FRASERS COMMERCIAL TRUST
FINANCIAL STATEMENTS ANNOUNCEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 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 September 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 July 2010 to 30 September 2010 ("4Q2010") vs 1 July 2009 to 30 September 2009
- 1 October 2009 to 30 September 2010 ("FY2010") vs 1 January 2009 to 30 September 2009 ("FY2009")[(1)]

	Group						
	1/7/2010 to 30/9/2010 ("4Q2010")	1/7/2009 to 30/9/2009	Change	1/10/2009 to 30/9/2010 ("FY2010")	1/1/2009 to 30/9/2009 ("FY2009")	1/10/2008 to 30/9/2009 (Note 1)	Change (Note 1)
	S$'000	S$'000	%	S$'000	S$'000	S$'000	%
Gross revenue	29,291	25,680	14%	117,934	72,315	97,203	21%
Net property income	23,230	19,961	16%	93,038	55,702	74,261	25%
Total return for the period after income tax and before distribution (2)	35,699	(32,885)	NM	50,137	(170,310)	(271,866)	NM
Available for distribution to Series A Convertible Perpetual Preferred Units ("CPPU") holders	4,748	1,858	NM	18,838	1,858	1,858	NM
Available for distribution to Unitholders	9,504	6,147	55%	34,465	17,134	26,403	31%
Total distribution available to CPPU holders and Unitholders	14,252	8,005	78%	53,303	18,992	28,261	89%
Available for distribution per Unit (cents)							
CPPU Holders							
For the period	1.39	0.54	NM	5.50	0.54	0.54	NM
Annualised	5.50	2.15	NM	5.50	0.73	0.54	NM
Unitholders							
For the period	0.31 (3)	0.20	55%	1.12 (3)	0.56	0.87	29%
Annualised	1.23 (3)	0.79	55%	1.12 (3)	0.75	0.87	29%

NM - Not meaningful

Footnotes:

(1) FY2010 covered a 12-month period from 1 October 2009 to 30 September 2010. FY2009, the immediately preceding financial year, covered a 9-month period from 1 January 2009 to 30 September 2009 due to the change of financial year end from December to September.

For comparison purposes, the key financial information covering the 12-month period from 1 October 2008 to 30 September 2009 is presented. The percentage change represents the increase/(decrease) between FY2010 and the 12-month period from 1 October 2008 to 30 September 2009.

(2) Please refer to Sections 1(a) and 8 for further details on the total return for the period after income tax and before distribution.

(3) The number of Units used to calculate the amount available for distribution per Unit ("DPU") is 3,104,286,128. Please see Section 1(d)(ii) for the details of changes in the number of Units.

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

	Group						
	1/7/2010 to 30/9/2010	1/7/2009 to 30/9/2009	Change	1/10/2009 to 30/9/2010 ("FY2010")	1/1/2009 to 30/9/2009	1/10/2008 to 30/9/2009 Note (a)	Change Note (a)
	S$'000	S$'000	%	S$'000	S$'000	S$'000	%
Gross revenue (1)	29,291	25,680	14%	117,934	72,315	97,203	21%
Property operating expenses (2)	(6,061)	(5,719)	6%	(24,896)	(16,613)	(22,942)	9%
Net property income (3)	**23,230**	**19,961**	16%	**93,038**	**55,702**	**74,261**	25%
Interest income	65	79	(18%)	267	362	568	(53%)
Trust expenses (4)	(4,008)	(3,395)	18%	(15,104)	(9,788)	(13,702)	10%
Allowance for impairment of receivables (5)	(291)	(688)	(58%)	(2,192)	(4,841)	(5,551)	(61%)
Finance costs	(11,657)	(12,654)	(8%)	(43,751)	(39,272)	(51,978)	(16%)
Net income before change in foreign exchange loss, fair values of investment properties, other investment and derivative financial instruments, income tax and distribution	**7,339**	**3,303**	NM	**32,258**	**2,163**	**3,598**	NM
Foreign exchange gain / (loss)	434	(4,159)	NM	733	5,640	(21,390)	NM
Net change in fair value of investment properties (6)	30,094	(29,940)	NM	24,257	(174,833)	(226,219)	NM
Net change in fair value of other investment and derivative financial instruments (7)	(113)	(917)	(88%)	(2,556)	(804)	(27,512)	(91%)
Realised loss on derivative financial instruments (8)	-	(1,603)	NM	(911)	(3,377)	(1,108)	(18%)
Net gain / (loss) in foreign exchange differences and fair value changes of investment properties, other investment and derivative financial instruments	**30,415**	**(36,619)**	NM	**21,523**	**(173,374)**	**(276,229)**	NM
Total return before income tax	**37,754**	**(33,316)**	NM	**53,781**	**(171,211)**	**(272,631)**	NM
Taxation	(2,055)	431	NM	(3,644)	901	765	NM
Total return for the period	**35,699**	**(32,885)**	NM	**50,137**	**(170,310)**	**(271,866)**	NM

NM - Not meaningful

Note (a)

For comparison purposes, the key financial information covering the 12-month period from 1 October 2008 to 30 September 2009 is presented. The percentage change represents the increase/(decrease) between FY2010 and the 12-month period from 1 October 2008 to 30 September 2009.

