ARA-CWT Trust Management (Cache) Limited

Cache Logistics Trust **Manager of**

PROPOSED ACQUISITION OF A WAREHOUSE IN AUSTRALIA

1. Introduction

The board of directors of ARA-CWT Trust Management (Cache) Limited, as manager of Cache Logistics Trust ("**Cache**", and as manager of Cache, the "**Manager**"), wishes to announce that HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of Cache (the "**Trustee**"), through its indirect wholly-owned sub-trust (the "**Purchaser**")[1] entered into a sale and purchase agreement (the "**SPA**") with One Funds Management Limited as trustee of Wacol Industrial Property Trust (Company Registration No. ACN 117 797 403) (the "**Vendor**") to acquire the property located at 203 Viking Drive, Wacol, Queensland, Australia (the "**Property**").

2. Information on the Property

The Property is a modern single-storey warehouse with two levels of corporate office completed in 2008. It is located approximately 18 kilometres west of the Brisbane Central Business District, and is within the established industrial precinct of Wacol with close proximity to major motorways. The land area is approximately 22,440 square metres and the gross lettable area is approximately 13,363 square metres.

The Manager and the Trustee has appointed m3property Pty Ltd (the "**Valuer**") as the independent valuer to value the Property. The Valuer has valued the Property at A$27.0 million (S$27.1 million[2]) as at 30 September 2015 using the capitalisation approach and discounted cashflow approach.

The Purchase Consideration of A$27.0 million (S$27.1 million) was negotiated on a willing-buyer and willing-seller basis, and is based on the independent valuation of the Property.

3. Rationale for the Acquisition

The Manager believes that the Acquisition will bring the following benefits to Cache:

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1 The Purchaser, Wacol (QLD) Trust, has been incorporated in Australia, with its principal activity of being investment holding, and its unit capital is A$1 comprising 1 unit.

2 For the purposes of this announcement, the S$ equivalent figures are based on an exchange rate of A$1 = S$1.0025.

3.1 Opportunity to purchase attractive and high quality property

The Acquisition represents an opportunity for Cache to acquire an attractive and high quality distribution warehouse with a freehold tenure and located in the sought-after industrial precinct in Queensland, Australia.

3.2 Income Diversification and Growth

The Acquisition are expected to benefit Unitholders by providing a secure cash flow and improving income diversification while reducing the reliance of Cache's income stream on any single country or property. In addition, the lease agreement with the tenant of the Property, being Western Star Trucks Australia Pty Ltd., promotes income growth with fixed annual rent escalation of 4% until August 2023.

3.3 Strengthens Cache's portfolio

The Property has a Weighted Average Lease to Expiry ("**WALE**") by lettable area of 7.9 years as at October 2015. The Acquisition extends the Cache portfolio WALE from 4.5 years[3] to 4.6 years.

3.4 Enlarged Portfolio

Cache will benefit from an increased portfolio size that will create a stronger and more diversified platform for further acquisition growth, primarily due to better access to both the capital markets and the debt markets.

4. Estimated Acquisition Cost

The estimated total cost of the Acquisition is A$29.5 million (S$29.6 million) ("**Acquisition Cost**") which comprises:

(i) the purchase consideration of A$27.0 million (S$27.1 million) (the "**Purchase Consideration**");

(ii) the stamp duty for the SPA of approximately A$1.56 million (S$1.56 million), computed at 5.75% of the Purchase Consideration;

(iii) the acquisition fee payable to the Manager of approximately S$0.27 million; and

(iv) professional and other fees and expenses of approximately S$0.68 million.

5. Method of Financing and Aggregate Leverage

The Manager intends to finance the Acquisition Cost through bank borrowings. Upon completion of the Acquisition, which is expected before the end of October 2015, the Aggregate Leverage of Cache will rise from 38.0% as at 30 June 2015 to 39.4%.

3 WALE (by net lettable area) as at 30 June 2015.

6. Other Information

6.1 Financial Impact

The Acquisition is not expected to have any material impact on the financial position of Cache for the current financial year

6.2 Interests of Directors and Controlling Unitholders

As at the date of this announcement, apart from their interest in the units in Cache Logistics Trust, none of the directors of the Manager or controlling unitholders of Cache has an interest, direct or indirect, in the Acquisition.

6.3 Classification under Rule 1006

A proposed acquisition by Cache Logistics Trust may fall into any of the categories set out in Rule 1004 of the Listing Manual of Singapore Exchange Securities Trading Limited (the "**SGX-ST**") depending on the size of the relative figures computed on the following applicable bases of comparison:

(i) the net profits attributable to the assets acquired, compared with Cache Logistics Trust' net profits; and

(ii) the aggregate value of the consideration given or received, compared with Cache Logistics Trust's market capitalisation based on the total number of issued Units.

The relative figures for the Acquisition using the aforesaid bases of comparison are set out in the table below.

Criteria	Cache Logistics Trust (S$ million)	The Acquisition (S$ million)	Relative Percentage (%)
The net profits attributable to the assets acquired, compared with Cache Logistics Trust's net profits	66.08[(1)]	0.28	0.42%
The aggregate value of the consideration given, compared with Cache Logistics Trust's market capitalisation based on the total number of issued Units	794.42[(2)]	29.57	3.72%

Notes:

(1) Based on FY2014 audited financial statements.

(2) The market capitalisation of Cache Logistics Trust is calculated based on the weighted average price on 8 October 2015, being the market day preceding the date of the SPA.

Based on the above, the transaction is classified as a non-discloseable transaction under the Listing Manual of the SGX-ST.

6.4 Documents for Inspection

Copies of the SPA and the valuation report are available for inspection during normal business hours (prior appointment will be appreciated) at the registered office of the Manager at 6 Temasek Boulevard, #16-02 Suntec Tower Four, Singapore 038986 at for a period of three months commencing from the date of this Announcement.

The Trust Deed will also be available for inspection at the registered office of the Manager for so long as Cache Logistics Trust continues to be in existence.

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
9 October 2015

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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 16 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 6.7 million square feet valued at approximately S$1.2 billion as at 30 June 2015.

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**").

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 1,100 professionals in 15 cities managing total assets in excess of S$26 billion.

For more information, please visit 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.

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.