

Frasers Logistics & Industrial Trust

Investor Presentation



1 Burilda Close, Wetherill Park, New South Wales

February 2017



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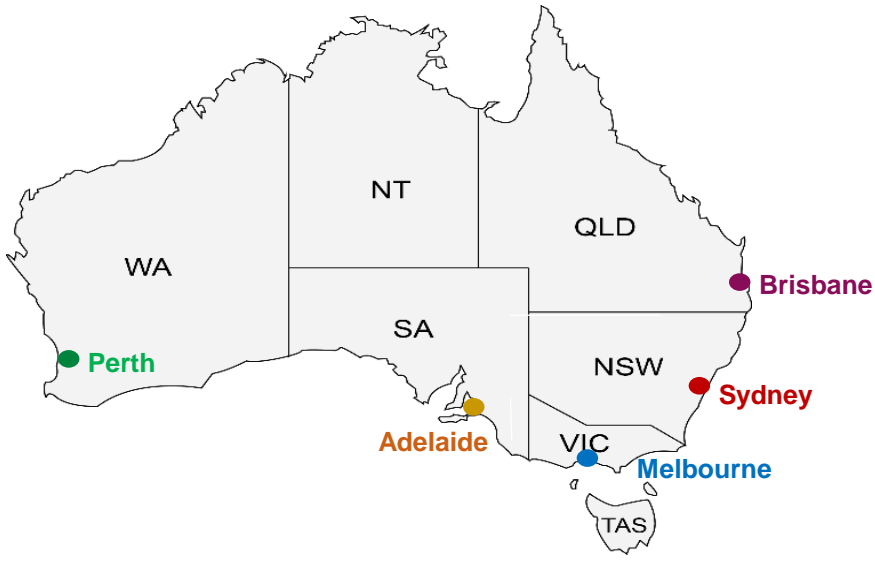
- **Overview**
- **Results Highlight for the Quarter ended 31 December 2016**
- **Sponsor**
- **Strategic Objectives and Market Update**



OVERVIEW

8 Distribution Place, Seven Hills, New South Wales

Prime Properties Concentrated In Major Industrial Markets In Australia



54
PROPERTIES

Melbourne (Victoria)

Properties	26
GLA	569,829 sq m
Valuation	A\$671.2m
% of Portfolio ⁽¹⁾	38.7%

Sydney (New South Wales)

Properties	13 ⁽²⁾
GLA	380,430 sq m
Valuation	A\$514.9m
% of Portfolio ⁽¹⁾	29.6%

Brisbane (Queensland)

Properties	10
GLA	224,673 sq m
Valuation	A\$497.1m
% of Portfolio ⁽¹⁾	28.6%

Adelaide (South Australia)

Properties	4
GLA	33,038 sq m
Valuation	A\$35.2m
% of Portfolio ⁽¹⁾	2.0%

Perth (Western Australia)

Properties	1
GLA	20,143 sq m
Valuation	A\$18.2m
% of Portfolio ⁽¹⁾	1.0%

(1) By valuation
(2) 12 properties located in Sydney, 1 property is located in Wollongong

Portfolio Concentrated in Major Industrial Markets - Melbourne

FLT's properties in Melbourne are primarily located in the West and South East industrial precinct and are able to service the Port and large South Eastern residential population base



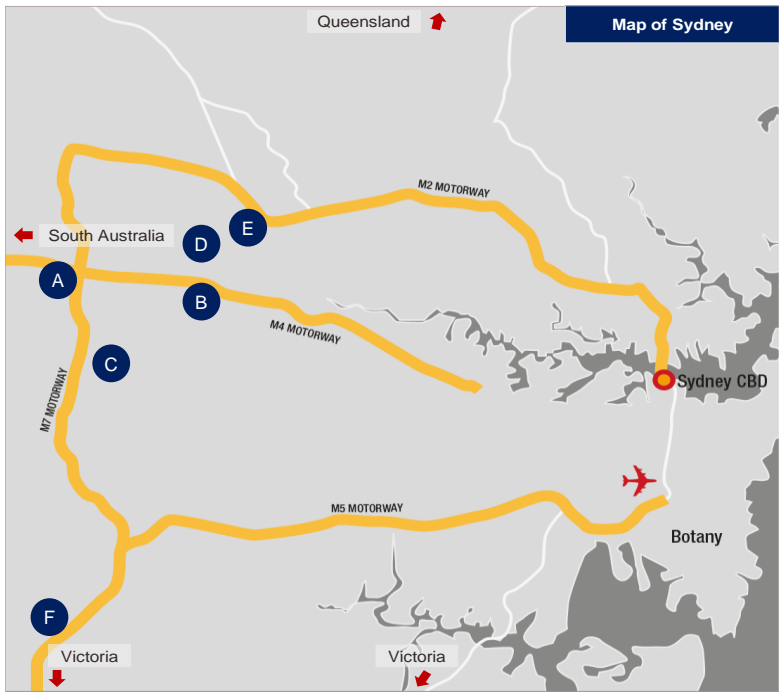
- A South Park Industrial Estate
- B The Keys Industrial Park
- C Clayton South & Mulgrave
- D Melbourne Airport Business Park
- E West Park Industrial Estate
- F Altona Industrial Park
- G Port Melbourne

Sub-market	Location	No. of Properties	Precinct Characteristic
South East	A	5	<ul style="list-style-type: none"> Access to M1 (Monash Freeway) and M3 (Scoresby Freeway) Services the large South Eastern residential population base
	B	6	
	C	2	
North	D	6	<ul style="list-style-type: none"> Access to key freeways, including the Tullamarine Freeway, Citylink Tollway, Western Ring Road and Tullamarine Airport and north to Sydney via the Hume Highway
West	E	5	<ul style="list-style-type: none"> Close to the shipping port and access to the M1, Geelong Road, M80 Western Ring Road
City Fringe	F	1	<ul style="list-style-type: none"> Access to the M1 (Westgate Freeway) linking it to the West precinct Supply is constrained. Alternative use is strong competition for development in neighbouring suburbs. Rezoning and residential redevelopment is re-shaping the precinct
	G	1	
Total		26	

Source: The Independent Market Research Consultant

Portfolio Concentrated in Major Industrial Markets - Sydney

FLT's properties in Sydney are well-connected to major freeways, Sydney Port and are able to service growing population in the North West



