

Frasers Logistics & Industrial Trust

Investor Presentation



19 June 2018



Transgourmet Facility, Ulm, Germany

Important notice

This presentation is for information purposes only and does not constitute or form part of an offer, solicitation, recommendation or invitation for the sale or purchase or subscription of securities, including units in Frasers Logistics & Industrial Trust (“**FLT**”, and the units in FLT, the “**Units**”) or any other securities of FLT. No part of it nor the fact of its presentation shall form the basis of or be relied upon in connection with any investment decision, contract or commitment whatsoever. The past performance of FLT and Frasers Logistics & Industrial Asset Management Pte. Ltd., as the manager of FLT (the “**Manager**”), is not necessarily indicative of the future performance of FLT and the Manager.

This presentation contains “forward-looking statements”, including forward-looking financial information, that involve assumptions, known and unknown risks, uncertainties and other factors which may cause the actual results, performance, outcomes or achievements of FLT or the Manager, or industry results, to be materially different from those expressed in such forward-looking statements and financial information. Such forward-looking statements and financial information are based on certain assumptions and expectations of future events regarding FLT's present and future business strategies and the environment in which FLT will operate. The Manager does not guarantee that these assumptions and expectations are accurate or will be realised. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events. The Manager does not assume any responsibility to amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events, or otherwise, subject to compliance with all applicable laws and regulations and/or the rules of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) and/or any other regulatory or supervisory body or agency.

The information and opinions in this presentation are subject to change without notice, its accuracy is not guaranteed and it may not contain all material information concerning FLT. None of Frasers Property Limited, FLT, the Manager, Perpetual (Asia) Limited, in its capacity as trustee of FLT, or any of their respective holding companies, subsidiaries, affiliates, associated undertakings or controlling persons, or any of their respective directors, officers, partners, employees, agents, representatives, advisers or legal advisers makes any representation or warranty, express or implied, as to the accuracy, completeness or correctness of the information contained in this presentation or otherwise made available or as to the reasonableness of any assumption contained herein or therein, and any liability whatsoever (in negligence or otherwise) for any loss howsoever arising, whether directly or indirectly, from any use, reliance or distribution of this presentation or its contents or otherwise arising in connection with this presentation is expressly disclaimed. Further, nothing in this presentation should be construed as constituting legal, business, tax or financial advice.

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 the 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 holders of Units 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.

Nothing in this presentation constitutes or forms a part of any offer to sell or solicitation of any offer to purchase or subscribe for securities for sale in Singapore, the United States or any other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

Contents

- ◆ Introduction to FLT
- ◆ Portfolio Overview
- ◆ Financial Review
- ◆ Strategy and Outlook

Introduction to FLT



Clifford Hallam Facility, Victoria, Australia

Overview

82
Properties

**Geographically diversified,
predominantly freehold or long leasehold**

Frasers Logistics & Industrial Trust

A SGX-ST listed real-estate investment trust with a quality portfolio concentrated within major logistics and industrial markets in Australia, Germany and the Netherlands.

A\$2.9 billion

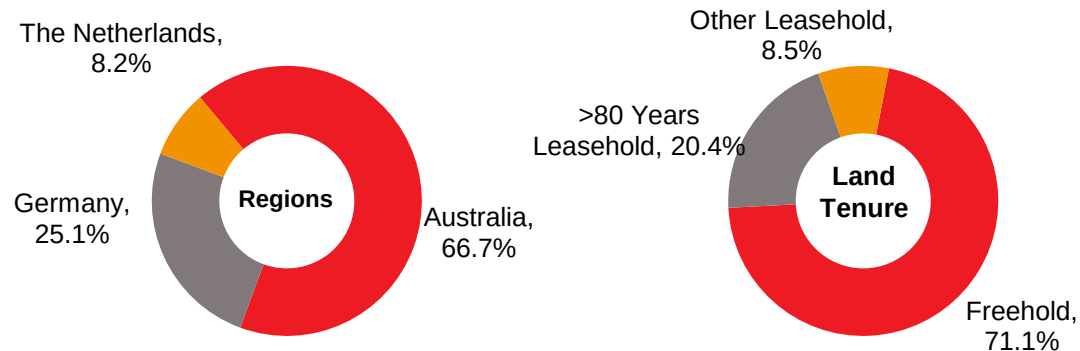
Portfolio Value⁽¹⁾

2.0 million

Gross Lettable Area ("GLA")

99.5%

Occupancy Rate



1. Based on the appraised value of FLT's existing portfolio of approximately A\$1.9 billion as at 30 September 2017 (Includes the balance of the acquisition amounts payable in respect of the Beaulieu, Stanley Black & Decker and Clifford Hallam Facilities, which were completed on 13 October 2017, 17 November 2017 and 4 May 2018, respectively) and the appraised value of approximately €603.9 million for the 21 German and Dutch properties (the "New Properties") acquired by FLT on 25 May 2018

A\$1.25 Billion of Strategic Acquisitions Since Listing

Listed on the SGX-ST on 20 June 2016

- Initial Portfolio of 51 properties in Australia with an appraised value of A\$1.6 billion



Acquired Three Call Option Properties in Australia

- Acquired the Pearson Road and Indian Drive Properties for A\$69.2 million in August 2016
- Acquired the Martin Brower Property for A\$58.2 million in November 2016



First Portfolio Acquisition in Australia

- Announced proposed acquisition of seven properties in Australia for A\$169.3 million in June 2017



First Portfolio Acquisition in Germany and the Netherlands

- Announced proposed acquisition of 21 properties in Germany and the Netherlands for €596.8 million⁽¹⁾ in April 2018



	Australia	Europe	Total
Number of Properties	10	21	31
Acquisition Size (A\$ million)	296.7	957.9 ⁽²⁾	1,254.6
GLA (sq m)	196,023	594,931	790,954
Occupancy Rate	100%	100%	100%

1. Based on 100% interest in each of the new properties and on the basis of the completion of the committed asset enhancement works (where applicable)

2. Based on an exchange rate of €1:A\$1.6051 as at 31 March 2018

Portfolio Overview



Dachser & DSV Facility, Vaihingen, Germany

Portfolio Metrics

As at 31 March 2018	Australia	Europe	Total
No. of Completed Properties	61 ⁽¹⁾	21	82
Appraised Value	A\$1.9 billion ⁽²⁾	A\$1.0 billion ⁽³⁾⁽⁴⁾	A\$2.9 billion
GLA	1,354,228 sq m ⁽¹⁾	609,621 sq m	1,963,850 sq m
Average Property Age	7.3 years	7.7 years	7.4 years
Occupancy Rate	99.4%	100%	99.5%
Weighted Average Lease Expiry (“WALE”)⁽⁵⁾	6.79 years	7.78 years	7.05 years
Average Fixed Annual Rental Increment	3.1%	CPI-linked/Fixed ⁽⁶⁾	N.A.



1. Includes the Clifford Hallam Facility, which was completed on 4 May 2018
2. Based on the appraised value of FLT's existing portfolio of approximately A\$1.9 billion as at 30 September 2017 (Includes the balance of the acquisition amounts payable in respect of the Beaulieu, Stanley Black & Decker and Clifford Hallam Facilities, which were completed on 13 October 2017, 17 November 2017 and 4 May 2018, respectively)
3. Based on the appraised value of approximately €603.9 million for the New Properties acquired by FLT on 25 May 2018
4. Based on an exchange rate of €1:A\$1.6051 as at 31 March 2018
5. Based on Gross Rental Income (“GRI”), being the contracted rental income and estimated recoverable outgoings for the month of March 2018. Excludes straight lining rental adjustments
6. 89% of the leases have either CPI-linked indexation or fixed escalations

Portfolio Overview – Australia

Prime properties concentrated within major logistics and industrial markets



61
Properties



Melbourne (Victoria)

Properties	30
GLA ⁽¹⁾	646,467 sq m
Valuation ⁽²⁾	A\$774.1m
% of Portfolio ⁽²⁾	39.8%



Sydney (NSW)

Properties	15⁽³⁾
GLA	405,471 sq m
Valuation ⁽²⁾	A\$576.8m
% of Portfolio ⁽²⁾	29.7%



Brisbane (Queensland)

Properties	11
GLA	249,110 sq m
Valuation ⁽²⁾	A\$541.8m
% of Portfolio ⁽²⁾	27.9%



Adelaide (South Australia)

Properties	4
GLA	33,038 sq m
Valuation ⁽²⁾	A\$33.7m
% of Portfolio ⁽²⁾	1.7%



Perth (Western Australia)

