



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

- 
- (A) LAUNCH OF PREFERENTIAL OFFERING AND DESPATCH OF INSTRUCTION BOOKLET AND ARE  
(B) UNDERWRITING ARRANGEMENT FOR PREFERENTIAL OFFERING
- 

**Launch of Preferential Offering and Despatch of Instruction Booklet and ARE**

Cambridge Industrial Trust Management Limited (the “**Manager**”), in its capacity as the manager of Cambridge Industrial Trust (“**CIT**”), refers to the earlier announcement dated 21 October 2010 (the “**Earlier Announcement**”) in relation to CIT’s equity fund raising comprising the following:

- (a) the private placement of 56,498,000 new units in CIT (the “**Placement Units**”) at an issue price of S\$0.531 per Placement Unit to raise gross proceeds of approximately S\$30.0 million (the “**Private Placement**”); and
- (b) the pro-rata and non-renounceable preferential offering of up to 38,483,354 new units in CIT (the “**Preferential Units**”), on the basis of one (1) Preferential Unit for every twenty-five (25) existing units in CIT held by Entitled Unitholders<sup>1</sup> as at 5.00 p.m. on 29 October 2010 (the “**Preferential Offering Books Closure Date**”), fractions of a Preferential Unit to be disregarded, at an issue price of S\$0.531 per Preferential Unit (the “**Preferential Issue Price**”) to raise gross proceeds of up to approximately S\$20.4 million (the “**Preferential Offering**”).

**The Manager wishes to announce that the Preferential Offering will open on 3 NOVEMBER 2010 at 9.00 a.m.**

The instruction booklet of CIT dated 3 November 2010 in connection with the Preferential Offering (the “**Instruction Booklet**”) and the Acceptance Form for Preferential Units provisionally allotted to Entitled Unitholders and Application Form for Excess Preferential Units (the “**ARE**”) will be despatched to Entitled Unitholders on 3 November 2010.

**The Instruction Booklet and the ARE require the immediate attention of Entitled Unitholders.**

Entitled Unitholders who wish to accept their provisional allotment of Preferential Units under the Preferential Offering and, if applicable, apply for excess Preferential Units (the “**Excess Preferential Units**”), will need to do so in the manner set out in the Instruction Booklet and the ARE by **10 NOVEMBER 2010**.

The Preferential Offering will close on (a) **10 NOVEMBER 2010 at 5.00 p.m.** for acceptances of provisional allotments of Preferential Units, and (if applicable) application for Excess Preferential Units effected via the ARE, or (b) **10 NOVEMBER 2010 at 9.30 p.m.** for acceptances of provisional allotments of Preferential Units and (if applicable) application for Excess Preferential Units effected through the ATMs of DBS Bank Ltd (including POSB), Oversea-Chinese Banking Corporation Limited or United Overseas Bank Limited and its subsidiary, Far Eastern Bank Limited.

Entitled Unitholders should refer to the Instruction Booklet and ARE for further details and instructions.

The trading of Preferential Units issued pursuant to the Preferential Offering on the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) is currently expected to commence on 19 November 2010 from 9.00 a.m.

Entitled Unitholders should note the expected dates and times of the following key events in relation to the Preferential Offering as set out below:

<b>Events</b>	<b>Dates</b>
Preferential Offering Books Closure Date	29 October 2010
Despatch of Instruction Booklet and ARE	3 November 2010
Opening of Preferential Offering	3 November 2010 at 9.00 a.m.
Closing of Preferential Offering	10 November 2010 (5.00 p.m. for ARE) <sup>2</sup> (9.30 p.m. for ATM application)
Issue of Preferential Units	18 November 2010
Commencement of trading of Preferential Units	19 November 2010 from 9.00 a.m.

The above timetable (other than the Preferential Offering Books Closure Date) is indicative and subject to change. Any change in the indicative timetable will be announced by the Manager through the SGXNET.

**Note:**

1. “**Entitled Unitholders**” refers to the unitholders of CIT as at the Preferential Offering Books Closure Date, other than those whose registered addresses with The Central Depository (Pte) Limited (the “**CDP**”) are outside Singapore, and who have not, at least three (3) market days prior to the Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents.
2. The timetable under section 3.8 of the Earlier Announcement states that the Preferential Offering is expected to close on 10 November 2010 (5.30 p.m. for ARE and 9.30 for ATM application). It is hereby clarified that the Preferential Offering is expected to close on 10 November 2010 (**5.00 p.m.** for ARE and 9.30 p.m. for ATM application).

