



**FRASERS COMMERCIAL TRUST
FINANCIAL STATEMENTS ANNOUNCEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 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 30 September 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").

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.

On 12 May 2011, FCOT successfully completed the divestment of its investment in the Australian Wholesale Property Fund ("AWPF"), an Australian registered managed investment scheme, for a total consideration of AUD22.2 million.

SUMMARY OF CONSOLIDATED RESULTS OF FCOT AND ITS SUBSIDIARIES

- 1 July 2011 to 30 September 2011 ("4Q2011") vs 1 July 2010 to 30 September 2010 ("4Q2010")

- 1 October 2010 to 30 September 2011 ("FY2011") vs 1 October 2009 to 30 September 2010 ("FY2010")

	Group					
	1/7/2011 to 30/9/2011	1/7/2010 to 30/9/2010	Change	1/10/2010 to 30/9/2011	1/10/2009 to 30/9/2010	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Gross revenue	30,396	29,291	4%	119,567	117,934	1%
Net property income	24,344	23,230	5%	96,017	93,038	3%
Total return for the period / year	26,211	35,699	(27%)	64,910	50,137	29%
Income available for distribution to Series A Convertible Perpetual Preferred Units ("CPPU") holders	4,748	4,748	-	18,838	18,838	-
Income available for distribution to Unitholders	9,645	9,504	1%	36,324	34,465	5%
Total income available for distribution to CPPU holders and Unitholders	14,393	14,252	1%	55,162	53,303	3%
Income available for distribution per Unit (cents)						
<u>CPPU Holders</u>						
For the period	1.39	1.39	-	5.50	5.50	-
Annualised	5.50	5.50	-	5.50	5.50	-
<u>Unitholders</u>						
For the period	1.52 ⁽¹⁾	1.55 ⁽²⁾	(2%)	5.75 ⁽¹⁾	5.60 ⁽²⁾	3%
Annualised	6.03 ⁽¹⁾	6.15 ⁽²⁾	(2%)	5.75 ⁽¹⁾	5.60 ⁽²⁾	3%

NM - Not meaningful

Footnotes:

(1) The number of Units used to calculate the amount available for distribution per Unit ("DPU") is 634,337,998. 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					
	1/7/2011 to 30/9/2011	1/7/2010 to 30/9/2010	Change	1/10/2010 to 30/9/2011	1/10/2009 to 30/9/2010	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Gross revenue ⁽¹⁾	30,396	29,291	4%	119,567	117,934	1%
Property operating expenses ⁽²⁾	(6,052)	(6,061)	-	(23,550)	(24,896)	(5%)
Net property income ⁽³⁾	24,344	23,230	5%	96,017	93,038	3%
Interest income	131	65	NM	454	267	70%
Manager's management fees	(3,227)	(3,181)	1%	(12,727)	(12,475)	2%
Trust expenses	(1,243)	(827)	50%	(2,735)	(2,629)	4%
Allowance for impairment of receivables	-	(291)	NM	(2)	(2,192)	(100%)
Finance costs ⁽⁴⁾	(10,756)	(11,657)	(8%)	(45,824)	(43,751)	5%
Net income	9,249	7,339	26%	35,183	32,258	9%
Foreign exchange (loss) / gain	(1,040)	434	NM	(679)	733	NM
Net change in fair value of investment properties ⁽⁵⁾	19,039	30,094	(37%)	17,159	24,257	(29%)
Net change in fair value of other investment and derivative financial instruments ⁽⁶⁾	(567)	(113)	NM	1,954	(2,556)	NM
Realised gain / (loss) on derivative financial instruments ⁽⁷⁾	86	-	NM	(5)	(911)	(99%)
Other income ⁽⁸⁾	-	-	-	861	-	NM
Net gain on divestments ⁽⁹⁾	-	-	-	12,803	-	NM
Total return before income tax	26,767	37,754	(29%)	67,276	53,781	25%
Taxation	(556)	(2,055)	(73%)	(2,366)	(3,644)	(35%)
Total return for the period / year	26,211	35,699	(27%)	64,910	50,137	29%

NM - Not meaningful

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

	Group					
	1/7/2011 to 30/9/2011	1/7/2010 to 30/9/2010	Change	1/10/2010 to 30/9/2011	1/10/2009 to 30/9/2010	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Total return for the period	26,211	35,699	(27%)	64,910	50,137	29%
(Non-taxable)/ non-tax deductible items and other adjustments:						
Management fees paid / payable in Units	2,743	2,226	23%	10,818	10,587	2%
Trustees' fees	180	187	(4%)	732	720	2%
Amortisation of borrowing costs	2,912	3,092	(6%)	13,113	11,371	15%
Net change in fair value of investment properties	(19,039)	(30,094)	(37%)	(17,159)	(24,257)	(29%)
Net change in fair value of other investment and derivative financial instruments	567	113	NM	(1,954)	2,556	NM
Deferred income tax expense	480	2,026	(76%)	2,043	3,317	(38%)
Effects of recognising accounting income on a straight-line basis over the lease term	(915)	(353)	NM	(2,482)	(1,973)	26%
Allowance for impairment of receivables	-	291	NM	2	2,192	(100%)
Realised gain on derivative financial instruments ⁽⁷⁾	-	-	-	-	(710)	NM
Net gain on divestments	-	-	-	(12,803)	-	NM
Other non-tax deductible items and temporary differences ⁽¹⁰⁾	1,254	1,065	18%	(2,058)	(637)	NM
Net effect of (non-taxable)/ non-tax deductible items and other adjustments	(11,818)	(21,447)	(45%)	(9,748)	3,166	NM
Income available for distribution to Unitholders and CPPU holders	14,393	14,252	1%	55,162	53,303	3%
Income available for distribution attributable to:						
- CPPU holders ⁽¹¹⁾	4,748	4,748	-	18,838	18,838	-
- Unitholders ⁽¹²⁾	9,645	9,504	1%	36,324	34,465	5%
	14,393	14,252	1%	55,162	53,303	3%
Unitholders' distribution comprise:						
- from operations	7,975	7,469	7%	33,494	32,430	3%
- from capital returns ⁽¹³⁾	1,670	2,035	(18%)	2,830	2,035	39%
	9,645	9,504	1%	36,324	34,465	5%

