
Frasers Commercial Trust

SGX-REITAS Education Series in Singapore

13 August 2018



Important notice

Certain statements in this Presentation constitute “forward-looking statements”, including forward-looking financial information. Such forward-looking statement and financial information involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of FCOT or the Manager, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements and financial information. Such forward-looking statements and financial information are based on numerous assumptions regarding the Manager’s present and future business strategies and the environment in which FCOT or the Manager will operate in the future. Because these statements and financial information reflect the Manager’s current views concerning future events, these statements and financial information necessarily involve risks, uncertainties and assumptions. Actual future performance could differ materially from these forward-looking statements and financial information.

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The value of Frasers Commercial Trust units (“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 their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the Singapore Exchange Securities Trading Limited (“SGX-ST”). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This document is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units. The past performance of REIT and the Manager is not necessarily indicative of the future performance of Frasers Commercial Trust and the Manager.

This Presentation contains certain information with respect to the trade sectors of the Trust’s tenants. The Manager has determined the trade sectors in which the Trust’s tenants are primarily involved based on the Manager’s general understanding of the business activities conducted by such tenants. The Manager’s knowledge of the business activities of the Trust’s tenants is necessarily limited and such tenants may conduct business activities that are in addition to, or different from, those shown herein.

This Presentation includes market and industry data and forecast that have been obtained from internal survey, reports and studies, where appropriate, as well as market research, publicly available information and industry publications. Industry publications, surveys and forecasts generally state that the information they contain has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of such included information. While the Manager has taken reasonable steps to ensure that the information is extracted accurately and in its proper context, the Manager has not independently verified any of the data from third party sources or ascertained the underlying economic assumptions relied upon therein.

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FCOT Overview



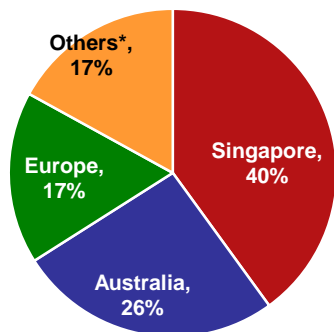
Frasers Commercial Trust (“FCOT”) Overview

- ◆ Commercial property REIT sponsored by Frasers Property Limited (“Frasers Property”)
- ◆ Portfolio comprises primarily office/business space/business park properties in Singapore, Australia and the UK
- ◆ Expanded investment mandate to Europe and acquired 50% interest in Farnborough Business Park, UK, in Jan 2018



Market capitalisation: S\$4.9 billion (listed on SGX-ST)
 Total assets: S\$30 billion
 Presence: 26 countries, 80 cities

Frasers Property 3QFY18 total assets by geography



1



**FRASERS
COMMERCIAL
TRUST**

Listed on SGX-ST: March 2006 (Stock code: Frasers Com Tr)^

Market capitalisation: S\$1.3 billion

Total assets: S\$2.2 billion

Free float: 75% (25% held by Frasers Property and its subsidiaries)

Presence: 7 office and business space/park properties (total 2.9 mil sf) in Singapore, Australia and the UK#

2



(retail properties)

3



4



As at 30 June 2018.

Sources: Bloomberg, Frasers Property 2017 Results Presentation.

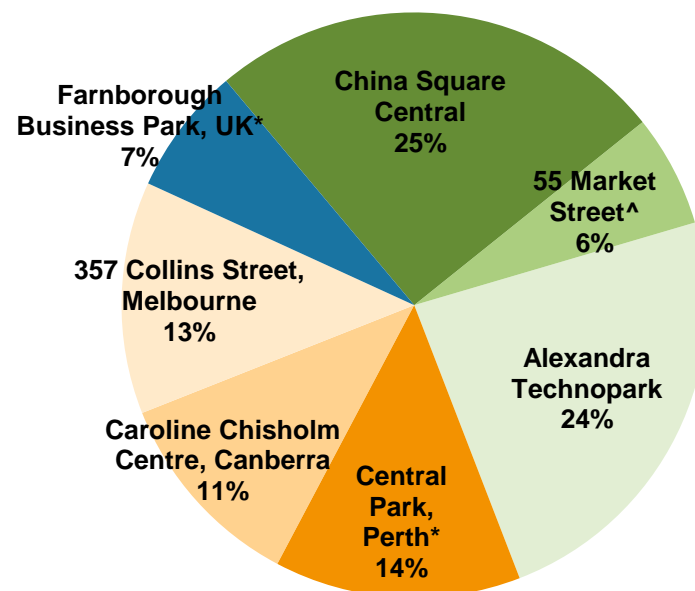
* Includes China, Vietnam, Thailand, Malaysia, Japan, Philippines, Indonesia and New Zealand.

^ Formerly known as Allco REIT, the Trust was renamed to Frasers Commercial Trust after Frasers Property acquired a stake in the Trust in August 2008.

On 10 July 2018, FCOT announced the divestment of 55 Market Street. See 3QFY18 Financial Statements announcement for details.

Portfolio Review Asset values

- ◆ Diversified portfolio with no single property accounting for more than 25% of portfolio value



Asset values as at 30 June 2018

Singapore	\$	1,239.6 mil	55%
Australia	\$	845.8 mil	38%
United Kingdom	\$	157.5 mil	7%
Portfolio asset value	\$	2,242.9 mil	100%

^ Classified as asset held for sale. On 10 July 2018, FCOT announced the divestment of 55 Market Street. See accompanying 3QFY18 Financial Statements announcement for details.

* Reflects FCOT's 50% interest each in Central Park and Farnborough Business Park (held as a joint venture and equity-accounted in the financial statements).

FCOT Overview - Accolades

- ◆ FCOT has won various awards for good corporate governance, investor relations practices and sustainability reporting



SIAS
INVESTORS'
CHOICE
AWARDS

Runner-up 2013, 2014 and 2015 in the Singapore Corporate Governance Award (REITs and Business Trusts Category) at the SIAS Investors Choice Award¹



Asia Sustainability Reporting Awards

asra
2016 FINALIST

Inaugural Sustainability Report in 2015 was a finalist for Asia's Best First Time Sustainability Report at the Asia Sustainability Reporting Awards 2016



THE 9TH ANNUAL
GLOBAL CSR
SUMMIT AND AWARDS 2017™

GLOBAL GOOD GOVERNANCE AWARDS™



- Gold, Best Governed and Most Transparent Company
- Gold, Best Corporate Communications and Investor Relations



SINGAPORE
CORPORATE
AWARDS

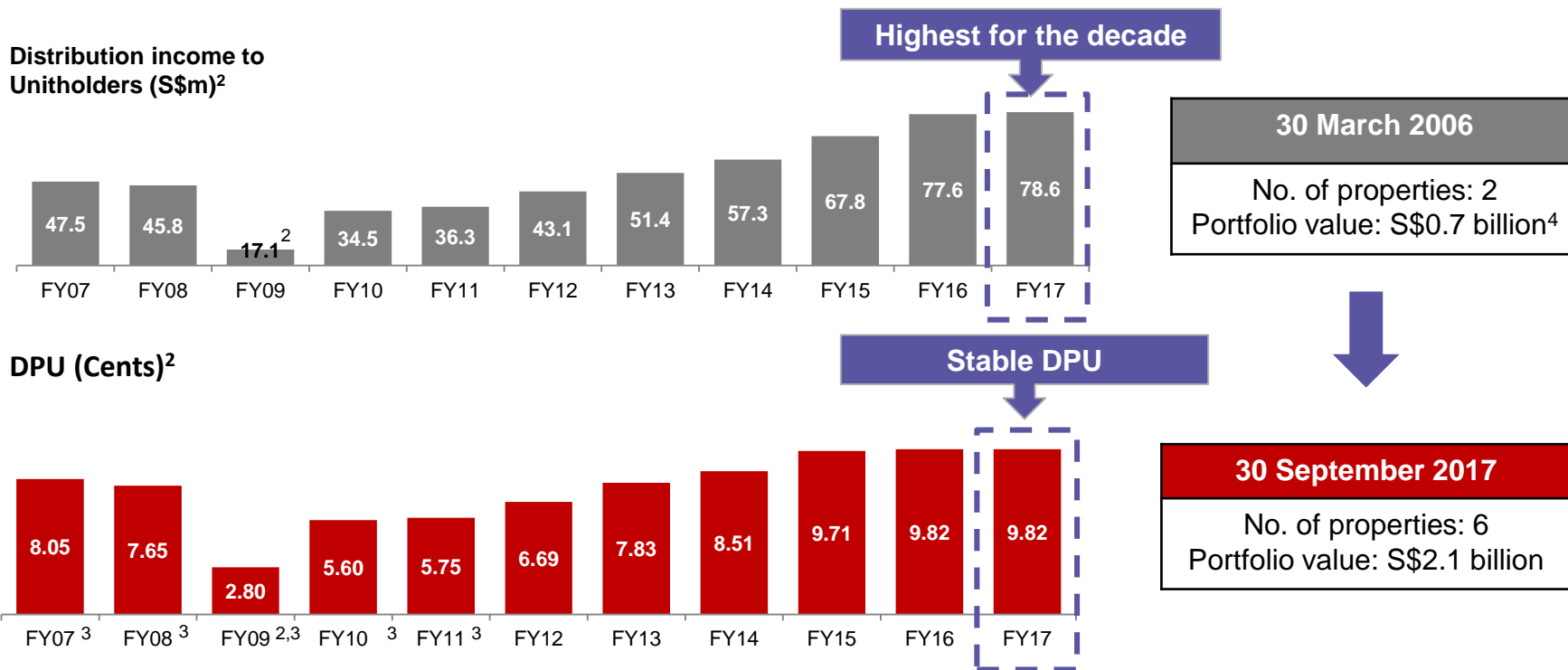
CELEBRATING THE BEST IN
CORPORATE GOVERNANCE

- Gold, Best Annual Report 2017 in the Singapore Corporate Awards (REITS and Business Trusts Category)

1. There was no such category for REITs and Business Trust in 2016.

Record Annual Distribution Income in FY17

- ◆ FCOT has been listed for 11 years since 30 March 2006 (initially as Allco Reit)
- ◆ Became part of Frasers Property Group in Aug 2008
- ◆ FY17 distribution income was the highest since listing
- ◆ 5-year total return of 49.0% exceeded the FTSE Straits Times Index's total return of 28.4%¹



1. 5-year up to September 2017. Assumes dividends are reinvested. Source: Bloomberg.

2. On 26 August 2009, Frasers Commercial Trust changed its financial year end from 31 December to 30 September. As a result, FY09 comprised a 9-month period from 1 January to 30 September 2009.

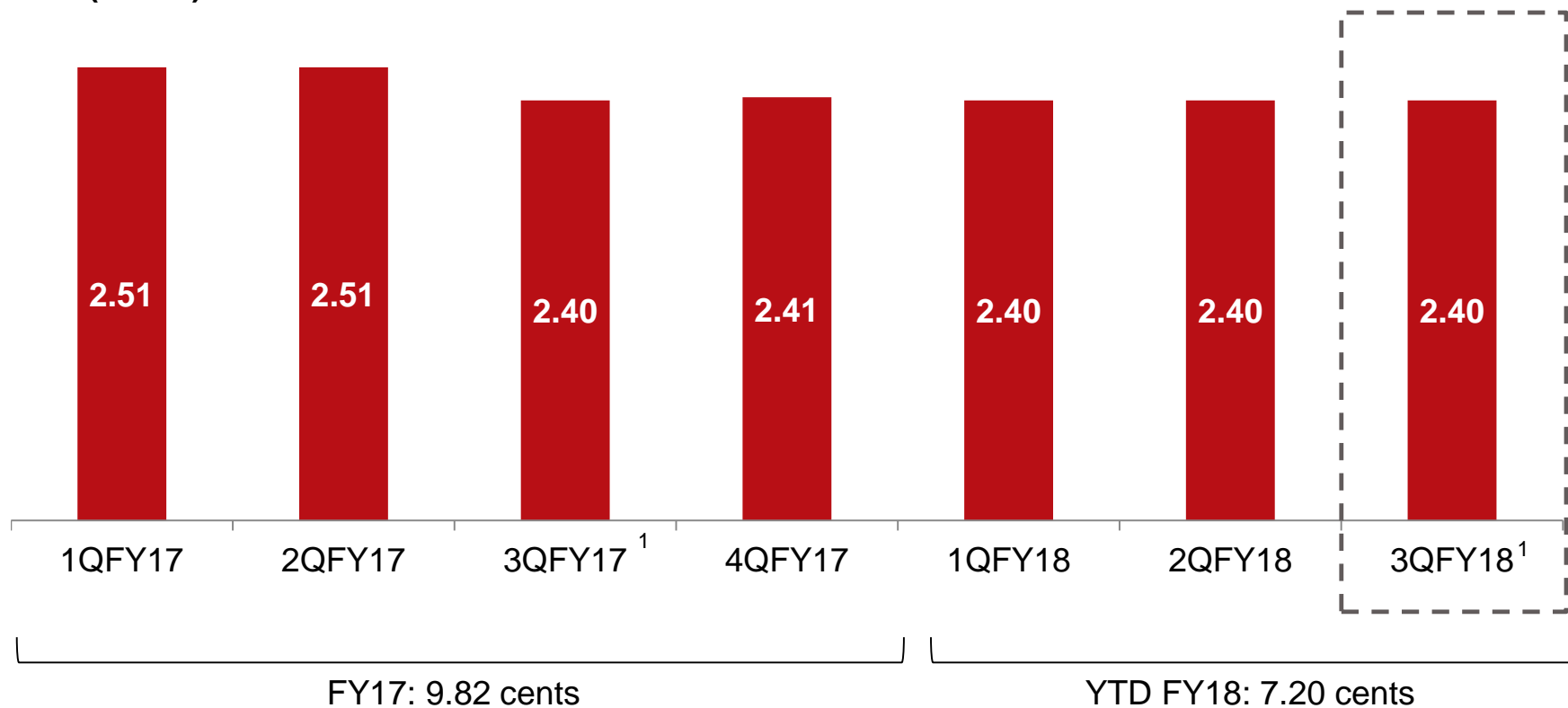
3. Adjusted for Unit consolidation.

