



**Cache Logistics Trust
2016 Second Quarter and Six Months 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 30 June 2016 comprised of 19 high quality logistics warehouse properties located in Singapore, China and Australia (collectively "Investment Properties").

The financial information for the second quarter and six months ended 30 June 2016 set out in this announcement has been extracted from financial information for the period from 1 January 2016 to 30 June 2016 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					
		1/4/16 to 30/6/16	1/4/15 to 30/6/15	Change	Year to Date		Change
					1/1/16 to 30/6/16	1/1/15 to 30/6/15	
					S\$'000	S\$'000	
Gross revenue		28,088	21,549	30.3	55,956	42,555	31.5
Net property income		22,554	18,506	21.9	44,605	38,195	16.8
Income available for distribution	(a)	17,830	16,783	6.2	36,078	33,590	7.4
Distribution per unit ("DPU") (cents)	(b)	1.989	2.140	(7.1)	4.028	4.286	(6.0)
Annualised DPU (cents)	(c)	8.000	8.584	(6.8)	8.100	8.643	(6.3)

Notes:

- (a) There was no capital proceeds distributed in 2Q FY2016 whereas in 2Q FY2015, S\$1.5 million was distributed from the sales proceeds from the disposal of Kim Heng warehouse.
- (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.

Unaudited Financial Statements Announcement
For the Second Quarter and Six Months ended 30 June 2016



1(a) Statements of Total Return and Distribution Statements for the second quarter and six months ended 30 June 2016

	Notes	Group					
		1/4/16 to 30/6/16	1/4/15 to 30/6/15	Change	Year to Date		Change
					1/1/16 to 30/6/16	1/1/15 to 30/6/15	
					S\$'000	S\$'000	
<u>Statement of Total Return</u>							
Gross revenue	(a)	28,088	21,549	30.3	55,956	42,555	31.5
Property expenses	(b)	(5,534)	(3,043)	81.9	(11,351)	(4,360)	160.3
Net property income		22,554	18,506	21.9	44,605	38,195	16.8
Other income		-	408	nm	-	410	nm
Net financing costs	(c)	(4,652)	(3,018)	54.1	(9,490)	(5,296)	79.2
Manager's base fee	(d)	(1,648)	(1,573)	4.8	(3,297)	(3,097)	6.5
Manager's performance fee	(d)	(338)	(278)	21.6	(669)	(573)	16.8
Trustee fees		(127)	(118)	7.6	(254)	(226)	12.4
Valuation fee		(16)	(15)	6.7	(32)	(28)	14.3
Other trust expenses	(e)	(434)	(342)	26.9	(926)	(714)	29.7
Foreign exchange gain		153	44	247.7	121	153	(20.9)
		(7,062)	(4,892)	44.4	(14,547)	(9,371)	55.2
Total return for the period before taxation and distribution		15,492	13,614	13.8	30,058	28,824	4.3
Tax expense	(f)	119	(133)	(189.5)	(277)	(186)	48.9
Total return for the period after taxation before distribution		15,611	13,481	15.8	29,781	28,638	4.0

	Notes	Group					
		1/4/16 to 30/6/16	1/4/15 to 30/6/15	Change	Year to Date		Change
					1/1/16 to 30/6/16	1/1/15 to 30/6/15	
					S\$'000	S\$'000	
<u>Distribution Statement</u>							
Total return for the period after taxation before distribution		15,611	13,481	15.8	29,781	28,638	4.0
Distribution adjustment:							
Manager's fees paid/payable in units	(d)	1,490	1,389	7.3	2,975	2,753	8.1
Trustee fees		127	118	7.6	254	226	12.4
Amortisation of transaction costs	(g)	427	308	38.6	855	604	41.6
Depreciation	(h)	227	156	45.5	439	285	54.0
Unrealised foreign exchange difference		(160)	(45)	255.6	(149)	(153)	(2.6)
Gain on disposal of investment property	(i)	-	(408)	nm	-	(408)	nm
Other items	(j)	108	333	(67.6)	276	194	42.3
Distribution adjustment		2,219	1,851	19.9	4,650	3,501	32.8
Income available for distribution to Unitholders at the end of the period		17,830	15,332	16.3	34,431	32,139	7.1
A portion of sales proceeds from the disposal of Kim Heng warehouse		-	1,451	nm	1,647	1,451	13.5
Distributable amount to Unitholders	(k)	17,830	16,783	6.2	36,078	33,590	7.4

nm – not meaningful

Unaudited Financial Statements Announcement
For the Second Quarter and Six Months ended 30 June 2016



