Cache Logistics Trust
2014 Third 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[1], as well as real estate-related assets.

Cache's portfolio as at 30 September 2014 comprises 13 high quality logistics warehouse properties located in Singapore and China including CWT Commodity Hub, CWT Cold Hub, Schenker Megahub, C&P Changi Districentre, Hi-Speed Logistics Centre, C&P Changi Districentre 2, APC Distrihub, Kim Heng Warehouse, Air Market Logistics Centre, Pan Asia Logistics Centre, Pandan Logistics Hub, Precise Two and Jinshan Chemical Warehouse (collectively "Investment Properties"). DHL Supply Chain Advanced Regional Centre is currently under development and is classified as an investment property under development.

The financial information for the third quarter and nine months ended 30 September 2014 set out in this announcement has been extracted from financial information for the period from 1 January 2014 to 30 September 2014 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.

[1] For purposes of the investment mandate of Cache, Asia-Pacific is defined as Singapore, Malaysia, Indonesia, Philippines, Thailand, Vietnam, China, India, Hong Kong, Macau, Taiwan, Japan, Korea, Australia and New Zealand.

SUMMARY OF RESULTS FOR CACHE LOGISTICS TRUST

	Notes	Group					
					Year to Date		
		1/07/14 to 30/09/14	1/07/13 to 30/09/13	Change	1/01/14 to 30/09/14	1/01/13 to 30/09/13	Change
		S$'000	S$'000	%	S$'000	S$'000	%
Gross revenue		20,781	20,706	0.4	62,244	60,261	3.3
Net property income		19,484	19,587	(0.5)	58,620	57,239	2.4
Income available for distribution	(a)	16,705	16,506	1.2	50,095	48,945	2.3
Distribution per unit ("DPU") (cents)	(b)	**2.140**	**2.126**	**0.7**	**6.427**	**6.507**	**(1.2)**
Annualised DPU (cents)	(c)	**8.490**	**8.435**	**0.7**	**8.593**	**8.700**	**(1.2)**

Notes:

(a) Cache achieved income available for distribution of S$16.7 million for 3Q14; S$50.1 million for the nine months ended September 2014. This represented an increase of 1.2% and 2.3% respectively over the same period last year.

(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) Statements of Total Return and Distribution Statements for the third quarter and nine months ended 30 September 2014

	Notes	Group					
					Year to Date		
		1/07/14 to 30/09/14	1/07/13 to 30/09/13	Change	1/01/14 to 30/09/14	1/01/13 to 30/09/13	Change
Statement of Total Return		S$'000	S$'000	%	S$'000	S$'000	%
Gross revenue	(a)	**20,781**	**20,706**	**0.4**	**62,244**	**60,261**	**3.3**
Property expenses	(b)	(1,297)	(1,119)	15.9	(3,624)	(3,022)	19.9
Net property income		**19,484**	**19,587**	**(0.5)**	**58,620**	**57,239**	**2.4**
Other income		-	10	(100.0)	5	10	(50.0)
Net financing costs	(c)	(2,707)	(2,695)	0.4	(7,987)	(8,110)	(1.5)
Manager's fees	(d)	(1,663)	(1,646)	1.0	(4,927)	(4,869)	1.2
Trustee fees		(82)	(81)	1.2	(242)	(236)	2.5
Valuation fee		(37)	(62)	(40.3)	(70)	(201)	(65.2)
Other trust expenses	(e)	(534)	(328)	62.8	(1,285)	(1,219)	5.4
		(5,023)	**(4,802)**	**4.6**	**(14,506)**	**(14,625)**	**(0.8)**
Total return for the period before taxation and distribution		**14,461**	**14,785**	**(2.2)**	**44,114**	**42,614**	**3.5**
Income tax expense	(f)	(35)	(145)	(75.9)	(205)	(259)	(20.8)
Total return for the period after taxation before distribution		**14,426**	**14,640**	**(1.5)**	**43,909**	**42,355**	**3.7**
		Group					
					Year to Date		
		1/07/14 to 30/09/14	1/07/13 to 30/09/13	Change	1/01/14 to 30/09/14	1/01/13 to 30/09/13	Change
Distribution Statement		S$'000	S$'000	%	S$'000	S$'000	%
Total return for the period after taxation before distribution		**14,426**	**14,640**	**(1.5)**	**43,909**	**42,355**	**3.7**
Distribution adjustment:							
Manager's fees paid/payable in units	(d)	1,247	1,234	1.1	3,695	3,652	1.2
Trustee fees		82	81	1.2	242	236	2.5
Amortisation of transaction costs	(g)	493	493	-	1,478	1,478	-
Depreciation		55	25	120.0	127	64	98.4
Foreign exchange difference		14	7	100.0	85	(34)	(350.0)
Other items	(h)	388	26	1,392.3	559	1,194	(53.2)
Distribution adjustment		**2,279**	**1,866**	22.1	**6,186**	**6,590**	(6.1)
Income available for distribution to Unitholders at the end of the period		**16,705**	**16,506**	**1.2**	**50,095**	**48,945**	**2.3**
Income to be distributed	(i)	**16,705**	**16,506**	**1.2**	**50,095**	**48,945**	**2.3**

