



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

The Manager had, on 23 October 2014, completed the refinancing of its existing S\$375 million loan facility (“Existing Loan Facility”) with a new S\$400 million club loan facility (“New Loan Facility”) which provides a 4-year term loan facility of S\$185 million, a 5-year term loan facility of S\$150 million and a 4-year revolving credit facility of S\$65 million. The refinancing exercise extended the weighted average debt maturity, lowered the all-in interest margin and increased Cache’s financial flexibility. The cost savings were achieved on the back of strong diversified banking relationships, the quality of the Cache portfolio and the stability of its cash flows.

An extraordinary general meeting (“EGM”) of unitholders of Cache (“Unitholders”) held on 19 December 2014 had duly passed the following resolutions relating to interested party transactions:

- Proposed entry into the renewed master lease agreement and agreements for lease for CWT Commodity Hub; and
- Proposed entry into the new master property management agreement.

The financial information for the fourth quarter and full year ended 31 December 2014 set out in this announcement has been extracted from financial information for the period from 1 January 2014 to 31 December 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					
		1/10/14 to 31/12/14	1/10/13 to 31/12/13	Change	Full Year		Change
					1/01/14 to 31/12/14	1/01/13 to 31/12/13	
S\$'000	S\$'000	%	S\$'000	S\$'000	%		
Gross revenue		20,608	20,694	(0.4)	82,852	80,955	2.3
Net property income		19,380	19,574	(1.0)	78,000	76,813	1.5
Income available for distribution	(a)	16,785	16,611	1.0	66,880	65,555	2.0
Distribution per unit ("DPU") (cents)	(b)	2.146	2.137	0.4	8.573	8.644	(0.8)
Annualised DPU (cents)	(c)	8.514	8.478	0.4	8.573	8.644	(0.8)

Notes:

- (a) Cache achieved income available for distribution of S\$16.8 million for 4Q14; S\$66.9 million for the full year ended 31 December 2014. This represented an increase of 1.0% and 2.0% respectively over the same period last year.
- (b) Please refer to item 6 and item 11 for further details.
- (c) Extrapolated for information only. Not indicative of DPU for the respective full year ended 31 December.

1(a) Statements of Total Return and Distribution Statements for the fourth quarter and full year ended 31 December 2014

	Notes	Group					
		1/10/14 to 31/12/14	1/10/13 to 31/12/13	Change	Full Year		Change
					1/01/14 to 31/12/14	1/01/13 to 31/12/13	
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
Statement of Total Return							
Gross revenue	(a)	20,608	20,694	(0.4)	82,852	80,955	2.3
Property expenses	(b)	(1,228)	(1,120)	9.6	(4,852)	(4,142)	17.1
Net property income		19,380	19,574	(1.0)	78,000	76,813	1.5
Other income		-	-	nm	5	10	(50.0)
Net financing costs	(c)	(4,309)	(2,705)	59.3	(12,296)	(10,815)	13.7
Manager's fees	(d)	(1,724)	(1,651)	4.4	(6,651)	(6,520)	2.0
Trustee fees		(84)	(82)	2.4	(327)	(318)	2.8
Valuation fee	(e)	37	75	(50.7)	(33)	(126)	(73.8)
Other trust expenses	(f)	(296)	(390)	(24.1)	(1,580)	(1,609)	(1.8)
		(6,376)	(4,753)	34.1	(20,882)	(19,378)	7.8
Net income		13,004	14,821	(12.3)	57,118	57,435	(0.6)
Net change in fair value of investment properties	(g)	8,966	6,726	33.3	8,966	6,726	33.3
Total return for the period before taxation and distribution		21,970	21,547	2.0	66,084	64,161	3.0
Income tax expense	(h)	(70)	(198)	(64.6)	(275)	(457)	(39.8)
Total return for the period after taxation before distribution		21,900	21,349	2.6	65,809	63,704	3.3
Group							
		1/10/14 to 31/12/14	1/10/13 to 31/12/13	Change	Full Year		Change
					1/01/14 to 31/12/14	1/01/13 to 31/12/13	
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
Distribution Statement							
Total return for the period after taxation before distribution		21,900	21,349	2.6	65,809	63,704	3.3
Distribution adjustment:							
Manager's fees paid/payable in units	(d)	1,293	1,238	4.4	4,988	4,890	2.0
Trustee fees		84	82	2.4	327	318	2.8
Amortisation of transaction costs	(i)	412	493	(16.4)	1,890	1,971	(4.1)
Transaction costs written-off	(c)	2,134	-	nm	2,134	-	nm
Deferred taxation		13	133	(90.2)	13	133	(90.2)
Net change in fair value of investment properties	(g)	(8,966)	(6,726)	33.3	(8,966)	(6,726)	33.3
Depreciation		97	29	234.5	224	93	140.9
Foreign exchange difference		(79)	(24)	229.2	8	(58)	(113.8)
Other items	(j)	(103)	37	(378.4)	453	1,230	(63.2)
Distribution adjustment		(5,115)	(4,738)	8.0	1,071	1,851	(42.1)
Income available for distribution to Unitholders at the end of the period		16,785	16,611	1.0	66,880	65,555	2.0
Income to be distributed	(k)	16,785	16,611	1.0	66,880	65,555	2.0

