CAMBRIDGE
INDUSTRIAL TRUST

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

RIGHTS ISSUE TO RAISE APPROXIMATELY S$56.7 MILLION FOR THE ACQUISITION OF THREE PROPERTIES IN SINGAPORE

(A) RENOUNCEABLE AND FULLY UNDERWRITTEN RIGHTS ISSUE OF APPROXIMATELY 132.1 MILLION RIGHTS UNITS AT AN ISSUE PRICE OF S$0.429 FOR EACH RIGHTS UNIT, ON THE BASIS OF ONE (1) RIGHTS UNIT FOR EVERY EIGHT (8) EXISTING UNITS HELD BY ELIGIBLE UNITHOLDERS

(B) ACQUISITION OF 4 & 6 CLEMENTI LOOP AND POTENTIAL ACQUISITIONS OF TWO PROPERTIES IN THE WESTERN PART OF SINGAPORE FOR AN AGGREGATE PURCHASE CONSIDERATION OF S$116.8 MILLION

1. INTRODUCTION

Cambridge Industrial Trust Management Limited ("**CITM**"), as the manager of Cambridge Industrial Trust ("**CIT**", and the manager of CIT, the "**Manager**"), is pleased to announce that:

(a) RBC Dexia Trust Services Singapore Limited, in its capacity as the trustee of CIT (the "**Trustee**"), has entered into a Put and Call Option Agreement (as defined herein) to acquire 4 & 6 Clementi Loop (as defined herein); and

(b) the Manager, on behalf of CIT, has entered into separate memoranda of understanding (the "**MOUs**") to acquire Potential Property 1 and Potential Property 2 (both as defined herein).

The Manager proposes to partially finance the acquisition of 4 & 6 Clementi Loop, Potential Property 1 and Potential Property 2 through a rights issue of approximately 132.1 million new units in CIT ("**Units**", and the new Units, the "**Rights Units**") on a renounceable and fully underwritten basis to Eligible Unitholders (as defined herein) on a pro rata basis of one (1) Rights Unit for every eight (8) existing Units (the "**Existing Units**") held as at the Rights Issue Books Closure Date (as defined herein), at an issue price of S$0.429 per Rights Unit (the "**Issue Price**"), fractional entitlements to be disregarded, to raise gross proceeds of approximately S$56.7 million (the "**Rights Issue**").

NOTICE IS HEREBY GIVEN that the Register of Unitholders and the Transfer Books of CIT will be closed at 5.00 p.m. (Singapore time) on 18 March 2011 (the "**Rights Issue Books Closure Date**") for the purposes of determining the provisional allotments of Rights Units to Eligible Unitholders under the Rights Issue (the "**Rights Entitlements**").

2. ACQUISITION OF PROPERTIES

2.1 Put and Call Option Agreement and MOUs

4 & 6 Clementi Loop

The Trustee, on behalf of CIT, has entered into a put and call option agreement dated 10 March 2011 (the "**Put and Call Option Agreement**") with Hoe Leong Corporation Ltd. (the "**Vendor**") in relation to the acquisition of the property located at 4 & 6 Clementi Loop, Singapore 129814 ("**4 & 6 Clementi Loop**") for a purchase consideration of S$40.0 million. The Vendor will enter into a lease agreement with the Trustee, acting on behalf of CIT, in respect of this property for a period of five (5) years with an option to renew for another five (5) years.

On the terms and subject to the conditions set out in the Put and Call Option Agreement, the Vendor has also agreed to undertake extension developments works ("**Extension Development Works**") to construct a new building which will increase the gross floor area of the property. The Extension Development Works have to be completed within 16 months from the date of completion of the acquisition and the specifications for such Extension Development Works have been agreed between the parties. The Vendor is obliged, *inter alia*, to bear the costs and expenses of such Extension Development Works. In consideration of the Vendor undertaking the Extension Development Works, CIT shall pay a sum of S$23.3 million (based on the expected increase in gross floor area and subject to survey) to the Vendor upon completion of the Extension Development Works and following the grant of the relevant temporary occupation permit. The Extension Development Works are expected to be completed by 2012. The additional sum to be paid by CIT for the Extension Development Works was arrived at after taking into account the independent valuation commissioned by the Manager.

