
Frasers Commercial Trust

3QFY19 Financial Results

22 July 2019



Important notice

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The value of Units in FCOT 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 the Singapore Exchange Securities Trading Limited (“**SGX-ST**”). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This document 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.

This Presentation contains certain information with respect to the trade sectors of the Trust’s tenants. The Manager has determined the trade sectors in which the Trust’s tenants are primarily involved based on the Manager’s general understanding of the business activities conducted by such tenants. The Manager’s knowledge of the business activities of the Trust’s tenants is necessarily limited and such tenants may conduct business activities that are in addition to, or different from, those shown herein.

This Presentation includes market and industry data and forecast that have been obtained from internal survey, reports and studies, where appropriate, as well as market research, publicly available information and industry publications. Industry publications, surveys and forecasts generally state that the information they contain has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of such included information. While the Manager has taken reasonable steps to ensure that the information is extracted accurately and in its proper context, the Manager has not independently verified any of the data from third party sources or ascertained the underlying economic assumptions relied upon therein.

This advertisement has not been reviewed by the Monetary Authority of Singapore.

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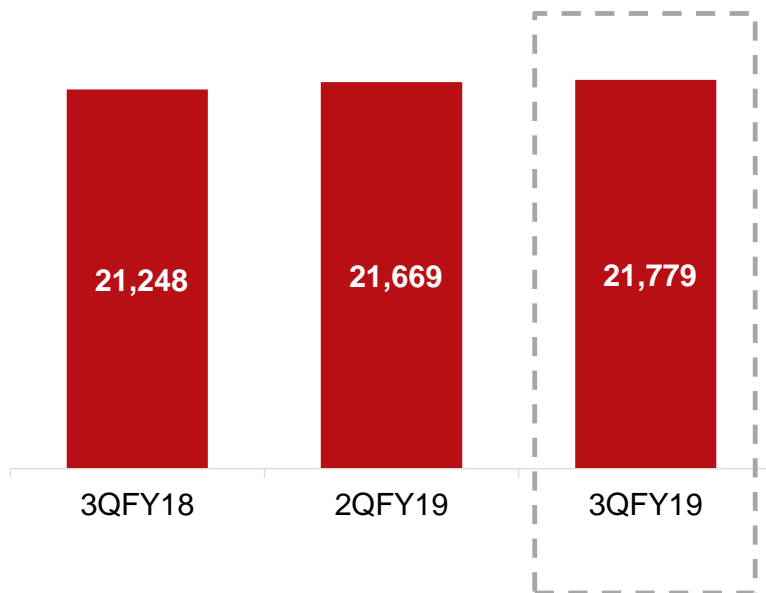
Results

Results *3QFY19 distribution and DPU*

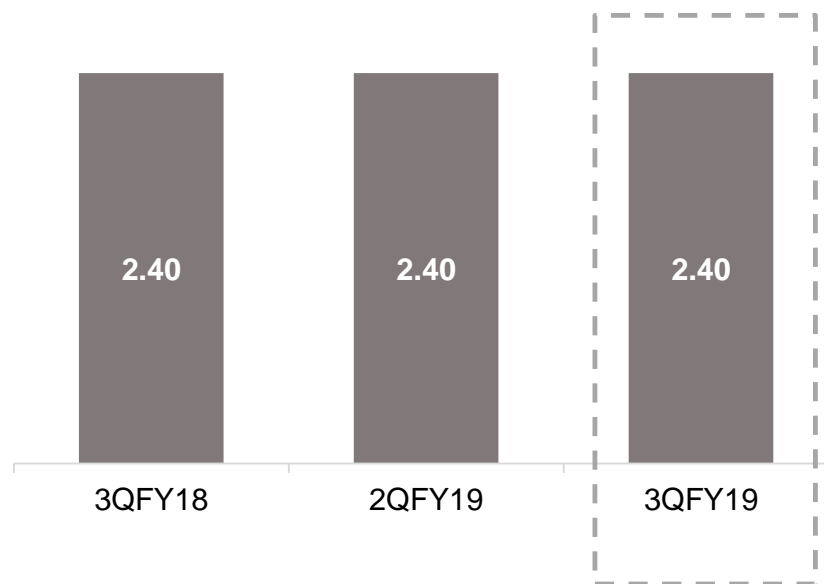
For the quarter ended 30 Jun 2019 (“3QFY19”):

- ◆ DPU of 2.40 cents unchanged vs 2QFY19 and 3QFY18
- ◆ distribution to Unitholders increased 1% Q-o-Q and 2% Y-o-Y to S\$21.8 million¹

Distribution to Unitholders(S\$'000)



DPU (Cents)



1. For 3QFY19, distribution from capital returns includes S\$6.3 million (2QFY19: S\$4.9 million, 3QFY18: S\$5.5 million) which relates to a portion of net consideration received from the disposal of the Hotel development rights at China Square Central in August 2015, which is classified as capital distribution from tax perspective. See accompanying 3QFY19 Financial Statements announcement for more details, and refer to the Circular to Unitholders dated 3 June 2015 for details on the disposal of the Hotel development rights at China Square Central in August 2015.

Results *Key highlights and Q-o-Q variance (3QFY19 vs 2QFY19)*

3QFY19 distribution to Unitholders up 1% Q-o-Q¹




	3QFY19 (S\$ '000)	Change vs 2QFY19 (%)	Key contributing factors
Gross Revenue	30,215	1%	Higher rents achieved at China Square Central ² , offset by the effects of average weaker Australia Dollar.
Net Property Income	19,753	2%	As above and marginally higher property tax for Alexandra Technopark.
Distribution to Unitholders	21,779	1%	Includes contribution from Farnborough Business Park ³ , distribution from capital returns ⁴ and effects of payment of management fee in Units in lieu of cash ⁵ .
DPU ⁶	2.40¢	-	Unchanged vs 2QFY19.

See 3QFY19 Financial Statements announcement for details.

1. Compared with 2QFY19.
2. Excluding the retail podium at 18 Cross Street which had been closed since 2QFY18 to facilitate asset enhancement works.
3. Share of result of joint venture for FCOT's 50% interest in Farnborough Business Park. The acquisition of Farnborough Business Park was completed on 29 January 2018.
4. For 3QFY19, distribution from capital returns includes S\$6.3 million (2QFY19: S\$4.9 million) which relates to a portion of net consideration received from the disposal of the Hotel development rights at China Square Central in August 2015, which is classified as capital distribution from tax perspective. See accompanying 3QFY19 Financial Statements announcement for more details, and refer to the Circular to Unitholders dated 3 June 2015 for details on the disposal of the Hotel development rights at China Square Central in August 2015.
5. In 3QFY19 and 2QFY19, 100% of the Manager's management fees were paid in Units.
6. The number of Units used to calculate the amount available for DPU was 907,508,601. See accompanying 3QFY19 Financial Statements announcement for more details.

Results *Key highlights and Y-o-Y variance (3QFY19 vs 3QFY18)*

3QFY19 distribution to Unitholders up 2% Y-o-Y¹

	3QFY19 (S\$ '000)	Change vs 3QFY18 (%)	Key contributing factors
Gross Revenue	30,215	 7%	Lower occupancy at Alexandra Technopark, divestment of 55 Market Street on 31 August 2018 and effects of average weaker Australia Dollar, partially offset by higher rents achieved at China Square Central ² .
Net Property Income	19,753	 3%	As above, together with higher property tax for Alexandra Technopark and higher amortisation of lease incentives for Central Park and 357 Collins Street, partially offset by lower maintenance expenses for the Singapore properties and Caroline Chisholm Centre coupled with lower utilities expense for Alexandra Technopark.
Distribution to Unitholders	21,779	 2%	Includes contribution from Farnborough Business Park ³ , distribution from capital returns ⁴ and effects of payment of management fee in Units in lieu of cash ⁵ .
DPU ⁶	2.40¢	-	Unchanged vs 3QFY18.

See 3QFY19 Financial Statements announcement for details.

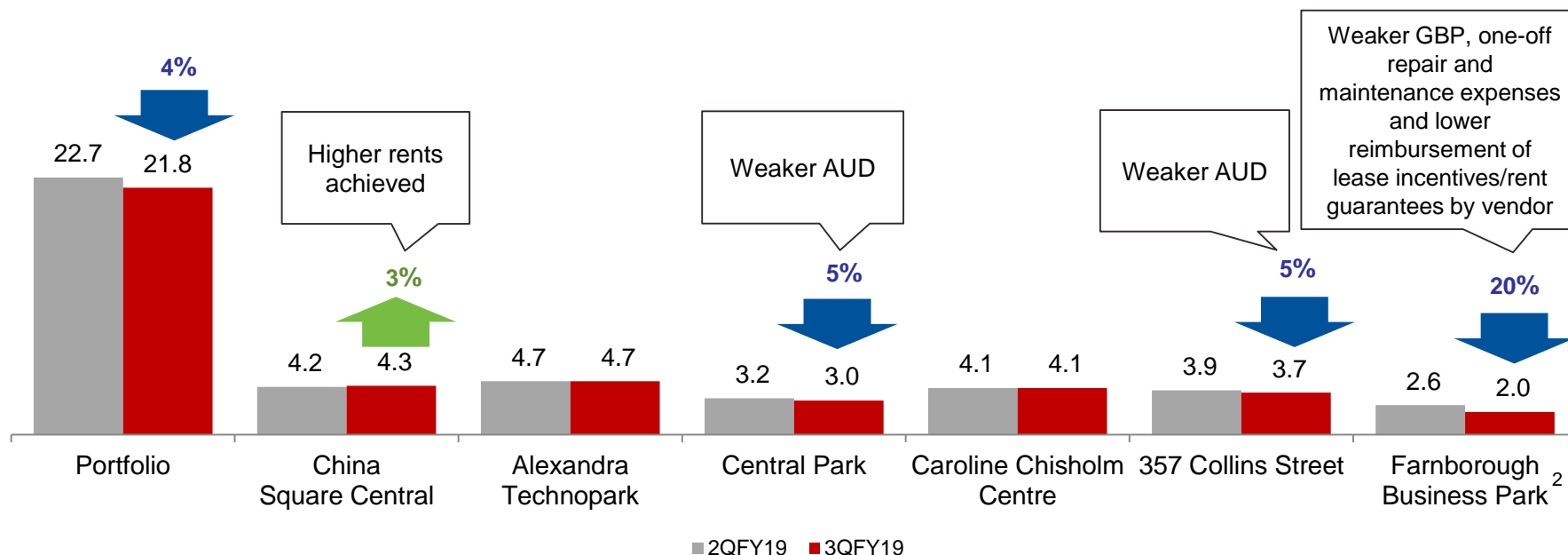
1. Compared with 3QFY18.
2. Excluding the retail podium at 18 Cross Street which had been closed since 2QFY18 to facilitate asset enhancement works.
3. Share of result of joint venture for FCOT's 50% interest in Farnborough Business Park. The acquisition of Farnborough Business Park was completed on 29 January 2018.
4. For 3QFY19, distribution from capital returns includes S\$6.3 million (3QFY18: S\$5.5 million) which relates to a portion of net consideration received from the disposal of the Hotel development rights at China Square Central in August 2015, which is classified as capital distribution from tax perspective. See accompanying 3QFY19 Financial Statements announcement for more details, and refer to the Circular to Unitholders dated 3 June 2015 for details on the disposal of the Hotel development rights at China Square Central in August 2015.
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Results 3QFY19 NPI and Q-o-Q variance (3QFY19 vs 2QFY19)