nm – not meaningful

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	Notes	Trust					
		1/10/14 to 31/12/14	1/10/13 to 31/12/13	Change	Full Year		Change
					1/01/14 to 31/12/14	1/01/13 to 31/12/13	
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
Statement of Total Return							
Gross revenue	(a)	20,305	20,345	(0.2)	81,677	79,592	2.6
Property expenses	(b)	(1,204)	(1,092)	10.3	(4,761)	(4,100)	16.1
Net property income		19,101	19,253	(0.8)	76,916	75,492	1.9
Dividend income		-	663	(100.0)	585	663	(11.8)
Net financing costs	(c)	(4,308)	(2,705)	59.3	(12,296)	(11,004)	11.7
Manager's fees	(d)	(1,724)	(1,651)	4.4	(6,651)	(6,520)	2.0
Trustee fees		(84)	(82)	2.4	(327)	(318)	2.8
Valuation fee	(e)	37	75	(50.7)	(33)	(126)	(73.8)
Other trust expenses	(f)	(362)	(646)	(44.0)	(1,488)	(2,093)	(28.9)
		(6,441)	(4,346)	48.2	(20,210)	(19,398)	4.2
Net income		12,660	14,907	(15.1)	56,706	56,094	1.1
Net change in fair value of investment properties	(g)	8,913	6,194	43.9	8,913	6,194	43.9
Total return for the period before taxation and distribution		21,573	21,101	2.2	65,619	62,288	5.3
Income tax expense		-	-	nm	-	-	nm
Total return for the period after taxation before distribution		21,573	21,101	2.2	65,619	62,288	5.3
Trust							
		1/10/14 to 31/12/14	1/10/13 to 31/12/13	Change	Full Year		Change
		S\$'000	S\$'000	%	1/01/14 to 31/12/14	1/01/13 to 31/12/13	%
Total return for the period after taxation before distribution		21,573	21,101	2.2	65,619	62,288	5.3
Distribution adjustment:							
Manager's fees paid/payable in units	(d)	1,293	1,238	4.4	4,988	4,890	2.0
Trustee fees		84	82	2.4	327	318	2.8
Amortisation of transaction costs	(i)	412	493	(16.4)	1,890	1,971	(4.1)
Transaction costs written-off	(c)	2,134	-	nm	2,134	-	nm
Net change in fair value of investment properties	(g)	(8,913)	(6,194)	43.9	(8,913)	(6,194)	43.9
Depreciation		91	27	237.0	200	87	129.9
Overseas income not distributed to the Trust		198	(313)	(163.3)	163	248	(34.3)
Other items	(j)	(87)	177	(149.2)	472	1,947	(75.8)
Distribution adjustment		(4,788)	(4,490)	6.6	1,261	3,267	(61.4)
Income available for distribution to Unitholders at the end of the period		16,785	16,611	1.0	66,880	65,555	2.0
Income to be distributed	(k)	16,785	16,611	1.0	66,880	65,555	2.0

nm – not meaningful

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Notes:

- (a) Comprises rental income from the investment properties. The decrease in the gross revenue for the quarter is due to vacancies and tenant rent free period. The increase in gross revenue for the year is due to built-in rental escalation within the portfolio's lease in 2014.
- (b) Comprises property management fee, lease management fee, reimbursable expenses payable to the Property Manager and other property related expenses. The increase in 2014 property expenses is due to tenancy related costs incurred.
- (c) Included in the net financing costs are the following:

Notes	Group					
	1/10/14 to 31/12/14	1/10/13 to 31/12/13	Change	Full Year		Change
				1/01/14 to 31/12/14	1/01/13 to 31/12/13	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Finance income :						
Interest income	7	30	(76.7)	161	78	106.4
Finance expenses :						
Interest expense :						
Bank loans	(1,586)	(2,031)	(21.9)	(7,644)	(8,219)	(7.0)
Interest rate swaps	(182)	(209)	(12.9)	(787)	(698)	12.8
Amortisation of transaction costs	(412)	(493)	(16.4)	(1,890)	(1,971)	(4.1)
Transaction costs written-off	(2,134)	-	nm	(2,134)	-	nm
Others	(2)	(2)	-	(2)	(5)	(60.0)
Net financing costs	(4,309)	(2,705)	59.3	(12,296)	(10,815)	13.7

Note	Trust					
	1/10/14 to 31/12/14	1/10/13 to 31/12/13	Change	Full Year		Change
				1/01/14 to 31/12/14	1/01/13 to 31/12/13	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Finance income :						
Interest income	7	29	(75.9)	161	73	120.5
Finance expenses :						
Interest expense :						
Bank loans	(1,586)	(2,031)	(21.9)	(7,644)	(8,219)	(7.0)
Interest rate swaps	(182)	(209)	(12.9)	(787)	(698)	12.8
Amortisation of transaction costs	(412)	(493)	(16.4)	(1,890)	(1,971)	(4.1)
Transaction costs written-off	(2,134)	-	nm	(2,134)	-	nm
Others	(1)	(1)	-	(2)	(189)	(98.9)
Net financing costs	(4,308)	(2,705)	59.3	(12,296)	(11,004)	11.7

nm – not meaningful

The Manager completed the refinancing of its Existing Loan Facility with a New Loan facility which provides a 4-year term loan facility of S\$185 million, a 5-year term loan facility of S\$150 million and a 4-year revolving credit facility of S\$65 million.

In conjunction with the above exercise, the following financing costs were incurred:

- unamortised transaction costs of the existing S\$375 million loan facility written-off; and
- cancellation fees in respect of the revolving credit facility of the existing loan facility.

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The above-mentioned costs were non-tax deductible and did not impact income available for distribution.

(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 over accrual of valuation fees written back.

(f) Includes legal and professional fees incurred for EGM and refinancing exercise.

(g) Relates to revaluation gain of investment properties and investment property under development as of 31 December 2014. The revaluation exercise was performed by DTZ Debenham Tie Leung (SEA) Pte Ltd. (2013: Jones Lang LaSalle Property Consultants Pte Ltd)

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

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

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

(k) The current distribution policy is to distribute 100% of taxable and tax-exempt income. For a REIT to maintain tax transparency (such that distributions are tax exempt to eligible unitholders), it is required to distribute at least 90% of its taxable income. The dividends are distributed on a quarterly basis, no later than 60 days after the end of each distribution period.

1(b) Statements of Financial Position

	Notes	Group		Trust	
		31/12/14	31/12/13	31/12/14	31/12/13
		S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets					
Investment properties	(a)	1,044,462	1,034,980	1,027,550	1,018,500
Investment property under development	(b)	75,700	-	75,700	-
Plant and equipment		1,840	606	1,729	489
Derivative assets	(d)	242	-	242	-
Investments in subsidiaries	(c)	-	-	628	628
Total non-current assets		1,122,244	1,035,586	1,105,849	1,019,617
Current assets					
Trade and other receivables		3,455	862	3,451	858
Amounts due from subsidiaries		-	-	12,705	12,944
Derivative assets	(d)	86	-	86	-
Cash and cash equivalents		11,275	40,754	9,976	39,429
Total current assets		14,816	41,616	26,218	53,231
Total assets		1,137,060	1,077,202	1,132,067	1,072,848
Current liabilities					
Trade and other payables	(e)	(20,501)	(4,619)	(20,322)	(4,473)
Interest bearing borrowings	(f)	(6,622)	-	(6,622)	-
Total current liabilities		(27,123)	(4,619)	(26,944)	(4,473)
Non-current liabilities					
Interest bearing borrowings	(f)	(342,623)	(310,093)	(342,623)	(310,093)
Derivative liabilities	(d)	-	(323)	-	(323)
Deferred tax liabilities	(g)	(413)	(417)	-	-
Total non-current liabilities		(343,036)	(310,833)	(342,623)	(310,416)
Total liabilities		(370,159)	(315,452)	(369,567)	(314,889)
Net assets		766,901	761,750	762,500	757,959
Represented by:					
Unitholders' funds	(h)	766,901	761,750	762,500	757,959

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.
- (b) Refers to the development of DHL Supply Chain Advanced Regional Centre (the "Development Property") at Greenwich Drive, Tampines LogisPark. This property was revalued at 31 December 2014 by DTZ Debenham Tie Leung (SEA) Pte Ltd.