nm denotes "not meaningful"

	Notes	Trust					
					Year to Date		
		1/07/14 to 30/09/14	1/07/13 to 30/09/13	Change	1/01/14 to 30/09/14	1/01/13 to 30/09/13	Change
Statement of Total Return		S$'000	S$'000	%	S$'000	S$'000	%
Gross revenue	(a)	**20,531**	**20,355**	**0.9**	**61,372**	**59,247**	**3.6**
Property expenses	(b)	(1,272)	(1,115)	14.1	(3,557)	(3,008)	18.3
Net property income		**19,259**	**19,240**	**0.1**	**57,815**	**56,239**	**2.8**
Dividend income		585	-	nm	585	-	nm
Net financing costs	(c)	(2,707)	(2,695)	0.4	(7,988)	(8,299)	(3.7)
Manager's fees	(d)	(1,663)	(1,646)	1.0	(4,928)	(4,869)	1.2
Trustee fees		(82)	(81)	1.2	(242)	(236)	2.5
Valuation fee		(37)	(62)	(40.3)	(70)	(201)	(65.2)
Other trust expenses	(e)	(499)	(509)	(2.0)	(1,127)	(1,447)	(22.1)
		(4,403)	**(4,993)**	**(11.8)**	**(13,770)**	**(15,052)**	**(8.5)**
Total return for the period before taxation and distribution		**14,856**	**14,247**	**4.3**	**44,045**	**41,187**	**6.9**
Income tax expense		-	-	nm	-	-	nm
Total return for the period after taxation before distribution		**14,856**	**14,247**	**4.3**	**44,045**	**41,187**	**6.9**

		Trust					
					Year to Date		
		1/07/14 to 30/09/14	1/07/13 to 30/09/13	Change	1/01/14 to 30/09/14	1/01/13 to 30/09/13	Change
Distribution Statement		S$'000	S$'000	%	S$'000	S$'000	%
Total return for the period after taxation before distribution		**14,856**	**14,247**	**4.3**	**44,045**	**41,187**	**6.9**
Distribution adjustment:							
Manager's fees paid/payable in units	(d)	1,247	1,234	1.1	3,695	3,652	1.2
Trustee fees		82	81	1.2	242	236	2.5
Amortisation of transaction costs	(g)	493	493	-	1,478	1,478	-
Depreciation		48	23	108.7	110	60	83.3
Overseas income not distributed to the Trust		(410)	151	(371.5)	(33)	561	(105.9)
Other items	(h)	389	277	40.4	558	1,771	(68.5)
Distribution adjustment		**1,849**	**2,259**	(18.1)	**6,050**	**7,758**	(22.0)
Income available for distribution to Unitholders at the end of the period		**16,705**	**16,506**	**1.2**	**50,095**	**48,945**	**2.3**
Income to be distributed	(i)	**16,705**	**16,506**	**1.2**	**50,095**	**48,945**	**2.3**

nm denotes "not meaningful"

Notes:

(a) Comprises rental income from the investment properties. The increase is due to built-in rental escalation within the portfolio's lease in 2014.

