



Frasers Commercial Trust 4QFY12 & Full Year Financial Results

25 October 2012

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→ **Results**

→ **Portfolio review**

→ **Capital management**

→ **Moving Forward**

Results

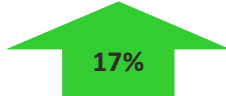


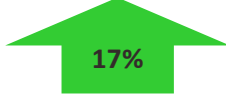

Key highlights:

- FY distributable income to Unitholders of S\$43.1m, ↑ 18.5% Y-o-Y
- Distribution to CPPU holders of S\$18.8m, represents 5.5% distribution yield on the offer price of S\$1.0
- Caroline Chisholm Centre recorded higher NPI of S\$16.2 million, ↑ 48.5% Y-o-Y as a result of the acquisition of the other 50% interest on 13 April 2012
- Healthy portfolio average occupancy rates at 93.8%, with weighted average lease expiry (“WALE”) of 4.7 years
- Completed divestment of Keypoint realising a gain of S\$72.8 million or 26.3% premium to book value
- Early refinancing of A\$105 million transferable term loan facility; refinancing of S\$500 million term loan facility at a lower blended interest margin and extended debt maturity profile
- Prepayment total amount of S\$159.5 million of the S\$320 million and A\$86 million term loan facilities from the divestment proceeds of Keypoint post year end
- Divested remaining Japanese properties on 25 October 2012 and exited Japan market

→ Results – Financial highlights

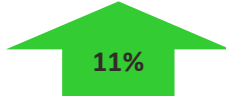

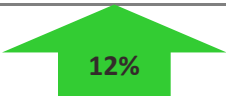

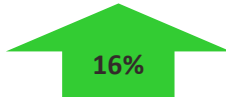
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DPU for 4Q rose by 15% Y-o-Y

1 Jul 2012 – 30 Sep 2012	4Q FY12 (S\$ '000)	Y-o-Y Change (%)	Contributing factors
Gross Revenue	35,581	 17%	<ul style="list-style-type: none"> Higher contribution from Central Park; higher contribution from Caroline Chisholm Centre due to acquisition and direct leases with underlying tenants of China Square Central
Net Property Income (“NPI”)	26,482	 9%	<ul style="list-style-type: none"> Higher income received from Central Park and contribution from 100% interest in Caroline Chisholm Centre
Total distributable income	16,053	 12%	<ul style="list-style-type: none"> Increase in NPI carried through to total distributable income coupled with reduction in interest expenses
- Unitholders	11,318	 17%	<ul style="list-style-type: none"> Attributable to increase in total distributable income
- CPPU holders	4,735	-	<ul style="list-style-type: none"> Full quarter distribution for CPPU holders
Distribution per CPPU Unit	1.38¢	-	<ul style="list-style-type: none"> Full quarter distribution for CPPU holders
Distribution per Unit (“DPU”) ¹	1.75¢	 15%	<ul style="list-style-type: none"> DPU increased Y-o-Y in line with distributable income

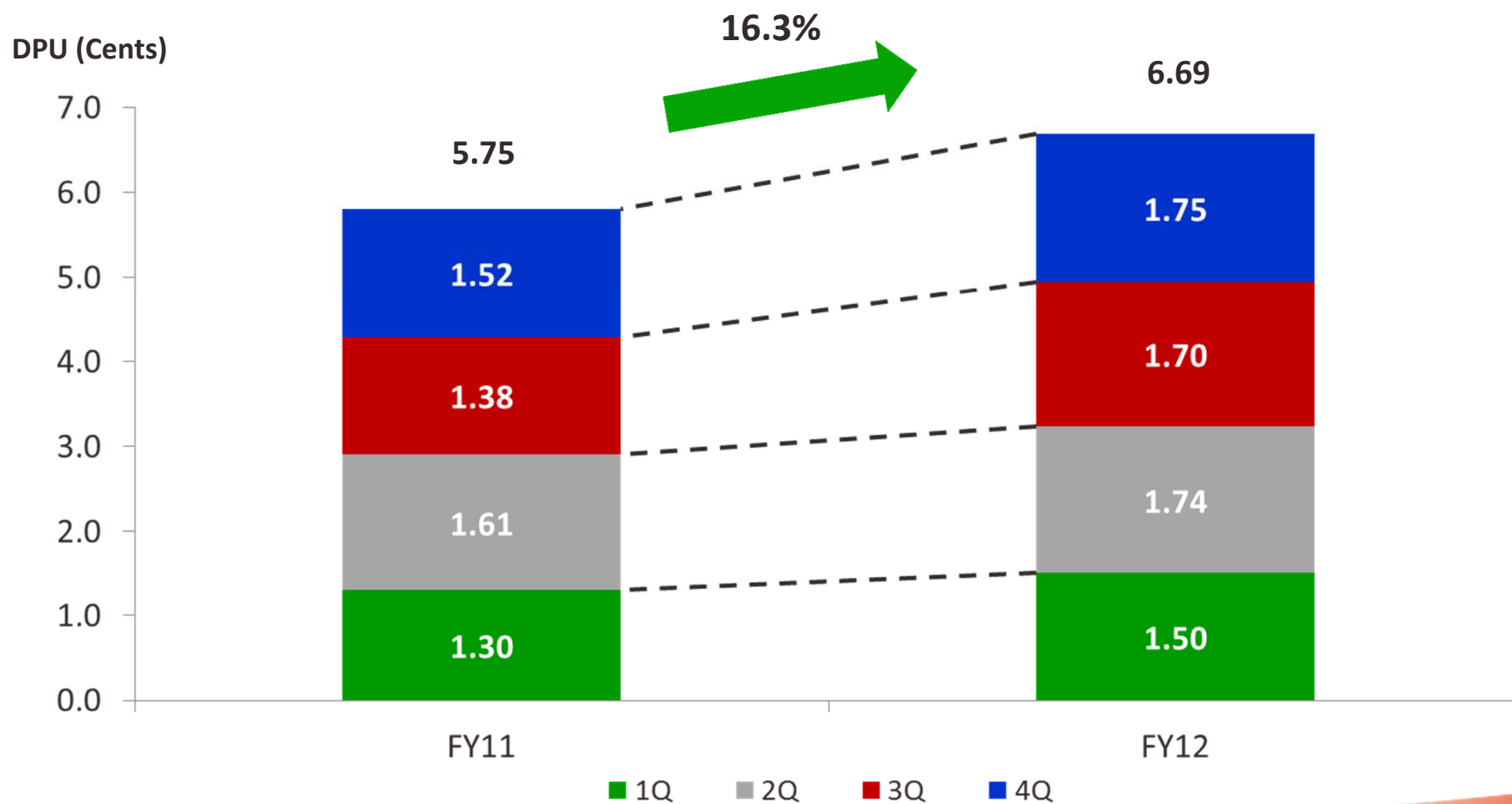
¹ The number of Units used to calculate the amount available for DPU is 645,895,269. See accompanying 4QFY12 Financial Statements announcement for more details.

19% rise in distributable income for FY12

1 Oct 2011 – 30 Sep 2012	FY12 (\$\$ '000)	Y-o-Y Change (%)	Contributing factors
Gross Revenue	132,861	 11%	<ul style="list-style-type: none"> Higher contribution from Central Park, higher contribution from Caroline Chisholm Centre due to acquisition and direct leases with underlying tenants of China Square Central
Net Property Income	102,516	 7%	<ul style="list-style-type: none"> Higher income received from Central Park, higher contribution from 100% interest in Caroline Chisholm Centre
Total distributable income	61,889	 12%	<ul style="list-style-type: none"> Increase in NPI carried through to total distributable income coupled with reduction in interest expenses
- Unitholders	43,051	 19%	<ul style="list-style-type: none"> Attributable to increase in total distributable income
- CPPU holders	18,838	-	<ul style="list-style-type: none"> Full year distribution for CPPU holders
Distribution per CPPU Unit	5.50¢	-	<ul style="list-style-type: none"> Full year distribution for CPPU holders
DPU ¹	6.69¢	 16%	<ul style="list-style-type: none"> DPU increased Y-o-Y in line with distributable income