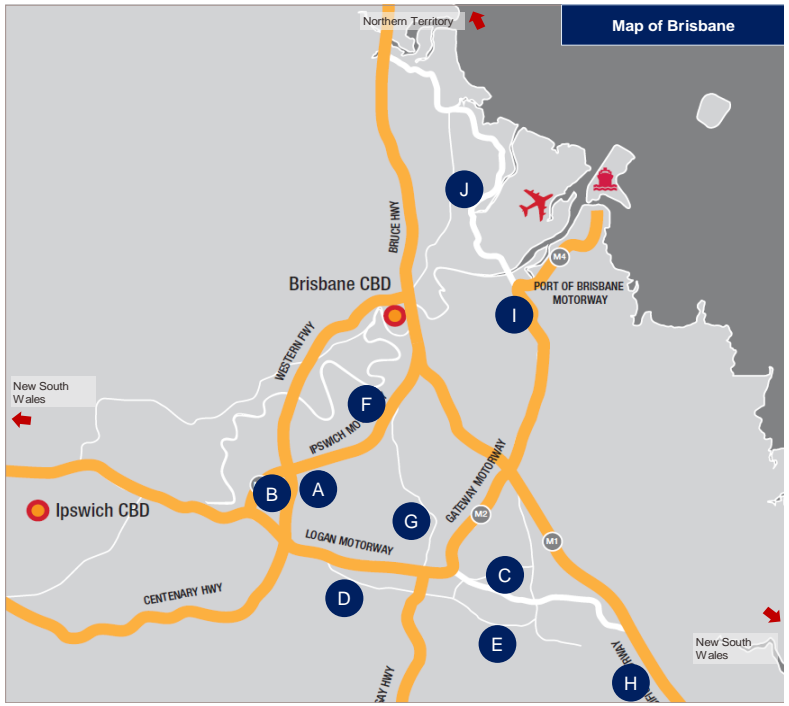
- A** Eastern Creek
- B** Pemulwuy
- C** Wetherill Park
- D** Seven Hills
- E** Winston Hills
- F** Smeaton Grange

Sub-market	Location	No. of Properties	Precinct Characteristic
Outer Central West	A	4	<ul style="list-style-type: none"> Excellent access to key motorways, including M7, M4 and other main arterial roads
	B	2	<ul style="list-style-type: none"> Third-party logistics (“3PL”), retail and wholesale distribution centres for key brand name operators are located in this precinct
	C	1	
Outer North West	D	3	<ul style="list-style-type: none"> Close to M2 and M7 and access to the large and growing North West population corridor
	E	1	<ul style="list-style-type: none"> Supply is moderately constrained – sites suit smaller development or alternative use, larger sites available in Marsden Park⁽¹⁾
Outer South West	F	1	<ul style="list-style-type: none"> Access to the M5 and South Sydney/Port, the Southern Sydney Freight Line and Moorebank Intermodal terminal
Port Kembla (Wollongong)	N.A.	1	<ul style="list-style-type: none"> One of the three major trade ports within New South Wales and is situated within the southern industrial city of Wollongong
Total		13	

Source: The Independent Market Research Consultant.
 (1) Marsden Park is a suburb of Sydney, in the state of New South Wales, Australia. Marsden Park is located 49 km north-west of the Sydney central business district, in the Blacktown local government area and is part of the Greater Western Sydney region.

Portfolio Concentrated in Major Industrial Markets - Brisbane

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



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

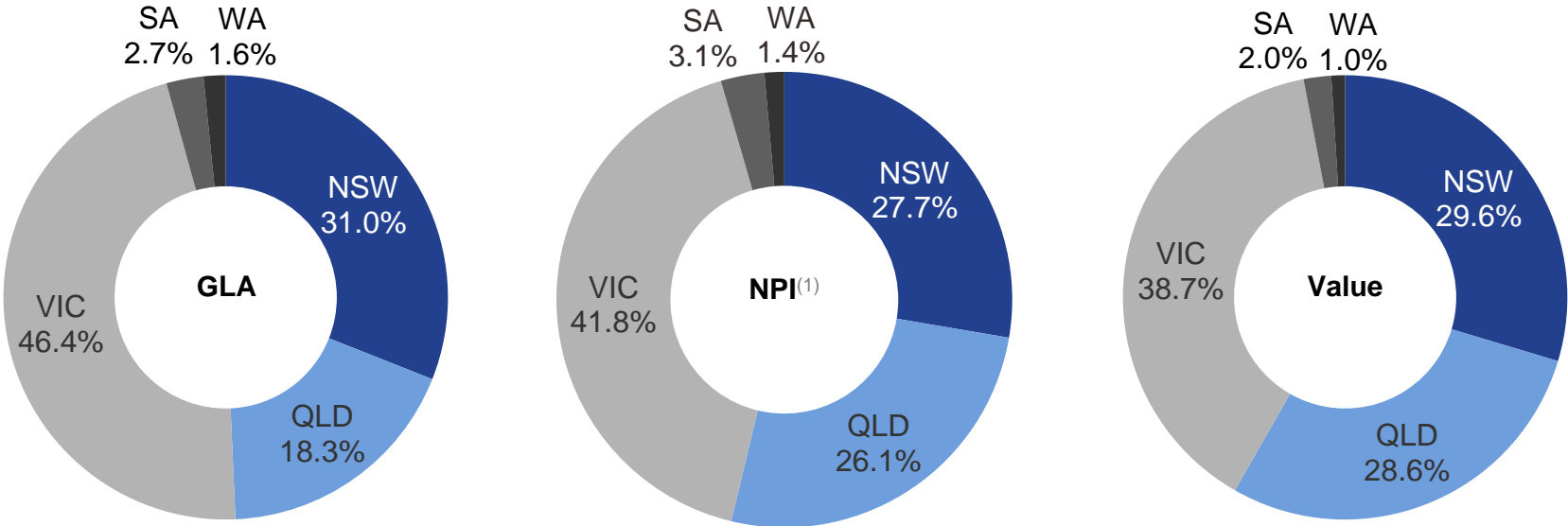
Sub-market	Location	No. of Properties	Precinct Characteristic
Southern	A	1	<ul style="list-style-type: none"> Largest geographical industrial precinct that has good road linkages to the north, west and south to the Gold Coast residential population
	B	1	
	C	1	
	D	1	
	E	1	
	F	1	
	G	1	
	H	1	
Trade Coast	I	1	<ul style="list-style-type: none"> Close to key infrastructure, including Port of Brisbane and the Brisbane Airport Access north and south via the M1 Supply is constrained. Alternative use is strong competition for development in neighbouring suburbs
Northern	J	1	<ul style="list-style-type: none"> Serves the population to the North of Brisbane via the Gympie Road, Bruce Highway and Houghton Highway Limited availability of development land
Total		10	

Source: The Independent Market Research Consultant

Concentrated in Major Industrial Markets

- FLT's properties are concentrated in Australia's top three logistics markets with strong connectivity to key infrastructure

Geographical Breakdown by Gross Lettable Area, Net Property Income & Value

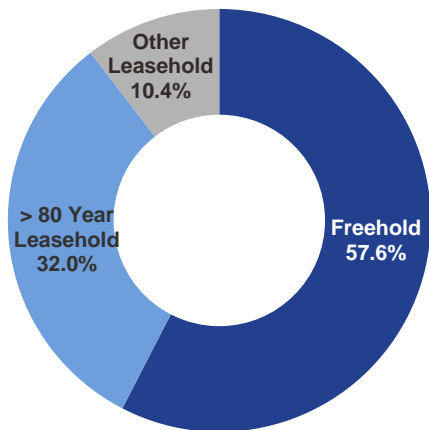


(1) For the period from the listing to December 2016, adjusted by straight lining rental adjustments