(b) Comprises property management fee, lease management fee, reimbursable expenses payable to the Property Manager and other property related expenses. The increase in 2014 property expenses is due to lease commissions and legal fees incurred.

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

	Note	Group					
					Year to Date		
		1/07/14 to 30/09/14	1/07/13 to 30/09/13	Change	1/01/14 to 30/09/14	1/01/13 to 30/09/13	Change
		S$'000	S$'000	%	S$'000	S$'000	%
Finance income :							
Interest income		38	26	46.2	157	48	227.1
Finance expenses :							
Interest expense :							
Bank loans		(2,048)	(2,044)	0.2	(6,058)	(6,188)	(2.1)
Interest rate swaps		(203)	(182)	11.5	(604)	(489)	23.5
Amortisation of transaction costs	(g)	(493)	(493)	-	(1,478)	(1,478)	-
Others		(1)	(2)	(50.0)	(4)	(3)	33.3
Net financing costs		**(2,707)**	**(2,695)**	**0.4**	**(7,987)**	**(8,110)**	**(1.5)**

	Note	Trust					
					Year to Date		
		1/07/14 to 30/09/14	1/07/13 to 30/09/13	Change	1/01/14 to 30/09/14	1/01/13 to 30/09/13	Change
		S$'000	S$'000	%	S$'000	S$'000	%
Finance income :							
Interest income		37	24	54.2	154	44	250.0
Finance expenses :							
Interest expense :							
Bank loans		(2,048)	(2,044)	0.2	(6,058)	(6,188)	(2.1)
Interest rate swaps		(203)	(182)	11.5	(604)	(489)	23.5
Amortisation of transaction costs	(g)	(493)	(493)	-	(1,478)	(1,478)	-
Others		-	-	nm	(2)	(188)	(98.9)
Net financing costs		**(2,707)**	**(2,695)**	**0.4**	**(7,988)**	**(8,299)**	**(3.7)**

(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) Includes legal and professional fees.

(f) Includes income tax and withholding tax provided in relation to the subsidiaries.

(g) Represents amortisation of upfront fees on credit facilities which are non-tax deductible and have no impact on income available for distribution.

(h) Relate to other expenses such as professional fees that are non-tax deductible.

(i) The current distribution policy is to distribute 100% of taxable and tax-exempt income. For a REIT to maintain tax transparency (such that distributions are tax exempt to eligible unitholders), it is required to distribute at least 90% 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	
		30/09/14	31/12/13	30/09/14	31/12/13
		S$'000	S$'000	S$'000	S$'000
Non-current assets					
Investment properties	(a)	1,034,948	1,034,980	1,018,500	1,018,500
Investment property under development	(b)	39,504	-	39,504	-
Plant and equipment		1,289	606	1,176	489
Investments in subsidiaries	(c)	-	-	628	628
Total non-current assets		**1,075,741**	**1,035,586**	**1,059,808**	**1,019,617**
Current assets					
Trade and other receivables		235	862	968	858
Amounts due from subsidiaries		-	-	12,054	12,944
Cash and cash equivalents		11,926	40,754	10,831	39,429
Total current assets		**12,161**	**41,616**	**23,853**	**53,231**
Total assets		**1,087,902**	**1,077,202**	**1,083,661**	**1,072,848**
Current liabilities					
Trade and other payables		(16,443)	(4,619)	(16,312)	(4,473)
Interest bearing borrowings	(d)	(186,622)	-	(186,622)	-
Derivative liabilities	(e)	(233)	-	(233)	-
Total current liabilities		**(203,298)**	**(4,619)**	**(203,167)**	**(4,473)**
Non-current liabilities					
Interest bearing borrowings	(d)	(124,716)	(310,093)	(124,716)	(310,093)
Derivative liabilities	(e)	(69)	(323)	(69)	(323)
Deferred tax liabilities	(f)	(417)	(417)	-	-
Total non-current liabilities		**(125,202)**	**(310,833)**	**(124,785)**	**(310,416)**
Total liabilities		**(328,500)**	**(315,452)**	**(327,952)**	**(314,889)**
Net assets		**759,402**	**761,750**	**755,709**	**757,959**
Represented by:					
Unitholders' funds	(g)	**759,402**	**761,750**	**755,709**	**757,959**

Notes:

(a) Represent carrying values of the investment properties based on independent valuation carried out by Jones Lang LaSalle as at 31 December 2013.

