



**FRASERS COMMERCIAL TRUST
FINANCIAL STATEMENTS ANNOUNCEMENT
FOR THE THIRD QUARTER ENDED 30 JUNE 2010**

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

- a First Amending and Restating Deed dated 23 February 2006;
- a Second Amending and Restating Deed dated 20 March 2006;
- a Supplemental Deed of Amendment dated 30 April 2007;
- a Second Supplemental Deed of Amendment dated 31 March 2009;
- a Third Supplemental Deed dated 29 July 2009;
- a Fourth Supplemental Deed dated 26 August 2009;
- a Fifth Supplemental Deed dated 25 November 2009;
- a Sixth Supplemental Deed dated 28 January 2010; and
- a Third Amending and Restating Deed dated 27 July 2010 (the "Trust Deed").

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 June 2010 consists of ten 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;

Japan

100.0% indirect interests in Cosmo Plaza located in Osaka, Japan ("Cosmo Plaza"), the Galleria Otemae Building located in Osaka, Japan ("Galleria Otemae"), the Azabu Aco Building located in Tokyo, Japan ("Azabu Aco") and the Ebara Techno-Serve Headquarters Building located in Tokyo, Japan ("Ebara Techno-Serve"); and

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").

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.

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 April 2010 to 30 June 2010 ("3Q2010") vs 1 April 2009 to 30 June 2009

- 1 October 2009 to 30 June 2010 ("YTD 3Q2010") vs 1 October 2008 to 30 June 2009

| | Group | | | | | |
|---|--|--------------------------|--------|---|---------------------------|--------|
| | 1/4/2010 to 30/6/2010 ("3Q2010") | 1/4/2009 to 30/6/2009 | Change | 1/10/2009 to 30/6/2010 ("YTD 3Q2010") | 1/10/2008 to 30/6/2009 | Change |
| | S\$'000 | S\$'000 | % | S\$'000 | S\$'000 | % |
| Gross revenue | 29,222 | 22,673 | 29% | 88,643 | 71,523 | 24% |
| Net property income | 22,698 | 17,073 | 33% | 69,808 | 54,300 | 29% |
| Total return for the period after income tax and before distribution ⁽¹⁾ | 3,563 | 1,101 | NM | 14,438 | (238,981) | NM |
| Available for distribution to Series A Convertible Perpetual Preferred Units ("CPPU") holders | 4,697 | - | NM | 14,090 | - | NM |
| Available for distribution to Unitholders | 7,725 | 5,570 | 39% | 24,961 | 20,256 | 23% |
| Total distribution available to CPPU holders and Unitholders | 12,422 | 5,570 | 123% | 39,051 | 20,256 | 93% |
| Available for distribution per Unit (cents) | | | | | | |
| <u>CPPU Holders</u> | | | | | | |
| For the period | 1.37 | - | NM | 4.11 | - | NM |
| Annualised | 5.50 | - | NM | 5.50 | - | NM |
| <u>Unitholders</u> | | | | | | |
| For the period | 0.25 ⁽²⁾ | 0.73 | (66%) | 0.81 ⁽²⁾ | 2.65 | (69%) |
| Annualised | 1.00 ⁽²⁾ | 2.93 | (66%) | 1.08 ⁽²⁾ | 3.54 | (69%) |
| <i>Adjusted for Rights Issue</i> | | | | | | |
| For the period | 0.25 ⁽²⁾ | 0.18 ⁽³⁾ | 39% | 0.81 ⁽²⁾ | 0.67 ⁽³⁾ | 21% |
| Annualised | 1.00 ⁽²⁾ | 0.72 ⁽³⁾ | 39% | 1.08 ⁽²⁾ | 0.90 ⁽³⁾ | 21% |

NM - Not meaningful

Footnotes:

- (1) Please refer to Sections 1(a) and 8 for further details on the total return for the period after income tax and before distribution.
- (2) The number of Units used to calculate the amount available for distribution per Unit ("DPU") is 3,089,710,334. Please see Section 1(d)(ii) for the details of changes in the number of Units.
- (3) The number of units used to calculate the DPU has been restated and is based on the number of issued and issuable Units at the end of the period inclusive of the 2,251,989,879 Units issued on 26 August 2009 pursuant to the renounceable Rights Issue.

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

| | Group | | | | | |
|--|--------------------------|--------------------------|------------|---------------------------|---------------------------|--------------|
| | 1/4/2010 to 30/6/2010 | 1/4/2009 to 30/6/2009 | Change | 1/10/2009 to 30/6/2010 | 1/10/2008 to 30/6/2009 | Change |
| | S\$'000 | S\$'000 | % | S\$'000 | S\$'000 | % |
| Gross revenue ⁽¹⁾ | 29,222 | 22,673 | 29% | 88,643 | 71,523 | 24% |
| Property operating expenses ⁽²⁾ | (6,524) | (5,600) | 17% | (18,835) | (17,223) | 9% |
| Net property income ⁽³⁾ | 22,698 | 17,073 | 33% | 69,808 | 54,300 | 29% |
| Interest income | 64 | 82 | (22%) | 202 | 489 | (59%) |
| Trust expenses ⁽⁴⁾ | (3,783) | (3,135) | 21% | (11,096) | (10,307) | 8% |
| Allowance for impairment of receivables ⁽⁵⁾ | (621) | (101) | NM | (1,901) | (4,863) | (61%) |
| Finance costs | (10,983) | (13,373) | (18%) | (32,094) | (39,324) | (18%) |
| Net income before change in foreign exchange loss, fair values of investment properties, other investment and derivative financial instruments, income tax and distribution | 7,375 | 546 | NM | 24,919 | 295 | NM |
| Foreign exchange (loss) / gain | (384) | 4,103 | NM | 299 | (17,231) | NM |
| Net change in fair value of investment properties ⁽⁶⁾ | (530) | (1,208) | (56%) | (5,837) | (196,279) | (97%) |
| Net change in fair value of other investment and derivative financial instruments ⁽⁷⁾ | (2,790) | (1,379) | 102% | (2,443) | (26,595) | (91%) |
| Realised (loss) / gain on derivative financial instruments ⁽⁸⁾ | 216 | (1,283) | NM | (911) | 495 | NM |
| Net (loss) / gain in foreign exchange loss / (gain) and fair value changes of investment properties, other investment and derivative financial instruments | (3,488) | 233 | NM | (8,892) | (239,610) | (96%) |
| Total return before income tax | 3,887 | 779 | NM | 16,027 | (239,315) | NM |
| Taxation | (324) | 322 | NM | (1,589) | 334 | NM |
| Total return for the period | 3,563 | 1,101 | NM | 14,438 | (238,981) | NM |

