

PRESS RELEASE
For Immediate Release

FCOT records 16.8% increase in distributable income to S\$13.1 million for 2QFY13

- DPU for 2QFY13 of 1.99 cents up 14.4% year-on-year
- Positive rental reversions for most properties
- Healthy portfolio occupancy of 95.3%

Summary of FCOT's 2QFY13 Results

	1/1/13 – 31/3/13 (2Q FY13)	1/1/12 – 31/3/12 (2Q FY12)	Change (%)
Gross Revenue (S\$'000)	29,708	30,874	(3.8)
Net Property Income (S\$'000)	23,038	24,760	(7.0)
Income available for distribution to Unitholders and CPPU holders	15,380	15,858	(3.0)
Less: Distribution to CPPU holders (S\$'000)	2,325	4,684	(50.4)
Distribution to Unitholders (S\$'000)	13,055	11,174	16.8
Distribution per CPPU Unit	1.36¢	1.37¢	(0.7)
Distribution Per Unit	1.99¢ ⁽¹⁾	1.74¢ ⁽²⁾	14.4

(1) The number of Units used to calculate the amount available for distribution per Unit ("DPU") is 656.6 million.

(2) The number of Units used to calculate the amount available for DPU is 640.9 million

Singapore – 29 April 2013 – Frasers Centrepoint Asset Management (Commercial) Ltd ("FCAMCL" or the "Manager"), the manager of Frasers Commercial Trust ("FCOT", SGX:FrasersComm), is pleased to announce that distributable income increased by 16.8% to S\$13.1 million, for the second financial quarter ended 31 March 2013 ("2QFY13") of the Trust.

Mr Low Chee Wah, Chief Executive Officer of the Manager, said "The Trust achieved a strong 14.4% increase in distribution per unit ("DPU") of 1.99 cents year-on-year for 2QFY13. The higher income from the additional 50% interest in Caroline Chisholm Centre, higher rental rates achieved for the properties and lower interest costs have contributed to the better results. In addition, the completion of the redemption of Series A Convertible Perpetual Preferred Units ("CPPU") at the start of the quarter also led to the uplift in DPU."

"The redemption of the Series A CPPUs, which was funded from the divestment proceeds of KeyPoint, is part of the Manager's proactive approach of redeploying the proceeds to generate a higher distributable income for Unitholders."

Distributable income to Unitholders registered strong growth

Gross revenue for 2QFY13 declined marginally by 3.8% to S\$29.7 million from S\$30.9 million a year ago ("2QFY12"). The higher revenue contribution from the additional 50% interest acquired in Caroline Chisholm Centre, higher rental rates achieved for Central Park and higher revenue generated from China Square Central following the expiry of the master lease was offset by the loss in revenue contributions arising from the divestments of KeyPoint and the Japanese properties. If the gross revenue from KeyPoint and the Japanese properties were excluded in 2QFY12, gross revenue would have increased by 23.0%. Similarly, net property income ("NPI") for 2QFY13 declined 7.0% to S\$23.0 million from S\$24.8 million in 2QFY12 due to the divestments and if the NPI contributions of the divested properties were excluded, NPI would have increased by 13.8%.

Income available for distribution to Unitholders for 2QFY13 rose 16.8% to S\$13.1 million, mainly due to the savings in the Series A CPPU distribution arising from the redeployment of the proceeds from the divestment of KeyPoint which was used to redeem the Series A CPPUs.

DPU for 2QFY13 was 1.9883 cents, an increase of 14.4% year-on-year as a result of the higher distributable income. A distribution of 1.9883 cents per Unit for 2QFY2013 will be paid on 30 May 2013. The distribution books closure date for the Units is 8 May 2013.

Positive rental reversions, healthy portfolio occupancy and long weighted average lease term to expiry ("WALE")

Average occupancy rates for the overall portfolio remained strong at 95.3%, boosted by healthy portfolio occupancy rates in FCOT's anchor markets of Singapore and Australia, at 93.1% and 99.5% respectively. Portfolio WALE is about 4.8 years, anchored by the long WALE of Caroline Chisholm Centre of 12.3 years.

