

Press Release

Cache Logistics Trust Reports Distributable Income of S\$16.2 million in 1Q FY2017

Performance Highlights:

- Maintained strong portfolio committed occupancy which increased to 97.2% from 96.4%¹
- Completed the divestment of Cache Changi Districentre 3 and acquisition of the Spotlight warehouse in Laverton North, Victoria, Australia
- Manager remains focused on portfolio rebalancing and growth strategy going forward

Financial Performance

In S\$'000 unless otherwise noted

	1Q FY2017	4Q FY2016	Q-o-Q Change (%)	1Q FY2016	Y-o-Y Change (%)
Gross Revenue	27,058	27,266	(0.8)	27,868	(2.9)
Net Property Income (“NPI”)	20,776	21,340	(2.6)	22,051	(5.8)
Income Available for Distribution	16,235	16,658	(2.5)	18,248	(11.0)
- from operations	15,306	15,902	(3.7)	16,601	(7.8)
- from capital ⁽¹⁾	929	756	22.9	1,647	(43.6)
Distribution Per Unit (“DPU”) (cents)	1.800	1.850	(2.7)	2.039	(11.7)
- from operations	1.697	1.766	(3.9)	1.855	(8.5)
- from capital ⁽¹⁾	0.103	0.084	22.6	0.184	(44.0)
Units in Issue and to be issued at the end of each period (million)	901.85	900.45	0.2	894.94	0.8

Notes:

(1) Includes a partial capital distribution of S\$0.93 million from the proceeds received from the divestment of Kim Heng Warehouse.

Singapore, 20 April 2017 – ARA-CWT Trust Management (Cache) Limited, the manager (the “Manager”) of Cache Logistics Trust (“Cache”), announced today a DPU of 1.800 Singapore cents for the financial year ended 31 March 2017 (“1Q FY2017”).

¹ As at 31 December 2016.

1Q FY2017 gross revenue fell marginally by 2.9% year-on-year (“y-o-y”) to S\$27.1 million due to a lower revenue contribution from 51 Alps Ave and Cache Changi Districentre 3 which was divested in January 2017, partly offset by revenue contribution from DHL Supply Chain Advanced Regional Centre and the Australian portfolio, including the latest acquisition of the Spotlight warehouse located in Laverton North, Victoria, Australia. Correspondingly, the 1Q FY2017 NPI fell by 5.8% y-o-y to S\$20.8 million due to a lower gross revenue and higher property expenses associated with more multi-tenanted properties. Compared to the preceding quarter (“4Q FY2016”), gross revenue and NPI fell by a lower 0.8% and 2.6% respectively.

Income Available for Distribution for the quarter ended 31 March 2017 fell by 11.0% y-o-y to S\$16.2 million due to a lower income from operations as well as a lower capital distribution from the sale proceeds of Kim Heng Warehouse. Compared to 4Q FY2016, the Income Available for Distribution reported a lower drop of 2.5%. Compared to 4Q FY2016, 1Q FY2017 DPU fell 2.7% to 1.800 cents.

Mr Daniel Cerf, Chief Executive Officer of the Manager said: “Our focus in FY2017 is on improving operating performance in the Singapore portfolio wherever possible in view of the acute oversupply in the market and industry headwinds. As we have articulated to investors, we intend to continue with our portfolio rebalancing and growth strategy to grow and diversify our revenue contributions outside of Singapore. We are proud of our presence in Australia which contributes approximately 15.0% and 22.2% of gross revenue and gross floor area currently.”

Portfolio Rebalancing and Growth Strategy

In March 2017, the Manager completed the acquisition of a single-storey warehouse with ancillary office space located in Laverton North, a suburb of Melbourne, Victoria, Australia currently occupied by Spotlight with a remaining lease tenure of 4.2 years². The A\$22.25 million acquisition was funded by the proceeds received from the divestment of Cache Changi Districentre 3 (“DC3”) which was completed in January 2017. The divestment of DC3 and the acquisition of the Spotlight warehouse in Melbourne is part of the Manager’s portfolio rebalancing and growth strategy which seeks to recycle capital into higher-performing assets.

