



CIRCULAR DATED 12 MAY 2014
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If you have sold or transferred all your units ("Units") in Frasers Centrepoint Trust ("FCT"), you should immediately forward this Circular, together with the Notice of Extraordinary General Meeting and the accompanying Proxy Form in this Circular, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

This Circular is not for distribution, directly or indirectly, in or into the United States. It is not an offer of securities for sale into the United

States. The New Units have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or the securities laws of any state of the United States or other jurisdiction, and the New Units may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state or local securities laws. Any public offering of securities of FCT in the United States would be made by means of a prospectus that would contain detailed information about FCT and Frasers Centrepoint Asset Management Ltd., as manager of FCT (the "Manager"), as well as financial statements. The Manager does not intend to register any portion of the offering in the United States or to conduct a public offering of securities in the United States.



(Constituted in the Republic of Singapore pursuant to a trust deed dated 5 June 2006 (as amended))

MANAGED BY
FRASERS CENTREPOINT ASSET MANAGEMENT LTD.

CIRCULAR TO UNITHOLDERS IN RELATION TO:

- (1) THE PROPOSED ACQUISITION OF CHANGI CITY POINT AS A RELATED PARTY TRANSACTION;**
- (2) THE PROPOSED ISSUE OF UP TO 90.0 MILLION NEW UNITS UNDER THE PRIVATE PLACEMENT; AND**
- (3) THE PROPOSED PLACEMENT OF NEW UNITS TO THE FCL GROUP UNDER THE PRIVATE PLACEMENT AS A RELATED PARTY TRANSACTION.**

Sole Financial Adviser in relation to the Private Placement



Joint Lead Managers and Underwriters in relation to the Private Placement



Independent Financial Adviser to the Independent Directors of Frasers Centrepoint Asset Management Ltd.



IMPORTANT DATES AND TIMES FOR UNITHOLDERS

(The following is qualified by, and should be read in conjunction with, the section entitled "Indicative Timetable")

Last date and time for lodgement of Proxy Forms	27 May 2014 at 10.00 a.m.
Date and time of Extraordinary General Meeting	29 May 2014 at 10.00 a.m.
Venue of Extraordinary General Meeting	Level 2, Alexandra Point, 438 Alexandra Road, Singapore 119958

This section is qualified in its entirety by, and should be read in conjunction with, the full text of this Circular.

The meaning of each capitalised term is found in the Glossary of this Circular.

OVERVIEW OF FRASERS CENTREPOINT TRUST

Frasers Centrepoint Trust ("FCT") is a leading developer-sponsored retail real estate investment trust with five quality suburban malls in Singapore. The current portfolio comprises Causeway Point, Northpoint, YewTee Point, Bedok Point and Anchorpoint.

FCT is focused on delivering regular and stable distributions to unitholders 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 optimise their performance. The potential acquisitions of new assets will also help FCT gain greater scale and drive further income growth for unitholders.

Listed on the Main Board of Singapore Exchange Securities Trading Limited (the "SGX-ST") 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 ("FCL").

FCL is listed on the Main Board of the SGX-ST. FCL is a full-fledged international real estate company and one of Singapore's top property companies with total assets of approximately S\$11.5 billion as at 31 December 2013. FCL has three core businesses focused on residential, commercial and hospitality properties spanning over 30 cities across Asia, Australasia, Europe, and the Middle-East.

FRASERS CENTREPOINT TRUST'S PROPERTIES

FCT's existing asset portfolio comprises five quality suburban malls in Singapore. They are Causeway Point, Northpoint, YewTee Point, Bedok Point and Anchorpoint. The portfolio has an aggregate appraised value of approximately S\$2.1 billion as at 30 September 2013. The malls in FCT's portfolio enjoy good connectivity to public transport such as MRT and public buses, wide catchment areas that provide healthy footfall to the malls as well as high occupancy rates. The resilient and stable income from the portfolio underpins stable and regular distributions that FCT provides to its unitholders.



YewTee Point

Causeway Point

Anchorpoint

Northpoint

Bedok Point

PROPOSED ACQUISITION

Changi City Point is a three-storey multi-tenanted retail mall together with one basement level. It is located in Changi Business Park and is near the Singapore Expo, Singapore's largest convention and exhibition venue. The mall has good accessibility to major expressways and is situated directly opposite the Singapore Expo MRT station. Public transport services to Changi Business Park (and hence also to the mall) will be further enhanced by the completion of Downtown Line Phase 3, which is expected to be completed in 2017.

The mall, which commenced operations in November 2011, has a total net lettable area of 207,237 square feet. The well-diversified tenant base includes key retailers such as Cold Storage; Gain City; Nike; and Challenger, and a wide range of restaurants such as Tung Lok Signatures, food & beverage outlets, convenience shopping and essential goods and services. The committed occupancy rate of the mall as at 28 February 2014 was 97.8%.

Changi City Point is a convenient shopping and dining venue for the worker population of Changi Business Park and nearby office buildings, the residents from the nearby Simei, Bedok and Tampines estates and other residential estates further afield. The mall also benefits from unique shopper catchments as a result of its proximity to the Singapore Expo as well as educational institutions such as the Institute of Technical Education College East and the future campus of the Singapore University of Technology and Design.



One of the 2 food courts at Changi City Point



Food and beverage outlets at Changi City Point

Highlights of Changi City Point (as at 28 February 2014)

Address	5 Changi Business Park Central 1, Changi City Point, Singapore 486038
Gross Floor Area ("GFA") ⁽¹⁾ (sq ft)	306,375
Net Lettable Area ("NLA") ⁽²⁾ (sq ft)	207,237 ⁽³⁾
Number of Committed Leases ⁽⁴⁾	134
Number of Storeys	Three (plus one basement level)
Number of Car Park Lots	627 ⁽⁵⁾
Title	Leasehold estate of 60 years commencing 30 April 2009
Committed Occupancy Rate (%)	97.8
Weighted Average Lease Expiry ("WALE") by NLA (years)	1.68
Purchase Price per sq ft Based on the Purchase Consideration ⁽⁶⁾ (S\$)	1,472

Notes:

- (1) "Gross Floor Area" or "GFA" means the gross floor area of a building measured in accordance with guidelines issued by the relevant authorities.
- (2) "Net Lettable Area" or "NLA" means the floor area in a building that is to be leased and in respect of which a rent is payable, which generally excludes common areas (such as corridors, public atrium and toilets) and areas used to accommodate building and property management facilities and services.
- (3) This excludes the area of approximately 3,390.6 sq ft currently used as civic & community institution ("C&CI") space.
- (4) "Committed Leases" means leases in respect of which definitive agreements have been entered into between the lessor and lessee (including legally binding letters of offer which have been accepted for vacant units).
- (5) The car park lots are shared between Changi City Point, Capri By Fraser and ONE@Changi City.
- (6) Based on Changi City Point's NLA of 207,237 sq ft.

COMPETITIVE STRENGTHS OF CHANGI CITY POINT



Atrium of Changi City Point



Supermarket at Changi City Point

STRATEGIC LOCATION AND GOOD CONNECTIVITY

Changi City Point is located in Changi Business Park and is directly opposite the Singapore Expo MRT station. It is also connected to the rest of Changi Business Park and Simei MRT station by shuttle bus services. The mall benefits from good access by road to the city area and other parts of Singapore via ECP, PIE and TPE. Public transport services to Changi Business Park (and hence also to the mall) will be further enhanced when the Downtown Line Phase 3 is completed which is expected to be in 2017.

UNIQUE SHOPPER CATCHMENTS

Changi City Point is estimated to serve over 25,000 workers from Changi Business Park; the resident population of approximately 70,000 in its primary trade sector; the student population from the Institute of Technical Education College East and the future campus of the Singapore University of

Technology and Design; and a further estimated resident population of approximately 387,000 in its secondary trade sector. In addition, the integrated development of which Changi City Point is a part, which also comprises the ONE@Changi City office building and the 313-room Capri By Fraser hotel, complements the worker population in providing stable daily footfall for the Mall. The mall's proximity to the Singapore Expo also provides a source of shopper traffic to Changi City Point.

The Manager believes that the shopper catchments and the wide range of food and beverage, convenience shopping and essential goods and services offered by Changi City Point will enhance the Property's ability to draw shopper traffic to the mall, thereby sustaining the mall's operating performance.

RELATIVELY NEW SUBURBAN MALL WITH POTENTIAL FOR GROWTH

Changi City Point commenced operations in November 2011. It is a relatively new mall and its performance compared to more mature suburban malls in Singapore is thus expected to improve steadily over time as the mall matures, particularly when surrounding infrastructure such as Downtown Line Phase 3 is completed.

EXPOSURE TO SINGAPORE'S SUBURBAN RETAIL PROPERTY MARKET

Changi City Point is expected to benefit from the growth in its local catchment in the next few years, especially with the expected completion of Downtown Line Phase 3 in 2017. The Manager believes that Changi City Point's trade mix and its considerable emphasis on basic and essential types of goods and services will strengthen FCT's exposure to Singapore's suburban retail property market.

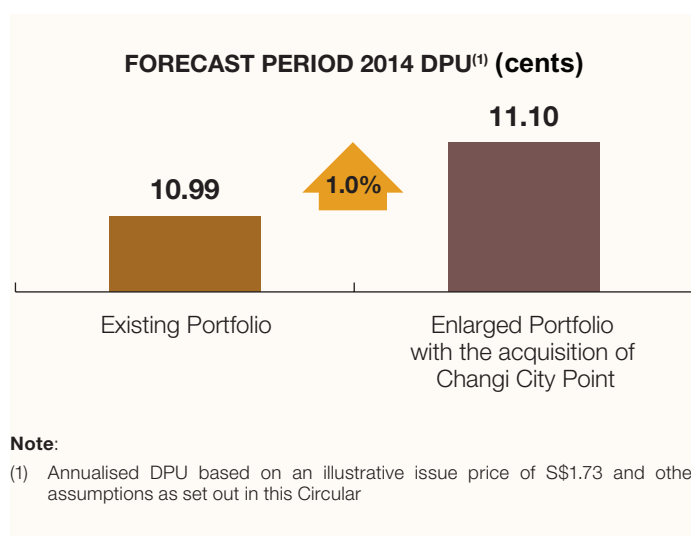
LIMITED SUPPLY OF RETAIL SPACE IN TRADE AREA

According to Urbis, the shopping centre floor space per capita within the Outer East Region, which includes Changi City Point, is estimated to grow to approximately 3.6 sq ft per person in 2018. This figure is significantly below the overall average for Singapore at approximately 5.2 sq ft per person. The Manager believes that Changi City Point occupies an enviable position in a trade area that is currently undersupplied for enclosed shopping centre floor space.

KEY BENEFITS TO UNITHOLDERS

YIELD ACCRETION

Unitholders are expected to enjoy a higher distribution per Unit (“DPU”) as a result of the acquisition being made at a purchase consideration reflective of the cash flows which Changi City Point is expected to generate, combined with a debt and equity financing plan to be determined by the Manager.



CONSISTENT WITH THE MANAGER'S INVESTMENT STRATEGY

The Acquisition is in line with the Manager's principal investment strategy to invest in quality income-producing properties used primarily for retail purposes, so as to deliver regular and stable distributions to Unitholders and to provide Unitholders with a competitive rate of return on their investment.

GREATER INCOME DIVERSIFICATION AND ENLARGED TENANT BASE OF FCT'S PROPERTY PORTFOLIO

Following the Acquisition, the maximum contribution to FCT's Net Property Income by any single property within FCT's property portfolio will decrease from 51.3% to 44.8% based on the forecast Net Property Income contribution for the Forecast Period.

The Acquisition will also allow FCT to diversify its portfolio of properties geographically and will enlarge FCT's share in the overall Singapore retail market. FCT's tenant base will be enlarged and further diversified with the addition of more than 130 tenants, including new tenants which were not tenants in the portfolio of properties currently held by FCT.

GREATER TRADING LIQUIDITY

Following the Private Placement, FCT will have a substantially larger market capitalisation. This could potentially result in a diversification of FCT's unitholder base and is also likely to attract wider investor interest. The New Units, when issued, are expected to increase FCT's outstanding number of Units on the SGX-ST which, in turn, is expected to result in greater trading liquidity, thus potentially benefiting Unitholders.

FRASERS CENTREPOINT TRUST'S PORTFOLIO OVERVIEW

EXISTING PORTFOLIO

The table below sets out selected information about the Existing Portfolio as at 28 February 2014:

	CAUSEWAY POINT	NORTHPOINT	YEWTEE POINT	BEDOK POINT	ANCHORPOINT
GFA (sq ft)	629,160	364,595	117,594	133,598	102,736
NLA (sq ft)	416,631	236,119	73,669	81,656	70,985
Number of Committed Leases	225	175	76	61	63
Car Park Lots	842	236	83 ⁽¹⁾	76	128 ⁽²⁾
Title	Leasehold title of 99 years commencing 30 October 1995	Leasehold title of 99 years commencing 1 April 1990	Leasehold title of 99 years commencing 3 January 2006	Leasehold title of 99 years commencing 15 March 1978	Freehold
Valuation ⁽³⁾ (S\$'000)	1,006,000	638,000	161,000	128,500	86,000
Percentage of aggregate value of Existing Portfolio (%)	49.8	31.6	8.0	6.4	4.3
Committed Occupancy Rate (%)	99.7	99.3	98.0	99.3	97.6
Net Property Income for the Forecast Period (S\$'000)	19,324	11,721	3,070	1,971	1,568

Notes:

- (1) Part of limited common property for the exclusive benefit of YewTee Point.
- (2) Located at Anchorpoint but comprises part of the common property of a strata sub-divided mixed-use development, which in turn comprises Anchorpoint and The Anchorage (a condominium).
- (3) Valuations as at 30 September 2013.

ENLARGED PORTFOLIO

The table below sets out selected information about the Enlarged Portfolio as at 28 February 2014:

	EXISTING PORTFOLIO	CHANGI CITY POINT	ENLARGED PORTFOLIO
GFA (sq ft)	1,347,683	306,375	1,654,058
NLA (sq ft)	879,060	207,237 ⁽¹⁾	1,086,297
Number of Committed Leases	600	134	734
Car Park Lots	1,365 ⁽²⁾	627 ⁽³⁾	1,992 ⁽²⁾⁽³⁾
Valuation (S\$'000)	2,019,500 ⁽⁴⁾	305,000 ⁽⁵⁾	2,324,500
Committed Occupancy Rate (%)	99.2	97.8	99.0
Net Property Income for the Forecast Period (S\$'000)	37,654	5,519	43,173

Notes:

- (1) This excludes the area of approximately 3,390.6 sq ft currently used as C&CI space.
- (2) Includes the 128 car park lots located at Anchorpoint but comprises part of the common property of a strata sub-divided mixed-use development, which in turn comprises Anchorpoint and The Anchorage (a condominium), and the 83 car park lots which are part of limited common property for the exclusive benefit of YewTee Point.
- (3) The car park lots are shared between Changi City Point, Capri By Fraser and ONE@Changi City.
- (4) Valuations as at 30 September 2013.
- (5) The Purchase Consideration for Changi City Point.

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CORPORATE INFORMATION

Directors of Frasers Centrepoint Asset Management Ltd. (as manager of Frasers Centrepoint Trust)	:	Mr Philip Eng Heng Nee (Independent Non-Executive Chairman) Dr Chew Tuan Chiong (Chief Executive Officer and Executive Director) Mr Anthony Cheong Fook Seng (Non-Executive Director) Mr Chia Khong Shoong (Non-Executive Director) Mr Bobby Chin Yoke Choong (Independent Non-Executive Director) Mr Lim Ee Seng (Non-Executive Director) Mr Soh Kim Soon (Independent Non-Executive Director) Mr Christopher Tang Kok Kai (Non-Executive Director)
Registered Office of Frasers Centrepoint Asset Management Ltd.	:	438 Alexandra Road #21-00 Alexandra Point Singapore 119958
Trustee of Frasers Centrepoint Trust (the “Trustee”)	:	HSBC Institutional Trust Services (Singapore) Limited 21 Collyer Quay #10-02 HSBC Building Singapore 049320
Sole Financial Adviser in relation to the Private Placement (the “Sole Financial Adviser”)	:	DBS Bank Ltd. 12 Marina Boulevard Marina Bay Financial Centre Tower 3 Singapore 018982
Joint Lead Managers and Underwriters in relation to the Private Placement (the “Joint Lead Managers and Underwriters”)	:	Citigroup Global Markets Singapore Pte. Ltd. 8 Marina View #21-00 Asia Square Tower 1 Singapore 018960 DBS Bank Ltd. 12 Marina Boulevard Marina Bay Financial Centre Tower 3 Singapore 018982
Legal Adviser for the Acquisition and the Private Placement, and to the Manager	:	Allen & Gledhill LLP #28-00 One Marina Boulevard Singapore 018989
Legal Adviser to the Joint Lead Managers and Underwriters	:	Allen & Overy LLP 50 Collyer Quay #09-01 OUE Bayfront Singapore 049321

Legal Adviser to the Trustee for the Acquisition : Shook Lin & Bok LLP
1 Robinson Road
#18-00 AIA Tower
Singapore 048542

Unit Registrar and Unit Transfer Office : Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

Independent Financial Adviser to the Independent Directors of the Manager : Deloitte & Touche Corporate Finance Pte Ltd
6 Shenton Way
OUE Downtown 2, #32-00
Singapore 068809

Independent Accountants : Ernst & Young LLP
One Raffles Quay
North Tower Level 18
Singapore 048583

Independent Valuers (the “Independent Valuers”) : Knight Frank Pte. Ltd.
16 Raffles Quay
#30-00 Hong Leong Building
Singapore 048581

Colliers International (Singapore) Pte Ltd
1 Raffles Place
#45-00 One Raffles Place
Singapore 048616

Independent Property Consultant for Changi City Point (“Urbis”) : Urbis Pty Ltd
Level 12, 120 Collins Street
Melbourne VIC 3000
Australia

SUMMARY

The following summary is qualified in its entirety by, and should be read in conjunction with, the full text of this Circular. Meanings of defined terms may be found in the Glossary on pages 48 to 54 of this Circular.