(b) Refers to the development of DHL Supply Chain Advanced Regional Centre (the "Development Property") at Greenwich Drive, Tampines LogisPark.

The Development Property comprises one block of three-storey ramp-up warehouse with a four-storey ancillary office and one block of two-storey ramp-up warehouse, with a total gross floor area of approximately 989,200 square feet. The Trust commenced development in May 2014 and it is expected to complete in the second half of 2015.

(c) Relates to wholly-owned subsidiaries of Cache, stated at cost.

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

(e) Relates to the fair value of the interest rate swaps entered to hedge against the interest rate risk:

(i) 3-year plain vanilla interest rates swap to hedge the interest rate risk on 70% of the secured 3-year term loan of S$187.5 million maturing in 2015; and
(ii) 4-year plain vanilla interest rates swap to hedge the interest rate risk on 70% of the secured 4-year term loan of S$125.5 million maturing in 2016.

(f) Relates to deferred tax liabilities on the change in fair value of Jinshan Chemical Warehouse, Shanghai, China.

(g) Refer to Item (1)(d), the Statement of Movements in Unitholders' Funds, for details. Changes mainly due movement in translation differences and changes in hedge valuations, Income less distribution to unitholders for the period.

As at 30 September 2014, Cache's current liabilities exceeded its current assets by S$191.1 million. This is due to a S$186.6 million term loan that is due to mature on 22 June 2015 as well as an increased in accrued construction costs for the Development Property. The Manager intends to refinance the S$186.6 million loan with new loan facilities. The Manager has also put in place a facility for the Development Property as mentioned below. Excluding the term loan and accrued construction costs, Cache would have a positive working capital.

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

	Group		Trust	
	30/09/14	**31/12/13**	**30/09/14**	**31/12/13**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Secured borrowings				
Amount repayable within one year	187,500	-	187,500	-
Less : Unamortised transaction costs	(878)	-	(878)	-
	186,622	-	186,622	-
Amount repayable after one year	125,500	313,000	125,500	313,000
Less : Unamortised transaction costs	(784)	(2,907)	(784)	(2,907)
	124,716	310,093	124,716	310,093
Total borrowings	311,338	310,093	311,338	310,093

Notes:

Details of borrowings and collaterals

Cache has in place the following facilities:

a) a secured 3-year term loan of S$187.5 million maturing in 2015 ("Facility A");
b) a secured 4-year term loan of S$125.5 million maturing in 2016 ("Facility B"); and

c) a secured committed revolving credit facility ("Facility C") of S$62 million which is undrawn at reporting date.

The facilities are secured by way of:

- A first mortgage over CWT Commodity Hub, CWT Cold Hub, Schenker Megahub, C&P Changi Districentre, Hi-Speed Logistics Centre, C&P Changi Districentre 2 (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; and

- An assignment of Cache's rights in the corporate guarantees given in respect of certain properties.

Cache had also obtained the following facilities for the Development Property; the facilities are currently undrawn.

a) a secured 3.5 year term loan of S$68.0 million maturing in 2017 ("TLF A");
b) a secured 3.5 year term loan of S$13.0 million maturing in 2017 ("TLF B"); and
c) a secured committed revolving credit facility ("RCF") of S$16 million.

The facilities are secured by way of:

- A first legal mortgage over the Development Property;

- A debenture creating fixed and floating charges over all assets in relation to the Development Property;

- An assignment of all insurance policies, lease agreements, construction contract and warranties/guarantees and bank accounts in relation to the Development Property;

- 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;

