



**ARA-CWT Trust Management (Cache) Limited**  
 (as manager of Cache Logistics Trust)

6 Temasek Boulevard #16-02 Suntec Tower Four Singapore 038986  
 Tel: (65) 6835 9232 Fax: (65) 6835 9672  
 www.cache-reit.com

## Press Release

### CACHE LOGISTICS TRUST'S MAIDEN 2Q2010 RESULTS EXCEED FORECAST

- Distribution per unit (DPU) of 1.71 cents for the period 12 April 2010 to 30 June 2010<sup>1</sup>
- Annualised DPU of 7.81 cents exceeds forecast by 1.4%
- Strong fundamentals and low gearing provide financial flexibility for future growth
- On track to deliver forecast DPU for 2010

#### Results Highlights

From 12 April 2010 to 30 June 2010	Actual <sup>1</sup>	Forecast <sup>2</sup>	Variance
Net Property Income	S\$12.65 mil	S\$12.62 mil	0.2%
Distributable Income	S\$10.83 mil	S\$10.69 mil	1.3%
DPU	1.71 cents	1.69 cents	1.4%
Annualised DPU	7.81 cents	7.70 cents	1.4%
Annualised Distribution Yield:			
- based on IPO price of S\$0.88	8.9%	8.8%	0.1 ppts
- based on 28 July 2010 closing price of S\$1.01	7.7%	7.6%	0.1 ppts

**Singapore, 29 July 2010** – ARA-CWT Trust Management (Cache) Limited (the “**Manager**”), the manager of Cache Logistics Trust (“**Cache**”), is pleased to announce that 1.71 cents per unit is available for distribution<sup>3</sup> based on the distributable income generated during the period from 12 April 2010 to 30 June 2010. On an annualised basis, the DPU is 7.81 cents, 1.4% higher than the annualized forecast of 7.70 cents for 2010.

The better than expected results are mainly attributable to the Manager’s ability to reduce borrowing costs and manage other trust expenses.

<sup>1</sup> Cache was a dormant private trust from the date of constitution until the Properties were acquired on 12 April 2010 and was officially listed on the same day on SGX-ST. Consequently, the operations of Cache commenced from 12 April 2010.

<sup>2</sup> Forecast refers to pro-rated forecast figures for the Forecast Year 2010 as stated in the prospectus for the period 12 April 2010 to 30 June 2010.

<sup>3</sup> Cache’s distribution policy is to distribute dividends on a quarterly basis except for the first distribution which will be for the period 12 April 2010 to 30 September 2010 and will be paid on or before 29 November 2010 as stated in the Prospectus dated 1 April 2010.

Mr Dan Cerf, Chief Executive Officer of the Manager, said, “We are pleased to have outperformed our financial forecast for this quarter. While our property portfolio income is underpinned by long-term master leases on a triple-net lease structure, we were able to extract further savings through judicious financial and cost management.”

### **Stable and sustainable distributions**

Cache’s current property portfolio comprises six quality logistics assets strategically located in established logistics clusters in Singapore. All six properties are 100% leased with high underlying occupancy at each premises. The master leases are on long-term, triple-net basis with locked-in annual rent escalations. This, along with the fact of a weighted average lease to expiry of approximately 6.1 years as at 30 June 2010, provides a high degree of predictability in cash flows and stability in earnings for the portfolio. In turn this benefits Unitholders in the form of stable and sustainable distributions.

### **Well positioned to pursue growth**

Mr Cerf added, “In addition to delivering regular and stable distributions, we also aim to achieve long-term growth in distribution and net asset value per unit while maintaining an appropriate capital structure. Looking ahead, given our strong fundamentals and conservative gearing level of 25.5%, we are well positioned to explore acquisition opportunities to generate sustainable and increasing returns to our Unitholders.”

In addition to the pipeline of potential acquisitions granted by way of a right of first refusal by the Sponsor: CWT Limited and its substantial shareholder: C&P Holdings Pte Ltd, the Manager is also pursuing acquisition opportunities from third-parties.

