



Cache Logistics Trust Extraordinary General Meeting Presentation

19 December 2014



Enduring. Evolving. Growing.

ARA CWT

ARA-CWT Trust Management (Cache) Limited

This presentation does not constitute an offer, invitation or solicitation of securities in Singapore or any other jurisdiction nor should it or any part of it form the basis of, or be relied upon in connection with, any contract or commitment whatsoever.

This presentation 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.

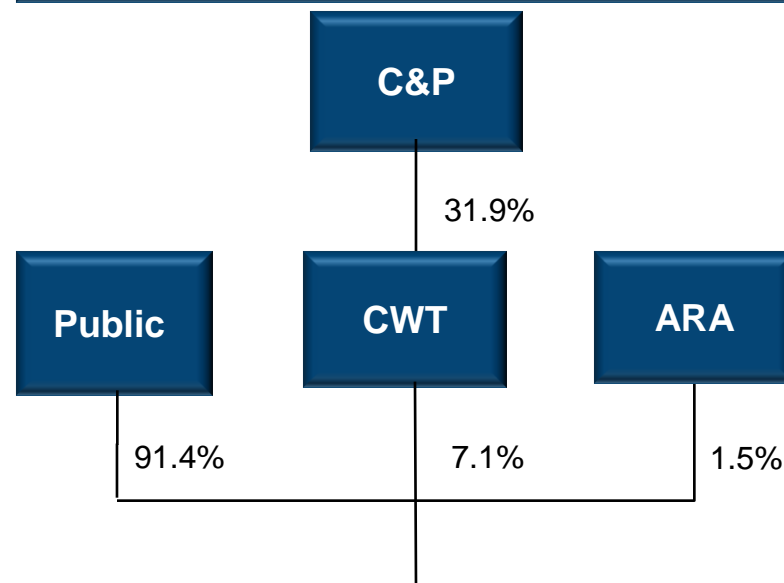
Investors should note that they will have no right to request the Manager to redeem or purchase their Units for so long as the Units are listed on Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). It is intended that holders of Units may only deal in their Units through trading on the 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.

Sponsor	CWT Limited	
REIT Manager	ARA-CWT Trust Management (Cache) Limited	
Property Manager	Cache Property Management Pte Ltd	
Issue Statistics	Listing Date	12 April 2010
	Market Cap	Approx. S\$908 mil ⁽¹⁾
Substantial Unitholders	C&P / CWT Limited	7.1%
	Newton Investment Management / Bank of New York Mellon	6.4%
	The Capital Group	5.3%
Objectives	<ul style="list-style-type: none"> Regular and stable distributions Long term growth in DPU and NAV Maintain prudent capital structure 	
Mandate	Asia Pacific	
Distribution Policy	100% of Distributable Income for 3Q 2014	
Credit Rating	Baa3 (Stable Outlook)	

Shareholding Structure

Direct interest as at 30 September 2014



(1) Based on closing price S\$1.165 and 779,559,020 issued units as at 30 September 2014.

	as at 30 September 2014
Number of Properties	<u>14 Properties</u> 12 – Singapore (completed) 1 – Singapore (incl DSC ARC* under development) 1 – China, Shanghai
Total Valuation	S\$1.04 bil est. S\$1.16 bil (incl completed value of DSC ARC)
Gross Floor Area (GFA)	5.1 mil sf 6.1 mil sf (incl DSC ARC)
Occupancy	99.5%
Number of Tenants	8 Master Lessees 4 Individual Tenants (incl DHL Supply Chain)
Building Age	6.6 years 5.5 years (incl DSC ARC)
Weighted Average Lease to Expiry (“WALE”)	3.6 years (incl DSC ARC)
Weighted Average Land Lease Expiry	30.8 years (incl DSC ARC)
Property Features	10 – Ramp-up (incl DSC ARC) 2 – Cargo Lift 2 – Single Storey
Rental Escalations built into Master Leases	1.25% to 2.50% p.a.

* DHL Supply Chain Advanced Regional Centre, or DSC ARC for short, refers to the Build-to-Suit (BTS) development for DHL Supply Chain Singapore Pte Ltd.

