



**Cache Logistics Trust**  
**2017 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 2017 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 2017 set out in this announcement has been extracted from financial information for the period from 1 January 2017 to 30 June 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.

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**SUMMARY OF RESULTS FOR CACHE LOGISTICS TRUST**

	Notes	Group				
		1/4/17 to 30/6/17	1/4/16 to 30/6/16	Change	Year to Date	
					1/1/17 to 30/6/17	1/1/16 to 30/6/16
		S\$'000	S\$'000	%	S\$'000	S\$'000
<b>Gross revenue</b>		27,894	28,088	(0.7)	54,952	55,956
<b>Net property income</b>		21,657	22,554	(4.0)	42,433	44,605
<b>Distributable amount to Unitholders</b>		16,253	17,830	(8.8)	32,488	36,078
- from operations		16,135	17,830	(9.5)	31,441	34,431
- from capital	(a)	118	-	nm	1,047	1,647
<b>Distribution per unit ("DPU") (cents)</b>	(b)	1.800	1.989	(9.5)	3.600	4.028
- from operations		1.787	1.989	(10.2)	3.484	3.844
- from capital		0.013	-	nm	0.116	0.184
<b>Annualised DPU (cents)</b>	(c)	7.220	8.000	(9.8)	7.260	8.100
<b>Number of units issued and to be issued at end of period entitled to distribution</b>		903,142,868	896,415,919	0.8	903,142,868	896,415,919

**Notes:**

- (a) Includes a portion of sale proceeds from the disposal of Kim Heng warehouse for the quarter and the six months ended 30 June 2017, 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.

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**1(a)(i) Statement of Total Return and Distribution Statement for the second quarter and six months ended 30 June 2017**

	Notes	Group					
		1/4/17 to 30/6/17	1/4/16 to 30/6/16	Change	Year to Date		Change
					1/1/17 to 30/6/17	1/1/16 to 30/6/16	
					S\$'000	S\$'000	
<b>Statement of Total Return</b>							
Gross revenue	(a)	27,894	28,088	(0.7)	54,952	55,956	(1.8)
Property expenses	(b)	(6,237)	(5,534)	12.7	(12,519)	(11,351)	10.3
Net property income		21,657	22,554	(4.0)	42,433	44,605	(4.9)
Net financing costs	(c)	(4,681)	(4,652)	0.6	(9,316)	(9,490)	(1.8)
Manager's base fee	(d)	(1,568)	(1,648)	(4.9)	(3,117)	(3,297)	(5.5)
Manager's performance fee	(d)	(324)	(338)	(4.1)	(636)	(669)	(4.9)
Trustee fees		(140)	(127)	10.2	(266)	(254)	4.7
Other trust expenses	(e)	(766)	(450)	70.2	(1,644)	(958)	71.6
Foreign exchange (loss)/gain		(152)	153	(199.3)	(205)	121	(269.4)
		(7,631)	(7,062)	8.1	(15,184)	(14,547)	4.4
Total return for the period before taxation and distribution		14,026	15,492	(9.5)	27,249	30,058	(9.3)
Tax (expense)/credit	(f)	(313)	119	(363.0)	(656)	(277)	136.8
Total return for the period after taxation before distribution		13,713	15,611	(12.2)	26,593	29,781	(10.7)

