FRASERS COMMERCIAL TRUST
FINANCIAL STATEMENTS ANNOUNCEMENT
FOR THE QUARTER ENDED 31 DECEMBER 2014

FRASERS COMMERCIAL TRUST ("FCOT" or the "Trust") is a real estate investment trust established under a Trust Deed dated 12 September 2005 (as restated, amended and supplemented) entered into between Frasers Centrepoint Asset Management (Commercial) Ltd (as manager of FCOT) (the "Manager") and British and Malayan Trustees Limited (as trustee of FCOT) (the "Trustee").

The principal activities of FCOT and its subsidiaries (the "Group") are those relating to investment in a portfolio of commercial real estate and real estate related assets with the primary objective of delivering regular and stable distributions to Unitholders, and to achieve long-term growth in such distributions and the net asset value per Ordinary Unit of FCOT ("Unit").

The property portfolio of FCOT as at 31 December 2014 consists of five properties as follows:-

Singapore
100.0% direct interests in China Square Central ("China Square Central") and 55 Market Street ("55 Market Street"), both located in the Singapore central business district and in Alexandra Technopark ("ATP") located at 438A/438B Alexandra Road, Singapore.

Australia
50.0% indirect interest in Central Park located in Perth, Australia ("Central Park") and 100.0% indirect interest in Caroline Chisholm Centre located in Canberra, Australia ("Caroline Chisholm Centre").

SUMMARY OF CONSOLIDATED RESULTS OF FCOT AND ITS SUBSIDIARIES
- 1 October 2014 to 31 December 2014 ("1Q2015") vs 1 October 2013 to 31 December 2013 ("1Q2014")

	Group		
	1/10/2014 to 31/12/2014	1/10/2013 to 31/12/2013	Change
	S$'000	S$'000	%
Gross revenue	35,459	28,769	23%
Net property income	25,444	22,126	15%
Total return for the period	15,373	12,309	25%
Income available for distribution to Unitholders and Series A Convertible Perpetual Preferred Unit ("CPPU") holders	16,712	13,718	22%
Less: Distribution to CPPU holders	-	15	NM
Distribution to Unitholders	16,712	13,703	22%
Income available for distribution per CPPU / Unit (cents)			
Unitholders			
For the period	2.46	2.05	20%
Annualised	9.76	8.13	20%
CPPU Holders			
For the period	-	1.39	NM
Annualised	-	5.50	NM

NM - Not meaningful

Footnotes:
(1) The number of Units used to calculate the amount available for distribution per Unit ("DPU") is 679,136,788. Please see Section 1(d)(ii) for the details of changes in the number of Units.

1(a) Consolidated Statement of Total Return together with a comparative statement for the corresponding period of the immediately preceding financial year

	Group		
	1/10/2014 to 31/12/2014	1/10/2013 to 31/12/2013	Change
	S$'000	S$'000	%
Gross revenue [1]	35,459	28,769	23%
Property operating expenses [2]	(10,015)	(6,643)	51%
Net property income [3]	**25,444**	**22,126**	15%
Interest income	103	70	47%
Manager's management fees	(3,075)	(2,945)	4%
Trust expenses	(404)	(458)	(12%)
Finance costs [4]	(5,053)	(5,020)	1%
Net income before foreign exchange differences, fair value changes and taxation	**17,015**	**13,773**	24%
Foreign exchange loss	(1,055)	(669)	58%
Net change in fair value of investment properties [5]	(87)	(439)	(80%)
Net change in fair value of derivative financial instruments	319	893	(64%)
Realised gain on derivative financial instruments[6]	297	101	194%
Total return before tax	**16,489**	**13,659**	21%
Taxation	(1,116)	(1,350)	(17%)
Total return for the period	**15,373**	**12,309**	25%

Reconciliation of Total Return for the Period to Income Available for Distribution

