be eligible for the tax exemption under the QDS Plus Scheme as described above.

2. Capital Gains

Any gains considered to be in the nature of capital made from the sale of the Notes will not be taxable in Singapore. However, any gains derived by any person from the sale of the Notes which are gains from any trade, business, profession or vocation carried on by that person, if accruing in or derived from Singapore, may be taxable as such gains are considered revenue in nature.

Holders of the Notes who apply or are required to apply Singapore Financial Reporting Standard 39 Financial Instruments: Recognition and Measurement ("**FRS 39**"), may for Singapore income tax purposes be required to recognise gains or losses (not being gains or losses in the nature of capital) on the Notes, irrespective of disposal, in accordance with FRS 39. Please see the section below on "Adoption of FRS 39 Treatment for Singapore Income Tax Purposes".

3. Adoption of FRS 39 Treatment for Singapore Income Tax Purposes

The Inland Revenue Authority of Singapore has issued a circular entitled "Income Tax Implications Arising from the Adoption of FRS 39 - Financial Instruments: Recognition & Measurement" (the "**FRS 39 Circular**"). Legislation amendments to give effect to the FRS 39 Circular have been enacted in Section 34A of the ITA.

The FRS 39 Circular and Section 34A of the ITA generally apply, subject to certain "opt-out" provisions, to taxpayers who are required to comply with FRS 39 for financial reporting purposes.

According to the FRS 39 Circular, for financial assets on revenue account classified as:

(a) "fair value through profit or loss", gains or losses recognised in the profit and loss account will be taxed or allowed as a deduction even though they are unrealised;

(b) "available-for-sale", only the cumulative gains or losses (which had been recognised in equity) that are transferred to the profit and loss account upon derecognition will be taxed or allowed as a deduction;

(c) "held-to-maturity" and loans, the interest income based on the amount shown in the accounts, which is calculated under the effective interest method under FRS 39, will be taxed.

The FRS 39 Circular refers to the definition of the effective interest method under FRS 39 and states that the "effective interest method" is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period and the "effective interest rate" is the rate that exactly discounts estimated future cash payments of receipts through the expected life of the financial instruments. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

However, for debt securities which are on capital account, the FRS 39 Circular indicates that interest income reflected in the profit and loss account under FRS 39 will be adjusted to that based on the coupon/contractual rate.

In this regard, Section 34A of the ITA provides that where interest from debt securities is chargeable to tax under Section 10(1)(d) of the ITA (i.e. as passive income rather than as income from a trade or business), such interest will be computed based on the contractual interest rate and not the effective interest rate. In this section, "contractual interest rate" in relation to any financial instrument means the interest rate specified in the financial instrument. A gain from discounts or premiums on debt securities, being a gain chargeable to tax under Section 10(1)(d) of the ITA, shall be deemed to accrue only on the maturity or redemption of the debt securities and to be equal to the difference between the amount received on the maturity or redemption of the debt securities and the amount for which the debt securities were issued.

Holders of the Notes who may be subject to the tax treatment under the FRS 39 Circular should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding or disposal of the Notes.

4. Estate Duty

Singapore estate duty has been abolished with respect to all deaths occurring on or after 15 February 2008.

SUBSCRIPTION, PURCHASE AND DISTRIBUTION

The Programme Agreement provides for Notes to be offered from time to time through one or more Dealers. The price at which a Series or Tranche will be issued will be determined prior to its issue between the Issuer and the relevant Dealer(s). The obligations of the Dealers under the Programme Agreement will be subject to certain conditions set out in the Programme Agreement. Each Dealer (acting as principal) will subscribe or procure subscribers for Notes from the Issuer pursuant to the Programme Agreement.

United States

The Notes and the Guarantee have not been and will not be registered under the Securities Act, and the Notes may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meaning given to them by Regulation S.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder.

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree that, except as permitted by the Dealer Agreement, it will not offer, sell or deliver the Notes, (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of an identifiable tranche of which such Notes are a part, as determined and certified to the Issuing and Paying Agent by such Dealer (or, in the case of an identifiable tranche of Notes sold to or through more than one Dealer, by each of such Dealers with respect to Notes of an identifiable tranche purchased by or through it, in which case the Issuing and Paying Agent shall notify such Dealer when all such Dealers have so certified), within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each Dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting out the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after the commencement of the offering of any identifiable tranche of Notes, an offer or sale of Notes within the United States by any dealer that is not participating in the offering of such Notes may violate the registration requirements of the Securities Act.

Hong Kong

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that:

(i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and

(ii) it has not issued or had in its possession for the purposes of issue, and will not 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 Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes 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 and any rules made under that Ordinance.

Singapore

Each Dealer acknowledges that this Information Memorandum has not been registered as a prospectus with MAS. Accordingly, each Dealer has represented and agreed that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Information Memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the SFA, (ii) to a relevant person pursuant to Section 275(1), or to any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

General

The selling restrictions herein contained may be modified, varied or amended by agreement of the Issuer and the Dealers following a change in a relevant law, regulation or directive. Any such modification or supplement to the selling restrictions will be set out in the Pricing Supplement to be issued in respect of the issue of the Notes to which it relates or in a supplement to this Information Memorandum.

Each Dealer acknowledges and understands that no action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of this Information Memorandum or any other document or any Pricing Supplement, in any country or jurisdiction where action for that purpose is required.

Each Dealer will, to the best of its knowledge, comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or any interest therein or rights in respect thereof or has in its possession or distributes this Information Memorandum or any other document or any Pricing Supplement.

Any person who may be in doubt as to the restrictions set out in the SFA or the laws, regulations and directives in each jurisdiction in which it subscribes for, purchases, offers, sells or delivers the Notes or any interest therein or rights in respect thereof and the consequences arising from a contravention thereof should consult his own professional advisers and should make his own inquiries as to the laws, regulations and directives in force or applicable in any particular jurisdiction at any relevant time.

GENERAL AND OTHER INFORMATION

INFORMATION ON DIRECTORS

1. No Director of the Issuer or the CIT Manager is or was involved in any of the following events:

   (a) a petition under any bankruptcy laws filed in any jurisdiction against such person or any partnership in which he was a partner or any corporation of which he was a director or an executive officer;

   (b) a conviction of any offence, other than a traffic offence, or judgment, including findings in relation to fraud, misrepresentation or dishonesty, given against him in any civil proceedings in Singapore or elsewhere, or being a named subject to any pending proceedings which may lead to such a conviction or judgment, or so far as such person is aware, any criminal investigation pending against him; or

   (c) the subject of any order, judgment or ruling of any court of competent jurisdiction, tribunal or government body, permanently or temporarily enjoining him from acting as an investment adviser, dealer in securities, director or employee of a financial institution and engaging in any type of business practice or activity.

2. As at the date of this Information Memorandum, no option to subscribe for shares in, or debentures of, the Issuer has been granted to, or was exercised by, any Director of the Issuer.

3. (a) No Director of the Issuer is interested, directly or indirectly, in the promotion of any assets acquired or disposed of by or leased to, the Issuer or any of its subsidiaries, within the two years preceding the date of this Information Memorandum.

   (b) Save as disclosed in Appendices II, III and IV of this Information Memorandum and as disclosed below, no Director of the CIT Manager is interested, directly or indirectly, in the promotion of any assets acquired or disposed of by or leased to, CIT or any of its subsidiaries, within the two years preceding the date of this Information Memorandum (other than for any transaction the value of which is below S$100,000).

   In October 2011, the CIT Trustee, acting on behalf of CIT, signed a Put & Call Option Agreement to acquire 25 Pioneer Crescent, Singapore from Oxley Opportunity #9 Pte Ltd, an interested party of the CIT Manager. Oxley Opportunity #9 Pte Ltd is an indirectly-held wholly-owned subsidiary of Oxley Holdings Limited, which in turn is a related party of an ultimate shareholder of the CIT Manager.

   The purchase price is S$15.0 million, based on land lease tenure of 42 years from 1 February 2009 but subject to adjustments based on the final confirmation of land lease tenure. The purchase price was negotiated on a willing buyer and willing seller basis.

4. As at the date of this Information Memorandum, the Issuer is a wholly-owned subsidiary of the CIT Trustee.

SHARE CAPITAL

5. (a) As at the date of this Information Memorandum, there is only one class of ordinary shares in the Issuer. The rights and privileges attached to the Shares are stated in the Articles of Association of the Issuer.

   (b) As at the date of this Information Memorandum, there is only one class of Units. The rights and privileges attached to the Units are stated in the CIT Trust Deed.

6. The issued share capital of the Issuer as at the date of this Information Memorandum were as follows:

Share Designation	Issued Share Capital (Number)	Issued Share Capital (S$)
Ordinary Shares	1	1

7. The Units in issue as at the Latest Practicable Date are as follows:

   1,189,198,368

BORROWINGS

8. As at 31 December 2011, all the borrowings or indebtedness in the nature of borrowings of CIT are as disclosed in Appendix IV to this Information Memorandum.

WORKING CAPITAL

9. The Directors of the Issuer are of the opinion that, after taking into account the present banking facilities and the net proceeds of the issue of the Notes, the Issuer will have adequate working capital for its present requirements.

CHANGES IN ACCOUNTING POLICIES

10. There are no significant changes in the accounting policies of CIT since its audited financial accounts for FY2010.

LITIGATION

11. There are no legal or arbitration proceedings pending or, so far as the Directors are aware, threatened against the Issuer, the Guarantor, CIT or any of their respective subsidiaries 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 Information Memorandum a material adverse effect on the financial position of the Issuer, CIT or the Group.

MATERIAL ADVERSE CHANGE

12. There has been no material adverse change in the financial condition or business of the Issuer since the date of its incorporation, or the financial condition or business of CIT or the Group since 31 December 2011.

CONSENT

13. The Auditors have given and have not withdrawn their written consent to the issue of this Information Memorandum with the references herein to their name and, where applicable, reports in the form and context in which they appear in this Information Memorandum.

DOCUMENTS AVAILABLE FOR INSPECTION

14. Copies of the following documents may be inspected, with prior appointments, at the registered office of the Issuer during normal business hours for a period of six months from the date of this Information Memorandum:

    (a) the Memorandum and Articles of Association of the Issuer;

    (b) the Trust Deed;

    (c) the letter of consent referred to in paragraph 13 above; and

    (d) the audited accounts of CIT for the last financial year ended 31 December 2010.

FUNCTIONS, RIGHTS AND OBLIGATIONS OF THE TRUSTEE

15. The functions, rights and obligations of the Trustee are set out in the Trust Deed.

AUDITED FINANCIAL STATEMENTS OF CAMBRIDGE INDUSTRIAL TRUST FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009

The information in this Appendix II has been extracted and reproduced from the audited financial statements of CIT for the financial year ended 31 December 2009 and has not been specifically prepared for inclusion in this Information Memorandum.

REPORT OF THE TRUSTEE

RBC Dexia Trust Services Singapore Limited (the "Trustee") is under a duty to take into custody and hold the assets of Cambridge Industrial Trust ("CIT") in trust for the holders ("Unitholders") of units in CIT (the "Units"). In accordance with the Securities and Futures Act (Cap. 289), its subsidiary legislation and the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore ("MAS") and the Listing Manual (collectively referred to as the "laws and regulations"), the Trustee shall monitor the activities of Cambridge Industrial Trust Management Limited (the "Manager") for compliance with the limitations imposed on the investment and borrowing powers as set out in the trust deed dated 31 March 2006 between the Trustee and the Manager (the "Trust Deed") in each annual accounting year and report thereon to Unitholders in an annual report which shall contain the matters prescribed by the laws and regulations as well as the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Certified Public Accountants of Singapore and the provisions of the Trust Deed.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed CIT during the year covered by these financial statements, set out on pages 60 to 106 comprising the Balance Sheet, Statement of Total Return, Distribution Statement, Statement of Movements in Unitholders' Funds, Portfolio Statement, Cash Flow Statement and a summary of significant accounting policies and other explanatory notes, in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed, laws and regulations and otherwise in accordance with the provisions of the Trust Deed.

For and on behalf of the Trustee,
RBC Dexia Trust Services Singapore Limited

Marie - Catherine Josephe Maria Demolin
Manager

Singapore
17 March 2010

STATEMENT BY THE MANAGER

In the opinion of the directors of Cambridge Industrial Trust Management Limited, the accompanying financial statements set out on pages 60 to 106 comprising the Balance Sheet, Statement of Total Return, Distribution Statement, Statement of Movements in Unitholders' Funds, Portfolio Statement, Cash Flow Statement and a summary of significant accounting policies and other explanatory notes, are drawn up so as to present fairly, in all material respects, the financial position and the portfolio of Cambridge Industrial Trust ("CIT") as at 31 December 2009, the total return, distributable income, changes in Unitholders' funds and cash flows of CIT for the year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Certified Public Accountants of Singapore and the provisions of the Trust Deed. At the date of this statement, there are reasonable grounds to believe that CIT will be able to meet its financial obligations as and when they materialise.

For and on behalf of the Manager,
Cambridge Industrial Trust Management Limited

Dr Chua Yong Hai
Chairman

Singapore
17 March 2010

AUDITORS' REPORT

to the Unitholders of Cambridge Industrial Trust ("CIT")

(Constituted in the Republic of Singapore pursuant to a trust deed dated 31 March 2006)

We have audited the financial statements of Cambridge Industrial Trust ("CIT"), which comprise the Balance Sheet and Portfolio Statement as at 31 December 2009, the Statement of Total Return, Distribution Statement, Statement of Movements in Unitholders' Funds, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 60 to 106.

Manager's responsibility for the financial statements

The Manager is responsible for the preparation and fair presentation of these financial statements in accordance with Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Certified Public Accountants of Singapore. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Manager, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of CIT as at 31 December 2009 and the total return, distributable income, changes in Unitholders' funds and cash flows of CIT for the year ended on that date, in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Certified Public Accountants of Singapore.

KPMG LLP

KPMG LLP
Public Accountants and
Certified Public Accountants

Singapore
17 March 2010

BALANCE SHEET

As at 31 December 2009

	Note	2009 $'000	2008 $'000
Assets			
Non-current assets			
Investment properties	3	795,600	967,682
		795,600	967,682
Current assets			
Trade and other receivables	4	1,910	1,179
Cash and cash equivalents	5	39,309	9,004
Investment properties held for divestment	3	78,600	–
		119,819	10,183
Liabilities			
Current liabilities			
Trade and other payables	6	16,918	15,813
Interest-bearing borrowings	7	–	369,118
Current tax payable		86	–
		17,004	384,931
Net current assets /(liabilities)		**102,815**	**(374,748)**
Non-current liabilities			
Trade and other payables	6	6,904	–
Interest-bearing borrowings	7	375,159	–
		382,063	–
Net assets		**516,352**	**592,934**
Represented by:			
Unitholders' funds		**516,352**	**592,934**
Units in issue ('000)	8	867,546	796,406
Net asset value per unit attributable to Unitholders ($)		0.60	0.74

The accompanying notes form an integral part of these financial statements.

STATEMENT OF TOTAL RETURN

Year ended 31 December 2009

	Note	2009 $'000	2008 $'000
Gross revenue	9	**74,421**	**72,266**
Property expenses	10	(9,282)	(9,465)
Net property income		65,139	62,801
Manager's management fees	11	(4,686)	(4,939)
Trust expenses	12	(2,139)	(2,021)
Distribution income from quoted investments		504	–
Interest income		43	165
Borrowing costs	13	(22,195)	(12,420)
Total return before changes in fair value of financial derivative and investment properties		**36,666**	**43,586**
Gain on disposal of investment properties		339	–
Loss on disposal of quoted investments		(2,411)	–
Change in fair value of financial derivative		(8,089)	(10,260)
Change in fair value of investment properties		(87,644)	123
Total return before income tax		**(61,139)**	**33,449**
Income tax expense	14	(86)	–
Total return for the year		**(61,225)**	**33,449**
Earnings per unit (cents)			
Basic and diluted	15	(7.43)	4.21
Distribution per unit (cents)	15	5.36	6.01

The accompanying notes form an integral part of these financial statements.

DISTRIBUTION STATEMENT

Year ended 31 December 2009

	2009 $'000	2008 $'000
Total return after income tax, before distribution for the year	(61,225)	33,449
Less: Distribution adjustments (Note A)	105,387	14,418
Net income available for distribution to Unitholders	**44,162**	**47,867**
Less: Distributions (Note B)	(32,200)	(36,927)
Net income available for distribution to Unitholders as at 31 December	**11,962**	**10,940**

Note A – Distribution Adjustments

	2009 $'000	2008 $'000
Non-tax deductible items and other adjustments:		
Manager's management fees (paid in units)	–	1,556
Trustee's fees	165	173
Amortisation of transaction costs relating to debt facilities	6,926	739
Loss on disposal of quoted investments	2,411	–
Change in fair value of investment properties	87,644	(123)
Change in fair value of financial derivative	8,089	10,260
Legal and professional fees	1,082	1,207
Impairment loss on trade receivables	(588)	588
Miscellaneous expenses	(3)	18
	105,726	14,418
Income not subject to tax:		
Gain on disposal of investment properties	(339)	–
Net effect of distribution adjustments	105,387	14,418

Note B – Distributions

	2009 $'000	2008 $'000
Distributions to Unitholders during the financial year comprise:		
Distribution of 1.344 cents per unit for the period from 1/7/2009 to 30/9/2009	11,207	–
Distribution of 1.345 cents per unit for the period from 1/4/2009 to 30/6/2009	10,711	–
Distribution of 1.291 cents per unit for the period from 1/1/2009 to 31/3/2009	10,282	–
Distribution of 1.490 cents per unit for the period from 1/7/2008 to 30/9/2008	–	11,866
Distribution of 1.561 cents per unit for the period from 1/4/2008 to 30/6/2008	–	12,432
Distribution of 1.588 cents per unit for the period from 1/1/2008 to 31/3/2008	–	12,629
	32,200	36,927
Distribution of 1.373 cents per unit for the period from 1/10/2008 to 31/12/2008 (1)	10,935	–
Distribution of 1.258 cents per unit for the period from 18/10/2007 to 31/12/2007 (2)	–	9,988
	43,135	46,915

Note:

(1) Distribution declared for 4Q2008 and paid in 1Q2009.

(2) Distribution declared for 4Q2007 and paid in 1Q2008.

The accompanying notes form an integral part of these financial statements.

STATEMENT OF MOVEMENTS IN UNITHOLDERS' FUNDS

Year ended 31 December 2009

	Note	2009 $'000	2008 $'000
Unitholders' funds at beginning of year		**592,934**	**604,594**
Operations			
Total return for the year after tax		**(61,225)**	**33,449**
Unitholders' transactions			
Issue of new units:			
- Private placement		28,000	–
- Manager's management fees paid in units (base fee)		-	1,556
Equity issue costs	16	(222)	250
Distributions to Unitholders		(43,135) [2]	(46,915) [1]
Net decrease in Unitholders' funds resulting from Unitholders' transactions		**(15,357)**	**(45,109)**
Unitholders' funds at end of year		**516,352**	**592,934**

Note:

(1) Distributions to Unitholders included distribution declared for the period from 18 October 2007 to 31 December 2007 amounting to $9,988,000

(2) Distributions to Unitholders included distribution declared for the period from 1 October 2008 to 31 December 2008 amounting to $10,934,653.

The accompanying notes form an integral part of these financial statements.

INVESTMENT PROPERTIES PORTFOLIO STATEMENT

As at 31 December 2009

		Tenure of land	Term of lease (years)	Remaining term of lease (years)	Location
	Logistics and Warehousing Properties [1]				
@	CWT DISTRIPARK	Leasehold	30+12	27 [7]	24 Jurong Port Road Singapore 619097
@	JURONG DISTRICENTRE	Leasehold	30+30	41 [8]	3 Pioneer Sector 3 Singapore 628342
@	ODC DISTRICENTRE	Leasehold	30+30	46 [9]	30 Toh Guan Road Singapore 608840
@	31 TUAS AVENUE 11	Leasehold	30+30	44 [10]	31 Tuas Avenue 11 Singapore 639105
@	25 CHANGI SOUTH AVENUE 2	Leasehold	30+30	45 [11]	25 Changi South Ave 2 Singapore 486594
@	YCH DISTRIPARK	Leasehold	30+30	29[12]	30 Tuas Road Singapore 638492
@	1 THIRD LOK YANG ROAD AND 4 FOURTH LOK YANG ROAD	Leasehold	30	22 [13]	1 Third Lok Yang Road Singapore 627996 and 4 Fourth Lok Yang Road Singapore 629701
@	1 TUAS AVENUE 3	Leasehold	30+23	23[14]	1 Tuas Avenue 3 Singapore 639402

The accompanying notes form an integral part of these financial statements.

INVESTMENT PROPERTIES PORTFOLIO STATEMENT (Cont'd)

As at 31 December 2009

Existing use	Occupancy rate at 31/12/2009 %	Occupancy rate at 31/12/2008 %	At Independent Valuation 31/12/2009 $'000	At Directors' Valuation# 31/12/2008 $'000	Percentage of Unitholders' funds 31/12/2009 %	Percentage of Unitholders' funds 31/12/2008 %
Logistics and Warehousing	100	100	96,300	106,000	18.65	17.88
Logistics and Warehousing	100	100	49,100	55,629	9.51	9.38
Logistics and Warehousing	100	100	36,900	40,166	7.15	6.77
Logistics and Warehousing	100	100	8,900	9,760	1.72	1.65
Logistics and Warehousing	100	100	7,800	8,202	1.51	1.38
Logistics and Warehousing	100	100	71,800	79,155	13.91	13.35
Logistics and Warehousing	100	100	11,100	13,220	2.15	2.23
Logistics and Warehousing	100	100	28,500	33,400	5.52	5.63
			310,400	**345,532**	**60.12**	**58.27**

The accompanying notes form an integral part of these financial statements.

INVESTMENT PROPERTIES PORTFOLIO STATEMENT (Cont'd)

As at 31 December 2009

		Tenure of land	Term of lease (years)	Remaining term of lease (years)	Location
	Light Industrial Properties [2]				
@	21 UBI ROAD 1	Leasehold	30+30	47[15]	21/23 Ubi Road 1 Singapore 408724/ 408725
@	136 JOO SENG ROAD	Leasehold	30+30	41 [16]	136 Joo Seng Road Singapore 368360
@	CSE GLOBAL BUILDING	Leasehold	60	49 [17]	2 Ubi View Singapore 408556
@	MI BUILDING	Leasehold	30+30	47 [18]	11 Serangoon North Avenue 5 Singapore 554809
@	130 JOO SENG ROAD	Leasehold	30+30	42 [19]	130 Joo Seng Road Singapore 368357
@	PANASONIC BUILDING	Leasehold	99	52[20]	2 Jalan Kilang Barat Singapore 159346
@	MEC TECHNOCENTRE	Leasehold	30+30	41 [21]	87 Defu Lane 10 Singapore 539219
@	ARMORCOAT INTERNATIONAL BUILDING	Leasehold	30+30	47 [22]	361 Ubi Road 3 Singapore 408664
@	LAM SOON INDUSTRIAL BUILDING	Freehold	Freehold	Freehold [23]	63 Hillview Avenue Singapore 669569
@	MINTWELL BUILDING	Leasehold	30+30	47 [24]	55 Ubi Avenue 3 Singapore 408864
@	DP COMPUTERS BUILDING	Leasehold	30+30	42 [25]	128 Joo Seng Road Singapore 368356
	Balance carried forward				

The accompanying notes form an integral part of these financial statements.