NM - Not meaningful

Reconciliation of Total Return for the Period after Income Tax, before Distribution to the Total Amount Distributable to Unitholders

| | Group | | | | | |
|---|--------------------------|--------------------------|--------|---------------------------|---------------------------|--------|
| | 1/4/2010 to 30/6/2010 | 1/4/2009 to 30/6/2009 | Change | 1/10/2009 to 30/6/2010 | 1/10/2008 to 30/6/2009 | Change |
| | S\$'000 | S\$'000 | % | S\$'000 | S\$'000 | % |
| Total return for the period | 3,563 | 1,101 | NM | 14,438 | (238,981) | NM |
| Non tax-deductible / (non-taxable) items and other adjustments: | | | | | | |
| Management fees paid / payable in Units | 3,070 | 2,450 | 25% | 8,361 | 7,599 | 10% |
| Trustees' fees | 175 | 196 | (11%) | 533 | 626 | (15%) |
| Amortisation of borrowing costs | 3,088 | 2,956 | 4% | 8,279 | 8,639 | (4%) |
| Net change in fair value of investment properties | 530 | 1,208 | (56%) | 5,837 | 196,279 | (97%) |
| Amortisation of leasing costs | 193 | 126 | 53% | 520 | 410 | 27% |
| Net change in fair value of other investment and derivative financial instruments | 2,790 | 1,379 | 102% | 2,443 | 26,595 | (91%) |
| Deferred income tax expense | 269 | (397) | NM | 1,291 | (86) | NM |
| Effects of recognising accounting income on a straight line basis over the lease term | (455) | (668) | (32%) | (1,620) | (1,900) | (15%) |
| Foreign exchange (gain) / loss | 384 | (4,103) | NM | (299) | 17,231 | NM |
| Allowance for impairment of receivables | 621 | 101 | NM | 1,901 | 4,863 | (61%) |
| Realised gain on derivative financial instruments ⁽⁸⁾ | (24) | - | NM | (710) | - | NM |
| Other adjustments ⁽⁹⁾ | (1,782) | 1,221 | NM | (1,923) | (1,019) | 89% |
| Net effect of non-tax deductible / (non-taxable) items and other adjustments | 8,859 | 4,469 | 98% | 24,613 | 259,237 | (91%) |
| Available for distribution to Unitholders and CPPU holders | 12,422 | 5,570 | 123% | 39,051 | 20,256 | 93% |
| Distributions | | | | | | |
| - CPPU ⁽¹⁰⁾ | 4,697 | - | NM | 14,090 | - | NM |
| - Unitholders ⁽¹¹⁾ | 7,725 | 5,570 | 39% | 24,961 | 20,256 | 23% |
| Comprise: | | | | | | |
| - from operations | 12,422 | 5,570 | 123% | 39,051 | 18,600 | 110% |
| - from Unitholders' contributions | - | - | NM | - | 1,656 | NM |

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 | | | | | |
|--------------------------|--------------------------|--------------------------|------------|---------------------------|---------------------------|------------|
| | 1/4/2010 to 30/6/2010 | 1/4/2009 to 30/6/2009 | Change | 1/10/2009 to 30/6/2010 | 1/10/2008 to 30/6/2009 | Change |
| | S\$'000 | S\$'000 | % | S\$'000 | S\$'000 | % |
| China Square Central | 4,388 | 4,387 | - | 13,163 | 13,162 | - |
| 55 Market Street | 1,570 | 1,766 | (11%) | 4,922 | 5,426 | (9%) |
| KeyPoint | 3,746 | 3,554 | 5% | 11,128 | 13,000 | (14%) |
| Alexandra Technopark | 5,500 | - | NM | 16,500 | - | NM |
| Central Park | 7,275 | 6,520 | 12% | 22,164 | 19,472 | 14% |
| Caroline Chisholm Centre | 2,941 | 2,681 | 10% | 9,042 | 7,477 | 21% |
| Cosmo Plaza | 1,216 | 1,046 | 16% | 3,646 | 4,351 | (16%) |
| Azabu Aco | 418 | 396 | 6% | 1,268 | 1,318 | (4%) |
| Galleria Otemae | 1,545 | 1,699 | (9%) | 4,918 | 5,387 | (9%) |
| Ebara Techno-Serve | 623 | 624 | - | 1,892 | 1,930 | (2%) |
| | 29,222 | 22,673 | 29% | 88,643 | 71,523 | 24% |

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

| | Group | | | | | |
|------------------------------------|--------------------------|--------------------------|------------|---------------------------|---------------------------|-----------|
| | 1/4/2010 to 30/6/2010 | 1/4/2009 to 30/6/2009 | Change | 1/10/2009 to 30/6/2010 | 1/10/2008 to 30/6/2009 | Change |
| | S\$'000 | S\$'000 | % | S\$'000 | S\$'000 | % |
| Property maintenance expenses | 2,408 | 1,937 | 24% | 6,353 | 5,131 | 24% |
| Property management fees | 456 | 291 | 57% | 1,371 | 1,349 | 2% |
| Property tax | 960 | 975 | (2%) | 3,010 | 3,217 | (6%) |
| Utilities | 1,347 | 1,094 | 23% | 3,951 | 3,612 | 9% |
| Professional fees | 808 | 754 | 7% | 2,389 | 2,380 | - |
| Insurance | 144 | 97 | 48% | 389 | 282 | 38% |
| Council rates | 179 | 202 | (11%) | 669 | 570 | 17% |
| Amortisation of leasing commission | 193 | 126 | 53% | 520 | 410 | 27% |
| Other operating expenses | 29 | 124 | (77%) | 183 | 272 | (33%) |
| | 6,524 | 5,600 | 17% | 18,835 | 17,223 | 9% |

NM - Not meaningful

Footnotes

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

Property operating expenses - by property

| | Group | | | | | |
|--------------------------|--------------------------|--------------------------|------------|---------------------------|---------------------------|-----------|
| | 1/4/2010 to 30/6/2010 | 1/4/2009 to 30/6/2009 | Change | 1/10/2009 to 30/6/2010 | 1/10/2008 to 30/6/2009 | Change |
| | S\$'000 | S\$'000 | % | S\$'000 | S\$'000 | % |
| China Square Central | 151 | 141 | 7% | 460 | 410 | 12% |
| 55 Market Street | 405 | 401 | 1% | 1,177 | 1,380 | (15%) |
| KeyPoint | 1,097 | 978 | 12% | 3,531 | 3,556 | (1%) |
| Alexandra Technopark | 183 | - | NM | 534 | - | NM |
| Central Park | 2,568 | 2,058 | 25% | 6,620 | 5,435 | 22% |
| Caroline Chisholm Centre | 460 | 337 | 36% | 1,390 | 1,059 | 31% |
| Cosmo Plaza | 866 | 848 | 2% | 2,578 | 2,542 | 1% |
| Azabu Aco | 128 | 136 | (6%) | 398 | 466 | (15%) |
| Galleria Otemae | 569 | 611 | (7%) | 1,865 | 1,977 | (6%) |
| Ebara Techno-Serve | 97 | 90 | 8% | 282 | 398 | (29%) |
| | 6,524 | 5,600 | 17% | 18,835 | 17,223 | 9% |

