

# HITTING HIGH POINTS

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ANNUAL REPORT 2013

## CONTENTS

### EDITORIAL

- 02 Corporate Profile
- 03 Structure of FCT
- 04 Performance at a Glance
- 06 Letter to Unitholders
- 11 Year in Brief
- 12 Investor Relations
- 14 Board of Directors
- 18 Trust Management Team
- 20 Property Management Team
- 21 Community Engagement

### OPERATIONS & FINANCIAL REVIEW

- 23 Operations & Financial Review
- 29 Capital Resources
- 31 Risk Management
- 32 Market Overview

### MALL PROFILES

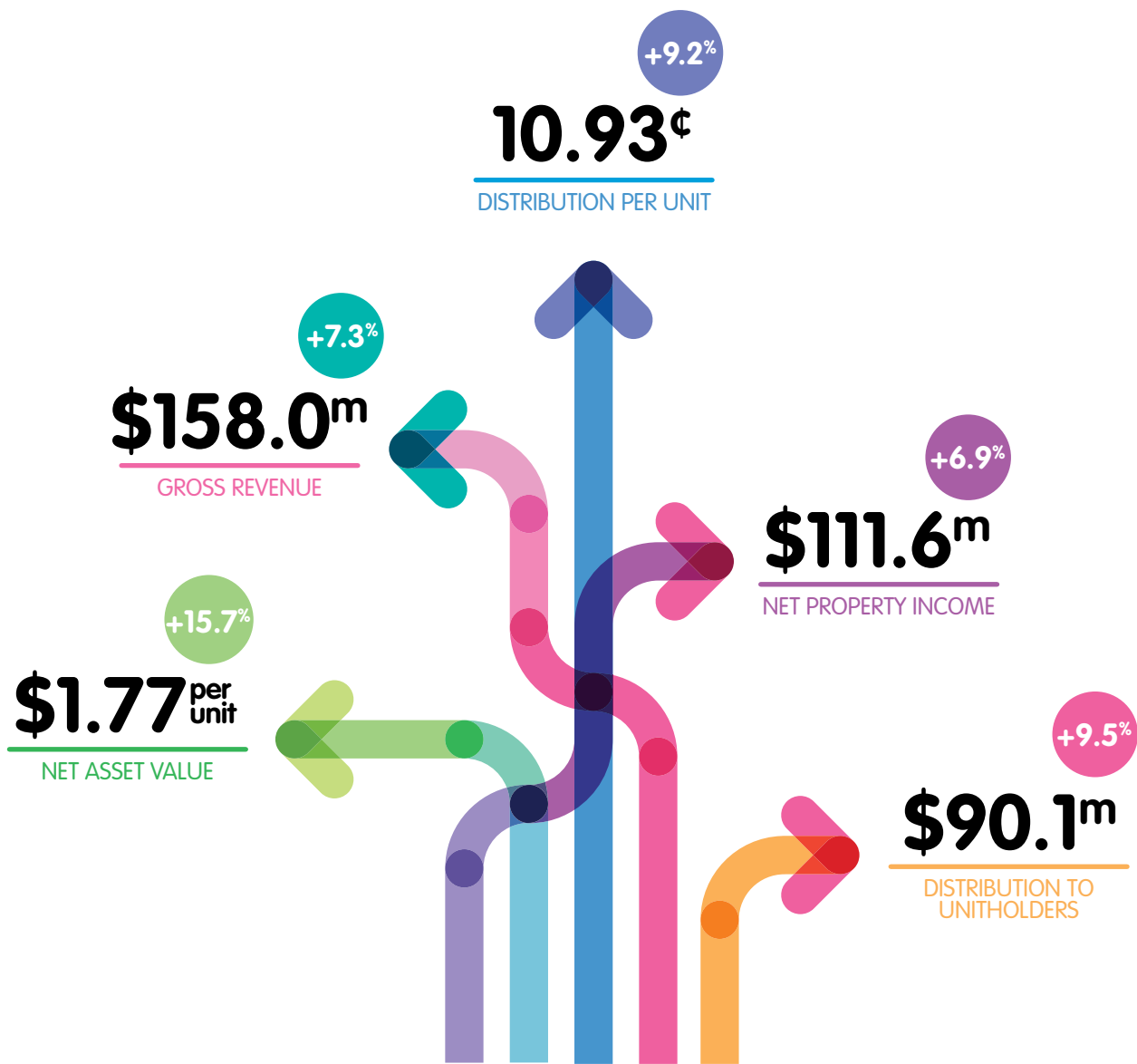
- 36 Portfolio Overview
- 38 Causeway Point
- 42 Northpoint
- 45 Bedok Point
- 48 YewTee Point
- 51 Anchorpoint
- 54 Hektar REIT

### CORPORATE GOVERNANCE

- 57 Corporate Governance Report

### FINANCIALS

- 67 Financial Statements
- 109 Statistics of Unitholders
- 111 Additional Information
- 112 Notice of Annual General Meeting
- Proxy Form
- Corporate Information



# HIGH POINTS OF THE YEAR

FCT turned in another strong performance in FY2013, featuring multiple high points in revenue, earnings, distribution per unit and net asset value.

