

FCT 3Q18 DPU up 1.8% year-on-year to 3.053 cents

- ◆ Enhanced Northpoint City North Wing leads net property income growth
- ◆ 9 months year-to-date DPU of 9.153 cents is 2.5% higher year-on-year

SINGAPORE, 24 JULY 2018

Fraser's Centrepoint Asset Management Ltd. ("**FCAM**" or the "**Manager**"), the manager of Fraser's Centrepoint Trust ("**FCT**"), is pleased to announce distribution per unit ("**DPU**") of 3.053 cents for the period from 1 April to 30 June 2018 ("**3Q18**"), up 1.8% year-on-year. This brings the nine months year-to-date DPU to 9.153 cents, which is 2.5% higher than the same period a year ago.

Unitholders can expect to receive their DPU for 3Q18 on 29 August 2018. The Ex-Date is 30 July 2018 and the Books Closure Date is 1 August 2018.

SUMMARY OF 3Q18 RESULTS

	3Q18 1/4/18 to 30/6/18	3Q17 1/4/17 to 30/6/17	Increase/ (Decrease)	9M18 1/10/17 to 30/6/18	9M17 1/10/16 to 30/6/17	Increase/ (Decrease)
Gross revenue (\$'000)	48,320	43,555	10.9%	144,836	133,347	8.6%
Net property income (\$'000)	35,005	30,785	13.7%	104,309	94,976	9.8%
Distribution to unitholders (\$'000)	28,282	27,673	2.2%	84,764	82,316	3.0%
Distribution per unit (cents)	3.053	3.00	1.8%	9.153	8.93	2.5%

Growth driven by the larger malls

Gross revenue for 3Q18 was up 10.9% year-on-year to \$48.3 million on higher contributions from the three larger malls in the portfolio. Northpoint City North Wing's 3Q18 revenue¹ was up 35.9% year-on-year with higher occupancy and rental revenue, while Causeway Point and Changi City Point also delivered better performance with 3.8% and 15.8% revenue growth, respectively. Net property income for 3Q18 was \$35.0 million, up 13.7% year-on-year as revenue growth for the quarter outpaced the 4.3% increase in property expenses.

Financial position remains solid

FCT's financial position remains solid with gearing level at 29.3% as at 30 June 2018 and the weighted average debt maturity stood at 2.2 years. The all-in average cost of borrowings was 2.5%. FCT has approximately 55%² of its borrowings on fixed or hedged-to-fixed interest rates. Net asset value and net tangible value per Unit was stable at \$2.02.

¹ Includes Yishun 10 Retail Podium

² The percentage of borrowing on fixed or hedged to fixed interest rates increased to 63.9% subsequent 30 June 2018, after FCT entered into an interest rate swap transaction in July 2018 for one of its bank borrowings.

Average portfolio rental reversion at +5.0%

During 3Q18, 37 leases accounting for 4.6% of FCT's total net lettable area were renewed at an average rental reversion of +5.0%. Northpoint City North Wing registered rental reversion of +25.8%, due substantially to the one lease which accounted for approximately 50% of the mall's net lettable area ("NLA") due for renewal during the quarter. Other malls which registered positive rental reversions include Causeway Point (+3.5%), Changi City Point (+7.5%), Bedok Point (+6.2%) and YewTee Point (+2.5%). Anchorpoint recorded negative rental reversion of 32.8% on lease renewals for two small units which accounted for 1.3% of the mall's NLA.

The 9 months year-to-date average portfolio rental reversion stood at +4.2%.

Portfolio occupancy as at 30 June 2018 was 94.0%, higher than 87.1% in June 2017, mainly due to occupancy improvement at Northpoint City North Wing.

Improved shopper traffic at the larger malls

3Q18 portfolio shopper traffic, excluding Northpoint City North Wing, was up 1.2% year-on-year. The larger malls Causeway Point and Changi City Point saw an average increase of 5% in shopper traffic, while the smaller malls saw lower traffic.

The portfolio tenants' sales for March to May 2018 was up 3.4% year-on-year, mainly due to Northpoint City North Wing and Changi City Point but the increase was offset by lower tenant sales at the remaining malls in the portfolio.

CEO's comments

Dr Chew Tuan Chiong, Chief Executive Officer of the Manager, said, "FCT continues to maintain steady performance and stable DPU growth. We are pleased that the three larger malls, which account for nearly 90% of FCT's net property income, continue to register good growth momentum and higher shopper traffic. Northpoint City North Wing experienced strong tenants' sales growth and the occupancy is expected to improve to around 97% from current 92.5% as we have secured pre-committed leases. Changi City Point is also seeing good shopper traffic growth and tenants' sales."

Outlook

Excluding motor vehicles, retail sales index increased 2.2% year-on-year in May 2018. Overall financial performance of the Trust continues to benefit from the successful completion of asset enhancement at Northpoint City North Wing.

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About Frasers Centrepoint Trust

Frasers Centrepoint Trust ("FCT") is a leading developer-sponsored retail real estate investment trust (REIT). FCT's property portfolio comprises the following suburban retail properties in Singapore: Causeway Point, Northpoint City North Wing (including Yishun 10 Retail Podium), Anchorpoint, YewTee Point, Bedok Point and Changi City Point. The combined appraised value of FCT's property portfolio is \$2.7 billion as at 30 June 2018. FCT malls are strategically located in various established residential townships, and have a large and diversified tenant base covering a wide variety of trade sectors. FCT also holds a 31.15% stake in Hektar Real Estate Investment Trust, a retail-focused REIT in Malaysia listed on the Main Market of Bursa Malaysia Securities Berhad.

FCT is focused on increasing shareholder value by pursuing organic, enhancement and acquisition growth strategies. With proactive lease management initiatives, FCT is well placed to achieve sustainable rental growth. To unlock the full potential of its assets, FCT continues to enhance existing assets to maximise their performance. The potential acquisitions of new assets will help FCT gain greater scale and drive further income growth for unitholders.

PRESS RELEASE



Listed on the Main Board of the Singapore Exchange Securities Trading Limited since 5 July 2006, FCT is managed by Frasers Centrepoint Asset Management Ltd., a real estate management company and a subsidiary of Frasers Property Limited.

For more information on FCT, please visit www.fct.sg.

About Frasers Property Limited

Frasers Property Limited ("Frasers Property" or the "Company"), is a multi-national company that owns, develops and manages a diverse, integrated portfolio of properties. Listed on the Main Board of the Singapore Exchange Securities Trading Limited ("SGX-ST") and headquartered in Singapore, the Company is organised around five asset classes with total assets of S\$30 billion as at 31 March 2018.

Frasers Property's assets range from residential, retail, commercial and business parks, to logistics and industrial in Singapore, Australia, Europe, China and Southeast Asia. Its well-established hospitality business owns and / or operates serviced apartments and hotels in over 80 cities across Asia, Australia, Europe, the Middle East and Africa. The Company is unified by its commitment to deliver enriching and memorable experiences for customers and stakeholders, leveraging knowledge and capabilities from across markets and property sectors, to deliver value in its multiple asset classes.

Frasers Property is also the sponsor of three real estate investment trusts and one stapled trust listed on the SGX-ST. Frasers Centrepoint Trust, Frasers Commercial Trust, and Frasers Logistics & Industrial Trust are focused on retail properties, office and business space properties and business parks, logistics and industrial properties respectively. Frasers Hospitality Trust (comprising Frasers Hospitality Real Estate Investment Trust and Frasers Hospitality Business Trust) is a stapled trust focused on hospitality properties.

For more information on Frasers Property, please visit www.frasersproperty.com.

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