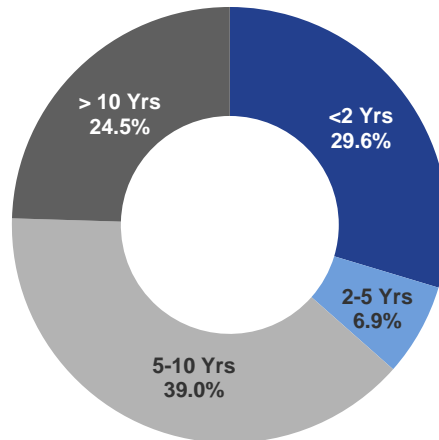
Predominantly Freehold, Long Leasehold and Young Portfolio

- 89.6% of FLT's portfolio comprised of freehold and long leasehold land tenure assets
- 75.5% of FLT's portfolio is less than 10 years old with lower capital expenditure requirements

Land Tenure by Value⁽¹⁾



Portfolio Age by GLA⁽²⁾



Modern Properties

Lot 6 Kangaroo Avenue,
Eastern Creek, NSW



Lot 1 Pearson Road,
Yatala, QLD



111 Indian Drive
Keysborough, VIC



207-211 Wellington Road
Mulgrave, VIC



(1) Valuation as at 30 September 2016
(2) As at 31 December 2016

Well-diversified Tenant Base

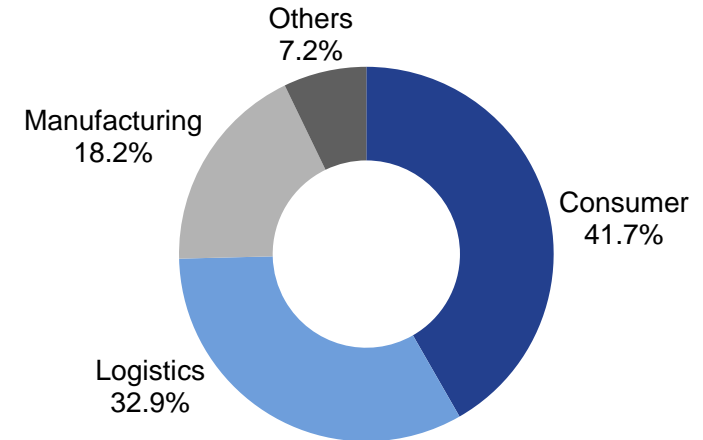
Top Ten Tenants

(By Gross Rental Income for the month of Dec 2016)

	% of GRI	WALE (Years)
Coles	14.2	11.8
Schenker	4.5	7.9
CEVA Logistics	4.1	9.5
Toll Holdings	3.3	2.9
TTI	3.2	5.6
Martin Brower	3.0	19.7
Mazda	2.9	7.2
H.J. Heinz	2.7	10.0
DHL Global Forwarding	2.5	2.4
Unilever	2.4	3.4

Breakdown of Tenants By Trade

(By Gross Rental Income for the month of Dec 2016)



Consumer sector tenants



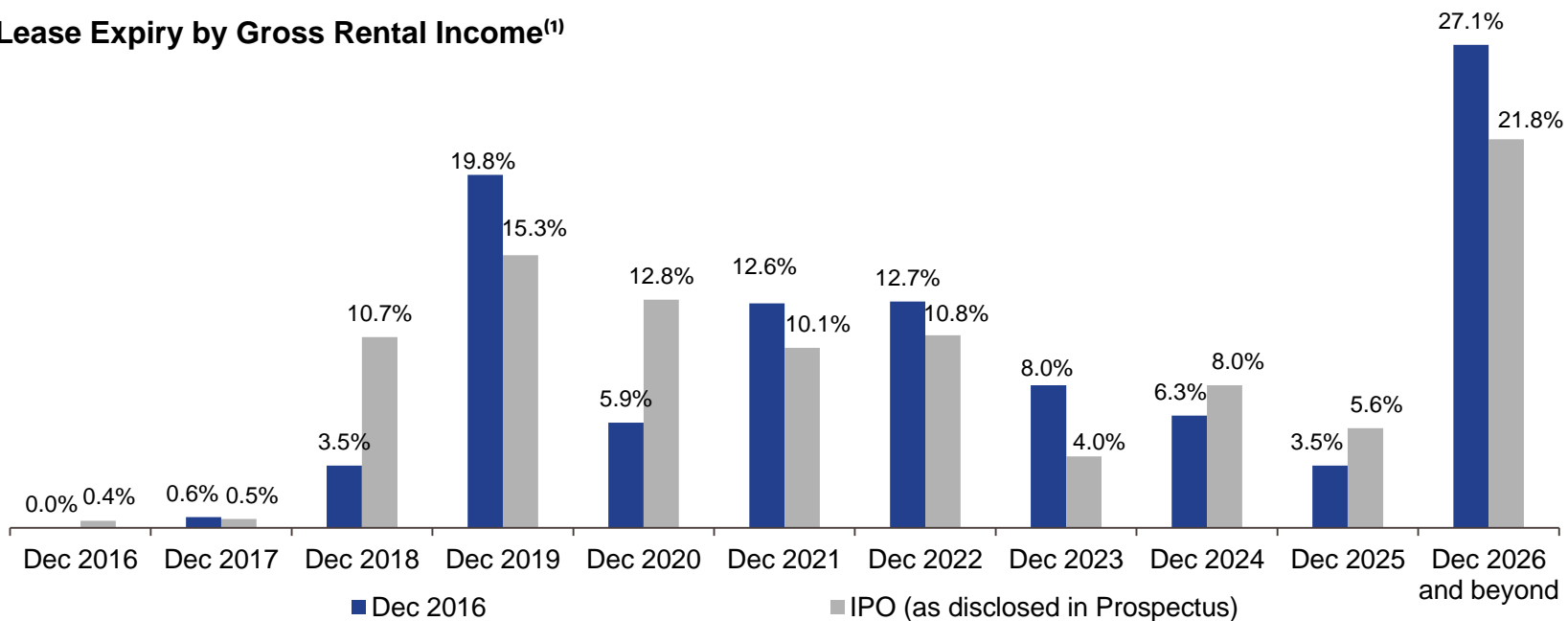
Logistics sector tenants



Portfolio Lease Expiry Profile

- No concentration risk of lease expiry (no single year accounts for more than 20% lease expiry in the next 9 years)
 - Minimal lease expiries over next 12 months
 - Only 4.1% lease expiries over the next 24 months
- Provides stability of cash flows

Lease Expiry by Gross Rental Income⁽¹⁾



(1) Excluding straight lining rental adjustments

Proactive Lease Management

- Management continues to proactively engage with tenants well before lease expiry
- For the quarter ended 31 December 2016, 56,108 sq m of new lease and lease renewals were executed
- Since FLT's listing, 108,657 sq m of new lease and lease renewals have been executed

