



Cache Logistics Trust **2015 First Quarter Unaudited Financial Statements & Distribution Announcement**

INTRODUCTION

Cache Logistics Trust ("Cache") is a Singapore-based real estate investment trust constituted by the Trust Deed entered into on 11 February 2010 (as amended) between ARA-CWT Trust Management (Cache) Limited, in its capacity as the manager (the "Manager"), and HSBC Institutional Trust Services (Singapore) Limited, in its capacity as the trustee (the "Trustee"), to invest in income-producing real estate predominantly used for logistics purposes in Asia-Pacific¹, as well as real estate-related assets.

The Group had, on 27 February 2015, completed the acquisitions of three properties located in Australia (collectively "Australian properties"). The acquisitions represent an opportunity for Cache to acquire attractive and high quality warehouses occupying freehold land and located in excellent locations with close proximity to major roads linking central business districts, ports and airports. In line with the Manager's investment strategy of investing in income-producing real estate used for logistics purposes in Asia-Pacific, the acquisitions will enhance the geographic diversification of the Cache portfolio.

Cache's portfolio as at 31 March 2015 comprises 16 high quality logistics warehouse properties located in Singapore, China and Australia including CWT Commodity Hub, CWT Cold Hub, Schenker Megahub, Cache Changi Districentre 1, Hi-Speed Logistics Centre, Cache Changi Districentre 2, APC Distrihub, Kim Heng Warehouse, Air Market Logistics Centre, Pan Asia Logistics Centre, Pandan Logistics Hub, Precise Two, Jinshan Chemical Warehouse, Chester Hills Property, Somerton Property and Coopers Plain Property (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 first quarter ended 31 March 2015 set out in this announcement has been extracted from financial information for the period from 1 January 2015 to 31 March 2015 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		
		1/1/15 to 31/3/15	1/1/14 to 31/3/14	Change
		S\$'000	S\$'000	%
Gross revenue		21,006	20,681	1.6
Net property income		19,689	19,570	0.6
Income available for distribution	(a)	16,807	16,656	0.9
Distribution per unit ("DPU") (cents)	(b)	2.146	2.140	0.3
Annualised DPU (cents)	(c)	8.703	8.679	0.3

Notes:

- (a) Cache achieved income available for distribution of S\$16.8 million for 1Q15. This represented an increase of 0.9% 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 first quarter ended 31 March 2015

	Notes	Group		
		1/1/15 to 31/3/15	1/1/14 to 31/3/14	Change
		S\$'000	S\$'000	%
<u>Statement of Total Return</u>				
Gross revenue	(a)	21,006	20,681	1.6
Property expenses	(b)	(1,317)	(1,111)	18.5
Net property income		19,689	19,570	0.6
Other income		2	-	nm
Net financing costs	(c)	(2,278)	(2,638)	(13.6)
Manager's fees	(d)	(1,819)	(1,621)	12.2
Trustee fees		(108)	(80)	35.0
Valuation fee		(13)	(17)	(23.5)
Other trust expenses		(263)	(362)	(27.3)
		(4,479)	(4,718)	(5.1)
Total return for the period before taxation and distribution		15,210	14,852	2.4
Income tax expense	(e)	(53)	(57)	(7.0)
Total return for the period after taxation before distribution		15,157	14,795	2.4
Group				
		1/1/15 to 31/3/15	1/1/14 to 31/3/14	Change
		S\$'000	S\$'000	%
Total return for the period after taxation before distribution		15,157	14,795	2.4
Distribution adjustment:				
Manager's fees paid/payable in units	(d)	1,364	1,216	12.2
Trustee fees		108	80	35.0
Amortisation of transaction costs	(f)	296	492	(39.8)
Depreciation		129	34	279.4
Foreign exchange difference		(109)	15	(826.7)
Other items	(g)	(138)	24	(675.0)
Distribution adjustment		1,650	1,861	(11.3)
Income available for distribution to Unitholders at the end of the period		16,807	16,656	0.9
Income to be distributed	(h)	16,807	16,656	0.9