Resolution 1:

Entry into Renewed Master Lease Agreement and Amended Agreements for Lease for CWT Commodity Hub 6

- Lease Timeline 10
- Renewal Terms 11
- Rationale 12
- Independent Valuation and Recommendation by IFA 15

Resolution 2:

Entry into New Master Property Management Agreement 16

- Rationale 19
- Recommendation by IFA 20



Proposed Entry into the Renewed Master Lease Agreement and Amended Agreements for Lease for CWT Commodity Hub



ARA CWT

ARA-CWT Trust Management (Cache) Limited

RESOLUTION 1

Proposed entry into agreements with CWT Limited in respect of a Renewed Master Lease Agreement for CWT Commodity Hub, as well as the Amended Agreements for Lease, which will commence on the day immediately falling after the expiry of the Renewed Master Lease Agreement for:

- (i) Units #07-02 and #08-01
- (ii) Units #07-03, #07-03A (newly included), #07-04A, #07-04C, #07-05, #07-06, #08-03 and #08-04, and
- (iii) Units #03-02, #04-01, #05-01 and #06-01

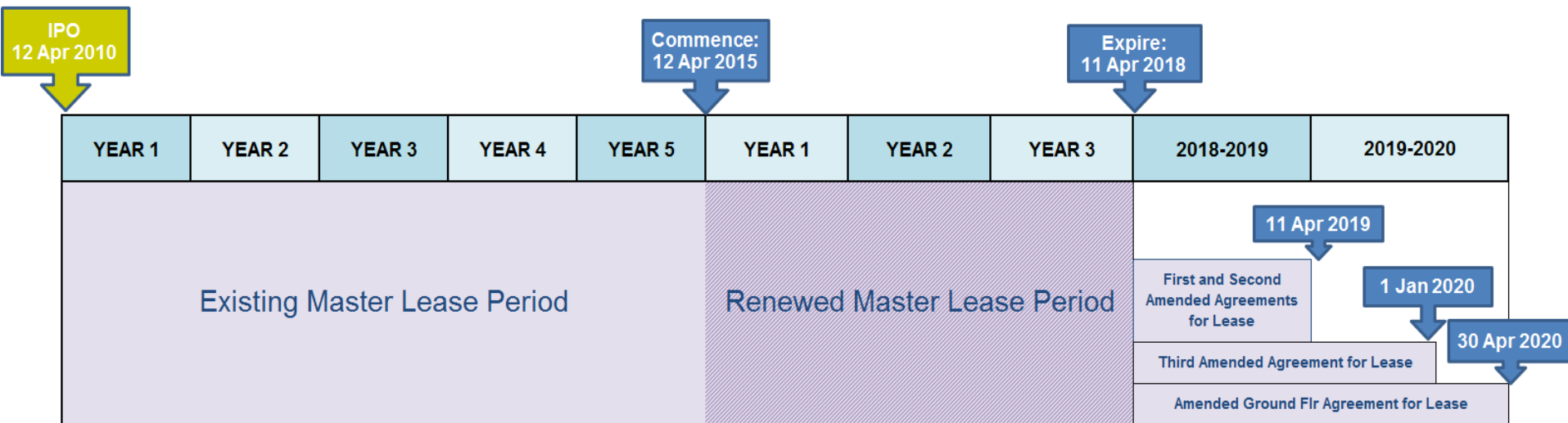