# CORPORATE PROFILE

Frasers Centrepoint Trust ("FCT") is a leading developer-sponsored retail real estate investment trust with five quality suburban malls in Singapore.

FCT's current portfolio comprises Causeway Point, Northpoint, Bedok Point, YewTee Point and Anchorpoint. With a combined appraised value of \$2 billion as at 30 September 2013, FCT's malls enjoy wide captive markets, good connectivity and high occupancy. FCT also receives steady overseas returns via its 31% strategic stake in Hektar REIT.

FCT is focused on increasing shareholder value by pursuing organic, enhancement and acquisition growth strategies. With proactive lease management initiatives, FCT is well-placed to achieve sustainable rental growth. To unlock the full potential of its assets, FCT continues to enhance existing assets to maximise their performance. The potential acquisitions of new assets will help FCT gain greater scale and drive further income growth for unitholders.

FCT was listed on the Main Board of the Singapore Exchange Securities Trading Limited on 5 July 2006. The trust is managed by Frasers Centrepoint Asset Management Ltd., a division of property company Frasers Centrepoint Limited.

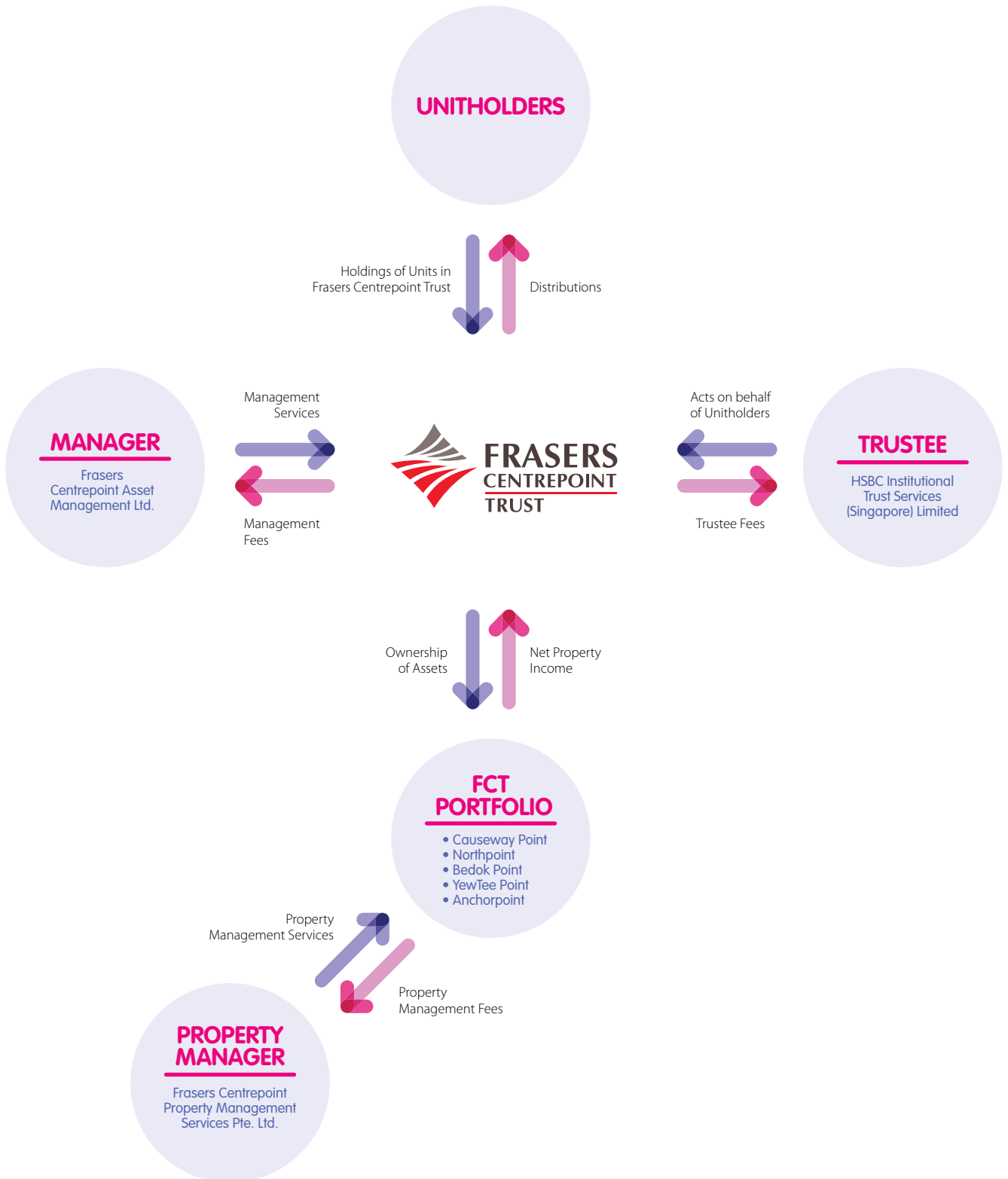
## VISION

- Our vision is to be "Your Malls of Choice" to our stakeholders: Tenants, Shoppers and Investors.
- We aim to be a fair and value-adding landlord to our Tenants.
- We aspire to create and offer a vibrant and exciting shopping experience to meet the expectations of our Shoppers.
- We endeavour to be the REIT of choice affording stable, sustainable and growing distributions to our Investors.

