Cache Logistics Trust
2018 Third Quarter and Nine 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 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 September 2018 comprised of 27 quality logistics warehouse properties located in Singapore, Australia and China (collectively "Investment Properties").

The financial information for the third quarter and nine months ended 30 September 2018 set out in this announcement has been extracted from financial information for the period from 1 January 2018 to 30 September 2018 which has been reviewed by Cache's independent auditors in accordance with Singapore Standard on Review Engagements 2410 *"Review of Interim Financial Information Performed by the Independent Auditor of the Entity"*. For 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					
					Year to Date		
		1/7/18 to 30/9/18	1/7/17 to 30/9/17	Change	1/1/18 to 30/9/18	1/1/17 to 30/9/17	Change
		S$'000	S$'000	%	S$'000	S$'000	%
Gross revenue		**31,498**	**27,432**	**14.8**	**90,552**	**82,384**	**9.9**
Net property income		**23,063**	**21,338**	**8.1**	**67,556**	**63,771**	**5.9**
Distributable amount to Unitholders		**15,858**	**16,448**	**(3.6)**	**47,231**	**48,936**	**(3.5)**
- from operations		*15,472*	*15,883*	*(2.6)*	*46,437*	*47,324*	*(1.9)*
- from capital	**(a)**	*386*	*565*	*(31.7)*	*794*	*1,612*	*(50.7)*
Distribution per unit ("DPU") (cents) - as reported and recomputed	**(b)**	**1.475**	**1.541**	**(4.3)**	**4.401**	**4.986**	**(11.7)**
- from operations		*1.439*	*1.488*	*(3.3)*	*4.327*	*4.821*	*(10.2)*
- from capital		*0.036*	*0.053*	*(32.1)*	*0.074*	*0.165*	*(55.2)*
Annualised DPU (cents)	**(c)**	**nm**	**nm**	**nm**	**5.884**	**6.666**	**(11.7)**
Number of units issued and to be issued at end of period		**1,074,653,480**	**1,067,156,635**	**0.7**	**1,074,653,480**	**1,067,156,635**	**0.7**

Notes:

(a) Capital distribution for the 3Q FY2018 relates to reimbursements received from the vendor in relation to outstanding lease incentives at the point of completion of the acquisition of certain properties in Australia. Capital distribution for prior quarters/period relates to the capital gains/sale proceeds from the disposal of Kim Heng warehouse in 2015.

(b) DPU for the nine months ended 30 September 2017 were recomputed to reflect the effect of bonus element from the rights units issued on 9 October 2017.

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

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

1(a)(i) Statement of Total Return and Distribution Statement for the third quarter and nine months ended 30 September 2018

Statement of Total Return	Notes	Group					
					Year to Date		
		1/7/18 to 30/9/18	1/7/17 to 30/9/17	Change	1/1/18 to 30/9/18	1/1/17 to 30/9/17	Change
		S$'000	S$'000	%	S$'000	S$'000	%
Gross revenue	(a)	**31,498**	**27,432**	**14.8**	**90,552**	**82,384**	**9.9**
Property expenses	(b)	(8,435)	(6,094)	38.4	(22,996)	(18,613)	23.5
Net property income		**23,063**	**21,338**	**8.1**	**67,556**	**63,771**	**5.9**
Net financing costs	(c)	(4,409)	(4,780)	(7.8)	(13,485)	(14,096)	(4.3)
Manager's base fee	(d)	(1,694)	(1,586)	6.8	(5,123)	(4,703)	8.9
Manager's performance fee	(d)	(346)	(320)	8.1	(1,013)	(956)	6.0
Trustee fees		(152)	(129)	17.8	(448)	(395)	13.4
Other trust expenses	(e)	(587)	(574)	2.3	(1,838)	(2,218)	(17.1)
Foreign exchange gain/(loss)	(f)	(2,473)	89	nm	(7,306)	(116)	nm
		(9,661)	**(7,300)**	**32.3**	**(29,213)**	**(22,484)**	**29.9**
Net income		**13,402**	**14,038**	**(4.5)**	**38,343**	**41,287**	**(7.1)**
Gain on disposal of investment property	(g)	-	-	nm	2,735	-	nm
Net change in fair value of financial derivatives	(h)	159	-	nm	1,009	-	nm
Total return for the period before taxation and distribution		**13,561**	**14,038**	**(3.4)**	**42,087**	**41,287**	**1.9**
Tax expense	(i)	(526)	(325)	61.8	(1,299)	(981)	32.4
Total return for the period after taxation before distribution		**13,035**	**13,713**	**(4.9)**	**40,788**	**40,306**	**1.2**
Attributable to:							
Unitholders		11,649	13,713	(15.1)	37,142	40,306	(7.8)
Perpetual securities holders	(j)	1,386	-	nm	3,646	-	nm
		13,035	**13,713**	**(4.9)**	**40,788**	**40,306**	**1.2**