Properties	1
GLA	20,143 sq m
Valuation ⁽²⁾	A\$17.0m
% of Portfolio ⁽²⁾	0.9%

As at 31 March 2018⁽¹⁾⁽²⁾

A\$1.9 billion
Portfolio Value

1,354,228 sq m
Portfolio GLA

99.4%
Occupancy

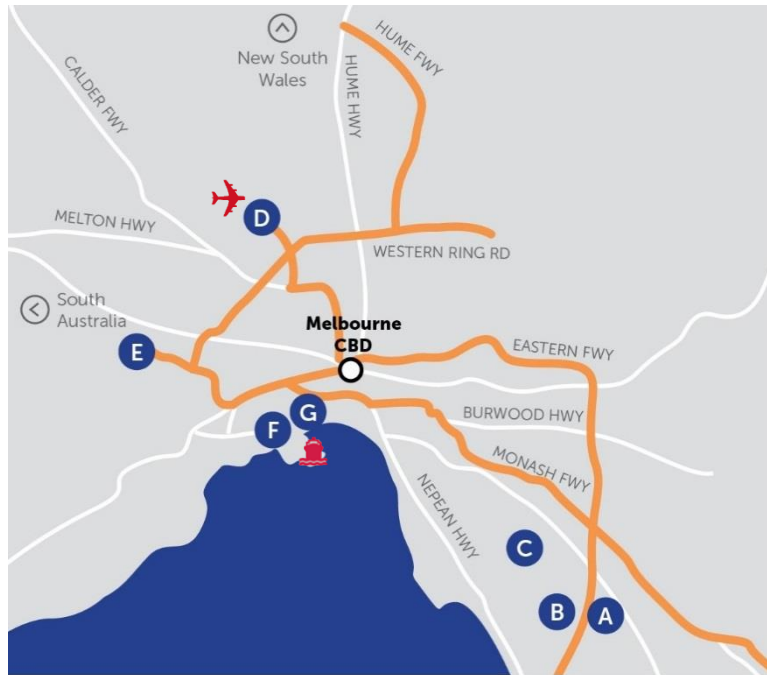
6.79 years
WALE⁽⁴⁾

3.1% p.a.
Average Fixed
Rental Increases

1. Includes the Clifford Hallam Facility, which was completed on 4 May 2018
2. Value as at 30 September 2017 (Includes the balance of the acquisition amounts payable in respect of the Beaulieu, Stanley Black & Decker and Clifford Hallam Facilities, which were completed on 13 October 2017, 17 November 2017 and 4 May 2018, respectively)
3. 14 properties located in Sydney, 1 property located in Wollongong
4. Based on GRI, being the contracted rental income and estimated recoverable outgoings for the month of March 2018. Excludes straight lining rental adjustments

Portfolio Overview Melbourne

- ♦ FLT's properties in Melbourne are primarily located in the west and south east industrial precincts and service Melbourne's port and large south eastern residential population base



Sub-market	Location	No. of Properties	Precinct Characteristic
South East	A	6	- Access to M1 (Monash Freeway) and M3 (EastLink) - Serves the large south eastern residential population base
	B	8	
	C	2	
North	D	6	- Access to key freeways, including the Tullamarine Freeway, Citylink Tollway, and Western Ring Road, together with the Tullamarine Airport. - Sydney is accessed via the Hume Highway
West	E	6	Close to the shipping port and access to the M1, Geelong Road, M80 Western Ring Road
City Fringe	F	1	Access to the M1 (Westgate Freeway) linking it to the west precinct
	G	1	
Total		30	

- | | |
|-----------------------------------|-------------------------------|
| A South Park Industrial Estate | E West Park Industrial Estate |
| B The Key Industrial Park | F Altona Industrial Park |
| C Clayton South & Mulgrave | G Port Melbourne |
| D Melbourne Airport Business Park | |

Portfolio Overview Sydney

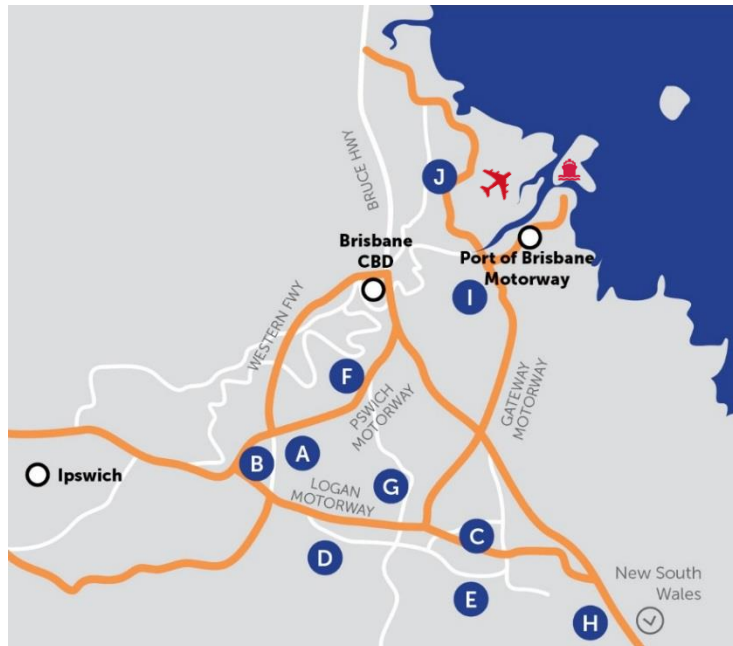
- ♦ FLT's properties in Sydney are well-connected to major freeways, Sydney's port and are able to service growing population in the north west



Sub-market	Location	No. of Properties	Precinct Characteristic
Outer Central West	A	4	- Excellent access to key motorways, including M7, M4 and other main arterial roads - Third-party logistics ("3PL"), retail and wholesale distribution centres for key brand name operators are located in this precinct
	B	2	
	C	2	
Outer North West	D	4	- Close to M2 and M7 and access to the large and growing north west population corridor - Supply is moderately constrained – sites suit smaller development
	E	1	
Outer South West	F	1	Access to the M5 and South Sydney/Port, the Southern Sydney Freight Line and Moorebank Intermodal terminal
Port Kembla (Wollongong)	N.A.	1	One of the three major trade ports within New South Wales and is situated within the southern industrial city of Wollongong
Total		15	

Portfolio Overview Brisbane

- ♦ FLT's properties in Brisbane are primarily concentrated in the southern sub-market, which has good road linkages to the north, west and south to the Gold Coast residential population bases



A Flint Street	E Platinum Street	I Queensport Road
B Boundary Road	F Shettleston Street	J Earnshaw Road
C Siltstone Place	G Sandstone Place	
D Stradbroke Street	H Pearson Road	

Sub-market	Location	No. of Properties	Precinct Characteristic
Southern	A	1	• Largest geographical industrial precinct that has good road linkages to the north, west and south to the Gold Coast residential population
	B	1	
	C	1	
	D	1	
	E	1	
	F	1	
	G	1	
	H	2	
Trade Coast	I	1	• Close to key infrastructure, including Port of Brisbane and the Brisbane Airport • Access north and south via the M1 • Supply is constrained. Alternative use is strong competition for development in neighbouring suburbs
Northern	J	1	• Services the population to the North of Brisbane via the Gympie Road, Bruce Highway and Houghton Highway • Limited availability of development land
Total		11	

Portfolio Overview – Germany and the Netherlands

Strategic Portfolio Located in Key Logistics Hubs



21 Properties
Predominantly
Freehold

7.78 years
WALE⁽¹⁾

~€603.9 million
Appraised Value

609,621 sq m
GLA

100%
Occupancy

89%
Leases with CPI-
linked Indexation or
Fixed Escalation

1. Based on GRI, being the contracted rental income and estimated recoverable outgoings for the month of March 2018. Excludes straight lining rental adjustments

Strategic Entry into the Attractive German and Dutch Logistics and Industrial Markets

Germany and the Netherlands sit at the crossroads of key global trade routes



Key global logistics hub – Germany and the Netherlands ranked #1 and #4 logistics hubs globally⁽¹⁾