- ◆ Weaker AUD and GBP, one-off repair and maintenance expenses and lower reimbursement of lease incentives and rent guarantee for Farnborough Business Park, partially offset by better performance of China Square Central

Singapore: S\$9.0 million (41%)
 Australia: S\$10.8 million (50%)
 United Kingdom: S\$2.0 million (9%)²
Total NPI: S\$21.8 million (100%)¹

Net Property Income (S\$m)¹

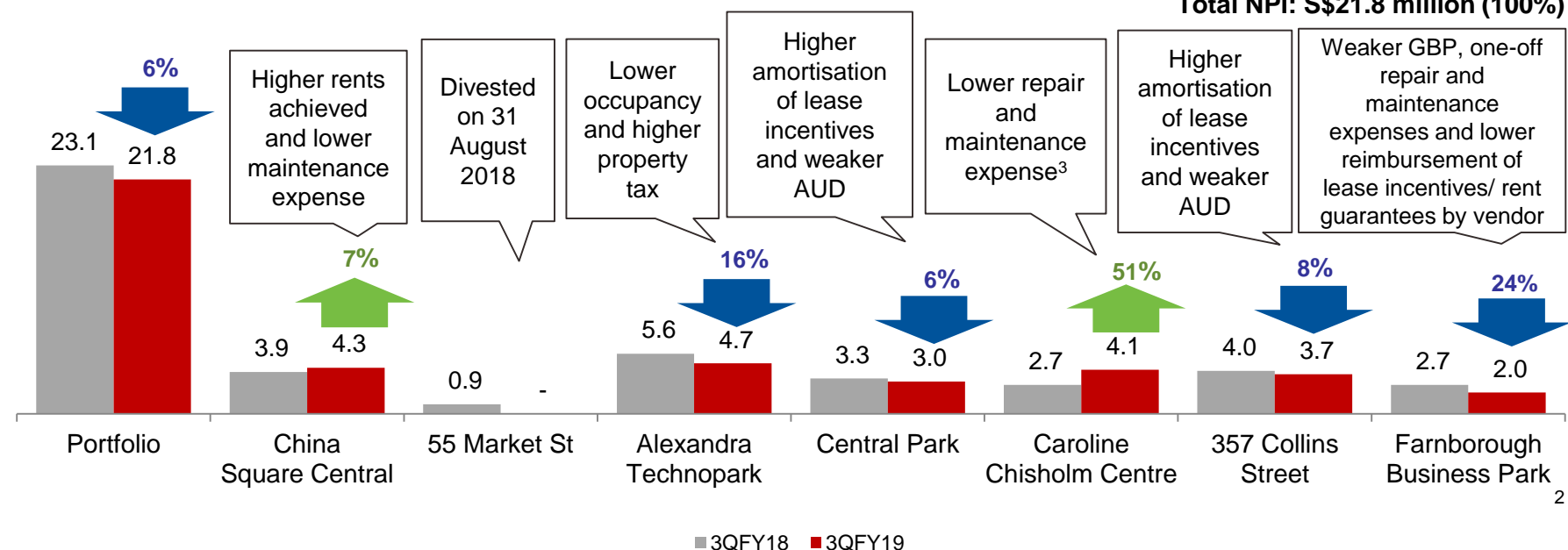


1. Portfolio net property income including 50% share of net property income of Farnborough Business Park (held as a joint venture and equity-accounted in the financial statements).
 2. Figures include reimbursements of lease incentives and rent guarantees for certain unlet units, among others, by the vendor in accordance with the terms of the acquisition (refer to announcement dated 14 December 2017 for details).

Results 3QFY19 NPI and Y-o-Y variance (3QFY19 vs 3QFY18)

- Lower occupancy and higher property tax at Alexandra Technopark, divestment of 55 Market Street, higher amortisation of lease incentives for Central Park and 357 Collins Street, one-off repair and maintenance expenses and lower reimbursement of lease incentives and rent guarantee for Farnborough Business Park and weaker AUD and GBP; partially offset by better performance of China Square Central and lower operating expenses for Caroline Chisholm Centre and Alexandra Technopark

Net Property Income (S\$m)¹



- Portfolio net property income including 50% share of net property income of Farnborough Business Park (held as a joint venture and equity-accounted in the financial statements).
- Figures include reimbursements of lease incentives and rent guarantee for certain unlet units, among others, by the vendor in accordance with the terms of the acquisition (refer to announcement dated 14 December 2017 for details).
- Progress payment amounting to S\$1.7 million in 3QFY18 for re-flooring works of a periodic frequency, which was completed in 4QFY18. No such expense was incurred in 3QFY19.

Distribution payment

- ◆ **DRP will be applied for the distribution for 3QFY19**

Distribution Period	1 April 2019 to 30 June 2019
Ordinary Unit Distribution Rate¹	Distribution of 2.4000 cents per Unit comprising: a) taxable income distribution of 1.2300 cents; b) tax-exempt income distribution of 0.6705 cents; and c) capital distribution of 0.4995 cents.
Last day of trading on “cum” basis	Friday, 26 July 2019
Ex-distribution trading commence	Monday, 29 July 2019
Distribution Books Closure Date	Tuesday, 30 July 2019 at 5.00 pm
Cash distribution payment date	Thursday, 29 August 2019
Credit of Units to Unitholders’ securities accounts/ listing of Units issued under the DRP on SGX-ST	Thursday, 29 August 2019

See accompanying 3QFY19 Financial Statements announcement for more details.

Capital management

Capital structure and debt statistics

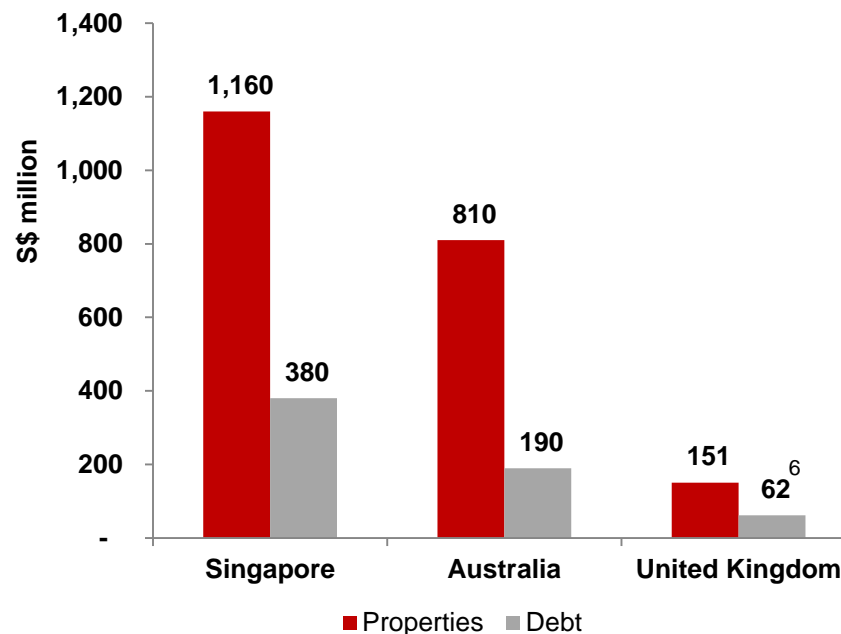
- ◆ Prudent gearing of 29.3% affords financial flexibility for accretive investments and other growth opportunities
- ◆ Healthy interest coverage ratio of 4.53 times
- ◆ Borrowings in local currencies provide natural hedges

Statistics

As at 30 Jun 2019

Total Assets (S\$'000)	2,157,078
Gross Borrowings (S\$'000)	632,400
Units on Issue and Issuable entitled to distribution	907,508,601
NAV per Unit (ex-DPU) (S\$) ¹	1.52
Gearing ²	29.3%
Interest coverage ratio (times) ³	4.53
Average borrowing rate ⁴	2.96% p.a.
FCOT Issuer rating by Moody's ⁵	Baa2

Borrowings and assets by currency



1. Based on issued Units for the financial quarter ended 30 June 2019.

2. Gross borrowing as a percentage of total assets.

3. Net income before changes in fair values of investment properties, interest, other investments and derivative instruments, income tax and distribution, and adding back certain non-recurring items/cash finance costs for the quarter ended 30 June 2019.