## MISSION

Frasers Centrepoint Trust's mission is to provide its unitholders with a regular and stable distribution by investing primarily in quality income-producing retail properties in Singapore and overseas, and to achieve long-term growth in net asset value.

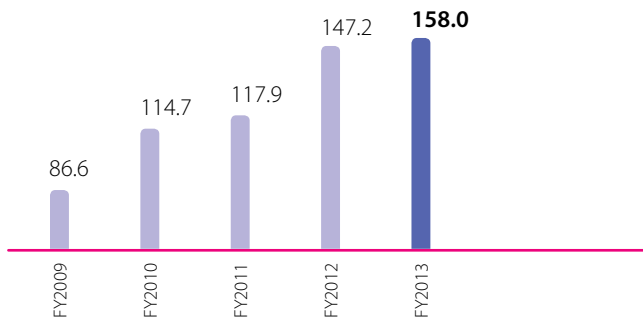
# STRUCTURE OF FCT



# PERFORMANCE AT A GLANCE

## GROSS REVENUE (\$ million)

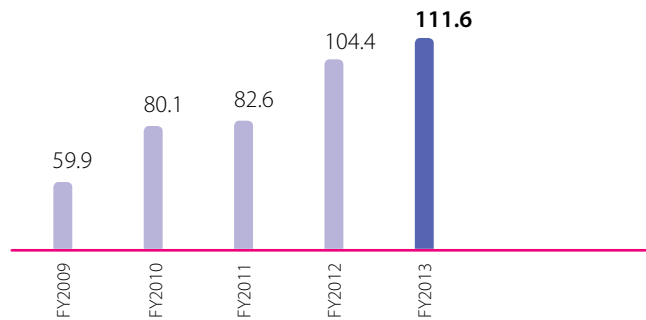
+7.3%



FY2013 gross revenue grew 7.3% to \$158.0 million on higher contributions from Causeway Point and Northpoint from better rental rates achieved for new and renewed leases signed during the year.

## NET PROPERTY INCOME (\$ million)

+6.9%



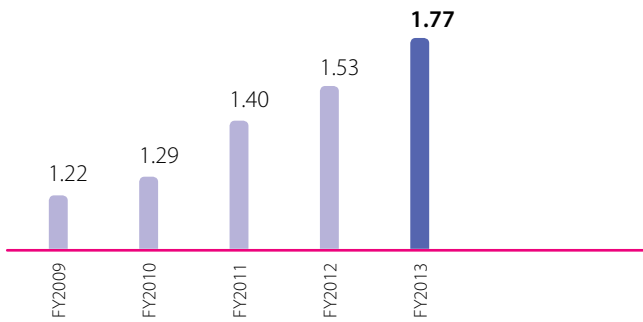
The increase of \$7.2 million in net property income year-on-year was contributed by Causeway Point and Northpoint, and was partially offset by lower contributions from Anchorpoint and Bedok Point.

## 5-YEAR FINANCIAL HIGHLIGHTS

	FY2009	FY2010	FY2011	FY2012	FY2013
<b>Selected Income Statement and Distribution Data</b>					
Gross Rent (\$'000)	74,608	100,349	103,644	131,280	140,329
Other Revenue (\$'000)	12,016	14,389	14,240	15,923	17,630
<b>Gross Revenue (\$'000)</b>	<b>86,624</b>	<b>114,738</b>	<b>117,884</b>	<b>147,203</b>	<b>157,959</b>
<b>Net Property Income (\$'000)</b>	<b>59,861</b>	<b>80,050</b>	<b>82,618</b>	<b>104,430</b>	<b>111,590</b>
<b>Distributable Income (\$'000)</b>	<b>46,940</b>	<b>59,177</b>	<b>64,375</b>	<b>82,348</b>	<b>90,131</b>
<b>Selected Balance Sheet Data</b>					
Total Assets (\$ million)	1,165.5	1,516.2	1,786.8	1,917.1	2,134.5
Total Borrowings (\$ million)	349.0	460.0	559.0	577.0	589.0
Net Assets (\$ million)	763.8	989.3	1,151.9	1,263.0	1,462.4
Value of Portfolio Properties (\$ million)	1,100.0	1,439.0	1,697.0	1,816.0	2,019.5
<b>Key Financial Indicators</b>					
Distribution per Unit (cents)	7.51	8.20	8.32	10.01	10.93
Net Asset Value per Unit (\$)	1.22	1.29	1.40	1.53	1.77
Ratio of Total Borrowing to Total Assets (Gearing)	29.9%	30.3%	31.3%	30.1%	27.6%
Interest Coverage (times)	6.12	4.43	4.62	5.56	6.15

**NET ASSET VALUE PER UNIT (\$)**

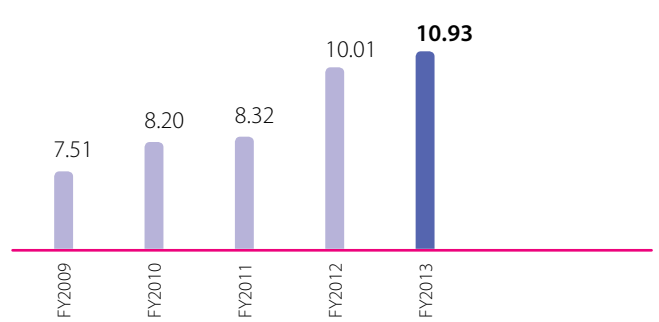
**+15.7%**



The net asset value per unit grew 15.7% to \$1.77 as FCT portfolio recorded net surplus of \$195.7 million on property revaluation on 30 September 2013.

