



**FRASERS COMMERCIAL TRUST
FINANCIAL STATEMENTS ANNOUNCEMENT
FOR THE SECOND QUARTER ENDED 31 MARCH 2011**

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 unit of FCOT ("Unit").

The property portfolio of FCOT as at 31 March 2011 consists of nine properties as follows:-

Singapore

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 the Alexandra Technopark property ("ATP") located at 438A/438B Alexandra Road, Singapore.

Australia

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").

Japan

100.0% indirect interests in 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").

FCOT also has a 39.0% indirect investment in the Australian Wholesale Property Fund ("AWPF"), an Australian registered managed investment scheme. AWPf is managed by a third party fund manager, and holds a 50.0% interest in the Ernst & Young Centre, a 50.0% interest in the World Square Retail Complex and Public Car Park, and a 100.0% interest in Neeta City Shopping Centre, each located in Sydney, Australia.

On 18 January 2011, FCOT successfully completed the divestment of its interest in Cosmo Plaza through the sale of all common shares and preferred shares in Frasers Commercial Osaka No. 1 TMK and Frasers Commercial Master Lessee KK by Frasers Commercial Osaka SPC No. 1 Pte. Ltd., a company sponsored and controlled by FCOT and Frasers Commercial Osaka SPC No. 2 Pte. Ltd. a subsidiary of FCOT, for a total consideration of Japanese Yen 4.

On 11 February 2011, FCOT announced the completion of the consolidation (the "Unit Consolidation") of every five existing Units held by Unitholders into one consolidated Unit.

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

- 1 January 2011 to 31 March 2011 ("2Q2011") vs 1 January 2010 to 31 March 2010 ("2Q2010")

- 1 October 2010 to 31 March 2011 ("1H2011") vs 1 October 2009 to 31 March 2010 ("1H2010")

	Group					
	1/1/2011 to 31/3/2011	1/1/2010 to 31/3/2010	Change	1/10/2010 to 31/3/2011	1/10/2009 to 31/3/2010	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Gross revenue	29,626	29,772	-	58,607	59,421	(1%)
Net property income	23,847	23,608	1%	46,793	47,110	(1%)
Total return for the period	24,415	7,300	NM	35,282	10,875	NM
Income available for distribution to Series A Convertible Perpetual Preferred Units	4,645	4,645	-	9,393	9,393	-
Income available for distribution to Unitholders	10,077	9,839	2%	17,973	17,236	4%
Total income available for distribution to CPPU holders and Unitholders	14,722	14,484	2%	27,366	26,629	3%
Income available for distribution per Unit (cents)						
<u>CPPU Holders</u>						
For the period	1.36	1.36	-	2.74	2.74	-
Annualised	5.50	5.50	-	5.50	5.50	-
<u>Unitholders</u>						
For the period	1.61 ⁽¹⁾	1.60 ⁽²⁾	1%	2.86 ⁽¹⁾	2.80 ⁽²⁾	2%
Annualised	6.53 ⁽¹⁾	6.49 ⁽²⁾	1%	5.74 ⁽¹⁾	5.62 ⁽²⁾	2%

NM - Not meaningful

Footnotes:

(1) The number of Units used to calculate the amount available for distribution per Unit ("DPU") is 627,573,170. 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 DPU has been adjusted for the effect of the Unit Consolidation.

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

	Group					
	1/1/2011 to 31/3/2011	1/1/2010 to 31/3/2010	Change	1/10/2010 to 31/3/2011	1/10/2009 to 31/3/2010	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Gross revenue ⁽¹⁾	29,626	29,772	-	58,607	59,421	(1%)
Property operating expenses ⁽²⁾	(5,779)	(6,164)	(6%)	(11,814)	(12,311)	(4%)
Net property income ⁽³⁾	23,847	23,608	1%	46,793	47,110	(1%)
Interest income	116	67	73%	209	138	51%
Manager's management fees	(3,123)	(3,097)	1%	(6,311)	(6,224)	1%
Trust expenses	(364)	(586)	(38%)	(927)	(1,089)	(15%)
Allowance for impairment of receivables	-	(646)	NM	(2)	(1,280)	(100%)
Finance costs ⁽⁴⁾	(11,166)	(11,018)	1%	(22,967)	(21,111)	9%
Net income	9,310	8,328	12%	16,795	17,544	(4%)
Foreign exchange (loss) / gain	(113)	591	NM	80	683	(88%)
Net change in fair value of investment properties ⁽⁵⁾	(774)	(953)	(19%)	(723)	(5,307)	(86%)
Net change in fair value of other investment and derivative financial instruments ⁽⁶⁾	(709)	347	NM	3,135	347	NM
Realised gain/ (loss) on derivative financial instruments ⁽⁷⁾	29	(118)	NM	(66)	(1,127)	(94%)
Other income ⁽⁸⁾	861	-	NM	861	-	NM
Gain on disposal of subsidiaries ⁽⁹⁾	16,423	-	NM	16,423	-	NM
Total return before income tax	25,027	8,195	NM	36,505	12,140	NM
Taxation	(612)	(895)	(32%)	(1,223)	(1,265)	(3%)
Total return for the period	24,415	7,300	NM	35,282	10,875	NM

