

Frasers Logistics & Industrial Trust

2nd Annual General Meeting



24 January 2019



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FY2018 Overview



FLT Snapshot

Quality portfolio concentrated within major logistics and industrial markets

Geographically diversified, predominantly freehold or long leasehold

Frasers Logistics & Industrial Trust

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

83

Properties⁽¹⁾

~A\$3.0 billion

Portfolio Value⁽¹⁾⁽²⁾⁽³⁾

~2.0 million sq m
Gross Lettable Area ("GLA")

6.95 years

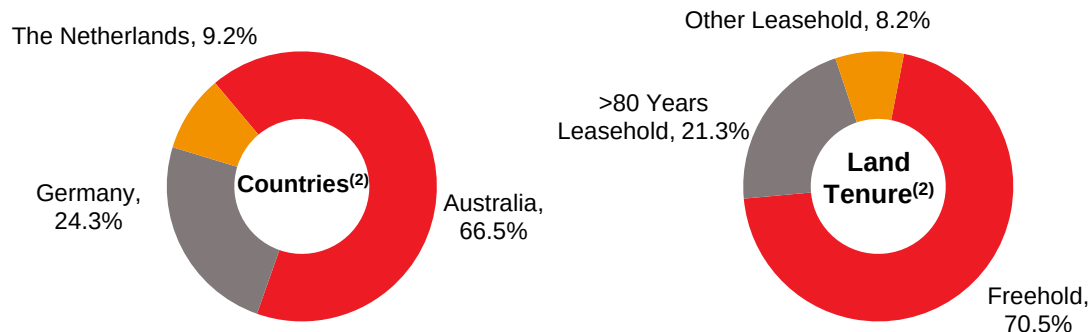
WALE⁽⁴⁾

7.36 years

Average Property Age

99.6%

Occupancy Rate



1. For avoidance of doubt, includes the acquisition of Mandeveld 12, Meppel, the Netherlands (the "New Property") on 31 October 2018
2. Based on the appraised value of FLT's portfolio as at 30 September 2018 and the book value of the New Property
3. Based on an exchange rate of €1.00:A\$1.60599 for the 22 properties in Germany and the Netherlands
4. "WALE" refers to the weighted average lease expiry based on Gross Rental Income ("GRI"), being the contracted rental income and estimated recoverable outgoings for the month of September 2018. Excludes straight lining rental adjustments

FY2018 Highlights



Distribution per Unit
("DPU")

+2.6%
7.19 Singapore cents

(FY2017⁽¹⁾: 7.01
Singapore cents)



Completed 13 leasing
deals

296,953 sq m
of leasing completed

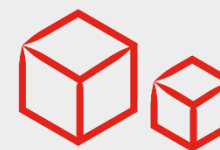
Representing 15.3% of
portfolio gross lettable area
("GLA")



Acquired 24 properties⁽²⁾
in Australia and Europe

~A\$1.0 billion
Value of new assets

Portfolio value increased to
approximately A\$3.0 billion



Divested two non-core
properties

~A\$99.3 million
Strategic asset sales

At significant premiums to
book value

1. For the purposes of comparison with FY2018, the comparative FY2017 figures are an aggregate of the 1QFY17, 2QFY17, 3QFY17 and 4QFY17 results (extracted from Paragraph 1 of FLT's Financial Statements Announcement dated 3 February 2017, 5 May 2017, 28 July 2017, and 2 November 2017 respectively)
2. Includes the New Property

FY2018 Highlights



Equity Fundraising

S\$476.0 million
Private Placement & Preferential Offering

3.9x subscribed for private placement and 1.9x subscribed for preferential offering



Prudent Capital Management

35.4%
Aggregate Leverage as at 30 September 2018⁽¹⁾

Significant available debt headroom prior to reaching the 45% regulatory limit



Weighted Average Debt Maturity

2.9 years
As at 30 September 2018⁽¹⁾

Well-spread debt maturity profile



Proportion of Fixed Debt

79.0%
As at 30 September 2018⁽¹⁾

Limits exposure to fluctuations in foreign currency exposures

1. Includes the New Property

Recognition and Accolades in 2018

Awarded Global First Placing (Industrial) in the GRESB Assessment⁽¹⁾



- ♦ Ranked first among global participants
- ♦ Recognised as the leader among global industrial participants in the 'Health & Wellbeing' category

Highest Green Star⁽²⁾ performance-rated portfolio in Australia



- ♦ First to achieve 6 Star Green Star ratings⁽³⁾ for industrial facilities in each of New South Wales, Victoria and Queensland
- ♦ 7 properties in Australia with 6 Star Green Star ratings

Best Practice Communications



- ♦ Awarded Best Annual Report for first-year listed companies at the Singapore Corporate Awards 2018

1. Refers to the 2018 Real Estate Assessment by Global Real Estate Sustainability Benchmark (GRESB), the global ESG benchmark for real estate
2. 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
3. 6 Star ratings represent world leadership in sustainable design and is the highest available rating

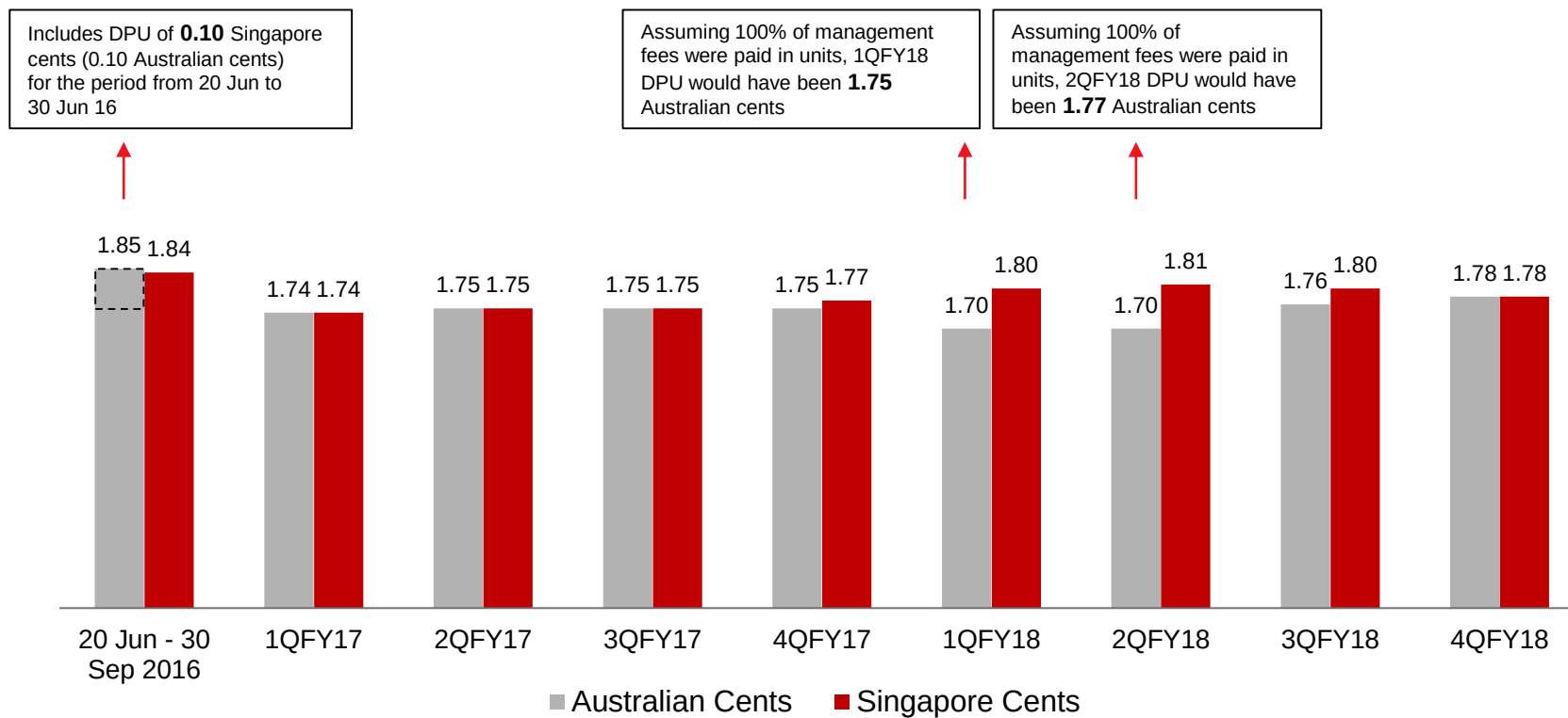
Financial Performance 1 October 2017 - 30 September 2018

