
Frasers Commercial Trust

2QFY19 Financial Results

23 April 2019



Important notice

Certain statements in this Presentation constitute “forward-looking statements”, including forward-looking financial information. Such forward-looking statement and financial information involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Frasers Commercial Trust (“**FCOT**”) or the Manager, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements and financial information. Such forward-looking statements and financial information are based on numerous assumptions regarding the Manager’s present and future business strategies and the environment in which FCOT or the Manager will operate in the future. Because these statements and financial information reflect the Manager’s current views concerning future events, these statements and financial information necessarily involve risks, uncertainties and assumptions. Actual future performance could differ materially from these forward-looking statements and financial information.

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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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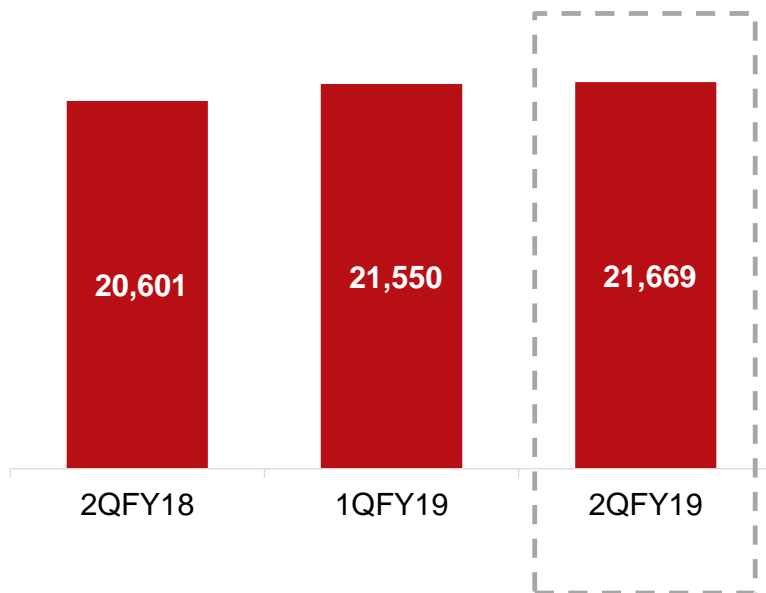
Results

Results *2QFY19 distribution and DPU*

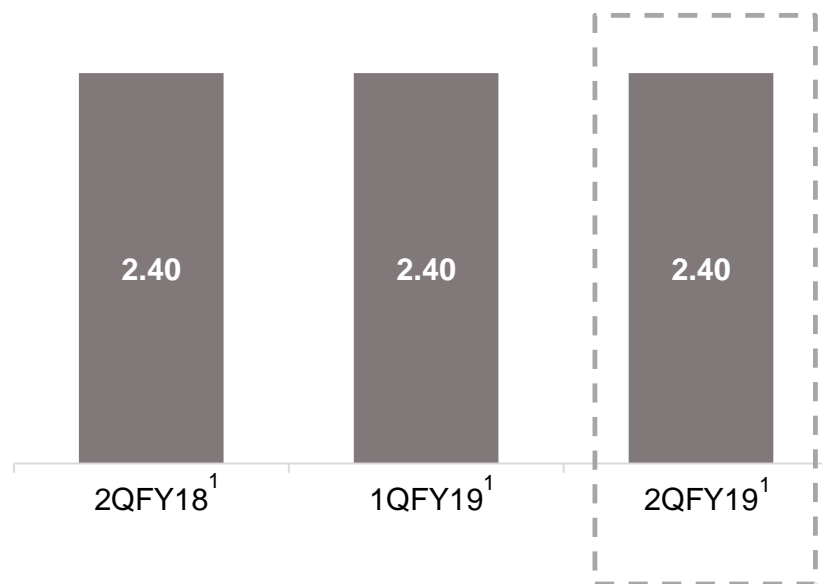
For the quarter ended 31 Mar 2019 (“2QFY19”):

- ◆ DPU of 2.40 cents was unchanged vs 1QFY19 and 2QFY18¹
- ◆ distribution income increased 1% Q-o-Q and 5% Y-o-Y to S\$21.7 million²

Distributable Income (S\$'000)



DPU (Cents)






1. 100% management fees were paid in Units in 2QFY19, 1QFY19 and all four quarters of FY18.

2. For 2QFY19, distribution from capital returns includes S\$4.9 million (1QFY19: S\$3.8 million, 2QFY18: S\$2.9 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 2QFY19 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 (2QFY19 vs 1QFY19)

2QFY19 distributable income up 1% Q-o-Q¹

	2QFY19 (S\$ '000)	Change vs 1QFY19 (%)	Key contributing factors
Gross Revenue	30,402	 4%	Lower occupancy at Alexandra Technopark and effects of average weaker Australia Dollar, among others, partially offset by higher rents achieved at China Square Central ² .
Net Property Income	20,087	 5%	As above.
Distributable income to Unitholders	21,669	 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 1QFY19.

See 2QFY19 Financial Statements announcement for details.

1. Compared with 1QFY19.
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 2QFY19, distribution from capital returns includes S\$4.9 million (1QFY19: S\$3.8 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 2QFY19 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 2QFY19 and 1QFY19, 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 902,911,651. See accompanying 2QFY19 Financial Statements announcement for more details.

Results Key highlights and Y-o-Y variance (2QFY19 vs 2QFY18)

2QFY19 distributable income up 5% Y-o-Y¹

	2QFY19 (S\$ '000)	Change vs 2QFY18 (%)	Key contributing factors
Gross Revenue	30,402	8%	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 and a one-off lease termination payment received at 357 Collins Street.
Net Property Income	20,087	10%	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 and utilities expenses for the Singapore properties.
Distributable income to Unitholders	21,669	5%	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 2QFY18.

See 2QFY19 Financial Statements announcement for details.

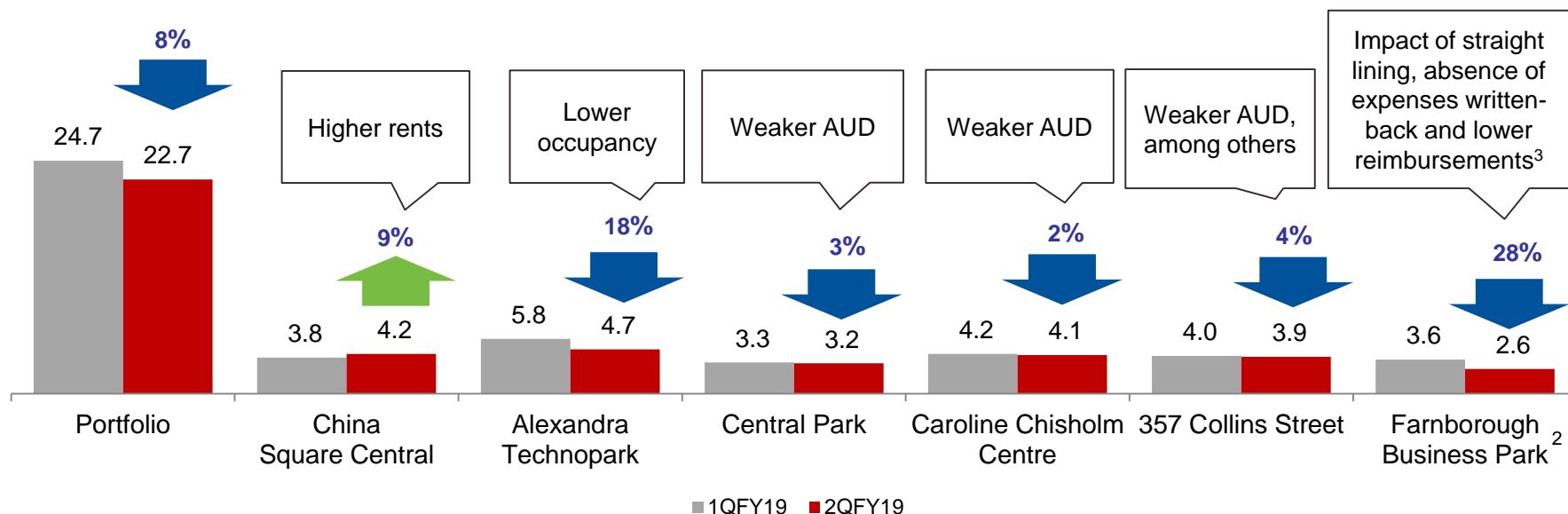
1. Compared with 2QFY18.
2. Excluding the retail podium at 18 Cross Street which had been closed since 2QFY18 to facilitate asset enhancement works.
3. Share of result of joint venture for FCOT's 50% interest in Farnborough Business Park. The acquisition of Farnborough Business Park was completed on 29 January 2018.
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Results 2QFY19 NPI and Q-o-Q variance (2QFY19 vs 1QFY19)