	Notes	Group					
		1/4/17 to 30/6/17	1/4/16 to 30/6/16	Change	Year to Date		Change
					1/1/17 to 30/6/17	1/1/16 to 30/6/16	
					S\$'000	S\$'000	
<b>Distribution Statement</b>							
Total return for the period after taxation before distribution		13,713	15,611	(12.2)	26,593	29,781	(10.7)
Distribution adjustments:							
Manager's fees paid/payable in units	(d)	1,419	1,490	(4.8)	2,815	2,975	(5.4)
Trustee fees		140	127	10.2	266	254	4.7
Amortisation of transaction costs	(g)	366	427	(14.3)	732	855	(14.4)
Depreciation	(h)	243	227	7.0	484	439	10.3
Unrealised foreign exchange loss/(gain)		125	(160)	(178.1)	194	(149)	(230.2)
Commitment fee		74	88	(15.9)	151	145	4.1
Other items	(i)	55	20	175.0	206	131	57.3
Distribution adjustments		2,422	2,219	9.1	4,848	4,650	4.3
Income available for distribution to Unitholders at the end of the period		16,135	17,830	(9.5)	31,441	34,431	(8.7)
A portion of sales proceeds from the disposal of Kim Heng warehouse		118	-	nm	1,047	1,647	(36.4)
Distributable amount to Unitholders	(j)	16,253	17,830	(8.8)	32,488	36,078	(10.0)

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**Notes:**

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

The decrease in gross revenue for the quarter and six months ended 30 June 2017 were 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. This was partly offset by higher revenue from DHL Supply Chain Advanced Regional Centre ("DSC ARC"), Cache Cold Centre and the newly acquired property, Laverton North, Australia.

In relation to 51 Alps Ave, as announced 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 is pending resolution of the Court proceedings.

- (b) Property expenses comprise of the 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					
	1/4/17 to 30/6/17	1/4/16 to 30/6/16	Change	Year to Date		Change
				1/1/17 to 30/6/17	1/1/16 to 30/6/16	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b>Finance income :</b>						
Bank deposits	12	6	100.0	22	19	15.8
<b>Finance expenses :</b>						
Bank loans	(3,442)	(3,700)	(7.0)	(6,880)	(8,053)	(14.6)
Interest rate swaps	(810)	(475)	70.5	(1,572)	(451)	248.6
Amortisation of transaction costs	(366)	(427)	(14.3)	(732)	(855)	(14.4)
Others	(75)	(56)	33.9	(154)	(150)	2.7
<b>Net financing costs</b>	<b>(4,681)</b>	<b>(4,652)</b>	<b>0.6</b>	<b>(9,316)</b>	<b>(9,490)</b>	<b>(1.8)</b>

The decrease in net financing costs for the six months ended 30 June 2017 was mainly due to lower SOR rates and interest savings 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.

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- (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.

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**1(b)(i) Statements of Financial Position**

	Notes	Group		Trust	
		30/6/17	31/12/16	30/6/17	31/12/16
		S\$'000	S\$'000	S\$'000	S\$'000
<b>Non-current assets</b>					
Investment properties	(a)	1,240,055	1,210,902	1,020,399	1,018,500
Plant and equipment		2,647	3,116	2,359	2,810
Investments in subsidiaries	(c)	-	-	83,699	73,310
Derivative assets	(d)	-	43	-	43
<b>Total non-current assets</b>		<b>1,242,702</b>	<b>1,214,061</b>	<b>1,106,457</b>	<b>1,094,663</b>
<b>Current assets</b>					
Trade and other receivables		4,889	5,411	4,594	4,549
Asset held for sale	(b)	-	25,273	-	25,273
Amounts due from subsidiaries		-	-	53,988	38,776
Derivative assets	(d)	75	-	75	-
Cash and cash equivalents		9,896	13,561	5,775	10,562
<b>Total current assets</b>		<b>14,860</b>	<b>44,245</b>	<b>64,432</b>	<b>79,160</b>
<b>Total assets</b>		<b>1,257,562</b>	<b>1,258,306</b>	<b>1,170,889</b>	<b>1,173,823</b>
<b>Current liabilities</b>					
Trade and other payables	(e)	(13,183)	(13,855)	(11,578)	(11,977)
Interest bearing borrowings	(f)	(6,729)	(4,628)	(6,729)	(4,628)
Derivative liabilities	(d)	-	(20)	-	(20)
<b>Total current liabilities</b>		<b>(19,912)</b>	<b>(18,503)</b>	<b>(18,307)</b>	<b>(16,625)</b>
<b>Non-current liabilities</b>					
Trade and other payables		(1,545)	(2,102)	(1,545)	(2,102)
Interest bearing borrowings	(f)	(536,242)	(534,237)	(454,349)	(453,397)
Derivative liabilities	(d)	(3,868)	(1,962)	(3,513)	(1,756)
Deferred tax liabilities		(355)	(364)	-	-
<b>Total non-current liabilities</b>		<b>(542,010)</b>	<b>(538,665)</b>	<b>(459,407)</b>	<b>(457,255)</b>
<b>Total liabilities</b>		<b>(561,922)</b>	<b>(557,168)</b>	<b>(477,714)</b>	<b>(473,880)</b>
<b>Net assets</b>		<b>695,640</b>	<b>701,138</b>	<b>693,175</b>	<b>699,943</b>
<b>Represented by:</b>					
<b>Unitholders' funds</b>	(g)	<b>695,640</b>	<b>701,138</b>	<b>693,175</b>	<b>699,943</b>