NM - Not meaningful

Footnotes

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

	Group					
	1/7/2011 to 30/9/2011	1/7/2010 to 30/9/2010	Change	1/10/2010 to 30/9/2011	1/10/2009 to 30/9/2010	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
China Square Central	4,387	4,387	-	17,550	17,550	-
55 Market Street	1,390	1,590	(13%)	5,665	6,512	(13%)
KeyPoint	4,088	3,826	7%	16,050	14,954	7%
Alexandra Technopark	5,500	5,500	-	22,000	22,000	-
Central Park	9,105	7,293	25%	33,953	29,457	15%
Caroline Chisholm Centre	3,150	2,972	6%	12,631	12,014	5%
Cosmo Plaza	-	937	NM	803	4,583	(82%)
Azabu Aco	433	458	(5%)	1,710	1,726	(1%)
Galleria Otemae	1,695	1,678	1%	6,645	6,596	1%
Ebara Techno-Serve	648	650	-	2,560	2,542	1%
	30,396	29,291	4%	119,567	117,934	1%

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

	Group					
	1/7/2011 to 30/9/2011	1/7/2010 to 30/9/2010	Change	1/10/2010 to 30/9/2011	1/10/2009 to 30/9/2010	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Property maintenance expenses	1,706	1,464	17%	7,238	7,277	(1%)
Property management fees	461	460	-	1,838	1,831	-
Property tax	799	875	(9%)	3,111	3,885	(20%)
Utilities	1,398	1,764	(21%)	5,193	5,715	(9%)
Professional fees	453	725	(38%)	2,607	3,114	(16%)
Insurance	106	88	20%	439	477	(8%)
Council rates	303	250	21%	1,083	919	18%
Amortisation of leasing commission	182	114	60%	601	634	(5%)
Other operating expenses	644	321	NM	1,440	1,044	38%
	6,052	6,061	-	23,550	24,896	(5%)

NM - Not meaningful

Footnotes

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

Group						
	1/7/2011 to 30/9/2011	1/7/2010 to 30/9/2010	Change	1/10/2010 to 30/9/2011	1/10/2009 to 30/9/2010	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
China Square Central	4,252	4,256	-	16,967	16,959	-
55 Market Street	910	1,341	(32%)	4,102	5,086	(19%)
KeyPoint	2,736	3,032	(10%)	11,248	10,629	6%
Alexandra Technopark	5,343	5,349	-	21,329	21,315	-
Central Park	6,609	5,214	27%	24,271	20,758	17%
Caroline Chisholm Centre	2,748	2,419	14%	10,929	10,071	9%
Cosmo Plaza	-	(173)	NM	(252)	895	NM
Azabu Aco	282	298	(5%)	1,159	1,168	(1%)
Galleria Otemae	913	946	(3%)	4,106	3,999	3%
Ebara Techno-Serve	551	548	1%	2,158	2,158	-
	24,344	23,230	5%	96,017	93,038	3%

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

Group						
	1/7/2011 to 30/9/2011	1/7/2010 to 30/9/2010	Change	1/10/2010 to 30/9/2011	1/10/2009 to 30/9/2010	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Interest expenses	7,844	8,565	(8%)	32,711	32,368	1%
Amortisation of borrowing costs	2,912	3,092	(6%)	13,113	11,371	15%
Other fees	-	-	-	-	12	NM
	10,756	11,657	(8%)	45,824	43,751	5%

(5) The revaluation of all investment properties were completed as at 30 September 2011, giving rise to a net increase in fair values amounting to S\$19.0 million in 4Q2011 and S\$17.2 million in FY2011.

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

Group						
	1/7/2011 to 30/9/2011	1/7/2010 to 30/9/2010	Change	1/10/2010 to 30/9/2011	1/10/2009 to 30/9/2010	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Fair value loss on derivative financial instruments	(567)	(1,209)	(53%)	(690)	(6,335)	(89%)
Fair value gain on other investment	-	1,096	NM	2,644	3,779	(30%)
	(567)	(113)	NM	1,954	(2,556)	NM

NM - Not meaningful

Footnotes

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

Group					
1/7/2011 to 30/9/2011	1/7/2010 to 30/9/2010	Change	1/10/2010 to 30/9/2011	1/10/2009 to 30/9/2010	Change
S\$'000	S\$'000	%	S\$'000	S\$'000	%
Loss arising from termination of interest rate swaps	-	-	-	(1,003)	NM
Gain / (loss) arising from realisation of foreign currency forward contract	86	-	(5)	(1,621)	(100%)
Reversal of unrealised loss previously recognised on foreign currency forward contract	-	-	-	1,713	NM
	86		(5)	(911)	(99%)