- ◆ Lower occupancy at Alexandra Technopark and weaker AUD, among other factors, partially offset by higher rents achieved at China Square Central

Net Property Income (S\$m)¹

Singapore: S\$8.9 million (39%)
 Australia: S\$11.2 million (50%)
 United Kingdom: S\$2.6 million (11%)²
Total NPI: S\$22.7 million (100%)¹

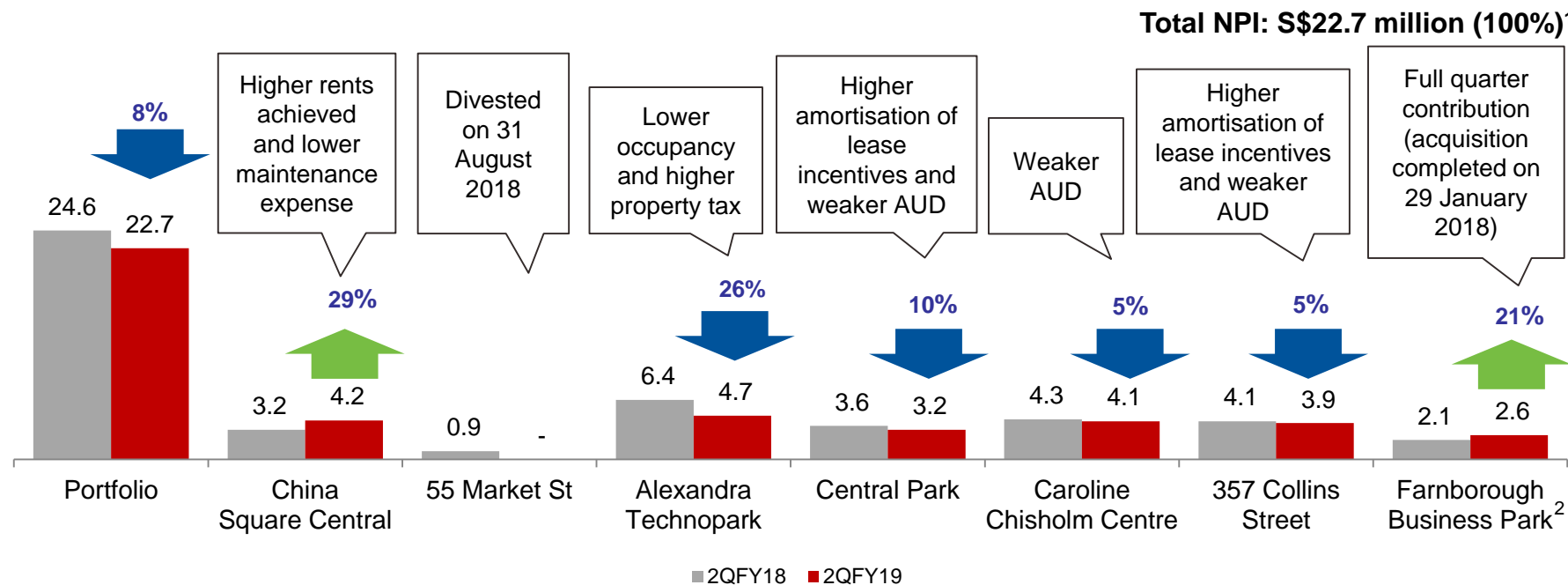


1. Portfolio net property income including 50% share of net property income of Farnborough Business Park (held as a joint venture and equity-accounted in the financial statements).
 2. The acquisition of 50% interest in Farnborough Business Park was completed on 29 January 2018. Figures include reimbursements 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).
 3. Absence of write-back of certain expenses in 2QFY19, and lower reimbursement of lease incentives and rent guarantee for certain unlet units.

Results 2QFY19 NPI and Y-o-Y variance (2QFY19 vs 2QFY18)

- Lower occupancy at Alexandra Technopark, divestment of 55 Market Street, higher property tax for Alexandra Technopark, higher amortisation of lease incentives for Central Park and 357 Collins Street and weaker AUD, partially offset by better performance of China Square Central and full quarter contribution from Farnborough Business Park

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. The acquisition of 50% interest in Farnborough Business Park was completed on 29 January 2018. 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).

Distribution payment

- ◆ **DRP will be applied for the distribution for 2QFY19**

Distribution Period	1 January 2019 to 31 March 2019
Ordinary Unit Distribution Rate¹	Distribution of 2.4000 cents per Unit comprising: a) taxable income distribution of 1.1917 cents; b) tax-exempt income distribution of 0.6095 cents; and c) capital distribution of 0.5988 cents.
Last day of trading on “cum” basis	Monday, 29 April 2019
Ex-distribution trading commence	Tuesday, 30 April 2019
Distribution Books Closure Date	Thursday, 2 May 2019 at 5.00 pm
Cash distribution payment date	Thursday, 30 May 2019
Credit of Units to Unitholders’ securities accounts/ listing of Units issued under the DRP on SGX-ST	Thursday, 30 May 2019

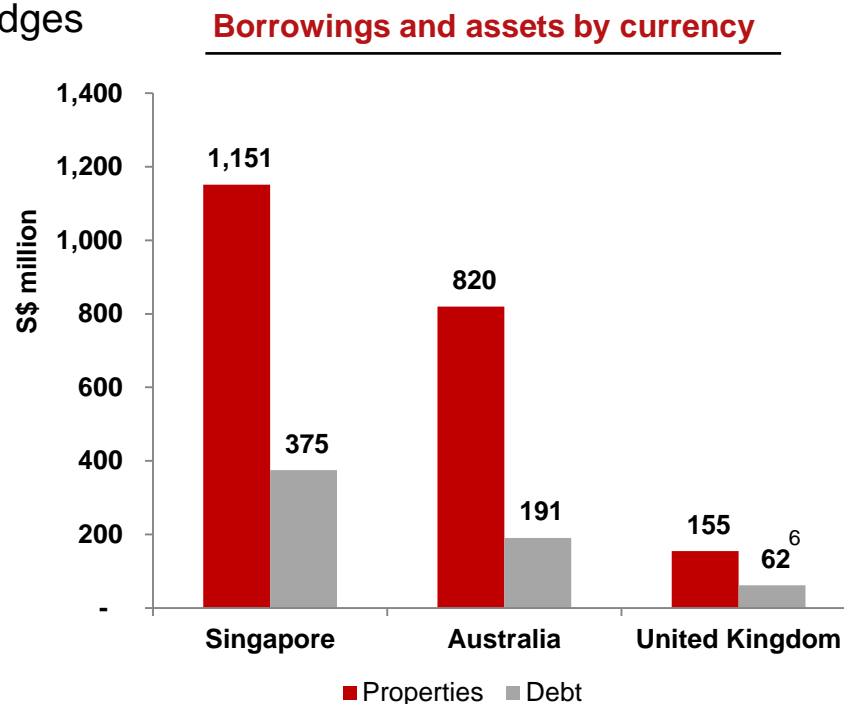
See accompanying 2QFY19 Financial Statements announcement for more details.

Capital management

Capital structure and debt statistics

- ◆ Prudent gearing of 29.1% affords financial flexibility for accretive investments and other growth opportunities
- ◆ Healthy interest coverage ratio of 4.7 times
- ◆ Borrowings in local currencies provide natural hedges

Statistics	As at 31 Mar 2019
Total Assets (S\$'000)	2,158,238
Gross Borrowings (S\$'000)	627,593
Units on Issue and Issuable entitled to distribution	902,911,651
NAV per Unit (ex-DPU) (S\$) ¹	1.54
Gearing ²	29.1%
Interest coverage ratio (times) ³	4.68
Average borrowing rate ⁴	2.98% p.a.
FCOT Issuer rating by Moody's ⁵	Baa2



1. Based on issued Units for the financial quarter ended 31 March 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 31 March 2019.