4. As set out in the prospectus dated 23 March 2006.

DPU profile

- ◆ 3QFY18 DPU was stable both Q-o-Q and Y-o-Y

DPU (Cents)

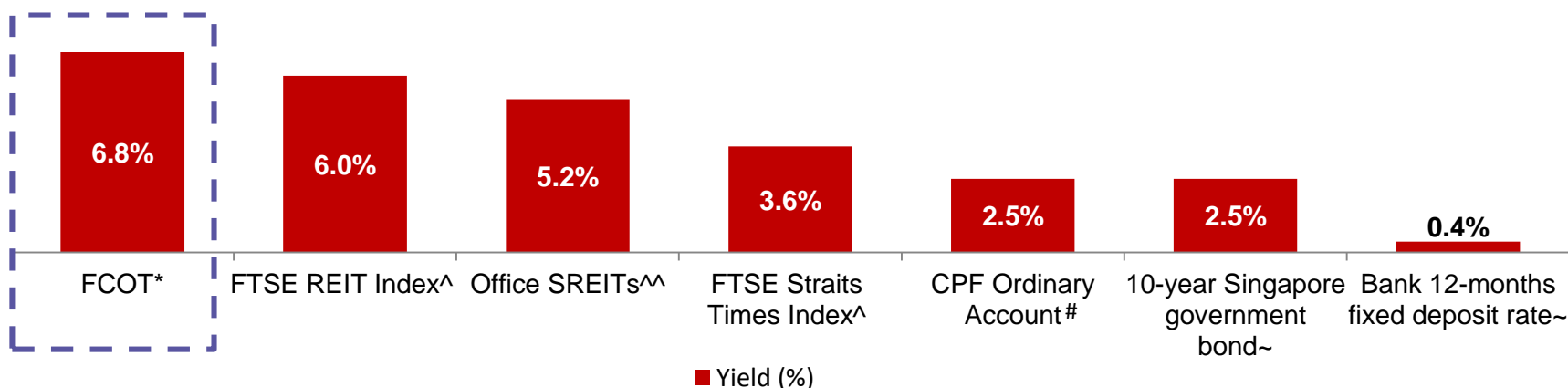


1. The number of Units used to calculate the amount available for DPU were 885,367,591 and 802,448,524 for 3QFY18 and 3QFY17, respectively. See accompanying 3QFY18 Financial Statements announcement for more details.

Attractive yield

- ◆ FCOT offers an attractive yield and currently trades around 430 basis points above the 10-year Singapore government bond

Yield (%)



Preferential tax rates for investors

Individuals

Qualifying unitholders (Singapore incorporated and tax-resident companies)

Foreign unitholders (non-individual)

Taxable dividends received**

Gross

Gross, but income tax payable at own applicable tax rates

Net of 10.0% withholding tax

* Based on FCOT's closing price of \$1.42 per Unit as at 31 July 2018 and annualised FY18 DPU of 9.63 cents (see 3QFY18 financial statements for details).

^ Based on the respective closing prices as at 31 July 2018 and the dividends in 2017. Source: Bloomberg.

^^ Based on closing prices as at 31 July 2018 and annualised DPU. Source: Bloomberg. Weighted average (based on market capitalisation) and comprised Frasers Commercial Trust, Keppel REIT, CapitaLand Commercial Trust and Suntec REIT.

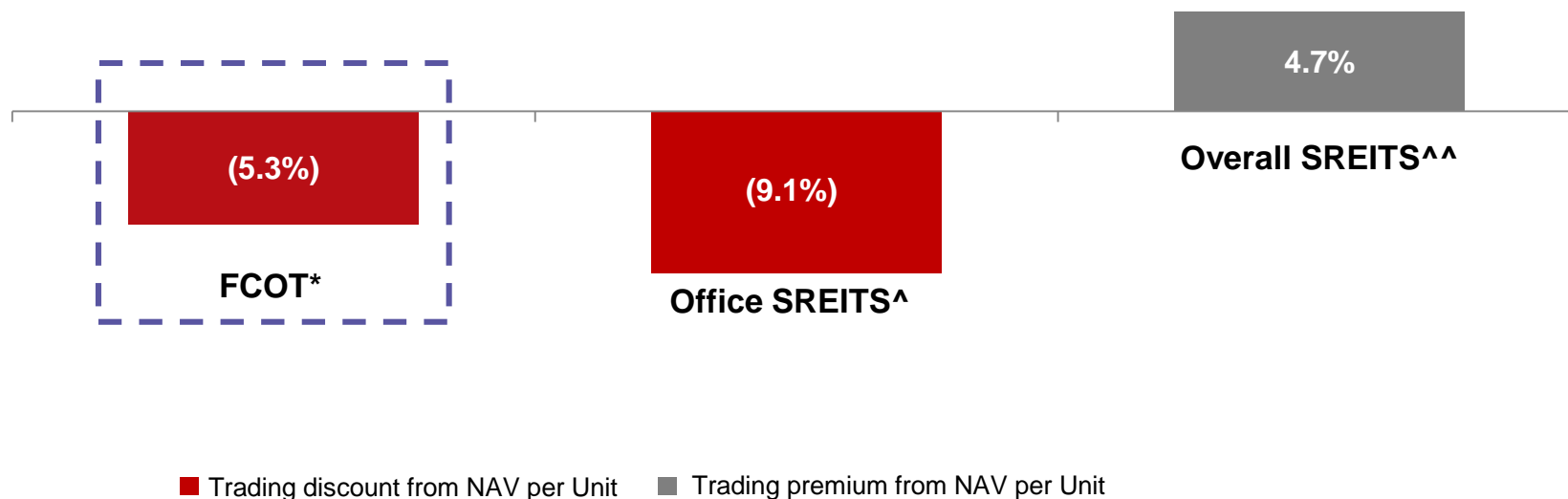
Based on the interest rate paid on the Central Provident Fund (CPF) Ordinary Account from Jul 2018 to Sept 2018. Source: www.cpf.gov.sg.

~ As at July 2018. Source: www.mas.gov.sg.

** Subject to declaration of tax status, and advice by investors' own tax advisors.

Discount to NAV

Trading premium/discount to NAV per Unit (%)



* Based on FCOT's closing price of \$1.42 per Unit as at 31 July 2018.

^ Based on closing prices as at 31 July 2018. Source: Bloomberg. Weighted average (based on market capitalisation) and comprised Frasers Commercial Trust, Keppel REIT, CapitaLand Commercial Trust and Suntec REIT.

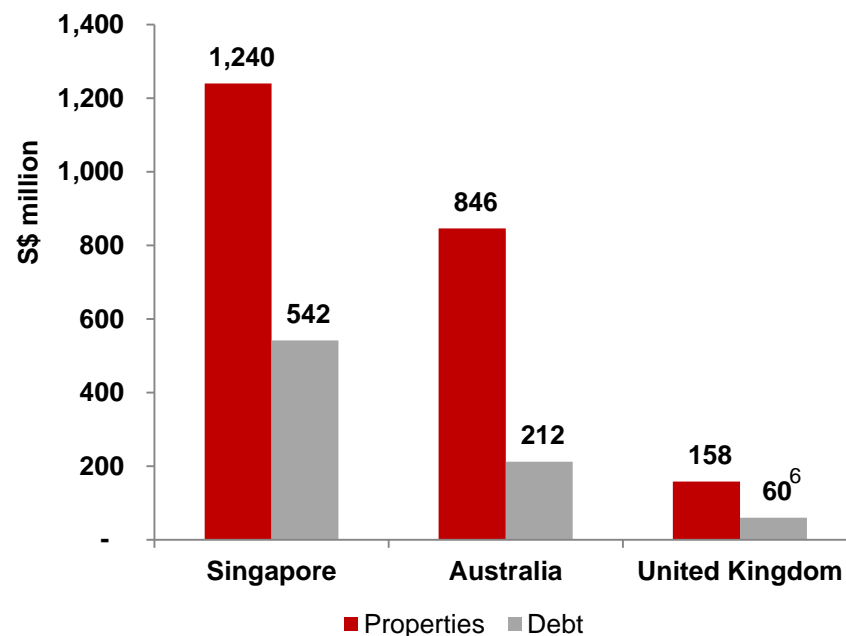
^^ Based on closing prices as at 31 July 2018. Source: Bloomberg. Weighted average figures (based on market capitalisation) for all Singapore REITs and real estate trusts.

Debt statistics

- ◆ Healthy gearing of 35.4%
- ◆ Healthy interest coverage ratio of 3.5 times
- ◆ Borrowings in local currencies provide natural hedge

Statistics	As at 30 June 2018
Total Assets (S\$'000)	2,295,598
Gross Borrowings (S\$'000)	813,679
Units on Issue and Issuable entitled to distribution	885,367,591
NAV per Unit (ex-DPU) (S\$) ¹	1.50
Gearing ²	35.4%
Interest coverage ratio (times) ³	3.5
Average borrowing rate ⁴	3.05% p.a.
FCOT Issuer rating by Moody's ⁵	Baa2

Borrowings and assets by currency



1. Based on issued Units for the financial quarter ended 30 June 2018.

2. Gross borrowing as a percentage of total assets.

3. Net income before changes in fair values of investment properties, interest, other investments and derivative instruments, income tax and distribution, and adding back certain non-recurring items/cash finance costs for the quarter ended 30 June 2018. See accompanying 3QFY18 Financial Statements announcement for details.

4. For quarter ended 30 June 2018.

5. Moody's affirmed FCOT's Baa2 ratings (with a negative outlook) in its credit opinion report dated 19 March 2018.

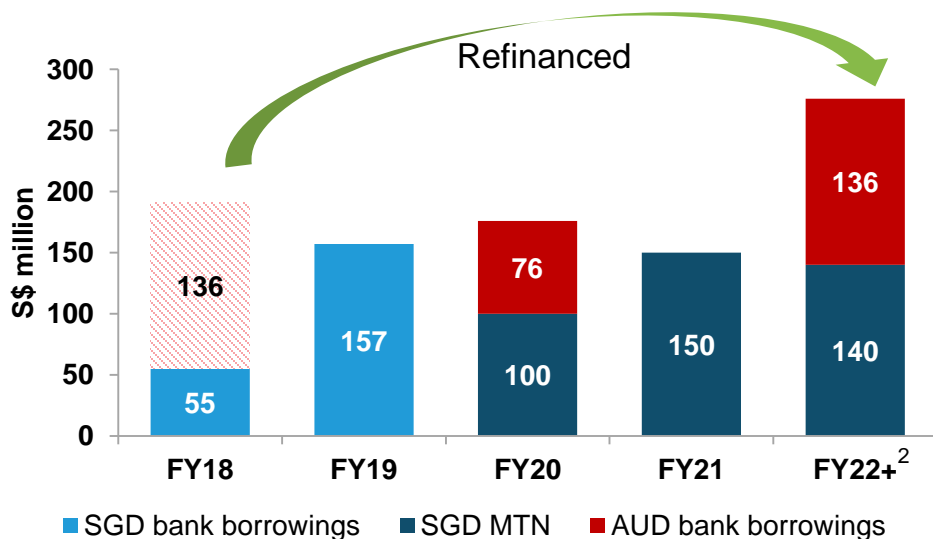
6. S\$60.0 million five-year senior unsecured notes issued in February 2018 was swapped into Sterling Pound.