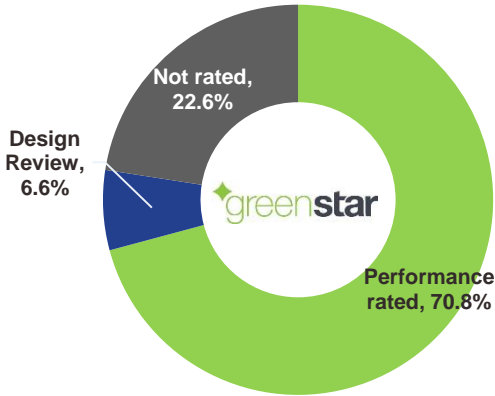
New Lease /Renewal	Tenant	Industry	Property	GLA (m ²)	New expiry date
Renewal	Australia Post	Logistics	5 Butler Boulevard, Adelaide Airport SA	3,035	Sep 2021
Renewal	Smith Lewis	Logistics	17-23 Jets Court, Melbourne Airport VIC	3,822	Mar 2020
Renewal	BIC	Consumer	17 Pacific Drive & 170-172 Atlantic Drive, Keysborough VIC	12,126	Jun 2019
Renewal	Toll	Logistics	2-46 Douglas Street, Port Melbourne VIC	18,541	Oct 2019
Renewal	RF Industries	Manufacturing	99 Station Road, Seven Hills NSW	10,772	Mar 2022
New Lease	Tailored Packaging ⁽¹⁾	Consumer	32 Gibbon Road, Winston Hills NSW	7,812	Apr 2025

(1) The lease was signed in January 2017 and replaces an existing lease surrendered by Australian Geographic Retail Pty Ltd.

Commitment to Environment Sustainability

- FLT has the largest industrial Green Star performance rated portfolio in Australia
- 59 tenancies across 48 properties have achieved Green Star Performance ratings

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



Sustainability benefits

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

Sustainability initiatives



- First industrial facility in Queensland to achieve a 6 Star Green Star Design rating
- LED lighting to warehouse and office areas



- Certified 6 Star Green Star Design rating
- Rooftop Solar PV system to generate renewable energy for use on site

(1) Green Star rating is awarded by the Green Building Council of Australia (GBCA) which has assessed the Properties against nine key performance criteria – energy, water, transport, materials, indoor environment quality, management, land use & ecology, emissions and innovation
(2) As at 31 December 2016



**FINANCIAL
HIGHLIGHTS**

51 Stradbroke Street, Heathwood, Queensland

For the Financial Quarter Ended 31 December 2016



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

Distributable Income up 5.1% to A\$24.9 million

- Adjusted NPI⁽¹⁾ was 0.6% lower than Forecast due mainly to the delay in the acquisition of the Martin Brower property
- Finance costs 21.2% lower than Forecast at A\$4.1 million backed by a lower weighted average interest rate of 2.8%⁽²⁾ per annum

Portfolio Value up 8.8% to A\$1.74 billion

- Completion of Martin Brower acquisition in November 2016 enlarged the FLT portfolio to 54 properties
- GLA of approximately 1.2 million sq m
- 89.6% of FLT's portfolio comprised of freehold and long leasehold land tenure assets
- 75.5% of FLT's portfolio is less than 10 years old

Success in lease management

- 56,108 sq m of new lease and lease renewals executed⁽³⁾

Long WALE and High Occupancy

- WALE of 6.9 years
- Occupancy at 99.3%

Distribution Per Unit Growth

- Exceeded Forecast by 6.1%
- 1.74 Singapore cents for the quarter⁽⁴⁾

(1) Net property income excluding straight lining rental adjustments is A\$30.7m

(2) Excluding upfront debt related expenses

(3) Includes the lease to Tailored Packaging which was signed in January 2017

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

Financial Performance (Quarter ended 31 December 2016)

(A\$'000)	Actual	Forecast ⁽¹⁾	Variance (%)	Contributing factors
Gross revenue	39,678	40,290	(1.5)	<ul style="list-style-type: none"> Variance from Forecast is mainly due to the delay in acquiring the Martin Brower call option property
Adjusted net property income ⁽²⁾	30,666	30,856	(0.6)	
Finance costs	(4,098)	(5,198)	21.2	<ul style="list-style-type: none"> Interest savings from lower actual weighted average interest rate of 2.8%⁽³⁾ per annum compared to Forecast weighted average interest rate of 3.4%⁽³⁾ per annum Lower debt by A\$20 million for the Martin Brower acquisition as compared to Forecast
Distributable income to Unitholders	24,877	23,664	5.1	<ul style="list-style-type: none"> Due mainly to interest savings
DPU (Singapore cents)	1.74	1.64	6.1	

(1) The Forecast figures for the quarter ended 31 December 2016 ("Quarter Forecast") have been proportionally pro-rated from the Projection for the Enlarged Portfolio for Projection Year 2017 (1 October 2016 to 30 September 2017) (which takes into account the acquisition of the three Call Option Properties) which are set out in the Prospectus

(2) Net property income excluding straight lining rental adjustments

(3) Excluding upfront debt related expenses

Financial Performance (Financial Period ended 31 December 2016)

(A\$'000)	Actual ⁽¹⁾	Forecast ⁽²⁾	Variance (%)	Contributing factors
Gross revenue	82,729	83,005	(0.3)	<ul style="list-style-type: none"> Variance from Forecast is due mainly to the delay in acquiring the Martin Brower call option property Partially offset by rental income contribution from the vacant lettable area at Lot 5 Kangaroo Avenue which was tenanted from April 2016 and the acquisition of the two call option properties (Indian Drive and Pearson Road Properties) one month ahead of Forecast
Adjusted net property income ⁽³⁾	63,409	63,591	(0.3)	
Finance costs	(8,003)	(9,680)	17.3	<ul style="list-style-type: none"> Interest savings from lower actual weighted average interest rate of 2.8%⁽⁴⁾ per annum compared to Forecast weighted average interest rate of 3.4%⁽⁴⁾ per annum Lower debt by A\$20 million for the Martin Brower acquisition as compared to Forecast
Distributable income to Unitholders	51,279	49,484	3.6	<ul style="list-style-type: none"> The higher distributable income is mainly from leasing activities and interest savings
DPU (Singapore cents)	3.58	3.43	4.4	

(1) The Actual results for the FLT Group for the financial period from 30 November 2015 (date of constitution) to 31 December 2016 comprises the actual results for the quarter ended 31 December 2016 and (i) in respect of the non-Queensland Properties, 108 days of operation from 14 June 2016 to 30 September 2016; and (ii) in respect of the Queensland Properties, 102 days of operation from 20 June 2016 to 30 September 2016. Please refer to Note 1 in Paragraph 9 of FLT's Financial Statements Announcement dated 3 February 2017 for details

