



Frasers Commercial Trust 3QFY09/10 Financial Results

28 July 2010



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→ **Results**

→ **Portfolio review**

→ **Capital management**

→ **Moving Forward**

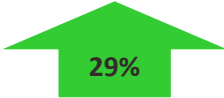




Results

Key highlights:

- Distributable income to Unitholders of S\$7.7m, ↑ 39% y-o-y
- Distribution income to CPPU holders of S\$4.7m
- YTD DPU of 0.81 cents translates to annualised yield of 7.2%¹
- Portfolio occupancy rate is 93.1%, up 0.7% from the previous quarter
- KeyPoint and Galleria Otemae occupancy increased 2.9% and 7.7% respectively as compared to 2Q FY09/10
- Only 5.1% of portfolio gross rental income is due for renewal for balance of FY09/10

¹ Based on annualised DPU of 1.08 (¢) /FCOT closing price as at 27 July 2010




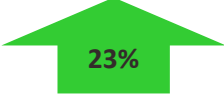

3Q distributable income up 39% Y-o-Y

1 Apr 2010 – 30 Jun 2010 (S\$ '000)	3Q FY09/10	Y-o-Y Change (%)	Contributing factors
Gross Revenue	29,222	 29%	▪ Full quarter contribution from Alexandra Technopark, more favourable A\$ exchange rate
Net Property Income	22,698	 33%	▪ Increase in Gross Revenue carried through to NPI line
Total distributable income	12,422	 123%	▪ Higher Gross Revenue and NPI contribution plus lower Finance Costs
- Unitholders	7,725	 39%	▪ Higher Gross Revenue and NPI contribution plus lower Finance Costs
- CPPU holders	4,697	NM	▪ Full quarter distribution for CPPU holders
Distribution per CPPU Unit (Cents)	1.37	NM	▪ Full quarter distribution for CPPU holders
DPU (cents per Unit)	0.25	 39%*	▪ DPU increased Y-o-Y in line with distributable income

NM – Not meaningful

* Comparative DPU last year has been adjusted for an increase in units as a result of the August 2009 rights issue

YTD DPU increased 21% Y-o-Y

1 Oct 2009 – 30 Jun 2010 (S\$ '000)	YTD FY09/10	Y-o-Y Change (%)	Contributing factors
Gross Revenue	88,643	 24%	<ul style="list-style-type: none"> Full nine months contribution from Alexandra Technopark, more favourable A\$ exchange rate
Net Property Income	69,808	 29%	<ul style="list-style-type: none"> Increase in Gross Revenue carried through to NPI line
Total distributable income	39,051	 93%	<ul style="list-style-type: none"> Higher Gross Revenue and NPI contribution and lower Finance Costs
- Unitholders	24,961	 23%	<ul style="list-style-type: none"> Higher Gross Revenue and NPI contribution and lower Finance Costs
- CPPU holders	14,090	NM	<ul style="list-style-type: none"> Full nine months distribution for CPPU holders
Distribution per CPPU Unit (Cents)	4.11	NM	<ul style="list-style-type: none"> Full nine months distribution for CPPU holders
DPU (cents per Unit)	0.81	 21%*	<ul style="list-style-type: none"> DPU increased Y-o-Y in line with NPI

NM – Not meaningful

* Comparative DPU last year has been adjusted for an increase in units as a result of the August 2009 rights issue

Portfolio review

Prudent valuations for portfolio

Assets	Date of valuation	As at 30 June 2010 Local currency (millions)	Capital value	As at 30 June 2008 Local currency (millions)	% of asset write-down since 30 June 2008
55 Market Street	September 2009 ²	S\$119.5	S\$1,657 psf	S\$148.0	(19.3)
China Square Central	September 2009 ²	S\$512.5	S\$1,392 psf	S\$567.5	(9.7)
KeyPoint	September 2009 ²	S\$283.0	S\$913 psf	S\$374.4	(24.4)
Alexandra Technopark ¹	September 2009 ²	S\$345.0	S\$329 psf	-	NM
Caroline Chisholm Centre	October 2009 ²	A\$87.5 ³	A\$4,348 psm	A\$93.8 ³	(6.7)
Central Park	November 2009 ²	A\$283.9 ³	A\$8,561 psm	A\$324.0 ³	(12.4)
Azabu Aco	September 2009	¥1,530.0	¥1,033,086 psm	¥2,020.0	(24.3)
Ebara Techno-Serve	September 2009	¥2,530.0	¥523,160 psm	¥3,070.0	(17.6)
Galleria Otemae	September 2009	¥5,370.0	¥532,685 psm	¥6,750.0	(20.4)
Cosmo Plaza	December 2009	¥3,250.0	¥156,152 psm	¥5,988.0	(45.7)