	Notes	Trust					
		1/4/16 to 30/6/16	1/4/15 to 30/6/15	Change	Year to Date		Change
					1/1/16 to 30/6/16	1/1/15 to 30/6/15	
<u>Statement of Total Return</u>		S\$'000	S\$'000	%	S\$'000	S\$'000	%
Gross revenue	(a)	24,043	19,760	21.7	47,748	39,976	19.4
Property expenses	(b)	(4,994)	(2,949)	69.3	(10,284)	(4,218)	143.8
Net property income		19,049	16,811	13.3	37,464	35,758	4.8
Other income		-	408	nm	-	410	nm
Dividend income		1,875	624	200.5	3,920	624	528.2
Net financing costs	(c)	(3,447)	(2,490)	38.4	(7,074)	(4,573)	54.7
Manager's base fee	(d)	(1,648)	(1,573)	4.8	(3,297)	(3,097)	6.5
Manager's performance fee	(d)	(338)	(278)	21.6	(669)	(573)	16.8
Trustee fees		(99)	(93)	6.5	(198)	(182)	8.8
Valuation fee		(16)	(15)	6.7	(32)	(28)	14.3
Other trust expenses	(e)	(268)	(272)	(1.5)	(634)	(568)	11.6
Foreign exchange gain		180	50	260.0	183	134	36.6
		(3,761)	(3,639)	3.4	(7,801)	(7,853)	(0.7)
Total return for the period before taxation and distribution		15,288	13,172	16.1	29,663	27,905	6.3
Tax expense	(f)	(89)	(114)	(21.9)	(436)	(114)	282.5
Total return for the period after taxation before distribution		15,199	13,058	16.4	29,227	27,791	5.2

	Notes	Trust					
		1/4/16 to 30/6/16	1/4/15 to 30/6/15	Change	Year to Date		Change
					1/1/16 to 30/6/16	1/1/15 to 30/6/15	
<u>Distribution Statement</u>		S\$'000	S\$'000	%	S\$'000	S\$'000	%
Total return for the period after taxation before distribution		15,199	13,058	16.4	29,227	27,791	5.2
Distribution adjustment:							
Manager's fees paid/payable in units	(d)	1,490	1,389	7.3	2,975	2,753	8.1
Trustee fees		99	93	6.5	198	182	8.8
Amortisation of transaction costs	(g)	398	289	37.7	796	575	38.4
Depreciation	(h)	204	150	36.0	395	272	45.2
Unrealised foreign exchange difference		(187)	-	nm	(211)	-	nm
Overseas income not distributed to the Trust		516	609	(15.3)	775	747	3.7
Gain on disposal of investment property	(i)	-	(408)	nm	-	(408)	nm
Other items	(j)	111	152	(27.0)	276	227	21.6
Distribution adjustment		2,631	2,274	15.7	5,204	4,348	19.7
Income available for distribution to Unitholders at the end of the period		17,830	15,332	16.3	34,431	32,139	7.1
A portion of sales proceeds from the disposal of Kim Heng warehouse		-	1,451	nm	1,647	1,451	13.5
Distributable amount to Unitholders	(k)	17,830	16,783	6.2	36,078	33,590	7.4

nm – not meaningful

Unaudited Financial Statements Announcement
For the Second Quarter and Six Months ended 30 June 2016



Notes:

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

The increase in gross revenue for the quarter and six months ended 30 June 2016 were mainly due to rental contribution from DSC ARC and 6 Australian properties (3 Australian properties in same period 2015).

- (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 as some master leases were converted into multi tenanted leases. In single tenanted master lease properties, rent was charged on a triple-net rent basis with the master lessee incurring all property expenses. In multi tenanted properties, Cache assumes direct obligation for all property expenses including land rent, property tax, maintenance and leasing expenses.

