

SGX-ST Announcement

For immediate release

Divestment of Cosmo Plaza

Singapore, 18 January 2011 – Frasers Centrepoint Asset Management (Commercial) Ltd. (the “**Manager**”), as the manager of Frasers Commercial Trust (“**FCOT**”), wishes to announce that on 18 January 2011:

- (i) Frasers Commercial Osaka SPC No.1 Pte. Ltd. (“**FCO1**”), an entity sponsored and controlled by British and Malayan Trustees Limited, as trustee of FCOT (“**Trustee**”), entered into a share transfer agreement with Ippan Shadan Hojin Future Flight (“**Future Flight**”) for the sale of 2 common shares (*tokutei shusshi*) in Frasers Commercial Osaka No.1 TMK (the “**Osaka TMK**”), which constitute 100.0% of the issued and outstanding common shares in Osaka TMK, and 2 shares (*kabu*) in Frasers Commercial Master Lessee KK (“**Osaka MLKK**”), which constitute 100.0% of the issued and outstanding shares in Osaka MLKK, for an aggregate consideration of JPY2 (less than S\$1¹) (the “**TMK Common Shares and Master Lessee Shares Transfer Agreement**”); and
- (ii) FCO1 and the Tokyo Branch of Frasers Commercial Osaka SPC No. 2 Pte. Ltd. (“**FCO2**”), a subsidiary of the Trustee, entered into an agreement with Credit Suisse Principal Investments Ltd. (“**CS Principal**”) for the sale of an aggregate of 65,964 preference shares (*yuusen shusshi*) in Osaka TMK, which constitute 100.0% of the issued and outstanding preference shares in Osaka TMK, for an aggregate consideration of JPY2 (less than S\$1¹) (the “**TMK Preferred Shares Transfer Agreement**”),

(collectively, the “**Divestment**”), to be paid in cash by Future Flight and CS Principal respectively pursuant to the TMK Common Shares and Master Lessee Shares Transfer Agreement and the TMK Preferred Shares Transfer Agreement on the date of completion of the Divestment, which shall take place on 18 January 2011.

Future Flight and CS Principal are both nominated entities of Credit Suisse Securities (Japan) Limited (“**CS**”), the holder of JPY3,802.5 million (S\$59.5 million²) of fixed-term bonds issued by Osaka TMK maturing on 1 August 2012 (“**Bonds**”) purchased pursuant to a bond purchase agreement dated 8 August 2007 (the “**Bond Purchase Agreement**”).

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 on 26 August 2009 pursuant to a 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, Standard Chartered Securities Pte Limited (formerly known as Cazenove & Co. (Singapore) Pte. Limited) and Oversea-Chinese Banking Corporation Limited.

¹ Based on the exchange rate of S\$1= JPY64.3646 as at prevailing at 18 January 2011.

² Based on the exchange rate of S\$1= JPY63.8570 as at prevailing at 30 September 2010.

In connection with the Divestment, FCO1, FCO2, the Trustee and CS shall not have any future rights, obligations or liabilities to each other and any of the other parties (as the case may be) under the Bond Purchase Agreement and all other documents and instruments evidencing or relating to the Bonds (collectively, the “**Bond Documents**”) after 18 January 2011.

Osaka TMK wholly-owns Nanko Cosmo Plaza Building (“**Cosmo Plaza**”), an office building located in Osaka, Japan. Osaka MLKK is a *kabushiki kaisha*, a special purpose vehicle incorporated to be the master lessee of Cosmo Plaza.

Description of Cosmo Plaza

Cosmo Plaza is a 14-storey building, comprising 11 levels of office space, with the remaining comprising retail space, auditorium and conferencing facilities, and 234 car park lots.

Located in Nanko Cosmo Plaza Square within Suminoe Ward, Osaka, Japan, Cosmo Plaza is located 500 metres from the Trade Center-Mae Train Station situated on the OTS Line. The property is linked by sheltered walkways to surrounding buildings including the adjacent Hyatt Regency Hotel and the Nanko Port Town Line train station.

FCOT acquired a 100.0% indirect interest in Cosmo Plaza for JPY6.5 billion (S\$82.4 million)³ on 10 August 2007 which was partially financed by the Bonds.

The table below sets out key information regarding Cosmo Plaza as at 30 September 2010:

	Cosmo Plaza
Net Lettable Area (square feet)	224,028
Number of Tenants	10
Number of Car Park Lots	234
Title / Leasehold Estate Expiry	Shoyu-ken ^(a)
Valuation^(b)	JPY3.12 billion / S\$48.9 million ^(c)
Gross Revenue for the Financial Year ended 30 September 2010	JPY296.8 million / S\$4.6 million ^(c)
Committed Occupancy	25.6% ^(d)

Notes:

- a. Shoyu-ken is an ownership right under the law of Japan.
- b. Based on the valuation carried out on 30 September 2010 by DTZ Debenham Tie Leung KK, the valuer appointed by the Manager, using the replacement cost approach and income capitalisation approach (which applies the direct capitalisation method and the discounted cash flow method).
- c. Based on the exchange rate of S\$1 = JPY63.8570 as at 30 September 2010.
- d. The Committed Occupancy is 39% as at 17 January 2011.

