Cache Logistics Trust
2017 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 2017 comprised of 19 high quality logistics warehouse properties located in Singapore, China and Australia (collectively "Investment Properties").

The financial information for the first quarter ended 31 March 2017 set out in this announcement has been extracted from financial information for the period from 1 January 2017 to 31 March 2017 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.

SUMMARY OF RESULTS FOR CACHE LOGISTICS TRUST

	Notes	Group		
		1/1/17 to 31/3/17	1/1/16 to 31/3/16	Change
		S$'000	S$'000	%
Gross revenue		**27,058**	**27,868**	**(2.9)**
Net property income		**20,776**	**22,051**	**(5.8)**
Distributable amount to Unitholders		**16,235**	**18,248**	**(11.0)**
- from operations		*15,306*	*16,601*	*(7.8)*
- from capital	**(a)**	*929*	*1,647*	*(43.6)*
Distribution per unit ("DPU") (cents)	**(b)**	**1.800**	**2.039**	**(11.7)**
- from operations		*1.697*	*1.855*	*(8.5)*
- from capital		*0.103*	*0.184*	*(44.0)*
Annualised DPU (cents)	**(c)**	**7.300**	**8.201**	**(11.0)**
Number of units issued and to be issued at end of period entitled to distribution		**901,850,001**	**894,943,144**	**0.8**

Notes:

(a) A portion of sale proceeds from the disposal of Kim Heng warehouse of S$0.93 million for the quarter which is classified as capital distribution from a tax perspective.

(b) 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 2017

	Notes	Group		
Statement of Total Return		1/1/17 to 31/3/17 S$'000	1/1/16 to 31/3/16 S$'000	Change %
Gross revenue	(a)	**27,058**	**27,868**	**(2.9)**
Property expenses	(b)	(6,282)	(5,817)	8.0
Net property income		**20,776**	**22,051**	**(5.8)**
Net financing costs	(c)	(4,635)	(4,838)	(4.2)
Manager's base fee	(d)	(1,549)	(1,649)	(6.1)
Manager's performance fee	(d)	(312)	(331)	(5.7)
Trustee fees		(126)	(127)	(0.8)
Valuation fee		(38)	(16)	137.5
Other trust expenses	(e)	(840)	(492)	70.7
Foreign exchange loss		(53)	(32)	65.6
		(7,553)	**(7,485)**	**0.9**
Total return for the period before taxation and distribution		**13,223**	**14,566**	**(9.2)**
Tax expense	(f)	(343)	(396)	(13.4)
Total return for the period after taxation before distribution		**12,880**	**14,170**	**(9.1)**

	Notes	Group		
Distribution Statement		1/1/17 to 31/3/17 S$'000	1/1/16 to 31/3/16 S$'000	Change %
Total return for the period after taxation before distribution		**12,880**	**14,170**	**(9.1)**
Distribution adjustments:				
Manager's fees paid/payable in units	(d)	1,396	1,485	(6.0)
Trustee fees		126	127	(0.8)
Amortisation of transaction costs	(g)	366	428	(14.5)
Depreciation	(h)	241	212	13.7
Unrealised foreign exchange loss		69	11	527.3
Commitment fee		77	57	35.1
Other items	(i)	151	111	36.0
Distribution adjustments		**2,426**	**2,431**	(0.2)
Income available for distribution to Unitholders at the end of the period		**15,306**	**16,601**	**(7.8)**
A portion of sales proceeds from the disposal of Kim Heng warehouse		929	1,647	(43.6)
Distributable amount to Unitholders	(j)	**16,235**	**18,248**	**(11.0)**

Notes:

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

The decrease in gross revenue for the quarter ended 31 March 2017 was mainly due to the sale of Cache Changi Districentre 3 (''DC3'') on 23 January 2017 and lower income from 51 Alps Avenue, Singapore ("51 Alps Ave"), which is the subject of legal proceedings.

In relation to 51 Alps Ave, on 26 September 2016 the Manager and the Trustee entered into a Holding Arrangement with C&P Land Pte Ltd (''C&P Land'') and Schenker Singapore (Pte) Ltd (''Schenker''). The Holding Arrangement involves, amongst others, Schenker paying Cache S$0.77 per square foot per month from 1 September 2016 pending resolution of the Court proceedings. The receipt of said income by Cache remains under protest.