nm – not meaningful

**Unaudited Financial Statements Announcement
For the First Quarter ended 31 March 2015**

Statement of Total Return	Notes	Trust			
		1/1/15 to 31/3/15	1/1/14 to 31/3/14	Change	
		S\$'000	S\$'000	%	
	Gross revenue	(a)	20,216	20,339	(0.6)
	Property expenses	(b)	(1,269)	(1,090)	16.4
	Net property income		18,947	19,249	(1.6)
	Other income		2	-	nm
	Net financing costs	(c)	(2,083)	(2,638)	(21.0)
	Manager's fees	(d)	(1,819)	(1,621)	12.2
	Trustee fees		(89)	(80)	11.3
Total return for the period after taxation before distribution					
Distribution Statement					
Total return for the period after taxation before distribution					
Distribution adjustment					
Income available for distribution to Unitholders at the end of the period					
Income to be distributed					

nm – not meaningful

Notes:

- (a) Comprises rental income from the investment properties.
- (b) Comprises property management fee, lease management fee, reimbursable expenses payable to the Property Manager and other property related expenses. The increase is primarily due to tenancy related costs incurred.
- (c) Included in the net financing costs are the following:

	Notes	Group		
		1/1/15 to 31/3/15	1/1/14 to 31/3/14	Change
		S\$'000	S\$'000	%
Finance income :				
Bank deposits		14	48	(70.8)
Interest rate swaps		56	-	nm
Finance expenses :				
Interest expense :				
Bank loans		(1,977)	(1,992)	(0.8)
Interest rate swaps		-	(201)	(100.0)
Amortisation of transaction costs	(f)	(296)	(492)	(39.8)
Others		(75)	(1)	7,400.0
Net financing costs		(2,278)	(2,638)	(13.6)

	Note	Trust		
		1/1/15 to 31/3/15	1/1/14 to 31/3/14	Change
		S\$'000	S\$'000	%
Finance income :				
Bank deposits		7	47	(85.1)
Intercompany loan		60	-	nm
Interest rate swaps		57	-	nm
Finance expenses :				
Interest expense :				
Bank loans		(1,844)	(1,992)	(7.4)
Interest rate swaps		-	(201)	(100.0)
Amortisation of transaction costs	(f)	(290)	(492)	(41.1)
Others		(73)	-	nm
Net financing costs		(2,083)	(2,638)	(21.0)

nm – not meaningful

- (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 income tax and withholding tax provided in relation to the subsidiaries.
- (f) Represents amortisation of upfront fees on credit facilities which are non-tax deductible and have no impact on income available for distribution.
- (g) Relate to expenses such as depreciation and exchange differences that are non-tax deductible.
- (h) The current distribution policy is to distribute 100% of taxable and tax-exempt income. For a Real Estate Investment Trust to maintain tax transparency (such that distributions are tax exempt to eligible unitholders), it is required to distribute at least 90% 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	
		31/03/15	31/12/14	31/03/15	31/12/14
		S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets					
Investment properties	(a)	1,127,106	1,044,462	1,031,196	1,027,550
Investment property under development	(b)	93,595	75,700	93,595	75,700
Plant and equipment		2,173	1,840	2,065	1,729
Investments in subsidiaries	(c)	-	-	34,379	628
Derivative assets	(d)	627	242	627	242
Total non-current assets		1,223,501	1,122,244	1,161,862	1,105,849
Current assets					
Trade and other receivables		990	3,455	955	3,451
Amounts due from subsidiaries		-	-	22,106	12,705
Derivative assets	(d)	136	86	136	86
Cash and cash equivalents		11,333	11,275	8,755	9,976
Total current assets		12,459	14,816	31,952	26,218
Total assets		1,235,960	1,137,060	1,193,814	1,132,067
Current liabilities					
Trade and other payables	(e)	(18,239)	(20,501)	(17,787)	(20,322)
Interest bearing borrowings	(f)	(35,911)	(6,622)	(35,911)	(6,622)
Total current liabilities		(54,150)	(27,123)	(53,698)	(26,944)
Non-current liabilities					
Trade and other payables		(4,171)	-	(4,171)	-
Interest bearing borrowings	(f)	(410,017)	(342,623)	(373,688)	(342,623)
Derivative liabilities	(d)	(509)	-	(238)	-
Deferred tax liabilities	(g)	(428)	(413)	-	-
Total non-current liabilities		(415,125)	(343,036)	(378,097)	(342,623)
Total liabilities		(469,275)	(370,159)	(431,795)	(369,567)
Net assets		766,685	766,901	762,019	762,500
Represented by:					
Unitholders' funds	(h)	766,685	766,901	762,019	762,500

