



**FRASERS COMMERCIAL TRUST
FINANCIAL STATEMENTS ANNOUNCEMENT
for the period ended 30 September 2009**

FRASERS COMMERCIAL TRUST ("FCOT" or the "Trust") is a real estate investment trust established under a Trust Deed dated 12 September 2005 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"), as amended by:

- a First Amending and Restating Deed dated 23 February 2006;
- a Second Amending and Restating Deed dated 20 March 2006;
- a Supplemental Deed of Amendment dated 30 April 2007;
- a Second Supplemental Deed of Amendment dated 31 March 2009;
- a Third Supplemental Deed dated 29 July 2009; and
- a Fourth Supplemental Deed dated 26 August 2009 (the "Trust Deed").

The principal activities of FCOT and its subsidiaries (the "Group") are those relating to investment in a diverse portfolio of real estate and real estate related assets with the prime objectives of delivering regular and stable distributions to unitholders, and to achieve long-term growth in such distributions and the net asset value per unit of FCOT ("Unit").

On 22 July 2009, the Manager obtained the approval of Unitholders at an extraordinary general meeting for the underwritten renounceable 3-for-1 rights issue and raised gross proceeds of approximately S\$213.9 million (the "Rights Issue") at an issue price of S\$0.095 per new Unit (the "Right Units"). The Right Units were issued on 26 August 2009 and listed on the SGX-ST on 27 August 2009.

On 26 August 2009, FCOT completed the acquisition of a 99-year leasehold interest in the property located at 438A/438B Alexandra Road, Singapore 119967/119968 known as Alexandra Technopark ("ATP"), for a purchase consideration of S\$342.5 million. An aggregate of 342.5 million Series A convertible perpetual preferred units in FCOT ("Series A CPPUs") have been issued to satisfy the Purchase Consideration in full at the issue price of S\$1.00 per unit of Series A CPPU.

The property portfolio of FCOT as at 30 September 2009 consists of ten properties as follows:-

- 100.0% direct interests in the China Square Central property ("China Square Central") and the 55 Market Street property ("55 Market Street"), both located in the Singapore central business district ("CBD"), in the KeyPoint property ("KeyPoint") located at 371 Beach Road, Singapore and in ATP;
- 100.0% indirect interests in Cosmo Plaza located in Osaka, Japan ("Cosmo Plaza"), the Galleria Otemae Building located in Osaka, Japan ("Galleria Otemae"), the Azabu Aco Building located in Tokyo, Japan ("Azabu Aco") and the Ebara Techno-Serve Headquarters Building located in Tokyo, Japan ("Ebara Techno-Serve"); and
- 50.0% indirect interests in Central Park located in Perth, Australia ("Central Park") and the Caroline Chisholm Centre located in Canberra, Australia ("Caroline Chisholm Centre").

In relation to the acquisition of Alexandra Technopark under Rule 1015 of the Listing Manual of Singapore Exchange Trading Securities Limited and the issue of new units in FCOT pursuant to the Rights Issue, the sole financial adviser was DBS Bank Ltd. and the joint lead managers and underwriters were DBS Bank Ltd., BNP Paribas, Singapore Branch, Cazenove & Co. (Singapore) Pte. Limited (a Standard Chartered group company)⁽¹⁾ and Oversea-Chinese Banking Corporation Limited.

(1) Cazenove & Co. (Singapore) Pte. Limited is a wholly-owned subsidiary of Cazenove Asia Limited and a Standard Chartered group company. The mark "Cazenove" and marks containing "Cazenove" are trademarks of Cazenove IP Limited and are used under limited licence. Cazenove Asia Limited, its subsidiaries and affiliated companies are now subsidiaries or affiliated companies of Standard Chartered Bank (Hong Kong) Limited, and are not affiliated with JPMorgan Cazenove Limited, Cazenove Inc., or their subsidiaries.

SUMMARY OF CONSOLIDATED RESULTS OF FCOT AND ITS SUBSIDIARIES
– 3Q2009 vs 3Q2008 and FP2009 vs FY2008

	1/7/09- 30/9/09 (‘3Q2009’) S\$’000	1/7/08- 30/9/08 (‘3Q2008’) S\$’000	Inc / (Dec) %	1/1/09- 30/9/09 ⁽¹⁾ (‘FP2009’) S\$’000	1/1/08- 31/12/08 (‘FY2008’) S\$’000	Inc / (Dec) %
Gross Revenue	25,680	26,576	(3.4%)	72,315	106,954	(32.4%)
Net Property Income	19,961	20,081	(0.6%)	55,702	80,959	(31.2%)
Total return for the period after income tax and before distribution ⁽²⁾	(32,885)	(75,350)	(56.4%)	(170,310)	(202,382)	(15.8%)
Available for distribution to Unitholders	6,147	8,075	(23.9%)	17,134	45,840	(62.6%)
<u>Adjusted for Rights Units</u>						
Available for distribution per Unit (cents)						
For Period	0.20 ⁽³⁾	0.27 ⁽⁴⁾	(25.9%)	0.56 ⁽³⁾	1.53 ⁽⁵⁾	(63.4%)
Annualised	0.80 ⁽³⁾	1.08 ⁽⁴⁾	(25.9%)	0.75 ⁽³⁾	1.53 ⁽⁵⁾	(51.0%)

NM – not meaningful

Footnotes

- (1) On 26 August 2009, Frasers Commercial Trust (‘FCOT’) announced the change of FCOT’s financial year from 1 January and ending on 31 December in each year to 1 October and ending on 30 September. Hence the current financial period amounts relate only to the period from 1 January 2009 to 30 September 2009.
- (2) Refer to sections 1(a) and 8 for further details on the total return for the period after income tax and before distribution.
- (3) The number of Units used to calculate the amount available for distribution per Unit (“DPU”) is 3,033.9 million. Please see section 1(d)(ii) for the details of changes in the Units. The actual distribution per Unit of 0.20 cents and 0.56 cents for 3Q2009 and FP2009 respectively have been computed based on the amount available for distribution after declaration of Series A convertible perpetual preferred units distributions.
- (4) The number of Units used to calculate the amount available for distribution per Unit (“DPU”) has been restated and is based on the number of Units at the end of the period inclusive of the 2,252.0 million Units issued on 26 August 2009 pursuant to the renounceable Rights Issue and 10.6 million Units issuable as payment for management fees in the period.
- (5) The number of Units used to calculate the amount available for distribution per Unit (“DPU”) has been restated and is based on the number of Units as at 31 December 2008 inclusive of the 2,252.0 million Units issued on 26 August 2009 pursuant to the renounceable Rights Issue and 10.6 million Units issuable as payment for management fees in the period.

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

	1/7/09- 30/9/09 S\$'000	1/7/08- 30/9/08 S\$'000	Inc / (Dec) %	1/1/09- 30/9/09 ⁽¹⁾ S\$'000	1/1/08- 31/12/08 S\$'000	Inc / (Dec) %
Gross revenue ⁽²⁾	25,680	26,576	(3.4%)	72,315	106,954	(32.4%)
Property operating expenses ⁽³⁾	(5,719)	(6,495)	(11.9%)	(16,613)	(25,995)	(36.1%)
Net property income ⁽⁴⁾	19,961	20,081	(0.6%)	55,702	80,959	(31.2%)
Interest income	79	369	(78.6%)	362	1,718	(78.9%)
Other (expenses) / income	(25)	(2,852)	(99.1%)	629	(2,640)	NM
Trust expenses ⁽⁵⁾	(3,395)	(3,706)	(8.4%)	(9,788)	(16,004)	(38.8%)
(Allowance for) / Reversal of impairment of receivables ⁽⁶⁾	(688)	-	NM	(4,841)	1,299	NM
Finance costs	(12,654)	(10,929)	15.8%	(39,272)	(42,296)	(7.1%)
Net income before net changes in unrealised foreign exchange (loss)/gain, fair values of investment properties, other investment and derivative financial instruments, income tax and distribution	3,278	2,963	10.6%	2,792	23,036	(87.9%)
Unrealised foreign exchange gain / (loss)	(4,134)	(5,987)	(31.0%)	5,011	(31,455)	NM
Net change in fair value of investment properties ⁽⁷⁾	(29,940)	(83,543)	(64.2%)	(174,833)	(164,634)	6.2%
Net change in fair value of other investment and derivative financial instruments ⁽⁸⁾	(917)	(2,369)	(61.3%)	(804)	(47,334)	(98.3%)
Realised (loss) / gain on derivative financial instruments	(1,603)	1,167	NM	(3,377)	6,038	NM
Net loss in unrealised foreign exchange (loss)/gain, fair values of investment properties, other investment and derivative financial instruments	(36,594)	(90,732)	(59.7%)	(174,003)	(237,385)	(26.7%)
Total return before income tax and distribution	(33,316)	(87,769)	(62.0%)	(171,211)	(214,349)	(20.1%)
Income tax credit	431	12,419	(96.5%)	901	11,967	(92.5%)
Total return for the period	(32,885)	(75,350)	(56.4%)	(170,310)	(202,382)	(15.8%)

