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## Introduction

Frasers Logistics & Industrial Trust ("FLT" or the "Trust") is a real estate investment trust established under a Trust Deed dated 30 November 2015 (as amended) entered into between Frasers Logistics & Industrial Asset Management Pte. Ltd. ("FLIAM") (as manager of FLT) (the "Manager") and Perpetual (Asia) Limited (in its capacity as trustee of FLT) (the "Trustee").

Since the beginning of the financial year, FLT and its subsidiaries (the "Group") had announced the following acquisitions and divestments:

No.	Type	Announcement Date	Property	Amount <sup>1</sup> (million)	Status of acquisition / divestments
1.	Acquisition	31 October 2018	Mandeveld 12, Meppel, the Netherlands (the "Dutch Acquisition")	€24.8	Completed
2.	Divestment	29 March 2019	63-79 South Park Drive, Dandenong South, Victoria, Australia (the "South Park Drive Divestment")	A\$17.25	Completed
3.	Divestment	16 May 2019 & 31 May 2019	610 Heatherton Road, Clayton South, Victoria, Australia (the "Heatherton Road Divestment")	A\$20.40	Expected end 2019
4.	Divestment	13 June 2019	50% interest in 99 Sandstone Place, Parkinson, Queensland, Australia (the "Sandstone Place Divestment")	A\$134.2	Completed
5.	Acquisition	3 July 2019	Acquire the equity interests in 10 property holding companies which hold interests in nine freehold logistics properties located in Germany (the "German Properties Acquisition")	€235.4	Completed eight out of 10 property holding companies, which holds seven out of the nine properties.
			Acquire three freehold logistics properties located in Australia (the "Australian Properties Acquisition")	A\$125.5	Completed
			(collectively, the "German and Australian Properties Acquisition")		

Following the above, FLT's portfolio comprises 91<sup>2</sup> logistics and industrial properties located in Australia, Germany and the Netherlands.

<sup>1</sup> For acquisition, it refers to the purchase consideration and for divestment, it refers to the sale consideration.

<sup>2</sup> Excludes 610 Heatherton Road, Clayton South, Victoria.

Number of Properties<sup>1</sup>  
 GLA (sq m)  
 Occupancy  
 WALE<sup>1, 2</sup>  
 Portfolio Age<sup>3</sup>

<b>Portfolio as at 30/9/2019</b>
91
2,223,452
99.6%
6.31 years
7.56 years

FLT's investment strategy is to invest globally, directly or indirectly, in a diversified portfolio of income producing real estate assets which are predominantly used for logistics or industrial purposes<sup>4</sup>, whether wholly or partially, as well as such industrial<sup>5</sup> real estate-related assets in connection with the foregoing.

<sup>1</sup> Excludes 610 Heatherton Road, Clayton South, Victoria.

<sup>2</sup> The weighted average lease expiry or "WALE" is calculated on a gross rental income basis (excluding straight lining rental adjustments) with respect to the unexpired lease terms of the existing tenants.

<sup>3</sup> Portfolio age refers to the average age of the buildings of the properties, weighted by value.

<sup>4</sup> Such real estate assets used for "logistics" or "industrial" purposes also include office components ancillary to the foregoing purposes.

<sup>5</sup> References to real estate assets used for "industrial" purposes means real estate assets used for "industrial" or "logistics" purposes interchangeably.

## **Distribution Policy**

FLT will distribute at least 90% of its Distributable Income. Distributions will be made on a semi-annual basis for the six-month periods ending 31 March and 30 September. The actual level of distributions above 90% is to be determined at the REIT Manager's discretion. Unitholders have the option to elect to receive distributions in Singapore dollars or Australian dollars.

## Summary of Group Results

	Note	Group					
		1/7/2019 to 30/9/2019 4QFY19 A\$'000	1/7/2018 to 30/9/2018 4QFY18 A\$'000	Change %	1/10/2018 to 30/9/2019 FY19 A\$'000	1/10/2017 to 30/9/2018 FY18 A\$'000	Change %
Revenue		61,616	60,439	1.9	240,758	195,766	23.0
Adjusted net property income*		50,233	49,306	1.9	195,911	155,398	26.1
Total return for the period		118,233	96,888	22.0	227,904	179,634	26.9
<b>Attributable to:</b>							
- Unitholders of the Trust		116,897	96,129	21.6	225,617	178,728	26.2
- Non-controlling interests		1,336	759	76.0	2,287	906	N.M.
Distributable Income	1	39,296	35,955	9.3	149,836	118,341	26.6
Distribution per Unit ("DPU")							
- Australian cents	2	1.82	1.78	2.2	7.27	6.94	4.8
- Singapore cents	1	1.73	1.78	(2.8)	7.00	7.19	(2.6)

\* Adjusted net property income ("Adjusted NPI") comprises the actual net property income excluding straight lining adjustments for rental income and after adding back straight lining adjustments for ground leases.

### Notes:

- (1) 4QFY19 DPU is calculated based on 100% (4QFY18: 100%) of management fees to be taken in the form of units and after taking into consideration the foreign currency forward contracts entered into to hedge the currency risk on distributions to Unitholders at A\$1.00: S\$0.9543 (4QFY18: A\$1.00: S\$1.0011).

FY19 DPU is calculated based on 92.2% (FY18: 88.2%) of management fees to be taken in the form of units and after taking into consideration the foreign currency forward contracts entered into to hedge the currency risk for distributions to Unitholders at A\$1.00: S\$0.9632 (FY18: A\$1.00: S\$1.0328).

- (2) For illustration and comparison purpose only, assuming 100% of management fees had been taken in the form of units, FY19 DPU would have been 7.34 Australian cents (FY18: 7.06 Australian cents).

