

Frasers Logistics & Industrial Trust
 (Constituted in the Republic of Singapore pursuant to a trust deed dated 30 November 2015
 (as amended, restated and supplemented))

managed by
FRASERS LOGISTICS & INDUSTRIAL ASSET MANAGEMENT PTE. LTD.
 (A MEMBER OF FRASERS PROPERTY GROUP)

CIRCULAR TO UNITHOLDERS IN RELATION TO:

- (1) THE PROPOSED ACQUISITION OF INTERESTS IN 21 PROPERTIES IN GERMANY AND THE NETHERLANDS;
- (2) THE PROPOSED ISSUE OF UP TO 525,000,000 NEW UNITS UNDER THE EQUITY FUND RAISING;
- (3) THE PROPOSED ISSUE AND PLACEMENT OF NEW UNITS TO THE FRASERS PROPERTY LIMITED GROUP UNDER THE PRIVATE PLACEMENT; AND
- (4) THE PROPOSED ISSUE AND PLACEMENT OF NEW UNITS TO TCC GROUP INVESTMENTS LIMITED UNDER THE PRIVATE PLACEMENT.

CIRCULAR DATED 23 APRIL 2018
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION



Singapore Exchange Securities Trading Limited (the "SGX-ST") takes no responsibility for the accuracy of any statements or opinions made, or reports contained, in this Circular. **If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.**

If you have sold or transferred all your units in Frasers Logistics & Industrial Trust ("FLT"), and units in FLT, the "Units"), you should immediately forward this Circular, together with the Notice of Extraordinary General Meeting and the accompanying Proxy Form in this Circular, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

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 (the "IPO"). 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 IPO.

IMPORTANT DATES AND TIMES FOR UNITHOLDERS

Last date and time for lodgement of Proxy Forms : 5 May 2018 at 10.30 a.m.

Date and time of Extraordinary General Meeting : 8 May 2018 at 10.30 a.m.

Place of Extraordinary General Meeting : Stephen Riady Auditorium @ NTUC, Level 7, NTUC Centre, One Marina Boulevard, Singapore 018989

Independent Financial Adviser to the Independent Directors and Audit, Risk and Compliance Committee of Frasers Logistics & Industrial Asset Management Pte. Ltd. and to the Trustee

DELOITTE & TOUCHE CORPORATE FINANCE PTE LTD
 (Incorporated in the Republic of Singapore)
 (Company Registration Number: 200200144N)

Joint Global Co-ordinators and Bookrunners in relation to the Equity Fund Raising



This section is qualified in its entirety by, and should be read in conjunction with, the full text of this Circular.
The meaning of each capitalised term is found in the Glossary of this Circular.

PROPOSED ACQUISITION OF 21 PRIME INDUSTRIAL PROPERTIES IN KEY GLOBAL LOGISTICS HUBS IN GERMANY AND THE NETHERLANDS



PORTFOLIO STATISTICS¹

21
PROPERTIES

93%
FREEHOLD²

€596.8M
PROPERTY
PURCHASE PRICE

7.0
years
AVERAGE
AGE³

~595,000 sq m
GLA

100%
OCCUPANCY RATE

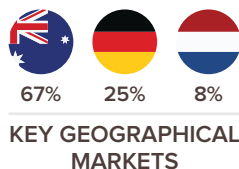
8.0 years
WALE⁴

89%

Leases with CPI-Linked
Indexation or Fixed Annual
Escalations⁵

POST-PROPOSED ACQUISITION

82
PROPERTIES



A\$2.9B
PORTFOLIO VALUE⁶

1.9M sq m
GLA

7.1 years
WALE

¹ As at 31 December 2017.

² Based on the New Properties Appraised Value.

³ Weighted average age as at 31 December 2017 based on the higher of the two independent valuations of the New Properties conducted by the Independent Valuers.

⁴ Weighted average lease expiry as at 31 December 2017 computed based on Gross Rental Income for the month of December 2017.

⁵ Based on Gross Rental Income for the month of December 2017.

⁶ Based on FLT's Existing Portfolio Appraised Value of approximately A\$1.9 billion as at 30 September 2017 and the New Properties Appraised Value.

RATIONALE AND KEY BENEFITS

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

GERMANY
A GLOBAL EXPORT HUB



THE NETHERLANDS
ONE OF EUROPE'S TOP LOGISTICS HUBS

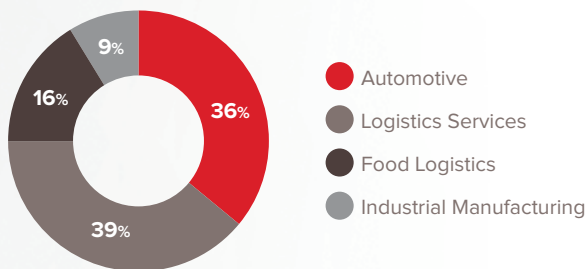


- ✓ Europe's economic centre and world's 4th largest economy in 2016
- ✓ Europe's largest logistics market and ranked #1 logistics performer globally in 2016

- ✓ Trade oriented economy with Rotterdam being the largest sea ports in Europe
- ✓ One of Europe's top logistics hubs and ranked #4 logistics performer globally in 2016

2 Prime, Strategically Located and Predominantly Freehold Portfolio

TENANT MIX OF NEW PROPERTIES⁷



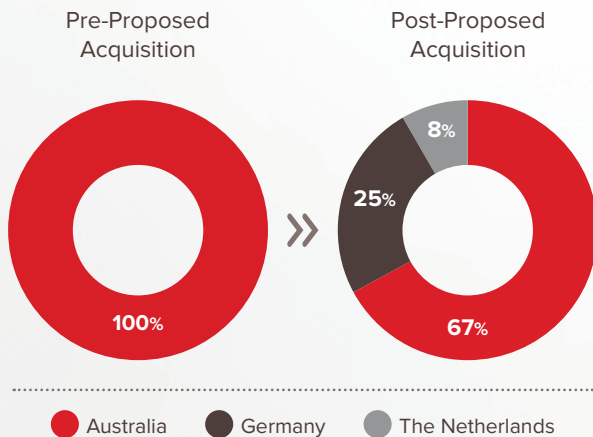
- High quality and diversified tenant base
- Modern logistics facilities with high specifications
- Majority of the New Properties are strategically located within the major logistics clusters of Germany and the Netherlands

3 Enlarged Diversified Portfolio Positioned for Long-Term Growth

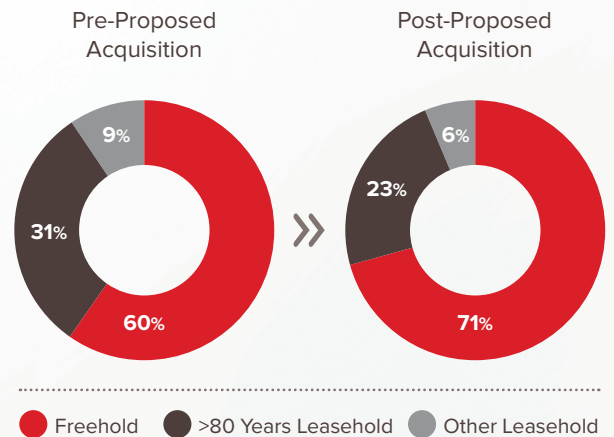
REDUCED TENANT CONCENTRATION RISK⁷

41.5% CURRENT TOP 10 TENANTS⁷ » **35.2%** PRO FORMA TOP 10 TENANTS⁷

ENHANCED GEOGRAPHICAL DIVERSIFICATION⁸



INCREASED PROPORTION OF FREEHOLD ASSETS IN THE ENLARGED PORTFOLIO⁸

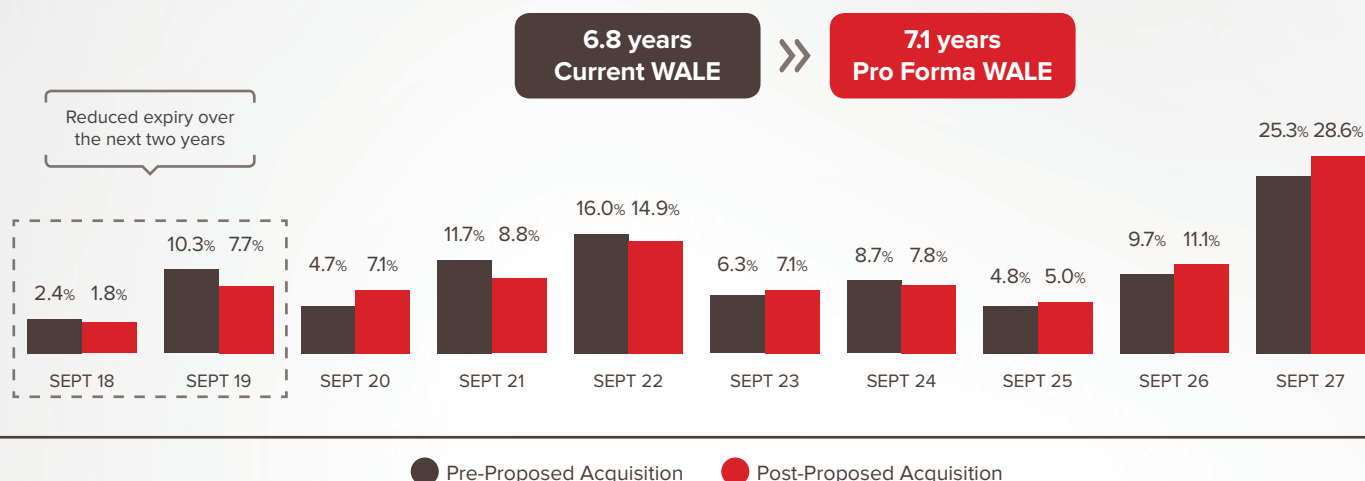


⁷ Based on Gross Rental Income for the month of December 2017.

⁸ Based on FLT's Existing Portfolio Appraised Value and the New Properties Appraised Value.

• **IMPROVED PORTFOLIO WALE**

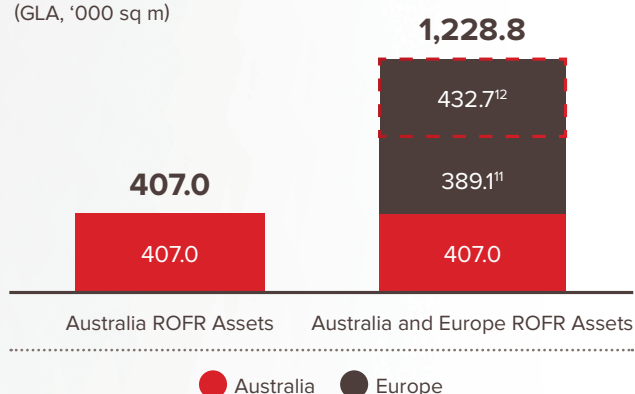
Lease Expiry by Gross Rental Income⁹



4 Leveraging Sponsor’s Integrated Development and Asset Management Platform

• **ACCESS TO SPONSOR’S ROFR ASSETS PIPELINE¹⁰**

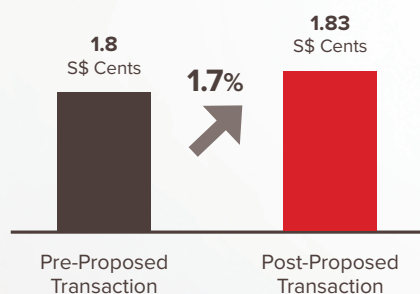
(GLA, '000 sq m)



- Ability to leverage Sponsor’s integrated logistics and industrial platform in Europe, which has on-the-ground development capabilities and strong management expertise
- Access to a visible ROFR pipeline of 39 Australian and European assets amounting to approximately 1.2 million sq m

5 Consistent with the Manager’s Investment Strategy

• **EXPECTED TO BE DPU ACCRETIVE¹³**



Q1 FY2018 (A\$ m)	Pre-Proposed Transaction	Post-Proposed Transaction	Change (%)
Net Property Income	34.8	48.2	⌆ 38.5%
Distributable Income	25.9	35.0	⌆ 35.1%

⁹ Based on Gross Rental Income for the month of December 2017.

¹⁰ Only completed income-producing real estate assets which are used for logistics or industrial purposes are included in the terms of the ROFR dated 9 June 2016 which was provided by the Sponsor to the Trustee at IPO.

¹¹ As at 31 March 2018 (excluding the GLA of the New Properties amounting to approximately 595,000 sq m).

¹² Subject to the completion of the proposed acquisition of Alpha Industrial’s portfolio of 16 completed logistics and industrial assets and one logistics asset in Germany. Excludes the eight logistics assets which are acquired as development and forward purchases with a total additional GLA of approximately 152,100 sq m.

¹³ Please refer to paragraph 9.1.1 of the Letter to Unitholders in this Circular for the pro forma financial effects of the Proposed Transaction on FLT’s DPU, Net Property Income and Distributable Income for Q1 FY2018.

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PROXY FORM

CORPORATE INFORMATION

Directors of Frasers Logistics & Industrial Asset Management Pte. Ltd. (the “Manager”)	Mr Ho Hon Cheong (Chairman and Independent Non-Executive Director) Mr Goh Yong Chian (Independent Non-Executive Director) Mr Paul Gilbert Say (Independent Non-Executive Director) Mr Panote Sirivadhanabhakdi (Non-Executive Director) Mr Lim Ee Seng (Non-Executive Director) Mr Michael Bowden Newsom (Non-Executive Director)
Registered Office of the Manager	438 Alexandra Road #21-00, Alexandra Point Singapore 119958
Trustee of FLT (the “Trustee”)	Perpetual (Asia) Limited 8 Marina Boulevard #05-02 Marina Bay Financial Centre Singapore 018981
Legal Adviser to the Manager in relation to the Proposed Transaction (as defined herein)	Allen & Gledhill LLP One Marina Boulevard #28-00 Singapore 018989
Legal Adviser to the Manager in relation to the Proposed Acquisition as to the Laws of Germany	Linklaters LLP Taunusanlage 8 60329 Frankfurt am Main Postfach 17 01 11 60075 Frankfurt am Main Germany
Legal Adviser to the Manager in relation to the Proposed Acquisition as to the Laws of the Netherlands	Linklaters LLP Zuidplein 180 1077 XV Amsterdam The Netherlands
Joint Global Co-ordinators and Bookrunners in relation to the Equity Fund Raising (the “Joint Global Co-ordinators and Bookrunners”)	DBS Bank Ltd. 12 Marina Boulevard Level 46 DBS Asia Central @ Marina Bay Financial Centre Tower 3 Singapore 018982 Merrill Lynch (Singapore) Pte. Ltd. 50 Collyer Quay, #14-01 OUE Bayfront Singapore 049321 Citigroup Global Markets Singapore Pte. Ltd. 8 Marina View, #21-00 Asia Square Tower 1 Singapore 018960

Legal Adviser to the Trustee as to Singapore Law	Dentons Rodyk & Davidson LLP 80 Raffles Place #33-00 UOB Plaza 1 Singapore 048624
Unit Registrar and Unit Transfer Office	Boardroom Corporate & Advisory Services Pte. Ltd. 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623
Independent Financial Adviser to the Independent Directors, Audit, Risk and Compliance Committee of the Manager and the Trustee	Deloitte & Touche Corporate Finance Pte Ltd 6 Shenton Way #33-00 OUE Downtown 2 Singapore 068809
Independent Tax Adviser	Ernst & Young Solutions LLP One Raffles Quay North Tower, Level 18 Singapore 048583
Independent Valuers	CBRE Ltd St Martin's Court 10 Paternoster Row London EC4M 7HP United Kingdom (appointed by the Trustee)
	Colliers International Valuation UK LLP 50 George Street London W1U 7GA United Kingdom (appointed by the Manager)
Independent Market Research Consultant	Jones Lang LaSalle Limited 30 Warwick Street London W1B 5NH United Kingdom

SUMMARY

Unless otherwise stated, the S\$ equivalent of the A\$ figures and € figures in this Circular have been arrived at based on assumed exchange rates of A\$1:S\$1.02 and €1:S\$1.63, respectively.

The following summary is qualified in its entirety by, and should be read in conjunction with, the full text of this Circular. Meanings of defined terms may be found in the Glossary on pages 116 to 123 of this Circular.

Any discrepancies in the tables included herein between the listed amounts and totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them.

OVERVIEW

Overview of FLT

FLT is a Singapore real estate investment trust (“**REIT**”) established with the investment strategy (the “**FLT Investment Strategy**”) of principally investing globally, directly or indirectly, in a diversified portfolio of income-producing real estate assets which are predominantly used for logistics or industrial purposes¹, whether wholly or partially, as well as such industrial² real estate-related assets in connection with the foregoing, with an initial focus on Australia. FLT was listed on 20 June 2016 (the “**Listing Date**”), with trading of Units commencing on 21 June 2016.

As at 12 April 2018, being the latest practicable date prior to the printing of this Circular (the “**Latest Practicable Date**”), FLT has a market capitalisation of approximately S\$1,627.1 million. The existing portfolio of FLT (“**Existing Portfolio**”) comprises 61 industrial properties³ located in Australia with an aggregate gross lettable area (“**GLA**”) of approximately 1.33 million square metres (“**sq m**”)⁴. The Existing Portfolio is valued at approximately A\$1,923.3 million⁵ (approximately S\$1,957.7 million) as at 30 September 2017 (the “**Existing Portfolio Appraised Value**”).

The sponsor of FLT is Frasers Property Limited (formerly known as Frasers Centrepoint Limited) (“**FPL**” or the “**Sponsor**”), a multi-national company that owns, develops and manages a diverse, integrated portfolio of properties. Listed on the Main Board of the SGX-ST and headquartered in Singapore, FPL is organised around five asset classes with assets totalling S\$28 billion as at 31 December 2017.

FPL’s assets range from residential, retail, commercial and business parks, to industrial and logistics in Singapore, Australia, Europe, China and Southeast Asia. Its well-established hospitality business owns and/or operates serviced apartments and hotels in over 80 cities across Asia, Australia, Europe, the Middle East and Africa. FPL is unified by its commitment to deliver enriching and memorable experiences for customers and stakeholders, leveraging knowledge and capabilities from across markets and property sectors, to deliver value in its multiple asset classes.

¹ Such real estate assets used for “**logistics**” or “**industrial**” purposes also include office components ancillary to the foregoing purposes.

² References to real estate assets used for “**industrial**” purposes in this Circular means real estate assets used for “**industrial**” or “**logistics**” purposes interchangeably.

³ One of the properties in the Existing Portfolio, being the Clifford Hallam Facility located at 17 Hudson Court, Keysborough, Victoria, Australia, is currently under development and is expected to be completed in May 2018.

⁴ Excludes the Clifford Hallam Facility which is currently under development and is expected to be completed in May 2018.

⁵ Includes the balance of the acquisition amounts payable in respect of the Beaulieu Facility and the Stanley Black & Decker Facility which were paid by FLT on 13 October 2017 and 17 November 2017, respectively.

Overview of the Proposed Transaction

On 19 April 2018, the Trustee, through FLT Europe Pte. Ltd. (the “**FLT Singapore SPV**”)¹, entered into a conditional share purchase agreement (the “**Share Purchase Agreement**”) with Frasers Property Investments (Holland) B.V. (“**FPIH**” or the “**Vendor**”) to acquire all the issued shares of FPE Logistics B.V. (the “**Dutch Target Company**”), which will in turn (directly or indirectly) own equity interests in holding companies (the “**Property Holding Companies**”) which hold predominantly freehold interests in 21 industrial properties located in Germany and the Netherlands (the “**New Properties**”). The New Properties comprise 17 properties in Germany and four properties in the Netherlands (the “**Proposed Acquisition**”).

The agreed purchase price for the New Properties, which was negotiated on a willing-buyer and willing-seller basis taking into account the independent valuations conducted by CBRE Ltd. (“**CBRE**”) and Colliers International Valuation UK LLP (“**Colliers**”, and collectively with CBRE, the “**Independent Valuers**”), is approximately €596.8 million² (approximately S\$972.8 million) (the “**Property Purchase Price**”).

The appraised value for the New Properties (the “**New Properties Appraised Value**”), being the aggregate of the higher of the two independent valuations of each New Property conducted by the Independent Valuers as at 31 March 2018, is approximately €603.9 million (approximately S\$984.4 million). The Property Purchase Price of the New Properties represents a discount of approximately 1.2% to the New Properties Appraised Value.

The purchase consideration payable under the Share Purchase Agreement (the “**Purchase Consideration**”) of approximately €316.2 million (approximately S\$515.4 million) is based on (i) the Property Purchase Price, adjusted for the estimated net assets and liabilities of the Dutch Target Company (including the existing debt facilities of the Property Holding Companies to be assumed by FLT amounting to approximately €262.7 million (approximately S\$428.2 million) (the “**Existing Debt Facilities**”) as well as FLT’s effective interests in each entity held under the Dutch Target Company (“**Target Entity**”, and collectively, the “**Target Entities**”)³ (subject to further adjustments based on the actual consolidated net assets and liabilities of the Dutch Target Company at completion of the Proposed Acquisition) and (ii) the amount of an inter-company loan owing by the Dutch Target Company to the Vendor as at the completion of the Proposed Acquisition (the “**Inter-Company Loan**”) to be assigned to the FLT Singapore SPV.

The Purchase Consideration is intended to be partially funded by way of a private placement to institutional and other investors (the “**Private Placement**”) and a non-renounceable preferential offering of new Units to existing unitholders of FLT (“**Unitholders**”) on a *pro rata* basis (the “**Preferential Offering**”, and together with the Private Placement, the “**Equity Fund Raising**”, which together with the Proposed Acquisition, will be collectively referred to as the “**Proposed Transaction**”). The Private Placement will, subject to Unitholders’ approval, include a proposed issue and placement of New Units (as defined herein) to FPL and its subsidiaries (“**FPL Group**”, and the proposed issue and placement of New Units to the FPL Group, the “**FPL Placement**”) as well as TCC Group Investments Limited (“**TCCGI**”)⁴ (the “**TCCGI Placement**”).

¹ The FLT Singapore SPV is a wholly-owned subsidiary of the Trustee.

² 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).

³ See paragraph 2.1 of the Letter to Unitholders relating to the proposed holding structure of the New Properties for FLT’s effective interests in the Target Entities.

⁴ TCCGI is a company that is owned by Atinant Bijananda, Thapana Sirivadhanabhakdi, Wallapa Traisorat, Thapanee Techajareonvikul and Panote Sirivadhanabhakdi in equal proportions. Panote Sirivadhanabhakdi is a director of the Manager and a director and the Group Chief Executive Officer of FPL, and Atinant Bijananda, Thapana Sirivadhanabhakdi, Wallapa Traisorat and Thapanee Techajareonvikul are his siblings.

As part of the Proposed Transaction, FLT intends to expand its initial focus from Australia and broaden its focus to include Europe, which the Sponsor has a presence in. This is in line with the current FLT Investment Strategy of principally investing globally, directly or indirectly, in a diversified portfolio of income-producing real estate assets which are predominantly used for logistics or industrial purposes, whether wholly or partially, as well as such industrial real estate-related assets in connection with the foregoing, as set out above. While FLT will hold the properties it acquires on a long-term basis, the Manager may, subject to applicable laws and regulations, divest non-core properties of FLT to realise their optimal market potential and value if options present themselves which the Manager considers to be in the interests of Unitholders.

SUMMARY OF APPROVALS SOUGHT

The Manager is convening an extraordinary general meeting (“**EGM**”) of FLT to seek approval from Unitholders in respect of the following ordinary resolutions¹:

- (1) **Resolution 1:** The Proposed Acquisition (as a Related Party Transaction (as defined herein) and a major transaction);
- (2) **Resolution 2:** The Equity Fund Raising;
- (3) **Resolution 3:** The FPL Placement (as an Interested Person Transaction (as defined herein)); and
- (4) **Resolution 4:** The TCCGI Placement (as an Interested Person Transaction).

Unitholders should note that Resolution 2 (the Equity Fund Raising), Resolution 3 (the FPL Placement) and Resolution 4 (the TCCGI Placement) are each conditional upon Resolution 1 (the Proposed Acquisition) being passed.

In the event that Resolution 1 is not passed, the Manager will not proceed with the Proposed Acquisition, the Equity Fund Raising, the FPL Placement and the TCCGI Placement.

For the avoidance of doubt, the Manager may still proceed with the Equity Fund Raising in the event that Resolution 3 (the FPL Placement) and/or Resolution 4 (the TCCGI Placement) are not passed.

Each of the TCC Group², the FPL Group, TCCGI and the Manager (i) will abstain, and will procure their associates to abstain from voting at the EGM on the resolution to approve Resolution 1 (the Proposed Acquisition), Resolution 3 (the FPL Placement) and Resolution 4 (the TCCGI Placement) and (ii) will not, and will procure that their associates will not, accept appointments as proxies in relation to Resolution 1 (the Proposed Acquisition), Resolution 3 (the FPL Placement) and Resolution 4 (the TCCGI Placement) unless specific instructions as to voting are given.

¹ “**Ordinary Resolution**” means a resolution proposed and passed as such by a majority being greater than 50.0% or more of the total number of votes cast for and against such resolution at a meeting of Unitholders convened in accordance with the provisions of the Trust Deed.

² “**TCC Group**” refers to the companies and entities in the TCC Group which are controlled by Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi. For the avoidance of doubt, the TCC Group does not refer to TCCGI or include TCCGI.

RESOLUTION 1: THE PROPOSED ACQUISITION

In connection with the Proposed Acquisition, FLT had on 19 April 2018, through the FLT Singapore SPV, entered into the Share Purchase Agreement with the Vendor to acquire all the issued shares of the Dutch Target Company, which will in turn (directly or indirectly) own equity interests in the Property Holding Companies which hold predominantly freehold interests in the New Properties.

(See the table on pages 6 to 10 of this Circular and paragraph 2 of the Letter to Unitholders for further details on the description of the New Properties and the Proposed Acquisition respectively.)

RESOLUTION 2: THE EQUITY FUND RAISING

The Manager is seeking Unitholders' approval for the proposed issue of up to 525,000,000 new Units (the "**New Units**") (representing up to approximately 34.5% of the existing number of issued Units as at the Latest Practicable Date).

Based on an illustrative issue price of S\$1.00 per New Unit (the "**Illustrative Issue Price**"), the Equity Fund Raising is expected to raise gross proceeds of up to approximately S\$525.0 million to partially fund the Total Transaction Cost (as defined herein), with the balance to be funded by borrowings.

The structure and timing of the Equity Fund Raising have not been determined by the Manager. If and when the Manager decides to undertake the Equity Fund Raising, the Equity Fund Raising may, at the Manager's absolute discretion and subject to the then prevailing market conditions, comprise:

- (i) a Private Placement of New Units to institutional and other investors, including FPL and TCCGI; and
- (ii) a non-renounceable Preferential Offering of New Units to the existing Unitholders on a *pro rata* basis.

The structure and time schedule of the Equity Fund Raising and the issue price of the New Units (the "**Issue Price**") will be determined in accordance with, among others, Chapter 8 of the Listing Manual of the SGX-ST (the "**Listing Manual**"). The Issue Price for the New Units will comply with Rules 811(1) and 811(5) of the Listing Manual, and will not be at more than a 10.0% discount to the volume-weighted average price ("**VWAP**") for trades done on the SGX-ST for the full market day on which an underwriting agreement between the Manager and the Joint Global Co-ordinators and Bookrunners (the "**Underwriting Agreement**") is signed, or (if trading in the Units is not available for a full market day) for the preceding market day up to the time the Underwriting Agreement is signed, excluding (where applicable) accrued distributions provided that the holders of the New Units are not entitled to the accrued distributions. The Underwriting Agreement is anticipated to be signed upon the terms of the Equity Fund Raising being agreed upon, which will be after the approval of the relevant resolutions by the Unitholders at the EGM having been received.

On 19 April 2018, the SGX-ST granted its in-principle approval for the listing and quotation of the New Units on the Main Board of the SGX-ST, subject to certain conditions which are further set out in paragraph 3.6 of the Letter to Unitholders. The in-principle approval of SGX-ST is not an indication of the merits of the Proposed Acquisition, the Equity Fund Raising, the FPL Placement, the TCCGI Placement, FLT and/or its subsidiaries and the Units.

The issue price of the New Units issued under the Private Placement may differ from the issue price of the New Units issued under the Preferential Offering.

The Manager will announce the details of the Equity Fund Raising on the SGXNET at the appropriate time when it launches the Equity Fund Raising in such structure and at such time as may be agreed with the Joint Global Co-ordinators and Bookrunners.

Notwithstanding its current intention, the Manager may, subject to relevant laws and regulations, utilise the net proceeds of the Equity Fund Raising at its absolute discretion for other purposes, including without limitation, the repayment of existing indebtedness and for funding capital expenditures.

Further details pertaining to the use of proceeds of the Equity Fund Raising (including details on the percentage allocation for each use) will be announced at the appropriate time.

(See paragraph 3 of the Letter to Unitholders for further details.)

RESOLUTION 3: THE FPL PLACEMENT

To provide a higher degree of certainty for the successful completion of the Private Placement and to enable the FPL Group to be in a position to support and align its interest with FLT, the Manager is seeking Unitholders' approval for the proposed FPL Placement, as part of the Private Placement.

The FPL Group will subscribe for such number of New Units under the Private Placement up to its proportionate pre-placement unitholding in FLT, in percentage terms.

The FPL Group's percentage unitholding in FLT will therefore not increase after the Private Placement in any case.

The New Units placed to the FPL Group under the FPL Placement will be issued at the same price as the New Units issued to other investors under the Private Placement.

(See paragraph 4.1 of the Letter to Unitholders for further details.)

RESOLUTION 4: THE TCCGI PLACEMENT

To provide a higher degree of certainty for the successful completion of the Private Placement and to enable TCCGI to be in a position to support and align its interest with FLT, the Manager is seeking Unitholders' approval for the proposed TCCGI Placement, as part of the Private Placement.

TCCGI will subscribe for such number of New Units under the Private Placement up to its proportionate pre-placement unitholding in FLT, in percentage terms.

TCCGI's percentage unitholding in FLT will therefore not increase after the Private Placement in any case.

The New Units placed to TCCGI under the TCCGI Placement will be issued at the same price as the New Units issued to other investors under the Private Placement.

(See paragraph 5.1 of the Letter to Unitholders for further details.)

DESCRIPTION OF THE NEW PROPERTIES

The following table sets out a summary of selected information on the New Properties.

S/No	Address	Tenant	Trade Sector of Tenant	Effective Interest (%)	Land Tenure	GLA (sq m) ⁽¹⁾	Valuation by CBRE (as defined herein) (€ m) ⁽²⁾	Valuation by Colliers (as defined herein) (€ m) ⁽²⁾	Property Purchase Price (€ m) ⁽³⁾	WALE (years) ⁽⁴⁾	Occupancy (%) ⁽⁵⁾
<i>German Properties</i>											
State: Baden-Wurtemberg											
1	Industriepark 309, 78244 Gottmadingen, Germany	Constellium	Automotive	94.90 ⁽⁶⁾ 90.06 ⁽⁶⁾	Freehold	51,507 ⁽⁷⁾	46.6	47.7	47.7	9.1	100
2	Otto-Hahn- Straße 10, 71665 Vaihingen, Germany	Dachser & DSV	Logistics Services	94.00	Freehold	43,756	49.5	50.0	49.5	4.8	100
3	Eiselauer Weg 2, 89081 Ulm, Germany	Transgourmet	Food Logistics	94.90	Freehold	24,525	41.9	41.7	41.9	9.8	100
4	Murrer Straße 1, 71691 Freiberg, Germany	Logistics Group International ("LGI") (guaranteed by Porsche)	Logistics Services	94.80	Freehold	21,071	32.7	33.5	32.7	4.7	100
5	Ambros- Nehren-Straße 1, 77855 Achern, Germany	Ziegler	Automotive	94.00	Freehold	12,304	13.3	13.2	13.3	13.1	100

S/No	Address	Tenant	Trade Sector of Tenant	Effective Interest (%)	Land Tenure	GLA (sq m) ⁽¹⁾	Valuation by CBRE (as defined herein) (€ m) ⁽²⁾	Valuation by Colliers (as defined herein) (€ m) ⁽²⁾	Property Purchase Price (€ m) ⁽³⁾	WALE (years) ⁽⁴⁾	Occupancy (%) ⁽⁵⁾
State: Bavaria											
6	Oberes Feld 2, 4, 6, 8, 84164 Moosthenning, Germany	BMW Group	Automotive	94.80 ⁽⁸⁾	Freehold	72,558	69.4 ⁽⁹⁾	69.3 ⁽⁹⁾	67.7 ⁽⁹⁾	9.1	100
7	Koperstraße 10, 90451 Nuremberg, Germany	Roman & Hellmann ⁽¹⁰⁾	Logistics Services	94.00	HBR ⁽¹¹⁾	21,496 ⁽¹²⁾	42.3 ⁽¹³⁾	41.8 ⁽¹³⁾	41.8 ⁽¹³⁾	2.5 ⁽¹⁴⁾	100
8	Industriepark 1, 94437 Mamming, Germany	Leadec	Automotive	94.90 ⁽⁸⁾	Freehold	14,193	15.6 ⁽⁹⁾	16.0 ⁽⁹⁾	15.8 ⁽⁹⁾	5.1	100
9	Jubatus-Allee 3, 92263 Ebermannsdorf, Germany	Grammer	Automotive	94.90	Freehold	9,389	7.5	7.6	7.5	4.2	100
State: Lower Saxony											
10	Am Krainhop 10, 38550 Isenbüttel, Germany	Volkswagen	Automotive	94.80	Freehold	20,679	17.0	17.9	17.0	11.5	100
11	Am Autobahnkreuz 14, 26180 Rastede, Germany	Broetje-Automation	Industrial Manufacturing	94.90	Freehold	11,491	18.6	17.0	18.6	13.0	100

S/No	Address	Tenant	Trade Sector of Tenant	Effective Interest (%)	Land Tenure	GLA (sq m) ⁽¹⁾	Valuation by CBRE (as defined herein) (€ m) ⁽²⁾	Valuation by Colliers (as defined herein) (€ m) ⁽²⁾	Property Purchase Price (€ m) ⁽³⁾	WALE (years) ⁽⁴⁾	Occupancy (%) ⁽⁵⁾
State: North Rhine-Westphalia											
12	Saalhofer Straße 211, 47495 Rheinberg, Germany	BMW Group	Automotive	94.90	Freehold	31,957	28.1	28.4	28.4	5.0	100
13	Elbestraße 1-3, 45768 Marl, Germany	Bunzl	Logistics Services	94.91 ⁽¹⁵⁾	Freehold	16,831	13.9	14.4	13.9	4.4	100
14	Keffelker Straße 66, 59929 Brilon, Germany	ABB Automation	Industrial Manufacturing	94.90	Freehold	13,352	10.0	9.1	10.0	3.8	100
15	Gustav-Stresemann-Weg 1, 48155 Münster, Germany	Saurer	Industrial Manufacturing	94.90	Freehold	12,960	14.7	14.7	14.7	13.1	100
State: Saxony											
16	Johann-Esche-Straße 2, 09120 Chemnitz, Germany	Rhenus	Logistics Services	94.90	Freehold	18,053	16.5	15.5	16.5	2.5	100
17	Am Exer 9, 04158 Leipzig, Germany	Eidra Kunststofftechnik ⁽¹⁶⁾	Automotive	94.90	Freehold	11,537	13.1	12.7	12.9	5.7	100

S/No	Address	Tenant	Trade Sector of Tenant	Effective Interest (%)	Land Tenure	GLA (sq m) ⁽¹⁾	Valuation by CBRE (as defined herein) (€ m) ⁽²⁾	Valuation by Colliers (as defined herein) (€ m) ⁽²⁾	Property Purchase Price (€ m) ⁽³⁾	WALE (years) ⁽⁴⁾	Occupancy (%) ⁽⁵⁾	
Dutch Properties												
Province: Flevoland												
18	Handelsweg 26, 3899 AB Zeewolde, The Netherlands	Bakker Zeewolde	Food Logistics	100.00	Freehold	51,703	39.8	38.4	39.8	14.2	100	
Province: Gelderland												
19	Brede Steeg 1, 7041 s-Heerenberg, The Netherlands	Mainfreight	Logistics Services	100.00	Freehold	84,806	66.9	65.3	66.1	8.2	100	
Province: Limburg												
20	Heierhoevenweg 17, 5928 Venlo, The Netherlands	DSV Solutions	Logistics Services	100.00	Freehold	32,642	26.7	25.9	25.9	8.0	100	
Province: North Brabant												
21	Belle van Zuylenstraat 5, 5032 MA Tilburg, The Netherlands; Mraga Klompeweg 7, 5032 MP Tilburg, The Netherlands	Bakker Tilburg	Food Logistics	100.00	Freehold	18,121	15.2	14.1	15.2	9.2	100	
Total for New Properties							594,931	599.3	593.9	596.8	8.0	100

Notes:

- (1) GLA as at 31 December 2017.
- (2) Valuation as at 31 March 2018 and is based on a 100% effective interest in each New Property.
- (3) The Property Purchase Price is based on a 100% effective interest in each New Property.
- (4) "WALE" refers to the weighted average lease expiry as at 31 December 2017 computed through application of Gross Rental Income (in respect of the New Properties, being the contracted rental income and estimated recoverable outgoings of the New Properties) for the month of December 2017.
- (5) Occupancy as at 31 December 2017.
- (6) Geneba RE 10 B.V. is the registered owner (and therefore owner of the freehold interest) in one of the two buildings on the Constellium Facility, while SMR2 Verwaltungs GmbH is the registered owner (and therefore owner of the freehold interest) in the other building on the Constellium Facility. FLT will have an effective interest of 94.90% in Geneba RE 10 B.V. and 90.06% in SMR2 Verwaltungs GmbH. See the proposed holding structure on page 19 of this Circular.
- (7) The GLA of the Constellium Facility was 51,507 sq m as at 31 December 2017, but has increased to 55,007 sq m upon completion of the new warehouse extension No. 8 in January 2018.
- (8) FLT will also hold a 100% interest in the solar panels present on the relevant New Property.
- (9) The two independent valuations and consideration payable takes into account the value of the solar panels present on the relevant New Property.
- (10) The expansions of Warehouses 4, 5 and 6 are currently in progress on the Roman & Hellmann Facility. Upon completion, Warehouses 4 and 5 will be leased to the existing tenants, being Hellmann Worldwide Logistics GmbH & Co. KG and Roman Mayer Logistik GmbH, respectively. A new tenant, Johnson Outdoors Vertriebsgesellschaft GmbH, will occupy Warehouse 6 when the expansion is completed.
- (11) The Roman & Hellmann Facility is used under a hereditary building right ("HBR"), which encumbers a property by granting the beneficiary of such HBR the right to build on or to develop the land in return for an annual ground rent (*Erbbauzins*). The remaining tenure under the HBR agreement is 63 years as at 31 December 2017, and will expire after 31 December 2080. See page 33 of this Circular for further information on the HBR in respect of the Roman & Hellmann Facility.
- (12) The GLA of the Roman & Hellmann Facility is 21,496 sq m as at 31 December 2017, but will be 44,219 sq m upon completion of the AEIs in June 2018.
- (13) Asset enhancement initiatives ("AEIs") are currently being performed on the Roman & Hellmann Facility, and the independent valuations and Property Purchase Price of the Roman & Hellmann Facility have been provided on the basis that the AEIs are completed. No additional expenditure is expected from FLT in respect of the ongoing AEIs upon completion of the acquisition of the Roman & Hellmann Facility.
- (14) The WALE of the Roman & Hellmann Facility will increase to 5.0 years upon completion of the AEIs in June 2018.
- (15) FLT will hold 94.91% of the economic interests and 89.21% of the voting rights in Geneba RE 1 B.V.
- (16) Eldra Kunststofftechnik GmbH, formerly known as DMS Dräxlmaier Modulsysteme GmbH, is a subsidiary of Dräxlmaier Group.

Valuation and Purchase Consideration

The Trustee has commissioned an independent valuer, CBRE, and the Manager has commissioned an independent valuer, Colliers, to respectively value the New Properties.

The Purchase Consideration payable to the Vendor under the Share Purchase Agreement in cash in Euros for the interests in the New Properties is approximately €316.2 million (approximately S\$515.4 million). The Purchase Consideration is based on (i) the Property Purchase Price which was negotiated on a willing-buyer and willing-seller basis taking into account the independent valuations described herein, as adjusted for the estimated net assets and liabilities of the Dutch Target Company (including the Existing Debt Facilities) as well as FLT's effective interests in each Target Entity (subject to further adjustments based on the actual consolidated net assets and liabilities of the Dutch Target Company at completion of the Proposed Acquisition) and (ii) the amount of the Inter-Company Loan to be assigned to the FLT Singapore SPV. The Property Purchase Price of approximately €596.8 million (approximately S\$972.8 million) represents a discount of approximately 1.2% to the New Properties Appraised Value.

(See Appendix B of this Circular for further details regarding the valuations of the New Properties.)

ESTIMATED TOTAL TRANSACTION COST

The estimated total cost of the Proposed Transaction (the "**Total Transaction Cost**") is approximately €325.0 million (approximately S\$529.8 million), comprising:

- (i) the Purchase Consideration of €316.2 million (approximately S\$515.4 million);
- (ii) the acquisition fee payable to the Manager for the Proposed Acquisition pursuant to the trust deed dated 30 November 2015 (as amended and supplemented) constituting FLT (the "**Trust Deed**"), which amounts to approximately €2.8 million (approximately S\$4.6 million) (the "**Acquisition Fee**")¹; and
- (iii) the estimated professional and other fees and expenses incurred or to be incurred by FLT in connection with the Proposed Transaction of approximately €6.0 million (approximately S\$9.8 million).

¹ The acquisition fee in respect of each of the New Properties is 0.5% of the Property Purchase Price of the New Properties (in proportion to the effective interest which FLT will hold in each of the New Properties), and will only be paid on completion of the Proposed Acquisition in accordance with the terms of the Share Purchase Agreement.

Payment of Acquisition Fee in Units

As the Proposed Acquisition will constitute an “interested party transaction” under Paragraph 5 of Appendix 6 of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore (the “MAS” and Appendix 6, the “**Property Funds Appendix**”), the Acquisition Fee¹ payable to the Manager in respect of the Proposed Acquisition will be in the form of Units (the “**Acquisition Fee Units**”), which shall not be sold within one year from the date of issuance.

Proposed Method of Financing the Proposed Transaction

The Manager intends to finance the Total Transaction Cost from a combination of equity and debt financing. As stated above, the Equity Fund Raising will raise gross proceeds of up to approximately S\$525.0 million. The Manager will utilise the net proceeds of the Equity Fund Raising to partially fund the Total Transaction Cost, with the balance of the Total Transaction Cost to be funded by borrowings.

The Manager may take a bridging loan facility which can be drawn upon to, together with the net proceeds of the Private Placement and the borrowings, fully fund and complete the Proposed Acquisition (which may take place prior to the completion of the Preferential Offering). The net proceeds of the Preferential Offering will then be applied towards repayment of the bridging loan facility.

RATIONALE FOR AND KEY BENEFITS OF THE PROPOSED TRANSACTION

The Manager believes that the Proposed Transaction will bring the following key benefits to the Unitholders:

1. 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
- Growth in German and Dutch logistics and industrial markets supported by positive underlying economy
- Robust net absorption trends driven by limited supply and strong demand drivers

2. Prime, Strategically Located and Predominantly Freehold Portfolio

- Stable leases backed by high-quality tenants
- Modern logistics facilities with high specifications
- Predominantly located in major logistics clusters of Germany and the Netherlands

¹ Based on the Trust Deed, the Manager shall be entitled to receive such number of Units as may be purchased for the relevant amount of the Acquisition Fee at the issue price of Units issued to finance or part finance the Proposed Acquisition in respect of which the Acquisition Fee is payable. In the event that there is a difference in the issue price for the Private Placement and the Preferential Offering, the Acquisition Fee Units will be received at the higher of the two issue prices.

3. Enlarged and Diversified Portfolio Positioned for Long-term Growth

- Enhanced geographical diversification
- Increased proportion of freehold assets in the enlarged portfolio comprising the Existing Portfolio and the New Properties (the “**Enlarged Portfolio**”)
- Reduced concentration risk in the top 10 tenants
- Improved portfolio WALE

4. Leveraging Sponsor’s Integrated Development and Asset Management Platform

- Access to the Sponsor’s widened logistics and industrial platform
- Access to a visible right of first refusal (“**ROFR**”) pipeline
- Strong track record of enhancing value through AElS

5. Consistent with the Manager’s Investment Strategy

- Proposed Acquisition is in line with FLT’s key objectives

(See paragraph 8 of the Letter to Unitholders for further details.)

REQUIREMENT FOR UNITHOLDERS’ APPROVAL

Interested Person Transactions and Interested Party Transactions (collectively, “Related Party Transactions”)

As at the Latest Practicable Date, the FPL Group holds an aggregate direct and indirect interest in 309,642,483 Units, which is equivalent to approximately 20.36% of the total number of Units in issue as at the Latest Practicable Date, and is therefore regarded as a “controlling unitholder” of FLT for the purposes of both the Listing Manual and the Property Funds Appendix. In addition, as the Manager is a wholly-owned subsidiary of FPL, the FPL Group is therefore regarded as a “controlling shareholder” of the Manager for the purposes of both the Listing Manual and the Property Funds Appendix.

As the Vendor is an indirect wholly-owned subsidiary of FPL, for the purposes of Chapter 9 of the Listing Manual and paragraph 5 of the Property Funds Appendix, the Vendor (being a subsidiary of a “controlling unitholder” of FLT and a subsidiary of a “controlling shareholder” of the Manager) is (for the purposes of the Listing Manual) an “interested person” of FLT and (for the purposes of the Property Funds Appendix) an “interested party” of FLT.

Therefore, the entry by the FLT Singapore SPV into the Share Purchase Agreement will constitute an Interested Person Transaction under Chapter 9 of the Listing Manual, as well as an Interested Party Transaction under the Property Funds Appendix.

(See paragraph 6.1.1 of the Letter to Unitholders for further details.)

Given that the Purchase Consideration is approximately €316.2 million¹ (which is 36.4% of both the latest audited net tangible assets (“**NTA**”) and the net asset value (“**NAV**”) of FLT as at 30 September 2017), the value of the Proposed Acquisition exceeds 5.0% of the NTA and the NAV of FLT. Accordingly, the Manager is seeking the approval of Unitholders by way of an Ordinary Resolution of the Unitholders for the Proposed Acquisition.

FPL and its associates are prohibited from voting on the resolution to approve the Proposed Acquisition.

As the FPL Placement will involve the issue of New Units to the FPL Group, i.e. the same interested person as the Proposed Acquisition, it will also constitute an Interested Person Transaction under Chapter 9 of the Listing Manual to be aggregated with the Proposed Acquisition.

The New Units to be placed to the FPL Group under the FPL Placement will exceed 5.0% of the NTA and the NAV of FLT. Accordingly, the Manager is seeking the approval of Unitholders by way of an Ordinary Resolution of the Unitholders for the FPL Placement.

(See paragraph 6.1.2 of the Letter to Unitholders for further details.)

TCCGI, which is deemed interested in approximately 5.91% of the total number of Units in issue as at the Latest Practicable Date, is a company that is owned by Atinant Bijananda, Thapana Sirivadhanabhakdi, Wallapa Traisorat, Thapanee Techajareonvikul and Panote Sirivadhanabhakdi in equal proportions. Accordingly, TCCGI is a company which Panote Sirivadhanabhakdi, a director of the Manager and a director and the Group Chief Executive Officer of FPL, and his family (being his siblings) have an interest of 30% or more, and is (for the purposes of the Listing Manual and the Property Funds Appendix) an “associate” of a director of the Manager. Accordingly, TCCGI is (for the purposes of the Listing Manual) an “interested person” of FLT.

As the TCCGI Placement will involve the issue of New Units to TCCGI, the TCCGI Placement will also constitute an Interested Person Transaction under Chapter 9 of the Listing Manual.

The New Units to be placed to TCCGI under the TCCGI Placement will not exceed 5.0% of the NTA and the NAV of FLT. Nonetheless, the Manager is seeking the approval of Unitholders by way of an Ordinary Resolution of the Unitholders for the TCCGI Placement.

(See paragraph 6.1.3 of the Letter to Unitholders for further details.)

Major Transaction

The Proposed Acquisition is a “major transaction” under Rule 1014(1) of the Listing Manual (read with Rule 1006(c)) as (i) the Net Property Income attributable to the Proposed Acquisition is approximately 38.5% of FLT’s Net Property Income for the financial quarter from 1 October 2017 to 31 December 2017 (“**Q1 FY2018**”), and (ii) the Purchase Consideration for the Proposed Acquisition is approximately 31.7% of FLT’s market capitalisation as at 18 April 2018, being the market day preceding the date of signing of the Share Purchase Agreement (based on the total number of issued Units).

(See paragraph 6.2 of the Letter to Unitholders for further details.)

¹ Translated to A\$ at an exchange rate of €1:A\$1.54

Specific Approval from Unitholders for the Equity Fund Raising

Pursuant to Rule 805(1) of the Listing Manual, the Manager is seeking the specific approval of Unitholders for the issue of up to 525,000,000 New Units under the Private Placement as well as under the Preferential Offering.

(See paragraph 6.3 of the Letter to Unitholders for further details.)

Specific Approval from Unitholders for the FPL Placement and the TCCGI Placement

Pursuant to Rule 812(2) of the Listing Manual, Unitholders' approval by way of ordinary resolution is required for placement of the new Units to FPL and TCCGI under the Private Placement. This is because FPL and TCCGI are both Substantial Unitholders¹ of FLT.

FPL, TCCGI and their associates are prohibited from voting on the resolutions to permit such a placement of new Units.

(See paragraph 6.4 of the Letter to Unitholders for further details.)

¹ "Substantial Unitholder" refers to a person with an interest in Units constituting not less than 5.0% of the total number of Units in issue.

INDICATIVE TIMETABLE

The timetable for the EGM is indicative only and is subject to change at the absolute discretion of the Manager. Any changes (including any determination of the relevant dates) to the timetable below will be announced.

The timetable for events which are scheduled to take place after the EGM is indicative only and is subject to the absolute discretion of the Manager.

Event		Date and Time
Last date and time for lodgement of Proxy Forms	:	5 May 2018 at 10.30 a.m
Date and time of the EGM	:	8 May 2018 at 10.30 a.m
If the approval for the Proposed Transaction is obtained at the EGM:		
Latest date for completion of the Proposed Acquisition under the Share Purchase Agreement	:	No later than 31 July 2018

LETTER TO UNITHOLDERS

FRASERS LOGISTICS & INDUSTRIAL TRUST

(Constituted in the Republic of Singapore pursuant to a trust deed dated 30 November 2015
(as amended, restated and supplemented))

MANAGED BY

FRASERS LOGISTICS & INDUSTRIAL ASSET MANAGEMENT PTE. LTD.

Directors of the Manager

Mr Ho Hon Cheong (Chairman and Independent
Non-Executive Director)
Mr Goh Yong Chian (Independent Non-Executive Director)
Mr Paul Gilbert Say (Independent Non-Executive Director)
Mr Panote Sirivadhanabhakdi (Non-Executive Director)
Mr Lim Ee Seng (Non-Executive Director)
Mr Michael Bowden Newsom (Non-Executive Director)

Registered Office

438 Alexandra Road
#21-00, Alexandra Point
Singapore 119958

23 April 2018

To: Unitholders of Frasers Logistics & Industrial Trust

Dear Sir/Madam

1. SUMMARY OF APPROVALS SOUGHT

1.1 The Manager is convening an EGM of FLT to seek approval from Unitholders in respect of the following resolutions:

- (1) **Resolution 1:** The Proposed Acquisition (as a Related Party Transaction and a major transaction);
- (2) **Resolution 2:** The Equity Fund Raising;
- (3) **Resolution 3:** The FPL Placement (as an Interested Person Transaction); and
- (4) **Resolution 4:** The TCCGI Placement (as an Interested Person Transaction).

Unitholders should note that Resolution 2 (the Equity Fund Raising), Resolution 3 (the FPL Placement) and Resolution 4 (the TCCGI Placement) are each conditional upon Resolution 1 (the Proposed Acquisition) being passed: and

In the event that Resolution 1 is not passed, the Manager will not proceed with the Proposed Acquisition, the Equity Fund Raising, the FPL Placement and the TCCGI Placement.

For the avoidance of doubt, the Manager may still proceed with the Equity Fund Raising in the event that Resolution 3 (the FPL Placement) and/or Resolution 4 (the TCCGI Placement) are not passed.

Each of the TCC Group, the FPL Group, TCCGI and the Manager (i) will abstain, and will procure their associates to abstain from voting at the EGM on the resolution to approve Resolution 1 (the Proposed Acquisition, Resolution 3 (the FPL Placement) and Resolution 4 (the TCCGI Placement) and (ii) will not, and will procure that their associates will not, accept appointments as proxies in relation to Resolution 1 (the Proposed Acquisition, Resolution 3 (the FPL Placement) and Resolution 4 (the TCCGI Placement) unless specific instructions as to voting are given.

- 1.2 The Proposed Acquisition constitutes a Related Party Transaction under Chapter 9 of the Listing Manual and paragraph 5 of the Property Funds Appendix, and a “major transaction” under Rule 1014(1) of the Listing Manual (read with Rule 1006(c)). Accordingly, in compliance with the requirements of the Listing Manual and the Property Funds Appendix, the Manager is convening the EGM to seek Unitholders’ approval by way of an Ordinary Resolution in respect of the Proposed Acquisition.
- 1.3 Pursuant to Rule 805(1) of the Listing Manual, the Manager is seeking the specific approval of Unitholders for the issue of up to 525,000,000 New Units under the Private Placement as well as under the Preferential Offering.
- 1.4 Each of the FPL Placement and the TCCGI Placement constitutes an Interested Person Transaction under Chapter 9 of the Listing Manual, and is a placement of Units to a Substantial Unitholder of FLT. Accordingly, in compliance with Chapter 9 and Rule 812(2) of the Listing Manual, the Manager is convening the EGM to seek Unitholders’ approval by way of an Ordinary Resolution in respect of each of the FPL Placement and TCCGI Placement.
- 1.5 The following paragraphs set forth key information relating to each of the abovementioned resolutions.

2. RESOLUTION 1: THE PROPOSED ACQUISITION

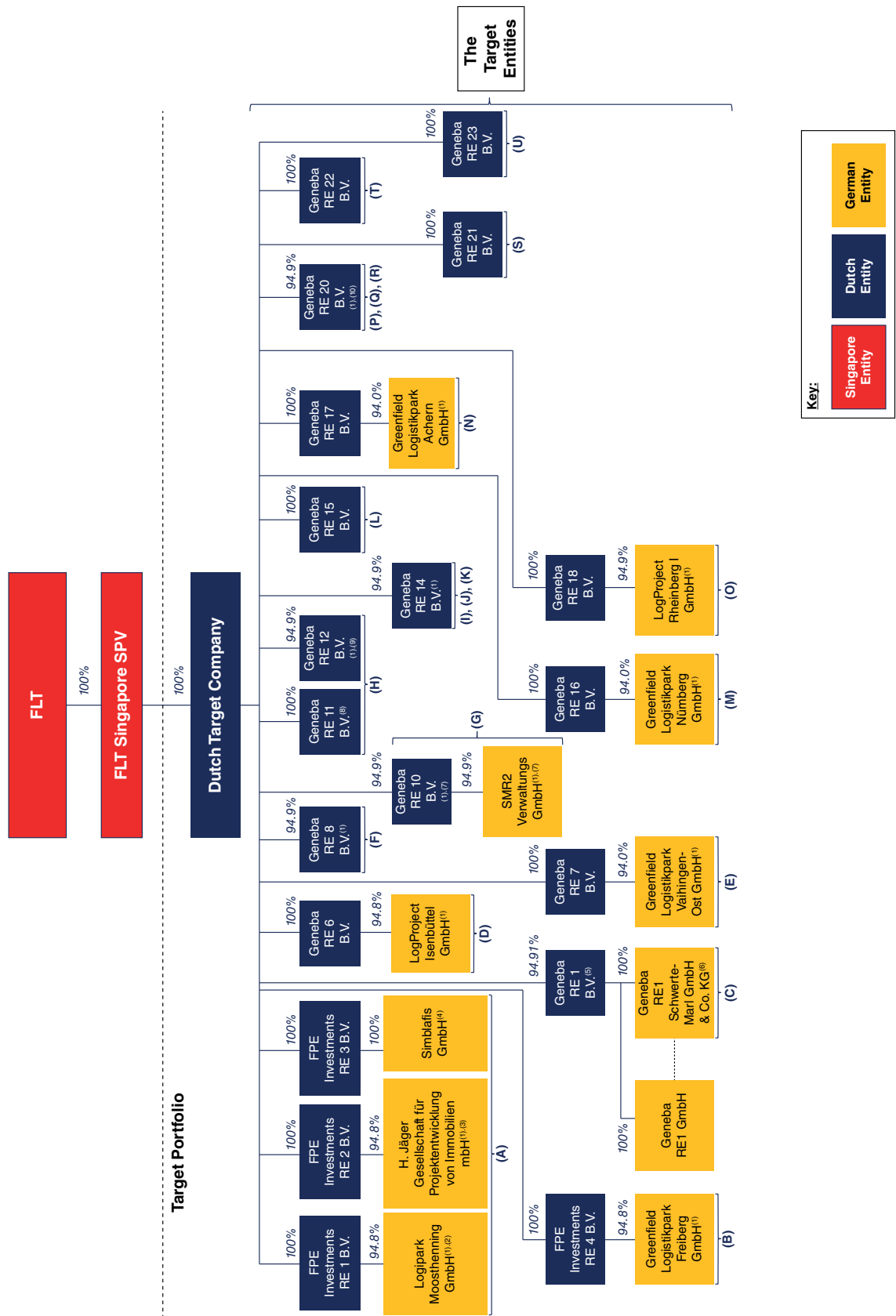
2.1 Introduction

On 19 April 2018, FLT, had through the FLT Singapore SPV, entered into the Share Purchase Agreement to acquire all the issued shares of the Dutch Target Company, which will in turn (directly or indirectly) own the equity interests in the Property Holding Companies holding predominantly freehold¹ interests in the New Properties. The Proposed Acquisition is expected to be completed by June 2018.

As at the date of this Circular, the Dutch Target Company, which is a Dutch special purpose vehicle incorporated by the Vendor, does not (directly or indirectly) hold the equity interests in the holding companies which are intended to be direct subsidiaries of the Dutch Target Company (see structure chart on the following page) but are currently held by Frasers Property Investments (Europe) B.V. (a wholly-owned subsidiary of FPL) (“**FPIE**”) (in respect of the holding companies for the BMW Group Moosthenning Facility and the LGI Facility) and Geneba Properties N.V. (a subsidiary of FPL) (“**Geneba**”) (in respect of the holding companies for the rest of the New Properties) directly. As part of the restructuring process which will be completed prior to completion of the Proposed Acquisition (the “**Internal Restructuring**”), the equity interests of such direct subsidiaries will be transferred from FPIE and Geneba to the Dutch Target Company.

¹ Freehold interests in 20 of the 21 New Properties, and a HBR for one of the New Properties. A HBR encumbers a property by granting the beneficiary of such HBR the right to build on or to develop the land in return for an annual ground rent (*Erbbauszins*). The beneficiary of a HBR becomes the owner of the building which it builds but has no title to the supporting land. Accordingly, the ownership of the land and of the building built on the land are separate. The HBR is registered against the owner’s title in the land register and is also registered in an additional and separate HBR land register folio. The beneficiary’s interest in the building is protected as any transfer of the land to a third party can only be made subject to the HBR, and the HBR remains in effect in the event of such sale of the land to a third party. When the HBR expires – at the end of the designated period or by mutual consent – the ownership of the building passes from the beneficiary to the land owner, with the land owner obliged under statute to pay the beneficiary a compensation for the disposition of the beneficiary’s right to the building.

The following diagram sets out the proposed holding structure of the New Properties following the completion of the Proposed Transaction.



Legend for the New Properties

(A) BMW Group Moosthenning Facility (Buildings and Solar Panels) (Germany)	(H) Leadec Facility (Buildings and Solar Panels) (Germany)	(O) BMW Group Rheinberg Facility (Germany)
(B) LGI Facility (Germany)	(I) Grammer Facility (Germany)	(P) Broetje-Automation Facility (Germany)
(C) Bunzl Facility (Germany)	(J) Rhenus Facility (Germany)	(Q) ABB Automation Facility (Germany)
(D) Volkswagen Facility (Germany)	(K) Dräxlmaier Facility (Germany)	(R) Saurer Facility (Germany)
(E) Dachser & DSV Facility (Germany)	(L) Mainfreight Facility (Netherlands)	(S) Bakker Tilburg Facility (Netherlands)
(F) Transgourmet Facility (Germany)	(M) Roman & Hellmann Facility (Germany)	(T) Bakker Zeewolde Facility (Netherlands)
(G) Constellium Facility (Germany)	(N) Ziegler Facility (Germany)	(U) DSV Solutions Facility (Netherlands)

Notes:

- (1) The non-controlling interest in each of these companies is held by unrelated third parties. The holders of these non-controlling interests will have rights as a shareholder that is proportionate to its percentage shareholding in the abovementioned companies and will be entitled to its proportionate share of dividends as declared by the companies.
- (2) Logipark Moosthenning GmbH is the registered owner (and therefore owner of the freehold interest) of warehouses 1 to 4 on the BMW Group Moosthenning Facility.
- (3) H.Jäger Gesellschaft für Projektentwicklung von Immobilien mbH is the registered owner (and therefore owner of the freehold interest) of warehouses 5 and 6 on the BMW Group Moosthenning Facility.
- (4) Simblafis GmbH owns the solar panels on the roof of the warehouses on the BMW Group Moosthenning Facility.
- (5) FLT will hold 94.91% of the economic interests and 89.21% of the voting rights in Geneba RE 1 B.V.. The non-controlling interest in Geneba RE 1 B.V., being 10.8% of the total issued share capital in Geneba RE 1 B.V., is held by an unrelated third party and consists of ordinary shares as well as preference shares. The holder of the non-controlling interests will have rights as a shareholder proportionate to its total percentage shareholding in Geneba RE 1 B.V., but is also entitled to a capped preferred dividend from the profits.
- (6) Geneba RE1 Schwerte-Marl GmbH & Co. KG is a limited partnership company constituted under the laws of Germany. The company is represented by Geneba RE1 GmbH, which is the solely authorised agent and the general partner of Geneba RE1 Schwerte-Marl GmbH & Co. KG.
- (7) Geneba RE 10 B.V. is the registered owner (and therefore owner of the freehold interest) in one of the two buildings on the Constellium Facility, while SMR2 Verwaltungs GmbH is the registered owner (and therefore owner of the freehold interest) in the other building on the Constellium Facility. FLT will have an effective interest of 94.90% in Geneba RE 10 B.V. and 90.06% in SMR2 Verwaltungs GmbH.
- (8) Geneba RE 11 B.V. owns the solar panels on the roof of the warehouses on the Leadec Facility.
- (9) Geneba RE 12 B.V. is the registered owner of the buildings on the Leadec Facility.
- (10) Apart from the freehold interests in the Broetje-Automation Facility, the ABB Automation Facility and the Saurer Facility, Geneba RE 20 B.V. also holds partial ownership (approximately 38.5%) of a street which grants access to the Saurer Facility.

2.2 Description of the New Properties

Further details on each of the New Properties are set out in the subsequent pages:

Constellium Facility

Industriepark 309, 78244 Gottmadingen, Germany



Description

Built in different stages between 1999 and 2014, the Constellium Facility, which has sprinklers and a solar photovoltaic system, is purpose-built to suit Constellium's operations which involve aluminium crash management parts for Audi, Peugeot and BMW Group. The Constellium Facility is located approximately 5 km from the A81 motorway (Gottmadingen – Würzburg) via the federal route B34. The nearest train station is Gottmadingen located 1.5 km east of the facility.

A new warehouse extension, No. 8, was completed in January 2018, increasing the GLA from 51,507 sq m to 55,007 sq m. The additional income from the expansion has been taken into account in the independent valuations and Property Purchase Price. In addition, potential asset enhancement works of developing a new storage space No. 10 (which are under consideration and not committed yet) and expanding social rooms will result in future income uplift.

The tenant, Constellium Singen GmbH, was established in 1912 and is headquartered in Amsterdam. Its main activity is the supply of aluminium products for the automotive industry. Dun & Bradstreet ("D&B") has certified the tenant with a score of 5A 1 (as at January 2018) which is associated with a minimal default risk.

The table below sets out a summary of selected information on the Constellium Facility.

Title	Freehold
Property Holding Company	Geneba RE 10 B.V. SMR2 Verwaltungs GmbH
Effective Interest in the New Property (%)	94.90 (in respect of one of the two buildings on the Constellium Facility) ⁽²⁾ 90.06 (in respect of the other building on the Constellium Facility) ⁽²⁾
Year Completed (including last expansion)	1999 to 2014
GLA (sq m)	51,507 (as at 31 December 2017) 55,007 (upon completion of the new warehouse extension in January 2018)
WALE (as at 31 December 2017)	9.1
Occupancy (as at 31 December 2017) (%)	100.0
Independent Valuation by CBRE (as at 31 March 2018) (€ m)	46.6
Independent Valuation by Colliers (as at 31 March 2018) (€ m)	47.7
Property Purchase Price (€ m)⁽¹⁾	47.7
Number of Tenants	1
Tenant	Constellium Singen GmbH
Trade Sector of Tenant	Automotive

Notes:

- (1) The Property Purchase Price in respect of the Constellium Facility is based on a 100% effective interest in the Constellium Facility.
- (2) FLT will have an effective interest of 94.90% in Geneba RE 10 B.V. and 90.06% in SMR2 Verwaltungs GmbH.

Dachser & DSV Facility

Otto-Hahn-Straße 10, 71665 Vaihingen, Germany



Description

Completed in 2014, the Dachser & DSV Facility has 43,756 sq m of Class A warehouse space comprising five warehouse units, two office wings and a large parking area for over 100 vehicles. The facility is located in a newly developed industrial park north of the city centre of Vaihingen. The federal route B10 connects Vaihingen with two motorways, the A8 (Stuttgart – Munich) in the south-west and the A81 (Gottmadingen – Würzburg) in the south-east.

One of the tenants, Dachser GmbH & Co. KG is a private German logistics company founded in 1930. D&B has certified the tenant with a score of 5AA 2 (as at January 2018) which is associated with a lower than average default risk.

The other tenant, DSV Solutions GmbH, established in 1976, is a Danish transport and logistics company offering transport services worldwide and listed on NASDAQ Copenhagen. DSV Solutions GmbH has a D&B score of 3A 2 (as at January 2018) which is associated with a lower than average default risk.

The table below sets out a summary of selected information on the Dachser & DSV Facility.

Title	Freehold
Property Holding Company	Greenfield Logistikpark Vaihingen-Ost GmbH
Effective Interest in the New Property (%)	94.00
Year Completed	2014
GLA (as at 31 December 2017) (sq m)	43,756
WALE (as at 31 December 2017)	4.8
Occupancy (as at 31 December 2017) (%)	100.0
Independent Valuation by CBRE (as at 31 March 2018) (€ m)	49.5
Independent Valuation by Colliers (as at 31 March 2018) (€ m)	50.0
Property Purchase Price (€ m)⁽¹⁾	49.5
Number of Tenants	2
Tenants	Dachser GmbH & Co. KG DSV Solutions GmbH
Trade Sector of Tenants	Logistics Services

Note:

- (1) The Property Purchase Price in respect of the Dachser & DSV Facility is based on a 100% effective interest in the Dachser & DSV Facility.

Transgourmet Facility

Eiselauer Weg 2, 89081 Ulm, Germany



Description

Completed in 2009, the Transgourmet Facility has a GLA of 24,525 sq m and comprises deep freeze and food storage functions with 41 loading docks as well as a large office component (approximately 20% of GLA). Almost the entire flat roof area of the warehouse is covered by a solar photovoltaic system which is owned by the tenant. The facility is located approximately 5 km to the north of the Ulm city centre, in the district of Lehr. It has good connections to the A8 motorway (Stuttgart – Munich) as well as the federal road B10.

The tenant, Transgourmet Deutschland GmbH & Co. OHG, supplies general grocery line products to bulk customers in restaurants, hotels, social services, and corporate catering. It is owned by the Swiss company COOP, founded in 2011 and headquartered in Riedstadt, Germany. D&B has certified the tenant with a score of O 2 (as at January 2018) which is associated with an average default risk.

The table below sets out a summary of selected information on the Transgourmet Facility.

Title	Freehold
Property Holding Company	Geneba RE 8 B.V.
Effective Interest in the New Property (%)	94.90
Year Completed	2009
GLA (as at 31 December 2017) (sq m)	24,525
WALE (as at 31 December 2017)	9.8
Occupancy (as at 31 December 2017) (%)	100.0
Independent Valuation by CBRE (as at 31 March 2018) (€ m)	41.9
Independent Valuation by Colliers (as at 31 March 2018) (€ m)	41.7
Property Purchase Price (€ m)⁽¹⁾	41.9
Number of Tenants	1
Tenant	OHG TransGourmet GmbH & Co
Trade Sector of Tenant	Food Logistics

Note:

- (1) The Property Purchase Price in respect of the Transgourmet Facility is based on a 100% effective interest in the Transgourmet Facility.

LGI Facility

Murrer Straße 1, 71691 Freiberg, Germany



Description

Completed in 2017, the LGI Facility comprises a single-storey warehouse with 24 loading docks and 13 gates at ground level. There are 104 car parking spaces, 4 truck parking spaces and 15 covered bicycle stands. The facility has a GLA of 21,071 sq m and occupies a site of 42,703 sq m. It is located north-west of the town centre of Freiberg am Neckar and has access to the A81 motorway approximately 4 km to the north. The airport of Stuttgart is located approximately 26 km to the south.

The facility is fully leased to LGI FreightLog GmbH and serves Porsche's just-in-time delivery for their sports cars and engine production process. D&B has certified the tenant with a score of NB 3 which represents a new business and is associated with a greater than average risk of business failure (as at January 2018). However, Porsche AG is obliged to compensate any vacancy, to a total maximum amount of €9,500,000 with a guarantee expiry in August 2032.

The table below sets out a summary of selected information on the LGI Facility.

Title	Freehold
Property Holding Company	Greenfield Logistikpark Freiberg GmbH
Effective Interest in the New Property (%)	94.80
Year Completed	2017
GLA (as at 31 December 2017) (sq m)	21,071
WALE (as at 31 December 2017)	4.7
Occupancy (as at 31 December 2017) (%)	100.0
Independent Valuation by CBRE (as at 31 March 2018) (€ m)	32.7
Independent Valuation by Colliers (as at 31 March 2018) (€ m)	33.5
Property Purchase Price (€ m)⁽¹⁾	32.7
Number of Tenants	1
Tenant	LGI FreightLog GmbH (guaranteed by Porsche AG)
Trade Sector of Tenant	Logistics Services

Note:

(1) The Property Purchase Price in respect of the LGI Facility is based on a 100% effective interest in the LGI Facility.

Ziegler Facility

Ambros-Nehren-Straße 1, 77855 Achern, Germany



Description

Completed in 2016, the Ziegler Facility has a GLA of 12,304 sq m and is a high-quality modern logistics building partitioned into five sub-compartments with an attached office building and parking spaces for 30 vehicles. The facility is close to the French border and connected to the A5 motorway (Basel – A7) with the nearest junction located 3.5 km to the west. In addition, the federal route B3 runs near to the facility.

The tenant, J.H. Ziegler GmbH, is a private company founded in 1864 and manufactures staple fibre nonwovens for furniture, automobile, medical, and industrial applications. D&B has certified the tenant J.H. Ziegler GmbH with a score of 2AA 1 (as at January 2018) which is associated with a lower than average default risk.

The table below sets out a summary of selected information on the Ziegler Facility.

Title	Freehold
Property Holding Company	Greenfield Logistikpark Achern GmbH
Effective Interest in the New Property (%)	94.00
Year Completed	2016
GLA (as at 31 December 2017) (sq m)	12,304
WALE (as at 31 December 2017)	13.1
Occupancy (as at 31 December 2017) (%)	100.0
Independent Valuation by CBRE (as at 31 March 2018) (€ m)	13.3
Independent Valuation by Colliers (as at 31 March 2018) (€ m)	13.2
Property Purchase Price (€ m)⁽¹⁾	13.3
Number of Tenants	1
Tenant	J.H. Ziegler GmbH
Trade Sector of Tenant	Automotive

Note:

(1) The Property Purchase Price in respect of the Ziegler Facility is based on a 100% effective interest in the Ziegler Facility.

BMW Group Moosthenning Facility

Oberes Feld 2, 4, 6, 8, 84164 Moosthenning, Germany



Description

Completed in stages in 2009, 2012 and 2015, the BMW Group Moosthenning Facility comprises two buildings divided into four and two units respectively. All units have a clear height of 10 metres. A solar photovoltaic system has been installed on the roof of the most recently completed building which contributes income to the facility. The facility has a GLA of 72,558 sq m and occupies a site of 138,163 sq m.

The facility is adjacent to the A92 motorway (Munich – Deggendorf) and close to the largest BMW Group – Industry complex in Europe which is located in Dingolfing. It is located west of Moosthenning and 100 km north-east of the city of Munich. Munich International Airport is located 68.2 km to the south-west and can be reached within a 40-minute drive.

The tenant, BMW AG, is a German-based company founded in 1916, with its headquarters in Munich, Bavaria and is a global manufacturer of automobiles and motorcycles. D&B has certified the tenant with a score of 5A 1 (as at January 2018) which is associated with a minimal default risk.

The table below sets out a summary of selected information on the BMW Group Moosthenning Facility.

Title	Freehold ⁽³⁾
Property Holding Companies	Logipark Moosthenning GmbH H. Jäger Gesellschaft für Projektentwicklung von Immobilien mbH Simblafis GmbH (owns the solar panels located on the roof of one of the warehouses on the BMW Group Moosthenning Facility)
Effective Interest in the New Property (%)	94.80 ⁽⁴⁾
Year Completed (including last expansion)	2009, 2012 and 2015
GLA (as at 31 December 2017) (sq m)	72,558
WALE (as at 31 December 2017)	9.1
Occupancy (as at 31 December 2017) (%)	100.0
Independent Valuation by CBRE (as at 31 March 2018) (€ m)⁽¹⁾	69.4
Independent Valuation by Colliers (as at 31 March 2018) (€ m)⁽¹⁾	69.3
Property Purchase Price (€ m)⁽²⁾	67.7
Number of Tenants	1
Tenant	BMW AG
Trade Sector of Tenant	Automotive

Notes:

- (1) The two independent valuations take into account the value of the solar panels on the roof of one of the warehouses on the BMW Group Moosthenning Facility.
- (2) The Property Purchase Price in respect of the BMW Group Moosthenning Facility is based on a 100% effective interest in the BMW Group Moosthenning Facility (including the solar panels on the roofs of the warehouses on the BMW Group Moosthenning Facility).
- (3) The BMW Group Moosthenning Facility comprises of buildings located at Oberes Feld 2, 4, 6, 8, 84164 Moosthenning, Germany and the solar panels located on the roof of one of the warehouses on the facility.
- (4) FLT will also hold a 100% interest in the solar panels on roof of one of the warehouses on the BMW Group Moosthenning Facility.

Roman & Hellmann Facility

Koperstraße 10, 90451 Nuremberg, Germany



Description

Completed in 2015, the Roman & Hellmann Facility comprises three existing logistics halls with an office annexe. The building is currently being expanded with three new halls and two office annexes. The works are due for completion in stages between March and June 2018. Following the asset enhancement works, the facility will have a GLA of 44,219 sq m and occupy four parcels covering 75,555 sq m. The Roman & Hellmann Facility is in an established logistics location approximately 10.5 km from Nuremberg Airport, in the proximity of the A3, A6, A9 and A73 motorways. There is direct access from the facility to the inland port of Nuremberg Harbour.

Upon completion of the asset enhancement works, the new halls No. 4 and 5 will be leased to the existing tenants, being Hellmann Worldwide Logistics SE & Co. KG and Roman Mayer Logistik GmbH, respectively. A new tenant, Johnson Outdoors Vertriebsgesellschaft GmbH, will occupy the new hall No. 6 when it is completed.

There are currently two tenants on the facility, with one more tenant to occupy the facility when the new hall No. 6 is completed. One of the tenants, Roman Mayer Logistik GmbH, is a mid-sized logistics company. The solvency index of the tenant stated by Creditreform is "medium" as of September 2017.

The other tenant, Hellmann Worldwide Logistics SE & Co. KG, is a logistics services company with its head office in Osnabrück, Germany. D&B has certified the tenant with a score of 5A 2 (as at January 2018) which is associated with a lower than average default risk.

Johnson Outdoors Inc., the parent company of the prospective tenant for the new hall No. 6, is a manufacturer of outdoor recreation products and personal protective equipment worldwide. D&B has certified the tenant with a score of 2A 2 (as at January 2018) which is associated with a lower than average default risk.

The table below sets out a summary of selected information on the Roman & Hellmann Facility.

Title	HBR ⁽¹⁾
Property Holding Company	Greenfield Logistikpark Nürnberg GmbH
Effective Interest in the New Property (%)	94.00
Year Completed	2015 and 2018
GLA (sq m)	21,496 (as at 31 December 2017) 44,219 (upon completion of the AEIs in June 2018)
WALE (as at 31 December 2017)	2.5 ⁽²⁾
Occupancy (as at 31 December 2017) (%)	100.0
Independent Valuation by CBRE (as at 31 March 2018) (€ m)⁽³⁾	42.3
Independent Valuation by Colliers (as at 31 March 2018) (€ m)⁽³⁾	41.8
Property Purchase Price (€ m)⁽³⁾⁽⁴⁾	41.8
Number of Tenants	2 ⁽⁵⁾
Tenants⁽⁵⁾	Roman Mayer Logistik GmbH Hellmann Worldwide Logistics GmbH & Co. KG
Trade Sector of Tenants	Logistics Services

Notes:

- (1) The Roman & Hellmann Facility is used under a HBR, which encumbers a property by granting the beneficiary of such HBR the right to build on or to develop the land in return for an annual ground rent (*Erbbauzins*). The beneficiary of a HBR becomes the owner of the building which it builds but has no title to the supporting land. Accordingly, the ownership of the land and of the building built on the land are separate. The HBR is registered against the owner's title in the land register and is also registered in an additional and separate HBR land register folio. The beneficiary's interest in the building is protected as any transfer of the land to a third party can only be made subject to the HBR, and the HBR remains in effect in the event of such sale of the land to a third party. When the HBR expires – at the end of the designated period or by mutual consent – the ownership of the building passes from the beneficiary to the land owner, with the land owner obliged under statute to pay the beneficiary a compensation for the disposition of the beneficiary's right to the building. The remaining tenure for the Roman & Hellmann Facility under the HBR agreement as at 31 December 2017 is 63 years, and will expire after 31 December 2080.
- (2) The WALE of the Roman & Hellmann Facility will increase to 5.0 years upon completion of the AEIs in June 2018.
- (3) AEIs are currently being performed on the Roman & Hellmann Facility, and the independent valuations and Property Purchase Price of the Roman & Hellmann Facility have been provided on the basis that the AEIs are completed. No additional expenditure is expected from FLT in respect of the ongoing AEIs upon completion of the acquisition of the Roman & Hellmann Facility.
- (4) The Property Purchase Price in respect of the Roman & Hellmann Facility is based on a 100% effective interest in the Roman & Hellmann Facility.
- (5) The expansions of Warehouses 4, 5 and 6 are currently in progress on the Roman & Hellmann Facility. Upon completion, Warehouses 4 and 5 will be let to the existing tenants, being Hellmann Worldwide Logistics GmbH & Co. KG and Roman Mayer Logistik GmbH, respectively. A new tenant, Johnson Outdoors Vertriebsgesellschaft GmbH, will occupy Warehouse 6 when the expansion is completed.

Leadec Facility

Industriepark 1, 94437 Mamming, Germany



Description

Completed in 2014, the Leadec Facility comprises a single-storey industrial production warehouse with an adjoining two-storey office, staff building and a technical block annexe, with a GLA of 14,193 sq m. There are four sectional shutters installed for the delivery zone and production areas. The facility also includes an income contributing solar photovoltaic system.

The facility is in the immediate vicinity of the A92 motorway (Munich – Deggendorf) and within a ten-minute drive to the largest BMW Group-Industry complex in Europe which is located in Dingolfing. It is located 3 km to the north-east of the Mamming town centre and 5 km to the west of the federal route B20.

The tenant, Leadec FM BV & Co. KG (formerly known as Voith Industrial Services Ltd. & Co. KG), established in 2010, is a family-owned multinational corporation with its headquarters in Stuttgart, Germany. Its main activity is machinery installation and other construction work involving special trades, including fitting tyres to rim for BMW AG. The solvency index of the tenant stated by Creditreform is “good” as of September 2017.

The table below sets out a summary of selected information on the Leadec Facility.

Title	Freehold ⁽³⁾
Property Holding Company	Geneba RE 11 B.V. (owns the solar panels located on the roof of the property on the Leadec Facility) Geneba RE 12 B.V.
Effective Interest in the New Property (%)	94.90 ⁽⁴⁾
Year Completed	2014
GLA (as at 31 December 2017) (sq m)	14,193
WALE (as at 31 December 2017)	5.1
Occupancy (as at 31 December 2017) (%)	100.0
Independent Valuation by CBRE (as at 31 March 2018) (€ m)⁽¹⁾	15.6
Independent Valuation by Colliers (as at 31 March 2018) (€ m)⁽¹⁾	16.0
Property Purchase Price (€ m)⁽²⁾	15.8
Number of Tenants	1
Tenant	Leadec FM BV & Co. KG (formerly Voith Industrial Services Ltd. & Co. KG)
Trade Sector of Tenant	Automotive

Notes:

- (1) The two independent valuations and consideration payable takes into account the value of the solar panel on the roof of the property on the Leadec Facility.
- (2) The Property Purchase Price in respect of the Leadec Facility is based on a 100% effective interest in the Leadec Facility (including the solar panel present on the Leadec Facility).
- (3) The Leadec Facility comprises of the building located at Industriepark 1, 94437 Mamming, Germany and the solar panels located on the roof of the property on the Leadec Facility.
- (4) FLT will also hold a 100% interest in the solar panels on the roof of the property on the Leadec Facility.

Grammer Facility

Jubatus-Allee 3, 92263 Ebermannsdorf, Germany



Description

Completed in 2004, the Grammer Facility is a build-to-suit production facility which comprises a single-storey industrial production warehouse with an adjoining two-storey office and a technical block annexe, with a GLA of 9,389 sq m. The Grammer Facility is located in the industrial area of Schafhof II, which has excellent connection to the A6 motorway and within 2 km of the federal road B85. The Czech Republic is within a 30-minute drive of the facility and the airport of Nuremberg is approximately 80 km to the west.

The tenant, Grammer Automotive Metall GmbH, was established in 1999 with its headquarters in Amberg, Germany. It specialises in developing and manufacturing components and systems for car interiors, as well as driver and passenger seats for off-road vehicles, trucks, buses, and trains. D&B has certified the tenant with a score of 2AA 1 (as at January 2018) which is associated with a minimal risk of business failure.

The table below sets out a summary of selected information on the Grammer Facility.

Title	Freehold
Property Holding Company	Geneba RE 14 B.V.
Effective Interest in the New Property (%)	94.90
Year Completed	2004
GLA (as at 31 December 2017) (sq m)	9,389
WALE (as at 31 December 2017)	4.2
Occupancy (as at 31 December 2017) (%)	100.0
Independent Valuation by CBRE (as at 31 March 2018) (€ m)	7.5
Independent Valuation by Colliers (as at 31 March 2018) (€ m)	7.6
Property Purchase Price (€ m)⁽¹⁾	7.5
Number of Tenants	1
Tenant	Grammer Automotive Metall GmbH
Trade Sector of Tenant	Automotive

Note:

- (1) The Property Purchase Price in respect of the Grammer Facility is based on a 100% effective interest in the Grammer Facility.

Volkswagen Facility

Am Krainhop 10, 38550 Isenbüttel, Germany



Description

Completed in 2014, the Volkswagen Facility comprises an office building and a light industrial hall with 148 parking spaces and a canopy space of 5,100 sq m. The facility has a GLA of 20,679 sq m and occupies a site of 35,308 sq m. The Volkswagen Facility plays a key role in the Volkswagen supply chain as it is used for the assembly of axles. The facility is located in the north east of Isenbüttel and has good access to the B4 and A39 motorways. It is located 15 km west of Wolfsburg which is a strong logistics region and the location of the headquarters of the automotive group Volkswagen AG and its suppliers.

The tenant, Volkswagen AG, is a German multinational automotive manufacturing company with a primary listing on the Frankfurt Stock Exchange. It is the world's sixth-largest company by revenue, with subsidiaries which include Audi, Škoda, SEAT and Porsche. D&B has certified the tenant with a score of 5A 1 (as at January 2018) which is associated with a minimal risk of business failure.

The table below sets out a summary of selected information on the Volkswagen Facility.

Title	Freehold
Property Holding Company	LogProject Isenbüttel GmbH
Effective Interest in the New Property (%)	94.80
Year Completed	2014
GLA (as at 31 December 2017) (sq m)	20,679
WALE (as at 31 December 2017)	11.5
Occupancy (as at 31 December 2017) (%)	100.0
Independent Valuation by CBRE (as at 31 March 2018) (€ m)	17.0
Independent Valuation by Colliers (as at 31 March 2018) (€ m)	17.9
Property Purchase Price (€ m)⁽¹⁾	17.0
Number of Tenants	1
Tenant	Volkswagen AG
Trade Sector of Tenant	Automotive

Note:

- (1) The Property Purchase Price in respect of the Volkswagen Facility is based on a 100% effective interest in the Volkswagen Facility.

Broetje-Automation Facility

Am Autobahnkreuz 14, 26180 Rastede, Germany



Description

Completed in 2015, the Broetje-Automation Facility is a single-tenant light industrial facility comprising a warehouse/production space, an office space and a canteen building. The external area within the compound consists of a by-pass road for trucks, approximately 300 car parking spaces and manoeuvring areas. The facility has a GLA of 11,491 sq m and occupies a site of 43,966 sq m.

The facility is located in the commercial and industrial zone Autobahnkreuz Oldenburg Nord in Rastede, which has direct access to the A28 and A29 motorways leading to the major north-south motorway, the A1. It is located approximately 12 km north of Oldenburg and 55 km away from the airport of Bremen.

The tenant, Broetje-Automation GmbH, was established in 2005 as a Private Limited Liability Company in Oldenburg. Its main activity is process control engineering. D&B has certified the company with a capital rating of N 2 (as at January 2018) which is associated with a lower than average risk of business failure.

The table below sets out a summary of selected information on the Broetje-Automation Facility.

Title	Freehold
Property Holding Company	Geneba RE 20 B.V.
Effective Interest in the New Property (%)	94.90
Completion Date	2015
GLA (as at 31 December 2017) (sq m)	11,491
WALE (as at 31 December 2017)	13.0
Occupancy (as at 31 December 2017) (%)	100.0
Independent Valuation by CBRE (as at 31 March 2018) (€ m)	18.6
Independent Valuation by Colliers (as at 31 March 2018) (€ m)	17.0
Property Purchase Price (€ m)⁽¹⁾	18.6
Number of Tenants	1
Tenant	Broetje-Automation GmbH
Trade Sector of Tenant	Industrial Manufacturing

Note:

- (1) The Property Purchase Price in respect of the Broetje-Automation Facility is based on a 100% effective interest in the Broetje-Automation Facility.

BMW Group Rheinberg Facility

Saalhoffer Straße 211, 47495 Rheinberg, Germany



Description

Completed in 2016, the BMW Group Rheinberg Facility comprises three warehouse units and an office annexe with 3 loading ramps and 48 loading docks. Outside the logistics areas, there are 96 car parking spaces and 10 parking spaces for trucks. The facility has a GLA of 31,957 sq m and occupies a site of 75,000 sq m.

The facility is located approximately 16 km northwest of Duisburg and Germany's largest inland port and approximately 4.5 km from the city centre of Rheinberg. The region has good traffic connections as five motorways (being A3, A57, A42, A40, A44) pass through the Lower Rhine region. The A57 motorway is within a 10-minute drive of the facility via the federal roads B57, B58 and B510.

The tenant, BMW AG, is a German-based company founded in 1916, with its headquarters in Munich, Bavaria and is a global manufacturer of automobiles and motorcycles. According to D&B, the tenant BMW AG has a minimal risk of business failure (a rating of 5A 1 (as at January 2018)).

The table below sets out a summary of selected information on the BMW Group Rheinberg Facility.

Title	Freehold
Property Holding Company	LogProject Rheinberg I GmbH
Effective Interest in the New Property (%)	94.90
Year Completed	2016
GLA (as at 31 December 2017) (sq m)	31,957
WALE (as at 31 December 2017)	5.0
Occupancy (as at 31 December 2017) (%)	100.0
Independent Valuation by CBRE (as at 31 March 2018) (€ m)	28.1
Independent Valuation by Colliers (as at 31 March 2018) (€ m)	28.4
Property Purchase Price (€ m)⁽¹⁾	28.4
Number of Tenants	1
Tenant	BMW AG
Trade Sector of Tenant	Automotive

Note:

- (1) The Property Purchase Price in respect of the BMW Group Rheinberg Facility is based on a 100% effective interest in the BMW Group Rheinberg Facility.

Bunzl Facility

Elbestraße 1-3, 45768 Marl, Germany



Description

Completed in 1995, 2002 and 2013, the Bunzl Facility comprises one detached office building and a warehouse complex subdivided into three sections. The facility has a GLA of 16,831 sq m and occupies three land parcels covering 31,657 sq m. The facility is close to the A43 motorway (Münster – Wuppertal) and 1.6 km from the connection to the A52 motorway (Marl – Essen – Dusseldorf – Roermond). It is in close proximity to the Wesel-Datteln Canal, with nearby occupiers including DHL, Coca-Cola, furniture and home improvement large format stores, chemical and asphalt plants. The closest airports are Düsseldorf (60 km), Dortmund (55 km) and Münster-Osnabrück (83 km).

The tenant, Bunzl Verpackungen GmbH, is a multinational distribution and outsourcing company headquartered in London. The tenant's parent, Bunzl plc, was founded in 1940 and has been listed on the London Stock Exchange since 1957. D&B has credited the company with a capital rating of 3A 1 (as at January 2018) which is associated with a minimal risk of business failure.

The table below sets out a summary of selected information on the Bunzl Facility.

Title	Freehold
Property Holding Company	Geneba RE1 Schwerte-Marl GmbH & Co. KG
Effective Interest in the New Property (%)	94.91 ⁽²⁾
Year Completed (including last expansion)	1995, 2002 and 2013
GLA (as at 31 December 2017) (sq m)	16,831
WALE (as at 31 December 2017)	4.4
Occupancy (as at 31 December 2017) (%)	100.0
Independent Valuation by CBRE (as at 31 March 2018) (€ m)	13.9
Independent Valuation by Colliers (as at 31 March 2018) (€ m)	14.4
Property Purchase Price (€ m)⁽¹⁾	13.9
Number of Tenants	1
Tenant	Bunzl Verpackungen GmbH
Trade Sector of Tenant	Logistics Services

Notes:

- (1) The Property Purchase Price in respect of the Bunzl Facility is based on a 100% effective interest in the Bunzl Facility.
- (2) FLT will hold 94.91% of the economic interests and 89.21% of the voting rights in Geneba RE 1 B.V., which is the Target Entity holding 100% of the equity interests in Geneba RE1 Schwerte-Marl GmbH & Co. KG.

ABB Automation Facility

Keffelker Straße 66, 59929 Brilon, Germany



Description

Completed in 2010, the ABB Automation Facility comprises a single-storey industrial building subdivided into four sections, a two-storey administration building and a roofed outdoor storage area with 120 external parking spaces. The facility has a GLA of 13,352 sq m. The facility is located 1.5 km from the centre of Brilon and 1.1 km from the federal roads B7 and B251. The A33 and A44 motorways to the north as well as the A46 motorway to the west of the facility can be reached within 15 to 35 km via the federal roads.

The tenant, ABB AG, is a Swedish-Swiss multinational corporation headquartered in Zürich. Its main activity is in the robotics, power, heavy electrical equipment, and automation technology areas. D&B has credited the company with a capital rating of 5A 1 (as at January 2018) which is associated with a minimal risk of business failure.

The table below sets out a summary of selected information on the ABB Automation Facility.

Title	Freehold
Property Holding Company	Geneba RE 20 B.V.
Effective Interest in the New Property (%)	94.90
Completion Date	2010
GLA (as at 31 December 2017) (sq m)	13,352
WALE (as at 31 December 2017)	3.8
Occupancy (as at 31 December 2017) (%)	100.0
Independent Valuation by CBRE (as at 31 March 2018) (€ m)	10.0
Independent Valuation by Colliers (as at 31 March 2018) (€ m)	9.1
Property Purchase Price (€ m)⁽¹⁾	10.0
Number of Tenants	1
Tenant	ABB AG
Trade Sector of Tenant	Industrial Manufacturing

Note:

- (1) The Property Purchase Price in respect of the ABB Automation Facility is based on a 100% effective interest in the ABB Automation Facility.

Saurer Facility

Gustav-Stresemann-Weg 1, 48155 Münster, Germany



Description

Completed in 2009, the Saurer Facility comprises a light industrial hall, an integrated three-storey office (including social areas) and over 100 external parking spaces. The facility has a GLA of 12,960 sq m and occupies two land parcels covering 21,135 sq m. The facility is located on the fringe of Münster with excellent connections to the A1 motorway (Hamburg-Cologne) and the A43 motorway (Münster-Wuppertal). It is in an established industrial area located approximately 5 km from the city centre of Münster and in immediate proximity to a handling hall of Deutsche Post and a distribution centre of Agravis.

Apart from the Saurer Facility, Geneba RE 20 B.V., the property holding company of Saurer Facility, also holds partial ownership (approximately 38.5%) of a street which grants access to the Saurer Facility.

The tenant, Saurer Technologies GmbH & Co. KG is specialised in the production of industrial machinery and components for the textile industry. D&B has credited the company with a capital rating of NB 2 (as at January 2018) which is associated with a lower than average risk of business failure.

The table below sets out a summary of selected information on the Saurer Facility.

Title	Freehold
Property Holding Company	Geneba RE 20 B.V.
Effective Interest in the New Property (%)	94.90
Year Completed	2009
GLA (as at 31 December 2017) (sq m)	12,960
WALE (as at 31 December 2017)	13.1
Occupancy (as at 31 December 2017) (%)	100.0
Independent Valuation by CBRE (as at 31 March 2018) (€ m)	14.7
Independent Valuation by Colliers (as at 31 March 2018) (€ m)	14.7
Property Purchase Price (€ m)⁽¹⁾	14.7
Number of Tenants	1
Tenant	Saurer Components GmbH
Trade Sector of Tenant	Industrial Manufacturing

Note:

(1) The Property Purchase Price in respect of the Saurer Facility is based on a 100% effective interest in the Saurer Facility.

Rhenus Facility

Johann-Esche-Straße 2, 09120 Chemnitz, Germany



Description

Completed in 2007, the Rhenus Facility comprises a warehouse with 14 loading docks (of which three are equipped with a conveyor) and an office component. The facility has a GLA of 18,053 sq m and occupies a site area of 34,691 sq m with 140 external parking spaces. The facility is located in the Paul-Gruner-Strasse industrial park in Chemnitz, situated approximately 4 km to the south of the Chemnitz city centre and 2.5 km from the A72 motorway and is adjacent to the Volkswagen manufacturing plant. The local economy of Chemnitz is dominated by a few large companies, including Siemens and Volkswagen.¹

Founded in 1912, the tenant, Rhenus AL Chemnitz GmbH, is a global logistics service company with over 580 locations worldwide and employs 28,000 people. D&B has credited the company with a capital rating of BB 2 (as at January 2018) which represents a lower than average risk of business failure.

¹ Source: Independent Valuation Report of CBRE. (See Appendix B, "Valuation Summaries" for further details.)

The table below sets out a summary of selected information on the Rhenus Facility.

Title	Freehold
Property Holding Company	Geneba RE 14 B.V.
Effective Interest in the New Property (%)	94.90
Year Completed	2007
GLA (as at 31 December 2017) (sq m)	18,053
WALE (as at 31 December 2017)	2.5
Occupancy (as at 31 December 2017) (%)	100.0
Independent Valuation by CBRE (as at 31 March 2018) (€ m)	16.5
Independent Valuation by Colliers (as at 31 March 2018) (€ m)	15.5
Property Purchase Price (€ m)⁽¹⁾	16.5
Number of Tenants	1
Tenant	Rhenus AL Chemnitz GmbH
Trade Sector of Tenant	Logistics Services

Note:

- (1) The Property Purchase Price in respect of the Rhenus Facility is based on a 100% effective interest in the Rhenus Facility.

Dräxlmaier Facility

Am Exer 9, 04158 Leipzig, Germany



Description

Completed in 2013, the Dräxlmaier Facility has a GLA of 11,537 sq m and comprises a high-quality modern logistics facility, with 10 loading docks and a detached three-storey office (approximately 17% of GLA). The Dräxlmaier Facility is located in one of the top logistics locations in eastern Germany with proximity to the production plants of Porsche and BMW Group as well as a DHL Cargo Hub at the Leipzig-Halle airport. It is located approximately 11.5 km to the north of the Leipzig city centre and 2.5 km and 8 km from the A14 and A9 motorways respectively.

The tenant, Eldra Kunststofftechnik GmbH (a subsidiary of Dräxlmaier Group), was registered in 1985 in Landshut, Germany and has more than 60 sites in over 20 countries. Its main activity is the production of automotive cockpits as well as the assembling of integrated electrical devices. D&B has credited the company with a capital rating of 2AA 1 (as at January 2018) which is associated with a minimal risk of business failure.

The table below sets out a summary of selected information on the Dräxlmaier Facility.

Title	Freehold
Property Holding Company	Geneba RE 14 B.V.
Effective Interest in the New Property (%)	94.90
Year Completed	2013
GLA (as at 31 December 2017) (sq m)	11,537
WALE (as at 31 December 2017)	5.7
Occupancy (as at 31 December 2017) (%)	100.0
Independent Valuation by CBRE (as at 31 March 2018) (€ m)	13.1
Independent Valuation by Colliers (as at 31 March 2018) (€ m)	12.7
Property Purchase Price (€ m)⁽¹⁾	12.9
Number of Tenants	1
Tenant	Eldra Kunststofftechnik GmbH ⁽²⁾
Trade Sector of Tenant	Automotive

Notes:

- (1) The Property Purchase Price in respect of the Dräxlmaier Facility is based on a 100% effective interest in the Dräxlmaier Facility.
- (2) Eldra Kunststofftechnik GmbH, formerly known as DMS Dräxlmaier Modulsysteme GmbH, is a subsidiary of Dräxlmaier Group.

Bakker Zeewolde Facility

Handelsweg 26, 3899 AB Zeewolde, The Netherlands



Description

Completed in 1994, 2000 and 2010, the Bakker Zeewolde Facility comprises nine halls with some sections fitted with mezzanine floors as well as 2,763 sq m of office space. The warehouse area is partly temperature controlled. There are 101 loading docks on both sides of the building and over 300 external parking spaces. The facility has a GLA of 51,703 sq m and occupies three parcels of land covering a total of 80,533 sq m. The facility is situated in the north of Zeewolde with good access to both the A6 (Naarden – Heerenveen) and the A27 (Almere – Breda) motorways. It is located 25 km from Almere and approximately 55 km east of Amsterdam.

The tenant, Bakker Logistiek B.V., is a private company which is one of the largest logistics service providers in the Benelux region, specialising in transporting and warehousing in the food sector.

The table below sets out a summary of selected information on the Bakker Zeewolde Facility.

Title	Freehold
Property Holding Company	Geneba RE 22 B.V.
Effective Interest in the New Property (%)	100.00
Year Completed (including last expansion)	1994, 2000 and 2010
GLA (as at 31 December 2017) (sq m)	51,703
WALE (as at 31 December 2017)	14.2
Occupancy (as at 31 December 2017) (%)	100.0
Independent Valuation by CBRE (as at 31 March 2018) (€ m)	39.8
Independent Valuation by Colliers (as at 31 March 2018) (€ m)	38.4
Property Purchase Price (€ m)	39.8
Number of Tenants	1
Tenant	Bakker Logistiek B.V.
Trade Sector of Tenant	Food Logistics

Mainfreight Facility

Brede Steeg 1, 7041 s-Heerenberg, The Netherlands



Description

Built in different stages between 2001 and 2009, the Mainfreight Facility comprises two separate logistics buildings with 27 halls in total, some sections fitted with mezzanine floors and office space combined with canteens. There are approximately 200 loading docks on both sides of the buildings and 250 external parking spaces. The facility has a GLA of 84,806 sq m and occupies 17 parcels of land covering a total of 158,000 sq m.

The facility is situated on the industrial estate “t Goor” in the south-east of 's-Heerenberg which is close to the German border. 's-Heerenberg is situated 30 km east of Arnhem and 80 km west of Duisburg, with good connections to the German A3 and A12 motorways.

