



Cache Logistics Trust
2014 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.

Cache’s portfolio as at 31 March 2014 comprises 13 high quality logistics warehouse properties located in Singapore and China including CWT Commodity Hub, CWT Cold Hub, Schenker Megahub, C&P Changi Districentre, Hi-Speed Logistics Centre, C&P Changi Districentre 2, APC Distrihub, Kim Heng Warehouse, Air Market Logistics Centre, Pan Asia Logistics Centre, Pandan Logistics Hub, Precise Two and Jinshan Chemical Warehouse (collectively “Investment Properties”).

In April 2014, Cache entered into an agreement with DHL Supply Chain Singapore Pte Ltd to develop and lease a build-to-suit (“BTS”) warehouse located at Greenwich Drive, Tampines LogisPark (the “Development”). Cache has also entered into a fixed price building works contract with Precise Development Pte Ltd and accepted a letter of offer from JTC Corporation in relation to the land lease at Tampines LogisPark. Measuring over 989,200 square feet in gross floor area, the development is expected to complete in the second half of 2015.

The financial information for the first quarter ended 31 March 2014 set out in this announcement has been extracted from financial information for the period from 1 January 2014 to 31 March 2014 which has been reviewed by Cache’s independent auditors in accordance with Singapore Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. For the purpose of this announcement, references to “Trust” are to Cache; and references to “Group” are to Cache and its subsidiaries.

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

SUMMARY OF RESULTS FOR CACHE LOGISTICS TRUST

	Notes	Group		
		1/1/14 to 31/3/14	1/1/13 to 31/3/13	Change
		S\$'000	S\$'000	%
Gross revenue		20,681	19,115	8.2
Net property income		19,570	18,088	8.2
Income available for distribution		16,656	15,795	5.5
Distribution per unit ("DPU") (cents)	(a)/(b)/(c)	2.140	2.234	(4.2)
Annualised DPU (cents)	(d)	8.679	9.060	(4.2)

Notes:

- (a) Refer to Item 6 for DPU computation.
- (b) The decrease in DPU was a result of an increase in the number of units arising from the issue of 70 million units from a private placement on 27 March 2013.
- (c) Please refer to Item 11 for further details.
- (d) 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 2014

	Notes	Group		
		1/1/14 to 31/3/14	1/1/13 to 31/3/13	Change
<u>Statement of Total Return</u>				
		S\$'000	S\$'000	%
Gross revenue	(a)	20,681	19,115	8.2
Property expenses	(b)	(1,111)	(1,027)	8.2
Net property income		19,570	18,088	8.2
Net financing costs	(c)	(2,638)	(2,710)	(2.7)
Manager's fees	(d)	(1,621)	(1,591)	1.9
Trustee fees		(80)	(75)	6.7
Valuation fee		(17)	(62)	(72.6)
Other trust expenses		(362)	(189)	91.5
		(4,718)	(4,627)	2.0
Total return for the period before taxation and distribution		14,852	13,461	10.3
Income tax expense	(f)	(57)	(54)	5.6
Total return for the period after taxation before distribution		14,795	13,407	10.4
Group				
		1/1/14 to 31/3/14	1/1/13 to 31/3/13	Change
		S\$'000	S\$'000	%
Total return for the period after taxation before distribution		14,795	13,407	10.4
Distribution adjustment:				
Manager's fees paid/payable in units	(d)	1,216	1,193	1.9
Trustee fees		80	75	6.7
Amortisation of transaction costs	(e)	492	491	0.2
Depreciation		34	18	88.9
Foreign exchange difference		15	27	(44.4)
Other items	(g)	24	584	(95.9)
Distribution adjustment		1,861	2,388	(22.1)
Income available for distribution to Unitholders at the end of the period		16,656	15,795	5.5
Income to be distributed	(h)	16,656	15,795	5.5

Notes:

- (a) Comprises rental income from the investment properties. The increase is due to upward rental adjustments and rentals from the investment property acquired in 2013.
- (b) Comprises property management fee, reimbursable expenses payable to the Property Manager and other property related expenses where the increase is in line with Gross Revenue.
- (c) Included in the net financing costs are the following:

	Note	Group		
		1/1/14 to 31/3/14	1/1/13 to 31/3/13	Change
		S\$'000	S\$'000	%
Finance income :				
Interest income		48	8	500.0
Finance expenses :				
Interest expense :				
Bank loan and bonds		(1,992)	(2,100)	(5.1)
Interest rate swaps		(201)	(125)	60.8
Amortisation of transaction costs	(e)	(492)	(491)	0.2
Others		(1)	(2)	(50.0)
Net financing costs		(2,638)	(2,710)	(2.7)