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

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gross floor area of approximately 989,200 square feet. The Trust commenced development in May 2014 and it is expected to complete in the second half of 2015.

- (c) Relates to wholly-owned subsidiaries of Cache, stated at cost.
- (d) 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; and
 - (ii) a 4-year plain vanilla interest rates swap of S\$87.9 million maturing in 2016.
 As at 31 December 2014, Cache is 61.7% hedged against interest rate risk.
- (e) Increase due 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 differences and changes in fair value of cashflow hedges, return and distribution to unitholders for the period.

As at 31 December 2014, Cache's current liabilities exceeded its current assets by S\$12.3 million due to the draw on our revolving facility of S\$6.6 million and construction cost accruals relating to the Development Property of S\$11.1 million. The Manager has in place a bank facility for the Development Property as mentioned below. Excluding the above, Cache would have a positive working capital of S\$5.4 million.

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

	Group		Trust	
	31/12/14	31/12/13	31/12/14	31/12/13
	S\$'000	S\$'000	S\$'000	S\$'000
Secured borrowings				
Amount repayable within one year	6,808	-	6,808	-
Less : Unamortised transaction costs	(186)	-	(186)	-
	6,622	-	6,622	-
Amount repayable after one year	348,373	313,000	348,373	313,000
Less : Unamortised transaction costs	(5,750)	(2,907)	(5,750)	(2,907)
	342,623	310,093	342,623	310,093
Total borrowings	349,245	310,093	349,245	310,093

Notes:

Details of borrowings and collaterals

The Manager had, on 23 October 2014, completed the refinancing of its Existing Loan Facility with a New Loan Facility provided by a syndicate of five banks i.e. Australia and New Zealand Banking Group Limited, DBS Bank Ltd., The Hongkong and Shanghai Banking Corporation Limited, Standard Chartered Bank and United Overseas Bank Limited.

Details of the New Loan Facility are as follows:

- a) a secured 4-year term loan of S\$185.0 million maturing in 2018 ("Facility A");
- b) a secured 5-year term loan of S\$150.0 million maturing in 2019 ("Facility B"); and
- c) a secured committed revolving credit facility ("Facility C") of S\$65 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, 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 December 2014, a total of \$320 million had been drawn from both Facility A and Facility B.

Cache had also obtained the following facilities for the Development Property.

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

The facilities are secured by way of:

- A first legal mortgage over the Development Property;
- A debenture creating fixed and floating charges over all assets in relation to the Development Property;
- An assignment of all insurance policies, lease agreements, construction contract and warranties/guarantees and bank accounts in relation to the Development Property;
- An assignment of all current and future lease agreements including the lease agreement signed by DHL on the rental proceeds, security deposits and/or bank guarantee;

As of 31 December 2014, a total of S\$35.2 million has been drawn comprising of S\$28.4 million from TLF A and S\$6.8 million from the RCF.

