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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 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.

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"). FLT was listed on the mainboard of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 20 June 2016 (the "Listing Date").

The initial portfolio of FLT and its subsidiaries (the "Group") at the initial public offering of FLT ("IPO") comprised 51 Australian industrial real estate assets (the "IPO Properties") concentrated within major industrial markets in Australia which include Melbourne, Sydney and Brisbane. It also has assets in Adelaide and Perth. The IPO Properties included two development properties, Schenker Extension and CEVA Logistics which were completed on 24 June 2016 and 30 June 2016 respectively. On 31 August 2016, FLT exercised the options to acquire and acquired the Indian Drive and Pearson Road Call Option Properties (as defined in the Prospectus). On 30 November 2016, FLT exercised the option to acquire and acquired the Martin Brower Call Option Property.

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 "2017 Acquisition Transaction"). The 2017 Acquisition Transaction was partially funded by proceeds from the private placement of 78,000,000 new units in FLT at an issue price of S\$1.01 per new unit on 6 July 2017 (the "Private Placement"), and the remaining balance through debt financing. On 26 July 2017, unitholders at FLT's extraordinary general meeting approved the 2017 Acquisition Transaction as it was an interested person transaction. The REIT Manager completed the acquisitions of the four completed properties and the Beaulieu facility, one of the development properties on 1 August 2017. The acquisition of the two remaining development properties, Stanley Black & Decker facility and Clifford Hallam facility, were completed on 15 August 2017 and 12 September 2017 respectively. The Beaulieu facility achieved practical completion on 13 October 2017 and the Stanley Black & Decker facility achieved practical completion on 17 November 2017. The Clifford Hallam facility has achieved its practical completion on 4 May 2018.

	Portfolio as at 31/3/2018
Number of Properties	61
GLA (sq m)	1,332,957
Occupancy	99.4%
WALE ¹	6.75 years
Portfolio Age ²	7.4 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 purposes³, whether wholly or partially, as well as such industrial⁴ real estate-related assets in connection with the foregoing.

¹ 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.

² Portfolio age refers to the average age of the buildings of the properties, weighted by value.

³ Such real estate assets used for "logistics" or "industrial" purposes also include office components ancillary to the foregoing purposes.

⁴ References to real estate assets used for "industrial" purposes means real estate assets used for "industrial" or "logistics" purposes interchangeably.

Distribution Policy

FLT's distribution policy was to distribute 100% of FLT's Distributable Income for the period from the Listing Date to 30 September 2017. Thereafter, FLT will distribute at least 90.0% 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

		Group					
		1/1/2018 to 31/3/2018 2QFY18 A\$'000	1/1/2017 to 31/3/2017* 2QFY17 A\$'000	Change %	1/10/2017 to 31/3/2018 1HFY18 A\$'000	1/10/2016 to 31/3/2017* 1HFY17 A\$'000	Change %
Revenue		43,575	40,939	6.4	86,005	80,617	6.7
Adjusted net property income**		33,414	30,906	8.1	66,805	61,572	8.5
Total return for the period		25,243	19,684	28.2	52,205	42,539	22.7
Income available for distribution to Unitholders	1	25,866	25,060	3.2	51,720	49,937	3.6
Distribution per Unit ("DPU")							
- Australian cents	2	1.70	1.75	(2.9)	3.40	3.49	(2.6)
- Singapore cents	1	1.81	1.75	3.4	3.61	3.49	3.4

* The comparative figures for 2QFY17 are for the quarter from 1 January 2017 to 31 March 2017 and are extracted from Paragraph 1 of FLT's Financial Statements Announcement dated 5 May 2017. The comparative 1HFY17 figures are an aggregate of the 1QFY17 (extracted from Paragraph 1 of FLT's Financial Statements Announcement dated 3 February 2017) and 2QFY17 results.

** 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) 2QFY18 DPU is calculated based on 67.5% (2QFY17: 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 distributions to Unitholders at A\$1.00 : S\$1.0647 (2QFY17: A\$1.00 : S\$1.0014).

1HFY18 DPU is calculated based on 72.8% (1HFY17: 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 distributions to Unitholders at A\$1.00: S\$1.0615 (1HFY17: A\$1.00: S\$1.0007).

- (2) For illustration and comparison purpose only, assuming 100% of management fees had been taken in the form of units, 2QFY18 and 1HFY18 DPU would have been 1.77 Australian cents (2QFY17: 1.75 Australian cents) and 3.52 Australian cents (1HFY17: 3.49 Australian cents) respectively.