NM - Not meaningful

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

	Group					
	1/1/2011 to 31/3/2011	1/1/2010 to 31/3/2010	Change	1/10/2010 to 31/3/2011	1/10/2009 to 31/3/2010	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Total return for the period	24,415	7,300	NM	35,282	10,875	NM
(Non-taxable)/ non-tax deductible items and other adjustments:						
Management fees paid / payable in Units	2,655	2,164	23%	5,365	5,291	1%
Trustees' fees	182	226	(19%)	375	358	5%
Amortisation of borrowing costs	3,068	3,094	(1%)	6,200	5,191	19%
Net change in fair value of investment properties	774	953	(19%)	723	5,307	(86%)
Net change in fair value of other investment and derivative financial instruments	709	(347)	NM	(3,135)	(347)	NM
Deferred income tax expense	510	748	(32%)	1,034	1,022	1%
Effects of recognising accounting income on a straight-line basis over the lease term	(794)	(644)	23%	(691)	(1,165)	(41%)
Allowance for impairment of receivables	-	646	NM	2	1,280	(100%)
Realised gain on derivative financial instruments ⁽⁷⁾	-	24	NM	-	(686)	NM
Gain on disposal of subsidiaries	(16,423)	-	NM	(16,423)	-	NM
Other non-tax deductible items and temporary differences ⁽¹⁰⁾	(374)	320	NM	(1,366)	(497)	NM
Net effect of (non-taxable)/ non-tax deductible items and other adjustments	(9,693)	7,184	NM	(7,916)	15,754	NM
Income available for distribution to Unitholders and CPPU holders	14,722	14,484	2%	27,366	26,629	3%
Income available for distribution						
- CPPU holders ⁽¹¹⁾	4,645	4,645	-	9,393	9,393	-
- Unitholders ⁽¹²⁾	10,077	9,839	2%	17,973	17,236	4%
	14,722	14,484	2%	27,366	26,629	3%

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					
	1/1/2011 to 31/3/2011	1/1/2010 to 31/3/2010	Change	1/10/2010 to 31/3/2011	1/10/2009 to 31/3/2010	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
China Square Central	4,388	4,388	-	8,775	8,775	-
55 Market Street	1,452	1,654	(12%)	2,839	3,352	(15%)
KeyPoint	3,993	3,757	6%	7,877	7,382	7%
Alexandra Technopark	5,500	5,500	-	11,000	11,000	-
Central Park	8,319	7,508	11%	15,600	14,889	5%
Caroline Chisholm Centre	3,124	3,058	2%	6,229	6,101	2%
Cosmo Plaza	152	1,221	(88%)	803	2,430	(67%)
Azabu Aco	426	414	3%	864	850	2%
Galleria Otemae	1,634	1,638	-	3,333	3,373	(1%)
Ebara Techno-Serve	638	634	1%	1,287	1,269	1%
	29,626	29,772	-	58,607	59,421	(1%)

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

	Group					
	1/1/2011 to 31/3/2011	1/1/2010 to 31/3/2010	Change	1/10/2010 to 31/3/2011	1/10/2009 to 31/3/2010	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Property maintenance expenses	1,957	1,986	(1%)	3,703	3,945	(6%)
Property management fees	460	459	-	915	915	-
Property tax	742	1,036	(28%)	1,614	2,050	(21%)
Utilities	1,241	1,333	(7%)	2,567	2,604	(1%)
Professional fees	651	782	(17%)	1,472	1,581	(7%)
Insurance	106	122	(13%)	226	245	(8%)
Council rates	255	250	2%	514	490	5%
Amortisation of leasing commission	115	145	(21%)	279	327	(15%)
Other operating expenses	252	51	NM	524	154	NM
	5,779	6,164	(6%)	11,814	12,311	(4%)

NM - Not meaningful

Footnotes

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

	Group					
	1/1/2011 to 31/3/2011	1/1/2010 to 31/3/2010	Change	1/10/2010 to 31/3/2011	1/10/2009 to 31/3/2010	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
China Square Central	4,240	4,231	-	8,477	8,466	-
55 Market Street	1,074	1,269	(15%)	2,148	2,580	(17%)
KeyPoint	2,860	2,410	19%	5,656	4,949	14%
Alexandra Technopark	5,328	5,324	-	10,657	10,649	-
Central Park	5,783	5,493	5%	10,886	10,837	-
Caroline Chisholm Centre	2,674	2,577	4%	5,353	5,171	4%
Cosmo Plaza	(21)	389	NM	(252)	718	NM
Azabu Aco	302	279	8%	614	580	6%
Galleria Otemae	1,056	1,089	(3%)	2,156	2,076	4%
Ebara Techno-Serve	551	547	1%	1,098	1,084	1%
	23,847	23,608	1%	46,793	47,110	(1%)

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

	Group					
	1/1/2011 to 31/3/2011	1/1/2010 to 31/3/2010	Change	1/10/2010 to 31/3/2011	1/10/2009 to 31/3/2010	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Interest expenses	8,098	7,924	2%	16,767	15,908	5%
Amortisation of borrowing costs	3,068	3,094	(1%)	6,200	5,191	19%
Other fees	-	-		-	12	NM
	11,166	11,018	1%	22,967	21,111	9%

(5) The downward revaluation in 2Q2011 of S\$0.7 million relates to the adjustment of the changes in carrying value of the investment properties during the quarter. The changes in 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.