1 (c) Statement of Cash Flows

	Notes	Group			
		1/10/14 to 31/12/14	1/10/13 to 31/12/13	Full Year	
				1/01/14 to 31/12/14	1/01/13 to 31/12/13
		S\$'000	S\$'000	S\$'000	S\$'000
Operating activities					
Net income		13,004	14,821	57,118	57,435
Adjustments for:					
Manager's fees paid/payable in units		1,293	1,238	4,988	4,890
Depreciation		97	29	224	93
Exchange rate differences		-	(24)	-	(58)
Net financing costs		4,309	2,705	12,296	10,815
Changes in working capital :					
Trade and other receivables		(3,220)	(231)	(2,593)	672
Trade and other payables		2,241	(2,079)	2,099	(1,354)
Cash generated from operating activities		17,724	16,459	74,132	72,493
Tax paid		(53)	(26)	(289)	(165)
Net cash from operating activities		17,671	16,433	73,843	72,328
Cash flows from investing activities					
Interest received		9	30	166	78
Capital expenditure on investment properties	(d)	(925)	-	(925)	-
Purchase of plant and equipment		(643)	(145)	(1,456)	(360)
Purchase of investment properties	(b)	-	-	-	(55,906)
Capital expenditure on development property	(a)	(33,651)	-	(61,084)	-
Net cash used in investing activities		(35,210)	(115)	(63,299)	(56,188)
Cash flows from financing activities					
Proceeds from issue of new units	(b)	-	-	-	86,800
Proceeds from borrowings	(e)	355,181	-	355,181	-
Repayment of borrowings	(e)	(313,000)	-	(313,000)	-
Issue expenses paid	(c)	-	-	-	(2,081)
Interest paid		(1,729)	(2,241)	(8,701)	(9,204)
Financing costs paid		(6,825)	-	(6,825)	-
Distribution to Unitholders		(16,705)	(16,505)	(66,717)	(64,093)
Net cash from/(used in) financing activities		16,922	(18,746)	(40,062)	11,422
Net (decrease)/increase in cash and cash equivalents		(617)	(2,428)	(29,518)	27,562
Cash and cash equivalents at the beginning of the period		11,926	43,277	40,754	13,277
Effect of exchange differences on cash and cash equivalents		(34)	(95)	39	(85)
Cash and cash equivalents at the end of the period		11,275	40,754	11,275	40,754

Notes:

- (a) Amount incurred for capital expenditure for the Development Property.
- (b) Represent proceeds from the Private Placement Units issued on 27 March 2013. The placement proceeds were substantially used for the acquisition of Precise Two and partial funding of the Development Property.
- (c) Relates to professional fees, underwriting and selling commission and other miscellaneous issue expenses.

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- (d) Relates to asset enhancement works at C&P Changi Districentre.
- (e) The Manager completed the refinancing of its Existing Loan Facility with a New Loan Facility. In conjunction with the above exercise, the following financing costs were incurred:
- unamortised transaction costs of the existing S\$375 million loan facility written-off; and
 - cancellation fees in respect of the revolving credit facility of the Existing Loan Facility.

1 (d) Statements of Movements in Unitholders' Funds

	Notes	Group			
		1/10/14 to 31/12/14	1/10/13 to 31/12/13	Full Year	
				1/01/14 to 31/12/14	1/01/13 to 31/12/13
		S\$'000	S\$'000	S\$'000	S\$'000
Balance at the beginning of the period		759,402	755,704	761,750	671,876
Operations					
Total return after tax		21,900	21,349	65,809	63,704
Effective portion of changes in fair value of cashflow hedges	(a)	630	(171)	651	164
Foreign currency translation reserve					
Translation differences from financial statements of foreign entities		381	135	420	490
Net gain/(loss) recognised directly in Unitholders' fund		1,011	(36)	1,071	654
Unitholders' transactions					
Issue of new units					
- Private placement	(b)	-	-	-	86,800
- Manager's fees paid in units		-	-	3,695	3,652
Units to be issued					
- Manager's fees payable in units	(c)	1,293	1,238	1,293	1,238
Issue expenses	(b)	-	-	-	(2,081)
Distributions to unitholders		(16,705)	(16,505)	(66,717)	(64,093)
Net (decrease)/increase in net assets resulting from unitholders' transactions		(15,412)	(15,267)	(61,729)	25,516
Unitholders' funds at the end of the period		766,901	761,750	766,901	761,750

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	Notes	Trust			
		1/10/14 to 31/12/14	1/10/13 to 31/12/13	Full Year	
				1/01/14 to 31/12/14	1/01/13 to 31/12/13
		S\$'000	S\$'000	S\$'000	S\$'000
Balance at the beginning of the period		755,709	752,296	757,959	669,991
Operations					
Total return after tax		21,573	21,101	65,619	62,288
Effective portion of changes in fair value of cashflow hedges	(a)	630	(171)	651	164
Unitholders' transactions					
Issue of new units					
- Private placement	(b)	-	-	-	86,800
- Manager's fees paid in units		-	-	3,695	3,652
Units to be issued					
- Manager's fees payable in units	(c)	1,293	1,238	1,293	1,238
Issue expenses	(b)	-	-	-	(2,081)
Distributions to unitholders		(16,705)	(16,505)	(66,717)	(64,093)
Net (decrease)/increase in net assets resulting from unitholders' transactions		(15,412)	(15,267)	(61,729)	25,516
Unitholders' funds at the end of the period		762,500	757,959	762,500	757,959

