

NEWS RELEASE
For Immediate Release
FLT exceeds Forecast Distributable Income⁽¹⁾ for second consecutive reporting period

Highlights

- Distribution Per Unit (“DPU”) of 1.74 Singapore cents is 6.1% above Forecast⁽¹⁾⁽²⁾
- Distributable Income at A\$24.9 million is 5.1% above Forecast
- Acquired third call option property in November 2016
- 56,108 sq m of new and lease renewals executed
- Lower borrowing costs than Forecast

Summary of results

A\$ mil	1/10/2016 to 31/12/2016			20/6/2016 – 31/12/2016		
	Actual	Forecast ⁽¹⁾	Variance (%)	Actual	Forecast ⁽¹⁾	Variance (%)
Gross Revenue	39.7	40.3	(1.5)	82.7	83.0	(0.3)
Adjusted Net Property Income ⁽³⁾	30.7	30.9	(0.6)	63.4	63.6	(0.3)
Distributable Income	24.9	23.7	5.1	51.3	49.5	3.6
Distribution Per Unit (DPU) ⁽²⁾ (Singapore cents)	1.74	1.64	6.1	3.58	3.43	4.4

Singapore, 3 February 2017 – Frasers Logistics & Industrial Asset Management Pte. Ltd. (“星狮物流工业资产管理公司”), the manager of newly-listed 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 FLT’s results for the financial quarter ended 31 December 2016.

FLT achieved a Distributable Income of A\$24.9 million and DPU of 1.74 Singapore cents, exceeding Forecasts by 5.1% and 6.1% respectively for the quarter. The higher Distributable Income and DPU were due mainly to interest savings from a lower actual weighted average interest rate of 2.8%⁽⁴⁾ per annum, compared to a forecast weighted average interest rate of 3.4%⁽⁴⁾ per annum.

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.

¹ The Forecast figures for the quarter ended 31 December 2016 (“Quarter Forecast”) have been proportionally pro-rated from the Projection for the Enlarged Portfolio for Projection Year 2017 (1 October 2016 to 30 September 2017) (which takes into account the acquisition of the three Call Option Properties) which are set out in the Prospectus. The Forecast figures for the financial period from 30 November 2015 (date of constitution) to 31 December 2016 comprises (i) the Quarter Forecast and (ii) the Forecast figures for the period from 20 June 2016 to 30 September 2016. Please refer to Note 1 in Paragraph 9 of FLT’s Financial Statements Announcement for details.

² Distributions will be made on a semi-annual basis for the six-month periods ending 31 March and 30 September.

³ After straight lining rental adjustments.

⁴ Excluding upfront debt related expenses.

Gross revenue for the quarter was A\$39.7 million, 1.5% below the Forecast of A\$40.3 million, due mainly to a delay in exercising and acquiring the Martin Brower call option property (“**MB property**”) to 30 November 2016, from 1 October 2016. Correspondingly, Adjusted Net Property Income was A\$30.7 million, 0.6% lower than the Forecast. The lower property operating expenses, a 14.5% decrease in actual trust expenses, and interest savings translated to the higher Distributable Income and DPU for the period under review.

Mr. Robert Wallace, Chief Executive Officer of the REIT Manager, said, “We are pleased that FLT has outperformed its Forecast Distributable Income for a second consecutive reporting period, which has been underpinned by the progressive execution of our acquisition and asset management strategies. Notably, the addition of the MB property to our portfolio and the signing of several lease renewals and a new lease are expected to support FLT’s future performance and distributable income.”

PORTFOLIO UPDATE

The total value of FLT’s portfolio increased by 8.8% since IPO to A\$1.74 billion as at 31 December 2016.

FLT proactively engages with tenants prior to lease expiry and 56,108 square metres (“**sq m**”) of new lease and lease renewals, representing 4.5% of total Portfolio GFA, were executed in the quarter.

The portfolio’s occupancy has improved to 99.3% as at 31 December 2016, up from 98.3% at listing. The portfolio enjoys a long WALE of 6.9 years, with no concentration risk of lease expiry, with only 0.6% of its leases (by gross rental income) expiring during the year ending 31 December 2017, thereby providing stability of cash flows.

On 30 November 2016, FLT completed the acquisition of the MB property in Sydney. This is a prime, new industrial facility with a 20-year lease, the longest in FLT’s portfolio.

PRUDENT CAPITAL MANAGEMENT

As at 31 December 2016, FLT’s aggregate leverage remains low at 29.7%, providing FLT with available debt headroom for growth. The recent establishment of a S\$1 billion multicurrency debt issuance programme on 28 October 2016 also provides FLT with flexibility in its financing options. Total borrowings stood at A\$540 million, 78% of which are hedged. The weighted average interest rate for borrowings for the quarter was 2.8% per annum.

OUTLOOK

Occupier demand for prime grade industrial assets in Australia is well supported by continued residential construction and government infrastructure spending, with demand driven by third-party logistics providers, retailers and e-commerce. Sydney continues to be the strongest leasing market followed by Melbourne and Queensland, where demand is improving.

“The first six months since FLT’s IPO saw the completion of two development properties ahead of schedule, the acquisition of three Call Option properties as well as proactive lease management. Leveraging on the positive industrial market dynamics in Australia and the strength of our portfolio, we will continue to pursue growth opportunities for the benefit of our stakeholders,” added Mr. Wallace.

The REIT Manager currently expects FLT to meet the FY2017 DPU Forecast of 6.50 Singapore cents contained in the Prospectus barring any unforeseen circumstances.

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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 portfolio. FLT offers investors a unique opportunity to invest in 54 Australian industrial 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\$1.7 billion as at 31 December 2016.

FLT’s investment strategy is to invest globally in a diversified portfolio of income-producing industrial 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

About Frasers Centrepoint Limited

Frasers Centrepoint Limited (“**FCL**”) is a full-fledged international real estate company and one of Singapore’s top property companies with total assets of S\$24 billion as at 30 September 2016. 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. FCL also has an International Business unit that focuses on the Group’s investments in China, Southeast Asia, and the United Kingdom.

FCL is listed on the Main Board of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”). FCL is also a sponsor and its subsidiaries are the managers of three REITs listed on the SGX-ST, Frasers Centrepoint Trust, Frasers Commercial Trust, and Frasers Logistics & Industrial Trust that are focused on retail properties, office and business space properties, and industrial properties respectively, as well as one stapled trust listed on the SGX-ST, Frasers Hospitality Trust (comprising Frasers Hospitality Real Estate Investment Trust and Frasers Hospitality Business Trust) that is focused on hospitality properties.

As a testament to its excellent service standards, best practices, and support of the environment, FCL is the proud recipient of numerous awards and accolades both locally and abroad.

For more information on FCL, please visit www.fraserscentrepoint.com.

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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, the Sponsor, 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. There is no intention to register any portion of the offering in the United States or to conduct a public offering of securities in the United States. The Units are being offered and sold outside the United States (including to institutional and other investors in Singapore) in reliance on Regulation S under the Securities Act.

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