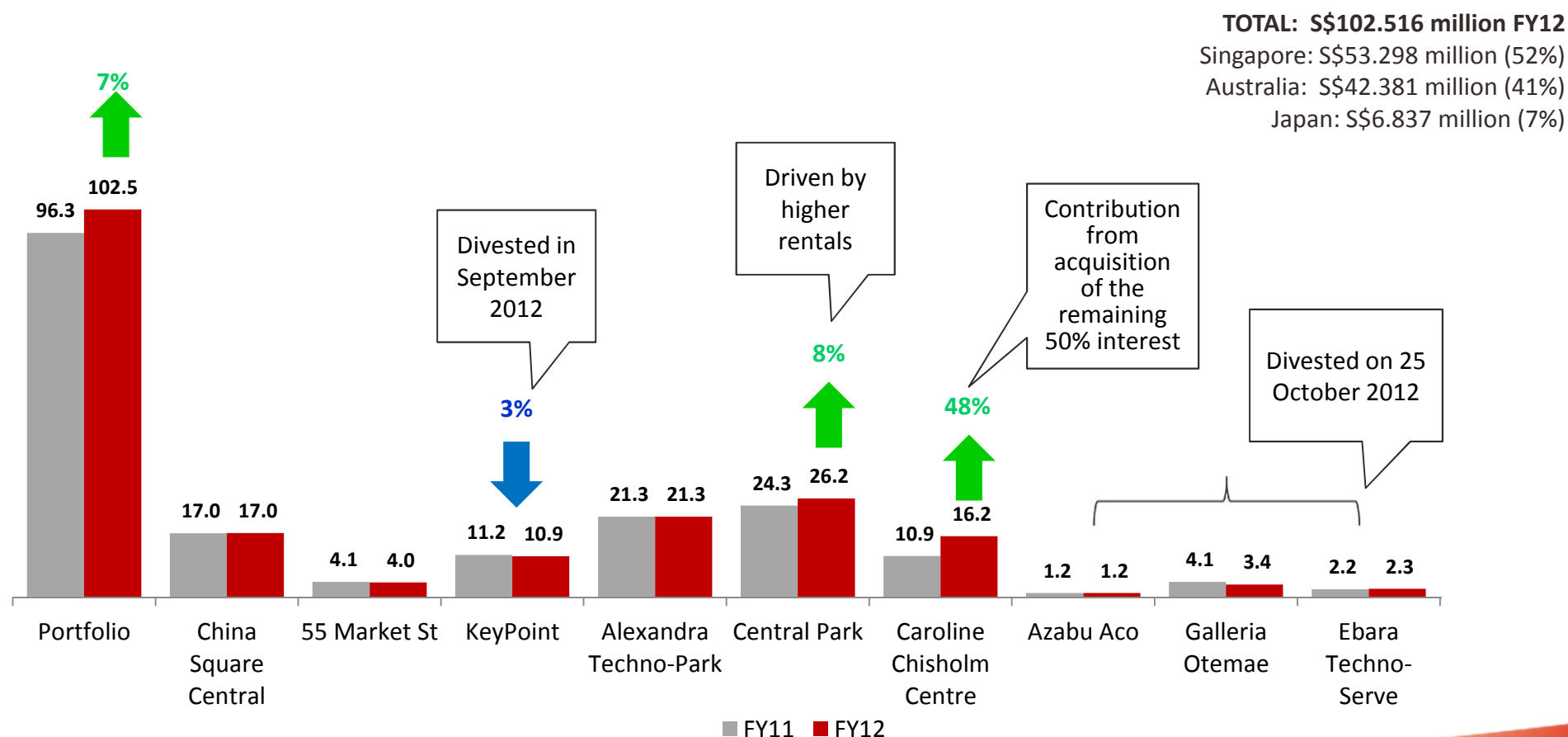
¹ The number of Units used to calculate the amount available for DPU is 645,895,269. See accompanying 4QFY12 Financial Statements announcement for more details.

Recorded DPU growth for the third successive year since recapitalisation exercise



7% higher NPI boosted by Central Park and Caroline Chisholm Centre

Net Property Income (\$m)



Distribution to be paid on 29 November 2012

Distribution Period	1 April 2012 to 30 September 2012
Ordinary Unit Distribution Rate	Distribution of 3.4480 cents per Unit comprising: a) taxable income distribution of 2.1251 cents; b) tax-exempt income distribution of 1.1402 cents; and c) capital distribution of 0.1827 cents.
Last day of trading on “cum” basis	Wednesday, 31 October 2012
Ex-distribution trading commence	Thursday, 1 November 2012
Distribution Books Closure Date	Monday, 5 November 2012 at 5.00 pm
Distribution Payment Date	Thursday, 29 November 2012

2.7500 cents distribution per CPPU unit for the period from 1 April 2012 to 30 September 2012 was paid on 1 October 2012.

Portfolio review

➔ Portfolio review – Valuation

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4.4% increase in overall portfolio valuation driven by higher valuation achieved by Central Park and Alexandra Technopark

Asset	Date of valuation	Local currency Value (millions)	Translation as at 30-Sep-12 (\$ million) ¹	Variance from 30 September 2011	
				Total variance (\$ million)	Total variance (%)
China Square Central	30-Sep-12	S\$558.0	558.0	3.0	0.5%
55 Market Street	30-Sep-12	S\$128.0	128.0	2.0	1.6%
Alexandra Technopark	30-Sep-12	S\$390.0	390.0	31.0	8.6%
Central Park	30-Sep-12	A\$330.0 ²	426.8	53.4	14.3%
Caroline Chisholm Centre	30-Sep-12	A\$197.0	254.8	15.7 ³	6.6% ³
Azabu Aco ⁴	30-Sep-12	¥1,330.0	20.9	(1.2)	(5.4%)
Galleria Otemae ⁴	30-Sep-12	¥2,740.0	43.1	(19.6)	(31.3%)
Ebara Techno-Serve ⁴	30-Sep-12	¥1,930.0	30.4	(7.1)	(18.9%)
Total portfolio			1,852.0	77.2	4.4%

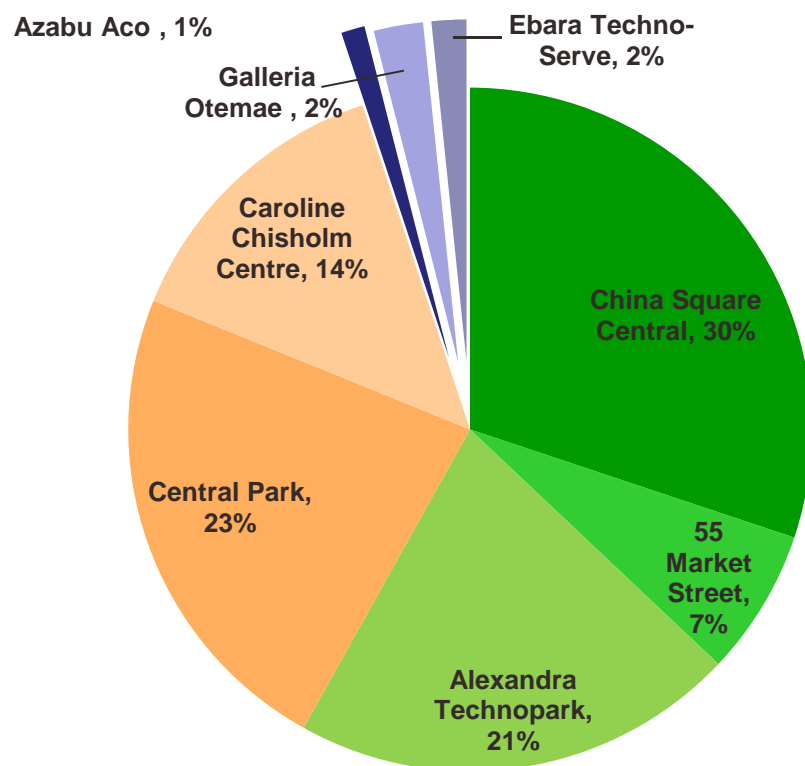
¹ Translated at ¥63.53= S\$1.00 and A\$1.00 = S\$1.2932 being the prevailing spot rates at close of quarter accounts

² Represents FrasersComm's 50.0% indirect interest in the asset.

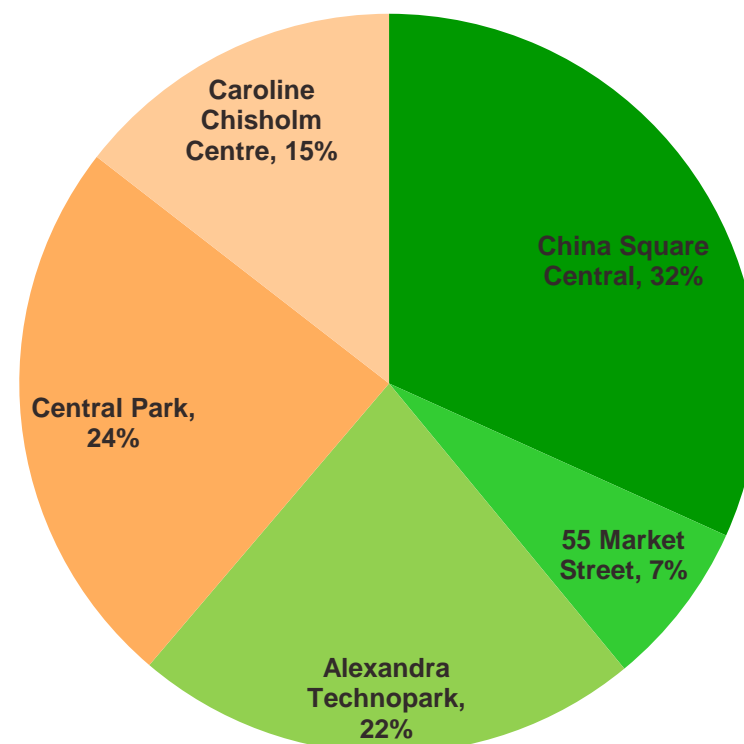
³ Based on valuation of 50% interest as at 30 September 2011 and cost of acquisition of remaining 50% interest during the financial year