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

	Group						
	1/7/2010 to 30/9/2010	1/7/2009 to 30/9/2009	Change	1/10/2009 to 30/9/2010 ("FY2010")	1/1/2009 to 30/9/2009	1/10/2008 to 30/9/2009 Note (a)	Change Note (a)
	S$'000	S$'000	%	S$'000	S$'000	S$'000	%
Total return for the period	**35,699**	**(32,885)**	NM	**50,137**	**(170,310)**	**(271,866)**	NM
Non tax-deductible / (non-taxable) items and other adjustments:							
Management fees paid / payable in Units	2,226	2,759	(19%)	10,587	7,671	10,358	2%
Trustees' fees	187	243	(23%)	720	650	870	(17%)
Amortisation of borrowing costs	3,092	2,615	18%	11,371	8,495	11,254	1%
Net change in fair value of investment properties	(30,094)	29,940	NM	(24,257)	174,833	226,219	NM
Amortisation of leasing costs	114	132	(14%)	634	351	518	22%
Net change in fair value of other investment and derivative financial instruments	113	917	(88%)	2,556	804	27,512	(91%)
Deferred income tax expense	2,026	233	NM	3,317	(504)	147	NM
Effects of recognising accounting income on a straight line basis over the lease term	(353)	(649)	(46%)	(1,973)	(1,920)	(2,549)	(23%)
Foreign exchange (gain) / loss	(434)	4,159	NM	(733)	(5,640)	21,390	NM
Allowance for impairment of receivables	291	688	(58%)	2,192	4,841	5,551	(61%)
Realised gain on derivative financial instruments [8]	-	-	-	(710)	-	-	NM
Other adjustments [9]	1,385	(147)	NM	(538)	(279)	(1,143)	(53%)
Net effect of (non-taxable) / non-tax deductible items and other adjustments	**(21,447)**	**40,890**	NM	**3,166**	**189,302**	**300,127**	(99%)
Available for distribution to Unitholders and CPPU holders	**14,252**	**8,005**	78%	**53,303**	**18,992**	**28,261**	89%
Distributions							
- CPPU [10]	4,748	1,858	NM	18,838	1,858	1,858	NM
- Unitholders [11]	9,504	6,147	55%	34,465	17,134	26,403	31%
Unitholders' distribution comprise:							
- from operations	7,469	6,007	24%	32,430	14,992	22,605	43%
- from capital returns	2,035	140	NM	2,035	2,142	3,798	(46%)

NM - Not meaningful

Note (a)

For comparison purposes, the financial information covering the 12-month period from 1 October 2008 to 30 September 2009 is presented. The percentage change represents the increase/(decrease) between FY2010 and the 12-month period from 1 October 2008 to 30 September 2009.

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						
	1/7/2010 to 30/9/2010	1/7/2009 to 30/9/2009	Change	1/10/2009 to 30/9/2010 ("FY2010")	1/1/2009 to 30/9/2009	1/10/2008 to 30/9/2009 Note (a)	Change Note (a)
	S$'000	S$'000	%	S$'000	S$'000	S$'000	%
China Square Central	4,387	4,388	-	17,550	13,163	17,550	-
55 Market Street	1,590	1,662	(4%)	6,512	5,243	7,088	(8%)
KeyPoint	3,826	3,684	4%	14,954	11,611	16,684	(10%)
Alexandra Technopark	5,500	2,188	NM	22,000	2,188	2,188	NM
Central Park	7,293	6,912	6%	29,457	20,268	26,384	12%
Caroline Chisholm Centre	2,972	2,879	3%	12,014	7,990	10,356	16%
Cosmo Plaza	937	1,128	(17%)	4,583	3,301	5,479	(16%)
Azabu Aco	458	434	6%	1,726	1,293	1,752	(1%)
Galleria Otemae	1,678	1,770	(5%)	6,596	5,340	7,157	(8%)
Ebara Techno-Serve	650	635	2%	2,542	1,918	2,565	(1%)
	29,291	**25,680**	14%	**117,934**	**72,315**	**97,203**	21%

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

	Group						
	1/7/2010 to 30/9/2010	1/7/2009 to 30/9/2009	Change	1/10/2009 to 30/9/2010 ("FY2010")	1/1/2009 to 30/9/2009	1/10/2008 to 30/9/2009 Note (a)	Change Note (a)
	S$'000	S$'000	%	S$'000	S$'000	S$'000	%
Property maintenance expenses	1,663	1,842	(10%)	8,016	5,294	6,845	17%
Property management fees	460	357	29%	1,831	965	1,706	7%
Property tax	875	993	(12%)	3,885	2,956	4,210	(8%)
Utilities	1,764	1,189	48%	5,715	3,505	4,801	19%
Professional fees	725	750	(3%)	3,114	2,275	3,130	(1%)
Insurance	88	103	(15%)	477	292	385	24%
Council rates	250	228	10%	919	615	798	15%
Amortisation of leasing commission	114	132	(14%)	634	351	518	22%
Other operating expenses	122	125	(2%)	305	360	549	(44%)
	6,061	**5,719**	6%	**24,896**	**16,613**	**22,942**	9%

NM - Not meaningful
Note (a)
For comparison purposes, the financial information covering the 12-month period from 1 October 2008 to 30 September 2009 is presented. The percentage change represents the increase/(decrease) between FY2010 and the 12-month period from 1 October 2008 to 30 September 2009.

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						
	1/7/2010 to 30/9/2010	1/7/2009 to 30/9/2009	Change	1/10/2009 to 30/9/2010 ("FY2010")	1/1/2009 to 30/9/2009	1/10/2008 to 30/9/2009 Note (a)	Change Note (a)
	S$'000	S$'000	%	S$'000	S$'000	S$'000	%
China Square Central	131	144	(9%)	591	426	554	7%
55 Market Street	249	373	(33%)	1,426	1,191	1,753	(19%)
KeyPoint	794	1,027	(23%)	4,325	3,157	4,583	(6%)
Alexandra Technopark	151	66	129%	685	66	66	NM
Central Park	2,079	1,969	6%	8,699	5,645	7,404	17%
Caroline Chisholm Centre	553	345	60%	1,943	992	1,404	38%
Cosmo Plaza	1,110	908	22%	3,688	2,521	3,450	7%
Azabu Aco	160	149	7%	558	441	615	(9%)
Galleria Otemae	732	646	13%	2,597	1,900	2,623	(1%)
Ebara Techno-Serve	102	92	11%	384	274	490	(22%)
	6,061	**5,719**	6%	**24,896**	**16,613**	**22,942**	9%

