



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

Press Release

Cambridge Industrial Trust announces proposed acquisition of three properties for an aggregate purchase consideration of S\$116.8 million, and the launch of a fully underwritten and renounceable rights issue (the “Rights Issue”) to raise gross proceeds of approximately S\$56.7 million

Date: 10 March 2011

The information in this press release is qualified in its entirety by, and should be read and understood in conjunction with the full text of the announcement by Cambridge Industrial Trust (“CIT”) lodged on SGXNET on 10 March 2011 on the same subject (the “Announcement”). Unless otherwise defined, all capitalised terms contained herein will have the same meaning as prescribed in the Announcement.

Key highlights include:

- Proposed acquisition of three properties for an aggregate purchase consideration of S\$116.8 million on a sale-and-leaseback basis to respective vendors for lease terms of between 5 and 6 years with options to renew.
- CIT’s unitholders (“**Unitholders**”) are invited to participate in the Rights Issue to raise gross proceeds of approximately S\$56.7 million, plus an opportunity to apply for Excess Rights Units.
- Rights Issue will be offered on a 1-for-8 basis (fractional entitlements to be disregarded) at a price of S\$0.429 per Rights Unit (the “**Issue Price**”) which is at a 15.0% discount to the closing price of S\$0.505 per Unit on the SGX-ST on 10 March 2011 and a 13.7% discount to TERP¹.
- The Manager of CIT has undertaken to support the Rights Issue by subscribing for the Rights Units represented by its Rights Entitlements.
- Expected benefits of the Acquisitions (as defined herein) and the Rights Issue (collectively, the “**Transactions**”) to Unitholders:
 - Enhancing and improving the quality of CIT’s portfolio (the “**Portfolio**”) and increasing the size of the Portfolio thus generating economies of scale

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 the Announcement

- Pro forma DPU accretion and pro forma distribution yield of 10.1%² for existing Unitholders
 - Improving Portfolio and tenant trade sector diversification
 - Positive impact on the weighted average lease expiry and lease expiry profile
 - Potential increase in liquidity through the Rights Issue
 - Providing Unitholders with the pro-rata opportunity to participate in the growth of CIT at an Issue Price which is at a discount to the closing price per Unit
- The Rights Issue is expected to close on 6 April 2011 at 5.00 pm (for manual applications) and at 9.30 pm (for Electronic Applications).

Singapore, 10 March 2011 - Cambridge Industrial Trust Management Limited (“**CITM**”), as manager (the “**Manager**”) of Cambridge Industrial Trust (“**CIT**”), wishes to announce that CIT is proposing to acquire three properties for an aggregate purchase consideration of S\$116.8 million on a sale-and-leaseback basis to respective vendors (collectively, the “**Acquisitions**”). The properties include 4 & 6 Clementi Loop, Singapore 129814 (for which a put and call option agreement dated 10 March 2011 has been signed) from SGX-listed Hoe Leong Corporation Ltd and two additional properties (for which separate memoranda of understanding have been signed). These properties will have lease terms of between 5 and 6 years back to their respective vendors, with options to renew further between 3 and 6 years. The aggregate purchase consideration of the Acquisitions is S\$116.8 million and this is intended to be financed in cash with a combination of the net proceeds from the proposed Rights Issue, a partial draw-down of a debt facility and existing cash.

In connection with the Acquisitions, CIT also announced a proposed fully underwritten and renounceable Rights Issue to raise gross proceeds of approximately S\$56.7 million. The Rights Issue will be offered on a 1-for-8 basis (fractional entitlements to be disregarded) at a price of S\$0.429 per Rights Unit which is a 15.0% discount to the closing price of S\$0.505 per Unit on the SGX-ST on 10 March 2011 and a 13.7% discount to TERP. CITM has also undertaken to support the Rights Issue by providing an irrevocable undertaking to subscribe for its Rights Entitlements. The Rights Issue is fully underwritten by The Royal Bank of Scotland N.V., Singapore Branch.

The benefits of the Transactions to Unitholders are expected to be as follows:

- a) Enhancing CIT’s Portfolio by improving the quality of and increasing the size of the Portfolio, which is in line with its investment and growth strategy and 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.

² As adjusted for the effect of the Transactions and based on the TERP of S\$0.497 per Unit

- b) Pro forma distribution per Unit (“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 Refinancing is estimated to increase by 2.5% and 3.7% respectively for existing Unitholders. The pro forma distribution yield for FY2010 as adjusted for the effect of the Transactions is estimated to be 10.1%³ or estimated pro forma distribution yield for the same period as adjusted for the effect of the Transactions and Refinancing is estimated to be 10.2%³.
- c) Improving Portfolio and tenant trade sector diversification which will enable CIT to be less dependent on any particular property or a specific number of tenants.
- d) Creating 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 the total number of Units in issue as at the date hereof, 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 the pro-rata opportunity to participate in the growth of CIT at an Issue Price which is at a discount of approximately 15.0% to the closing price of S\$0.505 per Unit on the SGX-ST on 10 March 2011.

The Rights Issue is expected to be launched on 23 March 2011 at 9.00 am, with the Rights Entitlements trading period to open from 23 March 2011 at 9.00 am to 31 March 2011 at 5.00 pm. The Rights Issue is expected to close on 6 April 2011 at 5.00 pm (for manual applications) and at 9.30 pm (for Electronic Applications).

Mr Chris Calvert, CEO of the Manager said, “We will continue to pursue our vision of enhancing CIT’s portfolio to provide stable returns to our Unitholders. The completion of these proposed acquisitions will increase the value of CIT’s portfolio to more than S\$1.0 billion, building on our earlier property acquisitions over the past twelve months. We are also pleased by the continued support and loyalty of our Unitholders and have undertaken the Rights Issue so as to allow our existing Unitholders to continue to participate in the growth of CIT.”

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³ Based on the TERP of S\$0.497 per Unit

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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\$928.5 million (as at 31 December 2010), 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; and
- value enhancing investments and disposal of non-core assets.

Cambridge Industrial Trust Management Limited, the Manager of CIT, is indirectly 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 one of the largest corporate conglomerates in Japan and listed on the Tokyo Stock Exchange. It is also one of the largest publicly traded companies in the world. 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

The information in this press release is qualified in its entirety by, and should be read and understood in conjunction with the full text of CIT's announcement lodged on SGXNET on 10 March 2011 on the same subject.

This press release is for information only and the information contained in this press release does not constitute an offer or invitation to sell or the solicitation of an offer or invitation to purchase or subscribe for Units in CIT in Singapore or any other jurisdiction nor should it or any part of it form the basis of, or be relied upon in any connection with, any contract or commitment whatsoever.

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, nablInvest 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.

This press 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.