**1(a) Consolidated Statement of Total Return and Distribution Statement**

		<b>Group</b>					
Note	<b>4QFY19</b>	<b>4QFY18</b>	<b>Change</b>	<b>FY19</b>	<b>FY18</b>	<b>Change</b>	
	<b>A\$'000</b>	<b>A\$'000</b>	<b>%</b>	<b>A\$'000</b>	<b>A\$'000</b>	<b>%</b>	
Revenue	61,616	60,439	1.9	240,758	195,766	23.0	
Property operating expenses	(11,124)	(10,256)	8.5	(41,407)	(33,975)	21.9	
<b>Net property income</b>	<b>50,492</b>	<b>50,183</b>	<b>0.6</b>	<b>199,351</b>	<b>161,791</b>	<b>23.2</b>	
Managers' management fee							
- Base fee	(3,381)	(3,083)	9.7	(12,607)	(9,450)	33.4	
- Performance fee	(1,583)	(1,518)	4.3	(6,725)	(5,330)	26.2	
Trustees' fees	(112)	(109)	2.8	(457)	(355)	28.7	
Trust expenses	(714)	(949)	(24.8)	(2,890)	(1,932)	49.6	
Finance income	307	215	42.8	1,161	1,321	(12.1)	
Finance costs	(5,987)	(7,646)	(21.7)	(27,882)	(23,805)	17.1	
Exchange (losses)/gains (net)	(226)	142	N.M.	(3,256)	(6,451)	(49.5)	
<b>Net income</b>	<b>38,796</b>	<b>37,235</b>	<b>4.2</b>	<b>146,695</b>	<b>115,789</b>	<b>26.7</b>	
Gain on divestment of investment property	-	23,446	N.M.	1,649	23,446	(93.0)	
Net change in fair value of investment properties	101,122	54,695	84.9	121,989	72,411	68.5	
Net change in fair value of derivative financial instruments	1,763	(352)	N.M.	2,101	2,349	(10.6)	
<b>Total return for the period before tax</b>	<b>141,681</b>	<b>115,024</b>	<b>23.2</b>	<b>272,434</b>	<b>213,995</b>	<b>27.3</b>	
Tax expenses	(23,448)	(18,136)	29.3	(44,530)	(34,361)	29.6	
<b>Total return for the period</b>	<b>118,233</b>	<b>96,888</b>	<b>22.0</b>	<b>227,904</b>	<b>179,634</b>	<b>26.9</b>	
<b>Attributable to:</b>							
Unitholders of the Trust	116,897	96,129	21.6	225,617	178,728	26.2	
Non-controlling interests	1,336	759	76.0	2,287	906	N.M.	
	<b>118,233</b>	<b>96,888</b>	<b>22.0</b>	<b>227,904</b>	<b>179,634</b>	<b>26.9</b>	
<b>Distribution Statement</b>							
<b>Total return after tax</b>	116,897	96,129	21.6	225,617	178,728	26.2	
Tax related and other adjustments	(81,857)	(62,174)	31.7	(80,037)	(62,387)	28.3	
<b>Income available for distribution to Unitholders</b>	<b>35,040</b>	<b>33,955</b>	<b>3.2</b>	<b>145,580</b>	<b>116,341</b>	<b>25.1</b>	
Distribution from divestment gain	4,256	2,000	N.M.	4,256	2,000	N.M.	
<b>Distributable Income</b>	<b>39,296</b>	<b>35,955</b>	<b>9.3</b>	<b>149,836</b>	<b>118,341</b>	<b>26.6</b>	
<b>For information:</b>							
Adjusted NPI	50,233	49,306	1.9	195,911	155,398	26.1	

**1(a) Consolidated Statement of Total Return and Distribution Statement (cont'd):**

**Notes:**

(1) Revenue comprises the following:

	<b>Group</b>					
	<b>4QFY19</b>	<b>4QFY18</b>	<b>Change</b>	<b>FY19</b>	<b>FY18</b>	<b>Change</b>
	<b>A\$'000</b>	<b>A\$'000</b>	<b>%</b>	<b>A\$'000</b>	<b>A\$'000</b>	<b>%</b>
Rental income	52,507	50,576	3.8	206,338	166,013	24.3
Incentives reimbursement	1,892	990	91.1	5,580	4,887	14.2
Recoverable outgoings	7,217	6,887	4.8	26,474	22,880	15.7
Others*	-	1,986	N.M.	2,366	1,986	19.1
	<b>61,616</b>	<b>60,439</b>	<b>1.9</b>	<b>240,758</b>	<b>195,766</b>	<b>23.0</b>

\* FY19 relates to the early surrender fee received for 63-79 South Park Drive, Dandenong South, Victoria and make good income received for 63-79 South Park Drive, Dandenong South, Victoria and 610 Heatherton Road, Clayton South, Victoria; FY18 relates to the early surrender fee received for Lot 105 Springhill Road, Port Kembla, New South Wales.

(2) Property operating expenses comprise the following:

	<b>Group</b>					
	<b>4QFY19</b>	<b>4QFY18</b>	<b>Change</b>	<b>FY19</b>	<b>FY18</b>	<b>Change</b>
	<b>A\$'000</b>	<b>A\$'000</b>	<b>%</b>	<b>A\$'000</b>	<b>A\$'000</b>	<b>%</b>
Land tax	(2,454)	(1,887)	30.0	(8,874)	(6,643)	33.6
Ground lease expenses*	(2,790)	(2,531)	10.2	(10,519)	(8,627)	21.9
Statutory expenses**	(1,966)	(1,649)	19.2	(7,224)	(6,406)	12.8
Property management fee	(820)	(702)	16.8	(3,051)	(2,127)	43.4
Other property expenses	(3,094)	(3,487)	(11.3)	(11,739)	(10,172)	15.4
	<b>(11,124)</b>	<b>(10,256)</b>	<b>8.5</b>	<b>(41,407)</b>	<b>(33,975)</b>	<b>21.9</b>

\* Includes straight lining adjustments for annual increments.

\*\*Relates to council rates, utility charges and other government levies.

(3) Net exchange (losses)/gains relate mainly to the realised and unrealised exchange differences arising from the translation of the Trust's foreign currency borrowings and the exchange differences arising from settlement of foreign currency forward contracts.

(4) Gain on divestment of investment property relates to the gain on the South Park Drive Divestment.

(5) Net change in the fair value of investment properties comprises (a) net fair value gain arising from revaluation of the Group's investment properties based on valuations performed by independent valuers as at 30 September 2019; (b) fair value adjustments made based on independent valuations for the Heatherton Road Divestment and 99 Sandstone Place, Parkinson, Queensland.

(6) Net change in fair value of derivative financial instruments relates to the change in fair value of foreign currency forward contracts entered into to hedge the currency risk on distributions to Unitholders.

**Notes (cont'd):**

(7) Tax expenses comprise the following:

Group						
	4QFY19	4QFY18	Change	FY19	FY18	Change
	A\$'000	A\$'000	%	A\$'000	A\$'000	%
Current tax expenses	(7,982)	(6,932)	15.1	(18,622)	(14,241)	30.8
Deferred tax expenses	(15,466)	(11,204)	38.0	(25,908)	(20,120)	28.8
	<b>(23,448)</b>	<b>(18,136)</b>	<b>29.3</b>	<b>(44,530)</b>	<b>(34,361)</b>	<b>29.6</b>

Current tax expenses comprise mainly the income tax on the Group's European entities, tax arising from gain on the South Park Drive Divestment, the Sandstone Place Divestment, and withholding tax on the taxable distributable income and interest income from the Group's Australian entities. Deferred tax is provided on the temporary differences between the tax bases of investment properties and their carrying amounts at the reporting date.

(8) Tax related and other adjustments comprise the following:

Group						
	4QFY19	4QFY18	Change	FY19	FY18	Change
	A\$'000	A\$'000	%	A\$'000	A\$'000	%
Straight-lining of rental adjustments	(259)	(877)	(70.5)	(3,440)	(6,393)	(46.2)
Managers' management fee paid/payable in Units*	4,964	4,601	7.9	17,815	13,035	36.7
Exchange losses/(gains) (net)	237	(152)	N.M.	3,295	6,444	(48.9)
Gain on divestment of investment property	-	(23,446)	N.M.	(1,649)	(23,446)	(93.0)
Net change in fair value of investment properties	(101,122)	(54,695)	84.9	(121,989)	(72,411)	68.5
Net change in fair value of derivative financial instruments	(1,763)	352	N.M.	(2,101)	(2,349)	(10.6)
Deferred tax	15,466	11,204	38.0	25,908	20,120	28.8
Other adjustments	620	839	(26.1)	2,124	2,613	(18.7)
<b>Tax related and other adjustments</b>	<b>(81,857)</b>	<b>(62,174)</b>	<b>31.7</b>	<b>(80,037)</b>	<b>(62,387)</b>	<b>28.3</b>

\* The REIT Manager has elected to receive 100% for 4QFY19 (4QFY18: 100%) and 92.2% for FY19 (FY18: 88.2%) of management fees in the form of units.