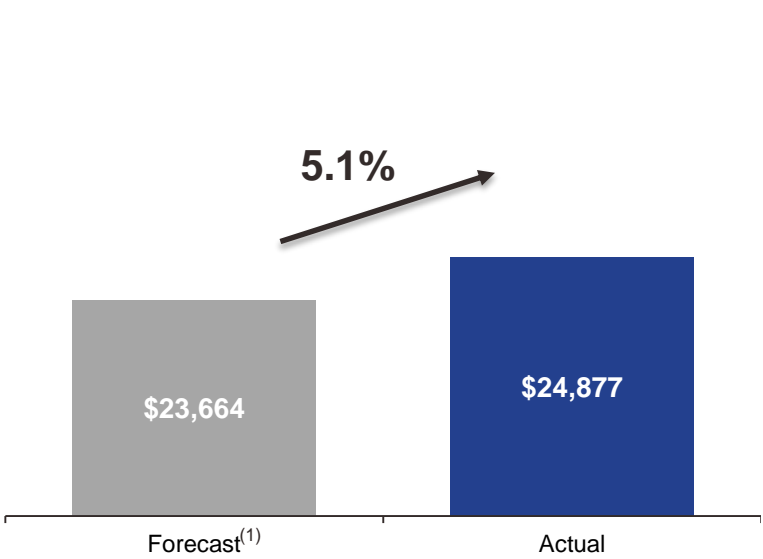
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(3) Net property income excluding straight lining rental adjustments

(4) Excluding upfront debt related expenses

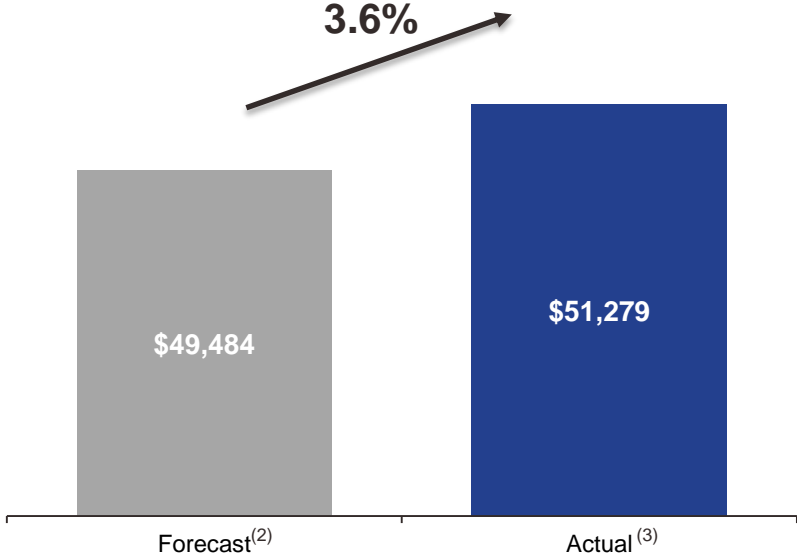
Quarter ended 31 Dec 2016

(A\$'000, 1 October 2016 to 31 December 2016)



Financial Period ended 31 Dec 2016

(A\$'000, 20 June 2016 to 31 December 2016)



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Value of investment properties has increased 8.8% from A\$1.60 billion at IPO to A\$1.74 billion as at 31 December 2016 due mainly to acquisition of the three call option properties

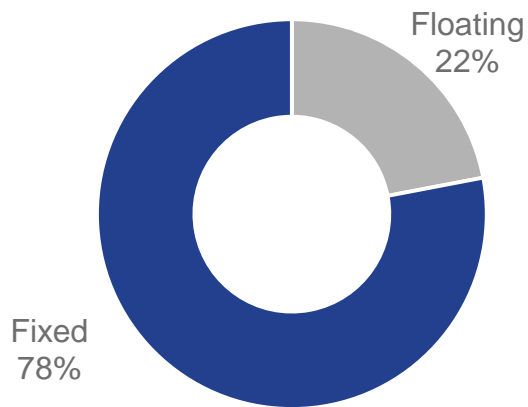
(A\$'000)	As at 31 Dec 2016
Investment properties	1,742,646
Current assets	67,667
Total assets	1,815,247
Non-current liabilities	539,094
Current liabilities	19,334
Total liabilities	558,428
Net asset value per Unit (A\$)	0.88

Capital Management

As at 31 December 2016:

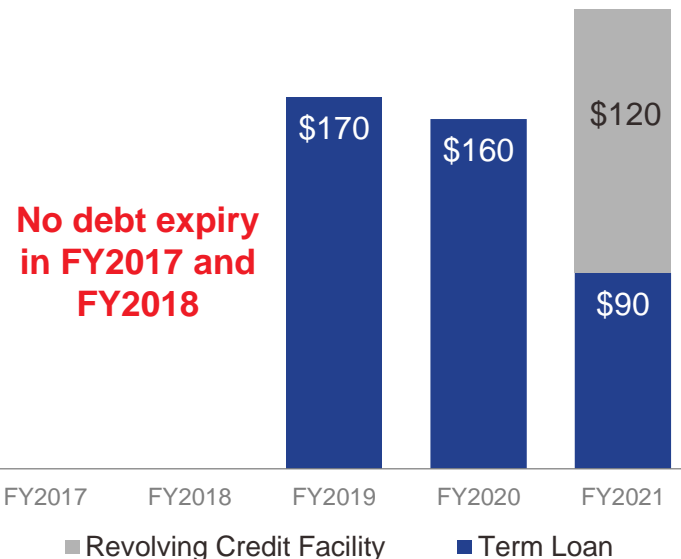
- Weighted average cost of borrowings is 2.8%⁽¹⁾ per annum
- Healthy interest cover ratio of 9.0 times
- No near term refinancing risks
- Low gearing level of 29.7%
- Available debt headroom of A\$503 million to reach 45.0% aggregate leverage limit
- Established a S\$1 billion multicurrency debt issuance programme to provide flexibility in its financing options for future acquisitions

Debt Composition – Floating VS Hedged



Total Gross Borrowings A\$540 million

Debt Maturity Profile (A\$m)