	Group		
	1/10/2014 to 31/12/2014	1/10/2013 to 31/12/2013	Change
	S$'000	S$'000	%
Total return for the period	**15,373**	**12,309**	25%
Non-tax deductible / (non-taxable) items and other adjustments:			
Management fees paid / payable in Units	-	736	NM
Trustees' fees	144	140	3%
Amortisation of borrowing costs	400	274	46%
Net change in fair value of investment properties	87	439	(80%)
Net change in fair value of derivative financial instruments	(319)	(893)	(64%)
Deferred taxation	339	351	(3%)
Unrealised exchange loss	1,185	889	33%
Effects of recognising accounting income on a straight line basis over the lease term	(119)	(452)	(74%)
Other non tax deductible items and temporary differences	(378)	(75)	404%
Net effect of non-tax deductible / (non-taxable) items and other adjustments	**1,339**	**1,409**	(5%)
Income available for distribution to Unitholders and CPPU holders	**16,712**	**13,718**	22%
Income available for distribution attributable to:			
- Unitholders [7]	16,712	13,703	22%
- CPPU holders [8]	-	15	NM
	16,712	**13,703**	22%
Unitholders' distribution comprise:			
- from operations	16,462	13,203	25%
- from capital returns [9]	250	500	(50%)
	16,712	**13,703**	22%

NM - Not meaningful

Footnotes:

(1) Gross revenue includes base rental income, car park income, service charges (payable by the tenants towards property expenses of the properties such as air-conditioning, utility charges and cleaning charges), public car park revenue and turnover rent. The composition of gross revenue by property is as follows:

	Group		
	1/10/2014 to 31/12/2014	1/10/2013 to 31/12/2013	Change
	S$'000	S$'000	%
China Square Central	7,882	7,448	6%
55 Market Street	1,509	1,334	13%
Alexandra Technopark	12,498	5,500	127%
Central Park	7,816	8,518	(8%)
Caroline Chisholm Centre	5,754	5,969	(4%)
	35,459	**28,769**	23%

The increase in gross revenue from Alexandra Technopark was due to revenue recognised from the leases with the underlying tenants following the expiry of the master lease on 25 August 2014.

(2) The composition of the property operating expenses by major items is as follows:-

	Group		
	1/10/2014 to 31/12/2014	1/10/2013 to 31/12/2013	Change
	S$'000	S$'000	%
Property maintenance expenses	2,792	1,762	58%
Property management fees	657	428	54%
Property tax	1,910	872	119%
Utilities	2,613	1,580	65%
Professional fees	792	823	(4%)
Insurance	123	91	35%
Council rates	350	397	(12%)
Amortisation of leasing commission	162	140	16%
Other operating expenses	616	550	12%
	10,015	**6,643**	51%

The overall increase in property expenses was mainly attributable to recognition of expenses for Alexandra Technopark following the expiry of the master lease on 25 August 2014.

(3) The composition of the net property income by property is as follows:-

	Group		
	1/10/2014 to 31/12/2014	1/10/2013 to 31/12/2013	Change
	S$'000	S$'000	%
China Square Central	5,142	4,774	8%
55 Market Street	1,067	928	15%
Alexandra Technopark	8,855	5,329	66%
Central Park	5,601	6,065	(8%)
Caroline Chisholm Centre	4,779	5,030	(5%)
	25,444	**22,126**	15%

Footnotes:

(4) The composition of finance costs is as follows:-

	Group		
	1/10/2014 to 31/12/2014	1/10/2013 to 31/12/2013	Change
	S$'000	S$'000	%
Interest expense	4,653	4,746	(2%)
Amortisation of borrowing costs	400	274	46%
	5,053	**5,020**	1%

(5) The net change in fair value of investment properties in 1Q2015 and 1Q2014 was related to the adjustment of the changes in carrying value of the investment properties during the respective periods. The changes in the carrying value of the investment properties mainly arose from the recognition of rental income on a straight-line basis in accordance with the Singapore Financial Reporting Standards and the increase in leasing fees capitalised, net of amortisation.

(6) Included in the realised gain on derivative financial instruments are the following:

	Group		
	1/10/2014 to 31/12/2014	1/10/2013 to 31/12/2013	Change
	S$'000	S$'000	%
Loss arising from termination of interest rate swap	(73)	-	NM
Gain arising from realisation of foreign currency forward contracts	370	101	266%
	297	**101**	194%

NM - Not meaningful

(7) FCOT's distribution policy is to distribute at least 90% of its taxable income to the Unitholders.