¹ The acquisition of Alexandra Technopark on 26 August 2009

² Previous valuation was carried out on 31 July 2009 and confirmed by the valuers at the respective dates. See 3QFY09/10 Financial Statements for further information

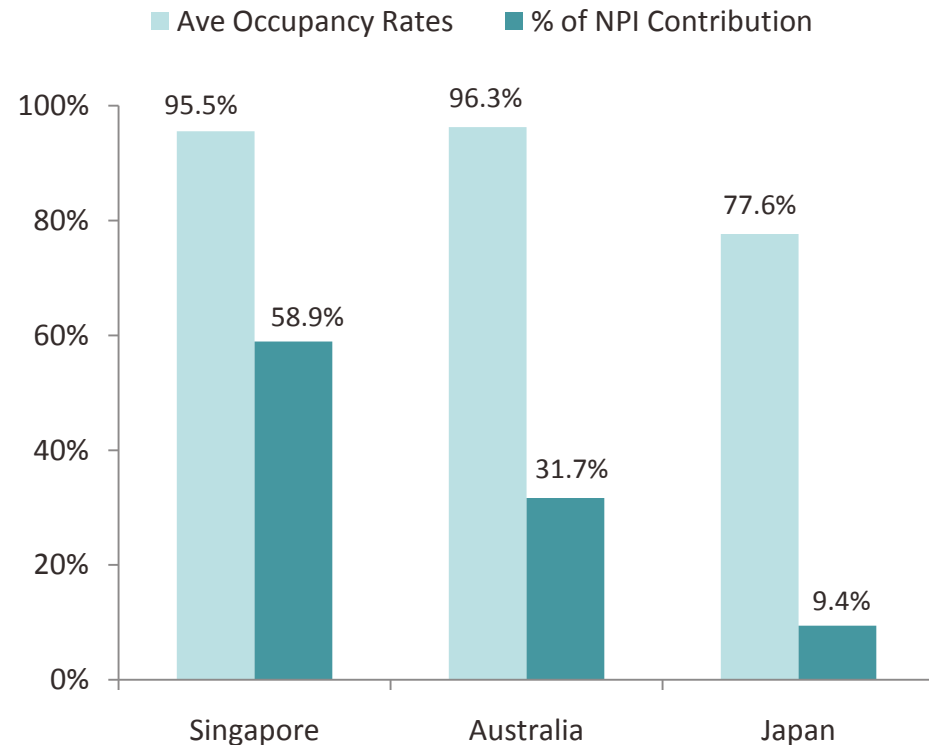
³ Represents FCOT's 50.0% indirect interest in the asset

NM – Not meaningful

Singapore and Australia occupancy rates >95% and contribute more than 90% of portfolio Net Property Income (“NPI”)

Key portfolio statistics	As at 30 June 2010
WALE by gross rental income	4.1 years
Ave Occupancy	93.1%

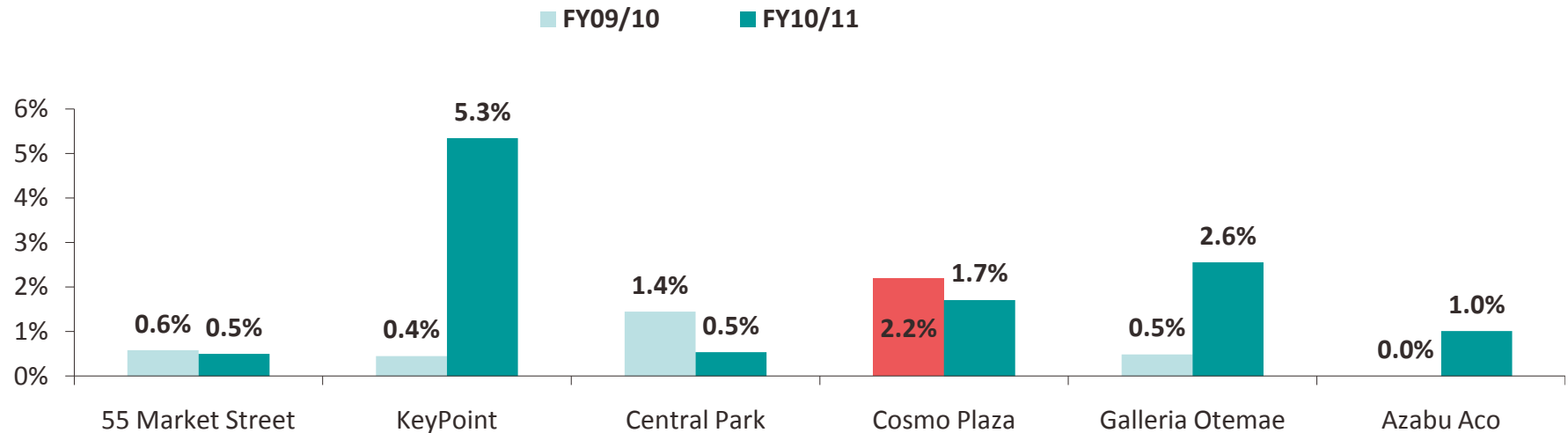
Geographical Occupancy and % of NPI Contribution