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

| | Group | | | | | |
|--------------------------|--------------------------|--------------------------|------------|---------------------------|---------------------------|------------|
| | 1/4/2010 to 30/6/2010 | 1/4/2009 to 30/6/2009 | Change | 1/10/2009 to 30/6/2010 | 1/10/2008 to 30/6/2009 | Change |
| | S\$'000 | S\$'000 | % | S\$'000 | S\$'000 | % |
| China Square Central | 4,237 | 4,246 | - | 12,703 | 12,752 | - |
| 55 Market Street | 1,165 | 1,365 | (15%) | 3,745 | 4,046 | (7%) |
| KeyPoint | 2,648 | 2,576 | 3% | 7,597 | 9,444 | (20%) |
| Alexandra Technopark | 5,317 | - | NM | 15,966 | - | NM |
| Central Park | 4,707 | 4,462 | 5% | 15,544 | 14,037 | 11% |
| Caroline Chisholm Centre | 2,481 | 2,344 | 6% | 7,652 | 6,418 | 19% |
| Cosmo Plaza | 350 | 198 | 77% | 1,068 | 1,809 | (41%) |
| Azabu Aco | 290 | 260 | 12% | 870 | 852 | 2% |
| Galleria Otemae | 977 | 1,088 | (10%) | 3,053 | 3,410 | (10%) |
| Ebara Techno-Serve | 526 | 534 | (1%) | 1,610 | 1,532 | 5% |
| | 22,698 | 17,073 | 33% | 69,808 | 54,300 | 29% |

NM - Not meaningful

Footnotes

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

| | Group | | | | | |
|---|--------------------------|--------------------------|------------|---------------------------|---------------------------|-----------|
| | 1/4/2010 to 30/6/2010 | 1/4/2009 to 30/6/2009 | Change | 1/10/2009 to 30/6/2010 | 1/10/2008 to 30/6/2009 | Change |
| | S\$'000 | S\$'000 | % | S\$'000 | S\$'000 | % |
| Management fees | 3,070 | 2,450 | 25% | 9,294 | 7,599 | 22% |
| Trustees' fees | 175 | 196 | (11%) | 533 | 626 | (15%) |
| Audit fees | 52 | 93 | (44%) | 147 | 303 | (51%) |
| Non-audit fees paid to the auditors of the Trust | - | - | - | - | 141 | NM |
| Professional and legal fees | 423 | 358 | 18% | 976 | 1,518 | (36%) |
| Other expenses | 63 | 38 | 66% | 146 | 120 | 22% |
| | 3,783 | 3,135 | 21% | 11,096 | 10,307 | 8% |

NM - Not meaningful

(5) Allowance for impairment of receivables pertained to the amounts receivable from a tenant of Cosmo Plaza. Please refer to Section 8 for further details.

(6) The downward revaluation in 3Q2010 of S\$0.5 million relates to the adjustment of the changes in the carrying value of the investment properties during the quarter. The changes in the carrying value of the investment properties mainly arose from the recognition of rental income on a straight line basis in accordance with Singapore Financial Reporting Standards. The cumulative downward revaluation of \$5.8 million for YTD 3Q2010 arose from revaluation of Cosmo Plaza as at 31 December 2009 and the adjustments of the carrying value of the other properties during the period.

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

| | Group | | | | | |
|--|--------------------------|--------------------------|-------------|---------------------------|---------------------------|--------------|
| | 1/4/2010 to 30/6/2010 | 1/4/2009 to 30/6/2009 | Change | 1/10/2009 to 30/6/2010 | 1/10/2008 to 30/6/2009 | Change |
| | S\$'000 | S\$'000 | % | S\$'000 | S\$'000 | % |
| Fair value loss on derivative financial instruments | (5,473) | (1,379) | NM | (5,126) | (7,208) | (29%) |
| Fair value gain / (loss) on other investment | 2,683 | - | NM | 2,683 | (19,387) | NM |
| | (2,790) | (1,379) | 102% | (2,443) | (26,595) | (91%) |

Footnotes

- (8) Realised gain on derivative financial instruments in 3Q2010 represents the gain from the realisation of an Australian Dollar forward contract undertaken to manage the foreign currency exposure on the net income from the Australian properties. The realised loss on derivative financial instruments for YTD 3Q2010 included the losses arising from the termination of Singapore Dollar interest rate swaps and Japanese Yen interest rate swaps entered into by FCOT during the quarter ended 31 December 2009.

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

| | Group | | | | | |
|--|--------------------------|--------------------------|-----------|---------------------------|---------------------------|-----------|
| | 1/4/2010 to 30/6/2010 | 1/4/2009 to 30/6/2009 | Change | 1/10/2009 to 30/6/2010 | 1/10/2008 to 30/6/2009 | 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 | 192 | (1,283) | NM | (1,621) | 495 | NM |
| Reversal of unrealised loss previously recognised on foreign currency forward contract | 24 | - | NM | 1,713 | - | NM |
| | 216 | (1,283) | NM | (911) | 495 | NM |

NM - Not meaningful

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 | | | | | |
|--|--------------------------|--------------------------|-----------|---------------------------|---------------------------|-----------|
| | 1/4/2010 to 30/6/2010 | 1/4/2009 to 30/6/2009 | Change | 1/10/2009 to 30/6/2010 | 1/10/2008 to 30/6/2009 | 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 | 1,713 | - | NM |
| | 24 | - | NM | 710 | - | NM |

NM - Not meaningful

- (9) Other adjustments comprise primarily of foreign-sourced income yet to be distributed to the Trust and other non-tax deductible/ non-taxable items.
- (10) Each Series A CPPUs shall entitle the Series A CPPUs holders to receive a distribution of an amount equivalent to 5.50% per annum of the issue price of S\$1.00 each of Series A CPPUs.
- (11) FCOT's distribution policy is to distribute at least 90% of its taxable income and tax-exempt income to the Unitholders.