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					
1/7/2011 to 30/9/2011	1/7/2010 to 30/9/2010	Change	1/10/2010 to 30/9/2011	1/10/2009 to 30/9/2010	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	-	-	-	1,713	NM
	-	-	-	710	NM

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

(9) Included in net gain on divestments are the following:

Group					
1/7/2011 to 30/9/2011	1/7/2010 to 30/9/2010	Change	1/10/2010 to 30/9/2011	1/10/2009 to 30/9/2010	Change
S\$'000	S\$'000	%	S\$'000	S\$'000	%
Gain on disposal of subsidiaries	-	-	16,423	-	NM
Loss on disposal of other investment	-	-	(3,620)	-	NM
	-	-	12,803	-	NM

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 comprises the net liabilities of \$7.5 million disposed of and the realisation of cumulative translation differences on the investment of \$8.9 million.

The divestment of the Group's investment in Australian Wholesale Property Fund ("AWPF") was completed on 12 May 2011. The loss on disposal represents the deficit of the sales proceeds over the carrying value of the investment as at the date of the disposal.

(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.

(13) Unitholders' distribution from capital returns relates to the distribution available to Unitholders arising from the capital reduction of a subsidiary to distribute earnings trapped due to non-cash items.

NM - Not meaningful

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

	Group		Trust	
	30/9/2011	30/9/2010	30/9/2011	30/9/2010
	S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets				
Investment properties ⁽¹⁾	1,942,008	1,906,351	1,325,000	1,298,900
Subsidiaries ⁽²⁾	-	-	266,002	320,737
Fixed assets	21	14	21	14
Other investment ⁽³⁾	-	29,878	-	-
	1,942,029	1,936,243	1,591,023	1,619,651
Current assets				
Investment property held for sale ⁽¹⁾	-	48,859	-	-
Trade and other receivables	9,114	9,008	67,130	37,240
Derivative financial instruments ⁽⁴⁾	69	441	55	99
Cash and bank balances	90,474	99,557	59,298	70,212
	99,657	157,865	126,483	107,551
Total assets	2,041,686	2,094,108	1,717,506	1,727,202
Current liabilities				
Trade and other payables	16,105	16,194	62,247	37,560
Current portion of security deposits	9,584	10,610	1,699	1,595
Derivative financial instruments ⁽⁴⁾	5,668	5,346	4,576	5,109
Provision for taxation	41	911	-	891
	31,398	33,061	68,522	45,155
Net current assets	68,259	124,804	57,961	62,396
Non-current liabilities				
Interest-bearing borrowings (net of transaction costs) ⁽⁵⁾	735,137	802,371	490,817	482,348
Non-current portion of security deposits	3,772	9,642	3,772	9,642
Deferred tax liability ⁽⁶⁾	51,253	48,311	-	-
	790,162	860,324	494,589	491,990
Total liabilities	821,560	893,385	563,111	537,145
Net assets	1,220,126	1,200,723	1,154,395	1,190,057
Represented by:				
Ordinary Unitholders' funds	877,626	858,223	811,895	847,557
CPPU holders' funds	342,500	342,500	342,500	342,500
	1,220,126	1,200,723	1,154,395	1,190,057

Footnotes

- (1) The investment properties were valued at their fair values based on independent valuations as at 30 September 2011. Please refer to Page 11 for details of the valuation.
- The increase in "Investment properties" (non-current) was mainly due to upward revaluation of the Australia and Singapore properties as at 30 September 2011 and appreciation of Australian Dollar and Japanese Yen as at 30 September 2011 as compared to 30 September 2010. The increase was slightly offset by downward revaluation of the Japan properties as at 30 September 2011.
- The decrease in "Investment property held for sale" was due to the divestment of Cosmo Plaza on 18 January 2011.
- (2) The decrease in investments in subsidiaries is due to impairment losses provided in respect of Frasers Commercial Tozai SPC No. 1 Pte Ltd, Frasers Commercial Tozai SPC No. 2 Pte Ltd and Frasers Commercial Tozai SPC No. 3 Pte Ltd, following an impairment review and capital reduction in respect of Frasers Commercial Sub No. 3 Pte Ltd.
- (3) Other investment of the Group represents the 39% indirect interest in AWPf. The decrease is due to the disposal on 12 May 2011.
- (4) Derivative financial instruments relate to fair values of interest rate swaps and caps entered into in respect of FCOT's borrowings and fair value of a foreign currency forward contract.
- (5) The decrease in interest-bearing borrowings (net of transaction costs) is mainly due to the AUD22 million partial repayment of the A\$150.0 million Transferable Term Loan Facility on 16 May 2011. Please refer to Page 10 for more details.
- (6) 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 30/9/2011		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 30/9/2011		As at 30/09/2010	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
747,964	-	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 Frasers 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 30 September 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.

On 16 May 2011, A\$22.0 million of the AUD Facility was prepaid. As at 30 September 2011, the outstanding amount under the AUD Facility amounted to A\$103.4 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 CBA Corporate Services (NSW) Pty Ltd, 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.

