

FCT 3Q19 distributable income up 12.4% year-on-year

- ◆ The acquisitions of the stakes in PGIM Real Estate AsiaRetail Fund Limited (“PGIM ARF”) and Waterway Point reinforce FCT’s core strength as a leading suburban retail space provider in Singapore
- ◆ FCT’s portfolio continues to deliver steady performance with improved portfolio occupancy and positive rental reversion achieved

SINGAPORE, 23 JULY 2019

Fraser's Centrepoint Asset Management Ltd. (“FCAM”), the manager of Fraser's Centrepoint Trust (“FCT”), is pleased to announce the income available for distribution of \$31.8 million for the period from 1 April to 30 June 2019 (“3Q19”), up 12.4% year-on-year. This brings the income available for distribution for the nine months year-to-date to \$88.3 million, which is 3.2% higher than the same period a year ago.

Mr Richard Ng, Chief Executive Officer of FCAM, said, “We are excited to have executed two significant acquisitions during the quarter. First, the completion of the acquisition of a 21.13% stake¹ in PGIM ARF which owns and operates five suburban malls in Singapore and second, the acquisition of the one-third stake in Waterway Point² – a high quality suburban mall in Punggol with a growing population. Both acquisitions reinforce FCT’s core strength as a leading suburban retail space provider in Singapore, further expand its market share in this sector and this will help to drive FCT’s long-term growth and returns to its unitholders.

We have also completed FCT’s largest equity fund raising exercise, raising S\$437.4 million in gross proceeds which were utilised to finance the two acquisitions. FCT’s financial position remains strong and it is well-positioned to continue to tap growth opportunities as they arise.”

The distribution per unit (“DPU”) for 3Q19 is 3.00 cents, which is lower year-on-year due mainly to an enlarged unit base following the completion of the private placement in May and preferential offering in June. This distribution comprises an advanced DPU of 1.909¢ for the period from 1 April 2019 to 27 May 2019 and DPU of 1.091¢ for the period from 28 May 2019 to 30 June 2019 (BCD on 31 July 2019, pay date on 29 August 2019). Unitholders can expect to receive their advanced DPU of 1.909¢ on 25 July 2019. The Ex-Date and Books Closure Date for the DPU of 1.091¢ is 30 July 2019 and 31 July 2019, respectively, and it will be paid on 29 August 2019.

Summary of 3Q19 Results

	3Q19 1/4/19 to 30/6/19	3Q18 1/4/18 to 30/6/18	Increase/ (Decrease)
Gross revenue (\$'000)	49,102	48,320	1.6%
Net property income (\$'000)	34,603	35,005	(1.1%)
Income available for distribution (\$'000)	31,784	28,282	12.4%
Distribution to unitholders (\$'000)	29,921	28,282	5.8%
Distribution per unit (cents)	3.00	3.053	(1.7%)
Net asset value and net tangible asset value per unit (\$) ³	2.11	2.02	4.5%

¹ FCT completed the acquisition of 18.8% stake in PGIM ARF on 4 and 26 April 2019. FCT’s interest in PGIM ARF increased to 21.13% following a redemption event in the PGIM ARF on 30 June 2019.

² The acquisition of the one-third stake in Waterway Point was completed on 11 July 2019. Please refer to the announcement “Completion Of Acquisition Of 33⅓% Interest In Waterway Point And The Use Of EFR Proceeds”, dated 11 July 2019, available on FCT’s website at: <https://fct.frasersproperty.com/news.html/id/727008>.

³ As at 30 June 2019 for 3Q19 and 30 June 2018 for 3Q18.

FCT portfolio continues to deliver steady performance

Gross revenue for 3Q19 was up 1.6% year-on-year to \$49.1 million as portfolio occupancy improved to 96.8% as at 30 June 2019, compared to 94.0% a year ago. Net property income for 3Q19 was \$34.6 million, down 1.1% year-on-year due to higher property expenses arising from the absence of property tax refund which occurred in the same period a year ago. Income available for distribution for 3Q19 was up 12.4% to \$31.8 million. The increase was attributed to the inaugural contribution from FCT's shareholdings in PGIM ARF and was partially offset by lower net property income achieved and higher borrowing costs.

Financial position remains solid

FCT's financial position remains solid. Gearing level as at 30 June 2019 was 23.5%. The all-in average cost of borrowings was 2.7% and the weighted average debt maturity was 2.3 years. FCT has approximately 67% of its borrowings on fixed or hedged-to-fixed interest rates.

