

Frasers Commercial Trust
Citi ASEAN Investor Conference 2014

13 June 2014



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Contents

- FCOT overview
- FCOT's investment proposition
- Supplementary materials

Key highlights



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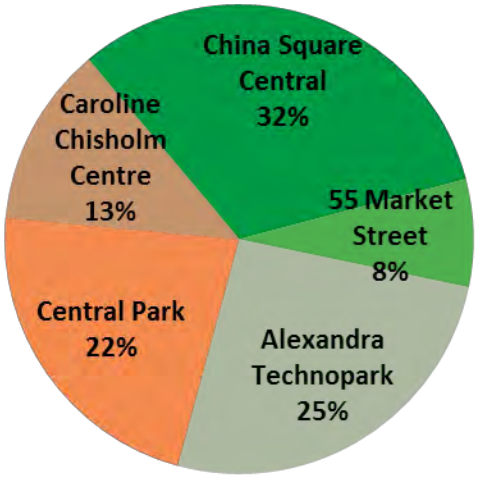
Key highlights – Asset locations and valuation

- **FCOT offers balanced exposure to 5 quality properties in Singapore and Australia**
- **No single property consists of more than 32% of portfolio value**

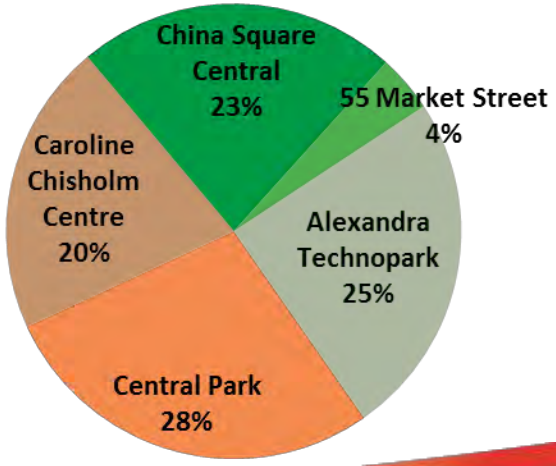


	Properties	Portfolio Value [1]	2QFY14 Portfolio Net Property Income
SINGAPORE	2 office assets 1 business space asset	S$1,171.0 million, (65%)	S$11.2 million, (52%)
AUSTRALIA	2 office assets	S$625.5 million, (35%)	S$10.5 million, (48%)
Total	4 office assets 1 business space asset	S$1,796.5 million	$S21.7 million

Portfolio Value [1]



2QFY14 Portfolio Net Property Income

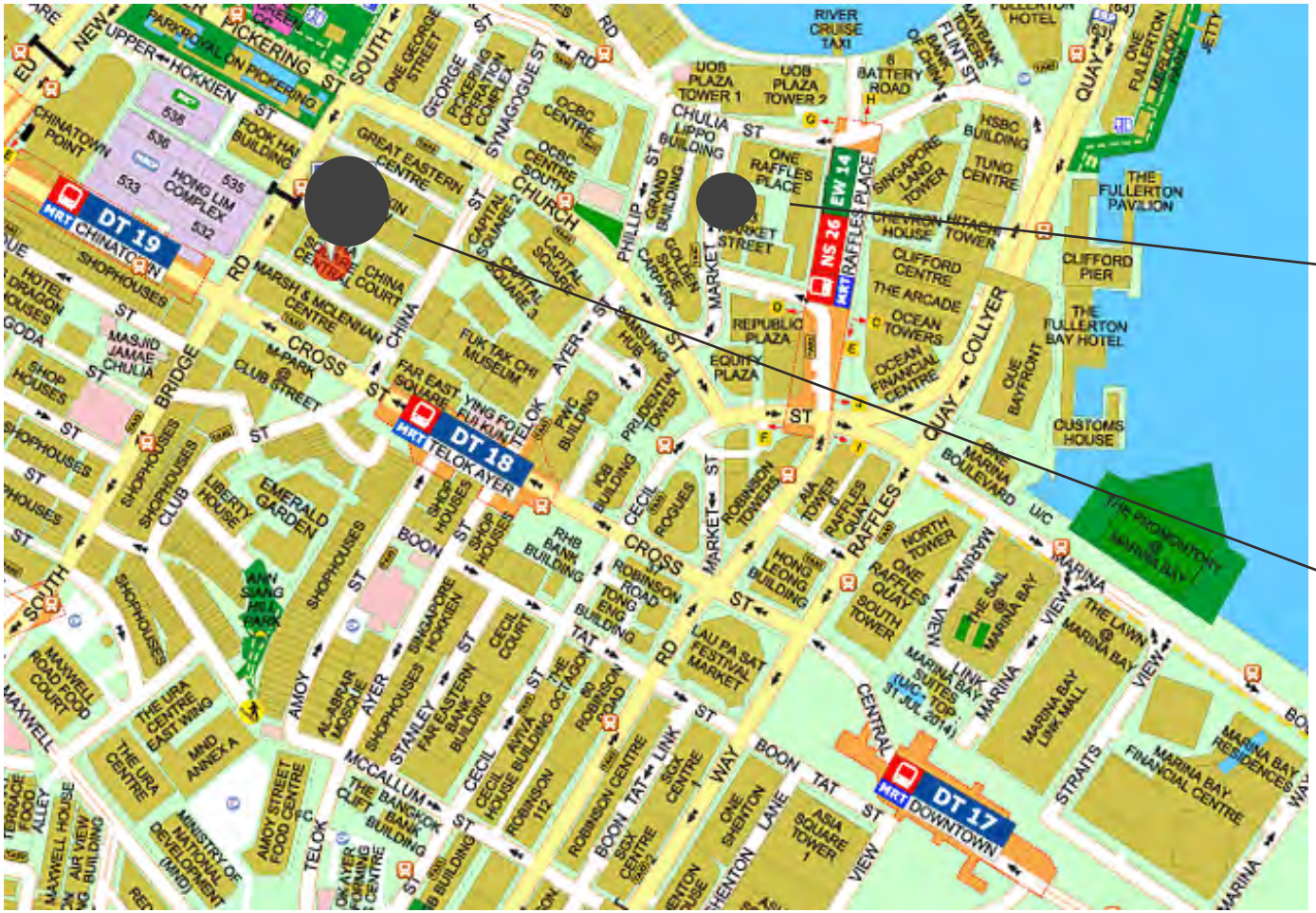


1 As at 31 March 2014

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➔ Key highlights – Quality and strategically located assets

- **Singapore office assets are centrally located in the CBD area**



Singapore CBD





55 Market Street

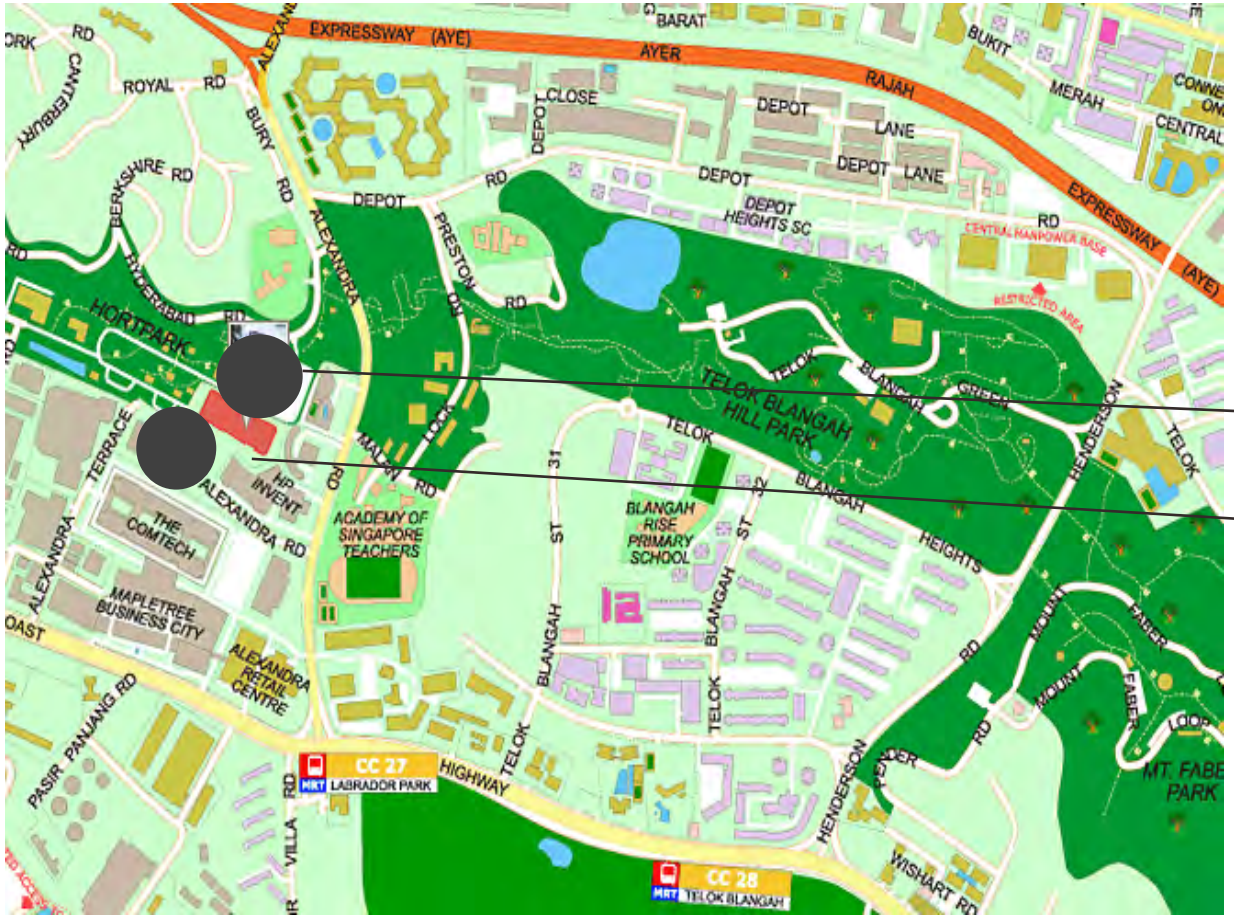


China Square Central

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Key highlights – Quality and strategically located assets

- **Alexandra Technopark is located within the prominent Alexandra business corridor, a dynamic business hub at the fringe of the Central area**