³ Based on the exchange rate of S\$1= JPY78.8835 prevailing as at the time of the acquisition of Cosmo Plaza

Consideration for the Divestment

The consideration of JPY2 (less than S\$1¹) payable under each of the TMK Common Shares and Master Lessee Shares Transfer Agreement and the TMK Preferred Shares Transfer Agreement was arrived at after negotiation with CS and was based on the financial positions of Osaka TMK and, as the case may be, Osaka MLKK, such consideration will be paid to and held by FCO1 and FCO2 respectively.

Disclosures pursuant to Rules 1010(5), 1010(6) and 1010(7) of the Listing Manual

The relevant values of Osaka TMK and Osaka MLKK required to be disclosed pursuant to Rules 1010(5), 1010(6) and 1010(7) of the Listing Manual issued by Singapore Exchange Securities Trading Limited (the "Listing Manual") are as follows:

	Value
Aggregate net asset value and the latest available open market value of Osaka TMK and Osaka MLKK ^(a)	Aggregate net liability of JPY(468.7) million/ S\$(7.34) million ^(b)
	Value
Excess of the net proceeds from the divestment of Osaka TMK and Osaka MLKK over the aggregate net asset value of Osaka TMK and Osaka MLKK	JPY468.7 million ^(c) / S\$7.28 million ^(e)
	Value
Net losses attributable to Osaka TMK and Osaka MLKK ^(a)	JPY(570.1) million / S\$(8.93) million ^(b)
Gain on disposal of Osaka TMK and Osaka MLKK ^(d)	JPY468.7 million/ S\$7.28 million ^(e)

Notes:

- (a) As at 30 September 2010, based on the audited financial statements of FCOT for the financial year ended 30 September 2010.
- (b) Based on the exchange rate of S\$1 = JPY63.8570 as at 30 September 2010.
- (c) Based on consideration of JPY4 against net liability of JPY468.7 million.
- (d) With the divestment of Osaka TMK and Osaka MLKK for the consideration of JPY4 (less than S\$1¹), FCOT ceases to consolidate the aggregate net liability of Osaka TMK and Osaka MLKK of JPY468.7 million (S\$7.28 million^(e)) resulting in a gain of JPY468.7 million (S\$7.28 million^(e)).
- (e) Based on the exchange rate of S\$1 = JPY64.3646 as at 18 January 2011

Upon the completion of the Divestment, FCOT and its relevant subsidiaries will have no further interest in Cosmo Plaza, the Osaka TMK and the Osaka MLKK.

Financial Effects of the Divestment

Net Tangible Assets - The Divestment is not expected to have any material effect on the net tangible assets per unit in FCOT (“Unit”) assuming that the Divestment had been effected at the end of the financial year ended 30 September 2010.

Earnings per Unit - For illustrative purposes only and assuming that the Divestment had been completed on 1 October 2009, the pro forma financial effects on the earnings per Unit for the financial year ended 30 September 2010 are as follows:

	Before the Divestment ^(a)	After the Divestment (excluding gain on Divestment) ^(b)	After the Divestment (including gain on Divestment) ^(c)
Total return for the year attributable to Unitholders	S\$31.30 million	S\$40.23 million	S\$47.51million
Earnings per Unit	1.02 cents	1.32 cents	1.55 cents

Notes:

- (a) Based on the audited financial statements of FCOT for the financial year ended 30 September 2010.
- (b) Based the audited financial statements of FCOT for the financial year ended 30 September 2010 after excluding the net losses attributable to Osaka TMK and Osaka MLKK of S\$8.93 million and excluding the gain on divestment of S\$7.28 million.
- (c) Based the audited financial statements of FCOT for the financial year ended 30 September 2010 after excluding the net losses attributable to Osaka TMK and Osaka MLKK of S\$8.93 million and including the gain on divestment of S\$7.28 million.

Distributable Income per Unit - The Divestment is not expected to have any material effect on the distributable income per Unit assuming that the Divestment had been effected at the beginning of the financial year ended 30 September 2010.

Rationale for the Divestment

The Divestment is pursuant to the sale initiative of Cosmo Plaza announced previously by the Manager and is in line with its objective to reshape the portfolio of FCOT, as the Manager is of the view that Cosmo Plaza no longer meets the long-term investment strategy of FCOT.

The Divestment would result in a reduction in FCOT’s aggregate leverage from 39.6% to 37.6% based on the audited financial statements of FCOT as at 30 September 2010. Occupancy rate for FCOT’s portfolio as at 30 September 2010 would have improved from 90.8% to 96.5% assuming the Divestment had been completed on 30 September 2010.

Interests of Directors and Controlling Unitholders

None of the directors of the Manager or controlling unitholder of FCOT has any interest, direct or indirect, in the Divestment.

Directors’ Service Contracts

No director will be appointed pursuant to the Divestment.