4. For quarter ended 30 June 2019.

5. Moody's affirmed FCOT's Baa2 rating and changed the outlook from negative to stable in its announcement dated 28 June 2019.

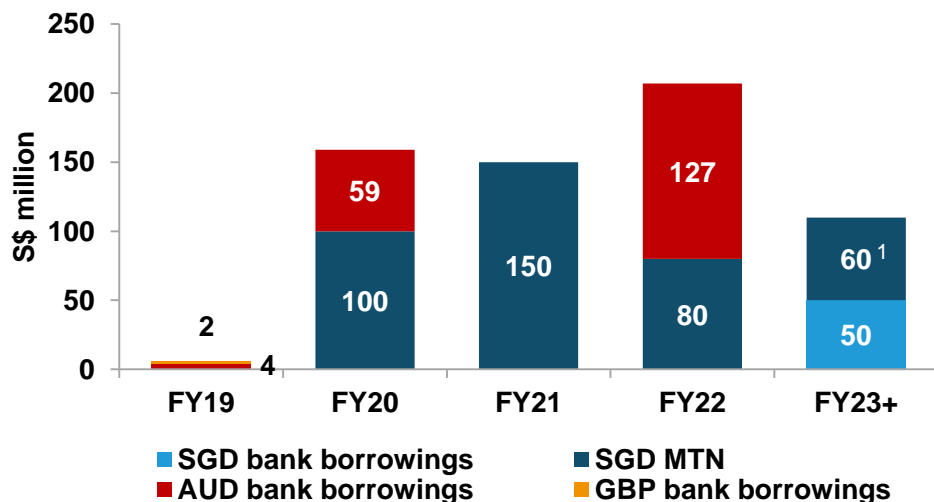
6. S\$60.0 million five-year senior unsecured notes issued in February 2018 was swapped into Sterling Pound.

Prudent capital management

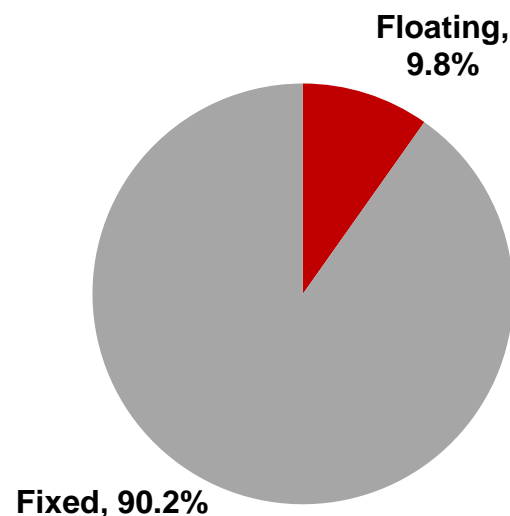
- ◆ Well-spread debt maturity profile
- ◆ All debts are unsecured
- ◆ 90.2% of gross borrowings on fixed rates

Debt maturity

Total borrowings: S\$632 million
Weighted average term to maturity: 2.4 years



Debt composition – floating vs. fixed interest rates

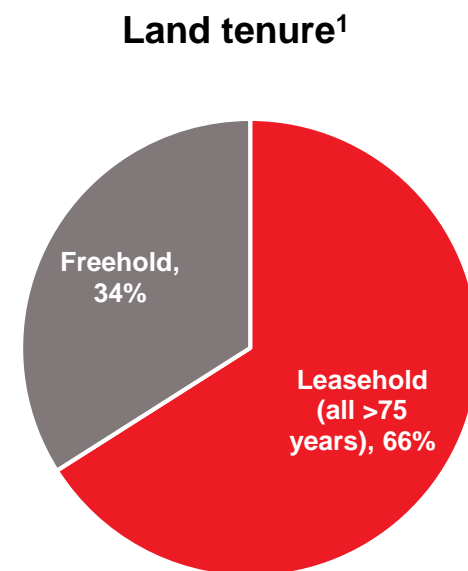
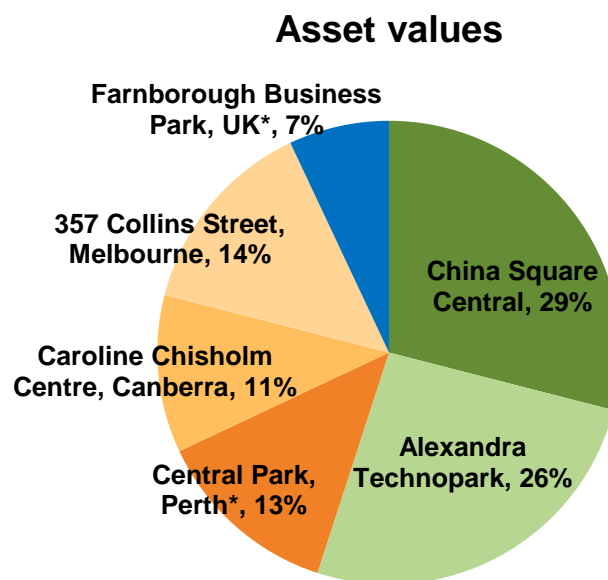


1. S\$60.0 million senior unsecured notes issued in February 2018 and swapped into Sterling Pound.
2. Data (including exchange rates) as at 30 June 2019.

Portfolio review

Portfolio Review *Asset values*

- ◆ Diversified portfolio with no single property accounting for more than 29% of portfolio value
- ◆ 100% of portfolio has land tenures greater than 75 years, including 34% with freehold tenures



Asset values as at 30 June 2019

Singapore	\$	1,159.7 mil	55%
Australia	\$	810.3 mil	38%
United Kingdom	\$	150.8 mil	7%
Portfolio asset value	\$	2,120.8 mil	100%

* In relation to FCOT's 50% interests. In addition, Farnborough Business Park is held as a joint venture and equity-accounted in the financial statements.

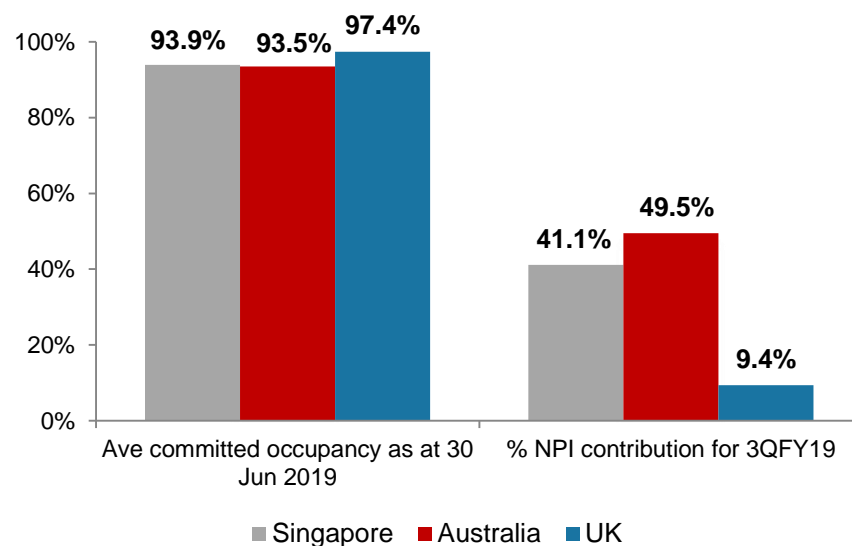
¹ Based on asset values as at 30 June 2019.

Portfolio Review *Occupancy & WALE*

- ◆ Average committed occupancy rate rises to 94.1%¹ (↑12.6 pps from 2QFY19), boosted mainly by Google's lease at Alexandra Technopark²
- ◆ Committed WALE of 4.7 years^{1,3}

Key portfolio statistics as at 30 June 2019	Actual occupancy	Committed occupancy ¹
Ave Occupancy	77.5%	94.1%
Portfolio WALE by gross rental income ³	4.3 years	4.7 years
Portfolio WALB by gross rental income ^{3,4}	4.1 years	4.5 years

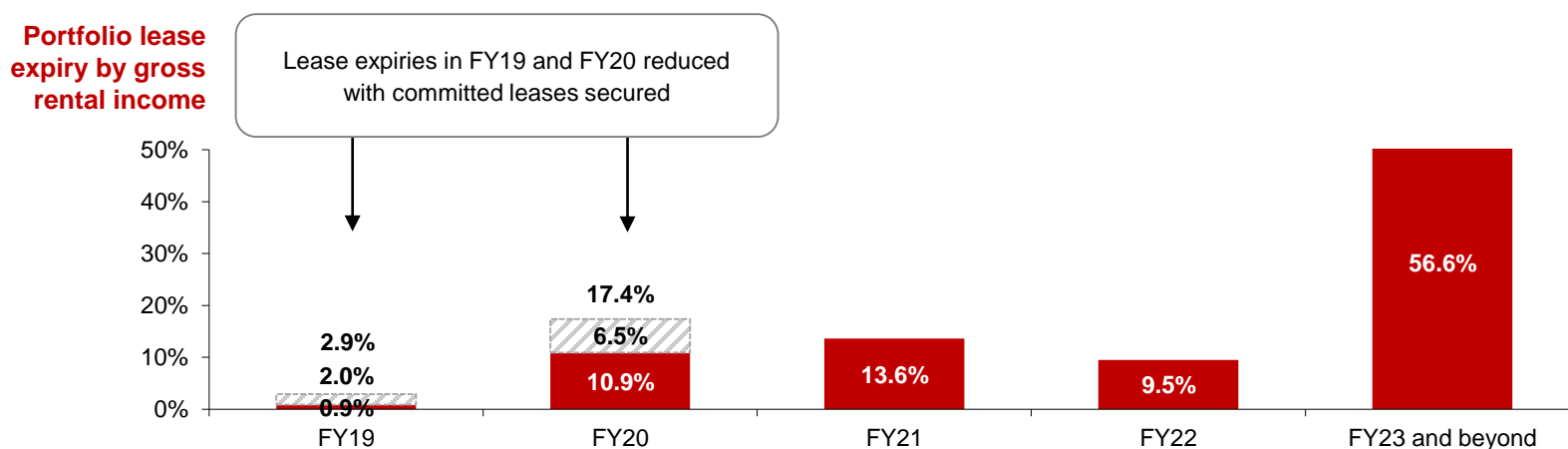
Geographical occupancy¹ and NPI² contribution



1. The total NLA of the portfolio used in the computation of occupancy rate has excluded 18 Cross Street retail podium (NLA c. 64,000 sf) which is currently closed for asset enhancement works.
2. As announced on 25 June 2019, Google Asia Pacific Pte. Ltd. had committed to lease around 344,100 sf of space at Alexandra Technopark, representing approximately 33.3% of the total net lettable area of the property as at 30 June 2019, for a term of five years commencing in 1Q 2020.
3. WALE – Weighted average lease tenure to expiry (excluding lease incentives and retail turnover rents, if any).
4. WALB – Weighted average lease tenure to break, reflecting contractual rights for tenants to pre-terminate leases in certain cases.