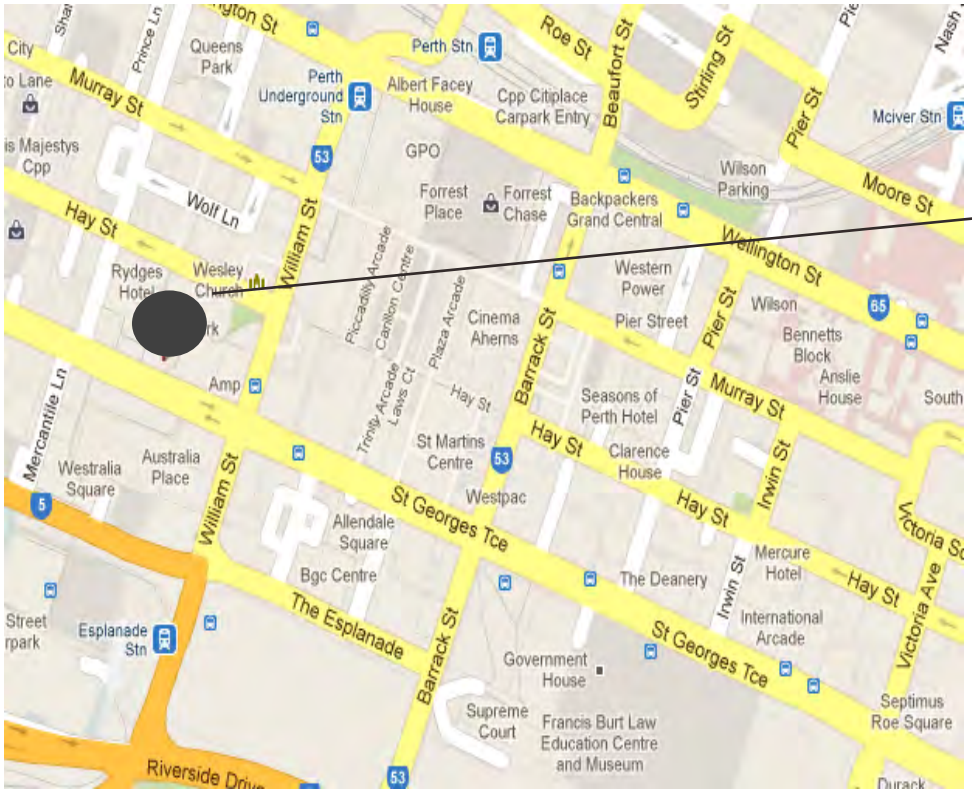
Alexandra business corridor





Alexandra Technopark

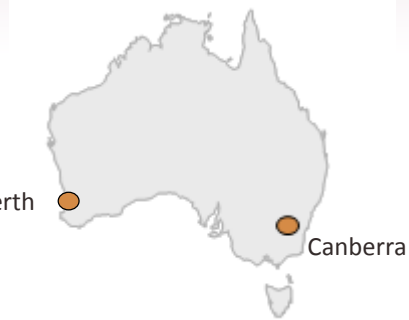
- **Australian assets are strategically located**

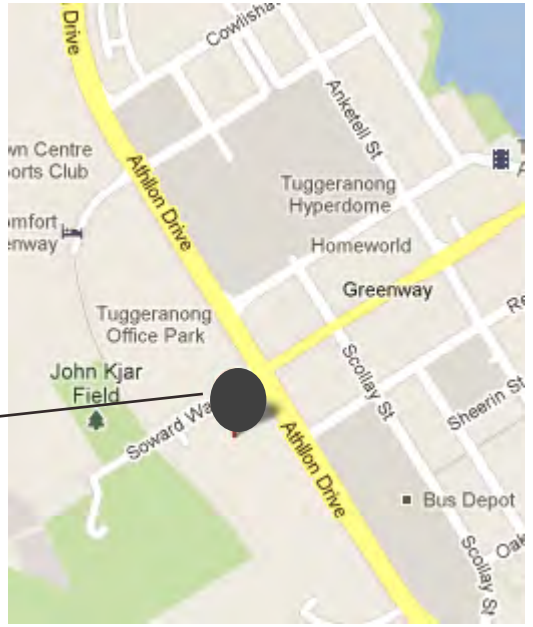


Perth CBD



Central Park, Perth





Tuggeranong Town Centre, Canberrra



Caroline Chisholm Centre, Canberra

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FCOT’s investment proposition



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➔ FCOT's investment proposition

1. Stability of income

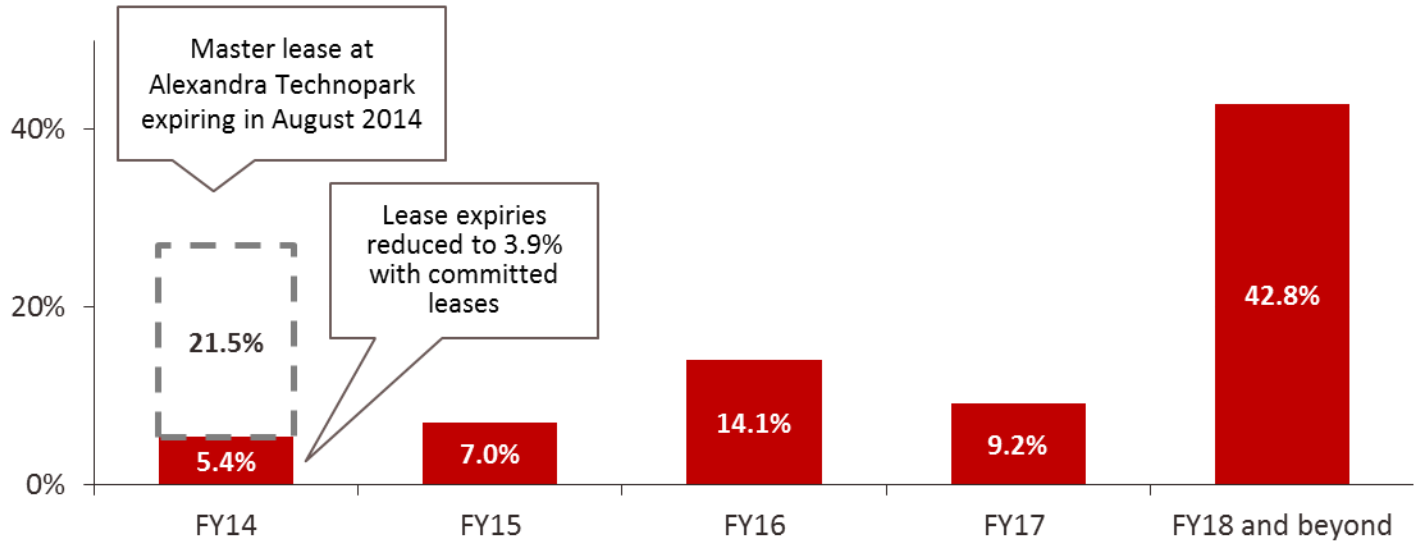
- ➔ Healthy lease expiry profile
- ➔ Positive rental reversions
- ➔ Healthy occupancy and long WALE
- ➔ Quality tenants and master lease
- ➔ Organic growth

2. Solid fundamentals

3. Growth strategy

More than 42% of lease expiry in FY2018 and beyond provides income stability

Portfolio lease expiry by gross rental income



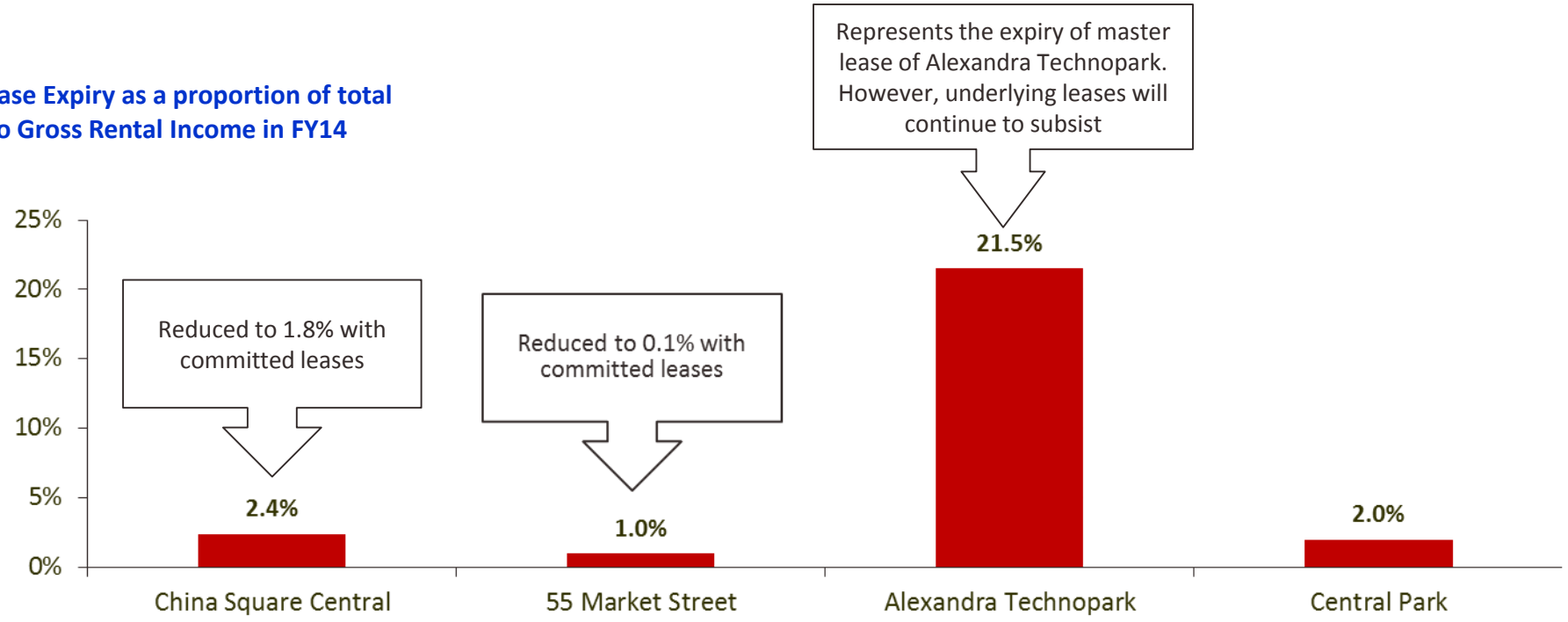
Number of leases expiring	31	49	56	22	19
NLA (sq ft) expiring	1,108,747	94,528	191,381	106,384	722,502
Expiries as % total NLA	48.6%	4.1%	8.4%	4.7%	31.7%
Expiries as % total Gross Rental Income	26.9%	7.0%	14.1%	9.2%	42.8%

As at 31 March 2014. Excludes retail turnover rent

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Low passing rents and higher occupancy provide opportunities for higher income

