

PRESS RELEASE
For Immediate Release

FCOT's distributable income grew by 31% to S\$14.4 million for 3QFY13

- DPU for 3QFY13 of 2.19 cents up 28.8% year-on-year
- Positive rental reversions for most properties
- Strong portfolio occupancy of 98.1%

Summary of FCOT's 3QFY13 Results

	1/4/13 – 30/6/13 (3Q FY13)	1/4/12 – 30/6/12 (3Q FY12)	Change (%)
Gross Revenue (S\$'000)	29,985	35,745	(16.1)
Net Property Income (S\$'000)	23,082	26,641	(13.4)
Income available for distribution to Unitholders and CPPU holders	14,564	15,637	(6.9)
Less: Distribution to CPPU holders (S\$'000)	196	4,684	(95.8)
Distribution to Unitholders (S\$'000)	14,368	10,953	31.2
Distribution per CPPU Unit	1.37¢	1.37¢	-
Distribution Per Unit	2.19¢ ⁽¹⁾	1.70¢ ⁽²⁾	28.8

(1) The number of Units used to calculate the amount available for distribution per Unit ("DPU") is 657.5 million.

(2) The number of Units used to calculate the amount available for DPU is 643.7 million

Singapore – 24 July 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 the Trust recorded a strong growth in distributable income to Unitholders of 31.2% to S\$14.4 million for the third financial quarter ended 30 June 2013 ("3QFY13").

Mr Low Chee Wah, Chief Executive Officer of the Manager, said "The Manager is pleased to announce that the Trust has achieved a strong 28.8% increase in distribution per unit ("DPU") of 2.19 cents year-on-year for 3QFY13. The higher income from the additional 50% interest in Caroline Chisholm Centre and higher rental rates achieved for the properties, coupled with the lower interest costs, have contributed to the better results. In addition, the redemption of 319.7 million Series A Convertible Perpetual Preferred Units ("CPPU") in January 2013 and April 2013 also led to the increase in DPU."

Distributable income to Unitholders continues to grow

Gross revenue for 3QFY13 declined by 16.1% to S\$30.0 million from S\$35.7 million a year ago (“3QFY12”), largely due to the divestments of KeyPoint and the Japanese properties. However, if the gross revenue from KeyPoint and the Japanese properties were excluded in 3QFY12, gross revenue would have increased by 2.5%. In 3QFY13, the higher revenue contribution from the additional 50% interest acquired in Caroline Chisholm Centre and higher rental rates achieved for Central Park was offset slightly by the weaker Australian dollar and the loss in revenue contribution arising from the divestments of KeyPoint and the Japanese properties.

Net property income (“NPI”) for 3QFY13 declined 13.4% to S\$23.1 million from S\$26.6 million in 3QFY12, also as a result of the divestments. If the NPI contributions of the divested properties were excluded, NPI would have increased by 3.7%.

In addition, the increase in income available for distribution to Unitholders of 31.2% for 3QFY13 to S\$14.4 million was also due to lower interest costs and savings in the Series A CPPU distribution. The aforementioned savings arose from the deployment of the proceeds from the divestment of KeyPoint which was utilised to redeem the Series A CPPU.

DPU for 3QFY13 was 2.1851 cents, an increase of 28.8% year-on-year as a result of the higher distributable income. A distribution of 2.1851 cents per Unit for 3QFY2013 will be paid out on 29 August 2013. The distribution books closure date for the Units is 1 August 2013.

Positive rental reversions, strong portfolio occupancy and long weighted average lease term to expiry (“WALE”)

The Trust achieved a strong average occupancy rate of 98.1% for the overall portfolio in 3QFY13. This was boosted by healthy portfolio occupancy rates in Singapore and Australia, at 97.4% and 99.5% respectively. Portfolio WALE is about 4.6 years, anchored by the long WALE of Caroline Chisholm Centre of 12.0 years.

The Trust recorded positive rental reversions of between 0.5%¹ to 17.4%¹ for the leases which commenced in 3QFY13. New leases commenced in the quarter include tenants from diverse sectors such as media, asset management, logistics, legal, medical and consultancy and business services. The new tenants include companies such as GroupM, MOL Bulk Carriers, Asiasons Capital, Citigate Dewe Rogerson and Servicom Medical.

With the Manager’s proactive leasing initiatives, early renewal was successfully completed for approximately 511,000 square feet of underlying leases at Alexandra Technopark (“ATP”). These leases, which will be expiring in FY14 and FY15, were extended to between FY16 and FY18. They will lengthen the lease expiry profile and provide income stability for the Trust upon expiry of the master lease at ATP in FY14.

¹ The weighted average rental reversions based on the area for new and renewed leases which commenced in 3QFY13

Manager's proactive initiatives resulted in DPU increase

As a result of the Manager's proactive capital management, finance costs decreased by S\$8.3 million in 3QFY13 as compared to 3QFY12. These were mainly due to the partial loan prepayments and refinancing of the loan facilities which were completed in October 2012 and the previous financial year. As at 30 June 2013, the Trust has a low all-in interest rate of 2.8% and a healthy interest coverage ratio of 4.2 times. As part of its proactive capital management, 51.0% of borrowings are hedged from floating to fixed interest rates.

During the financial quarter, the Manager successfully redeemed 157,123,847 Series A CPPUs on 1 April 2013. The redemption of CPPUs is accretive to Unitholders as savings in CPPU distributions resulted in an increase in DPU. The Manager also successfully redeemed a further 2,172,641 Series A CPPUs on 1 July 2013. The redemption of CPPUs in July 2013 will provide further uplift in DPU going forward. To-date, 96.5% of the Series A CPPUs had either been converted or redeemed and only 12,157,275 Series A CPPUs remain outstanding.

Going forward

Mr. Low said, "We have completed the Precinct Master Plan and asset enhancement works for the office tower at China Square Central. This will strengthen FCOT's property portfolio and position the Trust for stronger growth in the future. In addition, positive rental reversions from the properties are expected to contribute positively to distributable income going forward. The Manager will continue to monitor movements in interest rates and the Australian dollar and exercise prudent measures to mitigate the risks."

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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 2013, its portfolio includes five quality commercial buildings located in Singapore and Australia, representing a combined appraised value of approximately S\$1.7 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, Vietnam and Malaysia.

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.