Portfolio Review *Lease expiry profile*

- ◆ Well-spread lease expiry profile and proactive leasing provide income stability and defensiveness



Portfolio lease expiry by gross rental income¹

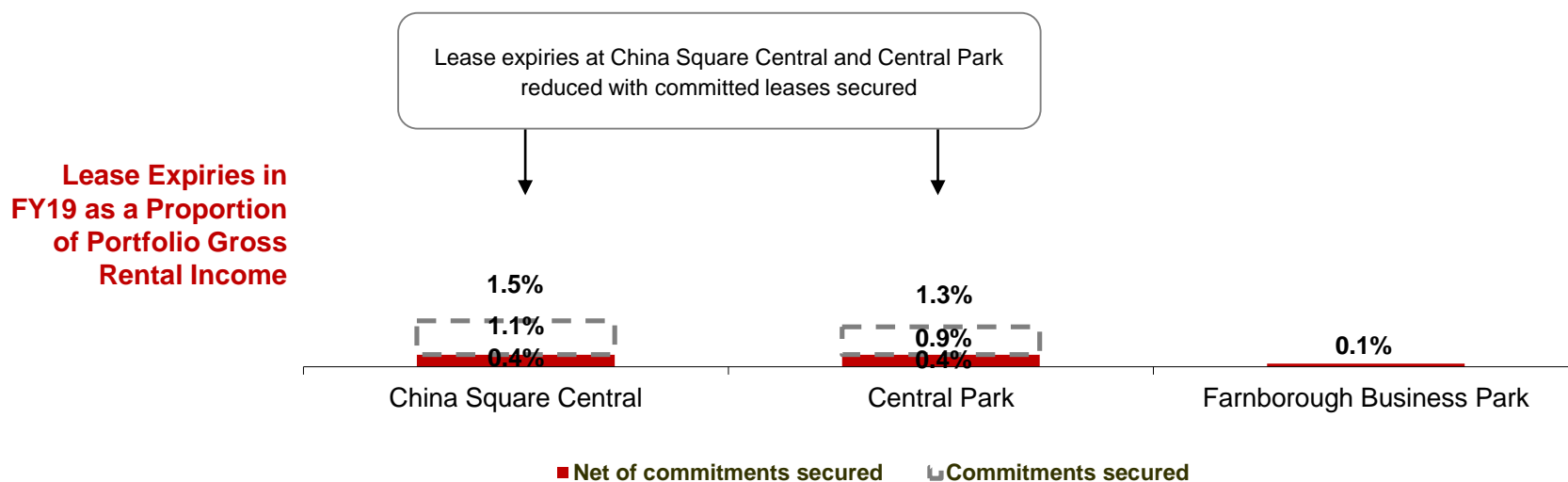
Number of leases expiring	15	43	49	39	93
NLA (sq ft) expiring	39,563	364,968	273,952	186,884	1,263,525
Expiries as % of total NLA	1.4%	13.0%	9.7%	6.6%	44.9%
Expiries as % of total Gross Rental Income	2.9%	17.4%	13.6%	9.5%	56.6%

Data as at 30 June 2019, save for a lease renewal by Suntory Beverage & Food Asia Pte Ltd at China Square Central which was concluded in July 2019. Exclude lease incentives and retail turnover rents, if any.

1. The total NLA of the portfolio used in the computation has excluded 18 Cross Street retail podium (NLA c. 64,000 sf) which is currently closed for asset enhancement works.

Portfolio Review *Lease expiry profile for FY19*

- ◆ Proactive management of leases with forward commitments



As at 30 June 2019

Number of outstanding leases expiring in FY19 ¹	1 (office) 2 (retail)	1 (retail)	2
Average passing rents for expiring leases (excluding those with forward commitments secured) ²	S\$7.30 (office) S\$5.36 (retail)	A\$1,146 (retail) ³	£25.0

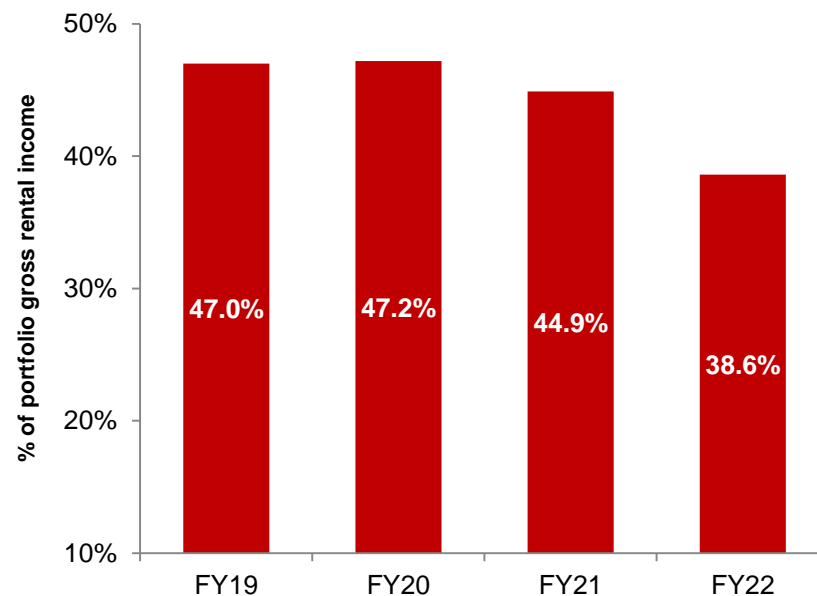
- Adjusted for forward commitments secured.
- Excludes lease incentives and retail turnover rents, if any. Figures for Singapore properties are on a gross rent per square foot per month basis, figures for Australian properties are based on net face rent per square metre per annum basis while figures for Farnborough Business Park is based on net rent per square foot per annum basis.
- For a single lease which may not be reflective of other leases in the building.

Portfolio Review *Step-up rents*

47% of FY19 leases¹ by gross rental income incorporate rent escalations

Property	Leases	Average step-up	GROSS RENTAL INCOME ²	
			% of Property	% of Portfolio
China Square Central	7	2.6%	31.4%	5.5%
Alexandra Technopark	1	5.0%	0.1%	Negligible
Caroline Chisholm Centre	1	3.0%	100.0%	16.4%
Central Park	30	3.1%	86.5%	14.0%
357 Collins Street	27	3.9%	93.1%	11.0%
Farnborough Business Park	1	14.4%	1.0%	0.1%

% of portfolio gross rental income with rent escalations¹



Weighted average fixed step-ups	2.6%	2.7%	2.5%	2.4%
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1. Based on leases in place as at 30 September 2018.
 2. Excludes lease incentives and turnover rent, if any.

Portfolio Review *Top-10 tenants*

- ◆ Diversified tenant base
- ◆ Top-10 tenants contributed 52% of portfolio gross rental income with 5.2 years WALE¹ as at 30 June 2019

Top 10 tenants by gross rental income (as at 30 June 2019)

Tenant	Property	Sector	Lease Expiry	% Gross Rental Income ⁴
Commonwealth of Australia	Caroline Chisholm Centre	Government	Jul-25	16.6%
Rio Tinto Shared Services Pty Ltd	Central Park	Mining & resources	Jun-30	8.8%
Commonwealth Bank of Australia	357 Collins Street	Banking, insurance & financial services	Dec-22	6.9%
GroupM Singapore Pte Ltd	China Square Central	Consultancy & business services	Jul-23	3.7%
Service Stream Ltd	357 Collins Street	Multimedia & telecommunications	Dec-19/ Dec-24	3.5%
Microsoft Operations Pte Ltd	Alexandra Technopark	IT products & services	Jan-20 ²	3.1%
Fluor Limited	Farnborough Business Park	Engineering	Jun-25	2.9%
Suntory Beverage & Food Asia Pte Ltd	China Square Central	Food & beverage	May-23 ³	2.4%
Nokia Solutions and Networks (S) Pte Ltd	Alexandra Technopark	Multimedia & telecommunications	Feb-21/ Jun-21	2.1%
Olympus Singapore Pte Ltd	Alexandra Technopark	Medical/ pharmaceutical	Oct-24	1.9%
Total				51.9%

1. The WALB (after accounting for rights to break) is 5.0 years.

2. Microsoft had exercised its rights to shorten the lease tenure by two years to end in January 2020. Majority of space under active negotiations with prospective tenants.