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

		Group					
	Note	2QFY18	2QFY17*	Change	1HFY18	1HFY17*	Change
		A\$'000	A\$'000	%	A\$'000	A\$'000	%
Revenue	1	43,575	40,939	6.4	86,005	80,617	6.7
Property operating expenses	2	(7,868)	(6,389)	(23.1)	(15,510)	(12,703)	(22.1)
Net property income		35,707	34,550	3.3	70,495	67,914	3.8
Managers' management fee							
- Base fee		(1,989)	(1,825)	(9.0)	(3,992)	(3,650)	(9.4)
- Performance fee		(1,221)	(1,138)	(7.3)	(2,424)	(2,268)	(6.9)
Trustees' fees		(78)	(73)	(6.8)	(162)	(144)	(12.5)
Trust expenses		(342)	(261)	(31.0)	(772)	(774)	0.3
Finance income		333	135	146.7	777	216	259.7
Finance costs		(4,883)	(4,167)	(17.2)	(9,653)	(8,265)	(16.8)
Exchange gains/(losses) (net)	3	254	(959)	N.M	(703)	(16)	(4,293.8)
Net income		27,781	26,262	5.8	53,566	53,013	1.0
Net change in fair value of derivative financial instruments	4	1,492	(2,089)	N.M	5,449	(2,859)	N.M
Total return for the period before tax		29,273	24,173	21.1	59,015	50,154	17.7
Tax expenses	5	(4,030)	(4,489)	10.2	(8,212)	(7,615)	(7.8)
Total return for the period		25,243	19,684	28.2	50,803	42,539	19.4
<u>Distribution Statement</u>							
Total return after tax		25,243	19,684	28.2	50,803	42,539	19.4
Tax related and other adjustments	6	623	5,376	(88.4)	917	7,398	N.M
Income available for distribution to Unitholders		25,866	25,060	3.2	51,720	49,937	3.6

For information:

Adjusted NPI	33,414	30,906	8.1	66,805	61,572	8.5
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N.M – Not meaningful

* The comparative figures for 2QFY17 are for the quarter from 1 January 2017 to 31 March 2017 and are extracted from Paragraph 1 of FLT's Financial Statements Announcement dated 5 May 2017. The comparative 1HFY17 figures are an aggregate of the 1QFY17 (extracted from Paragraph 1 of FLT's Financial Statements Announcement dated 3 February 2017) and 2QFY17 results.

1(a) Consolidated Statement of Total Return (cont'd)

Notes:

(1) Revenue comprises the following:

	Group					
	2QFY18	2QFY17	Change	1HFY18	1HFY17	Change
	A\$'000	A\$'000	%	A\$'000	A\$'000	%
Rental income	36,933	33,907	8.9	72,986	65,859	10.8
Incentives reimbursement	1,504	2,357	(36.2)	2,788	5,297	(47.4)
Recoverable outgoings	5,138	4,675	9.9	10,231	9,461	8.1
	43,575	40,939	6.4	86,005	80,617	6.7

(2) Property operating expenses comprise the following:

	Group			Group		
	2QFY18	2QFY17	Change	1HFY18	1HFY17	Change
	A\$'000	A\$'000	%	A\$'000	A\$'000	%
Land tax	(1,791)	(1,086)	(64.9)	(3,205)	(2,407)	(33.2)
Ground lease expenses*	(2,015)	(1,164)	(73.1)	(4,043)	(2,258)	(79.1)
Statutory expenses**	(1,667)	(1,399)	(19.2)	(3,156)	(2,954)	(6.8)
Property management fee	(442)	(387)	(14.2)	(879)	(770)	(14.2)
Other property expenses	(1,953)	(2,353)	17.0	(4,227)	(4,314)	2.0
	(7,868)	(6,389)	(23.1)	(15,510)	(12,703)	(22.1)

* Includes straight lining adjustments for annual increments.

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

(3) Net exchange gains/(losses) relate mainly to the realised and unrealised exchange differences arising from translation of the Group's cash balance held in Singapore dollars and the exchange differences arising from settlement of foreign currency forward contracts.

(4) 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):

(5) Tax expenses comprise the following:

Group						
	2QFY18	2QFY17	Change	1HFY18	1HFY17	Change
	A\$'000	A\$'000	%	A\$'000	A\$'000	%
Current tax expenses	(2,017)	(1,862)	(8.3)	(4,474)	(3,476)	(28.7)
Deferred tax expenses	(2,013)	(2,627)	23.4	(3,738)	(4,139)	9.7
	(4,030)	(4,489)	10.2	(8,212)	(7,615)	(7.8)

Current tax expenses comprised withholding tax on the income distribution 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.

