

Press Release

**Cache Logistics Trust**  
**Achieves 6.2% Growth in 2Q FY2016 Distributable Income and**  
**Higher Portfolio Occupancy with Leasing Achievements**

**Performance Highlights:**

- 2Q FY2016 and 1H FY2016 Income Available for Distribution increased by 6.2% and 7.4% respectively to S\$17.8 million and S\$36.1 million;
- Secured over 125,000 square feet of leases and approximately 103,000 square feet in forward renewal of leases in 2Q FY2016; A total of approximately 577,000 square feet of leases signed year-to-date;
- Portfolio occupancy improved to 95.8% as at 30 June 2016

**Financial Performance**

*In S\$'000 unless otherwise noted*

	2Q FY2016	2Q FY2015	Change (%)	1H FY2016	1H FY2015	Change (%)
<b>Gross Revenue</b>	28,088	21,549	30.3	55,956	42,555	31.5
<b>Net Property Income (NPI)</b>	22,554	18,506	21.9	44,605	38,195	16.8
<b>Income Available for Distribution</b>	17,830	16,783	6.2	36,078	33,590	7.4
<b>Distribution per unit (DPU) (Cents)</b>	1.989 <sup>(1)</sup>	2.140 <sup>(2)</sup>	(7.1)	4.028	4.286	(6.0)

Notes:

- (1) Based on 896,415,919 issued units which includes 894,943,144 issued units as at 30 June 2016 and 1,472,775 units to be issued to the Manager as partial consideration of Manager's fees
- (2) Based on 784,142,772 units

**Singapore, 20 July 2016** – ARA-CWT Trust Management (Cache) Limited, the manager (the “Manager”) of Cache Logistics Trust (“Cache”), announced today a DPU of 1.989 Singapore cents for the second quarter (“2Q FY2016”) and 4.028 cents for the half year ended 30 June 2016 (“1H FY2016”).

2Q FY2016 Gross Revenue increased 30.3% y-o-y to S\$28.1 million due to incremental revenue from Australian acquisitions in the last financial year and from DHL Supply Chain Advanced Regional Centre. Correspondingly, 2Q FY2016 Net Property Income and Income Available for Distribution rose by 21.9% y-o-y and 6.2% y-o-y to S\$22.6 million and S\$17.8 million respectively. 2Q FY2016 DPU was 1.989 cents, 7.1% lower than the same period last year due to an enlarged units base. The 2Q FY2015 DPU of 2.140 cents was higher as it included a capital distribution of 0.185 cents per unit from the divestment of Kim Heng Warehouse proceeds.

Mr Daniel Cerf, CEO of the Manager said: “Notwithstanding a challenging operating environment, we delivered a set of stable results for 2Q FY2016. With our proactive marketing efforts, we managed to improve our portfolio occupancy to close to 96%. During the quarter, we signed approximately 228,000 square feet of leases and reached agreement on commercial terms for another 210,000 square feet of lettable area.”

### **Portfolio and Leasing Updates**

In 2Q FY2016, over 125,000 square feet of leases and approximately 103,000 square feet in forward renewal leases were signed. Year-to-date, a total of approximately 577,000 square feet of leases have been secured.

40 ALPS Avenue Singapore (“Hi-Speed Logistics Centre”) will be converted from master lease to multi-tenancy. Approximately 210,000 square feet of lettable space at the property is currently under lease documentation, with the remainder of space already pre-committed by another major third-party logistics provider. When completed, Hi-Speed Logistics Centre will be practically full, the portfolio WALE will be extended from 4.1 years to 4.2 years<sup>1</sup>, and the leases due for renewal in 2H FY2016 will be reduced from 9.6% to 6.6%<sup>2</sup>.

Cache’s portfolio occupancy improved 1.6% points quarter-on-quarter to 95.8% as at 30 June 2016. The portfolio has a weighted average lease to expiry (“WALE”) of 4.1 years<sup>1</sup>.

