

SGX-ST Announcement

For immediate release

ACQUISITION OF 50% INTEREST IN CAROLINE CHISHOLM CENTRE

Singapore, 16 February 2012 – Frasers Centrepoint Asset Management (Commercial) Ltd. (the “**Manager**”), as the manager of Frasers Commercial Trust (“**FCOT**”), wishes to announce that on 16 February 2012:

ARCOT Pty Limited, in its capacity as trustee of ARC Trust (which is a wholly-owned trust of FCOT), entered into a unit sale deed (“**Unit Sale Deed**”) with (i) Allco SPC No. 9 Pty Limited, in its capacity as trustee of A1 Trust (receivers appointed), and (ii) Allco SPC No. 8 Pty Limited, in its capacity as trustee of A2 Trust (receivers appointed) (collectively, the “**Vendors**”), for the acquisition of 361,721,500 ordinary units in Athllon Drive Landholding Trust (“**ADLT**”), representing 50% of the issued units in ADLT, for the purchase consideration of AUD83.0 million, to be paid in cash (the “**Acquisition**”). Completion will take place 5 business days after the satisfaction of all conditions precedent including, amongst others, the obtaining of the relevant approval from the Foreign Investment Review Board for the Acquisition.

ADLT owns Caroline Chisholm Centre (the “**Property**”) in Canberra, Australia. FCOT through ARC Trust, presently owns the other 50% interest in ADLT. Upon the completion of the Acquisition, FCOT will own the entire Property through its 100% interest in ADLT.

Description of Caroline Chisholm Centre

Caroline Chisholm Centre is located in Tuggeranong Town Centre, within the city of Canberra, Australia’s capital city and the location of the Federal Parliament House.

A contemporary designed five-storey Grade A office complex completed in June 2007, the Property is fully leased to a single tenant, the Commonwealth Government of Australia represented by Centrelink¹. The initial term of the lease is 18 years commencing 5 July 2007 with 3.0% annual rent increment.

The Property has energy efficient installations and achieved a 4.5 NABERS Energy base building rating for 2011.

The table below sets out key information regarding Caroline Chisholm Centre as at 30 September 2011:

Description	Details
Net Lettable Area (square feet)	433,182
Number of Car Park Lots	1,093

¹ Centrelink is part of the Department of Human Services, the Australian government agency responsible for delivering social services.

Description	Details
Crown Lease Expiry	Leasehold 99 years commencing June 2002
Valuation (based on FCOT's 50% indirect interest in the Property) ^(a)	AUD95.0 million / S\$121.3 million ^(b)
Net Property Income for the Financial Year ended 30 September 2011 (attributable to FCOT's 50% indirect interest in the Property)	AUD8.5 million / S\$10.9 million ^(c)

Notes:

(a) Based on the valuation carried out as at 30 September 2011 by CB Richard Ellis (C) Pty Ltd, the valuer appointed by the Manager.

(b) Based on the exchange rate of AUD1.00 = S\$1.2767 as at 30 September 2011.

(c) Based on the average exchange rate of AUD1.00 = S\$1.2917 for the financial year ended 30 September 2011.

Costs of the Acquisition

The purchase consideration of AUD83.0 million ("Consideration") payable under the Unit Sale Deed was arrived at on a willing buyer-willing seller basis pursuant to negotiations with the Vendors and taking into consideration the last valuation of the Property as at 30 September 2011. The total costs of the Acquisition, including stamp fees and other professional fees incurred in connection with the Acquisition amounts to approximately AUD89.6 million².

The Manager intends to finance the Acquisition via bank borrowings and internal funds.

Rationale for the Acquisition

The Acquisition is in line with the Manager's key investment objective to deliver regular and stable distributions to Unitholders by identifying yield accretive quality income producing assets. The Manager believes that it will bring the following key benefits to the Unitholders of FCOT ("Unitholders"):

(a) Accretive to Distribution per Unit

Based on the pro forma financial effects set out below, the Acquisition is expected to be accretive to FCOT's distribution per unit ("**Unit**").

(b) Quality Tenant with Long Lease

The property is fully leased to the Commonwealth Government of Australia as represented by Centrelink with a balance lease of approximately 13.5 years and 3.0% annual rent increment. The Acquisition will provide stability of income and growth to FCOT's portfolio.