The Trust recorded positive rental reversions for the leases commencing in 2QFY13 for most of the properties. New leases commenced in the quarter include tenants from diverse sectors such as oil & gas, IT products and services, medical, consultancy and business services and food and beverage sectors. New tenants which commenced leases in the quarter include companies such as Japan Australia LNG (MIMI), Geyer Environments, Securus Partners, Best World Lifestyle and Mr. Teh Tarik. As at 31 March 2013, the actual occupancy at China Square Central was 73.0%, with a committed occupancy of 92.6%. The higher occupancy from the committed leases is expected to contribute positively towards the distributable income in the coming quarters.

Proactive capital management generating higher yield for Unitholders

As a result of the Manager's proactive capital management, finance costs decreased by S\$4.6 million in 2QFY13 as compared to 2QFY12 due to the partial loan prepayments and refinancing of the loan facilities which were completed in the previous financial quarter and financial year. As at 31 March 2013, the Trust had a healthy gearing of 31.7%.

As part of the partial prepayments, both Caroline Chisholm Centre and 55 Market Street were discharged as security. The total value of the unencumbered assets of S\$383.4 million will provide the Trust with greater financial flexibility and the Manager will work towards releasing more assets from the security pool.

Effective capital management to increase yield for Unitholders

During the financial quarter, the Manager successfully redeemed 162,567,826 Series A CPPUs and 7,437,501 Series A CPPUs were converted into 6,278,918 new ordinary units in FCOT on 2 January 2013. The redemption of CPPUs which was funded from the divestment proceeds of KeyPoint is accretive to Unitholders as savings in CPPU distributions led to the uplift in DPU.

In addition, the Manager successfully redeemed 157,123,847 Series A CPPUs on 1 April 2013. The redemption of CPPUs in April 2013 will provide further uplift in DPU going forward. To-date, 95.8% of the Series A CPPUs had either been converted or redeemed and only 14,329,916 Series A CPPUs remain outstanding.

Looking forward

Mr Low said, “The completion of the Precinct Master Plan and asset enhancement initiatives at the office tower of China Square Central is expected to transform, revitalise and rejuvenate the area and position the Trust for stronger growth ahead. Higher rental reversions from the properties will also contribute positively to distributable income going forward.”

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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 31 March 2013, its portfolio includes five quality commercial buildings located in Singapore and Australia, representing a combined appraised value of approximately S\$1.8 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), the wholly-owned property arm of Singapore-listed consumer group Fraser and Neave, Limited, is one of Singapore's top property companies, with total assets of S\$10.36 billion.

From owning just a single shopping mall in 1983, Frasers Centrepoint has since grown to become an integrated real estate company with a portfolio of residential, commercial and serviced residences spanning 20 countries across Asia, Australasia, Europe and the Middle-East. Its serviced residences management company, Frasers Hospitality, has award-winning gold-standard serviced residences in 31 gateway cities. Frasers Property, FCL's international property arm, develops world-class projects in UK, Australia, New Zealand, China, Thailand and Vietnam.

FCL's listed entities comprise Frasers Centrepoint Trust (FCT, a retail trust), and Frasers Commercial Trust (FCOT, an office/business space trust).

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

Website : www.fraserscentrepoint.com

About Fraser and Neave, Limited



Established in 1883, Fraser and Neave, Limited (F&NL) is a leading Asia Pacific Consumer Group with expertise and prominent standing in the Food & Beverage, Property and Publishing & Printing industries.

Leveraging its strengths in marketing and distribution; research and development; brands and financial management; as well as years of acquisition experience, F&NL provides key resources and sets strategic directions for its subsidiary companies across all three industries.

Listed on the Singapore stock exchange, F&NL ranks as one of the most established and successful companies in the region with an impressive array of renowned brands that enjoy strong market leadership. It has shareholders' funds of over S\$13 billion and total assets employed of close to S\$19 billion. F&NL is present in over 20 countries spanning Asia Pacific, Europe and the USA, and employs over 10,000 people worldwide.

For more information on F&NL, please visit www.fraserandneave.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.