INVESTMENT PROPERTIES PORTFOLIO STATEMENT (Cont'd)

As at 31 December 2009

Existing use	Occupancy rate at 31/12/2009 %	Occupancy rate at 31/12/2008 %	At Independent Valuation 31/12/2009 $'000	At Directors' Valuation# 31/12/2008 $'000	Percentage of Unitholders' funds 31/12/2009 %	Percentage of Unitholders' funds 31/12/2008 %
Light Industrial	100	100	25,700	27,880	4.98	4.70
Light Industrial	100	100	10,400	12,400	2.01	2.09
Light Industrial	100	100	8,100	8,504	1.57	1.44
Light Industrial	100	100	14,600	15,842	2.83	2.67
Light Industrial	92	64	10,000	14,308	1.94	2.41
Light Industrial	100	100	21,100	23,100	4.09	3.90
Light Industrial	100	100	13,100	14,006	2.54	2.36
Light Industrial	100	100	16,400	19,600	3.18	3.31
Light Industrial	100	100	76,700	80,000	14.85	13.49
Light Industrial	100	100	18,300	20,400	3.54	3.44
Light industrial	100	100	10,400	11,800	2.01	1.99
			224,800	**247,840**	**43.54**	**41.80**

The accompanying notes form an integral part of these financial statements.

INVESTMENT PROPERTIES PORTFOLIO STATEMENT (Cont'd)

As at 31 December 2009

		Tenure of land	Term of lease (years)	Remaining term of lease (years)	Location
	Light Industrial Properties [2]				
	Balance brought forward				
@	NATURAL COOL BUILDING	Leasehold	30+30	40 [26]	81 Defu Lane 10 Singapore 539217
@	9 BUKIT BATOK STREET 22	Leasehold	30+30	43 [27]	9 Bukit Batok Street 22 Singapore 659585
*, @	ENTERPRISE HUB	Leasehold	60	47 [28]	48 Toh Guan Road East Singapore 608586
	Industrial and Warehousing Properties [3]				
@	86/88 INTERNATIONAL ROAD	Leasehold	30+30	45 [29]	86/88 International Road Singapore 629176/629177
@	23 TUAS AVENUE 10	Leasehold	30+29	47 [30]	23 Tuas Avenue 10 Singapore 639149
@	9 TUAS VIEW CRESCENT	Leasehold	30+30	49 [31]	9 Tuas View Crescent Singapore 637612
*, @	27 PANDAN CRESCENT	Leasehold	30+30	45 [32]	27 Pandan Crescent Singapore 128476
@	28 SENOKO DRIVE	Leasehold	30+30	29 [33]	28 Senoko Drive Singapore 758214
@	31 CHANGI SOUTH AVENUE 2	Leasehold	30+30	45 [34]	31 Changi South Avenue 2 Singapore 486478
	Balance carried forward				

The accompanying notes form an integral part of these financial statements.

INVESTMENT PROPERTIES PORTFOLIO STATEMENT (Cont'd)

As at 31 December 2009

Existing use	Occupancy rate at 31/12/2009 %	Occupancy rate at 31/12/2008 %	At Independent Valuation 31/12/2009 $'000	At Directors' Valuation# 31/12/2008 $'000	Percentage of Unitholders' funds 31/12/2009 %	Percentage of Unitholders' funds 31/12/2008 %
			224,800	**247,840**	**43.54**	**41.80**
Light Industrial	100	100	5,200	5,503	1.01	0.93
Light Industrial	100	100	19,600	19,900	3.79	3.36
Light Industrial	100	100	70,800	76,509	13.71	12.90
			320,400	**349,752**	**62.05**	**58.99**
Industrial and Warehousing	100	100	14,200	15,404	2.75	2.60
Industrial and Warehousing	100	100	9,000	9,300	1.74	1.57
Industrial and Warehousing	100	100	6,000	6,300	1.16	1.06
Industrial and Warehousing	100	100	7,800	8,501	1.51	1.43
Industrial and Warehousing	100	100	10,400	13,400	2.01	2.26
Industrial and Warehousing	100	100	6,100	6,400	1.18	1.08
			53,500	**59,305**	**10.35**	**10.00**

The accompanying notes form an integral part of these financial statements.

INVESTMENT PROPERTIES PORTFOLIO STATEMENT (Cont'd)

As at 31 December 2009

		Tenure of land	Term of lease (years)	Remaining term of lease (years)	Location
	Industrial and Warehousing Properties [3]				
	Balance brought forward				
@	120 PIONEER ROAD	Leasehold	30+28	45 [35]	120 Pioneer Road Singapore 639597
@	23 WOODLANDS TERRACE	Leasehold	30+30	47 [36]	23 Woodlands Terrace Singapore 738472
@	21B SENOKO LOOP	Leasehold	30+30	43 [37]	21B Senoko Loop Singapore 758171
@	6 TUAS BAY WALK	Leasehold	30+30	47 [38]	6 Tuas Bay Walk Singapore 637752
@	79 TUAS SOUTH STREET 5	Leasehold	30+30	50 [39]	79 Tuas South Street 5 Singapore 637604
	Industrial Properties [4]				
@	7 GUL LANE	Leasehold	30+30	31 [40]	7 Gul Lane Singapore 629406
@	31 KIAN TECK WAY	Leasehold	30+19	33 [41]	31 Kian Teck Way Singapore 628751
@	TECHPLAS INDUSTRIAL BUILDING	Leasehold	30+30	46 [42]	45 Changi South Avenue 2 Singapore 486133
@	2 TUAS SOUTH AVENUE 2	Leasehold	60	49 [43]	2 Tuas South Ave 2 Singapore 637601
	Balance carried forward				

The accompanying notes form an integral part of these financial statements.

INVESTMENT PROPERTIES PORTFOLIO STATEMENT (Cont'd)

As at 31 December 2009

Existing use	Occupancy rate at 31/12/2009 %	Occupancy rate at 31/12/2008 %	At Independent Valuation 31/12/2009 $'000	At Directors' Valuation# 31/12/2008 $'000	Percentage of Unitholders' funds 31/12/2009 %	Percentage of Unitholders' funds 31/12/2008 %
			53,500	**59,305**	**10.35**	**10.00**
Industrial and Warehousing	100	100	26,400	28,000	5.11	4.72
Industrial and Warehousing	100	100	15,000	16,500	2.91	2.78
Industrial and Warehousing	100	100	14,500	14,757	2.81	2.49
Industrial and Warehousing	84	100	6,100	7,107	1.18	1.20
Industrial and Warehousing	100	100	9,500	10,408	1.84	1.76
			125,000	**136,077**	**24.20**	**22.95**
Industrial	100	100	3,400	3,604	0.66	0.61
Industrial	100	100	3,300	3,602	0.64	0.61
Industrial	100	100	9,100	9,705	1.76	1.63
Industrial	100	100	23,200	26,088	4.49	4.40
			39,000	**42,999**	**7.55**	**7.25**

The accompanying notes form an integral part of these financial statements.

INVESTMENT PROPERTIES PORTFOLIO STATEMENT (Cont'd)

As at 31 December 2009

		Tenure of land	Term of lease (years)	Remaining term of lease (years)	Location
	Industrial Properties [4]				
	Balance brought forward				
@	28 WOODLANDS LOOP	Leasehold	30+30	46 [44]	28 Woodlands Loop Singapore 738308
*, @	STANDARD FORM BUILDING	Leasehold	30+30	45 [45]	37 Tampines Street 92 Singapore 528885
+	16 TUAS AVENUE 18A	Leasehold	30+30	–	16 Tuas Avenue 18A Singapore 638864
	Self Storage and Warehousing Property [5]				
@	160 KALLANG WAY	Leasehold	60	23 [47]	160 Kallang Way Singapore 349246
	Car Showroom and Workshop Property [6]				
@	23 LORONG 8 TOA PAYOH	Leasehold	30+30	42 [48]	23 Lorong 8 Toa Payoh Singapore 319257
@	7 UBI CLOSE	Leasehold	30	14 [49]	7 Ubi Close Singapore 408604
	Investment properties, at valuation				
	Net liabilities				
	Unitholders' funds				

The accompanying notes form an integral part of these financial statements.

INVESTMENT PROPERTIES PORTFOLIO STATEMENT (Cont'd)

As at 31 December 2009

Existing use	Occupancy rate at 31/12/2009 %	Occupancy rate at 31/12/2008 %	At Independent Valuation 31/12/2009 $'000	At Directors' Valuation# 31/12/2008 $'000	Percentage of Unitholders' funds 31/12/2009 %	Percentage of Unitholders' funds 31/12/2008 %
			39,000	**42,999**	**7.55**	**7.25**
Industrial	100	100	13,500	14,900	2.62	2.51
Industrial	100	100	11,500	12,600	2.23	2.13
Industrial	–	100	–	2,900	–	0.49
			64,000	**73,399**	**12.40**	**12.38**
Self Storage and Warehousing	100	100	**23,000**	**26,718**	**4.45**	**4.51**
Car Showroom and Workshop	100	100	12,400	14,900	2.40	2.51
Car Showroom and Workshop	100	100	19,000	21,304	3.68	3.59
			31,400	**36,204**	**6.08**	**6.10**
			874,200	**967,682**	**169.30**	**163.20**
			(357,848)	**(374,748)**	**(69.30)**	**(63.20)**
			516,352	**592,934**	**100.00**	**100.00**

The accompanying notes form an integral part of these financial statements.

INVESTMENT PROPERTIES PORTFOLIO STATEMENT (Cont'd)

As at 31 December 2009

	2009 At Independent Valuation $	2008 At Directors' Valuation $
Included in the properties at valuation of $874.2 million are:		
Investment properties – non current	795,600	967,682
Investment properties – current [denoted as (*) in the Portfolio Statement]	78,600	–
Total properties	**874,200**	**967,682**

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) These Properties are used by the tenant as car showroom and service workshops.

(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+23 year lease commencing from 1 October 1979.

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

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

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

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

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

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

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

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

(23) CIT acquired freehold title to 97 out of 154 strata units, representing 69.4% of the total share value of the strata units comprised in the property.

(24) CIT holds the remainder of a 30+30 year lease commencing from 1 July 1996.

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

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

(27) CIT holds the remainder of a 30+30 year lease commencing from 1 February 1993.

(28) Following strata sub-division of the property, which was completed in July 2007, CIT acquired the remainder of a 60-year lease commencing from 1 December 1997 in respect of 120 of 602 strata units, representing approximately 19.3% of the total share value of the strata units comprised in the property.

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

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

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

The accompanying notes form an integral part of these financial statements.

INVESTMENT PROPERTIES PORTFOLIO STATEMENT (Cont'd)

As at 31 December 2009

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

(33) CIT holds the remainder of a 30+30 year lease commencing from 16 December 1979.

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

(35) CIT holds the remainder of a 30+28 year lease commencing from 16 February 1997.

(36) CIT holds the remainder of a 30+30 year lease commencing from 16 November 1996.

(37) CIT holds the remainder of a 30+30 year lease commencing from 1 February 1993.

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

(39) CIT holds the remainder of a 30+30 year lease commencing from 1 February 2000.

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

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

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

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

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

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

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

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

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

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

The extemal valuer, Chesterton Suntec International Pte Ltd, advised a valuation range of $965.0 million to the actual valuation number of $995.4 million for the overall properties portfolio as at 18 December 2008. Given the slowdown in the economy and the fact that there were few comparable market transactions to guide valuations, the directors determined to carry the portfolio value at $967.7 million which was at the lower end of the valuation range, representing no material revaluation gain in the previous financial year.

@ Properties pledged as security to secure the term loan facility of $390.1 million with a syndication of four banks comprising The Hong Kong and Shanghai Banking Corporation Limited, National Australia Bank Limited, The Royal Bank of Scotland plc and RHB Bank Berhad, through a Singapore-incorporated special purpose vehicle (see Note 7).

+ This property was disposed of in October 2009.

Investment properties comprise a diverse portfolio of industrial properties that are leased to external tenants. All of the leases are structured under single-tenancy or multiple-tenancy and contain an initial non-cancellable period ranging from five to fifteen years or five months to five years, respectively. No contingent rents were recognised in the Statement of Total Return.

CB Richard Ellis ('CBRE') were appointed to conduct two external valuation exercises on all properties during FY2009, in June 2009 for 43 properties and in December 2009 for 41 properties and remaining 114 strata units of the 42nd property. The firm is an independent valuer having appropriate professional qualifications and recent experience in the location and category of the properties being valued. The valuation for these properties was based on Discounted Cash Flow Analysis and the Capitalisation Method.

Certain properties, comprising one property at 16 Tuas Avenue 18A and six strata units in the property at 48 Toh Guan Road East at a total carrying cost of $6.2 million, were disposed of during the financial year. The latest valuation of the remaining 41 properties and the remaining 114 strata units at 48 Toh Guan Road East as at 31 December 2009 amounted to $874.2 million, giving rise to a reduction in value of $87.6 million during the financial year. The net change in fair value of the investment properties has been recognised in the Statement of Total Return.

The accompanying notes form an integral part of these financial statements.

CASH FLOW STATEMENT

Year ended 31 December 2009

	2009 $'000	2008 $'000
Cash flows from operating activities		
Total return for the year before income tax and distribution	(61,139)	33,449
Adjustments for:		
Interest income	(43)	(165)
Distribution income	(504)	–
Borrowing costs	22,195	12,420
Manager's management fee paid and payable in units (Note B)	–	1,556
Gain on disposal of investment properties	(339)	–
Loss on disposal of quoted investments	2,411	–
Change in fair value of financial derivative	8,089	10,260
Change in fair value of investment properties	87,644	(123)
Operating income before working capital changes	**58,314**	**57,397**
Changes in working capital:		
Trade and other receivables	(225)	(394)
Trade and other payables	3,258	(13,858)
Net cash from operating activities	**61,347**	**43,145**
Cash flows from investing activities		
Net cash outflow on purchase of investment properties (including acquisition related costs) (Note A)	(1,008)	(40,206)
Proceeds from disposal of investment properties	6,589	–
Purchase of quoted investments	(10,248)	–
Proceeds from disposal of quoted investments	7,837	–
Interest received	40	165
Net cash from/(used in) investing activities	**3,210**	**(40,041)**
Cash flows from financing activities		
Proceeds from issuance of new units	28,000	–
Equity issue costs paid	(222)	(8)
Proceeds from borrowings	390,100	32,300
Borrowing costs paid	(39,695)	(11,942)
Repayment of borrowings	(369,300)	–
Distributions paid to Unitholders	(43,135)	(46,915)
Increase in Proceeds Account (Note C)	(4,027)	–
Net cash used in financing activities	**(38,279)**	**(26,565)**
Net increase/(decrease) in cash and cash equivalents	**26,278**	**(23,461)**
Cash at bank and in hand at 1 January	**9,004**	**32,465**
	35,282	**9,004**
Cash in Proceeds Account	**4,027**	**–**
Cash at bank and in hand at 31 December (Note 5)	**39,309**	**9,004**

The accompanying notes form an integral part of these financial statements.

CASH FLOW STATEMENT (Cont'd)

Year ended 31 December 2009

Notes:

(A) Net Cash Outflow on Purchase of Investment Properties (including acquisition related costs)

Net cash outflow on purchase of investment properties (including acquisition related costs) is set out below:

	2009 $'000	2008 $'000
Investment properties	–	32,070
Acquisition related costs	14	548
Capital expenditure incurred	286	7,141
Investment properties acquired (including acquisition related costs and capital expenditure incurred)	300	39,759
Retention sums	708	447
Net cash outflow	1,008	40,206

(B) Significant Non-Cash Transactions

During the financial year, no units were issued in settlement of the Manager's management fees as the Manager has elected to receive the entire base fee in cash.

In the previous financial year, partial of the Manager's management fees was received in units for the first half of the financial year after which the Manager has elected to receive the entire base fee in cash for the remaining half year. Details of the units issue are disclosed in Note 8.

(C) Proceeds Account

The Proceeds Account is maintained to hold the sale proceeds arising from the divestment or receipt of insurance proceeds of the investment properties mortgaged to secure the current term loan facility of $390.1 million. The utilisation of these proceeds standing to the credit of this account are restricted to the following:

- repayment of the loans in whole or in part; or
- the purchase of any investment property which then become part of the security package of the current term loan facility.

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Manager and the Trustee on 17 March 2010.

1. General

Cambridge Industrial Trust ("CIT" or the "Trust") is a Singapore-domiciled unit trust constituted pursuant to the trust deed dated 31 March 2006 entered into between Cambridge Industrial Trust Management Limited (the "Manager") and RBC Dexia Trust Services Singapore Limited (the "Trustee"), and is governed by the laws of the Republic of Singapore ("Trust Deed"). On 31 March 2006, CIT was declared as an authorised unit trust scheme under the Trustees Act, Chapter 337. The Trustee is under a duty to take into custody and hold the assets of the Trust held by it in trust for the holders ("Unitholders") of units in the Trust (the "Units").

On 25 July 2006, CIT was admitted to the Official List of the Singapore Exchange Securities Trading Limited ("SGX-ST"). On 3 April 2006, CIT was included under the Central Provident Fund ("CPF") Investment Scheme.

The principal activity of CIT is to invest in a diverse portfolio of properties with the primary objective of achieving an attractive level of return from rental income and long-term capital growth.

CIT has entered into several service agreements in relation to the management of CIT and its property operations. The fee structures of these services are as follows:

(A) Trustee's fees

Pursuant to the Trust Deed, the Trustee's fees shall not exceed 0.1% per annum of the value of all the gross assets of CIT ("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.

(B) Manager's management fees

Under the Trust Deed, the Manager is entitled to receive the base fee and performance fee as follows:

(i) A base fee ("Base Fee") of 0.5% per annum of the value of the Deposited Property or such higher percentage as may be fixed by an Extraordinary Resolution of Meeting of Unitholders.

(ii) A performance fee ("Performance Fee"), where the total return (comprising capital gains and accumulated distributions and assuming all distributions are reinvested 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 of a benchmark index (the "Benchmark Index"). The Performance Fee is calculated in two tiers as follows:

- 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

NOTES TO THE FINANCIAL STATEMENTS

1. General (Cont'd)

(B) Manager's management fees (Cont'd)

- 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 of CIT 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.

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 of the 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 accumulated return of the Trust Index in that three-year period exceeds the accumulated 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.

In the current financial year, the Manager elected to receive the entire base fee in cash.

For the first half of the previous financial year, the Manager elected to receive a range of 0% to 63% of the Base Fee in respect of all the investment properties in the form of units, with the remainder of the Base Fee in cash. The Manager elected to receive 100% of the base fee in cash for the remaining period of the previous financial year.

NOTES TO THE FINANCIAL STATEMENTS

1. **General** (Cont'd)

(C) Manager's acquisition and disposal fees

The Manager is also entitled to receive the following fees:

(i) An acquisition fee of 1.0% of each of the following as is applicable, subject to there being no double-counting:

(a) the purchase price, excluding GST, of any real estate acquired, whether directly by CIT or indirectly through a special purpose vehicle;

(b) 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:

- CIT shall hold or invest in at least 50.0% of the equity of such entity; or
- 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;

(c) the value of any shareholder's loan extended by CIT to the entity referred to in paragraph (b) above, provided that the proviso in paragraph (b) is complied with; and

(d) 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 (b)) 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.

(ii) A disposal fee of 0.5% of each of the following as is applicable, subject to there being no double-counting:

(a) the sale price, excluding GST, of any investment of the type referred to in paragraph (C)(i)(a) above for the acquisition fee;

(b) in relation to an investment of the type referred to in paragraph (C)(i)(b) 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);

(c) the proceeds of sale, repayment or (as the case may be) redemption of an investment in a loan referred to in paragraph (C)(i)(c) above for the acquisition fee; and

(d) the value of an investment referred to in paragraph (C)(i)(d) above for the acquisition fee.

The Manager can opt to receive acquisition and disposal fees in the form of cash or Units or a combination as it may determine.

NOTES TO THE FINANCIAL STATEMENTS

1. General (Cont'd)

(D) Property Manager's fees

Cambridge Industrial Property Management Pte Ltd (the "Property Manager") as property manager of CIT is entitled to receive the following fees:

(i) A property management fee of 2.0% per annum of the gross revenue of the relevant property;

(ii) A lease management fee of 1.0% per annum of the gross revenue of the relevant property;

(iii) A marketing services commission equivalent to:

(a) one month's gross rent, inclusive of service charge, for securing a tenancy of three years or less;

(b) two month's gross rent, inclusive of service charge, for securing a tenancy of more than three years;

(c) half month's gross rent, inclusive of service charge, for securing a renewal of tenancy of three years or less; and

(d) one month's gross rent, inclusive of service charge, for securing a renewal of tenancy of more than three years.

(iv) A project management fee in relation to 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, as follows:

(a) where the construction costs are $2.0 million or less, a fee of 3.0% of the construction costs;

(b) where the construction costs exceed $2.0 million but do not exceed $20.0 million, a fee of 2.0% of the construction costs;

(c) where the construction costs exceed $20.0 million but do not exceed $50.0 million, a fee of 1.5% of the construction costs; and

(d) where the construction costs exceed $50.0 million, a fee to be mutually agreed by the Manager, the Property Manager and the Trustee.

(v) A property tax services fee 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:

(a) where the proposed annual value is $1.0 million or less, a fee of 7.5% of the property tax savings;

(b) where the proposed annual value is more than $1.0 million but does not exceed $5.0 million, a fee of 5.5% of the property tax savings; and

NOTES TO THE FINANCIAL STATEMENTS

1. General (Cont'd)

(D) Property Manager's fees (Cont'd)

(c) where the proposed annual value is more than $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.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements are prepared in accordance with the recommendations of 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 ("CIS Code") issued by the MAS and the provisions of the Trust Deed.

The financial statements which are expressed in Singapore dollars and rounded to the nearest thousand, have been prepared on the historical cost basis, except for investment properties and certain financial liabilities, which are stated at fair value. The functional currency of CIT is Singapore dollars. All revenue, expenses, receipts and payments are denominated primarily in Singapore dollars.

The preparation of financial statements in conformity with RAP 7 requires the Manager to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:

- Note 3 – valuation of investment properties
- Note 19 – valuation of financial instruments

The Trust has adopted the following standards which are mandatory for financial years beginning on or after 1 January 2009. The Trust's adoptions of the standards have no significant impact on the Trust's total return for current and prior periods.

- Amendments to FRS 32 *Financial Instruments: Presentation* and FRS 1 *Presentation of Financial Statement - Puttable Financial Instruments and Obligations Arising on Liquidation*
- Amendments to FRS 107 *Financial Instruments: Disclosures – Improving Disclosures about Financial Statements*
- FRS 108 *Operating Segments*

NOTES TO THE FINANCIAL STATEMENTS

2. Significant accounting policies (Cont'd)

2.1 Basis of preparation (Cont'd)

Amendments to FRS 32 *Financial Instruments: Presentation* and FRS 1 *Presentation of Financial Statement - Puttable Financial Instruments and Obligations Arising on Liquidation*

The adoption of the Amendments to FRS 32 and FRS 1 has resulted in the net assets attributable to Unitholders of the Trust (including the units in issue) being classified as equity instead of a financial liability.

