



# Retail Investor Day 2013

4 November 2013

# Important Notice



**This material shall be read in conjunction with CIT's financial statements for the financial period ended 30 Sep 2013.**

The value of units in CIT ("**Units**") and the income derived from them may fall as well as rise. Units are not investments or deposits in, or liabilities or obligations of, Cambridge Industrial Trust Management Limited ("**Manager**"), RBC Investor Services Trust 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 presentation 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.

This presentation 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 presentation 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.



# Contents



- **Overview of CIT**
- **Key Highlights and Financial Highlights**
- **4 Core Strategies**
  1. **Active Asset Management**
  2. **Acquisition of Value Enhancing Assets**
  3. **Divestment of Non-Core Assets**
  4. **Prudent Capital and Risk Management**
- **Corporate Social Responsibility**
- **Looking Ahead**
- **Appendix**







# Overview of CIT

# S-REITs Overview



Grew from 2 REITs in 2002 to 41 REITs/Trusts in 2013

**28 S-REITs**

**Market Capitalisation  
S\$57.1 bil**

**Average Yield 6.4%**

| S-REITs    | Industrial  | Retail      | Office      | Hospitality | Healthcare / Residential |
|------------|-------------|-------------|-------------|-------------|--------------------------|
| Number     | 8           | 9           | 4           | 4           | 3                        |
| Market Cap | S\$14.5 bil | S\$21.7 bil | S\$12.3 bil | S\$6.0 bil  | S\$2.6 bil               |
| Avg Yield  | 7.3%        | 6.0%        | 6.0%        | 6.7%        | 5.6% <sup>(1)</sup>      |



Source: OCBC Investment Research, 28 Oct 2013  
(1) Excludes residential REIT

# 48 Quality Assets Located Close to Major Transportation Hubs & Industrial Zones

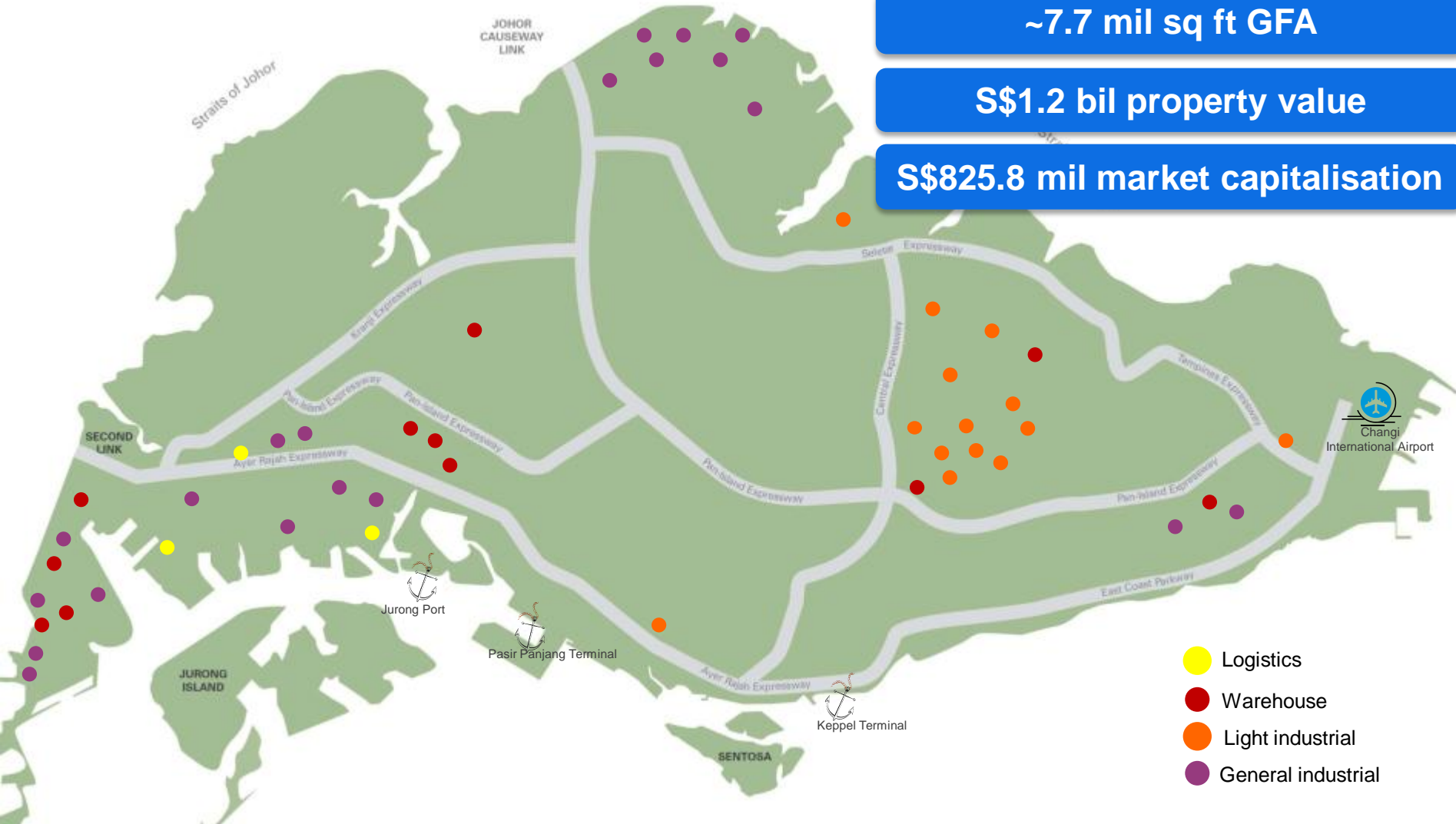


48 properties

~7.7 mil sq ft GFA

S\$1.2 bil property value

S\$825.8 mil market capitalisation



# Grown from 27 Properties at IPO in Jul 2006 to 48 Properties as at 3Q2013

Total Asset Value (\$\$ mil)

