



(Constituted in the Republic of Singapore pursuant to a trust deed dated 30 November 2015 (as amended, restated and supplemented))

managed by
FRASERS LOGISTICS & INDUSTRIAL ASSET MANAGEMENT PTE. LTD.

**CIRCULAR TO UNITHOLDERS IN RELATION TO:
THE PROPOSED ACQUISITION OF SEVEN PROPERTIES IN AUSTRALIA**

**CIRCULAR DATED 11 JULY 2017
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

Singapore Exchange Securities Trading Limited (the "SGX-ST") takes no responsibility for the accuracy of any statements or opinions made, or reports contained, in this Circular. **If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.**

If you have sold or transferred all your units in Frasers Logistics & Industrial Trust ("FLT", and units in FLT, the "Units"), you should immediately forward this Circular, together with the Notice of Extraordinary General Meeting and the accompanying Proxy Form in this Circular, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

IMPORTANT DATES AND TIMES FOR UNITHOLDERS

LAST DATE AND TIME FOR LODGEMENT OF PROXY FORMS	23 July 2017 at 3 p.m.
DATE AND TIME OF EXTRAORDINARY GENERAL MEETING	26 July 2017 at 3 p.m.
PLACE OF EXTRAORDINARY GENERAL MEETING	InterContinental Singapore Ballroom II & III (Level 2) 80 Middle Road, Singapore 188966



Independent Financial Adviser to the Independent Directors and Audit, Risk and Compliance Committee of Frasers Logistics & Industrial Asset Management Pte. Ltd. and to the Trustee (as defined herein)

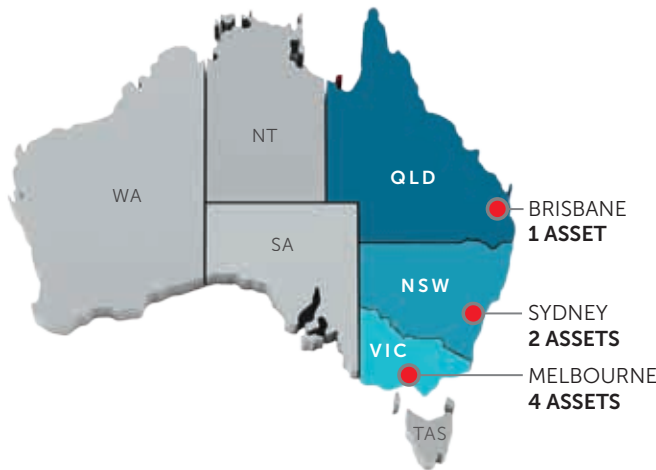


Ernst & Young Corporate Finance Pte Ltd

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 (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.

This section is qualified in its entirety by, and should be read in conjunction with, the full text of this Circular. The meaning of each capitalised term is found in the Glossary of this Circular.

Proposed Acquisition of 7 Properties Located in Australia's Three Largest Industrial Markets



7	100%
Properties	Occupancy ⁽³⁾
124,527 sq m	9.6 years
GLA	WALE ⁽⁴⁾
A\$171.3 mil	2.4 years
Aggregate Valuation ⁽¹⁾	Average Age ⁽⁵⁾
A\$169.3 mil	3.1%
Aggregate Acquisition Amount ⁽²⁾	Average Built-in Annual Rental Increment



COMPLETED PROPERTIES				DEVELOPMENT PROPERTIES		
Property Address						
89 – 103 South Park Drive, Dandenong South, Victoria	43 Efficient Drive, Truganina, Victoria	8 Stanton Road, Seven Hills, New South Wales	Lot 1, Horsley Drive Business Park, New South Wales	29 Indian Drive, Keysborough, Victoria	17 Hudson Court, Keysborough, Victoria	Lot 1, Pearson Road, Yatala, Queensland
Key Tenants						
Land Title						
Freehold	Freehold	Freehold	Leasehold (~89 years remaining)	Freehold	Freehold	Freehold
WALE ⁽⁴⁾						
9.8 years	5.0 years	5.1 years	10.3 years	10.0 years	10.0 years	15.0 years

POST-PROPOSED TRANSACTION			
61	~A\$1.9B	1,352.6	6.9
Properties	Enlarged Portfolio Appraised Value	GLA ('000 sq m)	WALE (years) ⁽⁷⁾
PRE-PROPOSED TRANSACTION			
54	~A\$1.7B	1,228.1	6.7
Properties	Appraised Value	GLA ('000 sq m)	WALE (years) ⁽⁷⁾

⁽¹⁾ Based on the higher of the two independent valuations conducted by CBRE Valuations Pty Ltd, Savills Valuations Pty Ltd (only for the CEVA Tech Facility) and Urbis Valuations Pty Ltd (for all the seven properties save for the CEVA Tech Facility) as at 30 April 2017

⁽²⁾ The Aggregate Acquisition Amount payable is subject to adjustments arising from the actual GLA being more or less than the estimated GLA of the Development Properties (the "Development Properties Adjustments"), with the maximum aggregate acquisition amount for the New Properties taking into account the Development Properties Adjustments being approximately A\$171.5 million (approximately S\$181.4 million)

⁽³⁾ Including pre-committed leases for the Development Properties as at 31 March 2017

⁽⁴⁾ The weighted average lease expiry computed through application of Adjusted Gross Rental Income and assuming that the pre-committed tenancies for the Development Properties and the tenancies for the Completed Properties have commenced as at 31 March 2017

⁽⁵⁾ As at 31 March 2017

⁽⁶⁾ Save for the Martin Brower Property which was valued on 1 October 2016, the other 53 properties in the Existing Portfolio were valued on 30 September 2016

⁽⁷⁾ As at 31 March 2017

CONSISTENT WITH THE MANAGER'S INVESTMENT STRATEGY

- Deliver stable and regular distributions to unitholders
- Achieve long-term growth in DPU



1. Attractive Investment in Australian Industrial Market Segment while maintaining Geographical Diversification

- Current market fundamentals of relatively limited supply, growing demand and a focus on tenant retention are expected to result in ongoing high occupancy rates for prime grade industrial properties in Australia

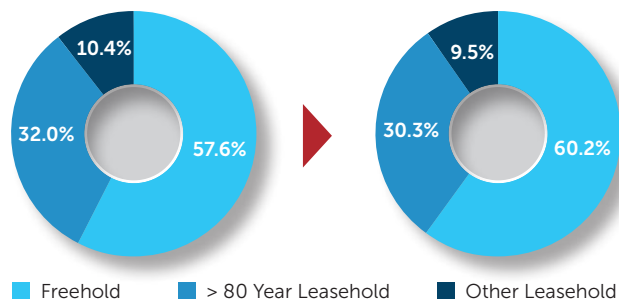
2. Prime, Modern and Predominantly Freehold Industrial Portfolio Underpinned by Quality Tenants and Long Leases

Land Tenure by Value⁽⁸⁾⁽⁹⁾

STRENGTHENING FREEHOLD AND LONG LEASEHOLD COMPONENT OF THE PORTFOLIO

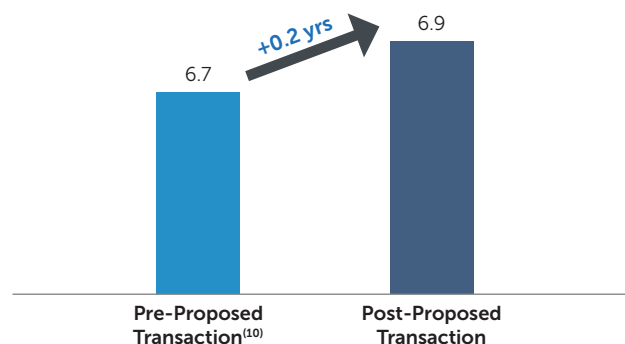
Pre-Proposed Transaction

Post-Proposed Transaction



FLT Portfolio WALE (years)

INCREASING OVERALL WALE PROFILE



3. Increase in Diversification of Portfolio's Tenant Base

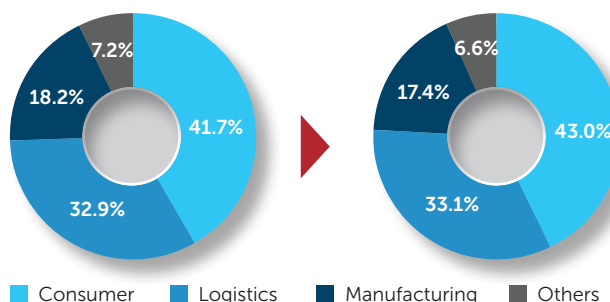
- Underpinned by reputable tenants of which 75.1% based on Adjusted Gross Rental Income are multinational corporations and/or their subsidiaries

Breakdown of Tenants by Trade (by Adjusted Gross Rental Income)

INCREASING TENANT FOCUS IN THE CONSUMER SECTOR

Pre-Proposed Transaction

Post-Proposed Transaction



(8) Valuation for Existing Portfolio as at 30 September 2016 (save for the Martin Brower Property, which was valued on 1 October 2016)

(9) Values for New Properties are based on the Aggregate Acquisition Amount

(10) As at 31 March 2017

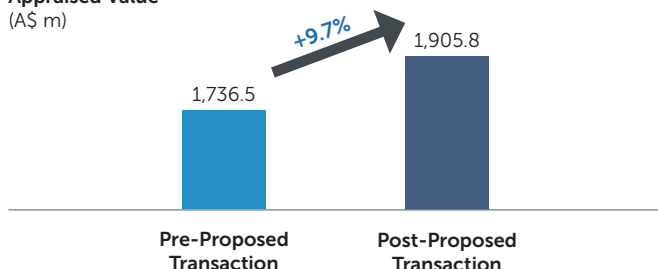
(11) Based on the period from the Listing Date to 31 March 2017

of the Proposed Transaction

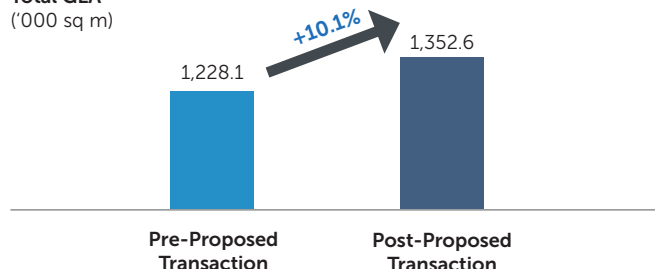
4 Positive Impact on the Enlarged Portfolio

- Based on the pro forma financial effects of the Proposed Transaction⁽¹¹⁾, the Proposed Transaction is expected to be DPU accretive⁽¹²⁾
- Proposed Transaction will be funded based on a combination of equity and debt, whilst maintaining an optimal gearing level

Appraised Value⁽¹³⁾⁽¹⁴⁾
(A\$ m)



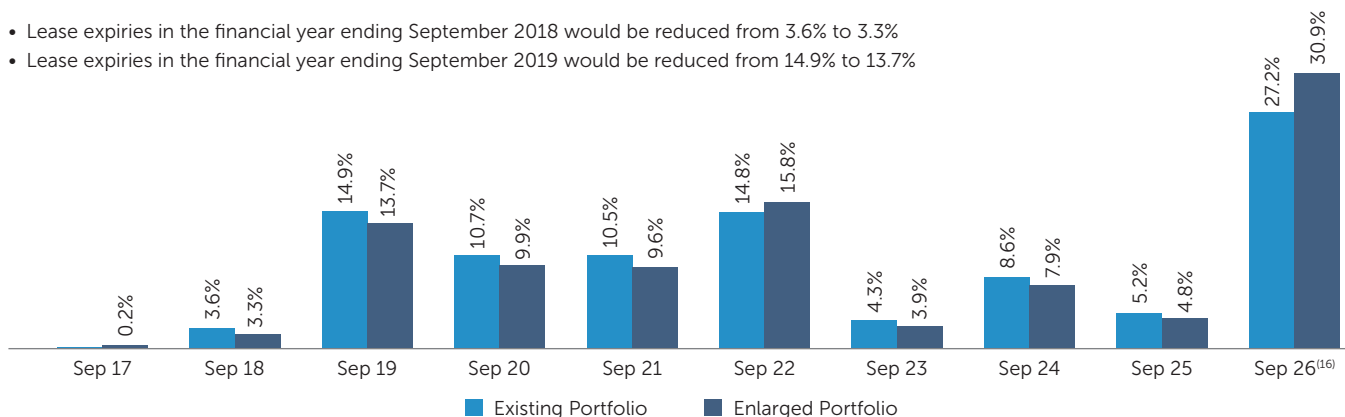
Total GLA
('000 sq m)



Improved Lease Expiry Profile
(by Adjusted Gross Rental Income⁽¹⁵⁾)

NO MORE THAN 16% LEASE EXPIRIES IN ANY SINGLE FINANCIAL YEAR UP TO 30 SEPTEMBER 2025

- Lease expiries in the financial year ending September 2018 would be reduced from 3.6% to 3.3%
- Lease expiries in the financial year ending September 2019 would be reduced from 14.9% to 13.7%



5 Strengthens FLT's Portfolio Sustainability Attributes

- Further reinforce FLT's market position as having the largest Green Star Performance rated industrial portfolio in Australia
- The Survitec & Phoenix Facility has achieved a 6-star "Green Star" Design rating, while four other properties⁽¹⁷⁾ are targeting a minimum 5-star "Green Star" As-Built rating

Post-Proposed Transaction Green Star-Rated Status⁽¹⁸⁾⁽¹⁹⁾
(by GLA)



6 Opportunity to Purchase the Development Properties on Attractive Terms

- Not subject to the risks of construction cost overruns as total amount payable under the Development Agreements is fixed
- Amount payable under the Development Properties Contracts of Sale is paid on completion of the Development Properties Contracts of Sale, with the balance of the total amount for the Development Properties payable only when FPA delivers the completed facilities
- Coupons on amount paid under the Development Properties Contracts of Sale at a rate equivalent to the NPI Yield during development
- Pre-committed tenants with arrangements under the Contingent Rental Support Deeds to mitigate against risks of leases not commencing as scheduled

(12) See paragraph 4.1 of the Letter to Unitholders for the pro forma financial effects of the Proposed Transaction on the DPU
(13) Valuation for Existing Portfolio as at 30 September 2016 (save for the Martin Brower Property which was valued on 1 October 2016)

(14) Values for New Properties are based on the Aggregate Acquisition Amount

(15) The weighted average lease expiry computed through application of Adjusted Gross Rental Income and assuming that the pre-committed tenancies for the Development Properties and the tenancies for the Completed Properties have commenced as at 31 March 2017

(16) Expiry of the remaining leases and pre-committed leases in the financial year ending 30 September 2026 and beyond

(17) Being the CEVA Tech Facility, the Beaulieu Facility, the Stanley Black & Decker Facility and the Clifford Hallam Facility

(18) Green Star rating is awarded by the Green Building Council of Australia (GBCA) which has assessed or will be assessing the New Properties against nine key performance criteria – energy, water, transport, materials, indoor environment quality, management, land use & ecology, emissions and innovation

(19) As at 31 March 2017

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CORPORATE INFORMATION

Directors of Frasers Logistics & Industrial Asset Management Pte. Ltd. (the “Manager”)	Mr Ho Hon Cheong (Chairman and Independent Non-Executive Director) Mr Goh Yong Chian (Independent Non-Executive Director) Mr Paul Gilbert Say (Independent Non-Executive Director) Mr Panote Sirivadhanabhakdi (Non-Executive Director) Mr Lim Ee Seng (Non-Executive Director) Mr Michael Bowden Newsom (Non-Executive Director)
Registered Office of the Manager	438 Alexandra Road #21-00, Alexandra Point Singapore 119958
Trustee of FLT (the “Trustee”)	Perpetual (Asia) Limited 8 Marina Boulevard #05-02 Marina Bay Financial Centre Singapore 018981
Legal Adviser to the Manager as to Singapore Law	Allen & Gledhill LLP One Marina Boulevard #28-00 Singapore 018989
Legal Adviser to the Manager as to Australian Law	King & Wood Mallesons Level 61, Governor Phillip Tower 1 Farrer Place Sydney NSW 2000 Australia
Legal Adviser to the Trustee as to Singapore Law	Dentons Rodyk & Davidson LLP 80 Raffles Place #33-00 UOB Plaza 1 Singapore 048624
Unit Registrar and Unit Transfer Office	Boardroom Corporate & Advisory Services Pte. Ltd. 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623
Independent Financial Adviser to the Independent Directors, Audit, Risk and Compliance Committee of the Manager and the Trustee	Ernst & Young Corporate Finance Pte Ltd One Raffles Quay North Tower, Level 18 Singapore 048583

Independent Valuers

CBRE Valuations Pty Ltd
Level 5, 10-14 Smith Street
Parramatta, NSW 2150,
Australia
(appointed by the Trustee)

Urbis Valuations Pty Ltd
Level 12, 120 Collins Street
Melbourne, Victoria 3000,
Australia
(appointed by the Manager)

Savills Valuations Pty Ltd
Level 48, 80 Collins Street
Melbourne, Victoria 3000,
Australia
(appointed by the Manager)

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SUMMARY

Unless otherwise stated, the S\$ equivalent of the A\$ figures in this Circular has been arrived at based on an assumed exchange rate of A\$1:S\$1.058.

The following summary is qualified in its entirety by, and should be read in conjunction with, the full text of this Circular. Meanings of defined terms may be found in the Glossary on pages 65 to 74 of this Circular.

Any discrepancies in the tables included herein between the listed amounts and totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them.

OVERVIEW

Overview of FLT

Listed on 20 June 2016 with trading of Units commencing on 21 June 2016, FLT is a Singapore real estate investment trust (“**REIT**”) established with the investment strategy of principally investing globally, directly or indirectly, in a diversified portfolio of income-producing real estate assets which are predominantly used for logistics or industrial purposes¹, whether wholly or partially, as well as such industrial² real estate-related assets in connection with the foregoing, with an initial focus on Australia.

As at the Latest Practicable Date, FLT has a market capitalisation of approximately S\$1,502.9 million. The existing portfolio of FLT (the “**Existing Portfolio**”) is valued at approximately A\$1,736.5 million (approximately S\$1,837.2 million) (the “**Appraised Value**”) ³. The Existing Portfolio comprises 54 industrial properties located in Australia with an aggregate gross lettable area (“**GLA**”) of approximately 1.2 million sq m.

FLT is sponsored by Frasers Centrepoint Limited (“**FCL**”), a full-fledged international real estate company and one of Singapore’s top property companies with total assets of S\$25 billion as at 31 March 2017. FCL has three strategic business units – Singapore, Australia and Hospitality, which focus on residential, commercial, retail and industrial properties in Singapore and Australia, and the hospitality business spanning more than 80 cities across Asia, Australia, Europe, and the Middle-East and North Africa (MENA) region. FCL also has an International Business unit that focuses on China, Southeast Asia, and the United Kingdom. FCL is listed on the Mainboard of the SGX-ST.

¹ Such real estate assets used for “**logistics**” or “**industrial**” purposes also include office components ancillary to the foregoing purposes.

² References to real estate assets used for “**industrial**” purposes in this Circular means real estate assets used for “**industrial**” or “**logistics**” purposes interchangeably.

³ Save for the property located at Lot 3 Horsley Drive Business Park, Cnr Horsley Drive & Cowpasture Road, Wetherill Park, New South Wales (the “**Martin Brower Property**”) which was valued on 1 October 2016, the other 53 properties in the Existing Portfolio were valued on 30 September 2016.

Overview of the Proposed Transaction

On 6 June 2017, the Trustee, through the Sub-Trust Trustees¹, entered into agreements to acquire freehold and leasehold interests in seven industrial properties located in Australia (the “**New Properties**”), comprising (i) four completed properties (the “**Completed Properties**”) and (ii) three properties currently under development and with the completed facilities to be delivered on practical completion (the “**Development Properties**”), for an Aggregate Acquisition Amount² of approximately A\$169.3 million³ (approximately S\$179.1 million) (the “**Proposed Transaction**”).

Development Properties

In respect of each of the Development Properties, the total acquisition amount payable to Frasers Property Australia Pty Limited (“**FPA**”) is agreed upfront subject to adjustments arising from the actual GLA being more or less than the estimated GLA of the Development Properties, but the amount of adjustment in the event of a difference between the actual GLA and estimated GLA is subject to an agreed maximum amount. There will also be an agreed coupon (equivalent to the agreed annualised net property income yield (“**NPI Yield**”)⁴ of the relevant Development Property) on the initial amount paid by FLT under the Development Properties Contracts of Sale (as defined herein), which will be deducted from the final amount payable under the Development Agreements (as defined herein) when the completed facilities are delivered to FLT on practical completion.

Incentive Reimbursement Arrangements

FPA, through the relevant Developer (as defined herein), will be reimbursing FLT for incentives which the relevant Developer has made available or agreed to grant to the pre-committed tenants of each of the Development Properties and, through the Ecolab Vendor (as defined herein), will be reimbursing FLT for incentives which the Ecolab Vendor has made available to the tenant of the Ecolab Facility (as defined herein). The aggregate amount reimbursable by the relevant Developer and the Ecolab Vendor is 10.6% of the Aggregate Acquisition Amount payable for the New Properties.

The aggregate amount reimbursable and the period of reimbursement reflect the aggregate incentives provided to the pre-committed tenants of the Development Properties or, as the case may be, the tenant of the Ecolab Facility and the relevant incentive period under the contracts with the pre-committed tenants or, as the case may be, tenant.

¹ The “**Sub-Trust Trustees**” refer to FLT Queensland No. 1 Pty Limited, as trustee of Stanton Road Trust B, FLT Queensland No. 2 Pty Limited, as trustee of Horsley Drive Trust B, and FLT Landowner Pty Limited, as trustee of Indian Drive Trust B, Hudson Court Trust A, Pearson Road Trust B, South Park Drive Trust E and Efficient Drive Trust B.

² The “**Aggregate Acquisition Amount**” refers to the amount payable to the Vendors under the Contracts of Sale (as defined herein) and to the Developers (as defined herein) under the Development Agreements (as defined herein) in cash in Australian dollars for the New Properties, comprising the Completed Properties Consideration (as defined herein) and the Development Properties Acquisition Amount (as defined herein).

³ The Aggregate Acquisition Amount payable is subject to adjustments arising from the actual GLA being more or less than the estimated GLA of the Development Properties (the “**Development Properties Adjustments**”), with the maximum aggregate acquisition amount for the New Properties taking into account the Development Properties Adjustments being approximately A\$171.5 million (approximately S\$181.4 million).

⁴ The NPI Yield of each Development Property is derived by annualising the pre-committed Net Property Income of the relevant Development Property for the first month following the estimated practical completion date of the respective Development Property (i.e. by multiplying by 12) and dividing such amount by the Development Properties Acquisition Amount (as defined herein) (excluding stamp duty) as applicable to such Development Property.

Contingent Rental Support Arrangements

In respect of each of the Development Properties, the relevant Developer will provide rental support to FLT which is contingent on the proposed pre-committed tenancies not commencing by an agreed date. The amounts payable to FLT are equivalent to the aggregate of the income FLT would have received had the proposed pre-committed tenants commenced the leases as scheduled as well as any recoverable outgoings.

(See paragraph 2 of the Letter to Unitholders for further details.)

The Establishment of the Sub-Trusts

FLT had, in connection with the listing of FLT on the SGX-ST (the "**Listing**"), established FLT Australia Trust, a wholly-owned head Australian trust and a managed investment scheme in Australia which qualified as a managed investment trust (the "**HAUT**") for the purposes of the Australian Taxation Administration Act 1953¹. The Trustee directly holds 50.0% of the issued units in the HAUT and the remaining 50.0% is directly held by FLT Australia Pte. Ltd., a direct wholly-owned Singapore subsidiary of the Trustee. The HAUT had in turn established 54 sub-trusts to each hold an individual property in the Existing Portfolio.

Seven sub-trusts (the "**Sub-Trusts**") have been established (one on 15 August 2016 and six on 26 April 2017) pursuant to trust deeds as new sub-trusts under the HAUT, for the purposes of acquiring the New Properties. The trustee of the HAUT, Frasers Property Funds Management Limited (the "**HAUT Trustee**"), an Australian incorporated company and a wholly-owned subsidiary of FPA, had on 27 May 2016 entered into an investment management agreement (as supplemented on 7 October 2016 and 31 October 2016) (the "**Investment Management Agreement**") with FLT Australia Management Pty Ltd (the "**HAUT Manager**"), pursuant to which the HAUT Manager provides investment management services to the HAUT and its assets, which include the sub-trusts which hold the Existing Portfolio and the Sub-Trusts which will hold the New Properties.

(See paragraph 2.1 of the Letter to Unitholders for further details on the Sub-Trusts.)

SUMMARY OF APPROVAL SOUGHT

The Manager is seeking approval from unitholders of FLT (the "**Unitholders**") by way of an Ordinary Resolution² in respect of the Proposed Transaction.

The Acquisitions of the Completed Properties

In connection with the Proposed Transaction, FLT had on 6 June 2017, through the relevant Sub-Trust Trustee, as trustee of the relevant Sub-Trust, entered into the following agreements in respect of the Completed Properties:

- (1) the conditional contract of sale entered into between the relevant Sub-Trust Trustee and Portmar Pty Limited, as trustee of the Stanton Road No 2 Unit Trust (the "**Yusen Vendor**"), in respect of the freehold interest in the property located at 8 Stanton Road, Seven Hills, New South Wales, Australia (the "**Yusen Logistics Facility**"), and the conditional contract of sale in respect of the Yusen Logistics Facility, the "**Yusen Contract of Sale**";

¹ If the HAUT qualifies as a managed investment trust, the distributions made by the HAUT will be accorded preferential Australian withholding tax rates. The applicable withholding tax rate for trust distributions of net rental income and capital gains is 15.0% and for interest income is 10.0%. Where a trust does not qualify as a managed investment trust, the distributions would be subject to Australian tax at 30.0% (where the unitholder is a non-resident company) or 45.0% (where the unitholder is a non-resident trust).

² "**Ordinary Resolution**" means a resolution proposed and passed as such by a majority being greater than 50.0% or more of the total number of votes cast for and against such resolution at a meeting of Unitholders convened in accordance with the provisions of the Trust Deed (as defined herein).

- (2) the conditional contract of sale entered into between the relevant Sub-Trust Trustee and Australand Property Holdings Pty Limited, as trustee of the APT (Horsley Drive No. 1) Trust (the “**Survitec & Phoenix Vendor**”), in respect of the 90-year leasehold interest in the property located at Lot 1, Horsley Drive Business Park, New South Wales, Australia (the “**Survitec & Phoenix Facility**”, and the conditional contract of sale in respect of the Survitec & Phoenix Facility, the “**Survitec & Phoenix Contract of Sale**”);
- (3) the conditional contract of sale entered into between the relevant Sub-Trust Trustee and Australand Industrial No. 93 Pty Limited, as trustee of the South Park Industrial Trust B (the “**Ecolab Vendor**”), in respect of the freehold interest in the property located at 89-103 South Park Drive, Dandenong South, Victoria, Australia (the “**Ecolab Facility**”, and the conditional contract of sale in respect of the Ecolab Facility, the “**Ecolab Contract of Sale**”); and
- (4) the conditional contract of sale entered into between the relevant Sub-Trust Trustee and Australand Property Holdings Pty Limited, as trustee of the FPT (Truganina No. 6) Trust (the “**CEVA Tech Vendor**”, and together with the Yusen Vendor, the Survitec & Phoenix Vendor, the Stanley Black & Decker Vendor, the Clifford Hallam Vendor, the Beaulieu Vendor and the Ecolab Vendor, collectively the “**Vendors**”), in respect of the freehold interest in the property located at 43 Efficient Drive, Truganina, Victoria, Australia (the “**CEVA Tech Facility**”, and the conditional contract of sale in respect of the CEVA Tech Facility, the “**CEVA Tech Contract of Sale**”).

(See the table on page 9 of this Circular and paragraph 2.6 of the Letter to Unitholders for further details.)

In respect of the Completed Properties, the relevant Sub-Trust Trustee must, by the date being the later of 1 July 2017 and 14 days after the date on which all conditions precedent under the Yusen Contract of Sale, the Survitec & Phoenix Contract of Sale, the Ecolab Contract of Sale and the CEVA Tech Contract of Sale (collectively, the “**Completed Properties Contracts of Sale**”) have been satisfied, pay the consideration payable under the relevant Completed Properties Contract of Sale.

The Acquisitions of the Development Properties

In connection with the Proposed Transaction, FLT had on 6 June 2017, through the relevant Sub-Trust Trustee, as trustee of the relevant Sub-Trust, entered into the following agreements in respect of the Development Properties:

- (1) in respect of the freehold interest in the land and the completed property to be delivered which is located at Lot 1, Pearson Road, Yatala, Queensland, Australia (the “**Beaulieu Facility**”):
 - (i) the conditional contract of sale entered into between the relevant Sub-Trust Trustee and Australand Industrial No. 139 Pty. Limited (the “**Beaulieu Vendor**”, and the conditional contract of sale in respect of the Beaulieu Facility, the “**Beaulieu Contract of Sale**”); and
 - (ii) as procured by the Beaulieu Vendor, a development agreement entered into between the relevant Sub-Trust Trustee and Frasers Property Limited (the “**Beaulieu Developer**”, and the development agreement in respect of the Beaulieu Facility, the “**Beaulieu Development Agreement**”);

- (2) in respect of the freehold interest in the land and the completed property to be delivered which is located at 29 Indian Drive, Keysborough, Victoria, Australia (the “**Stanley Black & Decker Facility**”):
- (i) the conditional contract of sale entered into between the relevant Sub-Trust Trustee and Australand C&I Land Holdings Pty Ltd, as trustee of the Australand C&I Land Holdings (Keysborough) Trust (the “**Stanley Black & Decker Vendor**”, and the conditional contract of sale in respect of the Stanley Black & Decker Facility, the “**Stanley Black & Decker Contract of Sale**”); and
 - (ii) as procured by the Stanley Black & Decker Vendor, a development agreement entered into between the relevant Sub-Trust Trustee and Frasers Property Industrial Constructions Pty Ltd (the “**Stanley Black & Decker Developer**”, and the development agreement in respect of the Stanley Black & Decker Facility, the “**Stanley Black & Decker Development Agreement**”); and
- (3) in respect of the freehold interest in the land and the completed property to be delivered which is located at 17 Hudson Court, Keysborough, Victoria, Australia (the “**Clifford Hallam Facility**”):
- (i) the conditional contract of sale entered into between the relevant Sub-Trust Trustee and Australand C&I Land Holdings Pty Ltd, as trustee of the Australand C&I Land Holdings (Keysborough) Trust (the “**Clifford Hallam Vendor**”, and the conditional contract of sale in respect of the Clifford Hallam Facility, the “**Clifford Hallam Contract of Sale**”); and
 - (ii) as procured by the Clifford Hallam Vendor, a development agreement entered into between the relevant Sub-Trust Trustee and Frasers Property Industrial Constructions Pty Limited (the “**Clifford Hallam Developer**”, and the development agreement in respect of the Clifford Hallam Facility, the “**Clifford Hallam Development Agreement**”).

The relevant Sub-Trust Trustee must, by the date being the later of 1 July 2017 and 14 days after the date on which all conditions precedent under the Beaulieu Contract of Sale, the Stanley Black & Decker Contract of Sale and the Clifford Hallam Contract of Sale (collectively, the “**Development Properties Contracts of Sale**”) have been satisfied, pay the amount payable under the relevant Development Properties Contract of Sale. The amount payable by the relevant Sub-Trust Trustee to the relevant Vendors under the Development Properties Contracts of Sale takes into account the land on which the Development Properties occupies and any improvements to the land hitherto (which will be confirmed by a quantity surveyor at settlement of the Development Properties Contracts of Sale). The Beaulieu Development Agreement, the Stanley Black & Decker Development Agreement and the Clifford Hallam Development Agreement (collectively, the “**Development Agreements**”) will take effect on and from the completion of the Beaulieu Contract of Sale, the Stanley Black & Decker Contract of Sale and the Clifford Hallam Contract of Sale, respectively, pursuant to which each of the Beaulieu Developer, the Stanley Black & Decker Developer and the Clifford Hallam Developer (collectively, the “**Developers**”) will continue with the development and construction of each of the Development Properties and deliver the completed Development Properties in accordance with the Development Agreements.

Immediately upon receipt of the certificate of practical completion, each of the Developers will submit a tax invoice to the relevant Sub-Trust Trustee, following which the amount payable under each Development Agreement is payable within seven business days. Such amount payable under the Development Agreement is paid after:

- (1) adjusting for any increase or reduction in annual rent payable under the occupational lease to be entered into in respect of the relevant Development Property as at practical completion arising because the premises under the occupational lease has a GLA more than or less than the estimated GLA. Based on the tolerance levels set out in the relevant agreement for lease¹, the amount of adjustment in the event of a difference between the actual GLA and the planned GLA will not be more than A\$600,000 for the Beaulieu Facility, A\$900,000 for the Stanley Black & Decker Facility and A\$700,000 for the Clifford Hallam Facility (each of which is computed by dividing the rent increase or decrease arising from the difference in GLA by the relevant NPI Yield²); and
- (2) deducting a return on the amount paid under the Development Property Contract of Sale in respect of the relevant Development Property at an interest coupon rate equivalent to the NPI Yield for each Development Property (being 6.00% per annum for the Beaulieu Facility, 6.00% per annum for the Stanley Black & Decker Facility and 6.25% per annum for the Clifford Hallam Facility).

(See the table on page 10 of this Circular and paragraphs 2.6 and 2.7 of the Letter to Unitholders for further details.)

The Incentive Reimbursement Deeds

In connection with the Proposed Transaction, FLT had on 6 June 2017, through the relevant Sub-Trust Trustee, as trustee of the relevant Sub-Trust, entered into the following agreements:

- (1) the incentive reimbursement deed in respect of the Ecolab Facility with the Ecolab Vendor where the Ecolab Vendor has agreed to:
 - (i) pay the relevant Sub-Trust Trustee (as trustee of the relevant Sub-Trust) the rent abatement incentive which the Ecolab Vendor has made available or agreed to grant to the tenant;
 - (ii) remain responsible for applying part of the incentive amount to be provided to the tenant as a contribution to the landlord's works if so elected by the tenant; and
 - (iii) remain responsible for completing any outstanding works to be undertaken by the Ecolab Vendor in favour of the tenant (the "**Ecolab Incentive Reimbursement Deed**");
- (2) the incentive reimbursement deed in respect of the Beaulieu Facility with the Beaulieu Developer where the Beaulieu Developer has agreed to pay the relevant Sub-Trust Trustee

¹ The agreement for lease for the Beaulieu Facility (the "**Beaulieu Agreement for Lease**") states that the actual GLA must not be more than 102% or less than 98% of the estimated GLA, the agreement for lease for Stanley Black & Decker states that the actual GLA must not be more than 103% or less than 97% of the estimated GLA and the agreement for lease for the Clifford Hallam Facility states that the actual GLA must not be more than 105% or less than 95% of the estimated GLA with the rent capped at a GLA of 102.5% of the estimated GLA.

² The NPI Yield of each Development Property is derived by annualising the pre-committed Net Property Income of the relevant Development Property for the first month following the estimated practical completion date of the respective Development Property (i.e. by multiplying by 12) and dividing such amount by the Development Properties Acquisition Amount (excluding stamp duty) as applicable to such Development Property.

(as trustee of the relevant Sub-Trust) the incentive amount which the Beaulieu Developer has made available or agreed to grant to the pre-committed tenant (the “**Beaulieu Incentive Reimbursement Deed**”);

- (3) the incentive reimbursement deed in respect of the Clifford Hallam Facility with the Clifford Hallam Developer where the Clifford Hallam Developer has agreed to pay the relevant Sub-Trust Trustee (as trustee of the relevant Sub-Trust) the incentive amount which the Clifford Hallam Developer has made available or agreed to grant to the pre-committed tenant (the “**Clifford Hallam Incentive Reimbursement Deed**”); and
- (4) the incentive reimbursement deed in respect of the Stanley Black & Decker Facility with the Stanley Black & Decker Developer where the Stanley Black & Decker Developer has agreed to pay the relevant Sub-Trust Trustee (as trustee of the relevant Sub-Trust) the incentive amount which the Stanley Black & Decker Developer has made available or agreed to grant to the pre-committed tenant (“the “**Stanley Black & Decker Incentive Reimbursement Deed**”)),

(collectively, the “**Incentive Reimbursement Deeds**”).

Under the Incentive Reimbursement Deeds, FPA will, through the Ecolab Vendor, be reimbursing FLT for incentives (for example, rent abatement) which the Ecolab Vendor has made available or agreed to grant to the tenant of the Ecolab Facility, and will, through the relevant Developer, reimburse FLT for incentives which it has granted the pre-committed tenants of the Beaulieu Facility, the Clifford Hallam Facility and the Stanley Black & Decker Facility development incentives (for example, fit out contribution, rent abatement or rent credit) as part of the relevant Developer’s costs and obligations.

(See paragraph 2.8 of the Letter to Unitholders for further details.)

The Contingent Rental Support Deeds

In connection with the Proposed Transaction, FLT had on 6 June 2017, through the relevant Sub-Trust Trustee, as trustee of the relevant Sub-Trust, entered into the following agreements:

- (1) the contingent rental support deed in respect of the Beaulieu Facility with the Beaulieu Developer where the Beaulieu Developer has agreed to provide rental support to the relevant Sub-Trust Trustee (as trustee of the relevant Sub-Trust);
- (2) the contingent rental support deed in respect of the Clifford Hallam Facility with the Clifford Hallam Developer where the Clifford Hallam Developer has agreed to provide rental support to the relevant Sub-Trust Trustee (as trustee of the relevant Sub-Trust); and
- (3) the contingent rental support deed in respect of the Stanley Black & Decker Facility with the Stanley Black & Decker Developer where the Stanley Black & Decker Developer has agreed to provide rental support to the relevant Sub-Trust Trustee (as trustee of the relevant Sub-Trust),

(collectively, the “**Contingent Rental Support Deeds**”).

Under the Contingent Rental Support Deeds, in the event that the proposed pre-committed tenancies in respect of the Beaulieu Facility, the Clifford Hallam Facility and/or the Stanley Black & Decker Facility do not commence on the date of practical completion of each respective Development Property, the relevant Developers will pay FLT an amount equivalent to the initial rent for the first year of the term (increased in accordance with the relevant lease as if that lease

had commenced) of the proposed pre-committed lease (disregarding incentives) as if the proposed pre-committed tenancies had commenced and rent was being paid in accordance with the terms of the proposed pre-committed lease (the “**Guaranteed Amount**”). The obligations of the relevant Developers and amounts payable under the Contingent Rental Support Deeds are limited to the Guaranteed Amount and the recoverable outgoings that FLT would have received during the period in which the arrangements under the Contingent Rental Support Deeds are active in respect of the relevant pre-committed tenancies.

(See paragraph 2.9 of the Letter to Unitholders for further details.)

The Deed of Covenant

In connection with the Proposed Transaction, FLT will on settlement of the CEVA Tech Contract of Sale, through the relevant Sub-Trust Trustee, as trustee of the relevant Sub-Trust, enter into a deed of covenant¹ in respect of the CEVA Tech Facility with the CEVA Tech Vendor, the tenant occupying the CEVA Tech Facility (the “**CEVA Tech Tenant**”) and the guarantor of the CEVA Tech Tenant (the “**CEVA Tech Guarantor**”) where the relevant Sub-Trust Trustee will perform the covenants, warranties and obligations of the “Lessor” under the lease between the CEVA Tech Vendor, the CEVA Tech Tenant and the CEVA Tech Guarantor (the “**Deed of Covenant**”).

(See paragraph 2.10 of the Letter to Unitholders for further details.)

The Deed of Assignment and Deed of Variation

In connection with the Proposed Transaction, FLT will on settlement of the Survitec & Phoenix Contract of Sale, through FLT Queensland No. 2 Pty Limited, as trustee of the Horsley Drive Trust B (the “**Survitec & Phoenix Purchaser**”), enter into:

- (1) a deed of assignment of the Survitec & Phoenix Ground Lease² in respect of the Survitec & Phoenix Facility with Western Sydney Parklands Trust (“**WSPT**”), the Survitec & Phoenix Vendor and the HAUT Trustee (the “**Deed of Assignment**”); and
- (2) a deed of variation of lease in respect of the Survitec & Phoenix Facility with WSPT and the HAUT Trustee (the “**Deed of Variation**”).

(See paragraphs 2.11 and 2.12 of the Letter to Unitholders for further details.)

¹ A tenant may require that a deed of covenant is entered into by an incoming landlord to covenant directly with the tenant that the incoming landlord will comply with the terms of the tenancy document; this Deed of Covenant does not impose additional terms on the incoming landlord than what are already set out in the tenancy document.

² “**Survitec & Phoenix Ground Lease**” refers to Lease AM406103 between WSPT and the Survitec & Phoenix Vendor in respect of the Survitec & Phoenix Facility.

Description of the New Properties

The following table sets out a summary of selected information on the Completed Properties.

S/No	Address	Tenant	Remaining Tenure (years)	GLA (sq m)	Valuation A (A\$ m) ⁽¹⁾	Valuation B (A\$ m) ⁽²⁾	Consideration (A\$ m)	Completion of Construction	WALE (years) ⁽³⁾	NPI Yield (%) ⁽⁴⁾	Occupancy Rate (%)
1	8 Stanton Road, Seven Hills, New South Wales	Yusen	Freehold	10,708	16.0	16.0	16.0	17 May 2002	5.1	7.39	100
2	Lot 1, Horsley Drive Business Park, New South Wales	Survitec & Phoenix	89.3 ⁽⁵⁾	14,333	22.5	22.4	21.4	15 July 2016	10.3	6.57	100
3	89-103 South Park Drive, Dandenong South, Victoria	Ecolab	Freehold	10,425	13.0 ⁽⁶⁾	13.0 ⁽⁶⁾	13.0	13 September 2005	9.8	6.26	100
4	43 Efficient Drive, Truganina, Victoria	CEVA Tech	Freehold	23,088	25.3	24.7	24.5	22 February 2017	5.0	7.00	100
Sub-Total for Completed Properties					76.8	76.1	74.9	-	7.4	6.83	100

Notes:

- (1) The higher of the two independent valuations of each Completed Property conducted by the Independent Valuers (as defined herein). Valuation as at 30 April 2017.
- (2) The lower of the two independent valuations of each Completed Property conducted by the Independent Valuers. Valuation as at 30 April 2017.
- (3) "WALE" refers to the weighted average lease expiry computed through application of Adjusted Gross Rental Income (being the contracted rental income and estimated recoverable outgoings of the Completed Properties under the relevant existing lease for the first month after the completion of the Completed Properties Contracts of Sale, and for the Development Properties, the contracted rental income and estimated recoverable outgoings under the relevant pre-committed lease for the first month following the estimated practical completion date of the respective Development Properties) and assuming that the pre-committed tenancies for the Development Properties and the tenancies for the Completed Properties have commenced as at 31 March 2017.
- (4) The NPI Yield of each Completed Property is derived by annualising the estimated Net Property Income (refers to the gross revenue of a New Property comprising the contracted rental income and estimated recoverable outgoings less property expenses) of the relevant Completed Property to be generated under the relevant existing lease for the first month after the completion of the Completed Properties Contracts of Sale (i.e. by multiplying by 12) and dividing such amount by the consideration payable under the relevant Completed Property Contract of Sale (excluding stamp duty).
- (5) As at 31 March 2017.
- (6) Valuation includes the effects of the arrangement under the Ecolab Incentive Reimbursement Deed.

The following table sets out a summary of selected information on the Development Properties.

S/No	Address	Tenant	Remaining Tenure (years)	GLA (sq m) ⁽¹⁾	Valuation A (A\$ m) ⁽²⁾	Valuation B (A\$ m) ⁽³⁾	Acquisition Amount (A\$ m) ⁽⁴⁾	Target Completion of Development	WALE Upon Completion (years) ⁽⁵⁾	NPI Yield (%) ⁽⁶⁾	Occupancy Rate (%)
1	Lot 1 Pearson Road, Yatala, Queensland	Beaulieu Carpets (pre-committed)	Freehold	23,051	33.8 ⁽⁷⁾	33.8 ⁽⁷⁾	33.8	September 2017	15.0	6.00	100 ⁽⁸⁾
2	29 Indian Drive, Keysborough, Victoria	Stanley Black & Decker (pre-committed)	Freehold	21,722	30.9 ⁽⁷⁾	30.9 ⁽⁷⁾	30.9	November 2017	10.0	6.00	100 ⁽⁸⁾
3	17 Hudson Court, Keysborough, Victoria	CH2 (pre-committed)	Freehold	21,200	29.8 ⁽⁷⁾	29.8 ⁽⁷⁾	29.7	May 2018	10.0	6.25	100 ⁽⁸⁾
Sub-Total for Development Properties				65,973	94.5	94.5	94.4	-	11.8	6.07	100
Total for New Properties				124,527	171.3	170.6	169.3	-	9.6	6.41	100

Notes:

- (1) Subject to a survey upon completion of development.
- (2) The higher of the two independent valuations of each Development Property conducted by the Independent Valuers. The valuation of each Development Property takes into account the price of the land, any improvements on the land hitherto and any proposed development and construction to be conducted on the land in accordance with the development plan under the relevant Development Agreement, together with the tenant pre-commitment. Valuation as at 30 April 2017.
- (3) The lower of the two independent valuations of each Development Property conducted by the Independent Valuers. The valuation of each Development Property takes into account the price of the land, any improvements on the land hitherto and any proposed development and construction to be conducted on the land in accordance with the development plan under the relevant Development Agreement, together with the tenant pre-commitment. Valuation as at 30 April 2017.
- (4) The total acquisition amount (excluding stamp duty) payable for each Development Property comprises the amount payable to the Vendor for the Development Property under the relevant Development Property Contract of Sale and the Development Agreement Price payable to the Developer under the relevant Development Agreement on practical completion of the facility in accordance with the terms of the relevant Development Agreement.
- (5) "WALE" refers to the weighted average lease expiry computed through application of Adjusted Gross Rental Income and assuming that the pre-committed tenancies for the Development Properties and the tenancies for the Completed Properties have commenced as at 31 March 2017.
- (6) The NPI Yield of each Development Property is derived by annualising the pre-committed Net Property Income of the relevant Development Property for the first month following the estimated practical completion date of the respective Development Property (i.e. by multiplying by 12) and dividing such amount by the Development Properties Acquisition Amount (excluding stamp duty) as applicable to such Development Property.
- (7) Valuation includes the effects of the arrangements under the relevant Incentive Reimbursement Deeds.
- (8) Based on the pre-committed tenants for the relevant Development Property as at 31 March 2017.

Yusen Logistics Facility (8 Stanton Road, Seven Hills, New South Wales)

Completed in 2002, the Yusen Logistics Facility comprises a two-storey office and high-clearance warehouse facility with 14 loading doors. Extensive hardstand is provided to the front of the Yusen Logistics Facility together with car parking for approximately 46 vehicles. The accommodation extends to 10,708 m² and occupies a site of 16,460 m². Located in the established industrial precinct of Seven Hills, the Yusen Logistics Facility is within proximity to the M2 and M7 Motorways and is located approximately 34 km from Sydney's central business district ("CBD"). The Sydney Airport and Port Botany are approximately 46 km and 48 km from the Yusen Logistics Facility, respectively.

Survitec & Phoenix Facility (Lot 1, Horsley Drive Business Park, New South Wales)

Completed in July 2016, the Survitec & Phoenix Facility comprises a standalone high-clearance warehouse with 14 loading doors, sub-divided into two tenancies. Each tenancy is provided with a separate two-storey office and extensive hardstand areas with car parking for a total of 83 vehicles. The accommodation extends in total to 14,333 m² and the Survitec & Phoenix Facility occupies a site of 27,320 m². Located within the recently developed Horsley Drive Business Park, on the edge of the established Wetherill Park industrial precinct, the Survitec & Phoenix Facility is located approximately 45 km from Sydney's CBD, 45 km from Sydney Airport and 53 km from Port Botany. The location benefits from excellent road transport links given its proximity to the M7 and M4 Motorways.