This change in accounting policy has been applied retrospectively in accordance with the provisions of the amendments and the comparatives have been restated. This change does not have any impact on the Trust's Statement of Total Return.

The adoption of the Amendments to FRS 32 and FRS 1 has resulted in:

	2009 $'000	2008 $'000
Decrease in net assets attributable to Unitholders	(516,352)	(592,934)
Increase in Unitholders' Funds	516,352	592,934

Amendments to FRS 107 *Financial Instruments: Disclosures – Improving Disclosures about Financial Statements*

The amendments require disclosures relating to fair value measurements using a three-level hierarchy that reflects the significance of the inputs used in measuring fair values. Additional disclosures are required for fair value measurements in Level 3 of the fair value hierarchy. The amendments also require disclosure of any significant transfers between Level 1 and Level 2 of the fair value hierarchy and a narrative explanation of the reasons for such transfers.

Besides enhancing disclosures over fair value measurements relating to financial instruments, the amendments also seek to improve the disclosures of liquidity risk and how liquidity risk is being managed.

FRS 108 *Operating Segments*

As of 1 January 2009, the Trust determines and presents operating segments based on the information that is internally provided to the Trust's Chief Operating Decision Makers ("CODMs"). This change in accounting policy is due to the adoption of FRS 108 ***Operating Segments***. Previously, operating segments were determined and presented in accordance with FRS 14 ***Segment Reporting***. The new accounting policy in respect of operating segment disclosures is presented at Note 2.11 and has no material impact on comparative segment information and earnings per share.

The accounting policies set out below have been applied consistently by the Trust. The accounting policies used by the Trust have been applied consistently to all periods presented in these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

2. Significant accounting policies (Cont'd)

2.2 Investment properties

Investment properties are accounted for as non-current assets, except if they meet the conditions to be classified as held for divestment (see note 2.3 below). These properties are stated at initial cost on acquisition, and at valuation thereafter. The cost of a purchased property comprises its purchase price and any directly attributable expenditure. Transaction costs shall be included in the initial measurements. Valuations are determined in accordance with the Trust Deed, which requires the investment properties to be valued by independent registered valuers in the following manner:

(i) in such manner and frequency required under the CIS code issued by MAS; and

(ii) at least once in each period of 12 months following the acquisition of each investment property.

Any increase or decrease on revaluation is credited or charged directly to the Statement of Total Return as a net change in fair value of investment properties.

Subsequent expenditure relating to investment properties that have already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of originally assessed standard of performance of the existing asset, will flow to CIT. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

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.

Investment properties are not depreciated. The properties are subject to continued maintenance and regularly revalued on the basis set out above.

2.3 Investment properties held for divestment

Investment properties that are expected to be recovered primarily through divestment rather than through continuing use, are classified as held for divestment and accounted for as current assets. These investment properties are measured at fair value and any increase or decrease on revaluation is credited or charged directly to the Statement of Total Return as a net change in fair value of investment properties.

Upon disposal, 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.

2.4 Financial Instruments

Non-derivative financial instruments

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents, interest-bearing borrowings, and trade and other payables.

NOTES TO THE FINANCIAL STATEMENTS

2. Significant accounting policies (Cont'd)

2.4 Financial Instruments (Cont'd)

Non-derivative financial instruments (Cont'd)

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through the Statement of Total Return, any directly attributable transaction costs. Subsequent to initial recognition, except for available-for-sale financial assets (see below), non-derivative financial instruments are measured at amortised cost using the effective interest method, less any impairment losses.

A financial instrument is recognised if the Trust becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Trust's contractual rights to the cash flows from the financial assets expire or if the Trust transfers the financial asset to another party without retaining control or transfers substantially all the risks and rewards of the asset. The purchases and sales of financial assets are accounted for at trade date, i.e., the date that the Trust commits itself to purchase or sell the asset. Financial liabilities are derecognised if the Trust's obligations specified in the contract expire or are discharged or cancelled.

Cash and cash equivalents comprise cash balances and bank deposits.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale. The Trust's investments in equity securities are classified as available-for-sale financial assets. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses (see below), are recognised in equity in the fair value reserve. When an investment is derecognised, the cumulative gain or loss in the fair value reserve is transferred to profit or loss.

Derivative financial instruments and hedging activities

The Trust held derivative financial instruments to hedge its interest rate risk exposure in prior years. Embedded derivatives are separated from the host contract and accounted for separately if the economic characteristics and risks of the host contract and the embedded derivative are not closely related, a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative, and the combined instrument is not measured at fair value through Statement of Total Return. Derivatives are not used for trading purposes. However, derivatives that do not qualify for hedge accounting are accounted for as though the derivatives are trading instruments.

Derivatives are recognised initially at fair value; attributable transaction costs are recognised in the Statement of Total Return when incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognised immediately in the Statement of Total Return.

Impairment of financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

NOTES TO THE FINANCIAL STATEMENTS

2. Significant accounting policies (Cont'd)

2.4 Financial Instruments (Cont'd)

Impairment of financial assets (Cont'd)

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in the Statement of Total Return.

Impairment losses in respect of financial assets measured at amortised cost are reversed to the Statement of Total Return, if the subsequent increase in fair value can be related objectively to an event occurring after the impairment loss was recognised.

2.5 Impairment – non-financial assets

The carrying amounts of the Trust's non-financial assets, other than investment properties, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated at each balance sheet date.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in the Statement of Total Return unless it reverses a previous revaluation, credited to Unitholders' funds, in which case it is charged to Unitholders' funds.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.6 Unitholders' funds

Unitholders' funds are classified as equity. Incremental cost, directly attributable to the issuance of additional units in CIT are deducted directly against Unitholders' funds.

NOTES TO THE FINANCIAL STATEMENTS

2. Significant accounting policies (Cont'd)

2.7 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, except when an alternative basis is more representative of the pattern of benefits to be derived from the leased assets. Lease incentives granted are recognised as an integral part of the total rental to be received. Contingent rentals, which include gross turnover rental, are recognised as income in the accounting period on a receipt basis. No contingent rental is recognised if there are uncertainties due to the possible return of the amounts received.

(ii) Interest income

Interest income is accrued using the effective interest method.

2.8 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 Note 1.

(ii) Manager's management fees

Manager's management fees are recognised on an accrual basis based on the applicable formula stipulated in Note 1. Manager's management fee paid and payable in Units is recognised as an expense in the Statement of Total Return and a corresponding increase in Unitholders' funds.

(iii) Trust expenses

Trust expenses are recognised on an accrual basis. Included in trust expenses is the trustee's fees which are based on the applicable formula stipulated in Note 1.

(iv) Borrowing costs

Interest expense and similar charges are recognised in the Statement of Total Return, using the effective interest rate method over the period of borrowings.

2.9 Taxation

Taxation 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 Unitholders' funds, in which case it is recognised in Unitholders' funds.

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.

NOTES TO THE FINANCIAL STATEMENTS

2. Significant accounting policies (Cont'd)

2.9 Taxation (Cont'd)

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 in a transaction that is not a business combination and that affect neither accounting nor taxable profit are not provided for. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority on the same entity.

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 reviewed at each reporting date and 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 on certain types of income. Instead, the Trustee and the Manager will deduct income tax at the prevailing corporate tax rate (currently 17.0%) from the distributions made to Unitholders that are made out of the taxable income of CIT, except:

(i) 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; or

(ii) where the beneficial owners are foreign non-individual Unitholders, the Trustee and the Manager will deduct Singapore income tax at the reduced tax rate of 10.0% for distributions made during the period from 18 February 2005 to 17 February 2010. This concessionary tax rate of 10.0% has been renewed for a further five years from 18 February 2010 to 31 March 2015 (both dates inclusive) as detailed in the recent Singapore Budget 2010.

A "Qualifying Unitholder" is a Unitholder who is:

- A Singapore-incorporated company which is a tax resident in Singapore;
- A body of persons other than a company or a partnership, registered or constituted in Singapore (e.g. a town council, a statutory board, a registered charity, a registered cooperative society, a registered trade union, a management corporation, a club and a trade industry association); or
- A Singapore branch of a foreign company which has been presented a letter of approval from IRAS granting waiver from tax deducted 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;

- who does not have a permanent establishment in Singapore; or
- 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.

NOTES TO THE FINANCIAL STATEMENTS

2. Significant accounting policies (Cont'd)

2.9 Taxation (Cont'd)

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 or distribution income received or receivable from its quoted investments. 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.

2.10 Distribution policy

CIT's distribution policy is to distribute 100% of its taxable income available for distribution to Unitholders. Distributions are made on a quarterly basis at the discretion of the Manager.

2.11 Segment reporting

An operating segment is a component of CIT that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of CIT's other components. All operating segments' operating results are reviewed regularly by CIT's Chief Operating Decision Makers ("CODM"s) which comprise mainly the Board of Directors and the Chief Executive Officer of the Manager, to make decisions about resources to be allocated to the segments and assess its performance and for which discrete financial information is available.

3. Investment properties

	2009 $'000	2008 $'000
At 1 January	967,682	927,800
Acquisition of investment properties	–	32,070
Disposal of investment properties	(6,138)	–
Acquisition related costs	14	548
Capital expenditure incurred	286	7,141
	961,844	967,559
Change in fair value during the year	(87,644)	123
At 31 December	874,200	967,682
Investment properties (non-current)	795,600	967,682
Investment properties held for divestment (current)	78,600	–
	874,200	967,682

CB Richard Ellis ("CBRE") were appointed to conduct two external valuation exercises on all properties during the financial year, in June 2009 for 43 properties and in December 2009 for 41 properties and remaining 114 strata units of the 42nd property. Certain properties, comprising one property at 16 Tuas Avenue 18A and six strata units in the property at 48 Toh Guan Road East at a total carrying amount of $6.2 million, were disposed of during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

3. Investment properties (Cont'd)

CBRE is an independent valuer having appropriate professional qualifications and recent experience in the location and category of the properties being valued. The valuation for these properties was based on Discounted Cash Flow Analysis and the Capitalisation Method.

In determining the fair value, the valuers have used valuation methods, which involve certain estimates. The Manager has exercised its judgment and is satisfied that the valuation methods and estimates are reflective of the current market conditions.

The latest valuation of the remaining 41 properties and the remaining 114 strata units at 48 Toh Guan Road East as at 31 December 2009 amounted to $874.2 million, giving rise to a reduction in value of $87.6 million during the financial year.

As at the balance sheet date, investment properties of $874.2 million (2008: $967.7million) have been mortgaged as security for a term loan facility granted to the Trust.

4. Trade and other receivables

	2009 $'000	2008 $'000
Trade receivables	448	1,079
Impairment losses	–	(588)
Net trade receivables	448	491
Deposits	44	59
Amounts due from the Manager (non-trade)	348	–
Distribution income receivable from quoted investments	504	–
Other receivables	138	57
Loans and receivables	1,482	607
Prepayments	428	522
Option fees paid	–	50
	1,910	1,179

The amounts due from the Manager are unsecured, interest-free and repayable on demand. Option fees paid in the previous financial year are in respect of the proposed acquisition of a property at that time as disclosed in Note 17(c).

Concentration of credit risk relating to trade receivables is limited due to the Trust's large number and diverse range of tenants. The Manager believes that no significant credit risk is inherent in the Trust's trade receivables based on the Trust's historical experience in the collection of trade receivables. The maximum exposure to credit risk for trade and other receivables at the reporting date is $448,000 (2008: $491,000).

NOTES TO THE FINANCIAL STATEMENTS

4. Trade and other receivables (Cont'd)

Impairment losses

The ageing of trade receivables at the reporting date is as follows:

	Gross 2009 $'000	Impairment losses 2009 $'000	Gross 2008 $'000	Impairment losses 2008 $'000
Past due 0 – 30 days	254	–	357	60
Past due 31 – 120 days	194	–	322	149
More than 120 days past due	–	–	400	379
	448	–	1,079	588

The change in impairment loss in respect of trade receivables during the year is as follows:

	2009 $'000	2008 $'000
At 1 January	588	–
Impairment loss (utilised)/recognised	(588)	588
At 31 December	–	588

The Manager believes that no additional allowance is necessary in respect of the trade receivables during the financial year as these receivables mainly arise from tenants that have good records and have sufficient security in the form of bankers' guarantees, insurance bonds or cash security deposits as collaterals.

5. Cash and cash equivalents

	2009 $'000	2008 $'000
Cash at bank and in hand	13,282	9,004
Fixed deposits with financial institutions	22,000	–
	35,282	9,004
Cash at bank maintained in the Proceeds Account	4,027	–
Cash and cash equivalents in cash flow statement	39,309	9,004

The Proceeds Account is maintained to hold the sale proceeds arising from the divestment or receipt of insurance proceeds of the investment properties mortgaged to secure the current term loan facility of $390.1 million. The utilisation of these proceeds standing to the credit of this account are restricted to the following:

NOTES TO THE FINANCIAL STATEMENTS

5. Cash and cash equivalents (Cont'd)

- repayment of the loans in whole or in part; or
- the purchase of any investment property which then become part of the security package of the current term loan facility.

The weighted average effective interest rates relating to the fixed deposits at the balance sheet date is 0.240%. Interest rates reprice at intervals ranging from 2 weeks to 2 months.

6. Trade and other payables

	2009 $'000	2008 $'000
Current liabilities		
Trade payables and accrued operating expenses	3,025	2,536
Amounts due to related parties (trade):		
- the Manager	750	1,304
- the Property Manager	228	200
- the Trustee	41	44
Interest and loan commitment fee payable	2,811	197
Rental deposits received	1,737	212
Financial derivative	–	10,260
Deposits and option fees received	1,851	–
Other payables	6,475	1,060
	16,918	15,813
Non-current liabilities		
Other payables	6,904	–
Total trade and other payables	23,822	15,813

The amounts due to related parties are unsecured. Transactions with related parties are priced on terms agreed between the parties.

Included in other payables are retention sums on acquisition of certain investment properties amounting to approximately $0.3 million (2008: $1.0 million).

The carrying amounts of trade and other payable reflect the contractual undiscounted cash flows which are expected to mature within the next one year.

NOTES TO THE FINANCIAL STATEMENTS

7. Interest-bearing borrowings

	2009 $'000	2008 $'000
Current liabilities		
Secured loans	–	369,300
Unamortised loan transaction costs	–	(182)
	–	369,118
Non-current liabilities		
Secured loan	390,100	–
Unamortised loan transaction costs	(14,941)	–
	375,159	–
Total borrowings	375,159	369,118

Terms and debt repayment schedule

Terms and conditions of outstanding loans and borrowings are as follows:

			2009		2008	
	Nominal interest rate %	Year of maturity	Face value $'000	Gross carrying amount $'000	Face value $'000	Gross carrying amount $'000
S$ floating rate loan	1.55	2009	–	–	32,300	32,300
S$ floating rate loan	2.80	2009	–	–	337,000	337,000
S$ fixed rate loans	3.88-4.18	2012	390,100	390,100	–	–
			390,100	390,100	369,300	369,300

The following are the expected contractual undiscounted cash inflows/(outflows) of interest-bearing borrowings including interest payments and other borrowing costs:

			Cash flow		
	Gross carrying amount $'000	Contractual cash flows $'000	Within 1 year $'000	Within 1 to 5 years $'000	More than 5 years $'000
2009					
Non-derivative financial liabilities					
S$ fixed rate loans	390,100	(439,199)	(21,788)	(417,411)	–

NOTES TO THE FINANCIAL STATEMENTS

7. Interest-bearing borrowings (Cont'd)

			Cash flow		
	Gross carrying amount $'000	**Contractual cash flows $'000**	**Within 1 year $'000**	**Within 1 to 5 years $'000**	**More than 5 years $'000**
2008					
Non-derivative financial liabilities					
S$ floating rate loan	369,300	(370,599)	(370,599)	–	–
Derivative financial instrument					
Interest rate swap	10,260	(20,443)	(4,838)	(15,605)	–
	379,560	(391,042)	(375,437)	(15,605)	–

On 13 February 2009, the Trustee in its capacity as trustee of CIT, entered into a facility agreement ("Facility Agreement") through a Special Purpose Vehicle ("SPV"), Alhambra Pte. Ltd. to raise financing of $390.1 million ("Term Loan Facility") for the purpose of refinancing the existing loans. The SPV is incorporated for the purpose of the loan transaction and is administered by HSBC Institutional Trust Services (Singapore) Limited ("HSBC Trust").

The Facility Agreement comprises a term loan facility of $390.1million, consisting of two rated tranches being:

- Tranche A facility with an aggregate principal of $330.1 million rated AAA; and
- Tranche B facility with an aggregate of $60.0 million rated AA

The Term Loan Facility has a tenor of three years from the date of drawdown, which was on 17 February 2009.

The results of Alhambra Pte. Ltd. have not been consolidated with the financial statements of CIT as CIT does not exercise control over the financial and operating decisions of the entity, in accordance with INT FRS 12 – Consolidation – Special Purposes Entities.

The Term Loan Facility is secured by the following:

i. Mortgage of 42 investment properties ("Portfolio Properties") with an aggregate carrying value amounted to $874.2 million as at 31 December 2009;

ii. Assignment by way of security of the rights, titles and interests of the CIT's Trustee and charged in favour of the SPV, in respect of the building agreements, property management agreements, insurances and proceeds relating to the 42 mortgaged investment properties; and

iii. A debenture creating by way of a first fixed and floating charge on all present and future assets of CIT.

NOTES TO THE FINANCIAL STATEMENTS

7. Interest-bearing borrowings (Cont'd)

Interest payable on the Term Loan Facility is calculated based on fixed interest rate of:

- 3.88% in respect of the Tranche A Term Loan
- 4.18% in respect of the Tranche B Term Loan

Subsequent to the successful completion of the refinancing exercise and draw down of the Term Loan Facility in February 2009, the previous borrowings of $369.3 million (excluding borrowing costs) were repaid and terminated.

8. Units in issue

	2009 Number of units	2008 Number of units
Units in issue:		
At 1 January	796,405,934	792,646,555
Units created:		
- Private placement	71,140,000	–
- Management fees paid in units (base fee)	–	3,759,379
At 31 December	867,545,934	796,405,934

During the financial year,

(i) 71,140,000 new units ("Private Placement Units") at a dual issue price of $0.392 per unit to third party investors and $0.399 per unit to related parties (see note 18), were placed out on 12 August 2009.

During the previous financial year,

(i) CIT issued the following units as partial payment of the base fee element of the Manager's management fee for the following periods:

Date of issue	Number of units issued	Issue price per unit ($)	Period relating to	Percentage of the base fees (%)
29/1/08	1,361,306	0.69	1/10/07 to 31/12/07	82
25/4/08	1,247,468	0.62	1/1/08 to 31/3/08	63
29/7/08	1,150,605	0.68	1/4/08 to 30/6/08	63

No Units were issued subsequent to 29 July 2008 in settlement of the base fee element of the Manager's management fees as the Manager has elected to receive 100% of the base fee in cash for financial years thereafter.

NOTES TO THE FINANCIAL STATEMENTS

8. Units in issue (Cont'd)

The issue price for the number of Units issued and issuable as settlement for Manager's management fees is determined based on the volume weighted average traded price for all trades done on SGX-ST in the ordinary course of trading for 10 business days immediately preceding the respective date of entitlement of the new units.

Each unit in the Trust represents an undivided interest in the Trust. 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 the Trust by receiving a share of all net cash proceeds derived from the realisation of the assets of the Trust less any liabilities, in accordance with their proportionate interests in the Trust. However, a Unitholder has no equitable or proprietary interest in the underlying assets of the Trust and is not entitled to the transfer to it of any assets (or part thereof) or any estate or interest in any asset (or part thereof) of the Trust;
- attend all Unitholders' meetings. 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 Unitholders, whichever is lesser) at any time convene a meeting of Unitholders in accordance with the provisions of the Trust Deed; and
- one vote per unit.

The limitations on a Unitholder's rights include the following:

- a Unitholder's right is limited to the right to require due administration of the Trust in accordance with the provisions of the Trust Deed; and
- a Unitholder has no right to request the Manager to redeem his units while the units are listed on the SGX-ST.

A Unitholder's liability is limited to the amount paid or payable for any unit in the Trust. The provisions of the Trust Deed provide that no Unitholder will be personally liable to indemnify the Trustee or any creditor of the Trustee in the event that the liabilities of the Trust exceed its assets.

9. Gross revenue

	2009 $'000	2008 $'000
Property rental income	74,136	72,206
Other income	285	60
	74,421	72,266

NOTES TO THE FINANCIAL STATEMENTS

10. Property expenses

	2009 $'000	2008 $'000
Land rental	2,991	3,069
Property and lease management fees	2,226	2,166
Property tax	2,417	3,093
Impairment loss on trade receivables	–	588
Repair and maintenance expenses	632	56
Other property operating expenses	1,016	493
	9,282	9,465

11. Manager's management fees

	2009 $'000	2008 $'000
Manager's management fees (base fees):		
- Paid and payable in cash	4,686	3,383
- Paid and payable in units	–	1,556
	4,686	4,939

The Manager is not entitled to a performance fee for the current financial year and the previous financial year.

12. Trust expenses

	2009 $'000	2008 $'000
Trustee's fees	165	173
Professional fees	1,665	1,365
Other expenses	309	483
	2,139	2,021

Included in the professional fees are non-audit fees paid/payable to the auditors amounting to $96,400 (2008: $38,960).

13. Borrowing costs

	2009 $'000	2008 $'000
Borrowing costs paid and payable on loans	15,836	11,795
Amortisation of transaction costs relating to debt facilities	6,359	625
	22,195	12,420

NOTES TO THE FINANCIAL STATEMENTS

14. Income tax expense

	2009 $'000	2008 $'000
Reconciliation of effective tax rate		
Total return for the year before income tax	(61,139)	33,449
Income tax using Singapore tax rate of 17% (2008: 18%)	(10,393)	6,021
Income not subject to tax	(58)	(22)
Non-tax deductible items	17,973	2,618
Tax transparency	(7,436)	(8,617)
	86	–

15. Earnings and distribution per unit

Earnings per unit

The calculation of basic earnings per unit is based on weighted average number of units in issue during the year and net income after tax.

	2009 $'000	2008 $'000
Total return before income tax and distribution	(61,139)	33,449
Less: Income tax attributable to total return	(86)	–
Total return after income tax, before distribution	(61,225)	33,449

	Number of Units	Number of Units
Weighted average number of units:		
- Outstanding during the period	796,405,934	794,007,861
Creation of new units:		
- Private placement	27,676,384	–
- Manager's management fees paid and payable in units (base fee)	–	1,522,304
	824,082,318	795,530,165

Diluted earnings per unit is the same as the basic earnings per unit as there were no dilutive instruments in issue during the financial year and in the previous financial year.