Potential Properties

In addition, the Manager, on behalf of CIT, has entered into separate MOUs with two unrelated third parties in relation to the acquisition of a property ("**Potential Property 1**") for a purchase consideration of S$41.0 million and another property ("**Potential Property 2**") for a purchase consideration of S$12.5 million, both of which are located in the western part of Singapore.

(4 & 6 Clementi Loop, Potential Property 1 and Potential Property 2 are collectively referred to as the "**Target Properties**" and each a "**Target Property**". The acquisitions of the Target Properties (including the Extension Development Works) are referred to as the "**Acquisitions**", and the purchase consideration for the Acquisitions is referred to as the "**Purchase Consideration**".)

2.2 Information on the Target Properties

The information on each of the Target Properties to be acquired pursuant to the Put and Call Option Agreement and potentially to be acquired pursuant to the MOUs is set out below:

4 & 6 Clementi Loop

The building which was completed in 1995 comprises three levels of warehouse and a four-storey office. The property is located in the western part of Singapore and is easily accessible via both the

Ayer Rajah Expressway ("**AYE**") and the Pan Island Expressway ("**PIE**"). The remaining land tenure for the property is approximately 42 years.

The Vendor, which is listed on the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), will enter into a lease agreement with the Trustee, acting on behalf of CIT, in respect of this property for a period of five years with an option to renew for another five years. Pursuant to such lease agreement, an initial annual rent of S$3.2 million, calculated on a Triple Net Basis[1], will be payable to CIT. The lease agreement also provides for a fixed rental escalation of 5.0% on the third and fifth years from the completion of the acquisition of the property.

Pursuant to the Put and Call Option Agreement, the Vendor has agreed to undertake the Extension Development Works to construct a new building which is expected to increase the gross floor area of 4 & 6 Clementi Loop from approximately 17,648 square metres to 27,939 square metres. The Extension Development Works are expected to be completed by 2012, upon which the annual rental of the property shall be revised from S$3.2 million to S$5.1 million (based on the expected increase in gross floor area and subject to survey).

Potential Property 1

Potential Property 1 is a three-storey industrial building with a single storey factory cum car showroom. It is located in the western part of Singapore, and is easily accessible via the AYE. The remaining land tenure for the property is approximately 28 years (subject to JTC's confirmation). The Vendor will enter into a lease agreement with the Trustee, acting on behalf of CIT, in respect of this property for a period of six (6) years with an option to renew for a further six (6) years. Due diligence is currently being carried out on this property.

Potential Property 2

Potential Property 2 is a four-storey industrial building with an ancillary office. It is located in the western part of Singapore, and is easily accessible via the AYE. The remaining land tenure for the property is approximately 26 years. The vendor will enter into a lease agreement with the Trustee, acting on behalf of CIT, in respect of this property for a period of six (6) years with an option to renew for a further three (3) years. Due diligence is currently being carried out on this property.

2.3 Valuation and Purchase Consideration

The Manager has commissioned an independent property valuer, Jones Lang LaSalle Property Consultants Pte Ltd (the "**Independent Valuer**"), to value 4 & 6 Clementi Loop. The Independent Valuer, in its report dated 8 March 2011, opined that the open market value of 4 & 6 Clementi Loop (after taking into account the Extension Development Works) is S$63.3 million. The property valuation was undertaken using the discounted cash flow analysis and the direct capitalisation approach.

The Purchase Consideration for the acquisition of 4 & 6 Clementi Loop pursuant to the Put and Call Option Agreement was arrived at on a willing-buyer willing-seller basis, after taking into account the independent valuation by the Independent Valuer. The Purchase Consideration for the

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[1] "**Triple Net Basis**" means the basis for net rental calculation that excludes property tax, Jurong Town Corporation ("**JTC**") land rent and maintenance charges.

acquisition of Potential Property 1 and Potential Property 2 have been agreed in-principle as indicated in the MOUs.

The respective Purchase Consideration for each of the Target Properties is set out below:

Target Property	Purchase Consideration (S$ million)[(1)]
4 & 6 Clementi Loop	63.3[(2)]
Potential Property 1	41.0
Potential Property 2	12.5
Total	**116.8**

Notes:

(1) The Purchase Consideration excludes other acquisition costs, which are estimated to be approximately S$2.5 million and result in the Total Acquisition Cost (as defined herein) of S$119.3 million.