Property Lease Expiry as a proportion of total Portfolio Gross Rental Income in FY14



Number of leases expiring	24 (22 after committed)	5 (1 after committed)	1	1
Average passing rent for expiring leases	$6.7	$6.5	$1.8*	AUD $790

As at 31 March 2014. Excludes retail turnover rent

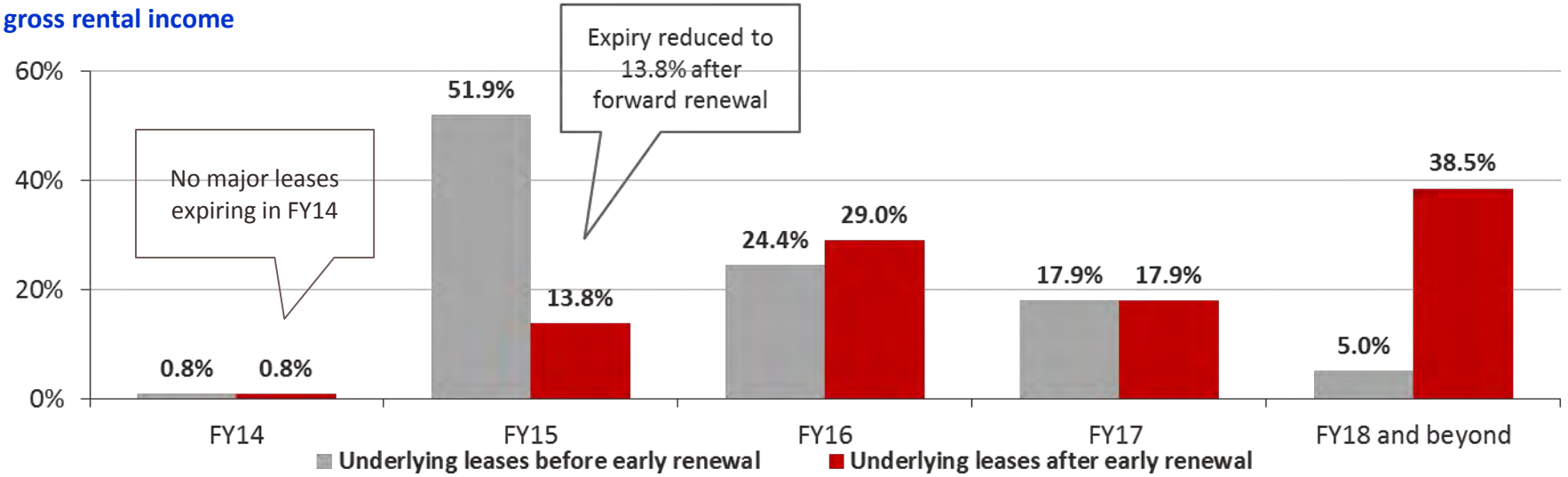
* Based on the master lease rent which is net of property expenses

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Portfolio review – Lease expiry profile of Alexandra Technopark underlying leases

- **More than 38% of lease expiry in FY2018 and beyond after early renewal of 511,000 square feet of leases**
- **Provide income stability after the expiry of Master Lease in August 2014**

Alexandra Technopark underlying lease expiry by gross rental income

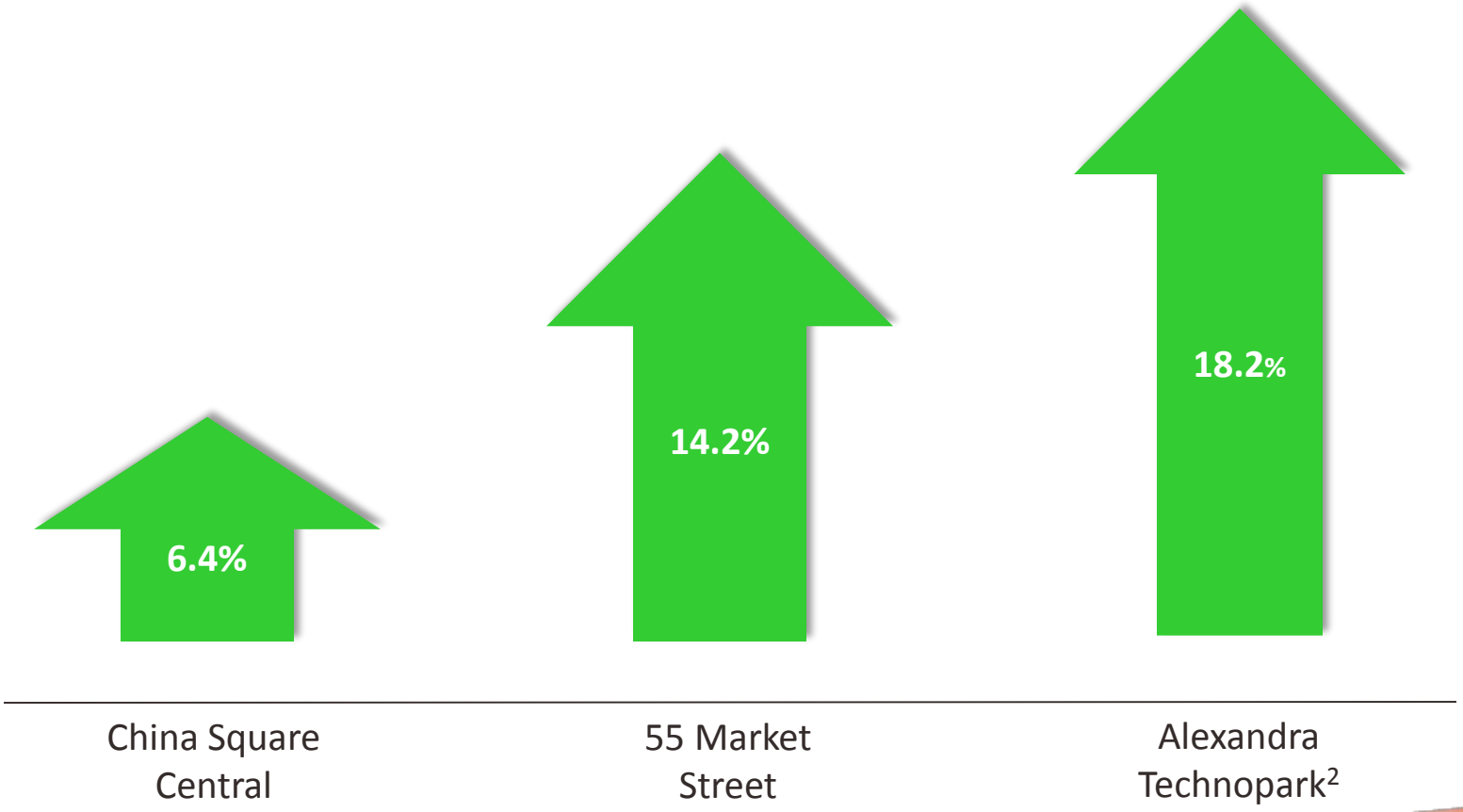


	FY14		FY15		FY16		FY17		FY18 and beyond	
No. of leases expiring	6	6	16	14	14	15	15	15	3	4
NLA (sq ft) expiring	7,771	7,771	565,173	153,840	231,351	281,080	162,409	162,409	46,544	408,147
Expiries as % total NLA	0.7%	0.7%	54.1%	14.7%	22.1%	26.9%	15.5%	15.5%	4.5%	39.0%
Expiries as % total Gross Rental Income	0.8%	0.8%	51.9%	13.8%	24.4%	29.0%	17.9%	17.9%	5.0%	38.5%

As at 31 March 2014. Excludes retail turnover rent

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Singapore properties continue to enjoy positive rental reversions for new and renewed leases that commenced in 2QFY14[1]



As at 31 March 2014. Excludes retail turnover rent

1 Weighted average rental reversions based on the area for the new and renewed leases in 2QFY14.

2 Underlying leases.

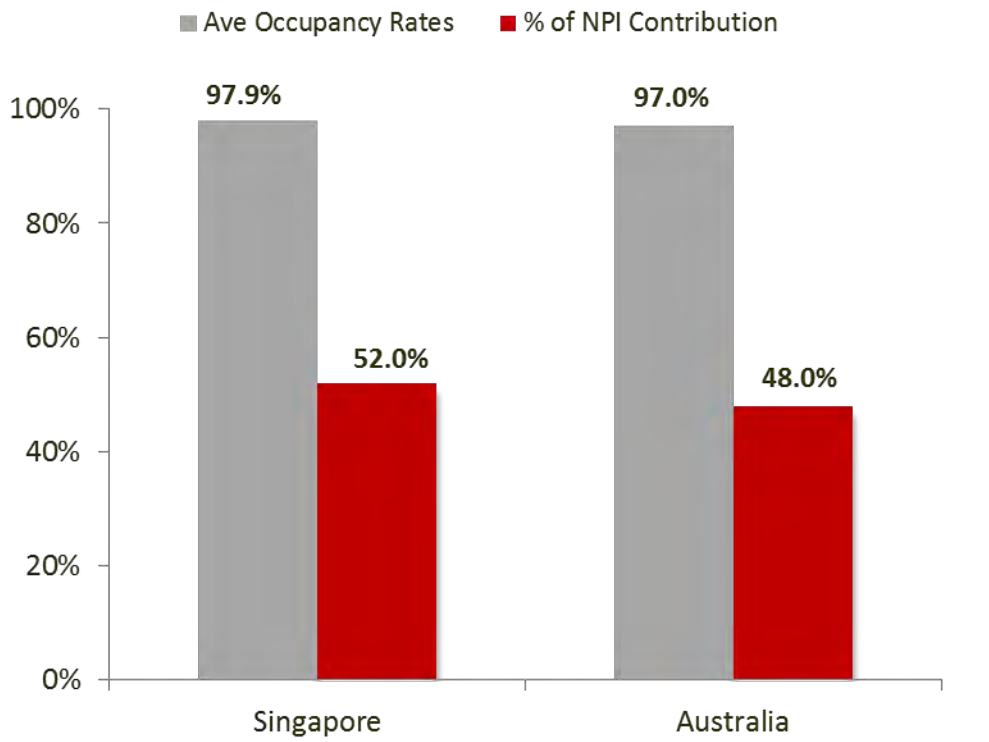
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Portfolio review – Occupancy Rates & WALE

- **Strong average occupancy rate of 97.5%**
- **Healthy WALE of 4.1 years**

Key portfolio statistics	As at 31 March 2014
Ave Occupancy	97.5%
WALE by gross rental income	4.1 years

