PRESS RELEASE
For Immediate Release

FCOT achieved a record distributable income of S$77.6 million for FY16

- Full year DPU up 1.1% to 9.82 cents
- Good results bolstered by the full-year contribution from 357 Collins Street and the better performance of Alexandra Technopark
- Full occupancy at 357 Collins Street continued to provide income stability
- Properties achieved positive weighted average rental reversions of 6.6% in FY16
- Healthy gearing of 36.0%
- 85.0% gross borrowings on fixed interest rate

Summary of FCOT's 4QFY16 and FY16 Results

	1/7/16 – 30/9/16 (4Q FY16)	1/7/15 – 30/9/15 (4Q FY15)	Change (%)	1/10/15 – 30/9/16 (FY16)	1/10/14 – 30/9/15 (FY15)	Change (%)
Gross Revenue (S$'000)	39,330	37,220	5.7	156,497	142,187	10.1
Net Property Income (S$'000)	29,289	27,387	6.9	115,614	101,868	13.5
Net Property Income (cash basis) (S$'000)*	29,114	27,110	7.4	113,794	100,865	12.8
Distribution to Unitholders (S$'000)	19,485	18,822	3.5	77,607	67,805	14.5
Distribution Per Unit	2.45¢(1)	2.52¢(2)	(2.8) (3)	9.82¢	9.71¢	1.1

* Net property income excluding the effects of recognising accounting income on a straight line basis over the long term.

(1) The number of Units used to calculate the amount available for distribution per Unit ("DPU") is 794.3 million.
(2) The DPU comprised:
  (a) advanced distribution of 0.9112 cents per unit for the period from 1 July 2015 to 2 August 2015 and the number of Units used to calculate the DPU is 684.0 million; and
  (b) Unitholders' distribution of 1.6069 cents per Unit for the period from 3 August 2015 to 30 September 2015 and the number of Units used to calculate the DPU is 783.4 million.
(3) DPU in 4QFY16 was lower as there were no management fees taken in Units. In 4QFY15, 30% of the management fees were taken in Units.

Singapore – 20 October 2016 – Frasers Centrepoint Asset Management (Commercial) Ltd ("**FCAMCL**" or the "**Manager**"), the manager of Frasers Commercial Trust ("**FCOT**", SGX:Frasers Com Tr), is pleased to announce that for the financial year ended 30 September 2016 ("FY16"), the Trust delivered the highest distributable income to Unitholders and DPU since the Trust was listed in 2006. The distributable income of S$77.6 million and DPU of 9.82 cents for FY16 were up 14.5% and 1.1% respectively, compared to the prior financial year.

Mr Low Chee Wah, Chief Executive Officer of the Manager, said "We are pleased that the Trust continues to achieve new highs, and this is particularly commendable given the weaker global economy and challenging Singapore office leasing environment. The distributable income of S$77.6 million and DPU of 9.82 cents also marked the seventh consecutive year of growth since the completion of the recapitalisation exercise in 2009. The full year contribution from 357

Collins Street and good performance of Alexandra Technopark continued to boost the performance of the Trust. The Singapore properties and 357 Collins Street continued to enjoy positive rental reversions during the quarter, while the 3.0% annual fixed step-up rents at Caroline Chisholm Centre continued to provide organic growth for the Trust."

357 Collins Street and Alexandra Technopark continued to uplift distributable income

In FY16, gross revenue increased 10.1% year-on-year to S$156.5 million. Accordingly, net property income ("NPI") for FY16 was up 13.5% year-on-year to S$115.6 million. Excluding the effects of recognising accounting income on a straight line basis over the lease term, NPI (cash basis) of $113.8 million was up 12.8% year-on-year. The good performance was attributed to the full year contribution from 357 Collins Street and the better performance of Alexandra Technopark as a result of higher rentals achieved, lower utilities expenses and upfront rental income received[1]. The increase was partially reduced by the weaker Australian dollar during the year and the lower occupancies for China Square Central and Central Park.

Construction works for the development of a 16 storey hotel ("Hotel") and the additions and alterations ("Commercial Project") at China Square Central[2] are in progress, and the loss of income arising from certain affected units[3] will be supplemented by S$2.2 million of capital distribution in FY16. This is to be funded from the proceeds from the disposal of the Hotel development rights for China Square Central.

