



# Annual General Meeting

12 April 2011



*Knowing. Believing. Delivering*

**ARA · CWT**  
(An Affiliate of Cheung Kong Group)

ARA-CWT Trust Management (Cache) Limited

- Cache Today
- FY2010 Financial Review
- Operations Review
- Recent Acquisitions
- Markets and Outlook

# Cache Today

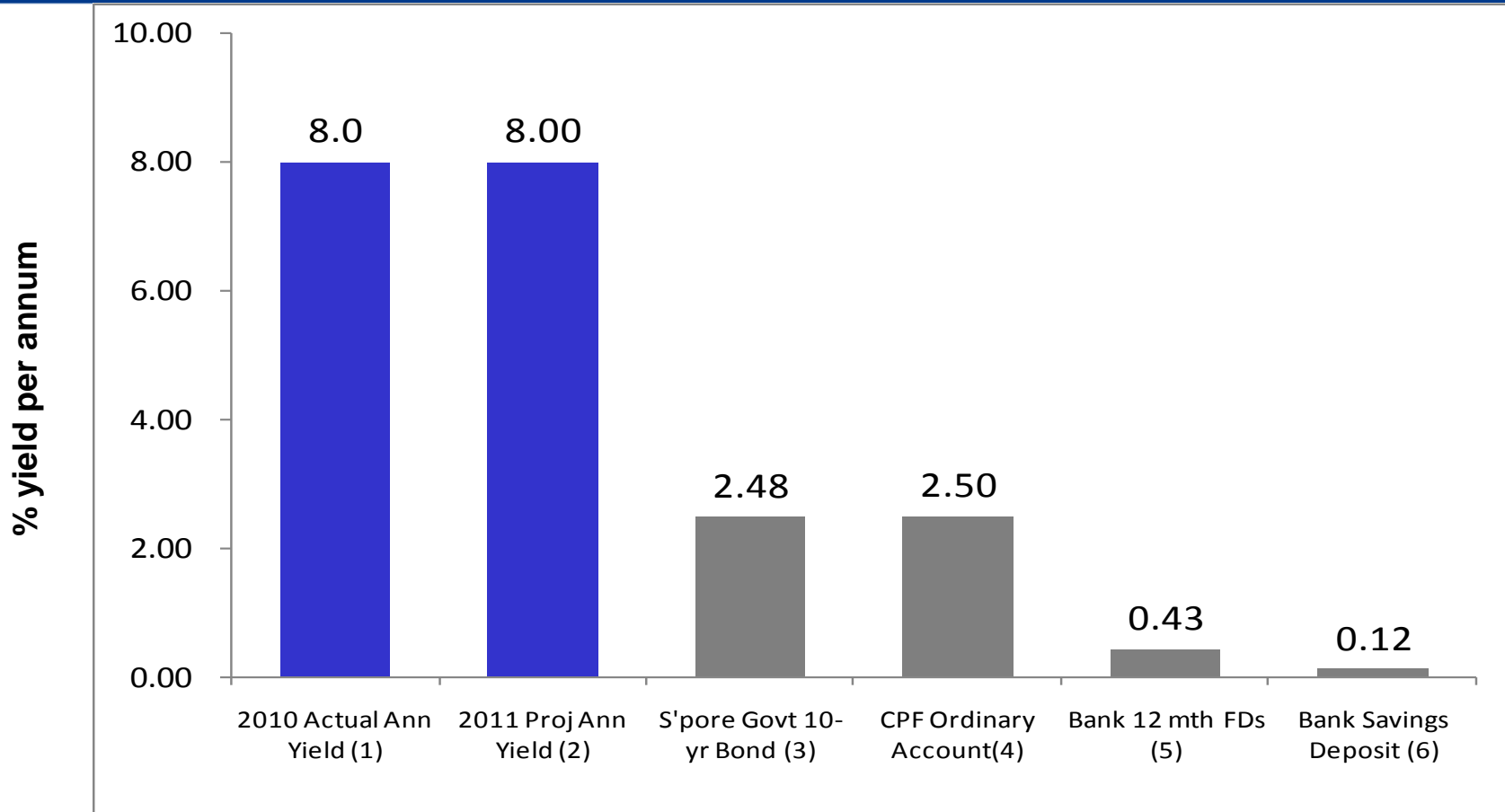


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## FIRST ANNIVERSARY

- Launched successful IPO 12 April 2010
- Delivered DPU above Forecast Year 2010
- Good Unit Trading Performance
- Capital Management Achievements
- Asset Management Achievements
- Accretive Acquisitions

