PRESS RELEASE
For Immediate Release

FCOT's distributable income up 19% for 3QFY16

- 3QFY16 DPU up 2.6% to 2.41 cents
- Good results bolstered by better performance of Alexandra Technopark and contribution from 357 Collins Street
- Office tower of China Square Central and 357 Collins Street continue to enjoy full occupancy
- Microsoft has extended its lease at Alexandra Technopark for a further five years to FY2022
- Properties in Singapore continue to achieve positive rental reversions
- Minimal lease expiries of 1.5% for the remainder of FY16

Summary of FCOT's 3QFY16 Results

	1/4/16 – 30/6/16 (3Q FY16)	1/4/15 – 30/6/15 (3Q FY15)	Change (%)	1/10/15 – 30/6/16 (YTD 3QFY16)	1/10/14 – 30/6/15 (YTD 3QFY15)	Change (%)
Gross Revenue (S$'000)	38,550	34,694	11.1	117,167	104,967	11.6
Net Property Income (S$'000)	28,111	24,321	15.6	86,325	74,481	15.9
Distribution to Unitholders (S$'000)	19,072	16,082	18.6	58,122	48,983	18.7
Distribution Per Unit	2.41¢(1)	2.35¢(2)	2.6	7.37¢	7.19¢	2.5

(1) The number of Units used to calculate the amount available for distribution per Unit ("DPU") is 791.3 million. 96.0 million new Units were issued pursuant to a private placement which was completed in August 2015.
(2) The number of Units used to calculate the amount available for DPU is 684.0 million

Singapore – 22 July 2016 – Frasers Centrepoint Asset Management (Commercial) Ltd ("**FCAMCL**" or the "**Manager**"), the manager of Frasers Commercial Trust ("**FCOT**", SGX:Frasers Comm Tr), is pleased to announce that for the financial quarter ended 30 June 2016 ("3QFY16"), the Trust's distributable income to Unitholders was up 18.6% to S$19.1 million, as compared to the financial quarter ended 30 June 2015 ("3QFY15"). DPU rose 2.6% to 2.41 cents for 3QFY16 as compared to 3QFY15.

Mr Low Chee Wah, Chief Executive Officer of the Manager, said "We are pleased to deliver another quarter of good performance and growth in distributable income to Unitholders despite the weaker economic outlook. Alexandra Technopark and 357 Collins Street continued to boost the performance of the Trust during the quarter."

He added, "Our focus on proactive asset management and leasing initiatives has yielded positive results. During the quarter, we have reduced the lease expiries to 1.5%[1] for the

[1] Inclusive of committed renewals as at 30 June 2016.

remaining financial year despite the challenging leasing environment in the Singapore office market, compared to 6.4% in the previous quarter."

"We are also pleased to retain Microsoft Operations Pte Ltd, an established name and one of the long-term tenants at Alexandra Technopark, for a further five years to FY22. The current lease was extended ahead of its lease expiring in early 2017, and this further reinforces the property's appeal as an attractive business address within the Alexandra Precinct," he said.

DPU was up 2.6% to 2.41 cents in 3QFY16

In 3QFY16, gross revenue increased 11.1% to S$38.6 million as compared to 3QFY15. Accordingly, net property income ("NPI") for 3QFY16 increased to S$28.1 million, up 15.6% as compared to a year ago. This was attributed to the better performance of Alexandra Technopark as a result of higher rentals achieved and lower utilities expenses; lower repair and maintenance and painting expenses for Caroline Chisholm Centre and the contribution from 357 Collins Street. The increase was partially reduced by the weaker Australian dollar. As the net cash flows from the Australian properties were hedged, the impact of the weaker Australian dollar was slightly mitigated by a realised gain on forward currency contracts of S$0.1 million.

Construction works for the development of a 16 storey hotel ("Hotel") and the additions and alterations ("Commercial Project") at China Square Central[2] are in progress, and the loss of income arising from certain affected units[3] will be supplemented by S$0.9 million of capital distribution. This is to be funded from the proceeds from the disposal of the Hotel development rights for China Square Central.

The higher distributable income resulted in a higher DPU of 2.41 cents in 3QFY16, an increase of 2.6% year-on-year. The Manager will be applying the distribution reinvestment plan ("DRP") for the distribution for 3QFY16. 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.

The distribution of 2.41 cents per Unit for 3QFY16 will be paid out on 29 August 2016. The distribution books closure date for the Units is 1 August 2016.

Actual results for 357 Collins Street continues to surpass forecast

In 3QFY16, the actual gross revenue of 357 Collins Street of A$5.2 million surpassed the forecast[4] by 10.2% mainly due to higher occupancy rate achieved. Accordingly, the actual NPI of A$4.0 million beat the forecast by 12.3% mainly due to the higher occupancy rate achieved, slightly offset by higher actual expenses incurred.