**Confirmation to the SGX-ST**

The Manager has provided written confirmation to the SGX-ST that in the allocation of Placement Units under the Private Placement and Preferential Units under the Preferential Offering, new Units would not be allotted and issued such as to cause any person or entity to become the single largest unitholder of CIT in place of the existing single largest unitholder, Mackenzie Cundill Recovery Fund.

**Underwriting and Undertaking Arrangement**

The Manager also wishes to announce that it has on behalf of CIT entered into an underwriting agreement dated 1 November 2010 with DMG & Partners Securities Pte Ltd (“**DMG**”), pursuant to which:

- (a) DMG has agreed to underwrite up to 37,519,099 Preferential Units (the “**Underwritten Units**”), being the total number of Preferential Units available for subscription by unitholders (other than the Excluded Unitholders<sup>1</sup>) under the Preferential Offering; and

- (b) DMG shall be entitled to receive from CIT an underwriting fee equal to 5.75% of the aggregate Preferential Issue Price of 37,519,099 Preferential Units (the “**Underwriting Fee**”),

(collectively, the “**Underwriting Arrangement**”).

In response to a request from DMG, two unitholders, namely, Mr. Chan Wai Kheong and Mdm. Ho Juat Keng (for herself and her joint holder)<sup>2</sup> (collectively, the “**Undertaking Unitholders**”) have each entered into a unitholder undertaking agreement dated 1 November 2010 with DMG, pursuant to which:

- (a) the Undertaking Unitholders have undertaken to take up their respective pro rata entitlements of Preferential Units under the Preferential Offering, and have agreed to subscribe and pay in full for the Underwritten Units at the Preferential Issue Price<sup>3</sup>; and
- (b) the Undertaking Unitholders shall be entitled to receive from DMG a commitment fee equal to 5.35% of the aggregate Preferential Issue Price of 37,519,099 Preferential Units (the “**Commitment Fee**”),

(collectively, the “**Undertaking Arrangement**”).

**Notes:**

1. “**Excluded Unitholders**” refers to the Manager, Oxley Securities(S) Pte Ltd and Antares nabInvest Trust (managed by nabInvest Capital Partners Pty Ltd).
2. As at the date hereof, Mr. Chan Wai Kheong and Mdm. Ho Juat Keng have a beneficial interest in 29,895,812 Units and 9,441,000 Units, representing approximately 3.11% and 0.98% of the total number of Units in issue respectively.
3. Mr. Chan Wai Kheong and Mdm. Ho Juat Keng (for herself and her joint holder) will subscribe and pay in full for 70% and 30% of the Underwritten Units respectively.

**Board Confirmation**

The board of the Manager (the “**Board**”) notes that DMG is not an “interested person” in relation to CIT as defined under the Listing Manual of the SGX-ST, and having considered the terms of the Underwriting Arrangement (including the Underwriting Fee payable to DMG and the Commitment Fee payable to the Undertaking Unitholders), the Board is of the view that the terms of the Underwriting Arrangement have been entered into on an arm’s length basis and are on normal commercial terms.

In considering the underwriting structure of the Preferential Offering, the Board has considered and noted, *inter alia*, the following:

- (a) the rationale for, and the intended use of proceeds from, the Preferential Offering as set out in the Earlier Announcement;
- (b) the importance of the Preferential Offering to be underwritten, given the execution risks posed by the execution period;
- (c) the written confirmation agreed to be provided by DMG to the Board that (i) the discussion on the Undertaking Arrangement with the Undertaking Unitholders was initiated by DMG and not by the Undertaking Unitholders and (ii) DMG will not underwrite the Preferential Offering unless the Undertaking Unitholders enter into the Undertaking Arrangement;

- (d) the assumption by the Undertaking Unitholders of market risks for the Preferential Offering; and
- (e) the Commitment Fee payable to the Undertaking Unitholders (i) is not higher than the Underwriting Fee payable to DMG, (ii) will be paid by DMG out of their own Underwriting Fee, and (iii) does not result in any additional cost to CIT over and above the Underwriting Fee payable to DMG.

On the bases set out above, the Board is of the opinion that the terms of the Underwriting Arrangement and Undertaking Arrangement are fair, and are not prejudicial to CIT and to other unitholders. None of the Directors has a dissenting view in arriving at such opinion.