(1) Excluding upfront debt related expenses

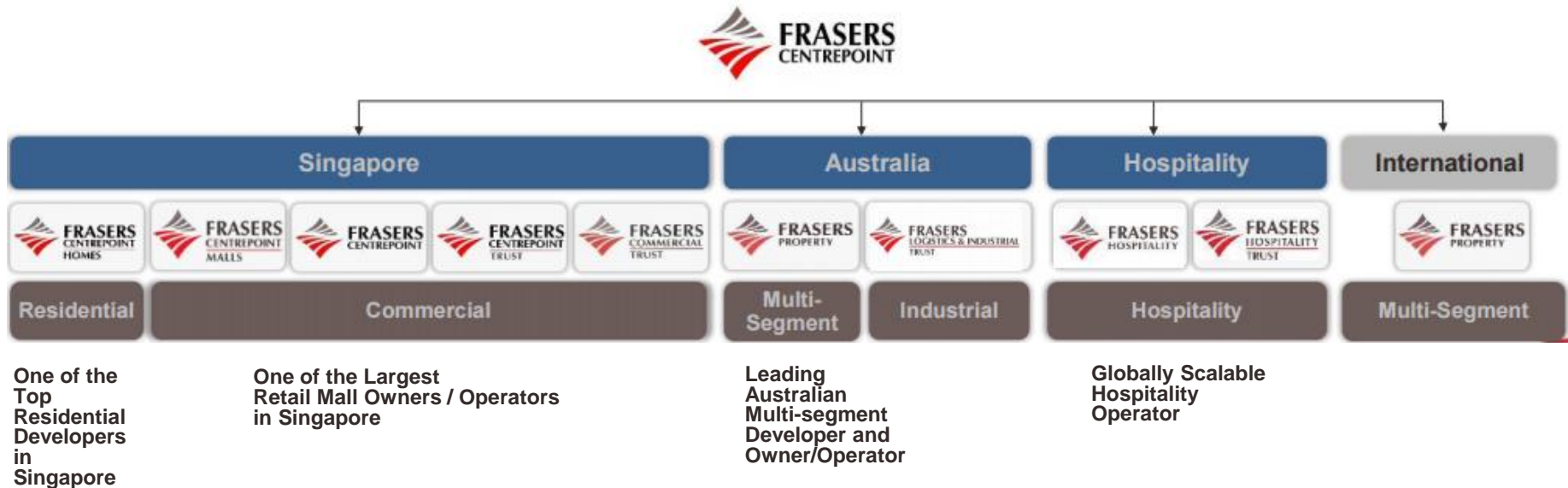


SPONSOR

77 Atlantic Drive, Keysborough, Victoria

Sponsor: Frasers Centrepoint Limited – A Leading International Real Estate Company

- ✓ One of Singapore's top property companies with total assets of S\$25b⁽¹⁾
- ✓ Multi-segment expertise – industrial, residential, retail, office, business space properties and hospitality
- ✓ Engaged in the entire real estate value chain



(1) As at 31 December 2016

Frasers Property Australia – Leading Integrated Industrial Player

- ✓ FPA (previously “Australand”) is a significant diversified property group in Australia with ~S\$3.6b in total assets as at 31 December 2016
- ✓ FPA became wholly-owned by the FCL Group in October 2014 and the creation of FLT to be a strategic partner in the industrial sector is a key objective for both FPA and FCL
- ✓ The industrial business line is of significant importance to FPA, representing approximately one-third of FPA’s asset base

FPA’S COMPLETE IN-HOUSE VALUE CHAIN

Opportunity Identification and Development

Strong Industrial Delivery Capabilities

- ✓ Consistent market leader in industrial D+C market with c.15% - 25% market share⁽¹⁾
- ✓ A\$3.5b of assets and 3.1 million sq m built form completed⁽²⁾
- ✓ 100% of IPO portfolio developed in-house
- ✓ Industrial development pipeline with an on completion value of A\$850m
- ✓ In-house construction and delivery platform, a key point of difference vs. competitors

Asset and Property Management

Proven Asset Management Track Record

- ✓ End to end – from lease negotiation to property and facilities management
- ✓ Tenant retention rate of 81.0%⁽³⁾
- ✓ Approx. 50% repeat business

Funds Expertise

Unparalleled Funds Expertise

- ✓ Seven previous funds/JVs managed by Frasers Property Australia since 2001
- ✓ Gross value of funds managed is approximately A\$1.7b
- ✓ Strong track record of delivering healthy returns

Source: Company, The Independent Market Research Consultant.

(1) 2001 – 2015. FPA market share was not calculated in 2013 and 2014 and in 2008 and 2009 was a combined 15% average across both years. (2) Since 2001. (3) Retention rate is for FLT portfolio from 2010 - 2015.

Alignment of Interest between the Sponsor, REIT Manager and Unitholders

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

Substantial Sponsor ownership in FLT

- ✓ The Sponsor is the largest Unitholder in FLT
 - Sponsor ownership of 20.7%

Substantial strategic investment in FLT

- ✓ TCCG has committed 6.3% as a strategic investor

Standard moratorium on the Sponsor's and TCCG's stakes

REIT Manager Fee structure

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

Total REIT Management Fee for FP2016 (annualised): 0.64% of Deposited Properties

- ✓ 100% base fee and performance fee in units for the FP2016 and PY2017 to align interest of REIT manager and unitholders
- ✓ Performance fee structure incentivises the REIT Manager to grow distributable income and DPU



STRATEGIC OBJECTIVES AND MARKET UPDATE

Lot 1 Pearson Road, Yatala, Queensland

Key Developments Since IPO



Listed on the SGX-ST on 20 June 2016

Initial Portfolio: 51 properties in Australia

Aug 2016: Acquisition of Indian Drive and Pearson Road Call Option Properties



- Acquisitions accretive to DPU
- Pearson Road Property is the first industrial facility in Queensland to achieve a 6 Star Green Star Design rating



Jun 2016: Completion of Development Properties



- Schenker Extension and CEVA Logistic completed on 24 and 30 June 2016 respectively
- Ahead of targeted completion date of July 2016 as originally stated in the Prospectus

Nov 2016: Acquisition of Martin Brower Call Option Property



- Prime, new industrial facility with 20-year lease – longest in FLT’s Portfolio
- Certified 6 Star Green Star Design Rating

Since Listing: 108,657 sq m of new lease and lease renewals⁽¹⁾, representing 8.8% of total Portfolio GLA

(1) Includes the lease to Tailored Packaging which was signed in January 2017

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

- 3.2% average annual built-in rental increments

- ROFR from Sponsor
 - 14 existing properties
 - Development pipeline
- Third-party acquisitions

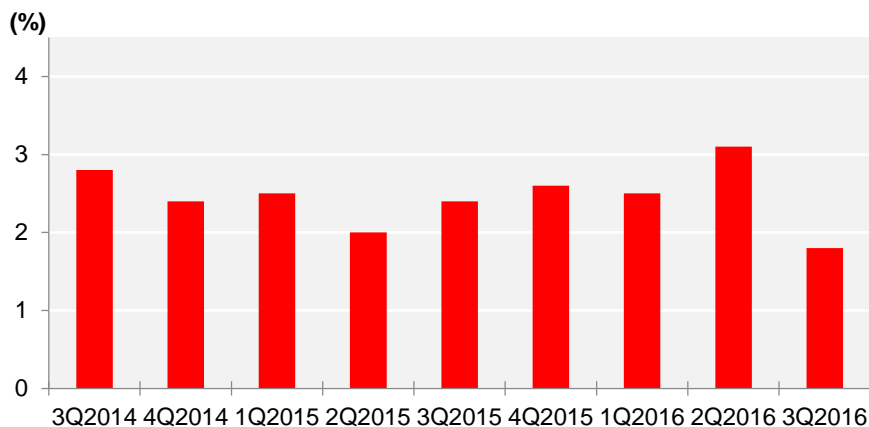
- Optimal capital mix and prudent capital management