Geographical occupancy and % of NPI contribution



As at 31 March 2014. Excludes retail turnover rent

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More than 41% of leases have built-in step-up rents

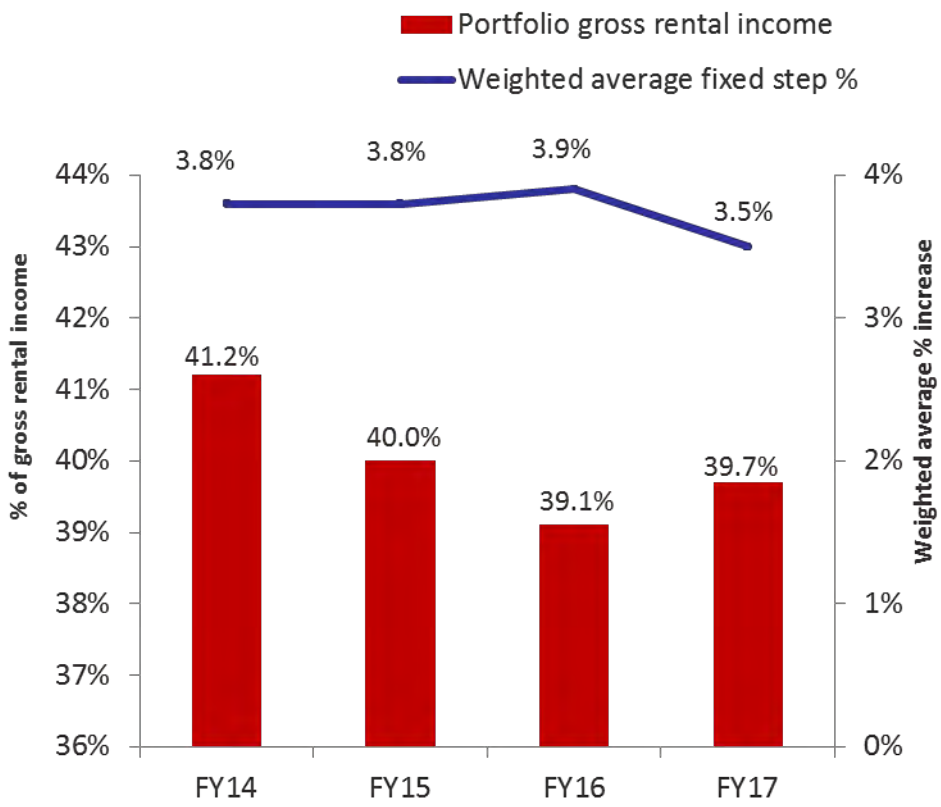
FY14 - Fixed % and other fixed lease rent reviews

Property	Leases	Average step-up rent	GROSS RENTAL INCOME Property	GROSS RENTAL INCOME Total Portfolio
China Square Central	5	3.1%	4.1%	1.0%
55 Market Street	1	2.9%	3.5%	0.2%
Caroline Chisholm Centre	1	3.0%	100.0%	20.7%
Central Park	15	4.7%	69.2%	19.3%

FY14- Other mid-term lease rent reviews

Property	Leases	Review mechanism	GROSS RENTAL INCOME Property	GROSS RENTAL INCOME Total Portfolio
Central Park	2	Market	5.2%	1.4%
Central Park	6	CPI	9.6%	2.7%

FY14 – 17 - Portfolio fixed % reviews



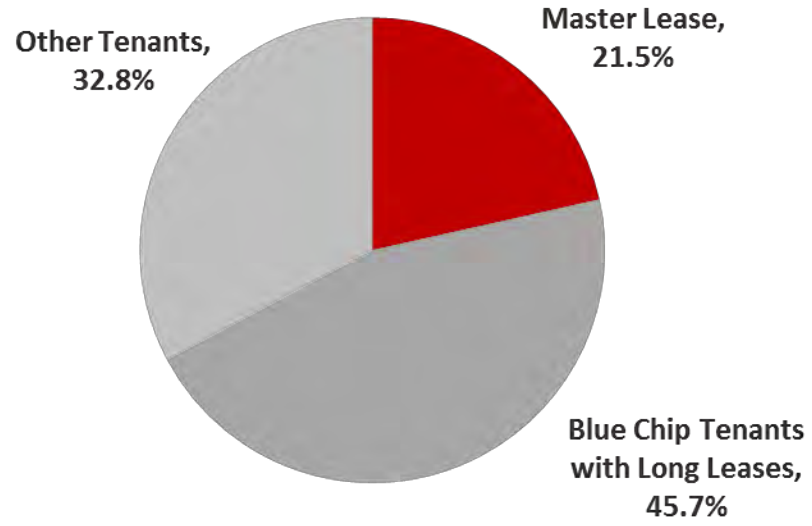
Excludes retail turnover rent

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Master lessee/ blue chip tenants with long leases contribute 67% of total gross rental income

Master Leases		
Tenant	**Lease Expiry**	**% (Gross Rental Income)**
Alexandra Technopark – Orrick Investments Pte Ltd	Aug 2014	21.5%

Blue Chip Tenants with Long Leases		
Tenant	**Lease Expiry**	**% (Gross Rental Income)**
Commonwealth of Australia (Centrelink)	Jul 2025	20.4%
Hamersley Iron Pty Ltd (Rio Tinto)	Jun 2018	8.8%
BHP Billiton Iron Ore Pty Ltd	Jul/ Aug/ Oct 2017	3.9%
GroupM Singapore Pte Ltd	Mar 2019	4.3%
Cerebos Pacific Ltd	May 2017	3.6%
Government Employees Superannuation Board (WA)	May 2017	2.1%
PF Laywers Pty Ltd (DLA Piper)	Jun 2020	1.4%
Plan B Administration Pty Ltd	June 2019	1.1%
Total		45.7%



Master Lessee + Blue Chip Tenants with Long Leases = 67.2% portfolio income secured

As at 31 March 2014. Excludes retail turnover rent

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1. **Stability of income**

2. **Solid fundamentals**
   - ➔ Natural hedge in place
   - ➔ Well spread debt maturity profile
   - ➔ Positive market outlook
   - ➔ Growing demand

3. **Growth strategy**

Capital Management – Debt statistics

- **Healthy interest coverage ratio of 4.16 times**
- **Low all-in interest rate of 2.7%**
- **Borrowings in AUD provide natural hedge for the Australian properties**

Statistics

	As at 31 March 2014
Total Assets (S$'000)	1,843,503
Gross Borrowings (S$'000)	696,993
Units on Issue and Issuable [1]	671,820,553
NAV per Unit (ex-DPU) [1] (S$)	1.55
Gearing [2]	37.8%
Interest coverage ratio (times) [3]	4.16
Average borrowing rate [4]	2.7%
- Weighted average SGD debt rate	1.9%
- Weighted average AUD debt rate	5.5%

Borrowings and assets by currency



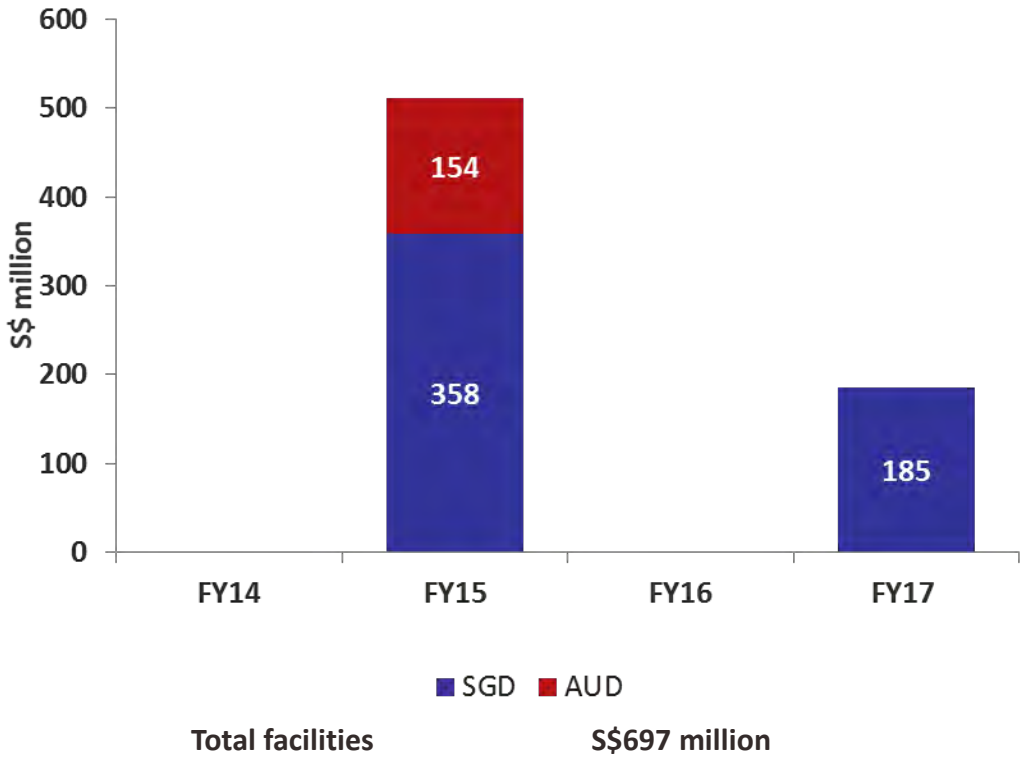
1 The number of Units includes 694,880 Units arising management fees payable in Units, but excludes 45,133 Units arising from the conversion of CPPUs on 1 April 2014.
2 Calculated as gross borrowing as a percentage of total assets
3 Calculated as net income before changes in fair values of investment 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 31 March 2014. See accompanying 2QFY14 Financial Statements announcement for more details.
4 For quarter ended 31 March 2014

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Capital Management and debt statistics

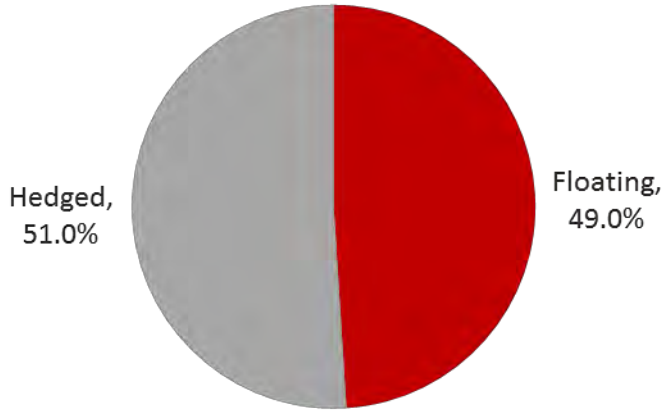
- **No refinancing requirements in FY14**
- **Hedged about 51% of gross borrowings**