⁴ The properties were divested on 25 October 2012

Portfolio will focus on Singapore and Australian properties



Post-sale of Japanese properties *



Singapore	\$ 1,076.0	58%
Australia	\$ 681.5	37%
Japan	\$ 94.4	5%
Total	\$ 1,851.9	100%

Singapore	\$ 1,076.0	61%
Australia	\$ 681.5	39%
Total	\$ 1,757.50	100%

As at 30 September 2012. Excludes retail turnover rent

* The Japanese properties were divested on 25 October 2012

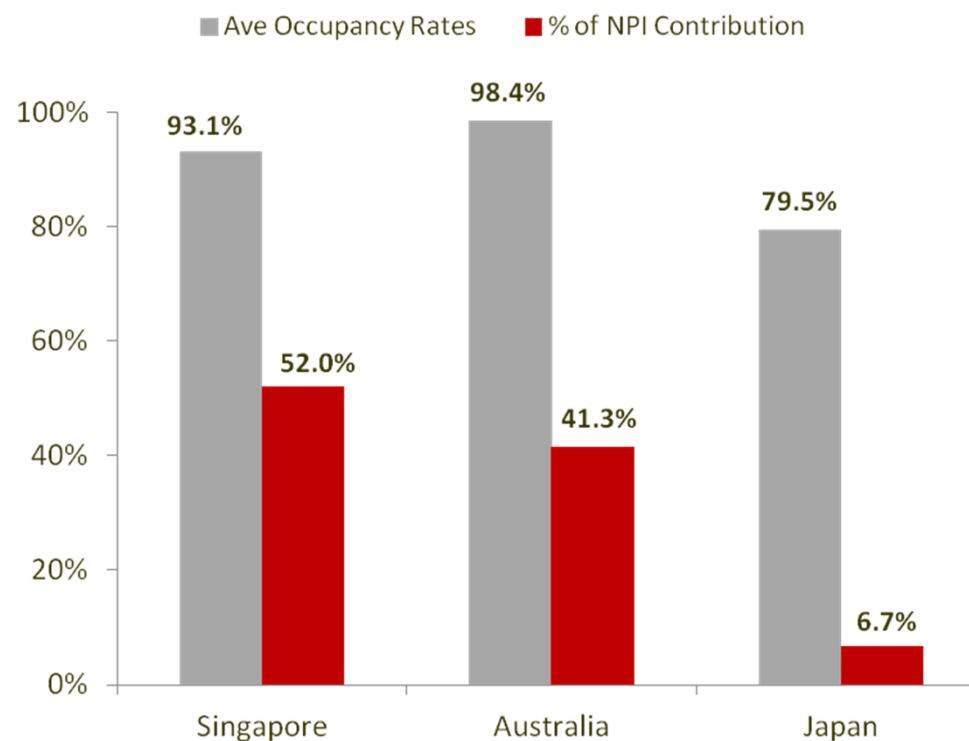
→ Portfolio review – Occupancy Rates & WALE

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- **Singapore & Australian portfolios contribute 93.3% of NPI income**
- **Healthy average occupancy rate of 94.9%**

Key portfolio statistics	As at 30 September 2012
WALE by gross rental income	4.7 years
WALE by gross rental income (excluding Japanese properties)	5.0 years
Ave Occupancy	93.8%
Ave Occupancy (excluding Japanese properties)	94.9%

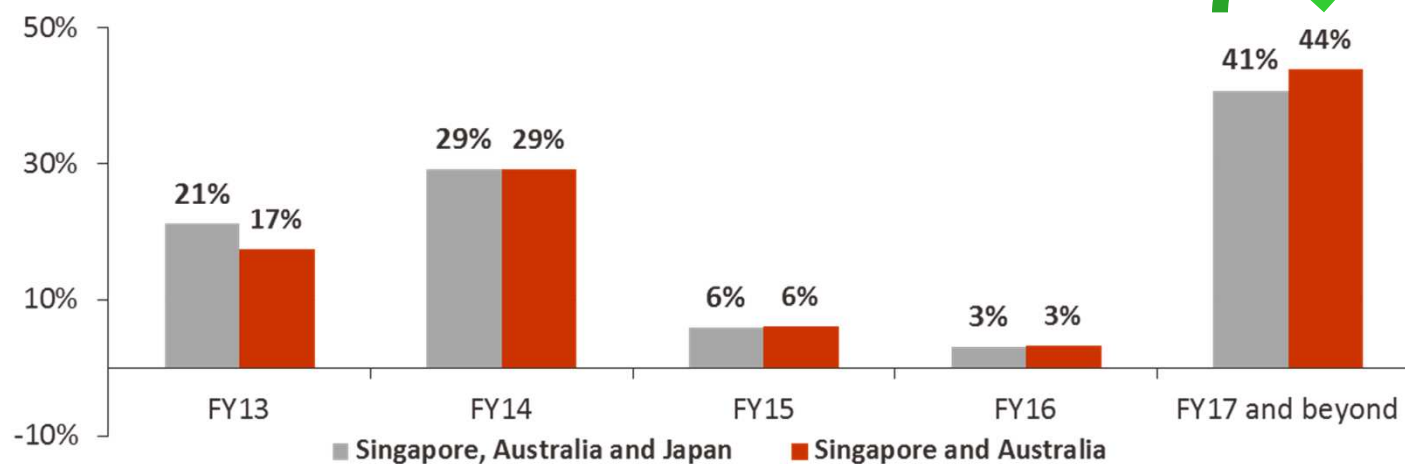
Geographical occupancy and % of NPI contribution



As at 30 September 2012. Excludes retail turnover rent

More than 40% of lease expiry in FY2017 and beyond

Portfolio lease expiry by gross rental income



Number of leases expiring ²	65	40	33	4	20
NLA (sq ft) expiring ²	218,779	1,134,105	78,930	45,058	683,684
Expiries as % total NLA ²	9.6%	49.8%	3.5%	2.0%	30.0%
Expiries as % total Gross Rental Income ²	17.3%	29.3%	6.1%	3.2%	44.0%

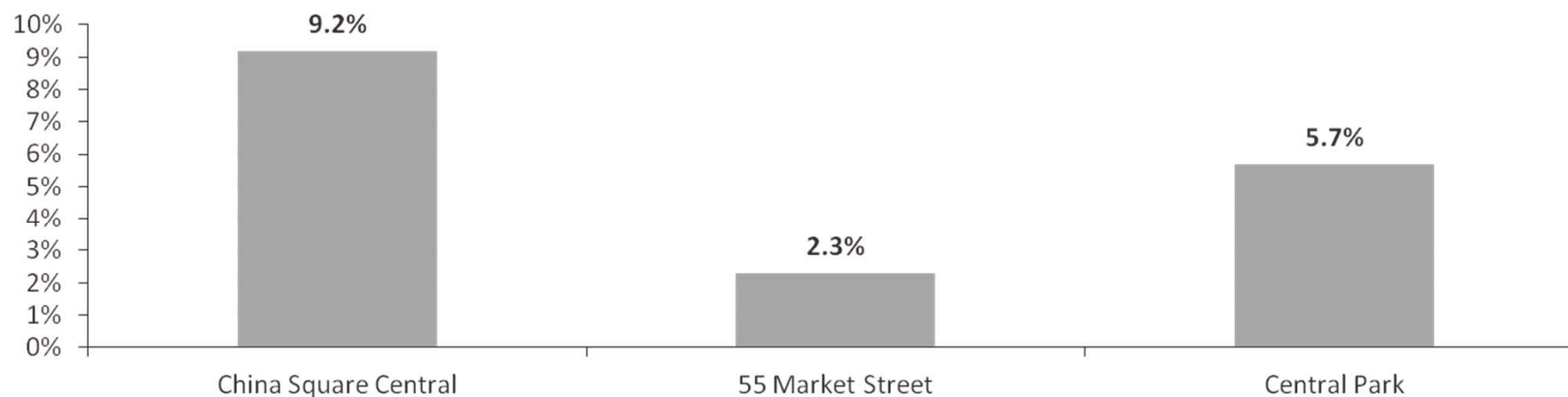
As at 30 September 2012. Excludes retail turnover rent

¹ The Japanese properties were divested on 25 October 2012

² Excluding Japanese properties

Low passing rents presents potential for higher income

Property Lease Expiry as a proportion of total Portfolio Gross Rental Income *



Ave passing rent for expiring leases

Number of leases expiring	54	8	3
Average passing rent	\$6.2	\$6.0	AUD \$546.8

As at 30 September 2012. Excludes retail turnover rent

* Post divestment of Japanese properties

→ Portfolio review – Mid-term rent reviews

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More than 35% of leases have built-in step-up rents