Full occupancies at the office tower of China Square Central and 357 Collins Street

The Trust continued to enjoy a healthy average occupancy rate of 93.3% for the portfolio as at 30 June 2016. The occupancy rates of the properties in Singapore and Australia were 93.2% and 93.4%, respectively. The overall occupancy rate for the Singapore properties was affected by the lower occupancy rate at China Square Central as a result of the on-going construction

[2] Refer to Circular to Unitholders dated 3 June 2015 for details.
[3] Mainly retail units at 18 Cross Street and certain units at the shophouses at 20 and 22 Cross Street.
[4] Profit forecast of 357 Collins Street for 9 months period from 1 October 2015 to 30 June 2016 included in Appendix E of the Circular to Unitholders dated 3 June 2015, adjusted for the period from 1 April 2016 to 30 June 2016.

works for the Hotel and Commercial Project, although the occupancy rates for the remaining Singapore properties remained stable. The portfolio WALE is about 3.1 years, anchored by the long WALE of Caroline Chisholm Centre of 9.0 years.

The office tower of China Square Central and 357 Collins Street enjoyed full occupancy rates as at 30 June 2016.

In 3QFY16, demand for space in the properties was driven by tenants from diverse industries, such as consultancy and business services, electronics, financial services, insurance, IT products and services, medical, multimedia and telecommunications and resources. There were robust leasing activities in 3QFY16 where new and renewed leases amounting to approximately 214,000 square feet of space were signed, commenced or renewed. Proactive leasing initiatives have resulted in minimal lease expiries of 1.5% for the remainder of FY16. With the low passing rents of expiring leases, the Singapore properties continued to achieve positive weighted average rental reversions of between 5.5% to 10.3%[5] in 3QFY16.

Hotel construction works at China Square Central are on track

Construction works for the development of a Hotel and Commercial Project at China Square Central are on track. The construction works are expected to be completed by mid-2019. The Hotel is being developed by an entity of Frasers Centrepoint Limited and will be operated by Frasers Hospitality under the 'Capri by Fraser' brand. The Commercial Project at China Square Central will result in new retail and commercial spaces being created with better frontage and visibility. These developments will further rejuvenate China Square Central.

Microsoft extended its current lease at Alexandra Technopark to FY2022

Microsoft Operations Pte Ltd ("Microsoft"), one of the top-ten tenants of FCOT and Alexandra Technopark, has extended its lease for a further five years to FY22, from its current lease which will expire in January 2017. Microsoft currently occupies approximately 78,000 square feet, representing approximately 7.4% of the net lettable area of the property. Alexandra Technopark continues to attract tenants given its strategic location within the Alexandra Precinct, good connectivity and close proximity to the Central Business District. The five-year lease extension will strengthen the lease expiry profile of the portfolio and ensure longer-term income stability. With the extension of the lease, the WALE of Alexandra Technopark will increase from 1.5 years as at 30 June 2016 to 1.9 years.

Financial gearing

As at 30 June 2016, the financial gearing continues to be healthy at 36.3% and the weighted average debt maturity was 2.6 years. In 3QFY16, interest coverage ratio was 4.5 times and the average interest rate was 2.99% per annum. The debt maturity remains well-spread and the Trust would not have any debt maturing until FY17. All debts are unsecured and this provides financial flexibility to the Trust. Approximately 81.0% of borrowings have been hedged, providing certainty in interest costs and limiting the Trust's exposure to rising interest rates.

[5] The weighted average rental reversions based on the area for new and renewed leases which commenced in 3QFY16. For China Square Central, the weighted average rental reversions are for 18 Cross Street office tower only, and excludes the retail podium at 18 Cross Street, and 20 and 22 Cross Street which are partially affected by the construction works for the Hotel and Commercial Project.

To manage its foreign currency exposure, the Trust hedges anticipated net Australian dollar denominated income at least six to nine months forward.

Going forward

Mr. Low said, "The Trust's Singapore office properties continue to demonstrate resilience despite the weaker Singapore office market outlook and economic environment."

He concluded, "With our dedicated and proactive management of leases, lease expiries for the remainder of this financial year are minimal and are only in the Singapore properties. The well-spread lease expiries of the portfolio will provide income stability to the Trust in the long term. Amidst the weaker economic environment and the Singapore office market, we will continue to focus on maintaining healthy occupancy rates through our proactive leasing efforts while pursuing strategies to generate long-term and sustainable distributions for our Unitholders."

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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 30 June 2016, its portfolio includes six quality commercial buildings located in Singapore and Australia, representing a combined appraised value of approximately S$2.0 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 a full-fledged international real estate company and one of Singapore's top property companies with total assets above S$23.5 billion as at 31 March 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 a sponsor and manager 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.

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.