Well-spread debt expiry profile

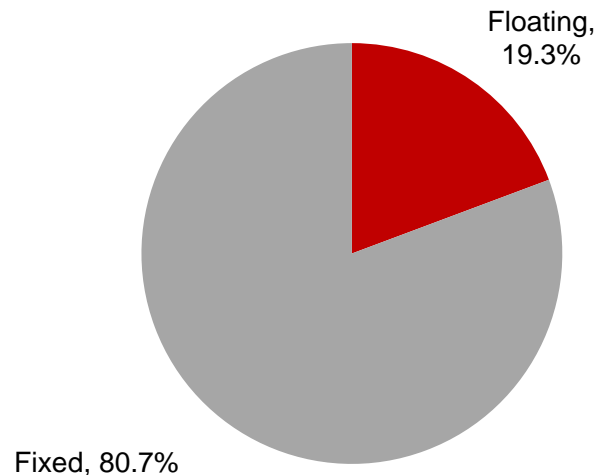
- ◆ Well-spread debt maturity profile
- ◆ Refinanced A\$135 million debt due in FY18 to FY22
- ◆ All debts are unsecured
- ◆ 81% of gross borrowings on fixed rate

Debt maturity

Total facilities: S\$814 million
Weighted average term to maturity: 2.6 years



Debt composition – floating vs. fixed interest rates



1. Data (including exchange rates) as at 30 June 2018.

2. Inclusive of S\$60.0 million senior unsecured notes issued in February 2018 and swapped into Sterling Pound.

Expansion of Investment Mandate to Europe and Acquisition of 50% Interest in Farnborough Business Park, UK



Summary of Transaction

- ◆ In Jan 2018 FCOT expanded investment mandate to Europe, with initial focus on the United Kingdom (“UK”)
- ◆ 50:50 joint venture with Frasers Property to acquire Farnborough Business Park for £174.6 million¹

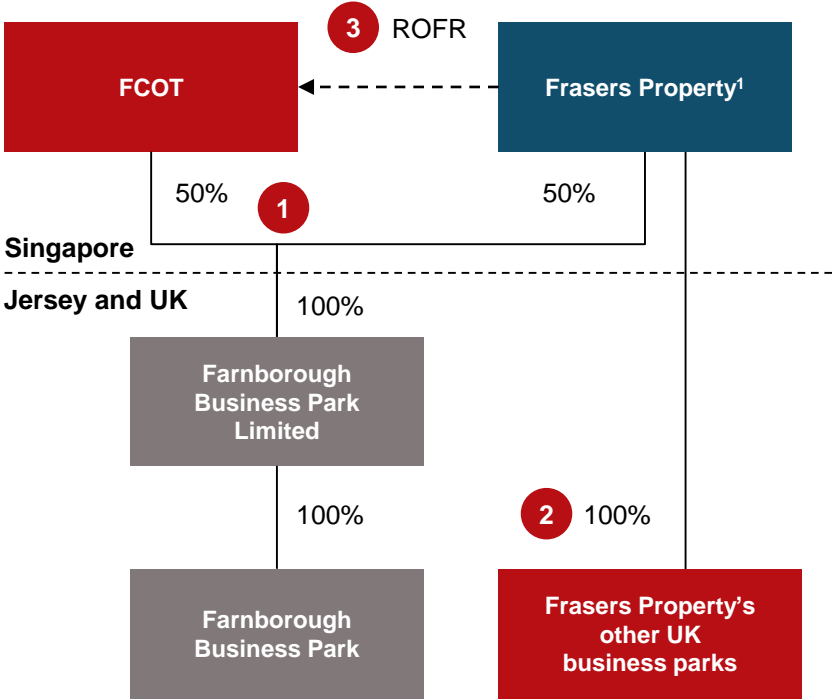
Description	◆ Farnborough Business Park: High quality business park of 14 commercial buildings located in Thames Valley, UK ²									
Purchase consideration	◆ £174.6 ¹ million (S\$314.8 million) based on adjusted NAV of target company, on a debt-free basis									
Property Valuation	◆ £175.05 million ³									
FCOT's funding	<ul style="list-style-type: none"> ◆ Total acquisition cost funded by a combination of debt (37%) and equity (61%)⁴ <ul style="list-style-type: none"> ➢ Raised S\$100 million from a private placement in February 2018. Over 5x subscribed at top end of price range (S\$1.48 per Unit, reflecting 1.4% discount to adjusted VWAP)⁵ ➢ Issued S\$60 million five-year senior unsecured notes due in 2023 with a fixed rate of 3.185% in February 2018, to be swapped into Pound Sterling. 	<table style="margin-left: auto; margin-right: auto;"> <tr> <td></td> <td style="text-align: right;">£174.6 mil</td> </tr> <tr> <td style="color: red;">FCOT's share</td> <td style="background-color: #808080; color: white; text-align: center;">£87.3 mil</td> </tr> <tr> <td style="color: red;">Frasers Property's share</td> <td style="background-color: #800000; color: white; text-align: center;">£87.3 mil</td> </tr> <tr> <td></td> <td style="border-top: 1px solid black; text-align: right;">Purchase consideration</td> </tr> </table>		£174.6 mil	FCOT's share	£87.3 mil	Frasers Property's share	£87.3 mil		Purchase consideration
	£174.6 mil									
FCOT's share	£87.3 mil									
Frasers Property's share	£87.3 mil									
	Purchase consideration									
Completion date	◆ 29 January 2018									
Investment mandate expansion	<ul style="list-style-type: none"> ◆ Expansion of investment mandate to include commercial real estate assets (primarily office, business space and/or business parks) in Europe including the UK ◆ FCOT intends to focus initially on the UK 									

Exchange rate applied of £1 : S\$1.8030 where applicable as at 11 December 2017.

1. Estimated net asset value of HEREF Farnborough Limited, which holds Farnborough Business Park, based on an agreed property value of £175.0 million and working capital in the company. The estimated net asset value is subject to post-completion adjustment and the actual amount of purchase consideration would only be determined after the completion date.
2. Includes a car showroom to be built, which is pre-let and expected to be completed by January 2019. Farnborough Business Park also includes five freehold reversions subject to long leaseholds and four listed buildings relating to British aviation history.
3. Based on the valuation report by BNP Paribas Real Estate Advisory & Property Management UK Limited dated 11 December 2017.
4. The remaining total acquisition cost not covered by the proceeds from the private placement and notes issuance was covered by internal funds.
5. Refer to announcement dated 24 January 2018.

Joint venture structure – synergistic alignment

Synergistic joint venture structure to leverage on Frasers Property's network and platform strengths in the UK



1 50:50 joint acquisition with Sponsor

2 Network effect with Frasers Property's platform

3 Future growth from ROFR over Frasers Property's relevant assets

1. Through Frasers Property International Pte. Ltd

Farnborough Business Park - high-quality and strategically located

46.5
hectares
freehold land

~555k sf
NLA

7.7 years
long WALE¹

98.1%
occupancy rate²

36
quality tenants³



Award-winning and well-located business park with 14 high quality buildings that offer an integrated live-work-play proposition⁴

Data as at 30 June 2018.

1. By gross rental income and including reimbursements of rent free incentives and rent guarantee for certain unlet units, among others, by the vendor in accordance with the terms of the acquisition (refer to announcement dated 14 December 2017 for details). The WALB (after accounting for rights to break) is 5.4 years.
2. After adjusting for leases for which the tenants have exercised their rights to break.
3. After taking into account committed pre-leases to two new tenants.
4. Farnborough Business Park also includes five freehold reversions subject to long leaseholds and four listed buildings relating to British aviation history.

High-quality and strategically located business park

Single-ownership business park with a site area of 46.5 hectares



34 min
train ride to
Waterloo Station

Connected to key
motorway
junctions 4 and 4a
of M3

40 km
to Heathrow
Airport

1.6 km
to Farnborough
Town Centre

Adjacent to TAG
Farnborough Airport
and Farnborough
International Exhibition
& Conference Centre

 Farnborough Business Park site area

High-quality and strategically located business park (cont'd)

Selected developments within and adjacent to the property¹



1. Includes certain lots sold as long leaseholds.
2. Adjacent to, and is not part of, Farnborough Business Park

High-quality and strategically located business park (cont'd)

Differentiated business park integrating lifestyle and community with a live-work-play focus

Integrated communities with high quality amenities



Integrated business community with high quality amenities focused on delivering a stimulating and enriching business campus environment



Attractive business campus: Mixed-use business environment in Thames Valley that has attracted blue-chip companies to relocate their corporate headquarters, such as Fluor Limited



Cluster effect: Concentration of skilled talent pool from key business clusters including manufacturing, financial & business services and hi-tech sectors



Modern amenities: Provision of on-site amenities with >300,000 sq ft of modern retail and other facilities



Healthy tenant retention: Has proven appeal to occupiers with healthy tenant retention ratio

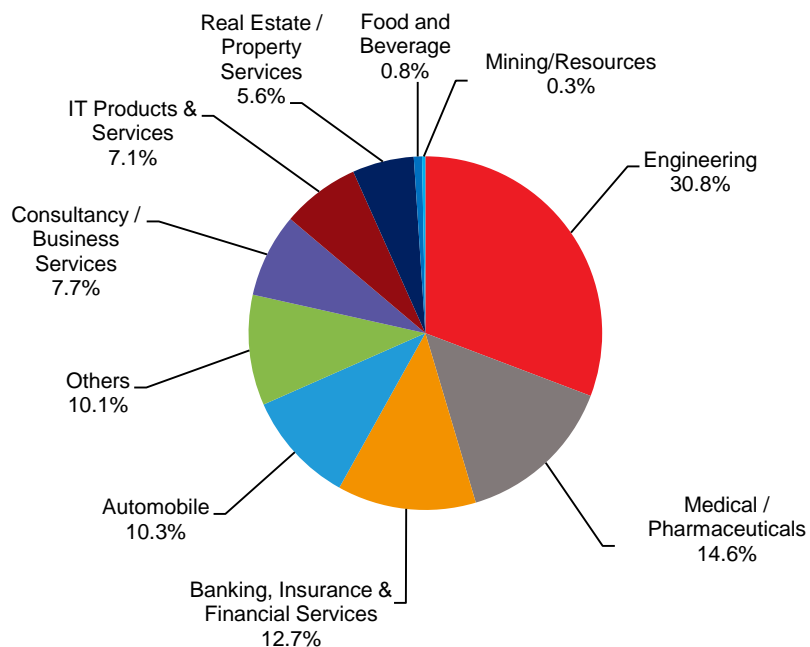


Award-winning business park: Won BCO award for excellent office space, Green Flag award for well-managed green space and BALI landscape award

High-quality and strategically located business park (cont'd)

Strong and diversified tenant base

Diversified trade sector mix¹



Primarily focused on engineering, medical, pharmaceuticals and banking, insurance and financial services sectors

High quality tenant base¹

#	Top ten tenants by rental income	Sector	% Gross rental income	Credit rating
1	Fluor Limited	Engineering	28.9%	A3 / A-
2	INC Research UK Ltd	Medical / Pharmaceuticals	14.6%	Ba2 / BB-
3	Time Inc (UK) Ltd	Publisher	6.7%	B1 / B
4	Aetna Global Benefits (UK) Ltd	Insurance	6.1%	Baa2 / A
5	Bolling Investments Limited	Automobile	5.3%	n/a
6	Red Hat UK Limited	IT	4.8%	BBB
7	Barons Farnborough Limited	Automobile	4.2%	n/a
8	A unit of Regus	Service office	3.9%	n/a
9	CapQuest Debt Recovery Ltd	Financial services	3.6%	n/a
10	Corporate Media Partners Limited	Consultancy	1.9%	n/a

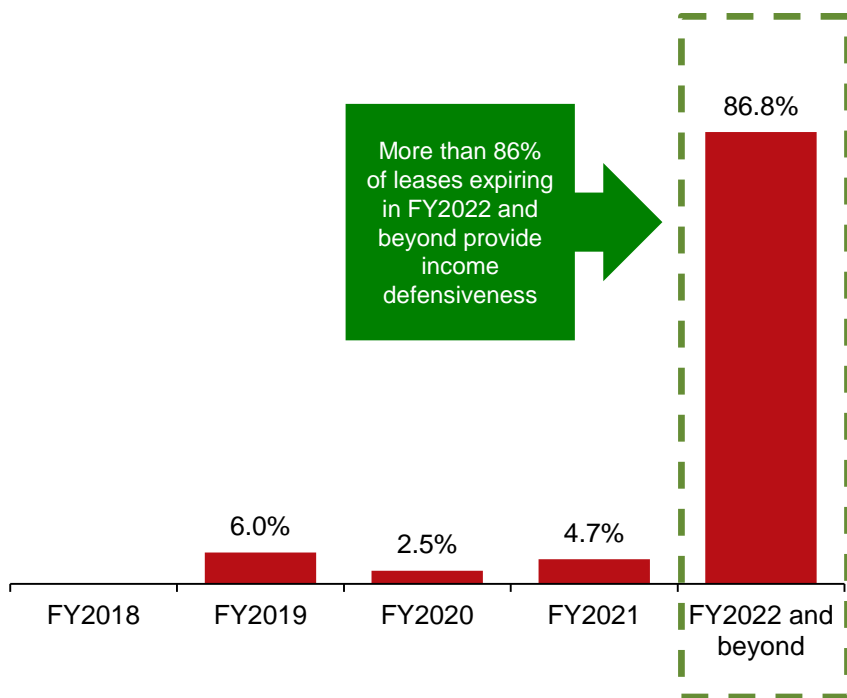
Data as at 30 June 2018.

1. Taking into account certain rent guarantees and reimbursement of rent free incentives from the vendor for existing leases and potential lease breaks / lease expirations in 2018 and committed pre-lease to Bolling Investments Limited to occupy a car showroom (construction commenced in 1Q 2018 and expected to be completed by January 2019).

High-quality and strategically located business park (cont'd)

Strong defensive attributes

Lease expiry profile by gross rental income¹



Long WALE of 7.7 years²



High occupancy rate of 98.1%³




Healthy tenant retention rate of more than 85%⁴

Data as at 30 June 2018.

1. After taking into account certain rent guarantees and reimbursement of rent free incentives from the vendor for existing leases and potential lease breaks/expiration in 2018.
2. By gross rental income and including reimbursements of rent free incentives and rent guarantee for certain unlet units, among others, by the vendor in accordance with the terms of the acquisition (refer to announcement dated 14 December 2017 for details). The WALB (after accounting for rights to break) is 5.4 years.
3. After adjusting for leases for which the tenants have exercised their rights to break.
4. Since 2012.