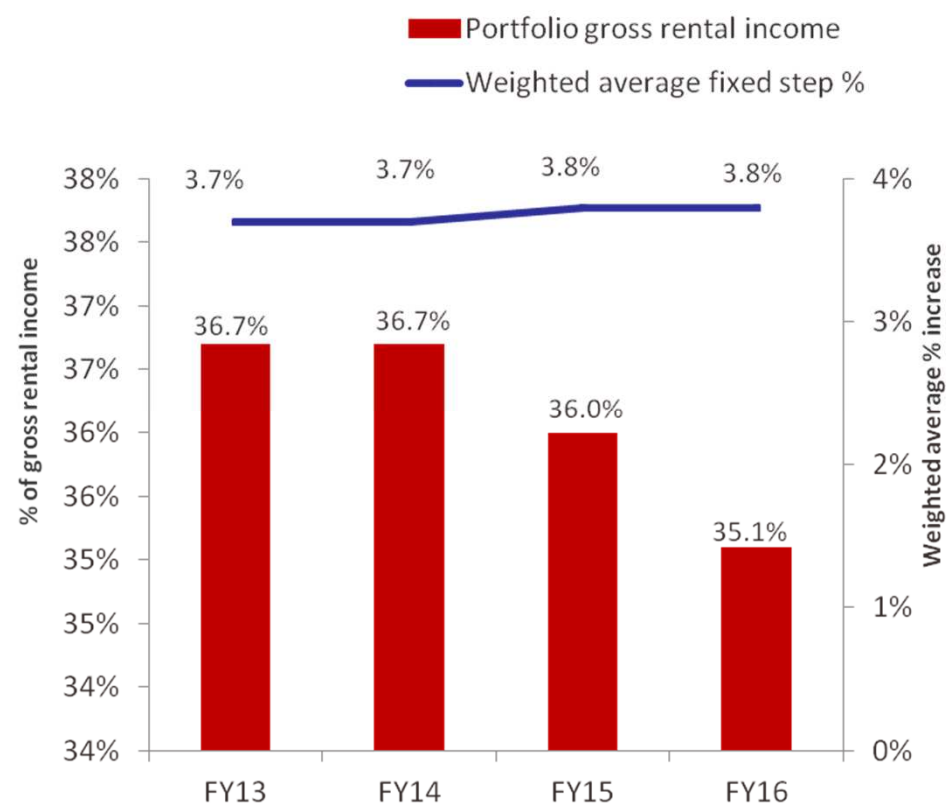
FY13 - Fixed % and other fixed lease rent reviews

Property	Leases	Average step-up rent	GROSS RENTAL INCOME	
			Property	Total Portfolio
China Square Central	4	8.4%	3.5%	0.7%
Caroline Chisholm Centre	1	3.0%	100.0%	20.8%
Central Park	14	4.5%	58.2%	15.2%
Central Park	5	CPI	9.0%	2.5%

FY13- Other mid-term lease rent reviews

Property	Leases	Review mechanism	GROSS RENTAL INCOME	
			Property	Total Portfolio
Central Park	4	Market	6.6%	1.8%

FY13 – 16 - Portfolio fixed % reviews



Excludes retail turnover rent

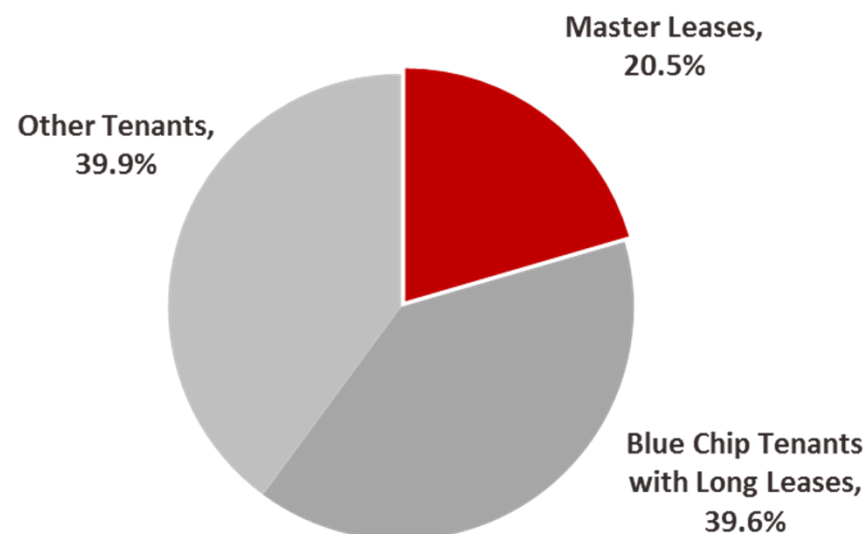
➔ Portfolio review – Stability of income

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Master lessees/ blue chip tenants with long leases contribute 60% of total gross rental income

Master Leases		
Tenant	Lease Expiry	% (Gross Rental Income)
Alexandra Technopark – Orrick Investments Pte Ltd	Aug 2014	20.5%

Blue Chip Tenants with Long Leases		
Tenant	Lease Expiry	% (Gross Rental Income)
Commonwealth of Australia (Centrelink)	Jul 2025	20.8%
Hamersley Iron Pty Ltd (Rio Tinto)	Jun 2018	9.1%
Cerebos Pacific Ltd	May 2017	3.4%
BHP Billiton Iron Ore Pty Ltd	Jul/ Aug 2017	1.7%
PF Lawyers Pty Ltd (DLA Piper)	Jun 2020	1.5%
Government Employees Superannuation Board (WA)	May 2017	1.2%
Plan B Administration Pty Ltd	April 2019	1.1%
Jones Lang LaSalle (WA) Pty Ltd	Mar 2021	0.7%
Total		39.6%



Master Lessees
 +
Blue Chip Tenants with Long Leases
 =
 60.1% portfolio income secured

As at 30 September 2012. Excludes retail turnover rent

China Square Central – Healthy demand for space vacated by Marsh & McLennan

▪ Tenancy activity activities:

- Approx. 26,500 sq ft of new leases and renewals secured during the quarter
- Signed-on a new tenant, GroupM, part of the WPP Group listed on both LSE and NASDAQ
- GroupM will lease 49,000 sq ft office space formerly occupied by Marsh & McLennan for 6 years commencing from 1 April 2013
- To-date, 76% of space formerly occupied by Marsh & McLennan has been re-leased
- Committed occupancy increased from 74% to 86% as at 30 September 2012



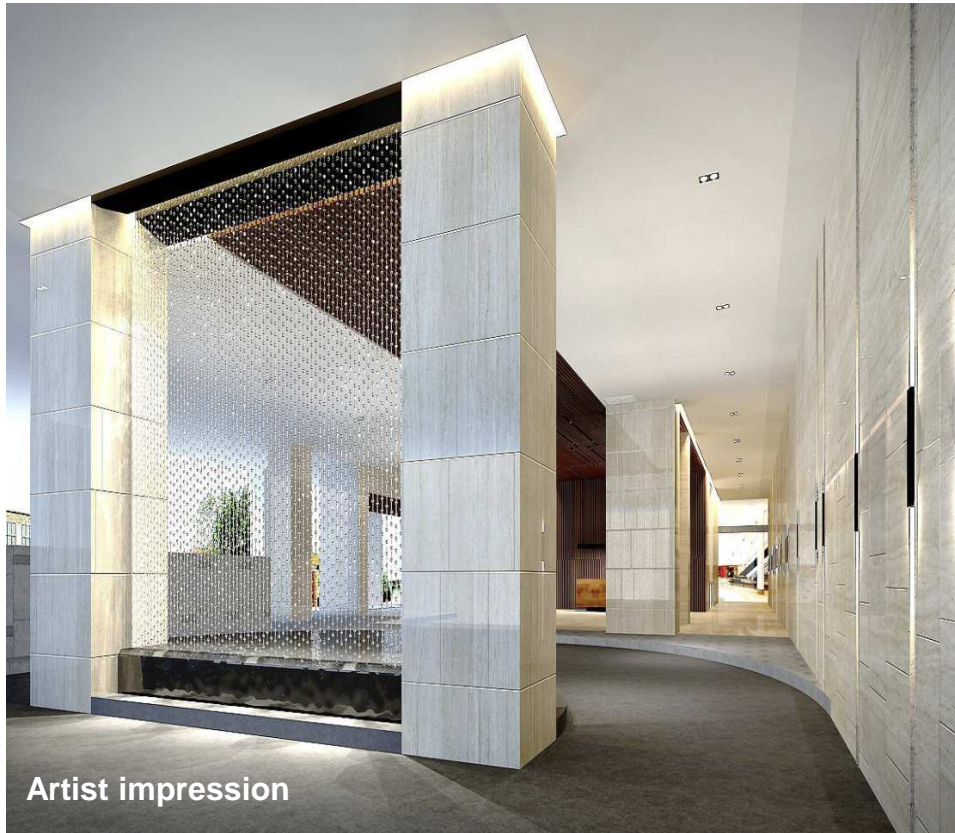
Precinct Master Plan initiatives on schedule



- Covered linkway provides opportunities for alfresco dining
- Retail offering being upgraded

Artist impression

China Square Central – Asset Enhancement Initiatives (“AEI”) will enhance positioning of the property



