

# Frasers Centrepoint Trust

## 3<sup>rd</sup> Quarter FY10 results

23 July 2010



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This Presentation contains certain information with respect to the trade sectors of FCT’s tenants. The Manager has determined the trade sectors in which FCT’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 FCT’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.

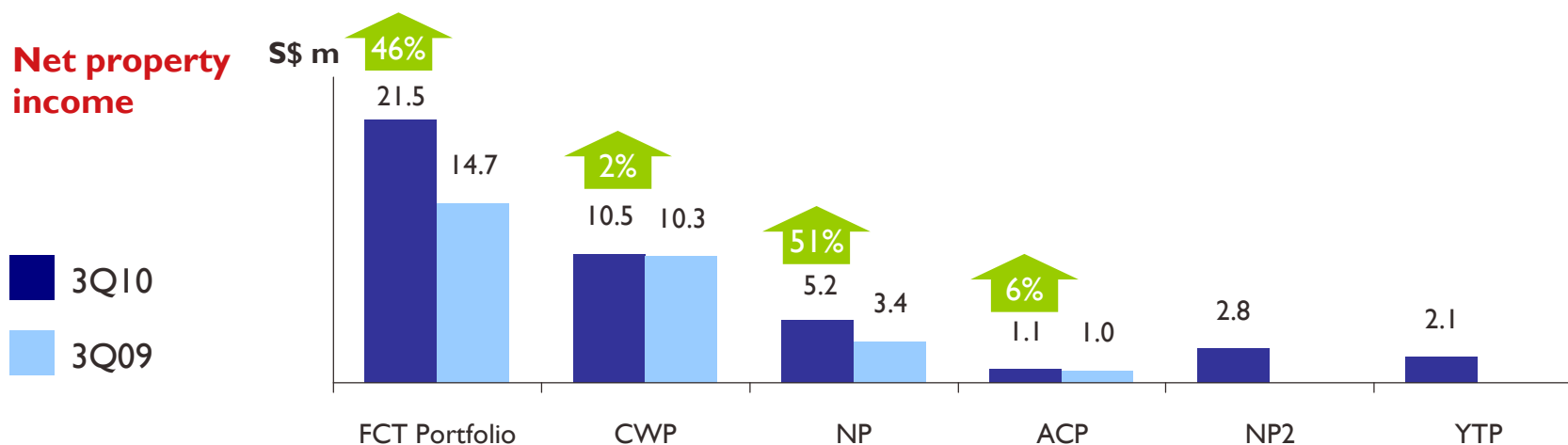
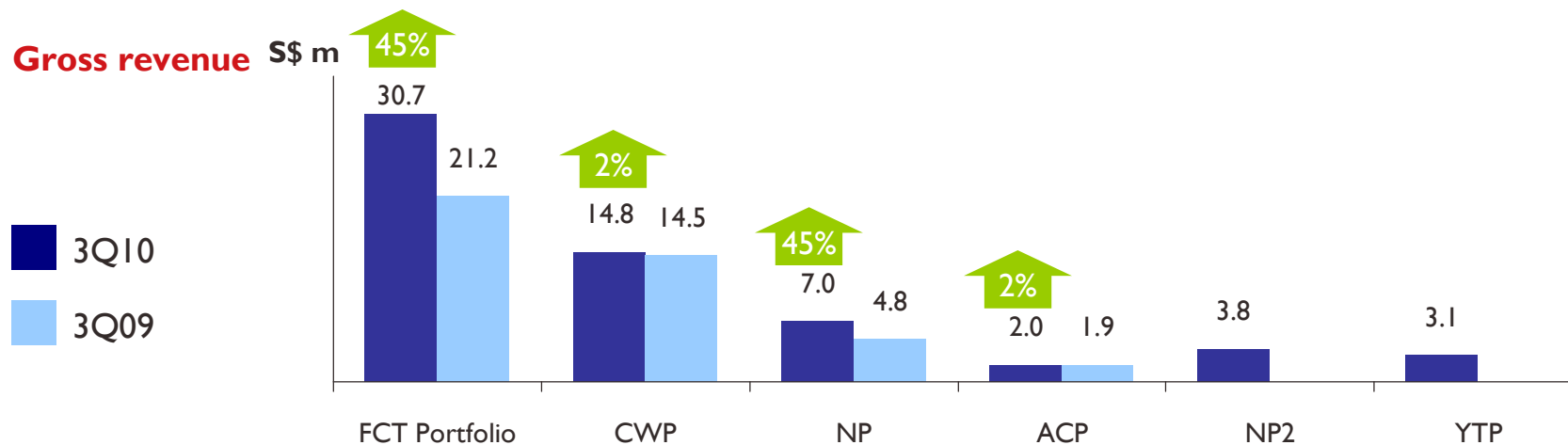
- Results
- Balance sheet & operational performance
- Sponsor's retail assets
- Asset enhancement initiatives
- Summary

# Results






## Record 3Q10 results

Apr - Jun 10 (S\$ '000)	3Q10	Y-o-Y Change (%)	Highlights
Gross Revenue	30,695	 45%	<ul style="list-style-type: none"> <li>improved Northpoint performance post enhancement and maiden contributions from Northpoint 2 &amp; YewTee Point</li> </ul>
Less Property Expenses	9,152	 41%	<ul style="list-style-type: none"> <li>due to consolidation of Northpoint 2 &amp; YewTee Point expenses</li> </ul>
Net Property Income	21,543	 46%	<ul style="list-style-type: none"> <li>reflects improved topline figure</li> </ul>
Income available for distribution	16,305	 35%	-
DPU	2.07¢	 7%	<ul style="list-style-type: none"> <li>with retention of S\$0.4 million in distributable income for distribution in 4Q10</li> </ul>

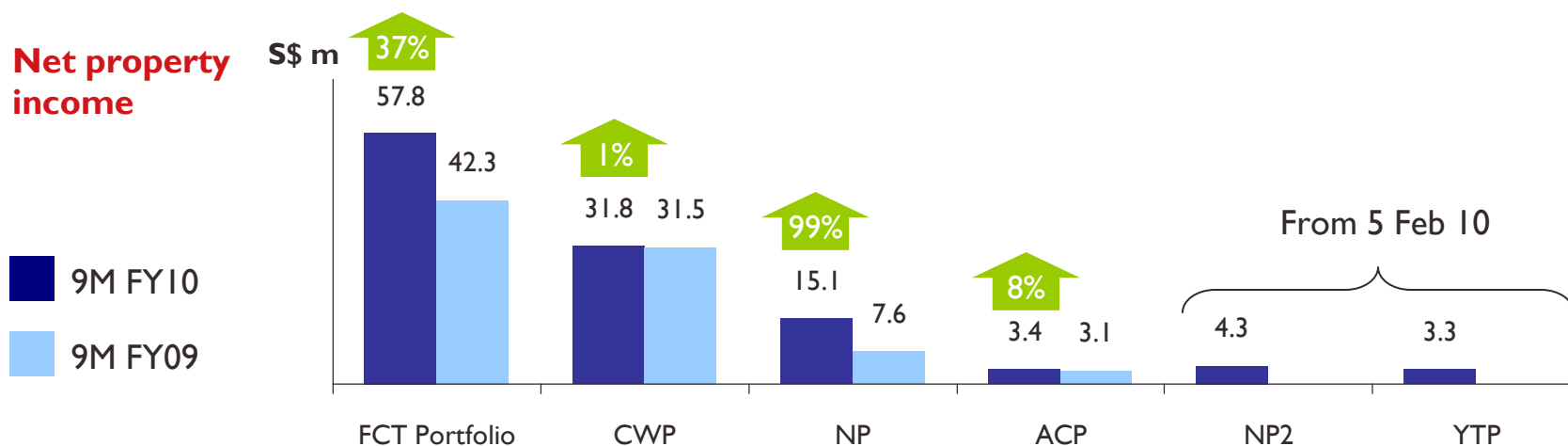
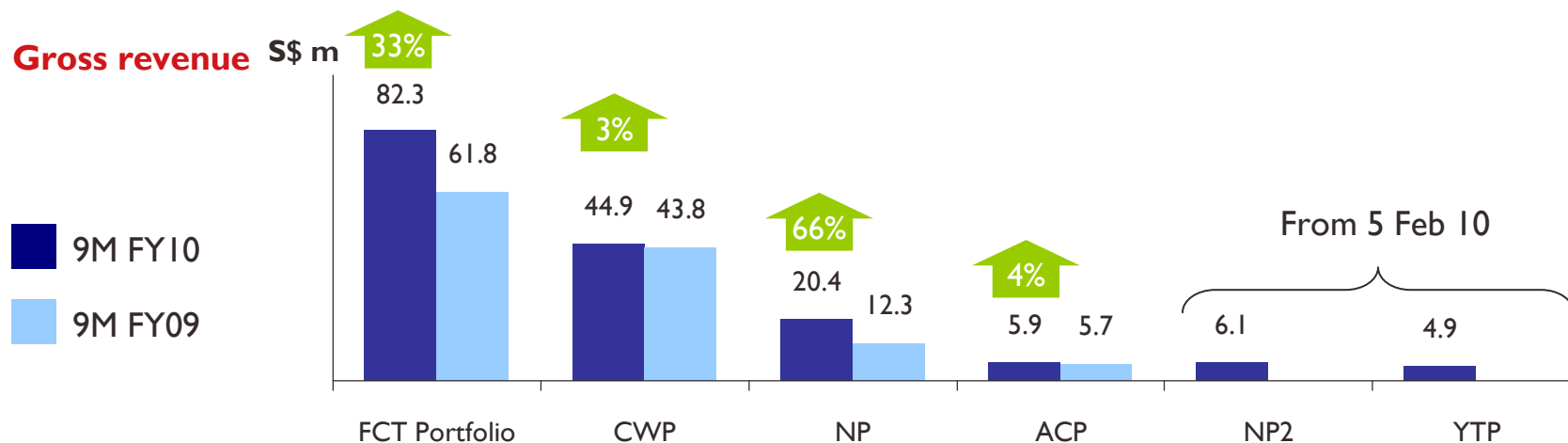
## 3Q10 results by property