The higher distributable income resulted in a higher DPU of 9.82 cents in FY16, up 1.1% year-on-year. The Manager will be applying the distribution reinvestment plan ("DRP") for the distribution for 4QFY16. The DRP provides Unitholders with the option to receive their distributions declared, either in the form of Units or cash or a combination of both.

The distribution of 2.45 cents per Unit for 4QFY16 will be paid out on 29 November 2016. The distribution books closure date for the Units is 1 November 2016.

Full occupancy at 357 Collins Street continues to provide income stability

The Trust continued to enjoy a healthy average occupancy rate of 93.0% for the portfolio as at 30 September 2016. The average occupancy rates of the properties in Singapore and Australia were 92.5% and 93.8%, respectively. The overall occupancy rate for the Singapore properties was affected by the lower occupancy rate at China Square Central as a result of the on-going construction works for the Hotel and Commercial Project, although the occupancy rates for the remaining Singapore properties remained relatively stable. Caroline Chisholm Centre with its long WALE of 8.8 years continues to anchor the portfolio WALE of 3.0 years.

As at 30 September 2016, the office tower of China Square Central achieved a high committed occupancy rate of 99.4% and 357 Collins Street was fully occupied.

Despite the challenging leasing environment and the weaker office market outlook in Singapore, the Trust achieved a high tenant retention rate of 86.7% in FY2016. There were also robust leasing activities in 4QFY16 where new and renewed leases amounting to approximately

[1] Upfront rental income received from a pre-terminated lease. The pre-terminated lease was replaced by a new lease with a longer duration.
[2] Refer to Circular to Unitholders dated 3 June 2015 for details.
[3] Mainly retail units at 18 Cross Street and certain units at the shophouses at 20 and 22 Cross Street.

80,000 square feet of space were signed, commenced or renewed. These were attributed to the resilient portfolio and our proactive leasing and asset management initiatives which have yielded positive results.

In 4QFY16, demand for space in the properties was driven by tenants from diverse industries, such as chemical, consultancy and business services, financial services, insurance, legal and real estate. The Singapore properties continued to achieve positive weighted average rental reversions[4] of between 3.7% to 9.5% in 4QFY16. In Australia, 357 Collins Street enjoyed a positive rental reversion[4] of 6.2%, whereas Central Park recorded a negative reversion[4] of 4.2% for a small space representing 1.4% of the property's net lettable area. Overall, the properties achieved a positive weighted average rental reversion of 6.6%[4] in FY16.

S$2.0 billion portfolio value

The independent valuers have valued FCOT's properties at S$2.0 billion as at 30 September 2016, up 1.8% compared to a year ago. The higher portfolio value was attributed to the higher valuation achieved for Alexandra Technopark, 55 Market Street, 357 Collins Street and Caroline Chisholm Centre mainly on the back of higher rents and lower capitalisation rates for the properties in Australia. The increase was also due to the effects of the stronger Australian dollar as at 30 September 2016 as compared to a year ago on the Australian properties. The increased valuation was offset by the lower valuation for China Square Central mainly due to the expected loss of income during the construction period for the Hotel and Commercial Project, and the lower valuation for Central Park as a result of the weaker office market in Perth.

Construction works at China Square Central to be completed by mid-2019

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

Proactive capital management

In August 2016, the Trust raised S$100.0 million from the maiden issuance of S$100.0 million five-year senior unsecured notes ("Notes") under the S$1.0 billion Multicurrency Medium Term Note Programme. The Notes, due in 2021, was priced at an attractive fixed interest rate of 2.835% per annum. The issuance marks FCOT's debut fund raising from the debt capital market and has diversified the sources of funding for FCOT beyond bank borrowings.

The entire proceeds from the Notes were used to partially prepay the S$365.0 million transferable term loan facility which will fall due in FY19. Thus, the average debt maturity of the Trust was extended. As at 30 September 2016, the weighted average debt maturity was 2.6 years.

[4] The weighted average rental reversions based on signing rents for the area for new and renewed leases which commenced in 4QFY16 and FY16. For China Square Central, the weighted average rental reversions are for 18 Cross Street office tower only, and excludes the retail podium at 18 Cross Street, and 20 and 22 Cross Street which are partially affected by the construction works for the Hotel and Commercial Project.

