FRASERS COMMERCIAL TRUST
FINANCIAL STATEMENTS ANNOUNCEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2017

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

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

The property portfolio of FCOT as at 30 September 2017 consists of six properties as follows:-

Singapore

1. China Square Central located at 18, 20 & 22 Cross Street (“China Square Central”)
2. Alexandra Technopark located at 438A/438B Alexandra Road (“ATP”)
3. 55 Market Street

Australia

1. 50.0% indirect interest in Central Park located in Perth (“Central Park”)
2. Caroline Chisholm Centre located in Canberra (“Caroline Chisholm Centre”)
3. 357 Collins Street located in Melbourne (“357 Collins Street”).

SUMMARY OF CONSOLIDATED RESULTS OF FCOT AND ITS SUBSIDIARIES
- 1 July 2017 to 30 September 2017 ("4Q2017") vs 1 July 2016 to 30 September 2016 ("4Q2016")
- 1 October 2016 to 30 September 2017 ("FY2017") vs 1 October 2015 to 30 September 2016 ("FY2016")

	Group					
	1/7/2017 to 30/9/2017	1/7/2016 to 30/9/2016	Change	1/10/2016 to 30/9/2017	1/10/2015 to 30/9/2016	Change
	S$'000	S$'000	%	S$'000	S$'000	%
Gross revenue	38,306	39,330	(3%)	156,551	156,497	-
Net property income	26,735	29,289	(9%)	113,843	115,614	(2%)
Total return for the period/ year	57,123	19,188	NM	111,444	71,241	56%
Distribution Income for Unitholders	19,397	19,485	-	78,600	77,607	1%
Distribution per Unit (cents)						
Unitholders						
For the period/ year	2.41 (1)	2.45 (2)	(2%)	9.82	9.82	-

Footnotes:
(1) The number of Units used to calculate the amount available for distribution per Unit ("DPU") is 805,815,367. Please see Section 1(d)(ii) for the details of changes in the number of Units.
(2) The number of Units used to calculate the amount available for distribution per Unit ("DPU") is 794,298,124.

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

	Group					
	1/7/2017 to 30/9/2017	1/7/2016 to 30/9/2016	Change	1/10/2016 to 30/9/2017	1/10/2015 to 30/9/2016	Change
	S$'000	S$'000	%	S$'000	S$'000	%
Gross revenue (1)	38,306	39,330	(3%)	156,551	156,497	-
Property operating expenses (2)	(11,571)	(10,041)	15%	(42,708)	(40,883)	4%
Net property income (3)	**26,735**	**29,289**	(9%)	**113,843**	**115,614**	(2%)
Interest income	163	124	31%	501	633	(21%)
Manager's management fees	(3,454)	(3,444)	-	(13,706)	(13,585)	1%
Trust expenses	(437)	(465)	(6%)	(1,740)	(1,716)	1%
Finance costs (4)	(6,051)	(6,636)	(9%)	(24,434)	(24,763)	(1%)
Net income before foreign exchange differences, fair value changes and taxation	**16,956**	**18,868**	(10%)	**74,464**	**76,183**	(2%)
Foreign exchange gain	637	2,044	(69%)	1,324	1,923	(31%)
Net change in fair value of investment properties (5)	59,538	1,172	NM	60,066	(690)	NM
Net change in fair value of derivative financial instruments	58	(767)	NM	197	(785)	NM
Realised loss on derivative financial instruments (6)	(46)	(567)	(92%)	(935)	(551)	70%
Total return before tax	**77,143**	**20,750**	NM	**135,116**	**76,080**	78%
Taxation (7)	(20,020)	(1,562)	NM	(23,672)	(4,839)	NM
Total return for the period/ year	**57,123**	**19,188**	NM	**111,444**	**71,241**	56%

NM - Not meaningful

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

	Group					
	1/7/2017 to 30/9/2017	1/7/2016 to 30/9/2016	Change	1/10/2016 to 30/9/2017	1/10/2015 to 30/9/2016	Change
	S$'000	S$'000	%	S$'000	S$'000	%
Total return for the period/ year	**57,123**	**19,188**	NM	**111,444**	**71,241**	56%
Non-tax deductible / (non-taxable) items and other adjustments:						
Management fees payable in Units	622	-	NM	1,028	2,475	(58%)
Trustees' fees	158	156	1%	627	607	3%
Amortisation of borrowing costs	253	971	(74%)	1,749	2,187	(20%)
Net change in fair value of investment properties	(59,538)	(1,172)	NM	(60,066)	690	NM
Net change in fair value of derivative financial instruments	(58)	767	NM	(197)	785	NM
Deferred taxation	20,551	847	NM	20,654	1,810	NM
Unrealised exchange gain	(690)	(2,044)	(66%)	(1,442)	(2,171)	(34%)
Effects of recognising accounting income on a straight line basis over the lease term	135	(175)	NM	1,010	(1,820)	NM
Other non tax deductible items and temporary differences	841	947	(11%)	3,793	1,803	NM
Net effect of (non-taxable)/ non-tax deductible items and other adjustments	**(37,726)**	**297**	NM	**(32,844)**	**6,366**	NM
Income available for distribution to Unitholders [8]	**19,397**	**19,485**	-	**78,600**	**77,607**	1%
Unitholders' distribution comprises:						
- from operations	17,037	17,375	(2%)	69,392	71,915	(4%)
- from capital returns [9]	2,360	2,110	12%	9,208	5,692	62%
	19,397	**19,485**	-	**78,600**	**77,607**	1%