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			
		1/10/14 to 31/12/14	1/10/13 to 31/12/13	Full Year	
				1/01/14 to 31/12/14	1/01/13 to 31/12/13
		Units	Units	Units	Units
Issued units at the beginning of the period		780,626,338	776,307,743	777,440,340	703,353,638
Creation of units:					
- Issue of new units (Private Placement)	(a)	-	-	-	70,000,000
- Manager's fees paid in units		-	-	3,185,998	2,954,105
Issued units at the end of the period		780,626,338	776,307,743	780,626,338	776,307,743
Units to be issued:					
- Manager's fees payable in units	(b)	1,132,126	1,132,597	1,132,126	1,132,597
Total issued and to be issued units		781,758,464	777,440,340	781,758,464	777,440,340

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 December 2014;
- Statements of Total Return of the Group and the Trust for the quarter and year ended 31 December 2014;
- Distribution Statements of the Group and the Trust for the quarter and year ended 31 December 2014;
- Statements of Movements in Unitholders' Fund of the Group and the Trust for the quarter and year ended 31 December 2014; and
- Statements of Cash Flows of the Group for the quarter and year ended 31 December 2014

has been extracted from financial information for the period from 1 January 2014 to 31 December 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 27 January 2015 issued on the financial information of Cache for the quarter and year ended 31 December 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 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 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

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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			
		1/10/14 to 31/12/14	1/10/13 to 31/12/13	Full Year	
				1/01/14 to 31/12/14	1/01/13 to 31/12/13
Weighted average number of units		780,638,644	776,320,054	779,062,207	758,522,254
Earnings per unit for the period based on the weighted average number of units in issue (cents)	(a)	2.81	2.75	8.45	8.40

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			
		1/10/14 to 31/12/14	1/10/13 to 31/12/13	Full Year	
				1/01/14 to 31/12/14	1/01/13 to 31/12/13
Number of units issued and to be issued at end of period entitled to distribution	(a)	781,758,464	777,440,340	781,758,464	777,440,340
Distribution per unit for the period based on the total number of units entitled to distribution (cents)	(b)	2.146	2.137	8.573	8.644

Notes:

(a) Computation of DPU for the period from 1 October 2014 to 31 December 2014 is based on the number of units entitled to distribution:

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- (i) Number of units in issue as at 31 December 2014 of 780,626,338; and
- (ii) Units to be issued to the Manager by 31 March 2015 as partial consideration of Manager's fees incurred for the quarter ended 31 December 2014 of 1,132,126.

(b) Distribution of 2.146 cents per unit for the period 1 October 2014 to 31 December 2014 will be paid on 27 February 2015.

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

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

Notes:

(a) Number of units used to compute NAV per unit of 781,758,464 comprised:

- (i) Number of units in issue as at 31 December 2014 of 780,626,338; and
- (ii) Units to be issued to the Manager by 31 March 2015 as partial consideration of Manager's fees incurred for the quarter ended 31 December 2014 of 1,132,126.

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

Gross revenue achieved for the quarter ended was S\$20.6 million, 0.4% lower than 4Q2013. Net Property Income ("NPI") for the quarter was S\$19.4 million, 1% lower than 4Q2013. The decrease in NPI is due mainly to the decrease in gross revenue from vacancies and tenant rent free period; higher property maintenance expenses and lease commissions.

Net financing costs for the quarter were S\$4.3 million. The Manager had, on 23 October 2014, completed the refinancing of its Existing Loan Facility with a New Loan Facility which provides a 4-year term loan facility of S\$185 million, a 5-year term loan facility of S\$150 million and a 4-year revolving credit facility of S\$65 million.

The refinancing exercise extended the weighted average debt maturity, lowered the all-in interest margin and increased Cache's financial flexibility. The cost savings were achieved on the back of strong diversified banking relationships, the quality of the Cache portfolio and the stability of its cash flows.

In conjunction with the above exercise, the following financing costs were incurred:

- unamortised transaction costs of the existing S\$375 million loan facilities written-off; and
- cancellation fees in respect of the revolving credit facility of the existing loan facilities.

All-in-financing cost averaged 2.81% for the quarter and the gearing ratio for the Group stood at 31.2% as at 31 December 2014.

The income available for distribution was S\$16.8 million, an increase of S\$0.2 million or 1.0% higher than the quarter ended 4Q2013.