3. Based on renewal concluded in July 2019.

4. Exclude lease incentives and retail turnover rents, if any.

Strengthening and reshaping the portfolio (incl AEl updates)

Strengthening and reshaping the portfolio for long-term growth



Accretive Acquisitions

- ◆ Expanded investment mandate to Europe (including UK) in January 2018 for portfolio diversification and long-term growth
- ◆ Enhanced alignment with Sponsor's top-3 geographical markets (Singapore, Australia and Europe)
- ◆ Completed income-accretive acquisition of 50.0% interest in Farnborough Business Park on 29 Jan 2018
- ◆ Current gearing of 29.3% provides financial flexibility to pursue investment opportunities

Capital Recycling through Strategic Divestments

- ◆ To improve portfolio quality and long-term performance
- ◆ To recycle capital for growth opportunities
- ◆ Divested 55 Market Street on 31 Aug 2018 and realised a net gain of approximately S\$75.7 million¹

Asset Enhancement Initiatives

- ◆ Enhance long-term performance and competitiveness of properties and elevate tenants' and visitors' experiences
- ◆ Alexandra Technopark repositioned as a contemporary, vibrant and engaging business campus following a S\$45 million AEI which was fully completed in 2QFY19
- ◆ AEI for the retail podium of 18 Cross Street, China Square Central is currently underway and expected to complete in the second half of 2019
- ◆ AEI for the lobby and forecourt areas of Central Park is currently underway and expected to complete in the third quarter of 2020

1. Net of transaction expenses and fees.

Alexandra Technopark AEI fully completed

- ◆ \$45 million AEI fully completed in 2QFY19
- ◆ Contemporary business campus with a more vibrant, stimulating and engaging environment
- ◆ Generous offering of wellness, lifestyle, social and other amenities
- ◆ Well received by tenants and other stakeholders



Alexandra Technopark *A contemporary Business Campus*



- ◆ Wide range of wellness, lifestyle, social and other amenities



Alexandra Technopark *Value-enhancing transformation*

ATP AEI has brought about significant tangible benefits and positive outcomes

- ◆ Heightened market appeal with more than 410,000 sf of leasing transactions (including 387,000 sf of new leases) concluded since Jan 2019
- ◆ Recent signing rents at S\$4.00-4.60 psf/mth generally, above average passing rent of S\$3.97 psf/mth as at end-Dec 2018
- ◆ Other key improvements to property metrics:

	31 Dec 2018	30 Jun 2019	Change
Committed Occupancy	68.6%	93.7%	 25.1 pps
Committed WALE	1.9 years	3.2 years ^a	 1.3 years

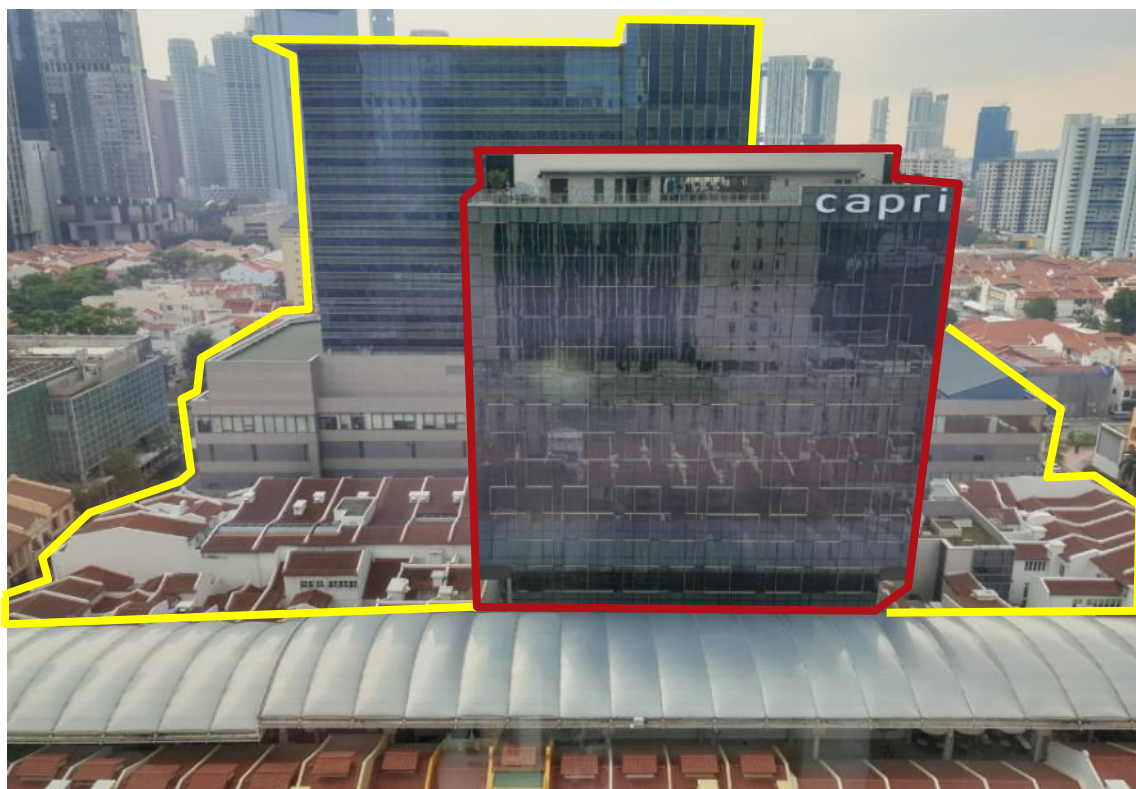
- ◆ Diversified mix of new tenants that includes well-established local and international names from a wide array of sectors
- ◆ Majority of Microsoft space expiring in Jan 2020^b under advance negotiations

a. Inclusive of the commitment by Google Asia Pacific Pte. Ltd. to lease around 344,100 sq ft of space, representing approximately 33.3% NLA of the property, for a term of five years commencing in 1Q 2020 (refer to the announcement dated 25 June 2019 for details).

b. Microsoft Operations Pte. Ltd. had exercised its rights to shorten the lease tenure in respect of 77,761 sf of space by two years to end in January 2020.

China Square Central *New hotel enhances vibrancy*

- ◆ 304-room Capri by Fraser, China Square hotel¹ commenced operations in May 2019
- ◆ Brings increased activity and vibrancy to China Square Central and benefits retail tenants



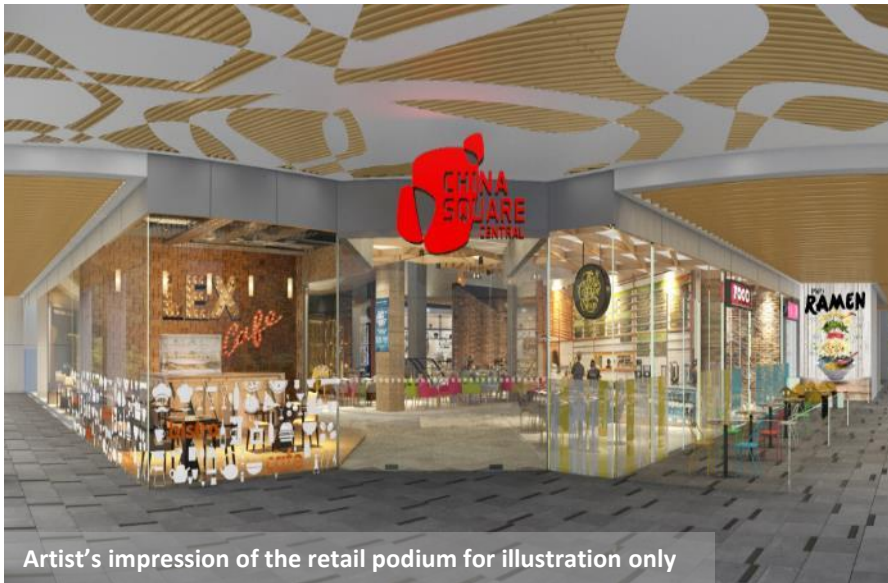
China Square Central

Capri by Fraser, China Square

1. Owned by an entity of Frasers Property Limited. Refer to the Circular to Unitholders dated 3 June 2015 for details.

China Square Central Revamping 18 Cross Street retail podium

- ◆ S\$38 million AEI in progress and expected to complete in 2H2019¹
- ◆ Retail podium NLA to potentially increase to c.80,000 sf¹ from c.64,000 sf pre-AEI
- ◆ Close to 60% of NLA pre-committed to-date
- ◆ In advance negotiations for another c.20% of space
- ◆ JustCo to occupy the entire 2nd level of the retail podium and certain adjoining spaces



1. Based on provisional scheme and may be subject to change.

China Square Central *Repositioning with new tenants*

- ◆ Enhanced retail experience and income contribution with upgrading of 18 Cross Street retail podium and new tenants
- ◆ Harry's Bar and Ichikokudo Hokkaido Ramen along Nankin Mall commenced operations in 2QFY19

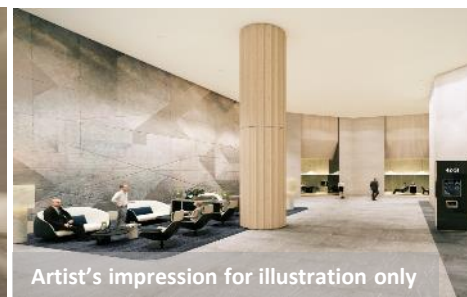
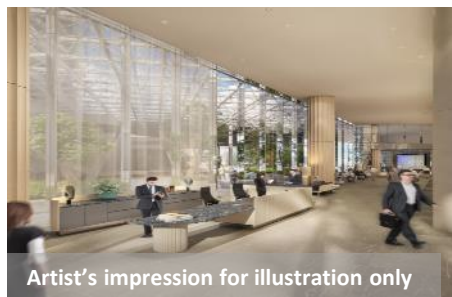
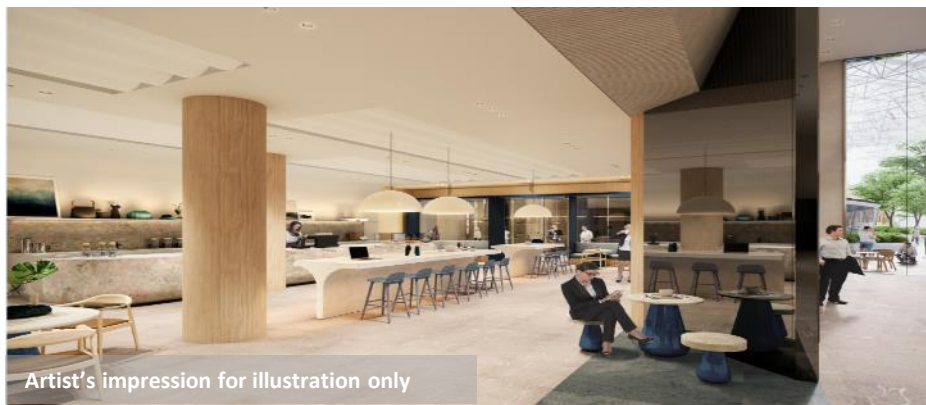