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

	Group						
	1/7/2010 to 30/9/2010	1/7/2009 to 30/9/2009	Change	1/10/2009 to 30/9/2010 ("FY2010")	1/1/2009 to 30/9/2009	1/10/2008 to 30/9/2009 Note (a)	Change Note (a)
	S$'000	S$'000	%	S$'000	S$'000	S$'000	%
China Square Central	4,256	4,244	-	16,959	12,737	16,996	-
55 Market Street	1,341	1,289	4%	5,086	4,052	5,335	(5%)
KeyPoint	3,032	2,657	14%	10,629	8,454	12,101	(12%)
Alexandra Technopark	5,349	2,122	NM	21,315	2,122	2,122	NM
Central Park	5,214	4,943	5%	20,758	14,623	18,980	9%
Caroline Chisholm Centre	2,419	2,534	(5%)	10,071	6,998	8,952	13%
Cosmo Plaza	(173)	220	NM	895	780	2,029	(56%)
Azabu Aco	298	285	5%	1,168	852	1,137	3%
Galleria Otemae	946	1,124	(16%)	3,999	3,440	4,534	(12%)
Ebara Techno-Serve	548	543	1%	2,158	1,644	2,075	4%
	23,230	**19,961**	16%	**93,038**	**55,702**	**74,261**	25%

NM - Not meaningful

Note (a)

For comparison purposes, the financial information covering the 12-month period from 1 October 2008 to 30 September 2009 is presented. The percentage change represents the increase/(decrease) between FY2010 and the 12-month period from 1 October 2008 to 30 September 2009.

Footnotes

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

	Group						
	1/7/2010 to 30/9/2010	**1/7/2009 to 30/9/2009**	**Change**	**1/10/2009 to 30/9/2010 ("FY2010")**	**1/1/2009 to 30/9/2009**	**1/10/2008 to 30/9/2009 Note (a)**	**Change Note (a)**
	S$'000	**S$'000**	**%**	**S$'000**	**S$'000**	**S$'000**	**%**
Management fees	3,181	2,759	15%	12,475	7,671	10,358	20%
Trustees' fees	187	243	(23%)	720	650	870	(17%)
Audit fees	54	139	(61%)	201	303	447	(55%)
Non-audit fees paid to the auditors of the Trust	25	65	(62%)	146	204	273	(47%)
Professional and legal fees	497	144	NM	1,352	800	1,449	(7%)
Other expenses	64	45	42%	210	160	305	(31%)
	4,008	**3,395**	18%	**15,104**	**9,788**	**13,702**	10%

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

(6) The revaluation of all investment properties were completed as at 30 September 2010, giving rise to a net increase in the fair values amounting to S$30.1 million in 4Q2010. The cumulative upward revaluation for FY2010 included the net revaluation gain recorded in 4Q2010 and offset by revaluation deficit of S$3.9 million in respect of Cosmo Plaza recorded as at 31 December 2009.

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

	Group						
	1/7/2010 to 30/9/2010	**1/7/2009 to 30/9/2009**	**Change**	**1/10/2009 to 30/9/2010 ("FY2010")**	**1/1/2009 to 30/9/2009**	**1/10/2008 to 30/9/2009 Note (a)**	**Change Note (a)**
	S$'000	**S$'000**	**%**	**S$'000**	**S$'000**	**S$'000**	**%**
Fair value loss on derivative financial instruments	(1,209)	(705)	71%	(6,335)	(592)	(7,913)	(20%)
Fair value gain / (loss) on other investment	1,096	(212)	NM	3,779	(212)	(19,599)	NM
	(113)	**(917)**	(88%)	**(2,556)**	**(804)**	**(27,512)**	(91%)

NM - Not meaningful

Note (a)

For comparison purposes, the financial information covering the 12-month period from 1 October 2008 to 30 September 2009 is presented. The percentage change represents the increase/(decrease) between FY2010 and the 12-month period from 1 October 2008 to 30 September 2009.

Footnotes

(8) The realised loss on derivative financial instruments for FY2010 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							
	1/7/2010 to 30/9/2010	1/7/2009 to 30/9/2009	Change		1/10/2009 to 30/9/2010 ("FY2010")	1/1/2009 to 30/9/2009	1/10/2008 to 30/9/2009 Note (a)	Change Note (a)
	S$'000	S$'000	%		S$'000	S$'000	S$'000	%
Loss arising from interest rate swaps	-	-	-		(1,003)	-	-	NM
Loss arising from realisation of foreign currency forward	-	(1,603)	NM		(1,621)	(3,377)	(1,108)	46%
Reversal of unrealised loss previously recognised on foreign currency forward	-	-	-		1,713	-	-	NM
	-	**(1,603)**	NM		**(911)**	**(3,377)**	**(1,108)**	(18%)

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/deductible items and have no impact on distributable income.

	Group							
	1/7/2010 to 30/9/2010	1/7/2009 to 30/9/2009	Change		1/10/2009 to 30/9/2010 ("FY2010")	1/1/2009 to 30/9/2009	1/10/2008 to 30/9/2009 Note (a)	Change Note (a)
	S$'000	S$'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

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.

NM - Not meaningful
Note (a)
For comparison purposes, the financial information covering the 12-month period from 1 October 2008 to 30 September 2009 is presented. The percentage change represents the increase/(decrease) between FY2010 and the 12-month period from 1 October 2008 to 30 September 2009.

