PRESS RELEASE
For Immediate Release

FCOT's 3QFY17 distributable income rose 0.9% year-on-year to S$19.2 million

- 3QFY17 DPU of 2.40 cents in-line with a year ago
- All debts maturing in FY17 have been refinanced
- No refinancing requirements until August 2018
- Portfolio committed occupancy improves to 92.6%
- Caroline Chisholm Centre and 357 Collins Street remained fully occupied

Summary of FCOT's 3QFY17 Results

	1/4/17 – 30/6/17 (3Q FY17)	1/4/16 – 30/6/16 (3Q FY16)	Change (%)	1/10/16 – 30/6/17 (YTD 3QFY17)	1/10/15 – 30/6/16 (YTD 3QFY16)	Change (%)
Gross Revenue (S$'000)	38,326	38,550	(0.6)	118,245	117,167	0.9
Net Property Income (S$'000)	27,876	28,111	(0.8)	87,108	86,325	0.9
Net Property Income (cash basis) (S$'000) (1)	28,081	27,661	1.5	87,983	84,680	3.9
Distribution to Unitholders (S$'000)	19,242	19,072	0.9	59,203	58,122	1.9
Distribution Per Unit	2.40¢(2)	2.41¢(3)	(0.4)	7.41¢	7.37¢	0.5

(1) Excluding the effects of recognizing accounting income on a straight line basis over the lease terms.
(2) The number of Units used to calculate the amount available for DPU is 802.4 million.
(3) The number of Units used to calculate the amount available for DPU is 791.3 million.

Singapore – 24 July 2017 – Frasers Centrepoint Asset Management (Commercial) Ltd ("**FCAMCL**" or the "**Manager**"), the manager of Frasers Commercial Trust ("**FCOT**", SGX:Frasers Comm Tr), is pleased to announce that for the financial quarter ended 30 June 2017 ("**3QFY17**"), FCOT's distributable income to Unitholders was S$19.2 million, a 0.9% increase from the financial quarter ended 30 June 2016 ("**3QFY16**"). Distribution per Unit ("**DPU**") of 2.40 cents for 3QFY17 was in-line with that of 3QFY16.

Mr Jack Lam, Chief Executive Officer of the Manager, said "We are pleased to have again delivered a stable set of results. Looking ahead, risks and challenges will be present in the markets. In light of this, we will continue to proactively undertake initiatives and measures that will strengthen the resilience and defensiveness of the Trust going forward. The on-going $45 million upgrading and re-positioning of Alexandra Technopark and the early refinancing of all our debts due in this financial year, being just two examples."

Better performance from Australia portfolio compared to a year ago

Gross revenue of S$38.3 million for 3QFY17 was 0.6% lower than for 3QFY16, mainly due to lower occupancy rates at Alexandra Technopark, China Square Central and Central Park. However, gross revenue for the Australian properties for 3QFY17 was up 5.3% year-on-year mainly as a result of the stronger Australian dollar.

In 3QFY17, net property income ("**NPI**") for the portfolio declined 0.8% year-on-year to S$27.9 million, although NPI for the Australian properties increased 4.9% year-on-year. Overall portfolio NPI on cash basis, excluding the effects of recognising accounting income on a straight line basis over the terms of the leases, increased by 1.5% year-on-year to S$28.1 million for the quarter.

3QFY17 distributable income to Unitholders rose 0.9% with approximately 12.0% of the Manager's management fees taken in Units for the quarter[1]. 3QFY17 DPU of 2.40 cents was in-line with the 2.41 cents reported for 3QFY16, as the higher distributable income was offset by the increase in number of Units from a year ago.

The Manager will be applying the distribution reinvestment plan ("**DRP**") for the distribution for 3QFY17. The DRP provides Unitholders with the option to receive their distributions declared either in the form of Units or cash, or a combination of both.

The distribution of 2.40 cents per Unit for 3QFY17 will be paid out on 29 August 2017, with the distribution books closure date scheduled for 1 August 2017.

Healthy portfolio occupancy

The portfolio achieved a healthy average committed occupancy rate of 92.6% as at 30 June 2017, up from 91.8% as at 31 March 2017. The overall average occupancy rate for the Singapore portfolio was 91.2%; while that for the Australian portfolio was 94.4%[2], underpinned by continued full occupancies at Caroline Chisolm Centre and 357 Collins Street.

The income-weighted average lease expiry ("**WALE**") of the portfolio was 3.4 years as at 30 June 2017[3].