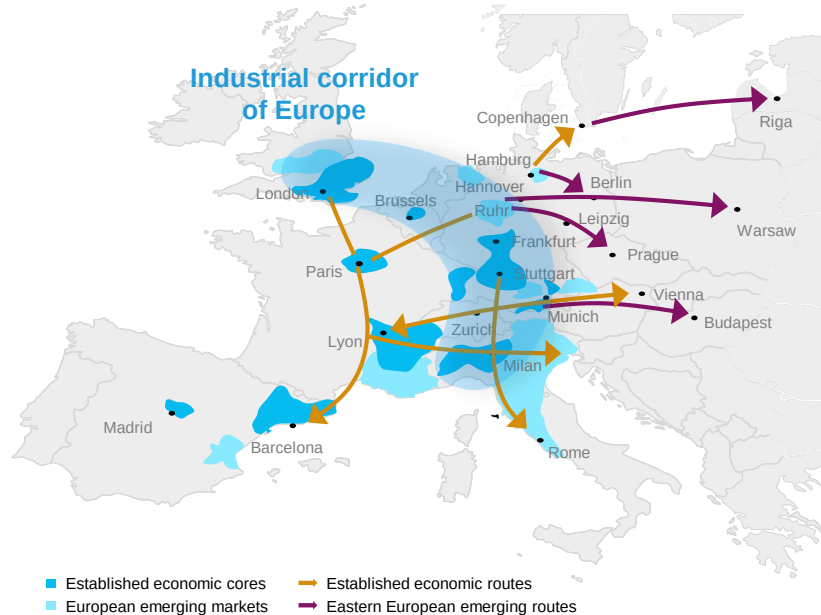


Located in heart of Europe with extensive road, motorway and rail network

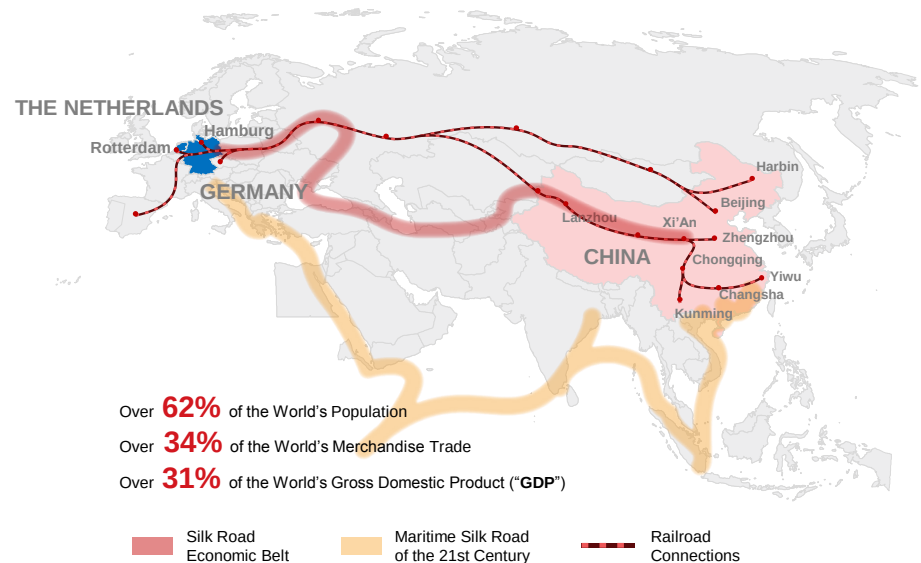


Further extension of global reach given critical role in China's Belt and Road Initiative

Europe's Main Trade Arteries Traverse Germany and the Netherlands



China's Belt and Road Initiative

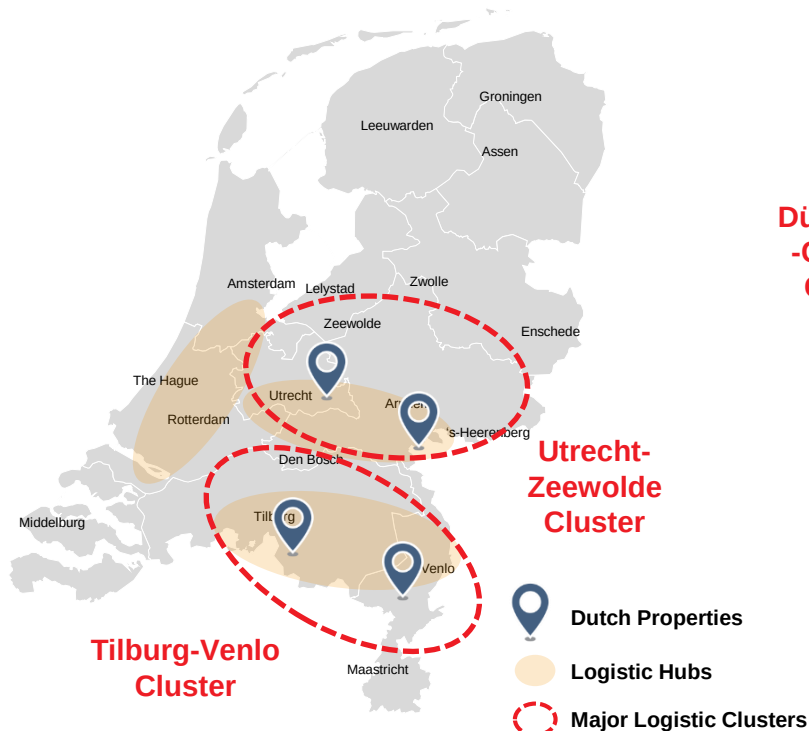


Germany and the Netherlands are expected to benefit directly from China's Belt and Road Initiative given their trade-oriented economies

Portfolio Overview – Germany and the Netherlands

Predominantly located in the major logistics clusters of Germany and the Netherlands

The Netherlands



Germany



Well-diversified Tenant Base

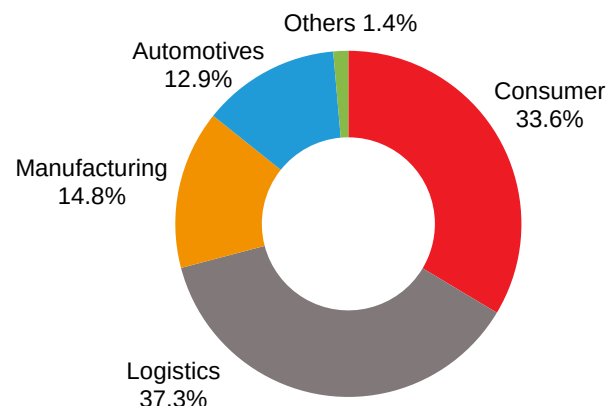
Top 10 Tenants

(% of GRI⁽¹⁾)

		% of GRI	WALE (Years)
Coles		9.8	10.6
BMW		3.6	7.7
CEVA Logistics		3.6	7.2
Schenker		3.2	6.6
Mainfreight		2.9	7.9
Constellium		2.5	9.2
Bakker Logistics		2.4	12.6
DSV Solutions	 	2.3	6.6
Toll Holdings		2.3	1.6
Techtronics Industries		2.2	4.3

Breakdown of Tenants By Trade

(By GRI⁽¹⁾)



Consumer sector tenants



Logistics sector tenants



Automotive sector tenants

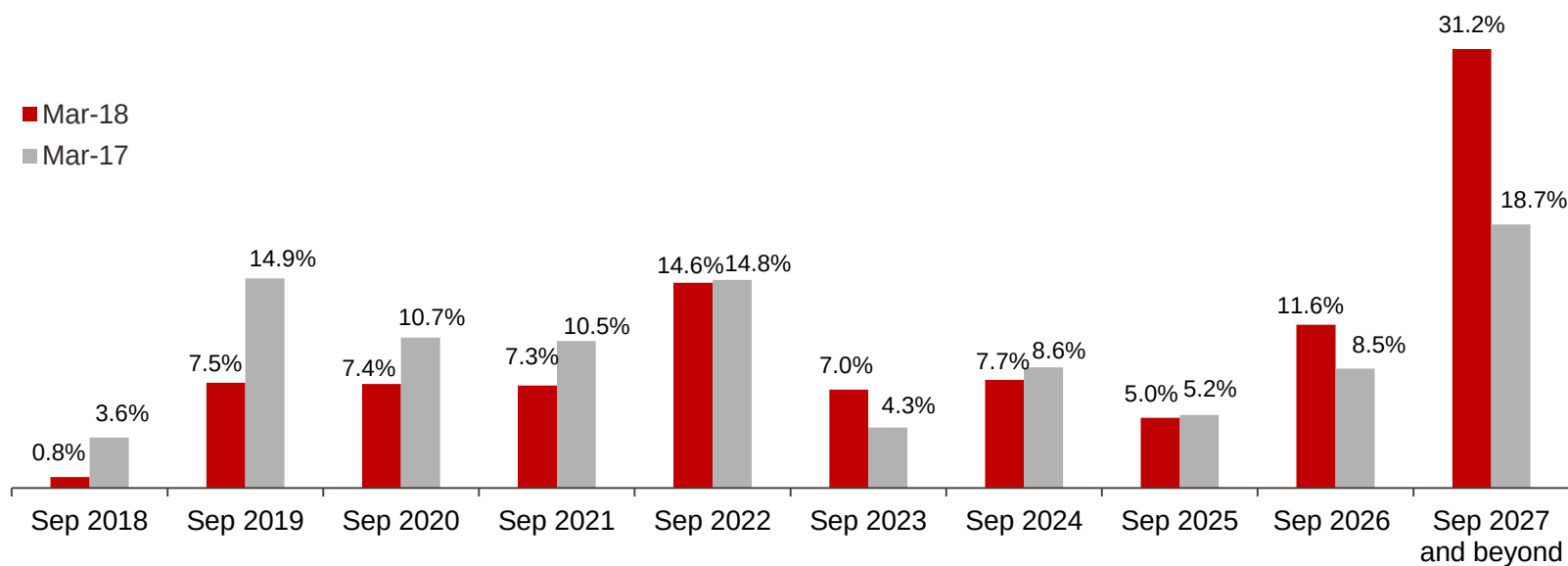


1. For the month of March 2018. Includes the Clifford Hallam Facility which was completed on 4 May 2018 and the New Properties which were acquired on 25 May 2018. Excludes straight lining rental adjustment