² The total costs of the Acquisition include estimated stamp duty of AUD 5.6 million, Manager's acquisition fee of AUD 0.83 million and other professional fees.

(c) Enhance Portfolio Lease Expiry Profile

The Acquisition will increase the percentage of gross rental income expiring in financial year 2016 and beyond from 24.6% to 31.5%, extend the portfolio weighted average lease expiry profile from 3.4 years to 4.4 years and increase the percentage of income derived from blue-chip tenants with long leases and master lease from 43.1% to 48.3% assuming the Acquisition was completed on 31 December 2011.

(d) Increase in Ownership Control

The Acquisition will allow FCOT to own 100% of the Property which will give it greater control over the asset and provide greater flexibility for its ownership.

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

The relevant values of Caroline Chisholm Centre required to be disclosed pursuant to Rules 1010(5) and 1010(7) of the Listing Manual issued by Singapore Exchange Securities Trading Limited (the "Listing Manual") are as follows:

	Value
50% of the aggregate net asset value of ADLT ^(a)	AUD95.1 million / S\$121.4 million ^(b)
	Value
50% of the net profit attributable to ADLT ^(c)	AUD8.5 million / S\$10.9 million ^(d)

Notes:

- (a) Based on unaudited financial statements of ADLT as at 30 September 2011 and adjusted for the valuation of the Property carried out as at 30 September 2011 by CB Richard Ellis (C) Pty Ltd, the valuer appointed by the Manager.
- (b) Based on the exchange rate of AUD1.00 = S\$1.2767 as at 30 September 2011.
- (c) Based on unaudited financial statements of ADLT for the financial year ended 30 September 2011.
- (d) Based on the average exchange rate of AUD1.00 = S\$1.2917 for the financial year ended 30 September 2011.

Financial Effects of the Acquisition

Net Tangible Assets – The Acquisition is not expected to have any material effect on the net tangible assets per Unit assuming that the Acquisition had been effected on 30 September 2011, the end of the most recently completed financial year.

Distributable Income per Unit On the assumption that, (i) the Acquisition had been effected on 1 October 2010, the beginning of the most recently completed financial year ended 30 September 2011 and (ii) the Acquisition will be financed by bank borrowings and internal funds, the distributable income per Unit for the financial year ended 30 September 2011 would have increased by 0.32 cents or 5.6%.

	Before the Acquisition^(a)	After the Acquisition^(b)	% increase
Distributable income attributable to Unitholders (S\$'000)	36,324	38,554	6.1%
Distributable income per Unit (cents)	5.75	6.07	5.6%

Notes:

- (a) Based on the audited financial statements of FCOT for the financial year ended 30 September 2011.
- (b) Based on the audited financial statements of FCOT for the financial year ended 30 September 2011 after including the proforma effects of the net profit attributable to ADLT, estimated finance costs of approximately S\$6.7 million attributable to the estimated bank borrowings and other expenses.

Interests of Directors and Controlling Unitholders/ Directors' Service Contracts

None of the directors of the Manager or controlling Unitholder of FCOT has any interest, direct or indirect, in the Acquisition. No director will be appointed pursuant to the Acquisition.

Disclosures pursuant to Rule 1006 of the Listing Manual

As FCOT currently already holds 50% indirect interest in the Property, there is no change to the risk profile of FCOT and the Acquisition is in the ordinary course of business of FCOT.

The relative figures for the Acquisition using the applicable bases of comparison set out in Rule 1006 of the Listing Manual are set out below.

- (a) Rule 1006(b)

Based on ADLT's management accounts and FCOT's unaudited financial statements for the financial quarter ended 31 December 2011, the relative figure for the basis of comparison of the net profits attributable to ADLT as compared to FCOT Group's net profit before tax is approximately 31.0%.

- (b) Rule 1006(c)

Based on the Consideration of AUD83.0 million and FCOT's market capitalisation of S\$510.3 million as at latest practicable date on 15 February 2012, the relative figure for the basis of comparison of the Consideration with market capitalisation is approximately 21.7%.

- (c) Computations of Rule 1006(a) and Rule 1006(d) are not applicable.

Documents Available for Inspection

A copy of each of the Unit Sale Deed and the valuation report in respect of the valuation carried out by CB Richard Ellis (C) Pty Ltd are 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
16 February 2012

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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.