NM – not meaningful

Reconciliation of Total Return for the Period After Income Tax, Before Distribution to the Total Amount Distributable to Unitholders:

	1/7/09- 30/9/09 S\$'000	1/7/08- 30/9/08 S\$'000	Inc / (Dec) %	1/1/09- 30/9/09 ⁽¹⁾ S\$'000	1/1/08- 31/12/08 S\$'000	Inc / (Dec) %
Total return for the period	(32,885)	(75,350)	(56.4%)	(170,310)	(202,382)	(15.8%)
Non-tax deductible / (non-taxable) items and other adjustments:						
Property management fees paid / payable in Units	-	-	-	-	831	NM
Management fees paid / payable in Units	2,759	2,815	(2.0%)	7,671	11,476	(33.2%)
Trustee's fees	243	230	5.7%	650	968	(32.9%)
Amortisation of borrowing costs	2,615	3,078	(15.0%)	8,495	10,465	(18.8%)
Net change in fair value of investment properties	29,940	83,543	(64.2%)	174,833	164,634	6.2%
Amortisation of leasing costs	132	83	59.0%	351	472	(25.6%)
Net change in fair value of other investment and derivative financial investments	917	2,369	(61.3%)	804	47,334	(98.3%)
Deferred income tax (written back)/expense	233	(13,092)	NM	(504)	(12,441)	(95.9%)
Effect of recognising accounting income on a straightline basis over the lease terms	(649)	(896)	(27.6%)	(1,920)	(3,575)	(46.3%)
Unrealised foreign exchange loss/(gain)	4,134	5,987	(31.0%)	(5,011)	31,455	NM
(Allowance for) / Reversal of impairment of receivables	688	-	NM	4,841	(1,299)	NM
Other adjustments ⁽⁹⁾	(122)	(692)	(82.4%)	(908)	(2,098)	(56.7%)
Net effect of non-tax deductible / (non-taxable) items and other adjustments	40,890	83,425	(51.0%)	189,302	248,222	(23.7%)
Available for distribution to Unitholders and Series A CPPUs holders	8,005	8,075	(0.9%)	18,992	45,840	(58.6%)
Distributions to:						
- Series A convertible perpetual preferred units (Series A CPPUs) ⁽¹⁰⁾	1,858	-	NM	1,858	-	NM
- Unitholders ⁽¹¹⁾	6,147	8,075	(23.9%)	17,134	45,840	(62.6%)
Unitholders distribution comprises:						
- from operations	6,007	4,228	-	14,992	32,064	-
- from Unitholder contributions	140	3,847	-	2,142	13,776	-

NM – not meaningful

Footnotes

- (1) On 26 August 2009, Frasers Commercial Trust (“FCOT”) announced the change of FCOT’s financial year from 1 January and ending on 31 December in each year to 1 October and ending on 30 September. Hence the current financial period amounts relate only to the period from 1 January 2009 to 30 September 2009.
- (2) 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, turnover rent and income support. The composition of gross revenue by property is as follows:

Gross revenue

	1/7/09- 30/9/09 S\$’000	1/7/08- 30/9/08 S\$’000	Inc / (Dec) %	1/1/09- 30/9/09 S\$’000	1/1/08- 31/12/08 S\$’000	Inc./(Dec.) %
China Square Central	4,388	4,388	-	13,163	17,551	(25.0%)
55 Market Street	1,662	1,732	(4.0%)	5,243	7,088	(26.0%)
KeyPoint	3,684	5,213	(29.3%)	11,611	21,365	(45.7%)
Alexandra Technopark	2,188	-	NM	2,188	-	NM
Central Park	6,912	7,975	(13.3%)	20,268	30,899	(34.4%)
Caroline Chisholm Centre	2,879	3,009	(4.3%)	7,990	11,538	(30.8%)
Cosmo Plaza	1,128	1,832	(38.4%)	3,301	7,878	(58.1%)
Azabu Aco	434	377	15.1%	1,293	1,572	(17.7%)
Galleria Otemae	1,770	1,515	16.8%	5,340	6,300	(15.2%)
Ebara Techno-Serve	635	535	18.7%	1,918	2,268	(15.4%)
AWPF (Distribution)	-	-	-	-	495	NM
Total	25,680	26,576	(3.4%)	72,315	106,954	(32.4%)

NM – not meaningful

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

Property operating expenses (By major items)

	1/7/09- 30/9/09 S\$’000	1/7/08- 30/9/08 S\$’000	Inc./(Dec.) %	1/1/09- 30/9/09 S\$’000	1/1/08- 31/12/08 S\$’000	Inc./(Dec.) %
Property maintenance expenses	1,842	1,789	3.0%	5,294	6,750	(21.6%)
Property management fees	357	798	(55.3%)	965	3,188	(69.7%)
Property tax	993	1,190	(16.6%)	2,956	4,671	(36.7%)
Utilities	1,189	1,343	(11.5%)	3,505	5,219	(32.8%)
Professional fees	750	855	(12.3%)	2,275	3,063	(25.7%)
Insurance	103	101	2.0%	293	402	(27.1%)
Council rates	228	227	0.4%	615	861	(28.6%)
Amortisation of leasing commission	132	83	59.0%	351	472	(25.6%)
Other operating expenses	125	109	14.7%	359	1,369	(73.8%)
Total	5,719	6,495	(11.9%)	16,613	25,995	(36.1%)

NM – not meaningful

Property operating expenses (By property)

	1/7/09- 30/9/09 S\$'000	1/7/08- 30/9/08 S\$'000	Inc / (Dec) %	1/1/09- 30/9/09 S\$'000	1/1/08- 31/12/08 S\$'000	Inc / (Dec) %
China Square Central	144	141	2.1%	426	551	(22.7%)
55 Market Street	373	532	(29.9%)	1,191	2,122	(43.9%)
KeyPoint	1,027	1,383	(25.7%)	3,157	5,453	(42.1%)
Alexandra Technopark	66	-	NM	66	-	NM
Central Park	1,969	2,190	(10.1%)	5,645	8,572	(34.1%)
Caroline Chisholm Centre	345	455	(24.2%)	992	1,860	(46.7%)
Cosmo Plaza	908	849	6.9%	2,521	3,634	(30.6%)
Azabu Aco	149	160	(6.9%)	441	636	(30.7%)
Galleria Otemae	646	664	(2.7%)	1,900	2,591	(26.7%)
Ebara Techno-Serve	92	121	(24.0%)	274	576	(52.4%)
Total	5,719	6,495	(11.9%)	16,613	25,995	(36.1%)

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

	1/7/09- 30/9/09 S\$'000	1/7/08- 30/9/08 S\$'000	Inc./(Dec.) %	1/1/09- 30/9/09 S\$'000	1/1/08- 31/12/08 S\$'000	Inc./(Dec.) %
China Square Central	4,244	4,247	(0.1%)	12,737	17,000	(25.1%)
55 Market Street	1,289	1,200	7.4%	4,052	4,966	(18.4%)
KeyPoint	2,657	3,830	(30.6%)	8,454	15,912	(46.9%)
Alexandra Technopark	2,122	-	NM	2,122	-	NM
Central Park	4,943	5,785	(14.6%)	14,623	22,327	(34.5%)
Caroline Chisholm Centre	2,534	2,554	(0.8%)	6,998	9,678	(27.7%)
Cosmo Plaza	220	983	(77.6%)	780	4,244	(81.6%)
Azabu Aco	285	217	31.3%	852	936	(9.0%)
Galleria Otemae	1,124	851	32.1%	3,440	3,709	(7.3%)
Ebara Techno-Serve	543	414	31.2%	1,644	1,692	(2.8%)
AWPF (Distribution)	-	-	-	-	495	NM
Total	19,961	20,081	(0.6%)	55,702	80,959	(31.2%)