4. For quarter ended 31 March 2019.

5. Moody's affirmed FCOT's Baa2 ratings (with a negative outlook) in its credit opinion report dated 28 February 2019.

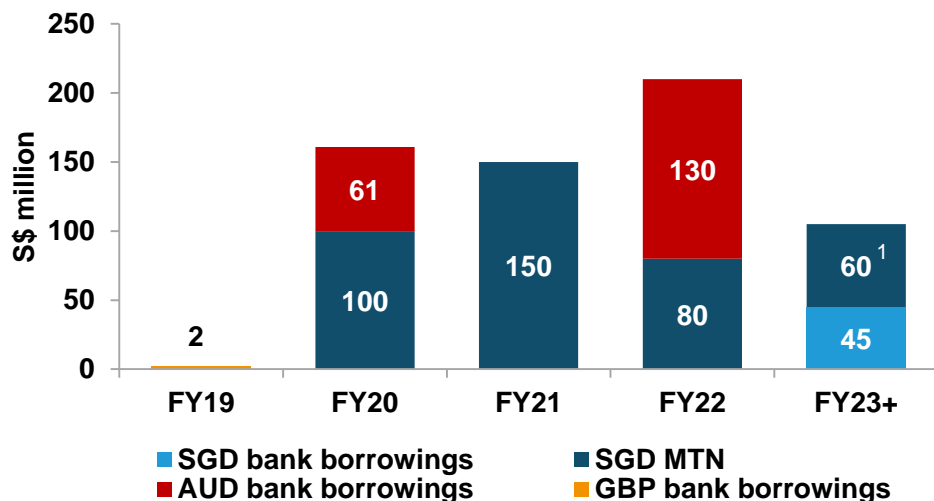
6. S\$60.0 million five-year senior unsecured notes issued in February 2018 was swapped into Sterling Pound.

Prudent capital management

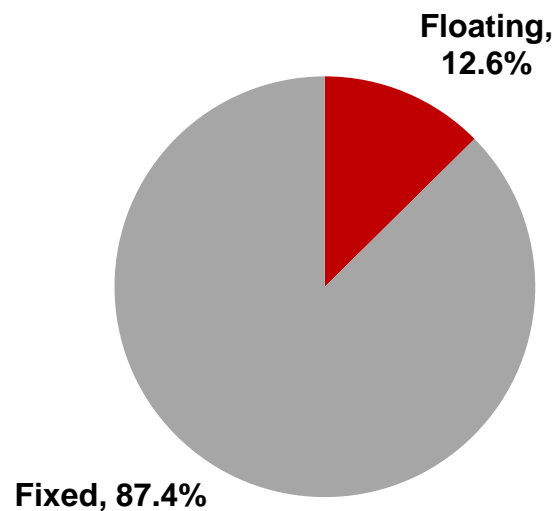
- ◆ Well-spread debt maturity profile
- ◆ No major refinancing need until FY20
- ◆ All debts are unsecured
- ◆ 87.4% of gross borrowings on fixed rates

Debt maturity

Total borrowings: S\$628 million
 Weighted average term to maturity: 2.6 years



Debt composition – floating vs. fixed interest rates

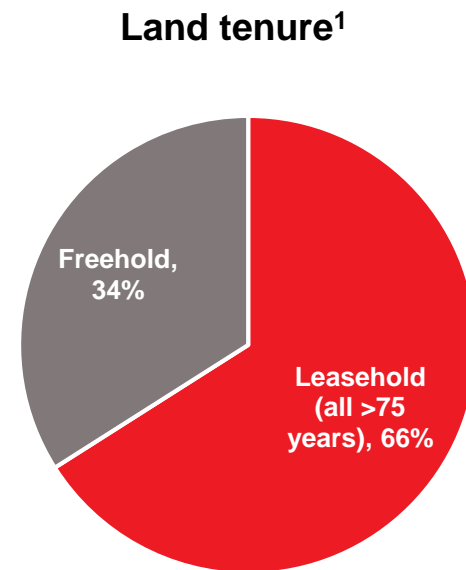
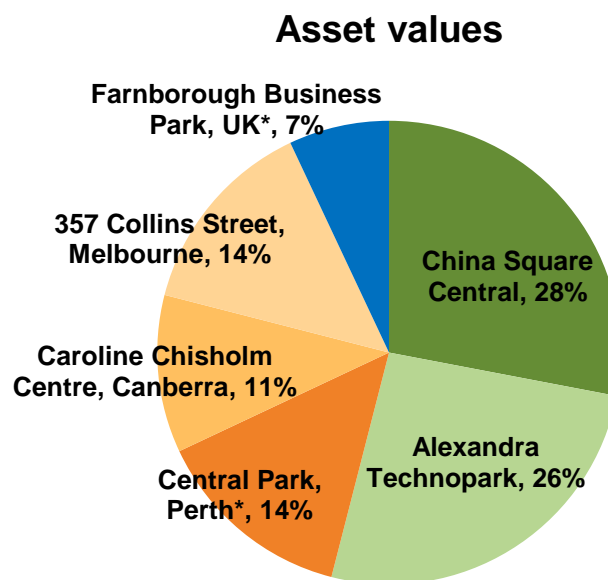


1. S\$60.0 million senior unsecured notes issued in February 2018 and swapped into Sterling Pound.
 2. Data (including exchange rates) as at 31 March 2019.

Portfolio review

Portfolio Review *Asset values*

- ◆ Diversified portfolio with no single property accounting for more than 28% of portfolio value
- ◆ 100% of portfolio has more than 75 years' land tenures, including 34% with freehold tenures



Asset values as at 31 March 2019

Singapore	\$	1,150.5 mil	54%
Australia	\$	820.0 mil	39%
United Kingdom	\$	155.0 mil	7%
Portfolio asset value	\$	2,125.5 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.

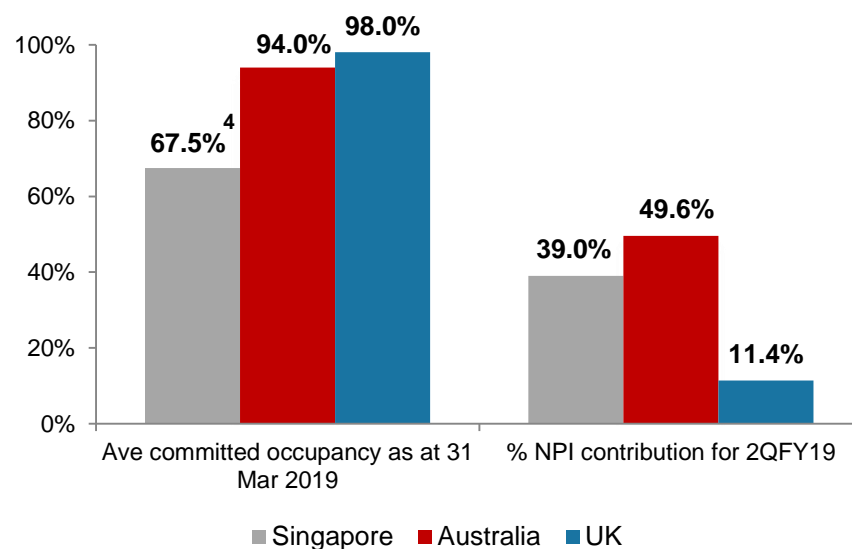
¹ Based on asset values as at 31 March 2019.