As at 30 June 2010. Excludes AWPF and retail turnover rent

Only 2.9% of effective gross rental income expiring for remaining FY09/10

Property Lease Expiry as a proportion of total Portfolio Gross Rental Income



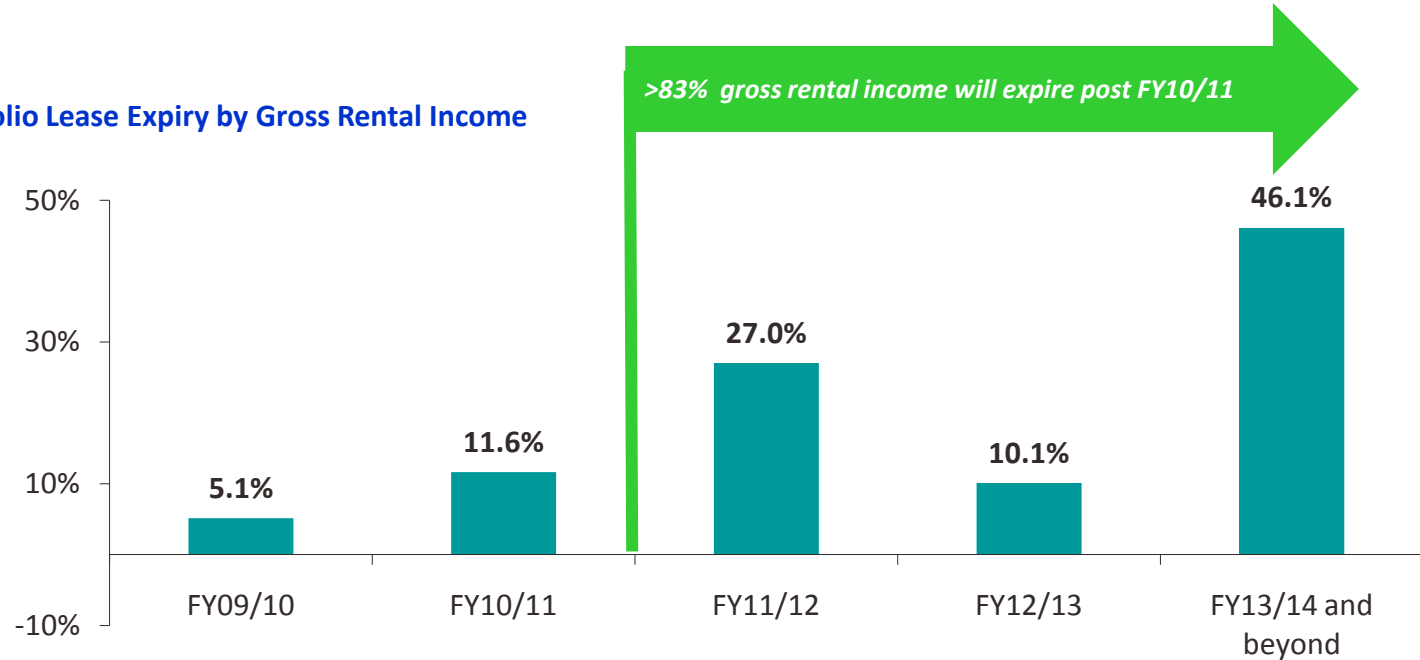
Ave passing rent for expiring leases

FY09/10	\$8.1	\$6.0	AUD \$335	¥5,139	¥15,748	-
FY10/11	\$8.8	\$5.5	AUD \$470	¥7,486	¥10,815	¥18,119

■ Master Lessee is in financial difficulty, no further income is expected this year. Allowance for impairment has been provided.