PROPERTY DETAILS

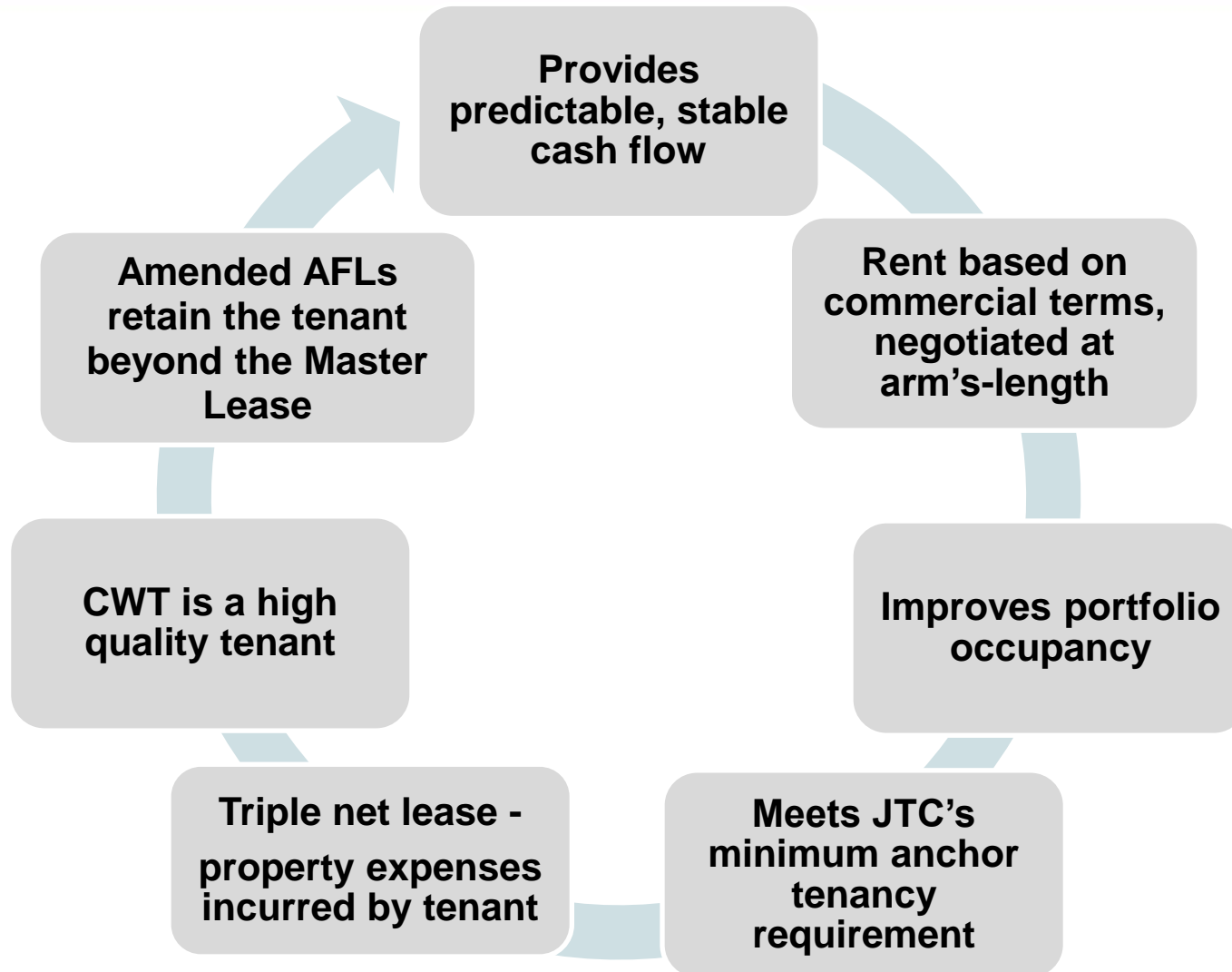
Property Type	5-storey ramp-up logistics warehouse with ancillary office facilities and container yard
Gross Floor Area (GFA)	2,295,927 sf
Land Area	918,407 sf
Latest Valuation	S\$365.0 mil (31 December 2013)
Location	Penjuru area in Jurong Industrial Estate, near PSA Terminals and Jurong Port

- Existing Master Lease at CWT Commodity Hub expires on 11 April 2015
- Renewed Master Lease Agreement is for a period of 3 years from 12 April 2015 to 11 April 2018
- At IPO and during tenure of the Existing Master Lease, several Agreements for Lease (“AFLs”) were entered into
 - AFLs provide end-users certainty of occupation for their respective space should the master lease not be renewed
- With the Renewed Master Lease Agreement, changes to the Existing AFLs are required to reflect the revised commencement date
- Rental terms and expiry dates of the Amended AFLs remain the same as under the respective Existing AFLs