(A\$'000)	FY2018	FY2017 ⁽¹⁾	Change (%)	Remarks
Revenue	195,766	163,060	20.1	- Contributions of the various acquisitions completed in FY2018 and the 2017 Acquisition Transaction⁽³⁾; - Net effect of the annual fixed increment in the Australian portfolio; - Other income of A\$2.0 million which relates to the early surrender fee received for Lot 105 Springhill Road, Port Kembla, New South Wales; <i>which was partially offset by:</i> - the impact of the 2018 Divestments
Adjusted net property income ⁽²⁾	155,398	124,735	24.6	
Finance costs	(23,805)	(16,942)	40.5	Higher borrowings drawn to finance the 2017 Acquisition Transaction and 2018 European Acquisition⁽⁴⁾
Distributable income to Unitholders	118,341	101,501	16.6	- Contributions from the 2018 European Acquisition Transaction; the 2017 Acquisition Transaction and partial distribution of the gain on divestment; <i>which was partially offset by:</i> - Higher finance costs; and - Higher current income tax arising from higher distributable income, the gain recorded for the 2018 Divestments⁽⁵⁾ and on other income
DPU (Singapore cents)	7.19	7.01	2.6	- Higher hedged exchange rate of A\$1.00:S\$1.0328 (FY17: A\$1.00:S\$1.0050); <i>which was partially offset by:</i> 33% increase in the number of units in issue as at 30 September 2018 compared to 30 September 2017⁽⁶⁾

- The comparative FY2017 figures are an aggregate of the 1QFY17, 2QFY17, 3QFY17 and 4QFY17 figures (extracted from Paragraph 1 of FLT's Financial Statements Announcement dated 3 February 2017, 5 May 2017, 28 July 2017 and 2 November 2017 respectively)
- Net property income excluding straight lining adjustments for rental income and after adding back straight lining adjustments for ground leases
- On 6 June 2017, FLT announced the acquisition of seven industrial properties located in Australia comprising four completed properties and three development properties (the "2017 Acquisition Transaction")
- On 20 April 2018, FLT announced its portfolio acquisition of 17 industrial properties located in Germany and 4 located in the Netherlands (the "New Properties") (the "2018 European Acquisition") which was completed on 25 May 2018
- On 17 and 20 August 2018, FLT completed the divestment of Lot 102 Coghlan Road in South Australia and 80 Hartley Street in New South Wales respectively (the "2018 Divestments")
- Due to the issuance of management fee units, placement units and preferential offering for the 2017 Acquisition Transaction and 2018 European Acquisition

Stable Distributions

- ♦ **FY2018 DPU was 7.19 Singapore cents, an increase of 2.6% from 7.01 Singapore cents in FY2017**
 - FLT has paid out 100% of distributable income since IPO



Healthy Balance Sheet

- ♦ The value of investment properties increased 55.8% from A\$1.91 billion as at 30 September 2017 to A\$3.0 billion as at 30 September 2018, due mainly to:
 - Completion of the 2018 Australian Acquisition;
 - Completion of the 2018 European Acquisition;
 - Completion of the 3 development properties in the 2017 Acquisition Transaction and the Stramit AEI;
 - Fair value adjustments of A\$56.0 million based on independent valuations as at 30 September 2018 and a fair value gain of A\$16.4 million which relates to the accounting adjustment on investment properties from the 2018 European Acquisition;
 - Which was partially offset by the 2018 Divestments
- ♦ FLT is in a net current liability position as at 30 September 2018. Included in current liabilities is a A\$170 million term loan due in June 2019. The REIT Manager is in discussion with banks to refinance the loan

Balance Sheet (A\$'000)	As at 30 Sep 18	As at 30 Sep 17
Investment properties	2,978,204	1,910,975
Other non-current assets	1,133	3,077
Current assets	115,638	62,272
Total assets	3,094,975	1,976,324
Non-current liabilities	884,774	592,797
Current liabilities	266,947	46,011
Total liabilities	1,151,721	638,808
Net asset value per Unit (A\$)	0.95⁽¹⁾	0.88⁽²⁾
Net asset value per Unit (S\$)	0.94	0.94

1. Based on an exchange rate of A\$1.00:S\$0.9878 as at 30 September 2018

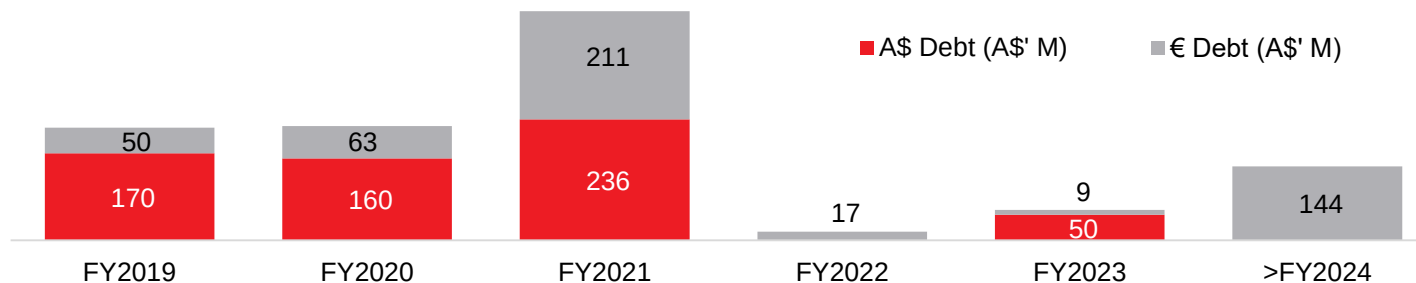
2. Based on an exchange rate of A\$1.00:S\$1.0636 as at 30 September 2017

Debt Statistics

As at 30 September 2018⁽¹⁾

Aggregate Leverage	35.4%
Total Gross Borrowings	A\$1,110.5 million
Weighted Average Cost of Borrowings ⁽²⁾	2.5%
Average Weighted Debt Maturity	2.9 years
Interest Rate Exposure Fixed	79.0%
Interest Coverage Ratio	7.1 times
Debt Headroom	A\$546 million ⁽³⁾

