Cache Logistics Trust
2018 First Quarter Unaudited Financial Statements & Distribution Announcement

INTRODUCTION

Cache Logistics Trust ("Cache") is a Singapore-based real estate investment trust constituted by the Trust Deed entered into on 11 February 2010 (as amended) between ARA-CWT Trust Management (Cache) Limited, in its capacity as the manager (the "Manager"), and HSBC Institutional Trust Services (Singapore) Limited, in its capacity as the trustee (the "Trustee"), to invest in income-producing real estate predominantly used for logistics purposes in Asia-Pacific, as well as real estate-related assets.

Cache's portfolio as at 31 March 2018 comprised of 28 high quality logistics warehouse properties located in Singapore, Australia and China (collectively "Investment Properties").

The financial information for the first quarter ended 31 March 2018 set out in this announcement has been extracted from financial information for the period from 1 January 2018 to 31 March 2018 which has been reviewed by Cache's independent auditors in accordance with Singapore Standard on Review Engagements 2410 *"Review of Interim Financial Information Performed by the Independent Auditor of the Entity"*. For the purpose of this announcement, references to "Trust" are to Cache; and references to "Group" are to Cache and its subsidiaries.

Unaudited Financial Statements Announcement
For the First Quarter ended 31 March 2018

SUMMARY OF RESULTS FOR CACHE LOGISTICS TRUST

	Notes	Group		
		1/1/18 to 31/3/18	1/1/17 to 31/3/17	Change
		S$'000	S$'000	%
Gross revenue		**29,026**	**27,058**	**7.3**
Net property income		**22,860**	**20,776**	**10.0**
Distributable amount to Unitholders		**16,145**	**16,235**	**(0.6)**
- from operations		*16,145*	*15,306*	*5.5*
- from capital	**(a)**	*-*	*929*	*nm*
Distribution per unit ("DPU") (cents) - as reported and recomputed	**(b)**	**1.507**	**1.723**	**(12.5)**
- from operations		*1.507*	*1.624*	*(7.2)*
- from capital		*-*	*0.099*	*nm*
Annualised DPU (cents)	**(c)**	**6.112**	**6.988**	**(12.5)**
Number of units issued and to be issued at end of period		**1,071,274,115**	**942,523,436**	**13.7**

Notes:

(a) Capital distribution relates to the sale proceeds from the disposal of Kim Heng warehouse in 2015.

(b) On 4 September 2017, Cache announced the launch of an underwritten and renounceable rights issue (the “Rights Issue”) of 162,565,716 new units (the “Rights Units”) to raise gross proceeds of approximately S$102.7 million. The Rights Units were issued on 9 October 2017. For comparison purposes, DPU for 1Q FY2017 was recomputed to reflect the effect of bonus element in the rights issue.

Please refer to item 6 and item 11 for further details.

(c) Extrapolated for information only. Not indicative of DPU for the respective full year ending 31 December.

1(a)(i) Statement of Total Return and Distribution Statement for the first quarter ended 31 March 2018

	Notes	Group		
		1/1/18 to 31/3/18	1/1/17 to 31/3/17	Change
Statement of Total Return		S$'000	S$'000	%
Gross revenue	(a)	**29,026**	**27,058**	**7.3**
Property expenses	(b)	(6,166)	(6,282)	(1.8)
Net property income		**22,860**	**20,776**	**10.0**
Net financing costs	(c)	(4,407)	(4,635)	(4.9)
Manager's base fee	(d)	(1,747)	(1,549)	12.8
Manager's performance fee	(d)	(343)	(312)	9.9
Trustee fees		(158)	(126)	25.4
Other trust expenses	(e)	(599)	(878)	(31.8)
Foreign exchange loss		(4,897)	(53)	nm
		(12,151)	**(7,553)**	**60.9**
Net income		**10,709**	**13,223**	**(19.0)**
Net change in fair value of financial derivatives	(f)	580	-	nm
Total return for the period before taxation and distribution		**11,289**	**13,223**	**(14.6)**
Tax expense	(g)	(372)	(343)	8.5
Total return for the period after taxation before distribution		**10,917**	**12,880**	**(15.2)**
Attributable to:				
Unitholders		10,028	12,880	(22.1)
Perpetual securities holders	(h)	889	-	nm
		10,917	**12,880**	**(15.2)**