Ecolab Facility (89-103 South Park Drive, Dandenong South, Victoria)

Completed in 2005, the Ecolab Facility comprises a single-level office and high-clearance warehouse facility with 7 loading doors. The accommodation extends to 10,425 m² and occupies a site of 21,034 m². The Ecolab Facility is centrally located amidst numerous arterial roads and transport networks and within the well-regarded South Park Industrial Estate. The Ecolab Facility is located approximately 68 km and 46 km from Melbourne Airport and the Port of Melbourne respectively and 38 km south-east from Melbourne's CBD.

CEVA Tech Facility (43 Efficient Drive, Truganina, Victoria)

Completed in February 2017, the CEVA Tech Facility comprises a single-level office and high-clearance warehouse facility with 13 loading doors. The accommodation extends to 23,088 m² and occupies a site of 35,941 m². The CEVA Tech Facility is situated within the developing West Park Industrial Estate within proximity of the Deer Park By-Pass linking with the Western Ring Road and West Gate Freeway. The CEVA Tech Facility is located approximately 25 km west of Melbourne's CBD and 26 km and 21 km of the Melbourne Airport and Port of Melbourne, respectively.

Beaulieu Facility (Lot 1 Pearson Road, Yatala, Queensland)

The Beaulieu Facility is a new development, due for completion in September 2017. The Beaulieu Facility comprises a single-level office and high-clearance warehouse facility with 7 loading doors. The accommodation extends to 23,051 m² and occupies a site of 48,888 m². The Beaulieu Facility is positioned within proximity to the Pacific Highway, providing access between the Gold Coast and Brisbane's CBD. The Brisbane Airport and Port of Brisbane are located approximately 46 km and 51 km from the Beaulieu Facility, respectively.

Stanley Black & Decker Facility (29 Indian Drive, Keysborough, Victoria)

The Stanley Black & Decker Facility is a new development, due for completion in November 2017. The accommodation extends to 21,722 m² and occupies a site of 40,230 m². The facility includes a single-level office and high-clearance warehouse. The Stanley Black & Decker Facility is located within the Key Industrial Park within proximity of the Eastlink and the Monash Freeway providing access to Melbourne's broader freeway network. The Stanley Black & Decker Facility is located approximately 25 km south east of Melbourne's CBD and 46 km from Melbourne Airport.

Clifford Hallam Facility (17 Hudson Court, Keysborough, Victoria)

The Clifford Hallam Facility is a new development, due for completion in May 2018. The accommodation extends to 21,200 m² and occupies a site of 35,162 m². The facility comprises a two-level office and high clearance temperature controlled warehouse with 8 loading doors. The Clifford Hallam Facility is located within the Key Industrial Park within proximity of the Eastlink and the Monash Freeway providing access to Melbourne's broader freeway network. The Clifford Hallam Facility is located approximately 25 km south east of Melbourne's CBD and 46 km from Melbourne Airport.

Valuation and Aggregate Acquisition Amount

The Aggregate Acquisition Amount payable to the Vendors under the Contracts of Sale (as defined herein) and to the Developers under the Development Agreements in cash in Australian dollars for the New Properties is approximately A\$169.3 million¹ (approximately S\$179.1 million), comprising the Completed Properties Consideration (as defined herein) and the Development Properties Acquisition Amount (as defined herein). The Aggregate Acquisition Amount was negotiated on a willing-buyer and willing-seller basis and based on the independent valuations described below.

In respect of the acquisitions of the Completed Properties, the consideration (excluding stamp duty) payable of approximately A\$74.9 million to the relevant Vendors on completion of the acquisitions of the Completed Properties comprises the consideration payable under each of the Completed Properties Contracts of Sale (the "**Completed Properties Consideration**"). The Completed Properties Consideration was negotiated on a willing-buyer and willing-seller basis and based on the independent valuations described below.

In respect of the acquisitions of the Development Properties, the total acquisition amount (excluding the Development Properties Adjustments and stamp duty) payable of approximately A\$94.4 million comprises:

- (i) the amount payable to the Beaulieu Vendor, the Stanley Black & Decker Vendor and the Clifford Hallam Vendor under the Development Properties Contracts of Sale for the acquisition of the land on which the Development Properties occupies and any improvements to the land hitherto (which will be confirmed by a quantity surveyor at settlement of the Development Properties Contracts of Sale) (the "**Development Properties Contracts Acquisition Amount**"); and

¹ The Aggregate Acquisition Amount payable is subject to the Development Properties Adjustments, with the maximum aggregate acquisition amount for the New Properties taking into account the Development Properties Adjustments being approximately A\$171.5 million (approximately S\$181.4 million).

(ii) the amount payable to the Developers on practical completion of the facilities under the Development Agreements (which will occur in phases after completion of the Development Properties Contracts of Sale) (the “**Development Agreements Price**”),

(the Development Properties Contracts Acquisition Amount and the Development Agreements Price, collectively the “**Development Properties Acquisition Amount**”).

The Development Properties Acquisition Amount was negotiated on a willing-buyer and willing-seller basis and based on the independent valuations described below.

The Trustee has commissioned an independent valuer, CBRE Valuations Pty Ltd (“**CBRE**”) and the Manager has commissioned another two independent valuers, Savills Valuations Pty Ltd (only for the CEVA Tech Facility) (“**Savills**”) and Urbis Valuations Pty Ltd (save for the CEVA Tech Facility) (“**Urbis**”, and collectively with CBRE and Savills, the “**Independent Valuers**”) to respectively value the New Properties. The valuation of each Development Property takes into account the price of the land, any improvements on the land hitherto and any proposed development and construction to be conducted on the land in accordance with the development plan under the relevant Development Agreement, together with the tenant pre-commitment.

The methods of valuation of the New Properties by the relevant Independent Valuer are as follows:

S/No	Property	CBRE Valuation Methods	Urbis Valuation Methods	Savills Valuation Methods
1.	Yusen Logistics Facility	Market capitalisation analysis Discounted cash flow analysis	Capitalisation of income approach Discounted cash flow approach	–
2.	Survitec & Phoenix Facility	Market capitalisation analysis Discounted cash flow analysis	Capitalisation of income approach Discounted cash flow approach	–
3.	Ecolab Facility	Market capitalisation analysis Discounted cash flow analysis	Capitalisation of income approach Discounted cash flow approach	–
4.	CEVA Tech Facility	Market capitalisation analysis Discounted cash flow analysis	–	Capitalisation of income approach Discounted cash flow approach Direct comparison approach
5.	Beaulieu Facility	Market capitalisation analysis Discounted cash flow analysis	Capitalisation of income approach Discounted cash flow approach	–

S/No	Property	CBRE Valuation Methods	Urbis Valuation Methods	Savills Valuation Methods
6.	Stanley Black & Decker Facility	Market capitalisation analysis Discounted cash flow analysis Direct comparison approach	Capitalisation of income approach Discounted cash flow approach Direct comparison approach	–
7.	Clifford Hallam Facility	Market capitalisation analysis Discounted cash flow analysis Direct comparison approach	Capitalisation of income approach Discounted cash flow approach Direct comparison approach	–

(See Appendix B of this Circular for further details regarding the valuations of the New Properties.)

Estimated Total Transaction Cost

The estimated total cost of the Proposed Transaction (the “**Total Transaction Cost**”) is approximately A\$179.6 million (approximately S\$190.0 million), comprising:

- (i) the Aggregate Acquisition Amount of A\$169.3 million¹ (approximately S\$179.1 million);
- (ii) the acquisition fee payable to the Manager for the Proposed Transaction pursuant to the trust deed dated 30 November 2015 (as amended and supplemented) constituting FLT (the “**Trust Deed**”), which amounts to approximately A\$0.8 million (approximately S\$0.8 million) (being 0.5% of the Aggregate Acquisition Amount) (the “**Acquisition Fee**”)²; and
- (iii) the estimated professional and other fees and expenses incurred or to be incurred by FLT in connection with the Proposed Transaction (inclusive of approximately A\$6.2 million (approximately S\$6.6 million) of stamp duty arising from the Proposed Transaction³) of approximately A\$9.5 million (approximately S\$10.1 million).

As the Proposed Transaction will constitute an “interested party transaction” under Paragraph 5 of Appendix 6 of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore (the “**MAS**” and Appendix 6, the “**Property Funds Appendix**”), the Acquisition Fee payable to the Manager in respect of the Proposed Transaction will be in the form of Units (the “**Acquisition Fee Units**”), which shall not be sold within one year from the date of issuance.

¹ The Aggregate Acquisition Amount payable is subject to the Development Properties Adjustments, with the maximum aggregate acquisition amount for the New Properties taking into account the Development Properties Adjustments being approximately A\$171.5 million (approximately S\$181.4 million).

² The acquisition fee in respect of each of the Development Properties will only be paid on practical completion of the relevant facility in accordance with the terms of the relevant Development Agreement.

³ The stamp duty payable for the Proposed Transaction is calculated on the amount payable to the Vendors under the Yusen Contract of Sale, the Survitec & Phoenix Contract of Sale, the Ecolab Contract of Sale, the CEVA Tech Contract of Sale, the Beaulieu Contract of Sale, the Stanley Black & Decker Contract of Sale and the Clifford Hallam Contract of Sale (collectively, the “**Contracts of Sale**”).

Proposed Method of Financing the Proposed Transaction

The Manager intends to finance the Total Transaction Cost from a combination of equity and debt financing.

Prior to the date of this Circular, the Manager had on 27 June 2017 launched a private placement and on 6 July 2017 issued 78,000,000 new Units to raise net proceeds of approximately S\$77.2 million based on an issue price of S\$1.01 per Unit (the “**Private Placement**”). The Manager will utilise the net proceeds of the Private Placement to partially finance the Total Transaction Cost, with the balance of the Total Transaction Cost expected to be financed by a loan of up to approximately A\$104.3 million.

RATIONALE FOR AND KEY BENEFITS OF THE PROPOSED TRANSACTION

The Manager believes that the Proposed Transaction will bring the following key benefits to the Unitholders:

- Attractive Investment in Australian Industrial Market Segment while maintaining Geographical Diversification
- Prime, Modern and Predominantly Freehold Industrial Portfolio underpinned by Quality Tenants and Long Leases
- Increase in Diversification of Existing Portfolio’s Tenant Base
- Positive Impact on the Enlarged Portfolio
- Strengthens FLT’s Portfolio Sustainability Attributes
- Consistent with the Manager’s Investment Strategy
- Opportunity to Purchase the Development Properties on Attractive Terms

(See paragraph 3 of the Letter to Unitholders for further details.)

REQUIREMENT FOR UNITHOLDERS’ APPROVAL

Interested Person Transactions and Interested Party Transactions (collectively, “Related Party Transactions”)

As at the Latest Practicable Date, FCL and/or its subsidiaries (the “**FCL Group**”) hold an aggregate direct and indirect interest in 298,364,846 Units, which is equivalent to approximately 20.8448% of the total number of Units in issue as at the Latest Practicable Date, and is therefore regarded as a “controlling unitholder” of FLT for the purposes of both the Listing Manual of the SGX-ST (the “**Listing Manual**”) and the Property Funds Appendix. In addition, as the Manager is a wholly-owned subsidiary of FCL, the FCL Group is therefore regarded as a “controlling shareholder” of the Manager for the purposes of both the Listing Manual and the Property Funds Appendix.

As the Vendors and the HAUT Trustee are indirect wholly-owned trusts or subsidiaries of FCL through FPA, for the purposes of Chapter 9 of the Listing Manual and paragraph 5 of the Property Funds Appendix, each of the Vendors and the HAUT Trustee (each being a subsidiary of a

“controlling unitholder” of FLT and a subsidiary of a “controlling shareholder” of the Manager) is (for the purposes of the Listing Manual) an “interested person” of FLT and (for the purposes of the Property Funds Appendix) an “interested party” of FLT.

Therefore, the entry by the relevant Sub-Trust Trustee into the Contracts of Sale, the Ecolab Incentive Reimbursement Deed, the Deed of Covenant, the Deed of Assignment and the Deed of Variation will constitute an Interested Person Transaction under Chapter 9 of the Listing Manual, as well as an Interested Party Transaction under the Property Funds Appendix.

(See paragraph 2.13 of the Letter to Unitholders for further details.)

As the Developers are indirect wholly-owned subsidiaries of FCL through FPA, for the purposes of Chapter 9 of the Listing Manual and paragraph 5 of the Property Funds Appendix, each of the Developers (each being a subsidiary of a “controlling unitholder” of FLT and a subsidiary of a “controlling shareholder” of the Manager) is (for the purposes of the Listing Manual) an “interested person” of FLT and (for the purposes of the Property Funds Appendix) an “interested party” of FLT.

Therefore, the entry by the relevant Sub-Trust Trustee into the Development Agreements, the Stanley Black & Decker Incentive Reimbursement Deed, the Beaulieu Incentive Reimbursement Deed, the Clifford Hallam Incentive Reimbursement Deed and the Contingent Rental Support Deeds will constitute an Interested Person Transaction under Chapter 9 of the Listing Manual, as well as an Interested Party Transaction under the Property Funds Appendix.

(See paragraph 2.13 of the Letter to Unitholders for further details.)

INDICATIVE TIMETABLE

The timetable for the extraordinary general meeting (“EGM”) is indicative only and is subject to change at the absolute discretion of the Manager. Any changes (including any determination of the relevant dates) to the timetable below will be announced.

The timetable for events which are scheduled to take place after the EGM is indicative only and is subject to the absolute discretion of the Manager.

Event		Date and Time
Last date and time for lodgement of Proxy Forms	:	23 July 2017 at 3.00 p.m.
Date and time of the EGM	:	26 July 2017 at 3.00 p.m.
If the approval for the Proposed Transaction is obtained at the EGM:		
Target date for completion of the acquisitions of the Completed Properties and the Development Properties under the Contracts of Sale	:	To be determined (but is expected to be no later than 9 August 2017 (being 14 days after the EGM))

LETTER TO UNITHOLDERS

FRASERS LOGISTICS & INDUSTRIAL TRUST

(Constituted in the Republic of Singapore pursuant to a trust deed dated 30 November 2015
(as amended, restated and supplemented))

MANAGED BY

FRASERS LOGISTICS & INDUSTRIAL ASSET MANAGEMENT PTE. LTD.

Directors of the Manager

Mr Ho Hon Cheong (Chairman and Independent
Non-Executive Director)
Mr Goh Yong Chian (Independent Non-Executive Director)
Mr Paul Gilbert Say (Independent Non-Executive Director)
Mr Panote Sirivadhanabhakdi (Non-Executive Director)
Mr Lim Ee Seng (Non-Executive Director)
Mr Michael Bowden Newsom (Non-Executive Director)

Registered Office

438 Alexandra Road
#21-00, Alexandra Point
Singapore 119958

11 July 2017

To: Unitholders of Frasers Logistics & Industrial Trust

Dear Sir/Madam

1. SUMMARY OF APPROVAL SOUGHT

The Manager is convening the EGM to seek Unitholders' approval by way of an Ordinary Resolution in respect of the Proposed Transaction.

2. RESOLUTION ON THE PROPOSED TRANSACTION AS A RELATED PARTY TRANSACTION

2.1 Introduction

On 6 June 2017, FLT, had through the relevant Sub-Trust Trustee (as trustee of the relevant Sub-Trust), entered into (in respect of the Completed Properties) the Completed Properties Contracts of Sale to acquire the Completed Properties, and (in respect of the Development Properties) entered into the Development Properties Contracts of Sale and, as procured by the relevant Vendors of the Development Properties, the Development Agreements to acquire the Development Properties.

FLT had, in connection with the Listing, established the HAUT¹. The Trustee directly holds 50.0% of the issued units in the HAUT and the remaining 50.0% is directly held by FLT Australia Pte. Ltd., a direct wholly-owned subsidiary of the Trustee. The HAUT had in turn established 54 sub-trusts to each hold an individual property in the Existing Portfolio.

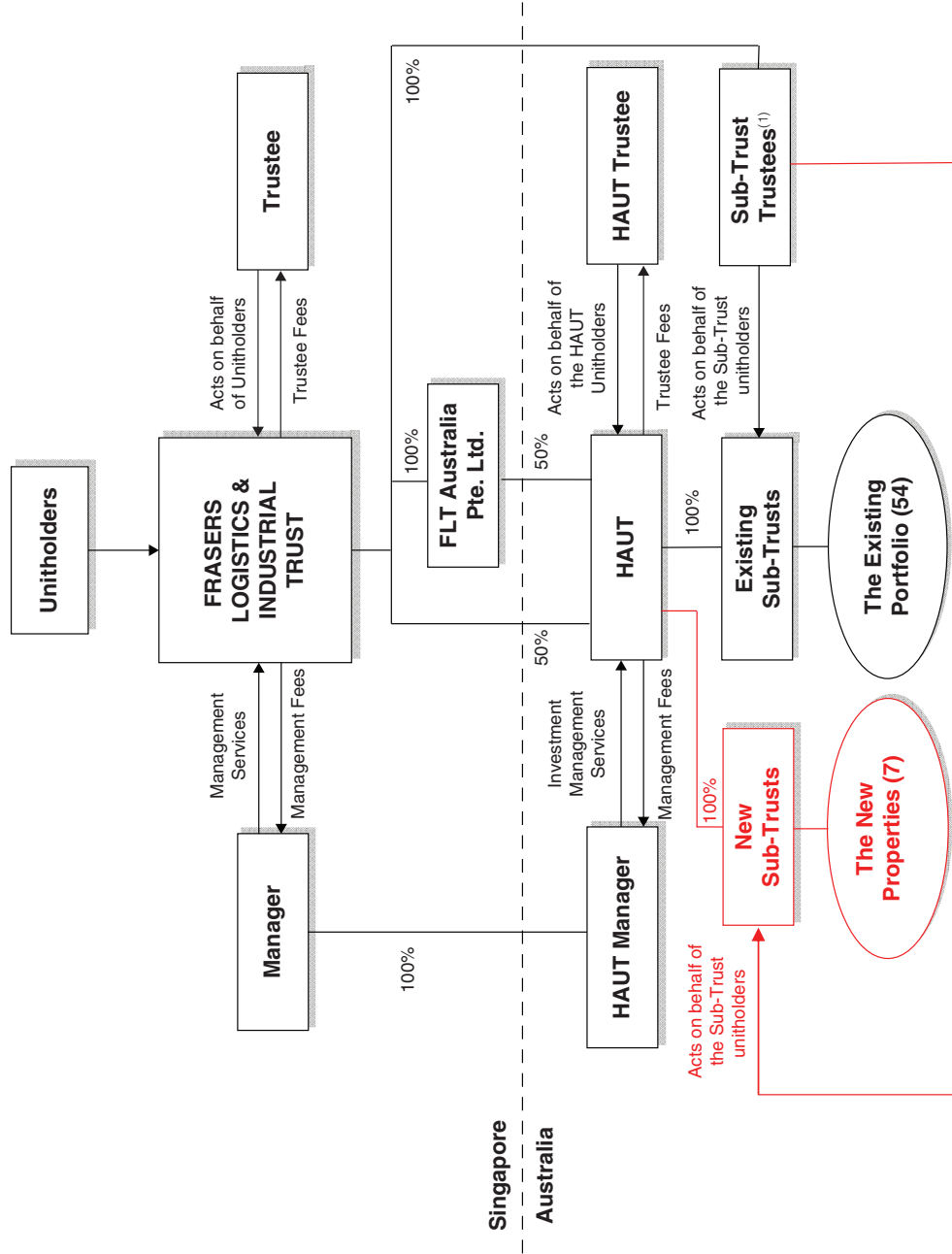
¹ If the HAUT qualifies as a managed investment trust, the distributions made by the HAUT will be accorded preferential Australian withholding tax rates. The applicable withholding tax rate for trust distributions of net rental income and capital gains is 15.0% and for interest income is 10.0%. Where a trust does not qualify as a managed investment trust, the distributions would be subject to Australian tax at 30.0% (where the unitholder is a non-resident company) or 45.0% (where the unitholder is a non-resident trust).

The Sub-Trusts have been established (one on 15 August 2016 and six on 26 April 2017) pursuant to trust deeds as new sub-trusts under the HAUT, for the purposes of acquiring the New Properties. The HAUT Trustee, an Australian incorporated company and a wholly-owned subsidiary of FPA, had on 27 May 2016 entered into the Investment Management Agreement with the HAUT Manager, pursuant to which the HAUT Manager will provide investment management services to the HAUT and its assets, which include the sub-trusts which hold the Existing Portfolio and the Sub-Trusts which will hold the New Properties.

The table below sets out the New Properties, its respective holding Sub-Trust and the respective Sub-Trust Trustee:

S/No	Property	Sub-Trust	Trustee of the Sub-Trust(s)
1	Yusen Logistics Facility	Stanton Road Trust B	FLT Queensland No. 1 Pty Limited
2	Survitec & Phoenix Facility	Horsley Drive Trust B	FLT Queensland No. 2 Pty Limited
3	Stanley Black & Decker Facility	Indian Drive Trust B	FLT Landowner Pty Limited
4	Clifford Hallam Facility	Hudson Court Trust A	
5	Beaulieu Facility	Pearson Road Trust B	
6	Ecolab Facility	South Park Drive Trust E	
7	CEVA Tech Facility	Efficient Drive Trust B	

The following diagram sets out the proposed holding structure of the New Properties following the completion of the Proposed Transaction.



Note:

(1) This includes the sub-trust trustees of the sub-trusts in respect of the Existing Portfolio, as well as the New Properties.

2.2 Description of the Completed Properties

Further details on each of the Completed Properties are set out in the subsequent pages:

Yusen Logistics Facility

8 Stanton Road, Seven Hills, New South Wales



Description

Completed in 2002, the Yusen Logistics Facility comprises a two-storey office and high-clearance warehouse facility with 14 loading doors. Extensive hardstand is provided to the front of the Yusen Logistics Facility together with car parking for approximately 46 vehicles. The accommodation extends to 10,708 m² and occupies a site of 16,460 m². Located in the established industrial precinct of Seven Hills, the Yusen Logistics Facility is within proximity to the M2 and M7 Motorways and is located approximately 34 km from Sydney's CBD. The Sydney Airport and Port Botany are approximately 46 km and 48 km from the Yusen Logistics Facility, respectively.

The tenant, Yusen Logistics (Australia) Pty Limited (trading as Yusen) is a subsidiary of Yusen Logistics Co Limited, a global third party logistics provider which was established in 1955 with headquarters in Tokyo and is listed on Tokyo Stock Exchange, and currently has operations in more than 500 locations in 42 countries and regions.

The table below sets out a summary of selected information on the Yusen Logistics Facility.

Title	Freehold
Completion Date	17 May 2002
GLA (sq m)	10,708
Occupancy Rate (%)	100.0
Independent Valuation by CBRE (as at 30 April 2017) (A\$ m)	16.0
Independent Valuation by Urbis (as at 30 April 2017) (A\$ m)	16.0
Consideration (A\$ m)	16.0
Number of Tenants	1
Tenant	Yusen Logistics (Australia) Pty Limited (trading as Yusen)
NPI Yield (%)	7.39

Survitec & Phoenix Facility

Lot 1, Horsley Drive Business Park, New South Wales



Description

Completed in July 2016, the Survitec & Phoenix Facility comprises a standalone high-clearance warehouse with 14 loading doors, sub-divided into two tenancy areas. Each area is provided with a separate two-storey office and extensive hardstand areas with car parking for a total of 83 vehicles. The accommodation extends in total to 14,333 m² and the Survitec & Phoenix Facility occupies a site of 27,320 m². Located within the recently developed Horsley Drive Business Park, on the edge of the established Wetherill Park industrial precinct, the Survitec & Phoenix Facility is located approximately 45 km from Sydney's CBD, 45 km from Sydney Airport and 53 km from Port Botany. The location benefits from excellent road transport links given its proximity to the M7 and M4 Motorways.

One of the tenants, RFD (Australia) Pty Ltd (trading as Survitec), was established in 1920, and is a UK company which provides marine, offshore, defence and aerospace safety survival solutions.

The other tenant, Phoenix Distribution (NSW) Pty Ltd (trading as Phoenix) was established in 1993, and is an independent logistics provider serving Sydney and Brisbane, providing distribution services, warehousing and storage and supply chain solutions.

The table below sets out a summary of selected information on the Survitec & Phoenix Facility.

Title	90-year Leasehold ⁽¹⁾
Completion Date	15 July 2016
GLA (sq m)	14,333
Occupancy Rate (%)	100.0
Independent Valuation by CBRE (as at 30 April 2017) (A\$ m)	22.4
Independent Valuation by Urbis (as at 30 April 2017) (A\$ m)	22.5
Consideration (A\$ m)	21.4
Number of Tenants	2
Tenants	RFD (Australia) Pty Ltd (trading as Survitec) and Phoenix Distribution (NSW) Pty Ltd (trading as Phoenix)
NPI Yield (%)	6.57

Note:

(1) The remaining tenure for the Survitec & Phoenix Facility as at 31 March 2017 is 89.3 years.

Ecolab Facility

89-103 South Park Drive, Dandenong South, Victoria



Description

Completed in 2005, the Ecolab Facility comprises a single-level office and high-clearance warehouse facility with 7 loading doors. The accommodation extends to 10,425 m² and occupies a site of 21,034 m². The Ecolab Facility is centrally located amidst numerous arterial roads and transport networks and within the well-regarded South Park Industrial Estate. The Ecolab Facility is located approximately 68 km and 46 km from Melbourne Airport and the Port of Melbourne respectively and 38 km south-east from Melbourne's CBD.

The tenant, Ecolab Pty Ltd (trading as Ecolab), is a subsidiary of Ecolab Incorporated, which was established in 1923 with headquarters in Minnesota and is listed on NYSE, and is a global provider of water, hygiene and energy technologies and services to the food, energy, healthcare, industrial and hospitality markets.

The table below sets out a summary of selected information on the Ecolab Facility.

Title	Freehold
Completion Date	13 September 2005
GLA (sq m)	10,425
Occupancy Rate (%)	100.0
Independent Valuation by CBRE (as at 30 April 2017) (A\$ m)	13.0
Independent Valuation by Urbis (as at 30 April 2017) (A\$ m)	13.0
Consideration (A\$ m)	13.0
Number of Tenants	1
Tenant	Ecolab Pty Ltd (trading as Ecolab)
NPI Yield (%)	6.26

CEVA Tech Facility

43 Efficient Drive, Truganina, Victoria



Description

Completed in February 2017, the CEVA Tech Facility comprises a single-level office and high-clearance warehouse facility with 13 loading doors. The accommodation extends to 23,088 m² and occupies a site of 35,941 m². The CEVA Tech Facility is situated within the developing West Park Industrial Estate within proximity of the Deer Park By-Pass linking with the Western Ring Road and West Gate Freeway. The CEVA Tech Facility is located approximately 25 km west of Melbourne's CBD and 26 km and 21 km of the Melbourne Airport and Port of Melbourne, respectively.

The tenant, CEVA Logistics (Australia) Pty Ltd (trading as CEVA Tech) (previously known as TNT Logistics Netherlands B.V.) was established in 1976, with headquarters in Netherlands. It provides logistics and freight management solutions worldwide to technology, industrial, consumer and retail, automotive and energy sectors.

The table below sets out a summary of selected information on the CEVA Tech Facility.

Title	Freehold
Completion Date	22 February 2017
GLA (sq m)	23,088
Occupancy Rate (%)	100.0
Independent Valuation by CBRE (as at 30 April 2017) (A\$ m)	25.3
Independent Valuation by Savills (as at 30 April 2017) (A\$ m)	24.7
Consideration (A\$ m)	24.5
Number of Tenants	1
Tenant	CEVA Logistics (Australia) Pty Ltd (trading as CEVA Tech)
NPI Yield (%)	7.00

2.3 Description of the Development Properties

Further details on each of the Development Properties are set out in the subsequent pages:

Beaulieu Facility

Lot 1, Pearson Road, Yatala, Queensland



Description

The Beaulieu Facility is a new development, due for completion in September 2017. The Beaulieu Facility comprises a single-level office and high-clearance warehouse facility with 7 loading doors. The accommodation extends to 23,051 m² and occupies a of site 48,888 m². The Beaulieu Facility is positioned within proximity to the Pacific Highway, providing access between the Gold Coast and Brisbane's CBD, situated approximately 38 km to the north-west. The Brisbane Airport and Port of Brisbane are located approximately 46 km and 51 km from the Beaulieu Facility, respectively.

The pre-committed tenant, Beaulieu of Australia Pty Limited (trading as Beaulieu Carpets), is one of the largest carpet manufacturers in Australia and the market leader in providing the most comprehensive range of environmental sustainable floor coverings in Australia. It serves the residential and commercial sectors, distributing across Australia and the Pacific.

The table below sets out a summary of selected information on the Beaulieu Facility.

Title	Freehold
Expected Completion Date	September 2017
GLA (sq m)	23,051 ⁽¹⁾
Occupancy Rate (as at 31 March 2017) (%)	100.0 (pre-committed)
Independent Valuation by CBRE (as at 30 April 2017) (A\$ m)	33.8
Independent Valuation by Urbis (as at 30 April 2017) (A\$ m)	33.8
Acquisition Amount (A\$ m)	33.8
Number of Tenants	1
Tenant	Beaulieu of Australia Pty Limited (trading as Beaulieu Carpets)
NPI Yield (%)	6.00

Note:

(1) Subject to a survey upon completion of development.

Stanley Black & Decker Facility

29 Indian Drive, Keysborough, Victoria



Description

The Stanley Black & Decker Facility is a new development, due for completion in November 2017. The accommodation extends to 21,722 m² and occupies a site of 40,230 m². The facility includes a single-level office and high-clearance warehouse. The Stanley Black & Decker Facility is located within the Key Industrial Park within proximity of the Eastlink and the Monash Freeway providing access to Melbourne's broader freeway network. The Stanley Black & Decker Facility is located approximately 25 km south east of Melbourne's CBD and 46 km from Melbourne Airport.

The pre-committed tenant, Stanley Black & Decker, is a Fortune 500 American manufacturer of industrial tools and household hardware and provider of security products and locks, with headquarters in New Britain, Connecticut, and listed on NYSE.

The table below sets out a summary of selected information on the Stanley Black & Decker Facility.

Title	Freehold
Expected Completion Date	November 2017
GLA (sq m)	21,722 ⁽¹⁾
Occupancy Rate (as at 31 March 2017) (%)	100.0 (pre-committed)
Independent Valuation by CBRE (as at 30 April 2017) (A\$ m)	30.9
Independent Valuation by Urbis (as at 30 April 2017) (A\$ m)	30.9
Acquisition Amount (A\$ m)	30.9
Number of Tenants	1
Tenant	Stanley Black & Decker Australia Pty Ltd (trading as Stanley Black & Decker)
NPI Yield (%)	6.00

Note:

(1) Subject to a survey upon completion of development.

Clifford Hallam Facility

17 Hudson Court, Keysborough, Victoria



Description

The Clifford Hallam Facility is a new development, due for completion in May 2018. The accommodation extends to 21,200 m² and occupies a site of 35,162 m². The facility comprises a two-level office and high clearance temperature controlled warehouse with 8 loading doors. The Clifford Hallam Facility is located within the Key Industrial Park within proximity of the Eastlink and the Monash Freeway providing access to Melbourne's broader freeway network. The Clifford Hallam Facility is located approximately 25 km south east of Melbourne's CBD and 46 km from Melbourne Airport.

The pre-committed tenant, Clifford Hallam Healthcare Pty Limited (trading as CH2) was established in 2006, and is Australia's leading, and only fully integrated, provider of medical consumables, pharmaceuticals, veterinary and equipment products. It provides services to the public and private hospital sector, day surgeries, general practitioners, veterinary clinics and aged care facilities. It also provides a range of logistical services to manufacturers.

The table below sets out a summary of selected information on the Clifford Hallam Facility.

Title	Freehold
Expected Completion Date	May 2018
GLA (sq m)	21,200 ⁽¹⁾
Occupancy Rate (as at 31 March 2017) (%)	100.0 (pre-committed)
Independent Valuation by CBRE (as at 30 April 2017) (A\$ m)	29.8
Independent Valuation by Urbis (as at 30 April 2017) (A\$ m)	29.8
Acquisition Amount (A\$ m)	29.7
Number of Tenants	1
Tenant	Clifford Hallam Healthcare Pty Limited (trading as CH2)
NPI Yield (%)	6.25

Note:

(1) Subject to a survey upon completion of development.

2.4 Valuation and Aggregate Acquisition Amount

The Aggregate Acquisition Amount payable to the Vendors and the Developers in connection with the Proposed Transaction in cash in Australian dollars is approximately A\$169.3 million¹ (approximately S\$179.1 million), comprising the Completed Properties Consideration and the Development Properties Acquisition Amount. The Aggregate Acquisition Amount was negotiated on a willing-buyer and willing-seller basis and based on the independent valuations described below.

In respect of the acquisitions of the Completed Properties, the Completed Properties Consideration (excluding stamp duty) of approximately A\$74.9 million comprises the consideration payable under each of the Completed Properties Contracts of Sale. The Completed Properties Consideration was negotiated on a willing-buyer and willing-seller basis and based on the independent valuations described below.

In respect of the acquisitions of the Development Properties, the Development Properties Acquisition Amount payable of approximately A\$94.4 million comprises:

- (i) the Development Properties Contracts Acquisition Amount; and
- (ii) the Development Agreements Price.

The Development Properties Acquisition Amount was negotiated on a willing-buyer and willing-seller basis and based on the independent valuations described below.

The Trustee has commissioned an independent valuer, CBRE, and the Manager has commissioned another two independent valuers, Savills (only for the CEVA Tech Facility) and Urbis (save for the CEVA Tech Facility), to respectively value the New Properties. The valuation of each Development Property takes into account the price of the land, any improvements on the land hitherto and any proposed development and construction to be conducted on the land in accordance with the development plan under the relevant Development Agreement, together with the tenant pre-commitment.

The methods of valuation of the New Properties by the relevant Independent Valuer are as follows:

S/No	Property	CBRE Valuation Methods	Urbis Valuation Methods	Savills Valuation Methods
1.	Yusen Logistics Facility	Market capitalisation analysis Discounted cash flow analysis	Capitalisation of income approach Discounted cash flow approach	–
2.	Survitec & Phoenix Facility	Market capitalisation analysis Discounted cash flow analysis	Capitalisation of income approach Discounted cash flow approach	–

¹ The Aggregate Acquisition Amount payable is subject to the Development Properties Adjustments, with the maximum aggregate acquisition amount for the New Properties taking into account the Development Properties Adjustments being approximately A\$171.5 million (approximately S\$181.4 million).

S/No	Property	CBRE Valuation Methods	Urbis Valuation Methods	Savills Valuation Methods
3.	Ecolab Facility	Market capitalisation analysis Discounted cash flow analysis	Capitalisation of income approach Discounted cash flow approach	–
4.	CEVA Tech Facility	Market capitalisation analysis Discounted cash flow analysis	–	Capitalisation of income approach Discounted cash flow approach Direct comparison approach
5.	Beaulieu Facility	Market capitalisation analysis Discounted cash flow analysis	Capitalisation of income approach Discounted cash flow approach	–
6.	Stanley Black & Decker Facility	Market capitalisation analysis Discounted cash flow analysis Direct comparison approach	Capitalisation of income approach Discounted cash flow approach Direct comparison approach	–
7.	Clifford Hallam Facility	Market capitalisation analysis Discounted cash flow analysis Direct comparison approach	Capitalisation of income approach Discounted cash flow approach Direct comparison approach	–

(See Appendix B of this Circular for further details regarding the valuations of the New Properties.)

2.5 Estimated Total Transaction Cost

The estimated Total Transaction Cost is approximately A\$179.6 million (approximately S\$190.0 million), comprising:

- (i) the Aggregate Acquisition Amount of approximately A\$169.3 million¹ (approximately S\$179.1 million);

¹ The Aggregate Acquisition Amount payable is subject to the Development Properties Adjustments, with the maximum aggregate acquisition amount for the New Properties taking into account the Development Properties Adjustments being approximately A\$171.5 million (approximately S\$181.4 million).

- (ii) the Acquisition Fee, which amounts to A\$0.8 million (approximately S\$0.8 million) (being 0.5% of the Aggregate Acquisition Amount)¹; and
- (iii) the estimated professional and other fees and expenses incurred or to be incurred by FLT in connection with the Proposed Transaction (inclusive of approximately A\$6.2 million (approximately S\$6.6 million) of stamp duty arising from the Proposed Transaction²) of approximately A\$9.5 million (approximately S\$10.1 million).

As the Proposed Transaction will constitute an “interested party transaction” under Paragraph 5 of the Property Funds Appendix, the Acquisition Fee payable to the Manager in respect of the Proposed Transaction will be in the form of the Acquisition Fee Units, which shall not be sold within one year from the date of issuance.

(See details on the proposed method of financing the Proposed Transaction in paragraph 2.17 below.)

2.6 Certain Principal Terms of the Contracts of Sale

A Contract of Sale has been entered into for each of the New Properties between FPA (through its subsidiaries, as vendor and holder of the freehold/leasehold interest in the New Properties) and the relevant Sub-Trust Trustee of the relevant Sub-Trust (as purchaser) for the transfer of the New Properties.

Under each Contract of Sale, the relevant Vendor will transfer its freehold or leasehold interest in the relevant New Property (subject to and with the benefit of the existing tenancies) to the relevant Sub-Trust Trustee, in accordance with the following terms (among others):

- (a) the completion of the relevant Contract of Sale is subject to the satisfaction of the conditions precedent set out in the relevant Contract of Sale;
- (b) on completion of the relevant Contract of Sale, the relevant Vendor must deliver to the relevant Sub-Trust Trustee various documents, including but not limited to the relevant certificate of title, the registrable transfer form, the registrable discharge from any encumbrance affecting the relevant New Property (other than any specified encumbrance under the relevant Contract of Sale), each original document in relation to the tenancies affecting the relevant New Property (including original bank guarantees), any required caveator consent or withdrawal of caveat, any required tenancy assumption deeds, deeds of novation and termination deeds and evidence of registration of certain easements/occupational leases or removal of certain agreements registered on title prior to completion, and the relevant Sub-Trust Trustee must, by the date being the later of 1 July 2017 and 14 days after the date on which all conditions precedent have been satisfied, pay the amount payable under the relevant Contract of Sale;
- (c) in respect of the Completed Properties, entitlements to rent and outgoings are to be adjusted as at completion, whereby the relevant Vendor is to prepare an adjustment statement within 30 business days after completion of the relevant Contract of Sale, and the relevant Sub-Trust Trustee must respond within 14 business days thereafter;

¹ The acquisition fee in respect of each of the Development Properties will only be paid on practical completion of the relevant facility in accordance with the terms of the relevant Development Agreement.

² The stamp duty payable for the Proposed Transaction is calculated on the amount payable to the Vendors under the Contracts of Sale.

- (d) in respect of the Completed Properties, by 31 March 2018, the relevant Sub-Trust Trustee of the relevant Sub-Trust (being the purchaser) must deliver to the relevant FPA entity (being the vendor) a statement of reconciliation for actual recoverable outgoings for the period up to and including the last date of the current outgoings year applicable under the tenancies for the purposes of calculating adjustments due to the tenants for recoverable outgoings. Within 10 business days of the delivery of the reconciliation statement, a final adjustment under the relevant Contract of Sale will be effected. If:
- (I) any of the tenants are entitled to a refund of any overpaid recoverable outgoings, then the relevant FPA entity (being the vendor) must pay its proportion of the overpaid amount to the purchaser on the basis that the relevant Sub-Trust will be liable to the relevant tenant for refunding the overpayment; and
 - (II) any of the tenants are required to pay an additional amount on account of recoverable outgoings, the relevant Sub-Trust (being the purchaser) must pay the relevant FPA entity (being the vendor) its share of that amount after receipt from the tenant, on the basis that the relevant Sub-Trust will be entitled to recover the underpayment from the relevant tenant;
- (e) certain limited representations and warranties are made by the relevant Vendor including in relation to the capacity of the relevant Vendor, information disclosed, legal matters, title to the New Property and other matters in relation to the relevant New Property. Claims for breach of warranties are subject to a cap on liability and must be made within 15 months after the completion of the transfer. The amount of an individual claim must be equal to or greater than A\$50,000 in respect of a particular matter and the maximum aggregate liability of the relevant Vendor in respect of the claims must not exceed the purchase price for the relevant New Property. Furthermore, certain limited representations and warranties are made by the relevant Sub-Trust Trustee in relation to the capacity of the relevant Sub-Trust Trustee (as purchaser); and
- (f) if capable of assignment, the relevant Vendor must assign the bank guarantee provided by the occupational tenant under the occupational lease to the relevant Sub-Trust Trustee and, if not capable of assignment, the relevant Vendor holds its rights (if any) for the benefit of the relevant Sub-Trust Trustee (as purchaser) from the completion of the transfer and during that period must, if requested by the relevant Sub-Trust Trustee, exercise the relevant Vendor's rights under the bank guarantee on the relevant Sub-Trust Trustee's behalf to enable the relevant Sub-Trust Trustee to enjoy that benefit.

There will be outstanding incentives payable to the tenants in respect of the Yusen Logistics Facility and the Survitec & Phoenix Facility when settlement of the relevant Contract of Sale occurs. The Yusen Contract of Sale and the Survitec & Phoenix Contract of Sale make an adjustment with regard to the outgoing incentives such that where the balance of the relevant incentive is more or less than the estimated incentive amount at settlement of the relevant Contract of Sale, the difference between the estimated incentive amount and the actual balance will be dealt with as an adjustment in accordance with the adjustment provisions relating to outgoings.

The current outstanding incentives under the Yusen Contract of Sale and the Survitec & Phoenix Contract of Sale are estimated to be A\$862,987 and A\$1,294,145, respectively. For the avoidance of doubt, the differences between the estimated incentive amount and the actual balance of the incentive (if any) will not result in any increase or reduction to the purchase consideration under the relevant Contract of Sale.

2.7 Certain Principal Terms of the Development Agreements

The Beaulieu Development Agreement, the Stanley Black & Decker Development Agreement and the Clifford Hallam Development Agreement will take effect on and from the completion of the Beaulieu Contract of Sale, the Stanley Black & Decker Contract of Sale and the Clifford Hallam Contract of Sale, respectively, pursuant to which each of the Developers will continue with the development and construction of each of the Development Properties and deliver the completed Development Properties in accordance with the Development Agreements.

Immediately upon receipt of the certificate of practical completion, each of the Developers will submit a tax invoice to the relevant Sub-Trust Trustee, following which the amount payable under each Development Agreement is payable within seven business days. Such amount payable under the Development Agreement is paid after:

- (a) adjusting for any increase or reduction in annual rent payable under the occupational lease to be entered into in respect of the relevant Development Property as at practical completion arising because the premises under the occupational lease has a GLA more than or less than the estimated GLA. Based on the tolerance levels set out in the relevant agreement for lease¹, the amount of adjustment in the event of a difference between the actual GLA and the planned GLA will not be more than A\$600,000 for the Beaulieu Facility, A\$900,000 for the Stanley Black & Decker Facility and A\$700,000 for the Clifford Hallam Facility (each of which is computed by dividing the rent increase or decrease arising from the difference in GLA by the relevant NPI Yield²); and
- (b) deducting a return on the amount paid under the Development Property Contract of Sale in respect of the relevant Development Property at an interest coupon rate equivalent to the respective NPI Yield for each Development Property (being 6.00% per annum for the Beaulieu Facility, 6.00% per annum for the Stanley Black & Decker Facility and 6.25% per annum for the Clifford Hallam Facility).

Under each Development Agreement, the relevant Sub-Trust Trustee appoints the relevant Developer to develop the land by carrying out the development works and to complete the development in accordance with the terms and conditions of the relevant Development Agreement, the relevant Contract of Sale, the relevant agreement for lease and the relevant occupational lease to be entered into pursuant to the relevant agreement for lease and all laws and approvals obtained for the carrying out of the development works.

The relevant Developer is responsible for payment of all costs of carrying out the Developer's obligations in relation to the development under the relevant Development Agreement.

The relevant Developer must not make a material variation to the development works without the written consent of the relevant Sub-Trust Trustee, except where the variation results from a right of a tenant to request a variation to the development works or from the need to comply with the approvals or the relevant agreement for lease.

¹ The Beaulieu Agreement for Lease states that the actual GLA must not be more than 102% or less than 98% of the estimated GLA, the agreement for lease for Stanley Black & Decker states that the actual GLA must not be more than 103% or less than 97% of the estimated GLA and the agreement for lease for the Clifford Hallam Facility states that the actual GLA must not be more than 105% or less than 95% of the estimated GLA with the rent capped at a GLA of 102.5% of the estimated GLA.

² The NPI Yield of each Development Property is derived by annualising the pre-committed Net Property Income of the relevant Development Property for the first month following the estimated practical completion date of the respective Development Property (i.e. by multiplying by 12) and dividing such amount by the Development Properties Acquisition Amount (excluding stamp duty) as applicable to such Development Property.

If, before the commencement date under the relevant occupational lease to be entered into pursuant to the relevant agreement for lease, the relevant agreement for lease is terminated for any reason, then, among other things:

- (a) the obligations of the relevant Developer and the relevant Sub-Trust Trustee under the relevant Development Agreement are not affected, including the Developer's obligation to achieve practical completion and the relevant Sub-Trust Trustee's obligation to pay the amount payable under the Development Agreement (subject to paragraph (b) below);
- (b) the relevant Sub-Trust Trustee must pay the amount payable under the Development Agreement less the aggregate of the amount payable by the relevant Developer to the relevant Sub-Trust Trustee under the relevant Incentive Reimbursement Deed;
- (c) the relevant Development Agreement must be interpreted on the assumption that the relevant agreement for lease had not been terminated with other changes which are necessary to enable the relevant Developer and the relevant Sub-Trust Trustee to fulfil their obligations under the relevant Development Agreement, despite the termination of the relevant agreement for lease;
- (d) the relevant Sub-Trust Trustee may not make any claim for compensation or bring any action against the relevant Developer or terminate the relevant Development Agreement; and
- (e) the relevant Sub-Trust Trustee or Developer may each request variations of the development works to accommodate the requirements of a new tenant, subject to the other party's consent.

Practical completion of the development works occurs when "practical completion" has occurred under the relevant agreement for lease, a certificate of occupancy has been issued and supplied to the relevant Sub-Trust Trustee and the occupational lease has commenced.

The relevant Developer must make good any defects in the development works during the defects liability period under the relevant agreement for lease. At the end of the relevant defects liability period, the relevant Developer must, to the extent it is legally able to do so, assign to the relevant Sub-Trust Trustee any manufacturer or supplier warranty or guarantee in respect of any item of the development works. If not capable of assignment, the relevant Developer must hold the benefit of any such manufacturer or supplier warranty or guarantee for the benefit of the relevant Sub-Trust Trustee.

The Beaulieu Agreement for Lease was entered into by Frasers Property Industrial Constructions Pty Ltd ("**FPIC**"). FPIC has entered into a separate agreement with the Beaulieu Developer such that FPIC agrees with the Beaulieu Developer to comply with all its obligations under the Beaulieu Agreement for Lease and to enforce the obligations of Beaulieu of Australia Pty Ltd (being the tenant in respect of the Beaulieu Facility).

2.8 Certain Principal Terms of the Incentive Reimbursement Deeds

Under the Incentive Reimbursement Deeds, FPA will, through the Ecolab Vendor, be reimbursing FLT for incentives (for example, rent abatement) which the Ecolab Vendor has made available or agreed to the tenant of the Ecolab Facility, and will, through the relevant Developer, reimburse FLT for incentives which it has granted the pre-committed tenants of the Beaulieu Facility, Stanley Black & Decker Facility and the Clifford Hallam Facility development incentives (for example, fit out contribution, rent abatement or rent credit) as part of the relevant Developer's costs and obligations.