Healthy portfolio rental reversion and improved occupancy

During 3Q19, 49 leases accounting for 6.8% of FCT's total net lettable area ("NLA") were renewed at an average rental reversion of +3.1%. The portfolio average rental reversion for the 9 months in FY2019 is +4.7%. The portfolio occupancy as at 30 June 2019 was 96.8%, higher than the 94.0% registered in the same quarter in the previous year.

Improved portfolio shopper traffic and tenants' sales

3Q19 portfolio shopper traffic was 6.1% higher year-on-year, attributed mainly to increase at Northpoint City North Wing and YewTee Point. The portfolio tenants' sales for the three-month period from March 2019 to May 2019 was 2.9% higher year-on-year.

Outlook

The Ministry of Trade and Industry ("MTI") announced on 12 July 2019 that based on advance estimates, the Singapore economy grew by 0.1% on a year-on-year basis in 2Q 2019, lower than the 1.1% growth in 1Q 2019. On a quarter-on-quarter ("qoq") seasonally-adjusted annualised basis, the economy contracted by 3.4% in 2Q 2019, a reversal from the 3.8% growth in 1Q 2019. It was reported on 21 July 2019 that MTI has guided that the full-year economic growth may be below the earlier forecast range of between 1.5% to 2.5%, made in May 2019. The Department of Statistics reported that retail sales in May 2019 (excluding motor vehicles) is 1.0% lower year-on-year and 1.0% lower month-on-month.

FCT completed the acquisition of a one-third interest in Waterway Point, a suburban shopping mall in Punggol, Singapore, on 11 July 2019, after unitholders approved the acquisition at an Extraordinary General Meeting convened on 28 June 2019. The acquisition is expected to achieve greater income diversification for FCT's portfolio and add another 200 tenants to its tenant base.

FCT's property portfolio consists of quality suburban retail properties in Singapore which includes Causeway Point, Northpoint City North Wing and Yishun 10 Retail Podium, Anchorpoint, YewTee Point, Bedok Point, Changi City Point and Waterway Point (1/3 -interest). These properties are located in populous residential precincts and they are well-connected to the public transportation system. The focus on necessity shopping, healthy mall occupancy and steady shopper traffic helps to underpin the stable performance and resilience of the portfolio.

End

About Frasers Centrepoint Trust

Fraser's Centrepoint Trust ("FCT") is a leading developer-sponsored retail real estate investment trust (REIT). FCT's property portfolio comprises the following suburban retail properties in Singapore: Causeway Point, Northpoint City North Wing (including Yishun 10 Retail Podium), Anchorpoint, YewTee Point, Bedok Point, Changi City Point and Waterway Point (one-third interest). FCT malls are strategically located in various established residential townships and have a large and diversified tenant base covering a wide variety of trade sectors.

FCT holds 21.13% stake in PGIM Real Estate AsiaRetail Fund Limited ("PREAFL") through its wholly owned subsidiary FCT Holdings (Sigma) Pte. Ltd. PREAFL owns and manages five retail malls (Tiong Bahru Plaza, White Sands, Hougang Mall, Century Square and Tampines 1) and an office property (Central Plaza) in Singapore, and four retail malls in Malaysia. FCT also holds a 31.15% stake in Hektar Real Estate Investment Trust, a retail-focused REIT in Malaysia listed on the Main Market of Bursa Malaysia Securities Berhad.

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

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

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

About Frasers Property Limited

Fraser's Property Limited ("Fraser's Property" and together with its subsidiaries, the "Group"), is a multi-national company that develops, owns and manages a diverse, integrated portfolio of properties. Listed on the Main Board of the Singapore Exchange Securities Trading Limited ("SGX-ST") and headquartered in Singapore, the Group has total assets of approximately S\$33.2 billion as at 31 March 2019.

Fraser's Property's assets range from residential, retail, commercial & business parks, to logistics & industrial in Southeast Asia, Australia, Europe and China. Its well-established hospitality business owns and/or operates serviced apartments and hotels in over 70 cities across Asia, Australia, Europe, the Middle East and Africa. The Group is unified by its commitment to deliver enriching and memorable experiences to customers and stakeholders, leveraging its knowledge and capabilities from across markets and property sectors, to deliver value in its multiple asset classes.

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

For more information on Fraser's Property, please visit frasersproperty.com.

FOR MEDIA QUERIES, PLEASE CONTACT:

Fraser's Centrepoint Asset Management Ltd.

Mr Chen Fung Leng
Vice President, Investor Relations
T +65 6277 2657
E funleng.chen@frasersproperty.com