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

Notes	Group					
	1/4/16 to 30/6/16	1/4/15 to 30/6/15	Change	Year to Date		Change
				1/1/16 to 30/6/16	1/1/15 to 30/6/15	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Finance income :						
Bank deposits	6	13	(53.8)	19	27	(29.6)
Interest rate swaps	-	8	nm	-	64	nm
Finance expenses :						
Bank loans	(3,700)	(2,692)	37.4	(8,053)	(4,669)	72.5
Interest rate swaps	(475)	-	nm	(451)	-	nm
Amortisation of transaction costs	(427)	(308)	38.6	(855)	(604)	41.6
Others	(56)	(39)	43.6	(150)	(114)	31.6
Net financing costs	(4,652)	(3,018)	54.1	(9,490)	(5,296)	79.2

Note	Trust					
	1/4/16 to 30/6/16	1/4/15 to 30/6/15	Change	Year to Date		Change
				1/1/16 to 30/6/16	1/1/15 to 30/6/15	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Finance income :						
Bank deposits	3	9	(66.7)	9	16	(43.8)
Intercompany loan	419	149	181.2	827	209	295.7
Interest rate swaps	-	20	nm	-	78	nm
Finance expenses :						
Bank loans	(2,953)	(2,335)	26.5	(6,542)	(4,180)	56.5
Interest rate swaps	(462)	-	nm	(424)	-	nm
Amortisation of transaction costs	(398)	(289)	37.7	(796)	(583)	36.5
Others	(56)	(44)	27.3	(148)	(113)	31.0
Net financing costs	(3,447)	(2,490)	38.4	(7,074)	(4,573)	54.7

The increase in net financing cost for the quarter and six months ended 30 June 2016 were mainly due to borrowings drawn relating to the acquisitions of Australian properties and working capital as well as financing expenses incurred for DSC ARC that cannot be capitalised after it obtained its temporary occupancy permit ("TOP") in July 2015.

(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 mainly due to an increase in the Australian operations.
- (f) Mainly due to the withholding tax in relation to the distributions from the Australian operations.
- (g) Represents amortisation of upfront fees on credit facilities which are non-tax deductible.
- (h) Relates to depreciation on plant and equipment.
- (i) Comprises the gain on disposal of Kim Heng warehouse in June 2015.
- (j) Relates to property related and finance expenses that are non-tax deductible and other tax adjustments.
- (k) 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) Statements of Financial Position

	Notes	Group		Trust	
		30/6/16	31/12/15	30/6/16	31/12/15
		S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets					
Investment properties	(a)	1,303,617	1,307,959	1,121,134	1,119,900
Plant and equipment		3,191	3,049	2,898	2,807
Investments in subsidiaries	(b)	-	-	78,110	78,110
Derivative assets	(c)	-	1,836	-	1,836
Total non-current assets		1,306,808	1,312,844	1,202,142	1,202,653
Current assets					
Trade and other receivables		4,735	4,975	4,410	5,104
Amounts due from subsidiaries		-	-	37,912	38,002
Derivative assets	(c)	57	417	57	417
Cash and cash equivalents		10,372	8,054	7,551	5,529
Total current assets		15,164	13,446	49,930	49,052
Total assets		1,321,972	1,326,290	1,252,072	1,251,705
Current liabilities					
Trade and other payables	(d)	(12,708)	(14,269)	(11,345)	(12,897)
Interest bearing borrowings	(e)	(9,440)	(8,305)	(9,440)	(8,305)
Total current liabilities		(22,148)	(22,574)	(20,785)	(21,202)
Non-current liabilities					
Trade and other payables		(1,899)	(1,627)	(1,898)	(1,627)
Interest bearing borrowings	(e)	(512,793)	(515,143)	(435,071)	(435,268)
Derivative liabilities	(c)	(4,590)	(120)	(3,795)	-
Deferred tax liabilities		(293)	(316)	-	-
Total non-current liabilities		(519,575)	(517,206)	(440,764)	(436,895)
Total liabilities		(541,723)	(539,780)	(461,549)	(458,097)
Net assets		780,249	786,510	790,523	793,608
Represented by:					
Unitholders' funds	(f)	780,249	786,510	790,523	793,608

Notes:

- (a) Represent carrying values of the investment properties, including asset enhancement initiatives, effective rental adjustments and translation differences.
- (b) Relates to wholly-owned subsidiaries of Cache, stated at cost.
- (c) Relates to the fair value of the interest rate swaps and forward foreign currency contracts.
- (d) Includes Manager's performance fee of \$669,000. The 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 crystallise not more frequent than once every financial year.
- (e) Refer to Item 1(b)(i): Aggregate amount of Borrowings and Debt Securities for details.
- (f) Refer to Item (1)(d), the Statement of Movements in Unitholders' Funds, for details. Changes were mainly due to movement in translation reserves and changes in fair values of cashflow hedges, return and distribution to unitholders for the period.

As at 30 June 2016, Cache's current liabilities exceeded its current assets mainly due to current borrowings and accrued property expenses. The current borrowings are committed revolving credit facilities that will expire in 2018.

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

	Group		Trust	
	30/6/16	31/12/15	30/6/16	31/12/15
	S\$'000	S\$'000	S\$'000	S\$'000
Secured borrowings				
Amount repayable within one year	10,000	9,000	10,000	9,000
Less : Unamortised transaction costs	(560)	(695)	(560)	(695)
	9,440	8,305	9,440	8,305
Amount repayable after one year	500,252	502,878	422,094	422,495
Less : Unamortised transaction costs	(3,496)	(4,221)	(3,060)	(3,713)
	496,756	498,657	419,034	418,782
Unsecured borrowing				
Amount repayable after one year	16,074	16,531	16,074	16,531
Less : Unamortised transaction costs	(37)	(45)	(37)	(45)
	16,037	16,486	16,037	16,486
Total borrowings	522,233	523,448	444,511	443,573

Notes:

- (a) Cache has in place a secured S\$400.0 million club loan facility ("CLF") from a syndicate of five banks consisting of:
- 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 CLF is secured by way of:

- a first mortgage over CWT Commodity Hub, Cache Cold Centre, Schenker Megahub, Cache 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 30 June 2016, a total of S\$345.0 million has been drawn.

- (b) Cache has in place the following facilities for DHL Supply Chain Advanced Regional Centre ("DSC ARC"):
- a secured 3.5 year term loan of S\$81.0 million maturing in 2017; and
 - a secured committed revolving credit facility of S\$16.0 million maturing in 2017.

The facilities are secured by way of:

- a first mortgage over DSC ARC;
- a debenture creating fixed and floating charges over all assets in relation to the DSC ARC;
- an assignment of all insurance policies, lease agreements, construction contract and warranties/guarantees and bank accounts in relation to the DSC ARC;
- an assignment of all current and future lease agreements including the lease agreement signed by DHL on the rental proceeds, security deposits and/or bank guarantee.

As of 30 June 2016, a total of S\$73.0 million has been drawn.

- (c) The Group has in place the following facilities for the acquisitions of the Australian properties:
- 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 facilities are secured by way of a legal mortgage and charges over the Australian properties.

As of 30 June 2016, the above facilities were fully drawn.