(2) The Purchase Consideration includes the payment by CIT of S$23.3 million for the Extension Development Works to be carried out by the Vendor after completion of the acquisition of 4 & 6 Clementi Loop. The S$23.3 million (based on the expected increase in gross floor area and subject to survey) is payable upon completion of the Extension Development Works and following the grant of the relevant temporary occupation permit.

2.4 Total Acquisition Cost

The total cost of the Acquisitions (the "**Total Acquisition Cost**"), which is approximately S$119.3 million, comprises the following:

(a) the Purchase Consideration of S$116.8 million (of which S$93.5 million is payable on completion of the acquisition of the Target Properties, and S$23.3 million (based on the expected increase in gross floor area and subject to survey) is payable upon completion of the Extension Development Works and following the grant of the relevant temporary occupation permit);

(b) the acquisition fee of approximately S$1.2 million payable to the Manager in cash for the Acquisitions pursuant to the Trust Deed[1]; and

(c) the estimated professional and other fees and expenses of approximately S$1.3 million incurred or to be incurred by CIT in connection with the Acquisitions.

The Manager intends to finance the Total Acquisition Cost in cash with a combination of the net proceeds from the Rights Issue, a partial draw-down of the Acquisition Term Loan Facility (as defined herein) and existing cash.

1 "**Trust Deed**" refers to the trust deed dated 31 March 2006 entered into between the Trustee and the Manager constituting CIT, as amended by a first supplemental deed dated 15 August 2007, a second supplemental deed dated 28 January 2009, a third supplemental deed dated 13 November 2009, a fourth supplemental deed dated 27 January 2010 and a fifth supplemental deed dated 22 April 2010.

2.5 Conditions Precedent

Completion of the sale and purchase of 4 & 6 Clementi Loop is conditional upon the fulfillment or waiver (as the case may be) of, *inter alia*, the following:

(a) the receipt of certain approvals and confirmation from JTC, as head lessor, including approval for the sale of the property by the Vendor to CIT and the lease-back of the property to the Vendor as well as the confirmation that, *inter alia*, all terms and conditions imposed by JTC, as head lessor, have been complied with and no subsisting breach by the Vendor of the terms of the head lease;

(b) there being no notice served on the Vendor to rescind the Put and Call Option Agreement in relation to damage or destruction to the building or any part of it such that it is unfit for use or occupation or so as to render any part of the property unsafe or inaccessible;

(c) the Vendor and CIT not being in breach of any provisions of the Put and Call Option Agreement and not having failed to perform and comply in all respects with any of the covenants and agreements contained therein;

(d) the Vendor not being in breach of any provisions of the head lease or failing to perform and comply in all respects with any of the covenants and agreements contained therein;

(e) the successful equity fund raising by CIT;

(f) there being no cessation of business of either party, resolution or court order passed for the winding up of the Vendor, the appointment of a liquidator, receiver or judicial manager, any distress, attachment or other legal process levied, enforced or sued out on or against the property;

(g) there being no compulsory acquisition or notice of compulsory acquisition or intended acquisition affecting the property in whole or in part;

(h) the approval of the shareholders of the Vendor (including the shareholders' approval required in connection with the grant of the put and call options under the Put and Call Option Agreement); and

(i) the approval of any lender to CIT, where applicable.

The conditions precedent (as well as the other terms and conditions) relating to the acquisitions of Potential Property 1 and Potential Property 2 will track similar provisions in the MOUs, which are subject to further negotiation and finalisation between the Manager and the relevant vendors.

2.6 Completion

The Manager expects that the acquisition of the Target Properties will be completed by the third quarter of 2011.

3. THE RIGHTS ISSUE

3.1 Issue Size

The Manager proposes to issue approximately 132.1 million Rights Units on a renounceable and fully underwritten basis to Eligible Unitholders on a pro rata basis of one (1) Rights Unit for every eight (8) Existing Units held as at the Rights Issue Books Closure Date, at the Issue Price, fractional entitlements to be disregarded. The Royal Bank of Scotland N.V., Singapore Branch is the Lead Manager and Underwriter for the Rights Issue (the "**Underwriter**").