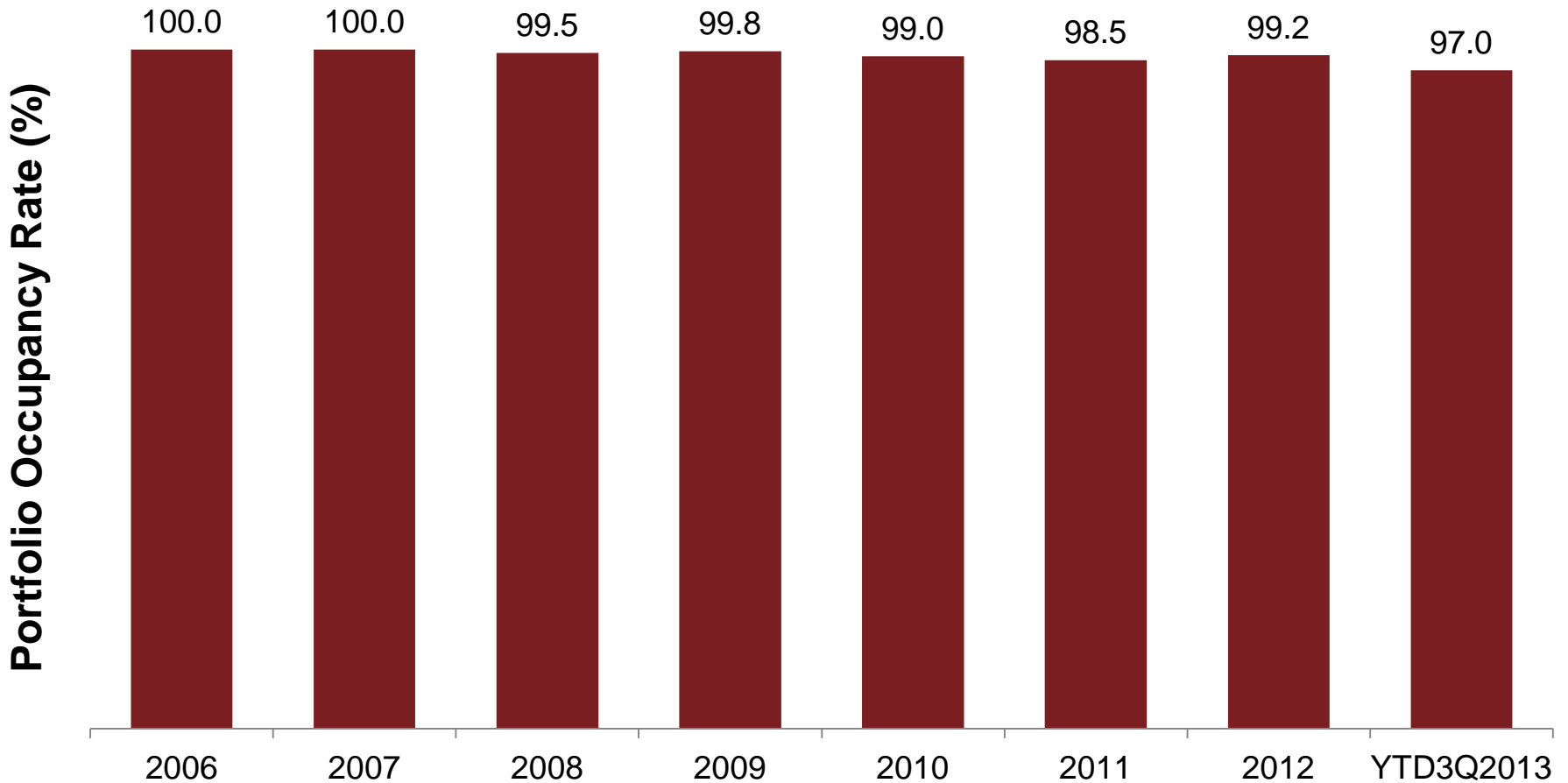


Acquisitions





# Resilient Portfolio with Close to 100% Occupancy since IPO

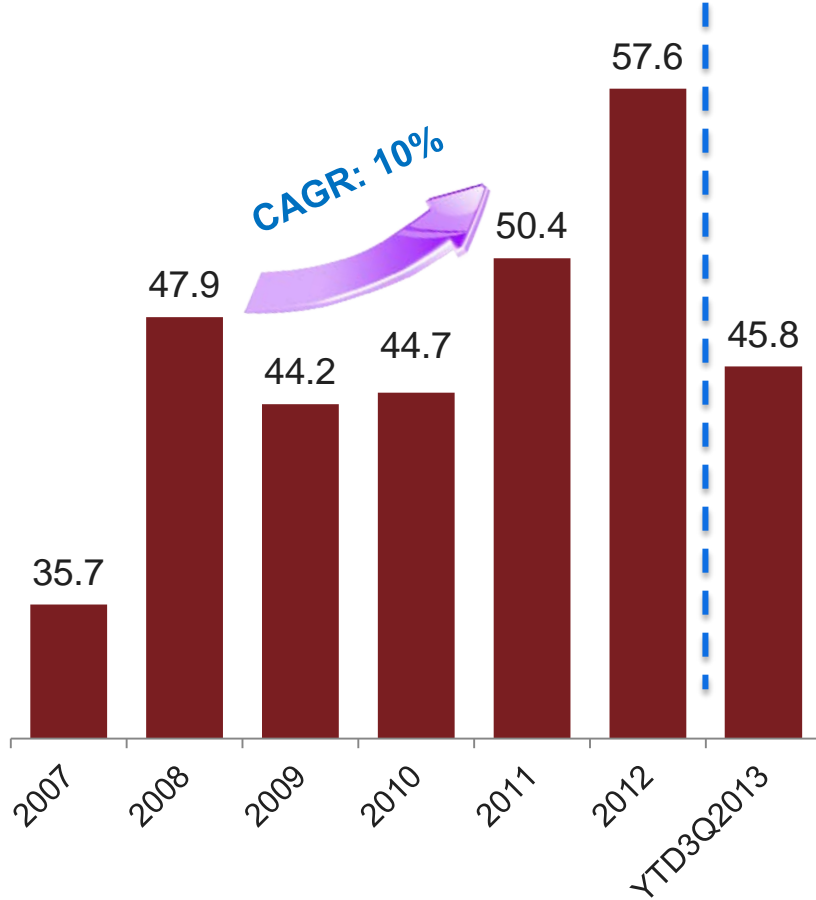




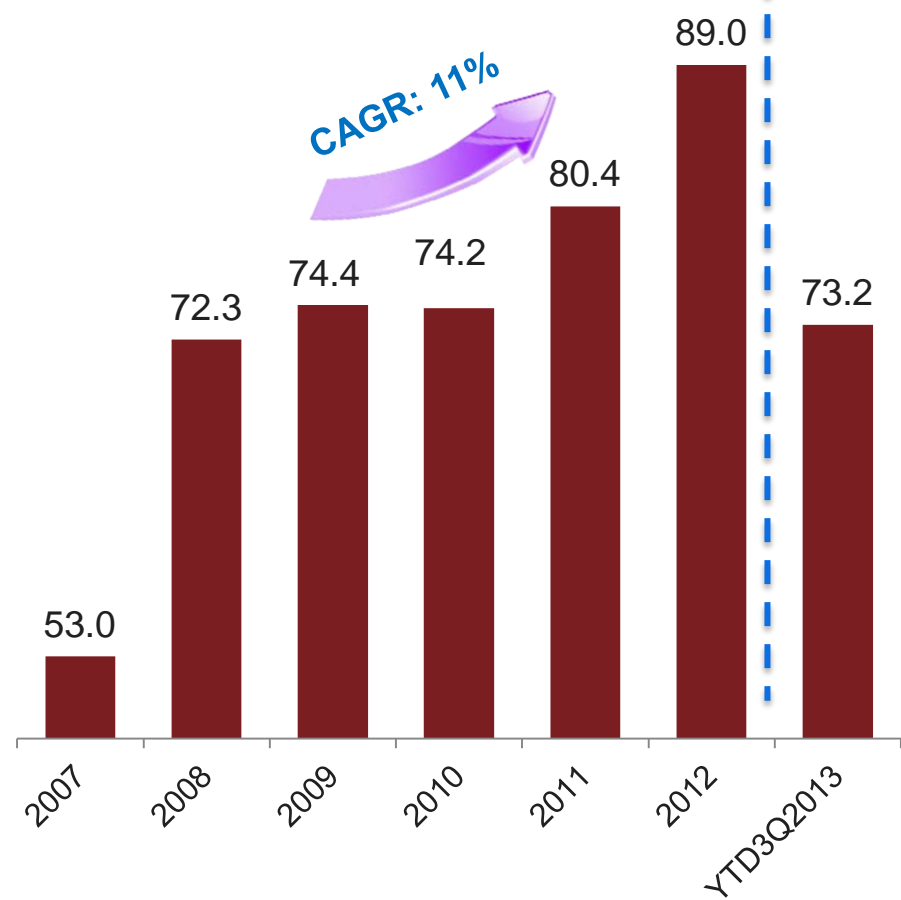
# Solid Financial Performance since IPO



## Distributable Income (S\$ mil)








## Gross Revenue (S\$ mil)



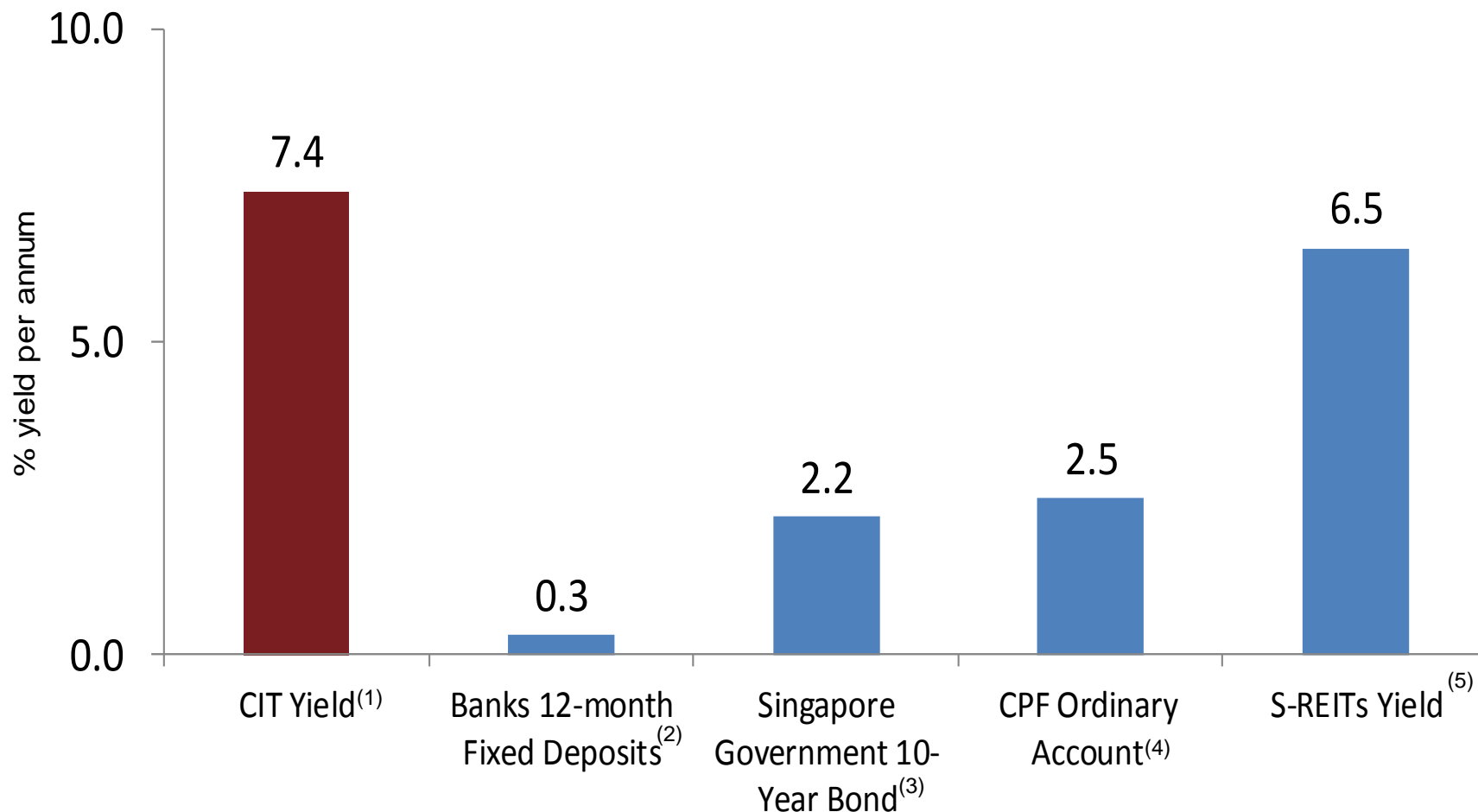
# 3Q2013 Financial Highlights



|  | 3Q2013<br>(S\$ mil)  | 3Q2012<br>(S\$ mil) | YoY (%)  |
|--|----------------------|---------------------|--|
| Gross Revenue                            | 23.8                 | 22.5                | 5.9     |
| Net Property Income                      | 19.3                 | 19.2                | 0.8     |
| Distributable Amount                     | 15.4 <sup>(1)</sup>  | 14.5                | 6.0     |
| Distribution Per Unit<br>("DPU") (cents) | 1.251 <sup>(1)</sup> | 1.204               | 3.9     |
| NAV per Unit                             | 69.6                 | 61.2                | 13.7  |

(1) Distribution includes S\$1.2 million (0.101 cents per unit) from capital gains realised from the sale of investment properties in the prior years that have been confirmed by IRAS as capital gains to fund the reduction in income contribution from properties undergoing AELs including asset repositioning.

# Attractive Yield of ~7.4%



(1) Based on closing price of S\$0.670 as at 30 Sep 2013 and annualised DPU of 4.963 cents for 3Q2013

(2) Based on 12 months fixed deposit rates for the period of Sep quoted by 10 leading banks and finance companies, according to MAS website (<https://secure.mas.gov.sg/msb/InterestRatesOfBanksAndFinanceCompanies.aspx>)

(3) Based on MAS website (<https://secure.sgs.gov.sg/fdanet/SgsBenchmarkIssuePrices.aspx>)