The tenant, Wim Bosman Logistic Services B.V. (trading as Mainfreight Logistic Services Netherlands B.V.), is owned by Mainfreight, a New Zealand logistics and transport company listed on the New Zealand Stock Exchange and headquartered in Auckland. Mainfreight is the largest freight company in New Zealand and has a strong network for customer-specific integrated warehousing, transport and distribution solutions.

The table below sets out a summary of selected information on the Mainfreight Facility.

Title	Freehold
Property Holding Company	Geneba RE 15 B.V.
Effective Interest in the New Property (%)	100.00
Year Completed (including last expansion)	2001 to 2009
GLA (as at 31 December 2017) (sq m)	84,806
WALE (as at 31 December 2017)	8.2
Occupancy (as at 31 December 2017) (%)	100.0
Independent Valuation by CBRE (as at 31 March 2018) (€ m)	66.9
Independent Valuation by Colliers (as at 31 March 2018) (€ m)	65.3
Property Purchase Price (€ m)	66.1
Number of Tenants	1
Tenant	Mainfreight Logistic Services Netherlands B.V. (formerly Wim Bosman Logistic Services B.V.)
Trade Sector of Tenant	Logistics Services

DSV Solutions Facility

Heierhoevenweg 17, 5928 Venlo, The Netherlands



Description

Completed in 2015, the DSV Solutions Facility comprises a two-storey office and two warehouse compartments with a clear height of approximately 12 metres and TL-5 lighting with motion sensors. The facility has a GLA of 32,642 sq m.

The facility has good accessibility, located 500 metres from the provincial road N295, 1.5 km from the northeast of the A67 motorway (Belgian Border – German Border) and approximately 2.5 km from the A73 motorway (Nijmegen – Belgian border). It is situated within a rapidly developing logistics precinct where GMG DSV, Michael Kors and Calvin Klein have a presence.

The tenant, DSV Solutions Nederland B.V., established in 1976, is a Danish transport and logistics company offering transport services worldwide. The company is listed on NASDAQ Copenhagen with offices in over 80 countries and more than 400 logistics facilities.

The table below sets out a summary of selected information on the DSV Solutions Facility.

Title	Freehold
Property Holding Company	Geneba RE 23 B.V.
Effective Interest in the New Property (%)	100.00
Year Completed	2015
GLA (as at 31 December 2017) (sq m)	32,642
WALE (as at 31 December 2017)	8.0
Occupancy (as at 31 December 2017) (%)	100.0
Independent Valuation by CBRE (as at 31 March 2018) (€ m)	26.7
Independent Valuation by Colliers (as at 31 March 2018) (€ m)	25.9
Property Purchase Price (€ m)	25.9
Number of Tenants	1
Tenant	DSV Solutions Nederland B.V.
Trade Sector of Tenant	Logistics Services

Bakker Tilburg Facility

Belle van Zuylenstraat 5, 5032 MA Tilburg, The Netherlands

Mraga Klompeweg 7, 5032 MP Tilburg, The Netherlands



Description

Completed in 1996 and 2000, the Bakker Tilburg Facility has a GLA of 18,121 sq m and comprises an L-shaped logistics building with four warehouses, a packaging area and office space. The external area within the compound consists of 64 car parking, 60 truck parking spaces, manoeuvring areas and surplus land of 6,750 sq m on the eastern side of the building. The facility is located in the south of Tilburg which is in direct proximity to the A58 (Breda – Eindhoven) and the A65 (Tilburg – Den Bosch) motorways. It is situated within an established industrial park, Katsbogten, where Schenker Logistics and fashion companies such as Sting and Sacha have been established for many years.

The tenant, Bakker Logistiek Tilburg B.V. (part of Bakker Group), is a private company which is one of the largest logistics service providers in the Benelux region, specialising in transporting and warehousing in the food sector.

The table below sets out a summary of selected information on the Bakker Tilburg Facility.

Title	Freehold
Property Holding Company	Geneba RE 21 B.V.
Effective Interest in the New Property (%)	100.00
Year Completed (including last expansion)	1996, 2000
GLA (as at 31 December 2017) (sq m)	18,121
WALE (as at 31 December 2017)	9.2
Occupancy (as at 31 December 2017) (%)	100.0
Independent Valuation by CBRE (as at 31 March 2018) (€ m)	15.2
Independent Valuation by Colliers (as at 31 March 2018) (€ m)	14.1
Property Purchase Price (€ m)	15.2
Number of Tenants	1
Tenant	Bakker Logistiek Tilburg B.V.
Trade Sector of Tenant	Food Logistics

2.3 Valuation and Purchase Consideration

The Purchase Consideration payable to the Vendor under the Share Purchase Agreement in cash in Euros for the interests in the New Properties is approximately €316.2 million (approximately S\$515.4 million). The Purchase Consideration is based on (i) the Property Purchase Price which was negotiated on a willing-buyer and willing-seller basis taking into account the independent valuations described herein, as adjusted for the estimated net assets and liabilities of the Dutch Target Company (including the Existing Debt Facilities) as well as FLT's effective interests in each Target Entity (subject to further adjustments based on the actual consolidated net assets and liabilities of the Dutch Target Company at completion of the Proposed Acquisition) and (ii) the amount of the Inter-Company Loan to be assigned to the FLT Singapore SPV. The Property Purchase Price of approximately €596.8 million (approximately S\$972.8 million) represents a discount of approximately 1.2% to the New Properties Appraised Value.

The Trustee has commissioned an independent valuer, CBRE, and the Manager has commissioned an independent valuer, Colliers, to respectively value the New Properties.

(See Appendix B of this Circular for further details regarding the valuations of the New Properties.)

2.4 Estimated Total Transaction Cost

The estimated Total Transaction Cost is approximately €325.0 million (approximately S\$529.8 million), comprising:

- (i) the Purchase Consideration of €316.2 million (approximately S\$515.4 million);
- (ii) the Acquisition Fee, which amounts to approximately €2.8 million (approximately S\$4.6 million)¹; and
- (iii) the estimated professional and other fees and expenses incurred or to be incurred by FLT in connection with the Proposed Transaction of approximately €6.0 million (approximately S\$9.8 million).

2.5 Payment of Acquisition Fee in Units

As the Proposed Acquisition will constitute an “interested party transaction” under Paragraph 5 of the Property Funds Appendix, the Acquisition Fee² payable to the Manager in respect of the Proposed Acquisition will be in the form of the Acquisition Fee Units, which shall not be sold within one year from the date of issuance.

(See details on the proposed method of financing the Proposed Transaction in paragraph 7.3 below.)

¹ The Acquisition Fee is 0.5% of the Property Purchase Price of the New Properties (in proportion to the effective interest which FLT will hold in each of the New Properties), and will only be paid on completion of the acquisition of all the New Properties in accordance with the terms of the Share Purchase Agreement.

² Based on the Trust Deed, the Manager shall be entitled to receive such number of Units as may be purchased for the relevant amount of the Acquisition Fee at the issue price of Units issued to finance or part finance the Proposed Acquisition in respect of which the Acquisition Fee is payable. In the event that there is a difference in the issue price for the Private Placement and the Preferential Offering, the Acquisition Fee Units will be received at the higher of the two issue prices.

2.6 Certain Principal Terms of the Share Purchase Agreement

2.6.1 In connection with the Proposed Acquisition, FLT had on 19 April 2018, through the FLT Singapore SPV, entered into the Share Purchase Agreement with the Vendor, to acquire all the issued shares of the Dutch Target Company, which will in turn (directly or indirectly) own equity interests in the Property Holding Companies which hold the predominantly freehold interests in the New Properties¹.

The principal terms of the Share Purchase Agreement include, among others, the following:

- (a) the completion of the Proposed Acquisition is subject to the satisfaction of certain conditions precedent, which includes (a) the Manager obtaining the approval of the Unitholders at the EGM; and (b) the Manager procuring financing for the Proposed Acquisition and the assignment of the Inter-Company Loan on terms reasonably satisfactory to the Manager;
- (b) the completion of the Proposed Acquisition is by way of transfer of the shares of the Dutch Target Company from the Vendor to the FLT Singapore SPV by execution of the deed of transfer, being the notarial deed (*notariële akte*) in which notarial deed the Vendor transfers (*levert*) the shares of the Dutch Target Company to the FLT Singapore SPV, the FLT Singapore SPV accepts (*aanvaardt*) such transfer (*levering*) and the Dutch Target Company acknowledges (*erkent*) such transfer, which notarial deed is to be executed in front of the civil law notary;
- (c) on completion of the Proposed Acquisition, the FLT Singapore SPV shall pay an initial consideration sum to the Vendor, which is calculated in accordance with the Share Purchase Agreement and based on the quantum of the NAV reflected in a pro-forma consolidated balance sheet of the Dutch Target Company and the Inter-Company Loan, made up to the date of completion of the Proposed Acquisition based on the Vendor's best estimates;
- (d) post-completion of the Proposed Acquisition, the Vendor shall deliver to the FLT Singapore SPV the consolidated balance sheet of the Dutch Target Company as of the date of completion of the Proposed Acquisition, following which the difference (if any) between the initial consideration sum paid and the final consideration sum based on the completion balance sheet will be paid or reimbursed (as applicable);
- (e) if, at any time prior to completion of the Proposed Acquisition, any one or more of the New Properties is/are materially damaged² (i) either party to the Share Purchase Agreement ("**Party**") may terminate the agreement (save for provisions stated in the Share Purchase Agreement to survive termination of the agreement (the "**Surviving Provisions**")) by giving notice in writing to the other Party whereupon each Party shall bear their own solicitors' costs in the matter and neither shall have any claim or demand against the other for damages, costs or otherwise; or (ii) both Parties shall co-operate and discuss

¹ The New Properties will be acquired subject to pre-existing encumbrances pursuant to the Existing Debt Facilities.

² "**materially damaged**" means, in respect of any of the New Properties, that there is damage to the New Property or any part of such New Property (i) which, either singly or in aggregate, causes, or will cause, results or will result in, the Gross Rental Income for the relevant calendar month falling by 10.0% or more of the Gross Rental Income for the full calendar month prior to the date of the Share Purchase Agreement, (ii) which, either singly or in aggregate, is such that the aggregate cost of reinstatement and repair of the damaged part of such New Property is more than 10.0% of the Property Purchase Price or (iii) which, either singly or in aggregate, is such that more than 10.0% of the aggregate lettable area of the New Properties is destroyed or rendered unusable for a period exceeding six months.

on the mechanism to exclude the materially damaged New Property or New Properties, or the Property Holding Companies which hold the materially damaged New Property or New Properties, as the case may be, and proceed with the Proposed Acquisition, in which case the Parties shall in good faith discuss and make adjustments to the Purchase Consideration payable and the Vendor shall take the necessary steps to effect the restructuring, such steps to be completed as soon as reasonably practicable and in any event on or before 31 July 2018 or, subject to applicable laws, regulations and the Property Funds Appendix, such other date as the Parties may mutually agree in writing;

- (f) in addition, if any one or more of the New Properties is/are materially damaged, and either singly or in aggregate, results in the situation where 30.0% or more of the aggregate of the Property Purchase Price of the portfolio of New Properties to be acquired by the FLT Singapore SPV pursuant to the Share Purchase Agreement (excluding the materially damaged New Property or New Properties, as the case may be) will be made up by New Properties located in the Netherlands, the FLT Singapore SPV may terminate the Share Purchase Agreement (save for the Surviving Provisions) by giving notice in writing to the other Party whereupon each Party shall bear their own solicitors' costs in the matter and neither shall have any claim or demand against the other for damages, costs or otherwise;
- (g) if, at any time prior to completion of the Proposed Acquisition, any one or more of the New Properties is damaged, but not materially damaged, then neither Party may on that account terminate the Share Purchase Agreement but the Vendor shall procure the relevant Property Holding Company to forthwith reinstate such New Property to its state and condition before the event of damage. Any unpaid costs and expenses for any reinstatement works, to the extent that they are not recoverable from insurances, shall be paid by the Vendor to each of the Property Holding Companies, and all reinstatement works shall be completed prior to completion of the Proposed Acquisition or if that is not possible, as soon as practicable after completion of the Proposed Acquisition;
- (h) if, at any time prior to completion of the Proposed Acquisition, there is a change in the law (including subordinate legislation) or proposed change in the law (including subordinate legislation) with retroactive effect in relation to the transactions contemplated under the Share Purchase Agreement that materially increases either Party's liabilities in relation to the transactions contemplated under the Share Purchase Agreement, such Party (the "**Terminating Party**"), may, in its sole discretion, choose to (i) terminate the agreement (save for the Surviving Provisions) by giving notice in writing to the other Party whereupon each Party shall bear their own solicitors' costs in the matter and neither shall have any claim or demand against the other for damages, costs or otherwise; or (ii) co-operate with the other Party and discuss on possible amendments to the transactions contemplated in the Share Purchase Agreement in order to reduce the liabilities to the Terminating Party resulting from the transactions contemplated in the Share Purchase Agreement to an amount comparable to its liabilities before such change, and proceed with the Proposed Acquisition, in which case the Parties shall in good faith discuss and make any necessary adjustments to the Purchase Consideration payable and the Parties shall take the necessary steps to effect the amendments, such steps to be completed as soon as reasonably practicable and in any event on or before 31 July 2018 or, subject

to applicable laws, regulations and the Property Funds Appendix, such other date as the Parties may mutually agree in writing. The Parties shall use reasonable best efforts in discussing the possible amendments; and

- (i) certain limited representations and warranties are made by the Vendor including in relation to the capacity of the Vendor, information disclosed, legal matters, title to the New Properties and other matters in relation to the relevant New Properties.

Claims under the indemnities and for breach of warranties are subject to a cap on liability. Claims for breach of tax-related warranties and under the tax-related indemnities must be made within five years of the end of the year of assessment in which the completion of the Proposed Acquisition falls and claims for breach of all other warranties and other indemnities must be made within 18 months after the completion of Proposed Acquisition. The amount of a claim (together with the aggregate amount of any previous claims in respect of a breach of the warranties or the Vendor's obligations under the Share Purchase Agreement and claims under indemnities, which may be in respect of different subject matters) must be equal to or greater than €60,000 and the maximum aggregate liability of the Vendor (subject to certain excepted claims in respect of which there shall be no limitation as regards the Vendor's liability) in respect of all claims (which shall include breach of warranties and claims under the indemnities (for example, under the tax-related indemnities)) must not exceed the Purchase Consideration.

2.7 Indemnity in relation to Taxation

The FLT Singapore SPV will also enter into a deed of indemnity (the "**Deed of Indemnity**") with the Vendor on or prior to completion of the Proposed Acquisition pursuant to which the Vendor will, among others, indemnify the FLT Singapore SPV (on behalf of FLT) against any claim for taxation in respect of or arising from (a) any transaction effected or deemed to have been effected on or before completion under the Share Purchase Agreement; or (b) by reference to any income, profits or gains earned, accrued or received on or before completion under the Share Purchase Agreement.

The above indemnities are subject to the limitations of liability set out in the Share Purchase Agreement.

2.8 Property Manager in respect of the New Properties

In connection with the IPO, Frasers Property Corporate Services Pte. Ltd. (formerly known as FCL Management Services Pte. Ltd.) was appointed on 17 June 2016 as the property manager in respect of properties of FLT located outside of Australia pursuant to a master property management agreement entered into between the Trustee, the Manager and Frasers Property Corporate Services Pte. Ltd. (the "**Master Property Management Agreement**"). In connection with the Proposed Acquisition and pursuant to the terms of the Master Property Management Agreement, FLT, through each of the Property Holding Companies, will enter into individual property management agreements to appoint Geneva, a subsidiary of FPL and a related corporation of Frasers Property Corporate Services Pte. Ltd. (also a subsidiary of FPL), to provide property management (including lease management) and marketing services in respect of the New Properties.

3. RESOLUTION 2: THE EQUITY FUND RAISING

3.1 Overview of the Equity Fund Raising

The Manager proposes to issue up to 525,000,000 New Units (representing approximately 34.5% of the existing number of issued Units as at the Latest Practicable Date). Based on the Illustrative Issue Price of S\$1.00 per New Unit, the Equity Fund Raising is expected to raise gross proceeds of up to approximately S\$525.0 million, to finance part of the Total Transaction Cost, with the balance to be funded by borrowings.

3.2 Structure of the Equity Fund Raising

The structure and timing of the Equity Fund Raising have not been determined. If and when the Manager decides to undertake the Equity Fund Raising, the Equity Fund Raising may (at the Manager's absolute discretion) comprise:

- (a) a Private Placement of New Units to institutional and other investors, including FPL and TCCGI; and
- (b) a non-renounceable Preferential Offering of New Units to the existing Unitholders on a *pro rata* basis,

which the Manager deems appropriate in the circumstances and after having considered the then prevailing market conditions.

Unitholders should note that the New Units offered under the Preferential Offering (if undertaken by the Manager) will be on a non-renounceable basis. The ARE¹ will not be renounceable or transferable and will be for use only by entitled Unitholders.

The Manager will work with the Joint Global Co-ordinators and Bookrunners to determine the structure of the Equity Fund Raising, the time schedule for the Equity Fund Raising and the Issue Price, taking into account market conditions and other factors that the Manager and the Joint Global Co-ordinators and Bookrunners may consider relevant. The Manager will announce details of the Equity Fund Raising at the appropriate time.

In the event that the Equity Fund Raising is approved by Unitholders, but market conditions are not conducive to carry out the Equity Fund Raising or the Equity Fund Raising cannot be effected on acceptable terms, the Manager may still proceed with the Proposed Acquisition.

The Issue Price under the Equity Fund Raising will be determined by the Manager and the Joint Global Co-ordinators and Bookrunners closer to the date of commencement of the Equity Fund Raising. The actual number of New Units to be issued pursuant to the Equity Fund Raising will depend on the aggregate amount of proceeds to be raised from the Equity Fund Raising and the Issue Price.

¹ "ARE" refers to the acceptance form for New Units provisionally allotted to entitled Unitholders under the Preferential Offering and application form for excess New Units.

The structure and time schedule of the Equity Fund Raising and the Issue Price will be determined in accordance with, among others, Chapter 8 of the Listing Manual. The Issue Price for New Units under the Private Placement and/or Preferential Offering will comply with Rules 811(1) and 811(5) of the Listing Manual, and will not be at more than 10.0% discount to the VWAP for trades done on the SGX-ST for the full market day on which the Underwriting Agreement is signed, or (if trading in the Units is not available for a full market day) for the preceding market day up to the time the Underwriting Agreement is signed, excluding (where applicable) accrued distributions provided that the holders of the New Units are not entitled to the accrued distributions.

The Issue Price of New Units pursuant to the Private Placement may differ from the Issue Price of New Units pursuant to the Preferential Offering.

The unitholding interest of existing Unitholders may be diluted by the issue of New Units in the event that the Manager issues New Units under the Equity Fund Raising and such existing Unitholders do not participate or do not have the opportunity to participate in the Equity Fund Raising.

If the Manager should decide to undertake the Equity Fund Raising using a form other than, or in addition to, the Private Placement, such as the Preferential Offering, the Manager will enter into discussions with the Joint Global Co-ordinators and Bookrunners to explore how the Joint Global Co-ordinators and Bookrunners may assist to facilitate the successful execution of the Equity Fund Raising.

The Equity Fund Raising and any underwriting obligations are subject to, among others, prevailing market conditions and mutual agreement to the terms of the Equity Fund Raising, such as the issue price of the New Units, and execution of the Underwriting Agreement.

3.3 Undertaking by the FPL Group

To demonstrate its support for FLT and the Equity Fund Raising, FPL, which holds an aggregate direct and indirect interest in 309,642,483 Units, which is equivalent to approximately 20.36% of the Units in issue as at the Latest Practicable Date (the “**FPL Unitholding Percentage**”), has irrevocably undertaken (the “**FPL Irrevocable Undertaking**”) to the Manager and the Joint Global Co-ordinators and Bookrunners on 19 April 2018 that, among other things:

- (a) subject to any prohibitions or restrictions imposed by the relevant regulatory authorities (including the SGX-ST), it will vote and/or procure that its wholly-owned subsidiaries vote (in respect of all Units beneficially owned by it or its wholly-owned subsidiaries) in favour of the resolution to approve the proposed issue of up to 525,000,000 New Units under the Equity Fund Raising and such other resolutions necessary or expedient for the purposes of the Equity Fund Raising;

- (b) in the event that the Equity Fund Raising involves a Private Placement, FPL will subscribe, procure that its wholly-owned subsidiaries subscribe, and/or procure one or more of its existing subsidiaries and/or new subsidiaries/entities set up by FPL to hold Units, to subscribe and pay in full for, New Units under the Private Placement in order to maintain the FPL Unitholding Percentage (or such higher unitholding percentage in FLT as a result of Units being issued to the Manager as management fees (if applicable))¹ following the Private Placement; and
- (c) in the event that the Equity Fund Raising includes a Preferential Offering, it will accept, or procure the acceptance, in full of the provisional allocation of New Units under the Preferential Offering based on its entitlement.

3.4 Undertaking by TCCGI

To demonstrate its support for FLT and the Equity Fund Raising, TCCGI, which holds a deemed interest in 89,887,000 Units, which is equivalent to approximately 5.91% of the Units in issue as at the Latest Practicable Date (the “**TCCGI Unitholding Percentage**”), has irrevocably undertaken (the “**TCCGI Irrevocable Undertaking**”) to the Manager on 19 April 2018 that, among other things:

- (a) subject to any prohibitions or restrictions imposed by the relevant regulatory authorities (including the SGX-ST), it will vote and/or procure that its wholly-owned subsidiaries vote (in respect of all Units beneficially owned by it or its wholly-owned subsidiaries) in favour of the resolution to approve the proposed issue of up to 525,000,000 New Units under the Equity Fund Raising and such other resolutions necessary or expedient for the purposes of the Equity Fund Raising;
- (b) in the event that the Equity Fund Raising involves a Private Placement, TCCGI will subscribe, procure that its nominees(s) or custodian(s) subscribe, and/or procure one or more of its existing subsidiaries and/or new subsidiaries/entities set up by TCCG to hold Units, to subscribe and pay in full for, New Units under the Private Placement in order to maintain the TCCG Unitholding Percentage following the Private Placement; and
- (c) in the event that the Equity Fund Raising includes a Preferential Offering, it will accept, or procure the acceptance, in full of the provisional allocation of New Units under the Preferential Offering based on its entitlement.

3.5 Underwriting by Joint Global Co-ordinators and Bookrunners

It is anticipated that the New Units to be issued pursuant to the Equity Fund Raising (less the New Units to be subscribed under the FPL Irrevocable Undertaking and the TCCGI Irrevocable Undertaking) is to be underwritten by the Joint Global Co-ordinators and Bookrunners subject to, among others, then prevailing market conditions and mutual agreement to the terms of the Equity Fund Raising, such as the Issue Price of the New Units, and execution, on the terms and subject to the conditions of the Underwriting Agreement.

¹ The Units to be issued to the Manager as full or partial satisfaction of the management fees payable to the Manager will only be issued after the date of the FPL Irrevocable Undertaking but prior to the books closure date in respect of the Equity Fund Raising. The issuance of such management fee Units is in accordance with the Trust Deed and is not affected by the Equity Fund Raising or the FPL Irrevocable Undertaking. Accordingly the reference to such higher unitholding percentage in FLT as a result of the issuance of management fee Units refers to such higher percentage than the 20.36% held directly and indirectly by FPL as at the Latest Practicable Date arising from the issuance of such management fee Units. For the avoidance of doubt, this issuance of Units is for payment of the base management fee for the financial quarter from 1 January 2018 to 31 March 2018 and is separate from the Acquisition Fee payable to the Manager for the Proposed Acquisition.

3.6 SGX-ST Approval

On 19 April 2018, the SGX-ST granted its approval in-principle for the listing and quotation of the New Units on the Main Board of the SGX-ST, subject to the following conditions:

- (a) in respect of the Private Placement,
 - (i) compliance with the SGX-ST's listing requirements, including Rules 806, 811(1) and 811(5) of the Listing Manual;
 - (ii) submission of:
 - a. a written undertaking from the Manager that it will comply with Rules 704(30) and 1207(20) of the Listing Manual in relation to the use of proceeds from the Private Placement and where proceeds are to be used for working capital purposes, FLT will disclose a breakdown with specific details on the use of proceeds for working capital in FLT's announcements on use of proceeds and in the annual report;
 - b. Unitholders' approval for the Private Placement;
 - c. a written undertaking from the Manager that it will comply with Rule 803 of the Listing Manual;
 - d. written undertakings from the Joint Global Co-ordinators and Bookrunners that they will ensure that FLT will comply with Rule 803 of the Listing Manual;
 - e. a written confirmation from the Manager that it will not issue the New Units to persons prohibited under Rule 812(1) of the Listing Manual; and
 - f. written confirmations from the Joint Global Co-ordinators and Bookrunners that the New Units will not be placed to persons prohibited under Rule 812(1) of the Listing Manual;
- (b) in respect of the Preferential Offering,
 - (i) compliance with the SGX-ST's listing requirements, including Rules 806 and 816(2) of the Listing Manual;
 - (ii) submission of:
 - a. a written undertaking from the Manager that it will comply with Rules 704(30), 815 and 1207(20) of the Listing Manual in relation to the use of proceeds from the Preferential Offering and where proceeds are to be used for working capital purposes, FLT will disclose a breakdown with specific details on the use of proceeds for working capital in FLT's announcements on use of proceeds and in the annual report;
 - b. Unitholders' approval for the Preferential Offering;
 - c. a written undertaking from the Manager that it will comply with Rule 877(10) of the Listing Manual with regard to the allotment of any excess New Units; and
 - d. a written confirmation from the financial institution as required under Rule 877(9) of the Listing Manual that the Unitholders who have given an irrevocable undertaking have sufficient financial resources to fulfill their obligations under their undertakings.

The in-principle approval of SGX-ST is not an indication of the merits of the Proposed Acquisition, the Equity Fund Raising, the FPL Placement, the TCCGI Placement, FLT and/or its subsidiaries and the Units.

3.7 Compliance with Rules 803, 812 and 877(10) of the Listing Manual

In the event that the Equity Fund Raising is carried out:

- (a) the Equity Fund Raising will comply with Rule 803 of the Listing Manual, such that the New Units will not be issued under the Equity Fund Raising to transfer a controlling interest without the prior approval of Unitholders in a general meeting;
- (b) (in the event that the Equity Fund Raising comprises a Private Placement) the Private Placement will comply with Rule 812 of the Listing Manual, such that the New Units will not be placed to any of the connected persons listed under Rule 812(1) of the Listing Manual without specific Unitholders' approval for such a placement (other than one that fulfils the criteria set out in Rules 812(3) and 812(4) of the Listing Manual); and
- (c) (in the event that the Equity Fund Raising comprises a Preferential Offering) the Preferential Offering will comply with Rule 877(10) of the Listing Manual, such that in the allotment of any excess units ("**Excess Units**"), preference will be given to the rounding of odd lots, and that the directors of the Manager and Substantial Unitholders who have control or influence over FLT in connection with its day-to-day affairs or the terms of the Preferential Offering, or have representation (direct or through a nominee) on the board of directors of the Manager will rank last in priority for the rounding of odd lots and allotment of Excess Units.

3.8 Consequential Adjustment to Distribution Period and Status of the New Units

FLT's policy is to distribute its distributable income on a semi-annual basis to Unitholders.

However, pursuant to the Equity Fund Raising, the Manager may decide to make adjustments to the distribution period which may include, among others, a cumulative distribution or an advanced distribution, or such other plans to ensure fairness to Unitholders holding Existing Units on the day immediately prior to the date on which the New Units are issued under the Private Placement.

In the event that the Manager undertakes a Preferential Offering, the Manager may decide that the New Units issued in connection with the Preferential Offering will, upon issue and allotment, rank *pari passu* in all respects with the Existing Units, including the right to any distributions which may accrue prior to the issuance of the New Units issued under the Preferential Offering.

Further details pertaining to any adjustments to the distribution period, if any, and the status of the New Units issued pursuant to the Equity Fund Raising will be announced at the appropriate time.

3.9 Use of Proceeds

The Manager intends to utilise the net proceeds of the Equity Fund Raising to finance part of the Total Transaction Cost of approximately €325.0 million (approximately S\$529.8 million), with the balance thereof to be funded by borrowings. Further details pertaining to the use of proceeds of the Equity Fund Raising (including details on the percentage allocation for each use) will be announced at the appropriate time.

Notwithstanding its current intention, the Manager may, subject to relevant laws and regulations, utilise the net proceeds of the Equity Fund Raising at its absolute discretion for other purposes, including without limitation, the repayment of existing indebtedness and for funding capital expenditures.

The Manager will make periodic announcements on the utilisation of the net proceeds of the Equity Fund Raising via SGXNET as and when such funds are materially disbursed and whether such a use is in accordance with the stated use and in accordance with the percentage allocated. Where proceeds are to be used for working capital purposes, the Manager will disclose a breakdown with specific details on the use of proceeds for working capital in FLT's announcements on the use of proceeds and in FLT's annual report and where there is any material deviation from the stated use of proceeds, the Manager will announce the reasons for such deviation.

Pending the deployment of the net proceeds of the Equity Fund Raising, the net proceeds may, subject to relevant laws and regulations, be deposited with banks and/or financial institutions, or to be used to repay outstanding borrowings or for any other purpose on a short-term basis as the Manager may, in its absolute discretion, deem fit.

4. RESOLUTION 3: THE FPL PLACEMENT

4.1 Proposed Subscription by the FPL Group

To provide a higher degree of certainty for the successful completion of the Private Placement and to enable FPL to be in a position to support and align its interest with FLT, the Manager is seeking Unitholders' approval for the proposed FPL Placement, as part of the Private Placement.

The FPL Group will subscribe for such number of New Units under the Private Placement up to its proportionate pre-placement unitholding in FLT, in percentage terms.

The FPL Group's percentage unitholding in FLT will therefore not increase after the Private Placement in any case.

The New Units placed to the FPL Group under the FPL Placement will be issued at the same price as the New Units issued to other investors under the Private Placement.

5. RESOLUTION 4: THE TCCGI PLACEMENT

5.1 Proposed Subscription by TCCGI

To provide a higher degree of certainty for the successful completion of the Private Placement and to enable TCCGI to be in a position to support and align its interest with FLT, the Manager is seeking Unitholders' approval for the proposed TCCGI Placement, as part of the Private Placement.

TCCGI will subscribe for such number of New Units under the Private Placement up to its proportionate pre-placement unitholding in FLT, in percentage terms.

TCCGI's percentage unitholding in FLT will therefore not increase after the Private Placement in any case.

The New Units placed to TCCGI under the TCCGI Placement will be issued at the same price as the New Units issued to other investors under the Private Placement.

6. REQUIREMENT FOR UNITHOLDERS' APPROVAL

6.1 Related Party Transaction

Under Chapter 9 of the Listing Manual, where the Trustee proposes to enter into a transaction with an interested person and the value of the transaction (either in itself or when aggregated with the value of other transactions, each of a value equal to or greater than S\$100,000, with the same interested person during the same financial year) is equal to or exceeds 5.0% of FLT's latest audited NTA, Unitholders' approval is required in respect of the transaction.

Based on the latest audited financial statements of FLT ("**FLT Audited Financial Statements**") for the financial period from 30 November 2015 (being the date of constitution of FLT) to 30 September 2017 as disclosed in the annual report of FLT issued on 26 December 2017, the NTA of FLT as at 30 September 2017 was A\$1,337.5 million (approximately S\$1,361.4 million). Accordingly, if the value of a transaction which is proposed to be entered into by the Trustee during the current financial year ending 30 September 2018 with an interested person is, either in itself or in aggregation with all other earlier transactions (each of a value equal to or greater than S\$100,000) entered into with the same interested person during the current financial year ending 30 September 2018, equal to or greater than A\$66.9 million (approximately S\$68.1 million), such a transaction would be subject to approval from Unitholders.

Paragraph 5 of the Property Funds Appendix also imposes a requirement for Unitholders' approval for an Interested Party Transaction by the Trustee whose value is equal to or exceeds 5.0% of FLT's latest audited NAV. Based on the FLT Audited Financial Statements, the NAV of FLT as at 30 September 2017 was A\$1,337.5 million (approximately S\$1,361.4 million). Accordingly, if the value of a transaction which is proposed to be entered into by the Trustee with an interested party during the current financial year ending 30 September 2018 is equal to or greater than A\$66.9 million (approximately S\$68.1 million), such a transaction would also be subject to approval from Unitholders.

As at the Latest Practicable Date, save for the Proposed Transaction, the value of all interested person transactions entered into between FLT and the FPL Group and its associates during the course of the current financial year ending 30 September 2018 up to the Latest Practicable Date is approximately A\$0.8 million¹ (approximately S\$0.8 million) (the "**Existing Interested Person Transactions**") (which is approximately 0.06% of the NTA and NAV of FLT as at 30 September 2017).

Details of the Existing Interested Person Transactions may be found in Appendix D of this Circular.

¹ This refers to the renewal of FLT's insurance policy with Southeast Insurance Public Company Limited ("**Southeast**"), an entity within the TCC Group (as defined herein). The Manager had in place an industrial special risk and public liability insurance coverage in relation to the properties in the Existing Portfolio effected by Frasers Property Australia Pty Ltd ("**FPA**") with Southeast for a term expiring on 30 September 2017 with the insurer noting the insured as FLT and its subsidiary entities (the "**Initial Southeast Insurance**"). Following the expiry of the Initial Southeast Insurance on 30 September 2017, the Manager renewed the insurance policy with Southeast on 1 October 2017 for a term of one year expiring on 30 September 2018 (the "**Renewed Southeast Insurance**"). The total premium paid in respect of the Renewed Southeast Insurance as at the date of this Circular is approximately A\$0.8 million.

6.1.1 The Proposed Acquisition

As at the Latest Practicable Date, the FPL Group holds an aggregate direct and indirect interest in 309,642,483 Units, which is equivalent to approximately 20.36% of the Units in issue as at the Latest Practicable Date, and is therefore regarded as a “controlling unitholder” of FLT for the purposes of both the Listing Manual and the Property Funds Appendix. In addition, as the Manager is a wholly-owned subsidiary of FPL, the FPL Group is therefore regarded as a “controlling shareholder” of the Manager under both the Listing Manual and the Property Funds Appendix.

As the Vendor is an indirect wholly-owned subsidiary of FPL, for the purposes of Chapter 9 of the Listing Manual and paragraph 5 of the Property Funds Appendix, the Vendor (being a subsidiary of a “controlling unitholder” of FLT and a subsidiary of a “controlling shareholder” of the Manager) is (for the purposes of the Listing Manual) an “interested person” of FLT and (for the purposes of the Property Funds Appendix) an “interested party” of FLT.

Therefore, the entry by the FLT Singapore SPV into the Share Purchase Agreement will constitute an Interested Person Transaction under Chapter 9 of the Listing Manual, as well as an Interested Party Transaction under the Property Funds Appendix.

Under the Share Purchase Agreement with the Vendor, the Purchase Consideration is approximately €316.2 million¹ (being 36.4% of FLT’s latest audited NTA and NAV as at 30 September 2017). The value of the Proposed Acquisition exceeds 5.0% of the NTA and the NAV of FLT, being the respective thresholds under the Listing Manual and the Property Funds Appendix in respect of Related Party Transactions, and would therefore be subject to Unitholders’ approval.

FPL and its associates are prohibited from voting on the resolution to approve the Proposed Acquisition.

6.1.2 The FPL Placement

As the FPL Placement will involve the issue of New Units to the FPL Group, i.e. the same interested person as the Proposed Acquisition, it will also constitute an Interested Person Transaction under Chapter 9 of the Listing Manual to be aggregated with the Proposed Acquisition.

Based on the Illustrative Issue Price of S\$1.00 per New Unit, FLT will be issuing New Units to the FPL Group amounting to up to approximately S\$106.9 million² (being 7.7% of FLT’s latest audited NTA and NAV as at 30 September 2017). The value of the FPL Placement will exceed 5.0% of the NTA and the NAV of FLT, being the respective thresholds under the Listing Manual and the Property Funds Appendix in respect of Related Party Transactions, and would therefore be subject to Unitholders’ approval.

¹ Translated to A\$ at an exchange rate of €1: A\$1.54

² Translated to A\$ at an exchange rate of S\$1: A\$0.96

6.1.3 The TCCGI Placement

TCCGI, which is deemed interested in approximately 5.91% of the total number of Units in issue as at the Latest Practicable Date, is a company that is owned by Atinant Bijananda, Thapana Sirivadhanabhakdi, Wallapa Traisorat, Thapanee Techajareonvikul and Panote Sirivadhanabhakdi in equal proportions. Accordingly, TCCGI is a company which Panote Sirivadhanabhakdi, a director of the Manager and a director and the Group Chief Executive Officer of FPL, and his family (being his siblings) have an interest of 30% or more, and is (for the purposes of the Listing Manual and the Property Funds Appendix) an “associate” of a director of the Manager. Accordingly, TCCGI is (for the purposes of the Listing Manual) an “interested person” of FLT.

As the TCCGI Placement will involve the issue of New Units to TCCGI, the TCCGI Placement will also constitute an Interested Person Transaction under Chapter 9 of the Listing Manual.

Based on the Illustrative Issue Price of S\$1.00 per New Unit, FLT will be issuing New Units to TCCGI amounting to up to approximately S\$31.0 million¹ (being 2.2% of FLT’s latest audited NTA and NAV as at 30 September 2017). The value of the TCCGI Placement will not exceed 5.0% of the NTA and the NAV of FLT, and would therefore not be subject to Unitholders’ approval under the Listing Manual and the Property Funds Appendix in respect of Related Party Transactions. Nonetheless, the Manager is seeking the approval of Unitholders by way of an Ordinary Resolution of the Unitholders for the TCCGI Placement.

6.2 Relative Figures Computed on the Bases Set Out In Rule 1006 of the Listing Manual

6.2.1 Chapter 10 of the SGX-ST Listing Manual governs the acquisition or disposal of assets, including options to acquire or dispose of assets, by FLT. Such transactions are classified into the following categories:

- (i) non-discloseable transactions;
- (ii) discloseable transactions;
- (iii) major transactions; and
- (iv) very substantial acquisitions or reverse take-overs.

6.2.2 A proposed acquisition by FLT may fall into any of the categories set out above depending on the size of the relative figures computed on the following bases of comparison:

- (i) the net profits attributable to the assets acquired, compared with FLT’s net profits pursuant to Rule 1006(b) of the Listing Manual; and
- (ii) the aggregate value of the consideration given or received, compared with FLT’s market capitalisation based on the total number of issued Units pursuant to Rule 1006(c) of the Listing Manual.

Rule 1006(d) of the Listing Manual is not applicable as FLT will not be issuing any units as consideration for the Proposed Acquisition.

¹ Translated to A\$ at an exchange rate of S\$1: A\$0.96

6.2.3 The relative figures computed on the bases set out in Rules 1006(b) and 1006(c) of the Listing Manual are as follows:

Comparison of:	The Proposed Acquisition	FLT	Relative Figure (%)
Net Property Income⁽¹⁾ (A\$ m)	13.4 ⁽²⁾	34.8 ⁽³⁾	38.5
Purchase Consideration against market capitalisation (S\$ m)	515.4 ⁽⁴⁾	1,627.1 ⁽⁵⁾	31.7

Notes:

- (1) In the case of a REIT, Net Property Income is a close proxy to the net profits attributable to its assets.
- (2) Based on an exchange rate of €1:A\$1.54. For Q1 FY2018, based on (i) the New Properties Management Accounts (as defined herein), (ii) the LGI Facility Accounts (as defined herein), (iii) the Constellium Phase 1 AEI Income (as defined herein), (iv) the Constellium Phase 2 AEI Income (as defined herein), and (v) the Roman & Hellmann Facility AEI Income (as defined herein). The Constellium Phase 1 AEI Income, the Constellium Phase 2 AEI Income and the Roman & Hellmann Facility AEI Income are used on the assumption that the AEIs on the Constellium Facility and the Roman & Hellmann Facility have been completed and are income-producing during Q1 FY2018. See paragraph 9.1 below for further information.
- (3) Based on FLT's actual Net Property Income for Q1 FY2018 in the unaudited financial statements of FLT in respect of Q1 FY2018 (the "**FLT Unaudited Financial Statements**").
- (4) Based on an exchange rate of €1:S\$1.63.
- (5) Based on the weighted average price of the Units transacted on the SGX-ST on 18 April 2018, being the market day preceding the date of signing of the Share Purchase Agreement, of S\$1.07 per Unit.

As seen in the table above, the Proposed Acquisition constitutes a "major transaction" under Rule 1014(1) of the Listing Manual (read with Rule 1006(c)) as (i) the Net Property Income attributable to the Proposed Acquisition is approximately 38.5% of FLT's Net Property Income for Q1 FY2018, and (ii) the Purchase Consideration for the Proposed Acquisition is approximately 31.7% of FLT's market capitalisation as at 18 April 2018, being the market day preceding the date of signing of the Share Purchase Agreement (based on the total number of issued Units in FLT).

6.3 Specific Approval from Unitholders for the Equity Fund Raising

Pursuant to Rule 805(1) of the Listing Manual, the Manager is seeking the specific approval of Unitholders for the issue of the New Units under the Equity Fund Raising.

6.4 Specific Approval from Unitholders for the FPL Placement and the TCCGI Placement

Pursuant to Rule 812(2) of the Listing Manual, Unitholders' approval by way of ordinary resolution is required for placement of the new Units to FPL and TCCGI under the Private Placement. This is because FPL and TCCGI are both Substantial Unitholders of FLT.

FPL, TCCGI and their associates are prohibited from voting on the resolutions to permit such a placement of new Units.

7. INFORMATION RELATING TO THE PROPOSED TRANSACTION

7.1 Interests of Directors and Substantial Unitholders

As at the Latest Practicable Date, the interests of the Directors in the Proposed Transaction are as follows:

- (i) Mr Panote Sirivadhanabhakdi is a Non-Executive Director of the Manager, a director and the Group Chief Executive Officer of FPL, a director of other entities within the FPL Group other than the Manager, a director of various entities within the TCC Group (which is the controlling shareholder of the FPL Group) and holds 20.0% of the issued share capital of TCCGI. Mr Panote Sirivadhanabhakdi is also the son of Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi;
- (ii) Mr Michael Bowden Newsom is a Non-Executive Director of the Manager and a director and/or executive of certain subsidiaries of FPL; and
- (iii) Mr Lim Ee Seng is a Non-Executive Director of the Manager, was the previous Group Chief Executive Officer of FPL and is currently a senior advisor to the TCC Group and advisor to FPL.

Based on the Register of Directors' Unitholdings maintained by the Manager, the direct and deemed interests of the Directors in the Units as at the Latest Practicable Date are as follows:

Name of Director	Direct Interest		Deemed Interest		Total No. of Units held	%
	No. of Units held	%	No. of Units held	%		
Mr Ho Hon Cheong	583,000	0.0383	438,000	0.0288	1,021,000	0.0671
Mr Goh Yong Chian	300,000	0.0197	–	–	300,000	0.0197
Mr Paul Gilbert Say	–	–	150,000	0.00986	150,000	0.00986
Mr Panote Sirivadhanabhakdi	–	–	89,887,000	5.91 ⁽¹⁾	89,887,000	5.91
Mr Lim Ee Seng	400,000	0.0263	–	–	400,000	0.0263
Mr Michael Bowden Newsom	–	–	60,000	0.00395	60,000	0.00395

Note:

- (1) Mr Panote Sirivadhanabhakdi holds 20.0% of the issued share capital of TCCGI and is deemed interested in TCCGI's deemed interest in 89,887,000 Units.

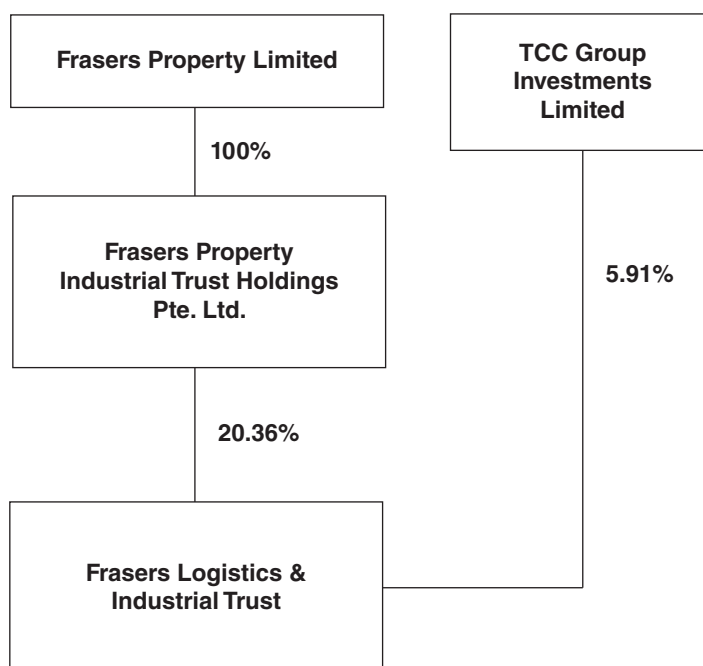
Based on the Register of Substantial Unitholders' Unitholdings maintained by the Manager, the Substantial Unitholders and their interests in the Units as at the Latest Practicable Date are as follows:

Name of Substantial Unitholder	Direct Interest		Deemed Interest		Total No. of Units held	%
	No. of Units held	%	No. of Units held	%		
Frasers Property Industrial Trust Holdings Pte. Ltd. ⁽¹⁾	–	–	308,959,770	20.318	308,959,770	20.318
Frasers Property Limited (formerly known as Frasers Centrepoint Limited) ⁽²⁾	–	–	309,642,483	20.363	309,642,483	20.363
TCC Group Investments Limited ⁽³⁾	–	–	89,887,000	5.91	89,887,000	5.91
Sumitomo Mitsui Trust Holdings, Inc. ⁽⁴⁾	–	–	90,856,514	5.9749	90,856,514	5.9749
Sumitomo Mitsui Trust Bank, Limited ⁽⁵⁾	–	–	90,289,214	5.9376	90,289,214	5.9376
Nikko Asset Management Co., Ltd. ⁽⁶⁾	–	–	90,370,714	5.9429	90,370,714	5.9429

Notes:

- (1) Australand Property Pty Limited (formerly known as Australand Property Limited) (“**APL**”), as trustee of Australand Property Trust, had declared a trust in favour of Frasers Property Industrial Trust Holdings Pte. Ltd. (formerly known as FCL Investments (Industrial) Pte. Ltd.) (“**FPITHPL**”) pursuant to a declaration of trust dated 21 June 2016. Pursuant to the declaration of trust, APL, as trustee of Australand Property Trust, holds Units upon trust absolutely for FPITHPL. Accordingly, FPITHPL is deemed interested in the Units held by APL, as trustee of Australand Property Trust.
- (2) FPL is interested in the Units held by APL, as trustee of Australand Property Trust, as Australand Property Trust is indirectly wholly-owned by FPL. FPL is also interested in the Units held by FPITHPL, as FPITHPL is indirectly wholly-owned by FPL. Each of InterBev Investment Limited, International Beverage Holdings Limited, Thai Beverage Public Company Limited, TCC Assets Limited, Siriwana Company Limited, Maxtop Management Corp., Risen Mark Enterprise Ltd., Golden Capital (Singapore) Limited, MM Group Limited, Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi is deemed interested in the Units held by FPL based on their respective shareholdings (direct or indirect) as at the Latest Practicable Date.
- (3) TCCGI is a British Virgin Islands company that is owned by Atinant Bijananda, Thapana Sirivadhanabhakdi, Wallapa Traisorat, Thapanee Techajareonvikul and Panote Sirivadhanabhakdi in equal proportions. As each of them holds 20.0% of the issued share capital of TCCGI, they are each deemed interested in TCCGI's interest in the Units. As TCCGI holds its Units through a nominee account, its interest in the Units is a deemed interest.
- (4) Sumitomo Mitsui Trust Holdings, Inc. (“**SMTH**”) has a deemed interest in the Units, on the basis of its controlling interest in each of Sumitomo Mitsui Trust Asset Management Co., Ltd. (“**SMTAM**”) and Sumitomo Mitsui Trust Bank, Limited (“**SMTB**”). SMTB in turn has a controlling interest in Nikko Asset Management Co., Ltd. (“**NAM**”) which has a controlling interest in Nikko Asset Management International Limited (“**NAMIL**”). NAMIL has a controlling interest in Nikko Asset Management Asia Limited (“**NAMAsia**”) and separately holds more than 20% of the shareholdings of Affin Hwang Asset Management Berhad (“**AHAM**”). AHAM has a controlling interest in AIIAMAN Asset Management (“**AIIAMAN**”). Therefore, SMTH is deemed to have an interest in the Units held in aggregate by portfolios managed by SMTB, SMTAM, NAM, NAMAsia, AHAM and AIIAMAN.
- (5) SMTB has a deemed interest in the Units: (i) held in aggregate by portfolios managed by it; and (ii) on the basis of its deemed interest arising out of its controlling interest in NAM which has a controlling interest in NAMIL. NAMIL in turn has a controlling interest in NAMAsia and separately holds more than 20% of the shareholdings of AHAM. AHAM has a controlling interest in AIIAMAN. Therefore, SMTB is deemed to have an interest in the Units held in aggregate by portfolios managed by NAM, NAMAsia, AHAM and AIIAMAN.
- (6) NAM has a deemed interest in the Units: (i) held in aggregate by portfolios managed by it; and (ii) on the basis of its deemed interest arising out of its controlling interest in NAMIL. NAMIL has a controlling interest in NAMAsia and separately holds more than 20% of the shareholdings of AHAM. AHAM has a controlling interest in AIIAMAN. Therefore, NAM is deemed to have an interest in the Units held in aggregate by portfolios managed by NAMAsia, AHAM and AIIAMAN.

A diagrammatic illustration of the percentage unitholding of the FPL Group and TCCGI in FLT as at the Latest Practicable Date is set out below.



Saved as disclosed above and based on information available to the Manager as at the Latest Practicable Date, none of the Directors or the Substantial Unitholders has an interest, direct or indirect, in the Proposed Transaction.

7.2 Directors' Service Contracts

No person is proposed to be appointed as a Director in connection with the Proposed Transaction or any other transactions contemplated in relation to the Proposed Transaction.

7.3 Proposed Method of Financing the Proposed Transaction

The Manager intends to finance the Total Transaction Cost from a combination of equity and debt financing.

As stated in paragraph 3.1 above, the Equity Fund Raising will raise gross proceeds of up to approximately S\$525.0 million. The Manager will utilise the net proceeds of the Equity Fund Raising to partially fund the Total Transaction Cost, with the balance of the Total Transaction Cost funded by borrowings.

The Manager may take a bridging loan facility which can be drawn upon to, together with the net proceeds of the Private Placement and the borrowings, fully fund and complete the Proposed Acquisition (which may take place prior to the completion of the Preferential Offering). The net proceeds of the Preferential Offering will then be applied towards repayment of the bridging loan facility.

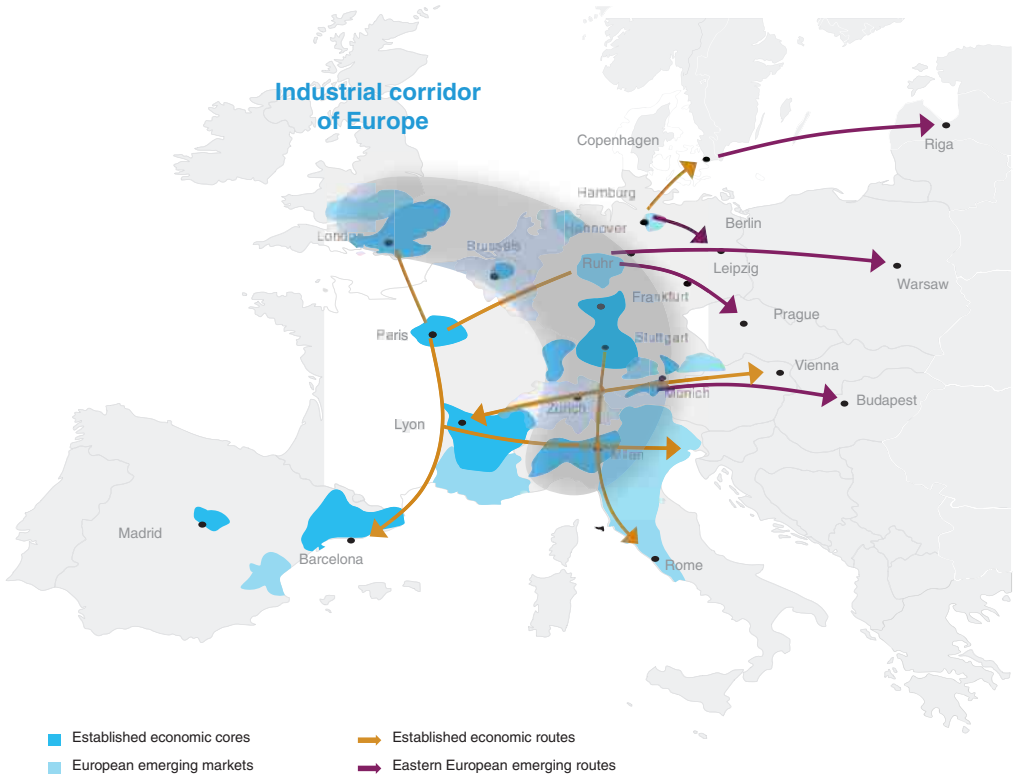
8. RATIONALE FOR AND KEY BENEFITS OF THE PROPOSED TRANSACTION

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

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

Germany and the Netherlands are global logistics hubs with an assigned Global Ranking of 1 and 4 respectively on the 2016 World Bank Logistics Performance Index (“LPI”)¹. Both economies are situated at the crossroads of numerous global and European trading routes as well as within the industrial corridor of Europe.

Europe’s Main Trade Arteries Traverse Germany and the Netherlands

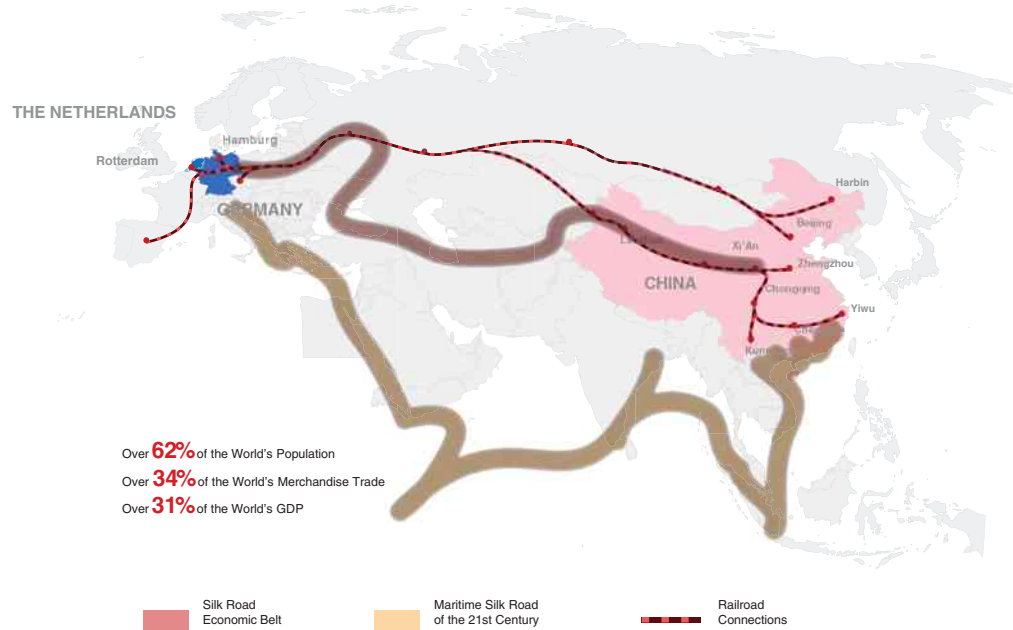


Source: Independent Market Research Report (See Appendix C “Independent Market Research Report” for further details)

Germany and the Netherlands are also well-positioned to further extend their global reach in world trade given the critical roles that they play in China’s Belt and Road Initiative, which is expected to enhance trade flows between China and Europe via the Silk Road Economic Belt and trans-continental rail connections.

¹ Source: <https://lpi.worldbank.org/international/global> (last accessed on the Latest Practicable Date). The World Bank has not provided its consent to the inclusion of the information extracted from the website and therefore is not liable for such information. While the Manager has taken reasonable actions to ensure that the information from the website is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such website, neither the Manager nor any other party has conducted an independent review of the information contained in such website nor verified the accuracy of the contents of the relevant information.

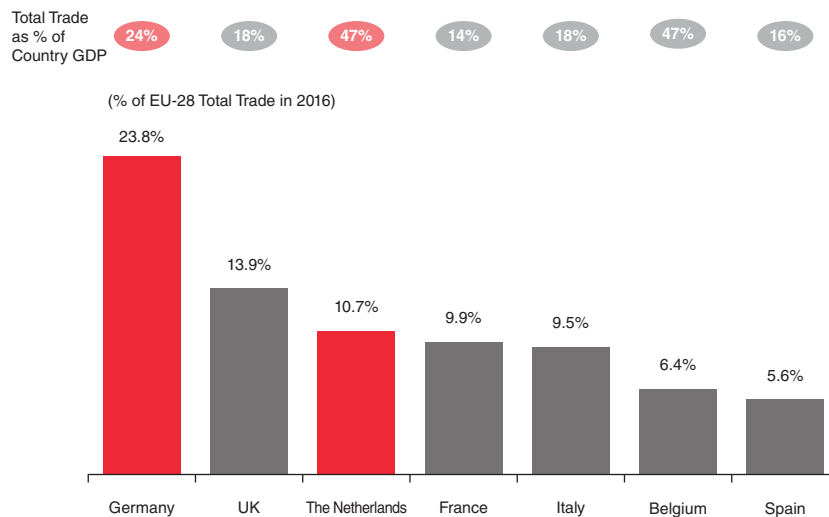
China's Belt and Road Initiative



Source: Independent Market Research Report (See Appendix C “Independent Market Research Report” for further details)

As a result of their strategic locations, Germany and the Netherlands effectively serve as Europe’s gateway to global trade and together account for more than approximately 34.5% of the European Union’s (“EU-28”)¹ total trade. Both countries rank amongst the top three contributors to EU-28 trade.

Germany and Netherlands are Europe’s Gateway to Global Trade



Source: Independent Market Research Report (See Appendix C “Independent Market Research Report” for further details)

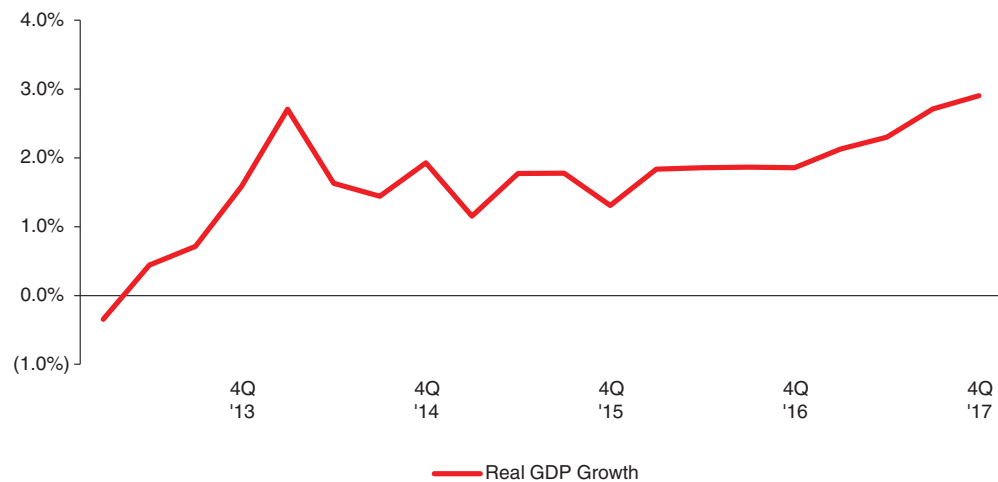
¹ Comprises the 28 members of the European Union as at 2016, including Austria, Belgium, Bulgaria, Croatia, Republic of Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and the UK.

8.1.2 Growth in German and Dutch logistics and industrial markets supported by positive underlying economy

Historically, Germany and the Netherlands have been two of the most resilient developed economies in Europe. Both countries have exhibited stable real gross domestic product (“GDP”) growth since 2013.

As the fourth largest economy in the world and the largest economy in Europe, Germany serves as the region’s economic centre and has a strong trade orientation with it being the 3rd largest exporter of merchandise trade globally in 2016. The German logistics market is not only the largest in the world but also the top performer globally based on the World Bank’s 2016 LPI rankings. Germany offers access to a large consumer base of approximately 250 million people within a catchment area of 500km and is also the third largest exporter of goods globally in 2016.

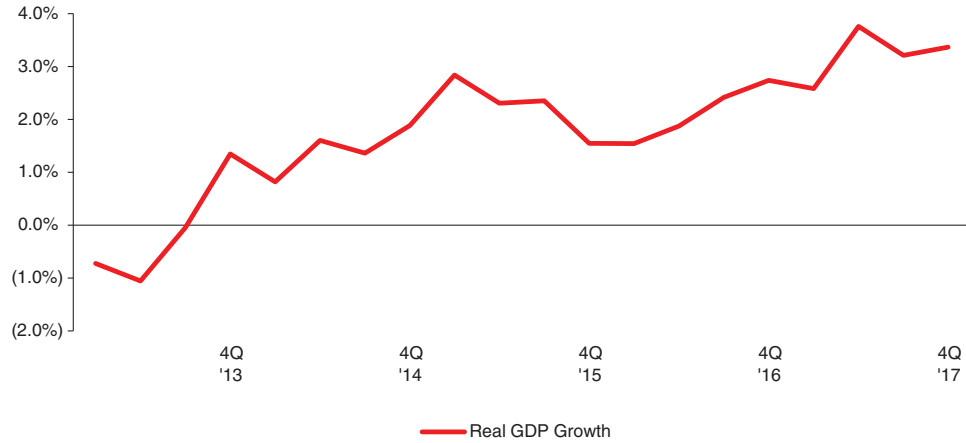
Germany – Real GDP Growth



Source: Independent Market Research Report (See Appendix C “Independent Market Research Report” for further details)

As one of the most trade-oriented economies in Europe with total trade accounting for 47% of its GDP, the Netherlands is the 5th largest exporter of merchandise trade globally in 2016. The Netherlands also serves as one of Europe’s top logistics hub and is amongst the top four logistics performers globally based on the World Bank’s 2016 LPI rankings. The Netherlands offers access to a consumer base of approximately 160 million people that can be reached within 24 hours from Amsterdam or Rotterdam. The Netherlands is also served by the Port of Rotterdam, the largest sea port in Europe.

Netherlands – Real GDP Growth



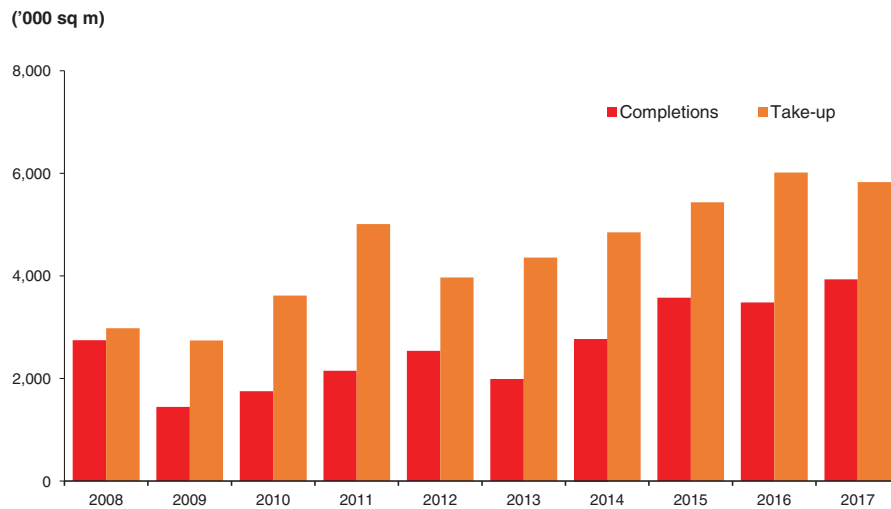
Source: Independent Market Research Report (See Appendix C “Independent Market Research Report” for further details)

8.1.3 Robust net absorption trends driven by limited supply and strong demand drivers

The German logistics market continues to see limited supply of warehouse space since 2008 due to limited land supply and competition from other higher value land uses. The completions of warehouse developments continue to lag strong occupier demand for warehouse space. The current supply situation has resulted in a logistics market with minimal incentives.

On the other hand, demand for warehouse space remains strong, with take-up reaching or exceeding approximately 5 million sq m annually since 2014. eCommerce is expected to remain a strong demand driver due to an increasing focus on “last-mile” logistics which places greater demand for strategically located assets that can act as fulfilment and delivery centres. 2018 take-up is expected to remain strong due to positive economic conditions and continued high level of demand for space.

German Warehouse Take-up has Consistently Exceeded Completions since 2008

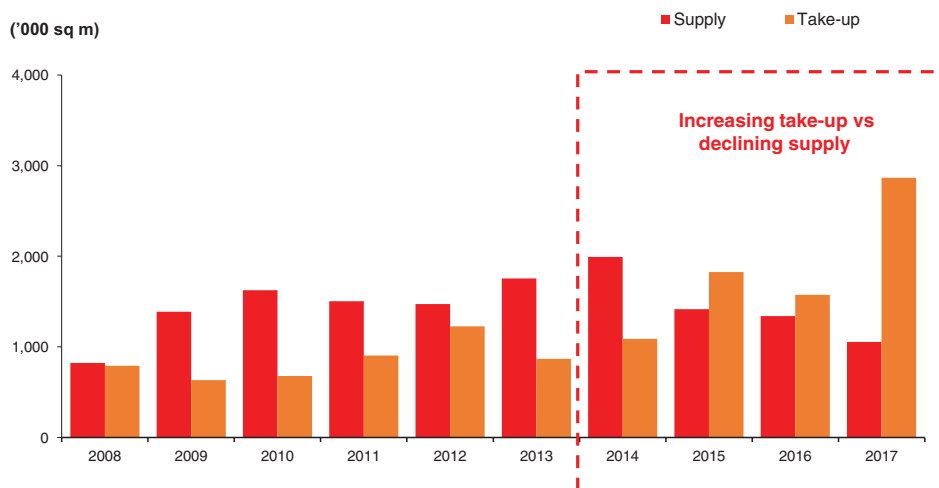


Source: Independent Market Research Report (See Appendix C “Independent Market Research Report” for further details)

The Dutch logistics market has seen a sharp reduction in available supply over the last four years, with stock declining to approximately one million sq m in the second half of 2017. There is also a shortage of modern and high-quality logistics space in the market, with less than one third of available supply qualifying as Grade A space. Consequently, supply has consistently lagged demand over the last three years.

On the other hand, demand for warehouse space continues to be strong, with national take-up reaching approximately three million sq m in 2017. The logistics industry continues to be driven by the global movement of goods, third party logistics and the rising importance of retail channels driven by eCommerce.

Increase Divergence of Take-up and Supply Since 2014 in the Dutch Logistics and Industrial Market



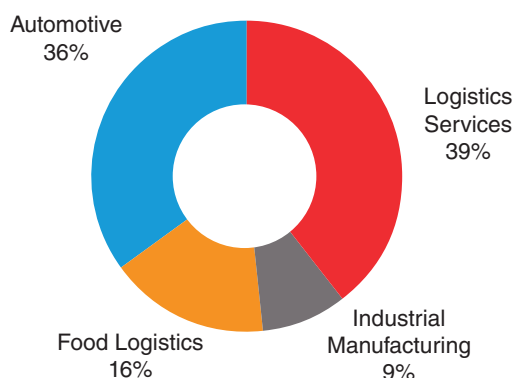
Source: Independent Market Research Report (See Appendix C “Independent Market Research Report” for further details)

8.2 Prime, Strategically Located and Predominantly Freehold Portfolio

8.2.1 Stable leases backed by high-quality tenants

The New Properties offer a diversified tenant mix focused on the primary industries of automotive, logistics services, food logistics and industrial manufacturing. As at 31 December 2017, the portfolio of New Properties has a long WALE of 8.0 years and an occupancy rate of 100%. The New Properties also enjoy stable leases with 89% of leases having CPI-linked indexation or fixed annual escalations.

Tenant Mix of New Properties by Gross Rental Income for the month of December 2017



In addition, the portfolio of New Properties is underpinned by a high-quality tenant base with strong corporate profiles. Notably, the top 10 tenants of the New Properties by Gross Rental Income for the month of December 2017 comprise a mix of multinational corporations with investment grade credit ratings and publicly listed corporations.

#	Top 10 Tenants	Trade Sector	% Gross Rental Income
1.		Automotive	14.6
2.		Logistics Services	11.5
3.		Food Logistics	9.7
4.		Logistics Services	9.2
5.		Automotive	9.1
6.		Food Logistics	6.6
7.		Logistics Services	5.0
8.		Logistics Services	3.6
9.		Industrial Manufacturing	3.5
10.		Automotive	3.0

Note: Market capitalisation as at 9 March 2018.

8.2.2 Modern logistics facilities with high specifications

The New Properties are high-quality and modern logistics facilities with an average age¹ of 7.0 years old and possess high specifications installations, including solar photovoltaic systems, hardstand, light-emitting diode (LED) lighting, in-rack sprinkler systems, crane installation and ventilation plants for selected properties. Additionally, tenants have invested substantially in automation and hi-tech systems in the facilities, which significantly enhances tenant retention for the New Properties. Examples of such tenant-funded investments include specialised equipment for food logistics use, such as deep freeze and temperature-control systems.

Selected New Properties



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

A majority of the New Properties is strategically located within the major logistics clusters of Germany and the Netherlands which cater to the core distribution needs of both countries. Many of the New Properties are also located in or near to designated micro logistics hubs that cater to local communities.

¹ Weighted average age as at 31 December 2017 based on the higher of the two independent valuations of the New Properties conducted by the Independent Valuers.

Germany



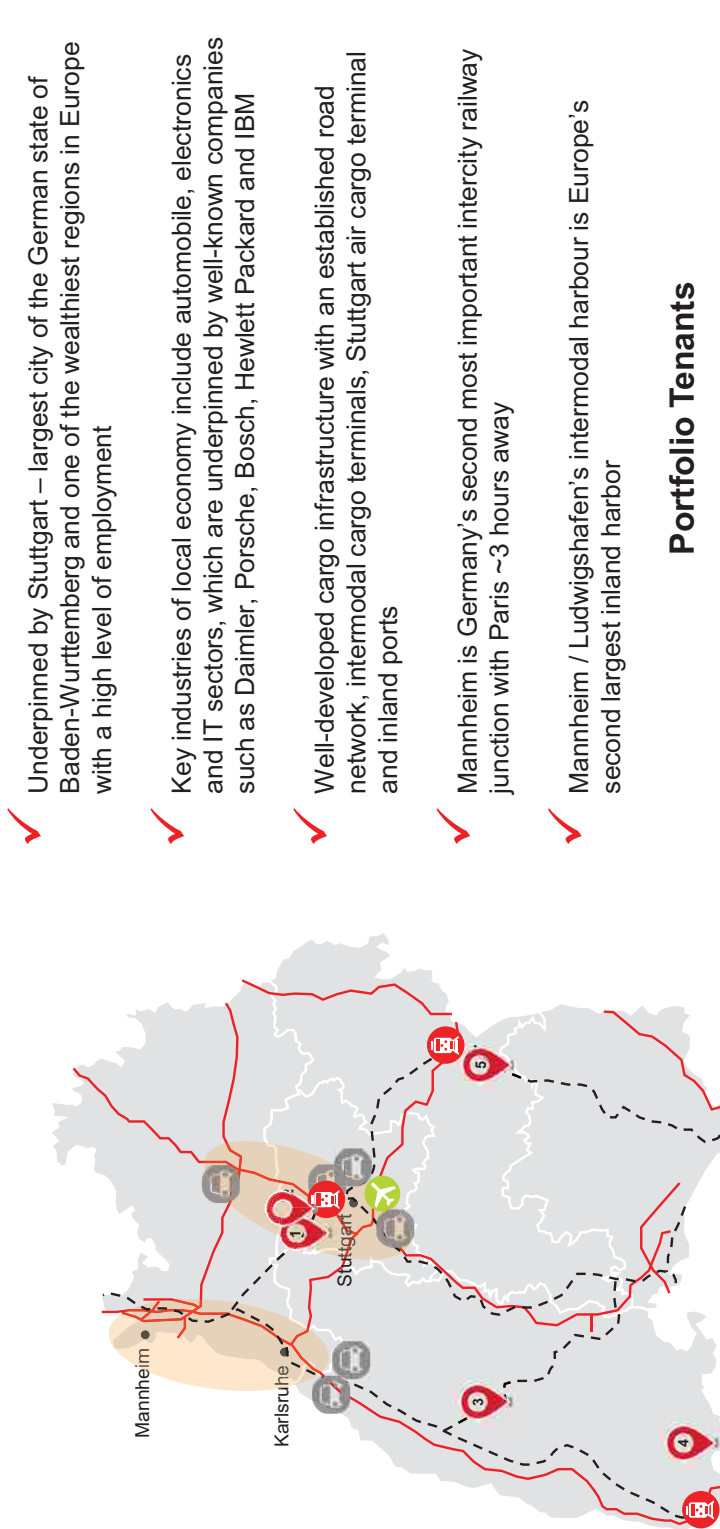
The Netherlands



Source: Independent Market Research Report (See Appendix C “Independent Market Research Report” for further details)

The following illustrates the distribution of the New Properties within the major logistics clusters of Germany and the Netherlands, as well as the characteristics of the sub-markets where they are located.

German Logistics Cluster (Stuttgart – Mannheim)



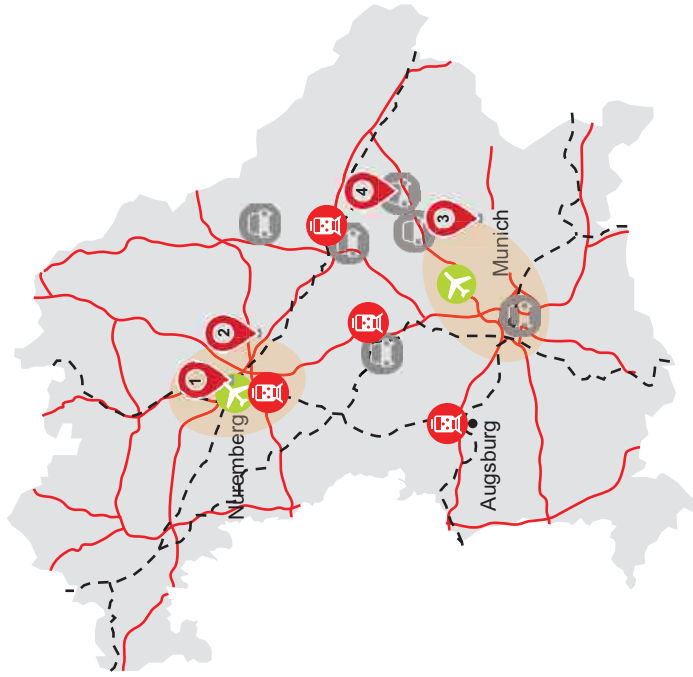
- ✓ Underpinned by Stuttgart – largest city of the German state of Baden-Wurtemberg and one of the wealthiest regions in Europe with a high level of employment
- ✓ Key industries of local economy include automobile, electronics and IT sectors, which are underpinned by well-known companies such as Daimler, Porsche, Bosch, Hewlett Packard and IBM
- ✓ Well-developed cargo infrastructure with an established road network, intermodal cargo terminals, Stuttgart air cargo terminal and inland ports
- ✓ Mannheim is Germany's second most important intercity railway junction with Paris ~3 hours away
- ✓ Mannheim / Ludwigshafen's intermodal harbour is Europe's second largest inland harbor

Portfolio Tenants

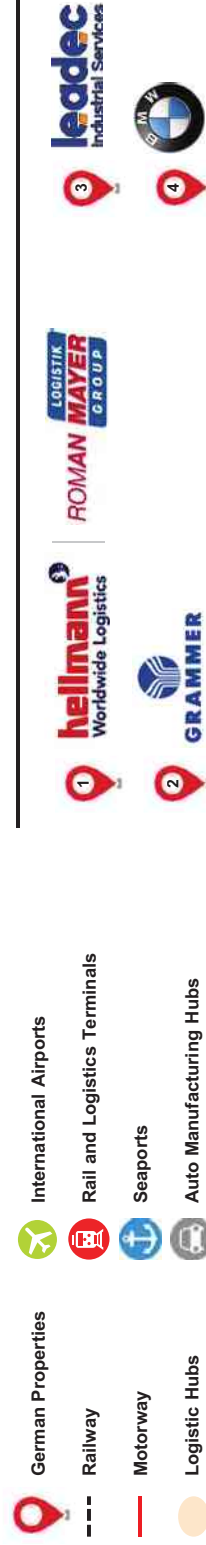
Source: Independent Market Research Report (See Appendix C "Independent Market Research Report" for further details).
 1. Facility is leased to LCI FreightLog GmbH and serves Porsche AG, Porsche AG is obliged to compensate any vacancy with a guarantee expiry in August 2032.

German Logistics Cluster (Munich – Nuremberg)

- ✓ Underpinned by Munich - capital of Bavaria and one of the most important commercial centers in Europe and Germany
- ✓ Ranked as the #1 hi-tech location in Europe by the European Commission
- ✓ Houses notable occupiers such as BMW, MAN, Allianz, Siemens and Bosch
- ✓ Located on the intersection of two core network corridors of the Trans-European Transport Network
- ✓ Serves as a distribution centre and logistics hub for Southern Germany
- ✓ Easy access to extensive road and rail network, multimodal reloading point at the Riem container terminal and fast-growing cargo transportation facilities at Munich's international airport hub



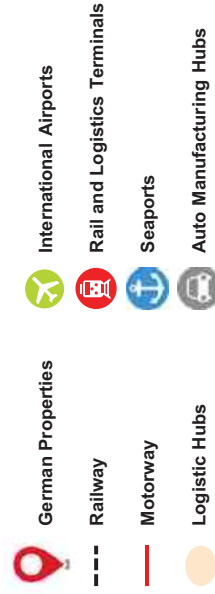
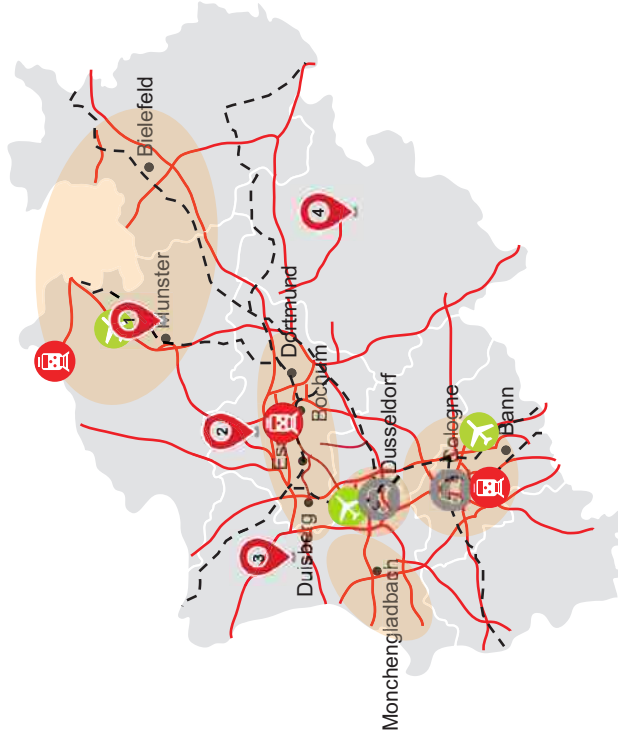
Portfolio Tenants



Source: Independent Market Research Report (See Appendix C "Independent Market Research Report" for further details).

German Logistics Cluster (Dusseldorf – Cologne)

- ✓ Underpinned by Dusseldorf – state capital of North Rhine-Westphalia (a key economic area and the most populous state of Germany)
- ✓ 9 of Europe's top 100 logistics companies are located in North Rhine-Westphalia along with over 24,000 logistics companies
- ✓ Key economic hub for many global Japanese companies, including Toyota, Nissan, Canon, NEC, Mitsubishi and Nippon Steel
- ✓ Significant supply shortage as majority of logistics space are constructed exclusively for owner-occupiers and are rarely made available on market
- ✓ Densest network of autobahns in Germany
- ✓ A major hub in the Deutsche Bahn railway network and is also directly accessible via the A3 motorway
- ✓ Served by Cologne Bonn Airport (ranked Germany's third in air cargo) and Dusseldorf International Airport (ranked Germany's third in passenger traffic)



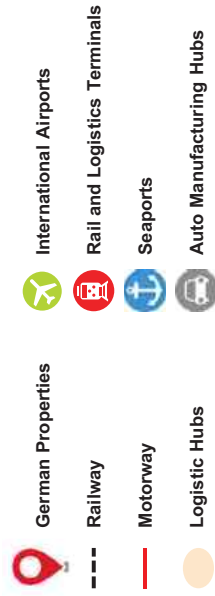
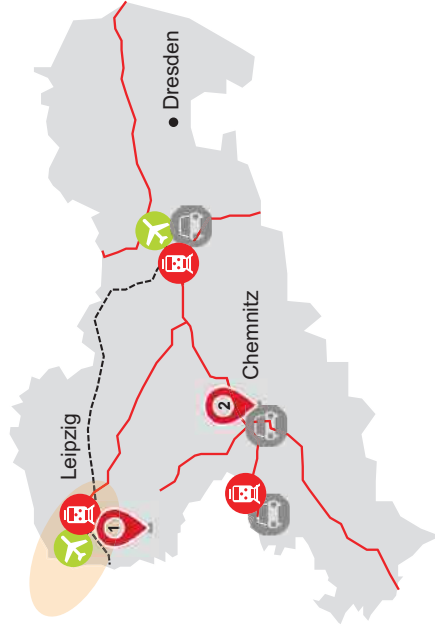
Portfolio Tenants



Source: Independent Market Research Report (See Appendix C "Independent Market Research Report" for further details).

German Logistics Cluster (Leipzig – Chemnitz)

- ✓ Underpinned by Leipzig – the most populous city in the federal state of Saxony that enjoys the highest GDP per capita among Germany’s five Eastern states
- ✓ Diversified economic structure which enjoys economic contribution from global blue-chip corporations (e.g. BMW, Porsche and DHL) as well as medium-sized companies
- ✓ Serviced by the Leipzig/Halle Airport and the Dresden Airport
- ✓ Leipzig is well-connected via rail and serves as a junction of important north-to-south and west-to-east railway lines
- ✓ Chemnitz is situated at the intersection of two key motorways – the A4 Erfurt-Dresden and the A72 Hof-Leipzig autobahns
- ✓ Within 1 hour’s reach of Berlin and 5 hours’ reach of Munich via the transnational InterCity Express train



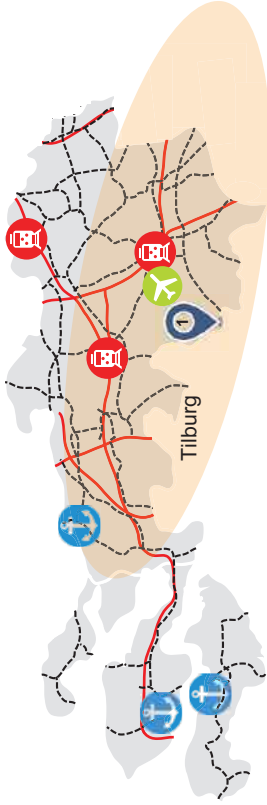
Portfolio Tenants



Source: Independent Market Research Report (See Appendix C 'Independent Market Research Report' for further details).

Dutch Logistics Cluster (Tilburg – Venlo)

Tilburg

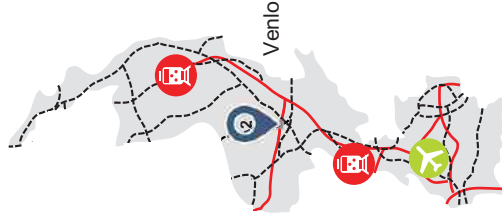


Portfolio Tenant



- ✓ The Netherlands' 6th largest city and largest inland logistics hub
- ✓ One of the most important industrial centres in the Netherlands with large industrial sites that attract many large national and international companies
- ✓ Centrally located in Noord-Brabant close to the Belgium border and alongside the motorway A58, an important east-west axis ensuring supply from the seaports of Rotterdam and Antwerp
- ✓ A key city in the Belt and Road Initiative given its direct connection to China via the Chengdu-Europe Express Rail

Venlo



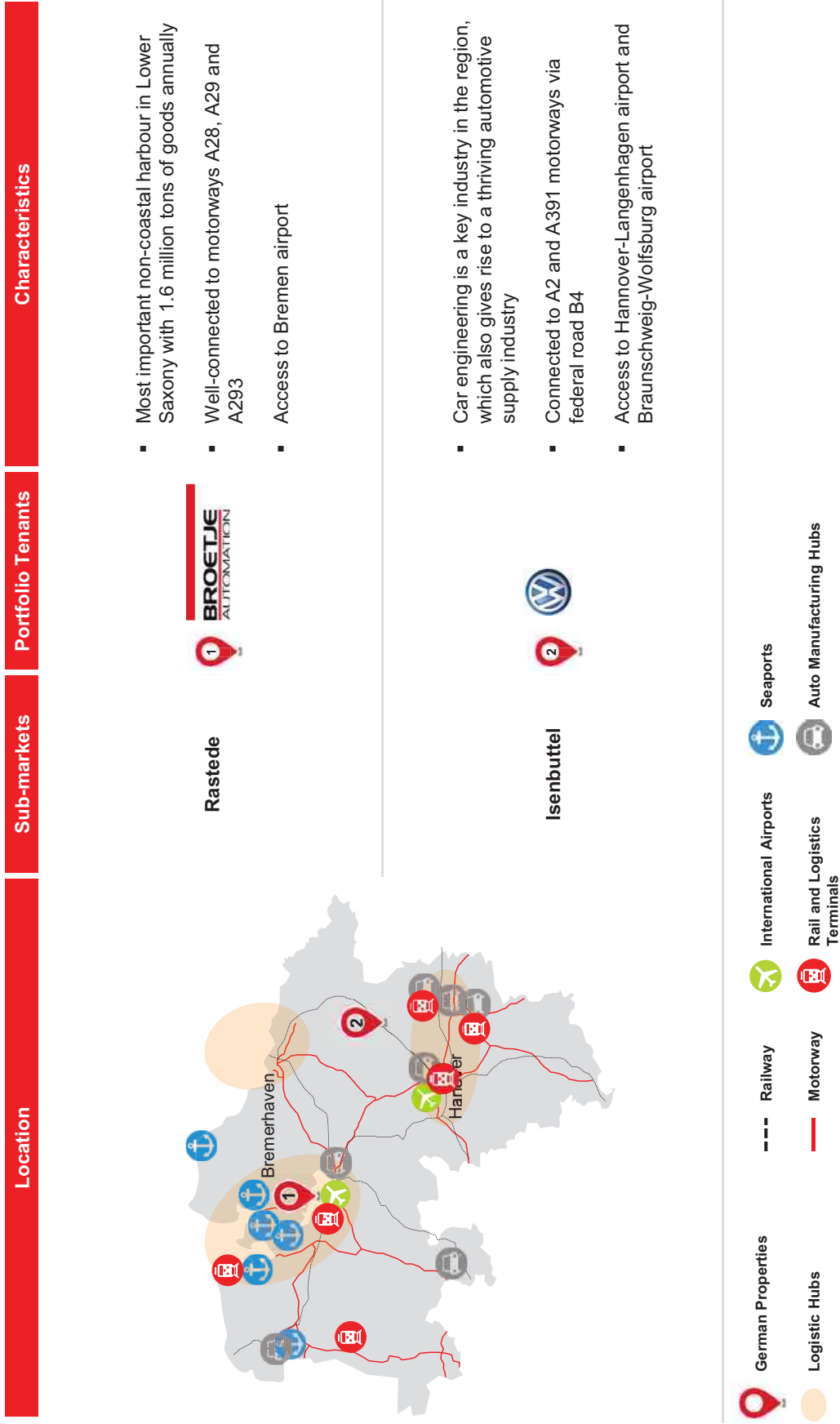
Portfolio Tenant



- ✓ The main logistics hotspot of the Netherlands due to its strategic location between the Randstad, Flemisch and Ruhr regions
- ✓ Economic structure is characterised by the widespread presence of trade, transport and industrial sectors
- ✓ Rapid growth of transport infrastructure in combination with the relatively low land and rents make the region an attractive location for the distribution sector
- ✓ A new rail terminal is in development, which will be the largest inland terminal in the Netherlands

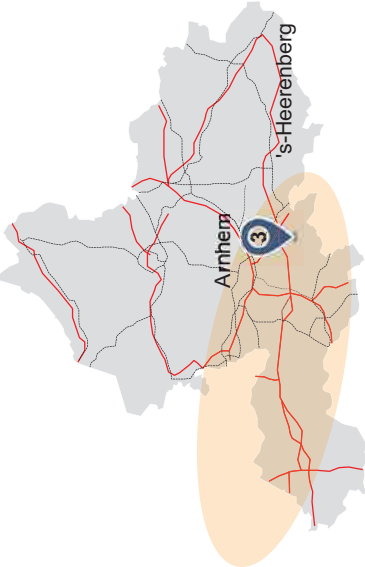


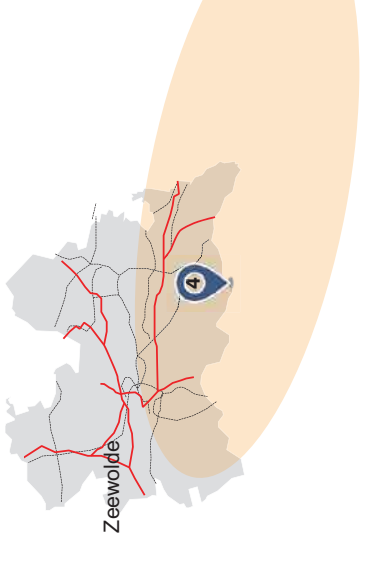




German Logistics Cluster (Hamburg – Bremen)



Source: Independent Market Research Report (See Appendix C "Independent Market Research Report" for further details).

Dutch Logistics Cluster (Utrecht – Zeewolde)

Location	Sub-markets	Portfolio Tenants	Characteristics
	<p>'s-Heerenberg</p> 		<ul style="list-style-type: none"> One of the most notable logistics locations in the eastern part of the Netherlands due to the strong infrastructure Excellent connection via motorway A12 to a barge and rail terminal Large occupiers such as Wim Bosman, Mainfreight, JCL and DSV already recognise the strength of this market
	<p>Zeewolde</p> 		<ul style="list-style-type: none"> Has 8 industrial estates with the concentration of logistics activities at the logistic park Trekkersveld I and II and III Notable occupiers are Bakker Logistics, Verbeek's Plumvee Beheer, Wolter Koops Logistics and Kees Becker Logistics Very accessible by car via the A28 and A27 motorways



Dutch Properties
Logistic Hubs



Railway



International Airports



Seaports



Logistic Hubs



Motorway



Rail and Logistics Terminals



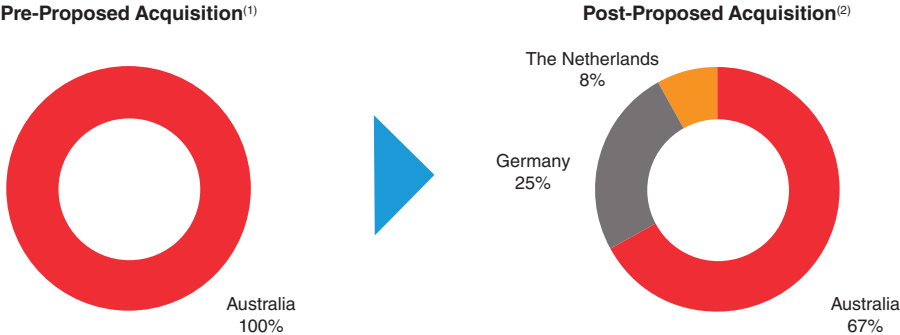
Auto Manufacturing Hubs

Source: Independent Market Research Report (See Appendix C "Independent Market Research Report" for further details).

8.3 Enlarged and Diversified Portfolio Positioned for Long-term Growth

8.3.1 Enhanced geographical diversification

The Proposed Acquisition will allow FLT to achieve diversification into the attractive German and Dutch logistics markets.

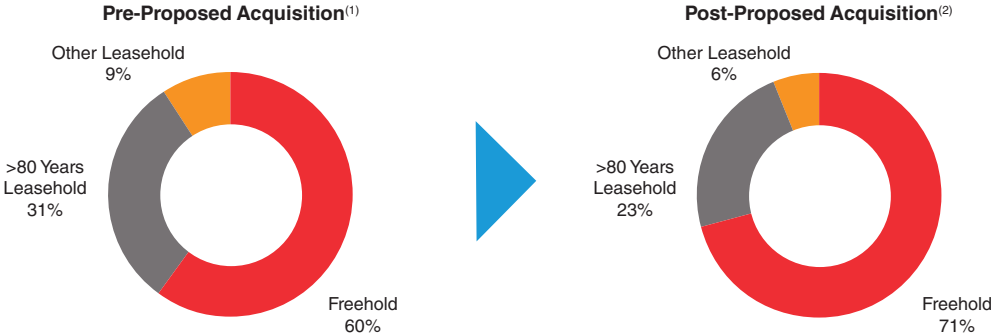


Notes:

- (1) Based on the Existing Portfolio Appraised Value and excludes Clifford Hallam Facility which is under development.
- (2) Based on the Existing Portfolio Appraised Value and the New Properties Appraised Value.

8.3.2 Increased proportion of freehold assets in the Enlarged Portfolio

The Proposed Acquisition will increase the proportion of freehold assets in the Existing Portfolio from 59.8% (under the Existing Portfolio) to 70.6% (under the Enlarged Portfolio).

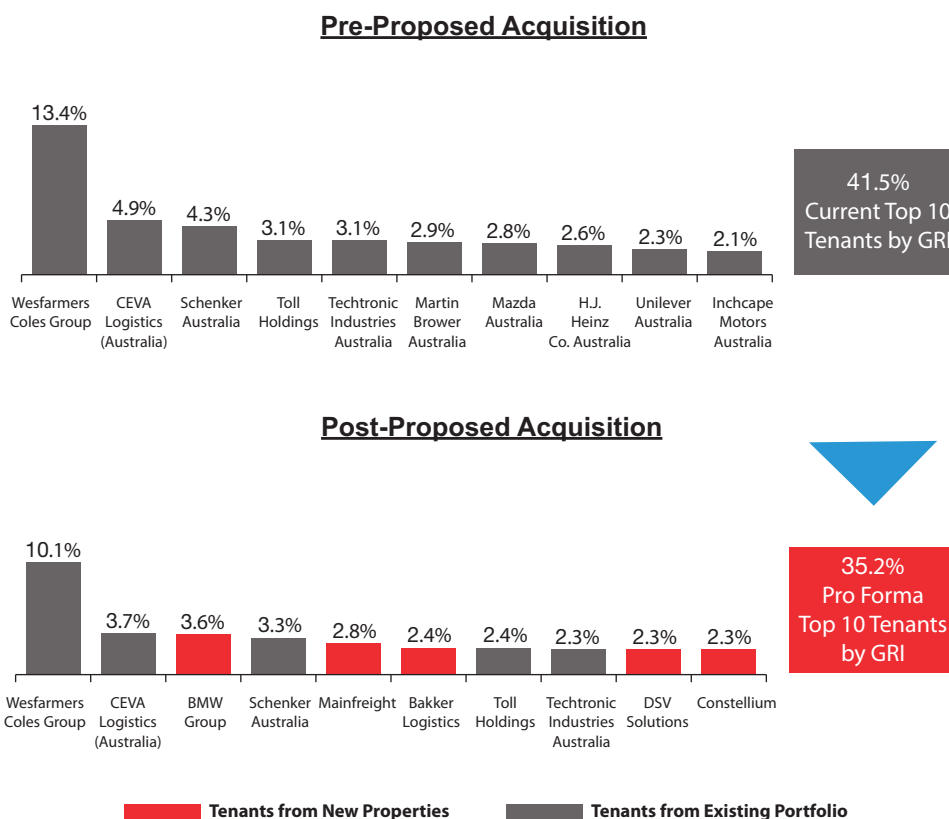


Notes:

- (1) Breakdown based on the Existing Portfolio Appraised Value and excludes Clifford Hallam Facility which is under development.
- (2) Based on the Existing Portfolio Appraised Value and the New Properties Appraised Value.

8.3.3 Reduced concentration risk in the top 10 tenants

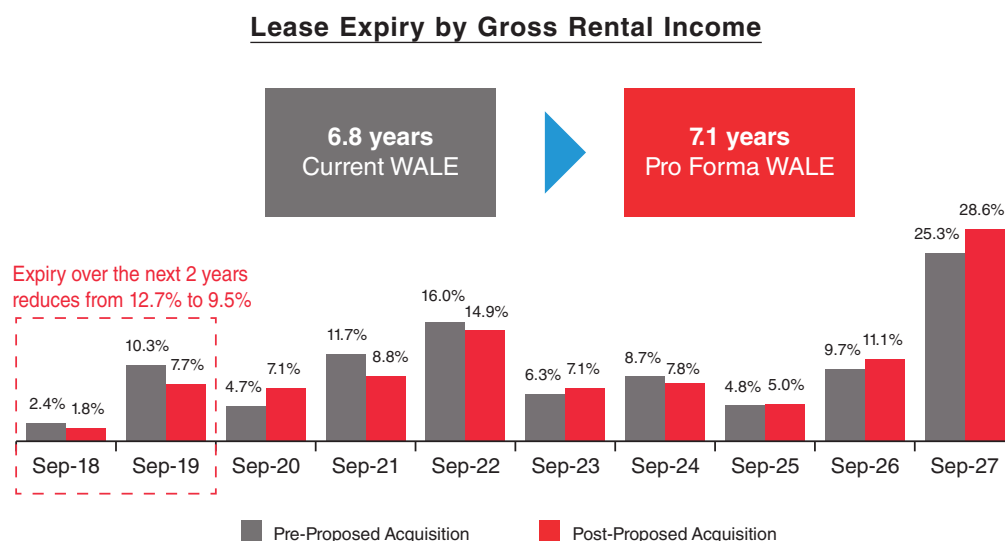
The top 10 tenants' contribution to the Existing Portfolio's Gross Rental Income for the month of December 2017 will decrease from 41.5% to 35.2% following the Proposed Acquisition.



Note: Breakdown based on Gross Rental Income for the month of December 2017 and excludes Clifford Hallam Facility which is under development.

8.3.4 Improved portfolio WALE

Leases expiring in FY2018 to FY2019 will decrease from 12.7% to 9.5% of Gross Rental Income for the month of December 2017. The Existing Portfolio's WALE will also increase from the current 6.8 years to 7.1 years following the completion of the Proposed Acquisition.



Note: Breakdown based on Gross Rental Income for the month of December 2017 and excludes Clifford Hallam Facility which is under development.

8.4 Leveraging Sponsor's Integrated Development and Asset Management Platform

8.4.1 Access to the Sponsor's widened logistics and industrial platform

FLT will be able to leverage on the Sponsor's integrated logistics and industrial platform in Europe via Frasers Property Europe ("FPE"), which comprises of Geneva (a subsidiary of FPL) and its recently announced acquisition of Alpha Industrial GmbH & Co KG ("Alpha Industrial")¹. The Alpha Industrial and the Geneva management teams will become an integral part of FPE's platform, which the Sponsor started building with the acquisition of Geneva in July 2017. Similar to the Sponsor's platform in Australia, FPE has extensive experience in the development and management of logistics and industrial real estate assets in Europe, with core competencies across the entire value chain.

In particular, with the completion of the acquisition of Alpha Industrial, FPE will have a strong greenfield development and solutions implementation capability. This can be demonstrated by Alpha Industrial's track record of developing more than 300,000 sq m of modern logistics space in Europe over the last three years. The team of practised specialists supervises all phases of the project, from its inception to completion.

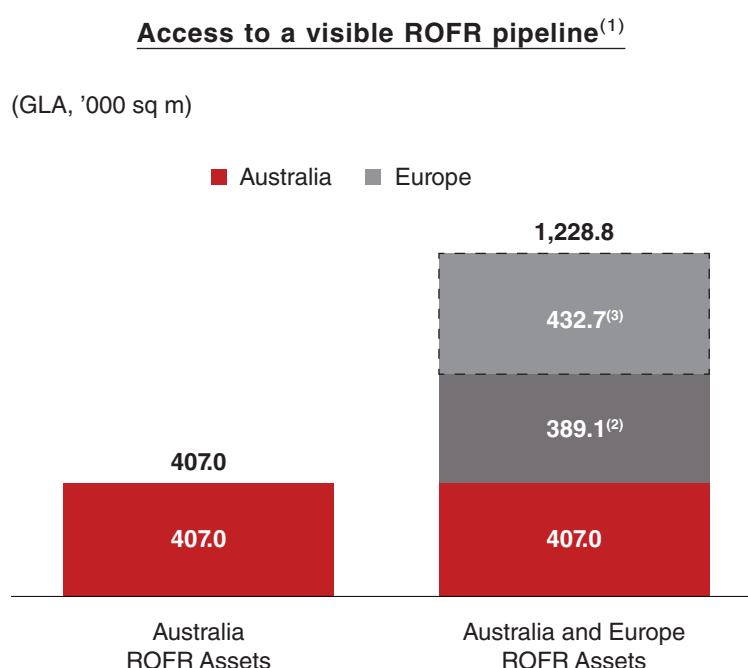
¹ Please refer to the announcement and press release issued by the Sponsor on 19 February 2018 where it was announced that the Sponsor had entered into a series of sale and purchase agreements to acquire a property portfolio of 22 assets, mainly owned and managed by Alpha Industrial Holding S.A, Luxembourg, as well as the project and asset management business of Alpha Industrial.