Any discrepancies in the tables included herein between the listed amounts and totals thereof are due to rounding.

SUMMARY OF APPROVALS SOUGHT

The Manager is seeking approvals from unitholders of FCT (“**Unitholders**”) in relation to the following resolutions:

(1) Resolution 1: The Proposed Acquisition of Changi City Point as a Related Party Transaction (Ordinary Resolution)

The Manager is seeking Unitholders’ approval for the proposed acquisition of the property known as Changi City Point¹, located at 5 Changi Business Park Central 1, Changi City Point, Singapore 486038 (“**Changi City Point**” or the “**Property**”). The proposed acquisition of Changi City Point will hereafter be known as the “**Acquisition**”.

(2) Resolution 2: The Proposed Issue of Up to 90.0 Million New Units under the Private Placement (Ordinary Resolution)

The Manager is seeking Unitholders’ approval for the proposed issue of up to 90.0 million new Units (“**New Units**”) (which is equivalent to up to approximately S\$155.7 million² or 10.9% of the 825,400,343 Units in issue as at 5 May 2014, being the latest practicable date prior to the printing of this Circular (the “**Latest Practicable Date**”)) pursuant to a private placement of New Units (the “**Private Placement**”) to part finance the Acquisition³. The balance thereof is intended to be funded by borrowings and/or internal sources. The Manager intends to allocate the entire proceeds from the Private Placement for the purposes of the Acquisition. The final decision regarding the proportion of equity and debt financing to be employed for the purposes of financing the Acquisition will be made by the Manager at the appropriate time taking into account the then prevailing market conditions.

(3) Resolution 3: The Proposed Placement of New Units to the FCL Group under the Private Placement as a Related Party Transaction (Ordinary Resolution)

To enable Frasers Centrepoint Limited (“**FCL**”) and/or any of its subsidiaries (collectively, the “**FCL Group**”) to be in a position to support FCT, the Manager is seeking Unitholders’ approval for the proposed issue of New Units to the FCL Group, as part of the Private Placement (the “**FCL Group Placement**”). The FCL Group may subscribe for such number of New Units under the Private Placement up to its proportionate pre-placement unitholding in FCT, in percentage terms⁴. The New Units placed to the FCL Group under the FCL Group Placement will be issued at the same price as the New Units issued to other investors under the Private Placement.

¹ Being the whole of Strata Lot U49285C together with Accessory Lots A101C, A102M, A103W and A104V, all of Mukim 27 together with the building comprised thereon and known as 5 Changi Business Park Central 1, Changi City Point, Singapore 486038.

² Based on the Illustrative Issue Price of S\$1.73.

³ For the avoidance of doubt, the Private Placement is inclusive of the FCL Group Placement (as defined herein).

⁴ This excludes the Acquisition Fee Units (as defined herein).

Unitholders should note that:

- (i) Resolution 2 (the Private Placement) and Resolution 3 (the FCL Group Placement) are each conditional upon Resolution 1 (the Acquisition) being passed; and
- (ii) Resolution 3 (the FCL Group Placement) is conditional upon Resolution 2 (the Private Placement) being passed.

In the event that Unitholders do not approve Resolution 1 (the Acquisition), the Manager will not proceed with Resolution 2 (the Private Placement) or Resolution 3 (the FCL Group Placement).

In the event that Unitholders do not approve Resolution 2 (the Private Placement), the Manager will not proceed with Resolution 3 (the FCL Group Placement).

(1) THE PROPOSED ACQUISITION OF CHANGI CITY POINT AS A RELATED PARTY TRANSACTION

Overview of the Acquisition

Pursuant to the conditional sale and purchase agreement dated 8 April 2014 (the “**Conditional Sale and Purchase Agreement**”) made between the Trustee and Ascendas Frasers Pte. Ltd. (the “**Vendor**”), the Vendor shall sell the Property to the Trustee together with the plant and equipment and the Trustee shall purchase the Property together with the plant and equipment upon the terms and subject to the conditions of the Conditional Sale and Purchase Agreement. The Vendor is a joint venture between FCL and Ascendas Development Pte. Ltd.. FCL holds an indirect 50.0% interest in the Vendor through its wholly-owned subsidiary, FCL Emerald (1) Pte. Ltd..

(See paragraph 2 of the Letter to Unitholders for further details.)

Description of Changi City Point

The table below sets out a summary of selected information on Changi City Point as at 28 February 2014:

Gross Floor Area (“GFA”)⁽¹⁾ (sq ft)	306,375
Net Lettable Area (“NLA”)⁽²⁾ (sq ft)	207,237 ⁽³⁾
Number of Committed Leases⁽⁴⁾	134
Number of Storeys	Three (plus one basement level)
Number of Car Park Lots	627 ⁽⁵⁾
Title	Leasehold estate of 60 years commencing 30 April 2009
Committed Occupancy Rate as at 28 February 2014 (%)	97.8
Weighted Average Lease Expiry (“WALE”) by NLA (years)	1.68
Purchase Price per sq ft Based on the Purchase Consideration⁽⁶⁾ (S\$)	1,472

Notes:

- (1) “**Gross Floor Area**” or “**GFA**” means the gross floor area of a building measured in accordance with guidelines issued by the relevant authorities.
- (2) “**Net Lettable Area**” or “**NLA**” means the floor area in a building that is to be leased and in respect of which a rent is payable, which generally excludes common areas (such as corridors, public atrium and toilets) and areas used to accommodate building and property management facilities and services.
- (3) This excludes the area of approximately 3,390.6 sq ft currently used as civic & community institution (“**C&C**”) space.
- (4) “**Committed Leases**” means leases in respect of which definitive agreements have been entered into between the lessor and lessee (including legally binding letters of offer which have been accepted for vacant units).
- (5) The car park lots are shared between Changi City Point, Capri By Fraser and ONE@Changi City.
- (6) Based on Changi City Point’s NLA of 207,237 sq ft.

Located in the heart of Changi Business Park, Changi City Point is in close proximity to the residential estates of Simei, Bedok and Tampines to the north-west and west and adjacent to Changi Airport to the north-east. The Property’s locality is unique in its proximity to the Singapore Expo, which is Singapore’s largest convention and exhibition venue, as well as to educational institutions such as the Institute of Technical Education College East and the future campus of the Singapore University of Technology and Design, slated to be completed by the end of 2014.

The Property is a three-storey multi-tenanted retail mall together with one basement level. Its main retail levels are from Basement 1 to Level 2, accommodating a diverse tenant base comprising key retailers such as Cold Storage, Gain City, Nike and Challenger, restaurants such as Tung Lok Signatures, food outlets, two food courts and speciality retail units. The Property also includes a landscaped rooftop garden housing art installations and “Arena @ L3”, an outdoor performing area. A total of 627 car park lots¹, which form part of the common property, are provided at the Property.

Changi City Point is well-served by public transport, being directly opposite the Singapore Expo mass rapid transit (“**MRT**”) station, and is connected to the rest of Changi Business Park and Simei MRT station by shuttle bus services. Public transport services to Changi Business Park (and hence also to the Property) will be further enhanced by the completion of Downtown Line Phase 3, which is expected to be completed in 2017. The Property also benefits from good access by road to the city area and other parts of Singapore with good accessibility to the East Coast Parkway Expressway (“**ECP**”), Pan Island Expressway (“**PIE**”) and Tampines Expressway (“**TPE**”).

The Property obtained its temporary occupation permit (“**TOP**”) in September 2011 and commenced operations in November 2011.

Valuations and Purchase Consideration for Changi City Point

The Manager has commissioned an independent property valuer, Knight Frank Pte. Ltd. (“**Knight Frank**”), and the Trustee has commissioned another independent property valuer, Colliers International (Singapore) Pte Ltd (“**Colliers**”), to value Changi City Point.

¹ The car park lots are shared between Changi City Point, Capri By Fraser and ONE@Changi City.

The open market value of Changi City Point as at 1 March 2014 determined by Knight Frank and Colliers is S\$306.0 million and S\$304.0 million, respectively. In arriving at the open market value, Knight Frank used the capitalisation approach and the discounted cash flow analysis, while Colliers relied on the capitalisation approach, the discounted cash flow analysis and the direct comparison method.

(See **Appendix D** of this Circular for the valuation certificates for Changi City Point for further details.)

Pursuant to the terms and subject to the conditions of the Conditional Sale and Purchase Agreement (including the approval of Unitholders), Changi City Point shall be acquired at a purchase consideration of S\$305.0 million (the “**Purchase Consideration**”), which was arrived at on a willing-buyer and willing-seller basis and based on the two independent valuations set out above.

Estimated Acquisition Cost of the Acquisition

The current estimated total acquisition cost of the Acquisition (the “**Acquisition Cost**”) is approximately S\$312.5 million, comprising:

- (i) the Purchase Consideration of S\$305.0 million;
- (ii) an acquisition fee of S\$3.05 million (being 1.0% of the Purchase Consideration) payable to the Manager (the “**Acquisition Fee**”) pursuant to Clause 15.2.1 of the trust deed dated 5 June 2006 constituting FCT as entered into between the Trustee and the Manager (as amended) (the “**Trust Deed**”); and
- (iii) the estimated professional and other fees and expenses of approximately S\$4.5 million which will be incurred by FCT in connection with the Acquisition and the Private Placement, comprising (a) underwriting and financial advisory fees in respect of the Private Placement of S\$1.62 million, (b) debt facility fees of S\$1.19 million and (c) transaction costs of S\$1.67 million.

As the Acquisition will constitute an “interested party transaction” under Paragraph 5 of Appendix 6 of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore (“**MAS**”, and Appendix 6, the “**Property Funds Appendix**”), the Acquisition Fee payable to the Manager in respect of the Acquisition will be in the form of Units (the “**Acquisition Fee Units**”), which shall not be sold within one year from their date of issuance.

Requirement for Unitholders’ Approval

Interested Person Transaction and Interested Party Transaction (collectively, “Related Party Transaction”)

As at the Latest Practicable Date, FCL holds an aggregate deemed interest in 339,270,343 Units (which is equivalent to approximately 41.1% of the 825,400,343 Units in issue as at the Latest Practicable Date) and is therefore regarded as a “controlling Unitholder” of FCT under both the Listing Manual of the SGX-ST (the “**Listing Manual**”) and the Property Funds Appendix.

As FCL holds an indirect 50.0% interest in the Vendor, for the purposes of Chapter 9 of the Listing Manual and Paragraph 5 of the Property Funds Appendix, the Vendor (being an associate of a “controlling Unitholder”) is (for the purposes of the Listing Manual) an “interested person” and (for the purposes of the Property Funds Appendix) an “interested party” of FCT.

Therefore the Acquisition will constitute an “interested person transaction” under Chapter 9 of the Listing Manual as well as an “interested party transaction” under Paragraph 5 of the Property Funds Appendix, in respect of which the approval of Unitholders is required.

(See paragraph 4.6.2 of the Letter to Unitholders for further details.)

Rationale for and Key Benefits of the Acquisition

The Manager believes that the Acquisition will bring the following key benefits to Unitholders:

(1) Yield Accretion

Unitholders are expected to enjoy a higher distribution per Unit (“**DPU**”) as a result of the Acquisition being made at a price which is reflective of the cash flows which the Property is expected to generate, combined with a debt and equity financing plan to be determined by the Manager.

Unitholders are expected to enjoy an increase in annualised DPU from 10.99 cents (reflecting a DPU yield of 6.02% based on the closing price of a Unit of S\$1.825 as at the Latest Practicable Date) to 11.10 cents (reflecting a DPU yield of 6.08% based on the closing price of a Unit of S\$1.825 as at the Latest Practicable Date) for the period from 1 June 2014 to 30 September 2014 (the “**Forecast Period**”) after the Acquisition, which is an increase of 1.0%. The illustrative number of New Units to be issued in connection with the Acquisition is approximately 88.2 million, which is the sum of 86.5 million New Units issued in connection with the Private Placement and 1.7 million Acquisition Fee Units. The above assumes that (a) the Acquisition is funded through a combination of debt (of S\$159.8 million drawn down from the FCT Loan Facilities¹) and the proceeds from the Private Placement, (b) the New Units are issued at an illustrative issue price of S\$1.73 (the “**Illustrative Issue Price**”), and (c) the Acquisition Fee Units are issued at an assumed issue price of S\$1.81 per Unit². The Acquisition is therefore expected to be yield accretive to Unitholders.

(2) Competitive Strengths of Changi City Point

Located in the heart of Changi Business Park, Changi City Point is in close proximity to the residential estates of Simei, Bedok and Tampines to the north-west and west and adjacent to Changi Airport to the north-east. The Property’s locality is unique in its proximity to the Singapore Expo, which is Singapore’s largest convention and exhibition venue, as well as to educational institutions such as the Institute of Technical Education College East and the future campus of the Singapore University of Technology and Design, slated to be completed by the end of 2014, allowing it to benefit from unique

¹ The “**FCT Loan Facilities**” refer to loan facilities currently put in place by the Manager and new loan facilities which the Manager may from time to time put in place, which may be utilised to part finance the Acquisition in accordance with the funding structure to be determined by the Manager.

² The assumed issue price of S\$1.81 per Unit for the Acquisition Fee Units is the adjusted price based on FCT’s last traded unit price of S\$1.825 as at 5 May 2014 after adjusting for the estimated accrued distribution of S\$0.018 per Unit, while the Illustrative Issue Price of S\$1.73 per Unit is based on an indicative discount of approximately 4.4% of the adjusted price of S\$1.81 per Unit.

shopper catchments. In addition, Changi City Point enjoys high levels of connectivity to public transportation facilities and benefits from high occupancy rates, a diverse base of quality tenants and exposure to Singapore's suburban retail property market.

(i) ***Strategic location and good connectivity***

Changi City Point is located in Changi Business Park and directly opposite the Singapore Expo MRT station (which serves the East-West Line). It is adjacent to Changi Airport to the north-east, and is also connected to the rest of Changi Business Park and the Simei MRT station (which also serves the East-West Line) by shuttle bus services. Changi City Point also benefits from good access by road to the city area and other parts of Singapore with good accessibility to the ECP, PIE and TPE. Public transport services to Changi Business Park (and hence also to the Property) will be further enhanced by the completion of Downtown Line Phase 3, which is expected to be completed in 2017.

(ii) ***Unique shopper catchments***

Changi City Point's locality is unique in its proximity to the Singapore Expo (which is Singapore's largest convention and exhibition venue), as well as Changi Business Park.

According to Urbis, Changi City Point is estimated to serve over 25,000 workers from Changi Business Park, which includes offices such as UE BizHub, The Signature, Plaza 8 and DBS Asia Hub. The significant worker population serves as an important source of shopper traffic for Changi City Point.

In addition, directly adjacent and connected with Changi City Point as part of the same integrated development is the ONE@Changi City office building, which has Credit Suisse and J.P. Morgan as its anchor tenants, as well as the 313-room Capri By Fraser hotel. The integrated development complements the worker population in providing stable daily footfall for Changi City Point.

