



Proposed acquisition of a UK business park portfolio

11 September 2017

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→ Summary of proposed acquisition

Acquisition terms	<ul style="list-style-type: none">▪ Entry into sale and purchase agreements to acquire business parks located in the United Kingdom (“UK”) from the relevant subsidiaries of a fund or account managed by Oaktree Capital Management, L.P. (each a “Vendor”)<ul style="list-style-type: none">– The “Business Parks Acquisition” comprises 4 business parks: Winnersh Triangle, Chineham Park, Watchmoor Park and Hillington Park (the “Properties”)– The “Maxis Acquisition” comprises 1 business park: Maxis, subject to the fulfilment of certain stipulated conditions⁽¹⁾
Consideration	<ul style="list-style-type: none">▪ Properties: £686 million (approximately S\$1,204 million)⁽²⁾
Funding	<ul style="list-style-type: none">▪ Combination of debt and internal resources
Completion date	<ul style="list-style-type: none">▪ Business Parks Acquisition: within 60 days of the date of the sale and purchase agreements in respect of the Business Parks Acquisition▪ Maxis Acquisition: No later than 20 working days after 29 June 2018

FX rate of £1 = S\$1.7553 as of 8 September 2017 is adopted where applicable

(1) The Maxis Acquisition is subject to conditions relating to, inter alia, net operating income yield and Maxis achieving an occupancy of at least 95%

(2) Excludes consideration for the Maxis Acquisition

→ Overview of the Properties

**4.9m sq ft
built area**
**1.4m sq ft
development area⁽¹⁾**





£46.5m
contracted rent⁽²⁾

5.9 years
WALE⁽³⁾

432
tenants

≥85%
occupancy ratio



	Winnersh Triangle	Chineham Park	Watchmoor Park	Hillington Park	The Properties
	1 	2 	3 	4 	
Location	Reading	Basingstoke	Camberley	Glasgow	-
Built area ('000 sf)	1,461	815	255	2,321	4,852
Tenure	Freehold	Freehold	Freehold	Freehold	-
Tenants	56	53	29	294	432
Purchase price (£m)	365	142	42	137	686
WALE⁽³⁾ (years)	6.5	6.6	5.8	4.3	5.9
Occupancy	90%	79%	75%	86%	85%⁽⁴⁾
Contracted rent⁽²⁾ (£ million p.a.)	23.4	9.6	3.1	10.4	46.5

(1) Potential development built area
(2) Computed based on headline rent as of July 2017
(3) By rental income as at 30 June 2017
(4) Weighted by NLA

Key transaction rationale

→ Key transaction rationale

1

In line with strategy to grow overseas presence and recurring income

2

Portfolio of strategically located and high quality business parks

3

Resilient business park sector supported by strong industry fundamentals

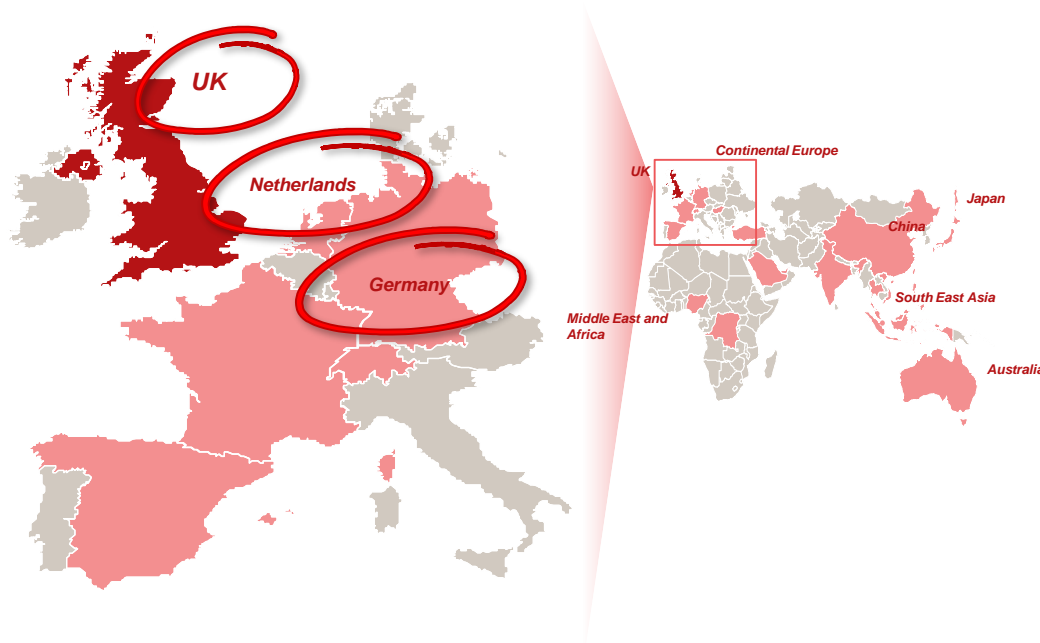
4

Growth potential from future development

1 In line with strategy to grow overseas presence and recurring income

Transformational acquisition that strengthens FCL's presence in UK and Europe

FCL's geographic markets



	Residential	Hospitality	Logistics / Industrial	Commercial + Business Parks
UK and Europe	✓	✓	✓	✓
Singapore	✓	✓		✓
Australia	✓	✓	✓	✓
Others ⁽¹⁾	✓	✓	✓	✓