1 (c) Statement of Cash Flows

	Notes	Group			
		1/4/16 to 30/6/16 S\$'000	1/4/15 to 30/6/15 S\$'000	Year to Date	
				1/1/16 to 30/6/16 S\$'000	1/1/15 to 30/6/15 S\$'000
Cash flows from operating activities					
Total return for the period before taxation and distribution		15,492	13,614	30,058	28,824
Adjustments for:					
Manager's fees paid/payable in units		1,490	1,389	2,975	2,753
Depreciation		227	156	439	285
Net financing costs	(a)	4,652	3,018	9,490	5,296
Fixed assets written off		-	25	-	25
Gain on disposal of investment properties		-	(408)	-	(408)
Changes in working capital :					
Trade and other receivables		(521)	(2,806)	(2,430)	(341)
Trade and other payables		725	(1,405)	(773)	4,712
Cash generated from operating activities		22,065	13,583	39,759	41,146
Tax paid		(58)	(190)	(424)	(227)
Net cash from operating activities		22,007	13,393	39,335	40,919
Cash flows from investing activities					
Interest received		6	13	19	27
Capital expenditure on investment properties	(b)	-	(7,849)	(9)	(11,495)
Purchase of plant and equipment		(403)	(733)	(584)	(1,191)
Purchase of investment properties	(c)	-	(507)	-	(79,254)
Capital expenditure on development property	(d)	-	(17,575)	-	(39,534)
Proceeds from disposal of investment property	(e)	-	9,408	-	9,408
Net cash used in investing activities		(397)	(17,243)	(574)	(122,039)
Cash flows from financing activities					
Net proceeds from borrowings	(f)	13,000	28,541	13,000	125,161
Repayment of borrowings	(g)	(8,000)	-	(12,000)	-
Interest paid		(4,059)	(2,328)	(8,478)	(4,368)
Transaction costs paid		-	-	-	(335)
Distribution to Unitholders		(18,248)	(16,802)	(28,737)	(33,578)
Net cash (used in)/from financing activities		(17,307)	9,411	(36,215)	86,880
Net increase in cash and cash equivalents		4,303	5,561	2,546	5,760
Cash and cash equivalents at the beginning of the period		6,295	11,331	8,054	11,275
Effect of exchange differences on cash and cash equivalents		(226)	(343)	(228)	(486)
Cash and cash equivalents at the end of the period		10,372	16,549	10,372	16,549

Notes:

- (a) Refer to 1(a)(c)
- (b) Asset enhancement initiatives for existing investment properties.
- (c) Amount incurred for the acquisitions of the Australian properties in 2015.
- (d) Amount incurred for capital expenditure for the development of DSC ARC in 2015.
- (e) Proceeds from the disposal of Kim Heng warehouse in 2015.
- (f) Represent borrowings drawdowns from revolving credit facility in 2016 and for the development of DSC ARC and acquisitions of Australian Properties in 2015.
- (g) Repayment of borrowings drawdown from revolving credit facility in 2016.

1 (d) Statements of Movements in Unitholders' Funds

	Notes	Group			
		1/4/16 to 30/6/16	1/4/15 to 30/6/15	Year to Date	
				1/1/16 to 30/6/16	1/1/15 to 30/6/15
		S\$'000	S\$'000	S\$'000	S\$'000
Balance at the beginning of the period		785,904	766,685	786,510	766,901
Operations					
Total return after tax		15,611	13,481	29,781	28,638
Effective portion of changes in fair value of cashflow hedges	(a)	(1,967)	(1,205)	(6,724)	(1,279)
Foreign currency translation reserve					
Translation differences from financial statements of foreign entities		(2,287)	(524)	(3,054)	(411)
Net loss recognised directly in Unitholders' fund		(4,254)	(1,729)	(9,778)	(1,690)
Unitholders' transactions					
Issue of new units		-	-	1,237	1,142
- Manager's base fees paid in units		-	-	-	222
- Manager's performance fees paid in units		-	-	-	-
Units to be issued:					
- Manager's base fees payable in units	(b)	1,236	1,181	1,236	1,181
- Manager's performance fees payable in units	(b)	-	208	-	208
Distributions to unitholders		(18,248)	(16,802)	(28,737)	(33,578)
Net decrease in net assets resulting from		(17,012)	(15,413)	(26,264)	(30,825)
Unitholders' funds at the end of the period		780,249	763,024	780,249	763,024

	Notes	Trust			
		1/4/16 to 30/6/16	1/4/15 to 30/6/15	Year to Date	
				1/1/16 to 30/6/16	1/1/15 to 30/6/15
		S\$'000	S\$'000	S\$'000	S\$'000
Balance at the beginning of the period		793,840	762,019	793,608	762,500
Operations					
Total return after tax		15,199	13,058	29,227	27,791
Effective portion of changes in fair value of cashflow hedges	(a)	(1,504)	(1,535)	(6,048)	(1,337)
Unitholders' transactions					
Issue of new units		-	-	1,237	1,142
- Manager's base fees paid in units		-	-	-	222
- Manager's performance fees paid in units		-	-	-	-
Units to be issued:					
- Manager's base fees payable in units	(b)	1,236	1,181	1,236	1,181
- Manager's performance fees payable in units	(b)	-	208	-	208
Distributions to unitholders		(18,248)	(16,802)	(28,737)	(33,578)
Net decrease in net assets resulting from		(17,012)	(15,413)	(26,264)	(30,825)
Unitholders' funds at the end of the period		790,523	758,129	790,523	758,129