Lease Expiry Profile

7.05 years WALE⁽¹⁾ with no single financial year having more than 15% in lease expiries up to 30 September 2026

Lease Expiry by Gross Rental Income⁽²⁾



1. Based on GRI, being the contracted rental income and estimated recoverably outgoings for the month of March 2018. Excludes straight lining rental adjustments
2. As at 31 March 2018. Includes the New Properties which were acquired on 25 May 2018 and the Clifford Hallam Facility which was completed on 4 May 2018. Excludes straight lining rental adjustment

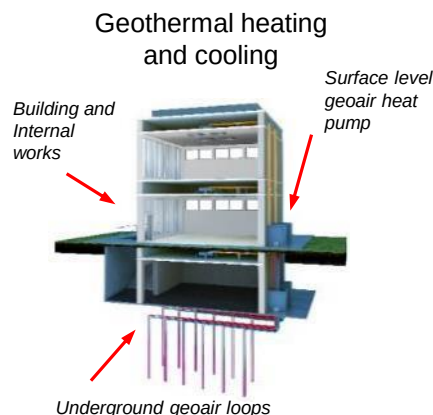
FLT's Green Credentials

Sustainability Initiatives

Energy-efficient LED lighting



Solar PV Systems



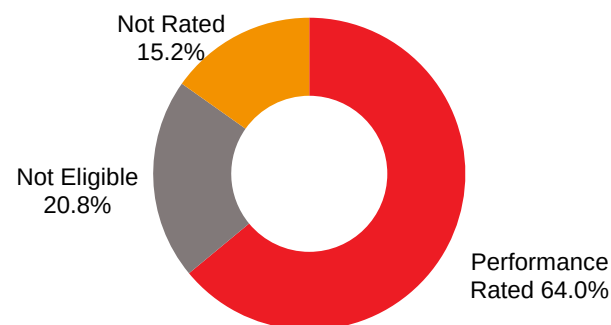
Potential Sustainability Benefits

- ☒ Reduces ongoing occupancy costs
- ☒ Attracting new tenants, especially those using sustainability as a criteria
- ☒ Assists in retaining tenants at lease expiry
- ☒ Decreases building obsolescence
- ☒ Minimises vacancy downtime

FLT's Green Star-rated status ^(1,2) (By GLA)



The highest-rated industrial Green Star performance rated portfolio in Australia



GRESB Assessment⁽³⁾



Named Regional Sector Leader 2017 (Australia / New Zealand) for Industrial



1. Green Star rating is awarded by the Green Building Council of Australia (GBCA) which has assessed the Properties against nine key performance criteria – energy, water, transport, materials, indoor environment quality, management, land use & ecology, emissions and innovation

2. As at 31 March 2018. 'Not Eligible' refer to properties which have obtained Design or As-Built ratings, but yet to be eligible for Performance ratings

3. Refers to the 2017 Real Estate Assessment by Global Real Estate Sustainability Benchmark (GRESB), the global ESG benchmark for real estate

Financial Review



Martin Brower Facility, Australia

Financial Performance 1 October 2017 - 31 March 2018⁽¹⁾

(A\$'000)	1HFY18	1HFY17 ⁽²⁾	Change (%)	Remarks
Gross revenue	86,005	80,617	6.7	- Due mainly to 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. - Full period's contribution from the Martin Brower call option property which was acquired on 30 November 2016.
Adjusted net property income ⁽³⁾	66,805	61,572	8.5	
Finance costs	(9,653)	(8,265)	(16.8)	Due to higher borrowings of A\$85 million drawn to finance the 2017 Acquisition Transaction. Weighted average cost of borrowings for 1HFY18 was 2.9% per annum (1HFY17: 2.8% per annum) excluding upfront debt related expenses.
Distributable income to Unitholders	51,720	49,937	3.6	- Contributions from the 2017 Acquisition Transaction; <i>which was partially offset by:</i> - Higher finance costs; and - Higher withholding tax paid on interest income and higher distributable income
DPU (Singapore cents)	3.61	3.49	3.4	- Higher hedged exchange rate of A\$1.00:S\$1.0615 (1HFY17: A\$1.00:S\$1.0007); <i>which was partially offset by:</i> - Higher number of units in issue compared to 1HFY17⁽⁴⁾; and - The Manager electing to receive 72.8% (1HFY17: 100%) of management fees in the form of units (For illustration and comparison purposes only, assuming 100% of management fees had been taken in the form of units, 1HFY18 DPU would have been 3.52 Australian cents (1HFY17: 3.49 Australian cents)).

1. For avoidance of doubt, excludes the New Properties which were acquired on 25 May 2018
2. 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
3. Net property income excluding straight lining adjustments for rental income and after adding back straight lining adjustments for ground leases
4. Due to the issuance of management fee units and the placement units for the 2017 Acquisition Transaction

Distribution

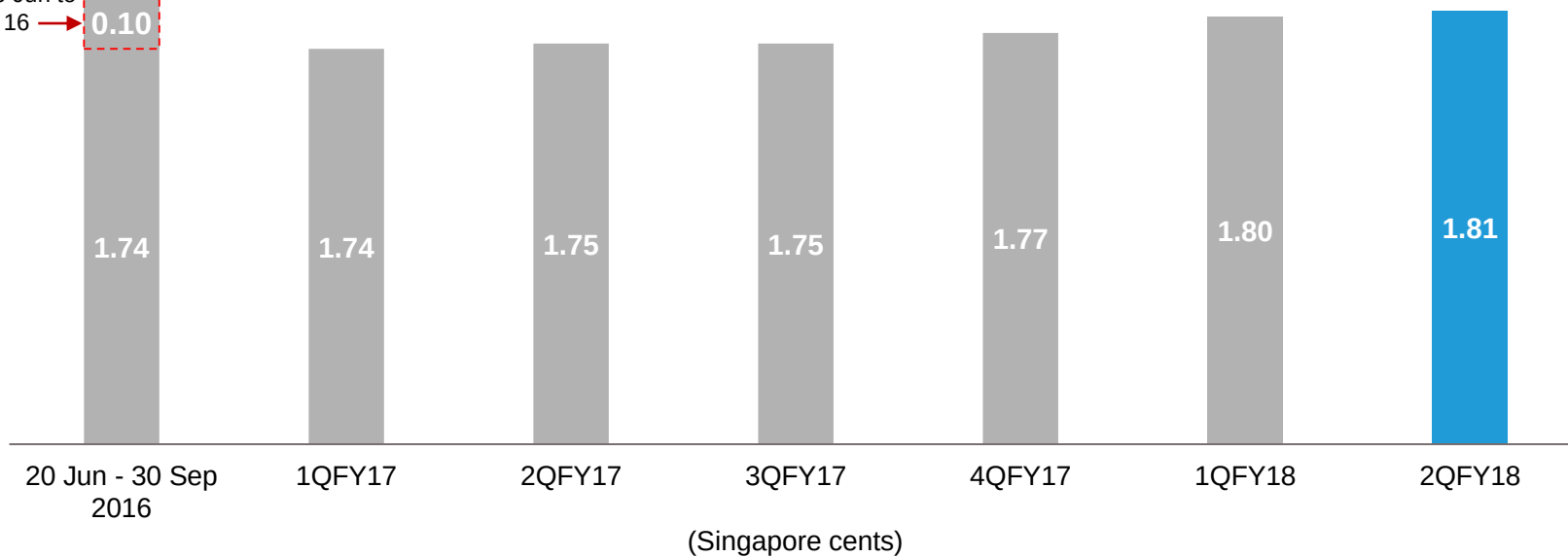
Distributions made on a semi-annual basis for the six-months period ending 31 March and 30 September

DPU History

For the period
from 20 Jun to
30 Jun 16 →

1.84

0.10



Balance Sheet⁽¹⁾

The value of investment properties increased 1.04% from A\$1.91 billion as at 30 September 2017 to A\$1.93 billion as at 31 March 2018, due mainly to:

- Completion of the Beaulieu facility on 13 October 2017 and Stanley Black & Decker facility on 17 November 2017; and
- Completion of enhancement works to the Stramit facility on 19 December 2017