(8) Each Series A CPPUs shall entitle the Series A CPPU holders to receive a distribution of an amount equivalent to 5.50% per annum of the issue price of S$1.00 each of Series A CPPU. There are no CPPUs outstanding subsequent to the conversion of 80,750 CPPUs on 1 October 2014.

(9) Unitholders' distribution from capital returns relates to the distribution available to Unitholders arising from the capital reduction of a subsidiary to distribute earnings trapped due to non-cash items.

1(b)(i) Statements of Financial Position, together with the comparative statements as at the end of the immediately preceding financial year

	Group		Trust	
	31/12/2014	30/9/2014	31/12/2014	30/9/2014
	S$'000	S$'000	S$'000	S$'000
Non-current assets				
Investment properties [1]	1,795,788	1,824,870	1,216,245	1,216,200
Subsidiaries	-	-	165,745	165,745
Loan to a subsidiary	-	-	94,135	98,990
Fixed assets	70	71	70	71
	1,795,858	**1,824,941**	**1,476,195**	**1,481,006**
Current assets				
Trade and other receivables	9,376	8,884	110,680	114,887
Derivative financial instruments [2]	2,464	631	2,464	631
Cash and bank balances	47,918	47,372	44,831	41,929
	59,758	**56,887**	**157,975**	**157,447**
Total assets	**1,855,616**	**1,881,828**	**1,634,170**	**1,638,453**
Current liabilities				
Trade and other payables [3]	(18,184)	(21,702)	(45,992)	(46,957)
Current portion of security deposits	(3,502)	(2,668)	(3,502)	(2,668)
Derivative financial instruments [2]	(1,572)	(1,167)	(70)	(479)
Provision for taxation [4]	(1,235)	(592)	-	-
	(24,493)	**(26,129)**	**(49,564)**	**(50,104)**
Net current assets	**35,265**	**30,758**	**108,411**	**107,343**
Non-current liabilities				
Borrowings (net of transaction costs) [5]	(685,028)	(692,105)	(540,248)	(539,948)
Non-current portion of security deposits	(9,649)	(9,921)	(9,649)	(9,921)
Deferred tax liabilities [6]	(59,553)	(62,277)	-	-
	(754,230)	**(764,303)**	**(549,897)**	**(549,869)**
Total liabilities	**(778,723)**	**(790,432)**	**(599,461)**	**(599,973)**
Net assets	**1,076,893**	**1,091,396**	**1,034,709**	**1,038,480**
Represented by:				
Unitholders' funds [7]	1,076,893	1,091,315	1,034,709	1,038,399
CPPU holders' funds [8]	-	81	-	81
	1,076,893	**1,091,396**	**1,034,709**	**1,038,480**

Footnotes:

(1) The investment properties were valued at their fair values based on independent valuations as at 30 September 2014 and subsequently adjusted for capital expenditure. As at 31 December 2014, the carrying amounts of the investment properties approximated their fair values.

The decrease in investment properties was mainly due to the weakening of the Australian Dollar as at 31 December 2014 as compared to 30 September 2014, which was partially offset by capital expenditure during the period.

(2) Derivative financial instruments relate to fair values of interest rate derivative financial instruments entered into in respect of FCOT's borrowings and foreign currency forward contracts.

(3) The decrease in trade and other payables was mainly due to lower advanced income receipts, coupled with effects of the weakening of the Australian dollar.

(4) The increase in provision for tax was mainly attributable to tax provision for the current financial quarter.

(5) The decrease in total borrowings was mainly due to the effects of the weakening of the Australian dollar on the Australian Dollar denominated borrowings.

(6) Deferred tax is provided for in respect of the potential capital gains arising from the changes in fair value of the Australian properties. The decrease in deferred tax was mainly due to weakening of Australian dollar.

(7) The decrease in Unitholders' funds was mainly due to the effects of the weakening of Australian dollar on the net assets attributable to the Australia operations.

