

## Fraser's Centrepont Trust 4Q08 & FY08 Results

- 4Q08 distribution to unitholders up 24% to S\$12.8 million
- FCT stands out in the current volatile financial market with conservative 28.1% gearing and no refinancing pressures

### Overview of FCT Results

<b>Jul to Sep 2008</b>	<b>4Q08</b>	<b>4Q07</b>	<b>Variance (%)</b>
Gross Revenue (S\$'000)	22,077	19,812	11.4%
Net Property Income (S\$'000)	14,092	12,846	9.7%
Distribution to unitholders (S\$'000)	12,788	10,309	24.0%
<b>Distribution per Unit (cents)</b>	<b>2.05</b>	<b>1.67</b>	<b>22.8%</b>

<b>Oct 2007 to Sep 2008</b>	<b>FY08</b>	<b>FY07</b>	<b>Variance (%)</b>
Gross Revenue (S\$'000)	84,664	77,499	9.2%
Net Property Income (S\$'000)	56,566	51,722	9.4%
Distribution to unitholders (S\$'000)	45,244	40,353	12.1%
<b>Distribution per Unit (cents)</b>	<b>7.29</b>	<b>6.55</b>	<b>11.3%</b>

**Singapore, 23 October 2008** – Fraser's Centrepont Asset Management Ltd. ("FCAM"), the Manager of Fraser's Centrepont Trust ("FCT"), is pleased to announce Distribution Per Unit ("DPU") of 2.05 cents for fourth quarter 2008 (period 1 Jul to 30 September 2008), an increase of 23% from the same period last year. Full year DPU rose 11% to 7.29 cents.

Strong performance at Causeway Point and excellent results at the reinvigorated Anchorpoint continued to drive gross revenue and net property income growth. Fourth quarter gross revenue grew 11% to S\$22.1 million while net property income increased 10% to S\$14.1 million. FY2008 gross revenue and net property income were similarly up 9% to S\$84.7 million and S\$56.6 million respectively.

Rentals at Causeway Point were renewed at 15% above preceding rates in 4Q08, reflecting the continued strong demand as well as tight supply situation in the suburban retail sector. Anchorpoint's 4Q08 gross revenues more than tripled to S\$2.4 million from the year before, as rents increased over 40% while the mall reverted to full occupancy after the completion of enhancement work. Overall portfolio occupancy declined to 87.7% as at 30 September 2008 from 94.6% a year ago as a result of planned vacancy associated with enhancement work at Northpoint.

Chief Executive of the Manager of FCT, Mr Christopher Tang said, "FY2008 capped a successful year for FCT as we deliver another consecutive year of sustained growth".

#### Defensive capital structure

In the current volatile capital market environment, FCT stands out with its lowly geared capital structure. With a conservative gearing level of 28.1% and no refinancing pressures, FCT remains well positioned despite the tightening of credit markets. FCT has no material refinancing and interest rate risks as its term loan amounting to S\$260 million only expires in July 2011, and its associated interest rate is fully hedged.

#### FY 2009

FCT's organic growth strategies of delivering sustainable rentals and Asset Enhancements to unlock portfolio value remains on track.

#### **Sustainable Rentals:**

FCT's property portfolio comprises suburban malls which serve a captive population catchment and caters to non-discretionary spending in goods and services such as groceries, foodcourts and basic fashion. Facing the threat of an economic slowdown, consumer behaviour is likely to change by substituting luxury and big ticket purchases with increased spending on basic goods and non-discretionary services, further enhancing the sustainability of FCT rentals.

#### **Asset Enhancements - Unlock portfolio value:**

The asset enhancement works at Northpoint is on schedule for completion by June next year. Rentals at Northpoint are projected to increase 20% to S\$13.20 per square foot per month, translating to a 30% increase in net property income to S\$18.0 million. With close to 90% of

Northpoint's post enhancement net lettable area already committed, Northpoint is set to provide a substantial boost to FCT's income from the second half of FY2009 onwards.