(A\$'000)	As at 31 Mar 18	As at 30 Sep 17
Investment properties	1,930,829	1,910,975
Other non-current assets	1,774	3,077
Current assets	83,593	62,272
Total assets	2,016,196	1,976,324
Non-current liabilities	631,579	592,797
Current liabilities	18,631	46,011
Total liabilities	650,210	638,808
Net asset value per Unit (A\$)	0.90	0.88
Net asset value per Unit (S\$)	0.91⁽²⁾	0.94⁽³⁾

1. For avoidance of doubt, excludes the New Properties which were acquired on 25 May 2018

2. Based on an exchange rate of A\$1.00:S\$1.0125 as at 31 March 2018

3. Based on an exchange rate of A\$1.00:S\$1.0636 as at 30 September 2017

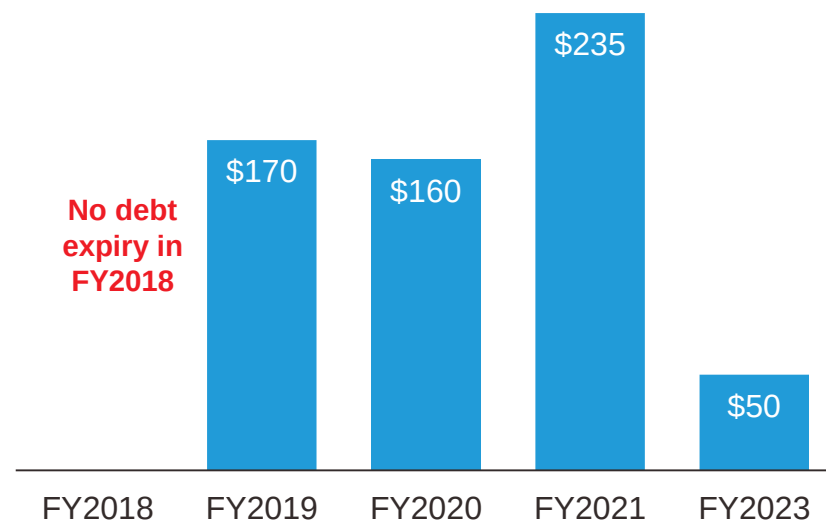
Capital Management⁽¹⁾

- ◆ 85% of borrowings are at fixed interest rates, which mitigates volatility from potential fluctuations in borrowing costs
- ◆ Available debt headroom of A\$531 million to reach 45.0% aggregate regulatory leverage limit

As at 31 March 2018

Aggregate Leverage	Total Gross Borrowings
30.5%	A\$615 million
Weighted Average Cost of Borrowings ⁽²⁾	Interest Coverage Ratio
2.9%	7.8 times
Average Weighted Debt Maturity: 2.6 years	

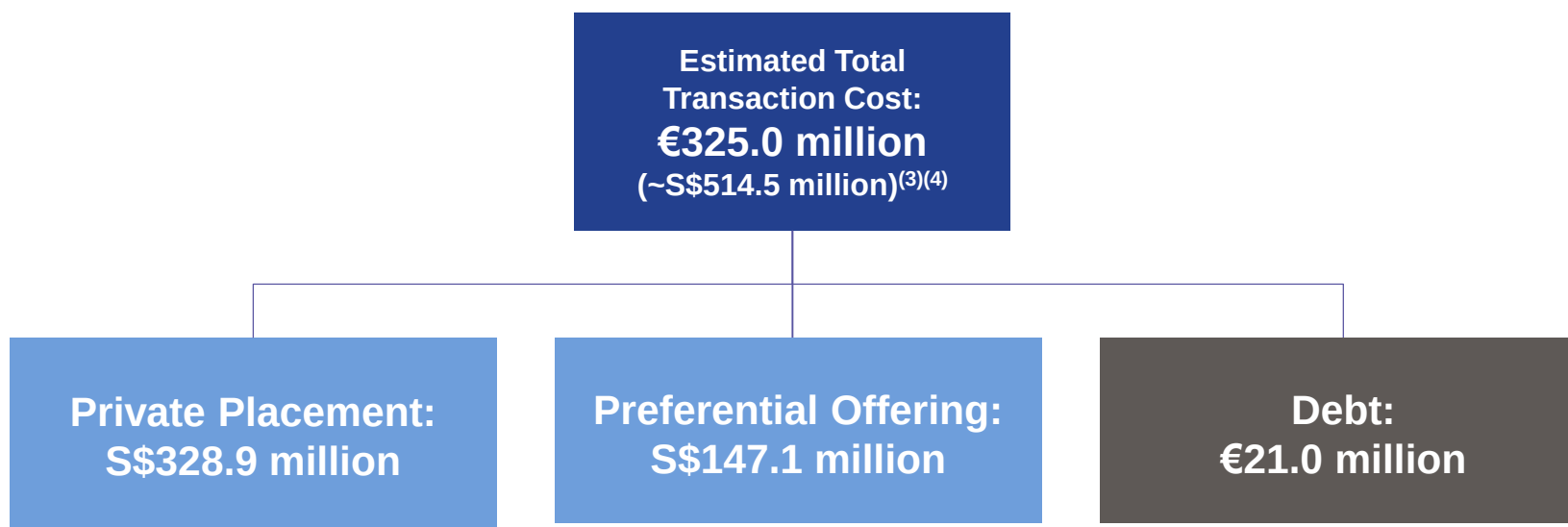
Debt Maturity Profile (A\$'m)



1. For avoidance of doubt, excludes the New Properties which were acquired on 25 May 2018
 2. Excluding upfront debt related expenses

Equity Fund Raising for Acquisition of New Properties

- ♦ Raised A\$476.0 million to finance the acquisition of the New Properties:
 - S\$328.9 million from a private placement which was 3.9 times subscribed and priced at S\$0.987 (representing a 1.3% discount to the adjusted volume weighted average price of S\$1.0003 per unit)⁽¹⁾
 - S\$147.1 million from a preferential offering which was 1.9 times subscribed⁽²⁾
- ♦ A total of 485,352,437 new units were issued through the private placement and preferential offering



1. Refer to the announcement dated 10 May 2018 for details

2. Refer to the announcement dated 5 June 2018 for details

3. Based on an average exchange rate of €1:S\$1.583

4. Comprised (i) purchase consideration of €316.2 million, (ii) acquisition fee of €2.8 million (payable in the form of FLT units), and (iii) transaction costs of €6.0 million. The remaining costs were funded using internal funds

Strategy and Outlook



Investment Strategy and Objectives

To invest globally in a diversified portfolio of logistics and industrial assets

- ◆ Deliver stable and regular distributions to unitholders
- ◆ Achieve long term growth in DPU



1. Asset Enhancement Initiative

2. Only completed income-producing real estate assets which are used for logistics or industrial purposes are included in the ROFR

3. Includes the United Kingdom

4. Excludes the industrial portfolio of Alpha Industrial Holding S.A., Luxembourg ("**Alpha industrial**"). Please refer to the announcement and press release issued by the Sponsor on 19 February 2018 where it was announced that the Sponsor had entered into a series of sale and purchase agreements to acquire a property portfolio of 22 assets, mainly owned and managed by Alpha Industrial, as well as the project and asset management business of Alpha Industrial

Economic Snapshot – Australia

Economic Growth

- ♦ Australian economy saw year-on-year GDP growth of 3.1% in the first quarter of 2018 (“1Q18”), consistent with the Reserve Bank of Australia’s (RBA) forecast for GDP to average above 3 per cent in 2018/19.
- ♦ The outlook for non-mining investment has improved further and reported business conditions are high.
- ♦ Increased public infrastructure investment has supported the economy.
- ♦ Population growth exceeded calendar year 2017 forecasts at 1.6% and net overseas migration contributed 63.2% to the growth.

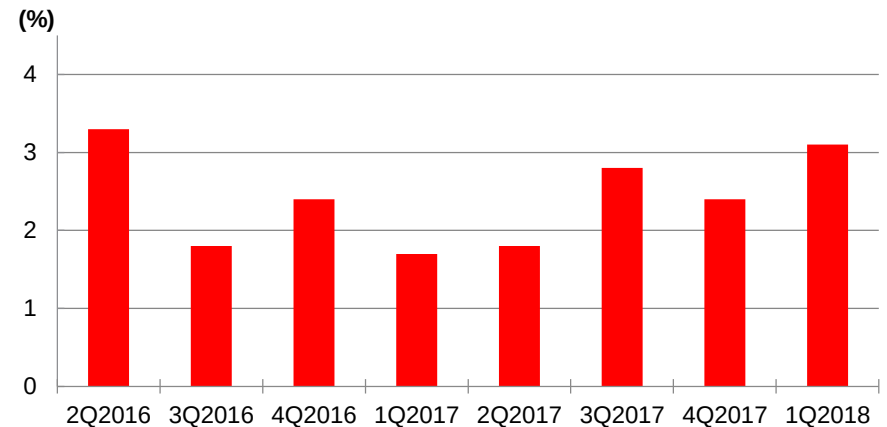
Official Interest Rates

- ♦ The RBA maintained the cash rate at 1.5%.
- ♦ Australian government 10 year bond yields at 2.84%.