95% of gross rental income is secured

Portfolio Lease Expiry by Gross Rental Income



Number of leases expiring	19	89	80	43	25
NLA (sq ft) expiring	135,844	207,064	544,246	165,833	1,528,171
Expiries as % total NLA	4.9%	7.5%	19.6%	6.0%	55.1%
Expiries as % total Gross Rental Income	5.1%	11.6%	27.0%	10.1%	46.1%

As at 30 June 2010. Excludes AWPf and retail turnover rent

22% of gross rental income has built-in fixed rent step-ups of approximately 4.0% for FY10/11

FY10/11 - Fixed % mid-term lease rent reviews

Property	Leases	Average fixed rent review	GROSS RENTAL INCOME	
			Property	Total Portfolio
KeyPoint	8	11.7%	3.9%	0.5%
55 Market Street	3	4.6%	24.4%	1.2%
Caroline Chisholm Centre	1	3.0%	100.0%	9.2%
Central Park	14	4.4%	49.9%	11.1%

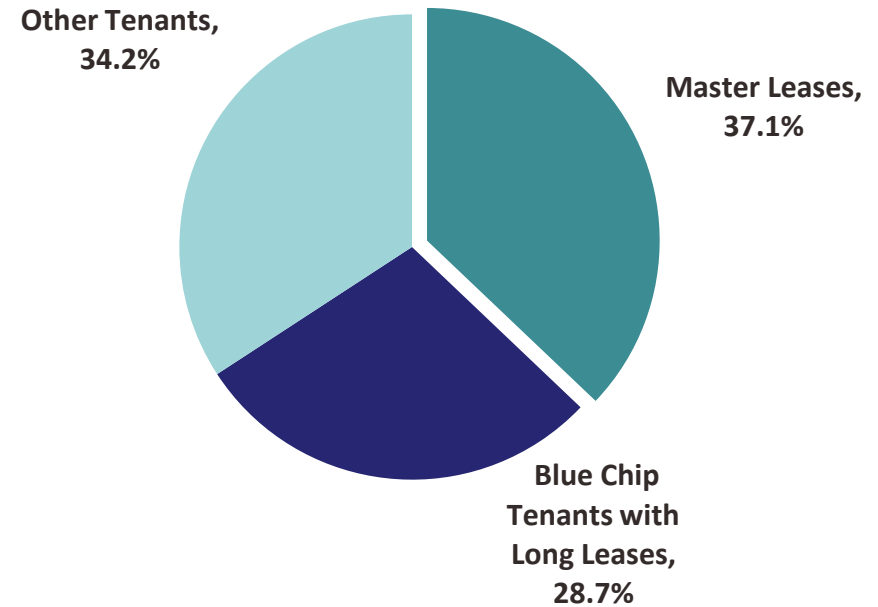
FY10/11 - Other mid-term lease rent reviews

Property	Leases	Review mechanism	GROSS RENTAL INCOME	
			Property	Total Portfolio
55 Market Street	1	Market	15.7%	0.8%
Central Park	5	Market	32.7%	7.3%
Central Park	4	CPI	9.8%	2.2%

Master lessees/ blue chip tenants with long leases contribute over 65% of total gross rental income

Master Leases		
Tenant	Lease Expiry	% (Gross Rental Income)
Alexandra Technopark – Orrick Investments Pte Ltd	Aug 2014	20.6%
China Square Central – Unicorn Square Limited	Mar 2012	16.5%
Total		37.1%

Blue Chip Tenants with Long Leases		
Tenant	Lease Expiry	% (Gross Rental Income)
Commonwealth of Australia (Centrelink)	Jul 2025	9.2%
Hamersley Iron Pty Ltd	Jun 2018	4.9%
Ebara Corporation	May 2015	2.3%
WMC Resources Ltd	Aug/ Oct 2012	2.3%
Dabserv Pty Ltd (Mallesons Stephen Jaques)	Jun 2014	2.2%
Gabelle Pty Ltd (Minter Ellison)	Jun 2013	2.0%
Asguard Wealth Solutions	Jun 2013	1.9%
BHP Billiton Petroleum Pty Ltd	Nov 2015	1.7%
Plan B Administration Pty Ltd	April 2019	1.1%
Government Employees Superannuation Board (WA)	May 2017	1.1%
Total		28.7%



Master Lessees
 +
Blue Chip Tenants with Long Leases
 =
 65.8% portfolio income secured