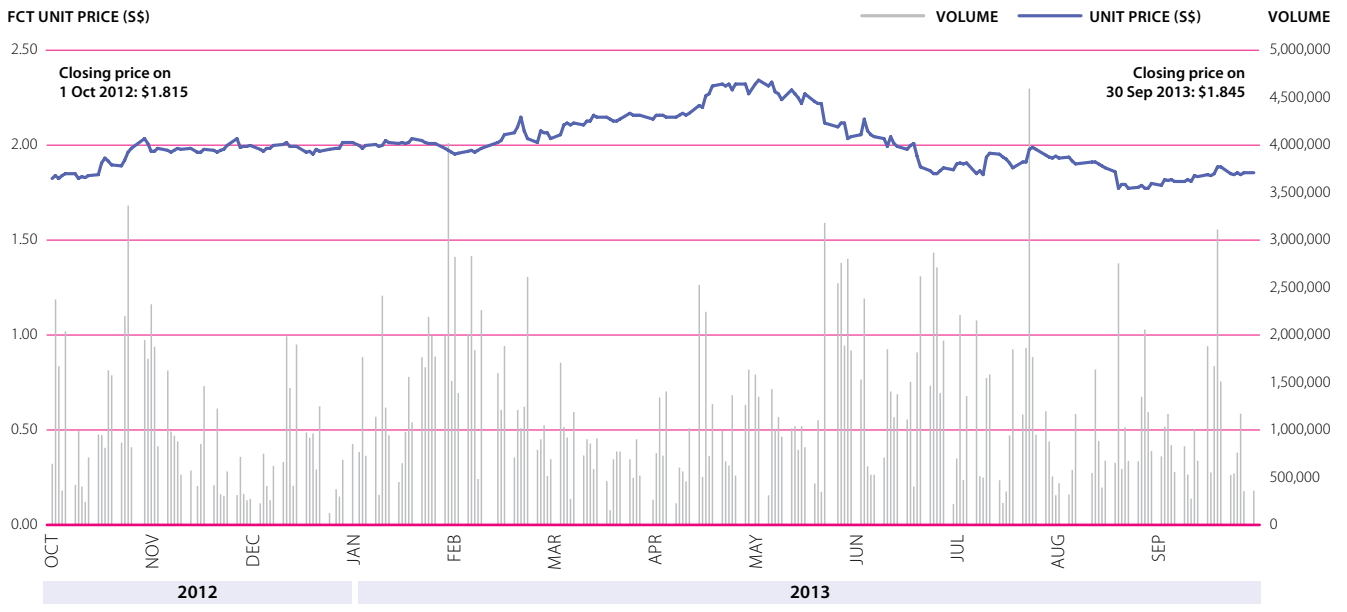
**DISTRIBUTION PER UNIT (¢)**

**+9.2%**



The FY2013 distribution per unit ("DPU") of 10.93 cents is a new-high and it represents the seventh year of consecutive DPU growth since FCT's listing.

**FCT UNIT PRICE PERFORMANCE (1 OCTOBER 2012 - 30 SEPTEMBER 2013)**



**UNIT PRICE STATISTICS FOR FY2013 (1 OCTOBER 2012 - 30 SEPTEMBER 2013)**

Period Open : \$1.815 on 1 October 2012  
 Period Close : \$1.845 on 30 September 2013

Period High : \$2.320 on 3 May 2013  
 Period Low : \$1.765 on 29 August 2013

# LETTER TO UNITHOLDERS



**MR PHILIP ENG**  
Chairman

// FCT turned in another strong performance in FY2013 with full year distribution per unit of 10.93 cents, an increase of 9.2% over the previous year. //



**DR CHEW TUAN CHIONG**  
Chief Executive Officer



## DEAR UNITHOLDERS,

We are pleased to present Frasers Centrepoint Trust ("FCT" or the "Trust")'s Annual Report 2013 for the financial year ended 30 September 2013 ("FY2013").

### CONSISTENT AND WELL-BALANCED GROWTH

FCT turned in another strong performance in FY2013 with full year distribution per unit ("DPU") of 10.93 cents, an increase of 9.2% over the previous year. Gross revenue was \$158.0 million and net property income was \$111.6 million; both were approximately 7% higher than the previous year. FCT also recorded its seventh consecutive year of DPU increase. The compounded annual growth rate through the seven years was 8.9%. This reaffirms our strategy to achieve steady and well-balanced growth through a multi-pronged approach of asset acquisitions, asset enhancement initiatives ("AEI") and organic growth from existing assets.