**Notes:**

- (a) Represents carrying values of the investment properties, including asset enhancement initiatives, straight-line effective rental adjustments and translation differences.
- (b) As at 31 December 2016, Cache Changi Districentre 3 was classified as an 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 of the property, which is 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 the Manager's performance fee. The Manager may elect to receive the performance fee in cash or Units or a combination of both (as it may in its sole discretion determine), which will crystallise 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 30 June 2017, Cache's current liabilities exceeded its current assets primarily due to current borrowings and accrued expenses. The current borrowings are from committed revolving credit facility that will expire in 2018.

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

	Group		Trust	
	30/6/17	31/12/16	30/6/17	31/12/16
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Secured borrowings</b>				
Amount repayable within one year	7,000	5,000	7,000	5,000
Less : Unamortised transaction costs	(271)	(372)	(271)	(372)
	6,729	4,628	6,729	4,628
Amount repayable after one year	432,024	430,848	349,797	349,617
Less : Unamortised transaction costs	(1,990)	(2,531)	(1,656)	(2,140)
	430,034	428,317	348,141	347,477
<b>Unsecured borrowing</b>				
Amount repayable after one year	106,910	106,706	106,910	106,706
Less : Unamortised transaction costs	(702)	(786)	(702)	(786)
	106,208	105,920	106,208	105,920
<b>Total borrowings</b>	<b>542,971</b>	<b>538,865</b>	<b>461,078</b>	<b>458,025</b>

**Notes:**

(a) The Group has in place the following Singapore dollar 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;
- a secured committed revolving credit facility of S\$65.0 million maturing in 2018; and
- an unsecured 5-year term loan of S\$90.0 million maturing in 2021.

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 of 30 June 2017, a total of S\$432.0 million has been drawn.

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

- a secured 3-year term loan of A\$14.0 million, maturing in 2018;
- 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.

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 30 June 2017, the above facilities were fully drawn.



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**1 (c) Statement of Cash Flows**