(6) The composition of net change in fair value of other investment and derivative financial instruments is as follows:-

	Group					
	1/1/2011 to 31/3/2011	1/1/2010 to 31/3/2010	Change	1/10/2010 to 31/3/2011	1/10/2009 to 31/3/2010	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Fair value (loss)/ gain on derivative financial instruments	(709)	347	NM	491	347	41%
Fair value gain on other investment	-	-	NM	2,644	-	NM
	(709)	347	NM	3,135	347	NM

NM - Not meaningful

Footnotes

(7) Included in the realised (loss)/ gain on derivative financial instruments are the following:

	Group					
	1/1/2011 to 31/3/2011	1/1/2010 to 31/3/2010	Change	1/10/2010 to 31/3/2011	1/10/2009 to 31/3/2010	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Loss arising from interest rate swaps	-	-	-	-	(1,003)	NM
Gain/ (loss) arising from realisation of foreign currency forward contract	29	(94)	NM	(66)	(1,813)	(96%)
Reversal of unrealised loss previously recognised on foreign currency forward contract	-	(24)	NM	-	1,689	NM
	29	(118)	NM	(66)	(1,127)	(94%)

The loss arising from termination of interest rate swaps and reversal of unrealised loss recognised previously on foreign currency forward contract as follows are non-taxable items and have no impact on distributable income.

	Group					
	1/1/2011 to 31/3/2011	1/1/2010 to 31/3/2010	Change	1/10/2010 to 31/3/2011	1/10/2009 to 31/3/2010	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Loss arising from termination of interest rate swaps	-	-	-	-	(1,003)	NM
Reversal of unrealised loss previously recognised on foreign currency forward contract	-	(24)	NM	-	1,689	NM
	-	(24)	NM	-	686	NM

(8) Other income relates to payments received pursuant to a settlement.

(9) The divestment of Cosmo Plaza was completed on 18 January 2011 via the disposal of the holding companies, Frasers Commercial Osaka No.1 TMK and Frasers Commercial Osaka Master Lessee KK. The gain on disposal of \$16.4 million comprise the net liabilities of \$7.5 million disposed of and the realisation of cumulative translation differences on the investment of \$8.9 million.

(10) Other non tax deductible items and temporary differences comprise primarily of foreign-sourced income yet to be distributed to the Trust and other non-tax deductible/ non-taxable items.

(11) Each Series A CPPUs shall entitle the Series A CPPU 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 CPPU.

(12) FCOT's distribution policy is to distribute at least 90% of its taxable income and tax-exempt income to the Unitholders.

NM - Not meaningful

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

	Group		Trust	
	31/3/2011	30/9/2010	31/3/2011	30/9/2010
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Non-current assets</u>				
Investment properties ⁽¹⁾	1,912,508	1,906,351	1,298,900	1,298,900
Subsidiaries	-	-	320,737	320,737
Fixed assets	12	14	12	14
Other investment ⁽²⁾	32,522	29,878	-	-
	1,945,042	1,936,243	1,619,649	1,619,651
<u>Current assets</u>				
Investment property held for sale ⁽¹⁾	-	48,859	-	-
Trade and other receivables	8,154	9,008	33,988	37,240
Derivative financial instruments ⁽³⁾	218	441	101	99
Cash and bank balances	85,868	99,557	61,212	70,212
	94,240	157,865	95,301	107,551
Total assets	2,039,282	2,094,108	1,714,950	1,727,202
<u>Current liabilities</u>				
Trade and other payables	24,142	36,446	36,947	48,797
Derivative financial instruments ⁽³⁾	4,638	5,346	4,416	5,109
Provision for taxation	22	911	-	891
	28,802	42,703	41,363	54,797
Net current assets	65,438	115,162	53,938	52,754
<u>Non-current liabilities</u>				
Interest-bearing borrowings (net of transaction costs)	750,998	802,371	486,583	482,348
Deferred tax liability ⁽⁴⁾	49,850	48,311	-	-
	800,848	850,682	486,583	482,348
Total liabilities	829,650	893,385	527,946	537,145
Net assets	1,209,632	1,200,723	1,187,004	1,190,057
<u>Represented by:</u>				
Ordinary Unitholders' funds	867,132	858,223	844,504	847,557
CPPU holders' funds	342,500	342,500	342,500	342,500
	1,209,632	1,200,723	1,187,004	1,190,057

Footnotes

- (1) The investment properties were valued at their fair values based on independent valuations as at 30 September 2010 and subsequently adjusted for capital expenditure. As at 31 March 2011, the carrying amounts of the investment properties approximate their fair values.

The increase in "Investment properties" (non-current) was mainly due to capital expenditure and the appreciation of the Australia Dollar as at 31 March 2011 compared to 30 September 2010.

The decrease in "Investment property held for sale" was due to the divestment of Cosmo Plaza on 18 January 2011.

- (2) Other investment of the Group represents the 39% indirect interest in AWPFF.
- (3) Derivative financial instruments relate to fair values of interest rate swaps and caps entered into in respect of FCOT's borrowings.
- (4) Deferred tax is provided for in respect of the potential capital gains arising from the changes in fair value of overseas properties.

