

FLT REPORTS DPU OF 1.78 SINGAPORE CENTS FOR 1QFY19¹

1QFY19 Quarter Highlights

- ◆ Distributable Income **rose 41.9% to A\$36.7 million**
- ◆ **Two leases signed in 1QFY19** representing GLA of 21,140 sq m
- ◆ **Occupancy of 99.6% and WALE of 6.71 years** as at 31 December 2018
- ◆ Extends presence in the **highly sought-after Dutch logistics and industrial market** with the acquisition of a **freehold property** on 31 October 2018

Summary of Results

A\$'000	1QFY19	1QFY18	Variance (%)
Revenue	59,524	42,430	40.3
Adjusted Net Property Income ²	48,930	33,391	46.5
Distributable Income	36,698	25,854	41.9
DPU (Australian cents)	1.81	1.70	6.5
DPU (Singapore cents)	1.78	1.80	(1.1)

SINGAPORE, 24 JANUARY 2019

Frasers Logistics & Industrial Asset Management Pte. Ltd., the manager of Frasers Logistics & Industrial Trust (“FLT” and the manager of FLT, the “REIT Manager”), today announced FLT’s performance for the quarter ended 31 December 2018 (“1QFY19”).

REVIEW OF FINANCIAL PERFORMANCE

FLT reported revenue of A\$59.5 million for 1QFY19, representing an increase of 40.3% from A\$42.4 million for the corresponding financial quarter (“1QFY18”), while Adjusted Net Property Income rose 46.5% to A\$48.95 million, from A\$33.4 million for 1QFY18. The increases took into account contributions from FLT’s FY2018 European Acquisition, FY2018 Australian Acquisition and the FY2019 Dutch Acquisition³, as well as surrender fee of A\$1.2 million received for Lot 63–79 South Park Drive, Dandenong South, Victoria, Australia, which was partially offset by the divestment of two Australian properties in August 2018.

Distributable income correspondingly rose 41.9% to A\$36.7 million for 1QFY19, from A\$25.9 million a year ago. 1QFY19 DPU was 1.78 Singapore cents⁴, compared to 1.80 Singapore cents for 1QFY18 as the weighted average hedged rate for 1QFY2019 was at A\$1.00 :S\$0.9820 (1QFY18: A\$1.00 :S\$1.0583).

¹ FLT’s distributions are made on a semi-annual basis for the six-month periods ending 31 March and 30 September

² Net property income excluding straight lining adjustments for rental income and after adding back straight lining adjustments for ground leases

³ Please refer to Page 2 of FLT’s Financial Statements Announcement dated 24 January 2019 for details of the capitalised terms

⁴ 1QFY19 DPU is calculated based on 83.1% (1QFY18: 78.1%) of management fees to be taken up in the form of units

PORTFOLIO UPDATE AND RECENT DEVELOPMENTS

Two leases in Victoria, Australia were renewed during the quarter, being a 3.67-year lease extension for a gross lettable area ("**GLA**") of 17,878 square metres ("**sq m**") at 170 Atlantic Drive in Keysborough, as well as a 5-year lease extension for a GLA of 3,262 sq m at 2-46 Douglas Street in Port Melbourne. The two leases will have annual fixed rental increases of 3.0% and 3.5% respectively.

On 31 October 2018, the REIT Manager entered into an acquisition of a modern freehold logistics property in the Netherlands at an agreed property purchase price of €25.36 million⁵. Recently completed in May 2018 with a GLA of 31,013 sq m, the property located at Mandeveld 12, Meppel, the Netherlands is leased to FrieslandCampina, a Dutch multinational dairy company, on a 15-year lease expiring in May 2033.

As at 31 December 2018, FLT's portfolio remained at near full occupancy of 99.6%, with a weighted average lease expiry ("**WALE**") by gross rental income ("**GRI**") of 6.71 years, and minimal lease expiries by GRI of 2.0% for the financial year ending 30 September 2019.

Mr. Robert Wallace, Chief Executive Officer of the REIT Manager, said, "We commenced FY2019 with an acquisition of a modern freehold logistics facility in the Netherlands, and delivered a 41.9% year-on-year increase to distributable income for 1QFY19. The prime logistics sector across our key markets remains well-supported by investments in infrastructure and a burgeoning e-commerce market. We also remain watchful of the ongoing trade tensions which have weighed down the Australian Dollar."

CAPITAL MANAGEMENT

As at 31 December 2018, FLT's aggregate leverage was 35.6%. Total borrowings were A\$1,110 million, 79% of which were at fixed interest rates. The weighted average interest rate for borrowings excluding upfront debt related expenses for 1QFY19 was 2.4% per annum compared to 2.8% a year ago,

OUTLOOK

Australian industrial take-up levels have continued to be above historical benchmarks with a total of 2.5 million sq m leased over 2018. This strong growth was largely attributable to the benefits of an e-commerce boom, significant public infrastructure spending and tenant consolidations. In addition, land values have appreciated considerably across the three largest industrial markets of Sydney, Melbourne and Brisbane on the back of an increasing scarcity of developable land. The diminishing availability of assets on the market for sale continued to occur over 2018 with investor demand at robust levels.

General conditions for the logistics and industrial market in Germany and the Netherlands remain consistently favourable for investors. E-commerce continues to drive demand for logistics properties in both Germany and the Netherlands with supply remaining at low levels.

The REIT Manager continues to monitor developments on the ongoing global trade tensions and on Brexit. Looking ahead, the REIT Manager will continue to grow FLT's prime industrial portfolio with a focus on generating sustainable long-term value for unitholders.

END

⁵ Negotiated on a willing-buyer and willing-seller basis and supported by independent valuations conducted by CBRE Ltd. and Colliers International Valuation UK LLP as at 1 October 2018 based on 100% interest in the property as set out in the announcement dated 31 October 2018

About Frasers Logistics & Industrial Trust

Frasers Logistics & Industrial Trust (“**FLT**”) is the first Singapore-listed real estate investment trust with a portfolio comprising 83 logistics and industrial properties, worth approximately A\$3.0 billion, concentrated within major logistics and industrial markets in Australia, Germany and the Netherlands. FLT was listed on the Mainboard of Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 20 June 2016.

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.

For more information about FLT, visit www.fraserslogisticstrust.com

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 Mainboard of the SGX-ST and headquartered in Singapore, the Company is organised around five asset classes with total assets of S\$32 billion as at 30 September 2018.

Frasers Property's assets range from residential, retail, commercial and business parks, to industrial and logistics 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, industrial and logistics 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.

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