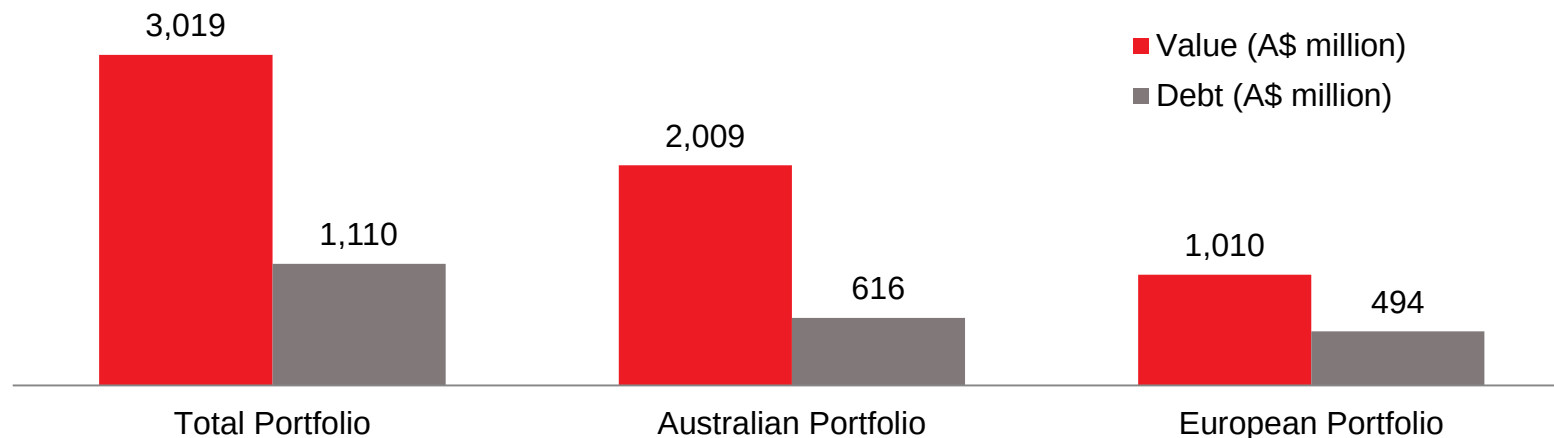
Well-spread Debt Maturity Profile⁽¹⁾



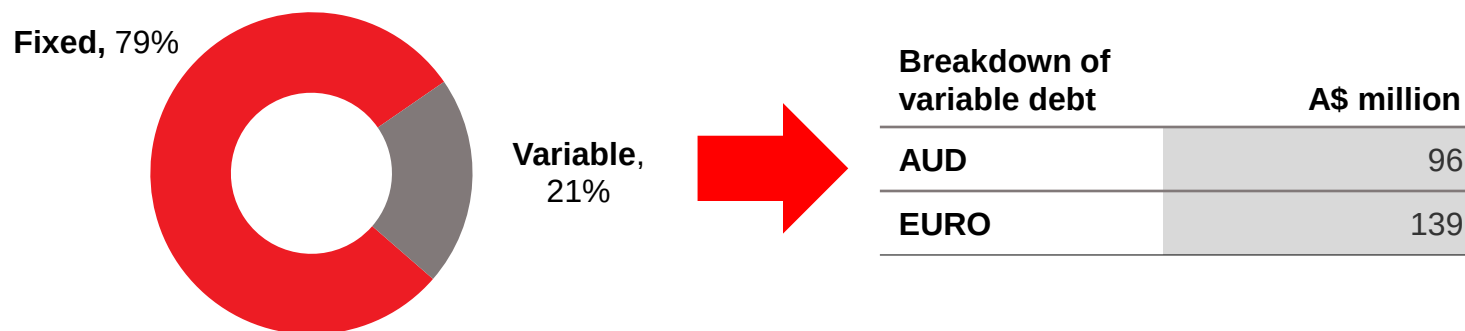
1. Adjusted for the acquisition of the New Property
2. Excluding upfront debt related expenses
3. Prior to reaching the 45.0% aggregate regulatory leverage limit

Capital Management

Investment Properties and Debt⁽¹⁾



Interest Risk Management⁽¹⁾



1. Adjusted for the acquisition of the New Property

Portfolio Summary

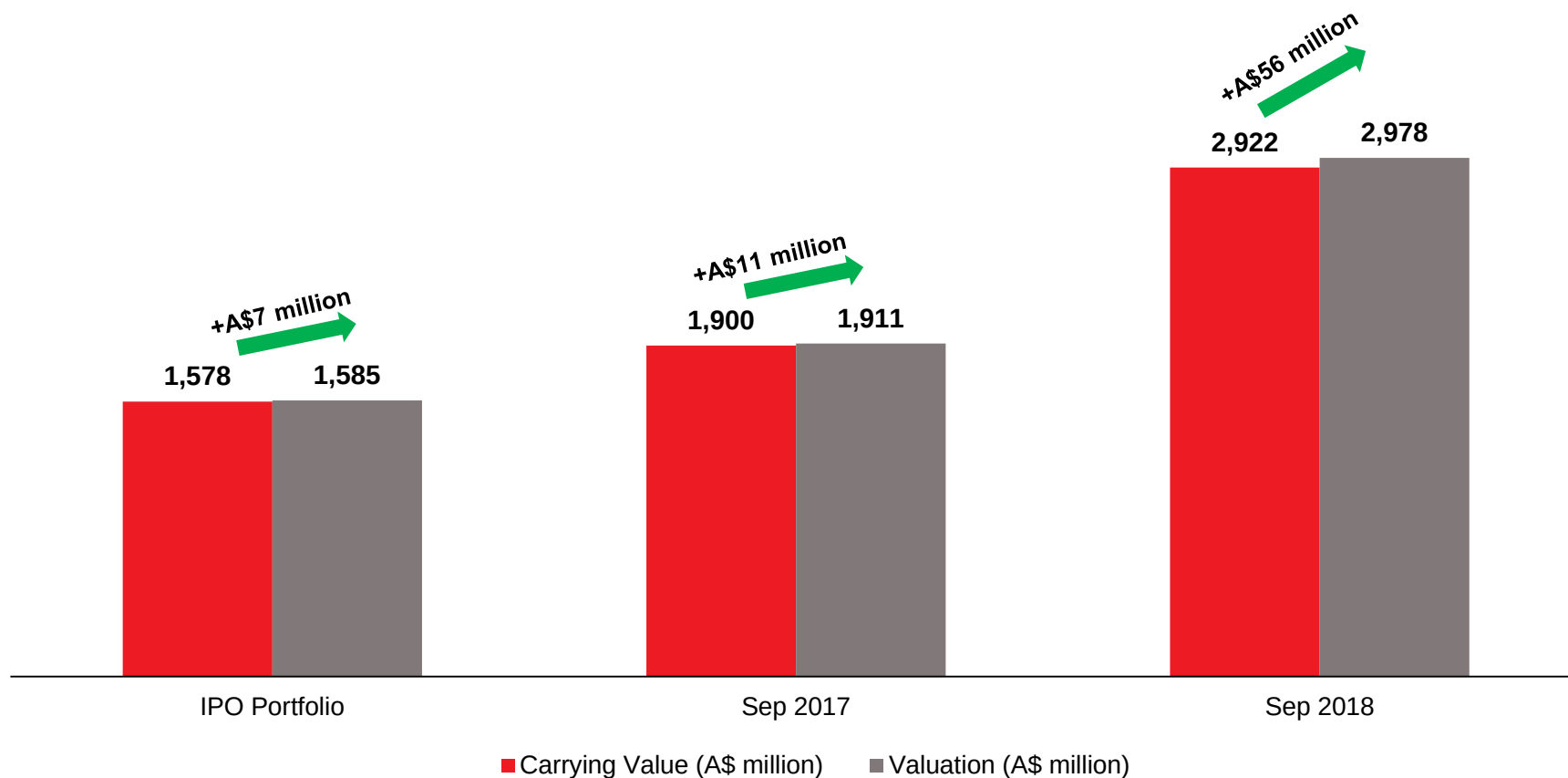


Mainfreight Facility, s-Heerenberg, The Netherlands

Portfolio Valuation

FLT's Portfolio was valued at approximately A\$3.0 billion as at 30 September 2018

- ♦ Representing an uplift of A\$56.0 million⁽¹⁾ over the carrying value of A\$2.9 billion



1. Total net change in fair value of investments properties for FY2018 was A\$72.4 million, which includes a A\$16.4 million accounting adjustment on investment properties in relation to the 2018 European Acquisition

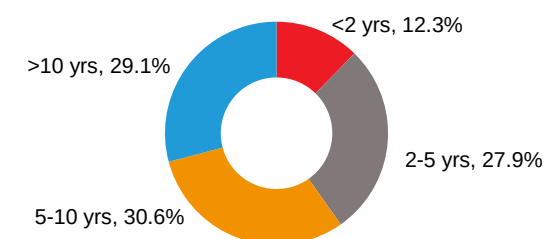
Key Portfolio Metrics

As at 30 September 2018	Australia	Europe ⁽¹⁾	Total
No. of Completed Properties	61	22	83
Portfolio Value (A\$ billion)	2.0	1.0	3.0
GLA (sq m)	1,325,887	652,537	1,978,424
Average Property Age by Value	7.11 years	7.85 years	7.36 years
WALE	6.72 years	7.56 years	6.95 years
Occupancy Rate by GRI	99.4%	100%	99.6%
Average Annual Rental Increment	3.1%	CPI-linked/ Fixed ⁽²⁾	N.A.

1. Includes the New Property
2. Approximately 92% of the leases have either CPI-linked indexation or fixed escalations

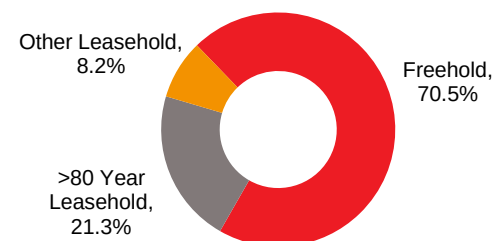
Portfolio Age by GLA

Young and Modern Portfolio



Land Tenure by Value

Predominantly Freehold or Long Leasehold

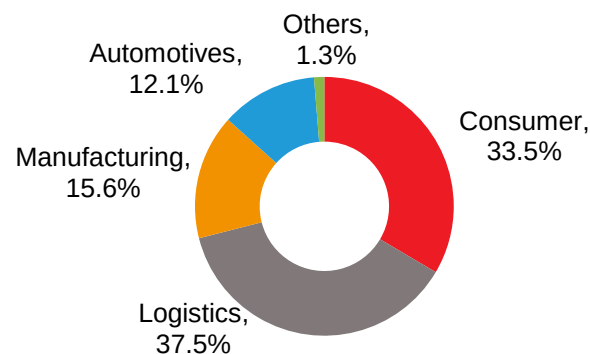


Well-diversified Tenant Base

Top 10 Tenants⁽¹⁾⁽²⁾

Tenant		% of GRI	WALE (Years)
Coles		7.1	13.7
BMW		3.6	7.2
CEVA Logistics		3.6	6.7
Schenker		3.2	6.1
Mainfreight		2.9	7.4
Constellium		2.5	8.8
Bakker Logistics		2.4	12.1
Techtronics Industries		2.3	3.8
DSV Solutions	 	2.3	6.1
Inchcape Motors		2.2	4.0