## Record 9M FY10 results






Oct 09 - Jun 10 (S\$ '000)	9M FY10	Y-o-Y Change (%)	Highlights
Gross Revenue	82,251	 33%	<ul style="list-style-type: none"> <li>improved Northpoint performance post enhancement and maiden contributions from Northpoint 2 &amp; YewTee Point</li> </ul>
Less Property Expenses	24,424	 25%	<ul style="list-style-type: none"> <li>due to consolidation of Northpoint 2 &amp; YewTee Point expenses</li> </ul>
Net Property Income	57,827	 37%	<ul style="list-style-type: none"> <li>reflects improved topline figure</li> </ul>
Income available for distribution	44,255	 27%	-
DPU	6.04¢	 10%	<ul style="list-style-type: none"> <li>with retention of S\$1.6m in distributable income for distribution in 4Q10</li> </ul>

## 9M FY10 results by property



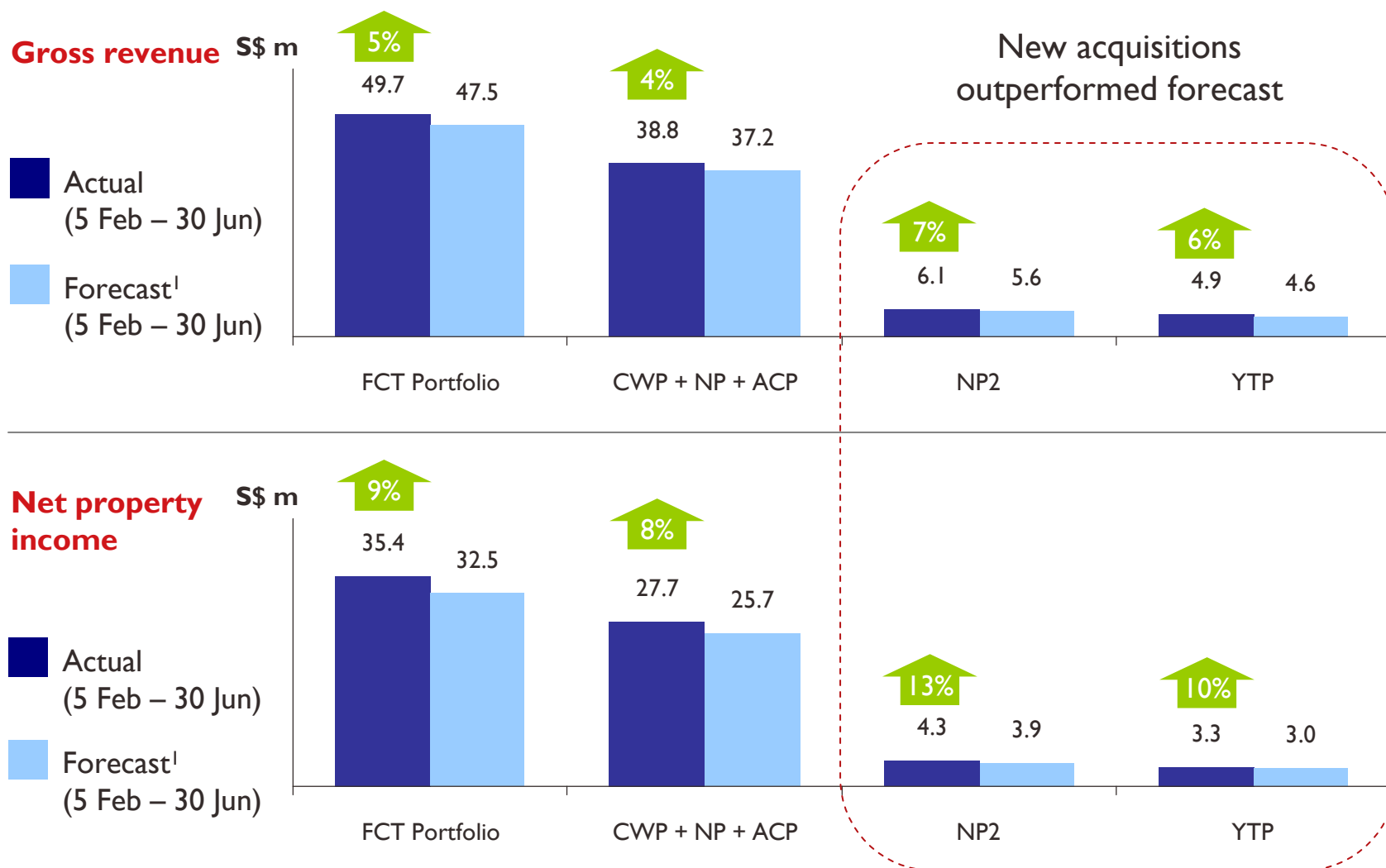


## FCT outperformed forecast

5 Feb – 30 Jun 10	Actual	Forecast <sup>1</sup>	Change (%)
Gross Revenue	49,730	47,476	 5%
Less Property Expenses	14,368	14,945	 4%
Net Property Income	35,362	32,531	 9%
Income available for distribution	27,521	24,473	 13%
DPU <sup>2</sup>	3.59¢	3.22¢	 12%

1. Refers to the Profit Forecast as set out in Appendix B of the Circular dated 7 Jan 10 that was issued in connection with the proposed acquisitions of NP2 and YTP by FCT, pro-rated to the period from 5 Feb 20 to 31 Mar 10. The Profit Forecast had assumed that the acquisitions of NP2 and YTP would be part financed by the issuance of 128.1 million new units at an illustrative issue price of S\$1.30 per unit.
2. Assuming 100% of the income available for distribution is distributed.

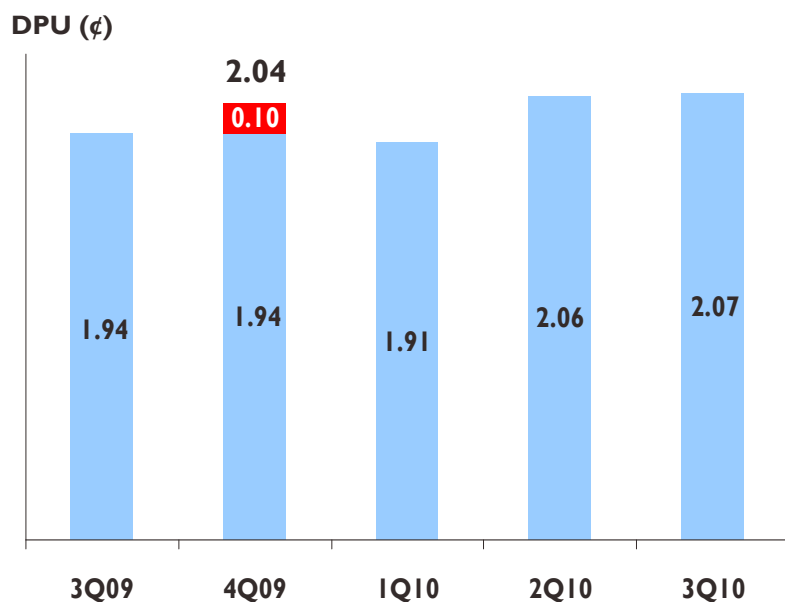
## Actual results vs forecast by property



I. Refers to the Profit Forecast as set out in Appendix B of the Circular dated 7 Jan 10 that was issued in connection with the proposed acquisitions of NP2 and YTP by FCT, pro-rated to the period from 5 Feb 10 to 31 Mar 10.

## Rising DPU trend

### Quarterly DPU payout trend



■ Income retained from previous quarters

### Year-on-year comparison

	3Q10	3Q09	Y-o-Y Change (%)
DPU	2.07	1.94	7%

## Distribution details

Distribution period	1 Apr to 30 Jun 2010
DPU	2.07¢
Ex-date	29 Jul 2010
Books closure date	2 Aug 2010 at 5 pm
Payment date	27 Aug 2010

# Balance sheet & operational performance

## Balance sheet summary

As at 30 June 2010

Total assets	\$1,472m
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Net assets	\$950m
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Total units in issue <sup>1</sup>	766,943,680
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NAV per unit <sup>2</sup>	\$1.24
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1. Excludes 332,892 issuable units in partial payment of 3Q10 mgmt fees.