# Stable and Attractive Yield



(1) Based on closing price of \$0.965 as at 31 Dec 2010 and Actual Annualised DPU of 7.726 cents for FY2010

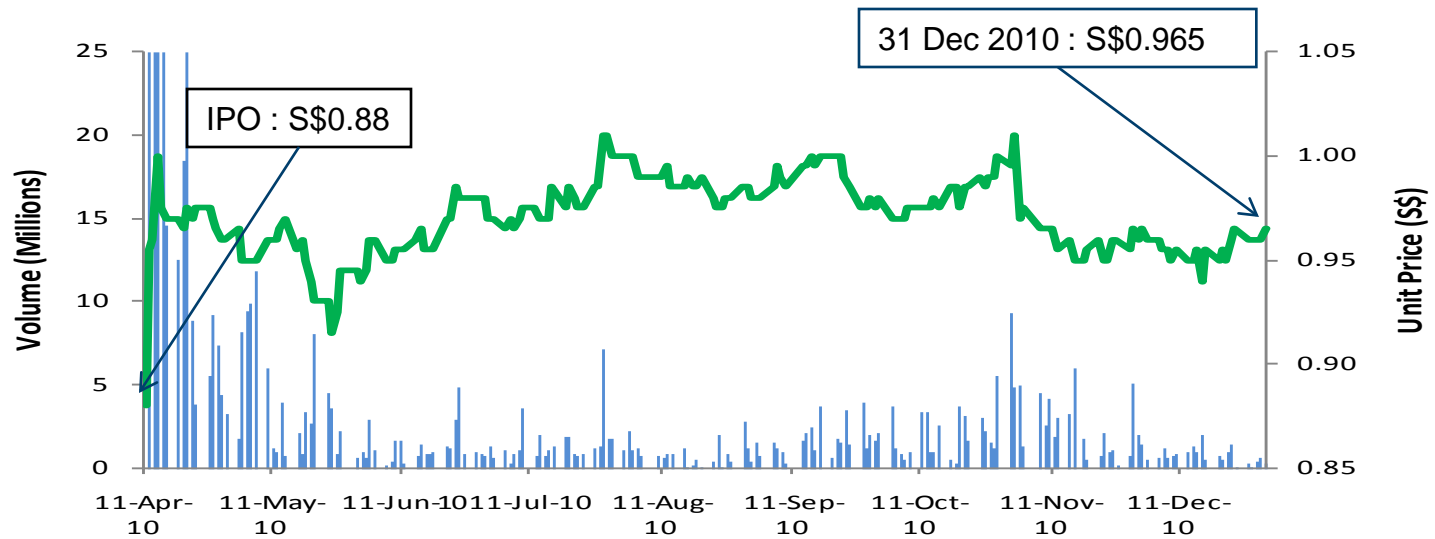
(2) Based on closing price of \$0.965 as at 31 Dec 2010 and Forecast DPU of 7.76 cents for Projection Year 2011 as stated in the Prospectus

(3) Based on Bloomberg data as at 31 Mar 2011

(4) Prevailing CPF Ordinary Account interest rate

(5) Bank 12 months fixed deposit rate as at end of Feb 2011. Source: MAS website

(6) Bank savings deposit rate as at end of Feb 2011. Source: MAS website



Source: Bloomberg

■ Daily volume traded

— Closing unit price

## Unit Performance

Capital Appreciation <sup>1</sup>	9.7%
Dividend Yield <sup>2</sup>	<u>6.3%</u>
Total Return (12 Apr to 31 Dec 2010)	<u>16.0%</u>

<sup>1</sup>Based on IPO issue price of S\$0.88 per unit and closing unit price of S\$0.965 on 31 December 2010.