Valuation of investment properties

Property	Valuation date	Valuation S\$million	Independent valuer
China Square Central 18, 20 & 22 Cross Street Singapore 048423	30 September 2011	555.0	Colliers International Consultancy & Valuation (S) Pte Ltd
Alexandra Technopark 438A/438B Alexandra Road Singapore 119967 / 119968	30 September 2011	359.0	DTZ Debenham Tie Leung (SEA) Pte Ltd
KeyPoint 371 Beach Road Singapore 199597	30 September 2011	285.0	Savills Valuation and Professional Services (S) Pte Ltd
55 Market Street 55 Market Street Singapore 048941	30 September 2011	126.0	Colliers International Consultancy & Valuation (S) Pte Ltd
Central Park 152 - 158 St George's Terrace Perth, Western Australia 6000 Australia	30 September 2011	373.4 (A\$292.5 m)	CB Richard Ellis (C) Pty Ltd
Caroline Chisholm Centre Block 4 Section 13 Tuggeranong Australian Capital Territory 2900 Australia	30 September 2011	121.3 (A\$95.0 m)	CB Richard Ellis (C) Pty Ltd
Galleria Otemae No. 2, Tanimachi 2-chome Chuo-ku, Osaka-shi, Osaka Japan	30 September 2011	62.7 (JPY 3,860 m)	Rich Appraisal Institute Co., Ltd
Azabu Aco No. 32-7, Higashi-Azabu 2-chome Minato-ku, Tokyo Japan	30 September 2011	22.1 (JPY 1,360 m)	Rich Appraisal Institute Co., Ltd
Ebara Techno-Serve No. 1-1, 5-chome Haneda, Tokyo Japan	30 September 2011	37.5 (JPY 2,310 m)	Rich Appraisal Institute Co., Ltd

The independent valuers are licenced and experienced valuers. The valuations were carried out using the capitalisation approach and discounted cash flow analysis.

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

	Group			
	1/7/2011 to 30/9/2011	1/7/2010 to 30/9/2010	1/10/2010 to 30/9/2011	1/10/2009 to 30/9/2010
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Operating activities:</u>				
Total return before income tax	26,767	37,754	67,276	53,781
Adjustments for:-				
Interest expenses	7,844	8,565	32,711	32,368
Effect of recognising accounting income on a straight-line basis over the lease term	(915)	(353)	(2,482)	(1,973)
Allowance for impairment of receivables	-	291	2	2,192
Depreciation	2	8	6	8
Amortisation of leasing commission	182	114	601	634
Interest income	(131)	(65)	(454)	(267)
Management fees paid /payable in Units	2,743	2,226	10,818	10,587
Net change in fair value of other investment and derivative financial instruments	567	113	(1,954)	2,556
Net change in fair value of investment properties	(19,039)	(30,094)	(17,159)	(24,257)
Amortisation of borrowing costs	2,912	3,092	13,113	11,371
Realised (gain) / loss on derivative financial instruments	(86)	-	5	911
Net gain on divestments	-	-	(12,803)	-
Operating income before working capital changes	20,846	21,651	89,680	87,911
Changes in working capital:-				
Trade and other receivables	(1,224)	(2,263)	(451)	2,551
Trade and other payables	3,294	474	(2,520)	448
Cash generated from operations	22,916	19,862	86,709	90,910
Tax (paid) /refunded	(54)	(27)	(1,417)	(312)
Net cash generated from operating activities	22,862	19,835	85,292	90,598
<u>Investing activities:</u>				
Capital expenditure on investment properties	(690)	160	(2,641)	(3,182)
Disposal of subsidiaries ⁽¹⁾	-	-	(3,956)	-
Proceeds from disposal of other investment	-	-	29,111	-
Interest received	129	66	454	258
Net cash (used in) / generated from investing activities	(561)	226	22,968	(2,924)
<u>Financing activities:</u>				
Proceeds from borrowings	-	-	-	655,270
Repayment of loan	-	-	(29,190)	(632,221)
Realisation of derivative financial instruments	86	-	(5)	(13,082)
Payment for derivative financial instruments	(83)	(83)	(333)	(794)
Finance costs paid	(7,858)	(8,560)	(32,838)	(30,691)
Distributions paid	-	-	(54,036)	(34,548)
(Increase) / decrease in restricted cash	(231)	345	168	(1,587)
Issue costs paid	-	-	-	(175)
Transaction costs on borrowings	-	(3)	-	(35,836)
Net cash used in financing activities	(8,086)	(8,301)	(116,234)	(93,664)
Net increase / (decrease) in cash and cash equivalents	14,215	11,760	(7,974)	(5,990)
Cash and cash equivalents at beginning of period	65,735	75,637	88,338	94,195
Effect of exchange rate changes	1,437	941	1,023	133
Cash and cash equivalents at end of period ⁽²⁾	81,387	88,338	81,387	88,338

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	
	1/10/2010 to 30/9/2011	1/10/2009 to 30/9/2010
	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	
	30/9/2011	30/9/2010
	S\$'000	S\$'000
Bank and cash balances	58,493	57,616
Fixed deposits ^(a)	31,981	41,941
	90,474	99,557
Less: Restricted cash and deposits pledged - reserves and advance deposits ^(b)	(9,087)	(11,219)
Cash and cash equivalents	81,387	88,338