NOTES TO THE FINANCIAL STATEMENTS

15. Earnings and distribution per unit (Cont'd)

Distribution per unit

The distribution per unit is calculated based on:

	2009 $'000	2008 $'000
Net income available for distribution	44,162	47,867

	Number of Units	Number of Units
Applicable number of units		
- Outstanding during the period	796,405,934	794,007,861
Creation of new units:		
- Private placement	27,676,384	–
- Manager's management fees paid and payable in units (base fee)	–	1,522,304
	824,082,318	795,530,165

16. Equity issue costs

	2009 $'000	2008 $'000
Professional fees incurred/(written back)	205	(10)
Underwriting and selling commissions incurred/(written back)	–	(143)
Miscellaneous issue costs incurred/(written back)	17	(97)
	222	(250)

These expenses incurred/written back are deducted/added directly against Unitholders' fund.

NOTES TO THE FINANCIAL STATEMENTS

17. Commitments

(a) Lease commitments

CIT leases out its investment properties. Non-cancellable operating lease rentals are receivable as follows:

	2009 $'000	2008 $'000
Receivable:		
- Within 1 year	75,632	74,018
- After 1 year but within 5 years	256,021	335,956
- After 5 years	38,768	40,908
	370,421	450,882

(b) Operating lease commitments

CIT is required to pay annual land rent to Jurong Town Corporation ("JTC") and Housing & Development Board ("HDB") for 21 (2008: 20) properties. Land rents for the remaining 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 based on the contractual lease agreements.

The annual land rent is based on market rent for the relevant year and any increase in annual land rent from year to year shall not exceed 5.5% of the annual land rent for the respective properties for the immediate preceding year. The land rent paid based on prevailing rental rates during the financial year was $2,991,000 in relation to 21 properties (2008: $3,069,000 in relation to 20 properties).

(c) Capital Commitment

During the previous financial year, the Trustee entered into conditional put and call option for the acquisition of the following property:

Property	Vendor	Acquisition value 2009 $'000	Acquisition value 2008 $'000
29 Tai Seng Avenue Singapore 534119	Natural Cool Investments Pte Ltd	–	55,200
		–	55,200

Option fees paid for the proposed acquisition of this property are disclosed in Note 4.

NOTES TO THE FINANCIAL STATEMENTS

18. Related parties

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 significant influence. Related parties may be individuals or other entities.

Other than as disclosed elsewhere in the financial statements, there were the following significant related party transactions carried out in the normal course of business on terms agreed between the parties:

	2009 $'000	2008 $'000
Cambridge Industrial Trust Management Limited (The Manager)		
Acquisition fee paid relating to the purchase of investment properties	–	321
Management fees paid and payable	4,686	4,939
Professional fee recoverable from the Manager	348	–
Disposal fee paid relating to the divestment of investment properties	33	–
CWT Limited (Corporate shareholder of the Manager) (Note 1)		
Property rental income	–	5,854
Jurong Districentre Pte Ltd (Subsidiary of Corporate shareholder of the Manager) (Note 1)		
Property rental income	–	2,050
Cambridge Industrial Property Management Pte Ltd (Subsidiary of immediate holding company of the Manager)		
Property Manager's fees paid and payable	2,226	2,166
Marketing services commission paid and payable	59	–
Project management fees paid and payable	26	–

NOTES TO THE FINANCIAL STATEMENTS

18. Related parties (Cont'd)

	2009 $'000	2008 $'000
RBC Dexia Trust Services Singapore Limited (The Trustee)		
Trustee fees paid and payable	165	173
Antares nabInvest Trust (Related company of the Manager) (Note 2)		
Issuance of placement units	5,387	–
Oxley Securities (S) Pte Ltd (Related company of the Manager) (Note 2)		
Issuance of placement units	1,049	–

Note 1: CWT Limited disposed its entire interest of 20% in the Manager to Antares nabInvest Trust on 7 August 2008. Consequent to the interest disposal, CWT Limited and its related entities ceased to be related to CIT and transactions with these entities were not disclosed as related to the Manager and CIT with effect from 7 August 2008.

Note 2: nabinvest Capital Partners Pty Ltd, which manages Antares nabInvest Trust, is a shareholder of the holding company of the Manager with an equity interest of 56%. Oxley Securities (S) Pte Ltd, which was a subsidiary of the Oxley Group, was related to the Manager by virtue of Oxley Group's interest of 24% in the holding company of the Manager up to 1 December 2009. Subsequent to the group restructuring on 1 December 2009, Oxley Securities (S) Pte Ltd ceased to be a subsidiary to the Oxley Group and consequently ceased to be related to CIT.

19. Financial risk management

Capital management

The Board of the Manager proactively reviews the Trust's capital and debt management cum financing policy regularly so as to optimise the Trust's funding structure. The Board also monitors the Trust's exposure to various risk elements and externally imposed requirements by closely adhering to clearly established management policies and procedures.

The Trust is subject to the Aggregate Leverage limit as defined in the Property Fund Guidelines of the CIS code. The CIS code stipulates that the total borrowings and deferred payments (together the "Aggregate Leverage") of a property fund should not exceed 35.0% of the fund's deposited property. The aggregate leverage of a property fund may exceed 35.0% of the fund's deposited property (up to a maximum of 60.0%) 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 35.0% of the fund's deposited property.

The Trust has maintained its corporate rating of "BBB-/Stable/--" and complied with the Aggregate Leverage limit of 60.0% during the financial year. There were no changes in the Trust's approach to capital management during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

19. Financial risk management (Cont'd)

Overview

The Trust has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. Management continually monitors the Trust's risk management process to ensure an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Trust's activities.

The Audit, Risk Management and Compliance Committee ("ARCC") oversees how management monitors compliance with the Trust's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Trust. The ARCC is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the ARCC.

Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or a counterparty to settle its financial and contractual obligations to CIT, as and when they fall due.

The Manager has established credit limits for tenants and monitors their balances on an on-going 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.

Interest rate risk

CIT's exposure to changes in interest rates relate primarily to its 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 fixed interest rates for its current term loan facility upon refinancing in February 2009.

In the previous financial year, CIT entered into an interest rate swap of notional amount of $358.0 million which was used as an economic hedge against a portion of CIT's exposure to interest rate risk arising from floating interest rate payable on its borrowings. The swap was terminated on 17 February 2009, following the termination of CIT's floating interest rate loan.

NOTES TO THE FINANCIAL STATEMENTS

19. Financial risk management (Cont'd)

(a) Effective interest rates and repricing analysis

In respect of interest-earning financial assets and interest-bearing financial liabilities, the following table indicates the effective interest rates as at 31 December 2009 and the periods at which they reprice.

	Effective interest rate %	Floating interest $'000	Fixed interest rate maturing within 1 to 5 years $'000	Total $'000
2009				
Financial asset				
Fixed deposits with financial institutions	0.573	22,000	–	22,000
Financial liabilities				
Interest-bearing borrowings	4.055	–	390,100	390,100
2008				
Financial liabilities				
Interest-bearing borrowings	3.399	369,300	–	369,300
- Effect of interest rate swap	2.580	(358,000)	358,000	–
		11,300	358,000	369,300

(b) Sensitivity analysis

In managing the interest rate risk, CIT aims to reduce the impact of short term fluctuations on its earnings.

As at 31 December 2009 and 31 December 2008, a change of 100 basis point in interest rate would increase/(decrease) Unitholders' fund and total return by the amounts shown below:

	Profit or loss		Equity	
	100 bp increase $'000	100 bp decrease $'000	100 bp increase $'000	100 bp decrease $'000
31 December 2009				
Variable rate instruments				
- Interest income	68	(38)	68	(38)
31 December 2008				
Variable rate instruments				
- Borrowing costs	(3,641)	3,641	–	–
Interest rate swap				
- Change in fair value of financial derivative	15,581	(15,581)	–	–
- Borrowing costs	3,247	(3,247)	–	–
	15,187	(15,187)	–	–

NOTES TO THE FINANCIAL STATEMENTS

19. Financial risk management (Cont'd)

Currency risk

At present, all transactions involving the Trust are denominated in Singapore dollars and the Trust faces no currency risk. If this were to change in the future, the Manager would consider currency hedging to the extent appropriate.

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. Typically, the Trust ensures that it has sufficient cash on demand to meet expected operational expenses for a reasonable period, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot be reasonably be predicted, such as natural disasters.

The Manager monitors and observes the Code on Collective Investment Schemes issued by the MAS concerning limits on total borrowings.

Fair values

The following summarises the significant methods and assumptions used in estimating the fair values.

(a) Financial derivatives

Following the successful completion of the refinancing exercise and draw down of the new term loan facility of $390.1 million in February 2009 to refinance the previous borrowing of $369.3 million, the interest rate swap of $358.0 million, which the Trust has entered in the previous financial year to provide fixed rate funding, was terminated.

In the previous financial year, fair value of the interest rate swap was determined based on valuation from the swap counterparty.

(b) Interest-bearing borrowings

Fair value is calculated based on discounted expected future principal and interest cash flows.

(c) Other financial assets and liabilities

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash equivalents, and trade and other payables) approximate their fair values because of the short period to maturity. All other financial assets and liabilities are discounted to determine their fair values.

NOTES TO THE FINANCIAL STATEMENTS

19. Financial risk management (Cont'd)

Interest rates used in determining fair values

The aggregate net fair values of the recognised financial liability of the Trust which were not carried at fair value in the balance sheet at 31 December were represented in the following table:

	Note	Carrying amount 2009 $'000	Fair value 2009 $'000
Financial liability			
Secured loan	7	390,100	431,537
Unrecognised loss			41,437

The interest rate used to determine the fair value of the secured loan was 0.62% per annum, being the swap offer rate ("SOR") at the end of the reporting date on the expected contractual cash flows of the secured loan (see Note 7).

In the precious financial year, the fair value of the floating rate bank loan approximates the carrying amount of the loan.

20. Segment reporting

Segment information is presented based on the information reviewed by CIT's Chief Operating Decision Makers ("CODMs") for performance assessment and resource allocation.

As each investment property is mainly used for industrial (including warehousing) purposes, these investment properties are similar in terms of economic characteristics, nature of services and type of customers. The CODMs are of the view that CIT has only one reportable segment – Leasing of investment properties. This forms the basis of identifying the operating segments of CIT under FRS 108 Operating Segments. CIT has only one tenant which contributed to an annual rental revenue, of approximately $7.9 million (2008: $7.7 million), constituting more than 10% of its total revenue during the financial year.

Accordingly, no operating segment information has been prepared as CIT has only one reportable segment. CIT operates in Singapore as the investment properties are all located locally. To ensure CIT provides a stable return to its Unitholders, the CODMs have been diligently monitoring major key operating and performance indicators which include, amongst many others, net property income, distribution per unit, gearing, cost of borrowings and cash flows.

21. Financial ratios

	2009 %	2008 %
Expenses to weighted average net assets [1]		
- Expense ratio excluding performance-related fee	1.15	0.93
- Expense ratio including performance-related fee	1.15	0.93
Portfolio turnover rate [2]	1.47	–

1 The annualised ratios are computed in accordance with the guidelines of Investment Management Association of Singapore. The expenses used in the computation relate to expenses of CIT, excluding property related expenses, borrowing costs and income tax expense.

2 The annualised ratio is computed based on the lesser of purchases or sales of underlying investment properties of CIT expressed as a percentage of daily average net asset value.

AUDITED FINANCIAL STATEMENTS OF CAMBRIDGE INDUSTRIAL TRUST FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010

The information in this Appendix III has been extracted and reproduced from the audited financial statements of CIT for the financial year ended 31 December 2010 and has not been specifically prepared for inclusion in this Information Memorandum.

REPORT OF THE TRUSTEE

RBC Dexia Trust Services Singapore Limited (the "Trustee") is under a duty to take into custody and hold the assets of Cambridge Industrial Trust ("CIT") in trust for the holders ("Unitholders") of units in CIT (the "Units"). In accordance with the Securities and Futures Act (Cap. 289), its subsidiary legislation and the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore ("MAS") and the Listing Manual (collectively referred to as the "laws and regulations"), the Trustee shall monitor the activities of Cambridge Industrial Trust Management Limited (the "Manager") for compliance with the limitations imposed on the investment and borrowing powers as set out in the trust deed dated 31 March 2006 (as amended) between the Trustee and the Manager (the "Trust Deed") in each annual accounting year and report thereon to Unitholders in an annual report which shall contain the matters prescribed by the laws and regulations as well as the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Certified Public Accountants of Singapore and the provisions of the Trust Deed.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed CIT during the year covered by these financial statements, set out on pages 65 to 118 comprising the Balance Sheet, Statement of Total Return, Distribution Statement, Statement of Movements in Unitholders' Funds, Portfolio Statement, Cash Flow Statement and a summary of significant accounting policies and other explanatory notes, in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed, laws and regulations and otherwise in accordance with the provisions of the Trust Deed.

For and on behalf of the Trustee,
RBC Dexia Trust Services Singapore Limited

Diana Senanayake
Managing Director

Singapore
28 February 2011

STATEMENT BY THE MANAGER

In the opinion of the directors of Cambridge Industrial Trust Management Limited, the accompanying financial statements set out on pages 65 to 118 comprising the Balance Sheet, Statement of Total Return, Distribution Statement, Statement of Movements in Unitholders' Funds, Portfolio Statement, Cash Flow Statement and a summary of significant accounting policies and other explanatory notes, are drawn up so as to present fairly, in all material respects, the financial position and the portfolio of Cambridge Industrial Trust ("CIT") as at 31 December 2010, the total return, distributable income, changes in Unitholders' funds and cash flows of CIT for the year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Certified Public Accountants of Singapore and the provisions of the Trust Deed. At the date of this statement, there are reasonable grounds to believe that CIT will be able to meet its financial obligations as and when they materialise.

For and on behalf of the Manager,
Cambridge Industrial Trust Management Limited

Dr Chua Yong Hai
Chairman

Singapore
28 February 2011

AUDITORS' REPORT

to the Unitholders of Cambridge Industrial Trust ("CIT")
(Constituted in the Republic of Singapore pursuant to a trust deed dated 31 March 2006 (as amended))

We have audited the accompanying financial statements of Cambridge Industrial Trust ("CIT"), which comprise the Statement of Financial Position and Portfolio Statement as at 31 December 2010, and the Statement of Total Return, Distribution Statement, Statement of Movements in Unitholders' Funds and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 65 to 118.

Manager's responsibility for the financial statements

The Manager is responsible for the preparation and fair presentation of these financial statements in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Certified Public Accountants of Singapore, and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Manager, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of CIT as at 31 December 2010 and the total return, distributable income, movements in Unitholders' funds and cash flows of CIT for the year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Certified Public Accountants of Singapore.

KPMG LLP

KPMG LLP
Public Accountants and
Certified Public Accountants

Singapore
28 February 2011

BALANCE SHEET

As at 31 December 2010

	Note	2010 S$'000	2009 S$'000
Assets			
Non-current assets			
Investment properties	4	906,450	795,600
Current assets			
Trade and other receivables	5	1,084	1,910
Cash and cash equivalents	6	71,069	39,309
Investment properties held for divestment	4	22,000	78,600
		94,153	119,819
Total assets		1,000,603	915,419
Liabilities			
Current liabilities			
Trade and other payables	7	18,869	16,918
Current tax payable		21	86
		18,890	17,004
Non-current liabilities			
Trade and other payables	7	367	6,904
Interest-bearing borrowings	8	339,191	375,159
		339,558	382,063
Total liabilities		358,448	399,067
Net assets		**642,155**	**516,352**
Represented by:			
Unitholders' funds		**642,155**	**516,352**
Units in issue ('000)	9	1,057,065	867,546
Net asset value per unit (S$)		0.61	0.60

The accompanying notes form an integral part of these financial statements.

STATEMENT OF TOTAL RETURN

Year ended 31 December 2010

	Note	2010 S$'000	2009 S$'000
Gross revenue	10	**74,210**	**74,421**
Property expenses	11	(9,115)	(9,282)
Net property income		**65,095**	**65,139**
Manager's management fees	12	(4,668)	(4,686)
Trust expenses	13	(1,537)	(2,139)
Distribution income from quoted investments		126	504
Interest income		93	43
Borrowing costs	14	(25,500)	(22,195)
Net income		**33,609**	**36,666**
Gain on disposal of investment properties		3,974	339
Loss on disposal of quoted investments		–	(2,411)
Change in fair value of financial derivative		–	(8,089)
Change in fair value of investment properties		48,263	(87,644)
Total return before income tax		**85,846**	**(61,139)**
Income tax expense	15	(21)	(86)
Total return for the year		**85,825**	**(61,225)**
Earnings per unit (cents)			
Basic and diluted	16	9.36	(7.43)
Distribution per unit (cents)	16	4.89	5.36

The accompanying notes form an integral part of these financial statements.

DISTRIBUTION STATEMENT

Year ended 31 December 2010

	2010 S$'000	2009 S$'000
Total return after income tax, before distribution for the year	85,825	(61,225)
Less: Distribution adjustments (Note A)	(41,098)	105,387
Net income available for distribution to Unitholders	**44,727**	**44,162**
Less: Distributions (Note B)	(38,744)	(32,200)
Net income available for distribution to Unitholders as at 31 December	**5,983**	**11,962**

Note A – Distribution Adjustments

	2010 S$'000	2009 S$'000
Non-tax deductible items and other adjustments:		
Trustee's fees	165	165
Transaction costs relating to debt facilities	9,442	6,926
Break cost on loan prepayment	1,382	–
Loss on disposal of quoted investments	–	2,411
Change in fair value of investment properties	(48,263)	87,644
Change in fair value of financial derivative	–	8,089
Legal and professional fees	68	1,082
Impairment loss on trade receivables	–	(588)
Miscellaneous expenses	82	(3)
	(37,124)	105,726
Income not subject to tax:		
Gain on disposal of investment properties	(3,974)	(339)
Net effect of distribution adjustments	(41,098)	105,387

The accompanying notes form an integral part of these financial statements.

DISTRIBUTION STATEMENT
Year ended 31 December 2010

Note B – Distributions

	2010 S$'000	2009 S$'000
Distributions to Unitholders during the financial year comprise:		
Distribution of 0.627 cents per unit for the period from 1/10/2010 to 17/11/2010 (1)	6,032	–
Distribution of 0.507 cents per unit for the period from 23/8/2010 to 30/9/2010	4,878	–
Distribution of 0.680 cents per unit for the period from 1/7/2010 to 22/8/2010	5,938	–
Distribution of 1.238 cents per unit for the period from 1/4/2010 to 30/6/2010	10,811	–
Distribution of 1.274 cents per unit for the period from 1/1/2010 to 31/3/2010	11,085	–
Distribution of 1.344 cents per unit for the period from 1/7/2009 to 30/9/2009	–	11,207
Distribution of 1.345 cents per unit for the period from 1/4/2009 to 30/6/2009	–	10,711
Distribution of 1.291 cents per unit for the period from 1/1/2009 to 31/3/2009	–	10,282
	38,744	32,200
Distribution of 1.377 cents per unit for the period from 1/10/2009 to 31/12/2009 (2)	11,946	–
Distribution of 1.373 cents per unit for the period from 1/10/2008 to 31/12/2008 (3)	–	10,935
	50,690	43,135

Notes:

(1) Distribution declared in advance paid in 4Q2010.
(2) Distribution declared for 4Q2009 and paid in 1Q2010.
(3) Distribution declared for 4Q2008 and paid in 1Q2009.

The accompanying notes form an integral part of these financial statements.

STATEMENT OF MOVEMENTS IN UNITHOLDERS' FUNDS

Year ended 31 December 2010

	Note	2010 S$'000	2009 S$'000
Unitholders' funds at beginning of year		**516,352**	**592,934**
Operations			
Total return for the year after tax		**85,825**	**(61,225)**
Unitholders' transactions			
Issue of new units:			
- Private placement		70,001	28,000
- Preferential offering		20,435	–
- Distribution Reinvestment Plan		5,201	–
Equity issue costs	17	(4,969)	(222)
Distributions to Unitholders		(50,690)	(43,135)
Net increase/(decrease) in Unitholders' funds resulting from Unitholders' transactions		**39,978**	**(15,357)**
Unitholders' funds at end of year		**642,155**	**516,352**

The accompanying notes form an integral part of these financial statements.

INVESTMENT PROPERTIES PORTFOLIO STATEMENT

As at 31 December 2010

		Tenure of land	Term of lease (years)	Remaining term of lease (years)	Location
	Logistics and Warehousing Properties [1]				
@	CWT DISTRIPARK	Leasehold	30+12	26[7]	24 Jurong Port Road Singapore 619097
@	JURONG DISTRICENTRE	Leasehold	30+30	40[8]	3 Pioneer Sector 3 Singapore 628342
@	ODC DISTRICENTRE	Leasehold	30+30	45[9]	30 Toh Guan Road Singapore 608840
@	31 TUAS AVENUE 11	Leasehold	30+30	43[10]	31 Tuas Avenue 11 Singapore 639105
@	25 CHANGI SOUTH AVENUE 2	Leasehold	30+30	44[11]	25 Changi South Ave 2 Singapore 486594
@	YCH DISTRIPARK	Leasehold	30+30	28[12]	30 Tuas Road Singapore 638492
@	1 THIRD LOK YANG ROAD AND 4 FOURTH LOK YANG ROAD	Leasehold	30	21[13]	1 Third Lok Yang Road Singapore 627996 and 4 Fourth Lok Yang Road Singapore 629701
@	1 TUAS AVENUE 3	Leasehold	30+23	22[14]	1 Tuas Avenue 3 Singapore 639402

The accompanying notes form an integral part of these financial statements.

Existing use	Occupancy rate at		At Independent Valuation		Percentage of Unitholders' Funds	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009	31/12/2010	31/12/2009
	%	%	S$'000	S$'000	%	%
Logistics and Warehousing	100	100	97,500	96,300	15.18	18.65
Logistics and Warehousing	100	100	50,000	49,100	7.79	9.51
Logistics and Warehousing	74	100	42,000	36,900	6.54	7.15
Logistics and Warehousing	100	100	9,800	8,900	1.53	1.72
Logistics and Warehousing	100	100	10,000	7,800	1.56	1.51
Logistics and Warehousing	100	100	72,400	71,800	11.27	13.91
Logistics and Warehousing	100	100	11,500	11,100	1.79	2.15
Logistics and Warehousing	100	100	29,200	28,500	4.55	5.52
			322,400	**310,400**	**50.21**	**60.12**

INVESTMENT PROPERTIES PORTFOLIO STATEMENT

As at 31 December 2010

		Tenure of land	Term of lease (years)	Remaining term of lease (years)	Location
	Light Industrial Properties [2]				
@	21 UBI ROAD 1	Leasehold	30+30	46[15]	21/23 Ubi Road 1 Singapore 408724/ 408725
@	136 JOO SENG ROAD	Leasehold	30+30	40[16]	136 Joo Seng Road Singapore 368360
@	CSE GLOBAL BUILDING	Leasehold	60	48[17]	2 Ubi View Singapore 408556
@	MI BUILDING	Leasehold	30+30	46[18]	11 Serangoon North Avenue 5 Singapore 554809
@	130 JOO SENG ROAD	Leasehold	30+30	41[19]	130 Joo Seng Road Singapore 368357
@	PANASONIC BUILDING	Leasehold	99	51[20]	2 Jalan Kilang Barat Singapore 159346
@	MEC TECHNOCENTRE	Leasehold	30+30	40[21]	87 Defu Lane 10 Singapore 539219
@	ARMORCOAT INTERNATIONAL BUILDING	Leasehold	30+30	46[22]	361 Ubi Road 3 Singapore 408664
@	LAM SOON INDUSTRIAL BUILDING	Freehold	Freehold	–[23]	63 Hillview Avenue Singapore 669569
@	MINTWELL BUILDING	Leasehold	30+30	46[24]	55 Ubi Avenue 3 Singapore 408864
@	DP COMPUTERS BUILDING	Leasehold	30+30	41[25]	128 Joo Seng Road Singapore 368356
	Balance carried forward				

The accompanying notes form an integral part of these financial statements.