(4) Prevailing CPF Ordinary Account interest rate from 1 Jul 2013 to 30 Sep 2013

(5) Source: OCBC. Data as at 30 Sep 2013



**Our 4 Core Strategies:  
Active Asset Management**



# Diversified Portfolio with Stable Rental



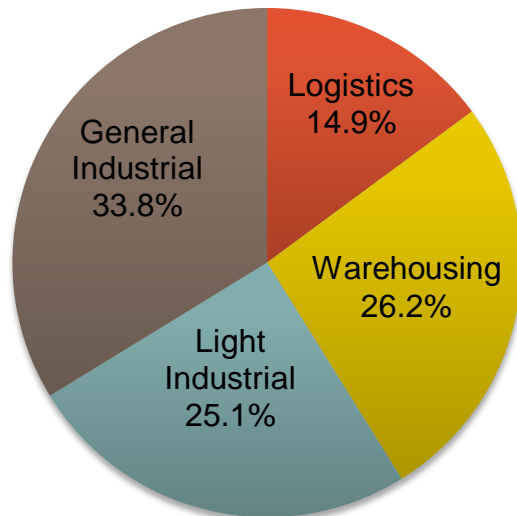
**~97%  
Occupancy**

**133  
Tenants**

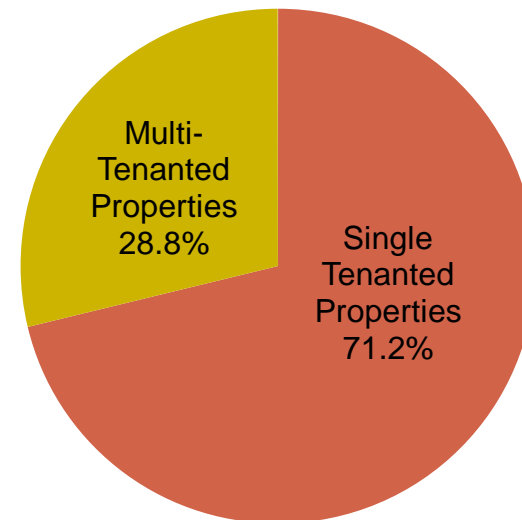
**37 years  
Land Tenure**

**\$1.02 rental  
psf per month**

### Asset Class by Rental Income



### Single vs Multi-Tenanted Properties by Rental Income



# Quality and Diversified Tenants' Base

Top 10 Tenants Account for ~40.8% of Rental Income



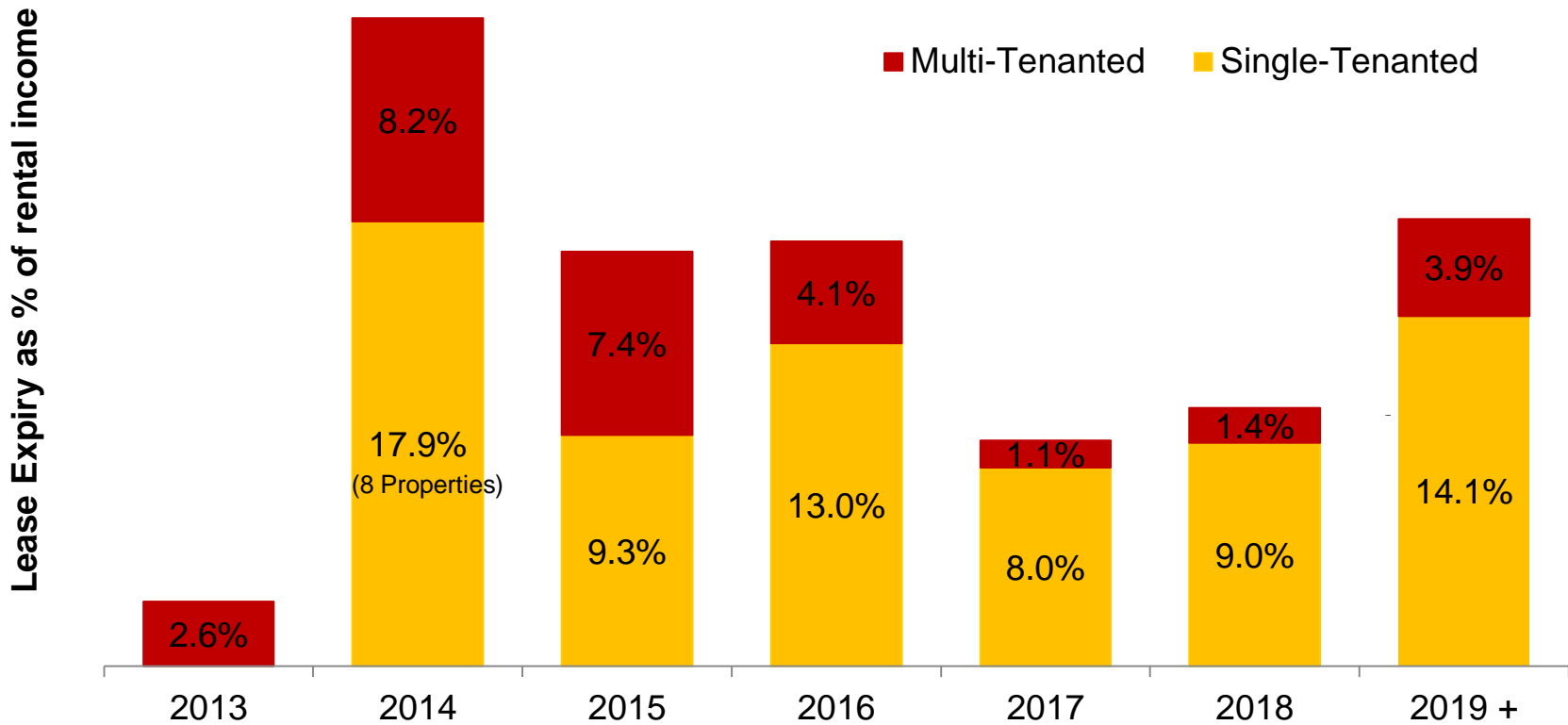
# Successful Renewal of Leases through Proactive Management