The Ecolab Vendor or the relevant Developer (as applicable) will be reimbursing the relevant Sub-Trust Trustee in respect of the Ecolab Facility, the Beaulieu Facility, the Stanley Black & Decker Facility and the Clifford Hallam Facility which are each occupied by a tenant that is entitled to certain incentives under its respective works and incentive agreement (for the Ecolab Facility) or relevant agreement for lease (for the Beaulieu Facility, the Stanley Black & Decker Facility and the Clifford Hallam Facility), in accordance with the following terms, among others:

- (a) if the relevant Sub-Trust Trustee is required to pay an incentive amount under the terms of the works and incentive agreement or relevant agreement for lease, it must provide the Ecolab Vendor or the relevant Developer (as applicable) with a monthly statement showing the total amount payable for that month (or unpaid amounts from a previous month), and the Ecolab Vendor or the relevant Developer (as applicable) must pay the relevant Sub-Trust Trustee those amounts;
- (b) the Ecolab Vendor or the relevant Developer (as applicable) indemnifies the relevant Sub-Trust Trustee against all expenses, losses, damages and costs that the relevant Sub-Trust Trustee may suffer if the Ecolab Vendor or the relevant Developer (as applicable) breaches the relevant Incentive Reimbursement Deed;
- (c) the obligations of the Ecolab Vendor or the relevant Developer (as applicable) to the relevant Sub-Trust Trustee under the relevant Incentive Reimbursement Deed for the relevant New Property terminate on the date the last monthly payment is made to the relevant Sub-Trust Trustee so that the incentive amounts payable by the relevant Sub-Trust Trustee have been paid in full;
- (d) if the works and incentive agreement or relevant agreement for lease is terminated, the obligations of the Ecolab Vendor or the relevant Developer (as applicable) to pay the incentive amount also terminate on the date of termination of the works and incentive agreement or relevant agreement for lease. If the relevant Sub-Trust Trustee varies an incentive amount, then the obligations of the Ecolab Vendor or the relevant Developer (as applicable) to pay the incentive amount will reduce (if the incentive amount is reduced) but will not increase if the relevant Sub-Trust Trustee agrees to increase the incentive amount; and
- (e) the relevant Sub-Trust Trustee can only assign the benefit of the relevant Incentive Reimbursement Deed to a person who is the new owner of the relevant New Property or a person with the benefit of a mortgage or charge registered against the relevant New Property, and the Ecolab Vendor or the relevant Developer (as applicable) agrees to enter into a new document on substantially the same terms as the relevant Incentive Reimbursement Deed with that person.

The actual amount reimbursable under the relevant Incentive Reimbursement Deed will be based on the actual tenancies in respect of the relevant New Properties as at the time that the relevant Incentive Reimbursement Deed takes effect.

Under the Incentive Reimbursement Deed in respect of the Ecolab Facility, in addition to the above, the Ecolab Vendor also agrees to:

- (a) remain responsible for applying part of the incentive amount to be provided to the tenant under the works and incentive agreement as a contribution to the landlord's works if so elected by the tenant; and
- (b) remain responsible for completing any outstanding works to be undertaken by the Ecolab Vendor in favour of the tenant under the works and incentive agreement.

2.9 Certain Principal Terms of the Contingent Rental Support Deeds

The Contingent Rental Support Deeds¹ have been entered into in respect of the Beaulieu Facility, the Stanley Black & Decker Facility and the Clifford Hallam Facility between the relevant Developer and the relevant Sub-Trust Trustee as trustee of the relevant Sub-Trust.

Under the Contingent Rental Support Deeds, in the event that the proposed pre-committed tenancies in respect of the Beaulieu Facility, the Clifford Hallam Facility and/or the Stanley Black & Decker Facility do not commence on the date of practical completion of each respective Development Property, the relevant Developer will pay FLT an amount equivalent to the Guaranteed Amount. The obligations of the relevant Developer and amounts payable under the Contingent Rental Support Deeds are limited to the Guaranteed Amount and the recoverable outgoings that FLT would have received during the period in which the arrangements under the Contingent Rental Support Deeds are active in respect of the relevant pre-committed tenancies.

In addition, if any of the Beaulieu Facility, the Stanley Black & Decker Facility and the Clifford Hallam Facility is or becomes vacant before the proposed lease commencement dates, the relevant Sub-Trust will appoint the relevant Developer to procure leasing of the vacant property. The relevant Developer may liaise, and negotiate agreements for lease, leases and licences, with proposed tenants or licensees of the vacant property to the exclusion of the relevant Sub-Trust.

The relevant Developer does not require the relevant Sub-Trust's consent for the granting of a lease or licence for a vacant property where the terms of the replacement lease satisfies certain conditions as set out in the relevant Contingent Rental Support Deed. These conditions include (among others) those in relation to the financial strength of the tenant, the rent or licensee fee being equal to or greater than the Guaranteed Amount, the term being not less than the balance of the term of the proposed pre-committed lease at the replacement lease commencement date and the other terms of the replacement lease being no less favourable when taken as a whole than the proposed pre-committed lease. The consent of the relevant Sub-Trust will be required where the terms of the replacement lease do not fulfil the conditions set out in the Contingent Rental Support Deeds.

¹ The board of Directors of the Manager is of the view that the Contingent Rental Support Deeds are on normal commercial terms and are not prejudicial to the interests of FLT and its Unitholders on the basis that the Developers will ensure that FLT receives rental support as if the proposed pre-committed tenancies had commenced by an agreed date, and the amounts payable to FLT are therefore equivalent to the aggregate of the income FLT would have received had the proposed pre-committed tenants commenced the leases as scheduled as well as any recoverable outgoings (the annual assumed net income on a fully leased basis of the Developed Properties is A\$2.0 million, A\$1.9 million and A\$1.9 million for the Beaulieu Facility, the Stanley Black & Decker Facility and the Clifford Hallam Facility, respectively with an annual escalation of 3.5%, 2.9% and 3.0%, respectively). The Developers are wholly-owned subsidiaries of FPA.

The obligations of the relevant Developer under the Contingent Rental Support Deeds will end on the earlier of:

- (a) if the relevant proposed lease does not commence for any reason, the proposed lease termination date;
- (b) the replacement lease commencement date provided that the rent payable under the replacement lease is equal to or more than the Guaranteed Amount; and
- (c) the proposed lease termination date if a replacement lease is entered into where the rent is less than the Guaranteed Amount.

In the event that the rent under a replacement lease is less than the Guaranteed Amount (and the replacement lease does not result in the valuation of the relevant property increasing), the relevant Developer agrees to pay to the relevant Sub-Trust an amount which is equivalent to the difference between the rent actually received and the Guaranteed Amount.

Where a replacement lease results in an increase in the value of the building, the Sub-Trust is not entitled to any rental support.

The relevant Developer's obligations under the relevant Contingent Rental Support Deed will not reapply to any property which becomes a vacant property after the proposed lease commencement date or a replacement lease commencement date. In addition, the parties agree that if an agreement for lease or lease is terminated by the relevant Sub-Trust due to the default or repudiation of the tenant under the pre-committed lease or the insolvency of the tenant or the tenant's guarantor or terminated by the proposed or replacement tenant due to the act or default of the relevant Sub-Trust (or a proposed lease or replacement lease does not commence due to an act or default of the relevant Sub-Trust or the default or repudiation of the tenant under the pre-committed lease or the insolvency of the tenant or the tenant's guarantor), the relevant Developer's obligations will terminate on the earlier of the date of any termination or the date of any such act or default.

The relevant Sub-Trust can only assign the benefit of the relevant Contingent Rental Support Deed to a new owner of the relevant property or to a person who has the benefit of a mortgage or a charge registered against the relevant property.

2.10 The Deed of Covenant

In connection with the Proposed Transaction, FLT will on settlement of the CEVA Tech Contract of Sale, through the relevant Sub-Trust Trustee, as trustee of the relevant Sub-Trust, enter into the Deed of Covenant¹ in respect of the CEVA Tech Facility with the CEVA Tech Vendor, the CEVA Tech Tenant and the CEVA Tech Guarantor where the relevant Sub-Trust Trustee will perform the covenants, warranties and obligations of the "Lessor" under the lease between the CEVA Tech Vendor, the CEVA Tech Tenant and the CEVA Tech Guarantor.

2.11 The Deed of Assignment

The assignment of the Survitec & Phoenix Ground Lease requires the consent of WSPT as documented in the Deed of Assignment, such that the Survitec & Phoenix Purchaser agrees to perform all of the Survitec & Phoenix Vendor's express and implied obligations under the Survitec & Phoenix Ground Lease from the settlement date as if the Survitec & Phoenix Purchaser had been named as the tenant. Accordingly, the Survitec & Phoenix Purchaser, will on settlement of the Survitec & Phoenix Contract of Sale, enter into the Deed of Assignment in respect of the Survitec & Phoenix Facility with WSPT, the Survitec & Phoenix Vendor and the HAUT Trustee.

¹ A tenant may require that a deed of covenant is entered into by an incoming landlord to covenant directly with the tenant that the incoming landlord will comply with the terms of the tenancy document; this Deed of Covenant does not impose additional terms on the incoming landlord than what are already set out in the tenancy document.

As the Survitec & Phoenix Ground Lease provides that a bank guarantee of six months' rent (including goods and service tax) must be provided by the tenant, the Survitec & Phoenix Purchaser will be required to provide a replacement bank guarantee upon entry into the Deed of Assignment.

2.12 The Deed of Variation

WSPT, the Survitec & Phoenix Purchaser and the HAUT Trustee will also enter into the Deed of Variation as part of the consent process such that the Survitec & Phoenix Ground Lease will be varied to provide that the HAUT Trustee guarantees the performance of the Survitec & Phoenix Purchaser under the Survitec & Phoenix Ground Lease.

2.13 Related Party Transaction

Under Chapter 9 of the Listing Manual, where the Trustee proposes to enter into a transaction with an interested person and the value of the transaction (either in itself or when aggregated with the value of other transactions, each of a value equal to or greater than S\$100,000, with the same interested person during the same financial year) is equal to or exceeds 5.0% of FLT's latest audited net tangible assets ("**NTA**"), Unitholders' approval is required in respect of the transaction.

Based on the unaudited pro forma financial information of FLT ("**Unaudited Pro Forma Financial Information**¹") for the financial period ended 31 December 2015 which is set out in the prospectus of FLT dated 10 June 2016 (the "**Prospectus**"), the NTA of FLT as at 31 December 2015 was A\$1,223.3 million. Accordingly, if the value of a transaction which is proposed to be entered into by the Trustee during the current financial period ending 30 September 2017 with an interested person is, either in itself or in aggregation with all other earlier transactions (each of a value equal to or greater than S\$100,000) entered into with the same interested person during the current financial period ending 30 September 2017, equal to or greater than A\$61.2 million, such a transaction would be subject to approval from Unitholders.

Paragraph 5 of the Property Funds Appendix also imposes a requirement for Unitholders' approval for an Interested Party Transaction by the Trustee whose value is equal to or exceeds 5.0% of FLT's latest audited net asset value ("**NAV**"). Based on the Unaudited Pro Forma Financial Information², the NAV of FLT as at 31 December 2015 was A\$1,223.3 million. Accordingly, if the value of a transaction which is proposed to be entered into by the Trustee with an interested party during the current financial period ending 30 September 2017 is equal to or greater than A\$61.2 million, such a transaction would also be subject to approval from Unitholders.

¹ The Unaudited Pro Forma Financial Information is used as FLT was only listed on the SGX-ST on 20 June 2016 with Units commencing trading on 21 June 2016, and has not yet issued any audited financial statements. In addition, the Manager is of the view that the Unaudited Pro Forma Financial Information would be most approximate to what would have been the last audited NTA of FLT to be applied for computing FLT's thresholds for the purposes of interested person transactions undertaken for the financial period from the Listing Date to 30 September 2017 (as compared to the announced unaudited financial statements of FLT in respect of the period from 20 June 2016 (being the Listing Date) to 31 March 2017 (the "**FLT Unaudited Financial Statements**")) because this reflects the NTA of FLT on the basis of the 51 properties held by FLT as at the Listing Date whereas the NTA of FLT would be higher as at 31 March 2017 due to the acquisition of three properties since the Listing Date.

² The Unaudited Pro Forma Financial Information is used as FLT was only listed on the SGX-ST on 20 June 2016 with Units commencing trading on 21 June 2016, and has not yet issued any audited financial statements. In addition, the Manager is of the view that the Unaudited Pro Forma Financial Information would be most approximate to what would have been the last audited NAV of FLT to be applied for computing FLT's thresholds for the purposes of interested party transactions undertaken for the financial period from the Listing Date to 30 September 2017 (as compared to the FLT Unaudited Financial Statements) because this reflects the NAV of FLT on the basis of the 51 properties held by FLT as at the Listing Date whereas the NAV of FLT would be higher as at 31 March 2017 due to the acquisition of three properties since the Listing Date.

As at the Latest Practicable Date, save for the Proposed Transaction, the value of all interested person transactions entered into between FLT and the FCL Group and its associates during the course of the current financial period ending 30 September 2017 up to the Latest Practicable Date is approximately A\$1.9 million¹(the “**Existing Interested Person Transactions**”) (which is approximately 0.16% of the NTA and NAV of FLT as at 31 December 2015).

Under the Contracts of Sale and the Development Agreements with the Vendors and the Developers, respectively, FLT (through the Sub-Trusts) will pay an Aggregate Acquisition Amount of A\$169.3 million (being 13.8% and 13.8%, respectively of FLT’s NTA and NAV as at 31 December 2015), subject to a maximum amount of A\$171.5 million² in cash (being 14.0% and 14.0%, respectively of FLT’s NTA and NAV as at 31 December 2015). The value of the Proposed Transaction exceeds the respective thresholds under the Listing Manual and the Property Funds Appendix in respect of Related Party Transactions and would therefore be subject to Unitholders’ approval.

Details of the Existing Interested Person Transactions may be found in Appendix C of this Circular.

As at the Latest Practicable Date, the FCL Group holds an aggregate direct and indirect interest in 298,364,846 Units, which is equivalent to approximately 20.8448% of the Units in issue as at the Latest Practicable Date, and is therefore regarded as a “controlling unitholder” of FLT for the purposes of both the Listing Manual and the Property Funds Appendix. In addition, as the Manager is a wholly-owned subsidiary of FCL, the FCL Group is therefore regarded as a “controlling shareholder” of the Manager under both the Listing Manual and the Property Funds Appendix.

As the Vendors, the Developers and the HAUT Trustee are indirect wholly-owned trusts or subsidiaries of FCL through FPA, for the purposes of Chapter 9 of the Listing Manual and paragraph 5 of the Property Funds Appendix, each of the Vendors, the Developers and the

¹ This refers to the additional adjustment to the purchase price of the Martin Brower Property as well as the renewal of FLT’s insurance policy with Southeast Insurance Public Company Limited (“**Southeast**”), an entity within the TCC Group (as defined herein).

As stated in the Prospectus, the consideration payable by FLT to FPA for the acquisition of the Martin Brower Property under the call option agreement was an agreed price of A\$57.1 million, subject to adjustments arising from the actual GLA being more or less than the planned GLA. Subsequently, a solar panel system has been installed for the tenant, further to which the rent payable by the tenant under the terms of its tenancy has been increased. The rent increase resulted in an increase in the valuation of the Martin Brower Property. Accordingly, FLT and FPA separately agreed to a further adjustment to the agreed price to take into account the additional property value (the “**Martin Brower Additional Adjustment**”), being an increase by a sum of A\$1.1 million. Although the acquisition of the Martin Brower Property is an interested person transaction under Chapter 9 of the Listing Manual as well as an interested party transaction under the Property Funds Appendix, the acquisition was deemed to have been specifically approved by Unitholders upon the purchase of the Units during the initial public offering of FLT (the “**IPO**”). However, the Martin Brower Additional Adjustment is a separate interested person transaction under Chapter 9 of the Listing Manual and an interested party transaction under the Property Funds Appendix as the Martin Brower Additional Adjustment was not specifically approved by Unitholders.

As stated in the Prospectus, the Manager had arranged for the existing industrial special risk and public liability insurance coverage in relation to the properties in the Existing Portfolio effected by FPA with Southeast for a term expiring on 30 September 2016 to continue post-IPO with the insurer noting the insured as FLT and its subsidiary entities (the “**Initial Southeast Insurance**”). Following the expiry of the Initial Southeast Insurance on 30 September 2016, the Manager renewed the insurance policy with Southeast on 30 September 2016 for a term of one year expiring on 30 September 2017 (the “**Renewed Southeast Insurance**”). The total premium for the Renewed Southeast Insurance is approximately A\$0.8 million. Although the Initial Southeast Insurance is an interested person transaction under Chapter 9 of the Listing Manual, the Initial Southeast Insurance was deemed to have been specifically approved by Unitholders upon the purchase of the Units during the IPO. However, the Renewed Southeast Insurance is a separate interested person transaction under Chapter 9 of the Listing Manual as the Renewed Southeast Insurance was not specifically approved by Unitholders.

² The Aggregate Acquisition Amount payable is subject to the Development Properties Adjustments, with the maximum aggregate acquisition amount for the New Properties taking into account the Development Properties Adjustments being approximately A\$171.5 million.

HAUT Trustee (each being a subsidiary of a “controlling unitholder” of FLT and a subsidiary of a “controlling shareholder” of the Manager) is (for the purposes of the Listing Manual) an “interested person” of FLT and (for the purposes of the Property Funds Appendix) an “interested party” of FLT.

Therefore, the Proposed Transaction will constitute a Related Party Transaction in respect of which Unitholders’ approval is required.

2.14 Relative Figures Computed on the Bases Set Out In Rule 1006 of the Listing Manual

2.14.1 Chapter 10 of the SGX-ST Listing Manual governs the acquisition or disposal of assets, including options to acquire or dispose of assets, by FLT. Such transactions are classified into the following categories:

- (i) non-discloseable transactions;
- (ii) discloseable transactions;
- (iii) major transactions; and
- (iv) very substantial acquisitions or reverse take-overs.

2.14.2 A proposed acquisition by FLT may fall into any of the categories set out above depending on the size of the relative figures computed on the following bases of comparison:

- (i) the net profits attributable to the assets acquired, compared with FLT’s net profits pursuant to Rule 1006(b) of the Listing Manual; and
- (ii) the aggregate value of the consideration given or received, compared with FLT’s market capitalisation based on the total number of issued Units pursuant to Rule 1006(c) of the Listing Manual.

Rule 1006(d) of the Listing Manual is not applicable as FLT will not be issuing any units as consideration for the Proposed Transaction.

2.14.3 The relative figures computed on the bases set out in Rules 1006(b) and 1006(c) of the Listing Manual are as follows:

Comparison of:	The Proposed Transaction	FLT	Relative Figure
Net Property Income⁽¹⁾ (A\$ million)	1.6 ⁽²⁾	103.6 ⁽³⁾	1.5%
Aggregate Acquisition Amount against market capitalisation (S\$ million)	179.1 ⁽⁴⁾	1,461.3 ⁽⁵⁾	12.3%

Notes:

- (1) In the case of a REIT, Net Property Income is a close proxy to the net profits attributable to its assets.
- (2) Includes the actual Net Property Income of the Completed Properties from 20 June 2016 to 31 March 2017 for a period of 284 days, including (i) the actual Net Property Income from the Yusen Logistics Facility from the lease that commenced on 1 April 2011 and varied on 20 May 2017; (ii) the actual Net Property Income for the Survitec & Phoenix Facility from 15 July 2016, when the lease commenced; (iii) the actual Net Property Income for the Ecolab Facility where the lease ended on 31 July 2016 and remained vacant until the new lease commenced on 1 June 2017; and (iv) the actual Net Property Income for the CEVA Tech Facility where the lease commenced on 27 February 2017.

- (3) Based on FLT's actual Net Property Income from 20 June 2016 to 31 March 2017 in the FLT Unaudited Financial Statements.
- (4) Based on an exchange rate of A\$1 : S\$1.058. The Aggregate Acquisition Amount payable is subject to the Development Properties Adjustments, with the maximum aggregate acquisition amount for the New Properties taking into account the Development Properties Adjustments being approximately S\$181.4 million.
- (5) Based on the weighted average price of the Units transacted on the SGX-ST on 5 June 2017, being the market day preceding the date of signing of the Contracts of Sale and Development Agreements, of S\$1.0209 per Unit.

As seen in the table above, while the relative figure in relation to the Proposed Transaction computed on the base set out in Rule 1006(b) does not exceed 5%, the relative figure in relation to the Proposed Transaction computed on the base set out in Rule 1006(c) exceeds 5% but does not exceed 20%.

2.15 Interests of Directors and Substantial Unitholders

As at the Latest Practicable Date, the interests of the Directors in the Proposed Transaction are as follows:

- (i) Mr Panote Sirivadhanabhakdi is a Non-Executive Director of the Manager, a director and the Group Chief Executive Officer of FCL, a director of other entities within the FCL Group other than the Manager, a director of various entities within the TCC Group¹ (which is the controlling shareholder of the FCL Group) and holds 20.0% of the issued share capital of TCC Group Investments Limited. Mr Panote Sirivadhanabhakdi is also the son of Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi;
- (ii) Mr Michael Bowden Newsom is a Non-Executive Director of the Manager, General Counsel of FPA and a director of various wholly-owned subsidiaries of FPA; and
- (iii) Mr Lim Ee Seng is a Non-Executive Director of the Manager, was the previous Group Chief Executive Officer of FCL and is currently a senior advisor to the TCC Group and advisor to FCL.

Based on the Register of Directors' Unitholdings maintained by the Manager, the direct and deemed interests of the Directors in the Units as at the Latest Practicable Date are as follows:

Name of Director	Direct Interest		Deemed Interest		Total No. of Units held	%
	No. of Units held	%	No. of Units held	%		
Mr Ho Hon Cheong	583,000	0.0407	438,000	0.0306	1,021,000	0.0713
Mr Goh Yong Chian	300,000	0.0210	–	–	300,000	0.0210
Mr Paul Gilbert Say	–	–	150,000	0.0105	150,000	0.0105
Mr Panote Sirivadhanabhakdi	–	–	89,887,000 ⁽¹⁾	6.2798 ⁽¹⁾	89,887,000	6.2798
Mr Lim Ee Seng	400,000	0.0279	–	–	400,000	0.0279
Mr Michael Bowden Newsom	–	–	60,000	0.0042	60,000	0.0042

Note:

- (1) Mr Panote Sirivadhanabhakdi holds 20.0% of the issued share capital of TCC Group Investments Limited and is deemed interested in TCC Group Investments Limited's direct interest in 89,887,000 Units.

¹ "TCC Group" refers to the companies and entities in the TCC Group which are controlled by Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi.

Based on the Register of Substantial Unitholders' Unitholdings maintained by the Manager, the Substantial Unitholders and their interests in the Unitholdings as at the Latest Practicable Date are as follows:

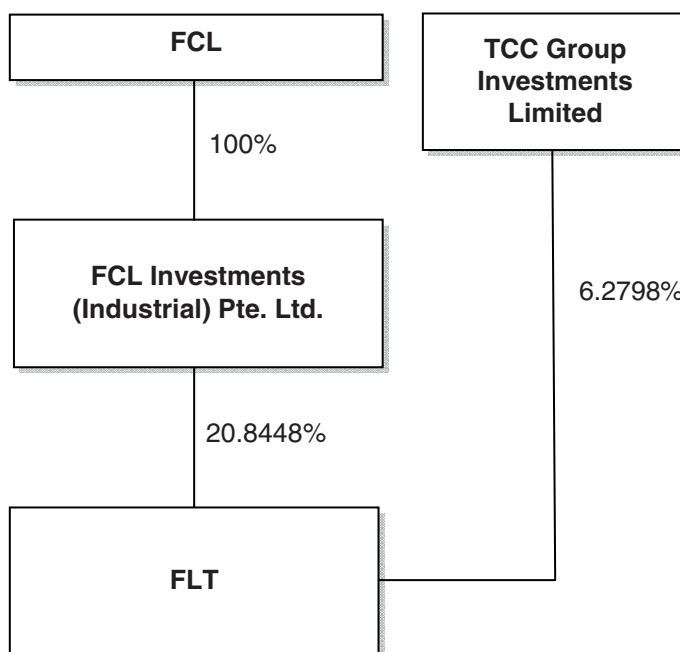
Name of Substantial Unitholder	Direct Interest		Deemed Interest		Total No. of Units held	%
	No. of Units held	%	No. of Units held	%		
FCL Investments (Industrial) Pte. Ltd. ⁽¹⁾	–	–	298,364,846	20.8448	298,364,846	20.8448
Frasers Centrepoint Limited ⁽²⁾	–	–	298,364,846	20.8448	298,364,846	20.8448
TCC Group Investments Limited ⁽³⁾	89,887,000	6.2798	–	–	89,887,000	6.2798
Sumitomo Mitsui Trust Holdings, Inc. ⁽⁴⁾	–	–	90,200,014	6.302	90,200,014	6.302
Sumitomo Mitsui Trust Bank, Limited ⁽⁵⁾	–	–	89,268,814	6.237	89,268,814	6.237
Nikko Asset Management Co., Ltd. ⁽⁶⁾	–	–	88,838,614	6.207	88,838,614	6.207
Nikko Asset Management International Limited ⁽⁷⁾	–	–	71,534,100 ⁽⁸⁾	5.005 ⁽⁸⁾	71,534,100	5.005

Notes:

- (1) Australand Property Limited, as trustee of Australand Property Trust, had declared a trust in favour of FCL Investments (Industrial) Pte. Ltd. pursuant to a declaration of trust dated 21 June 2016. Pursuant to the declaration of trust, Australand Property Limited, as trustee of Australand Property Trust, holds Units upon trust absolutely for FCL Investments (Industrial) Pte. Ltd.. Accordingly, FCL Investments (Industrial) Pte. Ltd. is deemed interested in the Units held by Australand Property Limited, as trustee of Australand Property Trust.
- (2) FCL is interested in the Units held by Australand Property Limited, as trustee of Australand Property Trust, as Australand Property Trust is indirectly wholly-owned by FCL. FCL is also interested in the Units held by FCL Investments (Industrial) Pte. Ltd., as FCL Investments (Industrial) Pte. Ltd. is indirectly wholly-owned by FCL. Each of InterBev Investment Limited, International Beverage Holdings Limited, Thai Beverage Public Company Limited, TCC Assets Limited, Siriwana Company Limited, Maxtop Management Corp., Risen Mark Enterprise Ltd., Golden Capital (Singapore) Limited, MM Group Limited, Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi is deemed interested in the Units held by FCL based on their respective shareholdings (direct or indirect) as at the Latest Practicable Date.
- (3) TCC Group Investments Limited is a British Virgin Islands company that is owned equally by Atinant Bijananda, Thapana Sirivadhanabhakdi, Wallapa Traisorat, Thapanee Techajareonvikul and Panote Sirivadhanabhakdi in equal proportions. As each of them holds 20.0% of the issued share capital of TCC Group Investments Limited, they are each deemed interested in TCC Group Investments Limited's direct interest in the Units.
- (4) Sumitomo Mitsui Trust Holdings, Inc. ("**SMTH**") has a deemed interest in the Units, on the basis of its controlling interest in each of Sumitomo Mitsui Trust Asset Management Co., Ltd. ("**SMTAM**") and Sumitomo Mitsui Trust Bank, Limited ("**SMTB**"). SMTB in turn has a controlling interest in Nikko Asset Management Co., Ltd. ("**NAM**") which has a controlling interest in Nikko Asset Management International Limited ("**NAMIL**"). NAMIL has a controlling interest in Nikko Asset Management Asia Limited ("**NAMAsia**") and separately holds more than 20% of the shareholdings of Affin Hwang Asset Management Berhad ("**AHAM**"). AHAM has a controlling interest in AIIAN Asset Management ("**AIIAN**"). Therefore, SMTH is deemed to have an interest in the Units held in aggregate by portfolios managed by SMTB, SMTAM, NAM, NAMAsia, AHAM and AIIAN.

- (5) SMTB has a deemed interest in the Units: (i) held in aggregate by portfolios managed by it; and (ii) on the basis of its deemed interest arising out of its controlling interest in NAM which has a controlling interest in NAMIL. NAMIL in turn has a controlling interest in NAMAsia and separately holds more than 20% of the shareholdings of AHAM. AHAM has a controlling interest in AIIMAN. Therefore, SMTB is deemed to have an interest in the Units held in aggregate by portfolios managed by NAM, NAMAsia, AHAM and AIIMAN.
- (6) NAM has a deemed interest in the Units: (i) held in aggregate by portfolios managed by it; and (ii) on the basis of its deemed interest arising out of its controlling interest in NAMIL. NAMIL has a controlling interest in NAMAsia and separately holds more than 20% of the shareholdings of AHAM. AHAM has a controlling interest in AIIMAN. Therefore, NAM is deemed to have an interest in the Units held in aggregate by portfolios managed by NAMAsia, AHAM and AIIMAN.
- (7) NAMIL has a deemed interest in the Units on the basis of (i) its controlling interest in NAMAsia; and (ii) its holding of more than 20% of the shareholdings of AHAM. AHAM has a controlling interest in AIIMAN. Therefore, NAMIL is deemed to have an interest in the Units held in aggregate by portfolios managed by NAMAsia, AHAM and AIIMAN.
- (8) The number of Units that NAMIL has a deemed interest in based on the notification (“**Substantial Unitholder Notification**”) given by NAMIL to the Manager and which was released by the Manager on SGXNET on 13 June 2017, and the unitholding percentage of NAMIL set out in the Substantial Unitholder Notification was 5.005%.

A diagrammatic illustration of the percentage unitholding of the FCL Group and TCC Group Investments Limited in FLT as at the Latest Practicable Date is set out below.



Saved as disclosed above and based on information available to the Manager as at the Latest Practicable Date, none of the Directors or the Substantial Unitholders has an interest, direct or indirect, in the Proposed Transaction.

2.16 Directors' Service Contracts

No person is proposed to be appointed as a director of the Manager in connection with the Proposed Transaction or any other transactions contemplated in relation to the Proposed Transaction.

2.17 Proposed Method of Financing the Proposed Transaction

The Manager intends to finance the Total Transaction Cost from a combination of equity and debt financing.

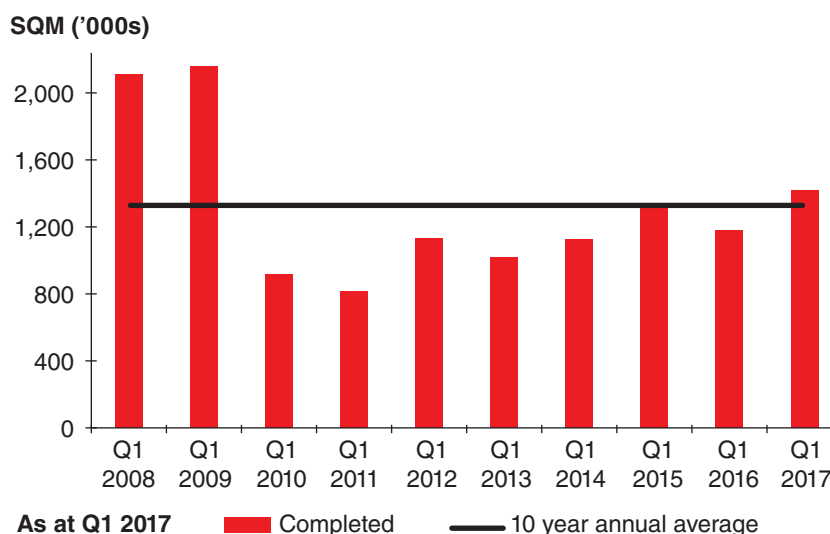
Prior to the date of this Circular, the Manager had on 6 July 2017 issued 78,000,000 new Units to raise net proceeds of approximately S\$77.2 million under the Private Placement. The Manager will utilise the net proceeds of the Private Placement to partially finance the Total Transaction Cost, with the balance of the Total Transaction Cost expected to be financed by a loan of up to approximately A\$104.3 million.

3. RATIONALE FOR AND KEY BENEFITS OF THE PROPOSED TRANSACTION

3.1 Attractive Investment in Australian Industrial Market Segment while maintaining Geographical Diversification

Prevailing trends and occupier themes in the industrial market at present are favourable for owners of well-located and well-specified logistics and distribution facilities. The New Properties are located in the preferred Australian eastern seaboard markets of Sydney, Melbourne and Brisbane, which are Australia's top three industrial markets. At present, there are attractive demand and supply dynamics for these markets. Industrial supply has maintained around the 10-year annual average, below the previous peak of construction cycle in 2008, is predominantly driven by pre-commitment, and is concentrated in the Melbourne and Sydney markets. Occupier demand continues to be well supported by infrastructure projects across Melbourne and Sydney coupled with improved business confidence levels.

National Industrial Total Supply¹



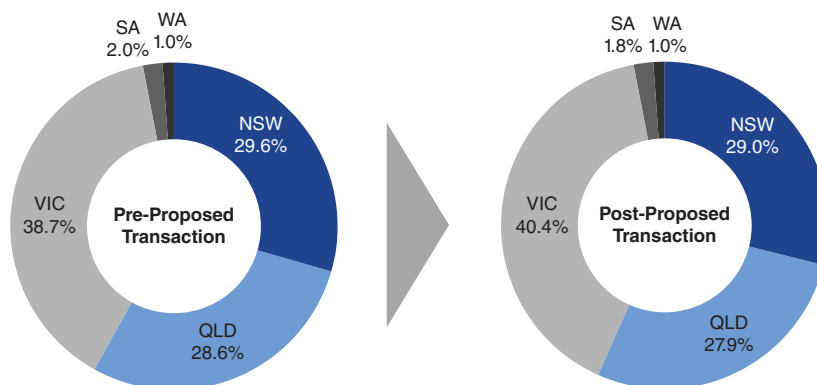
Current market fundamentals of relatively limited supply, growing demand and a focus on tenant retention are expected to result in ongoing high occupancy rates for prime grade industrial properties in Australia and favourable conditions for market rental growth in existing completed industrial properties.

¹ Source: Jones Lang LaSalle Real Estate Data Solution. Information extracted from the relevant reports and/or publications published by Jones Lang LaSalle Real Estate Data Solution, which have not been prepared for inclusion in this Circular. Accordingly, Jones Lang LaSalle Real Estate Data Solution is not liable for such information. While the Manager has taken reasonable actions to ensure that the information from the reports and/or publications published by Jones Lang LaSalle Real Estate Data Solution is reproduced in its proper form and context, and that the relevant information has been extracted accurately and fairly from such reports, neither the Manager nor any other party has conducted an independent review of the information contained in such reports nor verified the accuracy of the contents of the relevant information.

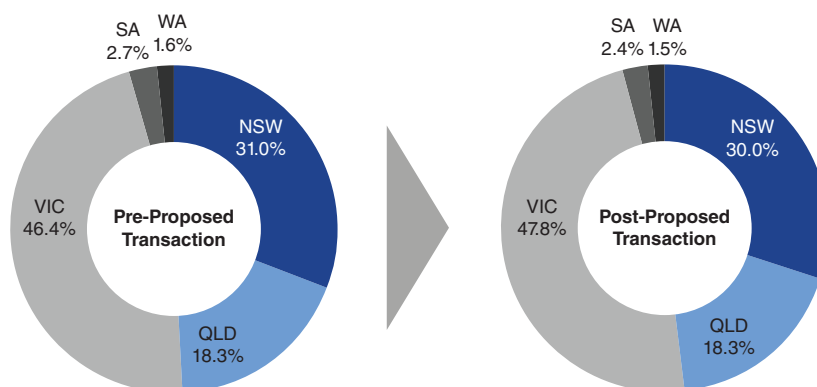
FLT's Existing Portfolio is located across five states in Australia. The New Properties maintain FLT's diversification with the properties located within each of Australia's three largest capital cities, being Sydney, Melbourne and Brisbane.

The charts below provide a geographical breakdown of the Enlarged Portfolio by states, based on Enlarged Portfolio Appraised Value¹, GLA and Net Property Income.

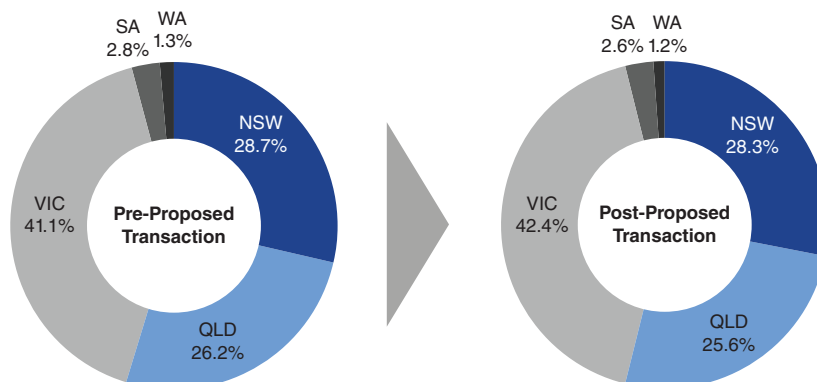
Geographical Breakdown by Enlarged Portfolio Appraised Value



Geographical Breakdown by Gross Lettable Area



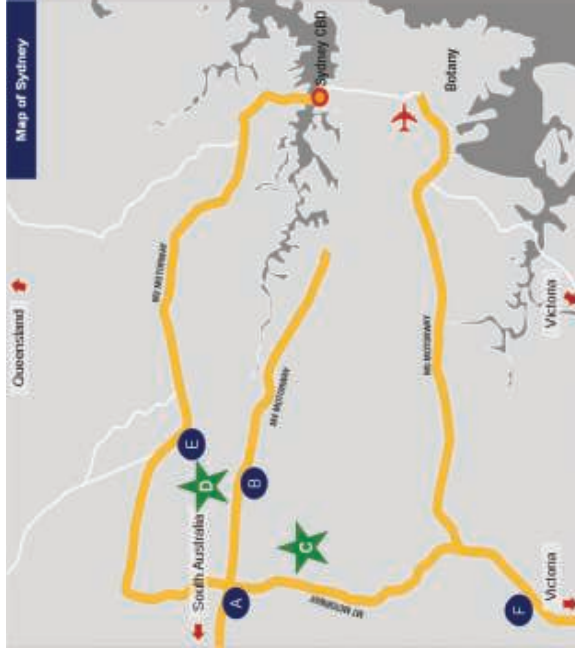
Geographical Breakdown by Net Property Income



¹ The "Enlarged Portfolio Appraised Value" refers to the aggregate of the Appraised Value and the Aggregate Acquisition Amount.

The following illustrates the geographical advantages of the New Properties in the industrial precincts that they are situated:

Characteristics of the Sydney Industrial Precincts⁽¹⁾



★ Indicates location of properties to be acquired

Sub-market	Location	Property	Precinct Characteristics
Outer Central West	C	Survitec & Phoenix Facility	<ul style="list-style-type: none"> Excellent access to key motorways, including M7, M4 and other main arterial roads Third-party logistics, retail and wholesale distribution centres for key brand name operators are located in this precinct
Outer North West	D	Yusen Logistics Facility	<ul style="list-style-type: none"> Close to M2 and M7 and access to the large and growing North West population corridor Supply is moderately constrained – sites suit smaller development or alternative use, larger sites available in Marsden Park⁽²⁾

- A Eastern Creek (4 existing properties)
- B Pemulwuy (2 existing properties)
- ★ Wetherill Park / Horsley Drive Business Park (1 existing property + Survitec & Phoenix Facility)
- ★ Seven Hills (3 existing properties + Yusen Logistics Facility)
- E Winston Hills (1 existing property)
- F Smeaton Grange (1 existing property)

(1) The map excludes mention of one property in the Existing Portfolio located in Port Kembla, Wollongong.

(2) Marsden Park is a suburb of Sydney, in the state of New South Wales, Australia. Marsden Park is located 49 km north-west of the Sydney central business district, in the Blacktown local government area and is part of the Greater Western Sydney region.

Characteristics of the Melbourne Industrial Precincts



- A** South Park Industrial Estate (5 existing properties + Ecolab Facility)
- B** The Keys Industrial Park (6 existing properties + Clifford Hallam Facility and Stanley Black & Decker Facility)
- C** Clayton South & Mulgrave (2 existing properties)
- D** Melbourne Airport Business Park (6 existing properties)
- E** West Park Industrial Estate (5 existing properties + CEVA Tech Facility)
- F** Altona Industrial Park (1 existing property)
- G** Port Melbourne (1 existing property)

★ Indicates location of properties to be acquired

Sub-market	Location	Property	Precinct Characteristics
South-east	A	<ul style="list-style-type: none"> Ecolab Facility 	<ul style="list-style-type: none"> Access to M1 (Monash Freeway) and M3 (Scoresby Freeway)
	B	<ul style="list-style-type: none"> Clifford Hallam Facility Stanley Black & Decker Facility 	<ul style="list-style-type: none"> Serves the large South Eastern residential population base
West	E	<ul style="list-style-type: none"> CEVA Tech Facility 	<ul style="list-style-type: none"> Close to the shipping port and access to the M1, Geelong Road, M80 Western Ring Road

Characteristics of the Brisbane Industrial Precincts



★ Indicates location of property to be acquired

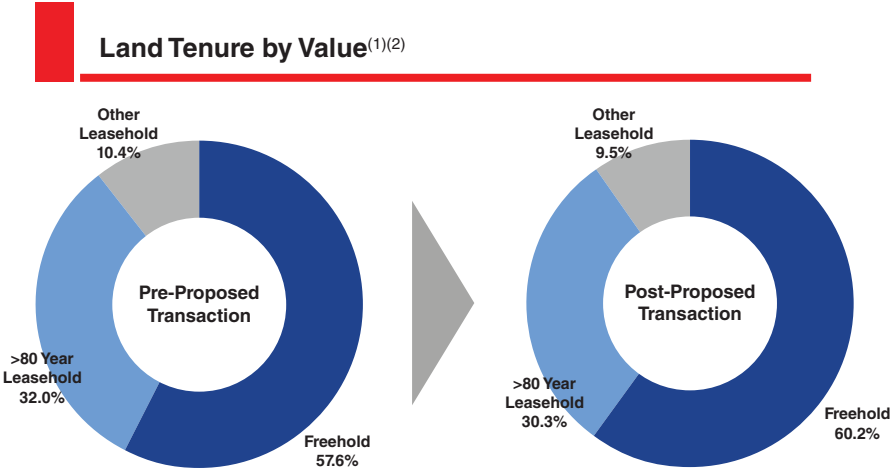
Sub-market	Location	Property	Precinct Characteristics
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Southern	H	<ul style="list-style-type: none"> Beaulieu Facility 	<ul style="list-style-type: none"> Largest geographical industrial precinct that has good road linkages to the north, west and south to the Gold Coast residential population
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A	Flint Street (1 existing property)	F	Shettleston Street (1 existing property)
B	Boundary Road (1 existing property)	G	Sandstone Place (1 existing property)
C	Siltstone Place (1 existing property)	★	Pearson Road (1 existing property + Beaulieu Facility)
D	Stradbroke Street (1 existing property)	I	Queensport Road (1 existing property)
E	Platinum Street (1 existing property)	J	Earnshaw Road (1 existing property)

3.2 Prime, Modern and Predominantly Freehold Industrial Portfolio underpinned by Quality Tenants and Long Leases

The New Properties are freehold and long leasehold in nature, with six out of seven being freehold assets and one with remaining leasehold land tenure of 89.3 years (as at 31 March 2017). With the completion of the Proposed Transaction, FLT’s portfolio comprising freehold and long leasehold land tenure assets will increase from 89.6% (based on the Appraised Value of the Existing Portfolio) to 90.5% (based on the aggregate of the Appraised Value of the Existing Portfolio and the Aggregate Acquisition Amount¹).



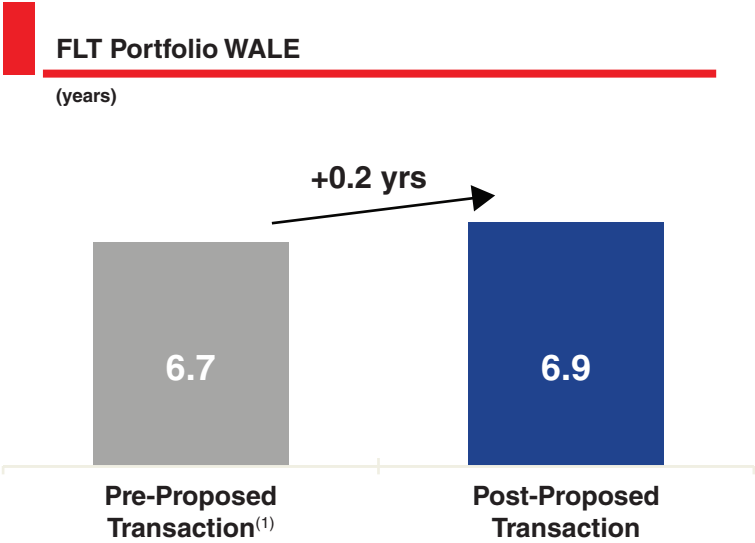
- (1) Valuation for Existing Portfolio as at 30 September 2016 (save for the Martin Brower Property which was valued on 1 October 2016)
- (2) Values for New Properties are based on Aggregate Acquisition Amount

The New Properties comprise primarily properties which have been recently constructed or are under development, with an average age of 2.4 years (as at 31 March 2017), resulting in lower capital expenditure requirements for maintenance or refurbishment of the properties in the near term.

The Completed Properties are 100% occupied and in the case of the Development Properties, fully pre-committed.

¹ Without taking into account any adjustments under the Development Agreements.

The New Properties are underpinned by long-term leases with WALE averaging 9.6 years based on Adjusted Gross Rental Income, increasing the portfolio WALE of FLT (following the completion of the Proposed Transaction) to 6.9 years from 6.7 years as at 31 March 2017.



(1) As at 31 March 2017

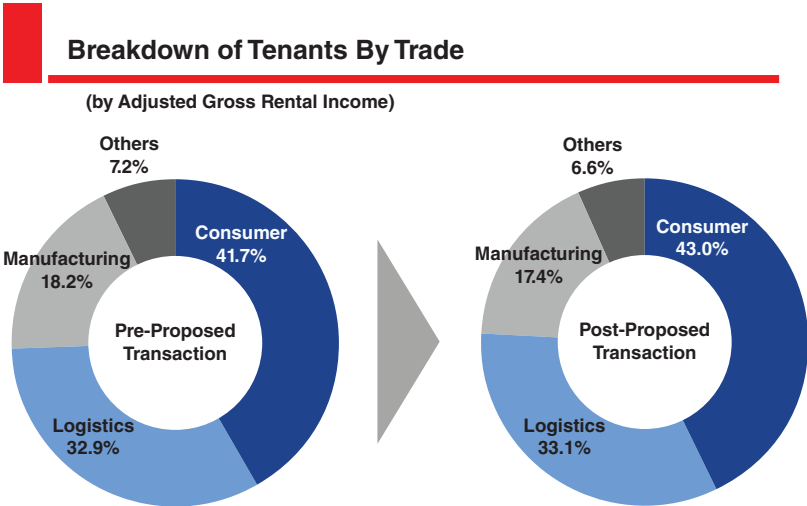
All the leases of the New Properties have fixed rental increments built-in, ranging from 2.85% to 3.50%, allowing the average fixed rental increment for the Enlarged Portfolio¹ to remain at approximately 3.2%, similar to that of the Existing Portfolio (as disclosed in the Prospectus).

¹ "Enlarged Portfolio" refers to the Existing Portfolio and the New Properties, collectively.

3.3 Increase in Diversification of Existing Portfolio’s Tenant Base

The New Properties are underpinned by reputable tenants of which 75.1% (based on Adjusted Gross Rental Income) are multinational corporations and/or their subsidiaries, and will contribute positively to the Existing Portfolio’s high quality well-diversified tenant base.

The Proposed Transaction will further reduce FLT’s concentration risk on any single tenant. Besides Coles (a subsidiary of Wesfarmers Limited), no single tenant accounts for more than 5.0% of Adjusted Gross Rental Income in the Enlarged Portfolio. In addition, the Enlarged Portfolio will have an increased component (by Adjusted Gross Rental Income) in consumer sector tenants from 41.7% to 43.0%.