2. Computed on the basis of 767,276,572 units, including issuable units (which have not been issued) as at the stated date.

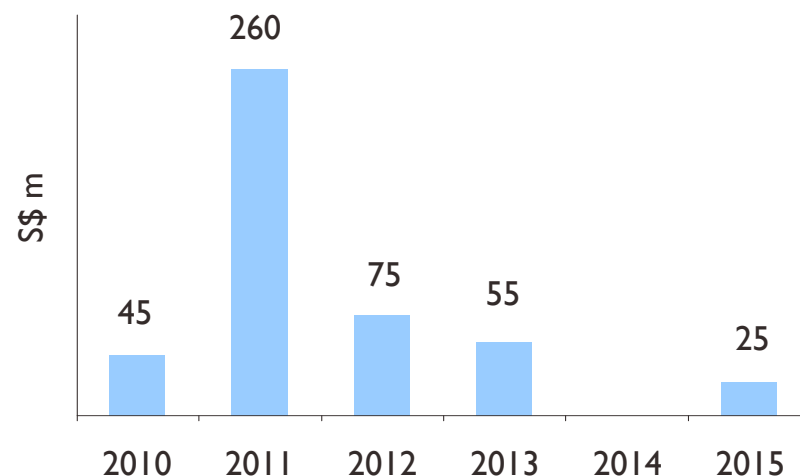
## Robust capital structure

### Debt information

As at 30 June 2010

Gearing ratio	31.2%
Interest cover <sup>1</sup>	4.43 x
Cost of debt (weighted)	3.76%
Total debt	S\$460m
Corporate rating: S&P Moody's	BBB+ Baa I




### Debt expiry profile



Type	RCF	CMBS	MTN	MTN	-	MTN
Int rate	Fltg	4.12% <sup>3</sup>	4.80%	2.83%	-	3.50%
Rating <sup>2</sup>	-	AAA	BBB	BBB	-	BBB

1. For quarter ended 30 Jun 2010
2. CMBS term loan rated by Fitch & Moody's while the MTN notes were rated by S&P
3. Average interest rate after taking into account an interest rate swap in relation to S\$100.0m out of the S\$260.0m drawn down under this facility.

## Healthy rental reversions

3Q10	No. of renewals / New leases	Net Lettable Area		Increase over preceding rents
		Area (sq ft)	% Total NLA	
Causeway Point <sup>I</sup>	4	2,050	0.5%	 8.3%
Northpoint	-	-	-	-
Anchorpoint	3	1,407	2.0%	 9.0%
Northpoint 2	-	-	-	-
YewTee Point	-	-	-	-
<b>FCT Portfolio</b>	<b>7</b>	<b>3,457</b>	<b>0.4%</b>	 8.5%

I. Calculations excludes short term lease extensions arising from asset enhancement works



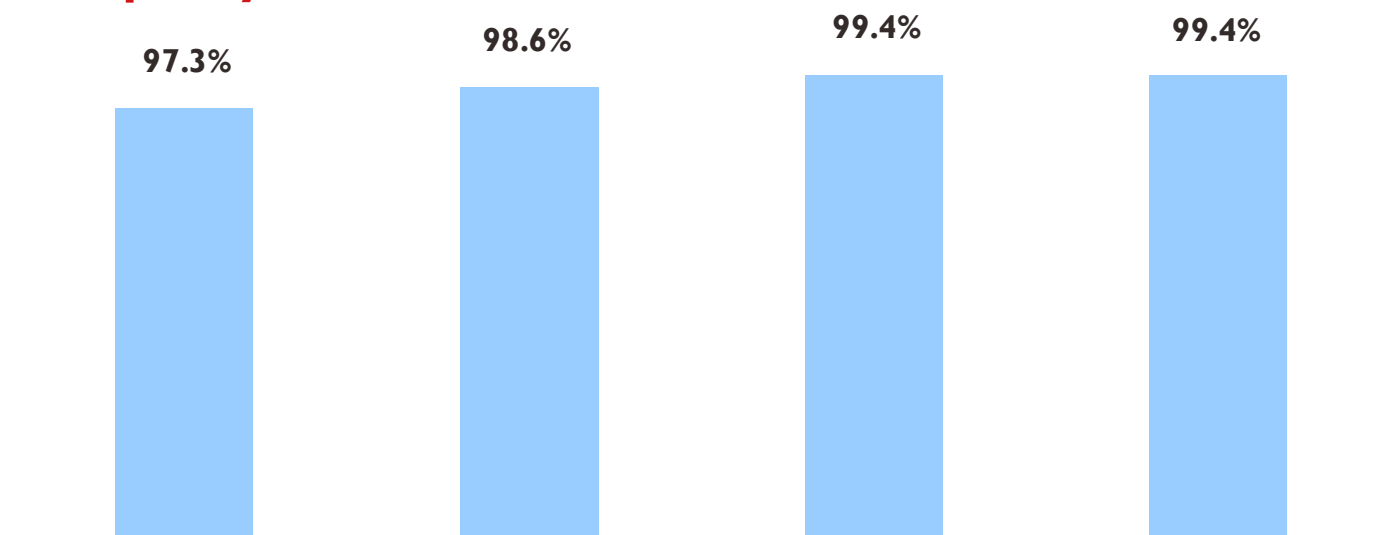
## Healthy rental reversions

9M FY10	No. of renewals / New leases	Net Lettable Area		Increase over preceding rents
		Area (sq ft)	% Total NLA	
Causeway Point <sup>1</sup>	14	48,706	11.6%	↑ 5.2%
Northpoint	-	-	-	-
Anchorpoint	10	5,603	7.8%	↑ 2.7%
Northpoint 2	-	-	-	-
YewTee Point	-	-	-	-
<b>FCT Portfolio</b>	<b>24</b>	<b>54,309</b>	<b>6.8%</b>	↑ 4.9%

1. Calculations excludes short term lease extensions arising from asset enhancement works

## Rising portfolio occupancy

**FCT portfolio  
occupancy**



Occupancy <sup>1</sup>	Sep 09	Dec 09	Mar 10	Jun 10
Causeway Point	99.9%	100.0%	100.0%	100.0%
Northpoint	89.9%	95.1%	98.5%	98.6%
Anchorpoint	97.3%	97.9%	97.7%	98.6%
Northpoint 2	-	-	100.0%	100.0%
YewTee Point	-	-	98.3%	98.3%

1. All occupancies presented are as at the end of respective periods.

## Healthy occupancy costs

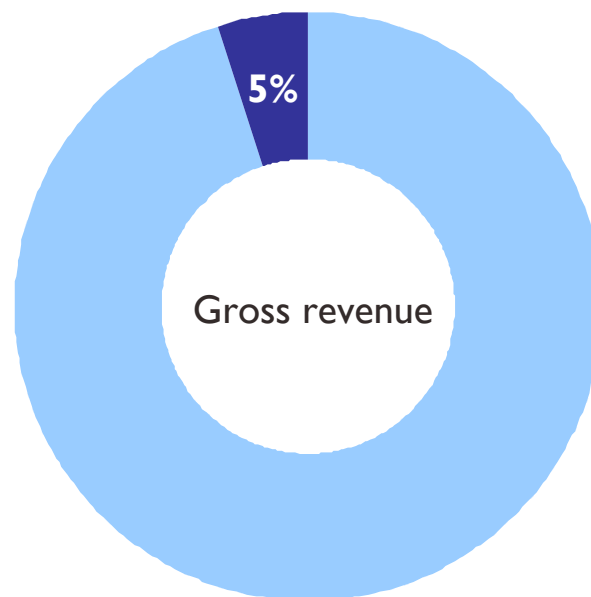
### Occupancy costs

Jan - May 2010

FCT (weighted average)	13.8%
Industry	16 – 17%

### 3Q10 turnover rent contribution

Turnover rent



## 98% of gross rental income locked-in for FY10

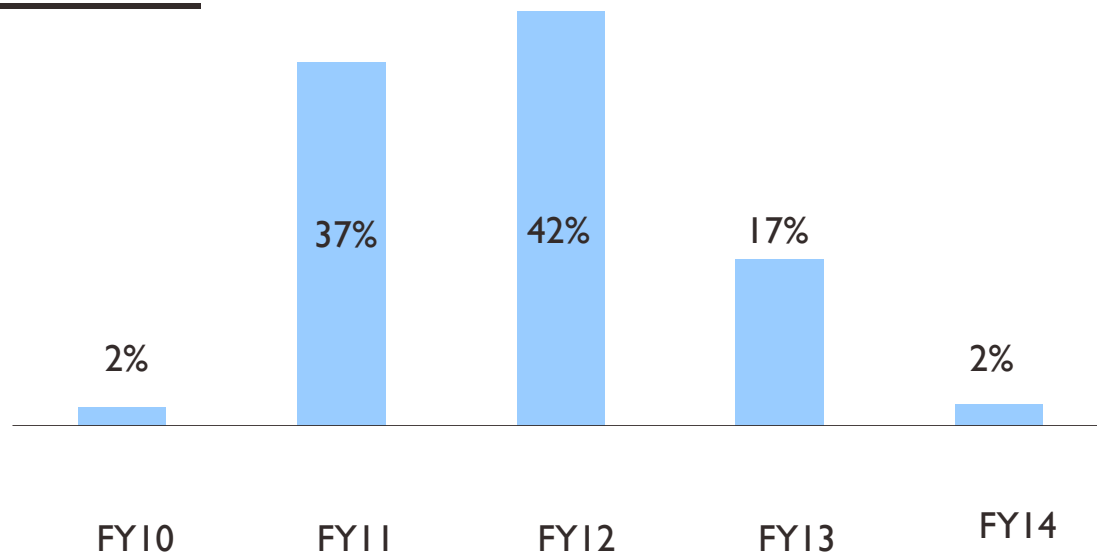
### Lease expiry profile (as at 30 Jun 2010)