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

| | Group | | Trust | |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
| | 30/06/2010 S\$'000 | 30/09/2009 S\$'000 | 30/06/2010 S\$'000 | 30/09/2009 S\$'000 |
| <u>Non-current assets</u> | | | | |
| Investment properties ⁽¹⁾ | 1,854,357 | 1,864,263 | 1,260,052 | 1,260,000 |
| Subsidiaries ⁽²⁾ | - | - | 324,941 | 472,926 |
| Other investments ⁽³⁾ | 28,782 | 26,099 | - | - |
| | 1,883,139 | 1,890,362 | 1,584,993 | 1,732,926 |
| <u>Current assets</u> | | | | |
| Investment property classified as held for sale ⁽¹⁾ | 49,433 | 54,635 | - | - |
| Trade and other receivables | 7,917 | 14,018 | 37,126 | 36,878 |
| Derivative financial instruments ⁽⁴⁾ | 593 | - | 382 | - |
| Cash and cash equivalents | 87,194 | 103,825 | 57,025 | 71,274 |
| | 145,137 | 172,478 | 94,533 | 108,152 |
| Total assets | 2,028,276 | 2,062,840 | 1,679,526 | 1,841,078 |
| <u>Current liabilities</u> | | | | |
| Trade and other payables | 38,896 | 34,082 | 51,801 | 46,677 |
| Derivative financial instruments ⁽⁴⁾ | 4,258 | 12,171 | 3,648 | 12,171 |
| Interest-bearing borrowings (net of transaction costs) | - | 479,500 | - | 479,500 |
| Provision for taxation | 909 | 916 | 891 | 891 |
| | 44,063 | 526,669 | 56,340 | 539,239 |
| Net current assets/(liabilities) | 101,074 | (354,191) | 38,193 | (431,087) |
| <u>Non-current liabilities</u> | | | | |
| Interest-bearing borrowings (net of transaction costs) | 789,488 | 321,983 | 480,143 | 152,548 |
| Deferred tax liability ⁽⁵⁾ | 44,792 | 44,371 | - | - |
| | 834,280 | 366,354 | 480,143 | 152,548 |
| Total liabilities | 878,343 | 893,023 | 536,483 | 691,787 |
| Net assets | 1,149,933 | 1,169,817 | 1,143,043 | 1,149,291 |
| <u>Represented by:</u> | | | | |
| Ordinary Units | 807,433 | 827,317 | 800,543 | 806,791 |
| CPPU | 342,500 | 342,500 | 342,500 | 342,500 |
| | 1,149,933 | 1,169,817 | 1,143,043 | 1,149,291 |

Footnotes

- (1) The investment properties were valued at their fair values based on independent valuations. KeyPoint, China Square Central, 55 Market Street and Alexandra Technopark were valued as at 31 July 2009 and the values as at 30 September 2009 remained unchanged based on confirmation from the valuers. Central Park and Caroline Chisholm Centre were valued as at 31 July 2009 and the values as at 1 November 2009 and 31 October 2009 respectively remained unchanged based on confirmation from the valuers. Galleria Otomeae, Azabu Aco and Ebara Techno-Serve were valued as at 30 September 2009 and Cosmo Plaza was valued as at 31 December 2009. The properties were adjusted for subsequent capitalised capital expenditure.

KeyPoint and Alexandra Technopark were valued by Colliers International Consultancy & Valuation (S) Pte Ltd while China Square Central and 55 Market Street were valued by Savills (Singapore Pte Ltd). Central Park and Caroline Chisholm Centre were valued by Jones Lang LaSalle Advisory Services Pty Limited and Knight Frank (Canberra) Pty Ltd respectively. All the properties in Japan were valued by DTZ Debenham Tie Leung K.K. The independent valuers are licenced and experienced valuers and the valuations were carried out using the capitalisation approach and discounted cash flow method. As at 30 June 2010, the carrying amounts of the investment properties approximate their fair values.

The Manager has determined that Cosmo Plaza does not meet the long term investment strategy of FCOT and continues to explore a potential divestment. Thus, it has been reclassified to "Investment property held for sale".

The decrease in "Investment properties" (non current) is due to depreciation of Australian Dollar and Japanese Yen as at 30 June 2010 as compared to 30 September 2009, and slightly offset by capital expenditure. The decrease in "Investment property held for sale" (current) is due to revaluation deficit recognised as at 31 December 2009 and depreciation of Japanese Yen.

- (2) The decrease in FCOT's investments in subsidiaries are due to redemption of redeemable preference shares in Frasers Commercial Investments No. 1 Pte. Ltd. and redemption of loan to Frasers Commercial Investments No. 3 Pty Ltd, partially offset by investment in redeemable preference shares of Frasers Commercial Sub No. 3 Pte. Ltd. which was incorporated on 3 November 2009.
- (3) Other investments of the Group represent the 39% indirect interest in AWPf. The increase is due to fair value gain on the investment during 3Q2010.
- (4) The details of the derivative financial instruments as at 30 June 2010 and 30 September 2009 are as follows:-

| | Group | | | Trust | | |
|-----------------------------------|----------------------------------|-------------|---------------|----------------------------------|-------------|---------------|
| | Contract / Notional amount | Fair values | | Contract / Notional amount | Fair values | |
| | | Assets | Liabilities | | Assets | Liabilities |
| S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | |
| 30/06/2010 | | | | | | |
| Interest rate swaps and caps | 491,178 | 593 | 4,258 | 376,000 | 382 | 3,648 |
| | 491,178 | 593 | 4,258 | 376,000 | 382 | 3,648 |
| 30/09/2009 | | | | | | |
| Foreign currency forward contract | 7,412 | - | 1,713 | 7,412 | - | 1,713 |
| Interest rate swaps | 431,721 | - | 10,458 | 431,721 | - | 10,458 |
| | 439,133 | - | 12,171 | 439,133 | - | 12,171 |

- (5) Deferred tax is provided for in respect of the potential capital gains arising from the changes in fair value of the 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 30/06/2010 | | As at 30/09/2009 | |
| Secured S\$'000 | Unsecured S\$'000 | Secured S\$'000 | Unsecured S\$'000 |
| - | - | 479,500 | - |

Amount repayable after one year

| Group | | | |
|--------------------|----------------------|--------------------|----------------------|
| As at 30/06/2010 | | As at 30/09/2009 | |
| Secured S\$'000 | Unsecured S\$'000 | Secured S\$'000 | Unsecured S\$'000 |
| 818,470 | - | 323,534 | - |

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 have agreed to extend to the Trustee, as trustee of FCOT, a transferable term loan facility of S\$500.0 million (the "SGD Facility") for a term of three years from the date of drawdown of the SGD Facility.

The SGD Facility has been drawn down in full on 3 November 2009 to repay the balance of S\$475.0 million loan note facility under the Loan Note Subscription Agreement – Frasers Commercial Trust dated 22 March 2006 (as amended from time to time) (the "Loan Note Facility") between the Trustee, as trustee of FCOT, as borrower and CommCapital S.ar.l, Commonwealth Bank of Australia acting through its Singapore branch, CommBank Europe Limited and Commonwealth Bank of Australia acting through its Offshore Banking Unit, as lenders.

As at 30 June 2010, the outstanding amount under the SGD Facility amounts to S\$500.0 million. The SGD Facility bears interest at the swap-offer rate plus a margin.

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

- mortgages over FCOT's Singapore properties, namely China Square Central, 55 Market Street, Keypoint and Alexandra Technopark (collectively, the "Singapore Properties");
- security assignments over the relevant leases, lease guarantees, insurance contracts and sale and purchase agreements in respect of Singapore Properties; and
- 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 the Trustee, as trustee of FCOT, entered into a facility agreement pursuant to which Commonwealth Bank of Australia, Singapore Branch has 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.

