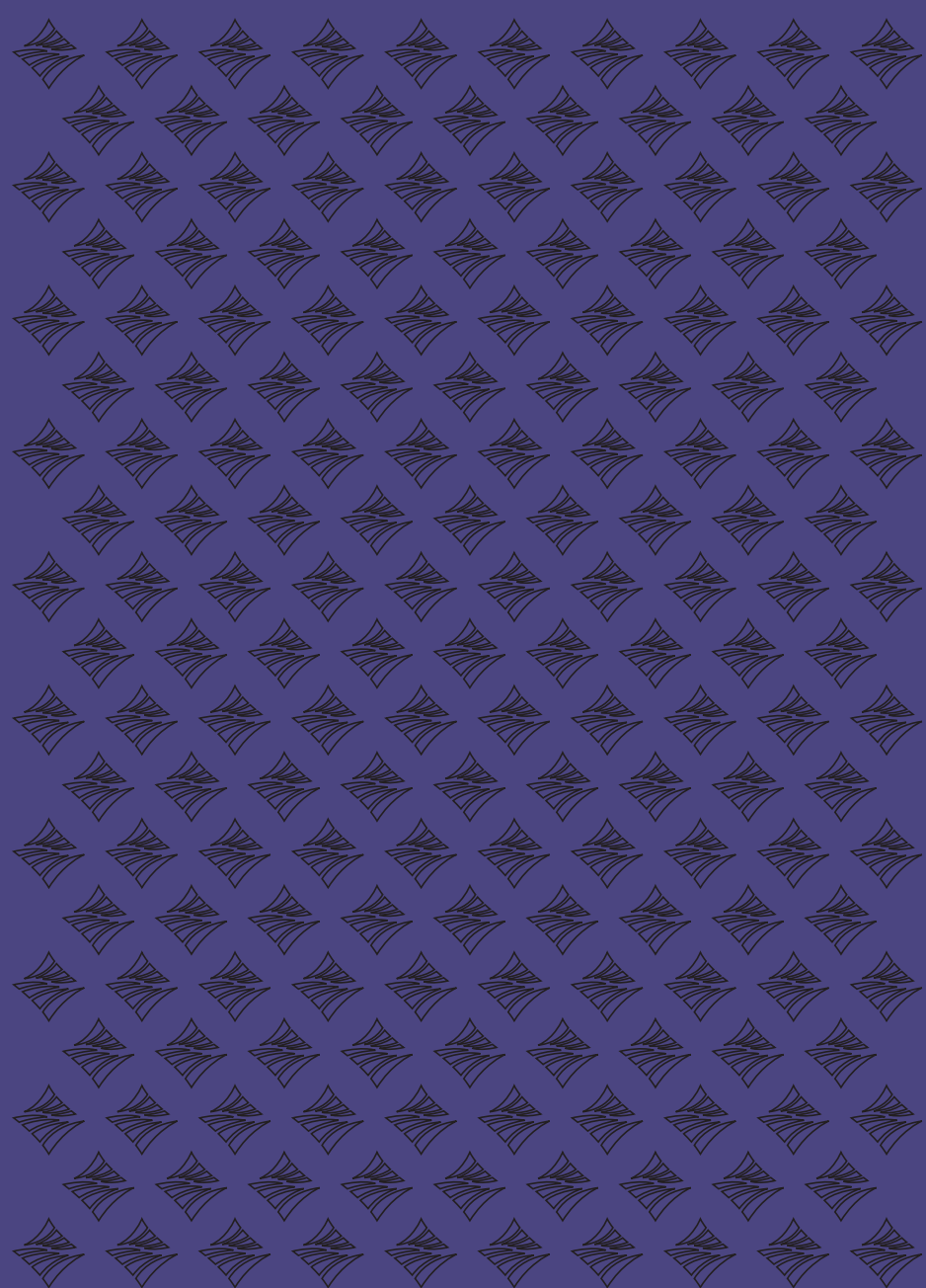


CELEBRATING 10 YEARS OF GROWTH

ANNUAL REPORT 2016



Causeway Point



Northpoint



Changi City Point



**FRASERS
CENTREPOINT
TRUST**

CELEBRATING 10 YEARS OF GROWTH

The Frasers Centrepoint group of companies has always shared common ground, in which each entity is built on the foundations of integrity and excellence – key values that continue to guide every aspect of our business operations today. Inspired by our heritage, this year’s annual report features a repeat motif of our logo identity, to reference the Group’s ability to build on these values to strengthen our industry position and deliver sustainable returns to our shareholders.

Frasers Centrepoint Trust (FCT) marks a milestone in FY2016 as it celebrates its tenth anniversary as a listed REIT on the SGX. FCT established a stellar record of consistent growth and steady returns to its unitholders, including ten consecutive years of growth in Distribution per Unit (DPU). This is a testament to its ability to remain resilient and achieve growth through economic cycles and uncertainties in the market conditions. Going forward, FCT will continue to focus on its vision to be the “malls of choice” to all its stakeholders.



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ABOUT FRASERS CENTREPOINT TRUST



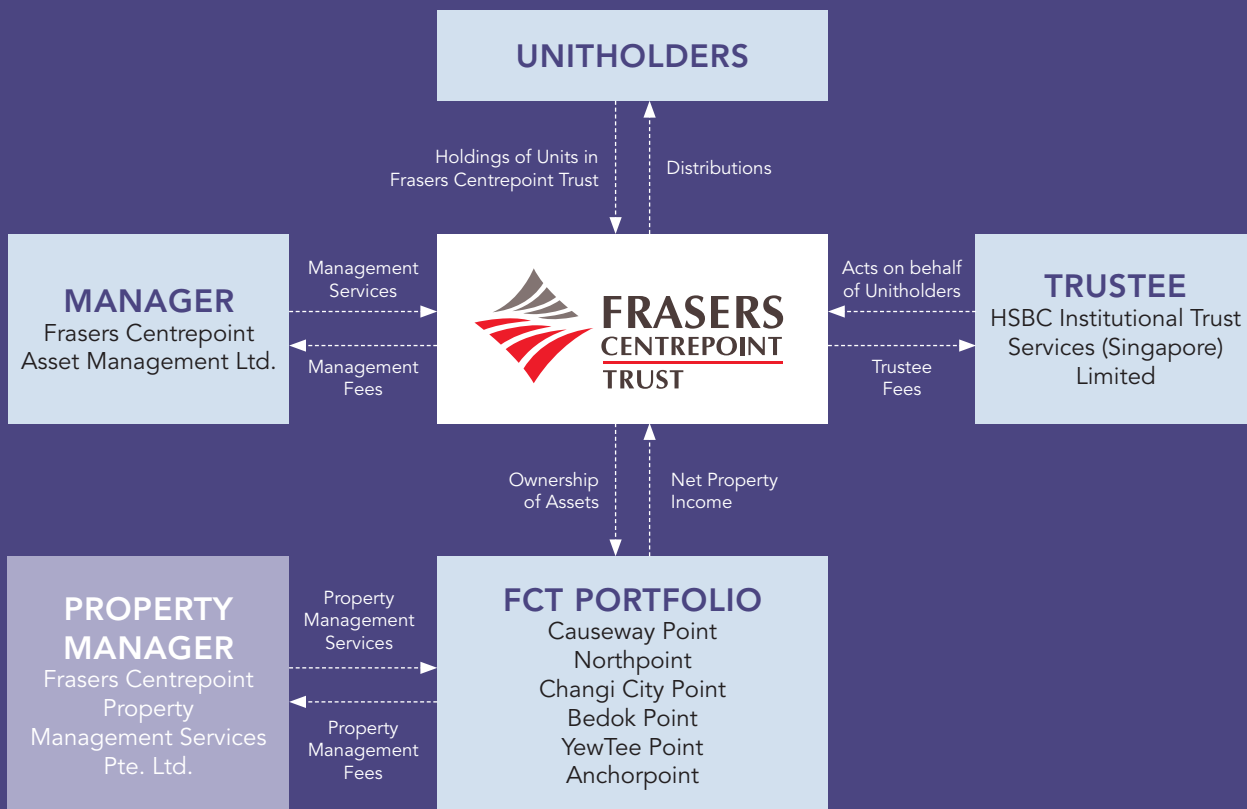
Frasers Centrepoint Trust ("FCT") is a leading developer-sponsored retail real estate investment trust ("REIT") with six quality suburban malls in Singapore.

FCT's current portfolio comprises Causeway Point, Northpoint, Changi City Point, YewTee Point, Bedok Point and Anchorpoint. With combined appraised value of \$2.51 billion as at 30 September 2016, FCT's malls enjoy wide captive markets, good connectivity and high occupancy. FCT also receives steady overseas returns via its 31% strategic stake in Hektar REIT.

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.

FCT was listed on the Main Board of the Singapore Exchange Securities Trading Limited on 5 July 2006. The trust is managed by Frasers Centrepoint Asset Management Ltd. ("FCAM"), a real estate management company and a subsidiary of Frasers Centrepoint Limited ("FCL").

STRUCTURE OF FRASERS CENTREPOINT TRUST



VISION

Our vision is to be “Your Malls of Choice” to our stakeholders: Tenants, Shoppers and Investors.

We aim to be a fair and value-adding landlord to our Tenants.

We aspire to create and offer a vibrant and exciting shopping experience to meet the expectations of our Shoppers.

We endeavour to be the REIT of choice affording stable, sustainable and growing distributions to our Investors.

MISSION

Frasers Centrepoint Trust’s mission is to provide its unitholders with a regular and stable distribution by investing primarily in quality income-producing retail properties in Singapore and overseas, and to achieve long-term growth in net asset value.

KEY FINANCIAL FIGURES FOR FY2016



APPRAISED VALUE OF INVESTMENT PROPERTIES

\$ 2.51 billion
▲ 1.8% year-on-year

Four of the FCT malls - Causeway Point, Northpoint, YewTee Point and Anchorpoint saw higher appraised valuations from the independent property valuers. Valuations of Changi City Point and Bedok Point remained unchanged. The aggregate value of the portfolio properties was \$2,509 million, which is \$45 million or 1.8% higher compared with the aggregate value of \$2,464 million as at 30 September 2015.



NET PROPERTY INCOME

\$ 129.9 million
▼ 0.9% year-on-year

Net Property Income (NPI) for FY2016 was \$129.9 million, which is 0.9% lower compared to the previous year. The NPI in FY2016 was affected by the ongoing asset enhancement initiative (AEI) at Northpoint and lower average occupancy rate at Changi City Point and Bedok. The year-on-year drop was mitigated by lower property expenses attributed to lower utilities tariff rates and other property expenses in FY2016.



NET ASSET VALUE PER UNIT

\$ 1.93
▲ 1.0% year-on-year

FCT's NAV as at 30 September 2016 is 1.0% higher than the \$1.91 a year ago.





**GROSS
REVENUE**

\$183.8 million
▼ 2.9% year-on-year

FCT achieved gross revenue of \$183.8 million in FY2016, 2.9% lower than FY2015. The revenue in FY2016 was affected by lower contributions from Northpoint, which is undergoing AEI and lower average occupancy rate at Changi City Point and Bedok Point due to ongoing tenant-remixing.



**GEARING
LEVEL**

28.3%

FCT continues to maintain a healthy gearing level at 28.3%, which is one of the lowest in the Singapore REIT sector. The gearing level as at 30 September 2016 is stable compared with 28.2% a year ago



**DISTRIBUTION
PER UNIT**

\$11.764 cents
▲ 1.3% year-on-year

Total distribution per unit (DPU) for FY2016 amounts to 11.764 cents, which is 1.3% higher than the 11.608 cents DPU for FY2015. FCT maintains consecutive DPU growth over the ten years since its listing at a compounded annual growth rate (CAGR) of 6.9%.



**DPU
YIELD**

5.34%

Based on the DPU of 11.764 cents for FY2016 and the closing price of \$2.20 on 30 September 2016, the DPU yield of FCT stood at 5.34%, which is 358 basis points above the Singapore Government 10-year bond yield of 1.758% (Source: Bloomberg)



10-YEAR PERFORMANCE AT A GLANCE

10 YEARS OF GROWTH

2006

JULY

Frasers Centrepoint Trust listed on the Mainboard of the Singapore Exchange on 5 July 2006. Initial portfolio comprised Causeway Point, Northpoint and Anchorpoint valued at S\$915 million. Unit price at listing was S\$1.03 per unit, market capitalization was S\$633 million

2007

MAY

FCT acquired a 27% stake in Hektar REIT

Anchorpoint commenced its AEI works, to reposition the mall as an outlet mall offering a wider range of F&B and retail concepts

OCTOBER

FCT closed its first full year with DPU which was 12% above the forecast provided in its IPO prospectus

2008

JANUARY

FCT embarked on S\$39 million AEI at Northpoint, to rejuvenate and reconfigure the mall and to integrate with the newly-completed Northpoint 2, to create a single seamless 232,000 square feet mall. The expected return on investment for the AEI was 11%

MAY

FCT relaunched Anchorpoint as Singapore's first outlet mall after completing \$13 million AEI. The AEI delivered a return on investment of 14%

OCTOBER

FCT achieved strong results for FY2008 with 9% growth in gross revenue and net property income and 11% increase in DPU to 7.29 cents



2009

FEBRUARY

Standard & Poor's Rating Services assigned 'BBB+' rating to FCT

OCTOBER

FCT achieved higher year on year DPU of 7.51 cents for FY2009

DECEMBER

Asiamoney Magazine conferred the "Small-Cap Corporate of the Year in Singapore" award on FCT

2010

JANUARY

FCT announced the acquisitions of Northpoint 2 and YewTee Point for total purchase consideration of S\$290.2 million

Unitholders approved the acquisitions of Northpoint 2 & YewTee Point at an Extraordinary General Meeting

FCT completed the private placement exercise of 137.0 million new units at an issue price of S\$1.33 per new unit. The net proceeds of approximately S\$177.8 million was used to part-finance the acquisitions of Northpoint 2 & YewTee Point

FEBRUARY

FCT completed the acquisitions of Northpoint 2 & YewTee Point

Dr Chew Tuan Chiong succeeded Mr Christopher Tang as the CEO of FCAM

MARCH

Northpoint was relaunched after completing the S\$39 million AEI. The AEI delivered return on investment of 10.7%

JULY

Causeway Point commenced S\$72 million AEI works

SEPTEMBER

FCT was ranked in the top quartile for corporate governance in Asia by CLSA

OCTOBER

FCT achieved 9% growth in DPU to 8.20 cents for FY2010



2011

MAY

Causeway Point awarded the GreenMark Platinum Award by the Building and Construction Authority of Singapore

JULY

FCT announced the proposed acquisition of Bedok Point for \$127 million

Standard and Poor's upgraded FCT's MTN program to "BBB+/Stable" from "BBB/Stable"

SEPTEMBER

Unitholders approved the proposed acquisition of Bedok Point at an Extraordinary General Meeting

FCT completed the private placement of 48 million new units at an issue price of S\$1.39 per new unit. The placement was 4.1 times oversubscribed and the net proceeds of approximately S\$64.3 million was used to part-finance the acquisition of Bedok Point

FCT completed the acquisition of the Bedok Point

OCTOBER

FCT achieved record distribution per unit of 8.32 cents for FY2011

2012

JUNE

FCT was voted Best Mid-Cap Company in Singapore by FinanceAsia

Frasers Centrepoint Asset Management, the Manager for FCT, was a nominee in the Category of Best Asian REIT Manager in the REIW ASIA 2012 Awards for Excellence

OCTOBER

FCT achieved a strong finish in FY2012 with multiple-highs in revenue, net property income and DPU. Full year DPU was at record-high of 10.01 cents, an increase of 20%. This is also the sixth consecutive year of DPU growth since FCT's listing

FCT was ranked in the top quartile among Singapore companies in CLSA's Corporate Governance survey

DECEMBER

FCT was awarded the "Grand prix for best overall investor relations - mid/small cap" at the IR Magazine Awards South East Asia 2012

2013

JULY

Causeway Point was re-launched in conjunction with its 15th anniversary

AUGUST

FCT won the Best Investor Relations Award (Bronze) in the REITS & Business Trust Category at the Singapore Corporate awards 2013 organised by The Business Times

OCTOBER

FCT achieved strong performance for FY2013 with full year DPU of 10.93 cents, an increase of 9.2% over the previous year. It was also the seventh consecutive year of DPU growth since FCT's listing



2014

APRIL

FCT announced the proposed acquisition of Changi City Point for S\$305 million

MAY

Unitholders approved the proposed acquisition of Changi City Point at an Extraordinary General Meeting

FCT launched a private placement exercise and raised S\$161.5 million in gross proceeds from the placement of 88 million New Units at an Issue Price of S\$1.835 per New Unit

JUNE

FCT completes the acquisition of Changi City Point

OCTOBER

FCT achieved strong performance for FY2014. Full year revenue increased 16.1% year-on-year and DPU rose 2.4% to 11.187 cents. It was also the eighth consecutive year of DPU growth since FCT's listing

2015

FEBRUARY

Moody's changed the outlook of FCT's Baa1 issuer rating to 'Positive' from 'Stable'

MAY

FCT's Causeway Point was awarded the BCA Universal Design GoldPlus Award for its user-friendliness, connectivity and safety features. Bedok Point was awarded the BCA GreenMark Gold award for its energy efficient, water-saving and recycling features

OCTOBER

FCT achieved new-high DPU of 11.608 cents for FY2015, an increase of 3.8% over the previous year. It was also the ninth consecutive year of DPU growth since FCT's listing

2016

FEBRUARY

FCT changed its Auditors from Ernst & Young LLP to KPMG LLP

MARCH

FCT commenced AEI at Northpoint to upgrade the mall for sustainable growth and to facilitate the integration with the upcoming retail component of Northpoint City under construction by Frasers Centrepoint Limited

MAY

FCT announced the appointment of Independent and Non-Executive Director, Dr Cheong Choong Kong

SEPTEMBER

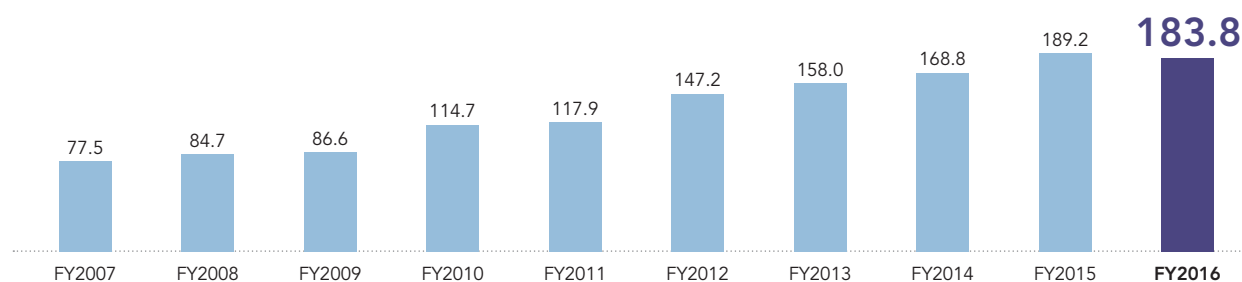
FCT wins prestigious Transparency Award at the SIAS Investors' Choice Awards

OCTOBER

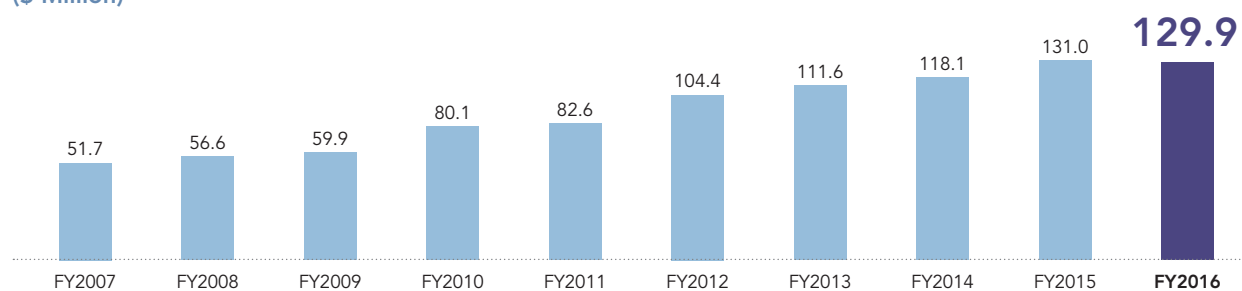
FCT achieved new-high DPU of 11.764 cents for FY, its tenth consecutive year of DPU growth since its listing

10-YEAR PERFORMANCE AT A GLANCE

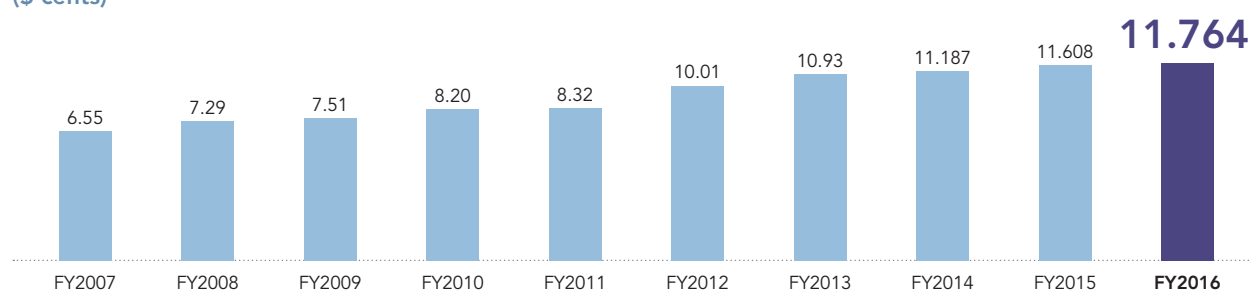
GROSS REVENUE (\$ Million)



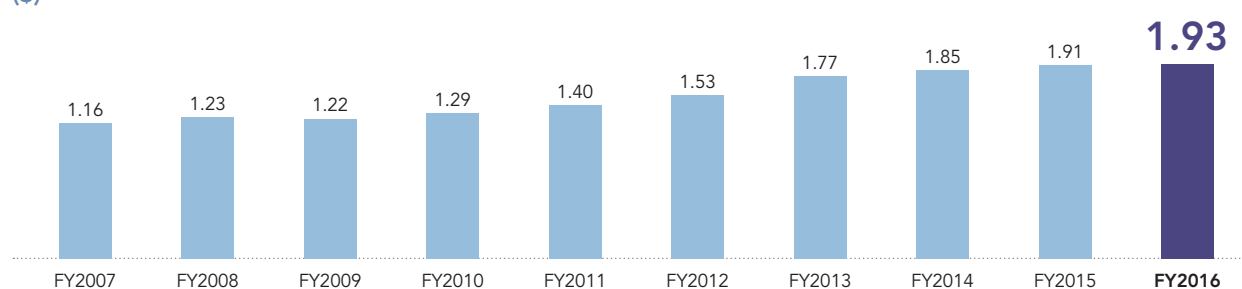
NET PROPERTY INCOME (\$ Million)



DISTRIBUTION PER UNIT (\$ cents)



NET ASSET VALUE PER UNIT (\$)



10-YEAR FINANCIAL HIGHLIGHTS

Group For the Financial Year ended 30 September	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016
Selected Income Statement and Distribution Data (\$'000)										
Gross Rent	68,574	73,256	74,608	100,349	103,644	131,280	140,329	149,453	167,914	162,969
Other Revenue	8,925	11,408	12,016	14,389	14,240	15,923	17,630	19,301	21,328	20,847
Gross Revenue	77,499	84,664	86,624	114,738	117,884	147,203	157,959	168,754	189,242	183,816
Net Property Income	51,723	56,566	59,861	80,050	82,618	104,430	111,590	118,096	131,043	129,852
Distributable Income	40,353	45,244	46,940	59,177	64,375	82,348	90,131	95,442	106,412	108,101

Selected Balance Sheet Data (\$ Million)										
Total Assets	1,055.3	1,127.0	1,165.5	1,516.2	1,786.8	1,917.1	2,134.5	2,521.8	2,548.7	2,594.5
Total Borrowings	307.5	317.5	349.0	460.0	559.0	577.0	589.0	739.0	718.0	734.0
Net Assets	715.3	767.2	763.8	989.3	1,151.9	1,263.0	1,462.4	1,698.7	1,754.5	1,775.6
Value of Portfolio Properties ¹	988.5	1,063.0	1,100.0	1,439.0	1,697.0	1,816.0	2,019.5	2,400.0	2,464.0	2,509.0

Key Financial Indicators										
Distribution per Unit (cents)	6.55	7.29	7.51	8.20	8.32	10.01	10.93	11.187	11.608	11.764
Net Asset Value per Unit (\$) ²	1.16	1.23	1.22	1.29	1.40	1.53	1.77	1.85	1.91	1.93
Ratio of Total Borrowings to Total Assets (Gearing)	29.1%	28.2%	29.9%	30.3%	31.3%	30.1%	27.6%	29.3%	28.2%	28.3%
Interest Coverage (Times)	4.10	4.43	4.57	4.31	4.62	5.56	6.15	6.20	6.61	7.33

1 FCT's property portfolio in FY2016 comprises the following suburban retail properties in Singapore: Causeway Point, Northpoint, Anchorpoint, YewTee Point, Bedok Point and Changi City Point.

2 Includes the distribution to be paid for the last quarter of the Financial Year.

LETTER TO UNITHOLDERS



DEAR UNITHOLDERS,

We are pleased to present Frasers Centrepoint Trust (FCT)'s Annual Report and Sustainability Report for financial year ended 30 September 2016 (FY2016).

STELLAR RECORD OF 10 CONSECUTIVE YEARS OF DPU GROWTH, RECORD-HIGH DPU AND NAV

2016 is a milestone for FCT as it celebrates its tenth year as a public listed entity on the Singapore Exchange (SGX). FCT has maintained a stellar record of ten consecutive years of Distribution per Unit (DPU) growth at a compounded annual growth rate of almost 7%. The DPU for FY2016 was a record-high of 11.764 cents. Net Asset Value (NAV) per Unit is also at a new-high at \$1.93. Both FCT's DPU and NAV per Unit have almost doubled since its IPO. This translates to total return of about 290%¹, or equivalent to about 14% per annum, for investors who hold the units and had reinvested the DPU over the decade. Over the last 3- and 5-year periods, FCT registered total returns of 42.4% and 101.4%¹, respectively, both outperforming the FTSE REIT Index. We take pride that the FCT has done well in fulfilling its mission in providing its unitholders with regular and stable DPU, and to achieve long-term growth in NAV.

DELIVERING STABLE PERFORMANCE IN A SLOW ECONOMY

Despite the slow economy and tough retail environment, FCT delivered stable performance in FY2016. Revenue for FY2016 was \$183.8 million, 2.9% lower compared with FY2015. The decline was mainly attributed to lower contributions from Northpoint due to the on-going asset enhancement initiative (AEI) at the mall since March 2016, and the transitional vacancy at Changi City Point. Net property income in FY2016 was \$129.9 million, just 0.9% lower year-on-year, helped by lower property expenses incurred compared with the previous year. Causeway Point (our largest mall) and YewTee Point performed well to deliver 5.0% increase in net property income each.

STRONG FINANCIAL POSITION, HIGHER APPRAISED VALUE OF INVESTMENT PROPERTIES

FCT maintains strong financial position with gearing level at a healthy 28.3%, one of the lowest among its S-REIT peers listed on the SGX. Its all-in cost of borrowings remains low at 2.1% and the average debt maturity stood at 2.7 years. We continue to adopt a prudent capital management approach and maintain our vigilance on the interest rate environment amidst volatile conditions in the capital markets.

LETTER TO UNITHOLDERS

FCT has maintained a stellar record of ten consecutive years of Distribution per Unit (DPU) growth at a compounded annual growth rate of almost 7%.

Four of our malls - Causeway Point, Northpoint, YewTee Point and Anchorpoint, saw higher appraised valuations from the independent property valuers while valuations of Changi City Point and Bedok Point remained unchanged. The aggregate value of the portfolio properties was \$2,509 million, which is \$45 million or 1.8% higher than the \$2,464 million as at 30 September 2015.

SOFTER OCCUPANCY BUT RENTAL REVERSIONS AND SHOPPER TRAFFIC STAY HEALTHY

Portfolio occupancy as at 30 September 2016 stood at 89.4%, compared with 96.0% in the previous year. The lower occupancy was mainly due to the ongoing AEI at Northpoint as well as the transitional vacancy at Changi City Point. Northpoint occupancy dropped to 70.9% from 98.2% a year ago as the AEI progresses, while occupancy at Changi City Point was 81.1%, compared with 91.1% a year ago due to the change in an anchor tenant space. The occupancy at Changi City Point will improve when the anchor tenant (a supermarket) commences trading in late-October 2016. The occupancy at Northpoint is projected to average around 71% between October 2016 and March 2017, and improves thereafter as the AEI progresses towards completion which is scheduled for September 2017.

FCT renewed 215,373 square feet of leased area in FY2016, which represents approximately 20% of the nett lettable area of its portfolio. These leases were renewed at an average rental rate 9.9% higher than the preceding leases. The 9.9% average rental reversion rate in FY2016 is also at the highest in the last 4 years, during which the average rental reversion ranged between 6.3% and 7.7%. The healthy rental reversion in FY2016 was driven mainly by the three larger malls, Causeway Point, Northpoint and Changi City Point, which achieved positive average rental reversion of between 9.6% and 18.9%.

The shopper traffic to FCT portfolio of malls in FY2016 was 102 million, up 4.9% year-on-year and crossing 100 million-mark for the first time. Traffic at Changi City Point and YewTee Point saw double-digit jump in traffic year-on-year, as the former added new shuttle bus service to draw office crowd from within the business park and the latter held more promotional events at the mall. Northpoint continued to enjoy high shopper traffic of about 4 million per month and Causeway Point at about 2 million a month. The two smaller malls Bedok Point and Anchorpoint saw its shopper traffic weakened by 6.4% and 5.6%, respectively. Our mall management team will continue to work on retaining and attracting higher shopper traffic to their malls through promotional and festive events, in collaboration with retailers and various communities and agencies.

TENANT'S SALES AND INTRODUCING NEW RETAILERS IN OUR MALLS

On tenants' sales performance, the overall portfolio tenants' sales for the 12-months ended September 2016 was 4.8% lower compared with the same period a year ago. The overall tenants sales was affected mainly by the ongoing AEI due to the resultant vacancy as well as the changeover of anchor tenant space at Changi City Point. Tenant sales at Causeway Point, which accounts for about 50% of the portfolio tenant sales, was up by 0.5%. The occupancy cost, which is the ratio of the gross rent and the tenant's sales, inched up 40 basis points to 15.7% from 15.3% last year.

During the year, we introduced many new brands and retailers into our malls. Some of the notable retailers include Jollibee (fast food restaurant), Lian Peng Bak Kut Teh (pork rib soup restaurant), St Marc (café), Kipling (outlet store), Clarks (outlet store), NTUC Club and Four Fingers (fast food restaurant). There is an observable trend in the increase of Food & Beverage (F&B) vendors at our malls, especially in the recent years, due to increasing consumer demand, changes in demography

Over the last 3- and 5-year periods, FCT registered total returns of 42.4% and 101.4%¹

LETTER TO UNITHOLDERS

FCT was named the Runner-Up winner of the Most Transparent Company Award (REITs & Business Trusts Category) in the SIAS Investors' Choice Awards 2016 for its outstanding efforts in Disclosure and Transparency standards

and lifestyle shifts. We remain ready to respond to these shifts as we curate our tenant-mix for each mall accordingly.

AEI AND ACQUISITION STRATEGIES TO REMAIN KEY GROWTH DRIVERS FOR FCT

Singapore's economic growth is likely to remain tepid in the near-term. The Monetary Authority of Singapore said the country's GDP is not expected to pick up significantly in 2017. It is not surprising that outlook for Singapore retail industry remains sluggish, as it continues to grapple with other headwinds such as manpower shortage as well as challenges from online-shopping and weak tourist spending.

Going forward, we will continue to focus on optimising the performance and returns of FCT's malls, ensuring that they remain relevant to our shoppers and tenants. AEI and acquisition strategies will remain the key growth drivers for FCT, while active lease management and maintaining healthy occupancy and rental reversion are crucial in sustaining our organic growth momentum. Prospects for acquisition include existing and future malls in the sponsor's portfolio, as well as other opportunities arising within Singapore and overseas.

Progress of asset enhancement works at Northpoint is on schedule. Phase 1 of the AEI is expected to complete in January 2017, and we will commence Phase 2 right after Chinese New Year in February 2017. Completion is scheduled for September 2017. While the works have been phased to minimise income disruption, the rental revenue of Northpoint and FCT will be impacted. The AEI at Northpoint will enhance shopper experience and comfort, boosting the diversity of retail offerings, and to position the mall to benefit from the integration with the upcoming retail component of Northpoint City by our sponsor, Frasers Centrepoint Limited. We expect the AEI to deliver positive return on investment upon its completion and more importantly, to bring about long-term benefits for FCT and its unitholders.

SUSTAINABILITY REPORTING

Sustainability continues to be an important aspect of FCT's long-term business strategy. Our sustainable report, which forms part of the Annual Report, demonstrates how we support sustainability in our business activities, our sector and the local communities. Our sustainability approach is aligned with that of Frasers Centrepoint Group. Frasers Centrepoint Limited became a signatory to the United Nations Global Compact (UNGC), joining more than 8,000 companies and 4,000 non-businesses in a innovative and collaborative worldwide movement to shape a sustainable future for the global business community, through promoting responsible business practices that will benefit both the businesses and the society. FCT as part of the Frasers Centrepoint Group, is committed in supporting the sustainability efforts and initiatives spearheaded by the group.

ACCOLADE FOR DISCLOSURE AND TRANSPARENCY, FOSTERING GOOD INVESTOR RELATIONS

FCT was named the Runner-Up winner of the Most Transparent Company Award (REITs & Business Trusts Category) in the SIAS Investors' Choice Awards 2016 for its outstanding efforts in Disclosure and Transparency standards. This is an endorsement of our efforts in improving the quality of disclosures and corporate transparency of FCT. We place great emphasis in providing timely and accurate information to enable investors to make informed decisions. We will continue to work hard at this.

LETTER TO UNITHOLDERS

We devote appreciable amount of management time and resources to engage the investment community globally. During the year, our management met with 289 institutional investors, a 5% increase compared with 275 investors in FY2015. This is achieved through one-on-one meetings, non-deal road shows, post-results luncheon and participation in investor conferences, both locally and overseas. We will continue to diversify our unitholder base in the region and globally. The investors generally view FCT favourably because of its established track record in distribution growth, stability, good growth prospects, attractive total return, good corporate governance and transparent management.

We continue to enjoy a strong base of research coverage. There are currently 18 equity research houses covering FCT, of which 14 of them hold positive views (overweight/outperform or buy) on the stock.

ACKNOWLEDGEMENTS

Mr Lim Ee Seng and Mr Chia Khong Shoong have both stepped down from the board on 30 September 2016. Ee Seng served more than 10 years on the board, his resignation from the board is in line with his retirement as Group Chief Executive Officer of Frasers Centrepoint Limited. Khong Shoong served more than 7 years on the board and his resignation was in line with the rebalancing of duties and responsibilities in connection with his new appointments at the Frasers Centrepoint Limited Group. We would like to express our appreciations to them for their contributions to the Board and FCT and we wish them well in their future endeavours.

We would like to welcome Dr Cheong Choong Kong, who joined the board as Lead Independent Director on 18 May 2016. Dr Cheong also serves as member of the Audit Committee and the Nominating & Remuneration Committee. Dr Cheong brings many years of broad corporate experience, including in finance and banking, which will be invaluable as FCT continues to grow.

In closing, we thank our fellow board members for their stewardship in guiding FCT forward. We would also like to thank the management and staff for their dedication and relentless hard work. Finally, we express our gratitude to our unitholders, business partners, tenants and shoppers for their continued support.



MR PHILIP ENG
Chairman



DR CHEW TUAN CHIONG
Chief Executive Officer

22 December 2016



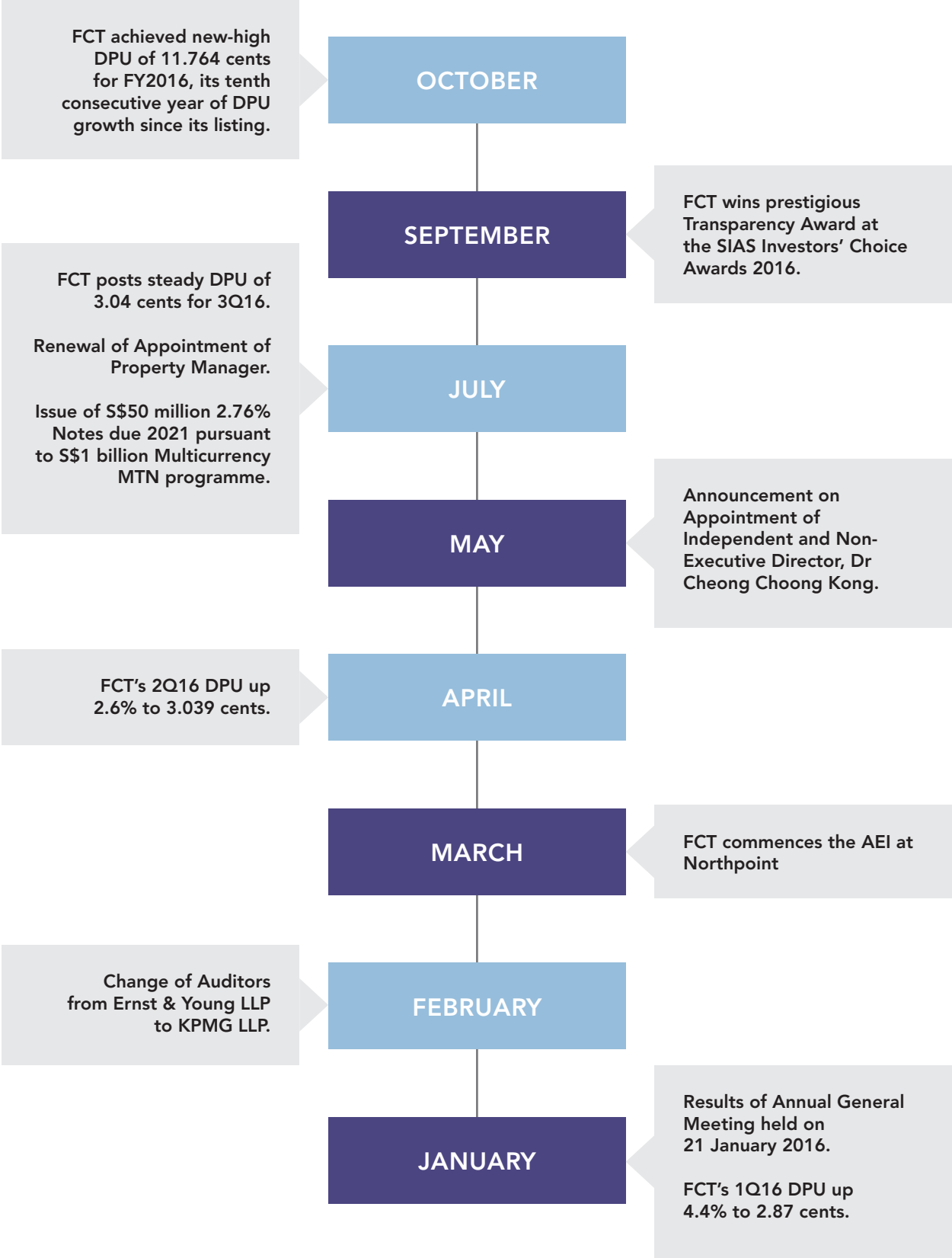


A DECADE OF CONSISTENT PERFORMANCE

FCT delivered consistent performance and stable returns to its unitholders over the past decade. FCT's portfolio of high quality and well-located retail assets continue to perform well and stay resilient through economic cycles.



FINANCIAL YEAR 2016 IN BRIEF



INVESTOR RELATIONS

OPEN AND TRANSPARENT COMMUNICATIONS

Frasers Centrepoint Asset Management Ltd ("FCAM"), as Manager of Frasers Centrepoint Trust ("FCT"), is committed to maintaining open and transparent communications with its unitholders and the investment community. FCAM provides factual and timely disclosure on all material information concerning FCT. General information on FCT including annual reports, portfolio information and investor presentations are updated regularly on FCT's website. All news releases and company announcements are also available on the SGX-ST website.

ANNUAL GENERAL MEETING (AGM)

The AGM and EGM are important channels for communication between the board of directors, the management of FCAM and the unitholders of FCT. FCT convened its 7th AGM on 21 January 2016. The voting for all resolutions at the AGM were conducted via electronic polls. All resolutions tabled at the AGM were duly passed and the results of the polls were announced on the SGX and FCT websites on the same day of the events.

ACCOLADE – FOR OUTSTANDING EFFORTS IN DISCLOSURE AND TRANSPARENCY STANDARDS

FCT was named the Runner Up of the Most Transparent Company Award (REITs & Business Trusts Category) in the Securities Investors Association (Singapore) Investors' Choice Awards 2016. FCT was commended for its outstanding efforts in its disclosure and transparency standards.



Dr Chew Tuan Chiong (right) receiving the award from Mr Robson Lee, Gibson, Dunn & Crutcher LLP and Mr Loh Uantchern, CEO, Asia Pacific, Black Sun



Dr Chew Tuan Chiong (left, in jacket) fielding questions from analysts and the media at the 4Q16 Results Briefing on 21 October 2016

ACTIVE ENGAGEMENT WITH INSTITUTIONAL AND RETAIL INVESTORS

The senior management of FCAM meets regularly with FCT's investors and analysts at conferences (both overseas and local), one-on-one meetings, quarterly post-results luncheons and non-deal roadshows to apprise them of FCT's corporate developments and financial performance. During the year under review, FCT participated in overseas non-deal investor roadshows to Europe, Japan, South Korea, Hong Kong and Malaysia as well as investor conferences hosted by major financial institutions. Investor Conferences and non-deal roadshows. During FY2016, the management of FCAM participated in the following events:

Singapore

- DBS Pulse of Asia Conference
- Phillip Capital Regional Day
- KGI Retail Investor Day
- Citi ASEAN Investor Conference 2016
- Macquarie ASEAN Conference 2016

Overseas

- DBS Debt Investor Tokyo NDR, Japan
- Nomura Tokyo Real Estate Conference Day, Tokyo, Japan
- DBS Bangkok Non-Deal Roadshow, Bangkok, Thailand
- HSBC Europe Non-Deal Roadshow, London, UK and Netherlands
- Citi Asia Pacific Property Conference, Hong Kong
- DBS Seoul Non-Deal Roadshow, Seoul, South Korea

INVESTOR RELATIONS

The management met or spoke with 289 institutional investors in FY2016, a 5% increase compared with 275 investors in FY2015. The investors generally view FCT favourably because of its established track record in distribution growth, stability, good growth prospects, attractive total return, good corporate governance and transparent management.

As at 25 November 2016, 50.08% of the total FCT issued units were held by institutional investors, 41.55% were held by the Sponsor group (comprising Frasers Centrepoint Limited and FCAM) and 8.37% were held by individual investors. There were 6,084 CDP-registered unitholders of FCT and an additional 844 investors who held their units under their CPF-Investment accounts.

COVERAGE BY EQUITY RESEARCH HOUSES

During the year under review, there were 18 equity research firms (FY2015: 18) which provided equity research coverage on FCT.

The research firms which cover FCT (in alphabetical order) are:

1. Bank of America-Merrill Lynch
2. BNP Paribas
3. CIMB Research
4. Citi Investment Research
5. CLSA
6. Credit Suisse
7. Daiwa Capital Markets
8. DBS Vickers Securities
9. HSBC
10. J.P. Morgan
11. KGI Fraser Securities
12. Maybank Kim Eng Research
13. OCBC Investment Research

14. Phillip Research
15. Religäre Institutional Research
16. RHB
17. UBS
18. UOB Kay Hian Research

ENQUIRIES

For general enquiries on FCT, please contact:

Mr Chen Fung Leng
Head, Investor Relations & Research
Frasers Centrepoint Asset Management Ltd
Tel : (65) 6277-2657
Email : ir@fraserscentrepointtrust.com

UNIT REGISTRAR

Boardroom Corporate & Advisory Services Pte Ltd
Phone : (65) 6536-5355
Fax : (65) 6536-1360
Website : www.boardroomlimited.com

FY2017 FINANCIAL CALENDAR#

20 January 2017	Annual General Meeting
20 January 2017	1Q FY2017 Results Announcement
End February 2017	1Q FY2017 Distribution Payment
24 April 2017	2Q FY2017 Results Announcement
End May 2017	2Q FY2017 Distribution Payment
24 July 2017	3Q FY2017 Results Announcement
End August 2017	3Q FY2017 Distribution Payment
23 October 2017	4Q FY2017 Results Announcement
End November 2017	4Q FY2017 Distribution Payment

Note: Dates are indicative and are subject to change

FCT UNIT PRICE PERFORMANCE

PERFORMANCE OF THE FCT UNIT PRICE FOR FY2015

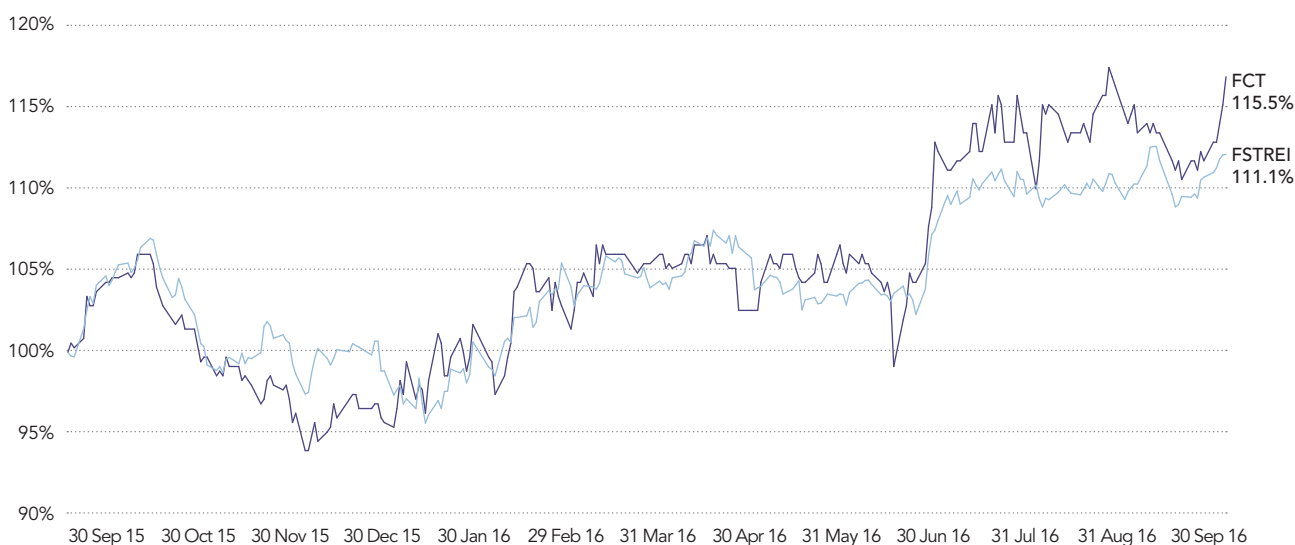
FCT unit price closed at \$2.20 on 30 September 2016, this is 15.5% higher than the last done price on 30 September 2015, the last day of the preceding period. During this period, despite the volatilities in the

global capital markets arising from uncertainties in the global economy, risk of interest rates hike, BREXIT and geopolitical tensions, among other factors, FCT units registered a total return of 22.4%, outperforming the 19.1% total return from the FTSE REIT index. Over the longer 3-year and 5-year periods, FCT units registered total returns of 42.4% and 101.4%, respectively.

TRADING PERFORMANCE HIGHLIGHTS (1 October 2015 – 30 September 2016)

- Opening price on 1 October 2015 : \$1.905
- Closing price on 30 September 2016 : \$2.20
- Highest closing price : \$2.21 on 24 August 2016
- Lowest closing price : \$1.80 on 14 December 2015
- Average daily trading volume : 949,830 units
- Total volume traded : 239.4 million units

FCT UNIT PRICE PERFORMANCE IN FY2016 (Base = 100 on 30 September 2015)



PERFORMANCE OF FCT COMPARED WITH THE FTSE REIT INDEX

	1 Year (30/9/2015 - 30/9/2016)		3 Years (30/9/2013 - 30/9/2016)		5 Years (30/9/2011 - 30/9/2016)	
	Price Change	Total Return	Price Change	Total Return	Price Change	Total Return
Fraser's Centrepont Trust	15.49%	22.45%	19.24%	42.4%	52.78%	101.45%
FTSE REIT Index	11.13%	19.09%	5.42%	27.39%	29.41%	77.00%

Note: Calculation of the price change is based on the closing price on the last day of the preceding reporting period compared with the closing price on the last day of the next period. Calculation of the total return assumed the distributions paid during the period are reinvested.