	Notes	Group			
		1/4/17 to 30/6/17 S\$'000	1/4/16 to 30/6/16 S\$'000	Year to Date	
				1/1/17 to 30/6/17 S\$'000	1/1/16 to 30/6/16 S\$'000
<b>Cash flows from operating activities</b>					
Total return for the period before taxation and distribution		14,026	15,492	27,249	30,058
Adjustments for:					
Manager's fees paid/payable in units		1,419	1,490	2,815	2,975
Depreciation		243	227	484	439
Net financing costs	(a)	4,681	4,652	9,316	9,490
Loss on disposal of fixed assets		-	-	21	-
Changes in working capital :					
Trade and other receivables		(1,937)	(521)	(2,639)	(2,430)
Trade and other payables		655	725	36	(773)
<b>Cash generated from operations</b>		<b>19,087</b>	<b>22,065</b>	<b>37,282</b>	<b>39,759</b>
Tax paid		(122)	(58)	(377)	(424)
<b>Net cash from operating activities</b>		<b>18,965</b>	<b>22,007</b>	<b>36,905</b>	<b>39,335</b>
<b>Cash flows from investing activities</b>					
Interest received		12	6	22	19
Capital expenditure on investment properties	(b)	(695)	-	(1,023)	(9)
Purchase of plant and equipment		-	(403)	-	(584)
Purchase of investment property	(c)	-	-	(25,438)	-
Net proceeds from disposal of investment property	(d)	-	-	25,273	-
<b>Net cash used in investing activities</b>		<b>(683)</b>	<b>(397)</b>	<b>(1,166)</b>	<b>(574)</b>
<b>Cash flows from financing activities</b>					
Net proceeds from borrowings	(e)	12,000	13,000	19,000	13,000
Repayment of borrowings	(f)	(7,000)	(8,000)	(17,000)	(12,000)
Interest paid		(4,362)	(4,059)	(8,698)	(8,478)
Distributions to Unitholders		(16,235)	(18,248)	(32,893)	(28,737)
<b>Net cash used in financing activities</b>		<b>(15,597)</b>	<b>(17,307)</b>	<b>(39,591)</b>	<b>(36,215)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>2,685</b>	<b>4,303</b>	<b>(3,852)</b>	<b>2,546</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>7,095</b>	<b>6,295</b>	<b>13,561</b>	<b>8,054</b>
<b>Effect of exchange differences on cash and cash equivalents</b>		<b>116</b>	<b>(226)</b>	<b>187</b>	<b>(228)</b>
<b>Cash and cash equivalents at the end of the period</b>		<b>9,896</b>	<b>10,372</b>	<b>9,896</b>	<b>10,372</b>

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**Notes:**

- (a) Refer to 1(a)(c)
- (b) Represents 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) Represents drawdown from the revolving credit facility.
- (f) Repayment of borrowings from the revolving credit facility.

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

	Notes	Group			
		1/4/17 to 30/6/17	1/4/16 to 30/6/16	Year to Date	
				1/1/17 to 30/6/17	1/1/16 to 30/6/16
		S\$'000	S\$'000	S\$'000	S\$'000
<b>Balance at the beginning of the period/year</b>	(a)	<b>698,548</b>	<b>785,904</b>	<b>701,138</b>	<b>786,510</b>
<b>Operations</b>					
Total return after tax		<b>13,713</b>	<b>15,611</b>	<b>26,593</b>	<b>29,781</b>
Effective portion of changes in fair value of cashflow hedges		(807)	(1,967)	(1,949)	(6,724)
<b>Foreign currency translation reserve</b>					
Translation differences from financial statements of foreign entities		(755)	(2,287)	413	(3,054)
<b>Net loss recognised directly in Unitholders' fund</b>	(b)	<b>(1,562)</b>	<b>(4,254)</b>	<b>(1,536)</b>	<b>(9,778)</b>
<b>Unitholders' transactions</b>					
Issue of new units					
- Manager's base fees paid in units		-	-	1,162	1,237
Units to be issued:					
- Manager's base fees payable in units		1,176	1,236	1,176	1,236
Distributions to unitholders		(16,235)	(18,248)	(32,893)	(28,737)
<b>Net decrease in net assets resulting from unitholders' transactions</b>		<b>(15,059)</b>	<b>(17,012)</b>	<b>(30,555)</b>	<b>(26,264)</b>
<b>Unitholders' funds at the end of the period</b>		<b>695,640</b>	<b>780,249</b>	<b>695,640</b>	<b>780,249</b>