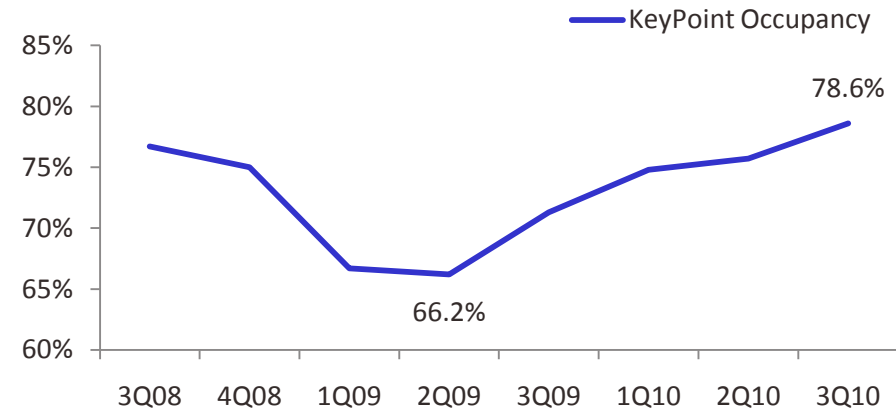
As at 30 June 2010. Excludes AWPf and retail turnover rent

KeyPoint

▪ Tenancy activity:

- 11 new leases commenced in 3QFY09/10 with average rental of \$4.1 psf pm
- Non-renewals of 2,486 sqft were completely offset by new leases in 3QFY09/10 with net take up of 9,020 sqft
- More leasing activities and better take-up rate since the opening of the MRT stations in the second phase of the Circle Line on 17 April 2010, as KeyPoint is now connected directly to Nicoll Highway MRT via a covered walkway

KeyPoint Occupancy rate



KeyPoint Leases	Number	NLA	Average rental S\$ psf pm
New leases (commenced 3QFY09/10)	11	11,506	4.1
Renewals	11	8,960	4.2
Total	22	20,466	4.2

China Square Central

- **Healthy committed occupancy rate:**

	Committed occupancy rate
Office	95.9%
Retail	79.7%
Total	91.5%

- Signed committed new leases and renewals of 67,543 sqft in 3QFY09/10
- Tenants include
 - Australia and New Zealand Banking Group Limited
 - Mercer (Singapore) Pte Ltd
 - Federal Insurance Company



- **Capital enhancement works:**

- Create an outdoor alfresco dining area at the Fountain Square with a canopy structure. Currently in design stage, target to commence in 3Q 2010 and complete by 1Q 2011
- Improve connectivity and visibility for retail space in basement & 1st storey of the 18, 20 & 22 Cross Street

55 Market Street

- **Tenancy activity:**
 - Three new tenants have committed to lease office space for 2, 3 and 4 years respectively, totaling 8,601sf, around 11.9% of 55 Market Street NLA at average rent of \$5.6 psf pm

Galleria Otemae Building, Osaka

- **New tenant:**
 - Kinki Gijutsu Consultants K.K. has leased 252.9 tsubo (or 8,997sf) of space for 3 years, at rent of ¥8,000 per tsubo pm. This helps to increase Galleria occupancy by 7.7% to 89.4% compared to the previous quarter