Portfolio synergies and platform strength

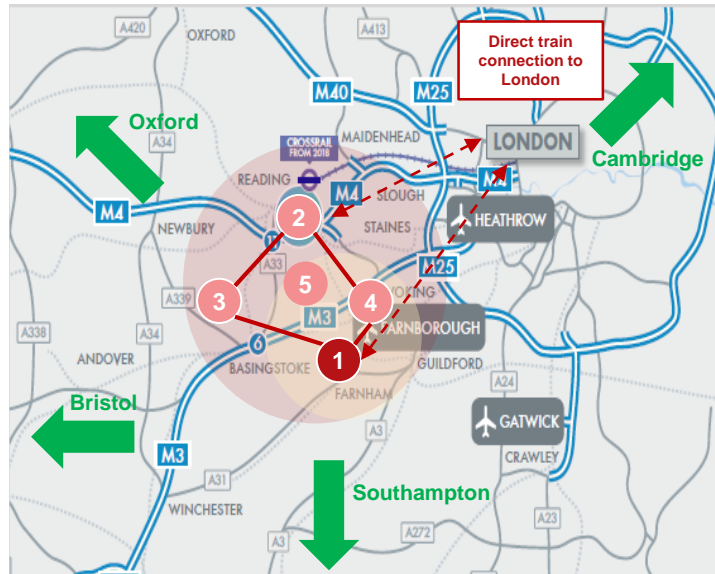
Excellent connectivity and strategic network effect from Frasers Property's cluster of business parks

- 
Network effect: Synergistic network effect between Frasers Property's other business parks in Thames Valley and Farnborough Business Park




- 
Unique positioning: premium business park located adjacent to TAG Farnborough Airport and Farnborough International Exhibition & Conference Centre



Frasers Property Group's Thames Valley network

3.3 million sf
Total NLA of Frasers Property Group's cluster of business parks



Excellent transport connectivity

	 ROAD	 RAIL	 AIR
1 Farnborough Business Park	✓ 5 km to M3 29 km to M25	✓ 34 min to London Waterloo Stn	✓ 40 km to Heathrow 1.6 km to TAG Farnborough Airport
2 Winnersh Triangle	1.6 km to M4 – J10 26 km to M25 – J48	8 min to Reading Stn 30 min to Paddington Stn	37 km to Heathrow
3 Chineham Park	5 km to M3 – J6 45 km to M25 – J2	16 min to Reading Stn	64 km to Heathrow
4 Watchmoor Park	1 km to M3 – J4 8 km to M25 – J2	34 min to London Waterloo Stn	29 km to Heathrow
5 Maxis	8 km to M4 – J10 63 km to Central London	54 min ⁽¹⁾ to Paddington Stn 62 min to London Waterloo Stn	32 km to Heathrow

 FCOT / Frasers Property
  Frasers Property

1. Via Reading.

A key and well-established business location

Well located in Thames Valley/Blackwater Valley region with strong economic and demographic fundamentals

Strong micro-market fundamentals



Presence of key business clusters:

- Manufacturing
- Financial & business services
- Hi-tech, TMT
- Aerospace



Availability of quality workforce:

- Large workforce: **85%** working age population
- Quality workforce: **>60%** office-based workforce



Availability of quality talent pool:

- Access to over **340k** university students from universities in South East UK

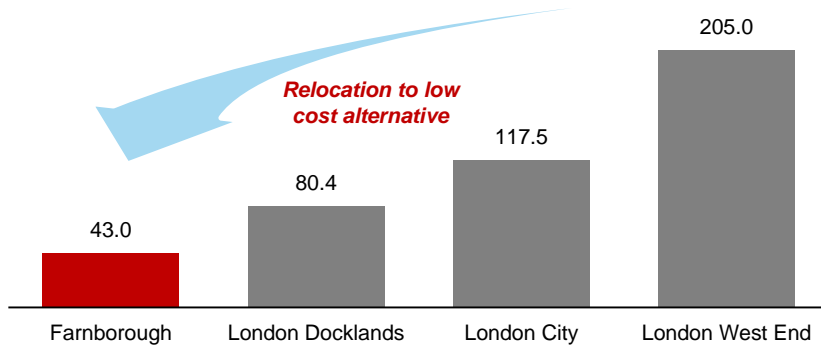
Selected blue-chip tenants located in Blackwater Valley

Resilient market conditions

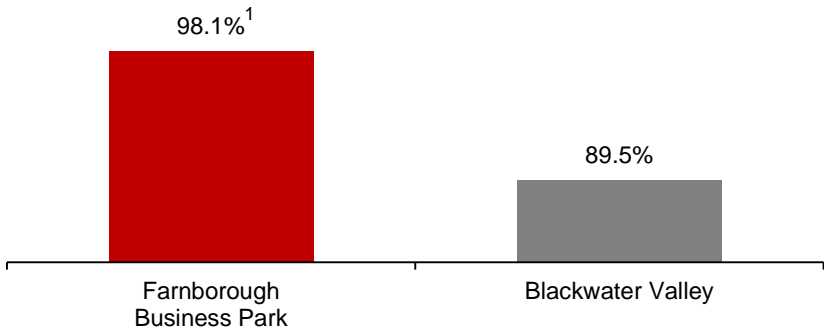
Resilient UK business park market supported by cost efficient positioning and favourable demand-supply dynamics

Cost-efficient alternative to CBD and London locations

Total occupier cost (£ psf pa)

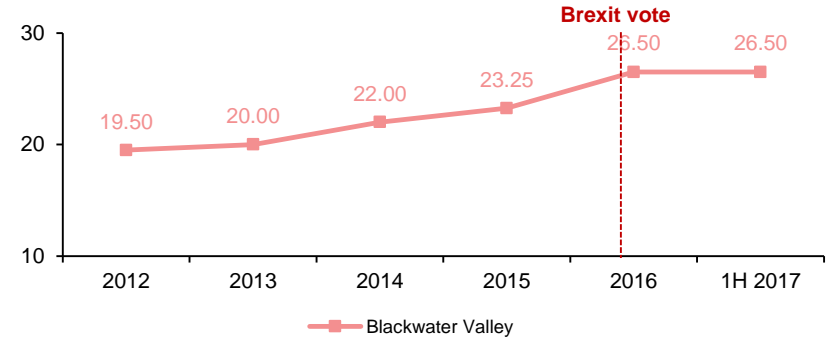


Office occupancy rates in Blackwater Valley



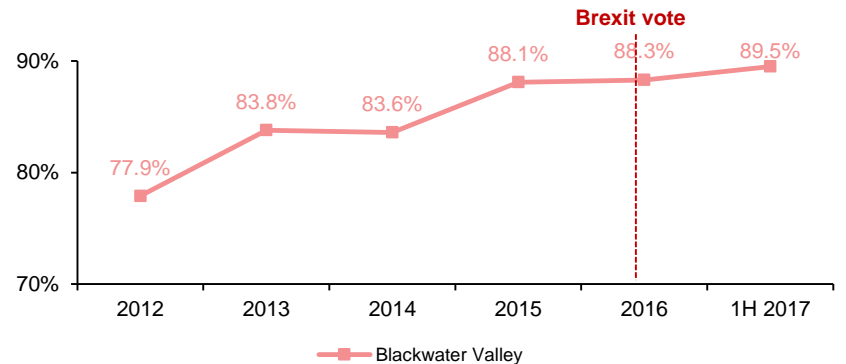
Resilient rental trends despite Brexit vote

Top rents £ psf pa



Demand and supply trends driving healthy occupancy rates

Occupancy rate



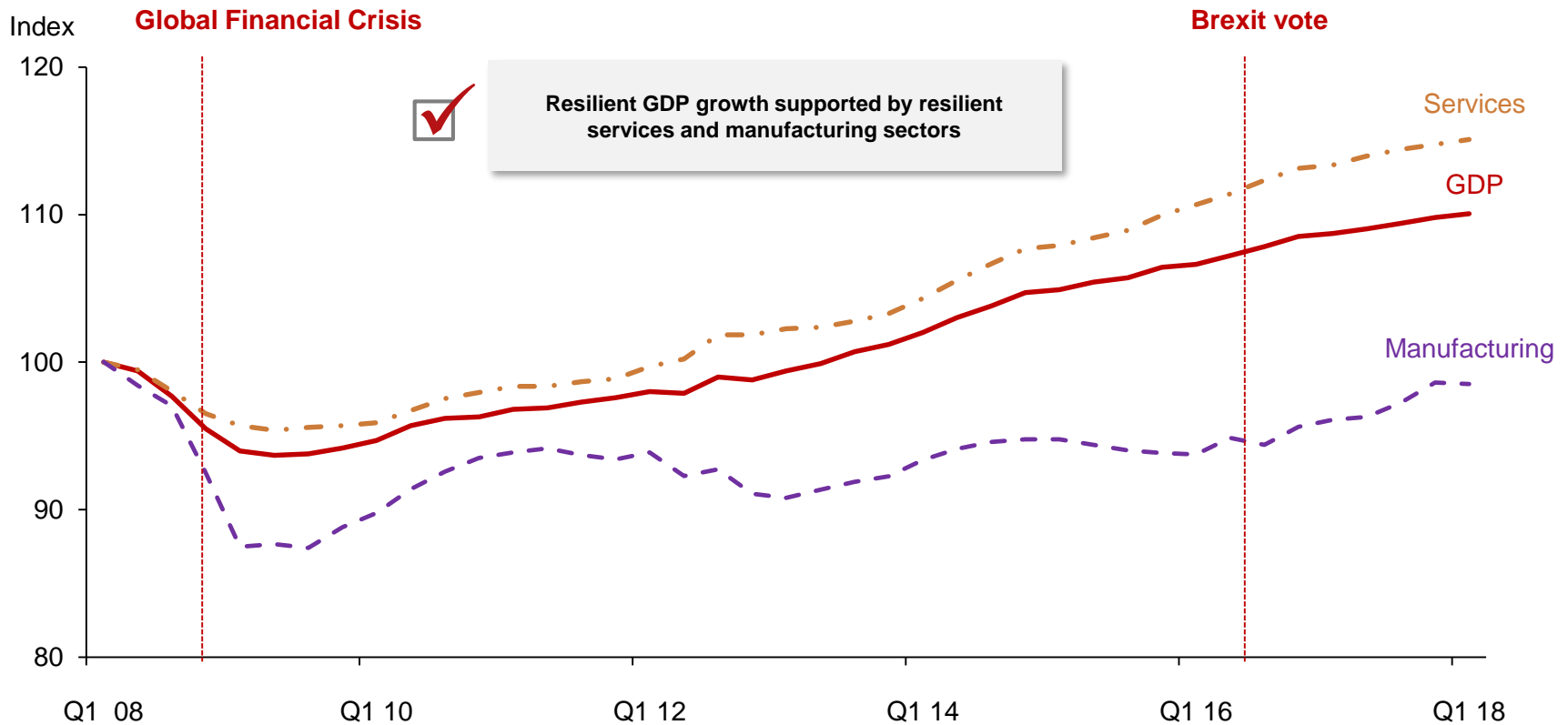
Source: Based on the valuation report by BNP Paribas Real Estate Advisory & Property Management UK Limited dated 11 December 2017.

1. As at 30 June 2018 and after adjusting for leases which tenants have exercised their rights to break.

Resilient UK economy

Access to the 5th largest economy globally with resilient economic performance post-Brexit vote

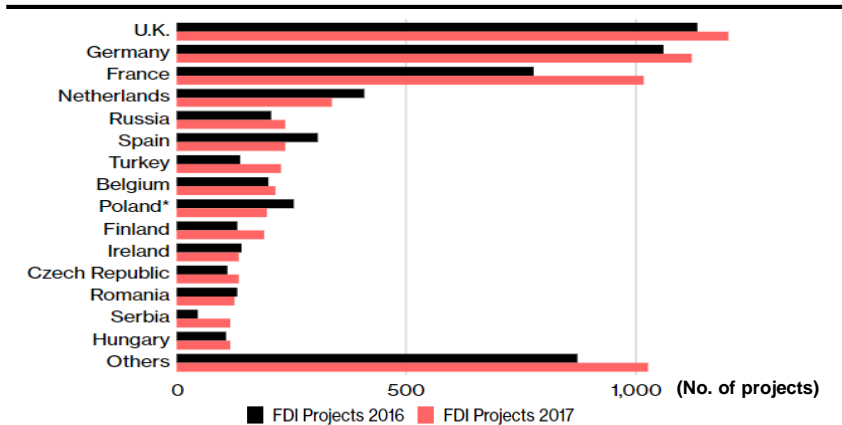
UK GDP



Resilient UK economy (cont'd)

Robust FDI inflows and robust domestic business performance

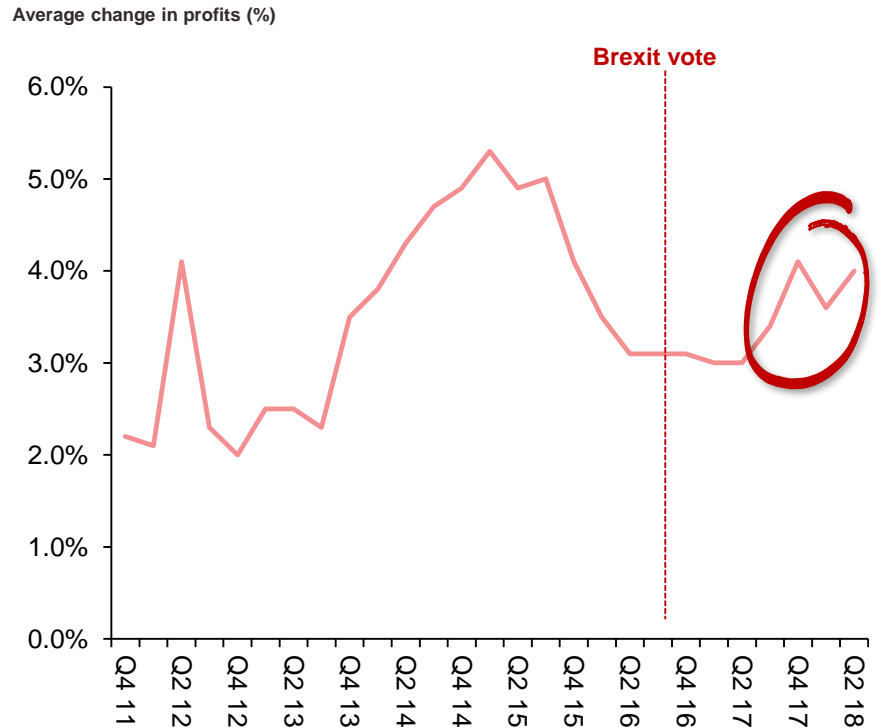
Resilient FDI inflows: Top 15 European countries by FDI projects