Portfolio Review *Occupancy & WALE*

- ◆ Average committed occupancy rate rises to 81.5%¹
- ◆ Committed WALE of 4.7 years^{1,2}

Key portfolio statistics as at 31 March 2019	Actual occupancy	Committed occupancy ¹
Ave Occupancy	78.8%	81.5%
Portfolio WALE by gross rental income ²	4.3 years	4.7 years
Portfolio WALB by gross rental income ^{2,3}	4.1 years	4.4 years

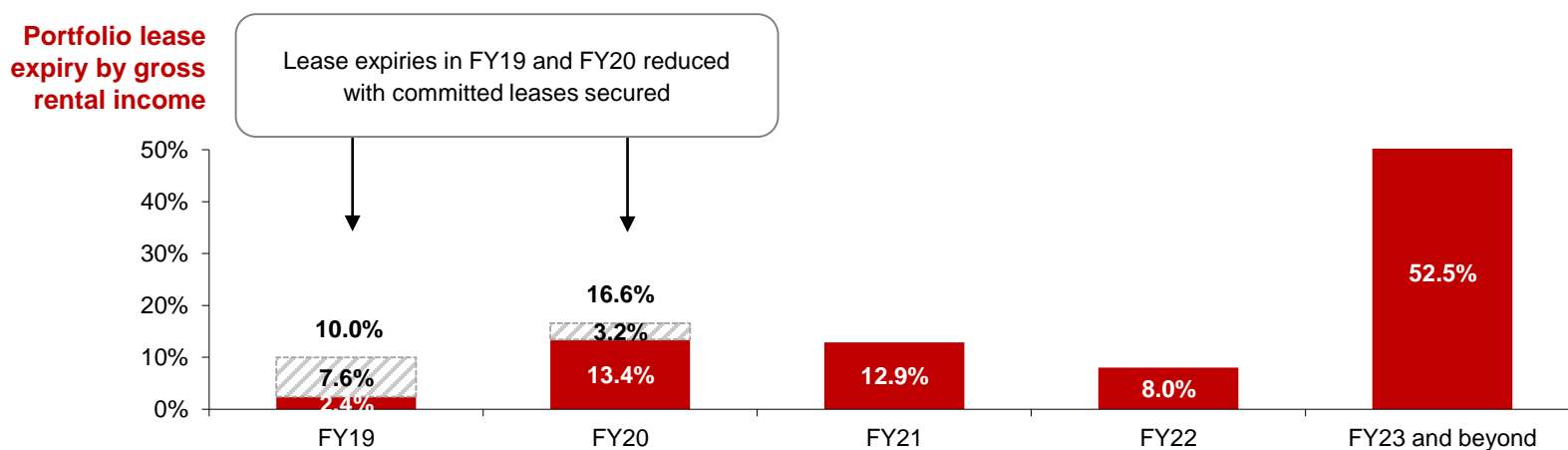
Geographical occupancy¹ and NPI² contribution



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. Excludes lease incentives and retail turnover rents, if any. For Farnborough Business Park, reimbursements of rent free 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) are included.
3. WALB - weighted average lease to break, reflecting contractual rights for tenants to pre-terminate leases in certain cases.
4. Mainly affected by exits of Hewlett-Packard Enterprise Singapore Pte Ltd and Hewlett-Packard Singapore Pte Ltd from Alexandra Technopark (refer to the announcements dated 22 September 2017 and 3 November 2017 for further details).

Portfolio Review *Lease expiry profile*

- ◆ Well-spread lease expiry profile provides income stability and defensiveness



Portfolio lease expiry by gross rental income¹

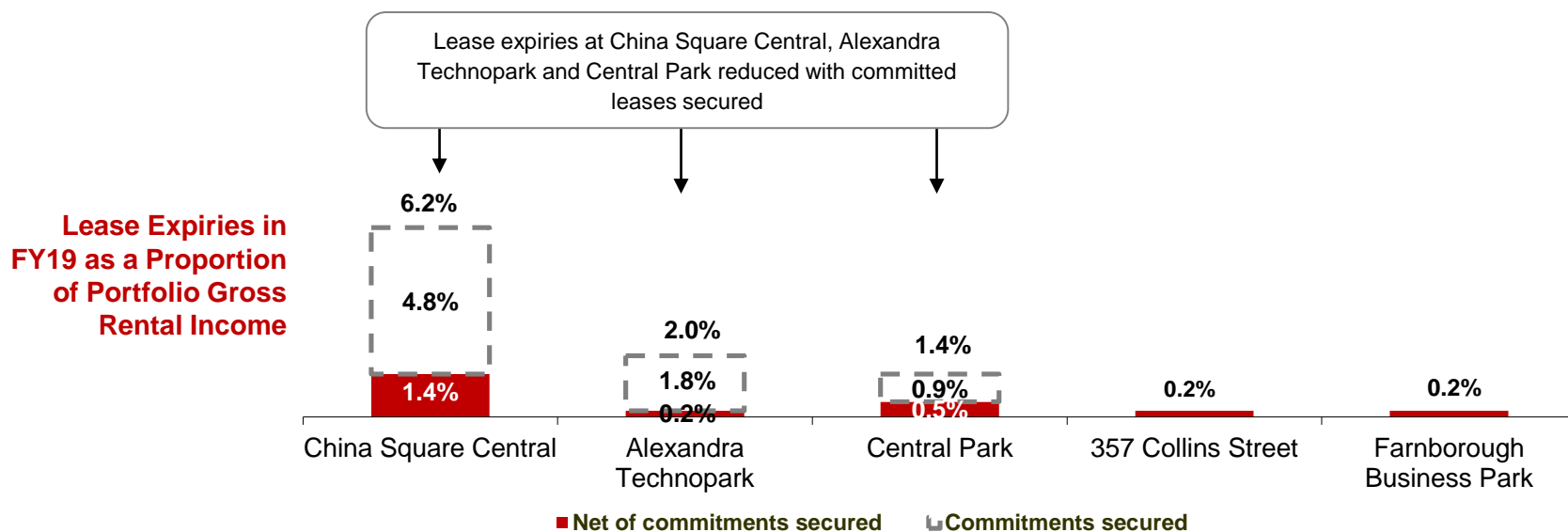
Number of leases expiring	36	43	45	29	91
NLA (sq ft) expiring	174,750	350,113	265,061	169,029	1,207,173
Expiries as % total NLA	6.2%	12.5%	9.4%	6.0%	42.9%
Expiries as % total Gross Rental Income	10.0%	16.6%	12.9%	8.0%	52.5%

Data as at 31 March 2019. Exclude lease incentives and retail turnover rents, if any. For Farnborough Business Park, reimbursements of rent free 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) are included.

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 31 March 2019

Number of leases expiring ¹	7 (office) 2 (retail)	1	3 (retail)	1 (office)	5
Average passing rents for expiring leases (excluding those with forward commitments secured) ²	S\$6.42 (office) S\$5.36 (retail)	S\$3.90	A\$991 (retail)	A\$605 (office)	£22.7

1. Adjusted for forward commitments secured.

2. 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.

Portfolio Review *Leasing activities*

◆ Selected new/renewed leases committed in 2QFY19:

Tenant	Industry	Property
Grasshopper Pte Ltd ¹	Financial services	China Square Central
Elitaire Law LLP ¹	Legal	China Square Central
Reps Holdings Pte Ltd	Insurance	China Square Central
Gravitea	Food & beverage	China Square Central
Ichikokudo Hokkaido Ramen	Food & beverage	China Square Central
Harry's Bar	Food & beverage	China Square Central
Ground Zero	Fitness	China Square Central
WeWork	Consultancy/ business services	Central Park
IOOF Service Co Pty Ltd ¹	Financial services	Central Park

◆ Selected new/renewed leases commenced in 2QFY19:

Tenant	Industry	Property	Tenant	Industry	Property
Zuse Holdings Pte Ltd	Engineering	Alexandra Technopark	Omron Asia Pacific Pte Ltd ¹	Electronics	Alexandra Technopark
Power Automation Pte Ltd	Consultancy/ business services	Alexandra Technopark	Analytical Systems Pty Ltd	IT products & services	357 Collins Street
SAP Asia Pte Ltd ¹	IT products & services	Alexandra Technopark	Fresh Fulham Place Melbourne Pty Ltd	Food & beverage	357 Collins Street

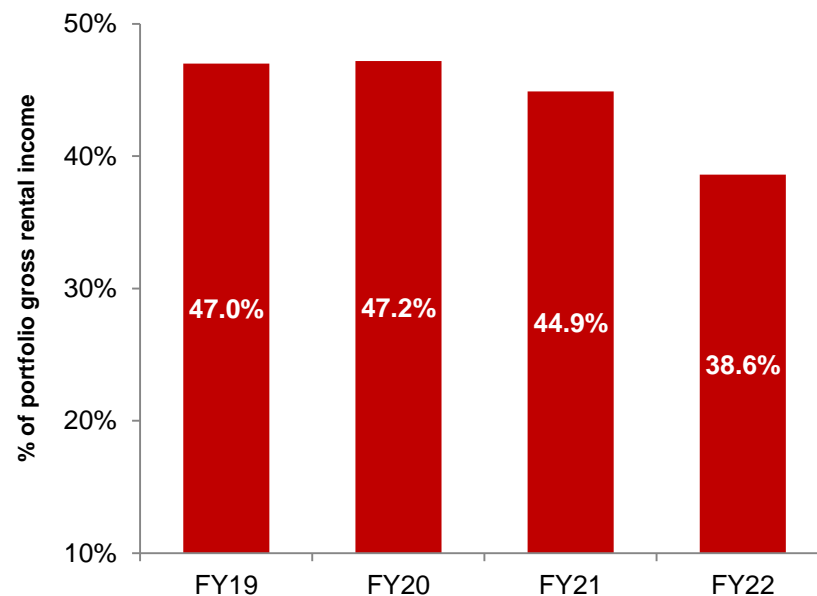
1. Renewed leases.