**3.7 years  
Weighted Average  
Lease to Expiry**

**11.4 months  
Average Security  
Deposits**

**~1 million sq ft  
Renewal of  
Leases**



# AEI: Completed 4 & 6 Clementi Loop



Plot Ratio Maximised from 0.95x to 1.5x, Bringing Total GFA to ~300,920 sq ft

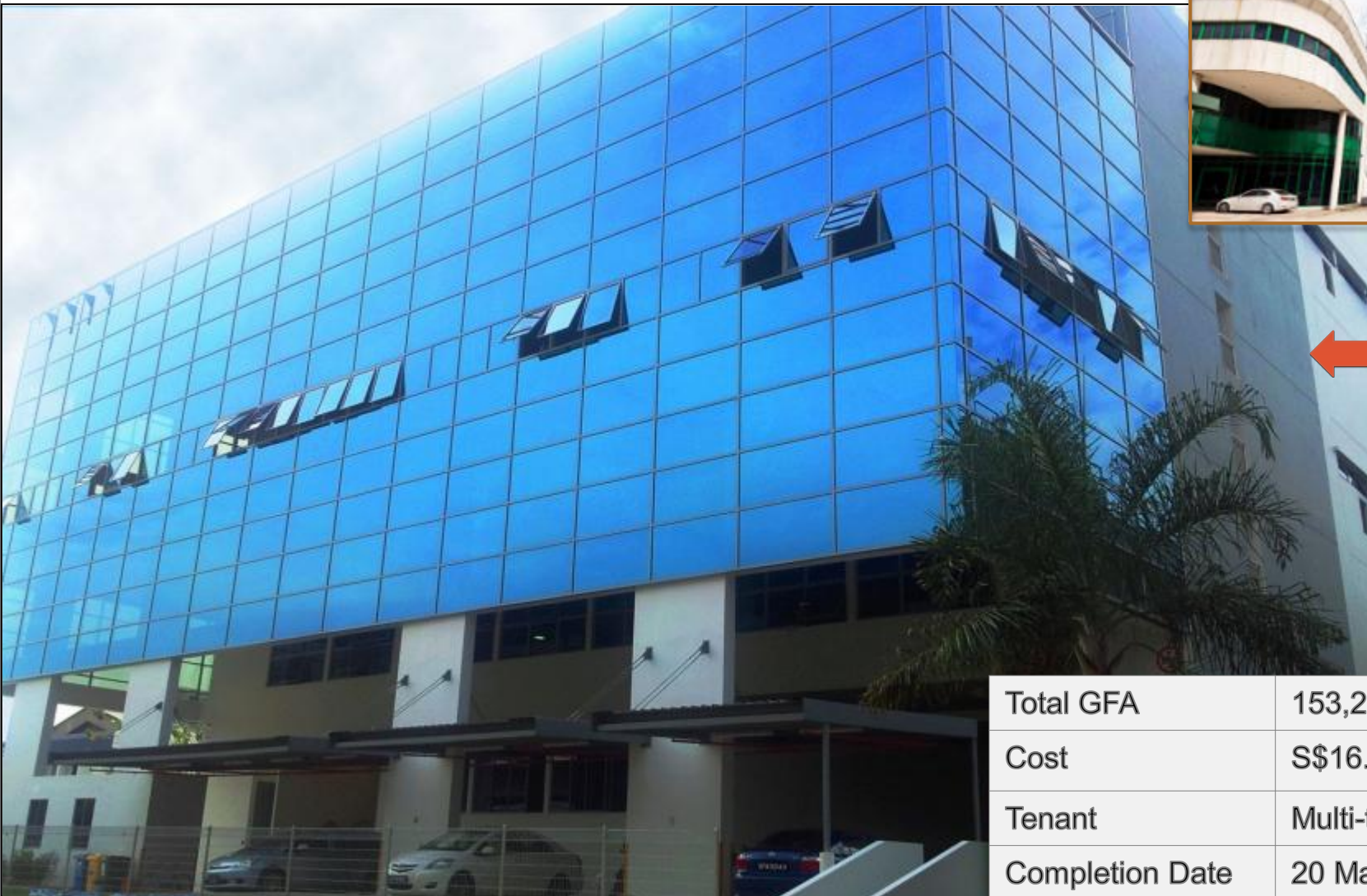
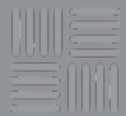


**HOE LEONG CORPORATION**

|                 |                           |
|-----------------|---------------------------|
| Additional GFA  | 110,957 sq ft             |
| Cost            | S\$23.4 mil               |
| Tenant          | Hoe Leong Corporation Ltd |
| Completion Date | 9 Jan 2013                |



# AEI: Additional GFA of 101,932 sq ft for 88 International Road



|                 |                |
|-----------------|----------------|
| Total GFA       | 153,299 sq ft  |
| Cost            | S\$16.4 mil    |
| Tenant          | Multi-tenanted |
| Completion Date | 20 May 2013    |

# AEI: Completed 22% of 3 Pioneer Sector 3



Plot Ratio Maximised from 0.8x to 1.4x, Bringing Total GFA to ~716,571 sq ft



Picture taken on 4 Oct 2013



|                 |                       |
|-----------------|-----------------------|
| Additional GFA  | 303,753 sq ft         |
| Cost            | S\$45.4 mil           |
| Tenant          | CWT Limited (3 years) |
| Completion Date | Target 4Q2014         |



# AEI: Commencing Work on 21B Senoko Loop in 4Q2013



Plot Ratio Maximised from 1.4x to 2.4x, Bringing Total GFA to 195,890 sq ft



Artist's impression

|                 |  |
|-----------------|--|
| Additional GFA  | 98,788 sq ft                                 |
| Cost            | S\$12.8 mil                                  |
| Tenant          | Tellus Marine Engineering Pte Ltd (10 years) |
| Completion Date | Target 4Q2014                                |