Distribution Statement	Notes	Group					
					Year to Date		
		1/7/18 to 30/9/18	1/7/17 to 30/9/17	Change	1/1/18 to 30/9/18	1/1/17 to 30/9/17	Change
		S$'000	S$'000	%	S$'000	S$'000	%
Total return for the period attributable to Unitholders and perpetual securities holders		**13,035**	**13,713**	**(4.9)**	**40,788**	**40,306**	**1.2**
Less: Amount reserved for distribution to perpetual securities holders	(j)	(1,386)	-	nm	(3,646)	-	nm
Distribution adjustments:							
Manager's fees paid/payable in units	(d)	1,530	1,429	7.1	4,602	4,244	8.4
Trustee fees		101	129	(21.7)	305	395	(22.8)
Amortisation of transaction costs	(k)	245	366	(33.1)	795	1,098	(27.6)
Transaction costs written-off	(l)	1	-	nm	114	-	nm
Net change in fair value of financial derivatives	(h)	(159)	-	nm	(1,009)	-	nm
Depreciation	(m)	145	240	(39.6)	475	724	(34.4)
Foreign exchange (gain)/loss	(f)	2,464	(97)	nm	7,383	97	nm
Gain on disposal of investment property	(g)	-	-	nm	(2,735)	-	nm
Commitment fee		66	71	(7.0)	211	222	(5.0)
51 Alps Ave compensation amount	(n)	(174)	-	nm	(638)	-	nm
Other items	(o)	54	32	nm	1,163	238	388.7
Net profit from subsidiaries	(p)	(5,436)	-	nm	(15,219)	-	nm
Distribution adjustments		**(1,163)**	**2,170**	**(153.6)**	**(4,553)**	**7,018**	**(164.9)**
Taxable income		**10,486**	**15,883**	(34.0)	**32,589**	**47,324**	**(31.1)**
Tax exempt income (Australia)	(q)	4,986	-	nm	13,848	**-**	nm
Income available for distribution		**15,472**	**15,883**	**(2.6)**	**46,437**	**47,324**	**(1.9)**
Capital distribution	(r)	386	565	(31.7)	794	1,612	(50.7)
Distributable amount to Unitholders	(s)	**15,858**	**16,448**	**(3.6)**	**47,231**	**48,936**	**(3.5)**

nm denotes "not meaningful"

Notes:

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

The increase in gross revenue for the quarter ended 30 September 2018 was mainly due to the 9 Australia warehouses which were acquired on 15 February 2018, higher revenue from Schenker's new lease agreement that commenced in November 2017 and the top-up to market rental for the quarter in line with the amicable resolution at 51 Alps Avenue, Singapore ("51 Alps Ave") as announced on 31 October 2017 as well as higher revenue from CWT Commodity Hub as a result of the conversion from a master lease to a multi-tenancy lease structure. This was partly offset by lower contribution from the divestment of 40 Alps Ave.

(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 was primarily due to higher property tax, land rent and maintenance expenses as a result of the conversion from a master lease to a multi-tenancy lease structure at CWT Commodity Hub as well as higher expenses from the enlarged Australia portfolio.

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

	Notes	Group					
					Year to Date		
		1/7/18 to 30/9/18	1/7/17 to 30/9/17	Change	1/1/18 to 30/9/18	1/1/17 to 30/9/17	Change
		S$'000	S$'000	%	S$'000	S$'000	%
Finance income :							
Bank deposits		37	7	428.6	118	29	306.9
Finance expenses :							
Bank loans		(3,844)	(3,468)	10.8	(11,176)	(10,348)	8.0
Interest rate swaps		(260)	(880)	(70.5)	(1,210)	(2,452)	(50.7)
Amortisation of transaction costs	(k)	(274)	(366)	(25.1)	(884)	(1,098)	(19.5)
Transaction costs written-off	(l)	(1)	-	nm	(114)	-	nm
Others		(67)	(73)	(8.2)	(219)	(227)	(3.5)
Net financing costs		**(4,409)**	**(4,780)**	**(7.8)**	**(13,485)**	**(14,096)**	**(4.3)**

The decrease in net financing costs were mainly due to partial repayment of the 4-year S$185.0 million term loan ("SGD Term Loan") using S$90.9 million of proceeds from the Rights Issue and S$72.5 million of proceeds from the disposal of 40 Alps Ave, in October 2017 and May 2018 respectively. This was partially offset by additional interest costs from the new S$110.0 million term loan drawn to finance the Australia acquisitions in February 2018.

(d) Manager's fee consists of:

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

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

(e) Other trust expenses include professional fees, listing fees and other non-property related expenses. The decrease in other trust expenses for the nine months ended were mainly due to reversal of professional fees associated with the 51 Alps Ave's legal proceedings. This was partly offset by the accrual of project abortive costs.

(f) Relates to mainly unrealised foreign currency exchange movements due to loan to Australia subsidiary.

(g) Relates to the gain on disposal of 40 Alps Ave, Singapore.

(h) Represents the changes in fair value of interest rate swaps.

(i) Tax expense includes withholding tax and deferred tax provided for the overseas operations. The increase was mainly attributed to the enlarged Australia portfolio.