	Notes	Group		
		1/1/18 to 31/3/18	1/1/17 to 31/3/17	Change
Distribution Statement		S$'000	S$'000	%
Total return for the period attributable to Unitholders and perpetual securities holders		**10,917**	**12,880**	**(15.2)**
Less: Amount reserved for distribution to perpetual securities holders	(h)	(889)	-	nm
Distribution adjustments:				
Manager's fees paid/payable in units	(d)	1,567	1,396	12.2
Trustee fees		101	126	(19.8)
Amortisation of transaction costs	(i)	286	366	(21.9)
Net change in fair value of financial derivatives	(f)	(580)	-	nm
Depreciation	(j)	177	241	(26.6)
Unrealised foreign exchange loss		5,079	69	nm
Commitment fee		73	77	(5.2)
51 Alps Ave compensation amount	(k)	(185)	-	nm
Other items	(l)	(42)	151	(127.8)
Net profit from subsidiaries	(m)	(4,295)	-	nm
Distribution adjustments		**2,181**	**2,426**	(10.1)
Taxable income		**12,209**	**15,306**	(20.2)
Tax exempt income (Australia)	(m)	3,936	-	nm
Income available for distribution		**16,145**	**15,306**	**5.5**
A portion of sales proceeds from the disposal of Kim Heng warehouse		-	929	nm
Total income available for distribution	(n)	**16,145**	**16,235**	**(0.6)**

nm denotes "not meaningful"

Notes:

(a) Gross revenue comprises mainly rental income from investment properties.

The increase in gross revenue for the quarter ended 31 March 2018 was mainly due to the 9 Australia warehouses which were acquired on 15 February 2018, higher revenue from Schenker new lease agreement commencing November 2017 and top-up to market rental for the quarter in line with the amicable resolution at 51 Alps Avenue, Singapore ("51 Alps Ave") as announced on 31 October 2017 as well as higher revenue from DHL Supply Chain Advanced Regional Centre ("DSC ARC"), Precise Two, Cache Cold Centre and the existing Australia portfolio. This was partly offset by lower contribution from Cache Changi Districentre 2 ("DC2"), 40 Alps Ave and Pandan Logistics Hub.

(b) Property expenses comprise property management fee, lease management fee, reimbursable expenses payable to the Property Manager, property maintenance, lease commissions and other property related expenses.

The decrease is primarily due to lower property tax, land rent and leasing commissions from the Singapore properties. This was partially offset by higher operating expenses from the existing Australia portfolio as well as the 9 Australia warehouses which were acquired on 15 February 2018.

(c) Included in the net financing costs are the following:

	Notes	Group		
		1/1/18 to 31/3/18	1/1/17 to 31/3/17	Change
		S$'000	S$'000	%
Finance income :				
Bank deposits		41	10	310.0
Finance expenses :				
Bank loans		(3,464)	(3,438)	0.8
Interest rate swaps		(591)	(762)	(22.4)
Amortisation of transaction costs	(i)	(316)	(366)	(13.7)
Others		(77)	(79)	(2.5)
Net financing costs		**(4,407)**	**(4,635)**	**(4.9)**

The decrease in net financing costs for the quarter ended 31 March 2018 was mainly due to S$99.9 million partial repayment of the Singapore dollar term loan using the proceeds of the Rights Issue in October 2017, partially offset by the S$110.0 million term loan draw down to finance the Australia acquisitions in February 2018.

(d) Manager's fee consist of:

- A base fee of 0.5% per annum of the value of the total assets; and
- A performance fee of 1.5% per annum of the Net Property Income ("NPI").

The Manager may elect to receive the base fee and performance fee in cash or Units or a combination of cash and Units (as it may in its sole discretion determine).

(e) Other trust expenses include professional fees, listing fees and other non-property related expenses. The decrease in other trust expenses for the quarter ended 31 March 2018 was mainly due to fees accrued for 51 Alps Ave's legal proceedings for the same period last year.

(f) Represents the ineffective portion of the change in fair value of interest rate swaps upon the repayment of term loan in October 2017. These have no impact on distributable income.

(g) Income tax includes withholding tax and deferred tax provided for the overseas properties. The increase was mainly attributed to withholding tax payments in relation to distributions from the Australia operations.

(h) On 1 February 2018, the Trust issued S$100.0 million of subordinated perpetual securities (the "Perpetual Securities"). The Perpetual Securities confer a right to receive distribution payments at a rate of 5.50% per annum, with the first distribution rate reset falling on 1 February 2023 and subsequent resets occurring every five years thereafter. Distributions will be payable semi-annually in arrears on a discretionary basis and will be non-cumulative in accordance with the terms and conditions of the Perpetual Securities.

(i) Represents non-tax deductible amortised upfront fees on credit facilities.

(j) Relates to depreciation of plant and equipment.

(k) As announced on 31 October 2017, Cache has received S$8.2 million ("Relevant Sum") pursuant to an amicable resolution of the legal proceedings in respect of 51 Alps Ave, Singapore to address costs and lower rental received during the Holding Arrangement and to provide rental top-up to market rental during Schenker Singapore Pte Ltd's tenancy until 31 Aug 2021. An application for advance ruling was filed with Inland Revenue Authority of Singapore ("IRAS") to treat the Relevant Sum as tax transparent. On 28 March 2018, IRAS issued a Ruling stating that tax transparency treatment would not apply on the basis that the lump sum payment is not rental income or income ancillary to the management and holding of property. The Manager will be filing a separate submission to IRAS to further substantiate its position that the Relevant Sum should be treated as a tax transparent income. In the meantime, S$0.2 million (net of relevant expenses) has been retained for the first quarter ended 31 March 2018. Cumulatively, the Trust has retained a total of S$2.1 million, net of relevant expenses, as at 31 March 2018 pending resolution on the appropriate tax treatment.