(9) Relates to partial distribution of the gain on divestment of investment properties.

**1(b) (i) Statements of Financial Position**

	Note	Group		Trust	
		30/9/2019 A\$'000	30/9/2018 A\$'000	30/9/2019 A\$'000	30/9/2018 A\$'000
<b>Non-current assets</b>					
Investment properties	1	3,554,142	2,978,204	-	-
Investment in subsidiaries		-	-	914,938	858,036
Loans to subsidiaries		-	-	1,848,932	1,568,967
Derivative financial instruments	2	2,117	1,133	2,117	1,133
<b>Total non-current assets</b>		<b>3,556,259</b>	<b>2,979,337</b>	<b>2,765,987</b>	<b>2,428,136</b>
<b>Current assets</b>					
Cash and cash equivalents		128,381	105,664	47,608	53,130
Trade and other receivables		14,176	9,691	62,111	26,154
Derivative financial instruments	2	2,070	283	2,070	283
Investment property held for sale	3	18,000	-	-	-
<b>Total current assets</b>		<b>162,627</b>	<b>115,638</b>	<b>111,789</b>	<b>79,567</b>
<b>Total assets</b>		<b>3,718,886</b>	<b>3,094,975</b>	<b>2,877,776</b>	<b>2,507,703</b>
<b>Current liabilities</b>					
Trade and other payables		53,217	40,404	3,445	2,408
Derivative financial instruments	2	1,072	148	1,072	148
Borrowings	4	206,237	219,654	112,627	169,619
Current tax liabilities		10,429	6,741	144	84
<b>Total current liabilities</b>		<b>270,955</b>	<b>266,947</b>	<b>117,288</b>	<b>172,259</b>
<b>Non-current liabilities</b>					
Trade and other payables		3,367	2,459	-	-
Derivative financial instruments	2	9,674	620	6,647	620
Borrowings	4	1,029,555	845,121	650,923	495,722
Deferred tax liabilities		62,598	36,574	-	-
<b>Total non-current liabilities</b>		<b>1,105,194</b>	<b>884,774</b>	<b>657,570</b>	<b>496,342</b>
<b>Total liabilities</b>		<b>1,376,149</b>	<b>1,151,721</b>	<b>774,858</b>	<b>668,601</b>
<b>Net assets attributable to Unitholders</b>		<b>2,342,737</b>	<b>1,943,254</b>	<b>2,102,918</b>	<b>1,839,102</b>
<b>Represented by:</b>					
Unitholders' funds		2,313,810	1,924,388	2,102,918	1,839,102
Non-controlling interests	5	28,927	18,866	-	-
<b>Total equity</b>		<b>2,342,737</b>	<b>1,943,254</b>	<b>2,102,918</b>	<b>1,839,102</b>

**Notes:**

- (1) Investment properties include fair value adjustments made based on independent valuations as at 30 September 2019. The increase in investment properties was due mainly to (a) completion of seven out of nine properties in the German Properties Acquisition, the Australian Properties Acquisition, the Dutch Acquisition, purchase of freehold land adjacent to the CHEP Property; which was partially offset by (b) completion of the South Park Drive Divestment and the Sandstone Place Divestment; and (c) classifications to investment property held for sale (as detailed in point (3) below).



**Notes (cont'd):**

- (2) Derivative financial instruments relate to fair values of interest rate swaps entered into to hedge the Group's interest rate risk in respect of its borrowings, and fair values of foreign currency forward contracts and cross currency swaps. The movement is due to changes in fair value of derivative financial instruments.
- (3) Investment property held for sale relates to the Heatherton Road Divestment and is based on fair value of the property as assessed by independent valuers.
- (4) Total borrowings increased due mainly to the additional debt drawn to finance the Dutch Acquisition and the German Properties Acquisition.
- (5) Non-controlling interests are attributable to minority interests held by various parties in the companies acquired in the FY2018 European Acquisition<sup>1</sup> and the German Properties Acquisition.
- (6) The Group is in a net current liability position at 30 September 2019 due to the short term borrowings of A\$206.2 million.

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<sup>1</sup> On 20 April 2018, FLT announced a portfolio acquisition of 17 industrial properties located in Germany and four located in the Netherlands for a consideration of approximately €308.2 million (the "FY2018 European Acquisition").

**1(b) (ii) Aggregate Amount of Borrowings**

**Amount repayable before one year<sup>1</sup>**

Secured  
 Unsecured

**Amount repayable after one year<sup>1</sup>**

Secured  
 Unsecured

30/9/2019 A\$'000	30/9/2018 A\$'000
93,610	50,035
112,627	169,619
<b>206,237</b>	<b>219,654</b>
378,632	349,399
650,923	495,722
<b>1,029,555</b>	<b>845,121</b>

**Details of borrowings and collateral**

FLT has obtained unsecured facilities comprising (i) term loan facilities of A\$470 million; (ii) revolving credit facility amounting to a total of A\$100 million ("RCF"); (iii) money market line facility amounting to A\$50 million; (iv) S\$1 billion multicurrency debt program; (v) €100 million equivalent multicurrency facility (the "Euro Loan") and (vi) A\$275.6 million and S\$129 million dual-currency facility.

As at 30 September 2019, A\$423 million was drawn from the A\$470 million term loan facilities and A\$50 million was drawn from the RCF. A total of €91.8 million was drawn from the Euro Loan. A\$76.1 million and S\$68.5 million were drawn from the dual-currency facility.

FLT had also secured borrowings of A\$472.2 million (€291.3 million) as at 30 September 2019. The borrowings are secured against certain investment properties in the European portfolio.

In aggregate, 60% (4QFY18: 82%) of the interest rate risk on the total borrowings were at fixed rates.