Source: Bloomberg

BOARD OF DIRECTORS



MR PHILIP ENG HENG NEE, 70

Chairman, Non-Executive and Non-Independent Director

Date of appointment as Director : 3 April 2006
Length of service as Director : 10 years and 6 months
(as at 30 September 2016)

Board committee served on

- Audit Committee (Member)
- Nominating and Remuneration Committee (Member)

Academic & Professional Qualifications

- Bachelor of Commerce in Accountancy, University of New South Wales
- Associate Member, Institute of Chartered Accountants in Australia

Present Directorships (as at 30 September 2016)

Listed companies

- Ezra Holdings Limited
- Frasers Centrepoint Limited (Chairman of Remuneration Committee and Member of Audit Committee)
- mDR Limited (Non-Executive Chairman)
- PT Adira Dinamika Multi Finance, Tbk (Commissioner)
- The Hour Glass Limited

Listed REITs/Trusts

- Hektar Asset Management Sdn Bhd, Manager of Hektar Real Estate Investment Trust

Others

- Frasers Property Australia Pty Limited
- Heliconia Capital Management Private Limited
- KK Women's and Children's Hospital Pte Ltd
- NTUC Income Insurance Cooperative Limited
- Singapore Health Services Pte Ltd
- Vanda 1 Investments Pte Ltd

Major appointments (other than Directorships)

- Singapore's Non-Resident High Commissioner to Canada

Past Directorships in listed companies held over the preceding 3 years (from 1 October 2013 to 30 September 2016)

- Asia Pacific Breweries Limited
- Fraser and Neave, Limited
- Hup Soon Global Corporation Limited

Others

- Mr Eng was previously the Group Managing Director, Jardine Cycle & Carriage Group



DR CHEW TUAN CHIONG, 58

Executive and Non-Independent Director

Date of appointment as Director : 14 July 2010
Length of service as Director : 6 years and 2 months
(as at 30 September 2016)

Board committee served on

Nil

Academic & Professional Qualifications

- Bachelor of Engineering (First Class Honours), Monash University
- Master of Engineering, National University of Singapore
- Doctor of Philosophy, University of Cambridge
- Chartered Engineer, The Engineering Council UK
- Fellow, The Institution of Engineers Singapore
- Fellow, Academy of Engineering Singapore

Present Directorships (as at 30 September 2016)

Listed companies

Nil

Listed REITs/Trusts

- Hektar Asset Management Sdn Bhd, Manager of Hektar Real Estate Investment Trust

Others

- CityNet Infrastructure Management Pte Ltd

Major appointments (other than Directorships)

- Chief Executive Officer, Frasers Centrepoint Asset Management Ltd

Past Directorships in listed companies held over the preceding 3 years (from 1 October 2013 to 30 September 2016)

Nil

Others

- Dr Chew was Chief Executive of the Science Centre Singapore (1995 – 2010)
- Public Administration Medal (Silver) (Singapore)
- Sugden Award by the Combustion Institute (UK)
- IPS Cadi Scientific Medal by the Institute of Physics Singapore
- President's Award by Asia Pacific Association of Science & Technology Centres

BOARD OF DIRECTORS



MR CHIA KHONG SHOONG, 45
Non-Executive and Non-Independent Director

Date of appointment as Director : 1 September 2009
Length of service as Director : 7 years and 1 month¹
(as at 30 September 2016)

Board committee served on
Nil

Academic & Professional Qualifications

- Bachelor of Commerce (Accounting and Finance) (First Class Honours), University of Western Australia
- Master of Philosophy (Management Studies), Cambridge University

Present Directorships (as at 30 September 2016)

Listed companies
Nil

Listed REITs/Trusts

- Frasers Centrepoint Asset Management (Commercial) Limited, Manager of Frasers Commercial Trust

Others
Nil

Major appointments (other than Directorships)

- Chief Corporate Officer and Chief Financial Officer, Frasers Centrepoint Limited

Past Directorships in listed companies held over the preceding 3 years (from 1 October 2013 to 30 September 2016)

Nil

Others

- Mr Chia's previous work experience include:
- Chief Executive Officer, Australia, New Zealand and UK, Frasers Centrepoint Limited
 - Director, Investment Banking and Global Banking, The Hongkong & Shanghai Banking Corporation Ltd
 - Vice President, Global Investment Banking, Citigroup / Salomon Smith Barney / Schroders



MR BOBBY CHIN YOKE CHOONG, 65
Non-Executive and Independent Director

Date of appointment as Director : 3 April 2006
Length of service as Director : 10 years and 6 months
(as at 30 September 2016)

Board committee served on

- Audit Committee (Chairman)
- Nominating and Remuneration Committee (Member)

Academic & Professional Qualifications

- Bachelor of Accountancy, University of Singapore
- Associate member, Institute of Chartered Accountants in England and Wales

Present Directorships (as at 30 September 2016)

Listed companies

- AV Jennings Limited
- Ho Bee Land Limited
- Sembcorp Industries Limited
- Singapore Telecommunications Limited
- Yeo Hiap Seng Limited

Others

- Housing & Development Board (Deputy Chairman)²
- NTUC Enterprise Co-operative Limited (Deputy Chairman)
- NTUC Fairprice Co-operative Limited (Chairman)
- Singapore Labour Foundation
- Temasek Holdings (Private) Limited

Major appointments (other than Directorships)

- Council of Presidential Advisers (Member)

Past Directorships in listed companies held over the preceding 3 years (from 1 October 2013 to 30 September 2016)

- Oversea-Chinese Banking Corporation Limited

Others

- Mr Chin was the Managing Partner of KPMG Singapore from 1992 until his retirement in 2005. He was the Chairman of the Urban Redevelopment Authority from 2001 to 2006, and prior to that, served as its board member from 1997 to 2001. He also served as the Chairman of the Singapore Totalisator Board from 2006 to 2012. Mr Chin chaired the MediShield Life Review Committee in 2013

1 Mr Chia Khong Shoong resigned from the Board on 1 October 2016 as part of the rebalancing of his duties and responsibilities in connection with his new appointments at the Frasers Centrepoint Limited Group.

2 Mr Bobby Chin assumed the position of Chairman Housing & Development Board on 1 October 2016 after serving as the Deputy Chairman from 1 October 2015 to 30 September 2016.

BOARD OF DIRECTORS



MR LIM EE SENG, BBM, 65

Non-Executive and Non-Independent Director

Date of appointment as Director : 27 January 2006
Length of service as Director : 10 years and 8 months²
(as at 30 September 2016)

Board committee served on

Nil

Academic & Professional Qualifications

- Bachelor of Engineering (Civil Engineering), University of Singapore
- Master of Science (Project Management), National University of Singapore
- Fellow, Singapore Institute of Directors
- Member, The Institution of Engineers Singapore

Present Directorships (as at 30 September 2016)

Listed companies

Nil

Listed REITs/Trusts

- Frasers Centrepoint Asset Management (Commercial) Limited, Manager of Frasers Commercial Trust
- Frasers Hospitality Asset Management Pte Ltd, Manager of Frasers Hospitality Real Estate Investment Trust
- Frasers Hospitality Trust Management Pte Ltd, Trustee-Manager of Frasers Hospitality Business Trust
- Frasers Logistics & Industrial Asset Management Pte Ltd, Manager of Frasers Logistics & Industrial Trust

Others

- Frasers Property Australia Pty Limited
- Vacaron Company Sdn Bhd

Major appointments (other than Directorships)

- Group Chief Executive Officer, Frasers Centrepoint Limited
- 2nd Vice-President, Real Estate Development Association of Singapore

Past Directorships in listed companies held over the preceding 3 years (from 1 October 2013 to 30 September 2016)

- Gemdale Properties and Investment Corporation Limited

Others

- Awarded Public Service Star (BBM)
- Former Board member of the Building and Construction Authority of Singapore
- Former Council member of the Singapore Chinese Chamber of Commerce and Industry
- Previously Managing Director of MCL Land Limited
- Previously General Manager (Property Division), First Capital Corporation Ltd.
- Previously Project Manager, Singapore Land Limited



MR SOH KIM SOON, 70

Non-Executive and Independent Director

Date of appointment as Director : 23 March 2006
Length of service as Director : 10 years and 6 months
(as at 30 September 2016)

Board committee served on

- Nominating and Remuneration Committee (Chairman)
- Audit Committee (Member)

Academic & Professional Qualifications

- Bachelor of Arts (Honours), University of Singapore
- Associate, Chartered Institute of Bankers

Present Directorships (as at 30 September 2016)

Listed companies

- EnGro Corporation Limited

Others

- ORIX Investment and Management Private Limited
- ORIX Leasing Singapore Limited

Major appointments (other than Directorships)

- Chairman of ORIX Investment and Management Private Limited

Past Directorships in listed companies held over the preceding 3 years (from 1 October 2013 to 30 September 2016)

Nil

Others

- Mr Soh was previously Senior Managing Director of DBS Bank

² Mr Lim Ee Seng resigned from the Board on 1 October 2016 in line with his retirement as the Group Chief Executive Officer of Frasers Centrepoint Limited on 1 October 2016.

BOARD OF DIRECTORS



MR CHRISTOPHER TANG KOK KAI, 55
Non-Executive and Non-Independent Director

Date of appointment as Director : 27 January 2006
Length of service as Director : 10 years and 8 months
(as at 30 September 2016)

Board committee served on

- Nominating and Remuneration Committee (Member)

Academic & Professional Qualifications

- Bachelor of Science, National University of Singapore
- Master of Business Administration, National University of Singapore

Present Directorships (as at 30 September 2016)

Listed companies

Nil

Listed REITs/Trusts

- Frasers Centrepoint Asset Management (Commercial) Limited, Manager of Frasers Commercial Trust
- Hektar Asset Management Sdn Bhd, Manager of Hektar Real Estate Investment Trust

Others

- Republic Polytechnic (Member of the Board of Governors)

Major appointments (other than Directorships)

- Chief Executive Officer, Singapore - Frasers Centrepoint Limited
- Chief Executive Officer, China - Frasers Centrepoint Limited

Past Directorships in listed companies held over the preceding 3 years (from 1 October 2013 to 30 September 2016)

Nil

Others

- Previously Chief Executive Officer of Frasers Centrepoint Asset Management Ltd., the Manager of Frasers Centrepoint Trust. He had previously worked with DBS Bank, DBS Land and British Petroleum.



DR CHEONG CHOONG KONG, 75
Non-Executive and Lead Independent Director

Date of appointment as Director : 18 May 2016
Length of service as Director : 4 months
(as at 30 September 2016)

Board committee served on

- Audit Committee (Member)
- Nominating and Remuneration Committee (Member)

Academic & Professional Qualifications

- Bachelor of Science (First Class Honours), Adelaide University
- Master of Science, Australian National University
- Doctor of Philosophy, Australian National University
- Doctor of Science (Honorary), Australian National University
- Degree of Doctor of the University (Honorary), Adelaide University

Present Directorships (as at 30 September 2016)

Listed companies

Nil

Listed REITs/Trusts

Nil

Others

Nil

Major appointments (other than Directorships)

Nil

Past Directorships in listed companies held over the preceding 3 years (from 1 October 2013 to 30 September 2016)

- Great Eastern Holdings Limited
- Overseas-Chinese Banking Corporation Limited
- The Overseas Assurance Corporation Limited
- OCBC Wing Hang Bank Ltd
- OCBC Management Services Private Limited

Others

- Dr Cheong was Chairman, Overseas-Chinese Banking Corporation (July 2003 - August 2014). He was formerly the CEO of Singapore Airlines Ltd until June 2003

TRUST MANAGEMENT TEAM

DR CHEW TUAN CHIONG

Chief Executive Officer & Executive Director

Please refer to Dr Chew's biography in the section on 'Board of Directors'

MS LIM POH TIN

General Manager and Head, Asset Management

Poh Tin's responsibilities include formulating business and asset enhancement plans in relation to FCT's properties with short, medium and long-term objectives. This involves working together with the Property Manager to ensure that the property business plans are executed diligently.

Poh Tin has more than 25 years of experience in real estate asset and property management. She holds Diplomas in Building Maintenance and Management from Ngee Ann Technical College and Management Studies from Singapore Institute of Management. She obtained her Bachelor of Science (Honours) degree in Real Estate Management from Oxford Brookes University.

MR ALEX CHIA

Head, Investment

Alex leads the investment team that is responsible for the expansion of FCT's asset portfolio with the objective of ensuring optimum investment returns.

Alex has over 8 years of business development experience in serviced residence industry covering the Pan Asia market. He also has more than 5 years of retail experience in areas of operations and project planning.

Alex holds a Bachelor Degree in Business Administration from National University of Singapore and an MBA from University of Hull, United Kingdom.

MS TAY HWEI PIO

Financial Controller

Hwei Pio is responsible for the financial, taxation, treasury and compliance functions of Frasers Centrepoint Trust. She has over 20 years of financial experience in the real estate industry. Prior to joining FCT, Hwei Pio was based in Shanghai for 10 years, of which she was the financial controller for Frasers Centrepoint Limited's business operations in China since year 2006. Before joining Frasers Centrepoint Limited, Hwei Pio held

financial positions at Keppel Land and Guocoland. She started her career as an external auditor with KPMG.

Hwei Pio is a Singapore Chartered Accountant (CA) with the Institute of Singapore Chartered Accountants and she is a Fellow with the Association of Chartered Certified Accountants.

MR CHEN FUNG LENG

Head, Investor Relations and Research

Fung Leng is responsible for FCT's investor relations function, he covers investor targeting, media and unitholder communication, as well as to provide market intelligence and research support to management. Fung Leng holds a Master of Science degree in Industrial and Systems Engineering and a Bachelor's degree in Mechanical Engineering (Honours), both degrees from the National University of Singapore.



From left: Mr Alex Chia, Ms Lim Poh Tin, Dr Chew Tuan Chiong, Ms Tay Hwei Pio, Mr Chen Fung Leng

PROPERTY MANAGEMENT TEAM

MS MOLLY LIM

Assistant General Manager, Retail Properties

Molly oversees the operations and business processes of 3 malls in the FCT portfolio. She has 26 years in retail property management and commercial leasing. Prior to this, she was overseeing Causeway Point for 18 years including the asset enhancement works which was completed in 2012. Being part of the pioneer centre management team for Causeway Point, she was instrumental in establishing the administrative framework and standard operational procedures for the mall.

Her responsibilities include the operations and management of the mall, tenancy and leasing management, customer service, and the implementation of retail policies and initiatives of the Frasers Centrepoint Group.

Molly graduated from the National University of Singapore with a Bachelor of Social Sciences (Honours) degree majoring in Economics. She also holds a Graduate Diploma in Business Administration from the Singapore Institute of Management.

MS JILL NG

Head, Advertising & Promotions

Jill has 14 years of experience in sales and marketing in the field of information technology, event management and mall management. Prior to joining Frasers Centrepoint, she was part of the development marketing team for a greenfield retail mall. She also led the Marketing Communications team at Singapore's largest suburban mall, where she spearheaded branding, loyalty, service excellence and promotions. Jill has a Degree in Business Administration from Macquarie University and a Diploma in Hospitality Management from Temasek Polytechnic.

MS SEE SAN SAN

Head, Leasing

San San heads the leasing function across ten malls in the FCL Group and she has more than 25 years of work experience. Prior to this, San San was Assistant General Manager of Marina Centre Holdings (MCH) where she was responsible for marketing/leasing the shopping mall, leisure-plex and office block at Marina Square, Singapore's third largest shopping mall.

Prior to joining MCH, San San gained extensive marketing and management experience in the retail, industrial and residential sector working for Jones Lang Wootton, Colliers Jardine, and Colliers Goh & Tan. San San holds a Bachelor Degree in Estate Management from the National University of Singapore and a graduate diploma in marketing from the Marketing Institute of Singapore. She is also a Member of Singapore Institute of Surveyors and Valuers.





ACHIEVING SUSTAINABLE GROWTH

Going forward, FCT will continue to grow from strength to strength. We will leverage on our expertise and people to improve the performance of FCT's retail asset portfolio and to achieve growth through combination of asset acquisitions, asset enhancement initiatives and organic growth strategies in a sustainable way.



OPERATIONS & FINANCIAL REVIEW

LEASE RENEWALS

A total of 153 leases were renewed in FY2016 (FY2015: 255). These leases accounted for 215,373 square feet or 19.9% of FCT's total net lettable area (the "NLA"). The average rental reversion of these renewals was 9.9% (FY2015: 6.3%). Rental reversion refers to the variance between the average rental rate of the renewed leases and the preceding expired leases which were contracted typically 3 years ago. All malls, with the exception of Bedok Point, recorded positive rental reversions of between 3.6% and 18.9% for the year.

SUMMARY OF LEASES RENEWED IN FY2016 (Excluding newly-created and reconfigured area)

Property	Number of leases renewed	Aggregate area of renewed leases (square feet)	Renewed area as percentage of property's NLA	Increase / (Decrease) in average rental rates of renewed leases compared with rental rates of preceding leases
Causeway Point	56	103,862	25.0%	9.6%
Northpoint	17	16,534	7.1%	18.9%
Changi City Point	36	54,941	26.5%	15.4%
Bedok Point	8	8,474	10.2%	(30.0%)
YewTee Point	19	13,519	18.4%	5.5%
Anchorpoint	17	18,043	25.4%	3.6%
FCT Portfolio	153	215,373	19.9%	9.9%

LEASE EXPIRY PROFILE

The portfolio lease expiry from FY2017 to FY2021 and the lease expiry by property in FY2017 are presented in tables below. Our leases have an average lease duration of 3 years. Certain key or anchor tenants may be offered longer tenures, depending on the lease structure. The leases due in the next two years in FY2017 and FY2018 account for 39.6% and 32.1% of FCT's Gross Rental Income (the "GRI"), respectively. As at 30 September 2016, the weighted average lease expiry of FCT portfolio stood at 1.38 years by NLA and 1.36 years by GRI. The weighted average lease expiry of the new leases, based on the date of commencement of the leases, was 2.19 years. The leases accounted for 30.45% of the total leases by gross rental income. The aggregate NLA of the leases in FCT portfolio due for renewal in FY2017 is 380,170 square feet and substantial portion of it (283,604 square feet) is attributed to Causeway Point, Changi City Point and Northpoint.

PORTFOLIO LEASE EXPIRY AS AT 30 SEPTEMBER 2016

	FY2017	FY2018	FY2019	FY2020	FY2021	Total
Number of leases expiring	259	249	132	13	2	655
Total NLA of expiring leases (square feet)	380,170	299,448	230,314	41,818	17,530	969,280
NLA of expiring leases as % of the portfolio's NLA	39.2%	30.9%	23.8%	4.3%	1.8%	100.0%
GRI of expiring leases as % of the portfolio's GRI	39.6%	32.1%	24.7%	2.8%	0.8%	100.0%

OPERATIONS & FINANCIAL REVIEW

LEASE EXPIRY FOR FY2017 AS AT 30 SEPTEMBER 2016

Property	Number of Leases Expiring	Area of expiring leases (square feet)	Area of expiring leases as % of the mall's leased area ¹	GRI of expiring leases as % of the mall's GRI ²
Causeway Point	89	161,501	38.9%	40.3%
Northpoint	55	63,462	38.2%	38.5%
Changi City Point	32	58,641	34.9%	31.0%
Bedok Point	29	43,115	54.9%	60.3%
YewTee Point	27	26,382	36.3%	35.3%
Anchorpoint	27	27,069	39.4%	46.0%
Total FCT	259	380,170	39.2%³	39.6%⁴

1 As percentage of mall's total leased area, excluding vacancy, as at 30 September 2016

2 As percentage of mall's actual gross rent income for the month of September 2016, excluding gross turnover rent

3 As percentage of leased area of FCT portfolio, excluding vacancy, as at 30 September 2016

4 As percentage of actual gross rent income of FCT portfolio for the month of September 2016, excluding gross turnover rent

PORTFOLIO TENANTS' SALES AND OCCUPANCY COST

On a portfolio basis, FCT's aggregate tenants' sales declined 4.8% year-on-year in FY2016. The portfolio tenants' sales in FY2016 was affected by several factors which include the commencement of the asset enhancement works at Northpoint in March 2016 as well as the tenant remixing efforts at Changi City Point and Bedok Point. Tenant sales at Causeway Point grew 0.5% year-on-year while the remaining five malls saw softer tenant sales compared with the previous year.

The average occupancy cost for FCT portfolio for the 12-month period between October 2015 and September 2016 was 15.7%, compared with 15.3% registered in FY2015. Occupancy cost refers to the ratio of gross rental paid by the tenants to the tenant's sales turnover (excluding Goods & Services Tax).

LEASES WITH GROSS TURNOVER RENT AND STEP-UP CLAUSES

Nearly all our leases include step-up clauses that provide for annual rental increment of between 1% and 2% during the lease term. In addition, 95% of the occupied leases include Gross Turnover rent (the "GTO") clauses, which the tenants would pay between 0.5% and 1% of their sales as part of the gross rent under the lease agreements. The aggregate GTO as a percentage of FCT's gross revenue was approximately 5% for the year under review, which is relatively stable compared with FY2015.

PERCENTAGE OF OCCUPIED LEASES WITH GTO AND STEP-UP CLAUSES

	FY2016	FY2015	Increase/(Decrease)
With GTO clause	94.2%	94.8%	(0.6%-point)
With step-up clause	99.2%	99.3%	(0.1%-point)

OPERATIONS & FINANCIAL REVIEW

PORTFOLIO OCCUPANCY

The average portfolio occupancy stood at 89.4% as at 30 September 2016, this is 6.6%-point lower than a year ago. The decline in portfolio occupancy is attributed to the on-going asset enhancement works at Northpoint (expected completion is September 2017) and the transitional vacancy due to fitting out of incoming tenants at Changi City Point. The occupancy at Causeway Point, YewTee Point and Anchorpoint remained steady while Bedok Point's occupancy improved 10.8%-point following the commencement of several new tenants in FY2016. The occupancy by property for the last three years is shown in the table below.

Occupancy by Property	As at 30 September 2016	As at 30 September 2015	As at 30 September 2014
Causeway Point	99.8%	99.5%	99.8%
Northpoint	70.9%	98.2%	99.4%
Changi City Point	81.1%	91.1%	97.9%
Bedok Point	95.0%	84.2%	98.2%
YewTee Point	98.7%	94.8%	96.6%
Anchorpoint	96.7%	96.9%	97.8%
FCT Portfolio	89.4%	96.0%	98.9%

SHOPPER TRAFFIC

The total shopper traffic in FY2016 was 102.0 million (FY2015: 97.2 million), an increase of 4.9% year-on-year. This is also the first time the aggregate shopper traffic crosses 100 million. Northpoint registered a 9.4% year-on-year increase, due mainly to higher human traffic flow through the mall after the closure of an outdoor public corridor adjacent to the mall in August 2015 due to on-going construction works. Changi City Point shopper traffic was up 10.4% year-on-year to 11.7 million. The increase can be attributed to the introduction of a new lunchtime shuttlebus service in late 2015 to help bring in workers and business professionals from other parts of Changi Business Park further from the mall, as well as more Advertising and Promotional ("A&P") activities specific to Changi City Point. YewTee Point saw 5.0% higher shopper traffic as the mall embarked on more A&P activities during the year. Shopper traffic at Causeway Point saw a marginal drop of 1.2% but it is still averaging a healthy 2 million per month traffic. Anchorpoint and Bedok Point saw softer traffic of 5.6% and 6.4%, respectively.

Shopper Traffic by Property (million)	FY2016 (1 Oct 2015 – 30 Sep 2016)	FY2015 (1 Oct 2014 – 30 Sep 2015)	Increase / (Decrease)
Causeway Point	24.6	24.9	(1.2%)
Northpoint	45.2	41.3	9.4%
Bedok Point	4.4	4.7	(6.4%)
YewTee Point	12.7	12.1	5.0%
Anchorpoint	3.4	3.6	(5.6%)
Changi City Point	11.7	10.6	10.4%
FCT portfolio	102.0	97.2	4.9%

OPERATIONS & FINANCIAL REVIEW

TRADE SECTOR ANALYSIS

FCT's well-diversified portfolio comprises 11 trade sectors. Food & Restaurants is the largest sector which accounted for 27.7% of FCT's total NLA, down slightly from 30.1% a year ago. In term of gross rents, Food & Restaurants is again the largest contributor, accounting for 34.1% of total FCT gross rents, down slightly from 34.2% a year ago.

Trade Classifications	% NLA	% Rents ¹
1 Food & Restaurants	27.7%	34.1%
2 Fashion	14.3%	21.3%
3 Services/Education	9.1%	9.2%
4 Beauty, Hair, Cosmetics, Personal Care	5.2%	7.9%
5 Household	8.4%	7.8%
6 Supermarket	6.7%	4.5%
7 Healthcare	2.2%	3.8%
8 Department Store	5.7%	3.6%
9 Sports Apparels & Equipment	3.3%	3.4%
10 Books, Music, Art & Craft, Hobbies	3.3%	3.0%
11 Leisure/Entertainment	3.5%	1.4%
12 Vacant	10.6%	0.0%
Total	100.0%	100.0%

1 As percentage of actual gross rent income of FCT portfolio for the month of September 2016, excluding gross turnover rent.

TOP 10 TENANTS BY GRI¹

FCT malls have a total of 432 tenants. The top ten tenants collectively accounted for 23.5% of the total GRI as at 30 September 2016 (30 September 2015: 23.8%). Our largest tenant, Cold Storage Singapore (1983) Pte Ltd, the operator of Cold Storage supermarkets, the Guardian Pharmacy and 7-Eleven stores in FCT malls, accounted for 4.4% of the portfolio GRI in FY2016 (FY2015: 5.4%).

TOP 10 TENANTS BY GRI AS AT 30 SEPTEMBER 2016

Tenant	Trade Sector	GRI %
Cold Storage Singapore (1983) Pte Ltd ²	Supermarket	4.4%
Metro (Private) Limited ³	Departmental Store	3.5%
Courts (Singapore) Limited	Household	2.9%
Koufu Pte Ltd	Food & Restaurants	2.5%
Copitiam Pte Ltd ⁴	Food & Restaurants	1.9%
Food Republic Pte Ltd	Food & Restaurants	1.9%
NTUC FairPrice Co-operative Ltd ⁵	Supermarket	1.7%
Watson's Personal Care Stores Pte Ltd	Beauty, Hair, Cosmetics, Personal Care	1.6%
McDonald's Restaurants Pte Ltd	Food & Restaurants	1.6%
Uniqlo (Singapore) Pte Ltd	Fashion	1.5%
Total (Top 10)		23.5%

1 Based on actual gross rental income for the month of September 2016, excluding gross turnover rent

2 Includes the leases for Cold Storage supermarket, Guardian Pharmacy and 7-Eleven stores

3 Includes the leases for Metro departmental store and Clinique Service Centre

4 Operator of Kopitiam food courts, includes Kopitiam, Bagus, Cantine, Dorakeiki

5 Includes leases for NTUC FairPrice and NTUC Healthcare (Unity)

OPERATIONS & FINANCIAL REVIEW

FINANCIAL REVIEW

Gross Revenue (\$'000)	FY2016	FY2015	Increase / (Decrease)
Causeway Point	83,022	80,960	2.5%
Northpoint	44,962	50,335	(10.7%)
Anchorpoint	8,728	8,772	(0.5%)
YewTee Point	14,343	14,049	2.1%
Bedok Point	8,334	9,386	(11.2%)
Changi City Point	24,427	25,740	(5.1%)
Total FCT	183,816	189,242	(2.9%)

Property Expenses (\$'000)	FY2016	FY2015	Increase / (Decrease)
Causeway Point	20,991	21,860	(4.0%)
Northpoint	11,629	14,179	(18.0%)
Anchorpoint	4,030	3,973	1.4%
YewTee Point	4,137	4,329	(4.4%)
Bedok Point	4,108	4,441	(7.5%)
Changi City Point	9,069	9,417	(3.7%)
Total FCT	53,964	58,199	(7.3%)

Net Property Income (\$'000)	FY2016	FY2015	Increase / (Decrease)
Causeway Point	62,031	59,100	5.0%
Northpoint	33,333	36,156	(7.8%)
Anchorpoint	4,698	4,799	(2.1%)
YewTee Point	10,206	9,720	5.0%
Bedok Point	4,226	4,945	(14.5%)
Changi City Point	15,358	16,323	(5.9%)
Total FCT	129,852	131,043	(0.9%)

PERFORMANCE COMPARISON BETWEEN FY2016 AND FY2015

Gross revenue for the year ended 30 September 2016 was S\$183.8 million, a decrease of S\$5.4 million or 2.9% over the corresponding period last year.

FCT's property portfolio continued to achieve positive rental reversions during the year. Rentals from renewal and replacement leases from the Properties commencing during the period, showed an average increase of 9.9% over the expiring leases.

Property expenses for the year ended 30 September 2016 totalled S\$54.0 million, a decrease of S\$4.2million or 7.3% from the corresponding period last year. The decrease was mainly due to lower utilities tariff rates and other property expenses.

OPERATIONS & FINANCIAL REVIEW

Hence, net property income was S\$129.9 million, which was S\$1.2 million or 0.9% lower than the corresponding period last year.

Non-property expenses of S\$33.0 million was S\$1.8 million lower than the corresponding period last year due to lower borrowing costs as a result of lower weighted average interest rate, despite higher borrowings.

Total operating expenses¹ as a percentage of net asset value was 3.9%, which was 0.3%-point lower than 4.2% for the corresponding period last year.

Total return included:

- (i) unrealised loss of S\$1.9 million arising from fair valuation of interest rate swaps for the hedging of interest rate in respect of S\$160 million of the mortgage loans;
- (ii) share of associate's results from operations of S\$3.7 million and from revaluation deficit of S\$4.1 million; and
- (iii) share of joint venture's results of S\$0.5 million.

DISTRIBUTION

Income available for distribution for the year ended 30 September 2016 was S\$108.1 million, which was S\$1.7 million higher compared to the corresponding period in the preceding financial year. Distribution per unit for FY2016 grew 1.3% to a new-high of 11.764 cents from 11.608 cents. The breakdown and comparison of the distribution per unit for FY2016 and FY2015 are presented below:

DISTRIBUTION PER UNIT (CENTS)

Financial year ended 30 September	FY2016	FY2015	Increase / (Decrease)
First quarter (1 October – 31 December)	2.870	2.750	4.4%
Second quarter (1 January – 31 March)	3.039	2.963	2.6%
Third quarter (1 April – 30 June)	3.040	3.036	0.1%
Fourth quarter (1 July – 30 September)	2.815	2.859	(1.5%)
Full Year (1 October – 30 September)	11.764	11.608	1.3%

TOTAL ASSETS AND NET ASSET VALUE PER UNIT

As at 30 September 2016, the total assets of FCT stood at \$2,594 million, a slight increase from \$2,549 million a year ago. The increase was attributed to revaluation surplus of \$28.4 million (after adjusting for amortization of rent incentives of S\$0.5 million) on FCT's properties and an increase in current assets, partially offset by a decrease in carrying value of investment in Hektar REIT.

The total appraised value of FCT's investment properties was \$2,509 million as at 30 September 2016. (2015: \$2,464 million).

FCT's net assets stood at \$1,776 million as at 30 September 2016, a slight increase compared with \$1,754 million a year ago. Correspondingly, the net asset value (the "NAV") of FCT increased to \$1.93 per unit from \$1.91 a year ago.

As at	30 September 2016	30 September 2015
NAV per unit	\$1.93 ²	\$1.91 ³

- The total operating expenses include property expenses, all fees and charges paid to Manager and interested parties of \$69,816,000 (2015: \$73,881,000) for the financial year.
- Computed based on 920,198,330 units, comprising (i) 919,369,341 units in issue as at 30 September 2016; and (ii) 828,989 units issuable to the Manager in October 2016 at an issue price of S\$2.1316 per unit, in satisfaction of 50% of the management fee payable to the Manager for the quarter ended 30 September 2016.
- Computed based on 917,211,336 units, comprising (i) 916,840,040 units in issue as at 30 September 2015; and (ii) 371,296 units issued to the Manager in October 2015 at an issue price of S\$1.8925 per unit, in satisfaction of 20% of the management fee payable to the Manager for the quarter ended 30 September 2015.

OPERATIONS & FINANCIAL REVIEW

APPRAISED VALUE OF PROPERTIES³

Four of the FCT malls - Causeway Point, Northpoint, YewTee Point and Anchorpoint saw higher appraised valuations from the independent property valuers. Valuations of Changi City Point and Bedok Point remained unchanged. The aggregate value of the portfolio properties was \$2,509 million, which is \$45 million or 1.8% higher compared with the aggregate value of \$2,464 million as at 30 September 2015.

	Valuation as at	Valuation as at	Capitalisation Rate ⁴	
	30 September 2016 (\$ million)	30 September 2015 (\$ million)	2016	2015
Causeway Point	1,143.0	1,110.0	5.35%	5.35%
Northpoint	672.0	665.0	5.35%	5.25%
Bedok Point	108.0	108.0	5.50%	5.50%
YewTee Point	172.0	170.0	5.50%	5.50%
Anchorpoint	103.0	100.0	5.25%	5.50%
Changi City Point	311.0	311.0	5.75%	5.70%
Total	2,509.0	2,464.0		

3 The properties were valued either by Colliers International Consultancy & Valuation (Singapore) Pte Ltd, Edmund Tie & Company (SEA) Pte Ltd, Knight Frank Pte Ltd, or Savills Valuation and Professional Services (S) Pte. Ltd. Valuation methods used include the capitalisation approach, discounted cash flow analysis and direct comparison method in determining the fair values of the properties. Annual valuations are required by the Code on Collective Investment Schemes.

4 As indicated by property valuers.

CAPITAL RESOURCES

OVERVIEW

Frasers Centrepoint Asset Management Ltd. ("FCAM"), as Manager of Frasers Centrepoint Trust ("FCT"), continues to maintain a prudent financial structure and adequate financial flexibility to ensure that it has access to capital resources at competitive cost. FCAM proactively manages FCT's cash flows, financial position, debt maturity profile, cost of funds, interest rates exposure and overall liquidity position. FCAM monitors and maintains a level of cash and cash equivalents deemed adequate by management to meet its operational needs. It also maintains an amount of available banking facilities deemed sufficient by management with several reputable banks to ensure FCT has access to diversified sources of bank borrowings.

SOURCES OF FUNDING

FCT relies on the debt capital and syndicated loans markets, equity market and bilateral bank facilities for its funding needs. FCAM maintains active relationship with several reputable banks which are located in Singapore. The principal bankers of FCT are DBS Bank Ltd, Oversea-Chinese Banking Corporation, and Citibank.

As at 30 September 2016, FCT has a total capacity of \$1,526 million from its sources of funding, of which \$734 million or 48.1% has been utilised. The following table summarises the capacity and the amount utilised for each of the sources of funding:

Sources of Funding	Type	Capacity	Amount Utilised	% Utilised
Revolving credit facility	Unsecured	\$90 million	\$28 million	31.0%
Medium Term Note Programme	Unsecured	\$1,000 million	\$270 million	27.0%
Bank borrowings	Unsecured	\$150 million	\$150 million	100.0%
Bank borrowings	Secured	\$286 million	\$286 million	100.0%
Total		\$1,526 million	\$734 million	48.1%

CREDIT RATINGS

FCT has corporate credit ratings from Standard & Poor's Rating Services ("S&P") and Moody's Investors Service ("Moody's").

S&P has given FCT a corporate rating of "BBB+" with a stable outlook and Moody's has given FCT a corporate rating of "Baa1" with a stable outlook. In addition, S&P has also given a "BBB+" credit rating for FCT's multicurrency Medium Term Notes Programme ("MTN Programme").

DEBT PROFILE

The Manager, in July 2016, refinanced the \$264 million loan secured on Northpoint with term loan facilities amounting to \$216 million and issuance of \$50 million 2.76% Medium Term Notes ("Notes") due 2021 under FCT's existing MTN programme. The mortgage on Northpoint has since been discharged.

FCT's total debt, stood at \$734 million at 30 September 2016, comprised \$286 million secured bank borrowings, \$178 million unsecured bank borrowings and \$270 million in unsecured Notes. \$218 million of borrowing (about 29.7% of total borrowing) will mature in the next 12 months. FCT's gearing stood at 28.3% as at 30 September 2016. The interest cover for the year ended 30 September 2016 was 7.33 times.

The weighted average debt maturity was 2.7 years as at 30 September 2016.

CAPITAL RESOURCES

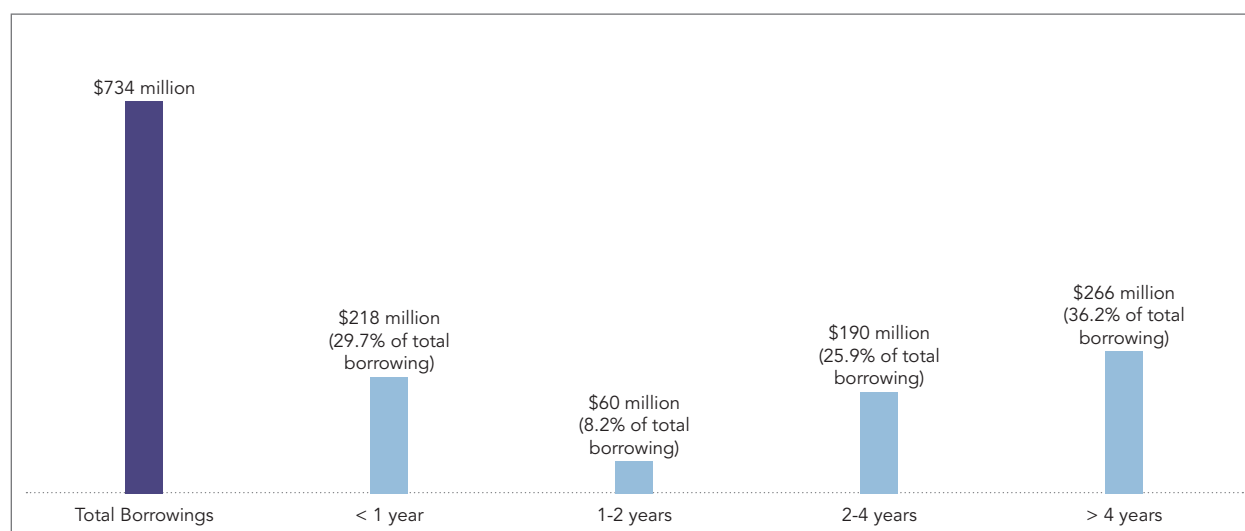
Financial Year ended 30 September	2016	2015
Total Borrowings	\$734 million	\$718 million
Gearing ¹	28.3%	28.2%
Interest Cover	7.33 times	6.61 times
Average cost of borrowing	2.10%	2.40%
Average Debt Maturity	2.7 years	1.6 years

1 Calculated as the ratio of total outstanding borrowings over the total assets as at the stated balance sheet date.

The fair value of derivatives as at 30 September 2016 is included in note 11 to the Financial Statements as "Fair value of interest rate swaps - liabilities" of \$0.6 million (2015: Fair value of interest rate swaps - assets of \$1.4 million and fair value of interest rate swaps - liabilities of \$0.1 million). The net fair value derivatives represented -0.03% (2015: 0.07%) of the net assets of FCT as at 30 September 2016.

DEBT MATURITY PROFILE AS AT 30 SEPTEMBER 2016

Timeframe	Amount Due (\$\$ million)	As % of total borrowings
< 1 year	218.0	29.7%
1-2 years	60.0	8.2%
2-4 years	190.0	25.9%
> 4 years	266.0	36.2%
Total Borrowings	734.0	100.0%



RISK MANAGEMENT

Effective risk management is a fundamental part of FCT's business strategy. Key risks, mitigating measures and management actions are continually identified, reviewed and monitored by management as part of FCAM's enterprise-wide risk management ("ERM") framework. Recognising and managing risks are central to the business and to protecting unitholders' interests.

RISK MANAGEMENT FRAMEWORK

ERM reporting is facilitated through a web-based Corporate Risk Scorecard system which enables the reporting of risks and risk status using a common platform in a consistent and cohesive manner.

Risks are reported and monitored at the operational level using a Risk Scorecard which captures risks, mitigating measures, timeline for action items and risk ratings. Where applicable, Key Risk Indicators ("KRIs") are established to monitor risks. For risks that are material, the mitigating measures and KRIs are presented in the form of a Key Risk Dashboard and reviewed by the Management and Audit Committee on a regular basis.

Risk tolerance statements setting out the nature and extent of significant risks which FCAM is willing to take in achieving its strategic objectives are reviewed annually.

RISK UPDATE

Formal risk reviews take place half yearly and the scorecard is updated regularly. On a yearly basis, ERM validations are held where the Management of FCAM provides assurance to the Audit Committee, that key risks have been identified and the mitigating measures are adequate, and the system of risk management is adequate and effective to address risks which are considered relevant and material to the operations.

FCAM also seeks to benchmark its ERM programme against industry best practices and standards. In assessing areas for improvement and how the ERM processes and practices can be strengthened,

reference was made to the best practices in risk management including those set out in the Code of Corporate Governance 2012 and the Risk Governance Guidance for Listed Boards issued by the Corporate Governance Council in May 2012.

As every staff has a role to play in risk management, ERM and business continuity plans ("BCPs") awareness briefings are conducted for new staff. Refresher sessions are also held to update staff on relevant developments in the area of ERM and BCPs, where required.

KEY RISKS IN FINANCIAL YEAR 2016

Operational Risk

FCAM has established and strictly adheres to a set of standard operating procedures designed to identify, monitor, report and manage the operational risks associated with the day-to-day management and maintenance of FCT malls. These procedures and guidelines are regularly reviewed and benchmarked against industry best practices to ensure relevance and effectiveness. Insurances are also in place to mitigate losses resulting from unforeseen events. BCPs are regularly tested for their effectiveness.

Human Capital Risk

FCAM has in place a career planning and development system and conducts regular remuneration and benefits benchmarking to attract and retain appropriate talent for the business.

Liquidity Risk

In managing FCT, FCAM adheres closely to the covenants in the loan agreements and property fund guidelines in the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore. In addition, there is close monitoring by FCAM of FCT's cash flow position and requirements so as to ensure sufficient liquidity reserves to finance its operations and meet any short-term obligations.

Investment Risk

As FCT grows its investment portfolio via the acquisition of

new properties and other forms of permitted investments, all investment opportunities are subject to a disciplined and rigorous appraisal process. All investment proposals are evaluated based on a comprehensive set of investment criteria including alignment with FCT's investment mandate, asset quality, expected returns, sustainability of asset performance and future growth potential, and having due regard to market conditions and outlook.

Interest Rate Risk

Interest rate risk is managed by FCAM on an on-going basis with the primary objective of limiting the extent to which net interest expense could be affected by adverse movements in interest rates. For a major portion of FCT's outstanding borrowings, FCAM adopts a policy of hedging the floating-rate loans to fixed-rates through interest rate swaps.

Credit Risk

FCAM has established credit limits for tenants and monitors their debt levels on an ongoing basis. Credit evaluations are performed before lease agreements are entered into with tenants. Credit risk is also mitigated by collecting rental deposits from the tenants. Cash and fixed deposits are placed with regulated financial institutions.

Compliance Risk

FCT is subject to relevant laws and regulations including the Listing Manual of the Singapore Exchange Securities Trading Limited, the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore and the tax rulings issued by the Inland Revenue Authority of Singapore with regard to the taxation of FCT and its Unitholders. Any changes to these regulations may affect FCT's operations and results.

FCAM has in place policies and procedures to facilitate compliance with applicable laws and regulations. Management keeps abreast of latest developments in relevant laws and regulations through training and attending talks and briefings.

RETAIL PROPERTY MARKET REVIEW

By Edmund Tie & Company (SEA) Pte Ltd

1.0 ECONOMIC OVERVIEW

1.1 GDP Growth, Inflation and Employment

Singapore's economy was on a slower growth path

Singapore's economy expanded by 2.0%¹ in 2015 (Table 1.1). This was a moderation from the 3.3% in 2014. Advance estimate of Gross Domestic Product (GDP) growth was 0.6% y-o-y in Q3 2016, down significantly from 2.0% y-o-y in Q2 2016. Economic growth was weighed down by decline of manufacturing output and slight contraction in the services sector. The key demand drivers for retail space i.e., the GDP for retail trade and food services were also weak between Q4 2015 and Q3 2016.

Table 1.1: Key Economic Indicators

Indicator (y-o-y)	2015	2016 F	2017 F
Real GDP Growth	2.0%	1.0% to 2.0% (MTI)	1.4% to 3.0% ²
Inflation	-0.5%	-1.0% to 0.0% (MAS)	-0.1% to 2.0% ⁹
Unemployment	1.9%	2.1%	2.1%

Source: Ministry of Trade and Industry (MTI), Department of Statistics (DOS), Monetary Authority of Singapore (MAS), Oxford Economics, October 2016

Inflation continued to ease and unemployment edged up

Headline inflation continued to ease, from 1.0% in 2014 to -0.5% in 2015. The Consumer Price Index continued to reflect a price decline in January-September 2016, as it fell by 0.7% y-o-y. While that for food, education, recreation & culture and healthcare costs increased, price gains were outweighed by the decline in housing & utilities and transport costs.

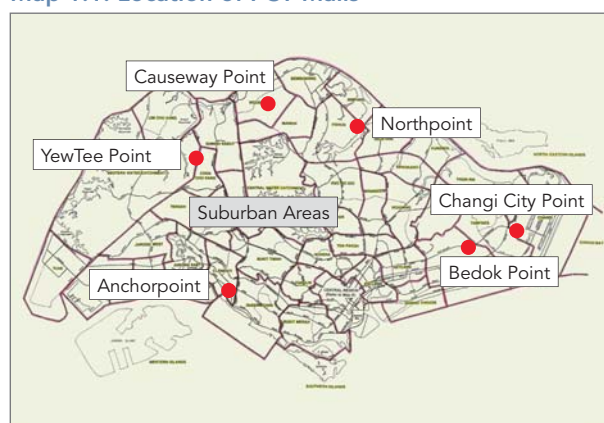
More workers were laid off and there were fewer job openings in H1 2016, pushing unemployment rate to 2.1%³ as at September 2016, higher than that of 2.0% as at September 2015. The total number of retrenched workers rose by 18% y-o-y to 4,100 workers⁴ in Q3 2016.

1.2 Population

Population continues to grow, supporting retail spending and demand for retail space

As at June 2016, Singapore's population reached 5.61 million, reflecting an annual increase of 1.3%, slightly faster than the 1.2% in the preceding year. This comprises 3.41 million (61%) citizens, 520,000 (9%) permanent residents and 1.67 million (30%) non-residents. Population in selected planning areas, where Frasers Centrepoint Trust (FCT) malls are located, are expected to increase and underpin the growth in retail spending (Map 1.1 and Table 1.2).

Map 1.1: Location of FCT Malls



Source: FCT, Edmund Tie & Company Consulting, October 2016

Under Population White Paper 2013, the government projected total population to reach 6.5 to 6.9 million by 2030.

1.3 Household Income, Expenditure and Retail Sales

Despite increases in household income, retail spending decreased on the back of subdued consumer sentiment

Amidst a tight labour market in 2015, median monthly household income grew by 4.5%, faster than inflation. However, it is slower than the 5.3% growth in 2014 (Table 1.3).

1 Ministry of Trade and Industry (MTI).

2 Based on the Monetary Authority of Singapore's Survey of Professional Forecasters as at June 2016. It reflects the views received from 22 economists and analysts.

3 Advance estimate.

4 According to Ministry of Manpower (MOM), Services (59%) formed the majority of retrenched workers.

RETAIL PROPERTY MARKET REVIEW

By Edmund Tie & Company (SEA) Pte Ltd

Table 1.2: Population in Selected Planning Areas

Planning Areas	FCT Malls	Current Population	Current Number of Dwelling units*	Projected Ultimate Units**
Queenstown	Anchorpoint	92,300	39,000	>60,000
Bedok	Bedok Point	274,400	100,000	>119,000
Woodlands	Causeway Point	184,700	68,400	>98,000
Tampines	Changi City Point	247,300	79,000	>110,000
Yishun	Northpoint	172,900	63,500	>84,000
Choa Chu Kang	YewTee Point	134,250	48,600	> 62,000

* Note: Current number of dwelling units include both public and private residential units

** Note: Projected ultimate units include Housing & Development Board (HDB) flats and private developments under HDB Government Land Sales (GLS) Programme. It does not include private residential developments on private lands and Urban Redevelopment Authority (URA) GLS Programme. The projected ultimate figures may change.

Source: DOS, URA, HDB, October 2016

Table 1.3: Household Income, Expenditure and Inflation

Category	2015	y-o-y Change
Median Monthly Household Income	\$8,666	4.5%
Growth in Private Consumption Expenditure	\$136 billion	4.5%
Inflation	-	-0.5%

Source: MTI, DOS, MAS, Oxford Economics, October 2016

Private consumption expenditure, a reflection of consumer confidence and household retail spending, rose by 4.5% in 2015, higher than the 2.2% growth in 2014. However, the increase was mainly in transport expenditure (20%). Meanwhile, expenditure in selected retail category including Food & Non-alcoholic Beverages fell (Table 1.4).

Table 1.4: Selected Category in Private Consumption Expenditure

Category	2015	y-o-y Change
Food & Non-alcoholic Beverages	\$9.0 billion	-1.0%
Clothing & Footwear	\$3.6 billion	-1.2%
Food Serving Services	\$8.7 billion	-3.7%

Source: DOS, October 2016

Decline in overall retail sales was cushioned by slower fall in non-discretionary items, which are major trades in suburban malls

The subdued consumer sentiment⁵ affected retail sales⁶. The fall in retail sales growth was steeper in discretionary items. Retail sales of supermarkets, which is typically the major trade for suburban malls, was more resilient (Table 1.5).