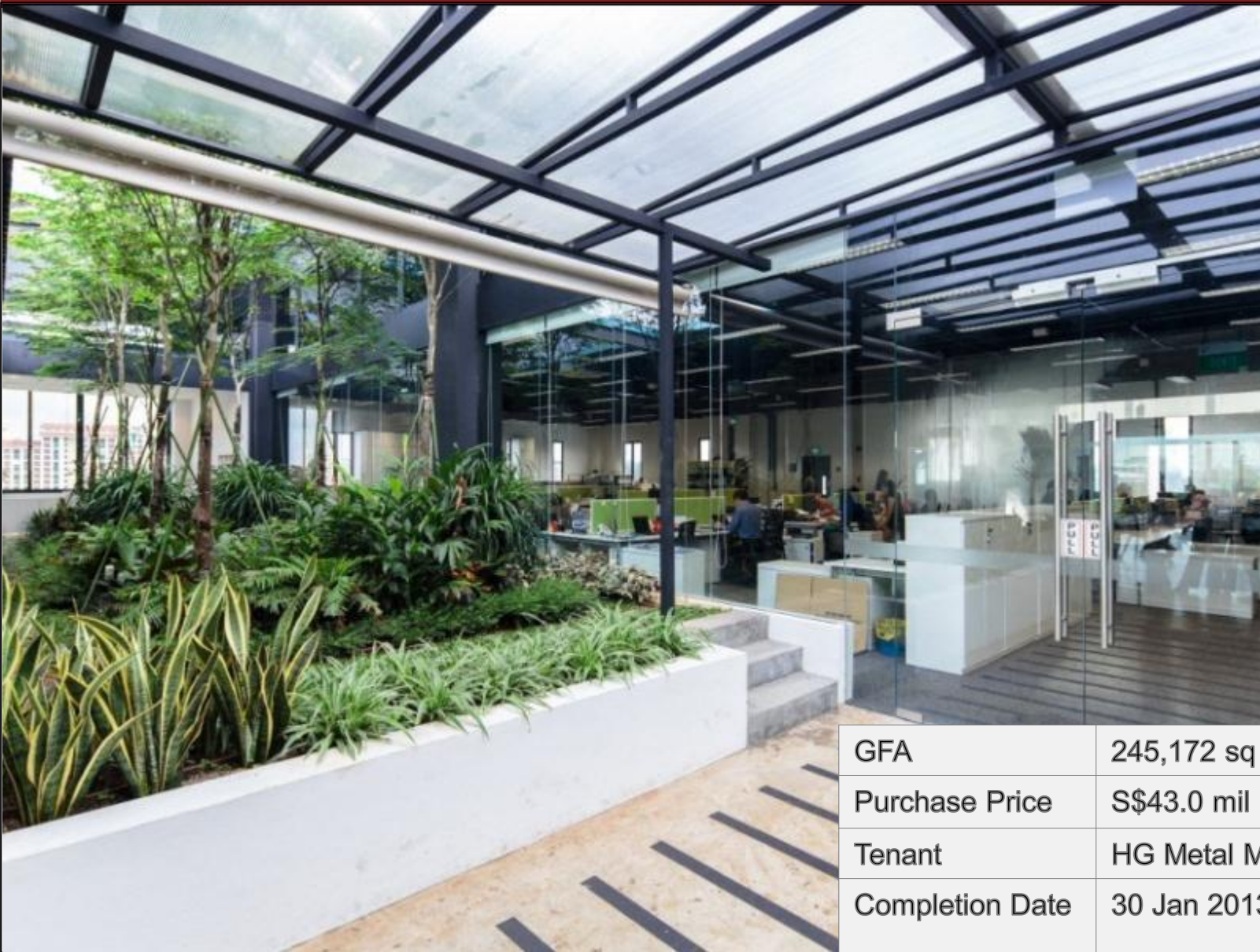


*70 Seletar Aerospace View*

**Our 4 Core Strategies:  
Acquisition of Value Enhancing Assets**

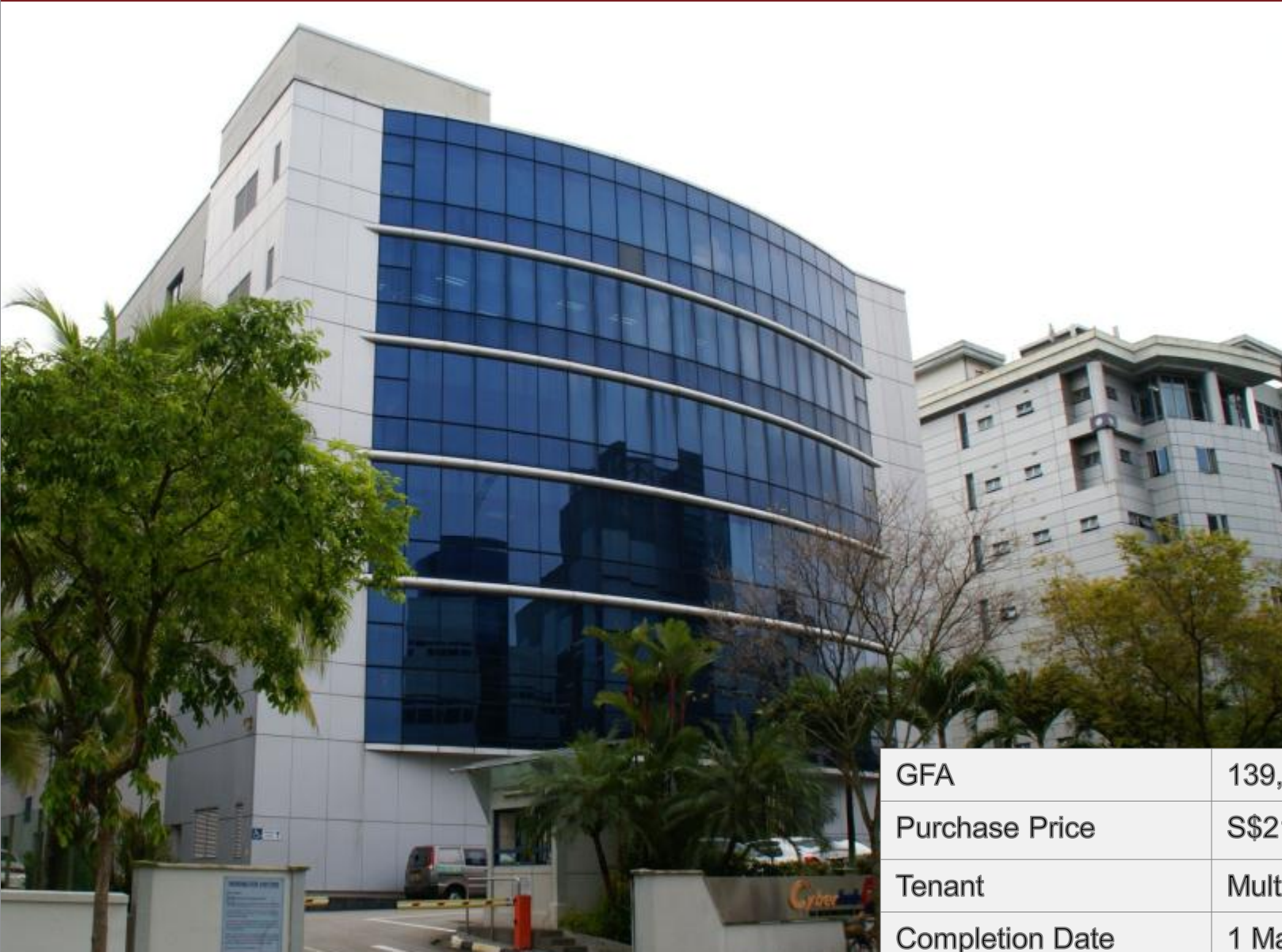


# Acquisition: 15 Jurong Port Road



|                 |                            |
|-----------------|----------------------------|
| GFA             | 245,172 sq ft              |
| Purchase Price  | S\$43.0 mil                |
| Tenant          | HG Metal Manufacturing Ltd |
| Completion Date | 30 Jan 2013                |

# Acquisition: 54 Serangoon North Avenue 4



|                 |                |
|-----------------|----------------|
| GFA             | 139,249 sq ft  |
| Purchase Price  | S\$21.0 mil    |
| Tenant          | Multi-Tenanted |
| Completion Date | 1 Mar 2013     |



# Acquisition: 3 Tuas South Avenue 4



|                 |  |
|-----------------|--|
| GFA             | 315,522 sq ft  |
| Purchase Price  | S\$15.0 mil <sup>(1)</sup> (revalued to S\$38.0 mil) |
| Tenant          | Agila Specialties Global Pte Ltd                     |
| Completion Date | 19 Mar 2013  |



(1) CIT's share is equivalent to S\$9.0 million based on CIT's 60% interest in the jointly controlled entity, Cambridge SPV1 LLP.



# Acquisition: 16 Tai Seng Street (Phase II)



|              |                           |
|--------------|---------------------------|
| GFA          | 40,403 sq ft              |
| Cost         | S\$13.7 mil               |
| Tenant       | Nobel Design Holdings Ltd |
| TOP obtained | 4 April 2013              |



# Expected to Complete 30 Teban Gardens Crescent in 4Q2013



|                        |                            |
|------------------------|----------------------------|
| GFA                    | ~139,098 sq ft             |
| Purchase Price         | S\$41.0 mil <sup>(1)</sup> |
| Tenant                 | Eurosports Auto Pte Ltd    |
| Target Completion Date | 4Q2013                     |

Artist's impression

(1) Excluding land premium





**Our 4 Core Strategies:  
Divestment of Non-Core Assets**



# Divestment: 63 Hillview Avenue Sold at 28% Above Book Value

Used \$81.3 mil  
of Proceeds to  
Pay Down Debt

|                    |              |
|--------------------|--------------|
| Total Strata Units | 97           |
| Divestment Price   | S\$140.8 mil |
| Book Value         | S\$110.0 mil |
| Completion Date    | Sep 2013     |

# Divestment: Sale of Non-Core Assets for Capital Recycling



| 7 Gul Lane       |              |
|------------------|--------------|
| GFA              | 48,427 sq ft |
| Divestment Price | S\$8.5 mil   |
| Book Value       | S\$5.8 mil   |
| Completion Date  | Jul 2013     |



| 23 Lor 8 Toa Payoh |              |
|--------------------|--------------|
| GFA                | 50,792 sq ft |
| Divestment Price   | S\$18.4 mil  |
| Book Value         | S\$16.0 mil  |
| Completion Date    | Sep 2013     |