FPE also has a strong asset and property management capability. The local team has strong asset management experience, deep knowledge of logistics and industrial real estate, including tenants' businesses, and a proven track record of growing the portfolio size from €350 million since inception to €540 million in a short span of three years. Furthermore, the Alpha Industrial platform manages over one million sq m of logistics properties at 39 locations around Europe.

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

8.4.2 Access to a visible ROFR pipeline

With the broadening of its initial focus from Australia to include Europe through the Proposed Transaction, FLT will have access to a visible ROFR pipeline of approximately 1.2 million sq m of completed Australian and European industrial assets from the Sponsor.



Notes:

- (1) Only completed income-producing real estate assets which are used for logistics or industrial purposes are included in the terms of the ROFR dated 9 June 2016 which was provided by the Sponsor to the Trustee at IPO.
- (2) As at 31 March 2018 (excluding the GLA of the New Properties amounting to approximately 595,000 sq m).
- (3) Subject to the completion of the proposed acquisition of Alpha Industrial's portfolio of 16 completed logistics and industrial assets and one logistics asset in Germany. Excludes the eight logistics assets which are acquired as development and forward purchases with a total additional GLA of approximately 152,100 sq m.

The ROFR pipeline comprises 16 assets from Australia with a total GLA of approximately 407,000 sq m and six assets from Europe with a total GLA of approximately 389,100 sq m as at 31 March 2018. There will be a potential addition of 17 ROFR assets from Europe with GLA of approximately 432,700 sq m upon the completion of the acquisition of Alpha Industrial's portfolio of 16 completed logistics and industrial assets and one logistics asset in Germany by the Sponsor. Furthermore, FPE's eight logistics projects which are acquired as development and forward purchases with a total additional GLA of approximately 152,100 sq m will contribute to a pipeline of potential ROFR properties for FLT when they are completed.

8.4.3 Strong track record of enhancing value through AEIs

FPE has a strong track record of enhancing value through AEIs. Some examples of AEIs completed by the FPE team for selected New Properties are set out in the table below. The Manager will continue to tap on the resources of FPE to assess and undertake potential AEIs in the New Properties to generate value for Unitholders.

Property	Tenant	AEI	NPI Uplift ⁽¹⁾
Isenbuettel			
		<ul style="list-style-type: none"> Increase power supply and build-out of further staff facilities Provided full planning of build-out with project management services for tenant 	+€125,000 p.a. (+15.5%)
Gottmadingen			
		<ul style="list-style-type: none"> Developed build-out of asset including development of storage space and construction of parking and social spaces Conducted full planning of extension and keeping close proximity of progress while engaging tenant 	+€423,827 p.a. (+15.5%)
Nuremberg			
		<ul style="list-style-type: none"> Expansion of 22,725 sq m of modern Class A logistic space in the Port of Nuremberg Space was 100% pre-leased prior to start of construction with completion expected in June 2018. 	€1,516,030 additional rent

Note:

(1) Refers to year-on-year increases in rental income before and after AEI for each respective New Property.

8.5 Consistent with the Manager's Investment Strategy

8.5.1 In line with FLT's key objectives

The Proposed Acquisition is in line with FLT's key objectives of delivering stable and regular distributions as well as long-term distribution per Unit ("**DPU**") growth to Unitholders. The portfolio of New Properties provides geographical diversification to the Existing Portfolio and access to the attractive German and Dutch logistics markets which are Europe's gateway to global trade. The portfolio of New Properties comprises prime and predominantly freehold logistics and light industrial assets, which are similar in characteristics to the Australian assets in the Existing Portfolio. As at 31 December 2017, the New Properties are 100% occupied by quality tenants through long leases, offering income stability with 89% of leases having CPI-linked indexation or fixed annual escalations. The Enlarged Portfolio, through tenant diversification, reduces concentration risks for FLT's portfolio. Following the Proposed Acquisition, the Manager will continue to maintain an optimal capital mix and prudent capital management for FLT.

Based on the pro forma financial effects of the Proposed Transaction on the DPU for Q1 FY2018¹, the Proposed Transaction is expected to be DPU accretive to Unitholders by approximately 1.7%.

Upon completion of the Proposed Transaction, FLT's Net Property Income and Distributable Income for Q1 FY2018¹ will be enlarged by 38.5% and 35.1% respectively.

9. CERTAIN FINANCIAL INFORMATION RELATING TO THE PROPOSED TRANSACTION

9.1 Pro Forma Financial Effects of the Proposed Transaction based on the FLT Unaudited Financial Statements

The pro forma financial effects of the Proposed Transaction for Q1 FY2018 on the DPU and NAV per Unit presented below are strictly for illustrative purposes only and were prepared based on:

- (a) the FLT Unaudited Financial Statements² for Q1 FY2018,
- (b) the management accounts for the New Properties for Q1 FY2018 (save for the LGI Facility which was only acquired by FPL on 29 November 2017, and not including the AElS being performed on the Constellium Facility and the Roman & Hellmann Facility) (the "**New Properties Management Accounts**") (translated at an exchange rate of €1:A\$1.54),

¹ Please refer to paragraph 9.1.1 below for the pro forma financial effects of the Proposed Transaction on FLT's DPU, Net Property Income and Distributable Income for Q1 FY2018.

² In respect of the Existing Portfolio, save for (i) the Beaulieu Facility where the financial information was based on the period from 13 October 2017 (date of practical completion) to 31 December 2017 and extrapolated to 92 days, (ii) the Stanley Black & Decker Facility where the financial information was based on the period from 17 November 2017 (date of practical completion) to 31 December 2017 and extrapolated to 92 days, and (iii) the Clifford Hallam Facility where the financial information was extracted from the pro forma financial effects section as set out in the circular to Unitholders dated 11 July 2017 in respect of the period from 1 June 2018 to 31 August 2018 (92 days).

- (c) the management accounts for the LGI Facility for the period from 29 November 2017 to 31 December 2017 and extrapolated to 92 days (the “**LGI Facility Accounts**”),
- (d) the estimated Net Property Income¹ generated for a 92-day period calculated based on the pre-committed lease for the Phase 1 expansion on the Constellium Facility which was completed on 1 January 2018 (the “**Constellium Phase 1 AEI Income**”),
- (e) the estimated Net Property Income¹ generated for a 92-day period calculated based on the pre-committed lease for the Phase 2 expansion on the Constellium Facility which was completed on 1 April 2018 (the “**Constellium Phase 2 AEI Income**”), and
- (f) the estimated Net Property Income¹ generated for a 92-day period calculated based on the pre-committed lease for the expansion on the Roman & Hellmann Facility which is currently in progress and expected to be completed on 1 July 2018, adjusted for the assumed financing to be implemented for such expansion (the “**Roman & Hellmann Facility AEI Income**”),

taking into account the Total Transaction Cost, and certain assumptions including (but not limited to) the following:

- (i) approximately 493.6 million new Units are issued under the Private Placement and the Preferential Offering;
- (ii) Acquisition Fee of approximately €2.8 million paid in Units to the Manager in respect of the Proposed Acquisition;
- (iii) the balance of the Total Transaction Cost is financed by borrowings; and
- (iv) the Total Transaction Cost is translated at an exchange rate of €1:S\$1.63.

For the avoidance of doubt, financial information obtained from the management accounts, estimated financial results and estimated annual net income in respect of the New Properties have taken into account the effective interests which FLT will be acquiring in the New Properties.

¹ The estimated Net Property Income based on the committed leases is used in respect of the Phase 1 and Phase 2 expansions of the Constellium Facility and expansion on the Roman & Hellmann Facility as to not do so would not be representative of the effects of the Proposed Acquisition and not be meaningful to investors.

- (i) The Phase 1 expansion on the Constellium Facility represents approximately 0.7% (by Net Property Income) of the New Properties to be acquired.
- (ii) The Phase 2 expansion on the Constellium Facility represents approximately 0.3% (by Net Property Income) of the New Properties to be acquired.
- (iii) The expansion on the Roman & Hellmann Facility represents approximately 4.3% (by Net Property Income) of the New Properties to be acquired.

9.1.1 Pro Forma DPU

The pro forma financial effects of the Proposed Transaction on the DPU for Q1 FY2018, are strictly for illustration purposes only, as if (a) FLT had purchased the New Properties and the Proposed Transaction had completed on 1 October 2017, and (b) all the New Properties are or are assumed to be generating Net Property Income for Q1 FY2018, based on (i) the New Properties Management Accounts, (ii) the LGI Facility Accounts, (iii) the Constellium Phase 1 AEI Income, (iv) the Constellium Phase 2 AEI Income, and (v) the Roman & Hellmann Facility AEI Income, and are as follows:

FOR ILLUSTRATION PURPOSES ONLY

	Pro Forma Effects of the Proposed Transaction for Q1 FY2018	
	Before the Proposed Transaction	After the Proposed Transaction ⁽¹⁾
Net Property Income (A\$ m)	34.8	48.2 ^{(2),(3)}
Distributable Income (A\$ m)	25.9	35.0 ^{(2),(4)}
No. of Units ('000)	1,520,637 ⁽⁵⁾	2,019,810 ⁽⁶⁾
DPU (Australian cents)	1.70	1.73
DPU (Singapore cents)	1.80 ⁽⁷⁾	1.83 ⁽⁷⁾

Notes:

- (1) Taking into account the Equity Fund Raising, and that the balance of the Total Transaction Cost is financed with borrowings.
- (2) Based on an exchange rate of €1:A\$1.54.
- (3) Adjusted for the property management fees payable (assumed at 2% of the contracted rental income for the New Properties).
- (4) Adjusted for the Manager's management fees and the property management fees payable (assumed at 2% of the contracted rental income for the New Properties) and related tax effects.
- (5) Number of issued and issuable Units entitled to distribution as at 31 December 2017 as stated in the FLT Unaudited Financial Statements.
- (6) Based on the issued and issuable Units as at 31 December 2017 in note (5) above and includes (a) New Units issued under the Equity Fund Raising, and (b) new Units issuable as payment of the Manager's base management fees and acquisition fees for the New Properties.
- (7) Based on an exchange rate of A\$1:S\$1.06.

9.1.2 Sensitivity Analysis on Pro Forma DPU

The pro forma financial effects of the Proposed Transaction are based on a number of key assumptions that have been outlined earlier in this Circular.

Unitholders should be aware that future events cannot be predicted with any certainty and deviations from the pro forma financial effects of the Proposed Transaction in this Circular are to be expected. To assist Unitholders in assessing the impact of these assumptions on the pro forma financial effects of the Proposed Transaction on the DPU, the sensitivity of DPU to changes in the issue price of New Units and the number of New Units issued under the Equity Fund Raising are set out below.

The sensitivity analysis below is intended as a guide only to show the pro forma DPU and DPU accretion at various issue prices and numbers of New Units issued under the Equity Fund Raising, and variations in actual performance could exceed the ranges shown. Movements in other variables may offset or compound the effect of a change in any variable beyond the extent shown. The sensitivity analysis has been prepared using the assumptions (as defined in paragraph 9.1 above).

Changes in the issue price of the New Units will have an impact on the number of the New Units to be issued under the Equity Fund Raising and consequently the DPU. The Illustrative Issue Price has been assumed to be S\$1.00 per New Unit. The effects of variations in the issue price per New Unit on the DPU for Q1 FY2018 are set out below:

FOR ILLUSTRATION PURPOSES ONLY

Range of issue price (S\$)	Approximate number of New Units issued under the Equity Fund Raising (million)	Pro Forma DPU for Q1 FY2018 (Singapore cents)		DPU Accretion (%)
		Existing Portfolio	Enlarged Portfolio	
0.94	525.0	1.80	1.80	0.0
0.96	514.2	1.80	1.81	0.6
0.98	503.7	1.80	1.82	1.1
1.00	493.6	1.80	1.83	1.7
1.02	483.9	1.80	1.84	2.2
1.04	474.6	1.80	1.84	2.2
1.06	465.6	1.80	1.85	2.8

Changes in the number of New Units issued under the Equity Fund Raising will have an impact on the amount of equity raised and the drawdown of loan facilities and consequently the DPU. The Illustrative Issue Price has been assumed to be S\$1.00 per New Unit. The effects of variations in the number of New Units issued under the Equity Fund Raising on the DPU for Q1 FY2018 are set out below:

FOR ILLUSTRATION PURPOSES ONLY

Approximate number of New Units issued under the Equity Fund Raising (million)	Size of Equity Fund Raising (S\$ m)	Pro Forma DPU for Q1 FY2018 (Singapore cents)		DPU Accretion (%)	Post-Proposed Transaction Aggregate Leverage (%)
		Existing Portfolio	Enlarged Portfolio		
465.0	465.0	1.80	1.85	2.8	37.7
475.0	475.0	1.80	1.84	2.2	37.4
485.0	485.0	1.80	1.83	1.7	37.1
493.6	493.6	1.80	1.83	1.7	36.8
505.0	505.0	1.80	1.82	1.1	36.4
515.0	515.0	1.80	1.81	0.6	36.1
525.0	525.0	1.80	1.80	0.0	35.8

9.1.3 Pro Forma NAV

The pro forma financial effects of the Proposed Transaction on the NAV per Unit as at 31 December 2017, as if the Proposed Transaction had been completed on 31 December 2017, are as follows:

	Pro Forma Effects of the Proposed Transaction as at 31 December 2017	
	Before the Proposed Transaction	After the Proposed Transaction ⁽¹⁾
NAV (A\$ m)	1,339.7 ⁽²⁾	1,813.6 ⁽³⁾
No. of Units ('000)	1,521,894 ⁽⁴⁾	2,021,500 ⁽⁵⁾
NAV per Unit (A\$)	0.88	0.90

Notes:

- (1) Taking into account the Equity Fund Raising, and that the balance of the Total Transaction Cost is financed with borrowings.
- (2) Based on the FLT Unaudited Financial Statements.
- (3) Based on an exchange rate of €1:A\$1.54.
- (4) Number of Units issued and issuable as at 31 December 2017.
- (5) Based on the issued and issuable Units as at 31 December 2017 in note (4) above and includes (a) New Units issued under the Equity Fund Raising, and (b) new Units issuable as payment of the Manager's base and performance management fees and acquisition fees for the New Properties.

9.1.4 Pro Forma Capitalisation

The following table sets forth the pro forma capitalisation of FLT as at 31 December 2017, as if FLT had completed the Proposed Transaction on 31 December 2017.

	Actual⁽¹⁾ (A\$ m)	As adjusted for the Proposed Transaction⁽²⁾ (A\$ m)
Total assets	1,987.1	2,932.8
Total debt	615.0	1,078.7
Total Unitholders' funds (excluding non-controlling interests)	1,339.7	1,795.8
Total Capitalisation	1,954.7	2,874.5
Gearing Ratio⁽³⁾ (%)	30.9	36.8

Notes:

- (1) Based on the FLT Unaudited Financial Statements.
- (2) Taking into account the Equity Fund Raising, and that the balance of the Total Transaction Cost is financed with borrowings.
- (3) Calculated based on gross debt divided by total assets.

9.2 Pro Forma Financial Effects of the Proposed Transaction based on the FLT Audited Financial Statements

The pro forma financial effects of the Proposed Transaction for the period from 20 June 2016 (being the Listing Date) to 30 September 2017 (being a period of 467 days) on the DPU and NAV per Unit presented below are strictly for illustrative purposes only and were prepared based on:

- (a) the FLT Audited Financial Statements¹,
- (b) the management accounts for the New Properties for the period from 1 July 2017² through to 30 September 2017 (92 days) (save for the BMW Group Moosthenning Facility and the LGI Facility which were only acquired by FPL on 9 October 2017 and 29 November 2017, respectively, and not including the AEIs being performed on the Constellium Facility and the Roman & Hellmann Facility) (the **"New Properties 4QFY2017 Management Accounts"**) (translated at an exchange rate of €1:A\$1.54),

¹ FLT was dormant from 30 November 2015 (the date of its constitution) until 14 June 2016, being the acquisition date in respect of the properties in the Existing Portfolio which are not located in Queensland, Australia (the **"Non-Queensland Properties"**), when the acquisition by FLT of the 42 Non-Queensland properties forming part of the Existing Portfolio was completed. The acquisition of leasehold interests in the nine remaining properties located in Queensland, Australia, forming part of the Existing Portfolio was completed on the Listing Date) when the grant of the leases was completed.

² The acquisition of the New Properties (save for the BMW Group Moosthenning Facility and the LGI Facility) by FPL was only completed on 5 July 2017.

- (c) the management accounts for the BMW Group Moosthenning Facility for Q1 FY2018 (the “**BMW Group Moosthenning Facility Accounts**”),
- (d) the LGI Facility Accounts,
- (e) the Constellium Phase 1 AEI Income,
- (f) the Constellium Phase 2 AEI Income, and
- (g) the Roman & Hellmann Facility AEI Income,

taking into account the Total Transaction Cost, and certain assumptions including (but not limited to) the following:

- (i) 494,000,000 new Units are issued under the Private Placement and the Preferential Offering;
- (ii) Acquisition Fee of approximately €2.8 million paid in Units to the Manager in respect of the Proposed Acquisition; and
- (iii) the balance of the Total Transaction Cost is financed by borrowings;
- (iv) the Total Transaction Cost is translated at an exchange rate of €1:\$1.63.

For the avoidance of doubt, financial information obtained from the management accounts, estimated financial results and estimated annual net income in respect of the New Properties have taken into account the effective interests which FLT will be acquiring in the New Properties.

9.2.1 Pro Forma DPU

The pro forma financial effects of the Proposed Transaction on the DPU for the period from 20 June 2016 (being the Listing Date) through to 30 September 2017 (being a period of 467 days), are strictly for illustration purposes only, as if (a) FLT had purchased the New Properties and the Proposed Transaction had completed on 1 July 2017, and (b) all the New Properties (including the asset enhancement initiatives being performed on the Constellium Facility and the Roman & Hellmann Facility) are or are assumed to be generating Net Property Income for the period from 1 July 2017 through to 30 September 2017 (being a period of 92 days), based on (i) the New Properties 4QFY2017 Management Accounts, (ii) the BMW Group Moosthenning Facility Accounts, (iii) the LGI Facility Accounts, (iv) the Constellium Phase 1 AEI Income, (v) the Constellium Phase 2 AEI Income, and (vi) the Roman & Hellmann Facility AEI Income, and are as follows:

FOR ILLUSTRATION PURPOSES ONLY

	Pro Forma Effects of the Proposed Transaction for the period from Listing Date to 30 September 2017	
	Before the Proposed Transaction	After the Proposed Transaction ⁽¹⁾
Net Property Income (A\$ m)	169.7	182.3 ^{(2),(3)}
Distributable Income (A\$ m)	127.9	136.9 ^{(2),(4)}
No. of Units ('000)	1,519,129 ⁽⁵⁾	2,018,719 ⁽⁶⁾
DPU (Australian cents)	8.84	8.85
DPU (Singapore cents)	8.85 ⁽⁷⁾	8.88 ⁽⁷⁾

Notes:

- (1) Taking into account the Equity Fund Raising, and that the balance of the Total Transaction Cost is financed with borrowings.
- (2) Based on an exchange rate of €1:A\$1.54.
- (3) Adjusted for the property management fees payable (assumed at 2% of the contracted rental income for the New Properties).
- (4) Adjusted for the Manager's management fees and the property management fees payable (assumed at 2% of the contracted rental income for the New Properties) and related tax effects.
- (5) Number of issued and issuable Units entitled to distribution as at 30 September 2017 as stated in the FLT Audited Financial Statements.
- (6) Based on the issued and issuable Units as at 30 September 2017 in note (5) above and includes (a) New Units issued under the Equity Fund Raising, and (b) new Units issuable as payment of the Manager's base and performance management fees and acquisition fees for the New Properties.
- (7) Based on an exchange rate of A\$1:S\$1.00.

9.2.2 Pro Forma NAV

The pro forma financial effects of the Proposed Transaction on the NAV per Unit as at 30 September 2017, as if the Proposed Transaction had been completed on 30 September 2017, are as follows:

	Pro Forma Effects of the Proposed Transaction as at 30 September 2017	
	Before the Proposed Transaction	After the Proposed Transaction ⁽¹⁾
NAV (A\$ m)	1,337.5 ⁽²⁾	1,811.2 ⁽³⁾
No. of Units ('000)	1,519,599 ⁽⁴⁾	2,019,189 ⁽⁵⁾
NAV per Unit (A\$)	0.88	0.90

Notes:

- (1) Taking into account the Equity Fund Raising, and that the balance of the Total Transaction Cost is financed with borrowings.
- (2) Based on the FLT Audited Financial Statements.
- (3) Based on an exchange rate of €1:A\$1.54.
- (4) Number of Units issued and issuable as at 30 September 2017.
- (5) Based on the issued and issuable Units as at 30 September 2017 in note (4) above and includes (a) New Units issued under the Equity Fund Raising, and (b) new Units issuable as payment of the Manager's base and performance management fees and acquisition fees for the New Properties.

9.2.3 Pro Forma Capitalisation

The following table sets forth the pro forma capitalisation of FLT as at 30 September 2017, as if FLT had completed the Proposed Transaction on 30 September 2017.

	Actual ⁽¹⁾ (A\$ m)	As adjusted for the Proposed Transaction ⁽²⁾ (A\$ m)
Total assets	1,976.3	2,904.4
Total debt	580.0	1,027.7
Total Unitholders' funds (excluding non-controlling interests)	1,337.5	1,793.6
Total Capitalisation	1,917.5	2,821.3
Gearing Ratio⁽³⁾ (%)	29.3	35.4

Notes:

- (1) Based on the FLT Audited Financial Statements.
- (2) Taking into account the Equity Fund Raising, and that the balance of the Total Transaction Cost is financed with borrowings.
- (3) Calculated based on gross debt divided by total assets.

10. EXISTING RELATED PARTY TRANSACTIONS

Except for transactions with a value below S\$100,000¹, the Renewed Southeast Insurance of approximately A\$0.8 million² (see Appendix D of this Circular for details of the Existing Interested Person Transactions), both the Trustee and the Manager have not entered into any Related Party Transaction with FPL or its respective subsidiaries and associates during the course of the current financial year ending 30 September 2018 up to the Latest Practicable Date.

11. OPINION OF THE INDEPENDENT FINANCIAL ADVISER

11.1 The Manager has appointed Deloitte & Touche Corporate Finance Pte Ltd as the independent financial adviser (the “**IFA**”) to advise the independent Directors (the “**Independent Directors**”), the audit, risk and compliance committee of the Manager (the “**Audit, Risk and Compliance Committee**”) and the Trustee in relation to the Proposed Acquisition, the FPL Placement and the TCCGI Placement. A copy of the letter from the IFA to the Independent Directors, the Audit, Risk and Compliance Committee and the Trustee (the “**IFA Letter**”), containing its advice in full in relation to the Proposed Acquisition, the FPL Placement and the TCCGI Placement, is set out in Appendix A of this Circular. Unitholders are advised to read the IFA Letter in its entirety carefully.

11.2 The Proposed Acquisition

Having considered the factors and made the assumptions set out in the IFA Letter, and subject to the qualifications set out therein, the IFA is of the opinion that the Proposed Acquisition is based on normal commercial terms and is not prejudicial to the interests of FLT and its minority Unitholders.

The IFA is of the opinion that the Independent Directors recommend that Unitholders vote in favour of the resolution to approve the Proposed Acquisition.

11.3 The FPL Placement and the TCCGI Placement

Under Rule 921(4)(b)(i) of the Listing Manual, an opinion from an independent financial adviser is not required for Units issued pursuant to Part IV of Chapter 8 of the Listing Manual for cash.

Accordingly, as each of the FPL Placement and the TCCGI Placement involves the issue of Units in accordance with the requirements under Part IV of Chapter 8 of the Listing Manual, a letter from an independent financial adviser is not strictly required.

However, for the purpose of good corporate governance and to ensure that there is an independent analysis of the FPL Placement and the TCCGI Placement, the Manager has appointed the IFA to advise the Independent Directors, the Audit, Risk and Compliance Committee and the Trustee as to whether each of the FPL Placement and the TCCGI Placement is based on normal commercial terms and is not prejudicial to the interests of FLT and its minority Unitholders. Having considered the factors and made the assumptions set out in the IFA Letter, and subject to the qualifications set out therein, the IFA is of the opinion that each of the FPL Placement and the TCCGI Placement is based on normal commercial terms and is not prejudicial to the interests of FLT and its minority Unitholders.

The IFA is of the opinion that the Independent Directors recommend that Unitholders vote in favour of the resolutions to approve each of the FPL Placement and the TCCGI Placement.

¹ Rules 905(1), 905(2) and 906 of the Listing Manual do not apply to any transaction below S\$100,000.

² As at the date of this Circular.

12. RECOMMENDATIONS

12.1 The Proposed Acquisition

Based on the opinion of the IFA (as set out in the IFA Letter in Appendix A of this Circular) and having regard to the rationale for and key benefits of the Proposed Acquisition as set out in paragraph 8 above, the Independent Directors and the Audit, Risk and Compliance Committee are of the opinion that the Proposed Acquisition is based on normal commercial terms and is not prejudicial to the interests of FLT and its minority Unitholders.

Accordingly, the Independent Directors recommend that Unitholders vote at the EGM in favour of Resolution 1 relating to the Proposed Acquisition.

12.2 The Proposed Equity Fund Raising

Having regard to the rationale for the Proposed Equity Fund Raising as set out in paragraph 8 above, the Directors are of the opinion that the Proposed Equity Fund Raising would be beneficial to, and is in the interests of, FLT and its Unitholders.

Accordingly, the Directors recommend that Unitholders vote at the EGM in favour of Resolution 2 relating to the Equity Fund Raising.

12.3 The FPL Placement

Based on the opinion of the IFA (as set out in the IFA Letter in Appendix A of this Circular) and having regard to the rationale for and key benefits of the FPL Placement as set out in paragraph 8 above, the Independent Directors and the Audit, Risk and Compliance Committee are of the opinion that the FPL Placement is based on normal commercial terms and is not prejudicial to the interests of FLT and its minority Unitholders.

Accordingly, the Independent Directors recommend that Unitholders vote at the EGM in favour of Resolution 3 relating to the FPL Placement.

12.4 The TCCGI Placement

Based on the opinion of the IFA (as set out in the IFA Letter in Appendix A of this Circular) and having regard to the rationale for and key benefits of the TCCGI Placement as set out in paragraph 8 above, the Independent Directors and the Audit, Risk and Compliance Committee are of the opinion that the TCCGI Placement is based on normal commercial terms and is not prejudicial to the interests of FLT and its minority Unitholders.

Accordingly, the Independent Directors recommend that Unitholders vote at the EGM in favour of Resolution 4 relating to the TCCGI Placement.

13. EXTRAORDINARY GENERAL MEETING

The EGM will be held on 8 May 2018 at 10.30 a.m at Stephen Riady Auditorium @ NTUC, Level 7, NTUC Centre, One Marina Boulevard, Singapore 018989 for the purpose of considering and, if thought fit, passing with or without modification, the Ordinary Resolutions in the Notice of Extraordinary General Meeting, which is set out on pages F-1 to F-3 of this Circular. The purpose of this Circular is to provide Unitholders with relevant information about the resolutions.

Approval by way of an Ordinary Resolution is required in respect of all the resolutions.

A Depositor shall not be regarded as a Unitholder entitled to attend the EGM and to speak and vote unless he is shown to have Units entered against his name in the Depository Register, as certified by The Central Depository (Pte) Limited (“**CDP**”) as at 72 hours before the EGM.

Unitholders should note that Resolution 2 (the Equity Fund Raising), Resolution 3 (the FPL Placement) and Resolution 4 (the TCCGI Placement) are each conditional upon Resolution 1 (the Proposed Acquisition) being passed.

In the event that Resolution 1 is not passed, the Manager will not proceed with the Proposed Acquisition, the Equity Fund Raising, the FPL Placement and the TCCGI Placement.

For the avoidance of doubt, the Manager may still proceed with the Equity Fund Raising in the event that Resolution 3 (the FPL Placement) and/or Resolution 4 (the TCCGI Placement) are not passed.

14. ABSTENTIONS FROM VOTING

14.1 Relationship between the FPL Group and the Manager

As at the Latest Practicable Date, the Manager is a wholly-owned subsidiary of FPL. The FPL Group holds an aggregate indirect interest in 309,642,483 Units, comprising approximately 20.36% of the 1,520,637,483 Units in issue as at the Latest Practicable Date.

14.2 Abstentions From Voting

As at the Latest Practicable Date, the TCC Group (as defined herein), through the FPL Group, has a deemed interest in 309,642,483 Units, which comprises approximately 20.36% of the total number of Units in issue. TCCGI has a deemed interest in 89,887,000 Units, which comprises approximately 5.91% of the total number of Units in issue.

Resolution 1: The Proposed Acquisition

Rule 919 of the Listing Manual prohibits interested persons and their associates (as defined in the Listing Manual) from voting on a resolution in relation to a matter in respect of which such persons are interested at the EGM.

Given that the New Properties will be acquired from the Vendor, which is an indirect wholly-owned subsidiary of FPL, each of the TCC Group, the FPL Group, TCCGI and the Manager (i) will abstain, and will procure their associates to abstain from voting at the EGM on the resolution to approve the Proposed Acquisition and (ii) will not, and will procure that their associates will not, accept appointments as proxies in relation to the resolution to approve the Proposed Acquisition unless specific instructions as to voting are given.

Resolution 3: The FPL Placement

Rule 812(2) of the Listing Manual prohibits the restricted placee(s) under Rule 812(1) and each of its associates (as defined in the Listing Manual), from voting on the resolution to approve the placement to the restricted placee(s).

Each of the TCC Group, the FPL Group, TCCGI and the Manager (i) will abstain, and will procure their associates to abstain from voting at the EGM on the resolution to approve the FPL Placement and (ii) will not, and will procure that their associates will not, accept appointments as proxies in relation to the resolution to approve the FPL Placement unless specific instructions as to voting are given.

Resolution 4: The TCCGI Placement

Rule 812(2) of the Listing Manual prohibits the restricted placee(s) under Rule 812(1) and each of its associates (as defined in the Listing Manual), from voting on the resolution to approve the placement to the restricted placee(s).

Each of the TCC Group, the FPL Group, TCCGI and the Manager (i) will abstain, and will procure their associates to abstain from voting at the EGM on the resolution to approve the TCCGI Placement and (ii) will not, and will procure that their associates will not, accept appointments as proxies in relation to the resolution to approve the TCCGI Placement unless specific instructions as to voting are given.

15. ACTION TO BE TAKEN BY UNITHOLDERS

Unitholders will find enclosed in this Circular the Notice of Extraordinary General Meeting and a Proxy Form.

If a Unitholder is unable to attend the EGM and wishes to appoint a proxy to attend and vote on his behalf, he should complete, sign and return the enclosed Proxy Form in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the company secretary of the Manager at the office of the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01, Singapore 048623, not later than 5 May 2018 at 10.30 a.m., being 72 hours before the time fixed for the EGM. The completion and return of the Proxy Form by a Unitholder will not prevent him from attending and voting in person if he so wishes.

Persons who have an interest in the approval of the resolutions must decline to accept appointment as proxies unless the Unitholder concerned has specific instructions in his Proxy Form as to the manner in which his votes are to be cast in respect of the Resolutions.

16. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Transaction, FLT and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

17. JOINT GLOBAL CO-ORDINATORS AND BOOKRUNNERS' RESPONSIBILITY STATEMENT

To the best of the Joint Global Co-ordinators and Bookrunners' knowledge and belief, the information about the Equity Fund Raising contained in paragraph 3 above constitutes full and true disclosure of all material facts about the Equity Fund Raising, and the Joint Global Co-ordinators and Bookrunners are not aware of any facts the omission of which would make any statement about the Equity Fund Raising contained in the said paragraph misleading.

18. CONSENTS

The IFA, each of the Independent Valuers and the Independent Market Research Consultant have given and have not withdrawn their written consent to the issue of this Circular with the inclusion of their names and, respectively, the IFA Letter, the Valuation Summaries, the Independent Market Research Report and all references thereto, in the form and context in which they are included in this Circular.

19. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the registered office of the Manager¹ at 438 Alexandra Road, #21-00, Alexandra Point, Singapore 119958, from the date of this Circular up to and including the date falling three months after the date of this Circular:

- (i) the Share Purchase Agreement;
- (ii) the Deed of Indemnity;
- (iii) the IFA Letter;
- (iv) the valuation summaries and the full valuation reports on the New Properties issued by the Independent Valuers;
- (v) the Independent Market Research Report;
- (vi) the FLT Audited Financial Statements; and
- (vii) the FLT Unaudited Financial Statements.

The Trust Deed will also be available for inspection at the registered office of the Manager, for so long as FLT is in existence.

Yours faithfully

Frasers Logistics & Industrial Asset Management Pte. Ltd.
(as manager of Frasers Logistics & Industrial Trust)

Ho Hon Cheong
Chairman and Independent Non-Executive Director

¹ Prior appointment with the Manager (telephone number: +65 6813 0588) will be appreciated.

IMPORTANT NOTICE

The value of Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager, the Trustee or any of their affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors have no right to request the Manager or any of its affiliates 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.

The past performance of FLT is not necessarily indicative of the future performance of FLT.

This Circular 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 and governmental and public policy changes. 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 major assumptions are certain expected levels of property rental income and property expenses over the relevant period, which are considered by the Manager to be appropriate and reasonable as at the date of this Circular.

Foreign Investment Regime of Australia

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"¹ 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"² ("**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);

¹ 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.

² 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.

- (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
- (c) any investor that is a Foreign Government Investor¹ acquiring a “direct interest”² 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)³; 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 ALT.⁴

¹ 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.

² 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.

³ 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.

⁴ This exemption applies where an ALT is listed on an official stock exchange (whether in Australia or not).

Significant actions

As at 31 December 2017, the value of the Australian land assets comprised in FLT's portfolio is 97.0% of the total asset value of FLT. Consequently, FLT is considered to be an ALT. As at 31 December 2017, FLT has gross Australian assets of approximately A\$1,927.0 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.

If you have sold or transferred all your Units, you should immediately forward this Circular, together with the Notice of Extraordinary General Meeting and the accompanying Proxy Form, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

This Circular is not for distribution, directly or indirectly, in or into the United States, Canada or Japan.

This Circular is for information purposes only and shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale or purchase of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction. There will be no public offer of securities in the United States.

GLOSSARY

In this Circular, the following definitions apply throughout unless otherwise stated:

Acquisition Fee	:	The acquisition fee payable to the Manager for the Proposed Acquisition pursuant to the Trust Deed, which amounts to approximately €2.8 million (approximately S\$4.6 million) (being 0.5% of the Property Purchase Price (in proportion to the effective interest which FLT will hold in each of the New Properties))
Acquisition Fee Units	:	Units to be issued to the Manager as payment of the Acquisition Fee
AEI or AEIs	:	Asset enhancement initiatives
Alpha Industrial	:	Alpha Industrial GmbH & Co KG
APL	:	Australand Property Pty Limited (formerly known as Australand Property Limited)
Audit, Risk and Compliance Committee	:	The audit, risk and compliance committee of the Manager
AUD or A\$:	Australian dollar
BMW Group Moosthenning Facility Accounts	:	The management accounts for the BMW Group Moosthenning Facility for Q1 FY2018
CBRE	:	CBRE Ltd
CDP	:	The Central Depository (Pte) Limited
Circular	:	Circular dated 23 April 2018 issued by the Manager to the Unitholders
Colliers	:	Colliers International Valuation UK LLP
Constellium Phase 1 AEI Income	:	The estimated Net Property Income generated for a 92-day period calculated based on the pre-committed lease for the expansion on the Constellium Facility which was completed on 1 January 2018
Constellium Phase 2 AEI Income	:	The estimated Net Property Income generated for a 92-day period calculated based on the pre-committed lease for the expansion on the Constellium Facility which is currently in progress and expected to be completed on 1 April 2018
D&B	:	Dun & Bradstreet

Deed of Indemnity	:	The deed of indemnity which the FLT Singapore SPV will on or prior to completion of the Proposed Acquisition enter into with the Vendor in respect of claims for taxation
Director	:	A director of the Manager
DPU	:	Distribution per Unit
Dutch Target Company	:	FPE Logistics B.V.
EGM	:	Extraordinary general meeting
Enlarged Portfolio	:	The Existing Portfolio and the New Properties, collectively
Equity Fund Raising	:	The Private Placement and the Preferential Offering
Excess Units	:	Excess Units under the Preferential Offering
Existing Debt Facilities	:	The existing debt facilities of the Property Holding Companies to be assumed by FLT amounting to approximately €262.7 million (approximately S\$428.2 million)
Existing Interested Person Transactions	:	The interested person transaction entered into between FLT and the TCC Group in respect of the Renewed Southeast Insurance
Existing Portfolio	:	FLT's existing portfolio comprising 61 industrial properties in Australia
Existing Portfolio Appraised Value	:	The value of the Existing Portfolio as at 30 September 2017
FATA	:	The Australian Foreign Acquisitions and Takeovers Act 1975
FIRB	:	Foreign Investment Review Board
FIRB Approval	:	A prior no objections notification issued under the FATA by the Australian Treasurer, through the FIRB
FLT	:	Frasers Logistics & Industrial Trust
FLT Audited Financial Statements	:	The latest audited financial statements of FLT in respect of the financial period from 30 November 2015 (being the date of constitution of FLT) to 30 September 2017 as disclosed in the annual report of FLT issued on 26 December 2017

FLT Investment Strategy	:	FLT's investment strategy of principally investing globally, directly or indirectly, in a diversified portfolio of income-producing real estate assets which are predominantly used for logistics or industrial purposes, whether wholly or partially, as well as such industrial real estate-related assets in connection with the foregoing
FLT Singapore SPV	:	FLT Europe Pte. Ltd.
FLT Unaudited Financial Statements	:	The unaudited financial statements of FLT in respect of Q1 FY2018
FPA	:	Frasers Property Australia Pty Limited
FPE	:	Frasers Property Europe
FPIE	:	Frasers Property Investments (Europe) B.V.
FPITHPL	:	Frasers Property Industrial Trust Holdings Pte. Ltd. (formerly known as FCL Investments (Industrial) Pte. Ltd.)
FPL or Sponsor	:	Frasers Property Limited (formerly known as Frasers Centrepoint Limited)
FPL Group	:	FPL and/or any of its subsidiaries
FPL Irrevocable Undertaking	:	The irrevocable undertaking provided by FPL to the Manager and the Joint Global Co-ordinators and Bookrunners dated 19 April 2018
FPL Placement	:	The proposed issue and placement of New Units to FPL Group under the Private Placement
FPL Unitholding Percentage	:	FPL's aggregate direct and indirect interest in 309,642,483 Units, which is equivalent to approximately 20.36% of the Units in issue as at the Latest Practicable Date
GDP	:	Gross domestic product
Geneba	:	Geneba Properties N.V.
GLA	:	Gross lettable area
Gross Rental Income	:	In respect of the New Properties, the contracted rental income and estimated recoverable outgoings of the New Properties In respect of the Existing Portfolio, the contracted rental income and estimated recoverable outgoings of the Existing Portfolio

HBR	:	A hereditary building right which encumbers a property by granting the beneficiary the right to build on or to develop the land in return for an annual ground rent (<i>Erbbauzins</i>)
IFA	:	Deloitte & Touche Corporate Finance Pte Ltd, in its capacity as the independent financial adviser
IFA Letter	:	The letter from the IFA to the Independent Directors, the Audit, Risk and Compliance Committee and to the Trustee containing its advice as set out in Appendix A of this Circular
Illustrative Issue Price	:	The illustrative issue price of S\$1.00 per New Unit
Independent Directors	:	The independent directors of the Manager
Independent Market Research Consultant	:	Jones Lang LaSalle Limited
Independent Valuers	:	CBRE and Colliers
Initial Southeast Insurance	:	The industrial special risk and public liability insurance coverage in relation to the properties in the Existing Portfolio effected by FPA with Southeast which expired on 30 September 2017 with the insurer noting the insured as FLT and its subsidiary entities
Inter-Company Loan	:	An inter-company loan owing by the Dutch Target Company to the Vendor as at the completion of the Proposed Acquisition
Interested Party Transaction	:	Has the meaning ascribed to it in the Property Funds Appendix
Interested Person Transaction	:	Has the meaning ascribed to it in the Listing Manual
Internal Restructuring	:	The restructuring process to be carried out by the Vendor which will be completed prior to completion of the Proposed Acquisition
IPO	:	The initial public offering of FLT
Issue Price	:	The issue price of the New Units
Joint Global Co-ordinators and Bookrunners	:	DBS Bank Ltd., Merrill Lynch (Singapore) Pte. Ltd. and Citigroup Global Markets Singapore Pte. Ltd.
Latest Practicable Date	:	12 April 2018, being the latest practicable date prior to the printing of this Circular

LGI	:	Logistics Group International
LGI Facility Accounts	:	The management accounts for the LGI Facility for the period from 29 November 2017 to 31 December 2017 and extrapolated to 92 days
Listing Date	:	20 June 2016 (being the date of listing of FLT on the Mainboard of the SGX-ST)
Listing Manual	:	The Listing Manual of the SGX-ST
LPI	:	Logistics Performance Index
Manager	:	Frasers Logistics & Industrial Asset Management Pte. Ltd., as manager of FLT
MAS	:	Monetary Authority of Singapore
Master Property Management Agreement	:	The master property management agreement dated 17 June 2016 entered into between the Trustee, the Manager and Frasers Property Corporate Services Pte. Ltd. (formerly known as FCL Management Services Pte. Ltd.) in respect of properties of FLT located outside of Australia
materially damaged	:	Means, in respect of any of the New Properties, that there is damage to the New Property or any part of such New Property (i) which, either singly or in aggregate, causes, or will cause, results or will result in, the Gross Rental Income for the relevant calendar month falling by 10% or more of the Gross Rental Income for the full calendar month prior to the date of the Share Purchase Agreement, (ii) which, either singly or in aggregate, is such that the aggregate cost of reinstatement and repair of the damaged part of such New Property is more than 10.0% of the Property Purchase Price of such New Property or (iii) which, either singly or in aggregate, is such that more than 10.0% of the lettable area of such New Property is destroyed or rendered unusable for a period exceeding six months
NAV	:	Net asset value
Net Property Income or NPI	:	Gross Rental Income less property operating expenses
New Properties	:	The 21 industrial properties located in Europe proposed to be acquired by FLT, comprising 17 properties in Germany and four properties in the Netherlands

New Properties 4QFY2017 Management Accounts	:	The management accounts for the New Properties for the period from 1 July 2017 through to 30 September 2017 (92 days) (save for the BMW Group Moosthenning Facility and the LGI Facility which were only acquired by FPL on 9 October 2017 and 29 November 2017, respectively, and not including the AElS being performed on the Constellium Facility and the Roman & Hellmann Facility)
New Properties Appraised Value	:	The aggregate of the higher of the two independent valuations of each New Property conducted by the Independent Valuers
New Properties Management Accounts	:	The management accounts for the New Properties for Q1 FY2018 (save for the LGI Facility which was only acquired by Geneva on 29 November 2017, and not including the AElS being performed on the Constellium Facility and the Roman & Hellmann Facility)
New Units	:	The new Units proposed to be issued under the Equity Fund Raising
Non-Queensland Properties	:	The properties in the Existing Portfolio which are not located in Queensland, Australia
NTA	:	Net tangible assets
Ordinary Resolution	:	A resolution proposed and passed as such by a majority of votes being greater than 50.0% or more of the total number of votes cast for and against such resolution at a meeting of Unitholders convened in accordance with the provisions of the Trust Deed
Party	:	The Vendor or the FLT Singapore SPV, as the case may be, each as a party to the Share Purchase Agreement
Preferential Offering	:	The proposed non-renounceable preferential offering of New Units to existing Unitholders on a <i>pro rata</i> basis
Private Placement	:	The proposed issue and placement of New Units to institutional and other investors, including FPL and TCCGI
Property Funds Appendix	:	Appendix 6 of the Code on Collective Investment Schemes issued by the MAS
Property Holding Companies	:	The property holding companies which hold predominantly freehold interests in the New Properties
Property Purchase Price	:	The agreed purchase price for the New Properties of approximately €596.8 million (approximately S\$972.8 million), which is 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)

Proposed Acquisition	:	The acquisition by FLT of the New Properties
Proposed Transaction	:	The Proposed Acquisition and the Equity Fund Raising
Proxy Form	:	The instrument appointing a proxy or proxies
Purchase Consideration	:	The purchase consideration payable to the Vendor in respect of the Dutch Target Company (which ultimately holds predominantly freehold interests in the New Properties) under the Share Purchase Agreement
Q1 FY2018	:	The financial quarter from 1 October 2017 to 31 December 2017 (a period of 92 days)
Recoverable outgoings	:	Outgoings payable in relation to a New Property (e.g. council rates and charges) that are charged to the tenants of the New Properties in accordance with the terms of their lease or (as the case may be) agreement for lease. Such recoverable outgoings may include costs in relation to cleaning or the provision of security
REIT	:	Real estate investment trust
Related Party Transactions	:	Interested Person Transactions and Interested Party Transactions
Renewed Southeast Insurance	:	The insurance policy with Southeast which was renewed on 1 October 2017 for a term of one year expiring on 30 September 2018
ROFR	:	Right of first refusal
Roman & Hellmann Facility	:	The buildings located at Koperstraße 10, 90451 Nuremberg, Germany
Roman & Hellmann Facility AEI Income	:	The estimated Net Property Income generated for a 92-day period calculated based on the pre-committed lease for the expansion on the Roman & Hellmann Facility which is currently in progress and expected to be completed on 1 July 2018
SGX-ST	:	Singapore Exchange Securities Trading Limited
Share Purchase Agreement	:	The conditional share purchase agreement dated 19 April 2018 entered into between the Vendor and the FLT Singapore SPV in respect of the New Properties
SMTAM	:	Sumitomo Mitsui Trust Asset Management Co., Ltd.
SMTB	:	Sumitomo Mitsui Trust Bank, Limited
SMTH	:	Sumitomo Mitsui Trust Holdings, Inc.

Southeast	:	Southeast Insurance Public Company Limited
sq m	:	Square metres
Substantial Unitholder	:	A person with an interest in Units constituting not less than 5.0% of the total number of Units in issue
Surviving Provisions	:	The provisions stated in the Share Purchase Agreement to survive termination of the agreement
Target Entity	:	Each entity held under the Dutch Target Company
Taxation	:	All forms of taxation
TCC Group	:	The companies and entities in the TCC Group which are controlled by Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi. For the avoidance of doubt, the TCC Group does not refer to TCCGI or include TCCGI
TCCGI	:	TCC Group Investments Limited
TCCGI Irrevocable Undertaking	:	The irrevocable undertaking provided by TCCGI to the Manager dated 19 April 2018
TCCGI Placement	:	The proposed issue and placement of New Units to TCCGI under the Private Placement
TCCGI Unitholding Percentage	:	TCCGI's deemed interest in 89,887,000 Units, which is equivalent to approximately 5.91% of the Units in issue as at the Latest Practicable Date
Terminating Party	:	The Party choosing to terminate the Share Purchase Agreement
Total Transaction Cost	:	The total cost of the Proposed Transaction
Trust Deed	:	The trust deed dated 30 November 2015 (as amended, restated and supplemented) constituting FLT
Trustee	:	Perpetual (Asia) Limited, in its capacity as trustee of FLT
Underwriting Agreement	:	The underwriting agreement to be entered into between the Manager and the Joint Global Co-ordinators and Bookrunners in respect of the Equity Fund Raising
Unitholder	:	Unitholder of FLT
Units	:	Units in FLT
Vendor or FPIH	:	Frasers Property Investments (Holland) B.V.
VWAP	:	Volume-weighted average price

WALE : The weighted average lease expiry as at 31 December 2017 computed through application of Gross Rental Income for the month of December 2017

The terms “Depositor” and “Depository Register” shall have the meanings ascribed to them respectively in Section 130A of the Companies Act, Chapter 50 of Singapore.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

Any reference in this Circular to any enactment is a reference to that enactment for the time being amended or re-enacted.

Any reference to a date or time of a day in this Circular shall be a reference to Singapore date and time unless otherwise stated.

INDEPENDENT FINANCIAL ADVISER'S LETTER

DELOITTE & TOUCHE CORPORATE FINANCE PTE LTD
(Incorporated in the Republic of Singapore)
Company Registration Number: 200200144N

23 April 2018

The Independent Directors and the Audit, Risk and Compliance Committee
 Frasers Logistics & Industrial Asset Management Pte. Ltd.;
 (as manager of Frasers Logistics & Industrial Trust (the "**Manager**"))
 438 Alexandra Road
 #21-00 Alexandra Point
 Singapore 119958

Perpetual (Asia) Limited
 (as trustee of Frasers Logistics & Industrial Trust (the "**Trustee**"))
 8 Marina Boulevard
 #05-02 Marina Bay Financial Centre
 Singapore 018981

Dear Sirs,

- (1) THE PROPOSED ACQUISITION OF INTERESTS IN 21 PROPERTIES IN GERMANY AND THE NETHERLANDS;**
- (2) THE PROPOSED ISSUE AND PLACEMENT OF NEW UNITS TO THE FRASERS PROPERTY LIMITED GROUP UNDER THE PRIVATE PLACEMENT; AND**
- (3) THE PROPOSED ISSUE AND PLACEMENT OF NEW UNITS TO TCC GROUP INVESTMENTS LIMITED UNDER THE PRIVATE PLACEMENT.**

*Unless otherwise defined in this IFA Letter or the context otherwise requires, all terms defined in the Circular dated 23 April 2018 to unitholders of Frasers Logistics & Industrial Trust ("**Circular**") shall have the same meaning herein.*

1. INTRODUCTION

Frasers Logistics & Industrial Trust ("**FLT**") is a Singapore real estate investment trust ("**REIT**") established with the investment strategy (the "**FLT Investment Strategy**") of principally investing globally, directly or indirectly, in a diversified portfolio of income-producing real estate assets which are predominantly used for logistics or industrial purposes¹, whether wholly or partially, as well as such industrial² real estate-related assets in connection with the foregoing, with an initial focus on Australia. FLT was listed on 20 June 2016 (the "**Listing Date**"), with trading of Units commencing on 21 June 2016.

The sponsor of FLT is Frasers Property Limited (formerly known as Frasers Centrepoint Limited) ("**FPL**" or the "**Sponsor**"), a multi-national company that owns, develops and manages a diverse, integrated portfolio of properties. Listed on the Main Board of the SGX-ST and headquartered in Singapore, FPL is organised around five asset classes with assets totaling S\$28 billion as at 31 December 2017.

FPL's assets range from residential, retail, commercial and business parks, to industrial and logistics in Singapore, Australia, Europe, China and Southeast Asia. Its well-established hospitality business owns and/or operates serviced apartments and hotels in over 80 cities across Asia, Australia, Europe, the Middle East and Africa. FPL is unified by its commitment

¹ Such real estate assets used for "**logistics**" or "**industrial**" purposes also include office components ancillary to the foregoing purposes.

² References to real estate assets used for "**industrial**" purposes in this IFA Letter means real estate assets used for "**industrial**" or "**logistics**" purposes interchangeably.

to deliver enriching and memorable experiences for customers and stakeholders, leveraging knowledge and capabilities from across markets and property sectors, to deliver value in its multiple asset classes.

1.1. Background

On 19 April 2018, the Trustee, through FLT Europe Pte. Ltd. (the "**FLT Singapore SPV**")¹, entered into a conditional share purchase agreement (the "**Share Purchase Agreement**") with Frasers Property Investments (Holland) B.V. ("**FPIH**" or the "**Vendor**") to acquire all the issued shares of FPE Logistics B.V. (the "**Dutch Target Company**"), which will in turn (directly or indirectly) own equity interests in holding companies (the "**Property Holding Companies**") which hold predominantly freehold interests in 21 industrial properties located in Germany and the Netherlands (the "**New Properties**").

The New Properties comprise 17 properties in Germany and four properties in the Netherlands (the "**Proposed Acquisition**"). The agreed purchase price for the New Properties, which was negotiated on a willing-buyer and willing-seller basis taking into account the independent valuations conducted by CBRE Ltd. ("**CBRE**") and Colliers International Valuation UK LLP ("**Colliers**", and collectively with CBRE, the "**Independent Valuers**"), is approximately €596.8 million² (approximately S\$972.8 million) (the "**Property Purchase Price**").

The appraised value for the New Properties (the "**New Properties Appraised Value**"), being the aggregate of the higher of the two independent valuations of each New Property conducted by the Independent Valuers as at 31 March 2018, is approximately €603.9 million (approximately S\$984.4 million). The Property Purchase Price of the New Properties represents a discount of approximately 1.2% to the New Properties Appraised Value.

The purchase consideration payable under the Share Purchase Agreement (the "**Purchase Consideration**") of approximately €316.2 million (approximately S\$515.4 million) is based on (i) the Property Purchase Price, adjusted for the estimated net assets and liabilities of the Dutch Target Company (including the existing debt facilities of the Property Holding Companies to be assumed by FLT amounting to approximately €262.7 million (approximately S\$428.2 million) (the "**Existing Debt Facilities**") as well as FLT's effective interests in each entity held under the Dutch Target Company ("**Target Entity**", and collectively, the "**Target Entities**")³ (subject to further adjustments based on the actual consolidated net assets and liabilities of the Dutch Target Company at completion of the Proposed Acquisition) and (ii) the amount of an inter-company loan owing by the Dutch Target Company to the Vendor as at the completion of the Proposed Acquisition (the "**Inter-Company Loan**") to be assigned to the FLT Singapore SPV.

The Purchase Consideration is intended to be partially funded by way of a private placement to institutional and other investors (the "**Private Placement**") and a non-renounceable preferential offering of new Units to existing unitholders of FLT ("**Unitholders**") on a pro rata basis (the "**Preferential Offering**", and together with the Private Placement, the "**Equity Fund Raising**", which together with the Proposed Acquisition, will be collectively referred to as the "**Proposed Transaction**"). The Private Placement will, subject to Unitholders' approval, include a proposed issue and placement of New Units to FPL and its subsidiaries ("**FPL Group**", and the proposed issue and placement of New Units to the FPL Group, the "**FPL Placement**") as well as TCC Group Investments Limited ("**TCCGI**")⁴ (the "**TCCGI Placement**").

As part of the Proposed Transaction, FLT intends to expand its initial focus from Australia and broaden its focus to include Europe, which the Sponsor has a presence in. This is in line with the current FLT Investment Strategy of principally investing globally, directly or

¹The FLT Singapore SPV is a wholly-owned subsidiary of the Trustee.

²Based on 100% interest in each of the New Properties and on the basis of the completion of the committed asset enhancement works (where applicable).

³ See paragraph 2.1 of the Letter to Unitholders relating to the proposed holding structure of the New Properties for FLT's effective interests in the Target Entities.

⁴ TCCGI is a company that is owned by Atinant Bijananda, Thapana Sirivadhanabhakdi, Wallapa Traisorat, Thapanee Techajareonvikul and Panote Sirivadhanabhakdi in equal proportions. Panote Sirivadhanabhakdi is a director of the Manager and a director and the Group Chief Executive Officer of FPL, and Atinant Bijananda, Thapana Sirivadhanabhakdi, Wallapa Traisorat and Thapanee Techajareonvikul are his siblings.

indirectly, in a diversified portfolio of income-producing real estate assets which are predominantly used for logistics or industrial purposes, whether wholly or partially, as well as such industrial real estate-related assets in connection with the foregoing, as set out above. While FLT will hold the properties it acquires on a long-term basis, the Manager may, subject to applicable laws and regulations, divest non-core properties of FLT to realise their optimal market potential and value if options present themselves which the Manager considers to be in the interests of Unitholders.

We understand that the Manager is convening an extraordinary general meeting ("**EGM**") of FLT to seek approval from Unitholders in respect of the following ordinary resolutions:

- (1) The Proposed Acquisition;
- (2) The Equity Fund Raising
- (3) The FPL Placement; and
- (4) The TCCGI Placement.

We, Deloitte & Touche Corporate Finance Pte Ltd ("**DTCF**"), have been appointed as independent financial adviser ("**IFA**") to the Independent Directors, the Audit, Risk and Compliance Committee of the Manager and the Trustee in respect of whether (1) The Proposed Acquisition; (2) The FPL Placement; and (3) The TCCGI Placement are on normal commercial terms and not prejudicial to the interests of FLT and its minority Unitholders.

This letter, which sets out our evaluation for the Independent Directors, the Audit, Risk and Compliance Committee of the Manager and the Trustee in respect of this engagement, is an integral part of the Circular.

1.2. Requirement for Unitholders Approval

1.2.1. Related Party Transaction

Under Chapter 9 of the Listing Manual, where the Trustee proposes to enter into a transaction with an interested person and the value of the transaction (either in itself or when aggregated with the value of other transactions, each of a value equal to or greater than S\$100,000, with the same interested person during the same financial year) is equal to or exceeds 5.0% of FLT's latest audited NTA, Unitholders' approval is required in respect of the transaction.

Based on the latest audited financial statements of FLT ("**FLT Audited Financial Statements**") for the financial period from 30 November 2015 (being the date of constitution of FLT) to 30 September 2017 as disclosed in the annual report of FLT issued on 26 December 2017, the NTA of FLT as at 30 September 2017 was A\$1,337.5 million (approximately S\$1,361.4 million). Accordingly, if the value of a transaction which is proposed to be entered into by the Trustee during the current financial year ending 30 September 2018 with an interested person is, either in itself or in aggregation with all other earlier transactions (each of a value equal to or greater than S\$100,000) entered into with the same interested person during the current financial year ending 30 September 2018, equal to or greater than A\$66.9 million (approximately S\$68.1 million), such a transaction would be subject to approval from Unitholders.

Paragraph 5 of the Property Funds Appendix also imposes a requirement for Unitholders' approval for an Interested Party Transaction by the Trustee whose value is equal to or exceeds 5.0% of FLT's latest audited NAV. Based on the FLT Audited Financial Statements, the NAV of FLT as at 30 September 2017 was A\$1,337.5 million (approximately S\$1,361.4 million). Accordingly, if the value of a transaction which is proposed to be entered into by the Trustee with an interested party during the current financial year ending 30 September 2018 is equal to or greater than A\$66.9 million (approximately S\$68.1 million), such a transaction would also be subject to approval from Unitholders.

As at the Latest Practicable Date, save for the Proposed Transaction, the value of all interested person transactions entered into between FLT and the FPL Group and its associates during the course of the current financial year ending 30 September 2018 up to

the Latest Practicable Date is approximately A\$0.8 million¹ (approximately S\$0.8 million) (the "**Existing Interested Person Transactions**") (which is approximately 0.06% of the NTA and NAV of FLT as at 30 September 2017).

Details in relation to the existing Interested Person Transactions may be found in Appendix D of the Circular.

1.2.2. The Proposed Acquisition

As at the Latest Practicable Date, FPL Group holds an aggregate direct and indirect interest in 309,642,483 Units, which is equivalent to approximately 20.36% of the total number of Units in issue as at the Latest Practicable Date, and is therefore regarded as a "Controlling Unitholder" of FLT for the purposes of both the Listing Manual and the Property Funds Appendix. In addition, as the Manager is a wholly-owned subsidiary of FPL, the FPL Group is therefore regarded as a "Controlling Shareholder" of the Manager under both the Listing Manual and the Property Funds Appendix.

As the Vendor is an indirect wholly-owned subsidiary of FPL, for the purposes of Chapter 9 of the Listing Manual and paragraph 5 of the Property Funds Appendix, the Vendor (being a subsidiary of a "Controlling Unitholder" of FLT and a subsidiary of a "Controlling Shareholder" of the Manager) is (for the purposes of the Listing Manual) an "interested person" of FLT and (for the purposes of the Property Funds Appendix) an "interested party" of FLT.

Therefore, the entry by the FLT Singapore SPV into the Share Purchase Agreement will constitute an Interested Person Transaction under Chapter 9 of the Listing Manual, as well as an Interested Party Transaction under the Property Funds Appendix.

Under the Share Purchase Agreement with the Vendor, the Purchase Consideration is approximately €316.2 million², (being 36.4% of FLT's latest audited NTA and NAV as at 30 September 2017). The value of the Proposed Acquisition exceeds 5.0% of the NTA and the NAV of FLT, being the respective thresholds under the Listing Manual and the Property Funds Appendix in respect of Related Party Transactions, and would therefore be subject to Unitholders' approval.

FPL and its associates are prohibited from voting on the resolution to approve the Proposed Acquisition.

1.2.3. The Private Placement

(i) The FPL Placement

The FPL Placement will involve the issue of New Units to the FPL Group, i.e. the same interested person as the Proposed Acquisition, it will also constitute an Interested Person Transaction under Chapter 9 of the Listing Manual to be aggregated with the Proposed Acquisition.

Based on the Illustrative Issue Price of S\$1.00 per New Unit, FLT will be issuing New Units to the FPL Group amounting to up to approximately S\$106.9 million³ (being 7.7% of FLT's latest audited NTA and NAV as at 30 September 2017). The value of the FPL Placement will exceed 5.0% of the NTA and the NAV of FLT, being the respective thresholds under the Listing Manual and the Property Funds Appendix in respect of Related Party Transactions, and would therefore be subject to Unitholders' approval.

¹ This refers to the renewal of FLT's insurance policy with Southeast Insurance Public Company Limited ("**Southeast**"), an entity within the TCC Group (as defined herein). The Manager had in place an industrial special risk and public liability insurance coverage in relation to the properties in the Existing Portfolio effected by Frasers Property Australia Pty Ltd ("**FPA**") with Southeast for a term expiring on 30 September 2017 with the insurer noting the insured as FLT and its subsidiary entities (the "**Initial Southeast Insurance**"). Following the expiry of the Initial Southeast Insurance on 30 September 2017, the Manager renewed the insurance policy with Southeast on 1 October 2017 for a term of one year expiring on 30 September 2018 (the "**Renewed Southeast Insurance**"). The total premium paid in respect of the Renewed Southeast Insurance as at the date of this Circular is approximately A\$0.8 million.

² Translated to A\$ at an exchange rate of €1:A\$1.54

³ Translated to A\$ at an exchange rate of S\$1:A\$0.96

(ii) THE TCCGI Placement

TCCGI, which is deemed interested in approximately 5.91% of the total number of Units in issue as at the Latest Practicable Date, is a company that is owned by Atinant Bijananda, Thapana Sirivadhanabhakdi, Wallapa Traisorat, Thapanee Techajareonvikul and Panote Sirivadhanabhakdi in equal proportions. Accordingly, TCCGI is a company which Panote Sirivadhanabhakdi, a director of the Manager and a director and the Group Chief Executive Officer of FPL, and his family (being his siblings) have an interest of 30% or more, and is (for the purposes of the Listing Manual and the Property Funds Appendix) an “associate” of a director of the Manager. Accordingly, TCCGI is (for the purposes of the Listing Manual) an “interested person” of FLT.

As the TCCGI Placement will involve the issue of New Units to TCCGI, the TCCGI Placement will also constitute an Interested Person Transaction under Chapter 9 of the Listing Manual.

Based on the Illustrative Issue Price of S\$1.00 per New Unit, FLT will be issuing New Units to TCCGI amounting to up to approximately S\$31.0 million¹ (being 2.2% of FLT’s latest audited NTA and NAV as at 30 September 2017). The value of the TCCGI Placement will not exceed 5.0% of the NTA and the NAV of FLT, and would therefore not be subject to Unitholders’ approval under the Listing Manual and the Property Funds Appendix in respect of Related Party Transactions. Nonetheless, the Manager is seeking the approval of Unitholders by way of an Ordinary Resolution of the Unitholders for the TCCGI Placement.

It is in this context that DTCF has been appointed to advise the Independent Directors, the Audit, Risk and Compliance Committee of the Manager and the Trustee as to whether (1) The Proposed Acquisition; (2) The FPL Placement; and (3) The TCCGI Placement are on normal commercial terms and are not prejudicial to the interests of FLT and its minority Unitholders.

2. TERMS OF REFERENCE

Our responsibility is to provide our opinion as to whether (1) The Proposed Acquisition; (2) The FPL Placement; and (3) The TCCGI Placement is on normal commercial terms and is not prejudicial to the interests of FLT and its minority Unitholders.

We were neither a party to the negotiations entered into in relation to the Proposed Transaction nor were we involved in the deliberations leading up to the decision on the part of the Manager to undertake the Proposed Transaction.

We do not, by this Letter or otherwise, advise or form any judgement on the strategic, commercial or financial merits or risks of the Proposed Transaction. All such evaluations, advice, judgements or comments remain the sole responsibility of the management of the Manager (the “**Management**”) and their advisers. We have however, drawn upon such evaluations, judgements and comments as we deem necessary and appropriate in arriving at our opinion.

The scope of our appointment does not require us to express, and nor do we express, a view on the future growth prospects, earnings potential or value of FLT. We do not express any view as to the price at which the Units may trade upon completion of the Proposed Transaction nor on the future value, financial performance or condition of FLT after the Proposed Transaction.

It is also not within our terms of reference to compare the merits of the Proposed Transaction to any alternative arrangements that were or may have been available to FLT. Such comparison and consideration remain the responsibility of the Directors and their advisers.

¹ Translated to A\$ at an exchange rate of S\$1:A\$0.96

In the course of our evaluation, we have held discussions with the Management, and have considered the information contained in the Circular, publicly available information collated by us as well as information, both written and verbal, provided to us by the management. We have relied upon and assumed the accuracy of the relevant information, both written and verbal, provided to us by the aforesaid parties and have not independently verified such information, whether written or verbal, and accordingly cannot and do not warrant, and do not accept any responsibility for the accuracy, completeness and adequacy of such information. We have not independently verified and have assumed that all statements of fact, belief, opinion and intention made by the Directors in the Circular have been reasonably made after due and careful enquiry. Accordingly, no representation or warranty (whether express or implied) is made and no responsibility is accepted by us concerning the accuracy, completeness or adequacy of such information. We have nonetheless made reasonable enquiries and exercised our judgement on the reasonable use of such information and have found no reason to doubt the reliability of such information.

We have not made any independent evaluation or appraisal of the assets and liabilities (including, without limitation, the real properties) of FLT or the Proposed Transaction. We have been furnished with the valuation reports for the Property prepared by CBRE Ltd ("**CBRE**") and Colliers International Valuation UK LLP ("**Colliers**") (collectively, the "**Independent Valuers**"). With respect to such reports, we are not experts and do not hold ourselves to be experts in the evaluation of the assets concerned and have relied solely upon such reports.

Our views are based on market, economic, industry, monetary and other conditions (where applicable) prevailing on and our analysis of the information made available to us as at the Latest Practicable Date. We assume no responsibility to update, revise or reaffirm our opinion, factors or assumptions in light of any subsequent development after the Latest Practicable Date that may affect our opinion or factors or assumptions contained herein. Unitholders should take note of any announcements relevant to their considerations of the Proposed Transaction which may be released by the Manager after the Latest Practicable Date.

We have not had regard to the general or specific investment objectives, financial situation, tax position, risk profiles or unique needs and constraints of any Unitholder. As the Unitholders will have different investment objectives, we advise the Independent Directors to recommend that any Unitholder who may require specific advice in relation to his or her specific investment objectives or portfolio should consult his or her stockbroker, bank manager, solicitor, accountant, tax advisor or other professional advisors.

Our opinion in relation to (1) The Proposed Acquisition; (2) The FPL Placement; and (3) The TCCGI Placement as set out under paragraph 5 of this Letter should be considered in the context of the entirety of our advice. This letter is prepared for the purpose of compliance with Listing Rule 921(4)(a) and also for the benefit and use by the Trustee, Independent Directors and the Audit Committee of the Manager and will be incorporated as an Appendix to the Circular. While a copy of this letter may be reproduced in the Circular, you may not reproduce, disseminate or quote this letter or any part thereof for any purpose, other than for the purpose stated herein, without our prior written consent in each instance.

3. DETAILS OF PROPOSED TRANSACTION

Details of Proposed Transaction are set out in Paragraphs 2 to 10 of the Circular. We recommend that the Independent Directors advise the Unitholders to read this section of the Circular carefully.

We have reproduced excerpts of this section in respect of the Transaction as below:

3.1. *The Proposed Acquisition*

On 19 April 2018, FLT, had through the FLT Singapore SPV, entered into the Share Purchase Agreement to acquire all the issued shares of the Dutch Target Company, which will in turn (directly or indirectly) own the equity interests in the Property Holding Companies holding predominantly freehold¹ interests in the New Properties. The Proposed Acquisition is expected to be completed by June 2018.

*As at the date of this Circular, the Dutch Target Company, which is a Dutch special purpose vehicle incorporated by the Vendor, does not (directly or indirectly) hold the equity interests in the holding companies which are intended to be direct subsidiaries of the Dutch Target Company (see structure chart on the following page) but are currently held by Frasers Property Investments (Europe) B.V. (a wholly-owned subsidiary of FPL) ("**FPIE**") (in respect of the holding companies for the BMW Group Moosthenning Facility and the LGI Facility) and Geneba Properties N.V. (a subsidiary of FPL) ("**Geneba**") (in respect of the holding companies for the rest of the New Properties) directly. As part of the restructuring process which will be completed prior to completion of the Proposed Acquisition (the "**Internal Restructuring**"), the equity interests of such direct subsidiaries will be transferred from FPIE and Geneba to the Dutch Target Company.*

3.1.1. *Valuation and Purchase Consideration*

The Purchase Consideration payable to the Vendor under the Share Purchase Agreement in cash in Euros for the interests in the New Properties is approximately €316.2 million (approximately S\$515.4 million). The Purchase Consideration is based on (i) the Property Purchase Price which was negotiated on a willing-buyer and willing-seller basis taking into account the independent valuations described herein, as adjusted for the estimated net assets and liabilities of the Dutch Target Company (including the Existing Debt Facilities) as well as FLT's effective interests in each Target Entity (subject to further adjustments based on the actual consolidated net assets and liabilities of the Dutch Target Company at completion of the Proposed Acquisition) and (ii) the amount of the Inter-Company Loan to be assigned to the FLT Singapore SPV. The Property Purchase Price of approximately €596.8 million (approximately S\$972.8 million) represents a discount of approximately 1.2% to the New Properties Appraised Value.

The Trustee has commissioned an independent valuer, CBRE, and the Manager has commissioned an independent valuer, Colliers, to respectively value the New Properties.

¹ Freehold interests in 20 of the 21 New Properties, and a HBR for one of the New Properties. A HBR encumbers a property by granting the beneficiary of such HBR the right to build on or to develop the land in return for an annual ground rent (Erbbauzins). The beneficiary of a HBR becomes the owner of the building which it builds but has no title to the supporting land. Accordingly, the ownership of the land and of the building built on the land are separate. The HBR is registered against the owner's title in the land register and is also registered in an additional and separate HBR land register folio. The beneficiary's interest in the building is protected as any transfer of the land to a third party can only be made subject to the HBR, and the HBR remains in effect in the event of such sale of the land to a third party. When the HBR expires – at the end of the designated period or by mutual consent – the ownership of the building passes from the beneficiary to the land owner, with the land owner obliged under statute to pay the beneficiary a compensation for the disposition of the beneficiary's right to the building.

3.1.2. Estimated Total Transaction Cost

The estimated Total Transaction Cost is approximately €325.0 million (approximately S\$529.8 million), comprising:

- (i) the Purchase Consideration of €316.2 million (approximately S\$515.4 million);
- (ii) the Acquisition Fee, which amounts to approximately €2.8 million (approximately S\$4.6 million)¹; and
- (iii) the estimated professional and other fees and expenses incurred or to be incurred by FLT in connection with the Proposed Transaction of approximately €6.0 million (approximately S\$9.8 million).

3.1.3. Payment of Acquisition Fee in Units

As the Proposed Acquisition will constitute an "interested party transaction" under Paragraph 5 of the Property Funds Appendix, the Acquisition Fee² payable to the Manager in respect of the Proposed Acquisition will be in the form of the Acquisition Fee Units, which shall not be sold within one year from the date of issuance.

3.1.4. Certain Principle Terms of Share Purchase Agreement

In connection with the Proposed Acquisition, FLT had on 19 April 2018, through the FLT Singapore SPV, entered into the Share Purchase Agreement with the Vendor, to acquire all the issued shares of the Dutch Target Company, which will in turn (directly or indirectly) own equity interests in the Property Holding Companies which hold the predominantly freehold interests in the New Properties³.

The principal terms of the Share Purchase Agreement include, among others, the following:

- (i) the completion of the Proposed Acquisition is subject to the satisfaction of certain conditions precedent, which includes (a) the Manager obtaining the approval of the Unitholders at the EGM; and (b) the Manager procuring financing for the Proposed Acquisition and the assignment of the Inter-Company Loan on terms reasonably satisfactory to the Manager;
- (ii) the completion of the Proposed Acquisition is by way of transfer of the shares of the Dutch Target Company from the Vendor to the FLT Singapore SPV by execution of the deed of transfer, being the notarial deed (notariële akte) in which notarial deed the Vendor transfers (levert) the shares of the Dutch Target Company to the FLT Singapore SPV, the FLT Singapore SPV accepts (aanvaardt) such transfer (levering) and the Dutch Target Company acknowledges (erkent) such transfer, which notarial deed is to be executed in front of the civil law notary;
- (iii) on completion of the Proposed Acquisition, the FLT Singapore SPV shall pay an initial consideration sum to the Vendor, which is calculated in accordance with the Share Purchase Agreement and based on the quantum of the NAV reflected in a pro-forma consolidated balance sheet of the Dutch Target Company and the Inter-Company Loan made up to the date of completion of the Proposed Acquisition based on the Vendor's best estimates;
- (iv) post-completion of the Proposed Acquisition, the Vendor shall deliver to the FLT Singapore SPV the consolidated balance sheet of the Dutch Target Company as of

¹ The Acquisition Fee is 0.5% of the Property Purchase Price of the New Properties (in proportion to the effective interest which FLT will hold in each of the New Properties), and will only be paid on completion of the acquisition of all the New Properties in accordance with the terms of the Share Purchase Agreement.

² Based on the Trust Deed, the Manager shall be entitled to receive such number of Units as may be purchased for the relevant amount of the Acquisition Fee at the issue price of Units issued to finance or part finance the Proposed Acquisition in respect of which the Acquisition Fee is payable. In the event that there is a difference in the issue price for the Private Placement and the Preferential Offering, the Acquisition Fee Units will be received at the higher of the two issue prices.

³ The New Properties will be acquired subject to pre-existing encumbrances pursuant to the Existing Debt Facilities.

the date of completion of the Proposed Acquisition, following which the difference (if any) between the initial consideration sum paid and the final consideration sum based on the completion balance sheet will be paid or reimbursed (as applicable);

- (v) *if, at any time prior to completion of the Proposed Acquisition, any one or more of the New Properties is/are materially damaged¹ (i) either party to the Share Purchase Agreement may terminate the agreement (save for provisions stated in the Share Purchase Agreement ("**Party**") to survive termination of the agreement (the "**Surviving Provisions**")) by giving notice in writing to the other Party whereupon each Party shall bear their own solicitors' costs in the matter and neither shall have any claim or demand against the other for damages, costs or otherwise; or (ii) both Parties shall co-operate and discuss on the mechanism to exclude the materially damaged New Property or New Properties, or the Property Holding Companies which hold the materially damaged New Property or New Properties, as the case may be, and proceed with the Proposed Acquisition, in which case the Parties shall in good faith discuss and make adjustments to the Purchase Consideration payable and the Vendor shall take the necessary steps to effect the restructuring, such steps to be completed as soon as reasonably practicable and in any event on or before 31 July 2018 or, subject to applicable laws, regulations and the Property Funds Appendix, such other date as the Parties may mutually agree in writing;*
- (vi) *in addition, if any one or more of the New Properties is/are materially damaged, and either singly or in aggregate, results in the situation where 30.0% or more of the aggregate of the Property Purchase Price of the portfolio of New Properties to be acquired by the FLT Singapore SPV pursuant to the Share Purchase Agreement (excluding the materially damaged New Property or New Properties, as the case may be) will be made up by New Properties located in the Netherlands, the FLT Singapore SPV may terminate the Share Purchase Agreement (save for Surviving provisions) by giving notice in writing to the other Party whereupon each Party shall bear their own solicitors' costs in the matter and neither shall have any claim or demand against the other for damages, costs or otherwise;*
- (vii) *if, at any time prior to completion of the Proposed Acquisition, any one or more of the New Properties is damaged, but not materially damaged, then neither Party may on that account terminate the Share Purchase Agreement but the Vendor shall procure the relevant Property Holding Company to forthwith reinstate such New Property to its state and condition before the event of damage. Any unpaid costs and expenses for any reinstatement works, to the extent that they are not recoverable from insurances, shall be paid by the Vendor to each of the Property Holding Companies, and all reinstatement works shall be completed prior to completion of the Proposed Acquisition or if that is not possible, as soon as practicable after completion of the Proposed Acquisition;*
- (viii) *if, at any time prior to completion of the Proposed Acquisition, there is change in the law (including subordinate legislation) or proposed change in the law (including subordinate legislation) with retroactive effect in relation to the transactions contemplated under the Share Purchase Agreement that materially increases either Party's liabilities in relation to the transactions contemplated under the Share Purchase Agreement, such Party (the "**Terminating Party**"), may, in its sole discretion, choose to (i) terminate the agreement (save for Surviving provisions) by giving notice in writing to the other Party whereupon each Party shall bear their own solicitors' costs in the matter and neither shall have any claim or demand against the other for damages, costs or otherwise; or (ii) co-operate with the other Party and discuss on possible amendments to the transactions contemplated in the Share Purchase Agreement in order to reduce the liabilities to the Terminating Party resulting from the transactions contemplated in the Share Purchase Agreement to an amount comparable to its liabilities before such change, and proceed with the*

¹"**materially damaged**" means, in respect of any of the New Properties, that there is damage to the New Property or any part of such New Property (i) which, either singly or in aggregate, causes, or will cause, results or will result in, the Gross Rental Income for the relevant calendar month falling by 10.0% or more of the Gross Rental Income for the full calendar month prior to the date of the Share Purchase Agreement, (ii) which, either singly or in aggregate, is such that the aggregate cost of reinstatement and repair of the damaged part of such New Property is more than 10.0% of the Property Purchase Price or (iii) which, either singly or in aggregate, is such that more than 10.0% of the aggregate lettable area of the New Properties is destroyed or rendered unusable for a period exceeding six months.

Proposed Acquisition, in which case the Parties shall in good faith discuss and make any necessary adjustments to the Purchase Consideration payable and the Parties to the Share Purchase Agreement shall take the necessary steps to effect the amendments, such steps to be completed as soon as reasonably practicable and in any event on or before 31 July 2018 or, subject to applicable laws, regulations and the Property Funds Appendix, such other date as the Parties may mutually agree in writing. The Parties shall use reasonable best efforts in discussing the possible amendments; and

- (ix) *certain limited representations and warranties are made by the Vendor including in relation to the capacity of the Vendor, information disclosed, legal matters, title to the New Properties and other matters in relation to the relevant New Properties.*

Claims under the indemnities and for breach of warranties are subject to a cap on liability. Claims for breach of tax-related warranties and under the tax-related indemnities must be made within five years of the end of the year of assessment in which the completion of the Proposed Acquisition falls and claims for breach of all other warranties and other indemnities must be made within 18 months after the completion of Proposed Acquisition. The amount of a claim (together with the aggregate amount of any previous claims in respect of a breach of the warranties or the Vendor's obligations under the Share Purchase Agreement and claims under indemnities, which may be in respect of different subject matters) must be equal to or greater than €60,000 and the maximum aggregate liability of the Vendor (subject to certain excepted claims in respect of which there shall be no limitation as regards the Vendor's liability) in respect of all claims (which shall include breach of warranties and claims under the indemnities (for example, under the tax-related indemnities)) must not exceed the Purchase Consideration.

3.1.5. Indemnity in relation to Taxation

*The FLT Singapore SPV will also enter into a deed of indemnity (the "**Deed of Indemnity**") with the Vendor on or prior to completion of the Proposed Acquisition pursuant to which the Vendor will, among others, indemnify the FLT Singapore SPV (on behalf of FLT) against any claim for taxation in respect of or arising from (a) any transaction effected or deemed to have been effected on or before completion under the Share Purchase Agreement; or (b) by reference to any income, profits or gains earned, accrued or received on or before completion under the Share Purchase Agreement.*

The above indemnities are subject to the limitations of liability set out in the Share Purchase Agreement.

3.1.6. Property Manager in respect of New Properties

*In connection with the IPO, Frasers Property Corporate Services Pte. Ltd. (formerly known as FCL Management Services Pte. Ltd.) was appointed on 17 June 2016 as the property manager in respect of properties of FLT located outside of Australia pursuant to a master property management agreement entered into between the Trustee, the Manager and Frasers Property Corporate Services Pte. Ltd. (the "**Master Property Management Agreement**"). In connection with the Proposed Acquisition and pursuant to the terms of the Master Property Management Agreement, FLT, through each of the Property Holding Companies, will enter into individual property management agreements to appoint Geneva, a subsidiary of FPL and a related corporation of Frasers Property Corporate Services Pte. Ltd. (also a subsidiary of FPL), to provide property management, (including lease management) and marketing services in respect of the New Properties.*

3.2. THE EQUITY FUND RAISING

3.2.1. Overview of Equity Fund Raising

The Manager proposes to issue up to 525,000,000 New Units (representing approximately 34.5% of the existing number of issued Units as at the Latest Practicable Date). Based on the Illustrative Issue Price of S\$1.00 per New Unit, the Equity Fund Raising is expected to raise gross proceeds of up to approximately S\$525.0 million, to finance part of the Total Transaction Cost, with the balance to be funded by borrowings.

3.2.2. Structure of Equity Fund Raising

The structure and timing of the Equity Fund Raising have not been determined. If and when the Manager decides to undertake the Equity Fund Raising, the Equity Fund Raising may (at the Manager's absolute discretion) comprise:

- (i) a Private Placement of New Units to institutional and other investors, including FPL and TCCGI; and*
- (ii) a non-renounceable Preferential Offering of New Units to the existing Unitholders on a pro rata basis,*

which the Manager deems appropriate in the circumstances and after having considered the then prevailing market conditions.

Unitholders should note that the New Units offered under the Preferential Offering (if undertaken by the Manager) will be on a non-renounceable basis. The ARE¹ will not be renounceable or transferable and will be for use only by entitled Unitholders.

The Manager will work with the Joint Global Co-ordinators and Bookrunners to determine the structure of the Equity Fund Raising, the time schedule for the Equity Fund Raising and the Issue Price, taking into account market conditions and other factors that the Manager and the Joint Global Co-ordinators and Bookrunners may consider relevant. The Manager will announce details of the Equity Fund Raising at the appropriate time.

In the event that the Equity Fund Raising is approved by Unitholders, but market conditions are not conducive to carry out the Equity Fund Raising or the Equity Fund Raising cannot be effected on acceptable terms, the Manager may still proceed with the Proposed Acquisition.

The Issue Price under the Equity Fund Raising will be determined by the Manager and the Joint Global Co-ordinators and Bookrunners closer to the date of commencement of the Equity Fund Raising. The actual number of New Units to be issued pursuant to the Equity Fund Raising will depend on the aggregate amount of proceeds to be raised from the Equity Fund Raising and the Issue Price.

The structure and time schedule of the Equity Fund Raising and the Issue Price will be determined in accordance with, among others, Chapter 8 of the Listing Manual. The Issue Price for New Units under the Private Placement and/or Preferential Offering will comply with Rules 811(1) and 811(5) of the Listing Manual, and will not be at more than 10.0% discount to the VWAP for trades done on the SGX-ST for the full market day on which the Underwriting Agreement is signed, or (if trading in the Units is not available for a full market day) for the preceding market day up to the time the Underwriting Agreement is signed, excluding (where applicable) accrued distributions provided that the holders of the New Units are not entitled to the accrued distributions.

The Issue Price of New Units pursuant to the Private Placement may differ from the Issue Price of New Units pursuant to the Preferential Offering.

The unitholding interest of existing Unitholders may be diluted by the issue of New Units in the event that the Manager issues New Units under the Equity Fund Raising and such existing

¹ "ARE" refers to the acceptance form for New Units provisionally allotted to entitled Unitholders under the Preferential Offering and application form for excess New Units.

Unitholders do not participate or do not have the opportunity to participate in the Equity Fund Raising.

If the Manager should decide to undertake the Equity Fund Raising using a form other than, or in addition to, the Private Placement, such as the Preferential Offering, the Manager will enter into discussions with the Joint Global Co-ordinators and Bookrunners to explore how the Joint Global Co-ordinators and Bookrunners may assist to facilitate the successful execution of the Equity Fund Raising.

The Equity Fund Raising and any underwriting obligations are subject to, among others, prevailing market conditions and mutual agreement to the terms of the Equity Fund Raising, such as the issue price of the New Units, and execution of the Underwriting Agreement.

3.3. UNDERTAKING BY THE FPL GROUP

*To demonstrate its support for FLT and the Equity Fund Raising, FPL, which holds an aggregate direct and indirect interest in 309,642,483 Units, which is equivalent to approximately 20.36% of the Units in issue as at the Latest Practicable Date (the "**FPL Unitholding Percentage**"), has irrevocably undertaken (the "**FPL Irrevocable Undertaking**") to the Manager and the Joint Global Co-ordinators and Bookrunners on 19 April 2018 that, among other things:*

- (i) subject to any prohibitions or restrictions imposed by the relevant regulatory authorities (including the SGX-ST), it will vote and/or procure that its wholly-owned subsidiaries vote (in respect of all Units beneficially owned by it or its wholly-owned subsidiaries) in favour of the resolution to approve the proposed issue of up to 525,000,000 New Units under the Equity Fund Raising and such other resolutions necessary or expedient for the purposes of the Equity Fund Raising;*
- (ii) in the event that the Equity Fund Raising involves a Private Placement, FPL will subscribe, procure that its wholly-owned subsidiaries subscribe, and/or procure one or more of its existing subsidiaries and/or new subsidiaries/entities set up by FPL to hold Units, to subscribe and pay in full for, New Units under the Private Placement in order to maintain the FPL Unitholding Percentage (or such higher unitholding percentage in FLT as a result of Units being issued to the Manager as management fees (if applicable))¹ following the Private Placement; and*
- (iii) in the event that the Equity Fund Raising includes a Preferential Offering, it will accept, or procure the acceptance, in full of the provisional allocation of New Units under the Preferential Offering based on its entitlement.*

¹The Units to be issued to the Manager as full or partial satisfaction of the management fees payable to the Manager will only be issued after the date of the FPL Irrevocable Undertaking but prior to the books closure date in respect of the Equity Fund Raising. The issuance of such management fee Units is in accordance with the Trust Deed and is not affected by the Equity Fund Raising or the FPL Irrevocable Undertaking. Accordingly the reference to such higher unitholding percentage in FLT as a result of the issuance of management fee Units refers to such higher percentage than the 20.36% held directly and indirectly by FPL as at the Latest Practicable Date arising from the issuance of such management fee Units. For the avoidance of doubt, this issuance of Units is for payment of the base management fee for the financial quarter from 1 January 2018 to 31 March 2018 and is separate from the Acquisition Fee payable to the Manager for the Proposed Acquisition.

3.4. UNDERTAKING BY TCCGI

To demonstrate its support for FLT and the Equity Fund Raising, TCCGI, which holds a deemed interest in 89,887,000 Units, which is equivalent to approximately 5.91% of the Units in issue as at the Latest Practicable Date (the "**TCCGI Unitholding Percentage**"), has irrevocably undertaken (the "**TCCGI Irrevocable Undertaking**") to the Manager on 19 April 2018 that, among other things:

- (i) subject to any prohibitions or restrictions imposed by the relevant regulatory authorities (including the SGX-ST), it will vote and/or procure that its wholly-owned subsidiaries vote (in respect of all Units beneficially owned by it or its wholly-owned subsidiaries) in favour of the resolution to approve the proposed issue of up to 525,000,000 New Units under the Equity Fund Raising and such other resolutions necessary or expedient for the purposes of the Equity Fund Raising;
- (ii) in the event that the Equity Fund Raising involves a Private Placement, TCCGI will subscribe, procure that its nominee(s) or custodian(s) subscribe, and/or procure one or more of its existing subsidiaries and/or new subsidiaries/entities set up by TCCG to hold Units, to subscribe and pay in full for, New Units under the Private Placement in order to maintain the TCCG Unitholding Percentage following the Private Placement; and
- (iii) in the event that the Equity Fund Raising includes a Preferential Offering, it will accept, or procure the acceptance, in full of the provisional allocation of New Units under the Preferential Offering based on its entitlement.

3.5. UNDERWRITING BY JOINT GLOBAL COORDINATORS AND BOOKRUNNERS

It is anticipated that the New Units to be issued pursuant to the Equity Fund Raising (less the New Units to be subscribed under the FPL Irrevocable Undertaking and TCCGI Irrevocable Undertaking) is to be underwritten by the Joint Global Co-ordinators and Bookrunners subject to, among others, then prevailing market conditions and mutual agreement to the terms of the Equity Fund Raising, such as the Issue Price of the New Units, and execution, on the terms and subject to the conditions of the Underwriting Agreement.

4. EVALUATION OF (1) THR PROPOSED ACQUISITION; (2) THE FPL PLACEMENT; AND (3) TCCGI PLACEMENT

In reaching our recommendation in respect of (1) The Proposed Acquisition; (2) The FPL Placement; and (3) The TCCGI Placement, we have given due consideration to the following factors:

- (a) Rationale for and key benefits of the Proposed Transaction;
- (b) Assumptions and valuation approaches adopted by the Independent Valuers and the Purchase Consideration;
- (c) Valuation results and the Property Purchase Price of the Proposed Acquisition;
- (d) Comparison to publicly available market benchmarks;
- (e) Comparison to listed Peer Group;
- (f) Comparison to existing property portfolio;
- (g) Evaluation on the Private Placement;
- (h) Comparison of the Private Placement to precedent placements by REITS listed on SGX-ST; and
- (i) Other relevant considerations which may have a significant bearing on our assessment of (1) The Proposed Acquisition; (2) The FPL Placement; and (3) The TCCGI Placement.

4.1. Rationale for and key benefits of the Proposed Transaction

FLT's views of the rationale and benefits of the Proposed Transaction are set out in Paragraph 8 of the Circular. We recommend that the Independent Directors advise the Unitholders to read this section of the Circular carefully.

We have reproduced below the section in respect of the Proposed Transaction:

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

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

Germany and the Netherlands are global logistics hubs with an assigned Global Ranking of 1 and 4 respectively on the 2016 World Bank Logistics Performance Index ("LPI")¹. Both economies are situated at the crossroads of numerous global and European trading routes as well as within the industrial corridor of Europe.

Germany and the Netherlands are also well-positioned to further extend their global reach in world trade given the critical roles that they play in China's Belt and Road Initiative, which is expected to enhance trade flows between China and Europe via the Silk Road Economic Belt and trans-continental rail connections.

As a result of their strategic locations, Germany and the Netherlands effectively serve as Europe's gateway to global trade and together account for more than approximately 34.5% of the European Union's ("EU-28")² total trade. Both countries rank amongst the top three contributors to EU-28 trade.

(b) Growth in German and Dutch logistics and industrial markets supported by positive underlying economy

Historically, Germany and the Netherlands have been two of the most resilient developed economies in Europe. Both countries have exhibited stable real gross domestic product ("GDP") growth since 2013.

As the fourth largest economy in the world and the largest economy in Europe, Germany serves as the region's economic centre and has a strong trade orientation with it being the 3rd largest exporter of merchandise trade globally in 2016. The German logistics market is not only the largest in the world but also the top performer globally based on the World Bank's 2016 LPI rankings. Germany offers access to a large consumer base of approximately 250 million people within a catchment area of 500km and is also the third largest exporter of goods globally in 2016.

As one of the most trade-oriented economies in Europe with total trade accounting for 47% of its GDP, the Netherlands is the 5th largest exporter of merchandise trade globally in 2016. The Netherlands also serves as one of Europe's top logistics hub and is amongst the top four logistics performers globally based on the World Bank's 2016 LPI rankings. The Netherlands offers access to a consumer base of approximately 160 million people that can be reached within 24 hours from Amsterdam or Rotterdam. The Netherlands is also served by the Port of Rotterdam, the largest sea port in Europe.

¹Source: <https://lpi.worldbank.org/international/global> (last accessed on the Latest Practicable Date). The World Bank has not provided its consent to the inclusion of the information extracted from the website and therefore is not liable for such information. While the Manager has taken reasonable actions to ensure that the information from the website is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such website, neither the Manager nor any other party has conducted an independent review of the information contained in such website nor verified the accuracy of the contents of the relevant information.

² Comprises the 28 members of the European Union 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, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and the UK.

(c) Robust net absorption trends driven by limited supply and strong demand drivers

The German logistics market continues to see limited supply of warehouse space since 2008 due to limited land supply and competition from other higher value land uses. The completions of warehouse developments continue to lag strong occupier demand for warehouse space. The current aggravated supply situation has resulted in a logistics market with minimal incentives.

On the other hand, demand for warehouse space remains strong, with take-up reaching or exceeding approximately 5 million sq m annually since 2014. eCommerce is expected to remain a strong demand driver due to an increasing focus on "last-mile" logistics which places greater demand for strategically located assets that can act as fulfilment and delivery centres. 2018 take-up is expected to remain strong due to positive economic conditions and continued high level of demand for space.

The Dutch logistics market has seen a sharp reduction in available supply over the last four years, with stock declining to approximately one million sq m in the second half of 2017. There is also a shortage of modern and high-quality logistics space in the market, with less than one third of available supply qualifying as Grade A space. Consequently, supply has consistently lagged demand over the last three years.

On the other hand, demand for warehouse space continues to be strong, with national take-up reaching approximately three million sq m in 2017. The logistics industry continues to be driven by global movement of goods, third party logistics and the rising importance of retail channels driven by eCommerce.

4.1.2. Prime, Strategically Located and Predominantly Freehold Portfolio

(a) Stable leases backed by high quality tenants

The New Properties offer a diversified tenant mix focused on the primary industries of automotive, logistics services, food logistics and industrial manufacturing. As at 31 December 2017, the portfolio of New Properties has a long WALE of 8.0 years and an occupancy rate of 100%. The New Properties also enjoy stable leases with 89% of leases having CPI-linked indexation or fixed annual escalations.

In addition, the portfolio of New Properties is underpinned by a high-quality tenant base with strong corporate profiles. Notably, the top 10 tenants of the New Properties by Gross Rental Income for the month of December 2017 comprise a mix of multinational corporations with investment grade credit ratings and publicly listed corporations.

(b) Modern logistics facilities with high specifications

The New Properties are high quality and modern logistics facilities with an average age¹ of 7.0 years old and possess high specifications installations, including solar photovoltaic systems, hardstand, light-emitting diode (LED) lighting, in-rack sprinkler systems, crane installation and ventilation plants for selected properties. Additionally, tenants have invested substantially in automation and hi-tech systems in the facilities, which significantly enhances tenant retention for the New Properties. Examples of such tenant-funded investments include specialised equipment for food logistics use, such as deep freeze and temperature-control systems.

¹ Weighted average age as at 31 December 2017 based on the higher of the two independent valuations of the New Properties conducted by the Independent Valuers.

(c) Predominantly located in major logistics clusters of Germany and the Netherlands

A majority of the New Properties is strategically located within the major logistics clusters of Germany and the Netherlands which cater to the core distribution needs of both countries. Many of the New Properties are also located in or near to designated micro logistic hubs that cater to local communities.

4.1.3. Enlarged Diversified Portfolio Positioned for Long-term Growth

(a) Enhanced geographical diversification

The Proposed Acquisition will allow FLT to achieve diversification into the attractive German and Dutch logistics markets.

(b) Increased proportion of freehold assets in the enlarged portfolio

The Proposed Acquisition will increase the proportion of freehold assets in the Existing Portfolio from 59.8% (under the Existing Portfolio) to 70.6% (under the Enlarged Portfolio).

(c) Reduced concentration risk in the top 10 tenants

The top 10 tenants' contribution to the Existing Portfolio's Gross Rental Income for the month of December 2017 will decrease from 41.5% to 35.2% following the Proposed Acquisition.

(d) Improved portfolio WALE

Leases expiring in FY2018 to FY2019 will decrease from 12.7% to 9.5% of Gross Rental Income for the month of December 2017. The Existing Portfolio's WALE will also increase from the current 6.8 years to 7.1 years following the completion of the Proposed Acquisition.

4.1.4. Leveraging Sponsor's Integrated Development and Asset Management Platform

(a) Access to the Sponsor's widened logistics and industrial platform

FLT will be able to leverage on the Sponsor's integrated logistics and industrial platform in Europe via Frasers Property Europe ("FPE"), which comprises of Geneba (a subsidiary of FPL) and its recently announced acquisition of Alpha Industrial GmbH & Co KG ("Alpha Industrial")¹. The Alpha Industrial and the Geneba management teams will become an integral part of FPE's platform, which the Sponsor started building with the acquisition of Geneba in July 2017. Similar to the Sponsor's platform in Australia, FPE has extensive experience in the development and management of logistics and industrial real estate assets in Europe, with core competencies across the entire value chain.

In particular, with the completion of the acquisition of Alpha Industrial, FPE will have a strong greenfield development and solutions implementation capability. This can be demonstrated by Alpha Industrial's track record of developing more than 300,000 sq m of modern logistics space in Europe over the last three years. The team of practised specialists supervises all phases of the project, from its inception to completion.

FPE also has a strong asset and property management capability. The local team has strong asset management experience, deep knowledge of logistics and industrial real estate, including tenants' businesses, and a proven track record

¹ 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 Holding S.A, Luxembourg, as well as the project and asset management business of Alpha Industrial.

of growing the portfolio size from €350 million since inception to €540 million in a short span of three years. Furthermore, the Alpha Industrial platform manages over one million sq m of logistics properties at 39 locations around Europe.

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

(b) Access to a visible ROFR pipeline

With the broadening of its initial focus from Australia to include Europe through the Proposed Transaction, FLT will have access to a visible ROFR pipeline of up to approximately 1.2 million sq m of completed Australian and European industrial assets from the Sponsor.

The ROFR pipeline comprises 16 assets from Australia with a total GLA of approximately 407,000 sq m and six assets from Europe with a total GLA of approximately 389,100 sq m as at 31 March 2018. There will be a potential addition of 17 ROFR assets from Europe with GLA of approximately 432,700 sq m upon the completion of the acquisition of Alpha Industrial's portfolio of 16 completed logistics and industrial assets and one logistics asset in Germany by the Sponsor. Furthermore, FPE's eight logistics projects which are acquired as development and forward purchases with a total additional GLA of approximately 152,100 sq m will contribute to a pipeline of potential ROFR properties for FLT when they are completed.

(c) Strong track record of enhancing value through asset enhancement initiatives ("AEIs")

FPE has a strong track record of enhancing value through AEIs. Some examples of AEIs completed by the FPE team are set out in Paragraph 8.4.3 of the Circular. The Manager will continue to tap on the resources of FPE to assess and undertake potential AEIs in the New Properties to generate value for Unitholders.

4.1.5. Consistent with Manager's Investment Strategy

(a) In line with FLT's key objective

The Proposed Acquisition is in line with FLT's key objectives of delivering stable and regular distributions as well as long-term distribution per Unit ("**DPU**") growth to Unitholders. The portfolio of New Properties provides geographical diversification to the Existing Portfolio and access to the attractive German and Dutch logistics markets which are Europe's gateway to global trade. The portfolio of New Properties comprises prime and predominantly freehold logistics and light industrial assets, which are similar in characteristics to the Australian assets in the Existing Portfolio. As at 31 December 2017, the New Properties are 100% occupied by quality tenants through long leases, offering income stability 89% of leases having CPI-linked indexation or fixed annual escalations. The Enlarged Portfolio, through tenant diversification, reduces concentration risks for FLT's portfolio. Following the Proposed Acquisition, the Manager will continue to maintain an optimal capital mix and prudent capital management for FLT.

Based on the pro forma financial effects of the Proposed Transaction on the DPU for Q1 FY2018¹, the Proposed Transaction is expected to be DPU accretive to Unitholders by approximately 1.7%.

Upon completion of the Proposed Transaction, FLT's Net Property Income and Distributable Income for Q1 FY2018¹ will be enlarged by 38.5% and 35.1% respectively.

¹ Please refer to paragraph 9.1.1 of the Circular for the pro forma financial effects of the Proposed Transaction on FLT's DPU, Net Property Income and Distributable Income for Q1 FY2018.