NM - Not meaningful

Footnotes:

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

	Group					
	1/7/2017 to 30/9/2017	1/7/2016 to 30/9/2016	Change	1/10/2016 to 30/9/2017	1/10/2015 to 30/9/2016	Change
	S$'000	S$'000	%	S$'000	S$'000	%
China Square Central	6,263	6,821	(8%)	26,234	28,730	(9%)
55 Market Street	1,470	1,474	-	5,876	5,887	-
Alexandra Technopark	12,878	13,314	(3%)	51,851	53,059	(2%)
Central Park	6,475	6,704	(3%)	27,895	26,555	5%
Caroline Chisholm Centre	5,605	5,463	3%	22,217	21,202	5%
357 Collins Street	5,615	5,554	1%	22,478	21,064	7%
	38,306	**39,330**	(3%)	**156,551**	**156,497**	0%

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

	Group					
	1/7/2017 to 30/9/2017	1/7/2016 to 30/9/2016	Change	1/10/2016 to 30/9/2017	1/10/2015 to 30/9/2016	Change
	S$'000	S$'000	%	S$'000	S$'000	%
Property maintenance expenses	4,618	3,318	39%	15,282	13,378	14%
Property management fees	783	648	21%	3,182	2,630	21%
Property tax	2,040	1,952	5%	8,097	8,326	(3%)
Utilities	1,659	1,447	15%	6,429	6,629	(3%)
Professional fees	890	1,194	(25%)	3,428	4,199	(18%)
Insurance	131	114	15%	493	472	4%
Council rates	484	538	(10%)	2,147	2,036	5%
Amortisation of leasing commission	233	222	5%	957	890	8%
Other operating expenses	733	608	21%	2,693	2,323	16%
	11,571	**10,041**	15%	**42,708**	**40,883**	4%

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

	Group					
	1/7/2017 to 30/9/2017	1/7/2016 to 30/9/2016	Change	1/10/2016 to 30/9/2017	1/10/2015 to 30/9/2016	Change
	S$'000	S$'000	%	S$'000	S$'000	%
China Square Central	3,874	4,713	(18%)	17,111	18,925	(10%)
55 Market Street	1,050	1,038	1%	4,247	4,202	1%
Alexandra Technopark	9,607	10,152	(5%)	38,879	40,179	(3%)
Central Park	4,326	4,693	(8%)	19,228	18,570	4%
Caroline Chisholm Centre	3,604	4,327	(17%)	17,383	17,362	-
357 Collins Street	4,274	4,366	(2%)	16,995	16,376	4%
	26,735	**29,289**	(9%)	**113,843**	**115,614**	(2%)

Footnotes:

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

	Group						
	1/7/2017 to 30/9/2017	**1/7/2016 to 30/9/2016**	**Change**		**1/10/2016 to 30/9/2017**	**1/10/2015 to 30/9/2016**	**Change**
	S$'000	**S$'000**	**%**		**S$'000**	**S$'000**	**%**
Interest expense	5,798	5,665	2%		22,685	22,576	-
Capitalised borrowing costs expensed off	-	582	NM		478	582	(18%)
Amortisation of borrowing costs	253	389	(35%)		1,271	1,605	(21%)
	6,051	**6,636**	(9%)		**24,434**	**24,763**	(1%)

NM - Not meaningful

The capitalised borrowing costs of approximately S$0.5 million expensed off during FY2017 was related to the partial early refinancing of loan facilities.

(5) The net change in fair value of investment properties was related to the revaluation at the end of the financial year and the adjustment of the changes in carrying value of the investment properties during the respective periods. The changes in the carrying value of the investment properties mainly arose from the recognition of rental income on a straight-line basis in accordance with the Singapore Financial Reporting Standards and the increase in leasing fees capitalised, net of amortisation. The net change in fair value gain of investment properties in FY2017 was mainly due to upward revaluation of Caroline Chisholm Centre, 357 Collins Street, Central Park and China Square Central and the stronger Australian dollar as at 30 September 2017 as compared to 30 September 2016.