NM – not meaningful

- (5) The composition of Trust Expenses is as follows:-

	Group 1/7/09- 30/9/09 S\$'000	Group 1/7/08- 30/9/08 S\$'000	Group 1/1/09- 30/9/09 S\$'000	Group 1/1/08- 31/12/08 S\$'000
Management fees	2,759	2,815	7,671	11,476
Trustee's fees	243	230	650	968
Audit fees	139	14	303	417
Non-audit fees paid to the auditors of the Trust	-	-	-	141
Professional and legal fees	209	810	1,004	2,188
Other expenses	45	(163)	160	814
Total	3,395	3,706	9,788	16,004

- (6) Allowance for impairment of receivables in 3Q2009 pertained to the amounts receivable from a tenant of Cosmo Plaza. Please refer to section 8 page 17 for further details.
- (7) Revaluations in all the investment properties were completed as at 30 September 2009, giving rise to a decrease in the fair values of these properties amounting to S\$174.8 million for the financial period ended 30 September 2009. The downward revaluation in 3Q2009 of S\$29.9 million arose from the adjustment of the carrying values of the properties.
- (8) This represents the changes in fair values of the Group's investment in AWPf and in derivative financial instruments. The derivative financial instruments comprise foreign currency forward contracts and interest rate swaps entered into by the Trust to manage its foreign currency and interest rate risks.

	1/7/09- 30/9/09 S\$'000	1/7/08- 30/9/08 S\$'000	1/1/09- 30/9/09 S\$'000	1/1/08- 31/12/08 S\$'000
Change in fair value of interest in AWPf	(212)	(1,787)	(212)	(37,371)
Change in fair value of derivative financial instruments	(705)	(582)	(592)	(9,963)
Fair value movements	(917)	(2,369)	(804)	(47,334)

- (9) Other adjustments comprise primarily the differences between the cash available to be distributed and the accounting profit available for distribution in foreign jurisdictions and other non-tax deductible/ non-taxable items.
- (10) Each Series A CPPUs shall entitle the Series A CPPUs holders to receive a distribution of an amount equivalent to 5.50% per annum of the issue price of S\$1.00 each of Series A CPPUs.
- (11) FCOT's distribution policy is to distribute at least 90.0% of its taxable income and tax-exempt income to the unitholders.

1(b)(i) Balance Sheets, together with a comparative statement as at the end of the immediately preceding financial year

	Group 30/09/09 S\$'000	Group 31/12/08 S\$'000	Trust 30/09/09 S\$'000	Trust 31/12/08 S\$'000
Non-current assets				
Investment properties ⁽¹⁾	1,864,263	1,659,137	1,260,000	1,033,000
Subsidiaries ⁽²⁾	-	-	472,926	570,293
Other investments ⁽³⁾	26,099	26,312	-	-
Other receivables ⁽⁴⁾	-	8,726	-	8,726
Deferred tax assets ⁽⁵⁾	-	1,156	-	-
	1,890,362	1,695,331	1,732,926	1,612,019
Current assets				
Trade and other receivables ⁽⁴⁾	14,018	8,308	36,878	19,031
Current tax recoverable	-	3,911	-	-
Cash and cash equivalents	103,825	55,265	71,274	16,078
Investment property classified as held for sale ⁽¹⁾	54,635	-	-	-
	172,478	67,484	108,152	35,109
Total assets	2,062,840	1,762,815	1,841,078	1,647,128
Non-current liabilities				
Interest-bearing borrowings (net of transaction costs)	321,983	330,033	152,548	156,522
Deferred tax liability ⁽⁵⁾	44,371	36,693	-	-
	366,354	366,726	152,548	156,522
Current liabilities				
Trade and other payables	34,082	35,866	46,677	29,523
Derivative financial instruments ⁽⁶⁾	12,171	11,579	12,171	11,579
Interest-bearing borrowings (net of transaction costs)	479,500	616,426	479,500	616,426
Provision for taxation	916	916	891	891
	526,669	664,787	539,239	658,419
Total liabilities	893,023	1,031,513	691,787	814,941
Net assets	1,169,817	731,302	1,149,291	832,187
Represented by:				
Net assets attributable to:				
- Series A convertible perpetual preferred units (CPPU)	342,500	-	342,500	-
- Unitholders	827,317	731,302	806,791	832,187
	1,169,817	731,302	1,149,291	832,187

Footnotes

- (1) Please see section 8, page 20 for details of the valuations of investment properties. The increase is due to the acquisition of Alexandra Technopark and mitigated by the downward revaluations of investment properties. The Manager has determined that Cosmo Plaza does not meet the long term investment strategy of FCOT and continues to explore a potential divestment. Thus, it has been reclassified to Investment property held for sale.
- (2) The decrease in FCOT's investments in subsidiaries is due to provisions for impairment made for the respective subsidiaries that hold the investment in AWPf and overseas properties as a result of decrease in valuation of the properties.

- (3) Other investments of the Group represent the investment in AWPf. AWPf successfully completed their recapitalisation and restructure exercise on 22 September 2009 whereby a portion of the unitholders investment was converted into equity loan. Upon completion of the restructuring, AWPf will not have any debt facilities maturing until 29 October 2012 and FCOT's investment now consists of ordinary units of 39,758,513 units valued at S\$1,352,100 and equity loan at S\$24,746,615.
- (4) Other receivables relate to amounts due from Unicorn Square Limited, the master lessee of China Square Central, for future advertising and promotion expenditure in relation to the property. The reduction in Other receivables under non-current assets is due to reclassification of S\$5.28 million to Other receivables under current assets.
- (5) Deferred tax is provided for in respect of the potential capital gains or losses arising from the changes in fair value of the overseas properties.
- (6) Derivative financial instruments relate to the fair values of interest rate swaps transacted to manage interest rate risk, and the fair values of foreign currency forward contracts transacted to manage fluctuations on the foreign currency denominated income of the Group. The details of the "derivative financial instruments" are as follows:-

	Group and Trust		
	Contract / Notional amount S\$'000	Fair values	
		Assets S\$'000	Liabilities S\$'000
<u>30/9/09</u>			
Foreign currency forward contracts	7,412	-	1,713
Interest rates swaps	431,721	-	10,458
Total	439,133	-	12,171
<u>31/12/08</u>			
Foreign currency forward contracts	22,588	-	795
Interest rates swaps	435,733	-	10,784
Total	458,321	-	11,579

As at 30 September 2009, FCOT has interest rate swaps to hedge its interest rate risks over 68.8% of its Singapore Dollar and Japanese Yen floating rate debt facilities.

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

Details of borrowings and collateral

	Group 30/9/09 S\$'000	Group 31/12/08 S\$'000
Secured borrowings (excluding transaction costs)		
Amount repayable in one year or less	479,500	554,520
Amount repayable after one year	323,534	332,032
Unsecured borrowings		
Amount repayable in one year or less, or on demand	-	70,000
	803,034	956,552

Secured borrowings

The secured borrowings comprise the following:

- 1) S\$550.0 million loan note facility granted by CBA Asia Limited, CommCapital S.ar.l, Commonwealth Bank of Australia acting through its Singapore Branch ("**CBA Singapore**"), CommBank Europe Limited, Commonwealth Bank of Australia acting through its Offshore Banking Unit ("**CBA Offshore**") (collectively "**Loan Note Facility**")

As at 30 September 2009, the outstanding amount under the Loan Note Facility amounted to S\$475.0 million (2008 : S\$550.0 million). The Loan Note Facility bears interest at the swap-offer rate plus a margin.