Artist impression



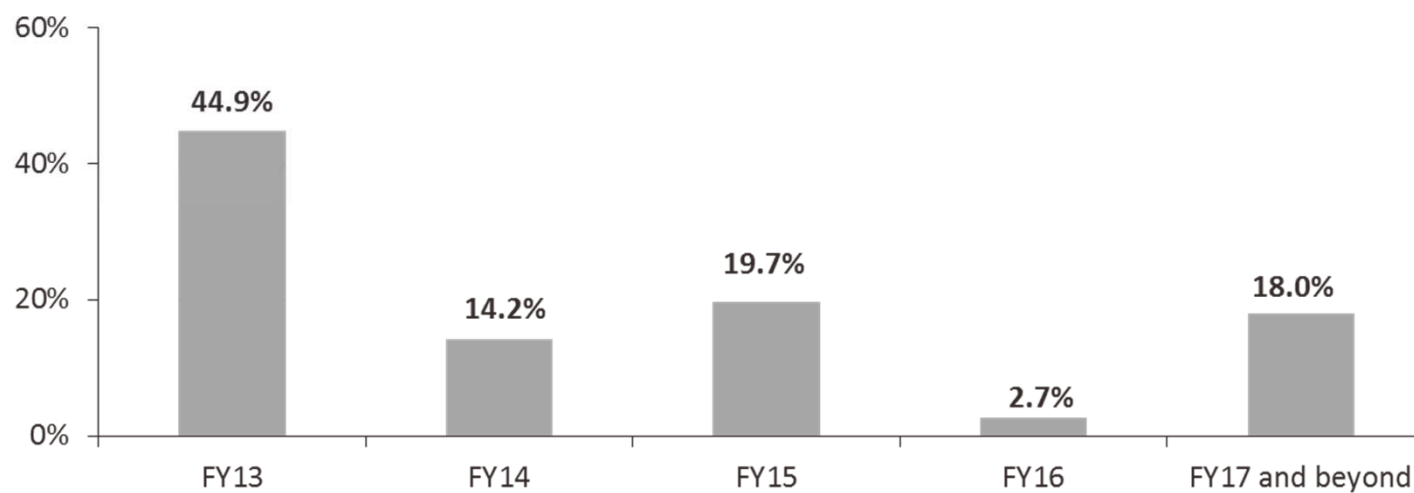
Artist impression

- AEI being planned and targeted to commence by end-2012
- Upgrading of main lobby, drop-off point, common corridors and other common areas
- Enhancement and addition of facilities

As at 30 September 2012

China Square Central – Average passing rent approx. \$6.3 psf pm

Lease expiry by gross rental income



Number of leases expiring	54	30	23	1	3
NLA (sq ft) expiring	121,178	40,717	55,327	10,056	43,074
Expiries as % total Gross Rental Income	44.9%	14.2%	19.7%	2.7%	18.0%
Average passing rent	\$6.3	\$5.9	\$6.0	\$4.6	\$7.1

As at 30 September 2012.

55 Market Street – healthy occupancy rate



- **Healthy occupancy:**
 - 90% occupancy as at 30 September
 - New tenants Corporate Serviced Offices and Chancery Law
 - Lease renewals by CSAM Asset Management and Curry San

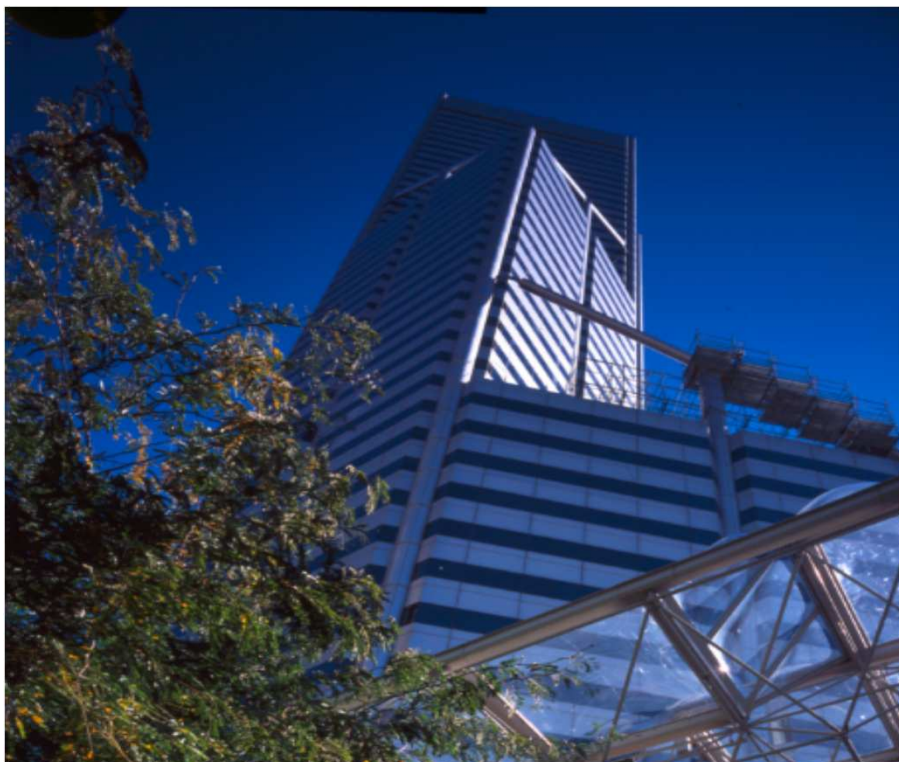
Alexandra Technopark – full occupancy with robust tenancy activities



- **Robust tenancy activities:**
 - 100% occupancy as at 30 September
 - New leases and leases renewed for office space >132,400 sf for 2 to 3 years

As at 30 September 2012.

Central Park – Long WALE of 4.2 years



- **Robust occupancy:**
 - 96.4% occupancy as at 30 September
 - Long WALE by gross rental income of 4.2 years
- **Upgrading projects:**
 - Toilet and lift upgrading works on-going

Caroline Chisholm Centre –full occupancy coupled with long WALE of 12.8 years



- **Robust tenancy activities:**
 - 100% occupancy as at 30 September
 - Aaa rated tenant *
 - Long WALE by gross rental income of 12.8 years

As at 30 September 2012.

* Based on Moody's rating in September 2012

Divestment of Japanese properties will strengthen financial position

▪ Divestment details

- Nominal sale consideration of ¥4
- Completed on 25 October 2012

▪ Rationale

- Declining occupancy and weak performance
- TMK holding properties currently at negative NAV of S\$4.9 million
- Peripheral and non-prime asset
- Divestment will reduce gearing to 33.7% from 36.8%



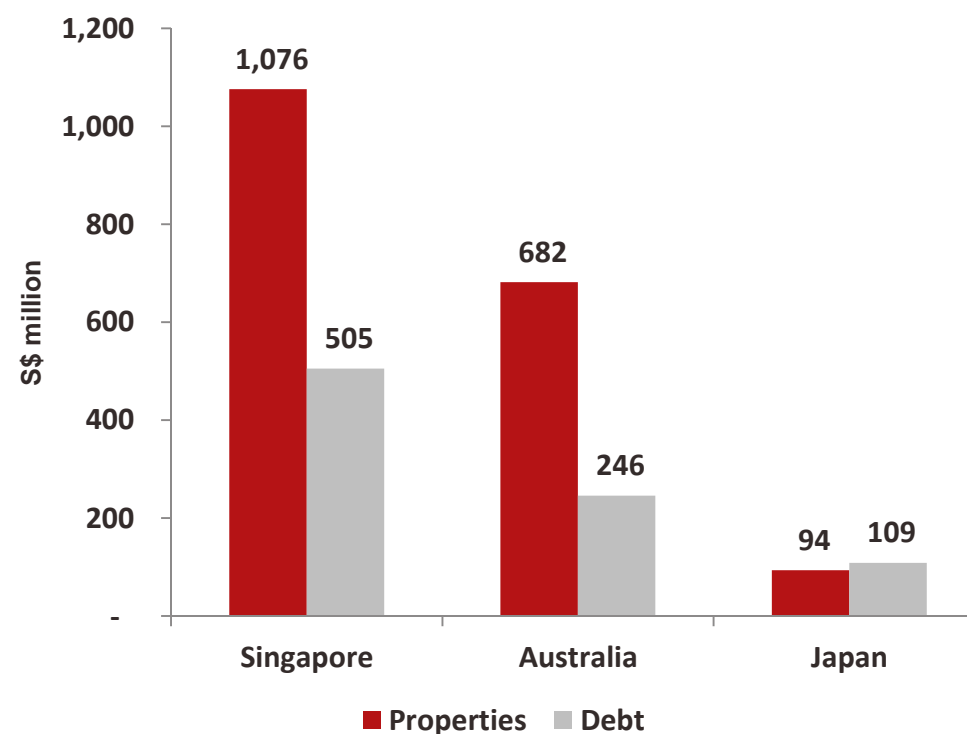
Capital management

Healthy gearing level and 12% increase in NAV per Unit to S\$1.50 Y-o-Y

Statistics

	As at 30 September 2012
Total Assets (S\$'000)	2,339,892
Gross Borrowings (S\$'000)	860,159
Units on Issue and Issuable ¹	645,895,269
NAV per Unit (ex-DPU) ¹ (S\$)	1.50
NAV per Unit (assuming all CPPUs are converted into Units) ² (S\$)	1.40
Gearing ³	36.8%
Interest coverage ratio (times) ⁴	3.34
Average borrowing rate ⁵	3.5%

Borrowings and assets by currency



¹ The number of Units excludes 878,697 Units arising from the Conversion of CPPUs on 1 October 2012.