<sup>2</sup>Based on total actual distribution per unit of 5.588 cents for the period 12 April 2010 to 31 December 2010 and IPO issue price of S\$0.88 per unit.

# FY2010 Financial Review



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# FY2010 Financial Results Above Forecasts

In S\$'000	Actual <sup>(1)</sup>	Forecast <sup>(2)</sup>	Fav / (Unfav) (%)
Net Property Income	41,360	41,338	0.1
Distributable Income	35,440	35,016	1.2
Distribution Per Unit (DPU)	5.588 cents	5.520 cents	1.2
Annualised DPU	7.726 cents	7.632 cents	1.2
Annualised Distribution Yield			
- IPO price of S\$0.88	8.8%	8.7%	0.1 ppts
- Closing unit price of S\$0.965 on 31 Dec 2010	8.0%	7.9%	0.1 ppts

(1) Actual refers to results for the period 12 Apr 2010 to 31 Dec 2010. Cache was a dormant private trust from the date of constitution on 11 Feb 2010 until the portfolio of 6 properties was acquired on 12 Apr 2010. Cache was officially listed on the same day on the SGX-ST. Consequently the operations of Cache commenced from 12 Apr 2010.

(2) Based on figures for the Forecast Year 2010 as stated in the prospectus prorated for the period 12 Apr 2010 to 31 Dec 2010 except for change in fair value of investment properties and transaction costs relating to an interest rate swap which are not prorated



<b>As at 31 Dec 2010</b>	<b>S\$'000</b>
Investment Properties	744,000
Other Assets	8,178
<b>Total Assets</b>	<b>752,178</b>
Debt, at amortised cost	172,658
Other Liabilities	4,402
<b>Total Liabilities</b>	<b>177,060</b>
Net assets attributable to Unitholders	575,118
Units in Issue	634,774,066
<b>NAV per Unit</b>	<b>\$0.91</b>
<b>Adjusted NAV per Unit <sup>(1)</sup></b>	<b>\$0.89</b>

(1) Excludes income available for distribution.

As at	31 Dec 2010
Borrowings	S\$178.0m
Aggregate Leverage <sup>(1)</sup>	23.7%
For the period ended	31 Dec 2010
Average all-in financing cost <sup>(2)</sup>	4.28%
Interest cover <sup>(3)</sup>	9.2 times

- 4-year, S\$178m term loan and S\$25m committed revolving credit facility
- Plain vanilla interest rate swaps in place

## SINCE YEAR-END:

- 3-year S\$40m unsecured term loan
- Established \$500m Multicurrency Medium Term Note (“MTN”) Programme

(1) Ratio of total debt over deposited properties as defined in the Property Funds Appendix of the Code on Collective Investment Schemes .