<sup>1</sup> Gross borrowings net of upfront debt related expenses

**1(c) Consolidated Statement of Cash Flows**

	<b>Group</b>			
	<b>4QFY19</b>	<b>4QFY18</b>	<b>FY19</b>	<b>FY18</b>
	<b>A\$'000</b>	<b>A\$'000</b>	<b>A\$'000</b>	<b>A\$'000</b>
<b>Cash flow from operating activities</b>				
Total return for the period before tax	141,681	115,024	272,434	213,995
Adjustments for:				
Straight-lining of rental adjustments	(259)	(877)	(3,440)	(6,393)
Effects of recognising leasing incentives on a straight line basis over the lease term	(700)	(1,939)	(1,160)	(3,075)
Managers' management fee paid/payable in Units	4,964	4,601	17,815	13,035
Exchange (gains)/losses (net)	(1,109)	(276)	905	(1,255)
Finance income	(307)	(215)	(1,161)	(1,321)
Finance costs	5,987	7,646	27,882	23,805
Gain on divestment of investment property	-	(23,446)	(1,649)	(23,446)
Net change in fair value of investment properties	(101,122)	(54,695)	(121,989)	(72,411)
Net change in fair value of derivative financial instruments	(1,763)	352	(2,101)	(2,349)
<b>Cash generated from operations before working capital changes</b>	<b>47,372</b>	<b>46,175</b>	<b>187,536</b>	<b>140,585</b>
Changes in working capital:				
Trade and other receivables	5,270	126	2,461	247
Trade and other payables	(6,303)	(3,698)	(16,633)	(5,557)
<b>Cash used in operations</b>	<b>46,339</b>	<b>42,603</b>	<b>173,364</b>	<b>135,275</b>
Taxes paid	(2,590)	(1,571)	(15,863)	(11,373)
<b>Net cash generated from operating activities</b>	<b>43,749</b>	<b>41,032</b>	<b>157,501</b>	<b>123,902</b>
<b>Cash flows from investing activities</b>				
Acquisition of subsidiaries	(264,237)	18,419	(304,109)	(460,761)
Acquisition of investment properties (including acquisition costs)	(125,900)	(63,076)	(125,900)	(63,076)
Stamp duty incurred on acquisition of investment properties	(7,105)	(3,554)	(7,105)	(3,554)
Net proceeds from divestment of investment properties	132,736	98,665	149,683	98,665
Capital expenditure on investment properties	(4,189)	(2,730)	(13,334)	(62,417)
Interest received	310	180	1,193	795
<b>Net cash (used in)/generated from investing activities</b>	<b>(268,385)</b>	<b>47,904</b>	<b>(299,572)</b>	<b>(490,348)</b>
<b>Cash flows from financing activities</b>				
Interest paid	(5,315)	(6,927)	(24,519)	(21,283)
Issuance of new units	274,328	-	274,328	469,583
Unit issue costs	(4,376)	(832)	(4,376)	(5,351)
Proceeds from borrowings	149,062	21,700	411,337	295,310
Repayment of borrowings	(134,248)	(40,373)	(362,988)	(231,887)
Payment of debt-related transaction costs	(2,310)	-	(4,969)	(2,004)
Distributions paid to Unitholders	-	(15,054)	(125,256)	(91,937)
<b>Net cash generated from/(used in) financing activities</b>	<b>277,141</b>	<b>(41,486)</b>	<b>163,557</b>	<b>412,431</b>
<b>Net increase in cash and cash equivalents</b>	<b>52,505</b>	<b>47,450</b>	<b>21,486</b>	<b>45,985</b>
Cash and cash equivalents at beginning of period	76,037	56,345	105,664	56,097
Effect of exchange rate changes on cash and cash equivalents	(161)	1,869	1,231	3,582
<b>Cash and cash equivalents at end of period</b>	<b>128,381</b>	<b>105,664</b>	<b>128,381</b>	<b>105,664</b>

1(d) (i) Statements of Movements in Unitholders' Funds

	FY19			FY18		
	Attributable to Unitholders A\$'000	Non-controlling interests A\$'000	Total A\$'000	Attributable to Unitholders A\$'000	Non-controlling interests A\$'000	Total A\$'000
<b>Group</b>						
<b>At 1 October</b>	1,924,388	18,866	1,943,254	1,337,516	-	1,337,516
<b>Operations</b>						
Increase in net assets resulting from operations	225,617	2,287	227,904	178,728	906	179,634
<b>Transactions with owners</b>						
Issue of new Units:						
- Private Placement	274,328	-	274,328	324,711	-	324,711
- Preferential Offering	-	-	-	144,872	-	144,872
- Managers' management fees/acquisition fees paid/payable in Units	20,598	-	20,598	17,764	-	17,764
Unit issue costs	(4,376)	-	(4,376)	(5,351)	-	(5,351)
Distributions paid to Unitholders	(125,256)	-	(125,256)	(91,937)	-	(91,937)
<b>Net increase in net assets resulting from transactions with owners</b>	<b>165,294</b>	<b>-</b>	<b>165,294</b>	<b>390,059</b>	<b>-</b>	<b>390,059</b>
<b>Hedging reserve</b>						
Effective portion of change in fair value of cash flow hedges	(7,966)	(56)	(8,022)	(2,364)	-	(2,364)
<b>Net decrease in net assets resulting from hedging reserve</b>	<b>(7,966)</b>	<b>(56)</b>	<b>(8,022)</b>	<b>(2,364)</b>	<b>-</b>	<b>(2,364)</b>
<b>Foreign currency translation reserve</b>						
Translation differences relating to financial statements of foreign subsidiaries	6,334	197	6,531	20,449	716	21,165
Exchange differences on hedge of net investments in foreign operations	143	-	143	-	-	-
<b>Net increase in net assets resulting from foreign currency translation reserve</b>	<b>6,477</b>	<b>197</b>	<b>6,674</b>	<b>20,449</b>	<b>716</b>	<b>21,165</b>
<b>Changes in ownership interests in subsidiaries</b>						
Acquisition of subsidiaries with non-controlling interests	-	7,633	7,633	-	17,244	17,244
<b>At 30 September</b>	<b>2,313,810</b>	<b>28,927</b>	<b>2,342,737</b>	<b>1,924,388</b>	<b>18,866</b>	<b>1,943,254</b>

1(d) (i) Statements of Movements in Unitholders' Funds (cont'd)

	4QFY19			4QFY18		
	Attributable to Unitholders A\$'000	Non-controlling interests A\$'000	Total A\$'000	Attributable to Unitholders A\$'000	Non-controlling interests A\$'000	Total A\$'000
<b>Group</b>						
<b>At 1 July</b>	1,922,958	20,153	1,943,111	1,830,551	18,289	1,848,840
<b>Operations</b>						
Increase in net assets resulting from operations	116,897	1,336	118,233	96,129	759	96,888
<b>Transactions with owners</b>						
Issue of new Units:						
- Private placement	274,328	-	274,328	-	-	-
- Managers' management fees/acquisition fees paid/payable in Units	7,544	-	7,544	4,913	-	4,913
Unit issue costs	(4,376)	-	(4,376)	(832)	-	(832)
Distributions paid to Unitholders	-	-	-	(15,054)	-	(15,054)
<b>Net increase/(decrease) in net assets resulting from transactions with owners</b>	<b>277,496</b>	<b>-</b>	<b>277,496</b>	<b>(10,973)</b>	<b>-</b>	<b>(10,973)</b>
<b>Hedging reserve</b>						
Effective portion of change in fair value of cash flow hedges	(1,364)	(56)	(1,420)	(499)	-	(499)
<b>Net decrease in net assets resulting from hedging reserve</b>	<b>(1,364)</b>	<b>(56)</b>	<b>(1,420)</b>	<b>(499)</b>	<b>-</b>	<b>(499)</b>
<b>Foreign currency translation reserve</b>						
Translation differences relating to financial statements of foreign subsidiaries	(4,705)	(139)	(4,844)	9,180	314	9,494
Exchange differences on hedge of net investments in foreign operations	2,528	-	2,528	-	-	-
<b>Net (decrease)/increase in net assets resulting from foreign currency translation reserve</b>	<b>(2,177)</b>	<b>(139)</b>	<b>(2,316)</b>	<b>9,180</b>	<b>314</b>	<b>9,494</b>
<b>Changes in ownership interests in subsidiaries</b>						
Acquisition of subsidiaries with non-controlling interests	-	7,633	7,633	-	(496)	(496)
<b>At 30 September</b>	<b>2,313,810</b>	<b>28,927</b>	<b>2,342,737</b>	<b>1,924,388</b>	<b>18,866</b>	<b>1,943,254</b>