Existing use	Occupancy rate at		At Independent Valuation		Percentage of Unitholders' Funds	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009	31/12/2010	31/12/2009
	%	%	S$'000	S$'000	%	%
Light Industrial	100	100	32,000	25,700	4.98	4.98
Light Industrial	100	100	12,500	10,400	1.95	2.01
Light Industrial	100	100	8,100	8,100	1.26	1.57
Light Industrial	100	100	16,800	14,600	2.62	2.83
Light Industrial	100	92	12,300	10,000	1.92	1.94
Light Industrial	100	100	23,500	21,100	3.66	4.09
Light Industrial	100	100	14,300	13,100	2.23	2.54
Light Industrial	100	100	17,700	16,400	2.76	3.18
Light Industrial	100	100	80,500	76,700	12.54	14.85
Light Industrial	100	100	18,300	18,300	2.85	3.54
Light industrial	100	100	11,400	10,400	1.78	2.01
			247,400	**224,800**	**38.55**	**43.54**

INVESTMENT PROPERTIES PORTFOLIO STATEMENT

As at 31 December 2010

		Tenure of land	Term of lease (years)	Remaining term of lease (years)	Location
	Light Industrial Properties [(2)]				
	Balance brought forward				
@	NATURAL COOL BUILDING	Leasehold	30+30	39[(26)]	81 Defu Lane 10 Singapore 539217
@	9 BUKIT BATOK STREET 22	Leasehold	30+30	42[(27)]	9 Bukit Batok Street 22 Singapore 659585
*, @	ENTERPRISE HUB	Leasehold	60	46[(28)]	48 Toh Guan Road East Singapore 608586
#	1/2 CHANGI NORTH STREET 2	Leasehold	30+30	50/55[(29)]	1/2 Changi North Street 2 Singapore 498808/498775
	Industrial and Warehousing Properties [(3)]				
@	86/88 INTERNATIONAL ROAD	Leasehold	30+30	44[(30)]	86/88 International Road Singapore 629176/629177
@	23 TUAS AVENUE 10	Leasehold	30+29	46[(31)]	23 Tuas Avenue 10 Singapore 639149
@	9 TUAS VIEW CRESCENT	Leasehold	30+30	48[(32)]	9 Tuas View Crescent Singapore 637612
+	27 PANDAN CRESCENT	Leasehold	30+30	–	27 Pandan Crescent Singapore 128476
@	28 SENOKO DRIVE	Leasehold	30+30	28[(33)]	28 Senoko Drive Singapore 758214
@	31 CHANGI SOUTH AVENUE 2	Leasehold	30+30	44[(34)]	31 Changi South Avenue 2 Singapore 486478
	Balance carried forward				

The accompanying notes form an integral part of these financial statements.

Existing use	Occupancy rate at 31/12/2010 %	Occupancy rate at 31/12/2009 %	At Independent Valuation 31/12/2010 S$'000	At Independent Valuation 31/12/2009 S$'000	Percentage of Unitholders' Funds 31/12/2010 %	Percentage of Unitholders' Funds 31/12/2009 %
			247,400	**224,800**	**38.55**	**43.54**
Light Industrial	100	100	5,200	5,200	0.81	1.01
Light Industrial	100	100	20,000	19,600	3.11	3.79
Light Industrial	100	100	22,000	70,800	3.43	13.71
Light Industrial	100	–	22,150	–	3.45	–
			316,750	**320,400**	**49.35**	**62.05**
Industrial and Warehousing	100	100	15,500	14,200	2.41	2.75
Industrial and Warehousing	100	100	10,000	9,000	1.56	1.74
Industrial and Warehousing	100	100	6,800	6,000	1.06	1.16
Industrial and Warehousing	–	100	–	7,800	–	1.51
Industrial and Warehousing	100	100	12,500	10,400	1.95	2.01
Industrial and Warehousing	100	100	6,500	6,100	1.01	1.18
			51,300	**53,500**	**7.99**	**10.35**

INVESTMENT PROPERTIES PORTFOLIO STATEMENT

As at 31 December 2010

		Tenure of land	Term of lease (years)	Remaining term of lease (years)	Location
	Industrial and Warehousing Properties [(3)]				
	Balance brought forward				
@	120 PIONEER ROAD	Leasehold	30+28	44[(35)]	120 Pioneer Road Singapore 639597
@	23 WOODLANDS TERRACE	Leasehold	30+30	46[(36)]	23 Woodlands Terrace Singapore 738472
@	21B SENOKO LOOP	Leasehold	30+30	42[(37)]	21B Senoko Loop Singapore 758171
@	6 TUAS BAY WALK	Leasehold	30+30	46[(38)]	6 Tuas Bay Walk Singapore 637752
@	79 TUAS SOUTH STREET 5	Leasehold	30+30	49[(39)]	79 Tuas South Street 5 Singapore 637604
#	22 CHIN BEE DRIVE	Leasehold	30	25[(40)]	22 Chin Bee Drive Singapore 619870
	Industrial Properties [(4)]				
@	7 GUL LANE	Leasehold	30+30	30[(41)]	7 Gul Lane Singapore 629406
@	31 KIAN TECK WAY	Leasehold	30+19	32[(42)]	31 Kian Teck Way Singapore 628751
@	TECHPLAS INDUSTRIAL BUILDING	Leasehold	30+30	45[(43)]	45 Changi South Avenue 2 Singapore 486133
@	2 TUAS SOUTH AVENUE 2	Leasehold	60	48[(44)]	2 Tuas South Ave 2 Singapore 637601
	Balance carried forward				

The accompanying notes form an integral part of these financial statements.

Existing use	Occupancy rate at		At Independent Valuation		Percentage of Unitholders' Funds	
	31/12/2010	31/12/2009	31/12/2010	31/12/2009	31/12/2010	31/12/2009
	%	%	S$'000	S$'000	%	%
			51,300	**53,500**	**7.99**	**10.35**
Industrial and Warehousing	100	100	30,000	26,400	4.67	5.11
Industrial and Warehousing	100	100	15,500	15,000	2.41	2.91
Industrial and Warehousing	100	100	14,500	14,500	2.26	2.81
Industrial and Warehousing	94	84	6,500	6,100	1.01	1.18
Industrial and Warehousing	100	100	9,600	9,500	1.49	1.84
Industrial and Warehousing	100	–	15,000	–	2.34	–
			142,400	**125,000**	**22.17**	**24.20**
Industrial	100	100	3,850	3,400	0.60	0.66
Industrial	100	100	3,600	3,300	0.56	0.64
Industrial	100	100	9,550	9,100	1.49	1.76
Industrial	100	100	27,500	23,200	4.28	4.49
			44,500	**39,000**	**6.93**	**7.55**

INVESTMENT PROPERTIES PORTFOLIO STATEMENT

As at 31 December 2010

		Tenure of land	Term of lease (years)	Remaining term of lease (years)	Location
	Industrial Properties (4)				
	Balance brought forward				
@	28 WOODLANDS LOOP	Leasehold	30+30	45(45)	28 Woodlands Loop Singapore 738308
+	STANDARD FORM BUILDING	Leasehold	30+30	–	37 Tampines Street 92 Singapore 528885
#,△	511 YISHUN INDUSTRIAL PARK A	Leasehold	30+29	43(46)	511 Yishun Industrial Park A Singapore 768768
#,△	513 YISHUN INDUSTRIAL PARK A	Leasehold	30+30	43(46)	513 Yishun Industrial Park A Singapore 768736
	Self Storage and Warehousing Property (5)				
@	160 KALLANG WAY	Leasehold	60	22(47)	160 Kallang Way Singapore 349246
	Car Showroom and Workshop Property (6)				
@	23 LORONG 8 TOA PAYOH	Leasehold	30+30	41(48)	23 Lorong 8 Toa Payoh Singapore 319257
@	7 UBI CLOSE	Leasehold	30	13(49)	7 Ubi Close Singapore 408604
	Investment properties, at valuation				
	Other assets and liabilities (net)				
	Unitholders' funds				

The accompanying notes form an integral part of these financial statements.

Existing use	Occupancy rate at 31/12/2010 %	Occupancy rate at 31/12/2009 %	At Independent Valuation 31/12/2010 S$'000	At Independent Valuation 31/12/2009 S$'000	Percentage of Unitholders' Funds 31/12/2010 %	Percentage of Unitholders' Funds 31/12/2009 %
			44,500	**39,000**	**6.93**	**7.55**
Industrial	100	100	14,000	13,500	2.18	2.62
Industrial	–	100	–	11,500	–	2.23
Industrial	100	–	25,800	–	4.02	–
Industrial	100	–	6,800	–	1.06	–
			91,100	**64,000**	**14.19**	**12.40**
Self Storage and Warehousing	100	100	**24,000**	**23,000**	**3.74**	**4.45**
Car Showroom and Workshop	100	100	13,000	12,400	2.02	2.40
Car Showroom and Workshop	100	100	18,800	19,000	2.93	3.68
			31,800	**31,400**	**4.95**	**6.08**
			928,450	**874,200**	**144.61**	**169.30**
			(286,295)	**(357,848)**	**(44.61)**	**(69.30)**
			642,155	**516,352**	**100.00**	**100.00**

INVESTMENT PROPERTIES PORTFOLIO STATEMENT

As at 31 December 2010

	At Independent Valuation 2010 S$'000	2009 S$'000
As disclosed in the Balance Sheet:		
Investment properties – non current	906,450	795,600
Investment properties held for divestment – current (denoted as (*) in the Portfolio Statement)	22,000	78,600
Total investment properties	**928,450**	**874,200**

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) These Properties are used by the tenant as car showroom and service workshops.
(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+23 year lease commencing from 1 October 1979.
(15) CIT holds the remainder of a 30+30 year lease commencing from 1 February 1997.
(16) CIT holds the remainder of a 30+30 year lease commencing from 1 October 1990.
(17) CIT holds the remainder of a 60 year lease commencing from 4 January 1999.
(18) CIT holds the remainder of a 30+30 year lease commencing from 16 April 1997.
(19) CIT holds the remainder of a 30+30 year lease commencing from 1 December 1991.
(20) CIT holds the remainder of a 99 year lease commencing from 1 July 1963.
(21) CIT holds the remainder of a 30+30 year lease commencing from 1 November 1990.
(22) CIT holds the remainder of a 30+30 year lease commencing from 1 February 1997.
(23) CIT acquired freehold title to 97 out of 154 strata units, representing 69.4% of the total share value of the strata units comprised in the property.
(24) CIT holds the remainder of a 30+30 year lease commencing from 1 July 1996.
(25) CIT holds the remainder of a 30+30 year lease commencing from 1 May 1992.
(26) CIT holds the remainder of a 30+30 year lease commencing from 1 December 1990.
(27) CIT holds the remainder of a 30+30 year lease commencing from 1 February 1993.
(28) Following strata sub-division of the property, which was completed in July 2007, CIT acquired the remainder of a 60-year lease commencing from 1 December 1997 in respect of 120 of 602 strata units, representing approximately 19.3% of the total share value of the strata units comprised in the property.
(29) CIT holds the remainder of a 30+30 year lease commencing from 1 March 2001 for 1 Changi North and 30+30 year lease commencing from 23 November 2005 for 2 Changi North.
(30) CIT holds the remainder of a 30+30 year lease commencing from 16 December 1994.
(31) CIT holds the remainder of a 30+29 year lease commencing from 1 November 1997.
(32) CIT holds the remainder of a 30+30 year lease commencing from 16 July 1998.
(33) CIT holds the remainder of a 30+30 year lease commencing from 16 December 1979.
(34) CIT holds the remainder of a 30+30 year lease commencing from 1 March 1995.
(35) CIT holds the remainder of a 30+28 year lease commencing from 16 February 1997.

The accompanying notes form an integral part of these financial statements.

INVESTMENT PROPERTIES PORTFOLIO STATEMENT

(CONT'D) As at 31 December 2010

(36) CIT holds the remainder of a 30+30 year lease commencing from 16 November 1996.
(37) CIT holds the remainder of a 30+30 year lease commencing from 1 February 1993.
(38) CIT holds the remainder of a 30+30 year lease commencing from 16 May 1997.
(39) CIT holds the remainder of a 30+30 year lease commencing from 1 February 2000.
(40) CIT holds the remainder of a 30 year lease commencing from 16 September 2005.
(41) CIT holds the remainder of a 30+30 year lease commencing from 16 May 1981.
(42) CIT holds the remainder of a 30+19 year lease commencing from 1 September 1993.
(43) CIT holds the remainder of a 30+30 year lease commencing from 1 September 1995.
(43) CIT holds the remainder of a 60 year lease commencing from 4 January 1999.
(45) CIT holds the remainder of a 30+30 year lease commencing from 16 October 1995.
(46) CIT holds the remainder of a 30+29 year lease commencing from 1 December 1993 for 511 Yishun and 30+30 lease commencing from 1 June 1995 for 513 Yishun.
(47) CIT holds the remainder of a 60 year lease commencing from 16 February 1973.
(48) CIT holds the remainder of a 30+30 year lease commencing from 1 February 1992.
(49) CIT holds the remainder of a 30 year lease commencing from 1 August 1994.
@ Properties pledged as security to secure the syndicated term loan facility of S$323.1 million (S$390.1 million net of loan repayments of S$67.0 million during the financial year) (see Note 8).
# Properties pledged as security to secure the acquisition term loan facility of $50.0 million and a revolving credit facility of S$20.0 million (see Note 8).
△ Properties were valued by the independent valuers in October 2010, which approximates to their carrying costs as at 31 December 2010.
+ These properties were disposed of during the financial year.

Investment properties comprise a diverse portfolio of industrial properties that are leased to external tenants. All of the leases are structured under single-tenancy or multiple-tenancy and contain an initial non-cancellable period ranging from five to fifteen years or five months to five years, respectively. No contingent rents were recognised in the Statement of Total Return.

Investment properties are stated at fair values based on valuations performed by independent professional valuers as at 31 December 2010, except for investment properties acquired in November 2010, namely 511 & 513 Yishun Industrial Park A, which was valued by independent valuers in October 2010. The fair values of these properties approximate their carrying amounts at the balance sheet date.

In determining the fair value, the valuers have used valuation methods which involve certain estimates. The Manager has exercised its judgment and is satisfied that the valuation methods and estimates are reflective of the current market conditions.

The independent professional valuers have considered valuation techniques including capitalisation approach and/or discounted cash flows in arriving at the open market value as at the balance sheet date. The key assumptions used to determine the fair value of investment properties include market-corroborated capitalisation yield, terminal yield, discount rate and average growth rate.

As at the balance sheet date, investment properties with a carrying value of S$858.7 million (2009: S$874.2 million) and S$69.8 million (2009: Nil) have been mortgaged as security for term loan facilities granted by Alhambra Pte. Ltd. and National Australia Bank Limited, respectively to the Trust (refer to Note 8).

The capitalisation approach capitalises an income stream into a present value using revenue multipliers or single-year capitalisation rates. The discounted cash flows method involves the estimation and projection of an income stream over a period and discounting the income stream with an expected internal rate of return.

The accompanying notes form an integral part of these financial statements.

INVESTMENT PROPERTIES PORTFOLIO STATEMENT

As at 31 December 2010

During the financial year, three new properties at 22 Chin Bee Drive, 1 & 2 Changi North Street 2 and 511 & 513 Yishun Industrial Park A, were acquired at a total carrying cost of S$70.8 million and capital expenditure incurred was S$3.3 million. Certain properties, comprising properties at 27 Pandan Crescent and 37 Tampines Street 92 and 78 strata units in the property at 48 Toh Guan Road East at a total carrying cost of S$68.1 million, were disposed of during the financial year.

The latest valuation of the 43 properties which included the remaining 36 strata units at 48 Toh Guan Road East as at 31 December 2010 amounted to S$928.5 million, giving rise to an increase in value of S$48.3 million during the financial year. The net change in fair value of the investment properties has been recognised in the Statement of Total Return.

The accompanying notes form an integral part of these financial statements.

CASH FLOW STATEMENT
Year ended 31 December 2010

	2010 S$'000	2009 S$'000
Cash flows from operating activities		
Total return before income tax for the year	85,846	(61,139)
Adjustments for:		
Interest income	(93)	(43)
Distribution income	(126)	(504)
Borrowing costs	25,500	22,195
Gain on disposal of investment properties	(3,974)	(339)
Loss on disposal of quoted investments	–	2,411
Change in fair value of financial derivative	–	8,089
Change in fair value of investment properties	(48,263)	87,644
Operating income before working capital changes	**58,890**	**58,314**
Changes in working capital:		
Trade and other receivables	320	(225)
Trade and other payables	937	3,258
Net cash from operating activities	**60,147**	**61,347**
Cash flows from investing activities		
Net cash outflow on purchase of investment properties (including acquisition related costs) (Note A)	(73,379)	(1,008)
Proceeds from disposal of investment properties	72,753	6,589
Purchase of quoted investments	–	(10,248)
Proceeds from disposal of quoted investments	–	7,837
Interest received	95	40
Distribution received	631	–
Net cash from investing activities	**100**	**3,210**
Cash flows from financing activities		
Proceeds from issuance of new units	90,436	28,000
Equity issue costs paid	(4,449)	(222)
Proceeds from borrowings	24,399	390,100
Borrowing costs paid	(26,298)	(39,695)
Repayment of borrowings	(67,000)	(369,300)
Distributions paid to Unitholders (Note B)	(45,489)	(43,135)
Income tax paid	(86)	–
Net cash used in financing activities	**(28,487)**	**(34,252)**
Net increase in cash and cash equivalents	**31,760**	**30,305**
Cash and cash equivalents at 1 January	**39,309**	**9,004**
Cash and cash equivalents at 31 December (Note 6)	**71,069**	**39,309**

The accompanying notes form an integral part of these financial statements.

CASH FLOW STATEMENT

(CONT'D) Year ended 31 December 2010

Notes:

(A) Net Cash Outflow on Purchase of Investment Properties (including acquisition related costs)

Net cash outflow on purchase of investment properties (including acquisition related costs) is set out below:

	2010 S$'000	2009 S$'000
Investment properties	69,710	–
Acquisition related costs	1,107	14
Capital expenditure incurred	3,323	286
Investment properties acquired (including acquisition related costs and capital expenditure incurred)	74,140	300
Retention sums	(761)	708
Net cash outflow	73,379	1,008

(B) Significant Non-cash Transactions

During the year, CIT issued an aggregate of 10,854,928 units as part payment of distributions, pursuant to its Distribution Reinvestment Plan.

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Manager and the Trustee on 28 February 2011.

1 General

Cambridge Industrial Trust ("CIT" or the "Trust") is a Singapore-domiciled unit trust constituted pursuant to the trust deed dated 31 March 2006 (as amended) entered into between Cambridge Industrial Trust Management Limited (the "Manager") and RBC Dexia Trust Services Singapore Limited (the "Trustee"), and is governed by the laws of the Republic of Singapore ("Trust Deed"). On 31 March 2006, CIT was declared as an authorised unit trust scheme under the Trustees Act, Chapter 337. The Trustee is under a duty to take into custody and hold the assets of the Trust held by it in trust for the holders ("Unitholders") of units in the Trust (the "Units").

On 25 July 2006, CIT was admitted to the Official List of the Singapore Exchange Securities Trading Limited ("SGX-ST"). On 3 April 2006, CIT was included under the Central Provident Fund ("CPF") Investment Scheme.

The principal activity of CIT is to invest in a diverse portfolio of properties with the primary objective of achieving an attractive level of return from rental income and long-term capital growth.

CIT has entered into several service agreements in relation to the management of CIT and its property operations. The fee structures of these services are as follows:

(A) Trustee's fees

Pursuant to the Trust Deed, the Trustee's fees shall not exceed 0.1% per annum of the value of all the gross assets of CIT ("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.

(B) Manager's management fees

Under the Trust Deed, the Manager is entitled to receive the base fee and performance fee as follows:

(i) A base fee ("Base Fee") of 0.5% per annum of the value of the Deposited Property or such higher percentage as may be fixed by an Extraordinary Resolution of Meeting of Unitholders.

NOTES TO THE FINANCIAL STATEMENTS

1 General (Cont'd)

(B) Manager's management fees (Cont'd)

(ii) A performance fee ("Performance Fee"), where the total return (comprising capital gains and accumulated distributions and assuming all distributions are reinvested 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 of a benchmark index (the "Benchmark Index"). The Performance Fee is calculated in two tiers as follows:

- 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 of CIT 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.

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").

NOTES TO THE FINANCIAL STATEMENTS

1 General (Cont'd)

(B) Manager's management fees (Cont'd)

If the amount of such fees for a financial year exceeds the annual fee cap, the Base Fee of the 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 accumulated return of the Trust Index in that three-year period exceeds the accumulated 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.

In the current and previous financial year, the Manager elected to receive the entire base fee in cash.

(C) Manager's acquisition and disposal fees

The Manager is also entitled to receive the following fees:

(i) An acquisition fee of 1.0% of each of the following as is applicable, subject to there being no double-counting:

(a) the purchase price, excluding GST, of any real estate acquired, whether directly by CIT or indirectly through a special purpose vehicle;

(b) 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:

- CIT shall hold or invest in at least 50.0% of the equity of such entity; or

- 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;

(c) the value of any shareholder's loan extended by CIT to the entity referred to in paragraph (b) above, provided that the provision in paragraph (b) is complied with; and

(d) 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 (b)) 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.

NOTES TO THE FINANCIAL STATEMENTS

1 General (Cont'd)

(C) Manager's acquisition and disposal fees (Cont'd)

(ii) A disposal fee of 0.5% of each of the following as is applicable, subject to there being no double-counting:

(a) the sale price, excluding GST, of any investment of the type referred to in paragraph (C)(i)(a) above for the acquisition fee;

(b) in relation to an investment of the type referred to in paragraph (C)(i)(b) 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);

(c) the proceeds of sale, repayment or (as the case may be) redemption of an investment in a loan referred to in paragraph (C)(i)(c) above for the acquisition fee; and

(d) the value of an investment referred to in paragraph (C)(i)(d) above for the acquisition fee.

The Manager can opt to receive acquisition and disposal fees in the form of cash or Units or a combination as it may determine.

(D) Property Manager's fees

Cambridge Industrial Property Management Pte. Ltd. (the "Property Manager") as property manager of CIT is entitled to receive the following fees:

(i) A property management fee of 2.0% per annum of the gross revenue of the relevant property;

(ii) A lease management fee of 1.0% per annum of the gross revenue of the relevant property;

(iii) A marketing services commission equivalent to:

(a) one month's gross rent, inclusive of service charge, for securing a tenancy of three years or less;

(b) two month's gross rent, inclusive of service charge, for securing a tenancy of more than three years;

(c) half month's gross rent, inclusive of service charge, for securing a renewal of tenancy of three years or less; and

(d) one month's gross rent, inclusive of service charge, for securing a renewal of tenancy of more than three years.