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

	Group		Trust	
	30/09/2010	30/09/2009	30/09/2010	30/09/2009
	S$'000	S$'000	S$'000	S$'000
Non-current assets				
Investment properties (1)	1,906,351	1,864,263	1,298,900	1,260,000
Subsidiaries (2)	-	-	320,737	472,926
Fixed assets	14	-	14	-
Other investment (3)	29,878	26,099	-	-
	1,936,243	**1,890,362**	**1,619,651**	**1,732,926**
Current assets				
Investment property held for sale (1)	48,859	54,635	-	-
Trade and other receivables	9,008	14,018	34,896	36,878
Derivative financial instruments (4)	441	-	99	-
Cash and cash equivalents	99,557	103,825	70,212	71,274
	157,865	**172,478**	**105,207**	**108,152**
Total assets	**2,094,108**	**2,062,840**	**1,724,858**	**1,841,078**
Current liabilities				
Trade and other payables	36,446	34,082	47,894	46,677
Derivative financial instruments (4)	5,346	12,171	5,109	12,171
Interest-bearing borrowings (net of transaction costs)	-	479,500	-	479,500
Provision for taxation	911	916	891	891
	42,703	**526,669**	**53,894**	**539,239**
Net current assets/(liabilities)	**115,162**	**(354,191)**	**51,313**	**(431,087)**
Non-current liabilities				
Interest-bearing borrowings (net of transaction costs)	802,371	321,983	482,348	152,548
Deferred tax liability (5)	48,311	44,371	-	-
	850,682	**366,354**	**482,348**	**152,548**
Total liabilities	**893,385**	**893,023**	**536,242**	**691,787**
Net assets	**1,200,723**	**1,169,817**	**1,188,616**	**1,149,291**
Represented by:				
Ordinary Unitholders' funds	858,223	827,317	846,116	806,791
CPPU holders' funds	342,500	342,500	342,500	342,500
	1,200,723	**1,169,817**	**1,188,616**	**1,149,291**

Footnotes

(1) The investment properties were valued at their fair values based on independent valuations as at 30 September 2010. Please refer to Page 11 for details of the valuation.

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 increase in "Investment properties" (non current) was mainly due to upward revaluation of the Australia and Singapore properties as at 30 September 2010 and appreciation of Australian Dollar as at 30 September 2010 as compared to 30 September 2009. The increase was slightly offset by downward revaluation of Galleria Otemae, Azabu Aco and Ebara Techno-Serve as at 30 September 2010. The decrease in "Investment property held for sale" (current) was due to downward revaluation of Cosmo Plaza as at 30 September 2010.

(2) The decrease in FCOT's investments in subsidiaries was due to the redemption of redeemable preference shares in certain subsidiaries during FY2010 and redemption of loan to Frasers Commercial Investments No. 3 Pty Ltd. The restructuring was necessary to facilitate the securing of the A$150.0 million Transferable Term Loan Facility (Please refer to Page 12). The decrease was 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 investment of the Group represent the 39% indirect interest in AWPF. The increase was due to fair value gain on the investment during FY2010.

(4) The details of the derivative financial instruments as at 30 September 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
30/09/2010						
Interest rate swaps and caps	495,016	441	5,346	376,000	99	5,109
	495,016	**441**	**5,346**	**376,000**	**99**	**5,109**
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.

Valuation of investment properties

Property	Valuation date	Valuation S$'million	Independent valuer
China Square Central 18, 20 & 22 Cross Street Singapore 048423	30 September 2010	545.0	Savills (Singapore) Pte Ltd
Alexandra Technopark 438A/438B Alexandra Road Singapore 119967 / 119968	30 September 2010	351.2	DTZ Debenham Tie Leung (SEA) Pte Ltd
KeyPoint 371 Beach Road Singapore 199597	30 September 2010	283.0	Colliers International Consultancy & Valuation (S) Pte Ltd
55 Market Street 55 Market Street Singapore 048941	30 September 2010	119.7	Savills (Singapore) Pte Ltd
Central Park 152 - 158 St George's Terrace Perth, Western Australia 6000 Australia	30 September 2010	360.2 (A$287.5 m)	CB Richard Ellis (C) Pty Ltd
Caroline Chisholm Centre Block 4 Section 13 Tuggeranong Australian Capital Territory 2900 Australia	30 September 2010	112.8 (A$90.0 m)	Knight Frank Australia Pty Ltd
Cosmo Plaza 15 Nankokita 1-chome Suminoe-ku, Osaka Japan	30 September 2010	48.9 (JPY 3,120 m)	DTZ Debenham Tie Leung K.K.
Galleria Otemae No. 2, Tanimachi 2-chome Chuo-ku, Osaka-shi, Osaka Japan	30 September 2010	74.2 (JPY 4,740 m)	DTZ Debenham Tie Leung K.K.
Azabu Aco No. 32-7, Higashi-Azabu 2-chome Minato-ku, Tokyo Japan	30 September 2010	22.4 (JPY 1,430 m)	DTZ Debenham Tie Leung K.K.
Ebara Techno-Serve No. 1-1, 5-chome Haneda, Tokyo Japan	30 September 2010	37.9 (JPY 2,420 m)	DTZ Debenham Tie Leung K.K.

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

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

Amount repayable in one year or less, or on demand

Group			
As at 30/09/2010		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 30/09/2010		As at 30/09/2009	
Secured S$'000	Unsecured S$'000	Secured S$'000	Unsecured S$'000
828,461	-	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 September 2010, 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.

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 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 September 2010, the outstanding amount under the AUD Facility amounted to A$125.4 million. The AUD Facility bears interest at the BBSY rate plus a margin.

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) <u>Fixed Rate Term Specified Bonds</u>

Frasers Commercial Osaka No. 1 TMK ("Frasers Osaka TMK") and Frasers Commercial Tozai No. 2 TMK ("Frasers 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.