All the Directors who have direct or deemed interests in the Units as at the date of this announcement have indicated that they intend to accept or procure the acceptance of their pro rata entitlements of Preferential Units under the Preferential Offering.

#### **No Objections from SGX-ST**

The Manager has received from the SGX-ST a letter dated 1 November 2010 stating that the SGX-ST has no objections to the Underwriting Arrangement and Undertaking Arrangement, subject to the following:

- (a) compliance with the SGX-ST's listing requirements;
- (b) disclosure of the Underwriting Arrangement and Undertaking Arrangement in an SGXNET announcement;
- (c) confirmation from a financial institution(s) that the Undertaking Unitholders, who have entered into the Undertaking Arrangement, have sufficient financial resources to fulfill their obligations under the Undertaking Arrangement;
- (d) confirmation from the Board of Directors of the Manager (the "**Board**") that the terms of the Undertaking Arrangement is fair, and not prejudicial to CIT and to other unitholders of CIT, with the basis for their opinion;
- (e) confirmation from the Board that the terms agreed between the Manager and DMG (including the commission payable to DMG and the Undertaking Unitholders) are on arm's length and normal commercial terms;
- (f) the opinion of the Board on the Undertaking Arrangement and whether there are any dissenting views of the members of the Board (and if so, details of the dissenting views);
- (g) confirmation of DMG to the Board that (i) the discussion on the Undertaking Arrangement with the Undertaking Unitholders was initiated by DMG and not by the Undertaking Unitholders; and (ii) DMG will not underwrite the Preferential Offering unless the Undertaking Unitholders enter into the Undertaking Arrangement;
- (h) confirmation from the Board that the Commitment Fee that the Undertaking Unitholders receive shall not be higher than, and must be part of, the Underwriting Fee paid to DMG;

- (i) the announcement of the fees earned by DMG and the Undertaking Unitholders on SGXNET;
- (j) confirmation from the Undertaking Unitholders, Mr. Chan Wai Kheong and Mdm. Ho Juat Keng, that they are not related and are not acting in concert with respect to their unitholdings in CIT;
- (k) confirmation from the Manager that the Underwriting Arrangement and the Undertaking Arrangement will not result in Preferential Units being allotted and issued such as to cause any person or entity (whether individually or in concert) to become the single largest unitholder of CIT in place of the existing single largest unitholder, Mackenzie Cundill Recovery Fund, without the explicit approval of unitholders in general meeting; and
- (l) allotment of the Preferential Units to be completed on or before 31 December 2010.

Please note that the SGX-ST's no objection to the Underwriting Arrangement and the Undertaking Arrangement is not to be taken as an indication of the merits of the Preferential Offering, the Preferential Units, the Underwriting Arrangement, the Undertaking Arrangement and/or CIT.

**BY ORDER OF THE BOARD**

**Cambridge Industrial Trust Management Limited**

(Company Registration No. 200512804G)

(as manager of Cambridge Industrial Trust)

Chris Calvert  
Chief Executive Officer

2 November 2010

### **Important Notice**

The value of the Units and the income derived from them may fall as well as rise. Units are not investments, liabilities or obligations of, or deposits in, the Manager, the Trustee, or any of their respective related corporations and affiliates (including but not limited to National Australia Bank Limited, nabInvest Capital Partners Pty Ltd, 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 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.

Nothing in this Announcement constitutes an offer of securities for sale in the United States. Neither this Announcement nor any copy or portion of it may be sent or taken, transmitted or distributed, directly or indirectly, into the United States or to any U.S. person (as defined in Regulation S under the U.S. Securities Act of 1933, as amended (the "**Securities Act**")).

The Placement Units and Preferential Units have not been and will not be registered under the Securities Act and, accordingly may not be offered or sold within the United States or to, or for the benefit of, U.S. persons (as defined in Regulation S under the Securities Act), except in certain transactions exempt from the registration requirements of the Securities Act.

The distribution of this Announcement and the offering of the Placement Units and Preferential Units in certain jurisdictions may be prohibited or restricted by law. The materials relating to the offering of securities referred to in this Announcement 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. Persons who come into possession of this Announcement and/or its accompanying documents are required by the Manager and RBS to inform themselves of, and observe, any such prohibitions and restrictions.

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.