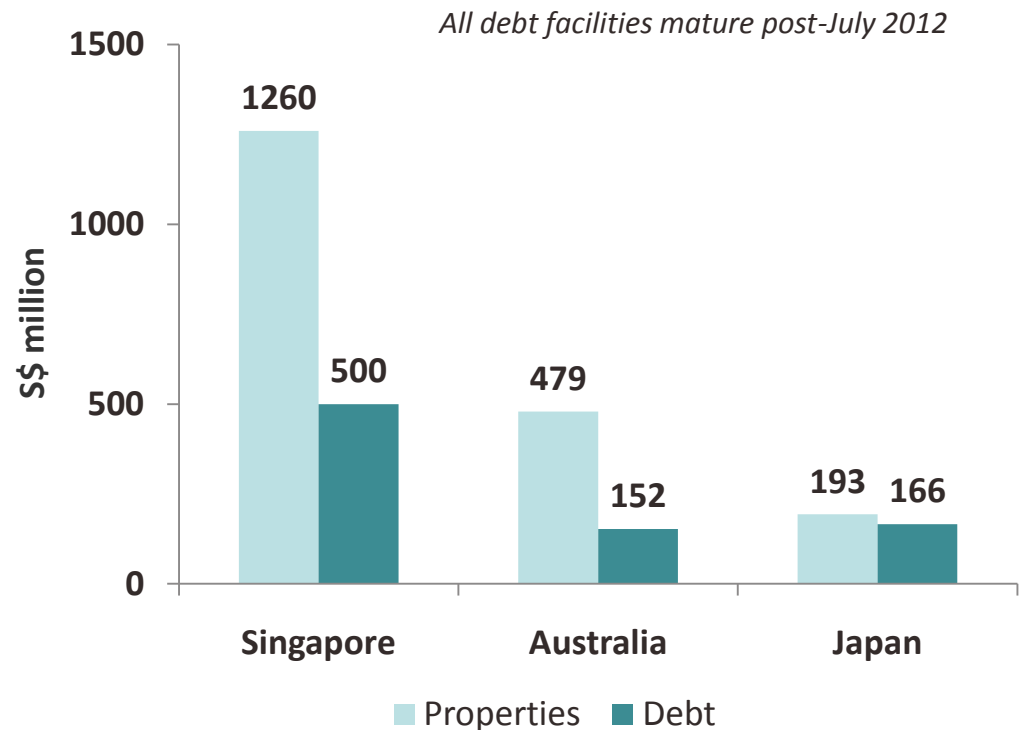
Capital management

No debt maturing until after July 2012

Statistics

	As at 30 June 2010
Total Assets (S\$'000)	2,028,276
Gross Borrowings (S\$'000)	818,470
Units on Issue and Issuable	3,089,710,334
NAV per Unit (ex-DPU) (S\$)	0.26
Gearing ¹	40.4%
Interest coverage ratio (times) ²	2.74
Average borrowing rate ³	3.9%

Borrowings and assets by currency



¹ Calculated as gross borrowing as a percentage of total assets

² Calculated as (net income before changes in fair values of investment properties, interest, other investment and derivative financial instruments, income tax and distribution and adding back certain non-recurring items/cash finance costs)/cash finance costs .See accompanying 3Q FY09/10 Financial Statements announcement for more details.

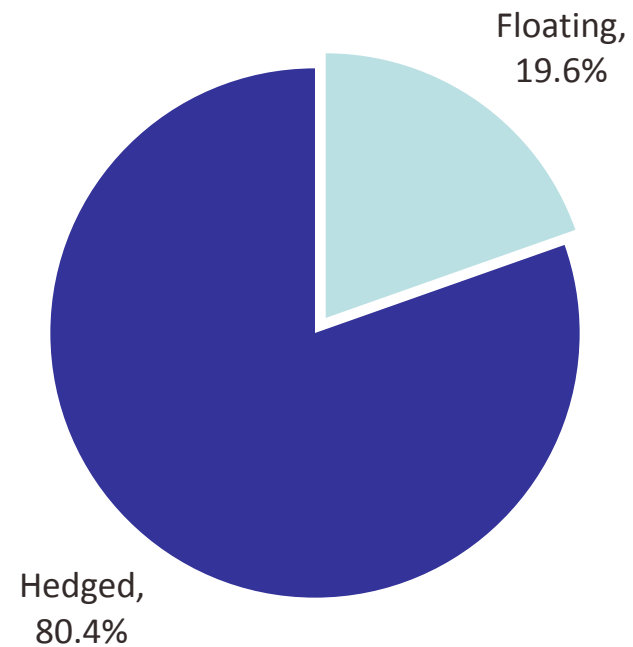
³ For quarter ended 30 Jun 2010

Hedged more than 80% of Gross Borrowings

Hedging Debt

As a % of:	As at 30 June 2010
SGD Borrowings	75.2%
AUD Borrowings	75.8%
JPY Borrowings	100.0%
Total Gross Borrowings	80.4%

Debt Composition – Floating vs Hedged



Moving forward

Strengthening of business confidence and better economic outlook for Singapore and Australia

▪ Perth¹

- Perth's CBD office leasing market made a strong start to 2010, with local business confidence in Western Australia strengthening as a result of surging resource sector demand
- The level of sub-lease space in 2010 has eased, with absorption and removal of sublease space from the market by tenants as a result of improving economic conditions
- Net face rents are generally ranging between A\$650 psm pa and A\$775 psm pa for Premium Grade buildings