Acquisition reinforces FCL's "network effect" and "grow with customer" strategy



Extension of FCL's asset class expansion strategy

(1) "Others" includes China, Vietnam, Thailand, Malaysia, Japan, Philippines, Indonesia, New Zealand, the Middle East and Africa

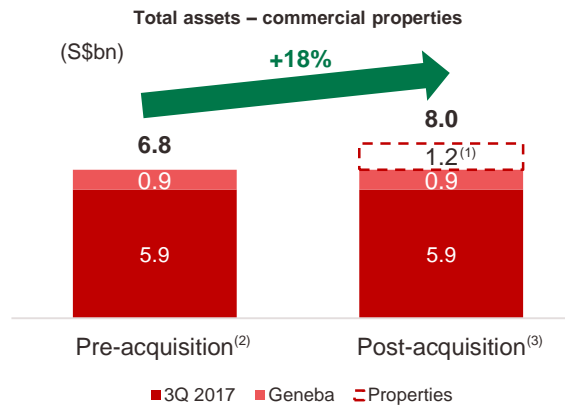
1 In line with strategy to grow overseas presence and recurring income (cont'd)

Increase sources of overseas and recurring income - enlarged asset base with higher contribution from commercial properties

Growing recurring income base provides better income stability

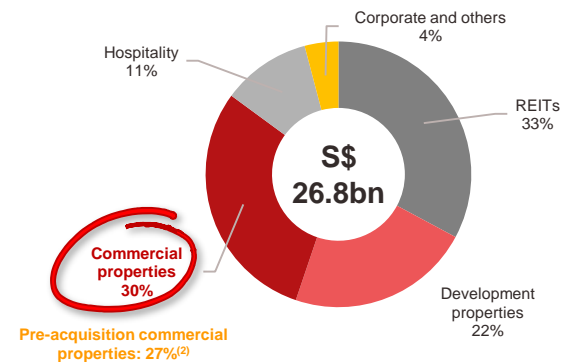
- Pro forma commercial properties will increase by **18%**
- Commercial properties as a percentage of FCL's pro forma total assets will increase to **30%**⁽³⁾ from 27%⁽²⁾

3Q 2017 pro forma asset base



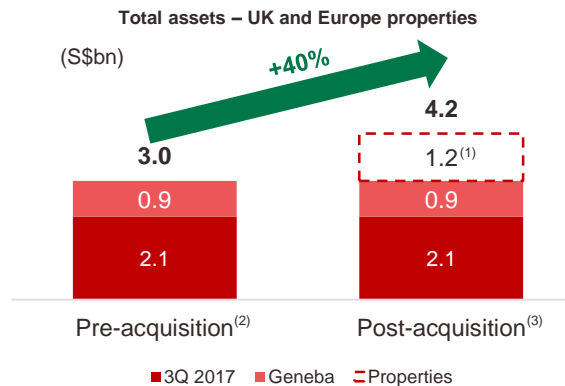
3Q 2017 pro forma asset breakdown

Increased contribution from commercial properties provides enhanced income stability

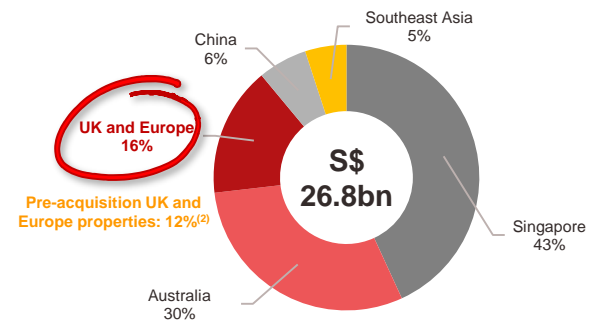


Enhance geographic diversification

- Allows FCL to continue growing its overseas markets with increased scale in the UK
- UK and Europe properties will increase by **40%**, with its contribution to FCL's pro forma total assets increasing to **16%**⁽³⁾ from 12%⁽²⁾



Growing UK and Europe markets underpinning geographical diversification



(1) FX rate: £1 = S\$1.7553

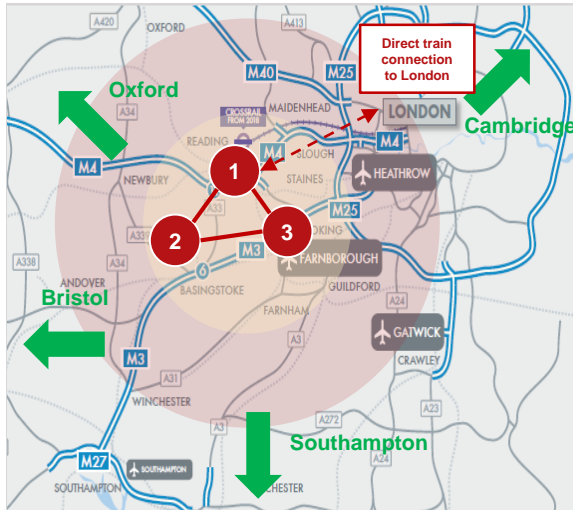
(2) Pre-acquisition refers to the sum of FCL's relevant asset position as at 30 June 2017 and Geneba's total assets of €577 million as at 30 June 2017 (\$\$906 million based on FX rate of €1 = S\$1.5694) (Source: Geneba company filings)