Weighted avg lease term to expiry

By NLA 1.61 yrs

By Gross rent 1.47 yrs

Expiries as % of total gross rental income



	FY10	FY11	FY12	FY13	FY14
Number of leases expiring	18	241	164	78	8
NLA (sq ft) expiring	16,064	239,452	373,802	116,709	18,009
Expiries as % of total NLA	2.0%	30.2%	47.1%	14.7%	2.3%

# Sponsor's retail assets

## Highlights of sponsor's retail assets



	NLA (sf)	MRT station	Est. completion	Est. catchment population
Bedok Point	81,017	Bedok	2H10	129,100
Changi City Point	207,419	Expo	2H11	600,000
The Centrepont	395,315	Somerset	Completed	4,987,600
<b>Total</b>	<b>683,751</b>	-	-	-

## Bedok Point on track to receive TOP by 2H 2010

Bedok Point	
NLA	81,017
Construction status	87% completed
Leasing status	> 90%
Expected completion	2H 2010
Target acquisition	CY2011



### Artist's impression









# Asset enhancement initiatives

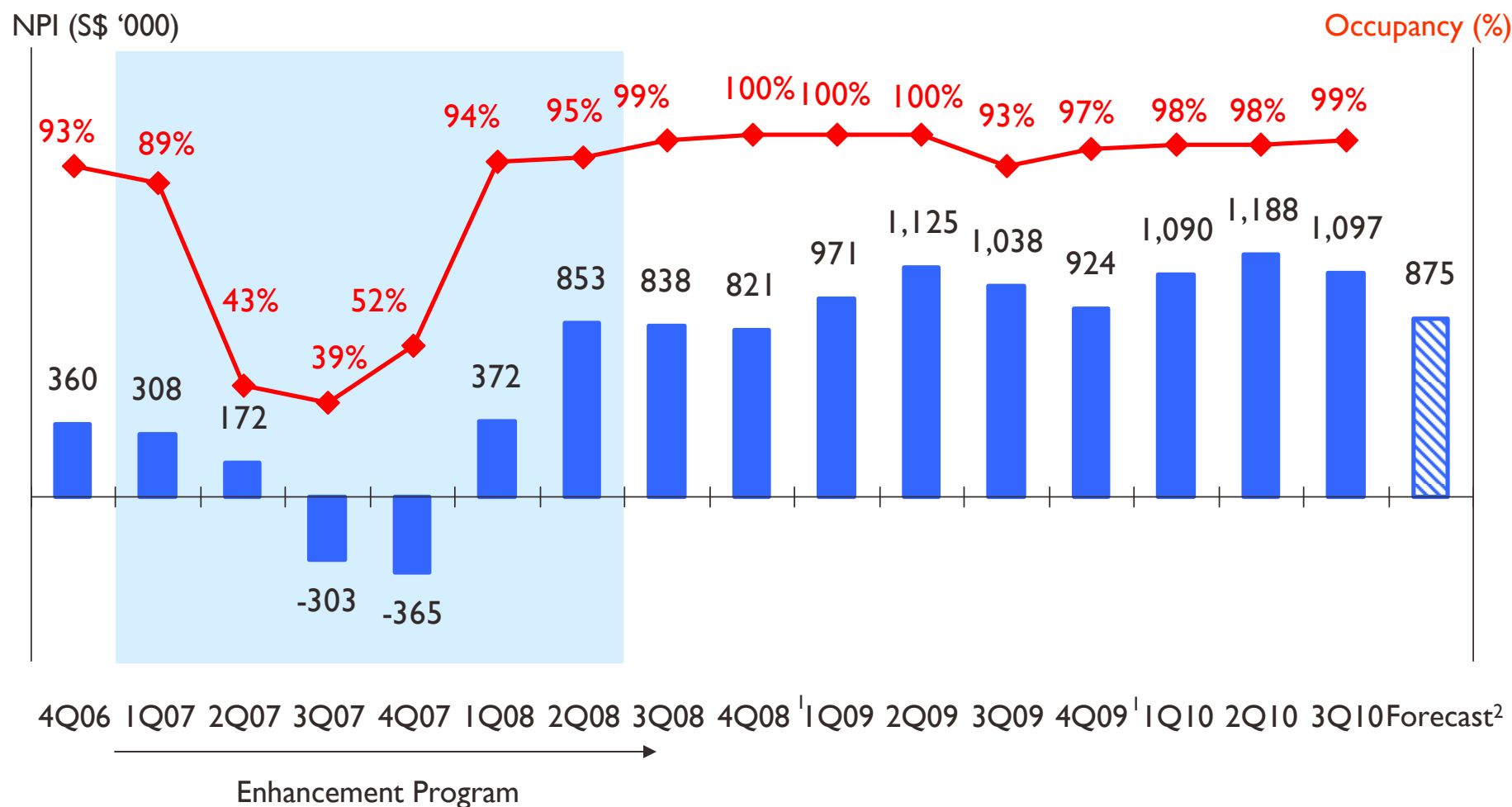


## Strong track record of successful enhancement initiatives

### Financials

	Anchorpoint	Northpoint
Average rent per sf/mth	 41%	 20%
Net property income	 106%	 30%
Incremental net property income	S\$1.8m	S\$4.1m
Capex	S\$12.8m	S\$38.6m
ROI	14.1%	10.7%
Capital value of AEI (5.75% cap rate)	 S\$31.3m	 S\$71.3m

## Anchorpoint's performance surpassed income forecast

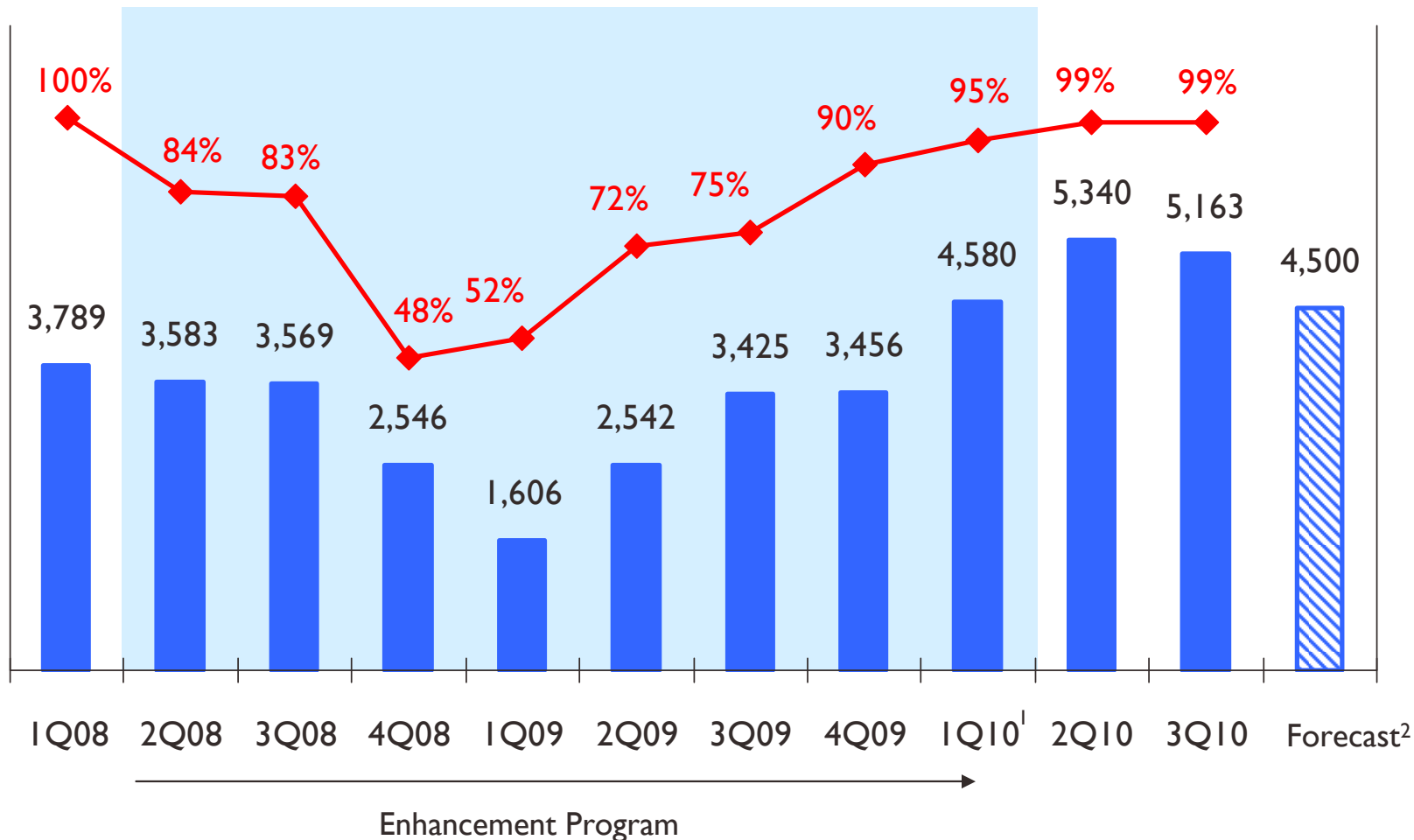


1. 4Q08 & 4Q09 figure shown was derived by calculating net property income on a pro-forma basis excluding the effects of FRS 39 accounting adjustments.
2. Quarterly NPI of S\$0.875 million pro-rated from full year NPI projection of \$3.5 million.