NOTES TO THE FINANCIAL STATEMENTS

1 General (Cont'd)

(D) Property Manager's fees (Cont'd)

(iv) A project management fee in relation to 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, as follows:

(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.

(v) A property tax services fee 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:

(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 over a 12-month period.

2 Basis of preparation

2.1 Statement of compliance

The financial statements are prepared in accordance with the recommendations of 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 ("CIS Code") issued by the MAS and the provisions of the Trust Deed.

NOTES TO THE FINANCIAL STATEMENTS

2 Basis of preparation (Cont'd)

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis, except for investment properties and certain financial liabilities, which are stated at fair value.

2.3 Functional and presentation currency

The financial statements are presented in Singapore dollars, which is the Trust's functional currency. All financial information presented in Singapore dollars has been rounded to the nearest thousand, unless otherwise stated.

2.4 Use of estimates and judgments

The preparation of financial statements in conformity with RAP 7 requires the Manager to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:

- Note 4 – valuation of investment properties

- Note 21 – valuation of financial instruments

3 Significant accounting policies

There has been no significant change in the accounting policies from the previous financial year.

3.1 Investment properties

Investment properties are accounted for as non-current assets, except if they meet the conditions to be classified as held for divestment (see Note 3.2 below). These properties are stated at initial cost on acquisition, and at valuation thereafter. The cost of a purchased property comprises its purchase price and any directly attributable expenditure. Transaction costs shall be included in the initial measurements. Valuations are determined in accordance with the Trust Deed, which requires the investment properties to be valued by independent registered valuers in the following manner:

(i) in such manner and frequency required under the CIS code issued by MAS; and

(ii) at least once in each period of 12 months following the acquisition of each investment property.

NOTES TO THE FINANCIAL STATEMENTS

3 Significant accounting policies (Cont'd)

3.1 Investment properties (Cont'd)

Any increase or decrease on revaluation is credited or charged directly to the Statement of Total Return as a net change in fair value of investment properties.

Subsequent expenditure relating to investment properties that have already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of originally assessed standard of performance of the existing asset, will flow to CIT. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

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.

Investment properties are not depreciated. The properties are subject to continued maintenance and regularly revalued on the basis set out above.

3.2 Investment properties held for divestment

Investment properties that are expected to be recovered primarily through divestment rather than through continuing use, are classified as held for divestment and accounted for as current assets. These investment properties are measured at fair value and any increase or decrease on revaluation is credited or charged directly to the Statement of Total Return as a net change in fair value of investment properties.

Upon disposal, 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.

3.3 Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents, interest-bearing borrowings, and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through the Statement of Total Return, any directly attributable transaction costs. Subsequent to initial recognition, except for available-for-sale financial assets (see below), non-derivative financial instruments are measured at amortised cost using the effective interest method, less any impairment losses.

A financial instrument is recognised if the Trust becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Trust's contractual rights to the cash flows from the financial assets expire or if the Trust transfers the financial asset to another party without retaining control or transfers substantially all the risks and rewards of the asset. The purchases and sales of financial assets are accounted for at trade date, i.e., the date that the Trust commits itself to purchase or sell the asset. Financial liabilities are derecognised if the Trust's obligations specified in the contract expire or are discharged or cancelled.

NOTES TO THE FINANCIAL STATEMENTS

3 Significant accounting policies (Cont'd)

3.3 Financial instruments (Cont'd)

Non-derivative financial instruments (Cont'd)

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprises cash and cash equivalents and trade and other receivables.

Cash and cash equivalents comprise cash balances and bank deposits.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale. The Trust's investments in equity securities are classified as available-for-sale financial assets. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses (see below), are recognised in equity in the fair value reserve. When an investment is derecognised, the cumulative gain or loss in the fair value reserve is transferred to profit or loss.

Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only, the Trust has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivative financial instruments and hedging activities

The Trust held derivative financial instruments to hedge its interest rate risk exposure in prior years. Embedded derivatives are separated from the host contract and accounted for separately if the economic characteristics and risks of the host contract and the embedded derivative are not closely related, a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative, and the combined instrument is not measured at fair value through Statement of Total Return. Derivatives are not used for trading purposes. However, derivatives that do not qualify for hedge accounting are accounted for as though the derivatives are trading instruments.

Derivatives are recognised initially at fair value; attributable transaction costs are recognised in the Statement of Total Return when incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognised immediately in the Statement of Total Return.

NOTES TO THE FINANCIAL STATEMENTS

3 Significant accounting policies (Cont'd)

3.3 Financial instruments (Cont'd)

Impairment of financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

Objective evidence that financial assets (including equity securities) are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Trust on terms that the Trust would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, the disappearance of an active market for a security.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in the Statement of Total Return.

Impairment losses in respect of financial assets measured at amortised cost are reversed to the Statement of Total Return, if the subsequent increase in fair value can be related objectively to an event occurring after the impairment loss was recognised.

3.4 Impairment – non-financial assets

The carrying amounts of the Trust's non-financial assets, other than investment properties, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated at each balance sheet date.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in the Statement of Total Return unless it reverses a previous revaluation, credited to Unitholders' funds, in which case it is charged to Unitholders' funds.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

NOTES TO THE FINANCIAL STATEMENTS

3 Significant accounting policies (Cont'd)

3.4 Impairment – non-financial assets (Cont'd)

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.5 Unitholders' funds

Unitholders' funds are classified as equity. Incremental cost, directly attributable to the issuance of additional units in CIT are deducted directly against Unitholders' funds.

3.6 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, except when an alternative basis is more representative of the pattern of benefits to be derived from the leased assets. Lease incentives granted are recognised as an integral part of the total rental to be received. Contingent rentals, which include gross turnover rental, are recognised as income in the accounting period on a receipt basis. No contingent rental is recognised if there are uncertainties due to the possible return of the amounts received.

(ii) Interest income

Interest income is accrued using the effective interest method.

3.7 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 Note 1.

(ii) Manager's management fees

Manager's management fees are recognised on an accrual basis based on the applicable formula stipulated in Note 1. Manager's management fee paid and payable in Units is recognised as an expense in the Statement of Total Return and a corresponding increase in Unitholders' funds.

NOTES TO THE FINANCIAL STATEMENTS

3 Significant accounting policies (Cont'd)

3.7 Expenses (Cont'd)

(iii) Trust expenses

Trust expenses are recognised on an accrual basis. Included in trust expenses is the trustee's fees which are based on the applicable formula stipulated in Note 1.

(iv) Borrowing costs

Interest expense and similar charges are recognised in the Statement of Total Return, using the effective interest rate method over the period of borrowings.

3.8 Taxation

Taxation 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 Unitholders' funds, in which case it is recognised in Unitholders' funds.

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 in a transaction that is not a business combination and that affect neither accounting nor taxable profit are not provided for. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority on the same entity.

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 reviewed at each reporting date and 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 on certain types of income. Instead, the Trustee and the Manager will deduct income tax at the prevailing corporate tax rate (currently 17.0%) from the distributions made to Unitholders that are made out of the taxable income of CIT, except:

(i) 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; or

NOTES TO THE FINANCIAL STATEMENTS

3 Significant accounting policies (Cont'd)

3.8 Taxation (Cont'd)

(ii) where the beneficial owners are foreign non-individual Unitholders, the Trustee and the Manager will deduct Singapore income tax at the reduced tax rate of 10.0% for distributions made during the period from 18 February 2010 to 31 March 2015 (both dates inclusive).

A "Qualifying Unitholder" is a Unitholder who is:

- A Singapore-incorporated company which is a tax resident in Singapore;
- A body of persons other than a company or a partnership, registered or constituted in Singapore (e.g. a town council, a statutory board, a registered charity, a registered cooperative society, a registered trade union, a management corporation, a club and a trade industry association); or
- A Singapore branch of a foreign company which has been presented a letter of approval from IRAS granting waiver from tax deducted 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;

- who does not have a permanent establishment in Singapore; or
- 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.

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 or distribution income received or receivable from its quoted investments. 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.

3.9 Distribution policy

CIT's distribution policy is to distribute 100% of its taxable income available for distribution to Unitholders. Distributions are made on a quarterly basis at the discretion of the Manager.

3.10 Finance costs

Finance costs comprise interest expense on borrowings, amortisation of borrowings and related transaction costs which are recognised in the Statement of Total Return using the effective interest method over the period of borrowings.

NOTES TO THE FINANCIAL STATEMENTS

3 Significant accounting policies (Cont'd)

3.11 Earnings per unit

The Trust presents basic earnings per unit ("EPU") data for its units. Basic EPU is calculated by dividing the total return for the period after tax by the weighted average number of units outstanding during the year, adjusted for own units held. Diluted EPU is determined by adjusting the total return for the period after tax and the weighted average number of units outstanding, adjusted for own units held, for the effects of all dilutive potential units.

3.12 Segment reporting

An operating segment is a component of CIT that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of CIT's other components. All operating segments' operating results are reviewed regularly by CIT's Chief Operating Decision Makers ("CODM"s) which comprise mainly the Board of Directors and the Chief Executive Officer of the Manager, to make decisions about resources to be allocated to the segments and assess its performance and for which discrete financial information is available.

3.13 New standards and interpretations not adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning 1 January 2010, and have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Trust.

4 Investment properties

	2010 S$'000	2009 S$'000
At 1 January	874,200	967,682
Acquisition of investment properties	69,710	–
Disposal of investment properties	(68,153)	(6,138)
Acquisition related costs	1,107	14
Capital expenditure incurred	3,323	286
	880,187	961,844
Change in fair value during the year	48,263	(87,644)
At 31 December	928,450	874,200
Investment properties (non-current)	906,450	795,600
Investment properties held for divestment (current)	22,000	78,600
	928,450	874,200

Investment properties are stated at fair values based on valuations performed by independent professional valuers as at 31 December 2010, except for investment properties acquired in November 2010, namely 511 & 513 Yishun Industrial Park A, which was valued by independent valuers in October 2010. The fair values of these properties approximate their carrying amounts at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS

4 Investment properties (Cont'd)

In determining the fair value, the valuers have used valuation methods which involve certain estimates. The Manager has exercised its judgment and is satisfied that the valuation methods and estimates are reflective of the current market conditions.

The independent professional valuers have considered valuation techniques including capitalisation approach and/or discounted cash flows in arriving at the open market value as at the balance sheet date. The key assumptions used to determine the fair value of investment properties include market-corroborated capitalisation yield, terminal yield, discount rate and average growth rate.

The capitalisation approach capitalises an income stream into a present value using revenue multipliers or single-year capitalisation rates. The discounted cash flows method involves the estimation and projection of an income stream over a period and discounting the income stream with an expected internal rate of return.

During the financial year, three new properties at 22 Chin Bee Drive, 1 & 2 Changi North Street 2 and 511 & 513 Yishun Industrial Park A, were acquired at a total carrying cost of S$70.8 million and capital expenditure incurred was S$3.3 million.

Certain properties, comprising properties at 27 Pandan Crescent and 37 Tampines Street 92 and 78 strata units in the property at 48 Toh Guan Road East at a total carrying value of S$68.1 million, were disposed of during the financial year.

The latest valuation of the remaining 43 properties and the remaining 36 strata units at 48 Toh Guan Road East as at 31 December 2010 amounted to S$928.5 million, giving rise to an increase in value of S$48.3 million during the financial year.

As at the balance sheet date, investment properties with a carrying value of S$858.7 million (2009: S$874.2 million) and S$69.8 million (2009: Nil) have been mortgaged as security for term loan facilities granted by Alhambra Pte. Ltd. and National Australia Bank Limited, respectively to the Trust (refer to Note 8).

NOTES TO THE FINANCIAL STATEMENTS

5 Trade and other receivables

	2010 S$'000	2009 S$'000
Trade receivables	321	448
Deposits	95	44
Amounts due from the Manager (non-trade)	1	348
Distribution income receivable from quoted investments	–	504
Other receivables	160	138
Loans and receivables	577	1,482
Prepayments	372	428
Option fees paid	135	–
	1,084	1,910

The amounts due from the Manager are unsecured, interest-free and repayable on demand. Option fees paid in the current financial year are in respect of the proposed acquisitions of properties as disclosed in Note 18(c).

Concentration of credit risk relating to trade receivables is limited due to the Trust's large number and diverse range of tenants. The Manager believes that no significant credit risk is inherent in the Trust's trade receivables based on the Trust's historical experience in the collection of trade receivables. The maximum exposure to credit risk for trade and other receivables at the reporting date is S$321,000 (2009: S$448,000).

Impairment losses

The ageing of trade receivables at the reporting date is as follows:

	Gross 2010 S$'000	Impairment losses 2010 S$'000	Gross 2009 S$'000	Impairment losses 2009 S$'000
Past due 0 – 30 days	320	–	254	–
Past due 31 – 120 days	1	–	194	–
More than 120 days past due	–	–	–	–
	321	–	448	–

The change in impairment loss in respect of trade receivables during the year is as follows:

	2010 S$'000	2009 S$'000
At 1 January	–	588
Impairment loss utilised	–	(588)
At 31 December	–	–

The Manager believes that no allowance is necessary in respect of the trade receivables during the financial year as these receivables mainly arise from tenants that have good records and have sufficient security in the form of bankers' guarantees, insurance bonds or cash security deposits as collaterals.

NOTES TO THE FINANCIAL STATEMENTS

6 Cash and cash equivalents

	2010 S$'000	2009 S$'000
Cash at bank and in hand	70,419	17,309
Fixed deposits with financial institutions	650	22,000
Cash and cash equivalents	71,069	39,309

Included in the cash and cash equivalents as at 31 December 2010 were the sales proceeds arising from the divestment of S$9.2 million (2009: S$4.0 million) of the investment properties mortgaged to secure the syndicated term loan facility of S$323.1 million (2009: S$390.1 million). The utilisation of these proceeds standing to the credit of this account are restricted to the following:

- repayment of the loans in whole or in part; or
- the purchase of any investment property which then become part of the security package of the current term loan facility; or
- any other use, including asset enhancement initiatives, approved by the lenders.

The weighted average effective interest rates relating to the fixed deposits at the balance sheet date is 0.23% (2009: 0.24%). Interest rates reprice at intervals ranging from 2 weeks to 2 months.

NOTES TO THE FINANCIAL STATEMENTS

7 Trade and other payables

	2010 S$'000	2009 S$'000
Current liabilities		
Trade payables and accrued operating expenses	3,156	3,025
Amounts due to related parties (trade):		
- the Manager	485	750
- the Property Manager	221	228
- the Trustee	43	41
Interest and loan commitment fee payable	2,537	2,811
Rental deposits received	3,356	1,737
Rent received in advance	92	–
Deposits and option fees received	1,749	1,851
Other payables	7,230	6,475
	18,869	16,918
Non-current liabilities		
Other payables	367	6,904
Total trade and other payables	19,236	23,822

The amounts due to related parties are unsecured. Transactions with related parties are priced on terms agreed between the parties.

Included in other payables (current) are retention sums of approximately S$1.1 million (2009: S$0.3 million) relating to certain investment properties acquired during the year.

The contractual undiscounted cash flows for trade and other payables are included in Note 8.

8 Interest-bearing borrowings

	2010 S$'000	2009 S$'000
Non-current liabilities		
Secured loans	347,499	390,100
Unamortised loan transaction costs	(8,308)	(14,941)
	339,191	375,159

NOTES TO THE FINANCIAL STATEMENTS

8 Interest-bearing borrowings (Cont'd)

Terms and debt repayment schedule

Terms and conditions of outstanding loans and borrowings are as follows:

	Nominal interest rate	Year of maturity	2010 Face value	2010 Gross carrying amount	2009 Face value	2009 Gross carrying amount
	%		S$'000	S$'000	S$'000	S$'000
Syndicated term loan facility						
- S$ fixed rate loan	3.88-4.18	2012	323,100	323,100	390,100	390,100
Acquisition term loan facility						
- S$ floating rate loan	SOR* + margin	2013	24,399	24,399	–	–
			347,499	347,499	390,100	390,100

* Swap Offer Rate.

The nominal interest rate for the S$ floating rate loan is determined by the margin plus SOR per annum.

The following are the expected contractual undiscounted cash inflows/(outflows) of interest-bearing borrowings including interest payments and other borrowing costs, and trade and other payables:

	Gross carrying amount	Contractual cash flows	Cash flow: Within 1 year	Cash flow: Within 1 to 5 years	Cash flow: More than 5 years
	S$'000	S$'000	S$'000	S$'000	S$'000
2010					
Non-derivative financial liabilities					
Syndicated term loan facility					
- S$ fixed rate loan	323,100	(345,759)	(18,077)	(327,682)	–
Acquisition term loan facility					
- S$ floating rate loan	24,399	(25,767)	(473)	(25,294)	–
Trade and other payables*	11,547	(11,547)	(11,547)	–	–
	359,046	(383,073)	(30,097)	(352,976)	–
2009					
Non-derivative financial liabilities					
Syndicated term loan facility					
- S$ fixed rate loan	390,100	(439,199)	(21,788)	(417,411)	–
Trade and other payables*	10,443	(10,443)	(10,443)	–	–
	400,543	(449,642)	(32,231)	(417,411)	–

* Trade and other payables excludes rent received in advance and other payables.

NOTES TO THE FINANCIAL STATEMENTS

8 Interest-bearing borrowings (Cont'd)

Details of the outstanding borrowings and collaterals are as follows:

(A) Syndicated Term Loan Facility

The Singapore dollar syndicated term loan facility ("Syndicated Term Loan Facility") of S$323.1 million (2009: S$390.1 million) with a tenor of three years, was granted by a Special Purpose Vehicle ("SPV"), Alhambra Pte. Ltd. on 13 February 2009.

The SPV is incorporated for the purpose of the loan transaction and is administered by HSBC Institutional Trust Services (Singapore) Limited ("HSBC Trust"). The results of Alhambra Pte. Ltd. have not been consolidated with the financial statements of CIT as CIT does not exercise control over the financial and operating decisions of the entity, in accordance with INT FRS 12 – Consolidation – Special Purposes Entities.

The Facility Agreement comprises a term loan facility of S$390.1 million, consisting of two rated tranches being:

- Tranche A facility with an aggregate principal of S$263.1 million (2009: S$330.1 million) rated AAA; and
- Tranche B facility with an aggregate of S$60.0 million (2009: S$60.0 million) rated AA

The Syndicated Term Loan Facility has a tenor of three years from the date of drawdown on 17 February 2009 and matures in February 2012.

As at 31 December 2010, total loan prepayments amounting to S$67.0 million were made to the Syndicated Term Loan Facility, thus reducing the loan amount from S$390.1 million to S$323.1 million.

The Syndicated Term Loan Facility is secured by the following:

(i) Mortgage of 40 investment properties ("Portfolio Properties") with an aggregate carrying value amounted to S$858.7 million (2009 : S$874.2 million) as at 31 December 2010;

(ii) Assignment by way of security of the rights, titles and interests of the CIT's Trustee and charged in favour of the SPV, in respect of the building agreements, property management agreements, insurances and proceeds relating to the 40 mortgaged investment properties; and

(iii) A debenture creating by way of a first fixed and floating charge on all present and future assets of CIT.

NOTES TO THE FINANCIAL STATEMENTS

8 Interest-bearing borrowings (Cont'd)

(B) Bilateral Loan Facility

On 12 August 2010, the Trustee in its capacity as trustee of CIT, entered into a facility agreement with National Australia Bank Limited to obtain financing of S$70.0 million ("Bilateral Loan Facility") for the purpose of financing the acquisition growth of CIT.

The Bilateral Loan Facility, which comprises a term loan facility of S$50.0 million ("Acquisition Term Loan Facility") and a revolving credit facility of S$20.0 million ("Revolving Credit Facility"), has a tenor of three years from the date of drawdown. The facility is secured by the mortgage of the new investment properties ("Bilateral Portfolio Properties") that are acquired with the amount drawn down from the facility and utilised towards their acquisition financing.

Interest payable on the Bilateral Loan Facility is calculated based on a margin plus SOR per annum.

As at 31 December 2010, the total amount outstanding under the Bilateral Loan Facility was S$24.4 million, secured by three investment properties acquired during the year at an aggregate carrying value amounted to S$69.8 million.

9 Units in issue

	2010 Number of units ('000)	2009 Number of units ('000)
Units in issue:		
At 1 January	867,546	796,406
Units created:		
- Private placement	140,181	71,140
- Preferential offering	38,483	–
- Distribution Reinvestment Plan	10,855	–
At 31 December	1,057,065	867,546

NOTES TO THE FINANCIAL STATEMENTS

9 Units in issue (Cont'd)

During the financial year, CIT issued the following new units:

(i) a total of 10,854,928 new units in lieu of distribution payments pursuant to a Distribution Reinvestment Plan, whereby the Unitholders have the options to receive their distribution payment in units instead of cash or a combination of units and cash as follows:

Date of Issue	Number of units issued	Issue price per unit (S$)	Period relating to
25 March 2010	2,585,239	0.445	1 October to 31 December 2009
15 June 2010	3,086,787	0.493	1 January to 31 March 2010
8 September 2010	5,182,902	0.488	1 April to 30 June 2010

(ii) a total of 140,181,000 new units pursuant to private placement exercises to third party investors as follow:

Date of issue	Number of units issued	Issue price per unit (S$)
23 August 2010	83,683,000	0.478
1 November 2010	56,498,000	0.531

(iii) 38,483,584 units, on the basis of 1 preferential unit for every 25 existing units, pursuant to a preferential offering exercise were issued to third party investors and related parties (refer to note 19) at an issue price of $0.531 on 18 November 2010.

During the previous financial year, 71,140,000 new units were issued on 12 August 2009 pursuant to a private placement exercise. The units were issued at a dual issue price of S$0.392 per unit to third party investors and S$0.399 per unit to related parties (see Note 19).

Each unit in the Trust represents an undivided interest in the Trust. 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 the Trust by receiving a share of all net cash proceeds derived from the realisation of the assets of the Trust less any liabilities, in accordance with their proportionate interests in the Trust. However, a Unitholder has no equitable or proprietary interest in the underlying assets of the Trust and is not entitled to the transfer to it of any assets (or part thereof) or any estate or interest in any asset (or part thereof) of the Trust;
- attend all Unitholders' meetings. 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 Unitholders, whichever is lesser) at any time convene a meeting of Unitholders in accordance with the provisions of the Trust Deed; and

NOTES TO THE FINANCIAL STATEMENTS

9 Units in issue (Cont'd)

- one vote per unit.

The limitations on a Unitholder's rights include the following:

- a Unitholder's right is limited to the right to require due administration of the Trust in accordance with the provisions of the Trust Deed; and
- a Unitholder has no right to request the Manager to redeem his units while the units are listed on the SGX-ST.

A Unitholder's liability is limited to the amount paid or payable for any unit in the Trust. The provisions of the Trust Deed provide that no Unitholder will be personally liable to indemnify the Trustee or any creditor of the Trustee in the event that the liabilities of the Trust exceed its assets.