Part of the AUD Facility has been drawn down on 15 December 2009 and used to repay the outstanding amount under the Yen Bi-Lateral Cash Advance Facility Agreement dated 16 July 2007 (as amended from time to time) between, the Trustee, as trustee of FCOT, as borrower and Commonwealth Bank of Australia acting through its Singapore branch, as lender. The balance undrawn amount of A\$24.6 million has since been cancelled.

As at 30 June 2010, the outstanding amount under the AUD Facility amounts to A\$125.4 million. The AUD Facility bears interest at the BBSY rate plus a margin.

Details of any collateral (cont'd)

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

Fraser's Commercial Osaka No. 1 TMK ("Fraser's Osaka TMK") and Fraser's Commercial Tozai No. 2 TMK ("Fraser's Tozai TMK"), issued bonds amounting to ¥3,900,000,000 ("Cosmo Bonds") and ¥7,140,000,000 ("Tozai Bonds") with fixed interest rates of 3.01% and 2.45% respectively 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.

Fraser's Osaka TMK and Fraser's Tozai TMK are tokutei mokuteki kaisha, entities established under the Japan Law Regarding Securitisation of Assets (No.105 of 1998, as amended) and are indirectly wholly-owned subsidiaries of FCOT. Fraser's Osaka TMK and Fraser's Tozai TMK hold the beneficial interest in the relevant trust that holds legal title to FCOT's Japanese properties, namely Cosmo Plaza, Galleria Ottemae, Azabu Aco and Ebara Techno-Serve.

On 4 November 2008, ¥97.5 million (S\$1.5 million based on the exchange rate of S\$1.00 to ¥64.58) of the Cosmo Bonds was repaid with the proceeds of a purchase price adjustment received from the vendor of Cosmo Plaza. The Cosmo Bonds and the Tozai Bonds will mature on 1 August 2012 and 1 November 2012 respectively. Bondholders have recourse to Fraser's Osaka TMK and Fraser's Tozai TMK, issuers of the bonds.

FCOT and its relevant subsidiaries have no debt facilities maturing until August 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 | | | |
|--|--------------------------|--------------------------|---------------------------|---------------------------|
| | 1/4/2010 to 30/6/2010 | 1/4/2009 to 30/6/2009 | 1/10/2009 to 30/6/2010 | 1/10/2008 to 30/6/2009 |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Operating activities: | | | | |
| Total return before income tax | 3,887 | 779 | 16,027 | (239,315) |
| Adjustments for:- | | | | |
| Finance costs | 7,895 | 10,417 | 23,815 | 30,685 |
| Effect of recognising accounting income on a straight-line basis over the lease term | (455) | (668) | (1,620) | (1,900) |
| Allowance for impairment of receivables | 621 | 101 | 1,901 | 4,863 |
| Unrealised foreign exchange differences | 371 | (4,100) | (53) | 17,233 |
| Amortisation of leasing costs | 193 | 126 | 520 | 410 |
| Interest income | (64) | (82) | (202) | (489) |
| Management fees paid / payable in Units | 3,070 | 2,450 | 8,361 | 7,599 |
| Net change in fair value of other investment and derivative financial instruments | 2,790 | 1,379 | 2,443 | 26,595 |
| Net change in fair value of investment properties | 530 | 1,208 | 5,837 | 196,279 |
| Amortisation of borrowing costs | 3,088 | 2,956 | 8,279 | 8,639 |
| Realised loss / (gain) on derivative financial instruments | (216) | 1,283 | 911 | (495) |
| Operating income before working capital changes | 21,710 | 15,849 | 66,219 | 50,104 |
| Changes in working capital:- | | | | |
| Trade and other receivables | 2,448 | 1,325 | 5,193 | (90) |
| Trade and other payables | 2,645 | (12,175) | (871) | (14,275) |
| Cash generated from operations | 26,803 | 4,999 | 70,541 | 35,739 |
| Tax (paid) / refunded | 204 | (159) | (101) | 4,494 |
| Net cash generated from operating activities | 27,007 | 4,840 | 70,440 | 40,233 |
| Investing activities: | | | | |
| Capital expenditure on investment properties | (1,633) | (522) | (3,253) | (3,193) |
| Interest received | 86 | 81 | 192 | 342 |
| Net cash used in investing activities | (1,547) | (441) | (3,061) | (2,851) |
| Financing activities: | | | | |
| Proceeds from borrowings | - | 1,294 | 655,270 | 2,714 |
| Repayment of loan | - | - | (632,221) | (20) |
| Realisation of derivative financial instruments | 192 | (1,283) | (13,082) | 495 |
| Payment for derivative financial instruments | - | - | (718) | - |
| Finance costs paid | (7,461) | (4,458) | (20,332) | (19,253) |
| Distributions paid | (26,631) | - | (34,549) | (17,371) |
| Decrease in restricted cash | 1,266 | (2,212) | 1,961 | 415 |
| Issue costs paid | - | - | (174) | - |
| Transaction costs on borrowings | (102) | (1,000) | (35,443) | (2,528) |
| Net cash used in financing activities | (32,736) | (7,659) | (79,288) | (35,548) |
| Net (decrease) / increase in cash and cash equivalents | (7,276) | (3,260) | (11,909) | 1,834 |
| Cash and cash equivalents at beginning of period | 90,374 | 43,750 | 94,195 | 33,491 |
| Effect of exchange rate changes on cash and cash equivalents | (3,573) | 17 | (2,761) | 5,182 |
| Cash and cash equivalents at end of period | 79,525 | 40,507 | 79,525 | 40,507 |

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)

Cash and cash equivalents

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

| | Group | |
|---|-----------|-----------|
| | 30/6/2010 | 30/6/2009 |
| | S\$'000 | S\$'000 |
| Bank and cash balances | 45,268 | 50,219 |
| Fixed deposits ⁽¹⁾ | 41,926 | - |
| | 87,194 | 50,219 |
| Less: Restricted cash and deposits pledged - reserves and advance deposits ⁽²⁾ | (7,669) | (9,712) |
| Cash and cash equivalents | 79,525 | 40,507 |