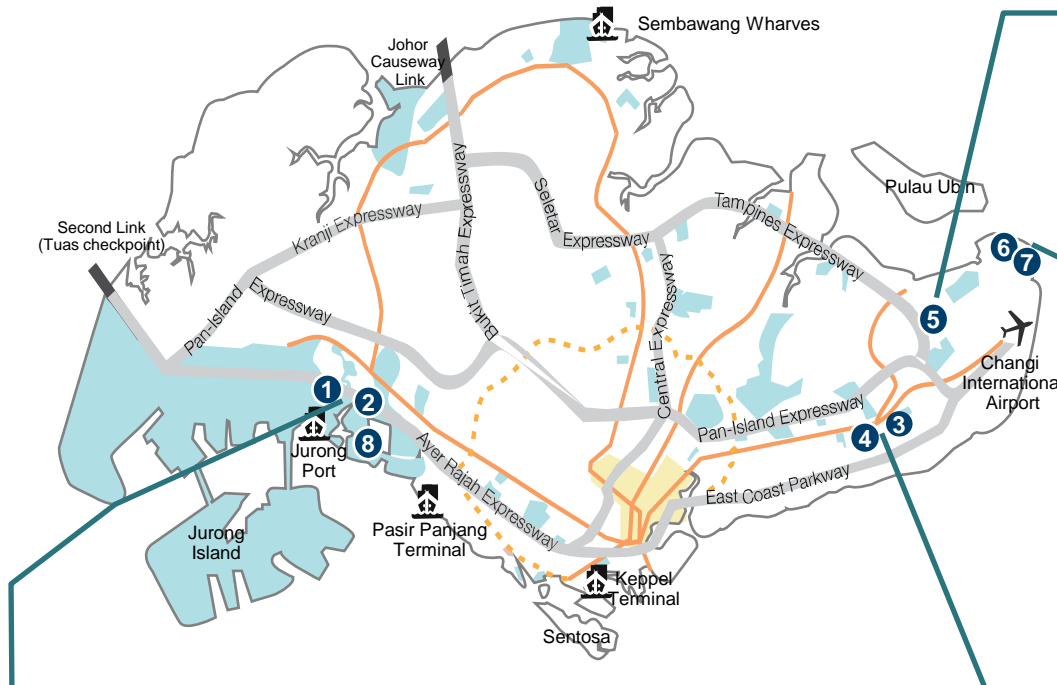
(2) Inclusive of margin and amortisation of capitalized upfront fee

(3) Ratio of NPI over interest Spread (excluding amortization and associated fees)


# Operations Review



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### Changi North



**5** 6 Changi North Way  
APC District Centre

### Airport Logistics Park ("ALPS")




**6** Schenker Megahub  
51 ALPS Avenue




**7** Hi-Speed Logistics  
40 ALPS Avenue


### Penjurong



**1** CWT Cold Hub  
2 Fishery Port Road



**2** CWT Commodity Hub  
24 Penjurong Road



**8** Kim Heng Tubulars  
4 Penjurong Lane

*Anticipated Completion in 1H11*

### Changi South



**3** C&P Changi District Centre 2  
3 Changi South Street 3



**4** C&P Changi District Centre 5  
5 Changi South Lane

## Singapore - West Zone



**CWT Commodity Hub**



**CWT Cold Hub**



**4 Penjuru Lane**

**Kim Heng**

**Single Storey**

**Penjuru**

**56,000 sf**

**S\$9.4m**

*Under Contract  
Sale to be completed in  
2Q'2011*

**Master Lessee**

**Ramp-up feature**

**Location**

**GFA (approx)**

**Valuation**

**CWT**



**Penjuru**

**Penjuru**

**2,300,000 sf**

**342,000 sf**

**S\$330.5m**

**S\$134.3m**

## Singapore - East Zone



Schenker  
Megahub

Hi-Speed  
Logistics Centre

C&P Changi  
Districentre

C&P Changi  
Districentre 2

6 Changi North  
Way

Total

Master Lessee	C&P and/or subsidiaries			APC Flextronics		
Ramp-up feature	✓	✓	✓	Cargo lift	✓	
Location	ALPS	ALPS	Changi South	Changi South	Changi North	
GFA (approx)	440,000 sf	308,000 sf	364,000 sf	106,000 sf	177,000 sf	4,037,000 sf*
Valuation	S\$102.2m	S\$71.9m	S\$85.2m	S\$19.9m	S\$32.0m	S\$776.0m *