^(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 30/9/2011	1/10/2009 to 30/9/2010	1/10/2010 to 30/9/2011	1/10/2009 to 30/9/2010
	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
<u>Unitholders' transactions</u>				
Issue of Units - management fees	2,710	3,127	2,710	3,127
Issue costs	-	(67)	-	(67)
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 Unitholders' transactions	(23,960)	(3,007)	(23,960)	(3,007)
<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
<u>Unitholders' transactions</u>				
Issue of Units - management fees	2,655	2,164	2,655	2,164
Issue costs	-	(107)	-	(107)
Distributions to CPPU holders	-	(1,851)	-	(1,851)
Change in Unitholders' funds resulting from Unitholders' transactions	2,655	206	2,655	206
<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)(i) Statements of movements in Unitholders' Funds

	Group		Trust	
	1/10/2010 to 30/9/2011	1/10/2009 to 30/9/2010	1/10/2010 to 30/9/2011	1/10/2009 to 30/9/2010
	S\$'000	S\$'000	S\$'000	S\$'000
Movement from 1 April to 30 June				
Balance at beginning of period	867,132	846,510	844,504	822,259
Operations				
Change in net assets attributable to Unitholders resulting from operations	3,417	3,563	(947)	1,845
Unitholders' transactions				
Issue of Units - management fees	2,711	3,070	2,711	3,070
Distributions to Unitholders	(17,973)	(17,238)	(17,973)	(17,238)
Distributions to CPPU holders	(9,393)	(9,393)	(9,393)	(9,393)
Change in Unitholders' funds resulting from Unitholders' transactions	(24,655)	(23,561)	(24,655)	(23,561)
Foreign currency translation reserve				
Movement for the period	9,617	(19,079)	-	-
Balance at end of period	855,511	807,433	818,902	800,543
Movement from 1 July to 30 September				
Balance at beginning of period	855,511	807,433	818,902	800,543
Operations				
Change in net assets attributable to Unitholders resulting from operations	26,211	35,699	(9,750)	44,787
Unitholders' transactions				
Issue of Units - management fees	2,743	2,227	2,743	2,227
Change in Unitholders' funds resulting from Unitholders' transactions	2,743	2,227	2,743	2,227
Foreign currency translation reserve				
Movement for the period	(6,839)	12,864	-	-
Balance at end of period	877,626	858,223	811,895	847,557

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

	1/7/2011 to 30/9/2011	1/7/2010 to 30/9/2010	1/10/2010 to 30/9/2011	1/10/2009 to 30/9/2010
	Units	Units	Units	Units
Issued Units				
Balance at beginning of period	627,573,170	3,067,792,467 ⁽¹⁾	3,089,710,334 ⁽¹⁾	3,015,464,570 ⁽¹⁾
Management fees paid in Units - Pre Unit Consolidation	-	21,917,867 ⁽¹⁾	31,104,666 ⁽¹⁾	74,245,764 ⁽¹⁾
Adjustments arising from Unit Consolidation ⁽²⁾	-	-	(2,496,652,022)	-
Management fees paid in Units - Post Unit Consolidation	3,366,852	-	6,777,044	-
Balance at end of period	630,940,022	3,089,710,334	630,940,022	3,089,710,334
Issued and issuable Units				
Issued Units at end of period	630,940,022	3,089,710,334 ⁽¹⁾	630,940,022	3,089,710,334 ⁽¹⁾
Management fees payable in Units ⁽³⁾	3,397,976	14,575,794 ⁽¹⁾	3,397,976	14,575,794 ⁽¹⁾
Issued and issuable Units at end of period	634,337,998	3,104,286,128	634,337,998	3,104,286,128
Number of Units that may be issued on conversion of CPPU outstanding as at the end of the period ⁽⁴⁾	289,151,540	1,445,757,704 ⁽¹⁾	289,151,540	1,445,757,704 ⁽¹⁾

⁽¹⁾ These relate to the actual number of issued and issuable Units before 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.

⁽²⁾ The adjustment arose from the Unit Consolidation and any fractions of consolidated Units arising from the Unit Consolidation were disregarded.

⁽³⁾ 3,397,976 Units will be issued to the Manager as payment for management fees for the quarter ended 30 September 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 30 September 2011. The remaining management fees will be paid in cash.

⁽⁴⁾ 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 period 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

	1/7/2011 to 30/9/2011	1/7/2010 to 30/9/2010	1/10/2010 to 30/9/2011	1/10/2009 to 30/9/2010
	S\$'000	S\$'000	S\$'000	S\$'000
Total return for the period	26,211	35,699	64,910	50,137
Distribution to CPPU holders	(4,748)	(4,748)	(18,838)	(18,838)
Earnings attributable to Unitholders	21,463	30,951	46,072	31,299
Basic EPU				
Weighted average number of Units in issue	629,805,539	616,607,936 ⁽⁴⁾	624,924,717	611,199,393 ⁽⁴⁾
Basic earnings per Unit (cents) ⁽¹⁾	3.41	5.02	7.37	5.12
Diluted EPU				
Weighted average number of Units in issue	918,957,079 ⁽²⁾	905,759,477 ^{(2),(4)}	914,076,256 ⁽²⁾	900,350,934 ^{(2),(4)}
Basic earnings per Unit on a fully diluted basis (cents)	2.85	3.94	7.10	5.12 ⁽³⁾
DPU				
Number of Units issued and issuable at end of period	634,337,998	620,857,226 ⁽⁴⁾	634,337,998	620,857,226 ⁽⁴⁾
Available for distribution per Unit based on the total number of issue and issuable Units ⁽⁵⁾ (cents)	1.52	1.55 ⁽⁶⁾	5.75	5.60 ⁽⁶⁾

Footnotes:

- (1) Basic earnings per Unit ("EPU") is computed using the earnings attributable to Unitholders and the weighted average number of Units during 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 and year ended 30 September 2011 may differ from the table above if any CPPUs are converted into Units.
- (6) The distribution per Unit has been adjusted for the effects of the Unit Consolidation.

