

Frasers Property Limited's PBIT¹ grew 25% to S\$638 million in 1H FY19

- ◆ Scaled up exposure in suburban retail sector in Singapore in line with strategy to strengthen resilience of the Group's portfolio
- ◆ Enhanced environmental credentials with two green loans to refinance existing loans
- ◆ Proposed interim dividend of 2.4 Singapore cents per share

SINGAPORE, 3 MAY 2019

Frasers Property Limited ("Frasers Property", and together with its subsidiaries, the "Group") today announced its financial results for its second quarter and first half ended 31 March 2019 ("2Q FY19" and "1H FY19", respectively).

FINANCIAL HIGHLIGHTS

	2Q FY19 (S\$ 'mil)	2Q FY18 (S\$ 'mil) (restated ²)	Inc/(Dec) (%)	1H FY19 (S\$ 'mil)	1H FY18 (S\$ 'mil) (restated ²)	Inc/(Dec) (%)
Revenue	934.3	841.1	11.1	2,017.6	1,589.7	26.9
PBIT	283.2	276.3	2.5	637.6	511.4	24.7
Attributable Profit Before Fair Value Change and Exceptional Items ("APBFE")	99.6	111.3	(10.5)	239.9	186.3	28.7
Fair Value Change	21.7	(0.1)	N/M	26.8	8.5	N/M
Exceptional Items	(0.8)	-	N/M	(0.7)	(1.0)	N/M
Attributable Profit	120.5	111.2	8.3	266.0	193.8	37.2

Commenting on the Group's financial performance, Mr Panote Sirivadhanabhakdi, Group Chief Executive Officer of Frasers Property, said, "The results reflect the Group's enlarged base of recurring income assets. We benefited from the first full half-year contribution from our business park portfolio in the United Kingdom³, as well as contributions from Frasers Tower and the south wing of Northpoint City in Singapore. In addition, we recognised profits from residential developments following project completions and settlements, with Australia and China being the main contributors in the period under review."

Taking into account the profits achieved in 1H FY19, the Board has declared a 2.4 Singapore cents interim dividend per share to be paid out on 10 June 2019.

"Furthering our strategy to broaden our base of recurring income sources, we recently invested in PGIM Real Estate AsiaRetail Fund Limited ("PGIM ARF"). We have an established track record in managing suburban malls and look forward to constructively sharing our experience to enhance the malls' offerings and better serve their communities," Mr Sirivadhanabhakdi added. "The investment strengthens the resilience of the

¹ Profit before interest, fair value change, taxation, and exceptional items

² The 2Q FY18 and 1H FY18 results have been restated to account for the retrospective adjustments on the adoption of the new financial reporting framework, Singapore Financial Reporting Standards (International) framework and new/revised SFRS(I) as detailed in Item 5 of the Group's 2Q FY19 Financial Statements and Dividend Announcement

³ Including Farnborough Business Park, which was acquired via a 50:50 joint venture with Frasers Commercial Trust

Group's portfolio. The suburban retail market in Singapore, which caters primarily to non-discretionary spending, has demonstrated resilience across property cycles. The proximity to transportation nodes and residential catchments of PGIM ARF's portfolio adds to their defensive characteristics. This investment reinforces our efforts to generate sustainable returns for shareholders as we maintain a disciplined approach to growth."

KEY HIGHLIGHTS IN YEAR-TO-DATE FY19

Fraser's Property entered into two sale and purchase agreements between February and March 2019 to acquire a ~47.8%⁴ stake in PGIM ARF, which owns six retail properties near suburban MRT stations in Singapore, one office property in Singapore, and four retail properties in Malaysia. The acquisition of a ~17.8% stake in the fund for approximately S\$356.4 million was completed in March 2019 and the acquisition of a further ~30.0% stake for approximately S\$601.5 million was completed in April 2019.