3.2 Eligible Unitholders

The Rights Units will be issued to Eligible Unitholders (as defined herein), being Unitholders with Units standing to the credit of their securities account with The Central Depository (Pte) Limited ("**CDP**") and whose registered addresses with CDP are in Singapore as at the Rights Issue Books Closure Date or who have, at least three (3) market days prior to the Rights Issue Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents, and such Unitholders whom the Manager, on behalf of CIT, and in consultation with the Underwriter determines, may be offered Rights Units without breaching applicable securities laws (the "**Eligible Unitholders**").

Eligible Unitholders who have subscribed for or purchased Units under the Central Provident Fund Investment Scheme ("**CPFIS**"), the Supplementary Retirement Scheme ("**SRS**") or through a finance company and/or depository agent can only accept their Rights Entitlements and (if applicable) apply for Excess Rights Units (as defined herein) by instructing the relevant banks, finance companies and/or depository agents in which they hold their CPFIS accounts and/or SRS accounts to do so on their behalf.

3.3 Status of the Rights Units

The Rights Units will, upon allotment and issue, rank *pari passu* in all respects with the Existing Units in issue as at the date of issue of the Rights Units, including the right to any distributions which may accrue for the period from 1 January 2011 to 31 March 2011 as well as all distributions thereafter, notwithstanding that the Rights Units are expected to be issued on or around 14 April 2011. Eligible Unitholders who validly accept, in full, their Rights Entitlements, will receive such amount of the accrued distributions for the period from 1 January 2011 to 31 March 2011 which they would have been entitled to had the Rights Issue not occurred. For the avoidance of doubt, the Rights Units will not carry the right to CIT's distribution for the period from 18 November 2010 to 31 December 2010 which is expected to be paid on 24 March 2011.

The Manager intends to issue the Rights Units pursuant to the general unit issue mandate granted by Unitholders at the annual general meeting of CIT held on 23 April 2010.

3.4 Use of Proceeds

The Manager expects to raise gross proceeds of approximately S$56.7 million, with the net proceeds from the Rights Issue after taking into account, *inter alia,* the estimated costs and expenses (including professional fees and expenses) incurred or to be incurred by CIT in connection with the Rights Issue) being approximately S$53.8 million.

The Manager intends to use the proceeds raised from the Rights Issue as follows:

	Gross Proceeds		Net Proceeds	
Use of Proceeds	**Total**	**Per S$1.00**	**Total**	**% of Net Proceeds**
	(S$ million)	**(cents)**	**(S$ million)**	**(%)**
Purchase Consideration	53.8	94.9	53.8	100.0
Costs and expenses relating to the Rights Issue	2.9	5.1	–	–
Total	**56.7**	**100.0**	**53.8**	**100.0**

Pending deployment of the net proceeds from the Rights Issue, such proceeds may, subject to the relevant laws and regulations, be deposited with banks and/or financial institutions, or used for any other purpose on a short-term basis as the Manager may, in its absolute discretion, deem fit.

The Manager will make periodic announcements on the use of the proceeds from the Rights Issue via SGXNET as and when such funds are materially used.

3.5 Discount

The Issue Price represents:

(a) a discount of approximately 15.0% to the closing price of S$0.505 per Unit on the SGX-ST on 10 March 2011, being the last trading day of the Units prior to this announcement;

(b) a discount of approximately 15.6% to the volume weighted average price ("**VWAP**") of S$0.508 per Unit for trades done in the Units on the SGX-ST on 10 March 2011, being the last trading day of the Units prior to this announcement;

(c) a discount of approximately 13.7% to the theoretical ex-rights price ("**TERP**") of S$0.497 per Unit. The TERP is calculated as follows:

$$\text{TERP} = \frac{\text{Market capitalisation of CIT}^{1} + \text{Gross proceeds from the Rights Issue}}{\text{Units in issue after the Rights Issue}^{2}}$$

(d) a discount of approximately 26.7% to the pro forma net asset value per Unit of S$0.585 per Unit as at 31 December 2010 as adjusted for the Acquisitions and the Rights Issue.

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1 Based on the closing price of S$0.505 per Unit on the SGX-ST on 10 March 2011, being the last trading day of the Units prior to this announcement.