(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 increase is primarily due to higher land rent, property tax, maintenance expenses, lease commission and other property-related expenses involved in the conversion of master leased premises into multi-tenancies.

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

	Notes	Group		
		1/1/17 to 31/3/17	1/1/16 to 31/3/16	Change
		S$'000	S$'000	%
Finance income :				
Bank deposits		10	13	(23.1)
Interest rate swaps		-	24	nm
Finance expenses :				
Bank loans		(3,438)	(4,353)	(21.0)
Interest rate swaps		(762)	-	nm
Amortisation of transaction costs	(g)	(366)	(428)	(14.5)
Others		(79)	(94)	(16.0)
Net financing costs		**(4,635)**	**(4,838)**	**(4.2)**

The decrease in net financing costs for the quarter ended 31 March 2017 was mainly due to lower SOR rates and interest saving from the refinanced $90 million unsecured term loan.

(d) 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 increase in other trust expenses is mainly due to the fees accrued for the legal proceedings on 51 Alps Ave and other professional fees.

(f) Mainly due to withholding tax in relation to distributions from the Australian operations.

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

(h) Relates to depreciation of plant and equipment.

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

(j) The current distribution policy is to distribute 100.0% of taxable and tax-exempt income. 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. 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	
		31/3/17	31/12/16	31/3/17	31/12/16
		S$'000	S$'000	S$'000	S$'000
Non-current assets					
Investment properties	(a)	1,241,315	1,210,902	1,019,754	1,018,500
Plant and equipment		2,849	3,116	2,574	2,810
Investments in subsidiaries	(c)	-	-	83,699	73,310
Derivative assets	(d)	-	43	-	43
Total non-current assets		**1,244,164**	**1,214,061**	**1,106,027**	**1,094,663**
Current assets					
Trade and other receivables		5,609	5,411	4,148	4,549
Asset held for sale	(b)	-	25,273	-	25,273
Amounts due from subsidiaries		-	-	54,553	38,776
Derivative assets	(d)	45	-	45	-
Cash and cash equivalents		7,095	13,561	4,152	10,562
Total current assets		**12,749**	**44,245**	**62,898**	**79,160**
Total assets		**1,256,913**	**1,258,306**	**1,168,925**	**1,173,823**
Current liabilities					
Trade and other payables	(e)	(14,580)	(13,855)	(12,768)	(11,977)
Interest bearing borrowings	(f)	(1,678)	(4,628)	(1,678)	(4,628)
Derivative liabilities	(d)	-	(20)	-	(20)
Total current liabilities		**(16,258)**	**(18,503)**	**(14,446)**	**(16,625)**
Non-current liabilities					
Trade and other payables		(1,643)	(2,102)	(1,643)	(2,102)
Interest bearing borrowings	(f)	(537,109)	(534,237)	(454,395)	(453,397)
Derivative liabilities	(d)	(3,061)	(1,962)	(2,699)	(1,756)
Deferred tax liabilities		(294)	(364)	-	-
Total non-current liabilities		**(542,107)**	**(538,665)**	**(458,737)**	**(457,255)**
Total liabilities		**(558,365)**	**(557,168)**	**(473,183)**	**(473,880)**
Net assets		**698,548**	**701,138**	**695,742**	**699,943**
Represented by:					
Unitholders' funds	(g)	**698,548**	**701,138**	**695,742**	**699,943**

Notes:

(a) Represent carrying values of the investment properties, including asset enhancement initiatives, effective rental adjustments and translation differences, and the carrying value of the newly acquired warehouse in Australia which was completed on 23 March 2017.

(b) As at 31 December 2016, Cache Changi Districentre 3 was classified as Asset held for sale. This 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. It represents the carrying value net of transaction costs (valuation as at 31 December 2016 was S$25.5 million). The transaction was completed on 23 January 2017.

(c) Relates to wholly-owned subsidiaries of Cache, stated at cost. The increase in the investment value represents the additional investment in a new Australian subsidiary relating to the acquisition of a warehouse in Australia which was completed on 23 March 2017.

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

(e) Includes Manager's performance fee. Manager may elect to receive the performance fee in cash or Units or a combination of cash and Units (as it may in its sole discretion determine), which will crystalise not more frequent than once every financial year.