1 (c) Statement of Cash Flows

	Notes	Group			
				Year to Date	
		1/07/14 to 30/09/14	1/07/13 to 30/09/13	1/01/14 to 30/09/14	1/01/13 to 30/09/13
		S$'000	S$'000	S$'000	S$'000
Operating activities					
Net income		14,461	14,785	44,114	42,614
Adjustments for:					
Manager's fees paid/payable in units		1,247	1,234	3,695	3,652
Depreciation		55	25	127	64
Exchange rate differences		-	7	-	(34)
Net financing costs		2,707	2,695	7,987	8,110
Changes in working capital :					
Trade and other receivables		487	116	627	903
Trade and other payables		332	(134)	(142)	725
Cash generated from operating activities		**19,289**	**18,728**	**56,408**	**56,034**
Tax paid		(107)	(57)	(236)	(139)
Net cash from operating activities		**19,182**	**18,671**	**56,172**	**55,895**
Cash flows from investing activities					
Interest received		38	25	157	48
Purchase of plant and equipment		(690)	(118)	(812)	(215)
Purchase of investment properties	(b)	-	-	-	(55,906)
Capital expenditure on Development Property	(a)	(19,339)	-	(27,433)	-
Net cash used in investing activities		**(19,991)**	**(93)**	**(28,088)**	**(56,073)**
Cash flows from financing activities					
Proceeds from issue of new units	(b)	-	-	-	86,800
Issue expenses paid	(c)	-	-	-	(2,081)
Interest paid		(2,380)	(2,331)	(6,972)	(6,963)
Distribution to Unitholders		(16,737)	(16,645)	(50,012)	(47,588)
Net cash (used in)/from financing activities		**(19,117)**	**(18,976)**	**(56,984)**	**30,168**
Net (decrease)/increase in cash and cash equivalents		**(19,926)**	**(398)**	**(28,900)**	**29,990**
Cash and cash equivalents at the beginning of the period		**31,808**	**43,760**	**40,754**	**13,277**
Effect of exchange differences on cash and cash equivalents		**44**	**(85)**	**72**	**10**
Cash and cash equivalents at the end of the period		**11,926**	**43,277**	**11,926**	**43,277**

Notes:

(a) Amount incurred for capital expenditure for the Development Property.

(b) Represent proceeds from the Private Placement Units issued on 27 March 2013. The placement proceeds were substantially used for the acquisition of Precise Two and partial funding of the Development Property.

(c) Relates to professional fees, underwriting and selling commission and other miscellaneous issue expenses.

1 (d) Statements of Movements in Unitholders' Funds

	Notes	Group			
				Year to Date	
		1/07/14 to 30/09/14	1/07/13 to 30/09/13	1/01/14 to 30/09/14	1/01/13 to 30/09/13
		S$'000	S$'000	S$'000	S$'000
Balance at the beginning of the period		**759,866**	**757,283**	**761,750**	**671,876**
Operations					
Total return after tax		14,426	14,640	43,909	42,355
Effective portion of changes in fair value of cashflow hedges	(a)	305	(722)	22	335
Foreign currency translation reserve					
Translation differences from financial statements of foreign entities		295	(86)	38	355
Net gain/(loss) recognised directly in Unitholders' fund		**600**	**(808)**	**60**	**690**
Unitholders' transactions					
Issue of new units					
- Private placement	(b)	-	-	-	86,800
- Manager's fees paid in units		-	-	2,448	2,418
Units to be issued					
- Manager's fees payable in units	(c)	1,247	1,234	1,247	1,234
Issue expenses	(b)	-	-	-	(2,081)
Distributions to unitholders		(16,737)	(16,645)	(50,012)	(47,588)
Net (decrease)/increase in net assets resulting from unitholders' transactions		**(15,490)**	**(15,411)**	**(46,317)**	**40,783**
Unitholders' funds at the end of the period		**759,402**	**755,704**	**759,402**	**755,704**

	Notes	Trust			
				Year to Date	
		1/07/14 to 30/09/14	1/07/13 to 30/09/13	1/01/14 to 30/09/14	1/01/13 to 30/09/13
		S$'000	S$'000	S$'000	S$'000
Balance at the beginning of the period		**756,038**	**754,182**	**757,959**	**669,991**
Operations					
Total return after tax		14,856	14,247	44,045	41,187
Effective portion of changes in fair value of cashflow hedges	(a)	305	(722)	22	335
Unitholders' transactions					
Issue of new units					
- Private placement	(b)	-	-	-	86,800
- Manager's fees paid in units		-	-	2,448	2,418
Units to be issued					
- Manager's fees payable in units	(c)	1,247	1,234	1,247	1,234
Issue expenses	(b)	-	-	-	(2,081)
Distributions to unitholders		(16,737)	(16,645)	(50,012)	(47,588)
Net (decrease)/increase in net assets resulting from unitholders' transactions		**(15,490)**	**(15,411)**	**(46,317)**	**40,783**
Unitholders' funds at the end of the period		**755,709**	**752,296**	**755,709**	**752,296**

Notes:

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

(b) Represent proceeds from Private Placement Units issued on 27 March 2013 and related issue expenses.