Based on the above, (1) The Proposed Acquisition; (2) The FPL Placement; and (3) The TCCGI Placement appear to be on normal commercial terms and not prejudicial to the interests of FLT's minority Unitholders.

4.2. Assumptions and valuation approaches adopted by the Independent Valuers and the purchase consideration

The Trustee has commissioned an independent valuer, CBRE, and the Manager has commissioned an independent valuer, Colliers to ascertain the current market value of the properties. The valuation summary is set out in Appendix B of the Circular. We recommend that the Independent Directors to advise the Unitholders to read this section of the Circular carefully.

4.2.1. Definitions

We set out below definition for key metrics that has been adopted by the Independent Valuers in relation to the Proposed Acquisition:

Definition	
RICS Valuation – Global Standard 2017 (the "Red Book")	<ul style="list-style-type: none"> The Independent Valuers' reports have been prepared in accordance with the RICS Valuation – Global Standards 2017 which incorporate the International Valuation Standards (the "Red Book").
Net Property Value or Market Value ("MV")	<ul style="list-style-type: none"> Net Property Value or MV is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.
Gross Property Value ("GV")	<ul style="list-style-type: none"> GV represents the valuation/ price before cost of purchase (i.e. stamp duty and fees) are deducted.
Gross Rental Income (i.e. In-Place Rent)	<ul style="list-style-type: none"> In respect of the New Properties, the contracted rental income and estimated recoverable outgoings of the New Properties.
Net Property Income ("NPI")	<ul style="list-style-type: none"> NPI is the Gross Rental Income less the property operating expense.
Net Initial Yield ("NIY")	<ul style="list-style-type: none"> NIY is equal to the NPI divided by the Gross Property Value.
Gross Initial Yield ("GIY")	<ul style="list-style-type: none"> GIY is equal to the in-place rent divided by Net Property Value.
Net Property Income Yield ("NPI Yield")	<ul style="list-style-type: none"> NPI yield is calculated based on Net Property Income divided by Net Property Value.

Source: RICS Valuation – Global Standards 2017, GVA UK

4.2.2. Valuation Approaches and Assumptions by the Independent Valuers

In respect of the independent valuations of the New Properties, both Independent Valuers have utilised the income capitalisation approach as the primary valuation method and the direct comparison approach as the secondary valuation method.

We set out below a brief summary of the valuation approaches adopted by the Independent Valuers in relation to the New Properties:

Valuers	CBRE	Colliers																																				
Valuation approach	<ul style="list-style-type: none"> • CBRE's valuation approach is in accordance to the RCIS Valuation - Global Standards 2017, which incorporates the International Valuation Standards (the "Red Book") • CBRE has adopted the income capitalisation as the primary method of valuation with the direct comparable method as a secondary method of valuation • The income capitalisation method of the valuation involves the capitalisation of net income stream from the property at a net yield • The direct comparison method compares sales prices of the comparable properties (per sq m) to the subject properties 	<ul style="list-style-type: none"> • Colliers' valuation approach is in accordance to the RCIS Valuation - Global Standards 2017, which incorporates the International Valuation Standards (the "Red Book") • Colliers has adopted the income capitalisation as the primary method of valuation with the direct comparable method as a secondary method of valuation • The income capitalisation method of the valuation involves the capitalisation of net income stream from the property at a net yield • The direct comparison method compares sales prices of the comparable properties (per sq m) to the subject properties 																																				
Key consideration for metrics	<ul style="list-style-type: none"> • CBRE relied on their internal database of market comparable (rental and sales) of similar properties in the surrounding area • CBRE has a strong team of local agents in each of the areas to determine, cite and access the marketability, rental level achievability and as such derive the appropriate yield for each of the properties • CBRE took into account the size, location, quality of accommodation, and tenancy details for each of the properties and have adjusted the NIY and GIY accordingly 	<ul style="list-style-type: none"> • Colliers relied on their internal database and "Real Capital Analytics", a Pan-European database that is available in Europe, for rental comparable and sales comparable of similar properties in the surrounding area • Colliers has a strong team of local agents in each of the areas to determine, cite and access the marketability, rental level achievability and as such derive the appropriate yield for each of the properties • Colliers took into account the size, location, quality of accommodation, and tenancy details for each of the properties and have adjusted the NIY and GIY accordingly 																																				
Portfolio details as at 31 March 2018⁽¹⁾	<table border="1"> <thead> <tr> <th colspan="3">Germany</th> </tr> </thead> <tbody> <tr> <td>MV</td> <td>GIY</td> <td>NIY</td> </tr> <tr> <td>€ 450.7 m</td> <td>5.7%</td> <td>5.1%</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th colspan="3">Netherlands</th> </tr> </thead> <tbody> <tr> <td>MV</td> <td>GIY</td> <td>NIY</td> </tr> <tr> <td>€ 148.6 m</td> <td>5.9%</td> <td>5.2%</td> </tr> </tbody> </table>	Germany			MV	GIY	NIY	€ 450.7 m	5.7%	5.1%	Netherlands			MV	GIY	NIY	€ 148.6 m	5.9%	5.2%	<table border="1"> <thead> <tr> <th colspan="3">Germany</th> </tr> </thead> <tbody> <tr> <td>MV</td> <td>GIY</td> <td>NIY</td> </tr> <tr> <td>€ 450.2 m</td> <td>5.7%</td> <td>5.1%</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th colspan="3">Netherlands</th> </tr> </thead> <tbody> <tr> <td>MV</td> <td>GIY</td> <td>NIY</td> </tr> <tr> <td>€ 143.7 m</td> <td>6.1%</td> <td>5.3%</td> </tr> </tbody> </table>	Germany			MV	GIY	NIY	€ 450.2 m	5.7%	5.1%	Netherlands			MV	GIY	NIY	€ 143.7 m	6.1%	5.3%
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Source: Valuation reports from Colliers and CBRE

Notes:

(1) Based on Independent Valuers report provided by Management

The approaches undertaken by the Independent Valuers are widely accepted methods for the purpose of valuing, income producing industrial properties with medium to long term lease terms remaining. We have made reasonable enquiries and have exercised our professional judgement in reviewing the information contained in the respective valuation reports. In our review, we found the information provided to be reasonable.

Details of the Valuation Summaries is set out in Appendix B of the Circular.

4.2.3. Purchase Consideration and Estimated Total Transaction Cost

Details of Valuation and Purchase Consideration and Estimated total transaction cost are set out in Paragraph 2.3 and 2.4 of the Circular. We recommend that the Independent Directors advise the Unitholders to read this section of the Circular carefully.

Based on the above, we note that the Purchase Consideration was based on the Property Purchase Price which was negotiated on a willing-buyer and willing-seller basis taking into account the independent valuations described herein, as adjusted for the estimated consolidated net assets and liabilities of the Dutch Target Company.

We also note that the Purchase Consideration is adjusted for the effective interest which FLT will hold in each New Property, as adjusted for the net assets and liabilities of the Dutch Target Company at completion of the Proposed Acquisition.

We further note that the total transaction costs take into consideration the following (1) Purchase Consideration; (2) Acquisition fee; and (3) Estimated professional and other fees incurred or to be incurred by FLT in connection with the Proposed transaction.

4.3. Valuation results and the Property Purchase Price of the Proposed Acquisition

We have set out a summary of:

- (a) the market value in respect to the independent valuations of the New Properties by both Independent Valuers, CBRE and Colliers;
- (b) The appraised value for the New Properties (the "**New Properties Appraised Value**"), being the aggregate of the higher of the two independent valuations of each New Property conducted by the Independent Valuers;
- (c) the Property Purchase Price for the New Properties; and
- (d) the premium/ (discount) between the New Properties Appraised Value and Agreed Net Property Value

as below:

	CBRE - Net Property Value	Colliers - Net Property Value	Appraised Value	Property Purchase Price	Premium/ (Discount)
	Market Value, €m	Market Value, €m	Appraised Value, €m	Property Purchase Price, €m	%
German properties portfolio	450.7	450.2	455.3	449.8	(1.2%)
The Netherlands properties portfolio	148.6	143.7	148.6	147.0	(1.1%)
Acquisition properties portfolio	599.3	593.9	603.9	596.8	(1.2%)

Source: Independent Valuers Report, Management

We noted that:

- (i) The Property Purchase Price for the German properties portfolio is €449.8m and the Appraised Value of the German Properties is €455.3m;
- (ii) The Property Purchase Price for the Netherlands properties portfolio is €147.0m and the Appraised Value of the Netherlands Properties is €148.6m;
- (iii) The Property Purchase Price for the Acquisition properties portfolio is €596.8m and the New Properties Appraised Value is €603.9m; and
- (iv) The Property Purchase Price is at a discounted price of 1.2%, 1.1% and 1.2% from the Appraised Value for the German Properties, the Appraised Value for the Netherlands Properties and the New Properties Appraised Value respectively.

We further note that:

- (v) The Property Purchase Price for German properties portfolio is €449.8m and it is below the CBRE valuation of €450.7m and Colliers valuation is €450.2m;
- (vi) The Property Purchase Price for Netherlands properties portfolio is €147.0m and it is below the CBRE Valuation of €148.6m and above Colliers Valuation of €143.7m;
- (vii) The Property Purchase Price for the acquisition portfolio is €596.8 and it is below the CBRE Valuation of €599.3m and above the Colliers Valuation of €593.9m; and
- (viii) As such, at a portfolio level, we note that the New Properties Property Purchase Price is within range of the two Independent Valuers.

A summary of the Gross Initial Yield, Net Initial Yield and Net Property Income Yield for the New Properties is set out below:

	CBRE - Market Approach			Colliers - Income Capitalisation			Property Purchase Price		
	GIY ⁽²⁾ , %	NIY ⁽³⁾ , %	NPI Yield ⁽⁴⁾ , %	GIY,%	NIY,%	NPI Yield, %	GIY,%	NIY,%	NPI Yield, %
Germany Properties									
Max	7.7%	6.7%	7.2%	8.5%	7.4%	8.0%	7.9%	7.1%	7.6%
Median	5.7%	5.2%	5.5%	5.5%	5.0%	5.3%	5.9%	5.0%	5.2%
Average	5.9%	5.3%	5.6%	6.0%	5.3%	5.7%	6.0%	5.3%	5.6%
Min	4.7%	4.2%	4.5%	4.7%	4.0%	4.3%	4.7%	4.1%	4.4%
German properties portfolio	5.7%	5.1%	5.4%	5.7%	5.1%	5.4%	5.8%	5.1%	5.4%

	GIY,%	NIY,%	NPI Yield, %	GIY,%	NIY,%	NPI Yield, %	GIY,% ⁽¹⁾	NIY,%	NPI Yield, %
The Netherlands Properties									
Max	6.3%	5.5%	5.9%	6.5%	5.6%	5.9%	6.4%	5.5%	5.8%
Median	5.8%	5.1%	5.5%	6.1%	5.4%	5.8%	6.0%	5.2%	5.5%
Average	5.7%	5.1%	5.5%	6.0%	5.2%	5.5%	5.9%	5.2%	5.5%
Min	5.1%	4.7%	5.0%	5.2%	4.3%	4.6%	5.3%	4.7%	5.0%
Netherlands properties portfolio	5.9%	5.2%	5.6%	6.1%	5.3%	5.6%	6.1%	5.3%	5.6%

	GIY,%	NIY,%	NPI Yield, %	GIY,%	NIY,%	NPI Yield, %	GIY,%	NIY,%	NPI Yield, %
Acquisition Portfolio									
Max	7.7%	6.7%	7.2%	8.5%	7.4%	8.0%	7.9%	7.1%	7.6%
Median	5.7%	5.2%	5.5%	6.1%	5.3%	5.7%	5.9%	5.0%	5.3%
Average	5.9%	5.3%	5.6%	6.0%	5.3%	5.6%	6.0%	5.3%	5.6%
Min	4.7%	4.2%	4.5%	4.7%	4.0%	4.3%	4.7%	4.1%	4.4%
Acquisition properties portfolio	5.7%	5.1%	5.4%	5.8%	5.1%	5.4%	5.8%	5.2%	5.5%

Source: Independent Valuers' Reports

Notes:

- (1) Based on Independent Valuers report provided by Management. Valuation as at 31 March 2018 assumes a 100% effective interest in each property
- (2) GIY refers to "Gross Initial Yield", calculated by reference to in-place rent divided by Property Purchase Price
- (3) NIY refers to "Net Initial Yield", calculated by reference to in-place rent net of non-recoverable expenses divided by gross property value (Property Purchase Price plus acquisition cost).
- (4) NPI yield refers to "Net Property Income Yield", calculated based on in-place rent net of non-recoverable expenses divided by Property Purchase Price.

Based on the table above, we note the following with regard to the Property Purchase Price:

- (i) The Proposed Acquisition for the German Portfolio has a Gross Initial Yield of 5.8% that is above the Gross Initial Yield of 5.7% for both the CBRE and Colliers; the Proposed Acquisition for the Netherlands Portfolio has a Gross Initial Yield of 6.1% that is within the range of the Gross Initial Yield of 5.9% and 6.1% for CBRE and Colliers respectively; and the Proposed Acquisition for the Acquisition Properties Portfolio has a Gross Initial Yield of 5.8% that is within the range of the Gross Initial Yield of 5.7% and 5.8% for CBRE and Colliers respectively;

- (ii) The Proposed Acquisition for the German Portfolio has a Net Initial Yield of 5.1% that is the same as the Net Initial Yield of 5.1% for both CBRE and Colliers; the Proposed Acquisition for the Netherlands Portfolio has a Net Initial Yield of 5.3% that is within the range of the Net Initial Yield of 5.2% and 5.3% for CBRE and Colliers respectively; and the Proposed Acquisition for the Acquisition Properties Portfolio has a Net Initial Yield of 5.2% that is above the range of the Net Initial Yield of 5.1% for both CBRE and Colliers; and
- (iii) The Proposed Acquisition for the German Portfolio has a Net Property Income Yield of 5.4% that is the same as the Net Property Income Yield of 5.4% for both CBRE and Colliers; the Proposed Acquisition for the Netherlands Portfolio has a Net Property Income Yield of 5.6% that is the same as the of the Net Property Income Yield of 5.6% for both CBRE and Colliers; and the Proposed Acquisition for the Acquisition Properties Portfolio has a Net Property Income Yield of 5.5% that is the above the Net Property Income Yield of 5.4% for both CBRE and Colliers.

Based on the above, the Proposed Acquisition appears to be on normal commercial terms and not prejudicial to the interests of FLT’s minority Unitholders.

4.4. Comparison to publicly available market benchmarks

For the purpose of assessing the Gross Initial Yield of the New Properties, we have taken reference to publicly available estimates of Prime Yields in which the New Properties operate (the “**Public Benchmark**”).

We have had discussions with the Management about the suitability and reasonableness of the Public Benchmark acting as a basis for comparison with the New Properties. Relevant information has been extracted from publicly available research reports. We make no representations or warranties, expressed or implied, as to the accuracy or completeness of such information. The underlying assumptions of the Public Benchmark with respect to the values which Prime Yields were derived may differ from that of the New Properties.

We set out below the definition of the key metric that has been used to compare Public Benchmark against the Gross Initial Yield and the Net Initial Yield of the New Properties:

Definition	
Prime Yield (“PY”)	<ul style="list-style-type: none"> • Represents the best “rack-rented” yield estimated to be achievable for a notional property of the highest quality and specification in the best location in a market, as at the survey date. • The property should be let at the prevailing market rent to a first class tenant with an occupational lease that is standard for the local market.

Trade is a Gross Domestic Product (“**GDP**”) driver for Germany and the Netherlands, accounting for 24% and 47% of their nation’s GDP respectively. We have reviewed the Independent Market Review (“**IMR**”) conducted by JLL. The table below sets out a summary of trends and prime yield range in Germany and The Netherlands.

Germany	The Netherlands
<ul style="list-style-type: none"> • Germany is ranked number 1 out of 28 in terms of total global trade in Europe, accounting for 23.8% of Europe’s total trade. • Typically, in Germany, there will be a rent-free period for a five-year lease ranging between none and three months. 	<ul style="list-style-type: none"> • The Netherlands is ranked number 3 out of 28 in terms of total global trade in Europe, accounting for 10.7% of Europe’s total trade. • Occupier demand in the Netherlands has historically been rising as a result of the increasing global character of the logistics industry with particularly robust demand over the past three years.
<ul style="list-style-type: none"> • 4Q2017 Prime Yield ranges from 4.5% to 4.8%. 	<ul style="list-style-type: none"> • 4Q2017 Prime Yield ranges from 4.9% to 5.2%.

Source: 2018 JLL Industrial and Logistics Market Overview: Germany and Netherlands

We have also compared Gross Initial Yields and the Net Initial Yield of German properties and the Netherlands properties against their respective Prime Yields as set out in the table below.

	Property Purchase Price		Market
	Gross Initial Yield, %	Net Initial Yield, %	Prime Yield, %
German Properties	5.8%	5.1%	4.5% to 4.8%
The Netherlands Properties	6.1%	5.3%	4.9% to 5.2%

Source: 2018 JLL Industrial and Logistics Market Overview: Germany and Netherlands, Management

Based on the table above, we note the following with regard to the GIY and NIY for the Property Purchase Price versus the Prime Yield for the market:

- (i) The GIY and NIY of the German Properties of 5.8% and 5.1% are above its respective Prime Yield range of 4.5% to 4.8%; and
- (ii) The GIY and NIY of the Netherlands Properties of 6.1% and 5.3% are above its respective Prime Yield range of 4.9% to 5.2%.

4.5. Comparison to listed Peer Group

For the purposes of assessing the Net Property Yield of the New Properties, we have taken reference to listed REITs whose principal business are broadly comparable to the New Properties (the "**Peer Group**").

We have had discussions with the Management about the suitability and reasonableness of the Peer Group acting as a basis for comparison with the New Properties. Relevant information has been extracted from respective company announcements. We make no representations or warranties, expressed or implied, as to the accuracy or completeness of such information. The Peer Group's accounting policies with respect to the values for which the assets or revenue and costs are recorded may differ from that of the New Properties.

We wish to highlight that the Peer Group may not be exhaustive and they may differ from the New Properties in terms of, *inter alia*, Property Value, size, clientele, tenant composition, asset base, geographical spread, track record, operating and financial leverage, risk profile, liquidity, accounting policies, tax regimes, future prospects and other relevant criteria respectively.

As such, any comparison made is necessarily limited and merely serves as an illustrative guide.

As the acquisition properties are primarily industrial and logistics assets in Europe, we have considered listed REITs/property investment companies with similar business profiles.

In our analysis, we have compared the Net Property Income Yield of Peer Group against the Net Property Income Yield of the New Properties as set out in the table below:

Listed Comparable REITs & Property investment companies ⁽¹⁾						
Peer Group	Business description	Geography	Sector(s)	Portfolio Valuation ⁽²⁾ (£,m)	NPI (TTM⁽³⁾)	NPI Yield
SEGRO Plc	SEGRO is a UK-based REIT with interests in warehouses and light industrial property. It owns or manages 6.3 million square metres of space valued at over £8 billion, serving customers from a wide range of industry sectors. Its properties are located in and around major cities and at key transportation hubs in the UK and in nine other European countries.	Europe Only	Industrial + Logistics	7,160	327.2	4.6%
Tritax Big Box REIT plc	Tritax Big Box REIT plc is a UK-based REIT investing in and managing modern standing assets, land suitable for Big Box development and pre-let forward funded developments. The Company focuses on well-located, modern "Big Box" logistics assets, typically greater than 500,000 sq. ft. for institutional-grade tenants on long-term leases.	Europe Only	Logistics	2,199	105.0	4.8%
Cromwell European Real Estate Investment Trust	Cromwell European Real Estate Investment Trust with a strategy of investing in a diversified portfolio of income-producing real estate assets in Europe that are used primarily for office, light industrial / logistics, and retail purposes. The REIT holds assets in major gateway cities such as Denmark, France, Germany, Italy, as well as the Netherlands.	Europe Only	Industrial + Logistics	570	36.4	6.4%
Montea Comm. VA	Montea Comm. VA is a public property investment company specialising in logistical property in Belgium, France and the Netherlands.	Europe Only	Logistics	719	40.8	5.7%
Pacific Industrial & Logistics REIT Plc	Pacific Industrial & Logistics REIT plc is a property investment company investing in UK based industrial and logistics properties. The REIT is focused on smaller single let industrial and logistics properties in key geographical locations servicing high quality tenants.	Europe Only	Industrial + Logistics	54	3.1	5.8%

Average	5.4%
Median	5.7%
High	6.4%
Low	4.6%

Acquisition Properties	5.5%
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Source: Capital IQ as at Latest Practicable Date, Company Annual Reports

Note:

- (1) Only industrial & logistics segment is taken into account for the portfolio valuation and Net Property Income
- (2) We have excluded land and properties under construction in the portfolio valuation
- (3) TTM refers to the Trailing Twelve Month. We have calculated the Net Property Income for the latest twelve-month period immediately prior to the Latest Practicable Date

Based on the table above, we note the following with regards to the Property Purchase Price:

- (i) The Net Property Income Yield of the New Properties of 5.5% is the above the average and below the median of its Peer Group, and it is within range of 4.6% to 6.4%.

Based on the above comparison with the Peer Group, the Proposed Acquisition appears to be on normal commercial terms and not prejudicial to the interests of FLT's minority Unitholders.

4.6. Pro Forma DPU and NAV

The pro forma financial effects of the Proposed Transaction are set out in Paragraph 9 of the Circular. We recommend the Independent Directors to advise the Unitholders to read this information carefully.

We set out the following pro forma financial information analysis of the Proposed Transaction that is prepared for illustrative purposes only:

Pro Forma Effects of the Proposed Transaction for Q1 FY2018			
	unit	Before the Proposed Transaction	After the Proposed Transaction ⁽¹⁾
Net Property Income of FLT	A\$ m	34.8	48.2 ^{(2),(3)}
Distributable Income	A\$ m	25.9	35.0 ^{(2),(4)}
No. of units	'000	1,520,637 ⁽⁵⁾	2,019,810 ⁽⁶⁾
Distribution per unit	A\$, cents	1.70	1.73
Distribution per unit	S\$, cents	1.80⁽⁷⁾	1.83⁽⁷⁾

Notes:

- (1) Taking into account the Equity Fund Raising, and the balance of the Total Transaction Cost is financed with borrowings.
- (2) Based on an exchange rate of €1:A\$1.54.
- (3) Adjusted for the property management fees payable (assumed at 2% of the contracted rental income for the New Properties).
- (4) Adjusted for the Manager's management fees and the property management fees payable (assumed at 2% of the contracted rental income for the New Properties) and related tax effects.
- (5) Number of issued and issuable Units entitled to distribution as at 31 December 2017 as stated in the FLT Unaudited Financial Statements.
- (6) Based on the issued and issuable Units as at 31 December 2017 in note (5) above and includes (a) New Units issued under the Equity Fund Raising, and (b) new Units issuable as payment of the Manager's base management fees and acquisition fees for the New Properties.
- (7) Based on an exchange rate of A\$1:S\$1.06.

Pro Forma Effects of the Proposed Transaction as at 31 December 2017			
	unit	Before the Proposed Transaction	After the Proposed Transaction ⁽¹⁾
NAV	A\$ m	1,339.7 ⁽²⁾	1,813.6 ⁽³⁾
No. of units	'000	1,521,894 ⁽⁴⁾	2,021,500 ⁽⁵⁾
NAV per Unit	A\$	0.88	0.90

Notes:

- (1) Taking into account the Equity Fund Raising, and that the balance of the Total Transaction Cost is financed with borrowings.
- (2) Based on the FLT Unaudited Financial Statements.
- (3) Based on an exchange rate of €1:A\$1.54.
- (4) Number of Units issued and issuable as at 31 December 2017.
- (5) Based on the issued and issuable Units as at 31 December 2017 in note (4) above and includes (a) New Units issued under the Equity Fund Raising, and (b) new Units issuable as payment of the Manager's base and performance management fees and acquisition fees for the New Properties.

Pro Forma Capitalisation of the Proposed Transaction as at 31 December 2017			
	unit	Actual ⁽¹⁾	As adjusted for the Proposed Transaction ⁽²⁾
Total assets	A\$ m	1,987.1	2,932.8
Total debts	A\$ m	615.0	1,078.7
Total Unitholders' funds (excluding non-controlling interests)	A\$ m	1,339.7	1,795.8
Total Capitalisation	A\$ m	1,954.7	2,874.5
Gearing Ratio⁽³⁾ (%)	%	30.9	36.8

Source: FLT Unaudited Financial Statement

Notes:

- (1) Based on the FLT Unaudited Financial Statements.
- (2) Taking into account the Equity Fund Raising, and that the balance of the Total Transaction Cost is financed with borrowings.
- (3) Calculated based on gross debt divided by total assets.

As illustrated in the tables above, we note that:

- (i) The Proposed Transaction is DPU accretive. DPU will increase from A\$1.70 to A\$1.73;
- (ii) The Proposed Transaction is expected to increase NAV from A\$0.88 to A\$0.90; and
- (iii) The Proposed Transaction is expected to increase Gearing Ratio from 30.9% to 36.8%.

4.7. Evaluation of the Private Placement

We note that under 811(1) and 811(5) of the Listing Manual, the placement Units will not be issued at more than 10.0% discount to the volume weighted average price for trades done on the SGX-ST for the full market day on which the placement agreement is signed or, if trading in the Units is not available for a full market day, for the preceding market day up to the time the placement agreement is signed, excluding (where applicable) declared distributions provided that the places under the Private Placement are not entitled to declared distributions.

(i) The FPL Placement

The proposed subscription by the FPL Group provides a higher degree of certainty for the successful completion of the Private Placement and to enable FPL to be in a position to support and align its interest with FLT, the Manager is seeking Unitholders' approval for the proposed FPL Placement, as part of the Private Placement.

The FPL Group will subscribe for such number of New Units under the Private Placement up to its proportionate pre-placement unitholding in FLT, in percentage terms. The FPL Group's percentage unitholding in FLT will therefore not increase after the Private Placement in any case. The New Units placed to the FPL Group under the FPL Placement will be issued at the same price as the New Units issued to other investors under the Private Placement.

(ii) The TCCGI Placement

The proposed subscription by the TCCGI provides a higher degree of certainty for the successful completion of the Private Placement and to enable TCCGI to be in a position to support and align its interest with FLT, the Manager is seeking Unitholders' approval for the proposed TCCGI Placement, as part of the Private Placement.

TCCGI will subscribe for such number of New Units under the Private Placement up to its proportionate pre-placement unitholding in FLT, in percentage terms. TCCGI's percentage unitholding in FLT will therefore not increase after the Private Placement in any case. The New Units placed to TCCGI under the TCCGI Placement will be issued at the same price as the New Units issued to other investors under the Private Placement.

4.7.1. Precedent Placements by REITs listed on SGX-ST

We have considered the details of other completed placements undertaken by SGX-ST listed REITs wherein there was a placement of shares and/ or Units to an interested person.

We set out below, for illustrative purposes only, examples of placements undertaken by SGX-ST listed REITs to interested persons for the period commencing 1 January 2014 to the Latest Practicable Date. In our analysis of similar offerings of units, we have not included fund raising exercises by way of rights issues.

Precedent Private Placements as an Interested Person			
Comparable REITs	Date of Circular	Total proceed raised (\$m)	Unitholding of interested person before placement
ASCOTT RESIDENCE TRUST	20-Aug-10	560.6	47.7%
CAPITA RETAIL CHINA TRUST	30-May-11	70.0	41.0%
FRASERS CENTREPOINT TRUST	12-May-14	161.5	41.1%
KEPPEL REIT MANAGEMENT LIMITED	31-Oct-14	412.3	42.1%
FRASERS COMMERCIAL TRUST	03-Jun-15	142.5	27.4%
FRASERS HOSPITALITY TRUST	09-Jun-15	123.0	39.6%
ASCENDAS REAL ESTATE INVESTMENT TRUST	29-Jan-16	200.1	17.1%
Max			47.7%
Median			41.0%
Average			36.6%
Min			17.1%

Source: SGX and Circulars to Unitholders

With regard to the precedent transactions mentioned above, we note the following:

- (i) There were a total of seven similar transactions in the period from 1 January 2010 to the Latest Practicable Date wherein an interested person was granted the right to subscribe, and that the seven transactions are comparable to FLT (the "**Comparable REITs**");
- (ii) The rationale used in all of these transactions was similar, in that subscription by the interested person enhanced investors' confidence by giving a higher degree of certainty for the successful completion of the Placement;
- (iii) The pricing of the precedent placements listed above had issue prices of units offered pursuant to the placement exercises set at a discount of no more than 10% to the volume weighted average price for trades done on the SGX-ST for the full market day on which the placement agreement is signed. The Issue Price will be determined by the Manager and the Joint Global Co-coordinators and Bankrunners closer to the date of commencement of the Equity Fund Raising;
- (iv) The process to be adopted in the case of the Private Placement is similar to that adopted by Comparable REITs;
- (v) The percentage of direct and indirect interest of Units held by FPL Group and TCCGI as substantial Unitholder is similar to those of other interested persons of the Comparable REITs who have subscribed for private placement; and
- (vi) The percentage of direct and indirect interest of Units held by FPL Group and TCCGI as substantial Unitholders of approximately 26%, which is lower than the median and average of 41.0% and 36.6% respectively, and within the range of 17.1% to 47.7% of the Comparable REITs who have subscribed for private placement.

Based on the above, the FPL Placement and TCCGI Placement appear to be on normal commercial terms and not prejudicial to the interests of FLT and its minority Unitholders.

4.8. Other relevant considerations which may have a significant bearing on our assessment of (1) The Proposed Acquisition; (2) The FPL Placement; and (3) The TCCGI Placement

4.8.1. Principal terms of the Share Purchase Agreement

As highlighted in Paragraph 2.6 of the Circular, the Completion of the Proposed Acquisition is subject to certain conditions which are customary given the nature of the transaction.

4.8.2. Indemnity in relation to Taxation

As highlighted in Paragraph 2.7 of the Circular, FLT Singapore SPV will also enter into a deed of indemnity with the Vendor pursuant to which the Vendor will, subject to certain conditions, indemnify FLT Singapore SPV (on behalf of FLT) against certain tax liabilities.

4.8.3. Undertaking by FPL Group and TCCGI

As highlighted in Paragraph 3.3 of the Circular, FPL Group has provided an irrevocable undertaking in respect of the Equity Fund Raising including the FPL Placement. The undertaking by FPL Group provides a higher degree of certainty for the successful completion of the Private Placement and to enable FPL to be in a position to support and align its interest with FLT.

As highlighted in Paragraph 3.4 of the Circular, TCCGI has provided an irrevocable undertaking in respect of the Equity Fund Raising including the TCCGI Placement. The undertaking by TCCGI provides a higher degree of certainty for the successful completion of the Private Placement and to enable TCCGI to be in a position to support and align its interest with FLT.

5. OUR RECOMMENDATION

In arriving at our recommendation, we have taken into consideration various factors deemed pertinent and to have significant bearing on our assessment of (1) The Proposed Acquisition; (2) The FPL Placement; and (3) The TCCGI Placement. We have carefully considered the factors as deemed essential, and balanced them before reaching our opinion. Accordingly, it is important that this Letter, in particular, the considerations and information we have taken into account, be read in its entirety.

Our opinion is based solely on information made available to us as at the date of this Letter. The principal factors that we have taken into consideration in forming our opinion in respect of (1) The Proposed Acquisition; (2) The FPL Placement; and (3) The TCCGI Placement are summarised as below:

5.1.1. Rationale for key benefits of the Proposed Transaction

5.1.2. Assumptions and valuation approaches adopted by the Independent Valuers and the purchase consideration

The approaches undertaken by the Independent Valuers are widely accepted methods for the purpose of valuing single-tenant, income producing properties with medium to long term lease remaining. We have made reasonable enquiries and have exercised our professional judgement in reviewing the information contained in the respective valuation reports. In our review, we found the information provided to be reasonable.

5.1.3. The valuation results and the Property Purchase Price of the Proposed Acquisition

- (i) The Property Purchase Price for German properties portfolio is €449.8m and it is below the CBRE valuation of €450.7m and Colliers valuation is €450.2m;
- (ii) The Property Purchase Price for Netherlands properties portfolio is €147.0m and it is below the CBRE Valuation of €148.6m and above Colliers Valuation of €143.7m;
- (iii) The Property Purchase Price for the acquisition portfolio is €596.8 and it is below the CBRE Valuation of €599.3m and above the Colliers Valuation of €593.9m; and
- (iv) As such, at a portfolio level, we note that the New Properties' Property Purchase Price is within range of the two Independent Valuers;
- (iv) The Proposed Acquisition for the German Portfolio has a Gross Initial Yield of 5.8% that is above the Gross Initial Yield of 5.7% for both the CBRE and Colliers; the Proposed Acquisition for the Netherlands Portfolio has a Gross Initial Yield of 6.1% that is within the range of the Gross Initial Yield of 5.9% and 6.1% for CBRE and Colliers respectively; and the Proposed Acquisition for the Acquisition Properties Portfolio has a Gross Initial Yield of 5.8% that is within the range of the Gross Initial Yield of 5.7% and 5.8% for CBRE and Colliers respectively;
- (v) The Proposed Acquisition for the German Portfolio has a Net Initial Yield of 5.1% that is the same as the Net Initial Yield of 5.1% for both CBRE and Colliers; the Proposed Acquisition for the Netherlands Portfolio has a Net Initial Yield of 5.3% that is within the range of the Net Initial Yield of 5.2% and 5.3% for CBRE and Colliers respectively; and the Proposed Acquisition for the Acquisition Properties Portfolio has a Net Initial Yield of 5.2% that is above the range of the Net Initial Yield of 5.1% for both CBRE and Colliers; and
- (vi) The Proposed Acquisition for the German Portfolio has a Net Property Income Yield of 5.4% that is the same as the Net Property Income Yield of 5.4% for both CBRE and Colliers; the Proposed Acquisition for the Netherlands Portfolio has a Net Property Income Yield of 5.6% that is the same as the of the Net Property Income Yield of 5.6% for both CBRE and Colliers; and the Proposed Acquisition for the Acquisition Properties Portfolio has a Net Property Income Yield of 5.5% that is above the Net Property Income Yield of 5.4% for both CBRE and Colliers.

5.1.4. Comparison to publicly available market benchmark

- (i) The GIY and NIY of the German Properties of 5.8% and 5.1% are above its respective Prime Yield range of 4.5% to 4.8%; and
- (ii) The GIY and NIY of the Netherlands Properties of 6.1% and 5.3% are above its respective Prime Yield range of 4.9% to 5.2%.

5.1.5. Comparison to listed Peer Group

- (i) The Net Property Income Yield of the New Properties of 5.5% is the above the average and below the median of its Peer Group, and it is within range of 4.6% to 6.4%.

5.1.6. Evaluation on Pro-forma DPU, NAV and Capitalisation

- (i) The Proposed Transaction is DPU accretive. DPU will increase from A\$1.70 to A\$1.73; and
- (ii) The Proposed Transaction is expected to increase NAV from A\$ 0.88 to A\$0.90.
- (iii) The Proposed Transaction is expected to increase Gearing Ratio from 30.9% to 36.8%.

5.1.7. Evaluation of Private Placement

- (i) There were a total of seven similar transactions in the period from 1 January 2010 to the Latest Practicable Date wherein an interested person was granted the right to subscribe, and that the seven transactions are comparable to FLT (the "**Comparable REITs**");
- (ii) The rationale used in all of these transactions was similar, in that subscription by the interested person enhanced investors' confidence by giving a higher degree of certainty for the successful completion of the Placement;
- (iii) The pricing of the precedent placements listed above had issue prices of units offered pursuant to the placement exercises set at a discount of no more than 10% to the volume weighted average price for trades done on the SGX-ST for the full market day on which the placement agreement is signed. The Issue Price will be determined by the Manager and the Joint Global Co-coordinators and Bankrunners closer to the date of commencement of the Equity Fund Raising;
- (iv) The process to be adopted in the case of the Private Placement is similar to that adopted by Comparable REITs;
- (v) The percentage of direct and indirect interest of Units held by FPL Group and TCCGI as substantial Unitholder is similar to those of other interested persons of the Comparable REITs who have subscribed for private placement; and
- (vi) The percentage of direct and indirect interest of Units held by FPL Group and TCCGI as substantial Unitholders of approximately 26%, which is lower than the median and average of 41.0% and 36.6% respectively, and within the range of 17.1% to 47.7% of the Comparable REITs who have subscribed for private placement.

5.1.8. Other Relevant Considerations

- (1) Principal terms of the Share Purchase Agreement;
- (2) Indemnity in relation to Taxation; and
- (3) Undertaking by FPL and TCCGI.

Having considered the above and subject to the assumptions and qualifications set out herein and taking into account the prevailing conditions as at Latest Practicable Date, we are of the opinion that (1) The Proposed Acquisition; (2) the FPL Placement; and (3) the TCCGI Placement are on normal commercial terms and is not prejudicial to the interests of the Fraser Logistic & Industrial Trust and its minority unitholders.

Accordingly, we advise that the Independent Directors may recommend that the Independent Unitholders vote in favour of (1) The Proposed Acquisition; (2) The FPL Placement; and (3) The TCCGI Placement.

Our recommendation is addressed to the Independent Directors, the Audit, Risk and Compliance Committee of the Manager and the Trustee for their benefit in connection with and for the purpose of their consideration of (1) The Proposed Acquisition; (2) The FPL Placement; and (3) The TCCGI Placement. Any recommendation made by the Independent Directors and the Audit Committee in respect of (1) The Proposed Acquisition; (2) The FPL Placement; and (3) The TCCGI Placement shall remain their responsibility.

Our recommendation is governed by the laws of Singapore and is strictly limited to the matters stated herein and does not apply by implication to any other matter.

Yours faithfully

Deloitte & Touche Corporate Finance Pte Ltd

Koh Soon Bee
Executive Director

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VALUATION SUMMARIES

SUMMARY VALUATION REPORT



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Perpetual (Asia) Limited
(in its capacity as trustee of Frasers Logistics & Industrial Trust)
8 Marina Boulevard
#05-02 Marina Bay Financial Centre
Singapore 018981

Frasers Logistics & Industrial Asset Management Pte. Ltd.
(in its capacity as manager of Frasers Logistics & Industrial Trust)
438 Alexandra Road
#21-00 Alexandra Point
Singapore 119958

Report Date	31 March 2018
Addressees	Perpetual (Asia) Limited (in its capacity as trustee of Frasers Logistics & Industrial Trust) ("FLT", and the trustee of FLT, the "Trustee") 8 Marina Boulevard #05-02 Marina Bay Financial Centre Singapore 018981
	and
	Frasers Logistics & Industrial Asset Management Pte. Ltd. Ltd. (in its capacity as manager of Frasers Logistics & Industrial Trust) (the "Manager") 438 Alexandra Road



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CBRE Limited is regulated by the RICS



	#21-00 Alexandra Point Singapore 119958
	(collectively, the “Addressees” or “you”)
The Properties	Acquisition by FLT of interests in 21 logistics/industrial properties located in Germany and the Netherlands. The properties as listed in the Schedule of the Properties set out in Appendix A below.
Property Descriptions	Logistics / Industrial.
Ownership Purpose	Investment.
Instruction	To value the freehold and leasehold (hereditary building right) interests in the Properties (as relevant) on the basis of Market Value as at the Valuation Date in accordance with the terms of engagement entered into between CBRE and the addressees dated 28 February 2018.
Valuation Date	31 March 2018
Capacity of Valuer	External, as defined by the RICS Valuation – Global Standards (2017).
Purpose of Valuation	<p>The Valuation has been prepared for a Regulated Purpose as defined in the RICS Valuation – Global Standards (2017) (the “Red Book”). You have requested us to carry out a valuation for the purpose of: (i) the proposed acquisition of the Properties set out in Appendix A of this report, (ii) financing purposes and (iii) the inclusion of the summary valuation report/summaries in a circular (the “Circular”) which is to be issued by the Manager to unitholders of FLT (the “Unitholders”) in connection with the proposed acquisition of the Properties.</p> <p>The effective date of valuation is 31 March 2018.</p> <p>In accordance with the RICS Valuation – Global Standards (2017 (“Red Book”), we have made certain disclosures in connection with this valuation instruction and our relationship with the Addressees and FLT.</p>
Market Value	€599,340,000 (FIVE HUNDRED AND NINETY-NINE MILLION THREE HUNDRED AND FORTY THOUSAND EUROS) exclusive of purchaser’s costs and VAT.



Our opinion of Market Value is based upon the Scope of Work and Valuation Assumptions attached, and has been primarily derived using comparable recent market transactions on arm's length terms.

We have valued the Properties individually and no account has been taken of any discount or premium that may be negotiated in the market if all or part of the portfolio was to be marketed simultaneously, either in lots or as a whole.

For the avoidance of doubt, we have valued the Properties as real estate and the values reported herein represent 100% of the market values of the assets. No account has been taken in reporting these market values of the extent of FLT's interests in the companies holding the subject Properties.

There are no negative values to report.



We are required to show the split of values between freehold and leasehold (hereditary building right) properties, and to report the following categories of properties separately.

Tenure	No. of Properties	Market Value
Freehold	20	€557,010,000
Leasehold (hereditary building right)	1	€42,330,000
Total	21	€599,340,000

Report Format

Appendix A of this summary valuation report ("Summary Valuation Report") contains the Schedule of the Properties. Appendix B provides the Valuation Summaries of the individual subject properties.

Full Valuation Reports

This is a summary valuation report prepared for inclusion in the Circular which does not include all the data, supporting information and details of our valuations which appear in our full valuation reports.

For further information, reference should be made to our full valuation reports which are available for inspection at the registered address of the Manager for a period of three months from the date of the Circular. Before making a decision on the proposed acquisition of the Properties, Unitholders should review the full valuation reports to understand the complexity of the markets, properties, methodology and the many variables involved.

Our full valuation reports contain detailed information for each property including, but not limited to:

- Full details of due diligence findings and recommendations (depending on receipt of such information);
- Comprehensive occupational and investment market commentaries;
- Schedules of occupational and investment comparable evidence;
- An explanation of our valuation approach together with comments on the key factors affecting value



Compliance with Valuation Standards

and a SWOT analysis;

- Full valuation calculations; and
- Photographs and location/ site plans

The valuation has been prepared in accordance with the RICS Valuation – Global Standards (2017) (“Red Book”). The property details on which each valuation is based are as set out in this report.

The valuations are compliant with the International Valuation Standards.

We confirm that we have sufficient current local and national knowledge of the particular property market involved, and have the skills and understanding to undertake the valuation competently. Where the knowledge and skill requirements of The Red Book have been met in aggregate by more than one valuer within CBRE, we confirm that a list of those valuers has been retained within the working papers, together with confirmation that each named valuer complies with the requirements of The Red Book.

This Valuation is a professional opinion and is expressly not intended to serve as a warranty, assurance or guarantee of any particular value of the subject property. Other valuers may reach different conclusions as to the value of the subject property. This Valuation is for the purpose of providing the intended users with the Valuer’s professional opinion of the value of the subject property as at the valuation date and for such other purpose(s) as stated in the “Purpose of Valuation” above.

Assumptions

We have made various assumptions as to tenure, letting, town planning, and the condition and repair of buildings and sites – including ground and groundwater contamination – as set out below.

If any of the information or assumptions on which the valuation is based are subsequently found to be incorrect, the valuation figures may also be incorrect and should be reconsidered.

None.

Variation from Standard Assumptions



Methodology

We have adopted the income capitalisation as our primary method of valuation with the direct comparable method as our secondary method of valuation. The income capitalisation method of valuation involves the capitalisation of the net income stream from the property at a net yield.

In establishing the gross income stream we have reflected current rents payable to lease expiry (or break if activated) at which point we have assumed that each unit will be re-let at our opinion of market rent. Where units are vacant we have assumed a void period prior to assuming that the unit will be let at our opinion of market rent.

Future indexation of rents is allowed for implicitly in our valuation.

In order to arrive at a net income stream the assumed costs of certain items of non-recoverable expenditure are deducted from the gross rental income, such as non-recoverable management fees, a maintenance and repair sinking fund, and any non-recoverable service charges.

The net yield applied to capitalise the income stream is derived from analysis of market evidence of investment transactions. Purchaser's costs (including real estate transfer tax, agent's and legal fees) are deducted from the resultant capital value to arrive at a net Market Value. Any items of capital expenditure are also deducted.

We have cross-checked the results with gross yields and multipliers, traditional in the Dutch and German markets.

The direct comparison method compares sales prices of comparable properties (per sq.m) to the subject properties.

The valuations, the valuation inputs and market information are not guarantees or predictions. CBRE has not independently verified all information provided by the Addressees, nor reports provided by Addressees' other professional advisors, nor data from third party sources. CBRE's valuation calculations are based on assumptions as to future results and are not predictions. The resulting values are not to be construed as predictions or guarantees and are dependent on the assumptions as to



income, expenses and market conditions.

Market Conditions

The values stated in this report represent our objective opinion of Market Value in accordance with the definition set out above as of the date of valuation. Amongst other things, this assumes that the properties had been properly marketed and that exchange of contracts took place on this date.

Valuer

The Properties have been valued by a valuer who is qualified for the purpose of the valuation in accordance with the RICS Valuation – Global Standards (2017).

For the avoidance of doubt, the valuers have undertaken and (where applicable) signed this valuation for and on behalf of CBRE Ltd and not in a personal or other capacity.

Independence

The total fees, including the fee for this assignment, earned by CBRE Ltd (or other companies forming part of the same group of companies within the UK) from the Addressee (or other companies forming part of the same group of companies) are less than 5.0% of the total UK revenues.

It is not anticipated this situation will vary in the financial year to 31 December 2018.

Neither our engagement nor our fees are contingent upon the reporting of a predetermined result or direction in value that favours the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event (such as a lending proposal or sale negotiation).

We confirm that neither CBRE nor the valuers involved have any interest in FLT or the Properties.

We do not consider that any conflict of interest arises in us preparing this Summary Valuation Report and Perpetual (Asia) Limited (in its capacity as trustee of FLT) has confirmed to us that it also considers this to be the case.

Disclosure

In accordance with the Red Book we make the following disclosures:

- CBRE Limited's capital markets team in Germany previously advised the vendor in the sale of Oberes

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Feld 2, Moosthenning, Germany to Frasers Property Limited (previously known as Frasers Centrepoint Limited) in Q3 2017.

- CBRE Valuation Advisory in The Netherlands valued the Tilburg and Zeewolde properties for Geneva Properties N.V. on their acquisition in February 2017.

Responsibility

We are responsible for this Summary Valuation Report and accept responsibility for the information contained in this Summary Valuation Report and confirm that to the best of our knowledge (having taken all reasonable care to ensure that such is the case), the information contained in this Summary Valuation Report is in accordance with the facts and contains no omissions likely to affect its import.

Reliance

This Valuation Report will be relied on by Perpetual (Asia) Limited (in its capacity as trustee of FLT), Frasers Logistics & Industrial Asset Management Pte. Ltd. (in its capacity as manager of FLT), independent financial advisor, lenders, and the Unitholders voting on the proposed acquisition of the Properties and such other party that should enter into a reliance letter with us.

No reliance may be placed upon the contents of this Summary Valuation Report by any party for any purpose other than in connection with the Purpose of Valuation.

Publication

Other than as identified under "Purpose of Valuation", neither the whole nor any part of our report nor any references thereto may be included in any published document, circular or statement nor published in any way without our prior written approval of the form and context in which it will appear.

Before this Summary Valuation Report, or any part thereof, is disclosed orally or otherwise to a third party, CBRE's written approval of the form and context of such publication or disclosure must first be obtained. Such publication or disclosure will not be permitted unless where relevant it incorporates the Assumptions referred to herein. For the avoidance of doubt, such approval is required whether or not CBRE is referred to by name and whether or not the contents of our Valuation Report are combined with others.

Such publication of, or reference to this report will not be permitted unless it contains a sufficient contemporaneous

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reference to any departure from the Royal Institution of Chartered Surveyors Valuation Standards or the incorporation of the special assumptions referred to herein.

Disclaimer

None of the information in this Summary Valuation Report or our full valuation reports constitutes advice as to the merits of entering into any form of transaction.

None of the information in this Summary Valuation Report or our full valuation reports constitutes financial product advice.

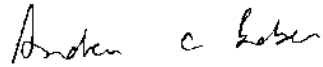
This Summary Valuation Report and the full valuation reports are strictly limited to the matters contained within those documents and are not to be read as extending, by implication or otherwise, to any other matter in the Circular.

CBRE specifically disclaims any liability in respect of the use of or reliance of this Summary Valuation Report to any person in the event of any omission or false or misleading statement other than to the Addressees or such other party that has entered into a reliance letter with us. CBRE does not give any warranty or representation as to the accuracy of the information in any other part of the Circular.



Yours faithfully

Yours faithfully



Andrew Barber MRICS
RICS Registered Valuer
Executive Director

Luke Kelly MRICS AAPI
RICS Registered Valuer
Associate Director

For and on behalf of
CBRE Ltd

For and on behalf of
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SCOPE OF WORK & SOURCES OF INFORMATION

Sources of Information

We have carried out our work based upon information supplied to us by the Manager and its professional advisers in respect of the Properties, which we have assumed to be correct and comprehensive.

The Properties

Our report contains a brief summary of the properties details on which our valuation has been based.

Inspection

Property	Inspection Date
Germany	
Keffelker Straße 66, 59929 Brilon	11/01/2018
Oberes Feld 2, 84164 Moosthenning	22/01/2018
Am Krainhop 10, 38550 Isenbüttel	12/01/2018
Elbestraße 1-3, 45768 Marl	11/01/2018
Gustav-Stresemann-Weg 1, 48155 Münster	11/01/2018
Am Autobahnkreuz 14, 26180 Rastede	12/01/2018
Saalhoffer Straße 211, 47495 Rheinberg	11/01/2018
Eiselauer Weg 2, 89081 Ulm	23/01/2018
Koperstraße 10, 90451 Nuremberg	31/03/2018
Jubatus-Allee 3, 92263 Ebermannsdorf	22/01/2018
Industriepark 1, 94437 Mamming	22/01/2018
Johann-Esche-Strasse 2, 09120 Chemnitz	11/01/2018
Am Exer 9, 04158 Leipzig	11/01/2018
Ambros-Nehren-Strasse 1, 77855 Achern	23/01/2018
Industriepark 309, 78244 Gottmadingen	24/01/2018
Otto-Hahn-Straße 10, 71665 Vaihingen an der Enz	23/01/2018
Murrer Strasse 1, 71691 Freiberg am Neckar,	23/01/2018
Netherlands	
Brede Steeg 1, 's-Heerenberg	18/01/2018

Belle van Zuylstraat 5, Tilburg	11/01/2018
Heierhoevenweg 17, Venlo	11/01/2018
Handelsweg 26, Zeewolde	09/01/2018

Areas

We have not measured the Properties but have relied upon the floor areas provided. We have not checked these on site.

Environmental Matters

We have not undertaken, nor are we aware of the content of, any environmental audit or other environmental investigation or soil survey which may have been carried out on the Properties and which may draw attention to any contamination or the possibility of any such contamination.

We have not carried out any investigations into the past or present uses of the Properties, nor of any neighbouring land, in order to establish whether there is any potential for contamination and have therefore assumed that none exists.

Repair and Condition

We have not carried out building surveys, tested services, made independent site investigations, inspected woodwork, exposed parts of the structure which were covered, unexposed or inaccessible, nor arranged for any investigations to be carried out to determine whether or not any deleterious or hazardous materials or techniques have been used, or are present, in any part of the Properties. We are unable, therefore, to give any assurance that the Properties are free from defect.

Town Planning

We have not undertaken planning enquiries.

Titles, Tenures and Lettings

Details of title/tenure under which the Properties are held and of lettings to which they are subject are as supplied to us. We have not generally examined nor had access to all the deeds, leases or other documents relating thereto. Where information from deeds, leases or other documents is recorded in this report, it represents our understanding of the relevant documents. We should emphasise, however, that the interpretation of the documents of title (including relevant deeds, leases and planning consents) is the responsibility of your legal adviser.

We have not conducted credit enquiries on the



financial status of any tenants. We have, however, reflected our general understanding of purchasers' likely perceptions of the financial status of tenants.

VALUATION ASSUMPTIONS

Introduction

An Assumption is defined in the Red Book Glossary and Appendix 3 to be a “supposition taken to be true” (an “Assumption”).

Assumptions are facts, conditions or situations affecting the subject of, or approach to, a valuation that it has been agreed need not be verified by the valuer as part of the valuation process. Assumptions are made when it is reasonable for the valuer to accept that something is true without the need for specific investigation.

The Company has confirmed and we confirm that our Assumptions are correct as far as the Company and we, respectively, are aware. In the event that any of these Assumptions prove to be incorrect then our valuations should be reviewed. The principal Assumptions which we have made are stated within this Summary Valuation Report.

For the avoidance of doubt, the Assumptions made do not affect compliance with the approach to Market Value under the Red Book.

Capital Values

Each valuation has been prepared on the basis of “Market Value”, which is defined as:

“The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”.

The valuation represents the figure that would appear in a hypothetical contract of sale at the valuation date. No allowances have been made for any expenses of realisation nor for taxation which might arise in the event of a disposal. Acquisition costs have not been included in our valuation.

No account has been taken of any inter-company leases or arrangements, nor of any mortgages, debentures or other charges.

No account has been taken of the availability or otherwise of capital based Government or other grants.

Taxation, Costs and Realisation Costs

As stated above, no allowances have been made for any expenses of realisation nor for taxation which might arise in the event of a disposal.

Our valuations reflect purchasers' statutory and other normal acquisition costs.

VAT

We have not been advised whether the properties are elected for VAT.

All rents and capital values stated in this report are exclusive of VAT.

Passing Rent

Passing rents quoted in this report are the rents which are currently payable under the terms of the leases. Passing rents exclude service charges and VAT and are prior to deduction of any non-recoverable costs. Passing rents exclude turnover rents, mall incomes and other miscellaneous incomes.

Net Annual Rent

Net annual rent is defined for the purposes of this transaction as "the current income or income estimated by the valuer:

- (i) ignoring any special receipts or deduction arising from the property;
- (ii) excluding Value Added Tax and before taxation (including tax on profits and any allowances for interest on capital or loans); and
- (iii) after making deductions for superior rents (but not for amortisation), and any disbursements including, if appropriate, expenses of managing the property and allowances to maintain it in a condition to command its rent".

Estimated Net Annual Rental Value

The estimated net annual rental value is based on the current rental value of each of the Properties. The rental value reflects the terms of the leases where the Properties, or parts thereof, are let at the date of valuation. Where the Properties, or parts thereof, are vacant at the date of valuation, the rental value reflects the rent we consider would be obtainable on an open market letting as at the date of valuation.

Rental Values

Rental values indicated in our report are those which have been adopted by us as appropriate in assessing the capital value and are not necessarily appropriate for other purposes nor do they necessarily accord with



	the definition of Market Rent.
Lease Expiries	<p>Fixed-term leases frequently incorporate either tenants' options to extend or tenants' break clauses; other leases are rolling or indeterminate, subject to stated notice periods. For the purposes of our valuations, we have made assumptions as to appropriate presumed expiry dates.</p> <p>Any weighted average unexpired terms indicated in our Valuation report reflect these assumptions.</p>
The Properties	<p>Where appropriate we have regarded the shop fronts of retail and showroom accommodation as forming an integral part of the building.</p> <p>Landlord's fixtures such as lifts, escalators, central heating and other normal service installations have been treated as an integral part of the building and are included within our valuations.</p> <p>Process plant and machinery, tenants' fixtures and specialist trade fittings have been excluded from our valuations.</p> <p>All measurements, areas and ages quoted in our report are approximate.</p>
Environmental Matters	<p>In the absence of any information to the contrary, we have assumed that:</p> <ul style="list-style-type: none"> (a) the Properties are not contaminated and are not adversely affected by any existing or proposed environmental law; (b) any processes which are carried out on the Properties which are regulated by environmental legislation are properly licensed by the appropriate authorities.
Energy Performance Certificates	<p>We have assumed that the Properties possess or will possess current Energy Performance Certificates as required under Government Directives.</p>
Repair and Condition	<p>In the absence of any information to the contrary, we have assumed that:</p> <ul style="list-style-type: none"> (a) there are no abnormal ground conditions, nor archaeological remains, present which might adversely affect the current or future occupation, development or

value of the property;

(b) the Properties are free from rot, infestation, structural or latent defect;

(c) no currently known deleterious or hazardous materials or suspect techniques, including but not limited to Composite Panelling, have been used in the construction of, or subsequent alterations or additions to, the Properties; and

(d) the services, and any associated controls or software, are in working order and free from defect.

We have otherwise had regard to the age and apparent general condition of the Properties. Comments made in the property details do not purport to express an opinion about, or advice upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts.

Title, Tenure, Planning and Lettings

Unless stated otherwise within this report, and in the absence of any information to the contrary, we have assumed that:

(a) the Properties possess a good and marketable title free from any onerous or hampering restrictions or conditions;

(b) all buildings have been erected either prior to planning control, or in accordance with planning permissions, and have the benefit of permanent planning consents or existing use rights for their current use;

(c) the Properties are not adversely affected by town planning or road proposals;

(d) all buildings comply with all statutory and local authority requirements including building, fire and health and safety regulations;

(e) only minor or inconsequential costs will be incurred if any modifications or alterations are necessary in order for occupiers of each Property to comply with the provisions of the relevant disability discrimination legislation;

(f) there are no tenant's improvements that will

materially affect our opinion of the rent that would be obtained on review or renewal;

(g) tenants will meet their obligations under their leases;

(h) there are no user restrictions or other restrictive covenants in leases which would adversely affect value;

(i) where appropriate, permission to assign the interest being valued herein would not be withheld by the landlord where required; and

(j) vacant possession can be given of all accommodation which is unlet or is let on a service occupancy.

GLOSSARY

Equivalent Yield	The average weighted return on investment a property will provide based on the current rental income and future letting / reletting assumptions including the estimated rental value assumptions, taken to perpetuity for freehold property.
Gross Yield	The ratio of the gross initial annual rent to the market value.
Multiplier	The amount by which the gross initial annual rental income is multiplied to result in the market value. (Market value divided by gross initial annual rent; the inverse of Gross Yield.)
Net Initial Yield	The ratio of the net initial annual rent to the market value / market value plus purchaser's costs.
Potential Rent	The gross initial annual rent plus the market rent (or estimated rental value) of currently vacant space.
Weighted Average Lease Term to Expiry (WALE)	Calculated across all the tenants in a property and is weighted by the tenant's income against the total combined income of the other tenants to each of their lease expiry's.

Appendix A: Schedule of the Properties

Properties Held for Investment

Address	Tenure	Net Market Values
Germany		
Elbestrasse 1-3, Marl, (North-Rhine Westphalia) Germany	Freehold	€ 13,930,000
Am Krainhop 10, Isenbuettel, (Lower Saxony) Germany	Freehold	€ 16,990,000
Otto-Hahn Strasse, Vaihingen, (Baden-Württemberg) Germany	Freehold	€ 49,470,000
Eiselauer Weg 2, Ulm, (Baden-Württemberg) Germany	Freehold	€ 41,940,000
Industriepark 309, Gottmadingen, (Baden-Württemberg) Germany	Freehold	€ 46,590,000
Industriepark 1, Mamming, (Bavaria) Germany	Freehold	€ 15,550,000
Am Exer 9, Leipzig, (Saxony) Germany	Freehold	€ 13,140,000
Johann-Esche-Strasse 2, Chemnitz, (Saxony) Germany	Freehold	€ 16,530,000
Jubatus-Allee 3, Ebermannsdorf, (Bavaria) Germany	Freehold	€ 7,510,000
Koperstrasse 10, Nuremberg, (Bavaria) Germany	Leasehold (Hereditary Building Right)	€ 42,330,000
Ambros-Nehren-Strasse 1, Achern, (Baden-Württemberg) Germany	Freehold	€ 13,310,000
Saalloffer Strasse 211, Rheinberg, (North-Rhine Westphalia) Germany	Freehold	€ 28,070,000
Gustav-Stresemann-Weg 1, Münster, (North-Rhine Westphalia) Germany	Freehold	€ 14,670,000
Am Autobahnkreuz 14, Rastede, (Lower Saxony) Germany	Freehold	€ 18,570,000
Keffelker Strasse 66, Brilon, (North-Rhine Westphalia) Germany	Freehold	€ 10,010,000
Oberes Feld 2, Moosthenning, (Bavaria) Germany	Freehold	€ 69,440,000
Murrer Strasse 1, Freiberg am Neckar, (Baden-Württemberg) Germany	Freehold	€ 32,670,000
The Netherlands		
Brede Steeg 1, s-Heerenberg, (Gelderland) The Netherlands	Freehold	€ 66,935,000
Belle van Zuylenstraat 5, Tilburg, (North Brabant) The Netherlands	Freehold	€ 15,170,000
Handelsweg 26, Zeewolde, (Flevoland) The Netherlands	Freehold	€ 39,810,000
Heierhoevenweg 17, Venlo, (Limburg) The Netherlands	Freehold	€ 26,705,000
Total Portfolio		€ 599,340,000

Appendix B: Valuation Summaries

Property Summary



Property Type/Name	Industrial	CBRE ID	16
Property Address	Oberes Feld 2 84164 Moosthenning Bavaria, Germany		

Client Name	Perpetual (Asia) Limited (in its capacity as trustee of Frasers Logistics & Industrial Trust); Frasers Logistics & Industrial Asset Management Pte. Ltd (in its capacity as manager of Frasers Logistics & Industrial Trust)		
Basis of Value	Market Value		
Inspection Date	22.01.2018	Valuation Date	31.03.2018

Summary

Key Figures

Subject property



Primary Use		Light industrial	
Year built / refurbished		2008 / 2012 / 2015	
Ownership		Freehold	
Site area		138.163	sq m
Total lettable area		72.558	sq m
Vacant area	0,00 %	0	sq m
Main Tenant		Bayerische Motoren Werke Aktiengesellschaft	
Lease Analysis	slightly underrented	-4,8	%
Weighted average lease term		8,8	years

Gross Rental Income	per sq m / month	p.a. (month 1 x 12)	
Current Rent	3,81 EUR	3.315.168	EUR
Market Rent	4,00 EUR	3.482.798	EUR
Non-Recoverable Costs	3,24 %	-112.816	EUR
Net Rental Income	3,68 EUR	3.207.782	EUR

SWOT Analysis

Strengths

- The subject property is located near the BMW facility Dingolfing;
- Location close to popular logistics hubs Nuremberg and Regensburg;
- Very good transport connection due to near motorway A92;
- The subject property is fully let;
- The covenant strength of the tenant BMW AG is very high.

Weaknesses

- The subject property is not connected to the public transport system;
- Single tenant risk.

Opportunities

- Extending the lease agreements to stabilise the cash flow in the long-term;
- Property can be let to multiple tenants;
- Continuous demand for warehouse and logistics space in the region.

Threats

- None

Property Description / Interior Fit-Out

The subject property is a warehouse with a total lettable area of around 72,558.30 sqm. Situated on a site of approx. 138,163 sq m and being constructed between 2008 and 2015, the complex consists of 8 warehouse buildings (with mezzanine areas). The warehouse is a frame construction with steel frame beams with a clear height of around 10 m and provides 35 dock doors. Office space has PVC floors, lightweight partition walls and suspended grid ceilings with integrated lighting. Sanitary areas are tiled, office units have external sunshades. The condition is in an overall good/very good. Warehouses 5 & 6 are equipped with solar panels.

Market Development

The subject property is located in Moosthenning which belongs to the logistics region of Donau. This logistics region is characterized by companies of the automotive sector. The region benefits from the vicinity to Munich-airport. The logistics region of Donau experienced a stable market development in the last years. Prime rents for warehouse and logistics properties are around 5.00 EUR/ sq m which is an increase of 0.00 % compared to 2012. Due to the high investor demand for prime warehouse properties the net initial yield dropped to 7.00% which is a decrease of 50 bps. compared to the previous year.

Yield Profile

	Multiplier	EQY	NIY
at Current Rent	20,95	4,55%	4,42%
at Market Rent	19,94	4,55%	4,65%
at Potential Rent	20,95	4,55%	4,42%

Valuation Result

Market Value	69.440.000	EUR
per sq m	957	EUR

Valuation Approach

We have adopted the income capitalisation as our primary method of valuation with the direct comparable method as our secondary method of valuation.

Purpose of Valuation

The Valuation has been prepared for a Regulated Purpose as defined in the RICS Valuation – Global Standards (2017) (the “Red Book”) and specifically for the purpose of; the proposed acquisition of the Properties, for financing purposes and for the inclusion of the summary valuation report/summaries in a Circular which is to be issued by the Manager to unitholders of FLT in connection with the proposed acquisition of the Properties.



Property Summary



Property Type/Name	Logistics	CBRE ID	17
Property Address	Murrer Straße 1 71691 Freiberg am Neckar Baden-Württemberg, Germany		

Client Name	Perpetual (Asia) Limited (in its capacity as trustee of Frasers Logistics & Industrial Trust); Frasers Logistics & Industrial Asset Management Pte. Ltd (in its capacity as manager of Frasers Logistics & Industrial Trust)		
Basis of Value	Market Value		
Inspection Date	23.01.2018	Valuation Date	31.03.2018

Summary

Key Figures



Primary Use		Logistics	
Year built / refurbished		2017	
Ownership		Freehold	
Site area	42.073	sq m	
Total lettable area	21.071	sq m	
Vacant area	0,00 %	0	sq m
Main Tenant	LGI FreightLog GmbH (guaranteed by Porsche)		
Lease Analysis	rack-rented	-0,0	%
Weighted average lease term		4,4	years

Gross Rental Income	per sq m / month		p.a. (month 1 x 12)	
Current Rent	6,44	EUR	1.627.872	EUR
Market Rent	6,44	EUR	1.627.878	EUR
Non-Recoverable Costs	53,44	%	-869.964	EUR
Net Rental Income	3,00	EUR	757.911	EUR

SWOT Analysis

Strengths

- Proximity to Stuttgart,
- Newly built/modern warehouse,
- Porsche will be paying the rent in case of vacancy,
- Adequate number of external parking spaces,
- The property is in very good overall upkeep condition,
- Sufficient number of gates (13) and loading docks (24),

Weaknesses

- Location outside of popular logistics and light-industrial hubs,
- Prospective tenants will be selected by Porsche,
- Share of office areas is relatively high for a newly built warehouse building with a total area around of 6.74 %.

Opportunities

- Stuttgart is a logistics location of regional significance besides Ulm and Rhine-Neckar area.
- Positive development of the overall economy in the region,
- Prolongation of the rental guarantee of Porsche.

Threats

- Re-letting of the areas could require significant marketing periods in the submarket,
- Business of current tenant is linked to Porsche,
- Fluctuations in the world economy and the global capital markets.

Property Description / Interior Fit-Out

The property consists of one logistics building with two warehouses and one connected office building. The asset was built in 2017. The logistics building comprises a single-storey warehouse with 24 loading docks and 13 gates at ground level. The office and administration accommodation with 3-storeys is orientated to the property entrance. There are 104 car parking spaces, 4 truck parking spaces and 15 covered bicycle stands. Green areas with trees are planned around the parking spaces. The property is accessible via local roads and connected to the A81 motorway approximately 4 km to the north.

Market Development

The subject property is located in Freiberg am Neckar which belongs to the logistics region of Stuttgart. This logistics region is characterized by companies of the trade, engineering and logistics sector. The region has very good connection to the motorway system via A81 and A8 and further benefits from the vicinity to Stuttgart airport. The logistics region of Stuttgart experienced a good market development in the last years. Prime rents for warehouse and logistics properties are around 6.3 EUR/sq m which is an increase of 3.3% compared to 2012. Due to the high investor demand for prime warehouse properties the net initial yield dropped to 4.7% which is a decrease of 70 bps. compared to the previous year.

Yield Profile

	Multiplier	EQY	NIY
at Current Rent	20,07	4,50%	2,19%
at Market Rent	20,07	4,50%	4,54%
at Potential Rent	20,07	4,50%	2,19%

Valuation Result

Market Value	32.670.000	EUR
per sq m	1.550	EUR

Valuation Approach

We have adopted the income capitalisation as our primary method of valuation with the direct comparable method as our secondary method of valuation.

Purpose of Valuation

The Valuation has been prepared for a Regulated Purpose as defined in the RICS Valuation – Global Standards (2017) (the “Red Book”) and specifically for the purpose of; the proposed acquisition of the Properties, for financing purposes and for the inclusion of the summary valuation report/summaries in a Circular which is to be issued by the Manager to unitholders of FLT in connection with the proposed acquisition of the Properties.



Property Summary



Property Type/Name	Logistics	CBRE ID	01
Property Address	Elbestraße 1-3 45768 Marl North Rhine-Westphalia, Germany		

Client Name	Perpetual (Asia) Limited (in its capacity as trustee of Frasers Logistics & Industrial Trust); Frasers Logistics & Industrial Asset Management Pte. Ltd (in its capacity as manager of Frasers Logistics & Industrial Trust)		
Basis of Value	Market Value		
Inspection Date	11.01.2018	Valuation Date	31.03.2018

Summary

Key Figures

Subject property



Primary Use		Logistics	
Year built / refurbished		1995 / 2012 / 2013	
Ownership		Freehold	
Site area		31.657	sq m
Total lettable area		16.831	sq m
Vacant area	0,00 %	0	sq m
Main Tenant		Bunzl Verpackungen GmbH	
Lease Analysis	slightly overrented	+4,3	%
Weighted average lease term		4,2	years

Gross Rental Income	per sq m / month	p.a. (month 1 x 12)	
Current Rent	3,94 EUR	795.660	EUR
Market Rent	3,78 EUR	763.202	EUR
Non-Recoverable Costs	4,03 %	-30.786	EUR
Net Rental Income	3,78 EUR	763.565	EUR

SWOT Analysis

Strengths

- The subject property is located near the BMW facility Dingolfing;
- Location close to popular logistics hubs Nuremberg and Regensburg;
- Very good transport connection due to near motorway A92;
- The subject property is fully let;
- The covenant strength of the tenant BMW AG is very high.

Weaknesses

- The subject property is not connected to the public transport system;
- Single tenant risk.

Opportunities

- Extending the lease agreements to stabilise the cash flow in the long-term;
- Property can be let to multiple tenants;
- Continuous demand for warehouse and logistics space in the region.

Threats

- None

Property Description / Interior Fit-Out

The subject property is a warehouse property with a total lettable area of around 72,558.30 sqm. It is situated on a site of approximately 138,163 sq m and was constructed in 2008/2012/2015. The complex consists of 8 warehouse buildings (with mezzanine areas). The warehouse is a frame construction with steel frame beams with a clear height of around 10 m and provides 35 dock doors. Office space has PVC floors, painted lightweight partition walls and suspended grid ceilings with integrated lighting. Sanitary areas are tiled, office units have external sunshades. The property is in an overall good/very good condition.

Market Development

The subject property is located in Moosthenning which belongs to the logistics region of Donau. This logistics region is characterized by companies of the automotive sector. The region benefits from the vicinity to Munich-airport. The logistics region of Donau experienced a stable market development in the last years. Prime rents for warehouse and logistics properties are around 5.00 EUR/ sq m which is an increase of 0.00 % compared to 2012. Due to the high investor demand for prime warehouse properties the net initial yield dropped to 7.00% which is a decrease of 50 bps. compared to the previous year.

Yield Profile

	Multiplier	EQY	NIY
at Current Rent	17,51	4,92%	5,10%
at Market Rent	18,26	4,92%	4,88%
at Potential Rent	17,51	4,92%	5,10%

Valuation Result

Market Value	13.930.000	EUR
per sq m	828	EUR

Valuation Approach

We have adopted the income capitalisation as our primary method of valuation with the direct comparable method as our secondary method of valuation.

Purpose of Valuation

The Valuation has been prepared for a Regulated Purpose as defined in the RICS Valuation – Global Standards (2017) (the “Red Book”) and specifically for the purpose of; the proposed acquisition of the Properties, for financing purposes and for the inclusion of the summary valuation report/summaries in a Circular which is to be issued by the Manager to unitholders of FLT in connection with the proposed acquisition of the Properties.



Property Summary



Property Type/Name	Logistics	CBRE ID	02
Property Address	Am Krainhop 38550 Isenbüttel Lower Saxony, Germany		

Client Name	Perpetual (Asia) Limited (in its capacity as trustee of Frasers Logistics & Industrial Trust); Frasers Logistics & Industrial Asset Management Pte. Ltd (in its capacity as manager of Frasers Logistics & Industrial Trust)		
Basis of Value	Market Value		
Inspection Date	12.01.2018	Valuation Date	31.03.2018

Summary

Key Figures

Subject property



Primary Use		Logistics	
Year built / refurbished		2014	
Ownership		Freehold	
Site area	35.308	sq m	
Total lettable area	20.679	sq m	
Vacant area	0,00	%	0 sq m
Main Tenant	Volkswagen AG		
Lease Analysis	slightly underrented	-4,9	%
Weighted average lease term		11,3	years

Gross Rental Income	per sq m / month		p.a. (month 1 x 12)	
Current Rent	3,73	EUR	924.924	EUR
Market Rent	3,92	EUR	972.248	EUR
Non-Recoverable Costs	5,46	%	-53.045	EUR
Net Rental Income	3,52	EUR	874.461	EUR

SWOT Analysis

Strengths

- Long weighted average lease term of around 11.6 years and a tenant with good covenant strength;
- The property is in good condition according to construction year 2014;
- No break option;
- Good transport connection due to near federal road B4 and motorway A2;
- Location close to popular logistics hubs around Wolfsburg and Braunschweig.

Opportunities

- The macro location of Wolfsburg has a good socio-economic outlook with future growth in population figures;
- Continuously demand for warehouse and logistics space in the region;
- Positive overall market trend in both the letting and investment markets.

Weaknesses

- No rent indexation;
- Limited number of 8 gates;
- No development potential on the subject site;
- Nearest motorway is not in close proximity;
- No loading docks as classic logistic tenants might demand.

Threats

- No classical logistic property due to the lack of loading docks;
- Re-letting of the areas could require prolonged marketing periods in the classical logistic submarket;
- Fluctuations in the world economy and the global capital markets.

Property Description / Interior Fit-Out

The subject property comprises a light industrial/production warehouse with integrated office space, with a total lettable area of around 20,685 sqm. It is situated on a site of ~ 35,308 sqm and was constructed in 2014. The building is a reinforced concrete construction with laminated trusses and wooden beams with a clear height of around 10.4 m and provides 8 loading gates. Office space has carpeted floors, painted lightweight partition walls and suspended grid ceilings with integrated lighting. Sanitary areas are tiled, office units have sunshades integrated in the windows. The property is in very good overall upkeep condition.

Market Development

The subject property is located in Isenbüttel which belongs to the logistics region of Hanover/Wolfsburg. This logistics region is characterized by companies of the automotive sector. The logistics region of Hanover/Wolfsburg experienced a good market development in the last years. Prime rents for warehouse and logistics properties are around 5.80 EUR/ sq m which is an increase of 1.8% compared to 2012. Due to the high investor demand for prime warehouse properties the net initial yield dropped to 6.8% which is a decrease of 90 bps compared to the previous year.

Yield Profile

	Multiplier	EQY	NIY
at Current Rent	18,37	5,00%	4,86%
at Market Rent	17,47	5,00%	5,13%
at Potential Rent	18,37	5,00%	4,86%

Valuation Result

Market Value	16.990.000	EUR
per sq m	822	EUR

Valuation Approach

We have adopted the income capitalisation as our primary method of valuation with the direct comparable method as our secondary method of valuation.

Purpose of Valuation

The Valuation has been prepared for a Regulated Purpose as defined in the RICS Valuation – Global Standards (2017) (the “Red Book”) and specifically for the purpose of; the proposed acquisition of the Properties, for financing purposes and for the inclusion of the summary valuation report/summaries in a Circular which is to be issued by the Manager to unitholders of FLT in connection with the proposed acquisition of the Properties.



Property Summary



Property Type/Name	CBRE ID
Logistics	03
Property Address	
Otto-Hahn-Straße 10	
71665 Vaihingen	
Baden-Württemberg, Germany	

Client Name	Perpetual (Asia) Limited (in its capacity as trustee of Frasers Logistics & Industrial Trust); Frasers Logistics & Industrial Asset Management Pte. Ltd (in its capacity as manager of Frasers Logistics & Industrial Trust)		
Basis of Value	Market Value		
Inspection Date	23.01.2018	Valuation Date	31.03.2018

Summary

Key Figures

Subject property



Primary Use		Logistics	
Year built / refurbished		2014	
Ownership		Freehold	
Site area	71.647	sq m	
Total lettable area	43.756	sq m	
Vacant area	0,00 %	0	sq m
Main Tenant	Dachser GmbH & Co. KGDSV Solutions GmbH		
Lease Analysis		rack-rented	+1,1 %
Weighted average lease term		3,8	years

Gross Rental Income	per sq m / month	p.a. (month 1 x 12)	
Current Rent	4,83 EUR	2.538.516	EUR
Market Rent	4,78 EUR	2.509.666	EUR
Non-Recoverable Costs	2,71 %	-68.070	EUR
Net Rental Income	4,70 EUR	2.469.663	EUR

SWOT Analysis

Strengths

- Good access to the federal roads;
- Good visibility;
- The property is in a very good overall upkeep condition;
- Share of office areas is very low with around 2.8% of the total area;
- Already let to multiple tenants;
- Proximity to Stuttgart and modest access to Stuttgart airport via A8.

Weaknesses

- No development potential on the subject site;
- Distance to the next motorway (A8) is in 16 km distance.

Opportunities

- Positive development of the overall economic background in the region;
- Demand for warehouse and light industrial space in the region;
- The concentration of logistics areas in this region is steadily increasing.

Threats

- Market can be sensitive to fluctuations in the world economy and the global capital markets.

Property Description / Interior Fit-Out

The property is located in the town of Vaihingen an der Enz. The site is developed with a storage warehouse and a two two-storey office and administration building on the northern side of the warehouse. The two-storey office and administration building is separated from the warehouse building by means of fire-resistant walls. Part of the accumulated rainwater flows through the channel into a pond. There are 101 car parking spaces in the car park.

Market Development

The subject property is located in Vaihingen which belongs to the logistics region of Stuttgart. This logistics region is characterized by companies of the trade, engineering and logistics sector. The region has very good connection to the motorway system via A81 and A8 and further benefits from the vicinity to Stuttgart airport. The logistics region of Stuttgart experienced a good market development in the last years. Prime rents for warehouse and logistics properties are around 6.3 EUR/sq m which is an increase of 3.3% compared to 2012. Due to the high investor demand for prime warehouse properties the net initial yield dropped to 4.7% which is a decrease of 70 bps. compared to the previous year.

Yield Profile

	Multiplier	EQY	NIY
at Current Rent	19,49	4,60%	4,71%
at Market Rent	19,71	4,60%	4,69%
at Potential Rent	19,49	4,60%	4,71%

Valuation Result

Market Value	49.470.000	EUR
per sq m	1.131	EUR

Valuation Approach

We have adopted the income capitalisation as our primary method of valuation with the direct comparable method as our secondary method of valuation.

Purpose of Valuation

The Valuation has been prepared for a Regulated Purpose as defined in the RICS Valuation – Global Standards (2017) (the “Red Book”) and specifically for the purpose of; the proposed acquisition of the Properties, for financing purposes and for the inclusion of the summary valuation report/summaries in a Circular which is to be issued by the Manager to unitholders of FLT in connection with the proposed acquisition of the Properties.



Property Summary



Property Type/Name	Logistics	CBRE ID	04
Property Address	Eiselauer Weg 2 89081 Ulm Baden-Württemberg, Germany		

Client Name	Perpetual (Asia) Limited (in its capacity as trustee of Frasers Logistics & Industrial Trust); Frasers Logistics & Industrial Asset Management Pte. Ltd (in its capacity as manager of Frasers Logistics & Industrial Trust)		
Basis of Value	Market Value		
Inspection Date	23.01.2018	Valuation Date	31.03.2018

Summary

Key Figures



Primary Use		Logistics	
Year built / refurbished		2009	
Ownership		Freehold	
Site area	56.968	sq m	
Total lettable area	24.525	sq m	
Vacant area	0,00 %	0	sq m
Main Tenant	Transgourmet Deutschland GmbH & co. OHG		
Lease Analysis	rack-rented	+0,0	%
Weighted average lease term		9,6	years

Gross Rental Income	per sq m / month	p.a. (month 1 x 12)	
Current Rent	7,75 EUR	2.280.000	EUR
Market Rent	6,82 EUR	2.007.162	EUR
Non-Recoverable Costs	4,45 %	-89.315	EUR
Net Rental Income	7,40 EUR	2.178.544	EUR

SWOT Analysis

Strengths

- Excellent access to motorway A8 and federal road B10;
- Good visibility;
- Proximity to Stuttgart and Augsburg;
- The subject property, including its technical equipment, has a solid structure, which appears to have been maintained on a regular basis;
- Well located at the border of Baden-Württemberg and Bavaria;
- The property is in very good overall upkeep condition;
- Long weighted average remaining lease term at the date of valuation is 9.6

Opportunities

- Continuously demand for warehouse and logistics space in the region;
- There is only limited supply of high quality light-industrial space in the local market;
- The region is an important industrial location;
- Positive development of the overall economic background in the region.

Weaknesses

- Share of office areas is high with around 20% of the total area.

Threats

- Building with cold storage requires special tenant e.g. from the food industry;
- Reletting of office space might be difficult.

Property Description / Interior Fit-Out

The property is a logistics centre for foodstuffs. With the exception of the office and technical plant areas, the warehouse building is largely a single-storey construction. The warehouse has been executed as a precast reinforced concrete frame construction. Almost the entire flat roof area of the warehouse is covered by a photovoltaic system. Extensions are possible at each of the two gable ends of the warehouse building

Market Development

The subject property is located in Ulm which belongs to the logistics region of Schwaben. This logistics region is characterized by companies of the manufacture, logistics and wholesale sector. The region has very good connection to the motorway system via A7 und A8 and further benefits from the vicinity to the GVZ Region Ulm. The logistics region of Schwaben experienced a stable market development in the last years. Prime rents for warehouse and logistics properties are around 5.00 EUR/ sq m which is an increase of 4.2% compared to 2012. Due to the high investor demand for prime warehouse properties the net initial yield dropped to 5.80% which is a decrease of 60 bps. compared to the previous year.

Yield Profile

	Multiplier	EQY	NIY
at Current Rent	18,40	4,50%	4,90%
at Market Rent	20,90	4,50%	4,29%
at Potential Rent	10,34	4,50%	8,72%

Valuation Result

Market Value	41.940.000	EUR
per sq m	1.710	EUR

Valuation Approach

We have adopted the income capitalisation as our primary method of valuation with the direct comparable method as our secondary method of valuation.

Purpose of Valuation

The Valuation has been prepared for a Regulated Purpose as defined in the RICS Valuation – Global Standards (2017) (the “Red Book”) and specifically for the purpose of; the proposed acquisition of the Properties, for financing purposes and for the inclusion of the summary valuation report/summaries in a Circular which is to be issued by the Manager to unitholders of FLT in connection with the proposed acquisition of the Properties.



Property Summary



Property Type/Name	Industrial	CBRE ID	05
Property Address	Gottmadingen 78422 Gottmadingen Baden-Württemberg, Germany		

Client Name	Perpetual (Asia) Limited (in its capacity as trustee of Frasers Logistics & Industrial Trust); Frasers Logistics & Industrial Asset Management Pte. Ltd (in its capacity as manager of Frasers Logistics & Industrial Trust)		
Basis of Value	Market Value		
Inspection Date	24.01.2018	Valuation Date	31.03.2018

Summary

Key Figures

Subject property



Primary Use	Light industrial		
Year built / refurbished	1999 / 2015		
Ownership	Freehold		
Site area	71.871	sq m	
Total lettable area	56.407	sq m	
Vacant area	0,00	%	0 sq m
Main Tenant	Constellium Singen GmbH		
Lease Analysis	slightly overrented	+2,6	%
Weighted average lease term	9,3	years	

Gross Rental Income	per sq m / month		p.a. (month 1 x 12)	
Current Rent	4,52	EUR	3.060.636	EUR
Market Rent	4,43	EUR	3.000.378	EUR
Non-Recoverable Costs	3,27	%	-98.044	EUR
Net Rental Income	4,37	EUR	2.960.623	EUR

SWOT Analysis

Strengths

- Good access to motorway A81 and federal road B34 and B314;
- Good visibility;
- Proximity to Switzerland;
- The property is in very good overall upkeep condition;
- Share of office areas is relatively high with around 3.2% of the total lettable area;
- Built in 1999/2015, the buildings do primarily comply to modern warehouse standards.

Opportunities

- Positive development of the overall economic background in Baden-Württemberg;
- Development potential on the subject site.

Weaknesses

- Buildings are primarily tailored for current tenants operations.
- The warehouses have a likely decreased re-lettable;
- Location does not belong to a primary logistics hub.

Threats

- Demand for warehouse and logistics space in the region;

Property Description / Interior Fit-Out

The production warehouses are largely of identical column-free construction and were built during the period from 1999 to 2015. The warehouses were erected as steel-framed structures. Photovoltaic installations have been installed on parts of the flat roofs to the production warehouses. The warehouses are partially fronted by office units with associated staff areas. The new warehouse no. 8 is predominantly finished or will be finished within this year. Therefore, we assumed that this new warehouse is already finished at the date of valuation and will already produce income.

Market Development

The subject property is located in Gottmadingen which belongs to the logistics region of Stuttgart. This logistics region is characterized by companies of the trade, engineering and logistics sector. The region has very good connection to the motorway system via A81 and A8 and further benefits from the vicinity to Stuttgart airport and GVZ Kornwestheim. The logistics region of Stuttgart experienced a good market development in the last years. Prime rents for warehouse and logistics properties are around 6.3 EUR/sq m which is an increase of 3.3% compared to 2012. Due to the high investor demand for prime warehouse properties the net initial yield dropped to 4.7% which is a decrease of 70 bps. compared to the previous year.

Yield Profile

	Multiplier	EQY	NIY
at Current Rent	15,22	6,00%	6,00%
at Market Rent	15,53	6,00%	5,87%
at Potential Rent	15,22	6,00%	6,00%

Valuation Result

Market Value	46.590.000	EUR
per sq m	826	EUR

Valuation Approach

We have adopted the income capitalisation as our primary method of valuation with the direct comparable method as our secondary method of valuation.

Purpose of Valuation

The Valuation has been prepared for a Regulated Purpose as defined in the RICS Valuation – Global Standards (2017) (the "Red Book") and specifically for the purpose of; the proposed acquisition of the Properties, for financing purposes and for the inclusion of the summary valuation report/summaries in a Circular which is to be issued by the Manager to unitholders of FLT in connection with the proposed acquisition of the Properties.



Property Summary



Property Type/Name	Industrial	CBRE ID	06
Property Address	Industriepark 1 94437 Mamming Bavaria, Germany		

Client Name	Perpetual (Asia) Limited (in its capacity as trustee of Frasers Logistics & Industrial Trust); Frasers Logistics & Industrial Asset Management Pte. Ltd (in its capacity as manager of Frasers Logistics & Industrial Trust)		
Basis of Value	Market Value		
Inspection Date	22.01.2018	Valuation Date	31.03.2018

Summary

Key Figures



Primary Use	Light industrial		
Year built / refurbished	2013 / 2014		
Ownership	Freehold		
Site area	31.878	sq m	
Total lettable area	14.193	sq m	
Vacant area	0,00	%	0 sq m
Main Tenant	Voith Industrial Services Ltd. & Co. KG		
Lease Analysis	rack-rented	+0,6	%
Weighted average lease term	4,8	years	

Gross Rental Income	per sq m / month		p.a. (month 1 x 12)	
Current Rent	5,12	EUR	872.544	EUR
Market Rent	5,09	EUR	867.054	EUR
Non-Recoverable Costs	3,61	%	-31.336	EUR
Net Rental Income	4,94	EUR	841.010	EUR

SWOT Analysis

Strengths

- The subject property is located near the BMW facility Dingolfing;
- High reserve of greenfield plots;
- Very good transport connection due to near motorway A 92;
- The subject property is fully let;
- The subject property is in a new or as new state.

Weaknesses

- The subject property is not connected to the public transport system;
- Single tenant risk.

Opportunities

- Extending the lease agreements to stabilise the cash flow in the long-term;
- New developing industrial park in Mamming;
- Continuously demand for warehouse and logistics space in the region.

Threats

- none

Property Description / Interior Fit-Out

The subject property is a light industrial property with a total lettable area of around 14,195.86 sqm. It is situated on a site of approximately 31,878 sqm and was constructed in 2013/2014. The complex consists of a light industrial building (with mezzanine areas) and a 2-storey office part which is located on the southern part of the warehouse. The warehouse is a frame construction with concrete beams with a clear height of around 8.00 m and provides 8 loading docks. The property is in an overall very good condition. The insulated flat roof is equipped with solar panels.

Market Development

The subject property is located in Mamming which belongs to the logistics region of Donau. This logistics region is characterized by companies of the automotive sector. The region has very good connection to the motorway system via A92 and further benefits from the vicinity to Munich airport. The logistics region of Donau experienced a stable market development in the last years. Prime rents for warehouse and logistics properties are around 5.00 EUR/ sq m. Due to the high investor demand for prime warehouse properties the net initial yield dropped to 7.00% which is a decrease of 50 bps. compared to the previous year.

Yield Profile

	Multiplier	EQY	NIY
at Current Rent	17,82	5,15%	5,18%
at Market Rent	17,93	5,15%	5,14%
at Potential Rent	17,82	5,15%	5,18%

Valuation Result

Market Value	15.550.000	EUR
per sq m	1.096	EUR

Valuation Approach

We have adopted the income capitalisation as our primary method of valuation with the direct comparable method as our secondary method of valuation.

Purpose of Valuation

The Valuation has been prepared for a Regulated Purpose as defined in the RICS Valuation – Global Standards (2017) (the “Red Book”) and specifically for the purpose of; the proposed acquisition of the Properties, for financing purposes and for the inclusion of the summary valuation report/summaries in a Circular which is to be issued by the Manager to unitholders of FLT in connection with the proposed acquisition of the Properties.



Property Summary



Property Type/Name	CBRE ID
Logistics	08
Property Address	
Johann-Esche-Straße 2	
09120 Chemnitz	
Saxony, Germany	

Client Name	Perpetual (Asia) Limited (in its capacity as trustee of Frasers Logistics & Industrial Trust); Frasers Logistics & Industrial Asset Management Pte. Ltd (in its capacity as manager of Frasers Logistics & Industrial Trust)		
Basis of Value	Market Value		
Inspection Date	11.01.2018	Valuation Date	31.03.2018

Summary

Key Figures

Subject property



Primary Use		Logistics	
Year built / refurbished		2007	
Ownership		Freehold	
Site area	34.633	sq m	
Total lettable area	18.053	sq m	
Vacant area	0,00 %	0	sq m
Main Tenant	Rhenus AL Chemnitz GmbH		
Lease Analysis		overrented	+14,4 %
Weighted average lease term		2,3	years

Gross Rental Income	per sq m / month		p.a. (month 1 x 12)	
Current Rent	5,37	EUR	1.163.724	EUR
Market Rent	4,70	EUR	1.017.471	EUR
Non-Recoverable Costs	4,41	%	-44.912	EUR
Net Rental Income	5,13	EUR	1.112.356	EUR

SWOT Analysis

Strengths

- Railway siding on site;
- Proximity to Czech Republic and Dresden;
- Adequate number of external parking spaces;
- Located next to VW motors;
- The property is in good overall upkeep condition;
- Sufficient number of 14 gates.

Weaknesses

- Built in 2007; the building does not comply to modern warehouse standards because of its height;
- The weighted average remaining lease term at the date of valuation is 2.25 years;
- Rather low warehouse heights (8.0 metres);
- Motorway junction is about 6 km away.

Opportunities

- Important industrial location in Saxony;
- Positive development of the overall economic background in the region;
- Positive overall market trend in both the letting and investment markets.

Threats

- Re-letting of the areas could require significant marketing periods in the submarket;
- Business of current tenant is linked to VW motors;
- Fluctuations in the world economy and the global capital markets.

Property Description / Interior Fit-Out

The subject property is a logistics property with a total lettable area of around 18,053 sqm. It is situated on a site of approximately 34,691 sqm and was constructed in 2007. The complex consists of a gatehouse, a warehouse building, a 2-storey office part which is located on the western part of the warehouse. The warehouse is a frame construction with wooden beams with a clear height of around 8.00 m and provides 14 loading gates. The property is in an overall good condition.

Market Development

The subject property is located in Chemnitz which is situated near to the logistics region of Leipzig/Halle. This logistics region is characterized by companies of the logistics and automotive sector (Fraunhofer, 2015). The region of Chemnitz experienced an average market development in the last years. Prime rents for warehouse and logistics properties are around 3.50 EUR/ sq m which is stable since 2012 (RIWIS, 2017). Due to the high investor demand for prime warehouse properties the net initial yield dropped to 7.3% (RIWIS, 2017) which is a decrease of 90 bps. compared to the previous year.

Yield Profile

	Multiplier	EQY	NIY
at Current Rent	14,21	5,55%	6,44%
at Market Rent	16,25	5,55%	5,73%
at Potential Rent	14,21	5,55%	6,44%

Valuation Result

Market Value	16.530.000	EUR
per sq m	916	EUR

Valuation Approach

We have adopted the income capitalisation as our primary method of valuation with the direct comparable method as our secondary method of valuation.

Purpose of Valuation

The Valuation has been prepared for a Regulated Purpose as defined in the RICS Valuation – Global Standards (2017) (the “Red Book”) and specifically for the purpose of; the proposed acquisition of the Properties, for financing purposes and for the inclusion of the summary valuation report/summaries in a Circular which is to be issued by the Manager to unitholders of FLT in connection with the proposed acquisition of the Properties.



Property Summary



Property Type/Name	Industrial	CBRE ID	09
Property Address	Jubatus-Allee 3 92263 Ebermannsdorf Bavaria, Germany		

Client Name	Perpetual (Asia) Limited (in its capacity as trustee of Frasers Logistics & Industrial Trust); Frasers Logistics & Industrial Asset Management Pte. Ltd (in its capacity as manager of Frasers Logistics & Industrial Trust)		
Basis of Value	Market Value		
Inspection Date	22.01.2018	Valuation Date	31.03.2018

Summary

Key Figures



Primary Use	Light industrial		
Year built / refurbished	2004		
Ownership	Freehold		
Site area	24.059	sq m	
Total lettable area	9.389	sq m	
Vacant area	0,00 %	0	sq m
Main Tenant	Grammer Automotive Metall GmbH		
Lease Analysis	underrented	-12,0	%
Weighted average lease term	3,9		years

Gross Rental Income	per sq m / month		p.a. (month 1 x 12)	
Current Rent	4,45	EUR	501.372	EUR
Market Rent	5,06	EUR	569.763	EUR
Non-Recoverable Costs	6,02	%	-34.289	EUR
Net Rental Income	4,18	EUR	471.199	EUR

SWOT Analysis

Strengths

- The subject property is located in an establish industrial area,
- Location close to popular logistics hubs Nuremberg and Regensburg;
- Very good transport connection due to near federal road B85 and motorway A6;
- The subject property is fully let.

Weaknesses

- The subject property is not connected to the public transport system;
- Single tenant risk.

Opportunities

- Extending the lease agreements to stabilise the cash flow in the long-term
- Property can be let to multiple tenant;
- Continuously demand for warehouse and logistics space in the region.

Threats

- None.

Property Description / Interior Fit-Out

The subject property is a light industrial property with a total lettable area of around 9,389 sqm. It is situated on a rectangular shaped site of approximately 24,059 sqm and was constructed in 2004. The complex consists of one light industrial buildings (with mezzanine areas) and a 2-storey office part which is located on the southern part of the warehouse. The warehouse is a frame construction with concrete with a clear height of around 8 m and provides 2 loading docks. The property is in an overall average condition.

Market Development

The subject property is located in the logistics region of Nuremberg. This logistics region is characterized by companies of the automotive sector. The region benefits from the vicinity to Nuremberg airport. The logistics region of Nuremberg experienced a good market development in the last years. Prime rents for warehouse and logistics properties are around 5.40 EUR/ sq m which is an increase of 8.00% compared to 2012. Due to the high investor demand for prime warehouse properties the net initial yield dropped to 5.40% which is a decrease of 70 bps. compared to the previous year.

Yield Profile

	Multiplier	EQY	NIY
at Current Rent	14,97	6,25%	6,01%
at Market Rent	13,18	6,25%	7,37%
at Potential Rent	14,97	6,25%	6,01%

Valuation Result

Market Value	7.510.000	EUR
per sq m	800	EUR

Valuation Approach

We have adopted the income capitalisation as our primary method of valuation with the direct comparable method as our secondary method of valuation.

Purpose of Valuation

The Valuation has been prepared for a Regulated Purpose as defined in the RICS Valuation – Global Standards (2017) (the “Red Book”) and specifically for the purpose of; the proposed acquisition of the Properties, for financing purposes and for the inclusion of the summary valuation report/summaries in a Circular which is to be issued by the Manager to unitholders of FLT in connection with the proposed acquisition of the Properties.



Property Summary



Property Type/Name	CBRE ID
Logistics	07
Property Address	
Am Exer 9	
04518 Leipzig	
Saxony, Germany	

Client Name	Perpetual (Asia) Limited (in its capacity as trustee of Frasers Logistics & Industrial Trust); Frasers Logistics & Industrial Asset Management Pte. Ltd (in its capacity as manager of Frasers Logistics & Industrial Trust)		
Basis of Value	Market Value		
Inspection Date	11.01.2018	Valuation Date	31.03.2018

Summary

Key Figures



Primary Use		Logistics	
Year built / refurbished		2013	
Ownership		Freehold	
Site area	22.972	sq m	
Total lettable area	11.537	sq m	
Vacant area	0,00 %	0	sq m
Main Tenant	DMS Dräxlmaier Modulsysteme GmbH		
Lease Analysis	overrented	+14,5	%
Weighted average lease term		5,4	years

Gross Rental Income	per sq m / month	p.a. (month 1 x 12)	
Current Rent	5,74 EUR	794.366	EUR
Market Rent	5,01 EUR	693.558	EUR
Non-Recoverable Costs	2,62 %	-18.137	EUR
Net Rental Income	5,59 EUR	773.593	EUR

SWOT Analysis

Strengths

- Good access to motorway A14 and federal road B6;
- Good visibility;
- Proximity to Halle/Leipzig airport;
- The property is in a very good overall upkeep condition;
- Located in the near of Porsche Leipzig;
- Good ratio (0.957) of gates to warehouse area;

Weaknesses

- Share of office areas is relatively high with around 17% of the total area;
- No development potential on the subject site.

Opportunities

- Demand for warehouse and logistics space in the region;
- Proximity to DHL Cargo Hub at the Halle/Leipzig airport;
- Positive development of the overall economic background in the region;
- Proximity to a small cargo hub of Deutsche Bahn.

Threats

- Market can be sensitive to fluctuations in the world economy and the global capital markets;
- High office share might be difficult to re-let.

Property Description / Interior Fit-Out

The subject property consists of an site area of approx. 22,972 sq m and a warehouse building with approx. 11,537 sq m lettable area built in 2013. The warehouse is fronted by an office and staff tract which was executed in a solid construction. The gable end on the ground floor of the office building serves as delivery zone with constructed loading ramps. The vehicular lanes are surfaced with asphalt; the parking spaces in the external areas are paved. The property has 10 loading docks, 4 of which are located in the receiving area and 6 in the shipping area. The hall has a height of 10.9 m and a column spacing of 23 m x 17.4 m. 24 hour business is

Market Development

The subject property is located in the logistics region of Leipzig. This logistics region is characterized by companies of the automotive sector, chemical industry and food production. The region has very good connection to the motorway system via A9, A38, A14 and further benefits from the vicinity to the Leipzig-airport and the GVZ Leipzig. The logistics region of Leipzig experienced an average market development in the last years. Prime rents for warehouse and logistics properties are around 3.50 EUR/ sq m which is stable since 2012. Due to the high investor demand for prime warehouse properties the net initial yield dropped to 7.3% which is a decrease of 90 bps, compared to the previous year.

Yield Profile

	Multiplier	EQY	NIY
at Current Rent	16,54	4,93%	5,64%
at Market Rent	18,94	4,93%	4,95%
at Potential Rent	16,54	4,93%	5,64%

Valuation Result

Market Value	13.140.000	EUR
per sq m	1.139	EUR

Valuation Approach

We have adopted the income capitalisation as our primary method of valuation with the direct comparable method as our secondary method of valuation.

Purpose of Valuation

The Valuation has been prepared for a Regulated Purpose as defined in the RICS Valuation – Global Standards (2017) (the “Red Book”) and specifically for the purpose of; the proposed acquisition of the Properties, for financing purposes and for the inclusion of the summary valuation report/summaries in a Circular which is to be issued by the Manager to unitholders of FLT in connection with the proposed acquisition of the Properties.