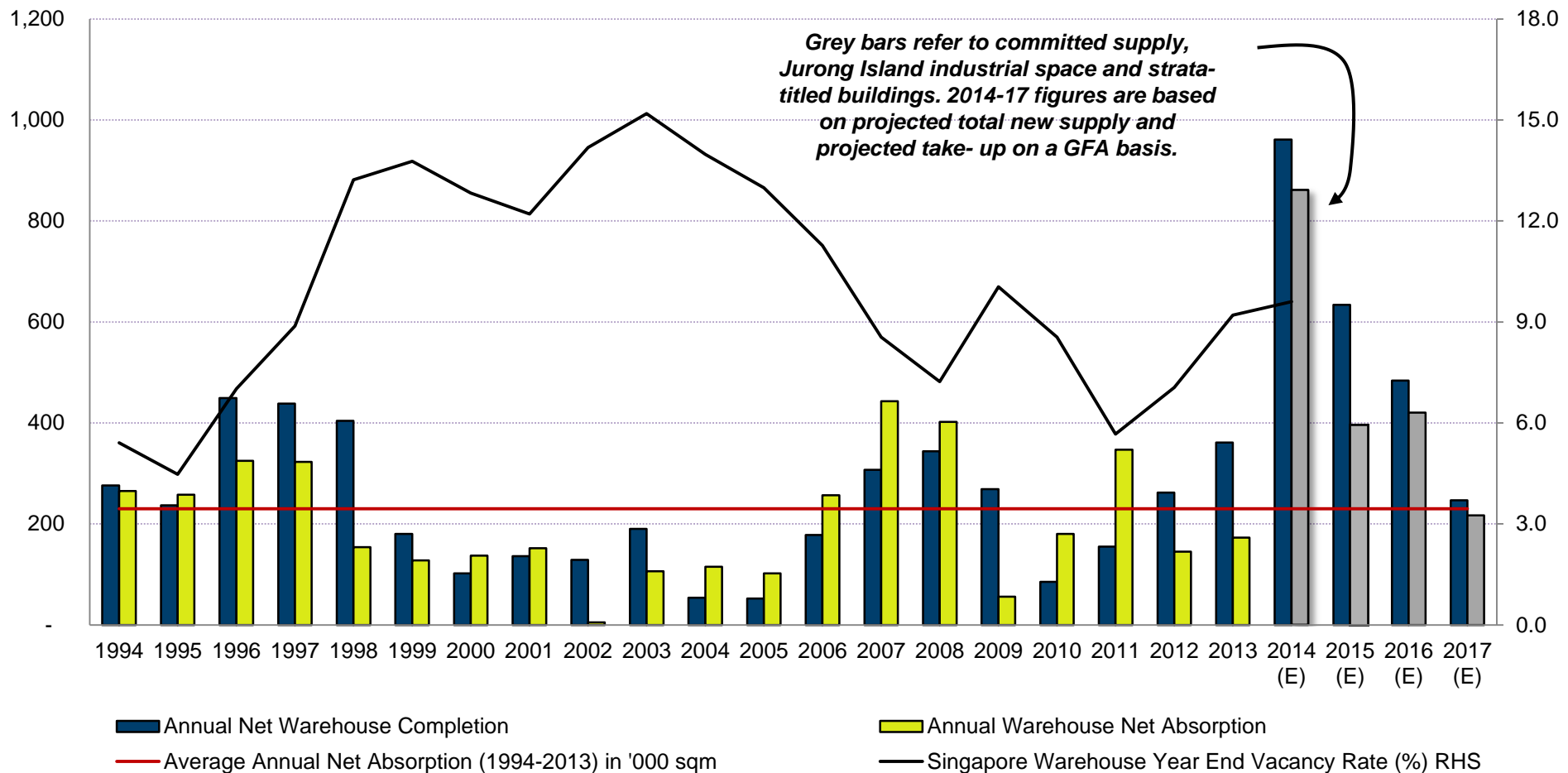
- Existing Master Lease at CWT Commodity Hub in place since 12 April 2010
- Renewed Master Lease Agreement will commence on 12 April 2015 and expire on 11 April 2018
- AFLs commence on the day immediately following the expiry of the Renewed Master Lease