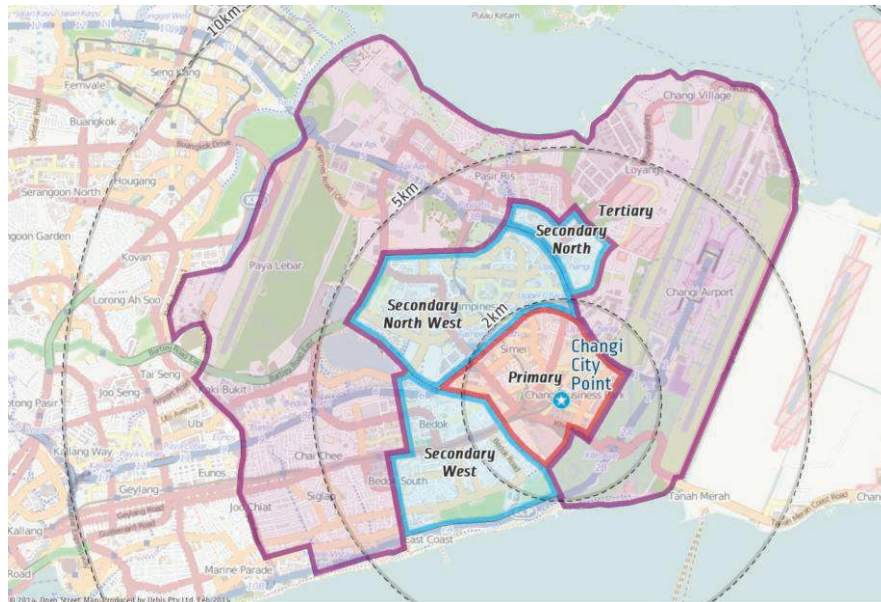
Due to its location, Changi City Point also serves as a retail hub for students, being located directly east of the Institute of Technical Education College East. In addition, the future campus of the Singapore University of Technology and Design that is located directly north of Changi City Point, is slated to be completed by the end of 2014. The combined student population is expected to form an important source of business for Changi City Point.

According to Urbis, Changi City Point also serves an estimated resident population of approximately 70,000 in its Primary Trade Sector¹, and a further estimated resident population of approximately 387,000 in its Secondary Trade Sector².

For 2013, Changi City Point reported an aggregate shopper traffic of approximately 11.1 million, which is an approximately 14% increase from the aggregate shopper traffic of approximately 9.7 million reported in 2012. According to Urbis, Changi City Point's main trade area retail spending market is also expected to grow by an average of 3.1% per annum from approximately S\$3.0 billion in 2013 to approximately S\$3.5 billion in 2018.

¹ According to Urbis, the "**Primary Trade Sector**" is bordered by the PIE to the north, Bedok Canal to the east and the Laguna and Tanah Merah golf courses to the south-east. This sector is basically contained within a 2 kilometre radius from the Property.

² According to Urbis, the "**Secondary Trade Sector**" comprises the Secondary North Trade Sector, the Secondary North-West Trade Sector and the Secondary West Trade Sector (all as defined in **Appendix F** of this Circular).



Source: *Changi City Point: Retail Market Overview (the "Urbis Report")*.

(iii) ***Relatively new suburban mall with potential for growth***

Changi City Point is a relatively new suburban mall which obtained its TOP in September 2011 and commenced operations in November 2011. According to Urbis, Changi City Point is still in its establishment phase and its performance is typical of a newly-opened mall in suburban Singapore. Its performance compared to more mature suburban malls in Singapore is thus expected to improve steadily over time as the Property matures, and is expected to be further enhanced when surrounding infrastructure such as Downtown Line Phase 3 is completed. This growth is reflected in Changi City Point's overall average occupancy cost ratio in 2013, which decreased to 17.4% from 18.9% in 2012. Healthy rental growth was also achieved in 2013 at the time of lease renewal for a number of tenants.

(See **Appendix F** of this Circular for further details.)

(iv) ***Exposure to Singapore's suburban retail property market***

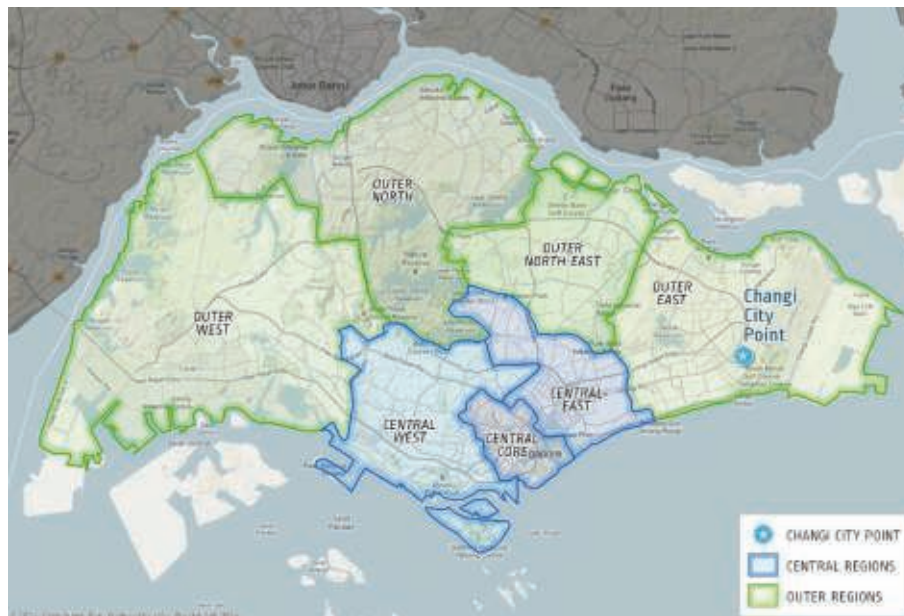
According to Urbis, Changi City Point's average sales productivity of S\$57.4 per sq ft per month in 2013 is typical of a newly-opened mall in suburban Singapore. As suburban malls in Singapore have an average sales productivity of between S\$80 to S\$90 per sq ft per month, Changi City Point is expected to benefit from strong growth in its local catchment over the next few years, particularly in light of the expected completion of Downtown Line Phase 3 in 2017.

The Manager believes that Changi City Point's trade mix and its considerable emphasis on basic and essential types of goods and services will strengthen FCT's exposure to Singapore's suburban retail property market.

(See **Appendix F** of this Circular for further details.)

(v) **Limited supply of retail space in trade area**

According to Urbis, the total amount of shopping centre floor space within the Outer East Region (as defined in the Urbis Report set out in **Appendix F** of this Circular), which includes Changi City Point, is estimated to be approximately 2.7 million sq ft, with total floor space per capita for the region relatively low at 3.0 sq ft per person when compared with the Singapore average of 4.9 sq ft per person. Based on the amount of planned shopping centre floor space in the Outer East Region, which includes the additions of Eastpoint Mall and Project Jewel, Urbis further expects that the shopping centre floor space per capita within the Outer East Region will increase to approximately 3.6 sq ft per person in 2018, which would still be significantly below the overall provision of shopping centre floor space in Singapore of approximately 5.2 sq ft per person in 2018.



Source: *The Urbis Report*.

The overall trade area retail provision is considered to be relatively strong. The most relevant competition for Changi City Point is the concentration of retail around the Tampines MRT Station to the north and the retail at Bedok Town Centre to the west, particularly Bedok Mall. Changi City Point does however benefit from a lack of competition within the primary trade area.

The Manager believes that Changi City Point occupies an enviable position in a trade area that is currently undersupplied for enclosed shopping centre floor space.

(See **Appendix F** of this Circular for further details.)

(3) Consistent with the Manager's Investment Strategy

The Acquisition is in line with the Manager's principal investment strategy to invest in quality income-producing properties used primarily for retail purposes, so as to deliver regular and stable distributions to Unitholders and to provide Unitholders with a competitive rate of return on their investment.

(4) Greater Income Diversification and Enlarged Tenant Base of FCT's Property Portfolio

The Acquisition is expected to benefit FCT and its Unitholders by improving income diversification and reducing the reliance of FCT's income stream from the contribution by any single asset or any major tenants. Following the Acquisition, the maximum contribution to FCT's Net Property Income¹ by any single property within FCT's property portfolio will decrease from 51.3% to 44.8% based on the forecast Net Property Income contribution for the Forecast Period.

The Acquisition will also allow FCT to diversify its portfolio of properties geographically and to gain exposure to the market in and around the Singapore Expo as well as residential areas in the Outer East Region of Singapore. Additionally, the Acquisition will enlarge FCT's share in the overall Singapore retail property market and offer a wider choice of business locations to its tenants. Following the Acquisition, it is expected that FCT's tenant base will be enlarged and further diversified with the addition of more than 130 tenants, including new tenants such as Nike Factory Store, Samsonite Service Centre, The Petite Park and Tung Lok Signatures, which were not tenants in the portfolio of properties currently held by FCT, comprising Causeway Point, Northpoint, YewTee Point, Bedok Point and Anchorpoint (the "**Existing Portfolio**"), as at 28 February 2014.

(5) Greater Trading Liquidity and Wider Investor Interest

Following the Private Placement, FCT will have a substantially larger market capitalisation. This could potentially result in a diversification of FCT's unitholder base and is also likely to attract wider investor interest. The New Units, when issued, are expected to increase FCT's outstanding number of Units on the SGX-ST which, in turn, is expected to result in greater trading liquidity, thus potentially benefiting Unitholders.

(See paragraph 3 of the Letter to Unitholders for further details on the rationale for the Acquisition.)

(2) THE PROPOSED ISSUE OF UP TO 90.0 MILLION NEW UNITS UNDER THE PRIVATE PLACEMENT

Method of Proposed Financing

Equity Financing

The Manager proposes to issue up to 90.0 million New Units (which is equivalent to up to approximately S\$155.7 million² or 10.9% of the 825,400,343 Units in issue as at the Latest Practicable Date) under the Private Placement to part finance the Acquisition³. The balance thereof is intended to be funded by borrowings (which may include drawing down on the FCT Loan Facilities) and/or internal sources. The Manager intends to allocate the entire proceeds from the Private Placement for the purposes of the Acquisition.

¹ "**Net Property Income**" comprises Gross Revenue (as defined herein) less property tax, the Property Manager's fee and other property expenses (including utilities expenses, reimbursement of salaries and related manpower expenses, marketing expenses, repairs and maintenance expenses, general and administrative expenses and other miscellaneous expenses) ("**Property Expenses**").

² Based on the Illustrative Issue Price of S\$1.73.

³ For the avoidance of doubt, the Private Placement is inclusive of the FCL Group Placement.

(See paragraph 4.1 of the Letter to Unitholders for further details.)

The Manager intends to finance the Acquisition with a combination of equity and debt financing, so as to ensure that the Acquisition will provide overall DPU accretion to Unitholders while maintaining an optimum level of gearing. The final decision regarding the proportion of equity and debt financing to be employed for the purposes of financing the Acquisition will be made by the Manager at the appropriate time taking into account the then prevailing market conditions.

In the event that the Acquisition and the Private Placement are approved by Unitholders, but market conditions are not conducive to carry out the Private Placement or the Private Placement cannot be effected on acceptable terms, the Manager may decide to delay the Acquisition or alternatively fully finance the Acquisition by debt or a combination of debt and other forms of equity fund raising. Should the Manager part finance the Acquisition through other forms of equity fund raising other than a private placement, the Manager will rely on any available general unit issue mandate for the purpose of issuing new Units.

The Manager will work with the Joint Lead Managers and Underwriters to determine the structure of the Private Placement, the time schedule for the Private Placement and the issue price of the New Units (the “**Issue Price**”), taking into account the then prevailing market conditions and other factors that the Manager and the Joint Lead Managers and Underwriters may consider relevant.

The Manager will announce details of the Private Placement at the appropriate time.

(See paragraph 5 of the Letter to Unitholders for further details.)

Debt Financing

The Manager may utilise any one or a combination of the FCT Loan Facilities to part finance the Acquisition in accordance with the funding structure to be determined by the Manager. The Manager may also convert amounts initially drawn down from one or more facilities to equivalent amounts under one or more other facilities at a later stage.

In determining FCT’s financing plans for the overall interests of FCT and Unitholders, the Manager will take into account, among others, the then prevailing market conditions and interest rate environment, availability of alternative funding options, the impact on FCT’s capital structure, DPU and debt expiry profile and the covenants and conditions associated with each financing option.

(See paragraph 4.1.2 of the Letter to Unitholders for further details.)

Consequential Adjustment to Distribution Period

FCT’s policy is to distribute its distributable income on a quarterly basis to Unitholders. When the Manager decides to carry out the Private Placement, the Manager may decide to make adjustments to the distribution period which may include, among others, a cumulative distribution or an advance distribution, or such other plans to ensure fairness to holders of the Units in issue on the day immediately prior to the date on which the New Units are issued under the Private Placement (the “**Existing Units**”). Further details pertaining to any adjustments to the distribution period, if any, will be announced at the appropriate time.

(3) THE PROPOSED PLACEMENT OF NEW UNITS TO THE FCL GROUP UNDER THE PRIVATE PLACEMENT AS A RELATED PARTY TRANSACTION

To enable the FCL Group to be in a position to support FCT, the Manager is seeking Unitholders' approval for the proposed issue of New Units to the FCL Group, as part of the Private Placement. The FCL Group may subscribe for such number of New Units under the Private Placement up to its proportionate pre-placement unitholding in FCT, in percentage terms¹. The New Units placed to the FCL Group under the FCL Group Placement will be issued at the same price as the New Units issued to other investors under the Private Placement.

The Manager believes that the size of the FCL Group's unitholdings in FCT provides a degree of stability to FCT as an investment vehicle. Allowing New Units to be placed to the FCL Group would help to maintain such stability, which is ultimately to the benefit of Unitholders. The ability of the FCL Group to subscribe for New Units under the Private Placement would also enhance investors' confidence in FCT and provide a higher degree of certainty for the successful completion of the Private Placement.

(See paragraph 6 of the Letter to Unitholders for further details.)

¹ This excludes the Acquisition Fee Units.

INDICATIVE TIMETABLE

Event		Date and Time
Last date and time for lodgement of Proxy Forms	:	27 May 2014 at 10.00 a.m.
Date and time of EGM	:	29 May 2014 at 10.00 a.m.
Target date for completion of the Acquisition (" Completion ")	:	To be determined (but is expected to be no later than November 2014)

The timetable for the events which are scheduled to take place after the EGM is indicative only and is subject to change at the Manager's absolute discretion. If the approvals sought at the EGM are obtained, the Manager will work with the Joint Lead Managers and Underwriters to determine the most appropriate time to launch the Private Placement.

LETTER TO UNITHOLDERS FRASERS CENTREPOINT TRUST

(Constituted in the Republic of Singapore pursuant to a trust deed dated 5 June 2006 (as amended))

Directors of the Manager

Mr Philip Eng Heng Nee (Independent Non-Executive Chairman)
Dr Chew Tuan Chiong (Chief Executive Officer and Executive Director)
Mr Anthony Cheong Fook Seng (Non-Executive Director)
Mr Chia Khong Shoong (Non-Executive Director)
Mr Bobby Chin Yoke Choong (Independent Non-Executive Director)
Mr Lim Ee Seng (Non-Executive Director)
Mr Soh Kim Soon (Independent Non-Executive Director)
Mr Christopher Tang Kok Kai (Non-Executive Director)

Registered Office

438 Alexandra Road
#21-00 Alexandra Point
Singapore 119958

12 May 2014

To: Unitholders of Frasers Centrepoint Trust

Dear Sir/Madam

1. SUMMARY OF APPROVALS SOUGHT

The Manager is seeking approval from Unitholders in relation to the following resolutions:

- (i) Resolution 1: The Proposed Acquisition of Changi City Point as a Related Party Transaction (Ordinary Resolution);
- (ii) Resolution 2: The Proposed Issue of Up to 90.0 Million New Units under the Private Placement (Ordinary Resolution); and
- (iii) Resolution 3: The Proposed Placement of New Units to the FCL Group under the Private Placement as a Related Party Transaction (Ordinary Resolution).

Unitholders should note that:

- (i) **Resolution 2 (the Private Placement) and Resolution 3 (the FCL Group Placement) are each conditional upon Resolution 1 (the Acquisition) being passed; and**
- (ii) **Resolution 3 (the FCL Group Placement) is conditional upon Resolution 2 (the Private Placement) being passed.**

In the event that Unitholders do not approve Resolution 1 (the Acquisition), the Manager will not proceed with Resolution 2 (the Private Placement) or Resolution 3 (the FCL Group Placement).

In the event that Unitholders do not approve Resolution 2 (the Private Placement), the Manager will not proceed with Resolution 3 (the FCL Group Placement).

The following paragraphs set forth key information relating to each of the above-mentioned resolutions.