**Our 4 Core Strategies:  
Prudent Capital and Risk Management**



# Post Refinancing as at 3Q2013... No Major Debt Due until 2016



**27.9%**  
Gearing Ratio

**86%**  
Fixed Debt

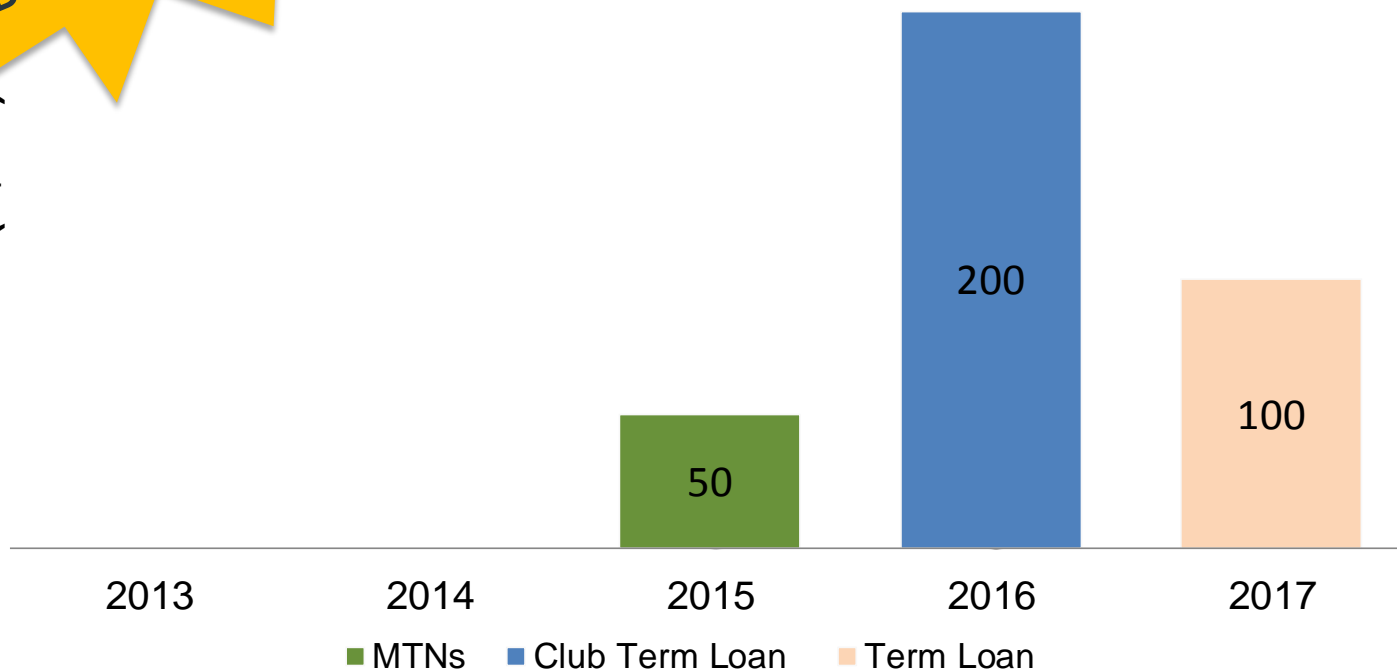
**3.9%**  
All-in-cost  
of Debt

**S\$281.6 mil**  
Unencumbered  
Properties

**2.7 yrs**  
Weighted Avg  
Debt Expiry

**Refinanced S\$250 mil  
of Debt Due 1H2014**

Debt Profile (S\$ mil)





# Corporate Social Responsibility



# Batam Build – Habitat for Humanity



“Build a House in Batam 2013”





# Batam Build – Habitat for Humanity



# Bare Your Sole





# Work Life Balance – “Sports Day”







# Looking Ahead

# Focused Execution YTD 3Q2013; Moving into 4Q2013 and Beyond ...



## Active Asset Management

## Acquisition of Value Enhancing Assets

## Divestment of Non-core Assets

## Risk and Capital Management

### Focused Execution YTD 3Q2013

- ✓ Embarked on AELs and development, totalling S\$58.2 mil
- ✓ Renewed all of 2013's leases
  
- ✓ Completed a total of 4 acquisitions, totalling S\$92.7 mil
  
- ✓ Divested 2<sup>(1)</sup> non-core assets, totalling S\$26.9 mil
- ✓ Divested 63 Hillview Avenue for S\$140.8 mil, 28% above book
  
- ✓ Deployed part of Hillview proceeds to retire debt
- ✓ Refinanced 2014's debt ahead of schedule
- ✓ Reduced cost of debt to 3.9%<sup>(2)</sup> from 4.0%

### Moving Forward

- Identify properties for AELs and redevelopment opportunities
- Proactive management of 2014 leases
  
- Pursuing opportunistic acquisitions
  
- Divestment of non-core assets for capital recycling
  
- No major financing until 2016
- Gearing ratio of 27.9%<sup>(2)</sup> provides significant headroom for future acquisitions and AELs