(8) The decrease in CPPU holders' funds was due to the conversion of 80,750 CPPUs into Units on 1 October 2014.

1(b)(ii) Aggregate amount of borrowings and debt securities

Amount repayable in one year or less, or on demand

Group			
As at 31/12/2014		As at 30/9/2014	
Secured S$'000	Unsecured S$'000	Secured S$'000	Unsecured S$'000
-	-	-	-

Amount repayable after one year

Group			
As at 31/12/2014		As at 30/9/2014	
Secured S$'000	Unsecured S$'000	Secured S$'000	Unsecured S$'000
-	691,057	-	698,590

Details of any collateral

All term loan facilities as at 31 December 2014 are unsecured.

1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

	Group	
	1/10/2014 to 31/12/2014	1/10/2013 to 31/12/2013
	S$'000	S$'000
Operating activities:		
Total return before income tax	16,489	13,659
Adjustments for:-		
Finance costs	5,053	5,020
Effect of recognising accounting income on a straight-line basis over the lease term	(119)	(452)
Depreciation	6	5
Amortisation of leasing commission	162	140
Interest income	(103)	(70)
Management fees paid / payable in Units	-	736
Net change in fair value of derivative financial instruments	(319)	(893)
Net change in fair value of investment properties	87	439
Realised gain on derivative financial instruments	(297)	(101)
Operating income before working capital changes	**20,959**	**18,483**
Changes in working capital:-		
Trade and other receivables	(493)	(1,704)
Trade and other payables	(2,669)	(3,092)
Cash generated from operations	**17,797**	**13,687**
Tax paid	(89)	(709)
Net cash generated from operating activities	**17,708**	**12,978**
Investing activities:		
Capital expenditure on investment properties and fixed assets	(789)	(1,271)
Payment for leasing costs capitalised	(130)	(128)
Purchase of fixed assets	(5)	(3)
Interest received	105	71
Net cash used in investing activities	**(819)**	**(1,331)**
Financing activities:		
Realisation of derivative financial instruments	297	101
Finance costs paid	(4,627)	(4,739)
Issue costs paid	(77)	-
Distributions paid	(11,671) [1]	(13,855)
Net cash used in financing activities	**(16,078)**	**(18,493)**
Net increase/(decrease) in cash and cash equivalents	**811**	**(6,846)**
Cash and cash equivalents at beginning of period	47,372	42,539
Effect of exchange rate changes	(265)	(203)
Cash and cash equivalents at end of period [2]	**47,918**	**35,490**

Footnotes

(1) These amounts represent the cash component of the distributions paid and exclude an aggregate amount of S$3.4 million for 4Q'2014 paid by way of issuance of Units, pursuant to the Distribution Reinvestment Plan implemented.

(2) For purposes of the consolidated Cash Flow Statement, the consolidated cash and cash equivalents comprised the following:

	Group	
	31/12/2014	31/12/2013
	S$'000	S$'000
Bank and cash balances	41,381	26,387
Fixed deposits	6,537	9,103
Cash and cash equivalents	47,918	35,490

1(d)(i) Statements of movements in Unitholders' Funds

	Group		Trust	
	1/10/2014 to 31/12/2014	1/10/2013 to 31/12/2013	1/10/2014 to 31/12/2014	1/10/2013 to 31/12/2013
	S$'000	S$'000	S$'000	S$'000
Balance at beginning of period	**1,091,315**	**1,049,236**	**1,038,399**	**944,829**
Operations				
Change in net assets attributable to Unitholders resulting from operations	**15,373**	**12,309**	**5,514**	**3,093**
Unitholders' transactions				
Issue of Units - management fees	-	1,930	-	1,930
Issue of Units - Distribution Reinvestment Plan	3,314	-	3,314	-
Issue expenses	(77)	-	(77)	-
Conversion of CPPUs to Units	80	11,102	80	11,102
Distributions to Unitholders	(14,985)	(13,686)	(14,985)	(13,686)
Distributions to CPPU holders	-	(15)	-	(15)
Change in Unitholders' funds resulting from Unitholders' transactions	**(11,668)**	**(669)**	**(11,668)**	**(669)**
Foreign currency translation reserve				
Movement for the period	(19,215)	(17,814)	-	-
	(19,215)	**(17,814)**	**-**	**-**
Hedging reserve				
Net fair value changes on derivative financial instruments	1,088	-	2,464	-
	1,088	**-**	**2,464**	**-**
Balance at end of period	**1,076,893**	**1,043,062**	**1,034,709**	**947,253**

