

FLT DECLARES A DISTRIBUTION OF 3.54 SINGAPORE CENTS¹

2QFY19 Quarter Highlights

- ◆ DPU up 7.1% to 1.82 Australian cents
- ◆ Occupancy of 99.6% and WALE of 6.61 years as at 31 March 2019
- ◆ 10-year lease extension with AEI for its property at 468 Boundary Road in Victoria, Australia
- ◆ Announced proposed divestment of a non-core property in Victoria, Australia at 13.1% premium to book value

Summary of Results

A\$'000	2QFY19	2QFY18	Variance (%)	1HFY19	1HFY18	Variance (%)
Revenue	59,666	43,575	36.9	119,190	86,005	38.6
Adjusted Net Property Income ²	47,866	33,414	43.3	96,796	66,805	44.9
Distributable Income	36,909	25,866	42.7	73,607	51,720	42.3
DPU (Australian cents)	1.82	1.70	7.1	3.63	3.40	6.8
DPU (Singapore cents)	1.76	1.81	(2.8)	3.54	3.61	(1.9)

SINGAPORE, 26 APRIL 2019

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"), today announced FLT's performance for the quarter ended 31 March 2019 ("2QFY19").

REVIEW OF FINANCIAL PERFORMANCE

FLT reported revenue of A\$59.7 million for 2QFY19, an increase of 36.9% from A\$43.6 million for the corresponding financial quarter ("2QFY18"), while Adjusted Net Property Income was up 43.3% to A\$47.9 million, from A\$33.4 million for 2QFY18. The increases took into account contributions from FLT's FY2018 European Acquisition, FY2018 Australian Acquisition and the FY2019 Dutch Acquisition³, which was partially offset by the divestment of two Australian properties in August 2018.

Distributable income was correspondingly 42.7% higher at A\$36.9 million for 2QFY19, from A\$25.9 million a year ago.

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

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

³ Please refer to Page 2 of FLT's Financial Statements Announcement dated 26 April 2019 for details of the capitalised terms

FLT's 2QFY19 distribution per unit ("DPU") was 1.82 Australian cents, an increase of 7.1% from 1.70 Australian cents for 2QFY18. In SGD terms, 2QFY19 DPU was 1.76 Singapore cents⁴, compared to 1.81 Singapore cents for 2QFY18, due mainly to softening of AUD and EUR against SGD.

PORTFOLIO UPDATE AND RECENT DEVELOPMENTS

In 2QFY19, FLT executed a 24,732 square metres ("sq m"), 10-year lease extension for its property at 468 Boundary Road, Derrimut, Victoria, Australia (the "CHEP Property"). The lease renewal will have an annual fixed rental increase of 2.5%. The CHEP Property renewal also provided an asset enhancement initiative ("AEI") through the acquisition of an adjacent 12,320 sq m freehold site at 59A Foxley Court, Derrimut for A\$0.8 million⁵ from Frasers Property Australia. The asset enhancement will involve a 11,209 sq m expansion to the existing hardstand area and an upgrade of the existing facilities, including an office refurbishment as well as car park expansion. Sustainability improvements will include the installation of LED lighting and a 250-kilowatt hour solar photovoltaic system. The expected return on the AEI is approximately 8.0%.

On 29 March 2019, the REIT Manager announced the proposed divestment of a non-core property located at 63-79 South Park Drive, Dandenong South, Victoria, Australia for S\$17.25 million, representing a 13.1% premium to its book value of A\$15.25 million⁶. The proposed divestment is expected to be completed by the first half of 2019.

As at 31 March 2019, FLT's portfolio remained at near full occupancy of 99.6%, with a weighted average lease expiry ("WALE") by gross rental income ("GRI") of 6.61 years, and minimal lease expiries by GRI of 1.3% for the financial year ending 30 September 2019.

On the sustainability front, FLT's Australian portfolio achieved an overall 4 Star Green Star rating as assessed by the Green Building Council of Australia ("GBCA") with the Australian portfolio noted as the highest-rated Industrial Performance portfolio in Australia. The Green Star rating by GBCA assesses properties against nine key performance criteria, namely energy, water, transport, materials, indoor environment quality, management, land use and ecology, emissions and innovation.