Notes:

- (a) Represent carrying values of the investment properties based on independent valuations carried out by DTZ Debenham Tie Leung (SEA) Pte Ltd as at 31 December 2014 and the Australian properties acquired on 27 February 2015.
- (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. The increase is due to investment in Cache Logistics Trust Australia.
- (d) Relates to the fair value of the interest rate swaps entered to hedge against the interest rate risk:
- (i) a 3-year plain vanilla interest rates swap of S\$131.25 million maturing in 2015;
 - (ii) a 4-year plain vanilla interest rates swap of S\$87.85 million maturing in 2016;
 - (iii) a 3.6-year plain vanilla interest rates swap of S\$53.75 million maturing in 2018;
 - (iv) a 4.6-year plain vanilla interest rates swap of S\$29.55 million maturing in 2019; and
 - (v) a 5-year plain vanilla interest rates swap of A\$17.50 million maturing in 2020.

As at 31 March 2015, Cache is 71% hedged against interest rate risk.

- (e) Relates mainly to costs accruals for the Development Property.
- (f) Refer to Item 1(b)(i): Aggregate amount of Borrowings and Debt Securities for details.
- (g) Relates to deferred tax liabilities on the change in fair value of Jinshan Chemical Warehouse, Shanghai, China.
- (h) Refer to Item (1)(d), the Statement of Movements in Unitholders' Funds, for details. Changes mainly due to movement in translation reserves and changes in fair value of cashflow hedges, return and distribution to unitholders for the period.

As at 31 March 2015, Cache's current liabilities exceeded its current assets due to current borrowings and construction cost accruals relating to the Development Property. The committed revolving credit facilities will only mature in 2017 and 2018. The Manager has in place a bank facility for the Development Property as mentioned below.

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

	Group		Trust	
	31/03/15	31/12/14	31/03/15	31/12/14
	S\$'000	S\$'000	S\$'000	S\$'000
Secured borrowings				
Amount repayable within one year	36,808	6,808	36,808	6,808
Less : Unamortised transaction costs	(897)	(186)	(897)	(186)
	35,911	6,622	35,911	6,622
Amount repayable after one year	414,993	348,373	378,380	348,373
Less : Unamortised transaction costs	(4,976)	(5,750)	(4,692)	(5,750)
	410,017	342,623	373,688	342,623
Total borrowings	445,928	349,245	409,599	349,245

Notes:

Cache has in place a secured S\$400 million club loan facility ("CLF") from a syndicate of five banks consisting of:

- a secured 4-year term loan of S\$185 million maturing in 2018 ("Facility A");
- a secured 5-year term loan of S\$150 million maturing in 2019 ("Facility B"); and
- a secured committed revolving credit facility ("Facility C") of S\$65 million maturing in 2018.