2. RESOLUTION 1: THE PROPOSED ACQUISITION OF CHANGI CITY POINT AS A RELATED PARTY TRANSACTION

2.1 Description of Changi City Point

Located in the heart of Changi Business Park, Changi City Point is in close proximity to the residential estates of Simei, Bedok and Tampines to the north-west and west and adjacent to Changi Airport to the north-east. The Property's locality is unique in its proximity to the Singapore Expo, which is Singapore's largest convention and exhibition venue, as well as to educational institutions such as the Institute of Technical Education College East and the future campus of the Singapore University of Technology and Design, slated to be completed by the end of 2014.

The Property is a three-storey multi-tenanted retail mall together with one basement level. Its main retail levels are from Basement 1 to Level 2, accommodating a diverse tenant base comprising key retailers such as Cold Storage, Gain City, Nike and Challenger, restaurants such as Tung Lok Signatures, food outlets, two food courts and speciality retail units. The Property also includes a landscaped rooftop garden housing art installations and "Arena @ L3", an outdoor performing area. A total of 627 car park lots¹, which form part of the common property, are provided at the Property.

Changi City Point is well-served by public transport, being directly opposite the Singapore Expo MRT station, and is connected to the rest of Changi Business Park and Simei MRT station by shuttle bus services. Public transport services to Changi Business Park (and hence also to the Property) will be further enhanced by the completion of Downtown Line Phase 3, which is expected to be completed in 2017. The Property also benefits from good access by road to the city area and other parts of Singapore with good accessibility to the ECP, PIE and TPE.

The Property obtained its TOP in September 2011 and commenced operations in November 2011.

(See **Appendix A** of this Circular for further details on Changi City Point.)

2.2 Valuations and Purchase Consideration for Changi City Point

The Manager has commissioned an independent property valuer, Knight Frank, and the Trustee has commissioned another independent property valuer, Colliers, to value Changi City Point.

The open market value of Changi City Point as at 1 March 2014 determined by Knight Frank and Colliers is S\$306.0 million and S\$304.0 million, respectively. In arriving at the open market value, Knight Frank used the capitalisation approach and the discounted cash flow analysis, while Colliers relied on the capitalisation approach, the discounted cash flow analysis and the direct comparison method.

(See **Appendix D** of this Circular for the valuation certificates for Changi City Point for further details.)

¹ The car park lots are shared between Changi City Point, Capri By Fraser and ONE@Changi City.

Pursuant to the terms and subject to the conditions of the Conditional Sale and Purchase Agreement (including the approval of Unitholders), Changi City Point shall be acquired at the Purchase Consideration of S\$305.0 million (see paragraph 2.4 below for further details), which was arrived at on a willing-buyer and willing-seller basis and based on the two independent valuations set out above.

2.3 Conditional Sale and Purchase Agreement

The Manager (on behalf of the Trustee) and the Vendor have negotiated the Conditional Sale and Purchase Agreement in good faith with each other on an arm's length basis and have agreed on the terms and conditions of the Conditional Sale and Purchase Agreement, including all other agreements or documents thereunder required to give effect to the Conditional Sale and Purchase Agreement and facilitate the Completion.

2.4 Estimated Acquisition Cost

The current estimated Acquisition Cost is approximately S\$312.5 million, comprising:

- (i) the Purchase Consideration of S\$305.0 million;
- (ii) the Acquisition Fee of S\$3.05 million (being 1.0% of the Purchase Consideration) payable to the Manager pursuant to Clause 15.2.1 of the Trust Deed; and
- (iii) the estimated professional and other fees and expenses of approximately S\$4.5 million which will be incurred by FCT in connection with the Acquisition and the Private Placement, comprising (a) underwriting and financial advisory fees in respect of the Private Placement of S\$1.62 million, (b) debt facility fees of S\$1.19 million and (c) transaction costs of S\$1.67 million.

As the Acquisition will constitute an "interested party transaction" under Paragraph 5 of the Property Funds Appendix, the Acquisition Fee payable to the Manager in respect of the Acquisition will be in the form of Units, which shall not be sold within one year from their date of issuance.

2.5 Conditions Precedent for the Completion

Completion is conditional upon the following (collectively, the "Conditions Precedent"):

- (i) JTC Approval¹ being issued by JTC and the terms and conditions of the JTC Approval (a) which are imposed on the Vendor being acceptable to the Vendor, acting reasonably; and (b) which are imposed on the Trustee being acceptable to the Trustee, acting reasonably;
- (ii) where JTC requires the Vendor or the Trustee to obtain written approvals from the authorities specified by JTC, such approvals having been issued;
- (iii) Unitholders' approval being obtained for the Acquisition;

¹ "JTC Approval" means the approval of JTC Corporation ("JTC") to:

- (a) the sale of the Property by the Vendor to the Trustee; and
- (b) the mortgage and/or charge of the Property by the Trustee to its mortgagee and/or chargee on Completion, if applicable.

- (iv) the Trustee obtaining funds, on terms acceptable to the Trustee acting reasonably (whether by way of debt facilities from banks and/or other financial institutions and/or equity fund raising exercises), to finance the Completion;
- (v) (in the event that the Manager launches any equity fund raising exercises involving the issuance of New Units) there being no stop order or similar order having been issued by the MAS or any court or other judicial, governmental or regulatory authority in relation to such proposed equity fund raising exercises; and
- (vi) (in the event that the Manager launches any equity fund raising exercises involving the issuance of New Units) the approval in-principle of the SGX-ST for the listing and quotation of the New Units not having been revoked or withdrawn.

The Trustee has, pursuant to the Conditional Sale and Purchase Agreement, paid to the Vendor a deposit of 5.0% of the Purchase Consideration on 8 April 2014, which may be refunded to the Trustee if the Conditional Sale and Purchase Agreement is terminated under certain circumstances as provided in the Conditional Sale and Purchase Agreement. The Trustee shall, on Completion, pay to the Vendor the balance 95.0% of the Purchase Consideration.

3. THE RATIONALE FOR THE ACQUISITION

3.1 Yield Accretion

Unitholders are expected to enjoy a higher DPU as a result of the Acquisition being made at a price which is reflective of the cash flows which the Property is expected to generate, combined with a debt and equity financing plan to be determined by the Manager. The actual debt and equity funding plan to be adopted by the Manager will depend on, among others, the then prevailing market conditions, the demand for New Units, the Issue Price and the terms and interest rates of available debt and loan facilities. The Manager will determine the funding structure taking into account, among others, the above considerations, for the overall benefit of FCT and its Unitholders.

Unitholders are expected to enjoy an increase in annualised DPU from 10.99 cents (reflecting a DPU yield of 6.02% based on the closing price of a Unit of S\$1.825 as at the Latest Practicable Date) to 11.10 cents (reflecting a DPU yield of 6.08% based on the closing price of a Unit of S\$1.825 as at the Latest Practicable Date) for the Forecast Period after the Acquisition, which is an increase of 1.0%. The illustrative number of New Units to be issued in connection with the Acquisition is approximately 88.2 million, which is the sum of 86.5 million New Units issued in connection with the Private Placement and 1.7 million Acquisition Fee Units. The above assumes that (a) the Acquisition is funded through a combination of debt (of S\$159.8 million drawn down from the FCT Loan Facilities) and the proceeds from the Private Placement, (b) the New Units are issued at the Illustrative Issue Price, and (c) the Acquisition Fee Units are issued at an assumed issue price of S\$1.81 per Unit. The Manager expects the Acquisition to be yield accretive to Unitholders.

To illustrate the DPU accretion arising from the Acquisition, assuming the Acquisition is funded by a combination of debt (of S\$159.8 million drawn down from the FCT Loan Facilities) and proceeds from the Private Placement, the table below shows the Forecast Period DPU in relation to (i) the Existing Portfolio, and (ii) the Existing Portfolio and the Property (the “**Enlarged Portfolio**”).

Assumed issue price of New Units (S\$)	No. of New Units Issued ('000)	Forecast Period DPU (Annualised)		
		Existing Portfolio (cents)	Enlarged Portfolio (cents)	DPU Accretion (%)
1.65	90,719	10.99	11.05	0.53
1.66	90,173	10.99	11.05	0.59
1.67	89,633	10.99	11.06	0.65
1.68	89,099	10.99	11.07	0.71
1.69	88,572	10.99	11.07	0.77
1.70	88,051	10.99	11.08	0.83
1.71	87,536	10.99	11.08	0.88
1.72	87,027	10.99	11.09	0.94
1.73	86,524	10.99	11.10	1.00
1.74	86,027	10.99	11.10	1.05
1.75	85,535	10.99	11.11	1.11
1.76	85,049	10.99	11.11	1.16
1.77	84,569	10.99	11.12	1.21
1.78	84,094	10.99	11.13	1.26
1.79	83,624	10.99	11.13	1.32
1.80	83,159	10.99	11.14	1.37
1.81	82,700	10.99	11.14	1.42

The assumed borrowing is based on a realistic illustrative net debt funding level of 52.0% of the Purchase Consideration, in light of current market conditions. In conjunction with the other assumptions set out in this Circular, the above-assumed borrowing will increase FCT’s Aggregate Leverage¹ from 27.6% as at 30 September 2013 to 30.6% immediately after the Acquisition. It has been further assumed that the balance of the Acquisition Cost will be funded by the net proceeds from the Private Placement.

To illustrate the DPU accretion arising from the Acquisition, assuming the Acquisition is funded by a combination of a debt drawn down from the FCT Loan Facilities and proceeds from the Private Placement at the Illustrative Issue Price, the table below shows the Forecast Period DPU in relation to (i) the Existing Portfolio, and (ii) the Enlarged Portfolio.

¹ The “**Aggregate Leverage**” of FCT means the ratio of the total borrowings and deferred payments (if any) to the value of all the assets of FCT, including all its authorised investments held or deemed to be held by it under the Trust Deed (the “**Deposited Property**”).

Debt Proceeds ⁽¹⁾ (S\$ million)	Equity Proceeds ⁽²⁾ (S\$ million)	Net Debt Proceeds to Value of Purchase Consideration ⁽³⁾ (%)	Forecast Period DPU (Annualised) ⁽⁴⁾		
			Existing Portfolio (cents)	Enlarged Portfolio (cents)	DPU Accretion (%)
122.9	186.7	40.0	10.99	10.96	(0.27)
138.3	171.3	45.0	10.99	11.02	0.25
153.6	155.8	50.0	10.99	11.07	0.78
159.8	149.7	52.0	10.99	11.10	1.00
169.0	140.4	55.0	10.99	11.13	1.32
184.4	125.0	60.0	10.99	11.19	1.87
199.7	109.6	65.0	10.99	11.25	2.44

Notes:

- (1) Calculated based on the Purchase Consideration and related fees.
- (2) Calculated based on the corresponding number of New Units issued in connection with the Private Placement multiplied by the Illustrative Issue Price.
- (3) Calculated by using the net debt proceeds divided by the Purchase Consideration.
- (4) After accounting for (i) approximately 1.7 million New Units to be issued as Acquisition Fee Units, and (ii) approximately 0.19 million Units to be issued as part payment for the Manager's management fee for the current financial year ending on 30 September 2014 ("FY2014"), both at an assumed issue price of S\$1.81 per Unit.

The Forecast DPU tables must be read together with the detailed forecast statement of FCT's Net Property Income and distribution for the Forecast Period, the accompanying key assumptions and the sensitivity analysis set out in **Appendix B** of this Circular (collectively, the "**Profit Forecast**") and the report of Ernst & Young LLP, who have been appointed as the independent accountants (the "**Independent Accountants**") and have examined the Profit Forecast, set out in **Appendix C** of this Circular.

There is no assurance that the actual issue price of the New Units will be within the assumed issue price or any of the assumed parameters set out for illustration purposes above.

3.2 Competitive Strengths of Changi City Point

Located in the heart of Changi Business Park, Changi City Point is in close proximity to the residential estates of Simei, Bedok and Tampines to the north-west and west and adjacent to Changi Airport to the north-east. The Property's locality is unique in its proximity to the Singapore Expo, which is Singapore's largest convention and exhibition venue, as well as to educational institutions such as the Institute of Technical Education College East and the future campus of the Singapore University of Technology and Design, slated to be completed by the end of 2014, allowing it to benefit from unique shopper catchments. In addition, Changi City Point enjoys high levels of connectivity to public transportation facilities and benefits from high occupancy rates, a diverse base of quality tenants and exposure to Singapore's suburban retail property market.

3.2.1 Strategic location and good connectivity

Changi City Point is located in Changi Business Park and directly opposite the Singapore Expo MRT station (which serves the East-West Line). It is adjacent to Changi Airport to the north-east, and is also connected to the rest of Changi Business Park and the Simei MRT station (which also serves the East-West Line) by shuttle bus services. Changi City Point also benefits from good access by road to the city area and other parts of Singapore with good accessibility to the ECP, PIE and TPE. Public transport services to Changi Business Park (and hence also to the Property) will be further enhanced by the completion of Downtown Line Phase 3, which is expected to be completed in 2017.

The strategic location and good connectivity is expected to provide Changi City Point with a steady flow of pedestrian traffic from visitors to Changi Business Park and the Singapore Expo.

3.2.2 Unique shopper catchments

Changi City Point's locality is unique in its proximity to the Singapore Expo (which is Singapore's largest convention and exhibition venue), as well as Changi Business Park.

According to Urbis, Changi City Point is estimated to serve over 25,000 workers from Changi Business Park, which includes offices such as UE BizHub, The Signature, Plaza 8 and DBS Asia Hub. The significant worker population serves as an important source of shopper traffic for Changi City Point.

In addition, directly adjacent and connected with Changi City Point as part of the same integrated development is the ONE@Changi City office building, which has Credit Suisse and J.P. Morgan as its anchor tenants, as well as the 313-room Capri By Fraser hotel. The integrated development complements the worker population in providing stable daily footfall for Changi City Point.

Due to its location, Changi City Point also serves as a retail hub for students, being located directly east of the Institute of Technical Education College East. In addition, the future campus of the Singapore University of Technology and Design that is located directly north of Changi City Point, is slated to be completed by the end of 2014. The combined student population is expected to form an important source of business for Changi City Point.

According to Urbis, Changi City Point also serves an estimated resident population of approximately 70,000 in its Primary Trade Sector, and a further estimated resident population of approximately 387,000 in its Secondary Trade Sector.

For 2013, Changi City Point reported an aggregate shopper traffic of approximately 11.1 million, which is an approximately 14% increase from the aggregate shopper traffic of approximately 9.7 million reported in 2012. According to Urbis, Changi City Point's main trade area retail spending market is also expected to grow by an average of 3.1% per annum from approximately S\$3.0 billion in 2013 to approximately S\$3.5 billion in 2018.

The Property benefits from a diverse range of different customer groups, from PMEBs (Professionals, Managers, Executives and Businessmen) in light of its proximity to the Singapore Expo and the rest of Changi Business Park, to students and families who patronise the mall. These customer groups are attracted by the wide range of food and beverage and convenience shopping and essential goods and services offered by Changi City Point.

The Manager believes that these attributes will enhance the Property's ability to draw a high volume of shoppers, thereby sustaining the Property's occupancy rates, rental rates and income.

(See **Appendix F** of this Circular for further details.)

3.2.3 Relatively new suburban mall with potential for growth

Changi City Point is a relatively new suburban mall which obtained its TOP in September 2011 and commenced operations in November 2011. According to Urbis, Changi City Point is still in its establishment phase and its performance is typical of a newly-opened mall in suburban Singapore. Its performance compared to more mature suburban malls in Singapore is thus expected to improve steadily over time as the Property matures, and is expected to be further enhanced when surrounding infrastructure such as Downtown Line Phase 3 is completed. This growth is reflected in Changi City Point's overall average occupancy cost ratio in 2013, which decreased to 17.4% from 18.9% in 2012. Healthy rental growth was also achieved in 2013 at the time of lease renewal for a number of tenants.

The Manager believes that Changi City Point's position as a relatively new suburban mall will allow it to continue to attract high shopper traffic for the next few years of operation and expects total turnover to improve further in 2014.

(See **Appendix F** of this Circular for further details.)

3.2.4 Exposure to Singapore's suburban retail property market

According to Urbis, Changi City Point's average sales productivity of S\$57.4 per sq ft per month in 2013 is typical of a newly-opened mall in suburban Singapore. As suburban malls in Singapore have an average sales productivity of between S\$80 to S\$90 per sq ft per month, Changi City Point is expected to benefit from strong growth in its local catchment over the next few years, particularly in light of the expected completion of Downtown Line Phase 3 in 2017.

The Manager believes that Changi City Point's trade mix and its considerable emphasis on basic and essential types of goods and services will strengthen FCT's exposure to Singapore's suburban retail property market.

(See **Appendix F** of this Circular for further details.)