10 Gross revenue

	2010 SS$'000	2009 SS$'000
Property rental income	74,050	74,136
Other income	160	285
	74,210	74,421

11 Property expenses

	2010 S$'000	2009 S$'000
Land rental	3,196	2,991
Property and lease management fees	2,222	2,226
Property tax	2,648	2,417
Repair and maintenance expenses	475	632
Other property operating expenses	574	1,016
	9,115	9,282

NOTES TO THE FINANCIAL STATEMENTS

12 Manager's management fees

	2010 S$'000	2009 S$'000
Manager's management fees (base fees) paid and payable in cash	4,668	4,686

No performance fees were payable to the Manager for the current financial year and the previous financial year.

13 Trust expenses

	2010 S$'000	2009 S$'000
Trustee's fees	165	165
Professional fees	710	1,665
Other expenses	662	309
	1,537	2,139

Included in the professional fees are non-audit fees paid/payable to the auditors amounting to S$65,000 (2009: S$96,400).

14 Borrowing costs

	2010 S$'000	2009 S$'000
Borrowing costs paid and payable on loans	15,587	15,836
Amortisation of transaction costs relating to debt facilities	8,531	6,359
Other loan transaction cost	1,382	–
	25,500	22,195

NOTES TO THE FINANCIAL STATEMENTS

15 Income tax expense

	2010 S$'000	2009 S$'000
Reconciliation of effective tax rate		
Total return for the year before income tax	85,846	(61,139)
Income tax using Singapore tax rate of 17% (2009: 17%)	14,594	(10,393)
Income not subject to tax	(676)	(58)
Non-tax deductible items	(6,311)	17,973
Tax transparency	(7,586)	(7,436)
	21	86

16 Earnings and distribution per unit

Earnings per unit

The calculation of basic earnings per unit is based on weighted average number of units in issue during the year and total return after tax for the year.

	2010 S$'000	2009 S$'000
Total return before income tax	85,846	(61,139)
Less: Income tax attributable to total return	(21)	(86)
Total return after income tax	85,825	(61,225)

	Number of Units '000	Number of Units '000
Weighted average number of units:		
- Outstanding during the period	867,546	796,406
Effect of issue of new units:		
- Private placement	39,476	27,676
- Preferential offering	4,639	–
- Distribution Reinvestment Plan	5,322	–
	916,983	824,082

Diluted earnings per unit is the same as the basic earnings per unit as there were no dilutive instruments in issue during the financial year and in the previous financial year.

NOTES TO THE FINANCIAL STATEMENTS

16 Earnings and distribution per unit (Cont'd)

Distribution per unit

The calculation of distribution per unit is based on the net income available for distribution for the year and the applicable number of units which is either the number of units on issue at the end of each period or the applicable number of units on issue during the period.

	2010 S$'000	2009 S$'000
Net income available for distribution	44,727	44,162

	Number of Units ('000)	Number of Units ('000)
Applicable number of units for the calculation of DPU	914,352	824,082

17 Equity issue costs

	2010 S$'000	2009 S$'000
Professional fees incurred	957	205
Underwriting and selling commissions incurred	3,841	–
Miscellaneous issue costs incurred	171	17
	4,969	222

These expenses incurred are deducted directly against Unitholders' funds. Included in the professional fees are non-audit fees paid/payable to the auditors amounting to S$145,000 (2009 : S$nil).

18 Commitments

(a) Lease commitments

CIT leases out its investment properties. Non-cancellable operating lease rentals are receivable as follows:

	2010 S$'000	2009 S$'000
Receivable:		
- Within 1 year	76,868	75,632
- After 1 year but within 5 years	211,495	256,021
- After 5 years	31,794	38,768
	320,157	370,421

NOTES TO THE FINANCIAL STATEMENTS

18 Commitments (Cont'd)

(b) Operating lease commitments

CIT is required to pay annual land rent to Jurong Town Corporation ("JTC") and Housing & Development Board ("HDB") for 21 (2009: 21) properties. Land rents for the remaining 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 based on the contractual lease agreements.

The annual land rent is based on market rent for the relevant year and any increase in annual land rent from year to year shall not exceed 5.5% of the annual land rent for the respective properties for the immediate preceding year. The land rent paid based on prevailing rental rates during the financial year was S$3,262,000 in relation to 21 properties (2009: S$2,991,000 in relation to 21 properties).

(c) Capital Commitment

During the current financial year, the Trustee entered into conditional put and call options for the acquisition of the following properties:

		Acquisition value	
		2010	2009
Property	Vendor	S$'000	S$'000
29 Tai Seng Avenue Singapore 534119	Natural Cool Investments Pte Ltd	21,100	–
60 Tuas South Street 1 Singapore 639925	Peter's Polyethylene Industries Pte Ltd	6,400	–
Tuas View Circuit	Peter's Polyethylene Industries Pte Ltd	12,200	–
		39,700	–

Option fees paid for the proposed acquisition of these properties are disclosed in Note 5.

NOTES TO THE FINANCIAL STATEMENTS

19 Related parties

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 significant influence. Related parties may be individuals or other entities.

Other than as disclosed elsewhere in the financial statements, there were the following significant related party transactions carried out in the normal course of business on terms agreed between the parties:

	2010 S$'000	2009 S$'000
Cambridge Industrial Trust Management Limited (The Manager)		
Management fees paid and payable	4,668	4,686
Acquisition fee paid relating to the purchase of investment properties	697	–
Disposal fee paid relating to the divestment of investment properties	364	33
Issuance of preferential units	169	–
Reimbursement due from the Manager	–	348
Cambridge Industrial Property Management Pte. Ltd. (Subsidiary of immediate holding company of the Manager)		
Property Manager's fees paid and payable	2,222	2,226
Marketing services commission paid and payable	74	59
Project management fees paid and payable	–	26
RBC Dexia Trust Services Singapore Limited (The Trustee)		
Trustee fees paid and payable	165	165
Antares nabInvest Trust (Related company of the Manager) (Note 1)		
Issuance of preferential units	287	–
Issuance of placement units	–	5,387

NOTES TO THE FINANCIAL STATEMENTS

19 Related parties (Cont'd)

	2010 S$'000	2009 S$'000
Oxley Securities (S) Pte Ltd		
(Related company of the Manager) (Note 2)		
Issuance of placement units	–	1,049
National Australia Bank Limited		
(Related company of the Manager) (Note 3)		
Loan disbursed	24,399	–
Loan transaction costs paid	1,460	–
Commitment fee paid and payable	210	–
Interest paid and payable	75	–

Note 1: nabInvest Capital Partners Pty Limited ("nabInvest Capital"), which manages Antares nabInvest Trust, is a shareholder of the ultimate holding company of the Manager with an indirect equity interest in the Manager of 56%.

Note 2: Oxley Securities (S) Pte Ltd ("Oxley Securities"), which is a subsidiary of the Oxley Holdings Limited ("Oxley Holdings"), is related to the Manager by virtue of Oxley Holdings' indirect equity interest in the Manager of 24%. Oxley Securities disposed of its entire interest in CIT in December 2010.

Note 3: National Australia Bank Limited, ("NAB") which is the ultimate holding company of nabInvest Capital in Australia, is related to the Manager by virtue of nabInvest Capital's indirect equity interest in the Manager of 56%.

NOTES TO THE FINANCIAL STATEMENTS

20 Subsequent events

Subsequent to the financial year:

(a) The Manager was informed by the Singapore Land Authority in January 2011 with regard to the compulsory acquisition of land in Tuas for the construction of Tuas West Mass Rapid Transit extension and road works. Three of CIT's 43 properties will be affected to varying degrees by this land acquisition. All or part of the land where these properties are situated will be possessed by the Government by January 2013.

The land area to be compulsorily acquired was estimated at 58,439 metres square ("sq m") or approximately 12.8% of the property portfolio. CIT is entitled to receive compensation based on the market value of the acquired land as at the date of publication of the notification of acquisition (ie 11 January 2011), and any applicable costs and damages as provided for in the Land Acquisition (Amendment) Act 2007.

(b) CIT made a loan prepayment of S$20.0 million in February 2011 to further reduce the outstanding Syndicated Term Loan of S$323.1 million as at 31 December 2010 to S$303.1 million.

21 Financial risk management

Capital management

The Board of the Manager proactively reviews the Trust's capital and debt management cum financing policy regularly so as to optimise the Trust's funding structure. The Board also monitors the Trust's exposure to various risk elements and externally imposed requirements by closely adhering to clearly established management policies and procedures.

The Trust is subject to the Aggregate Leverage limit as defined in the Property Fund Guidelines of the CIS code. The CIS code stipulates that the total borrowings and deferred payments (together the "Aggregate Leverage") of a property fund should not exceed 35.0% of the fund's deposited property. The aggregate leverage of a property fund may exceed 35.0% of the fund's deposited property (up to a maximum of 60.0%) 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 35.0% of the fund's deposited property.

The Trust has maintained its corporate rating of "BBB-/Stable/--" and complied with the Aggregate Leverage limit of 60.0% during the financial year. There were no changes in the Trust's approach to capital management during the financial year.

As at the balance sheet date, the gross amount of loans and borrowings as a percentage of total assets was 34.7% (2009: 42.6%).

NOTES TO THE FINANCIAL STATEMENTS

21 Financial risk management (Cont'd)

Overview

The Trust has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. Management continually monitors the Trust's risk management process to ensure an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Trust's activities.

The Audit, Risk Management and Compliance Committee ("ARCC") oversees how management monitors compliance with the Trust's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Trust. The ARCC is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the ARCC.

Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or a counterparty to settle its financial and contractual obligations to CIT, as and when they fall due.

The Manager has established credit limits for tenants and monitors their balances on an on-going 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.

NOTES TO THE FINANCIAL STATEMENTS

21 Financial risk management (Cont'd)

Interest rate risk

CIT's exposure to changes in interest rates relate primarily to its 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.

(a) Effective interest rates and repricing analysis

In respect of interest-earning financial assets and interest-bearing financial liabilities, the following table indicates the effective interest rates as at 31 December 2010 and 31 December 2009 and the periods at which they reprice.

	Effective interest rate	Floating interest	Fixed interest rate maturing within 1 to 5 years	Total
	%	S$'000	S$'000	S$'000
2010				
Financial asset				
Fixed deposits with financial institutions	0.23	650	–	650
Financial liabilities				
Interest-bearing borrowings				
- S$ variable rate	1.93	24,399	–	24,399
- S$ fixed rate	4.06	–	323,100	323,100
		24,399	323,100	347,499
2009				
Financial asset				
Fixed deposits with financial institutions	0.57	22,000	–	22,000
Financial liabilities				
Interest-bearing borrowings				
- S$ fixed rate	4.06	–	390,100	390,100

NOTES TO THE FINANCIAL STATEMENTS

21 Financial risk management (Cont'd)

(b) Sensitivity analysis

In managing the interest rate risk, CIT aims to reduce the impact of short term fluctuations on its earnings.

As at 31 December 2010 and 31 December 2009, a change of 100 basis point in the interest rate would increase/(decrease) Unitholders' fund and total return by the amounts shown below:

	Profit or loss		Equity	
	100 bp increase	**100 bp decrease**	**100 bp increase**	**100 bp decrease**
	S$'000	**S$'000**	**S$'000**	**S$'000**
31 December 2010				
Variable rate instruments				
- Interest income	101	(28)	101	(28)
- Interest expense	(39)	39	(39)	39
	62	11	62	11
31 December 2009				
Variable rate instruments				
- Interest income	68	(38)	68	(38)

Currency risk

At present, all transactions involving the Trust are denominated in Singapore dollars and the Trust faces no currency risk. If this were to change in the future, the Manager would consider currency hedging to the extent appropriate.

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. Typically, the Trust ensures that it has sufficient cash on demand to meet expected operational expenses for a reasonable period, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot be reasonably be predicted, such as natural disasters.

The Manager monitors and observes the Code on Collective Investment Schemes issued by the MAS concerning limits on total borrowings.

NOTES TO THE FINANCIAL STATEMENTS

21 Financial risk management (Cont'd)

Fair values

The following summarises the significant methods and assumptions used in estimating the fair values.

(a) Financial derivatives

As at 31 December 2010, CIT does not have any financial derivatives.

(b) Interest-bearing borrowings

Fair value is calculated based on discounted expected future principal and interest cash flows.

(c) Other financial assets and liabilities

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash equivalents, and trade and other payables) approximate their fair values because of the short period to maturity. All other financial assets and liabilities are discounted to determine their fair values.

Interest rates used in determining fair values

The aggregate net fair values of the recognised financial liability of the Trust which were not carried at fair value in the balance sheet at 31 December were represented in the following table:

	Note	Carrying amount 2010 S$'000	Fair value 2010 S$'000	Carrying amount 2009 S$'000	Fair value 2009 S$'000
Financial liability					
Secured loan	8	347,499	351,729	390,100	396,803
Unrecognised loss			4,230		6,703

The interest rate used to determine the fair value of the secured loan was margin plus SOR. The SOR used approximates to the remaining loan period to maturity of the respective borrowings at the end of the reporting date on the expected contractual cash flows of the secured loans (see Note 8).

The comparative fair value and unrecognised loss for 2009, previously reported as S$431.5 million and S$41.4 million respectively, were restated as S$396.8 million and S$6.7 million accordingly to enhance comparability and to be consistent with the current year presentation.

NOTES TO THE FINANCIAL STATEMENTS

22 Segment reporting

Segment information is presented based on the information reviewed by CIT's CODMs for performance assessment and resource allocation.

As each investment property is mainly used for industrial (including warehousing) purposes, these investment properties are similar in terms of economic characteristics, nature of services and type of customers. The CODMs are of the view that CIT has only one reportable segment – Leasing of investment properties. This forms the basis of identifying the operating segments of CIT under FRS 108 *Operating Segments*. CIT has only one tenant which contributed to an annual rental revenue, of approximately S$8.1 million (2009: S$7.9 million), constituting more than 10% of its total revenue during the financial year.

Accordingly, no operating segment information has been prepared as CIT has only one reportable segment. CIT operates in Singapore as the investment properties are all located locally. To ensure CIT provides a stable return to its Unitholders, the CODMs have been diligently monitoring major key operating and performance indicators which include, amongst many others, net property income, distribution per unit, gearing, cost of borrowings and cash flows.

23 Financial ratios

	2010 %	2009 %
Expenses to weighted average net assets [1]		
- Expense ratio excluding performance-related fee	1.13	1.15
- Expense ratio including performance-related fee	1.13	1.15
Portfolio turnover rate [2]	12.92	1.47

1 The annualised ratios are computed in accordance with the guidelines of Investment Management Association of Singapore. The expenses used in the computation relate to expenses of CIT, excluding property related expenses, borrowing costs and income tax expense.

2 The annualised ratio is computed based on the lesser of purchases or sales of underlying investment properties of CIT expressed as a percentage of daily average net asset value.

UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT OF CAMBRIDGE INDUSTRIAL TRUST FOR THE YEAR ENDED 31 DECEMBER 2011

The information in this Appendix IV has been extracted and reproduced from the financial statement announcement of CIT for the year ended 31 December 2011 and has not been specifically prepared for inclusion in this Information Memorandum.

CAMBRIDGE INDUSTRIAL TRUST

FINANCIAL STATEMENT ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2011

The Directors of Cambridge Industrial Trust Management Limited ("CITM"), as Manager of Cambridge Industrial Trust ("CIT") are pleased to announce the unaudited results of CIT for the fourth quarter and full year ended 31 December 2011, which are summarized as follows:

Summary of CIT's Results

	4Q2011 S$'000	3Q2011 S$'000	Inc/ (Dec) %	FY2011 S$'000	FY2010 S$'000	Inc/ (Dec) %
Gross revenue	20,791	20,744	0.2	80,373	74,210	8.3
Net property income	18,082	17,586	2.8	69,112	65,095	6.2
Distributable income	13,295	12,870	3.3	50,397	44,727	12.7
Distribution per unit ("DPU") (cents)	1.118	1.082	3.3	4.237	4.892	(13.4)
Annualised DPU (cents)	4.436	4.293	3.3	[a] 4.237	4.892	(13.4)
Annualised Distribution Yield (%)[b]	9.34	9.04	3.3	8.92	10.30	(13.4)

Notes:

(a) 4.362 cents excluding the effect of rights units issued in April 2011 and entitled to 1Q2011 distribution.

(b) Based on closing price of S$0.475 as at 31 December 2011.

Distribution Details

Distribution period	**1 October 2011 to 31 December 2011**
Distribution rate	**1.118 cents per unit**
Books closure date	**8 February 2012**
Payment date	**29 February 2012**

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

Statement of Total Return

	Note	4Q2011 S$'000	4Q2010 S$'000	Inc/ (Dec) %	FY2011 S$'000	FY2010 S$'000	Inc/ (Dec) %
Gross revenue	(a)	**20,791**	**19,082**	**9.0**	**80,373**	**74,210**	**8.3**
Property manager's fees	(b)	(280)	(572)	(51.0)	(2,552)	(2,222)	14.9
Property tax	(c)	(891)	(583)	52.8	(3,148)	(2,648)	18.9
Land rents		(859)	(770)	11.6	(3,375)	(3,196)	5.6
Other property expenses	(d)	(679)	(350)	94.0	(2,186)	(1,049)	108.4
Property expenses		**(2,709)**	**(2,275)**	**19.1**	**(11,261)**	**(9,115)**	**23.5**
Net property income		**18,082**	**16,807**	**7.6**	**69,112**	**65,095**	**6.2**
Manager's management fees	(e)	(1,395)	(1,220)	14.3	(5,332)	(4,668)	14.2
Trust expenses	(f)	(565)	(309)	82.8	(1,824)	(1,537)	18.7
Distribution income		-	-	-	-	126	n.m
Interest income		52	15	246.7	110	93	18.3
Borrowing costs	(g)	(4,012)	(6,816)	(41.1)	(26,221)	(25,500)	2.8
Non-property expenses		**(5,920)**	**(8,330)**	**(28.9)**	**(33,267)**	**(31,486)**	**5.7**
Net income		**12,162**	**8,477**	**43.5**	**35,845**	**33,609**	**6.7**
Gain on disposal of investment properties		-	663	n.m	2,194	3,974	(44.8)
Change in fair value of financial derivatives	(h)	1,926	-	n.m	(3,372)	-	n.m
Change in fair value of investment properties	(i)	2,691	41,821	(93.6)	50,506	48,263	4.6
Total return for the period/year before income tax and distribution		**16,779**	**50,961**	**(67.1)**	**85,173**	**85,846**	**(0.8)**
Less: Income tax expense		-	-	-	-	(21)	n.m
Total return for the period/year after income tax before distribution		**16,779**	**50,961**	**(67.1)**	**85,173**	**85,825**	**(0.8)**

Distribution Statement

	Note	4Q2011 S$'000	4Q2010 S$'000	Inc/ (Dec) %	FY2011 S$'000	FY2010 S$'000	Inc/ (Dec) %
Total return after income tax before distribution for the period/year		**16,779**	**50,961**	**(67.1)**	**85,173**	**85,825**	**(0.8)**
Net effect of non-taxable items	(j)	(3,484)	(38,940)	n.m	(34,776)	(41,098)	n.m
Net income available for distribution for the period/year		**13,295**	**12,021**	**10.6**	**50,397**	**44,727**	**12.7**
Distribution per unit (cents):							
For the period/year	(k)	**1.118**	**1.193**	**(6.3)**	**4.237**	**4.892**	**(13.4)**
Annualised		**4.436**	**4.733**	**(6.3)**			

n.m. - Not meaningful

Notes:

(a) Gross revenue of S$20.8 million for 4Q2011 was higher than that of 4Q2010 by 9.0%. The gross revenue increased mainly due to additional rental income following the acquisition of five properties since October 2010, an increase in the rental from multi-tenanted properties and rental escalations, net of the impact of divestments during the financial period between 4Q2010 and 4Q2011. The average occupancy rate for 4Q2011 was 98.53% (4Q2010: 98.97%).

(b) Property Manager's fees decreased in 4Q2011, mainly due to an adjustment of S$0.4 million to amortise the lease marketing commissions incurred in FY2011 of approximately S$0.5 million over the respective lease periods in accordance with accounting standards.

(c) Property tax increased in 4Q2011 arising from an increase in leases structured on a gross rent basis, e.g: for multi-tenanted properties, where CIT bears the maintenance costs. The number of multi-tenanted properties has increased from three to seven since 4Q2010.

(d) The increase in the other property expenses of approximately S$0.3 million in 4Q2011 was due to an increase in leases structured on a gross rent basis as described in note c above.

(e) Management fees consist of mainly the base fee, which is calculated based on 0.5% per annum of the total assets value. The higher fee for 4Q2011 was in line with the increased assets under management during 4Q2011.

(f) Trust expenses for 4Q2011 increased by S$0.3 million mainly due to due diligence costs on exploring asset enhancement initiatives and acquisitions, and research costs on exploring potential new markets.

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

(g) Borrowing costs for 4Q2011 were lower than 4Q2010 by S$2.8 million. This was mainly due to the following:

- borrowing costs for 4Q2010 included break costs of S$1.4 million arising from a loan prepayment of S$35.0 million on the previous term loan facility; and
- interest and transaction costs on the new term loan facility were lower following the refinancing in June 2011.

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

(h) This represented the change in fair value of interest rate swaps which were entered into to hedge the interest rate risk on the S$320.0 million term loan. Please refer to 1(b)(i)(g) for more details.

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

(i) Two external valuation exercises were conducted by Colliers International Consultancy & Valuation (Singapore) Pte Ltd during the financial year in June and December on all CIT's properties, except for 1 Tuas Avenue 3, 30 Tuas Road and one strata unit at 48 Toh Guan Road East (excluded only for June 2011 valuation). The property at 30 Tuas Road was valued by Knight Frank Pte Ltd as at 31 December 2011.

The carrying amount as at 31 December 2011 amounted to S$1,023.6 million, giving rise to an increase in fair value of S$2.9 million in 4Q2011 and S$50.5 million for the financial year. The valuation for these properties was based on Discounted Cash Flow Analysis and the Income Capitalisation Method.

The net change in fair value of the investment properties has been recognised in the Statement of Total Return. However, it is a non-taxable item and does not affect the DPU as CIT's distributions are based on taxable income.

On 11 January 2011, CIT received a notice of compulsory land acquisition from the Singapore Land Authority ("SLA") mainly affecting the properties located at 1 Tuas Avenue 3 and 30 Tuas Road. Per the Notice, the land on which the property at 1 Tuas Avenue 3 is located is to be wholly acquired and approximately 35% of the land on which the 30 Tuas Road property is located is to be acquired. CIT is entitled to receive the compensation based on market value of the acquired land as at the date of publication of the notification of acquisition (ie 11 January 2011), and any applicable costs and damages as provided for in the Land Acquisition (Amendment) Act 2007.

The 1 Tuas Avenue 3 property has been carried at its independent valuation amount as at 31 December 2010, as this date is very close to the SLA's notification of acquisition date of 11 January 2011. The 30 Tuas Road property has been carried at its independent valuation amount as at 31 December 2011.