**1(d) (i) Statements of Movements in Unitholders' Funds (cont'd)**

	<b>4QFY19</b>	<b>4QFY18</b>	<b>FY19</b>	<b>FY18</b>
	<b>A\$'000</b>	<b>A\$'000</b>	<b>A\$'000</b>	<b>A\$'000</b>
<b>Trust</b>				
<b>At the beginning of the period</b>	<b>1,771,094</b>	<b>1,783,667</b>	<b>1,839,102</b>	<b>1,333,309</b>
<b>Operations</b>				
Increase in net assets resulting from operations	54,710	66,907	105,506	118,098
<b>Transactions with owners</b>				
Issue of new Units:				
- Private Placement	274,328	-	274,328	324,711
- Preferential Offering	-	-	-	144,872
- Managers' management fees/acquisition fees paid/payable in Units	7,544	4,913	20,598	17,764
Unit issue costs	(4,376)	(832)	(4,376)	(5,351)
Distributions paid to Unitholders	-	(15,054)	(125,256)	(91,937)
<b>Net increase/(decrease) in net assets resulting from transactions with owners</b>	<b>277,496</b>	<b>(10,973)</b>	<b>165,294</b>	<b>390,059</b>
<b>Hedging reserve</b>				
Effective portion of change in fair value of cash flow hedges	(382)	(499)	(6,984)	(2,364)
<b>Net decrease in net assets resulting from hedging reserve</b>	<b>(382)</b>	<b>(499)</b>	<b>(6,984)</b>	<b>(2,364)</b>
<b>At the end of the period</b>	<b>2,102,918</b>	<b>1,839,102</b>	<b>2,102,918</b>	<b>1,839,102</b>

**1(d) (ii) Details of Changes in Issued and Issuable Units**

Group & Trust				
	4QFY19	4QFY18	FY19	FY18
Note	Units	Units	Units	Units
<b>Balance at beginning of the period</b>	2,027,018,837	2,006,886,813	2,013,918,118	1,511,477,462
<b><u>Issued Units</u></b>				
Issuance of Units - Private Placement	220,000,000	-	220,000,000	333,199,000
Issuance of Units - Preferential Offering	-	-	-	152,153,437
Issuance of Units - Base fee	1,874,608	2,301,791	9,438,190	6,403,905
Issuance of Units - Performance fee	-	-	5,061,522	5,646,070
Issuance of Units - Acquisition fee	-	4,729,514	475,615	5,038,244
<b>Total issued units at end of period</b>	<b>2,248,893,445</b>	<b>2,013,918,118</b>	<b>2,248,893,445</b>	<b>2,013,918,118</b>
<b><u>Units to be issued</u></b>				
Managers' management fee payable in Units				
- Base fee	2,609,385	2,862,714	2,609,385	2,862,714
- Performance fee	5,307,110	5,061,522	5,307,110	5,061,522
Managers' acquisition fee payable in Units	2,067,968	283,125	2,067,968	283,125
<b>Total issued and issuable units at end of period</b>	<b>2,258,877,908</b>	<b>2,022,125,479</b>	<b>2,258,877,908</b>	<b>2,022,125,479</b>

**Notes:**

- (1) Pursuant to the Trust Deed, the performance fee is paid only once in each financial year and, if paid in Units, at an issue price determined based on the volume weighted average price of the Units for the last 10 business days (the "10-day VWAP") of the relevant financial year. The number of performance fee Units to be issued is computed using an issue price based on the 10-day VWAP for the year ended 30 September 2019.
- (2) The acquisition fee payable relates to the German and Australian Properties Acquisition.

**2 Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the auditor.

**3 Where the figures have been audited or reviewed, the auditor's report (including any qualifications or emphasis of matter).**

Not applicable.

**4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Except as disclosed in item 5 below, there has been no change in the accounting policies and methods of computation adopted by the Trust and the Group for the current reporting period compared with the audited financial statements for the financial year ended 30 September 2018.

**5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Trust and the Group have adopted the new FRSs (FRS 115 *Revenue from contracts with customers* and FRS 109 *Financial instruments*) that are mandatory for the financial year beginning on 1 October 2018. The adoption of these FRSs has no significant impact on the financial statements of the Trust and the Group.

**6 Earnings per Unit (“EPU”) and distribution per Unit (“DPU”) for the financial year ended 30 September 2019**

		Group			
		4QFY19	4QFY18	FY19	FY18
	Note				
Total return attributable to Unitholders of the Trust for the period (A\$'000)	1	116,897	96,129	225,617	178,728
<b>Basic EPU</b>					
Weighted average number of Units		2,158,947,823	2,014,084,265	2,058,463,716	1,691,169,025
Basic EPU (Australian cents)	2	5.41	4.77	10.96	10.57
<b>Diluted EPU</b>					
Weighted average number of Units		2,168,008,343	2,022,125,479	2,071,425,853	1,704,873,458
Diluted EPU (Australian cents)	3	5.39	4.75	10.89	10.48
Distributable Income (A\$'000)	1	39,296	35,955	149,836	118,341
<b>DPU</b>					
Number of issued and issuable Units entitled to distribution	4	2,258,877,908	2,022,125,479	2,258,877,908	2,022,125,479
DPU based on the total number of issued and issuable Units entitled to distribution					
- Australian cents		1.82	1.78	7.27	6.94
- Singapore cents	5	1.73	1.78	7.00	7.19

**Notes:**

- (1) As shown in 1(a) on page 5.
- (2) Basic EPU has been calculated by dividing the total return for the period by the weighted average number of Units during the period.
- (3) Diluted EPU has been calculated by dividing the total return for the period by the weighted average number of Units during the period, adjusted on the basis that the Managers' management fee Units and Managers' acquisition fee Units were issued at the beginning of the period.



**6 Earnings per Unit (“EPU”) and distribution per Unit (“DPU”) for the financial year ended 30 September 2019 (cont’d)**

- (4) The higher number of units in issue compared to 4QFY18 was due to the issuance of management fee units, the placement units for the German and Australian Properties Acquisition and Managers’ acquisition fees for the various new acquisitions in FY19.
- (5) 4QFY19 DPU is calculated after taking into consideration the foreign currency forward contracts that FLT has entered into to hedge the currency risk on distributions to Unitholders at A\$1.00: S\$0.9543 (4QFY18: A\$1.00: S\$1.0011).