	Notes	Trust			
		1/4/17 to 30/6/17	1/4/16 to 30/6/16	Year to Date	
				1/1/17 to 30/6/17	1/1/16 to 30/6/16
				S\$'000	S\$'000
Balance at the beginning of the period/year	(a)	695,742	793,840	699,943	793,608
Operations					
Total return after tax		13,306	15,199	25,587	29,227
Effective portion of changes in fair value of cashflow hedges		(814)	(1,504)	(1,800)	(6,048)
Unitholders' transactions	(b)				
Issue of new units					
- Manager's base fees paid in units		-	-	1,162	1,237
Units to be issued:					
- Manager's base fees payable in units		1,176	1,236	1,176	1,236
Distributions to unitholders		(16,235)	(18,248)	(32,893)	(28,737)
Net decrease in net assets resulting from unitholders' transactions		(15,059)	(17,012)	(30,555)	(26,264)
Unitholders' funds at the end of the period		693,175	790,523	693,175	790,523

**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 fees incurred for the quarter. The units are to be issued within 30 days from quarter-end.

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

	Notes	Group and Trust			
	(a)	1/4/17 to 30/6/17	1/4/16 to 30/6/16	Year to Date	
				1/1/17 to 30/6/17	1/1/16 to 30/6/16
		Units	Units	Units	Units
		Issued units at the beginning of the period	901,850,001	894,943,144	900,450,086
Creation of units:					
- Manager's base fees paid in units	-	-	1,399,915	1,471,090	
<b>Issued units at the end of the period</b>	901,850,001	894,943,144	901,850,001	894,943,144	
Units to be issued:					
- Manager's base fees payable in units	1,292,867	1,472,775	1,292,867	1,472,775	
<b>Total issued and to be issued units</b>	<b>903,142,868</b>	<b>896,415,919</b>	<b>903,142,868</b>	<b>896,415,919</b>	

**Notes:**

- (a) Represents 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 30 June 2017;
- Statement of Total Return of the Group for the quarter and six months ended 30 June 2017;
- Distribution Statement of the Group for the quarter and six months ended 30 June 2017;
- Statements of Movements in Unitholders' Fund of the Group and the Trust for the quarter and six months ended 30 June 2017; and
- Statement of Cash Flows of the Group for the quarter and six months ended 30 June 2017,

have been extracted from financial information for the period from 1 January 2017 to 30 June 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 21 July 2017 issued on the financial information of Cache for the quarter and six months ended 30 June 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			
		1/4/17 to 30/6/17	1/4/16 to 30/6/16	Year to Date	
				1/1/17 to 30/6/17	1/1/16 to 30/6/16
Weighted average number of units		901,864,208	894,959,328	901,168,788	894,223,774
Earnings per unit for the period based on the weighted average number of units in issue (cents)	(a)	1.52	1.74	2.95	3.33
Weighted average number of units on the fully diluted basis		903,667,793	897,013,880	903,667,793	897,013,880
Earnings per unit for the period based on the fully diluted basis (cents)	(b)	1.52	1.74	2.94	3.33

#### 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.

#### 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			
		1/4/17 to 30/6/17	1/4/16 to 30/6/16	Year to Date	
				1/1/17 to 30/6/17	1/1/16 to 30/6/16
Number of units issued and to be issued at end of period entitled to distribution	(a)	903,142,868	896,415,919	903,142,868	896,415,919
Distribution per unit for the period based on the total number of units entitled to distribution (cents)	(b)	1.800	1.989	3.600	4.028

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**Notes:**

- (a) Computation of DPU for the period from 1 April 2017 to 30 June 2017 is based on the number of units entitled to distribution:
- (i) Number of units in issue as at 30 June 2017 of 901,850,001; and
  - (ii) Units to be issued to the Manager by 30 July 2017 as partial consideration of Manager's base fees incurred for the quarter ended 30 June 2017 of 1,292,867.
- (b) Distribution of 1.800 cents per unit for the period 1 April 2017 to 30 June 2017 will be paid on 28 August 2017.

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

	Notes	Group		Trust	
		30/6/2017 <sup>(a)</sup>	31/12/2016	30/6/2017 <sup>(a)</sup>	31/12/2016
NAV per unit (S\$)	(a)	0.77	0.78	0.77	0.78

**Notes:**

- (a) Number of units used to compute NAV per unit as at 30 June 2017 was 903,142,868 comprising the number of units in issue as at 30 June 2017 of 901,850,001 and units to be issued to the Manager as partial consideration of Manager's base fees incurred for the quarter ended 30 June 2017 of 1,292,867.