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

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

| | Group | | Trust | |
|--|---------------------------|---------------------------|---------------------------|---------------------------|
| | 1/10/2009 to 30/6/2010 | 1/10/2008 to 30/6/2009 | 1/10/2009 to 30/6/2010 | 1/10/2008 to 30/6/2009 |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| <u>Movement from 1 October to 31 December</u> | | | | |
| Balance at beginning of period | 827,317 | 881,143 | 806,791 | 884,551 |
| Operations | | | | |
| Change in net assets attributable to Unitholders resulting from operations | 3,575 | (101,556) | 7,942 | (55,792) |
| Distributions to Unitholders | (6,067) | - | (6,067) | - |
| Change in Unitholders' funds resulting from operations | (2,492) | (101,556) | 1,875 | (55,792) |
| Unitholders' contributions | | | | |
| Issue of Units - management fees | 3,127 | 3,428 | 3,127 | 3,428 |
| Issue costs | (67) | - | (67) | - |
| Change in Unitholders' funds | 3,060 | 3,428 | 3,060 | 3,428 |
| Foreign currency translation reserve | | | | |
| Movement for the period | 1,717 | (51,713) | - | - |
| Balance at end of period | 829,602 | 731,302 | 811,726 | 832,187 |
| <u>Movement from 1 January to 31 March</u> | | | | |
| Balance at beginning of period | 829,602 | 731,302 | 811,726 | 832,187 |
| Operations | | | | |
| Change in net assets attributable to Unitholders resulting from operations | 7,300 | (138,526) | 10,327 | (116,125) |
| Distributions to Unitholders | - | (11,850) | - | (11,850) |
| Distributions to CPPU holders | (1,851) | - | (1,851) | - |
| Change in Unitholders' funds resulting from operations | 5,449 | (150,376) | 8,476 | (127,975) |
| Unitholders' contributions | | | | |
| Issue of Units - management fees | 2,164 | 1,721 | 2,164 | 1,721 |
| Issue costs | (107) | (5,520) | (107) | (5,520) |
| Change in Unitholders' funds | 2,057 | (3,799) | 2,057 | (3,799) |
| Foreign currency translation reserve | | | | |
| Movement for the period | 9,402 | 15,318 | - | - |
| Balance at end of period | 846,510 | 592,445 | 822,259 | 700,413 |

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

| | Group | | Trust | |
|--|---------------------------|---------------------------|---------------------------|---------------------------|
| | 1/10/2009 to 30/6/2010 | 1/10/2008 to 30/6/2009 | 1/10/2009 to 30/6/2010 | 1/10/2008 to 30/6/2009 |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| <u>Movement from 1 April to 30 June</u> | | | | |
| Balance at beginning of period | 846,510 | 592,445 | 822,259 | 700,413 |
| Operations | | | | |
| Change in net assets attributable to Unitholders resulting from operations | 3,563 | 1,101 | 1,845 | 2,999 |
| Distributions to Unitholders | (17,238) | - | (17,238) | - |
| Distributions to CPPU holders | (9,393) | - | (9,393) | - |
| Change in Unitholders' funds resulting from operations | (23,068) | 1,101 | (24,786) | 2,999 |
| Unitholders' contributions | | | | |
| Issue of Units - management fees | 3,070 | 2,450 | 3,070 | 2,450 |
| Change in Unitholders' funds | 3,070 | 2,450 | 3,070 | 2,450 |
| Foreign currency translation reserve | | | | |
| Movement for the period | (19,079) | 41,555 | - | - |
| Balance at end of period | 807,433 | 637,551 | 800,543 | 705,862 |

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

| | 1/4/2010 to 30/6/2010 | 1/4/2009 to 30/6/2009 | 1/10/2009 to 30/6/2010 | 1/10/2008 to 30/6/2009 |
|--|--------------------------|--------------------------|---------------------------|---------------------------|
| | Units | Units | Units | Units |
| Issued Units | | | | |
| Balance at beginning of period | 3,052,987,981 | 736,046,964 | 3,015,464,570 | 714,506,973 |
| Management / property management fees paid in Units ⁽¹⁾ | 14,804,486 | 14,616,329 | 52,327,897 | 36,156,320 |
| Balance at end of period | 3,067,792,467 | 750,663,293 | 3,067,792,467 | 750,663,293 |

Issued and issuable Units

| | | | | |
|---|----------------------|--------------------|----------------------|--------------------|
| Issued Units at end of period | 3,067,792,467 | 750,663,293 | 3,067,792,467 | 750,663,293 |
| Management / property management fees payable in Units ⁽²⁾ | 21,917,867 | 12,811,398 | 21,917,867 | 12,811,398 |
| Issued and issuable Units at end of period | 3,089,710,334 | 763,474,691 | 3,089,710,334 | 763,474,691 |

| | | | | |
|---|---------------|---|---------------|---|
| Number of Units that may be issued on conversion of CPPU outstanding as at the end of the period ⁽³⁾ | 1,445,757,704 | - | 1,445,757,704 | - |
|---|---------------|---|---------------|---|

Footnotes:

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

| | Management fees | Property Management Fees |
|----------------------------|--------------------|--------------------------|
| 30-Dec-06 | - | 277,417 |
| 31-Mar-07 | 1,018,491 | 266,464 |
| 30-Jun-07 | 1,312,076 | 311,944 |
| 30-Sep-07 | 1,786,862 | 471,990 |
| 31-Dec-07 | 4,102,141 | 1,099,661 |
| 31-Mar-08 * | 3,664,817 | - |
| 30-Jun-08 | 3,828,748 | 1,079,905 |
| 30-Sep-08 * | 10,927,647 | - |
| 31-Dec-08 * | 10,612,344 | - |
| 31-Mar-09 * | 14,616,329 | - |
| 30-Jun-09 * | 12,811,398 | - |
| 30-Sep-09 * | 18,122,671 | - |
| 31-Dec-09 * | 19,400,740 | - |
| 31-Mar-10 * | 14,804,486 | - |
| 30-Jun-10 * ⁽²⁾ | 21,917,867 | - |
| | 138,926,617 | 3,507,381 |

* Property management fees paid in cash.

- (2) Pursuant to amendments made to the Trust Deed on 27 July 2010, the issue price of Units to be issued to the Manager as payment for management fees shall be either (i) the volume weighted average traded price for a Unit for all trades on the SGX-ST in the ordinary course of trading on the SGX-ST for the last ten Business Days of the relevant period in which the management fees accrue or, (ii) if the Manager believes that the foregoing calculation does not provide a fair reflection of the market price of the Unit, means an amount as determined by the Manager (after consultation with a stockbroker approved by the Trustee), and as approved by the Trustee, as being the fair market price. In accordance with the foregoing, 21,917,867 Units will be issued on 29 July 2010 to the Manager as payment for management fees for the quarter ended 30 June 2010. The price of Units issued is determined based on the volume weighted average price of the Units for the ten business days preceding 30 June 2010.
- (3) The CPPUs 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 the issuance of the CPPUs at a conversion price of \$0.2369.

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 2009.