Property Summary



Property Type/Name	Logistics	CBRE ID	11
Property Address	Bremer Str. 10 / Koperstr. 1 90451 Nuremberg Bavaria, Germany		

Client Name	Perpetual (Asia) Limited (in its capacity as trustee of Frasers Logistics & Industrial Trust); Frasers Logistics & Industrial Asset Management Pte. Ltd (in its capacity as manager of Frasers Logistics & Industrial Trust)		
Basis of Value	Market Value		
Inspection Date	22.01.2018	Valuation Date	31.03.2018

Summary

Key Figures

Subject property



Primary Use		Logistics	
Year built / refurbished		2015	
Ownership	Leasehold (Hereditary Building Rights)		
Site area	75.555	sq m	
Total lettable area	44.221	sq m	
Vacant area	0,00 %	0	sq m
Main Tenant	Roman Mayer Logistik GmbH		
Lease Analysis	significantly underrented	-49,1	%
Weighted average lease term		2,2	years

Gross Rental Income	per sq m / month		p.a. (month 1 x 12)	
Current Rent	2,65	EUR	1.404.960	EUR
Market Rent	5,49	EUR	2.914.452	EUR
Non-Recoverable Costs	39,09	%	-1.139.288	EUR
Net Rental Income	1,61	EUR	855.747	EUR

SWOT Analysis

Strengths

- The subject property is located in the biggest logistic hub of Southern-Germany;
- The subject property has a strategic geocentrically location;
- Proximity to Stuttgart and Munich;
- Excellent trimodally transport links by road, railway and waterway;
- The condition of the buildings is new or in a as new state;
- The building has a modern and flexible fit-out.

Weaknesses

- Lorries are not permitted to access the harbour between 10 pm and 6 am;
- The subject property is held leasehold;
- The covenant strength of the tenant Roman Mayer Logistic GmbH is bad.

Opportunities

- Continuously demand for warehouse and logistics space in the region;
- There is only limited supply of high quality industrial space in the local market;
- The region is an important industrial location;
- Positive development of the overall economic background in the region.

Threats

- Building with cold storage requires special tenant e.g. from the food industry;
- Fluctuations in the world economy and the global capital markets;
- Reletting of office space might be difficult.

Property Description / Interior Fit-Out

The subject property is a logistics property with a total lettable area of around 44,221 sqm. It is situated on a site of approximately 75,555 sqm and was constructed in 2015. The complex consists of 6 logistics buildings (with mezzanine areas) and a 2-storey office part which is located on the southern part of the warehouses. The warehouse is a frame construction with concrete beams with a clear height of around 10.5 m and provides 26 loading docks. The property is in an overall very good condition.

Market Development

The subject property is located in Nuremberg which belongs to the logistics region of Nuremberg. This logistics region is characterized by companies of the automotive sector. The logistics region of Nuremberg experienced a good market development in the last years. Prime rents for warehouse and logistics properties are around 5.40 EUR/ sq m which is an increase of 8.00% compared to 2012. Due to the high investor demand for prime warehouse properties the net initial yield dropped to 5.40% which is a decrease of 70 bps. compared to the previous year.

Yield Profile

	Multiplier	EQY	NIY
at Current Rent	30,13	5,00%	1,93%
at Market Rent	14,53	5,00%	5,35%
at Potential Rent	30,13	5,00%	2,91%

Valuation Result

Market Value	42.330.000	EUR
per sq m	957	EUR

Valuation Approach

We have adopted the income capitalisation as our primary method of valuation with the direct comparable method as our secondary method of valuation.

Purpose of Valuation

The Valuation has been prepared for a Regulated Purpose as defined in the RICS Valuation – Global Standards (2017) (the “Red Book”) and specifically for the purpose of; the proposed acquisition of the Properties, for financing purposes and for the inclusion of the summary valuation report/summaries in a Circular which is to be issued by the Manager to unitholders of FLT in connection with the proposed acquisition of the Properties.



Property Summary



Property Type/Name	Logistics	CBRE ID	10
Property Address	Ambros-Nehren-Strasse 1 77855 Achern Baden-Württemberg, Germany		

Client Name	Perpetual (Asia) Limited (in its capacity as trustee of Frasers Logistics & Industrial Trust); Frasers Logistics & Industrial Asset Management Pte. Ltd (in its capacity as manager of Frasers Logistics & Industrial Trust)		
Basis of Value	Market Value		
Inspection Date	23.01.2018	Valuation Date	31.03.2018

Summary

Key Figures

Subject property



Primary Use		Logistics	
Year built / refurbished		2016	
Ownership		Freehold	
Site area	26.973	sq m	
Total lettable area	12.304	sq m	
Vacant area	0,00 %	0	sq m
Main Tenant		J.H. Ziegler GmbH	
Lease Analysis	rack-rented	-0,0	%
Weighted average lease term		12,9	years

Gross Rental Income	per sq m / month	p.a. (month 1 x 12)	
Current Rent	4,72 EUR	696.871	EUR
Market Rent	4,72 EUR	696.936	EUR
Non-Recoverable Costs	2,77 %	-19.275	EUR
Net Rental Income	4,59 EUR	677.598	EUR

SWOT Analysis

Strengths

- Newly built, modern warehouse building;
- Located next to the French border;
- Motorway junction A5 is only 3 km away;
- Adequate number of external parking spaces;
- Long weighted average remaining lease term at the date of valuation of 12.88 years;
- Tenant with very good covenant strength;
- The property is in very good overall upkept condition.

Opportunities

- Continuous demand for warehouse and logistics space in the region;
- Positive development of the overall economy in the region;
- Positive overall market trend in both the letting and investment markets.

Weaknesses

- Location outside of popular logistics and light-industrial hubs;
- No development potential on the subject site;
- Limitations on use at night-time (from 10 pm -6 am only on truck per hour);
- Relatively close pillar grid.

Threats

- Especially built for the current tenant. Layout and facilities may complicate re-letting.

Property Description / Interior Fit-Out

The building was completed in 2016. The office area is located on the southern side of the building; on the northern side, there are 5 production warehouses and storage warehouses. Warehouses 2A and 2B are separated from the other warehouse and the office areas by means of a fire zone partition. Rainwater is discharged through the drainage channel into two ponds. There are 30 car parking spaces in the park.

Market Development

The subject property is located in the logistics region Oberrhein. This logistics region is characterized by companies of the manufacturing systems engineering, metal industry and electrical engineering. The region has very good connection to the motorway system via A5, A81 and further benefits from the vicinity to France and Switzerland. The logistics region of Oberrhein experienced a very good market development in the last years. Prime rents for warehouse and logistics properties are around 4.50 EUR/ sq m which is an increase of approx. 12,5% compared to 2012. Due to the high investor demand for prime warehouse properties the net initial yield dropped to 6,1% which is a decrease of 70 bps. compared to the previous year.

Yield Profile

	Multiplier	EQY	NIY
at Current Rent	19,10	4,80%	4,80%
at Market Rent	19,10	4,80%	4,81%
at Potential Rent	19,10	4,80%	4,80%

Valuation Result

Market Value	13.310.000	EUR
per sq m	1.082	EUR

Valuation Approach

We have adopted the income capitalisation as our primary method of valuation with the direct comparable method as our secondary method of valuation.

Purpose of Valuation

The Valuation has been prepared for a Regulated Purpose as defined in the RICS Valuation – Global Standards (2017) (the "Red Book") and specifically for the purpose of; the proposed acquisition of the Properties, for financing purposes and for the inclusion of the summary valuation report/summaries in a Circular which is to be issued by the Manager to unitholders of FLT in connection with the proposed acquisition of the Properties.



Property Summary



Property Type/Name	Logistics	CBRE ID	12
Property Address	Saalhoffer Straße 211 47494 Rheinberg North Rhine-Westphalia, Germany		

Client Name	Perpetual (Asia) Limited (in its capacity as trustee of Frasers Logistics & Industrial Trust); Frasers Logistics & Industrial Asset Management Pte. Ltd (in its capacity as manager of Frasers Logistics & Industrial Trust)		
Basis of Value	Market Value		
Inspection Date	11.01.2018	Valuation Date	31.03.2018

Summary

Key Figures

Subject property



Primary Use		Logistics	
Year built / refurbished		2016	
Ownership		Freehold	
Site area	74.993	sq m	
Total lettable area	31.957	sq m	
Vacant area	0,00	%	0 sq m
Main Tenant	Bayerische Motoren Werke Aktiengesellschaft		
Lease Analysis	slightly underrented	-2,5	%
Weighted average lease term		4,8	years

Gross Rental Income	per sq m / month	p.a. (month 1 x 12)	
Current Rent	3,47 EUR	1.329.900	EUR
Market Rent	3,80 EUR	1.458.585	EUR
Non-Recoverable Costs	4,60 %	-67.044	EUR
Net Rental Income	3,31 EUR	1.268.771	EUR

SWOT Analysis

Strengths

- New / modern warehouse;
- Tenant with good covenant strength;
- The subject property is fully let with a WALT of 5.1 years;
- Good transport connections;
- Location close to popular logistics hubs around Duisburg and Dusseldorf.

Weaknesses

- Local roads are poorly fit for trucks;
- Limitations on use expected due to adjoining residential area;
- Delivery only planned from one side.

Opportunities

- There is only limited supply of high quality logistics space in the submarket;
- Positive overall market trend in both the letting and investment markets;
- Prolongation of the current lease agreement.

Threats

- none

Property Description / Interior Fit-Out

The subject property is a warehouse property with a total lettable area of around 31,957sqm. It is situated on a site of approximately 75,000 sqm and was constructed in 2016. The complex consists of one warehouse buildings subdivided into three sections and a two-storey office part which is located on the western part of the warehouse. The warehouse formed of concrete columns with metal ISO panelling facade and wooden beams with a clear height of around 10.6 m and provides 3 loading gates and 48 loading docks. The property is in an overall very good condition.

Market Development

The subject property is located in Rheinberg which belongs to the logistics region Lower-Rhine. This logistics region is characterized by companies of the trade and logistics sector. The logistics region of Duisburg experienced a good market development in the last years. Prime rents for warehouse and logistics properties are around 5.00 EUR/ sq m which is a increase of 2.0% compared to 2012. Due to the high investor demand for prime warehouse properties the net initial yield dropped to 5.3% which is a decrease of 30 bps compared to the previous year.

Yield Profile

	Multiplier	EQY	NIY
at Current Rent	21,11	4,55%	4,20%
at Market Rent	19,24	4,55%	4,63%
at Potential Rent	21,11	4,55%	4,20%

Valuation Result

Market Value	28.070.000	EUR
per sq m	878	EUR

Valuation Approach

We have adopted the income capitalisation as our primary method of valuation with the direct comparable method as our secondary method of valuation.

Purpose of Valuation

The Valuation has been prepared for a Regulated Purpose as defined in the RICS Valuation – Global Standards (2017) (the “Red Book”) and specifically for the purpose of; the proposed acquisition of the Properties, for financing purposes and for the inclusion of the summary valuation report/summaries in a Circular which is to be issued by the Manager to unitholders of FLT in connection with the proposed acquisition of the Properties.



Property Summary



Property Type/Name	Logistics	CBRE ID	13
Property Address	Keffelker Straße 66 59929 Brilon North Rhine-Westphalia, Germany		

Client Name	Perpetual (Asia) Limited (in its capacity as trustee of Frasers Logistics & Industrial Trust); Frasers Logistics & Industrial Asset Management Pte. Ltd (in its capacity as manager of Frasers Logistics & Industrial Trust)		
Basis of Value	Market Value		
Inspection Date	11.01.2018	Valuation Date	31.03.2018

Summary

Key Figures

Subject property



Primary Use		Logistics	
Year built / refurbished		2009	
Ownership		Freehold	
Site area	29.375	sq m	
Total lettable area	13.352	sq m	
Vacant area	0,00	%	0
			sq m
Main Tenant	ABB AG		
Lease Analysis	rack-rented	+0,7	%
Weighted average lease term		3,6	years

Gross Rental Income	per sq m / month		p.a. (month 1 x 12)	
Current Rent	4,78	EUR	766.548	EUR
Market Rent	4,75	EUR	761.225	EUR
Non-Recoverable Costs	5,47	%	-41.637	EUR
Net Rental Income	4,52	EUR	724.620	EUR

SWOT Analysis

Strengths

- Strong engineering tenant with very low risk of business failure;
- Triple Net Lease;
- The subject property, including its technical equipment, has a solid structure, which appears to have been maintained on a regular basis;
- Adequate number of external parking spaces;
- Usual proportion of office areas with around 13% of the total area;
- The property is in very good overall upkeep condition.

Opportunities

- Referring to costly installations by the tenant a prolongation by the current tenant is likely;
- There is only limited supply of high quality light-industrial space in the local market;
- Positive development of the overall economic background in the region;
- Positive overall market trend in both the letting and investment markets;

Weaknesses

- Location outside of popular logistics and light-industrial hubs;
- Limited number of only 8 gates;
- Rather low warehouse heights in a large proportion of the warehouses;
- Difficult delivery from the rear of the buildings;
- Noise emission restrictions during the night-time limits the number of potential tenants;
- The WALT at the date of valuation is 3.9 years.

Threats

- Significant adjustments of the building to meet the needs of the current tenant;
- Re-letting of the areas could require significant marketing periods in the submarket;
- No sprinkler system and hence difficult to let as storage area for third-party utilization;
- Triple Net Leases in Germany are subject to legal uncertainty.

Property Description / Interior Fit-Out

The subject property is a light industrial property with a total lettable area of around 13,352 sqm. It is situated on a site of approximately 29,375 sqm and was constructed in 2009. The property has been maintained on a regular basis. The complex consists of four warehouse/light industrial buildings (incl. a dangerous goods area and a roofed outdoor storage section) and a two-storey office section which is located in the south of the warehouses. The warehouse has a reinforced concrete frame with varying ceiling heights ranging from 6.5m to 17.0m and provides 7 loading gates. The property is in an overall very good condition.

Market Development

The subject property is located in Brilon which belongs to the Sauerland region in the east of the federal state of North Rhine-Westphalia. The closest logistics region is Paderborn which is located around 50 km in the north. The logistics region of Paderborn experienced a good market development in the last years. Prime rents for warehouse and logistics properties are around 4.00 EUR/ sq m which is an increase of 14.3% compared to 2012. Due to the high investor demand for prime warehouse properties the net initial yield dropped to 7.00% which is a decrease of 60 bps compared to the previous year.

Yield Profile

	Multiplier	EQY	NIY
at Current Rent	13,06	6,50%	6,74%
at Market Rent	13,15	6,50%	6,89%
at Potential Rent	13,06	6,50%	6,74%

Valuation Result

Market Value	10.010.000	EUR
per sq m	750	EUR

Valuation Approach

We have adopted the income capitalisation as our primary method of valuation with the direct comparable method as our secondary method of valuation.

Purpose of Valuation

The Valuation has been prepared for a Regulated Purpose as defined in the RICS Valuation – Global Standards (2017) (the "Red Book") and specifically for the purpose of; the proposed acquisition of the Properties, for financing purposes and for the inclusion of the summary valuation report/summaries in a Circular which is to be issued by the Manager to unitholders of FLT in connection with the proposed acquisition of the Properties.



Property Summary



Property Type/Name	Industrial	CBRE ID	14
Property Address	Gustav-Stresemann-Weg 1 48155 Muenster North Rhine-Westphalia, Germany		

Client Name	Perpetual (Asia) Limited (in its capacity as trustee of Frasers Logistics & Industrial Trust); Frasers Logistics & Industrial Asset Management Pte. Ltd (in its capacity as manager of Frasers Logistics & Industrial Trust)		
Basis of Value	Market Value		
Inspection Date	12.01.2018	Valuation Date	31.03.2018

Summary

Key Figures

Subject property



Primary Use	Light industrial		
Year built / refurbished	2009		
Ownership	Freehold		
Site area	21,135	sq m	
Total lettable area	12,960	sq m	
Vacant area	0.00 %	0	sq m
Main Tenant	Saurer Components GmbH		
Lease Analysis	overrented	+12.3	%
Weighted average lease term	12.8		years

Gross Rental Income	per sq m / month	p.a. (month 1 x 12)	
Current Rent	6.02 EUR	936,780	EUR
Market Rent	5.36 EUR	834,300	EUR
Non-Recoverable Costs	3.21 %	-26,800	EUR
Net Rental Income	5.83 EUR	906,689	EUR

SWOT Analysis

Strengths

- Very long lease term of around 10.2 years and a tenant with good covenant strength;
- The property is overall in good condition according to construction year 2009;
- Located in the established industrial and logistic location;
- Good transport connection;
- Location close to popular logistics hubs around Munster and Osnabruck.

Opportunities

- The macro location of Munster has a good socio-economic outlook with future growth in population figures;
- Continuously demand for warehouse and logistics space in the region;
- Positive overall market trend in both the letting and investment markets.

Weaknesses

- Share of office areas is relatively high with around 16 % of the total area;
- Rather low warehouse height (approx. 8.1 metres) of the main hall;
- Limited number of 7 gates;
- No development potential on the subject site.

Threats

- Break-Option for the tenant in starting in 31.01.2026 in combination with a notice period of 24 month;
- Re-letting of the high share of office / social areas could prove difficult;
- Fluctuations in the world economy and the global capital markets.

Property Description / Interior Fit-Out

The subject property is a light industrial warehouse and office with a total lettable area of around 12,960 sqm. It is situated on a rectangular shaped site of approximately 21,135 sqm and was constructed in 2009. The property has constantly been maintained. The complex consists of one light industrial building with an integrated two-storey hall building and a three-storey office part which is located on the southern part of the warehouse. The warehouse is a reinforced concrete frame construction with a clear height of around 8.1 m and provides 4 loading gates. The property is in very good overall upkeep condition. The subject property also consists of a private street known as Parcel 687, which is held in co-ownership (Geneba RE 20 B.V. holds approximately 38.5% interest in the street). We have recognised the co-ownership of the private street known as Parcel 687 in our valuation.

Market Development

The subject property is located in Münster which belongs to the logistics region of Münster/Osnabrück. This logistics region is characterized by companies of trade, manufacturing systems engineering and food production. The region has very good connection to the motorway system via A1, A43 and further benefits from the vicinity to the densely populated Ruhrgebiet. The logistics region of Münster/Osnabrück experienced a very good market development in the last years. Prime rents for warehouse and logistics properties are around 4.10 EUR/ sq m which is an increase of approx. 11% compared to 2012. Due to the high investor demand for prime warehouse properties the net initial yield dropped to 6,4% which is a decrease of 60 bps. compared to the previous year.

Yield Profile

	Multiplier	EQY	NIY
at Current Rent	15.66	5.39%	5.75%
at Market Rent	17.58	5.39%	5.05%
at Potential Rent	15.66	5.39%	5.75%

Valuation Result

Market Value	14,670,000	EUR
per sq m	1,132	EUR

Valuation Approach

We have adopted the income capitalisation as our primary method of valuation with the direct comparable method as our secondary method of valuation.

Purpose of Valuation

The Valuation has been prepared for a Regulated Purpose as defined in the RICS Valuation – Global Standards (2017) (the “Red Book”) and specifically for the purpose of; the proposed acquisition of the Properties, for financing purposes and for the inclusion of the summary valuation report/summaries in a Circular which is to be issued by the Manager to unitholders of FLT in connection with the proposed acquisition of the Properties.



Property Summary

CBRE

Property Type/Name	Industrial	CBRE ID	15
Property Address	Am Autobahnkreuz 14 26180 Rastede Lower Saxony, Germany		

Client Name	Perpetual (Asia) Limited (in its capacity as trustee of Frasers Logistics & Industrial Trust); Frasers Logistics & Industrial Asset Management Pte. Ltd (in its capacity as manager of Frasers Logistics & Industrial Trust)		
Basis of Value	Market Value		
Inspection Date	12.01.2018	Valuation Date	31.03.2018

Summary

Key Figures

Subject property



Primary Use		Light industrial	
Year built / refurbished		2015	
Ownership		Freehold	
Site area	43.966	sq m	
Total lettable area	11.491	sq m	
Vacant area	0,00	%	0 sq m
Main Tenant	Broetje-Automation GmbH		
Lease Analysis	significantly overrented	+34,6	%
Weighted average lease term	12,8		years

Gross Rental Income	per sq m / month	p.a. (month 1 x 12)	
Current Rent	8,68 EUR	1.196.652	EUR
Market Rent	6,45 EUR	889.185	EUR
Non-Recoverable Costs	2,55 %	-22.718	EUR
Net Rental Income	8,46 EUR	1.166.078	EUR

SWOT Analysis

Strengths

- WALT of 13 years;
- The newly developed property is overall in a very good condition according to construction year in 2015;
- Good warehouse height with around 19 metres and good floor loading capacity;
- Good transport connection due to near federal road B211 and motorways A29 & A293;
- Good manoeuvring areas for HGV.

Opportunities

- The tenant is already well-established in the region;
- Securing the existing leases in the long term;
- Positive overall market trend in both the letting and investment markets.

Weaknesses

- Share of office areas is very high with around 46.9 % of the total area;
- Location outside of popular logistics hubs;
- Limited number of only 6 gates.

Threats

- Triple Net Leases in Germany are subject to legal uncertainty;
- Re-letting of the high share of office areas as well as the canteen could prove difficult.

Property Description / Interior Fit-Out

The subject property is a light industrial warehouse with a detached canteen and a detached office building. It offers a total lettable area of around 11,491 sqm. It is situated on a site of approximately 43,966 sqm and was constructed in 2015. The light industrial warehouse is subdivided into two sections with different ceiling heights (12 m & 19 m) and 3 internal floors accommodating offices and ancillary spaces. The warehouse provides 6 loading gates. The canteen building comprises an eating area, kitchen and storage areas as well as sanitary facilities. The property is in an overall very good condition.

Market Development

The subject property is located in Rastede which belongs to the logistics region of Bremen. This logistics region is characterized by companies of the trade, food and automotive sector. The region has very good connection to the motorway system via A1, A27, A29 and further benefits from the vicinity to the harbor Bremerhaven. The logistics region of Bremen experienced a good market development in the last years. Prime rents for warehouse and logistics properties are around 4,30 EUR/ sq m which is an increase of approx. 5% compared to 2012. Due to the high investor demand for prime warehouse properties the net initial yield dropped to 5,3% which is a decrease of 70 bps. compared to the previous year.

Yield Profile

	Multiplier	EQY	NIY
at Current Rent	15,52	5,00%	5,92%
at Market Rent	20,88	5,00%	4,44%
at Potential Rent	15,52	5,00%	5,92%

Valuation Result

Market Value	18.570.000	EUR
per sq m	1.616	EUR

Valuation Approach

We have adopted the income capitalisation as our primary method of valuation with the direct comparable method as our secondary method of valuation.

Purpose of Valuation

The Valuation has been prepared for a Regulated Purpose as defined in the RICS Valuation – Global Standards (2017) (the “Red Book”) and specifically for the purpose of; the proposed acquisition of the Properties, for financing purposes and for the inclusion of the summary valuation report/summaries in a Circular which is to be issued by the Manager to unitholders of FLT in connection with the proposed acquisition of the Properties.

CBRE

Valuation Summary



Property Type/Name	CBRE ID
Logistics	15
Property Address	
Brede Steeg 1, 's-Heerenberg	
7041GV	
The Netherlands	

Client Name	Perpetual (Asia) Limited (in its capacity as trustee of Frasers Logistics & Industrial Trust); Frasers Logistics & Industrial Asset Management Pte. Ltd (in its capacity as manager of Frasers Logistics & Industrial Trust)
Valuation Date	31/03/2018
Basis of Value	Market Value
Inspection Date	25.01.2018

Summary

Key Figures



Primary Use	Logistics	
Year built / refurbished	2002 / 2009	
Ownership	Freehold	
Site area	158,180	sq m
Total lettable area	84,806	sq m
Vacant area	0.00 %	0 sq m
Main Tenant	Mainfreight Logistic Services Netherlands B.V.	
Lease Analysis	rack-rented	+0.6 %
Weighted average lease term	16.7	years
Gross Rental Income	per sq m / month	p.a. (month 1 x 12)
Current Rent	3.93 EUR	4,004,000 EUR
Market Rent	3.91 EUR	3,977,418 EUR
Non-Recoverable Costs	5.61 %	218,679 EUR
Net Rental Income	3.72 EUR	3,785,321 EUR

SWOT Analysis

Strengths
- Remaining lease term of 16.7 years - Some non-recoverable costs are for the tenant - Good accessibility
Opportunities
- Downward pressure on yields - Increasing investment appetite

Weaknesses
- Parking pressure - Accessibility by public transport - No expansion possibility
Threats
- Competition of more modern properties - Increasing interest rates

Property Description / Interior Fit-Out

The subject property comprises a logistic building with a total of circa 84,807 sq m lettable area, divided over two separate buildings. Hal 1-6 and 21-27 consist of 33,660 sq m warehouse, 1,711 sq m office space and 3,228 sq m mezzanine. The second part hal 7-20 consist of 40,643 sq m warehouse, 484 sq m office space and 5,081 sq m mezzanine. The property was partially built in 2002 and 2009. The property has circa 200 loading docks.

Market Development

The property is situated on the industrial estate "t Goor" in the south-east of 's-Heerenberg in the Dutch province Gelderland. The business park is mixed use in character with large scale logistic warehouse space and mixed-use light industrial properties. Up to the first three quarters of 2017, the Netherlands witnessed a take-up volume of 1,368,500 sq m, divided over 62 transaction(s). Prime rents for logistics space in Nederland currently move around € 55 per sq m per year. The average rent moves around € 40 per sq m per year. In the first three quarters of 2017, the Netherlands witnessed an investment volume of € 1.753.6 million, divided over 54 transaction(s).

Yield Profile

	Multiplier	EQY	NIY
at Current Rent	16.72	5.17%	5.30%
at Market Rent	16.83	5.17%	5.25%
at Potential Rent	16.72	5.17%	5.30%

Valuation Result

Market Value	66,935,000	EUR
per sq m	789	EUR

Valuation Approach

We have adopted the income capitalisation as our primary method of valuation with the direct comparable method as our secondary method of valuation.

Purpose of Valuation

The Valuation has been prepared for a Regulated Purpose as defined in the RICS Valuation – Global Standards (2017) (the "Red Book") and specifically for the purpose of; the proposed acquisition of the Properties, for financing purposes and for the inclusion of the summary valuation report/summaries in a Circular which is to be issued by the Manager to unitholders of FLT in connection with the proposed acquisition of the Properties.

Valuation Summary



Property Type/Name	CBRE ID
Logistics	21
Property Address	
Belle van Zuylstraat 5, Tilburg	
5032MA	
The Netherlands	

Client Name	Perpetual (Asia) Limited (in its capacity as trustee of Frasers Logistics & Industrial Trust); Frasers Logistics & Industrial Asset Management Pte. Ltd (in its capacity as manager of Frasers Logistics & Industrial Trust)
Valuation Date	31/03/2018
Basis of Value	Market Value
Inspection Date	11.01.2018

Summary

Key Figures

Subject property



Primary Use		Logistics	
Year built / refurbished		1996/2000	
Ownership		Freehold	
Site area	43,180	sq m	
Total lettable area	18,121	sq m	
Vacant area	0.00 %	0	sq m
Main Tenant		Bakker Logistiek Tilburg B.V.	
Lease Analysis		rack-rented	+0.0 %
Weighted average lease term		8.9	years
Gross Rental Income		per sq m / month	p.a. (month 1 x 12)
Current Rent	3.95 EUR	860,000	EUR
Market Rent	3.95 EUR	860,000	EUR
Non-Recoverable Costs	5.61 %	-63,441	EUR
Net Rental Income	3.66 EUR	796,569	EUR

SWOT Analysis

Strengths

- Remaining lease term (circa 9 years)
- Prime logistics location
- Good accessibility
- Possibility of expansion
- Suitable for multi-let

Weaknesses

- No sprinkler installation
- Relatively aged property
- Accessibility by public transport

Opportunities

- Tightening leasing market Tilburg
- Downward pressure on yields
- Increasing investment appetite
- Develop unbuilt plot of land

Threats

- Competition of more modern properties
- Increasing interest rates

Property Description / Interior Fit-Out

The subject property comprises a logistics building with a total lettable area of circa 18,121 sq m, consisting of 16,096 sq m warehouse space, 989 sq m mezzanine space and 1,036 sq m office space. The office section was built in 1996 at the same time as the shipping street and halls A to C. Hall D and the packing space with mezzanine were realised in 2000. The warehouse area differs in height with the highest being circa 10 metres. There are 22 loading docks located on the site where the expedition area is present and 8 loading docks at the second entrance. On the east side of the complex there is a parcel of unbuilt land comprising 6,750 sq m.

Market Development

Tilburg is one of the main regional cities in the south of the Netherlands and one of the country's largest logistics hubs with approximately 1.2 million sq m. The property is situated at the industrial estate "Katsbogten" in the south of Tilburg in the Dutch province Noord-Brabant. The subject property is located at a good location on the estate and is located in the direct proximity of the motorway logistics corridor. Demand for logistics space in Tilburg is generally high. Up to the first three quarters of 2017, Tilburg witnessed a take-up volume of 156,500 sq m, divided over 7 transactions. Investment activity in Tilburg is generally reasonable. In the first three quarters of 2017, Tilburg witnessed an investment

Yield Profile

	Multiplier	EQY	NIY
at Current Rent	17.64	5.18%	4.92%
at Market Rent	17.64	5.18%	5.19%
at Potential Rent	17.64	5.18%	4.92%

Valuation Result

Market Value	15,170,000	EUR
per sq m	837	EUR

Valuation Approach

We have adopted the income capitalisation as our primary method of valuation with the direct comparable method as our secondary method of valuation.

Purpose of Valuation

The Valuation has been prepared for a Regulated Purpose as defined in the RICS Valuation – Global Standards (2017) (the "Red Book") and specifically for the purpose of; the proposed acquisition of the Properties, for financing purposes and for the inclusion of the summary valuation report/summaries in a Circular which is to be issued by the Manager to unitholders of FLT in connection with the proposed acquisition of the Properties.

Valuation Summary



Property Type/Name	CBRE ID
Logistics	23
Property Address	
Heierhoevenweg 17, Venlo	
5928RN	
The Netherlands	

Client Name	Perpetual (Asia) Limited (in its capacity as trustee of Frasers Logistics & Industrial Trust); Frasers Logistics & Industrial Asset Management Pte. Ltd (in its capacity as manager of Frasers Logistics & Industrial Trust)
Valuation Date	31/03/2018
Basis of Value	Market Value
Inspection Date	11.1.2018

Summary

Key Figures

Subject property



Primary Use		Logistics	
Year built / refurbished		2015	
Ownership		Freehold	
Site area	46,037	sq m	
Total lettable area	32,642	sq m	
Vacant area	0.00 %	0	sq m
Maint Tenant		DSV Solutions Nederland B.V.	
Lease Analysis		under rented	-11.1 %
Weighted average lease term		7.72	years
Gross Rental Income		per sq m / month	p.a. (month 1 x 12)
Current Rent	3.45 EUR	1,352,165	EUR
Market Rent	3.88 EUR	1,520,483	EUR
Non-Recoverable Costs	5.61 %	-13,521	EUR
Net Rental Income	3.42 EUR	1,338,644	EUR

SWOT Analysis

Strengths

- Remaining lease term (circa 8 years)
- Prime logistics location
- Good accessibility
- Modern Property
- Triple net lease

Weaknesses

- Accessibility by public transport

Opportunities

- Tightening leasing market Venlo
- Downward pressure on yields
- Increasing investment appetite
- Upward rental pressure

Threats

- Competition from new properties
- Increasing interest rates

Property Description / Interior Fit-Out

The building is a solitary mostly rectangular shaped modern distribution facility with a total lettable area of circa 32,642 sq m divided over two compartments. Compartment one comprises circa 15,294 sq m warehouse space and circa 1,363 sq m mezzanine space. Compartment two comprises circa 14,139 sq m warehouse space and circa 1,319 sq m mezzanine space. The office space comprises circa 267 sq m on the ground floor and circa 261 sq m on the first floor. The warehouse space benefits from a clear height of circa 12 metres and comprises 28 loading docks and 3 overhead doors.

Market Development

The subject property is located at Trade Port Noord. This estate is considered to be a major logistics location in The Netherlands. The estate is located in the north of the municipality Venlo. The subject property is considered to be well accessible by car and reasonably accessible by public transport. Demand for logistics space in Venlo is generally high. Up to the first three quarters of 2017, Venlo witnessed a take-up volume of 394,200 sq m, divided over 8 transactions. Investment activity in Venlo is generally moderate. In the first three quarters of 2017, Venlo witnessed an investment volume of € 94.3 million, divided over 1 transaction. This implies a y-o-y increase of 68.4% compared to the first three quarters of 2016.

Yield Profile

	Multiplier	EQY	NIY
at Current Rent	19.75	4.75%	4.70%
at Market Rent	17.58	4.75%	5.29%
at Potential Rent	19.75	4.75%	4.70%

Valuation Result

Market Value	26,705,000	EUR
per sq m	818	EUR

Valuation Approach

We have adopted the income capitalisation as our primary method of valuation with the direct comparable method as our secondary method of valuation.

Purpose of Valuation

The Valuation has been prepared for a Regulated Purpose as defined in the RICS Valuation – Global Standards (2017) (the "Red Book") and specifically for the purpose of; the proposed acquisition of the Properties, for financing purposes and for the inclusion of the summary valuation report/summaries in a Circular which is to be issued by the Manager to unitholders of FLT in connection with the proposed acquisition of the Properties.

Valuation Summary

CBRE

Property Type/Name	CBRE ID
Logistics	22
Property Address	
Handelsweg 26, Zeewolde	
3899AB	
The Netherlands	

Client Name

Perpetual (Asia) Limited (in its capacity as trustee of Frasers Logistics & Industrial Trust); Frasers Logistics & Industrial Asset Management Pte. Ltd (in its capacity as manager of Frasers Logistics & Industrial Trust)

Valuation Date

31/03/2018

Basis of Value

Market Value

Inspection Date

9.1.2018

Summary

Key Figures

Subject property



Primary Use		Logistics
Year built / refurbished	1996, 2000, 2005 and 2010	
Ownership	Freehold	
Site area	80,533	sq m
Total lettable area	51,703	sq m
Vacant area	0.00 %	0 sq m
Main Tenant	Bakker Logistiek B.V.	
Lease Analysis		
	rack-rented	+0.0 %
Weighted average lease term	13.9 years	

Gross Rental Income	per sq m / month		p.a. (month 1 x 12)	
Current Rent	4.03	EUR	2,500,000	EUR
Market Rent	4.03	EUR	2,500,000	EUR
Non-Recoverable Costs	5.61	%	155,782	EUR
Net Rental Income	3.78	EUR	2,344,218	EUR

SWOT Analysis

Strengths

- Remaining term 13.93 years
- Fully sprinklered
- Building height up to 12 metres
- Non-recoverable costs are partly for the tenant

Weaknesses

- A part of the property is relatively dated (partially constructed in 1996)
- Parking pressure

Opportunities

- Possibility of expansion by buying nearby land
- Downward pressure on yields
- Increasing investment appetite

Threats

- Increasing interest rates

Property Description / Interior Fit-Out

The subject property comprises a logistic building with a total of circa 51,703 sq m lettable area, consisting of 46,139 sq m of warehouse space, 2,801 sq m of mezzanine space and 2,763 sq m of office space. The warehouse also includes several small built in offices with sanitary facilities and a canteen. The property was partially built in 1996, 2000, 2005 and 2010. In front of the property there is a large parking area present provided parking space for circa 316 cars.

Market Development

The property is situated in the industrial estate "Trekkeersveld" in the north of Zeewolde in the Dutch province Flevoland. The subject property is located at a good location on the estate and is located directly along the regional road N305. Up to the first three quarters of 2017, the Netherlands witnessed a take-up volume of 1,368,500 sq m, divided over 62 transaction(s). Prime rents for logistics space in Nederland currently move around € 55 per sq m per year. The average rent moves around € 40 per sq m per year. In the first three quarters of 2017, the Netherlands witnessed an investment volume of € 1.753.6 million, divided over 54 transaction(s).

Yield Profile

	Multiplier	EQY	NIY
at Current Rent	15.92	5.47%	5.52%
at Market Rent	15.92	5.47%	5.52%
at Potential Rent	15.92	5.47%	5.52%

Valuation Result

Market Value	39,810,000	EUR
per sq m	770	EUR

Valuation Approach

We have adopted the income capitalisation as our primary method of valuation with the direct comparable method as our secondary method of valuation.

Purpose of Valuation

The Valuation has been prepared for a Regulated Purpose as defined in the RICS Valuation – Global Standards (2017) (the "Red Book") and specifically for the purpose of; the proposed acquisition of the Properties, for financing purposes and for the inclusion of the summary valuation report/summaries in a Circular which is to be issued by the Manager to unitholders of FLT in connection with the proposed acquisition of the Properties.

CBRE

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16 April 2018

Perpetual (Asia) Limited
(in its capacity as trustee of Frasers Logistics & Industrial Trust)
8 Marina Boulevard
#05-02, Marina Bay Financial Centre
Singapore 018981

Frasers Logistics & Industrial Asset Management Pte. Ltd
(as Manager of Frasers Logistics & Industrial Trust)
438 Alexandra Road
#21-00 Alexandra Point
Singapore 119958

(together the "Addressees")

Dear Sirs

ACQUISITION BY FRASERS LOGISTICS & INDUSTRIAL TRUST OF INTERESTS IN 21 LOGISTICS/INDUSTRIAL PROPERTIES LOCATED IN GERMANY AND THE NETHERLANDS

INTRODUCTION AND TERMS OF ENGAGEMENT

Colliers International Valuation UK LLP ("Colliers") accepted instructions dated 27 & 28 February 2018 issued by Perpetual (Asia) Limited, in its capacity as trustee of Frasers Logistics & Industrial Trust, to prepare a Report and Valuation of the properties within the abovementioned portfolio on behalf of Frasers Logistics & Industrial Asset Management Pte. Ltd., in its capacity as manager of Frasers Logistics & Industrial Trust (the "Manager"). The instructions request us to provide our opinion of the Market Value of each property as at 31 March 2018.

Colliers has been instructed to provide a full Report and Valuation. We have also been instructed to provide this Overview Letter and One Page Property Summaries, which are to be included in a Circular to holders of units in Frasers Logistics & Industrial Trust ("Unitholders") for information purposes only. The Report and Valuation is to be relied upon for Acquisition and Financial Reporting purposes only and is specifically addressed for use and reliance upon by the Addressees and any such party that has entered into a reliance letter with us.

This Report and Valuation is issued solely for the use of the Addressees and other such party as agreed within the terms of engagement, for the specific purposes to which it refers. We do not accept any responsibility or liability in respect of any third parties for the whole or any part of its contents, even if a third party is permitted to see a copy of our Report and Valuation.

Colliers International is the licensed trading name of Colliers International Valuation UK LLP which is a limited liability partnership registered in England and Wales with registered number OC391629. Our registered office is at 50 George Street, London W1U 7GA



Other than identified in the terms of engagement, neither the whole nor any part of our valuation, nor any reference thereto, may be included in any published document, circular or statement or disclosed in any way without our previous written consent to the form and context in which it may appear. Such consent is required whether or not Colliers is referred to by name and whether or not the contents of our Report and Valuation are combined with others. For the avoidance of doubt, reliance on the full Valuation Reports and/or this Overview Letter is not extended to Unitholders.

The Report and Valuation has been prepared in accordance with RICS Valuation – Global Standards 2017 (Incorporating the IVSC International Valuation Standards) prepared by the Royal Institution of Chartered Surveyors (the “Red Book”). Our Valuation Reports draw attention to the key issues and considerations impacting value and provide a detailed Property Risk Assessment and SWOT Analysis, plus details our Critical Assumptions, Disclaimers, Limitations and Qualifications and our Recommendations.

As commercial investments of this nature are inherently complex and the market conditions have changed and/or have been uncertain in recent times, it is considered prudent to consider the entire contents of each Valuation Report. Therefore, this Overview Letter must be read and considered together with the Valuation Reports. We accept no responsibility for reliance upon the Overview Letter alone.

A copy of each full Valuation Report will be available for inspection at the registered office of the Manager for a period of three months from the date of the Circular.

MARKET MOVEMENT

The Valuation Reports referred to above represents the value of each property as at the date of valuation only. The value assessed may change significantly and unexpectedly over a relatively short period of time (including as a result of general market movements or factors specific to the particular property or particular property sector). Colliers is not liable for losses arising from any subsequent changes in value.

CRITICAL ASSUMPTIONS AND RELIANCE ON INFORMATION PROVIDED

We have relied upon information provided to us by the Manager and its professional advisors in respect of the properties in preparing our Valuation Reports, and do not accept any responsibility or liability for any errors or omissions in the information or documentation provided to us, nor for any consequences arising.

We do not accept any responsibility for subsequent changes in information that we have not been made aware of.

Furthermore, we have assumed that any information supplied can, if necessary, be verified.

Should any of the information provided be found to be inaccurate or incomplete there could be a variation in value.

COLLIERS INTERNATIONAL VALUATION UK LLP

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PROJECT ACTO | FRASERS LOGISTIC & INDUSTRIAL TRUST | 31 MARCH 2018





We have relied upon the following key sources of information provided within the Project Acto Dropbox data room which included:

- Leases
- Measurement reports
- Technical reports dated between December 2016 – September 2017 and produced by either Valteq, BOAG or Duff and Phelps
- Desktop Analysis Environmental Summary dated 14th February 2018 and produced by Valteq
- Technical and Environmental Due Diligence Report dated 7th July 2017 and produced by Duff & Phelps
- Project Acto Tenancy Schedule dated 30th November 2017.

We have relied upon these reports in arriving at our opinions of value. We comment further on these in the individual Valuation Reports.

As instructed we have relied upon the floor areas provided by the Manager. We have not measured the properties and neither have we undertaken the measurement of any land sites. We have assumed these to be correct, and have been assessed and calculated in accordance with local market practice.

In accordance with RICS Guidance Note 13/2010, we advise that we are not chartered environmental surveyors and we can provide no warranties to the accuracy of the information supplied relating to possible land contamination. We have assumed that the information and opinions we have been given are complete and correct and that further investigations would not reveal more information sufficient to affect value.

Where possible, we have made enquiries with the relevant planning authority for each property as to the planning status of the properties, and any proposed highway proposals, comprehensive development schemes or other planning matters that could affect property values. Any comment is included in the individual Valuation Reports.

In the case of properties that are let, our opinion of value is based on our assessment of the investment market's perception of the covenant strength of the tenants. This has been arrived at in our capacity as valuation surveyors on the basis of information that is publicly available. We are not accountants or financial experts and we have not undertaken a detailed investigation into the financial status of the tenants. We have, however, reviewed where possible third party commentary on the principal tenants. Our valuations reflect the type of tenants actually in occupation or responsible for meeting lease commitments, or likely to be in occupation, and the market's general perception of their creditworthiness. Where available, we have obtained credit reports on the major tenants, and include comments on these in the individual Valuation Reports.





MARKET INSTABILITY

The market has been performing at levels considered to be at or near the top of the cycle. The likelihood of market conditions remaining at these levels in the long term is unlikely. If economic and real estate market conditions deteriorate in the future, then the market value of each asset will decline. This inherent risk factor should be considered in any lending or investment decisions.

MARKET VALUE DEFINITIONS

The values stated in this report represent our objective opinion of **Market Value** in accordance with the definition set out below as at the date of valuation. Each valuation assumes that the Property has been properly marketed and that exchange of contracts took place on the valuation date.

Market Value is defined as follows:

'The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion'

No allowance has been made for either the costs of realisation or for taxation which might arise on a disposal. Our values are, however, net of standard purchaser's costs appropriate to each specific entity.

REPORT CONTENT

Our full Valuation Reports, in addition to the content noted earlier herein, contains detailed information and description for each property including, but not limited to:

- Instructions, Reliance and Liability;
- Site Details including Location, Legal Matters, Environmental & Town Planning and Building Improvements;
- A SWOT analysis;
- Analysis of the Financial attributes;
- A comprehensive Market Overview and details of the sales evidence regarded, along with our Investment Considerations; and
- The Market Value and marketability.

We again refer the reader of this letter to our Valuation Reports for details in respect of the above items.

VALUATION RATIONALE

In arriving at our opinion of value for each asset, we have employed industry recognised valuation methodologies. We have considered relevant general and economic factors and in particular, have investigated sales and leasing transactions of comparable properties.

[COLLIERS INTERNATIONAL VALUATION UK LLP](#)

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PROJECT ACTO | FRASERS LOGISTIC & INDUSTRIAL TRUST | 31 MARCH 2018





We have utilised the Income Capitalisation Method as our primary method of valuation with the Direct Comparable Method as our secondary method of valuation to determine our opinion of market value for each asset.

A detailed explanation of the investment credentials and the application of the various methods is provided within each Valuation Report.

Where there are limited directly comparable sales of a similar location and nature which concisely and accurately reflect the value of the subject property, we have relied on the most comparable sales available as a guide to determine market value.

YIELDS

Our Valuation Reports and One Page Property Summaries contain references to yields, which can be defined as follows:

NET INITIAL YIELD

The initial immediate return from the property at the stated valuation, based on the current income the property produces. This is calculated by reference to the total net passing rent divided by the gross value before deduction of purchasers' costs.

EQUIVALENT YIELD

The average weighted return a property will produce with reference to both the present income and market rent, assuming the income is received annually in arrears.

REVERSIONARY YIELD

The expected return the property will provide once rack rented. This is calculated by reference to the total net market rent divided by the gross value before deduction of purchasers' costs.

VALUATION SUMMARY

In accordance with our instructions, we summarise our opinion of value for each property, as at 31 March 2018, as follows:

Germany Portfolio		
Ref	Address	Market Value (€)
FPE1	Moosthenning-Oberes Feld 2, Moosthenning	69,290,000
GRE7	Vaihingen-Otto-Hahn-Straße 10, Vaihingen	49,985,000
GRE17	Achern-Ambros-Nehren-Strasse 1, Achern	13,230,000
GRE10	Gottmadingen-Industriepark 309, Gottmadingen	47,700,000
GRE16	Nürnberg-Koperstrasse 10, Nürnberg	41,790,000
GRE8	Ulm - Eiselauer Weg 2, Ulm	41,680,000
FPE4	Murrer Straße 1, Freiberg	33,475,000

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PROJECT ACTO | FRASERS LOGISTIC & INDUSTRIAL TRUST | 31 MARCH 2018



Germany Portfolio		
Ref	Address	Market Value (€)
GRE18	Rheinberg-Saalhoffer Straße 211, Rheinberg	28,350,000
GRE6	Isenbüttel-Am Krainhop 10, Isenbüttel	17,855,000
GRE20c	Rastede-Am Autobahnkreuz 14, Rastede	16,975,000
GRE12	Mamming - Industriepark 1, Mamming	15,970,000
GRE14b	Chemnitz-Johann-Esche-Straße 2, Chemnitz	15,465,000
GRE20b	Münster-Gustav-Stresemann-Weg 1, Münster	14,650,000
GRE1	Marl-Elbestraße 1-3, Marl	14,405,000
GRE14c	Leipzig-Am Exer 9, Leipzig	12,695,000
GRE20a	Brilon-Keffelker Straße 66, Brilon	9,060,000
GRE14a	Amberg-Jubatus-Allee 3, Amberg /Ebermannsdorf	7,600,000
Total		450,175,000

The Netherlands Portfolio		
Ref	Address	Market Value (€)
GRE15	S-Heerenberg-Brede Steeg 1, s-Heerenberg	65,250,000
GRE22	Zeewolde-Handelsweg 26, Zeewolde	38,430,000
GRE23	Venlo-Heierhoevenweg 17, Venlo	25,900,000
GRE21	Tilburg-Belle van Zuylenstraat 5, Tilburg	14,120,000
Total		143,700,000

MARKET COMMENTARY AND PORTFOLIO SALES

Included within each Valuation Report is a market commentary that provides an overview of the prevailing market conditions, particularly as they relate to each asset.

As an overarching statement on current market conditions, we are aware that investor appetite, particularly from international capital, is very strong and has many market participants questioning if the peak of the current cycle has actually been reached. This view is consistent across most major asset classes.

This international capital is being placed in large tranches directly and also indirectly via co-investment and investment mandates with local property players. This appetite is driven by Europe's transparent marketplace and potentially exacerbated by the recent currency fluctuations in the Euro and the Pound. Alongside, and participating against this foreign capital, are local wholesale and REIT funds who continue to receive strong superannuation and other funds that require investment.

A number of these funds are now targeting foreign investment, both direct and co-investment, due to the lack of local opportunities.

The concept of a portfolio premium is well entrenched in market discussion and it is possible from recent market offerings that many vendors believe a premium may be achieved through a portfolio offering. Analysis of recent industrial portfolio sales (including but not limited to those noted above) and in other asset sectors, suggests a premium may have been applied for the benefit of securing

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multiple assets and geographic diversification in one transaction. However, the concept of a portfolio premium is entirely subjective, as land transfers only report a single consideration for each asset.

Given the current strength of the investment climate and depth of foreign purchasers, it is not inconceivable for the portfolio of assets valued within our Report and Valuation to trade at a premium to the sum of the individual asset values. The extent of any premium will depend upon a number of factors not all of which will be known, however, some industry participants are currently analysing and suggesting that these premiums may lie between 5% and 10%.

For the avoidance of doubt, we have approached our valuation on the basis of assessing the value of each property individually, having regard to what we believe each property would achieve should it be brought to the market in isolation at the date of valuation. Our valuation makes no allowance for the disposal of the portfolio in its entirety as a single transaction, or as a series of smaller portfolio 'lots'. Our valuation additionally makes no allowance for the any effect on value should all the properties be offered to the market at the same time.

CONSENT

Colliers provides its consent for the inclusion of this Overview Letter within the Circular to Unitholders, for information purposes only. Recipients of the Circular should take note of the following liability disclaimers:

- Colliers is not operating under an Australian Financial Services Licence when providing the full Valuation Reports or this Overview Letter and those documents do not constitute financial product advice. Investors should consider obtaining independent advice from their financial advisor before making any decision to invest in/with Frasers Logistics & Industrial Trust.
- The Valuation Reports and this Overview Letter are strictly limited to the matters contained within those documents and are not to be read as extending, by implication or otherwise, to any other matter in the Circular. Without limitation to the above, no liability is accepted for any loss, harm, cost or damage (including special, consequential or economic harm or loss) suffered as a consequence of fluctuations in the real estate market subsequent to the date of valuation.
- Colliers has prepared the full Valuation Reports and this Overview Letter relying on and referring to information provided by third parties, including financial and market information ("Information"). Colliers assumes that the Information is accurate, reliable and complete and it has not tested the information in that respect.
- References to each Property's value within this Overview Letter or the Circular have been extracted from the full Valuation Reports. The Valuation Reports draw attention to the key issues and considerations impacting value and provides a detailed assessment and analysis as well as key critical assumptions, assumptions, disclaimers, limitations and qualifications and recommendations. As commercial investments of this nature are

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inherently complex and the market conditions have changed and/or have been uncertain in recent times, Colliers recommends that this Overview Letter and any references to value within the Circular must be read and considered together with the Valuation Reports.

- This Overview Letter is to be read in conjunction with our full Valuation Reports and is subject to the same Assumptions, Limitations, Disclaimers and Qualifications as contained therein. A copy of each full Valuation Report can be obtained from the Manager. We confirm that the valuation reports will be made available for inspection at the registered office of the Manager for a period of three months from the date of the Circular, in accordance with applicable laws and regulations.
- Save as disclosed within this Overview Letter, no responsibility is accepted for any loss or damage arising as a result of reliance upon this Overview Letter.
- Neither this Overview Letter nor the full Valuation Reports may be reproduced in whole or in part without prior written approval of Colliers.
- Colliers charges a professional fee for producing valuation reports and a fee was paid by the Manager for the Valuation Report and this Overview Letter.
- We confirm that each valuer noted within the full Valuation Reports does not have a pecuniary interest that would conflict with a proper valuation of the interest in the properties.
- This Overview Letter is for the use of the Addressees, such other parties identified above and for the Purposes as specified previously. Use by, or reliance upon this document by anyone other than those parties named above is not authorised by Colliers and Colliers is not liable for any loss arising from such unauthorised use or reliance.
- For the avoidance of doubt, this Overview Letter is provided by Colliers International Valuation UK LLP and no partner, member or employee assumes any personal responsibility for it nor shall owe a duty of care in respect of it.
- In order to comply with the Valuation Standards our files may be subject to monitoring by the RICS.

Yours faithfully,

Russell Francis BSc MRICS
RICS Registered Valuer
Director – Head of Valuation & Advisory Services
Colliers International Valuation UK LLP

Howard Ounsley BSc MRICS
RICS Registered Valuer
Director – Valuation & Advisory Services
Colliers International Valuation UK LLP



EXECUTIVE SUMMARY - Oberes Feld 2, 84164, Moosthenning, Germany



Valuation prepared by
Colliers International Valuation UK LLP
50 George Street
London
W1U 7GA
www.colliers.com/uk



INSTRUCTIONS / RELIANCE

Property ID	FPE1
Property Address	Oberes Feld 2, 84164 Moosthenning
Valuation prepared for (the Addressees)	Perpetual (Asia) Limited, in its capacity as trustee of Frasers Logistics & Industrial Trust Frasers Logistics and Industrial Asset Management Pte. Ltd., in its capacity as manager of Frasers Logistics & Industrial Trust.
Assumptions, Limitations and Disclaimers	This Executive Summary must be read in conjunction with the full Report and Valuation in its entirety. It is subject to the assumptions, qualifications, limitations and disclaimers in the full Report and Valuation, which is available for inspection at the registered address of the REIT Manager for a period of three months from the date of the Circular.
Reliance and Liability	To the fullest extent permitted by law, Colliers International Valuation UK LLP excludes all liability arising from the use of or reliance on its valuations by any person other than the Addressees of the valuations and such other party that has entered into a reliance letter with us for any purpose whatsoever. For the avoidance of doubt, the Report and Valuation is not extended to the holders of units in Frasers Logistics & Industrial Trust ("Unitholders").
Purpose of Valuation	Ascertaining the market value in connection with the acquisition of the property, and inclusion in this circular to Unitholders.

PROPERTY PARTICULARS

Date of Inspection	17 January 2018
Type of Property	Industrial Logistics
Brief Description	The warehouse complex consists of two building complexes. Units 1-4 (built in 2008) and units 5-6 (built in 2012) with both having court yard space. All units were built as one storey storage spaces with a clearance height of ten meters. Outdoor facilities comprise 90 parking spaces, driveways for delivery to the dock levellers and firefighter's driveway, sprinkler storage tanks with control room and extensive meadows. A large number of solar panels (1,060.5 kWp) of the manufacturer CanadianSolar are installed on top of the warehouse Moosthenning 2.
Building Assessment	The property was built in 2012 (Units 1-4) and further extended in 2012 (units 5-6). Based on our inspection, the property in its present form is in good condition for the main use of a warehouse considering the year of construction. We have been provided with a final Technical Due Diligence Report prepared by Duff & Phelps dated 7th July 2017.
Surrounding Infrastructure	The subject property is located in Oberes Feld 2.2 km west of Moosthenning, a municipality in the Lower Bavarian district of Dingolfing-Landau in the federal state of Bavaria, 100 km northeast of Munich. The subject property is within the immediate vicinity of the BMW Plant in Dingolfing and is approx. 1.5km north of highway 92 which connects to Deggendorf, Landshut and Munich. The nearest train station is in Dingolfing approx. 10km away.
Site Area (sq m)	135,382
Lettable Area (sq m)	72,558 (measured in accordance with local practice)
Year of Completion	2008
Condition	Good

LEGAL

Legal Title	We understand that the site is registered under a single freehold title (land registry excerpt 1256 of Landau an der Isar land). We have been provided with a copy of the land registry extract dated 09.10.2017. The property consists of 1 land parcel with a total sum of 94,355 sq m.
Tenure	Freehold
Planning / Zoning	According to current information from the local planning department of Moosthenning, the Property is located in a development plan "Gewerbepark Oberes Feld II", the property lies within the scope of jurisdiction of the development plan Nr. 747 "Rheinhausen". The development plan contains the following stipulations: GE (Commercial Area), Site coverage ratio of 0.7, max. wall height 12.5m, Flat or sloping roofs with a maximum inclination 7°, Max noise emission: day 70 dB(A)/ night 55dB(A) per m².

TENANCY

Gross Current Rent	€ 3,318,048
Net Current Rent	€ 3,101,825
Weighted Average Unexpired Lease Term ("WAULT")	8.84
Tenancy(cies)	The property is let to 4 tenants (BMW AG / EnBW Energie Baden-Württemberg AG and Bayernwerk AG (Solar panels)/DFMG Deutsche Funkturm GmbH (radio transmission station).
Overall Covenant Strength	Good

VALUATION

Basis of Valuation	Market Value – subject to existing tenancies but otherwise with vacant possession		
Valuation Approaches	Primary - Income Capitalisation / Secondary - Direct Comparison		
Date of Valuation	31 March 2018		
Market Rent (Gross)	€ 3,482,784		
Gross Value	€ 72,604,920		
Capex Allowance	-€ 196,680		
Market Value	€ 69,290,000	Net of purchasers costs at	-4.50%
Initial Yield	4.27%		
Equivalent Yield	4.50%		
Reversionary Yield	4.50%		
Direct Comparison Rate (€/ sqm)	€ 954.96	Disposal marketing period	9-15 months

EXECUTIVE SUMMARY - 71665 Vaihingen - Otto-Hahn-Strasse 10



Valuation prepared by
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INSTRUCTIONS / RELIANCE

Property ID	GRE7
Property Address	71665 Vaihingen - Otto-Hahn-Strasse 10
Valuation prepared for (the Addressees)	Perpetual (Asia) Limited, in its capacity as trustee of Frasers Logistics & Industrial Trust Frasers Logistics and Industrial Asset Management Pte. Ltd., in its capacity as manager of Frasers Logistics & Industrial Trust.
Assumptions, Limitations and Disclaimers	This Executive Summary must be read in conjunction with the full Report and Valuation in its entirety. It is subject to the assumptions, qualifications, limitations and disclaimers in the full Report and Valuation, which is available for inspection at the registered address of the REIT Manager for a period of three months from the date of the Circular.
Reliance and Liability	To the fullest extent permitted by law, Colliers International Valuation UK LLP excludes all liability arising from the use of or reliance on its valuations by any person other than the Addressees of the valuations and such other party that has entered into a reliance letter with us for any purpose whatsoever. For the avoidance of doubt, the Report and Valuation is not extended to the holders of units in Frasers Logistics & Industrial Trust ("Unitholders").
Purpose of Valuation	Ascertaining the market value in connection with the acquisition of the property, and inclusion in this circular to Unitholders.

PROPERTY PARTICULARS

Date of Inspection	17 January 2018
Type of Property	Industrial Logistics
Brief Description	The subject property comprises logistics building and two 2-storey office and administration buildings on the northern side of the warehouse building, extending to 42,006 sq m. The warehouse is a frame construction formed of reinforced concrete columns with reinforced concrete trusses. The subject property is used for the logistics use with ancillary office use.
Building Assessment	The property was constructed in 2013. Based on our inspection, the property appeared to be in very good condition commensurate with its age and use. We have been provided with a building survey by VALTEQ dated 10 February 2017.
Surrounding Infrastructure	The property is situated 3km on the northern outskirts of Vaihingen an der Enz, located between Stuttgart and Karlsruhe, in southern Germany. Access to the B10 federal road is within 2.5 km to the south, over which one can reach the federal highway A81 (Stuttgart-Heilbronn) via motorway access Stuttgart-Zuffenhausen) in about 20 minutes to the east. The subject property is situated in a commercial area which is predominantly used by the tenants of the subject property – Dachser and DSV. Other users & companies in the commercial area comprise GLS Germany GmbH & Co.KG, Das Backhaus Fessler, Drews GmbH Karosserie-Reparaturen an IBEK Gerüstbau. The commercial area can be access by public transport via busses No. 578 and 590.
Site Area (sq m)	71,647
Lettable Area (sq m)	42,006 (measured in accordance with local practice)
Year of Completion	2013
Condition	Very Good

LEGAL

Legal Title	We understand that the site is registered under a single freehold title (land registry excerpt 7472 of Vaihingen an der Enz for Ensingén). We have been provided with a copy of the land registry extract dated 11.01.2017. the property consists of 6 land parcels with a total sum of 71,647 sq m.
Tenure	Freehold
Planning / Zoning	According to current information from the local planning department of Vaihingen an der Enz, the Property is located in a development plan "Zentrales Gewerbegebiet Ensingén Süd I, 1-4. Änderung), dated 7 July 2009. Main Restrictions: • Site 3730/1 & 3730/2: GE (commercial area), site coverage ratio of 0.8, max building height 254, cubic index up to 6.0, other construction, no restrictions regarding noise emissions, roof tilt up to 20°, site plot over 60 a • Site 3730/3 & 3730/4: GE (commercial area), site coverage ratio of 0.8, max building height 254, cubic index up to 5.0, other construction, no restrictions regarding noise emissions, roof tilt up to 20°, site plot over 100 a • Site 3730/5: GE (commercial area), site coverage ratio of 0.8, max building height 254, cubic index up to 6.0, other construction, no restrictions regarding noise emissions, roof tilt up to 20°, site plot over 100 a

TENANCY

Gross Current Rent	€ 2,538,516
Net Current Rent	€ 2,425,100
Weighted Average Unexpired Lease Term ("WALVT")	4.49
Tenancy(cies)	The property is let to 2 tenants, "DSV Solutions GMBH" and "Dachser GMBH & Co.KG" .
Overall Covenant Strength	Good

VALUATION

Basis of Valuation	Market Value – subject to existing tenancies but otherwise with vacant possession		
Valuation Approaches	Primary - Income Capitalisation / Secondary - Direct Comparison		
Date of Valuation	31 March 2018		
Market Rent (Gross)	€ 2,509,380		
Gross Value	€ 53,013,747		
Capex Allowance	-€ 27,011		
Market Value	€ 49,985,000	Net of purchasers costs at	-6.00%
Initial Yield	4.57%		
Equivalent Yield	4.50%		
Reversionary Yield	4.52%		
Direct Comparison Rate (€/ sqm)	€ 1,189.95	Disposal marketing period	6-12 months

EXECUTIVE SUMMARY - 77855 Achern, Ambros-Nehren-Strasse 1, Germany



Valuation prepared by
 Colliers International Valuation UK LLP
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 London
 W1U 7GA
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INSTRUCTIONS / RELIANCE

Property ID	GRE17
Property Address	Achern-Ambros-Nehren-Strasse 1, Achern 77855
Valuation prepared for (the Addressees)	Perpetual (Asia) Limited, in its capacity as trustee of Frasers Logistics & Industrial Trust Frasers Logistics and Industrial Asset Management Pte. Ltd., in its capacity as manager of Frasers Logistics & Industrial Trust.
Assumptions, Limitations and Disclaimers	This Executive Summary must be read in conjunction with the full Report and Valuation in its entirety. It is subject to the assumptions, qualifications, limitations and disclaimers in the full Report and Valuation, which is available for inspection at the registered address of the REIT Manager for a period of three months from the date of the Circular.
Reliance and Liability	To the fullest extent permitted by law, Colliers International Valuation UK LLP excludes all liability arising from the use of or reliance on its valuations by any person other than the Addressees of the valuations and such other party that has entered into a reliance letter with us for any purpose whatsoever. For the avoidance of doubt, the Report and Valuation is not extended to the holders of units in Frasers Logistics & Industrial Trust ("Unitholders").
Purpose of Valuation	Ascertaining the market value in connection with the acquisition of the property, and inclusion in this circular to Unitholders.

PROPERTY PARTICULARS

Date of Inspection	17 January 2018
Type of Property	Industrial Logistics
Brief Description	The subject property comprises two attached warehouses. Warehouses 2A and 2B are separated from the other warehouse and the office areas by means of fire zone partition. The office annex is situated on the southern side of the building. The main entrance is located on the east elevation. The building provides a total of 12,304 sq m and includes 30 external car parking spaces.
Building Assessment	The property was constructed in 2016. Based on our inspection, the property appeared to be in very good condition commensurate with its age and use. We have been provided with a building survey by VALTEQ dated 10 February 2017
Surrounding Infrastructure	The subject property is located within a commercial area about 3km on the northern outskirts of Achern. Achern is a city in western Baden-Württemberg, about 18 kilometres southwest of Baden-Baden and 19 kilometres northeast of Offenburg. The A5 motorway is available within 3 km drive to the west. Federal road B3 can be reached within 1.5 km. Other companies within the commercial area comprise Fresh Logistics System Mertz, Kurt Huber, Bohnert Fahrzeugbau and Filippi GmbH. The property has no visibility from the highway.
Site Area (sq m)	26,973
Lettable Area (sq m)	12,304 (measured in accordance with local practice)
Year of Completion	2016
Condition	Very Good

LEGAL

Legal Title	We understand that the site is registered under a single freehold title (land registry sheet 5820 of Achern). We have been provided with a copy of the land registry extract dated 11/01/2017. The property comprises of 1 land parcel with a building and open space totalling a sum of 26,972 sq m
Tenure	Freehold
Planning / Zoning	According to current information from the local planning department of Achern, the property was constructed in accordance with the local planning provisions and benefits from the appropriate zoning, planning and use permissions for its current use. The site is zoned for Commercial use and the development plan contains the following stipulations: Max building height of 15m/ridge height of 20m, noise emissions of 65db/qm during days/45db/qm during night and GRZ (site coverage ratio) 0.8.

TENANCY

Gross Current Rent	€ 696,876
Net Current Rent	€ 666,116
Weighted Average Unexpired Lease Term ("WAULT")	12.85
Tenancy(cies)	The property is solely let to "J.H Ziegler GmbH".
Overall Covenant Strength	Very Good

VALUATION

Basis of Valuation	Market Value – subject to existing tenancies but otherwise with vacant possession		
Valuation Approaches	Primary - Income Capitalisation / Secondary - Direct Comparison		
Date of Valuation	31 March 2018		
Market Rent (Gross)	€ 707,820		
Gross Value	€ 14,224,732		
Capex Allowance	€ 0		
Market Value	€ 13,230,000	Net of purchasers costs at	-7.50%
Initial Yield	4.68%		
Equivalent Yield	4.75%		
Reversionary Yield	4.76%		
Direct Comparison Rate (€/ sqm)	€ 1,075	Disposal marketing period	9-15 Months

EXECUTIVE SUMMARY - 78244 Gottmadingen, Industriepark 309



Valuation prepared by
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INSTRUCTIONS / RELIANCE

Property ID	GRE10
Property Address	78244 Gottmadingen, Industriepark 309.
Valuation prepared for (the Addressees)	Perpetual (Asia) Limited, in its capacity as trustee of Frasers Logistics & Industrial Trust Frasers Logistics and Industrial Asset Management Pte. Ltd., in its capacity as manager of Frasers Logistics & Industrial Trust.
Assumptions, Limitations and Disclaimers	This Executive Summary must be read in conjunction with the full Report and Valuation in its entirety. It is subject to the assumptions, qualifications, limitations and disclaimers in the full Report and Valuation, which is available for inspection at the registered address of the REIT Manager for a period of three months from the date of the Circular.
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Purpose of Valuation	Ascertaining the market value in connection with the acquisition of the property, and inclusion in this circular to Unitholders.

PROPERTY PARTICULARS

Date of Inspection	17 January 2018
Type of Property	Industrial Logistics
Brief Description	The subject property consists of eight one-storey warehouse buildings with two adjoining two-storey office buildings. The subject property is used for the production and storage of high value-added aluminium products and solutions primarily to aerospace, automotive and packaging markets.
Building Assessment	Based on our inspection, the property appeared to be in good condition commensurate with its age and use. We have been provided with a building survey by VALTEQ dated 10 February 2017.
Surrounding Infrastructure	The property is located on the southern-eastern outskirts of Gottmadingen, which is a town in the district of Konstanz in the south of the German State of Baden-Wuerttemberg close to the border with Switzerland. The slip road of junction 42 "Hilzingen" of the A81 motorway sits approx. 5 km southeast of the subject property and is accessed off the federal road B34. The Swiss border is reachable within 6km (via B34). Gottmadingen train station (Bf) is approx. 2.4 km north of the subject property. The nearest international airport is in Zurich approximately 65km from Gottmadingen. Immediately to the north and the east of the subject property extends agricultural land and to the south and the west spreads the industrial area. In the immediate surrounding of the property sits the Horn GmbH, Osann, Hotmobil Germany, Nestlé Deutschland AG and Transco Süd GmbH International Transports.
Site Area (sq m)	95,290
Lettable Area (sq m)	56,447 (measured in accordance with local practice)
Year of Completion	Year Built: 1999. Year last modified: 2017
Condition	Good

LEGAL

Legal Title	We understand that the site is registered under a single freehold title (land registry excerpt 3600 of Singen). We have been provided with a copy of the land registry extract dated 12.01.2017. The property comprises one land parcel with a total sum of 95,290 sq m.
Tenure	Freehold
Planning / Zoning	According to current information from the local planning department of Gottmadingen, the property lies within a development plan, which became legally effective on 09.01.1991. The site is zoned for industrial use and the development plan contains the following stipulations: GI (industrial area), Site coverage ratio of 0.8, floor area ratio of 2.4, cubic index up to 10, max building height 30m, max noise pollution of dB (a) 63/48 dB (a) and a roof tilt up to 60°.

TENANCY

Gross Current Rent	€ 3,049,188
Net Current Rent	€ 3,034,656
Weighted Average Unexpired Lease Term ("WAULT")	7.44
Tenancy(cies)	The property is solely let to "Constellium Singen GmbH".
Overall Covenant Strength	Very good

VALUATION

Basis of Valuation	Market Value – subject to existing tenancies but otherwise with vacant possession		
Valuation Approaches	Primary - Income Capitalisation / Secondary - Direct Comparison		
Date of Valuation	31 March 2018		
Market Rent (Gross)	€ 2,940,867		
Gross Value	€ 50,821,745		
Capex Allowance	-€ 259,500		
Market Value	€ 47,700,000	Net of purchasers costs at	-6.00%
Initial Yield	5.97%		
Equivalent Yield	5.69%		
Reversionary Yield	5.56%		
Direct Comparison Rate (€/ sqm)	€ 845	Disposal marketing period	18 months

EXECUTIVE SUMMARY - Koperstraße 10, 90451 Nuremberg, Germany



Valuation prepared by
Colliers International Valuation UK LLP
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London
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www.colliers.com/uk



INSTRUCTIONS / RELIANCE

Property ID	GRE16
Property Address	Koperstraße 10, 90451 Nuremberg, Germany
Valuation prepared for (the Addressees)	Perpetual (Asia) Limited, in its capacity as trustee of Frasers Logistics & Industrial Trust Frasers Logistics and Industrial Asset Management Pte. Ltd., in its capacity as manager of Frasers Logistics & Industrial Trust.
Assumptions, Limitations and Disclaimers	This Executive Summary must be read in conjunction with the full Report and Valuation in its entirety. It is subject to the assumptions, qualifications, limitations and disclaimers in the full Report and Valuation, which is available for inspection at the registered address of the REIT Manager for a period of three months from the date of the Circular.
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Purpose of Valuation	Ascertaining the market value in connection with the acquisition of the property, and inclusion in this circular to Unitholders.

PROPERTY PARTICULARS

Date of Inspection	17 January 2018
Type of Property	Industrial Logistics
Brief Description	The subject property comprises three existing logistic halls with an office annex and three logistic halls with an office annex in process of construction. The subject property is used for storage, distribution and offices. The industrial:office ratio is 6%, which is considered in line with the local market. A large number of solar panels are installed on top of the warehouse.
Building Assessment	Based on our inspection, the property appeared to be in very good condition. Halls 4, 5 and 6 are just being completed (year of construction 2017/2018). No significant defects were noted during the site inspection. The technical due diligence prepared by Valteq, dated 10 February 2017 also states that the premises are in good condition and no significant defects were identified during the site visit.
Surrounding Infrastructure	The property is located on the south-western outskirts of Nuremberg, which is a town in the administrative district of Middle Franconia in the north of the German State of Bavaria. The slip road of junction 43 of the A73 motorway sits approx. 1.6 km northeast of the subject property and is accessed off Hafen Strasse. Nuremberg train station is approx. 6.3 k. To the north of the subject property is a residential area, while it is surrounded by an industrial area on all other sides. Because of the proximity to the harbour, the immediate vicinity is mainly dominated by logistic companies for example Kühne + Nagel KG & Geis Euro cargo GmbH
Site Area (sq m)	75,561
Lettable Area (sq m)	45,364 (measured in accordance with local practice)
Year of Completion	2015 (Halls 1-3)/ 2018 (Halls 4-6)
Condition	Good

LEGAL

Legal Title	We understand that the site is registered under a single freehold title (land registry excerpt 8927 of Nurnberg). We have been provided with a copy of the land registry extract dated 13.03.2017. The property comprises several parcels with a total sum of 45,364 sq m.
Tenure	The property is held under HBR
Planning / Zoning	According to current information from the local planning department of Nurnburg, the property is located in a development plan "3811". The development plan contains the following stipulations: SO (special federal area), site coverage ratio of 0.8, restrictions regarding noise emissions day/night 60.0/42.0 and cubic index 15.0

TENANCY

Gross Current Rent	€ 2,089,572
Net Current Rent	€ 1,558,551
Weighted Average Unexpired Lease Term ("WAULT")	4.14
Tenancy(cies)	The property is let to two tenants "Roman Mayer Logistik GmbH" and "Hellmann Worldwide Logistics SE & Co. KG"
Overall Covenant Strength	Roman Mayer Logistik GmbH: Reasonable. Hellmann Worldwide Logistics SE & Co. KG: Good

VALUATION

Basis of Valuation	Market Value – subject to existing tenancies but otherwise with vacant possession		
Valuation Approaches	Primary - Income Capitalisation / Secondary - Direct Comparison		
Date of Valuation	31 March 2018		
Market Rent (Gross)	€ 2,877,378		
Gross Value	€ 43,685,880		
Capex Allowance	-€ 17,500		
Market Value	€ 41,790,000	Net of purchasers costs at	-4.50%
Initial Yield	3.57%		
Equivalent Yield	5.13%		
Reversionary Yield	5.37%		
Direct Comparison Rate (€/ sqm)	€ 921	Disposal marketing period	9-15 months

EXECUTIVE SUMMARY - 89081 ULM, EISELAUER WEG 2, GERMANY



Valuation prepared by
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INSTRUCTIONS / RELIANCE

Property ID	GRE8
Property Address	89081 Ulm, Eiselaue Weg 2, Germany
Valuation prepared for (the Addressees)	Perpetual (Asia) Limited, in its capacity as trustee of Frasers Logistics & Industrial Trust Frasers Logistics and Industrial Asset Management Pte. Ltd., in its capacity as manager of Frasers Logistics & Industrial Trust.
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Purpose of Valuation	Ascertaining the market value in connection with the acquisition of the property, and inclusion in this circular to Unitholders.

PROPERTY PARTICULARS

Date of Inspection	17 January 2018
Type of Property	Industrial Logistics
Brief Description	The property is predominantly a logistic centre with part being office and technical plants areas. The warehouse building is largely a single-storey construction made from a precast reinforced concrete frame. The front elevation of the building and the offices on the 1st floor are finished with a painted concrete façade on the ground floor and fibre-cement cladding panels on the 1st floor. The warehouse building provides ceiling heights between approx. 5.5 (docking station hall) and approx. 13.50 m (warehouse).
Building Assessment	Based on our inspection, the property appeared to be in good condition commensurate with its age and use. We have been provided with a building survey by VALTEQ dated 10 February 2017
Surrounding Infrastructure	The subject property is situated on the northern outskirts Ulm, which is a town in the north east of the German State of Baden-Wuerttemberg close to the border with the State of Bavaria. The slip road of junction 62 "Ulm-West" of the A8 motorway sits 2.4 km north of the subject property and is accessed off the federal road B10. Ulm train station (Bf) is approx. 8 km south of the subject property. Ulm can be classified as well established industrial location. Especially medium- sized companies and logistics centres are situated in the immediate surrounding of the property, for example Schirmer, Karl Walther GmbH Sportwaffen, Interflex Medizintechnik and the logistic centers Avia Station Ulm-Nord and Seifert Logistics Group.
Site Area (sq m)	56,699
Lettable Area (sq m)	24,525 (measured in accordance with local practice)
Year of Completion	2009
Condition	Good

LEGAL

Legal Title	We understand that the site is registered under a single freehold title (land registry excerpt 2167 of Ulm). We have been provided with a copy of the land registry extract dated 11.01.2017. The property comprises of one land parcel with a total sum of 56,699 sq m.
Tenure	Freehold
Planning / Zoning	According to current information from the local planning department of Ulm, the Property is located in a development plan called "Gewerbegebiet Ulm-Nord" (commercial area Ulm North). The development plan contains the following stipulations: Cubic index of 10m and site coverage factor of 0.5. for further restrictions, please refer to the development plan.

TENANCY

Gross Current Rent	€ 2,280,000
Net Current Rent	€ 2,198,130
Weighted Average Unexpired Lease Term ("WAULT")	9.56
Tenancy(cies)	The property is let solely to one tenant "OHG Trans Gourmet GmbH & Co".
Overall Covenant Strength	Very Good

VALUATION

Basis of Valuation	Market Value – subject to existing tenancies but otherwise with vacant possession		
Valuation Approaches	Primary - Income Capitalisation / Secondary - Direct Comparison		
Date of Valuation	31 March 2018		
Market Rent (Gross)	€ 2,055,774		
Gross Value	€ 44,197,919		
Capex Allowance	-€ 20,000		
Market Value	€ 41,680,000	Net of purchasers costs at	-6.00%
Initial Yield	4.97%		
Equivalent Yield	4.50%		
Reversionary Yield	4.47%		
Direct Comparison Rate (€/ sqm)	€ 1,699	Disposal marketing period	9-15 Months

EXECUTIVE SUMMARY - Murrer Strasse 1, 71691 Freiberg AM Neckar



Valuation prepared by
Colliers International Valuation UK LLP
50 George Street
London
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INSTRUCTIONS / RELIANCE

Property ID	FPE4
Property Address	Murrer Strasse 1, 71691 Freiberg AM Neckar
Valuation prepared for (the Addressees)	Perpetual (Asia) Limited, in its capacity as trustee of Frasers Logistics & Industrial Trust Frasers Logistics and Industrial Asset Management Pte. Ltd., in its capacity as manager of Frasers Logistics & Industrial Trust.
Assumptions, Limitations and Disclaimers	This Executive Summary must be read in conjunction with the full Report and Valuation in its entirety. It is subject to the assumptions, qualifications, limitations and disclaimers in the full Report and Valuation, which is available for inspection at the registered address of the REIT Manager for a period of three months from the date of the Circular.
Reliance and Liability	To the fullest extent permitted by law, Colliers International Valuation UK LLP excludes all liability arising from the use of or reliance on its valuations by any person other than the Addressees of the valuations and such other party that has entered into a reliance letter with us for any purpose whatsoever. For the avoidance of doubt, the Report and Valuation is not extended to the holders of units in Frasers Logistics & Industrial Trust ("Unitholders").
Purpose of Valuation	Ascertaining the market value in connection with the acquisition of the property, and inclusion in this circular to Unitholders.

PROPERTY PARTICULARS

Date of Inspection	17 January 2018
Type of Property	Industrial Logistics
Brief Description	The subject property was built in 2017 and consists of a logistics building with two warehouses and one connected office building. There is a separate building for the technical equipment at the property entrance. Next to the technical building is a steel sprinkler tank. The logistics building comprises a single-storey warehouse with 24 loading docks and 13 gates at ground level. The office and administration building has 3 storeys and is situated at the property's entrance.
Building Assessment	Based on our inspection, the property appeared to be in very good condition as the building has newly been constructed. No significant defects were noted during site inspection. The technical due diligence prepared by Arcadis, dated 12 September 2017 also states that the premises are in new condition and no significant defects were identified during site visit.
Surrounding Infrastructure	The subject property is located in the logistics park Beiheing north east of the city of Freiberg am Neckar in Baden Württemberg. Freiberg am Neckar is a town in the district of Ludwigsburg, Baden-Württemberg, Germany. It is situated 18 km north of Stuttgart, and 4 km north of Ludwigsburg. The property is accessible via local roads and connected to the A81 motorway approximately 4 km to the north. The next public transport connections are accessible at Freiberg station within a 30 minute-walk. The subject property is situated in a commercial area in Beiheing. Other users & companies in the logistics park comprise BayWa AG Freiberg, Valett & Ott GmbH & Co.KG Kies and Food Masters Freiberg.
Site Area (sq m)	42,073
Lettable Area (sq m)	21,071 (measured in accordance with local practice)
Year of Completion	2017
Condition	Good

LEGAL

Legal Title	We understand that the site is registered under a single freehold title (land registry excerpt 7216 of Freiberg am Neckar). We have been provided with a copy of the land registry extract dated 02.05.2011. The property comprises of one parcel with a total sum of 42,073 sq m.
Tenure	Freehold
Planning / Zoning	According to current information from the local planning department of Freiberg am Neckar, the Property is situated within the boundaries of development plan "Stüchlen 1. Änderung". The site is zoned for commercial/GI Industrial and the development plan contains the following stipulations: site coverage ratio of 0.8, max noise pollution of dB(a) 66/49, max building height building 1: 12m and building 2:15 m, cubic index up to 9.0, roof tilt 0-15°.

TENANCY

Gross Current Rent	€ 813,936
Net Current Rent	€ 761,259
Weighted Average Unexpired Lease Term ("WAULT")	4.42
Tenancy(cies)	The property is solely let to "LGI FreightLog GmbH".
Overall Covenant Strength	Reasonable

VALUATION

Basis of Valuation	Market Value – subject to existing tenancies but otherwise with vacant possession		
Valuation Approaches	Primary - Income Capitalisation / Secondary - Direct Comparison		
Date of Valuation	31 March 2018		
Market Rent (Gross)	€ 1,627,218		
Gross Value	€ 35,485,184		
Capex Allowance	€ 0		
Market Value	€ 33,475,000	Net of purchasers costs at	-6.00%
Initial Yield	2.15%		
Equivalent Yield	4.40%		
Reversionary Yield	4.44%		
Direct Comparison Rate (€/ sqm)	€ 1,589	Disposal marketing period	6-12 months

EXECUTIVE SUMMARY - 47495 Rheinberg, Saalhoffer Street. 211, Germany



Valuation prepared by
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INSTRUCTIONS / RELIANCE

Property ID	GRE18
Property Address	47495 Rheinberg, Saalhoffer Street. 211, Germany
Valuation prepared for (the Addressees)	Perpetual (Asia) Limited, in its capacity as trustee of Frasers Logistics & Industrial Trust Frasers Logistics and Industrial Asset Management Pte. Ltd., in its capacity as manager of Frasers Logistics & Industrial Trust.
Assumptions, Limitations and Disclaimers	This Executive Summary must be read in conjunction with the full Report and Valuation in its entirety. It is subject to the assumptions, qualifications, limitations and disclaimers in the full Report and Valuation, which is available for inspection at the registered address of the REIT Manager for a period of three months from the date of the Circular.
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Purpose of Valuation	Ascertaining the market value in connection with the acquisition of the property, and inclusion in this circular to Unitholders.

PROPERTY PARTICULARS

Date of Inspection	17 January 2018
Type of Property	Industrial Logistics
Brief Description	The subject property consists of a one-storey warehouse building with an adjoining two-storey office building. A technical plant building containing the sprinkler tank is also located on the subject plot. The subject property is mainly used as a logistic centre (storage purposes) by the current tenant BMW (car manufacturer).
Building Assessment	The subject property was built in 2016. Based on our inspection, the property appeared to be in a very good condition corresponding to the year of construction. The technical due diligence prepared by VALTEQ, dated 10 February 2017 also states that the premises are new and no significant defects were identified during their site visit.
Surrounding Infrastructure	The subject property is located in the outskirts of Rheinberg, north-west of the town. Rheinberg is a town in the district of Wesel, in North Rhine-Westphalia, situated on the left bank of the Rhine river. The town is located 10 km north of Moers and 15 km south of Wesel. The accessibility of the subject property can be rated as average. The federal highway A 57 is only 1.5 km to the west, however this can only be approached by passing through the town of Millingen. The A42 Highway is situated approx. 10km south and can be reached within a 15 min drive. A train station is situated within a 10 minute walk, located in the centre of Millingen.
Site Area (sq m)	74,801
Lettable Area (sq m)	31,957 (measured in accordance with local practice)
Year of Completion	2016
Condition	Very Good

LEGAL

Legal Title	We understand that the site is registered under a single freehold title (land registry excerpt 7672 of Rheinberg). We have been provided with a copy of the land registry extract dated 21.11.2016. The property comprises one parcel with a total sum of 74,801 sq m.
Tenure	Freehold
Planning / Zoning	According to current information from the local planning department of Rheinberg, there is no development plan currently effective for the subject site.

TENANCY

Gross Current Rent	€ 1,329,912
Net Current Rent	€ 1,226,134
Weighted Average Unexpired Lease Term ("WAULT")	4.76
Tenancy(cies)	The property is let to one tenant "Bayerische Motoren Werke AG".
Overall Covenant Strength	Excellent.

VALUATION

Basis of Valuation	Market Value – subject to existing tenancies but otherwise with vacant possession		
Valuation Approaches	Primary - Income Capitalisation / Secondary - Direct Comparison		
Date of Valuation	31 March 2018		
Market Rent (Gross)	€ 1,589,628		
Gross Value	€ 30,478,762		
Capex Allowance	€ 0		
Market Value	€ 28,350,000	Net of purchasers costs at	-7.50%
Initial Yield	4.02%		
Equivalent Yield	4.75%		
Reversionary Yield	4.88%		
Direct Comparison Rate (€/ sqm)	€ 887	Disposal marketing period	9-12 months

EXECUTIVE SUMMARY - 38850 Isenbützel- Am Kreinhop 10



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INSTRUCTIONS / RELIANCE

Property ID	GRE6
Property Address	38850 Isenbützel- Am Kreinhop 10
Valuation prepared for (the Addressees)	Perpetual (Asia) Limited, in its capacity as trustee of Frasers Logistics & Industrial Trust Frasers Logistics and Industrial Asset Management Pte. Ltd., in its capacity as manager of Frasers Logistics & Industrial Trust.
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Purpose of Valuation	Ascertaining the market value in connection with the acquisition of the property, and inclusion in this circular to Unitholders.

PROPERTY PARTICULARS

Date of Inspection	17 January 2018
Type of Property	Industrial Logistics
Brief Description	The subject property is located on an approximately 35,300 m ² -large plot in a commercial area in Isenbützel. The total net floor area (ground floor and upper floor) is 15,567 m ² . There are 120 car parking spaces and 10 HGV waiting bays. The building is a reinforced concrete construction with laminated trusses and insulated profiled metal decking and synthetic membrane coverings.
Building Assessment	The property was constructed in 2014. Based on our inspection, the property appeared to be in very good condition commensurate with its age and use. We have been provided with a building survey by VALTEQ dated 10 February 2017.
Surrounding Infrastructure	The subject property is located north of Isenbützel which is located in the city triangle between Wolfsburg (15 km), Gifhorn (6 km) and Braunschweig (25 km). The subject property has a below average road connections via B4 federal road passing Isenbützel which is available within 4 km, providing further access to the national road network via A2. A2 provides further access to A293 and A93. Other companies within the commercial area comprise S&S Schweretrens, KVB Kraftwerksbetriebe, MSL logistics and ROTH of Switzerland Catering & Event. To the north of the subject site there is the technology centre of Volkswagen Group (TZE) situated.
Site Area (sq m)	35,308
Lettable Area (sq m)	20,679 (measured in accordance with local practice)
Year of Completion	2014
Condition	Very Good

LEGAL

Legal Title	We understand that the site is registered under a single freehold title (land registry excerpt 3913 of the Gifhorn land registry for Isenbützel). We have been provided with a copy of the land registry extract dated 12.02.2016. The property comprises several parcels with a total sum of 35,308 sq m.
Tenure	Freehold
Planning / Zoning	The Property is located in a development plan "Commercial area Moorstrasse Ost II". The site is zoned for industrial/commercial use and the development plan contains the following stipulations: Site coverage factor of 0.8, maximum building height of 28m and Deviating construction is allowed.

TENANCY

Gross Current Rent	€ 924,924
Net Current Rent	€ 877,039
Weighted Average Unexpired Lease Term ("WAULT")	11.30
Tenancy(cies)	The property is solely let to "LogProject Isenbützel GMBH".
Overall Covenant Strength	Excellent

VALUATION

Basis of Valuation	Market Value – subject to existing tenancies but otherwise with vacant possession		
Valuation Approaches	Primary - Income Capitalisation / Secondary - Direct Comparison		
Date of Valuation	31 March 2018		
Market Rent (Gross)	€ 898,177		
Gross Value	€ 18,927,782		
Capex Allowance	€ 0		
Market Value	€ 17,855,000	Net of purchasers costs at	-6.00%
Initial Yield	4.63%		
Equivalent Yield	4.50%		
Reversionary Yield	4.49%		
Direct Comparison Rate (€/ sqm)	€ 863	Disposal marketing period	9-15 Months

EXECUTIVE SUMMARY - 26180 Rastedee, Am Autobahnkreuz 14

Valuation prepared by
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**INSTRUCTIONS / RELIANCE**

Property ID	GRE20c
Property Address	26180 Rastedee, Am Autobahnkreuz 14
Valuation prepared for (the Addressees)	Perpetual (Asia) Limited, in its capacity as trustee of Frasers Logistics & Industrial Trust Frasers Logistics and Industrial Asset Management Pte. Ltd., in its capacity as manager of Frasers Logistics & Industrial Trust.
Assumptions, Limitations and Disclaimers	This Executive Summary must be read in conjunction with the full Report and Valuation in its entirety. It is subject to the assumptions, qualifications, limitations and disclaimers in the full Report and Valuation, which is available for inspection at the registered address of the REIT Manager for a period of three months from the date of the Circular.
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Purpose of Valuation	Ascertaining the market value in connection with the acquisition of the property, and inclusion in this circular to Unitholders.

PROPERTY PARTICULARS

Date of Inspection	17 January 2018
Type of Property	Industrial Logistics
Brief Description	The subject property comprises a single storey warehouse with 3 internal floors accommodating office and ancillary space. A four-storey, L-shaped administration building and a single-storey canteen building/reception. The warehouse is equipped with floor heating, 4 cranes and 6 loading ramps.
Building Assessment	The property was constructed in 2015. Based on our inspection, the property appeared to be in very good condition as the building has newly been constructed. No significant defects were noted during site inspection. The technical due diligence prepared by Arcadis, dated 10 February 2017 also states that the premises are in new condition and no significant defects were identified during site visit.
Surrounding Infrastructure	The subject property is 6km south of Rastedee which is a municipality in the district of Ammerland in the northwest of Lower Saxony. It is located 12 kilometres north of Oldenburg. The subject property is located directly on the Federal Road B211, interconnecting to the federal motorway network A29/A293 which is 4km away. A bus stop is within a 5 minute walk. The property is surrounded by agricultural land and buildings with the nearest industrial area being "Autobahnkreuz OL-Nord".
Site Area (sq m)	50,637
Lettable Area (sq m)	11,491 (measured in accordance with local practice)
Year of Completion	2015
Condition	Very Good

LEGAL

Legal Title	We understand that the site is registered under a single freehold title (land registry excerpt 16143 of Westerstede). We have been provided with a copy of the land registry extract dated 16.03.2017. The property comprises three land parcels with a total sum of 50,637 sq m.
Tenure	Freehold
Planning / Zoning	The Property is located in a development plan No 86 "Gewerbegebiet Autobahnkreuz Oldenburg-Nord". The site is zoned for industrial use and the development plan contains the following stipulations: G1 Industrial area, Site coverage factor of 0.8, cubic index of 10 and noise restrictions of 75/60 db(A) - day and night.

TENANCY

Gross Current Rent	€ 1,196,664
Net Current Rent	€ 1,173,682
Weighted Average Unexpired Lease Term ("WAULT")	12.76
Tenancy(cies)	The property is solely let to "Broetje-Automation GMBH".
Overall Covenant Strength	Excellent

VALUATION

Basis of Valuation	Market Value – subject to existing tenancies but otherwise with vacant possession		
Valuation Approaches	Primary - Income Capitalisation / Secondary - Direct Comparison		
Date of Valuation	31 March 2018		
Market Rent (Gross)	€ 691,966		
Gross Value	€ 17,993,197		
Capex Allowance	€ 0		
Market Value	€ 16,975,000	Net of purchasers costs at	-6.00%
Initial Yield	6.52%		
Equivalent Yield	4.01%		
Reversionary Yield	3.72%		
Direct Comparison Rate (€/ sqm)	€ 1,477	Disposal marketing period	9-15 months

EXECUTIVE SUMMARY - 94437 Mammig, Industriepark 1



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INSTRUCTIONS / RELIANCE

Property ID	GRE12
Property Address	94437 Mammig, Industriepark 1
Valuation prepared for (the Addressees)	Perpetual (Asia) Limited, in its capacity as trustee of Frasers Logistics & Industrial Trust Frasers Logistics and Industrial Asset Management Pte. Ltd., in its capacity as manager of Frasers Logistics & Industrial Trust.
Assumptions, Limitations and Disclaimers	This Executive Summary must be read in conjunction with the full Report and Valuation in its entirety. It is subject to the assumptions, qualifications, limitations and disclaimers in the full Report and Valuation, which is available for inspection at the registered address of the REIT Manager for a period of three months from the date of the Circular.
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Purpose of Valuation	Ascertaining the market value in connection with the acquisition of the property, and inclusion in this circular to Unitholders.

PROPERTY PARTICULARS

Date of Inspection	17 January 2018
Type of Property	Industrial Logistics
Brief Description	The subject property comprises a single-storey industrial production and assembly hall with an adjoining office and administration tract with a ground and upper floor. The buildings comprises of load bearing structure (columns) constructed as precast reinforced concrete elements. A large number of solar panels are installed on top of the warehouse.
Building Assessment	The property was constructed in 2014. Based on our inspection, the property appeared to be in very good condition as the building has newly been constructed. No significant defects were noted during site inspection. The technical due diligence prepared by Arcadis, dated 10 February 2017 also states that the premises are in good condition (year of construction: 2014) and no significant defects were identified during site visit.
Surrounding Infrastructure	The subject property is located within a commercial area called "Industriepark" on the north outskirts of Mammig. Mammig is situated about 80 km south of Regensburg, and is a municipality in the Lower Bavarian district of Dingolfing-Landau. Other companies which are located in Industriepark include "Rudolph Logistics".
Site Area (sq m)	30,052
Lettable Area (sq m)	14,193 (measured in accordance with local practice)
Year of Completion	2014
Condition	Very Good

LEGAL

Legal Title	We understand that the site is registered under a single freehold title (land registry excerpt 3651 of Landau an der Isar land). We have been provided with a copy of the land registry extract dated 20.05.2016. The property consists of 2 land parcels with a total sum of 30,052 sq m.
Tenure	Freehold
Planning / Zoning	The Property is located in a development plan "Industriegebiet Mammingschwaigen" The site is zoned for industrial use and the development plan contains the following stipulations: Gle (industrial area, limited usage), site coverage ratio of 0.8, floor area ratio of 2.4, max building height of 10m and no restrictions in regards to noise emissions.

TENANCY

Gross Current Rent	€ 827,724
Net Current Rent	€ 784,420
Weighted Average Unexpired Lease Term ("WAULT")	4.88
Tenancy(cies)	The property is solely let to "Voith Industrial Ltd & Co.KG.
Overall Covenant Strength	Good

VALUATION

Basis of Valuation	Market Value – subject to existing tenancies but otherwise with vacant possession		
Valuation Approaches	Primary - Income Capitalisation / Secondary - Direct Comparison		
Date of Valuation	31 March 2018		
Market Rent (Gross)	€ 782,130		
Gross Value	€ 16,688,971		
Capex Allowance	€ 0		
Market Value	€ 15,970,000	Net of purchasers costs at	-4.50%
Initial Yield	4.70%		
Equivalent Yield	4.50%		
Reversionary Yield	4.43%		
Direct Comparison Rate (€/ sqm)	€ 1,125	Disposal marketing period	9-15 Months

EXECUTIVE SUMMARY - Johann-Esche-Strasse 2, 09120 Chemnitz, Germany



Valuation prepared by
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INSTRUCTIONS / RELIANCE

Property ID	GRE14b
Property Address	Johann-Esche-Strasse 2, 09120 Chemnitz, Germany
Valuation prepared for (the Addressees)	Perpetual (Asia) Limited, in its capacity as trustee of Frasers Logistics & Industrial Trust Frasers Logistics and Industrial Asset Management Pte. Ltd., in its capacity as manager of Frasers Logistics & Industrial Trust.
Assumptions, Limitations and Disclaimers	This Executive Summary must be read in conjunction with the full Report and Valuation in its entirety. It is subject to the assumptions, qualifications, limitations and disclaimers in the full Report and Valuation, which is available for inspection at the registered address of the REIT Manager for a period of three months from the date of the Circular.
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Purpose of Valuation	Ascertaining the market value in connection with the acquisition of the property, and inclusion in this circular to Unitholders.

PROPERTY PARTICULARS

Date of Inspection	17 January 2018
Type of Property	Industrial Logistics
Brief Description	The subject property comprises warehouse accommodation including a second storey on the north side with an office area of about 730 sq m, extending to a total area of 16,773 sq m (net floor area). In addition, an area of 1,320 sq m comprises roofed open space.
Building Assessment	The property was constructed in 2007. Based on our inspection, the property appears to be in average condition commensurate with its age and use. There do not appear to be any asbestos or deleterious materials used. No significant defects were noted during the site inspection. The technical due diligence prepared by Arcadis, dated 10 February 2017 by Valteq
Surrounding Infrastructure	The property is located on the southern outskirts of Chemnitz, which is the third largest town in the south of the federal State of Saxony close to the border of the Czech Republic. The subject property is located in the industrial park "Paul-Gruner-Straße" which also accommodates the engine plant of Volkswagen and HQM Induserv GmbH (a service partner for the automotive industry). Immediately to the east of the subject property is a mixed-use area and a residential area. The remaining bordering areas are in commercial use. The connection to the federal road B95 is approx. 1.0 km northeast of the subject property. The motorway A72 is reachable in 5.5 km, which intersects the motorway A4 in about 15 km. Chemnitz train station south (Bf) is approx. 2.4 km southeast of the subject property.
Site Area (sq m)	34,691
Lettable Area (sq m)	18,053 (measured in accordance with local practice)
Year of Completion	2007
Condition	Average

LEGAL

Legal Title	We understand that the site is registered under a single freehold title (land registry excerpt 3623 of Chemnitz). We have been provided with a copy of the land registry extract dated 11.01.2017. The property comprises of one parcel with a total sum of 34,691 sq m.
Tenure	Freehold
Planning / Zoning	According to current information from the local planning department of Chemnitz, the subject property is located within a zoning plan with the following determinations: GE Industrial Area, site coverage ratio of 0.8, max. building height of 12.5m and restrictions on noise emissions (day 69dB & night 48db).

TENANCY

Gross Current Rent	€ 1,186,284
Net Current Rent	€ 1,154,220
Weighted Average Unexpired Lease Term ("WAULT")	2.25
Tenancy(cies)	The property is solely let to "Rhenus AI Chemnitz CmbH".
Overall Covenant Strength	Good

VALUATION

Basis of Valuation	Market Value – subject to existing tenancies but otherwise with vacant possession		
Valuation Approaches	Primary - Income Capitalisation / Secondary - Direct Comparison		
Date of Valuation	31 March 2018		
Market Rent (Gross)	€ 833,955		
Gross Value	€ 16,218,065		
Capex Allowance	-€ 58,679		
Market Value	€ 15,465,000	Net of purchasers costs at	-4.50%
Initial Yield	7.12%		
Equivalent Yield	5.00%		
Reversionary Yield	4.94%		
Direct Comparison Rate (€/ sqm)	€ 857	Disposal marketing period	12 months

EXECUTIVE SUMMARY - 48155 Muenster, Gustav-Stresemann-Weg, 1, Germany



Valuation prepared by
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INSTRUCTIONS / RELIANCE

Property ID	Gre20B
Property Address	48155 Muenster, Gustav-Stresemann-Weg, 1, Germany
Valuation prepared for (the Addressees)	Perpetual (Asia) Limited, in its capacity as trustee of Frasers Logistics & Industrial Trust Frasers Logistics and Industrial Asset Management Pte. Ltd., in its capacity as manager of Frasers Logistics & Industrial Trust.
Assumptions, Limitations and Disclaimers	This Executive Summary must be read in conjunction with the full Report and Valuation in its entirety. It is subject to the assumptions, qualifications, limitations and disclaimers in the full Report and Valuation, which is available for inspection at the registered address of the REIT Manager for a period of three months from the date of the Circular.
Reliance and Liability	To the fullest extent permitted by law, Colliers International Valuation UK LLP excludes all liability arising from the use of or reliance on its valuations by any person other than the Addressees of the valuations and such other party that has entered into a reliance letter with us for any purpose whatsoever. For the avoidance of doubt, the Report and Valuation is not extended to the holders of units in Frasers Logistics & Industrial Trust ("Unitholders").
Purpose of Valuation	Ascertaining the market value in connection with the acquisition of the property, and inclusion in this circular to Unitholders.