Breakdown of Tenants By Trade⁽¹⁾⁽²⁾



Consumer sector tenants



Logistics sector tenants



Automotive sector tenants



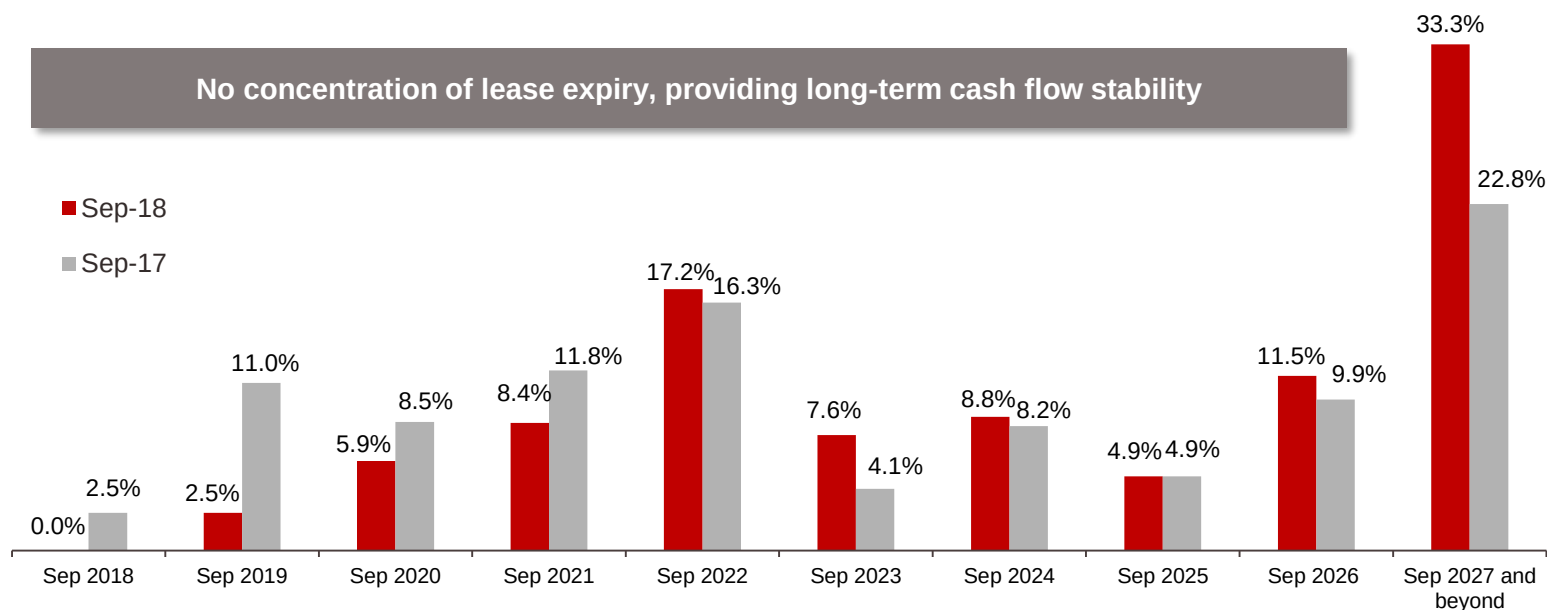
1. Based on GRI, being the contracted rental income and estimated recoverable outgoings for the month of September 2018. Excludes straight lining rental adjustments
2. Includes the New Property

Active Lease Management

FY2018 Leasing Summary:

- ♦ 296,953 sq m of leasing completed, representing 15.3% of portfolio GLA
- ♦ Tenant retention rate of 84.0%
- ♦ Average reversion of -3.2%

Well spread-out lease expiry profile⁽¹⁾⁽²⁾



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

2. Includes the New Property

Acquisitions And Divestments Since IPO

Jun 2016

August 2016

November 2016

August – October 2017

Listed on the
SGX-ST on 20
June 2016
(51 Properties)

Acquired Two Call Option Properties



- **Property Price:** A\$32.5m
- **GLA:** 21,660 sq m
- **Occupancy:** 100%
- **WALE⁽¹⁾:** 15.0 years



- **Property Price:** A\$36.7m
- **GLA:** 30,618 sq m
- **Occupancy:** 100%
- **WALE:** 6.0 years

Acquired Third Call Option Property



- **Property Price:** A\$32.5m
- **GLA:** 21,660 sq m
- **Occupancy:** 100%
- **WALE⁽¹⁾:** 20.0 years

Acquired Portfolio of 7 Properties in Australia



- **Portfolio Price:** A\$169.3m
- **GLA:** 124,527 sq m
- **Occupancy:** 100%⁽²⁾
- **WALE:** 9.6 years

May 2018

August 2018

September 2018

Acquired Portfolio of 21 Properties in Germany and the Netherlands



- **Portfolio Price:** €596.8m
- **GLA:** 620,786 sq m
- **Occupancy:** 100%⁽³⁾
- **WALE:** 8.0 years

Divested Two Non-core Properties

Lot 102 Coghlan Road, Outer Harbor, South Australia

- **Sale Consideration:** A\$8.75m
- **Book Value:** A\$6.4m
- **Premium to Book Value:** 36.7%

80 Hartley Street, Smeaton Grange, New South Wales, Australia

- **Sale Consideration:** A\$90.5m
- **Book Value:** A\$64.5m
- **Premium to Book Value:** 40.3%

Acquired Two New Australian Properties



- **Property Price:** A\$31.5m
- **GLA:** 20,078 sq m
- **Occupancy:** 100%
- **WALE:** 7.0 years



- **Property Price:** A\$31.1m
- **GLA:** 19,487 sq m
- **Occupancy:** 100%
- **WALE:** 4.2 years

1. Refers to WALE at acquisition
2. Including pre-committed leases for the three development properties
3. Based on 100% interest in the properties acquired and on the basis of the completion of the committed asset enhancement works (where applicable)