Central Park *Enhancing experience and functionality*

- ◆ Central Park to undergo a S\$23 million AEI (FCOT's 50% share: S\$11.5 million) to upgrade lobby and forecourt areas to consolidate its position as a premium grade building in Perth CBD
- ◆ The AEI aims to create a contemporary, dynamic and community-friendly business environment with a higher quantum of amenities and flexible spaces
- ◆ Works commenced in 2Q 2019 and are expected to complete in 3Q 2020

Community-friendly features:

- *Contemporary lobby with modern finishes and more natural lighting*
- *Flexible work spaces supported by F&B amenities to cater to contemporary working styles*
- *Flexible public spaces to host art, community and wellness events*
- *Business pods with meeting facilities*
- *Lush landscaping and greenery*
- *Handicap-friendly access and toilet facilities*
- *Enhanced openness and connectivity to the 54,000 sf landscaped park adjacent the property*



Appendices

Portfolio Update *Singapore assets*

China Square Central – healthy occupancy



Alexandra Technopark – healthy occupancy a testament of successful AEI



Occupancy	94.8% ^{1,2} (office tower: 94.2% ²)	93.7% ²
WALE	2.4 years ¹	2.1 years (3.2 years ⁴)
WALB³	2.4 years ¹	1.9 years (2.9 years ⁴)
Tenants (selected)	<ul style="list-style-type: none"> ◆ Equinix Asia Pacific Pte Ltd ◆ GroupM Singapore Pte Ltd ◆ OCBC Properties Services Pte Ltd ◆ Suntory Beverage & Food Asia Pte Ltd ◆ WeWork Singapore Pte Ltd 	<ul style="list-style-type: none"> ◆ JT International Tobacco Services (Singapore) Pte Ltd ◆ Microsoft Operations Pte Ltd ◆ Nokia Solutions and Networks Singapore Pte Ltd ◆ Olympus Singapore Pte Ltd ◆ Omron Asia Pacific Pte Ltd

Data as at 30 June 2019.

1. Excluding 18 Cross Street retail podium (NLA c 64,000 sq ft) which is currently closed for asset enhancement works.
2. Committed occupancy as at 30 June 2019.
3. WALB – Weighted average lease to break, reflecting contractual rights for tenants to pre-terminate leases, if any.
4. Inclusive of the commitment by Google Asia Pacific Pte. Ltd. to lease around 344,100 sq ft of space at Alexandra Technopark, representing approximately 33.3% NLA of the property, for a term of five years commencing in 1Q 2020 (refer to the announcement dated 25 June 2019 for details).

Portfolio Update *Australia assets*

**Central Park –
long WALE of 7.5 years¹**



**Caroline Chisholm Centre –
fully occupied with long WALE
of 6.0 years**



**357 Collins Street – high
occupancy in a strong market**



Occupancy	83.1% ¹	100.0%	96.0%
WALE	7.5 years (8.3 years ²)	6.0 years	2.8 years (3.9 years ⁵)
WALB³	7.4 years (8.3 years ²)	6.0 years	2.8 years (3.8 years ⁵)
Tenants (selected)	<ul style="list-style-type: none"> ◆ Australian Energy Market Operator Limited ◆ IOOF Service Co Pty Ltd ◆ Japan Australia LNG (MIMI) Pty Ltd ◆ PF Lawyers Pty Limited (DLA Piper) ◆ Rio Tinto Shared Services Pty Ltd 	<ul style="list-style-type: none"> ◆ Commonwealth of Australia 	<ul style="list-style-type: none"> ◆ Analytical Systems Pty Ltd ◆ Commonwealth Bank of Australia ◆ Meridian Lawyers Limited ◆ Orange Business Services Australia Pty Ltd ◆ Service Stream Limited

Data as at 30 June 2019.

1. Committed occupancy as at 30 June 2019.
2. Inclusive of the commitment by WeWork to lease around 86,300 sq ft of space at Central Park, representing approximately 12.1% NLA of the property.
3. WALB – Weighted average lease to break, reflecting contractual rights for tenants to pre-terminate leases, if any.
4. Based on Moody's rating in June 2019.
5. Inclusive of lease commitments.

Portfolio Update *United Kingdom asset*

Farnborough Business Park – long WALE and healthy occupancy



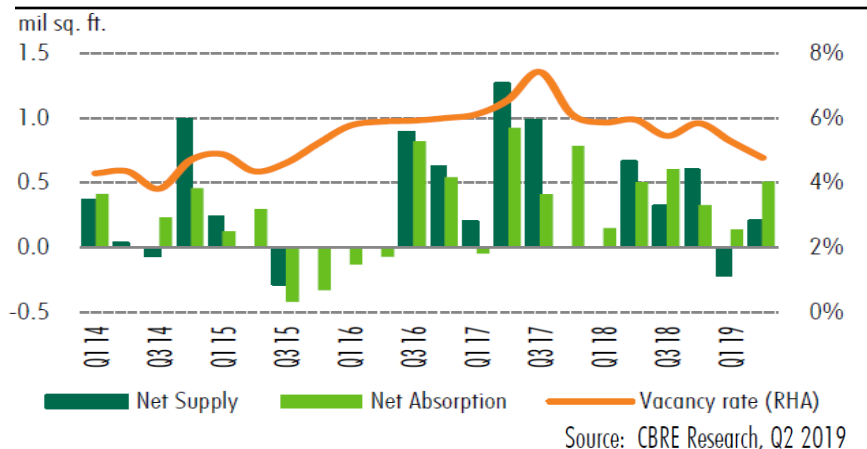
Occupancy	97.4% ¹
WALE	7.1 years
WALB²	5.5 years
Tenants (selected)	<ul style="list-style-type: none">◆ Aetna Global Benefits (UK) Ltd◆ Bolling Investments Limited◆ Fluor Limited◆ INC Research UK Ltd◆ TI Media Limited

Data as at 30 June 2019.

1. After adjusting for leases for which the tenants have exercised their rights to break.
2. WALB – Weighted average lease to break, reflecting contractual rights for tenants to pre-terminate leases, if any.

Singapore CBD office trends and outlook

Office supply-demand dynamics¹



- ◆ CBRE reported that island-wide office vacancy rate continued to tighten from 5.3% in 1Q 2019 to 4.8% in 2Q 2019, supported by positive net absorption of 508,443 sf
- ◆ Tenant demand was mainly driven by the technology sector and co-working space operators
- ◆ According to CBRE, heightened economic headwinds have led to a more subdued outlook for the office market
- ◆ CBRE expects rental growth to dampen in the medium term

Office vacancy rates¹

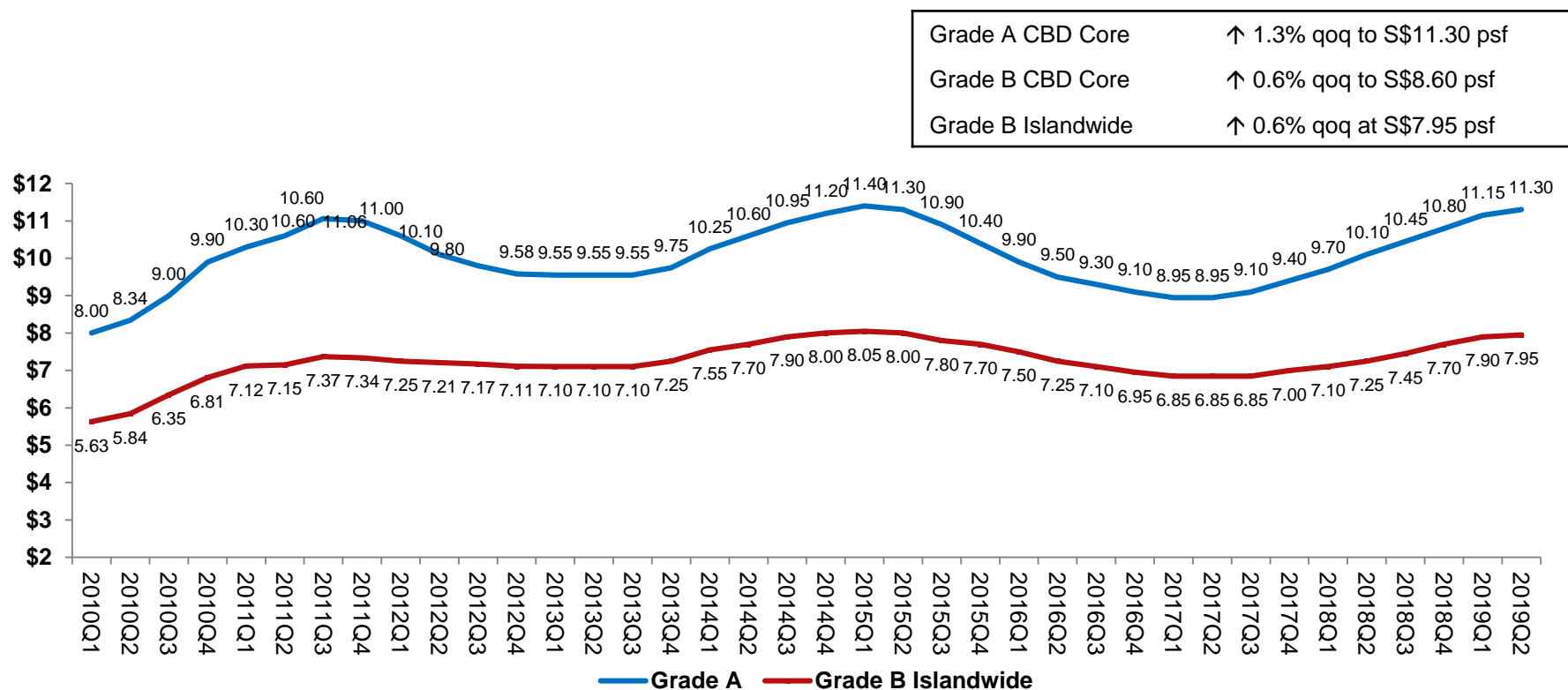
	Q2 19	Q-o-q	Y-o-y
Islandwide	4.8%	-52 bps	-118 bps
Core CBD	4.2%	-32 bps	-169 bps
Fringe CBD	4.8%	-61 bps	-207 bps
Decentralised	5.9%	-83 bps	95 bps
Grade A (Core CBD)	3.9%	-87 bps	-198 bps