² 342,500,000 Series A CPPUs are converted into Conversion Units at the conversion price of S\$1.1845 per Unit

³ Calculated as gross borrowing as a percentage of total assets

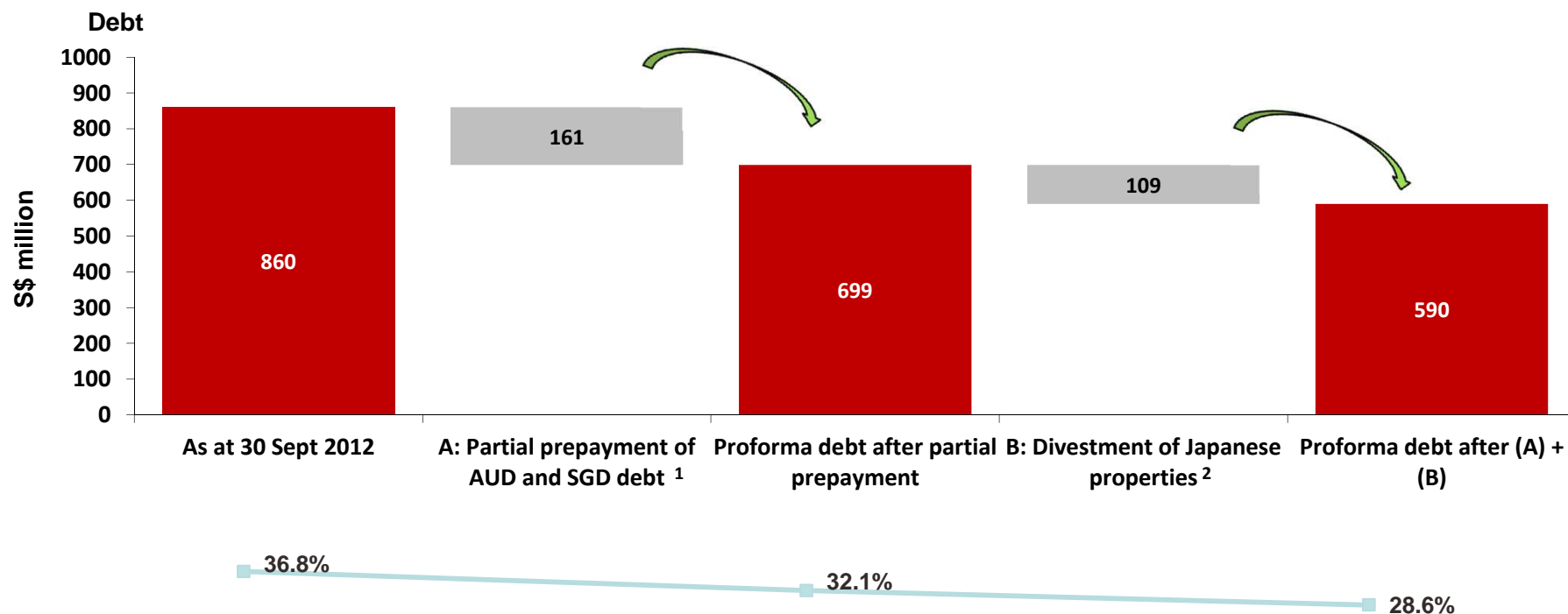
⁴ Calculated as net income before changes in fair values of investment properties, interest, other investment and derivative financial instruments, income tax and distribution and adding back certain non-recurring items/ cash finance costs for the quarter ended 30 September 2012. See accompanying 4QFY12 Financial Statements announcement for more details.

⁵ For quarter ended 30 September 2012

→ Capital Management – Debt statistics

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Partial prepayment of debt and divestment of Japanese properties will reduce debt by 31% and improve gearing to 28.6%



As at 30 Sept 2012

A: After partial prepayment of AUD and SGD debt

After A and divestment of Japanese properties

—■ Gearing

As at 30 September 2012

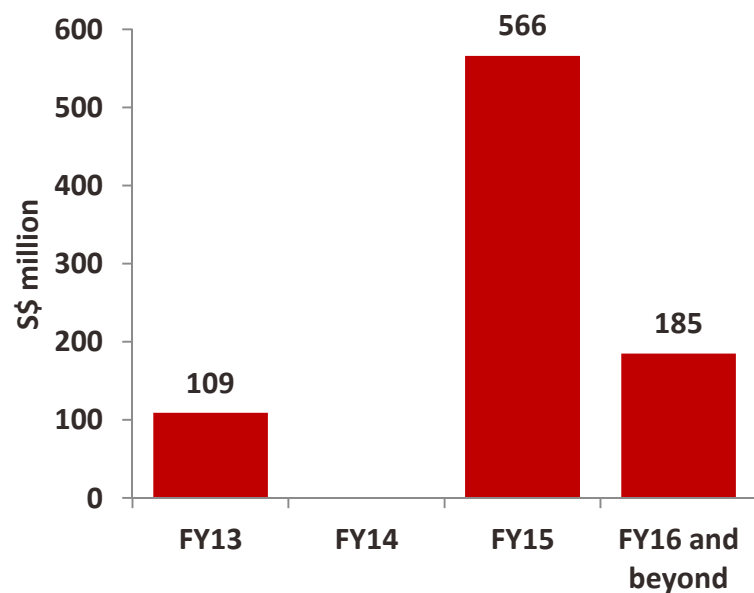
1 Partial prepayment of S\$90 million of the S\$320 million transferable term loan facility and A\$55 million (or S\$71 million based on the exchange rate of A\$1 = S\$1.2932 as at 30 September 2012) of the A\$86 million transferable term loan facility on 19 October 2012 and 22 October 2012, respectively. The partial prepayment was financed from the divestment proceeds of Keypoint

2 The Japanese properties were divested on 25 October 2012



No debt maturing until FY2015

Debt maturity as at 30 September 2012¹



■ Debt

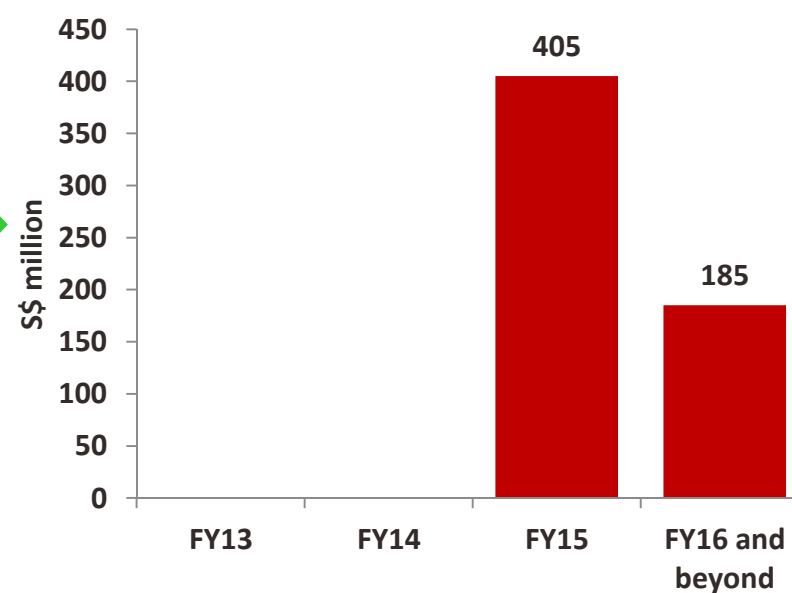
Weighted average maturity

2.7 years

Total facilities

S\$860 million

Proforma debt maturity²



■ Debt

Weighted average maturity

3.0 years

Total facilities

S\$590 million

¹ As at 30 September 2012

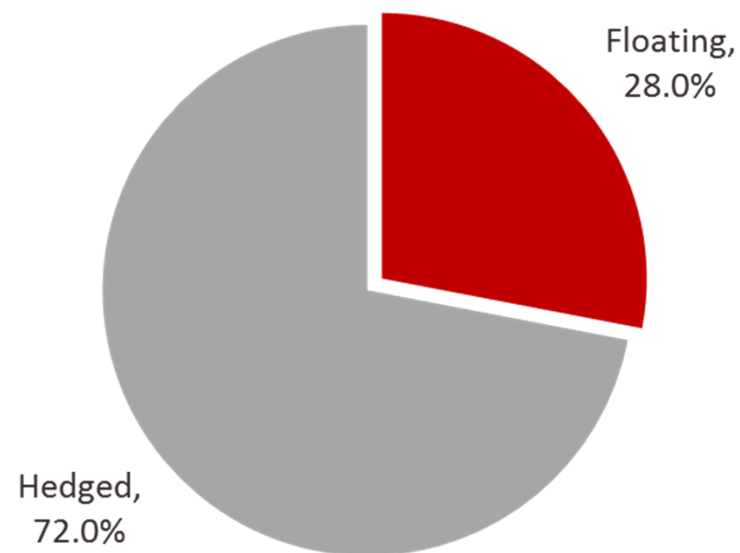
² Debt maturity after partial prepayment of S\$90 million of the S\$320 million transferable term loan facility and A\$55 million of the \$86 million transferable term loan facility on 19 October 2012 and 22 October 2012, respectively; and divestment of Japanese properties on 25 October 2012