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

	Group						
	1/7/2017 to 30/9/2017	**1/7/2016 to 30/9/2016**	**Change**		**1/10/2016 to 30/9/2017**	**1/10/2015 to 30/9/2016**	**Change**
	S$'000	**S$'000**	**%**		**S$'000**	**S$'000**	**%**
Loss arising from termination of interest rate swap	-	(495)	NM		(214)	(495)	(57%)
Loss arising from realisation of foreign currency forward contracts	(46)	(72)	(36%)		(721)	(56)	NM
	(46)	**(567)**	(92%)		**(935)**	**(551)**	70%

NM - Not meaningful

(7) Taxation relates to current and deferred tax expenses as well as withholding taxes incurred during the period. Deferred tax is provided for in respect of the potential capital gains arising from the changes in fair value of the Australian properties.

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

Footnotes:

(9) Unitholders' distribution from capital returns comprised:-

	Group					
	1/7/2017 to 30/9/2017	1/7/2016 to 30/9/2016	Change	1/10/2016 to 30/9/2017	1/10/2015 to 30/9/2016	Change
	S$'000	S$'000	%	S$'000	S$'000	%
Gain on disposal of hotel development rights [(a)]	922	790	17%	3,561	2,235	59%
Return of capital from subsidiary [(b)]	1,438	1,320	9%	5,647	3,457	63%
	2,360	**2,110**	12%	**9,208**	**5,692**	62%

NM – Not meaningful

(a) This relates to a portion of the net consideration received from the disposal of the hotel development rights in respect of China Square Central in August 2015, which is classified as capital distribution from tax perspective, to supplement the loss of income from certain affected units during the hotel construction period.

(b) This relates to the distribution available to Unitholders arising from the return of capital of a subsidiary to distribute earnings from Australia trapped due to non-cash accounting items.

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

	Group		Trust	
	30/09/2017	30/9/2016	30/09/2017	30/9/2016
	S$'000	S$'000	S$'000	S$'000
Non-current assets				
Investment properties [(1)]	2,070,857	1,989,287	1,212,000	1,209,500
Subsidiaries	-	-	313,236	318,892
Loan to a subsidiary	-	-	92,542	90,646
Fixed assets	65	81	65	81
Deferred tax asset	355	348	-	-
	2,071,277	**1,989,716**	**1,617,843**	**1,619,119**
Current assets				
Trade and other receivables [(2)]	13,056	8,155	74,097	73,978
Cash and cash equivalents	74,609	71,487	69,654	65,193
	87,665	**79,642**	**143,751**	**139,171**
Total assets	**2,158,942**	**2,069,358**	**1,761,594**	**1,758,290**
Current liabilities				
Borrowings (net of transaction costs)	(183,194)	(179,462)	(39,934)	(179,462)
Trade and other payables [(3)]	(29,386)	(23,302)	(16,498)	(16,865)
Current portion of security deposits	(5,670)	(5,340)	(5,670)	(5,340)
Derivative financial instruments [(4)]	(2,845)	(7,434)	(1,503)	(3,794)
Provision for taxation	(3,456)	(3,763)	-	-
	(224,551)	**(219,301)**	**(63,605)**	**(205,461)**
Net current (liabilities)/assets[(5)]	**(136,886)**	**(139,659)**	**80,146**	**(66,290)**
Non-current liabilities				
Borrowings (net of transaction costs)	(564,756)	(562,829)	(485,251)	(345,050)
Non-current portion of security deposits	(7,423)	(7,736)	(7,423)	(7,736)
Derivative financial instruments [(4)]	(50)	-	(50)	-
Deferred tax liabilities [(6)]	(72,813)	(51,076)	-	-
	(645,042)	**(621,641)**	**(492,724)**	**(352,786)**
Total liabilities	**(869,593)**	**(840,942)**	**(556,329)**	**(558,247)**
Net assets attributable to Unitholders	**1,289,349**	**1,228,416**	**1,205,265**	**1,200,043**
Represented by:				
Unitholders' funds [(7)]	**1,289,349**	**1,228,416**	**1,205,265**	**1,200,043**

Footnotes:

(1) The investment properties were valued at their fair values based on independent valuations as at 30 September 2017. Please refer to Page 10 for details of the valuation.

The increase in the value of investment properties was mainly due to upward revaluation of Caroline Chisholm Centre, 357 Collins Street, Central Park and China Square Central and the stronger Australian dollar as at 30 September 2017 as compared to 30 September 2016.

(2) The increase in trade and other receivables was mainly due to the increase in prepayments for Central Park.

(3) The increase in trade and other payables was mainly due to the increase in accrued operating expenses for Central Park and Caroline Chisholm Centre.

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

(5) The net current liability position as at 30 September 2017 was due to loan facilities of S$40 million and A$135 million due on 13 August 2018 and 19 September 2018 respectively while the net current liability position as at 30 September 2016 was due to a loan facility of S$180 million due on 18 September 2017.

(6) Deferred tax is provided for in respect of the potential capital gains arising from the changes in fair value of the Australian properties. The increase in deferred tax was mainly due to the increase in the fair value of the Australian properties as well as the stronger Australian dollar as at 30 September 2017 as compared to 30 September 2016.