Mr. Robert Wallace, Chief Executive Officer of the REIT Manager, said, "The second quarter was again an exciting period for FLT. We were included in the FTSE EPRA/NAREIT Developed Index in March, marking an important milestone which will strengthen FLT's position in the capital markets. We completed two leasing deals that included a 10-year lease extension and AEI for the CHEP Property, as well as the divestment of a non-core property in Victoria, Australia. We are also pleased to declare a distribution of 3.54 Singapore cents to unitholders.

Looking forward, we will continue to manage and explore opportunities for growth and maximise our portfolio's potential. The prime logistics sector across our key markets of Germany, Netherlands as well as the eastern seaboard of Australia remain well-supported by investments in infrastructure and an expanding e-commerce market. We will also continue to keep a watchful eye on developments in the macro environment which may invariably impact our business."

CAPITAL MANAGEMENT

As at 31 March 2019, FLT's aggregate leverage was 35.1%. Total borrowings were A\$1,097 million, 79% of which were at fixed interest rates. The weighted average interest rate for borrowings excluding upfront debt related expenses for 2QFY19 was 2.4% per annum compared to 2.9% per annum a year ago.

⁴ 2QFY19 DPU is calculated based on 100% (2QFY18: 67.5%) of management fees to be taken up in the form of units

⁵ Excludes goods and services tax

⁶ Based on the valuation by CIVAS (VIC) Pty Limited ("Colliers") as at 30 September 2018

DISTRIBUTION DETAILS

In line with FLT's distribution policy to make distributions to unitholders on a semi-annual basis for the six-month periods ending 31 March and 30 September, FLT has declared a distribution of 3.54 Singapore cents per Unit for the six-month period from 1 October 2018 to 31 March 2019, to be paid on 26 June 2019. The books closure date is 7 May 2019.

INDUSTRIAL MARKET OUTLOOK

Australia⁷

Industrial take-up levels remain robust with approximately 2.5 million sq m leased over the 12-month period to March 2019, underpinned by demand from retail, food and logistics occupiers. The strong demand for industrial space is largely attributable to population growth, public infrastructure spending and the growth in e-commerce. As national take-up levels have consistently exceeded new completions, vacancy is at a five-year low across the three major industrial markets of Sydney, Melbourne and Brisbane. Prime face rents have recorded steady year-on-year growths of 3.5% and 2.2% in Sydney and Melbourne respectively, while Brisbane is experiencing a recovery. Rental growth in these three main industrial markets is expected to remain positive as land values have appreciated considerably on the back of the demand-led expansion in development activity amid a shortage of developable land.

Germany and the Netherlands⁸

For Germany, take-up levels for logistics and industrial properties of above 5,000 sq m remained high at 1.2 million sq m for the first quarter of 2019, as new supply for the rental market remained limited with users continuing to seek build-to-suit solutions. Average yields for the major German logistics hubs stabilised at 4.1% for the first quarter of 2019.

For the Netherlands, its major occupier logistics and industrial markets recorded strong volumes of transactions in 2018, prime rents have largely remained unchanged from the preceding quarter, while prime yields remained stable for the first quarter of 2019, with yield at 4.5% for Venlo.

Overview

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

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⁷ Sources: JLL Research – Industrial Market Snapshot 1Q 2019; Knight Frank Research – Australian Capital View Outlook 2019

⁸ Source: BNP Paribas Real Estate International Research, April 2019

About Frasers Logistics & Industrial Trust

Frasers Logistics & Industrial Trust (“**FLT**”) is the first Singapore-listed real estate investment trust with a portfolio comprising 82⁹ logistics and industrial properties, worth approximately A\$3.0 billion, concentrated within major logistics and industrial markets in Australia, Germany and the Netherlands. FLT was listed on the Mainboard of Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 20 June 2016.

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

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

About the Sponsor: Frasers Property Limited

Frasers Property Limited (“**Frasers Property**” or the “**Company**”), is a multi-national company that owns, develops and manages a diverse, integrated portfolio of properties. Listed on the Mainboard of the SGX-ST and headquartered in Singapore, the Group has total assets of approximately S\$33 billion as at 31 December 2018.

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

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

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

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⁹ For the avoidance of doubt, this excludes 63-79 South Park Drive, Dandenong South, Victoria, Australia. For details, please refer to the announcement dated 29 March 2019