Top Ten Tenants

Before the Proposed Transaction
(By gross revenue income for the month of March 2017)

Tenant	% of GRI
Coles	14.2
Schenker	4.6
CEVA Logistics	4.1
Toll Holdings	3.3
TTI	3.2
Martin Brower	3.0
Mazda	2.9
H.J. Heinz	2.7
DHL	2.5
Unilever	2.4

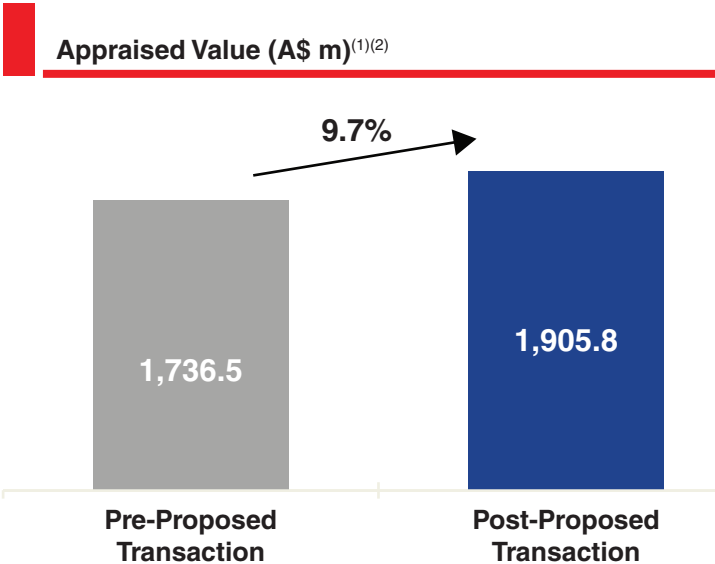
After the Proposed Transaction
(By gross revenue income)

Tenant	% of GRI
Coles	13.1
CEVA Logistics	5.0
Schenker	4.2
Toll Holdings	3.1
TTI	3.0
Martin Brower	2.7
Mazda	2.7
H.J. Heinz	2.5
DHL	2.3
Unilever	2.2

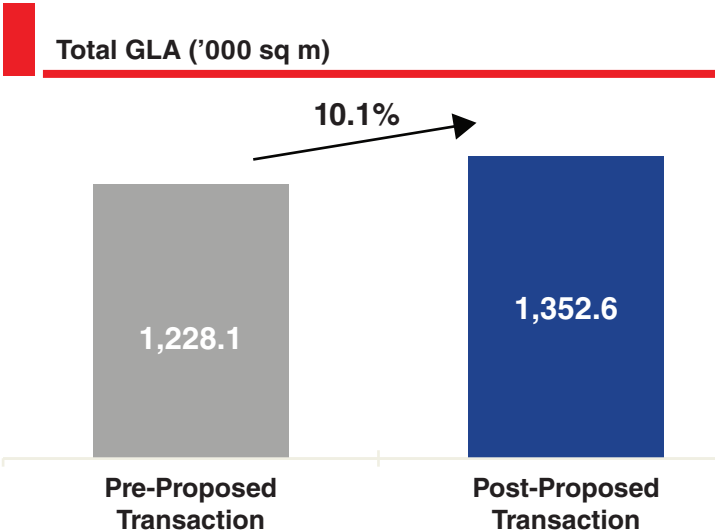
3.4 Positive Impact on the Enlarged Portfolio

Based on the pro forma financial effects of the Proposed Transaction on the distribution per Unit (“DPU”) for the period from 20 June 2016 (being the date of listing of FLT on the SGX-ST) (the “Listing Date”) to 31 March 2017, the Proposed Transaction is expected to be DPU accretive¹.

Upon completion of the Proposed Transaction, FLT’s aggregate Appraised Value and GLA will be enlarged by 9.7%² and 10.1%, respectively.



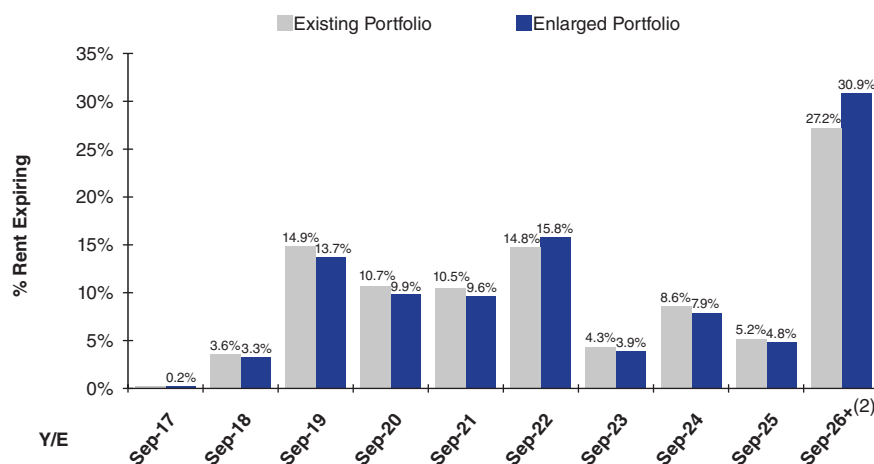
- (1) Valuation for Existing Portfolio as at 30 September 2016 (save for the Martin Brower Property which was valued on 1 October 2016)
- (2) Values for New Properties are based on Aggregate Acquisition Amount



¹ Please refer to paragraph 4.1 of the Letter to Unitholders for the pro forma financial effects of the Proposed Transaction on the DPU.
² Derived by the Aggregate Acquisition Amount as a percentage of the Appraised Value of the Existing Portfolio.

The Proposed Transaction will improve the lease expiry profile of FLT, reducing the percentage of leases expiring in the next two years ending September 2018 and September 2019 from 3.6% and 14.9% to 3.3% and 13.7%, respectively. In addition, there will not be more than 16% lease expiries in any single financial year up to 30 September 2025.

Lease Expiry by Adjusted Gross Rental Income⁽¹⁾



- (1) The contracted rental income and estimated recoverable outgoings of the Completed Properties under the relevant existing lease for the first month after the completion of the Completed Properties Contracts of Sale, and for the Development Properties, the contracted rental income and estimated recoverable outgoings under the relevant pre-committed lease for the first month following the estimated practical completion date of the respective Development Properties
- (2) Expiry of the remaining leases and pre-committed leases in the financial year ending 30 September 2026 and beyond

3.5 Strengthens FLT's Portfolio Sustainability Attributes

FLT presently has the largest Green Star performance rated industrial portfolio in Australia. As sustainability gains traction in the Australian real estate industry, the Manager expects the Proposed Transaction to further reinforce FLT's current position in this aspect.

Out of the seven New Properties, one, being the Survitec & Phoenix Facility, has achieved a 6-star "Green Star" Design rating, representing world leadership in sustainability. Four properties, being the CEVA Tech Facility, the Beaulieu Facility, the Stanley Black & Decker Facility and the Clifford Hallam Facility, are targeting a minimum 5-star "Green Star" As-Built rating, representing 'Australian Excellence' in sustainability construction. The potential benefits arising from the required sustainability features for "Green Star" ratings include:

- (i) reducing ongoing occupancy costs;
- (ii) assisting in retaining tenants at lease expiry;
- (iii) attracting new tenants, especially those using sustainability as a criteria for choosing their distribution centres;
- (iv) decreasing building obsolescence; and
- (v) minimising vacancy downtime.

3.6 Consistent with the Manager's Investment Strategy

By providing stable and attractive cash flows to Unitholders with potential opportunities for future income and capital growth, the Proposed Transaction is in line with the Manager's acquisition growth strategy which is to source for and pursue asset acquisition opportunities that provide attractive cash flows and yields, and which satisfy the Manager's investment mandate for FLT to enhance its returns to Unitholders and potential for future income and asset growth. This would enable FLT to deliver regular and stable distributions to the Unitholders and to achieve long term growth in distributions and NAV per Unit, while maintaining an appropriate capital structure.

3.7 Opportunity to Purchase the Development Properties on Attractive Terms

The Proposed Transaction presents FLT with an opportunity to acquire the Development Properties at attractive terms. As the total amount payable under the Development Agreements for FPA to deliver the completed facilities is fixed, FLT is not subject to the risks of construction cost overruns. The amount payable under the Development Properties Contracts of Sale is paid on completion of the Development Properties Contracts of Sale, with the balance of the total amount for the Development Properties payable only when FPA delivers the completed facilities. In addition, the coupon on the amount paid under the Development Properties Contracts of Sale, which is at a rate equivalent to the NPI Yield for each Development Property, will be applied to offset against the balance sum payable under the Development Agreements, thus reducing the overall financing costs on the acquisition of the Development Properties. In addition, there are pre-committed tenants for the Development Properties, coupled with the arrangements under the Contingent Rental Support Deeds to mitigate the risks of the pre-committed tenants not commencing the leases as scheduled.

4. CERTAIN FINANCIAL INFORMATION RELATING TO THE PROPOSED TRANSACTION

The pro forma financial effects of the Proposed Transaction on the DPU and NAV per Unit presented below were prepared based on the FLT Unaudited Financial Statements and the management accounts for the New Properties for the period from the Listing Date through to 31 March 2017 (being a period of 284 days) (translated from A\$ to S\$ at the exchange rates prevailing for the same period), taking into account the Total Transaction Cost, and certain assumptions including (but not limited to) the following:

- (i) 78,000,000 new Units are issued under a private placement to part finance the Proposed Transaction (the "**Private Placement**");
- (ii) new Units are issued as Acquisition Fee Units at an illustrative issue price of S\$1.04 per Unit for the New Properties;
- (iii) the balance of the Total Transaction Cost of A\$104.3 million is financed by borrowings; and
- (iv) the Total Transaction Cost is translated at an exchange rate of A\$1:S\$1.058.

4.1 Pro Forma DPU

The pro forma financial effects of the Proposed Transaction on the DPU for the period from 20 June 2016 (being the Listing Date) through to 31 March 2017 (being a period of 284 days), are strictly for illustration purposes only, and as if (a) FLT had purchased the New Properties and the Proposed Transaction had completed on the Listing Date, (b) all the Completed Properties are generating Net Property Income for the period from the Listing Date through to 31 March 2017 based on the estimated Net Property Income to be generated under the existing leases commencing from the date of the completion of the Completed Properties Contracts of Sale and for a period of 284 days, and (c) all the Development Properties are generating Net Property Income for the period from the Listing Date through to 31 March 2017 based on the estimated Net Property Income to be generated from the pre-committed leases commencing from the estimated date of the practical completion of each of the Development Properties (estimated to be in September 2017 for the Beaulieu Facility, November 2017 for the Stanley Blacker & Decker Facility and May 2018 for the Clifford Hallam Facility) and for a period of 284 days, are as follows:

FOR ILLUSTRATION PURPOSES ONLY

	Pro Forma Effects of the Proposed Transaction for the period from Listing Date to 31 March 2017	
	Before the Proposed Transaction	After the Proposed Transaction ⁽¹⁾
Net Property Income of FLT (A\$ m)	103.6	111.7 ⁽²⁾
Distributable Income (A\$ m)	76.3	81.2
No. of Units ('000)	1,431,360 ⁽³⁾	1,510,728 ⁽⁴⁾
DPU (Australian cents)	5.33	5.38
DPU (Singapore cents)	5.33 ⁽⁵⁾	5.38 ⁽⁵⁾

Notes:

- (1) Taking into account the Private Placement and that the balance of the Total Transaction Cost is financed with borrowings. Should the Total Transaction Cost be financed entirely by borrowings, the DPU will be higher than that presented in this illustration.
- (2) Assumes an estimated Net Property Income of the Completed Properties under the existing leases for a period of 284 days commencing from the date of the completion of the Completed Properties Contracts of Sale and an estimated Net Property Income of the Development Properties under the pre-committed leases for a period of 284 days commencing from the respective date of practical completion of each of the Development Properties.
- (3) Number of issued and issuable Units entitled to distribution as at 31 March 2017 as stated in the FLT Unaudited Financial Statements.
- (4) Based on the issued and issuable Units as at 31 March 2017 in note (3) above and includes (a) new Units issued under the Private Placement, and (b) new Units issuable as payment of the Manager's base management fees and acquisition fees for the New Properties.
- (5) This is based on the translation of A\$ to S\$ at the exchange rates prevailing in the preparation of the FLT Unaudited Financial Statements.

The pro forma financial effects of the Proposed Transaction on the DPU for the period from the Listing Date through to 31 March 2017 (being a period of 284 days) (a) as if FLT had purchased the New Properties and the Proposed Transaction had completed on the Listing Date, and (b) using the actual Net Property Income of the Completed Properties from the Listing Date through to 31 March 2017, are as follows:

	Pro Forma Effects of the Proposed Transaction for the period from Listing Date to 31 March 2017	
	Before the Proposed Transaction	After the Proposed Transaction⁽¹⁾
Net Property Income of FLT (A\$ m)	103.6	105.2⁽²⁾⁽³⁾
Distributable Income (A\$ m)	76.3	74.7
No. of Units ('000)	1,431,360⁽⁴⁾	1,510,728⁽⁵⁾
DPU (Australian cents)	5.33	4.95
DPU (Singapore cents)	5.33⁽⁶⁾	4.95⁽⁶⁾

Notes:

- (1) Taking into account the Private Placement and that the balance of the Total Transaction Cost is financed with borrowings. Should the Total Transaction Cost be financed entirely by borrowings, the DPU will be higher than that presented in this illustration.
- (2) Includes the actual Net Property Income of the Completed Properties from 20 June 2016 to 31 March 2017 for a period of 284 days, including (i) the actual Net Property Income from the Yusen Logistics Facility from the lease that commenced on 1 April 2011 and varied on 20 May 2017; (ii) the actual Net Property Income for the Survitec & Phoenix Facility from 15 July 2016, when the lease commenced; (iii) the actual Net Property Income for the Ecolab Facility where the lease ended on 31 July 2016 and remained vacant until the new lease commenced on 1 June 2017; and (iv) the actual Net Property Income for the CEVA Tech Facility where the lease commenced on 27 February 2017.
- (3) There is no Net Property Income contribution from the Development Properties for the period of 284 days from 20 June 2016 to 31 March 2017.
- (4) Number of issued and issuable Units entitled to distribution as at 31 March 2017 as stated in the FLT Unaudited Financial Statements.
- (5) Based on the issued and issuable Units as at 31 March 2017 in note (4) above and includes (a) new Units issued under the Private Placement, and (b) new Units issuable as payment of the Manager's base management fees and acquisition fees for the New Properties.
- (6) This is based on the translation of A\$ to S\$ at the exchange rates prevailing in the preparation of the FLT Unaudited Financial Statements.

4.2 Pro Forma NAV

The pro forma financial effects of the Proposed Transaction on the NAV per Unit as at 31 March 2017, as if the Proposed Transaction had been completed on 31 March 2017, are as follows:

	Pro Forma Effects of the Proposed Transaction as at 31 March 2017	
	Before the Proposed Transaction	After the Proposed Transaction⁽¹⁾
NAV (A\$ m)	1,277⁽²⁾	1,350
No. of Units ('000)	1,435,122⁽³⁾	1,513,982⁽⁴⁾
NAV per Unit (A\$)	0.89	0.89

Notes:

- (1) Taking into account the Private Placement and that the balance of the Total Transaction Cost is financed with borrowings.
- (2) Based on the FLT Unaudited Financial Statements.
- (3) Number of Units issued and issuable as at 31 March 2017.
- (4) Based on the issued and issuable Units as at 31 March 2017 in note (3) above and includes (a) new Units issued under the Private Placement, and (b) new Units issuable as payment of the Manager's acquisition fees for the New Properties.

4.3 Pro Forma Capitalisation

The following table sets forth the pro forma capitalisation of FLT as at 31 March 2017, as if FLT had completed the Proposed Transaction on 31 March 2017.

	Actual⁽¹⁾ (A\$ million)	As adjusted for the Proposed Transaction⁽²⁾ (A\$ million)
Long-term debt:		
Unsecured debt ⁽³⁾	523	627
Total long-term debt	523	627
Total debt:	523	627
Total Unitholders' funds	1,277	1,350
Total Capitalisation	1,800	1,977

Notes:

- (1) Based on the FLT Unaudited Financial Statements.
- (2) Taking into account the Private Placement and that the balance of the Total Transaction Cost is financed with borrowings.
- (3) Net of upfront debt related expenses.

5. EXISTING RELATED PARTY TRANSACTIONS

Except for those transactions which have been specifically approved by Unitholders upon purchase of the Units during the IPO and listing of FLT¹, transactions with a value below S\$100,000², the Martin Brower Additional Adjustment in respect of the Martin Brower Property of approximately A\$1.1 million and the Renewed Southeast Insurance of approximately A\$0.8 million (see Appendix C of this Circular for details of the Existing Interested Person Transactions), both the Trustee and the Manager have not entered into any Related Party Transaction with FCL or its respective subsidiaries and associates during the course of the current financial period ending 30 September 2017 up to the Latest Practicable Date.

¹ The Trustee has entered into certain ongoing Interested Person Transactions which are exempted from Rules 905 and 906 of the Listing Manual, having been specifically approved by Unitholders upon purchase of the Units during the IPO and listing of FLT, to the extent that there is no subsequent change to the rates and/or bases of the fees charged thereunder which will adversely affect FLT.

² Rules 905(1), 905(2) and 906 of the Listing Manual do not apply to any transaction below S\$100,000.

6. OPINION OF THE INDEPENDENT FINANCIAL ADVISER

6.1 The Proposed Transaction

Under Rule 921(4)(b)(ii) of the Listing Manual, an opinion from an independent financial adviser is not required for an “interested person transaction” if the transaction involves the purchase or sale of real property where (i) the consideration for the purchase or sale is in cash, (ii) an independent professional valuation has been obtained for the purpose of the purchase of the property and (iii) the valuation of such property is disclosed in the circular to unitholders.

Accordingly, as the Proposed Transaction involve the purchase of the New Properties where (i) the Aggregate Acquisition Amount will be payable in cash, (ii) independent valuations have been obtained from CBRE, Savills (only for the CEVA Tech Facility) and Urbis (save for the CEVA Tech Facility) for the purpose of the purchase of the New Properties and (iii) the valuations by the Independent Valuers are disclosed in this Circular, a letter from an independent financial adviser is not strictly required, notwithstanding that the Proposed Transaction is an “interested person transaction”.

However, for the purpose of good corporate governance and to ensure that there is an independent analysis of the Proposed Transaction, the Manager has appointed an independent financial adviser to review the Proposed Transaction. The Manager has appointed Ernst & Young Corporate Finance Pte Ltd (the “**IFA**”) to advise the independent directors of the Manager (the “**Independent Directors**”), the audit, risk and compliance committee of the Manager (the “**Audit, Risk and Compliance Committee**”) and the Trustee in relation to the Proposed Transaction. A copy of the letter from the IFA to the Independent Directors, the Audit, Risk and Compliance Committee and the Trustee (the “**IFA Letter**”), containing its advice in full in relation to the Proposed Transaction, is set out in Appendix A of this Circular. Unitholders are advised to read the IFA Letter in its entirety carefully.

Having considered the factors and made the assumptions set out in the IFA Letter, and subject to the qualifications set out therein, the IFA is of the opinion that the Proposed Transaction is based on normal commercial terms and is not prejudicial to the interests of FLT and its minority Unitholders.

The IFA is of the opinion that the Independent Directors recommend that Unitholders vote in favour of the resolution to approve the Proposed Transaction as a Related Party Transaction.

7. RECOMMENDATIONS

7.1 The Proposed Transaction as a Related Party Transaction

Based on the opinion of the IFA (as set out in the IFA Letter in Appendix A of this Circular) and having regard to the rationale for and key benefits of the Proposed Transaction as set out in paragraph 3 above, the Independent Directors and the Audit, Risk and Compliance Committee are of the opinion that the Proposed Transaction is based on normal commercial terms and would not be prejudicial to the interests of FLT and its minority Unitholders.

Accordingly, the Independent Directors recommend that Unitholders vote at the EGM in favour of the resolution to approve the Proposed Transaction as a Related Party Transaction.

8. EXTRAORDINARY GENERAL MEETING

The EGM will be held on 26 July 2017 at 3.00 p.m. at InterContinental Singapore, Ballroom II & III (Level 2), 80 Middle Road, Singapore 188966, for the purpose of considering and, if thought fit, passing with or without modification, the Ordinary Resolution in the Notice of Extraordinary General Meeting, which is set out on page D-1 of this Circular. The purpose of this Circular is to provide Unitholders with relevant information about the resolution.

Approval by way of an Ordinary Resolution is required in respect of the resolution to be passed.

A Depositor shall not be regarded as a Unitholder entitled to attend the EGM and to speak and vote unless he is shown to have Units entered against his name in the Depository Register, as certified by The Central Depository (Pte) Limited (“**CDP**”) as at 72 hours before the EGM.

9. ABSTENTIONS FROM VOTING

9.1 Relationship between the FCL Group and the Manager

As at the Latest Practicable Date, the Manager is a wholly-owned subsidiary of FCL. The FCL Group holds an aggregate indirect interest in 298,364,846 Units, comprising approximately 20.8448% of the 1,431,359,846 Units in issue as at the Latest Practicable Date.

9.2 Abstention From Voting

As at the Latest Practicable Date, the TCC Group (as defined herein), through the FCL Group, has a deemed interest in 298,364,846 Units, which comprises approximately 20.8448% of the total number of Units in issue. TCC Group Investments Limited has a direct interest in 89,887,000 Units, which comprises approximately 6.2798% of the total number of Units in issue.

Rule 919 of the Listing Manual prohibits interested persons and their associates (as defined in the Listing Manual) from voting on a resolution in relation to a matter in respect of which such persons are interested at the EGM.

Given that the New Properties will be acquired from the Vendors, which are indirect wholly-owned trusts or subsidiaries of FCL, and the Development Properties will be developed and delivered by the Developers, which are indirect wholly-owned subsidiaries of FCL, each of the TCC Group, the FCL Group, TCC Group Investments Limited and the Manager (i) will abstain, and will procure their associates to abstain from voting at the EGM on the resolution to approve the Proposed Transaction as a Related Party Transaction and (ii) will not, and will procure that their associates will not, accept appointments as proxies in relation to the resolution to approve the Proposed Transaction as a Related Party Transaction unless specific instructions as to voting are given.

10. ACTION TO BE TAKEN BY UNITHOLDERS

Unitholders will find enclosed in this Circular the Notice of Extraordinary General Meeting and a Proxy Form.

If a Unitholder is unable to attend the EGM and wishes to appoint a proxy to attend and vote on his behalf, he should complete, sign and return the enclosed Proxy Form in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the company secretary of the Manager at the office of the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01, Singapore 048623, not later than 23 July 2017 at 3.00 p.m., being 72 hours before the time fixed for the EGM. The completion and return of the Proxy Form by a Unitholder will not prevent him from attending and voting in person if he so wishes.

Persons who have an interest in the approval of the resolution must decline to accept appointment as proxies unless the Unitholder concerned has specific instructions in his Proxy Form as to the manner in which his votes are to be cast in respect of the Resolutions.

11. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Transaction, FLT and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

12. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the registered office of the Manager¹ at 438 Alexandra Road, #21-00, Alexandra Point, Singapore 119958, from the date of this Circular up to and including the date falling three months after the date of this Circular:

- (i) the Contracts of Sale;
- (ii) the Development Agreements;
- (iii) the Incentive Reimbursement Deeds;
- (iv) the Contingent Rental Support Deeds;
- (v) the Deed of Covenant;
- (vi) the Deed of Assignment;
- (vii) the Deed of Variation;
- (viii) the IFA Letter;

¹ Prior appointment with the Manager (telephone number: +65 6813 0588) will be appreciated.

- (ix) the valuation summaries and the full valuation reports on the New Properties issued by the Independent Valuers; and
- (x) the FLT Unaudited Financial Statements.

The Trust Deed will also be available for inspection at the registered office of the Manager, for so long as FLT is in existence.

Yours faithfully

Frasers Logistics & Industrial Asset Management Pte. Ltd.
(as manager of Frasers Logistics & Industrial Trust)

Ho Hon Cheong
Chairman and Independent Non-Executive Director

IMPORTANT NOTICE

The value of Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager, the Trustee or any of their affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors have no right to request the Manager or any of its affiliates to redeem their Unit while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

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

This Circular 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. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events. The major assumptions are certain expected levels of property rental income and property expenses over the relevant period, which are considered by the Manager to be appropriate and reasonable as at the date of this Circular.

Foreign Investment Regime of Australia

Australia's foreign investment regime is set out in the Australian Foreign Acquisitions and Takeovers Act 1975 (the "**FATA**") and the Australian Government's Foreign Investment Policy (the "**Policy**").

An entity that is a 'foreign person' for the purposes of Australia's foreign investment regime is required under the FATA to notify and receive a prior statement of no objection ("**FIRB Approval**") of their acquisitions of interests in land under Australia's foreign investment regime from the Australian Treasurer, through the Foreign Investment Review Board ("**FIRB**") if any of the circumstances set out below apply at the time the interest in land are acquired unless an exemption applies:

- (i) if the property is developed commercial land that is sensitive land and is valued at A\$55 million or more;
- (ii) if the property is developed commercial land that is non-sensitive land and is valued at A\$252 million or more;
- (iii) if the land is vacant land regardless of value; or
- (iv) if FLT is a foreign government investor, regardless of value of the interest acquired.

The acquisitions of the Completed Properties do not require FIRB Approval. Each acquisition is below the sensitive land threshold.

The acquisitions of the Development Properties are acquisitions of interests in vacant land for the purposes of the FATA. FLT is a foreign person and ordinarily, prior FIRB Approval of those acquisitions would be required. However, FLT has obtained an exemption certificate under the FATA that allows it to acquire interests in land without separate FIRB Approval, including properties under development, for 24 months from 8 December 2016 provided that the acquisitions fall within the expenditure cap of A\$500 million. FIRB Approval is not required for the acquisition of the Development Properties, because the Development Properties Contracts Acquisition Amount will fall within the A\$500 million cap. As set out above, FIRB Approval is not required for the acquisition of the Completed Properties and as a result, the Completed Properties Consideration is not counted towards the expenditure cap.

An explanation of key terms under Australia's foreign investment regime is set out below.

Exemption Certificate

Under the FATA it is a requirement that each proposed acquisition of an interest in land by a foreign person be separately notified, unless otherwise exempt. However, foreign persons making multiple acquisitions can apply for an up-front approval for a program of land acquisitions without the need to seek separate approvals.

The exemption certificate is a mechanism available to minimise the regulatory burden of foreign investment screening that would otherwise apply to each acquisition covered by a certificate. It is intended for foreign persons with a high volume of acquisitions of interests in land such as FLT.

A certificate will generally specify the maximum value of interests that can be acquired and also the period during which acquisitions can be made.

Sensitive land

Developed commercial land in Australia will be considered "sensitive" land if it is not vacant and:

- (a) the land will be leased to the Commonwealth, a State, a Territory or a Commonwealth, State or Territory body, excluding leases with most corporate Commonwealth entities (within the meaning of the *Public Governance, Performance and Accountability Act 2013*);
- (b) the land will be fitted out specifically for a business that is a sensitive business (ie media, telecommunications, transport, supply of military goods, encryption and security technologies, extraction of uranium, plutonium or operation of nuclear facilities) or a business of providing storage of bulk data;
- (c) the land will be fitted out specifically to store, handle or dispose of biological agents on the List of Security sensitive Biological Agents (within the meaning of the *National Health Security Act 2007*);
- (d) an authorisation under a law of the Commonwealth, a State or a Territory will allow materials that are regulated under that law to be produced or stored on the land;
- (e) a mine, oil or gas well, quarry, or other similar operation under a mining or production tenement, will operate on the land;
- (f) a stored communication (within the meaning of the *Telecommunications (Interception and Access) Act 1979*) will be stored on the land;

- (g) the failure of part of a network unit (within the meaning of the *Telecommunications Act 1997*) on the land will result in telephony or internet services not being provided on other land;
- (h) servers critical to an ADI (within the meaning of the *Banking Act 1959*) or a stock exchange in Australia will be located on the land; or
- (i) public infrastructure will be located on the land.

Non-sensitive land

Developed commercial land in Australia that is not vacant and is not sensitive land.

Foreign Government Investor

A Foreign Government Investor is:

- a foreign government or separate government entity; or
- a corporation, trustee of a trust, or general partner of a limited partnership in which a foreign government or separate government entity, alone or together with one or more associates, holds an interest of at least 20%; or
- foreign governments or separate government entities of more than one foreign country (or parts of more than one foreign country), together with any one or more associates, hold an interest of at least 40%.

A “foreign government” means an entity that is:

- a body politic of a foreign country; or
- a body politic of part of a foreign country; or
- a part of a body politic of a foreign country or a part of a body politic of part of a foreign country.

A “separate government entity” means an individual, corporation or corporation sole that is an agency or instrumentality of a foreign country or a part of a foreign country, but not part of the body politic of a foreign country or of a part of a foreign country. This concept would generally capture most state or municipal pension funds where the state or municipal government has the power to control the board.

Vacant land

Land is vacant if there is no substantive permanent building on the land that can be lawfully occupied by persons, goods or livestock. Despite this, land is not vacant if there is a wind or solar power station located on the surface of the land.

Land that is under development is vacant for the purposes of the FATA until the building is able to be lawfully occupied. There is no value threshold under the FATA for the acquisition of vacant land. All acquisitions of interests in vacant land are required to be notified for FIRB approval.

If you have sold or transferred all your Units, you should immediately forward this Circular, together with the Notice of Extraordinary General Meeting and the accompanying Proxy Form, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

This Circular is not for distribution, directly or indirectly, in or into the United States, Canada or Japan.

This Circular is for information purposes only and shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale or purchase of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction. There will be no public offer of securities in the United States.

GLOSSARY

In this Circular, the following definitions apply throughout unless otherwise stated:

Acquisition Fee	:	The acquisition fee payable to the Manager for the Proposed Transaction pursuant to the Trust Deed, which amounts to approximately A\$0.8 million (approximately S\$0.8 million) (being 0.5% of the Aggregate Acquisition Amount)
Acquisition Fee Units	:	Units to be issued to the Manager as payment of the Acquisition Fee
Adjusted Gross Rental Income	:	The contracted rental income and estimated recoverable outgoings of the Completed Properties under the relevant existing lease for the first month after the completion of the Completed Properties Contracts of Sale, and for the Development Properties, the contracted rental income and estimated recoverable outgoings under the relevant pre-committed lease for the first month following the estimated practical completion date of the respective Development Properties
Aggregate Acquisition Amount	:	The aggregate of the Completed Properties Consideration and the Development Properties Acquisition Amount
Appraised Value	:	The value of the Existing Portfolio as at 30 September 2016 (save for the Martin Brower Property which was valued on 1 October 2016)
Audit, Risk and Compliance Committee	:	The audit, risk and compliance committee of the Manager
AUD or A\$:	Australian dollar
Beaulieu Agreement for Lease	:	The agreement for lease dated 16 November 2016 between Frasers Property Industrial Constructions Pty Ltd, Australand Industrial No. 139 Pty Ltd and Beaulieu of Australia Pty Ltd in respect of the Beaulieu Facility
Beaulieu Contract of Sale	:	The conditional contract of sale in respect of the Beaulieu Facility
Beaulieu Incentive Reimbursement Deed	:	The incentive reimbursement deed in respect of the Beaulieu Facility
Beaulieu Developer	:	Frasers Property Limited
Beaulieu Development Agreement	:	The development agreement in respect of the Beaulieu Facility

Beaulieu Facility	:	The property currently under development and with the completed facility to be delivered on practical completion, which is located at Lot 1, Pearson Road, Yatala, Queensland, Australia
Beaulieu Vendor	:	Australand Industrial No. 139 Pty. Limited
CBD	:	Central business district
CBRE	:	CBRE Valuations Pty Ltd
CEVA Tech Contract of Sale	:	The conditional contract of sale in respect of the CEVA Tech Facility
CEVA Tech Facility	:	The freehold interest in the property located at 43 Efficient Drive, Truganina, Victoria, Australia
CEVA Tech Guarantor	:	The guarantor of the CEVA Tech Tenant
CEVA Tech Tenant	:	The tenant occupying the CEVA Tech Facility
CEVA Tech Vendor	:	Australand Property Holdings Pty Limited, as trustee of the FPT (Truganina No. 6) Trust
CDP	:	The Central Depository (Pte) Limited
Circular	:	Circular dated 11 July 2017 issued by the Manager to the Unitholders
Clifford Hallam Contract of Sale	:	The conditional contract of sale in respect of the Clifford Hallam Facility
Clifford Hallam Developer	:	Frasers Property Industrial Constructions Pty Limited
Clifford Hallam Development Agreement	:	The development agreement in respect of the Clifford Hallam Facility
Clifford Hallam Incentive Reimbursement Deed	:	The incentive reimbursement deed in respect of the Clifford Hallam Facility
Clifford Hallam Facility	:	The property currently under development and with the completed facility to be delivered on practical completion, which is located at 17 Hudson Court, Keysborough, Victoria, Australia
Clifford Hallam Vendor	:	Australand C&I Land Holdings Pty Ltd, as trustee of the Australand C&I Land Holdings (Keysborough) Trust
Completed Properties	:	The Yusen Logistics Facility, the Survitec & Phoenix Facility, the Ecolab Facility and the CEVA Tech Facility

Completed Properties Consideration	:	The aggregate consideration payable to the relevant Vendors in cash in Australian dollars under the Completed Properties Contracts of Sale on completion of the acquisitions of the Completed Properties
Completed Properties Contracts of Sale	:	The Yusen Contract of Sale, the Survitec & Phoenix Contract of Sale, the Ecolab Contract of Sale and the CEVA Tech Contract of Sale
Contingent Rental Support Deeds	:	The contingent rental support deeds in respect of the Beaulieu Facility, the Stanley Black & Decker Facility and the Clifford Hallam Facility
Contracts of Sale	:	The conditional contracts of sale in respect of the New Properties
Deed of Assignment	:	The deed of assignment of the Survitec & Phoenix Ground Lease to be entered into between WSPT, the Survitec & Phoenix Vendor, the Survitec & Phoenix Purchaser and the HAUT Trustee
Deed of Covenant	:	The deed of covenant in respect of the CEVA Tech Facility
Deed of Variation	:	The deed of variation of the Survitec & Phoenix Ground Lease to be entered into between WSPT, the Survitec & Phoenix Purchaser and the HAUT Trustee
Developers	:	The Beaulieu Developer, the Stanley Black & Decker Developer and the Clifford Hallam Developer
Development Agreements	:	The Beaulieu Development Agreement, the Stanley Black & Decker Development Agreement and the Clifford Hallam Development Agreement
Development Agreements Price	:	The amount payable to the Developers on practical completion of the Development Properties under the Development Agreements for the development of the Development Properties which occurs after completion of the Development Properties Contracts of Sale
Development Properties	:	The Beaulieu Facility, Stanley Black & Decker Facility and Clifford Hallam Facility
Development Properties Acquisition Amount	:	The aggregate of the Development Properties Contracts Acquisition Amount and the Development Agreements Price (excluding the Development Properties Adjustments and stamp duty)
Development Properties Adjustments	:	The potential adjustments to the Aggregate Acquisition Amount in the event of a difference between the actual GLA and the estimated GLA of the Development Properties

Development Properties Contracts Acquisition Amount	:	The amount payable to the Beaulieu Vendor, the Stanley Black & Decker Vendor and the Clifford Hallam Vendor under the Development Properties Contracts of Sale for the land on which the Development Properties occupies and any improvements to the land hitherto (which will be confirmed by a quantity surveyor at settlement of the Development Properties Contracts of Sale)
Development Properties Contracts of Sale	:	The Beaulieu Contract of Sale, the Stanley Black & Decker Contract of Sale and the Clifford Hallam Contract of Sale
Director	:	A director of the Manager
DPU	:	Distribution per Unit
Ecolab Contract of Sale	:	The conditional contract of sale in respect of the Ecolab Facility
Ecolab Facility	:	The freehold interest in the property located at 89-103 South Park Drive, Dandenong South, Victoria, Australia
Ecolab Incentive Reimbursement Deed	:	The incentive reimbursement deed in respect of the Ecolab Facility
Ecolab Vendor	:	Australand Industrial No. 93 Pty Limited, as trustee of the South Park Industrial Trust B
EGM	:	Extraordinary general meeting
Enlarged Portfolio	:	The Existing Portfolio and the New Properties
Enlarged Portfolio Appraised Value	:	The aggregate of the Appraised Value and the Aggregate Acquisition Amount
Existing Interested Person Transactions	:	The interested person transaction entered into between FLT and the FCL Group in respect of the Martin Brower Additional Adjustment at the Martin Brower Property, and the interested person transaction entered into between FLT and the TCC Group in respect of the Renewed Southeast Insurance
Existing Portfolio	:	FLT's existing portfolio comprising 54 industrial properties in Australia
FATA	:	The Australian Foreign Acquisitions and Takeovers Act 1975
FCL	:	Frasers Centrepoint Limited
FCL Group	:	FCL and/or any of its subsidiaries
FIRB	:	Foreign Investment Review Board

FIRB Approval	:	A prior no objections notification issued under the FATA by the Australian Treasurer, through the FIRB
FLT Unaudited Financial Statements	:	The unaudited financial statements of FLT in respect of the period from 20 June 2016 (being the Listing Date) to 31 March 2017
FLT	:	Frasers Logistics & Industrial Trust
FPA	:	Frasers Property Australia Pty Limited
GLA or Gross Lettable Area	:	The area calculated as the gross lettable area of the premises in accordance with the Property Council of Australia's method of measurement for measuring gross lettable area (non-retail) and using the dominant use area
Green Star	:	The performance rating awarded by the Green Building Council of Australia which has assessed or will be assessing the New Properties against nine key performance criteria; namely, energy, water, transport, materials, indoor environment quality, management, land use & ecology, emissions and innovation
Gross Revenue	:	The gross revenue of a New Property comprising the contracted rental income and estimated recoverable outgoings
Guaranteed Amount	:	In respect of the Contingent Rental Support Deeds, the initial rent for the first year of the term (increased in accordance with the relevant lease as if that lease had commenced) of the proposed pre-committed lease (disregarding incentives) increased in accordance with the relevant lease as if that proposed pre-committed lease had commenced and rent was being paid in accordance with the terms of the proposed pre-committed lease
HAUT	:	FLT Australia Trust, a wholly-owned head Australian trust of FLT
HAUT Manager	:	FLT Australia Management Pty Ltd
HAUT Trustee	:	Frasers Property Funds Management Limited, as the trustee of the HAUT
IFA	:	Ernst & Young Corporate Finance Pte Ltd, in its capacity as the independent financial adviser
IFA Letter	:	The letter from the IFA to the Independent Directors, the Audit, Risk and Compliance Committee and to the Trustee containing its advice as set out in Appendix A of this Circular

Incentive Reimbursement Deeds	:	The Ecolab Incentive Reimbursement Deed, the Beaulieu Incentive Reimbursement Deed, the Stanley Black & Decker Incentive Reimbursement Deed and the Clifford Hallam Incentive Reimbursement Deed
Independent Directors	:	The independent directors of the Manager
Independent Valuers	:	CBRE, Savills (only for the CEVA Tech Facility) and Urbis (for all the New Properties save for the CEVA Tech Facility)
Initial Southeast Insurance	:	The industrial special risk and public liability insurance coverage in relation to the properties in the Existing Portfolio effected by FPA with Southeast which expired on 30 September 2016 that continued post-IPO with the insurer noting the insured as FLT and its subsidiary entities
Interested Party Transaction	:	Has the meaning ascribed to it in the Property Funds Appendix
Interested Person Transaction	:	Has the meaning ascribed to it in the Listing Manual
Investment Management Agreement	:	The investment management agreement between the HAUT Trustee and the HAUT Manager entered into on 27 May 2016 (as supplemented on 7 October 2016 and 31 October 2016)
IPO	:	The initial public offering of FLT
Latest Practicable Date	:	4 July 2017, being the latest practicable date prior to the printing of this Circular
Listing	:	The listing of FLT on the SGX-ST
Listing Date	:	20 June 2016 (being the date of listing of FLT on the Mainboard of the SGX-ST)
Listing Manual	:	The Listing Manual of the SGX-ST
Manager	:	Frasers Logistics & Industrial Asset Management Pte. Ltd., as manager of FLT
Martin Brower Additional Adjustment	:	The further adjustment to the agreed price of the Martin Brower Property to take into account the additional property value resulting from the rent increase from the solar panel system installed for the tenant
Martin Brower Property	:	The property located at Lot 3 Horsley Drive Business Park, Cnr Horsley Drive & Cowpasture Road, Wetherill Park, New South Wales
MAS	:	Monetary Authority of Singapore

NAV	:	Net asset value
Net Property Income or NPI	:	Gross Revenue less property operating expenses
New Properties	:	The Completed Properties and the Development Properties
NPI Yield (in the context of a Completed Property)	:	Derived by annualising the estimated Net Property Income of the relevant Completed Property to be generated under the relevant existing lease for the first month after the completion of the Completed Properties Contracts of Sale (i.e. by multiplying by 12) and dividing such amount by the consideration payable under the relevant Completed Property Contract of Sale (excluding stamp duty)
NPI Yield (in the context of a Development Property)	:	Derived by annualising the pre-committed Net Property Income of the relevant Development Property for the first month following the estimated practical completion date of the respective Development Property (i.e. by multiplying by 12) and dividing such amount by the Development Properties Acquisition Amount (excluding stamp duty) as applicable to such Development Property
NTA	:	Net tangible assets
Offering	:	Initial public offering of the Units
Ordinary Resolution	:	A resolution proposed and passed as such by a majority of votes being greater than 50.0% or more of the total number of votes cast for and against such resolution at a meeting of Unitholders convened in accordance with the provisions of the Trust Deed
Private Placement	:	The issue and placement of 78,000,000 new Units on 6 July 2017
Property Funds Appendix	:	Appendix 6 of the Code on Collective Investment Schemes issued by the MAS
Proposed Transaction	:	The entry by the Sub-Trust Trustees into agreements to acquire freehold and leasehold interests in the New Properties
Prospectus	:	The prospectus of FLT dated 10 June 2016
Proxy Form	:	The instrument appointing a proxy or proxies

Recoverable outgoings	:	Outgoings payable in relation to a New Property (e.g. council rates and charges) that are charged to the tenants of the Completed Properties or to be charged to the pre-committed tenants of the Development Properties in accordance with the terms of their lease or (as the case may be) agreement for lease. Such recoverable outgoings may include costs in relation to cleaning or the provision of security
REIT	:	Real estate investment trust
Related Party Transactions	:	Interested Person Transactions and Interested Party Transactions
Renewed Southeast Insurance	:	The insurance policy with Southeast which was renewed on 30 September 2016 for a term of one year expiring on 30 September 2017
Savills	:	Savills Valuation Pty Ltd
SGX-ST	:	Singapore Exchange Securities Trading Limited
Southeast	:	Southeast Insurance Public Company Limited
Stanley Black & Decker Contract of Sale	:	The conditional contract of sale in respect of the Stanley Black & Decker Facility
Stanley Black & Decker Developer	:	Frasers Property Industrial Constructions Pty Ltd
Stanley Black & Decker Development Agreement	:	The development agreement in respect of the Stanley Black & Decker Facility
Stanley Black & Decker Incentive Reimbursement Deed	:	The incentive reimbursement deed in respect of the Stanley Black & Decker Facility
Stanley Black & Decker Facility	:	The property currently under development and with the completed facility to be delivered on practical completion, which is located at 29 Indian Drive, Keysborough, Victoria, Australia
Stanley Black & Decker Vendor	:	Australand C&I Land Holdings Pty Ltd, as trustee of the Australand C&I Land Holdings (Keysborough) Trust
Substantial Unitholder	:	A person with an interest in Units constituting not less than 5.0% of the total number of Units in issue
Sub-Trusts	:	The seven sub-trusts established under the HAUT for the purposes of acquiring the New Properties

Sub-Trust Trustees	:	FLT Queensland No. 1 Pty Limited, as trustee of Stanton Road Trust B, FLT Queensland No. 2 Pty Limited, as trustee of Horsley Drive Trust B, and FLT Landowner Pty Limited, as trustee of Indian Drive Trust B, Hudson Court Trust A, Pearson Road Trust B, South Park Drive Trust E and Efficient Drive Trust B
Survitec & Phoenix Contract of Sale	:	The conditional contract of sale in respect of the Survitec & Phoenix Facility
Survitec & Phoenix Facility	:	The 90-year leasehold interest in the property located at Lot 1, Horsley Drive Business Park, New South Wales, Australia
Survitec & Phoenix Ground Lease	:	Lease AM406103 between WSPT and the Survitec & Phoenix Vendor in respect of the Survitec & Phoenix Facility
Survitec & Phoenix Purchaser	:	FLT Queensland No. 2 Pty Limited, as trustee of the Horsley Drive Trust B
Survitec & Phoenix Vendor	:	Australand Property Holdings Pty Limited, as trustee of the APT (Horsley Drive No. 1) Trust
TCC Group	:	The companies and entities in the TCC Group which are controlled by Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi
Total Transaction Cost	:	The total cost of the Proposed Transaction
Trust Deed	:	The trust deed dated 30 November 2015 (as amended and supplemented) constituting FLT
Trustee	:	Perpetual (Asia) Limited, in its capacity as trustee of FLT
Unaudited Pro Forma Financial Information	:	The unaudited pro forma financial information of FLT for the financial period ended 31 December 2015 which is set out in the Prospectus
Unitholder	:	Unitholder of FLT
Units	:	Units in FLT
Urbis	:	Urbis Valuations Pty Ltd
Vendors	:	The CEVA Tech Vendor, the Yusen Vendor, the Survitec & Phoenix Vendor, the Stanley Black & Decker Vendor, the Clifford Hallam Vendor, the Beaulieu Vendor and the Ecolab Vendor

- WALE** : The weighted average lease expiry computed through application of Adjusted Gross Rental Income and assuming that the pre-committed tenancies for the Development Properties and the tenancies for the Completed Properties have commenced as at 31 March 2017
- WSPT** : Western Sydney Parklands Trust
- Yusen Contract of Sale** : The conditional contract of sale in respect of the Yusen Logistics Facility
- Yusen Logistics Facility** : The freehold interest in the property located at 8 Stanton Road, Seven Hills, New South Wales, Australia
- Yusen Vendor** : Portmar Pty Limited, as trustee of the Stanton Road No 2 Unit Trust

The terms “Depositor” and “Depository Register” shall have the meanings ascribed to them respectively in Section 130A of the Companies Act, Chapter 50 of Singapore.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

Any reference in this Circular to any enactment is a reference to that enactment for the time being amended or re-enacted.

Any reference to a date or time of a day in this Circular shall be a reference to Singapore date and time unless otherwise stated.

INDEPENDENT FINANCIAL ADVISER'S LETTER

11 July 2017

**The Independent Directors and Audit, Risk and Compliance Committee of
Fraser Logistics & Industrial Asset Management Pte. Ltd.**

(As Manager of Fraser Logistics & Industrial Trust)

438 Alexandra Road
#21-00, Alexandra Point
Singapore 119958

Perpetual (Asia) Limited

(As Trustee of Fraser Logistics & Industrial Trust)

8 Marina Boulevard #05-02
Marina Bay Financial Centre
Singapore 018981

Dear Sirs:

**PROPOSED ACQUISITION OF SEVEN PROPERTIES IN AUSTRALIA, AS AN INTERESTED
PERSON/PARTY TRANSACTION**

1 INTRODUCTION

On 6 June 2017, Perpetual (Asia) Limited (as the trustee of Fraser Logistics & Industrial Trust (“**FLT**”) (the “**Trustee**”), through the Sub-Trust Trustees¹, entered into agreements to acquire freehold and leasehold interests in seven industrial properties located in Australia (the “**New Properties**”), comprising (i) four completed properties (the “**Completed Properties**”) and (ii) three properties currently under development and with the completed facilities to be delivered on practical completion (the “**Development Properties**”), for an aggregate acquisition amount of approximately A\$169.3 million² (approximately S\$179.1 million) (the “**Proposed Transaction**”). Unless otherwise stated, the exchange rate as at 4 July 2017 (the “**Latest Practicable Date**”) of A\$1:S\$1.058 (the S\$ equivalent of the A\$ figures) is used in this letter.

As at the Latest Practicable Date, Fraser Centrepoint Limited (“**FCL**”) and/or its subsidiaries (the “**FCL Group**”) hold an aggregate direct and indirect interest in 298,364,846 units of FLT (the “**Units**”), which is equivalent to approximately 20.8448% of the total number of Units in issue as at the Latest Practicable Date, and is therefore regarded as a “controlling unitholder” of FLT for the purposes of both the Listing Manual of the Singapore Exchange Securities Trading Limited

¹ The “**Sub-Trust Trustees**” refer to FLT Queensland No. 1 Pty Limited, as trustee of Stanton Road Trust B, FLT Queensland No. 2 Pty Limited, as trustee of Horsley Drive Trust B, and FLT Landowner Pty Limited, as trustee of Indian Drive Trust B, Hudson Court Trust A, Pearson Road Trust B, South Park Drive Trust E and Efficient Drive Trust B.