(1) Excludes 30 Tuas Road which is a compulsory acquisition by SLA

(2) Adjusted for debt repayment and refinancing completed in Oct 2013



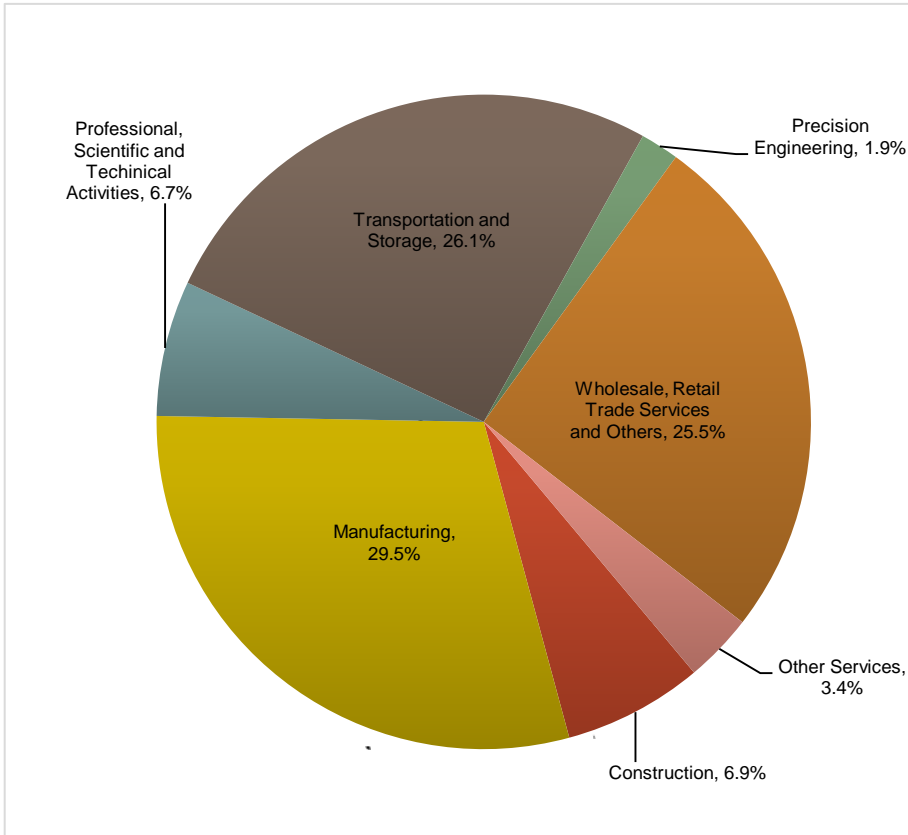
# Appendix



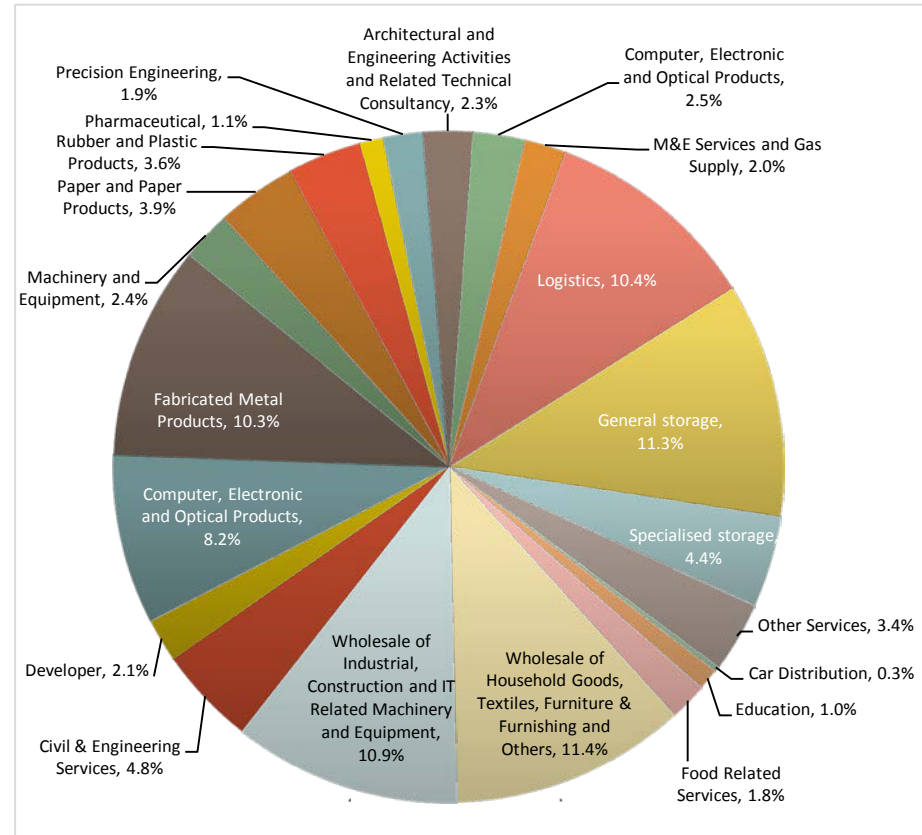
# Diversified Tenant Base and Trade Sector



## Diversified Trade Sector



## Diversified Quality Tenants



# YTD 3Q2013: Acquisitions, AEI/ Developments and Divestments



| Acquisitions                  | GFA (sq ft)     | Completion    | Purchase Price (S\$ mil) |
|-------------------------------|-----------------|---------------|--------------------------|
| 30 Teban Gardens Crescent     | ~139,098        | Target 4Q2013 | 41.0 <sup>(1)</sup>      |
| 16 Tai Seng Street (Phase II) | 40,403          | Apr 2013      | 13.7                     |
| 3 Tuas South Avenue 4         | 315,522         | Mar 2013      | 15.0 <sup>(2)</sup>      |
| 54 Serangoon North Avenue 4   | 139,249         | Mar 2013      | 21.0                     |
| 15 Jurong Port Road           | 245,172         | Jan 2013      | 43.0                     |
| <b>Total for 2013</b>         | <b>~879,444</b> |               | <b>133.7</b>             |

| AEIs/Developments            | Add'l GFA (sq ft) | Completion    | Cost (S\$ mil) |
|------------------------------|-------------------|---------------|----------------|
| 21B Senoko Loop              | 98,788            | Target 4Q2014 | 12.8           |
| 3 Pioneer Sector 3           | 303,753           | Target 4Q2014 | 45.4           |
| 88 International Road        | 101,932           | May 2013      | 16.4           |
| 4/6 Clementi Loop (Phase II) | 110,957           | Jan 2013      | 23.4           |
| <b>Total for 2013</b>        | <b>615,430</b>    |               | <b>98.0</b>    |

| Divestments                 | GFA (sq ft)                                      | Completion | Gross Proceeds (S\$ mil) |
|-----------------------------|--|------------|--------------------------|
| 63 Hillview Avenue          | 382,517 (strata area and inclusive of void area) | Sep 2013   | 140.8                    |
| 23 Lorong 8 Toa Payoh       | 50,792   | Sep 2013   | 18.4                     |
| 7 Gul Lane                  | 48,427   | Jul 2013   | 8.5                      |
| 30 Tuas Road <sup>(3)</sup> | 571,189  | Feb 2013   | 76.7                     |
| <b>Total for 2013</b>       | <b>1,052,925</b>                                 |            | <b>244.4</b>             |

(1) Excluding land premium

(2) CIT's share is equivalent to S\$9.0 million based on CIT's 60% interest in the jointly controlled entity, Cambridge SPV1 LLP

(3) Compulsory acquisition by SLA. Total amount includes: Collectors' Award: S\$72.4 million and Ex-gratia: S\$4.3 mil

# Distribution Timetable



| <b>Distribution Details</b>                    |   |
|--|---|
| Distribution Period                            | 1 Jul 2013 to 30 Sep 2013   |
| Distribution Rate                              | 1.251 cents per unit<br>(1.150 taxable income, 0.101 capital gains) |
| Distribution Reinvestment Plan (“DRP”)         | 2% Discount   |
| <b>Distribution Timetable</b>                  |   |
| Last Trading Day on a “Cum Distribution” Basis | Wednesday, 6 Nov 2013 (5.00 pm)                                     |
| Ex-date  | Thursday, 7 Nov 2013 (9.00 am)                                      |
| Books Closure Date                             | Monday, 11 Nov 2013 (5.00 pm)                                       |
| Fixing of Unit Price for DRP                   | Tuesday, 12 Nov 2013  |
| <b>Distribution Payment Date</b>               | <b>Tuesday, 17 Dec 2013</b>   |
| <b>Listing of DRP Units</b>                    | <b>Wednesday, 18 Dec 2013</b>                                       |



# Further Information



Please contact:

**Ms Caroline Fong**

Head of Investor Relations and Corporate Communications

[caroline.fong@cambridgeitm.com](mailto:caroline.fong@cambridgeitm.com)

**Cambridge Industrial Trust Management Limited**

61 Robinson Road, #12-01

Robinson Centre

Singapore 068893

Tel: (65) 6222 3339

Fax: (65) 6827 9339

[www.cambridgeindustrialtrust.com](http://www.cambridgeindustrialtrust.com)