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

Group						
	2QFY18	2QFY17	Change	1HFY18	1HFY17	Change
	A\$'000	A\$'000	%	A\$'000	A\$'000	%
Straight-lining of rental adjustments	(2,293)	(3,644)	37.1	(3,690)	(6,342)	41.8
Managers' management fee paid/payable in Units*	2,166	2,963	(26.9)	4,671	5,918	(21.1)
Exchange (gains)/losses (net)	(255)	959	N.M	700	34	N.M
Net change in fair value of derivative financial instruments	(1,492)	2,089	N.M	(5,449)	2,859	N.M
Deferred tax	2,013	2,627	(23.4)	3,738	4,139	(9.7)
Other adjustments	484	382	26.7	947	790	19.9
Tax related and other adjustments	623	5,376	(88.4)	917	7,398	N.M

* The REIT Manager has elected to receive 67.5% for 2QFY18 (2QFY17:100%) and 72.8% for 1HFY18 (1HFY17: 100%) of management fees in the form of units.

1(b) (i) Statements of Financial Position

	Note	Group		Trust	
		31/3/2018 A\$'000	30/9/2017 A\$'000	31/3/2018 A\$'000	30/9/2017 A\$'000
Non-current assets					
Investment properties	1	1,930,829	1,910,975	-	-
Investment in subsidiaries		-	-	805,691	789,746
Loans to a subsidiary		-	-	1,087,231	1,065,658
Derivative financial instruments	2	1,774	3,077	1,774	3,077
Total non-current assets		1,932,603	1,914,052	1,894,696	1,858,481
Current assets					
Cash and cash equivalents		74,527	56,097	67,943	48,495
Trade and other receivables		6,032	5,719	8,143	4,208
Derivative financial instruments	2	3,034	456	3,034	456
Total current assets		83,593	62,272	79,120	53,159
Total assets		2,016,196	1,976,324	1,973,816	1,911,640
Current liabilities					
Trade and other payables		16,546	41,348	2,129	1,296
Derivative financial instruments	2	-	2,870	-	2,870
Current tax liabilities		2,085	1,793	84	56
Total current liabilities		18,631	46,011	2,213	4,222
Non-current liabilities					
Trade and other payables		1,846	2,336	-	-
Derivative financial instruments	2	587	-	587	-
Borrowings	3	609,056	574,109	609,056	574,109
Deferred tax liabilities		20,090	16,352	-	-
Total non-current liabilities		631,579	592,797	609,643	574,109
Total liabilities		650,210	638,808	611,856	578,331
Net assets attributable to Unitholders		1,365,986	1,337,516	1,361,960	1,333,309
Represented by:					
Unitholders' funds		1,365,986	1,337,516	1,361,960	1,333,309

Notes:

- (1) Investment properties include fair value adjustments made based on independent valuations as at 30 September 2017. The increase in investment properties was due mainly to Beaulieu and Stanley Black & Decker facilities which achieved practical completion on 13 October 2017 and 17 November 2017 respectively.
- (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 foreign currency forward contracts. The movement is due to changes in fair value of derivative financial instruments.

Notes (cont'd):

(3) The increase in borrowings was due mainly to the additional borrowings of A\$35 million for payment of the development costs for Beaulieu and Stanley Black & Decker facilities.

b) (ii) Aggregate Amount of Borrowings

Unsecured

Amount repayable before one year
 Amount repayable after one year¹

31/3/2018 A\$'000	30/9/2017 A\$'000
-	-
609,056	574,109

Details of borrowings and collateral

FLT has obtained unsecured facilities comprising (i) term loan facilities of A\$470 million; (ii) revolving credit facility ("RCF") maturing five years from first utilisation amounting to a total of A\$200 million; (iii) money market line facility amounting to A\$50 million and (iv) S\$1 billion multicurrency debt program.

As at 31 March 2018, the A\$470 million term loan facilities were fully drawn and A\$145 million was drawn from the RCF. 100% of the interest rate risk on the term loan facilities has been hedged using interest rate swaps. An additional 34% of the RCF has been hedged. In aggregate, 85% of the interest rate risk on the total borrowings has been hedged.

The weighted average interest rate for the borrowings was 2.9%² per annum for 2QFY18.

The gearing limit is 30.5% and the debt to maturity is 2.6 years at 31 March 2018.