² The aggregate acquisition amount payable is subject to adjustments arising from the actual gross lettable area (“**GLA**”) being more or less than the estimated GLA of the Development Properties (the “**Development Properties Adjustments**”), with the maximum aggregate acquisition amount for the New Properties taking into account the Development Properties Adjustments being approximately A\$171.5 million (approximately S\$181.4 million).

(the “**SGX-ST**”) (the “**Listing Manual**”) and Appendix 6 of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore (the “**MAS**” and Appendix 6, the “**Property Funds Appendix**”). In addition, as Frasers Logistics & Industrial Asset Management Pte. Ltd. (as the manager of FLT) (the “**Manager**”) is a wholly-owned subsidiary of FCL, the FCL Group is therefore regarded as a “controlling shareholder” of the Manager for the purposes of both the Listing Manual and the Property Funds Appendix.

FLT had, in connection with the listing of FLT on the SGX-ST (the “**Listing**”), established FLT Australia Trust, a wholly-owned head Australian trust and a managed investment scheme in Australia which qualified as a managed investment trust (the “**HAUT**”) for the purposes of the Australian Taxation Administration Act 1953. The Trustee directly holds 50.0% of the issued units in the HAUT and the remaining 50.0% is directly held by FLT Australia Pte. Ltd., a direct wholly-owned Singapore subsidiary of the Trustee. The HAUT had in turn established 54 sub-trusts to each hold an individual property in the portfolio comprising of 54 industrial properties located in Australia with an aggregate gross lettable area of approximately 1.2 million square metres (“**sqm**”) (collectively, the “**Existing Portfolio**”).

Seven sub-trusts (the “**Sub-Trusts**”) have been established (one on 15 August 2016 and six on 26 April 2017) pursuant to trust deeds as new sub-trusts under the HAUT, for the purposes of acquiring the New Properties. The trustee of the HAUT, Frasers Property Funds Management Limited (the “**HAUT Trustee**”), an Australian incorporated company and a wholly-owned subsidiary of Frasers Property Australia Pty Limited (the “**FPA**”), had on 27 May 2016 entered into an investment management agreement (as supplemented on 7 October 2016 and 31 October 2016) (the “**Investment Management Agreement**”) with FLT Australia Management Pty Ltd (the “**HAUT Manager**”), pursuant to which the HAUT Manager provides investment management services to the HAUT and its assets, which include the sub-trusts which hold the Existing Portfolio and the Sub-Trusts which will hold the New Properties.

As the vendors of the New Properties (collectively, the “**Vendors**”) and the HAUT Trustee are indirect wholly-owned trusts or subsidiaries of FCL through FPA, for the purposes of Chapter 9 of the Listing Manual and paragraph 5 of the Property Funds Appendix, each of the Vendors and the HAUT Trustee (each being a subsidiary of a “controlling unitholder” of FLT and a subsidiary of a “controlling shareholder” of the Manager) is (for the purposes of the Listing Manual) an “interested person” of FLT and (for the purposes of the Property Funds Appendix) an “interested party” of FLT.

Therefore, the entry by the relevant Sub-Trust Trustee into the Contracts of Sale, the Ecolab Incentive Reimbursement Deed, the Deed of Covenant, the Deed of Assignment and the Deed of Variation will constitute an Interested Person Transaction under Chapter 9 of the Listing Manual, as well as an Interested Party Transaction under the Property Funds Appendix.

As the developers of the Development Properties (the “**Developers**”) are indirect wholly-owned subsidiaries of FCL through FPA, for the purposes of Chapter 9 of the Listing Manual and paragraph 5 of the Property Funds Appendix, each of the Developers (each being a subsidiary of a “controlling unitholder” of FLT and a subsidiary of a “controlling shareholder” of the Manager) is an “interested person” of FLT for the purposes of the Listing Manual and an “interested party” of FLT for the purposes of the Property Funds Appendix.

Therefore, the entry by the relevant Sub-Trust Trustee into the Development Agreements, the Stanley Black & Decker Incentive Reimbursement Deed, the Beaulieu Incentive Reimbursement Deed, the Clifford Hallam Incentive Reimbursement Deed and the Contingent Rental Support Deeds will constitute an Interested Person Transaction under Chapter 9 of the Listing Manual, as well as an Interested Party Transaction under the Property Funds Appendix.

Under the Contracts of Sale and the Development Agreements with the Vendors and the Developers, respectively, FLT (through the relevant Sub-Trusts) will pay an aggregate acquisition amount of A\$169.3 million (being 13.8% and 13.8%, respectively of FLT's net tangible asset ("NTA") and net asset value ("NAV") as at 31 December 2015 which is set out in the prospectus of FLT dated 10 June 2016 (the "Prospectus")) (the "Aggregate Acquisition Amount"), subject to a maximum amount of A\$171.5 million¹ in cash in Australian dollars. The value of the Proposed Transaction exceeds the respective thresholds under the Listing Manual and the Property Funds Appendix in respect of Related Party Transactions and would therefore be subject to Unitholders' approval.

Details of the interested person transactions entered into between (1) FLT and (2) FCL Group and their associates, from 20 June 2016, being the date of listing of FLT on the Mainboard of the SGX-ST (the "Listing Date"), up to the Latest Practicable Date, which are the subject of aggregation pursuant to Rule 906 of the Listing Manual, may be found in Appendix C of the Circular.

Pursuant to Rule 906(1) of the Listing Manual and the Property Funds Appendix, the Manager is proposing to convene an extraordinary general meeting ("EGM") to seek unitholders' approval by way of an Ordinary Resolution in respect of the Proposed Transaction.

Ernst & Young Corporate Finance Pte Ltd ("EYCF") has been appointed as the independent financial adviser ("IFA") to advise the directors of the Manager who are considered independent in relation to the Proposed Transaction (the "Independent Directors"), the audit, risk, and compliance committee of the Manager (the "Audit, Risk and Compliance Committee"), and the Trustee on whether the Proposed Transaction is on normal commercial terms and is not prejudicial to the interests of FLT and its minority unitholders.

This letter sets out, *inter alia*, our evaluation of the Proposed Transaction and our advice thereon. It forms part of the circular to unitholders dated 11 July 2017 to be issued by the Manager which provides, *inter alia*, the details of the Proposed Transaction and the recommendations of the Independent Directors and the Audit, Risk and Compliance Committee in respect thereof (the "Circular"). Unless otherwise defined or the context otherwise requires, all terms in the Circular shall have the same meaning in this letter.

2 TERMS OF REFERENCE

EYCF has been appointed to advise the Independent Directors, the Audit, Risk and Compliance Committee, and the Trustee in respect of whether the Proposed Transaction is on normal commercial terms and not prejudicial to the interests of FLT and its minority unitholders.

Our views as set forth in this letter are based on the prevailing market conditions, economic conditions, and financial conditions, and our evaluation of the Proposed Transaction, as well as information provided to us by FLT and the management of the Manager, as at the Latest Practicable Date. Accordingly, we assume no responsibility to update, revise or reaffirm our

¹ Should the Aggregate Acquisition Amount be subject to adjustments arising from the actual GLA and the estimated GLA of the Development Properties, the maximum acquisition amount for the New Properties taking into account such adjustments of A\$171.5 million will be 14.0% and 14.0% of FLT's NTA and NAV as at 31 December 2015 which is set out in the Prospectus.

opinion as a result of any subsequent development after the Latest Practicable Date. Unitholders should take note of any announcement and/or event relevant to the Proposed Transaction which may be released by FLT and/or the Manager after the Latest Practicable Date.

We are not and were not involved in any aspect of the discussions and negotiations pertaining to the Proposed Transaction, nor were we involved in the deliberations leading up to the decisions by the board of directors of the Manager (the “**Directors**”) in connection with the Proposed Transaction. We have not conducted a comprehensive review of the business, operations or financial condition of FLT and its subsidiaries and associates (the “**FLT Group**”). It is not within our terms of reference to assess the rationale for, legal, strategic, commercial and financial merits and/or risks of the Proposed Transaction, and to comment on such merits and/or risks of the Proposed Transaction. We have only expressed our opinion on whether the Proposed Transaction is on normal commercial terms and are not prejudicial to the interests of FLT and its minority unitholders. The assessment of the legal, strategic, commercial and financial merits and/or risks of the Proposed Transaction remains the sole responsibility of the Directors, although we may draw upon their views in respect thereof (to the extent deemed necessary or appropriate by us) in arriving at the opinion set out in this letter.

It is also not within our terms of reference to compare the relative merits of the Proposed Transaction vis-à-vis any alternative transactions previously considered by FLT and/or the Manager (if any) or that FLT and/or the Manager may consider in the future, and as such, we do not express an opinion thereon.

In the course of our evaluation of the Proposed Transaction, we have held discussions with the Directors and the management of the Manager. We have also examined and relied on information in respect of FLT collated by us, as well as information provided and representations and assurances made to us, both written and verbal, by the Directors, the management of the Manager and/or professional advisers of FLT and the Manager, including information contained in the Circular. We have not independently verified such information or any representation or assurance, whether written or verbal, and accordingly cannot and do not warrant or accept responsibility for the accuracy or completeness of such information, representation or assurance. Nevertheless, the Directors (including those who may have delegated supervision of the Circular) and the management of the Manager have confirmed to us, after making all reasonable enquiries that, to the best of their knowledge and belief, all material information relating to FLT, the New Properties and the Proposed Transaction has been disclosed to us, that such information constitutes a full and true disclosure, in all material respects, of all material facts about FLT and the New Properties in the context of the Proposed Transactions and there is no material information the omission of which would make any of the information contained herein or in the Circular misleading in any material respect. The Directors have jointly and severally accepted such responsibility accordingly.

We have also made reasonable enquiries and exercised our judgement on the reasonable use of such information and have found no reason to doubt the accuracy or the reliability of such information. We have further assumed that all statements of fact, belief, opinion and intention made by the Directors in relation to the Proposed Transaction have been reasonably made after due and careful enquiry. We have not conducted a comprehensive review of the business, operations and financial condition of FLT and/or the New Properties. We have also not made an independent evaluation or appraisal of the assets and liabilities of FLT and/or the New Properties. However, we have been furnished with the independent valuation reports of CBRE Valuations Pty Limited (“**CBRE**”), Savills Valuations Pty Limited (“**Savills**”), and Urbis Valuation Pty Limited (“**Urbis**”, and together with CBRE and Savills, the “**Independent Valuers**”) commissioned by the Manager and the Trustee, and issued by the Independent Valuers in connection with the assessed market value (the “**Market Value**”) of the New Properties as at 30 April 2017 (the “**Valuation Reports**”). We are not experts and do not regard ourselves to be

experts in the valuation of the New Properties, and we have taken into consideration the Valuation Reports prepared by the Independent Valuers.

In preparing this letter, we have not had regard to the specific investment objectives, financial situation, tax position and/or unique needs and constraints of any individual unitholder or any specific group of unitholders. As each unitholder would have different investment objectives and profiles, we would advise the Independent Directors, the Audit, Risk and Compliance Committee, and the Trustee to recommend that any individual unitholder or group of unitholders who may require specific advice in relation to his or their Units should consult his or their stockbroker, bank manager, solicitor, accountant or other professional advisers.

We were not involved and have not provided any advice, whether financial or otherwise, in the preparation, review and verification of the Circular (other than in connection with this letter). Accordingly, we do not take any responsibility for, and express no views on, whether expressed or implied, the contents of the Circular (other than in connection with this letter).

This letter and our opinion are addressed for the use and benefit of the Independent Directors, the Audit, Risk and Compliance Committee, and the Trustee in connection with and for the purpose of their consideration of the Proposed Transaction, and the recommendations made by the Independent Directors and the Audit, Risk and Compliance Committee to the minority unitholders shall remain the sole responsibility of the Independent Directors and the Audit, Risk and Compliance Committee.

Our opinions in relation to the Proposed Transaction should be considered in the context of the entirety of this letter and the Circular.

3 DETAILS ON THE PROPOSED TRANSACTION

The details of the Proposed Transaction, including details of the New Properties and relevant contracts/agreements, are set out in Section 2 of the Letter to Unitholders of the Circular. We recommend that the Independent Directors, the Audit, Risk and Compliance Committee, and the Trustee advise the unitholders to read carefully the details on the New Properties and the Proposed Transaction which are contained in the Circular.

We set out below the salient information on the New Properties and the Proposed Transaction.

3.1 Description of the New Properties

We set out the following information in relation to the New Properties, presented in two separate tables, one for the Completed Properties and another for the Development Properties.

The following table sets out a summary of selected information on the Completed Properties.

S/No	Address	Tenant	Remaining Tenure (years)	GLA (sqm)	Valuation A ⁽¹⁾ (A\$ m)	Valuation B ⁽²⁾ (A\$ m)	Acquisition Amount (A\$ m)	Completion of Construction	WALE ⁽³⁾ (years)	NPI Yield ⁽⁴⁾ (%)	Occupancy Rate (%)
1	8 Stanton Road, Seven Hills, New South Wales ("Yusen Logistics Facility")	Yusen Logistics (Australia) Pty Limited ("Yusen")	Freehold	10,708	16.0	16.0	16.0	17 May 2002	5.1	7.39	100
2	Lot 1, Horsley Drive Business Park, New South Wales ("Survitec & Phoenix Facility")	RFD (Australia) Pty Ltd and Phoenix Distribution (NSW) Pty Ltd ("Survitec & Phoenix")	89.3 ⁽⁵⁾	14,333	22.5	22.4	21.4	15 Jul 2016	10.3	6.57	100
3	89-103 South Park Drive, Dandenong South, Victoria ("Ecolab Facility")	Ecolab Pty Ltd ("Ecolab")	Freehold	10,425	13.0 ⁽⁶⁾	13.0 ⁽⁶⁾	13.0	13 Sep 2005	9.8	6.26	100
4	43 Efficient Drive, Truganina, Victoria ("CEVA Tech Facility")	CEVA Logistics (Australia) Pty Ltd ("CEVA Tech")	Freehold	23,088	25.3	24.7	24.5	22 Feb 2017	5.0	7.00	100
Sub-Total for Completed Properties			-	58,554	76.8	76.1	74.9	-	7.4	6.83	100

Source: Circular

Notes:

- (1) *The higher of the two independent valuations of each Completed Property conducted by the Independent Valuers (as defined herein). Valuation as at 30 April 2017.*
- (2) *The lower of the two independent valuations of each Completed Property conducted by the Independent Valuers. Valuation as at 30 April 2017.*
- (3) *"WALE" refers to the weighted average lease expiry computed through application of Adjusted Gross Rental Income (being the contracted rental income and estimated recoverable outgoings of the Completed Properties under the relevant existing lease for the first month after the completion of the Completed Properties Contracts of Sale, and for the Development Properties, the contracted rental income and estimated recoverable outgoings under the relevant pre-committed leases for the first month following the estimated practical completion date of the respective Development Properties) and assuming that the pre-committed tenancies for the Development Properties and the tenancies for the Completed Properties have commenced as at 31 March 2017.*
- (4) *The Net Property Income ("NPI") Yield of each Completed Property is derived by annualising the estimated NPI (refers to the gross revenue of a New Property comprising the contracted rental income and estimated recoverable outgoings less property expenses) of the relevant Completed Property to be generated under the relevant existing lease for the first month after the completion of the Completed Properties Contracts of Sale (i.e. by multiplying by 12) and dividing such amount by the consideration payable under the relevant Completed Property Contract of Sale (excluding stamp duty).*
- (5) *As at 31 March 2017.*
- (6) *Valuation includes the effects of the arrangement under the Ecolab Incentive Reimbursement Deed.*

The following table sets out a summary of selected information on the Development Properties.

S/No	Address	Tenant	Remaining Tenure (years)	GLA ⁽¹⁾ (sqm)	Valuation A ⁽²⁾ (A\$ m)	Valuation B ⁽³⁾ (A\$ m)	Acquisition Amount ⁽⁴⁾ (A\$ m)	Target Completion of Development	WALE Upon Completion ⁽⁵⁾ (years)	NPI Yield ⁽⁶⁾ (%)	Occupancy Rate (%)
1	Lot 1 Pearson Road, Yatala, Queensland ("Beaulieu Facility")	Beaulieu of Australia Pty Limited (pre-committed) ("Beaulieu Carpets")	Freehold	23,051	33.8 ⁽⁷⁾	33.8 ⁽⁷⁾	33.8	September 2017	15.0	6.00	100 ⁽⁸⁾
2	29 Indian Drive, Keysborough, Victoria ("Stanley Black & Decker Facility")	Stanley Black & Decker Australia Pty Ltd (pre-committed) ("Stanley Black & Decker")	Freehold	21,722	30.9 ⁽⁷⁾	30.9 ⁽⁷⁾	30.9	November 2017	10.0	6.00	100 ⁽⁸⁾
3	17 Hudson Court, Keysborough, Victoria ("Clifford Halam Facility")	Clifford Hallam Healthcare Pty Limited (pre-committed) ("CH2")	Freehold	21,200	29.8 ⁽⁷⁾	29.8 ⁽⁷⁾	29.7	May 2018	10.0	6.25	100 ⁽⁸⁾
Sub-Total for Development Properties			-	65,973	94.5	94.5	94.4	-	11.8	6.07	100
Total for New Properties			-	124,527	171.3	170.6	169.3	-	9.6	6.41	100

Source: Circular

Notes:

(1) Subject to a survey upon completion of development.

- (2) *The higher of the two independent valuations of each Development Property conducted by the Independent Valuers. The valuation of each Development Property takes into account the price of the land, any improvements on the land hitherto and any proposed development and construction to be conducted on the land in accordance with the development plan under the relevant Development Agreement, together with the tenant pre-commitment. Valuation as at 30 April 2017.*
- (3) *The lower of the two independent valuations of each Development Property conducted by the Independent Valuers. The valuation of each Development Property takes into account the price of the land, any improvements on the land hitherto and any proposed development and construction to be conducted on the land in accordance with the development plan under the relevant Development Agreement, together with the tenant pre-commitment. Valuation as at 30 April 2017.*
- (4) *The total acquisition amount (excluding stamp duty) payable for each Development Property comprises the amount payable to the Vendor for the Development Property under the relevant Development Property Contract of Sale and the Development Agreement Price payable to the Developer under the relevant Development Agreement on practical completion of the facility in accordance with the terms of the relevant Development Agreement.*
- (5) *"WALE" refers to the weighted average lease expiry computed through application of Adjusted Gross Rental Income and assuming that the pre-committed tenancies for the Development Properties and the tenancies for the Completed Properties have commenced as at 31 March 2017.*
- (6) *The NPI Yield of each Development Property is derived by annualising the pre-committed Net Property Income of the relevant Development Property for the first month after the pre-committed tenant commences its lease (i.e. by multiplying by 12) and dividing such amount by the Development Properties Acquisition Amount (based on the unadjusted amount and excluding stamp duty) as applicable to such Development Property.*
- (7) *Valuation includes the effects of the arrangements under the relevant Incentive Reimbursement Deeds.*
- (8) *Based on the pre-committed tenants for the relevant Development Property as at 31 March 2017.*

3.2 Valuation and Aggregate Acquisition Amount

The Aggregate Acquisition Amount payable to the Vendors under the Contracts of Sale (as defined herein) and to the Developers under the Development Agreements in cash in Australian dollars for the New Properties is approximately A\$169.3 million (approximately S\$179.1 million), comprising the Completed Properties Consideration (as defined herein) and the Development Properties Acquisition Amount (as defined herein). The Aggregate Acquisition Amount was negotiated on a willing-buyer and willing-seller basis and based on the independent valuations.

In respect of the acquisitions of the Completed Properties, the consideration (excluding stamp duty) payable of approximately A\$74.9 million to the relevant Vendors on completion of the acquisitions of the Completed Properties comprises the consideration payable under each of the Yusen Contract of Sale, the Survitec & Phoenix Contract of Sale, the Ecolab Contract of Sale and the CEVA Tech Contract of Sale (collectively, the “**Completed Properties Contracts of Sale**”, and the consideration payable under the Completed Properties Contracts of Sale, the “**Completed Properties Consideration**”). The Completed Properties Consideration was negotiated on a willing-buyer and willing-seller basis and based on the independent valuations.

In respect of the acquisitions of the Development Properties, the total acquisition amount (excluding the Development Properties Adjustments and stamp duty) payable of approximately A\$94.4 million comprises:

- (i) the amount payable to the relevant Vendors under the Beaulieu Contract of Sale, the Stanley Black & Decker Contract of Sale and the Clifford Hallam Contract of Sale (collectively, the “**Development Properties Contracts of Sale**”) for the acquisition of the land on which the Development Properties occupies and any improvements to the land hitherto (which will be confirmed by a quantity surveyor at settlement of the Development Properties Contracts of Sale) (the “**Development Properties Contracts Acquisition Amount**”); and
- (ii) the amount payable to the Developers on practical completion of the facilities under the Development Agreements (which will occur in phases after completion of the Development Properties Contract of Sale) (the “**Development Agreements Price**”)

(the Development Properties Contract Acquisition Amount and the Development Agreements Price, collectively the “**Development Properties Acquisition Amount**”).

The Development Properties Acquisition Amount was negotiated on a willing-buyer and willing-seller basis and based on the independent valuations.

The Trustee has commissioned an independent valuer, CBRE, and the Manager has commissioned another two independent valuers, Savills (only for the CEVA Tech Facility) and Urbis (save for the CEVA Tech Facility), to respectively value the New Properties. The valuation of each Development Property takes into account the price of the land, any improvements on the land hitherto and any proposed development and construction to be conducted on the land in accordance with the development plan under the relevant Development Agreement, together with the tenant pre-commitment.

The methods of valuation of the New Properties by the relevant Independent Valuer are as follows:

S/No	Property	CBRE Valuation Methods	Urbis Valuation Methods	Savills Valuation Methods
1.	Yusen Logistics Facility	Market capitalisation analysis Discounted cash flow analysis	Capitalisation of income approach Discounted cash flow approach	-
2.	Survitec & Phoenix Facility	Market capitalisation analysis Discounted cash flow analysis	Capitalisation of income approach Discounted cash flow approach	-
3.	Ecolab Facility	Market capitalisation analysis Discounted cash flow analysis	Capitalisation of income approach Discounted cash flow approach	-
4.	CEVA Tech Facility	Market capitalisation analysis Discounted cash flow analysis	-	Capitalisation of income approach Discounted cash flow approach Direct comparison approach
5.	Beaulieu Facility	Market capitalisation analysis Discounted cash flow analysis	Capitalisation of income approach Discounted cash flow approach	-
6.	Stanley Black & Decker Facility	Market capitalisation analysis Discounted cash flow analysis Direct comparison approach	Capitalisation of income approach Discounted cash flow approach Direct comparison approach	-
7.	Clifford Hallam Facility	Market capitalisation analysis Discounted cash flow analysis Direct comparison approach	Capitalisation of income approach Discounted cash flow approach Direct comparison approach	-

Source: Circular

3.3 Estimated Total Transaction Cost

The estimated total cost of the Proposed Transaction (the “**Total Transaction Cost**”) is approximately A\$179.6 million (approximately S\$190.0 million), comprising:

- (i) the Aggregate Acquisition Amount of A\$169.3 million¹ (approximately S\$179.1 million);
- (ii) the acquisition fee payable to the Manager for the Proposed Transaction pursuant to the trust deed dated 30 November 2015 (as amended and supplemented) constituting FLT (the “**Trust Deed**”), which amounts to approximately A\$0.8 million (approximately S\$0.8 million) (being 0.5% of the Aggregate Acquisition Amount) (the “**Acquisition Fee**”)²; and
- (iii) the estimated professional and other fees and expenses incurred or to be incurred by FLT in connection with the Proposed Transaction (inclusive of approximately A\$6.2 million (approximately S\$6.6 million) of stamp duty arising from the Proposed Transaction³) of approximately A\$9.5 million (approximately S\$10.1million).

As the Proposed Transaction will constitute an “interested party transaction” under Paragraph 5 of Appendix 6 of the Code on Collective Investment Schemes issued by the MAS, the Acquisition Fee payable to the Manager in respect of the Proposed Transaction will be in the form of Units (the “**Acquisition Fee Units**”), which shall not be sold within one year from the date of issuance.

3.4 Proposed Method of Financing the Proposed Transaction

The Manager intends to finance the Total Transaction Cost from a combination of equity and debt financing.

Prior to the date of the Circular, the Manager had on 27 June 2017 launched a private placement and on 6 July 2017, issued 78,000,000 new Units to raise net proceeds of approximately S\$77.2 million based on an issue price of S\$1.01 per Unit (the “**Private Placement**”). The Manager will utilise the net proceeds of the Private Placement to partially finance the Total Transaction Cost, with the balance of the Total Transaction Cost expected to be financed by a loan of up to approximately A\$104.3 million.

3.5 Certain Principal Terms of the Contracts of Sale

A Contract of Sale has been entered into for each of the New Properties between FPA (through its subsidiaries, as vendor and holder of the freehold/leasehold interest in the New Properties) and the relevant Sub-Trust Trustee of the relevant Sub-Trust (as purchaser) for the transfer of the New Properties.

¹ The Aggregate Acquisition Amount payable is subject to adjustments arising from the actual GLA being more or less than the estimated GLA of the Development Properties, with the maximum aggregate acquisition amount for the New Properties taking into account all such adjustments being approximately A\$171.5 million (approximately S\$181.4 million).

² The acquisition fee in respect of each of the Development Properties will only be paid on practical completion of the relevant facility in accordance with the terms of the relevant Development Agreement.

³ The stamp duty payable for the Proposed Transaction is calculated on the amount payable to the Vendors under the Yusen Contract of Sale, the Survitec & Phoenix Contract of Sale, the Ecolab Contract of Sale, the CEVA Tech Contract of Sale, the Beaulieu Contract of Sale, the Stanley Black & Decker Contract of Sale and the Clifford Hallam Contract of Sale (collectively, the “**Contracts of Sale**”).

Under each Contract of Sale, the relevant Vendor will transfer its freehold or leasehold interest in the relevant New Property (subject to and with the benefit of the existing tenancies) to the relevant Sub-Trust Trustee, in accordance with the terms set out in the Contract of Sale.

Other principal terms of the Contracts of Sale are set out in Section 2.6 of the Letter to Unitholders of the Circular.

3.6 Certain Principal Terms of the Development Agreements

The Beaulieu Development Agreement, the Stanley Black & Decker Development Agreement and the Clifford Hallam Development Agreement will take effect on and from the completion of the Beaulieu Contract of Sale, the Stanley Black & Decker Contract of Sale and the Clifford Hallam Contract of Sale, respectively, pursuant to which each of the Developers will continue with the development and construction of each of the Development Properties and deliver the completed Development Properties in accordance with the Development Agreements.

Immediately upon receipt of the certificate of practical completion, each of the Developers will submit a tax invoice to the relevant Sub-Trust Trustee, following which the amount payable under each Development Agreement is payable within seven business days.

Under each Development Agreement, the relevant Sub-Trust Trustee appoints the relevant Developer to develop the land by carrying out the development works and to complete the development in accordance with the terms and conditions of the relevant Development Agreement, the relevant Contract of Sale, the relevant agreement for lease and the relevant occupational lease to be entered into pursuant to the relevant agreement for lease and all laws and approvals obtained for the carrying out of the development works.

Other principal terms of the Development Agreements are set out in Section 2.7 of the Letter to Unitholders of the Circular.

3.7 Certain Principal Terms of the Incentive Reimbursement Deeds

Under the Incentive Reimbursement Deeds, FPA will, through the Ecolab Vendor, be reimbursing FLT for incentives (for example, rent abatement) which the Ecolab Vendor has made available or agreed to the tenant of the Ecolab Facility, and will, through the relevant Developer, reimburse FLT for incentives which it has granted the pre-committed tenants of the Beaulieu Facility, Stanley Black & Decker Facility and the Clifford Hallam Facility development incentives (for example, fit out contribution, rent abatement or rent credit) as part of the relevant Developer's costs and obligations.

The Ecolab Vendor or the relevant Developer (as applicable) will be reimbursing the relevant Sub-Trust Trustee in respect of the Ecolab Facility, the Beaulieu Facility, the Stanley Black & Decker Facility and the Clifford Hallam Facility which are each occupied by a tenant that is entitled to certain incentives under its respective works and incentive agreement (for the Ecolab Facility) or relevant agreement for lease (for the Beaulieu Facility, the Stanley Black & Decker Facility and the Clifford Hallam Facility), in accordance with the terms set out in the Incentive Reimbursement Deeds.

The actual amount reimbursable under the relevant Incentive Reimbursement Deed will be based on the actual tenancies in respect of the relevant New Properties as at the time that the relevant Incentive Reimbursement Deed takes effect.

Other principal terms of the Incentive Reimbursement Deeds are set out in Section 2.8 of the Letter to Unitholders of the Circular.

3.8 Certain Principal Terms of the Contingent Rental Support Deeds

The Contingent Rental Support Deeds have been entered into in respect of the Beaulieu Facility, the Stanley Black & Decker Facility and the Clifford Hallam Facility between the relevant Developer and the relevant Sub-Trust Trustee as trustee of the relevant Sub-Trust.

Under the Contingent Rental Support Deeds, in the event that the proposed pre-committed tenancies in respect of the Beaulieu Facility, the Clifford Hallam Facility and/or the Stanley Black & Decker Facility do not commence on the date of practical completion of each respective Development Property, the relevant Developers will pay FLT an amount equivalent to the initial rent for the first year of the term (increased in accordance with the relevant lease as if that lease had commenced) of the proposed pre-committed lease (disregarding incentives) as if the proposed pre-committed tenancies had commenced and rent was being paid in accordance with the terms of the proposed pre-committed lease (the “**Guaranteed Amount**”). The obligations of the relevant Developers and amounts payable under the Contingent Rental Support Deeds are limited to the Guaranteed Amount and the recoverable outgoings that FLT would have received during the period in which the arrangements under the Contingent Rental Support Deeds are active in respect of the relevant pre-committed tenancies.

In addition, if any of the Beaulieu Facility, the Stanley Black & Decker Facility and the Clifford Hallam Facility is or becomes vacant before the proposed lease commencement dates, the relevant Sub-Trust will appoint the relevant Developer to procure leasing of the vacant property. The relevant Developer may liaise, and negotiate agreements for lease, leases and licences, with proposed tenants or licensees of the vacant property to the exclusion of the relevant Sub-Trust.

The relevant Developer does not require the relevant Sub-Trust’s consent for the granting of a lease or licence for a vacant property where the terms of the replacement lease satisfies certain conditions as set out in the relevant Contingent Rental Support Deed. These conditions (among others) include those in relation to the financial strength of the tenant, the rent or licensee fee being equal to or greater than the Guaranteed Amount, the term being not less than the balance of the term of the proposed pre-committed lease at the replacement lease commencement date and the other terms of the replacement lease being no less favourable when taken as a whole than the proposed pre-committed lease. The consent of the relevant Sub-Trust will be required where the terms of the replacement lease do not fulfil the conditions set out in the Contingent Rental Support Deeds.

The obligations of the relevant Developer under the Contingent Rental Support Deeds will end on the earlier of:

- (a) if the relevant proposed lease does not commence for any reason, the proposed lease termination date;
- (b) the replacement lease commencement date provided that the rent payable under the replacement lease is equal to or more than the Guaranteed Amount; and
- (c) the proposed lease termination date if a replacement lease is entered into where the rent is less than the Guaranteed Amount.

In the event that the rent under a replacement lease is less than the Guaranteed Amount (and the replacement lease does not result in the valuation of the relevant property increasing), the relevant Developer agrees to pay to the relevant Sub-Trust an amount which is equivalent to the difference between the rent actually received and the Guaranteed Amount.

Where a replacement lease results in an increase in the value of the building, the Sub-Trust is not entitled to any rental support.

The relevant Developer’s obligations under the relevant Contingent Rental Support Deed will not reapply to any property which becomes a vacant property after the proposed lease

commencement date or a replacement lease commencement date. In addition, the parties agree that if an agreement for lease or lease is terminated by the relevant Sub-Trust due to the default or repudiation of the tenant under the pre-committed lease or the insolvency of the tenant or the tenant's guarantor or terminated by the proposed or replacement tenant due to the act or default of the relevant Sub-Trust (or a proposed lease or replacement lease does not commence due to an act or default of the relevant Sub-Trust or the default or repudiation of the tenant under the pre-committed lease or the insolvency of the tenant or the tenant's guarantor), the relevant Developer's obligations will terminate on the earlier of the date of any termination or the date of any such act or default.

The relevant Sub-Trust can only assign the benefit of the relevant Contingent Rental Support Deed to a new owner of the relevant property or to a person who has the benefit of a mortgage or a charge registered against the relevant property.

Other principal terms of the Rental Support Deeds are set out in Section 2.9 of the Letter to Unitholders of the Circular.

3.9 The Deed of Covenant

In connection with the Proposed Transaction, FLT will on settlement of the CEVA Tech Contract of Sale, through the relevant Sub-Trust Trustee, as trustee of the relevant Sub-Trust, enter into the deed of covenant¹ in respect of the CEVA Tech Facility with the CEVA Tech Vendor, the CEVA Tech Tenant and the CEVA Tech Guarantor where the relevant Sub-Trust Trustee will perform the covenants, warranties and obligations of the "Lessor" under the lease between the CEVA Tech Vendor, the CEVA Tech Tenant and the CEVA Tech Guarantor.

3.10 The Deed of Assignment and Deed of Variation

In connection with the Proposed Transaction, FLT will on settlement of the Survitec & Phoenix Contract of Sale (as defined in the Circular), through FLT Queensland No. 2 Pty Limited, as trustee of the Horsley Drive Trust B (the "**Survitec & Phoenix Purchaser**"), enter into:

- (1) a deed of assignment of the Survitec & Phoenix Ground Lease² in respect of the Survitec & Phoenix Facility with Western Sydney Parklands Trust ("**WSPT**"), the Survitec & Phoenix Vendor and the HAUT Trustee (the "**Deed of Assignment**"); and
- (2) a deed of variation of lease in respect of the Survitec & Phoenix Facility with WSPT and the HAUT Trustee (the "**Deed of Variation**").

The principal terms of the Deed of Assignment and Deed of Variation are set out in Section 2.11 and 2.12 of the Letter to Unitholders of the Circular.

¹ A tenant may require that a deed of covenant entered into by an incoming landlord to covenant directly with the tenant that it will comply with the terms of the tenancy document, this Deed of Covenant does not impose additional terms on the incoming landlord than what are already set out in the tenancy document.

² "**Survitec & Phoenix Ground Lease**" refers to Lease AM406103 between WSPT and the Survitec & Phoenix Vendor in respect of the Survitec & Phoenix Facility.

4 EVALUATION OF THE PROPOSED TRANSACTION

In our analysis and evaluation of the Proposed Transaction, and our recommendation thereon, we have taken into consideration the following:

- (a) rationale for and key benefits of the Proposed Transaction;
- (b) valuation of the New Properties by the Independent Valuers;
- (c) comparison of the NPI Yields of the New Properties with FLT's Existing Portfolio;
- (d) comparison of the New Properties with Selected Australian Industrial Property Portfolio Transactions with SGX-ST listed REITs and Selected Industrial Property Portfolio Valuation of Listed REITs on the Australian Stock Exchange ("ASX") and SGX-ST;
- (e) pro-forma financial effects of the Proposed Transaction; and
- (f) other relevant factors.

4.1 Rationale for and key benefits of the Proposed Transaction

The detailed rationale for and benefits of the Proposed Transaction are set out in Section 3 of the Letter to Unitholders of the Circular.

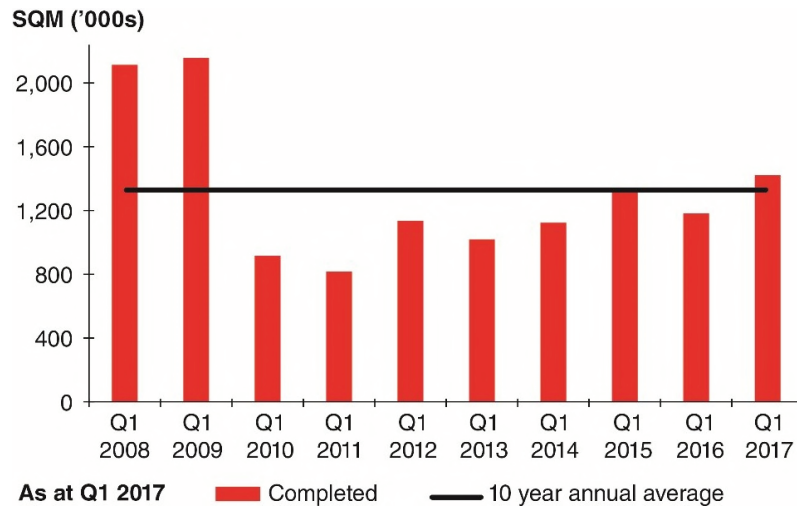
We have reproduced below certain key excerpts of the section on the rationale for and key benefits of the Proposed Transaction:

The Manager believes that the Proposed Transaction will bring the following key benefits to Unitholders:

(1) "Attractive Investment in Australian Industrial Market Segment while maintaining Geographical Diversification"

Prevailing trends and occupier themes in the industrial market at present are favourable for owners of well-located and well-specified logistics and distribution facilities. The New Properties are located in the preferred Australian eastern seaboard markets of Sydney, Melbourne and Brisbane, which are Australia's top three industrial markets. At present, there are attractive demand and supply dynamics for these markets. Industrial supply has maintained around the 10-year annual average, below the previous peak of construction cycle in 2008, is predominantly driven by pre-commitment, and is concentrated in the Melbourne and Sydney markets. Occupier demand continues to be well supported by infrastructure projects across Melbourne and Sydney coupled with improved business confidence levels.

National Industrial Total Supply¹



Current market fundamentals of relatively limited supply, growing demand and a focus on tenant retention are expected to result in ongoing high occupancy rates for prime grade industrial properties in Australia and favourable conditions for market rental growth in existing completed industrial properties.

FLT's existing portfolio is located across five states in Australia. The New Properties maintain FLT's diversification with the properties located within each of Australia's three largest capital cities, being Sydney, Melbourne and Brisbane."

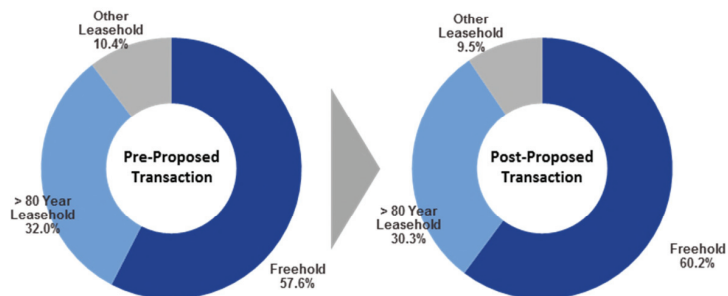
(2) "Prime, Modern and Predominantly Freehold Industrial Portfolio underpinned by Quality Tenants and Long Leases

The New Properties are freehold and long leasehold in nature, with six out of seven being freehold assets and one with remaining leasehold land tenure of 89.3 years (as at 31 March 2017). With the completion of the Proposed Transaction, FLT's portfolio comprising of freehold and long leasehold land tenure assets will increase from 89.6% (based on the Appraised Value of the Existing Portfolio) to 90.5% (based on the aggregate of the Appraised Value of the Existing Portfolio and the Aggregate Acquisition Amount²).

¹ Source: Jones Lang LaSalle Real Estate Data Solution. Information extracted from the relevant reports and/or publications published by Jones Lang LaSalle Real Estate Data Solution, which have not been prepared for inclusion in this Circular. Accordingly, Jones Lang LaSalle Real Estate Data Solution is not liable for such information. While the Manager has taken reasonable actions to ensure that the information from the reports and/or publications published by Jones Lang LaSalle Real Estate Data Solution is reproduced in its proper form and context, and that the relevant information has been extracted accurately and fairly from such reports, neither the Manager nor any other party has conducted an independent review of the information contained in such reports nor verified the accuracy of the contents of the relevant information.

² Without taking into account any adjustments under the Development Agreements.

Land Tenure by Value⁽¹⁾⁽²⁾



Notes:

(1) Valuation for Existing Portfolio as at 30 September 2016 (save for the Martin Brower Property which was valued on 1 October 2016).

(2) Values for New Properties are based on Aggregate Acquisition Amount.

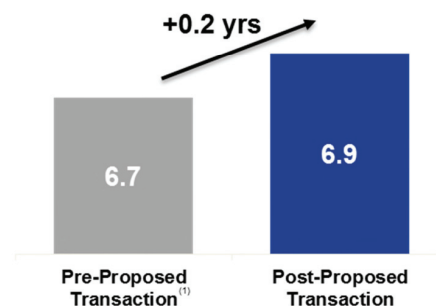
The New Properties comprise primarily properties which have been recently constructed or are under development, with an average age of 2.4 years (as at 31 March 2017), resulting in lower capital expenditure requirements for maintenance or refurbishment of the properties in the near term.

The Completed Properties are 100% occupied and in the case of the Development Properties, fully pre-committed.

The New Properties are underpinned by long-term leases with WALE averaging 9.6 years based on Adjusted Gross Rental Income, increasing the portfolio WALE of FLT (following the completion of the Proposed Transaction) to 6.9 years from 6.7 years as at 31 March 2017.

FLT Portfolio WALE

(years)



Notes:

(1) As at 31 March 2017.

All the leases of the New Properties have fixed rental increments built-in, ranging from 2.85% to 3.50%, allowing the average fixed rental increment for the Enlarged Portfolio to remain at approximately 3.2%, similar to that of the Existing Portfolio (as disclosed in the

Prospectus).”

(3) “Increase in Diversification of Portfolio’s Tenant Base

The New Properties are underpinned by reputable tenants of which 75.1% (based on Adjusted Gross Rental Income) are multinational corporations and/or their subsidiaries, and will contribute positively to the Existing Portfolio’s high quality well-diversified tenant base.

The Proposed Transaction will further reduce FLT’s concentration risk on any single tenant. Besides Coles (a subsidiary of Wesfarmers Limited), no single tenant accounts for more than 5.0% of Adjusted Gross Rental Income in the Enlarged Portfolio¹. In addition, the Enlarged Portfolio will have an increased component (by Adjusted Gross Rental Income) in consumer sector tenants from 41.7% to 43.0%.”

(4) “Positive Impact on the Enlarged Portfolio

Based on the pro forma financial effects of the Proposed Transaction on the distribution per Unit (“DPU”) for the period from 20 June 2016 (being the date of listing of FLT on the SGX-ST) (the “Listing Date”) to 31 March 2017, the Proposed Transaction is expected to be DPU accretive².”

(5) “Strengthens FLT’s Portfolio Sustainability Attributes

FLT presently has the largest Green Star performance rated industrial portfolio in Australia. As sustainability gains traction in the Australian real estate industry, the Manager expects the Proposed Transaction to further reinforce FLT’s current position in this aspect.

Out of the seven New Properties, one, being the Survitec & Phoenix Facility, has achieved a 6-star “Green Star” Design rating, representing world leadership in sustainability. Four properties, being the CEVA Tech Facility, the Beaulieu Facility, the Stanley Black & Decker Facility and the Clifford Hallam Facility, are targeting a minimum 5-star “Green Star” As-Built rating, representing ‘Australian Excellence’ in sustainability construction. The potential benefits arising from the required sustainability features for “Green Star” ratings include:

- i. reducing ongoing occupancy costs;*
- ii. assisting in retaining tenants at lease expiry;*
- iii. attracting new tenants, especially those using sustainability as a criteria for choosing their distribution centres;*
- iv. decreasing building obsolescence; and*
- v. minimising vacancy downtime.”*

¹ “Enlarged Portfolio” refers to the Existing Portfolio and the New Properties, collectively.

² Please refer to paragraph 4.1 of the Letter to Unitholders for the pro forma financial effects of the Proposed Transaction on the DPU.

(6) “Consistent with the Manager’s Investment Strategy

By providing stable and attractive cash flows to Unitholders with potential opportunities for future income and capital growth, the Proposed Transaction is in line with the Manager’s acquisition growth strategy which is to source for and pursue asset acquisition opportunities that provide attractive cash flows and yields, and which satisfy the Manager’s investment mandate for FLT to enhance its returns to Unitholders and potential for future income and asset growth. This would enable FLT to deliver regular and stable distributions to the Unitholders and to achieve long term growth in distributions and NAV per Unit, while maintaining an appropriate capital structure.”

(7) “Opportunity to Purchase the Development Properties on Attractive Terms

The Proposed Transaction presents FLT with an opportunity to acquire the Development Properties at attractive terms. As the total amount payable under the Development Agreements for FPA to deliver the completed facilities is fixed, FLT is not subject to the risks of construction cost overruns. The amount payable under the Development Properties Contracts of Sale is paid on completion of the Development Properties Contracts of Sale, with the balance of the total amount for the Development Properties payable only when FPA delivers the completed facilities. In addition, the coupon on the amount paid under the Development Properties Contracts of Sale, which is at a rate equivalent to the NPI Yield for each Development Property, will be applied to offset against the balance sum payable under the Development Agreements, thus reducing the overall financing costs on the acquisition of the Development Properties. In addition, there are pre-committed tenants for the Development Properties, coupled with the arrangements under the Contingent Rental Support Deeds to mitigate the risks of the pre-committed tenants not commencing the leases as scheduled.”

We note that the Proposed Transaction is in line with FLT’s principal investment strategy of acquiring assets that provide attractive cash flows and yields and potential for FLT’s future income and asset growth.

4.2 Valuation of the New Properties by the Independent Valuers

The Manager and the Trustee have commissioned independent valuers, namely CBRE, Urbis and Savills, to perform independent valuations on the New Properties.

The appraised values of the Independent Valuers for completed projects are as follows:

S/No	Property	State	Valuation A ⁽¹⁾ (A\$ m)	Valuation B ⁽²⁾ (A\$ m)	Acquisition Amount (A\$ m)
1	Ecolab Facility	Victoria	13.0	13.0	13.0
2	Stanley Black & Decker	Victoria	30.9	30.9	30.9
3	Clifford Hallam Facility	Victoria	29.8	29.8	29.7
4	CEVA Tech Facility	Victoria	25.3	24.7	24.5
5	Survitec & Phoenix	NSW	22.5	22.4	21.4
6	Yusen Logistics Facility	NSW	16.0	16.0	16.0
7	Beaulieu Facility	Queensland	33.8	33.8	33.8
Total for New Properties			171.3	170.6	169.3

Source: Circular

Notes:

- (1) *The higher of the two independent valuations of each New Property conducted by the Independent Valuers. Valuation as at 30 April 2017. For each Development Property, the valuation takes into account the price of the land, any improvements on the land hitherto and any proposed development and construction to be conducted on the land in accordance with the development plan under the relevant Development Agreement, together with the tenant pre-commitment.*
- (2) *The lower of the two independent valuations of each New Property conducted by the Independent Valuers. Valuation as at 30 April 2017. For each Development Property, the valuation takes into account the price of the land, any improvements on the land hitherto and any proposed development and construction to be conducted on the land in accordance with the development plan under the relevant Development Agreement, together with the tenant pre-commitment.*

We have been provided the Valuation Reports of the New Properties and we note the following in our review:

- (a) The basis of valuation is defined as “Market Value subject to existing tenancies and occupational arrangements” for Completed Properties and “Market Value subject to proposed occupancy arrangement as if complete” for the Development Properties, the definitions of which are broadly consistent among the Independent Valuers and in line with market definition;
- (b) CBRE, and Urbis and Savills have all used 30 April 2017 as the relevant date of valuation of the New Properties;
- (c) The methods used by the Independent Valuers for valuation are the market capitalisation approach, discounted cash flow analysis and direct comparison approach; and
- (d) The methods used by the Independent Valuers are widely accepted methods for the purpose of valuing income producing properties.