(3) Post-acquisition includes the Properties' purchase price of £686 million

2 Portfolio of strategically located and high quality business parks

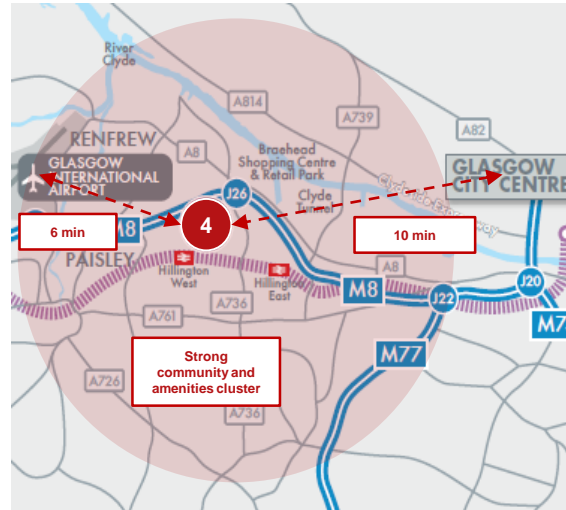
Excellent connectivity offers cost-efficient alternatives to city-centre locations

London



- ✓ Strong network of quality business park assets surrounding London
- ✓ Excellent connectivity by highway (M3 and M4) and railway
- ✓ Close proximity to Heathrow

Glasgow



- ✓ Well connected to Glasgow International Airport
- ✓ Close proximity to Glasgow City Centre

Highway Train Station Airport

1 Winnersh Triangle	1 mile to M4 – J10 16 miles to M25 – J48	8 mins to Reading Stn 30 mins to Paddington Stn	23 miles to Heathrow
2 Chineham Park	3 miles to M3 – J6 28 miles to M25 – J2	16 mins to Reading Stn	40 miles to Heathrow
3 Watchmoor Park	0.5 miles to M3 – J4 5 miles to M25 – J2	34 minutes to London Waterloo Stn	18 miles to Heathrow
4 Hillington Park	7 miles to Glasgow 52 miles to Edinburgh	10 mins to Glasgow City Centre	3 miles to Glasgow International

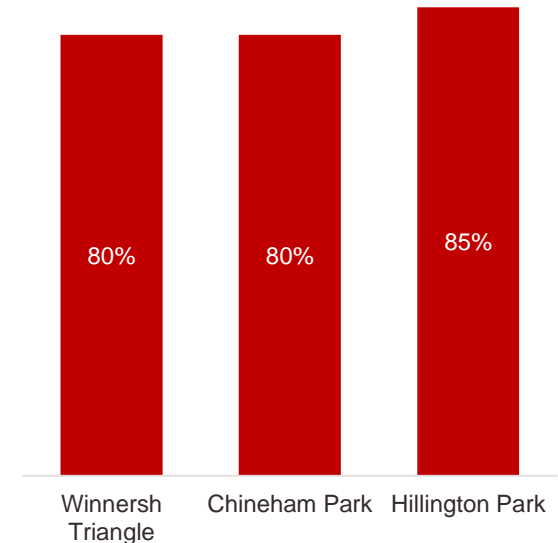
2 Portfolio of strategically located and high quality business parks (cont'd)

Differentiated business space integrating lifestyle and community – a live-work-play environment

Integrated communities with quality amenities



Tenant retention rate⁽¹⁾ (LTM⁽²⁾)



Well thought out master plan of integrated communities with retail amenities and residential catchments focused on delivering a family and life-style based workspace



High quality amenities are a key differentiator for the portfolio, resulting in high retention rates and letting activities

(1) Tenant retention rate not applicable for Watchmoor Park as the property has just recently been acquired by the Vendor prior to the Business Parks Acquisition and has undergone significant refurbishment since the acquisition by the Vendor
 (2) Refers to last twelve months

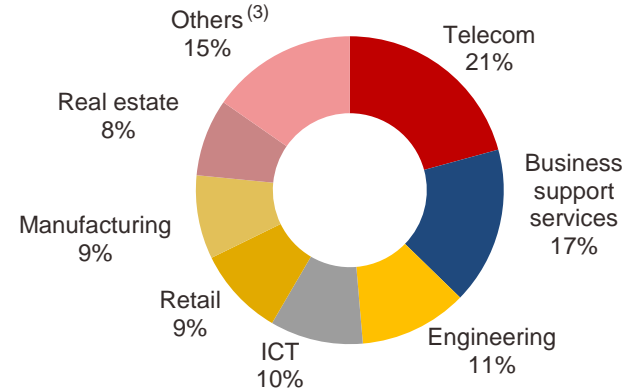
2 Portfolio of strategically located and high quality business parks (cont'd)