As security under the Loan Note Facility, Frasers Commercial Trust ("**FCOT**") and its relevant subsidiaries have granted security in favour of JP Morgan Chase Bank N.A, Singapore Branch as security trustee under the Loan Note Facility, such security includes:

1. mortgage over China Square Central, 55 Market Street, Central Park and KeyPoint;
2. equitable mortgages over all units and shares (as applicable) issued in each of the following FCOT subsidiaries:
 - a. ARC Trust;
 - b. Frasers Commercial Investments No.3 Pty Limited;
 - c. Frasers Commercial Sub No.1 Pte. Ltd.;
 - d. Frasers Commercial Investments No.1 Pte. Ltd.;
 - e. Frasers Commercial Investments No.2 Pte. Ltd.; and
 - f. Central Park Landholding Trust.
3. an equitable mortgage over the units issued to Frasers Commercial Investments No.2 Pte. Ltd. in Australian Wholesale Property Fund ("**AWPF**");
4. registered fixed and floating charges over all the assets of Central Park Landholding Trust and ARC Trust;
5. security assignments over the relevant leases, lease guarantees, insurance contracts, income support deeds and sale and purchase agreements in respect of China Square Central, 55 Market Street, Central Park and KeyPoint;
6. charge and assignment over all of FCOT's present and future rights, title and interest, in all bank accounts where the rental proceeds of China Square Central, 55 Market Street, Central Park and KeyPoint are held; and
7. registered charges over the accounts into which distributions and dividends from FCOT subsidiaries will be paid.

(collectively the "**Security**").

The obligation to make part payment amounting to S\$400.0 million under the Loan Note Facility by 31 July 2009 was removed on 12 June 2009 and accordingly the full payment of the facilities under the Loan Note Facility and the Working Capital Facility (as defined below) has been extended to 31 December 2009.

2) Japanese Yen Bi-Lateral Cash Advance Facility arranged with Commonwealth Bank of Australia, Singapore Branch ("Japanese Yen Loan")

As at 30 September 2009, the amount outstanding under this facility amounted to ¥9,783,567,805 (S\$152.7 million) (2008: ¥9,783,567,805 (S\$156.7 million)). The loan bears interest at the JPY LIBOR BBA rate plus margin, and will mature on 9 September 2012. This facility is secured against the Loan Note Collateral described above.

3) A S\$12,000,000 Revolving Loan Facility arranged with Commonwealth Bank of Australia, Singapore Branch

As at 30 September 2009, the amount outstanding under this facility was S\$4.5 million (2008: S\$4.5 million). The loan bears interest at the swap offer rate plus a margin and is secured against the Loan Note Collateral described above. This facility will mature on 31 December 2009.

4) Japanese Yen Fixed Rate Term Specified Bond Facilities

This comprises two facilities of ¥3,802,500,000 ("**Cosmo Bonds**") and ¥7,140,000,000 ("**Tozai Bonds**"), arranged with Credit Suisse Securities (Japan) Limited ("**Credit Suisse**") with fixed interest rates of 3.01% and 2.45% respectively. On 30 September 2008, Credit Suisse transferred the Tozai Bonds to Shinsei Trust & Bank Co., Ltd, on the same terms and conditions. The bonds will mature on 1 August 2012 and 1 November 2012 respectively. The bondholders have recourse to the issuer of the bonds, a tokutei mokuteki kaisha (an entity established under the Japan Law Regarding Securitisation of Assets (No.105 of 1998, as amended)), which is an indirect wholly owned subsidiary of FCOT, and which holds a beneficial interest in the relevant trust that holds legal title to each of Cosmo Plaza, Galleria Otemae, Azabu Aco and Ebara Techno-Serve.

5) Secured new financing arrangements

On the 22 September 2009, British and Malayan Trustees Limited, as trustee of FCOT (the "Trustee"), entered into a facility agreement pursuant to which DBS Bank, Oversea-Chinese Banking Corporation Limited, Standard Chartered Bank and Commonwealth Bank of Australia, Singapore Branch ("CBA Singapore Branch")(collectively referred to as the "SGD Lenders") have agreed to extend to the Trustee, as trustee of FCOT, a transferable term loan facility of S\$500.0 million (the "SGD Facility") for a term of three years from the date of drawdown of the SGD Facility.

The SGD Facility shall be primarily used to repay the Loan Note Facility. The SGD Facility is secured by Alexandra Technopark, KeyPoint, China Square Central and 55 Market Street, FCOT's Singapore properties.

On the 30 June 2009, the Trustee accepted a commitment letter by CBA Singapore Branch where CBA Singapore Branch committed to provide to FCOT a A\$150.0 million three year transferable term loan facility (the "AUD Facility"). The AUD Facility shall be primarily secured by FCOT's Australian properties, namely Central Park and Caroline Chisholm Centre.

The primary purpose of the AUD Facility is to repay the balance amount outstanding under the Japanese Yen Loan and payment of transaction cost, expenses and fees relating to the Facility.

The AUD Facility is expected to be executed sometime in November 2009, and together with the SGD Facility, the facilities shall be utilised before the end of year 2009.

With this refinancing, FCOT will have no debt facilities maturing until 2012.

1(c) Consolidated Cash Flow Statement

	1/7/09- 30/9/09 S\$'000	1/7/08- 30/9/08 S\$'000	1/1/09- 30/9/09 S\$'000	1/1/08- 31/12/08 S\$'000
Operating activities:				
Total return before income tax	(33,316)	(87,769)	(171,211)	(214,349)
Adjustments for:				
Finance costs	10,039	7,851	30,777	31,831
Distribution income from other investment	-	-	-	(495)
Effect of recognising accounting income on a straight-line basis over the lease term	(649)	(896)	(1,920)	(3,575)
Allowance for / (Reversal of) impairment of receivables	688	-	4,841	(1,299)
Foreign exchange differences	4,787	5,897	(5,011)	32,380
Amortisation of leasing costs	132	83	351	472
Interest income	(79)	(369)	(362)	(1,718)
Management fees paid / payable in Units	2,759	2,815	7,671	11,476
Net change in fair value of other investment and derivative financial instruments	917	2,369	804	47,334
Net change in fair value of investment properties	29,940	83,543	174,833	164,634
Amortisation of borrowing costs	2,615	3,078	8,495	10,465
Realised loss on derivative financial instruments	1,603	(1,167)	3,377	(6,038)
Property management fee paid / payable in Units	-	-	-	831
Operating income before working capital changes	19,436	15,435	52,645	71,949
Changes in working capital:				
Trade and other receivables	(2,988)	1,752	(2,113)	9,103
Trade and other payables	7,616	(1,262)	(3,730)	(15,941)
Cash generated from operating activities	24,064	15,925	46,802	65,111
Tax (paid)/refunded	1,118	(4,174)	4,539	(5,349)
Net cash provided by operating activities	25,182	11,751	51,341	59,762
Investing activities:				
Capital expenditure on investment properties	(640)	(203)	(1,577)	(3,517)
Interest received	227	367	362	1,718
Acquisition costs paid	(448)	-	(448)	-
Proceeds from disposal of investment	-	-	-	11,408
Distribution received	-	-	-	495
Cash generated from/(utilised in) investing activities	(861)	164	(1,663)	10,104

1(c) Consolidated Cash Flow Statement (cont.)

	1/7/09- 30/9/09 S\$'000	1/7/08- 30/9/08 S\$'000	1/1/09- 30/9/09 S\$'000	1/1/08- 31/12/08 S\$'000
Financing activities:				
Proceeds from borrowings	-	6,500	1,294	4,520
Proceeds from rights issue	213,939	-	213,939	-
Repayment of loan	(145,000)	(3,400)	(145,020)	-
Amount (paid) / proceeds from realisation of derivative financial instruments	(1,603)	1,168	(3,377)	6,038
Finance costs paid	(19,659)	(5,064)	(30,498)	(23,931)
Distribution paid	(10,994)	(28,509)	(28,365)	(54,910)
Decrease in restricted cash	82	1,907	(1,050)	26,773
Issue cost paid	(6,857)	-	(6,857)	-
Transaction costs on borrowings	(483)	(63)	(1,483)	(14,454)
Cash utilised in financing activities	29,425	(27,461)	(1,417)	(55,964)
Net increase in cash and cash equivalents	53,746	(15,546)	48,261	13,902
Cash and cash equivalents at beginning of period	40,507	48,320	46,685	26,485
Effect of exchange rate changes	(58)	717	(751)	6,298
Cash and cash equivalents at end of period ⁽¹⁾	94,195	33,491	94,195	46,685

Footnotes

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

	30/9/09 S\$'000	31/12/08 S\$'000
Bank and cash balances	103,825	55,265
Cash and cash equivalents at end of the period ⁽¹⁾	103,825	55,265
Less: Restricted cash - reserves ⁽²⁾	(9,630)	(8,580)
Cash and cash equivalents in the consolidated cash flow statements	94,195	46,685

- (1) The Cash and cash equivalents include balance of rights proceeds earmarked for repayment of existing loan, capital expenditure and working capital.
- (2) Restricted cash represent bank deposits that are not freely available for use by the Group. They comprise bank deposits in Japan required to be maintained to comply with the requirements of the Japanese Yen Fixed Rate Term Specified Bond Facilities (Please refer to section 1(b)(ii) on the specified bond facilities).