### CAUSEWAY POINT AND NORTHPOINT LED THE GROWTH

The performance drivers for the year were Causeway Point and Northpoint. Revenue from Causeway Point grew 13% with improved rental rates from new and renewed leases as well as higher occupancy following the completion of its AEI. The average rental reversion at Causeway Point for FY2013 was 7.6%. Northpoint also achieved higher rental rates for its new and renewed leases, which helped grow its revenue by 5%. The average rental reversion for Northpoint for FY2013 was 8.9%. Performance at YewTee Point and Anchorpoint remained stable with positive rental reversions of 11% and 10%, respectively, while Bedok Point saw a slight decline of 2% in revenue due to weaker rentals during year.

### SOLID FINANCIAL POSITION

The financial position of the Trust remained solid with gearing level at 27.6%. Total assets as at 30 September 2013 increased 11% to \$2.13 billion. The increase was mainly attributed to the recognition of \$195.7 million from net surplus on revaluation of FCT's properties. All five properties in FCT's portfolio recorded higher valuations compared to a year ago. Correspondingly, the net asset value per unit of FCT increased 16% to \$1.77, from \$1.53 a year ago.

Average cost of borrowing stood at 2.73% and the weighted average debt maturity was 2.85 years. Our risk exposure to rising interest rates in the near-term remains low, given that 94% of our borrowings are on fixed rates, or have been swapped to fixed rates. We will continue to explore borrowing options that help to stretch our debt maturity profile as we refinance maturing loans. We have also increased the size of FCT's Medium Term Note programme from S\$500 million to S\$1 billion to enhance our financial flexibility. These initiatives will position FCT well to support its growth plans and capital needs.

### STEPPING UP INITIATIVES THAT HELP INCREASE OUR TENANTS' SALES

We are cognizant of the various challenges posed by rising operating expenses in property taxes, utilities and maintenance expenses. Amidst continuing efforts to maintain cost efficiency in our operations, we are stepping up various initiatives in the coming year, particularly in our advertising & promotional programs, to grow shopper traffic and to help our tenants increase their sales.

### FOCUS ON UPCOMING LEASE RENEWALS

Lease renewals will be a key area for FCT in the next two years. Leases accounting for 32% of FCT's total gross rental income ("GRI") are due for renewal in FY2014 and leases accounting for 39% of the GRI in FY2015. Causeway Point and Northpoint, in particular, account for substantial proportion of these lease expiries. These two malls are the best performing malls in FCT's portfolio and they enjoy robust leasing demand. We are confident that these two malls will be able to achieve healthy rental reversions.

### GROWTH THROUGH ASSET ACQUISITIONS

One of the growth catalysts for FCT is the pipeline assets from the Sponsor, Frasers Centrepoint Limited. These are assets in the Sponsor's portfolio which can potentially be acquired by FCT in the future. These include existing malls such as Changi City Point and green field developments in the Sponsor's portfolio. In addition to pipeline assets, FCT is also seeking other asset acquisition opportunities in Singapore and overseas.

### ACCOLADES

FCT won two awards during the year in recognition of its efforts in investor relations. It garnered the "Grand prix for best overall investor relations - mid/small cap" at the IR Magazine Awards South East Asia 2012 and the Best Investor Relations Award (Bronze) in the REITS & Business Trust Category at the Singapore Corporate Awards 2013. We appreciate the support from all our investors, analysts, media and the investment community and will continue to improve on our efforts in investor relations.

### LOOKING FORWARD

The Government expects Singapore's economy to grow between 3.5% and 4% in 2013. The projected growth in 2014 is between 2% and 4%. The rise in median household income and sustained low unemployment rate, among other factors, are expected to underpin the growth and stability of the retail sector. In particular, we expect the suburban retail sector to further benefit from the population increase in the suburban residential estates, especially in Woodlands and Yishun where FCT has strong presence.

Moving forward, we will continue to pursue our fundamental strategy of growth through both organic and acquisitive means, which have enabled us to hit new highs every year.

### ACKNOWLEDGEMENTS

We wish to express our gratitude to our Board of Directors for their wise counsel and dedication. We also like to thank our Unitholders, business partners, colleagues, tenants and shoppers for their continued support for FCT.

Thank you.