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

(g) 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 changes in fair value of cashflow hedges, return and distribution to unitholders for the period.

As at 31 March 2017, Cache's current liabilities exceeded its current assets was due to current borrowings and accrued expenses. The current borrowings are committed revolving credit facilities that will expire in 2018.

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

	Group		Trust	
	31/3/17	31/12/16	31/3/17	31/12/16
	S$'000	S$'000	S$'000	S$'000
Secured borrowings				
Amount repayable within one year	2,000	5,000	2,000	5,000
Less : Unamortised transaction costs	(322)	(372)	(322)	(372)
	1,678	4,628	1,678	4,628
Amount repayable after one year	433,034	430,848	349,951	349,617
Less : Unamortised transaction costs	(2,267)	(2,531)	(1,898)	(2,140)
	430,767	428,317	348,053	347,477
Unsecured borrowing				
Amount repayable after one year	107,086	106,706	107,086	106,706
Less : Unamortised transaction costs	(744)	(786)	(744)	(786)
	106,342	105,920	106,342	105,920
Total borrowings	538,787	538,865	456,073	458,025

Notes:

(a) Cache has in place the following facilities:
- a secured 4-year term loan of S$185.0 million maturing in 2018;
- a secured 5-year term loan of S$150.0 million maturing in 2019; and
- a secured committed revolving credit facility of S$65.0 million maturing in 2018.

The above 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 of 31 March 2017, a total of S$337.0 million has been drawn.

(b) Cache also has in place the following facility consisting of:
- an unsecured 5-year term loan of S$90.0 million maturing in 2021

As of 31 March 2017, the above facility was fully drawn.

(c) The Group has in place the following facilities consisting of:
- secured 3-year term loans of A$14.0 million, maturing in 2018;
- secured 4-year term loan of A$29.3 million maturing in 2019
- 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.

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).

As of 31 March 2017, the above facilities were fully drawn.

1 (c) Statement of Cash Flows

	Notes	Group	
		1/1/17 to 31/3/17	1/1/16 to 31/3/16
		S$'000	S$'000
Cash flows from operating activities			
Total return for the period before taxation and distribution		13,223	14,566
Adjustments for:			
Manager's fees paid/payable in units		1,162	1,485
Depreciation		241	212
Net financing costs	(a)	4,635	4,838
Loss on disposal of fixed assets		21	-
Changes in working capital :			
Trade and other receivables		(702)	(1,909)
Trade and other payables		(385)	(1,498)
Cash generated from operating activities		**18,195**	**17,694**
Tax paid		(255)	(366)
Net cash from operating activities		**17,940**	**17,328**
Cash flows from investing activities			
Interest received		10	13
Capital expenditure on investment properties	(b)	(328)	(9)
Purchase of plant and equipment		-	(181)
Purchase of investment property	(c)	(25,438)	-
Net proceeds from disposal of investment property	(d)	25,273	-
Net cash used in investing activities		**(483)**	**(177)**
Cash flows from financing activities			
Net proceeds from borrowings	(e)	7,000	-
Repayment of borrowings	(f)	(10,000)	(4,000)
Interest paid		(4,336)	(4,419)
Distributions to Unitholders		(16,658)	(10,489)
Net cash used in financing activities		**(23,994)**	**(18,908)**
Net decrease in cash and cash equivalents		**(6,537)**	**(1,757)**
Cash and cash equivalents at the beginning of the period		**13,561**	**8,054**
Effect of exchange differences on cash and cash equivalents		**71**	**(2)**
Cash and cash equivalents at the end of the period		**7,095**	**6,295**

Notes:

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

(b) Asset enhancement initiatives for existing investment properties.

(c) Amount incurred for the newly acquired warehouse in Australia which was completed on 23 March 2017.

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

(e) Represent drawdown from revolving credit.

(f) Repayment of borrowings from the S$ revolving credit facility.

