

## FLT DECLARES INTERIM DISTRIBUTION OF 3.61 SINGAPORE CENTS PER UNIT<sup>1</sup>

Representing uplift of 3.4% from 3.49 Singapore Cents in 1HFY17

- ◆ **2QFY18 Distributable Income up 3.2%** to A\$25.9 million<sup>2</sup>
- ◆ **2QFY18 DPU up 3.4%** to 1.81 Singapore cents
- ◆ **WALE of 6.75 years and occupancy of 99.4% as at 31 March 2018**
- ◆ **Announced proposed acquisition** of 21 logistics and industrial properties in Germany and the Netherlands on 20 April 2018<sup>3</sup>

### Summary of Results

A\$'000	2QFY18	2QFY17 <sup>4</sup>	Variance (%)	1HFY18	1HFY17 <sup>4</sup>	Variance (%)
<b>Gross Revenue</b>	<b>43,575</b>	40,939	6.4	<b>86,005</b>	80,617	6.7
<b>Adjusted Net Property Income<sup>5</sup></b>	<b>33,414</b>	30,906	8.1	<b>66,805</b>	61,572	8.5
<b>Distributable Income</b>	<b>25,866</b>	25,060	3.2	<b>51,720</b>	49,937	3.6
<b>DPU (Singapore cents)</b>	<b>1.81</b>	1.75	3.4	<b>3.61</b>	3.49	3.4

### SINGAPORE, 7 MAY 2018

Fraser's Logistics & Industrial Asset Management Pte. Ltd., the manager of Fraser's Logistics & Industrial Trust ("FLT" and the manager of FLT, the "REIT Manager"), is pleased to report a 3.4% growth in distribution per unit ("DPU") to 1.81 Singapore cents for the quarter ended 31 March 2018 ("2QFY18").

<sup>1</sup> FLT's distributions are made on a semi-annual basis for the six-month periods ending 31 March and 30 September

<sup>2</sup> Based on 67.5% (2Q FY17: 100%) of management fees to be taken in the form of units

<sup>3</sup> Please refer to FLT's announcement dated 20 April 2018, titled "The Proposed Acquisition of Interests in 21 Properties in Germany and the Netherlands", for details

<sup>4</sup> The comparative figures for 2QFY17 are for the quarter from 1 January 2017 to 31 March 2017 and are extracted from Paragraph 1 of FLT's Financial Statements Announcement dated 5 May 2017. The comparative 1HFY17 figures are an aggregate of the 1QFY17 (extracted from Paragraph 1 of FLT's Financial Statements Announcement dated 3 February 2017 and 2QFY17 results

<sup>5</sup> Net property income excluding straight lining adjustments for rental income and after adding back straight lining adjustments for ground leases

*DBS Bank Ltd. and Citigroup Global Markets Singapore Pte. Ltd. are the joint financial advisers, global coordinators and issue managers for the initial public offering of the units in Fraser's Logistics & Industrial Trust (the "Offering"). DBS Bank Ltd., Citigroup Global Markets Singapore Pte. Ltd., Morgan Stanley Asia (Singapore) Pte., Oversea-Chinese Banking Corporation Limited and United Overseas Bank Limited are the joint bookrunners and underwriters for the Offering (collectively, the "Joint Bookrunners"). The Joint Bookrunners for the Offering assume no responsibility for the contents of this press release.*

## REVIEW OF FINANCIAL PERFORMANCE

Gross revenue and Adjusted Net Property Income grew by 6.4% and 8.1% respectively during 2QFY18 to A\$43.6 million and A\$33.4 million, compared to gross revenue and Adjusted Net Property Income of A\$40.9 million and A\$30.9 million for the previous corresponding quarter (“**2QFY17**”). These were lifted by additional contributions from the four completed properties in the 2017 Acquisition Transaction<sup>6</sup>, as well as the Beaulieu and Stanley Black & Decker facilities, which had achieved practical completion on 13 October 2017 and 17 November 2017, respectively.

FLT distributable income for 2QFY18 increased by 3.2% to A\$25.9 million, from A\$25.1 million a year ago, due mainly to contributions from the 2017 Acquisition Transaction.

Lifted by the higher distributable income and a higher hedged exchange rate of A\$1.00:S\$1.0647 (compared to A\$1.00: S\$1.0014 for 2QFY17), FLT’s 2QFY18 DPU rose 3.4% to 1.81 Singapore cents, from 1.75 Singapore cents in 2QFY17.

For the six-month period from 1 October 2017 to 31 March 2018 (“**1HFY18**”), FLT reported a 3.6% increase in distributable income to A\$51.7 million, from A\$49.9 million in the corresponding financial period (“**1HFY17**”). 1H FY18 DPU grew 3.4% to 3.61 Singapore cents compared to 3.49 Singapore cents for 1HFY17.

## PORTFOLIO UPDATE

Three leases in New South Wales and Victoria were executed during the review quarter for a total gross lettable area (“**GLA**”) of approximately 34,527 sq m. As at 31 March 2018, FLT’s portfolio remains at near full occupancy of 99.4%, with a weighted average lease expiry (“**WALE**”) by gross rental income (“**GRI**”) of 6.75 years, and minimal lease expiries by GRI of 1.1% for the financial year ending 30 September 2018.