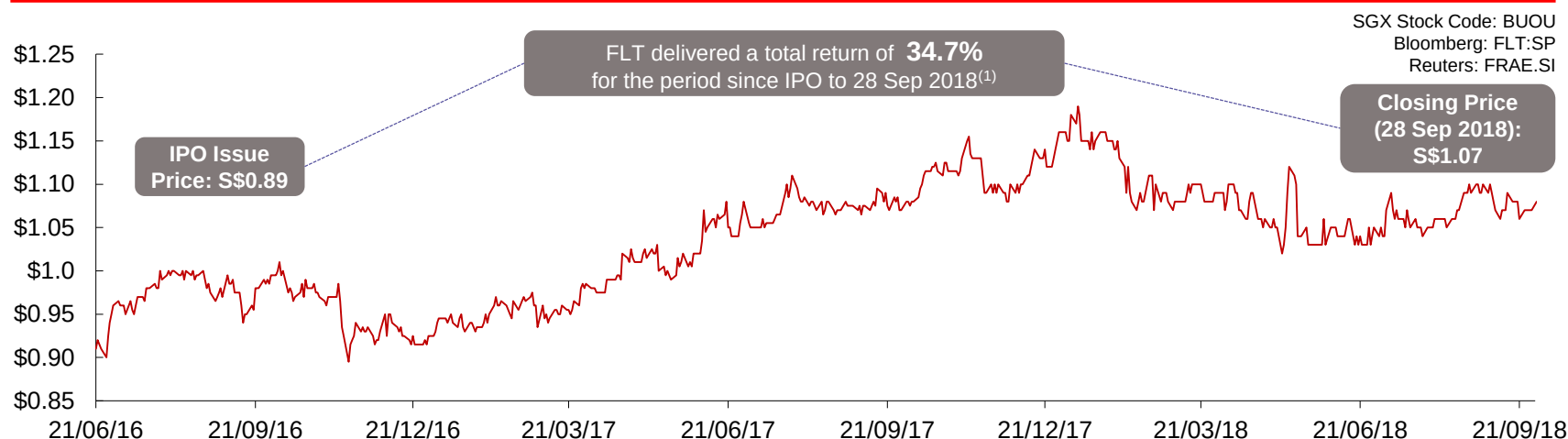
Trading Fundamentals and Strategy



Nick Scali and Plastic Bottles Facility, New South Wales, Australia

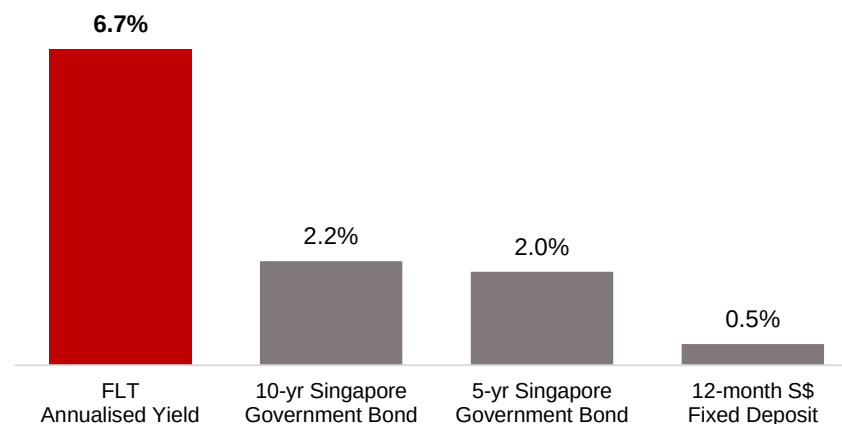
Attractive Trading Fundamentals

Trading Performance since IPO to 28 September 2018



Stock Information (As at 28 September 2018)

Market capitalisation	S\$2,143.5 million
Free Float	~73.4%
Average daily traded volume	4.4 million
Distribution Yield ⁽²⁾	6.7%
Distribution Payment	Semi-annual



- Source: Bloomberg LLP (For the period from 21 June 2018 to 28 September 2018). Calculation of total return assumed the distributions paid during the period are reinvested
- Based on FLT's closing price of S\$1.07 per unit as at 28 September 2018 and FLT's FY2018 DPU of 7.19 Singapore cents
- Source: Monetary Authority of Singapore Daily SGS Prices and interest rates of banks and finance companies (Last accessed on 11 January 2019)

Principal Objectives and Strategy



Strategies to support the Principal Objectives

1 Active Asset Management	♦ Proactive leasing: Maintain high occupancy rate, long WALE and well-diversified tenant base ♦ Asset Enhancement: Assess and undertake AEIs⁽¹⁾ on the FLT portfolio to unlock further value
2 Selective Development	♦ Undertake development activities of properties complementary to the FLT portfolio ♦ Re-development of existing assets ♦ Sponsor's development pipeline
3 Acquisition Growth	♦ Pursue strategic acquisition opportunities of quality industrial properties ♦ ROFR⁽²⁾ over 46 properties⁽³⁾ from FLT's Sponsor ♦ Third-party acquisitions
4 Capital & Risk Management	♦ Optimise capital mix and prudent capital management

1. Asset Enhancement Initiative
 2. Right of first refusal
 3. Includes the United Kingdom and the industrial portfolio of Alpha Industrial Holding S.A., Luxembourg

**Experience
matters.**



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Appendix: Economic and Market Snapshot; Portfolio Information



Economic Snapshot – Australia

Key Economic Indicators

- ◆ Year-on-year GDP growth of 2.8% in the third quarter of 2018, receding from a high 3.4% recorded in the second quarter, due largely to softening in the construction and housing sectors
- ◆ The outlook for non-mining investment has improved further and business confidence is reported to be high. Increased public infrastructure investment has also supported the economy
- ◆ Population growth of 1.6% for the 12 months ended 30 June 2018, with net overseas migration contributing to 60.6% of the growth. Victoria recorded the highest growth rate of all states at 2.2%

Unemployment Rate

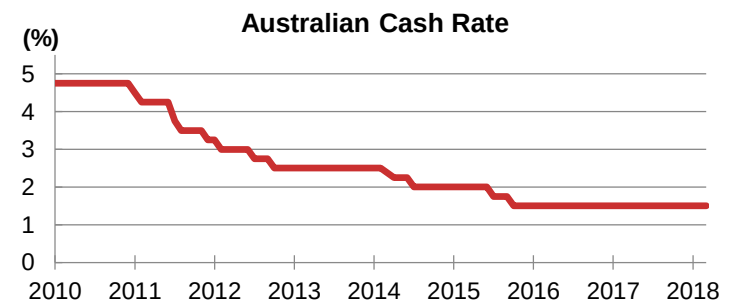
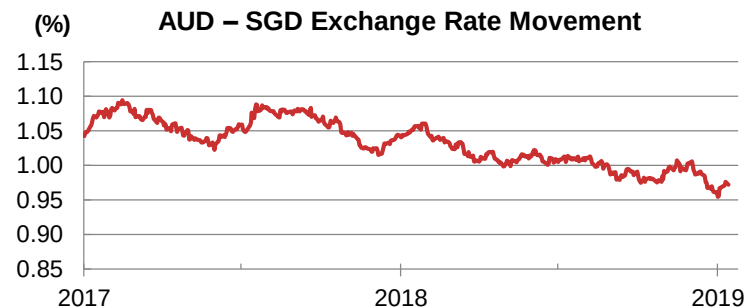
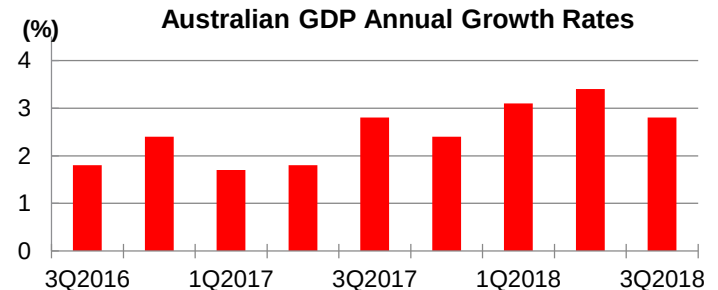
- ◆ Low unemployment rate of 5.0%
- ◆ Wage growth at 2.3% and is expected to pick up gradually as the labour market strengthens

Australian Dollar

- ◆ In recent months, the Australian dollar has come under pressure, possibly arising from continued financial market volatility and global trade tensions

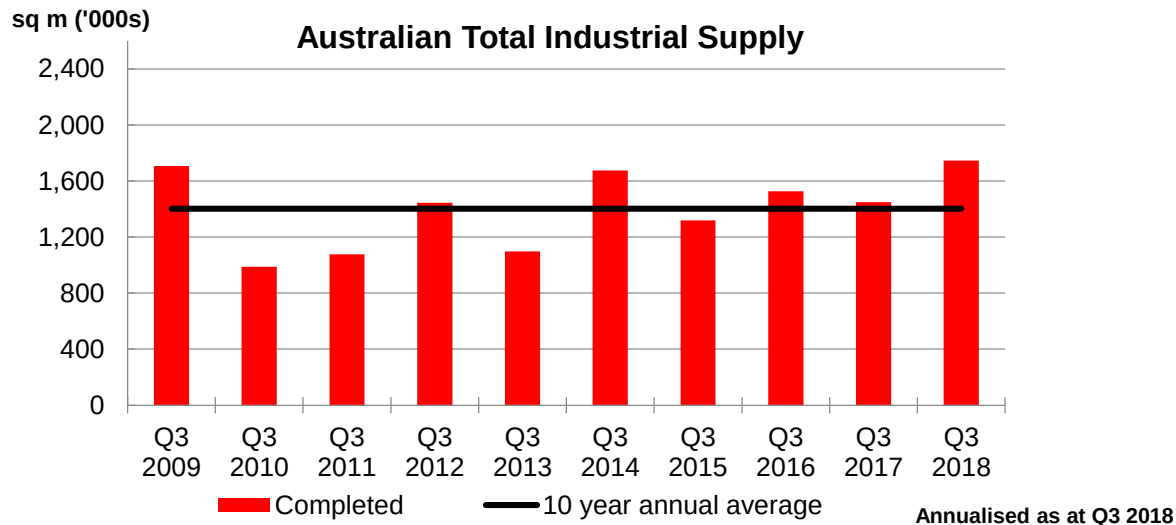
Official Interest Rates

- ◆ The RBA maintained the cash rate at 1.5%
- ◆ Australian government 10 year bond yields are at 2.32% as of 10 January 2019