Table 1.5: Retail Sales Growth for Selected Product⁷

Indicator (y-o-y)	2015	Q1 2016	Q2 2016
Retail Sales (Excluding Motor Vehicles)	-1.0%	-2.6%	-3.2%
Non-discretionary item			
Supermarkets	0.4%	-1.1%	-3.6%
Discretionary items			
Optical Goods & Books	-5.8%	-7.2%	-8.4%
Department Stores	2.7%	-1.4%	-3.2%
Telecommunication Apparatus & Computers	-6.0%	-21.9%	-22.8%
Wearing Apparel & Footwear	-2.4%	-5.9%	-3.8%
Watches & Jewellery	1.3%	-9.3%	-8.5%

Source: DOS, October 2016

5 Nielsen's Singapore Consumer Confidence Index was 88 points as at Q2 2016, down from 99 points in Q2 2015.

6 Non-motor vehicle retail sales declined by 1.0% in 2015, following the 0.7% decline in 2014.

7 Based on retail sales index.

RETAIL PROPERTY MARKET REVIEW

By Edmund Tie & Company (SEA) Pte Ltd

As at June 2016, supermarkets occupied some 6.7% of Net Lettable Area (NLA) in FCT's portfolio and formed 4.3% of total rental revenue. Top tenants - including Cold Storage and NTUC Fairprice - are popular among residents for groceries and necessities. This helped to cushion FCT malls against the decline in overall retail sales.

1.4 Outlook

In the short term, economic uncertainties will impact retail spend

With increased uncertainty in the UK due mainly to its vote to leave the European Union, as well as growing risks in Mainland China's economy, global economic growth in 2017 is expected to slow. Lukewarm global demand, concerns over the mixed performance of various industries and rising unemployment affected overall consumer sentiment.

Given the overall economic uncertainties, the retail market is expected to be tepid in the short term. Retailers are reinventing themselves to value-add to address challenges arising from lower per capita retail spending, labour constraint and leakage of shopping dollars through online purchases and overseas shopping.

Long term Government plans will support the growth of retail market

Notwithstanding, suburban malls are expected to fare well over the long-term. Major government plans are in place and these are expected to widen existing retail catchments.

- **Land Use Plan** – The 2013 plan aims to double the Mass Rapid Transit (MRT) network to about 360km by 2030 through five new MRT lines, as well as 40 more new bus services. Connectivity in the suburban areas will be enhanced with scheduled completions of Downtown Line Stage 3 (2017), Jurong Regional Line extensions (2025) and Cross Island Line (2030). Malls located at/close to the transport nodes are likely to attract higher shopper footfall. For instance, Changi City Point, which is adjacent to Expo MRT station on East-West Line and Downtown Line Stage 3, will benefit from the enlarged catchment.
- **URA Master Plan 2014** – Decentralisation is the main theme of the Master Plan. The URA has plans to grow more residential and commercial clusters in the suburban areas, adding more jobs and increase live-in and working population (Table 1.6).

Table 1.6: Selected Growth Areas

Planning Areas	Highlights
Tampines	<ul style="list-style-type: none"> • Expansion of Changi Business Park
Woodlands	<ul style="list-style-type: none"> • Woodlands Regional Centre is positioned as Singapore's Northern Gateway • Features 700,000 sq m of new commercial space and 100 ha of land for development
Yishun	<ul style="list-style-type: none"> • The development of North Coast Innovation Corridor, stretching from Woodlands to Seletar Regional Centre

Source: URA, October 2016

Riding on its strength as a decentralised hub for back office operations for financial institutions, Changi Business Park will gradually evolve into a major employment hub in the East Region, benefiting Changi City Point. Development of the North Region with new homes and enhanced mobility, will bode well for malls including Causeway Point and Northpoint.

- **Lean Enterprise Development Scheme** – In October 2015, the MOM launched the scheme to help Small-to-Medium Enterprises (SME) to make temporary adjustments to their local and foreign worker mix, as they transform to become more manpower lean. The government also reiterated its firm stand on lower reliance on foreign labour. Many SME retailers can tap on this scheme to restructure their operations to improve their business operations. Stronger profit margin amidst lower operating cost is likely to facilitate retailers' expansion, which in turn increases demand for retail space.
- **Food Services Industry Transformation Map and Retail Industry Transformation Map** – In September 2016, the government launched these two transformation maps to address challenges in retailing. Four strategies - boosting innovation, enhancing productivity with technology, reskilling workers and internationalising local companies were identified. One of the key initiatives is to assist retailers to adopt omnichannel marketing, to reach out to both online and offline consumers.

RETAIL PROPERTY MARKET REVIEW

By Edmund Tie & Company (SEA) Pte Ltd

2.0 RETAIL INDUSTRY TRENDS

On the back of the strong Singapore Dollar, more residents spent overseas

Catalysed by the strong Singapore Dollar and growth of budget airlines, residents' expenditure abroad grew by 2.0% in 2015, up from 0.5% in 2014⁸. This came alongside an increase in outbound departure of Singapore residents from 8.9 million in 2014 to 9.1 million in 2015.

Increased online shopping

With wider adoption of e/m-commerce, consumers are becoming more receptive to online purchases. According to MasterCard in September 2015, \$303.5 million was spent online by Singapore cardholders during the Great Singapore Sale (GSS) 2015, a growth of 5.6% while e-commerce transactions increased faster by 9.8%. VisaNet⁹ highlighted that 20% of its e-commerce transactions in Singapore were cross-border transactions, with top corridors being the US and UK. Strong purchasing power makes online purchase overseas more affordable.

Despite the increase in online shopping, majority still spend in-store

Notwithstanding, with the availability of well-located malls, as well as both landlords and retailers constantly innovating their concepts to be more experiential, majority of shoppers prefer to spend in-store, as shopping is often regarded as leisure activity.

Increased spending on eating-out, evidenced by increasing proportion of Food & Restaurants in tenant mix

Consumers are more willing to spend on eating-out to experience new dining options and socialise with friends and family. With one-third of FCT's portfolio in terms of NLA being Food & Restaurants (29.5%), twice the NLA for Fashion (14.5%) as at H2 2016, FCT malls' wide variety of Food & Restaurants options has added to the attractiveness of the mall as shoppers come to dine and socialise.

In-store sales are expected to grow alongside bricks and clicks, as omnichannel marketing gathers momentum

As brands are integrating both online and offline channels to pursue omnichannel marketing, more "bricks and clicks" concepts are emerging. Shoppers can browse and experience products in store, while purchases can be made online through mobile devices at shoppers' convenience¹⁰. Alternatively, shoppers can buy online and collect their products in the store. This increases the retail touchpoints with shoppers.

Mall operators are more receptive to pop-up stores

Since 2015, many online stores have established a physical presence to boost brand awareness. With short-term leases, pop-up stores enable mall operators to refresh the shopping experience, as well as improve occupancy.

3.0 RETAIL PROPERTY MARKET

3.1 Stock¹¹

Of the total islandwide stock, 10% is owned and managed by REITs, while 50% is in the suburban areas

According to Edmund Tie & Company Research, retail stock increased by 1.6% to 41.2 million sq ft as at Q3 2016. About 4.1 million sq ft (10%) of the total stock islandwide are owned and managed by Real Estate Investment Trust (REITs).

Over the last decade, suburban retail space has grown significantly from 35% to 51% of total stock (Figure 3.1). This is due in part to decentralisation and extension of the MRT network.

8 Yearbook of Statistic 2016, DOS.

9 VisaNet data as of November and December 2015.

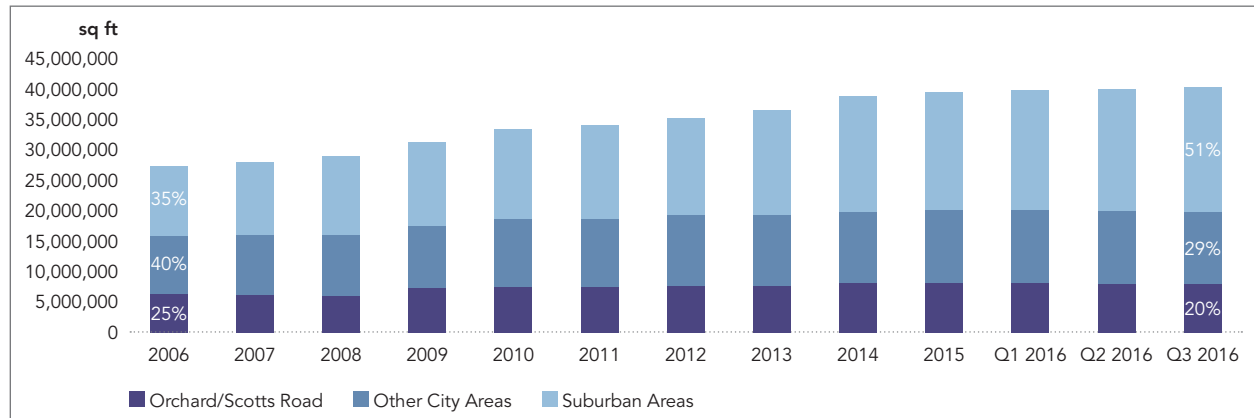
10 The upcoming Additions & Alterations (A/A) and extension to the Singapore Post Centre (SPC) (188,400 sq ft) in Paya Lebar Central will integrate online and offline shopping into a single platform. Scheduled to complete in 2017, future shoppers at SPC will be able to browse through the products in-store, purchase the product and arrange for product delivery. This provides greater convenience for shoppers, as they are able to shop hands-free. Additionally, this allows retailers to save on storage space in their physical stores, as logistics arrangement is completed in the warehouse.

11 Retail supply, demand and occupancy figures in this report are based on URA's statistics.

RETAIL PROPERTY MARKET REVIEW

By Edmund Tie & Company (SEA) Pte Ltd

Figure 3.1: Stock



Source: URA, Edmund Tie & Company Consulting, October 2016

Most of the recent completions in the vicinity of FCT malls are not direct competitors

With the exception of Bedok, recent completions in planning areas where FCT malls are located, are less than 80,000 sq ft NLA. With these malls significantly smaller than that the FCT malls, these completions are not direct competitors (Table 3.1).

Table 3.1: Completions since Q3 2015

Planning Areas	FCT Malls (sq ft)	Completions in the Planning Areas	
		Name	Estimated NLA (sq ft)
Queenstown	Anchorpoint (71,000)	Alexandra Road	456
			15,000
Bedok	Bedok Point (82,700)	Viva Business Park Phase 1 and 2	120,400
Woodlands	Causeway Point (415,800)	-	-
Tampines	Changi City Point (207,300)	Additions & Alterations (A/A) in Tampines Mall	27,500
		Our Tampines Hub	76,900
Yishun	Northpoint (235,900)	Junction Nine	79,000
Choa Chu Kang	YewTee Point (74,000)	-	-

Source: URA, Edmund Tie & Company Consulting, October 2016

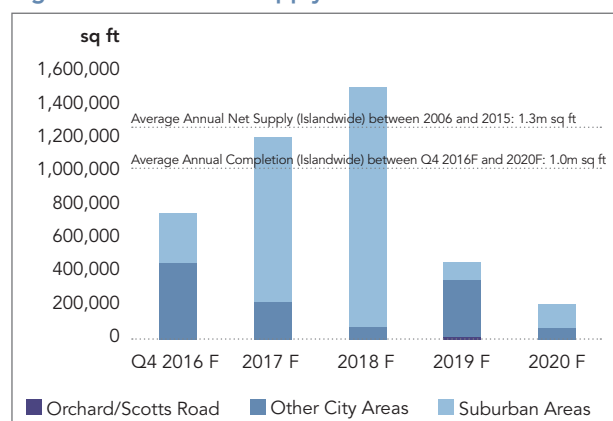
In Bedok, retail space in Viva Business Park is expected to pose some competition. With popular sports goods retailer Decathlon as an anchor tenant, more dining options are being introduced in Viva Business Park to serve shoppers, the working population and residents living in the area.

3.2 Potential Supply

Although potential supply in the suburban areas is significant, most are not located near FCT malls

Potential supply between Q4 2016 and 2020 is about 4 million sq ft, with 2.9 million sq ft (73%) in the suburban areas (Figure 3.2 and Table 3.2).

Figure 3.2: Potential Supply



Source: URA, Edmund Tie & Company Consulting, October 2016

RETAIL PROPERTY MARKET REVIEW

By Edmund Tie & Company (SEA) Pte Ltd

Table 3.2: Major Retail Projects in the Pipeline

Planning Areas	Estimated Year of Completion	Development	Estimated NLA (sq ft)
Downtown Core	Q4 2016	DUO Galleria	56,000
Downtown Core	2017	Tanjong Pagar Centre	38,000*
Geylang	2017	Singapore Post Centre (A&A)	188,000
Bukit Panjang	2017	Hillion Mall	168,000
Changi	2017	Changi Airport Terminal 4	183,000
Changi	2018	Project Jewel	576,000
Geylang	2018	Paya Lebar Quarter	340,000
Yishun	2018	Northpoint City	290,000

* Note: Estimated 62,000 sq ft of retail space in Tanjong Pagar Centre was completed in Q3 2016

Source: URA, Edmund Tie & Company Consulting, October 2016

Other than Northpoint City, the pipeline supply near FCT malls are under 80,000 sq ft. FCT is expected to complete its asset enhancement initiatives by linking Northpoint and upcoming retail component of Northpoint City at all levels in 2018. Together they will be the largest mall (with more than 500,000 sq ft) in the North Region, further galvanising FCT's presence. (Table 3.3).

Pressure is likely to be more pronounced in the East Region, when Project Jewel is completed in 2018

Elsewhere, Changi Airport Group and CapitaLand Mall Asia are jointly developing Project Jewel (576,000 sq ft), a regional retail mall in Changi Airport. Scheduled to complete in 2018, Project Jewel will serve both travellers and residents in the East Region. To enhance the shopping experience, it also features an indoor waterfall and garden. This will have an impact on Bedok Point and Changi City Point, which need to deliver stronger value propositions to remain competitive.

Over the medium term, there will be relatively limited retail space arising from the Government Land Sales Programme

Taking the retailing challenges and significant potential supply into account, the government is adapting a cautious approach in introducing new retail supply. Retail Gross Floor Area (GFA) was capped at 20,000 sq m (215,000 sq ft) for sites with retail component in H2 2016 Government Land Sales (GLS) Programme (Table 3.4).

Table 3.3: Selected Pipeline Developments near FCT Malls

Planning Areas	FCT Malls (sq ft)	Year	Pipeline Supply	
			Potential Supply in Planning Area	Estimated NLA (sq ft)
Queenstown	Anchorpoint (71,000)	-	-	-
Bedok	Bedok Point (82,700)	2017	The Flow	49,200
Woodlands	Causeway Point (415,800)	2017	Kampung Admiralty	78,300
		2017	Woodlands Central	58,200
Tampines	Changi City Point (207,300)	-	-	-
Yishun	Northpoint (235,900)	2018	Northpoint City	290,000
		Q4 2016	Brooks Signature @ The Springside	26,100
		2018	Wisteria Mall	58,100
Choa Chu Kang	YewTee Point (74,000)	-	-	-

Source: URA, Edmund Tie & Company Consulting, October 2016

RETAIL PROPERTY MARKET REVIEW

By Edmund Tie & Company (SEA) Pte Ltd

Table 3.4: Sites with Retail Component in the Suburban Areas under H2 2016 GLS Programme

Planning Areas	Sites	Maximum Allowable GFA	Maximum Allowable GFA (Retail)
Confirmed List			
Hougang	Upper Serangoon Road*	89,250 sq m (960,700 sq ft)	15,000 sq m (161,500 sq ft)
Reserved List¹²			
Bukit Timah	Holland Road*	59,800 sq m (643,700 sq ft)	6,800 sq m (73,200 sq ft)
Woodlands	Woodlands Square**	78,400 sq m (843,900 sq ft)	8,000 sq m (86,100 sq ft)

* Commercial & residential site

** Commercial site

Source: URA, October 2016

Over the medium term, pressure from potential supply arising from the GLS programme is not expected to be significant. The sites in Upper Serangoon Road and Holland Road are primarily residential, while the site in Woodlands Square comprises mainly office component.

3.3 Demand and Occupancy

As supply outstripped demand, occupancy in the suburban areas eased

Between Q4 2015 and Q3 2016, the completion of new malls outstripped retailers' need for space in the suburban areas. Over the same period, cumulative net supply (1.3m sq ft) was higher than cumulative demand (776,400 sq ft). The largest completion was Compass One (281,800 sq ft) at Sengkang Square in Q2 2016.

Consequently, occupancy in the suburban areas eased slightly by 0.2%-points y-o-y to 90.9% as at Q3 2016 (Figure 3.3).

As at July 2016, FCT portfolio occupancy was at 90.8%¹³, similar to the average occupancy of 90.9% in the suburban areas. FCT malls consistently attract traffic flow from residential estates, offices and schools in the vicinity. Apart from the primary catchment, good connectivity via the MRT provides healthy footfall, supporting occupancy.

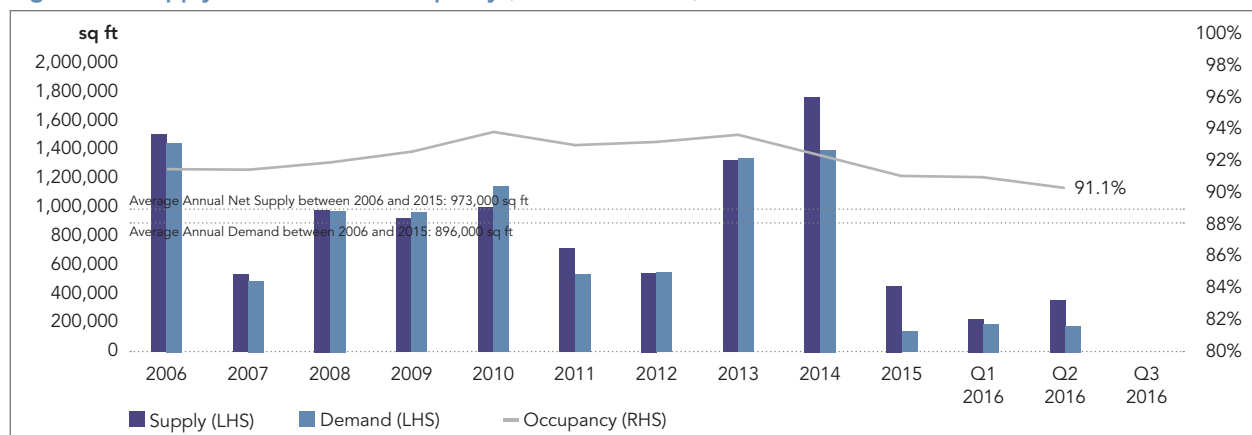
Mall operators were more receptive to a broader spectrum of tenants to achieve higher occupancy

Amid rising operating costs and weaker in-store sales, some retailers have announced store closure in Singapore. These include furniture and home accessories retailer iwannagohome and beverage establishment Smoothie King.

In light of retail challenges, many mall operators reviewed their leasing strategy and are more receptive to a broader spectrum of tenants. For example, FCT amalgamated two adjoining retail spaces at Bedok Point and leased to a local dining start-up 5 Senses. Meanwhile, the nearby Bedok Mall brought in Bank of China bank branch, Encik Tan eatery and Q&M dental surgery.

Some suburban malls are ideal for brands to debut stores closer to where shoppers live. For instance, CASIO opened the first-of-its-kind CASIO Concept Store in Tampines Mall instead of Orchard/Scotts Road, which is Singapore's premier shopping belt. This highlights the attractiveness of suburban malls, beyond the usual retailing of non-discretionary items and food services.

Figure 3.3: Supply, Demand and Occupancy (Suburban Areas)



Source: URA, Edmund Tie & Company Consulting, October 2016

12 A site on the Reserve List will be launched for tender if a developer's indicated minimum price is acceptable to the government.

13 According to FCT's financial result presentation in July 2016, portfolio occupancy was affected by Northpoint's ongoing asset enhancement and transitional vacancy due to fitting of an incoming anchor tenant at Changi City Point. Occupancy at Causeway Point, Anchorpoint and YewTee Point remained relatively stable. Meanwhile, Bedok Point occupancy recovered to 90% but is expected to remain volatile as tenant remixing efforts continues.

RETAIL PROPERTY MARKET REVIEW

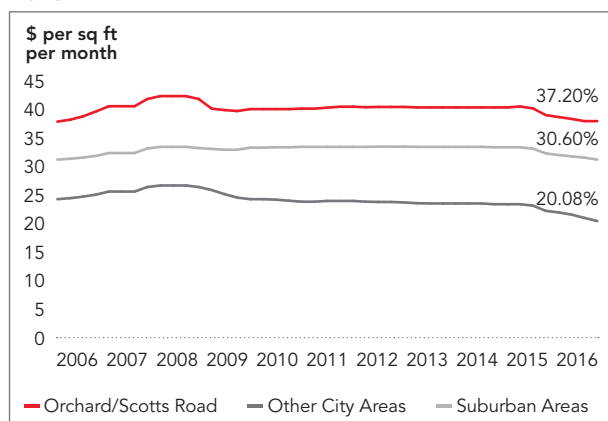
By Edmund Tie & Company (SEA) Pte Ltd

3.4 Rent

Due to the weak retail market and large completions, rent in the suburban areas fell by 4.7% y-o-y in Q3 2016

While majority of the retail sales were in-store, there was increasing consumer propensity to spend through alternative channels from online to overseas shopping. In-store retail sales were weakened further, tampered by economic uncertainty. Consequently, demand for suburban retail space was moderated and occupancy eased amidst high completions. Average prime first-storey monthly gross rent in the suburban areas fell by 4.7% y-o-y to \$30.60 per sq ft per month in Q3 2016 (Figure 3.4).

Figure 3.4: Average Prime First-storey Monthly Gross Rent



Source: Edmund Tie & Company Consulting, October 2016

Suburban malls were more resilient than that of Other City Areas

Notwithstanding, average prime first-storey monthly gross rent in the Other City Areas fared worse, with higher decline of 9.1% y-o-y to about \$20.00 per sq ft per month in Q3 2016. This indicates stronger rental resilience in the suburban areas, benefiting from large primary catchment. Meanwhile, average prime first-storey monthly gross rent in Orchard/Scotts Roads declined the least by 3.3% to \$37.20 per sq ft per month in Q3 2016, maintaining its position as the premier shopping belt in Singapore.

On a positive note, FCT malls are actively managed to optimise rental potential. As such, the portfolio achieved positive average rental reversion at 8.3% between April and Jun 2016¹⁴.

3.5 Major Transactions

There were two major retail transactions since July 2015 - CapitaLand Mall Trust sold Rivervale Mall to AEW Asia in October 2015, while CapitaLand sold Bedok Mall to CapitaLand Mall Trust in July 2015 (Table 3.5).

Table 3.5: Selected Major Transactions (July 2015 - November 2016)

Planning Areas	Development	NLA (sq ft)	Transacted Price
Sengkang	Rivervale Mall (balance tenure of 89 years)	81,159	\$190.5 million (\$2,347 per sq ft)
Bedok	Bedok Mall (balance tenure of 94 years)	222,500	\$783.1 million (\$3,520 per sq ft)

Source: CapitaLand Mall Trust, Edmund Tie & Company Consulting, October 2016

3.6 Outlook

Rents in the suburban areas are expected to ease against the backdrop of economic slowdown and retailing challenges

In light of a slow economy, consumers are expected to continue exercising greater caution in spending, thus impacting on the retail market. Coupled with significant potential supply in suburban areas, weaker consumer sentiments, falling retail sales and alternative retail channels are likely to exert downward pressure on rents. Average prime first-storey monthly gross rent in the suburban areas are expected to decline by 2.0% over the next one year. Notwithstanding, FCT portfolio is expected to be resilient with predominance of Supermarket¹⁵ and Food & Restaurant¹⁶ in the trade mix. Consumers need to spend on necessities and are willing to dine out.

Well-located suburban malls are in better position to ride the rental decline

Suburban malls that are integrated with transport nodes spaces such as Northpoint and Causeway Point, are expected to continue to enjoy stable footfall and draw interest from retailers. Leveraging on its strategic location, these developments are in better positions to weather the retailing challenges and moderate the rental decline.

14 Change between the average rental rates between the new lease and the preceding lease contracted typically three years ago.

15 6.7% of portfolio NLA; 4.3% of total rental revenue as at 30 June 2016.

16 29.5% of portfolio NLA; 35.4% of total rental revenue as at 30 June 2016.

RETAIL PROPERTY MARKET REVIEW

By Edmund Tie & Company (SEA) Pte Ltd

LIMITING CONDITIONS

Where it is stated in the report that information has been supplied to us in the preparation of this report by the sources listed, this information is believed to be reliable and we will accept no responsibility if this should be otherwise. All other information stated without being attributed directly to another party is obtained from our searches of records, examination of documents or enquiries with relevant government authorities.

The forward statements in this report are based on our expectations and forecasts for the future. These statements should be regarded as our assessment of the future, based on certain assumptions on variables which are subject to changing conditions. Changes in any of these variables may significantly affect our forecasts.

Utmost care and due diligence has been taken in the preparation of this report. We believe that the contents are accurate and our professional opinion and advice are based on prevailing market conditions as at the date of the report. As market conditions do change, we reserve the right to update our opinion and forecasts based on the latest market conditions.

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MALL PROFILES

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FCT PORTFOLIO SUMMARY

As at 30 September 2016

	Causeway Point	Northpoint	Changi City Point
			
Net Lettable Area ¹ (NLA) (Square Feet)	415,792	225,032	207,244
Number of Leases	227	131	115
Title	99 years leasehold commencing 30/10/95 (about 78 years remaining)	99 years leasehold commencing 1/4/90 (about 72 years remaining)	60 years leasehold commencing 30/4/09 (about 52 years remaining)
Year Purchased	2006	Northpoint 1: 2006 Northpoint 2: 2010	2014
Purchased Price (\$ million)	\$606.17 million	Northpoint 1: \$249.27 million Northpoint 2: \$164.55 million	\$305.0 million
Appraised Value	\$1,143 million	\$672 million	\$311 million
As % of Total Portfolio Appraised Value	45.5%	26.8%	12.4%
FY2016 Gross Revenue (\$'000)	83,022	44,962	24,427
FY2016 Net Property Income (\$'000)	62,031	33,333	15,358
Occupancy Rate	99.8%	70.9% ²	81.1% ³
Key Tenants by gross rental income	Metro, Courts Singapore, Cold Storage, Food Republic, Cathay Cineplexes, Uniqlo	Cold Storage, OCBC Bank, Kopitiam food court, UOB Bank, Popular Bookstore, McDonald's	Koufu food court, Bagus food court, Uniqlo, NIKE, MOA Brewing Company, Tung Lok Millennium
Annual Shopper Traffic in FY2016	24.6 million	45.2 million	11.7 million
Connectivity	Woodlands MRT station (North South Line and future Thomson Line) & Bus Interchange	Yishun MRT station (North South Line) & Bus Interchange	Expo MRT station (East West Line, and future Downtown Line)

1 Net lettable area as stated in valuation reports dated 30 September 2016 for the respective assets.

2 Northpoint occupancy is affected by the ongoing asset enhancement initiative works (AEI) which commenced in March 2016 and expected to complete in September 2017. The occupancy of the mall as at September 2015 was 98.2%.

3 Changi City Point occupancy is affected by the ongoing fitting out of an anchor tenant which is expected to complete in October 2016. The occupancy of the mall as at September 2015 was 91.1%.

FCT PORTFOLIO SUMMARY

As at 30 September 2016

	Bedok Point	YewTee Point	Anchorpoint
--	-------------	--------------	-------------



Net Lettable Area ¹ (NLA) (Square Feet)	82,713	73,670	70,989
Number of Leases	50	74	58
Title	99 years leasehold commencing 15/3/78 (about 60 years remaining)	99 years leasehold commencing 3/1/06 (about 88 years remaining)	Freehold
Year Purchased	2011	2010	2006
Purchased Price (\$ million)	\$127.0 million	\$125.65 million	\$36.02 million
Appraised Value	\$108 million	\$172 million	\$103 million
As % of Total Portfolio Appraised Value	4.3%	6.9%	4.1%
FY2016 Gross Revenue (\$'000)	8,334	14,343	8,728
FY2016 Net Property Income (\$'000)	4,226	10,206	4,698
Occupancy Rate	95.0%	98.7%	96.7%
Key Tenants by gross rental income	Harvey Norman Store, Sushi Express, Ssiksins Korea BBQ, Sukiya	NTUC FairPrice, Koufu food court, Watson's, KFC, Shakura	Cold Storage, Koufu food court, Gyu-Kaku, Xin Wang Hong Kong Cafe, Cotton On
Annual Shopper Traffic in FY2016	4.4 million	12.7 million	3.4 million
Connectivity	Bedok MRT station (East West Line) & Bus Interchange	YewTee MRT station (North South Line) & Bus Stop	Near Queenstown MRT station (East West Line) & bus stop

MALL PROFILES

CAUSEWAY POINT



PROPERTY DESCRIPTION

Description

Seven retail levels (including one basement level) and seven car park levels (B2, B3 and 2nd - 6th levels)

Address

1 Woodlands Square
Singapore 738099

Net Lettable Area

415,792 square feet¹

Car Park Lots

839

Title

99 years leasehold w.e.f 30 Oct 1995

Year Acquired by FCT

2006

Market Valuation

\$1,143.0 million as at 30 Sep 2016

Annual Shopper Traffic

24.6 million (Oct 2015 – Sep 2016)

Senior Centre Manager

Ms Elsie Goh

Key Tenants

Metro, Courts, Cold Storage supermarket, Cathay Cineplexes, Food Republic, Uniqlo

¹ As indicated in the valuation report for Causeway Point, dated 30 September 2016, by Edmund Tie & Company (SEA) Pte Ltd

MALL PROFILE

Causeway Point is the largest mall in Woodlands, one of Singapore's most populous residential estates. It is conveniently located next to the Woodlands regional bus interchange and the Woodlands MRT station, which will serve as an interchange station for the existing North-South line and the new Thomson line in the future.

With more than 200 stores and food outlets spread over seven retail levels (including basement level), Causeway Point offers its shoppers a one-stop shopping and dining destination. The mall recorded gross revenue of \$83.02 million in FY2016, up 2.5 % year-on-year. The mall attracted 24.6 million shoppers in FY2016.

Causeway Point is the winner of BCA Universal Design GoldPlus award in 2015 for its emphasis in incorporating user-friendliness, connectivity and safety aspects in its mall design and features. The mall is also awarded the Platinum Award in the BCA's GreenMark program for its host of environmental-friendly features that reduces its energy consumption and carbon footprint.

MALL PERFORMANCE HIGHLIGHTS

Financial Year ended 30 September (\$'000)	FY2016	FY2015	Increase/(Decrease)
Gross Revenue	83,022	80,960	2.5%
Property Expenses	20,991	21,860	(4.0%)
Net Property Income	62,031	59,100	5.0%
Occupancy	99.8%	99.5%	0.3%-point
Shopper Traffic (million)	24.6	24.9	(1.2%)

MALL PROFILES

TOP 10 TENANTS

As at 30 September 2016, Causeway Point has a total of 227 leases (FY2015: 223), excluding vacancy. The key tenants include Metro, Courts, Cold Storage Supermarket, Food Republic and Cathay Cineplexes, among others. The top 10 tenants contributed collectively, 33.3% (FY2015: 33.1%) of the mall's total gross rental income.

Top 10 Tenants at Causeway Point (as at 30 September 2016)	% of Mall's Gross Rental Income
Metro (Private) Limited ¹	7.4%
Courts (Singapore) Limited	6.1%
Cold Storage Singapore (1983) Pte Ltd ²	5.0%
Food Republic Pte Ltd	3.9%
Cathay Cineplexes Pte Ltd	2.3%
Uniqlo (Singapore) Pte Ltd	2.2%
McDonald's Restaurants Pte Ltd	1.9%
Aspial Corporation Ltd ³	1.6%
Bagus Management Pte Ltd ⁴	1.5%
RE&S Enterprises ⁵	1.4%
Total	33.3%

- 1 Includes leases for Metro Department Store & Clinique Service Centre
- 2 Includes leases for Cold Storage supermarket, Guardian Pharmacy and 7-Eleven stores
- 3 Includes leases for Lee Hwa Jewellery, CITIGEMs and Goldheart Jewellery
- 4 Operator of Bagus food court
- 5 Operator of Kuriya Japanese Market and Ichiban Boshi restaurant

TRADE SECTOR ANALYSIS

Food & Restaurants contributed 28.5%, (FY2015: 28.5%) of the mall's gross rental income, followed by the Fashion trade at 23.6% (FY2015: 23.9%). These two trades account for 52.1% of the mall's gross rental income. The breakdown of the trade sector analysis by net lettable area and gross rental income is presented on the right.

Trade Classifications (in descending order of % rent)	By Net Lettable Area	By Gross Rental Income ⁶
1 Food & Restaurants	23.2%	28.5%
2 Fashion	17.5%	23.6%
3 Household	12.2%	10.7%
4 Services/Education	4.9%	7.4%
5 Department Store	14.5%	7.3%
6 Beauty, Hair, Cosmetics, Personal Care	4.3%	6.7%
7 Sports Apparels & Equipment	2.3%	3.4%
8 Supermarket	5.7%	3.2%
9 Healthcare	2.0%	3.2%
10 Books, Music, Art & Craft, Hobbies	4.0%	3.1%
11 Leisure/Entertainment	9.2%	2.9%
12 Vacant	0.2%	0.0%
Total	100.0%	100.0%

- 6 Excludes gross turnover rent

LEASE EXPIRY PROFILE⁷

As at 30 Sep 2016

	FY2017	FY2018	FY2019	FY2020	FY2021	Total
Number of leases expiring	89	76	61	1	-	227
Net Lettable Area of Expiring Leases (square feet)	161,501	106,697	146,379	442	-	415,019
Expiries as % of Mall's Total Leased Area	38.9%	25.7%	35.3%	0.1%	0.0%	100.0%
Gross Rental Income (GRI) Contribution of Expiring Leases as % of Mall's Total GRI	40.3%	26.8%	32.5%	0.4%	0.0%	100.0%

- 7 Excludes vacancy

MALL PROFILES

NORTHPOINT



MALL PROFILE

Northpoint, opened in 1992, is Singapore's pioneer suburban retail mall. The mall is located in the central of the populous Yishun estate. The mall offers six retail levels of shopping (including two basement levels). It is connected to the Yishun bus interchange and is also linked to the Yishun MRT station via a direct underground pedestrian underpass.

Northpoint consistently attracts high shopper traffic flow from the surrounding residential estate and schools. Shopper traffic in FY2016 was 45.2 million, one of the highest among suburban malls in Singapore.

Key tenants at Northpoint include Cold Storage supermarket, OCBC Bank, Kopitiam food court, UOB and Popular bookstore. The mall also features a community library and a 5,400 square feet rooftop wet and dry children's playground on the rooftop.

PROPERTY DESCRIPTION

Description

Six retail levels (including two basement levels) and three levels of car park (B1 - B3)

Address

930 Yishun Avenue 2, Northpoint, Singapore 769098

Net Lettable Area

225,032 square feet¹

Car Park Lots

235

Title

99 years leasehold w.e.f 1 Apr 1990

Year Acquired by FCT

2006 (Northpoint 1),
2010 (Northpoint 2)

Market Valuation

\$672.0 million as at 30 Sep 2016

Annual Shopper Traffic

45.2 million (Oct 2015 – Sep 2016)

Senior Centre Manager

Ms Cynthia Ng

Key Tenants

Cold Storage supermarket, OCBC Bank, Kopitiam food court, UOB and Popular bookstore

¹ As indicated in the valuation report for Northpoint, dated 30 September 2016, by Knight Frank Pte Ltd

MALL PERFORMANCE HIGHLIGHTS

Financial Year ended 30 September (\$'000)	FY2016	FY2015	Increase/(Decrease)
Gross Revenue	44,962	50,335	(10.7%)
Property Expenses	11,629	14,179	(18.0%)
Net Property Income	33,333	36,156	(7.8%)
Occupancy	70.9%	98.2%	(27.3%-point)*
Shopper Traffic (million)	45.2	41.3	9.4%

* Northpoint commenced its asset enhancement (AEI) works in March 2016 with expected completion in September 2017. The decrease in vacancy was due to the ongoing AEI.

MALL PROFILES

TOP 10 TENANTS

As at 30 September 2016, Northpoint has a total of 131 leases (FY2015: 172), excluding vacancy. The mall commenced its asset enhancement (AEI) works in March 2016 with expected completion in September 2017. The decrease in number of leases (and vacancy) was due to the ongoing AEI. The key tenants include Cold Storage supermarket, OCBC Bank, Kopitiam food court, UOB, among others. The top 10 tenants contributed collectively 29.9% (FY2015: 32.1%) of the mall's total gross rental income.

Top 10 Tenants at Northpoint (as at 30 September 2016)	% of Mall's Gross Rental Income
Cold Storage Singapore (1983) Pte Ltd ¹	6.7%
Overseas-Chinese Banking Corporation Ltd	4.7%
Copitiam Pte Ltd ²	2.9%
United Overseas Bank Ltd	2.6%
Popular Book Company Pte Ltd	2.4%
McDonald's Restaurants Pte Ltd	2.4%
National Library	2.2%
XWS Pte Ltd ³	2.1%
Cotton On Singapore Pte Ltd	2.0%
Watson's Personal Care Stores Pte Ltd	1.9%
Total	29.9%

1 Includes leases for Cold Storage supermarket, Guardian Pharmacy and 7-Eleven stores

2 Operator of Kopitiam food court

3 Operates Xin Wang HK Café at Northpoint

TRADE SECTOR ANALYSIS

Food & Restaurants contributed 27.1%, (FY2015: 31.9%) of the mall's gross rental income, followed by the Fashion trade at 25.9% (FY2015: 25.7%). The year-on-year variance in the trade mix was mainly attributed to the ongoing AEI works at the mall. The breakdown of the trade sector analysis by net lettable area and gross rental income is presented on the right.

Trade Classifications (in descending order of % rent)	By Net Lettable Area	By Gross Rental Income ⁴
1 Food & Restaurants	14.7%	27.1%
2 Fashion	11.3%	25.9%
3 Services/Education	16.0%	15.2%
4 Beauty, Hair, Cosmetics, Personal Care	4.9%	9.0%
5 Healthcare	2.8%	5.9%
6 Supermarket	8.8%	4.7%
7 Books, Music, Art & Craft, Hobbies	5.7%	4.6%
8 Household	4.2%	4.0%
9 Sports Apparels & Equipment	2.5%	3.6%
10 Vacant	29.1%	0.0%
Total	100.0%	100.0%

4 Excludes gross turnover rent

LEASE EXPIRY PROFILE⁵

As at 30 Sep 2016

	FY2017	FY2018	FY2019	FY2020	FY2021	Total
Number of leases expiring	55	54	21	-	1	131
Net Lettable Area of Expiring Leases (square feet)	63,462	72,455	20,377	-	9,870	166,164
Expiries as % of Mall's Total Leased Area	38.2%	43.6%	12.3%	0.0%	5.9%	100.0%
Gross Rental Income (GRI) Contribution of Expiring Leases as % of Mall's Total GRI	38.5%	38.8%	20.3%	0.0%	2.4%	100.0%

5 Excludes vacancy

MALL PROFILES

CHANGI CITY POINT



MALL PROFILE

Changi City Point is a three-storey retail mall (with one basement) located in Changi Business Park, next to the Singapore Expo MRT station and near one of Singapore's largest convention and exhibition venues, The Singapore Expo. Changi City Point is the third largest by net lettable area among Frasers Centrepoint Trust's portfolio of six retail malls.

The mall offers diverse shopping and dining experience especially for the working population in Changi Business Park; residents in nearby precincts such as Tampines, Bedok and Simei; and the visitors to the Singapore Expo. Changi City Point features fashion retailers including Uniqlo, Nike, Timberland, Adidas and many outlets stores. Shoppers can also do their grocery shopping at the supermarket. The restaurants at the mall include Tung Lok Signatures and Table Manners and the Koufu and Bagus food courts. Families can also enjoy the landscaped rooftop garden that also features a wet and dry children's playground.

PROPERTY DESCRIPTION

Description

Three retail levels (including one basement level)

Address

5 Changi Business Park Central
1, Changi City Point, Singapore
486038

Net Lettable Area

207,244 square feet¹

Car Park Lots

627²

Title

60 years leasehold w.e.f 30 Apr 2009

Year Acquired by FCT

2014

Market Valuation

\$311.0 million as at 30 Sep 2016

Annual Shopper Traffic

11.7 million (Oct 2015 – Sep 2016)

Senior Centre Manager

Ms Emily Fong

Key Tenants

Koufu food court, Bagus food court, Uniqlo, Nike, MOA New Zealand Bar

- 1 As indicated in the valuation report for Changi City Point, dated 30 September 2016, by Colliers International Consultancy & Valuation (Singapore) Pte Ltd
- 2 The car park lots are shared between Changi City Point, Capri By Fraser and ONE@Changi City.

MALL PERFORMANCE HIGHLIGHTS

Financial Year ended 30 September (\$'000)	FY2016	FY2015	Increase/(Decrease)
Gross Revenue	24,427	25,740	(5.1%)
Property Expenses	9,069	9,417	(3.7%)
Net Property Income	15,358	16,323	(5.9%)
Occupancy	81.1%	91.1%	(10.0%-point)*
Shopper Traffic (million)	11.7	10.6	10.4%

* The year-on-year decrease in occupancy at Changi City Point was due to the ongoing tenant-remixing and the fitting out of an anchor tenant as at 30 September 2016. The fitting out is expected to complete in the month of October 2016.

MALL PROFILES

TOP 10 TENANTS

As at 30 September 2016, Changi City Point has a total of 115 leases (FY2015: 122), excluding vacancy. The year-on-year decrease in the number of leases at Changi City Point was due to the ongoing tenant-remixing. The key tenants include Koufu food court, Bagus food court, Uniqlo and Nike, among others. The top 10 tenants contributed collectively, 31.9% (FY2015: 35.0%) of the mall's total gross rental income.

Top 10 Tenants at Changi City Point (as at 30 September 2016)	% of Mall's Gross Rental Income
Koufu Pte Ltd ¹	9.8%
Copitiam Pte Ltd ²	4.3%
Uniqlo (Singapore) Pte Ltd	3.5%
NIKE Singapore Pte Ltd	2.3%
Trilogies of Beers Pte Ltd	2.2%
Tung Lok Millennium Pte Ltd	2.1%
Challenger Technologies Limited	2.0%
RE & S Enterprise Pte Ltd ³	1.9%
Golden Beeworks Pte Ltd ⁴	1.9%
RSH (Singapore) Pte Ltd ⁵	1.9%
Total	31.9%

- 1 Operates the Koufu food court at Changi City Point
- 2 Operator of Bagus food court
- 3 Operates the Ichiban Sushi restaurant at Changi City Point
- 4 Operates the Jollibee restaurant at Changi City Point
- 5 Operates the Quicksilver, Lacoste outlet store and Royal Sporting House outlet store at Changi City Point

TRADE SECTOR ANALYSIS

Food & Restaurants contributed 54.1%, (FY2015: 47.5%) of the mall's gross rental income, followed by the Fashion trade at 23.2% (FY2015: 20.8%). The year-on-year variance was mainly attributed to tenant-remixing efforts at the mall. The breakdown of the trade sector analysis by net lettable area and gross rental income is presented on the right.

Trade Classifications (in descending order of % rent)	By Net Lettable Area	By Gross Rental Income ⁴
1 Food & Restaurants	40.3%	54.1%
2 Fashion	19.0%	23.2%
3 Sports Apparels & Equipment	8.6%	6.6%
4 Services/Education	4.6%	5.3%
5 Household	3.9%	3.8%
6 Beauty, Hair, Cosmetics, Personal Care	1.8%	3.1%
7 Healthcare	1.4%	2.2%
8 Department Store	1.0%	1.2%
9 Books, Music, Art & Craft, Hobbies	0.5%	0.5%
10 Supermarket ⁵	0.0%	0.0%
11 Vacant	18.9%	0.0%
Total	100.0%	100.0%

- 4 Excludes gross turnover rent
- 5 New Supermarket tenant at Changi City Point will commence trading from October 2016 onwards

LEASE EXPIRY PROFILE⁶

As at 30 Sep 2016

	FY2017	FY2018	FY2019	FY2020	FY2021	Total
Number of leases expiring	32	54	17	12	-	115
Net Lettable Area of Expiring Leases (square feet)	58,641	52,360	15,791	41,376	-	168,168
Expiries as % of Mall's Total Leased Area	34.9%	31.1%	9.4%	24.6%	0.0%	100.0%
Gross Rental Income (GRI) Contribution of Expiring Leases as % of Mall's Total GRI	31.0%	36.8%	12.5%	19.7%	0.0%	100.0%

⁶ Excludes vacancy

MALL PROFILES

BEDOK POINT



MALL PROFILE

Bedok Point has five retail levels (including one basement level) and one basement car park. The mall is located in the town centre of Bedok, which is one of the largest residential estates in Singapore by population. The mall is well-served by the nearby Bedok MRT station and the Bedok bus interchange.

The mall offers an exciting array of restaurants, food outlets, enrichment centres, retail and service offerings that makes it an attractive destination for families, students and PMEBs (Professionals, Managers, Executives and Businessmen) around the precinct. The tenants at Bedok Point include Harvey Norman, Challenger, Ssikin Korea BBQ, Mind Stretcher, The Learning Lab and Paradise Inn, among others. Bedok Point was awarded the BCA green Mark gold Award in 2014.

PROPERTY DESCRIPTION

Description

Five retail levels (including one basement level) and one basement car park

Address

799 New Upper Changi Road, Singapore 467351

Net Lettable Area

82,713 square feet¹

Car Park Lots

76

Title

99 years leasehold w.e.f 15 Mar 1978

Year Acquired by FCT

2011

Market Valuation

\$108.0 million as at 30 Sep 2016

Annual Shopper Traffic

4.4 million (Oct 2015 – Sep 2016)

Senior Centre Manager

Ms Donna Oh

Key Tenants

Harvey Norman, Challenger, Ssikin Korea BBQ, Gym Boxx

¹ As indicated in the valuation report for Bedok Point, dated 30 September 2016, by Savills Valuation and Professional Services (s) Pte Ltd

MALL PERFORMANCE HIGHLIGHTS

Financial Year ended 30 September (\$'000)	FY2016	FY2015	Increase/(Decrease)
Gross Revenue	8,334	9,386	(11.2%)
Property Expenses	4,108	4,441	(7.5%)
Net Property Income	4,226	4,945	(14.5%)
Occupancy	95.0%	84.2%	(10.8%-point)
Shopper Traffic (million)	4.4	4.7	(6.4%)

* The year-on-year decrease in occupancy at Changi City Point was due to the ongoing tenant-remixing and the fitting out of an anchor tenant as at 30 September 2016. The fitting out is expected to complete in the month of October 2016.

MALL PROFILES

TOP 10 TENANTS

As at 30 September 2016, Bedok Point has a total of 50 leases (FY2015: 47), excluding vacancy. The key tenants include Pertama Merchandising Pte Ltd (operator of Harvey Norman), Go Sushi, Korea Buffet Pte Ltd (operator of Ssiksin), among others. The top 10 tenants contributed collectively, 46.2% (FY2015: 46.2%) of the mall's total gross rental income.

Top 10 Tenants at Bedok Point (as at 30 September 2016)	% of Mall's Gross Rental Income
Pertama Merchandising Pte Ltd ¹	11.6%
Gymboxx Pte Ltd	5.5%
Go Sushi Pte Ltd ²	5.4%
Korea Buffet Pte Ltd ³	5.3%
Creative Eateries Pte Ltd ⁴	4.0%
Starbucks Coffee Singapore Pte Ltd	3.7%
Meng Har Le Spa Pte Ltd	2.7%
Pastamatrix International Pte Ltd	2.7%
NTUC Club	2.7%
Bachmann Japanese Restaurant Pte Ltd ⁵	2.6%
Total	46.2%

- 1 Operator of the Harvey Norman Store at Bedok Point
- 2 Operator of Sushi Express at Bedok Point
- 3 Operator of Ssiksin Korea BBQ at Bedok Point
- 4 Operator of Sukiya at Bedok Point
- 5 Operator of Ajisen Ramen Express at Bedok Point

TRADE SECTOR ANALYSIS

Food & Restaurants contributed 44.9%, (FY2015: 50.1%) of the mall's gross rental income, followed by the Services and Education trade at 18.8% (FY2015: 13.4%). The breakdown of the trade sector analysis by net lettable area and gross rental income is presented on the right.

Trade Classifications (in descending order of % rent)	By Net Lettable Area	By Gross Rental Income ⁶
1 Food & Restaurants	34.7%	44.9%
2 Services/Education	25.9%	18.8%
3 Household	18.5%	14.5%
4 Beauty, Hair, Cosmetics, Personal Care	8.6%	11.6%
5 Fashion	2.1%	4.7%
6 Sports Apparels & Equipment	2.7%	2.5%
7 Books, Music, Art & Craft, Hobbies	1.9%	1.8%
8 Healthcare	0.6%	1.2%
9 Vacant	5.0%	0.0%
Total	100.0%	100.0%

- 6 Excludes gross turnover rent

LEASE EXPIRY PROFILE⁷

As at 30 Sep 2016

	FY2017	FY2018	FY2019	FY2020	FY2021	Total
Number of leases expiring	29	16	4	-	1	50
Net Lettable Area of Expiring Leases (square feet)	43,115	21,022	6,779	-	7,660	78,576
Expiries as % of Mall's Total Leased Area	54.9%	26.8%	8.6%	0.0%	9.7%	100.0%
Gross Rental Income (GRI) Contribution of Expiring Leases as % of Mall's Total GRI	60.3%	27.5%	6.7%	0.0%	5.5%	100.0%

- 7 Excludes vacancy

MALL PROFILES

YEWTEE POINT



MALL PROFILE

YewTee Point has two retail levels (including one basement level). The mall is located in Yew Tee, a housing estate within a major residential precinct Choa Chu Kang, northwest of Singapore. YewTee Point is served by the adjacent Yew Tee MRT station and public bus services.