Frasers Osaka TMK and Frasers 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. Frasers Osaka TMK and Frasers Tozai TMK hold the beneficial interest in the relevant trust that holds legal title to FCOT's Japanese properties, namely Cosmo Plaza, Galleria Otemae, 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 Frasers Osaka TMK and Frasers 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			
	1/7/2010 to 30/9/2010	1/7/2009 to 30/9/2009	1/10/2009 to 30/9/2010	1/1/2009 to 30/9/2009
	S$'000	S$'000	S$'000	S$'000
Operating activities:				
Total return before income tax	37,754	(33,316)	53,781	(171,211)
Adjustments for:-				
Finance costs	8,565	10,039	32,380	30,777
Effect of recognising accounting income on a straight-line basis over the lease term	(353)	(649)	(1,973)	(1,920)
Allowance for impairment of receivables	291	688	2,192	4,841
Unrealised foreign exchange differences	(378)	4,787	(431)	(5,011)
Amortisation of leasing costs	114	132	634	351
Interest income	(65)	(79)	(267)	(362)
Management fees paid / payable in Units	2,226	2,759	10,587	7,671
Net change in fair value of other investment and derivative financial instruments	113	917	2,556	804
Net change in fair value of investment properties	(30,094)	29,940	(24,257)	174,833
Amortisation of borrowing costs	3,092	2,615	11,371	8,495
Realised loss / (gain) on derivative financial instruments	-	1,603	911	3,377
Operating income before working capital changes	**21,265**	**19,436**	**87,484**	**52,645**
Changes in working capital:-				
Trade and other receivables	(2,373)	(2,988)	2,820	(2,113)
Trade and other payables	(1,575)	7,616	(2,446)	(3,730)
Cash generated from operations	**17,317**	**24,064**	**87,858**	**46,802**
Tax (paid) / refunded	26	1,118	(75)	4,539
Net cash generated from operating activities	**17,343**	**25,182**	**87,783**	**51,341**
Investing activities:				
Capital expenditure on investment properties	(455)	(640)	(3,708)	(1,577)
Interest received	66	227	258	362
Acquisition costs paid	-	(448)	-	(448)
Net cash used in investing activities	**(389)**	**(861)**	**(3,450)**	**(1,663)**
Financing activities:				
Proceeds from borrowings	-	-	655,270	1,294
Proceeds from rights issue	-	213,939	-	213,939
Repayment of loan	-	(145,000)	(632,221)	(145,020)
Realisation of derivative financial instruments	-	(1,603)	(13,082)	(3,377)
Payment for derivative financial instruments	(83)	-	(801)	-
Finance costs paid	(8,551)	(19,659)	(28,883)	(30,498)
Distributions paid	-	(10,994)	(34,549)	(28,365)
Decrease / (increase) in restricted cash	345	82	(1,589)	(1,050)
Issue costs paid	-	(6,857)	(174)	(6,857)
Transaction costs on borrowings	84	(483)	(35,359)	(1,483)
Net cash (used in) / generated from financing activities	**(8,205)**	**29,425**	**(91,388)**	**(1,417)**
Net (decrease) / increase in cash and cash	**8,749**	**53,746**	**(7,055)**	**48,261**
Cash and cash equivalents at beginning of period	75,630	40,507	94,195	46,685
Effect of exchange rate changes on cash and cash equivalents	3,959	(58)	1,198	(751)
Cash and cash equivalents at end of period	**88,338**	**94,195**	**88,338**	**94,195**

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 following:

	Group	
	30/9/2010	**30/9/2009**
	S$'000	**S$'000**
Bank and cash balances	57,616	103,825
Fixed deposits [(1)]	41,941	-
	99,557	103,825
Less: Restricted cash and deposits pledged - reserves and advance deposits [(2)]	(11,219)	(9,630)
Cash and cash equivalents	88,338	94,195

(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) and bank deposit in Singapore required to be maintained to comply with the requirements of the S$500.0 million Transferable Term Loan Facility.

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

	Group		Trust	
	1/10/2009 to 30/9/2010	1/10/2008 to 30/9/2009	1/10/2009 to 30/9/2010	1/10/2008 to 30/9/2009
	S$'000	S$'000	S$'000	S$'000
Movement from 1 October to 31 December				
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**
Movement from 1 January to 31 March				
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 30/9/2010	1/10/2008 to 30/9/2009	1/10/2009 to 30/9/2010	1/10/2008 to 30/9/2009
	S$'000	S$'000	S$'000	S$'000
Movement from 1 April to 30 June				
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**
Movement from 1 July to 30 September				
Balance at beginning of period	**807,433**	**637,551**	**800,543**	**705,862**
Operations				
Change in net assets attributable to	35,699	(32,885)	43,346	(96,937)
Distributions to Unitholders	-	(9,009)	-	(9,009)
Change in Unitholders' funds resulting from operations	**35,699**	**(41,894)**	**43,346**	**(105,946)**
Unitholders' contributions				
Issue of Units - management fees	2,227	2,759	2,227	2,759
Issue of Units - pursuant to rights issue	-	213,939	-	213,939
Issue cost	-	(7,838)	-	(7,838)
Distribution to Unitholders	-	(1,985)	-	(1,985)
Change in Unitholders' funds	**2,227**	**206,875**	**2,227**	**206,875**
Foreign currency translation reserve				
Movement for the period	**12,864**	**24,785**	**-**	**-**
Balance at end of period	**858,223**	**827,317**	**846,116**	**806,791**

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

	1/7/2010 to 30/9/2010	1/7/2009 to 30/9/2009	1/10/2009 to 30/9/2010	1/1/2009 to 30/9/2009
	Units	Units	Units	Units
Issued Units				
Balance at beginning of period	3,067,792,467	750,663,293	3,015,464,570	725,434,620
Rights issue	-	2,251,989,879	-	2,251,989,879
Management fees paid in Units (1)	21,917,867	12,811,398	74,245,764	38,040,071
Balance at end of period	**3,089,710,334**	**3,015,464,570**	**3,089,710,334**	**3,015,464,570**
Issued and issuable Units				
Issued Units at end of period	3,089,710,334	3,015,464,570	3,089,710,334	3,015,464,570
Management fees payable in Units (2)	14,575,794	18,122,671	14,575,794	18,122,671
Issued and issuable Units at end of period	**3,104,286,128**	**3,033,587,241**	**3,104,286,128**	**3,033,587,241**
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	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	*	21,917,867	-
30-Sep-10	* (2)	14,575,794	-
		153,502,411	3,507,381

* *Property management fees paid in cash.*

(2) 14,575,794 Units will be issued on 25 October 2010 to the Manager as payment for management fees for the quarter ended 30 September 2010. This accounts for approximately 70% of the Manager's management fees for the quarter ended 30 September 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 September 2010. The remaining management fees for the quarter ended 30 September 2010 will be paid in cash.