Australian Industrial Market

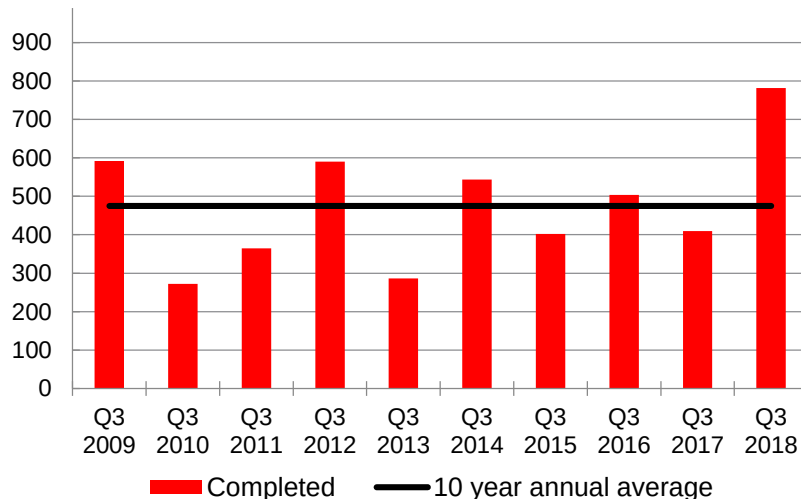
- ♦ The demand for industrial space has continued to be supported by massive public infrastructure spending and the growth of E-commerce in Australia. **National take-up levels** have been robust with a total of 2.5 million sq m leased year-to-date (17% above the 10-year average)
- ♦ **Australian industrial supply** is above the long term average with additions of nearly 363,000 sq m recorded in the third quarter of 2018 (“**3Q18**”). Sydney is in the midst of a development cycle and there has been increasing speculative developments which reflects confidence in the leasing market
- ♦ **Land values** have appreciated considerably on the back of the demand-led expansion in development activity amid a shortage of developable land, with Sydney experiencing the highest annual growth of 14.5%
- ♦ Both offshore and domestic **investors** remain bullish on the industrial market. However, this intensified competition has been restrained by a lack of stock being available, in particular a dearth of portfolio opportunities
- ♦ **Prime yields** remain at the historically low levels. There is evidence of a polarisation of yields between capital cities with the eastern seaboard cities experiencing stronger capital appreciation than Perth and Adelaide



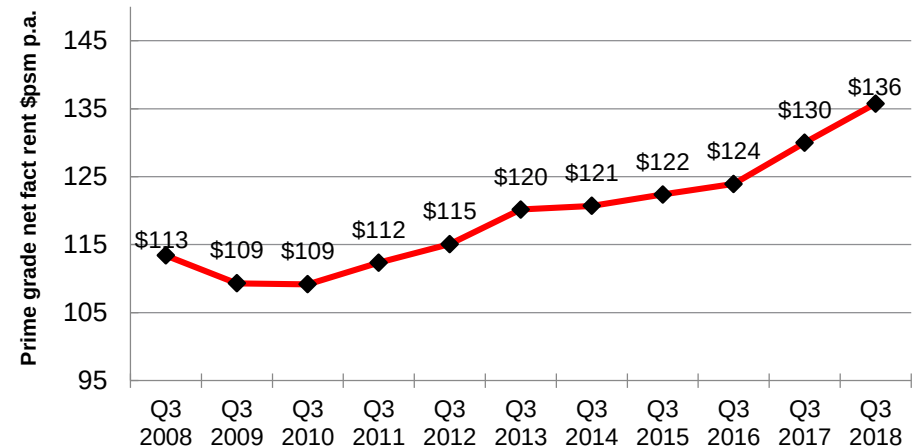
Sydney Industrial Market

- ♦ **Supply:** Annual supply levels significantly eclipsed the long term average with increasing speculative developments. However, all new space was leased prior to completion over the past year. The above-average supply is forecast to continue with a further 457,700 sq m under construction
- ♦ **Demand:** Demand continues to outstrip supply with most absorption recorded in the Outer West precincts. As consumer preference continues to shift towards online shopping, third party logistics providers (“**3PL**”) and retailers have been the most active occupiers over the last 12 months
- ♦ **Rents:** Prime net rents are expected to improve over 2018 following the year-on-year growth of 4.4% across all precincts
- ♦ **Vacancy:** The declining vacancy has translated into higher confidence for developers who are committing to speculative developments

SQ M ('000s) Sydney Industrial Total Supply



Sydney Industrial Prime Grade Net Face Rents

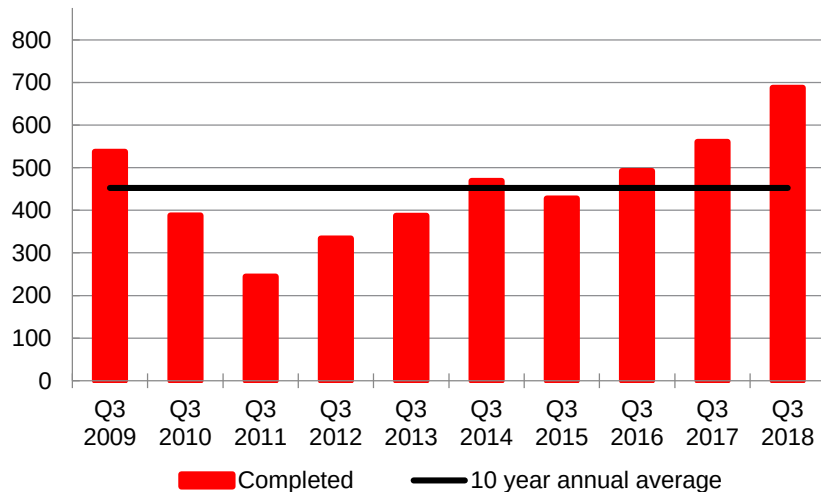


Annualised as at Q3 2018

Melbourne Industrial Market

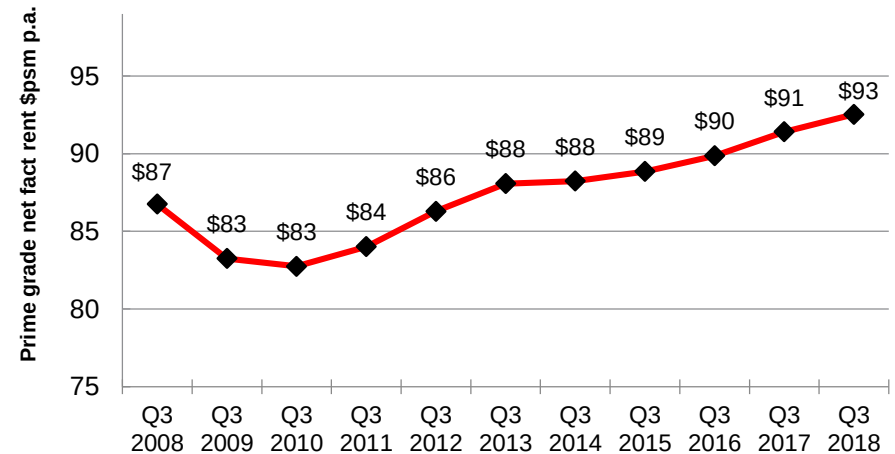
- ◆ **Supply:** Although Melbourne experienced modest additions in 2018, annual supply levels surpassed the 10-year average by 52% with most space pre-committed. Large developers are activating their land bank and developing speculatively, most notably in the West, to satisfy tenant demand
- ◆ **Demand:** Robust take-up levels have been predominantly evident in the West and South East, driven by strong leasing activity in both existing and new buildings. Occupiers have trended towards relocating West to seek more affordable accommodation
- ◆ **Rents:** Prime face rents have recorded a steady growth in the South East over 3Q18 and there has seen an improvement in effective rentals in the West
- ◆ **Vacancy:** Demand has outpaced supply, resulting in a contraction in available space to below 3% according to Urbis Industrial Vacancy Study