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

	Notes	Group	
		1/1/17 to 31/3/17	1/1/16 to 31/3/16
		S$'000	S$'000
Balance at the beginning of the period/year		**701,138**	**786,510**
Operations			
Total return after tax		**12,880**	**14,170**
Effective portion of changes in fair value of cashflow hedges	(a)	(1,142)	(4,757)
Foreign currency translation reserve			
Translation differences from financial statements of foreign entities		1,168	(767)
Net gain/(loss) recognised directly in Unitholders' fund		**26**	**(5,524)**
Unitholders' transactions			
Units to be issued:			
- Manager's base fees payable in units	(b)	1,162	1,237
Distributions to unitholders		(16,658)	(10,489)
Net (decrease)/increase in net assets resulting from unitholders' transactions		**(15,496)**	**(9,252)**
Unitholders' funds at the end of the period/year		**698,548**	**785,904**

	Notes	Trust	
		1/1/17 to 31/3/17	1/1/16 to 31/3/16
		S$'000	S$'000
Balance at the beginning of the period/year		**699,943**	**793,608**
Operations			
Total return after tax		**12,281**	**14,028**
Effective portion of changes in fair value of cashflow hedges	(a)	**(986)**	**(4,544)**
Unitholders' transactions			
Issue of new units			
Units to be issued:			
- Manager's base fees payable in units	(b)	1,162	1,237
Distributions to unitholders		(16,658)	(10,489)
Net (decrease)/increase in net assets resulting from unitholders' transactions		**(15,496)**	**(9,252)**
Unitholders' funds at the end of the period/year		**695,742**	**793,840**

Notes:

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

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

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

	Notes	Group and Trust	
		1/1/17 to 31/3/17	1/1/16 to 31/3/16
		Units	Units
Issued units at the beginning of the period		900,450,086	893,472,054
Units to be issued:			
- Manager's base fees payable in units	(a)	1,399,915	1,471,090
Total issued and to be issued units		**901,850,001**	**894,943,144**

Notes:

(a) Represent units to be issued to the Manager as partial consideration of Manager's fees incurred for the quarter. 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 financial information set out in this announcement relating to the following:

- Statements of Financial Position of the Group and the Trust as at 31 March 2017;
- Statements of Total Return of the Group for the quarter ended 31 March 2017;
- Distribution Statements of the Group for the quarter ended 31 March 2017;
- Statements of Movements in Unitholders' Fund of the Group and the Trust for the quarter ended 31 March 2017; and
- Statement of Cash Flows of the Group for the quarter ended 31 March 2017.

have been extracted from financial information for the period from 1 January 2017 to 31 March 2017 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*".

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

Refer to the attachment for the extract of the independent auditors' review report dated 20 April 2017 issued on the financial information of Cache for the quarter ended 31 March 2017, which has been prepared in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "*Reporting Framework for Unit Trusts*", issued by Institute of Singapore Chartered Accountants.

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

On 1 January 2017, the Group adopted the revised Statement of Recommended Accounting Practice 7 issued by the Institute of Singapore Chartered Accountants which had no significant impact to the financial statements.

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.

On 1 January 2017, the Group adopted the revised Statement of Recommended Accounting Practice 7 issued by the Institute of Singapore Chartered Accountants which had no significant impact to the financial statements.

6 Earnings per unit ("EPU") and Distribution per unit ("DPU") for the financial period

Earnings per unit

	Notes	Group	
		1/1/17 to 31/3/17	1/1/16 to 31/3/16
Weighted average number of units		900,465,641	893,488,220
Earnings per unit for the period based on the weighted average number of units in issue (cents)	(a)	1.43	1.59

Notes:

(a) EPU calculation uses the total return for the period after tax, and the weighted average number of units issued and to be issued. The diluted EPU is the same as basic EPU as no dilutive instruments were in issue during the period.

Distribution per unit

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

	Notes	Group	
		1/1/17 to 31/3/17	1/1/16 to 31/3/16
Number of units issued and to be issued at end of period entitled to distribution	(a)	901,850,001	894,943,144
Distribution per unit for the period based on the total number of units entitled to distribution (cents)	(b)	1.800	2.039

Notes:

(a) Computation of DPU for the period from 1 January 2017 to 31 March 2017 is based on the number of units entitled to distribution:

(i) Number of units in issue as at 31 March 2017 of 900,450,086; and
(ii) Units to be issued to the Manager by 30 April 2017 as partial consideration of Manager's base fees incurred for the quarter ended 31 March 2017 of 1,399,915.