Significant non-cash transaction

During the financial period, \$342.5 million of the Series A CPPUs were issued as consideration for the acquisition of Alexandra Technopark.

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

	Group 1/1/09 - 30/9/09 S\$'000	Group 1/1/08 - 31/12/08 S\$'000	Trust 1/1/09 - 30/9/09 S\$'000	Trust 1/1/08 - 31/12/08 S\$'000
<u>Movement from 1/1/09 to 30/6/09</u>				
Balance at beginning of period	731,302	1,049,673	832,187	952,035
Operations				
Change in net assets attributable to Unitholders resulting from operations	(137,425)	(100,823)	(113,126)	(22,194)
Distributions to Unitholders	(11,850)	(45,775)	(11,850)	(45,775)
Change in unitholders' funds resulting from operations	(149,275)	(146,598)	(124,976)	(67,969)
Unitholders contributions				
Issue of Units				
- Management fees	4,171	9,620	4,171	9,620
Distribution to Unitholders	(5,520)	(9,135)	(5,520)	(9,135)
Change in unitholders' funds resulting from operations	(1,349)	485	(1,349)	485
Foreign currency translation reserve				
Movement for the period	56,873	(22,417)	-	-
	56,873	(22,417)	-	-
Balance of unitholders' funds as at 30/6/09 and 30/9/08	637,551	881,143	705,862	884,551
<u>Movement from 1/7/09 to 30/9/09</u>				
Operations				
Change in net assets attributable to Unitholders resulting from operations	(32,885)	(101,559)	(96,937)	(55,792)
Distributions to Unitholders	(9,009)	-	(9,009)	-
Change in unitholders' funds resulting from operations	(41,894)	(101,559)	(105,946)	(55,792)
Unitholders contributions				
Issue of Units				
- Management fees	2,759	3,428	2,759	3,428
- pursuant to rights issue	213,939	-	213,939	-
Issue cost	(7,838)	-	(7,838)	-
Distribution to Unitholders	(1,985)	-	(1,985)	-
Change in unitholders' funds resulting from operations	206,875	3,428	206,875	3,428
Foreign currency translation reserve				
Movement for the period	24,785	(51,710)	-	-
	24,785	(51,710)	-	-
Balance of unitholders' funds as at 30/9/09 and 31/12/08	827,317	731,302	806,791	832,187

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

	1/7/09-30/9/09 Units	1/7/08-30/9/08 Units	1/1/09-30/9/09 Units	1/1/08-31/12/08 Units
Issued Units as at beginning of period	750,663,293	709,598,320	725,434,620	700,731,701
Management / property management fees paid in Units ⁽¹⁾	12,811,398	4,908,653	38,040,071	24,702,919
Rights issue	2,251,989,879	-	2,251,989,879	-
Issued Units as at end of period	3,015,464,570	714,506,973	3,015,464,570	725,434,620
Management / property management fees payable in Units ⁽²⁾	18,122,671	10,772,972	18,122,671	10,612,344
Issued and issuable Units as at end of period	3,033,587,241	725,279,945	3,033,587,241	736,046,964

Footnotes

- (1) Management and property management fees paid/payable in Units comprise the following:-

Period ended	Management Fee	Property Management Fee
31-Dec-06	-	277,417
31-Mar-07	1,018,491	266,464
30-Jun-07	1,312,076	311,944
30-Sep-07	1,786,862	471,990
31-Dec-07	4,102,141	1,099,661
31-Mar-08 *	3,664,817	-
30-Jun-08	3,828,748	1,079,905
30-Sep-08 *	10,927,647	-
31-Dec-08 *	10,612,344	-
31-Mar-09 *	14,616,329	-
30-Jun-09 *	12,811,398	-
30-Sep-09 *	18,122,671	-
	82,803,524	3,507,381

* Property management fees paid in cash.

- (2) 18.1 million Units will be issued on 22 October 2009 to the Manager as payment for management fees for the quarter ended 30 September 2009. The price of Units issued is determined based on the Volume Weighted Average Price of the Units for the ten business days preceding the date of issue pursuant to the Trust Deed.

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)**

The figures have not been audited nor reviewed by the Trust's auditors.

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

Not applicable.

4. Whether the same accounting principles and methods of computation as in the issuer's most recent audited financial statements have been applied

FCOT has adopted the same accounting principles and methods of computation as set out in the audited financial statements for the financial year ended 31 December 2008.

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

	Actual 1/7/09- 30/9/09 Units S\$'000	Actual 1/7/08- 30/9/08 Units S\$'000	Actual 1/1/09- 30/9/09 Units S\$'000	Actual 1/1/08- 31/12/08 Units S\$'000
<u>EPU</u>				
<u>Basic EPU</u>				
Total return after income tax, before distribution	(32,885)	(75,350)	(170,310)	(202,382)
Distribution payable to the holders of the Series A CPPUs	(1,858)	-	(1,858)	-
Earnings attributable to Unitholders	(34,743)	(75,350)	(172,168)	(202,382)
Weighted average number of Units in issue	1,742,634	870,790 ⁽³⁾	1,186,090	869,480 ⁽³⁾
Basic earnings per unit (cents) ⁽¹⁾	(1.99)	(8.65) ⁽³⁾	(14.52)	(23.28) ⁽³⁾
<u>Dilutive EPU</u>				
Weighted average number of Units in issue (Dilutive)	2,308,365	870,790 ⁽³⁾	1,376,739	869,480 ⁽³⁾
Basic earnings per unit on fully diluted (cents) ⁽²⁾	(1.99)	(8.65) ⁽³⁾	(14.52)	(23.28) ⁽³⁾
<u>DPU</u>				
Number of units issued and issuable at end of period	3,033,587	725,280	3,033,587	736,047
Available for distribution per Unit based on the total number of Units on issue (cents)	0.20 ⁽⁴⁾	1.11	0.56 ⁽⁴⁾	6.35 ⁽⁶⁾
<u>For Information Only</u>				
DPU (Adjusted for Rights Units)				
Based on the number of units issued and issuable at end of period	0.20 ⁽⁴⁾	0.27 ^(3,5)	0.56 ⁽⁴⁾	1.53 ^(3,5)

Footnotes

- (1) In computing the basic earnings per unit, earnings attributable to Unitholders and the weighted average number of Units at the end of the period are used.
- (2) In computing the fully diluted EPU, the total return for the period after tax, before distribution and the weighted average number of Units at the end of the period are adjusted for the effects of all dilutive potential Units arising from the assumed conversion of the Series A convertible perpetual preferred units at the conversion price of S\$0.2369 to Units.
- (3) The figures have been restated for effect of Rights Issue.
- (4) The DPU in the table above is computed on the basis that none of the Series A convertible perpetual preferred units are converted into Units. Accordingly, the actual quantum of DPU payable for 3Q2009 may differ from the table above if any Series A convertible perpetual preferred units are converted into Units.
- (5) The DPU is computed based on the issued and issuable units at end of period plus 2,251,989,879 Rights Units pursuant to the renounceable underwritten 3-for-1 Rights Issue.
- (6) DPU of 6.35 cents for FY2008 comprises DPU of 3.99 cents for 1H2008 and 2.36 cents for 2H2008. The DPU for 1H2008 is computed based on 714.64 million units issued and issuable as at 30 June 2008 while the DPU for 2H2008 is computed based on 736.05 million units issued and issuable as at 31 December 2008.