The CLF is secured by way of:

- a first mortgage over CWT Commodity Hub, CWT Cold Hub, Schenker Megahub, Cache Changi Districentre 1, Hi-Speed Logistics Centre, Precise Two (collectively, the “Charged Properties”);
- a debenture creating fixed and floating charges over all assets in relation to the Charged Properties;
- an assignment of all leases, sale agreements and banker’s guarantees and bank accounts in relation to the Charged Properties;
- an assignment of all insurance policies in relation to the Charged Properties; and
- an assignment of Cache’s rights in the corporate guarantees given in respect of certain properties.

As of 31 March 2015, a total of S\$350 million has been drawn comprising of S\$320 million from Facility A and Facility B and S\$30 million from Facility C.

Cache has in place the following facilities for the Development Property:

- a secured 3.5 year term loan of S\$81 million maturing in 2017 (“TLF”); and
- a secured committed revolving credit facility (“RCF”) of S\$16 million maturing in 2017.

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.

As of 31 March 2015, a total of S\$50.5 million has been drawn comprising of S\$43.7 million from TLF and S\$6.8 million from the RCF.

During the quarter ended 31 March 2015, the Group had also obtained the following facilities for the acquisitions of the Australian properties:

- a secured 3 year term loan of A\$14 million maturing in 2018; and
- a secured 5 year term loan of A\$35 million maturing in 2020.

The facilities are secured by way of a legal mortgage and charges over the Australian properties.

As of 31 March 2015, the above facilities were fully drawn.

1 (c) Statement of Cash Flows

	Notes	Group	
		1/1/15 to 31/3/15	1/1/14 to 31/3/14
		S\$'000	S\$'000
Operating activities			
Net income		15,210	14,852
Adjustments for:			
Manager's fees paid/payable in units		1,364	1,216
Depreciation		129	34
Net financing costs		2,278	2,638
Changes in working capital :			
Trade and other receivables		2,465	(16)
Trade and other payables		6,117	(164)
Cash generated from operating activities		27,563	18,560
Tax paid		(37)	(70)
Net cash from operating activities		27,526	18,490
Cash flows from investing activities			
Interest received		14	48
Capital expenditure on investment properties	(a)	(3,646)	-
Purchase of plant and equipment		(458)	(11)
Purchase of investment properties	(b)	(78,747)	-
Capital expenditure on development property	(c)	(22,069)	-
Net cash (used in)/from investing activities		(104,906)	37
Cash flows from financing activities			
Proceeds from borrowings	(d)	96,620	-
Interest paid		(1,930)	(2,269)
Transaction costs paid		(335)	-
Distribution to Unitholders		(16,776)	(16,614)
Net cash from/(used in) financing activities		77,579	(18,883)
Net increase /(decrease) in cash and cash equivalents		199	(356)
Cash and cash equivalents at the beginning of the period		11,275	40,754
Effect of exchange differences on cash and cash equivalents		(141)	(20)
Cash and cash equivalents at the end of the period		11,333	40,378

Notes:

- (a) Asset enhancement initiatives for existing investment properties.
- (b) Amount incurred for the acquisitions of Chester Hills Property, Somerton Property and Coopers Plain Property in Australia.
- (c) Amount incurred for capital expenditure for the Development Property.
- (d) Represent new borrowings drawn for the Development Property and acquisitions of Australian properties.

1 (d) Statements of Movements in Unitholders' Funds

	Notes	Group	
		1/1/15 to 31/3/15	1/1/14 to 31/3/14
		S\$'000	S\$'000
Balance at the beginning of the period		766,901	761,750
Operations			
Total return after tax		15,157	14,795
Effective portion of changes in fair value of cashflow hedges	(a)	(74)	45
Foreign currency translation reserve			
Translation differences from financial statements of foreign entities		113	(259)
Net gain/(loss) recognised directly in Unitholders' fund		39	(214)
Unitholders' transactions			
Units to be issued:			
- Manager's fees payable in units	(b)	1,364	1,216
Distributions to unitholders		(16,776)	(16,614)
Net decrease in net assets resulting from unitholders' transactions		(15,412)	(15,398)
Unitholders' funds at the end of the period		766,685	760,933