**7 Net Asset Value (“NAV”) and Net Tangible Asset (“NTA”) per Unit based on Units in issue and to be issued at the end of the period**

	Note	Group		Trust	
		30/9/2019	30/9/2018	30/9/2019	30/9/2018
Total issued and issuable Units at end of period		2,258,877,908	2,022,125,479	2,258,877,908	2,022,125,479
NAV/NTA per Unit (A\$)		1.02	0.95	0.93	0.91
NAV/NTA per Unit (S\$)	1	0.95	0.94	0.87	0.90

**Notes:**

- (1) Based on exchange rate of A\$1.00: S\$0.9307 (30 September 2018: A\$1.00: S\$0.9878).

## **8 Review of performance**

### **Review of Performance for the quarter from 1 July 2019 to 30 September 2019 (“4QFY19”) vs 1 July 2018 to 30 September 2018 (“4QFY18”)**

Adjusted NPI for 4QFY19 of A\$50.2 million was A\$0.9 million (or 1.9%) higher than 4QFY18. The higher Adjusted NPI for 4QFY19 was contributed by the effect of the various acquisitions in FY2018 and the recently completed German and Australian Properties Acquisition. These were in part offset by the effect of the divestments in FY2018, the South Park Drive Divestment and the Sandstone Place Divestment.

4QFY19 finance costs of A\$6.0 million were A\$1.7 million lower than 4QFY18. This was due mainly to interest savings from the refinancing of A\$170 million borrowings and from repayment of debt from the proceeds of the various divestments in FY2018 and FY2019. The weighted average interest rate (excluding upfront debt related expenses) for 4QFY19 was 2.2% per annum and 2.5% per annum for 4QFY18. At 30 September 2019, 60% (30 September 2018: 82%) of borrowings were at fixed rates.

The total return attributable to Unitholders of the Trust for 4QFY19 of A\$116.9 million was A\$20.8 million (or 21.6%) higher than 4QFY18 which included (a) fair value gain on investment properties of A\$101.1 million; (b) fair value gain on foreign currency forward contracts of A\$1.8 million to hedge the currency risk on distributions to Unitholders; which was partially offset by (c) net exchange losses of A\$0.2 million which relates to translation of the Trust’s foreign currency borrowings partially offset by the exchange differences arising from settlement of foreign currency forward contracts.

Tax expenses for 4QFY19 of A\$23.4 million were A\$5.3 million (or 29.3%) higher than 4QFY18. This was due mainly to higher current income tax, tax arising from the gain on the Sandstone Place Divestment, and higher deferred tax on the fair value gain on investment properties.

The REIT Manager has elected to receive 100% of the 4QFY19 management fee in the form of units (4QFY18: 100%).

Income available for distribution to Unitholders was A\$35.0 million, an increase of A\$1.1 million (or 3.2%) over 4QFY18. The REIT Manager has declared a distribution of A\$4.3 million from the gain on divestments.

## **8 Review of performance (cont'd)**

### **Review of Performance for the period from 1 October 2018 to 30 September 2019 ("FY19") vs 1 October 2017 to 30 September 2018 ("FY18")**

Adjusted NPI for FY19 of A\$195.9 million was A\$40.5 million (or 26.1%) higher than FY18. The higher Adjusted NPI for FY19 was contributed by the various acquisitions in FY2018 and FY2019 and other income of A\$2.4 million which relates to the early surrender fee received for 63-79 South Park Drive, Dandenong South, Victoria and make good income for both 63-79 South Park Drive, Dandenong South, Victoria and 610 Heatherston Road, Clayton South, Victoria. These were in part offset by the effect of the various divestments in FY2018 and FY2019.

FY19 finance costs of A\$27.9 million were A\$4.1 million higher than FY18. This was due mainly to higher borrowings to finance the various acquisitions in FY2018 and FY2019, partially offset by interest savings from the refinancing of A\$170 million borrowings and from repayment of debt from the proceeds of the various divestments in FY2018 and FY2019. The weighted average interest rate (excluding upfront debt related expenses) for FY19 was 2.2% per annum and 2.5% per annum for FY18. At 30 September 2019, 60% (30 September 2018: 82%) of borrowings were at fixed rates.

The total return attributable to Unitholders of the Trust for FY19 of A\$225.6 million was A\$46.9 million (or 26.2%) higher than FY18 which included (a) the gain on the South Park Drive Divestment of A\$1.6 million; (b) fair value gain on investment properties of A\$122.0 million; (c) fair value gains on foreign currency forward contracts of A\$2.1 million to hedge the currency risk on distributions to Unitholders which were in part offset by (d) net exchange losses of A\$3.3 million which relate to the translation of the Trust's foreign currency borrowings and were partially offset by the exchange differences arising from settlement of foreign currency forward contracts.

Tax expenses for FY19 of A\$44.5 million were A\$10.2 million (or 29.6%) higher than FY18. This was due mainly to higher current income tax, tax arising from the gain on the South Park Drive Divestment and the Sandstone Place Divestment, and higher deferred tax on the fair value gain on investment properties.

The REIT Manager has elected to receive 92.2% of the FY19 management fee in the form of units (FY18: 88.2%).

Income available for distribution to Unitholders was A\$145.6 million, an increase of A\$29.2 million (or 25.1%) over FY18. The REIT Manager has declared a distribution of A\$4.3 million from the gain on divestments.

## **9 Variance from Forecast Statement**

Not applicable.

**10 Commentary on the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months**

**Australia**<sup>1</sup>

Australian industrial take-up levels have been robust with approximately 2.3 million sq m leased over the 12-month period to September 2019, supported by demand from eCommerce, food and grocery, pharmaceutical and third party logistics (3PL) users. The strong demand for industrial space is largely attributable to strong population growth, public infrastructure spending and growth in the e-commerce sector. Australia's population growth over the next five years is projected to rank third amongst the world's advanced economies.

New industrial supply is slightly below the long-term average with approximately 1.3 million sqm of new stock being completed over the previous 12 months to 30 September 2019. There continues to be a strong pipeline of industrial developments primarily in Sydney and Melbourne. Developers are seeking to capitalise on the continued strength of the industrial market by constructing new stock on a speculative basis. We note however that new industrial supply has dropped in 2019 compared to 2018 as a result of the reduction in development activity and a shortage in serviced industrial land in Sydney.

National take-up levels continue to exceed new completions and as a result, vacancies are at their lowest level in five years across the three major industrial markets of Sydney, Melbourne and Brisbane. Prime face rents have recorded steady year-on-year growths of 3.0% and 1.3% in Sydney and Melbourne respectively. We note that prime rents in Sydney and Melbourne are expected to normalise with modest growth projected for the next 12 months.

The Brisbane industrial market is recovering with prime rents returning to pre-2017 levels with 2.4% prime rental growth in the last 12 months. The recovery has been driven by stronger tenant demand, limited new development and declining vacancies. Tenant demand is expected to remain stable with JLL projecting rental growth of 3.00% in the next 12 months.

