

**PRESS RELEASE**
*For Immediate Release*

## Frasers Centrepoint Limited Continues to Achieve Strong Revenue Growth in Second Quarter

- **Growth driven mainly by contributions from overseas development properties and hospitality segment**
- **Interim dividend of 2.4 Singapore cents per share declared**
- **FCL continues to build on established overseas platforms to fuel the Group's growth**

**Singapore, 9 May 2014** – Frasers Centrepoint Limited (“FCL” or the “Group”) today announced its financial results for the second quarter (“2Q FY13/14”) and first half (“1H FY13/14”) ended 31 March 2014.

**Financial Highlights**

	2Q FY13/14 (S\$ '000)	2Q FY12/13 (S\$ '000)	Change (%)	1H FY13/14 (S\$ '000)	1H FY12/13 (S\$ '000)	Change (%)
Revenue	501,011	338,857	48	1,132,620	675,931	68
PBIT	143,754	108,991	32	319,997	218,069	47
Attributable Profit (Before Fair Value Change and Exceptional Items)	107,142	74,185	44	226,159	145,380	56
Attributable Profit	70,017	87,397	(20)	190,833	217,966	(12)

The Group's 2Q FY13/14 revenue and profit before interest and tax (“PBIT”) increased 48% and 32% from the previous corresponding period to S\$501.0 million and S\$143.8 million respectively. The increases were largely due to higher development property sales recognised in Australia and the United Kingdom (“UK”), as well as improved operational performance from the hospitality segment. In line with FCL's higher PBIT, attributable profit (before fair value change and exceptional items) grew 44% year-on-year to S\$107.1 million. Attributable Profit was down 20% in 2Q FY13/14 as a result of an extraordinary item of S\$41.8 million, which arose from the redemption of related company loans prior to FCL's listing. The one-off cost is the difference between the estimated fair value of the related company loans based on prevailing market interest rates at the time of redemption, and the carrying value of the loans. Excluding this one-off cost, 2Q FY13/14 Attributable Profit would have been up 28%.

Commenting on the Group's performance in 2Q FY13/14, Mr Lim Ee Seng, Group CEO of FCL, said, “FCL's results this quarter demonstrate the potential of the Group's overseas business as the completion of development properties in Australia and the UK continue to bolster the Group's revenue and PBIT during the quarter. FCL's decision to venture overseas over a decade ago was clearly the

*The admission and listing of Frasers Centrepoint Limited on the Singapore Exchange Securities Trading Limited (the "Listing") was sponsored by DBS Bank Ltd. as the Sole Issue Manager. DBS Bank Ltd., United Overseas Bank Limited and Morgan Stanley Asia (Singapore) Pte. were the Joint Financial Advisers for the Listing. DBS Bank Ltd., United Overseas Bank Limited and Morgan Stanley Asia (Singapore) Pte. assume no responsibility for the contents of this announcement.*

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right move, and we will continue to build on our established overseas platforms to fuel the Group's growth."

In line with FCL's strong first-half performance, an interim dividend of 2.4 Singapore cents per share, payable on 12 June 2014, has been declared.

### **Segmental Highlights**

During the quarter, Group revenue and PBIT from Development Properties registered increases of 63% and 58% from 2Q FY12/13 to S\$406.0 million and S\$96.2 million respectively on the back of higher development revenue from overseas projects. While revenue from Development Properties in Singapore came under pressure during the quarter due mainly to lower percentage of completion in physical construction works, the Group continued to achieve good sales despite the softening market. In 2Q FY13/14, the Group recorded sales of 255 units<sup>1</sup> in Singapore with the bulk from RiverTrees Residences, the Group's new launch in February 2014. Meanwhile, overseas sales were also robust, with a total of 566 units<sup>1</sup> sold in Australia and China.

2Q FY13/14 revenue from Investment Properties also grew 6% year-on-year to S\$35.7 million, largely on improved occupancy at its office and industrial properties, in particular, One@Changi City, Alexandra Technopark and Valley Point Office Tower. With improved occupancy rates, FCL was able to grow PBIT by 16% to S\$18.4 million in 2Q FY13/14, compared to revenue growth of 6%.

On the REIT front, the Group's share of its REITs' income dropped by 8% for the quarter to S\$13.5 million with the cessation of distribution income from Frasers Commercial Trust's convertible perpetual preferred units ("CPPU") upon their full redemption in March 2013. Stripping off the CPPU contributions to 2Q FY12/13 PBIT, the Group's share of its REITs' income would have increased by 7%.

FCL's Hospitality segment delivered a strong performance, with revenue up 9% to S\$46.7 million in 2Q FY13/14. PBIT similarly improved by approximately 2.0% to S\$14.2 million. Improved occupancy at Capri by Fraser, Changi City in Singapore, Fraser Suites Perth in Australia and Fraser Suites Queens Gate in the UK was the key driver for this quarter's performance. With an expanded portfolio of 8,402 apartments under management following the launch of three new properties in Jakarta, Kuala Lumpur and Wuxi during the quarter, the Group is well on-track to achieving its target of managing over 10,000 apartments by the end of 2014.

### **Moving Forward**

On 12 March 2014, the Group received its eligibility-to-list ("ETL") letter for the proposed initial public offering ("IPO") and listing of Frasers Hospitality Trust "FHT" on the Main Board of the Singapore Exchange. "The setting up of FHT is well-aligned with FCL's ongoing strategy of developing REIT platforms and will allow FCL to unlock value in our portfolio of serviced residences," Mr Lim said. In addition to the receipt of the ETL letter, there are other requirements that need to be met to enable the Group to proceed with the IPO when it considers it appropriate to do so. As a next step, FCL will convene an Extraordinary General Meeting at a date to be advised to seek shareholders' approval for the proposed injection of the hospitality assets into FHT.

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<sup>1</sup> Including joint venture projects

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Looking at the market, Mr Lim noted, “We expect to see some moderation in land bidding activity in Singapore as private home sales continue to slow. We are paying close attention to possible land banking opportunities as we believe that demand remains healthy for projects with the right location, pricing and offerings, as evidenced by the well-received launch of our RiverTrees Residences. Outside Singapore, we will continue to drive our growth in Australia and China where macro-fundamentals support long-term housing demand.”

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**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 approximately S\$11.4 billion as at 31 March 2014. FCL has three core businesses focused on residential, commercial and hospitality properties spanning over 30 cities across Asia, Australasia, Europe, and the Middle-East.

FCL is listed on the Main Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”). The Company is also the sponsor of two real estate investment trusts listed on the Main Board of the SGX-ST, Frasers Centrepoint Trust and Frasers Commercial Trust, which are focused on retail, and office and business space properties, respectively.

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](http://www.fraserscentrepoint.com).

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**Frasers Centrepoint Limited**

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