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**Frasers Centrepoint Limited Reports
Attributable Profit of S\$154 million in 3Q FY15/16**

- **Attributable profit in 9M FY15/16 amounted to S\$376 million**
- **Recurring income base that has supported earnings amid lumpy development contribution**
- **Further optimised capital productivity with S\$1.6 billion of industrial assets injected into Frasers Logistics & Industrial Trust (“FLT”), on top of gross proceeds of S\$148 million from divestment of other commercial and industrial assets**

Singapore, 5 August 2016 – Frasers Centrepoint Limited (“FCL” or the “Company”, and together with its subsidiaries, the “Group”) today announced its financial results for its third quarter and nine months ended 30 June 2016 (“3Q FY15/16” and “9M FY15/16”, respectively).

Financial Highlights

	3Q FY15/16 (S\$ million)	3Q FY14/15 (S\$ million)	Inc/(Dec) (%)	9M FY15/16 (S\$ million)	9M FY14/15 (S\$ million)	Inc/(Dec) (%)
Revenue	682.1	1,010.5	(32.5)	2,251.6	2,524.1	(10.8)
PBIT ¹	166.8	313.7	(46.8)	604.3	790.8	(23.6)
Attributable Profit (Before Fair Value Change and Exceptional Items)	68.2	181.4	(62.4)	268.8	426.4	(37.0)
Fair Value Change	89.5	-	N.M.	98.2	68.0	44.4
Exceptional Items	(3.7)	-	N.M.	8.9	16.9	(47.3)
Attributable Profit	154.0	181.4	(15.1)	375.9	511.3	(26.5)

FCL registered revenue and PBIT amounting to S\$682 million and S\$167 million, respectively, in 3Q FY15/16, compared to S\$1,011 million and S\$314 million in the previous corresponding quarter (“3Q FY14/15”). Attributable profit before fair value change and exceptional items (“APBFE”) amounted to S\$68 million. The declines were primarily due to lower contributions from the Group’s development portfolio in Singapore, Australia, and China. These declines were partially mitigated by the recognition of profits from the Twin Fountains executive condominium (“EC”) project following its completion, new income streams from the Malmaison Hotel du Vin (“MHDV”) group of 29 hotels that were acquired in June 2015, as well as the Group’s share of profits from an associate in Thailand. Including a fair value gain due to an uplift in the value of investment properties that were injected into FLT during the quarter, attributable profit in 3Q FY15/16 amounted to S\$154 million.

On a nine-month basis, FCL generated S\$2,252 million of revenue and S\$604 million of PBIT, down from S\$2,524 million and S\$791 million, respectively, a year ago. APBFE amounted to S\$269 million. Affecting the Group’s financial performance were lower profits from Singapore developments, significantly lower contribution from Frasers Property Australia (“FPA”) due to differences in the timing of completions and settlements of residential developments coupled with higher overhead costs for

¹ Profit before interest, taxation, fair value change, and exceptional items

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project launches. FCL had also sold Crosspoint in Beijing in the prior reporting period. The impact was partially offset by contributions from the completion and settlement of Twin Fountains EC in Singapore and Riverside Quarter Block 5C in the United Kingdom (“UK”), as well as the new stream of contribution from the MHDV group. Including a fair value gain of S\$98 million and an exceptional gain of S\$9 million, the Group recorded an attributable profit of S\$376 million in 9M FY15/16.

Mr Lim Ee Seng, Group CEO of FCL, commented, “This quarter’s results continued to attest to the importance of FCL’s drive to achieve sustainable earnings by growing income from recurring as well as overseas sources. Amid the tapering off of contributions from Singapore development projects, coupled with timing differences in completions of overseas projects, the role of our recurring income base in providing stability and mitigating the impact of lumpy completion timelines has been clearly demonstrated. We expect stronger contribution from development income next quarter as several projects in Australia and China are due to be completed. On the capital management front, the listing of our fourth sponsored REIT, FLT, has lowered FCL’s net debt to equity to 70.8%, providing the Group with enhanced financial flexibility.”

Key Highlights in 3Q FY15/16 and the Quarter-to-Date

In June 2016, FCL announced a series of organisational changes aimed at positioning the Group for the future. Mr Lim will be retiring as FCL’s Group CEO on 30 September 2016, and Mr Panote Sirivadhanabhakdi, who was appointed as Group CEO-designate in June, will take over as FCL’s Group CEO on 1 October 2016. Meanwhile, Mr Chia Khong Shoong was appointed to the newly-created role of Chief Corporate Officer with effect from 1 July 2016, in addition to his current role as FCL’s CFO. The Singapore Residential and Commercial Properties development and operations have also been integrated into a newly-formed Singapore strategic business unit (“SBU”) with effect from 1 July 2016. The Singapore SBU is led by Mr Christopher Tang, while the existing Australia SBU and Hospitality SBU will continue to be led by Mr Rod Fehring and Mr Choe Peng Sum, respectively.