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)(i) Details of any changes in the units

	Notes	Group and Trust			
		1/4/16 to 30/6/16	1/4/15 to 30/6/15	Year to Date	
				1/1/16 to 30/6/16	1/1/15 to 30/6/15
		Units	Units	Units	Units
Issued units at the beginning of the period		894,943,144	782,932,594	893,472,054	781,758,464
Creation of units:					
- Manager's base fees paid in units		-	-	1,471,090	983,510
- Manager's performance fees paid in units		-	-	-	190,620
Issued units at the end of the period		894,943,144	782,932,594	894,943,144	782,932,594
Units to be issued:					
- Manager's base fees payable in units	(a)	1,472,775	1,028,681	1,472,775	1,028,681
- Manager's performance fees payable in units	(a)	-	181,497	-	181,497
Total issued and to be issued units		896,415,919	784,142,772	896,415,919	784,142,772

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.

1(d)(ii) A statement showing all sales, transfers, disposals, cancellations and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

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 30 June 2016;
- Statements of Total Return of the Group and the Trust for the quarter and six months ended 30 June 2016;
- Distribution Statements of the Group and the Trust for the quarter and six months ended 30 June 2016;
- Statements of Movements in Unitholders' Fund of the Group and the Trust for the quarter and six months ended 30 June 2016; and
- Statement of Cash Flows of the Group for the quarter and six months ended 30 June 2016.

have been extracted from financial information for the period from 1 January 2016 to 30 June 2016 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 July 2016 issued on the financial information of Cache for the quarter and six months ended 30 June 2016, 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

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current period compared with the audited financial statements for the year ended 31 December 2015.

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.

There is no change in the accounting policies and methods of computation adopted.

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

Earnings per unit

	Notes	Group			
		1/4/16 to 30/6/16	1/4/15 to 30/6/15	Year to Date	
				1/1/16 to 30/6/16	1/1/15 to 30/6/15
Weighted average number of units		894,959,328	782,945,893	894,223,774	782,361,945
Earnings per unit for the period based on the weighted average number of units in issue (cents)	(a)	1.74	1.72	3.33	3.66

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			
		1/4/16 to 30/6/16	1/4/15 to 30/6/15	Year to Date	
				1/1/16 to 30/6/16	1/1/15 to 30/6/15
Number of units issued and to be issued at end of period entitled to distribution	(a)	896,415,919	784,142,772	896,415,919	784,142,772
Distribution per unit for the period based on the total number of units entitled to distribution (cents)	(b)	1.989	2.140	4.028	4.286

Notes:

(a) Computation of DPU for the period from 1 April 2016 to 30 June 2016 is based on the number of units entitled to distribution:

- (i) Number of units in issue as at 30 June 2016 of 894,943,144; and
- (ii) Units to be issued to the Manager by 30 July 2016 as partial consideration of Manager's base fees incurred for the quarter ended 30 June 2016 of 1,472,775.

(b) Distribution of 1.989 cents per unit for the period 1 April 2016 to 30 June 2016 will be paid on 26 August 2016.

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

	Group		Trust	
	30/6/2016 ^(a)	31/12/2015 ^(b)	30/6/2016 ^(a)	31/12/2015 ^(b)
NAV per unit (S\$)	0.87	0.88	0.88	0.89

Notes:

(a) Number of units used to compute NAV per unit as at 30 June 2016 was 896,415,919, comprising the number of units in issue as at 30 June 2016 of 894,943,144 and units to be issued to the Manager as partial consideration of Manager's base fees incurred for the quarter ended 30 June 2016 of 1,472,775.

(b) Number of units used to compute NAV per unit as at 31 December 2015 was 893,472,054, comprising of the number of units in issue as at 31 December 2015 of 891,846,123 and units issued to the Manager as partial consideration of Manager's fees incurred for the quarter ended 31 December 2015 of 1,625,931.