	Note	Trust		
		1/1/14 to 31/3/14	1/1/13 to 31/3/13	Change
		S\$'000	S\$'000	%
Finance income :				
Interest income		47	6	683.3
Finance expenses :				
Interest expense :				
Bank loan and bonds		(1,992)	(2,100)	(5.1)
Interest rate swaps		(201)	(125)	60.8
Amortisation of transaction costs	(e)	(492)	(491)	0.2
Others		-	(1)	(100.0)
Net financing costs		(2,638)	(2,711)	(2.7)

- (d) Consist of:
- A base fee of 0.5% per annum of the value of the total assets; and
 - A performance fee of 1.5% per annum of the net property income ("NPI").

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

- (e) Represents amortisation of upfront fees on credit facilities which are non-tax deductible and have no impact on income available for distribution.
- (f) Includes income tax provided in relation to a subsidiary.
- (g) Relate to other expenses such as professional fees that are non-tax deductible.

- (h) The current distribution policy is to distribute 100% of taxable income and tax-exempt income and thereafter, to distribute at least 90% of its 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) Statements of Financial Position as at 31 March 2014

	Notes	Group		Trust	
		31/3/14	31/12/13	31/3/14	31/12/13
		S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets					
Investment properties	(a)	1,034,746	1,034,980	1,018,500	1,018,500
Plant and equipment		580	606	472	489
Investments in subsidiaries	(b)	-	-	628	628
Total non-current assets		1,035,326	1,035,586	1,019,600	1,019,617
Current assets					
Trade and other receivables		878	862	865	858
Amounts due from subsidiaries		-	-	12,882	12,944
Cash and cash equivalents		40,378	40,754	38,904	39,429
Total current assets		41,256	41,616	52,651	53,231
Total assets		1,076,582	1,077,202	1,072,251	1,072,848
Current liabilities					
Trade and other payables		(4,346)	(4,619)	(4,187)	(4,473)
Total current liabilities		(4,346)	(4,619)	(4,187)	(4,473)
Non-current liabilities					
Trade and other payables		(100)	-	(100)	-
Interest bearing borrowings	(c)	(310,508)	(310,093)	(310,508)	(310,093)
Derivative liabilities	(d)	(278)	(323)	(278)	(323)
Deferred tax liabilities	(e)	(417)	(417)	-	-
Total non-current liabilities		(311,303)	(310,833)	(310,886)	(310,416)
Total liabilities		(315,649)	(315,452)	(315,073)	(314,889)
Net assets		760,933	761,750	757,178	757,959
Represented by: Unitholders' funds	(f)	760,933	761,750	757,178	757,959

Notes:

- (a) Represent carrying values of the investment properties based on independent valuation carried out by Jones Lang LaSalle as at 31 December 2013.
- (b) Relates to wholly-owned subsidiaries of Cache, stated at cost.
- (c) Refer to Item 1(b)(i): Aggregate amount of Borrowings and Debt Securities for details.
- (d) Relates to the fair value of the interest rate swaps entered to hedge against the interest rate risk:
- (i) 3-year plain vanilla interest rates swap to hedge the interest rate risk on 70% of the secured 3-year term loan of S\$187.5 million maturing in 2015; and

- (ii) 4-year plain vanilla interest rates swap to hedge the interest rate risk on 70% of the secured 4-year term loan of S\$125.5 million maturing in 2016.
- (e) Relates to deferred tax liabilities on the change in fair value of Jinshan Chemical Warehouse, Shanghai, China.
- (f) Refer to Item (1)(d), the Statement of Movements in Unitholders' Funds, for details.

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

	Group		Trust	
	31/3/14	31/12/13	31/3/14	31/12/13
	S\$'000	S\$'000	S\$'000	S\$'000
Secured borrowing				
Amount repayable after one year	313,000	313,000	313,000	313,000
Less : Unamortised transaction costs	(2,492)	(2,907)	(2,492)	(2,907)
Total borrowings	310,508	310,093	310,508	310,093

Notes:

Details of borrowings and collaterals

Cache has in place the following facilities:

- a secured 3-year term loan of S\$187.5 million maturing in 2015 ("Facility A");
- a secured 4-year term loan of S\$125.5 million maturing in 2016 ("Facility B"); and
- a secured committed revolving credit facility ("RCF") of S\$62 million which is undrawn at reporting date.