Investor demand for industrial space remains strong with evidence of further yield compression compared to the second quarter of 2019 however, the yield compression is forecast to stabilise. In the absence of capital growth, rental growth is expected to drive industrial returns in future years.

**Germany and the Netherlands**<sup>2</sup>

German economic growth softened over the course of 2019 due mainly to a slowdown in the German automotive industry. Despite the weakness in the automotive sector, the German economy still has strong domestic fundamentals that include a skilled workforce and low unemployment rate of 3.1% as at August 2019. The ongoing US-China trade tensions and Brexit will continue to weigh on confidence levels and economic growth.

According to BNP, in the nine months to September 2019, total transaction volumes in the German industrial and logistics market totalled €4.97 billion, which represents a marginal decline of 0.8% when compared to the same period in 2018. The German industrial market is characterised by a lack of investment stock and a large pool of investors seeking to deploy their capital. There is increasing competition from foreign investors for industrial and logistics assets in Germany.

<sup>1</sup> Sources: JLL Research – Industrial Market Snapshot 3Q 2019; Knight Frank Research – Australian Capital View Outlook 2019

<sup>2</sup> Source: BNP Paribas Real Estate International Research ("BNP"), 3Q 2019

**10 Commentary on the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months (cont'd)**

In Germany, take-up levels for logistics and industrial properties of above 5,000 sq m has remained high at 4.67 million sq m for the nine months to September 2019. This represents a 4.5% increase from the corresponding period in 2018. Average prime yields for the major German logistics hubs has sharpened to record lows of approximately 3.8%.

The Dutch economy has remained resilient in 2019 supported by a strong labour market, strong household consumption and capital investments. The unemployment rate on a seasonally adjusted basis remains low at 3.5% in August 2019. Tenant demand in the Netherlands remains strong with leasing volumes for warehouses above 5,000 sq m totalling 2.17 million sq m in the nine months to September 2019. This represents a 13.6% increase compared to the same period in 2018.

In the nine months to September 2019, total transaction volume in the Dutch industrial and logistics investment market totalled €1.66 billion. This represents a 49% decline in investment volumes compared to the same period in 2018. The Dutch market continues to be characterised by a lack of investment stock and strong investor demand. Average prime yields have firmed slightly in 3Q 2019 but are expected to stabilise over the short term. Average prime yields are currently 4.4% in the market of 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 portfolio with a focus on generating sustainable long-term value for unitholders.

**11 Distributions**

**(a) Current financial period**

Any distributions declared for the current period?	Yes
Name of Distribution	Distribution for the financial period from 8 August 2019 to 30 September 2019
Distribution type / rate	Tax-exempt distribution component 1.01 Singapore cents <sup>1</sup>
Tax rate	<u>Tax-exempt income distribution component</u> The tax-exempt income distribution component is exempt from Singapore income tax in the hands of all unitholders, regardless of their nationality, corporate identity or tax residence status. No tax will be deducted from such component.

**(b) Corresponding period of the immediately preceding financial period**

Any distribution declared for the corresponding period of the immediate preceding financial period?	Yes
Name of Distribution	Distribution for the financial period from 21 May 2018 to 30 September 2018
Distribution type / rate	Tax-exempt distribution component 2.57 Singapore cents <sup>2</sup>
Tax rate	<u>Tax-exempt income distribution component</u> The tax-exempt income distribution component is exempt from Singapore income tax in the hands of all unitholders, regardless of their nationality, corporate identity or tax residence status. No tax will be deducted from such component.

<sup>(1)</sup> Together with the Advanced Distribution of 2.45 Singapore cents per unit as announced on 24 October 2019 and paid on 1 November 2019 for the period from 1 April 2019 to 7 August 2019, FLT's total distribution for the period from 1 April 2019 to 30 September 2019 amounted to 3.46 Singapore cents per unit.

<sup>(2)</sup> Together with the Advanced Distribution of 1.01 Singapore cents per unit as announced on 24 July 2018 and paid on 7 August 2018 for the period from 1 April 2018 to 20 May 2018, FLT's total distribution for the period from 1 April 2018 to 30 September 2018 amounted to 3.58 Singapore cents per unit.

**(c) Date payable**

16 December 2019

**(d) Books closure date**

14 November 2019

**12 If no distributions has been declared / recommended, a statement to that effect**

Refer to paragraph 11.

**13 If the Group has obtained a general mandate from Unitholders for Interested Person Transactions (“IPT”), the aggregate value of such transactions are required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect**

FLT Group has not obtained a general mandate from Unitholders for any Interested Person Transactions.

**14 Segment Revenue and Results**

	<b>FY19</b>	<b>FY18</b>	<b>Change</b>
	<b>A\$'000</b>	<b>A\$'000</b>	<b>%</b>
<b>Revenue</b>			
Australia	175,454	175,226	0.1
Europe	65,304	20,540	N.M.
<b>Total revenue</b>	<b>240,758</b>	<b>195,766</b>	<b>23.0</b>
<b>Net property income</b>			
Australia	141,388	143,520	(1.5)
Europe	57,963	18,271	N.M.
<b>Total net property income</b>	<b>199,351</b>	<b>161,791</b>	<b>23.2</b>

**15 Breakdown of Revenue**

	<b>FY19</b>	<b>FY18</b>	<b>Change</b>
	<b>A\$'000</b>	<b>A\$'000</b>	<b>%</b>
Revenue for first half year	119,190	86,005	38.6
Revenue for second half year	121,568	109,761	10.8
<b>Total revenue</b>	<b>240,758</b>	<b>195,766</b>	<b>23.0</b>
Total return for first half year	63,991	50,803	26.0
Total return for second half year	163,913	128,831	27.2
<b>Total return</b>	<b>227,904</b>	<b>179,634</b>	<b>26.9</b>

**16 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the businesses or geographical segments.**

Refer to Paragraph 8.

**17 Breakdown of Total Distribution Paid**

	<b>FY19 A\$'000</b>	<b>FY18 A\$'000</b>
6 Jul 2017 to 30 Sep 2017	-	25,115
1 Oct 2017 to 31 Mar 2018	-	51,768
1 Apr 2018 to 20 May 2018 <sup>(1)</sup>	-	15,054
21 May 2018 to 30 September 2018	51,591	-
1 Oct 2018 to 31 Mar 2019	73,665	-
	<b>125,256</b>	<b>91,937</b>

**Note:**

(1) Please refer to the “Details of Advanced Distribution” announcement dated 24 July 2018 for further details.

**18 Use of Private Placement proceeds**

On 8 August 2019, FLT issued 220,000,000 new Units from a private placement at an issue price of S\$1.173 per Unit (the “Private Placement”) and raised gross proceeds of approximately S\$258.1 million. Total gross proceeds have been used in the following manner:

- (1) approximately S\$242.6 million (which is equivalent to 94.0% of the gross proceeds of the Private Placement) to fully fund the Australian Properties Acquisition and to partially fund the German Properties Acquisition; and
- (2) approximately S\$15.5 million (which is equivalent to 6.0% of the gross proceeds of the Private Placement) to pay the fees and expenses, including (i) the underwriting and placement commission and related fees and expenses payable to the Joint Lead Managers and Underwriters, and (ii) professional and other fees and expenses incurred by FLT in connection with the German and Australian Properties Acquisition (inclusive of approximately S\$6.6 million of stamp duty arising from the Australian Properties Acquisition) and the Private Placement.