- Lease Tenure: 3 years from 12 April 2015 to 11 April 2018
- Triple-net Rental:
 - Year 1: S\$1.165 per square foot per month (“psfpm”)
 - Year 2: S\$1.175 psfpm
 - Year 3: S\$1.185 psfpm
- Incentive:
 - 0.5 month’s rent-free in Year 1 and 2
 - 1.0 month’s rent-free in Year 3
- Security Deposit: 6-months’ rental
- Changes made to the Existing AFLs:
 - Inclusion of an additional unit, #07-03A
 - Commencement date to start on 12 April 2018



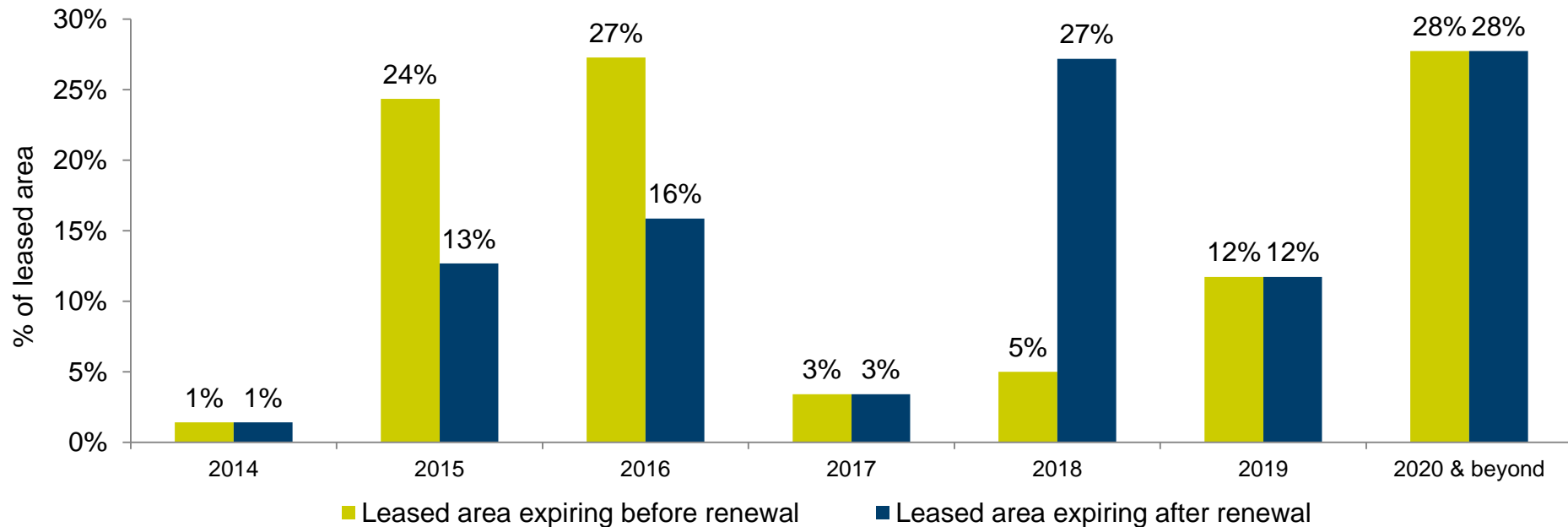
Singapore Warehouse Annual Net Completion, Absorption and Vacancy Rate (%)



Source: URA REALIS for 3Q 2014 historical data, REIT websites, ARA-CWT Trust Management (Cache) Limited internal estimates

The Renewed Master Lease:

- Reduces vacancy risk in 2015 and 2016 and
- Improves the portfolio weighted average lease to expiry (“WALE”) from 3.6 to 4.2 years



Note the WALE chart takes into account:

1. forward leases entered into with individual tenants at CWT Cold Hub, C&P Changi Districentre and C&P Changi Districentre 2, which are intended to be converted to multi-tenanted properties in April 2015
2. the committed initial 10-year lease with DHL Supply Chain Singapore Pte Ltd at DSC ARC.