Defensive cash flows from well diversified tenant base and long WALE

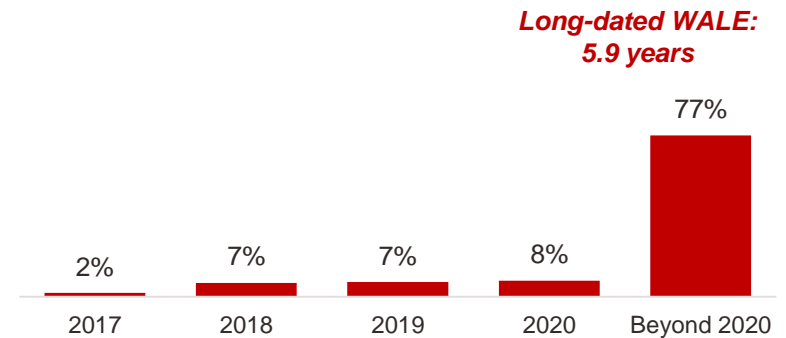
Top 10 tenants

	% of contracted rent ⁽¹⁾	WALE ⁽²⁾ (Years)
Jacobs U.K.	7.4	7.5
Becton Dickinson	4.4	10.0
CenturyLink Technology UK	4.2	18.1
Harris Systems	4.0	7.8
Ericsson	3.5	3.7
Atos IT Services UK	2.8	4.0
Level 3 Communications	2.7	13.0
Virgin Media	2.4	14.4
BMC Software	2.1	5.8
Tech Data	2.0	4.4

Breakdown of tenants by trade



WALE⁽²⁾



(1) % of rental income contribution for the year of 2017

(2) By rental income, as at 30 Jun 2017


(3) Consists of sectors which represent <5% of the Properties

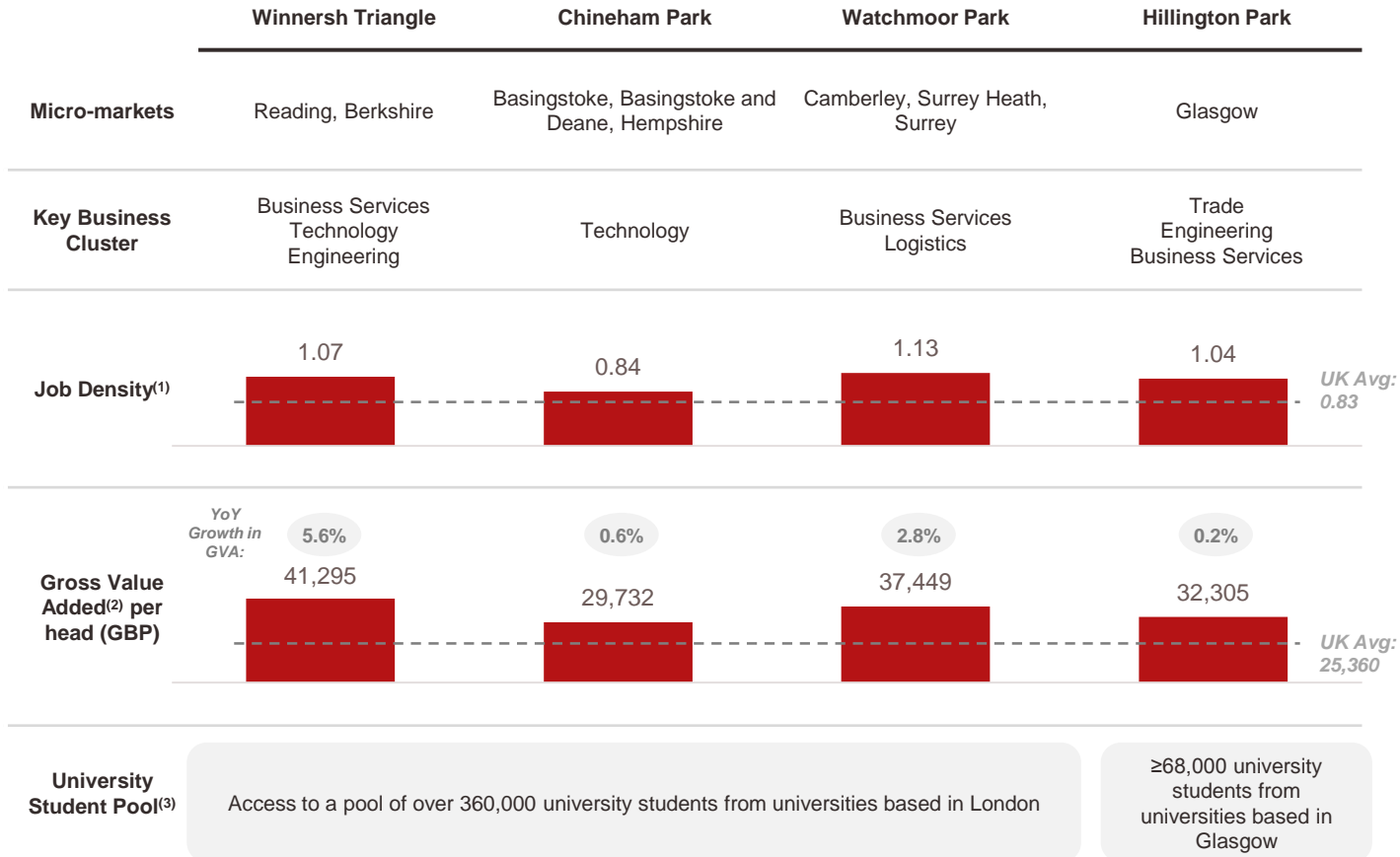
2 Portfolio of strategically located and high quality business parks (cont'd)