2 Comprising the Units in issue as at 10 March 2011 and the Rights Units.

3.6 Excess Rights Units and Entitlements

The Rights Units represented by the provisional allotments (a) of (i) Eligible Unitholders who decline, do not accept, and elect not to renounce or sell their Rights Entitlements under the Rights Issue (during the Rights Entitlements trading period prescribed by the SGX-ST) and/or (ii) Ineligible Unitholders which have not been sold during the Rights Entitlements trading period or (b) that have not been validly taken up by the original allottees, renouncees of the provisional allotments or the purchasers of Rights Entitlements (collectively, the "**Excess Rights Units**") will be issued to satisfy Excess Rights Units applications as the Manager may, in its discretion, deem fit.

Eligible Unitholders will be at liberty to accept in part or in full, decline or otherwise renounce or trade (during the Rights Entitlements trading period prescribed by the SGX-ST) on the SGX-ST their Rights Entitlements and are eligible to apply for Excess Rights Units at the Issue Price in excess of their Rights Entitlements.

In the allotment of Excess Rights Units, preference will be given to the rounding of odd lots (if any) and directors of the Manager and substantial Unitholders will rank last in priority.

3.7 Underwriting of the Rights Issue

The Rights Issue is fully underwritten by the Underwriter on the terms and subject to the conditions of a management and underwriting agreement entered into between the Manager and the Underwriter on 10 March 2011 (the "**Underwriting Agreement**"). Pursuant to the Underwriting Agreement, the Underwriter has agreed to subscribe for and/or procure the subscription for, at the Issue Price, the Rights Units for which valid applications have not been submitted, and the Underwriter would be entitled to a management and underwriting commission of 4.0% of the total gross proceeds from the Rights Issue (together with any goods and services tax payable thereon).

The Underwriting Agreement may be terminated upon the occurrence of certain events, including those of a *force majeure* nature. However, the *force majeure* clauses in the Underwriting Agreement cannot be invoked after the ex-rights trading commences, in compliance with Rule 818 of the Listing Manual of the SGX-ST (the "**Listing Manual**").

Pursuant to the Underwriting Agreement, the Manager has agreed that it will not, without the prior written consent of the Underwriter, directly or indirectly:

(a) offer, issue, sell, contract to issue or sell, grant any option to purchase any Units (or any securities convertible into or exchangeable for Units or which carry rights to subscribe for or purchase Units), or grant security over, encumber or otherwise dispose of, any Units (or any interest therein or in respect thereof) or any other securities convertible into or exchangeable for Units or part thereof or which carry rights to subscribe for or purchase Units or part thereof;

(b) enter into a transaction (including a derivative transaction) with a similar economic effect to the foregoing;

(c) deposit any Units (or any securities convertible into or exchangeable for Units or which carry rights to subscribe for or purchase Units) in any depository receipt facility; or

(d) publicly announce any intention to do any of the above,

during the period commencing from the date of the Underwriting Agreement until the date falling 90 days after the date on which the Rights Units are listed on the SGX-ST.

3.8 Irrevocable Undertaking

As at the date hereof, the Manager owns approximately 8.2 million Units (the "**Moratorium Units**"), which comprise an aggregate of approximately 0.8% of the total number of Units in issue as at the date of this announcement. To demonstrate its support for CIT and the Rights Issue, the Manager has provided to the Underwriter an irrevocable undertaking dated 10 March 2011 (the "**Irrevocable Undertaking**") that the Manager will, in its capacity as Unitholder, subscribe for the Rights Units represented by its Rights Entitlements under the Rights Issue by virtue of the Moratorium Units.

The Manager has also irrevocably undertaken that it will not, directly or indirectly:

(a) acquire any Rights Entitlements in excess of its pro rata Rights Entitlements under the Rights Issue by virtue of the Moratorium Units;

(b) offer, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, rights or warrant to purchase, lend, transfer, grant security over, encumber or otherwise dispose of, any of or any interest in the Moratorium Units or any securities convertible into or exchangeable for any Moratorium Units or any part thereof or which carry rights to subscribe for or purchase any Moratorium Units or part thereof;

(c) enter into a transaction (including a derivative transaction) with a similar economic effect to the foregoing;

(d) deposit any Moratorium Units (or any securities convertible into or exchangeable for any Moratorium Unit or which carry rights to subscribe for or purchase any Moratorium Units) in any depository receipt facility; or

(e) publicly announce any intention to do any of the above,

during the period commencing from the date of the Irrevocable Undertaking up to and including the date on which the Rights Units are listed on the SGX-ST, without the prior written consent of the Underwriter.