Source: CBRE Research, Q2 2019

Singapore office rents

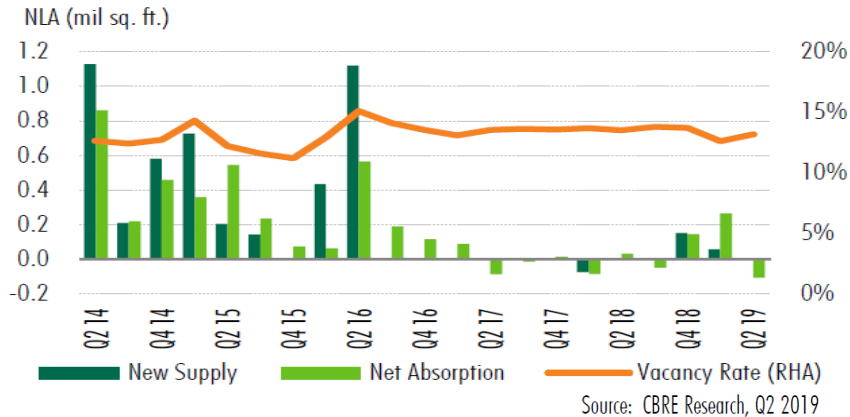
- ◆ General outlook for the office market is subdued in the medium term

Singapore Grade A and Grade B office rents¹



Singapore business park¹ trends and outlook

Business park supply-demand dynamics²



- ◆ Island-wide vacancy increased marginally by 0.6%-points to 13.2% in 2Q 2019
- ◆ The general muted leasing environment was mainly due to tight vacancies in higher quality buildings and lack of new multi-user stock
- ◆ According to CBRE, the outlook for business park space is stable and rents and vacancy are expected to remain stable over the medium term

Business park future pipeline²

	City Fringe	Rest of Island	Total
2019	-	-	-
2020	0.53 mil	1.07 mil	1.60 mil
2021	-	0.59 mil	0.59 mil
2022	0.18 mil	-	0.18 mil

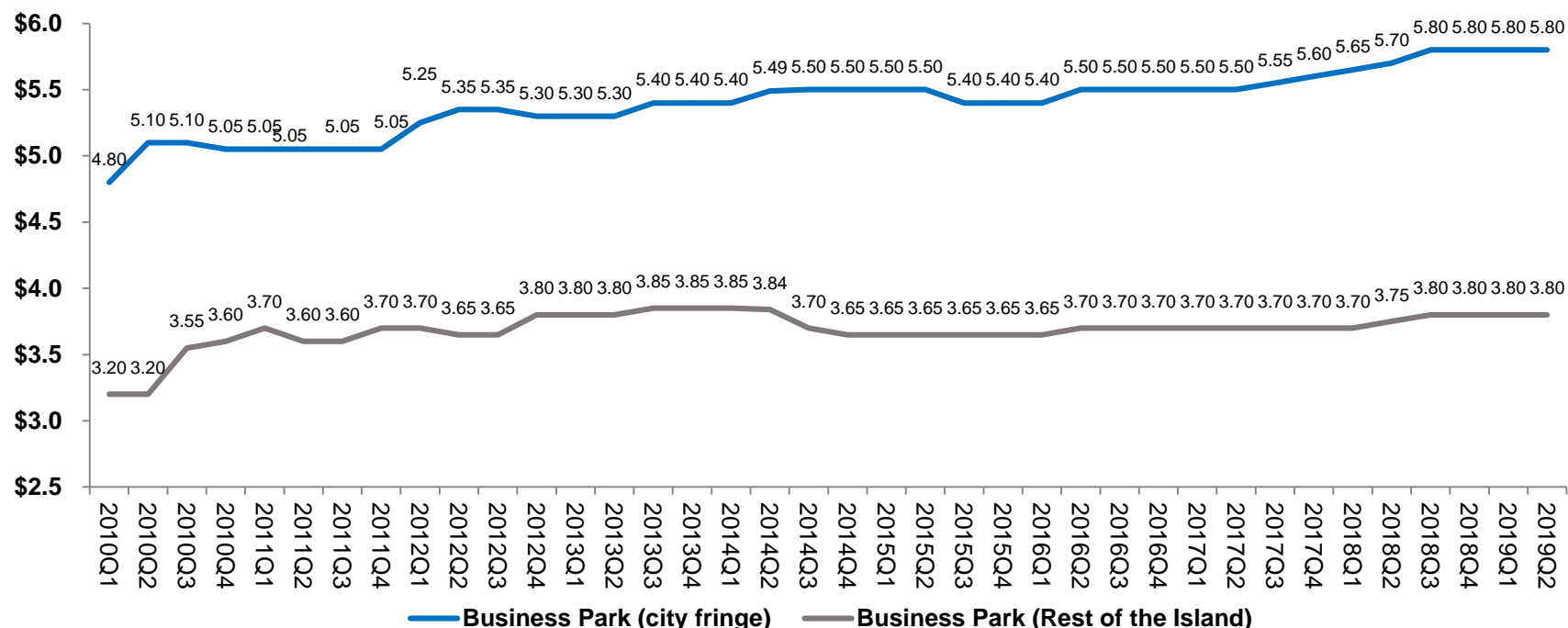
Source: CBRE Research, Q2 2019

1. Alexandra Technopark is a high-specification B1 industrial development located at the city-fringe, with certain physical attributes similar to business parks. Due to limited availability of market research information directly relating to the asset class of Alexandra Technopark, market research information for business parks is provided for indicative reference.
 2. CBRE, Singapore Market View, Q2 2019

Singapore business park rents¹

- ◆ City fringe and rest of the island business park average rents remain stable²

Singapore Business Park (city fringe) rents²

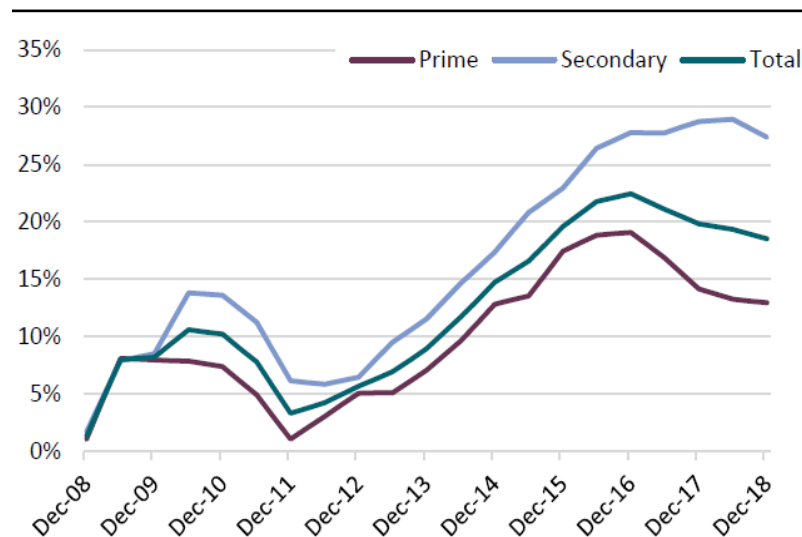


1. Alexandra Technopark is a high-specification B1 industrial development located at the city-fringe, with certain physical attributes similar to business parks. Due to limited availability of market research information directly relating to the asset class of Alexandra Technopark, market research information for business parks is provided for indicative reference.
 2. CBRE, Singapore Market View, Q2 2019

Perth CBD office trends and outlook

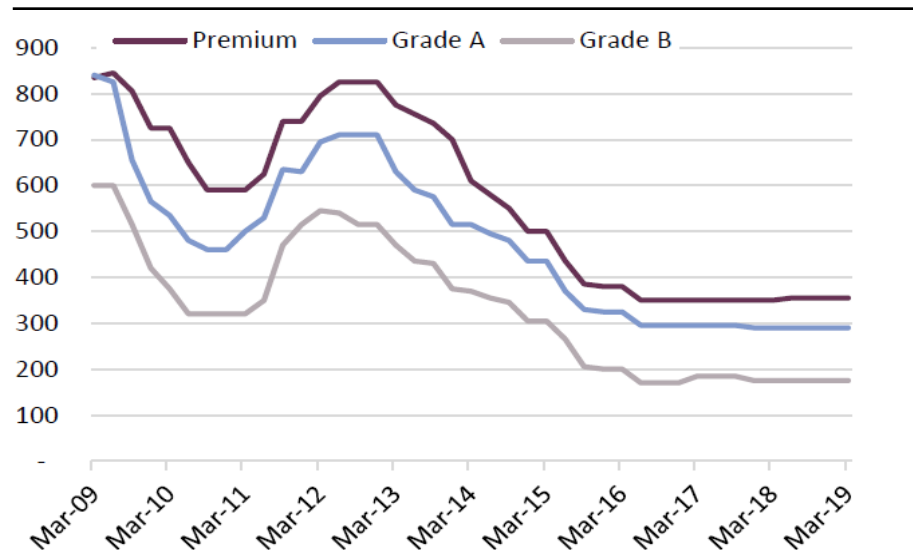
- ◆ Business confidence has returned to the Western Australian economy
- ◆ Premium Grade and Grade A CBD office segments continue to benefit from re-centralisation to CBD and 'flight to quality' trends
- ◆ Total market vacancy reduced 70 basis points to 18.5% in the six months to December 2018
- ◆ Premium Grade average net face rent was A\$600 to A\$725 per sqm per annum as at March 2019, with average lease incentives between 45% and 48%
- ◆ Savills Research forecasts overall vacancy rate to fall further over the next 5 years