YewTee Point's key tenants include NTUC FairPrice, Koufu food court, Watson's and KFC, among others. It draws shoppers from the private apartments located above the mall (YewTee Residence), the YewTee housing estate, schools, military camp and the nearby industrial estate. Total shopper traffic to the mall in FY2016 was 12.7 million.

PROPERTY DESCRIPTION

Description

Two retail levels (including one basement level) and one basement car park

Address

21 Choa Chu Kang North 6, Singapore 689578

Net Lettable Area

73,670 square feet¹

Car Park Lots

83²

Title

99 years leasehold w.e.f 3 Jan 2006

Year Acquired by FCT

2010

Market Valuation

\$172.0 million as at 30 Sep 2016

Annual Shopper Traffic

12.7 million (Oct 2015 – Sep 2016)

Senior Centre Manager

Ms Jazmine Lim

Key Tenants

NTUC FairPrice, Koufu food court, Watson's, KFC

- 1 As indicated in the valuation report for YewTee Point, dated 30 September 2016, by Savills Valuation and Professional Services (s) Pte Ltd
- 2 Part of limited common property for the exclusive benefit of YewTee Point

MALL PERFORMANCE HIGHLIGHTS

Financial Year ended 30 September (\$'000)	FY2016	FY2015	Increase/(Decrease)
Gross Revenue	14,343	14,049	2.1%
Property Expenses	4,137	4,329	(4.4%)
Net Property Income	10,206	9,720	5.0%
Occupancy	98.7%	94.8%	3.9%-point
Shopper Traffic (million)	12.7	12.1	5.0%

MALL PROFILES

TOP 10 TENANTS

As at 30 September 2016, YewTee Point has a total of 74 leases (FY2015: 70), excluding vacancy. The key tenants include NTUC FairPrice, Koufu food court, Watson's and KFC, among others. The top 10 tenants contributed collectively, 49.4% (FY2015: 51.6%) of the mall's total gross rental income.

Top 10 Tenants at YewTee Point (as at 30 September 2016)	% of Mall's Gross Rental Income
NTUC FairPrice Co-operative Ltd ¹	19.5%
Koufu Pte Ltd ²	9.8%
Watson's Personal Care Stores Pte Ltd	3.6%
Kentucky Fried Chicken Management Pte Ltd	3.5%
Shakura Pigmentation Pte Ltd	2.6%
West Co'z Café Ptd Ltd	2.2%
OldTown Singapore Pte Ltd	2.2%
XWS Pte Ltd ³	2.1%
BreadTalk Pte Ltd ⁴	2.0%
Zensho Food Singapore Pte Ltd ⁵	1.9%
Total	49.4%

- 1 Includes leases for NTUC Fairprice and NTUC Healthcare (Unity)
- 2 Operator of Koufu food court
- 3 Operator of Xin Wang HK Café
- 4 Operator of ToastBox
- 5 Operator of Long John Silver's

TRADE SECTOR ANALYSIS

Food & Restaurants contributed 39.5%, (FY2015: 38.6%) of the mall's gross rental income, followed by the supermarket trade at 18.0% (FY2015: 19.0%). The breakdown of the trade sector analysis by net lettable area and gross rental income is presented on the right.

Trade Classifications (in descending order of % rent)	By Net Lettable Area	By Gross Rental Income ⁶
1 Food & Restaurants	39.2%	39.5%
2 Supermarket	23.4%	18.0%
3 Beauty, Hair, Cosmetics, Personal Care	14.3%	16.9%
4 Healthcare	6.3%	8.1%
5 Services/Education	7.5%	7.6%
6 Fashion	3.1%	4.3%
7 Household	2.9%	3.0%
8 Books, Music, Art & Craft, Hobbies	2.0%	2.6%
9 Vacant	1.3%	0.0%
Total	100.0%	100.0%

- 6 Excludes gross turnover rent

LEASE EXPIRY PROFILE⁷

As at 30 Sep 2016

	FY2017	FY2018	FY2019	FY2020	FY2021	Total
Number of leases expiring	27	36	11	-	-	74
Net Lettable Area of Expiring Leases (square feet)	26,382	37,472	8,868	-	-	72,722
Expiries as % of Mall's Total Leased Area	36.3%	51.5%	12.2%	0.0%	0.0%	100.0%
Gross Rental Income (GRI) Contribution of Expiring Leases as % of Mall's Total GRI	35.3%	52.7%	12.0%	0.0%	0.0%	100.0%

- 7 Excludes vacancy

MALL PROFILES

ANCHORPOINT



MALL PROFILE

Anchorpoint has two retail levels (including one basement level) and an adjacent a 2-storey restaurant building. The mall is located along Alexandra Road, opposite to the popular large home furnishing store IKEA and newly-opened Park Hotel Alexandra. Anchorpoint is well-served by public bus services as well as scheduled shuttle bus service between the mall and the nearby offices in the Alexandra area.

Anchorpoint offers an exciting range of eateries and restaurants, retail shopping and boutique outlets. The stores and restaurants at Anchorpoint include Cold Storage, Koufu (food court), Japanese BBQ restaurant Gyu-Kaku as well as reputable retailers such as Charles & Keith and Cotton On, among others.

Total shopper traffic to the mall in FY2016 was 3.4 million. Anchorpoint was awarded the Singapore Service Class Award (2012 – 2015) by Spring Singapore.

PROPERTY DESCRIPTION

Description

Two retail levels (including one basement level) and an adjacent a two-storey restaurant building

Address

368 and 370 Alexandra Road
Singapore 159952/159953

Net Lettable Area

70,989 square feet¹

Car Park Lots

128²

Title

Freehold

Year Acquired by FCT

2006

Market Valuation

\$103.0 million as at 30 Sep 2016

Annual Shopper Traffic

3.4 million (Oct 2015 – Sep 2016)

Senior Centre Manager

Mr Raymond Chan Kin

Key Tenants

Cold Storage, Gyu-Kaku, Koufu, Xin Wang Hong Kong Cafe

- 1 As indicated in the valuation report for Anchorpoint, dated 30 September 2016, by Savills Valuation and Professional Services (s) Pte Ltd
- 2 Located at Anchorpoint but are part of a common property of strata sub-divided mixed-use development, which comprises Anchorpoint and The Anchorage (a condominium), managed by the MCST Title plan No.2304.

MALL PERFORMANCE HIGHLIGHTS

Financial Year ended 30 September (\$'000)	FY2016	FY2015	Increase/(Decrease)
Gross Revenue	8,728	8,772	(0.5%)
Property Expenses	4,030	3,973	1.4%
Net Property Income	4,698	4,799	(2.1%)
Occupancy	96.7%	96.9%	(0.2%-point)
Shopper Traffic (million)	3.4	3.6	(5.6%)

MALL PROFILES

TOP 10 TENANTS

As at 30 September 2016, Anchorpoint has a total of 58 leases (FY2015: 60), excluding vacancy. The key tenants include Cold Storage Supermarket, Koufu (food court), Gyu-Kaku Japanese BBQ restaurant, among others. The top 10 tenants contributed collectively, 49.3% (FY2015: 49.5%) of the mall's total gross rental income.

Top 10 Tenants at YewTee Point (as at 30 September 2016)	% of Mall's Gross Rental Income
Cold Storage (1983) Singapore Pte Ltd ¹	11.1%
Koufu Pte Ltd	6.6%
Royal Culinary Pte Ltd ²	4.7%
XWS Pte Ltd ³	4.5%
Cotton On Singapore Pte Ltd	4.4%
Sarika Connoisseur Cafe Pte Ltd ⁴	4.2%
Sakuraya Foods Pte Ltd	4.0%
JP Food Service Pte Ltd ⁵	3.7%
Watson's Personal Care Stores Pte Ltd	3.5%
G2000 Apparel (S) Pte Ltd	2.6%
Total	49.3%

- 1 Includes leases for Cold Storage supermarket, Guardian Pharmacy and 7-Eleven store
- 2 Operator of Gyu-Kaku at Anchorpoint
- 3 Operator of Xin Wang HK Café at Anchorpoint
- 4 Operator of The Coffee Connoisseur at Anchorpoint
- 5 Operator of Jack's Place Restaurant at Anchorpoint

TRADE SECTOR ANALYSIS

Food & Restaurants contributed 41.6%, (FY2015: 40.0%) of the mall's gross rental income, followed by the Fashion trade at 20.1% (FY2015: 19.7%). The breakdown of the trade sector analysis by net lettable area and gross rental income is presented on the right.

Trade Classifications (in descending order of % rent)	By Net Lettable Area	By Gross Rental Income ⁶
1 Food & Restaurants	39.4%	41.6%
2 Fashion	17.4%	20.1%
3 Beauty, Hair, Cosmetics, Personal Care	8.6%	10.5%
4 Supermarket/Hypermarket	15.2%	10.2%
5 Services/Education	6.6%	6.7%
6 Household	6.5%	6.4%
7 Books, Music, Art & Craft, Hobbies	1.8%	2.9%
8 Healthcare	1.2%	1.6%
9 Vacant	3.3%	0.0%
Total	100.0%	100.0%

- 6 Excludes gross turnover rent

LEASE EXPIRY PROFILE⁷

As at 30 Sep 2016

	FY2017	FY2018	FY2019	FY2020	FY2021	Total
Number of leases expiring	27	13	18	-	-	58
Net Lettable Area of Expiring Leases (square feet)	27,069	9,442	32,120	-	-	68,631
Expiries as % of Mall's Total Leased Area	39.4%	13.8%	46.8%	0.0%	0.0%	100.0%
Gross Rental Income (GRI) Contribution of Expiring Leases as % of Mall's Total GRI	46.0%	14.6%	39.4%	0.0%	0.0%	100.0%

- 7 Excludes vacancy

MALL PROFILES

HEKTAR REAL ESTATE INVESTMENT TRUST



INVESTMENT IN HEKTAR REIT

As at 30 September 2016, FCT holds 31.17% of the units in Hektar Real Estate Investment Trust ("H-REIT"). H-REIT, an associate of FCT, is a retail-focused REIT in Malaysia listed on the Main Market of Bursa Malaysia Securities Berhad. Its property portfolio comprises Subang Parade in Selangor; Mahkota Parade in Melaka; Wetex Parade & Classic Hotel in Muar, Johor; Central Square in Sungai Petani and Landmark Central in Kulim, both located in Kedah. The properties in H-REIT portfolio have a total net lettable area of 1.8 million square feet.

HEKTAR PROPERTY PROFILE

As at 31 December 2015

	Subang Parade	Mahkota Parade	Wetex Parade	Central Square	Landmark Central
State	Selangor	Melaka	Johor	Kedah	Kedah
Title	Freehold	Leasehold*	Freehold	Freehold	Freehold
Net Lettable Area (Retail)	505,293 sq ft	519,654 sq ft	159,153 sq ft	311,741 sq ft	281,388 sq ft
Tenancies	126	106	75	82	71
Occupancy	94.7%	95.5%	98.7%	98.0%	99.3%
Visitor Traffic FY2015	9.8 million	9.1 million	4.6 million	3.9 million	3.2 million
Purchase Price(RM)	280.0 million	257.5 million	117.5 million	83.0 million	98.0 million
Valuation (RM)	426.4 million	320.0 million	135.0 million	94.0 million	111.2 million

* Until year 2101

MALL PROFILES



HEKTAR REIT'S TOP 10 TENANTS

The top ten tenants in the Hektar's portfolio contributed approximately 28.5% of total monthly rental income.

Tenant	Trade Sector	NLA (Sq ft)	% of Total NLA	% of Monthly Rental Income ¹
Parkson	Department Store / Supermarket	254,009	14.3%	9.6%
The Store	Department Store / Supermarket	273,198	15.4%	5.8%
Seleria	Food & Beverage	35,437	2.0%	2.5%
Giant	Department Store / Supermarket	96,283	5.4%	1.7%
Bata	Fashion & Footwear	8,355	0.5%	1.7%
MBO	Leisure & Entertainment/Sports & Fitness	83,705	4.7%	1.6%
McDonald's	Food & Beverage	14,124	0.8%	1.6%
KFC	Food & Beverage	17,431	1.0%	1.5%
Watsons	Services	8,757	0.5%	1.3%
Kenny Roger Roasters	Food & Beverage	7,096	0.4%	1.2%
Top 10 Tenants (By Monthly Rental Income)		798,395	45.0%	28.5%
Other Tenants		978,834	55.0%	71.5%
Total		1,777,229	100.0%	100.0%

¹ Based on monthly rental income for December 2015 Tenancy Mix

MALL PROFILES

INVESTMENT IN HEKTAR REIT

TENANCY MIX

As at 31 December 2015

The portfolio tenancy mix is dominated by department stores and supermarkets, which led by Parkson, The Store and Giant, constitute approximately 36.3% of total portfolio NLA. In terms of rental income, the largest segment remains fashion and footwear, which contributes approximately 23.2% of monthly rental income. Food and beverage comes closely behind, constituting 21.2% of the portfolio monthly income.

	By Rental Income *	By Net Lettable Area
Fashion & Footwear	23.2%	12.3%
Food & Beverage / Food Court	21.2%	12.7%
Department Store / Supermarket	17.1%	36.3%
Gifts / Books / Toys / Specialty	6.4%	5.3%
Education / Services	7.1%	3.1%
Leisure & Entertainment, Sports & Fitness	9.3%	18.8%
Electronics & IT	8.3%	6.9%
Homewares & Furnishing	0.7%	0.6%
Others	6.7%	4.0%
Total	100.0%	100.0%

* Based on monthly rental income for December 2015

LEASE EXPIRY PROFILE

As at 31 December 2015

For the year 2016, a total of 176 tenancies will expire, representing approximately 32% of NLA and 37% of monthly rental income as at 31 December 2015. This is in line with typical tenancy terms of 3 years, as per the current market practice in Malaysia.

For Year Ending 31 December	No. of tenancies expiring	NLA of Tenancies Expiring (sq ft)	NLA of Tenancies Expiring as % of Total NLA	% of Total Monthly Rental Income*
FY 2016	176	567,805	32%	37%
FY 2017	152	666,924	38%	38%
FY 2018	129	451,306	25%	25%
FY 2019	2	26,737	2%	0.5%

* Based on monthly rental income for December 2015



SUSTAINABILITY REPORT

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SUSTAINABILITY REPORT



GROWING SUSTAINABILITY AT FRASERS CENTREPOINT TRUST

Sustainability is an important aspect of our business, and we are pleased to present our second Sustainability Report. As a member of the Frasers Centrepoint Group, FCT's strategic sustainability initiatives are aligned with that of Frasers Centrepoint Limited (FCL) and incorporates the interest of FCT's stakeholders.

Our sustainability programme is supported by relevant policies and standard operating procedures (SOP) established by FCAM (the Manager of FCT) and FCL. Compliance with these policies and SOPs is effected through regular staff training, periodic reviews by the senior management and the board as well as through internal audits.

We worked closely with our sponsor FCL in growing our engagement in sustainability initiatives at Frasers Centrepoint Group. Our Sponsor, FCL, became a signatory to the United Nations Global Compact (UNGC) in February 2016. In doing so, FCL joins more than 8,000 companies and 4,000 non-businesses in this global movement to shape a sustainable future for the global business community through promoting responsible business practices. FCT fully supports FCL in this initiative, and in line with FCL, we have mapped FCT's material issues against the relevant SDGs to assess the performance and to explore opportunities for further improvements.

As part of the Frasers Centrepoint Group, FCT also supports FCL's contributions to the Global Compact Network Singapore (where FCL is a Gold member) and the Singapore Green Building Council (where FCL is a founding member).

Within the Frasers Centrepoint Group, dedicated sustainability sub-committees for Environment, Health & Safety and Innovation were also set up under the Sustainability Steering Committee during the year. FCT is represented in the sub-committees and participates actively to support a more comprehensive roll-out of sustainability initiatives to all business units.

Our report is guided by the GRI G4 guidelines and we measure our performance in the 10 material aspects through a set of performance indicators. This sustainability report sets out the progress we have made last year. Our approach focuses on identifying in which areas we can make a difference, to mitigate the impacts of our properties on the environment as well as creating a safe and positive working environment.

WE WOULD LIKE TO HEAR FROM YOU [G4-31]

We seek to continuously improve our sustainability performance and welcome your feedback, which is vital to help us achieve our aims. Please write to Mr Chen Fung Leng, Head of Investor Relations & Research, at fungleng.chen@fraserscentrepoint.com.

SUSTAINABILITY REPORT

KEY HIGHLIGHTS FOR FY2016



RECOGNITION

- Runner-Up Award for the Most Transparent Company (REITs & Business Trusts Category) at the Securities Investors Association (Singapore) (SIAS) Investors' Choice Awards 2016



GOVERNANCE

- No known incident of non-compliance with the codes, laws and regulations related to anti-corruption, whistle-blowing and ethical marketing in FY2016



ENVIRONMENT

- 3.7% decrease year-on-year for building energy intensity
- 4.0% decrease year-on-year in GHG emission intensity
- Causeway Point - Named Top 10 Energy Efficient Buildings in Singapore 2016 (Retail Building Category), Platinum Green Mark Standard by the Building and Construction Authority of Singapore (BCA)
- Causeway Point, Northpoint, Bedok Point, YewTee Point and Anchorpoint are recipients of the Basic Certification of Water Efficient Building by the Public Utilities Board (PUB)



HEALTH AND SAFETY

- Implemented the OHSAS 18001 and SS506 Part 1: 2009 Occupation Health and Safety Management Systems at FCT properties
- No reported incident of lost-time injury involving FCAM employees



PEOPLE

- Employees of FCAM attained an average of 68.1 hours of training per employee, surpassing the target of 40 hours set in FY2015. This is also a significant improvement from the average of 23.3 hours attained in FY2015

SUSTAINABILITY REPORT

ABOUT THIS REPORT [G4-17, G4-28]

This Sustainability Report provides detailed information about our material issues, as well as our societal and environmental impacts.

Data disclosed in this sustainability report relates to all properties owned by FCT, which are located in Singapore and covers the period from 1 October 2015 to 30 September 2016 (FY2016).

This Sustainability Report continues to be prepared with reference to international framework for sustainability reporting, the Global Reporting Initiative's (GRI) G4 core requirements as well as GRI's Construction and Real Estate Sector disclosures. We intend to seek external assurance on our sustainability report in the future.

Together with the other information set out in our Annual Report, this Sustainability Report plays an integral role in promoting communication and transparent reporting to our stakeholders.

GRI Principles	How FCT demonstrates this
Stakeholder inclusiveness	We engage and communicate with our stakeholders on an ongoing basis. Our stakeholders are important to us. We strive to address their concerns and keep them informed in these aspects.
Sustainability context	Sustainability is in line with our objectives to deliver stable and sustainable distributions to Unitholders, and to achieve long term growth. We take references from national and global agendas, such as the Sustainable Singapore Blueprint and the UN Sustainable Development Goals (SDG), to seek continuous improvements in sustainability performance. Please see pages 72-73 for mapping the SDG with our sustainability priorities.
Materiality	The materiality assessment enabled us to identify issues which are key to FCT and its stakeholders and to report these issues accordingly. Please refer to page 71.
<ul style="list-style-type: none"> • Completeness • Balance 	This report covers the material issues identified and all the properties of FCT, and is presented with a balanced and objective perspective. The reporting boundaries are set out in this page "About This Report".
<ul style="list-style-type: none"> • Comparability • Accuracy and reliability • Clarity 	This report references GRI's G4 Core requirements and we also take industry trends into consideration. The same performance metrics have also been used to ensure the report is comparable, accurate, reliable and clear.
Timeliness	The information presented is in relation to FY2016, in line with the time period of this Annual Report. The Annual Report is published within 4 months from the end of our financial year to provide timely information to stakeholders.

SUSTAINABILITY REPORT

WHAT'S IMPORTANT TO US [G4-18, G4-19]

For purposes of reporting, we reviewed our materiality assessment, completed in FY2015, to determine environmental, social and governance (ESG) issues relevant to our business and our stakeholders. This assessment was based on the international standards for materiality, GRI and AA1000 principles, as well as the application of sector-specific guidance from the Global Real Estate Sustainability Benchmark (GRESB), the GRI G4 Construction & Real Estate Sector supplements.

From the materiality assessment, we identified the following 10 material issues in the following categories:



ECONOMIC PERFORMANCE

1. Economic and financial contribution to our business and our stakeholders

(refer to financial highlights on page 11, Letter to Unitholders on pages 12-15 and Financial Statements in pages 125-174)



GOVERNANCE

2. Anti-corruption
3. Ethical marketing



ENVIRONMENT

4. Energy use/ climate change
5. Environmental compliance
6. Water use/ conservation



PEOPLE




7. Health and safety
8. Labour/management relations
9. Staff retention and development
10. Local communities

SUSTAINABILITY REPORT

We have reviewed the SDGs against our material issues and business operations for relevance and alignment and determined that 7 of them are relevant goals we can contribute meaningfully, to as an organization.

United Nations Sustainable Development Goals	Material factor	How does FCT address this goal
 <p>Goal 3: Good health and wellbeing Ensuring healthy lives and promote well-being for all at all ages.</p>	Health and safety	<p>FCT addresses this goal in several ways:</p> <ul style="list-style-type: none"> • Encouraging a healthy and safe work environmental for our staff, in accordance to the health & safety policies of Frasers Centrepoint Group. • Encouraging staff to participate in the year-round wellness and health-related activities, such as the Frasers Health & Safety month in August 2016.
 <p>Goal 7: Affordable and clean energy Ensure access to affordable, reliable, sustainable and modern energy for all.</p>	Energy use and GHG emissions	<p>We target to reduce our energy intensity by 15% by FY2025 (baseline FY2015). This is in line with the Frasers Centrepoint Group’s target.</p> <p>We continue to monitor our energy consumption of our properties and improve on our practices to improve efficiency of energy use. We take the opportunity to upgrade or enhance our equipment to better energy efficiency during major equipment replacement cycle or asset enhancement initiative works (AEI) at our properties.</p>
 <p>Goal 8: Decent work and economic growth Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.</p>	Economic & financial contribution and Labour/ Management relations	<p>FCAM provides employment opportunities and follows fair employment practices, as formalised in our Business Conduct and Workplace Safety policies.</p> <p>FCT adopts Tripartite Alliance for Fair and Progressive Employment Practices (TAFEP) in Singapore. We support the recruitment and reward of employees based on merit.</p> <p>The Manager is committed to grow the skills and knowledge of employees through various training and development programmes.</p>
 <p>Goal 9: Industry, Innovation and Infrastructure Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.</p>	Economic & Financial contribution	<p>We constantly explore new initiatives to enhance the effectiveness and efficiency in our business operations, as well as to collaborate with our tenants to improve their sales performance.</p>

SUSTAINABILITY REPORT

United Nations Sustainable Development Goals	Material factor	How does FCT address this goal
 <p>Goal 10: Reduced inequalities Reduce inequality.</p>	Labour/ Management relations	At FCAM, our remuneration is based on merit alone, and we adhere to the TAFEP in Singapore, which include the pledge to reward employees fairly based on their ability, performance, contribution and experience.
 <p>Goal 11: Sustainable cities and communities Make cities and human settlements inclusive, safe, resilient and sustainable.</p>	<ul style="list-style-type: none"> • Energy use and GHG emissions • Water use/ conservation 	This goal encourages sustainable and coordinated urban development through national policies and regional development plans. We support building sustainability initiatives, such as energy and water efficiency and waste management. We believe that our efforts in improving energy efficiency, water reduction and waste management efforts contribute to achieving this goal.
 <p>Goal 17: Partnership for goals Strengthen the means of implementation and revitalise the global partnership for sustainable development.</p>	<ul style="list-style-type: none"> • Economic & Financial contribution • Local communities 	<p>We are aligned with the FCL group's policies and guidelines in supporting global sustainability awareness.</p> <p>We work with various partners to give back to our communities, engaging them and supporting community projects. These include contribution of spaces for events sponsorships for community funds, engagement activities with our shoppers and tenants, active support for the arts and active participation in community projects.</p>

SUSTAINABILITY REPORT

ENGAGING OUR STAKEHOLDERS [G4-24, G4-27]

Our stakeholders are important to FCT's long-term success. We seek to engage stakeholders' concerns through multiple forms of engagement, as outlined in the table below:

Key stakeholders	Form of engagement	Key topics
Shoppers	<ul style="list-style-type: none"> • Shopper surveys • Focus group study (every 2 years) • Feedback via online and mobile platforms such as social media (FaceBook) and FCT/ FCL websites • Regular shopper events to engage shoppers and their families • Frasers Rewards (loyalty program for shoppers at Frasers malls) • Feedback forms 	<ul style="list-style-type: none"> • Meeting the shopping needs of our shoppers • Quality of services and facilities • Providing comfortable shopping environment and family-friendly amenities • Considerations for safety and easy accessibility • Good connectivity to public transport
Tenants	<ul style="list-style-type: none"> • Partnership in promotional events • Regular tenant feedback meetings 	<ul style="list-style-type: none"> • Maintaining high shopper traffic • Competitive rental rates • Collaboration in marketing and promotional events
Regulators Industry associations	<ul style="list-style-type: none"> • Participation in industry associations including REIT Association of Singapore (REITAS), Investor Relations Professionals Association (IRPAS), Orchard Road Business Association (ORBA), Securities Investors Association (SIAS) and Singapore Retailers Association (SRA) • Participation in briefings and consultation with regulators such as the SGX and MAS 	<ul style="list-style-type: none"> • Compliance with relevant rules and regulations • Engagement with investors and unitholders • Government policies on REITs or Real Estate sector • Issues concerning both short and long-term interests of the retail industry in Singapore
Property manager	<ul style="list-style-type: none"> • Monthly meetings • Email exchanges 	<ul style="list-style-type: none"> • Key Performance indicators for the property manager
Investors and FCT unitholders	<ul style="list-style-type: none"> • Investor meetings, quarterly post-results luncheons and non-deal roadshows • Mall tours upon requests • Annual General Meetings • Website, annual reports, SGXNET announcements, presentations slides, quarterly financial results briefings and conference calls 	<ul style="list-style-type: none"> • Business and operations performance • Business strategy and outlook • Sustainability concerns
Employees	<ul style="list-style-type: none"> • Annual Performance appraisals • Communal sports and activities • Orientation and training programme organised by FCL Group Human Resources • Regular department meetings • Family Day • Annual Dinner and Dance event 	<ul style="list-style-type: none"> • Compensation and Benefits • Career progression • Continuous education and skills upgrading • Employee well-being
Community	<ul style="list-style-type: none"> • Annual Charity Drives and Events • Donations and sponsorships to charitable organisations 	<ul style="list-style-type: none"> • Helping the needy group in the community • Foster strong community ties and promote family-values

SUSTAINABILITY REPORT

Influencing Our Supply Chain [G4-12]

FCT and FCAM are committed to influencing our value chain in sustainability matters.

Where relevant and practicable, we engage our property manager and service providers, and collaborate with them to take actions with positive sustainability impacts. For example, the switch or upgrade to environmentally friendly equipment and materials during AEI and facilities maintenance.

We also require our property manager to ensure that the service providers who carry out maintenance work and fitting-out works in our properties are in compliance with the relevant statutory requirements and the Workplace Safety and Health Approved Codes of Practice issued by the Singaporean WSH Council.

Partnerships and Affiliations

The Manager has memberships to several industry organisations including the Securities Investors Association (Singapore) (SIAS), REIT Association of Singapore (REITAS), Investor Relations Professionals Association (IRPAS). It works with these organisations in various aspects to contribute to the real estate and REIT

industry, as well as to the general investor community and to the public. For example, the Manager became a member of REITAS as it shares its common objectives to grow and promote the S-REIT industry; to promote good corporate governance; and to engage regulators during the formulation of policies relevant to the industry, among other objectives. The Manager, as part of Fraser Centrepoint Group, also participates in activities organised by Orchard Road Business Association (ORBA) and Singapore Retailers Association (SRA).

The Manager supports FCL, in its commitment to enhance corporate social responsibility initiatives.

MANAGING SUSTAINABILITY [G4-34]

The tone from the top is critical for driving good sustainability practices throughout FCT and FCAM.

FCAM's CEO, Dr Chew Tuan Chiong represents FCT in FCL's Sustainability Steering Committee (SSC).

We are also represented in the Sustainability Working Committee (SWC) and the Innovation sub-committee.

Committee	Members	Responsibilities
Sustainability Steering Committee	<ul style="list-style-type: none"> Chairperson: Group CEO Members: CFO, Company Secretary, Chief Human Resources Officer and the CEOs of all FCL's business units, including Dr Chew Tuan Chiong, the CEO of FCAM 	<ul style="list-style-type: none"> Drives sustainability strategy Reviews performance against each of our key material issues.
Sustainability Working Committee	<ul style="list-style-type: none"> Management representatives from Finance, Human Resource, Legal, Risk and Group Communications FCAM is a member of the Sustainability Working Committee 	<ul style="list-style-type: none"> Implements sustainability initiatives Manages data compilation and analysis
Environmental, Health & Safety, Innovation Sub-committees	<ul style="list-style-type: none"> FCAM is a member of the Innovation Sub-committee 	<ul style="list-style-type: none"> Supports initiatives and training programs to promote awareness and culture of innovation in the Frasers Centrepoint organisation.

SUSTAINABILITY REPORT

GOVERNANCE

We believe that sustainability should be integral to the corporate governance structure of our business. We strive to maintain high standards of integrity, accountability and responsible governance.

Our commitment and efforts in disclosure and transparency is recognised by our receipt of the Runner-Up Award for the Most Transparent Company (REITs & Business Trusts Category) at the Securities Investors Association (Singapore) (SIAS) Investors' Choice Awards 2016.

Anti-Corruption, Fraud Prevention and Ethical Marketing [G4-58, SO3, SO5, PR7]

To grow, we need to continuously refine our competitive advantage and good corporate practices. Anti-corruption, fraud prevention and ethical marketing are placed high on our agenda.

We adhere to the Code of Corporate Governance 2012, Code of Advertising Practice, listing rules and regulations set out by SGX and the MAS Securities and Futures Act, as well as all other applicable laws

and regulations. FCAM has a zero-tolerance approach towards corruption and fraud. We adhere with the corporate policies and SOPs established by FCL to guide conduct of our employees. Our management approach is risk-based, and supported by our internal audit framework.

We have in place an internal audit function established within the FCL Group to independently examine and evaluate the activities of FCAM, focusing on the adequacy and effectiveness of internal controls, risk management and corporate governance processes. For further details on our internal audit, please refer to pages 109-110 of this Annual Report.

In all our engagements with our tenants, suppliers and customers, we ensure that our communications and marketing are responsible, clear, timely and accurate. Information for investors is disclosed in our Annual Report, our quarterly statements and our investor presentations. All these documents are publicly available on our website and on the SGX-ST website. In addition, we hold post-results briefings and/or conference calls meetings every quarter and participate in regular non-deal roadshows and investors meetings.

Corporate Policies	Guidance on:	Made available to/ available at:
Code of Business Conduct	✓ Company values, ethics and conduct in relation to: <ul style="list-style-type: none"> • Compliance monitoring • Record keeping • Information confidentiality • Conflicts of interest • Insider trading • Relations with key stakeholder 	Internal Policy
Whistle-Blowing Policy	✓ Independent channel to report concerns: <ul style="list-style-type: none"> • improprieties in financial reporting • professional misconduct • irregularities or non-compliance with laws and regulations. 	Available at: www.fraserscentrepointrust.com
Anti-Bribery Policy	✓ Prevention and management of bribery and corruption	Internal Policy
Policy for Disclosure and Approval of Purchase of Property Projects	✓ Declaration and approval requirements for any interested persons, directors and employees of FCL, purchasing property developed by FCL.	Internal Policy
Competition Act Compliance Manual	✓ Compliance with the Competition Act to protect and promote healthy competitive markets in Singapore.	Internal Policy

SUSTAINABILITY REPORT

Corporate Policies	Guidance on:	Made available to/ available at:
Personal Data Protection Act Policy	✓ Compliance with the personal data protection (pdp) act 2012 relating to the handling and processing personal data, complaint handling procedures, and avenues for employees, customers, suppliers or other contact persons of fcl to report any concern that the policy may have been breached	Available at: www.fraserscentrepointrust.com
Environment, Health and Safety Policy	✓ Safeguard the health and safety of all relevant stakeholders and interested parties within its premises and providing an environmental friendly and safe place for them to work in of to conduct their business	Internal Policy
Legal and Regulatory Compliance Manual	✓ Provides guidance on compliance with relevant rules and regulations	Internal Policy
Policy on Dealing in Units of FCT and Reporting Procedures	✓ Provides guidance with regard to dealings in FCT units by directors, officers and employees	Internal Policy
Policy for Prevention of Money Laundering and Countering the Financing of Terrorism	✓ Provides guidance so that employees of the Manager are aware of their obligations and responsibilities and meet the obligations under the relevant Prevention of Money Laundering and Countering the Financing of Terrorism regulations	Internal Policy
Policy on Outsourcing	✓ Provides guidance with regard to adopting sound risk management practices on outsourcing of services	Internal Policy
Treasury Policy	✓ Provide guidance on the management of treasury activities	Internal Policy

We are pleased to inform that there were no known incident of non-compliance with the codes, laws and regulations related to anti-corruption, whistle-blowing and ethical marketing in FY2016. We target to maintain zero incidence of non-compliance going forward.

ENVIRONMENT

FCT aligns its goals in environmental sustainability with that of FCL. As member of the Frasers Centrepoint Group, FCT supports Singapore's Intended Nationally Determined Contributions (INDC) submitted during the Conference of Parties 21 ("COP21"). Singapore has pledged to reduce its emission intensity by 36% from 2005 levels by 2030 and to reduce its emissions by 16% below business-as-usual levels by 2020, with an aim to stabilise emissions with the aim of peaking around 2030.

FCT also supports the Building & Construction Authority (BCA)'s second Green Building Master Plan for at least 80% of the buildings in Singapore to achieve the BCA Green Mark Certified rating by 2030.

FCT's BCA Green Mark certified properties have energy efficiency measures built into their designs and are subject to energy audits every three years. The properties in FCT's portfolio which are BCA Green Mark certified as at 30 September 2016 are:

- Causeway Point : BCA Green Mark (Platinum)
- Changi City Point : BCA Green Mark (GoldPlus)
- Bedok Point : BCA Green Mark (Gold)

Our environmental results start with the right mind-set, led by senior management, driven by our project and property teams, and supported by active involvement of FCAM employees. Raising awareness continues to be a company-wide effort.

SUSTAINABILITY REPORT

Energy Use and GHG Emissions – [EN3, EN5, EN6, CRE1, EN16, EN18, EN19, CRE3]

We recognise that our investors and stakeholders are increasingly emphasising responsible environmental management. To ensure we proactively address these expectations, we continue our efforts in improving energy efficiency in the properties in our portfolio.

We actively engage in environmentally responsible practices through:

- encouraging environment-friendly behavior by all employees
- improving daily mall operations to encourage the 3Rs – Reduce, Reuse and Recycle
- incorporating green design features into our properties during its asset enhancement (AEI) and renovation works. For example, we retrofitted the chiller plants at Causeway Point during the mall’s AEI which resulted in significant energy savings of 3.4 million kWh annually. For the ongoing AEI at Northpoint, we are incorporating many features to improve water and energy efficiency and environment-friendliness. These features include the introduction of Newater for flushing in restrooms (use of Newater is estimated to account for about 39% of total water consumption of the mall); use of water-efficient sanitary wares & fittings; use of low

volatile organic compound paint and adhesives; installation of energy-efficient LED lamination for the mall; and provision of meters to detect water leakages.

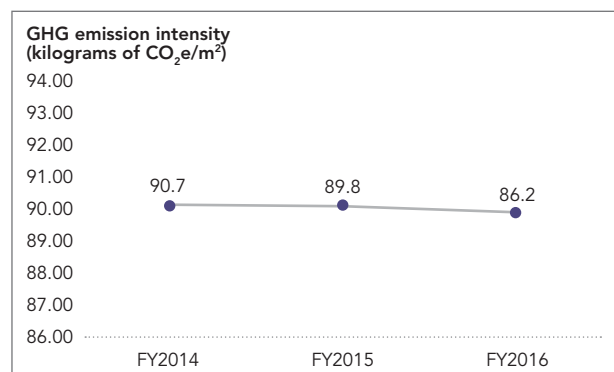
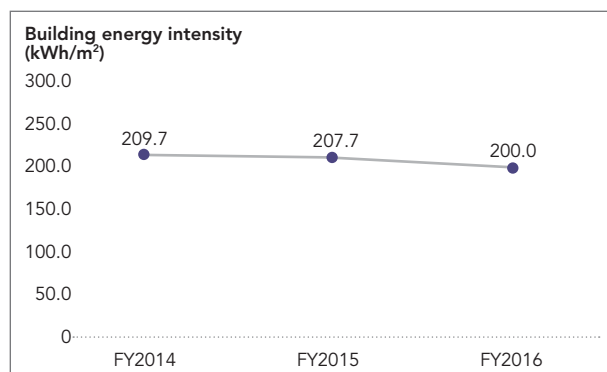
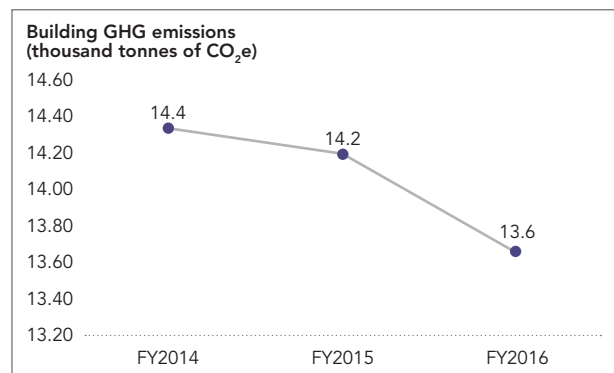
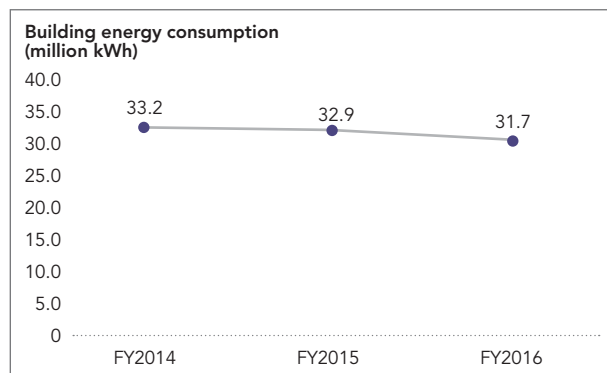
With our continuous efforts to drive the efficient use of energy, we are pleased to see that our overall building energy consumption decreased 3.6% year-on-year to 31.7 million kWh, from 32.9 million kWh in FY2015. Our overall building energy intensity also decreased 3.7% to 200.0 kWh/m² from 207.7 kWh/m² in FY2015.

In line with the drop in energy intensity, our GHG emissions and intensity, decreased to 13.6 thousand tonnes of CO₂e and 86.2 CO₂e/m², respectively.

To demonstrate our commitment to reducing energy use, we have set a 10-year target with a 15% reduction by FY2025, from the baseline of FY2015. This is consistent with FCL’s target.

Environmental Compliance [EN29]

Environmental compliance is a critical aspect of our business operations, and we make every effort to ensure that we comply with all rules and regulations. In FY2016, there was no known incident of non-monetary sanctions for non-compliance with environmental laws and regulations.



Note: The building energy intensity (in kWh/m²) for FY2014 has been re-stated from 209.8 to 209.7 due to re-calculation of GFA for one of the properties. The GHG emission intensity (in kilograms of CO₂e/m²) for FY2014 and FY2015 have been re-stated from 93.4 to 90.7 and from 92.5 to 89.8, respectively, due to re-calculation of GFA for one of the properties.

SUSTAINABILITY REPORT

TOP 10 ENERGY EFFICIENT BUILDINGS IN SINGAPORE 2016

Retail Building Category – Causeway Point

The Building and Construction Authority of Singapore (BCA) awarded Causeway Point the Green Mark Platinum Award in 2011. This is further affirmed with BCA naming Causeway Point as one of the Top 10 most energy efficient retail malls in 2015 and 2016.



Causeway Point

SINGAPORE'S BUILDING ENERGY BENCHMARKING 2016

This is an annual publication under the Building & Construction Authority (BCA) Singapore's 3rd Green Building Masterplan. Energy consumption data and building-related information are submitted to BCA on annual basis for analysis and benchmarking.

The report's objective is to inform owners and their operation teams on how well they have performed and to spur them to initiate and implement progress to improve energy efficiency and reduce energy consumption.

The report ranks the Top 10 energy efficient buildings in five categories – Government office buildings, private office buildings, hotels, retail buildings and mixed developments.



SUSTAINABILITY REPORT

Water Use/ Conservation [EN8, CRE2]

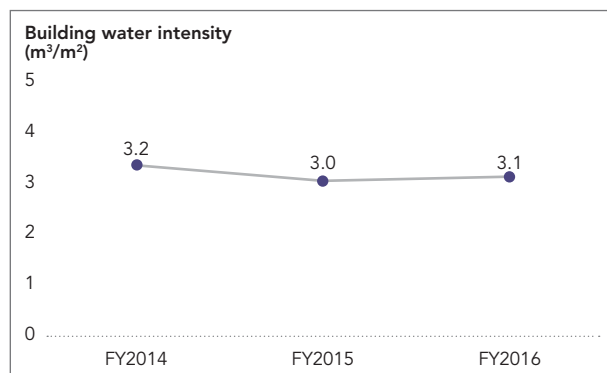
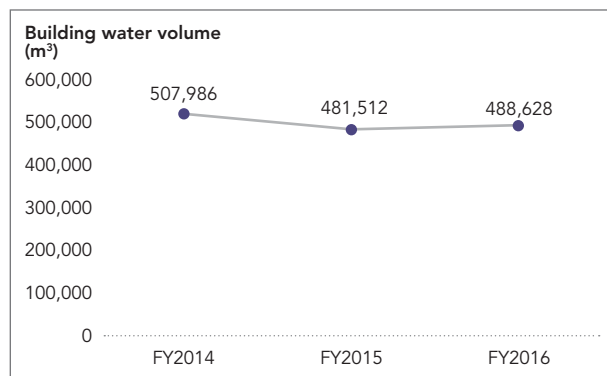
Water scarcity is a globally pressing issue, especially so in Singapore, which is a net importer of water. We strive to reduce the water consumption and water intensity of our malls. Our malls are fitted with many water-saving features such as:

- tap flow restrictors/regulators
- low-flush water system
- waterless urinal system
- Public Utilities Board (PUB)'s Water Efficiency Labelling Scheme (WELS) approved fittings
- use of NEWater and Air Handling Unit (AHU) condensate for non-portable purposes.

Five of our malls, Causeway Point, Northpoint, Bedok Point, YewTee Point and Anchorpoint have achieved PUB's Water Efficient Building (Basic) certification.

For FY2016, our total volume of water used and our building water intensity increased marginally, mainly due to a increase in overall shopper traffic.

In line with FCL, to demonstrate our commitment to reducing water use, we have set a target to reduce our water intensity by 15% on the FY2015 baseline by FY2025.



Waste Management [EN23]

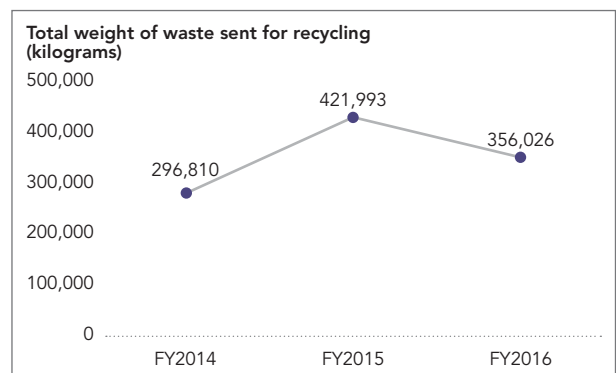
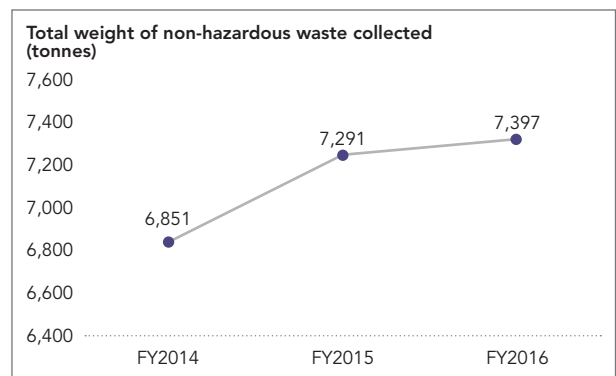
Waste minimisation and recycling at commercial buildings

With Singapore's limited land space, there are space constraints around managing waste. Waste generation and disposal remain as one of the top environmental issues in the country.

We track the activities in waste disposal and recycling at our malls, and implements initiatives to reduce our ecological footprint brought about by waste generation. We constantly look for ways to spread the awareness of Reduce, Reuse and Recycle (3Rs) in our operations, where a large part of the waste is generated by shoppers and tenants.

In FY2016, the total weight of non-hazardous waste and from our malls increased by about 1% from last year. The increase is likely due to an increase in overall shopper traffic at our mall, and partially mitigated by our efforts in promoting the 3Rs. Total waste sent for recycling and the related intensity, decreased from 422 tonnes to 356 tonnes, and from 2.7 kg/m² to 2.3 kg/m², respectively, in FY2016.

Recycling bins have been made available at our malls to make it convenient to shoppers and tenants to recycle. Retail tenants have also been encouraged to segregate their waste before disposal to improve their recycling participation. We have also invited National



SUSTAINABILITY REPORT

Environment Agency (NEA) to deliver a lunchtime talk to staff and tenants on waste minimization to drive the message on the 3Rs practices.

We will continue to work on improving recycling efforts at our malls, which includes ramping up recycling of other materials such as plastics and metals.

The F&B businesses in our shopping malls generate significant amount of food waste, we have been evaluating initiatives to promote the reduction and recycling in this area.

PEOPLE

Health and Safety [LA5, LA6]

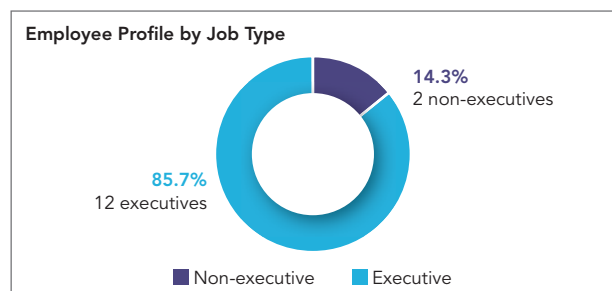
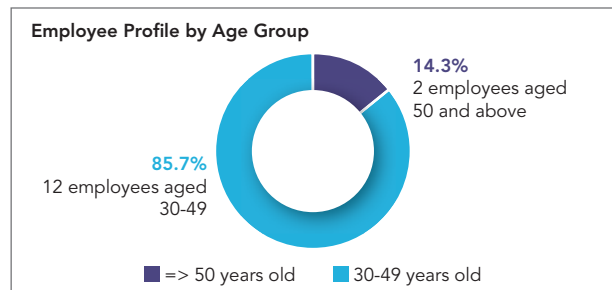
FCAM adheres to the Workplace Health and Safety Policy of the Frasers Centrepoint Group, the relevant safety rules and regulations to provide a safe environment at our properties for our employees, tenants, shoppers and stakeholders. We implemented the OHS18001 and SS506 Part1:2009 occupation health and safety management systems at our properties.

In addition to reporting workplace incidents relating to FCAM employees, we also include reports of workplace incidents at our properties which involve employees of our property manager, Frasers Centrepoint Property Management Services Pte Ltd. (FCPMS)

There were no reported incident of lost-time injury involving FCAM employees during FY2016 (FY2015: 0). However, there were three lost-time injury incidents, which involved employees of our property manager, FCPMS (FY2015: 0). The total number of lost days and lost-time injury rate related to these incidents were 98 days and 3.1 injury per million man hours, respectively. The resulting severity rate for FY2016 was 101 lost-days per million man hours (FY2015: 21.6 lost-days per million man hours). The data reported is in line with requirements of Ministry of Manpower, Singapore. Lost-time injury refers to injury that results in medical leave of more than 3 days.