Update on Operating Performance and Capital Management

Cache’s portfolio committed occupancy improved from 96.4% as at 31 December 2016 to 97.2% as at 31 March 2017. The portfolio weighted average lease to expiry (“WALE”) was approximately 3.6 years³ with only 4.7%¹ of the portfolio’s leases due for renewal in FY2017. Approximately 80,000 square feet of leases were signed in 1Q FY2017, of which more than half were new leases.

² WALE by net lettable area as at 31 March 2017.

³ As at 31 March 2017, by net lettable area.



ARA-CWT Trust Management (Cache) Limited
Manager of Cache Logistics Trust
6 Temasek Boulevard
Suntec Tower Four #16-02
Singapore 038986

On capital management, the average all-in cost of financing in 1Q FY2017 was 3.47%, down slightly from 3.52% in 4Q FY2016. 1Q FY2017 net financing cost was S\$4.6 million, 4.2% lower than the same period a year ago, due to cost savings from a refinancing exercise undertaken in November 2016. Approximately 70.8% of the Singapore-dollar borrowings and 50.0% of the onshore Australian-dollar borrowings are hedged into fixed rates. Approximately 94.9% of Cache's distributable income has been hedged into or was derived in Singapore dollars, representing minimal exposure to foreign currency risk. As at 31 March 2017, the aggregate leverage was 43.1%.

Outlook

Going forward, the Manager remains focused on improving the operating performance for the Singapore portfolio in view of the challenging operating environment and imbalance in demand and supply of industrial space. In Australia where Cache currently owns seven logistics warehouses, the local economy continues to grow moderately. Low interest rates and a favourable AUD/SGD exchange rate since 2013 continue to support domestic demand and external trade. Demand for industrial prime assets in Sydney, Melbourne, and Brisbane continue to be driven by population growth, new investment in development and infrastructure projects, labour market improvements, a low interest rate environment and improving GDP growth.

Distribution to Unitholders

Cache will pay a distribution of 1.800 cents per unit on 29 May 2017 for the period from 1 January 2017 to 31 March 2017. The books closure date is on 28 April 2017.

<END>

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

For enquiries, please contact:
ARA-CWT Trust Management (Cache) Limited
Judy Tan
Assistant Director, Investor Relations
Tel: +65 6512 5161
Email: judytan@ara.com.hk



ARA-CWT Trust Management (Cache) Limited
Manager of Cache Logistics Trust
6 Temasek Boulevard
Suntec Tower Four #16-02
Singapore 038986

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 7.6 million square feet valued at approximately S\$1.2 billion as at 31 March 2017.

Cache is managed by ARA-CWT Trust Management (Cache) Limited. For more information, please visit 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”).

Established in 2002, ARA is a premier integrated real estate fund manager driven by a vision to be the best-in-class Asian real estate fund management company focused on the management of real estate investment trusts (“REITs”) and private real estate funds.

ARA's business is focused on the following segments:

- a) **REITs** - ARA is one of the largest REIT managers in Asia ex-Japan and currently manages six REITs listed in three countries, namely Fortune REIT dual-listed in Singapore and Hong Kong, Suntec REIT and Cache Logistics Trust listed in Singapore, Hui Xian REIT and Prosperity REIT listed in Hong Kong and AmFIRST REIT listed in Malaysia. The Group also manages five privately-held REITs in South Korea;
- b) **Private real estate funds** - The Group manages 10 private funds investing in real estate in Asia; and
- c) **Real estate management services** - The Group provides property management services and convention & exhibition services, including managing the award-winning Suntec Singapore Convention & Exhibition Centre.

ARA's diverse suite of REITs and private real estate funds are invested in the office, retail, logistics/industrial, hospitality and residential sectors. ARA has distinguished itself over the years with its unique investor-operator philosophy, which nurtures each asset from acquisition to divestment to add value to every stage of the asset life cycle. Built on a foundation of strong corporate governance and business integrity, it counts some of the world's largest pension funds, financial institutions, endowments and family offices as its investors.

As at 31 December 2016, ARA has approximately 1,300 staff in 18 cities in six countries. It manages close to 100 properties measuring 55 million square feet in Asia Pacific, with approximately S\$36 billion in assets under management.

For more information, please visit www.ara-asia.com.



ARA-CWT Trust Management (Cache) Limited
Manager of Cache Logistics Trust
6 Temasek Boulevard
Suntec Tower Four #16-02
Singapore 038986

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.

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.