



(Constituted in the Republic of Singapore  
pursuant to a trust deed dated 31 March 2006 (as amended))

16 November 2009

## **MANAGER'S LETTER TO CAMBRIDGE INDUSTRIAL TRUST ("CIT") UNITHOLDERS**

### **Dear Valued CIT Unitholders**

We are writing to inform you of a strategic initiative taken by Cambridge Industrial Trust Management Limited ("CITM") to potentially open a business proposition that would benefit CIT, and you, our valued CIT unitholder.

### **Strategic position in MacarthurCook Industrial REIT ("MI-REIT")**

CIT now has a substantial unitholding of 26 million units in MI-REIT, representing nearly 10% of all MI-REIT units in issue.

This makes us the largest unitholder in MI-REIT, whilst only committing approximately 1%<sup>1</sup> of CIT's assets to this initiative.

You might have read that MacarthurCook Investment Managers (Asia) Limited ("MIM"), the manager of MI-REIT, is proposing to issue new units to certain institutional investors as part of the proposed AIMS Financial Group ("AIMS") recapitalisation of MI-REIT. These new units are to be issued at a price S\$0.28 each. Our recent analysis shows that this represents a 41.5% discount to our assessed value of MI-REIT units, which is around 1.1 CIT units or approximately S\$0.479 at the current market price of CIT<sup>2</sup>.

For your background, the net asset value ("NAV") backing for each MI-REIT unit is S\$0.94 (as reported in its second quarter financial statement announcement ended 30 September 2009). Hence, our view is that the AIMS recapitalisation proposal and placement of units at S\$0.28 represents a massively value-destructive 70.2% discount to that NAV.

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<sup>1</sup> Based on the acquisition of 9.76% interest in MI-REIT at approximately S\$10.2 million, and CIT's gross asset value of approximately 917.0 million as at 30 September 2009.

<sup>2</sup> Based on the closing price as at Friday, 13 November 2009, CIT and MI-REIT unit prices at that time were S\$0.435 and S\$0.355 respectively.

To retain the value of our circa 10% unitholding in MI-REIT, we will be voting “**against**” all resolutions to recapitalise MI-REIT, at the MIM EGM scheduled for 23 November 2009. We are also recommending all other MI-REIT unitholders to vote “**against**” the resolutions. Should any CIT unitholders also hold MI-REIT units, we strongly recommend that you vote “**against**” all five of the resolutions proposed by MIM as well.

If you have further queries, please contact us at +65 6222 3339. Alternatively, visit CIT’s website at <http://www.cambridgeindustrialtrust.com>

### **Resolution to remove MIM and appoint CITM as manager of MI-REIT**

CIT and other unitholders are also requesting that MIM, the manager of MI-REIT, convenes an EGM of MI-REIT unitholders to vote to remove MIM and appoint CITM as manager of MI-REIT. This EGM is proposed to be held on or around 4 December 2009, approximately two weeks after the EGM on 23 November.

We are confident that this will result in a positive outcome to CIT unitholders. Once appointed as MI-REIT manager, we will work towards delivering strategic benefits for all our unitholders through taking advantage of the following:

- 1. An enlarged and sizeable pool of industrial real estate investments providing a platform for growth;**
- 2. Enhanced diversification of portfolio of complementary property assets; and**
- 3. Expanded investor base and greater liquidity**

We look forward to your continuing support in this initiative as and when the appropriate time arrives. No action is required from you now.

We will keep you informed of this initiative through our usual channels of communications, including SGX announcements, website updates and newspaper advertisements.

Thank you.

Yours sincerely,

A handwritten signature in black ink that reads "Chris Calvert". The signature is written in a cursive, flowing style with a long horizontal stroke at the end.

Chris Calvert  
Chief Executive Officer  
Cambridge Industrial Trust Management Limited  
(Company Registration No. 200512804G, Capital Markets Services licence no.: 100132-1)  
As Manager of Cambridge Industrial Trust

**For further enquiries, please contact:**

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**About Cambridge Industrial Trust**

Cambridge Industrial Trust ("CIT"), publicly listed on the Singapore Exchange Securities Trading Limited on 25 July 2006, is Singapore's first independent industrial real estate investment trust (REIT). CIT invests in quality income-producing industrial properties and has a diversified portfolio of 43 properties valued at S\$880.4 million (as at 30 September 2009), strategically located across Singapore.

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

- Prudent capital and risk management;
- Proactive asset management;
- Value enhancing investments and disposal of non-core assets.

Cambridge Industrial Trust Management Limited, the Manager of CIT, is owned by three strategic sponsors namely National Australia Bank Group ("NAB") (56%), Oxley Group (24%) and Mitsui & Co., Ltd ("Mitsui") (20%). NAB, one of Australia's four largest banks, is an international financial services group that provides a comprehensive and integrated range of financial products and services. Oxley Group is an innovative private investment house specializing in real estate and private equity investments across Asia-Pacific. Mitsui is a company incorporated in Japan and listed on the Tokyo Stock Exchange in Japan. Mitsui also developed the Japan Logistics Fund Inc., a publicly listed REIT in Japan dedicated to investing in distribution facilities.

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

**Important Notice:**

**MI Unitholders, CIT Unitholders and potential investors are advised to exercise caution when trading in MI Units and/or CIT Units. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.**