The facilities are secured by way of:

- A first mortgage over CWT Commodity Hub, CWT Cold Hub, Schenker Megahub, C&P Changi Districentre, Hi-Speed Logistics Centre, C&P Changi Districentre 2 (collectively, the "Charged Properties");
- A debenture creating fixed and floating charges over all assets in relation to the Charged Properties;
- An assignment of all leases, sale agreements and banker's guarantees and bank accounts in relation to the Charged Properties;
- An assignment of all insurance policies in relation to the Charged Properties; and
- An assignment of Cache's rights in the corporate guarantees given in respect of certain properties.

1 (c) Statement of Cash Flows

	Notes	Group	
		1/1/14 to 31/3/14	1/1/13 to 31/3/13
		S\$'000	S\$'000
Operating activities			
Net income		14,852	13,461
Adjustments for:			
Manager's fees paid/payable in units		1,216	1,193
Depreciation		34	18
Net financing costs		2,638	2,710
Changes in working capital :			
Trade and other receivables		(16)	(205)
Trade and other payables		(164)	(1,260)
Cash generated from operating activities		18,560	15,917
Tax paid		(70)	(29)
Net cash from operating activities		18,490	15,888
Cash flows from investing activities			
Interest received		48	8
Purchase of plant and equipment		(11)	-
Net cash from investing activities		37	8
Cash flows from financing activities			
Proceeds from issue of new units	(a)	-	86,800
Issue expenses paid	(b)	-	(2,068)
Interest paid		(2,269)	(2,303)
Distribution to Unitholders		(16,614)	(15,150)
Net cash (used in)/from financing activities		(18,883)	67,279
Net (decrease)/increase in cash and cash equivalents		(356)	83,175
Cash and cash equivalents at the beginning of the period		40,754	13,277
Effect of exchange differences on cash and cash equivalents		(20)	41
Cash and cash equivalents at the end of the period		40,378	96,493

Notes:

- (a) Represent proceeds from the Private Placement Units issued on 27 March 2013.
- (b) Relates to professional fees, underwriting and selling commission and other miscellaneous issue expenses.

1 (d) Statements of Movements in Unitholders' Funds

	Notes	Group	
		1/1/14 to 31/3/14	1/1/13 to 31/3/13
		S\$'000	S\$'000
Balance at the beginning of the period		761,750	671,876
Operations			
Total return after tax		14,795	13,407
Net increase in net assets resulting from operations		776,545	685,283
Effective portion of changes in fair value of cashflow hedges	(a)	45	(485)
Foreign currency translation reserve			
Translation differences from financial statements of foreign entities		(259)	198
Net (loss)/gain recognised directly in Unitholders' fund		(259)	198
Unitholders' transactions			
Issue of new units			
- Private placement	(b)	-	86,800
Units to be issued			
- Manager's fees payable in units	(c)	1,216	1,193
Issue expenses	(b)	-	(2,068)
Distributions to unitholders		(16,614)	(15,150)
Net (decrease)/increase in net assets resulting from unitholders' transactions		(15,398)	70,775
Unitholders' funds at the end of the period		760,933	755,771

	Notes	Trust	
		1/1/14 to 31/3/14	1/1/13 to 31/3/13
		S\$'000	S\$'000
Balance at the beginning of the period		757,959	669,991
Operations			
Total return after tax		14,572	13,197
Net increase in net assets resulting from operations		772,531	683,188
Effective portion of changes in fair value of cashflow hedges	(a)	45	(485)
Unitholders' transactions			
Issue of new units			
- Private placement	(b)	-	86,800
Units to be issued			
- Manager's fees payable in units	(c)	1,216	1,193
Issue expenses	(b)	-	(2,068)
Distributions to unitholders		(16,614)	(15,150)
Net (decrease)/increase in net assets resulting from unitholders' transactions		(15,398)	70,775
Unitholders' funds at the end of the period		757,178	753,478

Notes:

- (a) Relates to the effective portion of changes in derivative liabilities designated as cashflow hedges.
- (b) Represent proceeds from Private Placement Units issued on 27 March 2013 and related issue expenses.
- (c) Represent the value of units to be issued to the Manager as partial consideration of the Manager's fees incurred for the quarter. The units are to be issued within 30 days from quarter end.