Well located in micro-markets with strong economic and demographic fundamentals

 **Presence of key business clusters:** Stable demand from tenants in defensive sectors with long dated leases

 **Job density and GVA above UK average:** Strong economic demographic provides robust demand for the Portfolio

 **Strong pool of skilled workforce:** Micro-markets are supported by a strong university network providing a large pool of skilled labour



(1) Jobs Density represents the ratio of total jobs to population aged 16-64, by District (Source: Nomis)

(2) Gross Value Added is a measure of the increase in the value of the economy due to the production of goods and services. GVA plus taxes (less subsidies) on products is equivalent to Gross Domestic Product, by District (Source: Office for National Statistics, UK (2015))

(3) Source: Higher Education Statistics Agency

2 Portfolio of strategically located and high quality business parks (cont'd)

Portfolio of high quality buildings that has benefited from recent AEIs

Case study: Watchmoor Park



- 2-storey 13,000 sq ft HQ building
- c. £1.9 million refurbishment conducted in 2012
- 100% let to The Buy to Let Business



- 2-storey 37,000 sq ft building
- Underwent a complete refurbishment in 2009
- Multi-let with 85% occupancy rate



- 2-storey 48,000 sq ft HQ building
- Underwent a £3.6 million AEI in 2016 to include a new modern façade, new M&E systems and high quality specifications



Over £6.5 million spent across the park over the last 3 years, including a significant refurbishment of 6 of the 8 buildings

Other recent refurbishments

Winnersh Triangle



- Self-contained 2-storey 13,000 sq ft building with 52 car parking spaces
- Underwent major refurbishment in July 2017 to provide contemporary grade A space with a feature double height atrium

Chineham Park



- 49,000 sq ft 2-story office headquarters building with parking ratio of 1:255 sq ft
- Recently underwent comprehensive refurbishment which includes a new glazed façade among other specifications



- 6,000 sq ft 2-story office building with parking ratio of 1:182 sq ft
- Underwent complete refurbishment which includes an extension renovation of Dayer's, the on-site restaurant and sandwich bar among other specifications

3 Resilient business parks sector supported by strong industry fundamentals

Access to the 5th largest economy globally with resilient FDI post-Brexit vote



Strong investment grade sovereign rating of AA / Aa1



Stable GDP growth of c. 2%⁽¹⁾ and resilient FDI of US\$178bn⁽²⁾ (+171% YoY) post-Brexit vote

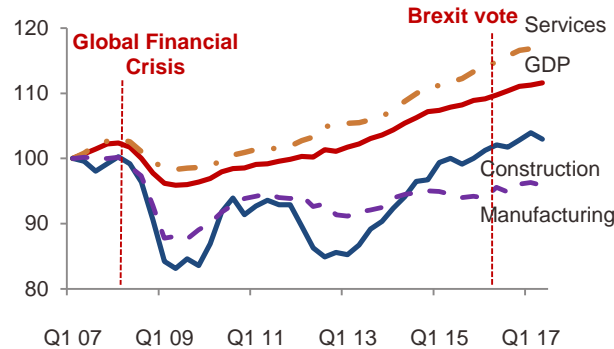


FDI focused on manufacturing, technology and services sectors



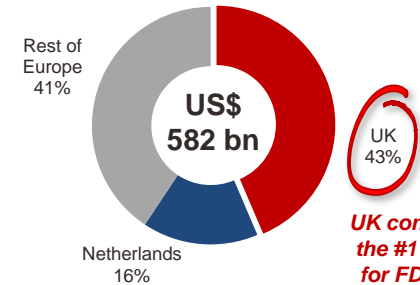
Historical low GBP level further underpins FDI

Strong GDP growth



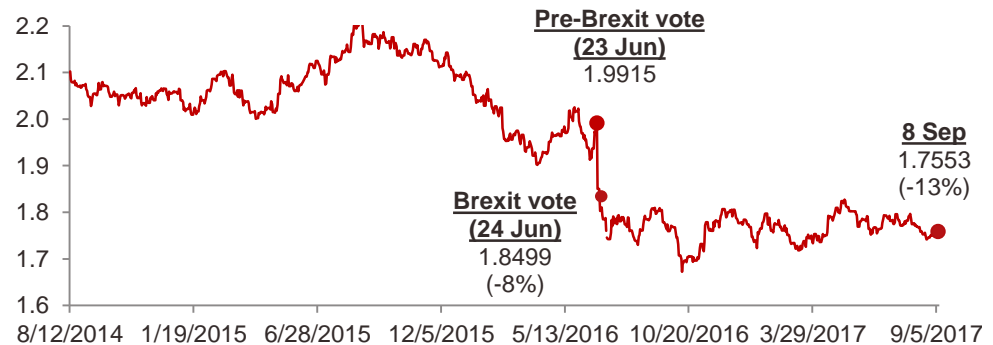
Resilient FDI

2016 FDI Inflows to Europe



UK continues to be the #1 destination for FDI in Europe

GBP at historical lows⁽³⁾



Source: OECD, Office for National Statistics, Bloomberg LP

(1) Average YoY UK GDP growth for the quarters from 3Q 2016 to 2Q 2017 which comprise the period post-Brexit (Source: OECD, Office for National Statistics)