MR PHILIP ENG  
Chairman



DR CHEW TUAN CHIONG  
Chief Executive Officer





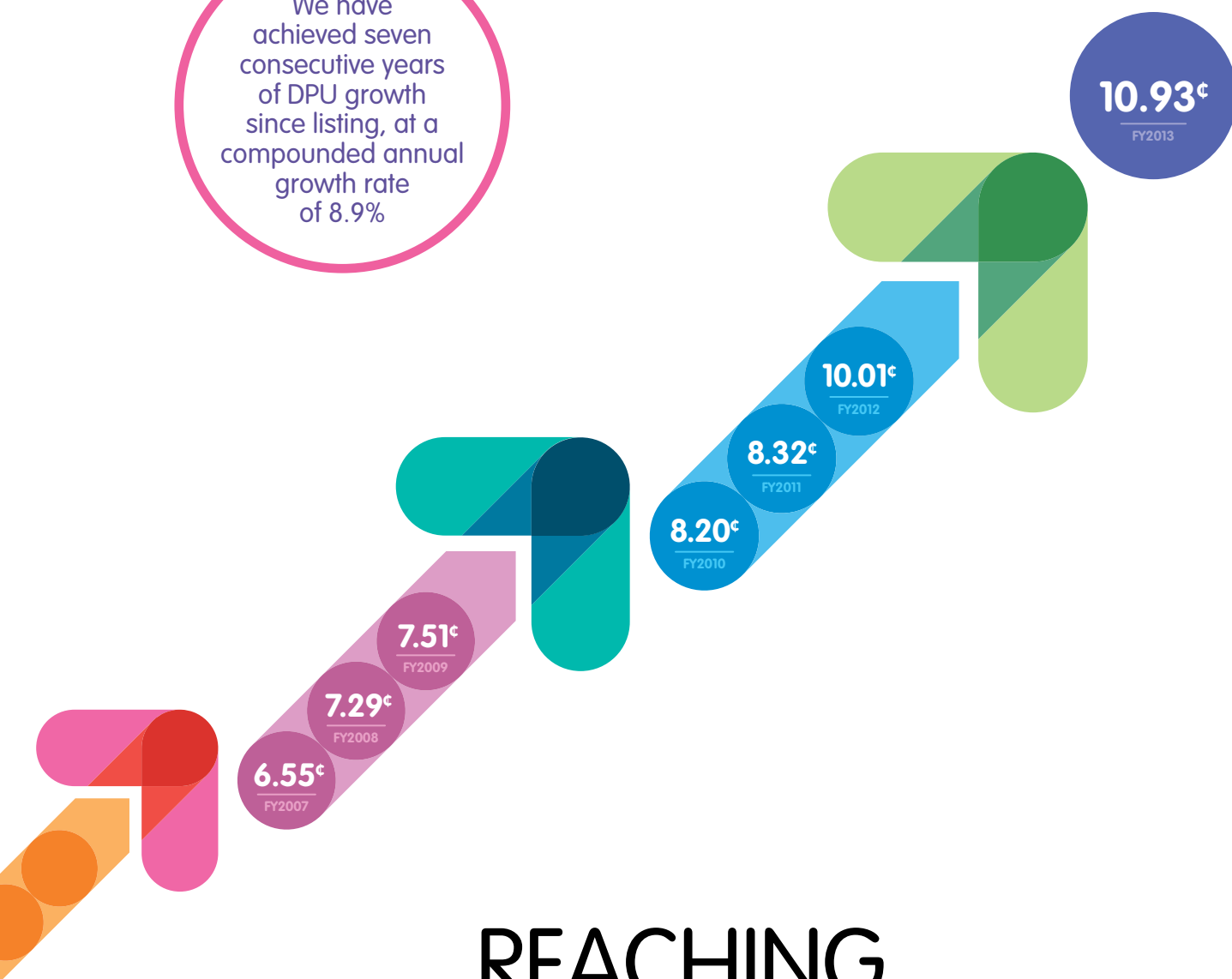


# A MULTI-POINT GROWTH STRATEGY

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Our strategy is to achieve steady and well-balanced growth through a multi-pronged approach of asset acquisitions, asset enhancement initiatives and organic growth from existing assets.