3.9 In-Principle Approval

The Manager is pleased to announce that the SGX-ST has on 9 March 2011 given its in-principle approval for the admission and the listing of and quotation for the Rights Units on the Main Board of the SGX-ST. The SGX-ST's in-principle approval is subject to, *inter alia*, the following conditions:

(a) compliance with the SGX-ST's listing requirements; and

(b) submission of confirmation from a financial institution that the Manager has the necessary financial resources to subscribe for the Rights Units represented by its Rights Entitlements pursuant to the Irrevocable Undertaking.

The SGX-ST's in-principle approval is not to be taken as an indication of the merits of the Rights Issue, the Rights Units and/or CIT.

The Rights Issue is also conditional upon, *inter alia*, the lodgement of the Offer Information Statement ("**OIS**") in relation to the Rights Issue with the Monetary Authority of Singapore ("**MAS**") and prevailing market conditions at the relevant time.

3.10 Further Information

The terms and conditions of the Rights Issue is subject to such changes as the directors of the Manager may, in consultation with the Underwriter, deem fit. Further details of the terms and conditions of the Rights Issue will be set out in the OIS and its accompanying documents to be lodged with the MAS and to be despatched to Eligible Unitholders in due course. A further announcement on the lodgment and despatch of the OIS will be made by the Manager in due course.

4. EXISTING BORROWINGS

As at the date hereof, CIT has in place certain borrowings, which comprise the following:

(a) A secured syndicated term loan of S$303.1 million from four banks through a special purpose vehicle, maturing on 17 February 2012 (the "**Existing Term Loan Facility**"). The Existing Term Loan Facility comprises two outstanding tranches of S$243.1 million and S$60.0 million, which bear an interest rate of 3.88% and 4.18% per annum respectively. The all-in borrowing cost for the Existing Term Loan Facility is approximately 5.9% per annum.

    CIT announced on 7 March 2011 that it has agreed the key terms of commitment documents with four financial institutions under which they would commit to provide a new term loan of S$320.0 million (the "**New Term Loan Facility**"), subject to certain conditions including, *inter alia*, the agreement and execution of definitive loan agreements. Once established, the New Term Loan Facility will be used to refinance the Existing Term Loan Facility and to settle upfront fees in relation to the refinancing (the "**Refinancing**"). The estimated all-in borrowing cost for the New Term Loan Facility is approximately 4.4% per annum.

(b) A secured acquisition term loan facility (the "**Acquisition Term Loan Facility**") of S$120.0 million from National Australia Bank Limited maturing in March 2014, which bears an interest rate comprising a margin plus swap offer rate ("**SOR**") per annum. The all-in borrowing cost for the Acquisition Term Loan Facility is approximately 3.0% per annum and includes the related upfront fees which are amortised over the loan tenor of three years.

    As at the date hereof, S$24.4 million has been drawn down on the existing Acquisition Term Loan Facility.

5. RATIONALE FOR THE TRANSACTIONS

The Manager believes that the Acquisitions and the Rights Issue (collectively, the "**Transactions**") will bring the following key benefits to Unitholders:

(a) enhancing the portfolio of CIT (the "**Portfolio**") in line with the Manager's

- stated vision and mission statement which embodies the Manager's firm commitment to provide a stable and secure income stream and its intention to deliver long term capital growth to its Unitholders

- investment and growth strategy to acquire high quality assets sourced at attractive valuations in Singapore and the Asian region that will continue to improve the quality and increase the size of the Portfolio, therefore deriving economies of scale as a result of an enlarged Portfolio

(b) pro forma distribution per Unit ("**DPU**") accretion and pro forma distribution yield of 10.1%[1] for existing Unitholders

- for illustrative purposes, the pro forma DPU for the financial year ended 31 December 2010 ("**FY2010**") as adjusted for the effect of the Transactions and as adjusted for the effect of the Transactions and the Refinancing is estimated to increase by 2.5% and 3.7% respectively

- the pro forma distribution yield for FY2010 as adjusted for the effect of the Transactions is estimated to be 10.1%[2] and the pro forma distribution for the same period as adjusted for the effect of the Transactions and Refinancing is estimated to be 10.2%[2], as compared to the actual distribution yield for FY2010 of 9.7%[3]

(c) improving portfolio and tenant trade sector diversification

- increased trade sector diversification and wider tenant base will enable CIT to be less dependent on any particular property or a specific number of tenants

(d) positive impact on the weighted average lease expiry and lease expiry profile of the Portfolio

- the weighted average lease expiry of the Portfolio is expected to increase from 4.1 years to 4.2 years, and the lease expiry concentration is expected to reduce (i) from 17.3% to 15.4% for 2013 and (ii) from 37.3% to 33.1% for 2014

(e) potential increase in liquidity through the Rights Issue

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1 As adjusted for the effect of the Transactions and based on the TERP (as defined in section 3.5 of this announcement) of S$0.497 per Unit.