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

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

(l) Represents unamortised upfront fees written-off in the quarter following the repayment of the A$16.0 million term loan.

(m) Relates to depreciation of plant and equipment.

(n) In respect of the tax matter associated with 51 Alps Avenue, Singapore, further to the previous announcements having to do with the tax treatment of the Relevant Sum (as defined previously), on 17 October 2018, IRAS replied in a letter maintaining their earlier position, i.e. that the Relevant Sum will not be accorded tax transparency. Management, on advice of KPMG as tax consultant, maintains the view that the income received is derived from the property and should be accorded tax transparency under the Income Tax Act. The estimated tax amount is approximately S$1.1 million. Management will further raise an objection and pursue the matter with IRAS. As at 30 September 2018, the Trust has recognised a certain portion of the Relevant Sum received as rental income with the remainder deferred in the balance sheet to be recognised over the remaining lease term with Schenker. In the meantime, approximately S$0.2 million (net of relevant expenses) has been retained for the third quarter ended 30 September 2018 and cumulatively to-date has retained a total of S$2.6 million, net of relevant expenses, pending resolution on the appropriate tax treatment.

(o) Relates to specific property and finance expenses that are non-tax deductible, project abortive costs and other tax adjustments.

(p) Relates to net income from the Trust's subsidiaries.

(q) Relates to distribution of income from the Australia portfolio that has been received in Singapore (net of withholding tax).

(r) Capital distribution for the 3Q FY2018 relates to reimbursements received from the vendor in relation to outstanding lease incentives at the point of completion of the acquisition of certain properties in Australia. Capital distribution for prior quarters/period relates to the capital gains/sale proceeds from the disposal of Kim Heng warehouse in 2015.

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

1(b)(i) Statements of Financial Position

	Notes	Group		Trust	
		30/9/18	31/12/17	30/9/18	31/12/17
		S$'000	S$'000	S$'000	S$'000
Non-current assets					
Investment properties	(a)	1,299,216	1,137,913	922,076	917,400
Plant and equipment		1,416	2,268	1,416	1,964
Investments in subsidiaries	(b)	-	-	171,990	83,699
Total non-current assets		**1,300,632**	**1,140,181**	**1,095,482**	**1,003,063**
Current assets					
Trade and other receivables	(c)	6,673	4,763	5,026	4,143
Assets held for sale	(d)	17,311	69,000	-	69,000
Amounts due from subsidiaries		-	-	153,531	53,110
Derivative assets	(e)	175	38	175	38
Cash and cash equivalents		19,458	14,969	13,323	11,610
Total current assets		**43,617**	**88,770**	**172,055**	**137,901**
Total assets		**1,344,249**	**1,228,951**	**1,267,537**	**1,140,964**
Current liabilities					
Trade and other payables		(12,398)	(15,157)	(9,120)	(13,428)
Liabilities held for sale	(d)	(424)	-	-	-
Provisions	(f)	(865)	-	(865)	-
Interest bearing borrowings	(g)	(51,584)	(124,993)	(51,584)	(124,993)
Derivative liabilities	(e)	(28)	(1,071)	(28)	(1,071)
Total current liabilities		**(65,299)**	**(141,221)**	**(61,597)**	**(139,492)**
Non-current liabilities					
Trade and other payables		(4,534)	(1,091)	(4,534)	(1,091)
Interest bearing borrowings	(g)	(425,153)	(319,670)	(348,385)	(238,708)
Derivative liabilities	(e)	(773)	(951)	(554)	(686)
Deferred tax liabilities		-	(350)	-	-
Total non-current liabilities		**(430,460)**	**(322,062)**	**(353,473)**	**(240,485)**
Total liabilities		**(495,759)**	**(463,283)**	**(415,070)**	**(379,977)**
Net assets		**848,490**	**765,668**	**852,467**	**760,987**
Represented by:					
Unitholders' funds	(h)	748,330	765,668	752,307	760,987
Perpetual securities holders' funds	(i)	100,160	-	100,160	-
		848,490	**765,668**	**852,467**	**760,987**

Notes:

(a) Represents the carrying value of the existing investment properties, including asset enhancement initiatives, straight-line effective rental adjustments, foreign currency translation differences and the carrying value of the 9 Australian warehouses acquired on 15 February 2018.

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

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

(d) As at 30 September 2018, the assets and liabilities of a wholly-owned subsidiary that holds Jinshan Chemical Warehouse were reclassified as “Assets held for Sale” and “Liabilities held for Sale” (pursuant to the announcement for the proposed divestment of the property on 12 October 2018). The classification complies with FRS 105 Non-current Assets held for Sale and Discontinued Operations where a divestment is planned within the next 12 months from the reporting date.

As at 31 December 2017, 40 Alps Ave was classified as an asset held for sale. The divestment was completed on 18 May 2018.

(e) Relates to the fair value of interest rate swaps and forward foreign currency exchange contracts. During the 2Q FY2018, the Group entered into 2 forward starting interest rate swaps with notional amounts totaling S$200.0 million effective from October 2018.