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

	Group		Trust	
	30/9/2011	30/9/2010	30/9/2011	30/9/2010
Unitholders' funds at end of period (S\$'000)	877,626	858,223	811,895	847,557
Number of Units issued and issuable at the end of the period ('000)	634,338	620,857 ⁽¹⁾	634,338	620,857 ⁽¹⁾
Unitholders' funds per Unit (S\$)	1.38	1.38 ⁽¹⁾	1.28	1.37 ⁽¹⁾
Adjusted Unitholders' funds per Unit (excluding distributable income) (S\$)	1.34	1.34 ⁽¹⁾	1.24	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 July 2011 to 30 September 2011 ("4Q2011") and 1 July 2010 to 30 September 2010 ("4Q2010")

Gross revenue for 4Q2011 was S\$30.4 million, and 4% higher than 4Q2010 mainly due to the following:

- higher revenue contribution from Central Park by S\$1.8 million mainly due to increase in occupancy and rental rates. The strengthening of the Australian dollar against the Singapore dollar from A\$1.00 : S\$1.2260 in 4Q2010 to A\$1.00 : S\$1.2775 in 4Q2011 also contributed to the higher revenue;
- higher revenue contribution from Caroline Chisholm Centre by S\$0.2 million mainly due to the strengthening of the Australia dollar; and
- higher revenue contribution from KeyPoint by S\$0.3 million due to increase in occupancy rates.

The above contributions were offset by the loss of revenue contribution from Cosmo Plaza by S\$0.9 million following the divestment on 18 January 2011 and lower revenue contribution from 55 Market Street of S\$0.2 million due to lower rental rates.

Property operating expenses for 4Q2011 totalled S\$6.1 million, which was consistent with those of 4Q2010. This was mainly due to higher level of property expenses incurred for the following properties:

- Central Park by S\$0.4 million due to increase in occupancy rate and strengthening of the Australia dollar.
- KeyPoint by S\$0.6 million mainly due to higher property property tax expense and property maintenance expenses arising increase in occupancy rates. In addition, included in property maintenance expenses of KeyPoint in 4Q2010 was a reversal of over accrual of expenses in prior periods of approximately \$0.2 million. There was no such reversal in 4Q2011.
- 55 Market Street by S\$0.2 million mainly due to higher property tax expense due to refunds received in 4Q2010 for finalisation of property tax matters in respect of prior years. There was no such refunds in 4Q2011.

The above increases were offset by the divestment of Cosmo Plaza which contributed property operating expenses of S\$1.1 million in 4Q2010. Please refer to page 5 for the composition of property operating expenses.

Net property income for 4Q2011 was S\$24.3 million, 5% higher than that of 4Q2010. This was mainly attributable to higher income contributions from Central Park and Caroline Chisholm Centre, which was partially offset by lower income contributions from KeyPoint and 55 Market Street.

Trust expenses for 4Q2011 totalled S\$1.2 million as compared to S\$0.8 million in 4Q2010. The increase was mainly contributed by professional fees incurred on development works on a property and write off of Goods and Services Tax receivables arising from prior years determined to be not recoverable.

The allowance for impairment of receivables of S\$0.2 million in 4Q2010 relates to rental and other income receivable from a significant tenant of Cosmo Plaza who was in financial difficulty. There was no impairment in the current quarter as the tenancy expired in August 2010.

The decrease in finance costs by S\$0.9 million in 4Q2011 as compared to that of 4Q2010 was mainly due to the following:

- reduction in interest expense on the Cosmo Bonds due to the divestment of Cosmo Plaza; and
- lower interest expense on the AUD Facility after the partial prepayment in May 2011.

The revaluation gain on investment properties in 4Q2011 was due to upward revaluation of the Australia and Singapore properties, and slightly offset by downward revaluation of the Japan properties as at 30 September 2011.

The net loss in fair value change of other investment and derivative financial instruments in 4Q2011 of S\$0.6 million relates to changes in the fair values of interest rate swaps and interest rate caps and foreign currency forward contracts. The net fair value loss of S\$0.1 million in 4Q2010 comprised fair value loss of S\$1.2 million on interest rate swaps and interest rate caps and fair value gain of S\$1.1 million on investment in AWPFF.

8. Review of performance (cont'd)

(b) Variance between results for the period from 1 October 2010 to 30 September 2011 ("FY2011") and 1 October 2009 to 30 September 2010 ("FY2010")

Gross revenue for FY2011 was S\$119.6 million, 1% higher compared to FY2010 mainly due to the following:

- higher revenue contribution from Central Park by S\$4.5 million mainly due to increase in occupancy and rental rates. The strengthening of the Australia dollar against the Singapore dollar from A\$1.00 : S\$1.2455 in FY2010 to A\$1.00 : S\$1.2917 in FY2011 also contributed to the higher revenue;
- higher revenue contribution from Caroline Chisholm Centre by S\$0.6 million mainly due to the strengthening of the Australia dollar; and
- higher revenue contribution from KeyPoint by S\$1.1 million due to higher occupancy rate.