7. Unitholders' funds per Unit based on issued and issuable Units at the end of the period

	Group 30/9/09	Group 31/12/08	Trust 30/9/09	Trust 31/12/08
Number of units issued and issuable at end of period ('000)	3,033,587	736,047	3,033,587	736,047
Unitholders' funds at end of period (S\$'000)	827,317	731,302	806,791	832,187
Unitholders' funds per Unit (S\$)	0.27	0.99	0.27	1.13
Adjusted Unitholders' funds per Unit (excluding distributable income) (S\$)	0.27	0.97	0.26	1.11

8. Review of performance – Variance between actual results for the period 1 July 2009 to 30 September 2009 (“3Q2009”) and 1 July 2008 to 30 September 2008 (“3Q2008”)

Gross revenue for 3Q2009 was S\$0.9 million or 3.4% lower than that of the corresponding period in the prior year mainly due to the following:

- a decrease of S\$1.0 million, S\$0.1 million and S\$1.5 million from Central Park, Caroline Chisholm Centre and KeyPoint respectively. This arose primarily from the weakening of the Australian Dollar from A\$1.00:S\$1.2359 in 3Q2008 to A\$1.00:S\$1.2010 for 3Q2009, expiry of leases and the loss of income support for Central Park in 3Q2009 (3Q2008 : S\$0.2 million) which was terminated on 14 August 2008 following the completion of the acquisition of the Manager by Frasers Centrepoint Limited.
- lower contribution by S\$0.7 million from Cosmo Plaza due to the loss of a significant tenant in 4Q2008.
- the decrease was partially offset by contributions from Alexandra Technopark acquired in August 2009 by S\$2.2 million.

Property operating expenses were lower in 3Q2009 vis-a-vis 3Q2008 mainly due to a waiver of property management fees for overseas properties with effect from 1 January 2009 which resulted in a decrease of S\$0.4 million. Lower property taxes, professional fees and utilities resulted in a further decrease of S\$0.5 million in 3Q2009 from 3Q2008. Please refer to pages 5 and 6 for the composition of the property operating expenses.

Trust expenses for 3Q2009 were S\$0.3 million lower than that for 3Q2008 mainly due to lower management fees and professional and legal fees expenses in 3Q2009. Management fees are computed based on a percentage of the property values and performance, and due to the lower valuations and revenue in 3Q2009, the resulting management fees were lower. Please refer to page 7 for the composition of the trust expenses.

The allowance for impairment of receivables in 3Q2009 related to rental receivable from a significant tenant of Cosmo Plaza who is in financial difficulty. As set out in the 4Q2008 financial statements announcement, the tenancy deposit placed by the tenant has been fully offset against its rental arrears up to January 2009. Accordingly, the allowance of S\$0.7 million represents the rental that is in arrears from July 2009 to September 2009.

Finance costs were S\$1.7 million higher in 3Q2009 as compared to 3Q2008 due mainly to the higher margins on the Loan Note Facility, Japanese Yen Loan, F&N Loan and full amortisation of capitalised borrowing costs from the existing Loan Note Facility. Under the terms of the debt facilities extension negotiated in 2008, the interest margin of these facilities increased with effect from 1 July 2009.

Unrealised foreign exchange loss in 3Q2009 vis-a-vis 3Q2008 arose mainly from the Japanese Yen Loan as a result of the Japanese Yen strengthening against the Singapore dollar. There is a corresponding increase in the carrying values of the investment properties in Japan as a result; however the effect of this foreign exchange movement is taken to the foreign currency translation reserve.

Net change in fair value of other investment and derivative financial instruments for 3Q2009 was due to unrealised fair value loss on the derivative financial instruments entered into by FCOT and loss in the fair value of the investment in AWPf of S\$0.2 million. FCOT had entered into interest rate swaps to fix the base interest rates on its bank loans when it acquired each of its properties and at other times in accordance with its interest rate risk management policy. These derivative financial instruments are carried at fair value, and resulted in an unrealised loss of S\$0.7 million in 3Q2009 due to a decline in market interest rates.

Realised loss on derivative financial instruments arose from the realisation of an Australian dollar forward contract undertaken to manage the foreign currency exposure on the net income from the Australian properties for the current quarter.

Review of performance – Variance between actual results for the period 1 January 2009 to 30 September 2009 (“FP2009”) and 1 January 2008 to 31 December 2008 (“FY2008”)

Gross revenue, property operating expenses and net property income were proportionately higher for FY2008 than FP2009 due to cessation of income support for Central Park and KeyPoint. In addition revenue for FY2008 also enjoyed the stronger Australian Dollar which was translated at an average rate of A\$1.00:S\$1.1975 versus A\$1.00:S\$1.1106 for FP2009.

The lower contribution by S\$2.4 million from Cosmo Plaza due to the loss of a significant tenant in 4Q2008 was partially offset by S\$2.1 million income Alexandra Technopark in FP2009. It should be noted that the gross revenue for FY2008 includes distribution from AWPf of S\$0.5 million and nil contribution in FP2009.

Similarly, trust expenses were S\$2.3 million higher in FY2008 than FP2009 mainly due to higher property values and performance in FY2008. Management fees are computed based on a percentage of the property values and performance.

Allowance for impairment of receivables in FP2009 related to the following:

- allowance for impairment of rental receivable from a significant tenant of Cosmo Plaza who is in financial difficulty. The tenancy deposit placed by the tenant has been fully offset against its rental arrears up to January 2009. Accordingly, the allowance of S\$2.0 million represents the rental that is in arrears from February 2009 to September 2009.
- an allowance of S\$3.25 million in respect of the non-current amount receivable from Unicorn Square Limited (“Unicorn”) relating to China Square Central. Under the terms of the master lease for China Square Central, Unicorn must make contributions for upgrading works to the property within a number of years from acquisition. As the upgrading works at China Square Central has been deferred, the Manager is in discussions with Unicorn regarding the utilisation of the amount receivable. The allowance for impairment is made based on management’s assessment of the amount that is expected to be recoverable.
- this was partially offset by a write back of S\$0.5 million allowance for impairment of receivables pertaining to China Square Central. The impairment recognised in 4Q2008 was reversed in 2Q2009 after the amount was subsequently recovered.

Finance costs for FP2009 were proportionately higher than FY2008 by S\$7.5 million due to the increased borrowing costs under the terms of the extension of the Loan Note Facility and full amortisation of capitalised borrowing costs of the existing Loan Note Facility.

Unrealised foreign exchange gains in FP2009 vis-a-vis FY2008 were mainly from the Japanese Yen Loan as a result of the Japanese Yen weakening against the Singapore dollar. There is a corresponding decrease in the carrying values of the investment properties in Japan as a result; however the effect of this foreign exchange movement is taken to the foreign currency translation reserve.

The net change in the fair value of the investment properties in FP2009 was a loss of S\$174.8 million, as compared to a loss of S\$164.6 million for FY2008. The loss arose from downward revaluations of investment properties.

Net change in fair value of other investment and derivative financial instruments for FP2009 comprised unrealised losses from the derivative financial instruments entered into by FCOT and a decrease in the fair value of the investment in AWPf. FCOT had entered into interest rate swaps to fix the interest rates on its bank loans when it acquired each of its properties and at other times in accordance its interest rate risk management policy. These derivative financial instruments are carried at fair value, and resulted in an unrealised loss of S\$10.0 million for FY2008 versus S\$0.6 million for FP2009 due to strengthening of the market interest rates.