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

	Notes	Group and Trust	
		1/1/14 to 31/3/14	1/1/13 to 31/3/13
		Units	Units
Issued units at the beginning of the period		777,440,340	703,353,638
Creation of units:			
- Issue of new units (Private Placements)	(a)	-	70,000,000
Issued units at the end of the period		777,440,340	773,353,638
Units to be issued:			
- Manager's fees payable in units	(b)	1,094,868	924,050
Total issued and to be issued units		778,535,208	774,277,688

Notes:

- (a) Relates to Private Placement Units issued on 27 March 2013.
- (b) Represent units to be issued to the Manager as partial consideration of Manager's fees incurred for the quarter. The units are to be issued within 30 days from the quarter end.

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

Not applicable.

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

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

- Statements of Financial Position of the Group and the Trust as at 31 March 2014;
- Statements of Total Return of the Group and the Trust for the quarter ended 31 March 2014;

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- Distribution Statements of the Group and the Trust for the quarter ended 31 March 2014;
- Statements of Movements in Unitholders' Fund of the Group and the Trust for the quarter ended 31 March 2014; and
- Statement of Cash Flows of the Group for the quarter ended 31 March 2014

has been extracted from financial information for the period from 1 January 2014 to 31 March 2014 which has been reviewed by Cache's independent auditors in accordance with Singapore Standard on Review Engagements 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*".

3 Where the figures have been audited, or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Refer to the attachment for the extract of the independent auditors' review report dated 23 April 2014 issued on the financial information of Cache for the quarter ended 31 March 2014, which has been prepared in accordance with the recommendations of Statement of Recommended Accountant Practice 7 "*Reporting Framework for Unit Trusts*", issued by Institute of Singapore Chartered Accountant.

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

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current period compared with the audited financial statements for the year ended 31 December 2013, except for adoption of FRS 110 *Consolidated Financial Statements*.

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

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

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

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

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

Earnings per unit

	Notes	Group	
		1/1/14 to 31/3/14	1/1/13 to 31/3/13
Weighted average number of units		777,452,505	707,252,794
Earnings per unit for the period based on the weighted average number of units in issue (cents)	(a)	1.90	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		
		1/1/14 to 31/3/14	1/1/13 to 26/3/13	27/3/13 to 31/3/13
Number of units issued and to be issued at end of period entitled to distribution	(a)	778,535,208	703,353,638	774,277,688
Distribution per unit for the period based on the number of units entitled to distribution (cents)	(b)	2.140	2.121	0.113

Notes:

- (a) Computation of DPU for the period from 1 January 2014 to 31 March 2014 is based on the number of units entitled to distribution:
- (i) Number of units in issue as at 31 March 2014 of 777,440,340; and
 - (ii) Units to be issued to the Manager by 30 April 2014 as partial consideration of Manager’s fees incurred for the quarter ended 31 March 2014 of 1,094,868.

Computation of DPU for the period from 1 January 2013 to 26 March 2013 is based on the number of units entitled to distribution:

- (i) Number of units in issue as at 26 March 2013 of 703,353,638;

Computation of DPU for the period from 27 March 2013 to 31 March 2013 is based on the number of units entitled to distribution:

- (i) Number of units in issue as at 31 March 2013 of 773,353,638; and
- (ii) Units issued to the Manager on 25 April 2013 as partial consideration of Manager's fees incurred for the quarter ended 31 March 2013 of 924,050.

(b) Distribution of 2.140 cents per unit for the period 1 January 2014 to 31 March 2014 will be paid on 27 May 2014.

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

	Notes	Group		Trust	
		31/3/14	31/12/13	31/3/14	31/12/13
NAV per unit (S\$)	(a)	0.98	0.98	0.97	0.97

Notes:

(a) Number of units used to compute NAV per unit of 778,535,208 comprised:

- (i) Number of units in issue as at 31 March 2014 of 777,440,340; and
- (ii) Units to be issued to the Manager by 30 April 2014 as partial consideration of Manager's fees incurred for the quarter ended 31 March 2014 of 1,094,868.

8 (i) Review of the performance for the quarter ended 31 March 2014

Gross revenue achieved for the quarter ended was S\$20.7 million, an increase of S\$1.6 million or 8.2% higher than 1Q2013. NPI for the quarter was S\$19.6 million, an increase of S\$1.5 million or 8.2% higher than 1Q2013.