- Asset Enhancement Initiative (AEI) potential

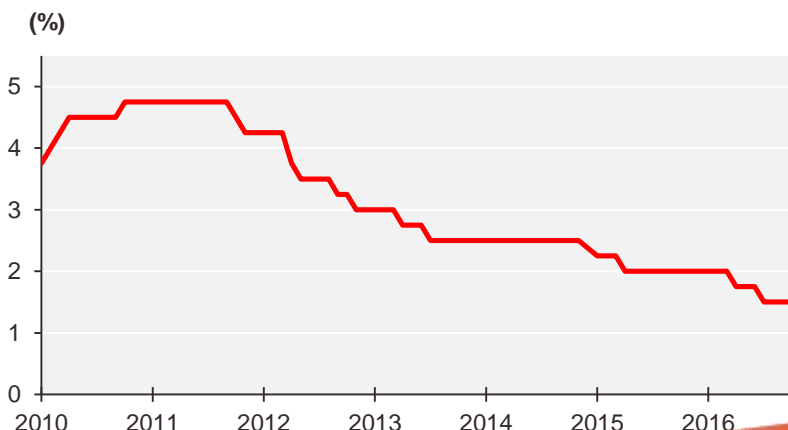
▪ Macroeconomic

- Stronger economic growth is forecast to resume despite the negative GDP (-0.50%) in 3Q16. The main factors contributing to the decline were falling housing investment and government investment, which were affected by one-off factors including significant growth in 2Q16 and a very wet Victorian winter.
- The RBA official cash rate remains at 1.50%
- Unemployment rate remains below 6%
- Australian government 10 year bond yields currently at 2.7% annualised
- Measures of consumer sentiment remain above average

Australia GDP Annual Growth Rate



Australian Cash Rate



▪ Industrial market

- Occupier demand continues to be well supported by dwelling pipeline (although this is beginning to slow after a 5-year boom), government infrastructure spending and export growth with lower AUD
- Demand continues to be driven by third-party logistics, retail goods and e-commerce
- Quality industrial assets remain in demand predominantly by unlisted funds, investment managers and strong foreign investment, which remains competitive given their lower cost of capital
- Investor demand for prime grade industrial stock remains strong across the country with a focus on Sydney and Melbourne
- The strongest investor interest continues to be in new large-scale distribution centres with long WALEs
- Prime yields remain at the historically low levels

THANK YOU

Investor relations contact

Mr. Ng Chung Keat
Fraser's Logistics & Industrial Asset Management Pte. Ltd.
Email: ir@fraserslogisticstrust.com

Website: www.fraserslogisticstrust.com



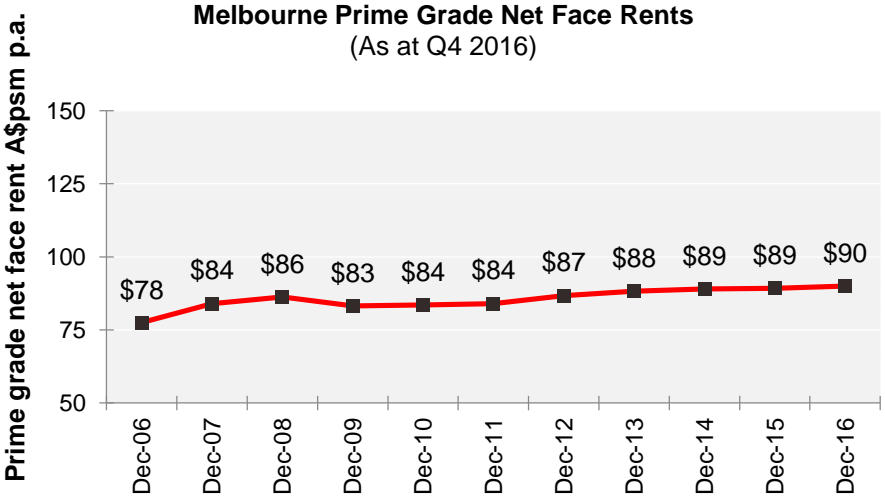
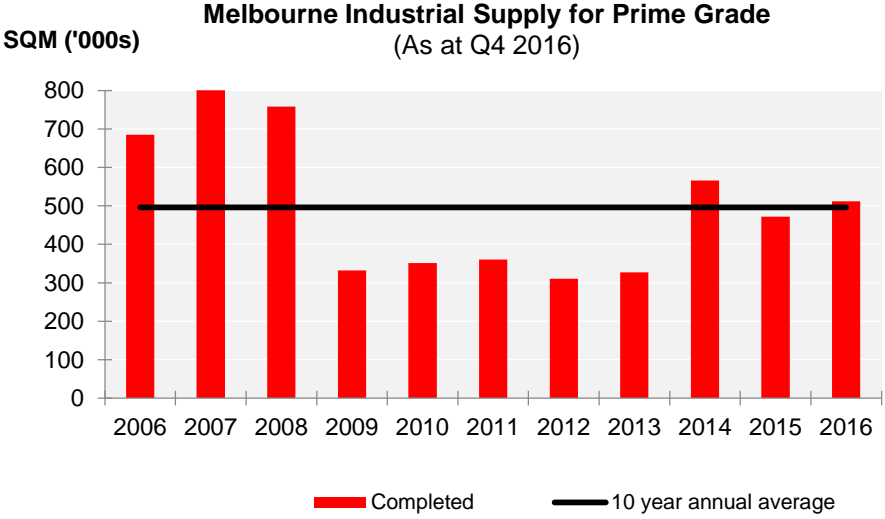
32 Gibbon Road, Winston Hills, New South Wales