Portfolio Review *Step-up rents*

47% of FY19 leases by gross rental income incorporate rents escalations

Property	Leases	Average step-up	GROSS RENTAL INCOME ¹	
			% 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 escalations²



Weighted average fixed step-ups	2.6%	2.7%	2.5%	2.4%
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1. Excludes lease incentives and turnover rent, if any.

2. Based on leases as at 30 September 2018.

Portfolio Review *Top-10 tenants*

- ◆ Diversified tenant base
- ◆ Top-10 tenants contributed 52% of portfolio gross rental income with a WALE of 5.8¹ years as at 31 March 2019

Top 10 tenants by gross rental income (as at 31 March 2019)

Tenant	Property	Sector	Lease Expiry	% Gross Rental Income ²
Commonwealth of Australia	Caroline Chisholm Centre	Government	Jul-25	16.5%
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	3.6%
Service Stream Ltd	357 Collins Street	Multimedia & telecommunications	Dec-19 ³ / Dec-24	3.5%
Microsoft Operations Pte Ltd	Alexandra Technopark	IT products & services	Jan-20 ⁴	3.1%
Fluor Limited	Farnborough Business Park	Engineering	May-19 ⁵ / Jun-25	3.0%
Suntory Beverage & Food Asia Pte Ltd	China Square Central	Food & beverage	May-20	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				51.8%



Australian Government

groupm

SUNTORY
SUNTORY BEVERAGE & FOOD

Microsoft

Commonwealth Bank

FLUOR NOKIA

servicestream
ESSENTIAL NETWORK SERVICES

OLYMPUS

RioTinto

1. The WALB (after accounting for rights to break) is 5.5 years.
2. Excludes lease incentives and retail turnover rents, if any. For Farnborough Business Park, reimbursements of rent free 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), are included.
3. Constitutes 0.3% of portfolio gross rental income.
4. During 2QFY19 tenant exercise its right to reduced lease tenure by two years to Jan 2020.
5. Constitutes 0.1% of portfolio gross rental income.

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 29.1% provides financial flexibility to pursue investment opportunities

Capital Recycling through Strategic Divestments

- ◆ To improve portfolio quality and long-term performance
- ◆ To recycle capital for other 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

1. Net of transaction expenses and fees.

Alexandra Technopark AEI fully completed

- ◆ \$45 million AEI fully completed
- ◆ 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



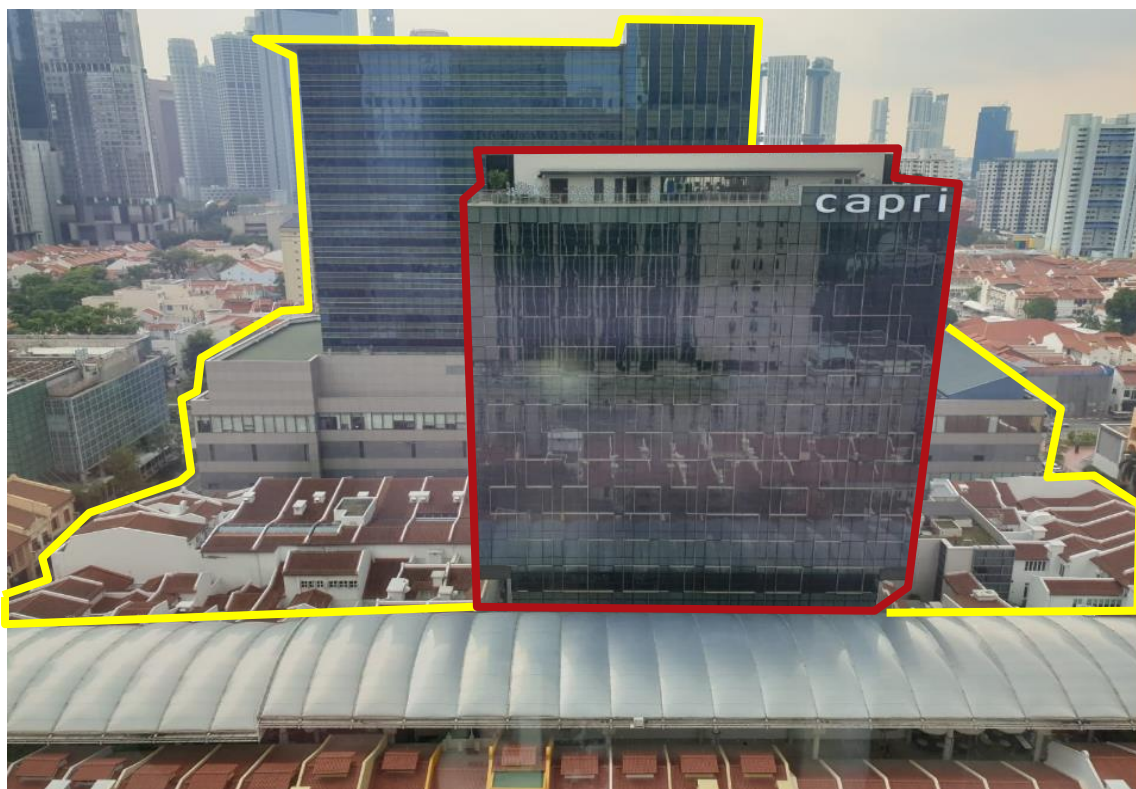
Alexandra Technopark *A contemporary Business Campus*

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



China Square Central *New hotel to enhance vibrancy*

- ◆ New 16-storey Hotel¹ at China Square Central (“CSC”) obtained Temporary Occupation Permit
- ◆ The 304-room Capri by Fraser, China Square hotel is expected to commence operations in 2Q 2019 and will bring increased activity and vibrancy to CSC and benefit retail tenants



China Square Central

Capri by Fraser, China Square

1. Undertaken and 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 half of NLA pre-committed to-date
- ◆ JustCo to occupy the entire 2nd level of the retail podium and certain adjoining spaces



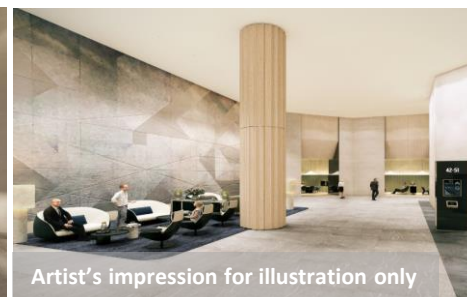
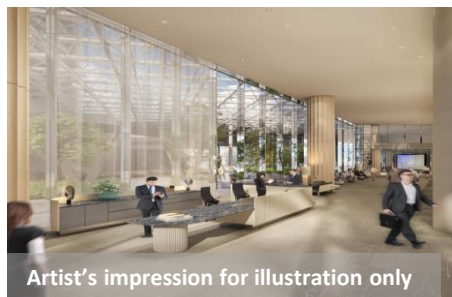
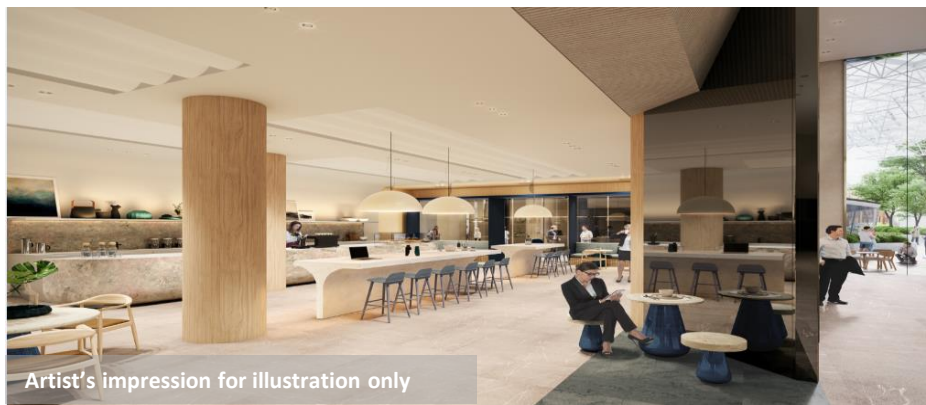
1. Based on provisional scheme and may be subject to change.