We note that the respective considerations for the New Properties are in line with the valuation of the Independent Valuers, save for the considerations for the Clifford Hallam Facility, CEVA Tech Facility, and Survitec & Phoenix Facility which are slightly lower than the valuation amounts. We also note that the Aggregate Acquisition Amount for the New Properties is approximately A\$2.05 million (or 1.20%) lower than the higher of the two independent valuations of the New Properties by the Independent Valuers.

4.3 Comparison of NPI Yields of the New Properties with FLT's Existing Portfolio

	WALE (years)	NPI Yield (%)
Existing Portfolio	6.7	7.31 ⁽¹⁾
New Properties	9.6	6.41 ⁽²⁾
Combined Existing Portfolio and New Properties	6.9	7.23 ⁽³⁾

Source: Manager

Notes:

- (1) NPI Yield as at 31 March 2017 is derived by annualising the NPI of the Existing Properties for the quarter ended 31 March 2017 (i.e. by dividing by 90 and multiplying by 365) and dividing the amount by the value of the Existing Properties as at 31 March 2017 which are extracted from the FLT Unaudited Financial Statements and from the results presentation dated 5 May 2017 (the "Annualised NPI Yield").
- (2) NPI Yield of the New Properties as disclosed in the Circular.
- (3) Combined NPI Yield is calculated based on the weighted average of the Annualised NPI Yields for the Existing Properties NPI Yield for the New Properties as disclosed in the Circular.

We note that the average agreed NPI Yield of the New Properties is lower than the Annualised NPI Yield of the Existing Portfolio as at 31 March 2017. However, we also note that the WALE of the Existing Portfolio of 6.7 years, is significantly shorter than the WALE of 9.6 years of the New Properties. On a combined basis, the estimated NPI Yield of 7.23% will be slightly lower than the Annualised NPI Yield. In evaluating the impact of the Proposed Transaction on the NPI Yield of the entire FLT portfolio, we have taken into consideration other benefits to FLT such as tenant base diversification and quality of tenants, as stated in Section 4.1 of the letter.

We also note that, as set out in the Prospectus, approximately 10% (by value) of the Existing Portfolio assets have relatively shorter term ground leases which have higher yields compared to freehold and longer term ground lease assets, which is the case for the New Properties.

4.4 Comparison of the New Properties with Selected Australian Industrial Property Portfolio Transactions with SGX-ST listed REITs and Selected Industrial Property Portfolio Valuation of Listed REITs on the ASX and SGX-ST

Based on our discussions with the management of the Manager and a search for comparable industrial property portfolio transactions and valuations on available databases and relevant stock exchanges, we recognise that there is no particular property portfolio that we may consider to be directly comparable to the New Properties in the aspects of accessibility, GLA, NLA, profile

and composition of tenants, construction quality, age of building, outstanding lease tenure, market risks, track record and other relevant factors.

However, we have extracted the following publicly available information on certain comparable industrial property portfolios in order to compare the value per sqm and the yields/capitalisation rates implied by the considerations for the New Properties with the value per sqm and the yields/capitalisation rates of the properties which are included in the lists below:

- a. Transaction details of Australian industrial property portfolios involving certain SGX-ST listed REITs (the “**Selected Australian Industrial Property Portfolio Transactions**”); and
- b. Valuation details of Australian industrial property portfolios owned by certain ASX and SGX-ST listed REITs (the “**Selected Industrial Properties Valuations of Listed REITs**”).

The Independent Directors, the Audit, Risk and Compliance Committee, the Trustee, and the unitholders should note that any comparison made with respect to the Selected Australian Industrial Property Portfolio Transactions and the Selected Industrial Properties Valuations of Listed REITs are for illustrative purposes only. For the analysis on the Selected Australian Industrial Property Portfolio Transactions and the Selected Industrial Properties Valuations of Listed REITs, we have used the available data/information as at the Latest Practicable Date. The conclusions drawn from such comparisons may not necessarily reflect the perceived or implied valuation of the New Properties as at the Latest Practicable Date. In addition, we wish to highlight that the Selected Australian Industrial Property Portfolio Transactions and the Selected Industrial Properties Valuations of Listed REITs is by no means exhaustive.

Accordingly, for the purposes of our evaluation, we have considered the following Selected Australian Industrial Property Portfolio Transactions whose aspects, in our view (and as explained above), are broadly comparable to those of the New Properties.

4.4.1 Selected Australian Industrial Property Portfolio Transactions with SGX-ST listed REITs

We have considered the following recent transactions of Australian industrial property portfolios of certain REITs which are listed on the SGX-ST in order to compare the NPI Yield implied by the Aggregate Acquisition Amount for the New Properties with those of the Selected Australian Industrial Property Portfolio Transactions.

The Independent Directors, the Audit, Risk and Compliance Committee, the Trustee and the unitholders should note that any comparison made with respect to the Selected Australian Industrial Property Portfolio Transactions are for illustrative purposes only. For the purposes of our evaluation, we have considered the following Selected Australian Industrial Property Portfolio Transactions:

Acquirer	Number of Industrial Properties	Announcement Date	Acquisition Amount (A\$ m)	GFA (sqm)	Occupancy (%)	WALE as at the Transaction Date (years)	Average Portfolio NPI Yield (%)
Mapletree Logistics Trust	4	15 Dec 16	142.2	103,517	100.0	6.4	7.6
Mapletree Logistics Trust	4	29 May 16	85.0	52,907	100.0	5.5	7.1
Ascendas REIT	26	18 Sep 15	1,013.0	630,946	94.4	6.1	6.4 ⁽¹⁾
Low					94.4	5.5	6.4
High					100.0	6.4	7.6
Median					100.0	6.1	7.1
Average					98.1	6.0	7.0
New Properties	7		169.3	124,527⁽²⁾	100.0	9.6	6.41⁽³⁾

Source: SGX Announcements

Notes:

- (1) NPI Yield of 6.4% in relation to the acquisition of Ascendas REIT was before taking into account the transaction costs (the NPI Yield after taking into account the transaction costs is 6.0%).
- (2) Figure stated is GLA.
- (3) NPI Yield of the New Properties as disclosed in the Circular.

Based on the table above, we note that the average NPI Yield of the New Properties of 6.41% is within the range of average portfolio NPI Yields implied by the Selected Australian Industrial Property Portfolio Transactions of certain REITs which are listed on the SGX-ST, but below both the median and average NPI Yields observed. We also note that the WALE of the New Properties is significantly higher than the WALEs of the three Selected Australian Industrial Property Portfolio Transactions.

4.4.2 Selected Industrial Property Portfolio Valuation of REITs listed on ASX

We have considered the valuations of industrial property portfolios located in Australia of certain REITs which are listed on the ASX (the “**Selected Australian Industrial Property Portfolio Valuations**”) in order to compare the capitalisation rates implied by the Aggregate Acquisition Amount for the New Properties with those of the Selected Australia Industrial Property Portfolio Valuations.

The Independent Directors, the Audit, Risk and Compliance Committee, the Trustee and the unitholders should note that any comparison made with respect to the Selected Australian Industrial Property Portfolio Valuations are for illustrative purposes only. For the purposes of our evaluation, we have considered the following Selected Australian Industrial Property Portfolio Valuations:

REIT	Number of Industrial Properties	Valuation Date	Valuation (A\$ m)	NLA (sqm)	Occupancy (%)	WALE as at the Valuation Date (years)	Average Portfolio Capitalisation Rate (%)
Centuria Industrial REIT	37	31 Dec 16	911.9	693,620	95.1	4.3	7.4
Charter Hall Long WALE REIT	20	31 Dec 16	657.1	458,765 ⁽¹⁾	100.0	10.3	6.6
Industria REIT	21	31 Dec 16	552.0	199,493	96.0	7.8	7.5
Low					95.1	4.3	6.6
High					100.0	10.3	7.5
Median					96.0	7.8	7.4
Average					97.0	7.5	7.2
New Properties – Based on Valuation A⁽²⁾	7		171.3	124,527⁽¹⁾	100.0	9.6	6.0 – 7.0
New Properties – Based on Valuation B⁽³⁾	7		170.6	124,527⁽¹⁾	100.0	9.6	6.0 – 7.0

Source: Annual reports and semi-annual reports

Notes:

- (1) Figure stated is GLA.
- (2) The higher of the two independent valuations of each New Property conducted by the Independent Valuers. Valuation as at 30 April 2017. For each Development Property, the valuation takes into account the price of the land, any improvements on the land hitherto and any proposed development and construction to be conducted on the land in accordance with the development plan under the relevant Development Agreement, together with the tenant pre-commitment.
- (3) The lower of the two independent valuations of each New Property conducted by the Independent Valuers. Valuation as at 30 April 2017. For each Development Property, the valuation takes into account the price of the land, any improvements on the land hitherto and any proposed development and construction to be conducted on the land in accordance with the development plan under the relevant Development Agreement, together with the tenant pre-commitment.

Based on the table above, we note that the range of capitalisation rates used by the Independent Valuers for the New Properties is generally within the range of capitalisation rates observed for the Selected Australian Industrial Property Portfolio Valuations, but below the average and median capitalisation rates. However, we note that the average WALE of the New Properties is longer than those of the Selected Australian Industrial Property Portfolio Valuations, save for the Charter Hall Long WALE REIT. In comparison with the Charter Hall Long WALE REIT which also has 100% occupancy and similar WALE to the New Properties, the capitalisation rates are not significantly different.

4.4.3 Selected Industrial Property Portfolio Valuation of REITs listed on SGX-ST

We have considered the valuations of industrial property portfolios of REITs which are listed on the SGX-ST (the "Selected Singapore Industrial Property Portfolio Valuations") in order to compare the yields implied by the Aggregate Acquisition Amount for the New Properties with those of the Selected Singapore Industrial Property Portfolio Valuations.

The Independent Directors, the Audit, Risk and Compliance Committee, the Trustee and the unitholders should note that any comparison made with respect to the Selected Singapore Industrial Property Portfolio Valuations are for illustrative purposes only. For the purposes of our evaluation, we have considered the following Selected Singapore Industrial Property Portfolio Valuations:

REIT	Valuation Date	Valuation (\$A m) ⁽¹⁾	GFA (sqm)	Occupancy (%)	WALE (years) as at the Valuation Date	NPI Yield (%) ⁽²⁾
Ascendas Real Estate Investment Trust	31 Mar 17	9,332.9	3,717,976	90.2	4.3	6.2
Cache Logistics Trust	31 Dec 16	1,168.4	697,563	96.4	3.9	7.1
ESR-REIT	31 Dec 16	1,279.8	780,386	94.7	3.7	6.1
AIMS AMP Capital	31 Mar 17	1,366.1	627,155 ⁽³⁾	94.6	2.5	5.5
Viva Industrial Trust	31 Dec 16	1,133.9	334,451	89.8	3.1	5.7
SoilBuild Business Space REIT	31 Dec 16	1,175.5	393,652	89.6	3.4	5.7
Mapletree Logistics Trust	31 Mar 17	5,236.4	3,600,000 ⁽³⁾	96.3	4.0	5.6
Mapletree Industrial Trust	31 Mar 17	3,543.2	1,867,351	93.1	3.1	6.9
Sabana Shari'ah Compliant REIT	31 Dec 16	948.6	334,943 ⁽³⁾	87.2	2.9	5.7
Low				87.2	2.5	5.5
High				96.4	4.3	7.1
Median				93.1	3.4	5.7
Average				92.4	3.4	6.0
New Properties	30 Apr 17		124,527⁽⁴⁾	100.0	9.6	6.41⁽⁵⁾

Source: Annual reports

Notes:

- (1) Currency exchange rate as at the Latest Practicable Date of A\$1:S\$1.058.
- (2) Estimated based on NPI and Market Value as at 31 December 2016 in various annual reports.
- (3) Figures stated are NLA.
- (4) Figure stated is GLA.
- (5) NPI yield for the New Properties as disclosed in the Circular.

Based on the table above, we note that the average NPI Yield of the New Properties is within the range of observed NPI Yields for the Selected Singapore Industrial Property Portfolio Valuations, and higher than the median and average NPI Yields. We also note that the average WALE of the New Properties is significantly higher than those of the Selected Singapore Industrial Property Portfolio Valuations.

Further, we note that the land tenures of the New Properties are freehold, save for one (being the Survitec & Phoenix Facility which is a leasehold property with remaining land tenure of 89.3 years) while the land tenures of the Singapore industrial properties in the list of Selected Singapore Industrial Property Portfolio Valuations are mainly leasehold.

4.5 Pro Forma Financial Effects of the Proposed Transaction

The details on the pro forma financial effects of the Proposed Transaction, which are shown for illustrative purposes only, are set out in Section 4 of the Letter to Unitholders of the Circular.

We note the following:

- (a) For illustrative purposes, the DPU increases from 5.33 Australian cents to 5.38 Australian cents, or by 0.05 Australian cents (approximately 0.9%), for the period from the Listing Date through 31 March 2017, assuming the Proposed Transaction was completed on the Listing Date, all the Completed Properties are generating NPI for the period from the Listing Date to 31 March 2017 based on the estimated NPI to be generated under the existing leases commencing from the date of the completion of the Completed Properties Contracts of Sale and for a period of 284 days, and all the Development Properties are generating NPI for the period from the Listing Date through to 31 March 2017 based on the estimated NPI to be generated from the pre-committed leases commencing from the estimated date of the practical completion of each of the Development Properties (estimated to be in September 2017 for the Beaulieu Facility, November 2017 for the Stanley Blacker & Decker Facility and May 2018 for the Clifford Hallam Facility) and for a period of 284 days.
- (b) The distribution per Unit (“DPU”) decreases by 0.38 Australian cents from 5.33 Australian cents to 4.95 Australian cents, or approximately 7.1%, for the period from the Listing Date through 31 March 2017 for the 284 days, assuming the Proposed Transaction was completed on the Listing Date and using the actual historical NPI of the Completed Properties from the Listing Date through 31 March 2017. We note that the actual NPI of the Completed Properties from the Listing Date to 31 March 2017 includes (i) the actual NPI from the Yusen Logistics Facility from the lease that commenced on 1 April 2011 and varied on 20 May 2017; (ii) the actual NPI for the Survitec & Phoenix Facility from 15 July 2016, when the lease commenced; (iii) the actual NPI for the Ecolab Facility where the lease ended on 31 July 2016 and remained vacant until new lease commenced on 1 June 2017; and (iv) the actual NPI for the CEVA Tech Facility where the lease commenced on 27 February 2017. We also note that there is no Net Property Income contribution from the Development Properties for the period of 284 days from the Listing Date to 31 March 2017.
- (c) The pro forma NAV per Unit remains the same at 0.89 Australian cents; and
- (d) The pro forma total debt increases from A\$523 million to A\$627 million and total Unitholders’ funds increases from A\$1,277 million to A\$1,350 million.

4.6 Other relevant factors

We have also considered the following in our evaluation on the Proposed Transaction:

4.6.1 Portfolio occupancy rate and average WALE

We note that all of the New Properties have a total committed and pre-committed occupancy rate of 100% and an average WALE of 9.6 years. The average WALE of the New Properties is higher than the WALEs of the selected ASX listed REITs (save for one) listed under Section 4.4.2 and higher than WALEs of the selected SGX-ST listed REITs listed under Section 4.4.3.

4.6.2 The Development Agreements

The Beaulieu Development Agreement, the Stanley Black & Decker Development Agreement and the Clifford Hallam Development Agreement will take effect on and from the completion of the Beaulieu Contract of Sale, the Stanley Black & Decker Contract of Sale and the Clifford Hallam Contract of Sale, respectively, pursuant to which each of the Developers will continue with the development and construction of each of the Development Properties and deliver the completed Development Properties in accordance with the Development Agreements. Immediately upon receipt of the certificate of practical completion, each of the Developers will submit a tax invoice to the relevant Sub-Trust Trustee, following which the balance under each Development Agreement is payable within seven business days.

We note that the Development Agreements limit any property development risks to the Sub-Trusts as the Development Price for each of the Development Properties is fixed. As FLT is not structured as a property development company, the required expertise for developing a property may not be as readily available and the corresponding property development risks may be higher if FLT undertakes the development of the properties.

4.6.3 The Incentive Reimbursement Deeds

The Incentive Reimbursement Deeds entered into with respect of the Ecolab Facility, the Beaulieu Facility, the Clifford Hallam Facility and the Stanley Black & Decker Facility procure the Ecolab Vendor or the relevant Developer (as applicable) to reimburse the Sub-Trust Trustee in respect of the Ecolab Facility, the Beaulieu Facility, the Clifford Hallam Facility and the Stanley Black & Decker Facility, which are each occupied by a tenant that is entitled to certain incentives under its respective works and incentive agreement (for the Ecolab Facility) or relevant agreement for lease (for the Beaulieu Facility and the Clifford Hallam Facility).

We note that the Incentive Reimbursement Deeds ensure that the relevant Sub-Trusts are not adversely impacted with additional costs of funding the incentives under the pre-committed leases with the tenants. As such, FLT and its unitholders will not be worse off due to the Incentive Reimbursement Deeds.

4.6.4 The Contingent Rental Support Deeds

The Contingent Rental Support Deeds have been entered into in respect of the Beaulieu Facility, the Stanley Black & Decker Facility and the Clifford Hallam Facility between the relevant Developer and the relevant Sub-Trust Trustee as trustee of the relevant Sub-Trust.

Under the terms of the Contingent Rental Support Deeds, if any of the Beaulieu Facility, the Stanley Black & Decker Facility and the Clifford Hallam Facility is or becomes vacant before the proposed lease commencement dates, the relevant Sub-Trust will appoint the relevant Developer to procure leasing of the vacant property. The relevant Developer may liaise, and negotiate

agreements for lease, leases and licences, with proposed tenants or licensees of the vacant property to the exclusion of the relevant Sub-Trust.

The Rental Support Deeds have the effect of ensuring that the relevant Developer procures a replacement lease if the Beaulieu Facility or Clifford Hallam Facility becomes vacant before the proposed lease commencement dates, or the relevant Developer will be required to pay to the relevant Sub-Trust an amount which is equivalent to the difference between the rent received and the rent which would have been payable under the proposed lease.

The obligations of the relevant Developer under the Contingent Rental Support Deeds will end on the earlier of:

- (a) if the relevant proposed lease does not commence for any reason, the proposed lease termination date;
- (b) the replacement lease commencement date provided that the rent payable under the replacement lease is equal to or more than the Guaranteed Amount; and
- (c) the proposed lease termination date if a replacement lease is entered into where the rent is less than the Guaranteed Amount.

We note that the Contingent Rental Support Deeds provide a certainty of cash flows for FLT and ensures that FLT will be able to make stable distributions to its unitholders.

5 OUR ADVICE ON THE PROPOSED TRANSACTION

In arriving at our advice to the Independent Directors, Audit, Risk and Compliance Committee, and the Trustee on the Proposed Transaction, we have reviewed and deliberated on the factors which we consider to be relevant and to have a significant bearing on our assessment of the Proposed Transaction. The factors we have considered in our evaluation, which are based on, among others, representations made by FLT, the Directors and the management of the Manager and discussed in detail in the earlier sections of this letter and which we have relied upon, are as follows:

- (a) rationale for and key benefits of the Proposed Transaction;
- (b) valuation of the New Properties by the Independent Valuers;
- (c) comparison of the NPI Yields of the New Properties with FLT's Existing Portfolio;
- (d) comparison of the New Properties with Selected Australian Industrial Property Portfolio Transactions with SGX-ST listed REITs and Selected Industrial Property Portfolio Valuation of Listed REITs on the ASX and SGX-ST;
- (e) pro-forma financial effects of the Proposed Transaction; and
- (f) other relevant factors, such as:
 - (i) Portfolio occupancy rate and average WALE;
 - (ii) The Development Agreements;
 - (iii) The Incentive Reimbursement Deeds; and
 - (iv) The Contingent Rental Support Deeds.

Having considered the factors and the assumptions set out in this letter, and subject to the qualifications set out herein, we are of the opinion that the Proposed Transaction is on normal commercial terms and are not prejudicial to the interests of FLT and its minority unitholders.

Accordingly, we advise the Independent Directors and the Audit, Risk and Compliance Committee to recommend that unitholders vote in favour of the Proposed Transaction.

The Independent Directors Audit, Risk and Compliance Committee, and the Trustee should note that we have arrived at our opinion and recommendation based on information made available to us prior to, and including, the Latest Practicable Date. Our opinion on the Proposed Transaction cannot and does not take into account any subsequent developments after the Latest Practicable Date as these are governed by factors beyond the scope of our review, and would not fall within our terms of reference in connection with our evaluation of the Proposed Transaction.

We have prepared this letter for the use of the Independent Directors, the Audit, Risk and Compliance Committee, and the Trustee in connection with and for the purposes of their consideration of the Proposed Transaction, but any recommendations made by the Independent Directors, Audit, Risk and Compliance Committee, and the Trustee in respect of the Proposed Transaction shall remain their responsibility. We also wish to advise the Independent Directors and the Audit, Risk and Compliance Committee to caution the minority unitholders that they should not rely on our advice to the Independent Directors, the Audit, Risk and Compliance Committee, and the Trustee as the sole basis for deciding on whether or not to vote in favour of the Proposed Transaction. For the avoidance of doubt, nothing in this letter prevents or excludes unitholders from relying on this letter in connection with the Proposed Transaction, whether pursuant to the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore or otherwise.

While a copy of this letter may be reproduced in the Circular, no other person may reproduce, disseminate or quote this letter (or any part thereof) for any purpose (other than the intended purpose in relation to the Proposed Transaction) at any time and in any manner without our prior written consent in each specific case. For the avoidance of doubt, nothing in this letter prevents FLT, the Manager, its directors, the Trustee or the unitholders of FLT from reproducing, disseminating or quoting this letter without our prior consent for the purpose of any matter relating to the Proposed Transaction. This opinion is governed by, and construed in accordance with, the laws of Singapore, and is strictly limited to the matters stated herein and does not apply by implication to any other matter.

Yours faithfully
For and on behalf of
Ernst & Young Corporate Finance Pte Ltd

Luke Pais
Managing Director

Elisa Montano
Director

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VALUATION SUMMARIES



Our Ref: FLT Summary Letter

CBRE Valuations Pty Limited
 ABN 15 008 912 641
 Level 5
 10-14 Smith Street
 Parramatta NSW 2150
 T 61 2 9891 3330
 F 61 2 9891 5533

5 June 2017

Perpetual (Asia) Limited
 (as Trustee of Frasers Logistics & Industrial Trust)
 8 Marina Boulevard
 #05-02 Marina Bay Financial Centre
 Singapore 018981

C.C.

Frasers Logistics & Industrial Asset Management Pte Limited
 (as Manager of Frasers Logistics & Industrial Trust)
 438 Alexandra Road
 #21-06 Alexandra Point
 Singapore 119958

Dear Sir,

Summary of Valuation Reports:

Property Address

8 Stanton Road, Seven Hills NSW
 2 Burilda Close, Wetherill Park NSW
 89-103 South Park Drive, Dandenong South VIC
 43 Efficient Drive, Truganina VIC
 Lot 303, 29 Indian Drive, Keysborough VIC
 Lot 401, 17 Hudson Court, Keysborough VIC
 Lot 1, 148 Pearson Road, Yatala QLD

Instructions

CBRE Valuations Pty Limited ("CBRE") accepted instructions dated 19 April 2017 issued by Perpetual (Asia) Limited, in its capacity as Trustee of Frasers Logistics & Industrial Trust, to prepare Valuation Reports for the abovementioned properties on behalf of Frasers Logistics & Industrial Asset Management Pte. Ltd., in its capacity as manager of Frasers Logistics & Industrial Trust. The instructions request us to provide our opinion of the market value of each property as at 30 April 2017.

CBRE has been instructed to provide full Valuation Reports in addition to this Summary Letter, which is to be included in a Circular to holders of units in Frasers Logistics & Industrial Trust for information purposes only. The Valuation Reports are to be relied upon for Acquisition and Financial Reporting purposes only and is specifically addressed for use and reliance upon by the parties named above.

Our valuation reports are also to be relied upon for First Mortgage Security purposes, however the Lender/s are yet to be determined. Whilst our full Valuation Reports may also be relied upon for First Mortgage Security purposes, we note that the lending institution/s will be subject to our sole discretion.

For the avoidance of doubt, reliance on the full Valuation Reports and/or this Summary Letter is not extended to the holders of units in Frasers Logistics & Industrial Trust.

The Valuation Reports have been prepared in accordance with the Australian Property Institute Australia and New Zealand Valuation and Property Standards. Our Valuation Reports draw attention to the key issues and considerations impacting value and provides a detailed Property Risk Assessment and SWOT Analysis, plus details our Critical Assumptions, Disclaimers, Limitations and Qualifications and our Recommendations.

As commercial investments of this nature are inherently complex and the market conditions have changed and/or have been uncertain in recent times, it is considered prudent to consider the entire contents of each Valuation Report. Therefore, this Summary Letter must be read and considered together with the Valuation Reports. We accept no responsibility for reliance upon the Summary Letter alone. A copy of each full Valuation Report can be obtained from Frasers Logistics & Industrial Asset Management Pte. Limited.

Market Movement

The valuation reports referred to above represents the value of each property as at the date of valuation only. The value assessed may change significantly and unexpectedly over a relatively short period of time (including as a result of general market movements or factors specific to the particular property or particular property sector). CBRE is not liable for losses arising from any subsequent changes in value.

Critical Assumptions and Reliance on Information Provided

Each Valuation Report provides particulars on the information provided by the Instructing Party and the investigations we have undertaken in completing the Valuation. A selection of the Critical Assumptions noted in the full Valuation Reports are provided (but not limited to) below:

- We have not been provided with a copy of the contract of sale for the property and as such, we have relied on information provided by Frasers Logistics & Industrial Asset Management Pte. Limited.
- Our assessment addresses market value subject to existing/proposed tenancies.
- The “As If Complete” assessment is the estimated market value of the Proposed Development based on the assumption that all construction / subdivision has been satisfactorily completed in all respects at the date of this report. Because of the time lag and unknown future market conditions the valuation reflects the valuers’ view of the market conditions existing at the date of valuation and does not purport to predict future market conditions and the value of the Proposed Development at the actual completion date.
- Our valuation “As If Complete” is provided on the basis that the Proposed Development will be constructed in a tradesman like manner using new, quality materials and having regard to modern building techniques. Our valuation assumes that:
 - A detailed report of the structure and service installations of the building once completed would not reveal any defects requiring significant expenditure.
 - The building will comply with all relevant statutory requirements in respect to matters such as health, building and fire safety regulations, and will be built in accordance with the provisions of the Building Code of Australia.
 - That a Certificate of Occupancy will be issued for the Proposed Development.
- We have assumed that all information supplied to us relating to such matters as building plans, specifications and GLA configuration are accurate. If any of the information relied upon herein varies in any way, we reserve the right to review and modify this valuation
- As specifically instructed, our assessment addresses the market value of the subject exclusive of outstanding tenant incentives. Standard valuation practice requires deduction of outstanding tenant incentives in order to arrive at a valuation outcome. Given that the asset will potentially be acquired and the structure of the acquisition is not known, our assessment addresses market value both inclusive and exclusive of outstanding

tenant incentives. We reserve the right to reconsider our findings in the event of acquisition of the asset occurring and treatment of outstanding tenant incentives being finalised.

- We have not been provided with legal advice regarding any non-recoverable GST liability in relation to the leases over the subject property. In the absence of such, we have relied upon the Owner/Manager disclosing any current or potential GST shortfalls in either rent or outgoings payments.
- We have relied upon information provided to us by the Instructing Party with respect to outgoings and capital expenditure. In the event of information provided to us in the process of completing our findings is proven to be inaccurate or misleading, we reserve the right to reconsider our findings.
- Unfortunately, there are limited directly comparable sales of a similar location and nature which concisely and accurately reflect the value of the subject property. We have therefore relied on the most comparable sales available as a guide to market value.

Market Instability

The market has been performing at levels considered to be at or near the top of the cycle. The likelihood of market conditions remaining at these levels in the long term is unlikely. If economic and real estate market conditions deteriorate in the future, then the market value of each asset will decline. This inherent risk factor should be considered in any lending or investment decisions.

Market Value Definitions

In accordance with the International Valuation Standard, the definition of market value is:

- "The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently, and without compulsion."

We have also had regard to the requirements of the Australian Accounting Standards Board. In particular, we have considered AASB13 Fair Value Measurement, which adopts the following definition of Fair Value:

- "Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date."

The fair value of a non-financial asset is based on its highest and best use to market participants.

Report Content

Our full Valuation Reports, in addition to the content noted earlier herein, contains detailed information and description for each property pertaining to:

- Instructions, Reliance and Liability;
- Site Details including Location, Legal, Environmental and Town Planning; Building Improvements;
- A SWOT analysis;
- Analysis of the Financial attributes;
- A comprehensive Market Overview and details of the sales evidence regarded, along with our Investment Considerations; and
- The Market Value and marketability.

We again refer the reader of this letter to our Valuation Reports for detail in respect of the above items.

Valuation Rationale

In arriving at our opinion of value for each asset, we have employed industry recognised valuation methodologies. We have considered relevant general and economic factors and in particular, have investigated sales and leasing transactions of comparable properties.

We have utilised the Direct Comparison Approach, Market Capitalisation Analysis and Discounted Cash Flow Analysis in determining our opinion of value for each asset. A detailed explanation of the investment credentials and the application of the Market Capitalisation Analysis and Discounted Cash Flow Analysis is provided within each Valuation Report.

Valuation Summary

In accordance with our instructions, we summarise our opinion of value for each property, as at 30 April 2017 as follows:

Market Value (excluding GST) Excluding Outstanding Incentives:

Property Address	Market Value	Basis of Value
8 Stanton Road, Seven Hills NSW	\$16,800,000	Market Value - As Is - Subject to Existing Occupancy Arrangements
* 2 Burilda Close, Wetherill Park NSW	\$23,350,000	Market Value - As Is - Subject to Existing Occupancy Arrangements
89-103 South Park Drive, Dandenong South VIC	\$13,000,000	Market Value - As Is - Subject to Existing Occupancy Arrangements
43 Efficient Drive, Truganina VIC	\$25,300,000	Market Value - As Is - Subject to Existing Occupancy Arrangements
Lot 303, 29 Indian Drive, Keysborough VIC	\$30,900,000	Market Value - As If Complete - Subject to Proposed Occupancy Arrangements
Lot 401, 17 Hudson Court, Keysborough VIC	\$29,750,000	Market Value - As If Complete - Subject to Proposed Occupancy Arrangements
Lot 1, 148 Pearson Road, Yatala QLD	\$33,800,000	Market Value - As if Complete - Subject to Proposed Occupancy Arrangements

* Subject to a 90 year ground lease

Market Value (excluding GST) Including Outstanding Incentives:

Property Address	Market Value	Basis of Value
8 Stanton Road, Seven Hills NSW	\$16,000,000	Market Value - As Is - Subject to Existing Occupancy Arrangements
* 2 Burilda Close, Wetherill Park NSW	\$22,400,000	Market Value - As Is - Subject to Existing Occupancy Arrangements

* Subject to a 90 year ground lease

Market Value (excluding GST) – Vacant Land:

Property Address	Market Value	Basis of Value
Lot 401, 17 Hudson Court, Keysborough VIC	\$8,087,260	Market Value - As Is - Assuming Subdivision
Lot 303, 29 Indian Drive, Keysborough VIC	\$9,257,500	Market Value - As Is - Assuming Subdivision
Lot 1, 148 Pearson Road, Yatala QLD	\$7,315,000	Market Value - As Is - Assuming Subdivision

Consent

CBRE provides its consent for the inclusion of this Summary Letter within the Circular to holders of units in Frasers Logistics & Industrial Trust, for information purposes only. Recipients of the Circular should take note of the following liability disclaimers:

- CBRE is not operating under an Australian Financial Services Licence when providing the full Valuation Reports or this Summary Letter and those documents do not constitute financial product advice. Investors should consider obtaining independent advice from their financial advisor before making any decision to invest in/with Frasers Logistics & Industrial Trust.
- The Valuation Reports and this Summary Letter are strictly limited to the matters contained within those documents and are not to be read as extending, by implication or otherwise, to any other matter in the Circular. Without limitation to the above, no liability is accepted for any loss, harm, cost or damage (including special, consequential or economic harm or loss) suffered as a consequence of fluctuations in the real estate market subsequent to the date of valuation.
- CBRE has prepared the full Valuation Reports and this Summary Letter relying on and referring to information provided by third parties, including financial and market information ("Information"). CBRE assumes that the Information is accurate, reliable and complete and it has not tested the information in that respect.
- References to each Property's value within this Summary Letter or the Circular have been extracted from the full Valuation Reports. The Valuation Reports draw attention to the key issues and considerations impacting value and provides a detailed assessment and analysis as well as key critical assumptions, assumptions, disclaimers, limitations and qualifications and recommendations. As commercial investments of this nature are inherently complex and the market conditions have changed and/or have been uncertain in recent times, CBRE recommends that this Summary Letter and any references to value within the Circular must be read and considered together with the Valuation Reports. This Summary Letter is to be read in conjunction with our full Valuation Reports and is subject to the same Assumptions, Limitations, Disclaimers and Qualifications as contained therein. A copy of each full Valuation Report can be obtained from Frasers Logistics & Industrial Asset Management Pte. Limited. We confirm that the valuation reports can be made available for inspection at the registered office of the REIT Manager, in accordance with applicable laws and regulations.
- No responsibility is accepted for any loss or damage arising as a result of reliance upon this Summary Letter.
- Neither this Summary Letter nor the full Valuation Reports may be reproduced in whole or in part without prior written approval of CBRE.
- CBRE charges a professional fee for producing valuation reports and a fee was paid by Frasers Logistics & Industrial Asset Management Pte. Limited for the Valuation Report and this Summary Letter.
- We confirm that each valuer noted within the full Valuation Reports does not have a pecuniary interest that would conflict with a proper valuation of the interest in the properties.
- This summary letter is for the use of the addressee and for the Purposes as specified previously. Use by, or reliance upon this document by anyone other than those parties named above is not authorised by CBRE and CBRE is not liable for any loss arising from such unauthorised use or reliance.

Yours sincerely



Robert Anderson

National Director – Industrial

Valuation & Advisory Services

Liability limited by a scheme approved under Professional Standards Legislation.

Appendix – Executive Summaries

EXECUTIVE SUMMARY - 8 Stanton Road, Seven Hills, NSW

INSTRUCTIONS / RELIANCE

Instructing Party Benjamin Lim and Ramesh Selva of Perpetual (Asia) Limited, in its capacity as trustee of Frasers Logistics & Industrial Trust.

Instruction Date 19 April 2017

Reliant Party/Purpose To be relied upon by Perpetual (Asia) Limited, in its capacity as trustee of Frasers Logistics & Industrial Trust and Frasers Logistics & Industrial Asset Management Pte. Ltd., in its capacity as manager of Frasers Logistics & Industrial Trust, for Acquisition and Financial Reporting Purposes only. Our valuation reports are also to be relied upon for First Mortgage Security purposes, however the Lender/s are yet to be determined. Whilst our full Valuation Reports may also be relied upon for First Mortgage Security purposes, we note that the lending institution/s will be subject to our sole discretion. CBRE has been instructed to provide full Valuation Reports in addition to this Summary Letter, which is to be included in a Circular to holders of units in Frasers Logistics & Industrial Trust for information purposes only. The Valuation Reports are to be relied upon for Acquisition and Financial Reporting purposes only and is specifically addressed for use and reliance upon by the parties named above. For the avoidance of doubt, reliance on the full Valuation Reports and/or this Summary Letter is not extended to the holders of units in Frasers Logistics & Industrial Trust.

Interest Valued Freehold (100%)

PROPERTY PARTICULARS

Brief Description A modern, circa 2000s freestanding industrial office/warehouse facility comprising office accommodation arranged over two levels together with high clearance warehouse accommodation with internal clearances of approximately 11 to 12 metres. Access to the warehouse component is provided via 12 recessed docks and 2 on-grade roller shutter doors with ramp access.

Title Details Lot 100 in Deposited Plan 1038550

Registered Owner/s Portmar Pty Limited

Site Area (sqm) 16,460

Lettable Area (sqm) 10,708

Zoning IN1 General Industrial

Planning Scheme Blacktown Local Environmental Plan 2015

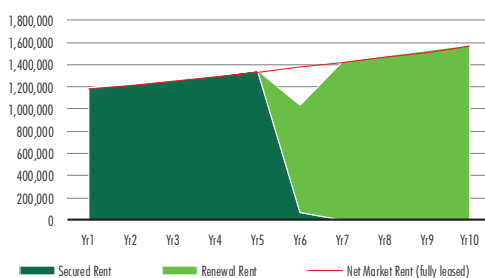
TENANCY PROFILE

Major Tenant	GLA (sqm)	Expiry
Yusen Logistics (Australia)	10,708.0	19-May-22
Current Vacancy	0.00 sqm	0.0%
WALE (by Area)	5.05 yrs	
WALE (by Passing Income)	5.05 yrs	
WALE (by Market Income)	5.05 yrs	

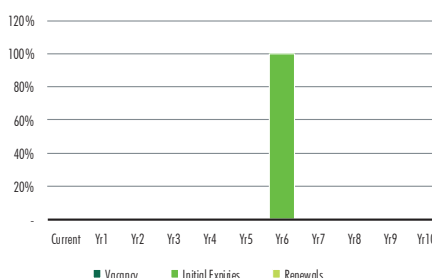
INCOME PROFILE

	Passing	Market
Gross Income	\$1,724,792	\$1,415,268
Net Income	\$1,487,404	\$1,177,880
Net Income - Fully Leased	\$1,487,404	\$1,177,880
Net Income - Fully Leased	\$139 psm	\$110 psm
Outgoings (adopted)	\$237,388	\$22 psm
Net Mkt Income - Vacancies	\$0	\$0 psm
Outstanding Incentives (PV)	\$0	

PROPERTY INCOME PROFILE



LEASE EXPIRY ANALYSIS



CASHFLOW ASSUMPTIONS

	5 year avg	10 year avg		
Growth Forecasts			Industrial Renewal Profiles	
CPI	2.27%	2.32%	Lease Renewal Probability	50.00%
Industrial Mkt Rent	3.17%	3.22%	Downtime	6.0 months
Building CAPEX	2.77%	2.82%	New Lease Term	5.0 years
Statutory Outgoings	2.77%	2.82%	Incentives	11.67%
Operating Outgoings	2.77%	2.82%	Leasing Commissions	9.00%
Sundry Growth	2.77%	2.82%	New Lease Reviews	3.50%

CAPITAL EXPENDITURE

	5 years	10 years		
Total CAPEX (inflated)	\$101,089	\$530,087	Tenancy Refurbishment	Industrial
% of Adopted Value	0.60%	3.16%		\$15 psm
Total Tenancy Refurb	\$0	\$184,112		
Total Budgeted CAPEX	\$101,089	\$345,975		

VALUATION SUMMARY

Market Capitalisation Value	\$16,800,000	Discounted Cashflow Value	\$16,600,000
Market Cap. Rate	7.00%	Discount Rate	8.00%
Initial Yield	8.85%	Terminal Yield	7.25%
Initial Yield - Fully Leased	8.85%	Ten Year IRR	7.83%
Equivalent Yield	7.02%	Terminal Value contribution to IRR	53.60%
Direct Comparison Rate (\$psm of GLA)	\$1,569 psm	Expiry Horizon Captured in Terminal Year	24.0 months

ASSESSMENT

Valuation Approach	Market Capitalisation & Discounted Cash Flow Analysis
Date of Inspection	10 April 2017
Date of Valuation	30 April 2017

ADOPTED VALUE **\$16,800,000**
(Sixteen Million, Eight Hundred Thousand Dollars)
 This valuation is exclusive of GST.

Conditional Terms This summary must not be read independently of the valuation report in its entirety. This valuation is subject to all content, assumptions, disclaimers, qualifications and recommendations throughout the report. The report is prepared for the use of and reliance by the Reliant Party only and limited only to the Purpose specifically stated. No responsibility is accepted or assumed to any third party for the whole or any part of the report.

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EXECUTIVE SUMMARY - 2 Burilda Close, Wetherill Park, NSW

INSTRUCTIONS / RELIANCE

Instructioning Party Benjamin Lim and Ramesh Selva of Perpetual (Asia) Limited, in its capacity as trustee of Frasers Logistics & Industrial Trust.

Instruction Date 19 April 2017

Reliant Party/Purpose To be relied upon by Perpetual (Asia) Limited, in its capacity as trustee of Frasers Logistics & Industrial Trust and Frasers Logistics & Industrial Asset Management Pte. Ltd., in its capacity as manager of Frasers Logistics & Industrial Trust, for Acquisition and Financial Reporting Purposes only. Our valuation reports are also to be relied upon for First Mortgage Security purposes, however the Lender/s are yet to be determined. Whilst our full Valuation Reports may also be relied upon for First Mortgage Security purposes, we note that the lending institution/s will be subject to our sole discretion.

CBRE has been instructed to provide full Valuation Reports in addition to this Summary Letter, which is to be included in a Circular to holders of units in Frasers Logistics & Industrial Trust for information purposes only. The Valuation Reports are to be relied upon for Acquisition and Financial Reporting purposes only and is specifically addressed for use and reliance upon by the parties named above.

For the avoidance of doubt, reliance on the full Valuation Reports and/or this Summary Letter is not extended to the holders of units in Frasers Logistics & Industrial Trust.

Interest Valued Leasehold (100%)

PROPERTY PARTICULARS

Brief Description The subject comprises a recently constructed industrial facility incorporating office accommodation together with high clearance, sprinklered warehouse space. As currently configured, the facility accommodates two separate tenancy areas which range from approximately 5,850 to 8,475 square metres. Tenure of the subject is of a Leasehold nature with same assumed to be set for expiry at July 2106.

Title Details Lot 1 within Deposited Plan 1212087.

Registered Owner Western Sydney Parklands Trust.

Site Area (sqm) 27,320

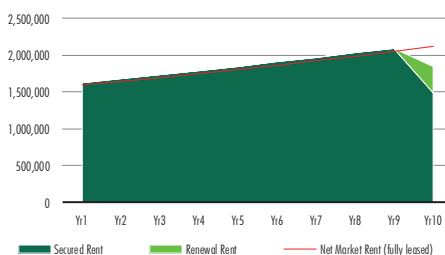
Lettable Area (sqm) 14,333

Zoning Not zoned.

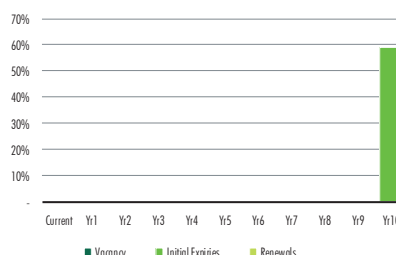
Planning Scheme State Environmental Planning Policy (Western Sydney Parklands) 2009.

TENANCY PROFILE			INCOME PROFILE		
Major Tenant	GLA (sqm)	Expiry		Passing	Market
Phoenix Distribution	8,478.0	16-Oct-26	Gross Income	\$1,892,539	\$1,892,539
RFD (Australia) Pty Ltd	5,855.0	14-Jul-28	Net Income	\$1,407,715	\$1,407,715
			Net Income - Fully Leased	\$1,407,715	\$1,407,715
			Net Income - Fully Leased	\$98 psm	\$98 psm
			Outgoings (adopted)	\$484,824	\$34 psm
Current Vacancy	0.00 sqm	0.0%	Net Mkt Income - Vacancies	\$0	\$0 psm
WALE (by Area)	10.18 yrs		Outstanding Incentives (PV)	\$0	
WALE (by Passing Income)	10.19 yrs				
WALE (by Market Income)	10.19 yrs				

PROPERTY INCOME PROFILE



LEASE EXPIRY ANALYSIS



CASHFLOW ASSUMPTIONS

	5 year avg	10 year avg		
Growth Forecasts			Industrial Renewal Profiles	
CPI	2.27%	2.32%	Lease Renewal Probability	50.00%
Industrial Mkt Rent	3.17%	3.22%	Downtime	6.0 months
Building CAPEX	2.77%	2.82%	New Lease Term	5.0 years
Statutory Outgoings	2.77%	2.82%	Incentives	10.00%
Operating Outgoings	2.77%	2.82%	Leasing Commissions	9.00%
Sundry Growth	2.77%	2.82%	New Lease Reviews	3.50%

CAPITAL EXPENDITURE

	5 years	10 years		
Total CAPEX (inflated)	\$97,067	\$553,811	Tenancy Refurbishment	Industrial \$15 psm
% of Adopted Value	0.42%	2.37%		
Total Tenancy Refurb	\$0	\$162,880		
Total Budgeted CAPEX	\$97,067	\$390,931		

VALUATION SUMMARY

Market Capitalisation Value	\$23,300,000	Discounted Cashflow Value	\$23,400,000
Market Cap. Rate	6.00%	Discount Rate	7.75%
Initial Yield	6.03%	Terminal Yield	6.25%
Initial Yield - Fully Leased	6.03%	Ten Year IRR	7.78%
Equivalent Yield	6.03%	Terminal Value contribution to IRR	56.83%
Direct Comparison Rate (\$psm of GLA)	\$1,629 psm	Expiry Horizon Captured in Terminal Year	24.0 months

ASSESSMENT

Valuation Approach	Market Capitalisation & Discounted Cash Flow Analysis
Date of Inspection	10 April 2017
Date of Valuation	30 April 2017

ADOPTED VALUE **\$23,350,000**
(Twenty Three Million, Three Hundred and Fifty Thousand Dollars)
This valuation is exclusive of GST.

Conditional Terms This summary must not be read independently of the valuation report in its entirety. This valuation is subject to all content, assumptions, disclaimers, qualifications and recommendations throughout the report. The report is prepared for the use of and reliance by the Reliant Party only and limited only to the Purpose specifically stated. No responsibility is accepted or assumed to any third party for the whole or any part of the report.

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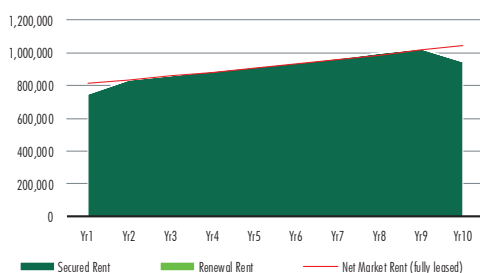
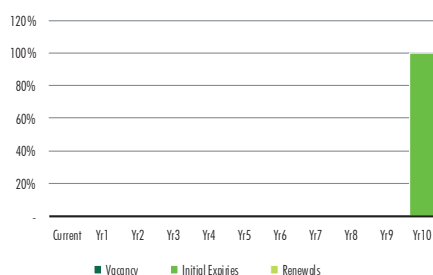
EXECUTIVE SUMMARY - 89-103 South Park Drive, Dandenong South , VIC
INSTRUCTIONS / RELIANCE

Instructing Party	Benjamin Lim and Ramesh Selva of Perpetual (Asia) Limited, in its capacity as trustee of Frasers Logistics & Industrial Trust.
Instruction Date	19 April 2017
Reliant Party/Purpose	To be relied upon by Perpetual (Asia) Limited, in its capacity as trustee of Frasers Logistics & Industrial Trust and Frasers Logistics & Industrial Asset Management Pte. Ltd., in its capacity as manager of Frasers Logistics & Industrial Trust, for Acquisition and Financial Reporting Purposes only. Our valuation reports are also to be relied upon for First Mortgage Security purposes, however the Lender/s are yet to be determined. Whilst our full Valuation Reports may also be relied upon for First Mortgage Security purposes, we note that the lending institution/s will be subject to our sole discretion. CBRE has been instructed to provide full Valuation Reports in addition to this Summary Letter, which is to be included in a Circular to holders of units in Frasers Logistics & Industrial Trust for information purposes only. The Valuation Reports are to be relied upon for Acquisition and Financial Reporting purposes only and is specifically addressed for use and reliance upon by the parties named above. For the avoidance of doubt, reliance on the full Valuation Reports and/or this Summary Letter is not extended to the holders of units in Frasers Logistics & Industrial Trust.
Basis of Valuation	Market Value - As Is - Subject to existing occupancy arrangements.
Interest Valued	Freehold (100% Interest).