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

| | 1/4/2010 to 30/6/2010 | 1/4/2009 to 30/6/2009 |
|---|------------------------------|----------------------------|
| | S\$'000 | S\$'000 |
| Total return after income tax and before distribution | 3,563 | 1,101 |
| Distribution to CPPU holders | (4,697) | - |
| Earnings attributable to Unitholders | (1,134) | 1,101 |
| EPU | | |
| Basic EPU | | |
| Weighted average number of Units in issue | 3,063,562,614 | 902,928,747 ⁽³⁾ |
| Basic earnings per Unit (cents) ⁽¹⁾ | (0.04) | 0.12 ⁽³⁾ |
| Diluted EPU | | |
| Weighted average number of Units | 4,509,320,319 ⁽²⁾ | 902,928,747 ⁽³⁾ |
| Basic earnings per Unit on a fully diluted basis (cents) | (0.04) ⁽⁴⁾ | 0.12 ⁽³⁾ |
| DPU | | |
| Number of Units issued and issuable at end of period | 3,089,710,334 | 763,474,691 |
| Available for distribution per Unit based on the total number of Units on issue (cents) | 0.25 ⁽⁵⁾ | 0.73 |
| For information only | | |
| DPU (adjusted for rights issue) | | |
| Based on number of Units issued and issuable at end of period (cents) | 0.25 ⁽⁵⁾ | 0.18 ^(5, 6) |

Footnotes:

- (1) In computing the basic earnings per Unit, earnings attributable to Unitholders and the weighted average number of Units at the end of the period are used.
- (2) For the purpose of the calculation of 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\$0.2369 per CPPU.
- (3) The figures have been restated for effect of Rights Issue.
- (4) The diluted EPU is the same as basic EPU as the potential effects on the conversion of CPPUs into ordinary Units are anti-dilutive.
- (5) The DPU in the table above is computed on the basis that none of the CPPUs are converted into Units. Accordingly, the actual quantum of DPU payable for quarter ended 30 June 2010 may differ from the table above if any CPPUs are converted into Units.
- (6) The DPU is computed based on the issued and issuable Units at end of period plus 2,251,989,879 Rights Units pursuant to the renounceable underwritten 3-for-1 Rights Issue.

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

| | Group | | Trust | |
|---|------------|------------|------------|------------|
| | 30/06/2010 | 30/09/2009 | 30/06/2010 | 30/09/2009 |
| Unitholders' funds at end of period (S\$'000) | 807,433 | 827,317 | 800,543 | 806,791 |
| Number of Units issued and issuable at the end of the period ('000) | 3,089,710 | 3,033,587 | 3,089,710 | 3,033,587 |
| Unitholders' funds per Unit (S\$) | 0.26 | 0.27 | 0.26 | 0.27 |
| Adjusted Unitholders' funds per Unit (excluding distributable income) (S\$) | 0.26 | 0.27 | 0.26 | 0.26 |

8. Review of performance

(a) Variance between results for the period from 1 April 2010 to 30 June 2010 ("3Q2010") and 1 April 2009 to 30 June 2009

Gross revenue for 3Q2010 was S\$29.2 million or 29% higher than that of the corresponding period mainly due to the following:

- a full quarter contribution of S\$5.5 million from Alexandra Technopark acquired in August 2009.
- an increase of S\$0.8 million and S\$0.3 million from Central Park and Caroline Chisholm Centre respectively. This arose primarily from the strengthening of the Australian Dollar from A\$1.00:S\$1.1177 for the period from 1 April to June 2009 to A\$1.00:S\$1.2171 for 3Q2010.

This was partially offset by lower contribution from 55 Market Street by \$0.2 million due to lower reversionary rental rates.

Property operating expenses were S\$6.5 million or 17% higher than that of the corresponding period mainly due to higher level of expenses incurred. Please refer to pages 5 and 6 for the composition of the property operating expenses.

Trust expenses for 3Q2010 were S\$3.8 million or 21% higher than that of the corresponding period mainly due to higher management fees arising from full quarter fees contribution from Alexandra Technopark. The management fees are computed based on a percentage of the property values and performance. Please refer to page 7 for the composition of the trust expenses.

The allowance for impairment of receivables in 3Q2010 related to rental receivable from a significant tenant of Cosmo Plaza who is in financial difficulty. The allowance of S\$0.6 million represents the rental that is in arrears from April to June 2010.

The decrease in finance costs by S\$2.4 million in 3Q2010 as compared to the corresponding period was due to lower quantum of loans and lower interest rates.

The foreign exchange loss in 3Q2010 vis-a-vis the foreign exchange gain in the corresponding period was mainly due to repayment of Japanese Yen Loan in December 2009.

The fair value loss of derivative financial instruments in 3Q2010 of S\$5.5 million arose from the fair value changes of interest rate swaps and interest rate caps. The details of these derivative financial instruments are summarised in section 1(b)(i) on page 10 (footnote 4). This fair value loss is offset by fair value gain on investment in AWP of \$2.7 million.

8. Review of performance (cont'd)

(b) Variance between results for the period from 1 October 2009 to 30 June 2010 ("YTD 3Q2010") and 1 October 2008 to 30 June 2009

Gross revenue for YTD 3Q2010 was S\$88.6 million or 24% higher than that of the corresponding period mainly due to the following:

- a full contribution of S\$16.5 million for YTD 3Q2010 from Alexandra Technopark acquired in August 2009.
- an increase of S\$2.7 million and S\$1.6 million from Central Park and Caroline Chisholm Centre . This arose primarily from the strengthening of the Australian Dollar from A\$1.00:S\$1.05605 during the period from 1 October 2008 to 30 June 2009 to A\$1.00:S\$1.24335 for YTD 3Q2010.

This was partially offset by lower contribution from the following:

- 55 Market Street by S\$0.5 million due to lower reversionary rental rates.
- KeyPoint by S\$1.9 million due to cessation of income support in April 2009 .
- Cosmo Plaza by S\$0.7 million due to the loss of a significant tenant in December 2008.
- Azabu Aco, Galleria Ottemae and Ebara Techno-Serve by S\$0.6 million due to weakening of Japanese Yen from JPY1:S\$0.01554 for the period from 1 October 2008 to 30 June 2009 to JPY1:S\$0.01531 for YTD 3Q2010.

Property operating expenses for YTD 3Q2010 were S\$18.8 million or 9% higher than that of the corresponding period mainly due to higher level of expenses incurred. Please refer to pages 5 and 6 for the composition of the property operating expenses.

Trust expenses for YTD 3Q2010 were S\$11.1 million or 8% higher than the corresponding period mainly due to higher management fees arising from full fees contribution from Alexandra Technopark for YTD 3Q2010. The management fees are computed based on a percentage of the property values and performance. Please refer to page 7 for the composition of the trust expenses.

The allowance for impairment of receivables in YTD 3Q2010 related to rental receivable from a significant tenant of Cosmo Plaza who is in financial difficulty. The allowance of S\$1.9 million represents the rental that is in arrears from October 2009 to June 2010.

The decrease in finance costs by S\$7.2 million in YTD 3Q2010 as compared to the corresponding period was due to lower quantum of loans and lower interest rates.

The foreign exchange gain in YTD 3Q2010 as compared to the foreign exchange loss in the corresponding period was mainly due to repayment of Japanese Yen Loan in December 2009.