(l) Relates to specific property and finance expenses that are non-tax deductible and other tax adjustments.

(m) Adjustments to reflect income received from overseas operations by the Trust.

(n) For a Real Estate Investment Trust to maintain tax transparency (such that distributions are tax exempt to eligible Unitholders), it is required to distribute at least 90.0% of its taxable income. Currently, Cache distributes 100.0% of taxable and tax-exempt income. The dividends are distributed on a quarterly basis, no later than 60 days after the end of each distribution period.

1(b)(i) Statements of Financial Position

	Notes	Group		Trust	
		31/3/18	31/12/17	31/3/18	31/12/17
		S$'000	S$'000	S$'000	S$'000
Non-current assets					
Investment properties	(a)	1,320,936	1,137,913	920,214	917,400
Plant and equipment		2,189	2,268	1,787	1,964
Investments in subsidiaries	(b)	-	-	171,990	83,699
Total non-current assets		**1,323,125**	**1,140,181**	**1,093,991**	**1,003,063**
Current assets					
Trade and other receivables	(c)	6,628	4,763	3,936	4,143
Asset held for sale	(e)	68,918	69,000	68,918	69,000
Amounts due from subsidiaries		-	-	160,968	53,110
Derivative assets	(d)	186	38	186	38
Cash and cash equivalents		18,004	14,969	7,274	11,610
Total current assets		**93,736**	**88,770**	**241,282**	**137,901**
Total assets		**1,416,861**	**1,228,951**	**1,335,273**	**1,140,964**
Current liabilities					
Trade and other payables	(f)	(13,881)	(15,157)	(9,851)	(13,428)
Interest bearing borrowings	(g)	(116,918)	(124,993)	(116,918)	(124,993)
Derivative liabilities	(d)	(457)	(1,071)	(457)	(1,071)
Total current liabilities		**(131,256)**	**(141,221)**	**(127,226)**	**(139,492)**
Non-current liabilities					
Trade and other payables	(f)	(4,241)	(1,091)	(4,241)	(1,091)
Interest bearing borrowings	(g)	(426,176)	(319,670)	(348,038)	(238,708)
Derivative liabilities	(d)	(538)	(951)	(289)	(686)
Deferred tax liabilities		(355)	(350)	-	-
Total non-current liabilities		**(431,310)**	**(322,062)**	**(352,568)**	**(240,485)**
Total liabilities		**(562,566)**	**(463,283)**	**(479,794)**	**(379,977)**
Net assets		**854,295**	**765,668**	**855,479**	**760,987**
Represented by:					
Unitholders' funds	(h)	755,030	765,668	756,214	760,987
Perpetual securities holders' fund	(i)	99,265	-	99,265	-
		854,295	**765,668**	**855,479**	**760,987**

Notes:

(a) Represent carrying values of the investment properties, including asset enhancement initiatives, straight-line effective rental adjustments, translation differences and the carrying value of the 9 Australia warehouses which was completed on 15 February 2018.

(b) Relates to wholly-owned subsidiaries of Cache, stated at cost. The increase in the investment value represents investment in an Australia subsidiary relating to the acquisition of 9 sub-trusts in Australia.

(c) The increase in trade and other receivables were mainly due to the higher trade receivables and prepayment from the newly acquired Australia properties.

(d) Relates to the fair value of interest rate swaps and forward foreign currency contracts.

(e) As at 31 March 2018, 40 Alps Ave was classified as an Asset held for sale. The classification is required by FRS 105 Non-current Assets held for Sale and Discontinued Operations as the divestment is planned within the next 12 months from the reporting date.

(f) The increase in trade and other payables were mainly due to higher trade payables and accrued expenses in relation to the newly acquired Australia portfolio.

(g) Refer to Item 1(b)(ii), Aggregate amount of Borrowings and Debt Securities, for details.

(h) Refer to Item 1(d)(i), the Statement of Movements in Unitholders' Funds, for details. Changes were mainly due to movement in translation reserves and the effective portion of changes in fair value of cashflow hedges, return and distribution to Unitholders for the period.

(i) On 1 February 2018, the Trust issued S$100.0 million of fixed rate Perpetual Securities. The Perpetual Securities, net of issuance costs, are classified as equity instruments and recorded as equity in the Statement of Movements in Unitholder's Funds.

As at 31 March 2018, Cache's current liabilities exceeded its current assets primarily due to current borrowings. The current borrowings comprise S$94.1 million secured term loan facility, S$7.0 million Revolving Credit Facility ("RCF") and A$16.0 million term loan facilities that will expire in October 2018.