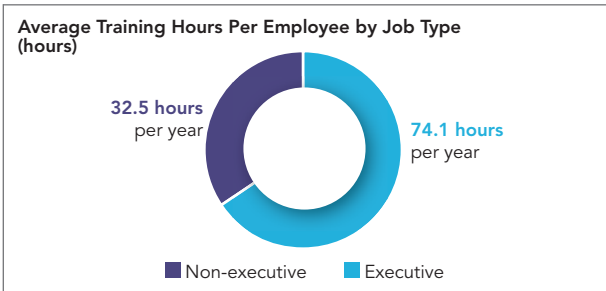
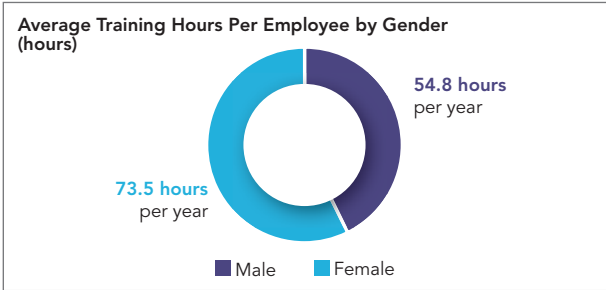
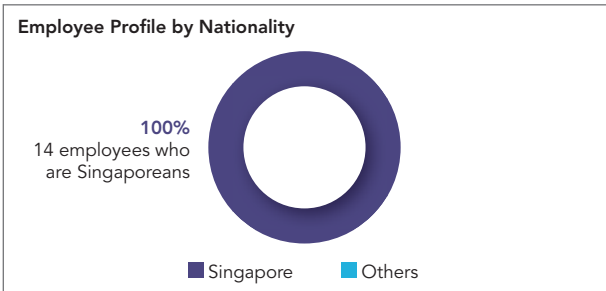
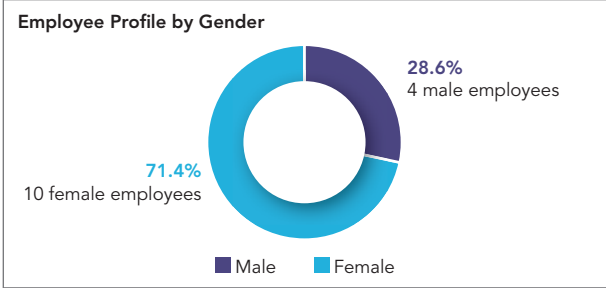
Labour/ Management Relations [LA4]

FCAM complies with the employment policies of FCL, including policies on fair and equal employment based on meritocracy which is in the Code of Business Conduct. We support FCL's participation in the Tripartite Alliance for Fair and Progressive Employment Practice (TAFEP), and is committed to adopting TAFEP's five key principles of fair employment practices. We are also guided on fair employment practices by FCL's membership in the Singapore National Employer Federation (SNEF).



Note: Contract staff not included due to contracts being one year or less and contract staff not making up a substantial portion of the workforce.

SUSTAINABILITY REPORT



Staff Retention and Development [LA1, LA9, LA11]

As of 30 September 2016, FCAM has a total of 14 employees, not including contract staff, with 1 new hire and 2 resignations during the year.

Training and skills development for FCAM employees are facilitated by FCL’s HR department, and assessed by the supervisors against the requirements for Continuing Education of Capital Markets Services Representatives to ensure compliance. FCL’s HR department publishes periodic comprehensive learning directory for all FCL staff and staff may also request to attend training courses not covered by this learning directory. The average duration of training per FCAM employee in FY2016 increased to 68.1 hours from 23.3 hours in FY2015. Further breakdown of the train data is as follows:

Average training hours per employee by gender:

- Male: 54.8 hours per year
- Female: 73.5 hours per year

Average training hours per employee by job type:

- Executive: 74.1 hours per year
- Non-Executive: 32.5 hours per year

FCAM employees participate in the year-round staff wellness programme organised by FCL’s Corporate Wellness Committee. The programme is planned around team building, personal development and health according to the motto “Make Wellness Part of Your Life: Regular Exercise. Eating Right. Staying Positive”.

Our employees also participate in social events such as the Annual Dinner and Dance, Family Day, Health Screening, fitness activities such as walk/jog and yoga.

Note: Contract staff not included due to contracts being one year or less and contract staff not making up a substantial portion of the workforce.

SUSTAINABILITY REPORT



FRASERS HEALTH & SAFETY MONTH 2016

FCL organised the company-wide inaugural Frasers Health & Safety (H&S) Month in August 2016 with the aim of reinforcing the importance of H&S in the Frasers culture, as well as to raise awareness on H&S issues amongst its staff. The theme was "See Something, Do Something", which revolves around the broad messages of raising alertness among staff, for the Frasers family to take ownership of safety around them, while taking steps to stay healthy.

A series of H&S-related activities were carried out during the month, including activities for the global staff force such as the Frasers Global Running Challenge, as well as property-level events such as safety inspection and talks, fire drills, first-aid demo and fitness sessions.

Corporate Office Outreach Programme

Frasers H&S Carnival was held at FCL's corporate office, where it featured H&S awareness activities, and bazaar with vendors selling health- and wellness-related merchandises. A free health screening was also held for all staff where blood tests and measurements of the body condition (e.g. blood pressure, Body Mass Index) were provided. Health improvement tips were given to staff.

Property-level Programme

To ensure that all Frasers Centrepoint staff are engaged in the H&S month, all business units carried out H&S activities relevant to their operations at each of our property/project under management. Activities included:

- Workplace safety workshops
- First-aid, CPR, fire extinguisher trainings
- Emergency and fire drills
- Health screening and wellness talks
- Fitness and sports events
- Workplace H&S quiz and discussion
- Massage sessions for staff
- Non-routine safety checks

Frasers Global Running Challenge

The Frasers Global Running Challenge was organised as a Group-wide activity. The event challenges Frasers staff globally to accumulate their running mileage for the month of August. The inaugural challenge concluded with excellent response from 114 staff from Frasers properties worldwide with total accumulated mileage of 4,139km.

The inaugural H&S outreach programme, engaged approximately 5,200 staff (including contractors' staff). To further inculcate the H&S culture at Frasers Centrepoint, the Group will dedicate every August as Frasers Health and Safety Month.

TOUR DE FRASER – A VIRTUAL TOUR

One of the most interesting activities from the properties this year would be Tour de Fraser by Fraser Suites Glasgow. The team, using a stationary bike cycled 825km, the distance between all Fraser properties in the UK. This was aimed at promoting both teamwork and exercise. The team achieved the distance in 30 hours, burning an impressive 15,500 calories (the equivalent of 60 Big Macs).

SUSTAINABILITY REPORT

LOCAL COMMUNITIES [S01]



Launch of "Play it Forward" at Causeway Point

We believe in giving back to the local communities who have supported our growth through community initiatives and investment. We do this in several ways, through fundraising, organising community engagement at our malls, involving our neighbourhoods and providing spaces at our malls for the events.

Giving back to the community

In conjunction with Frasers Centrepoint Mall's Christmas campaign "Spread the Christmas Cheer", a year-long initiative, the fundraising event "Play It Forward" was launched in partnership with Community Chest. The objective of the event is to raise funds for Family Service Centres, which serve as community-based focal points of family resources that provide social support for families facing difficulties. This gives shoppers an opportunity to support families in need by donating a minimum of \$5 to experience 15 minutes of play in Singapore largest charity ball pool. Frasers Centrepoint Malls will match shoppers' donations dollar-for-dollar for up to \$30,000. Under the Care & Share Movement by the government, total donations till 31 March 2016 will also be matched dollar-for-dollar by the Government.



Children enjoying in a pool of balls at the "Play it Forward" event at Northpoint

Sharing our space and connecting with our community

Our malls actively support community events for communal and family events, in which we provide space at our atrium for events that our shoppers and their families can enjoy and bond. Our malls organise regular festive celebration and awareness outreach events. Some example of the events were the Chinese New Year, Children's Day celebrations and the Mid-Autumn Festival.

SUSTAINABILITY REPORT



Care and Share event at Yew Tee Point in January 2016



Children's Day party at Northpoint

Yew Tee Point collaborated with the Yew Tee Grassroots Organisations to organise the Yew Tee Festive Care and Share initiative, in celebration of the Chinese New Year. This was a donation drive to provide assistance to low-income individuals and families within the vicinity of Yew Tee and Choa Chu Kang. Donations in cash and kind were contributed by staff members from Yew Tee Point's centre management office, tenants, and event sponsors. The half-day event was graced by Advisor to Yew Tee GROs, Mr. Alex Yam, MP for Choa Chu Kang GRC, who presented the Care and Share packages to families.

During Mid-Autumn Festival, Bedok Point also collaborated with People's Association and Kampong Chai Chee Community Centre to invite the community living within the 2-5km vicinity of Bedok Point to celebrate together through organising a Mid-Autumn Mall Walk with lanterns, art and craft workshops, magic shows and lucky draws for residents. Mr Lee Yi Shyan, MP for East Coast GRC, opened the event and presented the lucky draw prizes to winners.

Supporting the community

Changi City Point continues to sponsor the venue space for the event "An Estatic Vision", an annual art exhibition organised by Very Special Arts Singapore (VSA Singapore) to showcase artworks by artists with special needs. This event featured more than 100 pieces of paintings by artists from the VSA Singapore, and it is known to be one of the largest platforms for these artists to achieve financial independence through art.

Changi City Point also partnered with the Yellow Ribbon Project (YRP) in arranging for an advertising vehicle to move around around Singapore to increase the general public's awareness on the rehabilitation and reintegration of ex-offenders, and how they can support the ex-offenders and their families in the transformation journey.



"An Estatic Vision" held at the Changi City Point this year



Visitors appreciating the artworks at "An Estatic Vision" art exhibition

SUSTAINABILITY REPORT

Event	Event Description	Participating FCT Malls and Contribution
<p>“Play It Forward at Frasers Centrepoint Malls”</p> <p>22 November 2016 15 - 11 December 2016</p>	<p>This is a year-long fund raising campaign by Frasers Centrepoint Mall in partnership with the Community Chest. This is a Roving Charity Event at Five Malls: Causeway Point, Northpoint, YewTee Point, Eastpoint Mall and Waterway Point</p> <p>It aims to raise funds for 5 Family Services Centres (Care Corner Family Service Centre (Woodlands), Fei Yue Family Service Centre (Yew Tee), Punggol Family Service Centre, South Central Community Family Service Centre, TRANS Family Service Centre (Bedok)). These Family Services Centres serve as community-based focal points of family resources that provide social support for families facing difficulties.</p> <p>The event provides opportunity for shoppers to contribute to charity by donating a minimum of \$5 to experience 15 minutes of play in Singapore largest charity ball pool, which measures 8m by 8m wide and 1m in depth and contains over 100,000 colourful balls.</p> <p>Frasers Centrepoint Malls will match shoppers’ donations dollar-for-dollar for up to \$30,000. Under the Care & Share Movement by the government, total donations till 31 March 2016 will also be matched dollar-for-dollar by the government.</p>	<p>Causeway Point, Northpoint, YewTee Point</p> <ul style="list-style-type: none"> - Sponsorship of event space - Collaborating partner - Cash donation
<p>Mid-Autumn Festival 2016</p> <p>25 September 2016</p>	<p>Bedok Point collaborated with People’s Association and Kampong Chai Chee Community Centre to invite residents within vicinity of Bedok Point to celebrate the Mid-Autumn Festival. As the co-host for the celebration, they organised a Mid-Autumn Mall Walk with lanterns, art and craft workshops, magic shows and lucky draws for residents.</p> <p>MP, Lee Yi Shyan was invited for the opening of the event and to giveaway the lucky draw prizes to winners.</p>	<p>Bedok Point</p> <ul style="list-style-type: none"> - Co-Host of the event - Sponsorship of event space - Sponsorship of lucky draw prizes, food and goodie bags

SUSTAINABILITY REPORT

Event	Event Description	Participating FCT Malls and Contribution
<p>Very Special Art (VSA) Annual Exhibition</p> <p>22 - 28 August 2016</p>	<p>This is an annual fund raising event by the Very Special Arts Singapore Ltd (VSA Singapore), a charity affiliated to the National Council of Social Service in Singapore and Very Special Arts International in the United States. The VSA Singapore provide access and opportunities for persons with disabilities to the arts for enjoyment and integration into society. VSA also promotes the educational, social, rehabilitative and therapeutic benefits of visual, performing and literary arts.</p> <p>The exhibition, "An Ecstatic Vision", featured more than 100 pieces of paintings that showcases artworks by artists with special needs. This is also one of the largest platform for these artists to achieve financial independence through art making. The public can show support by purchasing artworks.</p>	<p>Changi City Point</p> <ul style="list-style-type: none"> - Sponsorship of event space
<p>365 Cancer Prevention Society</p> <p>8 - 14 August 2016</p>	<p>This is an awareness event held at Anchorpoint for the 365 Cancer Prevention Society (365 CPS), a society with approved Institution of Public Character (IPC) status, registered under Singapore's National Council of Social Service. 365 CPS's mission is to serve the community through cancer prevention measures.</p>	<p>Anchorpoint</p> <ul style="list-style-type: none"> - Sponsorship of event space
<p>APPCO Fundraising and Awareness Events</p> <p>28 July - 3 August 2016 2 - 8 June 2016 24 - 30 March 2016 12 - 18 November 2015</p>	<p>YewTee Point regularly sponsors spaces at the mall for the fundraising and awareness building projects by APPCO Group Asia, which is one of the largest face-to-face donor recruitment agency globally. Since 2002, Appco Group Asia has raised US\$7 billion in donations for charity clients across the region. (source: http://www.appcogroup.asia/industry-fundraising)</p>	<p>YewTee Point</p> <ul style="list-style-type: none"> - Sponsorship of event space
<p>JP Morgan Charity Event</p> <p>15, 22, 29 July 2016</p>	<p>The JP Morgan "Step for Hunger" Initiative is a fund raising event hosted at Changi City Point. This initiative aims to raise funds for the less fortunate beneficiaries and helped to empower charity organizations to give back to their community.</p>	<p>Changi City Point</p> <ul style="list-style-type: none"> - Sponsorship of event space
<p>Guide Dog Association of the Blind (GDAB)'s 10th Anniversary - "Journeys in the Dark"</p> <p>10 July 2016</p>	<p>This event is in celebration of GDAB's 10th Anniversary, "Journeys in the Dark" at Causeway Point showcased the special relationship between the Visually Impaired and their Guide Dogs, and GDAB's efforts to empower the Visually Impaired through their Guide Dog and Orientation & Mobility programmes. Through this event, GDAB hopes to inspire the public and business owners to embrace these Guide Dog teams and play a part by helping to forge more of these relationships.</p>	<p>Causeway Point</p> <ul style="list-style-type: none"> - Sponsorship of event space

SUSTAINABILITY REPORT

Event	Event Description	Participating FCT Malls and Contribution
<p>Singapore Youth Festival 2016 – Celebrations at the malls</p> <p>9 July 2016</p>	<p>This event, held at Causeway Point, celebrates the 50th anniversary of the Singapore Youth Festival (SYF)</p> <p>Themed YOUTHforia! SYF 2016 was a meaningful and vibrant celebration of both the SYF's proud 50-year heritage and the vitality of our youths. Street Culture was the theme at Causeway Point. Audience were treated to a day of all things street, ranging from art to dance, fashion and music.</p>	<p>Causeway Point</p> <ul style="list-style-type: none"> - Sponsorship of event space
<p>Bone Marrow Donor Programme</p> <p>27 June - 3 July 2016 28 December 2015 - 3 January 2016</p>	<p>This is a Bone Marrow Donor Programme (BMDP) fund raising event hosted at Anchorpoint.</p> <p>The event aims to educate the public about bone marrow transplants and how it can save lives.</p> <p>The BMDP was set up to build Singapore's national register of volunteer bone marrow donors.</p>	<p>Anchorpoint</p> <ul style="list-style-type: none"> - Sponsorship of event space
<p>Privilege Enterprise Group Holdings Pte Ltd</p> <p>1 - 30 June 2016 14 - 20 December 2015 1 - 13 December 2015</p>	<p>This is an awareness building event by the Privilege Enterprise Group Holdings Pte Ltd (PEG), a social enterprise to help the low income, underprivileged families, elderly, single mums and youths from disadvantaged families, to earn an income to support themselves and/or family.</p>	<p>Anchorpoint</p> <ul style="list-style-type: none"> - Sponsorship of event space
<p>Children Cancer Foundation Event (Kids Fiesta)</p> <p>20 - 26 June 2016</p>	<p>This is a fund raising event for the Children Cancer Foundation.</p> <p>With the support of The Children's Cancer Foundation & Children's Society of Singapore, Changi City Point hosted the event called "Kid's Adventure". The event focused on three specific elements namely "Mind", "Lifestyle" and "Health & Wellness" of today's children, realising individual needs.</p> <p>This event is in recognition of the United Nation's "Universal Children's Day" & World Geneva "International Children's Day".</p>	<p>Changi City Point</p> <ul style="list-style-type: none"> - Host of the Kid's Adventure event - Sponsorship of event space
<p>Kids Adventures in support of Children's Cancer Foundation & Children's Society of Singapore</p> <p>6 - 12 June 2016</p>	<p>This is an exhibition event held at Anchorpoint for the Children's Cancer Foundation & Children's Society of Singapore. The aim was to increase awareness about Children's Cancer in Singapore, in collaboration with Children's Cancer Foundation and/or Children's Society of Singapore.</p>	<p>Anchorpoint</p> <ul style="list-style-type: none"> - Sponsorship of event space

SUSTAINABILITY REPORT

Event	Event Description	Participating FCT Malls and Contribution
<p>Drone Activity with kids from Singapore Children Society</p> <p>6 June 2016</p>	<p>This event was organised for the under-privileged kids from the Singapore Children Society residing in Yishun & Woodlands.</p> <p>50 children from Singapore Children Society were invited to spend half a day at Causeway Point and experience drone activities. Goodie bags filled with mini drones, restaurant vouchers and Causeway Point gift cards were presented to all children as memento.</p>	<p>Causeway Point</p> <ul style="list-style-type: none"> - Sponsorship of event space - Sponsorship of drone activity and goodie bags
<p>Geng Sihat Sihat Selalu (The Healthy Gang) by National Kidney Foundation (NKF)</p> <p>29 May 2016</p>	<p>This event is a finale of the television program on Channel Suria, which aims to promote healthy living and share real-life stories of patients going through dialysis. Mass exercise, cooking demonstration and performance by local artistes; Taufik Batisah and Sufie Rashid were part of the program.</p>	<p>Causeway Point</p> <ul style="list-style-type: none"> - Sponsorship of event space
<p>Dumpling Festival 2016</p> <p>29 May 2016</p>	<p>Bedok Point collaborated with People's Association and Kampong Chai Chee Community Centre, Rivervale RC and Fengshan RC to host Dumpling Festival celebration with the community. They organised art and craft workshops, magic shows and a lucky draw for residents and shoppers living within a 2-5km vicinity of the mall.</p>	<p>Bedok Point</p> <ul style="list-style-type: none"> - Sponsorship of event space - Sponsorship of lucky draw prizes, food and goodie bags
<p>National Heritage Board – Deliciously Singaporean Exhibition by NHB</p> <p>15 - 21 April 2016</p>	<p>Bedok Point collaborated with National Heritage Board to showcase the 'Deliciously Singaporean' Exhibition in their atrium during Singapore Heritage Festival 2016. It brought greater awareness to the history and origins of Singapore's local dishes. An estimated 85 shoppers also attended Bedok Point's Rooftop Movie screening in collaboration with the National Heritage Board. The screening featured two of Singapore's old local films, and shoppers were treated to popcorn and drinks sponsored by the mall.</p>	<p>Bedok Point</p> <ul style="list-style-type: none"> - Sponsorship of event space - Sponsorship of food and movie screening
<p>Remembering Mr Lee Kuan Yew Memorial</p> <p>23 March 2016</p>	<p>This is an event to commemorate the late Mr Lee Kuan Yew. Ministers, MPs, community groups and north zonal residents came together to show respect for the Singapore leader with a minute of silence and performances from schools and community groups. An event that also highlights plans for Singapore for the next 50 years.</p>	<p>Causeway Point</p> <ul style="list-style-type: none"> - Sponsorship of event space

SUSTAINABILITY REPORT

Event	Event Description	Participating FCT Malls and Contribution
<p>Special Olympics Asia Pacific</p> <p>7 - 13 March 2016 9 - 15 November 2015</p>	<p>This is an awareness building event by the Special Olympics Asia Pacific Ltd., a Singapore registered charity under the National Council of Social Service.</p> <p>Special Olympics, founded in 1968, is a grassroots community Movement dedicated to empowering and transforming the lives of people with intellectual disabilities, giving them the opportunity to become contributing members of society.</p>	<p>Anchorpoint</p> <ul style="list-style-type: none"> - Sponsorship of event space
<p>YewTee Care & Share</p> <p>31 January 2016</p>	<p>This is a donation drive that aims to benefit the low income individual and families within the YewTee and Choa Chu Kang vicinity.</p> <p>The Yew Tee Citizens' Consultative Committee, Yew Tee Family Life Champion and YewTee Point collaborated together with the Yew Tee Grassroots Organisations to organise the Yew Tee Festive Care and Share initiative held at YewTee Point on 31 January 2016, in conjunction with the Chinese New Year celebrations.</p> <p>Staff of YewTee Point's centre management office also contributed money to buy recycle bags for the groceries which was handed out to low-income individuals and families. Tenants of YewTee Point also contributed to the event.</p> <p>The half-day event was graced by Advisor to YewTee GROs, Mr. Alex Yam, Member of Parliament for Choa Chu Kang GRC.</p>	<p>YewTee Point</p> <ul style="list-style-type: none"> - Sponsorship of event space - Contribution by YewTee Point staff
<p>Bone Marrow Donor Event</p> <p>11 - 17 January 2016</p>	<p>This is a Bone Marrow Donor Programme (BMDP) fund raising event hosted at Changi City Point</p> <p>The event aims to educate the public about bone marrow transplants and how it can save lives.</p> <p>The BMDP was set up to build Singapore's national register of volunteer bone marrow donors.</p>	<p>Changi City Point</p> <ul style="list-style-type: none"> - Sponsorship of event space

SUSTAINABILITY REPORT

Event	Event Description	Participating FCT Malls and Contribution
Yellow Ribbon Community Truck 23 - 25 November 2015	<p>This is a Yellow Ribbon Project (YRP) event with the objectives to engage the community, to create greater awareness and to educate the public on the rehabilitation and reintegration of ex-offenders.</p> <p>It also shows how the public can support the ex-offenders and their families in the transformation journey.</p> <p>YRP and Changi City Point organised an advertising truck that travelled around Singapore to bring awareness to the general public about YRP. The public were able to board the truck to view YRP's exhibits.</p>	Changi City Point <ul style="list-style-type: none"> - Co-organiser of the advertising truck - Sponsorship of event space
Republic Polytechnic Pushcart Challenge 19 - 20 November 2015	<p>This is a project by the students in Social Enterprise Management from the Republic Polytechnic students to collaborate with secondary schools to raise awareness of social causes and make impact to the community. Students from various schools manage push carts and sales to promote entrepreneurship and team work.</p>	Causeway Point <ul style="list-style-type: none"> - Sponsorship of event space
Celebrate Children's Day with the Community 8 October 2015	<p>Our staff from Northpoint Centre Management Office, together with the volunteers from Nee Soon East Community Club – Women Executive Committee (WEC) celebrated Children's Day on 8 October with 42 children from low-income families in Yishun, hosted at Northpoint's Level 1 Atrium.</p> <p>Children from low-income families in Yishun were treated to a magic show, delectable refreshments as well as goodie-bags.</p>	Northpoint <ul style="list-style-type: none"> - Sponsorship of event space - Sponsorship of magic show, entertainment and goodie bags

SUSTAINABILITY REPORT

GRI CONTENT INDEX (G4 CORE)

GENERAL STANDARD DISCLOSURES		
STANDARD DISCLOSURE TITLE		PAGE REFERENCE
STRATEGY AND ANALYSIS		
G4-1	Statement from the most senior decision-maker of the organisation about the relevance of sustainability to the organisation and the organisation's strategy for addressing sustainability	Letter to Unitholders, pg12-15
ORGANISATIONAL PROFILE		
G4-3	Name of the organisation	Corporate Information in the inside back cover
G4-4	Primary brands, products, and services	About Frasers Centrepoint Trust, pg 2
G4-5	Location of the organisation's headquarters	About Frasers Centrepoint Trust, pg 2 Corporate Information in the inside back cover
G4-6	Number of countries where the organisation operates, and names of countries where either the organisation has significant operations or that are specifically relevant to the sustainability topics covered in the report	About Frasers Centrepoint Trust, pg 2
G4-7	Nature of ownership and legal form	About Frasers Centrepoint Trust, pg 2 Structure of Frasers Centrepoint Trust, pg 3
G4-8	Markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries)	About Frasers Centrepoint Trust, pg 2
G4-9	Scale of the organisation	About Frasers Centrepoint Trust, pg 2 Staff Retention and Development, pg 82
G4-10	<ul style="list-style-type: none"> a. total number of employees by employment contract and gender b. total number of permanent employees by employment type and gender c. total workforce by employees and supervised workers and by gender d. total workforce by region and gender e. report whether a substantial portion of the organisation's work is performed by workers who are legally recognised as self-employed, or by individuals other than employees or supervised workers, including employees and supervised employees of contractors f. any significant variations in employment numbers (such as seasonal variations in employment in the tourism or agricultural industries) 	Staff Retention and Development, pg 82 No substantial work is performed by workers who are legally recognised as self-employed. there is no significant variation in employment numbers.
G4-11	Employees covered by collective bargaining agreements	There are no collective bargaining agreements in place.
G4-12	The organisation's supply chain	Influencing Our Supply Chain, pg 75

SUSTAINABILITY REPORT

G4-13	Significant changes during the reporting period regarding the organisation's size, structure, ownership, or its supply chain	None
G4-14	Whether and how the precautionary approach or principle is addressed by the organisation	Risk Management, pg 39 Corporate Governance, pg 107 FCT does not use the Precautionary approach in when managing risk, however, our management approach is risk-based, and underpinned by our internal audit framework.
G4-15	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organisation subscribes or which it endorses	Governance, pg 76 Environment, pg 78 People, pg 81
G4-16	Memberships of associations (such as industry associations) and national or international advocacy organisations	Engaging Our Stakeholders, pg 74-75

IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES

G4-17	All entities included or not included in organisation's financial statements	About This Report, pg 70
G4-18	Process for defining report Content	What's Important To Us, pg 71
G4-19	The material aspects identified in the process for defining report content	What's Important To Us, pg 71
G4-20	For each material aspect, aspect Boundary within the organisation	All the 10 identified material issues impact both inside and outside the organisation, with the exception of Labour-management relations and Staff retention and development, which are internally focused.
G4-21	Aspect Boundary outside the organisation	All the 10 identified material issues impact both inside and outside the organisation, with the exception of Labour-management relations and Staff retention and development, which are internally focused.
G4-22	Effect of any restatements of information provided in previous reports, and the reasons for such restatements	Restatement for building energy intensity for FY2014, and GHG emission intensity due to re-calculation of GFA for one of the properties, pg 78
G4-23	Significant changes from previous reporting periods in the scope and aspect Boundaries	No significant changes.

STAKEHOLDER ENGAGEMENT

G4-24	Stakeholder groups engaged by the organisation	Engaging Our Stakeholders, pg 74-75
G4-25	Basis for identification and selection of stakeholders with whom to engage	We have selected these stakeholders based on their interest in our business.
G4-26	Approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group	Engaging Our Stakeholders, pg 74-75
G4-27	Key topics and concerns raised through stakeholder engagement, and how the organisation has responded	Engaging Our Stakeholders, pg 74-75

SUSTAINABILITY REPORT

REPORT PROFILE

G4-28	Reporting period for information provided	About This Report, pg 70
G4-29	Date of most recent previous report	Our previous sustainability report was published for our last financial year - FY2015
G4-30	Reporting cycle	About This Report, pg 70
G4-31	Contact point for questions regarding the report or its contents	We Would Like To Hear From You, pg 68
G4-32	Report on 'In accordance' option, Gri Content Index, reference to external assurance	About This Report, pg 70
G4-33	Policy and current practice with regard to seeking external assurance for the report	About This Report, pg 70
G4-34	Governance structure of the organisation	Managing Sustainability, pg 75 Governance, pg 76
G4-58	Internal and external mechanisms for reporting concerns about ethical and lawful behaviour, and matters related to organisational integrity, such as escalation through line management, whistle-blowing mechanisms or hotlines	Governance, pg 76 Anti-Corruption and Fraud Prevention, pg 76

SPECIFIC STANDARD DISCLOSURES

CATEGORY: ECONOMIC

ASPECT: ECONOMIC PERFORMANCE

G4-DMZ	Generic Disclosures on Management approach	Operations & Financial Review, pg 30 Financials, pg 119-174
G4-EC1	Direct economic value generated and distributed	Operations & Financial Review, pg 30 Financials, pg 119-174
G4-EC3	Coverage of the organisation's defined benefit plan obligations	Labour/Management Relations, pg 81 Our employees are covered by Singapore's mandatory social security savings plan, the Central Provident Fund (CPF).

CATEGORY: ENVIRONMENTAL

ASPECT: ENERGY

G4-DMA	Generic Disclosures on Management approach	Environment, pg 77-80 Energy Use and GHG Emissions, pg 78
G4-EN3	Energy consumption within the organisation	Energy Use and GHG Emissions, pg 78 No onsite production of electricity, no non-metered sources
G4-EN5	Energy intensity	Energy Use and GHG Emissions, pg 78
G4-EN6	Reduction of energy consumption	Energy Use and GHG Emissions, pg 78
G4-CRE1	Building energy intensity	Energy Use and GHG Emissions, pg 78

ASPECT: WATER

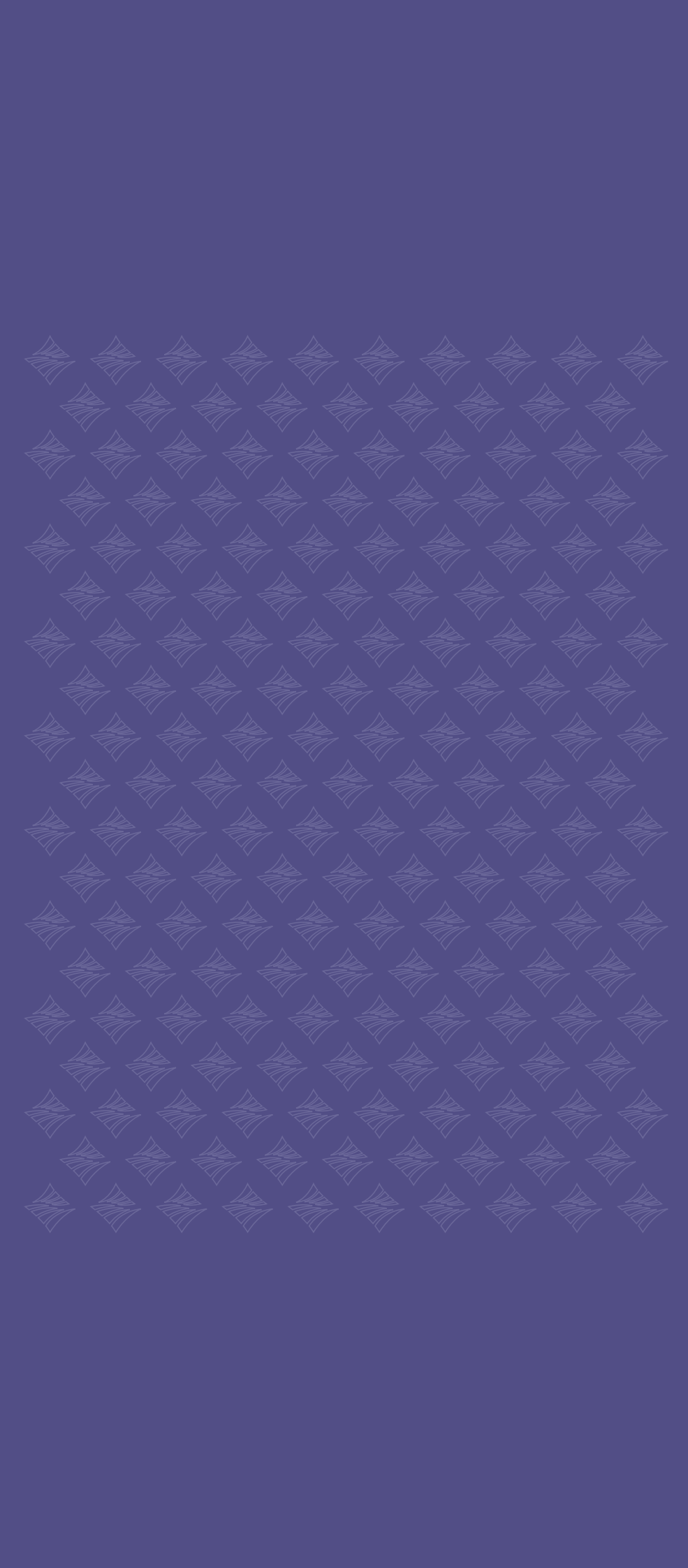
G4-DMA	Generic Disclosures on Management approach	Environment, pg 77-80 Water use/Conservation, pg 80
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SUSTAINABILITY REPORT

G4-EN8	Total water withdrawal by source	Water use/Conservation, pg 80
G4-CRE2	Building water intensity	Water use/Conservation, pg 80
ASPECT: EMISSIONS		
G4-DMA	Generic Disclosures on Management approach	Environment, pg 77-80 Energy Use and GHG Emissions, pg 78
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (scope 2)	Energy Use and GHG Emissions, pg 78 Main emissions source monitored is electricity, therefore, CO ₂ is the only gas included
G4-EN18	Greenhouse gas (GHG) emissions intensity	Energy Use and GHG Emissions, pg 78
G4-EN19	Reduction of greenhouse gas (GHG) emissions	Energy Use and GHG Emissions, pg 78
G4-CRE3	Greenhouse gas (GHG) emissions intensity from buildings	Energy Use and GHG Emissions, pg 78
ASPECT: EFFLUENTS AND WASTE		
G4-DMA	Generic Disclosures on Management approach	Environment, pg 77-80
G4-EN23	Total weight of waste by type and disposal method	Waste Management, pg 80
ASPECT: COMPLIANCE		
G4-DMA	Generic Disclosures on Management approach	Environment, pg 77-80
G4-EN29	Non-monetary sanctions for non-compliance with environmental laws and regulations	Environment, pg 77-80
CATEGORY: SOCIAL		
SUB-CATEGORY: LABOR PRACTICES AND DECENT WORK		
ASPECT: EMPLOYMENT		
G4-DMA	Generic Disclosures on Management approach	People, pg 81
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	People, pg 82
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	Labour/Management Relations, pg 81 Temporary or part time employees are not a significant part of FCT's workforce.
ASPECT: LABOR/MANAGEMENT RELATIONS		
G4-DMA	Generic Disclosures on Management approach	People, pg 81
G4-LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements. this is currently not covered in group-wide collective agreements	Labour/Management Relations, pg 81 This is currently not covered in group wide collective agreements. The notice period varies.
ASPECT: OCCUPATIONAL HEALTH AND SAFETY		
G4-DMA	Generic Disclosures on Management approach	People, pg 81
G4-LA5	Workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	Growing Sustainability at Frasers Centrepoint Trust, pg 68

SUSTAINABILITY REPORT

G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	People, pg 81 There were no known incidences of occupational diseases.
G4-CRE6	Percentage of the organisation operating in verified compliance with an internationally recognised health and safety management system	People, pg 81 Implemented the OHSAS 18001 and SS506 Part 1:2009 systems
ASPECT: TRAINING AND EDUCATION		
G4-DMA	Generic Disclosures on Management approach	Staff Retention and Development, pg 82
G4-LA9	Training per year per employee by gender, and by employee category	Staff Retention and Development, pg 82
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	Staff Retention and Development, pg 82
G4-LA11	Employees receiving regular performance and career development reviews, by gender and by employee category	Staff Retention and Development, pg 82 All FCAM staff receive annual performance appraisals
SUB-CATEGORY: SOCIETY		
ASPECT: LOCAL COMMUNITIES		
G4-DMA	Generic Disclosures on Management approach	Local Communities, pg 84-91
G4-SO1	Operations with implemented local community engagement, impact assessments, and development programs	Local Communities, pg 84-91
ASPECT: ANTI-CORRUPTION		
G4-DMA	Generic Disclosures on Management approach	Governance, pg 76-77
G4-SO3	Operations assessed for risks related to corruption and the significant risks identified	Anti-Corruption and Fraud Prevention, pg 76-77 Our anti-corruption and fraud prevention policies are relevant and apply to all our operations.
G4-SO5	Confirmed incidents of corruption and actions taken	Anti-Corruption and Fraud Prevention, pg 76 No known incident of non-compliance with the codes, laws and regulations related to anti-corruption, whistle-blowing and ethical marketing in FY2016, pg 77
SUB-CATEGORY: PRODUCT RESPONSIBILITY		
ASPECT: MARKETING COMMUNICATIONS		
G4-DMA	Generic Disclosures on Management approach	Ethical Marketing, pg 76-77
G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes	No known incident of non-compliance with the codes, laws and regulations related to anti-corruption, whistle-blowing and ethical marketing in FY2016, pg 77



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CORPORATE GOVERNANCE REPORT

INTRODUCTION

Frasers Centrepoint Trust (“**FCT**”) is a real estate investment trust (“**REIT**”) listed on the Main Board of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). FCT is managed by Frasers Centrepoint Asset Management Ltd. (“**Manager**”), which is a wholly-owned subsidiary of Frasers Centrepoint Limited (“**FCL**”).

The Manager is committed to upholding high standards of corporate governance to preserve and enhance FCT’s asset value so as to maximise the returns from investments, and ultimately the distributions and total return to unitholders of FCT (“**Unitholders**”).

The Manager has general powers of management over the assets of FCT. The Manager’s main responsibility is to manage FCT’s assets and liabilities for the benefit of Unitholders. It ensures that the business of FCT is carried on and conducted in a proper and efficient manner. It also supervises the property manager in its day-to-day management of the malls of FCT, namely, Anchorpoint, Causeway Point, Northpoint, YewTee Point, Bedok Point and Changi City Point, pursuant to property management agreements entered into for each mall.

The primary role of the Manager is to set the strategic direction for FCT. This includes making recommendations to the Trustee on acquisitions, divestments and enhancement of assets.

As required under the licensing regime for REIT managers, the Manager holds a Capital Markets Services Licence (“**CMS Licence**”) issued by the Monetary Authority of Singapore (“**MAS**”) to carry out REIT management activities.

Listed on the Mainboard of the SGX-ST, FCT adheres closely to the principles and guidelines of the Code of Corporate Governance 2012 (the “**CG Code**”) and other applicable laws, rules and regulations, including the SGX-ST Listing Manual, the Code on Collective Investment Schemes (the “**Code on CIS**”) and the Securities and Futures Act (the “**SFA**”).

This corporate governance report (“**CG Report**”) provides an insight on the Manager’s corporate governance framework and practices in compliance with the principles and guidelines of the CG Code. As FCT is a listed REIT, not all principles of the CG Code may be applicable to FCT and the Manager. Any deviations from the CG Code are explained.

BOARD MATTERS

Principle 1: The Board’s Conduct of Affairs

The composition of the board of directors of the Manager (“**Directors**”, and the board of Directors, the “**Board**”) as at 30 September 2016 is as follows:

Mr Philip Eng Heng Nee	Chairman, Non-Executive (Non-Independent)
Dr Chew Tuan Chiong	Chief Executive Officer (Non-Independent)
Dr Cheong Choong Kong	Non-Executive (Lead Independent Director)
Mr Chia Khong Shoong ⁽¹⁾	Non-Executive (Non-Independent)
Mr Bobby Chin Yoke Choong	Non-Executive (Independent)
Mr Lim Ee Seng ⁽²⁾	Non-Executive (Non-Independent)
Mr Soh Kim Soon	Non-Executive (Independent)
Mr Christopher Tang Kok Kai	Non-Executive (Non-Independent)

⁽¹⁾ Mr Chia Khong Shoong resigned from the Board on 1 October 2016.

⁽²⁾ Mr Lim Ee Seng resigned from the Board on 1 October 2016 in line with his retirement as the Group Chief Executive Officer of FCL on 1 October 2016.

CORPORATE GOVERNANCE REPORT

The Board oversees the business affairs of FCT and the Manager, providing oversight, strategic direction and entrepreneurial leadership, and sets strategic aims and directions of the Manager. It works closely with Management, and has oversight of and reviews Management's performance. The Board sets the values and standards of corporate governance for the Manager and FCT, with the ultimate aim of safeguarding and enhancing Unitholder value and achieving sustainable growth for FCT. None of the Directors has entered into any service contract directly with FCT.

Management provides the Board with complete, timely and adequate information to keep the Directors updated on the operations and financial performance of FCT.

As part of the Manager's internal controls, the Board has established a Manual of Authority. This sets out the requisite levels of authorisation required for particular types of transactions to be carried out, and specifies whether Board approval needs to be sought. The matters reserved to the Board for approval include approval of annual budgets, financial plans, financial statements, business strategy and material transactions of FCT, namely, major acquisitions, divestments, funding and investment proposals, and appointment of key executives. To assist the Board to effectively discharge its oversight and functions, appropriate delegations of authority to Management have been effected to enhance operational efficiency. To assist the Board in its corporate governance, compliance and risk management responsibilities, the Audit Committee was established. In addition, the Nominating and Remuneration Committee ("**NRC**") was also established on 16 September 2016 to assist the Board in its nominating and remuneration responsibilities, as guided by the CG Code.

Upon joining the Board, new Directors undergo an induction and/or orientation programme to provide them with information on FCT's business, strategic directions, governance practices, policies and business activities, including major new projects. New Directors who join the Board are issued a formal letter of appointment setting out relevant Directors' duties and obligations, so as to acquaint them with their responsibilities as Directors of the Manager.

The Manager sees to it that the Board is regularly updated on new developments in laws and regulations or changes in regulatory requirements and financial reporting standards which are relevant to or may affect the Manager or FCT. During the financial year ended 30 September 2016 ("**FY2016**"), the Board was briefed and updated on the introduction of sustainability reporting requirements by the SGX-ST, changes in tax regulations in the jurisdictions that FCT operates in, changes in the financial reporting standards and changes to the auditor's report.

In addition to talks conducted by relevant professionals, members of the Board are encouraged to attend relevant courses and seminars so as to keep themselves updated on developments and changes in FCT's operating environment, and to be members of the Singapore Institute of Directors ("**SID**") and for them to receive journal updates and training from SID to stay abreast of relevant developments in financial, legal and regulatory requirements, and the business environment and outlook.

The Board meets regularly, at least once every quarter, to review the key activities, performance, business strategies and significant operations and/or management matters pertaining to the Manager and/or FCT. In the event Directors are unable to attend Board meetings physically, the Manager's Constitution allows for such meetings to be conducted via telephone, video conference or any other form of electronic or instantaneous communication. At least once a year and if required, time is set aside after scheduled Board meetings for discussions amongst the members of the Board without the presence of Management, in line with the guidelines of the CG Code. In addition to the meetings, the members of the Board have access to Management throughout the financial year, thereby allowing the Board continuous strategic oversight over the activities of FCT.

CORPORATE GOVERNANCE REPORT

The number of Board and Audit Committee meetings held during FY2016 and the attendance of Directors at these meetings are disclosed below:⁽³⁾

	Board Meetings	Audit Committee Meetings
Meetings held for financial year ended 30 September 2016	4	5
Mr Philip Eng Heng Nee	4	4
Dr Chew Tuan Chiong	4	NA
Dr Cheong Choong Kong *	1	1
Mr Chia Khong Shoong	4	NA
Mr Bobby Chin Yoke Choong	4	5
Mr Lim Ee Seng	4	NA
Mr Soh Kim Soon	4	5
Mr Christopher Tang Kok Kai	4	NA

⁽³⁾ The NRC was established on 16 September 2016 and the first NRC meeting was held after FY2016.

* Appointed on 18 May 2016

Principle 2: Board Composition and Guidance

For FY2016, the Board comprised eight members, of whom three are independent non-executive Directors. The CEO is the only Executive Director on the Board. The rest of the Board members are non-executive Directors.

The size of the Board is appropriate and adequate, having regard to the scope and nature of the Manager's and FCT's business and operations. The Board is of the view that the current size and composition of the Board is appropriate for the scope and nature of the operations of the Manager and FCT and facilitates effective decision-making. In line with the CG Code, the Board, with the assistance of the NRC, undertook a review of the structure, size and composition of the Board, and following the review, is of the view that the Board's present composition and balance between Executive, Non-Executive and Independent Directors is appropriate and allows for a balanced exchange of views, robust deliberations and debates among members and effective oversight over Management.

The current composition gives the Board the ability to consider and make decisions objectively and independently on issues relating to FCT and the Manager. Under the current composition, no one individual or group dominates the Board's decisions or its process. With respect to its size, the Board is of the view that the same is not so large as to be unwieldy, meets the requirements of the business of the Manager and FCT, and is sufficient to avoid undue disruptions from changes to its composition, especially in the event of exigencies. The composition of the Board shall be reviewed regularly to ensure that the Board has the appropriate size and mix of expertise and experience. There is a strong and independent element on the Board.

Directors exercise their judgment independently and objectively in the interests of FCT and the Manager. The Board reviews and assesses annually the independence of its directors based on the definitions and guidelines of independence set out in the CG Code and the proposed regulations 13D to 13G of the Securities and Future (Licensing and Conduct of Business) Regulations (Rg 10), Chapter 289. In its review for FY2016, the NRC has endorsed in its recommendation to the Board that the following directors are independent for FY2016:

Dr Cheong Choong Kong	Independent
Mr Bobby Chin Yoke Choong	Independent
Mr Soh Kim Soon	Independent

CORPORATE GOVERNANCE REPORT

As part of its review, the NRC has taken into consideration, *inter alia*, the following:

- (i) each Independent Director's declaration of independence, which includes questions relating to his relationship with FCT, the Manager, the Trustee, and FCT's sponsor, FCL, whereby, all have declared that there were no relationships or instances that would otherwise deem him not to be independent; and
- (ii) that Mr Bobby Chin Yoke Choong and Mr Soh Kim Soon had served on the Board for more than 9 years.

Notwithstanding their length of service, the NRC, following its rigorous review, had recommended to the Board that Mr Bobby Chin Yoke Choong and Mr Soh Kim Soon, had continued to demonstrate their ability to exercise strong objective judgement, acting in the best interests of the Manager and FCT at all times. They had and continue to remain independent in the expression of their views and in their participation in the deliberations and decision making of the Board, the Audit Committee and the NRC.

Having considered the above factors and weighing the need to refresh board membership, the Board (with each of Mr Bobby Chin Yoke Choong and Mr Soh Kim Soon abstaining with respect to the assessment of his own independence) determined that each of Mr Bobby Chin Yoke Choong and Mr Soh Kim Soon is independent, notwithstanding that each of them has served on the Board for more than 9 years.

The Board members have core competencies and expertise and experience in various fields ranging from accounting and finance, to business management. Coupled with relevant industry knowledge and strategic planning experience of the Board members, the Board is well-placed to drive FCT's continuous growth and success and deliver sustainable Unitholder value. Management is able to benefit from the diverse and objective perspectives of the Board members on issues that are brought before the Board, with a healthy exchange of ideas and views between the Board and Management, to help shape the strategic process. Directors of the Manager are not subject to periodic retirement by rotation. The Board reviews its composition to ensure the appropriate size and diversity of skills, expertise and experience.

Principle 3: Chairman and Chief Executive Officer

The positions of Chairman and CEO are held by separate persons. This is so that an appropriate balance of power and authority, with clear divisions of responsibilities and accountability, can be attained. Such separation of roles between the Chairman and the CEO promotes robust deliberations by the Board and Management on the business activities of FCT. The Chairman and CEO are not related to each other, nor is there any other business relationship between them.

The Chairman leads and ensures the effectiveness of the Board. Through the Chairman's continuing leadership of the Board, constructive discussions among the Board members as well as between the Board and Management, and effective contribution by the Directors, are promoted. High standards of corporate governance are upheld as a result.

The CEO has full executive responsibilities over the business direction and operations of the Manager.

CORPORATE GOVERNANCE REPORT

Principle 4: Board Membership

The Board established the NRC on 16 September 2016 to assist the Board in its nominating function, responsibilities and role. Prior to its establishment, the functions of a nominating committee were undertaken by the Board. The NRC comprises four Directors, being Mr Soh Kim Soon, Dr Cheong Choong Kong, Mr Bobby Chin Yoke Choong and Mr Christopher Tang Kok Kai, all of whom are non-executive and the majority of whom (including its Chairman, Mr Soh Kim Soon) are independent.

The NRC has written terms of reference setting out its scope and authority in performing the functions of a nominating committee, which include the following:

- make recommendations to the Board on all Board appointments, re-appointments and the composition of the Board and on relevant matters relating to the appointment and re-appointment of directors;
- regularly review the Board structure, size, composition and the independence of the Board to ensure that the Board has the appropriate mix of expertise and experience, and recommend to the Board such adjustments as it may deem necessary;
- ensure that at all times, there should be a strong and independent element on the Board;
- put in place board succession plans for the Board's approval and make recommendations on relevant matters relating to the review of board succession plans for directors, in particular, the Chairman and for the CEO;
- identify candidates, review and approve nominations for directors, alternate directors and membership of Board committees (including the Audit Committee and the NRC), as well as appraise the qualifications and experience of any proposed new appointments to the Board and to recommend to the Board whether the nomination should be supported;
- review, on an annual basis and as and when circumstances require, whether or not a director is independent, bearing in mind the circumstances set forth in the CG Code and any other salient factors.