FDI supported by large global institutions



Domestic profits picking up



Reshaping and strengthening the portfolio for long-term growth



Alexandra Technopark, Singapore

Reshaping and strengthening the portfolio for long-term growth



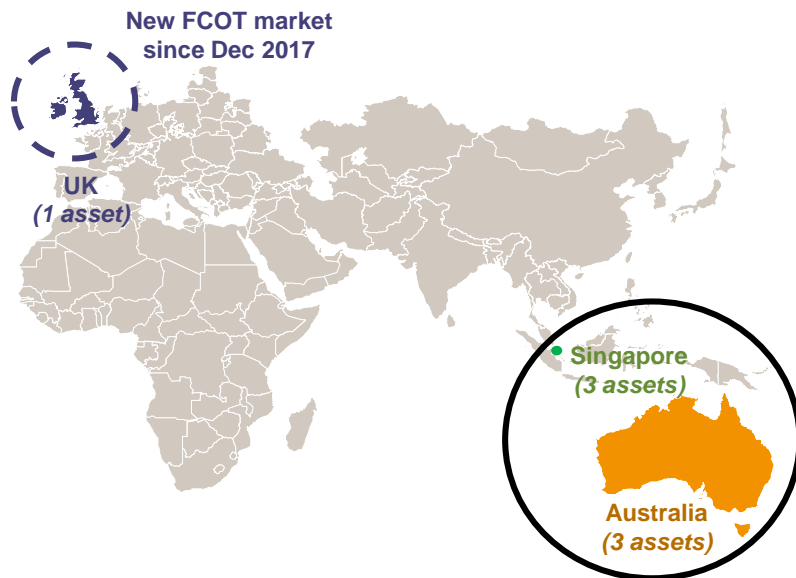
- ◆ Expanded investment mandate to Europe (including UK) in January 2018 with a view to create greater balance and diversification
- ◆ Well-aligned with Sponsor's top 3 geographical markets
- ◆ Over S\$4 billion right of first refusal pipeline from Sponsor

- ◆ Unlock value
- ◆ Recycle capital for higher-yielding investments and other growth opportunities

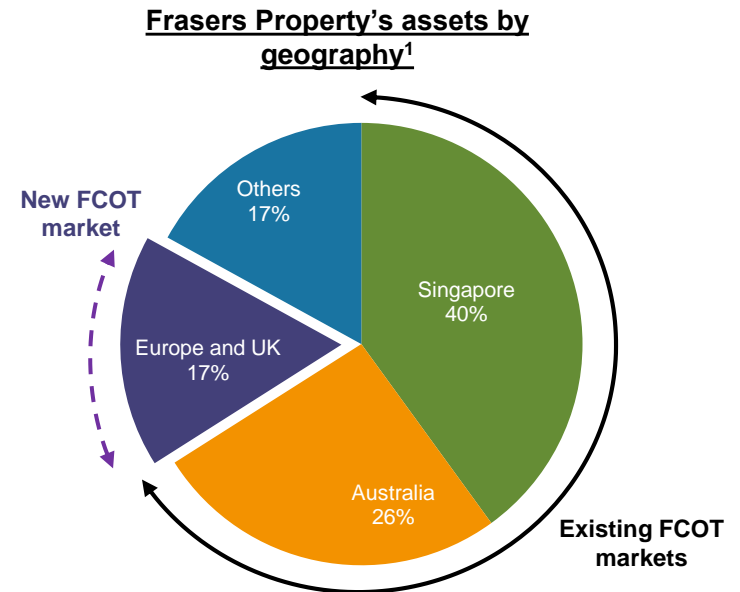
Reshaping and strengthening the portfolio for long-term growth

Synergistic alignment to Sponsor's top 3 geographical markets for **GROWTH** and **DIVERSIFICATION**

- ◆ Announced expansion of investment mandate to Europe/UK in Dec 2017
- ◆ Enhanced diversification from broadened mandate
- ◆ FCOT granted right of first refusal for Frasers Property's relevant office/business space/business park assets in Europe (including UK)



Alignment with Sponsor's top 3 geographical markets



Acquisition: 50% interest in Farnborough Business Park, UK

Strengthening portfolio for **LONG-TERM GROWTH**

- ◆ Acquisition of 50% interest in Farnborough Business Park (“FBP”) at a property value of £87.5 million¹ completed on 29 January 2018
- ◆ FBP is an award-winning business park with solid fundamentals in a well-connected location in Thames Valley



46.5 h
freehold land

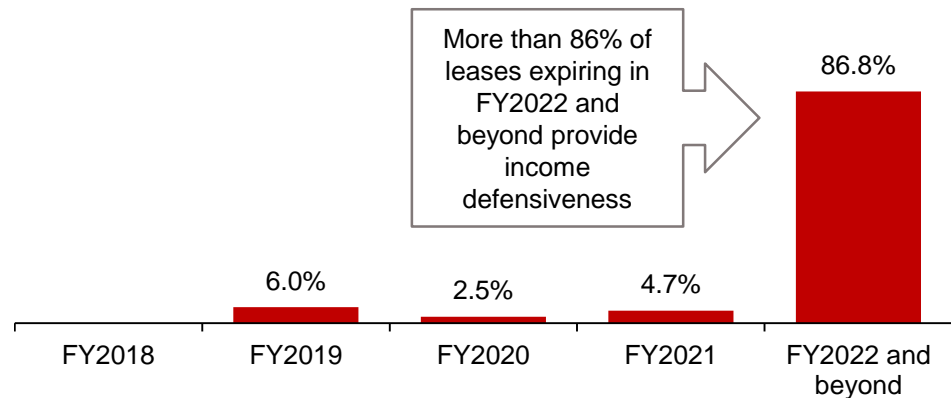
~555k sf
NLA

7.7
years
long WALE²

98.1%
occupancy
rate³

36
quality
tenants

More than 86% of leases expiring in FY2022 and beyond provide income defensiveness



Data as at 30 June 2018.

1. Represents FCOT’s 50.0% interest in FBP. Refer to the announcement dated 14 December 2017.
2. By gross rental income and including reimbursements of rent free incentives and rent guarantee for certain unlet units, among others, by the vendor in accordance with the terms of the acquisition (refer to announcement dated 14 December 2017 for details). The WALB (after accounting for rights to break) is 5.4 years.
3. After adjusting for leases for which the tenants have exercised their rights to break.

Divestment: 55 Market Street

Monetizing non-core asset and reshaping and strengthening portfolio for **LONG-TERM GROWTH**

- ◆ Divestment of 55 Market Street to an unrelated third party for S\$216.8 million announced on 10 July 2018
- ◆ Unlocking significant value with net gain of S\$76.5 million¹ and almost 3X initial purchase price²
- ◆ Monetization enables recycling of capital to higher-yielding investments and other growth initiatives
- ◆ DPU-accretive transaction (see pro-forma effects below)
- ◆ Divestment expected to be completed by 31 August 2018

S\$216.8 mil or S\$3,020 psf sale consideration	45% premium to S\$150.0 mil valuation as at 1 July 2018	c. 3X of S\$72.5 mil original purchase price in 2006	S\$76.5 mil estimated net gain over S\$139.0 mil book value as at 30 Sept 2017 ¹	1.6% Implied exit NPI yield ³
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Pro-forma financial effects of the divestment	Before divestment	After divestment ⁴
Gearing as at 30 Sep 2017	34.7%	26.5%
DPU for FY17	9.82 cents	10.18 cents
NAV per Unit as at 30 Sep 2017	S\$1.60	S\$1.70

1. Net of estimated transaction expenses and fees of S\$1.3 million.
2. Acquired in 2006 for S\$72.5 million.
3. Based on the annualized net property income of 55 Market Street for 3QFY18.
4. Assuming that divestment proceeds net of transaction expenses and fees were used to repay FCOT's bank borrowings.

Over S\$4bn ROFR Pipeline

FCOT has Right of First Refusal over Frasers Property Group's relevant Office/Business Space/Business Park assets in Asia-Pacific and Europe (including UK), currently worth more than S\$4bn

Selected Singapore assets owned by Frasers Property



Frasers Tower¹



Alexandra Point



51 Cuppage Road



Valley Point

Selected Australia assets owned by Frasers Property



1B Homebush Bay Drive



2 Southbank Boulevard



1D Homebush Bay Drive



Rhodes Corporate Park (Bldg F)

Selected UK assets owned by Frasers Property



Winnersh Triangle



Chineham Park



Watchmoor Park



Farnborough Business Park² (50%)

Source: Frasers Property 2017 annual report and announcements.

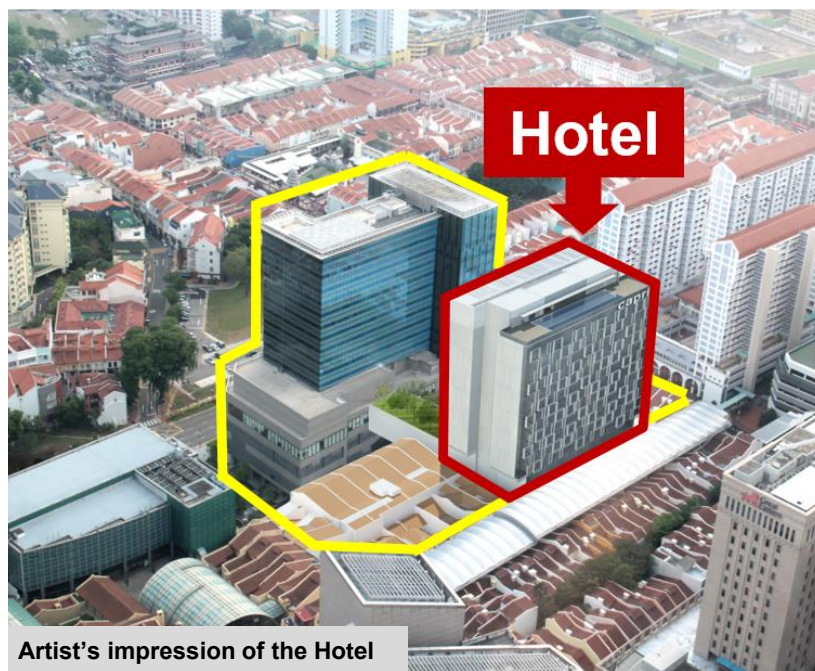
1. Currently under development.
2. Refers to Frasers Property's 50% interest.

Appendix



Asset Update Developments at China Square Central

- ◆ Construction works for the development of the 16-storey Hotel and Commercial Project¹ are on track and expected to be completed by mid-2019
- ◆ New retail and commercial spaces with better frontages and visibility will also be created²
- ◆ The new 304-room Capri by Fraser hotel will bring increased activity to rejuvenate China Square Central



China Square Central

Proposed Hotel

1. Undertaken by an entity of Frasers Property Limited. Refer to the Circular to Unitholders dated 3 June 2015 for details.
2. New spaces to be created from relocated spaces from part of the existing basement at 18 Cross Street and a section of 22 Cross Street. Refer to the Circular to Unitholders dated 3 June 2015 for details.

Asset Update Enhancement of China Square Central retail podium

- ◆ S\$38 million project commenced in 1Q 2018 and expected to complete by the second half of 2019¹
- ◆ NLA to potentially increase to c.75,000 sf¹ from c.64,000 sf currently
- ◆ Improved tenant mix focusing on F&B, wellness and services
- ◆ To benefit from uplift in human traffic from Capri by Fraser opening in 2019
- ◆ Retail podium closed during construction period for safety reasons



1. Based on provisional scheme which may be subject to change.

Asset Update Developments at China Square Central

- ◆ Global collaborative space operator, WeWork, has commenced operations at 22 Cross Street¹
- ◆ 22 Cross Street premises house WeWork's Singapore headquarters



1. WeWork had committed a total of approximately 28,700 sf of space at 22 Cross Street, which will be taken up in phases starting with approximately 16,800 sf.

