

## UNILATERAL UNDERTAKING BY THE MANAGER

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### 1. INTRODUCTION

Further to the Circular dated 22 April 2015 for the upcoming Extraordinary General Meeting on 19 May 2015, the Manager<sup>1</sup> has received feedback from Unitholders.<sup>2</sup>

In light of such feedback, the Manager has unilaterally decided to further waive Performance Fees with the effect of reducing and potentially delaying Performance Fees for the Manager, if the resolution on the Performance Fee Supplement to the Trust Deed proposed in the Circular is passed.<sup>3</sup>

### 2. UNILATERAL UNDERTAKING BY THE MANAGER

The unilateral undertaking to be given by the Manager will have the substantive effect that the first Performance Fee payable under the revised formula will be calculated on the basis of a High DPU Threshold of 6.000 Singapore cents<sup>4</sup> instead of the previously proposed 5.357 Singapore cents.

This effectively means that the DPU must exceed 6.000 Singapore cents (or if the DPU achieved during the Performance Fee Waiver period is higher than 6.00 Singapore cents, such higher DPU) before the Manager is entitled to any Performance Fee.

Formally, the Manager will enter into a deed poll in favour of the Trustee under which it undertakes to the Trustee that, in the event that Resolution 1 is passed by Unitholders at the EGM, it waives its entitlement to any Performance Fees to the extent that the Manager would not be entitled to such Performance Fee if references to “5.357 Singapore cents” in Clause 15.1.2(ii)(b) of the Trust Deed (as amended by the Performance Fee Supplement set out in Appendix A to the Circular) were replaced with references to “6.000 Singapore cents” (“**Unilateral Undertaking**”).

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<sup>1</sup> Cambridge Industrial Trust Management Limited, as manager of Cambridge Industrial Trust (“**CIT**”, and the manager of CIT, the “**Manager**”).

<sup>2</sup> Capitalised terms used herein, unless otherwise defined, shall have the meanings ascribed to them in the circular of Cambridge Industrial Trust dated 22 April 2015 (the “**Circular**”).

<sup>3</sup> Resolution 1.

<sup>4</sup> Or if the DPU achieved during the Performance Fee Waiver period is higher than 6.00 Singapore cents, such higher DPU.

Taking into account the Unilateral Undertaking, the Independent Financial Adviser has confirmed that both (i) the proposed Performance Fee Supplement to the Trust Deed<sup>5</sup> and (ii) the proposed Performance Fee Unit Pricing Supplement to the Trust Deed<sup>6</sup> are on normal commercial terms and will not be prejudicial to CIT and its minority Unitholders.

The Independent Directors are of the view that the Unilateral Undertaking will be more beneficial to CIT and its minority Unitholders. The Independent Directors continue to recommend that the Unitholders vote in favour of the proposed Trust Deed Supplements.

Note: A draft of the IFA letter was included in the Circular for printing. Attached is a copy of the final IFA letter. There are no material differences between the draft in the Circular and the attached final IFA letter. The IFA's opinion in the letter remains unchanged.

BY ORDER OF THE BOARD

Cambridge Industrial Trust Management Limited  
As Manager of Cambridge Industrial Trust  
(Company Registration No. 200512804G, Capital Markets Services Licence No. 100132-2)

Philip Levinson  
Chief Executive Officer and Executive Director  
11 May 2015

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<sup>5</sup> Resolution 1.

<sup>6</sup> Resolution 2.

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**About Cambridge Industrial Trust**

Cambridge Industrial Trust (“CIT”), publicly listed on the Singapore Exchange Securities Trading Limited since 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 50 properties located across Singapore, with a total gross floor area of approximately 8.4 million sq ft and a property value of S\$1.39 billion as at 31 March 2015. They range from logistics, warehousing, light industrial, general industrial, car showroom and workshop to business park properties, which are located close to major transportation hubs and key industrial zones island-wide.

The Manager’s objective is to provide Unitholders with a stable and secure income stream through the successful implementation of the following strategies:

- Acquisition of value-enhancing properties;
- Pro-active asset management;
- Divestment of non-core properties; and
- Prudent capital and risk management.

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 largest four 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 specialising in real estate and private equity investments across Asia-Pacific; and
- Mitsui is one of the largest corporate conglomerates in Japan and listed on the Tokyo Stock Exchange. It is 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 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 Limited, 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.

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.