8 (i) Review of the performance for the quarter ended 30 June 2016

Gross revenue for the quarter ended was S\$28.1 million, an increase of S\$6.5 million or 30.3% compared to 2Q2015. Net Property Income ("NPI") for the quarter was S\$22.6 million, an increase of S\$4.0 million or 21.9% compared to 2Q2015. The increase in NPI is mainly due to rental contribution from DSC ARC and Australia properties offset by higher property tax, property maintenance expenses, lease commissions and other property related expenses from the multi-tenanted leases.

Net financing costs for the quarter were S\$4.7 million, 54.1% higher than 2Q15. The increase is due to borrowings drawn relating to the acquisitions of Australian properties and working capital as well as financing expenses incurred for DSC ARC that cannot be capitalised after it obtained its temporary occupancy permit ("TOP") in July 2015.

All-in-financing cost averaged 3.55% for the quarter and the gearing ratio for the Group stood at 39.8% as at 30 June 2016.

Distributable Income in 2Q2016 amounted to S\$17.8 million, a 6.2% increase from the corresponding period last year.

8 (ii) Review of the performance for the six months ended 30 June 2016

Gross revenue for the six months ended was S\$56.0 million, an increase of S\$13.4 million or 31.5% higher than the same period in 2015. Net Property Income ("NPI") for the six months ended was S\$44.6 million, an increase of S\$6.4 million or 16.8% higher than the same period in 2015. The increase in NPI is mainly due to rental contribution from DSC ARC and Australia properties offset by higher property tax, property maintenance expenses, lease commissions and other property related expenses from the multi-tenanted leases.

Net financing costs for the six months ended were S\$9.5 million, a 79.2% increase from the same period in 2015. The increase is due to borrowings drawn relating to the acquisitions of Australian properties and working capital as well as financing expenses incurred for DSC ARC that cannot be capitalised after it obtained its TOP in July 2015. The six months all-in-financing cost averaged 3.63%.

9 Variance between the projection and actual results

The current results are broadly in line with the Trust's commentary made in the first 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, the Singapore economy expanded by 2.2% on a year-on-year basis in 2Q 2016¹, in line with market expectations. This was due to growth in the manufacturing, construction and services producing industries. The Singapore economy is expected to grow by 1% to 3% this year.

The Purchasing Managers' Index ("PMI") fell to 49.6 in June 2016 from 49.8 in May 2016, recording its 12th month of contraction. Both domestic and export orders fell, along with declines in employment and production².

As stated in CBRE's latest Marketview, warehouse rents fell by 2.3% and 3.0% q-o-q for ground floor and upper floor space in 2Q 2016. Demand remained patchy with most of the leasing interest coming from high-tech manufacturing, biomedical manufacturing and logistics industries which require premises of higher specifications³.

According to the Reserve Bank of Australia, overall growth in Australia is continuing, despite a very large decline in business investment. Domestic demand, as well as exports, has been expanding at a pace at or above trend. Labour market indicators have been mixed of late, but are consistent with a modest pace of expansion in employment in the near term⁴. The cash rate was reduced from 2% to 1.75% in May 2016 and remains unchanged in July 2016.

During the quarter, the Manager announced the receipt of an originating summons from Schenker Singapore Pte Ltd in relation to its Anchor Lease Agreement for 51 Alps Avenue with C&P Land Pte. Ltd. The Manager is defending in the interest of the unitholders. The Manager will release further announcements as and when material developments arise.

As at 30 June 2016, the Cache portfolio occupancy stood at 95.8%, with approximately 9.6% of leases⁵ due for expiry in the second half of the financial year. In respect of Cache's Australian portfolio, the WALE for its warehouses averages approximately 6.6 years⁵, enabling Cache to ride on the longer term growth in Australia. Notwithstanding a challenging operating environment as well as weak supply and demand dynamics, the Manager continues to focus on proactive lease marketing to maintain high portfolio occupancy, enhance building performance and explore asset rebalancing to optimise returns.

1. Ministry of Trade & Industry Press Release, 14 July 2016, "Singapore's GDP Grew by 2.2 Per Cent in the Second Quarter of 2016".