PROPERTY PARTICULARS

Date of Inspection	17 January 2018
Type of Property	Industrial Logistics
Brief Description	The subject property consists of a warehouse building with a mezzanine floor and one adjacent office building. The logistics building comprises 10,890 sq m of warehouse area (partly on a mezzanine floor). There are 4 loading doors on ground floor level. The ground floor area is used for production and storage (delivery) purposes, the area on the mezzanine floor is occupied by the production systems used by the current tenant.
Building Assessment	Based on our inspection, the property appeared to be in a good condition corresponding to the year of construction. No significant defects were noted during site inspection. The technical due diligence prepared by VALTEQ, dated 10 February 2017 also states that the premises are new and no significant defects were identified during their site visit.
Surrounding Infrastructure	The subject property is located within the business park Loddenheide in the south-eastern part of Muenster, a major city in western Germany, located in the northern part of the federal state of North Rhine-Westphalia. The business park Loddenheide borders on the B 51 to the north and comprises about 900,000 sq m of commercial and industrial area as well as public traffic areas and public green areas (the Friedenspark). The subject property has very good accessibility, as the site is directly situated on a main road within the commercial area accessible via the federal road B 51 (1.5 km away). Access to the federal motorway network (junction of A 1/A 43) is available within 8.5 km to the west. A bus stop is available within 5 minutes' walk.
Site Area (sq m)	21,286
Lettable Area (sq m)	12,960 (measured in accordance with local practice)
Year of Completion	2009
Condition	Good

LEGAL

Legal Title	We understand that the site is registered under a single freehold title (land registry excerpt 65229 of the City of Muenster). We have been provided with a copy of the land registry extract dated 04.07.2016. The property comprises several parcels with a total sum of 21,286 sq m. The subject property also consists of a private street known as Parcel 687, which is held in co-ownership (Geneba RE 20 B.V. holds approximately 38.5% interest in the street). We have recognised the co-ownership of the private street known as Parcel 687 in our valuation.
Tenure	Freehold
Planning / Zoning	According to current information from the local planning department of the City of Muenster, the property lies within the scope of jurisdiction of the development plan No 404 "Loddenheide - Albersloher Weg/An Den Loddenbuschen". The site is zoned for industrial use and the development plan contains the following stipulations: Gle (industrial area, limited usage), Site coverage factor 0.8, plot ratio of 1.6 and maximum two storeys.

TENANCY

Gross Current Rent	€ 936,768
Net Current Rent	€ 904,368
Weighted Average Unexpired Lease Term ("WAULT")	12.76
Tenancy(cies)	The property is solely let to "Saurer Components CmbH"
Overall Covenant Strength	Reasonable

VALUATION

Basis of Valuation	Market Value – subject to existing tenancies but otherwise with vacant possession	
Valuation Approaches	Primary - Income Capitalisation / Secondary - Direct Comparison	
Date of Valuation	31 March 2018	
Market Rent (Gross)	€ 746,460	
Gross Value	€ 16,019,474	
Capex Allowance	-€ 50,000	
Market Value	€ 14,650,000	Net of purchasers costs at -9.00%
Initial Yield	5.65%	
Equivalent Yield	4.50%	
Reversionary Yield	4.46%	
Direct Comparison Rate (€/ sqm)	€ 1,130	Disposal marketing period 9-15 months

EXECUTIVE SUMMARY - 45768 Marl-Elbestrasse 1-3, Germany

Valuation prepared by
 Colliers International Valuation UK LLP
 50 George Street
 London
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**INSTRUCTIONS / RELIANCE**

Property ID	GRE 1
Property Address	45768 Marl-Elbestrasse 1-3, Germany
Valuation prepared for (the Addressees)	Perpetual (Asia) Limited, in its capacity as trustee of Frasers Logistics & Industrial Trust Frasers Logistics and Industrial Asset Management Pte. Ltd., in its capacity as manager of Frasers Logistics & Industrial Trust.
Assumptions, Limitations and Disclaimers	This Executive Summary must be read in conjunction with the full Report and Valuation in its entirety. It is subject to the assumptions, qualifications, limitations and disclaimers in the full Report and Valuation, which is available for inspection at the registered address of the REIT Manager for a period of three months from the date of the Circular.
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Purpose of Valuation	Ascertaining the market value in connection with the acquisition of the property, and inclusion in this circular to Unitholders.

PROPERTY PARTICULARS

Date of Inspection	17 January 2018
Type of Property	Industrial Logistics
Brief Description	The subject property comprises a warehouse building with a separate office building, extending to 16,831 sq m. The warehouse building has a ceiling height of 9.5 m in section I and 11 m in section II. The warehouse has 11 loading bays. The administration building comprises three floors of office space. The third floor is set back offering roof top terrace area.
Building Assessment	The warehouse building was constructed in 1996 and extended in 2002. In 2002, a separate office building was constructed. Based on our inspection, the property appeared to be in very good and overall upkeep condition commensurate with its age and use. We have been provided with a building survey by VALTEQ dated 10 February 2017.
Surrounding Infrastructure	The subject property is situated within a commercial/industrial area to the west outside of the town of Marl, a large district town in the northern Ruhr area in North Rhine-Westphalia. The subject property benefits from a good accessibility to the federal road network as access to federal road B225 and A52 motorway is within 2 km. A bus stop is available within 500 m distance. Other companies in the vicinity within the commercial area are Dental-Labor Engel, ASB.RV Vest Recklinghausen, Smith & Nephew Business Services Verwaltungs GmbH and others.
Site Area (sq m)	31,657
Lettable Area (sq m)	16,831 (measured in accordance with local practice)
Year of Completion	1996
Condition	Very Good

LEGAL

Legal Title	We understand that the site is registered under a single freehold title (land registry excerpt 20046A of Marl). We have been provided with a copy of the land registry extract dated 08.04.2016. The property comprises three land parcels with a total sum of 31,657 sq m.
Tenure	Freehold
Planning / Zoning	According to current information from the local planning department of Marl, the Property is located in a development plan No 125, effective as at 16/02/1986. The site is zoned for industrial use and the development plan contains the following stipulations: GI (industrial area), Site coverage ratio of 0.8, Cubic Index 9.0 (BMZ).

TENANCY

Gross Current Rent	€ 795,660
Net Current Rent	€ 745,569
Weighted Average Unexpired Lease Term ("WAULT")	4.76
Tenancy(cies)	The property is solely let to one tenant "Bunzl Verpackungen GmbH".
Overall Covenant Strength	Very Good

VALUATION

Basis of Valuation	Market Value – subject to existing tenancies but otherwise with vacant possession		
Valuation Approaches	Primary - Income Capitalisation / Secondary - Direct Comparison		
Date of Valuation	31 March 2018		
Market Rent (Gross)	€ 801,309		
Gross Value	€ 15,794,203		
Capex Allowance	-€ 94,000		
Market Value	€ 14,405,000	Net of purchasers costs at	-9.00%
Initial Yield	4.72%		
Equivalent Yield	4.75%		
Reversionary Yield	4.76%		
Direct Comparison Rate (€/ sqm)	€ 856	Disposal marketing period	9-18 months

EXECUTIVE SUMMARY - AM EXER 9, 04158 LEIPZIG, Germany

Valuation prepared by
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**INSTRUCTIONS / RELIANCE**

Property ID	GRE14c
Property Address	AM EXER 9, 04158 LEIPZIG, Germany
Valuation prepared for (the Addressees)	Perpetual (Asia) Limited, in its capacity as trustee of Frasers Logistics & Industrial Trust Frasers Logistics and Industrial Asset Management Pte. Ltd., in its capacity as manager of Frasers Logistics & Industrial Trust.
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Purpose of Valuation	Ascertaining the market value in connection with the acquisition of the property, and inclusion in this circular to Unitholders.

PROPERTY PARTICULARS

Date of Inspection	17 January 2018
Type of Property	Industrial Logistics
Brief Description	The subject property comprises warehouse accommodation with a detached 3 storey office building, extending to 11,596 sq m (net floor area). The subject property is used for the production and storage of automotive cockpits with ancillary office space. The building consists of a steel frame construction with double glazing with plastic frames.
Building Assessment	The property was constructed in 2013 and based on our inspection, the property appeared to be in good condition commensurate with its age and use. There do not appear to be any asbestos or other deleterious materials used. We have been provided with a building survey by Valteq as a part of CBRE dated 10 February 2017.
Surrounding Infrastructure	The subject property is situated within the northwest outskirts of Leipzig on the north side of Am Exer, located in one of Leipzig's industrial and logistic hubs called GVZ "Güterverkehrszentrum". The specific location provides very good access to long distance road connections as well as to the airport Halle/Leipzig. Most prominent occupiers surrounding the subject property are Porsche Leipzig GmbH, Schnellecke, DHL-Deutsche Post and Schenker. The nearest motorway access to A14 is provided approx. 6 km northwest of the subject property. The federal road B6 is reachable in 600 m. The suburban railway station Leipzig-Lützschena is approx. 850 m north of the subject property.
Site Area (sq m)	22,972
Lettable Area (sq m)	11,596 (measured in accordance with local practice)
Year of Completion	2013
Condition	Good

LEGAL

Legal Title	We understand that the site is registered under a single freehold title (land registry excerpt 2202 of Leipzig). We have been provided with a copy of the land registry extract dated 11.01.2017. The property comprises of 2 land parcels with a total sum of 22,972 sq m.
Tenure	Freehold
Planning / Zoning	According to current information from the local planning department of Leipzig, The subject property is located within a zoning plan with the following determinations: GE Commercial Area, Site coverage Ratio of 0.8%, cubic density 8.0 and restrictions regarding noise emissions (day 60dB and night 50 dB)

TENANCY

Gross Current Rent	€ 794,364
Net Current Rent	€ 761,895
Weighted Average Unexpired Lease Term ("WAULT")	5.42
Tenancy(cies)	The property is let to one tenant "DRÄXELMAIER Group Eldra Kunststofftechnik GmbH".
Overall Covenant Strength	Good

VALUATION

Basis of Valuation	Market Value – subject to existing tenancies but otherwise with vacant possession		
Valuation Approaches	Primary - Income Capitalisation / Secondary - Direct Comparison		
Date of Valuation	31 March 2018		
Market Rent (Gross)	€ 650,275		
Gross Value	€ 13,488,708		
Capex Allowance	-€ 33,000		
Market Value	€ 12,695,000	Net of purchasers costs at	-6.00%
Initial Yield	5.65%		
Equivalent Yield	4.60%		
Reversionary Yield	4.58%		
Direct Comparison Rate (€/ sqm)	€ 1,095	Disposal marketing period	9-12 months

EXECUTIVE SUMMARY - Keffelkerstr. 66, 59929 Brilon

Valuation prepared by
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**INSTRUCTIONS / RELIANCE**

Property ID	GRE20a
Property Address	Keffelkerstr. 66, 59929 Brilon
Valuation prepared for (the Addressees)	Perpetual (Asia) Limited, in its capacity as trustee of Frasers Logistics & Industrial Trust Frasers Logistics and Industrial Asset Management Pte. Ltd., in its capacity as manager of Frasers Logistics & Industrial Trust.
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Purpose of Valuation	Ascertaining the market value in connection with the acquisition of the property, and inclusion in this circular to Unitholders.

PROPERTY PARTICULARS

Date of Inspection	17 January 2018
Type of Property	Industrial Logistics
Brief Description	The property comprises approx. 11,000 sq m light-flooded factory building, which stands on an area of around three hectares. Adjoining the warehouse is a modern two-storey office building with around 1,800 sqm. The reinforced concrete structure supports a flat roof formed as a steel-trussed construction. The industrial:office ratio is 15.58%, which is considered in line with the local market.
Building Assessment	The property was constructed in 2009. Based on our inspection, the property appeared to be in very good condition commensurate with its age and use. We have been provided with a building survey by VALTEQ dated 10 February 2017.
Surrounding Infrastructure	The Subject Property is situated in a commercial area north east on the edge of Brilon. Brilon is located in the east of the Sauerland on the border with Hesse. Brilon belongs to the Hochsauerlandkreis in the east of the federal state of North Rhine-Westphalia. Access to the national road system can be described as good, and the junction to B7/B251 is approximately 2km away. A bus stop is next to the subject property. The town centre is within a 10 minutes walk.
Site Area (sq m)	29,408
Lettable Area (sq m)	13,352 (measured in accordance with local practice)
Year of Completion	2009
Condition	Good

LEGAL

Legal Title	We understand that the site is registered under a single freehold title (land registry excerpt 7179 of Brilon). We have been provided with a copy of the land registry extract dated 11.01.2017. The property comprises of five land parcels with a total sum of 29,408 sq m.
Tenure	Freehold
Planning / Zoning	According to current information from the local planning department of Brilon, the property is located in a development plan "No 131 – Keffelker Strasse – Vier Linden". The site is zoned for commercial/industrial use and the development plan contains the following stipulations: Site coverage factor of 0.8, cubic density of max 10, noise emission limited to day 65/ night 50 db (A) m ² .

TENANCY

Gross Current Rent	€ 766,536
Net Current Rent	€ 727,811
Weighted Average Unexpired Lease Term ("WAULT")	3.59
Tenancy(cies)	The property is solely let to "ABB AG".
Overall Covenant Strength	Excellent

VALUATION

Basis of Valuation	Market Value – subject to existing tenancies but otherwise with vacant possession		
Valuation Approaches	Primary - Income Capitalisation / Secondary - Direct Comparison		
Date of Valuation	31 March 2018		
Market Rent (Gross)	€ 534,492		
Gross Value	€ 9,783,552		
Capex Allowance	€ 93,520		
Market Value	€ 9,060,000	Net of purchasers costs at	-9.00%
Initial Yield	7.44%		
Equivalent Yield	5.25%		
Reversionary Yield	5.07%		
Direct Comparison Rate (€/ sqm)	€ 679	Disposal marketing period	12 months

EXECUTIVE SUMMARY - 92263 Ebermannsdorf - Jubatus-Allee 3



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INSTRUCTIONS / RELIANCE

Property ID	GRE14A
Property Address	92263 Ebermannsdorf - Jubatus-Allee 3
Valuation prepared for (the Addressees)	Perpetual (Asia) Limited, in its capacity as trustee of Frasers Logistics & Industrial Trust Frasers Logistics and Industrial Asset Management Pte. Ltd., in its capacity as manager of Frasers Logistics & Industrial Trust.
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Purpose of Valuation	Ascertaining the market value in connection with the acquisition of the property, and inclusion in this circular to Unitholders.

PROPERTY PARTICULARS

Date of Inspection	17 January 2018
Type of Property	Industrial Logistics
Brief Description	The building is a single-storey production warehouse constructed in 2004 with an adjoining two-storey (ground and upper floor) office and staff annex building and a technical block annexe. The subject property comprises a production warehouse building with an office annex, extending to 9,389 sq m. It is used as a logistics building and production facility for vehicle interior design parts.
Building Assessment	Based on our inspection, the property appeared to be in good overall condition commensurate with its age and use. We have been provided with a building survey by VALTEQ dated 10 February 2017.
Surrounding Infrastructure	The property is located in Ebermannsdorf, which is a small town in the district of Amberg-Weidach in the east of the German State of Bavaria about 70 km to the border with the Czech Republic. Situated between the towns of Amberg and Schwandorf at the point of intersection of the A6 motorway (Nuremberg-Weidach) and federal road B 85 (Amberg-Schwandorf). The area "Schaffhoff II" is bounded by federal road B 85 to the East, federal motorway A 6 to the South and US military trainings area "Freihöler Forst" to the East and North respectively. The property is in an established location where other companies in the industrial and commercial area "Schaffhoff II" comprise Haitian International Germany, UBH Software & Engineering and Loxxess Amberg.
Site Area (sq m)	24,059
Lettable Area (sq m)	9,389 (measured in accordance with local practice)
Year of Completion	2004
Condition	Good

LEGAL

Legal Title	We understand that the site is registered under a single freehold title (land registry excerpt 601 of Amberg). We have been provided with a copy of the land registry extract dated 11.01.2017. The property comprises of one parcel with a total sum of 24,058 sq m.
Tenure	Freehold
Planning / Zoning	According to current information from the local planning department of Amberg-Weidach, the Property is located in a development plan "GI-industrial area Schaffhof II". The site is zoned for industrial use and the development plan contains the following stipulations: Gle (industrial area), site coverage ratio of 0.8, max noise pollution of dB(a) 65/60, max of 2 storeys.

TENANCY

Gross Current Rent	€ 501,372
Net Current Rent	€ 472,867
Weighted Average Unexpired Lease Term ("WAULT")	3.92
Tenancy(ies)	The property is solely let to "Grammer Automotive Metall GmbH".
Overall Covenant Strength	Good

VALUATION

Basis of Valuation	Market Value – subject to existing tenancies but otherwise with vacant possession		
Valuation Approaches	Primary - Income Capitalisation / Secondary - Direct Comparison		
Date of Valuation	31 March 2018		
Market Rent (Gross)	€ 503,247		
Gross Value	€ 8,597,542		
Capex Allowance	-€ 516,500		
Market Value	€ 7,600,000	Net of purchasers costs at	-6.00%
Initial Yield	5.52%	(The Initial Yield after deduction of capital expenditure is 5.9%)	
Equivalent Yield	5.54%		
Reversionary Yield	5.54%		
Direct Comparison Rate (€/ sqm)	€ 809	Disposal marketing period	18 Months

EXECUTIVE SUMMARY - Brede Steeg 1, S-Heerenberg



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INSTRUCTIONS / RELIANCE

Property ID	GRE15
Property Address	Brede Steeg 1, S-Heerenberg
Valuation prepared for (the Addressees)	Perpetual (Asia) Limited, in its capacity as trustee of Frasers Logistics & Industrial Trust Frasers Logistics and Industrial Asset Management Pte. Ltd., in its capacity as manager of Frasers Logistics & Industrial Trust.
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Purpose of Valuation	Ascertaining the market value in connection with the acquisition of the property, and inclusion in this circular to Unitholders.

PROPERTY PARTICULARS

Date of Inspection	17 January 2018
Type of Property	Industrial Logistics
Brief Description	The property consists of 26 warehouses and office space combined with canteens. The subject property is in use by a logistics service provider which services the warehouses and distribution for third parties. There is a large paved area used for truck parking (Approx. 150 parking places). The buildings footprint is rectangular in shape
Building Assessment	Based on our inspection, the property appeared to be in good condition commensurate with its age and use. Due to the construction year there is no suspicion for the use of asbestos. We have been provided with a building survey by Valteq dates 10th February 2017.
Surrounding Infrastructure	The subject property is situated on the east of 's-Heerenberg. The motorway A3 and A12 sits approx. 3 km of the subject property. The property has no visibility from the highway. The property is situated on the logistic park of DocksNLD. The new DocksNLD business park is a total of 140ha in size and holds significance for the region, especially for modern large-scale logistic companies. Companies likes JCL and Pon Logistiek are located on the business park due to the area being accessible by road, water and railway.
Site Area (sq m)	158,000
Lettable Area (sq m)	84,767 (measured in accordance with local practice)
Year of Completion	Estimation between 2001 and 2009
Condition	Good

LEGAL

Legal Title	We understand that the site is registered under a single freehold title. We have been provided with a copy of the land registry extract dated 30.11.2015. The property consists of 17 land parcels.
Tenure	Freehold
Planning / Zoning	According to current information from the local planning department of Montferland, the permission for developments is regulated by 'Bedrijventerrein Montferland' (permission for project developments within built-up areas). Permitted Use: Commercial

TENANCY

Gross Current Rent	€ 4,004,004
Net Current Rent	€ 3,868,377
Weighted Average Unexpired Lease Term ("WAULT")	7.92
Tenancy(cies)	The property is Soley let to 1 tenant "Wim Bosman Logistic Services B.V".
Overall Covenant Strength	Weak

VALUATION

Basis of Valuation	Market Value – subject to existing tenancies but otherwise with vacant possession		
Valuation Approaches	Primary - Income Capitalisation / Secondary - Direct Comparison		
Date of Valuation	31 March 2018		
Market Rent (Gross)	€ 3,570,539		
Gross Value	€ 69,717,602		
Capex Allowance	-€ 528,300		
Market Value	€ 65,250,000	Net of purchasers costs at	-6.04%
Initial Yield	5.55%		
Equivalent Yield	4.98%		
Reversionary Yield	4.56%		
Direct Comparison Rate (€/ sqm)	€ 769.76	Disposal marketing period	6 months

EXECUTIVE SUMMARY - Handelsweg 26, Zeewolde



Valuation prepared by
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INSTRUCTIONS / RELIANCE

Property ID	GRE22
Property Address	Handelsweg 26, Zeewolde
Valuation prepared for (the Addressees)	Perpetual (Asia) Limited, in its capacity as trustee of Frasers Logistics & Industrial Trust Frasers Logistics and Industrial Asset Management Pte. Ltd., in its capacity as manager of Frasers Logistics & Industrial Trust.
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Purpose of Valuation	Ascertaining the market value in connection with the acquisition of the property, and inclusion in this circular to Unitholders.

PROPERTY PARTICULARS

Date of Inspection	17 January 2018
Type of Property	Industrial Logistics
Brief Description	The subject property comprises nine halls of logistic accommodation, a mezzanine and office space, extending to 51,703 sq m. The subject property is used for the storage of supermarkets and wholesalers. The Industrial: office ratio is 5%.
Building Assessment	We estimate the property was constructed in the early 1990s. In 2000 and 2009 the building was extended with an additional floor area for logistic purposes. Based on our inspection, the property appeared to be in reasonable to good condition commensurate with its age and use. Due to the construction year there is no suspicion of the use of asbestos. We have been provided with a building survey by BOAG Advies en Management dated 28 December, 2016.
Surrounding Infrastructure	The property is located in Trekkersveld Industrial Park in Zeewolde. Zeewolde is a town in the Province of Flevoland in the middle of the Netherlands. The state road N305 connects, via the N301 or the N302, the A28 motorway is approx. 15 km. The nearest train stations are located in the cities of Harderwijk and Almere. The industrial park has a mixture of middle and large businesses. Most common businesses on the park are engaged with logistics and production. On the south side of industrial park Trekkersveld are businesses located who are engaged with production. On the north side, where the subject property is located, are the businesses located who are engaged with logistics.
Site Area (sq m)	80,500
Lettable Area (sq m)	51,703 (measured in accordance with local practice)
Year of Completion	Estimated early 1990s. Building was extended in 2000 and 2009.
Condition	Reasonable to Good

LEGAL

Legal Title	We understand that the site is registered under a single freehold title (plot number F98, F272 and F517 produced by the Zeewolde Land Registry). We have been provided with a copy of the land registry extract dated 28.02.2017. The property comprises several parcels with a total sum of 80,533 sq m.
Tenure	Freehold
Planning / Zoning	According to current information from the local planning department of Zeewolde, the permission for developments is regulated by 'Trekkersveld III' (permission for project developments within built-up areas). The permitted use is commercial.

TENANCY

Gross Current Rent	€ 2,500,000
Net Current Rent	€ 2,251,309
Weighted Average Unexpired Lease Term ("WAULT")	13.93
Tenancy(cies)	The property is solely let to 'Bakker Logistiek B.V'.
Overall Covenant Strength	Weak to average

VALUATION

Basis of Valuation	Market Value – subject to existing tenancies but otherwise with vacant possession		
Valuation Approaches	Primary - Income Capitalisation / Secondary - Direct Comparison		
Date of Valuation	31 March 2018		
Market Rent (Gross)	€ 2,217,909		
Gross Value	€ 40,933,164		
Capex Allowance	-€ 170,135		
Market Value	€ 38,430,000	Net of purchasers costs at	-6.07%
Initial Yield	5.50%		
Equivalent Yield	5.16%		
Reversionary Yield	4.81%		
Direct Comparison Rate (€/sqm)	€ 743	Disposal marketing period	9-12 months

EXECUTIVE SUMMARY - Heierhoevenweg 17, Venlo



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London
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INSTRUCTIONS / RELIANCE

Property ID	GRE23
Property Address	Handelsweg 26, Zeewolde
Valuation prepared for (the Addressees)	Perpetual (Asia) Limited, in its capacity as trustee of Frasers Logistics & Industrial Trust Frasers Logistics and Industrial Asset Management Pte. Ltd., in its capacity as manager of Frasers Logistics & Industrial Trust.
Assumptions, Limitations and Disclaimers	This Executive Summary must be read in conjunction with the full Report and Valuation in its entirety. It is subject to the assumptions, qualifications, limitations and disclaimers in the full Report and Valuation, which is available for inspection at the registered address of the REIT Manager for a period of three months from the date of the Circular.
Reliance and Liability	To the fullest extent permitted by law, Colliers International Valuation UK LLP excludes all liability arising from the use of or reliance on its valuations by any person other than the Addressees of the valuations and such other party that has entered into a reliance letter with us for any purpose whatsoever. For the avoidance of doubt, the Report and Valuation is not extended to the holders of units in Frasers Logistics & Industrial Trust ("Unitholders").
Purpose of Valuation	Ascertaining the market value in connection with the acquisition of the property, and inclusion in this circular to Unitholders.

PROPERTY PARTICULARS

Date of Inspection	17 January 2018
Type of Property	Industrial Logistics
Brief Description	The property comprises of warehouse, mezzanine and office space. It is in use by a logistics service provider which services the warehouse and distribution for third parties. The office/warehouse ratio is 2%.
Building Assessment	Based on our inspection, we estimate the property was constructed in 2015 and appeared to be in good condition commensurate with its age and use. Due to the construction year there is no suspicion for the use of asbestos
Surrounding Infrastructure	The property is located on the east of Venlo which is a town in the province of Limburg in the south of The Netherlands, close to the border with Germany. The property is situated on the logistic park of Trade Port Noord, approx. 1km from the state road N295 to the A71 and A67. Venlo train station is approx. 10km away from the subject property. The logistic strengths to this location are the strategic location between the connection of the harbours of Rotterdam and Antwerp to the heartland of Germany. The low (ground) prices and sufficient large scale plots makes this an appealing location for developers and tenants.
Site Area (sq m)	46,037
Lettable Area (sq m)	32,642 (measured in accordance with local practice)
Year of Completion	2015
Condition	Good

LEGAL

Legal Title	We understand that the site is registered under a single freehold title (plot number X1047 produced by Venlo land registry). We have been provided with a copy of the land registry extract dated 15.04.2015. The property comprises one parcel with a total sum of 46,037 sq m.
Tenure	Freehold
Planning / Zoning	According to current information from the local planning department of Venlo, the permissibility of developments is regulated by 'Trade Port Noord' (permissibility of project developments within built-up areas). The permitted use is commercial.

TENANCY

Gross Current Rent	€ 1,352,165
Net Current Rent	€ 1,195,156
Weighted Average Unexpired Lease Term ("WAULT")	7.72
Tenancy(cies)	The property is solely let to one tenant to "DSV Solutions Nederlands B."
Overall Covenant Strength	Good

VALUATION

Basis of Valuation	Market Value – subject to existing tenancies but otherwise with vacant possession		
Valuation Approaches	Primary - Income Capitalisation / Secondary - Direct Comparison		
Date of Valuation	31 March 2018		
Market Rent (Gross)	€ 1,281,054		
Gross Value	€ 27,605,636		
Capex Allowance	-€ 126,745		
Market Value	€ 25,900,000	Net of purchasers costs at	-6.10%
Initial Yield	4.33%		
Equivalent Yield	4.14%		
Reversionary Yield	4.07%		
Direct Comparison Rate (€/ sqm)	€ 793	Disposal marketing period	3-6 months

EXECUTIVE SUMMARY - Belle Van Zuylenstraat 5, Tilburg



Valuation prepared by
 Colliers International Valuation UK LLP
 50 George Street
 London
 W1U 7GA
www.colliers.com/uk



INSTRUCTIONS / RELIANCE

Property ID	GRE21
Property Address	Belle Van Zuylenstraat 5, Tilburg
Valuation prepared for (the Addressees)	Perpetual (Asia) Limited, in its capacity as trustee of Frasers Logistics & Industrial Trust Frasers Logistics and Industrial Asset Management Pte. Ltd., in its capacity as manager of Frasers Logistics & Industrial Trust.
Assumptions, Limitations and Disclaimers	This Executive Summary must be read in conjunction with the full Report and Valuation in its entirety. It is subject to the assumptions, qualifications, limitations and disclaimers in the full Report and Valuation, which is available for inspection at the registered address of the REIT Manager for a period of three months from the date of the Circular.
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Purpose of Valuation	Ascertaining the market value in connection with the acquisition of the property, and inclusion in this circular to Unitholders.

PROPERTY PARTICULARS

Date of Inspection	17 January 2018
Type of Property	Industrial Logistics
Brief Description	The subject property comprises of four warehouses of logistic accommodation, a packaging area and office space, extending to 18,121 sq m net floor area in total. The subject property is used for the storage of food, supermarkets and wholesalers related products. At the north-east side of the building there is an area for truck parking.
Building Assessment	Based on our inspection we estimate the property was constructed in the early 2000 and appeared to be in good condition commensurate with its age and use. Due to the construction year there is no suggestion of the use of asbestos. We have been provided with a building survey by BOAG dated 28th December 2016.
Surrounding Infrastructure	The subject property is situated on the southwest of Tilburg on the logistic Park Katsbogten. The A58 motorway is approx. 1km away. The nearest train station is located centre of Tilburg, 5 km in distance. The subject property is located on Industrial park Katsbogten. No residential sites are located near the business park. The industrial park has a mixture of medium and large businesses, with most of the businesses on the park engaged with logistics and production. Tilburg is known as one of the logistic 'hot spots' of The Netherlands, due to the strategic location between the connection of the harbours of Rotterdam and Antwerp.
Site Area (sq m)	43,180
Lettable Area (sq m)	18,121 (measured in accordance with local practice)
Year of Completion	Estimated early 2000
Condition	Good

LEGAL

Legal Title	We understand that the site is registered under a single freehold title (plot Number AA 2577 and E2151 of the Tilburg Land Registry). We have been provided with a copy of the land registry extract dated 28.02.2017. The property comprises of three land parcels with a total sum of 43,180 sq m.
Tenure	Freehold
Planning / Zoning	According to current information from the local planning department of Tilburg, the property is regulated by 'Katsbogten' (permission for project developments within built-up areas). The site is permitted for commercial use.

TENANCY

Gross Current Rent	€ 860,000
Net Current Rent	€ 801,106
Weighted Average Unexpired Lease Term ("WAULT")	8.92
Tenancy(cies)	The property is solely let to 1 tenant "Bakker Logistiek Tilburg B.V".
Overall Covenant Strength	Weak

VALUATION

Basis of Valuation	Market Value – subject to existing tenancies but otherwise with vacant possession		
Valuation Approaches	Primary - Income Capitalisation / Secondary - Direct Comparison		
Date of Valuation	31 March 2018		
Market Rent (Gross)	€ 862,097		
Gross Value	€ 15,039,434		
Capex Allowance	-€ 50,700		
Market Value	€ 14,120,000	Net of purchasers costs at	-6.16%
Initial Yield	5.33%		
Equivalent Yield	5.75%		
Reversionary Yield	5.34%		
Direct Comparison Rate (€/ sqm)	€ 779	Disposal marketing period	6-9 months

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INDEPENDENT MARKET RESEARCH REPORT



United Kingdom | 16 April 2018

Research Report
Jones Lang LaSalle Incorporated

INDUSTRIAL AND LOGISTICS MARKET OVERVIEW: GERMANY AND THE NETHERLANDS

Prepared For

Perpetual (Asia) Limited

(as trustee of Frasers Logistics & Industrial Trust)

Frasers Logistics & Industrial Asset Management Pte. Ltd.

(as manager of Frasers Logistics & Industrial Trust)

In Respect Of

Frasers Logistics & Industrial Trust

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SECTION 1 - ECONOMIC OVERVIEW: EUROPE, GERMANY AND THE NETHERLANDS

I. Eurozone economy

The advent of monetary union in 1999 created one of the developed world's largest economic blocs as 11 countries linked to form a new region (the Eurozone) containing over 300 million people. Membership has since expanded to 19 countries, although the appetite for further expansion has been dulled by the economic and political instability of the last decade.

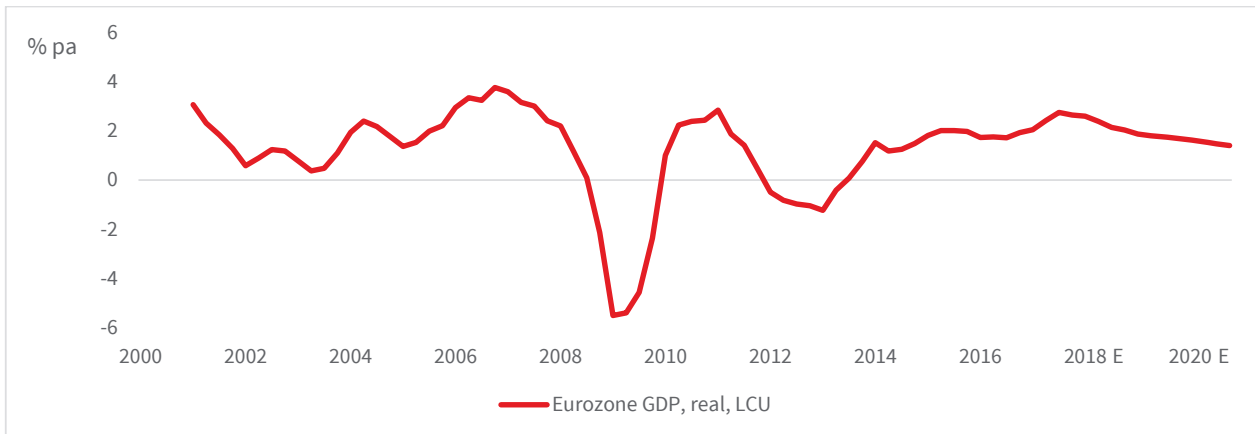
In the early years of the euro, performance was dominated by the peripheral economies as the core, especially Germany, struggled with internal reform and underachieved. The global financial crisis (GFC) exposed the underlying flaws in the euro. In the preceding boom, fringe economies had grown rapidly spurred by low interest rates, but their borrowings also rose heavily.

This led to major imbalances which eventually triggered the sovereign debt crisis in the early 2010s. Greece was the first to crash, but there were also major strains in Ireland, Italy, Spain and Portugal. At its worst in 2012, the crisis threatened to break up the Eurozone, until a combination of emergency European Central Bank (ECB) support and fiscal restraint slowly eased the problems. The debt crisis crushed the nascent recovery in the Eurozone. The region fell back into recession in 2012-13 and growth remained sluggish for several years after.

However, a slow but steady recovery followed as weak export-led growth was gradually reinforced by stronger domestic demand and more supportive policy. By 2017, the Eurozone was recording its strongest expansion since 2007 with growth estimated at 2.5%, outstripping competitors including the US and UK.

While Eurozone reform will be necessary to prevent the recent debt crisis from recurring, the short-term economic outlook remains as strong as at any time since the GFC. Consensus Forecasts (February 2018) indicate that GDP is expected to rise by 2.3% this year and 1.9% in 2019. These rates are slightly below recent levels, but still well above the 10-year historic average and estimates of the Eurozone's potential.

■ **Figure 1: Eurozone GDP growth**



Source: Oxford Economics

There are some downside risks to the Eurozone economy (via trade impacts) associated with a poorly managed Brexit, although these are generally considered to be small in terms of their impact on GDP growth rates. Most independent ‘central’ forecasts already include a Brexit effect based on the UK’s exit being reasonably well managed. Most Brexit downside risks clearly relate to the UK economy but we do not anticipate significant impacts (down or up) on the economic growth rates of Germany or the Netherlands.

II. German Economic Overview

Germany is the Eurozone’s largest economy and the world’s most important exporter. It was a founder member of the Eurozone in 1999, but saw sluggish economic performance over much of the next decade. This was largely a result of domestic structural reform to address falling export competitiveness post-reunification, which meant that the economy missed out on the consumer-driven boom seen in much of the developed world.

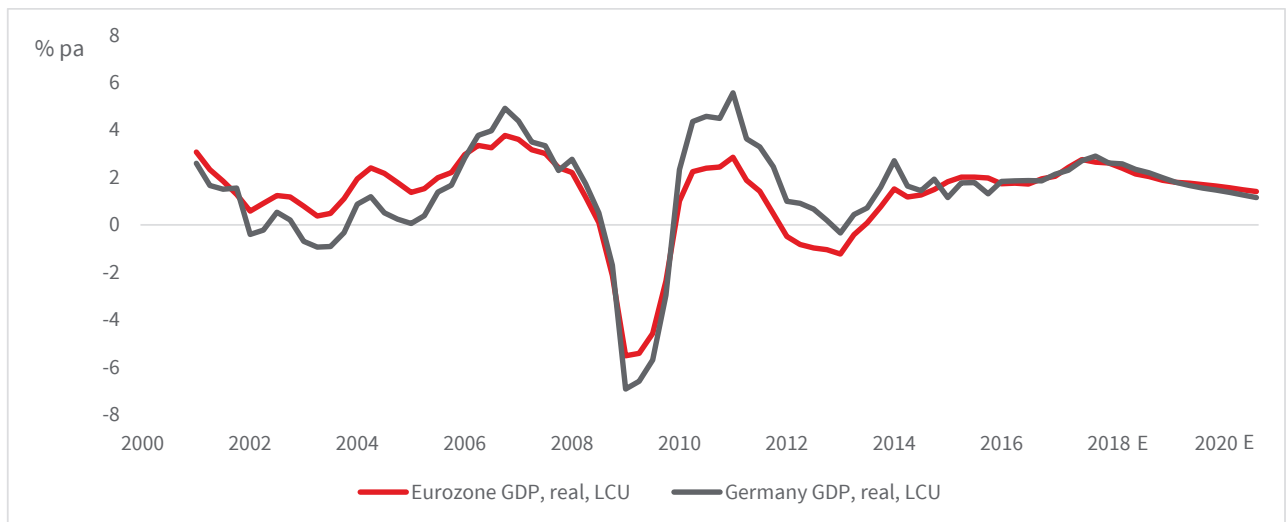
This restructuring was partly a consequence of German’s industrial structure. It has a much larger industrial sector than other developed economies (about one quarter of output) and this is reflected in a high share of exports in GDP. This means that it has been sensitive to external developments. Despite a subdued expansion and a strong financial position, Germany suffered a particularly deep recession after the GFC as world trade collapsed.

But in avoiding the excesses of the credit-fuelled cycle, Germany emerged strongly from the 2009 recession with relatively low levels of debt and exports resurgent. As a result, it went from laggard to leader within the region. However, even this was not enough to prevent the economy from being impacted

by the Eurozone's debt crisis from 2012, though Germany avoided the outright recession seen elsewhere. It has also been key to the region's recovery, with growth reaching a 5-year high of 2.5% in 2017.

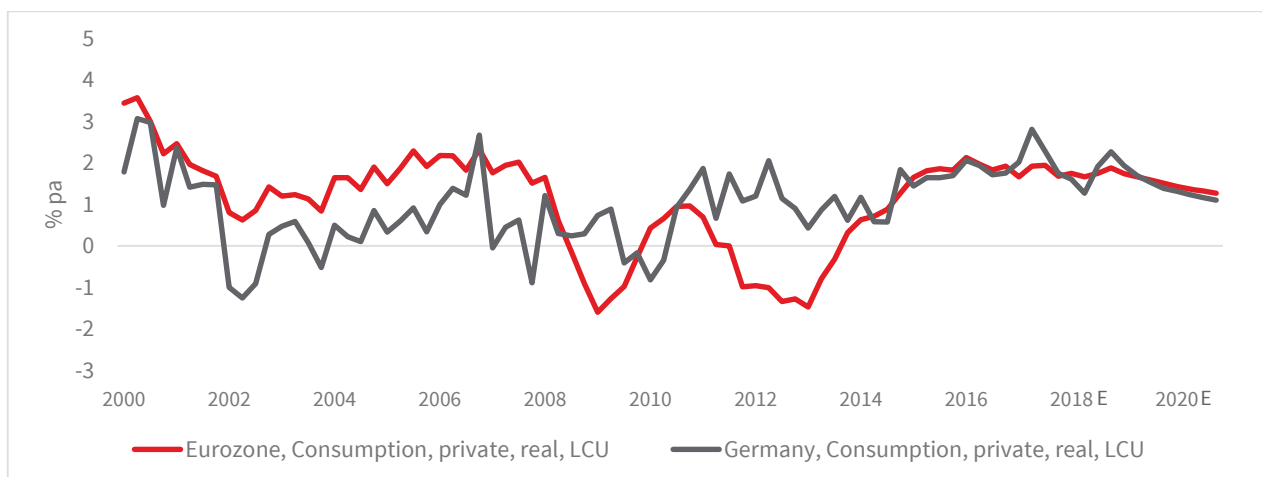
Despite the reforms of the 2000s, the German economy continues to face some structural challenges. The most important of these is demographic, with a flat or falling working age population limiting growth potential longer term. However, Germany's medium-term economic growth outlook appears robust with Consensus Forecasts (February 2018) suggesting growth of 2.4% this year and 1.9% in 2019, and its role as a global export powerhouse seems secure.

■ **Figure 2: Eurozone and Germany GDP growth**



Source: Oxford Economics

■ **Figure 3: German private consumption growth**

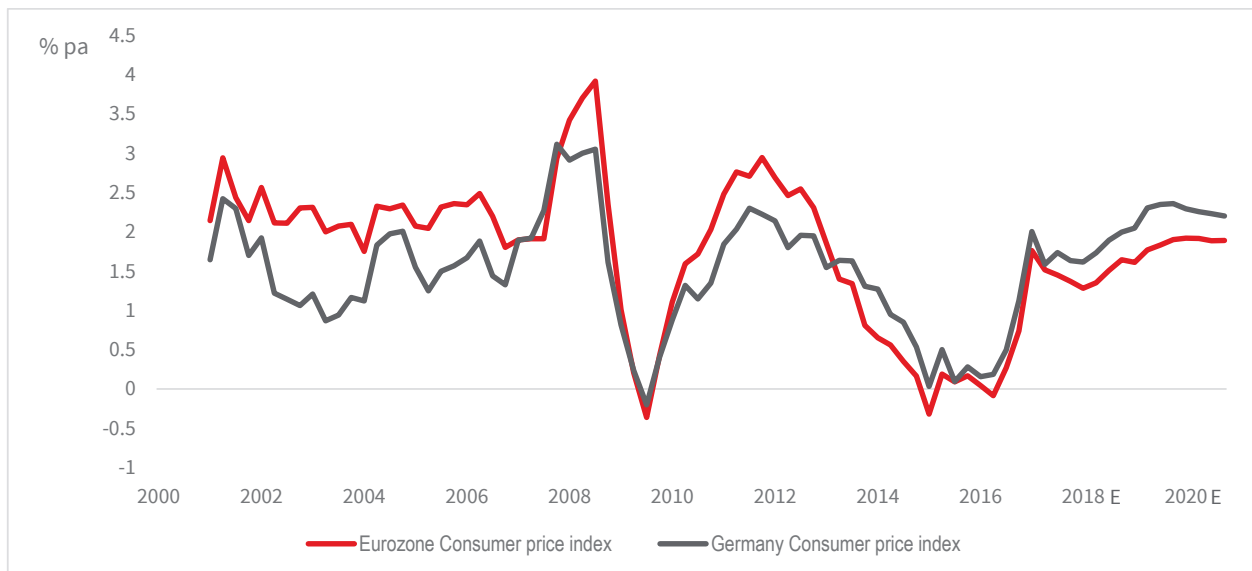


Source Oxford Economics

After joining the euro, German monetary policy was managed by the ECB albeit building on the strong Bundesbank foundations. In the 2000s, Eurozone policy rates were probably too high given Germany's deflationary fiscal stance and structural reform. As a result, inflation rates were well below average.

Since then performance has been more aligned and in the recent past Germany has had slightly higher inflation than the region as a whole. This is partly due to historically low unemployment rates compared with its Eurozone partners and its more dynamic economy. Looking forward, German inflation is expected to remain just below 2% year on year according to Consensus Forecasts, still below the ECB's target rate.

■ **Figure 4: Eurozone and Germany Inflation**



Source: Oxford Economics

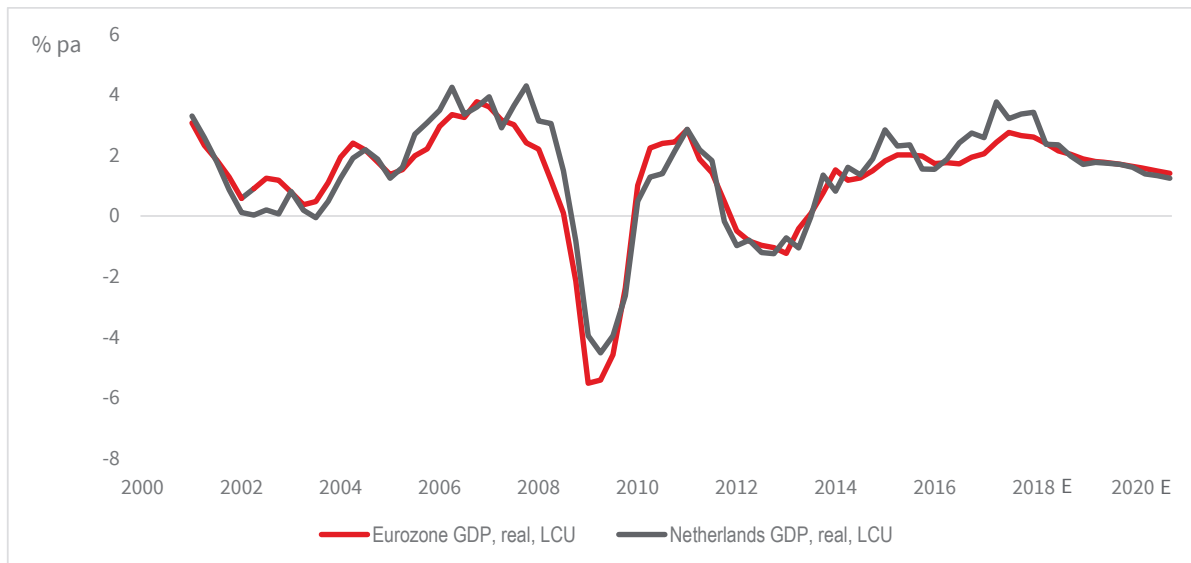
III. The Netherlands Economic Overview

The Netherlands was a founder member of the Eurozone in 1999. Despite a population of only 17 million, the economy is one of the world's top 20 largest. Like all of the core Eurozone, living standards are high. The Dutch economy is also highly open, reliant on external trade. In relative terms, the Netherlands has a larger current account surplus than its neighbour Germany and plays an important role as a European logistics hub.

In line with its neighbours at the heart of Europe, the Netherlands' expansion in the early 2000s was unspectacular. The situation improved by mid-decade, but was soon followed by the global financial crisis, resulting in a sharp contraction in output during 2009. After a partial recovery, the Netherlands slipped back into recession during the Eurozone financial crisis.

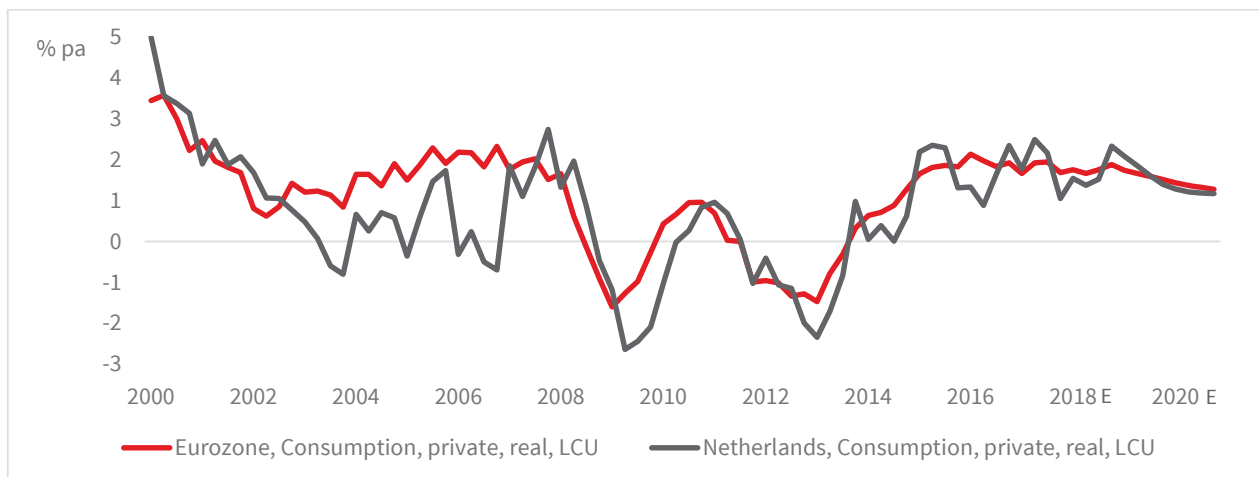
Although it was not one of the five Eurozone economies that were considered particularly vulnerable during the financial crisis (these were referred to as the PIIGS – Portugal, Italy, Ireland, Greece and Spain), the Netherlands did have problems with consumer indebtedness, related to a post-GFC collapse in house prices. As a result of weak domestic demand and despite a highly competitive export sector, recovery from recession was protracted. Nonetheless, employment began to recover by the mid-2010s and last year the economy recorded one of the most robust performances in the Eurozone with GDP rising by an estimated 3.3%.

■ **Figure 5: Eurozone and Netherlands GDP growth**



Source: Oxford Economics

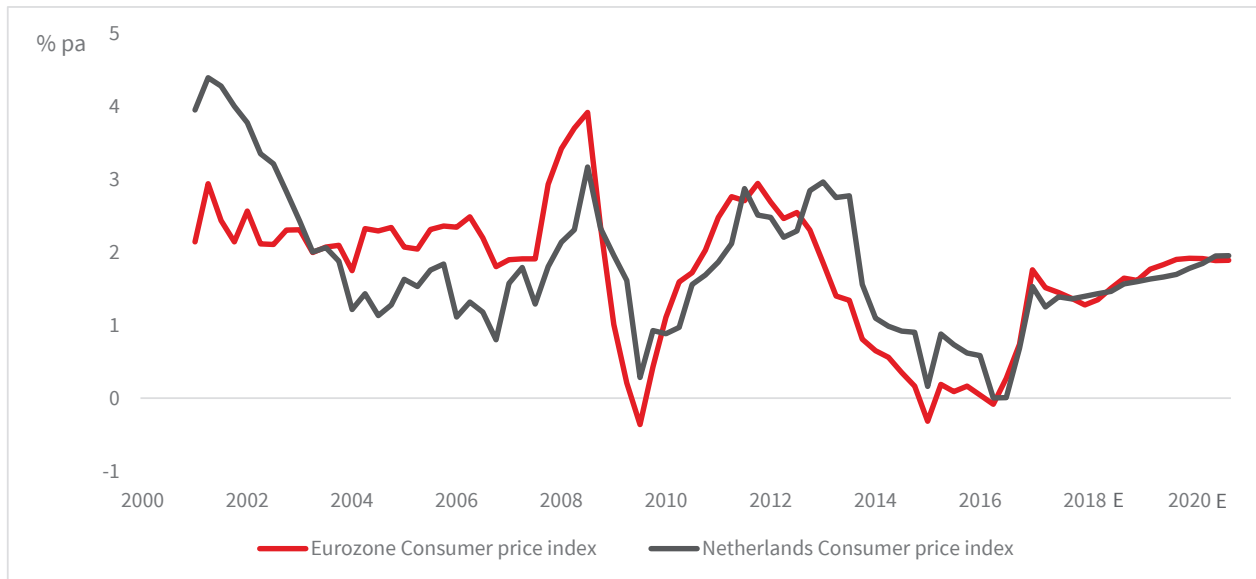
■ **Figure 6: The Netherlands private consumption growth**



Source: Oxford Economics

The outlook for the Netherlands remains healthy, with Consensus Forecasts (February 2018) indicating GDP growth of 2.6% this year and 2.1% in 2019. Unlike some of its neighbours, demographic trends are solid and export performance is expected to remain strong, with upside potential from the recovery in world trade. Overall growth rates of 1.5-2% are widely seen as the norm into the future in line with historic performance.

■ **Figure 7: Eurozone and Netherlands Inflation**



Source: Oxford Economics

Dutch inflation trends have closely mirrored those in the wider region over the last decade. A collapse in oil prices drove price inflation to close to zero in 2015-16, but rates have risen back towards a more normal 1-2% over recent months. With wage growth relatively subdued and the euro stable, the outlook is for annual price increases close to the 2% ECB target into the future.

IV. Currency and interest rate trends

1. The Euro

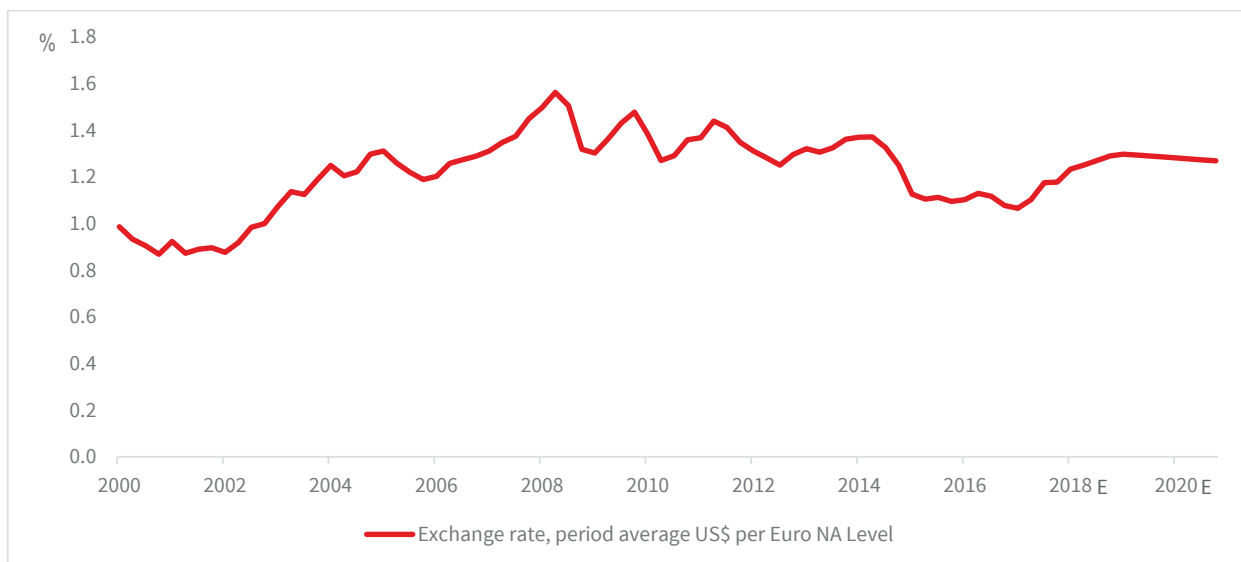
European trade is dominated by the euro. This new exchange rate was established in 1999 by the states that formed the Eurozone currency area. The 11 initial members were Germany, France, Italy, Finland, Ireland, Netherlands, Belgium, Luxembourg, Austria, Portugal and Spain, with Greece joining in 2001. Since then, Slovenia (2007), Malta (2008), Cyprus (2008), Slovakia (2009), Estonia (2011), Latvia (2014) and Lithuania (2015) have joined the bloc.

The Euro region itself has become more “closed” as a result of currency union, as most important trading partners now share the same currency and intra-regional trade (about 85% of the members’ total) is less of a factor in determining the exchange rate.

Overall, since its creation, the Eurozone region has enjoyed a current account surplus. However, as the sovereign debt crisis of the early 2010s showed, this conceals huge imbalances between members. With economies still pursuing independent fiscal policies and no flexibility to adjust the exchange rate, current account positions can diverge significantly and adjustment may be difficult.

The euro fluctuated widely over its first decade or so against other global currencies. After an initial dip and surge, for much of the last decade the euro followed a depreciating trend against the US dollar that accelerated during 2014 and 2015, although since then it has stabilised. This has in part reflected the economic problems in the region over the recent past, which meant the post-financial crisis recovery was slower than elsewhere, and a more active monetary stance from the ECB which has kept monetary policy looser for longer.

■ **Figure 8: Exchange rate, period average US\$ per Euro**



Source: Oxford Economics

More recently the euro has regained ground as economic fortunes have improved and it is expected to stabilise at close to the current \$1.25 mark. Thus far, the rise has had a limited impact on regional exports, although it could exert a drag on volumes in future, particularly if global trade moderates after 2018 as some forecasts suggest. Nonetheless, any slowdown is projected to be modest and the Eurozone’s external position is projected to remain healthy.

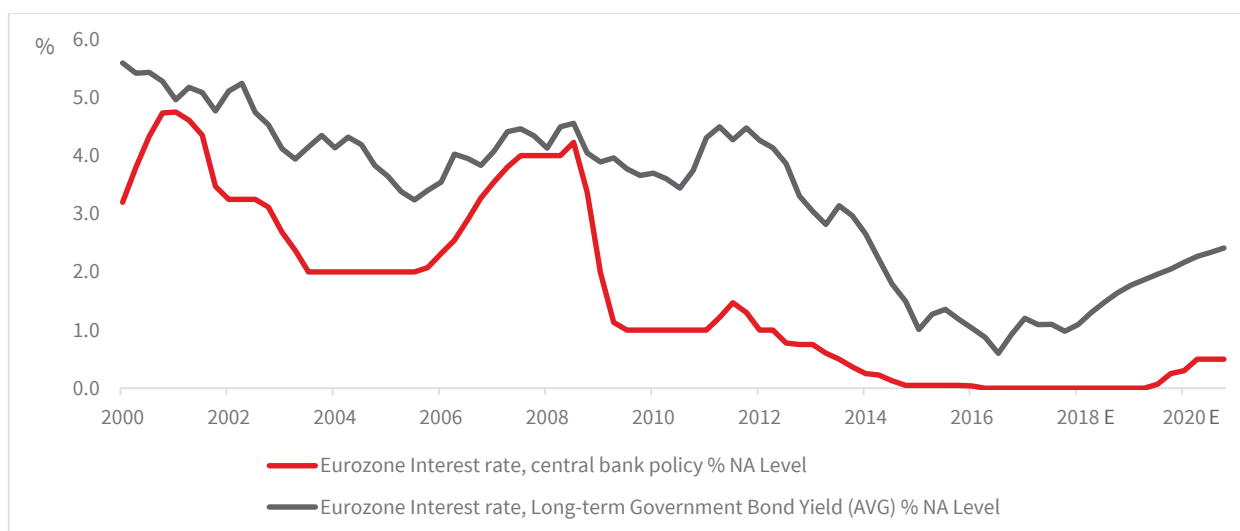
2. The European Central Bank and Interest Rates in the Eurozone

The advent of the single currency in 1999 meant a common Eurozone monetary policy run by a new central bank (the ECB) replacing the central role of the Bundesbank in the previous Exchange Rate Mechanism.

This new regime involved a one-size fits all interest rate setting approach across a disparate range of economies with divergent inflation trends. After 2001, policy rates fell sharply then rose late in the mid-decade expansion, a cautious trend that is now seen as exacerbating Eurozone economic imbalances as policy was too loose for the periphery economies and too tight for the core.

After the financial crisis, interest rates were slashed, though the ECB's approach remained fairly reactive when compared with the Federal Reserve and the Bank of England. It was only after the sovereign debt crisis of 2010-12 and the near collapse of the euro that further rate cuts and quantitative easing (QE) began to match the aggressive loosening elsewhere. The ECB has also continued its loosening bias much longer, continuing its asset purchases into 2018 and even experimenting with negative deposit rates.

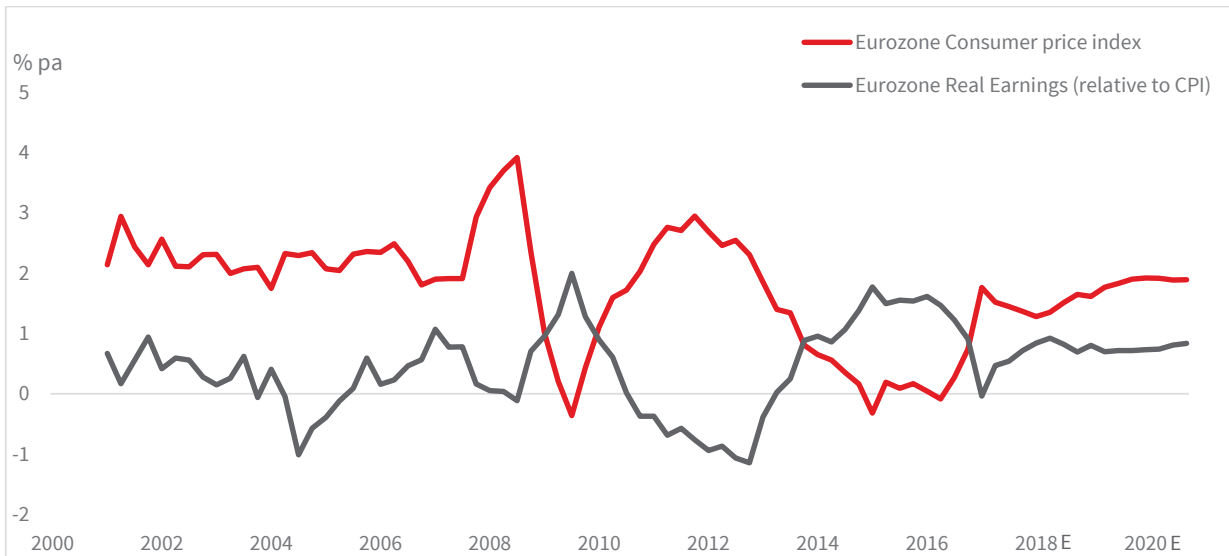
■ Figure 9: Eurozone Interest Rates



Source: Oxford Economics

The strength of the European recovery is shifting the bias within the ECB. A more hawkish stance is emerging, with September 2018 expected to mark the end of QE and rates set to rise 12 months or so after. Despite stronger economic growth, the weak inflation outlook means the ECB is likely to be extremely cautious about withdrawing monetary support. But rates are expected to rise gradually from their historic lows in 2019.

■ **Figure 10: Eurozone inflation and real wage growth**



Source: Oxford Economics

Eurozone inflation has remained at or below the ECB's 2% target for much of the recent past. The deflation of 2014-16 has ended, in part because it was caused by steep oil price falls which have since reversed. Inflation is expected to move back towards its target range provided the economic recovery is sustained and the upturn in real earnings continues.

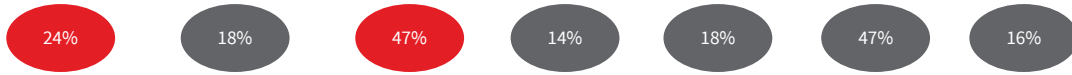
V. Overview of trade flows into Europe (and intra Europe)

1. The significance of Germany and Netherlands in European trade

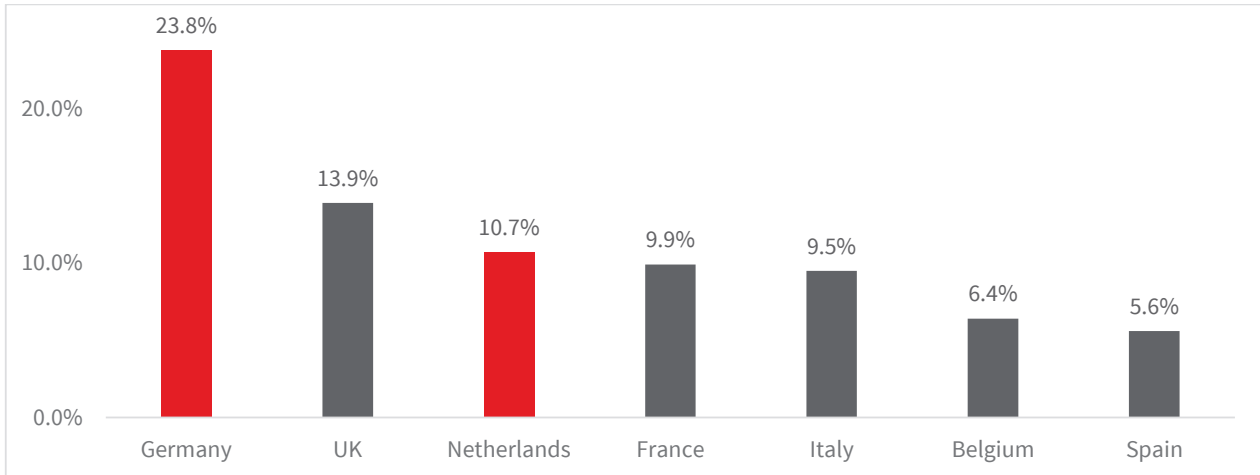
Trade is very important for the economies of Germany and the Netherlands as highlighted by the significance of trade as a percentage of their respective GDPs and by their share of total European Union (28) trade.

■ **Figure 11: Europe's gateway to global trade**

Total trade as % of country GDP



% EU 28 total trade in 2016 ¹



Source: European Commission, DG Trade Statistical Guide, June 2017. Various tables. Total trade = exports of goods + imports of goods

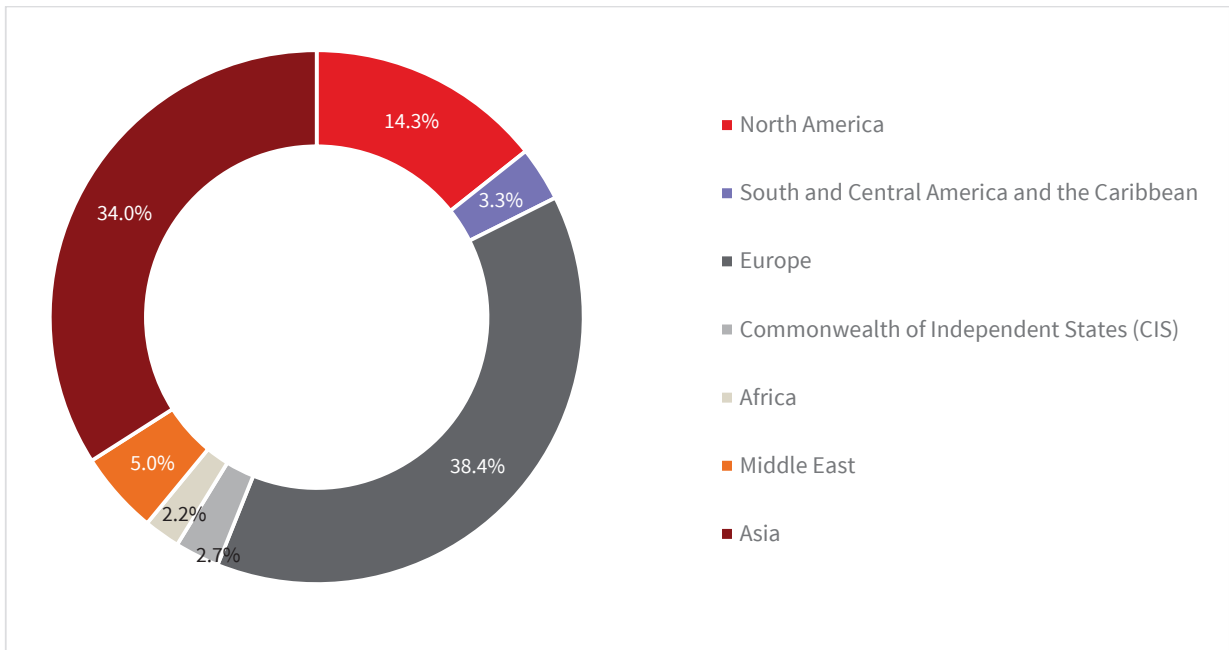
2. Import and export flows

Over the 20 years between 1997 and 2016, world trade as measured by world merchandise exports grew significantly faster than world GDP, at an annual average rate of 4.6% per annum compared with 2.8% per annum.

Europe is a major exporter of merchandise trade and accounted for a 38.4% share of the global total in 2016, of which the 28 members of the European Union (EU28) accounted for 34.7%. Asia was the next largest region, accounting for a 34.0% share, followed by North America (14.3% share).

¹ The EU 28 members are: Belgium, Bulgaria, Czech Republic, Denmark, Germany, Estonia, Ireland, Greece, Spain, France, Croatia, Italy, Cyprus, Latvia, Lithuania, Luxembourg, Hungary, Malta, Netherlands, Austria, Poland, Portugal, Romania, Slovenia, Slovakia, Finland, Sweden and the United Kingdom.

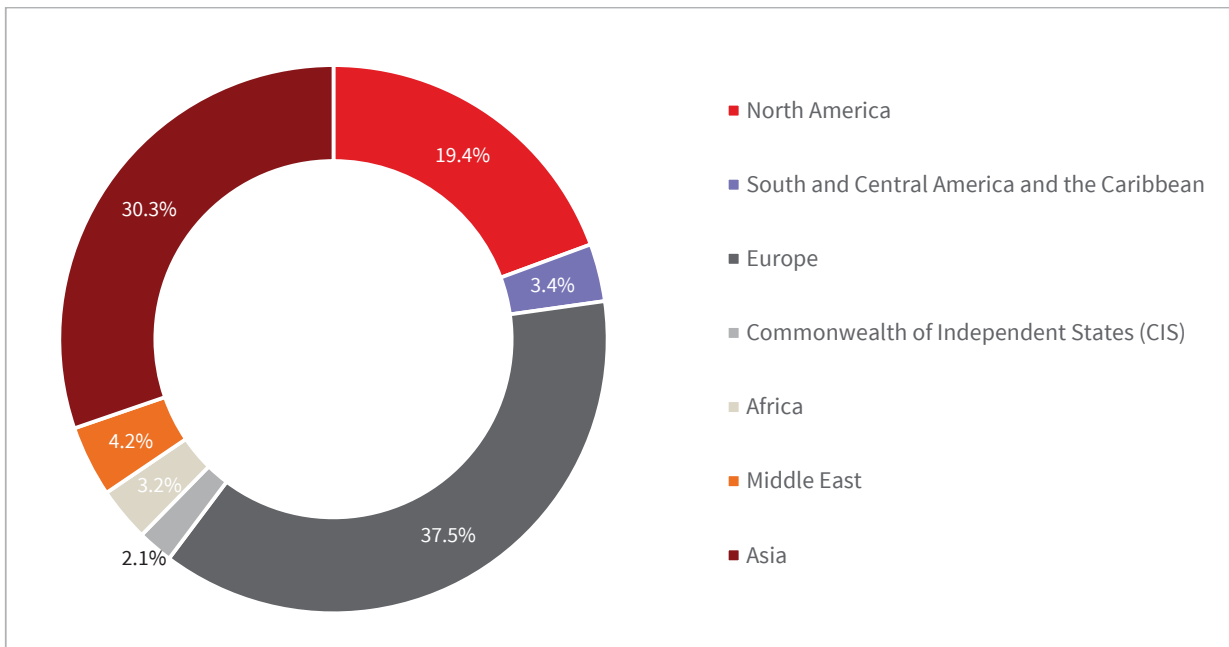
■ **Figure 12: World merchandise exports in 2016, % of total**



Source: WTO, World Trade Statistical Review 2017

Europe was also the world's largest regional importer of merchandise goods in 2016, with a 37.5% share of the total, of which the European Union 28 accounted for 33.7%.

■ **Figure 13: World merchandise imports in 2016, % of total**



Source: WTO, World Trade Statistical Review 2017

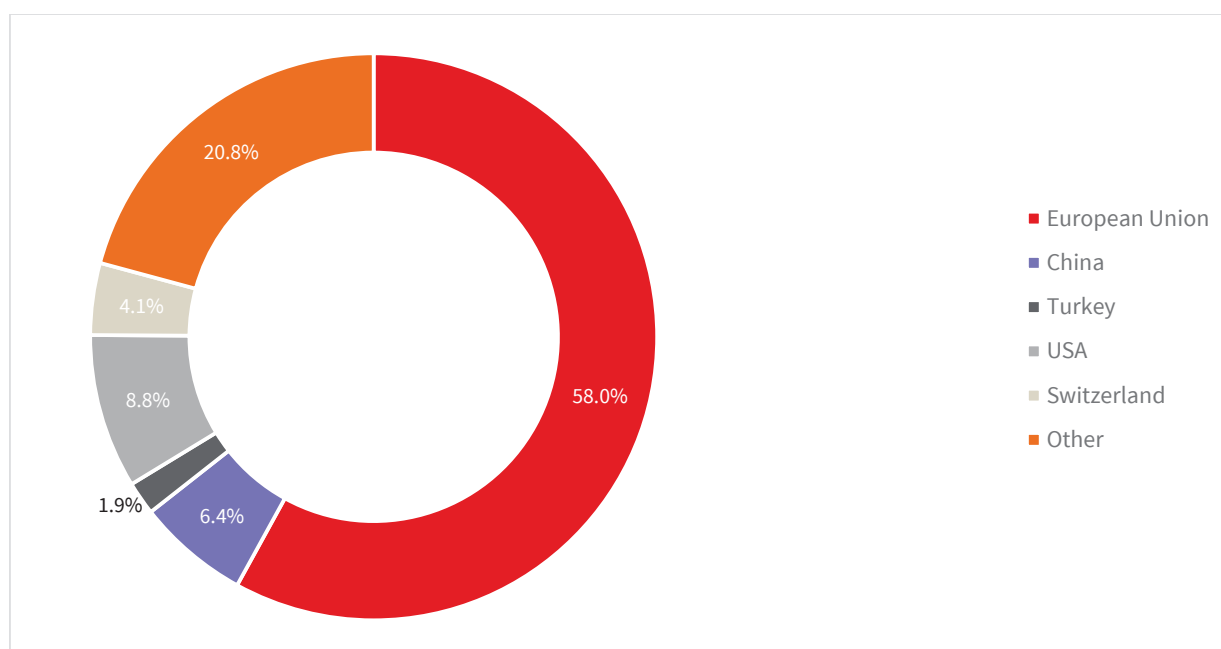
3. Intra-Europe trade flows: Germany and the Netherlands

Both Germany and the Netherlands are major trading economies. In 2016 Germany accounted for a 8.4% share of world merchandise exports and 6.5% of world merchandise imports. Both its exports and imports were dominated by manufactures which accounted for 86.5% of exports and 75% of imports in 2015.

The Netherlands accounted for a 3.6% share of world merchandise exports in 2016 and 3.1% of world merchandise imports. As with Germany, manufactures were the largest component in both cases at around two-thirds of the total in 2015.

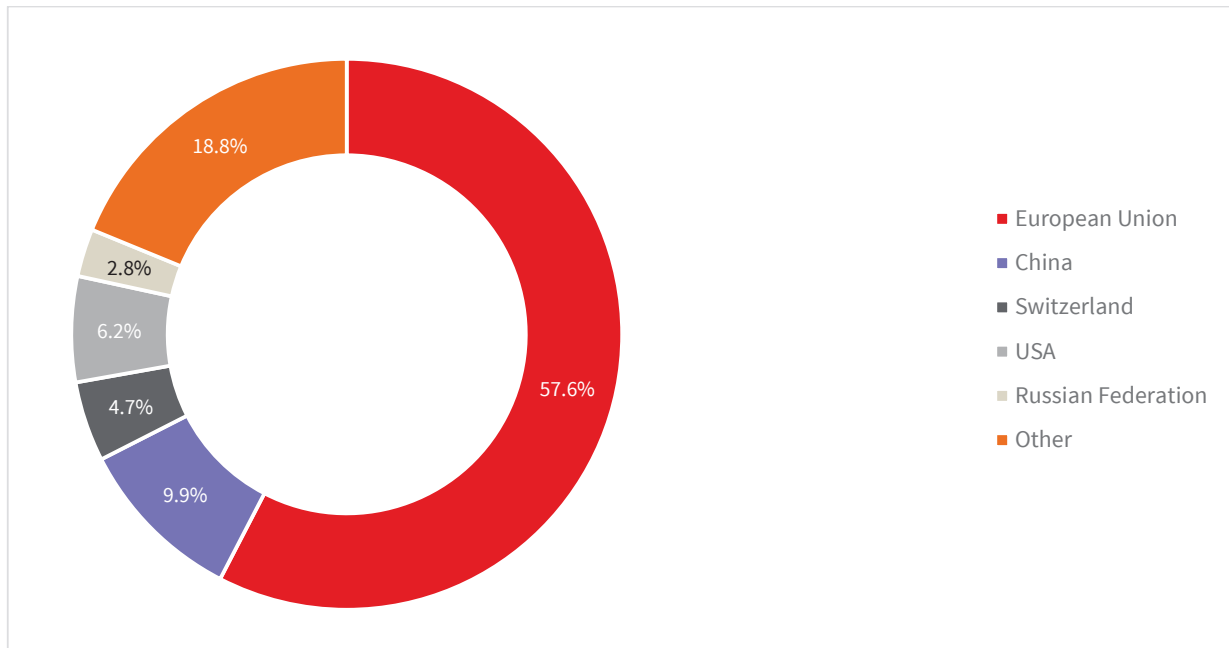
For both countries the main destination for merchandise exports was the EU28, which was also the main origin for merchandise imports. This highlights the significance of intra-EU trade for both economies.

■ **Figure 14: Germany – merchandise exports by main destination, % in 2016**



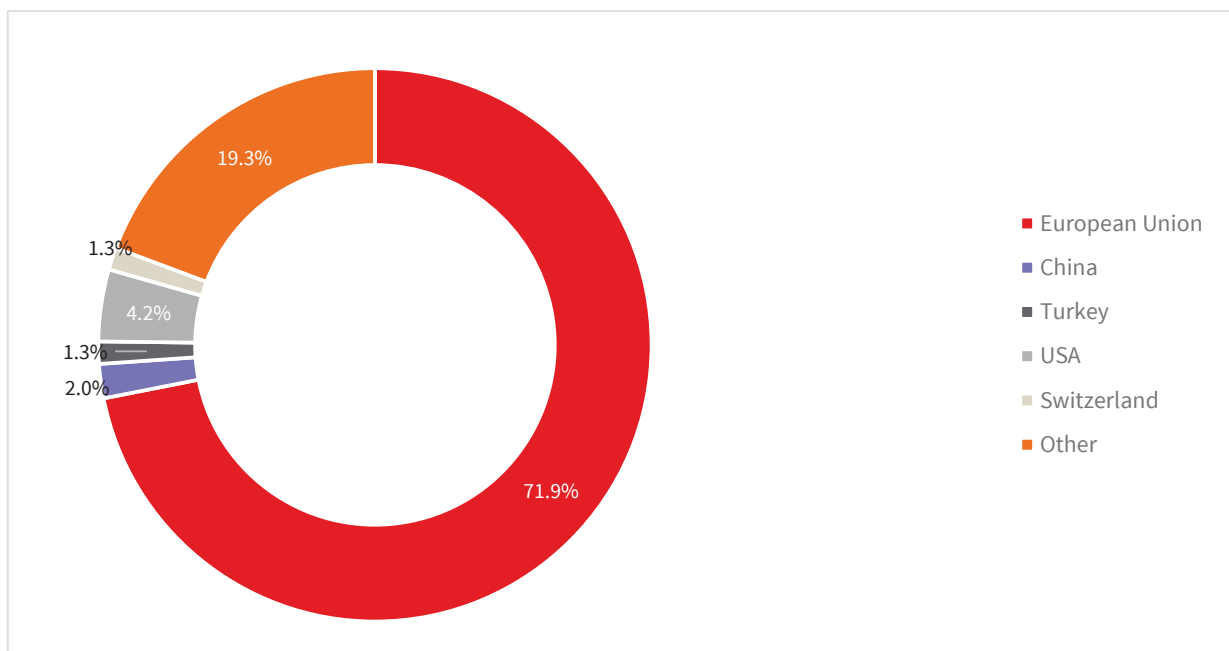
Source: WTO, Trade Profiles 2017. European Union refers to European Union 28.

■ **Figure 15: Germany – merchandise imports by main origin, % in 2016**



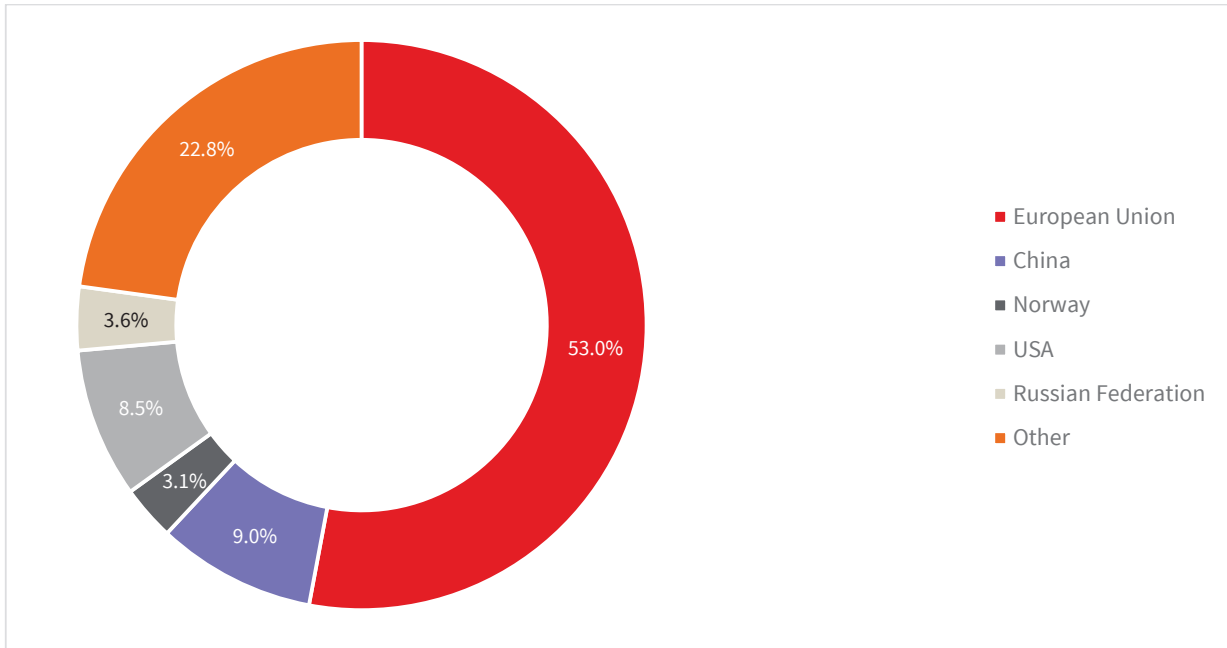
Source: WTO, Trade Profiles 2017. European Union refers to European Union 28.

■ **Figure 16: Netherlands – merchandise exports by main destination, % in 2015**



Source: WTO, Trade Profiles 2017. European Union refers to European Union 28.

■ **Figure 17: Netherlands – merchandise imports by main origin, % in 2015**



Source: WTO, Trade Profiles 2017. European Union refers to European Union 28.

4. Global and European logistics hub

Although global logistics hubs are widely referred to as key nodes in global supply chains, there is no definition of what constitutes a global logistics hub and, accordingly, no corresponding ranking of such hubs. However, there is broad agreement around the main factors that constitute a logistics hub and based on these factors there is also a reasonable degree of consensus on where the main global and European hubs are.

Global logistics hubs are broadly recognised as being characterised by a number of key attributes including: well-developed transport infrastructure, typically covering a range of modes; a large concentration of industrial and logistics real estate, to store, add value to and process goods through supply chains; good market access to industrial or end customers; and a favourable regulatory environment that facilitates the movement of goods along supply chains.

Research published by CBRE in 2015 identified 30 existing global logistics and 20 emerging hubs but, whilst this ranked hubs on certain objective criteria (e.g. volume of container throughput), it eschewed an overall ranking. Among the 30 existing hubs, 11 were in Europe, the Middle East and Africa (EMEA) including one in the Netherlands (Rotterdam) and three in Germany (Frankfurt, Hamburg and Dusseldorf/Cologne). Of the 20 emerging hubs, nine were in EMEA including two in the Netherlands (Amsterdam and Tilburg/Eindhoven/Venlo) and three in Germany (the Ruhr, Munich and Berlin).²

In an earlier study of European logistics hubs undertaken by Colliers International, Dutch and German locations also figured prominently. In a ‘balanced scenario’, the top 10 European hubs included Dusseldorf (ranked 1),

² CBRE, *Global & Emerging Logistics Hubs 2015*.

Rotterdam (3) Hamburg (5), Venlo (6) and Amsterdam (7). In the ‘distribution scenario’, Rotterdam was ranked second, Dusseldorf, third, Hamburg, fifth, Amsterdam, sixth, Venlo, eighth, and Frankfurt, tenth.³

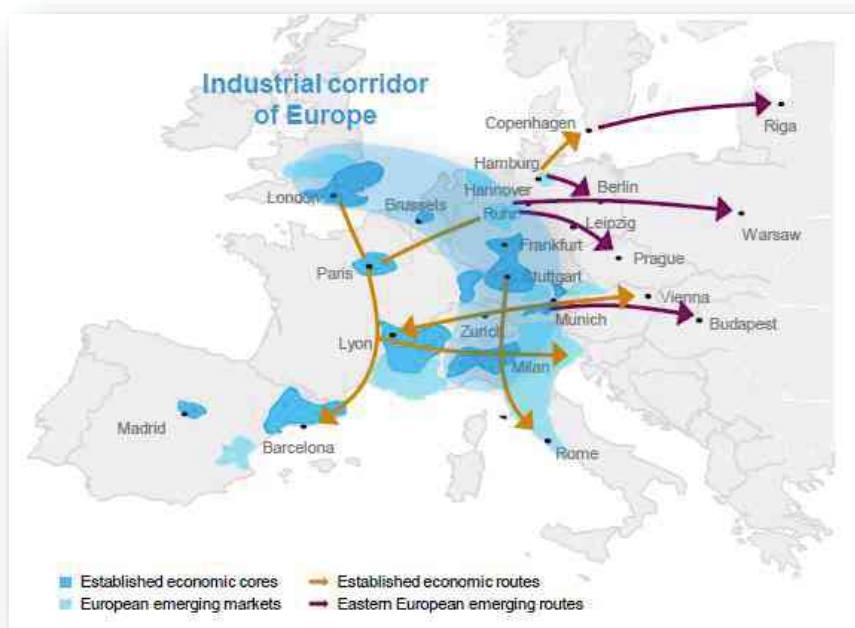
Research by Prologis on logistics ‘clusters’ also highlights the significance of certain Dutch and German locations.⁴ Defining a cluster as ‘an agglomeration of distribution centres concentrated to serve local consumption and /or global trade routes’, this research compared a location’s modern logistics stock against its ‘consumer households’ to give a Modern Logistics Concentration (MLC). It also compared a location’s MLC against the median MLC for the appropriate wider region (e.g. Europe) to give a Modern Location Quotient (MLQ).

The MLC expresses how much modern stock a location has relative to its consumer spending power, while the MLQ highlights how that ratio compares with the wider regional median MLC. According to Prologis, a MLQ ratio greater than 1.0 indicates that ‘a local cluster is most likely a net exporter of logistics services, and that demand for logistics real estate is driven by a distribution region that extends beyond the local consumer base.’

Among the Western European locations analysed Marseille scored highest on both ratios, but the next highest on both measures was the Southern Netherlands, and both Frankfurt and Hamburg also exceeded the MLC average and had a MLQ above 1.0.

Overall, Germany is Europe’s largest logistics market with a total built stock of modern warehouses in units of 8,000 sq m and over of around 65 million sq m.

■ **Figure 18: Europe’s main trade arteries traverse Germany and Netherlands**



Source: Bulwiengesa et al, Logistics & Real Estate Germany, 2015

3 Colliers International, *Top European Logistics Hubs, White Paper Q2 2013*.

4 Prologis, *The Global Evolution of Logistics Real Estate Clusters*, August 2015.

At a country level, the main global assessment is the World Bank's Logistics Performance Index (LPI), which analyses countries according to six components.⁵ In its fifth and latest edition (2016), Germany is ranked first globally, and Netherlands is ranked number four. The World Bank also highlights their consistency in that when the six LPI components across the last four surveys were aggregated Germany ranked highest overall followed by the Netherlands and then Singapore.

Clearly, the overall logistics performance of Germany and the Netherlands supports the significance of logistics hubs in these countries. This is reinforced by the importance of these countries' major seaports and air ports which are important gateways for trade.

Rotterdam is Europe's largest sea port with a total throughput of 467.4 million tonnes in 2017, up 1.3% on 2016. In 2016, it was ranked ninth in the world on total tonnage. In addition to being Europe's largest port overall, Rotterdam is Europe's largest container port. Container throughput rose by 10.9% in 2017 to hit 13.7 million TEUs (twenty feet equivalent units, the standard industry measure) and by 12.3% by weight to reach 142.6 million tonnes.

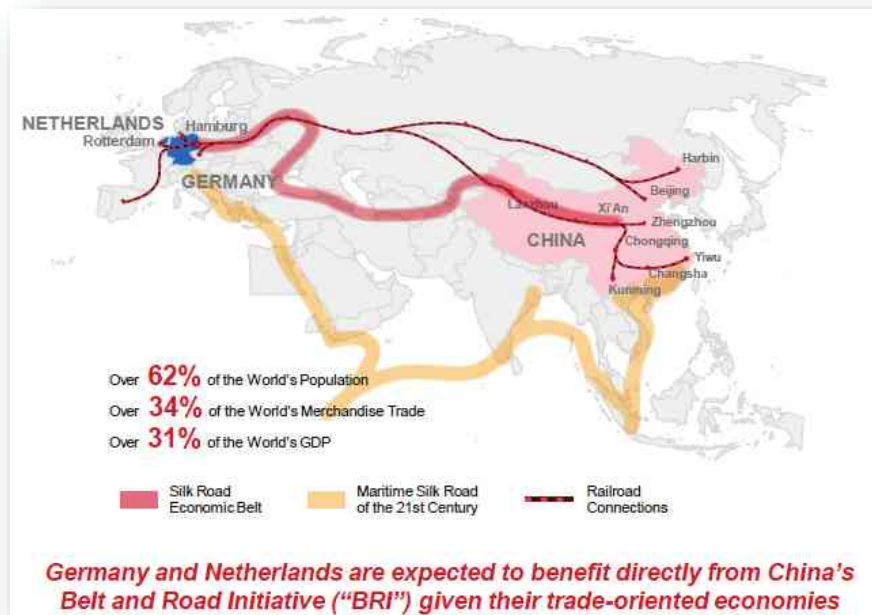
Rotterdam has seen steady growth over the past five years in terms of its share of the European container market which was at its highest level since 2000 at 31% (in 2017 through to Q3). Most growth was seen for Asia and South America and from North America, but feeder volumes also grew strongly for all European shipping areas and, in particular, Scandinavia and the Baltics.

Hamburg is Germany's largest sea port and handled 138.2 million tons in 2016, making it Europe's third largest (after Rotterdam and Antwerp). In 2016 it handled some 8.9 million TEUs, ranking third in Europe (behind Rotterdam and Antwerp) and 17th globally. Its largest trading partners in terms of container throughput in 2016 were China (including Hong Kong), Russia, Singapore, USA and Finland.

Germany also has the world's largest inland port - at Duisburg - another major gateway. In 2016, it handled some 166.1 million tons of freight (including private company ports), comprising some 53.1 million tons by ship, 30.8 million tons by rail and 49.2 million tons by truck. One factor contributing to Duisburg's growth prospects is the "One Belt, One Road" initiative of the Chinese government (also known as the "New Silk Road") which is activating new trading routes between Asia and Europe. For example, according to its 2016 Annual Report of the Duisport Group, twenty-five direct trains already travel every week between Duisburg and destinations in China.

⁵ The World Bank, *Connecting to Compete, Logistics Performance Index*, 2016. The six components are: the efficiency of customs and border management clearance; the quality of trade and transport infrastructure; the ease of arranging competitively priced shipments; the competence and quality of logistics services; the ability to track and trace consignments; the frequency with which shipments reach consignees within scheduled or expected delivery times.

■ Figure 19: China's Belt and Road Initiative ("BRI")



Source: ETNC Report, Europe and China's New Silk Roads, December 2016.

Although airports account for much smaller volumes, they are very important for time critical assignments and high value goods. In 2016 Frankfurt (2.11 million tonnes) ranked as Europe's second largest cargo airport by total tonnage after Paris CDG (2.14 million tonnes) according to preliminary data from the Airports Council International. Amsterdam (1.69 million tonnes) ranked third ahead of London Heathrow (1.64 million tonnes).

Amsterdam Schiphol Airport reported an increase in cargo volumes in 2017, with 1.75 million tonnes handled last year, according to Schiphol Cargo. This growth was boosted by a 8.8% increase in exports to Asia Pacific while imports from this region rose by 3.1%. Asia remained Schiphol's largest market, with Shanghai, China, the busiest destination. European exports grew 19.1% to 123,950 tonnes in 2017, with imports up 18.2% to 124,992 tonnes. The increase in e-commerce shipments, both inbound and outbound, was a large contributor to cargo volumes for this market.⁶

⁶ Schiphol Cargo, Exports to Asia boost Schiphol cargo to a record 1.75 Million Tonnes n 2017, News 23 January 2018

SECTION 2 - GERMANY: NATIONAL AND SUBMARKET INDUSTRIAL AND LOGISTICS OVERVIEWS

I. Germany

1. Key national GDP sector contributors

Germany is the fourth largest economy in the world, after the USA, China and Japan according to World Bank data based on 2016 GDP. Although service industries accounted for 68.9% of GDP by output (in 2015) the country has a highly significant industrial sector, which contributed 30.5% to total output. Within this sector, Germany is recognised as one of the world's leading manufacturing economies, which includes a substantial automotive sector to name but one example. In 2016 the country ranked as the third largest exporter of merchandise trade (after China and the USA) and the third largest importer (after the USA and China). Germany ranks number one in the world for its overall 'logistics performance' according to the World Bank's most recent Logistics Performance Index. The country provides access to about 250 million consumers within a catchment area of 500 kilometres.⁷

2. Supply and drivers

The five most important German industrial and logistics markets, Berlin, Dusseldorf, Frankfurt, Hamburg and Munich (the 'Big 5'), continue to see a limited supply of modern warehouse and logistics space available short-term.

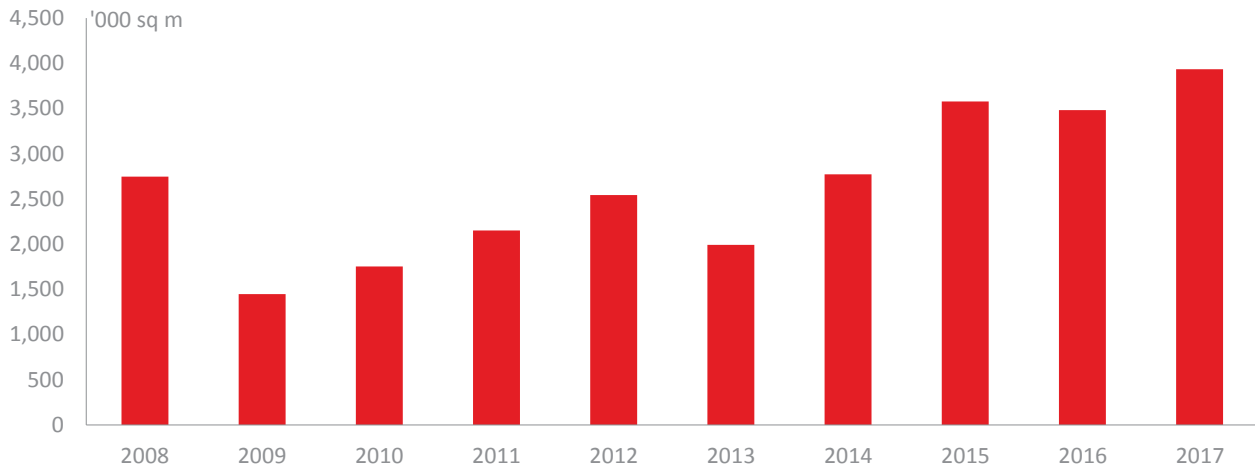
Although around 1 million sq m of warehouse space was completed in the 'Big 5' in 2017, the supply in total is still very limited due to strong occupier demand. This is highlighted by the fact that just 16% of the space completed in 2017 was still available to the market at the time of completion. In addition, only around a third of the current supply pipeline under construction (which totals c. 630,000 sq m) is still available. The built-to-suit completions are tailored to users in different sectors. E-commerce users are among these, but do not dominate this market.

The supply of land suitable for logistics use is also extremely limited in many regions and strong development activity in recent years has aggravated this situation further. In addition, competition from other higher value land uses has put pressure on the supply of land for logistics activities.

On a national level, completions involving units of 5,000 sq m and above reached just below 4 million sq m in 2017, an increase of 13.0% on 2016 and 49% above the 10-year average (2008-2017). Although completions have been rising over recent years, development is still lagging behind the strong occupier demand for additional space.

⁷ Federal Ministry of Transport, Building and Urban Development, Logistics Made in Germany.

■ **Figure 20: Warehouse completions Germany**



Source: JLL; space >= 5,000 sq m

3. Demand and drivers

In 2017 around 6.5 million sq m of warehouse and logistics space was taken up across Germany, taking into account both owner-occupation and lettings. This total includes warehouse space taken up across Germany in units of 5,000 sq m and over and warehouse space taken up in the 'Big 5' regions in units under and over 5,000 sq m. This was the third consecutive year that national take-up exceeded the 6 million sq m mark. Although take-up in 2017 was 3% below the previous year's record level (approx. 6.7 million sq m), the 2017 performance was still 15% above the average for the five years 2012 to 2016 and around a third higher than the long-term average from 2007 to 2016. Due to the positive economic conditions and continued high level of demand for space, we expect a similar level of take-up in 2018.

In the 'Big 5' conurbations, around 2.03 million sq m was taken-up in 2017. Although this was 3% less than in 2016, it was 6% above the 5-year average and 17% above the 10-year average. Whilst letting take-up was 18% above the 5-year average, take-up by owner-occupiers was almost 30% below.

There was a year-on-year increase in take-up in the Dusseldorf (49%) and Frankfurt (14%) regions, Berlin remained stable but there were decreases in the Hamburg (-31%) and Munich (-14%) regions. The highest take-up was recorded in the Frankfurt region (652,000 sq m), which exceeded second placed Hamburg (460,000 sq m) by 42%. This was followed in third place by Berlin with 420,000 sq m.

Five of the six largest transactions of the year in the 'Big 5' were registered in the Frankfurt region, including lettings of over 54,000 sq m in Butzbach to Bosch, just under 40,000 sq m in Trebur to Kraftverkehr Nagel and over 35,000 sq m in Gross-Gerau to Gorilla Sports.

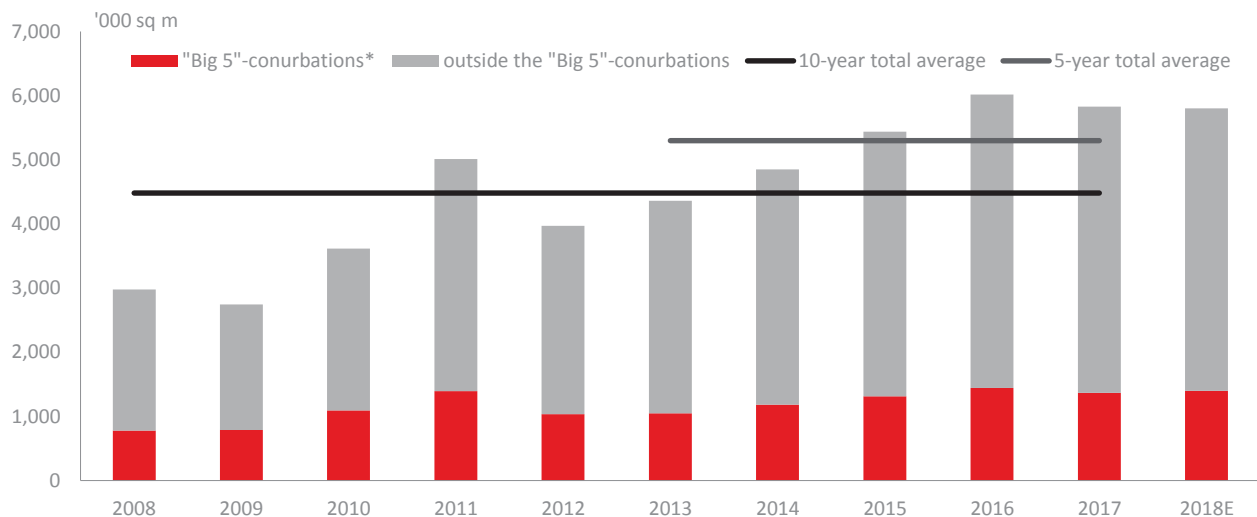
Outside the 'Big 5' conurbations take-up totalled 4.46 million sq m, in 2017, marginally below the level recorded in 2016 but the the second-best performance of the past 10 years. Take-up in 2017 was 20% above the 5-year average and 42% above the 10-year average.

Around three-quarters of all take-up was attributable to new-build/project developments outside the 'Big 5' conurbations, which is greater than in the 'Big 5' themselves. The highest take-up was again in the Ruhr Area. At

almost 550,000 sq m, this corresponded to 12% of total take-up volume outside the 'Big 5'. Although it fell well short of the extraordinary record performance of the previous year (1.05 million sq m), it was still the second-best result of the past 10 years. This was followed by the Hanover/Brunswick (374,000 sq m) and Mönchengladbach regions (353,000 sq m). The latter benefited from large-scale lettings to Amazon (around 140,000 sq m) and the logistics company Rhenus, which leased a total of 120,000 sq m in two phases. There was one large transaction in the Hanover/Brunswick region: a logistics centre of c. 93,000 sq m was constructed in Peine for the non-food discounter Action.