30 Flint Street, Inala, Queensland

Appendix: Update of Major Industrial Markets – Melbourne

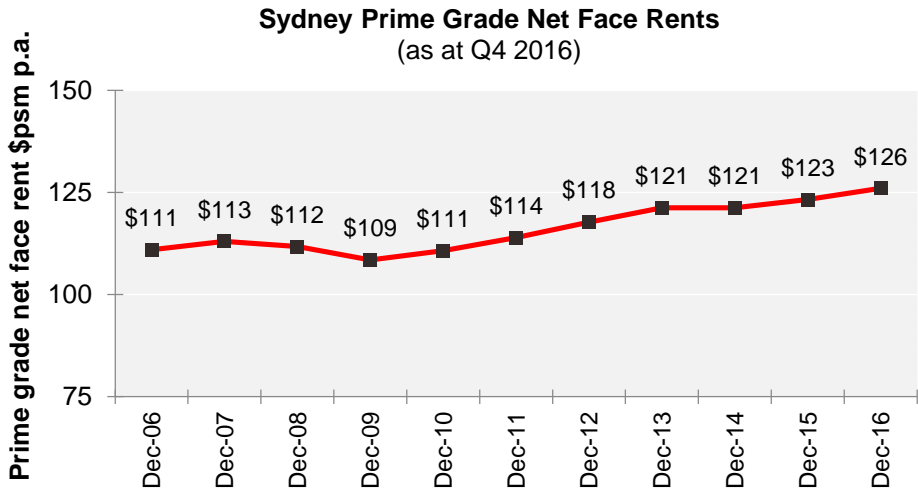
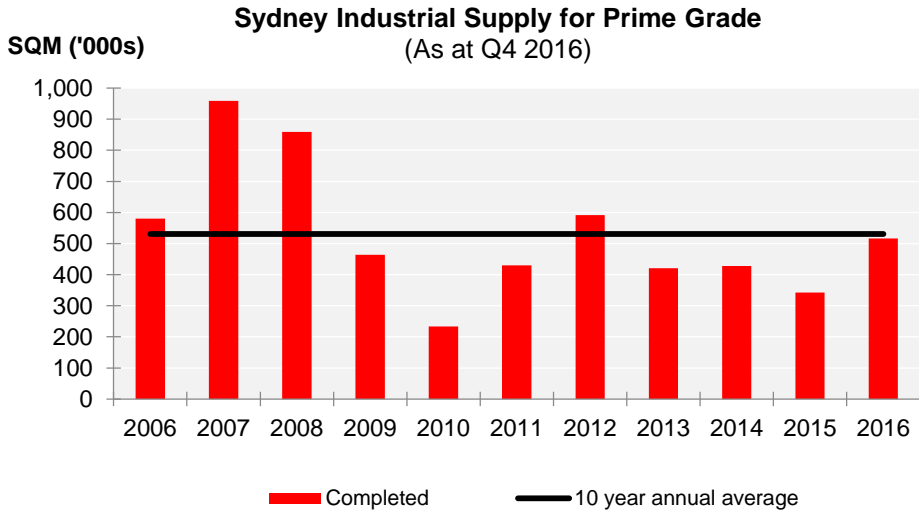
- **Supply:** Supply levels are slightly above long term average as developers continue to secure pre-lease projects in western Melbourne
- **Demand:** Take up levels have been increasing with good pre-lease demand as a result of occupier consolidation into larger, new facilities
- **Rents:** Overall rental rates remain stable with some evidence of rental growth in the South East; incentives continue to remain at elevated levels
- **Vacancy:** Vacancy levels remain high, underpinned by an increase in backfill options as a result of pre-lease activities



Sources: Jones Lang LaSalle Real Estate Intelligence Service – Melbourne Industrial Final Data 4Q16; Jones Lang LaSalle Real Estate Intelligence Service – Melbourne Industrial Snapshot 4Q16; Jones Lang LaSalle Real Estate Data Solution – Melbourne Construction Projects from 1Q06 to 4Q16

Appendix: Update of Major Industrial Markets – Sydney

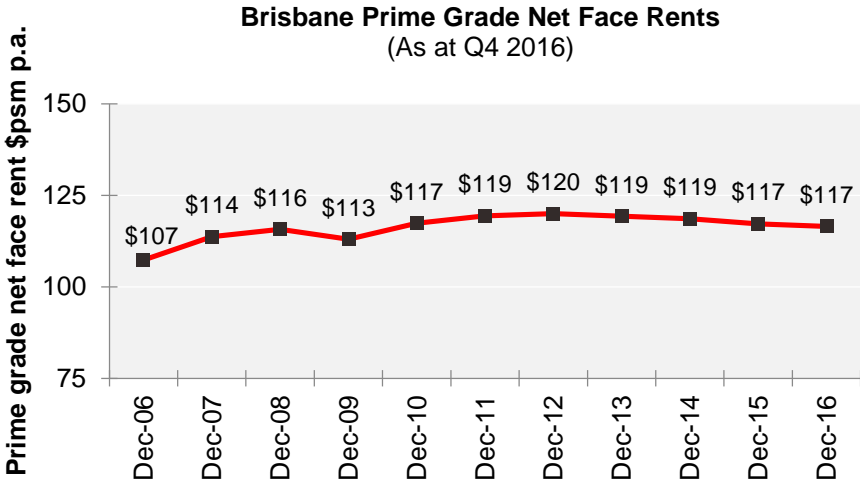
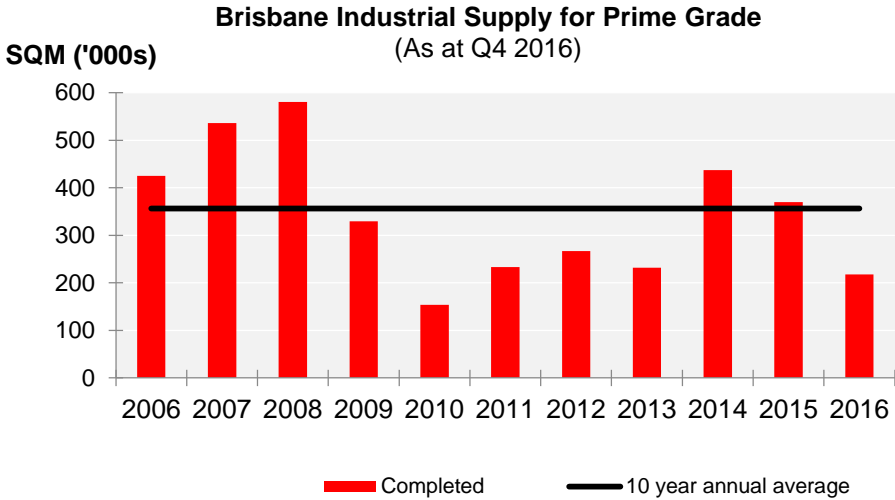
- **Supply:** Sydney is experiencing rising development activities with supply levels marginally below long term average and challenges with securing new land banks
- **Demand:** Demand is supported by major infrastructure projects across Metropolitan Sydney and a strong NSW economy
- **Rents:** Rental rates have been rising and incentives are relatively lower compared to other markets
- **Vacancy:** Levels of available prime grade space remain significantly below long term averages



Sources: Jones Lang LaSalle Real Estate Intelligence Service – Sydney Industrial Final Data 4Q16; Jones Lang LaSalle Real Estate Intelligence Service – Sydney Industrial Snapshot 4Q16; Jones Lang LaSalle Real Estate Data Solution – Sydney Construction Projects from 1Q06 to 4Q16

Appendix: Update of Major Industrial Markets – Brisbane

- **Supply:** Supply levels remain well below long term average but developers are anticipated to deliver more pre-committed and speculative space due to improving demand for quality space
- **Demand:** Demand levels have been improving with tenant preference for newly constructed facilities and limited demand for secondary space
- **Rents:** Effective rental rates remain under downward pressure with more entrenched incentive levels
- **Vacancy:** Vacant space has been increasing as tenants favour new supply at the expense of existing, secondary facilities



Sources: Jones Lang LaSalle Real Estate Intelligence Service – Brisbane Industrial Final Data 4Q16; Jones Lang LaSalle Real Estate Intelligence Service – Brisbane Industrial Snapshot 4Q16; Jones Lang LaSalle Real Estate Data Solution – Brisbane Construction Projects from 1Q06 to 4Q16