(3) The CPPU holders have the right to convert the CPPUs into Units on specific conversion dates after a period of 3 years commencing from the date of 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

	1/7/2010 to 30/9/2010	1/7/2009 to 30/9/2009	1/10/2009 to 30/9/2010 ("FY2010")	1/1/2009 to 30/9/2009	1/10/2008 to 30/9/2009 Note (a)
	S$'000	S$'000	S$'000	S$'000	S$'000
Total return after income tax and before distribution	35,699	(32,885)	50,137	(170,310)	(271,866)
Distribution to CPPU holders	(4,748)	(1,858)	(18,838)	(1,858)	(1,858)
Earnings attributable to Unitholders	30,951	(34,743)	31,299	(172,168)	(273,724)
EPU					
Basic EPU					
Weighted average number of Units in issue	3,083,039,679	1,742,633,526	3,055,996,966	1,186,089,573	1,108,965,495
Basic earnings per Unit (cents) (1)	1.00	(1.99)	1.02	(14.52)	(24.68)
Diluted EPU					
Weighted average number of Units (2)	4,528,797,383	2,308,364,801	4,501,754,670	1,376,738,940	1,251,560,776
Basic earnings per Unit on a fully diluted basis (cents)	0.79	(1.99) (3)	1.02 (3)	(14.52) (3)	(24.68) (3)
DPU					
Number of Units issued and issuable at end of period	3,104,286,128	3,033,587,241	3,104,286,128	3,033,587,241	3,033,587,241
Available for distribution per Unit based on the total number of Units on issue (cents)	0.31 (4)	0.20 (4)	1.12 (4)	0.56 (4)	0.87 (4)

Note (a)
For comparison purposes, the key financial information covering the 12-month period from 1 October 2008 to 30 September 2009 is presented.

Footnotes:

(1) In computing the basic earnings per Unit, earnings attributable to Unitholders and the weighted average number of Units for 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 diluted EPU is the same as basic EPU as the potential effects on the conversion of CPPUs into Units are anti-dilutive.

(4) 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 September 2010 may differ from the table above if any CPPUs are converted into Units.

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

	Group		Trust	
	30/09/2010	30/09/2009	30/09/2010	30/09/2009
Unitholders' funds at end of period (S$'000)	858,223	827,317	846,116	806,791
Number of Units issued and issuable at the end of the period ('000)	3,104,286	3,033,587	3,104,286	3,033,587
Unitholders' funds per Unit (S$)	0.28	0.27	0.27	0.27
Adjusted Unitholders' funds per Unit (excluding distributable income) (S$)	0.27	0.27	0.26	0.26

8. Review of performance

(a) Variance between results for the period from 1 July 2010 to 30 September 2010 ("4Q2010") and 1 July 2009 to 30 September 2009

Gross revenue for 4Q2010 was S$29.2 million, 14% 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 and improved performance of KeyPoint.
- an increase of S$0.4 million and S$0.1 million from Central Park and Caroline Chisholm Centre respectively due to higher contribution of the properties and strengthening of the Australian Dollar from A$1.00:S$1.2010 for the period from 1 July to September 2009 to A$1.00:S$1.2260 for 4Q2010.

This was partially offset by lower contribution from 55 Market Street by S$0.1 million due to lower reversionary rental rates.

Property operating expenses were S$6.1 million, 6% higher than those 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 4Q2010 were S$4.0 million, 18% higher than those 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 4Q2010 was mainly related to rental receivable from a significant tenant of Cosmo Plaza who is in financial difficulty. The allowance of S$0.3 million represents the rental that is in arrears from July to the lease expiry date in early August 2010.

The decrease in finance costs by S$1.0 million in 4Q2010 as compared to the corresponding period was due to lower quantum of loans and lower interest rates.

The foreign exchange gain in 4Q2010 vis-a-vis the foreign exchange loss in the corresponding period was mainly due to repayment of Japanese Yen Loan in December 2009.

The revaluation gain on investment properties in 4Q2010 is due to upward revaluation of the Australia and Singapore properties, and slightly offset by downward revaluation of the Japan properties as at 30 September 2010.

The fair value loss of derivative financial instruments in 4Q2010 of S$1.2 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 S$1.1 million.

The taxation expense in 4Q2010 mainly relates to deferred tax provided in respect of the potential capital gains arising from higher valuation of Australian properties as at 30 September 2010.

8. Review of performance (cont'd)

(b) Variance between results for the period from 1 October 2009 to 30 September 2010 ("FY2010") and 1 October 2008 to 30 September 2009

FY2010 covered a 12-month period from 1 October 2009 to 30 September 2010. FY2009, the immediately preceding financial year covered a 9-month period from 1 January 2009 to 30 September 2009 due to the change of financial year end from December to September. Accordingly, gross revenue, property operating expenses, trust expenses and finance costs in FY2010 are higher than that in FY2009. For the purpose of comparison, the variance analysis below relates to FY2010 and the 12-month period from 1 October 2008 to 30 September 2009.