(2) Total FDI inflows to UK recorded from 3Q 2016 to 1Q 2017 (Source: OECD, Office for National Statistics)

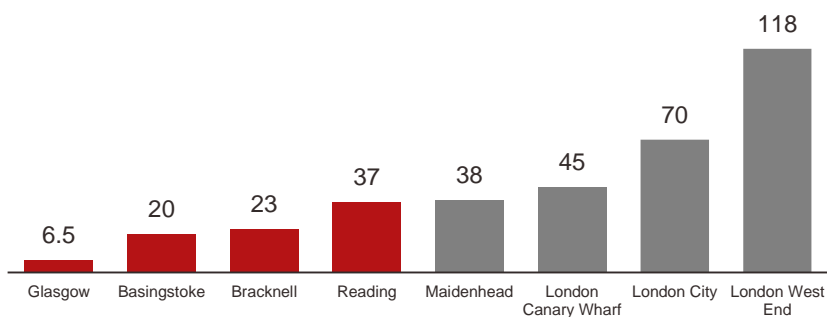
(3) Figures as of 8 September 2017. (Source: Bloomberg LP)

3 Resilient business parks sector supported by strong industry fundamentals (cont'd)

Resilient rental and occupancy trends supported by favourable demand-supply dynamics and cost efficient positioning

Cost efficient alternatives to office CBD and London locations

Rental rates⁽¹⁾ (£ psf)



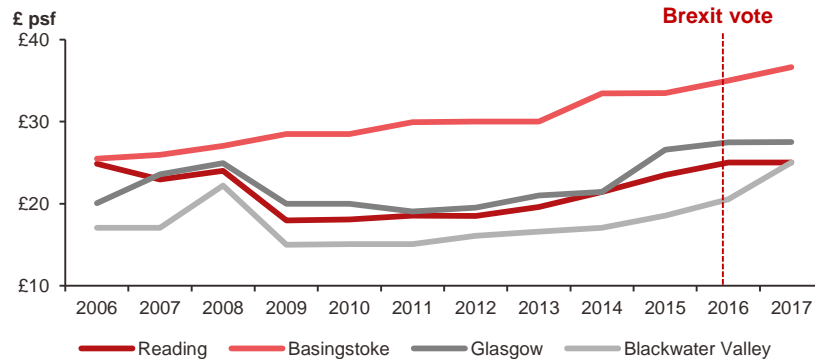
Low vacancy rates

Vacancy rate



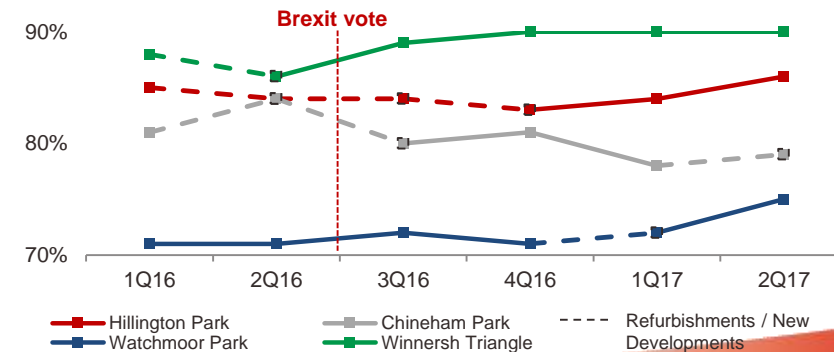
Resilient rental trends despite Brexit vote

Prime headline rents



Demand and supply trends driving healthy occupancy rates

Occupancy Rate



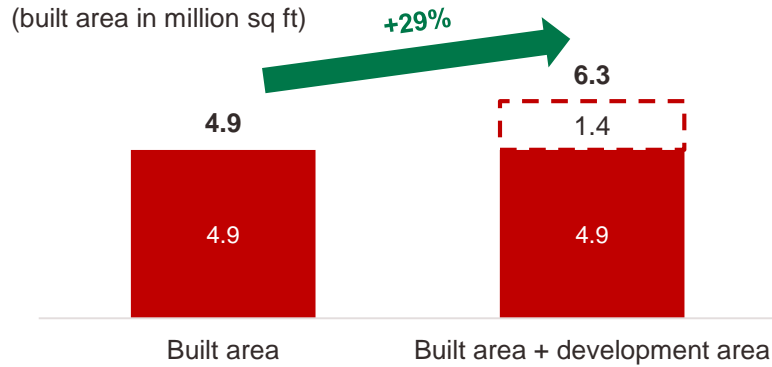
Source: BNP Paribas Real Estate, Strutt & Parker, PMA

(1) Represent industrial rent for Glasgow and office rent for all other locations

4 Growth potential from future development

Attractive growth potential from approximately 1.4 million sq ft of development built area

Growth Potential from Development Area



Chineham Park



Potential development built area: 248,000 sq ft

Winnersh Triangle



Potential development built area: 305,000 sq ft

Hillington Park



Potential development built area: 850,000 sq ft

Appendix

➔ Asset overview – Winnersh Triangle

One of the premier business parks in South East UK with a dedicated railway station