Valuation of the investment properties

Property	Valuation Date	Valuation Amount Millions	Independent Valuer
KeyPoint 371 Beach Road Singapore 199597	31-Jul-09	\$283.0	Colliers International Consultancy & Valuation (S) Pte Ltd
Marsh & McLennan Centre & China Square Central 18, 20 & 22 Cross Street Singapore 048423	31-Jul-09	\$512.5	Savills (Singapore) Pte Ltd
55 Market Street, Singapore 048941	31-Jul-09	\$119.5	Savills (Singapore) Pte Ltd
Alexandra Technopark 438A/438B Alexandra Road Singapore 119967/119968	31-Jul-09	\$345.0	Colliers International Consultancy & Valuation (S) Pte Ltd
Central Park 152-158 St George's Terrace Perth, Western Australia 6000 Australia	31-Jul-09	\$349.0 ¹ (A\$282.5)	Jones Lang LaSalle Advisory Services Pty Limited
Caroline Chisholm Centre Block 4 Section 13 Tuggeranong Australian Capital Territory Australia	31-Jul-09	\$108.1 ¹ (A\$87.5)	Knight Frank (Canberra) Pty Ltd
Cosmo Plaza 15 Nankokita 1-chome Suminoe-ku, Osaka, Japan	30-Sep-09	\$54.6 ² (JPY3,500)	DTZ Debenham Tie Leung K.K.
Galleria Otemae Building No. 2, Tanimachi 2-chome Chuo-ku, Osaka-shi, Osaka, Japan	30-Sep-09	\$83.8 ² (JPY5,370)	DTZ Debenham Tie Leung K.K.
Azabu Aco Building No. 32-7, Higashi-Azabu 2-chome Minato-ku, Tokyo Japan	30-Sep-09	\$23.9 ² (JPY1,530)	DTZ Debenham Tie Leung K.K.
Ebara Techno-Serve Headquarters Building No. 1-1, 5 Chome Haneda, Tokyo, Japan	30-Sep-09	\$39.5 ² (JPY2,530)	DTZ Debenham Tie Leung K.K.

Footnotes

1. Represents FCOT's 50.0% indirect interests. Converted at A\$1.00:S\$1.2353
2. Converted at JPY1.00:S\$0.01561

The independent valuers are licenced and experienced valuers, and the valuations were carried out using the capitalisation approach and discounted cash flow analysis. As at 30 September 2009, the carrying amounts of these investment properties approximate their fair values.

9. 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

Outlook Section for Financial Statements

The key driver for performance of commercial office and business space properties in the coming year will be the turnaround of the economy and a willingness of corporates to resume their expansion plans and business investment spending. Indicators suggest there is an early uplift in the economic mood and this is starting to translate to a deceleration in the reduction of rents.

Singapore

On 12 October 2009, the Ministry of Trade and Industry ("MTI") announced that the Singapore economy expanded by 0.8% year-on-year in the third quarter of 2009. Growth was driven by the continued expansion of biomedical and electronics manufacturing output, and improvements in the trade-related and tourism sectors of the economy on the back of a gradual stabilisation in global economic conditions. Taking these factors into account, the MTI upgraded the economic growth forecast for 2009 to -2.5 to -2.0%. Advance estimates show that in the third quarter of 2009, Singapore's GDP expanded by 14.9% on a seasonally-adjusted quarter-on-quarter annualised basis, following a 22.0% expansion in the second quarter of the year. In year-on-year terms, the economy grew by 0.8%, compared to a 3.2% contraction in the preceding quarter. Importantly for office and business space demand, the financial services sector posted modest growth, supported by domestic and offshore non-bank lending and insurance business.

CB Richard Ellis¹ reports that even as office rents fell for the fourth consecutive quarter, it became more evident that the pace of rental decline has eased as business confidence has generally returned. Prime office rents averaged \$7.50 psf/month in the third quarter. This reflected a 12.8% quarter-on-quarter decrease compared with the 18.1% decline in Q2 2009 and 18.6% contraction in Q1 2009. In all, prime rents have fallen 53.4% since the peak in Q3 2008. Similarly, Grade A rents are at \$8.80 psf/month, reflecting a 13.3% quarter-on-quarter decline, which is an improvement over the 18.0% contraction seen in Q1 2009 and 17.5% decline in Q2 2009. With the improvement in economic outlook, the office leasing market was particularly active in Q3 2009. There was an increase in premises planning activity and requests for proposals from occupiers. Occupiers are, in the main, still looking for lower costs and better value options, but there are selective companies seeking to expand. It is encouraging to note that the rate of attrition slowed for the banking sector. Business confidence is also improving for the advertising, IT and legal sectors. Approximately 575,000 sf were added to office stock this quarter. Grade A vacancy rose to 4.2% in Q2 2009 up from 3.6% in the past quarter and 1.2% in Q3 2008. The take-up for Grade A space for the first three quarters in 2009 was negative 223,397 sf. Demand is likely to remain in negative territory for the rest of 2009 and vacancy rates are expected to rise due to the high volume of supply, although CB Richard Ellis expects the recovery in office market to kick in earlier in 2010 rather than in 2011 as estimated previously. Nonetheless, the office market will remain fairly fragile in the short-term. The office investment market was reasonably active, dominated by properties transacted of a smaller plot size and with a price tag within the \$50 million to \$65 million range.

Australia

In a statement by the Reserve Bank of Australia ('RBA') on 7 October 2009, it was noted that economic conditions in Australia have been stronger than expected, measures of confidence have recovered and some spending has probably been brought forward by the various policy initiatives. Medium-term prospects for investment appear, moreover, to be strengthening. Higher dwelling activity and public infrastructure spending is also starting to provide more support to spending. Overall, growth through 2010 looks likely to be close to trend. Unemployment has not risen as far as had been expected and the weaker demand for labour over the past year has seen a moderation in labour costs. Helped by this and the earlier fall in energy and commodity prices, underlying inflation should continue to moderate in the near term, but not fall as far as earlier thought. Business borrowing has been declining, as companies have sought to reduce leverage in an environment of tighter lending standards, but large firms that have had good access to equity capital and access to debt markets appear to be improving, helped by the better-than-expected economic conditions and increased willingness on the part of investors to accept risk. Share markets have recovered significant ground.

In late 2008 and early 2009, the RBA lowered the cash rate quickly in expectation of very weak economic conditions and a recognition that considerable downside risks existed. With growth likely to be close to trend over the year ahead, inflation close to target and the risk of serious economic contraction in Australia now having

¹ CB Richard Ellis, MarketView Singapore, Third Quarter 2009, www.cbre.com.sg

passed, the RBA's view is that it is now prudent to begin gradually lessening the stimulus provided by monetary policy and it has recently increased the target cash interest rate by 0.25% to 3.25%.

According to Jones Lang LaSalle¹, in Q1 2009, Australia remained the only developed nation not to fall into recession maintaining its track record of 18 years of positive economic growth. But while the economy has outperformed other developed nations, the global financial crisis has caused commercial property capital values to experience large falls with Prime CBD yields increasing by between 125 and 200 basis points.

Jones Lang LaSalle Research ("JLLR") revealed conditions in Australia's office markets started to stabilise in the financial centres of Sydney and Melbourne, while the rate of decline slowed in the Perth and Brisbane resource-dominated markets. Third quarter figures revealed that the aggregate vacancy rate across all CBD office markets that Jones Lang LaSalle monitors nationally increased by only 0.1% to 7.6% in the September quarter.

JLLR attributes the marginal rise in vacancy to the increased availability of backfill space as tenants moved into newly completed buildings. Positive net absorption of 105,000 sqm was recorded following two successive quarters of negative net absorption, and is the highest net absorption figure since December 2007. However, Perth recorded negative net absorption (-24,700 sqm), in the quarter, while Canberra showed a positive result (35,100 sqm). A stronger than expected domestic economy has under-written an improvement in business confidence and with the headline rate of unemployment declining, corporations have moved from a consolidation mode to planning for future growth, electing to retain hidden vacancy rather than explore options to sub-lease. Landlords have been offering emergency levels of incentives to ensure that high occupancy levels were maintained and to secure cash flow over what was expected to be a weak demand environment but evidence is now accumulating that this downturn will be a lot milder than has been widely feared JLLR believes incentives will start to decline towards a level more attuned with market fundamentals.

JLLR reports vacancy declined in Canberra (7.9%), while increasing by 1.7% in the Perth CBD (8.3%). Over the quarter, prime gross effective rents showed further rental corrections in the Perth CBD (-6.1%) as this markets continues to adjust from the rental spike in 2006-07, when market rents rose above the economic rent. Canberra (-2.1%) also recorded a decline. The rate of decline in Perth rental levels will start to moderate as the market rents are now approaching the rent required to support new construction within each of those markets.