Gross revenue for FY2010 was S$117.9 million, 21% higher than that of the corresponding period mainly due to the following:
- a full year contribution of S$22.0 million from Alexandra Technopark in FY2010 as compared to S$2.2 million in the corresponding period as Alexandra Technopark was acquired in August 2009.
- an increase of S$3.1 million and S$1.7 million from Central Park and Caroline Chisholm Centre respectively. This arose primarily from the strengthening of the Australian Dollar from A$1.00:S$1.0769 during the period from 1 October 2008 to 30 September 2009 to A$1.00:S$1.2465 for FY2010.

This was partially offset by lower contribution from the following:
- 55 Market Street by S$0.6 million due to lower reversionary rental rates.
- KeyPoint by S$1.7 million due to cessation of income support in April 2009 .

Property operating expenses for FY2010 were S$24.9 million, 9% higher than those 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 FY2010 were S$15.1 million, 10% higher than those of the corresponding period mainly due to higher management fees arising from full year fees contribution from Alexandra Technopark for FY2010. 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 FY2010 was mainly related to rental receivable from a significant tenant of Cosmo Plaza who is in financial difficulty. The allowance of S$2.2 million represents the rental that was in arrears from October 2009 to the lease expiry date in early August 2010.

The decrease in finance costs in FY2010 as compared to the corresponding period was due to lower quantum of loans and lower interest rates.

The lower foreign exchange gain in FY2010 as compared to the foreign exchange loss in the corresponding period was mainly due to repayment of Japanese Yen Loan in December 2009.

The revaluation gain on investment properties in FY2010 was due to upward revaluation of the Australia and Singapore properties, and slightly offset by downward revaluation of Cosmo Plaza as at 31 December 2009 and the Japan properties as at 30 September 2010.

The fair value loss of derivative financial instruments in FY2010 of S$6.3 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 $3.8 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 October 2010, the Ministry of Trade and Industry ("MTI") announced that the Singapore economy remains on track to achieve the overall forecast of 13 to 15 per cent for the whole of 2010. Estimates showed that the economy expanded by 10.3 per cent in 3Q 2010 on a year-on-year basis. On a seasonally adjusted quarter-on-quarter annualised basis, the economy contracted by 19.8 per cent, compared to 27.3 per cent growth in the previous quarter. According to MTI, the decline in growth momentum was an expected correction from the exceptional growth in the first half of 2010. On a seasonally adjusted quarter-on-quarter annualised basis, all sectors saw declines when compared to the preceding quarter except for the service producing industries which saw a modest sequential growth of 1.6 per cent. The construction sector saw a decline of 11.7 per cent compared to a growth of 29 per cent a quarter ago. This was mainly due to the completion of key commercial and industrial building projects earlier in the year. MTI expects growth for the rest of the year to be underpinned by industry-specific factors. Continued global demand for electronics products will lend some support to the electronics and precision engineering clusters while rising visitor arrivals to boost the tourism-related sectors.

DTZ [1] reported an improvement in islandwide office occupancy with increased demand on the back of continued economic recovery. Occupancy rose to 94.9% in Q3 2010, some 1.7 percentage points higher than last quarter. This was despite the substantial increase of more than 1.1 million sq ft in physical stock following the completion of Tokio Marine Centre and Marina Bay Financial Centre Tower 2, with the latter achieving full pre-committed levels even before completion. According to DTZ, average rental values in prime offices in Raffles Place increased by 6.3% from previous quarter to $8.40 per sq ft per month while other micro-markets within the city centre registered growth between 4.2% and 7.3%.

Australia

According to the minutes of the Monetary Policy Meeting of the Reserve Bank of Australia ("RBA") in September 2010, the Australian economy has continued to grow at around trend pace. The economy expanded by 3.3 per cent over the year, at around the average growth rate for the past two decades. The rise in commodity prices, coupled with the growth in resource export volumes, had seen the trade balance record its largest surplus (as a share of GDP) since 1973. Public demand continued to contribute to GDP growth in the June quarter while private demand also posted strong growth, with both consumption and dwelling construction showing solid increases.

In the labour market, hiring remained strong. Employment rose by 23,000 in July, to be 2.75% higher over the year. Business surveys and data on job advertisements suggested further solid gains in employment over coming months. Consequently, the unemployment rate was 5.3 per cent in July. Key risks to economic growth would include a renewed downturn in the US economy and slowdown in the pace of growth in Asia, as well as deterioration of the fiscal problems in Europe which could accentuate another round of extreme risk aversion and hence adversely impact the global economy.

Perth's CBD office leasing market saw a surge in activity in the first half of 2010 according to Colliers International [2] ("Colliers"). This is partly due to existing tenants expanding and taking up additional space in their buildings as business confidence grew. As a result, net absorption for the first half of 2010 rose to a five-year high of 36,000sqm. Rents remained stable, with landlords continuing to offer incentives to secure sitting or new tenants. Looking ahead, Colliers expects rents to remain stable for the rest of 2010 while vacancy levels are expected to rise marginally to 10% in January 2011 before reaching a cyclical peak of 11% in 2012 as new supply enters the market.

[1] DTZ Research, "Islandwide rebound in office rents", 23 September 2010, www.dtz.com.sg

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 September 2010, it was noted that economic activity continued to pick up and move towards a self-sustaining recovery despite the high unemployment rate and the environment becoming more severe. The total unemployment rate hovered at a high 5.2% in July, a decrease of 0.1 percentage points from the previous month. Exports increased at a slower pace while imports picked up moderately, leading to a flat surplus in the trade and services balance. On the other hand, industrial production increased at a moderate pace with the pick-up in business sentiment and corporate earnings. Recent price developments signalled that the economy is in a mild deflationary phase. However, the economy is expected to be headed for a self-sustaining recovery as corporate profits continue to improve, reflecting improvement in overseas economies and the effects of various policy measures. Key risks include a possible slowdown in overseas economies and fluctuations in exchange rates which may impact exports negatively. It was also noted that there is still a risk of deflation on the economy and possible deterioration in the employment situation.