	Notes	Trust	
		1/1/15 to 31/3/15	1/1/14 to 31/3/14
		S\$'000	S\$'000
Balance at the beginning of the period		762,500	757,959
Operations			
Total return after tax		14,733	14,572
Effective portion of changes in fair value of cashflow hedges	(a)	198	45
Unitholders' transactions			
- Manager's fees payable in units	(b)	1,364	1,216
Distributions to unitholders		(16,776)	(16,614)
Net decrease in net assets resulting from unitholders' transactions		(15,412)	(15,398)
Unitholders' funds at the end of the period		762,019	757,178

Notes:

- (a) Relates to the effective portion of changes in derivative assets and liabilities designated as cashflow hedges.
- (b) Represent the value of units to be issued to the Manager as partial consideration of the Manager's fees incurred for the quarter. The units are to be issued within 30 days from quarter end.

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

	Notes	Group and Trust	
		1/1/15 to 31/3/15	1/1/14 to 31/3/14
		Units	Units
Issued units at the beginning of the period		781,758,464	777,440,340
Units to be issued:			
- Manager's fees payable in units	(a)	1,174,130	1,094,868
Total issued and to be issued units		782,932,594	778,535,208

Notes:

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

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

Not applicable.

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

The financial information set out in this announcement relating to the following:

- Statements of Financial Position of the Group and the Trust as at 31 March 2015;
- Statements of Total Return of the Group and the Trust for the quarter ended 31 March 2015;
- Distribution Statements of the Group and the Trust for the quarter ended 31 March 2015;
- Statements of Movements in Unitholders' Fund of the Group and the Trust for the quarter ended 31 March 2015; and
- Statements of Cash Flows of the Group for the quarter ended 31 March 2015.

have been extracted from financial information for the period from 1 January 2015 to 31 March 2015 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 22 April 2015 issued on the financial information of Cache for the quarter ended 31 March 2015, 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 Accountants.

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

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current period compared with the audited financial statements for the year ended 31 December 2014.

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	
		1/1/15 to 31/3/15	1/1/14 to 31/3/14
Weighted average number of units		781,771,510	777,452,505
Earnings per unit for the period based on the weighted average number of units in issue (cents)	(a)	1.94	1.90

Notes:

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

Distribution per unit

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

	Notes	Group	
		1/1/15 to 31/3/15	1/1/14 to 31/3/14
Number of units issued and to be issued at end of period entitled to distribution	(a)	782,932,594	778,535,208
Distribution per unit for the period based on the total number of units entitled to distribution (cents)	(b)	2.146	2.140

Notes:

- (a) Computation of DPU for the period from 1 January 2015 to 31 March 2015 is based on the number of units entitled to distribution:
- (i) Number of units in issue as at 31 March 2015 of 781,758,464; and
 - (ii) Units to be issued to the Manager by 30 April 2015 as partial consideration of Manager's fees incurred for the quarter ended 31 March 2015 of 1,174,130.
- (b) Distribution of 2.146 cents per unit for the period 1 January 2015 to 31 March 2015 will be paid on 27 May 2015.

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

	Notes	Group	
		31/03/15	31/12/14
NAV per unit (S\$)	(a)	0.98	0.98

Notes:

- (a) Number of units used to compute NAV per unit of 782,932,594 comprised:
- (ii) Number of units in issue as at 31 March 2015 of 781,758,464; and
 - (iii) Units to be issued to the Manager by 31 March 2015 as partial consideration of Manager's fees incurred for the quarter ended 31 March 2015 of 1,174,130.

8 (i) Review of the performance for the quarter ended 31 March 2015

Gross revenue achieved for the quarter ended was S\$21.0 million, 1.6% higher than 1Q2014. Net Property Income ("NPI") for the quarter was S\$19.7 million, 0.6% higher than 1Q2014. The increase in NPI is mainly due to build-in rental escalation within the portfolio's lease and contribution of gross revenue from the Australian properties, offset by vacancies and higher property maintenance expenses and lease commissions.