The composition of the Board is determined using the following principles:

- at least one-third of the Board should comprise independent directors, and at least half of the Board should comprise independent directors if the Chairman and the CEO is the same person, the Chairman and the CEO are immediate family members, the Chairman is part of the management team or the Chairman is not an independent director; and
- the Board and its committees should comprise directors who as a group provide an appropriate balance and diversity of skills, experience, gender and knowledge of the Manager, and they should also provide core competencies such as accounting or finance, business or management experience, industry knowledge, strategic planning experience and customer-based experience or knowledge.

In respect of the search and nomination process for new directors, the NRC identifies the relevant and/or desirable skills and experience, and engages search companies as well as networking contacts to identify and shortlist candidates, to spread its reach for the best person for the role.

CORPORATE GOVERNANCE REPORT

The CG Code requires listed companies to fix the maximum number of board representations on other listed companies that their directors may hold and to disclose this in their annual report. Details of such directorships and other principal commitments of our Directors may be found on pages 22 to 25. In determining whether each Director is able to devote sufficient time to discharge his duties, the Board has taken cognizance of the CG Code requirement, but is of the view that its assessment should not be restricted to the number of board representations of each Director and their respective principal commitments per se. Holistically, the contributions by the Directors to and during meetings of the Board and the Audit Committee as well as their attendance at such meetings should also be taken into account.

All appointments and resignations of Board members are approved by the Board. With the establishment of the NRC, the NRC shall be instrumental in assisting in the review of all Board appointments, re-appointments and the composition of the Board, its recommendations of which shall be taken into consideration by the Board in its decision.

Principle 5: Board Performance

The Board, with the assistance of the NRC, has implemented a process to evaluate and assess the performance of the Board and the Audit Committee and their decision-making processes. The NRC has appointed Ernst & Young LLP to assist in its evaluation and assessment process. Members of the Board are required to assess the Board's performance, which includes areas such as the Board's composition and processes, effectiveness in its management of FCT's performance, and such other areas which the Board is of the view that improvements are required.

The findings of the evaluation and assessment are reviewed by the Board with a view to improving its overall effectiveness in fulfilling its role and meeting its responsibility to unitholders. The Board is committed to ensure that collectively as a Board, and individually its members, both contribute effectively to such improvement, and is of the view that the evaluation and assessment framework would assist to meet such commitment.

Principle 6: Access to Information

On an on-going basis, and prior to Board meetings, adequate and timely information is given by Management to Board members, who have separate and independent access to Management and the Company Secretary. Under the direction of the Chairman, the Company Secretary ensures that Board procedures, and applicable rules and regulations are complied with. He attends all Board meetings and acts as a channel of communication for information flow and dissemination to and within the Board, as well as between senior Management and non-executive Directors.

The annual calendar of Board activities is scheduled in advance. Board papers are dispatched to Directors about a week before scheduled meetings so that Directors have sufficient time to review and consider matters being tabled and discussed at the meetings. Senior Executives are requested to attend the Board meetings to provide additional insights into matters being discussed and to respond to any queries from Directors.

The Directors, either individually or as a group, may seek or obtain independent professional advice, where necessary, in the furtherance of their duties.

REMUNERATION MATTERS

Principle 7: Remuneration Matters

Principle 8: Level and Mix of Remuneration

Principle 9: Disclosure on Remuneration

CORPORATE GOVERNANCE REPORT

FCT, as a REIT, is managed by the Manager which has experienced and well-qualified management personnel to manage the operational matters of the Manager and FCT. The remuneration of the staff of the Manager and Directors' fees are paid by the Manager from the fees it receives from FCT, and not by FCT.

On 16 September 2016, the Board established the NRC, to assist the Board in its remuneration function, responsibilities and role. The NRC comprises four Directors, being Mr Soh Kim Soon, Dr Cheong Choong Kong, Mr Bobby Chin Yoke Choong and Mr Christopher Tang Kok Kai, all of whom are non-executive and the majority of whom (including its Chairman, Mr Soh Kim Soon) are independent.

The NRC has written terms of reference setting out its scope and authority in performing the functions of a remuneration committee, which include the following matters:

- review the remuneration framework for the Board and the key executive officers of the Manager;
- review the disclosures in FCT's annual report on the Manager's remuneration policies, level and mix of remuneration, and the procedure for setting remuneration; and
- ensure that the remuneration of executive directors of the Manager shall not be linked in any way to FCT's gross revenue.

The NRC is responsible for ensuring a formal and transparent procedure for developing policy on executive remuneration and for determining the remuneration packages of individual Directors and key management personnel of the Manager ("**Key Management Personnel**"). The NRC assists the Board to ensure that remuneration policies and practices are sound in that they are able to attract, retain and motivate without being excessive, and thereby maximise Unitholder value. The NRC will recommend a framework of remuneration (which covers all aspects of remuneration including Directors' fees, salaries, allowances, bonuses, options and benefits-in-kind) and the specific remuneration packages for each Director (including the CEO) to the Board for endorsement. The NRC will also review the remuneration of the Key Management Personnel of the Manager.

As stated above, the NRC was established only recently on 16 September 2016. In this regard, for FY2016, the level and mix of remuneration and benefits, policies and practices of the FCL group, which includes the Manager, were reviewed by FCL's Remuneration Committee (the "**FCL RC**"). In undertaking such reviews, the FCL RC takes into consideration the performance of the Manager as part of the FCL group, and the performance of individual employees. The FCL RC also reviewed and approved the framework for salary reviews, performance bonuses and incentives for the Key Management Personnel of the Manager as part of the FCL group-wide review.

From the financial year beginning from 1 October 2016 onwards, the NRC, in performing the functions of a remuneration committee, and in accordance with the NRC's written terms of reference, will support the Board in determining and reviewing the remuneration policies and practices of the Manager. In this regard and following the new directions and guidelines from the MAS on the remuneration of directors and Key Management Personnel of the Manager, the Board, with the assistance of the NRC, is in the midst of reviewing the remuneration objectives, policies and procedures applicable to the Manager, with a view to aligning them with the substance and spirit of such directions and guidelines from the MAS.

Policies in respect of Directors' Remuneration

The remuneration of Non-Executive Directors takes into account their respective responsibilities, including attendance and time spent at Board meetings and Board Committee meetings. Non-Executive Directors are paid a basic fee and attendance fees for attending Board meetings. Non-Executive Directors who perform services through Board Committees are paid additional fees for such services. The CEO, who is the only Executive Director on the Board, does not receive Directors' fees. No Director decides his own fees. Non-Executive Directors' fees are reviewed periodically to benchmark such fees against the amounts paid by other major listed REITs in Singapore.

CORPORATE GOVERNANCE REPORT

The Directors' fees for FY2016 are shown in the table below.

Board Members	Directors' Fees
Mr Philip Eng Heng Nee (Chairman) (Member of Audit Committee)	S\$113,000
Dr Chew Tuan Chiong	–
Dr Cheong Choong Kong (Member of Audit Committee and NRC)	S\$23,612
Mr Chia Khong Shoong ⁽¹⁾	S\$46,000
Mr Bobby Chin Yoke Choong (Chairman of Audit Committee and Member of NRC)	S\$81,208
Mr Lim Ee Seng ⁽¹⁾	S\$46,000
Mr Soh Kim Soon (Member of Audit Committee and Chairman of NRC)	S\$68,917
Mr Christopher Tang Kok Kai ⁽¹⁾ (Member of NRC)	S\$46,208

⁽¹⁾ Director's fees are paid to FCL Management Services Pte Ltd

Remuneration Policy for Management

The Managers' remuneration framework comprises (i) a fixed pay component; and (ii) a variable component comprising short-term and long-term incentives. The variable component is linked to and determined based on both: (a) FCT's performance and contribution to the FCL group; and (b) an annual appraisal of each individual employee against performance indicators including adherence to core values, competencies, key result areas, performance rating, and potential of the relevant employee. The mix of fixed and variable remuneration components is considered appropriate for the Managers and for each individual employee's role.

The level and mix of remuneration and the remuneration benefits, policies and practices of the Manager, where appropriate, including the long-term incentives will be reviewed by the NRC. The NRC will ensure that competitive remuneration policies and practices are in place to draw and motivate high-performing executives so as to drive FCT's businesses to greater growth, efficiency and profitability.

In its deliberation, the NRC will take into consideration industry practices and benchmarks against relevant industry players to ensure that its remuneration and employment conditions are competitive and may, if it considers necessary, engage independent remuneration consultant(s).

The NRC will exercise broad discretion and independent judgement in ensuring that the amount and mix of compensation are aligned with the interests of Unitholders and promote the long-term success of FCT. The NRC will ensure that the overall level of remuneration is not considered to be at a level which is likely to promote behaviour contrary to the Manager's or FCT's risk profile.

Performance Indicators for Key Management Personnel

As set out above, the Manager's variable remuneration component comprise short-term and long-term incentives which takes into account both individual performance, FCT's performance and FCT's contribution to the FCL group.

The Manager has put in place a framework for determining the short-term incentives of the Key Management Personnel, where both FCT's financial performance and non-financial performance will be taken into consideration. The financial performance indicators in which the Key Management Personnel will be evaluated on comprise (i) FCT's net portfolio property income, (ii) Unitholder distribution, (iii) distribution per Unit and (iv) relative REIT unit price performance. These performance indicators are quantitative and objective measures of the Manager's performance. The non-financial performance indicators in which the Key Management Personnel will be evaluated on include (i) FCT's business initiatives, (ii) strategic perspective, (iii) corporate sustainability and (iv) branding of FCT. These qualitative performance indicators will align the Key Management Personnel's performance with FCT's strategic objectives for the financial year.

CORPORATE GOVERNANCE REPORT

Long-term incentives in the form of FCL share awards were granted to Key Management Personnel for FY2016. To align the interests of Key Management Personnel with the long-term interests of Unitholders, the grant of FCL share awards were based on various performance indicators, including individual performance based on the annual appraisal of the individual employees, FCT's performance, FCT's contribution to the FCL group and the performance of the Manager as part of the FCL group.

From the financial year beginning from 1 October 2016 onwards, the NRC will review the short-term and long-term incentives in the Key Management Personnel's remuneration package to ensure its compliance with the substance and spirit of the directions and guidelines from the MAS.

Currently, the Manager does not have claw-back provisions which allow it to reclaim incentive components of remuneration from its key executive personnel in exceptional circumstances of misstatement of financial results or misconduct resulting in financial loss.

Pursuant to MAS' "Notice to All Holders of a Capital Markets Services Licence for Real Estate Investment Trust Management", REIT managers are required to disclose (i) the remuneration of the CEO and each individual director on a named basis, and (ii) the remuneration of at least the top five executive officers (which shall not include the CEO and executive officers who are directors), on a named basis, in bands of S\$250,000. The Board has assessed and decided against the disclosure of the remuneration of the CEO and executive officers on a named basis, whether in exact quantum or in bands of S\$250,000, as well as the disclosure of the total remuneration paid to the top five key executive officers (who are not directors or the CEO), and believes that the interests of the Unitholders will not be prejudiced as a result of such non-disclosure, for the following reasons:

- (i) competition for talent in the REIT management industry is very keen and the Manager has, in the interests of Unitholders, opted not to disclose the remuneration of its CEO and top five executive officers as this may give rise to recruitment and talent retention issues as well as the risk of unnecessary key management turnover;
- (ii) the composition of the current management team has been quite stable and to ensure the continuity of business and operations of FCT, it is important that the Manager continues to retain its team of competent and committed staff;
- (iii) due to the confidentiality and sensitivity of staff remuneration matters, the Manager is of the view that such disclosure could be prejudicial to the interests of Unitholders; and
- (iv) there is full and frank disclosure of the total amount of fees paid to the Manager set out at pages 126 and 178 of this Annual Report.

There were no employees of the Manager who are immediate family members of a Director or the CEO during FY2016.

ACCOUNTABILITY AND AUDIT

Principle 10: Accountability

The Board, with the support of Management, is responsible for providing a balanced and understandable assessment of FCT's performance, position and prospects, on a quarterly basis. Quarterly and annual financial statements and other material information are disseminated to Unitholders through announcements to the SGX-ST, and, where applicable, press releases. Financial statements of FCT are prepared in accordance with the recommendations of the Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Singapore Chartered Accountants and the applicable requirements of the Code on CIS issued by the MAS and the provisions of FCT Trust Deed. The Board, with the support of Management, is responsible for providing a balanced and understandable assessment of FCT's performance, position and prospects. Financial reports are provided to the Board on a quarterly basis and monthly accounts will be made available to the Directors on request. Quarterly and annual financial reports and other material information are disseminated to Unitholders through announcements released via SGXNET, and where applicable, media releases and analysts' briefings. Such financial reports are reviewed by the Board before dissemination.

CORPORATE GOVERNANCE REPORT

Principle 11: Risk Management and Internal Controls

The Manager has established a sound system of risk management and internal controls comprising procedures and processes to safeguard FCT's assets and Unitholders' interests. The Audit Committee reviews and reports to the Board on the adequacy and effectiveness of such controls, including financial, compliance, operational and information technology controls, and risk management procedures and systems, taking into consideration the recommendations of both internal and external auditors.

Internal Controls

The Audit Committee, through the assistance of internal and external auditors, reviews and reports to the Board on the adequacy and effectiveness of the Manager's system of controls, including financial, compliance, operational and information technology controls. In assessing the effectiveness of internal controls, the Audit Committee ensures primarily that key objectives are met, material assets are properly safeguarded, fraud or errors in the accounting records are prevented or detected, accounting records are accurate and complete, and reliable financial information is prepared in compliance with applicable internal policies, laws and regulations.

Risk Management

The Board, through the Audit Committee, reviews the adequacy and effectiveness of the Manager's risk management framework for the Manager and FCT to ensure that robust risk management and mitigating controls are in place. The Manager has adopted an enterprise-wide risk management ("ERM") framework to enhance its risk management capabilities. Key risks, control measures and management actions are continually identified, reviewed and monitored as part of the ERM process. Financial and operational key risk indicators are in place to track key risk exposures. Apart from the ERM process, key business risks are thoroughly assessed by Management and each significant transaction is comprehensively analysed so that Management understands the risks involved before it is embarked upon. An outline of the Manager's ERM framework and progress report is set out on page 39.

Periodic updates are provided to the Audit Committee on FCT's and the Manager's risk profile. These updates would involve an assessment of FCT's and the Manager's key risks by risk categories, its current status, the effectiveness of mitigating measures taken, and the action plans undertaken by Management to manage such risks.

In addition to the ERM framework, a comfort matrix of key risks, by which relevant material financial, compliance and operational (including information technology) risks of FCT and the Manager have been documented to assist the Board to assess the adequacy and effectiveness of the existing internal controls. The comfort matrix is prepared with reference to the strategies, policies, processes, systems and reporting processes connected with the management of such key risks and presented to the Board and the Audit Committee. Risk tolerance statements setting out the nature and extent of significant risks which the Manager is willing to take in achieving its strategic objectives have been formalised and adopted.

The Board has received assurance from the CEO and the Financial Controller of the Manager that as at 30 September 2016:

- (a) the financial records of FCT have been properly maintained and the financial statements for FY2016 give a true and fair view of FCT's operations and finances;
- (b) the system of internal controls in place for FCT is adequate and effective as at 30 September 2016 to address financial, operational, compliance and information technology risks which the Manager considers relevant and material to FCT's operations; and
- (c) the risk management system in place for FCT is adequate and effective as at 30 September 2016 to address risks which the Manager considers relevant and material to FCT's operations.

CORPORATE GOVERNANCE REPORT

Opinion of the Board on Internal Controls and Risk Management Framework

Based on the internal controls established and maintained by the Manager, work performed by internal and external auditors, reviews performed by Management and the Audit Committee and assurance from the CEO and the Financial Controller of the Manager, the Board, with the concurrence of the Audit Committee, is of the opinion that the internal controls in place for FCT, were adequate and effective as at 30 September 2016 to address financial, operational, compliance and information technology risks, which the Manager considers relevant and material to FCT's operations.

Based on the risk management framework established and assurance from the CEO and the Financial Controller of the Manager, the Board is of the view that the risk management system in place for FCT was adequate and effective as at 30 September 2016 to address risks which the Manager considers relevant and material to FCT's operations.

The Board notes that the system of internal controls and risk management provides reasonable, but not absolute, assurance that the Manager will not be adversely affected by any event that could be reasonably foreseen as it works to achieve its business objectives.

In this regard, the Board also notes that no system of internal controls and risk management can provide absolute assurance against the occurrence of material errors, poor judgment in decision making, human error, losses, fraud or other irregularities.

Principle 12: Audit Committee

The Audit Committee is governed by written terms of reference, with explicit authority to investigate any matter within its terms of reference. It has full access to, and the co-operation of Management, and full discretion to invite any Director or executive officer to attend its meetings. It has reasonable resources to enable it to discharge its functions effectively.

The Audit Committee's responsibilities include:

- reviewing the effectiveness of the Manager's internal control processes for the Manager and FCT, including financial, compliance and risk management controls/framework, reviewing the results of audit findings, and directing prompt remedial action by Management;
- reviewing the financial statements and the audit report for recommendation to the Board for approval;
- monitoring Management's compliance with applicable rules and legislation, such as the listing rules of the SGX-ST, the Code on CIS and the SFA;
- reviewing with the external auditors, the audit plans, audit reports and their evaluation of the system of internal controls;
- reviewing the appointment and re-appointment of the external auditors and their fees and recommending the same to the Board for approval, as well as reviewing the adequacy and effectiveness of external audits in respect of cost, scope and performance;
- reviewing the independence and objectivity of the external auditors, taking into consideration the non-audit services provided by the external auditors. For FY2016, audit fees of \$115,500 and fees of \$63,400 for the non-audit services were paid/payable to FCT's external auditors;
- reviewing the adequacy and effectiveness of the internal audit function, including its resources, audit plans and the scope and effectiveness of the internal audit procedures; and
- reviewing Interested Person/Party Transactions to ascertain compliance with internal procedures and provisions of applicable laws and regulations.

CORPORATE GOVERNANCE REPORT

In performing its functions, the Audit Committee meets with the internal and external auditors and reviews the internal and external audit plans and reports for FCT and the Manager, and the assistance given by Management to the auditors. All audit findings and recommendations are presented to the Audit Committee for discussion. In addition, updates on changes in accounting standards and treatment are prepared by external auditors and circulated to members of the Audit Committee periodically.

For FY2016, the Audit Committee comprised four non-executive Directors, the majority of whom including the Chairman, are independent:

Name	Role
Mr Bobby Chin Yoke Choong	Chairman
Mr Philip Eng Heng Nee	Member
Dr Cheong Choong Kong *	Member
Mr Soh Kim Soon	Member

* Appointed on 18 May 2016

The separation of the roles of the Chairman of the Board and the Chairman of the Audit Committee ensures greater independence of the Audit Committee in the discharge of its duties. This is also with a view to increasing its effectiveness in assisting the Board in the discharge of its statutory and other responsibilities in the areas of internal controls, financial and accounting matters, compliance and risk management.

Members of the Audit Committee collectively possess the accounting and related financial management, expertise and experience required for the Audit Committee to discharge its responsibilities and assist the Board in its oversight over Management in the design, implementation and monitoring of risk management and internal control systems.

External Auditors

KPMG LLP ("KPMG") was appointed pursuant to the approval of the Unitholders on 21 January 2016 as external auditors of FCT in place of the retiring auditors, Ernst and Young LLP. The Manager confirms that FCT complies with Rules 712 and 715 of the Listing Manual in relation to the appointment of KPMG as the external auditors of FCT. The Audit Committee has conducted a review of all non-audit services provided by KPMG during the financial period. The Audit Committee is satisfied that given the nature and extent of non-audit services provided and the fees for such services, neither the independence nor the objectivity of KPMG is put at risk. KPMG has attended the Audit Committee meeting held every quarter for FY2016, and where appropriate, has met with the Audit Committee without the presence of Management to discuss their findings, if any.

It is proposed that at the forthcoming FCT Annual General Meeting, KPMG be re-appointed as the external auditors of FCT and that the Manager be authorised to fix their remuneration.

WHISTLE-BLOWING POLICY

A Whistle-Blowing Policy is in place to provide an avenue through which employees and any other persons may report or communicate, in good faith and in confidence, any concerns relating to financial and other matters, so that independent investigation of such matters can be conducted and appropriate follow-up action taken.

Principle 13: Internal Audit

The Manager has in place an internal audit function ("IA") established within the FCL Group to independently examine and evaluate the activities of the Manager, focusing on the adequacy and effectiveness of internal controls, risk management and corporate governance processes.

CORPORATE GOVERNANCE REPORT

The FCL Group IA is independent of the activities that it audits. The Head of Group IA, who is a Certified Fraud Examiner and a Fellow of The Institute of Singapore Certified Accountants (ISCA), CPA Australia and ACCA, reports directly to the Chairman of the Audit Committee. The Head of Group IA and the IA staff are members of the Institute of Internal Auditors, Singapore and FCL Group IA has adopted and complied with the Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors, Inc. To ensure that the internal audits are effectively performed, it recruits and employs suitably qualified staff with the requisite skills and experience. Such staff are also given relevant training and development opportunities to update their technical knowledge and auditing skills. All IA staff received relevant technical training and attended seminars organised by the Institute of Internal Auditors, Singapore or other professional bodies.

The FCL Group IA operates within the framework stated in the Terms of Reference as contained in the Internal Audit Charter approved by the AC. It adopts a risk-based audit methodology to develop its audit plans, and its activities are aligned to key risks of FCT. Based on risk assessments performed, greater focus and appropriate review intervals are set for higher risk activities and material internal controls. The audit scope also included review of compliance with the policies, procedures and regulatory responsibilities of FCT and the Manager.

During the year, Group IA conducted its audit reviews based on the approved Internal Audit Plan. All audit reports detailing audit findings and recommendations are provided to Management who would respond on the actions to be taken. Each quarter, IA would submit to the Audit Committee a report on the status of the Audit Plan and on audit findings and actions taken by Management on such findings. Key findings are highlighted at the Audit Committee meetings for discussion and follow-up action. The Audit Committee monitors the timely and proper implementation of appropriate follow-up measures to be undertaken by Management.

The Audit Committee is satisfied that for FY2016, the internal audit function is adequately resourced and has appropriate standing within FCT and the Manager to perform its functions effectively.

UNITHOLDER RIGHTS AND RESPONSIBILITIES

Principle 14: Unitholder Rights

The Manager believes in treating all Unitholders fairly and equitably. It aspires to keep all Unitholders and other stakeholders and analysts in Singapore and beyond informed of FCT's activities, including changes (if any) in FCT's business which are likely to materially affect the price or value of its Units, in a timely and consistent manner.

Unitholders are also given the opportunity to participate effectively and vote at general meetings of FCT, where relevant rules and procedures governing such meetings (for instance, how to vote) are clearly communicated.

Principle 15: Communication with Unitholders

The Manager strives to uphold high standards of disclosure and corporate transparency. It aims to provide timely, effective and fair information relating to FCT's performance and its developments to its Unitholders and the investment community through announcements to the SGX-ST and on FCT's website, to enable them to make informed investment decisions. The Manager has a dedicated investor relations manager ("**IR manager**") to facilitate communication between FCT, its Unitholders and the investment community.

The Manager meets and communicates regularly with Unitholders and the investment community to keep them apprised of FCT's corporate developments and financial performance. During FY2016, the senior Management and the IR manager, met or spoke with 289 investors at investment conferences, non-deal road shows as well as one-on-one and group meetings. The Manager also conducts post-result briefings for analysts and the media, following the release of its half year and full year results. For its first quarter and third quarter results, this is done by conference calls. The Manager makes available all its briefing materials, its financial information, its annual reports and all announcements to the SGX-ST on its website at www.fct.sg, with contact details for investors to channel their comments and queries.

CORPORATE GOVERNANCE REPORT

FCT was conferred the runner-up of the “Most Transparent Company Award (REITs & Business Trusts Category)” at the SIAS Investors’ Choice Awards 2016.

Principle 16: Conduct of Unitholder Meetings

A copy of the FCT Annual Report is sent to all Unitholders. In compliance with the Code on CIS, an Annual General Meeting (“AGM”) is held after the close of each financial year allowing the Manager to interact with investors. The Board supports and encourages active Unitholder participation at AGMs. It believes that AGMs serve as an opportune forum for Unitholders to meet the Board and senior Management, and to interact with them. Board members and appropriate senior Management are present at each Unitholders’ meeting to respond to any questions from Unitholders. The external auditors are also present to address queries about the conduct of audit and the preparation and content of the auditors’ report.

The Manager has implemented electronic poll voting at its AGMs, whereby Unitholders are invited to vote on relevant resolutions by way of poll (instead of by show of hands), using hand held electronic devices. This allows all Unitholders present or represented at the meeting to vote on a one vote per Unit basis. The voting results of all votes cast for, or against, of each resolution are displayed at the meeting and announced to the SGX-ST after the meeting. The Manager will continue to use the electronic poll voting system at the forthcoming AGM.

DEALINGS IN UNITS

The Manager has adopted a dealing policy (“**Dealing Policy**”) on securities trading which provides guidance with regard to dealings in FCT units by its Directors, officers and employees. Directors, officers and employees are prohibited from dealing in FCT units:

- in line with the Listing Rule 1207(19)(c) on Dealings in Securities, two weeks before the date of announcement of quarterly financial statements and one month before the date of announcement of full-year results (“**Prohibition Period**”); and
- at any time while in possession of unpublished material or price sensitive information.

Directors, officers and employees are also directed to refrain from dealing in FCT units on short-term considerations.

Prior to the commencement of the Prohibition Period, Directors, officers and employees will be reminded not to trade during this period or whenever they are in possession of unpublished price sensitive information. Outside of the Prohibition Period, any trades must be reported to the Board within 48 hours. Every quarter, each Director, officer or employee is required to complete and submit a declaration form to the Compliance Officer to report any trades he/she made in FCT units in the previous quarter and confirm that no trades were made during the Prohibition Period. A quarterly report will be provided to the Audit Committee. Any non-compliance with the Dealing Policy will be reported to the Audit Committee for its review and instructions.

In compliance with the Dealing Policy in relation to the Manager, prior approval from the Board is required before the Manager deals or trades in FCT units. The Manager has undertaken that it will not deal in FCT units:

- (a) during the period commencing one month before the public announcement of FCT’s full-year results and (where applicable) property valuations and two weeks before the public announcement of FCT’s quarterly results; or
- (b) whenever it is in possession of unpublished material price sensitive information.

CORPORATE GOVERNANCE REPORT

The Manager has also given an undertaking to the MAS that it will announce to the SGX-ST the particulars of its holdings in FCT units and any changes thereto within two business days after the date on which it acquires or disposes of any FCT units, as the case may be.

CONFLICTS OF INTEREST

The Manager has put in place procedures to address potential conflicts of interest (including in relation to Directors, officers and employees) which may arise in managing FCT. These include the following:

- The Manager is to be dedicated to managing FCT and will not directly or indirectly manage other REITs;
- All executive officers of the Manager will be employed by the Manager;
- All resolutions in writing of the Directors in relation to matters concerning FCT must be approved by a majority of the Directors, including at least one Independent Director;
- At least one-third of the Board shall comprise Independent Directors;
- On matters where FCL and/or its subsidiaries have an interest (directly or indirectly), Directors nominated by them shall abstain from voting. In such matters, the quorum must comprise a majority of independent Directors and must exclude nominee Directors of FCL and/or its subsidiaries; and
- An interested Director is required to disclose his interest in any proposed transaction with FCT and is required to abstain from voting on resolutions approving the transaction.

INTERESTED PERSON TRANSACTIONS

The Manager has established internal control procedures to ensure that all interested person transactions (“**IPTs**”) are undertaken on normal commercial terms, and will not be prejudicial to the interests of FCT and the Unitholders. This may entail obtaining (where practicable) quotations from parties unrelated to the Manager, or obtaining one or more valuations from independent professional valuers (in accordance with the Property Funds Appendix).

All IPTs are entered in a register maintained by the Manager, including any quotations from unrelated parties and independent valuations supporting the bases on which such transactions are entered into. The Manager incorporates into its internal audit plan a review of the IPTs recorded in the register to ascertain that internal procedures and requirements of the Listing Manual and Property Funds Appendix have been complied with. The Audit Committee reviews the internal audit reports twice a year to ascertain that the guidelines and procedures established to monitor IPTs have been complied with. In addition, the Trustee also has the right to review any such relevant internal audit reports to ascertain that the Property Fund Appendix have been complied with.

In respect of transactions entered into or to be entered into by the Trustee for and on behalf of FCT with an interested person, the Trustee is required to satisfy itself that such transactions are conducted on normal commercial terms, are not prejudicial to the interests of FCT and the Unitholders, and in accordance with all applicable requirements of the Property Funds Appendix and/or the Listing Manual. The Trustee has the ultimate discretion under the Trust Deed entered into between the Trustee and the Manager constituting FCT to decide whether or not to enter into such a transaction involving an interested person.

ROLE OF THE AUDIT COMMITTEE FOR INTERESTED PERSON TRANSACTIONS

The Audit Committee reviews IPTs periodically to ensure compliance with the internal control procedures and the relevant provisions of the Listing Manual and Property Funds Appendix. Any member who has an interest in a transaction shall abstain from participating in the review and approval processes in relation to that transaction.

CORPORATE GOVERNANCE REPORT

ADDITIONAL DISCLOSURE ON FEES PAYABLE TO THE MANAGER

Pursuant to the Trust Deed, the Manager is entitled to receive the following fees:

Type of Fee	Computation and Form of Payment	Rationale and Purpose
Base Fee	<p>Pursuant to Clause 15.1.1 of the Trust Deed, the Manager is entitled to receive a Base Fee not exceeding the rate of 0.3% per annum of the Value of FCT's Deposited Property.</p> <p>The Base Fee is payable quarterly in the form of cash and/or Units as the Manager may elect.</p>	<p>The base fee compensates the Manager for the costs incurred in managing FCT, which includes overheads, day-to-day operational costs, compliance, monitoring and reporting costs as well as administrative expenses.</p> <p>The base fee is calculated at a fixed percentage of asset value as the scope of the Manager's duties is commensurate with the size of FCT's asset portfolio.</p>
Performance Fee	<p>Pursuant to Clause 15.1.2 of the Trust Deed, the Manager is entitled to receive a Performance Fee equal to a rate of 5.0% per annum of the Net Property Income (calculated before accounting for the Performance Fee in that Financial Year) of FCT or (as the case may be) Special Purpose Vehicles for each Financial Year accrued to the Manager and remaining unpaid.</p> <p>The Performance Fee is payable in the form of cash and/or Units as the Manager may elect.</p> <p>With effect from 1 October 2016, the Performance Fee shall be paid annually, in compliance with the Property Funds Appendix.</p>	<p>The performance fee, which is based on Net Property Income, aligns the interests of the Manager with Unitholders as the Manager is incentivised to proactively focus on improving rentals and optimising the operating costs and expenses of FCT's properties. Linking the Performance Fee to Net Property Income will also motivate the Manager to ensure the long-term sustainability of the assets instead of taking on excessive short-term risks to the detriment of Unitholders.</p>
Acquisition Fee	<p>Pursuant to Clause 15.2.1(i) of the Trust Deed, the Manager is entitled to receive an Acquisition Fee not exceeding the rate of 1.0% of the acquisition price upon the completion of an acquisition.</p> <p>Subject to the Property Funds Appendix, the Acquisition Fee is payable as soon as practicable after completion of the acquisition in the form of cash and/or Units as the Manager may elect.</p>	<p>The Acquisition Fee and Divestment Fee seek to motivate and compensate the Manager for the time, cost and effort spent (in the case of an acquisition) in sourcing, evaluating and executing potential opportunities to acquire new properties to further grow FCT's asset portfolio or, (in the case of a divestment) in rebalancing and unlocking the underlying value of the existing properties.</p> <p>The Manager provides these services over and above the provision of ongoing management services with the aim of enhancing long-term returns, income sustainability and achieving the investment objectives of FCT.</p>
Divestment Fee	<p>Pursuant to Clause 15.2.1(ii) of the Trust Deed, the Manager is entitled to receive a Divestment Fee not exceeding the rate of 0.5% of the sale price upon the completion of a sale or disposal.</p> <p>Subject to the Property Funds Appendix, the Divestment Fee is payable as soon as practicable after completion of the sale or disposal in the form of cash and/or Units as the Manager may elect.</p>	<p>The Acquisition Fee is higher than the Divestment Fee because there is additional work required to be undertaken in terms of sourcing, evaluating and conducting due diligence for an acquisition, as compared to a divestment.</p>

CORPORATE GOVERNANCE REPORT

GUIDELINES FOR DISCLOSURE

Guideline	Questions	How has the Company complied
General	<p>(a) Has the Company complied with all the principles and guidelines of the Code? If not, please state the specific deviations and the alternative corporate governance practices adopted by the Company in lieu of the recommendations in the Code.</p> <p>(b) In what respect do these alternative corporate governance practices achieve the objectives of the principles and conform to the guidelines in the Code?</p>	<p>Please refer to the disclosures and references in this table for the specific deviations from the Code.</p> <p>The Manager has adopted alternative corporate governance practices which reflect the fact that the Manager itself is not a listed entity but that the entity which it manages, Frasers Centrepoint Trust ("FCT"), is listed and managed externally by the Manager.</p>
Board Responsibility		
Guideline 1.5	What are the types of material transactions which require approval from the Board?	Please refer to page 99 of this Annual Report.
Members of the Board		
Guideline 2.6	<p>(a) What is the Board's policy with regard to diversity in identifying director nominees?</p> <p>(b) Please state whether the current composition of the Board provides diversity on each of the following – skills, experience, gender and knowledge of the Company, and elaborate with numerical data where appropriate.</p> <p>(c) What steps has the Board taken to achieve the balance and diversity necessary to maximize its effectiveness?</p>	<p>Please refer to pages 100 to 102 of this Annual Report.</p> <p>Please refer to pages 100 to 102 of this Annual Report.</p> <p>Please refer to pages 100 to 102 of this Annual Report.</p>
Guideline 4.6	Please describe the board nomination process for the Company in the last financial year for (i) selecting and appointing new directors and (ii) re-electing incumbent directors	<p>Please refer to page 102 of this Annual Report.</p> <p>Directors of the Manager are not subject to periodic retirement by rotation.</p>

CORPORATE GOVERNANCE REPORT

Guideline	Questions	How has the Company complied
Guideline 1.6	(a) Are new directors given formal training? If not, please explain why	Yes. Please refer to page 99 of this Annual Report.
	(b) What are the types of information and training provided to (i) new directors and (ii) existing directors to keep them up-to-date?	Please refer to page 99 of this Annual Report.
Guideline 4.4	(a) What is the maximum number of listed company board representations that the Company has prescribed for its directors? What are the reasons for this number?	No maximum number has been prescribed.
	(b) If a maximum number has not been determined, what are the reasons?	Please refer to page 103 of this Annual Report.
	(c) What are the specific considerations in deciding on the capacity of directors?	Please refer to page 103 of this Annual Report.
Board Evaluation		
Guideline 5.1	(a) What was the process upon which the Board reached the conclusion on its performance for the financial year?	Please refer to page 103 of this Annual Report.
	(b) Has the Board met its performance objectives?	Yes. Please refer to page 103 of this Annual Report.
Independence of Directors		
Guideline 2.1	Does the Company comply with the guideline on the proportion of independent directors on the Board? If not, please state the reasons for the deviation and the remedial action taken by the Company	Yes. Please refer to pages 100 to 101 of this Annual Report.
Guideline 2.3	(a) Is there any director who is deemed to be independent by the Board, notwithstanding the existence of a relationship as stated in the Code that would otherwise deem him not to be independent? If so, please identify the director and specify the nature of such relationship.	None.
	(b) What are the Board's reasons for considering him independent? Please provide a detailed explanation.	Not applicable.

CORPORATE GOVERNANCE REPORT

Guideline	Questions	How has the Company complied
Guideline 2.4	(a) Has any independent director served on the Board for more than nine years from the date of his first appointment? If so, please identify the director and set out the Board's reasons for considering him independent.	Yes. Mr Bobby Chin Yoke Choong and Mr Soh Kim Soon have served on the Board for more than nine years from the respective dates of their first appointment. Please refer to page 101 of this Annual Report for the Board's reasons for considering them independent.
Disclosure on Remuneration		
Guideline 9.2	Has the Company disclosed each director's and the CEO's remuneration as well as a breakdown (in percentage or dollar terms) into base/fixed salary, variable or performance related income/bonuses, benefits-in-kind, stock options granted, share-based incentives and awards, and other long-term incentives? If not, what are the reasons for not disclosing so?	The fees paid to all directors for the financial year have been disclosed. Please refer to pages 104 to 106 of this Annual Report.
Guideline 9.3	(a) Has the Company disclosed each key management personnel's remuneration, in bands of S\$250,000 or in more detail, as well as a breakdown (in percentage or dollar terms) into base/fixed salary, variable or performance-related income/bonuses, benefits-in-kind, stock options granted, share-based incentives and awards, and other long-term incentives? If not, what are the reasons for not disclosing so?	Please refer to pages 104 to 106 of this Annual Report.
	(b) Please disclose the aggregate remuneration paid to the top key management personnel (who are not directors or the CEO).	Please refer to pages 104 to 106 of this Annual Report.
Guideline 9.4	Is there any employee who is an immediate family member of a director or the CEO, and whose remuneration exceeds S\$50,000 during the year? If so, please identify the employee and specify the relationship with the relevant director or the CEO.	No.
Guideline 9.6	(a) Please describe how the remuneration received by executive directors and key management personnel has been determined by the performance criteria.	Please refer to pages 104 to 106 of this Annual Report.
	(b) What were the performance conditions used to determine their entitlement under the short-term and long-term incentive schemes?	Please refer to pages 104 to 106 of this Annual Report.
	(c) Were all of these performance conditions met? If not, what were the reasons?	Please refer to pages 104 to 106 of this Annual Report.

CORPORATE GOVERNANCE REPORT

Guideline	Questions	How has the Company complied
Risk Management and Internal Controls		
Guideline 6.1	What types of information does the Company provide to independent directors to enable them to understand its business, the business and financial environment as well as the risks faced by the Company? How frequently is the information provided?	Please refer to page 103 of this Annual Report.
Guideline 13.1	Does the Company have an internal audit function? If not, please explain why	Yes. Please refer to pages 109 to 110 of this Annual Report.
Guideline 11.3	(a) In relation to the major risks faced by the Company, including financial, operational, compliance, information technology and sustainability, please state the bases for the Board's view on the adequacy and effectiveness of the Company's internal controls and risk management systems.	Please refer to page 108 of this Annual Report.
	(b) In respect of the past 12 months, has the Board received assurance from the CEO and the CFO as well as the internal auditor that: (i) the financial records have been properly maintained and the financial statements give true and fair view of the Company's operations and finances; and (ii) the Company's risk management and internal control systems are effective? If not, how does the Board assure itself of points (i) and (ii) above?	Please refer to page 107 of this Annual Report.
Guideline 12.6	(a) Please provide a breakdown of the fees paid in total to the external auditors for audit and non-audit services for the financial year	Please refer to page 108 of this Annual Report.
	(b) If the external auditors have supplied a substantial volume of non-audit services to the Company, please state the bases for the Audit Committee's view on the independence of the external auditors	Please refer to page 109 of this Annual Report.
Communication with Shareholders		
Guideline 15.4	(a) Does the Company regularly communicate with shareholders and attend to their questions? How often does the Company meet with institutional and retail investors?	Yes. Please refer to pages 110 to 111 of this Annual Report.
	Is this done by a dedicated investor relations team (or equivalent)? If not, who performs this role?	Yes. Please refer to page 110 of this Annual Report.
Guideline 15.5	If the Company is not paying any dividends for the financial year, please explain why.	Not applicable. Please refer to the "Distribution Statements" on page 127 of this Annual Report.



FINANCIALS

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Proxy Form



REPORT OF THE TRUSTEE

HSBC Institutional Trust Services (Singapore) Limited (the "Trustee") is under a duty to take into custody and hold the assets of Frasers Centrepoint Trust (the "Trust") and its subsidiary (collectively, the "Group") in trust for the holders ("Unitholders") of units in the Trust (the "Units"). In accordance with the Securities and Futures Act, Chapter 289, of Singapore, its subsidiary legislation and the Code on Collective Investment Schemes, the Trustee shall monitor the activities of Frasers Centrepoint Asset Management Ltd. (the "Manager") for compliance with the limitations imposed on the investment and borrowing powers as set out in the trust deed dated 5 June 2006 (as amended by a first supplemental deed dated 4 October 2006, a first amending and restating deed dated 7 May 2009, a second supplemental deed dated 22 January 2010 and a third supplemental deed dated 17 December 2015) (the "Trust Deed") between the Manager and the Trustee in each annual accounting period and report thereon to Unitholders in an annual report.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed the Trust during the period covered by these financial statements set out on pages 125 to 174 in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

For and on behalf of the Trustee,
HSBC Institutional Trust Services (Singapore) Limited



Esther Fong
Senior Vice President, Trustee Services

Singapore

18 November 2016

STATEMENT BY THE MANAGER

In the opinion of the directors of Frasers Centrepoint Asset Management Ltd., the accompanying financial statements set out on pages 125 to 174, comprising the Balance Sheets and Portfolio Statements as at 30 September 2016, the Statements of Total Return, Distribution Statements, Statements of Movements in Unitholders' Funds and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory notes are drawn up so as to present fairly, in all material respects, the financial positions of the Group and the Trust as at 30 September 2016, the total return, distributable income, movements in Unitholders' funds of the Group and of the Trust and cash flow of the Group for the year ended on that date in accordance with the recommendations of Statement of Recommended Accounting Practice 7 Reporting Framework for Unit Trusts issued by the Institute of Singapore Chartered Accountants and the provisions of the Trust Deed. At the date of this statement, there are reasonable grounds to believe that the Group and the Trust will be able to meet their financial obligations as and when they materialise.

For and on behalf of the Manager,
Frasers Centrepoint Asset Management Ltd.



Mr Philip Eng Heng Nee
Director



Dr Chew Tuan Chiong
Director and Chief Executive Officer

Singapore

18 November 2016

INDEPENDENT AUDITORS' REPORT

TO THE UNITHOLDERS

FRASERS CENTREPOINT TRUST

(CONSTITUTED UNDER A TRUST DEED (AS AMENDED) IN THE REPUBLIC OF SINGAPORE)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Frasers Centrepoint Trust (the "Trust") and its subsidiary (the "Group"), which comprise the consolidated balance sheet and consolidated portfolio statement of the Group and the balance sheet and portfolio statement of the Trust as at 30 September 2016, the consolidated statement of total return, consolidated distribution statement, consolidated statement of movements in unitholders' funds and consolidated cash flow statement of the Group and the statement of total return, distribution statement and statement of movements in unitholders' funds of the Trust for the year then ended, and notes to the financial statements, including a summary of significant accounting policies as set out on pages 125 to 174.

In our opinion, the accompanying consolidated financial statements of the Group and the balance sheet, statement of total return, distribution statement and statement of movements in unitholders' funds of the Trust present fairly, in all material respects, the consolidated financial position of the Group and the financial position of the Trust as at 30 September 2016 and the consolidated total return, consolidated distributable income, consolidated movements in unitholders' funds and consolidated cash flows of the Group and the total return, distributable income and movements in unitholders' funds of the Trust for the year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 ("RAP 7") Reporting Framework for Unit Trusts issued by the Institute of Singapore Chartered Accountants.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of investment properties

(Refer to Portfolio Statement and Note 3 to the financial statements)

Risk

The Group and the Trust own six suburban retail malls located all around Singapore. These malls, classified as investment properties, are all located within close proximity to Mass Rapid Transit stations and bus interchanges in populated residential areas. As at 30 September 2016, the investment properties, with carrying amount of \$2.51 billion, represent the single largest asset category on the balance sheet of the Group and the Trust.

The investment properties are stated at their fair values based on independent external valuations. The valuation process is considered a key audit matter because it involves significant judgement in determining the appropriate valuation methodology to be used, and in estimating the underlying assumptions to be applied. Any changes in the key assumptions applied could result in material impact in the financial statements.

INDEPENDENT AUDITORS' REPORT (cont'd)

Our response

We assessed the Group's processes for the selection of the external valuers, the determination of the scope of work of the valuers, and the review and acceptance of the valuation reports issued by the external valuers.

We evaluated the qualifications and competence of the external valuers and held discussions with the valuers to understand their valuation methods and assumptions used.

We considered the valuation methodologies used against those applied by other valuers for similar property types. We challenged the capitalisation and discount rates used in the valuations by comparing them against historical rates and available industry data, taking into consideration comparability and market factors. Where the rates were outside the expected range, we undertook further procedures to understand the effect of additional factors and, when necessary, held further discussions with the valuers.

We also considered the adequacy of the disclosures in the financial statements.

Our findings

The Group has a structured process in appointing and instructing valuers, and in reviewing and accepting their valuations. The valuers are members of recognised professional bodies for valuers and have considered their own independence in carrying out their work.

The approach to the methodologies and in deriving the assumptions in the valuations is supported by market practices and data, and the disclosures in the financial statements are in compliance with RAP 7.

Other matter

The financial statements for the year ended 30 September 2015 were audited by another auditor who expressed an unmodified opinion on those financial statements on 12 November 2015.

Other Information

Frasers Centrepoint Asset Management Ltd., the Manager of the Trust (the "Manager") of the Trust is responsible for the other information. The other information comprises the *About Frasers Centrepoint Trust, Structure of Frasers Centrepoint Trust, Key Financial Figures for FY2016, 10-Year Performance at a Glance, 10-Year Financial Highlights, Letter to Unitholders, Financial Year 2016 in Brief, FCT Unit Price Performance, Board of Directors, Trust Management Team, Property Management Team, Operations & Financial Review, Capital Resources, Risk Management, Retail Property Market Review, FCT Portfolio Summary, Causeway Point, Northpoint, Changi City Point, Bedok Point, YewTee Point, Anchorpoint, Hektar REIT, Corporate Governance Report, Report of the Trustee, Statement by the Manager, Additional Information, Notice of Annual General Meeting, and Proxy Form*, but does not include the financial statements and our auditors' report thereon, which we obtained prior to the date of this auditors' report, and the *Investor Relations, Sustainability Report and Statistics of Unitholders* (the "Reports") which are expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

INDEPENDENT AUDITORS' REPORT (cont'd)

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors of the Manager and take appropriate actions in accordance with SSAs.

Responsibilities of management and directors of the Manager for the financial statements

The management of the Manager of the Trust is responsible for the preparation and fair presentation of these financial statements in accordance with the recommendations of RAP 7 issued by the Institute of Singapore Chartered Accountants, and for such internal control as the management of the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management of the Manager is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management of the Manager either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The responsibilities of the directors of the Manager include overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management of the Manager.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the management of the Manager and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

INDEPENDENT AUDITORS' REPORT (cont'd)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors of the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors of the Manager with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors of the Manager, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matter. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditors' report is Karen Lee Shu Pei.