Such use of proceeds from the equity fund raising is in accordance with the intended use of proceeds previously disclosed in FLT’s announcement dated 30 July 2019 in relation to the equity fund raising.



## 19 Additional information – Foreign Investment Regime of Australia

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

### Notifiable actions (i.e. mandatory notification) for Australian Land Trusts

A "foreign person"<sup>3</sup> that acquires Units is required under the FATA to notify and receive a prior no objections notification ("FIRB Approval") in respect of its investment in FLT from the Australian Treasurer through the Foreign Investment Review Board ("FIRB") if any of the circumstances set out below apply at the time the Units are acquired:

- (a) if FLT is considered to be an "Australian Land Trust"<sup>4</sup> ("ALT") at the time of acquisition, all foreign persons acquiring Units (including existing holders of Units acquiring additional Units) will require FIRB Approval unless an exemption applies (see below);
- (b) if FLT is not an ALT, but has gross Australian assets in excess of a specified threshold prescribed under FATA (as at the date of this Announcement, the threshold prescribed under FATA is A\$266.0 million) at the time of acquisition, all investors (i) who are foreign persons and (ii) who are acquiring a substantial interest (20% or more held solely or together with associates) in FLT or have a substantial interest (20% or more held solely or together with associates) and increase their holding, will require FIRB Approval; or
- (c) any investor that is a Foreign Government Investor<sup>5</sup> acquiring a "direct interest"<sup>6</sup> in FLT will require FIRB Approval at the time of acquisition, regardless of whether FLT is considered to be an ALT or whether FLT has gross Australian assets in excess of A\$266.0 million.

<sup>3</sup> A "foreign person" is broadly defined in the FATA and includes:

- an individual not ordinarily resident in Australia; or
- a corporation in which an individual not ordinarily resident in Australia, a foreign corporation or a foreign government holds a substantial interest (20% or more held solely or together with associates); or
- a corporation in which 2 or more persons, each of whom is an individual not ordinarily resident in Australia, a foreign corporation or a foreign government, hold an aggregate substantial interest (40% or more including associate holdings); or
- the trustee of a trust in which an individual not ordinarily resident in Australia, a foreign corporation or a foreign government holds a substantial interest (20% or more held solely or together with associates); or
- the trustee of a trust in which 2 or more persons, each of whom is an individual not ordinarily resident in Australia, a foreign corporation or a foreign government, hold an aggregate substantial interest (40% or more including associate holdings); or
- a foreign government.

<sup>4</sup> An ALT is a unit trust in which the value of interests in Australian land exceeds 50% of the value of the total assets of the unit trust.

<sup>5</sup> A "foreign government investor" means an entity that is:

- foreign government or separate government entity; or
- a corporation, or 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 country (or parts of more than one foreign country), together with any one or more associates, hold an interest of at least 40%;
- a "separate government entity" means an individual, corporation or corporation sole that is an agency or instrumentality of a foreign country or part of a foreign country, but not part of the body politic of a foreign country or of a part of a foreign country.

The FATA deems foreign government related entities from the same country to be associated. The effect is that an entity will be a foreign government investor where one or more foreign government related entities from the same country have in aggregate a 20% or more interest in the subject entity.

<sup>6</sup> A "direct interest" is defined to mean:

- an interest of at least 10% in the entity or business, or

**19 Additional information – Foreign Investment Regime of Australia (cont'd)**

**Exemptions from ALT requirements**

There are two relevant exemptions from the requirement to obtain FIRB Approval under the FATA that would otherwise apply if FLT was considered to be an ALT:

- (a) where the relevant person is not a foreign government investor and the relevant person's interest in FLT would not be valued in excess of a specified threshold prescribed under the FATA (at the date of this announcement, the threshold prescribed under the FATA is A\$266.0 million, unless the ALT has 'sensitive' land holdings, in which case the threshold is A\$58.0 million)<sup>7</sup>; and
- (b) the relevant person, together with associates, is acquiring an interest of less than 10% in FLT and will not be in a position to influence or participate in the central management and control of FLT or to influence, participate in or determine the policy of FLT.<sup>8</sup>

**Significant actions**

As at 30 September 2019, the value of the Australian land assets comprised in FLT's portfolio is 56.8% of the total asset value of FLT. Consequently, FLT is considered to be an ALT.

As at 30 September 2019, FLT had gross Australian assets of approximately A\$2,112.0 million, which is above the A\$266.0 million threshold.

Any investor that is a "foreign person" acquiring Units on the secondary market should seek their own advice on the FIRB requirements as they pertain to their specific circumstances.

- 
- an interest of at least 5% in the entity or business if the person who acquires the interest has entered a legal arrangement relating to the businesses of the person and the entity or business, or
  - an interest of any percentage in the entity or business if the person who has acquired the interest is in a position to:
    - participate or influence the central management and control of the entity or business; or
    - influence, participate or determine the policy of the entity or business.

<sup>7</sup> This applies in respect of ALTs that have predominantly developed commercial real estate portfolios (i.e. less than 10% residential or vacant commercial land). It is the value of the interest being acquired, rather than the value of the underlying land that is determinative for the purposes of this exemption. The concept of 'sensitive' land is broad and includes transport logistics facilities, mines and critical infrastructure (for example, an airport or port) as well as property that has Australian government tenants.

<sup>8</sup> This applies where an ALT is listed on an official stock exchange (whether in Australia or not).

**20 Confirmation pursuant to Rule 720(1) of the SGX-ST Listing Manual**

Fraser's Logistics & Industrial Asset Management Pte. Ltd. ("FLIAM"), the Manager of FLT confirms that it has procured undertakings from all Directors and Executive Officers (in the format set out in Appendix 7.7) pursuant to Rule 720(1) of the Listing Manual.

**21 Confirmation pursuant to Rule 704(13) of the SGX-ST Listing Manual**

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, FLIAM, confirms that there is no person occupying a managerial position in FLIAM or in any of the principal subsidiaries of FLIAM or FLT who is a relative of a director, chief executive officer, or substantial shareholder of FLIAM or substantial unitholder of FLT.

**For and on behalf of the Board of Directors of**

Fraser's Logistics & Industrial Asset Management Pte. Ltd.

Ho Hon Cheong  
Chairman

Goh Yong Chian  
Director

By Order of the Board of Directors of  
Fraser's Logistics & Industrial Asset Management Pte. Ltd.  
(Company registration no. 201528178Z)  
As manager of Fraser's Logistics & Industrial Trust

Catherine Yeo  
Company Secretary  
6 November 2019

#### **Important Notice**

This announcement 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, property expenses, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business.

Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view on future events.

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 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 announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units. The past performance of FLT and the Manager is not necessarily indicative of the future performance of FLT and the Manager.