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

Amount repayable in one year or less, or on demand

Group			
As at 31/3/2011		As at 30/09/2010	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
-	-	-	-

Amount repayable after one year

Group			
As at 31/3/2011		As at 30/09/2010	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
770,606	-	828,461	-

Details of any collateral

The secured borrowings comprise the following:-

- (1) S\$500.0 million Transferable Term Loan Facility

On 22 September 2009, British and Malayan Trustees Limited (the "Trustee"), as trustee of Fraser's Commercial Trust ("FCOT"), entered into a facility agreement pursuant to which DBS Bank Ltd., Oversea-Chinese Banking Corporation Limited ("OCBC"), Standard Chartered Bank and Commonwealth Bank of Australia, Singapore Branch 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.

As at 31 March 2011, the outstanding amount under the SGD Facility amounted to S\$500.0 million. The SGD Facility bears interest at the swap-offer rate plus a margin.

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

Details of any collateral (cont'd)

(1) S\$500.0 million Transferable Term Loan Facility (cont'd)

As security under the SGD Facility, FCOT granted in favour of OCBC as security trustee under the SGD Facility, such security which includes the following:

- (a) mortgages over FCOT's Singapore properties, namely China Square Central, 55 Market Street, Keypoint and Alexandra Technopark (collectively, the "Singapore Properties");
- (b) security assignments over the relevant leases, lease guarantees, insurance contracts and sale and purchase agreements in respect of Singapore Properties; and
- (c) charge and assignment over all of FCOT's present and future rights, title and interest, in all bank accounts into which the rental proceeds from the Singapore Properties are paid.

(2) A\$150.0 million Transferable Term Loan Facility

On 10 December 2009, Frasers Commercial Sub No. 3 Pte. Ltd. ("Frasers Sub 3"), a wholly-owned subsidiary of FCOT, entered into a facility agreement pursuant to which Commonwealth Bank of Australia, Singapore Branch agreed to extend to Frasers Sub 3, a transferable term loan facility of A\$150.0 million (the "AUD Facility") for a term of three years from the date of drawdown of the AUD Facility.

As at 31 March 2011, the outstanding amount under the AUD Facility amounted to A\$125.4 million. The AUD Facility bears interest at the BBSY rate plus a margin.

As security under the AUD Facility, FCOT and its relevant subsidiaries have granted in favour of JP Morgan Chase Bank N.A., Singapore Branch, as security trustee under the AUD Facility, the following securities:

- (a) mortgage over FCOT's interest in Central Park;
- (b) equitable mortgages and/or charges over all units or shares (where applicable) issued by the relevant subsidiaries of FCOT;
- (c) fixed and floating charges over FCOT's interest in Central Park and Caroline Chisholm Centre;
- (d) security assignment over the relevant leases, lease guarantees, insurance contracts, income support deeds and sale and purchase agreements in respect of the relevant subsidiaries of FCOT;
- (e) security assignment over the loans in respect of certain relevant subsidiaries of FCOT;
- (f) charge and assignment of all bank accounts of the Trustee, as trustee of FCOT, and its relevant subsidiaries, into which distributions of net rental proceeds from Central Park and Caroline Chisholm Centre are paid;
- (g) guarantee by the Trustee, as trustee of FCOT, and certain relevant subsidiaries of FCOT; and
- (h) a debenture.

(3) Fixed Rate Term Specified Bonds

Frasers Commercial Tozai No. 2 TMK ("Frasers Tozai TMK"), issued bonds amounting to ¥7,140,000,000 ("Tozai Bonds") with fixed interest rates of 2.45% to Credit Suisse Securities (Japan) Limited ("Credit Suisse"). On 30 September 2008, Credit Suisse transferred the Tozai Bonds to Shinsei Trust & Bank Co., Ltd, on the same terms and conditions.

Frasers Tozai TMK is a tokutei mokuteki kaisha, established under the Japan Law Regarding Securitisation of Assets (No.105 of 1998, as amended) and is controlled and sponsored by FCOT. Frasers Tozai TMK hold the beneficial interest in the relevant trust that holds legal title to FCOT's Japanese properties, namely Galleria Otemae, Azabu Aco and Ebara Techno-Serve.

The Tozai Bonds will mature on 1 November 2012. Bondholders have recourse to Frasers Tozai TMK, issuers of the bonds.

Pursuant to the divestment by FCOT of its interest in Cosmo Plaza, FCOT, its subsidiaries and its sponsored entities have no longer any obligations or liabilities to Credit Suisse, as holders of the ¥3,900,000,000 bonds issued by Frasers Commercial Osaka No. 1 TMK (which holds the legal title of Cosmo Plaza).

FCOT and its relevant subsidiaries have no debt facilities maturing until 1 November 2012.