(j) Non-taxable items (distribution adjustments)

	4Q2011 S$'000	4Q2010 S$'000	FY2011 S$'000	FY2010 S$'000
Non-tax deductible items and other adjustments:				
Trustee's fees	59	43	233	165
Transaction costs relating to debt facilities	807	2,749	9,722	9,442
Break cost on loan refinancing/prepayment	-	658	4,138	1,382
Change in fair value of investment properties	(2,691)	(41,821)	(50,506)	(48,263)
Change in fair value of financial derivatives	(1,926)	-	3,372	-
Professional fees	245	52	379	68
Miscellaneous expenses	22	42	80	82
	(3,484)	(38,277)	(32,582)	(37,124)
Income not subject to tax:				
Gain on disposal of investment properties	-	(663)	(2,194)	(3,974)
Net effect of non-taxable items	**(3,484)**	**(38,940)**	**(34,776)**	**(41,098)**

(k) The total distributable income of S$13.3 million, after distribution adjustments of S$3.5 million and based on 1,189,198,368 issued units, translated to a DPU of 1.118 cents for 4Q2011.

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

	Note	As at 31-12-11 S$'000	As at 31-12-10 S$'000
Assets			
Non-current assets			
Investment properties	(a)	1,005,300	906,450
Investment properties under development	(b)	3,579	-
		1,008,879	906,450
Current assets			
Trade and other receivables	(c)	1,435	1,084
Cash and cash equivalents	(d)	78,763	71,069
Investment properties held for divestment	(a)	18,300	22,000
		98,498	94,153
Total assets		**1,107,377**	**1,000,603**
Liabilities			
Current liabilities			
Trade and other payables	(e)	9,307	18,869
Provision for income tax		-	21
		9,307	18,890
Non-current liabilities			
Interest-bearing borrowings (net of transaction costs)	(f)	356,608	339,191
Derivative financial instruments	(g)	3,578	-
Other payable		-	367
		360,186	339,558
Total liabilities		**369,493**	**358,448**
Net assets		**737,884**	**642,155**
Represented by:			
Unitholders' funds		**737,884**	**642,155**

Notes:

(a) The investment property at 7 Ubi Close, with a book value of S$18.3 million as at 31 December 2011 was sold on 31 January 2012, and has been reclassified as investment properties held for divestment. This reclassification is required by *FRS 105 - Non-current Assets held for Sale and Discontinued Operations*.

The total carrying value of investment properties (including investment properties held for divestment) was S$1,023.6 million as at 31 December 2011. The net increase of S$95.1 million was mainly attributable to the following:

- the acquisition of three properties at 4&6 Clementi Loop, 60 Tuas Street 1 and 5 & 7 Gul Street 1, inclusive of acquisition costs, amounting to S$61.8 million;
- capital expenditure incurred of $4.8 million
- revaluation increments totaling S$50.5 million in FY2011; and
- the divestment of 36 strata units of the property at 48 Toh Guan Road East, equating to a total carrying cost of S$22.0 million.

Please also refer to 1(a)(i) for more details.

(b) The investment properties under development of S$3.6 million comprised the progress of the development projects at Tuas View Circuit and at the Seletar Aerospace Park View.

(c) Trade and other receivables increased by S$0.3 million to S$1.4 million as at 31 December 2011 mainly due to an increase in rent receivables and unamortised lease marketing commissions, offset by a reduction in other receivables.

(d) Cash and cash equivalents increased by S$7.7 million mainly as a result of the net proceeds of S$53.8 million received from a rights issue concluded in April 2011 and offset by payments totalling S$38.9 million in connection with the acquisition of three investment properties and progressive payments totaling S$3.6 million on the investment properties under development during the financial year.

Included in cash and cash equivalents of S$78.8 million were the remaining net proceeds of approximately S$37.9 million from prior equity fund raising exercises. These monies have been earmarked to complete the acquisition of previously announced properties, asset enhancement initiatives and working capital.

(e) Trade and other payables decreased by S$9.6 million to S$9.3 million mainly due to the following:

- settlement of the liabilities of S$5.8 million in June 2011 to the special purpose vehicle, Alhambra Pte. Ltd., which had assumed a financial derivative liability pursuant to the unwinding of an interest rate swap upon refinancing in February 2009;

- the offset of an option fee payable of S$1.7 million for the divested property at 48 Toh Guan Road East against the sales proceeds after completion; and
- a decrease in the borrowing costs accrual by S$1.3 million.

(f) The increase in the interest-bearing borrowings by S$17.4 million as at 31 December 2011 was mainly due to the following:

- a draw down on the acquisition term loan facility of S$22.1 million to part-finance property acquisitions during the financial year;
- a loan prepayment of S$20.0 million was made to reduce the previous outstanding syndicated term loan to S$303.1 million in February 2011; and
- a new term loan facility of S$320.0 million was fully drawn to refinance the outstanding S$303.1 million syndicated term loan in June 2011;

(g) Derivative financial instruments represented the fair value of interest rate swaps entered into in June 2011 to hedge the interest rate risk on the new S$320.0 million term loan facility. The liability arose from an unfavourable change in the fair value of the interest rate swaps.

1(b)(ii) Aggregate amount of borrowings

	Note	As at 31-12-11 S$'000	As at 31-12-10 S$'000
Interest-bearing borrowings - secured	(a)		
Amount payable after one year		366,530	347,499
Less: Unamortised loan transaction costs		(9,922)	(8,308)
Total interest-bearing borrowings		**356,608**	**339,191**

Notes:

Details of borrowings and collateral

(a) CIT has in place a secured S$320.0 million term loan facility from a syndicate of four financial institutions (the "Term Loan Facility"). The Term Loan Facility, which was fully drawn as at 31 December 2011, was used to refinance the previous outstanding syndicated loan of S$303.1 million as well as to settle the upfront fees relating to the refinancing exercise.

The Term Loan Facility, which bears a margin plus swap offer rate per annum, consists of two tranches as follows:

- 3-year tranche term loan of S$220.0 million, maturing in June 2014; and
- 5-year tranche term loan of S$100.0 million, maturing in June 2016.

The two tranches in the Term Loan Facility are secured by way of the following:

- a mortgage over a single pool of 38 investment properties ("Portfolio Properties 1");
- a debenture creating fixed and floating charges on all present and future assets in relation to the Portfolio Properties 1;
- an assignment of all tenancy agreements, sales agreements, insurance policies, rental assignments, bankers' guarantees and property management agreement in relation to the Portfolio Properties 1; and
- an assignment of all rental, sale and insurance proceeds and all sums from time to time which CIT is entitled to receive from Portfolio Properties 1.

(b) CIT has in place a secured S$120.0 million acquisition term loan facility (the "Acquisition Term Loan Facility"), which bears an interest rate comprising a margin plus swap offer rate per annum, and has a tenor of 3 years maturing in March 2014.

The Acquisition Term Loan Facility is secured by way of the following:

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

As at 31 December 2011, a total of S$46.5 million had been drawn on the Acquisition Term Loan Facility and used to part finance property acquisitions.

1 (c) Statement of Cash Flows

	Note	4Q2011 S$'000	4Q2010 S$'000	FY2011 S$'000	FY2010 S$'000
Cash flows from operating activities					
Total return for the period/year before income tax and distribution		16,779	50,961	85,173	85,846
Adjustments for:					
Interest income		(52)	(15)	(110)	(93)
Distribution income		-	-	-	(126)
Borrowing costs		4,012	6,816	26,221	25,500
Gain on disposal of investment properties		-	(663)	(2,194)	(3,974)
Change in fair value of financial derivatives		(1,926)	-	3,372	-
Change in fair value of investment properties		(2,691)	(41,821)	(50,506)	(48,263)
Operating income before working capital changes		**16,122**	**15,278**	**61,956**	**58,890**
Changes in working capital					
Trade and other receivables		(773)	463	(459)	320
Trade and other payables		(1,726)	3,156	(3,766)	937
Income tax paid		(17)	-	(21)	(86)
Net cash from operating activities		**13,606**	**18,897**	**57,710**	**60,061**
Cashflows from investing activities					
Net cash outflow on investment properties	(a)	(2,872)	(55,992)	(66,437)	(73,379)
Payment for investment properties under development		(2,458)	-	(3,447)	-
Proceeds from disposal of investment properties		-	9,543	24,429	72,753
Interest received		52	15	110	95
Distribution received		-	-	-	631
Net cash (used in)/from investing activities		**(5,278)**	**(46,434)**	**(45,345)**	**100**
Cash flows from financing activities					
Proceeds from issuance of new units		-	50,435	56,685	90,436
Equity issue costs paid		-	(2,397)	(3,083)	(4,449)
Proceeds from borrowings		-	19,149	342,131	24,399
Borrowing costs paid		(3,351)	(8,890)	(34,230)	(26,298)
Repayment of borrowings		-	(35,000)	(323,100)	(67,000)
Distributions to Unitholders		(12,867)	(10,910)	(43,074)	(45,489)
Net cash (used in)/from financing activities		**(16,218)**	**12,387**	**(4,671)**	**(28,401)**
Net (decrease)/increase in cash and cash equivalents		**(7,890)**	**(15,150)**	**7,694**	**31,760**
Cash and cash equivalents at beginning of the period/year		**86,653**	**86,219**	**71,069**	**39,309**
Cash and cash equivalents at end of the period/year		**78,763**	**71,069**	**78,763**	**71,069**

Notes:

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

	Note	4Q2011 S$'000	4Q2010 S$'000	FY2011 S$'000	FY2010 S$'000
Investment properties acquired		-	(54,710)	(60,900)	(69,710)
Acquisition related costs		-	(861)	(939)	(1,107)
Capital expenditure incurred		(1,915)	(1,388)	(4,391)	(3,323)
Retention sums		(957)	967	(207)	761
Net cash outflow		**(2,872)**	**(55,992)**	**(66,437)**	**(73,379)**

(b) Non-cash item

During the previous financial year, CIT issued an aggregate of 10,854,928 units as part payment of distributions, pursuant to its distribution reinvestment plan.

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

	4Q2011 S$'000	4Q2010 S$'000	FY2011 S$'000	FY2010 S$'000
Balance at beginning of period/year	**733,972**	**554,066**	**642,155**	**516,352**
Operations				
Total return for the period/year after tax	16,779	50,961	85,173	85,825
Net increase in net assets resulting from operations	**16,779**	**50,961**	**85,173**	**85,825**
Unitholders' transactions				
Issue of new units pursuant to:				
- Private Placement/Preferential offering	-	50,435	-	90,436
- Rights issue	-	-	56,685	-
- Distribution Reinvestment Plan	-	-	-	5,201
Equity issue costs	-	(2,397)	(3,055)	(4,969)
Distributions to Unitholders	(12,867)	(10,910)	(43,074)	(50,690)
Net (decrease)/increase in net assets resulting from Unitholders' transactions	**(12,867)**	**37,128**	**10,556**	**39,978**
Balance at end of the period/year	**737,884**	**642,155**	**737,884**	**642,155**

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

	Note	4Q2011 Units	4Q2010 Units	FY2011 Units	FY2010 Units
Issued units at the beginning of period/year		**1,189,198,368**	**962,083,862**	**1,057,065,216**	**867,545,934**
Issue of new units pursuant to:					
- Private placement/Preferential offering		-	94,981,354	-	178,664,354
- Rights issue	(a)	-	-	132,133,152	-
- Distribution Reinvestment Plan		-	-	-	10,854,928
Issued units at the end of period/year		**1,189,198,368**	**1,057,065,216**	**1,189,198,368**	**1,057,065,216**

Note:

(a) In April 2011, CIT issued a total of 132,133,152 new units pursuant to a fully underwritten and renounceable 1-for-8 rights issue ("Rights Units") at an issue price of S$0.429 per Rights Unit to raise gross proceeds of approximately S$56.7 million.

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

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

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

Not applicable.

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

The figures have not been audited or reviewed by our auditors. The audited financial statements for the financial year ended 31 December 2011 are expected to be released in March 2012.

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

Not applicable.

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

CIT has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the accounting policies and methods of computation for the prior financial year ended 31 December 2010.

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

Not applicable.

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

	Note	4Q2011	4Q2010	FY2011	FY2010
EPU					
Total return after income tax before distribution for the period/year (S$'000)		16,779	50,961	85,173	85,825
Weighted average number of units for the period/year ('000)		1,189,198	1,017,950	1,151,549	916,983
EPU (cents)	(a)	1.387	(1) 4.923	7.273	(1) 9.203
DPU					
Net income available for distribution for the period/year (S$'000)		13,295	12,021	50,397	44,727
Applicable number of units for calculation of DPU ('000)		1,189,198	1,007,510	1,189,198	914,352
DPU (cents)	(b)	1.118	1.193	4.237	4.892

(1) Restated to adjust for the effects of the rights issue in April 2011.

Notes:

(a) The EPU has been calculated using total return for the period after tax and the weighted average number of units on issue during the period/year. In accordance with FRS 33, the weighted average number of Units has been adjusted for the effect of renounceable rights issue, completed on 15 April 2011. The diluted EPU is the same as basic EPU as no dilutive instruments were in issue during the period/year.

(b) The DPU has been calculated using net income available for distribution and the number of units entitled to distribution during the period/year.

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

	Note	As at 31-12-11	As at 31-12-10
Net tangible assets per unit (cents)	(a)	62.0	60.7

Note:

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

8 Review of the performance

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

9 Review of the performance against Forecast/Prospect Statement

CIT has not disclosed any forecast to the market.

10. Commentary on the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

According to advance estimates by the Ministry of Trade and Industry[1], the Singapore economy grew moderately by 3.6 per cent on a year-on-year basis in the fourth quarter of 2011, compared to the 5.9 per cent growth in the third quarter. In fact, the economy contracted by 4.9 per cent, following the 1.5 per cent gain in the previous quarter on a seasonally-adjusted quarter-on-quarter annualised basis. For the whole of 2011, the economy is estimated to have expanded by 4.8 per cent, in line with MTI's growth forecast of around 5.0 per cent for the year.

URA's data[3] for the fourth quarter 2011 showed that the prices of the multiple-user factory space increased by 3.8% as compared with 6.7% in the previous quarter. For the year 2011 as a whole, prices of multiple-user factory space increased by 27.1% while rentals increased by 16.2%, compared with an increase of 23.7% in prices and 11.7% in rentals in 2010.

Compulsory Land Acquisition

As previously announced, in January 2011, the Manager was informed by the Singapore Land Authority ("SLA") with regard to the compulsory acquisition of land in Tuas for the construction of Tuas West Mass Rapid Transit extension and road works. Two of CIT's 45 properties will be mainly affected by this land acquisition. All or part of the land where these properties are situated will be possessed by the Government by January 2013.

CIT is entitled to receive compensation based on the market value of the acquired land as at the date of publication of the notification of acquisition (ie 11 January 2011), and any applicable costs and damages as provided for in the Land Acquisition (Amendment) Act 2007.

It is the Manager's intention to reinvest the net proceeds received from the compulsory land acquisition into new properties or specific asset enhancement initiatives. The Manager will use its best efforts to ensure that the Trust portfolio value, on a like for like basis, is not negatively impacted as a consequence of the compulsory acquisition.

Outlook

With the continued uncertainties in the global economic markets, the Manager anticipates that 2012 will be a challenging year for the Trust but believes CIT is well positioned to take advantage of investment opportunities that may present themselves during this period.

[1] The Ministry of Trade and Industry, Singapore's 2011 GDP Growth In Line With Expectations, 3 January 2012
[2] Singapore Institute of Purchasing & Materials Material, December PMI contracted at 49.5, January 2012
[3] Urban Redevelopment Authority, Private housing price increase slows down further, as pipeline supply reaches record high, 28 October 2011

11 Distributions

(a) Current financial period

Any distributions declared for the current financial period:	Yes
Name of distribution:	**Twenty-fourth** distribution for the period from 1 October 2011 to 31 December 2011
Distribution Type:	Taxable Income
Distribution Rate:	1.118 cents per unit
Par value of units:	Not meaningful
Tax Rate:	<u>Taxable income distribution</u> The distribution is made out of CIT's taxable income. Unitholders receiving distributions will be subject to Singapore income tax on the distributions received except for individuals where the distribution is exempt from tax (unless they hold their units through partnership or as trading assets).

(b) Corresponding period of the immediately preceding year

Any distributions declared for the previous corresponding financial period:	Yes
Name of distributions:	**Nineteenth** distribution for the period from 1 October 2010 to 17 November 2010 and **Twentieth** distribution for the period from 18 November 2010 to 31 December 2010
Distribution Type:	Taxable Income
Distribution Rate:	1.193 cents per unit comprising Nineteenth distribution of 0.627 cents per unit (paid on 6 December 2010) and Twentieth distribution of 0.566 cents per unit (paid on 24 March 2011)
Par value of units:	Not meaningful
Tax Rate:	<u>Taxable income distribution</u> The distribution is made out of CIT's taxable income. Unitholders receiving distributions will be subject to Singapore income tax on the distributions received except for individuals where the distribution is exempt from tax (unless they hold their units through partnership or as trading assets).

(c) Books closure date: 8 February 2012

(d) Date payable: 29 February 2012

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

Not applicable.

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

CIT has not obtained any IPT mandate from the Unitholders.

ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

14 Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

No business segment information has been prepared as all the properties are used predominantly for industrial (including warehouse) purposes and are located in Singapore.

15 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Not applicable.

16 Breakdown of revenue

	FY2011 S$'000	FY2010 S$'000	Inc/ (Dec) %
(a) Gross revenue reported for first half	38,838	36,915	5.2
(b) Total return after tax before distribution for first half year	59,836	27,057	121.1
(c) Gross revenue reported for second half year	41,535	37,295	11.4
(d) Total return after tax before distribution for second half year	25,337	58,768	(56.9)

17 Breakdown of the total distributions for the financial year ended 31 December 2011

Annual distributions to Unitholders:

	FY2011 S$'000	FY2010 S$'000
01-07-2011 to 30-09-2011	12,867	-
01-04-2011 to 30-06-2011	12,320	-
01-01-2011 to 31-03-2011	11,904	-
18-11-2010 to 31-12-2010(1)	5,983	-
01-10-2010 to 17-11-2010(2)		6,032
23-08-2010 to 30-09-2010	-	4,878
01-07-2010 to 22-08-2010	-	5,938
01-04-2010 to 30-06-2010	-	10,811
01-01-2010 to 31-03-2010	-	11,085
01-10-2009 to 31-12-2009		11,946
Total distributions to Unitholders	43,074	(3) 50,690

Note:

(1) 4Q2010 balance of distribution paid on 24 March 2011.

(2) 4Q2010 advanced distribution paid on 6 December 2010 pursuant to an equity fund raising exercise launched in October 2010.

(3) Distribution for FY2010 was partly paid by CIT issuing an aggregate of 10,854,928 units amounting to S$5.2 million, pursuant to its distribution reinvestment plan.

18 Confirmation pursuant to Rule 704(13) of the Listing Manual

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Board of Directors of Cambridge Industrial Trust Management Limited (the "Company"), as manager of Cambridge Industrial Trust, confirms that there are no persons occupying managerial positions in the company or any of its principal subsidiaries who are relatives of a Director or Chief Executive Officer or substantial unitholders of Cambridge Industrial Trust.

19 Interested Person Transactions ("IPT")

	2011		2010	
	Aggregate value of all IPT's during the financial year under review	Aggregate value of all IPT's under the IPT Mandate (or a shareholders' mandate for IPTs under Rule 920 of the New Listing Manual) during the financial year under review	Aggregate value of all IPT's during the financial year under review	Aggregate value of all IPT's under the IPT Mandate (or a shareholders' mandate for IPTs under Rule 920 of the New Listing Manual) during the financial year under review
Name of Entity	**Note (a)**		**Note (a)**	
	$'000	**$'000**	**$'000**	**$'000**
Cambridge Industrial Trust Management Limited (the "Manager")				
Management fees paid and payable	5,332	-	4,668	-
Acquisition fee paid relating to the purchase of investment properties	609	-	697	-
Disposal fees relating to the divestment of investment properties	122	-	364	-
Issuance of Rights/Preferential units	440	-	169	-

19 Interested Person Transactions ("IPT") (continued)

	2011		**2010**	
Name of Entity	Aggregate value of all IPT's during the financial year under review **Note (a)**	Aggregate value of all IPT's under the IPT Mandate (or a shareholders' mandate for IPTs under Rule 920 of the New Listing Manual) during the financial year under review	Aggregate value of all IPT's during the financial year under review **Note (a)**	Aggregate value of all IPT's under the IPT Mandate (or a shareholders' mandate for IPTs under Rule 920 of the New Listing Manual) during the financial year under review
	$'000	**$'000**	**$'000**	**$'000**
Cambridge Industrial Property Management Pte Ltd (Subsidiary of immediate holding company of the Manager)				
Property Manager's fees paid and payable	2,409	-	2,222	-
Lease Marketing services commissions	547	-	-	-
RBC Dexia Trust Services Singapore Limited (the "Trustee")				
Trustee fees paid and payable	233	-	166	-

19 Interested Person Transactions ("IPT") (continued)

	2011		2010	
Name of Entity	Aggregate value of all IPT's during the financial year under review Note (a)	Aggregate value of all IPT's under the IPT Mandate (or a shareholders' mandate for IPTs under Rule 920 of the New Listing Manual) during the financial year under review	Aggregate value of all IPT's during the financial year under review Note (a)	Aggregate value of all IPT's under the IPT Mandate (or a shareholders' mandate for IPTs under Rule 920 of the New Listing Manual) during the financial year under review
	$'000	$'000	$'000	$'000
Antares nabInvest Trust (Related company of the Manager) (Note (b))				
Issuance of preferential units	-	-	287	-
Oxley Corporate Pte Ltd (Related company of the Manager) (Note (c))				
Advisory fee on loan refinancing	90	-	-	-

19 Interested Person Transactions ("IPT") (continued)

	2011		2010	
Name of Entity	Aggregate value of all IPT's during the financial year under review **Note (a)**	Aggregate value of all IPT's under the IPT Mandate (or a shareholders' mandate for IPTs under Rule 920 of the New Listing Manual) during the financial year under review	Aggregate value of all IPT's during the financial year under review **Note (a)**	Aggregate value of all IPT's under the IPT Mandate (or a shareholders' mandate for IPTs under Rule 920 of the New Listing Manual) during the financial year under review
	$'000	**$'000**	**$'000**	**$'000**
National Australia Bank Limited, Hongkong Branch (Related company of the Manager) (Note (d))				
Loan disbursed	142,131	-	24,399	-
Loan transaction costs paid and payable	5,239	-	1,460	-
Commitment fee paid and payable	620	-	210	-
Interest expense paid and payable	3,070	-	-	-

There are no additional interested party transactions other than those disclosed above.

Note:

(a) Except as disclosed, these interest party transactions exclude transactions less than $100,000.

(b) nabInvest Capital Partners Pty Ltd ("nabInvest Capital"), which manages Antares nabInvest Trust, is a shareholder of the ultimate holding company of the Manager with an indirect equity interest in the Manager of 56%.

(c) Oxley Corporate Pte Ltd, which is a subsidiary of Oxley Holdings Limited ("Oxley Holdings"), is related to the Manager by virtue of Oxley Holdings' indirect equity interest in the Manager of 24%.

(d) National Australia Bank Limited ("NAB") is the ultimate holding company of nabInvest Capital in Australia. NAB also conducts lending activities in Asia through its HongKong Branch ("NAB HK"). NAB HK is hence related to the Manager by virtue of nabInvest Capital's indirect equity interest of 56% in the Manager.

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

Chris Calvert
Chief Executive Officer and Executive Director
31 January 2012

Important Notice

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

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

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

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

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