CB Richard Ellis [3] reports that the vacancy rate in the Tokyo 23 wards in August remained flat at 7.5% while the average asking rent in August was 13,030 yen/tsubo, down from 13,070 yen/tsubo in the previous month. 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 levels rose from 10.8% in July to 10.9% in August. The average asking rent in August also fell to 8,510 yen/tsubo from 8,620 yen/tsubo last month. In the coming quarters, tenants are likely to continue to be focused on cost reduction.

Outlook for FY2010/2011

In the new financial year, the Manager expects the outlook to continue to remain positive barring any unforeseen circumstances which could derail economic recovery. The Manager will continue to focus on a proactive leasing strategy and prudent cost management. In addition, the Manager intends to re-shape FCOT's portfolio, improve the quality of office assets and income stream to provide growth and sustainable returns to its Unitholders.

(2) Colliers International Research, Perth CBD Office Market Update, Q3 2010

(3) CB Richard Ellis, Press Release on office market, 9 September 2010, www.cbre.co.jp

10. Distributions

(a) Current financial period

Name of distribution:

(1) Distribution to Unitholders ("Unitholders' Distribution") for the period from 1 April 2010 to 30 September 2010

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

(b)(i) Distribution rate

	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

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) Distribution to Unitholders ("Unitholders' Distribution") for the period from 1 July 2009 to 30 September 2009

(2) Distribution to CPPU holders ("CPPU Distribution") for the period from 26 August 2009 to 30 September 2009

	Unitholders' Distribution	CPPU Distribution
	cents	cents
Taxable income component	0.1500	0.1400
Tax-exempt income component	0.0500	0.4000
Total	0.2000	0.5400

(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 2010

(e) Books closure date: 2 November 2010

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

Not applicable

12. Segment revenue and results

	1/1/2009 to 30/9/2010 ("FY2010")				1/1/2009 to 30/9/2009				1/10/2008 to 30/9/2009 (Note (a))			
	Singapore	Australia	Japan	Total	Singapore	Australia	Japan	Total	Singapore	Australia	Japan	Total
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Gross revenue	61,016	41,471	15,447	117,934	32,204	28,258	11,853	72,315	43,510	36,740	16,953	97,203
Property operating expenses	(7,027)	(10,642)	(7,227)	(24,896)	(4,839)	(6,637)	(5,137)	(16,613)	(6,956)	(8,808)	(7,178)	(22,942)
Net property income	**53,989**	**30,829**	**8,220**	**93,038**	**27,365**	**21,621**	**6,716**	**55,702**	**36,554**	**27,932**	**9,775**	**74,261**
Net change in fair value of investment properties	37,691	6,007	(19,441)	24,257	(116,122)	(17,347)	(41,364)	(174,833)	(142,466)	(18,855)	(64,898)	(226,219)
Interest income				267				362				568
Trust expenses				(15,104)				(9,788)				(13,702)
Allowance for impairment of receivables				(2,192)				(4,841)				(5,551)
Finance costs				(43,751)				(39,272)				(51,978)
Foreign exchange gain / (loss)				733				5,640				(21,390)
Net change in fair value of other investment and derivative financial instruments				(2,556)				(804)				(27,512)
Realised loss on derivative financial instruments				(911)				(3,377)				(1,108)
Taxation				(3,644)				901				765
Total return for the period				**50,137**				**(170,310)**				**(271,866)**

	As at 30/9/2010				As at 30/9/2009			
Assets and liabilities	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**
Segment assets	1,299,105	502,810	183,379	1,985,294	1,265,281	483,160	202,531	1,950,972
Unallocated assets				108,814				111,868
Total assets				**2,094,108**				**2,062,840**
Segment liabilities	(13,713)	(29,537)	(183,216)	(226,466)	(39,313)	(19,983)	(182,926)	(242,222)
Unallocated liabilities				(666,919)				(650,801)
Total liabilities				**(893,385)**				**(893,023)**

NM - Not meaningful
Note (a)
For comparison purposes, the financial information covering the 12-months period from 1 October 2008 to 30 September 2009 is presented.

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

Please refer to Section 9.

14. Breakdown of sales

	1/10/2009 to 30/9/2010 S$'000	1/1/2009 to 30/9/2009 S$'000	1/10/2008 to 30/9/2009 S$'000
Gross Revenue (1st half)	59,421	46,635 (1)	48,850 (3)
Gross Revenue (2nd half)	58,513	25,680 (2)	48,353 (4)
Total Gross Revenue	**117,934**	**72,315**	**97,203**
Total return after tax (1st half)	10,875	(137,425) (1)	(240,082) (3)
Total return after tax (2nd half)	39,262	(32,885) (2)	(31,784) (4)
Total return	**50,137**	**(170,310)**	**(271,866)**

Footnotes:
(1) This relates to the period from 1 January 2009 to 30 June 2009.
(2) This relates to the period from 1 July 2009 to 30 September 2009.
(3) This relates to the period from 1 October 2008 to 31 March 2009.
(4) This relates to the period from 1 April 2009 to 30 September 2009.

15. Breakdown of distributions

	1/10/2009 to 30/9/2010 S$'000	1/1/2009 to 30/9/2009 S$'000
Unitholders' distribution		
- From operations		
1 July 2008 to 31 December 2008	-	11,850
1 January 2009 to 30 June 2009	-	9,009
1 July 2009 to 30 September 2009	6,067	-
1 October 2009 to 31 March 2010	17,238	-
	23,305	**20,859**
- From capital returns		
1 July 2008 to 31 December 2008	-	5,520
1 January 2009 to 30 June 2009	-	1,985
	-	**7,505**
CPPU distribution		
1 July 2009 to 30 September 2009	1,851	-
1 October 2009 to 31 March 2010	9,393	-
	11,244	**-**

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

Anthony Cheong Fook Seng
Company Secretary
22 October 2010