

**For Immediate Release**

**FCT full year DPU up 1.3% to new high 11.764 cents**

- Tenth consecutive year of DPU growth since listing
- Average rental reversion for FY2016 at 9.9%
- Higher appraised valuation of investment properties

**Singapore, 21 October 2016** – Frasers Centrepoint Asset Management Ltd. (“FCAM”), the manager of Frasers Centrepoint Trust (“FCT”), is pleased to announce distribution per unit (“DPU”) of 2.815 cents for the period from 1 July to 30 September 2016 (“4Q16”). This brings the total DPU for financial year ended 30 September 2016 (“FY2016”) to 11.764 cents, which is 1.3% higher than the previous year. This is the tenth consecutive year of DPU growth and the highest DPU since FCT’s listing in 2006.

**Causeway Point continues to deliver steady performance**

Gross revenue for 4Q16 was \$44.6 million, which is 6.0% lower compared with the year-ago period. Revenue contribution from the Causeway Point, FCT’s largest mall, was up 3.2% in 4Q16. However, Northpoint and Changi City Point contributed lower revenues due to asset enhancement initiative (“AEI”) works at Northpoint and vacancy due to changeover in an anchor tenant at Changi City Point. Full year revenue was 2.9% lower year-on-year at \$183.8 million.

Net property income for 4Q16 declined slightly by 0.9% to \$31.4 million compared with same period in the previous year. Property expenses were lower across all the malls in 4Q16 and in FY2016 due mainly to lower utilities tariff rates and other property expenses. Net property income for the year declined 0.9% to \$129.8 million. Both Causeway Point and YewTee Point achieved 5.0% year-on-year growth in net property income which helped to offset the lower contributions from rest of the malls.

### **Financial position remains robust**

Gearing level of FCT stood at a healthy 28.3% with weighted average debt maturity at 2.7 years (3Q16: 2.0 years). The all-in average cost of borrowings in 4Q16 was 2.1%, compared with 2.3% in the prior quarter, as borrowings which fall due in 4Q16 were refinanced at lower interest cost and a higher proportion of the total borrowings was on floating rates.

### **Higher appraised valuation of investment properties**

Four of the FCT malls - Causeway Point, Northpoint, YewTee Point and Anchorpoint saw higher appraised valuations from the independent property valuers. Valuations of Changi City Point and Bedok Point remained unchanged. The aggregate value of the portfolio properties was \$2,509 million, which is \$45 million or 1.8% higher compared with the aggregate value of \$2,464 million as at 30 September 2015.

### **Full year average rental reversions at 9.9%**

During 4Q16, 37 leases accounting for 2.6% of FCT's total net lettable area were renewed at an average rental reversion of 4.6%. For the full year, the average rental rates achieved for renewed leases for the portfolio improved 9.9%, which is a 4-year high. The three largest malls, Causeway Point, Northpoint and Changi City Point achieved higher average rental rate for renewed leases of between 9.6% and 18.9%.

The portfolio occupancy as at 30 September 2016 declined to 89.4% from 90.8% in the prior quarter, due mainly to the AEI at Northpoint and transitional vacancy at Changi City Point. The fitting-out of a new anchor tenant at Changi City Point is expected to complete this month. All four other malls saw improvement in their mall occupancy from the previous quarter. Bedok Point registered the biggest improvement of 5.0%-point, both Causeway Point and YewTee Point improved about 1%-point.

The portfolio shopper traffic in the 3-month period between July and September 2016 improved 0.4% year-on-year and 2.8% quarter-on-quarter. Total shopper traffic for FY2016 was up 4.9% to 102 million, crossing 100 million for the first time. Portfolio tenants' sales for the 3-month period from June to August 2016 was 9.5% lower compared with the same period in the previous, primarily due to the ongoing AEI at Northpoint as well as the changeover of an anchor tenant at Changi City Point. Excluding these two malls, the tenants' sales was 4.2% softer year-on-year.

## **AEI and acquisition strategies to remain key growth drivers for FCT**

Dr Chew Tuan Chiong, Chief Executive Officer of FCAM, said, “FY2016 is a significant milestone for FCT as we celebrate its tenth year since its listing on the Singapore Exchange. Over the ten years, FCT has maintained steady growth, stable performance and delivered higher DPU every year at a compounded annual growth rate of almost 7%. The NAV per unit this year has also hit a new high at \$1.93. This track record is built upon the successful execution of our strategies, prudence in capital management, diligence of our people and support from our unitholders, amongst other success factors.

Going forward, we will continue to focus on optimising the performance and returns of FCT’s malls, ensuring that they remain relevant to our shoppers and tenants. AEI and acquisition strategies will remain the key growth drivers for FCT, while active lease management and maintaining healthy occupancy and rental reversion are crucial in maintaining our organic growth momentum.”

## **FCT’s malls are expected to remain resilient**

In line with the weaker economic growth outlook, the retail sector continues to face headwinds and challenges ahead.

Notwithstanding the uncertain economic outlook and barring unforeseen circumstances, FCT’s well-located suburban malls are expected to remain resilient.

The asset enhancement works at Northpoint are progressing on schedule and are expected to complete by September 2017. While the works have been phased to minimise income disruption, rental revenue will be impacted.

## **Summary of 4Q16 and FY2016 Results**

	<b>4Q16</b> 1/7/16 to 30/9/16	<b>4Q15</b> 1/7/15 to 30/9/15	Increase/ (Decrease)	<b>FY2016</b> 1/10/15 to 30/9/16	<b>FY2015</b> 1/10/14 to 30/9/15	Increase/ (Decrease)
Gross revenue (\$'000)	44,619	47,479	(6.0%)	183,816	189,242	(2.9%)
Net property income (\$'000)	31,466	31,723	(0.9%)	129,852	131,043	(0.9%)
Distribution to unitholders (\$'000)	25,904	26,223	(1.2%)	108,101	106,412	1.6%
Distribution per unit (cents)	2.815	2.859	(1.5%)	11.764	11.608	1.3%

*Note: Books closure date for 4Q16 DPU is 28 October 2016 (Friday, 5.00 pm). Payment date is 29 November 2016 (Tuesday).*

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**About Frasers Centrepoint Trust**

Frasers Centrepoint Trust ("FCT") is a leading developer-sponsored retail real estate investment trust with six quality retail malls in Singapore. The portfolio comprises Causeway Point, Northpoint, Changi City Point, Bedok Point, YewTee Point and Anchorpoint. With a combined appraised value of \$2.51 billion as at 30 September 2016, FCT malls enjoy wide captive markets, good connectivity and high occupancy. FCT also receives steady overseas' returns via its strategic stake in Hektar REIT.

FCT is focused on increasing shareholder value by pursuing organic, enhancement and acquisition growth strategies. With proactive lease management initiatives, FCT is well placed to achieve sustainable rental growth. To unlock the full potential of its assets, FCT continues to enhance existing assets to maximise their performance. The potential acquisitions of new assets will help FCT gain greater scale and drive further income growth for unitholders.

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., a real estate management company and a subsidiary of Frasers Centrepoint Limited.

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

**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 above 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 the sponsor and its subsidiaries are the managers 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](http://www.fraserscentrepoint.com).

**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.