

**PRESS RELEASE**

**Frasers Centrepoint Limited Generates  
Full-Year Attributable Profit of S\$597 Million**

- Registered revenue of S\$3,440 million and PBIT<sup>1</sup> of S\$938 million
- Recurring income contributes over 60% of PBIT
- Proposed final dividend of 6.2 Singapore cents to be paid on 16 February 2017
- FCL continues to diversify its earnings base with increased investments in overseas markets

**Singapore, 9 November 2016** – Frasers Centrepoint Limited (“FCL” or the “Company”, and together with its subsidiaries, the “Group”) today announced its financial results for the full year ended 30 September 2016 (“FY15/16”).

**Financial Highlights**

	<b>FY15/16 (S\$ 'mil)</b>	<b>FY14/15 (S\$ 'mil)</b>	<b>Change (%)</b>
Revenue	3,439.6	3,561.5	(3.4)
PBIT	938.2	1,104.8	(15.1)
Attributable Profit (Before Fair Value Change and Exceptional Items)	479.9	543.8	(11.8)
Fair Value Change	106.2	219.6	(51.6)
Exceptional Items	11.1	7.8	42.3
Attributable Profit	597.2	771.2	(22.6)

FCL generated revenue and PBIT amounting to S\$3,440 million and S\$938 million, respectively, in FY15/16, compared to S\$3,562 million and S\$1,105 million a year ago (“FY14/15”). Attributable profit before fair value change and exceptional items (“APBFE”) amounted to S\$480 million. Coupled with lower fair value gain of S\$106 million on investment properties this year compared to S\$220 million last year, the decline in APBFE resulted in attributable profit decreasing 23% year-on-year to S\$597 million in FY15/16.

The Group achieved healthy earnings on the back of contributions from recurring income sources, which provided a strong and stable income base to mitigate the lumpiness of development contribution. Development income was down in FY15/16. In Singapore, the impact from a shrinking portfolio of residential development projects was partially offset by maiden recognition of profits from North Park Residences and completion of Twin Fountains executive condominium (“EC”). In Australia, impairment losses recognised on certain residential development projects, mostly in Western Australia reduced profits. Meanwhile, a delay in settlement of Baitang Phase 3C1 from the fourth quarter of FY15/16 to the first quarter (“1Q”) of FY16/17 affected contribution from development projects in China.

Mr Panote Sirivadhanabhakdi, Group Chief Executive Officer (“CEO”) of FCL, commented, “FCL’s commendable performance in FY15/16 despite market challenges attests to the effectiveness of FCL’s strategy of growing its recurring income base. Recognising the inherent volatility in the development business, FCL has been on a journey to grow recurring income for some years now. Together,

<sup>1</sup> Profit before interest, taxation, fair value change, and exceptional items

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contributions from the Group's portfolio of commercial and industrial investment properties, as well as its rapidly growing hospitality business, provide a strong income base for FCL. Including the Group's fee income stream from its four REIT platforms, FCL derived over 60% of FY15/16 PBIT from recurring sources. Another key figure of note is the Group's net debt to equity ratio, which has gone down to 64.4% as at 30 September 2016 from 83.6% a year ago. With a strong income base and balance sheet, the Group is well-equipped to allocate capital dynamically as we continue to pursue our strategies of growing overseas and recurring income, while constantly assessing opportunities to optimise capital productivity."

In view of the Group's solid performance this year, the Board has proposed a final dividend of 6.2 Singapore cents per share, bringing the proposed total dividend for FY15/16 to 8.6 Singapore cents per share. This is the same total dividend as the previous two years.

### Key Highlights in FY15/16 and QTD 1Q FY16/17

During the year, a number of organisational changes were made to position FCL for the future. Mr Sirivadhanabhakdi took over as Group CEO on 1 October 2016 following Mr Lim Ee Seng's retirement on 30 September 2016. Chief Financial Officer Mr Chia Khong Shoong was appointed to take on an additional, newly-created role of Chief Corporate Officer position on 1 July 2016. The Group also adopted a new organisational structure on 1 July 2016, with FCL's three businesses of scale forming the Singapore, Australia and Hospitality Strategic Business Units ("SBUs"). Together, FCL's three SBUs account for around 90% of the Group's total assets, while the International Business unit manages the remaining investments. The Singapore, Australia and Hospitality SBUs are led by CEOs Christopher Tang, Rod Fehring and Choe Peng Sum, respectively, while Mr Sirivadhanabhakdi has oversight of the International Business unit.

Another key highlight in FY15/16 was the extension of the Group's REIT platforms with the listing of its fourth REIT – Frasers Logistics & Industrial Trust ("FLT"). With an initial portfolio comprising 51 industrial properties acquired from the Group at a total cost of approximately S\$1.6 billion and a market capitalisation of approximately S\$1.3 billion upon its listing on 20 June 2016, FLT is the only Australian-centric industrial REIT in Singapore.