▪ Singapore²

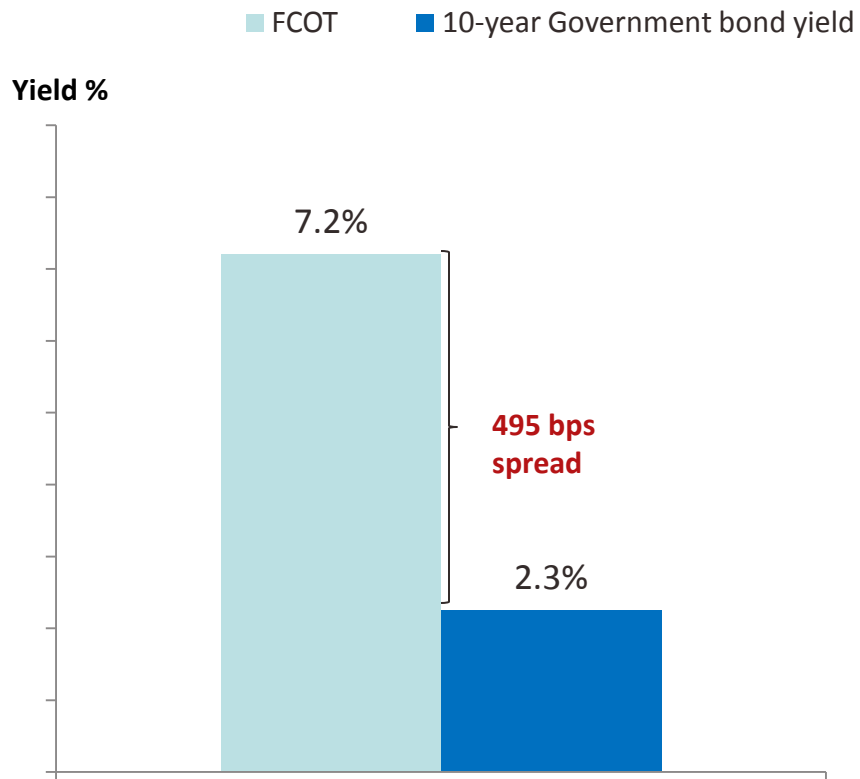
- Office rents bottomed in Q2 2010 after having fallen 50%-60% from the peak in Q3 2008.
- Average rental values held firm for offices across the island in Q2 2010, with slight recovery of 1.3% Q-o-Q increase to \$7.90 per sq ft per month for prime office space

¹ Colliers International research, "Perth CBD Office Market Update" Q2, 2010

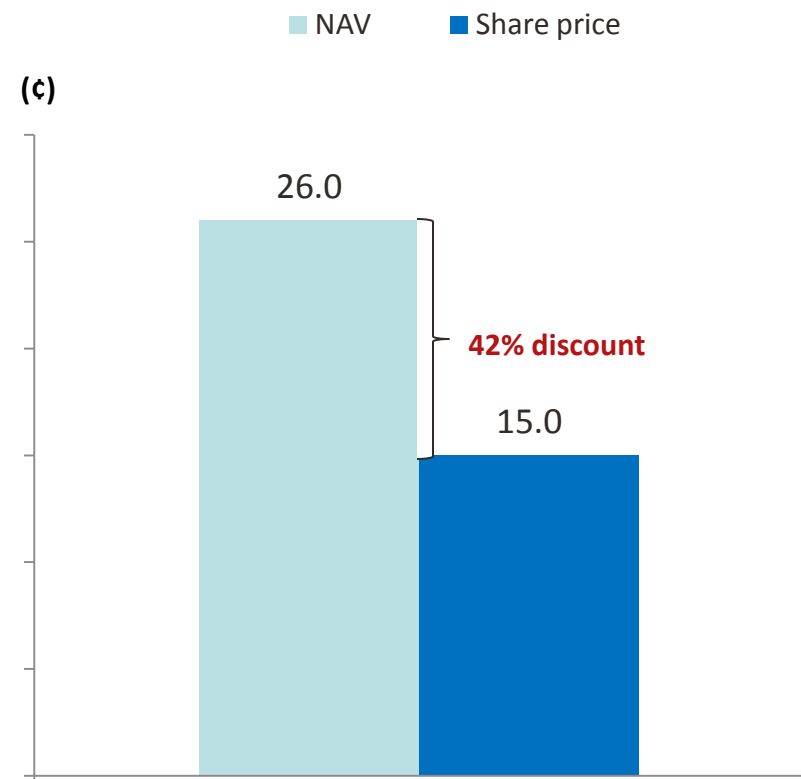
² DTZ Research Property Times Singapore Q22010, "Business space rents on the rise", 12 July 2010