(f) Relates to the provision of up to S$1.38 million of income support associated with the sale of 40 Alps Ave for the period from May 2018 to April 2019. As at 30 September 2018, S$0.5 million was utilised.

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

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

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

As at 30 September 2018, Cache’s current liabilities exceeded its current assets primarily due to current borrowings. The current borrowings comprise S$21.6 million balance remaining of the SGD Term Loan and S$30.0 million drawn from the Revolving Credit Facility (“RCF”). On 23 October 2018, the SGD Term Loan and RCF were refinanced with a new 5.5-year unsecured term loan.

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

	Group		Trust	
	30/9/18	31/12/17	30/9/18	31/12/17
	S$'000	S$'000	S$'000	S$'000
Secured borrowings				
Amount repayable within one year	51,606	108,717	51,606	108,717
Less : Unamortised transaction costs	(22)	(417)	(22)	(417)
	51,584	108,300	51,584	108,300
Amount repayable after one year	226,936	231,231	150,000	150,000
Less : Unamortised transaction costs	(574)	(957)	(406)	(688)
	226,362	230,274	149,594	149,312
Unsecured borrowing				
Amount repayable within one year	-	16,706	-	16,706
Less : Unamortised transaction costs	-	(13)	-	(13)
	-	16,693	-	16,693
Amount repayable after one year	200,000	90,000	200,000	90,000
Less : Unamortised transaction costs	(1,209)	(604)	(1,209)	(604)
	198,791	89,396	198,791	89,396
Total borrowings	476,737	444,663	399,969	363,701

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[(1)];
- a secured 5-year term loan of S$150.0 million maturing in 2019[(1)];
- a secured committed RCF of S$65.0 million maturing in 2018[(1)];
- an unsecured 5-year term loan of S$90.0 million maturing in 2021; and
- an unsecured 5-year term loan of S$110.0 million maturing in 2023.

(1) The Trust repaid a total of S$163.4 million using proceeds from the Rights Issue in October 2017 and proceeds from the disposal of 40 Alps Ave in May 2018. The remaining amount has been refinanced with a new unsecured 5.5-year S$200.0 million term loan draw down on 23 October 2018. The associated mortgages over the Charged Properties have also been discharged accordingly.

The secured term loans indicated in (a) above are secured by way of:

- a first mortgage over CWT Commodity Hub, Cache Cold Centre, Schenker Megahub, Cache Changi Districentre 1, 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; and
- an assignment of all insurance policies in relation to the Charged Properties.

As at 30 September 2018, a total of S$401.6 million has been drawn.

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

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

As at 30 September 2018, the above facilities were fully drawn.

The secured facilities indicated in (b) above are secured by way of a legal mortgage and charges over 5 Australian properties, namely Chester Hill (NSW), Somerton (VIC), Coopers Plains (QLD), Wacol (QLD) and Kidman Park (SA).

During the first quarter ended 31 March 2018, the Group repaid a secured A$14.0 million term loan using internal source of funds. The associated second mortgages over Chester Hill (NSW), Somerton (VIC), Coopers Plains (QLD) were discharged accordingly. The Group further repaid an unsecured A$16.0 million term loan using proceeds from the new unsecured 5.5-year term loan.

1(c) Statement of Cash Flows

	Notes	Group		Year to Date	
		1/7/18 to 30/9/18	1/7/17 to 30/9/17	1/1/18 to 30/9/18	1/1/17 to 30/9/17
		S$'000	S$'000	S$'000	S$'000
Cash flows from operating activities					
Total return for the period before taxation and distribution		13,561	14,038	42,087	41,287
Adjustments for:					
Manager's fees paid/payable in units		1,530	1,429	4,602	4,244
Depreciation		191	240	590	724
Net financing costs	(a)	4,409	4,780	13,485	14,096
Net change in fair value of financial derivatives		(159)	-	(1,009)	-
Loss on disposal of plant and equipment		-	-	-	21
Gain on disposal of investment property		-	-	(2,735)	-
Changes in:					
Trade and other receivables		843	209	(4,271)	(2,430)
Trade and other payables		266	(2,125)	649	(2,089)
Provisions		(352)	-	(515)	-
Cash generated from operations		**20,289**	**18,571**	**52,883**	**55,853**
Tax paid		(796)	(297)	(1,457)	(674)
Net cash from operating activities		**19,493**	**18,274**	**51,426**	**55,179**
Cash flows from investing activities					
Interest received		37	7	118	29
Acquisition of investment properties, net of cash acquired	(b)	249	-	(193,750)	-
Capital expenditure on investment properties	(c)	(510)	(697)	(2,717)	(1,720)
Purchase of plant and equipment		(367)	-	(511)	-
Purchase of investment properties	(d)	-	-	-	(25,438)
Net proceeds from disposal of investment property	(e)	-	-	72,782	25,273
Net cash from/(used in) investing activities		**(591)**	**(690)**	**(124,078)**	**(1,856)**
Cash flows from financing activities					
Proceeds from issuance of perpetual securities	(f)	-	-	100,000	-
Issue costs paid in relation to perpetual securities	(g)	-	-	(759)	-
Proceeds from borrowings	(h)	20,000	9,000	140,000	28,000
Repayment of borrowings	(i)	(15,909)	(7,000)	(102,838)	(24,000)
Interest paid		(4,268)	(4,374)	(12,699)	(13,072)
Financing costs paid		-	-	(825)	-
Distributions to Unitholders		(15,228)	(16,253)	(48,452)	(49,146)
Distributions to perpetual securities holders		(2,727)	-	(2,727)	-
Net cash (used in)/from financing activities		**(18,132)**	**(18,627)**	**71,700**	**(58,218)**
Net (decrease)/increase in cash and cash equivalents		**770**	**(1,043)**	**(952)**	**(4,895)**
Cash and cash equivalents at the beginning of the period		**17,752**	**9,896**	**14,969**	**13,561**
Effect of exchange rate fluctuations on cash held		1,991	(61)	6,496	126
Cash and cash equivalents reclassified to asset held for sale		(1,055)	-	(1,055)	-
Cash and cash equivalents at the end of the period		**19,458**	**8,792**	**19,458**	**8,792**