- **Independent Valuer** : Jones Lang LaSalle Property Consultants Pte Ltd
 - Valuation is based on Market Rental Value, a direct comparison with recent transactions of comparable properties in the vicinity
 - Based on the Independent Valuer's appraisal, the triple net rental is S\$1.16 psfpm
 - Proposed starting triple-net rent of S\$1.165 psfpm is higher than the Independent Valuer's appraisal
 - Offering of an Incentive of 1 to 2 months' rent for a 3-year lease is normal commercial practice
- **Independent Financial Advisor**: PricewaterhouseCoopers Corporate Finance Pte Ltd
 - IFA has advised the Independent Directors to recommend that Unitholders vote in favour of the entry into the Renewed Master Lease Agreement and Amended AFLs for CWT Commodity Hub.

Proposed Entry into the New Master Property Management Agreement



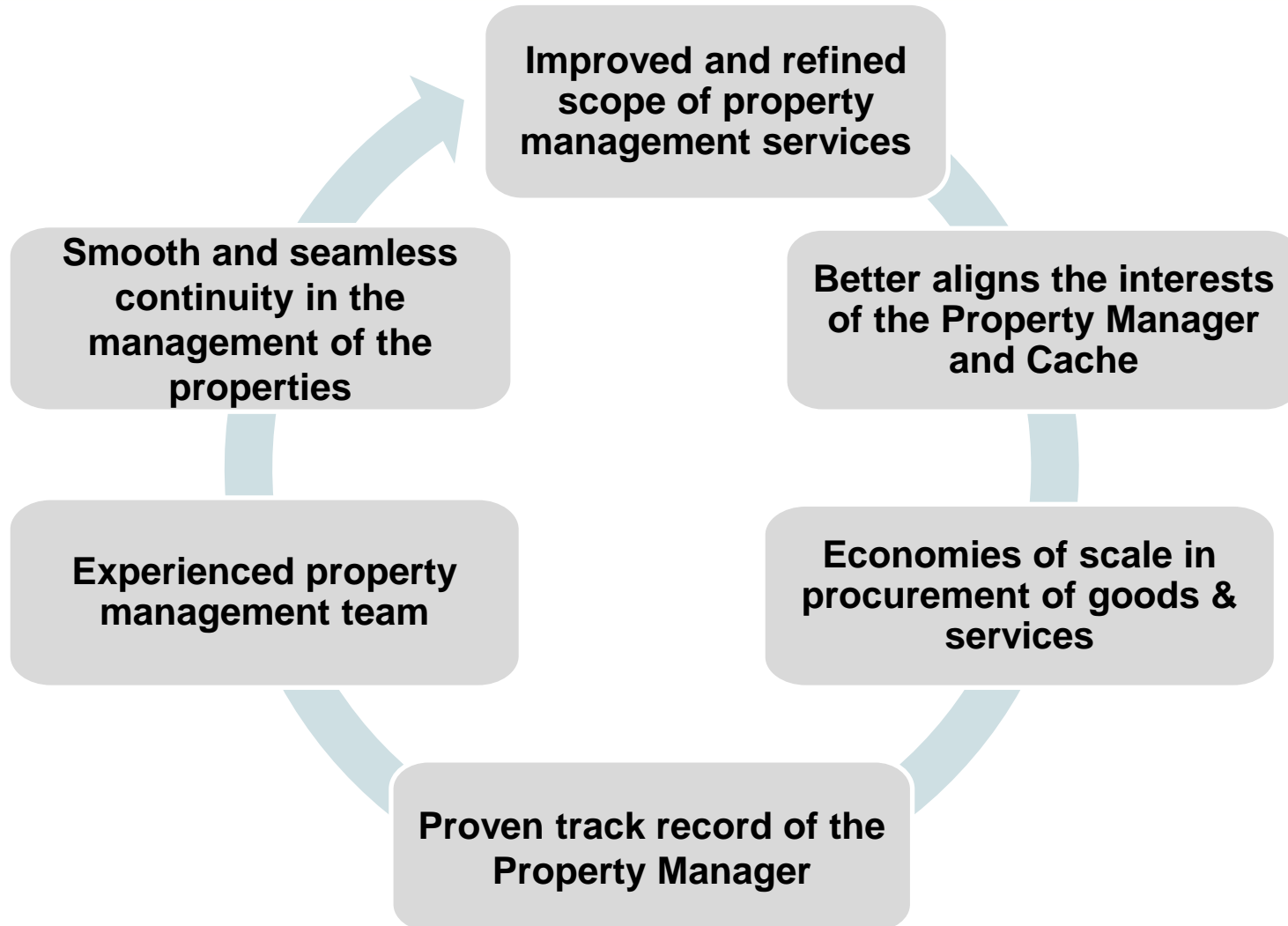
ARA CWT

ARA-CWT Trust Management (Cache) Limited

RESOLUTION 2

Proposed entry into the new Master Property Management Agreement (the “New Master PMA”) between the Trustee, the Manager and Cache Property Management Pte Ltd; and payment of all fees, expenses and reimbursements relating to or arising from the New Master PMA.

- New Master Property Management Agreement (“PMA”) is substantially similar to the Existing Master PMA, with the following exceptions:
 - Fees payable for Marketing and Property Tax Services rendered, which are in line with market;
 - Project Management Agreement, form of which is set out in the Master PMA, incorporates a more comprehensive scope of services for future enhancement and development initiatives; and
 - Extends to cover properties in China
- No changes to fee structures for Property Management, Lease management and Project Management Services
- The new Master PMA will be for a period of 5 years from 19 December 2014 (upon receiving Unitholder approval)



- **Independent Financial Advisor:** PricewaterhouseCoopers Corporate Finance Pte Ltd
 - The proposed fees, namely: property management fees, lease management fees, marketing services fees, project management fees and property tax fees, are generally in line with comparable Master PMAs of other real estate investment trusts (including stapled securities) listed on SGX-ST.

The IFA has advised the Independent Directors to recommend that Unitholders vote in favour of the entry into the New Master PMA.