KPMG LLP
*Public Accountants and
Chartered Accountants*

Singapore

18 November 2016

BALANCE SHEETS

AS AT 30 SEPTEMBER 2016

	Note	Group		Trust	
		2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Non-current assets					
Investment properties	3	2,509,000	2,464,000	2,509,000	2,464,000
Fixed assets	4	86	105	86	105
Intangible assets	5	48	66	48	66
Investment in subsidiary	6	–	–	*	*
Investment in associate	7	59,600	62,823	63,843	63,843
Investment in joint venture	8	235	154	1	1
		<u>2,568,969</u>	<u>2,527,148</u>	<u>2,572,978</u>	<u>2,528,015</u>
Current assets					
Trade and other receivables	9	6,800	5,401	6,800	5,401
Cash and cash equivalents	10	18,708	16,197	18,708	16,197
		<u>25,508</u>	<u>21,598</u>	<u>25,508</u>	<u>21,598</u>
Total assets		<u>2,594,477</u>	<u>2,548,746</u>	<u>2,598,486</u>	<u>2,549,613</u>
Current liabilities					
Trade and other payables	11	39,960	31,813	39,978	31,831
Current portion of security deposits		20,413	17,124	20,413	17,124
Deferred income	12	427	732	427	732
Interest-bearing borrowings	13	218,000	278,000	218,000	278,000
		<u>278,800</u>	<u>327,669</u>	<u>278,818</u>	<u>327,687</u>
Non-current liabilities					
Interest-bearing borrowings	13	516,000	440,000	516,000	440,000
Non-current portion of security deposits		23,883	25,957	23,883	25,957
Deferred income	12	149	576	149	576
		<u>540,032</u>	<u>466,533</u>	<u>540,032</u>	<u>466,533</u>
Total liabilities		<u>818,832</u>	<u>794,202</u>	<u>818,850</u>	<u>794,220</u>
Net assets		<u>1,775,645</u>	<u>1,754,544</u>	<u>1,779,636</u>	<u>1,755,393</u>
Represented by:-					
Unitholders' funds		1,794,694	1,774,711	1,779,636	1,755,393
Translation reserve	14	(19,049)	(20,167)	–	–
Unitholders' funds and reserve		<u>1,775,645</u>	<u>1,754,544</u>	<u>1,779,636</u>	<u>1,755,393</u>
Units in issue ('000)	15	<u>919,369</u>	<u>916,840</u>	<u>919,369</u>	<u>916,840</u>
		\$	\$	\$	\$
Net asset value per Unit	16	<u>1.93</u>	<u>1.91</u>	<u>1.93</u>	<u>1.91</u>

* Denotes amount less than \$500

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF TOTAL RETURN

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2016

	Note	Group		Trust	
		2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Gross revenue	17	183,816	189,242	183,816	189,242
Property expenses	18	(53,964)	(58,199)	(53,964)	(58,199)
Net property income		129,852	131,043	129,852	131,043
Interest income		–	180	–	180
Borrowing costs	19	(17,187)	(19,336)	(17,187)	(19,336)
Asset management fees	20	(14,209)	(14,097)	(14,209)	(14,097)
Valuation fees		(127)	(125)	(127)	(125)
Trustee's fees		(403)	(397)	(403)	(397)
Audit fees		(104)	(108)	(104)	(108)
Other professional fees		(417)	(310)	(417)	(310)
Other charges		(592)	(645)	(594)	(648)
Net income		96,813	96,205	96,811	96,202
Distributions from associate		–	–	3,926	4,243
Distributions from joint venture		–	–	458	352
Share of results of associate					
– operations		3,679	4,550	–	–
– revaluation surplus		(4,095)	722	–	–
Share of results of joint venture					
– operations		538	506	–	–
Surplus on revaluation of investment properties	3	28,407	64,039	28,407	64,039
Unrealised (loss)/gain from fair valuation of derivatives		(1,896)	5,442	(1,896)	5,442
Total return before tax		123,446	171,464	127,706	170,278
Taxation	21	–	–	–	–
Total return for the year		123,446	171,464	127,706	170,278
Earnings per Unit (cents)	22				
Basic		13.44	18.71	13.91	18.58
Diluted		13.44	18.71	13.91	18.58

DISTRIBUTION STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2016

	Group		Trust	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Income available for distribution to Unitholders at beginning of year	26,334	25,612	26,331	25,609
Net income	96,813	96,205	96,811	96,202
Net tax adjustments (Note A)	6,904	5,612	6,906	5,615
Distributions from associate	3,926	4,243	3,926	4,243
Distributions from joint venture	458	352	458	352
	108,101	106,412	108,101	106,412
Income available for distribution to Unitholders	134,435	132,024	134,432	132,021
Distributions to Unitholders:				
Distribution of 2.785 cents per Unit for period from 1/7/2014 to 30/9/2014	–	25,505	–	25,505
Distribution of 2.75 cents per Unit for period from 1/10/2014 to 31/12/2014	–	25,194	–	25,194
Distribution of 2.963 cents per Unit for period from 1/1/2015 to 31/3/2015	–	27,156	–	27,156
Distribution of 3.036 cents per Unit for period from 1/4/2015 to 30/6/2015	–	27,835	–	27,835
Distribution of 2.859 cents per Unit for period from 1/7/2015 to 30/9/2015	26,223	–	26,223	–
Distribution of 2.87 cents per Unit for period from 1/10/2015 to 31/12/2015	26,335	–	26,335	–
Distribution of 3.039 cents per Unit for period from 1/1/2016 to 31/3/2016	27,913	–	27,913	–
Distribution of 3.04 cents per Unit for period from 1/4/2016 to 30/6/2016	27,949	–	27,949	–
	108,420	105,690	108,420	105,690
Income available for distribution to Unitholders at end of year	26,015	26,334	26,012	26,331
Distribution per unit (cents) *	11.764	11.608	11.764	11.608
Note A – Net tax adjustments relate to the following items:				
– Asset management fees paid/payable in Units	6,021	2,819	6,021	2,819
– Trustee's fees	403	397	403	397
– Amortisation of loan arrangement fees	888	889	888	889
– Amortisation of lease incentives	(537)	480	(537)	480
– Deferred income and amortisation of rental deposits	11	4	11	4
– Other items	118	1,023	120	1,026
Net tax adjustments	6,904	5,612	6,906	5,615

* The Distribution per unit relates to the distributions in respect of the relevant financial year. The distribution relating to the last quarter of 2016 will be paid after 30 September 2016.

STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS AND TRANSLATION RESERVE

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2016

	Group		Trust	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Net assets at beginning of year	1,754,544	1,698,677	1,755,393	1,687,994
Operations				
Total return for the year	123,446	171,464	127,706	170,278
Unitholders' transactions				
Creation of Units				
– issued as satisfaction of asset management fees	4,957	2,811	4,957	2,811
Distributions to Unitholders	(108,420)	(105,690)	(108,420)	(105,690)
Net decrease in net assets resulting from Unitholders' transactions	(103,463)	(102,879)	(103,463)	(102,879)
Movement in translation reserve (Note 14)	1,118	(12,718)	–	–
Net assets at end of year	1,775,645	1,754,544	1,779,636	1,755,393

PORTFOLIO STATEMENTS

AS AT 30 SEPTEMBER 2016

GROUP

Description of Property	Term of Lease	Location	Existing Use	Occupancy Rate as at 30 September 2016 %	At Valuation		Percentage of Total Assets	
					2016 \$'000	2015 \$'000	2016 %	2015 %
<i>Investment properties in Singapore</i>								
Causeway Point	99-year leasehold from 30 October 1995	1 Woodlands Square	Commercial	99.8	1,143,000	1,110,000	44.1	43.6
Northpoint	99-year leasehold from 1 April 1990	930 Yishun Avenue 2	Commercial	70.9	672,000	665,000	25.9	26.1
Anchorpoint	Freehold	368 & 370 Alexandra Road	Commercial	96.7	103,000	100,000	4.0	3.9
YewTee Point	99-year leasehold from 3 January 2006	21 Choa Chu Kang North 6	Commercial	98.7	172,000	170,000	6.6	6.7
Bedok Point	99-year leasehold from 15 March 1978	799 New Upper Changi Road	Commercial	95.0	108,000	108,000	4.1	4.2
Changi City Point	60-year leasehold from 30 April 2009	5 Changi Business Park Central 1	Commercial	81.1	311,000	311,000	12.0	12.2
Investment properties, at valuation					2,509,000	2,464,000	96.7	96.7
Investment in associate (Note 7)					59,600	62,823	2.3	2.5
					2,568,600	2,526,823	99.0	99.2
Other assets					25,877	21,923	1.0	0.8
Total assets attributable to Unitholders					2,594,477	2,548,746	100.0	100.0

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

PORTFOLIO STATEMENTS

AS AT 30 SEPTEMBER 2016

TRUST

Description of Property	Term of Lease	Location	Existing Use	Occupancy Rate as at 30 September 2016 %	At Valuation		Percentage of Total Assets		
					2016 \$'000	2015 \$'000	2016 %	2015 %	
<i>Investment properties in Singapore</i>									
Causeway Point	99-year leasehold from 30 October 1995	1 Woodlands Square	Commercial	99.8	1,143,000	1,110,000	44.0	43.5	
Northpoint	99-year leasehold from 1 April 1990	930 Yishun Avenue 2	Commercial	70.9	672,000	665,000	25.9	26.1	
Anchorpoint	Freehold	368 & 370 Alexandra Road	Commercial	96.7	103,000	100,000	4.0	3.9	
YewTee Point	99-year leasehold from 3 January 2006	21 Choa Chu Kang North 6	Commercial	98.7	172,000	170,000	6.6	6.7	
Bedok Point	99-year leasehold from 15 March 1978	799 New Upper Changi Road	Commercial	95.0	108,000	108,000	4.1	4.2	
Changi City Point	60-year leasehold from 30 April 2009	5 Changi Business Park Central 1	Commercial	81.1	311,000	311,000	12.0	12.2	
Investment properties, at valuation					2,509,000	2,464,000	96.6	96.6	
Investment in associate (Note 7)					63,843	63,843	2.4	2.5	
					2,572,843	2,527,843	99.0	99.1	
Other assets					25,643	21,770	1.0	0.9	
Total assets attributable to Unitholders					2,598,486	2,549,613	100.0	100.0	

PORTFOLIO STATEMENTS

AS AT 30 SEPTEMBER 2016

On 30 September 2016, independent valuations of the investment properties were undertaken by Knight Frank Pte Ltd ("Knight Frank"), Savills Valuation and Professional Services (S) Pte Ltd ("Savills"), Colliers International Consultancy & Valuation (Singapore) Pte Ltd ("Colliers"), and Edmund Tie & Company (SEA) Pte Ltd ("Edmund Tie"). The Manager believes that these independent valuers possess appropriate professional qualifications and recent experience in the location and category of the investment properties being valued. The valuations were performed based on the following methods:

Description of Property	Valuer	Valuation Method	Valuation	
			2016 \$'000	2015 \$'000
Causeway Point	Edmund Tie (2015: DTZ)	Capitalisation approach and discounted cash flow analysis (2015: Capitalisation approach and discounted cash flow analysis)	1,143,000	1,110,000
Northpoint	Knight Frank (2015: JLL)	Capitalisation approach and discounted cash flow analysis (2015: Capitalisation approach and discounted cash flow analysis)	672,000	665,000
Anchorpoint	Savills (2015: Colliers)	Capitalisation approach, discounted cash flow analysis and direct comparison method (2015: Capitalisation approach, discounted cash flow analysis and direct comparison method)	103,000	100,000
YewTee Point	Savills (2015: Colliers)	Capitalisation approach, discounted cash flow analysis and direct comparison method (2015: Capitalisation approach, discounted cash flow analysis and direct comparison method)	172,000	170,000
Bedok Point	Savills (2015: CBRE)	Capitalisation approach, discounted cash flow analysis and direct comparison method (2015: Capitalisation approach and discounted cash flow analysis)	108,000	108,000
Changi City Point	Colliers (2015: Knight Frank)	Capitalisation approach and discounted cash flow analysis (2015: Capitalisation approach and discounted cash flow analysis)	311,000	311,000

The net changes in fair values of these investment properties have been recognised in the Statements of Total Return in accordance with the Group's accounting policies.

The investment properties are leased to third party tenants. Generally, these leases contain an initial non-cancellable period of three years. Subsequent renewals are negotiated with individual lessees. Contingent rent, which comprises gross turnover rent, recognised in the Statements of Total Return of the Group and the Trust amounted to \$9,141,000 (2015: \$9,288,000).

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CASH FLOW STATEMENT

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2016

	Group	
	2016	2015
	\$'000	\$'000
Operating activities		
Total return before tax	123,446	171,464
Adjustments for:		
Allowance for doubtful receivables	38	8
Write back of allowance for doubtful receivables	(36)	(7)
Borrowing costs	17,187	19,336
Interest income	–	(180)
Asset management fees paid/payable in Units	6,021	2,819
Depreciation of fixed assets	41	46
Amortisation of intangible assets	18	18
Share of associate's results (including revaluation surplus)	416	(5,272)
Share of joint venture's results	(538)	(506)
Surplus on revaluation of investment properties	(28,407)	(64,039)
Unrealised loss/(gain) from fair valuation of derivatives	1,896	(5,442)
Amortisation of lease incentives	(537)	480
Deferred income recognised	(732)	(975)
Operating income before working capital changes	118,813	117,750
Changes in working capital:		
Trade and other receivables	(594)	(827)
Trade and other payables	7,768	3,081
Cash flows generated from operating activities	125,987	120,004
Investing activities		
Distributions received from associate	3,926	4,243
Distributions received from joint venture	458	352
Interest received	–	180
Capital expenditure on investment properties	(17,540)	(5,356)
Investment in joint venture	–	(1)
Acquisition of fixed assets	(23)	(38)
Cash flows used in investing activities	(13,179)	(620)
Financing activities		
Proceeds from borrowings	315,500	98,000
Repayment of borrowings	(299,500)	(119,000)
Borrowing costs paid	(16,182)	(18,110)
Distributions to Unitholders	(108,420)	(105,690)
Payment of issue and finance costs	(1,695)	(128)
Cash flows used in from financing activities	(110,297)	(144,928)
Net increase/(decrease) in cash and cash equivalents	2,511	(25,544)
Cash and cash equivalents at beginning of year	16,197	41,741
Cash and cash equivalents at end of year (Note 10)	18,708	16,197

Significant Non-Cash Transactions

During the financial years, 2,986,994 (2015:1,432,104) Units were issued and issuable in satisfaction of asset management fees payable in Units, amounting to a value of \$6,021,088 (2015: \$2,819,438) in respect of the financial year ended 30 September 2016.

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

The following notes form an integral part of the financial statements.

1. GENERAL

Frasers Centrepoint Trust (the "Trust") is a Singapore-domiciled unit trust constituted pursuant to a trust deed dated 5 June 2006, and any amendment or modification thereof (the "Trust Deed"), between Frasers Centrepoint Asset Management Ltd. (the "Manager") and HSBC Institutional Trust Services (Singapore) Limited (the "Trustee"). The Trust Deed is governed by the laws of the Republic of Singapore. The Trustee is under a duty to take into custody and hold the assets of the Trust and its subsidiary (collectively, the "Group") in trust for the holders ("Unitholders") of units in the Trust (the "Units"). The address of the Trustee's registered office is 21 Collyer Quay #13-02 HSBC Building Singapore 049320.

The Trust was formally admitted to the Official List of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 5 July 2006 and was included in the Central Provident Fund Investment Scheme ("CPFIS") on 5 July 2006.

The principal activity of the Trust is to invest in income-producing properties used primarily for retail purposes, in Singapore and overseas, with the primary objective of delivering regular and stable distributions to Unitholders and to achieve long-term capital growth. The principal activity of the subsidiary is set out in Note 6.

The financial statements were authorised for issue by the Manager and the Trustee on 18 November 2016.

The Trust has entered into several service agreements in relation to management of the Trust and its property operations. The fee structures of these services are as follows:

(a) Property management fees

Under the property management agreements, fees are charged as follows:

- (i) 2.0% per annum of the gross revenue of the properties;
- (ii) 2.0% per annum of the net property income of the properties (calculated before accounting for the property management fees); and
- (iii) 0.5% per annum of the net property income of the properties (calculated before accounting for the property management fees), in lieu of leasing commissions.

The property management fees are payable monthly in arrears.

(b) Asset management fees

Pursuant to the Trust Deed, asset management fees comprise the following:

- (i) A base fee equal to a rate of 0.3% per annum of the value of Deposited Property (being all assets, as stipulated in the Trust Deed) of the Trust; and
- (ii) An annual performance fee equal to a rate of 5.0% per annum of the Net Property Income (as defined in the Trust Deed) of the Trust and any Special Purpose Vehicles (as defined in the Trust Deed) for each financial year.

Any increase in the rate or any change in the structure of the asset management fees must be approved by an Extraordinary Resolution of Unitholders passed at a Unitholders' meeting duly convened and held in accordance with the provisions of the Trust Deed.

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

1. GENERAL (CONT'D)

(b) Asset management fees (Cont'd)

The Manager may elect to receive the fees in cash or Units or a combination of cash and Units (as it may in its sole discretion determine). For the year ended 30 September 2016, the Manager has opted to receive 20% - 50% (2015: 20%) of the asset management fees in the form of Units with the balance in cash. The portion of the asset management fees in the form of Units is payable on a quarterly basis in arrears, and the portion in cash is payable on a monthly basis in arrears.

The Manager is also entitled to receive acquisition fee at the rate of 1% of the acquisition price and a divestment fee of 0.5% of the sale price on all future acquisitions or disposals of properties or investments.

(c) Trustee's fees

Pursuant to the Trust Deed, the Trustee's fees shall not exceed 0.1% per annum of the value of Deposited Property of the Trust, subject to a minimum of \$9,000 per month, excluding out-of-pocket expenses and GST.

Any increase in the maximum permitted or any change in the structure of the Trustee's fee must be approved by an Extraordinary Resolution of Unitholders passed at a Unitholders' meeting duly convened and held in accordance with the provisions of the Trust Deed.

The Trustee's fees are payable monthly in arrears.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements have been prepared in accordance with the recommendations of Statement of Recommended Accounting Practice ("RAP") 7 Reporting Framework for Unit Trusts issued by the Institute of Singapore Chartered Accountants ("ISCA"), the applicable requirements of the Code on Collective Investment Schemes (the "CIS Code") issued by the Monetary Authority of Singapore ("MAS") and the provisions of the Trust Deed. RAP 7 requires the accounting policies to generally comply with the principles relating to recognition and measurement under the Singapore Financial Reporting Standards ("FRS").

The financial statements, which are presented in Singapore dollars and rounded to the nearest thousand, unless otherwise stated, have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The preparation of the financial statements in conformity with RAP 7 requires the Manager to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Financial impact arising from revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Basis of preparation (Cont'd)

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following note:

- (i) Note 7 – Accounting for investment in associate.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

- (i) Note 3 – Valuation of investment properties; and
- (ii) Note 11 – Valuation of interest rate swaps.

(b) New standards and interpretations not adopted

A number of new standards and amendments to standards are effective for annual periods beginning after 1 October 2015, and have not been applied in preparing these financial statements. For those new standards and amendments to standards that are expected to have an effect on the financial statements of the Group and the Trust in future financial periods, the Group will assess the transition options and the potential impact on its financial statements, and to implement these standards. The Group does not plan to adopt these standards early.

Applicable to financial statements for the year ending 30 September 2019

- (i) FRS 115 Revenue from Contracts with Customers

FRS 115 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It also introduces new cost guidance which requires certain costs of obtaining and fulfilling contracts to be recognised as separate assets when specified criteria are met.

When effective, FRS 115 replaces existing revenue recognition guidance, including FRS 18 *Revenue*, FRS 11 *Construction Contracts*, INT FRS 113 *Customer Loyalty Programmes*, INT FRS 115 *Agreements for the Construction of Real Estate*, INT FRS 118 *Transfers of Assets from Customers* and INT FRS 31 *Revenue – Barter Transactions Involving Advertising Services*.

FRS 115 is effective for annual periods beginning on or after 1 January 2018, with early adoption permitted. FRS 115 offers a range of transition options including full retrospective adoption where an entity can choose to apply the standard to its historical transactions and retrospectively adjust each comparative period presented in its financial statements for the year ending 30 September 2019. When applying the full retrospective method, an entity may also elect to use a series of practical expedients to ease transition.

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) New standards and interpretations not adopted (cont'd)

(ii) FRS 109 Financial instruments

FRS 109 replaces most of the existing guidance in FRS 39 *Financial Instruments: Recognition and Measurement*. It includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from FRS 39.

FRS 109 is effective for annual periods beginning on or after 1 January 2018, with early adoption permitted. Retrospective application is generally required, except for hedge accounting. For hedge accounting, the requirements are generally applied prospectively, with some limited exceptions. Restatement of comparative information is not mandatory. If comparative information is not restated, the cumulative effect is recorded in opening equity as at 1 October 2018.

Applicable to financial statements for the year ending 30 September 2020

(i) FRS 116 Leases

FRS 116 eliminates the lessee's classification of leases as either operating leases or finance leases and introduces a single lessee accounting model. Applying the new model, a lessee is required to recognise right-of-use (ROU) assets and lease liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value.

FRS 116 substantially carries forward the lessor accounting requirements in FRS 17 Leases. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for these two types of leases using the FRS 17 operating lease and finance lease accounting models respectively. However, FRS 116 requires more extensive disclosures to be provided by a lessor.

When effective, FRS 116 replaces existing lease accounting guidance, including FRS 17, INT FRS 104 *Determining whether an Arrangement contains a Lease*; INT FRS 15 *Operating Leases—Incentives*; and INT FRS 27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*.

FRS 116 is effective for annual periods beginning on or after 1 January 2019, with early adoption permitted if FRS 115 is also applied.

(c) Foreign currency

Transactions in foreign currencies are measured and recorded on initial recognition in Singapore dollars, the functional currency of the Trust and subsidiary, at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Foreign currency (cont'd)

Exchange differences arising on the settlement of monetary items or on translating monetary items at the balance sheet date are recognised in the Statements of Total Return except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in equity as translation reserve in the Balance Sheets and recognised in the Statements of Total Return on disposal of the foreign operation.

For consolidation purposes, the assets and liabilities of foreign operations are translated into Singapore dollars at the rate of exchange ruling at the balance sheet date and their profit or loss are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on translation are taken directly to a separate component of equity as translation reserve. On disposal of a foreign operation, the cumulative amount recognised in translation reserve relating to that particular foreign operation is recognised in the Statements of Total Return.

When associates that are foreign operations are partially disposed, the proportionate share of the accumulated exchange differences is reclassified to the Statements of Total Return.

(d) Investment properties

Investment properties are stated at initial cost on acquisition, including transaction costs, and at valuation thereafter. Valuation is determined in accordance with the Trust Deed, which requires the investment properties to be valued by independent registered valuers.

- In such manner and frequency required under the CIS Code issued by the MAS; and
- At least once in each period of 12 months following the acquisition of each parcel of real estate property.

Any increase or decrease on revaluation is credited or charged to the Statements of Total Return as a net revaluation surplus or deficit in the value of the investment properties.

Subsequent expenditure relating to investment properties that have already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of originally assessed standard of performance of the existing asset, will flow to the Group and the Trust. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in the Statements of Total Return in the year of retirement or disposal.

Investment properties are not depreciated. Investment properties are subject to continual maintenance and regularly revalued on the basis set out above. For taxation purposes, the Group and the Trust may claim capital allowances on assets that qualify as plant and machinery under the Singapore Income Tax Act.

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Basis of consolidation and investment in subsidiary

A subsidiary is an entity controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of a subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases. All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

In the Trust's balance sheet, investment in subsidiary is accounted for at cost less any impairment losses.

The consolidated financial statements incorporate the financial statements of the Trust and its subsidiary as of the balance sheet date. The financial statements of the subsidiary used in the preparation of the consolidated financial statements are prepared for the same reporting date and using consistent accounting policies as the Trust.

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration, if deemed to be an asset or liability within the scope of FRS 39, will be recognised either in the Statements of Total Return. If the contingent consideration is classified as equity, it is not remeasured until it is finally settled within equity.

In business combinations achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in the Statements of Total Return.

The Group elects for each individual business combination whether non-controlling interest in the acquiree (if any) is recognised on the acquisition date at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in the Statements of Total Return on the acquisition date.

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Investment in associate and joint venture

An associate is an entity over which the Group has significant influence over the financial and operating policy decisions of the investee but does not have control or joint control of those policies. Significant influence is presumed to exist when the Group has 20% or more of the voting power of another entity.

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

The Group account for its investments in associates and joint ventures using the equity method from the date on which it becomes an associate or joint venture.

On acquisition of the investment, any excess of the cost of the investment over the Group's share of the net fair value of the investee's identifiable assets and liabilities is accounted as goodwill and is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the entity's share of the associate or joint venture's profit or loss in the period in which the investment is acquired.

Under the equity method, the investment in associates or joint ventures are carried in the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associates or joint ventures. The profit or loss reflects the share of results of the operations of the associates or joint ventures. Distributions received from joint ventures or associates reduce the carrying amount of the investment. Where there has been a change recognised in other comprehensive income by the associates or joint venture, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and associate or joint venture are eliminated to the extent of the interest in the associates or joint ventures.

When the Group's share of losses in an associate or joint venture equals or exceeds its interest in the associate or joint venture, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate or joint venture.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in associate or joint ventures. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in the associate or joint venture is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value and recognises the amount in the Statements of Total Return.

The financial statements of the associates and joint ventures are prepared as the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

In the Trust's separate financial statements, interests in joint ventures and associates are carried at cost less impairment losses.

A list of the associates and joint ventures is shown in Notes 7 and 8, respectively.

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(g) Fixed assets

Fixed assets are stated at cost less accumulated depreciation and any impairment. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use. The cost of a fixed asset is recognised as an asset if, and only if, it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. Expenditure for additions, improvements and renewals are capitalised and expenditure for maintenance and repair are charged to the Statements of Total Return. When assets are derecognised upon disposal or when no future economic benefits are expected from their use or disposal, their cost and accumulated depreciation are removed from the financial statements and any gain or loss on derecognition of the assets is included in the Statements of Total Return.

Fixed assets are depreciated on the straight line method so as to write off the cost of the fixed assets over their estimated useful lives. The principal annual rates of depreciation for equipment, furniture and fittings range from 10% to 20%.

The carrying values of fixed assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

(h) Intangible assets

Software is initially recognised at cost and subsequently carried at cost less accumulated amortisation.

Software is amortised over the estimated useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite useful lives is recognised in the Statements of Total Return in the expense category consistent with the function of the intangible asset.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statements of Total Return when the asset is derecognised.

(i) Financial assets

The Group determines the classification of its financial assets at initial recognition. When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are carried at amortised cost using the effective interest method, less any impairment losses. Gains or losses are recognised in the Statements of Total Return when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(i) Financial assets (cont'd)

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets classified as held for trading include derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by FRS 39. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial assets are recognised in the Statements of Total Return.

Financial assets are recognised on the Balance Sheets when, and only when, the Group becomes a party to the contractual provisions of the instruments. Financial assets are derecognised when the contractual rights to receive cash flows from the assets have expired. On derecognition, the difference between the carrying amount and the consideration received is recognised in the Statements of Total Return.

All regular way purchases and sales of financial assets are recognised or derecognised on the trade date (i.e., the date that the Group commits to purchase or sell the asset). Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned.

(j) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and bank deposits.

(k) Financial liabilities

Financial liabilities are recognised on the Balance Sheets when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition. Financial liabilities are initially recognised at the fair value of consideration received, and in the case of financial liabilities other than those designated at fair value through profit or loss, less directly attributable transaction costs.

Financial liabilities that are designated at fair value through profit or loss include financial liabilities held for trading. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments such as interest rate swaps entered into by the Group to hedge its risks associated with interest rate fluctuations.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial liabilities are recognised in the Statements of Total Return.

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the Statements of Total Return when the liabilities are derecognised and through the amortisation process.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or has expired.

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(l) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as finance cost.

(m) Impairment

(i) Impairment of non-financial assets

The Group assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An impairment loss is recognised in the Statements of Total Return whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses recognised in prior periods are assessed at each reporting date for any indication that the loss has decreased or no longer exists. If such indication exists, the recoverable amount is estimated. An impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Reversal of an impairment loss is recognised in the Statements of Total Return. After such a reversal, the depreciation charge, if any, is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(m) Impairment (cont'd)

(ii) Impairment of financial assets

The Group assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

For financial assets carried at amortised cost, the Group first assesses individually whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of impairment loss is calculated as the difference between its carrying amount, and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss and any subsequent write-back is recognised in the Statements of Total Return.

When the asset becomes uncollectible, the carrying amount of impaired financial assets is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has incurred, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the Statements of Total Return to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

(n) Security deposits and deferred income

Security deposits relate to rental deposits received from tenants at the Group's investment properties. The accounting policy for security deposits as a financial liability is set out in Note 2(k).

Deferred income relates to the difference between consideration received for security deposits and its fair value at initial recognition, and is credited to the Statements of Total Return as gross rental income on a straight line basis over individual lease term.

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(o) Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement at inception date: whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset even if that right is not explicitly specified in an arrangement.

Leases where the Group retains substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income. The accounting policy for rental income is set out in Note 2(p)(i).

(p) Revenue recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable, excluding discounts, rebates, and sales taxes or duty. The following specific recognition criteria must also be met before revenue is recognised:

(i) Rental income

Rental income receivable under operating leases is recognised in the Statements of Total Return on a straight-line basis over the term of the lease, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased assets. Lease incentives granted are recognised as an integral part of the total rental to be received. The aggregate cost of incentives provided to lessees is recognised as a reduction of rental income over the lease term on a straight-line basis. Contingent rent, which comprises gross turnover rental, is recognised as income in the period in which it is earned.

(ii) Interest income

Interest income is recognised in the Statements of Total Return using the effective interest method.

(q) Expenses

(i) Property expenses

Property expenses are recognised on an accrual basis. Included in property expenses are property management fees which are based on the applicable formula stipulated in Note 1(a).

(ii) Asset management fees

Asset management fees are recognised on an accrual basis based on the applicable formula stipulated in Note 1(b).

(iii) Trust expenses

Trust expenses are recognised on an accrual basis. Included in trust expenses are Trustee's fees which are based on the applicable formula stipulated in Note 1(c).

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(r) Taxation

(i) Current income tax

Current income tax is the expected tax payable on the taxable income for the period, using tax rates and tax laws enacted or substantively enacted at the balance sheet date.

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax is not recognised for temporary differences that:

- Arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- Are associated with investments in subsidiaries and associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the assets are realised or the liabilities are settled, based on tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

(iii) Tax transparency

The Inland Revenue Authority of Singapore ("IRAS") has issued a tax ruling on the income tax treatment of the Trust. Subject to meeting the terms and conditions of the tax ruling which includes a distribution of at least 90% of the taxable income of the Trust, the Trustee will not be assessed to tax on the taxable income of the Trust. Instead, the distributions made by the Trust out of such taxable income are subject to tax in the hands of Unitholders, unless they are exempt from tax on the Trust's distributions (the "tax transparency ruling"). Accordingly, the Trustee and the Manager will deduct income tax at the prevailing corporate tax rate from the distributions made to Unitholders that are made out of the taxable income of the Trust, except:

- Where the beneficial owners are individuals or Qualifying Unitholders, the Trustee and the Manager will make the distributions to such Unitholders without deducting any income tax; and
- Where the beneficial owners are foreign non-individual investors or where the Units are held by nominee Unitholders who can demonstrate that the Units are held for beneficial owners who are foreign non-individual investors, the Trustee and the Manager will deduct/withhold tax at a reduced rate of 10% from the distributions.

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(r) Taxation (cont'd)

(iii) Tax transparency (cont'd)

A Qualifying Unitholder is a Unitholder who is:

- (i) A tax resident Singapore-incorporated company;
- (ii) A non-corporate Singapore constituted or registered entity (e.g. town council, statutory board, charitable organisation, management corporation, club and trade and industry association constituted, incorporated, registered or organised in Singapore);
- (iii) An agent bank or a Supplementary Retirement Scheme ("SRS") operator acting as nominee for individuals who have purchased Units in the Trust within the CPFIS or the SRS respectively; or
- (iv) A nominee who can demonstrate that the Units are held for beneficial owners who are individuals or who fall within the classes of Unitholders listed in (i) to (ii) above.

The above tax transparency ruling does not apply to gains from the sale of real properties. Such gains, when determined by the IRAS to be trading gains, are assessable to tax on the Trustee. Where the gains are capital gains, the Trustee will not be assessed to tax and may distribute the capital gains without tax being deducted at source.

(iv) Sales tax

Revenue, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the IRAS is included as part of receivables or payables on the Balance Sheets.

(s) Borrowing costs

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in the Statements of Total Return using the effective interest method.

(t) Segment reporting

For management purposes, the Group is organised into operating segments based on individual investment property within the Group's portfolio. The Manager regularly reviews the segment results in order to allocate resources to the segments and to assess the segments' performance. Additional disclosures on each of these segments are shown in Note 26, including the factors used to identify the reportable segments and the measurement basis of segment information.

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(u) Units and unit issuance expenses

Proceeds from issuance of Units are recognised as Unitholders' funds. Incremental costs directly attributable to the issuance of Units are deducted against Unitholders' funds.

(v) Contingencies

A contingent liability is:

- A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or the Trust; or
- A present obligation that arises from past events but is not recognised because:
 - (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - (ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or the Trust.

Contingent liabilities and assets are not recognised on the Balance Sheets, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

3. INVESTMENT PROPERTIES

	Group and Trust	
	2016	2015
	\$'000	\$'000
At beginning	2,464,000	2,400,000
Capital expenditure	16,056	441
	<hr/>	<hr/>
	2,480,056	2,400,441
Surplus on revaluation taken to Statements of Total Return	28,944	63,559
At end	<hr/>	<hr/>
	2,509,000	2,464,000

The investment properties owned by the Group and the Trust are set out in the Portfolio Statements on pages 129 to 131.

Bedok Point has been mortgaged as security for a \$70 million secured five-year term loan from DBS Bank Ltd (Note 13).

Anchorpoint has been mortgaged as security for a \$80 million secured five-year term loan from DBS Bank Ltd (Note 13).

YewTee Point has been mortgaged as security for a \$136 million secured five-year term loan from Oversea-Chinese Banking Corporation Limited and DBS Bank Ltd (Note 13).

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

3. INVESTMENT PROPERTIES (CONT'D)

Valuation processes

Investment properties are stated at fair value based on valuations performed by external independent valuers who possess appropriate recognised professional qualifications and relevant experience in the location and property being valued. In accordance with the CIS code, the Group rotates the independent valuers every two years.

In determining the fair value, the valuers have used valuation methods which involve certain estimates. The key assumptions used to determine the fair value of investment properties include market-corroborated capitalisation yields, discount rates and terminal yields. The Manager reviews the appropriateness of the valuation methodologies, assumptions and estimates adopted and is of the view that they are reflective of the market conditions as at 30 September 2016.

Fair value hierarchy

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
At 30 September 2016				
<u>Non-financial assets</u>				
Investment properties	–	–	2,509,000	2,509,000
At 30 September 2015				
<u>Non-financial assets</u>				
Investment properties	–	–	2,464,000	2,464,000

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

3. INVESTMENT PROPERTIES (CONT'D)

Level 3 fair value measurements

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3):

Description	Fair value at 30 September 2016 \$'000	Valuation techniques	Key unobservable inputs	Range of unobservable inputs	Relationship of unobservable inputs to fair value
Investment properties	2,509,000	Capitalisation approach	Capitalisation rate	5.25% – 5.75%	The higher the rate, the lower the fair value.
		Discounted cash flow analysis	Discount rate	7.50% – 8.00%	The higher the rate, the lower the fair value.
			Terminal yield	5.50% – 6.00%	The higher the rate, the lower the fair value.
		Direct comparison method	Transacted prices	–	The higher the comparable value, the higher the fair value.

A significant reduction in the capitalisation rate and/or discount rate in isolation would result in a significantly higher fair value of the investment properties.

The key unobservable inputs correspond to:

- Discount rate, based on the risk-free rate for 10-year bonds issued by the government in Singapore, adjusted for a risk premium to reflect the increased risk of investing in the asset class;
- Terminal yield reflects the uncertainty, functional/economic obsolescence and the risk associated with the investment properties; and
- Capitalisation rate which corresponds to a rate of return on investment properties based on the expected income that the property will generate.

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

3. INVESTMENT PROPERTIES (CONT'D)

Level 3 fair value measurements (cont'd)

The net change in fair value of the properties recognised in the Statements of Total Return has been adjusted for amortisation of lease incentives as follows:

	Group and Trust	
	2016	2015
	\$'000	\$'000
Surplus on revaluation	28,944	63,559
Amortisation of lease incentives	(537)	480
Surplus on revaluation recognised in Statements of Total Return	<u>28,407</u>	<u>64,039</u>

Direct operating expenses (including repairs and maintenance) arising from rental generating properties are disclosed on Note 18 to the financial statements.

The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements other than as disclosed in Note 27.

4. FIXED ASSETS

	Equipment, furniture and fittings Group and Trust	
	2016	2015
	\$'000	\$'000
Cost		
At beginning	360	324
Additions	23	38
Disposals	(26)	(2)
At end	<u>357</u>	<u>360</u>
Accumulated depreciation		
At beginning	255	211
Charge for the year	41	46
Disposals	(25)	(2)
At end	<u>271</u>	<u>255</u>
Carrying amount		
At beginning	<u>105</u>	<u>113</u>
At end	<u>86</u>	<u>105</u>

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

5. INTANGIBLE ASSETS

	Software	
	2016	2015
	\$'000	\$'000
Group and Trust		
Cost		
At beginning	90	90
Additions	–	–
At end	90	90
Accumulated amortisation		
At beginning	24	6
Charge for the year	18	18
At end	42	24
Carrying amount		
At beginning	66	84
At end	48	66

6. INVESTMENT IN SUBSIDIARY

	Trust	
	2016	2015
	\$'000	\$'000
Unquoted equity investment, at cost	*	*

* Denotes amount less than \$500.

Details of the subsidiary are as follows:

Name of subsidiary	Place of incorporation / business	Effective equity interest held by the Trust	
		2016	2015
		%	%
FCT MTN Pte. Ltd. ⁽¹⁾	Singapore	100	100

⁽¹⁾ Audited by KPMG LLP, Singapore

FCT MTN Pte. Ltd. ("FCT MTN") is a wholly-owned subsidiary with share capital of \$2 comprising 2 ordinary shares. The principal activity of the subsidiary is the provision of treasury services, including lending to the Trust the proceeds from issuance of notes under an unsecured multicurrency medium term note programme.

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

7. INVESTMENT IN ASSOCIATE

	Group		Trust	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Quoted units, at cost	67,806	67,806	67,806	67,806
Share of post-acquisition reserves				
– operations	3,598	3,844	–	–
– revaluation surplus	14,004	18,099	–	–
Translation difference	(19,049)	(20,167)	–	–
	66,359	69,582	67,806	67,806
Allowance for impairment	(6,759)	(6,759)	(3,963)	(3,963)
	59,600	62,823	63,843	63,843
Fair value of investment based on published price quotation	64,511	60,914	64,511	60,914

Details of the associate are as follows:

Name of associate	Place of incorporation / business	Effective equity interest held by the Group and Trust	
		2016 %	2015 %
Hektar Real Estate Investment Trust ⁽¹⁾	Malaysia	31.17	31.17

⁽¹⁾ Audited by SJ Grant Thornton, Malaysia

Hektar Real Estate Investment Trust (“H-REIT”) is a real estate investment trust constituted in Malaysia by a trust deed dated 5 October 2006. H-REIT units are listed on the Main Board of Bursa Malaysia Securities Berhad. The principal investment objective of H-REIT is to invest in income-producing real estate in Malaysia used primarily for retail purposes.

As the results of H-REIT are not expected to be announced in sufficient time to be included in the Group’s results for the quarter ended 30 September 2016, the Group has estimated the results of H-REIT for the quarter ended 30 September 2016 based on its results for the preceding quarter, adjusted for significant transactions and events occurring up to the reporting date of the Group, if any.

The result for H-REIT was equity accounted for at the Group level, net of 10% (2015: 10%) withholding tax in Malaysia.

NOTES TO THE FINANCIAL STATEMENTS

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7. INVESTMENT IN ASSOCIATE (CONT'D)

The following summarised financial information relating to the associate has not been adjusted for the percentage of ownership interest held by the Group:

	2016 ⁽²⁾ \$'000	2015 ⁽³⁾ \$'000
Assets and liabilities		
Non-current assets	364,872	395,216
Current assets	12,651	10,628
Total assets	<u>377,523</u>	<u>405,844</u>
Current liabilities	12,661	11,815
Non-current liabilities	169,186	172,096
Total liabilities	<u>181,847</u>	<u>183,911</u>
Results		
Revenue	42,340	44,308
Expenses	(27,982)	(28,188)
Revaluation surplus	(13,374)	2,181
Total return for year	<u>984</u>	<u>18,301</u>

⁽²⁾ The financial information is based on the latest available unaudited management accounts as at 30 June 2016 and for the six months ended 30 June 2016 and the pro-rated six month results from the audited financial statements for the period ended 31 December 2015.

⁽³⁾ The financial information is based on the unaudited management accounts as at 30 June 2015 and for the six months ended 30 June 2015 and the pro-rated six month results from the audited financial statements for the period ended 31 December 2014.

As at 30 September 2016 and 2015, the associate's property portfolio comprises Subang Parade in Selangor, Mahkota Parade in Melaka, Wetex Parade in Muar, Johor, Central Square and Landmark Central in Kedah.

8. INVESTMENT IN JOINT VENTURE

	Group		Trust	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Unquoted equity investment, at cost	1	1	1	1
Share of post-acquisition reserves – operations	234	153	–	–
	<u>235</u>	<u>154</u>	<u>1</u>	<u>1</u>

Details of the joint venture are as follows:

Name of joint venture	Place of incorporation / business	Effective equity interest held by the Group and Trust	
		2016 %	2015 %
Changi City Carpark Operations LLP	Singapore	<u>43.68</u>	<u>43.68</u>

The Group has 43.68% interest in the ownership and voting rights in a joint venture, Changi City Carpark Operations LLP. This joint venture is incorporated in Singapore and is a strategic venture in the management and operation of car park in Changi City Point. The Group jointly controls the venture with other partner under the contractual agreement and requires unanimous consent for all major decisions over the relevant activities.

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

9. TRADE AND OTHER RECEIVABLES

	Group and Trust	
	2016	2015
	\$'000	\$'000
Trade receivables	3,963	2,020
Allowance for doubtful receivables	(62)	(61)
Net trade receivables	3,901	1,959
Deposits	443	70
Prepayments	166	532
Amount due from joint venture	87	87
Loan arrangement fees	2,203	1,396
Fair value of interest rate swaps	–	1,357
	6,800	5,401

Trade receivables are recognised at their original invoiced amounts which represent their fair values on initial recognition.

- (i) Trade receivables that are past due but not impaired

The Group and the Trust have trade receivables amounting to \$3,901,000 (2015: \$1,959,000) that are past due at the balance sheet date but not impaired. The aging of receivables at the balance sheet date is as follows:

	Group and Trust	
	2016	2015
	\$'000	\$'000
Trade receivables past due but not impaired:		
Less than 30 days	2,776	1,624
30 to 60 days	539	169
61 to 90 days	76	76
91 to 120 days	205	41
More than 120 days	305	49
	3,901	1,959

- (ii) Trade receivables that are impaired

The Group's and the Trust's trade receivables that are impaired at the balance sheet date and the movements of the allowance account used to record the impairment are as follows:

	Group and Trust	
	2016	2015
	\$'000	\$'000
Trade receivables	62	61
Allowance for impairment	(62)	(61)
	–	–

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

9. TRADE AND OTHER RECEIVABLES (CONT'D)

	Group and Trust	
	2016	2015
	\$'000	\$'000
Movement in allowance account:		
At beginning	61	69
Impairment loss recognised	38	8
Written back	(36)	(7)
Allowance utilised	(1)	(9)
At end	<u>62</u>	<u>61</u>

Trade receivables that are individually determined to be impaired at the balance sheet date relate to debtors that are in significant difficulties and have defaulted on payments. The allowance for impairment recorded in relation to these receivables represents the amount in excess of the security deposits held as collateral.

Based on the Group's historical experience of the collection of trade receivables, the Manager believes that there is no additional credit risk beyond those which have been provided for.

10. CASH AND CASH EQUIVALENTS

For purpose of the consolidated cash flow statement, cash and cash equivalents comprise the following at the balance sheet date:

	Group and Trust	
	2016	2015
	\$'000	\$'000
Cash at bank and on hand	<u>18,708</u>	<u>16,197</u>

NOTES TO THE FINANCIAL STATEMENTS

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11. TRADE AND OTHER PAYABLES

	Group		Trust	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Trade payables and accrued operating expenses	26,567	16,694	26,585	16,712
Amounts due to related parties (trade)	9,005	6,486	9,005	6,486
Deposits and advances	180	4,365	180	4,365
Interest payable	2,571	3,196	2,571	3,196
Other payables	36	29	36	29
Withholding tax	1,000	981	1,000	981
Fair value of interest rate swaps	601	62	601	62
	<u>39,960</u>	<u>31,813</u>	<u>39,978</u>	<u>31,831</u>

Included in trade payables and accrued operating expenses is an amount due to the Trustee of \$67,487 (2015: \$66,441).

Included in amounts due to related parties are amounts due to the Manager of \$3,788,620 (2015: \$3,759,333) and the Property Manager of \$5,205,879 (2015: \$2,568,740) respectively. The amounts due to related parties are unsecured, interest free and payable within the next 3 months.

The Trust entered into contracts to exchange, at specified intervals, the difference between floating rate and fixed rate interest amounts calculated by reference to agreed notional amounts. As at balance sheet date, the Trust has interest rate swaps for:

- (i) notional contract amount of \$70 million that matures in December 2016; and
- (ii) notional contract amount of \$90 million that matures in June 2017.

The fair value of the interest rate swaps is determined using valuation technique as disclosed in Note 24(b). The Group does not apply hedge accounting.

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

12. DEFERRED INCOME

	Group and Trust	
	2016	2015
	\$'000	\$'000
Cost		
At beginning	2,888	3,147
Additions	–	880
Fully amortised	(910)	(1,139)
At end	<u>1,978</u>	<u>2,888</u>
Accumulated amortisation		
At beginning	1,580	1,744
Charge for the year	732	975
Fully amortised	(910)	(1,139)
At end	<u>1,402</u>	<u>1,580</u>
Net deferred income	<u>576</u>	<u>1,308</u>
This comprises:		
Current portion	427	732
Non-current portion	149	576
	<u>576</u>	<u>1,308</u>

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

13. INTEREST-BEARING BORROWINGS

	Group		Trust	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Non-current liabilities				
Term loan (secured)	216,000	70,000	216,000	70,000
Term loan (unsecured)	60,000	150,000	60,000	150,000
Loan from subsidiary (unsecured)	–	–	240,000	220,000
Medium Term Notes (unsecured)	240,000	220,000	–	–
	<u>516,000</u>	<u>440,000</u>	<u>516,000</u>	<u>440,000</u>
Current liabilities				
Term loan (secured)	70,000	264,000	70,000	264,000
Term loan (unsecured)	90,000	–	90,000	–
Medium Term Notes (unsecured)	30,000	–	–	–
Loan from subsidiary (unsecured)	–	–	30,000	–
Short term loans (unsecured)	28,000	14,000	28,000	14,000
	<u>218,000</u>	<u>278,000</u>	<u>218,000</u>	<u>278,000</u>

(a) Term loans (secured)

- (i) The Trust obtained a \$264 million 5-year secured term loan under a facility agreement dated 29 November 2010 between (i) the Trustee, as borrower and (ii) DBS Bank Ltd, Oversea-Chinese Banking Corporation Limited and Standard Chartered Bank, as lenders (the "\$264 million Secured Term Loan"). The secured term loan bears interest at the swap-offer rate plus a margin.

The \$264 million Secured Term Loan is principally secured by the following:

- a mortgage over Northpoint;
- an assignment of the rights, benefits, title and interest of the Trust in, under and arising out of the insurances effected in respect of Northpoint;
- an assignment and charge of the rights, benefits, title and interest of the Trust in, under and arising out of the tenancy agreements, the sale agreements, the performance guarantees (including sale proceeds and rental proceeds) and the bank accounts arising from, relating to or in connection with Northpoint; and
- a first fixed and floating charge over all present and future assets of the Trust in connection with Northpoint.

The \$264 million Secured Term Loan had been fully repaid upon its maturity on 4 July 2016. Its mortgage had been discharged upon maturity.

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

13. INTEREST-BEARING BORROWINGS (CONT'D)

(a) Term loans (secured) (cont'd)

- (ii) In December 2011, the Trust entered into a facility agreement with DBS Bank Ltd for a secured five-year term loan of \$70 million (the "\$70 million Secured Term Loan").

The \$70 million Secured Term Loan is principally secured by the following:

- a mortgage over Bedok Point;
- an assignment of the rights, benefits, title and interest of the Trust in, under and arising out of the insurances effected in respect of Bedok Point;
- an assignment and charge of the rights, benefits, title and interest of the Trust in, under and arising out of the tenancy agreements, the sale agreements, the performance guarantees (including sale proceeds and rental proceeds) and the bank accounts arising from, relating to or in connection with Bedok Point; and
- a first fixed and floating charge over all present and future assets of the Trust in connection with Bedok Point.

- (iii) In March 2016, the Trust entered into a facility agreement with DBS Bank Ltd for a secured five-year term loan of \$80 million (the "\$80 million Secured Term Loan").

The \$80 million Secured Term Loan is principally secured by the following:

- a mortgage over Anchorpoint;
- an assignment of the rights, benefits, title and interest of the Trust in, under and arising out of the insurances effected in respect of Anchorpoint; and
- an assignment and charge of the rights, benefits, title and interest of the Trust in, under and arising out of the tenancy agreements, the sale agreements, the performance guarantees (including sale proceeds and rental proceeds) and the bank accounts arising from, relating to or in connection with Anchorpoint.

- (iv) In June 2016, the Trust entered into a facility agreement with Oversea-Chinese Banking Corporation Limited and DBS Bank Ltd for a secured five-year term loan of \$136 million (the "\$136 million Secured Term Loan").

The \$136 million Secured Term Loan is principally secured by the following:

- a mortgage over YewTee Point;
- an assignment of the rights, benefits, title and interest of the Trust in, under and arising out of the insurances effected in respect of YewTee Point; and
- an assignment and charge of the rights, benefits, title and interest of the Trust in, under and arising out of the tenancy agreements, the sale agreements, the performance guarantees (including sale proceeds and rental proceeds) and the bank accounts arising from, relating to or in connection with YewTee Point.

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

13. INTEREST-BEARING BORROWINGS (CONT'D)

(b) Term loan (unsecured)

On 9 June 2014, the Trust entered into a facility agreement with DBS Bank Ltd and Citibank N.A., Singapore branch for an unsecured term loan of \$150 million. The unsecured term loan, which has 2 repayment dates in June 2017 and June 2019, bears interest at swap-offer rate plus respective margins.

(c) Medium Term Notes (unsecured)

On 7 May 2009, the Group through its subsidiary, FCT MTN, established a \$500,000,000 Multicurrency Medium Term Note Programme ("FCT MTN Programme"). With effect from 14 August 2013, the maximum aggregate principal amount of notes that may be issued under the FCT MTN Programme is increased from \$500,000,000 to \$1,000,000,000. Under the FCT MTN Programme, FCT MTN may, subject to compliance with all relevant laws, regulations and directives, from time to time issue notes (the "Notes") in Singapore dollars or any other currency. The Notes may be issued in various amounts and tenors, and may bear interest at fixed, floating, hybrid or variable rates of interest. Hybrid notes or zero coupon notes may also be issued under the FCT MTN Programme.