3.2.5 Limited supply of retail space in trade area

According to Urbis, the total amount of shopping centre floor space within the Outer East Region, which includes Changi City Point, is estimated to be approximately 2.7 million sq ft, with total floor space per capita for the region relatively low at 3.0 sq ft per person when compared with the Singapore average of 4.9 sq ft per person. Based on the amount of planned shopping centre floor space in the Outer East Region, which includes the additions of Eastpoint Mall and Project Jewel, Urbis further expects that the shopping centre floor space per capita within the Outer East Region will increase to approximately 3.6 sq ft per person in 2018, which would still be significantly below the overall provision of shopping centre floor space in Singapore of approximately 5.2 sq ft per person in 2018.

The overall trade area retail provision is considered to be relatively strong. The most relevant competition for Changi City Point is the concentration of retail around the Tampines MRT Station to the north and the retail at Bedok Town Centre to the west, particularly Bedok Mall. Changi City Point does however benefit from a lack of competition within the primary trade area.

The Manager believes that Changi City Point occupies an enviable position in a trade area that is currently undersupplied for enclosed shopping centre floor space.

(See **Appendix F** of this Circular for further details.)

3.3 Consistent with the Manager’s Investment Strategy

The Acquisition is in line with the Manager’s principal investment strategy to invest in quality income-producing properties used primarily for retail purposes, so as to deliver regular and stable distributions to Unitholders and to provide Unitholders with a competitive rate of return on their investment.

3.4 Greater Income Diversification and Enlarged Tenant Base of FCT’s Property Portfolio

The Acquisition is expected to benefit FCT and its Unitholders by improving income diversification and reducing the reliance of FCT’s income stream from the contribution by any single asset or any major tenants. Following the Acquisition, the maximum contribution to FCT’s Net Property Income by any single property within FCT’s property portfolio will decrease from 51.3% to 44.8% based on the forecast Net Property Income contribution for the Forecast Period, as illustrated in the table below.

Net Property Income Contribution for the Forecast Period (%)

Property	Existing Portfolio	Enlarged Portfolio
Causeway Point	51.3	44.8
Northpoint	31.1	27.1
YewTee Point	8.2	7.1
Bedok Point	5.2	4.6
Anchorpoint	4.2	3.6
Changi City Point	N.A.	12.8
Total	100.0	100.0

The Acquisition will also allow FCT to diversify its portfolio of properties geographically and to gain exposure to the market in and around the Singapore Expo as well as residential areas in the Outer East Region of Singapore. Additionally, the Acquisition will enlarge FCT’s share in the overall Singapore retail property market and offer a wider choice of business locations to its tenants. Following the Acquisition, it is expected that FCT’s tenant base will be enlarged and further diversified with the addition of more than 130 tenants, including new tenants such as Nike Factory Store, Samsonite Service Centre, The Petite Park and Tung Lok Signatures, which were not tenants in the Existing Portfolio as at 28 February 2014. As at 28 February 2014, the top 10 committed tenants of the Existing Portfolio by Gross Rental Income¹ accounted for 22.6% of the Existing Portfolio, whereas the top 10 committed tenants of the Enlarged Portfolio will account for a reduced 22.2% of the Enlarged Portfolio’s Gross Rental Income. The enlarged tenant base as a result of the Acquisition will thus diversify FCT’s income stream and reduce FCT’s reliance on the income contribution from any one or more major tenants.

¹ “**Gross Rental Income**” refers to base rental income (after rent rebates, refunds, credits or discounts and rebates for rent-free periods, where applicable, but excluding turnover rent), service charge and advertising and promotion levy payable by tenants.

3.5 Greater Trading Liquidity and Wider Investor Interest

Following the Private Placement, FCT will have a substantially larger market capitalisation. This could result in a diversification of FCT's unitholder base and is also likely to attract wider investor interest. The New Units, when issued, are expected to increase FCT's outstanding number of Units on the SGX-ST which, in turn, is expected to result in greater trading liquidity, thus potentially benefiting Unitholders.

Purely for illustrative purposes only, assuming that approximately 88.2 million new Units are issued pursuant to the Acquisition (comprising 86.5 million New Units to be issued under the Private Placement at the Illustrative Issue Price and 1.7 million New Units to be issued as Acquisition Fee Units at an assumed issue price of S\$1.81 per Unit), FCT's free float is expected to increase to approximately 62.7% from approximately 58.9% (if no New Units are placed to the FCL Group under the FCL Group Placement)¹. The 88.2 million New Units represent 10.7% of the aggregate number of the number of FCT units in issue as at the Latest Practicable Date.

4. DETAILS OF THE ACQUISITION

4.1 Method of Proposed Financing

4.1.1 Equity Financing

The Manager proposes to issue up to 90.0 million New Units (which is equivalent to up to approximately S\$155.7 million² or 10.9% of the 825,400,343 Units in issue as at the Latest Practicable Date) under the Private Placement to part finance the Acquisition³. The balance thereof is intended to be funded by borrowings (which may include drawing down on the FCT Loan Facilities) and/or internal sources. The Manager intends to allocate the entire proceeds from the Private Placement for the purposes of the Acquisition.

The Manager intends to finance the Acquisition with a combination of equity and debt financing, so as to ensure that the Acquisition will provide overall DPU accretion to Unitholders while maintaining an optimum level of gearing. The final decision regarding the proportion of equity and debt financing to be employed for the purposes of financing the Acquisition will be made by the Manager at the appropriate time taking into account the then prevailing market conditions.

The illustrative debt and equity funding plan adopted in this Circular is based on a realistic illustrative net debt funding level of 52.0% of the Purchase Consideration, in light of current market conditions. However, the actual debt and equity funding plan to be adopted by the Manager will depend on, among others, prevailing market conditions, the demand for New Units, the Issue Price and the terms and interest rates of available debt and loan facilities. Based on current market conditions, it is expected that following the completion of the Acquisition and the Private Placement, FCT's Aggregate Leverage will not differ materially from the illustration provided in paragraph 3.1 above. In the event that the Acquisition and the Private Placement are approved by Unitholders, but market conditions are not conducive to carry out the Private Placement or the Private Placement cannot be effected on acceptable terms,

¹ FCT's free float will be approximately 58.8% if the FCL Group subscribes for such number of New Units under the Private Placement up to its proportionate pre-placement unitholding in FCT, in percentage terms (excluding the Acquisition Fee Units).

² Based on the Illustrative Issue Price of S\$1.73.

³ For the avoidance of doubt, the Private Placement is inclusive of the FCL Group Placement.

the Manager may decide to delay the Acquisition or alternatively fully finance the Acquisition by debt or a combination of debt and other forms of equity fund raising. Should the Manager part finance the Acquisition through other forms of equity fund raising other than a private placement, the Manager will rely on any available general unit issue mandate for the purpose of issuing new Units.

4.1.2 Debt Financing

The Manager has put in place and may from time to time put in place, as the case may be, the FCT Loan Facilities, which may be utilised to part finance the Acquisition in accordance with the funding structure to be determined by the Manager.

The loan facilities currently put in place by FCT comprise the following:

- (i) a S\$100.0 million multicurrency bridge loan facility with DBS Bank Ltd., which has not been utilised as at the Latest Practicable Date;
- (ii) a S\$1.0 billion multicurrency secured medium term note programme through FCT MTN Pte. Ltd., a wholly-owned subsidiary of the FCL Group, of which S\$255.0 million has been issued as at the Latest Practicable Date; and
- (iii) an unsecured revolving credit facility amounting to S\$30.0 million, which has not been utilised as at the Latest Practicable Date.

The following table sets out the interest rates and maturity of the loan facilities currently utilised by FCT:

Facility	Amount Utilised (S\$'000)	Interest Rate (%)	Maturity Date
\$1.0 billion multicurrency secured medium term note programme through FCT MTN Pte. Ltd.	25,000	3.50	February 2015
	70,000	2.30	June 2015
	30,000	2.85	June 2017
	60,000	2.535	December 2017
	70,000	3.00	January 2020

The Manager may utilise any one or a combination of the FCT Loan Facilities to part finance the Acquisition in accordance with the funding structure to be determined by the Manager. The Manager may also convert amounts initially drawn down from one or more facilities to equivalent amounts under one or more other facilities at a later stage.

In determining FCT's financing plans for the overall interests of FCT and Unitholders, the Manager will take into account, among others, the then prevailing market conditions and interest rate environment, availability of alternative funding options, the impact on FCT's capital structure, DPU and debt expiry profile and the covenants and requirements associated with each financing option.

4.1.3 Aggregate Leverage of FCT

As mentioned in paragraph 3.1 above, based on the illustration that borrowings of S\$159.8 million are incurred to part finance the Acquisition and the balance thereof is intended to be funded by net proceeds from the Private Placement, FCT's Aggregate Leverage will increase from 27.6% as at 30 September 2013 to 30.6% immediately after the Acquisition.

The level of Aggregate Leverage set out above is within the limits allowed under the Property Funds Appendix.

(See paragraph 4.2 below for further details).

The Manager believes that the level of Aggregate Leverage set out above is prudent and optimal under current market conditions, and will provide FCT with a high degree of capital management flexibility and debt raising capacity, which will, among others, facilitate future acquisitions by FCT.

4.2 FCT's Corporate Rating

As at the Latest Practicable Date, FCT has a "BBB+" long-term credit rating (with a stable outlook) from Standard & Poor's Rating Services ("**S&P**") and a "Baa1" corporate family rating (with a stable outlook) from Moody's Investors Service, Inc. ("**Moody's**"). These ratings assigned to FCT reflect, among others, FCT's stable cash flows, moderate gearing level, good quality and well-located suburban retail malls and well-diversified tenancy profile and trade mix.

The Property Funds Appendix provide that the aggregate leverage of a real estate investment trust may exceed 35.0% of its deposited property, subject to a limit of 60.0% of its deposited property, so long as it obtains and discloses a credit rating from S&P, Moody's or Fitch, Inc.

4.3 Certain Financial Information Relating to the Acquisition

Based on assumptions set out in this Circular, the following table sets out certain selected financial information in relation to the Acquisition for the Forecast Period assuming that the Acquisition is completed on 1 June 2014 and 100.0% of the income from Changi City Point accrues to FCT from 1 June 2014:

Forecast Period
(1 June 2014 to 30 September 2014)

Gross Revenue (S\$'000)	8,948
Property Expenses (S\$'000)	(3,429)
Net Property Income⁽¹⁾ (S\$'000)	5,519
Property Yield⁽²⁾ (%)	5.43

Notes:

- (1) See **Appendix B** of this Circular for the major assumptions relied on in deriving the forecast annualised Net Property Income of Changi City Point for the Forecast Period.
- (2) Calculated by dividing the annualised Net Property Income by the Purchase Consideration.

The detailed forecast of Net Property Income and distribution in relation to the Acquisition, and the assumptions for the forecast information included in the table above, are set out in **Appendix B** of this Circular.

4.4 Pro Forma Financial Effects of the Acquisition

The pro forma financial effects of the Acquisition on the DPU, net asset value (“NAV”) per Unit and capitalisation of FCT presented below are strictly for illustrative purposes and were prepared based on the audited financial statements of FCT for the financial year ended 30 September 2013 (“FY2013”, and the audited financial statements of FCT for FY2013, the “FY2013 Audited Financial Statements”) and the management accounts for Changi City Point for the period ended 30 September 2013, taking into account the Acquisition Cost, as well as the estimated costs of the Private Placement set out in paragraph 5.4 below, and assuming that:

- (i) approximately 86.5 million New Units are issued at the Illustrative Issue Price to part finance the Acquisition. The balance thereof of S\$159.8 million is intended to be funded by borrowings and/or internal sources;
- (ii) the Acquisition Fee payable to the Manager are paid in the form of 1.7 million Acquisition Fee Units issued at an assumed issue price of S\$1.81 per Unit; and
- (iii) the number of Units in respect of the portion of the Manager’s management fee for the Forecast Period, which is assumed to be paid in the form of Units, is computed based on an assumed issue price of S\$1.81 per Unit.

4.4.1 Pro Forma DPU

The following table sets out the pro forma financial effects of the Acquisition on FCT’s DPU for FY2013, as if the Acquisition had been completed on 1 October 2012, and Changi City Point had been held for the full period of FY2013.

	Existing Assets ⁽¹⁾	Existing Assets and the Acquisition
Net Income Before Tax (S\$’000)	80,916	90,456
Distributable Income (S\$’000)	90,131	100,328
Issued Units (’000)	824,704 ⁽²⁾	913,111 ⁽³⁾
DPU (cents)	10.93 ⁽⁴⁾	10.99

Notes:

- (1) “Existing Assets” comprises the Existing Portfolio and other assets held by FCT as at the Latest Practicable Date.
- (2) Number of issued and issuable units as at 30 September 2013.
- (3) Includes (i) approximately 86.5 million New Units issued under the Private Placement at the Illustrative Issue Price and 1.7 million New Units issued as Acquisition Fee Units at an assumed issue price of S\$1.81 per Unit, and (ii) approximately 0.19 million Units issued as part payment for the Manager’s management fee for FY2014, at an assumed issue price of S\$1.81 per Unit.
- (4) Computed based on the distributable income of FCT for FY2013 over the number of Units issued and issuable as at the end of the relevant periods.

4.4.2 Pro Forma NAV

The following table sets out the pro forma financial effects of the Acquisition on the NAV per Unit as at 30 September 2013, as if the Acquisition had been completed on 30 September 2013.

	Existing Assets	Existing Assets and the Acquisition
NAV (S\$'000)	1,462,355 ⁽¹⁾	1,612,433 ⁽²⁾
Issued Units ('000)	824,704 ⁽³⁾	913,111 ⁽⁴⁾
NAV per Unit (S\$)	1.77	1.77

Notes:

- (1) Based on the FY2013 Audited Financial Statements.
- (2) Assuming (i) borrowings of S\$159.8 million are taken up to part finance the Acquisition and (ii) the valuation of Changi City Point as at 30 September 2013 was S\$305.0 million.
- (3) Number of issued and issuable units as at 30 September 2013.
- (4) Includes (i) approximately 86.5 million New Units issued under the Private Placement at the Illustrative Issue Price and 1.7 million New Units issued as Acquisition Fee Units at an assumed issue price of S\$1.81 per Unit, and (ii) approximately 0.19 million Units issued as part payment for the Manager's management fee for FY2014, at an assumed issue price of S\$1.81 per Unit.

4.4.3 Pro Forma Capitalisation

The following table sets forth the pro forma capitalisation of FCT as at 30 September 2013, as if the Acquisition had been completed on 30 September 2013 and adjusted to reflect the following assumptions:

- (i) approximately 86.5 million New Units are issued to part finance the Acquisition at the Illustrative Issue Price; and
- (ii) approximately 1.7 million Units are issued as Acquisition Fee Units at an assumed issue price of S\$1.81 per Unit.

The information in this table should be read in conjunction with paragraph 4.5 below.

	Actual (S\$'000)	Adjusted for the Acquisition (S\$'000)
Short-term debt:		
Secured debt	–	–
Unsecured debt	60,000	60,000
Total short-term debt	60,000	60,000
Long-term debt:		
Secured debt	334,000	334,000
Unsecured debt	195,000	354,790 ⁽¹⁾
Total long-term debt	529,000	688,790
Total debt:	589,000	748,790
Unitholders' funds and reserves	1,462,355 ⁽²⁾	1,615,092 ⁽³⁾
Expenses relating to the Private Placement	–	(2,659)
Total Unitholders' funds and reserves	1,462,355	1,612,433
Total Capitalisation	2,051,355	2,361,222

Notes:

- (1) Based on the illustration that borrowings of S\$159.8 million are incurred to part finance the Acquisition. For ease of presentation in this Circular, it has further been assumed that the foregoing borrowings are in the form of unsecured debt.
- (2) Based on the FY2013 Audited Financial Statements.
- (3) Based on the assumption that the aggregate valuation of Changi City Point as at 30 September 2013 was S\$305.0 million.

4.5 Profit Forecast

The following table sets out FCT's forecast consolidated statement of net income and distribution for the Forecast Period which has been prepared in accordance with the accounting policies adopted by FCT for FY2013. In the preparation of the forecast consolidated statement of net income and distribution for the Forecast Period, specific non-cash items which have no impact on distributable income have been excluded in the presentation of the distributable income to Unitholders. The Profit Forecast is set out in **Appendix B** of this Circular.

The Profit Forecast must be read together with the report of the Independent Accountants (who have examined the Profit Forecast) in **Appendix C** of this Circular.

