

PRESS RELEASE
For Immediate Release

FCOT achieves 33% increase in distributable income in 1QFY14

- 1QFY14 DPU up 29.7% to 2.05 cents
- Healthy portfolio occupancy of 97.1%
- Implementation of a distribution reinvestment plan for 1QFY14

Summary of FCOT's 1QFY14 Results

	1/10/13 – 31/12/13 (1Q FY14)	1/10/12 – 31/12/12 (1Q FY13)	Change (%)
Gross Revenue (S\$'000)	28,769	29,692	(3.1)
Net Property Income (S\$'000)	22,126	22,934	(3.5)
Income available for distribution to Unitholders and CPPU holders (S\$'000)	13,718	15,003	(8.6)
Less: Distribution to CPPU holders (S\$'000)	(15)	(4,734)	(99.7)
Distribution to Unitholders (S\$'000)	13,703	10,269	33.4
Distribution per CPPU Unit	1.38¢	1.39¢	-
Distribution Per Unit	2.05¢ ⁽¹⁾	1.58¢ ⁽²⁾	29.7

(1) The number of Units used to calculate the amount available for distribution per Unit ("DPU") is 669.0 million.

(2) The number of Units used to calculate the amount available for DPU is 648.6 million

Singapore – 22 January 2014 – 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 achieved a distributable income to Unitholders of S\$13.7 million, an increase of 33.4%, for the financial quarter ended 31 December 2013 ("1QFY14"). The Trust also achieved another quarter of good performance, delivering a 29.7% growth in DPU of 2.05 cents in 1QFY14.

Mr Low Chee Wah, Chief Executive Officer of the Manager, said "The Trust has continued to deliver higher distributable income to Unitholders, compared to a year ago. This was mainly due to better performances of the Singapore properties, lower interest costs and savings in distribution for the Series A Convertible Perpetual Preferred Units ("CPPU")."

Healthy growth in distributable income to Unitholders led to higher DPU of 2.05 cents

Gross revenue for 1QFY14 declined slightly by 3.1% to S\$28.8 million as compared to the financial quarter ended 31 December 2012 ("1QFY13"), mainly due to the weaker Australian dollar and the slightly lower occupancy for Central Park. This was off-set by the better performances of the Singapore properties which achieved higher gross revenue of 7.5% compared to 1QFY13. If the gross revenue from the Japanese properties¹ were excluded in 1QFY13, gross revenue would have decreased marginally by 1.3%.

Net property income ("NPI") for 1QFY14 declined slightly by 3.5% to S\$22.1 million as compared to 1QFY13, also a result of the weaker Australian dollar and the slightly lower occupancy for Central Park. This was off-set by the better performances of the Singapore properties which achieved higher NPI of 7.0% compared to 1QFY13. The weaker Australian dollar was off-set by a realised gain on forward currency contracts of S\$0.1 million arising from hedging the cashflows from the Australian properties. Similarly, if the NPI contributions of the divested properties were excluded, NPI would have decreased marginally by 2.2%.

Lower interest costs coupled with the savings in the Series A CPPU distribution led to the 33.4% increase in income available for distribution to Unitholders.

DPU for 1QFY14 was 2.05 cents, an increase of 29.7% year-on-year as a result of the higher distributable income. The Manager has introduced a distribution reinvestment plan ("DRP") which will be implemented for the distribution for 1QFY14. 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. Participation in the DRP is voluntary and Unitholders may elect to participate in respect of all or part of their unitholdings. The DRP enables Unitholders to acquire new Units without incurring transaction or other related costs. Cash retained and Units issued in lieu of cash distributions under the DRP will enlarge the Trust's capital base, strengthen its working capital reserves and improve the liquidity of the Units.

The distribution of 2.05 cents per Unit for 1QFY14 will be paid out on 28 February 2014. The distribution books closure date for the Units is 30 January 2014.

Strong portfolio occupancy and positive rental reversions

The Trust achieved an occupancy rate of 97.1% for the portfolio as at 31 December 2013, signifying another strong quarter of performance in occupancy. The occupancy rates in Singapore and Australia were 97.1% and 97.0%, respectively, providing room for further income growth from higher occupancy. Portfolio WALE is about 4.4 years, anchored by the long WALE of Caroline Chisholm Centre of 11.5 years.

The properties recorded rental reversions of up to 20.2%² for leases which commenced in 1QFY14. New leases commenced in the quarter include tenants from the investment management, medical, shipping and electronics sectors such as AEP Investment Management Pte Ltd, TownHall Clinic, Pacorini Metals (Asia) Pte Ltd and Aeroflex Asia Limited.

¹ Divested on 25 October 2012.

² The weighted average rental reversions based on the area for new and renewed leases which commenced in 1QFY14.

Effective capital management continue to boost DPU in 1QFY14

Finance costs decreased by 23.7% in 1QFY14 as compared to 1QFY13, as a result of the Manager's proactive capital management initiatives in the partial loan prepayments and the weaker Australian dollar. As at 31 December 2013, the Trust has an interest coverage ratio of 4.2 times and an all-in interest rate of 2.7% per annum.

In 1QFY14, 11.1 million Series A CPPUs were converted by the Series A CPPU holders. On 2 January 2014, a further 0.8 million Series A CPPUs were converted by the Series A CPPU holders. To-date, 99.9% of the Series A CPPUs had either been converted or redeemed. Both the redemption and conversion of Series A CPPUs led to savings in CPPU distributions, which boosted the DPU.

Looking ahead

Mr. Low said, "We are pleased that our efforts in growing the distributions of the Trust through the portfolio reshaping strategy and unlocking values of the portfolio have resulted in positive results. Our properties continue to record rental reversions and the new Telok Ayer Mass Rapid Transit on the Downtown Line which opened on 22 December 2013 will increase the connectivity to China Square Central and boost its attractiveness as an office accommodation. We will ride on this momentum whilst continuing our efforts to drive further growth for the Trust."

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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 December 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") is one of Singapore's top property companies with total assets of around S\$10.5 billion as at 30 September 2013.

FCL is a full-fledged international real estate company with multi-segment capabilities that allows it to participate in, and extract value from the entire real estate value chain. It has three core businesses focused on residential property, commercial property (comprising office, business, and retail space), and hospitality (comprising primarily extended stay serviced residences) spanning 19 countries across Asia, Australasia, Europe, and the Middle-East.

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

Formerly the property development and investment arm of Fraser and Neave, Limited ("F&N"), FCL was demerged from the F&N group after the completion of the dividend in specie of all the shares held by F&N in FCL and was listed on the Main Board of the SGX-ST. Prior to a rebranding exercise in 2006, FCL was known as Centrepoint Properties Limited, which was publicly listed in 1988 and subsequently taken private in 2002.

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.