The Trust would not have any debt maturing until September 2017 and the debt maturity is well-spread. All debts are unsecured and this provides financial flexibility for the Trust. As at 30 September 2016, the financial gearing continues to be healthy at 36.0%. In 4QFY16, interest coverage ratio was 4.6 times and the average interest rate was 3.02% per annum. Approximately 85.0% of borrowings have been fixed, providing certainty in interest costs and limiting the Trust's exposure to rising interest rates.

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

Celebrating a decade of achievements

2016 is a special year as the Trust celebrates the tenth anniversary of its listing. The past 10 years had been a decade of achievements for FCOT. Listed as Allco REIT on 30 March 2006, the REIT was subsequently rebranded as Frasers Commercial Trust after Frasers Centrepoint Limited acquired a stake in the REIT and the manager in 2008. The Trust aims to achieve long-term growth and deliver a stable and sustainable distribution to Unitholders as part of its core strategies. Backed by these strategies, the Manager undertook various measures which resulted in the Trust emerging on a stronger financial footing and more resilient focusing on its core markets of Singapore and Australia today.

The Trust was listed in 2006 with 2 properties, namely China Square Central and Central Park, and an investment in the Allco Wholesale Property Fund with a combined portfolio value of S$683.9 million[5]. The Trust, today, has six properties in Singapore and Australia valued at S$2.0 billion and a market capitalisation exceeding S$1.0 billion[6] as at 30 September 2016.

Looking ahead

Mr. Low said, "With the weaker global economic environment and Singapore office market outlook, we will continue to adopt proactive asset management and leasing initiatives. In view of the weaker environment, we will also review opportunities for asset enhancements to reposition the properties to stay competitive."

"We are pleased that FCOT ended a decade of listing on a high note by delivering the highest distributable income to Unitholders and DPU in FY16. We look forward to delivering a stable growth to Unitholders as we take the Trust forward to the next decade," he concluded.

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[5] As set out in the prospectus dated 23 March 2006.
[6] Source: Bloomberg.

About Frasers Commercial Trust

Frasers Commercial Trust (FCOT) is a commercial real estate investment trust (REIT) focused on growing shareholder value for its unitholders through active asset management, sound financial management and strategic investments. FCOT is sponsored by Frasers Centrepoint Limited (FCL).

FCOT invests primarily in quality income-producing commercial properties. As at 30 September 2016, its portfolio includes six quality commercial buildings located in Singapore and Australia, representing a combined appraised value of approximately S$2.0 billion.

FCOT, formerly known as Allco Commercial REIT, was listed on the Main Board of Singapore Exchange Securities Trading Limited (SGX-ST) on 30 March 2006.

On 14 August 2008, Frasers Centrepoint Limited acquired the manager of FCOT and units in FCOT and renamed the manager of FCOT, Frasers Centrepoint Asset Management (Commercial) Ltd.

For more information on FCOT, please visit www.fraserscommercialtrust.com

About Frasers Centrepoint Limited

Frasers Centrepoint Limited ("FCL") is a full-fledged international real estate company and one of Singapore's top property companies with total assets above S$23 billion as at 30 June 2016. FCL has three strategic business units – Singapore, Australia and Hospitality, which focus on residential, commercial, retail and industrial properties in Singapore and Australia, and the hospitality business spanning more than 80 cities across North Asia, Southeast Asia, Australia, Europe, and the Middle East. FCL also has an International Business arm that focuses on the Group's investments in China, Southeast Asia, and the United Kingdom.

FCL is listed on the Main Board of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Company is also the sponsor and its subsidiaries are the managers of three REITs listed on the SGX-ST, Frasers Centrepoint Trust ("FCT"), Frasers Commercial Trust ("FCOT"), and Frasers Logistics & Industrial Trust ("FLT") that are focused on retail properties, office and business space properties, and industrial properties respectively, as well as one stapled trust listed on the SGX-ST, Frasers Hospitality Trust (comprising Frasers Hospitality Real Estate Investment Trust ("FH-REIT") and Frasers Hospitality Business Trust) that is focused on hospitality properties.

As a testament to its excellent service standards, best practices, and support of the environment, FCL is the proud recipient of numerous awards and accolades both locally and abroad.

For more information on FCL, please visit www.fraserscentrepoint.com.

IMPORTANT NOTICE

This announcement may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses, (including employee wages, benefits and training costs), property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business.

Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view on future events.

The value of Units and the income derived from them, if any, may fall or rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors should note that they have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This publication is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units. The past performance of FCOT and the Manager is not necessarily indicative of the future performance of FCOT and the Manager.