FORECAST CONSOLIDATED STATEMENT OF NET INCOME AND DISTRIBUTION OF FCT – EXISTING ASSETS AND CHANGI CITY POINT

	Forecast Period (1 June 2014 to 30 September 2014) ⁽¹⁾	
	Existing Assets	Changi City Point
S\$'000		Enlarged Assets
Gross Rent	48,284	56,352
Other Revenue	5,324	6,204
Gross Revenue	53,608	62,556
Property Manager's Fee	(2,050)	(2,375)
Property Tax	(4,823)	(5,536)
Maintenance Expenses	(5,878)	(7,365)
Other Property Expenses	(3,203)	(4,107)
Property Expenses	(15,954)	(19,383)
Net Property Income	37,654	43,173
Borrowing Costs	(5,678)	(7,226)
Trust Expenses	(556)	(589)
Manager's Management Fee	(4,009)	(4,599)
Net Income	27,411	30,759
Net Tax Adjustments ⁽²⁾	1,341	1,560
Distribution from Associate	1,499	1,499
Income Available for Distribution	30,251	33,818
Distributable Income to Unitholders⁽³⁾	30,251	33,818
Units in Issue ('000)	825,968 ⁽⁴⁾	914,246 ⁽⁵⁾
Basic DPU (cents)	3.66	3.70
Annualised DPU (cents)	10.99	11.10

Notes:

- (1) The forecast DPU will vary to the extent that the New Units under the Private Placement are issued on a date other than 1 June 2014.
- (2) These include, where applicable, non-tax deductible expenses relating to the portion of the Manager's management fee which is paid or assumed to be paid in the form of Units, amortisation of upfront fee for credit facilities, the Trustee's fee and other expenses which are not deductible for tax purposes.
- (3) Distributions for the Forecast Period are based on 100.0% of the total income available for distribution.
- (4) The average Units in issue at the end of the Forecast Period.
- (5) The average Units in issue at the end of the Forecast Period include the forecast number of Units and the assumed number of New Units to be issued (i) pursuant to the Private Placement, (ii) as payment for the Acquisition Fee and (iii) as part payment of the Manager's management fee for the Forecast Period which is assumed to be paid in the form of Units. For (i), the Illustrative Issue Price has been assumed, while an issue price of S\$1.81 per Unit has been assumed for (ii) and (iii). The assumed number of New Units to be issued under the Private Placement to part finance the Acquisition is approximately 86.5 million.

4.6 Requirement for Unitholders' Approval

4.6.1 Relative figures computed on the bases set out in Rule 1006 of the Listing Manual

The relative figures for the Acquisition computed using the bases set out in Rules 1006(b) and 1006(c) of the Listing Manual are set out in the tables below.

Comparison of	Changi City Point	FCT	Relative figure (%)
Net Property Income (S\$ million)	16.0 ⁽¹⁾	111.6 ⁽²⁾	14.4
Purchase Consideration against market capitalisation (S\$ million)	305.0	1,506.4 ⁽³⁾	20.2

Notes:

- (1) Refers to Changi City Point's Net Property Income for the period ended 30 September 2013.
- (2) Refers to FCT's Net Property Income for FY2013.
- (3) Market capitalisation computed based on 825.4 million Units in issue as at the Latest Practicable Date and the price of S\$1.825 per Unit (being the closing price of the Units on the SGX-ST on the Latest Practicable Date).

The Manager is of the view that the Acquisition is in the ordinary course of FCT's business and is therefore not subject to Chapter 10 of the Listing Manual.

4.6.2 Interested Person Transaction and Interested Party Transaction

Under Chapter 9 of the Listing Manual, where FCT proposes to enter into a transaction with an interested person and the value of the transaction (either in itself or when aggregated with the value of other transactions, each of a value equal to or greater than S\$100,000, with the same interested person during the same financial year) is equal to or exceeds 5.0% of FCT's latest audited net tangible assets ("NTA"), Unitholders' approval is required in respect of the transaction. Based on the FY2013 Audited Financial Statements, the NTA of FCT was S\$1,462.4 million. Accordingly, if the value of a transaction which is proposed to be entered into in FY2014 by FCT with an interested person is, either in itself or in aggregation with all other earlier transactions (each of a value equal to or greater than S\$100,000) entered into with the same interested person during the current financial year, equal to or in excess of S\$73.1 million, such a transaction would be subject to Unitholders' approval. The Purchase Consideration of S\$305.0 million¹ (which is 20.9% of the NTA of FCT as at 30 September 2013) exceeds the said threshold.

Paragraph 5 of the Property Funds Appendix also imposes a requirement for Unitholders' approval for an interested party transaction by FCT whose value exceeds 5.0% of FCT's latest audited NAV. Based on the FY2013 Audited Financial Statements, the NAV of FCT was S\$1,462.4 million. Accordingly, if the value of a transaction which is proposed to be entered into by FCT with an interested party is equal to or greater than S\$73.1 million, such a transaction would be subject to Unitholders' approval. The Purchase Consideration of S\$305.0 million¹ (which is 20.9% of the NAV of FCT as at 30 September 2013) exceeds the said threshold.

¹ The Manager is also entitled to receive, in the form of Units, the Acquisition Fee of S\$3.05 million in respect of the Acquisition.

As at the Latest Practicable Date, FCL holds an aggregate deemed interest in 339,270,343 Units (which is equivalent to approximately 41.1% of the 825,400,343 Units in issue as at the Latest Practicable Date) and is therefore regarded as a “controlling Unitholder” of FCT under the Listing Manual and the Property Funds Appendix.

As FCL holds an indirect 50.0% interest in the Vendor (being an associate of a “controlling Unitholder”) is:

- (i) for the purposes of Chapter 9 of the Listing Manual, an “interested person” of FCT and the Acquisition constitutes an “interested person transaction”; and
- (ii) for the purposes of Paragraph 5 of the Property Funds Appendix, an “interested party” of FCT and the Acquisition constitutes an “interested party transaction”.

Accordingly, the Manager is seeking Unitholders’ approval for the Acquisition pursuant to Chapter 9 of the Listing Manual and Paragraph 5 of the Property Funds Appendix.

4.7 Property Management Agreement

Frasers Centrepoint Property Management Services Pte. Ltd. (the “**Property Manager**”) is a wholly-owned subsidiary of FCL. For the purposes of Chapter 9 of the Listing Manual, the Property Manager (being an associate of a “controlling Unitholder”) is an “interested person” of FCT.

If FCT acquires Changi City Point, it will be managed by the Property Manager. The Trustee, the Manager and the Property Manager have entered into a property management agreement on 8 April 2014 to provide services in respect of Changi City Point for the period commencing on the date of Completion (or such other date as the parties may agree in writing) and ending on the date falling five years from the date of Completion (the “**Changi City Point PMA**”). Under the terms of the Changi City Point PMA, the Property Manager will be paid certain fees for property management (including lease management), project management and property tax services rendered in respect of Changi City Point as set out below.

4.7.1 Property management (including lease management) services

In respect of property management (including lease management) services, the Property Manager is entitled to the following fees:

- (i) 2.0% per annum of the Gross Revenue of Changi City Point;
- (ii) 2.0% per annum of the Net Property Income (calculated before accounting for the Property Manager’s fees payable under the Changi City Point PMA in the relevant fiscal year ending 30 September) of Changi City Point; and
- (iii) 0.5% per annum of the Net Property Income (calculated before accounting for the Property Manager’s fees payable under the Changi City Point PMA in the relevant fiscal year ending 30 September) of Changi City Point, in lieu of leasing commissions otherwise payable to the Property Manager and/or third party agents.

4.7.2 Property tax services

In respect of property tax objections submitted to the tax authorities on any proposed annual value of Changi City Point, the Property Manager is entitled to the following fees if as a result of such objections, the proposed annual value is reduced resulting in property tax savings for Changi City Point:

- (i) where the proposed annual value is S\$1.0 million or less, a fee of 7.5% of the property tax savings;
- (ii) where the proposed annual value is more than S\$1.0 million but does not exceed S\$5.0 million, a fee of 5.5% of the property tax savings; and
- (iii) where the proposed annual value is more than S\$5.0 million, a fee of 5.0% of the property tax savings.

The fee for the property tax services is a lump sum fixed fee based on the property tax savings calculated on a 12-month period.

4.7.3 Project management services

For project management services, the Trustee will pay the Property Manager the following fees for the development or redevelopment (if not prohibited by the Property Funds Appendix or if otherwise permitted by the MAS) the refurbishment, retrofitting and renovation works in respect of Changi City Point or any part(s) thereof:

- (i) where the construction costs are S\$2.0 million or less, a fee of 3.0% of the construction costs;
- (ii) where the construction costs exceed S\$2.0 million but do not exceed S\$20.0 million, a fee of 2.0% of the construction costs;
- (iii) where the construction costs exceed S\$20.0 million but do not exceed S\$50.0 million, a fee of 1.5% of the construction costs; and
- (iv) where the construction costs exceed S\$50.0 million, a fee to be mutually agreed by the Parties.

For the purpose of calculating the fees payable to the Property Manager for project management services, “**construction costs**” means all construction costs and expenditure valued by the quantity surveyor engaged by the Trustee for the project, excluding development charges, differential premiums, statutory payments, consultants’ professional fees and goods and services tax.

As disclosed in the table in paragraph 4.5 above, the forecast Property Manager’s fee for Changi City Point in respect of the Forecast Period is approximately S\$0.3 million. The terms of the Changi City Point PMA are similar to the terms of other property management agreements entered into between the Manager, the Trustee and the Property Manager in relation to the properties in the Existing Portfolio.

Other than the transaction disclosed above, FCT has not entered into any “interested person transactions” and/or “interested party transactions” with entities within the FCL Group during the course of FY2014 up to the Latest Practicable Date.

4.8 Advice of the Independent Financial Adviser

Under Rule 921(4)(b) of the Listing Manual, an opinion from an independent financial adviser is not required for an “interested person transaction” if the transaction involves the purchase of real property where (i) the consideration for the purchase or sale is in cash, (ii) an independent professional valuation has been obtained for the purpose of the purchase of the property and (iii) the valuation of such property is disclosed in the circular to unitholders.

Accordingly, as the Acquisition involves the purchase of Changi City Point where (i) the Purchase Consideration will be payable in cash, (ii) independent valuations have been obtained from Knight Frank and Colliers for the purpose of the purchase of Changi City Point and (iii) the valuations by Knight Frank and Colliers are disclosed in this Circular, a letter from an independent financial adviser is not strictly required, notwithstanding that the Acquisition is an “interested person transaction”.

However, for the purpose of good corporate governance and to ensure that there is an independent analysis of the Acquisition, the Manager has appointed an independent financial adviser to review the Acquisition. The Manager has appointed Deloitte & Touche Corporate Finance Pte Ltd (the “**IFA**”) to advise the independent directors of the Manager (the “**Independent Directors**”)¹ in relation to the Acquisition. A copy of the letter from the IFA to the Independent Directors and the Trustee (the “**IFA Letter**”), containing its advice in full, is set out in **Appendix E** of this Circular.

Unitholders are advised to read the IFA Letter carefully. In addition, as recommended by the IFA in the IFA Letter, the Independent Directors advise Unitholders to read paragraphs 2 to 14 of this Letter to Unitholders carefully.

Having considered the factors and made the assumptions set out in the IFA Letter, and subject to the qualifications set out therein, the IFA is of the opinion that the Acquisition is based on normal commercial terms and is not prejudicial to the interests of FCT and its minority Unitholders.

The IFA is of the opinion that the Independent Directors recommend that Unitholders vote in favour of Resolution 1 (the Acquisition) to be proposed at the EGM.

4.9 Interests of Directors of the Manager

As at the Latest Practicable Date, the interests of the directors of the Manager (the “**Directors**”) in the Acquisition are as follows:

- (i) Mr Philip Eng Heng Nee is the Independent Non-Executive Chairman of the Manager and a director of FCL;
- (ii) Dr Chew Tuan Chiong is the Chief Executive Officer and Executive Director of the Manager and a director of other entities within the FCL Group other than the Manager. He has a direct interest in 43,586 shares in FCL;
- (iii) Mr Anthony Cheong Fook Seng is a Non-Executive Director of the Manager. He has (i) a direct interest in 50,000 Units (which is equivalent to 0.006% of the 825,400,343 Units in issue as at the Latest Practicable Date) and (ii) a direct interest in 185,900 shares in FCL;

¹ The Independent Directors are Mr Philip Eng Heng Nee, Mr Bobby Chin Yoke Choong and Mr Soh Kim Soon.

- (iv) Mr Chia Khong Shoong is a Non-Executive Director of the Manager, the (i) chief executive officer, Australia, New Zealand and United Kingdom and (ii) chief financial officer of FCL, and a director of other entities within the FCL Group other than the Manager. He has a direct interest in 177,196 shares in FCL;
- (v) Mr Bobby Chin Yoke Choong is an Independent Non-Executive Director of the Manager and has a deemed interest in 100,000 Units (which is equivalent to 0.012% of the 825,400,343 Units in issue as at the Latest Practicable Date);
- (vi) Mr Lim Ee Seng is a Non-Executive Director of the Manager, the group chief executive officer of FCL and a director of the Vendor and other entities within the FCL Group other than the Manager. He has (i) a direct interest in 200,000 Units (which is equivalent to 0.024% of the 825,400,343 Units in issue as at the Latest Practicable Date) and (ii) a direct interest in 739,712 shares in FCL;
- (vii) Mr Soh Kim Soon is an Independent Non-Executive Director of the Manager and has a direct interest in 100,000 Units (which is equivalent to 0.012% of the 825,400,343 Units in issue as at the Latest Practicable Date); and
- (viii) Mr Christopher Tang Kok Kai is a Non-Executive Director of the Manager, the (i) chief executive officer, Greater China and (ii) chief executive officer, Frasers Centrepont Commercial of FCL and a director of the Vendor and other entities within the FCL Group other than the Manager. He has (a) a direct interest and a deemed interest in an aggregate of 670,000 Units (which is equivalent to approximately 0.081% of the 825,400,343 Units in issue as at the Latest Practicable Date) and (b) a direct interest in 184,658 shares in FCL.

Based on information available to the Manager as at the Latest Practicable Date, save as disclosed above, none of the Directors have an interest, direct or indirect, in the Acquisition.

4.10 Interests of Substantial and Controlling Unitholders

As at the Latest Practicable Date, the interests of the Substantial Unitholders¹ in the Acquisition, as recorded in FCT's Register of Substantial Unitholders, are as follows:

- (i) FCL has an indirect 50.0% interest in the Vendor and has a deemed interest in 339,270,343 Units;
- (ii) FCL Trust Holdings Pte. Ltd. has a direct interest in 313,500,000 Units;
- (iii) International Beverage Holdings Limited has an indirect 50.0% interest in the Vendor and has a deemed interest in 339,270,343 Units;
- (iv) InterBev Investment Limited has an indirect 50.0% interest in the Vendor and has a deemed interest in 339,270,343 Units;
- (v) Thai Beverage Public Company Limited has an indirect 50.0% interest in the Vendor and has a deemed interest in 339,270,343 Units;
- (vi) TCC Assets Limited has an indirect 50.0% interest in the Vendor and has a deemed interest in 339,270,343 Units;

¹ "Substantial Unitholder" means a person with an interest in one or more Units constituting not less than 5.0% of the total number of Units in issue.

(vii) Charoen Sirivadhanabhakdi has an indirect 50.0% interest in the Vendor and has a deemed interest in 339,270,343 Units; and

(viii) Khunying Wanna Sirivadhanabhakdi has an indirect 50.0% interest in the Vendor and has a deemed interest in 339,270,343 Units.

While FCT has other Substantial Unitholders (details of which have been announced on SGXNET¹), based on information available to the Manager as at the Latest Practicable Date, none of these Substantial Unitholders has an interest, direct or indirect, in the Acquisition, and therefore their details have not been disclosed in this Circular as such details are not relevant.

4.11 Directors' Service Contracts

No person is proposed to be appointed as a Director in connection with the Acquisition, the Conditional Sale and Purchase Agreement or any other transaction contemplated in relation to the Acquisition (including the Changi City Point PMA).

5. RESOLUTION 2: THE PROPOSED ISSUE OF UP TO 90.0 MILLION NEW UNITS UNDER THE PRIVATE PLACEMENT

5.1 Overview of the Private Placement and Use of Proceeds

The Manager is seeking Unitholders' approval for the issue of up to 90.0 million New Units (which is equivalent to up to approximately S\$155.7 million² or 10.9% of the 825,400,343 Units in issue as at the Latest Practicable Date) pursuant to the Private Placement to part finance the Acquisition³. The balance thereof is intended to be funded by borrowings (which may include drawing down on the FCT Loan Facilities) and/or internal sources. The Manager intends to allocate the entire proceeds from the Private Placement for the purposes of the Acquisition.

The Manager intends to finance the Acquisition with a combination of equity and debt financing, so as to ensure that the Acquisition will provide overall DPU accretion to Unitholders while maintaining an optimum level of gearing. The final decision regarding the proportion of equity and debt financing to be employed for the purposes of financing the Acquisition will be made by the Manager at the appropriate time taking into account the then prevailing market conditions.