The Notes shall constitute direct, unconditional, unsubordinated and unsecured obligations of FCT MTN ranking *pari passu*, without any preference or priority among themselves, and *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of FCT MTN. All sums payable in respect of the Notes are unconditionally and irrevocably guaranteed by the Trustee.

As at 30 September 2016, the aggregate balance of the Notes issued by the Group under the FCT MTN Programme amounted to \$270 million (2015: \$220 million), consisting of:

- (i) \$30 million (2015: \$30 million) Fixed Rate Notes which mature on 12 June 2017 and bear a fixed interest rate of 2.850% per annum payable semi-annually in arrear;
- (ii) \$70 million (2015: \$70 million) Fixed Rate Notes which mature on 21 January 2020 and bear a fixed interest rate of 3.000% per annum payable semi-annually in arrear;
- (iii) \$60 million (2015: \$60 million) Fixed Rate Notes which mature on 12 December 2017 and bear a fixed interest rate of 2.535% per annum payable semi-annually in arrear;
- (iv) \$60 million (2015: \$60 million) Fixed Rate Notes which mature on 10 April 2019 and bear a fixed interest rate of 2.900% per annum payable semi-annually in arrear; and
- (v) \$50 million (2015: \$Nil) Fixed Rate Notes which mature on 21 June 2021 and bear a fixed interest rate of 2.760% per annum payable semi-annually in arrear.

(d) Short term loans (unsecured)

The Trust has obtained unsecured credit facilities totalling \$90 million (2015: \$50 million). As at 30 September 2016, total borrowings drawn down by the Trust on these facilities amounted to \$28 million (2015: \$14 million).

NOTES TO THE FINANCIAL STATEMENTS

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14. TRANSLATION RESERVE

The translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currency is different from that of the Group's presentation currency.

	Group	
	2016	2015
	\$'000	\$'000
At beginning	20,167	7,449
Net effect of exchange (gain)/loss arising from translation of financial statements of foreign operations	(1,118)	12,718
At end	19,049	20,167

15. UNITS IN ISSUE

	Group and Trust	
	2016	2015
	No. of Units	No. of Units
	'000	'000
Units in issue		
At beginning	916,840	915,415
Issue of Units		
– issued as satisfaction of asset management fees	2,529	1,425
At end	919,369	916,840
Units to be issued		
– as asset management fees payable in Units	829	371
Total issued and issuable Units at end	920,198	917,211

Each Unit represents an undivided interest in the Trust. The rights and interests of Unitholders are contained in the Trust Deed and include the rights to:

- Receive income and other distributions attributable to the Units held;
- Participate in the termination of the Trust by receiving a share of all net cash proceeds derived from the realisation of the assets of the Trust less any liabilities, in accordance with their proportionate interests in the Trust. However, a Unitholder has no equitable or proprietary interest in the underlying assets of the Trust and is not entitled to the transfer to it of any assets (or part thereof) or of any estate or interest in any assets (or part thereof) of the Trust;
- Attend all Unitholders' meetings. The Trustee or the Manager may (and the Manager shall at the request in writing of not less than 50 Unitholders or one-tenth number of the Unitholders, whichever is lesser) at any time convene a meeting of Unitholders in accordance with the provisions of the Trust Deed; and
- One vote per Unit.

NOTES TO THE FINANCIAL STATEMENTS

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15. UNITS IN ISSUE (CONT'D)

The restrictions of a Unitholder include the following:

- A Unitholder's right is limited to the right to require due administration of the Trust in accordance with the provisions of the Trust Deed; and
- A Unitholder has no right to request the Manager to redeem his Units while the Units are listed on SGX-ST.
- A Unitholder's liability is limited to the amount paid or payable for any Units in the Trust. The provisions of the Trust Deed provide that no Unitholders will be personally liable to indemnify the Trustee or any creditor of the Trustee in the event that liabilities of the Trust exceed its assets.

16. NET ASSET VALUE PER UNIT

	Group		Trust	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000

Net asset value per Unit is based on:

Net assets	1,775,645	1,754,544	1,779,636	1,755,393
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	'000	'000	'000	'000
Total issued and issuable Units (Note 15)	920,198	917,211	920,198	917,211

17. GROSS REVENUE

	Group and Trust	
	2016	2015
	\$'000	\$'000
Gross rental income	162,969	167,914
Turnover rental income	9,141	9,288
Carpark income	4,484	4,738
Others	7,222	7,302
	<u>183,816</u>	<u>189,242</u>

NOTES TO THE FINANCIAL STATEMENTS

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18. PROPERTY EXPENSES

	Group and Trust	
	2016	2015
	\$'000	\$'000
Property tax	15,707	15,700
Utilities	2,447	5,779
Maintenance	15,923	16,020
Property management fees	7,100	7,242
Marketing expenses	6,697	6,865
Allowance for doubtful receivables	38	8
Write back of allowance for doubtful receivables	(36)	(7)
Depreciation of fixed assets	41	46
Amortisation of intangible assets	18	18
Staff costs ⁽¹⁾	4,134	3,886
Carpark expenses	1,236	1,973
Others	659	669
	<u>53,964</u>	<u>58,199</u>

⁽¹⁾ Relates to reimbursement of staff costs paid/payable to the Property Manager.

The Group and the Trust do not have any employees.

19. BORROWING COSTS

	Group and Trust	
	2016	2015
	\$'000	\$'000
Interest expense	16,299	18,447
Amortisation of loan arrangement fees	888	889
	<u>17,187</u>	<u>19,336</u>

20. ASSET MANAGEMENT FEES

Asset management fees comprise \$7,716,381 (2015: \$7,545,053) of base fee and \$6,492,582 (2015: \$6,552,138) of performance fee computed in accordance with the fee structure as disclosed in Note 1(b) to the financial statements.

An aggregate of 2,986,994 (2015: 1,432,104) Units were issued or are issuable to the Manager as satisfaction of the asset management fees payable for the financial year ended 30 September 2016.

NOTES TO THE FINANCIAL STATEMENTS

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21. TAXATION

	Group		Trust	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Reconciliation of effective tax				
Net income	96,813	96,205	96,811	96,202
Income tax using Singapore tax rate of 17% (2015: 17%)	16,458	16,355	16,458	16,354
Non-tax deductible items	1,174	954	1,174	955
Income not subject to tax	667	721	667	721
Income exempt from tax	(18,299)	(18,030)	(18,299)	(18,030)
	-	-	-	-

22. EARNINGS PER UNIT

The calculation of basic earnings per Unit is based on the weighted average number of Units during the year and total return for the year.

	Group		Trust	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Total return for year after tax	123,446	171,464	127,706	170,278
	'000	'000	'000	'000
Weighted average number of Units in issue	918,181	916,318	918,181	916,318

Diluted earnings per Unit is the same as basic earnings per Unit as there is no dilutive instrument in issue during the year.

NOTES TO THE FINANCIAL STATEMENTS

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23. SIGNIFICANT RELATED PARTY TRANSACTIONS

During the financial year, other than the transactions disclosed in the financial statements, the following related party transactions were carried out in the normal course of business on arm's length commercial terms:

	Group and Trust	
	2016	2015
	\$'000	\$'000
Property management fees and reimbursement of expenses paid/payable to the Property Manager ⁽¹⁾	17,933	17,634
Reimbursement of expenses paid/payable to the Manager	43	41
Reimbursement of expenses paid/payable to a subsidiary of a Unitholder	33	8
Recovery of expenses paid on behalf of a subsidiary of a Unitholder	(14)	(27)
Recovery of net income receivable from related companies of the Manager	(8)	(27)
Income from related company of the Manager	(3)	(23)
Car park expenses paid/payable to the Joint Venture	32	28

⁽¹⁾ In accordance with service agreements in relation to management of the Trust and its property operations.

24. FAIR VALUE OF ASSETS AND LIABILITIES

(a) Assets and liabilities measured at fair value

	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
At 30 September 2016				
<u>Financial liabilities</u>				
Interest rate swaps	–	601	–	601
At 30 September 2015				
<u>Financial assets</u>				
Interest rate swaps	–	1,357	–	1,357
At 30 September 2015				
<u>Financial liabilities</u>				
Interest rate swaps	–	62	–	62

During the financial years ended 30 September 2016 and 2015, there have been no transfers between the respective levels.

(b) Level 2 fair value measurements

Interest rate swap contracts are valued using present value calculations by applying market observable inputs existing at each balance sheet date into swap models. The models incorporate various inputs including the credit quality of counterparties and interest rate curves.

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

24. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

(c) Fair value of financial liabilities that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair values

The following fair values, which are determined for disclosure purposes, are estimated by discounting expected future cash flows at market incremental lending rates for similar types of lending or borrowing arrangements at the balance sheet date:

	2016 \$'000		2015 \$'000	
	Carrying amount	Fair value	Carrying amount	Fair value

Group and Trust

Financial liabilities

Interest-bearing borrowings

(non-current)

516,000 521,788 440,000 439,080

Security deposits (non-current)

23,883 23,131 25,957 25,377

539,883 544,919 465,957 464,457

(d) Fair value of financial assets and liabilities that are not carried at fair value and whose carrying amounts are reasonable approximation of fair values

The carrying amounts of financial assets and liabilities with maturity of less than one year (including trade and other receivables, cash and cash equivalents, and trade and other payables) are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the balance sheet date.

25. FINANCIAL RISK MANAGEMENT

(a) Capital risk management

The primary objective of the Group's capital management is to ensure that it maintains a strong and healthy capital structure in order to support its business and maximise Unitholder value.

The Group is subject to the aggregate leverage limit as defined in the Property Fund Guidelines of the CIS Code. The CIS Code stipulates that borrowings and deferred payments (together the "Aggregate Leverage") of a property fund should not exceed 35.0% of the fund's depository property. The Aggregate Leverage of a property fund may exceed 35.0% of its depository property (up to a maximum of 60.0%) only if a credit rating from Fitch Inc., Moody's or Standard and Poor's is obtained and disclosed to the public. With effect from 1 January 2016, the aggregate leverage of a property fund shall not exceed 45%.

As at 30 September 2016, the Group's Aggregate Leverage stood at 28.3% (2015: 28.2%) of its depository property, which is within the limit set by the Property Fund Guidelines and externally imposed capital requirements. The Trust has maintained its corporate ratings of "BBB+" from Standard and Poor's and "Baa1" from Moody's.

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

25. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Financial risk management objectives and policies

Exposure to credit, interest rate and liquidity risks arises in the normal course of the Group's business. The Manager continually monitors the Group's exposure to the above risks. There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures risks.

(i) Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Group as and when they fall due.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Manager has established credit limits for tenants and monitors their balances on an ongoing basis. Credit evaluations are performed by the Manager before lease agreements are entered into with tenants. Credit risk is also mitigated by the rental deposits held for each of the tenants. In addition, receivables are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

The Manager has established an allowance account for impairment that represents its estimate of losses in respect of trade receivables due from specific customers. Subsequently when the Group is satisfied that no recovery of such losses is possible, the financial asset is considered irrecoverable and the amount charged to the allowance account is written off against the carrying amount of the impaired financial asset.

The maximum exposure to credit risk is represented by the carrying value of each financial asset on the Balance Sheets. At the balance sheet date, approximately 14.0% (2015: 6.5%) of the Group's trade receivables were due from 5 tenants who are reputable companies located in Singapore.

Trade and other receivables that are neither past due nor impaired represent creditworthy debtors with good payment record with the Group. Cash and fixed deposits are placed with a local bank regulated by the MAS.

Information regarding financial assets that are either past due or impaired is disclosed in Note 9.

(ii) Interest rate risk

The Group's exposure to changes in interest rates relates primarily to its interest-earning financial assets and interest-bearing financial liabilities. Interest rate risk is managed by the Manager on an ongoing basis with the primary objective of limiting the extent to which net interest expense could be affected by adverse movements in interest rates. The Manager adopts a policy of fixing the interest rates for a portion of its outstanding borrowings using financial derivatives or other suitable financial products.

Sensitivity analysis for interest rate risk

It is estimated that twenty five (2015: a hundred) basis points increase or decrease in interest rate at the balance sheet date, with all other variables held constant, would decrease or increase the Group's total return for the year and Unitholders' funds by approximately \$451,000 (2015: \$3,014,000), arising mainly as a result of change in the fair value of interest rate swap instruments. On outstanding borrowings not covered by financial derivatives at the balance sheet date, it is estimated that a twenty five basis points increase in interest rate, with all other variables held constant, would decrease the Group's total return for the year and Unitholders' funds by approximately \$690,000 (2015: \$448,000) and a twenty five basis points decrease in interest rate, with all other variables held constant, would increase the Group's total return for the year and Unitholders' funds by approximately \$690,000 (2015: \$448,000), arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on current observable market environment.

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

25. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Financial risk management objectives and policies (cont'd)

(iii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's objective is to maintain sufficient cash on demand to meet expected operational expenses for a reasonable period, including the servicing of financial obligations. The Manager monitors and maintains a level of cash and cash equivalents deemed adequate to finance the Group's operations and to mitigate the effects of fluctuations in cash flows. In addition, the Manager monitors and observes the CIS Code issued by the MAS concerning limits on total borrowings.

The table below summarises the maturity profile of the Group's and the Trust's financial liabilities at the balance sheet date based on contractual undiscounted payments.

	Within 1 year \$'000	1 to 5 years \$'000	More than 5 years \$'000	Total \$'000
As at 30 September 2016				
Group				
Trade and other payables	39,359	–	–	39,359
Derivative financial instruments	601	–	–	601
Security deposits	21,010	23,873	10	44,893
Interest-bearing borrowings	229,973	538,368	–	768,341
	<u>290,943</u>	<u>562,241</u>	<u>10</u>	<u>853,194</u>
Trust				
Trade and other payables	39,377	–	–	39,377
Derivative financial instruments	601	–	–	601
Security deposits	21,010	23,873	10	44,893
Interest-bearing borrowings	229,973	538,368	–	768,341
	<u>290,961</u>	<u>562,241</u>	<u>10</u>	<u>853,212</u>
As at 30 September 2015				
Group				
Trade and other payables	31,751	–	–	31,751
Derivative financial instruments	62	–	–	62
Security deposits	17,955	26,456	10	44,421
Interest-bearing borrowings	293,095	459,375	–	752,470
	<u>342,863</u>	<u>485,831</u>	<u>10</u>	<u>828,704</u>
Trust				
Trade and other payables	31,769	–	–	31,769
Derivative financial instruments	62	–	–	62
Security deposits	17,955	26,456	10	44,421
Interest-bearing borrowings	293,095	459,375	–	752,470
	<u>342,881</u>	<u>485,831</u>	<u>10</u>	<u>828,722</u>

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

26. SEGMENT REPORTING

Business segments

The Group is in the business of investing in the following shopping malls, which are considered to be the main business segments: Causeway Point, Northpoint, Anchorpoint, YewTee Point, Bedok Point and Changi City Point. All these properties are located in Singapore.

Management monitors the operating results of the business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment information is presented in respect of the Group's business segments, based on its management and internal reporting structure.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly income-earning assets, interest-bearing borrowings and their related revenue and expenses.

Segment capital expenditure is the total costs incurred during the year to acquire segment assets that are expected to be used for more than one year.

Geographical segments

The Group's operations are primarily in Singapore except for its associate, for which operations are in Malaysia.

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

26. SEGMENT REPORTING (COMT'D)

(a) *Business segments*

	Causeway Point \$'000	North- point \$'000	Anchor- point \$'000	YewTee Point \$'000	Bedok Point \$'000	Changi City Point \$'000	Group \$'000
2016							
<i>Revenue and expenses</i>							
Gross rental income	72,889	40,788	7,853	12,640	7,450	21,349	162,969
Others	10,133	4,174	875	1,703	884	3,078	20,847
Gross revenue	<u>83,022</u>	<u>44,962</u>	<u>8,728</u>	<u>14,343</u>	<u>8,334</u>	<u>24,427</u>	<u>183,816</u>
Segment net property income	<u>62,031</u>	<u>33,333</u>	<u>4,698</u>	<u>10,206</u>	<u>4,226</u>	<u>15,358</u>	129,852
Unallocated expenses *							(33,039)
Net income							96,813
Unrealised gain from fair valuation of derivatives							(1,896)
Share of results of associate							(416)
Share of results of joint venture							538
Surplus on revaluation of investment properties	32,408	(8,463)	3,031	2,019	(201)	(387)	<u>28,407</u>
Total return for the year							<u>123,446</u>
2015							
<i>Revenue and expenses</i>							
Gross rental income	71,175	45,131	7,926	12,251	8,393	23,039	167,915
Others	9,785	5,204	846	1,798	993	2,701	21,327
Gross revenue	<u>80,960</u>	<u>50,335</u>	<u>8,772</u>	<u>14,049</u>	<u>9,386</u>	<u>25,740</u>	<u>189,242</u>
Segment net property income	<u>59,100</u>	<u>36,156</u>	<u>4,799</u>	<u>9,720</u>	<u>4,945</u>	<u>16,323</u>	131,043
Interest income							180
Unallocated expenses *							(35,018)
Net income							96,205
Unrealised gain from fair valuation of derivatives							5,442
Share of results of associate							5,272
Share of results of joint venture							506
Surplus on revaluation of investment properties	52,535	10,036	2,033	6,982	(11,945)	4,398	<u>64,039</u>
Total return for the year							<u>171,464</u>

* Unallocated expenses include borrowing costs and asset management fees as disclosed in the Statements of Total Return.

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

26. SEGMENT REPORTING (COMT'D)

(a) *Business segments (cont'd)*

	Causeway Point \$'000	North- point \$'000	Anchor- point \$'000	YewTee Point \$'000	Bedok Point \$'000	Changi City Point \$'000	Group \$'000
As at 30 September 2016							
<i>Assets and liabilities</i>							
Segment assets	1,147,132	675,130	104,611	173,850	109,916	314,786	2,525,425
Investment in associate							59,600
Investment in joint venture							235
Unallocated assets							9,217
Total assets							<u>2,594,477</u>
Segment liabilities	30,064	21,012	3,847	5,693	4,526	11,382	76,524
Unallocated liabilities							
– Trade and other payables							8,308
– Interest-bearing borrowings							734,000
Total liabilities							<u>818,832</u>
<i>Other segmental information</i>							
Allowance for doubtful receivables	12	–	19	–	5	2	38
Write back of allowance for doubtful receivables	(13)	–	(19)	–	–	(4)	(36)
Amortisation of lease incentives	417	(955)	56	26	30	(111)	(537)
Depreciation of fixed assets	15	6	4	5	6	5	41
Amortisation of intangible assets	3	3	3	3	3	3	18
Capital expenditure							
– Investment properties	1,009	14,509	25	7	230	276	16,056
– Fixed assets	11	2	2	–	6	2	23

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

26. SEGMENT REPORTING (COMT'D)

(a) *Business segments (cont'd)*

	Causeway Point \$'000	North- point \$'000	Anchor- point \$'000	YewTee Point \$'000	Bedok Point \$'000	Changi City Point \$'000	Group \$'000
As at 30 September 2015							
<i>Assets and liabilities</i>							
Segment assets	1,114,619	669,104	102,044	171,000	110,159	314,976	2,481,902
Investment in associate							62,823
Investment in joint venture							154
Unallocated assets							3,867
Total assets							<u>2,548,746</u>
Segment liabilities	28,132	16,572	3,351	5,296	4,444	9,802	67,597
Unallocated liabilities							
– Trade and other payables							8,605
– Interest-bearing borrowings							718,000
Total liabilities							<u>794,202</u>
<i>Other segmental information</i>							
Allowance for doubtful receivables	–	1	–	3	–	4	8
Write back of allowance for doubtful receivables	–	–	–	(5)	(1)	(1)	(7)
Amortisation of lease incentives	817	36	22	34	97	(526)	480
Depreciation of fixed assets	14	6	4	7	9	6	46
Amortisation of intangible assets	3	3	3	3	3	3	18
Capital expenditure							
– Investment properties	283	–	40	–	42	76	441
– Fixed assets	6	7	20	5	–	–	38

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

27. COMMITMENTS

	Group and Trust	
	2016	2015
	\$'000	\$'000
Capital expenditure contracted but not provided for	33,016	1,209

The Group leases out its investment properties. Non-cancellable operating lease rentals receivable are as follows:

	Group and Trust	
	2016	2015
	\$'000	\$'000
Receivable:		
Within 1 year	129,906	145,715
After 1 year but within 5 years	132,673	143,916
After 5 years	163	44
	<u>262,742</u>	<u>289,675</u>

28. CONTINGENT LIABILITY

Pursuant to the tax transparency ruling from the IRAS, the Trustee and the Manager have provided a tax indemnity for certain types of tax losses, including unrecovered late payment penalties, that may be suffered by the IRAS should the IRAS fail to recover from Unitholders tax due or payable on distributions made to them without deduction of tax, subject to the indemnity amount agreed with the IRAS. The amount of indemnity, as agreed with the IRAS, is limited to the higher of \$500,000 or 1.0% of the taxable income of the Trust each year. Each yearly indemnity has a validity period of the earlier of seven years from the relevant year of assessment and three years from the termination of the Trust.

29. SUBSEQUENT EVENTS

On 21 October 2016, the Manager declared a distribution of \$25,904,000 to Unitholders in respect of the period from 1 July 2016 to 30 September 2016.

On 24 October 2016, the Trust issued 828,989 new Units at a price of \$2.1316 per Unit in payment of 50% of its management fees for the period from 1 July 2016 to 30 September 2016.

On 16 November 2016, the Group completed the acquisition of all ten strata-titled retail units at Yishun 10 Cinema Complex for an aggregate purchase consideration of \$37,750,000. An amount of \$377,500 will be payable to the Manager as payment of the acquisition fee.

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

30. FINANCIAL RATIOS

The following financial ratios are presented as required by RAP 7:

	Group	
	2016	2015
	%	%
Expenses to weighted average net assets ⁽¹⁾ :		
including performance component of asset management fees	0.90	0.92
excluding performance component of asset management fees	0.53	0.54
Portfolio turnover rate ⁽²⁾	—	—

⁽¹⁾ The annualised ratios are computed in accordance with the guidelines of Investment Management Association of Singapore. The expenses used in the computation relate to expenses of the Trust, excluding property expenses, interest expense and taxation.

⁽²⁾ The annualised ratios are computed based on the lesser of purchases or sales of underlying investment properties of the Group expressed as a percentage of daily average net asset value.

STATISTICS OF UNITHOLDERS

ISSUED AND FULLY PAID-UP UNITS

There were 920,387,961 Units (voting rights: one vote per Unit) outstanding as at 25 November 2016.

There is only one class of Units.

The market capitalisation was S\$1,799 million based on closing unit price of S\$1.955 on 25 November 2016.

TOP TWENTY UNITHOLDERS AS AT 25 NOVEMBER 2016

As shown in the Register of Unitholders

S/No	Unitholders	Number of Units	% of Total Units in Issue
1.	FCL TRUST HOLDINGS PTE. LTD.	349,671,000	37.99
2.	CITIBANK NOMINEES SINGAPORE PTE LTD	148,909,637	16.18
3.	HSBC (SINGAPORE) NOMINEES PTE LTD	118,375,840	12.86
4.	DBS NOMINEES (PRIVATE) LIMITED	84,065,791	9.13
5.	RAFFLES NOMINEES (PTE) LIMITED	34,013,022	3.70
6.	FRASERS CENTREPOINT ASSET MANAGEMENT LTD	32,757,961	3.56
7.	DBSN SERVICES PTE. LTD.	23,612,578	2.57
8.	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	10,124,500	1.10
9.	NTUC FAIRPRICE CO-OPERATIVE LTD	7,695,000	0.84
10.	CIMB SECURITIES (SINGAPORE) PTE. LTD.	5,899,608	0.64
11.	BNP PARIBAS SECURITIES SERVICES SINGAPORE BRANCH	4,516,180	0.49
12.	DB NOMINEES (SINGAPORE) PTE LTD	3,643,255	0.40
13.	KGI SECURITIES (SINGAPORE) PTE LTD	2,266,900	0.25
14.	MAYBANK KIM ENG SECURITIES PTE. LTD.	2,198,274	0.24
15.	OCBC SECURITIES PRIVATE LIMITED	1,883,800	0.20
16.	YAP CHONG HIN GABRIEL	1,700,000	0.18
17.	UOB KAY HIAN PRIVATE LIMITED	1,614,600	0.18
18.	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	1,560,200	0.17
19.	BNP PARIBAS NOMINEES SINGAPORE PTE LTD	1,428,700	0.16
20.	NG SAY BAN	1,300,000	0.14
Total		837,236,846	90.98

UNITHOLDINGS OF DIRECTORS OF THE MANAGER AS AT 21 OCTOBER 2016

Name of Director	Number of FCT Units held	
	Direct Interest	Deemed Interest
Mr Bobby Chin Yoke Choong	–	100,000
Mr Lim Ee Seng	200,000	–
Mr Soh Kim Soon	100,000	–
Mr Christopher Tang Kok Kai	50,000	620,000

STATISTICS OF UNITHOLDERS

SUBSTANTIAL UNITHOLDERS AS AT 25 NOVEMBER 2016

Substantial Unitholders	Direct Interest		Deemed Interest		Total Number	
	Number of Units	%	Number of Units	%	of Units Held	%
FCL Trust Holdings Pte. Ltd.	349,671,000	37.99%	–	–	349,671,000	37.99%
Frasers Centrepoint Limited ⁽¹⁾	–	–	382,428,961	41.55%	382,428,961	41.55%
Thai Beverage Public Company Limited ⁽²⁾	–	–	382,428,961	41.55%	382,428,961	41.55%
International Beverage Holdings Limited ⁽³⁾	–	–	382,428,961	41.55%	382,428,961	41.55%
InterBev Investment Limited ⁽⁴⁾	–	–	382,428,961	41.55%	382,428,961	41.55%
TCC Assets Limited ⁽⁵⁾	–	–	382,428,961	41.55%	382,428,961	41.55%
Charoen Sirivadhanabhakdi ⁽⁶⁾	–	–	382,428,961	41.55%	382,428,961	41.55%
Khunying Wanna Sirivadhanabhakdi ⁽⁷⁾	–	–	382,428,961	41.55%	382,428,961	41.55%
Schroder Investment Management Group ⁽⁸⁾	–	–	49,978,400	5.43%	49,978,400	5.43%

Notes:

⁽¹⁾ Frasers Centrepoint Limited (“FCL”) holds a 100% direct interest in each of Frasers Centrepoint Asset Management Ltd (“FCAM”) and FCL Trust Holdings Pte. Ltd. (“FCLT”); and FCAM and FCLT hold units in FCT. FCL therefore has a deemed interest in the units in FCT in which each of FCAM and FCLT has an interest, by virtue of Section 4 of the Securities and Futures Act (Chapter 289 of Singapore).

⁽²⁾ Thai Beverage Public Company Limited (“ThaiBev”) holds a 100% direct interest in International Beverage Holdings Limited (“IBHL”);

- IBHL holds a 100% direct interest in InterBev Investment Limited (“IBIL”);
- IBIL holds a greater than 20% interest in FCL;
- FCL holds a 100% direct interest in each of FCAM and FCLT; and
- FCAM and FCLT hold units in FCT.

ThaiBev therefore has a deemed interest in the units in FCT in which FCL has an interest, by virtue of Section 4 of the Securities and Futures Act (Chapter 289 of Singapore).

⁽³⁾ IBHL holds a 100% direct interest in InterBev Investment Limited;

- IBIL holds a greater than 20% interest in FCL;
- FCL holds a 100% direct interest in each of FCAM and FCLT; and
- FCAM and FCLT hold units in FCT.

IBHL therefore has a deemed interest in the units in FCT in which FCL has an interest, by virtue of Section 4 of the Securities and Futures Act (Chapter 289 of Singapore).

⁽⁴⁾ IBIL holds a greater than 20% interest in FCL;

- FCL holds a 100% direct interest in each of FCAM and FCLT; and
- FCAM and FCLT hold units in FCT.

IBIL therefore has a deemed interest in the units in FCT in which FCL has an interest, by virtue of Section 4 of the Securities and Futures Act (Chapter 289 of Singapore).

⁽⁵⁾ TCC Assets Limited (“TCCA”) holds a majority interest in FCL;

- FCL holds a 100% direct interest in each of FCAM and FCLT; and
- FCAM and FCLT hold units in FCT.

TCCA therefore has a deemed interest in the units in FCT in which FCL has an interest, by virtue of Section 4 of the Securities and Futures Act (Chapter 289 of Singapore).

⁽⁶⁾ Charoen Sirivadhanabhakdi and his spouse, Khunying Wanna Sirivadhanabhakdi, each owns 50% of the issued and paid-up share capital of TCCA;

- TCCA holds a majority interest in FCL;
- FCL holds a 100% direct interest in each of FCAM and FCLT; and
- FCAM and FCLT hold units in FCT.

Charoen Sirivadhanabhakdi therefore has a deemed interest in the units in FCT in which FCL has an interest, by virtue of Section 4 of the Securities and Futures Act (Chapter 289 of Singapore).

⁽⁷⁾ Khunying Wanna Sirivadhanabhakdi and her spouse, Charoen Sirivadhanabhakdi, each owns 50% of the issued and paid-up share capital of TCCA;

- TCCA holds a majority interest in FCL;
- FCL holds a 100% direct interest in each of FCAM and FCLT; and
- FCAM and FCLT hold units in FCT.

Khunying Wanna Sirivadhanabhakdi therefore has a deemed interest in the units in FCT in which FCL has an interest, by virtue of Section 4 of the Securities and Futures Act (Chapter 289 of Singapore).

⁽⁸⁾ Based on information provided by Schroder Investment (Singapore) Ltd. on 28 November 2016.

STATISTICS OF UNITHOLDERS

DISTRIBUTION OF HOLDINGS BY SIZE AS AT 25 NOVEMBER 2016

Size of Holdings	Number of Unitholders	Percentage of Unitholders	Number of Units	Percentage of Units in Issue
1 to 99	15	0.25%	306	0.00
100 to 1,000	736	12.10%	642,131	0.07
1,001 to 10,000	3,992	65.61%	19,742,459	2.15
10,001 to 1,000,000	1,319	21.68%	60,386,847	6.56
1,000,001 and above	22	0.36%	839,616,218	91.22
Total	6,084	100.00%	920,387,961	100.00%

DISTRIBUTION OF HOLDINGS BY COUNTRY OF RESIDENCE AS AT 25 NOVEMBER 2016

Country	Number of Unitholders	Percentage of Unitholders	Number of Units	Percentage of Units in Issue
Singapore	5,792	95.20%	915,739,858	99.49%
Malaysia	201	3.30%	3,570,200	0.39%
Others	91	1.50%	1,077,903	0.12%
Total	6,084	100.00%	920,387,961	100.00%

FREE FLOAT

Based on information made available to the Manager as at 25 November 2016, approximately 58% of the Units are held in the hands of the public. Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited has accordingly been complied with.

ADDITIONAL INFORMATION

INTERESTED PERSON TRANSACTIONS

The transactions entered into with interested persons during the financial year, which fall within the Listing Manual of the Singapore Exchange Securities trading Limited ("SGX-ST") and the Property Funds Appendix of the Code on Collective Investment Schemes (excluding transactions of less than \$100,000 each) are as follows:

Name of Interested Person	Aggregate value of all Interested Person Transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) \$'000	Aggregate value of all Interested Person Transactions during the financial year under review under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) \$'000
Frasers Centrepoint Limited and its subsidiaries or associate		
– Asset management fees	14,209	–
– Property management fees	5,071	–
– Reimbursement of expenses	4,465	–
HSBC Institutional Trust Services (Singapore) Limited		
– Trustee's fees	403	–

Saved as disclosed above, there were no additional interested person transactions (excluding transactions of less than \$100,000 each) entered into during the financial year under review nor any material contracts entered into by the Trust that involved the interests of the CEO, any Director or any controlling shareholder of the Trust.

Please also see Significant Related Party Transactions in Note 23 in the financial statements.

Fees payable to the Manager and the Property Manager on the basis of, and in accordance with, the terms and conditions set out in the Trust deed dated 5 June 2006 (as amended) and/or the prospectus dated 27 June 2006 are not subject to Rules 905 and 906 of the SGX-ST's Listing Manual. Accordingly, such fees are not subject to aggregation and other requirements under Rules 905 and 906 of the SGX-ST's Listing Manual.

SUBSCRIPTION OF THE TRUST UNITS

As at 30 September 2016, an aggregate of 919,369,341 Units were in issue. On 24 October 2016, the Trust issued 828,989 Units to the Manager as asset management fees for the period from 1 July 2016 to 30 September 2016.

NON-DEAL ROADSHOW EXPENSES

Non-deal roadshow expenses of \$37,020 (2015: \$35,595) were incurred during the year ended 30 September 2016.

NOTICE OF ANNUAL GENERAL MEETING



(a real estate investment trust constituted on 5 June 2006 under the laws of the Republic of Singapore)

NOTICE IS HEREBY GIVEN that the 8th Annual General Meeting of the unitholders of FRASERS CENTREPOINT TRUST ("**FCT**", and the unitholders of FCT, "**Unitholders**") will be held at Level 2, Alexandra Point, 438 Alexandra Road, Singapore 119958 on Friday, 20 January 2017 at 10.00 a.m. for the following purposes:

ROUTINE BUSINESS

Resolution (1)

1. To receive and adopt the Report of the Trustee issued by HSBC Institutional Trust Services (Singapore) Limited, as trustee of FCT (the "**Trustee**"), the Statement by the Manager issued by Frasers Centrepoint Asset Management Ltd., as manager of FCT (the "**Manager**") and the Audited Financial Statements of FCT for the financial year ended 30 September 2016.

Resolution (2)

2. To re-appoint KPMG LLP ("**KPMG**") as Auditors of FCT to hold office until the conclusion of the next Annual General Meeting of FCT, and to authorise the Manager to fix their remuneration.

SPECIAL BUSINESS

To consider and, if thought fit, to pass the following Ordinary Resolution, with or without any modifications:

Resolution (3)

3. That authority be and is hereby given to the Manager, to:
 - (a) (i) issue units in FCT ("**Units**") whether by way of rights, bonus or otherwise; and/or
 - (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Units to be issued, including but not limited to the creation and issue of (as well as adjustments to) securities, warrants, debentures or other instruments convertible into Units,

at any time and upon such terms and conditions and for such purposes and to such persons as the Manager may in its absolute discretion deem fit; and
- (b) issue Units in pursuance of any Instrument made or granted by the Manager while this Resolution was in force (notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time such Units are issued),

NOTICE OF ANNUAL GENERAL MEETING

provided that:

- (1) the aggregate number of Units to be issued pursuant to this Resolution (including Units to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed fifty per cent. (50%) of the total number of issued Units (excluding treasury Units, if any) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Units to be issued other than on a *pro rata* basis to Unitholders shall not exceed twenty per cent (20%) of the total number of issued Units (excluding treasury Units, if any) (as calculated in accordance with sub-paragraph (2) below);
- (2) subject to such manner of calculation as may be prescribed by Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the purpose of determining the aggregate number of Units that may be issued under sub-paragraph (1) above, the total number of issued Units (excluding treasury Units, if any) shall be based on the number of issued Units (excluding treasury Units, if any) at the time this Resolution is passed, after adjusting for:
 - (a) any new Units arising from the conversion or exercise of any Instruments which are outstanding at the time this Resolution is passed; and
 - (b) any subsequent bonus issue, consolidation or subdivision of Units;
- (3) in exercising the authority conferred by this Resolution, the Manager shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the deed of trust constituting FCT (as amended) (the “**Trust Deed**”) for the time being in force (unless otherwise exempted or waived by the Monetary Authority of Singapore);
- (4) unless revoked or varied by Unitholders in a general meeting, the authority conferred by this Resolution shall continue in force until (i) the conclusion of the next Annual General Meeting of FCT or (ii) the date by which the next Annual General Meeting of FCT is required by the applicable law or regulations to be held, whichever is earlier;
- (5) where the terms of the issue of the Instruments provide for adjustment to the number of Instruments or Units into which the Instruments may be converted in the event of rights, bonus or other capitalisation issues or any other events, the Manager is authorised to issue additional Instruments or Units pursuant to such adjustment notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time the Instruments or Units are issued; and
- (6) the Manager, any director of the Manager (“**Director**”) and the Trustee, be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Manager, such Director, or, as the case may be, the Trustee may consider expedient or necessary or in the interest of FCT to give effect to the authority conferred by this Resolution.

Frasers Centrepoint Asset Management Ltd.
(Company Registration No: 200601347G)
As manager of Frasers Centrepoint Trust

Catherine Yeo
Company Secretary

Singapore, 22 December 2016

NOTICE OF ANNUAL GENERAL MEETING

NOTES:

- (1) A Unitholder who is not a relevant intermediary entitled to attend and vote at the meeting is entitled to appoint not more than two proxies to attend and vote in the Unitholder's stead. A proxy need not be a Unitholder. Where a Unitholder appoints more than one proxy, the appointments shall be invalid unless the Unitholder specifies the proportion of the Unitholder's holdings (expressed as a percentage of the whole) to be represented by each proxy.
- (2) A Unitholder who is a relevant intermediary entitled to attend and vote at the meeting is entitled to appoint more than two proxies to attend and vote instead of the Unitholder, but each proxy must be appointed to exercise the rights attached to a different Unit or Units held by such Unitholder. Where such Unitholder appoints more than two proxies, the appointments shall be invalid unless the Unitholder specifies in the proxy form the number of Units in relation to which each proxy has been appointed.

"Relevant intermediary" means:

- (a) a banking corporation licensed under the Banking Act, Chapter 19 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds Units in that capacity;
 - (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act, Chapter 289 of Singapore and who holds Units in that capacity; or
 - (c) the Central Provident Fund Board ("**CPF Board**") established by the Central Provident Fund Act, Chapter 36 of Singapore, in respect of Units purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those Units in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
- (3) The instrument appointing a proxy or proxies (a form is enclosed) must be deposited with the company secretary of the Manager at the office of FCT's Unit Registrar, Boardroom Corporate & Advisory Services Pte Ltd, 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, not less than 72 hours before the time appointed for holding the meeting.

EXPLANATORY NOTE:

Resolution 3

The Ordinary Resolution 3 above, if passed, will empower the Manager from the date of this Annual General Meeting until the earliest of (i) the conclusion of the next Annual General Meeting of FCT or (ii) the date by which the next Annual General Meeting of FCT is required by the applicable laws and regulations or the Trust Deed to be held, whichever is earlier, or (iii) the date on which such authority is revoked or varied by the Unitholders in a general meeting, to issue Units and to make or grant instruments (such as securities, warrants or debentures) convertible into Units and issue Units pursuant to such instruments, up to a number not exceeding 50% of the total number of issued Units (excluding treasury Units, if any), with a sub-limit of 20% for issues other than on a *pro rata* basis to Unitholders.

For the purpose of determining the aggregate number of Units that may be issued, the percentage of issued Units will be calculated based on the total number of issued Units at the time Ordinary Resolution 3 above is passed, after adjusting for new Units arising from the conversion or exercise of any Instruments which are outstanding at the time this Resolution is passed and any subsequent bonus issue, consolidation or subdivision of Units.

NOTICE OF ANNUAL GENERAL MEETING

Fund raising by issuance of new Units may be required in instances of property acquisitions or debt repayments. In any event, if the approval of Unitholders is required under the Listing Manual of the SGX-ST and the Trust Deed or any applicable laws and regulations in such instances, the Manager will then obtain the approval of Unitholders accordingly.

PERSONAL DATA PRIVACY:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting (“**AGM**”) and/or any adjournment thereof, a Unitholder (i) consents to the collection, use and disclosure of the Unitholder’s personal data by the Manager and the Trustee (or their agents) for the purpose of the processing and administration by the Manager and the Trustee (or their agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Manager and the Trustee (or their agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “**Purposes**”), (ii) warrants that where the Unitholder discloses the personal data of the Unitholder’s proxy(ies) and/or representative(s) to the Manager and the Trustee (or their agents), the Unitholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Manager and the Trustee (or their agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the Unitholder will indemnify the Manager and the Trustee (or their agents) in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Unitholder’s breach of warranty.

Important Notice

The value of Units 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 or purchase their Units for so long as the Units are listed on the SGX-ST. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. The listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

The past performance of FCT is not necessarily indicative of the future performance of FCT.

FRASERS CENTREPOINT TRUST
 (CONSTITUTED IN THE REPUBLIC OF SINGAPORE
 PURSUANT TO A TRUST DEED DATED 5 JUNE 2006
 (AS AMENDED AND RESTATED))

PROXY FORM
ANNUAL GENERAL MEETING

IMPORTANT

1. A relevant intermediary may appoint more than two proxies to attend the Annual General Meeting and vote (please see Note 2 for the definition of "relevant intermediary").
2. This Proxy Form is not valid for use by CPF Investors and shall be ineffective for all intents and purposes if used or is purported to be used by them.
3. **PLEASE READ THE NOTES TO THE PROXY FORM.**

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s), the unitholder accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 22 December 2016.

I/We _____ (Name) _____ (NRIC/Passport Number)

of _____ (Address)

being a unitholder/unitholders of Frasers Centrepoint Trust ("FCT"), hereby appoint:

Name	Address	NRIC/Passport Number	Proportion of Unitholdings (Note 2)	
			No. of Units	%

and/or (delete as appropriate)

Name	Address	NRIC/Passport Number	Proportion of Unitholdings (Note 2)	
			No. of Units	%

or failing the person, or either or both of the persons, referred to above, the Chairman of the Annual General Meeting as my/our proxy/proxies to attend and to vote for me/us on my/our behalf at the Annual General Meeting of FCT to be held at 10.00 a.m. on Friday, 20 January 2017 at Level 2, Alexandra Point, 438 Alexandra Road, Singapore 119958, and any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the resolutions to be proposed at the Annual General Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies may vote or abstain from voting at his/her/their discretion, as he/she/they may on any other matter arising at the Annual General Meeting.

NO.	RESOLUTIONS RELATING TO:	No. of Votes For*	No. of Votes Against*
	ROUTINE BUSINESS		
1.	To receive and adopt the Trustee's Report, the Statement by the Manager and the Audited Financial Statements of FCT for the financial year ended 30 September 2016		
2.	To re-appoint KPMG LLP as Auditors of FCT to hold office until the conclusion of the next Annual General Meeting, and to authorise the Manager to fix their remuneration		
	SPECIAL BUSINESS		
3.	To authorise the Manager to issue Units and to make or grant convertible instruments		

* Voting will be conducted by poll. If you wish to exercise all your votes "For" or "Against" the relevant resolution, please tick (✓) within the relevant box provided. Alternatively, if you wish to exercise your votes for both "For" and "Against" the relevant resolution, please indicate the number of Units in the boxes provided.

Dated this _____ day of _____ 2016/2017

 Signature(s) of Unitholder(s)/Common Seal

IMPORTANT: PLEASE READ NOTES TO THE PROXY FORM

Total number of Units held (Note 5)

fold and seal here

IMPORTANT: PLEASE READ THE NOTES TO PROXY FORM BELOW

Notes To Proxy Form

1. A Unitholder who is not a relevant intermediary entitled to attend and vote at the meeting is entitled to appoint not more than two proxies to attend and vote instead of the Unitholder. A proxy need not be a Unitholder. Where a Unitholder appoints more than one proxy, the appointments shall be invalid unless the Unitholder specifies the proportion of the Unitholder's holdings (expressed as a percentage of the whole) to be represented by each proxy.
2. A Unitholder who is a relevant intermediary entitled to attend and vote at the meeting is entitled to appoint more than two proxies to attend and vote instead of the Unitholder, but each proxy must be appointed to exercise the rights attached to a different Unit or Units held by such Unitholder. Where such Unitholder appoints more than two proxies, the appointments shall be invalid unless the Unitholder specifies the number of Units in relation to which each proxy has been appointed.
"relevant intermediary" means:
 - (a) a banking corporation licensed under the Banking Act, Chapter 19 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds Units in that capacity;
 - (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act, Chapter 289 of Singapore and who holds Units in that capacity; or
 - (c) the Central Provident Fund Board ("**CPF Board**") established by the Central Provident Fund Act, Chapter 36 of Singapore, in respect of Units purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those Units in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
3. The instrument appointing a proxy or proxies (a form is enclosed) must be deposited with the company secretary of the Manager at the office of FCT's Unit Registrar, Boardroom Corporate & Advisory Services Pte Ltd, 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, not less than 72 hours before the time appointed for holding the meeting.
4. Completion and return of this instrument appointing a proxy or proxies shall not preclude a Unitholder from attending and voting at the meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a Unitholder attends the meeting in person, and in such event, the Manager reserves the right to refuse to admit any person or persons appointed under this instrument of proxy, to the meeting.
5. A Unitholder should insert the total number of Units held. If the Unitholder has Units entered against the Unitholder's name in the Depository Register maintained by the Central Depository (Pte) Limited ("**CDP**"), the Unitholder should insert that number of Units. If the Unitholder has Units registered in the Unitholder's name in the Register of Unitholders of FCT, he should insert that number of Units. If the Unitholder has Units entered against his name in the said Depository Register and registered in the Unitholder's name in the Register of Unitholders, the Unitholder should insert the aggregate number of Units. If no number is inserted, this form of proxy will be deemed to relate to all the Units held by the Unitholder.
6. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer. A corporation which is a Unitholder may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting and the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.
7. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the power of attorney or a duly certified copy thereof must (failing previous registration with the Manager) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
8. The Manager shall be entitled to reject a Proxy Form which is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on and/or attached to the Proxy Form. In addition, in the case of Units entered in the Depository Register, the Manager may reject a Proxy Form if the Unitholder, being the appointor, is not shown to have Units entered against the Unitholder's name in the Depository Register as at 72 hours before the time appointed for holding the meeting, as certified by CDP to the Manager.

fold here

Affix
Postage
Stamp

The Company Secretary
Fraser's Centrepoint Asset Management Ltd.
(as manager of Fraser's Centrepoint Trust)
c/o Boardroom Corporate & Advisory Services Pte Ltd
50 Raffles Place #32-01
Singapore Land Tower
Singapore 048623

CORPORATE INFORMATION

FRASERS CENTREPOINT TRUST

Registered Address:

HSBC Institutional Trust Services (Singapore) Limited
21 Collyer Quay, HSBC Building,
#13-02 Singapore 049320

Website address: www.fct.sg

TRUSTEE

HSBC Institutional Trust Services (Singapore) Limited
21 Collyer Quay, HSBC Building,
#03-01 Singapore 049320

AUDITOR

KPMG LLP

Partner-in-charge: Ms Karen Lee Shu Pei
Appointed: 21 January 2016
16 Raffles Quay #22-00
Hong Leong Building
Singapore 048581
Telephone: (65) 6213 3388
Fax: (65) 6225 0984
Website address: www.kpmg.com.sg

BANKERS

Citibank N.A.
DBS Bank Ltd
Oversea-Chinese Banking Corporation Ltd
Standard Chartered Bank

UNIT REGISTRAR

Boardroom Corporate & Advisory Services Pte Ltd
50 Raffles Place,
Singapore Land Tower, #32-01
Singapore 048623
Phone: (65) 6536-5355
Fax: (65) 6536-1360

THE MANAGER

Frasers Centrepoint Asset Management Ltd
438 Alexandra Road, Alexandra Point,
#21-00 Singapore 119958
Phone: (65) 6276-4882
Fax: (65) 6272-8776

DIRECTORS OF THE MANAGER

Mr Philip Eng Heng Nee

Chairman, Non-Executive (Non-Independent)

Dr Chew Tuan Chiong

Chief Executive Officer (Non-Independent)

Dr Cheong Choong Kong¹

Non-Executive (Lead Independent Director)

Mr Chia Khong Shiong²

Non-Executive (Non-Independent)

Mr Bobby Chin Yoke Choong

Non-Executive (Independent)

Mr Lim Ee Seng³

Non-Executive (Non-Independent)

Mr Soh Kim Soon

Non-Executive (Independent)

Mr Christopher Tang Kok Kai

Non-Executive (Non-Independent)

AUDIT COMMITTEE

Mr Bobby Chin Yoke Choong (Chairman)
Mr Philip Eng Heng Nee
Dr Cheong Choong Kong
Mr Soh Kim Soon

NOMINATING AND REMUNERATION COMMITTEE[#]

Mr Soh Kim Soon (Chairman)
Dr Cheong Choong Kong
Mr Bobby Chin Yoke Choong
Mr Christopher Tang Kok Kai

The Nominating and Remuneration Committee was established on 16 September 2016

COMPANY SECRETARY

Ms Catherine Yeo (from 1 October 2016)
Mr Piya Treruangrachada (until 30 September 2016)

1 Appointed on 18 May 2016

2 Mr Chia Khong Shiong resigned from the Board on 1 October 2016 as part of the rebalancing of his duties and responsibilities in connection with his new appointments at the Frasers Centrepoint Limited group.

3 Mr Lim Ee Seng resigned from the Board on 1 October 2016 in line with his retirement as the Group Chief Executive Officer of Frasers Centrepoint Limited on 1 October 2016.



FRASERS CENTREPOINT ASSET MANAGEMENT LTD.

As Manager of Frasers Centrepoint Trust
Company Registration Number: 200601347G

438 Alexandra Road
#21-00 Alexandra Point
Singapore 119958

Phone: +65 6276 4882

Fax: +65 6272 8776

Email: ir@fraserscentrepointtrust.com

www.fct.sg