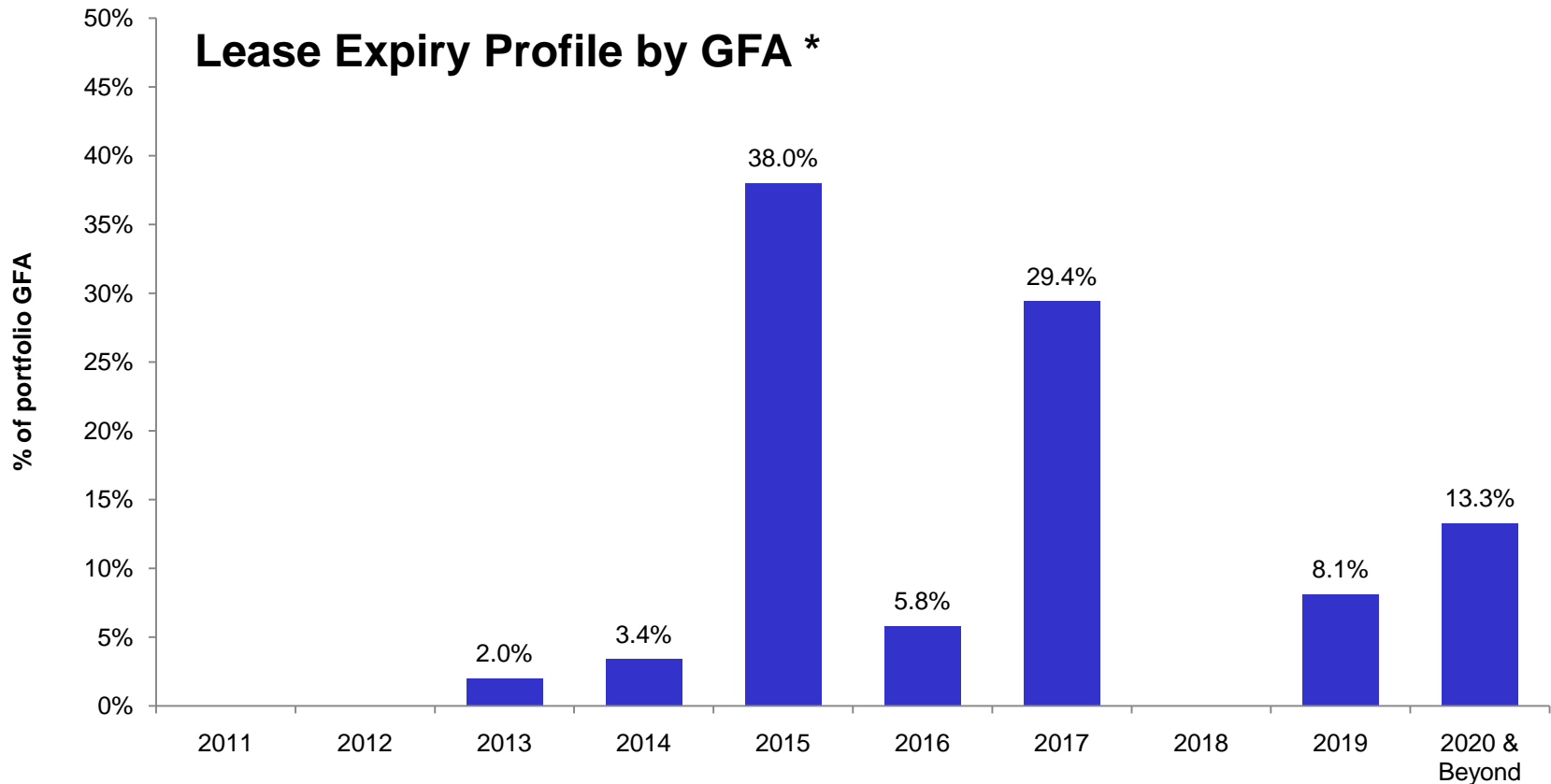
(\*) Valuation excludes 4 Penjuru Lane anticipated to close in 2Q'2011

## ▪ Accomplishments

- Branding exercise
- Attracted new quality long-term end-users
- Provided greater certainty and growth beyond current Master Leases
- Identified and executed value-add asset enhancement initiatives
- Participating in market leasing with newly acquired multi-tenanted facilities

## ▪ Successes with Master Lessees

- Secured new multinational end-users to occupy approx 350,000 sf
- Min 8-year commitment + locked-in rental escalation
- Capex employed - recovery by way of additional rental



**Weighted Average Lease Term to Expiry of 5.5 years\***

\* including both 6 Changi North Way (completed in March 2011 and 4 Penjuru Lane, assuming completion in April 2011)



# Recent Acquisitions



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- A two-storey ramp-up warehouse with a mezzanine office.
  - Located in Changi North International LogisPark
  - Ramp-up, highly efficient, good quality specifications
- Valued at S\$32 million
  - GFA: 177,000 sq ft
  - Vendor: APC Distributors Pte Ltd  
*part of Luxasia Group, a leading distributor of fragrance and beauty brands*
  - 100% leased, multi-tenanted
  - WALE of 3.3 years



Single-storey warehouse approved for chemical and dangerous goods storage with a 2-storey office annex.