(ii) Review of the performance for the full year ended 31 December 2014

Gross revenue achieved for the year ended 31 December 2014 was S\$82.9 million, an increase of S\$1.9 million or 2.3% higher than the same period in 2013. NPI was S\$78.0 million, an increase of S\$1.2 million or 1.5% higher than the same period in 2013.

The higher gross revenue and NPI for the year ended 31 December 2014 were mainly attributable to the 2014 rental escalation and additional rental income from acquisition of investment property completed in 2013.

As noted above, the Manager had, on 23 October 2014, completed the refinancing of its Existing Loan Facility with a New Loan Facility which provides a 4-year term loan facility of S\$185 million, a 5-year term loan facility of S\$150 million and a 4-year revolving credit facility of S\$65 million.

The refinancing exercise extended the weighted average debt maturity, lowered the all-in interest margin and increased Cache's financial flexibility. The cost savings were achieved on the back of strong diversified banking relationships, the quality of the Cache portfolio and the stability of its cash flows.

In conjunction with the above exercise, the following financing costs were incurred:

- unamortised transaction costs of the existing S\$375 million loan facilities written-off; and
- cancellation fees in respect of the revolving credit facility of the existing loan facilities.

Total net financing costs, included the above, for the year ended 31 December 2014 were S\$12.3 million. All-in-financing cost averaged 3.30%.

9 Variance between the projection and actual results

The current results are broadly in line with the Trust's commentary made in the third 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 a poorer-than-expected 1.5% year-on-year ("y-o-y") in the final quarter of 2014. This translates to a 2.8% growth for the whole of 2014², lower than 2013's growth rate of 3.9%. The factors contributing to the lacklustre growth included ongoing economic restructuring in Singapore, weakness in the European and Japanese economies and a slowing China.

² Ministry of Trade and Industry, press release dated 2 January 2015.

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The Purchasing Managers' Index in December 2014 for the manufacturing sector was 49.6 for December, a drop of close to two points from 51.8 in the previous month, and also the lowest reading since February 2013. The drop was attributable to a contraction in new orders and slower growth in export orders. This is in line with the recent poor manufacturing PMI signals from the rest of the world³.

Industry Outlook

JTC's posted vacancy rate improved to 8.2% for the quarter ended 31 December 2014 from 9.6% in 3Q 2014 and 9.2% in 4Q 2013⁴. The change in vacancy rate represents a review of available supply and provides a sign of pent-up warehouse demand.

According to property consultancy firm DTZ⁵, a weak manufacturing outlook, exacerbated by the injection of some 14.5 million square feet of space in the past three quarters, caused rents for industrial properties to fall by 1.3% in 4Q 2014 from the third quarter. In addition, Colliers International is of the view that Singapore's industrial property market will continue to have a mixed outlook in 2015⁶.

Company Outlook

Cache reported a Distributable Income of S\$16.8 million in 4Q 2014 and S\$66.9 million for the financial year ended 31 December 2014, up 1.0% and 2.0% respectively from the same period a year ago. The increase in Distributable Income was primarily attributable to built-in rental escalation within the portfolio's lease agreements and savings in financing costs. Unitholders will receive a Distribution Per Unit ("DPU") of 2.146 cents this quarter, up 0.4% from 4Q 2013 (4Q 2013: 2.137 cents) and 0.3% from 3Q 2014 (3Q 2014: 2.140 cents).

The Manager completed a refinancing exercise of its existing loan facilities in October 2014 with longer-term loan facilities which extended the weighted average debt to maturity and increased the financial flexibility of Cache. As at 31 December 2014, the aggregate leverage ratio stood at 31.0% and the all-in financing cost averaged 3.30% in FY2014. With this, Cache has no major refinancing needs until FY2018.

On the lease management front, with the approval of Cache's Unitholders, the Manager successfully renewed the master lease of CWT Commodity Hub with CWT Limited for a period of three years beyond the April 2015 expiry. The Manager has also made good progress in securing forward leases with individual tenants for those master-leased properties to be converted into multi-tenanted properties in April 2015. Approximately 72% of C&P Changi Districentre and 41% of CWT Cold Hub have been pre-committed by tenants with a strong pipeline of interest from new tenants. The portfolio occupancy stood at 97.9% as at 31 December 2014.

For FY2015, key management focus will be centred on proactive lease management strategies to maintain optimal portfolio occupancy. In addition, the Manager will continue to seek quality acquisitions in Singapore and in the Asia Pacific region, particularly in China,

³ <http://www.channelnewsasia.com/news/singapore/singapore-s-manufacturing/1570078.html>

⁴ JTC Corporation, "Quarterly Market Report for Industrial Properties for the Fourth Quarter 2014".