Notes:

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

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

	Group	
	1/1/18 to 30/9/18	1/1/17 to 30/9/17
	S$'000	S$'000
Investment properties (including acquisition costs)	193,239	-
Other assets	1,217	-
Accrued expenses	(637)	-
Other liabilities	(69)	-
Net identifiable assets acquired	193,750	-
Net cash outflow	193,750	-

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

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

(e) Represents the net proceeds from the disposal of 40 Alps Ave in May 2018 and Cache Changi Districentre 3 in January 2017.

(f) Represents proceeds from the Perpetual Securities issued on 1 February 2018.

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

(h) Represents drawdown of S$110.0 million in February 2018 from a term loan to finance the 9-property Australian portfolio acquisition and RCF for working capital purposes.

(i) Represents repayment of A$14.0 million secured term loan that matured in February 2018, partial repayment of the SGD Term Loan in May 2018 using proceeds from disposal of 40 Alps Ave and repayment of A$16.0 million unsecured term loan in September 2018.

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

	Notes	Group			
				Year to Date	
		1/7/18 to 30/9/18	1/7/17 to 30/9/17	1/1/18 to 30/9/18	1/1/17 to 30/9/17
		S$'000	S$'000	S$'000	S$'000
Unitholders' Funds					
Balance at the beginning of the period		**754,440**	**695,640**	**765,668**	**701,138**
Operations					
Total return for the period after tax, attributable to Unitholders and perpetual securities holders		13,035	13,713	40,788	40,306
Less: Amount reserved for distribution to perpetual securities holders		(1,386)	-	(3,646)	-
Net increase in net assets from operations		**11,649**	**13,713**	**37,142**	**40,306**
Effective portion of changes in fair values of cash flow hedges	(a)	(147)	1,013	207	(936)
Foreign currency translation reserve					
Translation differences from financial statements of foreign entities		(3,655)	536	(10,078)	949
Net (loss)/gain recognised directly in Unitholders' funds		**(3,802)**	**1,549**	**(9,871)**	**13**
Unitholders' transactions					
Issue of new units					
- Manager's base fees paid in units		-	-	2,572	2,338
Units to be issued:					
- Manager's base fees payable in units	(b)	1,271	1,189	1,271	1,189
Distributions to Unitholders		(15,228)	(16,253)	(48,452)	(49,146)
Net decrease in net assets resulting from Unitholders' transactions		**(13,957)**	**(15,064)**	**(44,609)**	**(45,619)**
Unitholders' funds at the end of the period		**748,330**	**695,838**	**748,330**	**695,838**
Perpetual Securities Holders' Funds					
Balance at the beginning of the period		**101,501**	**-**	**-**	**-**
Issue of perpetual securities		-	-	100,000	-
Issue costs		-	-	(759)	-
Amount reserved for distribution to perpetual securities holders		1,386	-	3,646	-
Distribution to perpetual securities holders		(2,727)	-	(2,727)	-
Balance as at the end of the period		**100,160**	**-**	**100,160**	**-**
Total		**848,490**	**695,838**	**848,490**	**695,838**