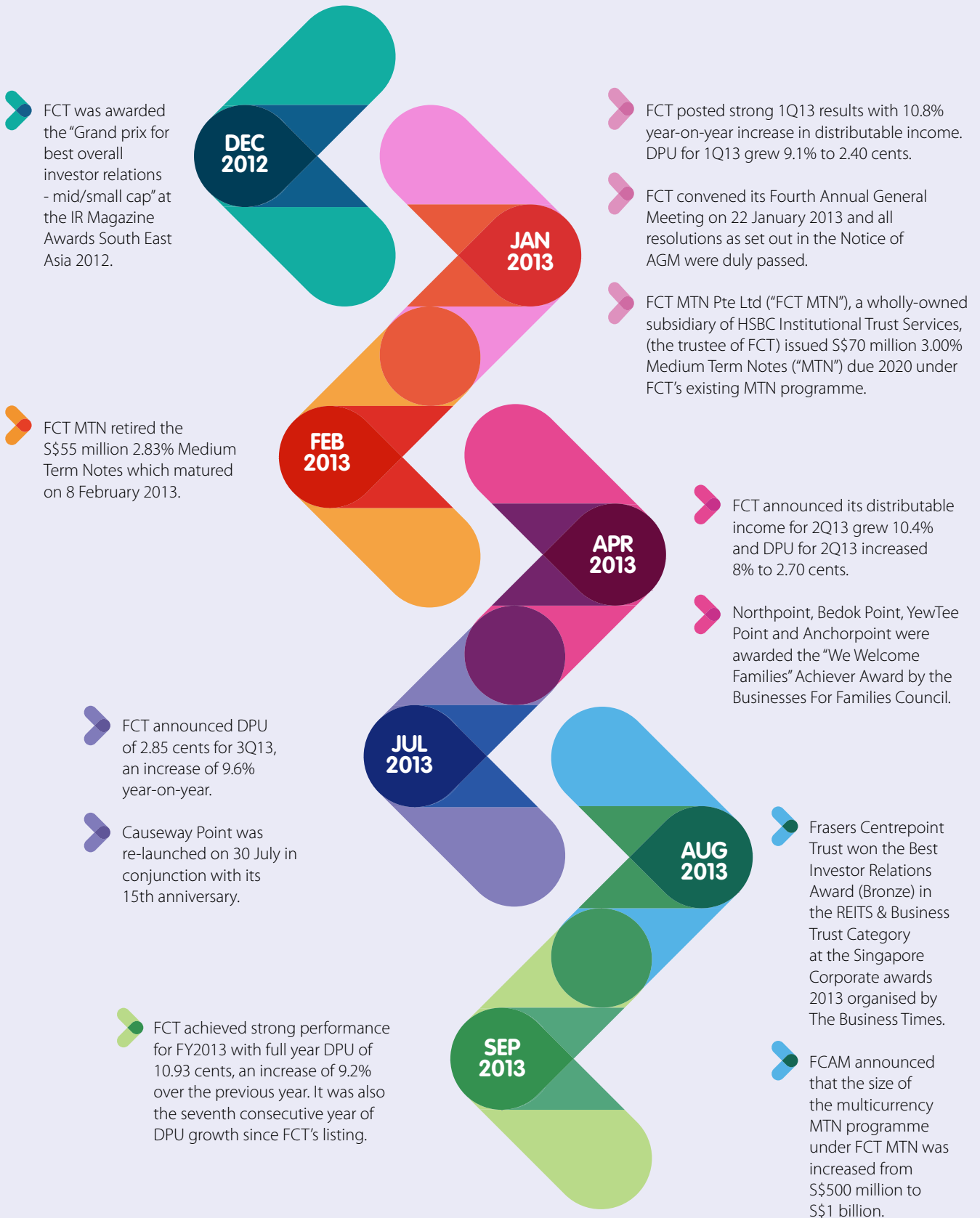
We have achieved seven consecutive years of DPU growth since listing, at a compounded annual growth rate of 8.9%



# REACHING NEW POINTS

We will continue to pursue our fundamental strategy of growth through both organic and acquisitive means, which have enabled us to hit new highs every year.

# YEAR IN BRIEF



# INVESTOR RELATIONS

## OPEN AND TRANSPARENT COMMUNICATIONS

Frasers Centrepoint Asset Management Ltd ("**FCAM**"), as Manager of Frasers Centrepoint Trust ("**FCT**"), is committed to maintaining open and transparent communications with its unitholders and the investment community. FCAM provides factual and timely disclosure on all material information concerning FCT. General information on FCT including annual reports, portfolio information and investor presentations are updated regularly on FCT's website. All news releases and company announcements are also available on the SGX-ST website.

## ACTIVE ENGAGEMENT WITH INVESTORS

Senior management of FCAM meets regularly with FCT's investors and analysts at conferences (both overseas and local), one-on-one meetings, post-results luncheons and road shows to apprise them of FCT's corporate developments and financial performance. FCT has participated in several conferences hosted by major financial institutions in the year under review and they include the UBS Global Real Estate CEO/CFO Conference (in London); the Bank of America Merrill Lynch ASEAN Star Conference; the Citi Asia Pacific Property Conference (in Hong Kong); the DBS Pulse of Asia Conference; and the UBS ASEAN Conference 2013.

FCAM met or spoke with 273 investors from 160 firms in FY2013, compared to 282 investors from 159 firms in FY2012. The investors generally view FCT favourably because of its established track record in distribution growth, stability, good growth prospects, attractive total return, good corporate governance and transparent management.

As at 30 September 2013, 51.7% of the total FCT issued units were held by institutional investors, 41.0% were held by the Sponsor group (comprising Frasers Centrepoint Limited and FCAM) and 7.3% were held by retail investors.

## COVERAGE BY EQUITY RESEARCH HOUSES

As at 30 October 2013, there were 15 equity research firms\* (FY2012: 17) which provide equity research coverage on FCT. The research firms were (in alphabetical order):

- |                                  |                                     |
|----------------------------------|-------------------------------------|
| 1. Bank of America-Merrill Lynch | 9. HSBC                             |
| 2. CLSA                          | 10. J.P. Morgan                     |
| 3. Credit Suisse                 | 11. OCBC Investment Research        |
| 4. CIMB Research                 | 12. Religare Institutional Research |
| 5. Citi Investment Research      | 13. Standard Chartered Bank         |
| 6. Daiwa Capital Markets         | 14. UBS                             |
| 7. DBS Vickers Securities        | 15. UOB Kay Hian Research           |
| 8. DMG & Partners Securities     |                                     |

\* The research coverage by RHB Research Institute Sdn Bhd was consolidated with DMG & Partners Securities in 2012. Maybank Kim Eng Research voluntarily stopped its coverage on FCT in 2012.