1(b)(ii) Aggregate amount of Borrowings and Debt Securities

	Group		Trust	
	31/3/18	31/12/17	31/3/18	31/12/17
	S$'000	S$'000	S$'000	S$'000
Secured borrowings				
Amount repayable within one year	101,100	108,717	101,100	108,717
Less : Unamortised transaction costs	(290)	(417)	(290)	(417)
	100,810	108,300	100,810	108,300
Amount repayable after one year	228,368	231,231	150,000	150,000
Less : Unamortised transaction costs	(824)	(957)	(594)	(688)
	227,544	230,274	149,406	149,312
Unsecured borrowing				
Amount repayable within one year	16,117	16,706	16,117	16,706
Less : Unamortised transaction costs	(9)	(13)	(9)	(13)
	16,108	16,693	16,108	16,693
Amount repayable after one year	200,000	90,000	200,000	90,000
Less : Unamortised transaction costs	(1,368)	(604)	(1,368)	(604)
	198,632	89,396	198,632	89,396
Total borrowings	543,094	444,663	464,956	363,701

Notes:

(a) The Group has in place the following Singapore dollar facilities:

- a secured 4-year term loan of S$94.1 million maturing in 2018;
- a secured 5-year term loan of S$150.0 million maturing in 2019;
- a secured committed RCF of S$65.0 million maturing in 2018;
- an unsecured 5-year term loan of S$90.0 million maturing in 2021; and
- an unsecured 5-year term loan of S$110.0 million maturing in 2023.

Other than the unsecured term loan, the remaining facilities are secured by way of:

- a first mortgage over CWT Commodity Hub, Cache Cold Centre, Schenker Megahub, Cache Changi Districentre 1, Hi-Speed Logistics Centre, Precise Two (collectively, the "Charged Properties");
- a debenture creating fixed and floating charges over all assets in relation to the Charged Properties;
- an assignment of all leases, sale agreements and banker's guarantees and bank accounts in relation to the Charged Properties;
- an assignment of all insurance policies in relation to the Charged Properties.

As at 31 March 2018, a total of S$451.1 million has been drawn.

(b) The Group has in place the following Australian dollar facilities:

- a secured 4-year term loan of A$29.3 million maturing in 2019;
- a secured 5-year term loans of A$48.5 million maturing in 2020; and
- an unsecured 3-year term loan of A$16.0 million maturing in 2018.

As at 31 March 2018, the above facilities were fully drawn.
Other than the unsecured term loan, the remaining facilities are secured by way of a legal mortgage and charges over 5 Australian properties, namely Chester Hill (NSW), Somerton (VIC), Coopers Plains (QLD), Wacol (QLD) and Kidman Park (SA).

During the quarter, the Group had repaid a secured A$14.0 million term loan using internal source of funds and the second mortgages over Chester Hill (NSW), Somerton (VIC), Coopers Plains (QLD) have been discharged accordingly.

1(c) Statement of Cash Flows

	Notes	Group	
		1/1/18 to 31/3/18	1/1/17 to 31/3/17
		S$'000	S$'000
Cash flows from operating activities			
Total return for the period before taxation and distribution		11,289	13,223
Adjustments for:			
Manager's fees paid/payable in units		1,567	1,396
Depreciation		211	241
Net financing costs	(a)	4,407	4,635
Net change in fair value of financial derivatives		(580)	-
Loss on disposal of plant and equipment		-	21
Changes in working capital :			
Trade and other receivables		(4,568)	(702)
Trade and other payables		1,840	(619)
Cash generated from operations		**14,166**	**18,195**
Tax paid		(304)	(255)
Net cash from operating activities		**13,862**	**17,940**
Cash flows from investing activities			
Interest received		41	10
Acquisition of investment properties, net of cash acquired	(b)	(193,987)	-
Capital expenditure on investment properties	(c)	(1,102)	(328)
Purchase of plant and equipment		(127)	-
Purchase of investment properties	(d)	-	(25,438)
Net proceeds from disposal of investment property	(e)	-	25,273
Net cash used in investing activities		**(195,175)**	**(483)**
Cash flows from financing activities			
Proceeds from issuance of perpetual securities	(f)	100,000	-
Issue costs paid in relation to perpetual securities	(g)	(735)	-
Proceeds from borrowings	(h)	117,000	7,000
Repayment of borrowings	(i)	(14,435)	(10,000)
Interest paid		(4,113)	(4,336)
Financing costs paid		(825)	-
Distributions to Unitholders		(17,079)	(16,658)
Net cash from/(used) in financing activities		**179,813**	**(23,994)**
Net decrease in cash and cash equivalents		**(1,500)**	**(6,537)**
Cash and cash equivalents at the beginning of the period		**14,969**	**13,561**
Effect of exchange differences on cash and cash equivalents		**4,535**	**71**
Cash and cash equivalents at the end of the period		**18,004**	**7,095**

Notes:

(a) Refer to 1(a)(i)(c)

(b) Net cash outflow on acquisition of subsidiaries is set out as below:

	Group	
	1/1/18 to 31/3/18	1/1/17 to 31/3/17
	S$'000	S$'000
Investment properties (including acquisition costs)	192,812	-
Other assets	1,726	-
Accrued expenses	(482)	-
Other liabilities	(69)	-
Net identifiable assets acquired	193,987	-
Net cash outflow	193,987	-

(c) Represents asset enhancement initiatives for existing investment properties.