Central Park *Enhancing experience and functionality*

- ◆ Plans for 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 are currently expected to commence in 2Q 2019 and 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*



Appendix: Asset Details and Market Overview

Portfolio Update *Singapore assets*

China Square Central – healthy occupancy



Alexandra Technopark – rejuvenation and repositioning fully completed



Occupancy	95.3% ^{1,2} (office tower: 96.8% ^{1,2})	59.2% ²
WALE	1.7 years	2.1 years
WALB	1.7 years	2.0 years
Recent new leases and renewals (selected)	Grasshopper Pte Ltd, Elitaire Law LLP, Reps Holdings Pte Ltd, Vincent Lim & Associates LLC, Gravitea Private Limited, Ichikokudo Hokkaido Ramen, Harry's Bar, Ground Zero	Zuse Holdings Pte Ltd, Power Automation Pte Ltd, SAP Asia Pte Ltd, Omron Asia Pacific Pte Ltd

Tenants (selected)



Data as at 31 March 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 31 March 2019.

Portfolio Update *Australia assets*

**Central Park –
long WALE of 7.7 years¹**



**Caroline Chisholm Centre –
fully occupied with long WALE
of 6.3 years**



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



Occupancy	83.5% ¹	100.0%	97.3%
WALE	7.7 years	6.3 years	3.1 years
WALB	7.6 years	6.3 years	3.1 years
Recent new leases and renewals (selected)	WeWork, IOOF Service Co Pty Ltd	Property occupied until July 2025 by a single tenant, the Commonwealth of Australia (AAA rated ²)	Analytical Systems Pty Ltd, Fresh Fulham Place Melbourne Pty Ltd

Tenants (selected)



Data as at 31 March 2019.

1. Committed occupancy as at 31 March 2019.
2. Based on Standard and Poor's rating in September 2018.

Portfolio Update *United Kingdom asset*

**Farnborough Business Park –
long WALE and healthy
occupancy**



Occupancy	98.0% ¹
WALE	7.3 years ²
WALB	5.3 years ²
Recent new leases and renewals (selected)	-
Tenants (selected)	

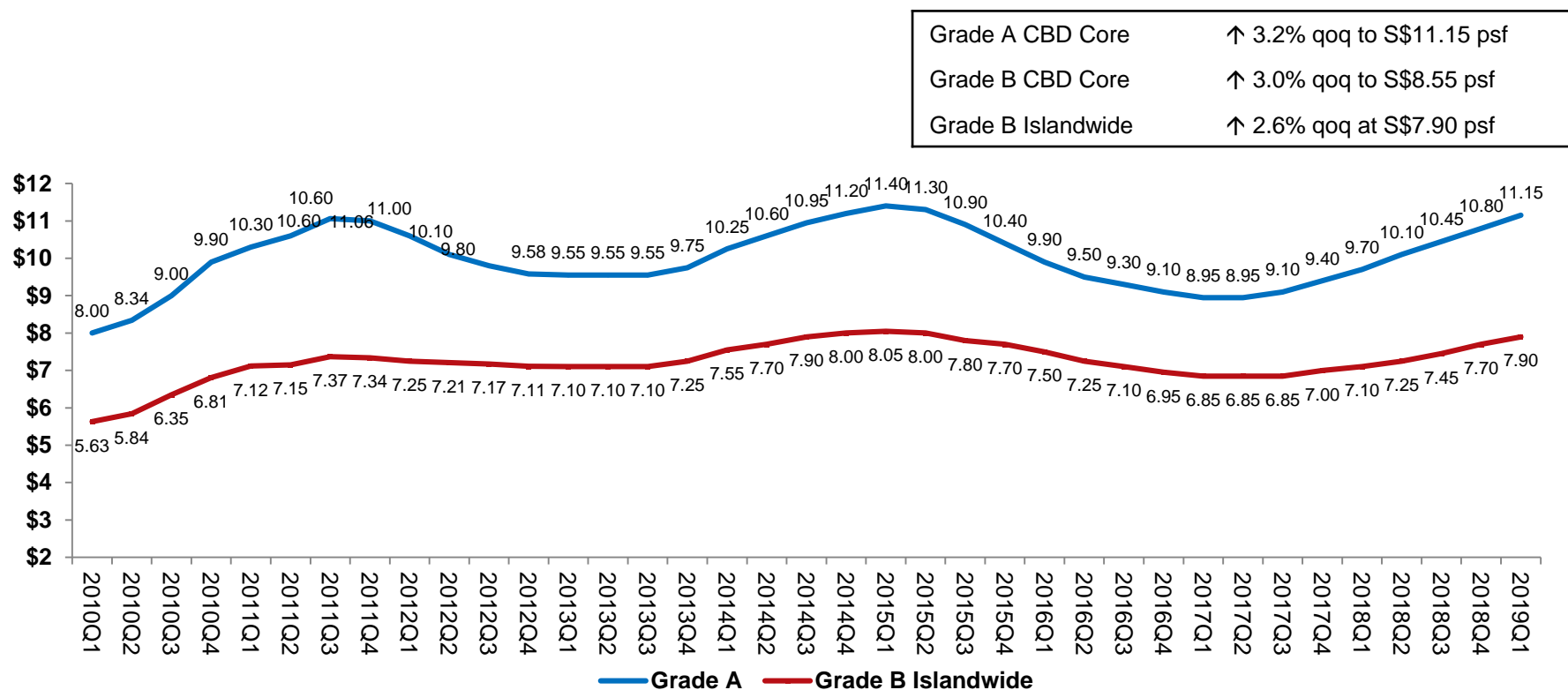
Data as at 31 March 2019.

1. After adjusting for leases for which the tenants have exercised their rights to break.
2. 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).

Singapore office rents

- ◆ General outlook for the office market is positive

Singapore Grade A and Grade B office rents¹

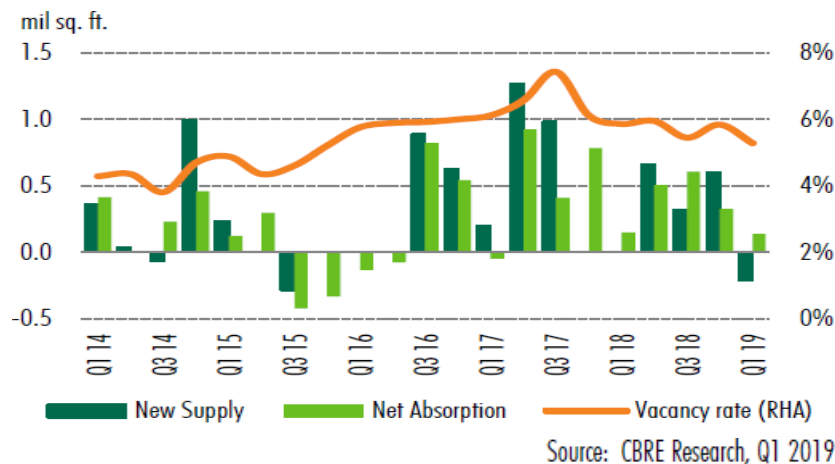


Source: CBRE Research

1. CBRE, Singapore Market View, Q1 2019

Demand, supply and outlook for Singapore CBD office market

Office supply-demand dynamics¹



Office vacancy rates¹

	Q1 19	Q-o-q	Y-o-y
Islandwide	5.3%	-56 bps	-58 bps
Core CBD	4.6%	-60 bps	-136 bps
Fringe CBD	5.4%	-31 bps	-104 bps
Decentralised	6.7%	-73 bps	166 bps
Grade A (Core CBD)	4.8%	-31 bps	-106 bps