1(d)(ii) Details of any changes in Units

	1/10/2014 to 31/12/2014	1/10/2013 to 31/12/2013
	Units	Units
Issued Units		
Balance at beginning of period	676,684,648	657,538,987
Issue of Units - management fees	-	1,539,732
Conversion of CPPUs to Units [(1)]	68,170	9,372,407
Issue of Units - Distribution Reinvestment Plan	2,383,970	-
Balance at end of period	679,136,788	668,451,126
Issued and issuable Units		
Issued Units at end of period	679,136,788	668,451,126
Management fees payable in Units [(2)]	-	586,569
	679,136,788	669,037,695
Conversion of CPPUs to Units [(3)]	-	695,243
Issued and issuable Units at end of period	679,136,788	669,732,938
Number of Units that may be issued on conversion of CPPUs outstanding as at the end of the period [(3)]	-	195,815

Footnotes:

(1) On 1 October 2013 and 1 October 2014, 11,101,787 CPPUs and 80,750 CPPUs were converted into 9,372,407 Units ("Conversion Units") and 68,170 Conversion Units respectively at a conversion price of S$1.1845. Any fractions of Conversion Units were disregarded.

(2) The management fees for 1Q2015 will be payable in cash.

(3) The CPPU holders have the right to convert the CPPUs into Units on specific conversion dates after a period of 3 years from the date of issue of the CPPUs on 26 August 2009 at a conversion price of S$1.1845. There are no CPPUs outstanding as at 31 December 2014 subsequent to the conversion of the remaining 80,750 CPPUs on 1 October 2014.

2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", or an equivalent standard)

These figures have not been audited nor reviewed by the auditors.

3. Where figures have been audited, or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable.

4. Whether the same accounting policies and methods of computation as in the company's most recently audited annual financial statements have been applied.

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with those of the financial year ended 30 September 2014.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Not applicable.

6. Consolidated Earnings per Unit ("EPU") and available for distribution per Unit ("DPU") for the financial period

	1/10/2014 to 31/12/2014	1/10/2013 to 31/12/2013
	S$'000	S$'000
Total return after taxation and before distribution	15,373	12,309
Income attributable to CPPU holders	-	(15)
Earnings attributable to Unitholders	15,373	12,294
EPU		
Basic EPU		
Weighted average number of Units in issue	677,633,850	668,049,457
Basic earnings per Unit (cents)[(1)]	2.27	1.84
Diluted EPU		
Weighted average number of Units	677,633,850	668,940,515 [(2)]
Basic earnings per Unit on a fully diluted basis (cents)	2.27	1.84
DPU		
Number of Units issued and issuable at end of period	679,136,788	669,732,938
Less: Number of Conversion Units	-	(695,243) [(3)]
Number of issued and issuable Units entitled to distribution	679,136,788	669,037,695
Distribution per Unit based on the total number of issued and issuable Units entitled to distribution (cents)	2.46	2.05

Footnotes:

(1) Basic earnings per Unit ("EPU") is computed using the earnings attributable to Unitholders and the weighted average number of Units during the period.

(2) In computing the diluted EPU for 1Q2014, the weighted average number of Units in issue is adjusted to take into account the conversion of the CPPUs at the conversion price of S$1.1845 per CPPU.

(3) The Conversion Units issued on 2 January 2014 are not entitled to any distributions to the Ordinary Unitholders in respect of 1Q2014.