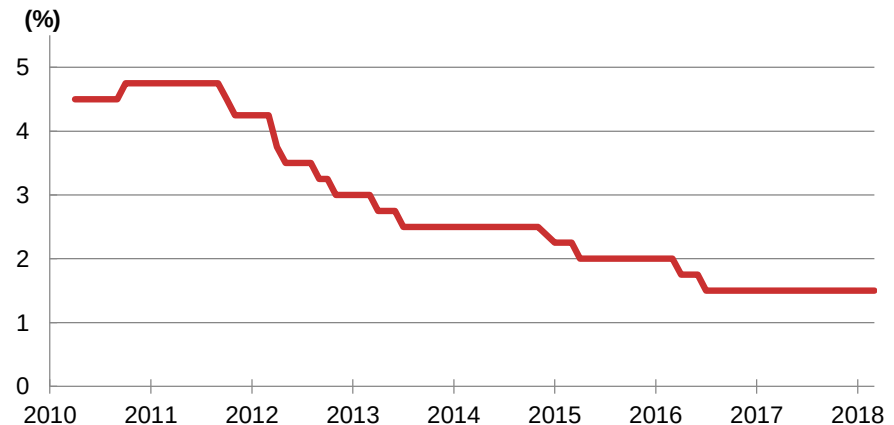
Unemployment Rate

- ♦ Low unemployment rate of 5.6% with employment growth of 2.7% reported
- ♦ Wage growth at 2.1% and is expected to pick up gradually as the labour market strengthens.

Australian GDP Annual Growth Rates

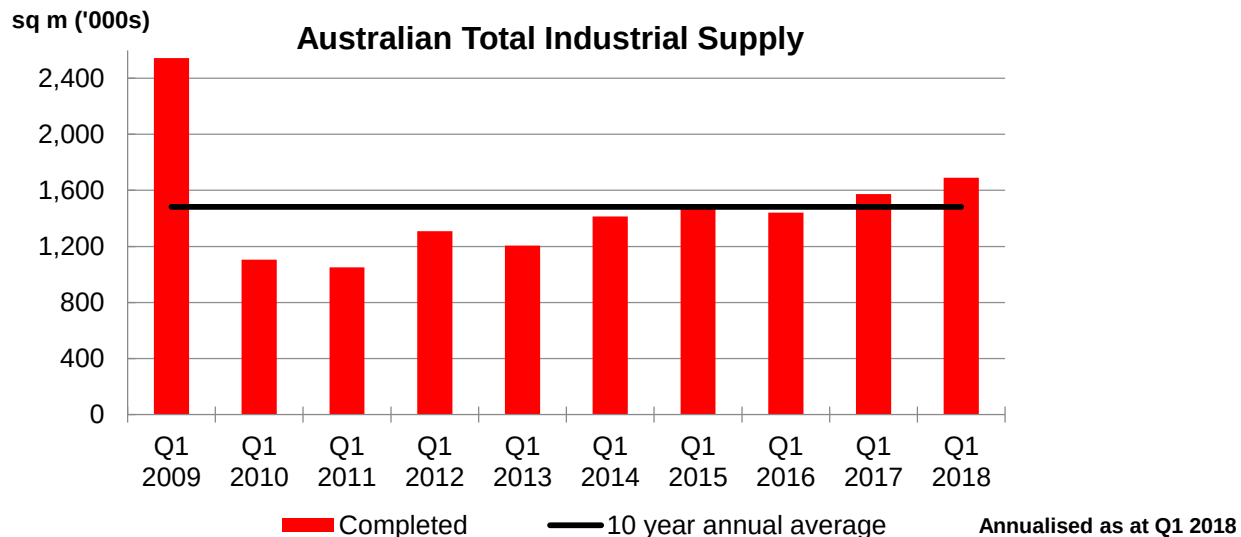


Australian Cash Rate



Australian Industrial Market

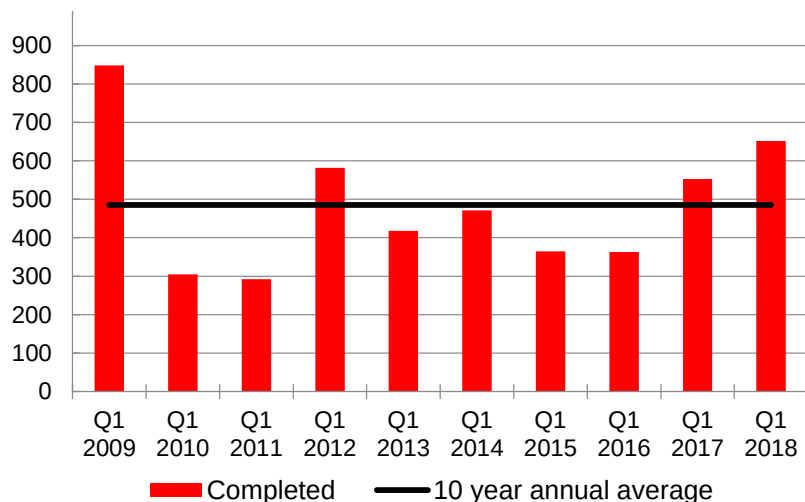
- ♦ **Australian industrial supply** is above the long term average with robust additions of over 450,000 sq m recorded in 1Q18. Construction activity is predominantly concentrated in Sydney and Melbourne, with increasing speculative developments as a result of the strong leasing market.
- ♦ Year-to-date **take-up levels** totalling 2.4 million sq m are 18% above the 10-year average, which has driven rental growth in all Sydney markets and Melbourne's South East.
- ♦ The positive spillover effects from **infrastructure investment** have been observed throughout 2017. Investor appetite remains strong in the vacant land market where capital value uplift has been realised across several markets, especially in Sydney with appreciation of 39% in 2-5 hectare lots over 2017.



Sydney Industrial Market

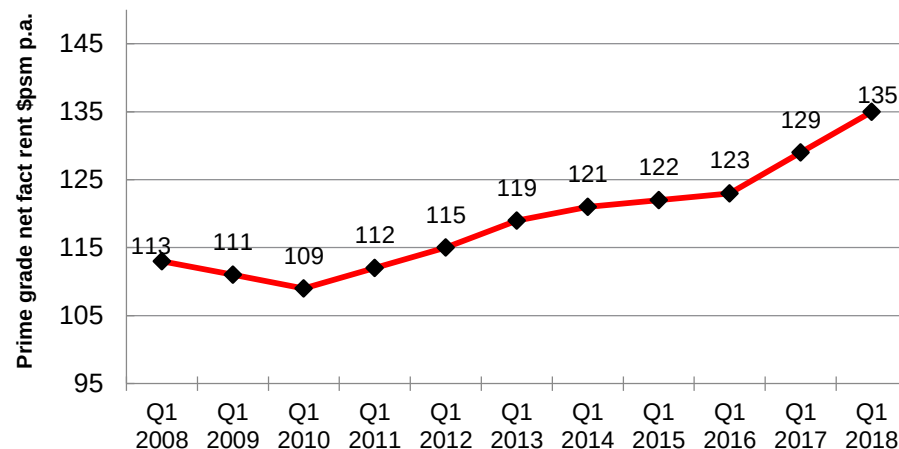
- ◆ **Supply:** Above-average supply is forecast to continue in 2018 with a number of projects currently under construction. However, a constrained supply of serviced land is likely to limit the amount of development activity post 2018.
- ◆ **Demand:** Gross take-up has well exceeded the 10-year average with most absorption recorded in the Outer Central West and there has been increased demand from the transport and logistics sector.
- ◆ **Rents:** Steady rental growth continues in 1Q18 with an average annual growth of 5.0% across all precincts. Both face and effective rental differences between prime and secondary assets have narrowed.
- ◆ **Vacancy:** Vacancy across the market is recorded at its lowest level but expected to increase slightly due to speculative stock earmarked for potential progression over the next 12 months.
- ◆ Positive tenant activity together with a reduction in land supply has translated into higher **land values**.