The fair value loss of derivative financial instruments in YTD 3Q2010 of S\$5.1 million arose from the fair value changes of interest rate swaps and interest rate caps. The details of these derivative financial instruments are summarised in section 1(b)(i) on page 10 (footnote 4). This fair value loss is offset by fair value gain on investment in AWPf of \$2.7 million.

Realised loss on derivative financial instruments represents the losses from the termination of Singapore Dollar interest rate swaps and Japanese Yen interest rate swaps during 1Q2010.

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 14 July 2010, the Ministry of Trade and Industry ("MTI") announced that it expects the Singapore economy to grow by 13.0% to 15.0% in 2010, an upward revision from the earlier forecast of 7.0% to 9.0%. The updated economic forecast reflects the better economic performance in the first quarter of 2010, stronger than expected economic growth in the second quarter, as well as anticipated slowdown in growth momentum for the rest of the year. Latest data from the Department of Statistics show that the Singapore economy grew at a stronger pace in the first quarter, primarily due to an upward adjustment to the growth estimate for the manufacturing sector, particularly in the biomedical manufacturing cluster. Advance estimates for the second quarter also indicated that the economy has continued to expand strongly. Growth was driven by a surge in the output of biomedical manufacturing cluster as well as expansion in the electronics cluster underpinned by healthy worldwide demand for electronic products. However, MTI has suggested that the exceptionally strong growth in the first half of 2010 is not likely to be sustained into the second half, mostly due to slowdown of growth in the US affecting consumer confidence, as well as depressed demand in the EU on concerns of the sovereign debt crisis.

DTZ⁽¹⁾ reported an improvement in islandwide office occupancy with increased demand on the back of strong economic recovery. Islandwide occupancy rose by 0.8% to 93.2% in Q2 2010 due to broad-based demand led by banks and financial institutions. According to DTZ, average rental values held firm for offices across the island in Q2 2010, except for prime offices in Raffles Place leading the recovery with a 1.3% quarter-on-quarter increase to \$7.90 per sqft per month. Quick rebound in office rents is not expected as there will be ample supply of about 6.85 million sqft between 2H 2010 to 2012, notwithstanding that around 1.2 million sqft or more of old buildings may be removed from the current stock for redevelopment.

Australia

In the Statement on Monetary Policy released in May 2010 by the Reserve Bank of Australia ("RBA"), the Australian economy has continued to improve from the relatively mild downturn a year or so ago with support from stimulatory monetary and fiscal policies, strong growth in Asia, the stability of financial system and a high rate of population growth. Increasing levels of investment in the resources sector will continue to support Australia's economic growth. Employment has grown strongly over the past six months with the strengthening of the economy. Unemployment rate has declined by around 0.5% from its peak of 5.75%. According to central forecasts, GDP is expected to grow by around 3.25% over 2010, similar to the outcome expected three months ago. Key risks to economic growth would include a slowdown in the pace of growth in Asia which would affect the outlook for commodity prices and the resources sector, as well as deterioration of the fiscal problems in Europe which would further dampen investors' confidence and cause a slowdown in the world economy.

According to Colliers International ("Colliers")⁽²⁾, Perth's CBD office leasing market made a strong start to 2010, with local business confidence in WA strengthening as a result of surging resource sector demand. Colliers estimated a five-year high net absorption of 45,000sqm for the first half of 2010 on the back of buoyant demand. The level of sub-lease space in 2010 has eased, with absorption and removal of sublease space from the market by tenants as a result of improving economic conditions. Colliers expects vacancy rate to peak between 10% to 11% over the next two year period with the completion of the final building of supply cycle.

⁽¹⁾ DTZ Research, Property Times Singapore, "Business space rents on the rise", Q2 2010

⁽²⁾ Colliers International Research, Perth CBD Office Market Update, Q2 2010

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

Japan

In the Government of Japan's Cabinet Office's Monthly Economic Report for June 2010, it was noted that the economy has been picking up steadily and the foundation for a self-sustaining recovery is being laid, it remains in a difficult situation such as a high unemployment rate. The total unemployment rate has hovered at a high of 5.1% in April, an increase of 0.1% from the previous month. According to the Quarterly Financial Statements Statistics of Corporations by Industry, corporate profits during the January to March quarter of 2010 increased by 163.8% in comparison with the previous year, thus an increase for the second consecutive quarter, against a backdrop of a pickup in sales. The economy is expected to be headed for a self-sustaining recovery as corporate profits continue to improve, reflecting improvement in overseas economies. However, attention should be given to the risks that the economy is depressed by a possible slowdown in overseas economies, especially in Europe, fluctuations in the financial and capital markets, and the influence of deflation. In addition to concern that the employment situation could deteriorate.

CB Richard Ellis⁽³⁾ reports that the vacancy rate in the Tokyo 23 wards in the first quarter of 2010 was 6.9%, up 0.4 points from the previous quarter. The average asking rent for this quarter was 13,290 yen/tsubo, down 2.1% from the previous quarter. The overall market is suffering from waves of secondary vacancy caused by consolidation or relocation of large tenants, as well as difficulties in finding tenants to lease up newly completed buildings and in some cases causing prolonged vacancy.

In Osaka city, vacancy rate in the first quarter of 2010 was 10.5%; up 0.2 points from the previous quarter, which is the ninth consecutive quarterly increase. Tenant movements remain mostly those from considerations leading to leasing market contraction, such as cost reduction and consolidations involving space reduction. In the coming quarters, tenants are likely to continue to be focused on cost reduction. The average asking rent this quarter was 8,620 yen/tsubo, down 0.8% from the previous quarter.

Outlook for FY2009/2010

Although the global economy remains on a recovery path, the pace of growth has slowed. There are now signs of a slowdown in the US labour market following the recovery earlier in the year. Domestic demand in EU remains depressed as concerns over the sovereign debt crisis persist. The momentum of the global economic recovery has thus moderated, although a double-dip recession remains unlikely at this juncture.

The Manager will continue to focus its efforts on improving the operational efficiency of the properties to achieve cost savings. With the improved sentiment and recovery of the economy, the Manager will capitalise on this to improve occupancies and rents for the properties.

⁽³⁾ CB Richard Ellis, Office Market Report Japan, Q12010 Vol. 53, www.cbre.co.jp

10. Distributions

(a) **Current financial period**

Not applicable

(b)(i) **Distribution rate**

Not applicable

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

An interim distribution of 1.44 cents per Unit was declared on 29 July 2009 for the period from 1 January 2009 to 30 June 2009. The distribution was paid on 28 August 2009 and comprised a tax exempt income component of 0.27 cents per Unit, a taxable income component of 0.91 cents per Unit and a capital component of 0.26 cents per Unit.

(c) **Tax rate**

Not applicable

(d) **Date payable:** Not applicable

(e) **Books closure date:** Not applicable

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

No distribution has been declared / recommended for the quarter ended 30 June 2010.

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
28 July 2010