	Notes	Trust			
				Year to Date	
		1/7/18 to 30/9/18	1/7/17 to 30/9/17	1/1/18 to 30/9/18	1/1/17 to 30/9/17
		S$'000	S$'000	S$'000	S$'000
Unitholders' Funds					
Balance at the beginning of the period		**755,200**	**693,175**	**760,987**	**699,943**
Operations					
Total return for the period after tax, attributable to Unitholders and perpetual securities holders		12,585	13,355	39,417	38,942
Less: Amount reserved for distribution to perpetual securities holders		(1,386)	-	(3,646)	-
Net increase in net assets from operations		**11,199**	**13,355**	**35,771**	**38,942**
Effective portion of changes in fair value of cash flow hedges	(a)	**(135)**	**917**	**158**	**(883)**
Unitholders' transactions					
Issue of new units					
- Manager's base fees paid in units		-	-	2,572	2,338
Units to be issued:					
- Manager's base fees payable in units	(b)	1,271	1,189	1,271	1,189
Distributions to Unitholders		(15,228)	(16,253)	(48,452)	(49,146)
Net decrease in net assets resulting from Unitholders' transactions		**(13,957)**	**(15,064)**	**(44,609)**	**(45,619)**
Unitholders' funds at the end of the period		**752,307**	**692,383**	**752,307**	**692,383**
Perpetual Securities Holders' Funds					
Balance at the beginning of the period		**101,501**	**-**	**-**	**-**
Issue of perpetual securities		-	-	100,000	-
Issue costs		-	-	(759)	-
Amount reserved for distribution to perpetual securities holders		1,386	-	3,646	-
Distribution to perpetual securities holders		(2,727)	-	(2,727)	-
Balance as at the end of the period		**100,160**	**-**	**100,160**	**-**
Total		**852,467**	**692,383**	**852,467**	**692,383**

Notes:

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

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

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

	Notes	Group and Trust			
				Year to Date	
		1/7/18 to 30/9/18	1/7/17 to 30/9/17	1/1/18 to 30/9/18	1/1/17 to 30/9/17
		Units	Units	Units	Units
Issued units at the beginning of the period		1,072,932,745	903,142,868	1,069,700,408	900,450,086
Creation of units:					
- Manager's base fees paid in units		-	-	3,232,337	2,692,782
Issued units at the end of the period		1,072,932,745	903,142,868	1,072,932,745	903,142,868
Units to be issued:					
- Manager's base fees payable in units	(a)	1,720,735	1,448,051	1,720,735	1,448,051
- Rights Units issued on 9 October 2017		-	162,565,716	-	162,565,716
Total issued and to be issued units		**1,074,653,480**	**1,067,156,635**	**1,074,653,480**	**1,067,156,635**

Notes:

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

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

The figures have not been audited but have been reviewed by the 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)

See attached auditors' review report.

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

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

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

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

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

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

There was no significant impact to the financial statements of the Group in respect of FRS 115. Accordingly, comparative financial information presented in this announcement has not been restated.

(ii) FRS 109 *Financial Instruments*

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

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

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

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

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

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

EPU

	Notes	Group					
					Year to Date		
		1/7/18 to 30/9/18	1/7/17 to 30/9/17 Recomputed [c]	1/7/17 to 30/9/17 Previously reported	1/1/18 to 30/9/18	1/7/17 to 30/9/17 Recomputed [c]	1/7/17 to 30/9/17 Previously reported
Weighted average number of units		1,072,951,449	943,891,061	903,158,608	1,071,332,406	942,512,305	901,839,350
Earnings per unit for the period based on the weighted average number of units issued and to be issued (cents)	(a)	1.09	1.45	1.52	3.47	4.28	4.47
Weighted average number of units on the fully diluted basis		1,075,004,864	946,300,997	905,464,546	1,075,004,864	946,300,997	905,464,546
Earnings per unit for the period based on the fully diluted basis (cents)	(b)	1.08	1.45	1.51	3.46	4.26	4.45

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 fee and performance fee paid in units were issued at the beginning of the period.

(c) The weighted average number of units issued and to be issued and EPU have been recomputed to reflect the effect of bonus element pursuant to the Rights Issue.

DPU

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	
		1/7/18 to 30/9/18	1/7/17 to 30/9/17	1/1/18 to 30/9/18	1/1/17 to 30/9/17
Number of units issued and to be issued at end of period entitled to distribution	(a)	1,074,653,480	1,067,156,635	1,074,653,480	1,067,156,635
DPU based on the total number of units entitled to distribution (cents)	(b)	1.475	1.541	4.401	4.986

Notes:

(a) Computation of DPU for the period from 1 July 2018 to 30 September 2018 is based on the number of units entitled to distribution:

(i) Number of units in issue as at 30 September 2018 of 1,072,932,745; and

(ii) Units to be issued to the Manager by 30 October 2018 as partial consideration of Manager's base fees incurred for the quarter ended 30 September 2018 of 1,720,735.

(b) Distribution of 1.475 cents per unit for the period 1 July 2018 to 30 September 2018 will be paid on 28 November 2018.

(c) DPU for the nine months ended 30 September 2017 were recomputed to reflect the effect of bonus element in the Rights Issue for comparison purposes.

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

	Notes	Group		Trust	
		30/9/2018 [(a)]	31/12/2017 [(b)]	30/9/2018 [(a)]	31/12/2017 [(b)]
NAV per unit attributable to Unitholders (S$)		0.70	0.72	0.70	0.71

Notes:

(a) NAV per unit is computed based on the net assets attributable to unitholders. Number of units used to compute NAV per unit as at 30 September 2018 was 1,074,653,480 comprising the number of units in issue as at 30 September 2018 of 1,072,932,745 and units to be issued to the Manager as partial consideration of Manager's base fees incurred for the quarter ended 30 September 2018 of 1,720,735.