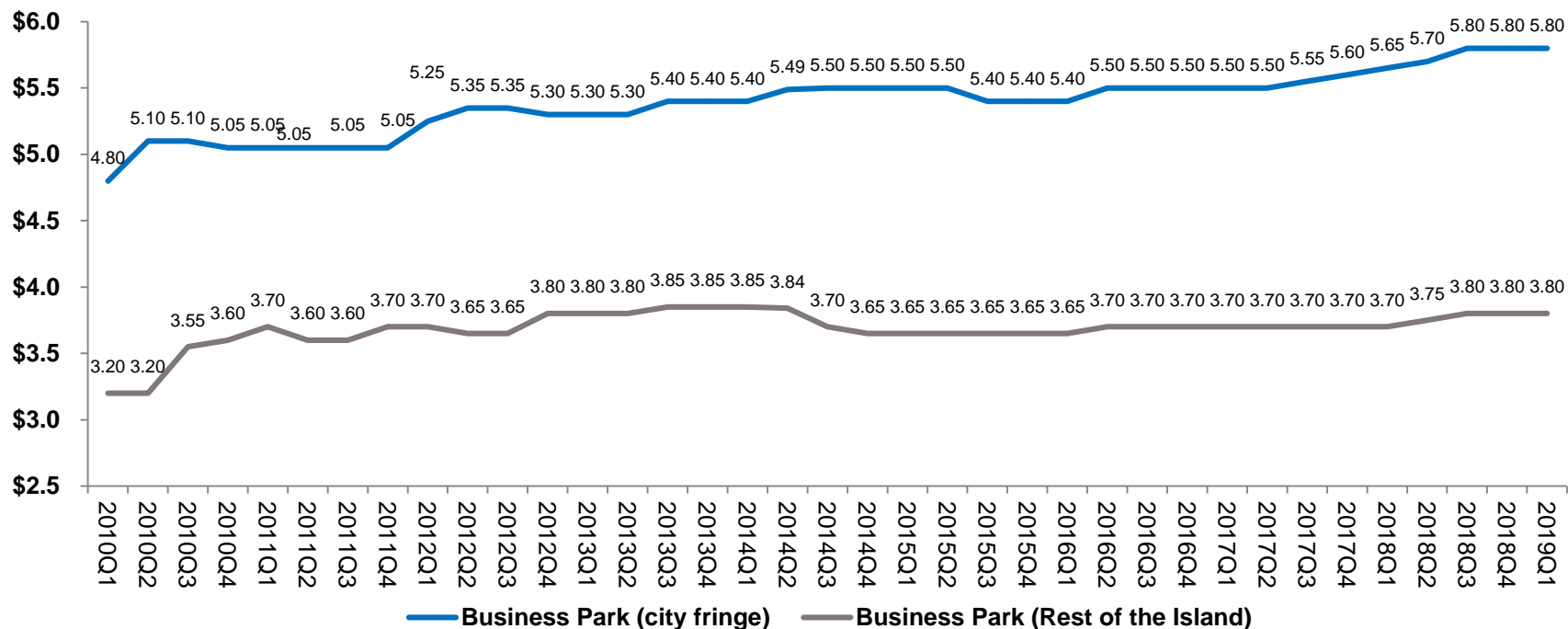
Source: CBRE Research, Q1 2019

- ◆ CBRE reported that the overall market continued to look robust with tightening vacancy, healthy absorption levels and increasing rents
- ◆ Island-wide office vacancy rate reduced to 5.3% as at March 2019 compared to 5.8% as at December 2018
- ◆ Tenant demand was mainly driven by the technology sector and co-working space operators, while the majority of leasing activities comprised of small and medium sized transactions
- ◆ According to CBRE, the positive outlook for rents is supported by the tapering new supply in the medium term
- ◆ CBRE also expects a potential medium-term reduction in the existing supply due to redevelopment activities.

Singapore business park rents¹

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

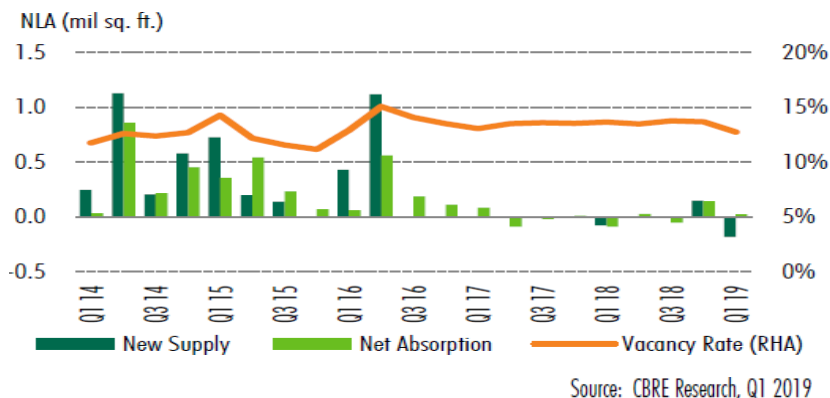
Singapore Business Park (city fringe) rents²



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, Q1 2019

Demand, supply and outlook for Singapore business park market¹

Business park supply-demand dynamics²



- ◆ Island-wide vacancy decreased from 13.7% as at December 2018 to 12.8% as at March 2019, partly due to a decrease in stock
- ◆ Net absorption was weak given the limited availability of quality space
- ◆ According to CBRE, the outlook for business park space in the city fringe remains positive

Business park future pipeline²

	City Fringe	Rest of Island	Total
2019	-	0.24 mil	0.24 mil
2020	0.53 mil	0.73 mil	1.26 mil
2021	-	0.59 mil	0.59 mil
2022	0.18 mil	-	0.18 mil