PROPERTY PARTICULARS

Brief Description	The subject property consists of an irregular shaped allotment of 21,340 sqm situated on the southern side of South Park Drive in Dandenong South, approximately 30 radial kilometres south east from the Melbourne CBD within the South Park Industrial Estate. The site benefits from access via South Park Drive (northern site alignment) with secondary access from Bamwine Court (eastern site alignment). Improvements consist of a modern (constructed circa 2005) industrial facility with a projected single level office building (fronting South Park Drive) and an attached, high bay steel portal framed warehouse to the rear. Loading is available via four double on-grade loading docks and three recessed loading docks. Overall building site coverage of approximately 48.9%.
Tenancy Details	The facility is leased to Ecolab Pty Ltd for an initial 10 year term which will commence 1 June 2017, expiring 31 March 2027. Commencing rent of \$813,150 per annum net (\$78.0 psm of GLA) subject to fixed annual reviews of 3%. Two further terms of 3 years. Remaining lease term of 9.83 years.
Title Details	Lot 1 on Plan of Subdivision 538427M.
Registered Owner/s	Australand Industrial No. 93 Pty Ltd.
Site Area (sqm)	21,340
Lettable Area (sqm)	10,425
Zoning	Industrial 2 Zone.
Planning Scheme	Greater Dandenong.

TENANCY PROFILE			INCOME PROFILE		
Major Tenant	GLA (sqm)	Expiry		Passing	Market
Ecolab Pty Ltd	10,425.0	31-Mar-27	Gross Income	\$980,194	\$980,194
-	-	-	Net Income	\$813,150	\$813,150
-	-	-	Net Income - Fully Leased	\$813,150	\$813,150
-	-	-	Net Income - Fully Leased	\$78 psm	\$78 psm
-	-	-	Outgoings (adopted)	\$167,044	\$16 psm
Current Vacancy	0.00 sqm	0.0%	Net Mkt Income - Vacancies	\$0	\$0 psm
WALE (by Area)	9.83 yrs		Outstanding Incentives (PV)	\$0	
WALE (by Passing Income)	9.83 yrs				
WALE (by Market Income)	9.83 yrs				

PROPERTY INCOME PROFILE

LEASE EXPIRY ANALYSIS


CASHFLOW ASSUMPTIONS

	5 year avg	10 year avg		
Growth Forecasts			Industrial Renewal Profiles	
CPI	2.17%	2.26%	Lease Renewal Probability	50.00%
Industrial Mkt Rent	2.77%	2.87%	Downtime	8.0 months
Sundry Growth	2.67%	2.76%	New Lease Term	5.0 years
Statutory Outgoings	2.67%	2.76%	Incentives	12.5% - 20.0%
Operating Outgoings	2.67%	2.76%	Leasing Commissions	12.00%
Building CAPEX	2.67%	2.76%	New Lease Reviews	3.00%

CAPITAL EXPENDITURE

	5 years	10 years		
Total CAPEX (inflated)	\$102,531	\$220,353	Tenancy Refurbishment	Industrial
% of Adopted Value	0.79%	1.70%		\$0 psm
Total Tenancy Refurb	\$0	\$0		
Total Budgeted CAPEX	\$0	\$0		
Sinking Fund Allowance	\$102,531	\$220,353		

VALUATION SUMMARY

Market Capitalisation Value	\$13,000,000	Discounted Cashflow Value	\$13,250,000
Market Cap. Rate	6.25%	Discount Rate	7.00%
Initial Yield	6.26%	Terminal Yield	6.50%
Initial Yield - Fully Leased	6.26%	Ten Year IRR	7.14%
Equivalent Yield	6.20%	Terminal Value contribution to IRR	54.19%
Direct Comparison Rate	\$1,247 psm	Expiry Horizon Captured in Terminal Year	12.0 months

ASSESSMENT

Valuation Approach	Market Capitalisation & Discounted Cash Flow Analysis		
Date of Inspection	7 April 2017		
Date of Valuation	30 April 2017	Land Apportionment	Building Apportionment
ADOPTED VALUE	\$13,000,000	\$4,250,000	\$8,750,000
	(Thirteen Million Dollars)		
	This valuation is exclusive of GST.		

Conditional Terms This summary must not be read independently of the valuation report in its entirety. This valuation is subject to all content, assumptions, disclaimers, qualifications and recommendations throughout the report. The report is prepared for the use of and reliance by the Reliant Party only and limited only to the Purpose specifically stated. No responsibility is accepted or assumed to any third party for the whole or any part of the report.

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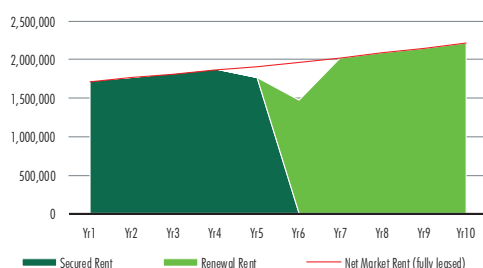
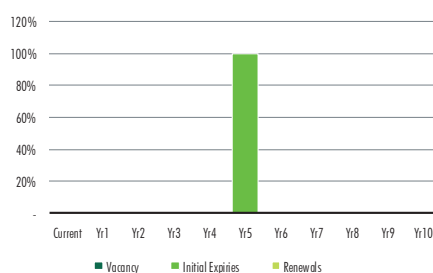
EXECUTIVE SUMMARY - 43 Efficient Drive, Truganina, VIC
INSTRUCTIONS / RELIANCE

Instructing Party	Benjamin Lim and Ramesh Selva of Perpetual (Asia) Limited, in its capacity as trustee of Frasers Logistics & Industrial Trust.
Instruction Date	19 April 2017
Reliant Party/Purpose	To be relied upon by Perpetual (Asia) Limited, in its capacity as trustee of Frasers Logistics & Industrial Trust and Frasers Logistics & Industrial Asset Management Pte. Ltd., in its capacity as manager of Frasers Logistics & Industrial Trust, for Acquisition and Financial Reporting Purposes only. Our valuation reports are also to be relied upon for First Mortgage Security purposes, however the Lender/s are yet to be determined. Whilst our full Valuation Reports may also be relied upon for First Mortgage Security purposes, we note that the lending institution/s will be subject to our sole discretion. CBRE has been instructed to provide full Valuation Reports in addition to this Summary Letter, which is to be included in a Circular to holders of units in Frasers Logistics & Industrial Trust for information purposes only. The Valuation Reports are to be relied upon for Acquisition and Financial Reporting purposes only and is specifically addressed for use and reliance upon by the parties named above. For the avoidance of doubt, reliance on the full Valuation Reports and/or this Summary Letter is not extended to the holders of units in Frasers Logistics & Industrial Trust.
Basis of Valuation	Market Value - As Is - Subject to existing occupancy arrangements.
Interest Valued	Freehold (100% Interest).

PROPERTY PARTICULARS

Brief Description	The subject property consists of a regular shaped allotment of 35,940 sqm situated on the western side of Efficient Drive in Truganina, approximately 20 radial kilometres west from the Melbourne CBD. The site benefits from access via Efficient Drive (eastern site alignment) with secondary access from Doriemus Court (western site alignment). Improvements consist of a modern (constructed circa 2016) industrial facility with a projected single level office (fronting Efficient Drive) and an attached, high bay steel portal framed warehouse to the rear. Loading is available via seven on-grade loading docks and seven recessed loading docks with dock levellers.
Tenancy Details	The facility is leased to CEVA Logistics (Australia) Pty Limited for an initial 5 year term which commenced 27 February 2017, expiring 3 April 2022. Commencing rent of \$1,715,900 per annum net (\$74.0 psm of GLA) subject to fixed annual reviews of 2.85%. Two further terms of 5 years each available. Remaining lease term of 4.92 years.
Title Details	Lot 52 on Plan of Subdivision 738859Q
Registered Owner/s	Australand Property Holdings Pty Ltd
Site Area (sqm)	35,940
Lettable Area (sqm)	23,088
Zoning	Industrial 1 Zone
Planning Scheme	Melton City Council

TENANCY PROFILE			INCOME PROFILE		
Major Tenant	GLA (sqm)	Expiry		Passing	Market
CEVA Logistics (Australia)	23,088.0	2-Apr-22	Gross Income	\$1,966,381	\$1,966,381
-	-	-	Net Income	\$1,715,900	\$1,715,900
-	-	-	Net Income - Fully Leased	\$1,715,900	\$1,715,900
-	-	-	Net Income - Fully Leased	\$74 psm	\$74 psm
-	-	-	Outgoings (adopted)	\$250,481	\$11 psm
Current Vacancy	0.00 sqm	0.0%	Net Mkt Income - Vacancies	\$0	\$0 psm
WALE (by Area)	4.92 yrs		Outstanding Incentives (PV)	\$0	
WALE (by Passing Income)	4.92 yrs				
WALE (by Market Income)	4.92 yrs				

PROPERTY INCOME PROFILE

LEASE EXPIRY ANALYSIS


CASHFLOW ASSUMPTIONS

	5 year avg	10 year avg		
Growth Forecasts			Industrial Renewal Profiles	
CPI	2.17%	2.26%	Lease Renewal Probability	50.00%
Industrial Mkt Rent	2.77%	2.87%	Downtime	8.0 months
Sundry Growth	2.67%	2.76%	New Lease Term	5.0 years
Statutory Outgoings	2.67%	2.76%	Incentives	20.00%
Operating Outgoings	2.67%	2.76%	Leasing Commissions	12.50% - 20.00%
Building CAPEX	2.67%	2.76%	New Lease Reviews	3.00%

CAPITAL EXPENDITURE

	5 years	10 years		
Total CAPEX (inflated)	\$125,577	\$353,901	Tenancy Refurbishment	Industrial
% of Adopted Value	0.50%	1.40%		\$0 psm
Total Tenancy Refurb	\$0	\$0		
Total Budgeted CAPEX	\$0	\$0		
Sinking Fund Allowance	\$125,577	\$353,901		

VALUATION SUMMARY

Market Capitalisation Value	\$25,400,000	Discounted Cashflow Value	\$25,000,000
Market Cap. Rate	6.75%	Discount Rate	7.50%
Initial Yield	6.78%	Terminal Yield	7.00%
Initial Yield - Fully Leased	6.78%	Ten Year IRR	7.34%
Equivalent Yield	6.78%	Terminal Value contribution to IRR	55.25%
Direct Comparison Rate	\$1,096 psm	Expiry Horizon Captured in Terminal Year	12.0 months

ASSESSMENT

Valuation Approach	Market Capitalisation & Discounted Cash Flow Analysis		
Date of Inspection	11 April 2017		
Date of Valuation	30 April 2017	Land Apportionment	Building Apportionment
ADOPTED VALUE	\$25,300,000	\$5,050,000	\$20,250,000
	(Twenty Five Million, Three Hundred Thousand Dollars)		
	This valuation is exclusive of GST.		

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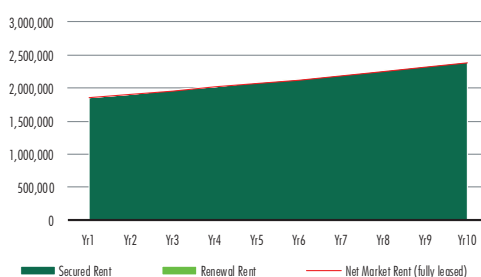
EXECUTIVE SUMMARY - Lot 303, 29 Indian Drive, Keysborough, VIC
INSTRUCTIONS / RELIANCE

Instructing Party	Benjamin Lim and Ramesh Selva of Perpetual (Asia) Limited, in its capacity as trustee of Frasers Logistics & Industrial Trust.
Instruction Date	19 April 2017
Reliant Party/Purpose	To be relied upon by Perpetual (Asia) Limited, in its capacity as trustee of Frasers Logistics & Industrial Trust and Frasers Logistics & Industrial Asset Management Pte. Ltd., in its capacity as manager of Frasers Logistics & Industrial Trust, for Acquisition and Financial Reporting Purposes only. Our valuation reports are also to be relied upon for First Mortgage Security purposes, however the Lender/s are yet to be determined. Whilst our full Valuation Reports may also be relied upon for First Mortgage Security purposes, we note that the lending institution/s will be subject to our sole discretion. CBRE has been instructed to provide full Valuation Reports in addition to this Summary Letter, which is to be included in a Circular to holders of units in Frasers Logistics & Industrial Trust for information purposes only. The Valuation Reports are to be relied upon for Acquisition and Financial Reporting purposes only and is specifically addressed for use and reliance upon by the parties named above. For the avoidance of doubt, reliance on the full Valuation Reports and/or this Summary Letter is not extended to the holders of units in Frasers Logistics & Industrial Trust.
Basis of Valuation	Market Value - Vacant Land - Assuming Subdivision. Market Value - As If Complete - Subject to proposed occupancy arrangements.
Interest Valued	Freehold.

PROPERTY PARTICULARS

Brief Description	Upon completion, improvements will comprise of an 'as new' warehouse facility including a projected single level office/showroom (fronting Indian Drive). The warehouse is regular in shape, fire sprinklered and will have a minimum internal clearance height of 11 metres. Vehicle access will be available via three dual width and a single concrete crossover off Indian Drive (2 providing access to the carpark and two for truck loading) and a dual width concrete crossover off Greens Road (for truck loading). Loading to the facility is made via 9 on grade RSD's, plus 8 recessed RSD's with dock levellers. The property currently represents as vacant land. The site has been benched and ready to be developed.
Tenancy Details	Upon practical completion, the facility will be leased to Stanley Black & Decker Australia Pty Ltd for 10 years at a commencing rental of \$1,853,973 per annum net excluding GST (\$85.34 psm). Annual rent reviews of 2.9%, with ratcheted market rent reviews with a collar of 10%.
Title Details	Proposed Lot 303 on Plan of Subdivision 805159Y, (Parent Title Lot 104 & Lot B on PS631299Y).
Registered Owner/s	Australand C & I Land Holdings Pty Ltd.
Site Area (sqm)	40,230
Lettable Area (sqm)	21,722
Zoning	Industrial 1 Zone.
Planning Scheme	Greater Dandenong Planning Scheme.

TENANCY PROFILE			INCOME PROFILE		
Major Tenant	GLA (sqm)	Expiry		Passing	Market
Stanley Black & Decker	21,722.0	29-Apr-27	Gross Income	\$2,198,948	\$2,198,948
-	-	-	Net Income	\$1,853,973	\$1,853,973
-	-	-	Net Income - Fully Leased	\$1,853,973	\$1,853,973
-	-	-	Net Income - Fully Leased	\$85.35 psm	\$85.35 psm
-	-	-	Outgoings (adopted)	\$344,975	\$16 psm
Current Vacancy	0.00 sqm	0.0%	Net Mkt Income - Vacancies	\$0	\$0 psm
WALE (by Area)	10.00 yrs		Outstanding Incentives (PV)	\$0	
WALE (by Passing Incom)	10.00 yrs				
WALE (by Market Incom)	10.00 yrs				

PROPERTY INCOME PROFILE

LEASE EXPIRY ANALYSIS


CASHFLOW ASSUMPTIONS

	5 year avg	10 year avg		
Growth Forecasts			Industrial Renewal Profiles	
CPI	2.17%	2.26%	Lease Renewal Probability	50.00%
Industrial Mkt Rent	2.77%	2.87%	Downtime	6.0 months
Sundry Growth	2.67%	2.76%	New Lease Term	5.0 years
Statutory Outgoings	2.67%	2.76%	Incentives	12.50% - 20.00%
Operating Outgoings	2.67%	2.76%	Leasing Commissions	12.00%
Building CAPEX	2.67%	2.76%	New Lease Reviews	3.00%

CAPITAL EXPENDITURE

	5 years	10 years		
Total CAPEX (inflated)	\$144,109	\$413,202	Tenancy Refurbishment	Industrial
% of Adopted Value	0.47%	1.34%		\$0 psm
Total Tenancy Refurb	\$0	\$0		
Total Budgeted CAPEX	\$0	\$0		
Sinking Fund	\$144,109	\$413,202		

VALUATION SUMMARY - AS IS - VACANT LAND

Direct Comparison Approach	\$9,257,500
Direct Comparison Rate	\$230 psm

VALUATION SUMMARY - AS IF COMPLETE

Market Capitalisation Value	\$30,900,000	Discounted Cashflow Value	\$30,600,000
Market Cap. Rate	6.00%	Discount Rate	7.25%
Initial Yield	6.00%	Terminal Yield	6.25%
Initial Yield - Fully	6.00%	Ten Year IRR	7.11%
Equivalent Yield	6.00%	Terminal Value contribution to IRR	54.46%
Direct Comparison	\$1,423 psm	Expiry Horizon Captured in Terminal Year	12.0 months

ASSESSMENT

Valuation Approach Market Capitalisation, Discounted Cash Flow Analysis & Direct Comparison

Date of Inspection 7 April 2017

Date of Valuation 30 April 2017

ADOPTED VALUE - \$9,257,500

VACANT LAND Nine Million, Two Hundred and Fifty Seven Thousand, Five Hundred Dollars

This valuation is exclusive of GST.

ADOPTED VALUE - \$30,900,000

AS IF COMPLETE (Thirty Million, Nine Hundred Thousand Dollars)

This valuation is exclusive of GST.

Building Apportionment

\$21,642,500

Land Apportionment

\$9,257,500

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EXECUTIVE SUMMARY - Lot 401, 17 Hudson Court, Keysborough, VIC
INSTRUCTIONS / RELIANCE

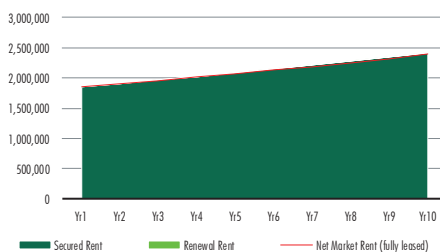
Instructing Party	Benjamin Lim and Ramesh Selva of Perpetual (Asia) Limited, in its capacity as trustee of Frasers Logistics & Industrial Trust.
Instruction Date	19 April 2017
Reliant Party/Purpose	To be relied upon by Perpetual (Asia) Limited, in its capacity as trustee of Frasers Logistics & Industrial Trust and Frasers Logistics & Industrial Asset Management Pte. Ltd., in its capacity as manager of Frasers Logistics & Industrial Trust, for Acquisition and Financial Reporting Purposes only. Our valuation reports are also to be relied upon for First Mortgage Security purposes, however the Lender/s are yet to be determined. Whilst our full Valuation Reports may also be relied upon for First Mortgage Security purposes, we note that the lending institution/s will be subject to our sole discretion. CBRE has been instructed to provide full Valuation Reports in addition to this Summary Letter, which is to be included in a Circular to holders of units in Frasers Logistics & Industrial Trust for information purposes only. The Valuation Reports are to be relied upon for Acquisition and Financial Reporting purposes only and is specifically addressed for use and reliance upon by the parties named above. For the avoidance of doubt, reliance on the full Valuation Reports and/or this Summary Letter is not extended to the holders of units in Frasers Logistics & Industrial Trust.
Basis of Valuation	Market Value - As Is - Assuming Subdivision. Market Value - As If Complete - Subject to proposed occupancy arrangements.
Interest Valued	Freehold (100% interest).

PROPERTY PARTICULARS

Brief Description	Upon completion, improvements will comprise of an 'as new' warehouse facility, consisting of an internal two level office (fronting Hudson Court) and warehouse component to the rear. The warehouse will have a minimum internal clearance height of 9.6 metres with an apex of 12 metres and will have fire sprinklers. Vehicle access will be available via two dual width concrete crossovers off Hudson Court (one providing access to the carpark and one for truck loading). Loading to the facility is made via 6 on grade RSD's, plus 2 recessed RSD's with dock levellers. The property currently represents as vacant land. The site has been benched and ready to be developed.
Tenancy Details	Upon practical completion, the facility will be leased to Clifford Hallam Healthcare Pty Ltd for 10 years at a commencing rental of \$1,855,000 per annum net excluding GST (\$87.5 psm). Annual rent reviews of 3.0%. For the purpose of this assessment, the commencement date of the lease is the date of valuation.
Title Details	Proposed Lot 401 on Plan of Subdivision 810929U (Parent Title: Lot A, PS742722V).
Registered Owner	Australand C & I Land Holdings Pty Ltd.
Site Area (sqm)	35,162
Lettable Area (sqm)	21,200
Zoning	Industrial 1 Zone.
Planning Scheme	Greater Dandenong Planning Scheme.

TENANCY PROFILE

Major Tenant	GLA (sqm)	Expiry	INCOME PROFILE		
			Passing	Market	
Clifford Hallam	21,200.0	29-Apr-27	Gross Income	\$2,190,000	\$2,190,000
-	-	-	Net Income	\$1,855,000	\$1,855,000
-	-	-	Net Income - Fully Leased	\$1,855,000	\$1,855,000
-	-	-	Net Income - Fully Leased	\$87.5 psm	\$87.5 psm
-	-	-	Outgoings (adopted)	\$335,000	\$16 psm
Current Vacancy	0.00 sqm	0.0%	Net Mkt Income - Vacancies	\$0	\$0 psm
WALE (by Area)	10.00 yrs		Outstanding Incentives (PV)	\$0	
WALE (by Passing Income)	10.00 yrs				
WALE (by Market Income)	10.00 yrs				

PROPERTY INCOME PROFILE

LEASE EXPIRY ANALYSIS


CASHFLOW ASSUMPTIONS					
	5 year avg	10 year avg			
Growth Forecasts			Industrial Renewal Profiles		
CPI	2.17%	2.26%	Lease Renewal Probability		50.00%
Industrial Mkt Rent	2.77%	2.87%	Downtime		8.0 months
Sundry Growth	2.67%	2.76%	New Lease Term		5.0 years
Statutory Outgoings	2.67%	2.76%	Incentives		12.50% - 20.00%
Operating Outgoings	2.67%	2.76%	Leasing Commissions		12.00%
Building CAPEX	2.67%	2.76%	New Lease Reviews		3.00%
CAPITAL EXPENDITURE					
	5 years	10 years			
Total CAPEX (inflated)	\$161,856	\$465,096	Tenancy Refurbishment	Industrial	\$0 psm
% of Adopted Value	0.54%	1.56%			
Total Tenancy Refurb	\$0	\$0			
Total Budgeted CAPEX	\$0	\$0			
Sinking Fund Allowance	\$161,856	\$465,096			
VALUATION SUMMARY - AS IS - VACANT LAND					
Direct Comparison Approach		\$8,087,260			
Direct Comparison Rate		\$230 psm			
VALUATION SUMMARY - AS IF COMPLETE					
Market Capitalisation Value	\$29,500,000	Discounted Cashflow Value	\$30,000,000		
Market Cap. Rate	6.25%	Discount Rate	7.25%		
Initial Yield	6.24%	Terminal Yield	6.50%		
Initial Yield - Fully Leased	6.24%	Ten Year IRR	7.30%		
Equivalent Yield	6.24%	Terminal Value contribution to IRR	53.22%		
Direct Comparison Rate	\$1,403 psm	Expiry Horizon Captured in Terminal Year	12.0 months		
ASSESSMENT					
Valuation Approach	Market Capitalisation, Discounted Cash Flow Analysis & Direct Comparison				
Date of Inspection	7 April 2017				
Date of Valuation	30 April 2017				
ADOPTED VALUE - VACANT LAND	\$8,087,260	Eight Million, Eighty Seven Thousand, Two Hundred and Sixty Dollars			
	This valuation is exclusive of GST.				
ADOPTED VALUE - AS IF COMPLETE	\$29,750,000	(Twenty Nine Million, Seven Hundred and Fifty Thousand Dollars)	Building Apportionment	\$21,662,740	
	This valuation is exclusive of GST.		Land Apportionment		
Conditional Terms	This summary must not be read independently of the valuation report in its entirety. This valuation is subject to all content, assumptions, disclaimers, qualifications and recommendations throughout the report. The report is prepared for the use of and reliance by the Reliant Party only and limited only to the Purpose specifically stated. No responsibility is accepted or assumed to any third party for the whole or any part of the report.				

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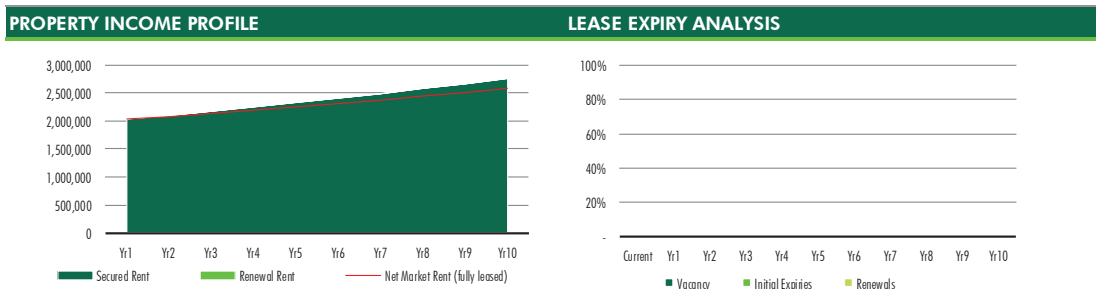
EXECUTIVE SUMMARY - Lot 1, 148 Pearson Road, Yatala, QLD
INSTRUCTIONS / RELIANCE

Instructing Party	Benjamin Lim and Ramesh Selva of Perpetual (Asia) Limited, in its capacity as trustee of Frasers Logistics & Industrial Trust.
Instruction Date	19 April 2017
Reliant Party/Purpose	To be relied upon by Perpetual (Asia) Limited, in its capacity as trustee of Frasers Logistics & Industrial Trust and Frasers Logistics & Industrial Asset Management Pte. Ltd., in its capacity as manager of Frasers Logistics & Industrial Trust, for Acquisition and Financial Reporting Purposes only. Our valuation reports are also to be relied upon for First Mortgage Security purposes, however the Lender/s are yet to be determined. Whilst our full Valuation Reports may also be relied upon for First Mortgage Security purposes, we note that the lending institution/s will be subject to our sole discretion. CBRE has been instructed to provide full Valuation Reports in addition to this Summary Letter, which is to be included in a Circular to holders of units in Frasers Logistics & Industrial Trust for information purposes only. The Valuation Reports are to be relied upon for Acquisition and Financial Reporting purposes only and is specifically addressed for use and reliance upon by the parties named above. For the avoidance of doubt, reliance on the full Valuation Reports and/or this Summary Letter is not extended to the holders of units in Frasers Logistics & Industrial Trust.
Basis of Valuation	Market Value - As If Complete - Subject to execution of Lease and assuming Individual Title and all Incentives Paid
Interest Valued	Freehold (100%)

PROPERTY PARTICULARS

Brief Description	As currently configured, the parent property comprises a 10.98 hectare landholding positioned on the western side of Pearson Road, Yatala. The parent has been prepared for development and forms an part of the 'Yatala Central', a master planned industrial subdivision of approximately 45.5 hectares. The proposed industrial facility is to be located on the southern-most portion of parent parcel and is to comprise a site area of approximately 48,888 square metres of which 40,621 square metres is considered usable and the balance portion of 8,267 square metres consisting of landscaping and retaining wall areas. As per the provided plans, the facility will provide a Gross Lettable Area of 23,051 square metres, consisting 657 square metres of office accommodation, 394 square metres of production office accommodation and 22,000 square metres of warehouse accommodation.
Tenancy Details	On completion, the facility is to be leased to Beaulieu of Australia Pty Ltd for an initial 15 year term. The commencement rental of \$2,025,030 per annum net (\$88 psm of GLA) which is to be reviewed annually to the greater of CPI or 3.5%. The lease provides for two further terms of 5 years.
Title Details	Part of Lot 2 Survey Plan 256170
Registered Owner/s	Australand Industrial No. 139 Pty Ltd
Site Area (sqm)	48,888
Lettable Area (sqm)	23,051
Zoning	Low Impact Industry
Planning Scheme	Gold Coast City Planning Scheme

TENANCY PROFILE			INCOME PROFILE		
Major Tenant	GLA (sqm)	Expiry		Passing	Market
Beaulieu of Australia Pty	23,051.0	29-Apr-32	Gross Income	\$2,346,963	\$2,346,963
-	-	-	Net Income - Fully Leased	\$2,025,030	\$2,025,030
-	-	-	Net Income - Fully Leased	\$88 psm	\$88 psm
-	-	-	Outgoings (adopted)	\$321,932	\$14 psm
Current Vacancy	0.00 sqm	0.0%	Net Mkt Income - Vacancies	\$0	\$0 psm
WALE (by Passing Income)	15.0 yrs		Outstanding Incentives (PV)	\$0	



CASHFLOW ASSUMPTIONS

	5 year avg	10 year avg
Growth Forecasts		
CPI	2.14%	2.24%
Industrial Mkt Rent	2.64%	2.74%
Building CAPEX	2.14%	2.24%
Statutory Outgoings	2.14%	2.24%
Operating Outgoings	2.14%	2.24%

CAPITAL EXPENDITURE

	5 years	10 years			
Total CAPEX (inflated)	\$105,431	\$401,437	Tenancy Refurbishment	Industrial	\$10 psm
% of Adopted Value	0.31%	1.19%			
Sinking Fund Allowance	\$105,431	\$401,437			

VALUATION SUMMARY

Market Capitalisation Value	\$33,800,000	Discounted Cashflow Value	\$33,600,000
Market Cap. Rate	6.00%	Discount Rate	7.25%
Initial Yield	5.99%	Terminal Yield	7.00%
Initial Yield - Fully Leased	5.99%	Ten Year IRR	7.15%
Equivalent Yield	5.99%	Terminal Value contribution to IRR	53.52%
Direct Comparison Rate (\$psm of GLA)	\$1,466 psm	Expiry Horizon Captured in Terminal Year	12.0 months

ASSESSMENT

Valuation Approach	Market Capitalisation & Discounted Cash Flow Analysis		
Date of Inspection	10 April 2017	Hypothetical Apportionment	
Date of Valuation	30 April 2017	<i>Land</i>	<i>Building Imp.</i>
ADOPTED VALUE	\$33,800,000	\$7,315,000	\$26,485,000
	(Thirty Three Million, Eight Hundred Thousand Dollars)		
	This valuation is exclusive of GST.		

Conditional Terms This summary must not be read independently of the valuation report in its entirety. This valuation is subject to all content, assumptions, disclaimers, qualifications and recommendations throughout the report. The report is prepared for the use of and reliance by the Reliant Party only and limited only to the Purpose specifically stated. No responsibility is accepted or assumed to any third party for the whole or any part of the report.

Liability limited by a scheme approved under Professional Standards Legislation.



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5 June 2017

The Board of Directors
Frasers Logistics & Industrial Asset Management Pte. Ltd.
(as manager of Frasers Logistics & Industrial Trust) (the “**Manager**”)
438 Alexandra Road
#21-00 Alexandra Point
Singapore 119958

Ref: 6250

Dear Sirs

Re: 43 Efficient Drive, Truganina

1. Instruction

We have been instructed by Rachel Quan of Frasers Logistics & Industrial Asset Management Pte. Ltd., in its capacity as manager of Frasers Logistics & Industrial Trust (“FLT”), in a letter dated 19 April 2017, to provide the Market Value of the subject premises as at 30 April 2017 for acquisition, first mortgage security purposes and inclusion in the Circular to holders of units in FLT. The Valuation is provided in accordance with the Corporations Law and Regulations.

We confirm that we have prepared this valuation for acquisition, inclusion in the circular to holders of units in FLT and first mortgage security purposes and that this report may be relied upon by the following parties:

- Perpetual (Asia) Limited, in its capacity as trustee of Frasers Logistics & Industrial Trust;
- Frasers Logistics & Industrial Asset Management Pte. Ltd., in its capacity as manager of Frasers Logistics & Industrial Trust;
- Our valuation has been prepared for first mortgage security purposes and can be relied upon by an intending Mortgagee subject to written consent being given from Savills Valuations Pty Ltd, subject to the commentary, suggestions, recommendations and details within our full valuation report.
- Ernst & Young Corporate Finance Pte Ltd; and
- Allen & Gledhill LLP.

This valuation has been prepared in accordance with Perpetual (Asia) Limited’s valuation standard, the API guidelines and the SGX Valuation Standard.

We have prepared a full and comprehensive Valuation Report for the property in accordance with our instructions. This Valuation Summary and its attachments should be read in conjunction with our full valuation report (dated 30 April 2017) as we note this letter does not include all essential information and the assumptions which are detailed in our Valuation Report. The Valuation Report provides a detailed description of the property; its current lease agreement; assumptions impacting value and local market characteristics.

2. Date of Valuation

As per your instructions the date of valuation is 30 April 2017.

The property was inspected on 12 April 2017. We have assumed that there is no material difference in the value of the property between the date of inspection and the date of valuation.

3. Basis of Valuation

Market Value as defined by the International Valuation Standards Council and as adopted by the Australian Property Institute is as follows:

“Market Value is the estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing, wherein the parties had each acted knowledgeably, prudently and without compulsion.”

Included in the amount of our valuation are normal fixtures and fittings. Excluded from the amount of our valuation are items of furniture and furnishings, and tenant’s fixtures and fittings. Our valuation is determined on the basis that the property, the title thereto and its use is not affected by any matter other than that mentioned in our full valuation report.

4. Scope of Work and Valuation Approach

In undertaking our valuation of the subject property, our approach has involved the following:

- Securing relevant property information from Frasers Property Australia Pty Ltd including but not limited to title particulars, building particulars, preliminary Lease information and an outgoings expenditure budget;
- A physical inspection of the property;
- Market research with local and active real estate agents and other market participants in addition to with relevant authorities;
- Use of Savills proprietary valuation computer model to compare our analysis and conclusions;
- We have been instructed by Frasers Logistics & Industrial Asset Management Pte. Ltd., (as manager of Frasers Logistics & Industrial Trust) to exclude incentives from our assessment on the basis it has been paid out in full as at our valuation date.

In assessing the value of the subject property we have considered two bases of valuation being:-

1. Capitalisation Approach; and
2. Discounted Cash Flow Analysis (“DCF”).

Attachments (including the valuation executive summary) should be read in conjunction with our full valuation report dated 30 April 2017 (the ‘full valuation report’). We note that this letter does not contain all the necessary information and assumptions which are detailed within the full valuation report. The full valuation report forms an integral part of our advice and provides descriptive commentaries on the property’s characteristics in addition to the local market dynamics and any general, specific and special assumptions under which we have prepared our valuation.

5. Valuation Methodology

We have assessed the valuation on the basis of Freehold Title, subject to the existing tenancy. Our valuation is determined on the basis that the property, the Title thereto and its use is not affected by any matter other than that mentioned in the full valuation report. Furthermore, it has been assumed that reasonable resources are available in negotiating the sale and exposing the property to the market.

Each valuation approach is briefly summarised as follows:

Capitalisation Approach

The capitalisation of income approach involves the assessment of the current annual market rental value of the property. Our assessment of current annual market rental value has been based on an analysis of comparable rental evidence. The current market rental has then been capitalised at a rate derived from establishing a relationship between rental returns and the sale prices of comparable investment properties.

Where the passing rental is below (above) the market rental value, a deduction (or an addition) is made for the rental shortfall (surplus) until the next market rent review opportunity.

Discounted Cash Flow (DCF) Approach

A discounted cash flow analysis has been prepared taking into account the ability of the property to generate income over a 10-year period based on certain assumptions. Provision is made for leasing up periods upon the expiry of the various leases throughout the 10-year time horizon.

Each year's net operating income during the period is discounted to arrive at the present value of expected future cash flows. The property's anticipated sale value at the end of the period (i.e. its terminal or reversionary value) is also discounted to its present value and added to the discounted income stream to arrive at the total present Market Value of the property.

In line with market convention, the DCF assumes a holding period of 10 years. The adopted terminal value assumes market conditions commensurate to those being experienced as at the date of valuation, whilst acknowledging that the property will be 10 years older, but well maintained.

6. Pecuniary Interest

We hereby certify that the Valuer and valuation firm do not have any direct, indirect or financial interest in the property or clients described herein that would conflict with the proper Valuation of the property.

The Valuer has at least five years of continuous experience in the valuation of property of a similar type to the subject and is authorised by law to practise as valuers in their respective states.

In addition, the Valuer confirms the following:

- The Valuer is not a related corporation of or has a relationship with the manager, adviser or any other party whom the property fund is contracting with which, in the opinion of Perpetual (Asia) Limited, in its capacity as trustee of Frasers Logistics & Industrial Trust ("FLT", and the trustee of FLT, the "REIT Trustee"), would interfere with the Valuer's ability to give an independent and professional valuation of the property;
- The Valuer has disclosed to the REIT Trustee any pending business transactions, contracts under negotiation, other arrangements with the manager, adviser or another or any other party whom FLT is contracting with and other factors that would interfere with the Valuer's ability to give an independent and professional valuation of the property. The REIT Trustee should then take such disclosure into account when deciding whether the person concerned is sufficiently independent to act as the valuer for the property fund;
- The Valuer has the necessary expertise and experience in valuing properties of the type in question and in the relevant area; and
- The Valuer has not valued the same property for more than two consecutive financial years.

7. Property Summary

The subject property comprises a purpose-built office/warehouse facility which was completed in February 2017. The facility provides corner office accommodation attached to a high clearance warehouse with a combination of both at grade and recessed loading docks. Warehouse loading is predominately to the northern building elevation to which all loading points are serviced by associated canopies and a drive-through breezeway awning.

Attached as Appendix A to this letter is a summary of the key disclaimers, assumptions and qualifications applied to our valuation.

Attached as Appendix B to this letter is the Executive Summary extracted from our valuation report.

A summary of our valuation is provided overleaf.

8. Market Commentary

Australia is home to a large and competitive industrial property market. The market contains a wide range of participants from end-to-end property solutions companies, investors and developers to owner occupiers and tenants.

In the last two years, Funds and Trusts have returned to the market as buyers. Given the amount of capital raising, debt restructuring and slow easing of restrictions to debt finance, Funds and Trusts are generally better positioned to actively participate in the market. Demand and competition for prime industrial assets in an effort to secure assets under management is now from not just from locally based groups, but also overseas Trusts and Funds, who are attracted to the strong yields, fixed annual rental increases and transparent market. This has therefore led to increased competition to secure high quality individual industrial assets.

Detailed below is a summary of the sales we relied on in assessing the value of the subject property.

Address	GLA (m ²)	Sale Date	Sale Price	Equated Market Yield	IRR	Sale Price /m ²	WALE
18 Foxley Court, Derrimut	22,028m ²	Dec-16	\$23,822,069	6.85%	7.27%	\$1,034/m ²	3.00 yrs
27-43 Toll Drive, Altona North	21,324m ²	Dec-16	\$27,250,000	7.21%	8.38%	\$1,278/m ²	3.43 yrs
217-225 Boundary Road, Laverton North	20,723m ²	Dec-16	\$22,250,000	6.72%	6.95%	\$1,074/m ²	4.50 yrs
1868-1892 Dandenong Road, Clayton	8,471m ²	Dec-16	\$20,500,000	5.92%	7.16%	\$2,420/m ²	10.00 yrs
29 Endeavour Court, Dandenong South	18,007m ²	Sept-16	\$24,800,000	6.35%	7.64%	\$1,377/m ²	6.22 yrs

The sales range in price from approximately \$20.5M to \$27.25M and indicate the following benchmark ranges:

■ Building Value Rate	\$1,034/m ² to \$2,420/m ²
■ Equated Market Yield	5.92% to 7.21%
■ IRR	6.95% to 8.38%

9. Liability Disclaimer

Savills has prepared this letter and the full valuation report based upon information made available to us at the date of valuation. We believe that this information is accurate and complete, however we have not independently verified all such information. Savills is not providing advice about a financial product, nor the suitability of the investment set out in the Circular to holders of units in FLT. Savills does not, nor does the Valuer, hold an Australian Financial Services Licence and is not operating under such a licence in providing its opinion as to the value of the property detailed in this report.

Savills has prepared this summary for inclusion in the Circular to holders of units in FLT and has only been involved in the preparation of this summary and the valuation referred to therein. Savills specifically disclaim liability to any person in the event of any omission from, or false or misleading statements included in the circular, other than in respect of the Valuation and this summary.

Any reliance upon this letter should therefore be based upon the actual possession or sighting of an original valuation report duly signed and countersigned in the before-mentioned manner. Savills consents to the full valuation report being made available for inclusion in the Circular to holders of units in FLT and for display at the registered office of the Manager from the date of the Circular up to and including the date falling three months thereafter, subject to the recognition that our valuation only remains relevant for the three months post our date of valuation. For the avoidance of doubt, reliance on our valuation is not extended to unitholders and potential unitholders.

This Valuation is current at the date of valuation only. The value assessed herein may change significantly and unexpectedly over a relatively short period of time (including as a result of general market movements or factors specific to the particular property). Liability for losses arising from such subsequent changes in value are excluded as is liability where the valuation is relied upon after the expiration of three months from the date of the valuation.

We have assessed the market value of the property in accordance with the Market Value definition contained within this letter summary and our full valuation report. In the event that, having regard to current economic conditions, a sale was to occur in circumstances not reflecting that Market Value definition, the price realised may be at a substantial discount to the Market Value assessed.

Savills Valuations Pty Ltd liability is limited by a scheme approved under Professional Standards Legislation.

Yours sincerely



Ross Smillie
National Director – Industrial Valuations
Valuation & Advisory

Annexures

- Executive Summary



Executive Summary

43 Efficient Drive, Truganina, VIC

Name of Responsible Entity	Perpetual (Asia) Limited, in its capacity as trustee of Frasers Logistics & Industrial Trust; and Frasers Logistics and Industrial Asset Management Pte. Ltd., in its capacity as manager of Frasers Logistics & Industrial Trust.	
Interest Valued	100% Freehold subject to the existing tenancy	
Valuation Purpose	Acquisition & First Mortgage Security Purposes	
Property Description	<p>The subject property comprises a purpose-built office/warehouse facility which was completed in February 2017. The facility provides corner office accommodation attached to a high clearance warehouse with a combination of both at grade and recessed loading docks. Warehouse loading is predominately to the northern building elevation to which all loading points are serviced by associated canopies and a drive-through breezeway awning.</p> <p>The property is located to the western side of Efficient Drive within the developing West Park Industrial Estate in Truganina, approximately 18 kilometres west of the Melbourne Central Business District.</p>	
Title Details	Volume 11692 Folio 875, known as Lot 52 in Plan of Subdivision 738859Q	
Lettable Area	23,088.00m ²	
Site Area	35,941.00m ²	
Zoning	Industrial 1	
Valuation Approach	Capitalisation Approach, Discounted Cash Flow and Direct Comparison	
Date of Valuation	30 April 2017	
Current Vacancy Rate	0.00% (0.0m ²)	
WALE (by Income)	4.93 years	
Tenant Comment	The property is fully leased to CEVA Logistics	
Net Passing Income	\$1,715,900 (avg industrial \$74/m ²)	
Net Mkt Income Used for Valuing	\$1,673,880 (avg industrial \$73/m ²)	
Adopted Outgoings	\$250,483 (\$10.85/m ²)	
Passing Initial Yield (PIY)	6.95%	
Equated Market Yield	6.81%	
Quoted Capitalisation Rate	6.75%	
Quoted Discount Rate	7.50%	
Terminal Yield	7.00%	
Rental Growth Projections	Industrial: 3.14% (average compound rate)	
Capex Allowance (DCF)	\$595,746 (FV \$26/m ²)	
Internal Rate of Return (IRR)	10 Year IRR: 7.52% Partitioned IRR: Cashflows: 45%; Terminal Value: 55%	
\$Rate/m² of Lettable Area	\$1,070/m ²	
Adopted Market Value	\$24,700,000 (*)	
Prepared by	Ross Smillie	Tom Jones
	Certified Practising Valuer	Certified Practising Valuer
	Savills Valuations Pty Ltd	Savills Valuations Pty Ltd

(*) This valuation amount is exclusive of a Goods and Services Tax.

We advise that this summary must be read by the nominated parties in conjunction with the attached report (including appendices) of which this summary forms part. This valuation summary should not be relied upon in isolation for finance or any other purposes. Liability limited by a scheme approved under Professional Standards Legislation. Savills will not be liable for loss of business revenue, contracts, savings or consequential losses as a result of any reliance on the opinions expressed in this report.



**LEVEL 12
120 COLLINS STREET
MELBOURNE VIC 3000**

URBIS.COM.AU
Urbis Valuations Pty Ltd
ABN 28 105 273 523

5 June 2017

Frasers Logistics & Industrial Asset Management Pte. Ltd.
(as manager of Frasers Logistics & Industrial Trust (the 'Manager'))
438 Alexandra Road
#21-00, Alexandra Point
Singapore 119958

Dear Sirs,

VALUATION OF AUSTRALIAN INDUSTRIAL INVESTMENT PORTFOLIO OF 6 PROPERTIES

1 INSTRUCTIONS

We refer to instructions issued by Perpetual (Asia) Limited, as trustee of Frasers Logistics & Industrial Trust (the 'Trustee'), on behalf of Frasers Logistics & Industrial Asset Management Pte. Ltd., as manager of Frasers Logistics & Industrial Trust, requesting formal valuations of a portfolio of 6 Australian industrial properties. The assets are currently held by Frasers Property Australia Pty Ltd and are to be acquired by Frasers Logistics & Industrial Trust ('FLT').

We have specifically been instructed to assess the market value of each property effective 30 April 2017 which will be relied upon for Acquisition, inclusion in a circular to holders of units in FLT, financial reporting and financing purposes by interalia, the Trustee and the Manager.

The valuations have been prepared for first mortgage security purposes for reliance by DBS Bank Ltd only. No additional mortgagees can rely on the valuations unless a written request for reliance has been made to Urbis Valuations Pty Ltd (Urbis) and written consent is provided by Urbis.

We have prepared a comprehensive Valuation Report for each of the properties in accordance with our instructions. This letter and its attachments (including Valuation Executive Summaries) should be read in conjunction with our full valuation reports effective 30 April 2017 as we note this letter ('Letter') does not include all essential information and the assumptions which are detailed in our Valuation Reports. The Valuation Reports provide a detailed description of the property, its current tenancy configuration and agreements, assumptions impacting value and local market characteristics.

We understand this Letter summarising our valuations is required for inclusion in the Circular to be issued by the Manager to unitholders of FLT (the 'Circular'). Urbis Valuations Pty Ltd have not prepared the Circular.

PDS Letter



2 DATE OF VALUATION

As instructed the date of valuation is 30 April 2017.

The properties were inspected in April 2017. Each valuation reflects the valuer's view of the market at that date and does not purport to predict the future. The valuation has therefore been prepared on the assumption that market and physical conditions of the improvements remain unchanged between the date of inspection and the date of valuation.

3 BASIS OF VALUATION

We have assessed the market value of each individual asset in accordance with the definition of market value as approved by the Australian Property Institute ('API') included as follows:

"The estimated amount for which an asset should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction, after proper marketing, wherein the parties had each acted knowledgeably, prudently and without compulsion."

In considering this definition, the International Valuation Standards which have been adopted by the API, define a willing seller as follows:

'A willing seller is neither an over eager nor a forced seller, prepared to sell at any price, nor one prepared to hold out for a price not considered reasonable in the current market. The willing seller is motivated to sell the property at market terms for the best price attainable in the (open) market after proper marketing, whatever that price may be.'

Accordingly, although a willing seller will not necessarily just accept the first offer that is made, he/ she is a seller in the current market and therefore is not seeking a market price which may be unattainable in the current market'.

The above market definition is consistent with the Australian Accounting Standards Board definition of fair value detailed in AASB116, being:

'Fair value is the amount for which an asset could be exchanged between knowledgeable willing parties in arms length transaction'.

We have adopted the above definitions in undertaking our assessment of value.

Our valuation has also been completed having regard to paragraph 8 (Valuation of the Property Fund's Real Estate Investments) within Appendix 6 – Investment: Property Funds to the Code on Collective Investment Schemes prepared by the Monetary Authority of Singapore.

4 QUALIFICATIONS AND ASSUMPTIONS

Each valuation provides particulars on the information provided by our instructing client, the investigations we have undertaken in completing the valuation. Our valuations have been completed under the strict assumption that no material information to the valuation has been withheld in any instance.



Each valuation has been prepared on the basis of the standard terms and conditions which comprise a list of major assumptions and limiting conditions under which our opinion is given. These are contained within Appendix A (as attached to this Letter) and should be read in conjunction with this letter and the valuation summaries. It is a condition of the use of each valuation that the recipient of the report accepts these statements. Specific assumptions made in respect to each particular valuation are set out in the commentary provided within the full valuation reports.