**8 (i) Review of the performance for the quarter ended 30 June 2017**

Gross revenue for the quarter-ended was S\$27.9 million, a decrease of S\$0.2 million or 0.7% compared to 2Q 2016. 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\$21.7 million, a decrease of S\$0.9 million or 4.0% compared to 2Q 2016. The decrease in NPI was mainly due to lower revenue and higher property related expenses as a result of the conversion of certain properties from master leases to multi-tenancies, mainly attributable to 51 Alps Ave and 40 Alps Ave.

Net financing costs for the quarter were S\$4.7 million, 0.6% higher than 2Q 2016. All-in-financing cost averaged 3.46% for the quarter and the gearing ratio for the Group stood at 43.4% as at 30 June 2017.

Distributable income in 2Q 2017 amounted to S\$16.3 million, 8.8% decrease from the corresponding period last year. The lower distribution was mainly due to lower income from operation and higher trust expenses associated with legal fees accrued for the ongoing 51 Alps Ave legal proceedings and other professional fees.

**(ii) Review of the performance for the six months ended 30 June 2017**

Gross revenue for the six months ended was S\$55.0 million, a decrease of S\$1.0 million or 1.8% lower than the same period in 2016. 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 six months ended was S\$42.4 million, a decrease of S\$2.2 million or 4.9% lower than the same period in 2016. The decrease in NPI was mainly due to lower revenue and higher property related expenses as a result of the conversion of certain properties from master leases to multi-tenancies, mainly attributable to 51 Alps Ave and 40 Alps Ave.

Net financing costs for the six months ended were S\$9.3 million, a 1.8% decrease from the same period in 2016. The six months all-in-financing cost averaged 3.47%.

**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 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 2.5% in the second quarter of 2017<sup>1</sup>, same as the previous quarter, with the manufacturing sector as the growth driver. The Singapore Purchasing Managers' Index (PMI) inches up 0.1 point from the previous month to record an expansion at 50.9 in June 2017, attributable to improvements in new orders, new exports, inventory and factory output.

According to Savills Research, the abundant supply of factory and warehouse space available continued to exert downward pressure on rents, bringing the average prime monthly rent down for all sectors in 1Q 2017. Coupled with industrialists' cautious outlook on the business environment, the market expects continued softness in the Singapore leasing market.<sup>2</sup>

Based on the latest statement issued by the Reserve Bank of Australia, the Australian economy is expected to strengthen gradually, with a transition to lower levels of mining investment given improved business conditions and an increase in business investment in some parts of the country. The Australian cash rate was unchanged in July 2017 at 1.5%<sup>3</sup>. According to Colliers International, demand for industrial prime assets observed across Sydney, Melbourne, and Brisbane continues to be driven by infrastructural development projects, labour market improvements, a low interest rate environment and strong GDP growth, among other factors<sup>4</sup>.

In 2Q FY2017, Cache's portfolio continues to enjoy good operating performance. The overall portfolio committed occupancy stood at 98.3% with a weighted average lease to expiry ("WALE") of 3.5 years<sup>5</sup>. The Manager will continue to proactively manage the portfolio with a focus on forward renewing key tenants with lease expiry in FY2018.

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

Looking ahead, the Manager's focus will be on executing its portfolio rebalancing and growth strategy to achieve sustainable earnings while maintaining a prudent capital structure over time.