7. Unitholders' funds per Unit based on issued and issuable Units at the end of the period

	Group		Trust	
	31/12/2014	30/9/2014	31/12/2014	30/9/2014
Unitholders' funds at end of period (S$'000)	1,076,893	1,091,315	1,034,709	1,038,399
Number of Units issued at the end of the period ('000)	679,137	676,685	679,137	676,685
Unitholders' funds per Unit (S$)	1.59	1.61	1.52	1.53
Adjusted Unitholders' funds per Unit (excluding distributable income) (S$)	1.56	1.59	1.50	1.51

8. Review of performance

Net property income for 1Q2015 was S$25.4 million, 15% higher than that of 1Q2014. The Singapore properties achieved higher net property income in 1Q2015 due to:-

- higher income contribution from the underlying leases of Alexandra Technopark following the expiry of the master lease in August 2014; and
- higher income contribution from China Square Central and 55 Market Street as a result of higher occupancy rates and higher rental rates.

The increase was partially reduced by the effects of the weakening Australian dollar on the income from Australian properties and lower occupancy rate for Central Park.

The net change in fair value of investment properties in 1Q2015 and 1Q2014 was related to the adjustment of the changes in carrying value of the investment properties during the respective periods. The changes in the carrying value of the investment properties mainly arose from the recognition of rental income on a straight-line basis in accordance with the Singapore Financial Reporting Standards and the increase in leasing fees capitalised, net of amortisation.

The net gain arising from fair value changes of derivative financial instruments in 1Q2015 and 1Q2014 was related to fair value change on forward foreign currency contracts and interest rate derivative financial instruments entered into in respect of the loans which were refinanced in September 2014.The fair value change on such instruments entered into during 1Q2015 in respect of the existing loans was recognised directly in Unitholders' funds following the adoption of hedge accounting.

Taxation expense in 1Q2015 comprised deferred tax of S$0.3 million provided on potential capital gains arising from the changes in fair value of Australian properties and taxation expenses for income in Australia.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

Not applicable.

10. Commentary on the competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next 12 months

Singapore

In the statements released on 25 November 2014 and 2 January 2015, the Ministry of Trade and Industry ("MTI") announced that the Singapore economy grew by 1.5% on a year-on-year ("yoy") basis in the fourth quarter of 2014, compared to 2.8% in the previous quarter. On a quarter-on-quarter ("qoq") seasonally-adjusted annualised basis, the economy expanded by 1.6%, slower than the 3.1% expansion in the previous quarter. For the whole of 2014, the economy is estimated to have grown by 2.8%. While global growth is expected to pick up modestly in 2015, the pace of recovery is likely to remain uneven across the economies. In tandem with the expected pick-up in external demand, externally-oriented sectors such as manufacturing, wholesale trade and finance and insurance are likely to provide support to growth. Barring the full materialisation of global downside risks, the Singapore economy is expected to grow by 2.0% to 4.0% in 2015.

CBRE[1] reported that average office rentals in Singapore for Grade A rent grew by 2.3% qoq to $11.20 per square feet ("psf") per month, Islandwide average Grade B rent grew by 1.3% qoq to $8.00 psf per month while average Grade B CBD Core rent grew 0.6% qoq to $8.55 psf per month. Total islandwide office net absorption for 2014 was 1.5 million square feet ("sf"), which is approximately in line with the 10-year market average of 1.1 million sf but 49.2% down from 2013's absorption level. However, many lease transactions have been driven more by upgrading or rent advantage rather than expansion. The market's performance has been underpinned by the tightness of available office space in the past year with islandwide vacancy rate still relatively low at 4.7%. The CBD core vacancy rate was 4.3%. Going forward, the market may still enjoy rental growth through the next twelve months with 1H 2015 likely to outperform 2H 2015.

CBRE[1] reported that average business park (city fringe) rentals were flat qoq at $5.50 psf per month. Demand remained resilient but not spectacular. Completed deals and enquiries stemmed mainly from the e-commerce, engineering and IT firms with quality and cost their main considerations. Vacancy rate increased from 11.6% to 11.7%. The outlook for business parks for 2015 remains positive although cautious. Demand is expected to grow at a fairly sedate pace due to economic uncertainties weighing down on the historically strong demand industries and stringent government regulations.