5 SCOPE OF WORK AND APPROACH

In undertaking our valuations our approach in each instance has generally comprised the following:

- Securing relevant individual property information from Frasers Logistics & Industrial Asset Management Pte. Ltd. (FLT) including but not limited to title particulars, building particulars, lease, outgoing, capex and incentive particulars;
- A physical inspection of each property;
- Market research with local and active real estate agents and other market participants in addition to relevant authorities;
- Use of Urbis' proprietary valuation computer model to compare our analysis and conclusion;
- Where a property is under development our instructions have been to assess the value on an 'As If Complete' basis subject to the proposed tenancy; and
- Where a property has an outstanding incentive we have been instructed by FLT to exclude it from our assessment on the basis it has been paid out.

Our 'As if Complete' valuations have been undertaken utilising the methods that are consistent with those adopted in the market place, namely:

- Capitalisation approach; and
- Discounted Cash Flow (DCF) approach.

For our 'As Is' valuation we have utilised the Direct Comparison approach.

Attachments (including valuation executive summaries) should be read in conjunction with our full valuation reports dated 30 April 2017 (the 'full valuation report'). We note that this letter does not contain all the necessary information and assumptions which are detailed in the full valuation reports. The full valuation reports form an integral part of our advice and provide descriptive commentaries on the individual properties' characteristics in addition to the local market dynamics and any general, specific and special assumptions under which each valuation has been prepared.



6 VALUATION METHODOLOGY

All of the properties assessed in the portfolio 'As if Complete" have been assessed utilising both the capitalisation of income and discounted cash flow valuation approaches.

Each valuation approach is briefly summarised as follows:

CAPITALISATION APPROACH

The capitalisation approach involves the assessment of a net market income for the various components of the subject property. The net market income is capitalised at a rate derived from the analysis of comparable sales evidence with subsequent capital adjustments made as appropriate. These capital adjustments may include a combination of rental reversions, unexpired incentives, vacancy downtime and incentive allowances, future vacancy allowances and capital expenditure.

The yield / capitalisation rate adopted is selected having regard to the following key considerations:

- Demonstrated market yields;
- The physical condition and design of the facility;
- The location, zoning and title restrictions that apply;
- The current and potential earnings profile for the property; and
- The current tenancy, quality of covenant and remaining lease term.

DISCOUNTED CASH FLOW (DCF) APPROACH

For each of the properties we have undertaken a 10 year discounted cash flow analysis based upon the structured passing rental under the existing lease and a range of assumptions to reflect our expectations with regards to tenant retention/vacancies, rental growth, incentives, capital expenditure items and a number of other factors.

The forecasts represent what we believe a potential purchaser of each property would adopt as being realistic and achievable assumptions.

The discounted cash flow included in our valuations has been prepared solely for the purpose of the valuation and does not necessarily correspond or reconcile with any cash flow forecast that is made by the owner for management and budgeting reasons.

The cash flow projections adopted within our valuation has been undertaken as part of our discounted cash flow analysis approach to valuation. Although such projections are necessary for the discounted cash flow valuation approach, past experience has provided a very clear reminder that forecasting future income and expenditure movements is particularly uncertain and hazardous. Accordingly, the projections provided within each valuation should be considered as a broad guide only and likely to undergo variation from time to time. Included in our full valuation reports are our cashflow projections and comments thereon.



The Direct Comparison approach, analysed on a value rate of site area, has been adopted for the “As is’ values.

7 PECUNIARY INTEREST

We confirm that we are not a related corporation of our client and that the valuers and Urbis Valuations Pty Ltd have no economic interest in the client or the subject properties that would conflict with the proper valuation of the properties or could be reasonably regarded as being capable of affecting the valuer’s ability to give an unbiased opinion.

We, Shane Robb, Ivan Hill & Russell McKinnon (the Valuers), refer to Paragraph 8 (Valuation of the Property Fund’s Real Estate Investments) within Appendix 6 – Investment: Property Funds to the Code on Collective Investment Schemes prepared by the Monetary Authority of Singapore, and confirm the following:

- The Valuer is not a related corporation of or has a relationship with the manager, adviser or any other party whom the property fund is contracting with which, in the opinion of the REIT Trustee, would interfere with the valuer’s ability to give an independent and professional valuation of the property;
- The Valuer has disclosed to the REIT Trustee any pending business transactions, contracts under negotiation, other arrangements with the manager, adviser or another or any other party whom FLT is contracting with and other factors that would interfere with the valuer’s ability to give an independent and professional valuation of the property. The REIT Trustee should then take such disclosure into account when deciding whether the person concerned is sufficiently independent to act as the valuer for the property fund;
- The Valuer is authorised under any law of the state or country where the valuation takes place to practice as a valuer;
- The Valuer has the necessary expertise and experience in valuing properties of the type in question and in the relevant area; and
- The Valuer has not valued the same property for more than two consecutive financial years

8 SUMMARY OF PORTFOLIO

The portfolio of properties valued herein comprise of 6 industrial investment assets located throughout Australia’s industrial markets, although more specifically along the eastern seaboard states of Victoria, New South Wales and Queensland.

Attached as Appendix A to this Letter is a summary of the key disclaimers, assumptions and qualifications applied to the valuations.

Attached as Appendix B to this Letter are the Executive Summaries extracted from our 6 valuation reports.

A summary of our valuations is provided in the following table overpage.



Address	Suburb	State	Title/Tenure	Assessed Value	Assessed Value with Incentives	Land Apportionment
89-103 South Park Drive	Dandenong South	VIC	Freehold	\$13,000,000	N/A	\$4,725,000
29 Indian Drive	Keysborough	VIC	Freehold #	\$30,900,000	N/A	\$9,300,000
17 Hudson Court	Keysborough	VIC	Freehold #	\$29,800,000	N/A	\$8,100,000
8 Stanton Road	Seven Hills	NSW	Freehold	\$16,800,000	\$16,000,000	\$7,800,000
Lot 1, 2 Burilda Close	Wetherill Park	NSW	90 year Leasehold	\$23,500,000	\$22,500,000	\$13,650,000
Proposed Lot 1 Pearson Road	Yatala	QLD	Freehold #	\$33,800,000	N/A	\$7,350,000

As if Complete
N/A = Not Assessed



We refer the reader to each Valuation Report for a detailed overview of the property, its tenancy profile and local market conditions and characteristics.

The principal valuer(s) responsible for a valuation is noted at the bottom of the Executive Summary in each of the Valuation Reports.

9 MARKET COMMENTARY

Included within each valuation is a market commentary section that provides an overview of the prevailing market conditions particularly as they relate to each asset.

As an overarching statement on current market conditions we note that Investor appetite, particularly from international capital, is very strong and has many market participants questioning if the 'peak' of the current cycle has been reached. This view is consistent across most major asset classes. This international capital is being placed in large tranches directly and also indirectly via co-investment and investment mandates with local property players. This appetite is driven by Australia's transparent market place and potentially exacerbated by the recent and strong falls in the AUD. Alongside and participating against this foreign capital are local wholesale and REIT funds who continue to receive strong superannuation and other funds that require investment. A number of these funds are now targeting foreign investment, both direct and co-investment due to the lack of local opportunities.

Recent transactions continue to show firming in investment benchmarks as foreign capital (both institutional and private) dominates many sale processes. Both prime and high quality secondary assets are achieving market yields below 7.00% with IRRs generally 7.25% or lower.

The majority of investment sale activity has been portfolio based with Blackstone, by far the most active purchaser, having purchased two National portfolios from Goodman and a further portfolio from Charter Hall in the past 12 months representing almost \$1.5B. The balance of transactions have seen a diverse pool of purchaser profiles including Foreign Institutional, Foreign Private, local REIT, local Wholesale Funds, private and local syndicates.

10 DISCLAIMER

This Letter is dated 5 June 2017 whilst the valuations of the properties are effective 30 April 2017. They incorporate information and events up to that date of valuation only and exclude any information arising, or event occurring, after that date which may affect the validity of Urbis Valuations Pty Ltd's (**Urbis**) opinion in this Letter. Urbis prepared this letter for the benefit only, of Frasers Logistics & Industrial Asset Management Pte. Ltd. as REIT Manager and Perpetual (Asia) Limited as REIT Trustee (**Instructing Party**) for the purpose of Acquisition, inclusion in the circular to holders of units in FLT and Mortgage Security Purposes (**collectively the 'Purposes'**) and not for any other purpose or use. To the extent permitted by applicable law, Urbis expressly disclaims all liability, whether direct or indirect, to the REIT Manager and the REIT Trustee which relies or purports to rely on this Letter for any purpose other than the Purposes, and to any other person which relies or purports to rely on this report for any purpose whatsoever (other than the Purposes).

In preparing this Letter, Urbis was required to make judgements which may be affected by unforeseen future events, the likelihood and effects of which are not capable of precise assessment.



All surveys, forecasts, projections and recommendations contained in or associated with this letter are made in good faith and on the basis of information supplied to Urbis at the date of this Letter which Urbis has made efforts to ensure that the information is from sources which Urbis considers reliable and upon which Urbis has relied. Achievement of the projections and budgets set out in this Letter will depend, among other things, on the actions of others over which Urbis has no control.

Whilst Urbis has made all reasonable inquiries it believes necessary in preparing this Letter, it is not responsible for determining the completeness or accuracy of information provided to it. Urbis (including its officers and personnel) is not liable for any errors or omissions, including information provided by the Manager or another person or upon which Urbis relies, provided that such errors or omissions are not made by Urbis recklessly or in bad faith.

This Letter has been prepared with due care and diligence by Urbis and the statements and opinions given by Urbis in this Letter are given in good faith and in the reasonable belief that they are correct and not misleading, subject to the limitations above.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "S Robb", with a long horizontal stroke extending to the right.

Shane Robb, FAPI
National Co-ordinating Director
Australian Property Institute, Member No 62534

Enc: Executive Summaries

89-103 S Park Dr, Dandenong South VIC 3175, Australia

INSTRUCTING PARTY	Frasers Logistics and Industrial Asset Management Pte. Ltd in its capacity as Manager of Frasers Logistics & Industrial Trust
RELIANCE AUTHORITY	(i) Perpetual (Asia) Limited, in its capacity as trustee of Frasers Logistics & Industrial Trust; (ii) Frasers Logistics and Industrial Asset Management Pte. Ltd, in its capacity as manager of Frasers Logistics & Industrial Trust; and (iii) DBS Bank Ltd.
PURPOSE OF VALUATION	Acquisition, First Mortgage Security, Financial Reporting, Inclusion in the circular to holders of units of Frasers Logistics & Industrial Trust
DATE OF VALUATION	30-Apr-2017
INTEREST VALUED	100% Freehold
LEGAL DESCRIPTION	Lot 1 on PS 538427M (Volume 10960 Folio 068)
SITE AREA	21,034 m ²
ZONING	IN2Z
YEAR BUILT	2005
YEAR OF LAST MAJOR REFURB	2017
BRIEF DESCRIPTION	



The property comprises a modern distribution warehouse constructed in circa 2005 with a single storey office attached to the facade. It provides high bay clearance (9.5 metres) with east side loading including four at grade and three recessed dock loading. The property includes a separate access point to Bam Wine Court.

LOCATION

The property is situated to the south side of South Park Drive within the well regarded South Park Industrial Estate in Dandenong South. Dandenong South is a popular industrial suburb located approximately 32 radial kilometres south east of the Melbourne Central Business District. The location benefits from excellent connectivity to nearby major road arterials including the Eastlink and the Monash Freeway.

LETTABLE AREAS & INCOME ANALYSIS

	AREA (GLA)	PASSING (\$PA)		MARKET (\$PA)		VARIANCE (\$PA)
Industrial	10,425 m ²	\$813,150	\$78 /m ²	\$813,150	\$78 /m ²	\$0
Other	-	-	-	-	-	\$0
Recoveries		\$165,761		\$165,761		\$0
Outgoings (adopted)		(\$165,761)	(\$16/m ²)	(\$165,761)	(\$16/m ²)	\$0
TOTAL	10,425 m²	\$813,150		\$813,150		\$0
Current WALE (by Income)		9.83 Years	Current Vacancy			-

VALUATION

CAPITALISATION APPROACH		10 YEAR DISCOUNTED CASH FLOW	
Derived Value	\$12,886,234	Derived Value	\$13,014,649
Adopted Core Capitalisation Rate	6.25%	CPI Growth Rate	2.45%
Capital Adjustments Window	24 Months	Industrial Growth Rate	2.85%
Total Capital Adjustments	(\$124,166)	Adopted Discount Rate	7.00%
Capital Value (\$psqm) - Derived	\$1,236	Adopted Terminal Yield	6.75%

VALUATION

Valuation Approaches	Capitalisation Approach, DCF Analysis
Basis of Valuation	Market Value subject to the existing tenancy
Date Inspected	7 April 2017
Date of Valuation	30 April 2017
Adopted Valuation (Rounded)	\$13,000,000
Initial Yield	6.26%
Equivalent Market Yield	6.20%
Internal Rate of Return	7.01%
Rate psqm of GLA	\$1,247
Rate psqm of Site Area	\$618

Land Value Apportionment	\$4,725,000 (\$225/m ²)
Improvements Value Apportionment	\$8,275,000
Probable Buyer Type	Institution (local or foreign), Private Investor and Syndicates
Reasonable Selling Period	3 to 6 months
Recent Sale	None registered on Title
Major Ownership Issues	N/A
Market Appeal	Long term leased industrial investments. Particularly those in strong locations convenient to major road infrastructure are highly sought after.
Valuer (s)	Shane Robb, BBus (Prop), FAPI Certified Practising Valuer Australian Property Institute, Member No 62534 Principal Valuer & Signing
Status	Inspected
Disclaimer	<i>This Executive Summary should be used in conjunction with the Report and Valuation which follows, not in isolation.</i>

Source: Urbis

29 Indian Drive, Keysborough, VIC, 3173, Australia

INSTRUCTING PARTY	Frasers Logistics and Industrial Asset Management Pte. Ltd in its capacity as Manager of Frasers Logistics & Industrial Trust
RELIANCE AUTHORITY	(i) Perpetual (Asia) Limited, in its capacity as trustee of Frasers Logistics & Industrial Trust; (ii) Frasers Logistics and Industrial Asset Management Pte. Ltd, in its capacity as manager of Frasers Logistics & Industrial Trust; and (iii) DBS Bank Ltd.
PURPOSE OF VALUATION	Acquisition, First Mortgage Security, Financial Reporting, Inclusion in the circular to holders of units of Frasers Logistics & Industrial Trust
DATE OF VALUATION	30-Apr-2017
INTEREST VALUED	100% Freehold
LEGAL DESCRIPTION	Lot 303 on Proposed Plan of Subdivision No. 805159Y (current Title is Lot 104 on PS 631299Y Volume 11680 Folio 879)
SITE AREA	40,230m ²
ZONING	IN1Z
YEAR BUILT	Under Construction
YEAR OF LAST MAJOR REFURB	N/A



BRIEF DESCRIPTION

The property presently comprises a substantial vacant industrial allotment of some 4.02 hectares which is currently being developed with a large distribution complex. Upon completion, the facility will be occupied by Stanley Black & Decker under a long term lease agreement. Improvements comprise of a freestanding warehouse with attached single floor office and warehouse office. Additionally, the site will contain hardstand for truck marshalling and light duty paving for carparking. The site is due for completion in Q4 2017.

LOCATION

The subject property is within 'The Key' Industrial Park situated on the north-western corner of the intersection of Greens Road and Eastlink. The site is located within the developing Stages 4 and 5 of The Key Industrial Park; a popular and well-regarded estate within Melbourne's south-eastern industrial sub-market, being located approximately 30 radial kilometres from the Melbourne Central Business District.

LETTABLE AREAS & INCOME ANALYSIS

	AREA (GLA)	PASSING (\$PA)	MARKET (\$PA)	VARIANCE (\$PA)
Industrial	21,722 m ²	\$1,853,973	\$1,853,973	\$0
Other	-	-	-	\$0
Recoveries		\$304,108	\$304,108	\$0
Outgoings (adopted)		(\$304,108)	(\$304,108)	\$0
TOTAL	21,722 m²	\$1,853,973	\$1,853,973	\$0

Current WALE (by income)	10.00 Years	Current Vacancy	-
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VALUATION

CAPITALISATION APPROACH		10 YEAR DISCOUNTED CASH FLOW	
Derived Value	\$30,899,545	Derived Value	\$31,142,950
Adopted Core Capitalisation Rate	6.00%	CPI Growth Rate	2.35%
Capital Adjustments Window	24 Months	Industrial Growth Rate	2.81%
Total Capital Adjustments	-	Adopted Discount Rate	7.00%
Capital Value (\$psqm) - Derived	\$1,423	Adopted Terminal Yield	6.25%

VALUATION

Valuation Approaches	Capitalisation Approach, DCF Analysis, Direct Comparison
Basis of Valuation	Market Value 'As Is' and 'As If Complete'
Date Inspected	7 April 2017
Date of Valuation	30 April 2017
Adopted Valuation (Rounded) - As is	\$9,300,000
Adopted Valuation (Rounded) - As if Complete	\$30,900,000
Initial Yield	6.00%
Equivalent Market Yield	6.00%
Internal Rate of Return	7.11%
Rate psqm of GLA	\$1,423
Rate psqm of Site Area	\$768

Land Value Apportionment	\$9,300,000 (\$231/m ²)
Improvements Value Apportionment	\$21,600,000
Probable Buyer Type	Institution (local or foreign), Private Investor and Syndicates
Reasonable Selling Period	3 to 6 months
Recent Sale	None registered on Title
Major Ownership Issues	Whilst our valuation is on an 'As If Complete' basis, the property is transacting as a parcel of land with a developer agreement for completion of the facility
Market Appeal	Long term leased industrial investments. Particularly those in strong locations convenient to major road infrastructure are highly sought after.
Valuer (s)	Shane Robb, BBus (Prop), FAPI Certified Practising Valuer Australian Property Institute, Member No 62534
Status	Principal Valuer & Signing
Inspected	Inspected
Disclaimer	<i>This Executive Summary should be used in conjunction with the Report and Valuation which follows, not in isolation.</i>

Lot 401 Hudson Court, Keysborough, VIC, 3173, Australia

URBIS

INSTRUCTING PARTY	Frasers Logistics and Industrial Asset Management Pte. Ltd in its capacity as Manager of Frasers Logistics & Industrial Trust
RELIANCE AUTHORITY	(i) Perpetual (Asia) Limited, in its capacity as trustee of Frasers Logistics & Industrial Trust; (ii) Frasers Logistics and Industrial Asset Management Pte. Ltd, in its capacity as manager of Frasers Logistics & Industrial Trust; and (iii) DBS Bank Ltd.
PURPOSE OF VALUATION	Acquisition, First Mortgage Security, Financial Reporting, Inclusion in the circular to holders of units of Frasers Logistics & Industrial Trust
DATE OF VALUATION	30-Apr-2017
INTEREST VALUED	100% Freehold
LEGAL DESCRIPTION	Lot 401 on Proposed Plan of Subdivision 810929U
SITE AREA	35,162 m ²
ZONING	IN1Z
YEAR BUILT	Under Construction
YEAR OF LAST MAJOR REFRUB	N/A



The property presently comprises a substantial vacant industrial allotment of some 3.51 hectares which is currently being developed with a large distribution complex. Upon completion, the facility will be occupied by Clifford Hallam Healthcare (CH2) under a long term lease agreement. Improvements comprise of a freestanding climate-controlled warehouse with a two level office. Additionally, the site will contain hardstand for truck marshalling and light duty paving for carparking. The building is due for completion in Q1 2018.

LOCATION

The subject property is within 'The Key' Industrial Park situated on the north-western corner of the intersection of Greens Road and Eastlink. The site is located within the developing Stages 4 and 5 of The Key Industrial Park; a popular and well-regarded estate within Melbourne's south-eastern industrial sub-market, being located approximately 30 radial kilometres from the Melbourne Central Business District.

LETTABLE AREAS & INCOME ANALYSIS

	AREA (GLA)	PASSING (\$PA)		MARKET (\$PA)		VARIANCE (\$PA)
Industrial	21,200 m ²	\$1,855,000	\$88 /m ²	\$1,855,000	\$88 /m ²	\$0
Other	-	-	-	-	-	\$0
Recoveries		\$296,800		\$296,800		\$0
Outgoings (adopted)		(\$296,800)	(\$14/m ²)	(\$296,800)	(\$14/m ²)	\$0
TOTAL	21,200 m²	\$1,855,000		\$1,855,000		\$0

Current WALE (by income) 10.00 Years Current Vacancy -

VALUATION

CAPITALISATION APPROACH

Derived Value	\$29,680,000
Adopted Core Capitalisation Rate	6.25%
Capital Adjustments Window	24 Months
Total Capital Adjustments	-
Capital Value (\$psqm) - Derived	\$1,400

10 YEAR DISCOUNTED CASH FLOW

Derived Value	\$29,820,863
CPI Growth Rate	2.35%
Industrial Growth Rate	2.81%
Adopted Discount Rate	7.00%
Adopted Terminal Yield	6.75%

VALUATION

Valuation Approaches	Capitalisation Approach, DCF Analysis, Direct Comparison
Basis of Valuation	Market Value 'As Is' and 'As If Complete'
Date Inspected	7 April 2017
Date of Valuation	30 April 2017
Adopted Valuation (Rounded) As is	\$8,100,000
Adopted Valuation (Rounded) As if Complete	\$29,800,000
Initial Yield	6.22%
Equivalent Market Yield	6.22%
Internal Rate of Return	7.00%
Rate psqm of GLA	\$1,406
Rate psqm of Site Area	\$848

Land Value Apportionment	\$8,100,000 (\$230/m ²)
Improvements Value Apportionment	\$21,700,000
Probable Buyer Type	Institution (local or foreign), Private Investor and Syndicates
Reasonable Selling Period	3 to 6 months
Recent Sale	None to our knowledge
Major Ownership Issues	Whilst our valuation is on an 'As If Complete' basis, the property is transacting as a parcel of land with a development agreement for completion of the facility
Market Appeal	Long term leased industrial investments, particularly those in strong locations convenient to major road infrastructure are highly sought after.
Valuer (s)	Shane Robb, BBus (Prop), FAPI Director and Certified Practising Valuer Australian Property Institute, Member No 62534
Status	Principal Valuer & Signing
Inspected	Inspected

Disclaimer This Executive Summary should be used in conjunction with the Report and Valuation which follows, not in isolation.

Source: Urbis

8 Stanton Road Seven Hills

INSTRUCTING PARTY	Frasers Logistics & Industrial Asset Management Pty. Ltd. as Manager of Frasers Logistics & Industrial Trust (FLT)
RELIANCE AUTHORITY	Frasers Logistics & Industrial Asset Management Pty. Ltd. as Manager of FLT; Perpetual (Asia) Limited as Trustee of FLT; and DBS Bank Ltd as Facility Agent.
PURPOSE OF VALUATION	Acquisition, inclusion in the circular to holders of units in FLT, Financial Reporting and Financing
DATE OF VALUATION	30 April 2017
INTEREST VALUED	100% Freehold
LEGAL DESCRIPTION	Lot 100 in Deposited Plan 1038550
SITE AREA	1.646 hectares.
ZONING	IN1Z- General Industrial
LOCATION	



URBIS 8 STANTON ROAD, SEVEN HILLS AERIAL MAP

The subject property is located within Seven Hills, approximately 34 kilometres' northwest of the Sydney CBD and 10 kilometres northwest of the Parramatta CBD. The property is located off Abbott Road within an established industrial precinct and benefits from excellent road transport links given its close proximity to the M2 and M7 Motorways.

BRIEF DESCRIPTION

It comprises an industrial warehouse/office facility of early 2000's vintage totalling 10,708 sq.m Gross Lettable Area (GLA) on a site of 1.65 hectares, and features a large clear span high clearance warehouse with separate despatch and receiving bays, awning over each, roller shutter door access (2) and twelve (12) raised loading docks. The office and amenities component (5%) is spread over two (2) levels, with a reception area on the ground floor.

Ancillary improvements are a reinforced concrete paved truck forecourt area, line market staff car parking, and a fire sprinkler booster pump room. The complex features a single long-standing tenant.

LETTABLE AREAS & INCOME ANALYSIS

	AREA (GLA)	PASSING (\$PA)	MARKET (\$PA)
Industrial	10,708 m ²	\$1,487,404	\$1,177,880
Recoveries		\$203,473	\$203,473
Outgoings (adopted)		(\$203,473)	(\$203,473)
TOTAL	10,708 m²	\$1,487,404	\$1,177,880

	Current WALE (by Income)	Current Vacancy
	5.05 Years	-

VALUATION

CAPITALISATION APPROACH		10 YEAR DISCOUNTED CASH FLOW	
Derived Value	\$16,828,834	Derived Value	\$16,914,798
Adopted Core Capitalisation Rate	7.00%	CPI Growth Rate	2.34%
Capital Adjustments Window	12 Months	Industrial Growth Rate	2.97%
Total Capital Adjustments	\$1,977	Adopted Discount Rate	7.75%
Capital Value (\$psqm) - Derived	\$1,571.61	Adopted Terminal Yield	7.25%

VALUATION

Valuation Approaches	Capitalisation Approach, DCF Analysis
Basis of Valuation	Market Value subject to the existing tenancy
Date Inspected	10 April 2017
Date of Valuation	30 April 2017
Adopted Valuation (Rounded)	\$16,800,000
Initial Yield	8.85%
Equivalent Market Yield	7.01%
Internal Rate of Return	7.85%
Rate psqm of GLA	\$1,569
Land Value Apportionment	\$7,800,000
Improvements Value Apportionment	\$9,000,000
Probable Buyer Type	Institution (local or foreign), Private Investor and Syndicates
Reasonable Selling Period	3 to 6 months
Recent Sale	None registered on Title
Major Ownership Issues	N/A
Market Appeal	Medium and long term leased industrial investments in established locations are highly sought.
Valuer (s)	Russell McKinnon, AAPI Certified Practising Valuer Director- Real Estate Advisory
	Mia Dragalia, AAPI Certified Practising Valuer Associate Director- Real Estate Advisory
Status	Signing
Inspected	Inspected

Disclaimer

This Executive Summary should be used in conjunction with the Report and Valuation which follows, not in isolation.

Lot 1, 2 Burilda Close, Horsley Drive Business Park

INSTRUCTING PARTY	Frasers Logistics & Industrial Asset Management Pty. Ltd. as Manager of Frasers Logistics & Industrial Trust (FLT)
RELIANCE AUTHORITY	Frasers Logistics & Industrial Asset Management Pty. Ltd as Manager of FLT; Perpetual (Asia) Limited as Trustee of FLT; and DBS Bank Ltd as Facility Agent.
PURPOSE OF VALUATION	Acquisition, inclusion in the circular to holders of units in FLT, Financial Reporting and Financing
DATE OF VALUATION	30 April 2017
INTEREST VALUED	100% Freehold
LEGAL DESCRIPTION	Lot 1 in Deposited Plan 1212087
SITE AREA	10396
ZONING	SEPP (Western Sydney Parklands) 2009
LOCATION	



The subject property is located within the Horsley Drive Business Park at Wetherill Park, approximately 30 kilometres west of the Sydney CBD. The property benefits from excellent road transport links given its proximity to the M7 Westlink Motorway and junction of the M4 Western Motorway. Wetherill Park is one Western Sydney's dominant industrial markets.

BRIEF DESCRIPTION

The subject property features a ground leasehold with a tenure of 90-years from July 2016 with annual rent payments applicable (non-recoverable from sub-lessee). The improvements comprise of a modern single building office/warehouse complex of two (2) adjoining units totalling 14,333 sq.m Gross Lettable Area (GLA) and constructed in 2016. The units are described as Warehouse A and Warehouse B with each featuring an office component (10% and 7% respectively), large clear span warehouse space, awning over roller shutter doors (3 and 6 respectively) and recessed loading docks (1 and 3 respectively) and on-grade car parking. Truck entry/exit access point is located to the south-western (Burilda Close) and north-eastern (Covpasture Road) ends of the site, allowing vehicles to drive through the rear of the site. Warehouse A (5,855 sq.m GLA) is currently tenanted by Survitec on a 12 year lease term which commenced in July 2016; and Warehouse B (8,478 sq.m) is currently tenanted by Phoenix Distribution on a 10 year lease term which commenced in October 2016.

LETTABLE AREAS & INCOME ANALYSIS

	AREA (GLA)	PASSING (\$PA)	MARKET (\$PA)		
Industrial	14,333 m ²	\$1,597,282	\$111 /m ²	\$1,605,905	\$112 /m ²
Recoveries		\$272,256		\$272,256	-
Outgoings (adopted)		(\$461,839)	(\$32/m ²)	(\$461,839)	(\$32/m ²)
TOTAL	14,333 m²	\$1,407,699		\$1,416,322	\$8,623 /m²
Current WALE (by Income)	10.19 Years		Current Vacancy		-

VALUATION

CAPITALISATION APPROACH		10 YEAR DISCOUNTED CASH FLOW	
Derived Value	\$23,529,237	Derived Value	\$23,467,455
Adopted Core Capitalisation Rate	6.00%	CPI Growth Rate	2.34%
Capital Adjustments Window	12 Months	Industrial Growth Rate	2.97%
Total Capital Adjustments	(\$76,129)	Adopted Discount Rate	7.50%
Capital Value (\$psqm) - Derived	\$1,641.61	Adopted Terminal Yield	6.50%

VALUATION

Valuation Approaches	Capitalisation Approach, DCF Analysis
Basis of Valuation	Market Value subject to the existing tenancy
Date Inspected	10 April 2017
Date of Valuation	30 April 2017
Adopted Valuation (Rounded)	\$23,500,000
Initial Yield	5.99%
Equivalent Market Yield	6.01%
Internal Rate of Return	7.48%
Rate psqm of GLA	\$1,640
Land Value Apportionment	\$13,650,000
Improvements Value Apportionment	\$9,850,000
Probable Buyer Type	Institution (local or foreign), Private Investor and Syndicates
Reasonable Selling Period	3 to 6 months
Recent Sale	None registered on Title
Major Ownership Issues	N/A
Market Appeal	Long term leased industrial investments. Particularly those in strong locations convenient to major road infrastructure are highly sought after.
Valuer (s)	Russell McKinnon, AAPI Certified Practising Valuer Director- Real Estate Advisory
	Mia Dragalia, AAPI Certified Practising Valuer Associate Director- Real Estate Advisory
Status	Signing
Inspected	Inspected

Disclaimer

This Executive Summary should be used in conjunction with the Report and Valuation which follows, not in isolation.

Lot 1 Pearson Road, Yatala, Brisbane, QLD, Australia

INSTRUCTING PARTY	Frasers Logistics and Industrial Asset Management Pte. Ltd in its capacity as Manager of Frasers Logistics & Industrial Trust
RELIANCE AUTHORITY	(i) Perpetual (Asia) Limited, in its capacity as trustee of Frasers Logistics & Industrial Trust; (ii) Frasers Logistics and Industrial Asset Management Pte. Ltd, in its capacity as manager of Frasers Logistics & Industrial Trust; and (iii) DBS Bank Ltd.
PURPOSE OF VALUATION	Acquisition, First Mortgage Security, Financial Reporting, Inclusion in the circular to holders of units of Frasers Logistics & Industrial Trust
DATE OF VALUATION	30-Apr-2017
INTEREST VALUED	100% Freehold
LEGAL DESCRIPTION	Proposed Lot 1 currently on Lot 281 on SP256169
SITE AREA	48,893 m ² 4.89 Ha
ZONING	Yatala Enterprise Area
YEAR BUILT	Under Construction (1 October 2017)



BRIEF DESCRIPTION

The subject property forms part of the suburb of Yatala approximately 38 radial kilometres south east of the Brisbane CBD and 6 kilometres south of the main retail and commercial hub in the suburb of Beenleigh. The property has good access to the Pacific Motorway via Pearson Road being some 1.8 kilometres to the north east which provides for multi directional access including wider access to the Logan Motorway and Gateway Motorway. On completion the property will comprise a prime office warehouse of 23,051m² located within the suburb of Yatala approximately 27km south of the Brisbane CBD.

LETTABLE AREAS & INCOME ANALYSIS

	AREA (GLA)	PASSING (\$PA)		MARKET (\$PA)		VARIANCE (\$PA)
Industrial	23,051 m ²	\$2,025,030	\$88 /m ²	\$2,025,030	\$88 /m ²	\$0
Other	-	-	-	-	-	\$0
Recoveries		\$360,748		\$360,748		\$0
Outgoings (adopted)		(\$360,748)	(\$16/m ²)	(\$360,748)	(\$16/m ²)	\$0
TOTAL	23,051 m²	\$2,025,030		\$2,025,030		\$0

Current WALE (by Income) 15.00 Years **Current Vacancy** -

VALUATION

CAPITALISATION APPROACH		10 YEAR DISCOUNTED CASH FLOW	
Derived Value	\$33,698,641	Derived Value	\$33,950,649
Adopted Core Capitalisation Rate	6.00%	CPI Growth Rate	2.00%
Capital Adjustments Window	12 Months	Industrial Growth Rate	2.46%
Total Capital Adjustments	(\$51,865)	Adopted Discount Rate	7.25%
Capital Value (\$psqm) - Derived	\$1,462	Adopted Terminal Yield	6.50%

VALUATION

Valuation Approaches	Capitalisation Approach, DCF Analysis
Basis of Valuation	Market Value subject to the existing tenancies.
Date Inspected	11 April 2017
Date of Valuation	30 April 2017
Adopted Valuation (Rounded)	\$33,800,000
Initial Yield	5.99%
Equivalent Market Yield	5.98%
Internal Rate of Return	7.31%
Rate psqm of GLA	\$1,466
Rate psqm of Site Area	\$691

Land Value Apportionment	\$7,350,000
Probable Buyer Type	Institution (local or foreign), Private Investor and Syndicates
Reasonable Selling Period	3 to 6 months
Recent Sale	Nil
Major Ownership Issues	Whilst our valuation is on an 'As if Complete' basis, the property is transacting as a parcel of land with a development agreement for completion of the facility
Market Appeal	Long term leased industrial investments with modern accommodation and close proximity to major transport routes are well received within the market.
Valuer (s)	Ivan Hill, AAPI, MRICS. Certified Practising Valuer Queensland Valuers Registration No. 3479 Australian Property Institute, Member No 62785
Status	Principal Valuer & Signing

Disclaimer *This Executive Summary should be used in conjunction with the Report and Valuation which follows, not in isolation.*

EXISTING INTERESTED PERSON TRANSACTIONS

The table below sets out details of the Existing Interested Person Transactions entered into between (1) FLT and (2) the FCL Group and its associates, during the course of the current financial period ending 30 September 2017 up to the Latest Practicable Date, which are the subject of aggregation pursuant to Rule 906 of the Listing Manual.

Interested Person	Relationship	Transaction Type	Amount of Transaction (A\$)
Australand Property Holdings Pty Ltd as trustee for APT (Horsley Drive No. 2 Trust)	Australand Property Holdings Pty Ltd as trustee for APT (Horsley Drive No. 2 Trust) is 100% owned by FPA, which is in turn 100% owned by FCL	This refers to the additional adjustment to the purchase price of the Martin Brower Property. As stated in the Prospectus, the consideration payable by FLT to FPA for the acquisition of the Martin Brower Property under the call option agreement was an agreed price of A\$57.1 million, subject to adjustments arising from the actual GLA being more or less than the planned GLA. Subsequently, a solar panel system has been installed for the tenant, further to which the rent payable by the tenant under the terms of its tenancy has been increased. The rent increase resulted in an increase in the valuation of the Martin Brower Property. Accordingly, FLT and FPA separately agreed to the Martin Brower Additional Adjustment, being an increase by a sum of A\$1.1 million.	1.1 million
Southeast Insurance Public Company Limited	Southeast Insurance Public Company Limited is an entity within the TCC Group, which is controlled by Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi	This refers to the Renewed Southeast Insurance. As stated in the Prospectus, the Manager had arranged for the Initial Southeast Insurance to continue post-IPO with the insurer noting the insured as FLT and its subsidiary entities. Following the expiry of the Initial Southeast Insurance on 30 September 2016, the Manager renewed the insurance policy with Southeast on 30 September 2016 for a term of one year expiring on 30 September 2017.	0.8 million

Taking into account the rationale for the Martin Brower Additional Adjustment and the new valuations obtained for the Martin Brower Property (as referred to in the announcement by FLT dated 30 November 2016), the Audit, Risk and Compliance Committee has also reviewed and is of the opinion that the Martin Brower Additional Adjustment is on normal commercial terms and is not prejudicial to the interests of FLT or its minority Unitholders.

Taking into account that: (i) quotations had been obtained from other third party insurers for the renewal of the industrial special risk and public liability insurance policies for FLT on a stand-alone basis and (ii) the broker involved in placing the policies had also confirmed: (a) that the terms from Southeast are comparable to or better than the terms provided by the unrelated third party insurers, (b) while Southeast issues the insurance policies, Southeast does not retain any risk and has full back-to-back reinsurance and (c) in the event Southeast is unable to indemnify under FLT's insurance, the reinsurers may pay directly to the insured, the Audit, Risk and Compliance Committee is of the opinion that the Renewed Southeast Insurance is on normal commercial terms and is not prejudicial to the interests of FLT and its minority Unitholders.

NOTICE OF EXTRAORDINARY GENERAL MEETING

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 (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.

NOTICE IS HEREBY GIVEN that an EXTRAORDINARY GENERAL MEETING of the holders of units of Frasers Logistics & Industrial Trust (“**FLT**”, and the holders of units of FLT, the “**Unitholders**”) will be held on 26 July 2017 at 3.00 p.m. at InterContinental Singapore, Ballroom II & III (Level 2), 80 Middle Road, Singapore 188966, for the purpose of considering and, if thought fit, passing, with or without modifications, the following resolutions:

ORDINARY RESOLUTION 1

(1) THE PROPOSED ACQUISITION OF SEVEN PROPERTIES IN AUSTRALIA

That:

- (i) approval be and is hereby given for the acquisition of the seven industrial properties in Australia, being the Yusen Logistics Facility, the Survitec & Phoenix Facility, the Ecolab Facility, the CEVA Tech Facility, the Beaulieu Facility, the Stanley Black & Decker Facility and the Clifford Hallam Facility (as described in the circular dated 11 July 2017 (the “**Circular**”) issued by Frasers Logistics & Industrial Asset Management Pte. Ltd., as manager of FLT (the “**Manager**”) to Unitholders), respectively from seven indirect wholly-owned trusts or subsidiaries of Frasers Centrepoint Limited (“**FCL**”) through Frasers Property Australia Pty Limited (collectively the “**Vendors**”, and each a “**Vendor**”), for an aggregate acquisition amount of approximately A\$169.3 million on the terms and subject to the conditions set out in the conditional contracts of sale (the “**Contracts of Sale**”) entered into between the Vendors and the relevant trustee of the relevant Australian sub-trust wholly-owned by FLT (the “**Relevant Sub-Trust Trustee**”), the development agreements (the “**Development Agreements**”) entered into between Frasers Property Limited or Frasers Property Industrial Constructions Pty Limited (collectively the “**Developers**”, and each a “**Developer**”), both indirect wholly-owned subsidiaries of FCL, and the Relevant Sub-Trust Trustee, the incentive reimbursement deeds (the “**Incentive Reimbursement Deeds**”) entered into between the relevant Vendor or Developer and the Relevant Sub-Trust Trustee, the contingent rental support deeds (the “**Contingent Rental Support Deeds**”) entered into between the relevant Developer and the Relevant Sub-Trust Trustee, the deed of covenant in respect of the CEVA Tech Facility (the “**Deed of Covenant**”) to be entered into between, *inter alia*, the relevant Vendor and the Relevant Sub-Trust Trustee, the deed of assignment of lease in respect of the Survitec & Phoenix Facility (the “**Deed of Assignment**”) to be entered into between, *inter alia*, the relevant Vendor and the Relevant Sub-Trust Trustee, as well as the deed of variation of lease in respect of the Survitec & Phoenix Facility (the “**Deed of Variation**”) to be entered into between, *inter alia*, Frasers Property Funds Management Limited, as the trustee of FLT Australia Trust, and the Relevant Sub-Trust Trustee, in respect of the sale and purchase of the seven industrial properties in Australia (the “**Proposed Transaction**”); and

- (ii) the Manager, any director of the Manager (“**Director**”) and Perpetual (Asia) Limited (as trustee of FLT) (the “**Trustee**”) be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Manager, such Director or, as the case may be, the Trustee may consider expedient or necessary or in the interests of FLT to give effect to the Proposed Transaction, the Contracts of Sale, the Development Agreements, the Incentive Reimbursement Deeds, the Contingent Rental Support Deeds, the Deed of Covenant, the Deed of Assignment, the Deed of Variation and all transactions in connection therewith.

BY ORDER OF THE BOARD

Frasers Logistics & Industrial Asset Management Pte. Ltd.
(as manager of Frasers Logistics & Industrial Trust)
(Company Registration No. 201528178Z)

Ho Hon Cheong
Chairman and Independent Non-Executive Director
11 July 2017

PERSONAL DATA PRIVACY:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Extraordinary General Meeting and/or any adjournment thereof, a Unitholder (i) consents to the collection, use and disclosure of the Unitholder’s personal data by the Manager and the Trustee (or their agents) for the purpose of the processing and administration by the Manager and the Trustee (or their agents) of proxies and representatives appointed for the Extraordinary General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Extraordinary General Meeting (including any adjournment thereof), and in order for the Manager and the Trustee (or their agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “**Purposes**”), (ii) warrants that where the Unitholder discloses the personal data of the Unitholder’s proxy(ies) and/or representative(s) to the Manager and the Trustee (or their agents), the Unitholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Manager and the Trustee (or their agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the Unitholder will indemnify the Manager and the Trustee (or their agents) in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Unitholder’s breach of warranty.

IMPORTANT NOTICE

The value of Units and the income derived from them, if any, may fall or rise. Units are not obligations of, deposits in, or guaranteed by, 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 have no right to request the Manager to redeem or purchase their Units for so long as the Units are listed on the SGX-ST. It is intended that Unitholders 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 FLT is not necessarily indicative of the future performance of FLT.

**FRASERS LOGISTICS &
INDUSTRIAL TRUST**

(CONSTITUTED IN THE REPUBLIC OF SINGAPORE
PURSUANT TO A TRUST DEED DATED 30 NOVEMBER 2015
(AS AMENDED, RESTATED AND SUPPLEMENTED))

**PROXY FORM
EXTRAORDINARY GENERAL MEETING**

IMPORTANT

1. A Relevant Intermediary may appoint more than two proxies to attend the Extraordinary General Meeting and vote (please see Note 2 for the definition of "Relevant Intermediary").
2. This Proxy Form is not valid for use by CPF Investors and shall be ineffective for all intents and purposes if used or is purported to be used by them.
3. **PLEASE READ THE NOTES TO THE PROXY FORM.**

Personal data privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s), the Unitholder accepts and agrees to the personal data privacy terms set out in the Notice of Extraordinary General Meeting dated 11 July 2017.

I/We _____ (Name), _____ (NRIC No./Passport No.)
of _____ (Address)
being a holder/s of units in Frasers Logistics & Industrial Trust ("FLT", and the units of FLT, the "Units"),
hereby appoint:

Name	Address	NRIC/Passport Number	Proportion of Unitholdings (Note 2)	
			No. of Units	%

and/or (delete as appropriate)

Name	Address	NRIC/Passport Number	Proportion of Unitholdings (Note 2)	
			No. of Units	%

or failing the person, or either or both of the persons, referred to above, the Chairman of the Extraordinary General Meeting ("EGM") as my/our proxy/proxies to attend and to vote for me/us on my/our behalf at the EGM to be held at 3.00 p.m. on 26 July 2017 at InterContinental Singapore, Ballroom II & III (Level 2), 80 Middle Road, Singapore 188966, and any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the resolution to be proposed at the EGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies may vote or abstain from voting at his/her/their discretion, as he/she/they may on any other matter arising at the EGM.

NO.	RESOLUTION RELATING TO:	No. of Votes For*	No. of Votes Against*
1.	To approve the proposed acquisition of seven properties located in Australia as a related party transaction (Ordinary Resolution)		

* Voting will be conducted by poll. If you wish to exercise all your votes "For" or "Against", please tick (✓) within the box provided. Alternatively, if you wish to exercise your votes for both "For" and "Against", please indicate the number of Units in the boxes provided.

Dated this _____ day of _____ 2017

Total Number of Units Held (Note 5)

Signature(s) of Unitholder(s)/Common Seal

IMPORTANT: PLEASE READ THE NOTES TO THE PROXY FORM

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IMPORTANT: PLEASE READ THE NOTES TO PROXY FORM BELOW

Notes to Proxy Form

1. A unitholder of Frasers Logistics & Industrial Trust ("**FLT**", and a unitholder of FLT, "**Unitholder**") who is not a Relevant Intermediary entitled to attend and vote at the meeting is entitled to appoint not more than two proxies to attend and vote instead of the Unitholder. A proxy need not be a Unitholder. Where a Unitholder appoints more than one proxy, the appointments shall be invalid unless the Unitholder specifies the proportion of the Unitholder's holdings (expressed as a percentage of the whole) to be represented by each proxy.
2. A Unitholder who is a Relevant Intermediary entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint more than two proxies to attend and vote instead of the Unitholder, but each proxy must be appointed to exercise the rights attached to a different Unit or Units held by such Unitholder. Where such Unitholder appoints more than two proxies, the appointments shall be invalid unless the Unitholder specifies the number of Units in relation to which each proxy has been appointed.
"Relevant Intermediary" means:
 - (a) a banking corporation licensed under the Banking Act, Chapter 19 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds Units in that capacity;
 - (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act, Chapter 289 of Singapore and who holds Units in that capacity; or
 - (c) the Central Provident Fund Board ("**CPF Board**") established by the Central Provident Fund Act, Chapter 36 of Singapore, in respect of Units purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those Units in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
3. The instrument appointing a proxy or proxies (as the case may be) (the "**Proxy Form**") must be deposited with the company secretary of the Manager at the office of FLT's Unit Registrar, Boardroom Corporate & Advisory Services Pte Ltd, 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, not less than 72 hours before the time appointed for holding the Extraordinary General Meeting.

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The Company Secretary
Frasers Logistics & Industrial Asset Management Pte. Ltd.
(as manager of Frasers Logistics & Industrial Trust)
c/o Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place #32-01
Singapore Land Tower
Singapore 048623

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Postage
Stamp

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4. Completion and return of this Proxy Form shall not preclude a Unitholder from attending and voting at the meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a Unitholder attends the meeting in person, and in such event, the Manager reserves the right to refuse to admit any person or persons appointed under this Proxy Form, to the meeting.
5. A Unitholder should insert the total number of Units held. If the Unitholder has Units entered against the Unitholder's name in the Depository Register maintained by The Central Depository (Pte) Limited ("**CDP**"), the Unitholder should insert that number of Units. If the Unitholder has Units registered in his/her name in the Register of Unitholders of FLT, he/she should insert that number of Units. If the Unitholder has Units entered against his/her name in the said Depository Register and registered in his/her name in the Register of Unitholders of FLT, the Unitholder should insert the aggregate number of Units. If no number is inserted, this Proxy Form will be deemed to relate to all the Units held by the Unitholder.
6. The Proxy Form must be under the hand of the appointor or of his attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer. A corporation which is a Unitholder may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting and the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.
7. Where a Proxy Form is signed on behalf of the appointor by an attorney, the power of attorney or a duly certified copy thereof must (failing previous registration with the Manager) be lodged with the Proxy Form, failing which the Proxy Form may be treated as invalid.
8. The Manager shall be entitled to reject a Proxy Form which is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on and/or attached the Proxy Form. In addition, in the case of Units entered in the Depository Register, the Manager may reject a Proxy Form if the Unitholder, being the appointor, is not shown to have Units entered against the Unitholder's name in the Depository Register as at 72 hours before the time appointed for holding the Extraordinary General Meeting, as certified by CDP to the Manager.

**FRASERS LOGISTICS & INDUSTRIAL
ASSET MANAGEMENT PTE. LTD.**

438 Alexandra Road,
#02-00 Alexandra Point,
Singapore 119958

www.fraserslogisticstrust.com