During the quarter, FCL continued to execute its growth strategy of optimising capital productivity and growing fee-based recurring income through real estate investment trust (“REIT”) platforms. The Group launched an initial public offering (“IPO”) of units in FLT, the largest² initial pure-play Australian industrial REIT in Singapore. FLT’s initial portfolio comprises 51 industrial properties that were acquired from the Group at a total cost of about S\$1.6 billion. FLT was listed on the Main Board of the Singapore Exchange Securities Trading Limited with an initial market capitalisation of approximately S\$1.3 billion on 20 June 2016. In addition to the IPO of FLT, Frasers Hospitality Trust (“FHT”) expanded its portfolio in June with the acquisition of Maritim Hotel Dresden, Germany.

Additionally, FCL further diversified its funding sources with the issue of S\$250 million in 10-year fixed rate notes (the “Series 6 Notes”) and US\$200 million in five-year fixed rate notes (the “Series 7 Notes”) under its S\$3.0 billion multicurrency debt issuance programme. The Series 6 Notes bear interest of 4.25% per annum and will mature on 21 April 2026, while the Series 7 Notes bear interest of 2.50% per annum, and will mature on 21 July 2021. Net proceeds from the issuance of the notes will be used for general corporate purposes, including refinancing existing borrowings, as well as financing the investments, general working capital and/or capital expenditure requirements of the Group.

FCL also further expanded its presence in Vietnam in line with the Group’s strategy to grow overseas income streams. In June, the Group entered into a conditional agreement to acquire a 70% stake in G

² By portfolio size and market capitalisation as at the listing date

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Homes House Development Joint Stock Company (“G Homes”). G Homes is a joint venture with, amongst others, Vietnam-listed boutique developer An Duong Thao Dien Real Estate Trading Investment Joint Stock Company. G Homes is developing a residential-cum-commercial project on a one-hectare prime residential site in Ho Chi Minh City, Vietnam at an estimated total development cost of US\$85 million³. Located at a prime residential location that will be served by the city’s first metro line scheduled to be completed in 2020, the joint development will comprise condominium units, townhouses, villas, serviced apartments, and retail shops.

Looking Ahead

On the development front, transaction volumes in the Singapore residential property market continue to be low as prevailing property cooling measures remain in place. While the number of new private homes sold rose from 3,400 units in the first half of 2015 to 3,800 units in the first half of 2016, the residential property price index declined marginally in the quarter ended June 2016, marking an eleventh consecutive quarterly decline. While the Singapore residential market continues to face headwinds, Singapore remains the Group’s home market and FCL remains an active developer. FCL recently launched the Parc Life EC in April, and is working towards the launch of a private condominium project at its Siglap Road site in 2017. Over in China, the Group’s residential developments continue to be well-received. 97% and 47% of the 575 and 278 units that were launched in FY15/16 at Gemdale Megacity’s Phase 3B and 3A, respectively, have been sold.

In the commercial space, the Group’s well-located suburban malls are expected to continue to attract steady shopper traffic despite headwinds in Singapore’s retail scene. Vacancy levels in the office market, however, are expected to rise as new developments are completed, and prime Grade A rentals continue to face pressure. Notwithstanding, the Group’s portfolio of malls and offices in Singapore continue to trade well. FCL’s Waterway Point mall was officially opened on 19 April 2016, and receives an average of 2.5 million visitors each month, while asset enhancement initiatives at The Centrepoint are expected to be completed by September 2016.

Strong occupancy and room rate growth continue to be recorded in the hospitality industry in New South Wales, Australia. In China, the environment remains competitive as supply growth continues to outstrip demand growth. Meanwhile, macroeconomic uncertainties and an anticipated oncoming supply of 4,000 additional hotel rooms looms over Singapore. In Europe, the ‘Brexit’ vote in the UK and safety concerns around France are impacting the hospitality industry. Frasers Hospitality currently has interests in and/or manages over 14,500 rooms with another 8,300 pending openings.

As for FCL’s business in Australia, the residential division released 2,575 units for sale in 9M FY15/16 and recorded sales of 2,090 units over the same period. A further 1,175 units are scheduled for release across the country in the final quarter of FY15/16. The office market and prime investment grade assets in the industrial market continue to benefit from strong demand. With a 98.2% occupancy rate and a weighted average lease expiry profile of 3.4 years, FPA’s investment property portfolio also continues to perform well.

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³ Approximately S\$115 million, based on an exchange rate of US\$1:S\$1.35485 as at 7 June 2016

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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\$23 billion as at 30 June 2016. 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 North Asia, Southeast Asia, Australia, Europe, and the Middle-East. FCL also has an International Business arm that focuses on the Group’s investments in China, Southeast Asia, and the United Kingdom.

FCL is listed on the Main Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”). The Company is also a sponsor and manager of three REITs listed on the SGX-ST, Frasers Centrepoint Trust (“FCT”), Frasers Commercial Trust (“FCOT”), and Frasers Logistics & Industrial Trust (“FLT”) that are focused on retail properties, office and business space properties, 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 (“FH-REIT”) 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.

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