FCL's exposure to international markets was also increased during the year, in line with the Group's strategy to grow overseas earnings contributions. In Thailand, the Group acquired a 35.6% stake in Golden Land Property Development Public Company Limited ("Golden Land") for S\$231<sup>2</sup> million and proposed a S\$520 million<sup>3</sup> strategic investment in TICON Industrial Connection Public Company Limited ("TICON") via a conditional share subscription agreement<sup>4</sup>. Both listed on the Stock Exchange of Thailand, Golden Land is one of Thailand's leading real estate developers engaged in residential and commercial property development, while TICON has a leading market position in Thailand as a developer and owner of industrial properties. In Vietnam, FCL entered into a conditional agreement to acquire a 70% stake in a joint venture with An Duong Thao Dien Real Estate Trading Investment Joint Stock Company and others to develop a residential-cum-commercial project on a one-hectare prime site in Ho Chi Minh City.

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<sup>2</sup> On the basis of the exchange rate of S\$1 : THB25.60 as at 30 September 2016

<sup>3</sup> On the basis of the exchange rate of S\$1 : THB25.42 as at 6 October 2016

<sup>4</sup> The transaction is subject to the approval of Securities and Exchange Commission, Thailand and TICON's shareholders. On completion of the transaction, FCL will hold approximately 40% of TICON's enlarged share capital.

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The Group's funding sources were also further diversified during the year with the issue of S\$250 million in 10-year fixed rate notes (the "Series 6 Notes") and US\$200 million in five-year fixed rate notes (the "Series 7 Notes") under its S\$3.0 billion multicurrency debt issuance programme. The Series 6 Notes bear interest of 4.25% per annum and will mature on 21 April 2026, while the Series 7 Notes bear interest of 2.50% per annum, and will mature on 21 July 2021.

### **Looking Ahead**

In Singapore and Australia, the Group will selectively tender for sites to replenish its land bank. A key focus in Australia will also be the restocking of the Group's industrial portfolio following the injection of industrial assets into FLT. In United Kingdom ("UK"), China and Thailand, the Group will carry on seeking opportunities to grow its presence in these markets.

The hospitality business remains on track to achieve its target of 30,000 units under management by 2019. The Hospitality SBU commenced construction of Capri by Fraser, China Square Central, Singapore, and also acquired a portfolio of four properties as well as two greenfield projects in the UK over the course of the year through its Malmaison Hotel du Vin group. Frasers Hospitality Trust ("FHT") also grew its portfolio via third party acquisitions. FHT completed the acquisition of Maritim Hotel Dresden, Germany and Novotel Melbourne on Collins, Australia and now owns 9 hotels and 6 serviced apartments. As at 30 September 2016, Frasers Hospitality has interests in and/or manages over 15,000 units and has over 8,400 signed-up units pending openings.

As FCL grows its business and asset portfolio in a prudent manner across geographies and property segments, the Group will emphasise on recurring income as well as overseas earnings contribution. The Group will also maintain its constant efforts in evaluating opportunities to unlock value in its portfolio via asset enhancement or repositioning, as well as through injection of stabilised assets into its REITs.

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### **About Frasers Centrepoint Limited**

Frasers Centrepoint Limited ("FCL") is a full-fledged international real estate company and one of Singapore's top property companies with total assets of S\$24 billion as at 30 September 2016. FCL has three strategic business units – Singapore, Australia and Hospitality, which focus on residential, commercial, retail and industrial properties in Singapore and Australia, and the hospitality business spanning more than 80 cities across Asia, Australia, Europe, and the Middle-East. FCL also has an International Business unit that focuses on the Group's investments in China, Southeast Asia, and the United Kingdom.

FCL is listed on the Main Board of the Singapore Exchange Securities Trading Limited ("SGX-ST"). FCL is also a sponsor and its subsidiaries are the managers of three REITs listed on the SGX-ST, Frasers Centrepoint Trust, Frasers Commercial Trust, and Frasers Logistics & Industrial Trust that are focused on retail properties, office and business space properties, and industrial properties respectively, as well as one stapled trust listed on the SGX-ST, Frasers Hospitality Trust (comprising Frasers Hospitality Real Estate Investment Trust and Frasers Hospitality Business Trust) that is focused on hospitality properties.

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As a testament to its excellent service standards, best practices, and support of the environment, FCL is the proud recipient of numerous awards and accolades both locally and abroad.

For more information on FCL, please visit [www.fraserscentrepoint.com](http://www.fraserscentrepoint.com).

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