Perth CBD office vacancy rate (%)



Source: PCA/ Savills Research

Perth CBD office net effective rents by grade (A\$/ sqm)

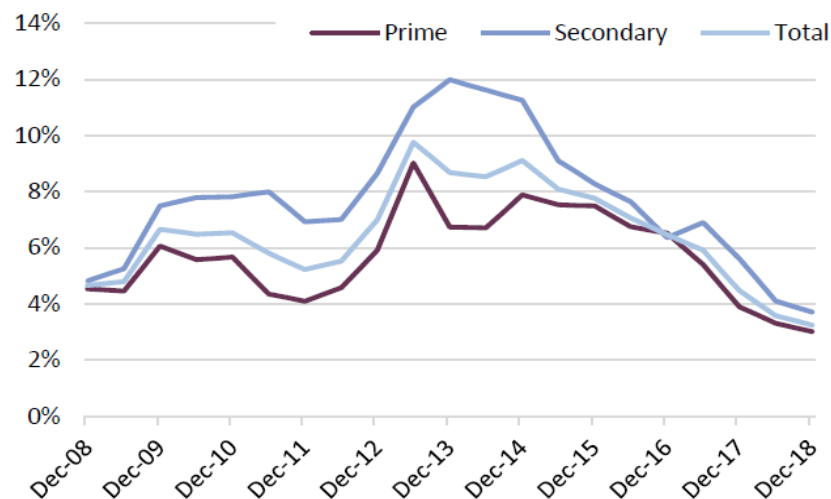


Source: Savills Research

Melbourne CBD office trends and outlook

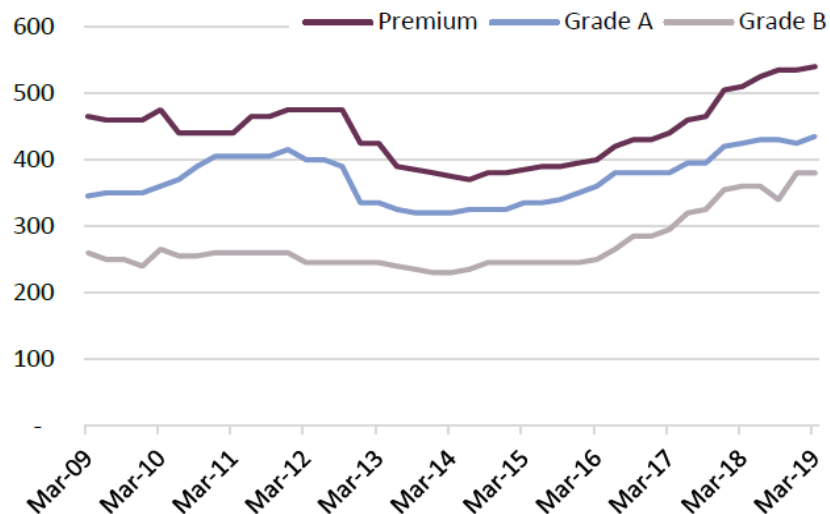
- ◆ Melbourne CBD office market continued to be strong, on the back of strong economic performance in the state of Victoria
- ◆ Total vacancy in Melbourne CBD of 3.2% as at end-December 2018 was the lowest level recorded in ten years and the lowest level recorded of all CBD markets in Australia
- ◆ Grade A office average net face rent was A\$500 to A\$650 per sqm per annum as at end-March 2019, with lease incentives between 22% and 28%
- ◆ Savills Research forecasts vacancy rate to reduce further to below 3.0% over the next twelve months and strong rental growth to continue until the next delivery of new supply in 2020

Melbourne CBD office vacancy rate (%)



Source: PCA/ Savills Research

Melbourne CBD office net effective rents by grade (A\$/ sqm)

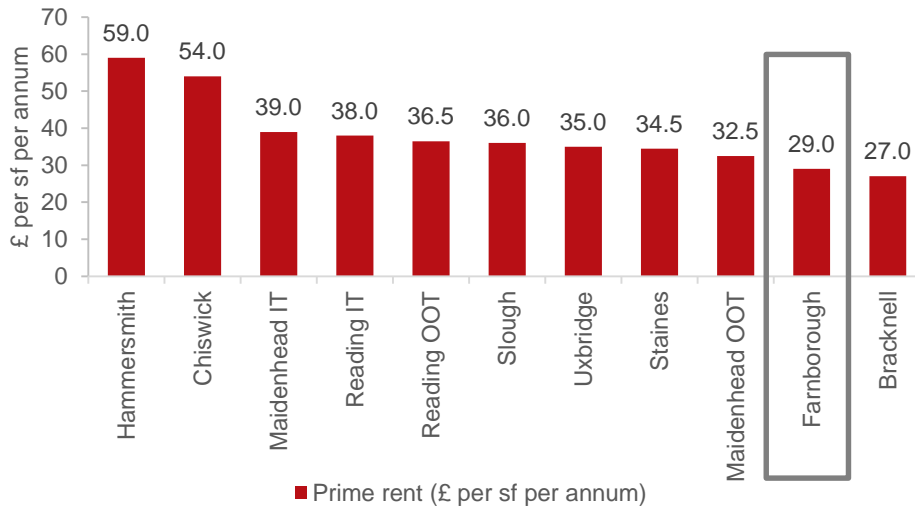


Source: Savills Research

Thames Valley office trends and outlook

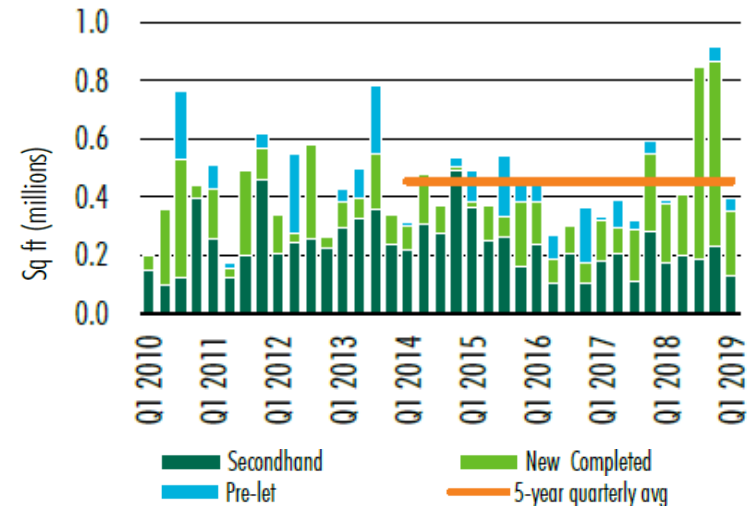
- ◆ Total absorption of 393,653 sf in 1Q 2019 signaled a solid start to the year
- ◆ Rents generally remained stable in 2018, with prime office rents in the majority of locations achieving all-time highs
- ◆ For the Farnborough area, the indicative prime office headline rent was £29.0 psf per annum as at end-March 2019, while lease incentives were generally around 17.5% (for typical 10-year lease terms)
- ◆ CBRE Research forecasts rents in the Farnborough area to be generally on an uptrend in the next twelve months, while incentives are expected to remain stable during the same period

Key Thames Valley Prime Grade office rents (£ per sf per annum)



Source: CBRE Research, Q1 2019

Thames Valley take up, Q1 2019



Source: CBRE Research, Q1 2019

Sustainability

- ◆ Sustainability is one of the key aspects contributing to our aspirations of becoming a leading owner of quality commercial real estate properties and the preferred choice for businesses and investors and to deliver long-term growth to our Unitholders
- ◆ FCOT's sustainability strategies and action plans are based on the Frasers Group's Sustainability Framework, which sets out sustainability priorities until 2030
- ◆ Key highlights of sustainability performance in FY2018 include:

Acting Progressively

- ◆ FCOT is constituents of the iEdge Singapore ESG Leader and iEdge Singapore ESG Transparency indices
- ◆ All FCOT properties in Singapore are BCA Green Mark certified
- ◆ All FCOT properties in Australia have National Australian Built Environment Rating System (NABERS) Energy base building rating of at least 5.0-star
- ◆ Farnborough Business Park won the prestigious Green Flag Award 2018 which recognises well-managed parks and green spaces globally
- ◆ No known breaches of environmental laws and regulations and no confirmed cases with regards to bribery and corruption reported
- ◆ No known incidents of non-compliance with regulations and voluntary codes in relation to marketing communications

Consuming Responsibly

- ◆ 11.1% year-on-year improvement in average building energy intensity
- ◆ 7.5% year-on-year improvement in greenhouse gas (GHG) emissions intensity
- ◆ 12.0% year-on-year improvement in average building water intensity
- ◆ 10.0% year-on-year decrease in building waste generated

Focusing on People

- ◆ 51.1 hours of training per employee, 27.8% higher than the target of 40.0 hours
- ◆ No major safety incidents across our portfolio
- ◆ More than S\$900,000 community investments raised and donated

**Experience
matters.**



Fraser's Commercial Asset Management Limited
438 Alexandra Road | #21-00| Alexandra Point | Singapore 119958
Tel: +65 6276 4882| Fax: +65 6276 8942| Email: fcot@frasersproperty.com
www.fraserscommercialtrust.com