



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

SGX Release

CIT's distributable income increases and portfolio revalues upwards.

Date: 19 July 2011
Release: Immediate

Cambridge Industrial Trust ("CIT") announces its unaudited second quarter financial results ended 30 June 2011.

Key highlights include:

- 2Q2011 amount available for distribution was S\$12.3 million as compared to S\$11.9 million for 1Q2011. This translated to a 2Q2011 distribution per unit ("DPU") of 1.036 cents, which is 3.5% more than 1Q2011 DPU of 1.001 cents.
- Portfolio valuation as at 30 June 2011 resulted in an increase of 5.5%, or S\$47.8 million, on a like-for-like basis, from the 31 December 2010 valuation. CIT's total assets stand at S\$1.1 billion as at 30 June 2011.

In addition, as previously disclosed to the market, the following items were completed during the quarter:

- Secured a S\$320.0 million new term loan facility with a syndicate of four financial institutions. All-in debt cost is approximately 4.23% p.a.
- Completed the acquisitions of 4 & 6 Clementi Loop and 60 Tuas South Street 1 with a total valuation of S\$46.4 million.
- Concluded a fully underwritten and renounceable Rights Issue with approx. 132.1 million new Rights Units issued on 15 April 2011 raising S\$56.7 million.

Singapore, 19 July 2011 - Cambridge Industrial Trust Management Limited ("CITM"), the Manager ("Manager") of CIT, announced that CIT registered gross revenue of S\$19.5 million and a net property income ("NPI") of S\$16.9 million for its second quarter financial results ended 30 June 2011 ("2Q2011").

"It has been a very pleasing second quarter for CIT from a number of perspectives. The Trust's amount available for distribution increased quarter on quarter, the Manager completed the acquisition of two new, yield accretive properties, secured debt refinancing with a new S\$320.0 million term loan facility and the Trust's portfolio was revalued upwards. As at 30 June 2011, CIT's total assets have increased to S\$1.1 billion.

The Trust delivered a 2Q2011 distribution per unit ("DPU") of 1.036 cents which is 3.5% more than 1Q2011 DPU of 1.001 cents. 2Q2011 DPU will be payable to Unitholders on 25 August 2011".

Overview of 2Q2011 Financial Results:

	2Q2011 (S\$ 'm)	1Q2011 (S\$ 'm)	Q-o-Q (%)	2Q2010 (S\$ 'm)	Y-o-Y (%)
Gross Revenue	19.5	19.3	1.0	18.3	6.6
Net Property Income ("NPI")	16.9	16.6	2.0	16.1	4.9
Distributable Income	12.3	11.9	3.5	10.8	14.0
DPU (cents)	1.036	1.001	3.5	1.238	(16.3)
Annualised DPU (cents)	4.155	4.060	2.3	4.966	(16.3)

Distributable Income

Distributable income for 2Q2011 was S\$12.3 million, representing a 3.5% increase from 1Q2011 distributable amount of S\$11.9 million. The increase is mainly due to the rental contribution from newly acquired properties during 2Q2011 and a lower interest cost resultant from the new term loan facility.

Property Portfolio

As at 30 June 2011, CIT's portfolio comprised 45 properties with approximately 657,749 square metres of lettable area, leased to 105 tenants. The Trust's underlying property fundamentals remained resilient, attributing to a stable rental income. In 2Q2011, the Trust maintained its healthy portfolio occupancy at 99.02%, weighted average lease to expiry of 3.7 years, low arrears of around 0.5% of annualised rent, and average security deposits equivalent to 13.5¹ months' rent.

CIT's portfolio, except for 30 Tuas Road, 1 Tuas Avenue 3 & one strata unit at 48 Toh Guan Road East (Enterprise Hub), was revalued at 30 June 2011 by independent valuer, Colliers International Consultancy and Valuation (Singapore) Pte. Ltd., resulting in a total portfolio value of S\$1,002.9² million. NTA per unit increased to 62.0 cents. The portfolio valuation as at 30 June 2011 increased by 5.5% or S\$47.8 million from the 31 December 2010 valuation, on a like-for-like basis (i.e. after netting off the divestments of 35 strata units at 48 Toh Guan Road East (Enterprise Hub), and the two newly acquired properties, 4 & 6 Clementi Loop and 60 Tuas South Street 1, completed in 1H2011).

¹ The average security deposits include a full month rental contribution for the two newly acquired properties.

² 30 Tuas Road and 1 Tuas Avenue 3 have been kept at their carrying values at 31 December 2010. The strata unit at 48 Toh Guan Road East (Enterprise Hub) is classified as a property held for divestment.

Compulsory Land Acquisition Update

The Manager is in discussion with the Singapore Land Authority in relation to the compensation for the compulsory land acquisition announced in January 2011, for the land acquisitions at 30 Tuas Road and 1 Tuas Avenue 3. In view of the ongoing discussion, these properties have been kept at their carrying values at 31 December 2010, being close to the notice of land acquisition date of 11 January 2011.

Capital Management

The Trust strengthened its balance sheet and improved financial flexibility through the following prudent capital and risk management initiatives:

- A S\$320 million new term loan facility secured with four financial institutions to refinance the outstanding \$303.1 million syndicated term loan, and to settle upfront fees in relation to the refinancing exercise. The new term loan comprises a 3-year tranche of S\$220 million and a 5-year tranche of S\$100 million. The weighted average all-in cost of debt is approximately 4.23% p.a. and the term loan was drawn on 1 June 2011. Approximately 89.3% of CIT's debt is now hedged into a fixed rate until June 2014.
- Further reduction in gearing to 32.7% (as at 30 June 2011), from 33.3% (as at 31 March 2011), post the revaluation, and rights issue concluded in April 2011. The current portfolio gearing ratio comfortably sits within the Manager's target gearing range of between 30% and 40%.

Outlook

According to the Ministry of Trade and Industry³ ("MTI") announcement on 14 July 2011, the Singapore economy grew by 0.5 percent on a year-on-year basis in the second quarter of 2011 as compared to 9.3 percent in the preceding quarter. On a seasonally adjusted, quarter on quarter annualised basis, the economy contracted by 7.8 percent, compared to the 27.2 percent in the preceding quarter. The moderation in growth was principally attributable to the decline in the manufacturing sector, namely the biomedical manufacturing cluster, and a reduction in output of the electronics clusters. This may have been reflected in the Purchasers Manufacturing Index⁴ in May 2011, which despite expanding marginally in June, posted an overall decrease of 1.7 points from the preceding month.

³ Ministry of Trade and Industry, "Economic Growth Eased in Second 2011", 14 July 2011

⁴ SIPMM Business Bulletin, "May PMI expanded marginally at 50.8", June 2011

The Manager noted that the industrial property market recorded positive growth with prices of multiple user factory space increasing by 8.6%⁵ in the first quarter of 2011, as compared to 6.3% in the preceding quarter. The rental rate for multiple user factory space increased to a greater extent by 8.3% versus 3.4% in the previous quarter. According to Collier's International Asia Pacific Industrial Market Review, though the expansion of Singapore's economy in 2011 should help to firm demand for industrial properties, the catastrophes in Japan arising from the earthquake in March are dampeners that may moderate growth in rental and capital value for the next twelve months. This view is supported by the most recent economic data released by the MTI.

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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 45 properties with a book value of S\$1,002.9 million (as at 30 June 2011), located across Singapore.

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/>

⁵ Urban Development Authority, "Release of 1st quarter 2011 real estate statistics", 25 April 2011

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, 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 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.

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