<sup>1</sup> Ministry of Trade and Industry, Press Release, 14 July 2017

<sup>2</sup> Savills World Research, Singapore - Briefing: Industrial Sector, May 2017

<sup>3</sup> Reserve Bank of Australia, Statement by Philip Lowe, Governor: Monetary Policy Decision, 4 July 2017

<sup>4</sup> Colliers International, "Industrial Research and Forecast Report – First Half 2017", April 2017

<sup>5</sup> As at 30 June 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 April 2017 to 30 June 2017

Distribution Type:

Distributable Income Period	1/04/17 to 30/06/17
Distribution Type	cents
Tax exempt income component	0.286
Taxable income component	1.501
Capital component	0.013
<b>Total</b>	<b>1.800</b>

Number of units entitled to distribution:

903,142,868

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



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**(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 2016 to 30 June 2016

Distribution Type:

	<b>1/04/16 to 30/06/16</b>
Distributable Income Period	
Distribution Type	cents
Tax exempt income component	0.267
Taxable income component	1.722
<b>Total</b>	<b>1.989</b>

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

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

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(c) **Date Payable** 28 August 2017

(d) **Books Closure Date /  
Record Date** 31 July 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 30 June 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							
	1/4/17 to 30/6/17		1/4/16 to 30/6/16		1/1/17 to 30/6/17	%	1/1/16 to 30/6/16	%
	S\$'000	%	S\$'000	%				
<b>Gross Revenue</b>								
Singapore	23,175	83.1	24,043	85.6	45,885	83.5	47,748	85.3
Australia	4,479	16.0	3,795	13.5	8,533	15.5	7,652	13.7
China	240	0.9	250	0.9	534	1.0	556	1.0
	27,894	100.0	28,088	100.0	54,952	100.0	55,956	100.0

	Group							
					Year to Date			
	1/4/17 to 30/6/17		1/4/16 to 30/6/16		1/1/17 to 30/6/17	%	1/1/16 to 30/6/16	%
	S\$'000	%	S\$'000	%				
<b>Net Property Income</b>								
Singapore	17,595	81.2	19,049	84.4	34,591	81.5	37,464	84.0
Australia	3,865	17.9	3,308	14.7	7,387	17.4	6,665	14.9
China	197	0.9	197	0.9	455	1.1	476	1.1
	21,657	100.0	22,554	100.0	42,433	100.0	44,605	100.0

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**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 Section 8 for the review of the actual performance.

**18 Breakdown of sales**

	Group		
	1/1/17 to 30/6/17	1/1/16 to 30/6/16	Change
	S\$'000	S\$'000	%
<u>First half of year</u>			
Gross Revenue	54,952	55,956	(1.8)
Net Property Income	42,433	44,605	(4.9)

**Notes:**

Please refer to Section 8 for review of actual performance.

**19 Breakdown of the total distribution for the financial period ended 30 June 2017 and 30 June 2016**

	Group	
	1/1/17 to 30/6/17	1/1/16 to 30/6/16
	S\$'000	S\$'000
In respect of the period:		
1 January 2016 to 31 March 2016		18,248
1 April 2016 to 30 June 2016		17,830
1 January 2017 to 31 March 2017	16,235	
1 April 2017 to 30 June 2017	16,253	
<i>(Payable on or about 28 August 2017)</i>		
	32,488	36,078

**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 30 June 2017:

- 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 30 June 2017,
- 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 30 June 2017 and is verified by our external tax consultant.

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

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  
21 July 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

21 July 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 and six-month period ended 30 June 2017. The Interim Financial Information consists of the following:

- Statements of financial position of the Group and the Trust as at 30 June 2017;
- Portfolio statements of the Group and the Trust as at 30 June 2017;
- Statement of total return of the Group for the quarter and six-month period ended 30 June 2017;
- Distribution statement of the Group for the quarter and six-month period ended 30 June 2017;
- Statements of movements in unitholders' funds of the Group and the Trust for the quarter and six-month period ended 30 June 2017;
- Statement of cash flows of the Group for the quarter and six-month period ended 30 June 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.

### ***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.

A handwritten signature in blue ink, appearing to read 'KPMG LLP', written over the printed name.

**KPMG LLP**  
*Public Accountants and  
Chartered Accountants*

**Singapore**  
21 July 2017