Debt maturity



Total facilities **S$697 million**

Debt composition – floating vs. hedged



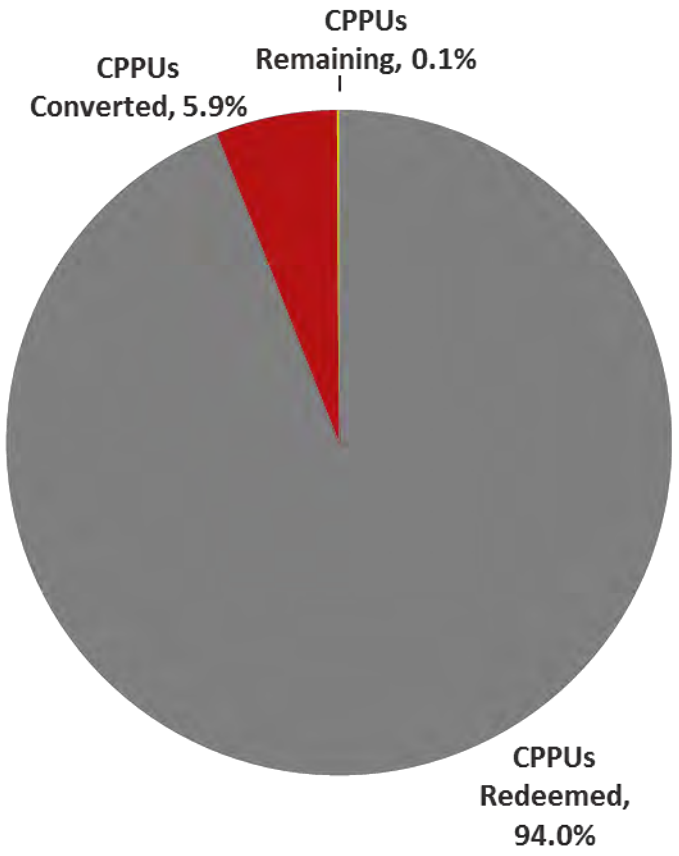
Hedging debt

As a % of:	As at 31 March 2014
Total Gross Borrowings	51.0%

As at 31 March 2014.

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Redemption of CPPUs is accretive to Unitholders

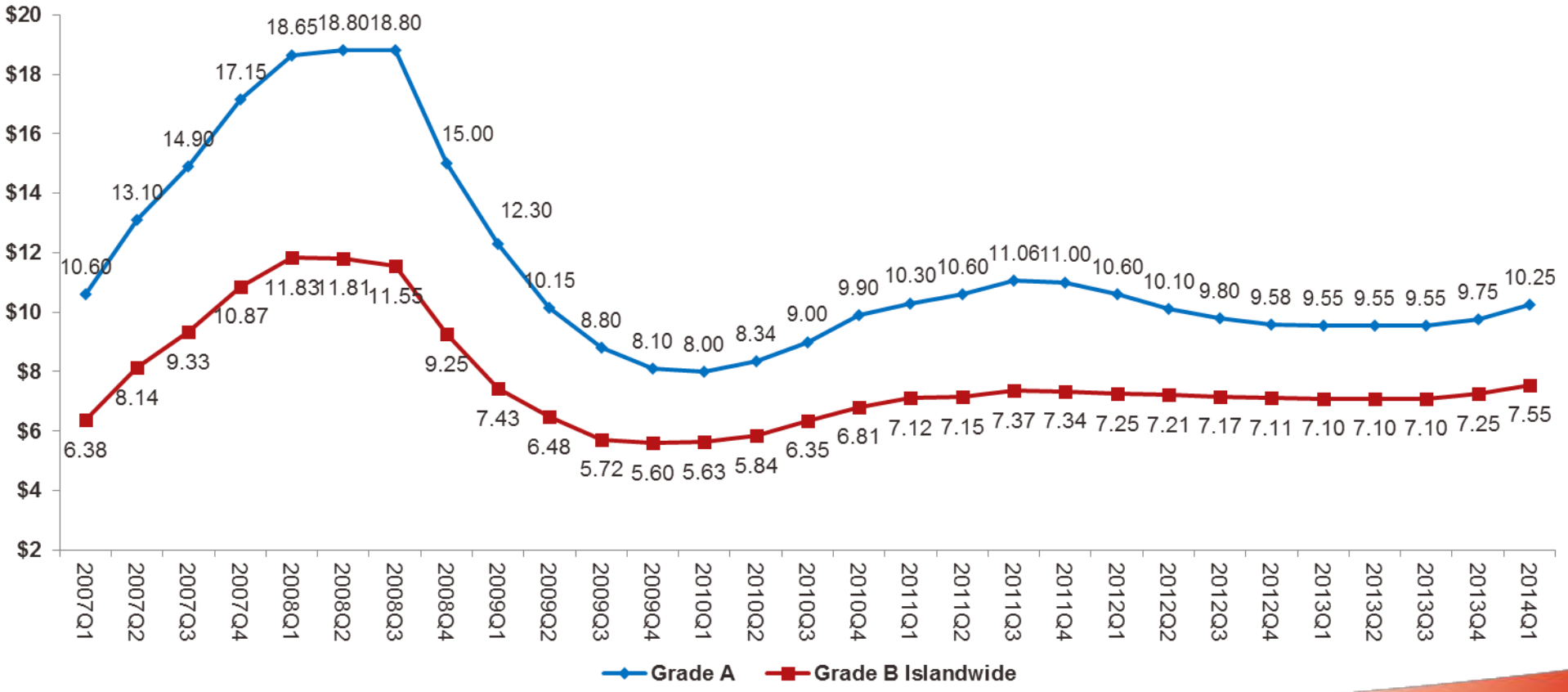


- In 2QFY14, 0.8 million CPPUs were converted[1]
- On 1 April 2014, a further 0.05 million CPPUs were converted[2]
- To-date, a total of 342.3 million CPPUs were either redeemed or converted[3]
- About 0.2 million or 0.1% CPPUs remain outstanding
- Redemption or conversion of CPPUs will result in $18.8 million[4] savings in CPPU distribution p.a.

1 823,544 Series A CPPUs were converted on 2 January 2014.
2 53,465 Series A CPPUs were converted on 1 April 2014.
3 1,040,910 Series A CPPUs converted on 1 October 2012; 162,567,826 Series A CPPUs redeemed and 7,437,501 Series A CPPUs converted into 6,278,918 new Ordinary Units in FCOT on 2 January 2013; 157,123,847 Series A CPPUs redeemed on 1 April 2013 ; 2,172,641 Series A CPPUs redeemed on 1 July 2013 and 11,101,787 Series A CPPUs converted on 1 October 2013.
4 Based on distribution rate of 5.5% p.a. for Series A CPPUs, assuming that the redemption and conversion had occurred for the full year.

Singapore office rents trend – Rents continue to grow

Singapore Grade A and Grade B office rents[1]



1 Source: CBRE Research

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Solid fundamentals – demand, supply and outlook for Singapore CBD office

Office supply-demand dynamics[1]

Chart 2: Office Supply-Demand Dynamics

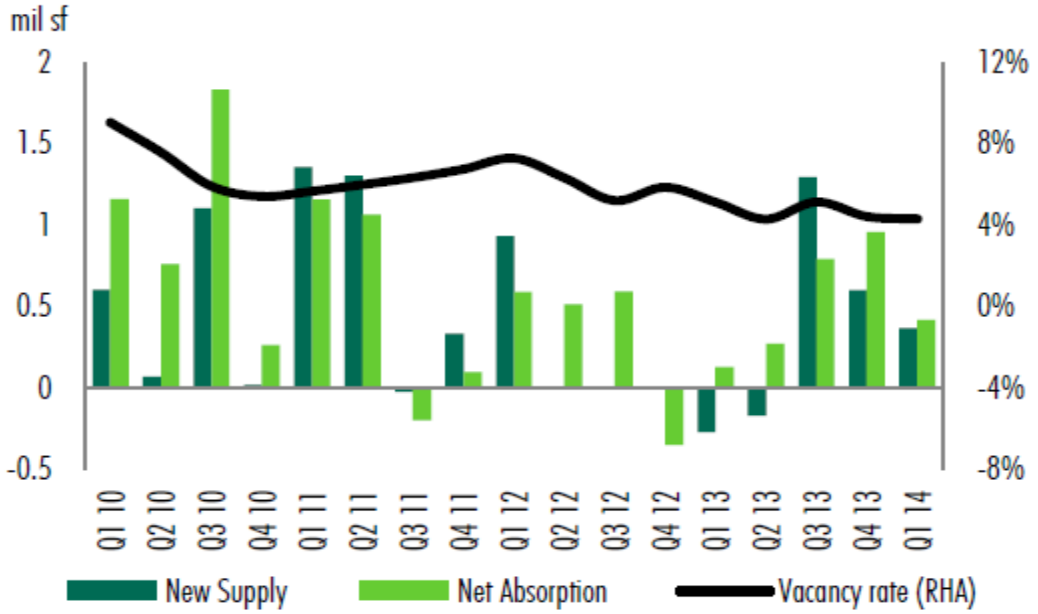


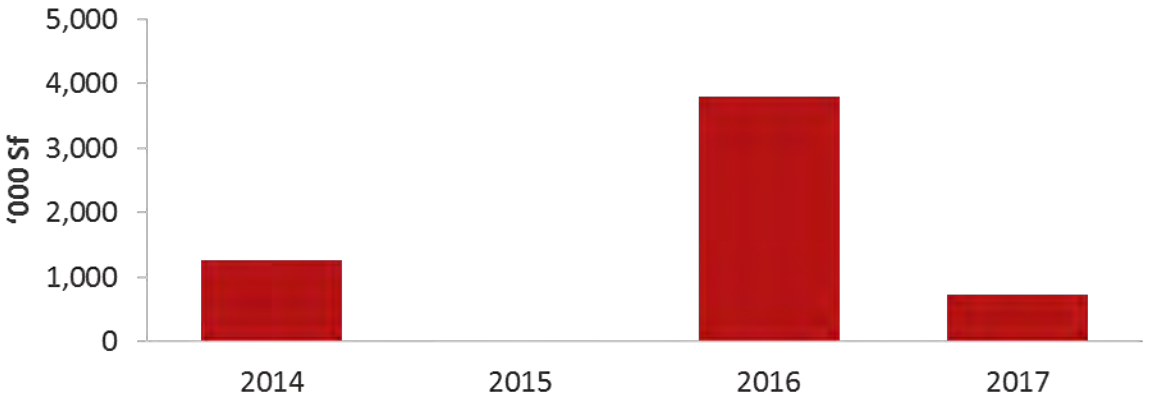
Table 1: Office Vacancy Rates

	Q1 2014	q-o-q	y-o-y
Island Wide	4.3%	-11 bps	-82 bps
Core CBD	4.3%	-55 bps	-253 bps