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			
	1/1/2011 to 31/3/2011 S\$'000	1/1/2010 to 31/3/2010 S\$'000	1/10/2010 to 31/3/2011 S\$'000	1/10/2009 to 31/3/2010 S\$'000
<u>Operating activities:</u>				
Total return before income tax	25,027	8,195	36,505	12,140
Adjustments for:-				
Finance costs	8,098	7,924	16,767	15,920
Effect of recognising accounting income on a straight-line basis over the lease term	(794)	(644)	(691)	(1,165)
Allowance for impairment of receivables	-	646	2	1,280
Unrealised foreign exchange differences	-	(436)	-	(424)
Amortisation of leasing commission	115	145	279	327
Interest income	(116)	(67)	(209)	(138)
Management fees paid /payable in Units	2,655	2,164	5,365	5,291
Net change in fair value of other investment and derivative financial instruments	709	(323)	(3,135)	(323)
Net change in fair value of investment properties	774	953	723	5,307
Amortisation of borrowing costs	3,068	3,094	6,200	5,191
Realised loss /(gain) on derivative financial instruments	(29)	94	66	1,103
Gain on disposal of subsidiaries	(16,423)	-	(16,423)	-
Operating income before working capital changes	23,084	21,745	45,449	44,509
Changes in working capital:-				
Trade and other receivables	2,105	3,790	723	2,745
Trade and other payables	(2,904)	1,243	(8,415)	(437)
Cash generated from operations	22,285	26,778	37,757	46,817
Tax (paid) /refunded	(131)	(305)	(1,221)	(305)
Net cash generated from operating activities	22,154	26,473	36,536	46,512
<u>Investing activities:</u>				
Capital expenditure on investment properties	(215)	(768)	(1,396)	(1,620)
Disposal of subsidiaries ⁽¹⁾	(3,956)	-	(3,956)	-
Interest received	106	49	199	106
Net cash used in investing activities	(4,065)	(719)	(5,153)	(1,514)
<u>Financing activities:</u>				
Proceeds from borrowings	-	-	-	655,270
Repayment of loan	-	-	-	(632,221)
Realisation of derivative financial instruments	29	(94)	(66)	(13,274)
Payment for derivative financial instruments	(83)	(718)	(166)	(718)
Finance costs paid	(8,733)	(7,954)	(17,420)	(15,950)
Distributions paid	-	(1,851)	(26,670)	(7,918)
(Increase)/ decrease in restricted cash	(22)	207	321	(3,193)
Issue costs paid	-	(107)	-	(174)
Transaction costs on borrowings	-	(1,044)	-	(35,341)
Net cash used in financing activities	(8,809)	(11,561)	(44,001)	(53,519)
Net (decrease) /increase in cash and cash equivalents	9,280	14,193	(12,618)	(8,521)
Cash and cash equivalents at beginning of period	66,974	72,337	88,340	94,195
Effect of exchange rate changes	680	(44)	1,212	812
Cash and cash equivalents at end of period ⁽²⁾	76,934	86,486	76,934	86,486

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

Footnotes

(1) Analysis of disposal of subsidiaries

	Group	
	31/3/2011	31/3/2010
	S\$'000	S\$'000
Investment property held for sale	(48,797)	-
Restricted cash and deposits	(1,961)	-
Bank and cash balances	(3,956)	-
Other current assets	(540)	-
Current liabilities	3,704	-
Non-current liabilities	59,069	-
Net liabilities disposed	7,519	-
Realisation of translation differences	8,904	-
Gain on disposal	(16,423)	-
Consideration received ^(a)	-	-
Less: Cash of subsidiaries disposed of	(3,956)	-
Net cash outflow	(3,956)	-

^(a) Less than S\$1,000

(2) Cash and cash equivalents

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

	Group	
	31/3/2011	31/3/2010
	S\$'000	S\$'000
Bank and cash balances	48,899	50,463
Fixed deposits ^(a)	36,969	48,847
	85,868	99,310
Less: Restricted cash and deposits pledged - reserves and advance deposits ^(b)	(8,934)	(12,824)
Cash and cash equivalents	76,934	86,486

^(a) The fixed deposits include rights proceeds earmarked for capital expenditure and working capital.

^(b) 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) and bank deposit in Singapore required to be maintained to comply with the requirements of the SGD Facility.

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

	Group		Trust	
	1/10/2010 to 31/3/2011	1/10/2009 to 31/3/2010	1/10/2010 to 31/3/2011	1/10/2009 to 31/3/2010
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Movement from 1 October to 31 December</u>				
Balance at beginning of period	858,223	827,317	847,557	806,791
<u>Operations</u>				
Change in net assets attributable to Unitholders resulting from operations	10,867	3,575	8,625	7,942
Distributions to Unitholders	(17,226)	(6,067)	(17,226)	(6,067)
Distributions to CPPU holders	(9,444)	-	(9,444)	-
Change in Unitholders' funds resulting from operations	(15,803)	(2,492)	(18,045)	1,875
<u>Unitholders' contributions</u>				
Issue of Units - management fees	2,710	3,127	2,710	3,127
Issue costs	-	(67)	-	(67)
Change in Unitholders' funds	2,710	3,060	2,710	3,060
<u>Foreign currency translation reserve</u>				
Movement for the period	11,156	1,717	-	-
Balance at end of period	856,286	829,602	832,222	811,726
<u>Movement from 1 January to 31 March</u>				
Balance at beginning of period	856,286	829,602	832,222	811,726
<u>Operations</u>				
Change in net assets attributable to Unitholders resulting from operations	24,415	7,300	9,627	10,327
Distributions to CPPU holders	-	(1,851)	-	(1,851)
Change in Unitholders' funds resulting from operations	24,415	5,449	9,627	8,476
<u>Unitholders' contributions</u>				
Issue of Units - management fees	2,655	2,164	2,655	2,164
Issue costs	-	(107)	-	(107)
Change in Unitholders' funds	2,655	2,057	2,655	2,057
<u>Foreign currency translation reserve</u>				
Realisation of cumulative translation differences on disposal of subsidiaries	(8,904)	-	-	-
Movement for the period	(7,320)	9,402	-	-
	(16,224)	9,402	-	-
Balance at end of period	867,132	846,510	844,504	822,259