(7) The increase in Unitholders' funds was mainly due to:
- the increase in portfolio value due to upward revaluation of Caroline Chisholm Centre, 357 Collins Street, Central Park and China Square Central;
- effects of the stronger Australian dollar as at 30 September 2017 as compared to 30 September 2016 on the net assets attributable to the Australia operations; and
- issuance of Units pursuant to distribution reinvestment plan.

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

Amount repayable in one year or less, or on demand

Group			
As at 30/9/2017		As at 30/9/2016	
Secured S$'000	Unsecured S$'000	Secured S$'000	Unsecured S$'000
-	183,586	-	180,000

Amount repayable after one year

Group			
As at 30/9/2017		As at 30/9/2016	
Secured S$'000	Unsecured S$'000	Secured S$'000	Unsecured S$'000
-	566,370	-	565,378

Details of any collateral

All term loan facilities as at 30 September 2017 are unsecured.

Valuation of investment properties

Property	**Valuation date**	**Valuation** S$'million	**Independent valuer**
China Square Central 18, 20 & 22 Cross Street Singapore 048423/048422/048421	30 September 2017	565.0	Jones Lang LaSalle Property Consultants Pte Ltd
Alexandra Technopark 438A/438B Alexandra Road Singapore 119967/119968	30 September 2017	508.0	Jones Lang LaSalle Property Consultants Pte Ltd
55 Market Street 55 Market Street Singapore 048941	30 September 2017	139.0	Jones Lang LaSalle Property Consultants Pte Ltd
Central Park 152 – 158 St Georges Terrace Perth, Western Australia 6000 Australia	30 September 2017	289.8(1) (A$272.5m)	Jones Lang LaSalle Advisory Services Pty Ltd
Caroline Chisholm Centre Block 4 Section 13 Tuggeranong Australian Capital Territory 2900 Australia	30 September 2017	265.9(1) (A$250.0 m)	Jones Lang LaSalle Advisory Services Pty Ltd
357 Collins Street 357 Collins Street, Melbourne, Victoria 3000 Australia	30 September 2017	303.1(1) (A$285.0 m)	Colliers International, Australia

Note:
(1) Translated at an exchange rate of A$1.00 = S$1.0636.

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

	Group			
	1/7/2017 to 30/9/2017	1/7/2016 to 30/9/2016	1/10/2016 to 30/9/2017	1/10/2015 to 30/9/2016
	S$'000	S$'000	S$'000	S$'000
Operating activities:				
Total return before tax	77,143	20,750	135,116	76,080
Adjustments for:-				
Finance costs	6,051	6,636	24,434	24,763
Effect of recognising accounting income on a straight-line basis over the lease term	135	(175)	1,010	(1,820)
Depreciation	6	7	26	26
Amortisation of leasing commission	233	222	957	890
Interest income	(163)	(124)	(501)	(633)
Management fees payable in Units (1)	622	-	1,028	2,475
Net change in fair value of derivative financial instruments	(58)	767	(197)	785
Net change in fair value of investment properties	(59,538)	(1,172)	(60,066)	690
Realised loss on derivative financial instruments	46	567	935	551
Operating income before working capital changes	**24,477**	**27,478**	**102,742**	**103,807**
Changes in working capital:-				
Trade and other receivables	(5,283)	(2,253)	(4,508)	649
Trade and other payables	7,725	5,947	1,891	334
Cash generated from operations	**26,919**	**31,172**	**100,125**	**104,790**
Tax paid	-	(454)	(3,302)	(3,040)
Net cash generated from operating activities	**26,919**	**30,718**	**96,823**	**101,750**
Investing activities:				
Capital expenditure on investment properties	(1,705)	(1,405)	(4,334)	(2,946)
Payment for leasing costs capitalised	(280)	(69)	(1,550)	(954)
Purchase of fixed assets	(3)	-	(10)	(59)
Interest received	134	186	456	675
Net cash used in investing activities	**(1,854)**	**(1,288)**	**(5,438)**	**(3,284)**
Financing activities:				
Proceeds from borrowings	-	100,000	230,000	100,000
Repayment of borrowings	-	(100,000)	(230,000)	(100,000)
Termination of derivative financial instruments	-	-	(214)	-
Realisation of derivative financial instruments	(46)	(567)	(721)	(551)
Finance costs paid	(7,481)	(5,725)	(21,905)	(22,835)
Issue costs paid	(93)	(80)	(341)	(314)
Distributions paid (2)	(15,248)	(15,216)	(64,528)	(65,697)
Transaction costs on borrowings	-	-	(647)	-
Net cash used in financing activities	**(22,868)**	**(21,588)**	**(88,356)**	**(89,397)**
Net increase in cash and cash equivalents	**2,197**	**7,842**	**3,029**	**9,069**
Cash and cash equivalents at beginning of period/ year	72,355	63,463	71,487	62,233
Effect of exchange rate changes	57	182	93	185
Cash and cash equivalents at end of period/ year (3)	**74,609**	**71,487**	**74,609**	**71,487**

Footnotes

(1) These amounts represent Units issued and issuable in satisfaction of management fees payable in Units amounting to S$0.6 million for 4Q2017 (4Q2016: Nil) and S$1.0 million for FY2017 (FY2016: S$2.5 million).