¹ Gross borrowings net of upfront debt related expenses

² Excluding upfront debt related expenses

1(c) Consolidated Statement of Cash Flows

		Group			
Note	2QFY18	2QFY17*	1HFY18	1HFY17*	
	A\$'000	A\$'000	A\$'000	A\$'000	
Cash flow from operating activities					
Total return for the period before tax	29,273	24,173	59,015	50,154	
Adjustments for:					
Straight-lining of rental adjustments	(2,293)	(3,644)	(3,690)	(6,342)	
Effects of recognising leasing incentives on a straight line basis over the lease term	(469)	(1,226)	(763)	(1,666)	
Managers' management fee paid/payable in Units	2,166	2,963	4,671	5,918	
Exchange losses/(gains) (net)	203	935	(1,193)	(22)	
Finance income	(333)	(135)	(777)	(216)	
Finance costs	4,883	4,167	9,653	8,265	
Net change in fair value of derivative financial instruments	(1,492)	2,089	(5,449)	2,859	
Cash generated from operations before working capital changes	31,938	29,322	61,467	58,950	
Changes in working capital:					
Trade and other receivables	1,773	470	(412)	187	
Trade and other payables	(1,302)	3,082	(521)	(251)	
Cash generated from operations	32,409	32,874	60,534	58,886	
Taxes paid	(984)	(1,741)	(4,182)	(1,741)	
Net cash generated from operating activities	31,425	31,133	56,352	57,145	
Cash flows from investing activities					
Acquisition of investment properties (including acquisition costs)	-	-	-	(58,209)	
Stamp duty incurred on acquisition of investment properties	-	-	-	(3,192)	
Capital expenditure on investment properties	(619)	-	(39,846)	-	
Interest received	332	130	492	231	
Net cash (used in)/generated from investing activities	(287)	130	(39,354)	(61,170)	
Cash flows from financing activities					
Interest paid	(4,393)	(3,902)	(8,646)	(7,791)	
Proceeds from borrowings	50,000	-	85,000	41,000	
Payment of debt-related transaction costs	-	-	(1,000)	-	
Repayment of borrowings	(50,000)	(10,000)	(50,000)	(10,000)	
Distributions paid to Unitholders	-	-	(25,115)	(26,402)	
Increase in restricted cash	-	-	-	(226)	
Net cash used in financing activities	(4,393)	(13,902)	239	(3,419)	
Net increase/(decrease) in cash and cash equivalents	26,745	17,361	17,237	(7,444)	
Cash and cash equivalents at beginning of period	47,985	49,842	56,097	73,500	
Effect of exchange rate changes on cash and cash equivalents	(203)	(935)	1,193	212	
Cash and cash equivalents at end of period	74,527	66,268	74,527	66,268	

* The comparative figures for 2QFY17 are for the quarter from 1 January 2017 to 31 March 2017 and are extracted from Paragraph 1 of FLT's Financial Statements Announcement dated 5 May 2017. The comparative 1HFY17 figures are an aggregate of the 1QFY17 (extracted from Paragraph 1 of FLT's Financial Statements Announcement dated 3 February 2017) and 2QFY17 results.

Notes:

- (1) Includes the payment of development costs of A\$37 million for the Beaulieu and Stanley Black & Decker facilities which achieved practical completion on 13 October 2017 and 17 November 2017 respectively.
- (2) For the purpose of the consolidated statement of cash flows, the consolidated cash and cash equivalents comprised the following:

	Group	Group
	31/3/2018	31/3/2017
	A\$'000	A\$'000
Cash and bank deposits	74,527	78,836
Less: Restricted cash	-	(12,568)
Cash and cash equivalents at end of period	74,527	66,268

Restricted cash represents the amount of cash and cash equivalents used to secure bank guarantees for the ground leases of some of the leasehold properties.

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

	Group			
	2QFY18 A\$'000	2QFY17 A\$'000	1HFY18 A\$'000	1HFY17 A\$'000
Net assets at beginning of period	1,339,736	1,256,819	1,337,516	1,249,274
Operations				
Total return for the period	25,243	19,684	50,803*	42,539
Net change in net assets resulting from operations	25,243	19,684	50,803	42,539
Unitholders' transactions				
Units issued and to be issued:				
- Managers' management fee/ acquisition fee paid/payable in units	2,166	2,963	4,672	5,918
Distributions to Unitholders	-	-	(25,115)*	(26,402)
Net change in net assets resulting from Unitholders' transactions	2,166	2,963	(20,443)	(20,484)
Hedging reserve				
Effective portion of change in fair value of cash flow hedge	(1,159)	(2,035)	(1,890)	6,102
Net change in net assets resulting from hedging reserve	(1,159)	(2,035)	(1,890)	6,102
Net asset at end of period	1,365,986	1,277,431	1,365,986	1,277,431

* During the quarter ended 31 December 2017, the distributions to Unitholders as disclosed in Statements of Movements in Unitholders' Funds had inadvertently included an amount of \$1,402,000 (which relates mainly to the advanced distributions from 1 July 2017 to 5 July 2017 that was paid on 29 September 2017). Excluding this amount, the distributions to unitholders is \$25,115,000. This has been rectified by adjusting the total return and distributions to Unitholders of 1HFY18.