Proposed Resolutions



ARA CWT

ARA-CWT Trust Management (Cache) Limited

ORDINARY RESOLUTION 1

(1) THE PROPOSED ENTRY INTO THE RENEWED MASTER LEASE AGREEMENT AND AMENDED AGREEMENTS FOR LEASE FOR CWT COMMODITY HUB

That:

(i) approval be and is hereby given for the entry into the renewed master lease agreement (the “**Renewed Master Lease Agreement**”) and (i) amended agreement for lease for units #07-02 and #08-01, (ii) amended agreement for lease for units #07-03, #07-03A #07-04A, #07-04C, #07-05, #07-06, #08-03 and #08-04 and (iii) amended agreement for lease for units #03-02, #04-01, #05-01 and #06-01 (collectively, the “**Amended Agreements for Lease**”) between HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of Cache (the “**Trustee**”) and CWT Limited as tenant of CWT Commodity Hub, as described in the circular to the unitholders of Cache “**Unitholders**”) dated 2 December 2014 (the “**Circular**”); and

(ii) ARA-CWT Trust Management (Cache) Limited, in its capacity as manager of Cache (the “**Manager**”), any director of the Manager (“**Director**”), and the Trustee be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Manager, such Director or, as the case may be, the Trustee may consider expedient or necessary or in the interests of Cache to give effect to the Renewed Master Lease Agreement and the Amended Agreements for Lease.

ORDINARY RESOLUTION 2

(2) THE PROPOSED ENTRY INTO THE NEW MASTER PROPERTY MANAGEMENT AGREEMENT

That:

(i) approval be and is hereby given for the entry into the new master property management agreement (the “**New Master PMA**”) between the Trustee, the Manager and Cache Property Management Pte. Ltd. as the property manager, as described in the Circular;

(ii) approval be and is hereby given for the payment of all fees, expenses and reimbursements relating to or arising from the New Master PMA; and

(iii) the Manager, any Director, and the Trustee be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Manager, such Director or, as the case may be, the Trustee may consider expedient or necessary or in the interests of Cache to give effect to the New Master PMA.



Cache Logistics Trust End of Presentation

19 December 2014



Enduring. Evolving. Growing.

ARA CWT

ARA-CWT Trust Management (Cache) Limited