(b) Number of units used to compute NAV per unit as at 31 December 2017 was 1,069,700,408 comprising the number of units in issue as at 31 December 2017 of 1,067,156,635 and units to be issued to the Manager as partial consideration of Manager's base fees incurred for the quarter ended 31 December 2017 of 1,378,439 and performance fees incurred for the full year ended 31 December 2017 of 1,165,334.

8 (i) Review of the performance for the quarter ended 30 September 2018

Gross revenue for the quarter-ended was S$31.5 million, an increase of S$4.1 million or 14.8% compared to 3Q FY2017. The higher revenue was mainly due to the 9-property Australia warehouse portfolio acquired on 15 February 2018, higher revenue from 51 Alps Ave as well as CWT Commodity Hub as a result of the conversion from a master lease to a multi-tenancy lease structure. This was partly offset by lower contribution from the divestment of 40 Alps Ave.

NPI for the quarter was S$23.1 million, an increase of S$1.7 million or 8.1% compared to 3Q FY2017. The increase in NPI was mainly due to higher revenue for the portfolio, partially offset by higher property expenses as a result of the conversion of CWT Commodity Hub from a master lease to a multi-tenancy lease structure and the newly acquired Australian portfolio.

Net financing costs for the quarter were S$4.4 million, 7.8% lower than 3Q FY2017. The decrease in net financing costs was mainly due to S$163.4 million partial repayment of debts using the proceeds of the Rights Issue and proceeds from disposal of 40 Alps Ave. This was partially offset by additional interest costs from the S$110.0 million term loan drawn to finance the Australian portfolio acquisition in February 2018. The all-in-financing cost averaged 3.72% for the quarter and the aggregate leverage stood at 35.6% as at 30 September 2018.

Distributable amount to unitholders in 3Q FY2018 amounted to S$15.9 million, 3.6% lower compared to the corresponding period last year. The lower distribution was mainly due to lower capital distribution as compared to 3Q FY2017 and approximately S$0.2 million (net of relevant expenses) retained in respect of the tax matter relating to 51 Alps Ave.

8 ii) Review of the performance for the nine-month period ended 30 September 2018

Gross revenue for the nine months ended was S$90.6 million, an increase of S$8.2 million or 9.9% compared to the same period in 2017. The higher revenue was mainly due to the 9-property Australian warehouse portfolio acquisition on 15 February 2018, improvement in income at 51 Alps Ave, DSC ARC and Laverton North, Australia. This was partly offset by a lower contribution mainly from DC2 and Pandan Logistics Hub, and the divestment of 40 Alps Ave.

NPI for the nine months ended was S$67.6 million, an increase of S$3.8 million or 5.9% compared to the same period in 2017. The increase in NPI was mainly due to higher revenue, partially offset by higher property expenses from the conversion of CWT Commodity Hub's lease structure and higher property expenses from the enlarged Australian portfolio.

Net financing costs for the nine months ended were S$13.5 million, 4.3% lower than the same period last year. The decrease in net financing costs was mainly due to S$90.9 million partial repayment of the Term Loan using the proceeds of the Rights Issue in October 2017 and a further S$72.5 million partial repayment of the Term Loan in May 2018 using proceeds from disposal of 40 Alps Ave. This was partially offset by the S$110.0 million term loan draw down to finance the Australia acquisitions in February 2018. The all-in financing cost for the period averaged 3.66%.

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 2018 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 2.6% on a year-on-year ("yoy") basis in the third quarter of 2018 ("3Q 2018"), lower than the 4.1% growth in the preceding quarter, weighed down by a softening manufacturing sector. The manufacturing sector grew by 4.5% on a yoy basis in 3Q 2018, slower than the 10.6% growth in the previous quarter.[1] Nevertheless, the Singapore's Purchasing Managers Index ("PMI") recorded its 25th consecutive month of expansion at 52.4 points.

According to Colliers International, average gross rents of Singapore's logistics properties slipped by 0.8% compared to second half of last year due to the supply influx in 2017. Given the slowdown in future supply from 2019 onwards, it is expected that rents are likely to stabilise across all segments in 2019 – 2022[2].

According to the Reserve Bank of Australia, the Australian economy has grown strongly over the past year, with GDP increasing by 3.4%. The Bank's central forecast remains for growth to average slightly above 3% in 2018 and 2019 as business conditions are positive and non-mining business investment is expected to increase. In addition, higher levels of public infrastructure investment and the growth resource exports are supporting the economy. The RBA cash rate was kept at 1.5%[3]. The industrial sector is in a growth phase with demand greater than supply. Demand is expected to remain solid in the year ahead, given population growth and infrastructure investment which are supporting economic activity. Sydney, Melbourne, and to a lesser extent Brisbane, are well placed to benefit[4].

As at 30 September 2018, Cache maintained a strong committed portfolio occupancy 96.9% and the WALE by net lettable area was 3.3 years. On 12 October 2018, Cache announced the proposed divestment of Jinshan Chemical Warehouse located at Jinshan District within the Shanghai Chemical Industry Park in China for a sale consideration of RMB 87.0 million (approximately S$17.8 million[5]). Acquired in June 2011 for RMB 71.0 million, the property was last valued at RMB 77.3 million[6]. The sale consideration of RMB 87.0 million represents a 22.5% premium over the original purchase price. The proposed divestment is in line with the REIT's focus on its portfolio rebalancing and growth strategy.