There is no impact on the income available for distributions to the Unitholders for the financial quarter ended 31 December 2017 and 31 March 2018.

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

	Trust			
	2QFY18 A\$'000	2QFY17 A\$'000	1HFY18 A\$'000	1HFY17 A\$'000
Net assets at beginning of period	1,327,625	1,244,576	1,333,309	1,245,799
Operations				
Total return for the period	33,328	34,517	50,984*	48,604
Net change in net assets resulting from operations	33,328	34,517	50,984	48,604
Unitholders' transactions				
Units issued and to be issued:				
- Managers' management fee/ acquisition fee paid/payable in units	2,166	2,963	4,672	5,918
Distributions to Unitholders	-	-	(25,115)*	(26,402)
Net change in net assets resulting from Unitholders' transactions	2,166	2,963	(20,443)	(20,484)
Hedging reserve				
Effective portion of change in fair value of cash flow hedge	(1,159)	(2,035)	(1,890)	6,102
Net change in net assets resulting from hedging reserve	(1,159)	(2,035)	(1,890)	6,102
Net asset at end of period	1,361,960	1,280,021	1,361,960	1,280,021

* During the quarter ended 31 December 2017, the distributions to Unitholders as disclosed in Statements of Movements in Unitholders' Funds had inadvertently included an amount of \$1,402,000 (which relates mainly to the advanced distributions from 1 July 2017 to 5 July 2017 that was paid on 29 September 2017). Excluding this amount, the distributions to unitholders is \$25,115,000. This has been rectified by adjusting the total return and distributions to Unitholders of 1HFY18.

There is no impact on the income available for distributions to the Unitholders for the financial quarter ended 31 December 2017 and 31 March 2018.

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

Group & Trust				
	2QFY18	2QFY17	1HFY18	1HFY17
Note	Units	Units	Units	Units
Balance at beginning of the period	1,519,437,409	1,427,250,636	1,511,477,462	1,425,150,000
<u>Issued Units</u>				
Issuance of Units - base fee	1,200,074	2,091,902	3,205,221	4,192,538
Issuance of Units - performance fee	-	-	5,646,070	-
Issuance of Units - acquisition fee	-	-	308,730	-
Total issued units at end of period	1,520,637,483	1,429,342,538	1,520,637,483	1,429,342,538
<u>Units to be issued</u>				
Managers' management fee payable in Units				
- Base fee	896,893	2,017,308	896,893	2,017,308
- Performance fee	2,303,522	3,761,715	2,303,522	3,761,715
Managers' acquisition fee payable in Units	148,101	-	148,101	-
Total issued and issuable units at end of period	1,523,985,999	1,435,121,561	1,523,985,999	1,435,121,561

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 period ended 31 March 2018. Investors should note that there is no certainty that the performance fee Units issued at the end of the financial year ending 30 September 2018 will be issued at this estimated issue price given that the trading price of the Units may vary.
- (2) The acquisition fee payable for the development properties will be paid only when the properties have achieved practical completion and is paid in Units at an issue price determined based on the volume weighted average price of the Units for the 10 business days (the "10-day VWAP") following the respective practical completion date.

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.

The same accounting policies and methods of computation in the preparation of the audited financial statements for the period from 30 November 2015 (date of constitution) to 30 September 2017 has been applied.

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.

Not applicable.

6 Earnings per Unit (“EPU”) and distribution per Unit (“DPU”) for the financial quarter ended 31 March 2018

		Group	Group	Group	Group
		2QFY18	2QFY17	1HFY18	1HFY17
Total return for the period (A\$'000)	Note 1	25,243	19,684	50,803	42,539
Basic EPU					
Weighted average number of Units		1,520,647,448	1,429,364,953	1,519,982,316	1,428,307,671
Basic EPU (Australian cents)	2	1.66	1.38	3.34	2.98
Diluted EPU					
Weighted average number of Units		1,523,985,999	1,435,121,561	1,523,985,999	1,435,121,561
Diluted EPU (Australian cents)	3	1.66	1.37	3.33	2.96
Income available for distribution to Unitholders (A\$'000)	1	25,866	25,060	51,720	49,937
DPU					
Number of issued and issuable Units entitled to distribution	4	1,521,534,376	1,431,359,846	1,521,534,376	1,431,359,846
DPU based on the total number of issued and issuable Units entitled to distribution	5				
- Australian cents		1.70	1.75	3.40	3.49
- Singapore cents	6	1.81	1.75	3.61	3.49