(b) Distribution of 1.800 cents per unit for the period 1 January 2017 to 31 March 2017 will be paid on 29 May 2017.

7 Net asset value ("NAV") per unit at the end of current period

	Notes	Group		Trust	
		31/3/2017 [(a)]	31/12/2016	31/3/2017 [(a)]	31/12/2016
NAV per unit (S$)	(a)	0.78	0.78	0.77	0.78

Notes:

(a) 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 Review of the performance for the quarter ended 31 March 2017

Gross revenue for the quarter-ended was S$27.1 million, a decrease of S$0.8 million or 2.9% compared to 1Q FY2016. The lower revenue was mainly due to the divestment of Cache Changi Districentre 3 and lower income received under protest for 51 Alps Ave offset by higher rental contribution from DSC ARC and the Australian properties. NPI for the quarter was S$20.8 million, a decrease of S$1.3 million or 5.8% compared to 1Q FY2016. The decrease in NPI is mainly due to the lower revenue and higher property related expenses as a result of the conversion of certain properties from master leases to multi-tenancies.

Net financing costs for the quarter were S$4.6 million, 4.2% lower than 1Q FY2016. All-in-financing cost averaged 3.47% for the quarter and the gearing ratio for the Group stood at 43.1% as at 31 March 2017.

Distributable Income in 1Q FY2017 amounted to S$16.2 million, 11.0% decrease from the corresponding period last year. The lower distribution was due to lower income from operation and a lower capital distribution.

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 2016 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 a slightly less-than-expected 2.5% in the first quarter of 2017 from a year earlier, easing from 2.9% in the previous quarter[1]. Economists are of the view that the contraction is due to the economy coming off a high peak in the fourth quarter, when GDP rebounded strongly by 12.3% quarter-on-quarter, rather than signalling any sharp deterioration in economic activity[2]. The Singapore Purchasing Managers' Index (PMI) recorded its seventh consecutive month of expansion with a reading of 51.2 in March 2017 compared to 50.9 for the month of February 2017. The pickup in March's PMI came from higher levels of new orders, new exports, factory output, inventory and employment, as well as growth in imports and supplier deliveries[3].

According to Colliers International, despite unexpectedly strong economic performance in the final quarter of 2016 and signs of improvement in recent manufacturing data, some industrialists remain cautious and are delaying their decisions on space commitment[4].

Based on the latest statement issued by the Reserve Bank of Australia, the Australian economy continues to grow moderately. Most measures of business confidence are at, or above, average and non-mining business investment has risen over the past year. Low interest rates and a lower exchange rate since 2013 continue to support domestic demand and external trade. The cash rate was unchanged in April 2017 at 1.5%. According to Colliers International, demand for industrial prime assets observed across Sydney, Melbourne, and Brisbane continue to be driven by infrastructural development projects, labour market improvements, a low interest rate environment and strong GDP growth, among other factors[5].

In 1Q FY2017, the Manager completed the acquisition of a single-storey warehouse with ancillary office space located in Laverton North, a suburb of Melbourne, Victoria, Australia (the "Property") for a purchase consideration of A$22.25 million. The acquisition was funded by the proceeds received from the divestment of Cache Changi Districentre 3 ("DC3"). The divestment of DC3 and the acquisition of the warehouse in Melbourne is part of the Manager's portfolio rebalancing and growth strategy which seeks to recycle capital into higher-performing assets.

In relation to the lease at 51 Alps Ave Singapore matter, legal proceedings are underway. The Manager remains committed to vigorously defend Cache and resolve the matter in the best interest of unitholders. Updates will be provided as and when material developments arise.

Cache's portfolio continues to record good operating performance. Portfolio committed occupancy stood at 97.2% with a long weighted average lease to expiry of 3.6 years[6]. Despite the challenging operating environment due to uncertain global macroeconomics and an oversupply in industrial space in Singapore, the Manager remains focused on maintaining a strong operating performance. The Manager's focus will also be on executing its portfolio rebalancing and growth strategy in the pursuit of more sustainable earnings over time while maintaining a prudent capital structure.