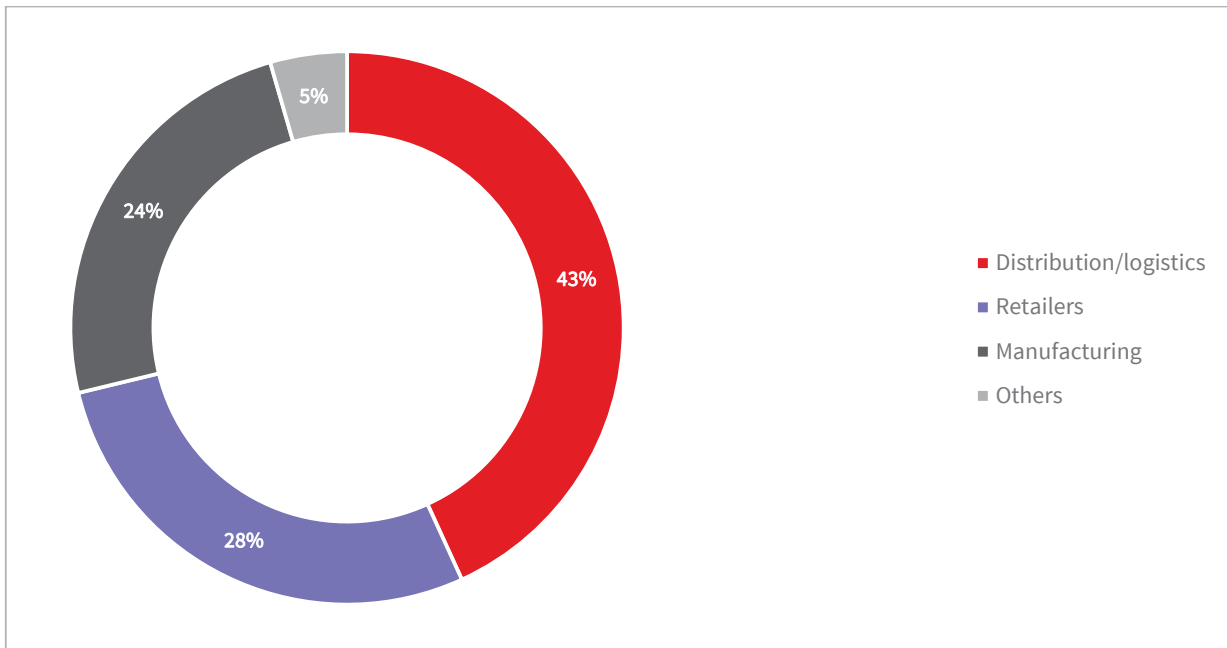
E-commerce has been a significant driver of demand nationally – especially outside the 'Big 5'. In 2017 e-commerce companies contributed around 435,000 sq m to total take-up outside the 'Big 5' conurbations and another 52,000 sq m was taken up within the 'Big 5' markets, making a total of 487,000 sq m nationally. Around half (245,000 sq m) of this national total was attributable to Amazon. Given forecasts of growing e-commerce, demand is expected to remain robust and there is likely to be an increasing focus on 'last mile' logistics. The growth of e-commerce is leading to strong demand for a range of different types of warehouses including large fulfilment centres, central parcel hubs, local parcel delivery centres, warehouses for grocery fulfilment, returns processing centres and local depots for same day fulfilment.

■ **Figure 21: Warehouse Take-up Germany ≥ 5,000 sq m**



Source: JLL; space >= 5,000 sq m. * Berlin, Dusseldorf, Frankfurt, Hamburg, Munich

■ Figure 22: Warehouse Take-up Germany by sector 2017



Source: JLL; only space $\geq 5,000$ sq m (total take-up = 5.83 million sq m). Take-up directly attributable to e-commerce amounted to 8% of the total. The share is included within the different sector shown, e.g. within the take-up by distribution/logistics operators and the take-up by retailers.

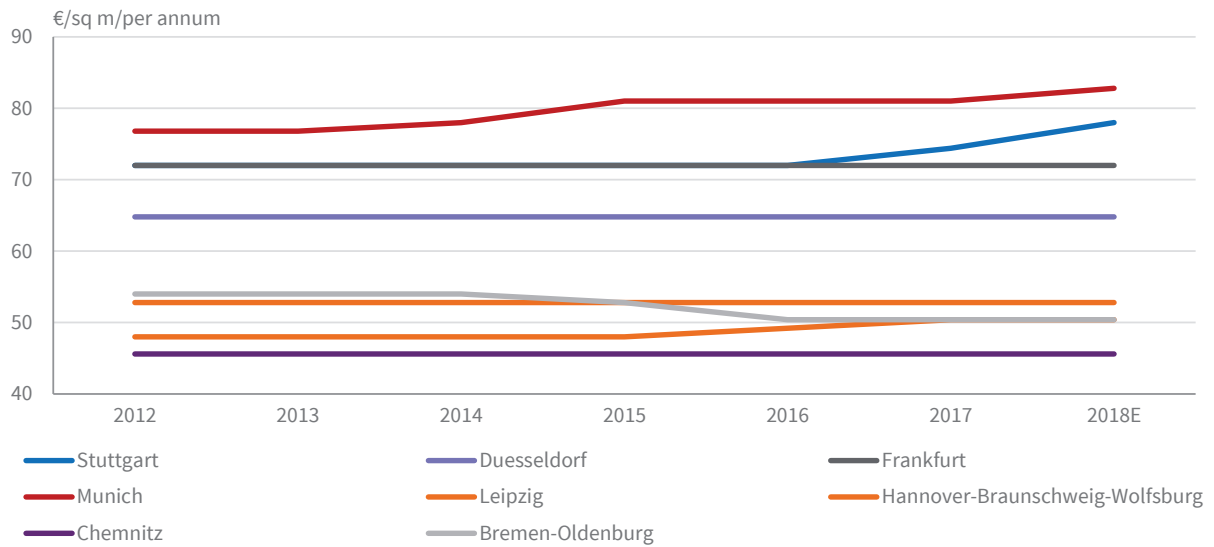
4. Rents and incentives

Prime headline rents for warehouse space involving units of 5,000 sq m and over in the 'Big 5' remained stable in 2017 compared to 2016. The highest rent of €6.75/sq m/month was achieved in the Munich region, followed by the Frankfurt (€6.00/sq m/month), Hamburg (€5.60/sq m/month) and Dusseldorf regions (€5.40/sq m/month). The most reasonably priced premium space was in Berlin, where prime rents reached €5.00/sq m/month.

Regarding incentives, there is a relatively uniform picture across the country with the typical rent-free period for a five-year lease ranging between none and three months. Especially in the larger centres, landlords do not generally grant incentives, except for rental contracts of eight years and longer or for spaces with poor building standards. The current situation with almost no incentives is the result of the aggravated supply situation. Only one year ago, in many markets a minimum of one month was very common even in the most sought-after locations, and the range was between one and three months. This range has been fairly stable over the last cycle. Both, at the market peak in 2007 and at the market through in 2009, the rent-free period was unaffected until the end of 2016, since when it has decreased.

Prime headline rents have been broadly stable over most of the past five years although certain locations, notably Stuttgart, have more recently registered rental growth.

■ **Figure 23: Prime headline rents in Germany**



Source: JLL, Prime rents in €/sq m/annum for spaces ≥ 5,000 sq m

5. Transactions volumes and key recent sales

The German logistics and industrial investment property market recorded a transaction volume of €8.7 billion in 2017, an 84% increase on 2016 (€4.72 billion). The 2017 total reflected a 166% increase over this sector's own five-year average (€3.27 billion).

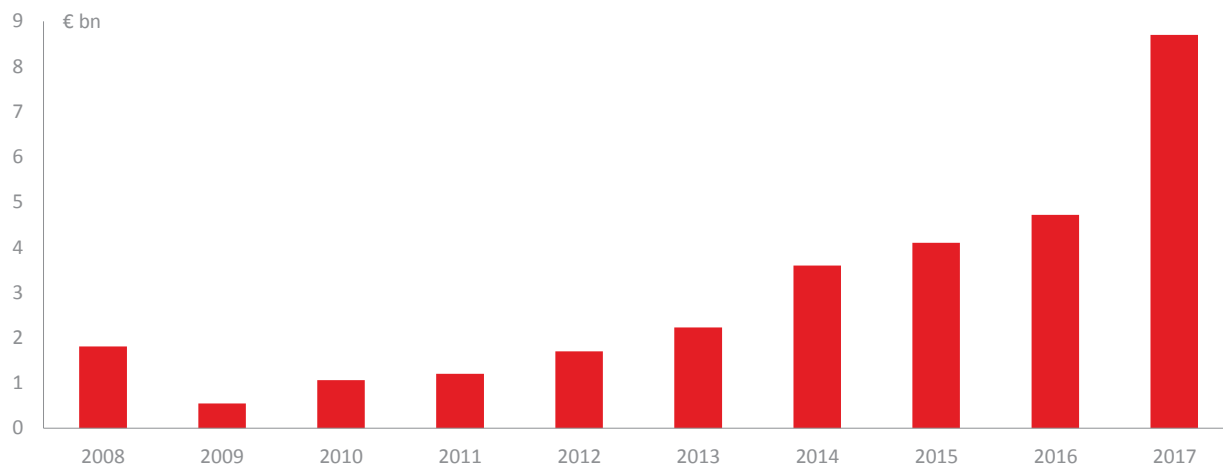
The share of logistics and industrial assets compared to the total commercial transaction volume has never been so high; the asset class accounted for over 15% of the total in 2017. Among the overall top 10 transactions in Germany, the asset class was represented three times. The almost €2 billion German share of the Logicor deal in the fourth quarter 2017 represented the largest commercial property transaction of the year.

The result is also attributable to a number of significant portfolio transactions. Total revenue from portfolio sales amounted to €6.23 billion – that alone would have been enough to secure a new record year. Individual transactions also contributed towards this performance: such deals generated a volume of €2.47 billion in 2017, which was in line with the previous year and more than a third above the five-year average.

With a volume of approximately €4.57 billion, the largest five transactions in 2017 also represented the five largest logistics deals ever registered and corresponded to more than 50% of the 2017 transaction volume. The top five deals in effect took place without any German participation: the sale of the Logicor portfolio by Blackstone to China Investment Corporation; the disposal of the Hansteen Germany portfolio to Blackstone and M7; the sale of the Gazeley portfolio by Brookfield to Chinese asset/fund managers; the disposal of the Gramercy portfolio to AXA Investment Managers; and the sale of the Geneba portfolio by Catalyst Capital GmbH to Frasers Centrepoint Ltd. In this light, the share of foreign investors reached 72%, mainly due to the large number of major transactions.

From the current perspective we expect another strong year for 2018 in the range of €5 billion to €6 billion as many portfolio holders will exploit the favourable economic conditions to sell assets.

■ **Figure 24: Transaction Volume Logistics and Industrial in Germany**



Source: JLL

■ **Table 1: Selected key investment transactions in 2017**

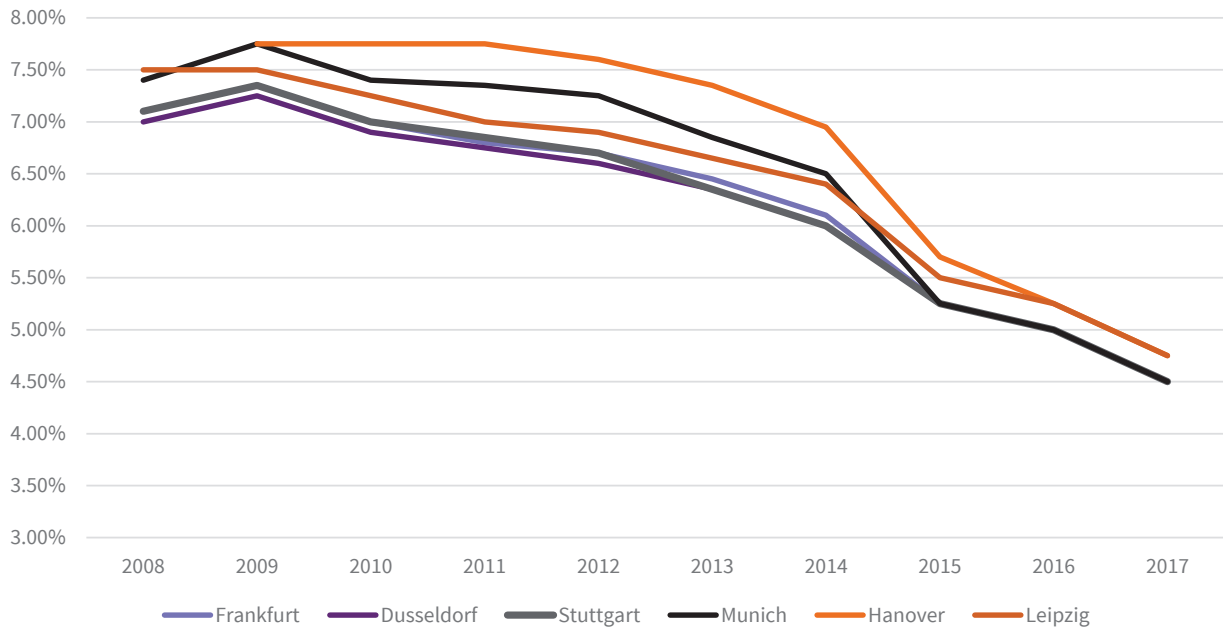
Date	Place	Address / Building name	Surface (sq m)	Deal size (in € mn)	Yield	Vendor	Investor
2017 Q2	Portfolio	Logicor	2,300,000	€ 1,900-2,000	conf.	Blackstone	CIC
2017 Q1	Portfolio	Hansteen	1,540,000	€ 975	conf.	Hansteen	Blackstone and M7
2017 Q4	Portfolio	Gazeley	680,000	€ 700-800	conf.	Brookfield	GLP
2017 Q2	Portfolio	Gramercy	550,000	€ 465	conf.	Gramercy	Axa
2017 Q2	Portfolio	Doblinger	250,000	€ 240	conf.	Doblinger	Garbe

Source: JLL (2018)

6. Yields

The recent exceptional level of investment activity and investor demand for industrial and logistics assets have driven prime investment yields lower. In no other asset class did German yields compress as sharply in 2017 as in the logistics sector. During the year, the average prime yield in the Big 7 (Berlin, Dusseldorf, Frankfurt am Main, Hamburg, Cologne, Munich and Stuttgart) fell by 50 basis points from 5.00 % to 4.50%. With investor demand expected to remain stable in 2018, we expect prime yields to see further compression this year, although likely by a more modest amount than seen in 2017. This could lead to increased demand for assets with a higher return in the industrial/light industrial segment.

■ **Figure 25: Prime net initial yields in Germany**



Source: JLL (2018)

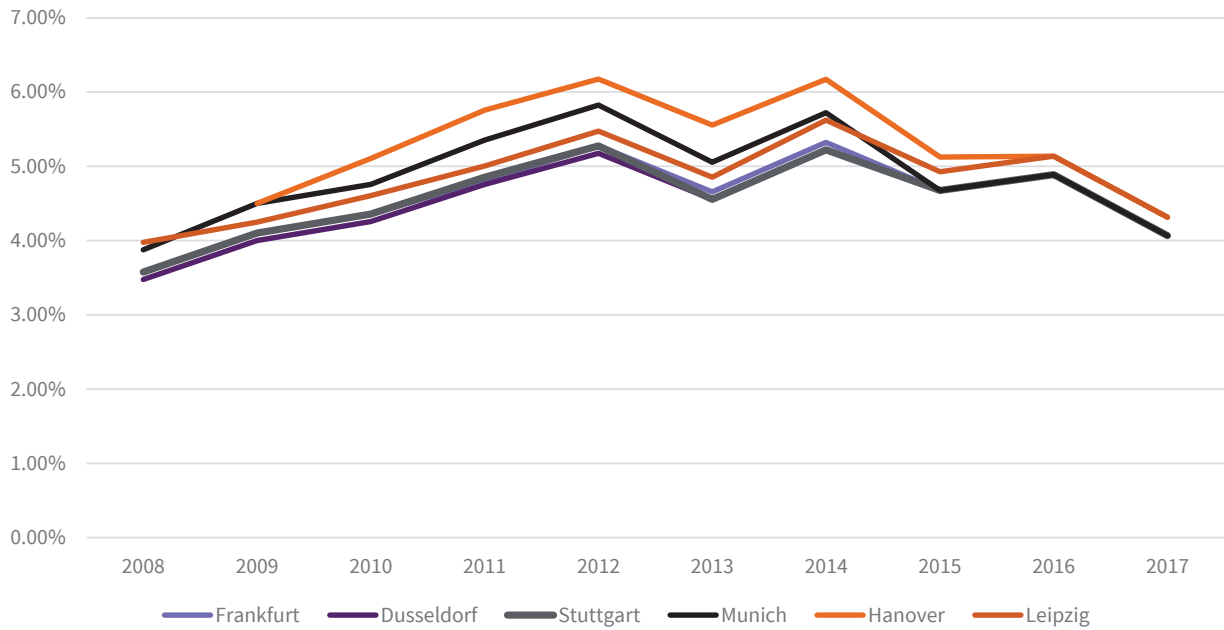
■ **Table 2: Prime Yields in %, end of year**

Market	2016	2017	2018 Forecast
Berlin	5.10	4.50	4.25
Dusseldorf	5.00	4.50	4.25
Frankfurt	5.00	4.50	4.25
Hamburg	5.00	4.50	4.25
Munich	5.00	4.50	4.25
Cologne	5.00	4.50	4.25
Stuttgart	5.00	4.50	4.25
Dortmund	5.25	4.50	n/a
Hannover	5.25	4.75	n/a
Leipzig	5.25	4.75	n/a

Source: JLL

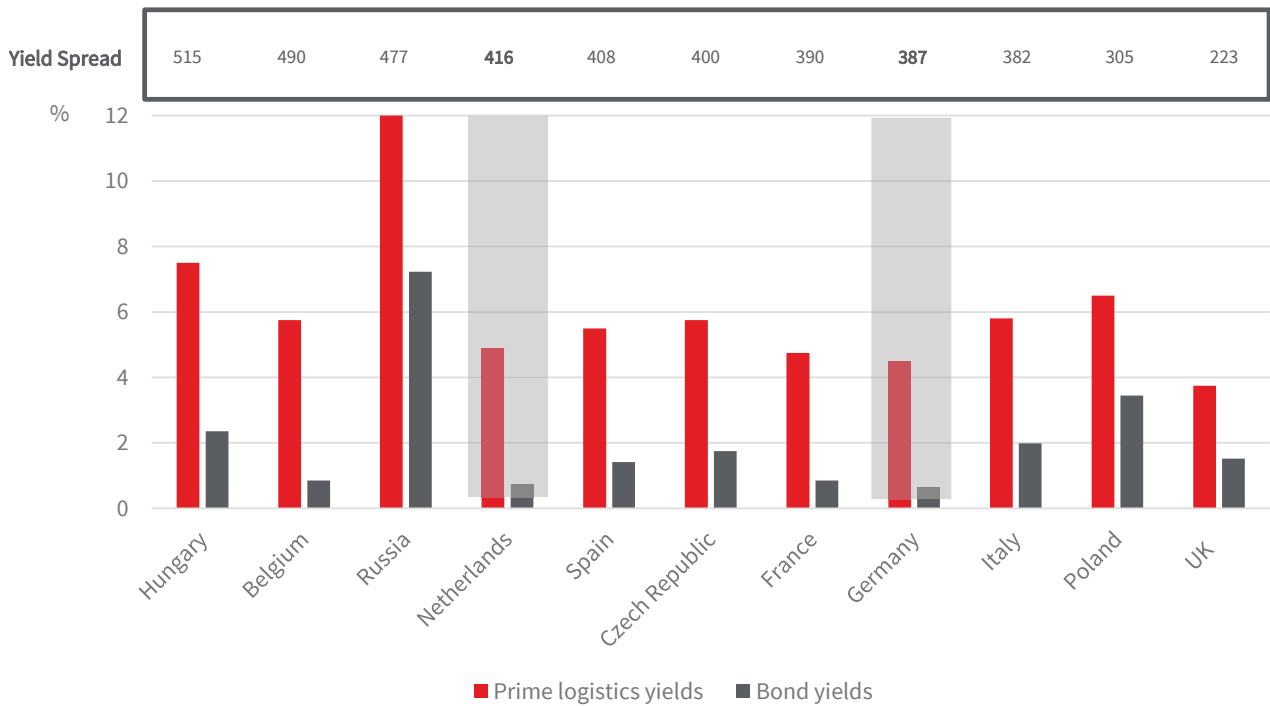
However, despite the yield compression since over recent years, logistics property in Germany still provides a significant premium over government bond yields. Indeed, a comparison between prime logistics yields and 10-year government bond yields in 11 major logistics country markets highlights that Germany (and the Netherlands) offer larger yield premiums than most countries, due in part to their relatively low bond yields.

■ **Figure 26: Prime logistics property yield - government bond yield spread**



Source: JLL (2018)

■ **Figure 27: Prime logistics yields (end of December 2017) vs ten-year bond yields (end of January 2018)**



Source: JLL (2018) and Datastream. Note: Figures above the columns refers to the yield spread in basis points.

II. SUBMARKETS

1. Frankfurt

1) Economy overview

With Frankfurt am Main being the largest city, the state of Hesse is home to the financial capital of mainland Europe. Furthermore, Hesse has always been one of the largest and healthiest economies in Germany. According to GDP-per-capita figures, Hesse ranks fourth among the 16 German states with approx. €42,700. The main economic fields of importance especially in the Rhine-Main Region are the chemical and pharmaceutical industries, but also the mechanical and automotive engineering field (e.g. Opel in Ruesselsheim). Frankfurt is crucial as a financial centre, with both the European Central Bank and the Deutsche Bundesbank's headquarters located there. Numerous German banks (e.g. Deutsche Bank, Commerzbank) are also headquartered in Frankfurt. Frankfurt is also the location of the most important German stock exchange. Frankfurt Airport is the largest employer in Germany with more than 70,000 employees. Frankfurt benefits from first class logistics and connectivity; Frankfurt Central Station is one of the largest train stations in Europe and Frankfurt Airport, accessible in just 15 minutes from the City Centre, is amongst the busiest airports in the world. In addition to this, the "Frankfurter Kreuz" is one of the most used motorways in Europe.

2) Supply and drivers

Some 362,000 sq m of newly completed space was delivered in the Frankfurt market area (i.e. the city of Frankfurt and surrounding administrative districts) in 2017 but just 20% was still available to let at the year end.

There is currently 223,000 sq m under construction, of which 92,000 sq m is still available, but even this remains insufficient in view of the continued high level of occupier demand expected in 2018. Therefore, it is likely that further projects will commence during the course of 2018. But these will only ease the situation in the years after 2018 upon completion. So far, only 9,000 sq m already under construction is expected to be completed in 2019, in Heppenheim. These are furthermore being built for owner-occupation.

■ Table 3: Pipeline Q4 2017 in sq m

Market	2017 completed	2018 under constr.	2019 under constr.
Available	74,600	91,900	0
Pre-let	220,600	118,900	0
Owner-occupied	54,000	3,600	9,000

Source: JLL

3) Demand and drivers

Total take-up in 2017 was the highest since our records began, standing at 652,700 sq m, 14% above the previous year's good performance and due mainly to large-scale transactions. In 2016, there were just two deals in the >20,000 sq m size category (with a total of 117,000 sq m), but there were five deals in this size category in 2017 with a total volume of 188,000 sq m. Almost half of all space taken up was in the Periphery West submarket, where two of the five largest deals of the year took place. The largest letting in the entire market area was seen in the Periphery North submarket in the form of a 54,000 sq m pre-let in a project development to Bosch Thermotechnik GmbH in Butzbach. The majority of demand came from the distribution/logistics sector. Almost half of total take-up and a third of all lease contracts were attributable to these companies. Nonetheless, retail companies also

contributed 183,000 sq m (28%) of all take-up and a quarter of all new leases. The largest deal in this sector was the 35,000 sq m letting to Gorilla Sports in Gross-Gerau in the Periphery West submarket.

■ **Table 4: Take-up 2017 in sq m**

Market	Pre-lease	Leased	Owner-occupier	Total
Frankfurt	0	20,700	0	20,700
Mainz	0	20,400	0	20,400
Periphery North	59,400	10,200	13,700	83,300
Periphery East	48,000	81,600	7,200	136,800
Periphery South	30,000	62,400	8,900	101,300
Periphery West	108,500	148,000	28,100	284,600
Wiesbaden	0	5,600	0	5,600
Total market	245,900	348,900	57,900	652,700

Source: JLL

4) Rents

In the Frankfurt market, the prime rent for warehouse space in the $\geq 5,000$ sq m size category remained unchanged over 2017. In fact, the current level of €6.00/sq m/month (€78.00/sq m/annum) has not changed over the past five years. This prime level is achieved in new properties in the submarkets Frankfurt and Periphery South.

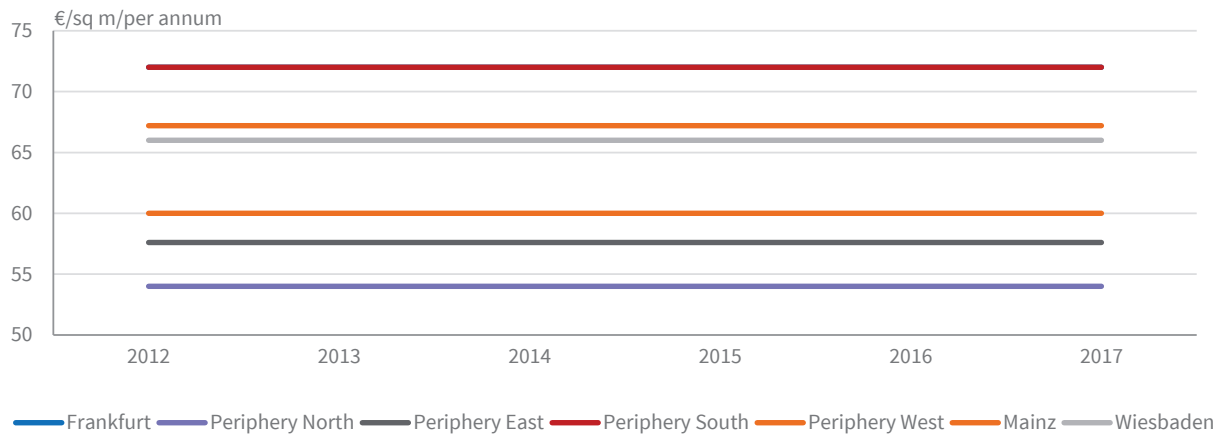
The rental bands in seven regional submarkets remained unchanged over 2017. The lowest boundaries of the rental bands can be found in Mainz and Wiesbaden at a level of €36.00/sq m/annum ranging up to €60.00 and €66.00/sq m/annum respectively. The highest rental levels within the Frankfurt and Periphery South submarkets are achieved in the submarkets of Periphery West (€67.20/sq m/annum) and Wiesbaden (€66.00/sq m/annum). Although prime rents have been stable over recent years, a movement towards a landlord-favourable environment is evident regarding incentives. Twelve months ago many landlords were willing to allow incentives of between one and two or three months, whereas currently they will only do this for selected properties in secondary locations or when signing long-term agreements of eight years and above. The outlook for future rental growth is stable.

■ **Table 5: Rental bands in €/sq m/annum**

Market	2016		2017	
	From	To	From	To
Frankfurt	48.00	72.00	48.00	72.00
Mainz	36.00	60.00	36.00	60.00
Periphery North	42.00	54.00	42.00	54.00
Periphery East	42.00	57.60	42.00	57.60
Periphery South	48.00	72.00	48.00	72.00
Periphery West	42.00	67.20	42.00	67.20
Wiesbaden	36.00	66.00	36.00	66.00

Source: JLL

■ **Figure 28: Prime headline rents for the Frankfurt region**



Source: JLL, Prime rents in €/sq m/annum for all space sizes

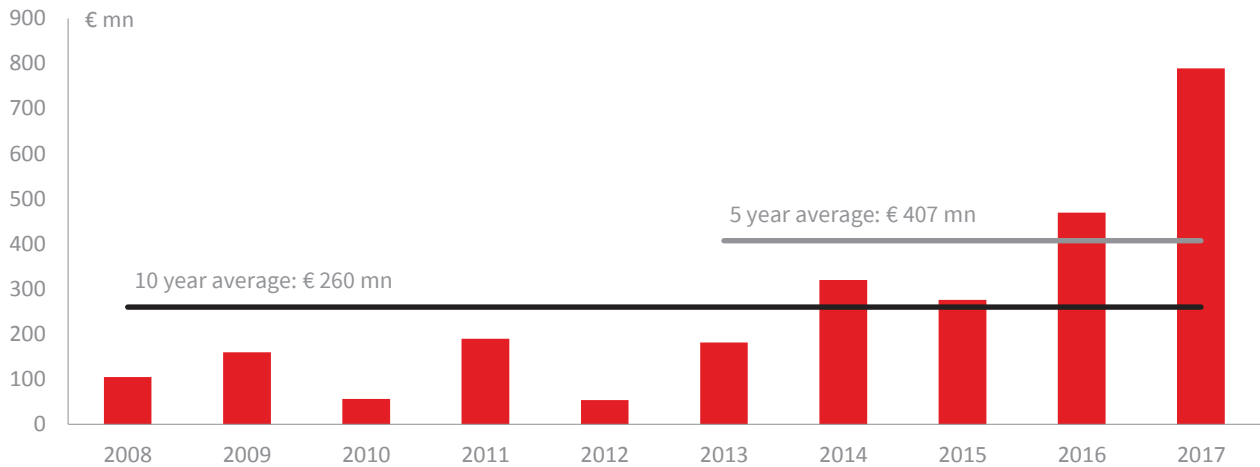
5) Transaction volumes

A new investment record was achieved in the Frankfurt region in 2017 with a transaction volume of €790 million, 68% higher year-on-year and three times the 5-year average. The Frankfurt market area was responsible for 9% of Germany’s total transaction volume in the logistics sector. At more than €560 million, the majority of the transaction volume was generated by properties which changed hands as part of nationwide portfolios. Eight of the ten largest transactions comprised such properties. In the Frankfurt market, 12 properties changed hands during the sale of Hansteen’s German portfolio to Blackstone and M7, and a further seven properties were included in the sale of Blackstone’s Logicor portfolio to the China Investment Corporation.

Foreign investors were responsible for most of the demand for logistics properties in Frankfurt. Three-quarters of the transaction volume was attributable to foreign buyers, including investors from China, the USA, the UK and Singapore. The largest single transaction and largest investment by a German purchaser was the acquisition of a 32,000 sq m logistics project on the Mönchhof site near Frankfurt Airport by Deka Immobilien for the Deka-ImmobilienEuropa open-ended fund.

There is unlikely to be such a high number of large portfolio sales in 2018 and therefore the transaction volume for Frankfurt is expected to fall short of 2017’s record result. Nevertheless, demand for logistic property investments remains high.

■ **Figure 29: Frankfurt transaction volumes**

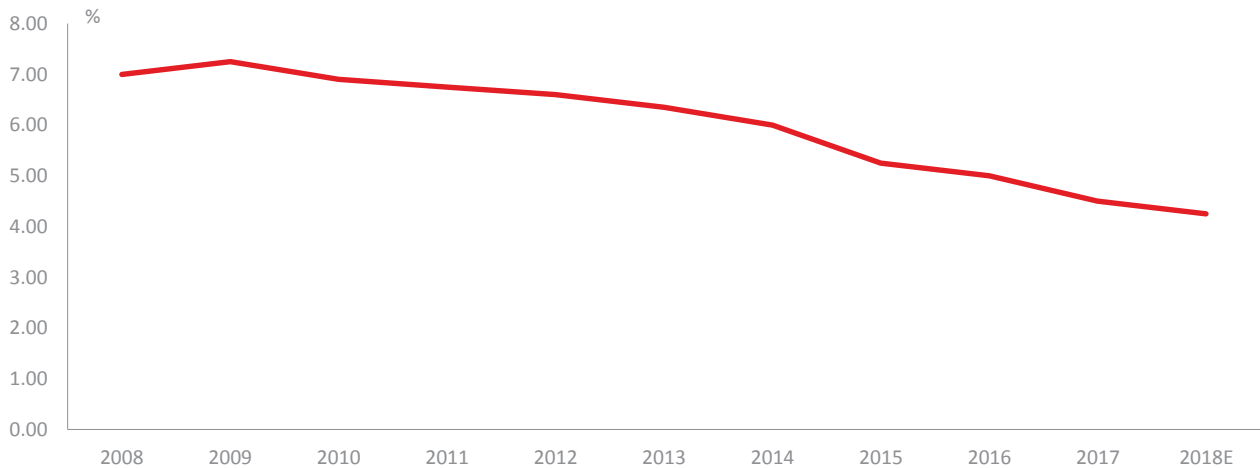


Source: JLL

6) Yields

Continued high demand for investment product has led to a steady fall in prime yields over the course of the year. At 4.50%, it reached its lowest level to date at the end of 2017, 50 basis points below the previous year's figure. We have seen yield compression in Frankfurt since early 2010; the highest level at that time was 7.25%. Although yields are at a record low, we expect further inward movements by as much as 25 basis points in 2018. Compared to the prime yields in other real estate sectors in Frankfurt (office 3.25%, retail 2.90%), higher yields can be achieved for premium logistics properties.

■ **Figure 30: Yields**



Source: JLL, year-end values

2. Stuttgart

1) Economy overview

Stuttgart is the largest and capital city of the German state of Baden-Württemberg. Stuttgart is among the most successful and wealthiest regions in Europe with a generally high level of employment. Baden-Württemberg's economy is dominated by small and medium-sized enterprises, whilst also being home to the headquarters of a number of well-known companies. Key industries are the automobile industry (Daimler, Porsche), electronics industry (Bosch) and the IT sector (Hewlett Packard, IBM) as well as finance and insurance sectors. Half of the employees in the manufacturing industry are in mechanical and electrical engineering and automobile manufacture. According to GDP-per-capita figures, Baden-Württemberg ranks fifth among the 16 German states with approx. €42,600. As of January 2018, the unemployment rate is 3.5% and, together with Bavaria, the lowest among the 16 federal states. Stuttgart is served by Stuttgart Airport, an international airport approximately 13 km south of the city centre, and is well connected to Autobahn A8, that runs east-west from Karlsruhe to Munich, and Autobahn A81 that runs north-south from Würzburg to Singen. Stuttgart has an inland port in Hedelfingen on the Neckar.

To the north west of Stuttgart, Mannheim is reported as Germany's second most important intercity railway junction, with Paris just three hours away, and Mannheim/Ludwigshafen's intermodal harbour is reported as Europe's second largest inland harbour.⁸ Overall, therefore, Stuttgart and the wider region benefit from a well-established cargo infrastructure with an established road network, intermodal cargo terminals, Stuttgart air cargo terminal and inland ports.

2) Supply and drivers

Around 105,000 sq m of warehouse space was completed in 2017 in the Stuttgart market area. This area comprises the cities Stuttgart and Heilbronn as well as the administrative districts in the surroundings. The 2017 result was 18% above the previous year, but 15% below the 5-year average. Around 43% of the 2017 completions were owner-occupied. All other completions were absorbed by the vast demand, so that none of the built space was available to the market on completion.

■ **Table 6: Pipeline Q4 2017 in sq m (only spaces ≥5,000sq m)**

Market	2017 completed	2018 under constr.	2019 under constr.
Available	0	0	0
Pre-let	60,100	80,500	0
Owner-occupied	44,700	91,500	0

Source: JLL

3) Demand and drivers

The total take-up of warehouse and logistics space in the Stuttgart region hit a new record in 2017, at around 315,000 sq m. In the last three months of 2017 alone, approximately 60,000 sq m in the >5,000 sq m size category

⁸ Germany Trade & Invest, Germany: Europe's Logistics Hub, August 2010

was taken up. The record take-up performance was due in part to the volume of lettings in new-build properties. At 83%, the majority of space taken up was in project developments. The lack of supply meant that many companies opted in favour of an owner-occupier property. With a share of around 52%, more than half of total take-up was attributable to owner-occupiers. Around 80% of total take-up was due to large-scale transactions in the >10,000 sq m size category, which corresponds with the 5-year average. By far the most active sector was manufacturing, which accounted for roughly 155,000 sq m, or almost half of all take-up. The largest letting in the fourth quarter was attributable to an industrial company, Robert Bosch GmbH, which leased around 38,000 sq m of warehouse space in a project development in Tamm (Ludwigsburg submarket). The Ludwigsburg submarket was the most active submarket in terms of lettings in 2017. There was a similar aggregate volume attributable to retail companies and the distribution/logistics sector with 75,000 sq m and 68,000 sq m respectively.

■ **Table 7: Take-up 2017 in sq m (only spaces ≥5,000sq m)**

Market	Pre-lease	Leased	Owner-occupier	Total
Periphery Heilbronn	0	8,500	36,500	45,000
Heilbronn	0	0	20,000	20,000
Ludwigsburg	91,500	13,400	85,000	189,900
Rems-Murr-Kreis	13,700	0	10,000	23,700
Stuttgart	0	5,100	0	5,100
Böblingen	0	0	0	0
Esslingen	0	0	13,600	13,600
Göppingen	0	17,500	0	17,500
Total market	105,200	44,500	165,100	314,800

Source: JLL

4) Rents

The prime rent for warehouse space in the ≥5,000 sq m size category in the Stuttgart market area increased 3.3% year-on-year in 2017. The current level of €6.20/sq m/month (€74.40/sq m/annum) is achieved in the Stuttgart and in the Böblingen submarkets. These two submarkets were the only ones to see an increase in prime rents in 2017. The remaining six submarkets of the region experienced unchanged values, although the lower boundary in the submarket Goppingen rose by 6.7% to €38.40/sq m/annum. The lowest rental levels in the market are found in the surroundings of Heilbronn in the submarket Periphery Heilbronn with a current level of (€45.60/sq m/annum).

As the current market is a landlord-favourable one, incentives have virtually disappeared. Occupiers will only get incentives for some properties in secondary locations or when signing long-term agreements of eight years and above. In addition, in these cases typical incentives will only rarely exceed two months. The outlook for future rental growth is positive. The prime rental level is expected to see a slight increase during 2018.

■ **Table 8: Rental bands in €/sq m/annum (only spaces ≥5,000sq m)**

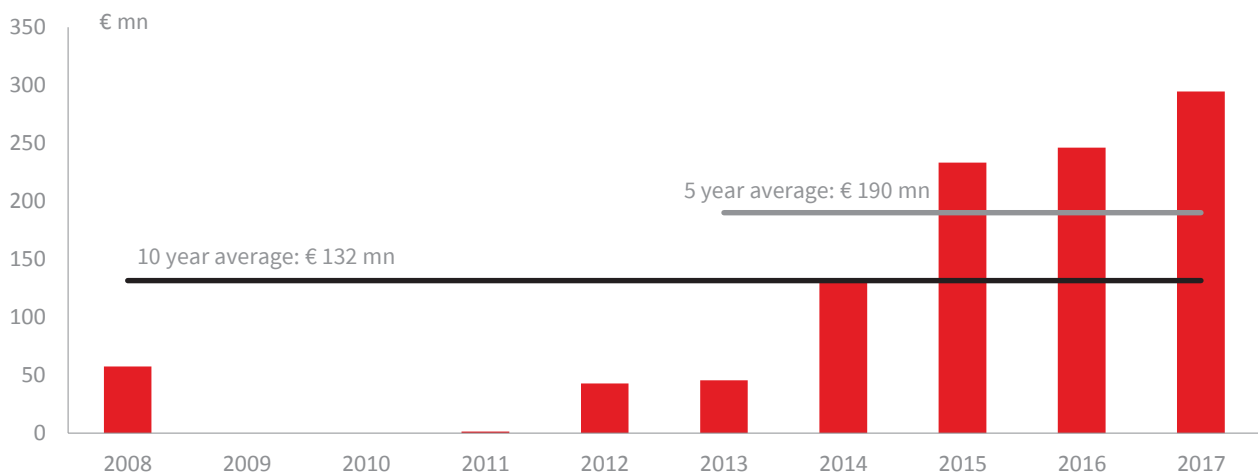
Market	2016		2017	
	From	To	From	To
Periphery Heilbronn	33.60	45.60	33.60	45.60
Heilbronn	42.00	57.60	42.00	57.60
Ludwigsburg	50.40	68.40	50.40	68.40
Rems-Murr-Kreis	38.40	57.60	38.40	57.60
Stuttgart	54.00	72.00	54.00	74.40
Böblingen	54.00	72.00	54.00	74.40
Esslingen	42.00	62.40	42.00	62.40
Göppingen	36.00	54.00	38.40	54.00

Source: JLL

5) Transaction volumes

2017 was a strong year in the Stuttgart investment market and marked the fifth year of annual growth. Almost €300 million was invested in logistics and industrial real estate in 2017. Almost €140 million was invested in the final quarter of 2017 alone and roughly two-thirds of the total transaction volume was attributable to real estate in trans-regional portfolios, including properties in Vahingen and der Enz and in Marbach am Neckar, north of Stuttgart. Foreign investors such as those from China, the USA, the UK and Singapore were particularly active in Stuttgart's logistics investment market in 2017 and were responsible for 66% of the total volume of acquisitions. The lot sizes of the properties which changed hands in 2017 were relatively varied, but the bulk of investment activity last year took place in the €10 - 25 million size category. Overall, demand remains very high and cannot be satisfied by the available supply. There are also very few new project developments underway due to the very restrictive policies governing the designation of new development land for logistics use.

■ **Figure 31: Stuttgart transaction volumes**

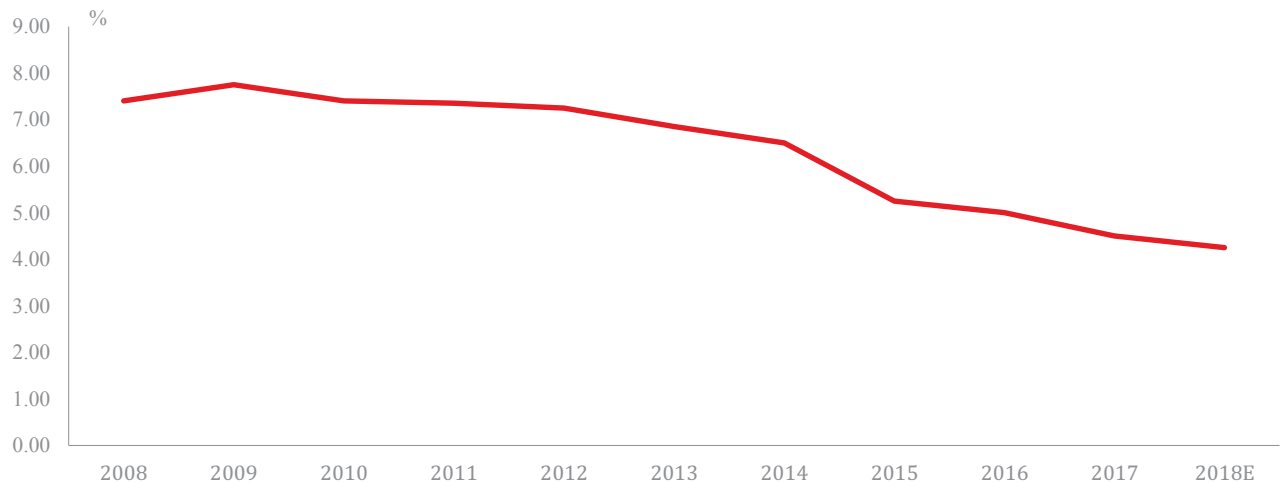


Source: JLL

6) Yields

In Stuttgart, the prime yield continued to compress since early 2010 and this trend remained unchanged in 2017. Prime yields are currently at 4.50%, which marks a further compression of 50 basis points since year-end 2016. The high level of demand from both domestic and international investors and the intense competition in the market once an investment product is put on the market means there is further pressure on yields. Therefore, a further inward movement in the prime yield of up to 25 basis points is likely this year.

■ **Figure 32: Yields**



Source: JLL, year-end values

3. Munich

1) Economy overview

Munich is the third largest city in Germany after Berlin and Hamburg with the wider metropolitan region comprising 5.5 million inhabitants. Munich is the capital city in the German state of Bavaria. Munich attracts a strong diversity of companies in terms of sizes and industries. The city is the number one location for insurance in Germany. Other important industries are services, automobile industry, science, medicine, environmental science and communication-technology. A recent study ranked Munich as the number one high technology location in Europe.⁹ Notable occupiers include BMW, MAN, Allianz, Siemens and Bosch. Bavaria is one of the strongest among the German states, with a GDP per capita of €43,000, significantly above German average. As of January 2018, the unemployment rate is 3.5% and, together with Baden-Wurtemberg, the lowest among the 16 federal states. Franz Josef Strauss International Airport, some 30 km north east of the city centre, is the second-largest airport in Germany. The airport can be reached by two suburban train lines from the city. Munich is also an integral part of the motorway network of southern Germany.

Overall, therefore, the Munich region provides logistics operators with excellent operating conditions including easy access to Germany's extensive road and rail networks, the multi-modal reloading point at the Riem container

European Commission, Mapping the European ICT Poles of Excellence: The Atlas of ICT Activity in Europe, 2014. ⁹ This report defined European ICT Poles of Excellence as 'geographical agglomerations of best performing Information and Communication Technologies production, R&D and innovation activities, located in the European Union, that exert a central role in global international networks.'

terminal and the cargo facilities at Munich’s international airport hub.¹⁰ Munich is situated at the intersection of two core network corridors of the Trans-European Transport Network (TEN-T), the Scandinavian-Mediterranean corridor running north-south and the Rhine-Danube corridor, connecting western and Eastern Europe. The Munich region serves as a distribution centre and logistics hub for southern Germany.

2) Supply and drivers

Approximately 125,000 sq m of warehouse and logistics space was completed in 2017 in the market area of Munich, which comprises the city of Munich plus major cities and municipalities in the adjacent administrative districts. The 2017 completions included nine units in the >5,000 sq m size category. Of the total only 16% of the space was still available to let at the time of completion. Almost one third of the 2017 completions were owner-occupied.

In addition, the current supply pipeline shows just 25,000 sq m under construction with completion expected within the next 24 months and only approximately 16,000 sq m of the current construction projects are available to occupiers. These will all be completed by the end of 2018, so that for 2019 there is currently no available space that is currently under construction. Therefore, we expect the tight supply situation in the Munich market area to continue in the near future.

■ **Table 9: Pipeline Q4 2017 in sq m**

Market	2017 completed	2018 under constr.	2019 under constr.
Available	20,100	16,100	0
Pre-let	65,000	1,200	3,600
Owner-occupied	39,500	4,000	0

Source: JLL

3) Demand and drivers

Around 237,000 sq m of warehouse and logistics space was taken up in the Munich market in 2017, slightly below the 5-year average. Although there were 10 recorded lettings in the >5,000 sq m size category in the year, this was a lower number than in previous years. Space take-up of only approximately 200,000 sq m is expected for the full year 2018 due to a shortage of supply of large units. The current market is a landlord’s market. This means that other decision-making criteria are gaining importance in addition to the rent. Occupiers must have very good creditworthiness, be flexible and be able to make decisions quickly if they are to be taken seriously by landlords.

The Periphery North submarket heads up the submarket statistics with approximately 123,000 sq m, which is more than half of all take-up. The two submarkets, Periphery West and Periphery East, each contributed around 35,000 sq m. Manufacturers were most active in terms of take-up in 2017 with 81,000 sq m, ahead of distribution/logistics with 71,000 sq m. Notably, in 2017 there was no take-up recorded from owner-occupiers.

¹⁰ Germany Trade & Invest, Germany: Europe’s Logistics Hub, August 2010

■ **Table 10: Take-up 2017 in sq m**

Market	Pre-lease	Leased	Owner-occupier	Total
Dachau/Karlsfeld	0	13,100	0	13,100
Munich	7,000	35,200	0	42,200
Periphery North	16,500	93,200	0	109,700
Periphery East	0	33,400	0	33,400
Periphery South	0	2,600	0	2,600
Periphery West	15,400	20,400	0	35,800
Total market	38,900	197,900	0	236,800

Source: JLL

4) Rents

The prime rent for warehouse space in the $\geq 5,000$ sq m size category in the Munich market area was unchanged during 2017. The current level stands at €6.75/sq m/month (€81.00/sq m/annum). However, looking back further, the market saw prime rental growth of 5.5% since the end of 2013 when prime levels stood at €76.80/sq m/annum. The highest rents achieved in business parks range up to €123.00/sq m/annum and are achieved in the Munich submarket. This market saw a year-on-year growth of 7.9%.

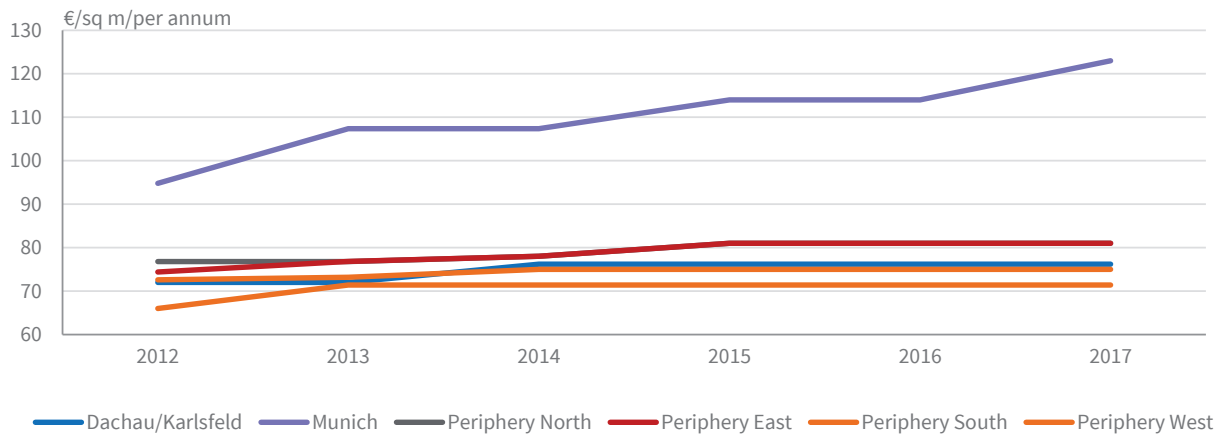
Regarding the remaining five submarkets of the region, there was no movement in prime rental values at all. The highest rental levels within the Munich submarket are achieved in the submarkets Periphery North and Periphery East with at a level of €81.00/sq m/annum each. As the current market is a landlord market, incentives have virtually disappeared. Occupiers will only get incentives for some properties in secondary locations or when signing long-term agreements of eight years and above. Even in these cases, typical incentives will only rarely exceed two months. JLL Research sees some potential for prime rents in Munich to rise further in 2018.

■ **Table 11: Rental bands in €/sq m/annum**

Market	2016		2017	
	From	To	From	To
Dachau/Karlsfeld	60.00	76.20	60.00	76.20
Munich	67.20	114.00	78.00	123.00
Periphery North	65.40	81.00	65.40	81.00
Periphery East	65.40	81.00	65.40	81.00
Periphery South	58.80	71.40	58.80	71.40
Periphery West	58.80	75.00	58.80	75.00

Source: JLL

■ **Figure 33: Prime headline rents for the Munich region**

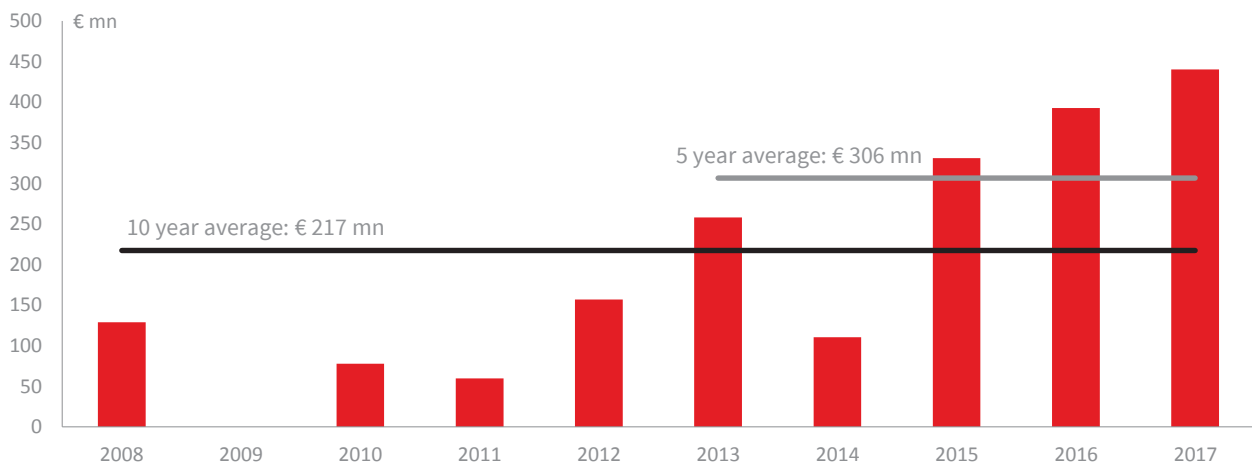


Source: JLL, Prime rents in €/sq m/annum for all space sizes

5) Transaction volumes

In Munich, investment demand remained high and a transaction volume of €440 million was registered in 2017, more than twice the 5-year average. Annual investment volumes in 2017 rose for the third successive year. Although a significant share of the transaction volume recorded in Munich was attributable to properties in national portfolios (for example, there were three Munich properties in the Logicor portfolio sold by Blackstone to the China Investment Corporation), there were also a high number of single-asset transactions. Overall, at 53%, the largest share of investment activity took place in the northern sub-markets of Munich. Munich is one of the top locations for logistic real estate investments in Germany and consequently demand considerably exceeds the existing supply. The annual transaction volume would be significantly higher if there was a greater supply of space in the market or an increasing volume of new land designated for project developments.

■ **Figure 34: Munich transaction volumes**

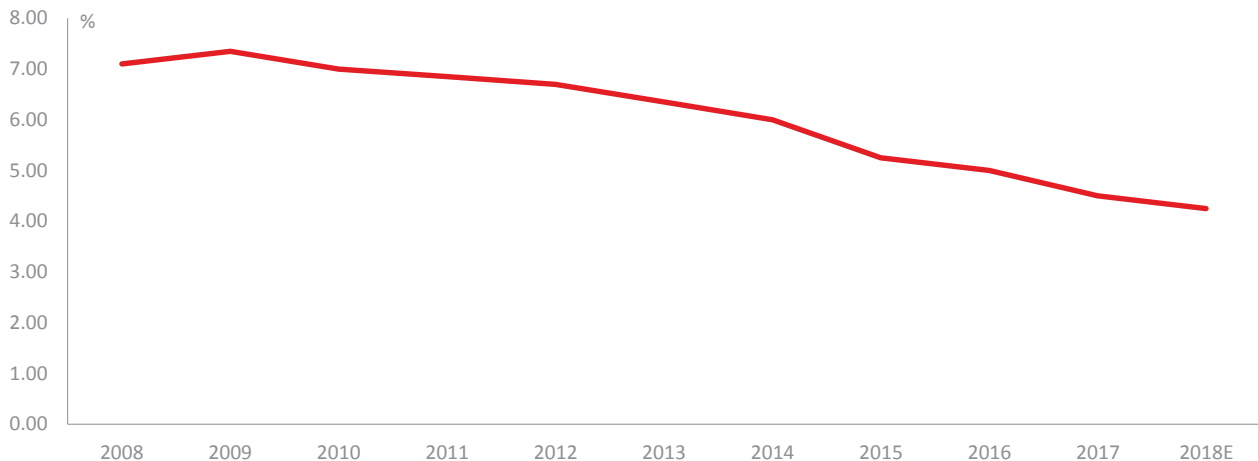


Source: JLL

6) Yields

The prime yield for logistics real estate investments in Munich is at a record low and for a top property in the best logistics location compressed from 5.00% to 4.50% during 2017. In Germany, Munich is a market that attracts considerably investor interest, especially from foreign investors. As there are very few new plots of land for logistic use in the market area, there is a great shortage of investment opportunities. This will continue to be the case in 2018 and in the face of sustained high demand, the prime yield can be expected to compress still further.

■ **Figure 35: Yields**



Source: JLL, year-end values

4. Leipzig

1) Economy overview

Leipzig is the most populous city in the federal state of Saxony. Well known car manufacturers like BMW and Porsche are located in the north of the city. A few years ago the logistics company DHL transferred the bulk of its European air operations from Brussels Airport to Leipzig/Halle Airport. Leipzig also benefits from world leading medical research (Leipzig Heart Centre) and a growing biotechnology industry. Saxony is the tenth largest of Germany's sixteen states. The automobile industry, machinery production and services contribute to the economic development of the region. Even if Saxony is one of the weaker among the German states in terms of GDP per capita, the GDP per capita of the state (€27,900) is the highest value among the five Eastern states. As of January 2018, the unemployment rate is 6.7%, which is above the German average of 5.8%. Leipzig/Halle Airport is the main airport in the vicinity of the city. Leipzig is also well connected via rail and is a junction of important north-to-south and west-to-east railway lines. The InterCity Express (ICE) train between Berlin and Munich stops in Leipzig and it takes approximately one hour from Berlin and five hours from Munich. Leipzig is connected to the A 9 and A 14 autobahns, and the A 38 completes the autobahn beltway around Leipzig.

2) Supply and drivers

The Leipzig/Halle logistics region with the cities of Leipzig and Halle and surrounding administrative districts is one of Germany's top logistics locations for occupiers. It has attracted well-known companies including DHL, Porsche, BMW and eBay. Leipzig/Halle Airport, with its 24-hour DHL express service, has become Germany's second largest air freight hub (5th in Europe) and is an important factor for many companies looking to locate in the area.

Demand is particularly high near the airport and in locations close to the A9 and A14 motorways. An example of a potential project development is the StarPark in Halle an der Saale. The well-known developer VGP has been 'land banking' here in recent years. There are now firm plans in place and construction could commence once a sufficient pre-letting rate has been achieved. It is possible that three logistic and production sheds between 20,000 and 35,000 sq m could be built here over the next few years. However, there was little speculative new construction activity in the region in recent years. As a rule, new buildings are constructed after pre-letting or for owner-occupiers; nonetheless, an exception to this is VGP Park Leipzig, also developed by VGP. This project development at the Leipzig Exhibition Centre is being constructed speculatively in two construction phases. The first phase has already been completed and let to the Swiss furniture manufacturer USM Haller. The second phase will be available to users from 2018.

■ **Table 12: Pipeline Q4 2017 in sq m (only spaces \geq 5,000sq m)**

Market	2017 completed	2018 under constr.	2019 under constr.
Available	0	9,500	0
Pre-let	32,500	12,000	36,000
Owner-occupied	87,600	0	0

Source: JLL

3) Demand and drivers

Approximately 167,000 sq m of warehouse and logistic space of > 5,000 sq m (for letting and owner-occupation) was built in the Leipzig/Halle region in 2017, matching the previous year's level (166,000 sq m), but just slightly below the 5-year average (172,000 sq m). Limited supply is impacting overall take-up. In 2017, 74% of total take-up came from companies in the distribution & logistics sector including the logistics service providers DHL and Hermes, each with approximately 30,000 sq m. The remaining space was taken up by industrial companies, and 26,000 sq m by furniture manufacturer USM Haller alone. Retailers were responsible for 26% of take-up in 2016 but did not take significant space in 2017.

■ **Table 13: Take-up 2017 in sq m (only spaces \geq 5,000sq m)**

Market	Pre-lease	Leased	Owner-occupier	Total
Total market	48,000	38,100	81,600	167,700

Source: JLL

4) Rents

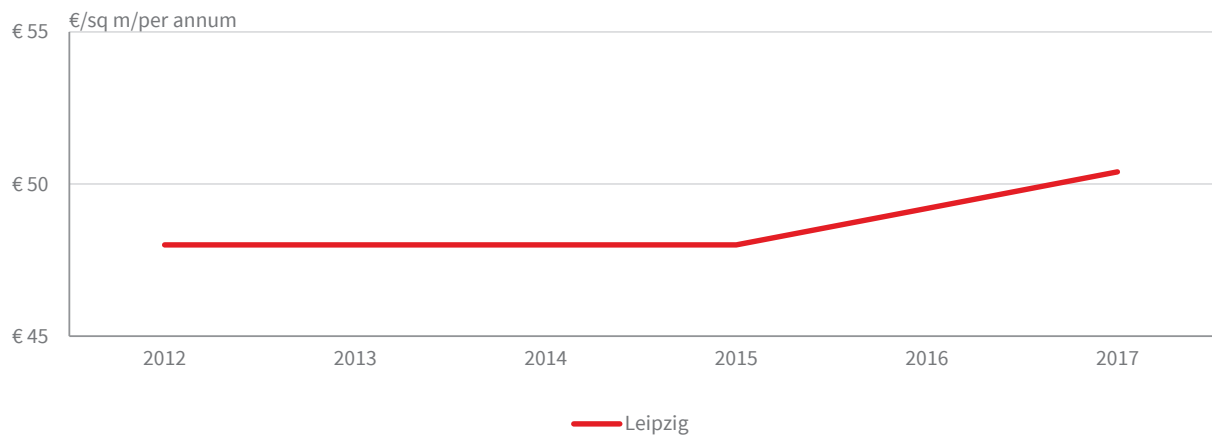
Since 2015, prime rents for warehouse space of > 5,000 sq m in the Leipzig/Halle region have risen from €4.00/sq m/month to €4.20/sq m/month. This level is low compared to Germany's other established logistics regions. In the current market, incentives are rarely granted for new leases of premium properties. Otherwise, they are between one and a maximum of three months' rent.

■ **Table 14: Rental bands in €/sq m/annum (only spaces ≥5,000sq m)**

Market	2016		2017	
	From	To	From	To
Leipzig/Halle	30.00	49.20	30.00	50.40

Source: JLL

■ **Figure 36: Prime headline rents for the Leipzig region**

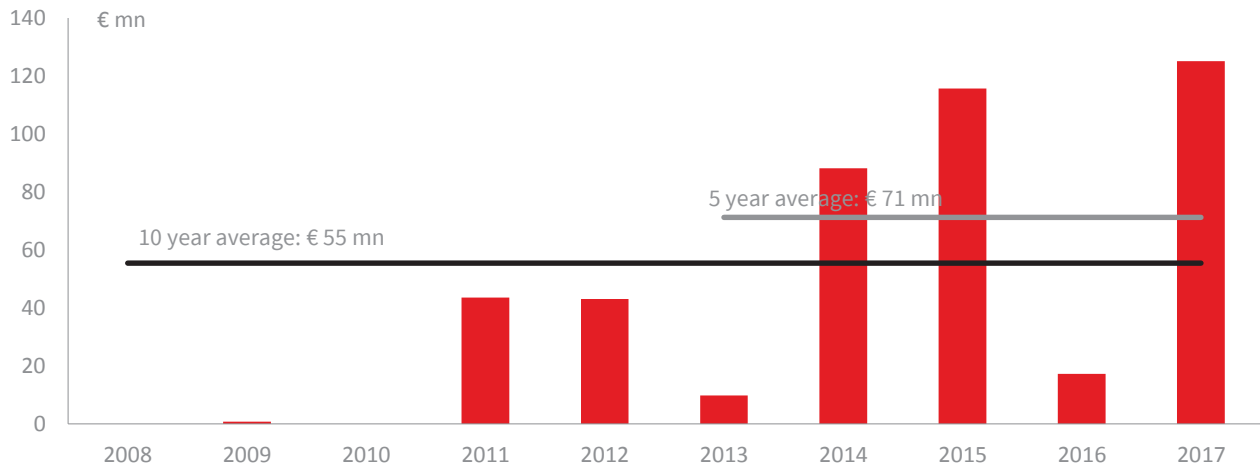


Source: JLL, Prime rents in €/sq m/ annum for spaces ≥ 5,000 sq m

5) Transaction volumes

The investment transaction volume in the Leipzig region was above-average in 2017. A total of €125 million was invested in logistics and industrial real estate, more than double the 10-year average. In addition to two small single-asset transactions in Leipzig and Halle (Saale), 95% of the total volume was represented by properties in five different national portfolios. As these portfolios were acquired by foreign investors, this applied equally to properties in the Leipzig market area. Many international investors have shorter planned holding periods than German institutional investors and it is therefore likely that these properties will be released onto the market for sale in the medium-term.

■ **Figure 37: Leipzig transaction volumes**

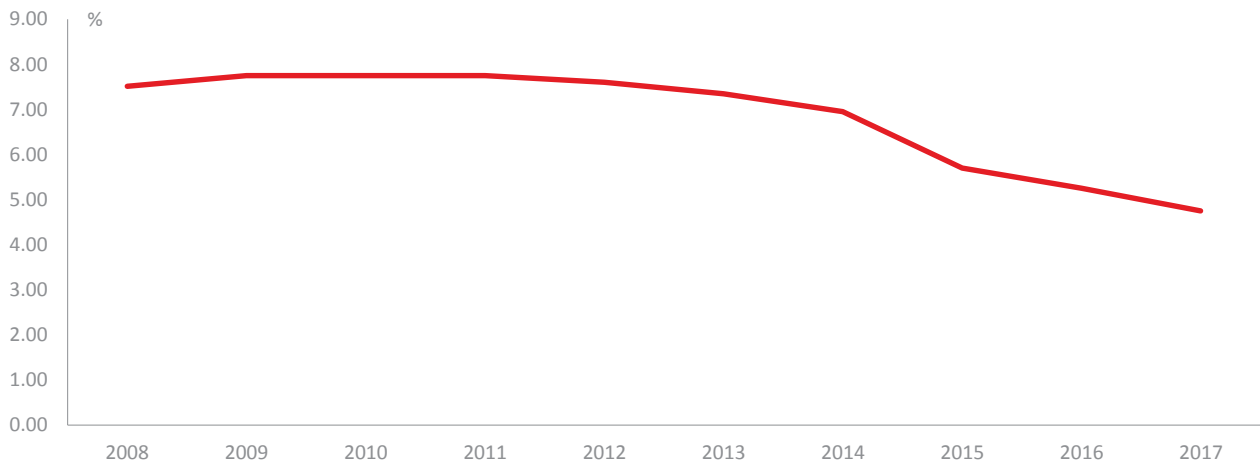


Source: JLL

6) Yields

The prime yield in Leipzig compressed to a record low at the end of the year, down to 4.75% for top real estate in the best locations in the region, which is 3 percentage points lower than at the start of the downward trend in 2009. Leipzig is a potential investment location for both foreign and German investors. The high level of demand for investment products is keeping up the pressure on yields.

■ **Figure 38: Yields**



Source: JLL, year-end values

5. Dusseldorf

1) Economy overview

Dusseldorf is the state capital of North Rhine-Westphalia region and the seventh most populous city in Germany. It has been reported that nine of Europe's top 100 logistics companies are located in the region and, overall, some 24,000 logistics companies.¹¹ Dusseldorf is an international business and financial centre, renowned for its fashion and trade fairs while also playing a leading role in exporting goods from Germany to foreign trade partners. It is also a key economic hub for many global Japanese companies, including Toyota, Nissan, Canon, NEC, Mitsubishi and Nippon Steel.¹² North Rhine-Westphalia is the most populous state of Germany and a very important economic area. The industrial sector, particularly in mechanical engineering and metal and iron working industry, experienced substantial growth. On a per capita base, however, North Rhine-Westphalia remains one of the weaker among the German states with €36,500 just below German average. As of January 2018, the unemployment rate is 7.7%, which is above the German average of 5.8%. Dusseldorf International Airport, Germany's third largest by passenger volumes in 2016, is located eight kilometres from the city centre and can easily be reached by train or the S-Bahn urban railway. The city is also a major hub in the Deutsche Bahn railway network and is also directly accessible via the autobahns A3 (which is part of the E35 route from Amsterdam to Rome), A44, A46, A52, A57, A59 and A524. North Rhine-Westphalia has the densest network of autobahns in Germany. Reflecting the highway and rail network, it is estimated that over 40% of the EU's population, and nearly half of its purchasing power, is within a day's reach.¹³ The area is also served by Cologne / Bonn Airport, Germany's third largest for air cargo, after Frankfurt and Leipzig / Halle, according to 2016 data.

2) Supply and drivers

New-build completions and project developments did little to improve the supply situation in the Dusseldorf market in 2017. The considered market area mainly comprises the cities Dusseldorf, Erkrath, Hilden, Ratingen and Neuss, but also Krefeld and other municipalities in the regions. Around 24,000 sq m of new warehouse space was completed in the market, but this was already taken-up by tenants (two thirds of the completion volume) and owner-occupiers prior to completion. Even the space currently under construction will not be made available on the market as it is exclusively built for owner-occupiers and completed during 2018. There are no projects currently lined up for completion in 2019.

■ Table 15: Pipeline Q4 2017 in sq m

Market	2017 completed	2018 under constr.	2019 under constr.
Available	0	0	0
Pre-let	16,300	0	0
Owner-occupied	8,000	27,300	0

Source: JLL

¹¹ Germany Trade & Invest, Germany: Europe's Logistics Hub, August 2010

¹² IHK Initiative Rheinland, Foreign companies in the Rhineland, December 2016

¹³ Germany Trade & Invest, Germany: Europe's Logistics Hub, August 2010

3) Demand and drivers

Approximately 262,000 sq m (lettings and owner-occupiers) was taken up in 2017 in the warehouse and logistics space market in the Dusseldorf region over 2017. This was 7% above the 5-year average and marked a year-on-year increase of 49%. A total of 11 deals in the $\geq 10,000$ sq m size category contributed significantly to the outturn. Strongest demand in this segment came from the distribution/logistics sector, accounting for 71% of take-up. This included a letting to Expeditors International in the Krefeld submarket (around 16,300 sq m) in the first quarter and oneto NESKA in the Dusseldorf Harbour submarket (around 11,300 sq m) in the fourth quarter. We expect a take-up in 2018 to remain around 175,000 sq m, down from the unprecedented 2017 level due to the shortage of modern space supply available short-term. The Dusseldorf submarket was by far the strongest in terms of take-up with approximately 84,000 sq m, followed by Krefeld with a level of 56,000 sq m.

■ **Table 16: Take-up 2017 in sq m**

Market	Pre-lease	Leased	Owner-occupier	Total
Dormagen	0	0	400	400
Dusseldorf	0	8,000	75,800	83,800
Erkrath	0	5,000	0	5,000
Grevenbroich	0	0	27,900	27,900
Haan	0	0	1,300	1,300
Hilden	0	0	16,000	16,000
Kaarst	0	0	11,900	11,900
Korschenbroich	0	0	0	0
Krefeld	16,300	5,700	34,000	56,000
Langenfeld	0	18,500	0	18,500
Meerbusch	0	0	300	300
Monheim	0	6,200	0	6,200
Neuss	0	0	1,000	1,000
Ratingen	0	2,400	17,100	19,500
Rommerskirchen	0	1,100	0	1,100
Willich	0	0	12,900	12,900
Total market	16,300	46,900	198,600	261,800

Source: JLL

4) Rents

The prime rent for warehouse space in the $\geq 5,000$ sq m size category in the Dusseldorf market area remained stable throughout 2017. The current level of €5.40/sq m/month (€64.80/sq m/annum) was unchanged since 2011 and is currently achieved in the Dusseldorf Airport submarket. The weighted average rent remains at the previous year's level of around €4.65/sq m/month. The highest rents in business parks are achieved in the Dusseldorf submarket at a level of €6.20/sq m/month (€74.40/sq m/annum).

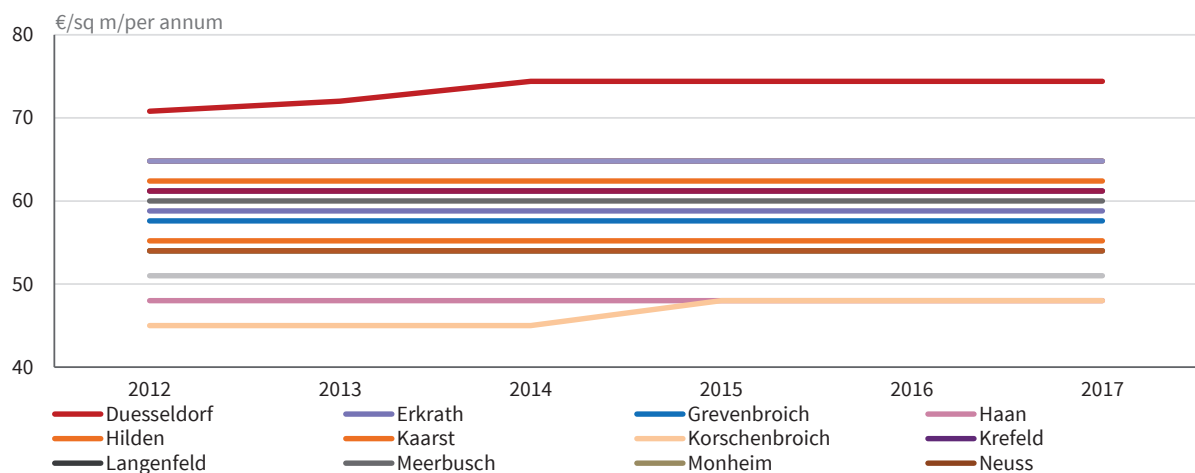
With respect to the individual submarkets of the region, there was no movement in prime rental values at all. In addition, the lower boundaries of the rental bands of all markets remained on their respective levels compared to the end of 2016. The highest rental levels within the Dusseldorf submarkets can be found in the submarkets of Willich (€64.80/sq m/annum), Hilden (€62.40/sq m/annum) and Krefeld (€61.20/sq m/annum). Despite little or no change in prime headline rents in most markets in the region over recent years, as the current market is a landlord market, incentives have virtually disappeared. Occupiers will only get incentives for some properties in secondary locations or when signing long-term agreements of eight years and above. In addition, even in these cases typical incentives will only rarely exceed two months. The outlook for future rental values are very stable.

■ **Table 17: Rental bands in €/sq m/annum**

Market	2016		2017	
	From	To	From	To
Dormagen	42.00	54.00	42.00	54.00
Dusseldorf	48.00	74.40	48.00	74.40
Erkrath	42.00	58.80	42.00	58.80
Grevenbroich	42.00	57.60	42.00	57.60
Haan	42.00	48.00	42.00	48.00
Hilden	42.00	62.40	42.00	62.40
Kaarst	48.00	55.20	48.00	55.20
Korschenbroich	36.00	48.00	36.00	48.00
Krefeld	45.00	61.20	45.00	61.20
Langenfeld	42.00	54.00	42.00	54.00
Meerbusch	48.00	60.00	48.00	60.00
Monheim	42.00	54.00	42.00	54.00
Neuss	50.40	64.80	50.40	64.80
Ratingen	42.00	61.20	42.00	61.20
Rommerskirchen	42.00	51.00	42.00	51.00
Willich	42.00	64.80	42.00	64.80

Source: JLL

■ **Figure 39: Prime headline rents for the Dusseldorf region**



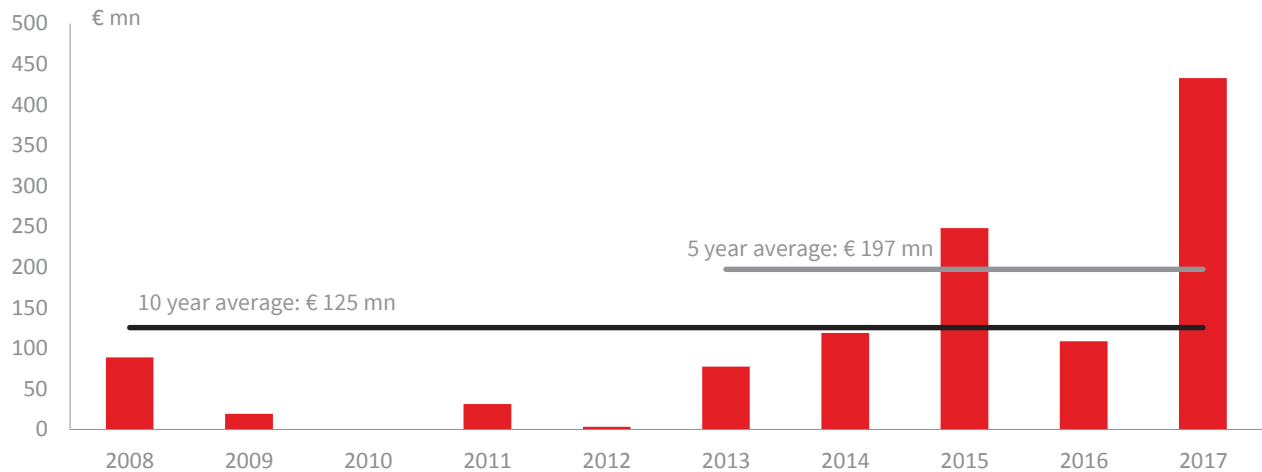
Source: JLL, Prime rents in €/sq m/annum for all space sizes

5) Transaction volumes

The investment market experienced a remarkable upswing in 2017 when the transaction volume exceeded €430 million, four times the previous year's figure. The Dusseldorf region attracts not only German investors, but also strong interest from international purchasers. In 2017, 28% of the volume was accounted for by single-asset transactions and 72% by portfolio properties. For example, there were 12 Dusseldorf properties in Hansteen's

German portfolio which was sold to Blackstone and M7, and six properties in the region were part of the Logicor portfolio sold by Blackstone to the China Investment Corporation. Overall, the share of foreign capital in real estate investments was 78%. Although the transaction volume has been very high, demand for real estate investments exceeds supply.

■ **Figure 40: Dusseldorf transaction volumes**

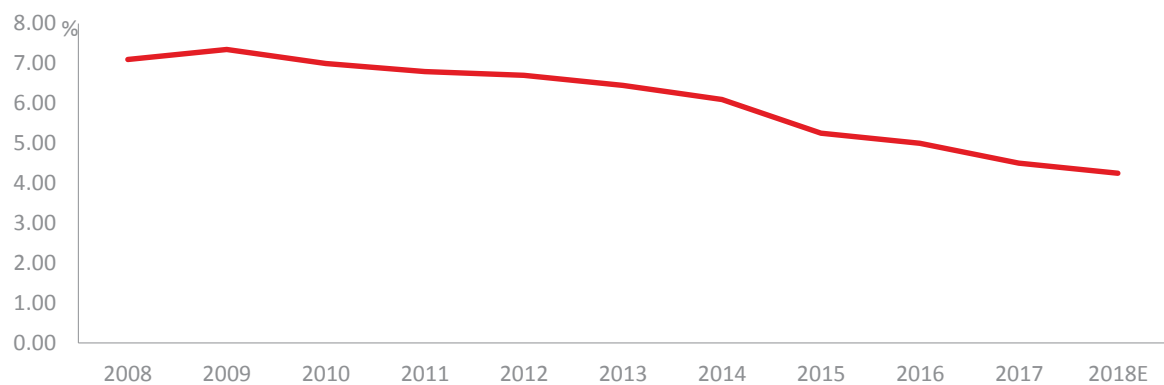


Source: JLL

6) Yields

The prime yield in Dusseldorf has experienced a similar development to that of other major cities which are the focus of domestic and foreign investors. Yields steadily compressed over the past eight years and, at 4.50%, are currently at a record low; they moved in by 0.5 percentage points in 2017 alone. As the investment product is in short supply, prices are likely to continue to rise in 2018, leading to a further yield compression.

■ **Figure 41: Yields**



Source: JLL, year-end values

6. Chemnitz

1) Economy overview

Chemnitz is the third-largest city in the Free State of Saxony. The city's economy is based on the service sector and manufacturing industry. The local and regional economic structure is characterized by medium-sized companies, with the heavy industrial sectors of mechanical engineering, metal processing, and vehicle manufacturing as the most significant industries. Chemnitz (ca. 246,000 inhabitants) is the largest city of the Chemnitz-Zwickau urban area and Volkswagen is the largest employer in this agglomeration. Chemnitz is at the intersection of two motorways, the A4 Erfurt – Dresden and the A72 Hof – Leipzig autobahns. Near Chemnitz there are three airports, including the two international airports of Saxony in Dresden and Leipzig. Both Leipzig/Halle Airport and Dresden Airport are situated about 70 km from Chemnitz. Chemnitz also has a small commercial airport.

2) Supply and drivers

The Chemnitz region is not one of Germany's top logistics locations but the region benefits from its proximity to Leipzig and Dresden. It is well connected to both cities and comprises not just the city of Chemnitz but also large parts of the surrounding area. No speculative construction has been observed here in recent years and there is currently no space under construction that is still available on the market. In 2017, DHL commissioned a new parcel delivery base in Chemnitz (approximately 4,000 sq m), the fruit and vegetable wholesaler Landgard constructed a new fresh produce distribution centre in Striegistal-Berbersdorf (approximately 10,000 sq m) and the project developer Metawerk completed around 13,500 sq m for DHL Solutions in Meerane (1st building phase). The second phase of Metawerk's project development in Meerane is scheduled for completion in mid-2018 and has already been leased to Rhenus.

■ **Table 18: Pipeline Q4 2017 in sq m (only spaces \geq 5,000sq m)**

Market	2017 completed	2018 under constr.	2019 under constr.
Available	0	0	0
Pre-let	16,200	26,400	0
Owner-occupied	18,800	25,000	0

Source: JLL

3) Demand and drivers

In the Chemnitz region, approximately 74,000 sq m of warehouse and logistic space of > 5,000 sq m was taken up in 2017 (lettings and owner-occupation), almost six times more than in 2016. The 5-year average was also significantly exceeded. Most demand came from companies in the distribution & logistics sector with 91% (67,600 sq m) and included lettings to the logistic companies Rhenus (22,000 sq m) and DHL (13,500 sq m) in Meerane. Industrial companies accounted for 9% of take-up. Total take-up exclusively involved new buildings and project developments. Over the past five years, logistic companies were responsible for the highest share of take-up (48%), followed by retail (29%) and industrial companies (18%).

■ **Table 19: Take-up 2017 in sq m (only spaces \geq 5,000sq m)**

Market	Pre-lease	Leased	Owner-occupier	Total
Total market	42,600	0	31,300	73,900

Source: JLL

4) Rents

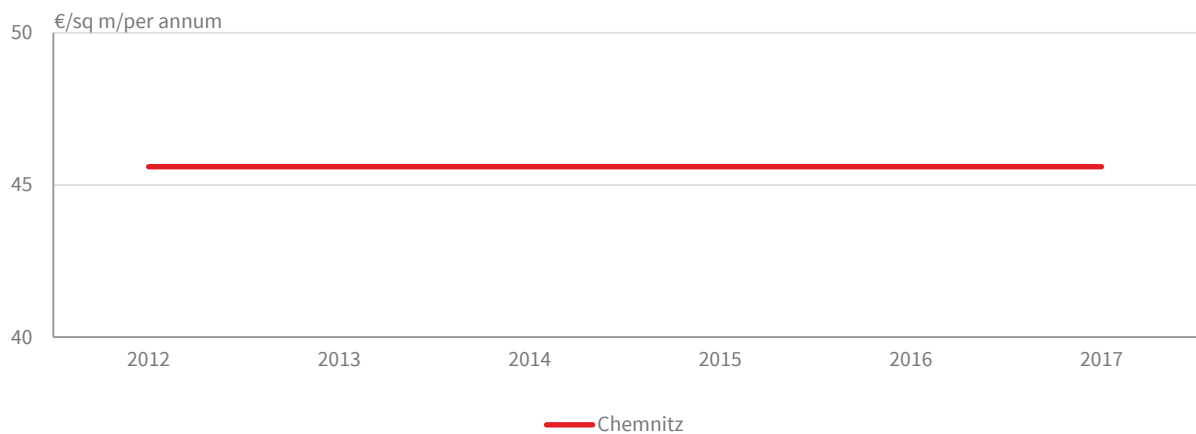
2017 in the Chemnitz region, the prime rent for warehousing space of $\geq 5,000$ sq m has remained stable compared to the previous year since 2017 at €3.80/sq m/month. Across Germany, this figure is very low. In 2017, a lease contract for €4.00/sq m/month was also recorded, but this cannot be classified as standard in the market. In the Chemnitz market, incentives between one and a maximum of three months' rent are generally granted; however, in the case of lease contracts in prime properties, owners sometimes forego the granting of incentives due to the limited availability.

■ **Table 20: Rental bands 2017 in €/sq m/annum**

Market	2016		2017	
	From	To	From	To
Total market	33.60	45.60	33.60	45.60

Source: JLL

■ **Figure 42: Prime headline rents for the Chemnitz region**

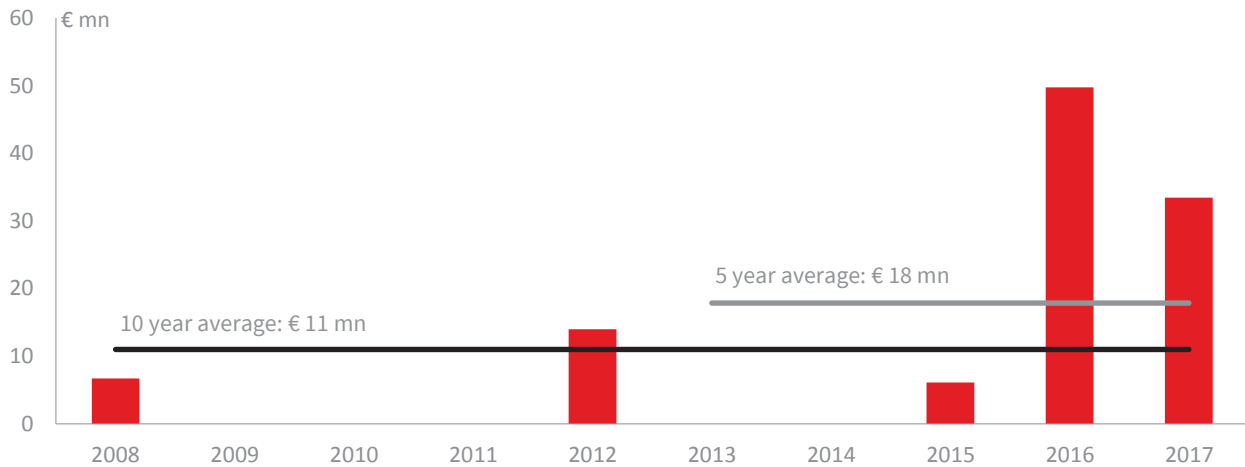


Source: JLL, Prime rents in €/sq m/ annum for spaces $\geq 5,000$ sq m

5) Transaction volumes

Investment transaction activity remains subdued in the Chemnitz region. As Chemnitz is not a traditional logistics region for investment, demand is generated mainly by regional or national investors. Just four transactions with a total value of slightly more than €33 million were registered in the region in 2017, three of which were part of portfolio transactions.

■ **Figure 43: Chemnitz transaction volumes**



Source: JLL

6) Yields

Prime yields in the Chemnitz region have compressed over the past few years in response to the development of the overall German market and low interest rates. Currently, prime yields for premium properties in top locations range from 5.40% to 5.75%.

7. Isenbuttel (Region Hannover-Braunschweig-Wolfsburg)

1) Economy overview

Isenbuttel is a municipality in the district of Gifhorn, in Lower Saxony. It is situated approx. 15 km west of Wolfsburg and 20 km north of Braunschweig. Lower Saxony is the second largest state by land area and fourth largest in population (7.9 million) among the sixteen federal states. Among agriculture, manufacturing is another large part of the regional economy. The car manufacturer Volkswagen with its five production plants within Lower Saxony remains the biggest employer in the private sector, its world headquarters in Wolfsburg. Due to the importance of car engineering in Lower Saxony, a thriving supply industry is concentrated around its regional focal points. As of January 2018, the unemployment rate in Lower Saxony is 5.9%, which is the fifth lowest among the German states. The nearest international airport (Hannover-Langenhagen) is about 70 km away from Isenbuttel, although there is the smaller airport of Braunschweig-Wolfsburg located less than 20 km south of Isenbuttel with a focus on industrial aviation. Isenbuttel is connected to the motorways A2 and A391 via federal road B4.

2) Supply and drivers

Isenbüttel is located in the Hannover/Braunschweig/Wolfsburg logistics region, which includes not just the cities mentioned above, but also their surroundings with numerous administrative districts. It is one of Germany's top logistics locations and has attracted well-known companies including VW, MAN, Fiege, DSV, REWE, Lidl and EDEKA to lease or build space here; however, there have been no speculative project developments in the region in recent years. All space that has been completed or is currently under construction was let or reserved by owner-occupiers before construction commenced. In addition, no speculative construction activity is expected in 2018. The Baytree Logistics Properties logistics platform has acquired a brownfield site in Hannover. It plans to demolish the existing building and build a new approximately 30,000 sq m distribution centre on the site; however, construction is not expected to begin until most of the space has been let.

■ **Table 21: Pipeline Q4 2017 in sq m (only spaces \geq 5,000sq m)**

Market	2017 completed	2018 under constr.	2019 under constr.
Available	0	0	0
Pre-let	53,000	126,000	0
Owner-occupied	116,400	98,200	0

Source: JLL

3) Demand and drivers

Approximately 374,000 sq m of warehouse and logistic space of > 5,000 sq m was taken up (lettings and owner-occupation) in the Hannover/Braunschweig/Wolfsburg region in 2017, the best result for the last 10 years. It exceeded the 2016 result (299,000 sq m) by 25% and was almost double the 5-year average (187,000 sq m). One of the major contributors to this record figure was the letting of approximately 93,000 sq m to the non-food discounter Action in a project development in Peine. The new distribution centre is scheduled for completion in 2018. Retail companies including Amazon and Lidl accounted for 63% (234,500 sq m) of total take-up. Companies in the distribution & logistics sector followed with 23% (87,200 sq m), then industrial companies with 11% (42,900 sq m).

■ **Table 22: Take-up 2017 in sq m (only spaces \geq 5,000sq m)**

Market	Pre-lease	Leased	Owner-occupier	Total
Total market	160,400	85,600	128,200	374,200

Source: JLL

4) Rents

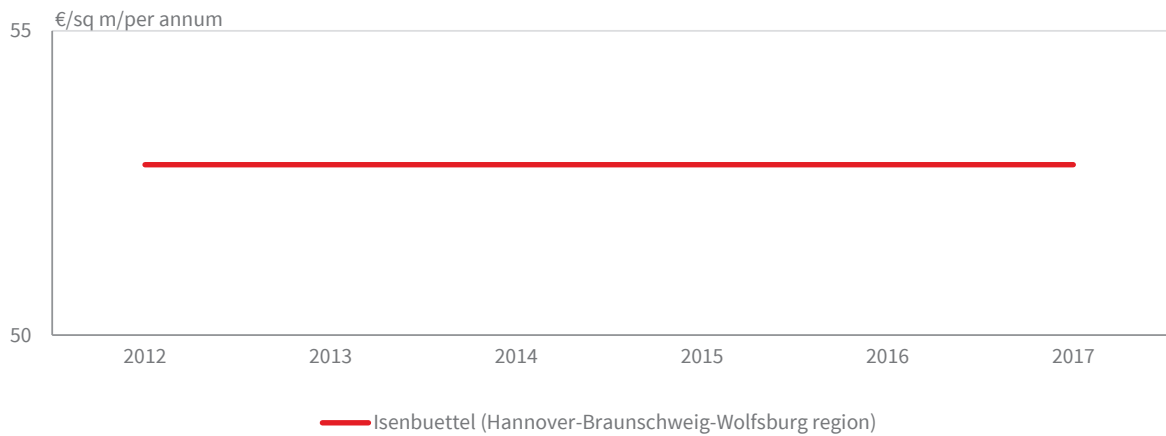
Prime rents for warehousing space of > 5,000 sq m in the Hannover/Braunschweig/Wolfsburg region have been stable for several years at €4.40/sq m/month. This is relatively low compared to Germany's other established logistics regions. Due to the continuously high excess demand in the market, incentives are relatively low and generally up to a maximum of three months' rents; however, depending on the location and fit-out specification of the property, they can be below the equivalent of an annual rent.

■ **Table 23: Rental bands in €/sq m/annum (only spaces ≥5,000sq m)**

Market	2016		2017	
	From	To	From	To
Total market	36.00	52.80	36.00	52.80

Source: JLL

■ **Figure 44: Prime headline rents for the Isenbuettel region**

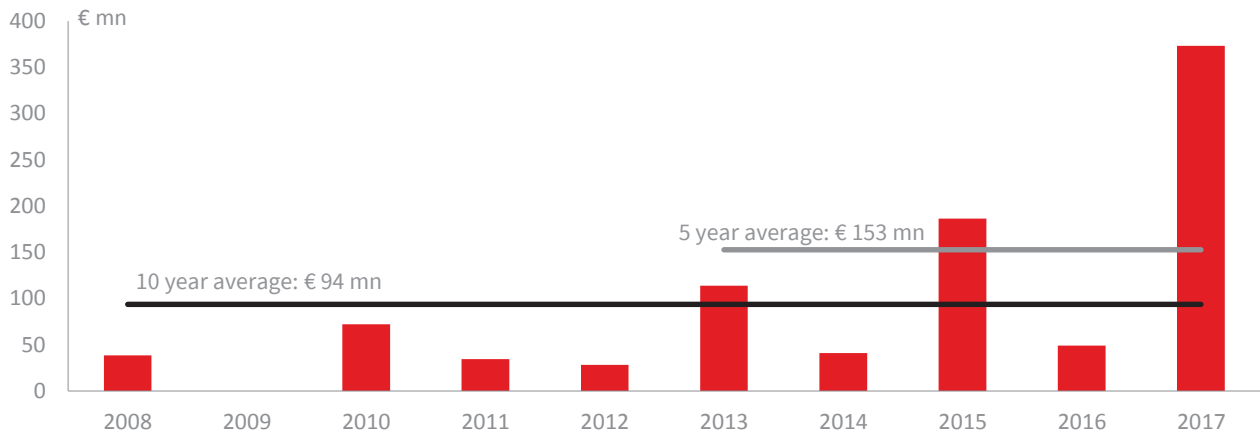


Source: JLL, Prime rents in €/sq m/ annum for spaces ≥ 5,000 sq m

5) Transaction volumes

In 2017, the investment transaction volume in the region was more than €370 million and as such, it was higher than in the three previous years combined. Properties which were part of larger portfolios accounted for more than €250 million; the remainder stemmed from single-asset transactions. The fact that the market is more regional and national in character can easily be seen from the investment market in 2017. Supraregional portfolios were acquired by foreign investors, but domestic purchasers accounted for all the single-asset transactions. The largest transaction in 2017 was the acquisition of the "Fiege Mega Center" in Burgwedel near Hannover; this is currently under construction and was purchased for an open-ended public fund.

■ **Figure 45: Isenbuettel transaction volumes**

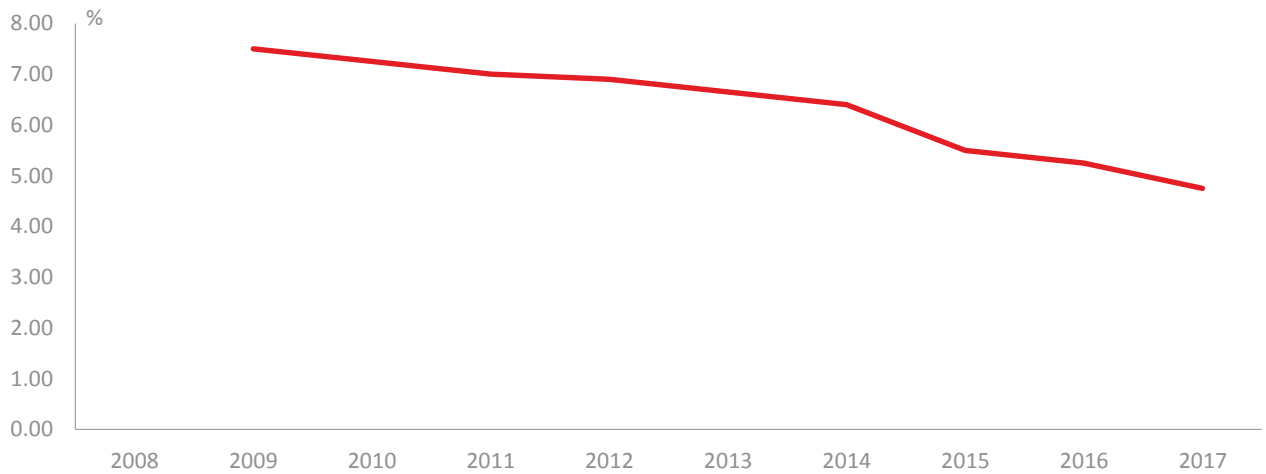


Source: JLL

6) Yields

The Hannover region is benefitting from the strong demand for investments, with prime yields moving in since records began in mid-2009. They currently lie at 4.75%-5.25%, 0.5% lower than a year ago and further mild yield compression is expected in 2018.

■ **Figure 46: Yields**



Source: JLL, year-end values

8. Rastede (Region Bremen-Oldenburg)

1) Economy overview

Rastede is a municipality in the Ammerland district, in Lower Saxony. It is situated approx. 15 km north of Oldenburg and 50 km northwest of Bremen. Rastede is well connected to the freeways A28, A29 and A293. Oldenburg is connected to shipping through the Kustenkanaal, a ship canal connecting the rivers Ems and Weser. With 1.6 million tons of goods annually, it is the most important non-coastal harbour in Lower Saxony. On a per capita base, Lower Saxony is one of the weaker among the German states with €32,600, below German average of €37,100. The nearest airport Bremen is about 50 km away from Rastede. The motorway A29 leads through Rastede's municipal area.

2) Supply and drivers

Rastede is located in the Bremen/Oldenburg logistics region which is focused on Bremen and Oldenburg but also extends into the sparsely populated surrounding area. This is one of Germany's top logistics regions and benefits from its proximity to the North Sea and its location between the three largest German ports. The region is home to the largest freight transport centre in Germany, GVZ Bremen (1.45 million sq m of warehousing space). There is very little modern space available at short notice in the region, and potential users have to resort to project developments. There has been no speculative construction activity in recent years and developers do not usually commence construction until a tenant has signed a contract. New buildings and project developments accounted for 76% (660,000 sq m) of the space taken up in the last five years, including those built for Daimler AG, EDEKA, Netto and Coca-Cola.

■ Table 24: Pipeline Q4 2017 in sq m (only spaces $\geq 5,000$ sq m)

Market	2017 completed	2018 under constr.	2019 under constr.
Available	0	0	0
Pre-let	84,300	0	0
Owner-occupied	79,800	24,000	0

Source: JLL

3) Demand and drivers

In the Bremen/Oldenburg region, approximately 154,000 sq m of warehouse and logistic space of > 5,000 sq m was taken up in 2017 (lettings and owner-occupation), almost as much space as in 2016 (158,000 sq m). Although this was 15% lower than the 5-year average, it was due to a lack of supply of modern logistic facilities in the region and not to a lack of demand from occupiers. Demand currently exceeds supply. In 2017, most space was taken up by companies in the distribution & logistics sector (57%, 88,200 sq m), followed by industrial (32%, 49,800 sq m) and retail companies (10%, 15,600 sq m). In Achim, Daimler AG was the largest tenant (around 26,000 sq m) in 2017.

■ Table 25: Take-up 2017 in sq m (only spaces $\geq 5,000$ sq m)

Market	Pre-lease	Leased	Owner-occupier	Total
Total market	41,400	51,400	60,800	153,600

Source: JLL

4) Rents

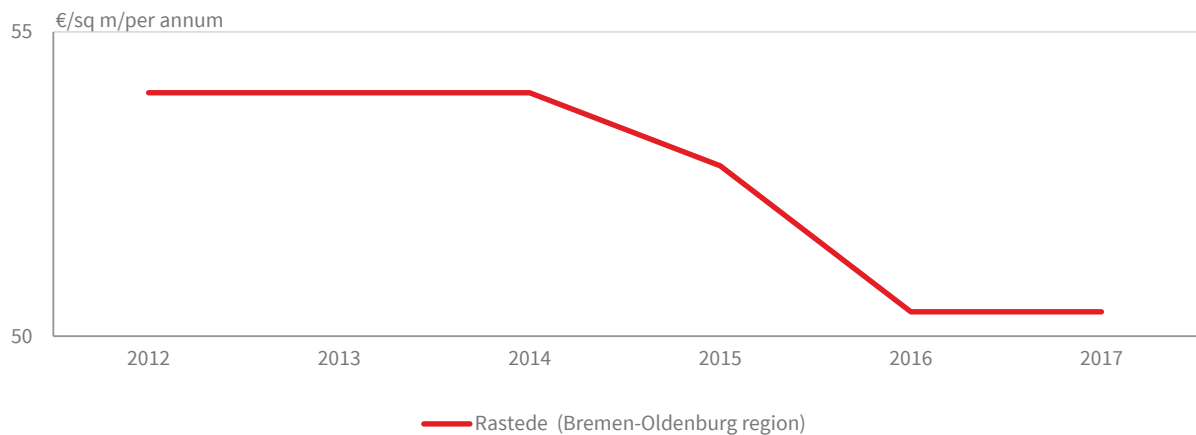
In the Bremen/Oldenburg region, the prime rent for warehousespace of > 5,000 sq m has remained stable since 2016 at €4.20/sq m/month. This rental level can be classified as relatively favourable compared to the other established logistics regions in Germany. Due to the current excess demand, incentives are not always granted in the market and if so, they tend to be low at between one and a maximum of three months' rents.