Notes:

- (1) As shown in 1(a) on page 4.
- (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 quarter ended 31 March 2018 (cont’d)

- (4) Higher number of units in issue compared to 2QFY17 was due to the issuance of management fee units and the placement units for the 2017 Acquisition Transaction.
- (5) 2QFY18 DPU is calculated based on 67.5% (2QFY17: 100%) of management fees to be taken in the form of units and based on the number of Units entitled to distribution, comprising (a) total Units in issue as at 31 March 2018 of 1,520,637,483 Units; and (b) Manager’s management fee payable in Units as at 31 March 2018 of 896,893 Units.
- (6) 2QFY18 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\$1.0647 (2QFY17: A\$1.00 : S\$1.0014).

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	
		31/3/2018	30/9/2017	31/3/2018	30/9/2017
Total issued and issuable Units at end of period		1,523,985,999	1,519,599,038	1,523,985,999	1,519,599,038
NAV/NTA per Unit (A\$)		0.90	0.88	0.89	0.88
NAV/NTA per Unit (S\$)	1	0.91	0.94	0.90	0.94

Notes:

- (1) Based on exchange rate of A\$1.00 : S\$1.0125 (30 September 2017: A\$1.00 : S\$1.0636).

8 Review of performance

Review of Performance for the quarter from 1 January 2018 to 31 March 2018 ("2QFY18") vs 1 January 2017 to 31 March 2017 ("2QFY17")

Adjusted NPI for 2QFY18 at A\$33.4 million was A\$2.5 million (or 8.1%) higher than 2QFY17. The four completed properties in the 2017 Acquisition Transaction and the Beaulieu and Stanley Black & Decker facilities, which had achieved practical completion on 13 October 2017 and 17 November 2017 respectively, contributed adjusted NPI of A\$2.1 million.

Finance income of A\$0.3 million for 2QFY18 included the coupon interest income on the initial payment for the development property of Clifford Hallam facility in the 2017 Acquisition Transaction.

2QFY18 finance costs of A\$4.9 million was A\$0.7 million higher than 2QFY17. This was due mainly to higher borrowings drawn to finance the 2017 Acquisition Transaction. Actual weighted average interest rate for 2QFY18 was 2.9% per annum and 2QFY17 was 2.8% per annum. At 31 March 2018, 85% (31 March 2017: 79%) of borrowings were hedged.

The actual total return for 2QFY18 of A\$25.2 million was A\$5.6 million (or 28.2%) higher than 2QFY17 which included a fair value gain of A\$1.5 million on foreign currency forward contracts to hedge the currency risk on distributions to Unitholders for 2QFY18 compared to a fair value loss of A\$2.1 million for 2QFY17.

Tax expenses for 2QFY18 of A\$4.0 million was A\$0.5 million (or 10.2%) lower than 2QFY17. This was due mainly to a lower deferred tax charge for the properties due to the differences between the carrying values and the tax bases on 31 March 2018.

The REIT Manager has elected to receive A\$1.04 million of quarterly base management fee or 32.5% (2QFY17: 0%) of management fees in the form of cash. This will reduce the quarterly distributable income to Unitholders by A\$1.04 million to A\$25.9 million.

Review of Performance from 1 October 2017 to 31 March 2018 ("1HFY18") vs 1 October 2016 to 31 March 2017 ("1HFY17")

Adjusted NPI for 1HFY18 at A\$66.8 million was A\$5.2 million (or 8.5%) higher than 1HFY17. The four completed properties in the 2017 Acquisition Transaction and the Beaulieu and Stanley Black & Decker facilities, which had achieved practical completion on 13 October 2017 and 17 November 2017 respectively, contributed adjusted NPI of A\$4.0 million. 1HFY18 also recorded the full period's contribution from the Martin Brower call option property which was acquired on 30 November 2016.

Finance income of A\$0.8 million for 1HFY18 included the coupon interest income on the initial payment for the three development properties in the 2017 Acquisition Transaction.

1HFY18 finance costs of A\$9.7 million was A\$1.4 million higher than 1HFY17. This was due mainly to higher borrowings drawn to finance the 2017 Acquisition Transaction. Actual weighted average interest rate for 1HFY18 was 2.9% per annum and 1HFY17 was 2.8% per annum.

The actual total return for 1HFY18 of A\$ 50.9 million was A\$8.3 million (or 19.4%) higher than 1HFY17 which included a fair value gain of A\$5.4 million on foreign currency forward contracts to hedge the currency risk on distributions to Unitholders for 1HFY18 compared to a fair value loss of A\$2.9 million for 1HFY17.