Located within the established Jalan Buroh/Penjuru area

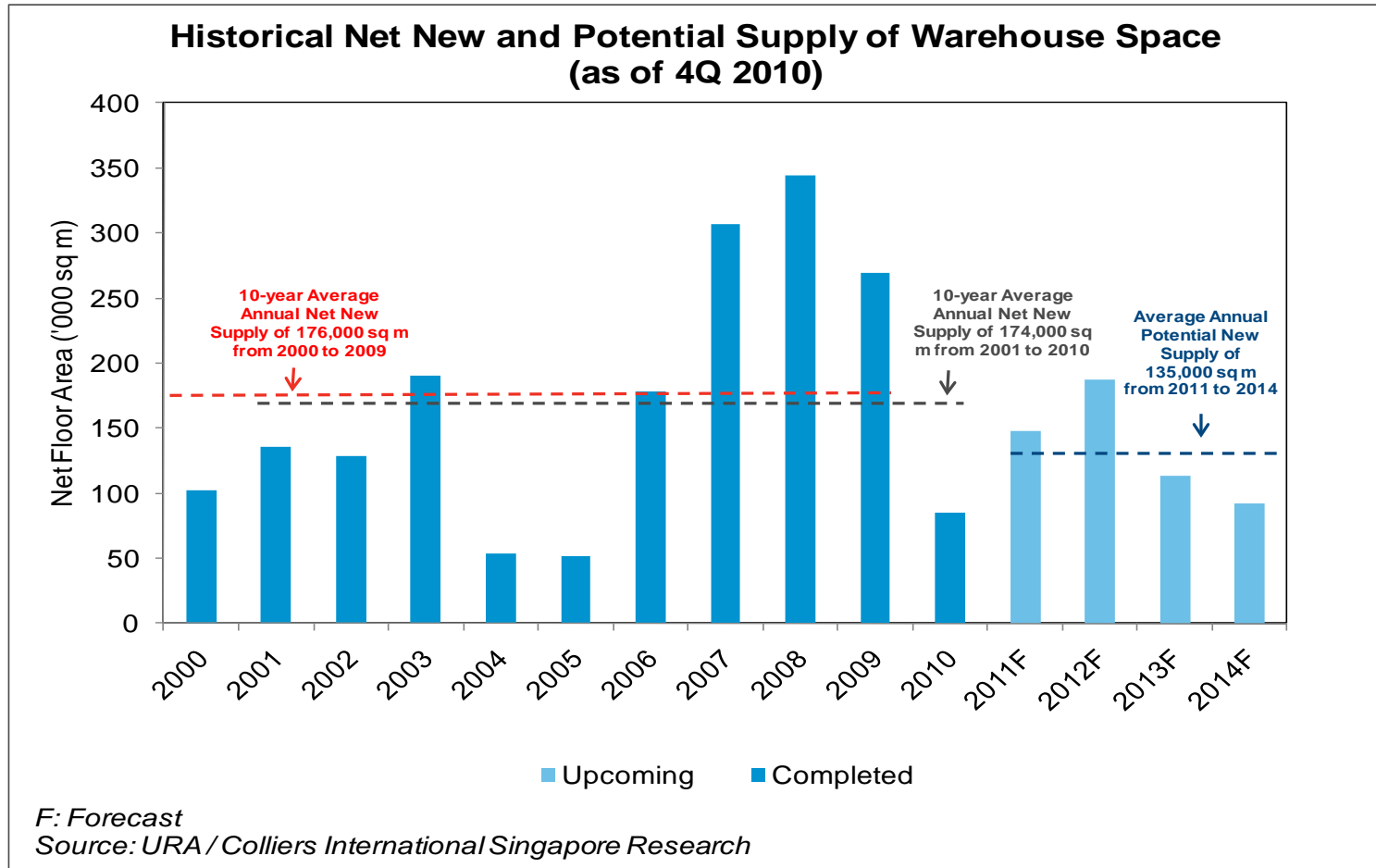
- Valued at: S\$9.2 million
- GFA: 55,000 sq.ft., potential to develop up to 158,000 sq.ft.
- Vendor / Master Lessee: Kim Heng Group  
a leading integrated supply chain and service provider for the offshore oil and gas industry
- 3-year master lease on triple-net basis
- Built-in rental escalation