- Strong leasing activity in CBD Core in Q1 2014
- Demand mainly from insurance, e-commerce and IT sectors
- Positive net absorption of 99,000 sf in CBD Core
- Vacancy in CBD Core decreased from 4.4% to 4.3% in Q1 2014
- Low supply in the next 2 years and sustainable positive demand is expected to drive rent upwards

1 CBRE, Singapore Market View, Q1 2014

Singapore office supply 2014 – 2017[1,2]

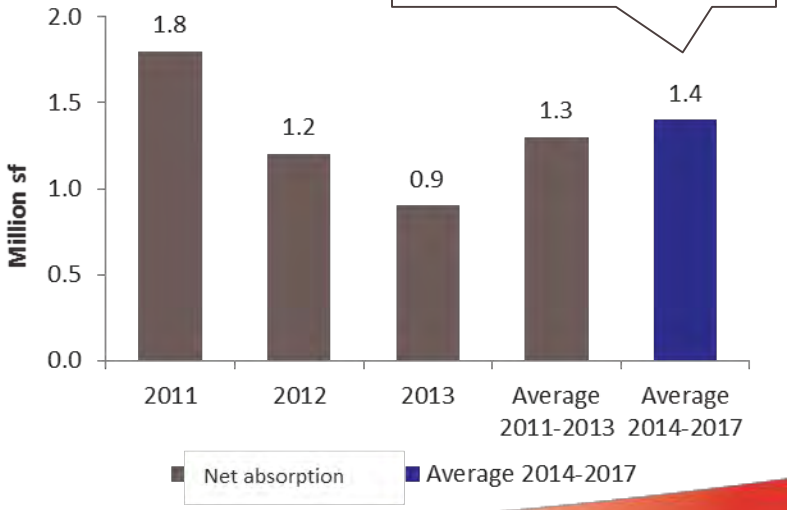


Major office supply:

- CapitaGreen (700,000 sf)
- South Beach Development (527,450 sf)
- Marina One (1,875,630 sf)
- Guoco Tower (850,000 sf)
- Duo (570,475 sf)
- 5 Shenton Way (277,540 sf)
- Redevelopment of Intl Factors Building and Robinson Towers (215,280 sf)
- Cecil Street (720,000 sf)

Net absorption vs new supply1,[2]

Average new supply for 2014 -2017 is in line with the average net absorption for 2011 - 2013

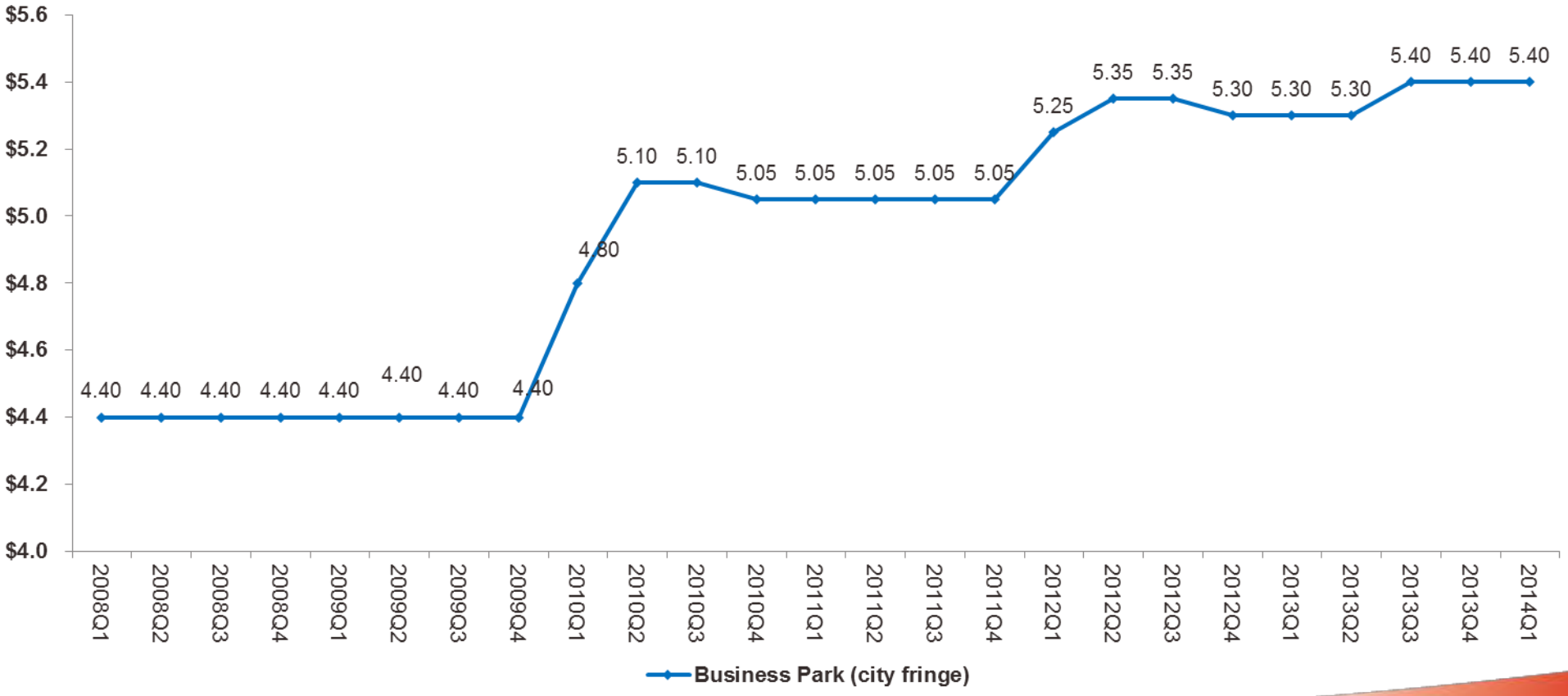


1 CBRE, Singapore Market View, Q1 2014
2 Core and fringe CBD areas only

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Singapore business park rents trend – Rents at healthy levels

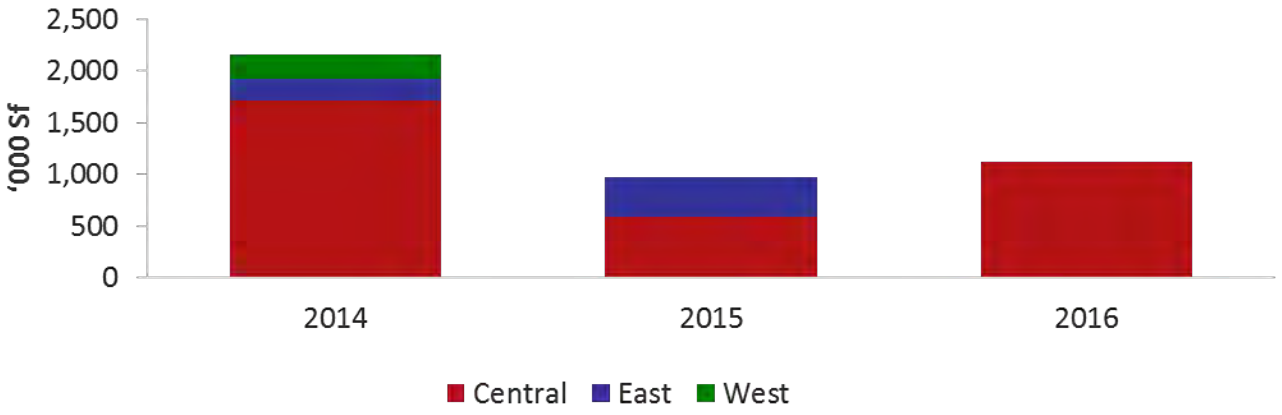
Singapore Business Park (city fringe) rents[1]



1 Source: CBRE Research

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Singapore business park supply 2014 – 2017[1]



Major business park supply:

- **The Shugart (Seagate BTS) (440,028 sf)**
- **Galaxis (507,852 sf)**
- **Fusionopolis Phase 2A (768,542 sf)**
- **Clean Tech Two (240,035 sf)**
- **Mediapolis (584,270 sf)**
- **Haite Hi-Tech Singapore Aviation Training Centre (169,424 sf)**
- **Soo Kee Jewellery HQ (140,469 sf)**
- **Mapletree Business City Phase 2 (1,120,000 sf)**

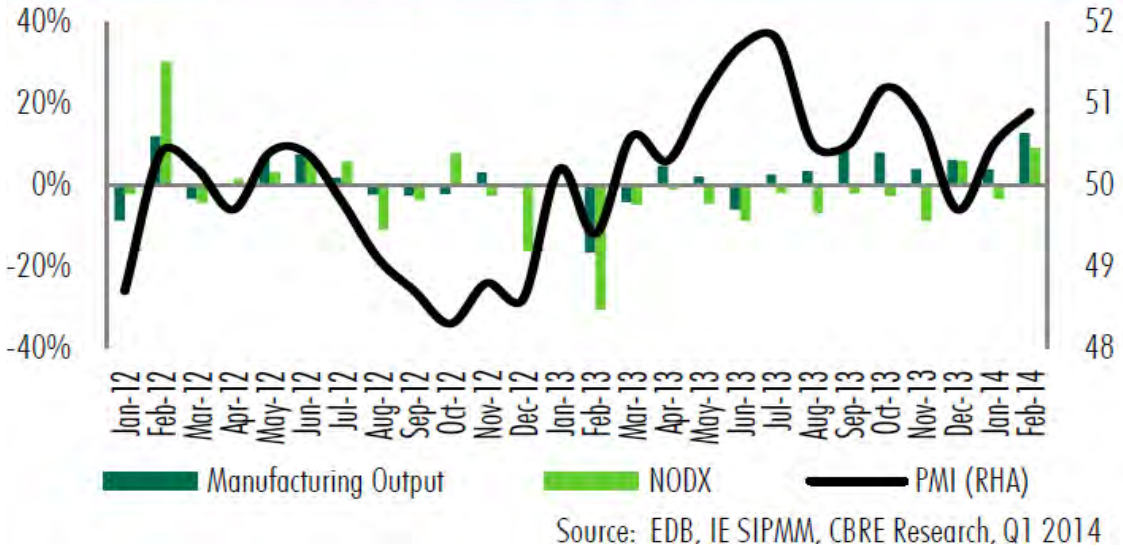
- Only Mapletree Business City Phase 2 is located in the Alexandra Precinct area
- Most of the supply are purpose built business parks (e.g. BTS projects, training centres, headquarters etc)