Japan

In the Government of Japan's Cabinet Office's Monthly Economic Report for September 2009, the Japanese economy was described as showing movements of picking up recently, whilst still in a difficult situation with the increase in the unemployment rate to an all-time high of 5.7%. Real GDP (gross domestic product) in the April - June quarter of 2009 increased by 0.9% on a quarterly basis (at an annual rate of 3.7%), posting positive growth for the first time in five quarters. Nominal GDP decreased by 0.2%, posting negative growth for the fifth consecutive quarter. Corporate profits are decreasing substantially, but the downward pace has become moderate. According to the Quarterly Financial Statements Statistics of Corporations by Industry, corporate profits during the April-June quarter of 2009 decreased by 53.0% in comparison with the previous year, posting a decline for the eighth consecutive quarter. However, the number of new bankrupt companies has been almost flat. The employment situation is becoming increasingly severe and there remains fear that the employment situation will worsen further due to extremely low level of production activities.

DTZ Research² highlights that in the investment market, prices remain unchanged from earlier in the year. There is higher competition especially for smaller transactions with multi offers in some cases, yet DTZ expects activity to remain slow throughout the year, due to weakening office market fundamentals and tight lending conditions.

Consequently the vacancy rate of Tokyo CBD Grade A office space increase by a further 0.91% from the previous quarter to 7.64%. This was the first time in 12 quarters (since Q1 2004), that the vacancy rate has been over 7%. Tokyo rents declined a further 6.1% in the previous quarter; and compared to a year ago rents have dropped significantly by over 20%. Under this severe economic situation, the market continues to be tenant favourable and rising vacancy rates are encouraging landlords to lower rentals further. Given these circumstances, some of the new buildings planned for the future have been delayed or suspended.

¹ Jones Lang LaSalle, on.point, Commercial Property Market Australia, September 2009, www.joneslanglasalle.com.au

² DTZ Research, Property Times, Office Tokyo/Osaka, Q2 2009, www.dtz.com

In Osaka, despite the large amount of planned completions in 2009, corporate demand has shrunk further and resulted in a favourable tenant market. Q2 2009 vacancy for Grade A office space in Osaka CBD rose by 1.55% to 6.93% on the previous quarter. The rate of rent decline has been increasing since 2008, with a decline of 0.5% quarter on quarter or 1.1% year on year. Prior to the economic crisis, demand for office space in Osaka was driven by the reconstruction of old buildings as well as new supply. However, the situation has changed as corporates are currently only keen to downsize their space requirements or consolidate scattered offices. As a result, there is limited occupancy in new office space. The turnaround in the Osaka office market is not expected in the near term, given the increasing amount of new stock.

Outlook for FY2009/2010

The MTI believes a clear but modest recovery is underway globally, at least for the next three or four quarters. However, economic activity will probably remain below pre-crisis levels because of the drag on demand in the developed economies due to slow consumer demand and tight credit conditions. Singapore's economic prospects in 2010 will be closely tied to the conditions in the external environment. The manufacturing sector will be supported by inventory cycle adjustments and any uplift in private final demand in the external economies. Trade-dependent sectors are likely to continue to benefit from a gradual resumption in global and regional trade flows in 2010.

With the gradual return of confidence to the business community and the high availability of more competitive cost office accommodation compared with the other key cities in the region, CB Richard Ellis generally believes that Singapore is very well positioned to capitalise in the recovery phase in the region.

Following the completion of the recapitalisation exercise, FCOT is in a stronger position to withstand any further deterioration in the property market with a gearing level of 38.9% significantly lower than previous. Pressures on FCOT's capital structure have been greatly reduced, and the concentration of management is on asset performance as the economies and property markets in which FCOT invests appear to be stabilizing and in some cases showing signs of early improvement.

10. Distributions

10(a) Current financial period

Name of distribution: Distribution for the period from 1 July 2009 to 30 September 2009

10(b)(i) Distribution rate 0.20 cents per Unit.

Distribution type	Distribution for period from 1/7/09 to 30/09/09 (cents)
Taxable income component	0.13
Tax-exempt income component	0.07
Total	0.20

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

No distributions were declared for the corresponding period of the immediate preceding financial period.

10(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 the carrying on of a trade, business or profession.

Qualifying foreign non-individual investors will receive their distributions after deduction 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.

10(d) Date payable : 26 November 2009

10(e) Books closure date : 2 November 2009

11. If no distribution has been declared/recommended, a statement to that effect

Not applicable.

12. Segmented revenue and results

	1/1/09-30/9/09			
	Singapore	Australia	Japan	Total
	S\$'000	S\$'000	S\$'000	S\$'000
Property income and expenses				
Gross revenue	32,204	28,258	11,853	72,315
Property operating expenses	(4,839)	(6,637)	(5,137)	(16,613)
Segment net property income	27,365	21,621	6,716	55,702
Net change in fair value of investment properties	(116,122)	(17,347)	(41,364)	(174,833)
Interest income				362
Other income				629
Trust expenses				(9,788)
Borrowing costs				(39,272)
Reversal of allowance for impairment of receivables				(4,841)
Realised gain on derivative financial instruments				(3,377)
Unrealised foreign exchange (loss)/gain				5,011
Net change in fair value of other investment and derivative financial instruments				(804)
Income tax				901
Total return for the year				(170,310)
Assets and liabilities				
Segment assets	1,265,281	483,160	202,531	1,950,972
Unallocated assets				111,868
Total assets				2,062,840
Segment liabilities	(39,313)	(19,983)	(182,926)	(242,222)
Unallocated liabilities ⁽¹⁾				(650,801)
Total liabilities (excluding net assets attributable to unitholders)				(893,023)

	1/1/08-31/12/08			
	Singapore	Australia	Japan	Total
	S\$'000	S\$'000	S\$'000	S\$'000
Property income and expenses				
Gross revenue	46,005	42,933	18,016	106,954
Property operating expenses	(8,125)	(10,432)	(7,438)	(25,995)
Segment net property income	37,880	32,501	10,578	80,959
Net change in fair value of investment properties	(58,189)	(65,195)	(41,250)	(164,634)
Interest income				1,718
Other income				(2,640)
Trust expenses				(16,004)
Borrowing costs				(42,296)
Reversal of allowance for impairment of receivables				1,299
Realised gain on derivative financial instruments				6,038
Unrealised foreign exchange (loss)/gain				(31,455)
Net change in fair value of other investment and derivative financial instruments				(47,334)
Income tax				11,967
Total return for the year				(202,382)
Assets and liabilities				
Segment assets	1,041,960	403,192	249,255	1,694,407
Unallocated assets				68,408
Total assets				1,762,815
Segment liabilities	(7,631)	(56,491)	(173,510)	(237,632)
Unallocated liabilities ⁽¹⁾				(793,881)
Total liabilities (excluding net assets attributable to unitholders)				(1,031,513)

(1) The unallocated liabilities primarily comprise Singapore Dollars Loan Note Facility and Japanese Yen Bi-Lateral Cash Advance Facility.

13. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Please refer to section 9.

14. **Breakdown of Sales**

	1/1/09 to 30/9/09⁽¹⁾	1/1/08 to 31/12/08	Increase / (Decrease)
	S\$'000	S\$'000	%
Gross Revenue (first half)	46,635	56,063	(16.8%)
Gross Revenue (second half)	25,680	50,891	(49.5%)
Total Gross Revenue	72,315	106,954	(32.4%)
Net Loss after Tax (first half)	(137,425)	(24,901)	451.9%
Net Loss after Tax (second half)	(32,885)	(177,481)	(81.5%)
Total Net Loss after Tax	(170,310)	(202,382)	(15.8%)

(1) The gross revenue and net income after tax for the second half pertains to the period from 1 July 2009 to 30 September 2009.

15. **Breakdown of Total Distributions**

	1/1/09 to 30/9/09	1/1/08 to 31/12/08
	S\$'000	S\$'000
Interim Distribution (first half)	10,987	28,496
Special 3Q2009 Distribution / Full Year Distribution (second half)	6,147	17,344
Total Distributions	17,134	45,840

16. Directors' Confirmation

Confirmation by Directors pursuant to clause 705(5) of the Listing Manual of SGX-ST

We confirm that to the best of our knowledge, nothing has come to the attention of the Board of Directors of Frasers Centrepoint Asset Management (Commercial) Ltd (as Manager of FCOT) which may render these interim financial results to be false or misleading.

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

Dr. Chua Yong Hai
Director

Low Chee Wah
Director

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.

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

Anthony Cheong Fook Seng
Company Secretary
22 October 2009