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

	1/1/2011 to 31/3/2011	1/1/2010 to 31/3/2010	1/10/2010 to 31/3/2011	1/10/2009 to 31/3/2010
	Units	Units	Units	Units
Issued Units				
Balance at beginning of period	3,104,286,128	3,033,587,241	3,089,710,334	3,015,464,570
Management fees paid in Units	16,528,872	19,400,740	31,104,666	37,523,411
Adjustments arising from Unit Consolidation ⁽¹⁾	(2,496,652,022)	-	(2,496,652,022)	-
Balance at end of period	624,162,978	3,052,987,981	624,162,978	3,052,987,981
Issued and issuable Units				
Issued Units at end of period	624,162,978	3,052,987,981	624,162,978	3,052,987,981
Management fees payable in Units ⁽²⁾	3,410,192	14,804,486	3,410,192	14,804,486
Issued and issuable Units at end of period	627,573,170	3,067,792,467	627,573,170	3,067,792,467
Number of Units that may be issued on conversion of CPPU outstanding as at the end of the period ⁽³⁾	289,151,540	1,445,757,704	289,151,540	1,445,757,704

⁽¹⁾ The adjustment arose from the consolidation of every five existing Units (the "Unit Consolidation") held by the Unitholders into one consolidated Unit pursuant to the completion of the Unit Consolidation on 11 February 2011. Any fractions of consolidated Units arising from the Unit Consolidation were disregarded.

⁽²⁾ 3,410,192 Units will be issued to the Manager as payment for management fees for the quarter ended 31 March 2011. This accounts for approximately 85% of the Manager's management fees for that quarter. The price of Units issued is determined based on the volume weighted average price of the Units for the ten business days preceding 31 March 2011. The remaining management fees will be paid in cash.

⁽³⁾ The CPPU holders have the right to convert the CPPUs into Units on specific conversion dates after a period of 3 years commencing from the date of issue of the CPPUs on 26 August 2009 at a conversion price of \$0.2369. On 11 February 2011, pursuant to the Unit Consolidation, the conversion price is adjusted to \$1.1845.

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 year compared with those of the financial year ended 30 September 2010.

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

	1/1/2011 to 31/3/2011	1/1/2010 to 31/3/2010	1/10/2010 to 31/3/2011	1/10/2009 to 31/3/2010
	S\$'000	S\$'000	S\$'000	S\$'000
Total return for the period	24,415	7,300	35,282	10,875
Distribution to CPPU holders	(4,645)	(4,645)	(9,393)	(9,393)
Earnings attributable to Unitholders	19,770	2,655	25,889	1,482
Basic EPU				
Weighted average number of Units in issue	623,134,537	609,433,552 ⁽⁴⁾	621,582,935	607,622,446 ⁽⁴⁾
Basic earnings per Unit (cents) ⁽¹⁾	3.17	0.44	4.17	0.24
Diluted EPU				
Weighted average number of Units in issue	912,286,077 ⁽²⁾	898,585,093 ^{(2),(4)}	910,734,474 ⁽²⁾	896,773,987 ^{(2),(4)}
Basic earnings per Unit on a fully diluted basis (cents)	2.68	0.44 ⁽³⁾	3.87	0.24 ⁽³⁾
DPU				
Number of Units issued and issuable at end of period	627,573,170	613,558,493 ⁽⁴⁾	627,573,170	613,558,493 ⁽⁴⁾
Available for distribution per Unit based on the total number of issue and issuable Units (cents)	1.61 ⁽⁵⁾	1.60	2.86 ⁽⁵⁾	2.80

Footnotes:

- (1) Basic earnings per Unit ("EPU") is computed using the earnings attributable to Unitholders and the weighted average number of Units at the end of the period.
- (2) In computing the diluted EPU, the weighted average number of Units in issue is adjusted to take into account the conversion of the CPPUs at the conversion price of S\$1.1845 per CPPU.
- (3) The diluted EPU is the same as EPU as the potential effects of the conversion of CPPUs into Units are anti-dilutive.
- (4) The weighted average number of Units has been adjusted for the effects of the Unit Consolidation.
- (5) The DPU in the table above is computed on the basis that none of the CPPUs is converted into Units. Accordingly, the actual quantum of DPU payable for quarter ended 31 March 2011 may differ from the table above if any CPPUs are converted into Units.

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

	Group		Trust	
	31/3/2011	30/9/2010	31/3/2011	30/9/2010
Unitholders' funds at end of period (S\$'000)	867,132	858,223	844,504	847,557
Number of Units issued and issuable at the end of the period ('000)	627,573	620,857 ⁽¹⁾	627,573	620,857 ⁽¹⁾
Unitholders' funds per Unit (S\$)	1.38	1.38 ⁽¹⁾	1.35	1.37 ⁽¹⁾
Adjusted Unitholders' funds per Unit (excluding distributable income) (S\$)	1.34	1.34 ⁽¹⁾	1.30	1.32 ⁽¹⁾

⁽¹⁾ The number of Units issued and issuable, Unitholders' funds per Unit and adjusted Unitholders' funds per Unit as at 30 September 2010 have been adjusted for the effects of the Unit Consolidation.