## Northpoint's performance surpassed income forecast

NPI (S\$ '000)

Occupancy (%)



1. 4Q09 figure shown was derived by calculating net property income on a pro-forma basis excluding the effects of FRS 39 accounting adjustments.
2. Quarterly NPI of S\$4.5 million pro-rated from full year NPI projection of \$18.0 million

## Causeway Point AEI

### Summary

- Downsize space occupied by anchor tenants from 65% to 50% of total NLA
- Shift escalators on BI & LI to improve visual sight-lines & release prime retail space
- Expand depth of retail offerings & create F&B precinct on L5
- Introduce pro-family features

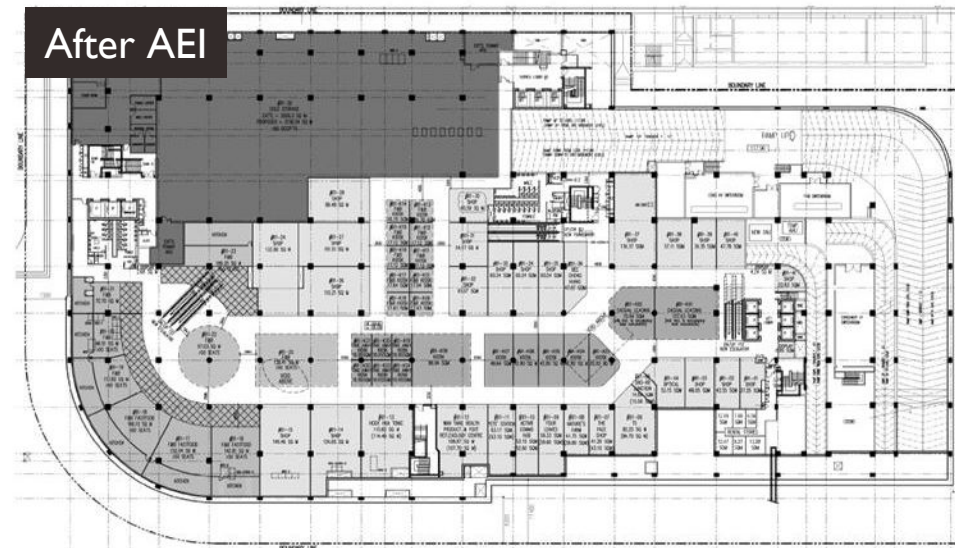
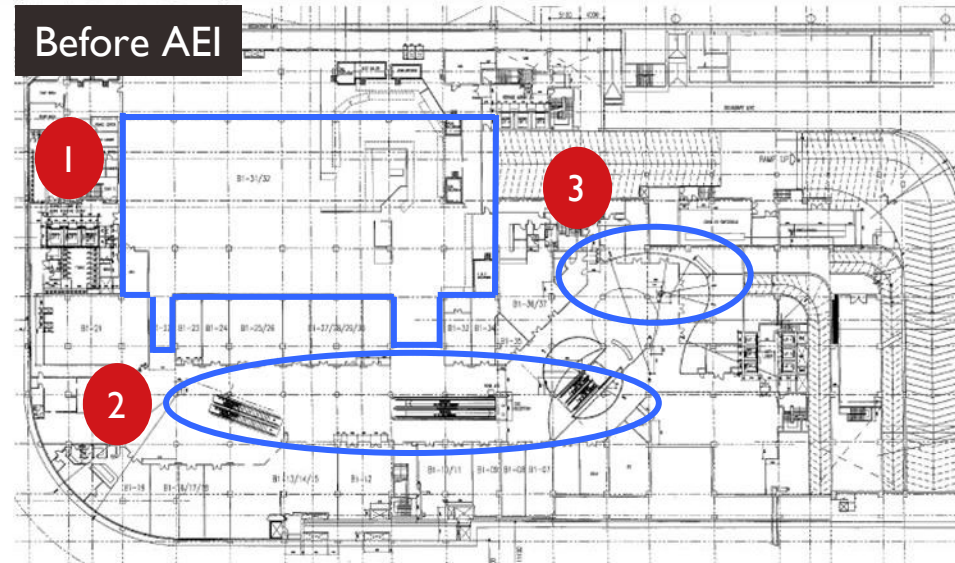




## Basement I

### Enhancement works

1. Anchor space to be subdivided
2. Escalators to be relocated to improve visibility & create retail space
3. Space to be configured to enhance sight-lines





## Level I

### Enhancement works

1. Anchor space to be subdivided
2. Escalators to be removed to improve visibility & create retail space

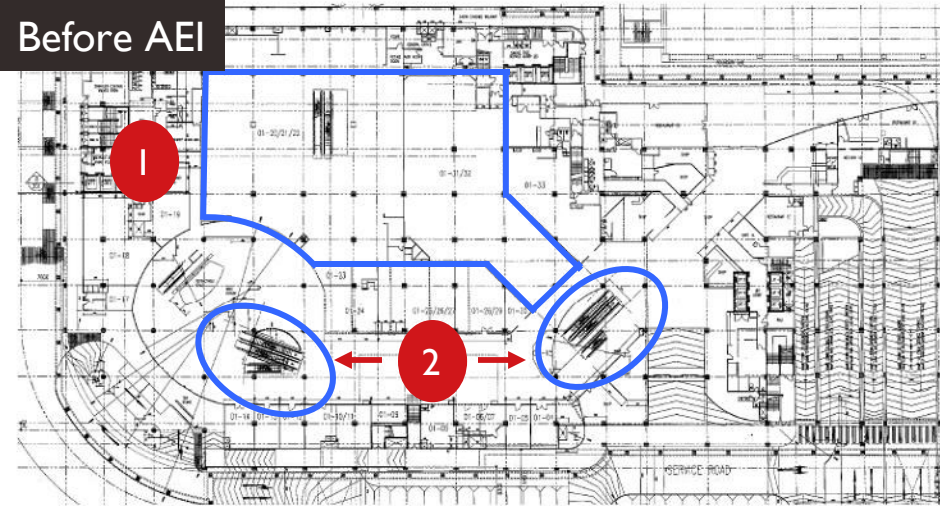
Before AEI



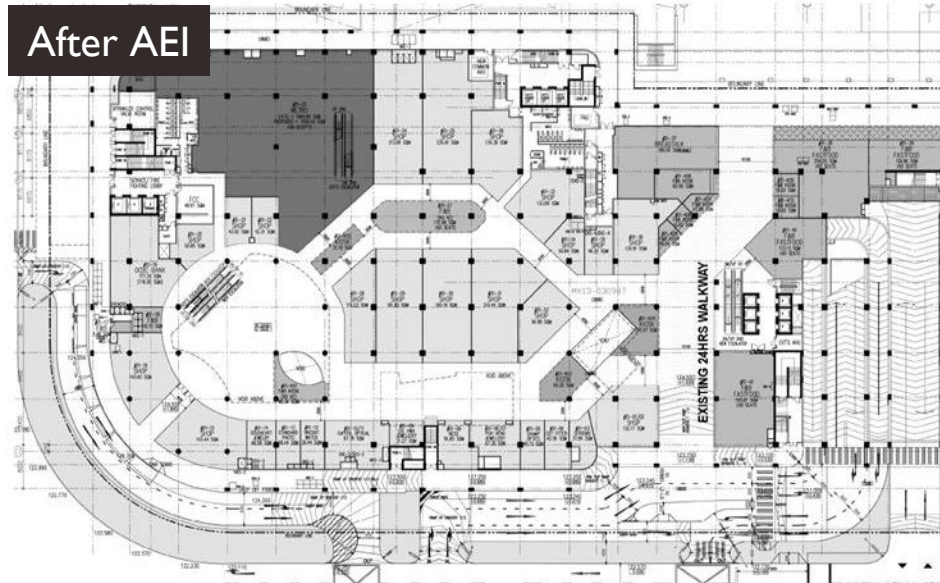
After AEI



Before AEI



After AEI





## Level 2

### Enhancement works

1. Provision of F&B to enhance traffic flow
2. Space to be decanted to create play area
3. Anchor space to be subdivided to create specialty space