(d) Amount incurred for the acquisition of a warehouse in Australia which was completed on 22 March 2017.

(e) Net proceeds from the disposal of Cache Changi Districentre 3.

(f) Represents proceeds from the perpetual securities issued on 1 February 2018.

(g) Represents professional fees and other costs incurred in relation to the issuance of the perpetual securities.

(h) Represents drawdown of S$110 million term loan in February 2018 to finance the Australia acquisitions and drawdown of RCF for working capital purposes.

(i) Represents the repayment of A$14.0 million secured term loan that matured in February 2018.

1(d)(i) Statements of Movements in Unitholders' Funds

	Notes	Group	
		1/1/18 to 31/3/18	1/1/17 to 31/3/17
		S$'000	S$'000
Unitholders' Funds			
Balance at the beginning of the period		**765,668**	**701,138**
Operations			
Total return for the period after tax, attributable to Unitholders and perpetual securities holders		10,917	12,880
Less: Total return for the period after tax, attributable to perpetual securities holders		(889)	-
Net increase in net assets from operations		**10,028**	**12,880**
Effective portion of changes in fair values of cashflow hedges	(a)	454	(1,142)
Foreign currency translation reserve			
Translation differences from financial statements of foreign entities		(6,240)	1,168
Net (loss)/gain recognised directly in Unitholders' funds		**(5,786)**	**26**
Unitholders' transactions			
Units to be issued:			
- Manager's base fees payable in units	(b)	1,310	1,162
Distributions to Unitholders		(17,079)	(16,658)
Net decrease in net assets resulting from Unitholders' transactions		**(15,769)**	**(15,496)**
Unitholders' funds at the end of the period		**754,141**	**698,548**
Perpetual Securities Holders' Funds			
Balance at the beginning of the period		**-**	**-**
Issue of perpetual securities		100,000	-
Issue costs		(735)	-
Total return attributable to perpetual securities holders		889	-
Balance as at the end of the period		**100,154**	**-**
Total		**854,295**	**698,548**

	Notes	Trust	
		1/1/18 to 31/3/18	1/1/17 to 31/3/17
		S$'000	S$'000
Balance at the beginning of the period		**760,987**	**699,943**
Operations			
Total return for the period after tax, attributable to Unitholders and perpetual securities holders		**10,558**	**12,281**
Less: Total return for the period after tax, attributable to perpetual securities holders		**(889)**	**-**
Net increase in net assets from operations		**9,669**	**12,281**
Effective portion of changes in fair value of cashflow hedges	(a)	**438**	**(986)**
Unitholders' transactions			
Units to be issued:			
- Manager's base fees payable in units	(b)	1,310	1,162
Distributions to Unitholders		(17,079)	(16,658)
Net decrease in net assets resulting from Unitholders' transactions		**(15,769)**	**(15,496)**
Unitholders' funds at the end of the period		**755,325**	**695,742**
Perpetual Securities Holders' Funds			
Balance at the beginning of the period		**-**	**-**
Issue of perpetual securities		100,000	-
Issue costs		(735)	-
Total return attributable to perpetual securities holders		889	-
Balance as at the end of the period		**100,154**	**-**
Total		**855,479**	**695,742**

Notes:

(a) Relates to the effective portion of changes in fair values of derivative assets and liabilities designated as cashflow hedges.

(b) Represents the value of units to be issued to the Manager as partial consideration of the Manager's base fees incurred for the quarter ended 31 March 2018. The units are to be issued within 30 days from the quarter-end.

1(d)(ii) Details of any changes in the units

	Notes	Group and Trust	
		1/1/18 to 31/3/18	1/1/17 to 31/3/17
		Units	Units
Issued units at the beginning of the period/year		1,069,700,408	900,450,086
Units to be issued:			
- Manager's base fees payable in units	(b)	1,573,707	1,399,915
Total issued and to be issued units		**1,071,274,115**	**901,850,001**

Notes:

(a) Represents units to be issued to the Manager as partial consideration of Manager's base fees incurred for the quarter ended 31 March 2018. The units are to be issued within 30 days from the quarter-end.

2 Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice

The figures have not been audited but have been reviewed by our auditors in accordance with Singapore Standard on Review Engagements 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*".

3 Where the figures have been audited, or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Please see attached review report.

4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited financial statements have been applied

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with the audited financial statements for the year ended 31 December 2017.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group has adopted new Financial Reporting Standards in Singapore ("FRSs") and interpretations effective for the financial period beginning 1 January 2018 as follows:

(i) FRS 115 *Revenue from Contracts with Customers*

FRS 115 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It also introduces new cost guidance which requires certain costs of obtaining and fulfilling contracts to be recognised as separate assets when specified criteria are met.

There was no significant impact to the financial statements of the Group. Accordingly, comparative financial information presented in this set of announcement has not been restated.