The illustrative debt and equity funding plan adopted in this Circular is based on an realistic illustrative net debt funding level of 52.0% of the Purchase Consideration, in light of current market conditions. However, the actual debt and equity funding plan to be adopted by the Manager will depend on, among others, prevailing market conditions, the demand for New Units, the Issue Price and the terms and interest rates of available debt and loan facilities. Based on current market conditions, it is expected that following the completion of the Acquisition and the Private Placement, FCT's Aggregate Leverage will not differ materially from the illustration provided in paragraph 3.1 above.

The structure and timing of the Private Placement have not been determined. If and when the Manager decides to carry out the Private Placement, the Private Placement will comprise a private placement of New Units to institutional and other investors when the Manager deems appropriate in the circumstances and after having considered the then

¹ An internet-based corporate announcement submission system maintained by the SGX-ST.

² Based on the Illustrative Issue Price of S\$1.73.

³ For the avoidance of doubt, the Private Placement is inclusive of the FCL Group Placement.

prevailing market conditions. In the event that the Acquisition and the Private Placement are approved by Unitholders, but market conditions are not conducive to carry out the Private Placement or the Private Placement cannot be effected on acceptable terms, the Manager may decide to delay the Acquisition or alternatively fully finance the Acquisition by debt or a combination of debt and other forms of equity fund raising. Should the Manager part finance the Acquisition through other forms of equity fund raising other than a private placement, the Manager will rely on any available general unit issue mandate for the purpose of issuing new Units.

The Manager will work with the Joint Lead Managers and Underwriters to determine the structure of the Private Placement, the time schedule for the Private Placement and the Issue Price, taking into account market conditions, and other factors that the Manager and the Joint Lead Managers and Underwriters consider relevant. The structure and time schedule of the Private Placement and the Issue Price will be determined in accordance with Chapter 8 of the Listing Manual. The Manager will announce details of the Private Placement at the appropriate time.

The Issue Price under the Private Placement will be determined between the Manager and the Joint Lead Managers and Underwriters closer to the date of commencement of the Private Placement. The actual number of New Units to be issued in connection with the Private Placement will depend on the aggregate amount of proceeds to be raised from the Private Placement and the Issue Price. The Issue Price will be subject to Rules 811(1) and 811(5) of the Listing Manual, and will not be at more than 10.0% discount to the volume weighted average price for trades done on the SGX-ST for the full market day¹ on which the placement agreement is signed or, if trading in the Units is not available for a full market day, for the preceding market day up to the time the placement agreement is signed, excluding (where applicable) declared distributions provided that the placees under the Private Placement are not entitled to the declared distributions.

In the event that the Private Placement is carried out:

- (i) the Private Placement will comply with Rule 803 of the Listing Manual, such that the New Units will not be issued under the Private Placement to transfer a controlling interest without the prior approval of Unitholders in a general meeting; and
- (ii) the Private Placement will also comply with Rule 812 of the Listing Manual, such that the New Units will not be placed to any of the connected persons listed under Rule 812(1) of the Listing Manual (other than one that fulfils the criteria set out in Rule 812(3) or 812(4) of the Listing Manual), save for the placement of New Units under the FCL Group Placement, which is subject to the prior approval of Unitholders in a general meeting.

The unitholding interest of existing Unitholders may be diluted by the issue of New Units in the event that the Manager issues New Units under the Private Placement and such existing Unitholders do not have the opportunity to participate in the Private Placement.

The Manager believes that funds raised from the Private Placement will be sufficient to enable FCT to meet its obligations and continue to operate as a going concern.

The information contained in this paragraph 5.1 is subject to change. When the Manager finalises its plans in relation to the Private Placement, it will make an announcement in relation to such details at the appropriate time.

¹ “market day” means a day on which the SGX-ST is open for trading in securities.

The Private Placement is subject to, among others, the then prevailing market conditions and agreement to the terms of and execution of the underwriting agreement to be entered into between the Manager and the relevant underwriter(s) in relation to the Private Placement (the “Underwriting Agreement”).

5.2 Rationale for the Private Placement

Given the current market conditions and the borrowing limit imposed by MAS on property funds such as FCT, the Manager believes that the Private Placement is an efficient and beneficial method of raising funds to finance the Acquisition, and provides FCT with the flexibility to tap the equity markets for funds.

5.3 Underwriting by Underwriters

It is anticipated that all or part of the Private Placement (save for any proposed issue of New Units to the FCL Group, as part of the Private Placement) will be underwritten by the Joint Lead Managers and Underwriters on the terms and subject to the conditions of the Underwriting Agreement. The Underwriting Agreement will contain such representations, warranties, undertakings, indemnities and terms as are customary for a transaction of this nature.

The Joint Lead Managers and Underwriters will be paid an underwriting commission pursuant to the Underwriting Agreement.

5.4 Costs of the Private Placement

Costs and expenses in connection with the Private Placement which are to be borne by FCT comprise the following:

- (i) the financial advisory commission and related expenses payable to the Sole Financial Adviser in relation to the Private Placement;
- (ii) the underwriting and selling commission and related expenses payable to the Joint Lead Managers and Underwriters in relation to the Private Placement; and
- (iii) professional and other fees and expenses to be incurred by FCT in connection with the Private Placement.

The costs and expenses in connection with the Private Placement will vary according to the amount of gross proceeds to be raised. Based on the Illustrative Issue Price and assuming that 86.5 million New Units are issued under the Private Placement to raise gross proceeds of S\$149.7 million, the Manager estimates that the costs and expenses to be incurred by FCT in connection with the Private Placement will be approximately S\$2.6 million, comprising (i) underwriting and financial advisory fees in respect of the Private Placement of S\$1.6 million, and (ii) other transaction costs of S\$1.0 million.

5.5 Consequential Adjustment to Distribution Period

FCT’s policy is to distribute its distributable income on a quarterly basis to Unitholders. When the Manager decides to carry out the Private Placement, the Manager may decide to make adjustments to the distribution period which may include, among others, a cumulative distribution or an advance distribution, or such other plans to ensure fairness to holders of the Existing Units.

Further details pertaining to any adjustments to the distribution period, if any, will be announced at the appropriate time.

5.6 Status of the New Units

The New Units will, upon issue, rank *pari passu* in all respects with the Existing Units, including the right to any distributable income from the day the New Units are issued as well as all distributions thereafter.

For the avoidance of doubt, New Units will not be entitled to participate in the distribution of any distributable income accrued by FCT prior to the date of issue of the New Units.

5.7 Requirement for Unitholders' Approval

The Manager is seeking the approval of Unitholders for the issue of New Units pursuant to the Private Placement pursuant to Rule 805(1) of the Listing Manual.

6. RESOLUTION 3: THE PROPOSED PLACEMENT OF NEW UNITS TO THE FCL GROUP UNDER THE PRIVATE PLACEMENT AS A RELATED PARTY TRANSACTION

6.1 Overview of the FCL Group Placement

To enable the FCL Group to be in a position to support FCT, the Manager is seeking Unitholders' approval for the proposed issue of New Units to the FCL Group, as part of the Private Placement. The FCL Group may subscribe for such number of New Units under the Private Placement up to the FCL Group's proportionate pre-placement unitholding in FCT, in percentage terms¹. The New Units placed to the FCL Group under the FCL Group Placement will be issued at the same price as the New Units issued to other investors under the Private Placement.

6.2 Rationale for the FCL Group Placement

The Manager believes that the size of the FCL Group's unitholdings in FCT provides a degree of stability to FCT as an investment vehicle. Allowing New Units to be placed to the FCL Group would help to maintain such stability, which is ultimately to the benefit of Unitholders. The ability of the FCL Group to subscribe for New Units under the Private Placement would also enhance investors' confidence in FCT by providing a higher degree of certainty for the successful completion of the Private Placement.

The Manager is thus of the view that the FCL Group should be given the opportunity to apply for such New Units under the Private Placement.

The table below sets out the interests of the FCL Group in the Units as at the Latest Practicable Date:

Name	Interest in Units		
	Direct Interest in Units	Deemed Interest in Units	Percentage of total number of Units in issue ⁽¹⁾ (%)
FCL	0	339,270,343 ⁽²⁾	41.1
FCL Trust Holdings Pte. Ltd.	313,500,000	0	38.0
The Manager	25,770,343	0	3.1

¹ This excludes the Acquisition Fee Units.

Notes:

- (1) Based on 825,400,343 Units in issue as at the Latest Practicable Date.
- (2) FCL is deemed to be interested in 313,500,000 Units held by FCL Trust Holdings Pte. Ltd. and 25,770,343 Units held by the Manager.

The Issue Price will be subject to Rules 811(1) and 811(5) of the Listing Manual, and will not be issued at more than 10.0% discount to the volume weighted average price for trades done on the SGX-ST for the full market day on which the placement agreement is signed or, if trading in the Units is not available for a full market day, for the preceding market day up to the time the placement agreement is signed, excluding (where applicable) declared distributions provided that the placees under the Private Placement are not entitled to the declared distributions.

6.3 Requirement for Unitholders' Approval

6.3.1 Placement to Substantial Shareholders of the Manager and Related Parties of the Substantial Shareholders

Rule 812(1) of the Listing Manual prohibits a placement of New Units to substantial shareholders of the Manager as well as related companies of the Manager's substantial shareholders pursuant to the Private Placement, except where the approval of Unitholders by way of an Ordinary Resolution is obtained pursuant to Rule 812(2) of the Listing Manual.

As FCL wholly-owns the Manager and FCL Trust Holdings Pte. Ltd., and FCL's subsidiaries are deemed to be related parties of FCL, Rule 812(1) of the Listing Manual therefore applies to the placement of New Units to the FCL Group pursuant to the Private Placement.

Accordingly, the Manager is seeking Unitholders' approval for the FCL Group Placement.

6.3.2 Interested Person Transaction

FCL, being a "controlling Unitholder", and its subsidiaries, being associates of a "controlling Unitholder", are deemed to be "interested persons" of FCT for the purposes of Chapter 9 of the Listing Manual. The FCL Group Placement therefore constitutes an "interested person transaction" under Chapter 9 of the Listing Manual. If such number of New Units are placed to the FCL Group pursuant to the Private Placement in order for the FCL Group to maintain its proportionate pre-placement unitholding, in percentage terms¹, there is a possibility (depending on the actual Issue Price and the number of New Units placed under the FCL Group Placement) that the value of New Units placed to the FCL Group may exceed 5.0% of the value of FCT's latest audited NTA. In such circumstances, under Rule 906 of the Listing Manual, the Manager is required to seek Unitholders' approval for the placement of New Units to the FCL Group.

¹ This excludes the Acquisition Fee Units.

6.4 Advice of the Independent Financial Adviser

Under Rule 921(4)(b) of the Listing Manual, an opinion from an independent financial adviser is not required for Units issued pursuant to Part IV of Chapter 8 of the Listing Manual for cash. Accordingly, as the FCL Group Placement involves the issue of Units in accordance with the requirements under Part IV of Chapter 8 of the Listing Manual, a letter from an independent financial adviser is not strictly required.

However, for the purpose of good corporate governance and to ensure that there is an independent analysis of the FCL Group Placement, the Manager has appointed the IFA to advise the Independent Directors and the Trustee in relation to the FCL Group Placement. A copy of the IFA Letter, containing its advice in full, is set out in **Appendix E** of this Circular.

Unitholders are advised to read the IFA Letter carefully. In addition, as recommended by the IFA in the IFA Letter, the Independent Directors advise Unitholders to read paragraphs 2 to 14 of this Letter to Unitholders carefully.

Having considered the factors and made the assumptions set out in the IFA Letter, and subject to the qualifications set out therein, the IFA is of the opinion that the FCL Group Placement is based on normal commercial terms and would not be prejudicial to the interests of FCT and its minority Unitholders.

The IFA is of the opinion that the Independent Directors recommend that Unitholders vote in favour of Resolution 3 (the FCL Group Placement) to be proposed at the EGM.

6.5 Interests of the Directors

Please see paragraph 4.9 above for the interests of the Directors in the FCL Group Placement as at the Latest Practicable Date.

Based on information available to the Manager as at the Latest Practicable Date, save as disclosed above, none of the Directors have an interest, direct or indirect, in the FCL Group Placement.

6.6 Interests of Substantial and Controlling Unitholders

Please see paragraph 4.10 above for the interests of the Substantial Unitholders in the FCL Group Placement as at the Latest Practicable Date.

7. RECOMMENDATIONS

7.1 On the Proposed Acquisition

Based on the opinion of the IFA (as set out in the IFA Letter in **Appendix E** of this Circular) and having regard to the rationale for and key benefits of the Acquisition set out in paragraph 3 above, the Independent Directors (save for Mr Philip Eng Heng Nee, who has abstained from providing a recommendation on Resolution 1 in the interests of good corporate governance and transparency) and the audit committee of the board of directors of the Manager (the "**Audit Committee**") are of the opinion that the Acquisition is based on normal commercial terms and would not be prejudicial to the interests of FCT and its minority Unitholders.

Accordingly, the Independent Directors (save for Mr Philip Eng Heng Nee, who has abstained from providing a recommendation on Resolution 1 for the reasons stated above) recommend that Unitholders vote at the EGM in favour of Resolution 1 relating to the Acquisition.

7.2 On the Proposed Private Placement

Having regard to the rationale for the Private Placement set out in paragraph 5.2 above, the Manager believes that the Private Placement would be beneficial to, and is in the interests of, FCT and its Unitholders.

Accordingly, the Manager recommends that Unitholders vote at the EGM in favour of Resolution 2 relating to the Private Placement.

7.3 On the Proposed FCL Group Placement

Based on the opinion of the IFA (as set out in the IFA Letter in **Appendix E** of this Circular) and having regard to the rationale for the FCL Group Placement set out in paragraph 6.2 above, the Independent Directors (save for Mr Philip Eng Heng Nee, who has abstained from providing a recommendation on Resolution 3 in the interests of good corporate governance and transparency) and the Audit Committee are of the opinion that the FCL Group Placement is based on normal commercial terms and would not be prejudicial to the interests of FCT and its minority Unitholders on the basis that:

- (a) the New Units will be placed to the FCL Group at the same price as the New Units issued to other investors under the Private Placement; and
- (b) the Issue Price under the Private Placement will be subject to Rules 811(1) and 811(5) of the Listing Manual, and will not be at more than 10.0% discount to the volume weighted average price for trades done on the SGX-ST for the full market day on which the placement agreement is signed or, if trading in the Units is not available for a full market day, for the preceding market day up to the time the placement agreement is signed, excluding (where applicable) declared distributions provided that the placees under the FCL Group Placement are not entitled to the declared distributions.

Accordingly, the Independent Directors (save for Mr Philip Eng Heng Nee, who has abstained from providing a recommendation on Resolution 3 for the reasons stated above) recommend that Unitholders vote at the EGM in favour of Resolution 3 relating to the FCL Group Placement.

8. EXTRAORDINARY GENERAL MEETING

The EGM will be held at 10.00 a.m. on 29 May 2014 at Level 2, Alexandra Point, 438 Alexandra Road, Singapore 119958, for the purpose of considering and, if thought fit, passing with or without modification, the resolutions set out in the Notice of Extraordinary General Meeting, which is set out on pages G-1 to G-4 of this Circular. The purpose of this Circular is to provide Unitholders with relevant information about each of these resolutions.

Approval by way of an Ordinary Resolution is required in respect of each of Resolution 1 (the Acquisition), Resolution 2 (the Private Placement) and Resolution 3 (the FCL Group Placement).

A Depositor shall not be regarded as a Unitholder entitled to attend the EGM and to speak and vote thereat unless he is shown to have Units entered against his name in the Depository Register, as certified by The Central Depository (Pte) Limited (“**CDP**”) as at 48 hours before the EGM.

9. ABSTENTIONS FROM VOTING

9.1 Relationship between FCL, FCL Trust Holdings Pte. Ltd. and the Manager

As at the Latest Practicable Date, FCL Trust Holdings Pte. Ltd. and the Manager are direct wholly-owned subsidiaries of FCL. Through FCL Trust Holdings Pte. Ltd. and the Manager, FCL has a deemed interest in 339,270,343 Units, comprising approximately 41.1% of the 825,400,343 Units in issue as at the Latest Practicable Date.

9.2 Abstention from Voting

Resolution 1 (The Acquisition)

Rule 919 of the Listing Manual prohibits interested persons and their associates (as defined in the Listing Manual) from voting on a resolution in relation to a matter in respect of which such persons are interested.

Given that Changi City Point will be acquired from the Vendor, in which FCL holds an indirect 50.0% interest, each of FCL, FCT Trust Holdings Pte. Ltd. and the Manager (i) will abstain, and will procure that their associates abstain, from voting at the EGM on Resolution 1 (the Acquisition), and (ii) will not, and will procure that their associates do not, accept appointments as proxies in relation to Resolution 1 (the Acquisition), unless specific instructions as to voting are given.