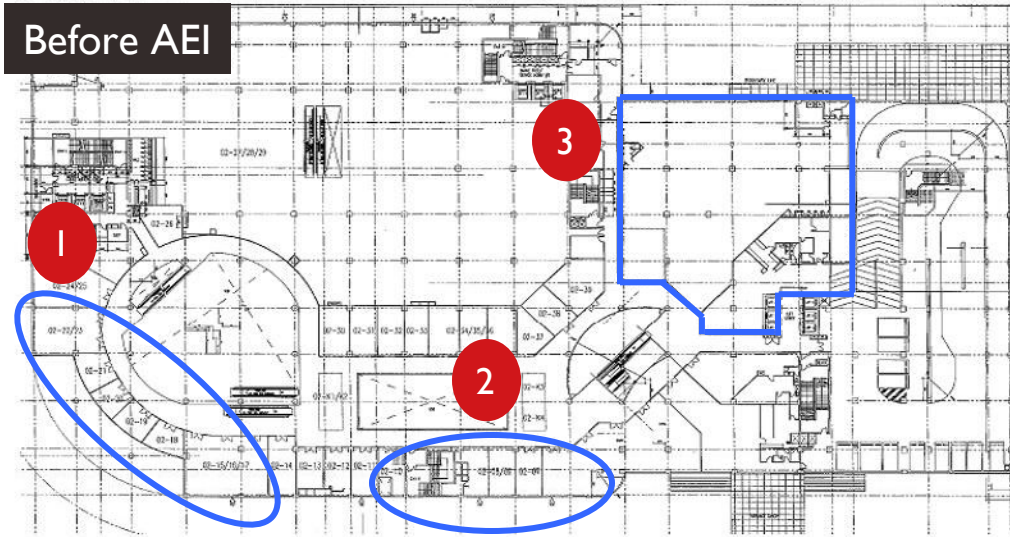
Before AEI



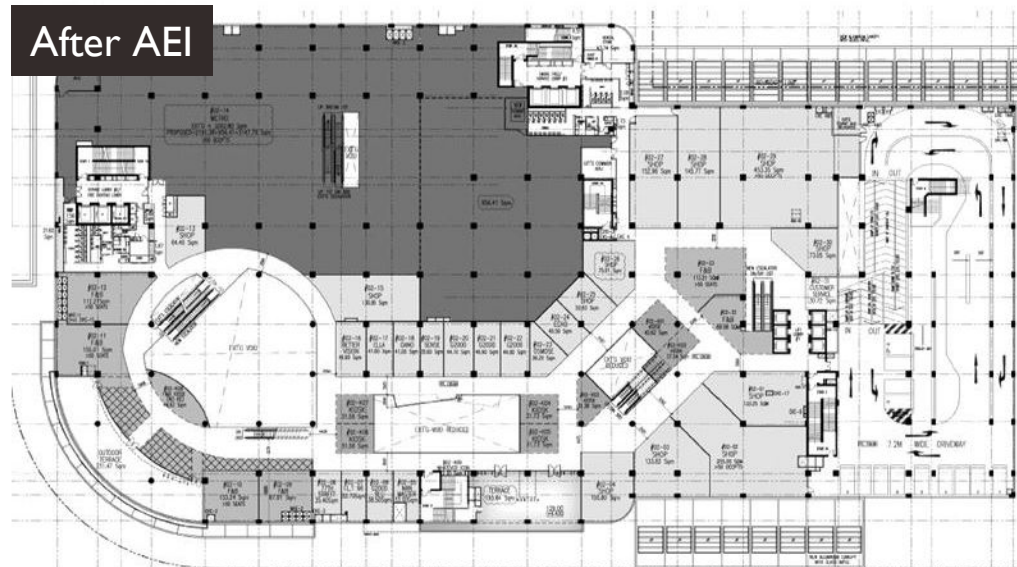
After AEI



Before AEI



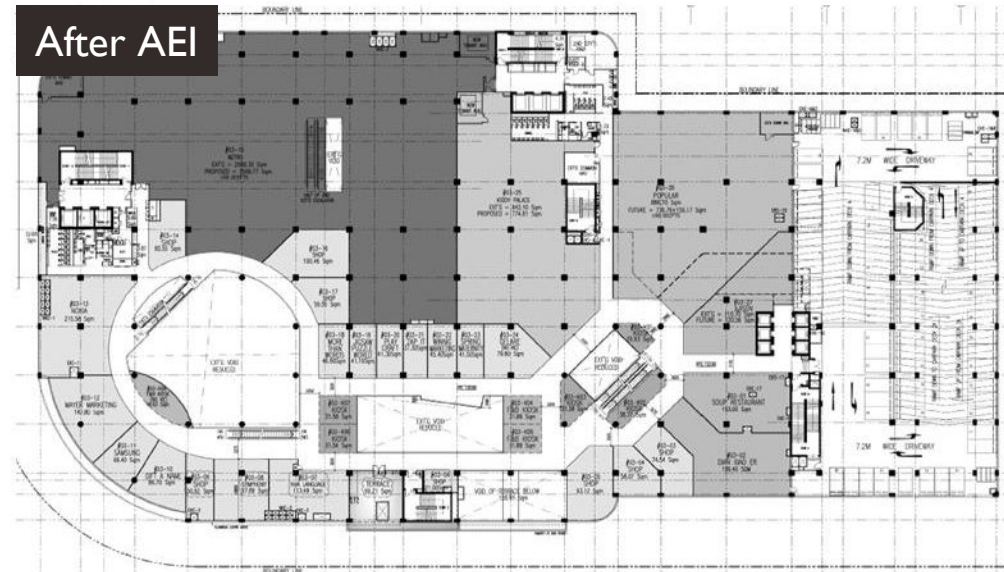
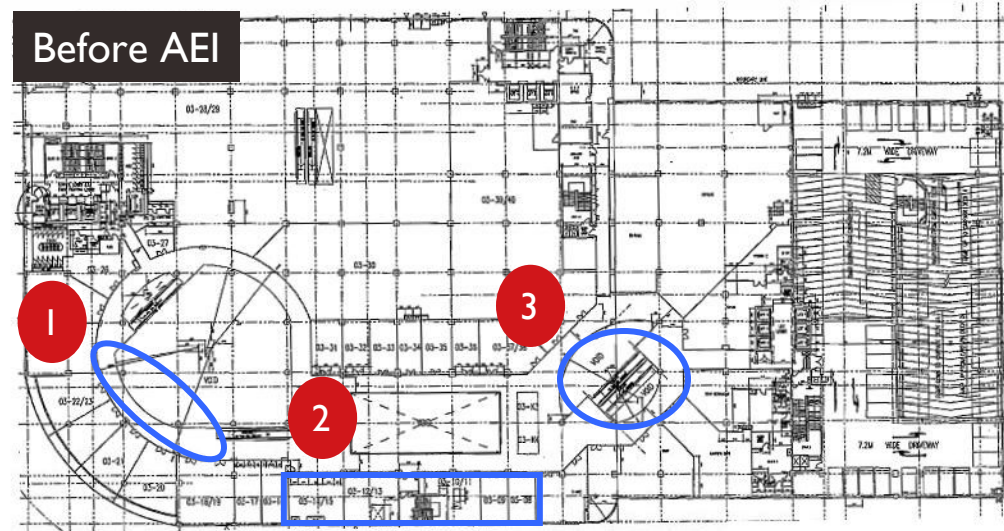
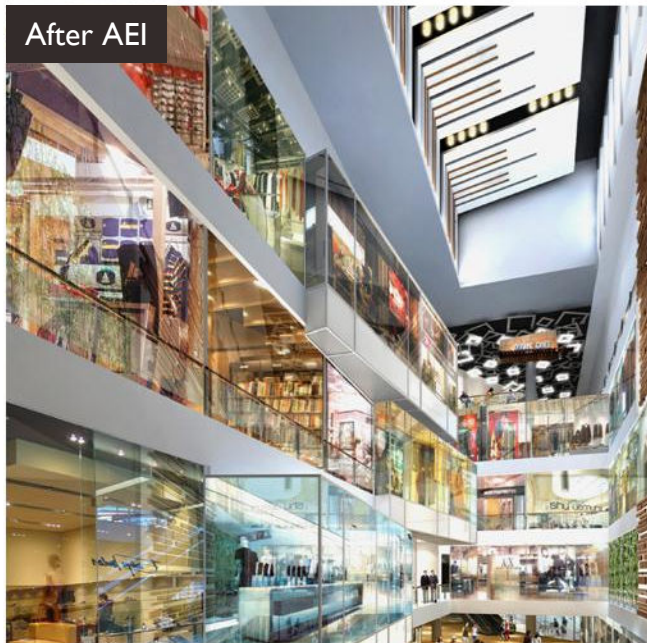
After AEI