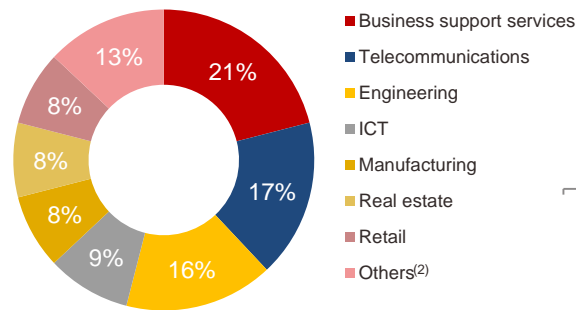


- ✓ 1.5 million sq ft mixed-use park located in Reading with wide range of offering from major HQ buildings to Grade A offices to start-up office suites
- ✓ Dedicated rail station with direct services to Central London (35 mins) and Reading (8 mins)
- ✓ Exceptional connectivity with connection to the M4 motorway less than 5 minutes away and access to Heathrow Airport 30 mins away
- ✓ Outstanding amenities including a hotel, gym & spa, restaurant, café, convenience store, bank and nursery
- ✓ Key business clusters include Business Services, IT and Engineering

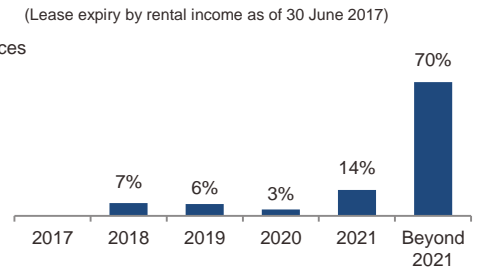
Key Metrics (as at 30 Jun-17)

Metric	
Number of tenants	56
Occupancy (%)	90%
Contracted rent (£ million p.a.)	23.4
WALE (years) ⁽¹⁾	6.5
Built area ('000 sq ft)	1,461
Potential development built area ('000 sq ft)	305

Diversified Base of Strong Tenants



Favourable Lease Expiry Profile



(1) By rental income, as at 30 June 2017

(2) Others include energy, healthcare/biotech, distribution, government/NGO and professional services tenants

→ Asset overview – Chineham Park

Best-in-class business environment attracts high quality tenants

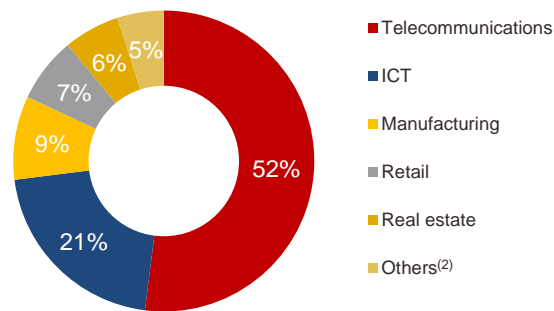


- ✓ 850,000 sq ft mixed-use business park, located in Basingstoke, with a wide range of offerings with units from 160 sq ft to 93,000 sq ft
- ✓ Excellent transport links – located just off the A339 ring road that provides access to junction 6 of the M3 motorway
- ✓ Free bus service to Basingstoke railway station and Basingstoke town centre
- ✓ Outstanding amenities including café, sandwich bar, gym, nursery, salon, restaurants, cafes, gym and a nursery
- ✓ Key business clusters include Technology / communications and IT

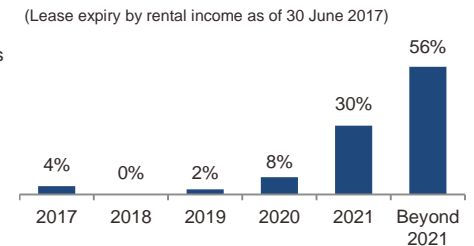
Key Metrics (as at 30 Jun-17)

Metric	
Number of tenants	53
Occupancy (%)	79%
Contracted rent (£ million p.a.)	9.6
WALE (years) ⁽¹⁾	6.6
Built area ('000 sq ft)	815
Potential development built area ('000 sq ft)	248

Diversified Base of Strong Tenants



Favourable Lease Expiry Profile



(1) By rental income, as at 30 June 2017

(2) Others include engineering, energy, government/NGOs and professional services tenants

➔ Asset overview – Watchmoor Park

Strategic business location in the heart of a major housing growth area

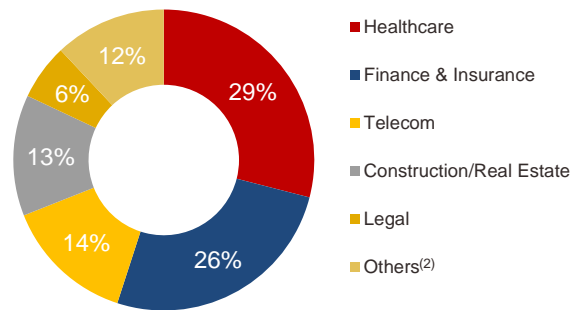


- ✓ 255,000 sq ft business park, located Camberley, with flexible offerings ranging from 500 sq ft to 48,400 sq ft
- ✓ Exceptional connectivity with easy access to M3 Junction 4
- ✓ Four railway stations within four miles which offers connections to Central London
- ✓ Outstanding amenities including a cafe, landscaped areas with ornamental lakes and a dedicated business centre facility. Further complemented by a 77k sq ft Sainsbury's supermarket next door
- ✓ Key business clusters include Business Services and Logistics