Mr. Robert Wallace, Chief Executive Officer of the REIT Manager, said, “It is with great pleasure that we announce another quarter of DPU growth to unitholders, underpinned by contributions from the portfolio of seven Australian properties acquired in 2017. Leasing momentum during the review quarter was also strong with three leases executed for a total GLA of approximately 34,527 sq m through active asset management strategies.”

## CAPITAL MANAGEMENT

As at 31 March 2018, FLT’s aggregate leverage was 30.5%, providing FLT with available debt headroom for growth. Total borrowings were A\$615 million, 85% of which are at fixed interest rates. The weighted average interest rate for borrowings for 2QFY18 was 2.9%<sup>7</sup> per annum.

## DISTRIBUTION DETAILS

In line with FLT’s distribution policy to make distributions to unitholders on a semi-annual basis for the six-month periods ending 31 March and 30 September, FLT has declared a distribution of 3.61 Singapore cents per Unit for the six-month period from 1 October 2017 to 31 March 2018, to be paid on 26 June 2018. The books closure date is 18 May 2018.

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<sup>6</sup> On 6 June 2017, FLT announced its first portfolio acquisition of seven industrial properties located in Australia comprising four completed properties and three development properties for an aggregate consideration of approximately A\$169.3 million

<sup>7</sup> Excluding upfront debt related expenses

## SUBSEQUENT EVENT

Underscoring the REIT Manager's growth strategy, FLT had on 20 April 2018 announced its strategic entry into the attractive German and Dutch logistics and industrial markets through the proposed acquisition of a portfolio (the "**New Properties**") of 21 modern logistics facilities with high specifications, of which 17 are in Germany and the remaining four in the Netherlands. The New Properties have a GLA of approximately 595,000 sq m and are located within major logistic hubs with attractive metrics such as being predominantly freehold and 100% occupied with a WALE of 8.0 years as at 31 December 2017. The purchase consideration of €316.2 million (approximately S\$515.4 million<sup>8</sup>) was based on the property purchase price of €596.8 million (approximately S\$972.8 million) adjusted for the estimated net assets and liabilities including existing debt of €262.7 million (approximately S\$428.2 million).

The proposed acquisition is expected to be completed by June 2018, subject to unitholders' approval at an extraordinary general meeting to be convened on 8 May 2018.

## OUTLOOK

National supply levels are above the long-term average with development activities concentrated in Sydney and Melbourne. Pre-lease deals remain dominant however, there has been an increase in speculative space in Sydney due to strong occupier demand. Brisbane on the other hand is at parity with its long term average following relatively low additions to supply in the year. Above-average take up levels have been observed across the three major cities, driven by occupier demand from third-party logistics, retail goods and e-commerce. The strong demand has been further well supported by government infrastructure spending and strong population growth, particularly in New South Wales and Victoria.

Looking ahead, the REIT Manager will continue to grow FLT's prime industrial portfolio with a focus on generating sustainable, long-term value for our unitholders.

**END**

## About Frasers Logistics & Industrial Trust

Frasers Logistics & Industrial Trust ("**FLT**") is the first Singapore-listed real estate investment trust with an initial pure-play Australian industrial and logistics portfolio. FLT's investment strategy is to invest globally in a diversified portfolio of income-producing industrial and logistics properties. With strong connectivity to key infrastructure, FLT's modern portfolio consists predominantly of freehold and long leasehold land tenure assets with a well-diversified tenant base. FLT is sponsored by Frasers Property Limited.

As at 31 December 2017, FLT's portfolio comprises 61 Australian industrial and logistics real estate assets concentrated within major industrial markets in Australia, which include Sydney, Melbourne and Brisbane. FLT's Australian portfolio is valued at A\$1.9 billion as at 30 September 2017.

On 20 April 2018, FLT announced a proposed acquisition of a portfolio of 21 logistics and industrial properties in Germany and the Netherlands.

For more information about FLT, visit [www.fraserslogisticstrust.com](http://www.fraserslogisticstrust.com).

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<sup>8</sup> Based on an assumed exchange rate of €1:00:S\$1.63

**About the Sponsor: Frasers Property Limited**

Frasers Property Limited ("**Frasers Property**" or the "**Company**"), is a multi-national company that owns, develops and manages a diverse, integrated portfolio of properties. Listed on the Main Board of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and headquartered in Singapore, the Company is organised around five asset classes with assets totalling S\$28 billion as at 31 December 2017.

Frasers Property's assets range from residential, retail, commercial and business parks, to logistics and industrial in Singapore, Australia, Europe, China and Southeast Asia. Its well-established hospitality business owns and / or operates serviced apartments and hotels in over 80 cities across Asia, Australia, Europe, the Middle East and Africa. The Company is unified by its commitment to deliver enriching and memorable experiences for customers and stakeholders, leveraging knowledge and capabilities from across markets and property sectors, to deliver value in its multiple asset classes.

Frasers Property is also the sponsor of three real estate investment trusts and one stapled trust listed on the SGX-ST. Frasers Centrepont Trust, Frasers Commercial Trust, and Frasers Logistics & Industrial Trust are focused on retail properties, office and business space properties and business parks, logistics and industrial properties respectively. Frasers Hospitality Trust (comprising Frasers Hospitality Real Estate Investment Trust and Frasers Hospitality Business Trust) is a stapled trust focused on hospitality properties.

For more information on Frasers Property, please visit [www.frasersproperty.com](http://www.frasersproperty.com).

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