- Attractive Property Yield
  - Combined NPI yield of approx 8.0%
  - Compares favourable to 7.7% for existing portfolio
- Strategic Locations – Penjuru and Changi North
  - well-located, established logistics hubs
- Properties offer
  - Enlarged no of buildings with ramp-up attributes
  - Good building specifications, high efficiency
  - unutilised plot ratio - potential future enhancement / redevelopment
  - Direct market participation as landlord with multi-tenants
- Accretive to DPU

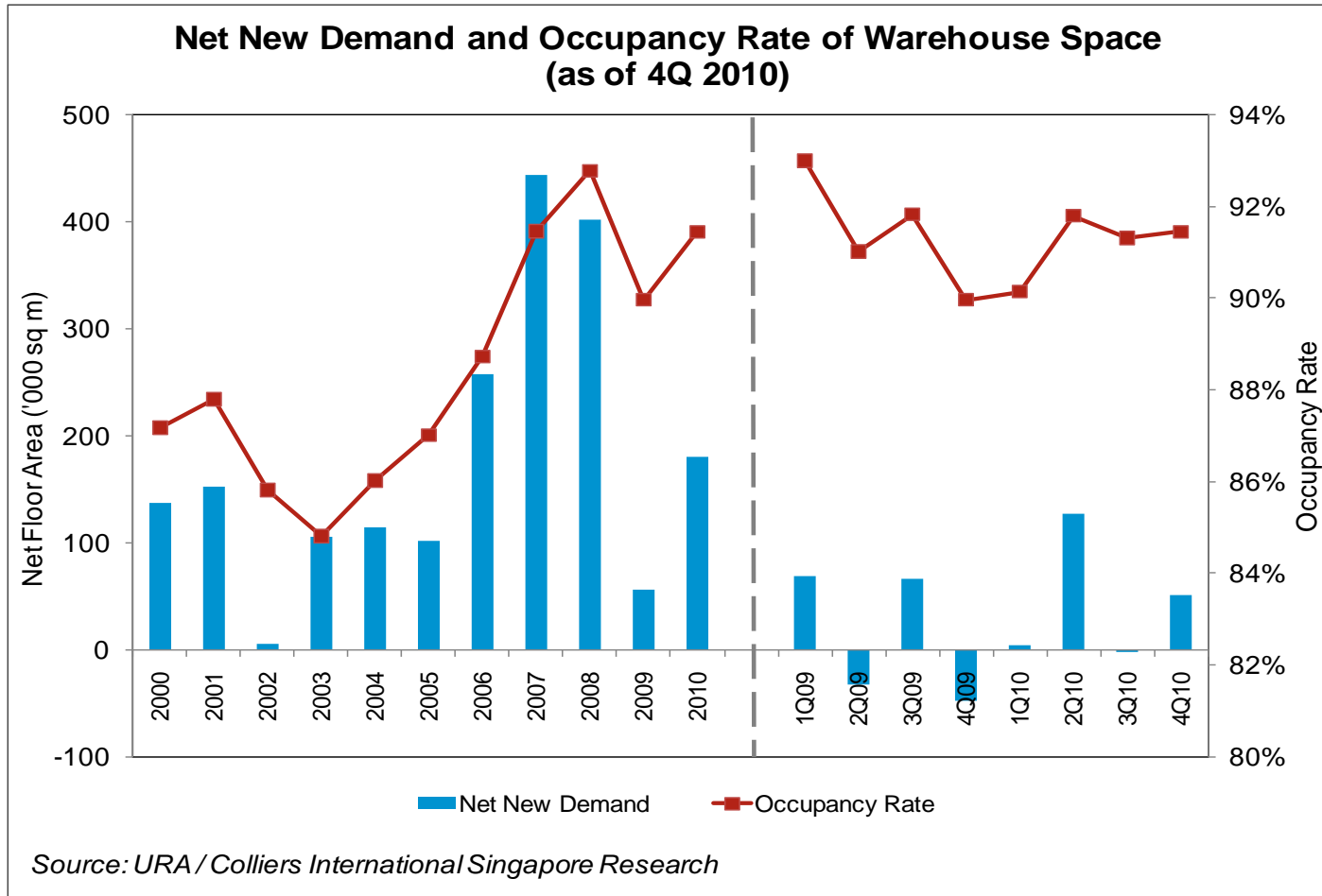
# Markets and Outlook



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- Forecast supply 2011-2014 down from 10-yr avg between 2001-2010
- Occupancy rates expected to continue to strengthen.



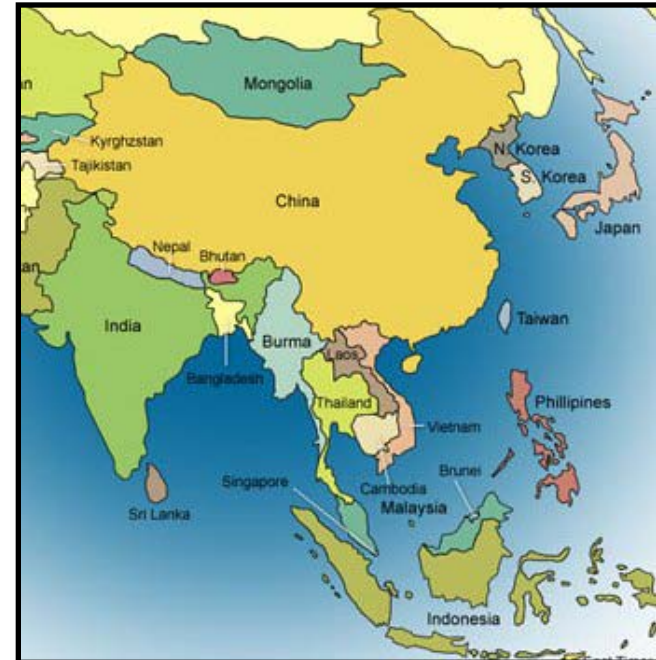
- Sustainable demand on positive figures for trade flow, manufacturing output, commodities and internal consumption

## TOP PICKS

- **SINGAPORE**
- **CHINA**
- **MALAYSIA**
- **VIETNAM**
- **INDONESIA**

## CRITERIA

- **Economic Growth**
- **Trade + Corresponding Internal Consumption**
- **Infrastructure and Property Fundamentals**
- **Sovereign and Financial Fundamentals**





## China 2020: Logistics – A Good Move

### CACHE's TOP PICKS

- GREATER SHANGHAI
- TIANJIN
- BEIJING
- CHENGDU



- 5 Primary Logistics Hubs
- 5 Secondary Logistics Hubs
- 10 Emerging Logistics Hubs
- 3 Potential Primary Logistics Hubs, 2020

## CHINA

- Positive logistics market growth
- Quality infrastructure
- Increasingly higher value-add manufacturing
- Strong internal consumption
- Increased securitization of property

## STRATEGY

- Leverage on ARA's and CWT's network
- Emphasis on location selection – follow our customers
- Focus on primary logistics hubs:  
Shanghai, Tianjin, Beijing & Chengdu
- Track events in secondary and emerging logistics hubs

- Improve Organic Growth and Sustainability
- Seek Quality Acquisitions
- Employ Appropriate Capital Structure
- Grow Distributable Income and NAV per unit
- Deliver as promised

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