(2) Pursuant to the Distribution Reinvestment Plan implemented, these amounts represent the cash component of the distributions paid and exclude the distributions paid by way of issuance of Units amounting to S$4.0 million during 4Q2017 (4Q2016: S$3.9 million) and S$14.2 million for FY2017 (FY2016: S$11.2 million).

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

	Group	
	30/9/2017	**30/9/2016**
	S$'000	**S$'000**
Bank and cash balances	45,021	40,750
Fixed deposits	29,588	30,737
Cash and cash equivalents	74,609	71,487

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

	Group		Trust	
	1/7/2017 to 30/9/2017	1/7/2016 to 30/9/2016	1/7/2017 to 30/9/2017	1/7/2016 to 30/9/2016
Movement from 1 July to 30 September	S$'000	S$'000	S$'000	S$'000
Balance at beginning of period/ year	**1,240,016**	**1,206,806**	**1,203,027**	**1,194,556**
Operations				
Change in net assets attributable to Unitholders resulting from operations	**57,123**	**19,188**	**16,459**	**21,501**
Unitholders' transactions				
Issue of Units	4,399	4,191	4,399	4,191
Issue expenses	(93)	(80)	(93)	(80)
Distributions to Unitholders	(19,242)	(19,072)	(19,242)	(19,072)
Change in Unitholders' funds resulting from Unitholders' transactions	**(14,936)**	**(14,961)**	**(14,936)**	**(14,961)**
Foreign currency translation reserve				
Movement for the period	**6,177**	**18,466**	**-**	**-**
Hedging reserve				
Net fair value changes on derivative financial instruments	**969**	**(1,083)**	**715**	**(1,053)**
Balance at end of period/ year	**1,289,349**	**1,228,416**	**1,205,265**	**1,200,043**

	Group		Trust	
	1/10/2016 to 30/9/2017	1/10/2015 to 30/9/2016	1/10/2016 to 30/9/2017	1/10/2015 to 30/9/2016
Movement from 1 October to 30 September	S$'000	S$'000	S$'000	S$'000
Balance at beginning of period/ year	**1,228,416**	**1,206,871**	**1,200,043**	**1,197,386**
Operations				
Change in net assets attributable to Unitholders resulting from operations	**111,444**	**71,241**	**67,641**	**70,194**
Unitholders' transactions				
Issue of Units	14,565	14,676	14,565	14,676
Issue expenses	(341)	(314)	(341)	(314)
Distributions to Unitholders	(78,688)	(70,711)	(78,688)	(70,711)
Change in Unitholders' funds resulting from Unitholders' transactions	**(64,464)**	**(56,349)**	**(64,464)**	**(56,349)**
Foreign currency translation reserve				
Movement for the period	**9,610**	**19,004**	**-**	**-**
Hedging reserve				
Net fair value changes on derivative financial instruments	**4,343**	**(12,351)**	**2,045**	**(11,188)**
Balance at end of period/ year	**1,289,349**	**1,228,416**	**1,205,265**	**1,200,043**

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

	1/7/2017 to 30/9/2017	1/7/2016 to 30/9/2016	1/10/2016 to 30/9/2017	1/10/2015 to 30/9/2016
	Units	Units	Units	Units
Issued Units				
Balance at beginning of period/ year	802,161,140	791,078,986	794,298,124	782,703,651
Issue of Units - management fees	287,384	267,630	287,384	2,635,083
Issue of Units - Distribution Reinvestment Plan	2,915,308	2,951,508	10,778,324	8,959,390
Balance at end of period/ year	805,363,832	794,298,124	805,363,832	794,298,124
Issued and issuable Units				
Issued Units at end of period/ year	805,363,832	794,298,124	805,363,832	794,298,124
Management fees payable in Units [(1)]	451,535	-	451,535	-
Issued and issuable Units at end of period/ year	805,815,367	794,298,124	805,815,367	794,298,124

Footnote:

(1) 451,535 Units will be issued to the Manager as payment for management fees for the financial quarter ended 30 September 2017. This accounts for approximately 18% (4Q2016: Nil) of the Manager’s management fees for the quarter. The remaining management fees will be paid in cash. The price of Units issued is determined based on the volume weighted average price of the Units for last ten business days of the relevant financial period in which the management fees accrue for.

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

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

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

Not applicable.

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

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with those of the financial year ended 30 September 2016.

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

Not applicable.

