

**For Immediate Release**

**FCT reports 3Q17 DPU of 3.0 cents**

- Portfolio achieves 4.3% positive rental reversion in the 9 months year-to-date
- The asset enhancement works at Northpoint are expected to complete by September 2017, more than 90% of the reconfigured areas have been pre-committed

**Singapore, 24 July 2017** – Frasers Centrepoint Asset Management Ltd. (“FCAM”), the manager of Frasers Centrepoint Trust (“FCT”), is pleased to announce distribution per unit (“DPU”) of 3.0 cents for the period from 1 April to 30 June 2017 (“3Q17”).

Gross revenue for 3Q17 was \$43.6 million, down 3.3% year-on-year. The decline in revenue was mainly attributable to the ongoing asset enhancement initiative (“AEI”) works at Northpoint. Higher revenue from Causeway Point and additional contribution from Yishun 10 Retail Podium helped to mitigate the revenue decline. Net property income for 3Q17 was \$30.8 million, which is 1.3% lower year-on-year.

**FCT’s financial position remains strong**

Gearing level of FCT stood at 30.0% as at 30 June 2017 and the weighted average debt maturity improved to 2.6 years from 2.4 years in the previous quarter. The all-in average cost of borrowings in 3Q17 was 2.2%, unchanged from the previous quarter. FCT has approximately 55% of its borrowings on fixed or hedged-to-fixed interest rates. Net asset value as at 30 June 2017 was \$1.92 per unit. FCT has no refinancing needs for remaining period in FY2017.

**Portfolio achieves 4.3% positive rental reversion in the 9 months year-to-date**

During 3Q17, 43 leases accounting for 5.2% of FCT’s total net lettable area (“NLA”) were renewed at an average rental reversion of +0.4%. The portfolio average rental reversion for the quarter was affected by Bedok Point, which registered 30.2% lower average rental rate for leases renewed during the quarter. Excluding Bedok Point, the other five malls in the portfolio achieved an average rental reversion of +5.4% for 3Q17. The portfolio average rental reversion for the nine months year-to-date is +4.3%.

### **Portfolio occupancy at 87.1%**

The portfolio occupancy as at 30 June 2017 was 87.1%, comparable to 87.2% registered in the prior quarter. Occupancy at Northpoint (including Yishun 10 retail podium) improved to 65.9% from 60.7% in March 2017 as the AEI works progress towards completion scheduled for September 2017. Occupancy at Changi City Point declined to 84.0% from 89.7% in 2Q17, due to transitional vacancy from a new incoming tenant fitting out their space. Occupancy improved to 87.4% after this tenant commenced trading on 1 July.

### **Portfolio shopper traffic and tenants' sales growth**

The portfolio shopper traffic in the 3-month period between April and June 2017 was 2.8% lower year-on-year and 4.6% lower quarter-on-quarter. Overall shopper traffic was affected by the lower traffic at Northpoint due to the planned vacancy related to the AEI works. Excluding Northpoint, overall portfolio shopper traffic is 3.7% higher year-on-year and 2.5% higher quarter-on-quarter. Portfolio tenant sales for the 3-month period from March to May 2017 was 5.9% lower year-on-year (prior 3-month period: -12.1%). Excluding Northpoint, portfolio tenant sales were 3.3% lower year-on-year (prior 3-month period: -6.9%).

### **CEO's comments**

Dr Chew Tuan Chiong, Chief Executive Officer of FCAM, said, "The suburban retail market remains resilient as this sector focuses more on necessity spending and increasingly on food and beverages. We see higher shopper traffic at Causeway Point, Changi City Point as well as YewTee Point, compared with the same period a year ago. We expect Northpoint shopper traffic to improve as we progress towards completion of the AEI this September. The government has announced that the Downtown Line 3 (DTL3) will open on 21 October 2017<sup>1</sup>. The Expo station next to Changi City Point is one of the stations along DTL3 and we hope this will bring forth additional shopper traffic to the mall when the DTL3 commences operations.

FCT has continued to deliver consistent performance for 3Q17 and its financial position remains solid. We will continue to maintain FCT's performance and to deliver steady returns for our stakeholders."

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<sup>1</sup> Land Transport Authority. (2017, 31 May). *Factsheet: Downtown Line 3 to Open on 21 October 2017*. [News Release]. Retrieved from <https://www.lta.gov.sg/apps/news/page.aspx?c=2&id=5c4e424c-1a46-44cb-92d0-212e37a2b6df>

## Outlook

Excluding motor vehicles, retail sales index increased 0.6% year-on-year in May 2017.

The asset enhancement works at Northpoint are proceeding on schedule and are expected to complete by September 2017. More than 90% of the reconfigured areas have been pre-committed.

Although the general retail sector continues to face structural challenges, FCT's suburban malls are generally expected to remain resilient.

## Summary of Results

	<b>3Q17</b> 1/4/17 to 30/6/17	<b>3Q16</b> 1/4/16 to 30/6/17	Increase/ (decrease)	<b>9M17</b> 1/10/16 to 30/6/17	<b>9M16</b> 1/10/15 to 30/6/16	Increase/ (decrease)
Gross revenue (\$'000)	43,555	45,032	(3.3%)	133,347	139,197	(4.2%)
Net property income (\$'000)	30,785	31,186	(1.3%)	94,976	98,406	(3.5%)
Distribution to unitholders (\$'000)	27,673	27,949	(1.0%)	82,316	82,197	0.1%
Distribution per unit (cents)	3.00	3.04	(1.3%)	8.930	8.949	(0.2%)

*Note: FCT units will trade ex-distribution (ex-date) on 28 July 2017, books closure date for 3Q17 DPU is 1 August 2017 (Tuesday, 5.00 pm) and payment date is 29 August 2017 (Tuesday).*

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## About Frasers Centrepoint Trust

Frasers Centrepoint Trust ("FCT") is a leading developer-sponsored retail real estate investment trust. FCT's property portfolio comprises the following suburban retail properties in Singapore: Causeway Point, Northpoint and Yishun 10 Retail Podium, Anchorpoint, YewTee Point, Bedok Point and Changi City Point. The combined appraised value of FCT's property portfolio is \$2.56 billion as at 30 June 2017. FCT malls are strategically located in various established residential townships, and have a large and diversified tenant base covering a wide variety of trade sectors. FCT also holds a 31.17% stake in Hektar Real Estate Investment Trust, a retail-focused REIT in Malaysia listed on the Main Market of Bursa Malaysia Securities Berhad.

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 of S\$25 billion as at 31 March 2017. 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 Asia, Australia, Europe, and the Middle-East. FCL also has an International Business unit 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"). FCL is also a sponsor and its subsidiaries are the managers of three REITs listed on the SGX-ST, Frasers Centrepoint Trust, Frasers Commercial Trust, and Frasers Logistics & Industrial Trust 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 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.