(c) 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			
		1/07/14 to 30/09/14	1/07/13 to 30/09/13	Year to Date 1/01/14 to 30/09/14	Year to Date 1/01/13 to 30/09/13
		Units	Units	Units	Units
Issued units at the beginning of the period		779,559,020	775,273,116	777,440,340	703,353,638
Creation of units:					
- Issue of new units (Private Placement)	(a)	-	-	-	70,000,000
- Manager's fees paid in units		-	-	2,118,680	1,919,478
Issued units at the end of the period		779,559,020	775,273,116	779,559,020	775,273,116
Units to be issued:					
- Manager's fees payable in units	(b)	1,067,318	1,034,627	1,067,318	1,034,627
Total issued and to be issued units		**780,626,338**	**776,307,743**	**780,626,338**	**776,307,743**

Notes:

(a) Relates to Private Placement Units issued on 27 March 2013.

(b) 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 September 2014;
- Statements of Total Return of the Group and the Trust for the third quarter and nine months ended 30 September 2014;
- Distribution Statements of the Group and the Trust for the third quarter and nine months ended 30 September 2014;

- Statements of Movements in Unitholders' Fund of the Group and the Trust for the third quarter and nine months ended 30 September 2014; and
- Statements of Cash Flows of the Group for the third quarter and nine months ended 30 September 2014

has been extracted from financial information for the period from 1 January 2014 to 30 September 2014 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 23 October 2014 issued on the financial information of Cache for the third quarter and nine months ended 30 September 2014, which has been prepared in accordance with the recommendations of Statement of Recommended Accountant Practice 7 "*Reporting Framework for Unit Trusts*", issued by Institute of Singapore Chartered Accountant.

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 2013, except for adoption of FRS 110 *Consolidated Financial Statements.*

FRS 110 *Consolidated Financial Statements* changes the definition of control such that an investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power with the investee. FRS 110 introduces a single control model with a series of indicators to assess control. FRS 110 also adds additional context, explanation and application guidance based on the principle of control.

This standard requires the Group to re-evaluate its involvement with investees under the new control model. Based on its assessment, there is no impact on the results and financial position of the Group from the adoption of this standard.

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			
		1/07/14 to 30/09/14	1/07/13 to 30/09/13	1/01/14 to 30/09/14	1/01/13 to 30/09/13
Weighted average number of units		779,570,621	775,284,362	778,530,954	752,524,461
Earnings per unit for the period based on the weighted average number of units in issue (cents)	(a)	1.85	1.89	5.64	5.63

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			
				Year to Date	
		1/07/14 to 30/09/14	1/07/13 to 30/09/13	1/01/14 to 30/09/14	1/01/13 to 30/09/13
Number of units issued and to be issued at end of period entitled to distribution	(a)	780,626,338	776,307,743	780,626,338	776,307,743
Distribution per unit for the period based on the total number of units entitled to distribution (cents)	(b)	2.140	2.126	6.427	6.507

Notes:

(a) Computation of DPU for the period from 1 July 2014 to 30 September 2014 is based on the number of units entitled to distribution:

(i) Number of units in issue as at 30 September 2014 of 779,559,020; and
(ii) Units to be issued to the Manager by 31 October 2014 as partial consideration of Manager's fees incurred for the quarter ended 30 September 2014 of 1,067,318.

(b) Distribution of 2.140 cents per unit for the period 1 July 2014 to 30 September 2014 will be paid on 26 November 2014.