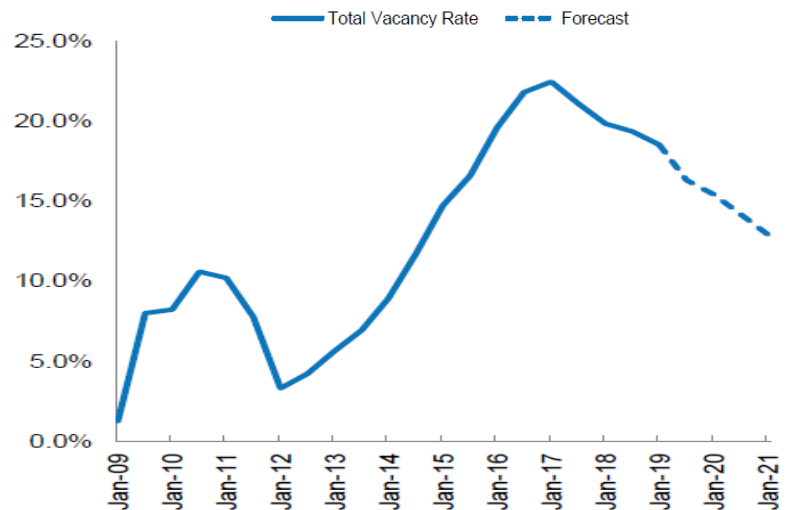
Source: CBRE Research, Q1 2019

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, Q1 2019

Perth CBD office supply and rents

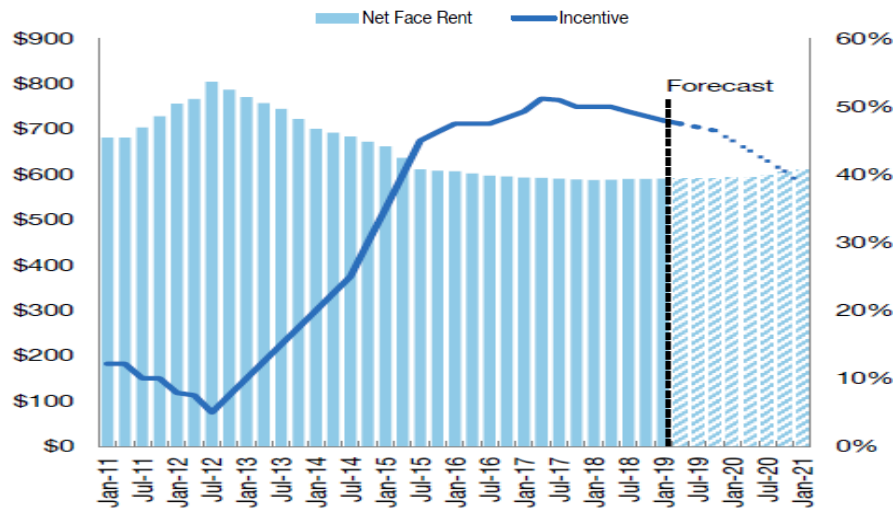
- ◆ Improving business sentiment in Western Australia's economy continued to benefit Premium Grade and A Grade CBD office segments
- ◆ Total market vacancy reduced from 19.8% in January 2018 to 18.5% in January 2019
- ◆ Prime Grade average net face rent was A\$540 to A\$640 per sqm per annum as at January 2019, with average lease incentives between 40% and 50%
- ◆ Knight Frank expects Prime Grade net effective rents to continue growing as the level of incentives decline

Perth CBD office vacancy (%)



Source: Knight Frank Research/PCA

Perth CBD office face rents (A\$ psm pa) and incentives (%)

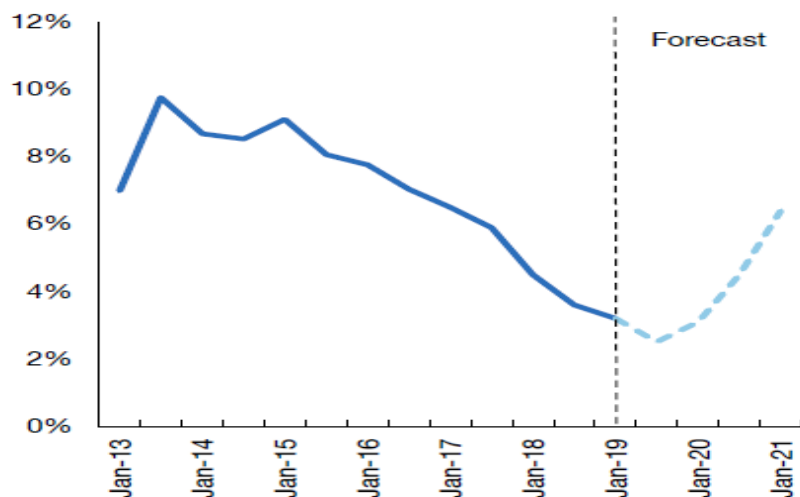


Source: Knight Frank Research

Melbourne CBD office supply and rents

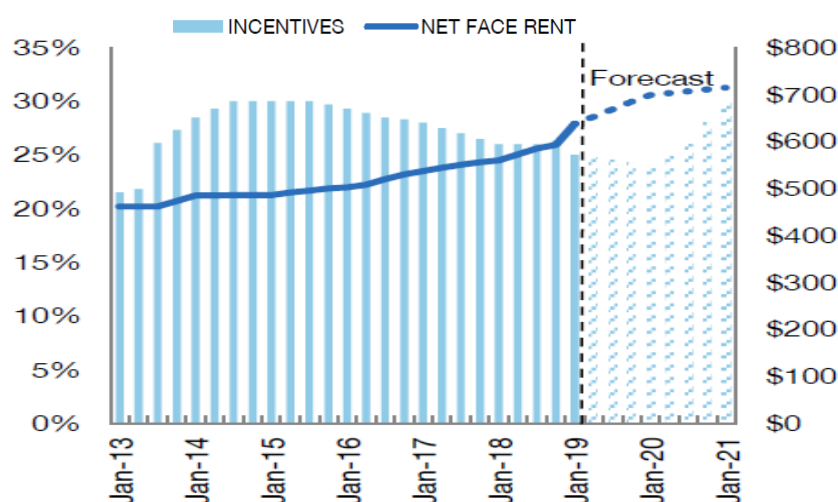
- ◆ Melbourne CBD office market continued to be strong, on the back of strong economic performance in the state of Victoria and rising demand for flexible working space
- ◆ Market vacancy reduced from 4.5% in January 2018 to 3.2% in January 2019, the lowest level recorded in ten years
- ◆ Prime Grade office average net face rent was A\$638 per sqm per annum as at January 2019, with lease incentives between 22% to 28%
- ◆ Knight Frank projects net face rents to rise by 9.0% in 2019

Melbourne CBD office vacancy rate (%)



Source: Knight Frank Research

Melbourne CBD Prime Grade office incentives (%) and net face rents (A\$ psm pa)

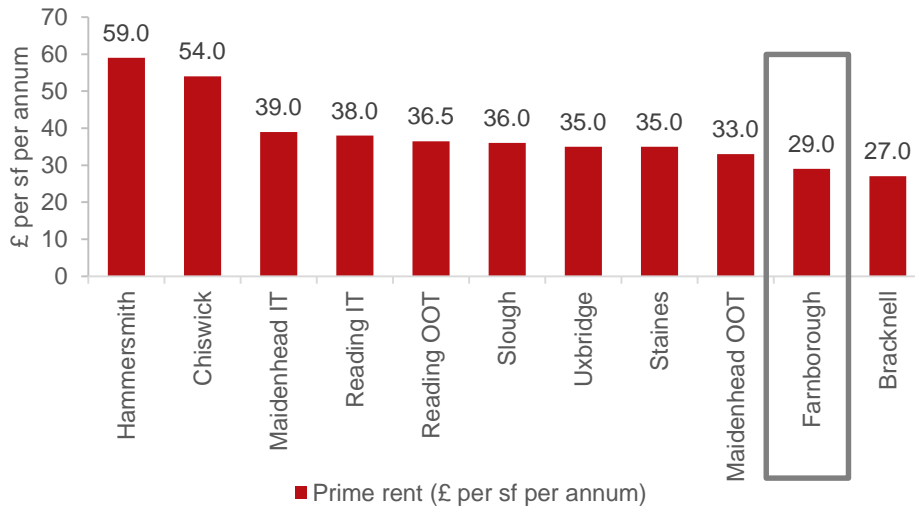


Source: Knight Frank Research

Thames Valley office supply and rents

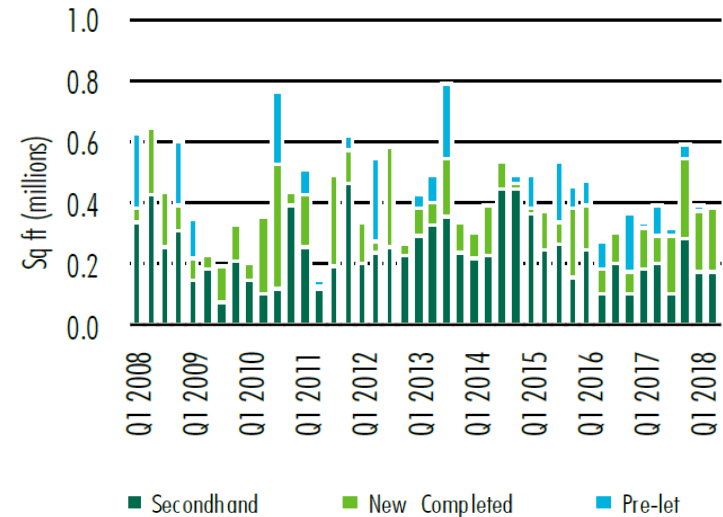
- ◆ Rents generally remained stable in 2018, with prime office rents in the majority of locations achieving all-time highs
- ◆ For the Farnborough area, the indicative prime office headline rent was £29.0 psf per annum as at December 2018, while lease incentives were generally around 17.5% (for typical 10-year lease terms)
- ◆ CBRE Research forecasts rents in the Farnborough area to increase and incentives to remain stable in the next twelve months

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



Source: CBRE Research, Q4 2018

Thames Valley take up, Q4 2018



Source: CBRE Research, Q4 2018

Appendix: Sustainability

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.**



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