⁵ <http://www.channelnewsasia.com/news/business/singapore/weak-demand-hits/1570892.html>

⁶ Colliers International "Outlook for Singapore's Industrial Property Market This Year Continues to be Mixed", dated 12 January 2015

Australia, Malaysia and Korea, along with asset enhancement initiatives that can add long-term value to the portfolio.

11 Distributions

(a) Current financial period

Any distribution declared for the current period? Yes

Name of distribution: Distribution for the period from 1 October 2014 to 31 December 2014

Distribution Type:		1/10/14 to 31/12/14
	Distributable Income Period	
	Distribution Type	cents
	Taxable income component	2.125
	Capital component	0.021
	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 October 2013 to 31 December 2013

Distribution Type:

	1/10/13 to 31/12/13
Distributable Income Period	
Distribution Type	cents
Tax exempt income component	0.030
Taxable income component	2.107
Total	2.137

Par value of units: Not meaningful

Tax rate: **Tax-exempt income component**

The tax-exempt income component of the Distribution is exempt from tax in the hands of all Unitholders.

Taxable income component

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

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

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

Remarks: Nil

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

(d) **Books Closure Date / Record Date** 4 February 2015

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

Not applicable.

13. Segmented revenue and results for business or geographical segments (of the Trust) with comparative information for the immediately preceding year.

No business or geographical segment information has been prepared as the investment properties of the Trust are logistics warehouse located in Singapore, except for one property in China. The contribution from the China property is not significant to the Trust's results.

14. In review of performance, the factors leading to any changes in contributions to turnover and earnings by the business or geographical segments

Please refer to Section 8 for the review of the actual performance.

15. Breakdown of sales

	Group		
	1/01/14 to 31/12/14	1/01/13 to 31/12/13	Change
	S\$'000	S\$'000	%
<u>First half of year</u>			
Gross Revenue	41,462	39,555	4.82
Net Property Income	39,136	37,652	3.94
<u>Second half of year</u>			
Gross Revenue	41,390	41,400	(0.02)
Net Property Income	38,864	39,161	(0.76)

Notes:

Please refer to Section 8 for review of actual performance.

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16. Breakdown of the total distribution for the financial year ended 31 December 2014 and 31 December 2013

	Group	
	1/01/14 to 31/12/14	1/01/13 to 31/12/13
	S\$'000	S\$'000
In respect of the period:		
1 January 2013 to 26 March 2013	-	14,918
27 March 2013 to 31 March 2013	-	875
1 April 2013 to 30 June 2013	-	16,643
1 July 2013 to 30 September 2013	-	16,505
1 October 2013 to 31 December 2013	-	16,615
1 January 2014 to 31 March 2014	16,660	-
1 April 2014 to 30 June 2014	16,737	-
1 July 2014 to 30 September 2014	16,705	-
1 October 2014 to 31 December 2014 <i>(Payable on or about 27 February 2015)</i>	16,785	-
	66,887	65,557

17 Interested Party Transaction Mandate

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

18 Confirmation pursuant to Rule 704(13) of the Listing Manual

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Board of Directors of ARA-CWT Trust Management (Cache) Limited (the "Company"), as manager of Cache, confirms that there are no persons occupying managerial positions in the Company or any of its principal subsidiaries who are relatives of a Director or Chief Executive Officer or substantial unitholders of Cache.

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

Lim How Teck
Director

Lim Hwee Chiang
Director

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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
27 January 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

27 January 2015

Cache Logistics Trust Review of Financial Statements

Introduction

We have reviewed the accompanying Financial Statements of Cache Logistics Trust (the "Trust") and its subsidiaries (collectively the "Group") for the year ended 31 December 2014. The Financial Information consists of the following:

- Statements of financial position of the Group and the Trust as at 31 December 2014;
- Portfolio statements of the Group and the Trust as at 31 December 2014;
- Statements of total return of the Group and the Trust for the year ended 31 December 2014;
- Distribution statements of the Group and the Trust for the year ended 31 December 2014;
- Statements of movements in unitholders' funds of the Group and the Trust for the year ended 31 December 2014;
- Statement of cash flows of the Group for the year ended 31 December 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 financial statements 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 the financial statements 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 financial statements 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 financial statements are 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 financial statements 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 financial statements 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
27 January 2015