2 Based on the TERP of S$0.497 per Unit.

3 Based on the actual DPU for FY2010 divided by the closing price of S$0.505 per Unit on the SGX-ST on 10 March 2011, being the last trading day of the Units prior to the announcement of the Rights Issue.

- the increase in the total number of Units in issue, as at the date of this announcement, by approximately 12.5%, is expected to increase the free float of Units on the SGX-ST and consequently may increase the level of trading liquidity of the Units

(f) providing Unitholders with pro-rata entitlements to Rights Units

- the Rights Issue offers Eligible Unitholders the opportunity to subscribe for the Rights Units at the Issue Price which represents a discount of approximately 15.6% to the VWAP of S$0.508 per Unit

- the Rights Issue offers Eligible Unitholders the opportunity to participate fairly in the growth of CIT, and not incur a dilution of their stakeholdings

- Eligible Unitholders may apply for Excess Rights Units in addition to subscribing for Rights Units represented by their Rights Entitlements, and Eligible Unitholders who do not wish to subscribe for the Rights Units may choose to sell their Rights Entitlements during the Rights Entitlements trading period to realise their value

6. INDICATIVE TIMETABLE

The indicative timetable for the Rights Issue is set out below:

Event	**Date and Time**
Last day of "cum-rights" trading for the Rights Issue	15 March 2011
First day of "ex-rights" trading for Rights Issue	16 March 2011
Rights Issue Books Closure Date	18 March 2011 at 5.00 p.m.
Despatch of Offer Information Statement (together with the application forms) to Eligible Unitholders	23 March 2011
Commencement of trading of Rights Entitlements	23 March 2011 from 9.00 a.m.
Close of trading of Rights Entitlements	31 March 2011 at 5.00 p.m.
Last date and time for acceptance of the Rights Entitlements and payment for Rights Units	6 April 2011 at 5.00 p.m. (9.30 p.m. for electronic applications through automated teller machines ("**ATMs**") of participating banks)
Last date and time for application and payment for Excess Rights Units	6 April 2011 at 5.00 p.m. (9.30 p.m. for electronic applications through ATMs of participating banks)
Last date and time for acceptance of and payment by the renouncee	6 April 2011 at 5.00 p.m. (9.30 p.m. for electronic applications through ATMs of participating banks)
Expected date of issue of the Rights Units	14 April 2011 after 5.00 p.m.
Commencement of trading of the Rights Units on the SGX-ST	15 April 2011 from 9.00 a.m.

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

7. PRO FORMA FINANCIAL INFORMATION

7.1 Pro Forma Financial Effects of the Transactions

The pro forma financial effects of the Transactions presented below are strictly for illustrative purposes only and were prepared based on the audited financial statements of CIT for the financial year ended 31 December 2010 (the "**FY2010 Audited Financial Statements**") and assuming:

(a) approximately 132.1 million Rights Units are issued at the Issue Price to raise gross proceeds of approximately S$56.7 million;

(b) the net proceeds of the Rights Issue, after taking into account the estimated fees and costs incurred or to be incurred by CIT in connection with the Rights Issue of S$2.9 million, is approximately S$53.8 million; and

(c) the Total Acquisition Cost of S$119.3 million will be financed by a combination of (i) the net proceeds from the Rights Issue, (ii) a partial draw-down on the Acquisition Term Loan Facility and (iii) existing cash.

(d) S$40.9 million of additional borrowings drawn down on the Acquisition Term Loan facility at an all-in cost of approximately 3.0% per annum including the amortization of the related upfront transaction fees.