The higher gross revenue and NPI in 1Q2014 were mainly attributable to the additional rental income from upward rental adjustments and acquisition of investment property completed in 2013.

Net financing costs for the quarter were S\$2.6 million. All-in-financing cost averaged 3.48% for the quarter and the gearing ratio for the Group stood at 29.1% as at 31 March 2014.

The increases in Manager's fee and Trustee's fee are in line with the higher NPI and deposited property value.

The income available for distribution was S\$16.7 million, an increase of S\$0.9 million or 5.5% higher than the quarter ended 1Q2013.

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 2013 financial results announcement under Item 10. The Trust has not disclosed any financial forecast to the market.

10 Commentary on the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

Economic Outlook

According to Singapore's Ministry of Trade & Industry's ("MTI") advance estimates, the Singapore economy grew by 5.1% on a year-on-year basis in the first quarter of 2014, lower than the 5.5% growth in the previous quarter. Singapore is expected to grow at a moderate pace in 2014, supported by the cyclical uplift in the industrialised economies. The level of economic activity should stay on a broad upward trajectory for the rest of the year².

Singapore's March Purchasing Managers' Index ("PMI"), a key indicator of manufacturing activity, came in at 50.8, lower than February's reading of 50.9 and below economists' estimates of 51.1. This was due to a dip in new orders and production levels, which was in line with other Asian economies such as China and India.

Industry Outlook

According to Colliers International³, rental declines in the prime conventional warehouse segment in 1Q 2014 were modest at 0.8% quarter-on-quarter ("q-o-q") for ground-floor space and 1.4% q-o-q for upper-floor space. The average monthly gross rent of ground- and upper-floor premises is \$2.58 per square foot and \$2.09 per square foot respectively in 1Q 2014. With an increase in supply of industrial space and a cost-conscious attitude amongst industrialists, there could be some downward pressure on the average occupancy rate and industrial rents.

Company Outlook

In 1Q 2014, Cache registered a 8.2% and 5.5% increase in NPI and Distributable Income to S\$19.6 million and S\$16.7 million respectively. The increase was primarily attributable to rental contribution from new acquisitions made in 2013 and built-in rental escalation within the portfolio's master leases.

Cache has a portfolio of 13 high quality logistics warehouse properties which are strategically located in established logistics clusters in Singapore and China, with a total gross floor area of 5.1 million square feet and a total deposited property of approximately S\$1.08 billion as at 31 March 2014.

On 14 April 2014, Cache announced that HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of Cache, has entered into an agreement with DHL Supply Chain Singapore Pte Ltd to develop and lease a build-to-suit ("BTS") warehouse located at Greenwich Drive, Tampines LogisPark. The project is expected to receive the temporary occupation permit in the second half of 2015. This marks Cache's foray into BTS

² MAS Monetary Policy Statement issued on 14 April 2014, <http://www.mas.gov.sg/news-and-publications/speeches-and-monetary-policy-statements/2014/monetary-policy-statement-14-apr-14.aspx>

³ Colliers International, Research & Forecast Report, Singapore Industrial 1Q 2014, "Stable Start to 2014".

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development through working with its sponsor, CWT Limited. The long-term lease with a strong tenant credit is expected to provide stable, recurring cash flow to Unitholders and strengthen the existing portfolio. Cache will be funding this development through internal sources and bank borrowing.

Cache maintained an aggregate leverage of 29.1% at the end of the quarter. The total borrowings, amounting to S\$313.0 million, where 70% of the interest cost is hedged, provide significant certainty over financing costs. Financing facilities are in the form of term loans which mature in 2015 and 2016, and an undrawn revolving credit facility of S\$62.0 million as at 31 March 2014. The aggregate leverage is expected to increase from 29.1%⁴ to approximately 34.8% at the completion of the BTS development for DHL Supply Chain Singapore Pte Ltd.

ARA-CWT Trust Management (Cache) Limited, as manager of Cache Logistics Trust, will continue its pursuit to grow the REIT via quality, accretive acquisitions in Asia Pacific and organic growth opportunities. The Manager will also be focusing its efforts on addressing lease expiries as well as capital management requirements in 2015 and 2016. Barring any unforeseen market events, the Manager expects to deliver comparable returns in 2014.