### **Capital Management Update**

As at 30 June 2016, Cache’s aggregate leverage stood at 39.8%. The average all-in cost of financing was 3.63% in 1H FY2016. The debt maturity profile is well-spread with a weighted average debt maturity of 2.6 years.

Approximately 65% of Cache’s total debt has been hedged into fixed rates. In addition, about 93% of Cache’s distributable income has been hedged into or will be derived in Singapore dollars, representing minimal exposure to foreign currency risk.

### **Investor Relations Accolade**

Cache received the Bronze award for “Best Investor Relations” in the REITs and Business Trusts Category at the Singapore Corporate Awards 2016 held last evening, one of Singapore’s most prestigious business awards. The *Best Investor Relations Award* is one of the awards under the auspices of the Singapore Corporate Awards to recognise and acknowledge the best in investor relations practices among listed companies in Singapore.

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<sup>1</sup> By Net Lettable Area (NLA)

Cache is honoured to be recognised by the investment community for its relentless pursuit of good corporate governance and investor relations for the fourth year running and will continue to seek ways to improve.

## **Outlook**

The operating environment in Singapore continues to remain challenging due to uncertainties in the global economy and weak supply and demand dynamics. The Singapore Purchasing Managers' Index ("PMI") fell to 49.6 in June 2016, recording its 12<sup>th</sup> month of contraction. In Australia where Cache owns six logistics warehouses, overall economic growth is continuing. Domestic demand, as well as exports, has been expanding at a pace at or above trend<sup>2</sup>. The WALE for Cache's Australian portfolio averages approximately 6.6 years<sup>3</sup>, enabling Cache to ride on the longer term growth in the country.

Mr Cerf added: "Looking ahead, the Manager will continue to maintain high portfolio occupancy, enhance building performance and explore asset rebalancing to optimise returns."

## **Distribution to Unitholders**

Cache will pay a distribution of 1.989 cents per unit on 26 August 2016 for the period from 1 April 2016 to 30 June 2016. The books closure date is on 28 July 2016.

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By Order of the Board  
ARA-CWT Trust Management (Cache) Limited (as manager of Cache Logistics Trust)  
(Company registration no. 200919331H)

Daniel Cerf  
Chief Executive Officer

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<sup>2</sup> Reserve Bank of Australia, 5 July 2016, "Statement by Glenn Stevens, Governor: Monetary Policy Decision", <http://www.rba.gov.au/media-releases/2016/mr-16-17.html>

<sup>3</sup> As at 30 June 2016, by net lettable area



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## **ABOUT CACHE LOGISTICS TRUST (“CACHE”)**

Listed on the Singapore Exchange on 12 April 2010, Cache Logistics Trust is a real estate investment trust (“REIT”) that invests in quality income-producing industrial real estate used for logistics purposes, as well as real estate-related assets, in Asia Pacific.

Cache’s portfolio comprises 19 high quality logistics warehouse properties strategically located in established logistics clusters in Singapore, Australia and China. The portfolio has a total gross floor area of approximately 7.5 million square feet valued at approximately S\$1.3 billion as at 30 June 2016.

Cache is managed by ARA-CWT Trust Management (Cache) Limited. For more information, 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 is Asia’s premier integrated real estate fund manager which is listed on the Main Board of the Singapore Exchange Securities Trading Limited since November 2007. It currently manages real estate investment trusts (“REITs”) and private real estate funds that are invested in the office, retail, logistics/industrial, hospitality and residential sectors in the Asia Pacific region, complemented by its in-house real estate management services and advisory services. Established in 2002, to date it has over 1,200 professionals in 18 cities managing total assets of approximately S\$30 billion.

For more information, please visit [www.ara-asia.com](http://www.ara-asia.com).

CWT is a leading provider of integrated logistics and supply chain solutions. CWT’s business is about connecting world trade. CWT moves, builds and powers its customers’ supply chain forward. CWT Group combines its logistics capabilities, global network and resources to add value for its customers. CWT Group also provides commodity marketing, financial and engineering services ancillary to its core logistics business.

For more information, please visit [www.cwtlimited.com](http://www.cwtlimited.com).

## **IMPORTANT NOTICE**

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.