SQ M ('000s) Melbourne Industrial Total Supply



Annualised as at Q3 2018

Melbourne Industrial Prime Grade Net Face Rents

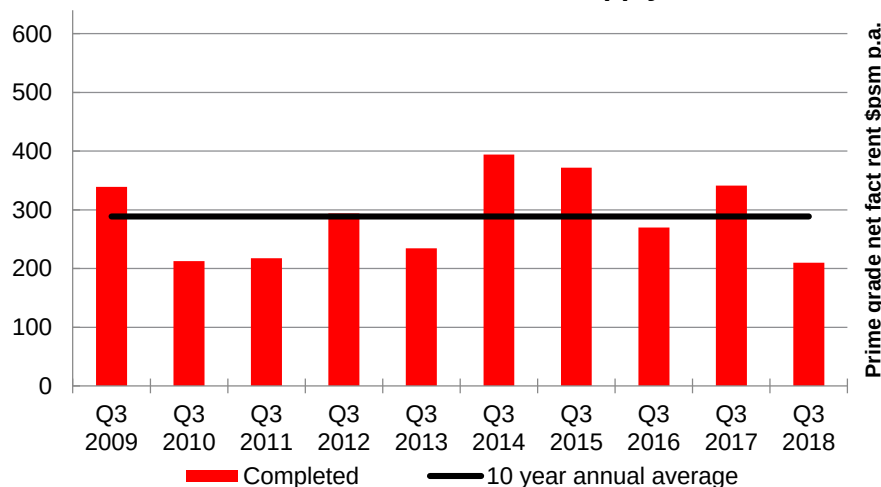


Brisbane Industrial Market

- ♦ **Supply:** New completions eased in 2018 with total annual supply below the long term average. The forward pipeline is anticipated to be strong with 218,600 sq m to be delivered over 2018/2019
- ♦ **Demand:** Net absorption of industrial space has returned to moderate levels in 2018. 3PL players have continued to lead demand in the Southern precincts
- ♦ **Rents:** The falling vacancy and increasing land price are yet to translate into solid rental growth. Incentive levels appear to have plateaued across all precincts, preventing effective rents from declining further
- ♦ **Vacancy:** The market is stabilising with a reduction in vacant space. However, the vacancy rate remains relatively high compared to Sydney and Melbourne

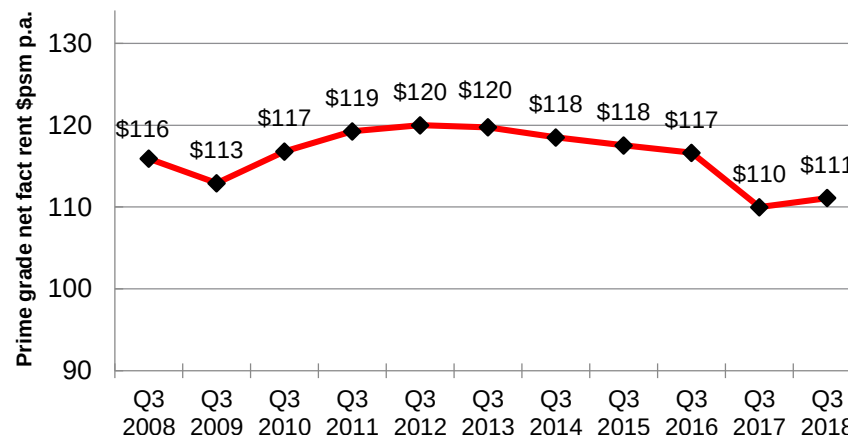
SQ M ('000s)

Brisbane Industrial Total Supply



Annualised as at Q3 2018

Brisbane Industrial Prime Grade Net Face Rents



Economic Snapshot – Europe

Germany

- ◆ The German economy grew at an annual growth rate of 1.2% in 3Q18, with softer private consumption and higher imports during the third quarter
- ◆ Low unemployment rate of 3.2% in November 2018

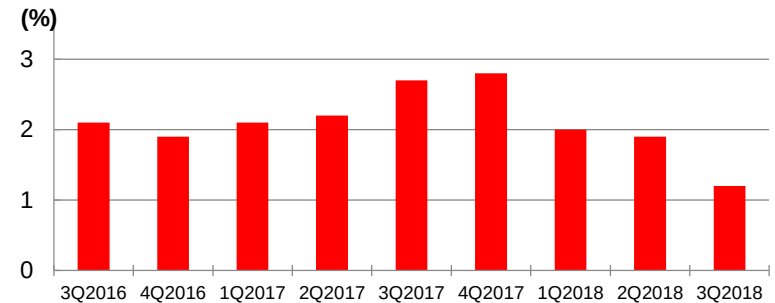
The Netherlands

- ◆ The Dutch economy grew 2.4% year-on-year in 3Q18, marking 18 consecutive quarters of growth
- ◆ Household spending, investment and exports slowed during the quarter, while imports and public expenditure rose faster
- ◆ Unemployment declined further to 3.5% in November 2018, slightly below the level just before the 2008 economic crisis

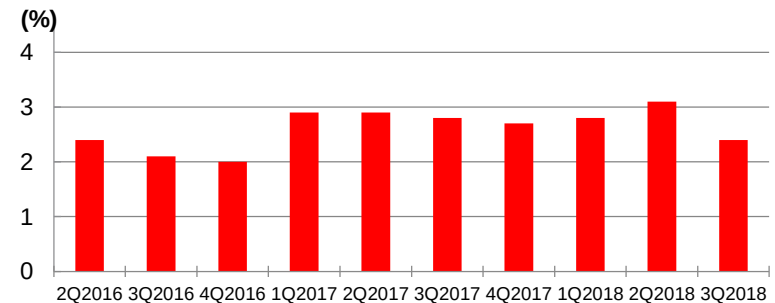
EURIBOR

- ◆ EURIBOR remained negative at 0.37% as at end 2018

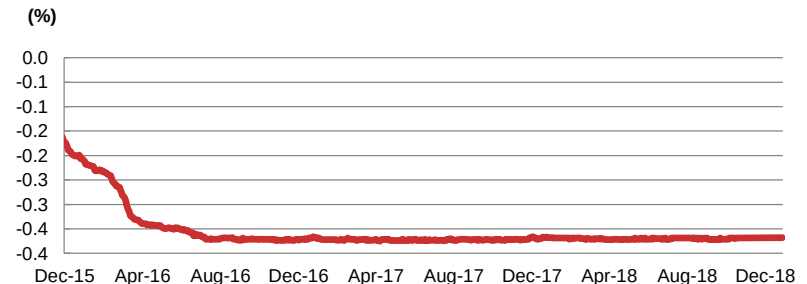
German GDP Annual Growth Rates



Dutch GDP Annual Growth Rates

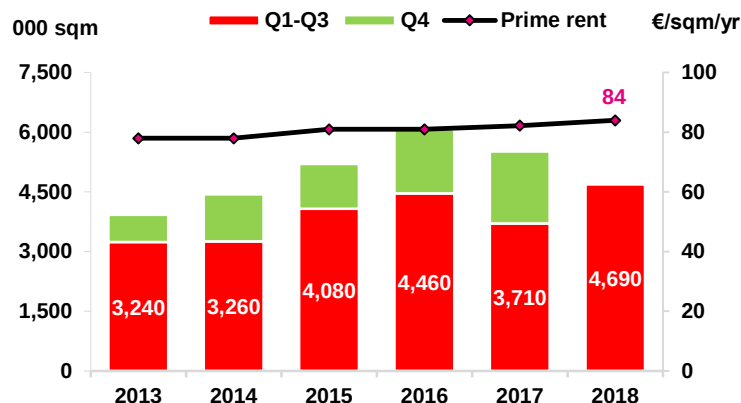


EURIBOR



Germany and the Netherlands Industrial Markets

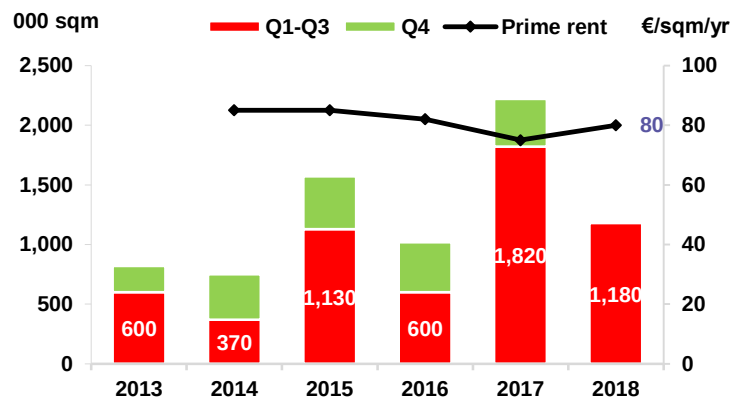
Germany Take-up and Prime Rent (for warehouse >5,000 sqm)



Take-up : +26% (9 months - 2018 vs 2017)

- ◆ Take-up activity continues strongly, though new supply for the rental market remained limited and users have turned to build-to-suit solutions
- ◆ Underpinned by positive demand, logistics assets continue to attract more capital than ever
- ◆ Following a strong compression in 2016 and 2017, yields continue to decrease further in Q3 2018 to bottom at 4.20% in the major logistics hubs