Hedged about 72% of Gross Borrowings

Hedging debt

As a % of:	As at 30 September 2012
Total Gross Borrowings	72.0%

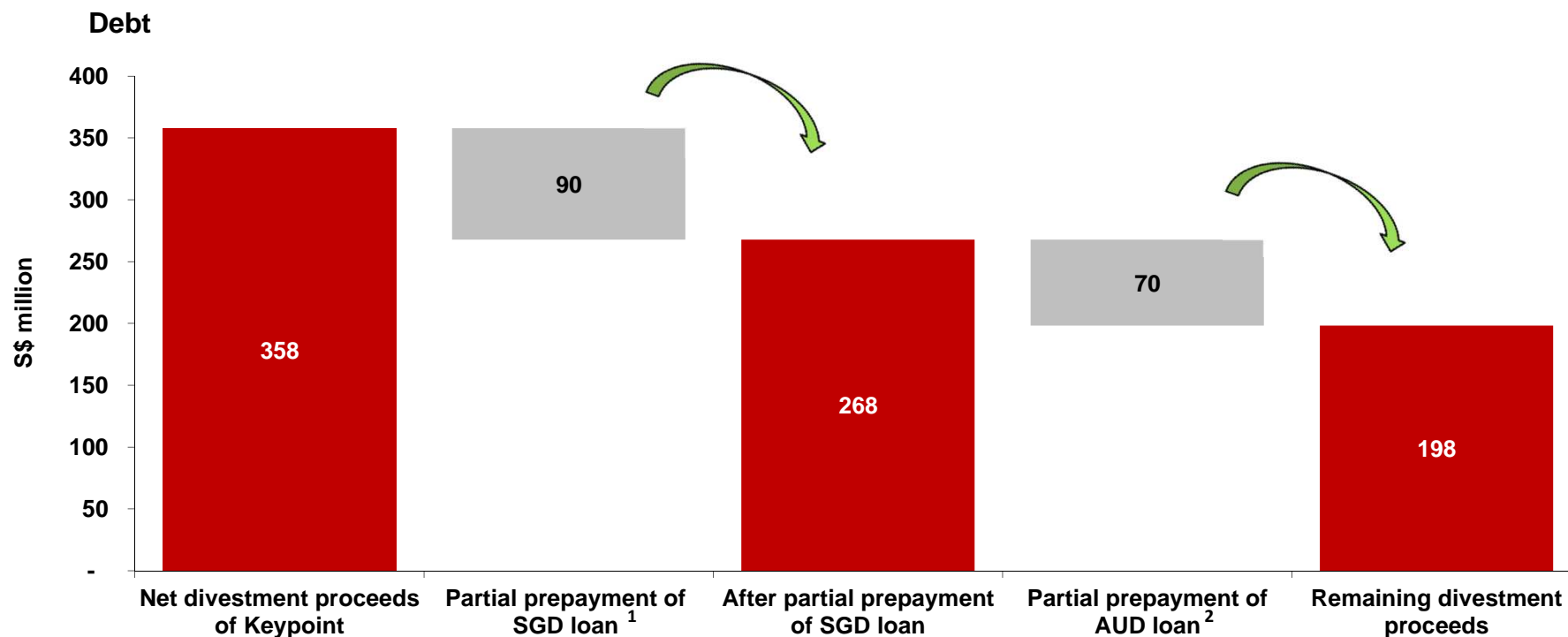
Debt composition – floating vs. hedged



→ Capital Management – Utilisation of proceeds from the divestment of Keypoint

\$S160 million or 45% of the divestment proceeds from Keypoint utilised for part prepayment of SGD and AUD debt

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¹ Partial prepayment of \$S90 million of the \$S320 million transferable term loan facility which will mature in 2015

² Partial prepayment of A\$55 million of the A\$86 million transferable term loan facility which will mature in 2015. Translated at an exchange rate of A\$1.00 = \$S1.2633 based on the contracted foreign exchange contracts

Moving forward

2. Solid fundamentals – positive market outlook

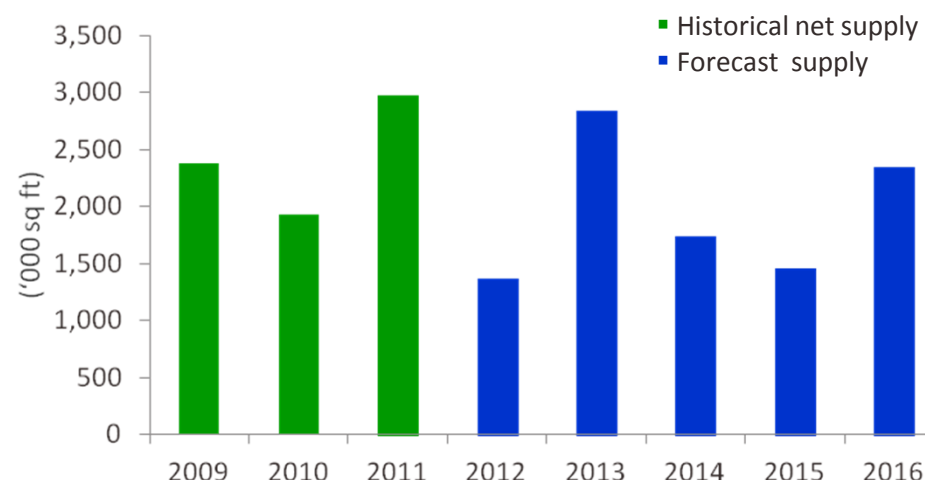
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Singapore office market recorded 4th consecutive quarter of positive net absorption and improved vacancy rates in Q3 2012

■ Market conditions¹

- Office demand in Q3 2012 displayed resilience beyond expectations amidst current economic gloom
- Positive net absorption of 590,104 sf in Q3 2012 compared to 473,200 sf in the preceding quarter. Year to-date, total net absorption of 1.69 million sf surpassed the 10-year average net absorption of 1.12 million sf
- Singapore office market looks to retain its cost competitive edge over regional cities; new regional headquarters are being set-up in Singapore; corporates are taking advantage of lowered occupancy costs to either consolidate or expand operations
- Grade A office rents declined by 2.5% q-o-q to \$9.80 psf/mth
- Grade B office rents dropped by 0.6% q-o-q to \$7.17 psf/mth
- Going forward, CBRE expect the outlook for the Grade B market to be less favourable in the next 6 months due to the impact of impending secondary/ vacant stock and upcoming decentralised stock