## Level 3

### Enhancement works

1. Retail space to be created by transferring GFA
2. Space to be decanted
3. Retail space to be created by transferring GFA

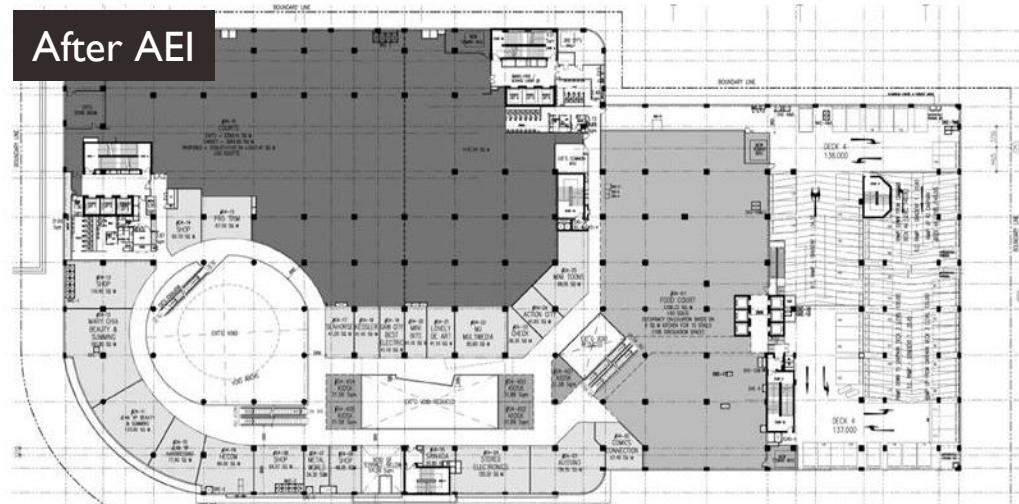
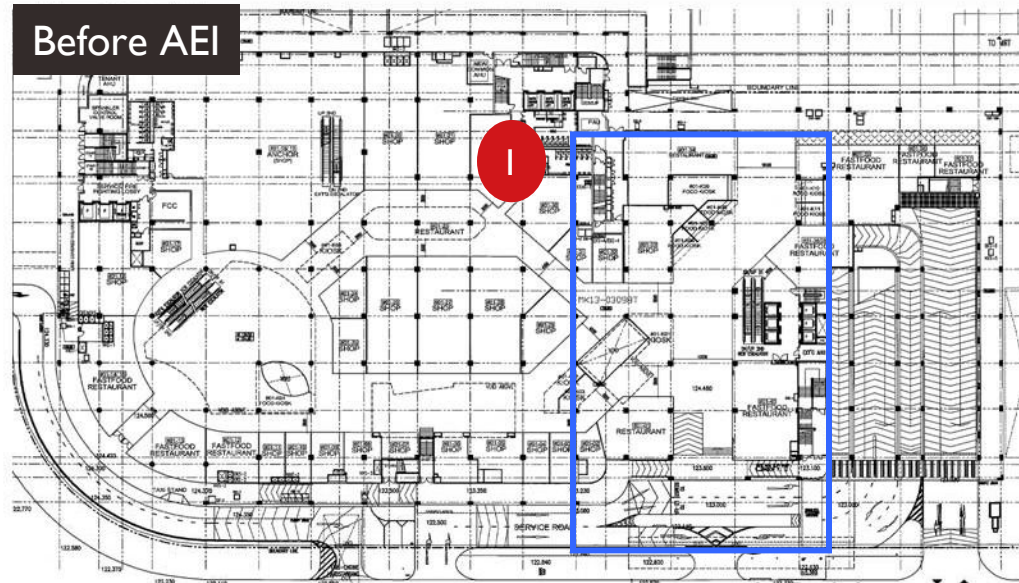