8. Review of performance

(a) Variance between results for the period from 1 January 2011 to 31 March 2011 ("2Q2011") and 1 January 2010 to 31 March 2010 ("2Q2010")

Gross revenue for 2Q2011 was S\$29.6 million, which was comparable to 2Q2010 mainly due to the following:

- higher revenue contribution from Central Park and KeyPoint by S\$0.8 million and S\$0.2 million respectively due to increase in occupancy rates, which was offset by
- the loss of revenue contribution from Cosmo Plaza by S\$1.1 million following the divestment on 18 January 2011.

Property operating expenses for 2Q2011 were \$5.8 million, and 6% lower than 2Q2010 mainly due to the divestment of Cosmo Plaza and lower property tax expenses. Please refer to page 5 for the composition of property operating expenses.

Net property income for 2Q2011 was S\$23.8 million, 1% higher than 2Q2010. If the net property income contribution from Cosmo Plaza was excluded, the net property income for 2Q2011 amounted to S\$23.9 million, which is 3% higher compared to the net property income on the same basis for 2Q2010. This is mainly attributable to higher income contribution from Central Park and KeyPoint.

Trust expenses for 2Q2011 totalled S\$0.4 million, which is 38% lower compared to 2Q2010. This was mainly contributed by lower trustee fees due to the decrease in gross asset value subsequent to the divestment of Cosmo Plaza and write back of accruals of professional fees no longer required.

The allowance for impairment of receivables of S\$0.6 million in 2Q2010 relates to rental and other income receivable from a significant tenant of Cosmo Plaza who is in financial difficulty. The tenancy expired in August 2010.

The increase in finance costs by S\$0.1 million in 2Q2011 as compared to 2Q2010 was mainly due to higher interest expense which arose from the higher rates of interest rate swaps entered into in May 2010 in respect of the SGD Facility for the purpose of fixing a portion of the floating rate borrowings. This increase was partially offset by a reduction in interest expense on the Cosmo Bonds due to the divestment of Cosmo Plaza.

The revaluation loss on investment properties in 2Q2011 and 2Q2010 was due to adjustment of the changes in the carrying values of the investment properties arising from the recognition of rental income on a straight-line basis in accordance with Singapore Financial Reporting Standards.

The net change in fair value of other investment and derivative financial instruments in 2Q2011 and 2Q2010 relates to changes in the fair values of interest rate swaps and interest rate caps and foreign currency forward contracts.

Other income in 2Q2011 of S\$0.9 million relates to payments received pursuant to a settlement.

The gain on disposal of subsidiaries of S\$16.4 million arose from the divestment of Cosmo Plaza which comprised net liabilities disposed off of S\$7.5 million and the realisation of cumulative translation differences on the investment of S\$8.9 million.

8. Review of performance (cont'd)

(b) Variance between results for the period from 1 October 2010 to 31 March 2011 ("1H2011") and 1 October 2009 to 31 March 2010 ("1H2010")

Gross revenue for 1H2011 was S\$58.6 million, 1% lower compared to 1H2010 mainly due to the following:

- lower revenue contribution from Cosmo Plaza by S\$1.6 million due to the expiry of a significant tenancy in August 2010 and the divestment of Cosmo Plaza in January 2011.

This was partially offset by:

- higher revenue contribution from Central Park and Caroline Chisholm Centre by S\$0.7 million and S\$0.1 million respectively. This arose primarily from the strengthening of the Australia dollar against the Singapore dollar from A\$1.00 : S\$1.2714 in 1H2010 to A\$1.00 : S\$1.2853 in 1H2011; and
- higher revenue contribution from KeyPoint by S\$0.5 million due to higher occupancy rate.

Property operating expenses for 1H2011 were S\$11.8 million, 4% lower compared to 1H2010 mainly due to the divestment of Cosmo Plaza and lower level of expenses incurred. Please refer to page 5 for the composition of property operating expenses.

Net property income for 1H2011 was S\$46.8 million, 1% lower than 1H2010. If the net property income contribution from Cosmo Plaza was excluded, the net property income for 1H2011 amounted to S\$47.0 million, which is 1% higher compared to the net property income on the same basis for 1H2010. This is largely attributable to higher income contribution from Central Park, Caroline Chisholm Centre and KeyPoint.

Trust expenses for 1H2011 totalled S\$0.9 million, 15% lower compared to 1H2010. This is mainly due to lower trustee fees and write back of accruals of professional fees no longer required in 2Q2011.

The allowance for impairment of receivables of S\$1.3 million in 1H2010 relates to rental and other income receivable from a significant tenant of Cosmo Plaza who is in financial difficulty. The tenancy expired in August 2010.

The increase in finance costs by S\$1.9 million in 1H2011 as compared to 1H2010 was mainly due to the higher interest expense and amortisation of borrowing costs. The higher interest expense arose from the higher rates of interest rate swaps entered into in January 2010 and May 2010 in respect of the AUD Facility and SGD Facility respectively for the purpose of fixing a portion of the floating rate borrowings. The increase was partially offset by a reduction in interest expense on the Cosmo Bonds due to the divestment of Cosmo Plaza.