(ii) FRS 109 *Financial Instruments*

FRS 109 introduces new requirements for classification and measurement of financial assets, impairment of financial assets, and hedge accounting.

FRS 109 includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements.

There was no change in measurement basis arising from the adoption of the new classification and measurement model. In assessing for impairment losses on financial assets, the Group has adopted the simplified approach and recorded lifetime expected losses on all trade receivables using the expected credit loss model.

There was no significant impact to the financial statements of the Group. Accordingly, the Group did not recognise any adjustments to the opening unitholders' funds on 1 January 2018.

The Group's existing hedges that are designated in effective hedging relationships continue to qualify for hedge accounting under FRS 109.

6 Earnings Per Unit ("EPU") and Distribution Per Unit ("DPU") for the financial period

EPU

	Notes	Group		
		1/1/18 to 31/3/18	1/1/17 to 31/3/17 Recomputed (d)	1/1/17 to 31/3/17 Previously reported
Weighted average number of units		1,069,717,894	941,076,641	900,465,641
Earnings per unit for the period based on the weighted average number of units issued and to be issued (cents)	(a)	1.02	1.37	1.43
Weighted average number of units on the fully diluted basis		1,071,583,032	941,076,641	900,465,641
Earnings per unit for the period based on the fully diluted basis (cents)	(b)	1.02	1.37	1.43

Notes:

(a) Basic EPU calculation has been calculated by dividing the total return for the period after tax by the weighted average number of units issued and to be issued.

(b) Diluted EPU calculation has been calculated by dividing the total return for the period after tax by the weighted average number of units issued and to be issued, adjusted on the basis that the Manager's base and performance fees units were issued at the beginning of the period.

DPU

In computing the DPU, the number of units as at the end of each period is used for the computation.

	Notes	Group		
		1/1/18 to 31/3/18	1/1/17 to 31/3/17 Recomputed (c)	1/1/17 to 31/3/17 Previously reported
Number of units issued and to be issued at end of period entitled to distribution	(a)	1,071,274,115	942,523,436	901,850,001
DPU based on the total number of units entitled to distribution (cents)	(b)	1.507	1.723	1.800

Notes:

(a) Computation of DPU for the period from 1 January 2018 to 31 March 2018 is based on the number of units entitled to distribution:

(i) Number of units in issue as at 31 March 2018 of 1,069,700,408; and

(ii) Units to be issued to the Manager by 30 April 2018 as partial consideration of Manager's base fees incurred for the quarter ended 31 March 2018 of 1,573,707.

(b) Distribution of 1.507 cents per unit for the period 1 January 2018 to 31 March 2018 will be paid on 28 May 2018.

(c) DPU for 1Q FY2017 was recomputed to reflect the effect of bonus element in the Rights Issue for comparison purposes.

7 Net Asset Value ("NAV") per unit at the end of the period

	Notes	Group		Trust	
		31/3/2018 (a)	31/12/2017 (b)	31/3/2018 (a)	31/12/2017 (b)
NAV per unit attributable to Unitholders (S$)	(a)	0.71	0.72	0.71	0.71

Notes:

(a) NAV per unit is computed based on the net assets attributable to Unitholders. Number of units used to compute NAV per unit as at 31 March 2018 was 1,071,274,115 comprising the number of units in issue as at 31 March 2018 of 1,069,700,408 and units to be issued to the Manager as partial consideration of Manager's base fees incurred for the quarter ended 31 March 2018 of 1,573,707.

(b) Number of units used to compute NAV per unit as at 31 March 2017 was 901,850,001 comprising the number of units in issue as at 31 March 2017 of 900,450,086 and units to be issued to the Manager as partial consideration of Manager's base fees incurred for the quarter ended 31 March 2017 of 1,399,915.

8 (i) Review of the performance for the quarter ended 31 March 2018

Gross revenue for the quarter-ended was S$29.0 million, an increase of S$2.0 million or 7.3% compared to 1Q FY2017. The higher revenue was mainly due to the 9 newly acquired Australia warehouses on 15 February 2018, Schenker new lease agreement, DSC ARC, Precise Two, Cache Cold Centre and the existing Australia portfolio. This was partly offset by lower contribution from DC2, 40 Alps Ave and Pandan Logistics Hub.

NPI for the quarter was S$22.9 million, an increase of S$2.1 million or 10.0% compared to 1Q FY2017. The increase in NPI was mainly due to higher revenue for the portfolio and lower property expenses from the Singapore properties, partially offset by higher property expenses from the enlarged Australia portfolio.

Net financing costs for the quarter were S$4.4 million, 4.9% lower than 1Q FY2017. The decrease in net financing costs for the quarter compared to 1Q FY2017 was mainly due to S$99.9 million partial repayment of the Singapore dollar term loan using the proceeds of the Rights Issue in October 2017. This was partially offset by the S$110.0 million term loan draw down in February 2018 to finance the Australia acquisitions. All-in-financing cost averaged 3.50% for the quarter and the aggregate leverage stood at 38.5% as at 31 March 2018.