Asset Update Asset enhancement at Alexandra Technopark

- ◆ \$45 million AEI and re-branding on track to complete around 2H2018
- ◆ Creating a contemporary business campus with greater connectivity and a more activated, stimulating and engaging environment
- ◆ Tenants can look forward to a generous offering of wellness, lifestyle, social and other amenities
- ◆ New amenities include futsal courts, end-of-trip facilities, exercise areas and meeting facilities



Asset Update Asset enhancement at Alexandra Technopark

- ◆ New amenity hub received Temporary Occupancy Permit (TOP) in June 2018

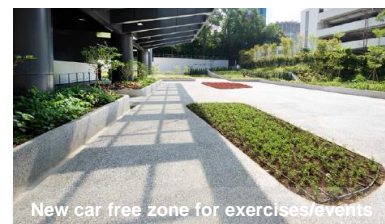
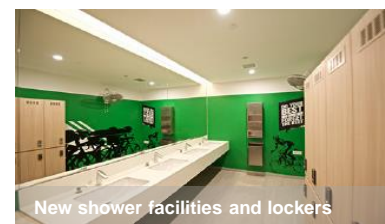


Amenity hub will mainly house:

- ◆ Food and beverage outlets → New food court, cafes
- ◆ New amenities → Function room, roof garden, BBQ pits
- ◆ Services → Clinic

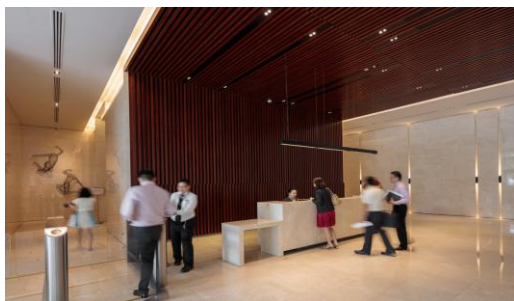
New ATP – A contemporary Business Campus

- ◆ Wide range of wellness, lifestyle, social and other amenities¹



Portfolio Update Singapore assets

China Square Central – stable occupancy for office tower



55 Market Street – stable occupancy



Alexandra Technopark – rejuvenation and repositioning underway



Occupancy	93.9% ^{1,2} (office tower: 93.0% ¹)	87.9%	64.8% ¹
WALE	1.7 years	1.7 years	1.8 years
WALB	1.7 years	1.7 years	1.4 years
New leases, committed and renewals	TechEdge Asia Pacific, Singapore Pte Ltd, Jungle Ventures Pte Ltd, Legal Clinic LLC, GroupM Singapore Pte Ltd	-	JT International Tobacco, DISA Limited, Olympus Singapore Pte Ltd

Tenants



Data as at 30 June 2018.

1. Committed occupancy as at 30 June 2018.
2. Excluding 18 Cross Street retail podium (NLA c 64,000 sq ft) which is currently closed for asset enhancement.

Portfolio Update Australia assets

Central Park – long WALE of 5.8 years¹



Caroline Chisholm Centre – full occupancy with long WALE of 7.0 years



357 Collins Street – high occupancy in a strong market



Occupancy	69.8% ^{1,2}	100.0%	98.5%
WALE	2.1 years (5.8 years with new leases ¹)	7.0 years	3.0 years
WALB	2.0 years (5.7 years with new leases ¹)	7.0 years	3.0 years
New leases, committed and renewals	Westpac Banking Corporation, FTI Consulting (Australia) Pty Ltd	Property occupied until July 2025 by a single tenant, the Commonwealth of Australia (AAA rated ³)	Meridian Energy Australia Pty Ltd

Tenants



Data as at 30 June 2018.

- Adjusted for, among other things, space committed by an entity of Rio Tinto Limited on a new 12-year lease commencing in FY18 and space that Rio Tinto Limited will be returning by end-FY18 as part of its partial relocation to new premises under the new lease. Actual occupancy on 30 June 2018 was 67.8%.
- Committed occupancy as at 31 March 2018.
- Based on Standard and Poor's rating in January 2018.

Portfolio Update United Kingdom asset

**Farnborough Business Park –
long WALE and healthy
occupancy**



Occupancy 98.1%¹

WALE 7.7 years

WALB 5.4 years

**New leases,
committed
and renewals** INC Research UK Ltd, Fiscal Repts
Limited

Tenants



Data as at 30 June 2018.

1. After adjusting for leases for which the tenants have exercised their rights to break.

Portfolio Review Top-10 tenants

- ◆ Established names and well diversified across various sectors
- ◆ Contribute 50% of portfolio gross rental income, with a WALE of 5.3¹ years at 30 June 2018

Top 10 tenants by gross rental income

Tenant	Property	Sector	Lease Expiry	% Gross Rental Income ²
Commonwealth of Australia	Caroline Chisholm Centre	Government	Jul-25	15.9%
Rio Tinto Limited ³	Central Park	Mining/ resources	Jun-30 ³	7.1%
Commonwealth Bank of Australia	357 Collins Street	Banking, insurance & financial services	Dec-22	6.4%
Hewlett-Packard Singapore Pte Ltd	Alexandra Technopark	IT Products & Services	Dec-18	3.7%
GroupM Singapore Pte Ltd	China Square Central	Consultancy/ business services	Jul-23	3.4%
Service Stream Ltd	357 Collins Street	Multimedia & Telecommunications	Dec-24	3.3%
Microsoft Operations Pte Ltd	Alexandra Technopark	IT Products & Services	Jan-22	2.9%
Fluor Limited	Farnborough Business Park	Engineering	May-19 to Jun-25	2.9%
Suntory Beverage & Food Asia Pte Ltd	China Square Central	Food & beverage	May-20	2.2%
Nokia Solutions and Networks (S) Pte Ltd	Alexandra Technopark	Multimedia & telecommunications	Feb-21	2.1%
Total				49.9%



Data as at 30 June 2018.

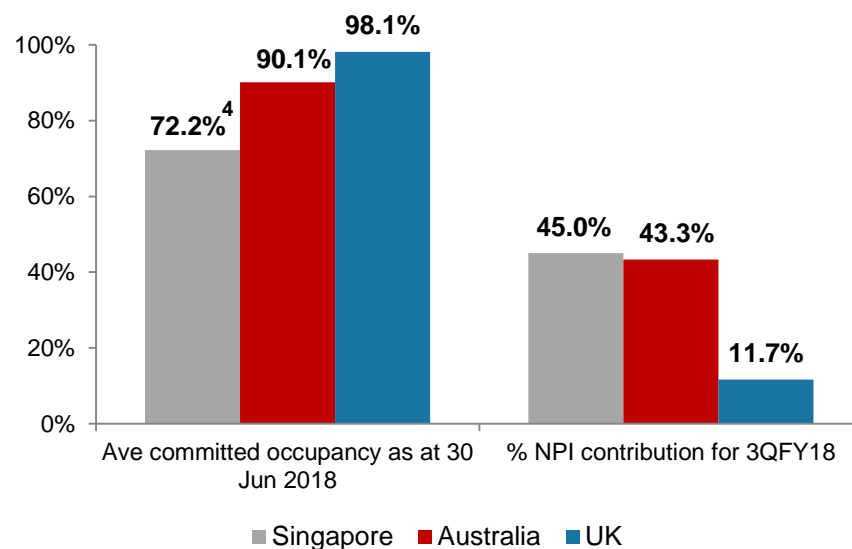
1. The WALB (after accounting for rights to break) is 4.9 years.
2. Excludes lease incentives and retail turnover rents, if any. For Farnborough Business Park, reimbursements of rent free incentives and rent guarantee for certain unlet units, among others, by the vendor in accordance with the terms of the acquisition (refer to announcement dated 14 December 2017 for details), are included.
3. Based on the space committed by an entity of Rio Tinto Limited on a new 12-year lease at Central Park commencing in FY18.

Portfolio Review Occupancy & WALE

- ◆ Average committed occupancy rate of 81.9%¹
- ◆ Committed WALE of 4.0 years^{1,2}

Key portfolio statistics as at 30 Jun 2018	Actual occupancy	Committed occupancy ¹
Ave Occupancy	79.5%	81.9%
Portfolio WALE by gross rental income ²	3.4 years	4.0 years
Portfolio WALB by gross rental income ^{2,3}	3.1 years	3.7 years

Geographical occupancy¹ and NPI² contribution

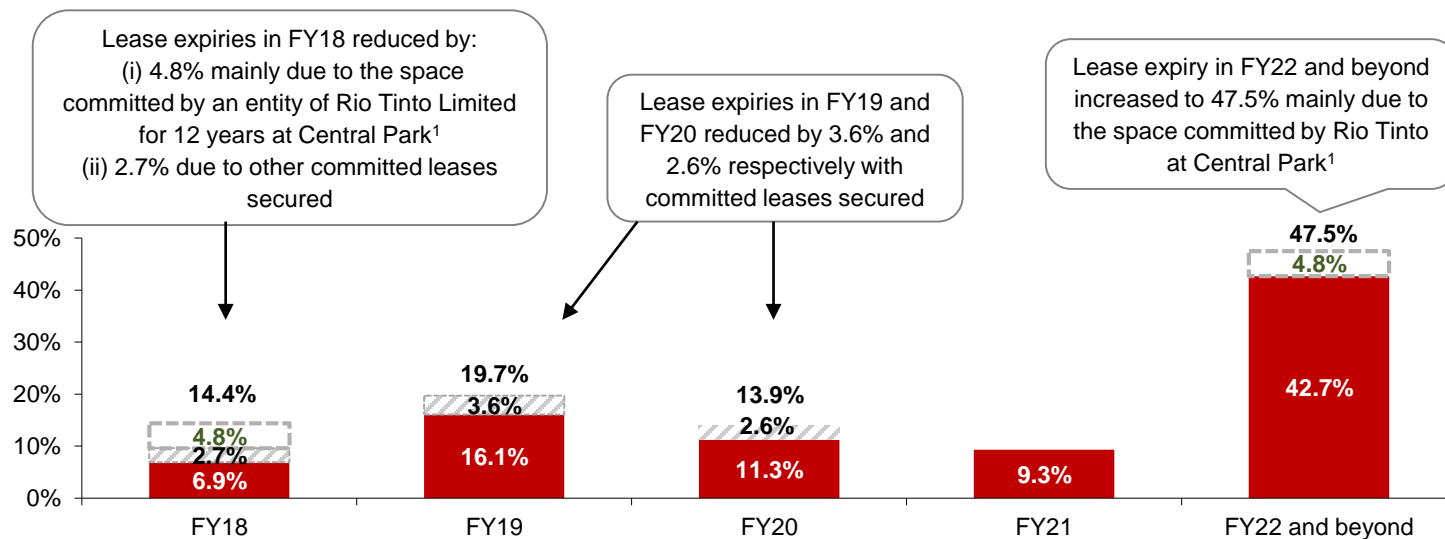


- Adjusted for, among other things, space committed by an entity of Rio Tinto Limited on a new 12-year lease commencing in FY18 and space that Rio Tinto Limited will be returning by end-FY18 as part of its partial relocation to new premises under the new lease. In addition, the total NLA of the portfolio used in the computation of occupancy rate has excluded 18 Cross Street retail podium (NLA c. 64,000 sf) which is currently closed for asset enhancement.
- Excludes lease incentives and retail turnover rents, if any. For Farnborough Business Park, reimbursements of rent free incentives and rent guarantee for certain unlet units, among others, by the vendor in accordance with the terms of the acquisition (refer to announcement dated 14 December 2017 for details) are included.
- WALB - weighted average lease to break, reflecting contractual rights for tenants to pre-terminate leases in certain cases.
- Mainly affected by lease expiration for Hewlett-Packard Enterprise Singapore Pte Ltd and phased reduction in lease area by Hewlett-Packard Singapore Pte Ltd at Alexandra Technopark (refer to the announcements dated 22 September 2017 and 3 November 2017 for further details).

Portfolio Review Lease expiry profile

- ◆ Well-spread lease expiry profile provides income defensiveness

Portfolio lease expiry by gross rental income



Portfolio lease expiry by gross rental income²

Number of leases expiring	21	70	45	30	79 ³
NLA (sq ft) expiring	201,209	417,767	285,417	181,813	1,160,293
Expiries as % total NLA	7.1%	14.8%	10.1%	6.5%	41.2%
Expiries as % total Gross Rental Income	9.6%	19.7%	13.9%	9.3%	47.5%

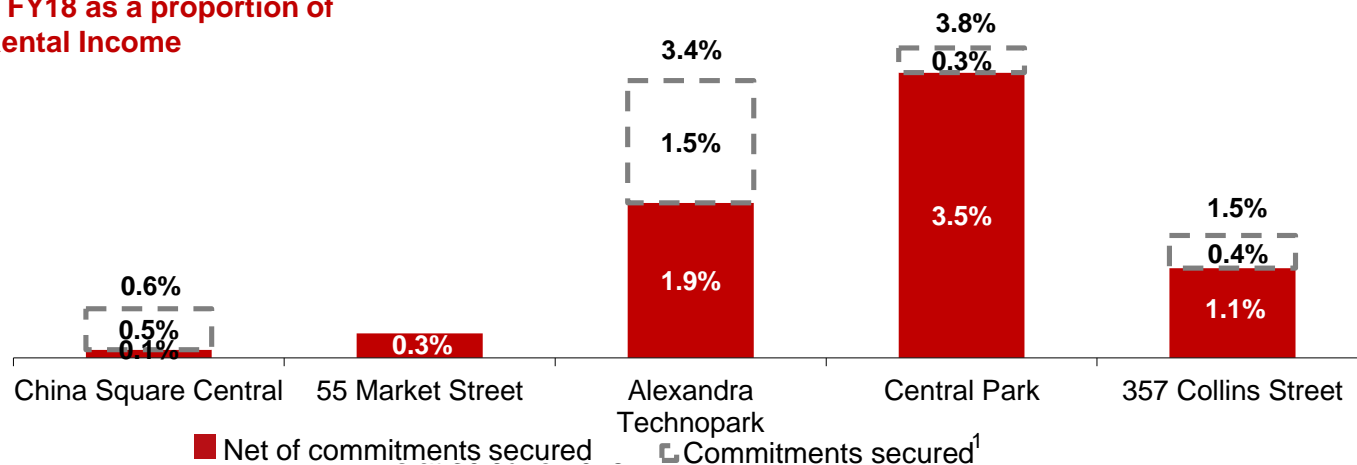
Data as at 30 June 2018. Exclude lease incentives and retail turnover rents, if any. For Farnborough Business Park, reimbursements of rent free incentives and rent guarantee for certain unlet units, among others, by the vendor in accordance with the terms of the acquisition (refer to announcement dated 14 December 2017 for details) are included.