The revaluation loss on investment properties in 1H2011 of S\$0.7 million was due to adjustment of the changes in the carrying values of the investment properties arising from the recognition of rental income on a straight-line basis in accordance with Singapore Financial Reporting Standards. The revaluation loss in 1H2010 of \$5.3 million included such adjustment and a downward revaluation of Cosmo Plaza in December 2009.

The net change in fair value of other investment and derivative financial instruments in 1H2011 of S\$3.1 million comprised mainly the fair value gain on the investment in AWPf of S\$2.6 million. There was no significant changes in the fair value in 1H2010.

Other income of S\$0.9 million relates to payments received pursuant to a settlement.

The gain on disposal of subsidiaries of S\$16.4 million arose from the divestment of Cosmo Plaza which comprised net liabilities disposed off of S\$7.5 million and the realisation of cumulative translation differences on the investment of S\$8.9 million.

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

In a statement released on 17 February 2011, the Ministry of Trade and Industry (“MTI”) announced that the growth outlook for Singapore remains positive in 2011 with the continuing recovery of the global economy and MIT expects the Singapore economy to grow by 4.0% to 6.0% in 2011. On the Singapore office market, CBRE¹ reported that the office market begins to stabilise after the sharp upward market adjustments in 2010. The outlook remains stable and rentals are likely to trend upwards at a modest pace with low likelihood of excessive rental spikes or sharp corrections anticipated.

Australia

In the Statement on Monetary Policy released in February 2011 by the Reserve Bank of Australia, GDP is expected to grow by around 4.25% over 2011, boosted by the recovery in coal production from the effect of the floods. Growth is expected to remain at an above-average pace of around 3.75% to 4% over the rest of the forecast period. On the Perth office market, Colliers² highlighted that rents remained stable in the second half of 2010 as vacancies retracted and net face rentals look to have stabilized. Colliers predicts that unless State resource sector export performance or capital investment levels deteriorate, there is unlikely to be any further downward pressure on rents at current supply forecast as effective rents are already experiencing growth and net rents are set for growth in second half 2011.

Japan

It is too early to ascertain the full impact of the March earthquake and tsunami on the economy of Japan. Various research institutes and financial companies have forecasted a 0.1% to 1.3% GDP growth for 2011, with an average of 1% negative impact to the GDP due to decline in supply and demand, especially over the next two quarters. In the Tokyo commercial property sector, DTZ³ highlighted that while it is hard to assess the impact from the disasters, they expect the grade A office vacancy rate to remain flat this year and rents continue to decline further, only showing growth in 2013. In addition, some occupiers have postponed or reassess their office strategies, which will likely delay the market recovery. Some occupiers in Tokyo have started thinking about office dispersion and FCOT's property in Osaka received a higher level of enquiries. The buildings owned by FCOT in Tokyo and Osaka suffered minimal damage from the earthquake.

¹ CB Richard Ellis, “MarketView Singapore”, 1Q 2011

² Colliers International, “Perth CBD Office”, Q4 2010

³ DTZ Research, “Property Times – Earthquake brings renewed uncertainty”, Japan Q1 2011

10. Distributions

(a) Current financial period

Name of distribution:

- (1) Distribution to Unitholders ("Unitholders' Distribution") for the period from 1 October 2010 to 31 March 2011
 (2) Distribution to CPPU holders ("CPPU Distribution") for the period from 1 October 2010 to 31 March 2011

(b)(i) Distribution rate

	Unitholders' Distribution	CPPU Distribution
	cents	cents
Taxable income component	2.2927	2.1955
Tax-exempt income component	0.5712	0.5470
Total	2.8639	2.7425

The Payment Date and Books Closure Date for the Unitholders' distribution and CPPU distribution are the same as stated in Section 10 (d) and 10(e) below.

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

Name of distribution:

- (1) Unitholders' Distribution for the period from 1 October 2009 to 31 March 2010
 (2) CPPU Distribution for the period from 1 October 2009 to 31 March 2010

	Unitholders' Distribution	CPPU Distribution ⁽¹⁾		
		For the period from 1 October 2009 to 31 March 2010	For the period from 1 October 2009 to 8 March 2010	For the period from 9 March 2010 to 31 March 2010
	cents	cents	cents	cents
Taxable income component	0.3980	1.6970	0.2455	1.9425
Tax-exempt income component	0.1639	0.6989	0.1011	0.8000
Total	0.5619	2.3959	0.3466	2.7425

⁽¹⁾ The non-renounceable offer of the CPPUs by FCL Investments Pte Ltd (the "Vendor") was completed on 9 March 2010 and 36,342,116 CPPUs were transferred to the respective securities accounts of the relevant Unitholders who had accepted the non-renounceable offer. The Vendor is entitled to receive a pro-rated portion of the CPPU distribution that were transferred for the period from 1 October 2009 to (and including) the day immediately preceding the transfer of the CPPUs (8 March 2010) which is 2.3959 cents. The balance of 0.3466 cents was available to the 36,342,116 CPPUs held by registered CPPU holders on 3 May 2010.

(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 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.

(d) Date payable: 30 May 2011

(e) Books closure date: 3 May 2011

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

Not applicable

12. 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
21 April 2011