8 Review of performance (cont'd)

Tax expenses for 1HFY18 of A\$8.2 million was A\$0.6 million higher than 1HFY17. This was due mainly to higher withholding tax paid on interest income and higher distributable income offset by a lower deferred tax charge for the properties due to the differences between the carrying values and the tax bases on 31 March 2018.

The REIT Manager has elected to receive A\$1.74 million of quarterly base management fee or 27.2% (1HFY17: 0%) of management fees in the form of cash. This will reduce the distributable income to Unitholders by A\$1.74 million to A\$51.7 million.

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

National supply levels are above the long-term average with development activity concentrated in Sydney and Melbourne. Pre-lease deals remain dominant however, there has been an increase in speculative space in Sydney due to strong occupier demand. Brisbane on the other hand is at parity with its long term average following relatively low additions to supply in the year. Above-average take up levels have been observed across the three major cities, driven by occupier demand from third-party logistics, retail goods and e-commerce. The strong demand has been further well supported by government infrastructure spending and population growth, particularly in New South Wales and Victoria.

Sydney continues to be the strongest industrial market and a sustained period of heightened demand has driven both prime and secondary rental growth on a net and effective basis. In Melbourne's South East, prime face rents have recorded a modest growth due to the combination of low vacancy and challenges with securing new land banks. Melbourne's available space has continued to be concentrated in the West, underpinned by high levels of backfill options as a result of pre-lease activities. However, vacancy levels are falling and letting up periods are expected to shorten as the West Gate Tunnel project, which will provide improved access to the Port of Melbourne, has been a catalyst for occupier interest in the precinct. In the Brisbane market, competition to secure tenants has resulted in converging net face rents across precincts. More specifically, the Southern and Northern precincts have recorded contractions in rents to average \$110psm.

There was a total of A\$5.0 billion national industrial transactions during 2017, which dropped significantly from A\$7 billion in 2016¹, following 8 years of increasing volumes. The decline in transaction volume has been attributable to the scarcity of stock brought to market. As such, unsatisfied capital remains in the market and the pent-up investor demand has demonstrated a further tightening in cap rates of high quality stock and an increased appetite for value-added opportunities and secondary assets.

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.

¹ JLL Real Estate Intelligence Service Jones Lang LaSalle Real Estate Data Solution – Industrial Sales Transactions from 1Q08 to 1Q18

11 Distributions

(a) Current financial period

Any distributions declared for the current period?	Yes
Name of Distribution	Distribution for the period from 1 October 2017 to 31 March 2018
Distribution type / rate	Singapore cents
	Tax-exempt distribution component 2.56
	Capital distribution component 1.05
	Total <u><u>3.61</u></u>
Tax rate	<p><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.</p> <p><u>Capital distribution component</u> The capital distribution component represents a return of capital to unitholders for Singapore income tax purposes. The amount of the capital distribution component will be applied to reduce the cost base of unitholders' Units for Singapore income tax purposes. For unitholders who are liable to Singapore income tax on profits from the sale of their Units, the reduced cost base of their Units will be used to calculate any taxable trading gains arising from the disposal of the Units.</p>

(b) Corresponding period of the immediately preceding financial period

Any distribution declared for the corresponding period of the immediate preceding financial period?
 Not applicable

(c) Date payable

26 June 2018

(d) Books closure date

18 May 2018

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 Use of Proceeds

Use of cash proceeds raised from the IPO of FLT on the Listing Date

	Per Listing Announcement ¹		Actual ²		Difference	
	A\$'000	S\$'000	A\$'000	S\$'000	A\$'000	S\$'000
Acquisition of the IPO Properties	1,295,672	1,292,432	1,295,672	1,292,432	-	-
Transaction costs						
- Costs arising from the acquisition of the IPO Properties, including stamp duties and Victorian conversion duty	29,296	29,222	29,296	29,222	-	-
- Unit issuance costs	29,056	28,984	27,584	27,336	1,472	1,648
Debt-related costs	7,800	7,781	7,800	7,781	-	-
Working capital purposes	49,638	49,514	51,110 ³	51,162	(1,472)	(1,648)
Total use of IPO cash proceeds	1,411,462	1,407,933	1,411,462	1,407,933	-	-

Notes:

- (1) The use of proceeds disclosed in the Listing Announcement dated 20 June 2016 was translated into SGD using the exchange rate of A\$1.00 : S\$0.9975 which is the weighted average rate at which the REIT Manager has hedged S\$907.8 million of the IPO proceeds.
- (2) Based on an exchange rate of A\$1.00 : S\$0.9975, being the exchange rate mentioned in (1), except for transaction costs relating to unit issuance costs which are translated at an exchange rate of A\$1.00 : S\$0.9910, being the average rate for June 2016.
- (3) Since the Listing Date, A\$45.0 million (S\$47.1 million) of A\$51.1 million raised from the IPO which was allocated to working capital purposes had been utilised in the following manner:
 - (a) A\$12.3 million (S\$12.8 million) towards payment of interest expenses on borrowings, and debt related transaction costs; and
 - (b) A\$1.4 million (S\$1.5 million) towards payment of trustee fees and trust expenses which includes investor relations related expenses and bank charges.
 - (c) A\$20.4 million (S\$21.4 million) towards payment of acquisition of Martin Brower Call Option Property, stamp duty and transaction costs for the 3 Call Options.
 - (d) A\$8.0 million (S\$8.4 million) towards partial payment of acquisition of Beaulieu and Stanley Black & Decker facilities and Clifford Hallam facility.
 - (e) A\$2.9 million (S\$3.0 million) towards capital expenditure and asset enhancement project.
- (4) The above use of proceeds is in accordance with the intended use and is mainly in accordance with the allocation as stated in the Prospectus.

15 Subsequent Event

On 19 April 2018, FLT Europe Pte Ltd, a wholly-owned subsidiary of FLT, entered into a conditional share purchase agreement with Frasers Property Investments (Holland) B.V. (the “Vendor”) to acquire all the issued shares of FPE Logistics B.V. (the “Target Company”), which holds interests in 21 industrial properties, comprising 17 properties in Germany and four properties in the Netherlands (the “New Properties”). The agreed purchase price for the New Properties is approximately €596.8 million (approximately S\$972.8 million¹) (the “Property Purchase Price”). The consideration of approximately €316.2 million (approximately S\$515.4 million¹) is based on the aggregate value of the Property Purchase Price, adjusted for the estimated consolidated net assets and liabilities of the Target Company which includes the existing debt of €262.7 million (approximately S\$428.2 million) (the “Proposed Acquisition”).

The Proposed Acquisition is expected to be completed by June 2018, subject to Unitholders’ approval at an extraordinary general meeting to be convened on 8 May 2018.

16 Additional information – Australia’s Foreign Investment Regime

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

A “foreign person”² that acquires Units is required under the FATA to notify and receive a prior no objections notification (“**FIRB Approval**”) 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”³ (“**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 Latest Practicable Date, the threshold prescribed under FATA is A\$261.0 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

¹ Based on an assumed exchange rate of €1.00:S\$1.63

² 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.

³ 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.

16 **Additional information – FLT's interests in Australia Land Trust (cont'd)**

- (c) any investor that is a Foreign Government Investor⁴ acquiring a "direct interest"⁵ 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\$261.0 million.

Exemptions from ALT requirements

The FATA contains two relevant exemptions from the requirement to obtain FIRB Approval 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 Latest Practicable Date, the threshold prescribed under the FATA is A\$261.0 million, unless the ALT has 'sensitive' land holdings, in which case the threshold is A\$57.0 million)⁶; 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 the ALT or to influence, participate in or determine the policy of the ALT⁷.

Significant actions

As at 31 March 2018, the value of the Australian land assets comprised in FLT's portfolio is 95.8% of the total asset value of FLT. Consequently, FLT is considered to be an ALT. As at 31 March 2018, FLT has gross Australian assets of approximately A\$1,930.8 million, which is above A\$261.0 million.

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.

⁴ A "foreign government investor" means an entity that is:

- a 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.

⁵ A "direct interest" is defined to mean:

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

⁶ This applies in respect of ALTs that have predominantly developed commercial real estate portfolios (i.e. less than 10% residential or vacant commercial land). Previously, there was no applicable monetary threshold. 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 mines and critical infrastructure (for example, an airport or port) as well as property that has Australian government tenants.

⁷ This exemption applies where an ALT is listed on an official stock exchange (whether in Australia or not).

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

Frasers Logistics & Industrial Asset Management Ptd 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.

18 Confirmation pursuant to Rule 705(5) of the SGX-ST Listing Manual

We confirm that to the best of our knowledge, nothing has come to the attention of the Board of Directors of FLIAM (as Manager of FLT) which may render these interim financial results to be false or misleading, in any material aspect.

For and on behalf of the Board of Directors of
Frasers Logistics & Industrial Asset Management Pte. Ltd.

Ho Hon Cheong
Chairman

Goh Yong Chian
Director

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

Catherine Yeo
Company Secretary
7 May 2018

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 (including employee wages, benefits and training costs), 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.