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

	1/7/2017 to 30/9/2017	1/7/2016 to 30/9/2016	1/10/2016 to 30/9/2017	1/10/2015 to 30/9/2016
	S$'000	S$'000	S$'000	S$'000
Total return after taxation and before distribution	57,123	19,188	111,444	71,241
EPU				
Weighted average number of Units in issue	803,416,139	792,332,584	798,852,811	787,773,322
Basic earnings per Unit (cents)(1)	7.11	2.42	13.95	9.04
DPU				
Number of issued and issuable Units entitled to distribution	805,815,367	794,298,124	805,815,367	794,298,124
Distribution per Unit based on the total number of issued and issuable Units entitled to distribution (cents)	2.41	2.45	9.82	9.82

Footnotes:

(1) Basic earnings per Unit ("EPU") is computed using the total return after taxation and before distribution and the weighted average number of Units during the period. There is no dilutive potential Units in 4Q2017 and 4Q2016.

7. Unitholders' funds per Unit based on issued units at the end of the period

	Group		Trust	
	30/09/2017	30/9/2016	30/09/2017	30/9/2016
Unitholders' funds at end of year (S$'000)	1,289,349	1,228,416	1,205,265	1,200,043
Number of Units issued at the end of the year ('000)	805,364	794,298	805,364	794,298
Unitholders' funds per Unit (S$)	1.60	1.55	1.50	1.51
Adjusted Unitholders' funds per Unit (excluding distributable income) (S$)	1.58	1.52	1.47	1.49

8. Review of performance

(a) Variance between 4Q2017 and 4Q2016

Net property income for 4Q2017 was S$26.7 million, 9% lower than that of 4Q2016. The decrease was mainly due to higher repair and maintenance works for Caroline Chisholm Centre incurred during the period as well as lower occupancy rates for Alexandra Technopark, China Square Central and Central Park.

The decrease in net property income was partially reduced by the effects of the average stronger Australian dollar during 4Q2017, as compared to 4Q2016, on the income from Australian properties.

The decrease in finance costs by S$0.6 million in 4Q2017 as compared to that of 4Q2016 was mainly due to capitalised borrowing costs being expensed off during 4Q2016 as a result of partial early refinancing of a loan facility. No loan facility was refinanced in 4Q2017.

Please refer to Note (5) on page 6 for the explanation of fair value gain on investment properties.

The net gain and loss arising from fair value changes of derivative financial instruments in 4Q2017 and 4Q2016 respectively were related to fair value change on forward foreign currency contracts.

The increase in taxation was mainly due to higher provision of deferred taxation in FY2017 due to the increase in the fair value of the Australian properties as at 30 September 2017.

(b) Variance between FY2017 and FY2016

Net property income for FY2017 was S$113.8 million, 2% lower than that of FY2016. The decrease was mainly due to:-

- lower occupancy rates for Alexandra Technopark, China Square Central and Central Park; and
- higher repair and maintenance works for Caroline Chisholm Centre incurred during the period.

The decrease was partially offset by:

- higher income contribution from 357 Collins Street due to higher average occupancy and rental rates in FY2017;
- effects of the average stronger Australian dollar during FY2017 as compared to FY2016 on the income from Australian properties; and
- a one-off payment received in relation to a termination of lease in Central Park.

The decrease in finance costs by S$0.3 million in FY2017 as compared to that of FY2016 was mainly due to lower amortisation of borrowing costs in FY2017 as well as lower capitalised borrowing costs being expensed off as a result of partial early refinancing of loan facility in FY2017 as compared to FY2016.

Please refer to Note (5) on page 6 for the explanation of fair value gain on investment properties.

The net gain and loss arising from fair value changes of derivative financial instruments in FY2017 and FY2016 respectively were related to fair value change on forward foreign currency contracts.

The increase in taxation was mainly due to higher provision of deferred taxation in FY2017 due to the increase in the fair value of the Australian properties as at 30 September 2017.

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

Not applicable.

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

Singapore

The Ministry of Trade and Industry ("MTI") announced on 11 August 2017 and 13 October 2017 that based on advance estimates, the Singapore economy grew by 4.6% on a year-on-year basis in the third quarter of 2017, higher than the 2.9% growth in the preceding quarter. On a quarter-on-quarter ("qoq") seasonally-adjusted annualised basis, the economy expanded by 6.3%, an improvement from the 2.4% growth in the preceding quarter. MTI is of the view that the outlook for the global economy has remained stable in recent months, with global growth expected to be higher in 2017 as compared to 2016, although downside risks remain. Domestically, the manufacturing sector as a whole is likely to continue to provide support to the Singapore economy in the second half of 2017, while the transportation and storage, wholesale trade, and finance and insurance sectors are expected to benefit from the pickup in global trade. The information and communications and education, health and social services sectors are likely to remain resilient. Overall, MTI expects the Singapore economy to grow at 2.0% to 3.0% in 2017.