7.2 Pro Forma Financial Effects of the Transactions and Refinancing

The pro forma financial effects of the Transactions and the Refinancing presented below are strictly for illustrative purposes only and were prepared based on the FY2010 Audited Financial Statements and reflecting that the loan prepayment of S$20.0 million on the Existing Term Loan Facility, which occurred in February 2011, has occurred on 31 December 2010 and assuming:

(a) the same assumptions set out in paragraphs 7.1(a) to 7.1(e) above; and

(b) CIT has obtained and drawn down S$320.0 million on the New Term Loan Facility for the purposes of the Refinancing at an estimated all-in borrowing cost of 4.4% per annum.

7.3 Unaudited pro forma DPU and distribution yield

The table below sets out the unaudited pro forma financial effects of the Transactions and the Refinancing on the DPU and distribution yield for FY2010, as if:

(a) CIT had (i) completed the Transactions as at 1 January 2010; (ii) incurred S$40.9 million of additional borrowings as at 1 January 2010; and (iii) held and operated the Target Properties through to 31 December 2010; and

(b) CIT had (i) completed the Transactions as at 1 January 2010; (ii) incurred S$40.9 million of additional borrowings as at 1 January 2010; (iii) held and operated the Target Properties through to 31 December 2010; and (iv) completed the Refinancing on 1 January 2010.

	FY2010		
	Actual[1]	**Unaudited pro forma adjusted for the Transactions[5] (a)**	**Unaudited pro forma adjusted for the Transactions and Refinancing [6] (b)**
Distributable income (S$'000)	44,727	52,440[2]	53,016[2]
Applicable number of Units for the calculation of DPU ('000)	914,352	1,046,485	1,046,485
DPU (cents)	4.89	5.01	5.07
Distribution yield (%)	9.7[3]	10.1[4]	10.2[4]

Notes:

(1) Based on the FY2010 Audited Financial Statements.

(2) Distributable income with respect to the Target Properties is derived based on the following:
- the agreed amount of rent payable by the respective vendors to CIT pursuant to the sale and lease back arrangements set out in the Put and Call Option Agreement and MOUs where applicable;
- estimated operating costs associated with the Target Properties;
- the fees payable to the Manager and the Trustee pursuant to the Trust Deed; and
- debt-related costs associated with the increase in the Acquisition Term Loan Facility.

(3) Based on the actual DPU for FY2010 divided by the closing price of S$0.505 per Unit on the SGX-ST on 10 March 2011, being the last trading day of the Units prior to this announcement.

(4) Based on the TERP (as defined in section 3.5 of this announcement) of S$0.497 per Unit.

(5) The unaudited pro forma numbers adjusted for the Transactions include the additional rental income from the Extension Development Works which is expected to complete by 2012. If this additional rental income is not included, the distributable income, the DPU and the distribution yield would have been approximately S$50.6 million, 4.84 cents and 9.7% respectively.

(6) The unaudited pro forma numbers adjusted for the Transactions and the Refinancing include the additional rental income from the Extension Development Works which is expected to complete by 2012. If this additional rental income is not included, the distributable income, the DPU and the distribution yield would have been approximately S$51.2 million, 4.89 cents and 9.8% respectively.

7.4 Pro forma net asset value ("NAV") per Unit and aggregate leverage

The table below sets out the pro forma financial effects of the Transactions and the Refinancing on the NAV per Unit as at 31 December 2010, as if:

(a) CIT had (i) completed the Transactions and (ii) incurred S$40.9 million of additional borrowings on 31 December 2010; and

(b) CIT had (i) completed the Transactions, (ii) incurred S$40.9 million of additional borrowings and (iii) completed the Refinancing on 31 December 2010.

	As at 31 December 2010		
	Actual[1]	**Unaudited pro forma adjusted for the Transactions (a)**	**Unaudited pro forma adjusted for the Transactions and Refinancing (b)**
NAV (S$'000)	642,155	695,923	684,279
Units in issue ('000)	1,057,065	1,189,198	1,189,198
NAV per Unit (S$)	0.61	0.59	0.58
Aggregate Leverage (%)	34.7	35.5	35.9

Note:

(1) Based on the FY2010 Audited Financial Statements.

BY ORDER OF THE BOARD

Cambridge Industrial Trust Management Limited
(Company Registration No. 200512804G, Capital Markets Services Licence No. 100132-1)
(as Manager of Cambridge Industrial Trust)

Chris Calvert
Chief Executive Officer and Executive Director

10 March 2011

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.

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