In 3QFY17, approximately 51,000 square feet of new and renewed leases, representing about 1.9% of the portfolio, commenced during the quarter. The weighted average rent reversion for these leases, which were all within the Singapore portfolio, was negative 2.5%[4], which mirrors the general downtrend which the Singapore office market has been experiencing since mid-2015. The effect of the downtrend in Singapore office rents will be mitigated by contracted rent escalations at the Australian properties, including 357 Collins Street (rent step-ups averaging 3.9% per annum for the current leases) and Caroline Chisholm Centre (rent step-up of 3% per annum).

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[1] In 3QFY16, 10% of the Manager's management fees for the quarter were taken in Units.

[2] Committed occupancy up to September 2017, taking into account space committed by an entity of Rio Tinto Limited on a new 12-year lease at Central Park, among others.

[3] Based on committed occupancy up to September 2017 and including space committed by an entity of Rio Tinto Limited for a new 12-year lease at Central Park. Excluding the Rio Tinto Limited new lease, the WALE is 2.7 years.

[4] Weighted average rental reversion based on gross signing rents for new and renewed leases which commenced in 3QFY17.

In the final quarter of FY17 from July to September 2017, major leases expiring include the lease of Hewlett Packard Enterprise Singapore Pte Ltd ("**HPE**") at Alexandra Technopark which contributes approximately 5.6% of the portfolio gross rental income. In the first quarter of FY18, major leases expiring include the leases of HPE and Hewlett Packard Singapore Pte Ltd at Alexandra Technopark, which contribute approximately 1.5% and 11.1% of the portfolio gross rental income, respectively. The Manager continues to be proactive in tenant engagement and leasing initiatives in managing lease expiries which are coming due.

Proactive capital management

In May 2017, FCOT prepaid the remaining S$80.0 million of the transferable term loan facility which will fall due in September 2017. The prepayment was funded from the proceeds raised from the issuance of S$80.0 million five-year floating rate notes ("**004 Notes**") under the S$1.0 billion Multicurrency Medium Term Note Programme. The 004 Notes, due in 2022, was priced at the prevailing 6-month SGD swap offer rate with respect to the relevant interest payment date plus a spread of 0.88% per annum.

With the foregoing, all debts maturing in FY17 have been fully refinanced. The weighted average debt expiry profile of FCOT has been lengthened to 2.8 years as at 30 June 2017 from 2.5 years as at 31 March 2017. Debt expiring in any one financial year has also been moderated to no more than $182.0 million.

As at 30 June 2017, gearing remained healthy at 35.9% and interest rates for 91.4% of borrowings are fixed or hedged.

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About Frasers Commercial Trust

Frasers Commercial Trust (FCOT) is a commercial real estate investment trust (REIT) focused on growing shareholder value for its unitholders through active asset management, sound financial management and strategic investments. FCOT is sponsored by Frasers Centrepoint Limited (FCL).

FCOT invests primarily in quality income-producing commercial properties. As at 30 June 2017, its portfolio includes six quality commercial buildings located in Singapore and Australia, representing a combined appraised value of approximately S$2.0 billion.

FCOT, formerly known as Allco Commercial REIT, was listed on the Main Board of Singapore Exchange Securities Trading Limited (SGX-ST) on 30 March 2006.

On 14 August 2008, Frasers Centrepoint Limited acquired the manager of FCOT and units in FCOT and renamed the manager of FCOT, Frasers Centrepoint Asset Management (Commercial) Ltd.

For more information on FCOT, please visit www.fraserscommercialtrust.com

About Frasers Centrepoint Limited

Frasers Centrepoint Limited ("FCL") is a full-fledged international real estate company and one of Singapore's top property companies with total assets of S$25 billion as at 31 March 2017. FCL has three strategic business units – Singapore, Australia and Hospitality, which focus on residential, commercial, retail and industrial properties in Singapore and Australia, and the hospitality business spanning more than 80 cities across Asia, Australia, Europe, and the MENA region. FCL also has an International Business unit that focuses on China, Southeast Asia, and the United Kingdom.

FCL is listed on the Main Board of the Singapore Exchange Securities Trading Limited ("SGX-ST"). FCL is also a sponsor and its subsidiaries are the managers of three REITs listed on the SGX-ST, Frasers Centrepoint Trust, Frasers Commercial Trust, and Frasers Logistics & Industrial Trust that are focused on retail properties, office and business space properties, logistics and industrial properties respectively, as well as one stapled trust listed on the SGX-ST, Frasers Hospitality Trust (comprising Frasers Hospitality Real Estate Investment Trust and Frasers Hospitality Business Trust) that is focused on hospitality properties.

As a testament to its excellent service standards, best practices, and support of the environment, FCL is the proud recipient of numerous awards and accolades both locally and abroad.

For more information on FCL, please visit www.fraserscentrepoint.com.

IMPORTANT NOTICE

This announcement may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses, (including employee wages, benefits and training costs), property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business.

Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view on future events.

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

Investors should note that they have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

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