For the office market, CBRE[1] noted indications that the market is turning positive on the back of stronger economic fundamentals and generally more positive market sentiment. As at end 3Q 2017, average rents increased 1.7% qoq to S$9.10 per square feet ("psf") per month for Grade A CBD Core, 0.7% qoq to S$7.30 psf per month for Grade B CBD Core and remained flat at S$6.85 psf per month for island-wide Grade B. The general increase in average rents marked the first increase in ten quarters. Most of the leasing transactions in 3Q 2017 were of medium sizes and heavily featured relocations by banking and finance, oil and gas, and engineering related companies. New and expansionary demands were mainly from the co-working and technology sectors, while fintech and online payment firms have also been very active. CBRE expects modest rental growth over the near term as the market absorbs remaining space from new supply over the last two years.

For the business park market, CBRE[1] reported that island-wide vacancy rose slightly by 0.2 %-points to 12.1% as at end Q3 2017, mainly due to weaker demand in suburban business parks. Nonetheless business parks are still in demand by tenants seeking longer term rent stability, including those in the incubators, technology and fintech sectors. City fringe business parks remain the de-facto choice for most tenants looking for space due to higher quality and better location. Notable leasing transactions for 3Q 2017 were concentrated in the Alexandra precinct and involved media, finance-related and technology firms. CBRE expects rental growth for city fringe business parks given the limited stock and also the fact that business parks may benefit from the strengthening of office rents.

On 22 September 2017, the Manager announced that Hewlett-Packard Enterprise Singapore Pte Ltd ("HPE") intended to vacate an aggregate of 178,843 sf of space at Alexandra Technopark ("ATP") upon the expiration of relevant leases on 30 September 2017 and 30 November 2017. The aggregate space vacated or to be vacated by HPE constitutes around 17.1% of the total net lettable area of the property and 6.6% of the portfolio gross rental income of FCOT for the month ended 30 September 2017. To-date, about 61,000 sf of the space vacated by HPE has been committed to other tenants.

The Manager is still in discussion with another tenant, Hewlett-Packard Singapore Pte Ltd, which currently occupies approximately 304,920 sf of space at ATP under leases expiring on 30 November 2017 and constituting approximately 11.1% of FCOT's total gross rental income for the month ended 30 September 2017, with regard to its plans for the space.

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

Australia

In the Reserve Bank of Australia's Statements on Monetary Policy Decision released in August and October 2017, cash rate remained unchanged at 1.50%. The Australian economy expanded by 0.8% in June 2017, and the Reserve Bank of Australia expects that growth will gradually pick up in 2018. Non-mining business investments are picking up with large pipeline of infrastructure investments. The low level of interest rates is continuing to support the Australian economy. Gross domestic product is expected to grow by 2.0% to 3.0% for the year to 31 December 2017, before increasing to around 2.75% to 3.75% for the year ending 31 December 2018.

For the Perth CBD office market, Colliers International Research[2] reported that the market appears to be bottoming as vacancy rate fell to 21.1% as at July 2017, a decline from the 22.5% recorded in January 2017. The vacancy rate for Premium Grade office was significantly lower at 11.7% as at July 2017. Net absorption improved to 25,130 square metre ("sqm") for the six months to July 2017, mainly driven by net absorption for Premium Grade office space. Premium Grade office buildings in general are benefitting from tenants taking advantage of favorable conditions to switch out from non-CBD or non-Premium Grade locations. Colliers International expects renewed optimism in the CBD leasing market with major iron ore producers indicating new investments coupled with growing demand from firms engaged in other commodities such as lithium and gold. Average net face rent for Premium Grade offices of A$700 per sqm per annum as at July 2017 is expected to remain stable for the next 12 months, while average incentives of 48% as at July 2017 is expected to reduce to 46% by July 2018. Vacancy rate for Premium Grade office is expected to decline to 9.2% by July 2018.

For the Melbourne CBD office market, Savills Research[3] reported that net absorption for the year to June 2017 of 128,400 sqm was the strongest recorded since 2008, giving Melbourne its 15th consecutive quarter of positive take-up and a national record in this regard. Leasing activities were at their strongest since 2010. Total vacancy rate as at June 2017 was 6.5% compared to 7.1% a year ago, underpinned by 'flight to quality' and robust take-up. Demand from the education sector grew, as Melbourne's status as the most liveable city in Australia, and relative affordability compared to Sydney, continued to be a drawing factor for international students. This drove educational institutes to compete with professional services and government sector tenants for office floor space. Melbourne CBD Grade A office net face rents were between A$490 to A$600 per sqm per annum as at June 2017, while average incentives were around 25% to 30%. Average net effective rents in Melbourne CBD grew 3.9% over the year to June 2017, marginally more than net face rents, as a result of a decline in incentives. Savills Research expects vacancy rate to decline further and rents to grow moderately over the next two years before the onset of an estimated 250,000 sqm of new supply in 2020-2021.