**Overseas growth:**

FCT's 31% strategic investment in Hektar REIT will continue to provide stable growth to FCT's income. Hektar REIT shares similar defensive characteristics to FCT, with a portfolio of Malaysian suburban malls that serve a captive population catchment. FCT is set to receive higher cash distributions from Hektar next year with the recent change in Malaysian tax laws. Starting in 2009, the withholding taxes to be paid by non-resident institutional investors of Malaysian REITs will be reduced from 20% to 10%.

**Delayed injection of pipeline assets:**

Northpoint 2 received its temporary occupation permit on 16 October 2008. The earlier plan for acquisitions has been placed on hold until confidence and stability returns to the capital markets.

Outlook

"Despite the volatility in financial markets, FCT unitholders can look forward to sustainable income from a defensive and lowly geared capital structure. FCT's portfolio of suburban malls provide highly defensive cashflows while the asset enhancement works at Northpoint will rejuvenate Singapore's pioneer mall, driving further income growth." concluded Mr Tang.

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**About Frasers Centrepoint Trust**

Frasers Centrepoint Trust (FCT) is a leading developer-sponsored retail REIT focused on growing shareholder value for its unitholders through active asset management, sound financial management and strategic investments. FCT invests primarily in quality income-producing retail properties and its initial portfolio consists of three quality suburban malls with a combined appraised value of S\$1,063 million as at 30 September 2008. These well-established malls: Causeway Point, Northpoint and Anchorpoint, enjoy wide captive markets, good connectivity and high occupancy which provide the basis for a strong and sustainable income stream. Through a strategic investment in Hektar REIT, FCT has an interest in an underlying portfolio of quality

suburban malls in Malaysia. Listed on the Main Board of the Singapore Exchange Securities Trading Limited since 5 July 2006, FCT is managed by Frasers Centrepoint Asset Management Ltd., the real estate asset and fund management division of Frasers Centrepoint Limited.

For more information on FCT, please visit [www.fraserscentrepointtrust.com](http://www.fraserscentrepointtrust.com)

#### **About Frasers Centrepoint Asset Management**

Frasers Centrepoint Asset Management Ltd. (FCAM) is the real estate asset and fund management division of Frasers Centrepoint Limited (FCL). FCAM combines the FCL Group's real estate expertise, global relationships and financial expertise in its asset management services and property funds management. FCAM was incorporated in Singapore under the Companies Act, Chapter 50 of Singapore on 27 January 2006 and is a wholly-owned subsidiary of FCL.

#### **About Frasers Centrepoint Limited**

Frasers Centrepoint Limited (FCL) is a wholly-owned subsidiary of Fraser and Neave, Limited, a leading international and diversified business group.

FCL is one of the fastest growing and most reputable real estate owners and developers in Singapore. It is an integrated company with a strong foothold in property development, property investment and serviced residences in Singapore. In the same industries, FCL also has development projects in overseas markets, such as the PRC, Thailand, Australia, New Zealand and the United Kingdom and serviced residences operating in Australia, South Korea, the PRC, Thailand, the Philippines, France and the United Kingdom.

For more information on FCL, please visit [www.fraserscentrepoint.com](http://www.fraserscentrepoint.com)

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#### **About Fraser and Neave, Limited**

Fraser and Neave, Limited (F&NL) is a leading Asia Pacific Consumer Group with expertise and dominant standing in the Food & Beverage, Property and Publishing & Printing industries. Leveraging on 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\$5 billion and total assets employed of close to S\$13 billion. F&NL is present in over 20 countries spanning Asia Pacific, Europe and USA and employs over 18,000 people worldwide.

For more information on F&NL, please visit [www.fraserandneave.com](http://www.fraserandneave.com)

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#### **Important Notice**

The value of units (Units) in FCT and the income derived from them, if any, may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager of FCT, or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors 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 the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

The past performance of FCT is not necessarily indicative of the future performance of FCT.