In the area of capital management, Cache's aggregate leverage ratio stood at 35.6% as at 30 September 2018 and the year-to-date all-in financing cost was 3.66%. On 16 October, Cache entered into a new facility agreement to refinance part of its Singapore-dollar borrowings into a new 5.5-year S$265.0 million unsecured debt facility comprising a S$200 million term loan and a committed revolving credit facility of S$65.0 million. Post refinancing, over 80% of Cache's total borrowings will be unsecured, with the Singapore portfolio entirely unencumbered. The weighted debt maturity will extend from 2.2 years to 4.1 years.

Along with proactive capital management and asset management, the Manager remains focused on its portfolio rebalancing and growth strategy to rejuvenate, optimise and strengthen its portfolio.

[1] Ministry of Trade and Industry, Press Release, "Singapore's GDP Grew by 2.6 Per Cent in the Third Quarter of 2018", 12 October 2018.
[2] Colliers International, H1 2018 Singapore Industrial Market, 23 August 2018.
[3] Statement by Philip Lowe, Governor: Monetary Policy Decision, 2 October 2018.
[4] Dexus Research, Australian Real Estate Quarterly Review, "Three Thematics to Define the Year Ahead," Q3 2018.
[5] Based on the exchange rate of S$1.00 = RMB 4.899.
[6] Based on the independent valuation carried out by Cushman & Wakefield Limited, as at 15 August 2018.

11 Distributions

(a) Current financial period

Any distribution declared for the current period? Yes

Name of distribution: Distribution for the period from 1 July 2018 to 30 September 2018

Distribution Type:

Distribution Income Period	**1/7/18 to 30/9/18**
Distribution Type	cents
Tax exempt income component	0.211
Taxable income component	1.228
Capital component	0.036
Total	1.475

Number of units entitled to distribution: 1,074,653,480

Par value of units: Not meaningful

Tax rate:

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

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

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

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

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

Remarks: Nil

(b) Corresponding period of the immediately preceding financial year

Any distribution declared for the previous corresponding financial period? Yes

Name of distribution: Distribution for the period from 1 July 2017 to 30 September 2017

Distribution Type:

Distribution Income Period	**1/7/17 to 30/9/17**
Distribution Type	cents
Tax exempt income component	0.240
Taxable income component	1.248
Capital component	0.053
Total	1.541

Number of units entitled to distribution: 1,067,156,635

Par value of units: Not meaningful

Tax rate:

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

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

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

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

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

Remarks: Nil

(c) Date Payable 28 November 2018

(d) Books Closure Date / Record Date 2 November 2018

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

Not applicable.

13 Interested Party Transaction Mandate

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

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

To the best of our knowledge, nothing has come to the attention of the Board of Directors of the Manager of Cache (the "Manager") which may render the unaudited interim financial statements of the Group and Trust (comprising the statements of financial position as at 30 September 2018, statements of total return & distribution statements, statement of cash flows and statements of movements in unitholders' funds for the quarter ended on that date), together with their accompanying notes, to be false or misleading, in any material aspect.

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

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

16 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 for the quarter ended 30 September 2018:

(a) Cache will declare a distribution which is classified as capital distribution from a tax perspective, being reimbursements received from vendor in relation to outstanding lease incentives at the point of completion of the acquisition of certain properties in Australia, in addition to the income available for distribution for the quarter ended 30 September 2018;

(b) The Manager is satisfied on reasonable grounds that, immediately after making the distributions, Cache 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 for the quarter ended 30 September 2018 and is verified by our external tax consultant.

Currently, Cache distributes 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 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 TRUST MANAGEMENT (CACHE) LIMITED
AS MANAGER OF CACHE LOGISTICS TRUST
(Company registration no. 200919331H)

Lim Hwee Chiang
Director
26 October 2018

For enquiries, please contact:

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The Board of Directors
ARA Trust Management (Cache) Limited
(in its capacity as manager of Cache Logistics Trust)
5 Temasek Boulevard
#12-01 Suntec Tower Five
Singapore 038985

25 October 2018

Cache Logistics Trust and its subsidiaries
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 nine-month period ended 30 September 2018. The Interim Financial Information consists of the following:

- Statements of financial position of the Group and the Trust as at 30 September 2018;
- Portfolio statements of the Group and the Trust as at 30 September 2018;
- Statement of total return of the Group for the quarter and nine-month period ended 30 September 2018;
- Distribution statement of the Group for the quarter and nine-month period ended 30 September 2018;
- Statements of movements in unitholders' funds of the Group and the Trust for the quarter and nine-month period ended 30 September 2018;
- Statement of cash flows of the Group for the nine-month period ended 30 September 2018; and
- Certain explanatory notes to the above financial information.

The management of ARA 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.

KPMG

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

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
25 October 2018