Singapore office new supply²



¹ CB Richard Ellis, "MarketView Singapore", Q3 2012

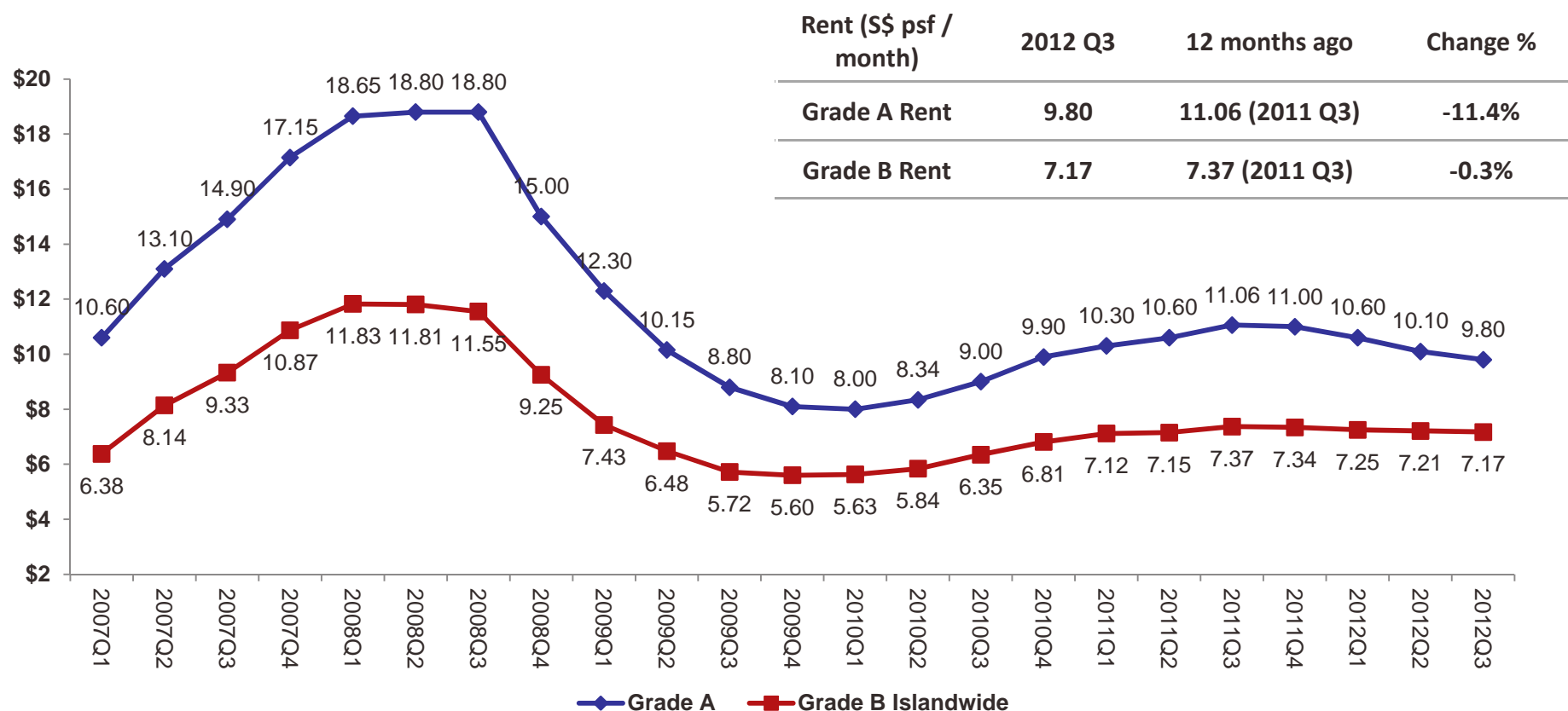
² Source: URA; CBRE Research

2. Solid fundamentals – positive market outlook

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Singapore office rents trend – Grade B rents more resilient

Singapore Grade A and Grade B office rents ¹



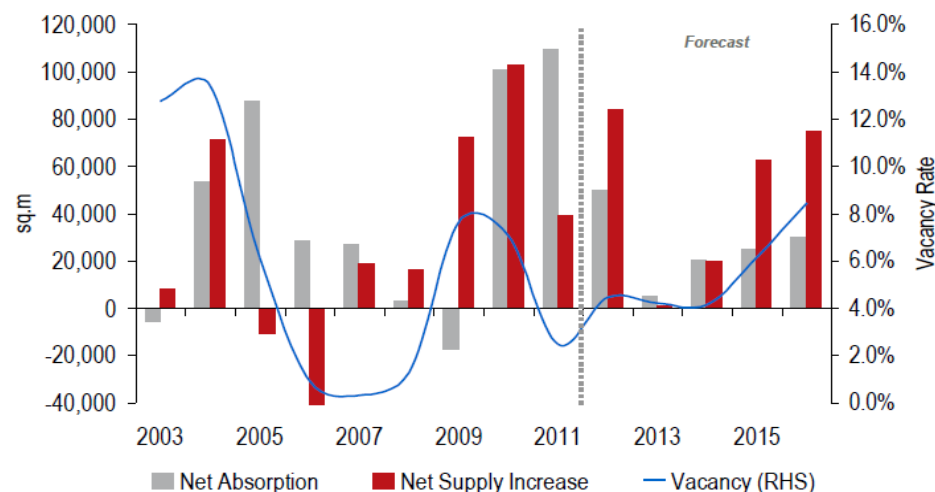
¹ Source: CBRE Research

2. Solid fundamentals – positive market outlook

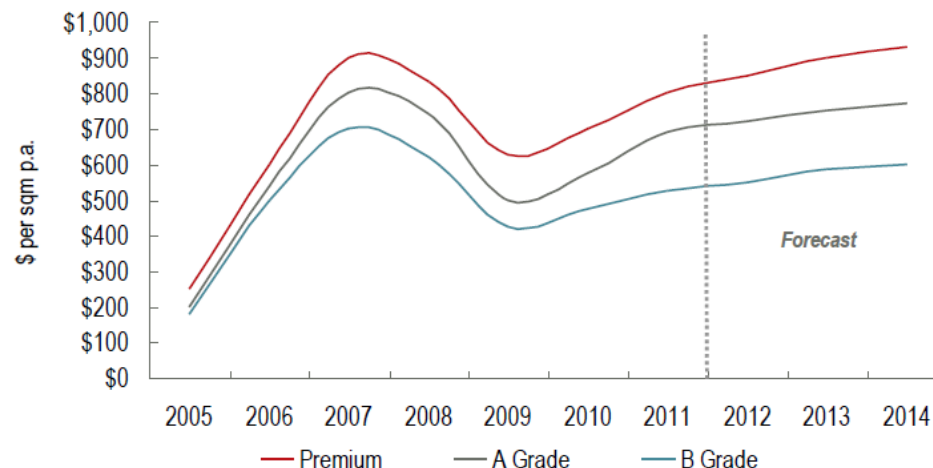
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Premium Grade office market net rent between AUD 750 to AUD 950

Perth CBD supply ¹



Perth CBD average net face rents ¹

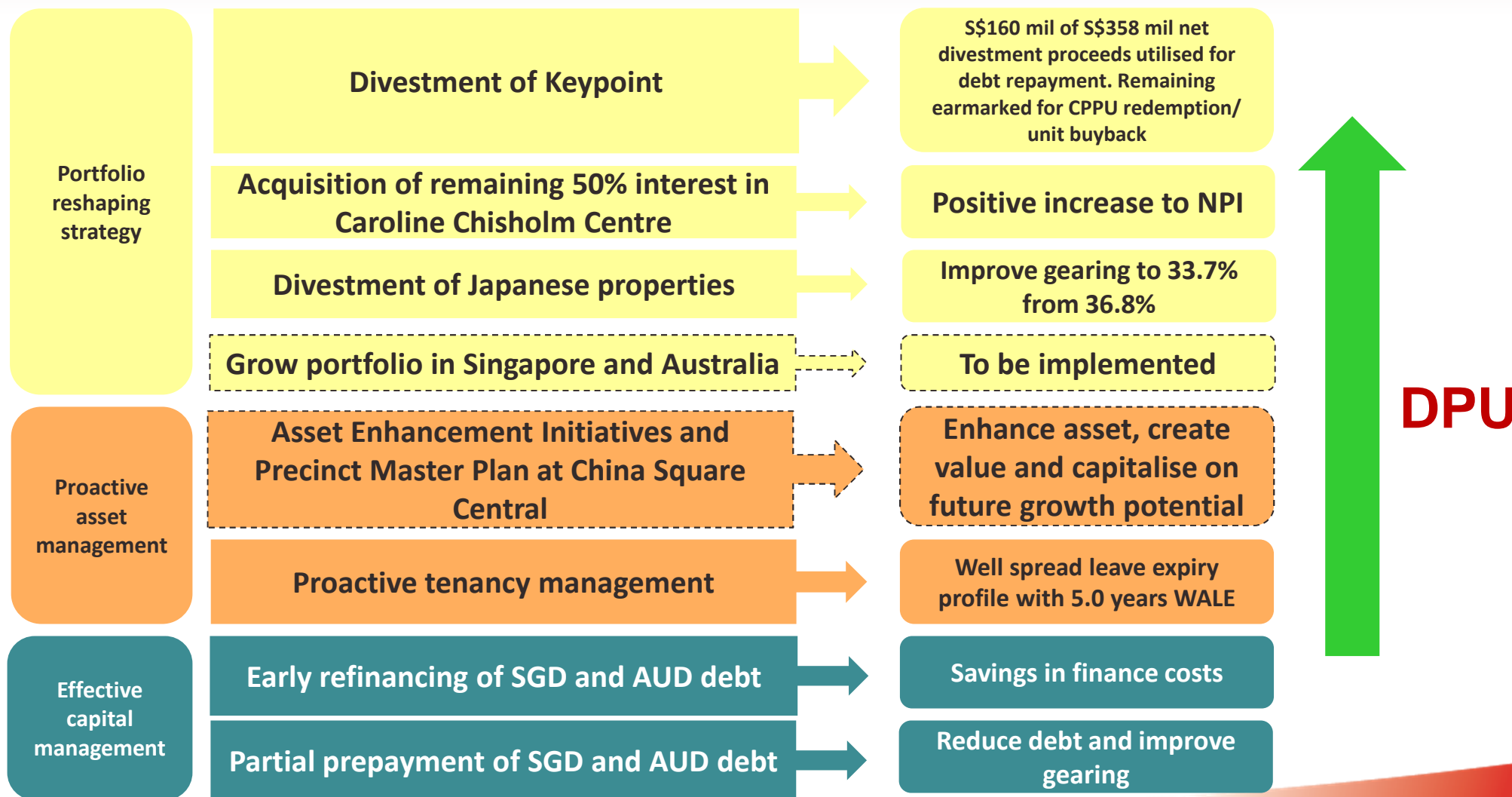


Market conditions ¹

- Perth CBD office market remained positive
- Vacancy rate remained at 2.9%, similar to the preceding quarter
- Strong demand from the mining and resources sector continues to bolster the market with the market expected to remain favourable to landlords for at least the next two years
- Prime net rents continued to rise from AUD 677 psm per annum in the preceding quarter to between AUD 750-925 psm per annum
- No major new supply until 2015 (Brookfield Place which was completed in 2012 has since been substantially committed by BHP Billiton)

¹ Jones Lang LaSalle "These times they are not changin", August 2012

Strategic initiatives to deliver growth to Unitholders



Completed



On-going

Thank you

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