Net financing costs for the quarter were S\$2.3 million, 13.6% lower than 1Q14. The Manager had, on 23 October 2014, completed its refinancing exercise which extended the weighted average debt maturity and lowered the all-in interest margin. During the quarter, the Manager had obtained a A\$14 million and a A\$35 million secured term loans for the acquisitions of the Australian properties.

All-in-financing cost averaged 2.77% for the quarter and the gearing ratio for the Group stood at 36.6% as at 31 March 2015.

The income available for distribution was S\$16.8 million, an increase of S\$0.1 million or 0.9% higher than the quarter ended 1Q2014.

9 Variance between the projection and actual results

The current results are broadly in line with the Trust's commentary made in the fourth quarter 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 advance estimates, the Singapore economy grew by 2.1% on a year-on-year ("y-o-y") basis in the first quarter of 2015, the same rate of growth as that achieved in the previous quarter². The manufacturing sector was the main drag on growth as it contracted by 3.4% on a y-o-y basis. The contraction was due to a fall in output in the transport engineering, electronics and precision engineering clusters³.

Singapore's manufacturing activity contracted for the fourth straight month in March 2015. The Purchasing Managers' Index (PMI) was 49.6, down 0.1 point from February's 49.7, due to a further decline in new orders and new export orders. The PMI readings in other Asian countries were mixed, with China showing some signs of an improvement⁴.

Industry Outlook

According to property consultant firm Colliers International, Singapore's industrial property market will continue to have a mixed outlook in 2015. Rents are expected to soften on the back of ample supply of warehouse space, as well as industrialists' continued cost consciousness. Nevertheless, Singapore's logistics industry is expected to benefit from its standing as an important logistics hub in Asia. The World Bank has ranked Singapore as the No. 1 Logistics Hub in Asia in the 2014 Logistics Performance Index⁵.

In February 2015, the Singapore government announced the removal of the 3% stamp duty remission on the purchase price of a local property acquired by REITs after 31 March 2015. For an acquisition of a Singapore property, the Manager will now have to factor in the stamp duty consideration.

Company Outlook

Cache reported Gross Revenue of S\$21.0 million for 1Q 2015, 1.6% higher than the same period a year ago. Net Property Income for the quarter was S\$19.7 million, 0.6% higher than 1Q 2014. The increase in NPI is attributable to the rental revenue from the recently-acquired Australian properties and built-in rental escalations, offset by higher property maintenance expenses and lease commissions. Distributable Income of S\$16.8 million in 1Q 2015 was up

² Ministry of Trade & Industry Press Release, 14 April 2015

³ <http://www.channelnewsasia.com/news/singapore/singapore-s-gdp-grew-2-1/1782518.html>

⁴ <http://www.channelnewsasia.com/news/business/singapore/singapore-s-manufacturing/1763818.html>

⁵ Based on information obtained from the Economic Development Board's (EDB) website on the logistics and supply chain management industry as at 9 February 2015

0.9% from 1Q 2014. Unitholders will receive a Distribution Per Unit ("DPU") of 2.146 cents this quarter, up 0.3% from 1Q 2014.

During the quarter, the Manager completed the acquisitions of three distribution warehouses in Australia for a total cost of A\$75.6 million (S\$79.3 million). The portfolio of warehouses are fully-leased to high quality tenants such as McPhee Distribution Services, Linfox Australia Pty Limited and Stirling Holdings Pty Ltd for a long WALE of 9.7 years⁶ with fixed annual escalations of 3.0% to 3.5%.

With the refinancing exercise completed in October 2014, net financing expenses for the quarter were S\$2.3 million, 13.6% lower than in 1Q 2014. As at 31 March 2015, the aggregate leverage ratio stood at 36.6% and the all-in financing cost averaged 2.77% in 1Q 2015. As part of its prudent capital management strategy, the Manager has further reduced its exposure to interest rate volatility by increasing the proportion of the debt hedged to 71% (4Q 2014: 62%).