The Netherlands Take-up and Prime Rent (for warehouse >5,000 sqm)

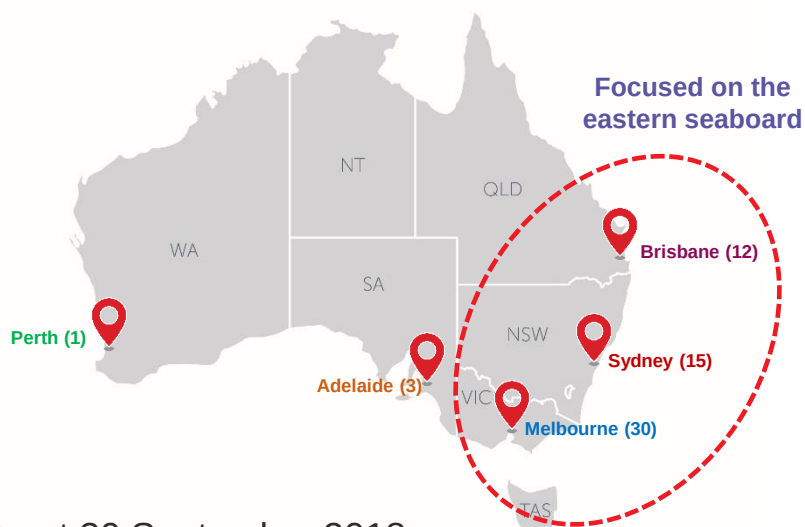


Take-up : -35% (9 months - 2018 vs 2017)

- ◆ Business confidence has been boosted by improving domestic demand and industrial output
- ◆ All the major occupier markets have recorded strong volumes of transactions in 2018, as prime rents remained competitive
- ◆ Industrial and logistics investment recorded its highest level ever, representing 23% of total commercial real estate investment in the past 12 months
- ◆ Yields have firmed significantly since the beginning of the year to 4.6% in Venlo and 5% in Amsterdam and Rotterdam

Portfolio Overview Australia

Prime and modern properties with an average age of 7.1 years properties concentrated within major logistics and industrial markets



61
Properties



Melbourne (Victoria)

Properties	30
GLA	646,467 sq m
Valuation ⁽¹⁾	A\$796.2m
% of Portfolio ⁽¹⁾	39.6%



Sydney (NSW)

Properties	15⁽²⁾
GLA	364,268 sq m
Valuation ⁽¹⁾	A\$583.2m
% of Portfolio ⁽¹⁾	29.0%



Brisbane (Queensland)

Properties	12
GLA	268,597 sq m
Valuation ⁽¹⁾	A\$586.4m
% of Portfolio ⁽¹⁾	29.2%



Adelaide (South Australia)

Properties	3
GLA	26,413 sq m
Valuation ⁽¹⁾	A\$27.3m
% of Portfolio ⁽¹⁾	1.4%



Perth (Western Australia)

Properties	1
GLA	20,143 sq m
Valuation ⁽¹⁾	A\$15.6m
% of Portfolio ⁽¹⁾	0.8%

As at 30 September 2018

A\$2.0 billion
Portfolio Value⁽¹⁾

1,325,887 sq m
Portfolio GLA

99.4%
Occupancy

6.72 years
WALE⁽³⁾

3.1% p.a.
Average Fixed
Rental Increases

1. Based on the appraised value of FLT's Australian portfolio as at 30 September 2018
2. 14 properties located in Sydney, 1 property located in Wollongong
3. Based on GRI, being the contracted rental income and estimated recoverable outgoings for the month of September 2018. Excludes straight lining rental adjustments

Sub-market Overview Melbourne

Melbourne continues to strengthen its position as a major Australian industrial market, supported by strong population growth and significant infrastructure investment



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

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

Sub-market Overview Sydney

Demand for industrial space continues to outstrip supply, underpinned by a robust domestic economy and an unprecedented level of infrastructure investment



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

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

- | | |
|-------------------------|------------------------|
| A Eastern Creek | D Seven Hills |
| B Pemulwuy | E Winston Hills |
| C Wetherill Park | |

Sub-market Overview Brisbane

Improving economic conditions combined with employment has driven household consumption, which has underpinned tenant and buyer demand for industrial space



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

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

Sub-market	Location	No. of Properties	Precinct Characteristic
Southern	A	1	Largest geographical industrial precinct that has good road linkages to the north, west and south to the Gold Coast residential population
	B	1	
	C	1	
	D	1	
	E	1	
	F	1	
	G	1	
	H	2	
	I	1	
Trade Coast	J	1	- Close to key infrastructure, including Port of Brisbane and the Brisbane Airport. Access to the north and south via the M1 - Supply here is constrained
	K	1	Serves the population to the North of Brisbane via the Gympie Road, Bruce Highway and Houghton Highway. Limited availability of development land
Total		12	

Portfolio Overview Germany and the Netherlands

22 prime and predominantly freehold industrial properties located in key global logistics hubs



Leipzig-Chemnitz

Properties	2
GLA	29,590 sq m
Valuation ⁽¹⁾	€30.2m
% of Portfolio ⁽¹⁾	4.8%



Munich-Nuremberg

Properties	4
GLA	139,991 sq m
Valuation ⁽¹⁾	€135.8m
% of Portfolio ⁽¹⁾	21.6%



Stuttgart-Mannheim

Properties	5
GLA	156,663 sq m
Valuation ⁽¹⁾	€186.8m
% of Portfolio ⁽¹⁾	29.7%



Düsseldorf-Cologne

Properties	4
GLA	75,100 sq m
Valuation ⁽¹⁾	€67.7m
% of Portfolio ⁽¹⁾	10.8%



Tilburg-Venlo

Properties	2
GLA	50,763 sq m
Valuation ⁽¹⁾	€41.0m
% of Portfolio ⁽¹⁾	6.5%



Utrecht-Zeewolde

Properties	2
GLA	136,509 sq m
Valuation ⁽¹⁾	€105.9m
% of Portfolio ⁽¹⁾	16.8%



Meppel

Properties	1
GLA	31,013 sq m
Valuation ⁽¹⁾	€25.4m
% of Portfolio ⁽¹⁾	4.0%



Hamburg-Bremen

Properties	2
GLA	32,170 sq m
Valuation ⁽¹⁾	€36.2m
% of Portfolio ⁽¹⁾	5.8%

As at 30 September 2018⁽¹⁾

€\$629.1 million
Portfolio Value⁽¹⁾

651,799 sq m
Portfolio GLA

100%
Occupancy

7.56 years
WALE⁽²⁾

92% leases
with CPI-linked
indexation or fixed
escalation

1. Based on the appraised value as at 30 September 2018, and includes the New Property acquired on 31 October 2018
 2. Based on GRI, being the contracted rental income and estimated recoverable outgoings for the month of September 2018. Excludes straight lining rental adjustments

Portfolio Valuation

FLT's Portfolio was valued at approximately A\$3.0 billion as at 30 September 2018

- ♦ Uplift of A\$56.0 million⁽¹⁾ over the carrying value of A\$2.9 billion

Location	No. of Properties	Valuation as at 30 Sep 2018		
Australia		Value (million)	Capitalisation Rate	
- Victoria	30	A\$796.2	5.75% – 9.04%	
- New South Wales	15	A\$583.2	5.55% - 9.03%	
- Queensland	12	A\$586.4	5.75% - 7.03%	
- South Australia	3	A\$27.3	9.12%	
- Western Australia	1	A\$15.6	11.82%	
Australia Portfolio Total:	61	A\$2,008.7	-	
Europe		Value (million)	Gross Initial Yield ⁽²⁾	Net Initial Yield ⁽³⁾
Germany Portfolio	17	€456.7	4.10% - 7.54%	2.72% ⁽⁴⁾ - 6.63%
The Netherlands Portfolio	4	€147.0	5.22% - 6.37%	4.38% - 5.54%
FLT Portfolio total	82	A\$2,978.2⁽⁵⁾		

1. Total net change in fair value of investments properties for FY2018 was A\$72.4 million, which includes a A\$16.4 million accounting adjustment on investment properties in relation to the 2018 European Acquisition
2. In-place rent divided by net property value
3. In-place rent net of non-recoverable expenses divided by gross property value
4. Due to outstanding rent-free incentives for the lease at for Koperstraße 10, Nuremberg, Germany at the point of valuation
5. Based on an exchange rate of €1.00:A\$1.60599