⁴ As at 31 March 2014

11 Distributions

(a) Current financial period

Any distribution declared for the current period? Yes

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

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

(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 2013 to 26 March 2013

Distribution Type:

Distribution Type	Cents
Taxable income component	2.093
Capital component	0.028
Total	2.121

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: In connection with the private placement launched on 18 March 2013, the Manager has declared an advanced distribution of 2.121 cents per unit for the

period from 1 January 2013 to 26 March 2013, being the day immediately prior to the date on which the new units were issued. This is to ensure that the total amount available for distribution, accrued by Cache up to the day immediately prior to the date on which the new units were issued, is only distributed to the Existing Unitholders, as a means to ensure fairness to these Unitholders.

Advance distribution of 2.121 cents comprises a taxable income component of 2.093 cents per unit and a capital component of 0.028 cents per unit for the period 1 January 2013 to 26 March 2013.

Name of distribution: Distribution for the period from 27 March 2013 to 31 March 2013

Distribution Type:

Distribution Type	Cents
Taxable income component	0.111
Capital component	0.002
Total	0.113

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.

(c) **Date Payable** 27 May 2014

(d) **Books Closure Date /
Record Date** 2 May 2014

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

Not applicable.

13 Interested Party Transaction Mandate

Cache is not required to obtain a general mandate from Unitholders for Interested Party Transactions.

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

To the best of our knowledge, nothing has come to the attention of the Board of Directors of the Manager of Cache (the "Manager") which may render the unaudited interim financial statements of the Group and Trust (comprising the statements of financial position as at 31 March 2014, 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.

On behalf of the Board of the Manager
ARA-CWT TRUST MANAGEMENT (CACHE) LIMITED

Lim How Teck
Director

Lim Hwee Chiang
Director

**Unaudited Financial Statements Announcement
For the First Quarter ended 31 March 2014**

This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses (including employee wages, benefits and training costs), property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the current views of management on future events.

The value of units in Cache (“**Units**”) and the income derived from them, if any, may fall or rise. Units are not obligations of, deposits in, or guaranteed by, ARA-CWT Trust Management (Cache) Limited (as the manager of Cache) (the “**Manager**”) or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors should note that they will have no right to request the Manager to redeem or purchase their Units for so long as the Units are listed on Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). It is intended that holders of Units may only deal in their Units through trading on the SGX-ST. The listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

The past performance of Cache is not necessarily indicative of the future performance of Cache.

BY ORDER OF THE BOARD
ARA-CWT TRUST MANAGEMENT (CACHE) LIMITED
AS MANAGER OF CACHE LOGISTICS TRUST
(Company registration no. 200919331H)

Lim Hwee Chiang
Director
23 April 2014

For enquiries, please contact:

ARA-CWT Trust Management (Cache) Limited
Ms Judy Tan
Investor Relations Manager
(65) 6512 5161
judytan@ara.com.hk



KPMG LLP
16 Raffles Quay #22-00
Hong Leong Building
Singapore 048581

Telephone +65 6213 3388
Fax +65 6225 0984
Internet kpmg.com.sg

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

23 April 2014

Cache Logistics Trust Review of Interim Financial Information

Introduction

We have reviewed the accompanying Interim Financial Information of Cache Logistics Trust (the "Trust") and its subsidiaries (collectively the "Group") for the three-month period ended 31 March 2014. The Financial Information consists of the following:

- Statements of financial position of the Group and the Trust as at 31 March 2014;
- Portfolio statements of the Group and the Trust as at 31 March 2014;
- Statements of total return of the Group and the Trust for the three-month period ended 31 March 2014;
- Distribution statements of the Group and the Trust for the three-month period ended 31 March 2014;
- Statements of movements in unitholders' funds of the Group and the Trust for the three-month period ended 31 March 2014;
- Statement of cash flows of the Group for the three-month period ended 31 March 2014; and
- Certain explanatory notes to the above financial information.

The management of ARA-CWT Trust Management (Cache) Limited (the "Manager" of the Trust) is responsible for the preparation and presentation of this Interim Financial Information in accordance with the provisions of the Statement of Recommended Practice ("RAP") 7 (2012) *Reporting Framework for Unit Trusts* issued by the Institute of Singapore Chartered Accountants. Our responsibility is to express a conclusion on this Interim Financial Information based on our review.

Scope of review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Interim Financial Information is not prepared, in all material respects, in accordance with the provision of RAP 7 (2012) issued by the Institute of Singapore Chartered Accountants.

Restriction of Use

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

KPMG LLP

KPMG LLP
Public Accountants and
Chartered Accountants