[1] CBRE, Singapore Market View, Q3 2017

[2] Colliers International, Research and Forecast Report, CBD Office Second Half 2017

[3] Savills Research, Briefing Melbourne CBD Office, August 2017

11. Distributions

(a) Current financial period

Name of distribution
Distribution to Unitholders ("Unitholders' Distribution") for the period from 1 July 2017 to 30 September 2017

The Manager has determined that the Distribution Reinvestment Plan will apply to the distribution for the period from 1 July 2017 to 30 September 2017.

(b)(i) Distribution rate

	Unitholders' Distribution
	cents
Taxable income component	1.5262
Tax-exempt income component	0.5879
Capital component	0.2929
Total	**2.4070**

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

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

Unitholders' Distribution for the period from 1 July 2016 to 30 September 2016

	Unitholders' Distribution
	cents
Taxable income component	1.6954
Tax-exempt income component	0.4921
Capital component	0.2656
Total	**2.4531**

(c) Tax rate

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

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

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

Capital distribution
Capital distribution represents a return of capital for Singapore income tax purpose and not subject to tax. For Unitholders who hold the Units as trading assets, the amount of capital distribution will be applied to reduce the cost base of the Units for the purpose of calculating the amount of taxable trading gains arising from the disposal of Units.

(d) Date payable 29 November 2017

(e) Books closure date: 31 October 2017

12. Segment revenue and results

	FY2017			FY2016		
	Singapore	Australia	Total	Singapore	Australia	Total
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Gross revenue	83,961	72,590	156,551	87,676	68,821	156,497
Property operating expenses	(23,724)	(18,984)	(42,708)	(24,370)	(16,513)	(40,883)
Net property income	**60,237**	**53,606**	**113,843**	**63,306**	**52,308**	**115,614**
Net change in fair value of investment properties	(1,457)	61,523	60,066	(556)	(134)	(690)
Interest income			501			633
Manager's management fees			(13,706)			(13,585)
Trust expenses			(1,740)			(1,716)
Finance costs			(24,434)			(24,763)
Foreign exchange gain			1,324			1,923
Net change in fair value of other investment and derivative financial instruments			197			(785)
Realised loss on derivative financial instruments			(935)			(551)
Taxation			(23,672)			(4,839)
Total return for the year			**111,444**			**71,241**
	As at 30/9/2017			As at 30/9/2016		
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Segment assets	1,224,902	875,422	2,100,324	1,211,795	785,585	1,997,380
Unallocated assets			58,618			71,978
Total assets			**2,158,942**			**2,069,358**

13. Breakdown of sales

	FY2017	FY2016
	S$'000	S$'000
Gross revenue (1st half)	79,919	78,618
Gross revenue (2nd half)	76,632	77,879
Total gross revenue	**156,551**	**156,497**
Total return after tax (1st half)	37,960	35,741
Total return after tax (2nd half)	73,484	35,500
Total return	**111,444**	**71,241**

14. Breakdown of distribution

	FY2017	FY2016
	S$'000	S$'000
Unitholders' distribution		
- From operations		
3 August 2015 to 30 September 2015	-	12,589
1 October 2015 to 31 December 2015	-	19,439
1 January 2016 to 31 March 2016	-	18,766
1 April 2016 to 30 June 2016	-	16,072
1 July 2016 to 30 September 2016	17,375	-
1 October 2016 to 31 December 2016	17,750	-
1 January 2017 to 31 March 2017	18,185	-
1 April 2017 to 30 June 2017	16,420	-
	69,730	**66,866**
- From capital returns		
3 August 2015 to 30 September 2015	-	263
1 October 2015 to 31 December 2015	-	-
1 January 2016 to 31 March 2016	-	582
1 April 2016 to 30 June 2016	-	3,000
1 July 2016 to 30 September 2016	2,110	-
1 October 2016 to 31 December 2016	2,189	-
1 January 2017 to 31 March 2017	1,837	-
1 April 2017 to 30 June 2017	2,822	-
	78,688	**70,711**

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

There is no general mandate obtained from Unitholders for IPTs.

16. Confirmation pursuant to Rule 720(1) of the SGX-ST Listing Manual

Frasers Centrepoint Asset Management (Commercial) Ltd (“FCAMC”) (as Manager of FCOT) confirms that it has procured undertakings from all Directors and Executive Officers (in the format set out in Appendix 7.7) pursuant to Rule 720(1) of the Listing Manual.

17. Confirmation pursuant to Rule 704(13) of the SGX-ST Listing Manual

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, FCAMC, the Manager of FCOT, confirms that there is no person occupying a managerial position in FCAMC or in any of the principal subsidiaries of FCAMC or FCOT who is a relative of a Director, Chief Executive Officer or Substantial Shareholder/Unitholder of FCAMC or FCOT.

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

Dr Chua Yong Hai
Director

Christopher Tang Kok Kai
Director

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

Catherine Yeo
Company Secretary
20 October 2017

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

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