On the corporate front, the Group maintained its efforts to optimise capital productivity by the strategic recycling of capital. It divested (i) a 50% share in an office tower in Melbourne, Australia to the GPT Wholesale Office Fund for S\$313.2⁵ million, and (ii) a logistics property in the Netherlands to Fraser's Logistics & Industrial Trust for S\$39.8 million⁶. It has also commenced a sale process for the final three retail assets – Central Park Mall, DUO Retail and Park Lane Retail – in its Central Park development in Sydney, Australia.

In addition, the Group continued to actively manage its capital structure and diversify its sources of funding. Building on its success in securing its first green loan in September 2018, the Group enhanced its environmental credentials as it secured two more green loans in March 2019. The first was a S\$785 million five-year club loan to refinance existing loans relating to the development of the Northpoint City South Wing retail mall and the second was a A\$600 million five-year syndicated loan to refinance a debt facility that was originally due in 2020. More recently, in April 2019, the Group issued 4.98% fixed-rate subordinated perpetual securities amounting to S\$400 million for general corporate and refinancing purposes.

LOOKING AHEAD

Fraser's Property Singapore is preparing for the upcoming sales launch of Rivière, a 455-unit private condominium development project along the Singapore River. An 80-unit serviced apartment will be integrated into the project as part of the three conserved warehouse buildings on the site.

Fraser's Property Australia ("FPA") released 498⁷ residential units for sale in 1H FY19 and plans to release 1,092⁷ more over the rest of the financial year. It also completed and settled 1,165⁷ residential units during the reporting half and plans to complete and settle 1,135⁷ more during rest of the reporting year. On the commercial & industrial and retail development front, FPA is working on 12 facilities. Of these, six with a gross development value of approximately S\$479 million⁵ will be sold while another six with an investment value of approximately S\$177 million⁵ will be retained on the Group's balance sheet.

In the hospitality space, Fraser's Hospitality opened three properties (Modena by Fraser Buriram in Thailand, as well as Fraser Place Puteri Harbour and Capri by Fraser, Johor Bahru in Malaysia) in 1H FY19 and most recently, opened Fraser Residence Orchard in Singapore in April 2019. Two more properties – Fraser Suites Hamburg in Germany and Capri by Fraser, China Square in Singapore – are scheduled to be opened by May 2019. With these additions, the Group now has equity interests in and/or manages over 17,000 units and has around 4,500 units signed-up and pending openings.

⁴ Fraser's Centrepoint Trust holds a separate stake of ~18.8% in PGIM Real Estate AsiaRetail Fund Limited

⁵ Based on an exchange rate of A\$1.00 : S\$0.9602 as at 31 March 2019

⁶ Based on an exchange rate of €1.00 : S\$1.5710 as at 31 October 2018

⁷ Includes 100% of joint arrangements – joint operation and joint venture – and project development agreements

END

About Frasers Property Limited

Frasers Property Limited ("Frasers Property" and together with its subsidiaries, the "Group"), is a multi-national company that develops, owns and manages a diverse, integrated portfolio of properties. Listed on the Main Board of the Singapore Exchange Securities Trading Limited ("SGX-ST") and headquartered in Singapore, the Group has total assets of approximately S\$33.2 billion as at 31 March 2019.

Frasers Property's assets range from residential, retail, commercial and business parks, to logistics and industrial in Southeast Asia, Australia, Europe and China. Its well-established hospitality business owns and/or operates serviced apartments and hotels in over 80 cities across Asia, Australia, Europe, the Middle East and Africa. The Group is unified by its commitment to deliver enriching and memorable experiences to customers and stakeholders, leveraging on its knowledge and capabilities from across markets and property sectors, to deliver value in its multiple asset classes.

Frasers Property is also the sponsor of three real estate investment trusts and one stapled trust listed on the SGX-ST. Frasers Centrepoint Trust, Frasers Commercial Trust, and Frasers Logistics & Industrial Trust are focused on retail, commercial and business parks, and logistics and industrial properties respectively. Frasers Hospitality Trust (comprising Frasers Hospitality Real Estate Investment Trust and Frasers Hospitality Business Trust) is a stapled trust focused on hospitality properties.

For more information on Frasers Property, please visit frasersproperty.com

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