Australia

In the Statements on Monetary Policy Decision released in November and December 2014 by the Reserve Bank of Australia, cash rate remained unchanged at 2.5%. Most data are consistent with moderate growth in the economy. Resources sector investment spending is starting to decline significantly, while some other areas of private demand are seeing expansion, at varying rates. Public spending is scheduled to be subdued. Overall, growth is expected to be a little below trend for the next several quarters. The growth forecast for 2015 is expected to be 2.0% to 3.0%.

Savills Research[2] reported that Premium Grade net face rents as at September 2014 was A$715 to A$800 per square metre per annum. As at September 2014 incentives across all grades in the CBD were 25% to 30%, the highest level recorded since 2006. Office vacancy in the Perth CBD increased 2.8 percentage points over the first half of 2014 to 11.8% at July 2014 as a result of subdued tenant demand and a number of businesses re-evaluating their staffing and accommodation needs. All grades of office accommodation experienced an increase in vacant space over the six months, albeit with the lower grades experiencing the largest increases demonstrating the flight to quality that is resulting from the market turning in tenants favour. While vacancy seems high for Perth, it is only marginally higher than the national CBD vacancy rate of 10.7%. While leasing conditions in the Perth office market are undoubtedly restrained, continued strong market fundamentals such as high population growth and low unemployment ensure that the market will not head for a crash.

[1] CBRE, Singapore Market View, Q4 2014

[2] Savills Research, Spotlight Perth CBD Office, October 2014

11. Distributions

(a) Current financial period

Name of distribution
Distribution to Unitholders ("Unitholders' Distribution") for the period from 1 October 2014 to 31 December 2014

The Manager has determined that the Distribution Reinvestment Plan will apply to the distribution for the period from 1 October 2014 to 31 December 2014.

(b)(i) Distribution rate

	Unitholders' Distribution
	cents
Taxable income component	1.8460
Tax-exempt income component	0.5780
Capital component	0.0368
Total	**2.4608**

The Payment Date and Books Closure Date for the Unitholders' Distribution are stated in Section 11 (d) and (e) below.

(b)(ii) Corresponding period of preceding financial period

Unitholders' Distribution and CPPU Distribution for the period from 1 October 2013 to 31 December 2013

	Unitholders' Distribution	CPPU Holders' Distribution
	cents	cents
Taxable income component	1.2188	0.8562
Tax-exempt income component	0.7548	0.5301
Capital component	0.0747	0.0000
Total	**2.0483**	**1.3863**

(c) Tax rate

Taxable income distribution
Qualifying investors and individuals (other than those who hold their Units through a partnership) will generally receive pre-tax distributions. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from carrying on of a trade, business or profession.

Qualifying foreign non-individual investors will receive their distributions after deducting of tax at the rate of 10.0%. Other investors will receive their distributions after deduction of tax at the rate of 17.0%.

Tax exempt income distribution
Tax exempt income distribution is exempt from tax in the hands of all Unitholders.

(d) Date payable 27 February 2015

(e) Books closure date: 30 January 2015

12. If the Group has obtained a general mandate from unitholders for Interested Party Transactions ("IPT"), the aggregate value of such transactions are required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

There is no general mandate obtained from Unitholders for IPTs.

13. Directors' confirmation

Confirmation by Directors pursuant to clause 705(5) of the Listing Manual of SGX-ST

We confirm that to the best of our knowledge, nothing has come to the attention of the Board of Directors of FCAMC (as Manager of FCOT) which may render these interim financial results to be false or misleading, in any material aspect.

For and on behalf of the Board of Directors of Frasers Centrepoint Asset Management (Commercial) Ltd

Dr Chua Yong Hai
Director

Low Chee Wah
Director

This announcement may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies and venues for the sale/distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on the current view of management on future events.

Any discrepancies in the tables included in this announcement between the listed amounts and total thereof are due to rounding.

By Order of the Board
Frasers Centrepoint Asset Management (Commercial) Limited
(Company registration no. 200503404G)
As Manager of Frasers Commercial Trust

Piya Treruangrachada
Company Secretary
22 January 2015