This was partially offset by the following:

- lower revenue contribution from Cosmo Plaza by S\$3.8 million due to the expiry of a significant tenancy in August 2010 and the divestment of Cosmo Plaza in January 2011; and
- lower revenue contribution from 55 Market Street by S\$0.8 million due to lower rental rates.

Property operating expenses for FY2011 were S\$23.6 million, 5% lower compared to FY2010. The divestment of Cosmo Plaza in January 2011 resulted in lower property operating expenses by S\$2.6 million and this was offset mainly by the following:

- higher property operating expenses for Central Park by S\$1.0 million due to higher occupancy rates and strengthening of Australia Dollar;
- higher property operating expenses for KeyPoint by S\$0.5 million due to higher property tax expense and property maintenance expenses arising from increase in occupancy rates. In addition, included in property maintenance expenses of KeyPoint in FY2010 was a reversal of over accrual of expenses in prior periods of approximately \$0.2 million. There was no such reversal in FY2011.
- higher property operating expenses for 55 Market Street by S\$0.1 million mainly due to higher property tax expense due to refunds received in FY2010 for finalisation of property tax matters in respect of prior years. There was no such refunds in FY2011.

Please refer to page 5 for the composition of property operating expenses.

Net property income for FY2011 was S\$96.0 million, 3% higher than that of FY2010. This was largely attributable to higher income contribution from Central Park, Caroline Chisholm Centre and KeyPoint, which was partially offset by lower income contribution from 55 Market Street and divestment of Cosmo Plaza.

Trust expenses for FY2011 totalled S\$2.7 million, 4% higher compared to those of FY2010. This was mainly due to professional fees incurred on development works on a property and write off of Goods and Services Tax receivables arising from prior years determined to be not recoverable, which was offset by write back of accruals of professional fees no longer required.

The allowance for impairment of receivables of S\$2.2 million in FY10 was related to rental and other income receivable from a significant tenant of Cosmo Plaza who was in financial difficulty. There was no impairment for this tenant during FY2011 as the tenancy expired in August 2010.

The increase in finance costs by S\$2.1 million in FY2011 as compared to that of FY2010 was mainly due to the following:

- expensing of capitalised borrowing costs attributable to the partially prepaid AUD Facility during 3Q2011; and
- higher interest expense due to 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 and lower interest expense on the AUD Facility after the partial prepayment in May 2011.

The revaluation gain on investment properties in FY2011 was mainly due to upward revaluation of the Australia and Singapore properties, and slightly offset by downward revaluation of the Japan properties as at 30 September 2011.

The net gain in fair value change of other investment and derivative financial instruments in FY2011 of S\$2.0 million comprised mainly the fair value gain on the investment in AWPf of S\$2.6 million and fair value loss on interest rate swaps and interest rate caps of S\$0.7 million. The net fair value loss of S\$2.6 million in FY2010 comprised fair value loss of S\$6.3 million on interest rate swaps and interest rate caps and fair value gain of S\$3.8 million on investment in AWPf.

Other income of S\$0.9 million recognised during FY2011 relates to payments received pursuant to a settlement.

The net gain on divestments comprised the gain on divestment of Cosmo Plaza of S\$16.4 million and the loss on divestment of AWPf of S\$3.6 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

The current global economic environment is uncertain, and with the ongoing Eurozone debt situation, the business environment in the coming months will be challenging. The commentary on the different markets is set out below.

Singapore

The Ministry of Trade and Industry (“MTI”) announced in a statement released on 14 October 2011 that the economy grew by 5.9% on a year-on-year basis in Q3 2011. For 2011, the MTI expects GDP growth to be around 5.0%. On the Singapore office market, DTZ reported that office rents in the CBD were largely flat in Q3 2011 while rental growth outside of CBD area moderated as leasing demand for office space turned cautious. Average gross rent in Raffles Place stood at \$9.80 psf/mth in Q3 2011 after rising 25.6% from the bottom in Q1 2010.

Australia

In the Statement on Monetary Policy released in August 2011 by the Reserve Bank of Australia, forecast for GDP growth in 2011 has been revised lower to 3.25% from 4.25% forecasted in May. This is to reflect the slower-than-expected recovery in coal exports as well as a slower expected growth in consumption underlining ongoing evidence of household caution. Overall, GDP growth is likely to be at, or above, trend in 2012 and 2013, reflecting the strong medium-term outlook for the resources sector. According to Colliers², the Perth CBD office leasing market continued its strong recovery, registering strong net absorption levels and rental growth in H1 2011. The robust demand emanating from resource sector investment spending continued to exert pressure on the vacancy level in H1 2011, leading to a fall in CBD vacancy. Despite the recent developments in the global economy which have impacted sentiment, Colliers expects investment spending in Western Australia to continue and help prop up prime office demand in the CBD.

Japan

In the Government of Japan’s Cabinet Office’s Monthly Economic Report for September 2011, it highlighted that the Japanese economy is picking up despite prevailing challenging conditions due to the Great East Japan Earthquake. The economy, however, is expected to continue to recover, reflecting supply chain reconstruction and accommodative policy measures. However, downside risks remain such as constraints of electric power supply, the consequences of the nuclear accident, further slowing down of less resilient overseas economies, and volatile fluctuations in exchange rates and stock prices. On the Tokyo office market, CBRE³ reported a decline in vacancy rate for the Tokyo grade A offices to 5.0% in August 2011 from 5.5% in Q2. Despite the falling vacancy, rents are expected to be suppressed until occupier activity fully recovers and landlord confidence improves. Prime office buildings are benefitting from occupiers placing greater emphasis on a building’s earthquake resistance capabilities. In the Osaka city, vacancy levels improved slightly by 0.1 percentage point from last quarter to 11.1% in August 2011. However, CBRE⁴ predicts no major improvement in the vacancy rate in the short to medium term as demand is likely to remain sluggish on a net basis.

