

FLT TO DIVEST 80 HARTLEY STREET FOR A\$90.5 MILLION

- ◆ Proposed divestment of an industrial facility located in Smeaton Grange, New South Wales
- ◆ In line with the REIT Manager's proactive asset management and portfolio rebalancing strategies to improve the quality of FLT's portfolio

SINGAPORE, 3 JULY 2018

Fraser's Logistics & Industrial Asset Management Pte. Ltd., the manager of Fraser's Logistics & Industrial Trust ("FLT" and the manager of FLT, the "**REIT Manager**"), is pleased to announce that FLT has entered into a conditional sale and purchase agreement today with The Trust Company (Australia) Limited¹, an unrelated third party, to divest 80 Hartley Street, Smeaton Grange, New South Wales, Australia (the "**Property**") for A\$90.5 million (approximately S\$90.5 million²) (the "**Sale Consideration**").

The Sale Consideration represents a 40.3% premium above the book value of the Property of A\$64.5 million (approximately S\$64.5 million) as at 31 March 2018 and a 39.2% premium over the original purchase price paid by FLT of A\$65.0 million when the Property was acquired during FLT's listing in 2016. The book value was based on Jones Lang LaSalle Advisory Services Pty Ltd ("**JLL**")'s valuation as at 30 September 2017, with a lease expiry on 19 June 2019. The latest valuation of the Property as at 1 July 2018 was A\$85.0 million (approximately S\$85.0 million), and assumes a four-year lease extension with a new lease expiry on 19 June 2023, including outstanding incentives and lessor works. Excluding the outstanding incentives and lessor works, the valuation of the Property would be A\$88.5 million as at 1 July 2018.

The proposed divestment is in line with the REIT Manager's proactive asset management and portfolio rebalancing strategies. FLT is expected to recognise an estimated net gain of approximately A\$17.7 million (approximately S\$17.7 million) over the book value of the Property.

Mr. Robert Wallace, Chief Executive Officer of the REIT Manager, said, "The proposed divestment of 80 Hartley Street, a 20-year old purpose-built facility leased to Coles Supermarket Australia Pty Ltd, is in line with our ongoing efforts to divest non-core assets and optimise the quality of FLT's logistics and industrial portfolio. The estimated net proceeds from the sale will provide FLT with greater financial flexibility, as we continue to pursue value enhancement opportunities."

Following the proposed divestment, FLT's portfolio will comprise 60 properties in Australia, 17 in Germany and four in the Netherlands, with a total value of approximately A\$2.8 billion (approximately S\$2.8 billion).

The estimated net proceeds from the proposed divestment is approximately A\$82.2 million (approximately S\$82.2 million), after taking into account the divestment fee of A\$452,500³ (approximately S\$452,500) to be paid to the REIT Manager, outstanding lessor obligations, taxes and other divestment related expenses. The net divestment proceeds may be distributed to Unitholders and/or used for funding potential acquisition opportunities, reducing existing debt and/or other general corporate purposes.

¹ The Trust Company (Australia) Limited in its capacity as custodian for Bieson Pty Ltd as trustee for CPIF Smeaton Grange Logistics Trust and The Trust Company (Australia) Limited in its capacity as custodian for Bieson Pty Ltd as trustee for CLP Smeaton Grange Logistics Trust, as tenants in common in equal shares. The purchasing trust which will hold the interests in the Property post-completion of the Proposed Divestment will be managed by the Charter Hall Group.

² All S\$ equivalent figures are derived based on the exchange rate of S\$1 = A\$1.00.

³ The divestment fee is 0.5% of the Sale Consideration and is payable to the REIT Manager pursuant to the trust deed dated 30 November 2015 (as amended and supplemented) constituting FLT.

ABOUT THE PROPERTY

Completed in December 1998, the Property comprises a cross-dock, regional distribution facility with a high clearance warehouse, office accommodation of 2,033 square metres ("**sqm**"), drive-around truck access, 104 access doors and 436 car parking spaces. It occupies a site of 167,100 sqm and has a total gross lettable area of 61,281 sqm.

The Property was purpose-built for Coles Supermarkets Australia Pty Ltd and will have a remaining lease term of approximately five years, upon extension of the existing lease.

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About Frasers Logistics & Industrial Trust

Frasers Logistics & Industrial Trust (“**FLT**”) is the first Singapore-listed real estate investment trust with a portfolio comprising 82 logistics and industrial properties, worth approximately A\$2.9 billion, concentrated within major logistics and industrial markets in Australia, Germany and the Netherlands. FLT was listed on the Mainboard of Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 20 June 2016.

FLT’s investment strategy is to invest globally in a diversified portfolio of income-producing industrial and logistics properties. With strong connectivity to key infrastructure, FLT’s modern portfolio consists predominantly of freehold and long leasehold land tenure assets with a well-diversified tenant base. FLT is sponsored by Frasers Property Limited.

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

About the Sponsor: Frasers Property Limited

Frasers Property Limited (“**Frasers Property**” or the “**Company**”), is a multi-national company that owns, develops and manages a diverse, integrated portfolio of properties. Listed on the Mainboard of the SGX-ST and headquartered in Singapore, the Company is organised around five asset classes with total assets of S\$30 billion as at 31 March 2018.

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

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

For more information on Frasers Property, please visit www.frasersproperty.com.

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The value of the units in FLT ("**Units**") and the income derived from them may fall or rise. The Units are not obligations of, deposits in, or guaranteed by the REIT Manager, Perpetual (Asia) Limited, in its capacity as trustee of FLT, or Frasers Property (as the sponsor of FLT).

An investment in the Units is subject to investment risks, including the possible loss of the principal amount invested. Unitholders have no right to request that the REIT Manager redeem or purchase their Units 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.

This press release may contain forward-looking statements or financial information that involve assumptions, 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. Predictions, projections or forecasts of the economy or economic trends of the markets are not necessarily indicative of the future or likely performance of FLT. The forecast financial performance or financial information of FLT is not guaranteed. A potential investor is cautioned not to place undue reliance on these forward-looking statements or financial information, which are based on the REIT Manager's current view of future events.

This press release is not an offer or sale of the Units in the United States. The Units have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") and may not be offered or sold in the United States absent registration except pursuant to an exemption from, or in a transaction not subject to, the registration requirements under the Securities Act. Any public offering of the Units in the United States would be made by means of a prospectus that would contain detailed information about FLT, the REIT Manager and its management, as well as financial statements.

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