### **Outlook**

The Ministry of Trade and Industry (MTI) sharply revised upwards Singapore’s 2010 GDP growth forecast to between 13% to 15%, from the previous forecast of 7% to 9%, on the back of stronger than expected growth momentum in the first and second quarters. This significant economic recovery bodes well for the local logistics sector in Singapore. As the economy continues to strengthen, demand for logistics facilities is likely to grow in view of its correlation to economic and trade growth.

According to URA's 2Q 2010 statistics, the warehouse property sector continued to show signs of improvement from 4Q 2009. Occupancy of Singapore warehouse space improved from 90.1% in 1Q 2010 to 91.8% in 2Q 2010 while the warehouse rental index remained firm at 83.2 compared to 83.1 in the previous quarter.

On the back of the improving environment and the sustainability of the cash flow, barring any unforeseen circumstances, the Manager is confident of delivering the DPU for 2010 as forecast at the time of the IPO.

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## **ABOUT CACHE**

Cache is a real estate investment trust ("**REIT**") constituted on 11 February 2010. Cache was listed on the main board of SGX-ST and commenced operations on 12 April 2010. Cache principally invests in income-producing real estate used for logistics purposes in Asia-Pacific<sup>4</sup>, as well as real estate-related assets. The initial portfolio comprises six high quality logistics warehouse properties strategically located in Singapore's established logistics clusters. Cache is managed by ARA-CWT Trust Management (Cache) Limited. For more details, please visit [www.cache-reit.com](http://www.cache-reit.com).

## **ABOUT ARA-CWT TRUST MANAGEMENT (CACHE) LIMITED**

ARA-CWT Trust Management (Cache) Limited, is a joint-venture REIT management company between ARA Asset Management Limited ("**ARA**") and CWT Limited ("**CWT**").

ARA, an affiliate of the Cheung Kong group, is a real estate fund management company listed on the main board of the Singapore Exchange. ARA currently manages REITs listed in Singapore, Hong Kong and Malaysia with a diversified portfolio spanning the office, retail, industrial/office and logistics sectors; private funds investing in real estate and real estate-related securities in Asia; and provides real estate management services, including property management services and convention & exhibition services; and corporate finance advisory services. For more details, please visit [www.ara-asia.com](http://www.ara-asia.com).

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<sup>4</sup> For the purposes of the investment mandate of Cache, "Asia-Pacific" is defined as Singapore, Malaysia, Indonesia, Philippines, Thailand, Vietnam, China, India, Hong Kong, Macau, Taiwan, Japan, Korea, Australia and New Zealand.

CWT Limited was set up in 1970 and listed on the Singapore Exchange in 1993. CWT has since grown and the principal businesses of CWT currently comprise integrated logistics solutions and engineering maintenance and facilities management services. Being the largest listed logistics company in Southeast Asia, CWT offers integrated logistics solutions to some of the world's leading brands in the chemical, commodities, automotive, marine, oil & gas, defence and industrial sectors. Through its global network, the CWT Group is able to connect customers to 120 ports and 1,200 destinations seamlessly around the world. For more details, please visit [www.cwtlimited.com](http://www.cwtlimited.com).

## Media and investor contacts

LUM Yuen May  
Manager, Investor Relations  
DID: +65 6512 5161  
Email: [yuenmaylum@ara.com.hk](mailto:yuenmaylum@ara.com.hk)

## Important Notice

This release may contain forward-looking statements that involve 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 property rental income, changes in operating expenses (including employee wages, benefits and training costs), property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the current views of management on future events.

The value of units in Cache ("**Units**") and the income derived from them, if any, may fall or rise. Units are not obligations of, deposits in, or guaranteed by, ARA-CWT Trust Management (Cache) Limited (as the manager of Cache) (the "**Manager**") or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors should note that they will have no right to request the Manager to redeem or purchase their Units for so long as the Units are listed on Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). It is intended that holders of Units may only deal in their Units through trading on the SGX-ST. The listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

The past performance of Cache is not necessarily indicative of the future performance of Cache.