■ **Table 26: Rental bands in €/sq m/annum (only spaces ≥5,000sq m)**

Market	2016		2017	
	From	To	From	To
Total market	30.00	50.4	30.00	50.4

Source: JLL

■ **Figure 47: Prime headline rents for the Rastede region**

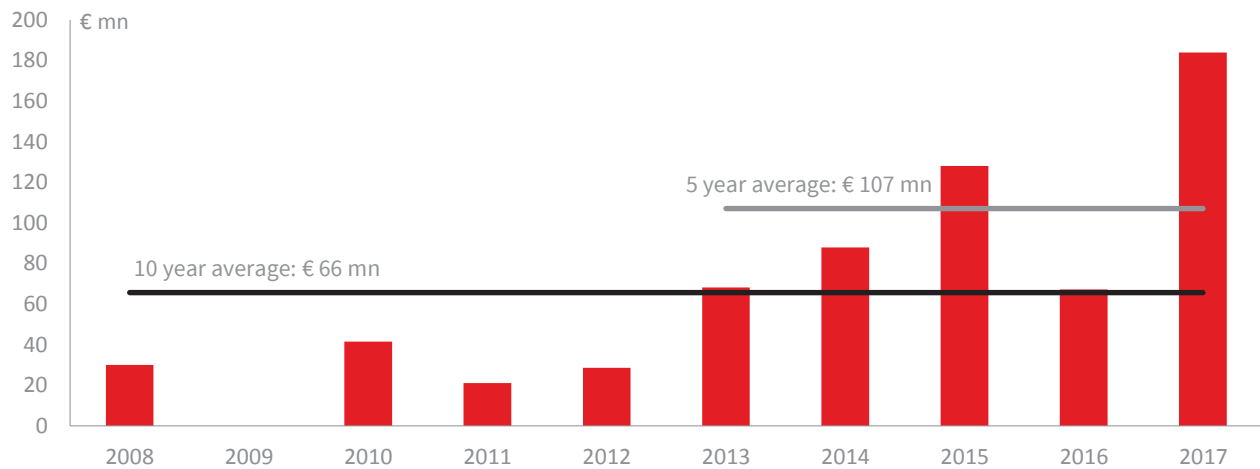


Source: JLL, Prime rents in €/sq m/ annum for spaces ≥ 5,000 sq m

5) Transaction volumes

The volume of investment transactions in the region has risen steadily in recent years (with the exception of 2016). In 2017, the total transaction volume exceeded €180 million, €140 million of which was generated directly in Bremen. This was almost exclusively due to sales of supraregional portfolio transactions with properties in the Bremen-Oldenburg region. Furthermore, just two small single-asset transactions were recorded. The market is very regional in terms of both occupier and investor demand. Due to their regional character, the sizes of warehouses and logistic units are also generally smaller, resulting in lower investment volumes per property. For this reason, these properties are often not in the focus of international investors in terms of single-asset investments.

■ Figure 48: Rastede (Bremen-Oldenburg region) transaction volumes



Source: JLL

6) Yields

As a result of the high demand for logistics real estate investments throughout Germany, prime yields in the Bremen-Oldenburg region have also compressed in recent years. Prime yields for premium properties in top locations currently lie between 4.75% and 5.00% in Bremen and between 5.40% and 5.75% in Oldenburg.

SECTION 3 - THE NETHERLANDS: NATIONAL AND SUBMARKET INDUSTRIAL AND LOGISTICS OVERVIEWS

I. The Netherlands

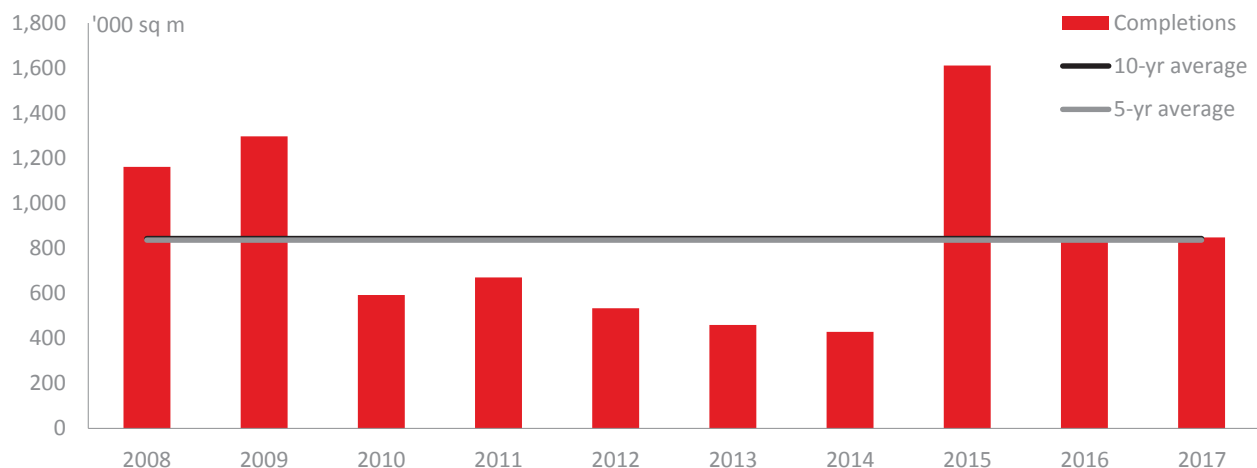
1. Key national GDP sector contributors

The Netherlands is the eighteenth largest economy in the world according to World Bank data based on 2016 GDP. Service industries accounted for 77.9% of GDP by output (in 2015) with industry accounting for 20.3% and agriculture for 1.8%. The country's industrial activity is mainly in food processing, chemicals, the refining of petroleum and electrical machinery. In 2016 the country ranked as the fifth largest exporter of merchandise trade (after China, the USA, Germany and Japan) and the eighth largest importer. The Netherlands ranks number four in the world for its overall 'logistics performance' according to the World Bank's most recent Logistics Performance Index. According to the Netherlands Foreign Investment Agency, 160 million consumers can be reached within 24 hours of Amsterdam or Rotterdam.

2. Supply and drivers

Since 2000, the total stock of logistics space in the Netherlands has grown very strongly. The country's current logistics stock stands at 29.3 million sq m, an increase of nearly 75% since 2002. The strong growth is visible in several size categories, although the largest sizes have seen most demand in the most recent past.

■ **Figure 49: Warehouse completions Netherlands**



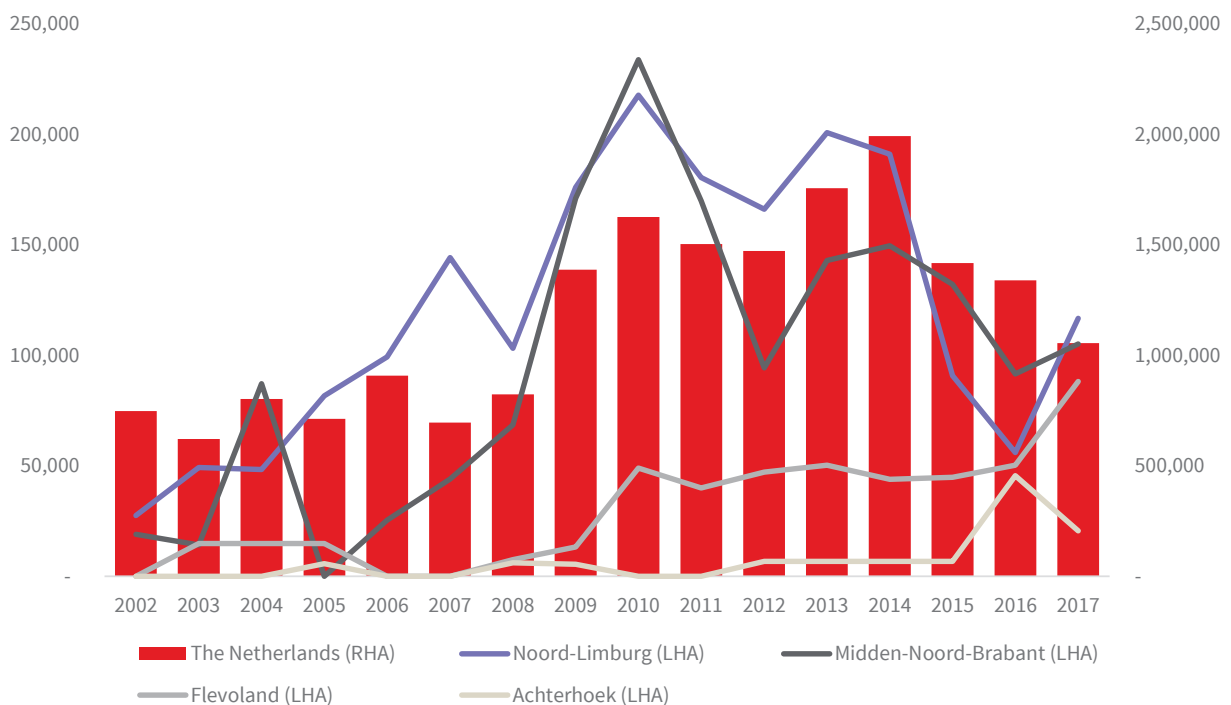
Source: JLL (2018)

Due to the strong growth of the logistics stock in recent years, the share of modern distribution centres within the total stock has increased considerably. This growth was largely driven by the scarcity of directly available, modern supply. As a result of tight supply, more occupiers began developing their own warehouses in collaboration with a

contractor / developer (built-to-suit). Examples include the distribution centre for Brand Loyalty in Venlo, the new building for Action in Echt and recent developments such as Heinz and Lidl in the Nijmegen area.

The total availability of logistics space in the Netherlands has fallen sharply over the last four years with availability down to just over 1 million sq m by the end of 2017. The rapidly diminishing supply reflects strong occupier demand. Less than one-third of the present availability is considered grade A space, while the B grade availability also accounts for less than one-third of the supply. This highlights the limited availability of modern and high quality logistics space in the current market.

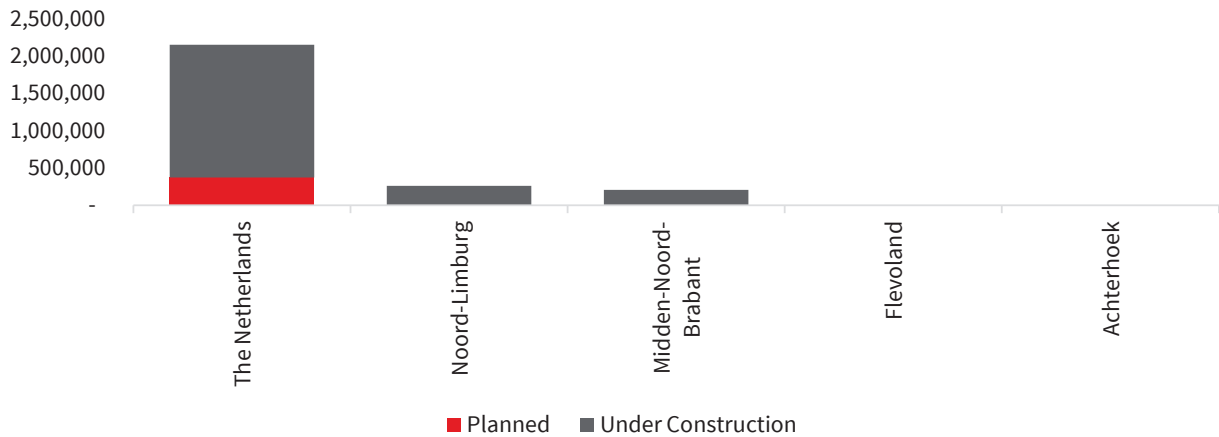
■ **Figure 50: Supply of logistics space in the Netherlands and some important NUTS-3 regions***



Source: JLL (2018). * The regions referred to in this chart are NUTS-3 regions. NUTS refer to Nomenclature of territorial units for statistics – a hierarchical system for dividing up the economic territory of the European Union. The Netherlands is divided into c 40 NUTS-3 regions.

As a result of the limited availability of modern logistics space, a variety of occupiers have shifted their focus to built-to-suit premises over the last few years. This already led to a rise of the total stock and is likely to do so in the foreseeable future. At present, over 2.1 million sq m of logistics space is either planned or under construction in the Netherlands (nearly 80% under construction). Two regions that face quite significant levels of completions are the region of Noord-Limburg (260,000 sq m) and Midden-Noord-Brabant (207,000 sq m). However, other regions in the country have an even larger pipeline, such as West-Noord-Brabant (292,000 sq m) leading the foreseen level of completions for this year. Groot-Rijnmond also has a large pipeline (259,500 sq m) although half of this pipeline is yet to see construction start.

■ **Figure 51: Development pipeline 2018 in the Netherlands and some important NUTS-3 regions*.**

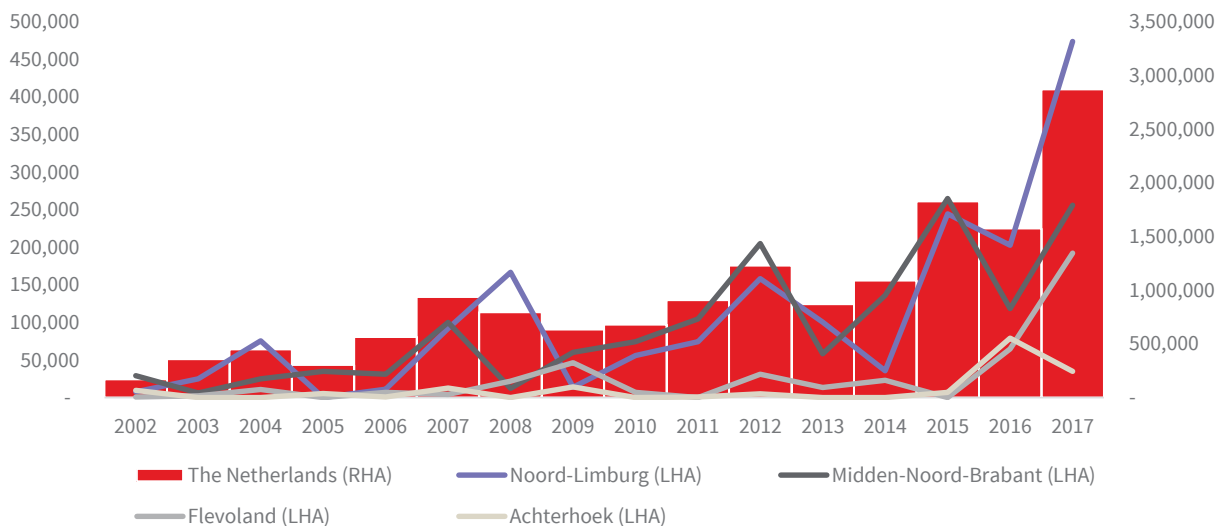


Source: JLL (2018). * The regions referred to in this chart are NUTS-3 regions. NUTS refer to Nomenclature of territorial units for statistics – a hierarchical system for dividing up the economic territory of the European Union. The Netherlands is divided into c 40 NUTS-3 regions.

3. Demand and drivers

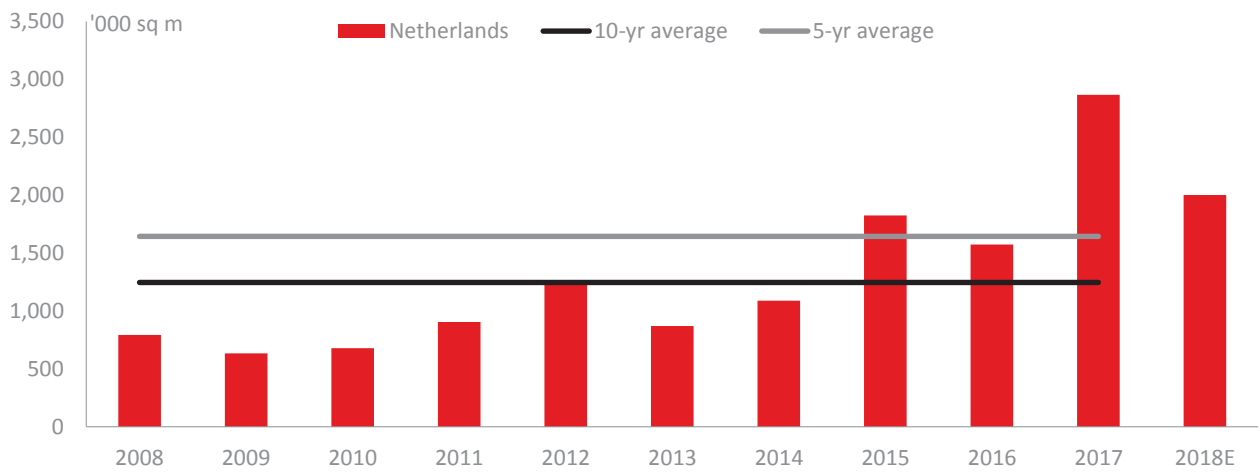
Occupier demand in the Netherlands has historically been rising as a result of the increasing global character of the logistics industry with particularly robust demand over the past three years (2015-2017). Nationally, take-up levels reached over 1.8 million and 1.6 million sq m in 2015 and 2016 respectively and then hit a record high of nearly 2.9 million sq m in 2017. This high volume was heavily supported by new build transactions, of which the 170,000 sq m Inditex distribution warehouse in Lelystad was the largest transaction that occurred in the country. Total activity attributed to ‘under construction’ or ‘planned’ warehouses accounted for roughly one-third of total activity in 2017.

■ **Figure 52: Take-up in the Netherlands and some important NUTS-3 regions* (in sq m)**



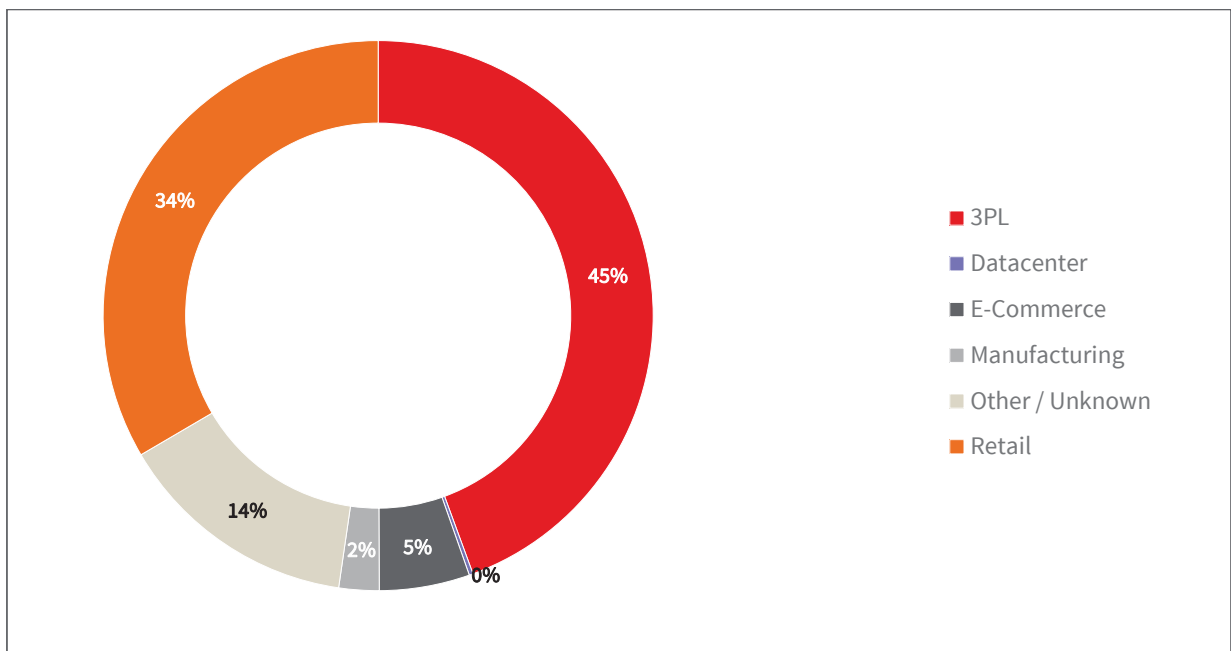
Source: JLL (2018). * The regions referred to in this chart are NUTS-3 regions. NUTS refer to Nomenclature of territorial units for statistics – a hierarchical system for dividing up the economic territory of the European Union. The Netherlands is divided into c 40 NUTS-3 regions. The data for the Netherlands are shown on the right hand axis (RHA) and the data for the regions are shown on the left hand axis (LHA).

■ **Figure 53: Warehouse Take-up in the Netherlands**



Source: JLL (2018) Note: 2018 is an estimated forecast

■ **Figure 54: Take-up by sector in the Netherlands**



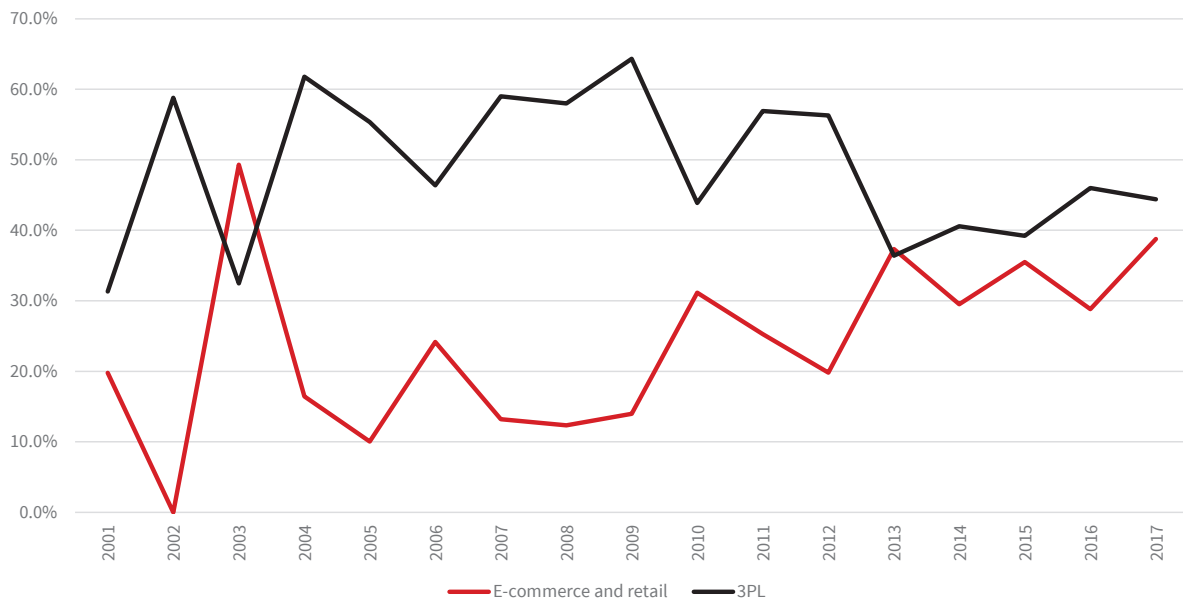
Source: JLL (2018)

Occupier activity in the Netherlands has historically been driven by three main sectors. Since 2001, third party logistics service providers (3PLs) have been the main driver of occupier activity, with an average market share since 2001 of approximately 48%. Retail comes in second place, with a market share that is slightly larger than 20% on average over the same period. Manufacturing accounted for 10.9% of the market share over this time, making it the third largest sector.

Demand from e-commerce players was limited until 2009, with the first notable activity occurring in 2010 from occupiers in this sector. E-commerce has been an important driver of activity in recent years, especially when looked at together with demand from retail occupiers. Given the increased importance of multi-channel retail over recent years, a variety of traditional retailers have expanded their online platforms while typical e-commerce players are more and more focusing on brick-and-mortar stores.

The rising importance of e-commerce and retail players in logistics demand is displayed in the following chart. Although the annual market share is relatively volatile, the overall trend for 3PL players is reducing, while e-commerce and retail occupiers are expanding their market share.

■ **Figure 55: Development of market share of E-commerce and retail occupiers vs. 3PL occupiers**



Source: JLL (2018)

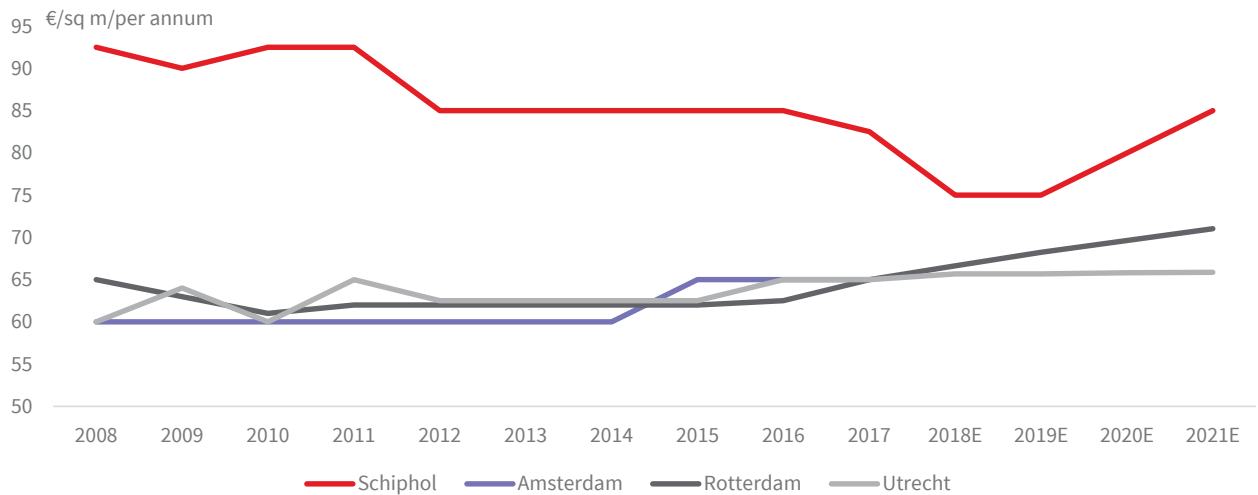
4. Rents and incentives

Rents for logistics space in the Netherlands vary per region. The highest rents are asked and achieved at Amsterdam Schiphol, resulting from the secured - and directly to Schiphol linked - business park Schiphol East. However, over recent years rents at Schiphol have fallen due to the relatively high availability of developable land and new developments that were completed in the vicinity of Schiphol. This, together with new technology, which has reduced the necessity to be present at Schiphol East for some occupiers, has led to downward pressure on prime rents in this area. Prime rents at present stand at € 82.5 per sq m per year, down from € 85 a year earlier and € 92.5 in 2011.

Next to Schiphol, the highest rents are achieved in the Port of Amsterdam, the Port of Rotterdam and Utrecht. The Port of Amsterdam has become a more important location for logistics purposes in recent years due to the development of several new distribution warehouses over the last decade. This led to an upward revision of prime rents in 2014 with rents rising from € 60 to € 65 per sq m per year. Since then rents in the Port of Amsterdam have remained stable.

Prime rents in Rotterdam have historically been fairly stable, varying from € 60 - € 65 per sq m per year, with the present levels standing at € 65 per sq m per year, up from €62.50 a year earlier. Prime rents in Rotterdam are on par with those witnessed in Utrecht, although historically there have been minor differences between these markets. Nevertheless, rents in Utrecht varied between € 60 and € 65 per sq m per year over the last decade, which is comparable to Rotterdam.

■ **Figure 56: Prime headline rents in the Netherlands**



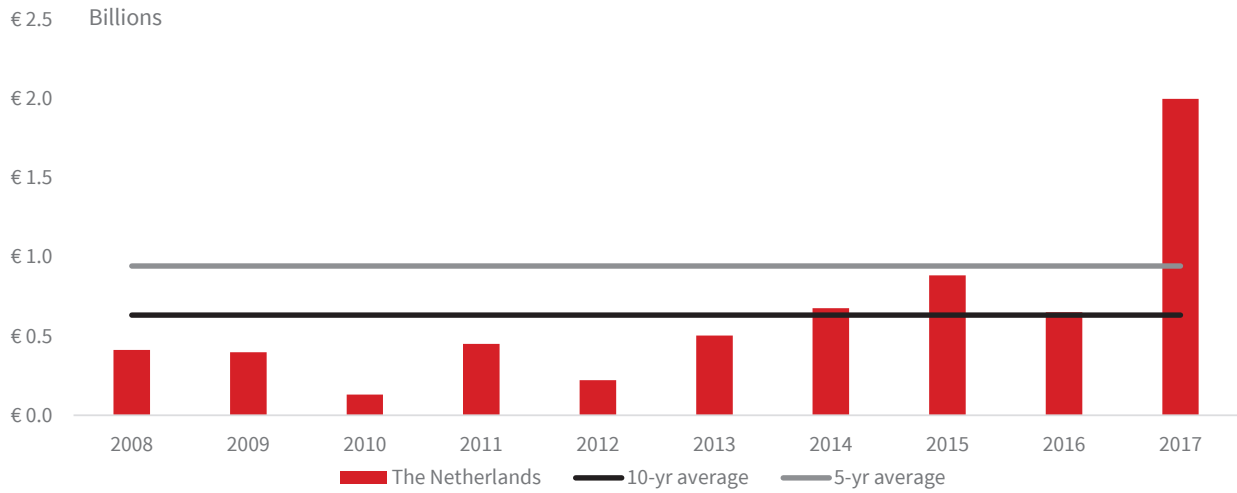
Source: JLL (2018)

5. Transactions volumes and key recent sales

The logistics investment sector continues to grow from strength to strength. While investment volumes for logistics real estate remained below the € 500 million mark between 2002 and 2012, volumes have grown significantly since 2013, with the average investment volume since 2013 exceeding the € 940 million per annum. 2017 marked an all-time record year for logistics investments, with the investment volume touching nearly € 2 billion. This volume was fuelled by six major (> € 100 million) portfolio transactions that accounted for nearly €1.2 billion of the total logistics investment volume.

The ongoing high demand for logistics real estate in the occupier market is also visible in the investment market, with a rising share of build-to-suit projects being traded in the investment market. Among others, the new VidaXL distribution warehouse in Venlo and the new Lidl distribution warehouse in Moerdijk transacted in 2017.

■ **Figure 57: Transaction volumes in the Netherlands**



Source: JLL (2018)

■ **Table 27: Selected key prime investment transactions in 2017**

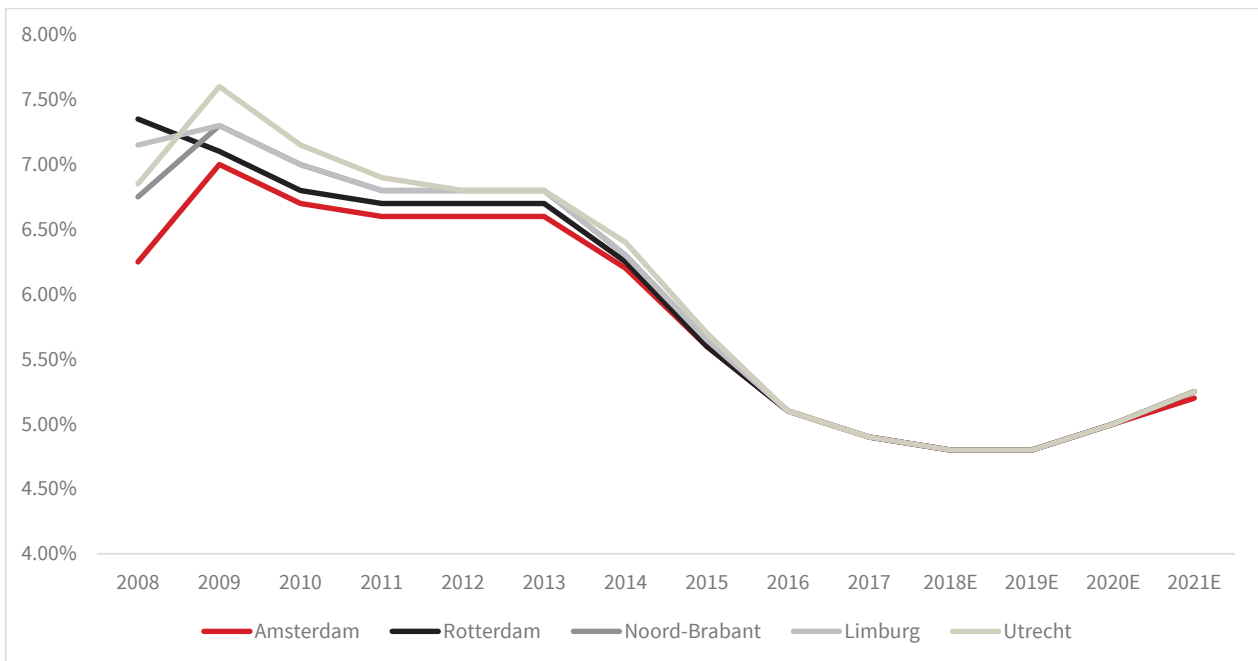
Date	Place	Address / Building name	Surface	Deal size (in € mn)	Yield	Vendor	Investor
2017 Q3	Portfolio	Somerset Portfolio	251,838	€ 275	5.9% GIY	Somerset Capital Partners	CBRE Global Investors
2017 Q2	Portfolio	Apollo Portfolio	178,038	€ 151.5	6.3 GIY	Delin Capital	Blackstone
2017 Q1	Utrecht	DC Kuehne + Nagel	60,500	€ 62.5	5.8 NIY	USAA RealCo	Gramercy Property Europe
2017 Q3	Rotterdam	Makassarstraat 1	85,000	€ 59.4	5.2 NIY	Dudok	Savills IM
2017 Q3	Montferland	Transportweg 7	49,474	€ 38.5	5.2 NIY	DSV	BNP REIM

Source: JLL (2018) Note: GIY = Gross Initial Yield / NIY = Net Initial Yield

6. Yields

Prime yields for logistics space in the Netherlands have sharpened considerably over recent years due to the improved occupier market fundamentals, the ongoing shortage of modern distribution warehouses in the best locations of the country and the ongoing high investor demand. Yields sharpened to 4.9% for all prime locations in 2017, from 5.1% a year earlier. Although this puts yields 85 bps sharper than where Amsterdam's prime yield was during the previous cycle, the spread between the logistics property yield and the 10-year government bond for the Netherlands is significantly higher than during the previous cycle.

■ **Figure 58: Prime net initial yields for logistics in the Netherlands**

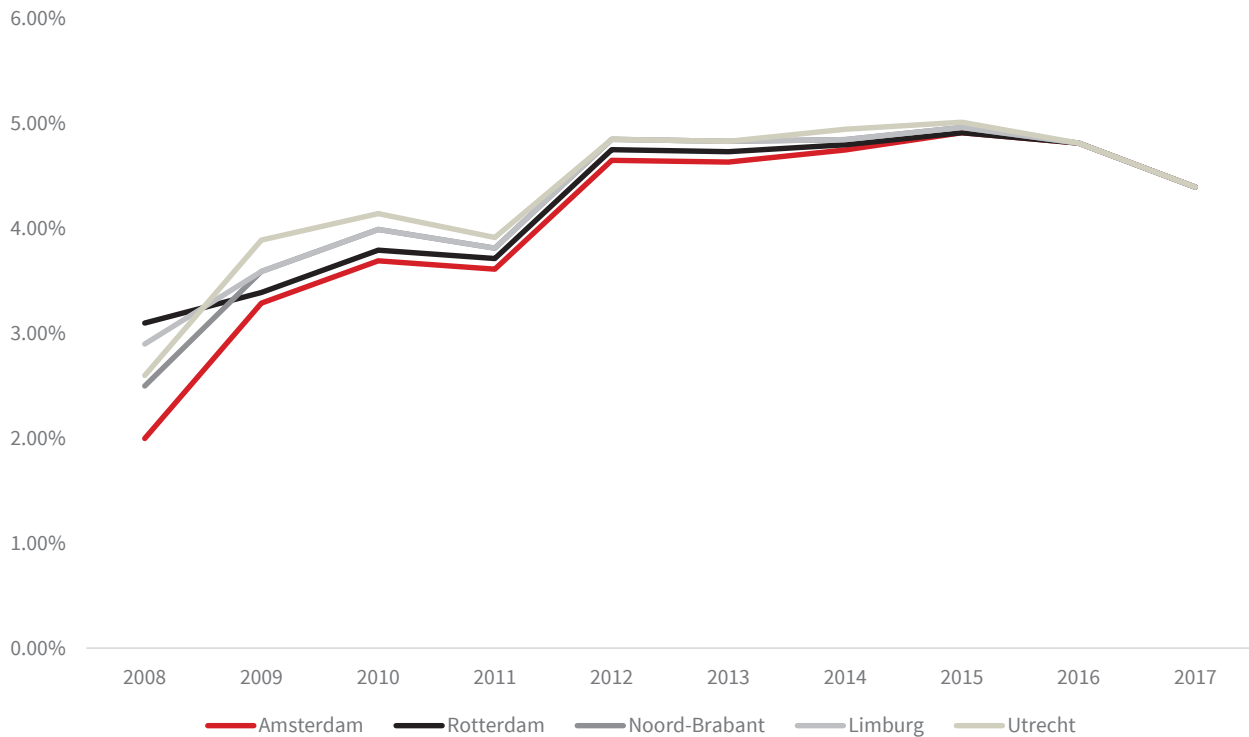


Source: JLL (2018)

The present spread between all prime markets' logistics yield and the 10-year government bond rate for the Netherlands stands at 439 basis points. This spread is significantly higher than the spread that was registered in 2007, when Amsterdam's prime yield was only 146 basis points higher than the Dutch government bond rate. The corresponding spread was 171 bps, 221 bps and 251 bps respectively for Rotterdam, Noord-Brabant / Utrecht and Limburg in 2007.

The relatively large spread between prime logistic yields and 10-year government bonds highlights the attractiveness of logistics as an investment class. In addition, comparing Dutch prime yields, currently at 4.90% net initial, to Germany yields, currently at 4.50% net initial, Dutch logistics offers an attractive spread compared with Germany.

■ Figure 59: Prime logistics property yields - government bond yield spread



Source: JLL (2018)

II. Submarkets

1. Noord-Brabant - Tilburg

1) Economy overview

The Tilburg-Waalwijk region is centrally located in the province of Noord-Brabant alongside the motorway A58 and close to the Belgium border. The A58 is an important east-west axis ensuring supply from both the seaports of Rotterdam and Antwerp. But not only is the region connected via road, there is also an inland water and rail connection, which gives the region a strong multi-modal base for logistic activities.

With over 214,000 inhabitants, the city of Tilburg is the sixth largest city of the Netherlands. The regional economy flourished during the second half of the 19th century until the middle of the 20th century, due to the fast growing cloth and textile industry. Although this industry has almost completely moved to low-wage countries, the industrial background is important for the region. Tilburg is now one of the most important industrial centres in the Netherlands with large industrial sites such as Vossenbergh. In this area companies are located from various industries (production, retail, logistics and other service providers). In addition to locally active companies, Vossenbergh also attracts many large national and international companies. Thanks to the north-east connectivity, many large logistics service providers and production companies have also discovered Vossenbergh.

Due to these fundamentals Tilburg is the country's largest inland logistic hub with a total stock of approximately 1.7 million sq m. Tilburg is also a key city in the Belt and Road initiative and is connected to China via the Chendu-Europe Express Rail. In addition, due to its well-known position in the Dutch logistic market, distribution activity has expanded significantly.

2) Supply and drivers

In the Tilburg region current immediate available supply (approx. 105,000 sq m) is 14% below the five-year average and corresponds to a vacancy rate of 4.1% which is slightly above the national average. In 2017, some 67,300 sq m of new warehouse space was completed but all space was preleased prior to the development. One of these developments refers to the new European warehouse of NSK a manufacturer of bearings, linear technology and steering systems.

At 4Q17, an additional 207,000 sq m was under-construction and programmed for completion during 2018. Of this 97,400 sq m is preleased prior to the start of the development to tenants such as Coolblue and Rhenus Contract Logistics. The remaining 110,100 sq m is being developed on a speculative basis.

■ **Table 28: Pipeline under construction Q4 2017 in sq m**

Market	2017	2018	2019
Available	0	40,000	0
Pre-let	0	97,400	0
Owner-occupied	30,000	0	0

Source: JLL

3) Demand and drivers

Occupier activity has been quite volatile over the past five years and strongly impacted by large built-to-suit transactions. Gross take-up in 2017 amounted to 255,900 sq m, which represents a 116% increase year-on-year. 2017 take-up was also well above the five and 10-year average of 156,400 sq m and 113,350 sq m respectively.

Given the structural low vacancy in the Tilburg region, the majority of transactions that have been recorded refer to (pre-) leased space. Of the total transaction volume approximately 95% related to leased space, illustrating the fact that the logistics market is a very institutionalised market and predominantly owned by institutional investors.

The majority of transactional activity in the region occurred in the city of Tilburg, accounting for almost 95% of total take-up, followed by the municipality of Waalwijk with a share of 4% of total take-up.

■ **Table 29: Take-up 2017 in sq m**

Market	Pre-lease	Leased	Owner-occupier	Total
Tilburg	X	233,900	8,850	242,700
Waalwijk	X	10,800	0	10,800
Other	X	2,400	0	2,400
Total market	X	247,100	8,850	255,900

Source: JLL

Within the Tilburg region take-up is primarily driven by the transport sector. In 2017 approximately 62% of total take-up was driven by the transport sector. In the Netherlands it is quite common that the 3PL signs the main lease with a back-to-back contract with a retailer and/or production company.

The second largest sector in the region responsible for 22% of total take-up in 2017 was the retail sector. Companies such as Bol.com, a large Dutch pure e-commerce retailer, has a large built-to-suit development close to Tilburg in the city Waalwijk.

4) Rents

Prime rent in the Tilburg region, referring to the warehouse not blended with the office space, amounts to € 50 - € 55 per sq m per annum, as realised at logistic park Vossenbergh. Vossenbergh is one of the newest industrial estates of Tilburg, and occupiers here include Tesla, Coolblue and several national 3PL parties. Prime rents in the wider Tilburg region are € 45 - € 50 per sq m per annum.

The logistics market in the Tilburg region can be characterised as a landlord favourable market. New development land is becoming scarce and demand remains strong. With current low vacancy, incentives have declined strongly over the past two years. Currently, based on a standard 5+5 contract period incentives vary between 0 and 6 months.

It is expected that rental values will increase in the near future. The already low available of existing logistics space, the lack of new development opportunities in the wider Tilburg region and in the foreseeable future the increase of construction and land prices will have an increasing effect on rental prices in the region.

■ **Table 30: Rental values 2017 in €/sq m/annum**

Market	2016		2017	
	From	To	From	To
Tilburg	€ 45	€ 50	€ 50	€ 55
Waalwijk	€ 45	€ 50	€ 45	€ 50
Other	€ 40	€ 45	€ 40	€ 45

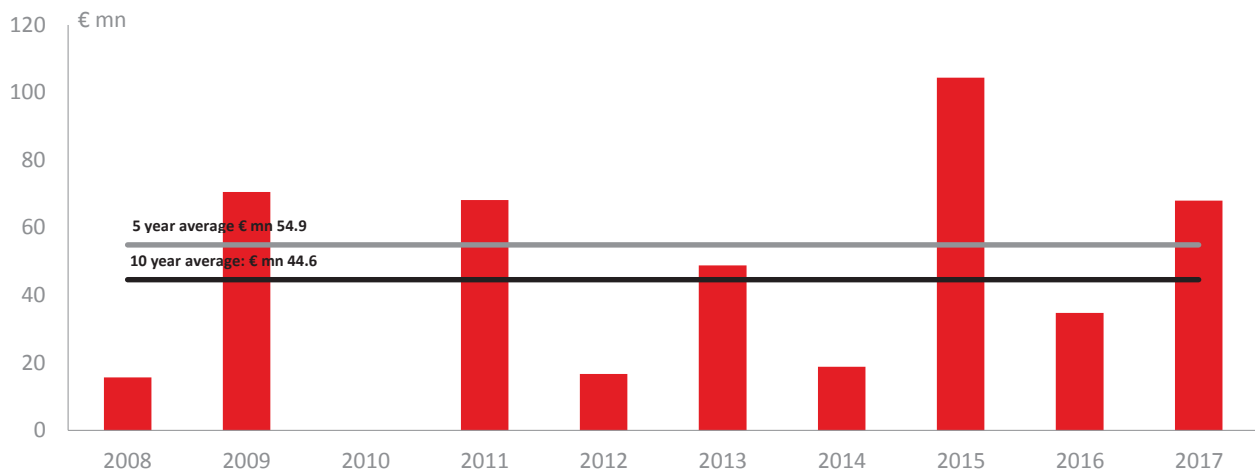
Source: JLL

5) Transaction volumes

In the past two years logistic investment activity was strongly driven by large European or nationwide portfolio sales. Single asset transaction activity was relatively scarce and therefore investment activity in the Tilburg region was very volatile.

Over the past three years average investment activity was approximately € 69 million. Most of the recent transactions refer to new built logistic centres which were bought by investors such as Blackstone and Segro.

■ **Figure 60: Tilburg transaction volumes**



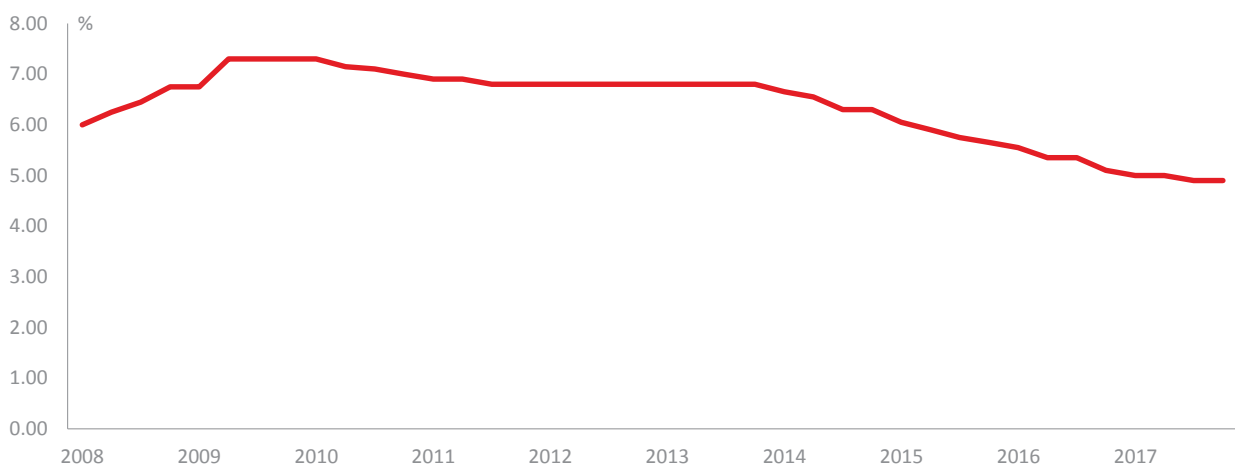
Source: JLL

6) Yields

Since 2014, due to relatively low levels of development activity and continued demand from investors, yields have compressed. By the end of 2015, in the most notable logistics hubs, including Tilburg, prime net initial yields had fallen to a level of 5.65% and current prime net initial yields are at a level of 4.90%, with no difference between the different logistic hubs. It is expected that yields will show a further compression during 2018.

Due to the current low yield environment investors are becoming active in the development market. Developing for their own investment portfolio is relatively cheap and offers a higher return when compared to buying a standing investment.

■ **Figure 61: Yields**



Source: JLL

2. Limburg - Venlo

1) Economy overview

Venlo is located in the northern part of the province of Limburg. With approximately 37,500 inhabitants, it is a relatively small city in the Netherlands. Despite its relatively small size, the city is very strategically located between the Randstad, the Flemish region and the Ruhr area. The wider Venlo region has developed as an important logistic hub. Not only the location, but also the different modes of transport, like road, water and rail, make the region an important logistic location in the Netherlands. By many, the region is seen as the main logistics hotspot of the Netherlands; indeed research by Prologis has identified Venlo as Europe's most desirable logistics location for occupiers.¹⁴

The economy of Venlo is characterised by the wide presence of the trade-, transport- and industrial sector. Printing company Océ and transport company DSV are well-known companies in Venlo. In the transport sector in particular, Venlo grew at the beginning of the twentieth century, due to its strategic location on the border at a crossing of the Maas river and the railway. The largest business sites are in the Blerick district on the A73 and A67 motorways (Zaarderheiken intersection), which also has the large fruit and vegetable auction ZON.

The rapid growth of transport infrastructure in the Venlo region in combination with the relatively low land- and rental prices make the region a good location for the distribution sector, especially European distribution centres.

To facilitate future growth the municipality of Venlo is now developing a new rail terminal on the Trade Port North industrial estate. Completion of this new terminal is scheduled for the end of 2018. After completion, this new terminal will comprise an area of 15 hectares and will be the largest inland terminal in the Netherlands.

2) Supply and drivers

Due to several speculative developments in the past two years, occupiers traded up their existing space for this newly built logistic space. As a result, immediate available supply in the region solely consists of existing, slightly outdated logistic space. Current available supply in the wider region amounts to 116,000 sq m and corresponds to a vacancy rate of 3.9%. Current supply is slightly above the three year average (+4%) due to an increase of supply outside of the Venlo market. The increase in supply was witnessed in the municipality of Venray, a city in close proximity of Venlo, but much smaller in size.

Due to the low availability of existing space, especially A grade logistics, the development pipeline substantially increased. Currently there is 317,200 sq m of logistic space under construction almost all planned for completion during 2018. The largest development refers to a new owner-occupied development of DSV, which has initiated its own new development of 83,000 sq m with planned completion in Q318.

■ Table 31: Pipeline under construction Q4 2017 in sq m

Market	2017	2018	2019
Available	60,000	54,000	45,000
Pre-let	180,300	70,000	0
Owner-occupied	0	148,200	0

Table source JLL

¹⁴ Prologis, *Europe's Most Desirable Logistics Locations*, October 2017

3) Demand and drivers

Since 2015 demand for logistics space has been very robust in the wider Venlo region. Average take-up in the past three years (2015-2017) amounted to 306,900 sq m. In 2017 take-up strongly outperformed the three-year average with a take-up volume of 473,700 sq m. Of total take-up 88% related to transactions within the municipality of Venlo.

■ **Table 32: Take-up 2017 in sq m**

Market	Pre-lease	Leased	Owner-occupier	Total
Venlo	X	306,800	108,000	414,800
Venray	X	8,000	10,900	18,900
Other	X	40,000	0	40,000
Total market	X	354,800	118,900	473,700

Table source: JLL

Given its strong connection to the German hinterland and good accessibility the Venlo region is, for many 3PL and E-commerce related occupiers, and ideal location for their logistic operation. In 2017 the majority of take-up in the Venlo region was driven by retail- related occupiers. Out of total take-up 45% related to this sector. The second largest sector was the transport sector, being responsible for 30% of total take-up.

4) Rents

In 2017 prime rents in the Venlo market remained stable at € 50 per sq m per annum for prime new built logistics space. In the region prime rents are slightly lower. In Venray prime rents are at a level of € 45 per sq m per annum. These rents are slightly below the nation average due to the relative low cost of development land.

Generally, rents are being supported by incentives. Within the Venlo region it is market standard to provide 3 to 6 months of rent free based on a 5+5 year lease contract.

■ **Table 33: Rental values 2017 in €/sq m/annum**

Market	2016		2017	
	From	To	From	To
Venlo	€ 42.5	€ 47.5	€ 45	€ 50
Venray	€ 40	€ 45	€ 40	€ 45
Other	€ 40	€ 45	€ 40	€ 45

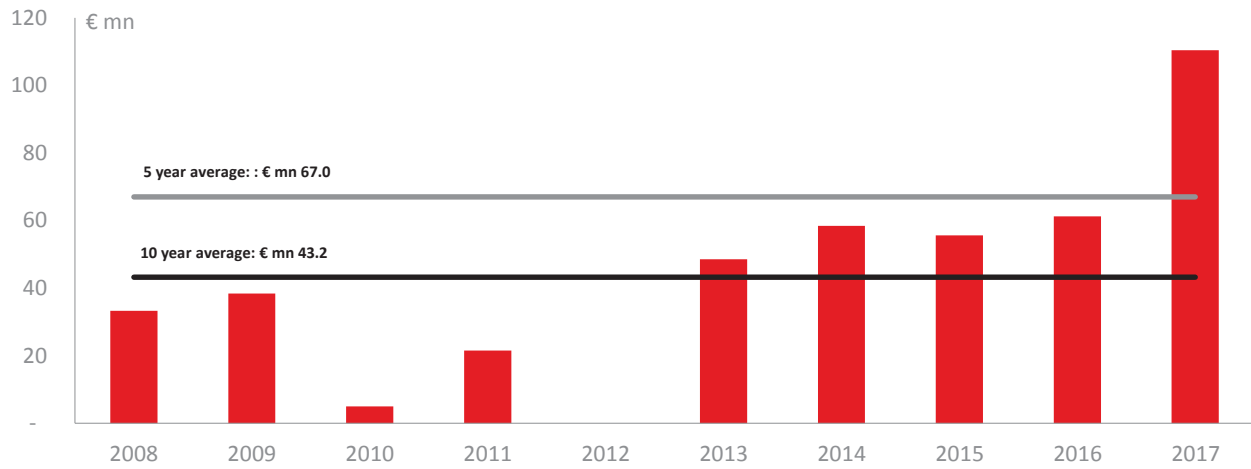
Table source JLL

5) Transaction volumes

The number of investors looking for suitable logistics investments in mainland Europe and especially in the Netherlands remains strong. A well-established logistics hub such as Venlo is highly sought after, as witnessed by the substantial investment volume in 2017.

In 2017 total investment activity of single-assets in the Venlo region amounted to € 110 million. This excludes the trade of assets being part of a wider portfolio. As currently several properties, which are planned for completion in 2018, are being marketed it is expected that the investment volume in 2018 will surpass the 2017 volume.

■ **Figure 62: Venlo transaction volumes**

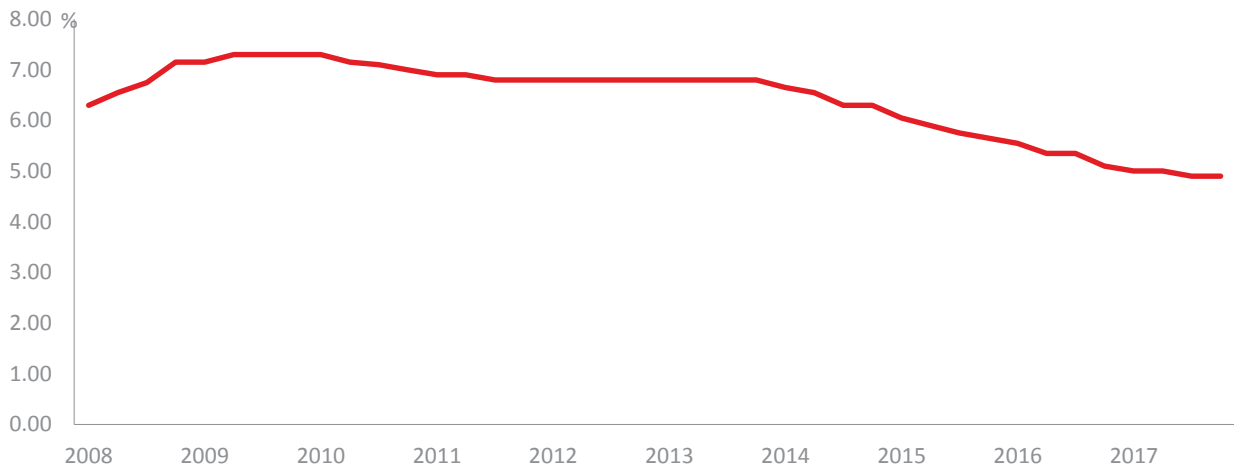


Source: JLL

6) Yields

With continued strong demand for Dutch logistics assets current prime net initial yields are at a level of 4.90%, with no difference between the different logistic hubs. It is expected that yields will show a further compression during 2018. The pending transactions in Venlo are most likely to set a new benchmark for this expected yield compression.

■ **Figure 63: Yields**



Source: JLL

3. Achterhoek – ‘s-Heerenberg

1) Economy overview

Montferland (‘s-Heerenberg) is part of the wider Achterhoek region in the Gelderland province. The Achterhoek is situated in the east of the Netherlands alongside the German border.

Most logistic activities in the Achterhoek are clustered in the city ‘s-Heerenberg. Other cities in close vicinity have little to no logistic activities. The logistic cluster in ‘s-Heerenberg can be explained by its strong infrastructure. Besides an excellent connection via the motorway A12, the area also has a barge and rail terminal within close distance.

‘S-Heerenberg is one of the most notable logistics locations in the eastern part of the Netherlands. Large occupiers such as Wim Bosman, Mainfreight, JCL and DSV already recognize the strength of this market.

The total stock in the Achterhoek amounts 517,000 sq m. The total logistic stock has increased by 107% since 2000. Of this total, some 35% refers to warehouses larger than 10,000 – 20,000 sq m, 23% refers to warehouses between 20,000 – 40,000 sq m and 14% refers to warehouses larger than 40,000.

Within the region the strongest concentration of logistics stock can be found in Montferland (‘s Heerenberg). A large part of the logistics stock can be found in ‘s-Heerenberg with a total volume of 264,500 sq m. In total 52% of the logistics stock in the Achterhoek is located in ‘s- Heerenberg. Of the total logistics stock in ‘s-Heerenberg 36% refers to A-grade, 30% refers to B-grade and 34% refers to C-grade warehouses.

2) Supply and drivers

Logistics supply has been relatively low in the Achterhoek region, with the only current supply in the region being located in ‘s-Heerenberg. In the past five years (2013-2017) supply in the region was on average 17,000 sq m. In 2016 supply increased to a level of 45,000 sq m.

The current supply in ‘s-Heerenberg amounts 20,500 sq m, referring to two warehouses. Current vacancy rate amounts 7.7%.

In the recent years prior to 2017 no logistics warehouses were completed in the region. In 2017 two warehouses were completed; these involved by the completion of 26,000 sq m developed by Somerset Real Estate and occupied by MainFreight and 53,000 sq m occupied by DSV. ‘S-Heerenberg has a ‘non-firm’ pipeline of 30,000 sq m, with no identified start or completion date.

3) Demand and drivers

In the past five years transaction volume have been volatile in the region. In the past five years (2013-2017) the annual take-up volume in the region averaged 31,400 sq m.

In 2016 two transactions occurred; first the lease of 53,000 sq m to DSV and second 26,000 sq m to Mainfreight.

Take-up volume in 2017 in the region amounted to 34,830 sq m. This comprised one transaction in ‘s-Heerenberg of 14,300 sq m for Wim Bosman Logistics and to one transaction in Oost Gelre that occurred in the first quarter of 2017, involving the lease of 20,500 sq m to Mainfreight.

■ **Table 34: Take-up 2017 in sq m**

Market	Pre-lease	Leased	Owner-occupier	Total
Montferland	X	14,300	0	14,300
Oost Gelre	X	0	20,500	20,500

Table source JLL

4) Rents

Prime rents in the region, referring to the warehouse not blended with the office space, amounts to € 45 - € 50 per sq m per annum, realised at logistic park Het Goor. Het Goor is one off the newest industrial estates of 's- Heerenberg, with occupiers such as occupiers such as Wim Bosman, Mainfreight, JCL and DSV located here. Prime rents in the wider region are to € 40 - € 45 per sq m per annum.

Generally, rents are being supported by incentives. Within the region it is market standard to provide 3 to 9 months of rent-free based on a 5+5 year lease contract.

■ **Table 35: Rental values 2017 in €/sq m/annum**

Market	2016		2017	
	From	To	From	To
Montferland	€ 45	€ 50	€ 45	€ 50
Other	€ 40	€ 45	€ 40	€ 45

Table source JLL

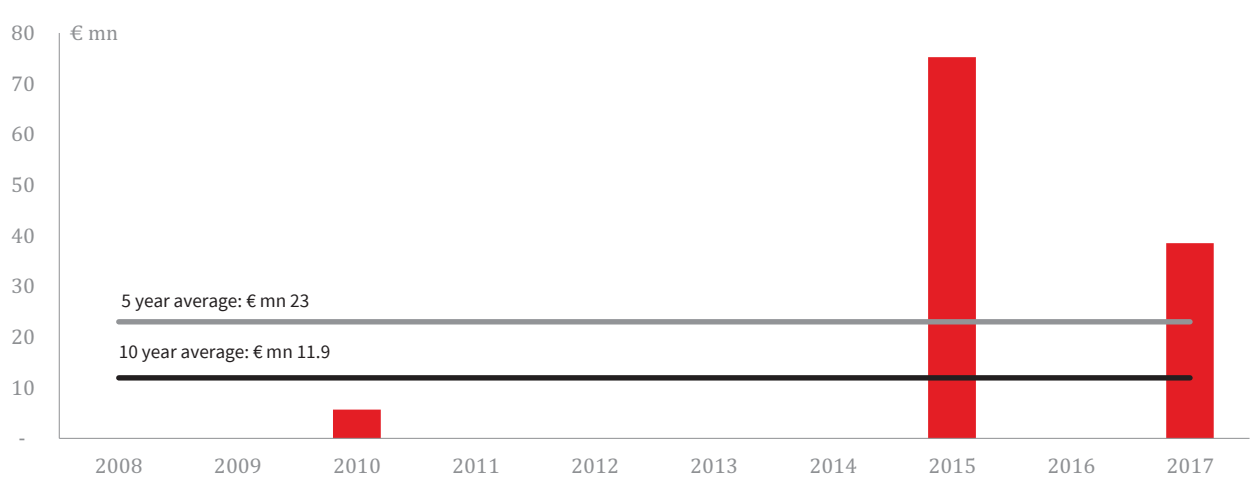
5) Transaction volumes

In the past three years logistics investment activity was driven by single asset transactions. The largest investment transaction was the sale of DC Boman Logistics (2015 Q4). Geneba Properties bought the property of Bosman Logistics for € 56 million.

The latest transaction (2017 Q3) refers to the sale of approximately 50,000 sq m in 's-Heerenberg which DSV sold to BNP REIM for €38.5 million.

Over the past three years the average annual level of investment activity was approximately € 38 million. Most of the recent transactions refer to new built logistics centres which were bought by investors such as Montea, BNP REIM and Geneba Properties.

■ **Figure 64: Transaction volumes**



Source: JLL

6) Yields

Based on current investment transactions prime net initial yields in the region are around 5.2%, slightly above the net initial yields for the prime logistics hotspots in the Netherlands, which stand at 4.9%.

4. Flevoland – Zeewolde

1) Economy overview

Zeewolde is located in the centre of the Netherlands in the province Flevoland. Flevoland was drained in the 1960s and is therefore the youngest province in the Netherlands. Zeewolde is the sixth largest municipality in Flevoland and is very accessible by car via motorway A28 and A27. Motorway A27 connects Zeewolde in the south with Utrecht and the southern part of the Netherlands and motorway A28 connects Zeewolde with Amersfoort and Utrecht in the south of the Netherlands and Zwolle in the north of the Netherlands.

Flevoland has a total logistics stock amounting to approximately 738,000 sq m, out of which 24% (182,300 sq m) is located in Zeewolde. Zeewolde has eight industrial estates and the concentration of logistics activities is only at the logistic park Trekkersveld I and II and III.

The largest occupiers at logistic park Trekkersveld include Bakker logistics, Verbeek's Pluimvee Beheer, Wolter Koops Logistics and Kees Becker Logistics.

2) Supply and drivers

Logistic supply has been relatively stable in the Flevoland region. In the past five years (2013-2017) supply in the region was on average 55,500 sq m. Current supply consists of 88,000 sq m mainly located in Almere. There is no current supply in Zeewolde.

There has been a limit number of developments in Flevoland. The largest recently developed logistics warehouses involved completion a logistic warehouse of approximately 40,000 sq m (2014 Q4) for Wolter Koops at logistic park

Trekkersveld, the development of DC Fresh Care of 28,000 sq m in Dronten (2017 Q1) and the completion of 13,900 sq m for King nonwovens in Zeewolde.

Flevoland has a firm pipeline of approximately 28,000 sq m referring to one development in Dronten where Staay Food Group is building a new warehouse for Fresh-Care Convenience B.V.

In addition, Zeewolde has a 'non-firm' pipeline of approximately 271,000 sq m. The largest plans refer to the development of approximately 170,000 sq m for Inditex in Lelystad.

3) Demand and drivers

In the past five years transaction volume have been volatile in the region. In the past five years (2013-2017) take-up volume in the region was on average 73,000 sq m per annum.

Take-up volume in 2017 in the region amounted to 192,000 sq m, mainly driven by the newly build warehouse of Inditex (170,000 sq m) in Lelystad.

There have been no recent logistics transactions within the municipality of Zeewolde due to the lack of logistic supply.

■ **Table 36: Take-up 2017 in sq m**

Market	Pre-lease	Leased	Owner-occupier	Total
Zeewolde	X	0	0	0
Almere	X	22,170	0	22,170
Lelystad	X	0	170,000	170,000
Total market	X	22,170	170,000	192,170

Table source JLL

4) Rents

Prime rent in the region, referring to the warehouse not blended with the office space, amounts to € 45 - € 50 per sq m per annum, realised at logistic park Stichse Kant (Almere).

Prime rents in Zeewolde amounts to € 40 - € 45 per sq m per annum, realised at logistic park Trekkersveld.

Generally, rents are being supported by incentives. Within the region it is market standard to provide 3 to 9 months of rent free based on a 5+5 year lease contract.

■ **Table 37: Rental values 2017 in €/sq m/annum**

Market	2016		2017	
	From	To	From	To
Zeewolde	€ 40	€ 45	€ 40	€ 45
Almere	€ 45	€ 50	€ 45	€ 50
Other	€ 45	€ 50	€ 45	€ 50

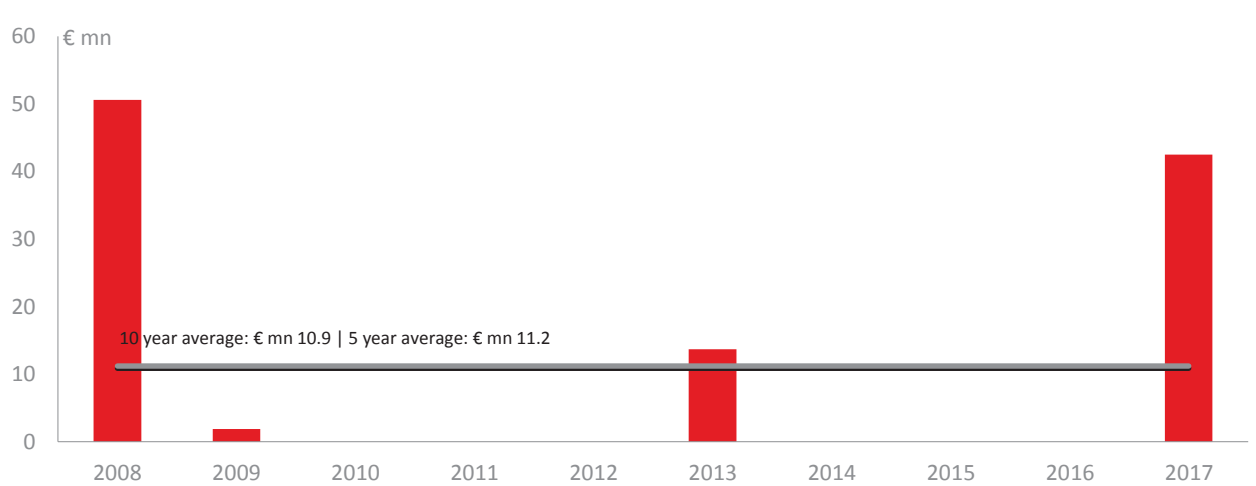
Table source JLL

5) Transaction volumes

There have not been many logistics investment deals in the region Flevoland in the past years. The logistics investment activity in 2017 was driven by two single asset transactions the largest investment transaction being the sale of the Rondebeltweg in Almere. Sagax bought the property of Pon Holdings for € 27.7 million.

Over the past three years average investment activity was approximately € 28 million per annum. Most of the recent transactions refer to new built logistics centres which were bought by investors such as Montea, Imperil Investment & Trading and Sagax.

■ **Figure 65: Transaction volumes**



Source: JLL

6) Yields

Based on current investment transactions prime net initial yields in the region are around 5.1%, slightly above the net initial yields for the prime logisticS hotspots in the Netherlands, which stand at 4.9%.

APPENDIX 1: LOGISTICS INFRASTRUCTURE MAP FOR GERMANY

Logistics and industrial hubs: infrastructure

○ logistics and industrial cluster

⊕ rail and logistics terminal

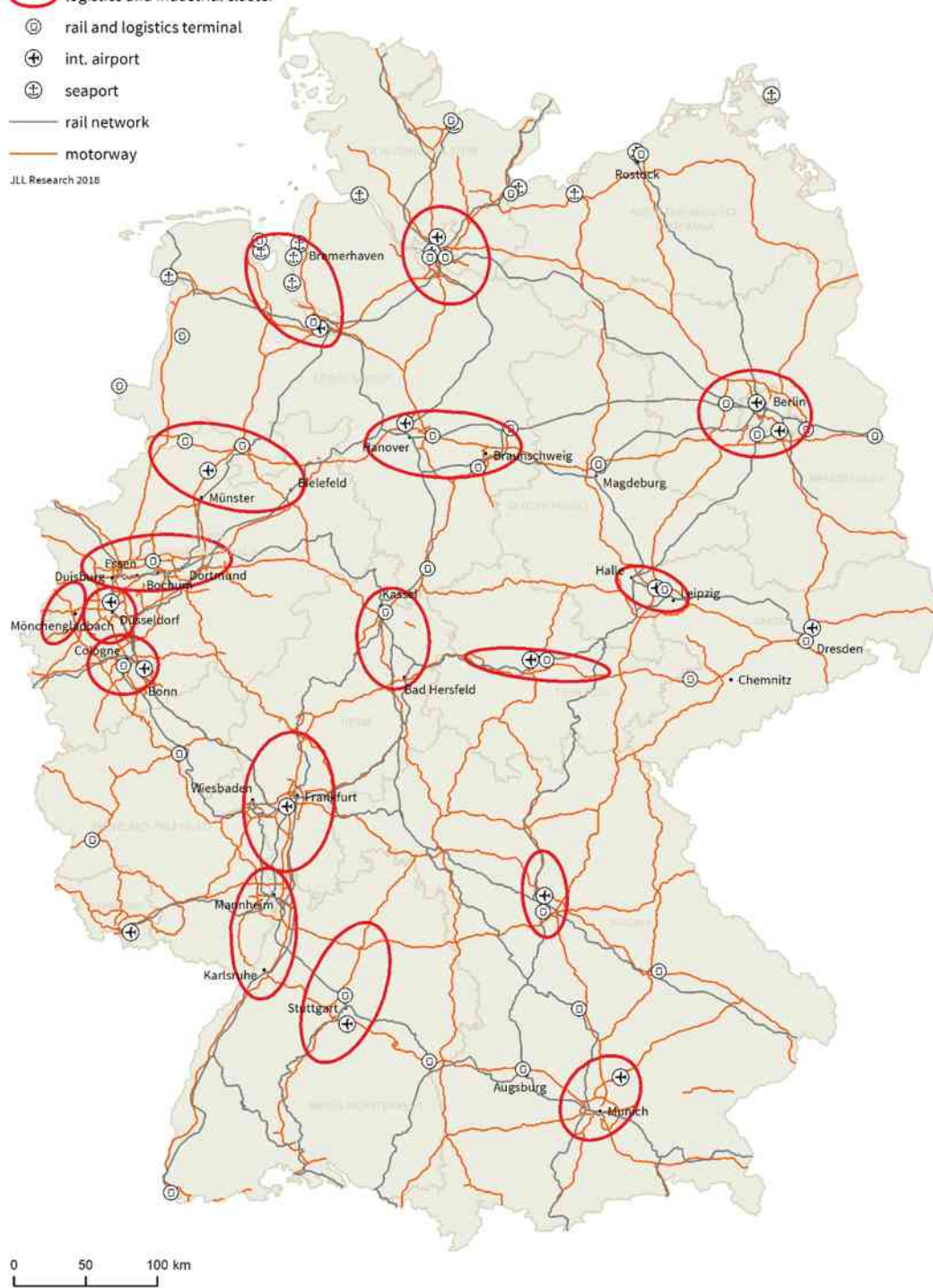
⊕ int. airport

⊕ seaport

— rail network

— motorway

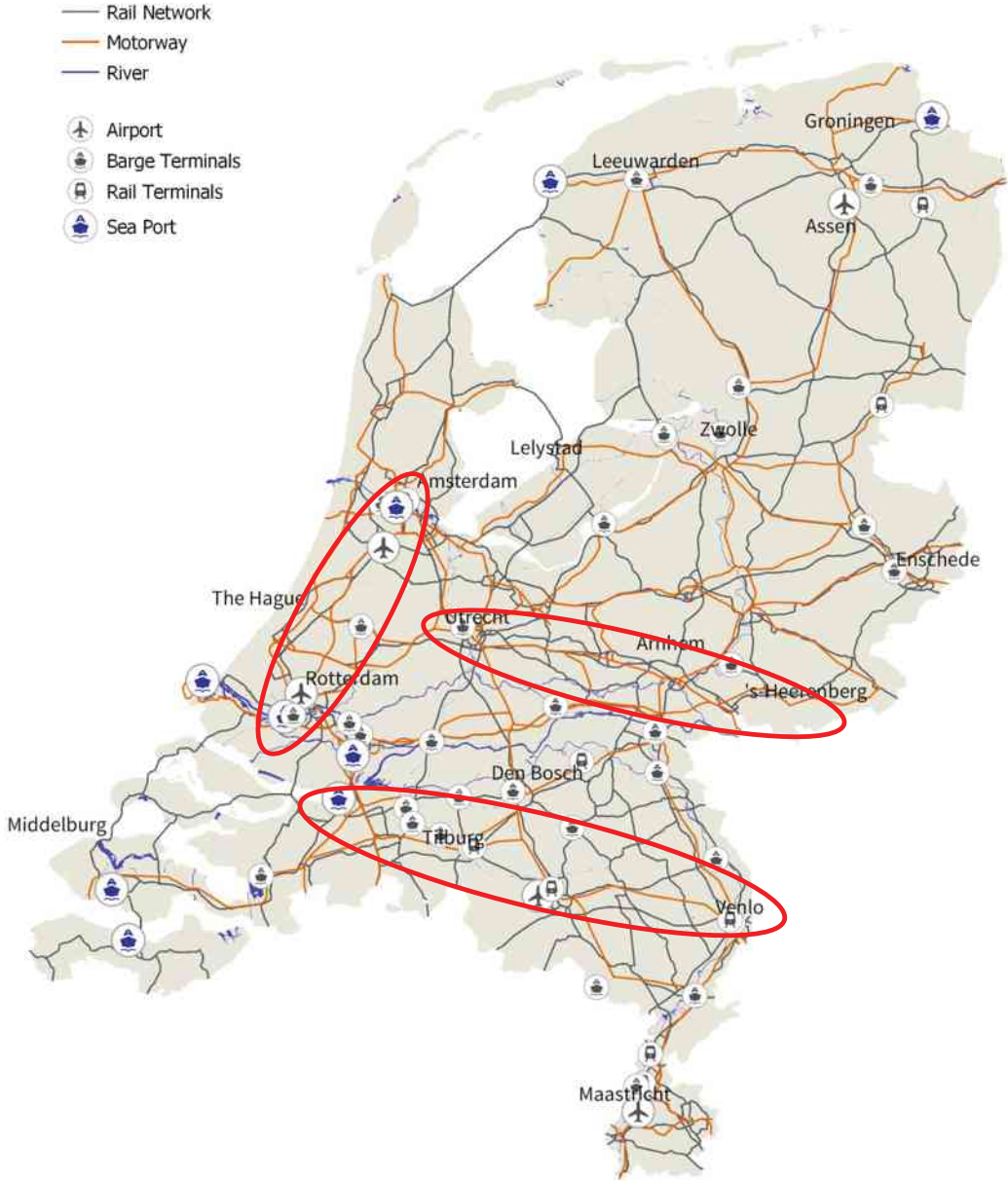
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APPENDIX 2: CAR MANUFACTURING MAP FOR GERMANY



APPENDIX 3: LOGISTICS INFRASTRUCTURE MAP FOR THE NETHERLANDS



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EXISTING INTERESTED PERSON TRANSACTIONS

The table below sets out details of the Existing Interested Person Transactions entered into between (1) FLT and (2) the FPL Group and its associates, during the course of the current financial year ending 30 September 2018 up to the Latest Practicable Date, which are the subject of aggregation pursuant to Rule 906 of the Listing Manual.

Interested Person	Relationship	Transaction Type	Amount of Transaction (A\$)
Southeast Insurance Public Company Limited	Southeast Insurance Public Company Limited is an entity within the TCC Group, which is controlled by Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi	This refers to the Renewed Southeast Insurance. Following the expiry of the Initial Southeast Insurance on 30 September 2017, the Manager renewed the insurance policy with Southeast on 1 October 2017 for a term of one year expiring on 30 September 2018.	0.8 million (as at the date of this Circular)

Taking into account that: (i) quotations had been obtained from other third party insurers for the renewal of the industrial special risk and public liability insurance policies for FLT on a standalone basis and (ii) the broker involved in placing the policies had also confirmed: (a) that the terms from Southeast are comparable to or better than the terms provided by the unrelated third party insurers, (b) while Southeast issues the insurance policies, Southeast does not retain any risk and has full back-to-back reinsurance and (c) in the event Southeast is unable to indemnify under FLT's insurance, the reinsurers may pay directly to the insured, the Audit, Risk and Compliance Committee is of the opinion that the Renewed Southeast Insurance is on normal commercial terms and is not prejudicial to the interests of FLT and its minority Unitholders.

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TAX CONSIDERATIONS

The following summary is intended to be an overview of certain Singapore, Germany and Netherlands tax considerations in respect of the Proposed Acquisition and is based upon laws, regulations, budget measures, rulings and decisions now in effect, all of which are subject to change (possibly with retroactive effect). This summary is not a tax advice and does not purport to be a comprehensive description of all the tax considerations that may be relevant to Unitholders. Unitholders should consult their own tax advisers on the tax implications that may apply to their own individual circumstances.

A. SINGAPORE TAXATION

INCOME TAX

Taxation of FLT

FLT is liable to Singapore income tax, currently at the rate of 17%, on:

- (a) income accruing in or derived from Singapore; and
- (b) unless otherwise exempt, income derived from outside Singapore which is received in Singapore or deemed to have been received in Singapore by the operation of law.

FLT's income or receipts from the Proposed Acquisition may include:

- (a) dividends from its wholly-owned Singapore subsidiary companies including the FLT Singapore SPV (hereinafter referred to collectively as the "**Singapore Subsidiaries**", and each a "**Singapore Subsidiary**"); and
- (b) proceeds from repayment of shareholder's loans and/or return of capital from the Singapore Subsidiaries.

Dividends from the Singapore Subsidiaries

Provided that the Singapore Subsidiaries are tax residents of Singapore, dividends received by FLT from the Singapore Subsidiaries will be exempt from Singapore income tax in the hands of the Trustee under section 13(1)(za) of the Singapore Income Tax Act ("**SITA**").

A company is resident in Singapore if the control and management of its business is exercised in Singapore.

Proceeds from repayment of shareholder's loan and/or return of capital

Any proceeds received by FLT from repayment of the principal amount of shareholder's loans are capital receipts and hence not taxable on the Trustee.

The return of capital of the Singapore Subsidiaries should be regarded as a reduction of FLT's cost of investment in the relevant Singapore Subsidiary.

Taxation of the Singapore Subsidiaries

Singapore tax resident companies are subject to Singapore income tax on income accruing in or derived from Singapore and on income derived from outside Singapore which is received in Singapore or deemed to have been received in Singapore by the operation of law unless such income is otherwise exempt from tax.

The corporate income tax rate in Singapore is currently 17%, with the following partial exemption granted for the first S\$300,000 (reduced to S\$200,000 from the year of assessment 2020) of normal chargeable income:

- (a) 75% of up to the first S\$10,000 of chargeable income; and
- (b) 50% of up to the next S\$290,000 (reduced to S\$190,000 from the year of assessment 2020) of chargeable income.

The income of the Singapore Subsidiaries is expected to comprise:

- (a) in respect of the FLT Singapore SPV, dividends from the Dutch Target Company; and/or
- (b) interest income from the Dutch Target Company and/or the Property Holding Companies.

Such dividends and/or interest income received in Singapore by the Singapore Subsidiaries may be exempt from Singapore income tax under section 13(12) of the SITA, subject to certain conditions being met including but not limited to the condition that the relevant Singapore Subsidiary is a tax resident of Singapore for the year of assessment relating to the basis period during which the dividend and/or interest income is received in Singapore. FLT is in the midst of seeking confirmation from the Inland Revenue Authority of Singapore that the aforementioned tax exemption will apply to the dividends and interest income (as the case may be) to be received in Singapore by its Singapore Subsidiaries.

Any proceeds received by the Singapore Subsidiaries from repayment of the principal amount of shareholder's loans are capital receipts and hence not taxable on the relevant Singapore Subsidiary.

The return of capital of the Dutch Target Company should be regarded as a reduction of the FLT Singapore SPV's cost of investment in the Dutch Target Company.

Taxation of gains from disposal of investments

Singapore does not impose tax on capital gains. The determination of whether the gains from disposal of investments are income or capital in nature is based on a consideration of the facts and circumstances of each case.

In the event of any disposal of investments (shares, partnership interests or properties), gains arising from such disposal will not be liable to Singapore income tax unless the gains are considered income of a trade or business carried on in Singapore by the seller. The gains may also be liable to Singapore income tax if the investments were acquired with the intent or purpose of making a profit from sale and not intended for long-term purposes.

Taxation of Unitholders

Distributions from FLT

Distributions made by FLT out of the underlying income and cash flows from the New Properties may comprise all, or a combination, of the following types of distribution:

- (a) tax-exempt income distribution;
- (b) after-tax income distribution; and
- (c) capital distribution.

Tax-exempt income distribution

Unitholders will be exempt from Singapore income tax on distribution made by FLT out of its tax-exempt income (e.g. dividends from the Singapore Subsidiaries). No tax will be deducted at source or withheld on such distribution.

After-tax income distribution

Unitholders will not be liable to Singapore income tax on distribution made by FLT out of its income that has been or will be subject to tax in the hands of the Trustee. No tax will be deducted at source or withheld on such distribution. Unitholders will not be entitled to tax credits for any taxes paid/payable by the Trustee on such income.

Capital distribution

Capital distribution (e.g. distribution made out of non-income cash flows such as amounts received in the form of a repayment of shareholder's loan or return of capital for Singapore income tax purposes) will be regarded as a return of capital in the hands of Unitholders. The amount of such distribution will be applied to reduce the cost of Units held by Unitholders. For Unitholders who are liable to Singapore income tax on gains arising from the disposal of Units, the reduced cost of Units will be used to calculate the amount of taxable gains when the Units are subsequently disposed of. If the amount of return of capital exceeds the cost or reduced cost of Units, the excess will be subject to tax as trading income of such Unitholders.

B. NETHERLANDS TAX OVERVIEW

I. CORPORATE INCOME TAX

Dutch corporate income tax will be payable on taxable profits derived from the leasing of the Dutch properties at the corporate income tax rate, currently at 20% for the first EUR 200,000 of taxable profits and at 25% for the taxable profits exceeding EUR 200,000. It is currently proposed by the Dutch government for the statutory Dutch corporate income tax rate to be lowered from 25% to 24% in 2019, 22.5% in 2020 and 21% from 2021, and for the step-up rate (i.e. rate for the first EUR 200,000 of taxable profits) to be reduced from 20% to 19% in 2019, 17.5% in 2020 and 16% from 2021, but no legislative proposal has been published as yet.

II. WITHHOLDING TAX

Dividend withholding tax

Profit distributions by a Dutch company are in principle subject to Dutch dividend withholding tax at a rate of 15%. However, dividends paid by a Dutch tax resident company to another Dutch tax resident company may, under the Dutch participation exemption regime, be exempt from Dutch dividend withholding tax. The above Dutch dividend withholding tax may also be exempt under the avoidance of double taxation agreement in force between the Netherlands and Singapore (the “**Netherlands-Singapore DTA**”), provided that the recipient of the dividend is a Singapore tax resident company of which the capital is wholly or partly divided into shares and which holds directly or indirectly at least 25% of the capital of the Dutch tax resident company paying the dividends.

It has been announced that the current 15% Dutch dividend withholding tax on dividend distributions will be abolished as of 1 January 2020, and a conditional dividend withholding tax will be introduced that will only apply to dividend distributions to shareholders tax resident in a jurisdiction with a low tax rate, or a jurisdiction listed on the EU blacklist for non-cooperative countries. Details of this conditional dividend withholding tax regime are not available as yet.

Additionally, dividend distributions from a Dutch tax resident company to a foreign shareholder may potentially be subject to 25% Dutch corporate income tax if the foreign shareholder has a “substantial interest” (in principle a 5% or more shareholding) in the Dutch tax resident company and the substantial interest cannot be allocated to a business enterprise of the foreign shareholder or business activities of the group. However, regardless of whether the above substantial interest taxation rules apply, the Netherlands-Singapore DTA may prevent such Dutch taxation provided that the recipient of the dividend is a Singapore tax resident company of which the capital is wholly or partly divided into shares and which holds directly or indirectly at least 25% of the capital of the Dutch tax resident company paying the dividends.

The availability of treaty relief under the Netherlands-Singapore DTA could be affected by the multilateral instrument (“**MLI**”) (an initiative arising from the Organisation for Economic Co-operation and Development’s Base Erosion and Profit Shifting project which may come into force in year 2019 or 2020).

Interest withholding tax

There should be no Dutch withholding tax on interest payments under domestic rules. Dutch corporate income tax (at a rate of 25%) may however become due on interest payments on loans if the creditor has a “substantial interest” in the debtor (i.e. the creditor has directly or indirectly a shareholding of 5% or more of any class of shares in the debtor) and the substantial interest does not form part of the business enterprise of the creditor or business activities of the group. The tax due may be reduced or avoided if the creditor with the “substantial interest” is tax resident in a country with which the Netherlands has concluded a tax treaty, but the availability of treaty relief under a tax treaty could be affected when the MLI comes into force.

It should be noted that the introduction of a withholding tax on interest on intercompany payments to companies that are tax resident in a jurisdiction with a low tax rate, or a jurisdiction listed on the EU blacklist for non-cooperative countries, is currently being considered but details are not available as yet.

III. PROPERTY TAX

The local municipal authorities will levy real estate taxes on property owners on the basis of the value of the real estate. The value of the real estate is assessed based on the market value of the property as at 1 January of the previous year. The fair market value can be determined using various methods, which take into account certain factors including location, rental period and rental income (the method can vary by municipality). The applicable tax base is determined by the local municipality through a uniform nationwide system based on the Dutch Immovable Property Valuation Act. The tax rate varies among municipalities.

IV. REAL ESTATE TRANSFER TAX (“RETT”)

Generally, Dutch RETT (at a rate of 6% for non-residential property) is payable upon the acquisition of (i) non-residential immovable property in the Netherlands; or (ii) an interest representing one-third or more of the total interest in a legal entity that is considered an immovable property company for Dutch RETT purposes. For Dutch RETT purposes, a legal entity is considered as an immovable property company if the following conditions are met at the time of the acquisition or at any time during the 12 months prior to the acquisition:

- more than 50% of the value of the assets of the legal entity is derived from immovable property;
- at least 30% of the value of the assets of the legal entity is derived from immovable property located in the Netherlands; and
- at least 70% of the immovable property is held or used for exploitation (e.g. lease) or for sale.

C. GERMANY TAX OVERVIEW

I. CORPORATE INCOME TAX

Corporations with no statutory seat or place of management in Germany (i.e. “non-resident corporations”) are subject to corporate income tax only on income derived from German sources, unless otherwise provided in the applicable tax treaty. Income from German sources includes income derived from the leasing and disposal of real estate property located in Germany.

Corporations with their statutory seat in Germany but their place of effective management (as defined in the applicable tax treaty) outside of Germany (i.e. “dual residency entities”) are treated as resident corporations from a domestic tax standpoint. However, such corporations are subject to corporate income tax only on income derived from German sources, unless otherwise provided in the applicable tax treaty.

Corporate income tax is levied at the rate of 15% plus 5.5% solidarity surcharge thereon. This results in an effective tax rate of 15.825% (including solidarity surcharge).

II. TRADE TAX

Trade tax (the effective average tax rate is about 14%) is generally chargeable if a business is carried out through a permanent establishment in Germany. A permanent establishment is a fixed place or facility through which the business of an enterprise is carried out. Permanent establishments include especially the place of management, branches, offices and other fixed places with a degree of permanence.

The mere passive ownership of real estate property should generally not constitute a permanent establishment. Foreign corporations should therefore generally not constitute a permanent establishment in Germany if their activity is limited to the passive ownership, lease and disposal of real estate in Germany. German corporations whose activity is limited to the passive ownership, lease and disposal of real estate in Germany should also not constitute a permanent establishment if such corporations do not operate via an office, branch or other fixed place of business in Germany.

III. WITHHOLDING TAX

Dividend withholding tax

Profit distributions by German resident corporations are in principle subject to German dividend withholding tax at a rate of 26.375% (including solidarity surcharge). However, the rate of German dividend withholding tax may be reduced to 0% provided that the recipient of the dividend is compliant with the German Anti-Directive/Treaty Shopping rules.

It should be noted that the above rules should also apply to dual residency entities.

Profit distributions by non-resident corporations should not be subject to German dividend withholding tax.

Interest withholding tax

There should generally be no German withholding tax on interest payments made in connection with plain-vanilla shareholder loans, unless such loan is secured by German real estate property.

IV. REAL ESTATE TAX (“RET”)

The German RET is a local tax on immovable property. The annual RET for a property is based on an estimated assessed tax value of the property. Tax rates vary between 0.65% to 2.83%, depending on the municipality where the property is located. RET is paid in four instalments – on 15 February, 15 May, 15 August and 15 November. RET is generally borne by the tenant.

It should be noted that a RET reform is currently being discussed by the German lawmaker.

V. RETT

German RETT at a current rate of between 3.5% and 6.5% (depending on which federal state the property is located) is levied on the transfer of title in German real estate property. The tax base is the consideration paid by the acquirer for the property (land and building).

In addition, the transfer of shares/partnership interests in an entity owning German real estate property may be a taxable event under German RETT law provisions. German RETT will be triggered if a single owner or a group of companies acquires, directly or indirectly, at least 95% of the shares in an entity (company or partnership) that owns German immovable properties (unification of shares), or if there is a direct or indirect transfer of at least 95% in a partnership holding German immovable properties within a five-year period. Although the applicable RETT rate is equal to that of a direct property transfer, the tax base is a deemed value which is specifically assessed for RETT purposes.

It should be noted that a RETT reform has been announced by the German lawmaker in relation to the RETT rules associated with certain share deal transactions. Among other possible changes, the current 95% threshold may be reduced. The draft bill for such RETT reform has not been released as yet.

NOTICE OF EXTRAORDINARY GENERAL MEETING

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 “**IPO**”). 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 IPO.

NOTICE IS HEREBY GIVEN that an EXTRAORDINARY GENERAL MEETING of the holders of units of Frasers Logistics & Industrial Trust (“**FLT**”, and the holders of units of FLT, the “**Unitholders**”) will be held on 8 May 2018 at 10.30 a.m. at Stephen Riady Auditorium @ NTUC, Level 7, NTUC Centre, One Marina Boulevard, Singapore 018989, for the purpose of considering and, if thought fit, passing, with or without modifications, the following resolutions (capitalised terms not otherwise defined herein shall bear the meanings ascribed to them in the circular dated 23 April 2018 to Unitholders):

ORDINARY RESOLUTION 1

THE PROPOSED ACQUISITION OF INTERESTS IN 21 PROPERTIES IN GERMANY AND THE NETHERLANDS

RESOLVED that:

- (i) approval be and is hereby given for the acquisition of interests in 21 industrial properties in Germany and the Netherlands from the Vendor, being an indirect wholly-owned subsidiary of FPL, for a purchase consideration of approximately €316.2 million on the terms and subject to the conditions set out in the Share Purchase Agreement entered into between the Vendor and the FLT Singapore SPV, a direct wholly-owned subsidiary of FLT; and
- (ii) the Manager, any director of the Manager (“**Director**”) and Perpetual (Asia) Limited (as trustee of FLT) (the “**Trustee**”) be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Manager, such Director or, as the case may be, the Trustee may consider expedient or necessary or in the interests of FLT to give effect to the Proposed Acquisition, the Share Purchase Agreement, the Deed of Indemnity and all transactions in connection therewith.

ORDINARY RESOLUTION 2

THE EQUITY FUND RAISING

RESOLVED that, subject to and contingent upon the passing of Resolution 1:

- (i) approval be and is hereby given for the issue of up to 525,000,000 New Units under the Equity Fund Raising in the manner described in the Circular; and
- (ii) the Manager, any Director and the Trustee be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Manager, such Director or, as the case may be, the Trustee may consider expedient or necessary or in the interests of FLT to give effect to the Equity Fund Raising and all transactions in connection therewith.

ORDINARY RESOLUTION 3

THE PROPOSED FPL PLACEMENT

RESOLVED that, subject to and contingent upon the passing of Resolution 1:

- (i) approval be and is hereby given for the issue and placement of up to such number of New Units to the FPL Group as part of the Private Placement, in the manner described in the Circular; and
- (ii) the Manager, any Director and the Trustee be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Manager, such Director or, as the case may be, the Trustee may consider expedient or necessary or in the interests of FLT to give effect to the FPL Placement and all transactions in connection therewith.

ORDINARY RESOLUTION 4

THE PROPOSED TCCGI PLACEMENT

RESOLVED that, subject to and contingent upon the passing of Resolution 1:

- (i) approval be and is hereby given for the issue and placement of up to such number of New Units to TCCGI as part of the Private Placement, in the manner described in the Circular; and
- (ii) the Manager, any Director and the Trustee be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Manager, such Director or, as the case may be, the Trustee may consider expedient or necessary or in the interests of FLT to give effect to the TCCGI Placement and all transactions in connection therewith.

BY ORDER OF THE BOARD

Frasers Logistics & Industrial Asset Management Pte. Ltd.
(as manager of Frasers Logistics & Industrial Trust)
(Company Registration No. 201528178Z)

Ho Hon Cheong
Chairman and Independent Non-Executive Director
23 April 2018

PERSONAL DATA PRIVACY:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Extraordinary General Meeting and/or any adjournment thereof, a Unitholder (i) consents to the collection, use and disclosure of the Unitholder's personal data by the Manager and the Trustee (or their agents) for the purpose of the processing and administration by the Manager and the Trustee (or their agents) of proxies and representatives appointed for the Extraordinary General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Extraordinary General Meeting (including any adjournment thereof), and in order for the Manager and the Trustee (or their agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the Unitholder discloses the personal data of the Unitholder's proxy(ies) and/or representative(s) to the Manager and the Trustee (or their agents), the Unitholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Manager and the Trustee (or their agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the Unitholder will indemnify the Manager and the Trustee (or their agents) in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Unitholder's breach of warranty.

IMPORTANT NOTICE

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 or purchase their Units for so long as the Units are listed on the SGX-ST. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. The listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

The past performance of FLT is not necessarily indicative of the future performance of FLT.

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FRASERS LOGISTICS & INDUSTRIAL TRUST

(CONSTITUTED IN THE REPUBLIC OF SINGAPORE PURSUANT TO A TRUST DEED DATED 30 NOVEMBER 2015 (AS AMENDED, RESTATED AND SUPPLEMENTED))

IMPORTANT

1. A Relevant Intermediary may appoint more than two proxies to attend the Extraordinary General Meeting and vote (please see Note 2 for the definition of "Relevant Intermediary").
2. This Proxy Form is not valid for use by CPF Investors and shall be ineffective for all intents and purposes if used or is purported to be used by them.
3. **PLEASE READ THE NOTES TO THE PROXY FORM.**

Personal data privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s), the Unitholder accepts and agrees to the personal data privacy terms set out in the Notice of Extraordinary General Meeting dated 23 April 2018.

PROXY FORM EXTRAORDINARY GENERAL MEETING

I/We _____ (Name), _____ (NRIC No./Passport No.)
of _____ (Address)

being a holder/s of units in Frasers Logistics & Industrial Trust ("FLT", and the units of FLT, the "Units"), hereby appoint:

Name	Address	NRIC/Passport Number	Proportion of Unitholdings (Note 2)	
			No. of Units	(%)

and/or (delete as appropriate)

Name	Address	NRIC/Passport Number	Proportion of Unitholdings (Note 2)	
			No. of Units	(%)

or failing the person, or either or both of the persons, referred to above, the Chairman of the Extraordinary General Meeting ("EGM") as my/our proxy/proxies to attend and to vote for me/us on my/our behalf at the EGM to be held at 10.30 a.m. on 8 May 2018 at Stephen Riady Auditorium @ NTUC, Level 7, NTUC Centre, One Marina Boulevard, Singapore 018989, and any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the resolutions to be proposed at the EGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies may vote or abstain from voting at his/her/their discretion, as he/she/they may on any other matter arising at the EGM.

NO.	ORDINARY RESOLUTIONS RELATING TO:	No. of Votes For*	No. of Votes Against*
1.	To approve the Proposed Acquisition		
2.	To approve the issue of New Units under the Equity Fund Raising		
3.	To approve the FPL Placement		
4.	To approve the TCCGI Placement		

* Voting will be conducted by poll. If you wish to exercise all your votes "For" or "Against", please tick (✓) within the box provided. Alternatively, if you wish to exercise your votes for both "For" and "Against", please indicate the number of Units in the boxes provided.

Dated this _____ day of _____ 2018

Total Number of Units Held (Note 5)

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Signature(s) of Unitholder(s)/Common Seal

IMPORTANT: PLEASE READ THE NOTES TO THE PROXY FORM



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IMPORTANT: PLEASE READ THE NOTES TO PROXY FORM BELOW

Notes to Proxy Form

1. A unitholder of Frasers Logistics & Industrial Trust (“**FLT**”, and a unitholder of FLT, “**Unitholder**”) who is not a Relevant Intermediary entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint not more than two proxies to attend and vote instead of the Unitholder. A proxy need not be a Unitholder. Where a Unitholder appoints more than one proxy, the appointments shall be invalid unless the Unitholder specifies the proportion of the Unitholder’s holdings (expressed as a percentage of the whole) to be represented by each proxy.
2. A Unitholder who is a Relevant Intermediary entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint more than two proxies to attend and vote instead of the Unitholder, but each proxy must be appointed to exercise the rights attached to a different Unit or Units held by such Unitholder. Where such Unitholder appoints more than two proxies, the appointments shall be invalid unless the Unitholder specifies the number of Units in relation to which each proxy has been appointed.
“*Relevant Intermediary*” means:
 - (a) a banking corporation licensed under the Banking Act, Chapter 19 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds Units in that capacity;
 - (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act, Chapter 289 of Singapore and who holds Units in that capacity; or
 - (c) the Central Provident Fund Board (“**CPF Board**”) established by the Central Provident Fund Act, Chapter 36 of Singapore, in respect of Units purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those Units in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
3. The instrument appointing a proxy or proxies (as the case may be) (the “**Proxy Form**”) must be deposited with the company secretary of the Manager at the office of FLT’s Unit Registrar, Boardroom Corporate & Advisory Services Pte Ltd, 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, not less than 72 hours before the time appointed for holding the Extraordinary General Meeting.

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The Company Secretary
Frasers Logistics & Industrial Asset Management Pte. Ltd.
(as manager of Frasers Logistics & Industrial Trust)
c/o Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place #32-01
Singapore Land Tower
Singapore 048623

Affix
Postage
Stamp

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4. Completion and return of this Proxy Form shall not preclude a Unitholder from attending and voting at the meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a Unitholder attends the meeting in person, and in such event, the Manager reserves the right to refuse to admit any person or persons appointed under this Proxy Form, to the meeting.
5. A Unitholder should insert the total number of Units held. If the Unitholder has Units entered against the Unitholder’s name in the Depository Register maintained by The Central Depository (Pte) Limited (“**CDP**”), the Unitholder should insert that number of Units. If the Unitholder has Units registered in his/her name in the Register of Unitholders of FLT, he/she should insert that number of Units. If the Unitholder has Units entered against his/her name in the said Depository Register and registered in his/her name in the Register of Unitholders of FLT, the Unitholder should insert the aggregate number of Units. If no number is inserted, this Proxy Form will be deemed to relate to all the Units held by the Unitholder.
6. The Proxy Form must be under the hand of the appointor or of his attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer. A corporation which is a Unitholder may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting and the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.
7. Where a Proxy Form is signed on behalf of the appointor by an attorney, the power of attorney or a duly certified copy thereof must (failing previous registration with the Manager) be lodged with the Proxy Form, failing which the Proxy Form may be treated as invalid.
8. The Manager shall be entitled to reject a Proxy Form which is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on and/or attached to the Proxy Form. In addition, in the case of Units entered in the Depository Register, the Manager may reject a Proxy Form if the Unitholder, being the appointor, is not shown to have Units entered against the Unitholder’s name in the Depository Register as at 72 hours before the time appointed for holding the Extraordinary General Meeting, as certified by CDP to the Manager.

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Frasers Logistics & Industrial Asset Management Pte. Ltd.
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www.fraserslogisticstrust.com