Distributable income in 1Q FY2018 amounted to S$16.1 million, 0.6% lower compared to the corresponding period last year, due to the absence of a capital distribution in 1Q FY18 (1Q FY17: S$929,000). Removing the capital distribution paid in 1Q 2017, the income available for distribution was up 5.5%. For the quarter, approximately S$0.2 million (net of relevant expenses) is currently pending resolution with IRAS on the appropriate tax treatment, and would be distributed in the relevant future quarter once confirmation is obtained from IRAS. Cumulatively, the Trust have retained a total of S$2.1 million (net of relevant expenses) as at 31 March 2018.

9 Variance between the projection and actual results

The current results are broadly in line with the Trust's commentary made in the fourth quarter 2017 financial results announcement under Item 10. The Trust has not disclosed any financial forecast to the market.

10 Commentary on the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

Based on advance estimates from the Ministry of Trade & Industry, Singapore's economy grew by 4.3% on a year-on-year basis in 1Q 2018, higher than the 3.6% growth in 4Q 2017[1]. The manufacturing sector was the key growth driver in the first quarter[2].

According to JTC statistics, Singapore warehouse rents fell on average 1.0% quarter-on-quarter (QoQ) and 5.7% on a year-on-year basis. Warehouse occupancy improved 1.6ppt QoQ to 89.1%. According to Colliers International, stronger leasing demand in tandem with growth in manufacturing GDP and export volumes, alongside an easing supply pipeline, should stabilise rents in 2018[3].

The Reserve Bank of Australia kept the cash rate unchanged in April 2018 at 1.5%. The Australian economy grew by 2.4% in 2017. The Bank expects faster growth in 2018 as business conditions are positive and non-mining business investment is increasing and higher levels of public infrastructure investment are also supporting the economy. Despite the temporary weakness in exports at the end of 2017, stronger growth in exports is expected this year[4].

In 1Q 2018, Cache completed the acquisition of a nine-property, 1.5 million-square-foot portfolio in Australia for A$177.6 million. The acquisition not only provides income and geographical diversification but also strengthens the Cache portfolio with properties that enjoy a longer weighted average lease to expiry (WALE), increases the overall portfolio occupancy and further enhances Cache's base of high-quality logistics tenants and end-users.

In line with the continuing portfolio rebalancing and growth strategy, the Manager announced the proposed divestment of Hi-Speed Logistics Centre at 40 Alps Ave, Singapore on 18 January 2018. The sale consideration of S$73.8 million is above its last valuation of S$69.0 million[5]. The Manager intends to utilise the net sale proceeds to reduce debt, with a view to reinvest capital into higher value-adding assets to generate sustainable earnings. As at 31 March 2018, the committed portfolio occupancy remained strong at 97.3% and the WALE by net lettable area was 3.5 years.

As part of its proactive capital management strategy, Cache issued S$100 million in perpetual securities on 1 February 2018 to assist in the funding of the recent Australian portfolio acquisition. Cache's aggregate leverage stood at 38.5% as at 31 March 2018. Post the repayment of debt from the net proceeds received from the divestment of Hi-Speed Logistics Centre, the aggregate leverage ratio will be reduced to 35.2%.

The Manager remains focused on proactive lease and asset management to maintain high occupancy and optimise overall returns. As part of its portfolio rebalancing and growth strategy, the Manager will continue to pursue opportunities for strategic acquisitions and asset enhancement initiatives to grow its portfolio and earnings over time.

[1] Ministry of Trade and Industry, Press Release, 13 April 2018.
[2] The Straits Times, "Singapore economy grew 4.3% in Q1 of 2018, boosted by strong manufacturing growth, 13 April 2018.
[3] Colliers International Singapore Research, Singapore 2018 Market Outlook, "2018 Broadening growth", 27 February 2018.
[4] Reserve Bank of Australia, Statement by Philip Lowe, Governor: Monetary Policy Decision, 3 April 2018.
[5] As at 31 December 2017.

11 Distributions

(a) Current financial period

Any distribution declared for the current period? Yes

Name of distribution: Distribution for the period from 1 January 2018 to 31 March 2018

Distribution Type:

Distribution Income Period	**1/1/18 to 31/3/18**
Distribution Type	cents
Tax exempt income component	0.201
Taxable income component	1.306
Total	1.507

Number of units entitled to distribution: 1,071,274,115

Par value of units: Not meaningful

Tax rate:

Tax exempt income component

The tax-exempt income component of the distribution is exempt from tax in the hands of all Unitholders.

Taxable income component

Distributions are derived from Cache's taxable income. Unitholders receiving distributions will be assessable to Singapore income tax on the distributions received except for individuals where these distributions are exempt from tax.

Distributions made to individuals, irrespective of their nationality or tax residence status, who hold units as investment assets will be tax exempt. However, distributions made to individuals who hold units as trading assets or through a partnership in Singapore will be taxed at their applicable income tax rates.

All Unitholders who are not individuals are subject to Singapore income tax / withholding tax on distributions of Cache.