## Level 4

### Enhancement works

- I. Create new food court





## Level 5

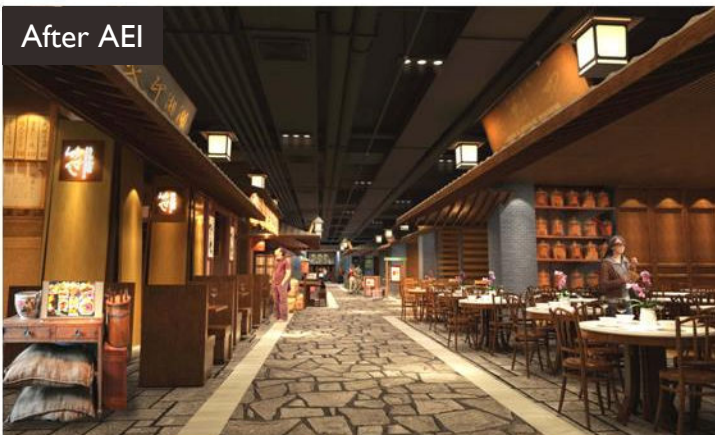
### Enhancement works

1. Convert enclosed area to F&B Precinct

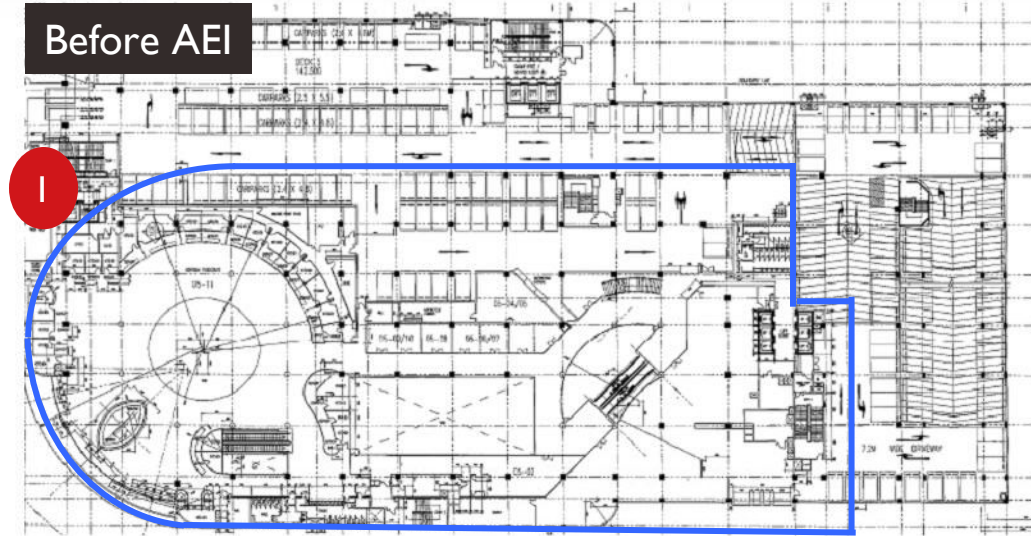
Before AEI



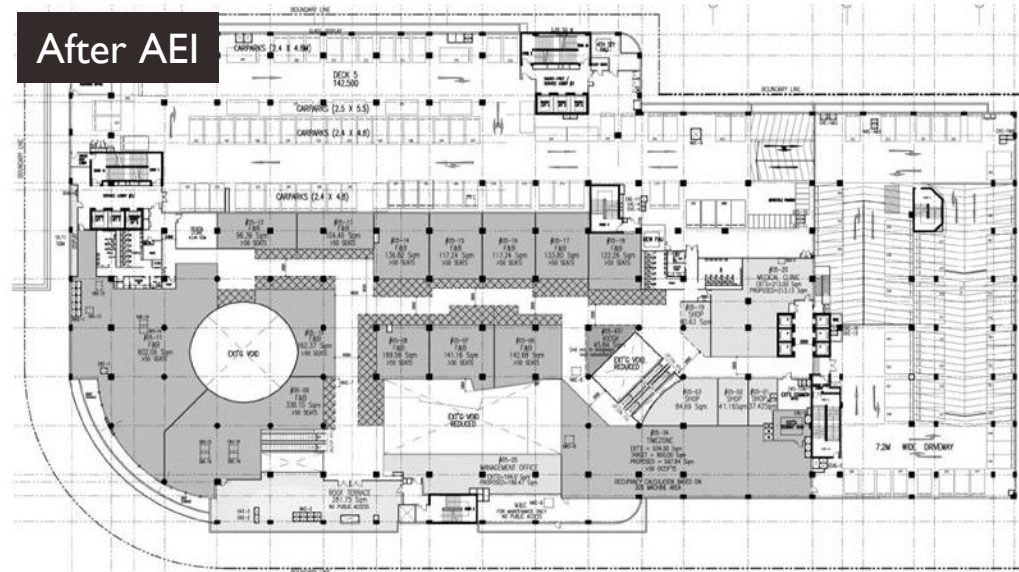
After AEI



Before AEI



After AEI



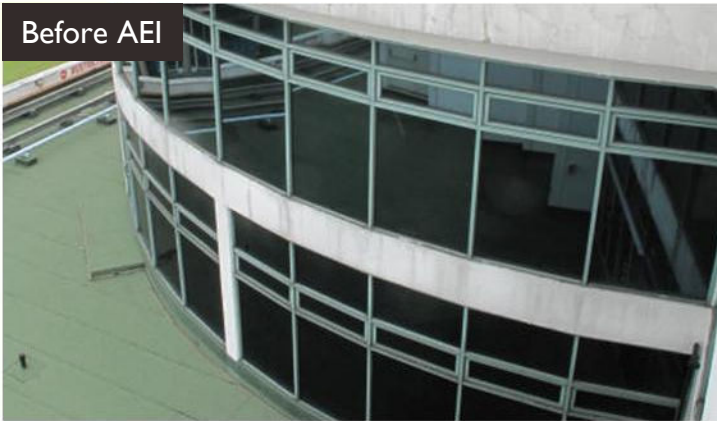


## Level 7

### Enhancement works

1. Space to be decanted to create wet playground

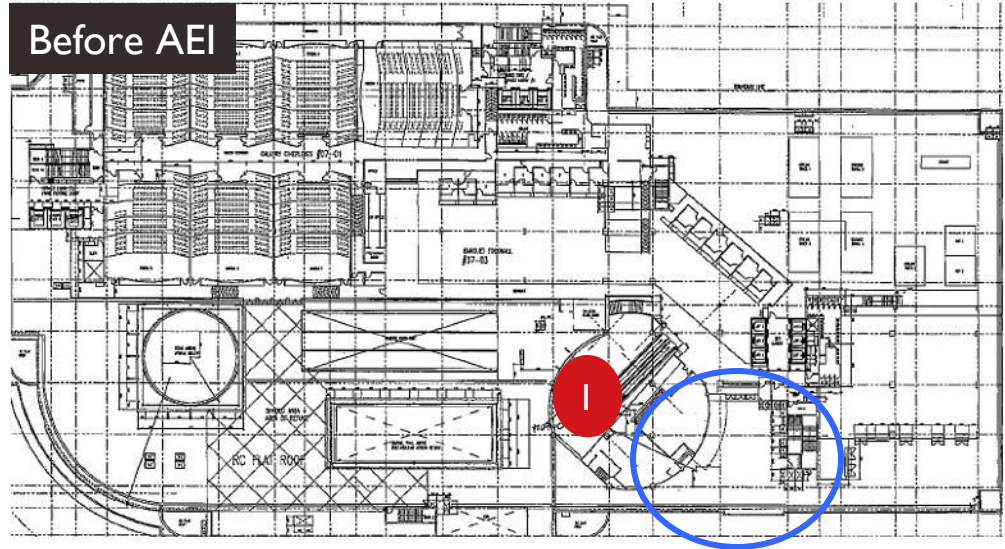
Before AEI



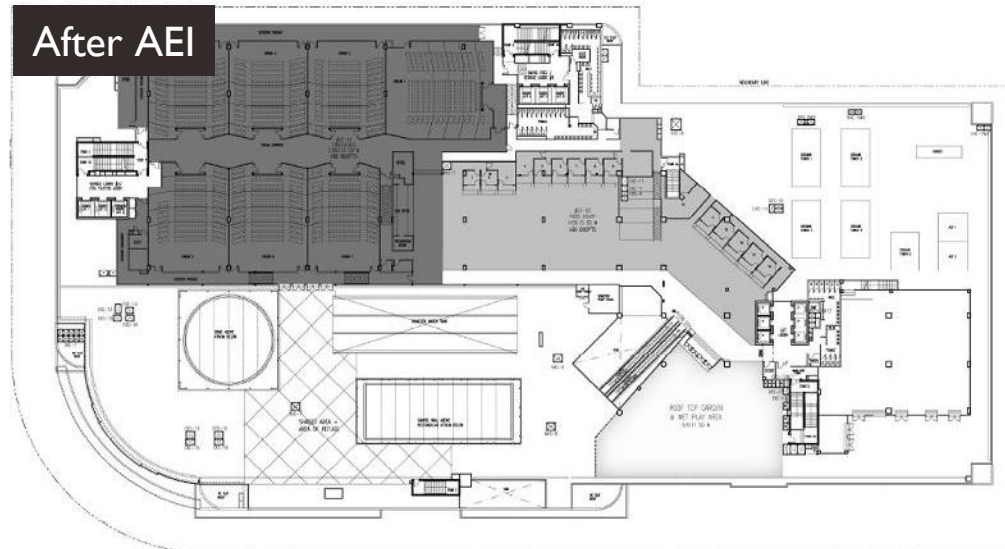
After AEI



Before AEI

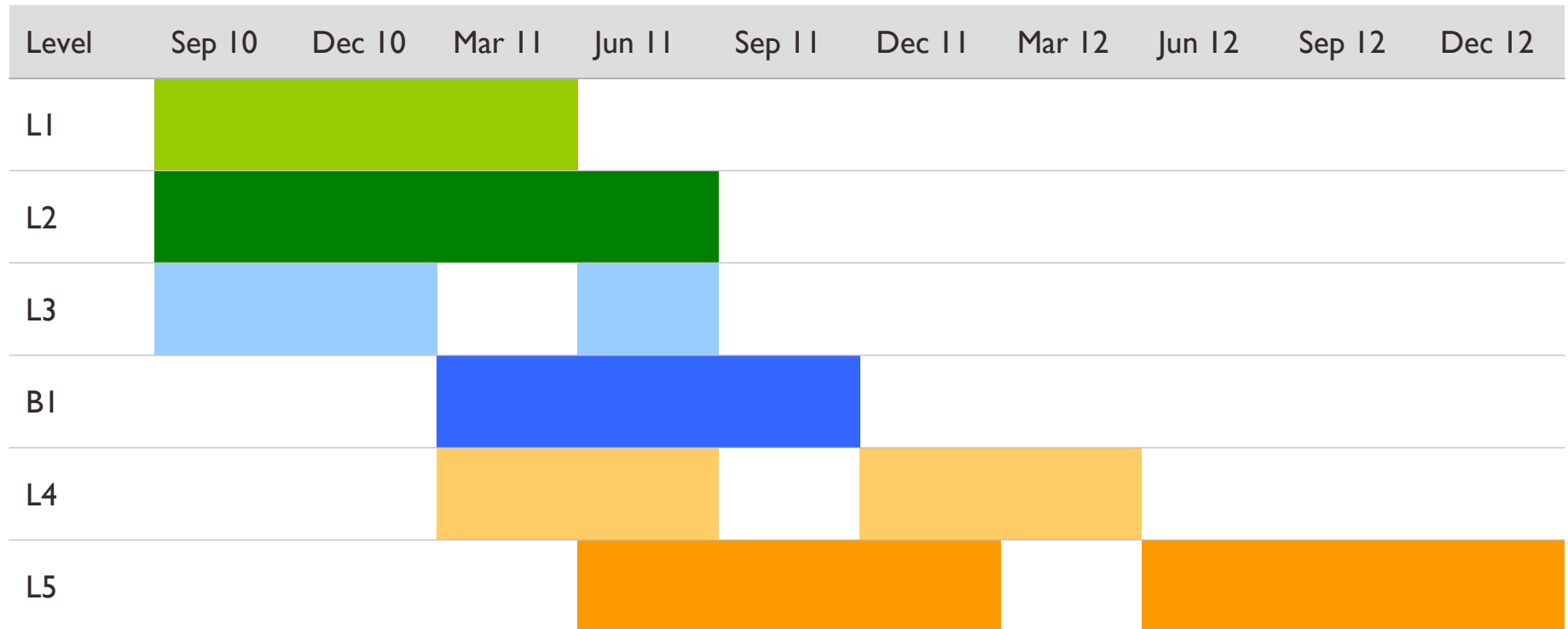


After AEI



## Causeway Point AEI to span 30 months



### Timeline<sup>1</sup>



1. Indicative timing, subject to changes.

## AEI to add S\$162 million to Causeway Point's capital value

### Financials

	Before AEI	Projected after AEI	Change	
Average rent per sf	S\$10.2	S\$12.2	 20%	Through reconfiguring big boxes & improving tenant mix
NPI	S\$42.2m	S\$51.5m	 22%	Incremental NPI of S\$9.3m
Capex	-	S\$71.8m	-	
ROI	-	13.0%	-	
Capital value of AEI (5.75% cap rate)	-	<b>S\$161.7m</b>		
Net increase in value	-	S\$89.9m		

# Summary

## FCT gaining growth momentum

### Growth drivers

Organic growth	<ul style="list-style-type: none"><li>• Positive YTD rental reversions of 5%</li><li>• Healthy portfolio occupancy cost of 14%</li></ul>
Acquisition growth	<ul style="list-style-type: none"><li>• Contributions from Northpoint 2 &amp; YewTee Point</li><li>• Target acquisition of Bedok Point in CY2011</li></ul>
AEI growth	<ul style="list-style-type: none"><li>• Northpoint outperforming income forecast post AEI</li><li>• Causeway Point AEI phased over 30 months to minimise disruptions to income &amp; operations</li></ul>
FCT outlook	<ul style="list-style-type: none"><li>• Minimal impact on FY2011's total DPU based on previous AEI experience, barring unforeseen circumstances</li></ul>

# Thank you

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