

## Fraser's Property's PBIT<sup>1</sup> Rose 51% to S\$354 million in 1Q FY19

- ◆ Revenue grew 45% to S\$1,083 million and attributable profit increased 76% to S\$146 million
- ◆ Earnings anchored by enlarged recurring income base
- ◆ Sales and settlements of residential projects boosted earnings; consequently, unrecognised pre-sold revenue reduced to S\$1.6 billion

### SINGAPORE, 12 FEBRUARY 2019

Fraser's Property Limited ("Fraser's Property", and together with its subsidiaries, the "Group") today announced its financial results for its first financial quarter ended 31 December 2018 ("1Q FY19").

### FINANCIAL HIGHLIGHTS

	1Q FY19 (S\$ 'mil)	1Q FY18 (S\$ 'mil) (restated <sup>2</sup> )	Inc/(Dec) (%)
<b>Revenue</b>	1,083.3	748.6	44.7
<b>PBIT</b>	354.4	235.1	50.7
<b>Attributable Profit Before Fair Value Change and Exceptional Items ("APBFE")</b>	140.3	75.0	87.0
<b>Fair Value Change</b>	5.1	8.7	(41.0)
<b>Exceptional Items</b>	0.2	(1.0)	N/M
<b>Attributable Profit</b>	145.6	82.7	76.1

Mr Panote Sirivadhanabhakdi, Group Chief Executive Officer of Fraser's Property, commented, "We continued to reap the benefits of having a balanced portfolio of development projects and investment properties this quarter. Earnings were boosted by sales and settlements of our residential development projects in Australia and China, as well as an enlarged base of recurring income assets following our acquisition of six<sup>3</sup> business parks in the United Kingdom last year. In addition, maiden contributions from our Fraser's Tower office building and the south wing of our Northpoint City shopping mall in Singapore gave our results a lift."

"Over the course of the coming year, we will be working on new residential property launches in Singapore and Australia, as well as enhancing the operating performance of the Group's investment properties through asset value creation and enhancement. Strengthening our network of platforms remains a key focus as well. Following TICON<sup>4</sup>'s annual general meeting on 25 January 2019, during which its shareholders approved the rebranding of TICON and its subsidiaries, TICON is now renamed Fraser's Property Thailand<sup>5</sup>. This is a significant moment for the Group. Having all our people behind a single brand and sharing one set of core

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

<sup>2</sup> The 1Q FY18 financial results are restated to account for the retrospective adjustments on the adoption of the new financial reporting framework, Singapore Financial Reporting Standards (International) framework and new/revised SFRS(I) as detailed in item 5 of the Group's 1Q FY19 financial statements

<sup>3</sup> Including Farnborough Business Park, which was acquired via a 50:50 joint venture with Fraser's Commercial Trust

<sup>4</sup> TICON Industrial Connection Public Company Limited

<sup>5</sup> Fraser's Property (Thailand) Public Company Limited

values fosters stronger bonds, and we look forward to enhanced synergies arising from the Group's scale and network."

### **KEY HIGHLIGHTS IN YEAR-TO-DATE FY19**

Adding to its residential development portfolio, Frasers Property Australia ("FPA") acquired a master planned community site, The Grove, in Melbourne in December 2018 for A\$202.5 million, with deferred payments to be made in stages over three years. The 1,780 units acquired have a combined estimated gross development value ("GDV") of S\$520 million<sup>6</sup>. Estimated to be completed in 2025, The Grove is strategically located in close proximity to existing and proposed services and amenities in west Melbourne.

In Europe, the acquisition of three logistics properties in Austria and another three in Germany were completed in October and November 2018, respectively. These are part of the 22 logistics and light industrial assets that Frasers Property Europe agreed in 2018 to acquire from Alpha Industrial, along with the latter's project and asset management platform. To date, the acquisition of the platform and 18 of the 22 assets have been completed.

In line with the Group's strategy to recycle capital from stabilised investment properties via its real estate investment trusts ("REITs") in order to optimise capital productivity and support the growth of its REIT platforms, Frasers Property sold a logistics property in the Netherlands to Frasers Logistics & Industrial Trust for S\$39.8 million<sup>7,8</sup> in October 2018.

### **LOOKING AHEAD**

Frasers Property Singapore plans to launch Rivière, an exclusive 455-unit private residential project along the Singapore River in the first half of 2019. The development will also include Fraser Residence Promenade, comprising 80 serviced apartments fully integrated with the conserved warehouse.

In Australia, 300 residential units<sup>9</sup> were released for sale in 1Q FY19 and another 2,000<sup>9</sup> are expected to be launched over the remainder of FY19. FPA also settled 580 units<sup>9</sup> during the quarter and is scheduled to complete and settle another 1,720<sup>9</sup> over the rest of the financial year. In the commercial & industrial and retail development space, FPA is developing 14 facilities, of which five with a gross development value of around S\$436 million<sup>10</sup> are to be sold while nine with an aggregate investment value of around S\$254 million<sup>10,11</sup> will be retained on its balance sheet.

On the hospitality front, Frasers Hospitality opened two properties (Modena by Fraser Buriram in Thailand and Fraser Place Puteri Harbour in Malaysia) and signed-up three others (Fraser Residence Promenade Singapore, Modena by Fraser Chengdu in China, and Modena by Fraser Hanoi in Vietnam) during the quarter. Over the course of the remainder of FY19, another four properties are scheduled to be opened (Fraser Residence Orchard and Capri by Fraser, China Square in Singapore; Capri by Fraser, Johor Bahru in Malaysia; and Fraser Suites Hamburg in Germany). With these additions, the Group now has equity interests in and/or manages over 17,000 units and has around 8,000 units signed-up and pending openings.

**END**

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<sup>6</sup> Based on exchange rate S\$/A\$ : 0.9659

<sup>7</sup> Based on exchange rate S\$/€: 1.5710 as at 31 October 2018

<sup>8</sup> Net purchase price

<sup>9</sup> Includes 100% of joint arrangements – joint operation and joint venture – and project development agreements

<sup>10</sup> Based on exchange rate S\$/A\$ : 0.9795

<sup>11</sup> Book carrying value in the Group's investment property portfolio



### **About Frasers Property Limited**

Fraser's Property Limited ("Fraser's Property" and together with its subsidiaries, the "Group"), is a multi-national company that owns, develops and manages a diverse, integrated portfolio of properties. Listed on the Main Board of the Singapore Exchange Securities Trading Limited ("SGX-ST") and headquartered in Singapore, the Group has total assets of approximately S\$33 billion as at 31 December 2018.

Fraser's Property's assets range from residential, retail, commercial and business parks, to logistics and industrial in Singapore, Australia, Europe, China and Southeast Asia. Its well-established hospitality business owns and/or operates serviced apartments and hotels in over 80 cities across Asia, Australia, Europe, the Middle East and Africa. The Group is unified by its commitment to deliver enriching and memorable experiences to customers and stakeholders, leveraging on its knowledge and capabilities from across markets and property sectors, to deliver value in its multiple asset classes.

Fraser's Property is also the sponsor of three real estate investment trusts and one stapled trust listed on the SGX-ST. Fraser's Centrepoint Trust, Fraser's Commercial Trust, and Fraser's Logistics & Industrial Trust are focused on retail, commercial, and logistics and industrial properties respectively. Fraser's Hospitality Trust (comprising Fraser's Hospitality Real Estate Investment Trust and Fraser's Hospitality Business Trust) is a stapled trust focused on hospitality properties.

For more information on Fraser's Property, please visit [frasersproperty.com](http://frasersproperty.com).

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