Remarks: Nil

(b) Corresponding period of the immediately preceding financial year

Any distribution declared for the previous corresponding financial period?	Yes
Name of distribution:	Distribution for the period from 1 January 2017 to 31 March 2017

Distribution Type:

Distribution Income Period	**1/1/17 to 31/3/17**
Distribution Type	cents
Tax exempt income component	0.250
Taxable income component	1.447
Capital component	0.103
Total	1.800

Number of units entitled to distribution:	901,850,001
Par value of units:	Not meaningful

Tax rate:

Tax exempt income component
The tax-exempt income component of the distribution is exempt from tax in the hands of all Unitholders.

Taxable income component
Distributions are derived from Cache's taxable income. Unitholders receiving distributions will be assessable to Singapore income tax on the distributions received except for individuals where these distributions are exempt from tax.

Distributions made to individuals, irrespective of their nationality or tax residence status, who hold units as investment assets will be tax exempt. However, distributions made to individuals who hold units as trading assets or through a partnership in Singapore will be taxed at their applicable income tax rates.

All Unitholders who are not individuals are subject to Singapore income tax / withholding tax on distributions of Cache.

Capital component
The capital component of the distribution represents a return of capital to Unitholders for tax purposes and is therefore not subject to income tax. For Unitholders holding units as trading assets, the amount of capital distribution will be applied to reduce the cost base of their Units for the purpose of calculating the amount of taxable trading gains arising from the disposal of the Units.

Remarks: Nil

(c)	**Date Payable**	28 May 2018
(d)	**Books Closure Date / Record Date**	4 May 2018

12 If no distribution has been declared/(recommended), a statement to that effect

Not applicable.

13 Interested Party Transaction Mandate

Cache does not have in place a general mandate for interested party transactions.

14 Confirmation pursuant to Rule 705(5) of the Listing Manual

To the best of our knowledge, nothing has come to the attention of the Board of Directors of the Manager of Cache (the "Manager") which may render the unaudited interim financial statements of the Group and Trust (comprising the statements of financial position as at 31 March 2018, statements of total return & distribution statements, statement of cash flows and statements of movements in Unitholders' funds for the quarter ended on that date), together with their accompanying notes, to be false or misleading, in any material aspect.

15 Confirmation pursuant to Rule 720(1) of the Listing Manual

The Board of Directors of the Manager hereby confirms that the undertakings from all its directors and executive officers as required in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual were procured.

This release 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.

BY ORDER OF THE BOARD
ARA-CWT TRUST MANAGEMENT (CACHE) LIMITED
AS MANAGER OF CACHE LOGISTICS TRUST
(Company registration no. 200919331H)

Lim Hwee Chiang
Director
25 April 2018

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The Board of Directors
ARA-CWT Trust Management (Cache) Limited
(in its capacity as manager of Cache Logistics Trust)
6 Temasek Boulevard
#16-02 Suntec Tower 4
Singapore 038986

25 April 2018

Cache Logistics Trust
Review of Interim Financial Information

We have reviewed the accompanying Interim Financial Information of Cache Logistics Trust (the "Trust") and its subsidiaries (collectively the "Group") for the quarter ended 31 March 2018. The Interim Financial Information consists of the following:

- Statements of financial position of the Group and the Trust as at 31 March 2018;
- Portfolio statements of the Group and the Trust as at 31 March 2018;
- Statement of total return of the Group for the quarter ended 31 March 2018;
- Distribution statement of the Group for the quarter ended 31 March 2018;
- Statements of movements in unitholders' funds of the Group and the Trust for the quarter ended 31 March 2018;
- Statement of cash flows of the Group for the quarter ended 31 March 2018; and
- Certain explanatory notes to the above financial information.

The management of ARA-CWT Trust Management (Cache) Limited (the "Manager" of the Trust) is responsible for the preparation and presentation of this Interim Financial Information in accordance with the provisions of the Statement of Recommended Accounting Practice ("RAP") 7 *Reporting Framework for Unit Trusts* issued by the Institute of Singapore Chartered Accountants. Our responsibility is to express a conclusion on this Interim Financial Information based on our review.

Scope of review

We conducted our review in accordance with Singapore Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of the interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

KPMG LLP (Registration No. T08LL1267L), an accounting limited liability partnership registered in Singapore under the Limited Liability Partnership Act (Chapter 163A) and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Interim Financial Information is not prepared, in all material respects, in accordance with the provisions of RAP 7 issued by the Institute of Singapore Chartered Accountants.

Restriction of Use

Our report is provided in accordance with the terms of our engagement. Our work was undertaken so that we might report to you on the Interim Financial Information for the purpose of assisting the Trust to meet the requirements of paragraph 3 of Appendix 7.2 of the Singapore Exchange Limited Listing Manual and for no other purpose. Our report is included in the Trust's announcement of its Interim Financial Information for the information of its unitholders. We do not assume responsibility to anyone other than the Trust for our work, for our report, or for the conclusions we have reached in our report.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
25 April 2018