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

	Notes	Group		Trust	
		30/09/14	31/12/13	30/09/14	31/12/13
NAV per unit (S$)	(a)	0.97	0.98	0.97	0.97

Notes:

(a) Number of units used to compute NAV per unit of 780,626,338 comprised:

(i) Number of units in issue as at 30 September 2014 of 779,559,020; and
(ii) Units to be issued to the Manager by 31 October 2014 as partial consideration of Manager's fees incurred for the quarter ended 30 September 2014 of 1,067,318.

8 (i) Review of the performance for the quarter ended 30 September 2014

Gross revenue achieved for the quarter ended was S$20.8 million, an increase of S$0.1 million or 0.4% higher than 3Q2013. Property expenses for 3Q2014 was higher due to higher property maintenance expenses and lease commissions. The higher gross revenue in 3Q2014 was mainly attributable to the rental escalation in 2014.

Net financing costs for the quarter were S$2.7 million. All-in-financing cost averaged 3.48% for the quarter and the gearing ratio for the Group stood at 28.8% as at 30 September 2014.

The income available for distribution was S$16.7 million, an increase of S$0.2 million or 1.2% higher than the quarter ended 3Q2013.

(ii) Review of the performance for the nine months ended 30 September 2014

Gross revenue achieved for the nine months ended 30 September 2014 was S$62.2 million, an increase of S$2.0 million or 3.3% higher than the same period in 2013. NPI for the quarter was S$58.6 million, an increase of S$1.4 million or 2.4% higher than the same period in 2013.

The higher gross revenue and NPI in for the nine months ended 30 September 2014 were mainly attributable to the 2014 rental escalation and additional rental income from acquisition of investment property completed in 2013.

Net financing costs for the nine months ended 30 September 2014 were S$8.0 million. All-in-financing cost averaged 3.48%.

9 Variance between the projection and actual results

The current results are broadly in line with the Trust's commentary made in the second quarter 2014 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.

Economic Outlook

According to Singapore's Ministry of Trade & Industry's ("MTI") advance estimates, the Singapore economy grew by 2.4% on a year-on-year basis in the third quarter of 2014, the same pace of growth as in the previous quarter. On a quarter-on-quarter seasonally-adjusted annualised basis, the economy expanded by 1.2%, a reversal from the 0.1% contraction in the previous quarter[2]. The growth during the July to September period was unchanged from the previous quarter and slower than what most economists expected[3].

Singapore's September Purchasing Managers' Index ("PMI") was 50.5 points, an increase of 0.8 points over the previous month, reflecting better manufacturing sentiments. Despite the positive reading, economists are cautious about the outlook, as uncertainty in the global recovery could weigh on Singapore's growth[4].

Industry Outlook

According to property consultancy firm Colliers International[5], Singapore's industrial property market experienced a stable stream of leasing activities. Given that tenants remain cost sensitive and with increasing competition for qualifying tenants as more completed industrial space comes onto the market[6], industrial rents generally stayed subdued in 3Q 2014. Prime conventional warehouse space segment saw rents slide for the fourth consecutive quarter during this quarter.

Based on JTC's quarterly market report[7], industry occupancy rates continued to fall, reaching their lowest levels since 2007. The vacancy rate of warehouses increased from 7.2% in 2Q 2013 to 11.5% in 2Q 2014. It must be noted that the vacancy rate does not reflect specifically to logistics warehouses but is representative of all warehouses island-wide.

Company Outlook

Cache reported a Distributable Income of S$16.7 million in 3Q 2014, up 1.2% from the same period a year ago. The increase in Distributable Income was primarily attributable to built-in rental escalation within the portfolio's lease agreements. Unitholders will receive a Distribution Per Unit of 2.140 cents this quarter, up 0.7% from a year ago.

Earlier in the financial year, Cache embarked on its first build-to-suit development of a logistics facility, DHL Supply Chain Advanced Regional Center ("DSC ARC") located in Tampines LogisPark. Year-to-date, it is estimated that 36% of works is completed, and the project construction is progressing well within budget and on schedule.