SQ M ('000s) Sydney Industrial Total Supply



Annualised as at Q1 2018

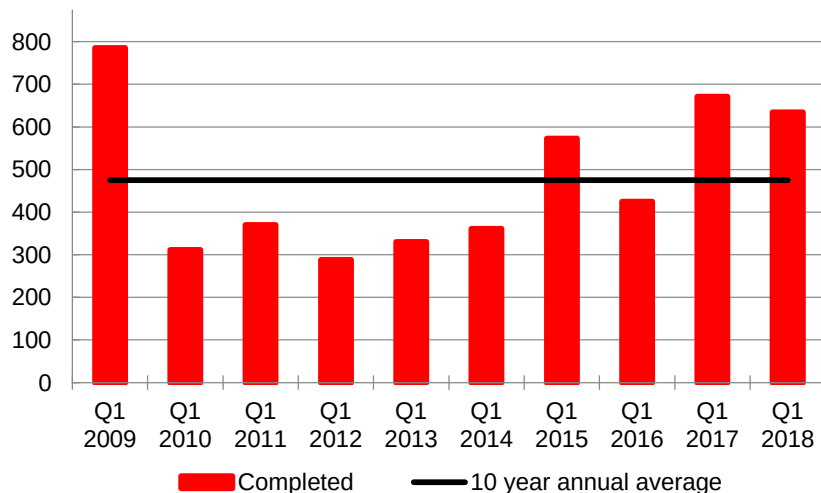
Sydney Industrial Prime Grade Net Face Rents



Melbourne Industrial Market

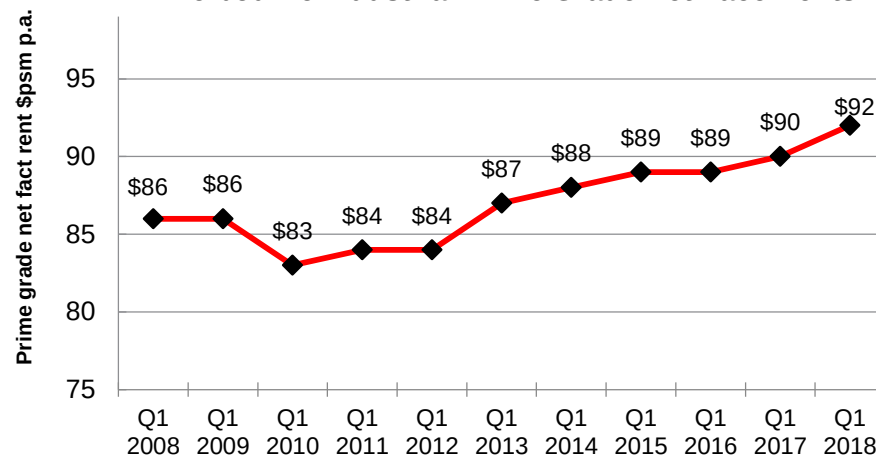
- ◆ **Supply:** Melbourne has continued to experience a strong level of supply in 1Q18, largely contributed by the 68,750 sq m fully automated Woolworths distribution centre in Dandenong South.
- ◆ **Demand:** Annual gross take-up levels exceed the long term average and have been evident in the West.
- ◆ **Rents:** Prime face rents have recorded a modest growth in the South East due to the combination of low vacancy and limited opportunities to develop new sites.
- ◆ **Vacancy:** Despite strong demand, the West has continued to dominate vacant stock. However, the letting-up period is anticipated to shorten given 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.

SQ M ('000s) Melbourne Industrial Total Supply



Annualised as at Q1 2018

Melbourne Industrial Prime Grade Net Face Rents

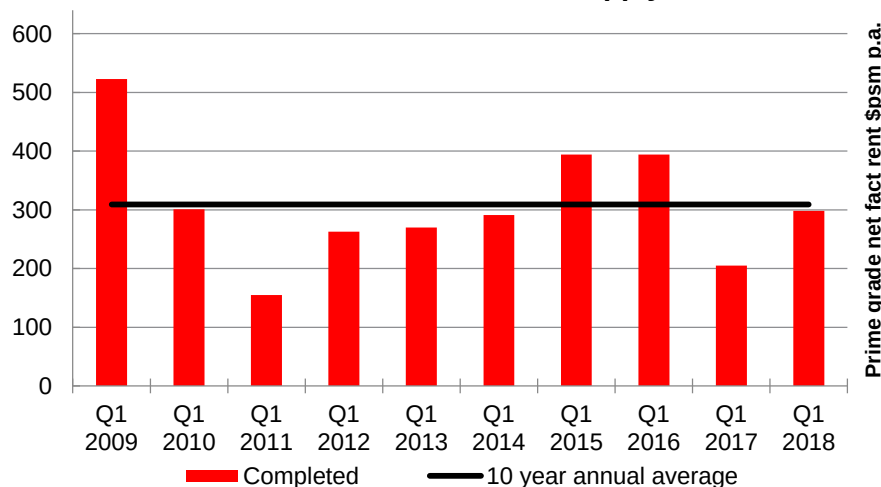


Brisbane Industrial Market

- ◆ **Supply:** Total supply remains at parity with the 10 year average and developers are anticipated to deliver the same level of space over 2018/2019 due to improved demand for quality stock
- ◆ **Demand:** Third party logistics players and manufacturers are driving the occupier market in 1Q18 with majority of space leased in the Southern precinct. Tenants have continued to take advantage of competitive effective rents offered by landlords which allows for facility upgrades and expansion.
- ◆ **Rents:** Competition to secure tenants has resulted in converging net face rents across all precincts to average \$110 sq m.
- ◆ **Vacancy:** Vacancy has reduced by more than a third (-235,104 sq m) over the last year and the market is returning towards a balanced state, although the average time on the market remains high compared to Sydney and Melbourne.

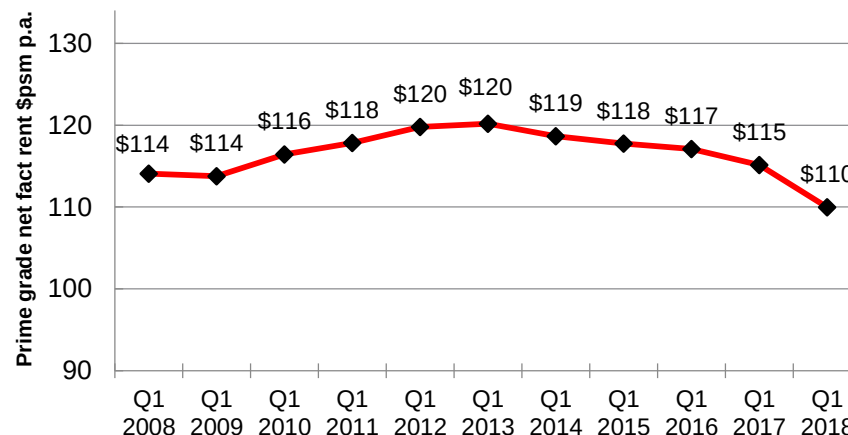
SQ M ('000s)

Brisbane Industrial Total Supply



Annualised as at Q1 2018

Brisbane Industrial Prime Grade Net Face Rents



Economic Snapshot – Germany and the Netherlands



A Global Export Hub

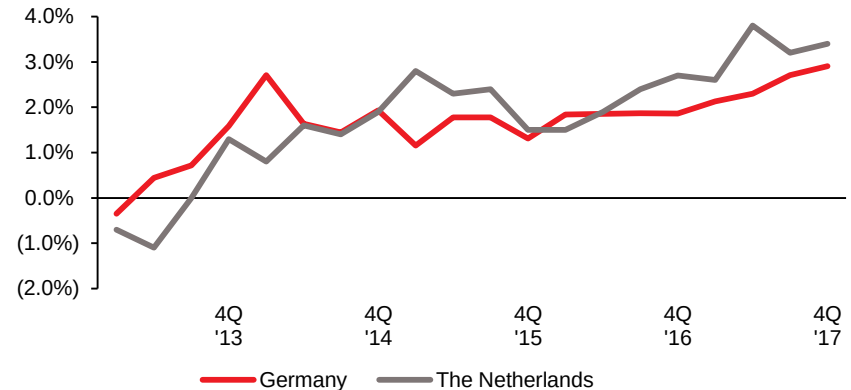
- ♦ **Economy** – Europe's economic centre and world's 4th largest economy in 2016
- ♦ **Logistics** – Europe's largest logistics market and ranked #1 logistics performer globally in 2016
- ♦ **Consumer access** – Over 250 million consumers within a catchment area of 500km
- ♦ **Exports** – 3rd largest exporter of merchandise trade globally in 2016



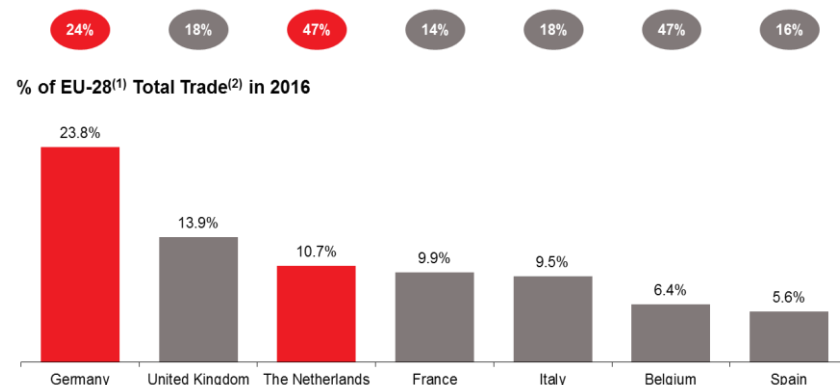
One of Europe's Top Logistics Hubs

- ♦ **Economy** – Trade-oriented economy with Rotterdam being the largest sea port in Europe
- ♦ **Logistics Market** – One of Europe's top logistics hub and ranked #4 logistics performer globally in 2016
- ♦ **Consumer access** – Approximately 160 million consumers that can be reached within 24 hours of Amsterdam or Rotterdam
- ♦ **Export** – 5th largest exporter of merchandise trade globally in 2016