On the asset management front, the Manager proactively negotiated and secured a number of forward renewal commitments for those master-leased properties which converted into multi-tenanted properties in April 2015. Approximately 70% of the portfolio leases expiring in FY2015 have been committed.

For the rest of FY2015, the Manager will continue to focus on maximizing portfolio occupancy with its proactive lease management strategies in addition to seeking quality acquisitions in Singapore and in the Asia Pacific region, particularly in Australia, China, Malaysia and Korea, with which to grow sustainable earnings for Cache.

⁶ Calculated by net lettable area

11 Distributions

(a) Current financial period

Any distribution declared for the current period? Yes

Name of distribution: Distribution for the period from 1 January 2015 to 31 March 2015

Distribution Type:

Distributable Income Period	1/1/15 to 31/3/15
Distribution Type	cents
Taxable income component	2.129
Capital component	0.017
Total	2.146

Par value of units: Not meaningful

Tax rate: **Taxable income component**

The distributions are made out of Cache's taxable income. Unitholders receiving distributions will be assessable to Singapore income tax on the distributions received except for individuals where these distributions are exempt from tax.

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

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

Capital component

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

Remarks: Nil

(b) Corresponding period of the immediately preceding financial year

Any distribution declared for the previous corresponding financial period? Yes

Name of distribution: Distribution for the period from 1 January 2014 to 31 March 2014

Distribution Type:

Distributable Income Period	1/1/14 to 31/3/14
Distribution Type	cents
Taxable income component	2.112
Capital component	0.028
Total	2.140

Par value of units: Not meaningful

Tax rate: **Taxable income component**

The distributions are made out of Cache's taxable income. Unitholders receiving distributions will be assessable to Singapore income tax on the distributions received except for individuals where these distributions are exempt from tax.

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

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

Capital component

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

Remarks: Nil

(c) **Date Payable** 27 May 2015

(d) **Books Closure Date /
Record Date** 30 April 2015

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
22 April 2015

For enquiries, please contact:

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The Board of Directors
ARA-CWT Trust Management (Cache) Limited
(in its capacity as Manager of Cache Logistics Trust)
6 Temasek Boulevard
#16-02 Suntec Tower 4
Singapore 038986

22 April 2015

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 three-month period ended 31 March 2015. The Financial Information consists of the following:

- Statements of financial position of the Group and the Trust as at 31 March 2015;
- Portfolio statements of the Group and the Trust as at 31 March 2015;
- Statements of total return of the Group and the Trust for the three-month period ended 31 March 2015;
- Distribution statements of the Group and the Trust for the three-month period ended 31 March 2015;
- Statements of movements in unitholders' funds of the Group and the Trust for the three-month period ended 31 March 2015;
- Statement of cash flows of the Group for the three-month period ended 31 March 2015; 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 *Reporting Framework for Unit Trusts* issued by the Institute of Singapore Chartered Accountants. Our responsibility is to express a conclusion on this Interim Financial Information based on our review.

Scope of review

We conducted our review in accordance with Singapore Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of the interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Interim Financial Information is not prepared, in all material respects, in accordance with the provision of RAP 7 issued by the Institute of Singapore Chartered Accountants.

Restriction of Use

Our report is provided in accordance with the terms of our engagement. Our work was undertaken so that we might report to you on the Interim Financial Information for the purpose of assisting the Trust to meet the requirements of paragraph 3 of Appendix 7.2 of the Singapore Exchange Limited Listing Manual and for no other purpose. Our report is included in the Trust's announcement of its interim financial information for the information of its unitholders. We do not assume responsibility to anyone other than the Trust for our work, for our report, or for the conclusions we have reached in our report.



KPMG LLP
Public Accountants and
Chartered Accountants