1. Based on the space committed by an entity of Rio Tinto Limited on a new 12-year lease at Central Park commencing in FY18.
2. Adjusted for, among other things, space committed by an entity of Rio Tinto Limited on a new 12-year lease commencing in FY18. In addition, the total NLA of the portfolio used in the computation has excluded 18 Cross Street retail podium (NLA c. 64,000 sf) which is currently closed for asset enhancement.
3. Pending confirmation of actual number of leases to be executed in respect of the overall space committed by an entity of Rio Tinto Limited under a Heads of Agreement.

Portfolio Review Lease expiry profile for FY18

◆ Proactive management of leases

Lease Expiries in FY18 as a proportion of Portfolio Gross Rental Income



As at 30 June 2018

Number of leases expiring ¹	2 (office)	1 (office) 1 (retail)	3	3 (office)	3 (office)
Average passing rents for expiring leases (net of those with commitments secured) ²	\$6.83 (office)	\$7.00 (office) \$5.60 (retail)	\$4.12	A\$610 (office)	A\$569 (office)

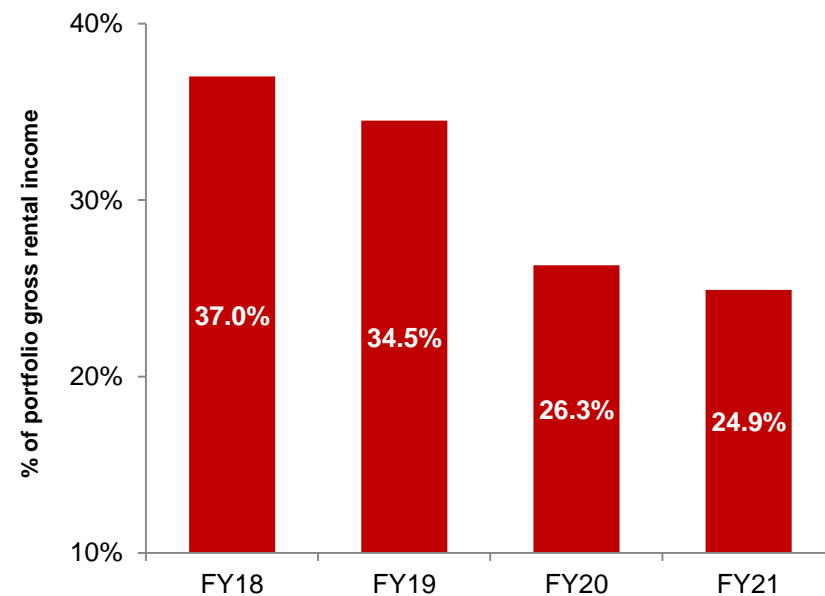
- Adjusted for, among other things, space committed by an entity of Rio Tinto Limited on a new 12-year lease commencing in FY18 and committed leases secured.
- Excludes lease incentives and retail turnover rents, if any. Figures for Singapore properties are on a gross rent per square foot per month basis, while figures for Australian properties are based on net face rent per square metre per annum basis.

Portfolio Review Mid-term rent reviews

37% of FY18 leases have built-in step-up rents

Property	Leases	Average step-up	GROSS RENTAL INCOME ¹	
			% of Property	% of Portfolio
China Square Central	9	1.8%	41.3%	7.2%
55 Market Street	1	0.7%	7.6%	0.3%
Alexandra Technopark	1	15.1%	1.4%	0.4%
Caroline Chisholm Centre	1	3.0%	100.0%	16.1%
Central Park	12	3.7%	29.2%	4.7%
357 Collins Street	24	3.9%	50.0%	8.0%

FY18 – FY21 Portfolio Gross Revenue with Step-Up Rents for Existing Leases



Weighted average fixed step-ups	2.9%	2.8%	2.3%	2.0%
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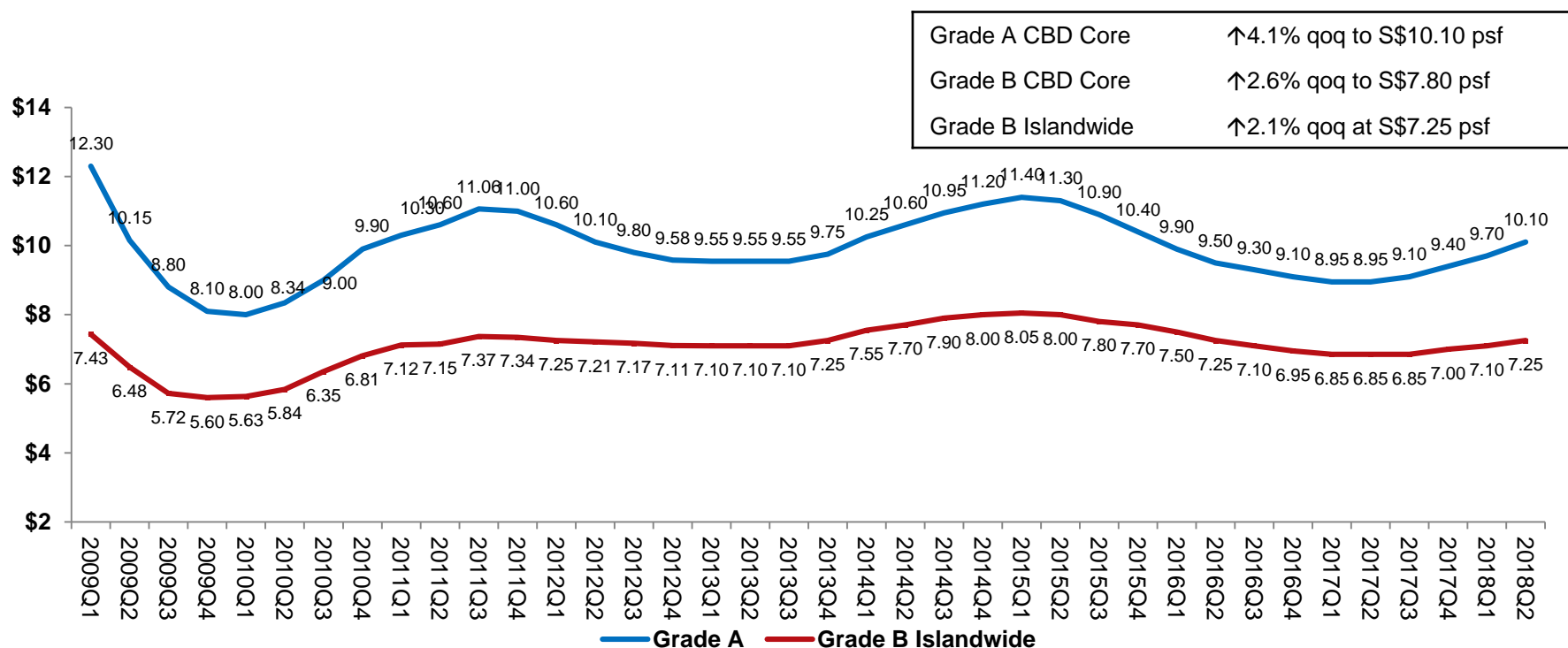
1. Excludes lease incentives and turnover rent, if any.

Singapore office rents

Singapore office:

- ◆ Grade B rents relatively more stable
- ◆ General outlook for the office market is positive

Singapore Grade A and Grade B office rents¹

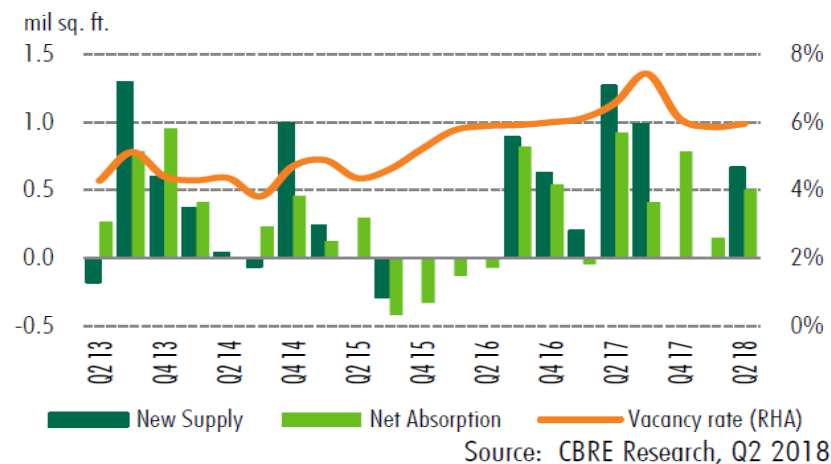


Source: CBRE Research

1. CBRE, Singapore Market View, Q2 2018

Demand, supply and outlook for Singapore CBD office market

Office supply-demand dynamics¹



- ◆ Market fundamentals have strengthened and island-wide vacancy remained tight at 5.9% in 2Q 2018
- ◆ According to CBRE, demand for space mainly stemmed from flexible space operators, technology firms and insurance companies
- ◆ CBRE is of the opinion that the medium-term outlook for rents is positive with the tapering future supply

Office vacancy rates¹

	Q2 18	Q-o-q	Y-o-y
Islandwide	5.9%	9 bps	-63 bps
Core CBD	5.9%	1 bps	6 bps
Fringe CBD	6.9%	41 bps	-136 bps
Decentralised	4.9%	-12 bps	-120 bps
Grade A	5.9%	5 bps	133 bps

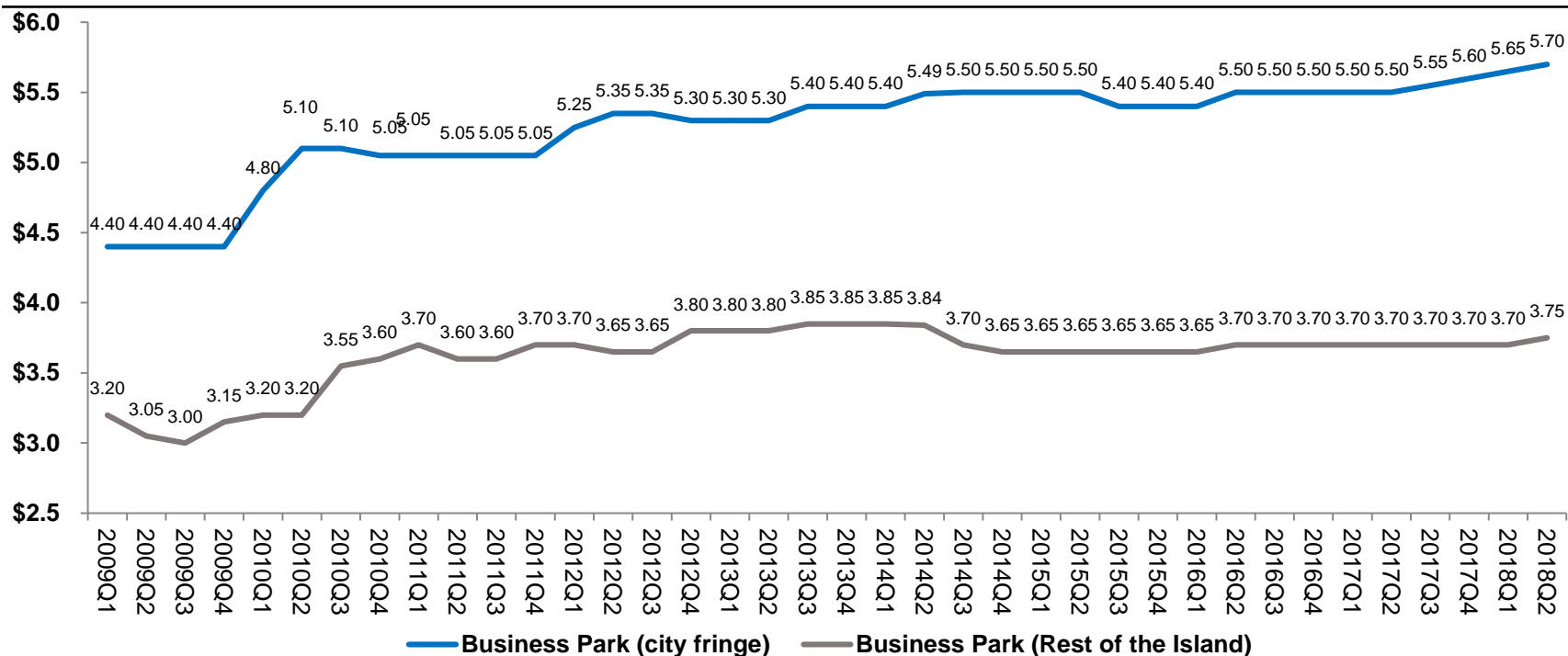
Source: CBRE Research, Q2 2018

Singapore business park rents¹

Singapore business parks²:

- ◆ City fringe business park average rent increased by 0.9% qoq in 2Q 2018
- ◆ Rest of the island average rent increased by 1.4% qoq in 2Q 2018

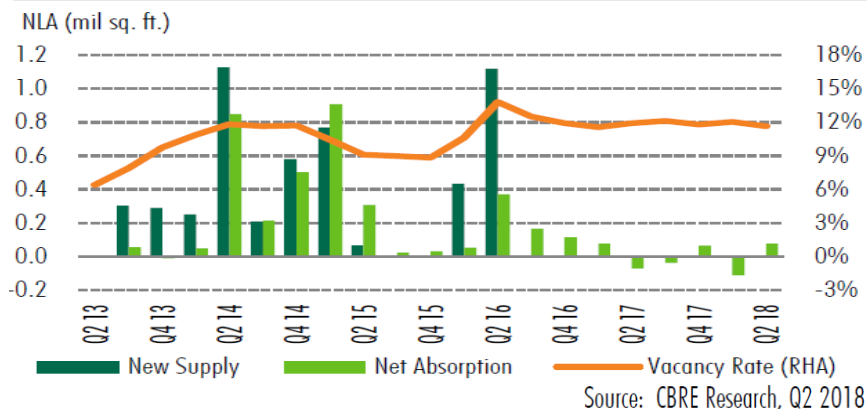
Singapore Business Park (city fringe) rents²



- Alexandra Technopark is a high-specification B1 industrial development located at the city-fringe, with certain physical attributes similar to business parks. In the absence of comprehensive market research information directly relevant to the asset class of Alexandra Technopark, market research information for business parks is provided for indicative reference.
- CBRE, Singapore Market View, Q2 2018

Demand, supply and outlook for Singapore business park market¹

Business park supply-demand dynamics²



- ◆ Leasing activity and interest in business park space registered an upswing in 2Q 2018
- ◆ Island-wide net absorption turned positive to 74,408 sf in 2Q 2018 which led to a reduction in vacancy to 11.6% from 12.0% in 1Q 2018
- ◆ Demand was mainly attributed to tenants seeking expansion or relocation space and driven by the relatively more affordable business park rents compared to office rents
- ◆ City fringe business parks of higher quality and better locations continue to be in demand
- ◆ CBRE is of the opinion that rents for city fringe business parks are expected to grow as vacancy remains tight

Business park future pipeline²

Year	Est. NLA (mil sq. ft.)	Est. Pre-commitment
2018	0.50	53%
2019	0.24	0%
2020	0.15	100%
Total	1.12	46%

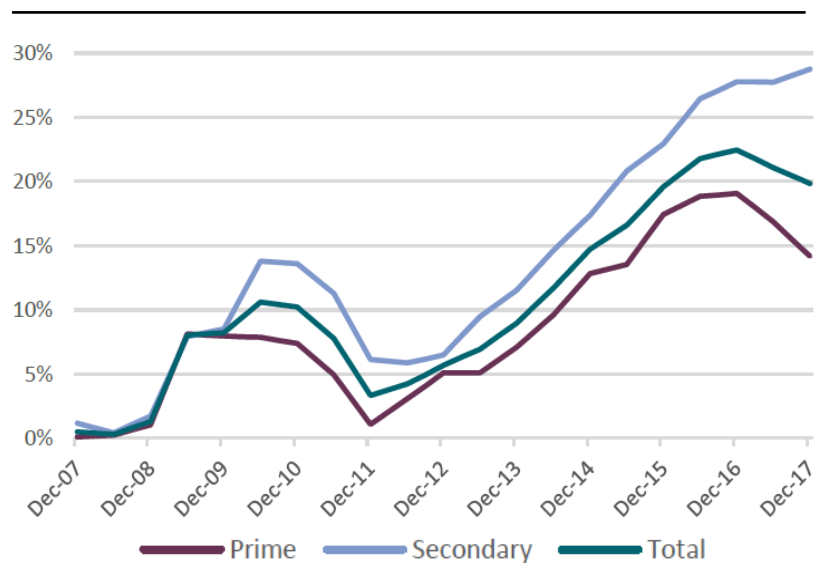
Source: CBRE Research, Q2 2018

1. Alexandra Technopark is a high-specification B1 industrial development located at the city-fringe, with certain physical attributes similar to business parks. In the absence of comprehensive market research information directly relevant to the asset class of Alexandra Technopark, market research information for business parks is provided for indicative reference.
 2. CBRE, Singapore Market View, Q2 2018

Perth CBD office supply and rents

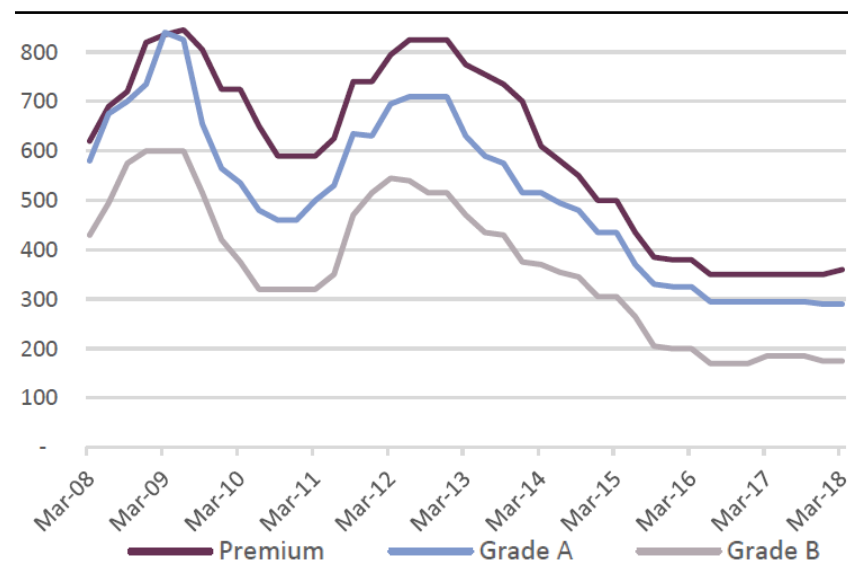
- ◆ Business confidence continues to improve and demand is strengthening for Prime Grade office space due to 'flight to quality' and tenants relocations to CBD
- ◆ Two consecutive half-year periods of positive net absorption for the six months ended June and December 2017, which occurred for the first time since the peak of the office market in 2012, are indications of recovery
- ◆ Prime Grade average net face rent was A\$500 to A\$725 per sqm per annum as at March 2018, with average lease incentives between 45% and 48%
- ◆ Prime Grade vacancy was 6.3% as at December 2017

Perth CBD office vacancy rate by grade (%)



Source: Savills Research/PCA

Perth CBD net effective rents by grade (A\$/sqm)

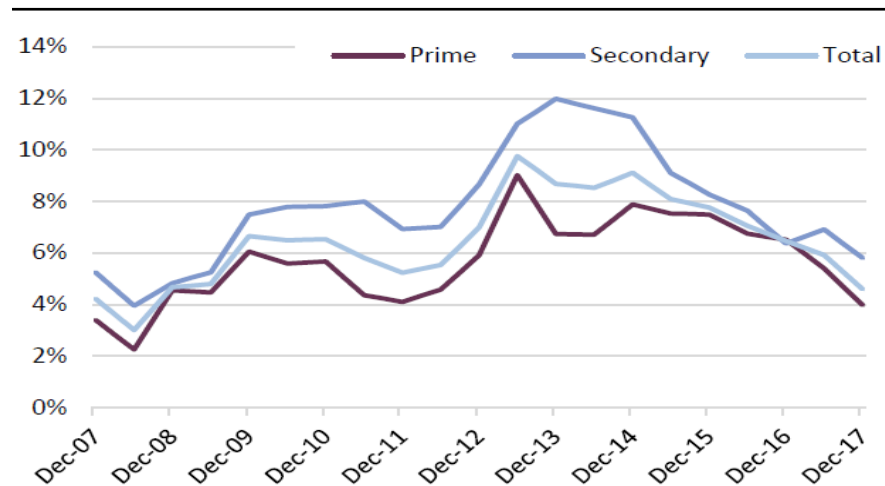


Source: Savills Research/ PCA

Melbourne CBD office supply and rents

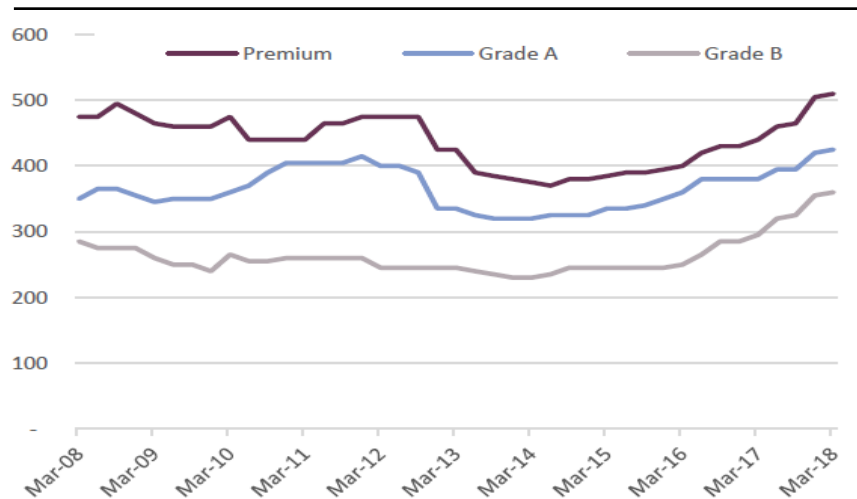
- ◆ CBD office market continues to be strong, supported by employment growth across Victoria state, among other factors
- ◆ Total net absorption of 74,800 sqm for 2017 for Melbourne CBD was the strongest among Australian cities
- ◆ Grade A average net face rent for Melbourne CBD office space was between A\$520 to A\$640 per sqm per annum as at March 2018, with lease incentives around 25% to 29%
- ◆ Overall vacancy rate of 4.6% as at April 2018 was the joint-lowest (with Sydney CBD) in Australia, further decline anticipated in the next twelve months
- ◆ Office net face rent is forecast to grow over the next two years

Melbourne CBD office vacancy rate (%)



Source: PCA/ Savills Research

Melbourne CBD office net effective rents by grade (\$/sq m)

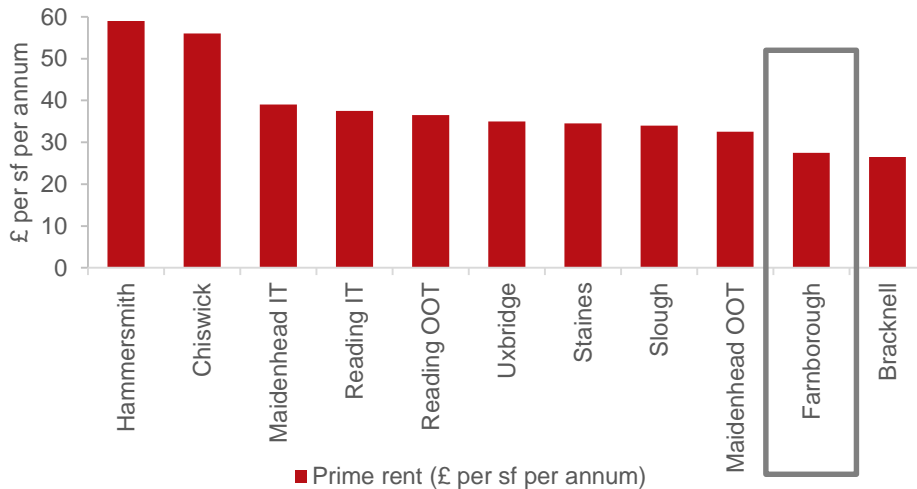


Source: Savills Research

Thames Valley office supply and rents

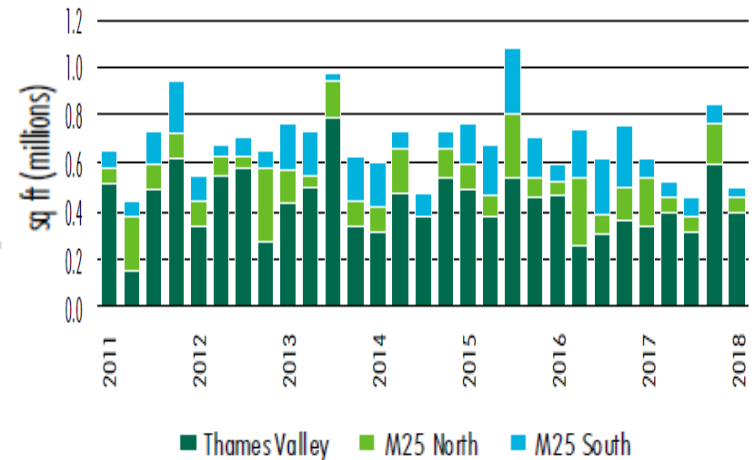
- ◆ Grade A office rent for Farnborough area was around £27.5 per sq ft per annum as at March 2018, while incentives were generally around 17.5% to 20.0% (for typical 10-year lease terms)
- ◆ Thames Valley's vacancy rate of 10.1% as at March 2018 was a 0.8-percentage point reduction compared to December 2017

Key Thames Valley Grade A office rents (£ per sf per annum)



Source: CBRE Research, Q1 2018

Thames Valley and M25 take up, Q1 2018



Source: CBRE Research, Q1 2018

**Experience
matters.**



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