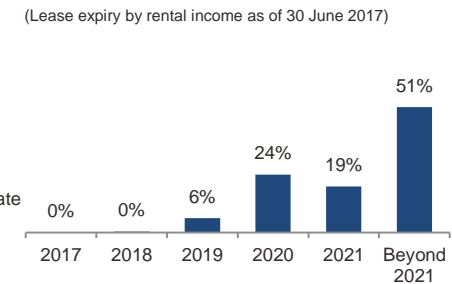
Key Metrics (as at 30 Jun-17)

Metric	
Number of tenants	29
Occupancy (%)	75%
Contracted rent (£ million p.a.)	3.1
WALE (years) ⁽¹⁾	5.8
Built area ('000 sq ft)	255
Potential development built area ('000 sq ft)	-

Diversified Base of Strong Tenants



Favourable Lease Expiry Profile



(1) By rental income, as at 30 June 2017

(2) Others include beverage, IT, technology, manufacturing, sports retail, education and recruitment tenants

➔ Asset overview – Hillington Park

Largest business park in Scotland strategically located between Central Glasgow and Glasgow Airport



Key Metrics (as at 30 Jun-17)

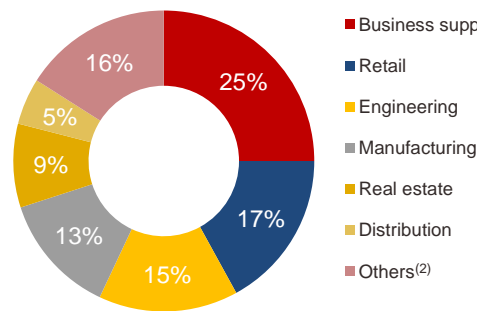
Metric	
Number of tenants	294
Occupancy (%)	86%
Contracted rent (£ million p.a.)	10.4
WALE (years) ⁽¹⁾	4.3
Built area ('000 sq ft)	2,321
Potential development built area ('000 sq ft)	850

(1) By rental income, as at 30 June 2017

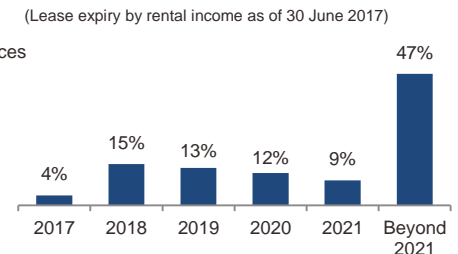
(2) Others include ICT, healthcare/biotech, telecommunications, professional services, energy and government/NGO tenants

- ✓ 2.3 million sq ft mixed-use business park located in Glasgow, attracting a diverse range of occupiers, from start-ups to major corporates
- ✓ Benefits from a strategic motorway location, lying adjacent to junction 26 of the M8 Motorway, providing access to Central Scotland and the M74 North / South route
- ✓ Two onsite railway stations providing direct links to the City Centre, Paisley and the West
- ✓ Excellent amenities including retail outlets, nursery, gym, restaurant and laundry services
- ✓ Key business clusters include Trade, Engineering and Business Services

Diversified Base of Strong Tenants



Favourable Lease Expiry Profile



→ Asset overview – Maxis (acquisition subject to certain conditions)

Modern office development situated in a strategic business location

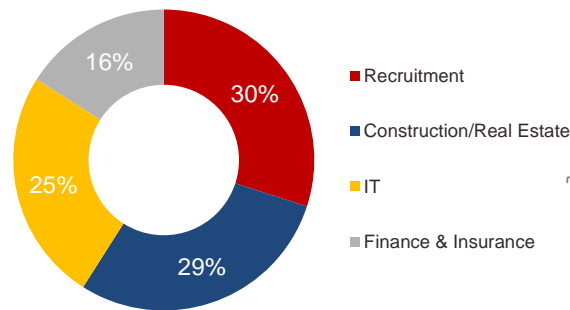


- ✓ 199,000 sq ft office development comprising 2 modern office buildings with a wide range of floor space sizes to suit a variety of tenant requirements
- ✓ Located in Bracknell, a strategic business location which houses more than 3,000 businesses, including numerous MNCs
- ✓ Well connected within 5 miles to the M4 motorway
- ✓ Curated amenities including a café complemented by the Lexicon, Bracknell town centre's new offering, with over 580,000 sq ft of retail space

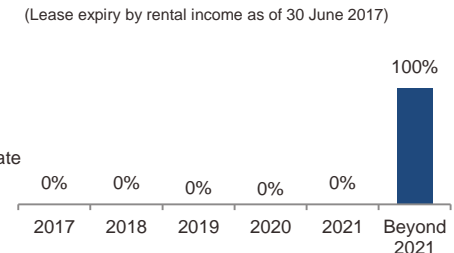
Key Metrics (as at 30 Jun-17)

Metric	
Number of tenants	6
Occupancy (%)	53%
Contracted rent (£ million p.a.)	2.3
WALE (years) ⁽¹⁾	9.3
Built area ('000 sq ft)	199
Potential development built area ('000 sq ft)	79

Diversified Base of Strong Tenants



Favourable Lease Expiry Profile



(1) By rental income, as at 30 June 2017