2. The Straits Times, 5 July 2016, "Singapore 'factory activity' shrinks for 12th straight month in June", <http://www.straitstimes.com/business/economy/factory-activity-shrinks-in-june>

3. CBRE Marketview, Singapore 2Q 2016

4. Reserve Bank of Australia, 5 July 2016, "Statement by Glenn Stevens, Governor: Monetary Policy Decision", <http://www.rba.gov.au/media-releases/2016/mr-16-17.html>

5. As at 30 June 2016, 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 April 2016 to 30 June 2016

Distribution Type:

Distributable Income Period	1/4/16 to 30/6/16
Distribution Type	cents
Tax exempt income component	0.267
Taxable income component	1.722
Total	1.989

Number of units entitled to distribution: 896,415,919

Par value of units: Not meaningful

Tax rate:

Taxable income component

The distributions are made out of 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 the units as investment assets will be tax exempt. However, distributions made to individuals who hold units as trading assets or through a partnership 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 the 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 April 2015 to 30 June 2015

Distribution Type:

Distributable Income Period	1/4/15 to 30/6/15
Distribution Type	cents
Tax exempt income component	0.066
Taxable income component	1.811
Capital component	0.263
Total	2.140

Par value of units: Not meaningful

Tax rate:

Taxable income component

The distributions are made out of 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 the units as investment assets will be tax exempt. However, distributions made to individuals who hold units as trading assets or through a partnership 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 the 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 26 August 2016

(d) Books Closure Date /
Record Date 28 July 2016

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

Not applicable.

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

	Group							
					Year to Date			
	1/4/16 to 30/6/16	%	1/4/15 to 30/6/15	%	1/1/16 to 30/6/16	%	1/1/15 to 30/6/15	%
Gross Revenue								
Singapore	24,043	85.6	19,760	91.7	47,748	85.3	39,976	93.9
Australia	3,795	13.5	1,579	7.3	7,652	13.7	2,043	4.8
China	250	0.9	210	1.0	556	1.0	536	1.3
	28,088	100.0	21,549	100.0	55,956	100.0	42,555	100.0

	Group							
					Year to Date			
	1/4/16 to 30/6/16	%	1/4/15 to 30/6/15	%	1/1/16 to 30/6/16	%	1/1/15 to 30/6/15	%
Net Property Income								
Singapore	19,049	84.5	16,811	90.8	37,464	84.0	35,758	93.6
Australia	3,308	14.7	1,542	8.3	6,665	14.9	1,982	5.2
China	197	0.9	153	0.8	476	1.1	455	1.2
	22,554	100.0	18,506	100.0	44,605	100.0	38,195	100.0

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

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

15. Breakdown of sales

	Group		
	1/1/16 to 30/6/16	1/1/15 to 30/6/15	Change
	S\$'000	S\$'000	%
<u>First half of year</u>			
Gross Revenue	55,956	42,555	31.5
Net Property Income	44,605	38,195	16.8

Notes:

Please refer to Section 8 for review of actual performance.

16. Breakdown of the total distribution for the financial period ended 30 June 2016 and 30 June 2015

	Group	
	1/1/16 to 30/6/16	1/1/15 to 30/6/15
	S\$'000	S\$'000
In respect of the period:		
1 January 2015 to 31 March 2015	-	16,802
1 April 2015 to 30 June 2015	-	16,781
1 January 2016 to 31 March 2016	18,248	-
1 April 2016 to 30 June 2016 (Payable on or about 26 August 2016)	17,830	-
	36,078	33,583

17 Interested Party Transaction Mandate

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

18 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 30 June 2016, 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.

19 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.

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 July 2016

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
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Singapore 038986

20 July 2016

Cache Logistics Trust Review of Interim Financial Information

Introduction

We have reviewed the accompanying Interim Financial Information of Cache Logistics Trust (the “Trust”) and its subsidiaries (collectively the “Group”) for the quarter and six-month period ended 30 June 2016. The Interim Financial Information consists of the following:

- Statements of financial position of the Group and the Trust as at 30 June 2016;
- Portfolio statements of the Group and the Trust as at 30 June 2016;
- Statements of total return of the Group and the Trust for the quarter and six-month period ended 30 June 2016;
- Distribution statements of the Group and the Trust for the quarter and six-month period ended 30 June 2016;
- Statements of movements in unitholders’ funds of the Group and the Trust for the six-month period ended 30 June 2016;
- Statement of cash flows of the Group for six-month period ended 30 June 2016; 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.

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 July 2016