German and Dutch Real GDP Growth Rates



Total Trade as % of Country GDP



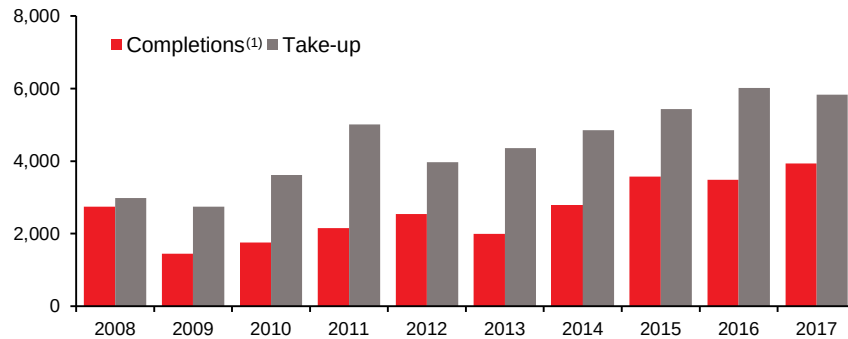
Source: Independent Market Research Report

1. Comprises the 28 members of the European Union ("EU") as at 2016, including Austria, Belgium, Bulgaria, Croatia, Republic of Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and the UK.
2. Total trade refers to the sum of exports and imports.

German and Dutch Industrial Markets

 **Warehouse Take-up has Consistently Exceeded Completions since 2008**

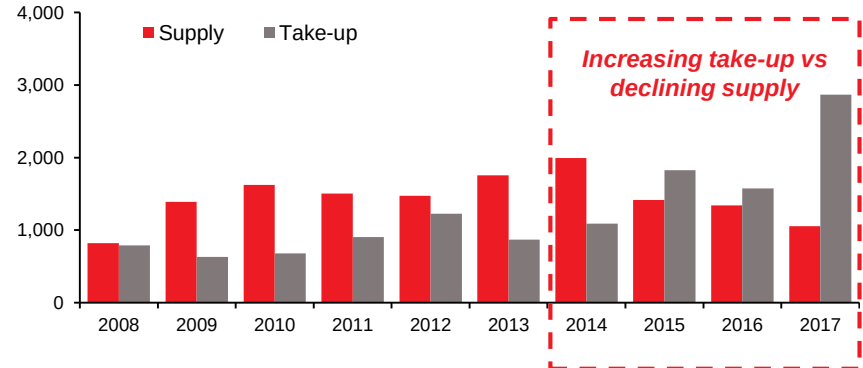
('000 sq m)



- ✓ **Limited Supply** – Limited land supply and competing land usage have resulted in minimal incentives in the logistics market
- ✓ **Strong Underlying Demand** – Driven by growing economy and expansion of eCommerce sector
- ✓ **Take-up Expected to Remain Strong** – Positive economic conditions and continued high level of demand for space

 **Increase Divergence of Take-up and Supply since 2014**


('000 sq m)



- ✓ **Declining Supply** – Sharp reduction since 2017 with a shortage of modern and high quality logistics space
- ✓ **Strong Underlying Occupier Demand** – Logistics industry driven by global movement of goods
- ✓ **Strong Take-up Observed** – From third party logistics service providers and multiple retail channels driven by eCommerce activities

**Experience
matters.**

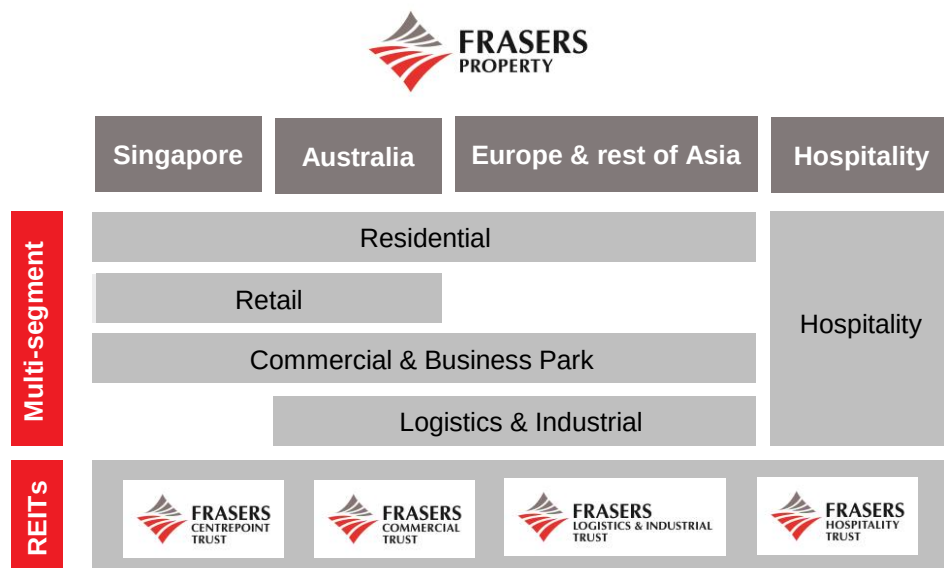


Fraser's Logistics & Industrial Asset Management Pte. Ltd.
438 Alexandra Road | #21-00 | Alexandra Point | Singapore 119958
Tel: +65 6813 0588 | Fax: +65 6813 0578 | Email: ir@fraserslogisticstrust.com
www.fraserslogisticstrust.com

Overview of the Sponsor – Frasers Property Limited⁽¹⁾

Multi-national real estate company with multi-segment expertise

- ◆ S\$33.7 billion assets under management² across 5 asset classes
- ◆ Three strategic business units – Singapore, Australia, Hospitality; and Europe & rest of Asia



1. Extracted from Frasers Property Limited's Financial Results Presentation for the First Half ended 31 March 2018
2. Comprises the full asset value of property assets in which the Group has an interest, including assets held by its REITs, joint ventures and associates
3. Including both owned and managed properties; and units pending opening

**Over 98,000
Residential Units**
Completed and Settled
to Date

**S\$6.3 Billion
Retail**
Assets Under
Management²

**S\$7.9 Billion
Commercial
& Business Park**
Assets Under
Management²

**S\$7.0 Billion
Logistics
& Industrial**
Assets Under
Management²

**S\$4.8 Billion
Hospitality**
Assets Under
Management²
>24,000³
Hospitality Units

4 REITs –
Frasers Centrepont Trust,
Frasers Commercial Trust,
Frasers Hospitality Trust,
Frasers Logistics
and Industrial Trust

The Sponsor's Integrated Development and Asset Management Platform

FLT is well-positioned for future growth through leveraging on the Sponsor's widened logistics and industrial platforms in Europe and Australia



Development and Solutions Implementation

- ✓ On-the-ground greenfield development capabilities with **>300,000 sq m** of logistics real estate developed since 2015

- ✓ On-the-ground greenfield development capabilities with **>A\$3.5 billion** of logistics real estate developed since 2001

Asset and Property Management

- ✓ Local team has strong asset management expertise with **>1 million sq m** of logistics property managed around Europe

- ✓ **Market leader** in the Australian industrial sector, with strong end-to-end capabilities from lease negotiations to property and asset management

1. Taking into consideration the recently announced acquisition of Alpha Industrial. Alpha Industrial will become an integral part of Fraser's Property Europe.

Alignment of Interest between the Sponsor, REIT Manager and Unitholders

- ♦ The substantial interest of the Sponsor in FLT aligns the Sponsor and Unitholders' interest.
- ♦ Management fee structure aligns the REIT Manager and Unitholders' interest.

Substantial Sponsor ownership in FLT

- ☑ The Sponsor is the largest Unitholder in FLT
Sponsor ownership of 20.4%⁽¹⁾

Substantial strategic investment in FLT

- ☑ TCCG has committed 5.9%⁽¹⁾ as a strategic investor

REIT Manager Fee structure

Management Fee	Fee Structure
Base Fee	0.4% p.a. of Deposited Property
Performance Fee	5.0% p.a. of Distributable Income

- ☑ Performance fee structure incentivises the REIT Manager to grow distributable income and DPU