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[2] Ministry of Trade and Industry, "Singapore's GDP Grew 2.4 Per Cent in the Third Quarter of 2014", press release dated 14 October 2014.
[3] http://www.channelnewsasia.com/news/singapore/singapore-s-economy-grew/1413644.html
[4] Channel News Asia "Singapore's manufacturing economy rebounds in September", 1 October 2014.
[5] Colliers International, "The Industrial Property Market Continues to See Marginal Change in Rents and Fewer Sales Activities in 3Q 2014", dated 9 October 2014. http://www.colliers.com/en-gb/singapore/about/media/2014-10-09-sgp-industrial3q
[6] According to Colliers International, *some 11.7 million sq ft of industrial space were already completed in 1H 2014, which is higher than the 9.3 million sq ft of space in 2H 2013 and 6.3 million sq ft in 1H 2013.*
[7] JTC, 2Q 2014 Quarterly Market Report for Industrial Properties.

In the area of capital management, the aggregate leverage ratio stood at 28.8% as at 30 September 2014. Subsequent to the end of the quarter, as part of its proactive capital management strategy, the Manager has today completed the refinancing of its existing loan facilities of S$375 million. A new S$400 million club loan facility agreement was entered into providing a 4-year term loan facility of S$185 million, a 5-year term loan facility of S$150 million and a 4-year revolving credit facility of S$65 million. The refinancing exercise extends the weighted average debt maturity from 1.6 years to 4.2 years[8], lowers all-in margin by approximately 100 basis points[9] and increases Cache's financial flexibility. The cost savings were achieved on the back of strong diversified banking relationships, the quality of the Cache portfolio and the stability of its cash flows.

The Manager continues to make good progress on negotiating new leases and forward renewals for lease expiries in 2015. Despite the significant increase in supply, the Manager believes the Cache portfolio is well suited to attract large third-party logistics operators given the attractive attributes of the individual properties, particularly those with ramp-up features and optimal floor plates. The Manager will continue to proactively manage and market the portfolio to secure tenants for lease renewals and future commitments. In addition the Manager will continue to look to grow Cache via quality, accretive acquisitions in Singapore and in the Asia Pacific region, including in particular China, Australia, Malaysia and Korea.

[8] Based on total borrowings of S$432.0 mil which includes the S$97.0 mil loan facilities for the DSC ARC development.
[9] Includes bank margin and amortized upfront fee, and excludes the undrawn S$97.0 mil loan facilities for the DSC ARC development and revolving credit facilities.

11 Distributions

(a) Current financial period

Any distribution declared for the current period? — Yes

Name of distribution: — Distribution for the period from 1 July 2014 to 30 September 2014

Distribution Type:

Distributable Income Period	**1/07/14 to 30/09/14**
Distribution Type	Cents
Tax exempt income component	0.019
Taxable income component	2.121
Total	2.140

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

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.

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 July 2013 to 30 September 2013

Distribution Type:

Distributable Income Period	**1/07/13 to 30/09/13**
Distribution Type	Cents
Taxable income component	2.106
Capital component	0.020
Total	2.126

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 November 2014

(d) Books Closure Date / Record Date 31 October 2014

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

Not applicable.

13 Interested Party Transaction Mandate

Cache is not required to obtain a general mandate from Unitholders 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 September 2014, statements of total return & distribution statements, statement of cash flows and statements of movements in Unitholders' funds for the second quarter and half year ended on that date), together with their accompanying notes, to be false or misleading, in any material aspect.

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
23 October 2014

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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

23 October 2014

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 the nine-month period ended 30 September 2014. The Financial Information consists of the following:

- Statements of financial position of the Group and the Trust as at 30 September 2014;
- Portfolio statements of the Group and the Trust as at 30 September 2014;
- Statements of total return of the Group and the Trust for the quarter and the nine-month periods ended 30 September 2014;
- Distribution statements of the Group and the Trust for the quarter and the nine-month periods ended 30 September 2014;
- Statements of movements in unitholders' funds of the Group and the Trust for the quarter and the nine-month periods ended 30 September 2014;
- Statement of cash flows of the Group for the quarter and the nine-month period ended 30 September 2014; 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 Practice ("RAP") 7 (2012) *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.

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.

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 provision of RAP 7 (2012) 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

KPMG LLP
Public Accountants and
Chartered Accountants