

**NEWS RELEASE**  
*For Immediate Release*

**FLT DPU up 3.4% to 1.80 Singapore cents<sup>(1)(2)</sup>**

\*\*\*

**Highlights for 1QFY18**

- Distributable Income grew 3.9% to A\$25.9 million
- Executed three lease renewals with total GLA of 66,737 sq m
- Practical completion achieved for two development properties – Beaulieu and Stanley Black & Decker facilities
- Expansion works at the Stramit facility completed ahead of schedule on 19 December 2017

**Summary of results**

A\$ mil	1/10/17 – 31/12/17 (1QFY18)	1/10/16 – 31/12/16 (1QFY17) <sup>(3)</sup>	Change (%)
Revenue	42.4	39.7	6.9
Adjusted Net Property Income <sup>(4)</sup>	33.4	30.7	8.9
Distributable Income	25.9	24.9	3.9
Distribution Per Unit (DPU) (Singapore cents)	1.80	1.74	3.4

\*\*\*

**Singapore, 25 January 2018** – Frasers Logistics & Industrial Asset Management Pte. Ltd. (“星狮物流工业资产管理公司”), the manager of Frasers Logistics & Industrial Trust (“星狮物流工业信托”) (“FLT”, and the manager of FLT, the “REIT Manager”), is pleased to announce a distribution per unit (“DPU”) of 1.80 Singapore cents for the financial quarter ended 31 December 2017 (“1QFY18”), an increase of 3.4% over the corresponding financial quarter (“1QFY17”).

*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 in Frasers Logistics & Industrial Trust (the “Offering”) (collectively, the “Joint Global Coordinators”). 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 (collectively, the “Joint Bookrunners”). The Joint Bookrunners for the Offering assume no responsibility for the contents of this announcement.*

<sup>1</sup> Distributions will be made on a semi-annual basis for the six-month periods ending 31 March and 30 September

<sup>2</sup> 1QFY18 DPU is calculated based on 78.1% (1QFY17: 100%) of management fees to be taken in the form of units and after taking into consideration the forward foreign currency exchange contracts entered into to hedge the currency risk for distribution to Unitholders at A\$1.00:S\$1.0583 (1QFY17: A\$1.00:S\$1.00)

<sup>3</sup> The comparative figures are for the quarter from 1 October 2016 to 31 December 2016. These figures are extracted from Paragraph 1 of FLT’s Financial Statements Announcement dated 3 February 2017

<sup>4</sup> Comprises the actual net property income excluding straight lining adjustments for rental income and after adding back straight lining adjustments for ground leases

## REVIEW OF FINANCIAL PERFORMANCE

FLT's 1QFY18 revenue rose 6.9% to A\$42.4 million, while Adjusted Net Property Income rose 8.9% to A\$33.4 million, compared against revenue of A\$39.7 million and Adjusted Net Property Income of A\$30.7 million for 1QFY17.

Finance Income for 1QFY18 was A\$0.4 million, which was partially contributed from the coupon interest income on the initial payment for the three development properties in the Acquisition Transaction<sup>(5)</sup>. Finance costs rose 16.4%, or A\$0.7 million, to A\$4.8 million in 1QFY18, due mainly to higher borrowings of A\$75 million drawn to finance the Acquisition Transaction.

Distributable Income grew 3.9% to A\$25.9 million in 1QFY18, lifted by contributions from the four completed properties acquired in August 2017<sup>(5)</sup>, contributions from the Beaulieu and Stanley Black & Decker facilities, which had achieved practical completion on 13 October 2017 and 17 November 2017 respectively, as well as the recognition of a full quarter's contribution from the Martin Brower call option property which was acquired on 30 November 2016.

Accordingly, FLT reported a DPU of 1.80 Singapore cents<sup>6</sup> for 1QFY18, an increase of 3.4% compared to 1.74 Singapore cents in 1QFY17, mainly contributed by the higher forward currency hedged rate of A\$1.00:S\$1.0583 (1QFY17: A\$1.00:S\$1.00).

Mr. Robert Wallace, Chief Executive Officer of the REIT Manager, said, "FLT started the year on a strong footing, delivering year-on-year DPU growth to our unitholders. In line with the REIT Manager's focus on active portfolio management, we executed three forward lease extensions in 1QFY18, further extending FLT's lease expiry profile. The continued strength of our property portfolio, together with the pipeline of potential Australian and European industrial and logistics properties from our Sponsor, Frasers Centrepoint Limited, positions FLT for both organic and inorganic growth opportunities."

## RECENT DEVELOPMENTS AND PORTFOLIO UPDATE

In 1QFY18, FLT renewed three leases in each of Queensland, South Australia and Victoria, with a total GLA of 66,737 sq m. The 1,219 sq m expansion works to the property at the Stramit facility (57-71 Platinum Street, Crestmead, Queensland) was completed ahead of schedule on 19 December 2017.

Portfolio occupancy remained at 99.4% as at 31 December 2017, with a WALE of 6.79 years, from 6.75 years as at 30 September 2017, and minimal lease expiries of 2.4% (by gross rental income) for the financial year ending 30 September 2018.