1 CBRE, Singapore Market View, Q1 2014

➔ Solid fundamentals – demand, supply and outlook for business & science park

Manufacturing Indices[1]

Chart 6: Manufacturing Indices



Source: EDB, IE SIPMM, CBRE Research, Q1 2014

Table 6: Known Business & Science Park Future Pipeline

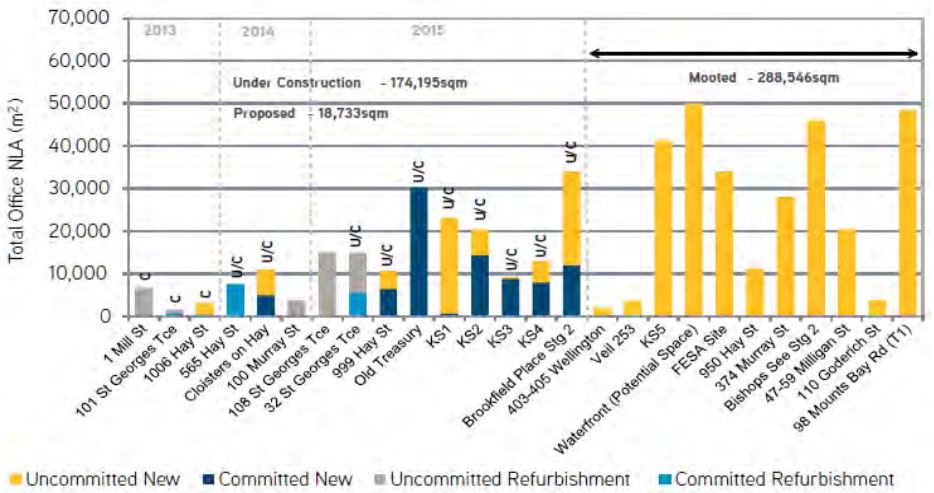
Year	Estimated NLA (million sf)	Estimated Pre-commitment Levels
2014	2.16	70%
2015	0.97	100%
2016	1.51	0%

- Vacancy rose from 9.3% to 10.3% in Q1 2014 due to 420,000 sf new supply and softened demand
- Demand mainly from IT, finance and consumer product sectors
- No major corrections in rents expected as demand is likely to pick up on the back of rising office rents
- Rising office rents could push more qualifying occupiers to lease business park space as seen in 2010
- New supply in 2014 and 2015 are mostly built-to-suit or pre-committed

1 CBRE, Singapore Market View, Q1 2014

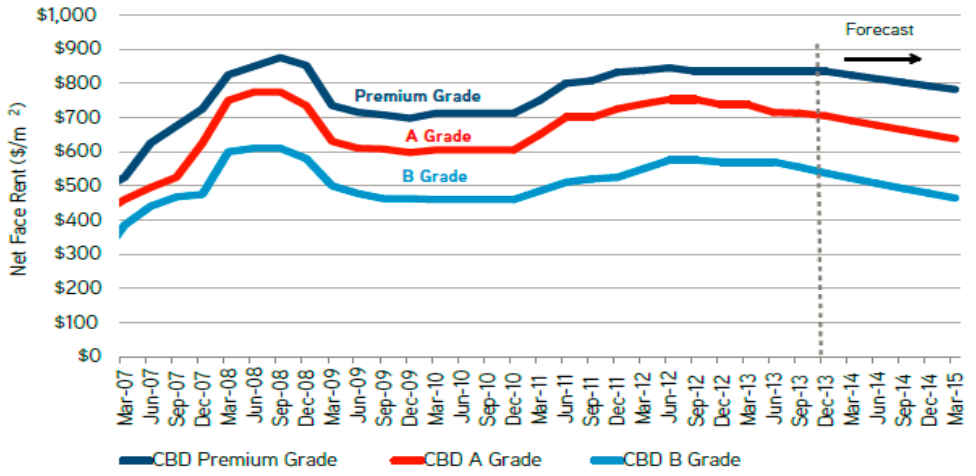
Minimal change in Premium Grade Perth office rents over the past 12 months

Perth CBD office supply[1]



Source: Colliers International.

Perth CBD average net face rents[1]



Source: Colliers International.

Market conditions [1]

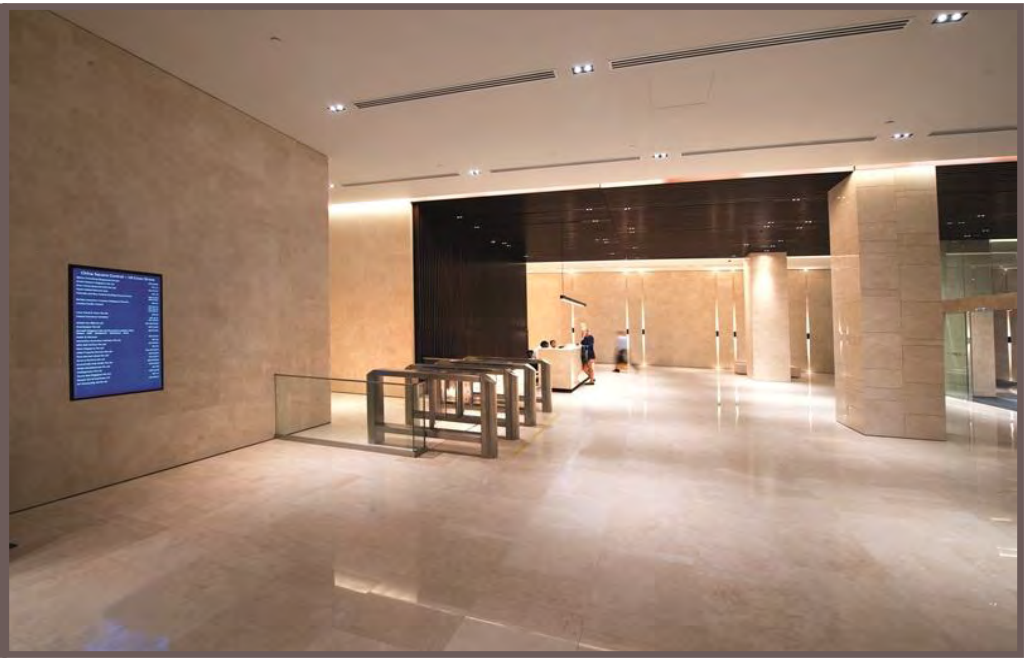
- Perth CBD office market vacancy rate in December 2013 was 9.0%, up from 6.9% in the first half of 2013, according to the Property Council of Australia
- Only Melbourne's vacancy rate (8.7%) is better than Perth. Perth's vacancy rate is on par with Sydney and is some five percentage points better than Brisbane (14.2%)
- Premium Grade net face rents are averaging $835 per square metre, little changed over the past 12 months to December 2013
- Incentives for Premium Grade remain unchanged

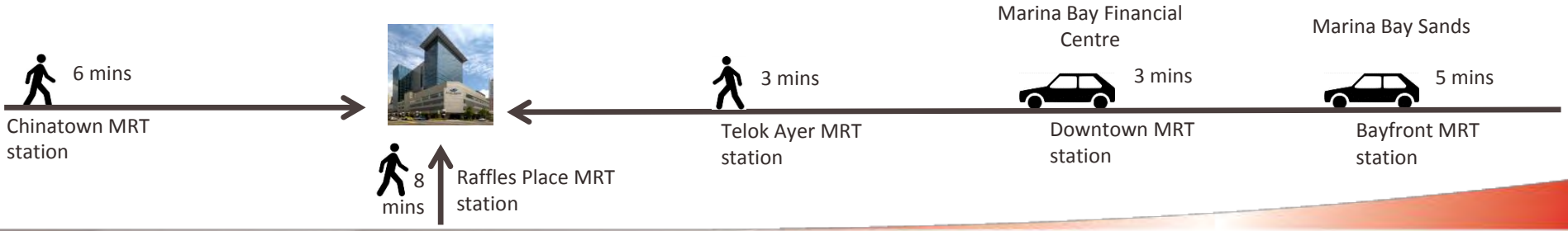
1 CBRE, Singapore Market View, Q1 2014

Key highlights – Quality and strategically located

- **Telok Ayer MRT station opened on 22 December 2013 – increased connectivity to China Square Central**
- **China Square Central is now close to 3 MRT stations**







Map not to scale.

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Portfolio review – Asset updates

- **Expiry of Master Lease at Alexandra Technopark in August 2014 provides income uplift**
- **Positive reversions arising from:**
  - **Immediate uplift in income after the expiry of the Master Lease**
  - **Low underlying passing rents**
- **Alexandra Technopark is strategically located with good connectivity**



S$1.8 psf

Master lease net rent received by FCOT

S$3.6 psf

- **Underlying average passing gross rent of Alexandra Technopark**
- **Low underlying average passing gross rent - potential for positive rental reversions**

Portfolio review – Singapore asset updates

	China Square Central – healthy leasing activities	55 Market Street – healthy occupancy rate	Alexandra Technopark – High occupancy rate
			
Occupancy	96.9%^	96.7%^	96.9% (underlying occupancy) Average underlying passing gross rent: S$3.6 psf
New leases , committed and renewals	MW Medical Centre; Chatham Financial; Hinoki; Libby, Persayk, Kathman; Chain IQ Holding, Wavecell	Corporate Serviced Offices, Gabriel Law Corporation (legal firm), Manchester Business School	Dyson, Eastman Chemical, Microsoft, Aurionpro Solutions
Tenants	groupm Cerebos MOL geyer Waldmann W AEPIM Aspire Global Network ASIA PAMA Wavecell	Jones Lang LaSalle Real value in a changing world; Corporate Serviced Offices; bwl; Chancery Law Corporation; Citigate Dewe Rogerson; TKP	hp NOKIA dyson Great Eastern A member of the OCBC Group; Sybase An SAP Company; Microsoft Be what's next

As at 31 March 2014.

^ Committed occupancy as at 31 March 2014.