Trading at attractive yield & discount to NAV

Yield¹ returns compared to Singapore 10-year bond²



NAV compared to share price³

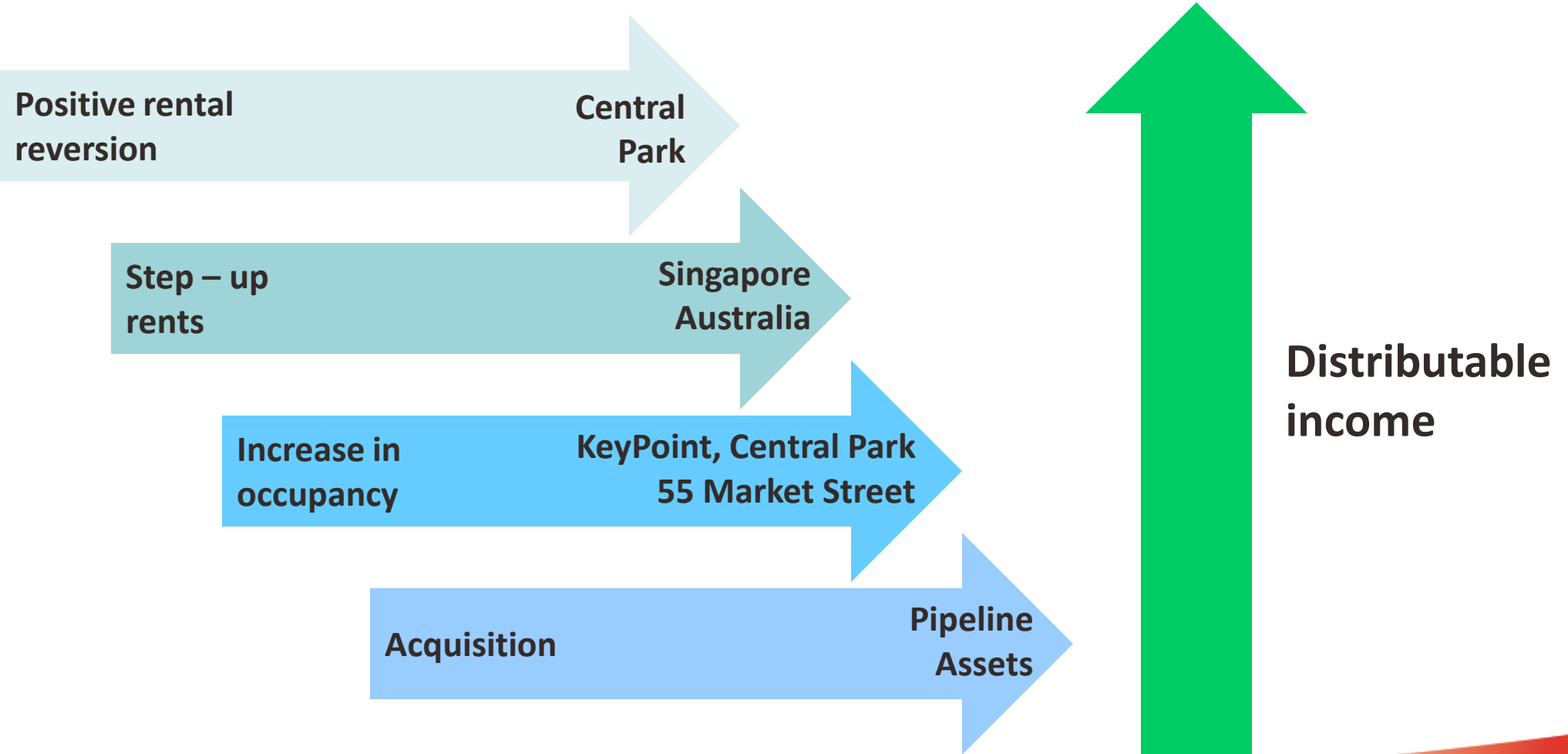


1 Based on annualised DPU of 1.08 (¢) /FCOT closing price as at 27 July 2010

2 As at 27 July 2010. Source: Singapore Government Securities website

3 As at 27 July 2010

Growth Drivers



FCOT's developer–sponsor, providing quality assets for sustainable growth pipeline



Property	Alexandra Point	Valley Point
Description	24-storey office building	20-storey office tower with a two-storey retail podium
Net Lettable Area (NLA)	198,436 sq ft (18,435 sqm)	222,246 sq ft (20,647 sq m) Office – 82.1%, Retail – 17.9%
Key Tenants	<ul style="list-style-type: none"> ▪ Procter & Gamble ▪ Fraser & Neave ▪ American Bureau of Shipping 	<ul style="list-style-type: none"> ▪ Manulife ▪ Olympus ▪ Sharp Electronics
Car Spaces	186 lots	346 lots
Valuation (S\$m)¹	145	175
Committed Occupancy	98.2%	Office – 95.0%, Retail – 100.0%

1 As at 30 September 2009

Thank you

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