¹ DTZ Research, Press Release “Prime office rents in the CBD stagnated in Q3 2011”, 5 October 2011

² Colliers International, “Perth CBD Office”, H2 2011

³ CB Richard Ellis Press Release, August 2011

⁴ CB Richard Ellis, Osaka Market Report Q3 2011

11. Distributions

(a) Current financial period

Name of distribution:

- (1) Distribution to Unitholders ("Unitholders' Distribution") for the period from 1 April 2011 to 30 September 2011
- (2) Distribution to CPPU holders ("CPPU Distribution") for the period from 1 April 2011 to 30 September 2011

(b)(i) Distribution rate

	Unitholders' Distribution	CPPU Distribution
	cents	cents
Taxable income component	2.0933	2.3590
Tax-exempt income component	0.3536	0.3985
Capital component	0.4461	-
Total	2.8930	2.7575

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 April 2010 to 30 September 2010
- (2) CPPU Distribution for the period from 1 April 2010 to 30 September 2010

	Unitholders' Distribution	CPPU Distribution
	cents	cents
Taxable income component	0.4750	2.6767
Tax-exempt income component	0.0143	0.0808
Capital component	0.0656	-
Total	0.5549	2.7575

(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: 29 November 2011

(e) Books closure date: 2 November 2011

12. Segment revenue and results

	1/10/2010 to 30/9/2011 ("FY2011")				1/10/2009 to 30/9/2010 ("FY2010")			
	Singapore S\$'000	Australia S\$'000	Japan S\$'000	Total S\$'000	Singapore S\$'000	Australia S\$'000	Japan S\$'000	Total S\$'000
Gross revenue	61,265	46,584	11,718	119,567	61,016	41,471	15,447	117,934
Property operating expenses	(7,619)	(11,384)	(4,547)	(23,550)	(7,027)	(10,642)	(7,227)	(24,896)
Net property income	53,646	35,200	7,171	96,017	53,989	30,829	8,220	93,038
Net change in fair value of investment properties	26,184	8,402	(17,427)	17,159	37,691	6,007	(19,441)	24,257
Interest income				454				267
Manager's management fees				(12,727)				(12,475)
Trust expenses				(2,735)				(2,629)
Allowance for impairment of receivables				(2)				(2,192)
Finance costs				(45,824)				(43,751)
Foreign exchange gain / (loss)				(679)				733
Net change in fair value of other investment and derivative financial instruments				1,954				(2,556)
Realised loss on derivative financial instruments				(5)				(911)
Other income				861				
Net gain on divestments				12,803				
Taxation				(2,366)				(3,644)
Total return for the period				64,910				50,137
	As at 30/9/2011				As at 30/9/2010			
Segment assets	1,327,144	501,423	122,479	1,951,046	1,301,547	478,491	183,993	1,964,031
Unallocated assets				90,640				130,077
Total assets				2,041,686				2,094,108

NM - Not meaningful

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 8.

14. Breakdown of sales

	1/10/2010 to 30/9/2011	1/10/2009 to 30/9/2010
	S\$'000	S\$'000
Gross Revenue (1st half)	58,607	59,421
Gross Revenue (2nd half)	60,960	58,513
Total Gross Revenue	119,567	117,934
Total return after tax (1st half)	35,282	10,875
Total return after tax (2nd half)	29,628	39,262
Total return	64,910	50,137

15. Breakdown of distributions

	1/10/2010 to 30/9/2011	1/10/2009 to 30/9/2010
	S\$'000	S\$'000
<u>Unitholders' distribution</u>		
- From operations		
1 July 2009 to 30 September 2009	-	6,067
1 October 2009 to 31 March 2010	-	17,238
1 July 2010 to 30 September 2010	15,191	-
1 October 2010 to 31 March 2011	17,973	-
	33,164	23,305
- From capital returns		
1 July 2010 to 30 September 2010	2,035	-
	35,199	23,305
<u>CPPU distribution</u>		
1 July 2009 to 30 September 2009	-	1,851
1 October 2009 to 31 March 2010	-	9,393
1 July 2010 to 30 September 2010	9,444	-
1 October 2010 to 31 March 2011	9,393	-
	18,837	11,244

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

There is no general mandate obtained from Unitholders for IPTs.

17. Confirmation pursuant to Rule 704(11) of the Listing Manual of SGX-ST

Pursuant to Rule 704(11) of the Listing Manual of the Singapore Exchange Securities Trading Limited, Frasers Centrepoint Asset Management (Commercial) Ltd ("FCAMC"), the manager of FCOT, confirms that there is no person occupying a managerial position in FCAMC or in any of the principal subsidiaries of FCAMC or FCOT who is a relative of a Director, Chief Executive Officer or Substantial Shareholder/Unitholder of FCAMC or FCOT.

18. 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 FCAMC (as Manager of FCOT) which may render these 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
24 October 2011