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Portfolio review – Australia asset updates

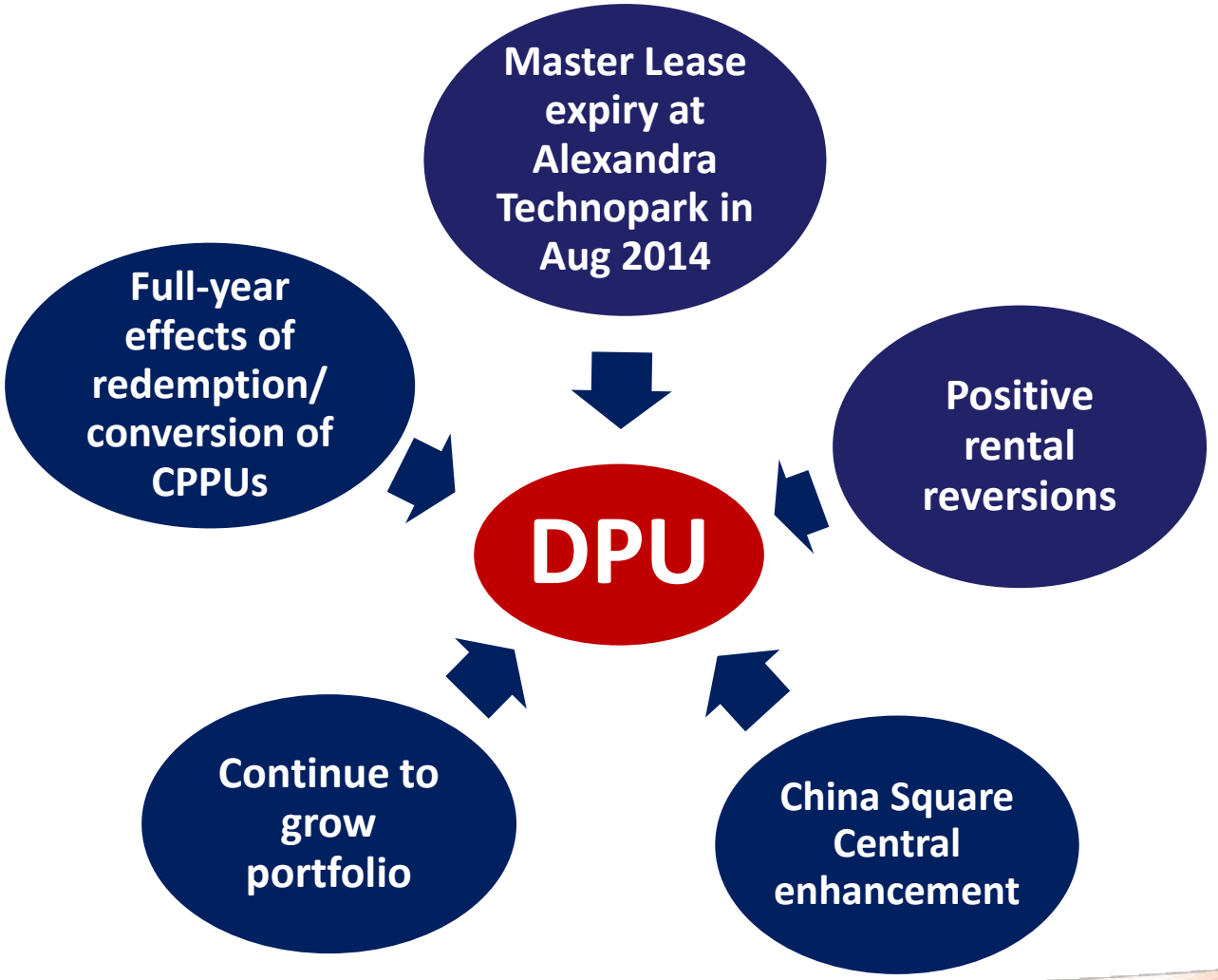
	Central Park – Healthy WALE of 3.8 years	Caroline Chisholm Centre –full occupancy with long WALE of 11.3 years
		
Occupancy	94.1%^ Slightly lower occupancy compared to previous year due to the departure of a tenant. Potential for higher occupancy with proactive leasing activities	100.0% Property occupied by a single tenant, i.e. the Commonwealth of Australia as represented by Centrelink (Aaa rated*) until July 2025
WALE	3.8 years	11.3 years
Tenants	Rio Tinto, bhpbilliton, Asgard, MIMI, ASX, GESB, KING&WOOD MALLESONS, Plan B WEALTH MANAGEMENT, DLA PIPER	Australian Government Department of Human Services

As at 31 March 2014.

^ Committed occupancy as at 31 March 2014.

* Based on Moody's rating in December 2013.

Organic and in-organic initiatives to deliver growth in distributable income



Appendix



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Key highlights - Properties in Singapore







	55 Market Street, Singapore	China Square Central, Singapore	Alexandra Technopark, Singapore
Description	• 16-storey commercial property with 2 floors (incl. basement) of retail space • Located in CBD • Awarded the Green Mark Gold Award	• 15-storey commercial office tower and retail development • Located in CBD • Awarded the Green Mark Gold Award and Eco-Office Certification	• High-tech business space development comprising 2 blocks of high-specification buildings, large floor plates of up to 76,000 sq ft • Awarded the Green Mark Gold Award and Eco-Office Certification
Tenure	Leasehold 999 years commencing 1826	Leasehold 99 years commencing 1997	Leasehold 99 years commencing 2009
Total NLA (sq ft)	71,796	372,202	1,045,227
Accessibility	5-minute walk from Raffles Place MRT station, 10-minute walk to the new Telok Ayer MRT station*	3-minute walk to the new Telok Ayer MRT station*, 6-minute walk to the Chinatown MRT station and 8-minute walk to the Raffles PlaceMRT station	15-minute drive from CBD, within walking distance to the Labrador Park MRT station
Valuation^	S$133.0 million	S$573.0 million	S$465.0 million
Occupancy rate	96.9%#	96.7%#	96.9%~

Data as at 31 March 2014
* Opened on 22 December 2013
^ As at 30 September 2013
# Committed occupancy as at 31 March 2014
~ Represents the underlying occupancy

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Key highlights - Properties in Australia



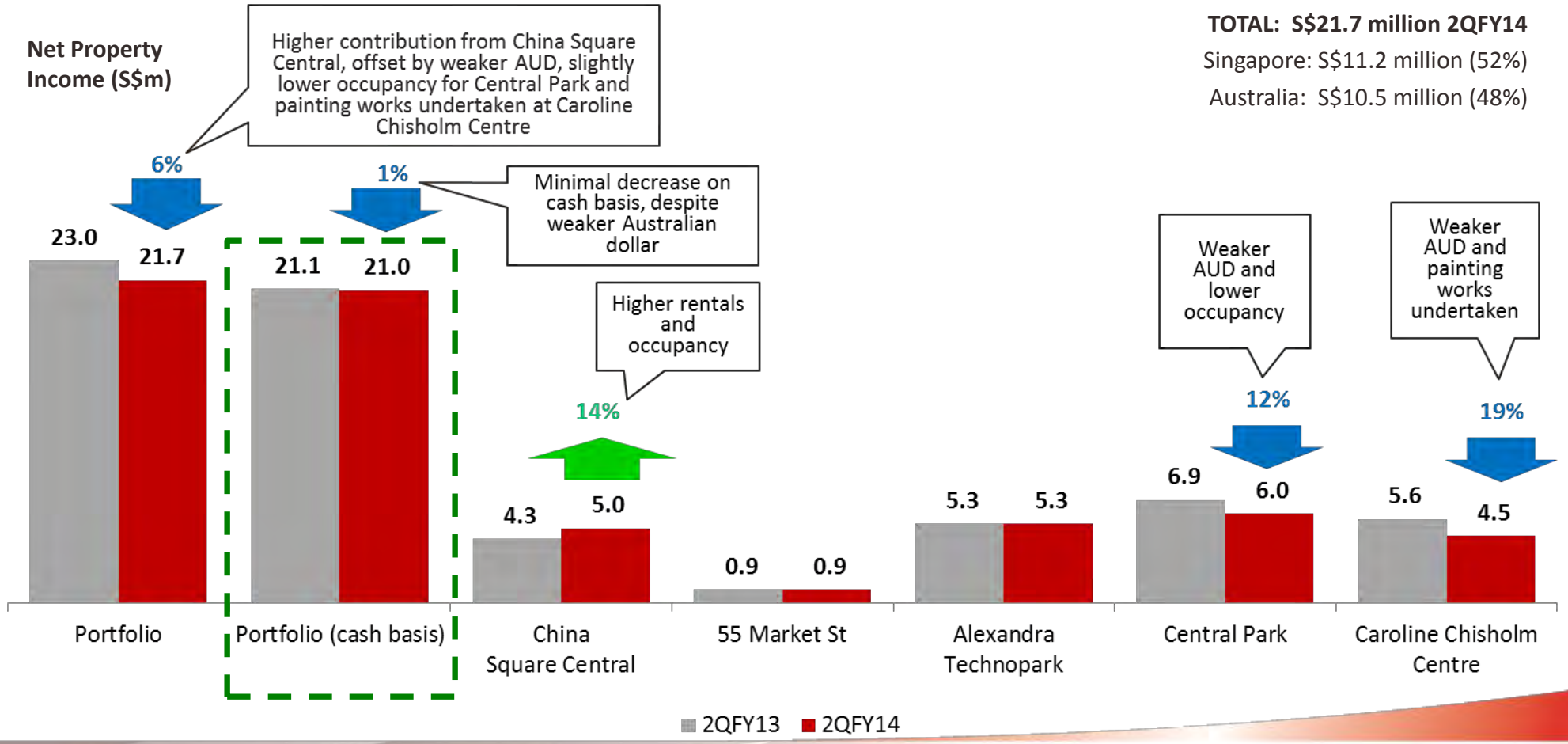


	Central Park, Perth	Caroline Chisholm Centre, Canberra
Description	• 47-storey premium grade, tallest building in Perth • Equipped with state of the art facilities, located in the heart of the CBD • First premium office building in Perth to attain a 5 star NABERS* energy base building rating • 4.5 star NABERS* Indoor Environment rating, 3.5 star NABERS* Water rating • Winner, Business Category of the Western Australia Water Awards • Best managed building over 20,000 square metres, overall winner, Western Australia 2013 Office Building Management award~	• 5-storey Grade A contemporary office building • Located in the core of Tuggeranong Town Centre, one of 4 town centres within the city of Canberra • 5 star NABERS* energy base building rating
Tenure	Freehold	Leasehold 99 years commencing 2002
Total NLA (sq ft)	357,188	433,182
Accessibility	Unparalleled road, rail and bus access	Well served by major roads
Valuation^	S$399.2 million (50% interest)	S$226.3 million
Occupancy rate	94.1%#	100.0%

Data as at 31 March 2014
* National Australian Built Environment Rating System
~ Organised by the Property Council of Australia
^ As at 30 September 2013
# Committed occupancy as at 31 March 2014

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Better performance of China Square Central, offset by weaker performance of the Australian properties



Thank you

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