Disclosures pursuant to Rule 1006 of the Listing Manual

The relative figures for the Divestment using the applicable bases of comparison set out in Rule 1006 of the Listing Manual are as follows:

Rule 1006(a)	Value
Aggregate net asset value of Osaka TMK and Osaka MLKK ^(a)	JPY(468.7) million / S\$(7.34) million ^(b)
Net asset value of the FCOT Group ^(a)	S\$1,200.72 million
Size of the relative figure	Negative 0.6%
Rule 1006(b)	Value
Aggregate net losses attributable to Osaka TMK and Osaka MLKK ^(a)	JPY(570.1) million / S\$(8.93) million ^(b)
Net profits of the FCOT Group ^(a)	S\$50.1 million
Size of the relative figure	Negative 17.8%
Rule 1006(c)	Value
Consideration for the Divestment	JPY4 (less than S\$1 ^(b))
FCOT's market capitalization ^(c)	S\$527.7 million
Size of relative figure	Not meaningful
Rule 1006(d)	Value
Number of equity securities to be issued by FCOT as consideration for an acquisition	Rule 1006(d) is not applicable
Number of equity securities in issue	Rule 1006(d) is not applicable
Size of the relative figure	Rule 1006(d) is not applicable

Notes:

- (a) As at 30 September 2010, based on the audited financial statements of FCOT for the financial year ended 30 September 2010.
- (b) Based on the exchange rate of S\$1 = JPY63.8570 as at 30 September 2010.
- (c) Based on the number of Units in issue and the weighted average price of such Units last transacted on 17 January 2011.

Documents Available for Inspection

A copy of each of the TMK Common Shares and Master Lessee Shares Transfer Agreement and the TMK Preferred Shares Transfer Agreement is available for inspection during normal business hours at the registered office of the Manager at 438 Alexandra

Road, #21-00 Alexandra Point, Singapore 119958, for a period of three months commencing from the date of this announcement.

Frasers Centrepoint Asset Management (Commercial) Ltd
(Company Registration No: 200503404G)
As manager of Frasers Commercial Trust

Anthony Cheong Fook Seng
Company Secretary
18 January 2011

For further information, kindly contact:

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About Frasers Commercial Trust

Frasers Commercial Trust (FCOT or FrasersComm) is a commercial real estate investment trust (REIT) focused on growing shareholder value for its unitholders through active asset management, sound financial management and strategic investments. FCOT is sponsored by Frasers Centrepoint Limited (FCL).

FCOT invests primarily in quality income-producing commercial properties and its current portfolio includes ten quality office and business space buildings located in Singapore, Australia and Japan. As at 30 September 2010, the portfolio represented a combined appraised value of approximately S\$2.0 billion.

FCOT, formerly known as Allco Commercial REIT, was listed on the Main Board of Singapore Exchange Securities Trading Limited (SGX-ST) on 30 March 2006.

On 14 August 2008, Frasers Centrepoint Limited acquired the manager of FCOT and units in FCOT and renamed the manager of FCOT, Frasers Centrepoint Asset Management (Commercial) Ltd.

For more information on FCOT, please visit www.fraserscommercialtrust.com

About Frasers Centrepoint Limited

Frasers Centrepoint Limited (FCL) is the wholly-owned property arm of Fraser and Neave, Limited (F&N), and is one of Singapore's top property companies with total assets close to S\$9 billion.

From owning just a single shopping centre in 1983, Frasers Centrepoint has since grown to become an integrated real estate company with a portfolio of residential and commercial properties, and serviced residences spanning 13 countries across Asia, Australasia, Europe and the Middle East. Across the globe, its serviced residences management company, Frasers Hospitality, has award-winning gold-standard serviced residences in 19 gateway cities. FCL's international property arm, Frasers Property, develops world-class projects in UK, Australia, New Zealand, Thailand, China and Vietnam.

Its listed entities comprise Frasers Centrepoint Trust (FCT, a retail trust), Frasers Commercial Trust (FCOT, an office/business space trust) and Frasers Property China Limited (FPCL). As a testament to its excellent service standards, best practices and support of the environment, the company is the proud recipient of numerous awards and accolades both locally and abroad.

For more information on FCL, please visit www.fraserscentrepoint.com.

About Fraser and Neave, Limited

Fraser and Neave, Limited (F&NL) is a leading Asia Pacific Consumer Group with expertise and prominent standing in the Food & Beverage, Property and Publishing & Printing industries.

Leveraging its strengths in marketing and distribution; research and development; brands and financial management; as well as years of acquisition experience, F&NL provides key

resources and sets strategic directions for its subsidiary companies across all three industries.

Listed on the Singapore stock exchange, F&NL ranks as one of the most established and successful companies in the region with an impressive array of renowned brands that enjoy strong market leadership. It has shareholders' funds of close to S\$6 billion and total assets employed of over S\$13 billion. F&NL is present in over 20 countries spanning Asia Pacific, Europe and the USA and employs about 18,000 people worldwide.

For more information on F&NL, please visit www.fraserandneave.com

IMPORTANT NOTICE

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 similar developments, shifts in expected levels of property rental income, changes in operating expenses, (including employee wages, benefits and training costs), property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business.

Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view on future events.

The value of Units and the income derived from them, if any, may fall or rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors should note that they have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This publication is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units. The past performance of FCOT and the Manager is not necessarily indicative of the future performance of FCOT and the Manager.