Resolution 3 (The FCL Group Placement)

Rule 812(2) of the Listing Manual prohibits the restricted placee under Rule 812(1) and each of its associates (as defined in the Listing Manual), from voting on the resolution to approve the placement to the restricted placee.

Each of FCL, FCT Trust Holdings Pte. Ltd. and the Manager (i) will abstain from voting at the EGM on Resolution 3 (the FCL Group Placement), and (ii) will not, and will procure that their associates do not, accept appointments as proxies in relation to Resolution 3 (the FCL Group Placement), unless specific instructions as to voting are given.

10. ACTION TO BE TAKEN BY UNITHOLDERS

Unitholders will find enclosed in this Circular the Notice of Extraordinary General Meeting and a Proxy Form.

If a Unitholder is unable to attend the EGM and wishes to appoint a proxy to attend and vote on his behalf, he should complete, sign and return the enclosed Proxy Form in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the Manager’s registered office at 438 Alexandra Road, #21-00 Alexandra Point, Singapore 119958, not later than 10.00 a.m. on 27 May 2014, being 48 hours before the time fixed for the EGM. The completion and return of the Proxy Form by a Unitholder will not prevent him from attending and voting in person at the EGM if he so wishes.

Persons who have an interest in the approval of one or more of the resolutions must decline to accept appointment as proxies unless the Unitholder concerned has specific instructions in his Proxy Form as to the manner in which his votes are to be cast in respect of such resolutions.

11. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Acquisition, the Private Placement, the FCL Group Placement, FCT and its subsidiaries and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. The Directors are satisfied that the Profit Forecast set out in **Appendix B** of this Circular has been stated after due and careful enquiry. Where information has been extracted or reproduced from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

12. RESPONSIBILITY STATEMENT OF THE SOLE FINANCIAL ADVISER AND THE JOINT LEAD MANAGERS AND UNDERWRITERS IN RELATION TO THE PRIVATE PLACEMENT

To the best of the Sole Financial Adviser's and the Joint Lead Managers and Underwriters' (in each case in relation to the Private Placement) knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Private Placement, and each of the Sole Financial Adviser and the Joint Lead Managers and Underwriters (in each case in relation to the Private Placement) is not aware of any facts the omission of which would make any statement about the Private Placement in this Circular misleading.

13. CONSENTS

Each of the Independent Accountants, the Independent Valuers, Urbis and the IFA has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name and, respectively, the Independent Accountants' Report on the Profit Forecast, the Valuation Certificates, the Urbis Report and the IFA Letter, and all references thereto, in the form and context in which they are included in this Circular.

14. DOCUMENTS ON DISPLAY

Copies of the following documents are available for inspection during normal business hours at the registered office of the Manager¹ at 438 Alexandra Road, #21-00 Alexandra Point, Singapore 119958, from the date of this Circular up to and including the date falling three months after the date of this Circular:

- (i) the full valuation report on Changi City Point issued by Knight Frank;
- (ii) the full valuation report on Changi City Point issued by Colliers;
- (iii) the Urbis Report;
- (iv) the Conditional Sale and Purchase Agreement;

¹ Prior appointment with the Manager will be appreciated.

- (v) the Changi City Point PMA;
- (vi) the Independent Accountants' Report on the Profit Forecast;
- (vii) the IFA Letter;
- (viii) the FY2013 Audited Financial Statements; and
- (ix) the written consents of the Independent Accountants, Urbis, the Independent Valuers and the IFA.

The Trust Deed will also be available for inspection at the registered office of the Manager for so long as FCT is in existence.

Yours faithfully

for and on behalf of

FRASERS CENTREPOINT ASSET MANAGEMENT LTD.
(as manager of Frasers Centrepoint Trust)
Company Registration No. 200601347G

Mr Philip Eng Heng Nee
Independent Non-Executive Chairman

IMPORTANT NOTICE

The value of Units and the income derived from them may fall as well as 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 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.

This Circular 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. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events. All forecasts are based on the Illustrative Issue Price and on the Manager's assumptions as explained in this Circular including, but not limited to, **Appendix B** of this Circular. The Units' DPU yield will vary accordingly for investors who purchase Units in the secondary market at a market price different from the Illustrative Issue Price used in the computing of DPU information in this Circular. The major assumptions are certain expected levels of property rental income and property expenses over the relevant periods, which are considered by the Manager to be appropriate and reasonable as at the date of this Circular. The forecast financial performance of FCT is not guaranteed and there is no certainty that it can be achieved. Investors should read the whole of this Circular for details of the forecasts and consider the assumptions used and make their own assessment of the future performance of FCT.

If you have sold or transferred all your Units, you should immediately forward this Circular, together with the Notice of Extraordinary General Meeting and the accompanying Proxy Form, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

This Circular is not for distribution, directly or indirectly, in or into the United States. It is not an offer of securities for sale into the United States. The New Units have not been, and will not be, registered under the Securities Act, or the securities laws of any state of the United States or other jurisdiction, and the New Units may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state or local securities laws. Any public offering of securities of FCT in the United States would be made by means of a prospectus that would contain detailed information about FCT and the Manager, as well as financial statements. The Manager does not intend to register any portion of the offering in the United States or to conduct a public offering of securities in the United States.

GLOSSARY

In this Circular, the following definitions apply throughout unless otherwise stated:

%	:	Per centum or percentage
Acquisition	:	The proposed acquisition of Changi City Point
Acquisition Cost	:	The total acquisition cost of approximately S\$312.5 million for the Acquisition, comprising (i) the Purchase Consideration, (ii) the Acquisition Fee payable to the Manager pursuant to the Trust Deed, and (iii) the estimated professional and other fees and expenses incurred by FCT in connection with the Acquisition and the Private Placement
Acquisition Fee	:	The acquisition fee of S\$3.05 million payable to the Manager pursuant to Clause 15.2.1 of the Trust Deed
Acquisition Fee Units	:	Units to be issued to the Manager as payment of the Acquisition Fee
Aggregate Leverage	:	The ratio of the total borrowings and deferred payments (if any) to the value of the Deposited Property
Anchorpoint Development	:	Anchorpoint, The Anchorage and the common property of the strata sub-divided mix-use development
Anchorpoint Management Corporation	:	The Management Corporation of the Anchorpoint Development
Audit Committee	:	The audit committee of the board of directors of the Manager
C&CI	:	Civic & Community Institution
CDP	:	The Central Depository (Pte) Limited
Changi City Point PMA	:	The property management agreement entered into between the Trustee, the Manager and the Property Manager on 8 April 2014 to provide services in respect of Changi City Point on Completion
Changi City Point or Property	:	The property known as Changi City Point, located at 5 Changi Business Park Central 1, Singapore 486038, being the whole of Strata Lot U49285C together with Accessory Lots A101C, A102M, A103W and A104V, all of Mukim 27 together with the building comprised thereon and known as 5 Changi Business Park Central 1, Changi City Point, Singapore 486038
Colliers	:	Colliers International (Singapore) Pte Ltd

Committed Leases or Committed Lease	:	Leases in respect of which definitive agreements have been entered into between the lessor and lessee (including legally binding letters of offer which have been accepted for vacant units)
Completion	:	Completion of the Acquisition
Conditional Sale and Purchase Agreement	:	The conditional sale and purchase agreement entered into between the Trustee and the Vendor on 8 April 2014 for the sale of Changi City Point to the Trustee
Conditions Precedent	:	The conditions precedent for Completion
Construction costs	:	In relation to the fees payable to the Property Manager for project management services, means all construction costs and expenditure valued by the quantity surveyor engaged by the Trustee for the project, excluding development charges, differential premiums, statutory payments, consultants' professional fees and goods and services tax
Deposited Property	:	All the assets of FCT, including all its authorised investments held or deemed to be held by it under the Trust Deed
Directors	:	The directors of the Manager
DPU	:	Distribution per Unit
ECP	:	East Coast Parkway Expressway
EGM	:	The extraordinary general meeting of Unitholders to be held at 10.00 a.m. on 29 May 2014 at Level 2, Alexandra Point, 438 Alexandra Road, Singapore 119958, to approve the matters set out in the Notice of Extraordinary General Meeting on pages G-1 to G-4 of this Circular
Enlarged Portfolio	:	Comprises the Existing Portfolio and Changi City Point
Existing Assets	:	Comprises the Existing Portfolio and other assets held by FCT as at the Latest Practicable Date
Existing Portfolio	:	The portfolio of properties currently held by FCT, comprising Causeway Point, Northpoint, YewTee Point, Bedok Point and Anchorpoint
Existing Units	:	The Units in issue on the day immediately prior to the date on which the New Units are issued under the Private Placement
FCL	:	Frasers Centrepoint Limited
FCL Group	:	FCL and its subsidiaries

FCL Group Placement	:	The proposed placement of such number of New Units to the FCL Group under the Private Placement up to the FCL Group's proportionate pre-placement unitholding in FCT, in percentage terms ¹
FCT	:	Frasers Centrepoint Trust
FCT Loan Facilities	:	The loan facilities currently put in place by the Manager and the new loan facilities which the Manager may from time to time put in place, which may be utilised to part finance the Acquisition in accordance with the funding structure to be determined by the Manager
Forecast Period	:	The period from 1 June 2014 to 30 September 2014
FY2013	:	The financial year ended 30 September 2013
FY2014	:	The financial year ending 30 September 2014
FY2013 Audited Financial Statements	:	The audited financial statements of FCT for FY2013
Gross Floor Area or GFA	:	The gross floor area of a building measured in accordance with guidelines issued by the relevant authorities
Gross Rental Income	:	Comprises base rental income (after rent rebates, refunds, credits or discounts and rebates for rent-free periods, where applicable, but excluding turnover rent), service charge and advertising and promotion levy payable by tenants
Gross Revenue	:	Comprises Gross Rental Income and Other Revenue earned from a property, including revenue from car parks, turnover rents, license fees, casual leasing income and other miscellaneous income
GST	:	Goods and services tax
IFA	:	Deloitte & Touche Corporate Finance Pte Ltd
IFA Letter	:	The letter from the IFA to the Independent Directors and the Trustee set out in Appendix E of this Circular
Illustrative Issue Price	:	The illustrative issue price of S\$1.73 per New Unit
Independent Accountants	:	Ernst & Young LLP
Independent Directors	:	The independent directors of the Manager, being Mr Philip Eng Heng Nee, Mr Bobby Chin Yoke Choong and Mr Soh Kim Soon

¹ This excludes the Acquisition Fee Units.

Independent Valuers	:	Knight Frank and Colliers
Issue Price	:	The issue price of the New Units
Joint Lead Managers and Underwriters	:	Citigroup Global Markets Singapore Pte. Ltd. and DBS Bank Ltd., as the joint lead managers and underwriters in relation to the Private Placement
JTC	:	JTC Corporation
JTC Approval	:	Means the approval of JTC to: <ul style="list-style-type: none"> (a) the sale of the Property by the Vendor to the Trustee; and (b) the mortgage and/or charge of the Property by the Trustee to its mortgagee and/or chargee on Completion, if applicable
Knight Frank	:	Knight Frank Pte. Ltd.
Latest Practicable Date	:	5 May 2014, being the latest practicable date prior to the printing of this Circular
Listing Manual	:	The Listing Manual of the SGX-ST
Manager	:	Frasers Centrepoint Asset Management Ltd., as manager of FCT
market day	:	A day on which the SGX-ST is open for trading in securities
MAS	:	Monetary Authority of Singapore
Moody's	:	Moody's Investors Service, Inc.
MRT	:	Mass Rapid Transit
NAV	:	Net asset value
Net Income	:	Comprises Net Property Income and any other income of FCT (comprising mainly investment income and interest income, if any, but excluding any non-operating income such as gains on disposal or revaluation of properties) less finance costs, the Manager's management fees, and trust expenses (comprising recurring operating expenses such as the Trustee's fee, annual listing fees, registry fees, accounting, audit and tax advisory fees, valuation fees, costs associated with the preparation and distribution of reports to Unitholders, investor communication costs and other miscellaneous expenses relating to FCT) (before tax, if any)

Net Lettable Area or NLA	:	Comprises the floor area in a building that is to be leased and in respect of which a rent is payable, which generally excludes common areas (such as corridors, public atrium and toilets) and areas used to accommodate building and property management facilities and services
Net Property Income	:	Comprises Gross Revenue less Property Expenses
New Units	:	The new Units proposed to be issued under the Private Placement
NTA	:	Net tangible assets
Ordinary Resolution	:	A resolution proposed and passed as such by a majority being greater than 50.0% or more of the total number of votes cast for and against such resolution at a meeting of Unitholders convened in accordance with the provisions of the Trust Deed
Other Revenue	:	In respect of a property, includes revenue from car parks, turnover rents, license fees, casual leasing income and other miscellaneous income
PIE	:	Pan Island Expressway
Primary Trade Sector	:	According to Urbis, the Primary Trade Sector is bordered by the PIE to the north, Bedok Canal to the east and the Laguna and Tanah Merah golf courses to the south-east, contained within a 2 kilometre radius from the Property
Private Placement	:	The proposed issue of up to 90.0 million New Units (which is equivalent to up to approximately S\$155.7 million ¹ or 10.9% of the 825,400,343 Units in issue as at the Latest Practicable Date) pursuant to a private placement to institutional and other investors to part finance the Acquisition
Profit Forecast	:	The forecast statement of FCT's Net Income and distribution for the Forecast Period, the accompanying key assumptions and the sensitivity analysis set out in Appendix B of this Circular
Property Funds Appendix	:	Appendix 6 of the Code on Collective Investment Schemes issued by the MAS
Property Manager	:	Frasers Centrepoint Property Management Services Pte. Ltd. (formerly known as Frasers Centrepoint Retail Concepts Pte. Ltd.)

¹ Based on the Illustrative Issue Price of S\$1.73.

Property Expenses	:	Comprises property tax, the Property Manager’s fee and other property expenses (including utilities expenses, reimbursement of salaries and related manpower expenses, marketing expenses, repairs and maintenance expenses, general and administrative expenses and other miscellaneous expenses)
Purchase Consideration	:	S\$305.0 million, being the purchase consideration for Changi City Point to be paid by FCT to the Vendor
Related Party Transactions	:	“Interested person transactions” as defined in Chapter 9 of the Listing Manual and/or, as the case may be, “interested party transactions” as defined in Paragraph 5 of the Property Funds Appendix
S\$ and cents	:	Singapore dollars and cents
S&P	:	Standard & Poor’s Rating Services
Secondary Trade Sector	:	According to Urbis, the Secondary Trade Sector comprises the Secondary North Trade Sector, the Secondary North-West Trade Sector and the Secondary West Trade Sector (all as defined in Appendix F of this Circular)
Securities Act	:	U.S. Securities Act of 1933, as amended
SGX-ST	:	Singapore Exchange Securities Trading Limited
Sole Financial Adviser	:	DBS Bank Ltd., as the sole financial adviser in relation to the Private Placement
sq ft	:	Square feet
Substantial Unitholder	:	A person with an interest in one or more Units constituting not less than 5.0% of the total number of Units in issue
TOP	:	Temporary Occupation Permit
TPE	:	Tampines Expressway
Trust Deed	:	The trust deed dated 5 June 2006 constituting FCT entered into between the Trustee and the Manager, as amended and/or supplemented by a first supplemental deed dated 4 October 2006 and a first amending restating deed dated 7 May 2009, and as may be amended, varied or supplemented from time to time
Trustee	:	HSBC Institutional Trust Services (Singapore) Limited, as trustee of FCT
U.S.	:	The United States

Underwriting Agreement	:	The underwriting agreement to be entered into between the Manager and the relevant underwriter(s) in relation to the Private Placement
Unit	:	A unit representing an undivided interest in FCT
Unitholder	:	The registered holder for the time being of a Unit, including a person so registered as a joint holder, except where the registered holder is CDP, the term “Unitholder” shall, in relation to Units registered in the name of CDP, mean, where the context requires, a depositor with CDP whose securities account with CDP is credited with Units
Urbis	:	Urbis Pty Ltd
Urbis Report	:	“Changi City Point: Retail Market Overview” set out in Appendix F of this Circular
Vendor	:	Ascendas Frasers Pte. Ltd.
WALE	:	Weighted average lease expiry

The terms “**Depositor**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 130A of the Companies Act, Chapter 50 of Singapore.

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

Any reference in this Circular to any enactment is a reference to that enactment for the time being amended or re-enacted.

Any reference to a time of day in this Circular shall be a reference to Singapore time unless otherwise stated.

Any discrepancies in the tables, graphs and charts between the listed amounts and totals thereof are due to rounding. Where applicable, figures and percentages are rounded to an appropriate number of decimal places.