The total value of FLT's portfolio was A\$1.93 billion as at 31 December 2017, compared to A\$1.91 billion as at 30 September 2017, with the increase due primarily to the completion of the Beaulieu and Stanley Black & Decker facilities, as well as the Stramit facility enhancement works.

## CAPITAL MANAGEMENT

As at 31 December 2017, FLT's aggregate leverage was 30.9%, providing FLT with available debt headroom for growth. Total borrowings were A\$615 million, 68% of which are hedged. The weighted average interest rate for borrowings for 1QFY18 was 2.8%<sup>(7)</sup> per annum.

---

<sup>5</sup> On 6 June 2017, FLT announced its first portfolio acquisition of seven industrial properties located in Australia comprising four completed properties and three development properties for an aggregate consideration of approximately A\$169.3 million (the "Acquisition Transaction")

<sup>6</sup> Based on 78.1% (1QFY17: 100%) of management fees to be taken in the form of units

<sup>7</sup> Excluding upfront debt related expenses

## OUTLOOK

For the 12 months ended 31 December 2017, the supply of industrial space in Australia remained around the 10 year average with over 1.6 million sq m of space added to the market, of which the three major markets of Melbourne, Sydney and Brisbane accounted for 93% of the new development. While the annual supply is also above the long term average, most of the new space has been leased prior to completion. In addition to a strong pre-lease market, occupier demand for existing space stayed strong, with 2017 national take-up surpassing the 10-year average by 17%. Sydney continues to be the strongest performing capital city in terms of both capital and rental growth, which is underpinned by high levels of infrastructure investment together with a shortage of developable land. Melbourne has experienced some rental growth over most precincts due to stronger demand from large-scale occupiers and fewer available leasing options. In Brisbane, prime net rents remained stable from the previous quarter but elevated incentives have persisted. Occupiers are continuing to take advantage of the incentives being offered by developers and are relocating into new warehouses from older and less efficient facilities.

According to JLL (as defined below), 2017 national investment volume of A\$3.7 billion is below the five-year annual average of A\$5 billion, which is a reflection of fewer assets being offered to the market. Given limited access to assets and the desire to quickly increase exposure to the Australian industrial market, portfolio sales have been highly sought after by both domestic and offshore investors.<sup>8</sup>

Looking ahead, the REIT Manager will continue to grow FLT's prime industrial portfolio with a focus on generating sustainable, long-term value for our unitholders.

– End –

For media and investor queries, please contact:

**Frasers Logistics & Industrial Asset Management Pte. Ltd.**

Ng Chung Keat

Tel: +65 6813 0583

E-Mail: [ir@fraserslogisticstrust.com](mailto:ir@fraserslogisticstrust.com)

### **About Frasers Logistics & Industrial Trust**

Frasers Logistics & Industrial Trust (“FLT”) is the first Singapore-listed real estate investment trust with an initial pure-play Australian industrial and logistics portfolio. FLT offers investors a unique opportunity to invest in 61 Australian industrial and logistics real estate assets concentrated within major industrial markets in Australia, which include Melbourne, Sydney and Brisbane. Coupled with assets in Adelaide and Perth, FLT's total portfolio is valued at A\$1.93 billion as at 31 December 2017.

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.

For more information about FLT, visit [www.fraserslogisticstrust.com](http://www.fraserslogisticstrust.com)

---

<sup>8</sup> Sources: JLL Real Estate Intelligence Service (“JLL”) – Industrial Market Snapshot 4Q 2017; Jones Lang LaSalle Real Estate Data Solution – Industrial Occupier Moves from 4Q07 to 4Q17, Industrial Sales Transactions from 4Q07 to 4Q17, Construction Projects from 4Q07 to 4Q17

## About Frasers Centrepoint Limited

Frasers Centrepoint Limited (“FCL”), is a multi-national company that owns, develops and manages, a diverse, integrated portfolio of properties. Listed on the Main Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”) and headquartered in Singapore, the company is organised around five asset classes, with assets totalling S\$27 billion as at 30 September 2017.

FCL’s assets range from residential, hospitality, retail and commercial, to industrial and logistics properties 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.

FCL is also a 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, logistics and industrial 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 FCL, please visit [fraserscentrepoint.com](http://fraserscentrepoint.com).

## IMPORTANT NOTICE

This news release is for information purposes only and does not constitute or form part of an offer, solicitation or invitation of any offer, to buy or subscribe for any securities of FLT in Singapore or any other jurisdiction, nor should it or any part of it form the basis of, or be relied on in connection with, any contract or commitment whatsoever.

The value of the units in Frasers Logistics & Industrial Trust (“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, FCL, in its capacity as Sponsor of FLT, the Joint Global Coordinators or the Joint Bookrunners.

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 news release may contain forward-looking statements 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 of FLT is not guaranteed. A potential investor is cautioned not to place undue reliance on these forward-looking statements, which are based on the REIT Manager’s current view of future events.

This news 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.

This news release is not to be distributed or circulated outside of Singapore. Any failure to comply with this restriction may constitute a violation of United States securities laws or the laws of any other jurisdiction.