[1] Ministry of Trade and Industry, Press Release, 13 April 2017
[2] The Straits Times, "Singapore's GDP growth eases to 2.5% in Q1: Flash data", 13 April 2017
[3] The Business Times, "March manufacturing growth points to potential recovery", 4 April 2017
[4] Colliers International, Singapore Industrial Q4 2016, "Cautious Sentiments", 26 January 2017
[5] Colliers International, "Industrial Research and Forecast Report – First Half 2017", April 2017
[6] As at 31 March 2017, by net lettable area

11 Distributions

(a) Current financial period

Any distribution declared for the current period? Yes

Name of distribution: Distribution for the period from 1 January 2017 to 31 March 2017

Distribution Type:

Distributable Income Period	**1/01/17 to 31/03/17**
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

(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 2016 to 31 March 2016

Distribution Type:

Distributable Income Period	**1/01/16 to 31/03/16**
Distribution Type	cents
Tax exempt income component	0.226
Taxable income component	1.629
Capital component	0.184
Total	2.039

Number of units entitled to distribution: 894,943,144

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.

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Remarks: Nil

(c) Date Payable 29 May 2017

(d) Books Closure Date / Record Date 28 April 2017

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 2017, 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.

16. Segmented revenue and results for business or geographical segments (of the Group) with comparative information for the immediately preceding year

	Group			
	1/1/17 to 31/3/17		1/1/16 to 31/3/16	
	S$'000	%	S$'000	%
Gross Revenue				
Singapore	22,710	83.9	23,705	85.1
Australia	4,054	15.0	3,857	13.8
China	294	1.1	306	1.1
	27,058	100.0	27,868	100.0

	Group			
	1/1/17 to 31/3/17		1/1/16 to 31/3/16	
	S$'000	%	S$'000	%
Net Property Income				
Singapore	17,188	82.8	18,415	83.5
Australia	3,391	16.3	3,357	15.2
China	197	0.9	279	1.3
	20,776	100.0	22,051	100.0

17. In the review of performance, the factors leading to any changes in contributions to turnover and earnings by the business or geographical segments

Please refer to Sections 8 for the review of the actual performance.

18. Breakdown of sales

	Group		
	1/1/17 to 31/3/17	1/1/16 to 31/3/16	Change
	S$'000	S$'000	%
First quarter of year			
Gross Revenue	27,058	27,868	(2.9)
Net Property Income	20,776	22,051	(5.8)

Notes:
Please refer to Sections 8 for review of actual performance.

19. Breakdown of the total distribution for the financial year ended 31 March 2017 and 31 March 2016

	Group	
	1/1/17 to 31/3/17	1/1/16 to 31/3/16
	S$'000	S$'000
In respect of the period:		
1 January 2016 to 31 March 2016		18,248
1 January 2017 to 31 March 2017 *(Payable on or about 29 May 2017)*	16,235	
	16,235	18,248

20 Certificate pursuant to Paragraph 7.3 of the Property Funds Appendix

The Manager hereby certifies that in relation to the distribution to the Unitholders of Cache REIT for the quarter ended 31 March 2017:

a. Cache REIT will declare a distribution which is classified as capital distribution from a tax perspective, being derived from a portion of the sales proceeds from Kim Heng warehouse in June 2015, in addition to the income available for distribution for the quarter ended 31 March 2017,

b. The Manager is satisfied on reasonable grounds that, immediately after making the distributions, Cache REIT will be able to fulfill, from its deposited properties, its liabilities as they fall due.

The distribution is computed based on the accounts of Cache REIT for the quarter ended 31 March 2017 and is verified by our external tax consultant.

Cache REIT's current distribution policy is to distribute at least 100.0% of its taxable income to Unitholders.

On behalf of the Board of the Manager
ARA-CWT TRUST MANAGEMENT (CACHE) LIMITED

Lim How Teck
Director

Lim Hwee Chiang
Director

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
20 April 2017

For enquiries, please contact:

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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

20 April 2017

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 2017. The Interim Financial Information consists of the following:

- Statements of financial position of the Group and the Trust as at 31 March 2017;
- Portfolio statements of the Group and the Trust as at 31 March 2017;
- Statement of total return of the Group for the quarter ended 31 March 2017;
- Distribution statement of the Group for the quarter ended 31 March 2017;
- Statements of movements in unitholders' funds of the Group and the Trust for the quarter ended 31 March 2017;
- Statement of cash flows of the Group for the quarter ended 31 March 2017; 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
20 April 2017