### ACCOLADES

- Frasers Centrepoint Trust was awarded the "Grand prix for best overall investor relations - mid/small cap" at the IR Magazine Awards South East Asia 2012.
- Frasers Centrepoint Trust won the Best Investor Relations Award (Bronze) in the REITS & Business Trust Category at the Singapore Corporate awards 2013 organised by The Business Times.



from left to right:

**Ms. Yeo Lian Sim**

Chief Regulatory & Risk Officer of  
Singapore Exchange Ltd

**Dr Chew Tuan Chiong**

CEO, Frasers Centrepoint  
Asset Management Ltd

**Mr Alvin Tay**

Editor of The Business Times

CEO Dr Chew (centre) receiving the award for the Best Investor Relations Award (Bronze) in the REITS & Business Trust Category at the Singapore Corporate awards 2013 organised by The Business Times.

### FY2014 FINANCIAL CALENDAR<sup>^</sup>

21 January 2014	– Annual General Meeting
21 January 2014	– 1Q FY2014 Results Announcement
End February 2014	– 1Q FY2014 Distribution Payment
22 April 2014	– 2Q FY2014 Results Announcement
End May 2014	– 2Q FY2014 Distribution Payment
22 July 2014	– 3Q FY2014 Results Announcement
End August 2014	– 3Q FY2014 Distribution Payment
21 October 2014	– 4Q FY2014 Results Announcement
End November 2014	– 4Q FY2014 Distribution Payment

### ENQUIRIES

For general enquiries on FCT,  
please contact:  
Mr Chen Fung Leng  
Head, Investor Relations & Research  
Frasers Centrepoint Asset Management Ltd  
Tel: (65) 6277-2657  
Email: [ir@fraserscentrepointtrust.com](mailto:ir@fraserscentrepointtrust.com)

### UNIT REGISTRAR

Boardroom Corporate &  
Advisory Services Pte Ltd  
Phone: (65) 6536-5355  
Fax: (65) 6536-1360  
Website: [www.boardroomlimited.com](http://www.boardroomlimited.com)

<sup>^</sup> Note: Dates are indicative and are subject to change.

# BOARD OF DIRECTORS

## MR PHILIP ENG HENG NEE

AGE 67

Independent Non-Executive  
Chairman



Date of appointment as Director : 3 April 2006

Length of service as Director : 7 years 6 months  
(as at 30 September 2013)

### Board committee served on:

- Nil

### Academic & Professional Qualifications:

- Bachelor of Commerce in Accountancy, University of New South Wales
- Associate Member, Institute of Chartered Accountants in Australia

### Present Directorships (as at 30 September 2013)

#### Listed companies

- Ezra Holdings Limited
- Fraser & Neave, Limited
- mDR Limited (Non-Executive Chairman)
- PT Adira Dinamika Multi Finance, Tbk (Commissioner)
- The Hour Glass Limited

#### Others

- Chinese Development Assistance Council
- Hektar Asset Management Sdn Bhd
- Heliconia Capital Management Private Limited
- KK Women's and Children's Hospital Pte Ltd
- NTUC Income Insurance Cooperative Limited
- OpenNet Private Limited
- Singapore Health Services Pte Ltd

### Major appointments (other than Directorships)

- Singapore's Non-Resident High Commissioner to Canada

### Past Directorships in listed companies held over the preceding 3 years (from 1 October 2010 to 30 September 2013)

- Asia Pacific Breweries Limited
- Hup Soon Global Corporation Limited
- MCL Land Limited

#### Others

- Mr Philip Eng spent 23 years with the Jardine Cycle & Carriage Group before retiring in February 2005 as Group Managing Director.

## DR CHEW TUAN CHIONG

AGE 55

CEO and Executive Director



Date of appointment as Director : 14 July 2010

Length of service as Director : 3 years 2 months  
(as at 30 September 2013)

### Board committee served on:

- Nil

### Academic & Professional Qualifications:

- Bachelor of Engineering (First Class Honours), Monash University
- Master of Engineering, National University of Singapore
- Doctor of Philosophy, University of Cambridge
- Chartered Engineer, The Engineering Council UK
- Fellow, The Institution of Engineers Singapore
- Fellow, Academy of Engineering Singapore

### Present Directorships (as at 30 September 2013)

#### Listed companies

- Nil

#### Others

- CityNet Infrastructure Management Pte Ltd
- Frasers Property Australia Pty Ltd
- Hektar Asset Management Sdn Bhd
- Vacaron Company Sdn Bhd

### Major appointments (other than Directorships)

- Chief Executive Officer, Frasers Centrepoint Asset Management Ltd

### Past Directorships in listed companies held over the preceding 3 years (from 1 October 2010 to 30 September 2013)

- Nil

#### Others

- Previously Chief Executive Officer of the Science Centre Singapore (1995 – 2010)
- Public Administration Medal (Silver) (Singapore)
- Sugden Award by the Combustion Institute (UK)
- IPS Cadi Scientific Medal by the Institute of Physics Singapore
- President's Award by Asia Pacific Association of Science & Technology Centres



**MR CHIA KHONG SHOONG**

AGE 42

Non-Executive Director



**Date of appointment as Director** : 1 September 2009

**Length of service as Director (as at 30 September 2013)** : 4 years 1 month

**Board committee served on:**

- Nil

**Academic & Professional Qualifications:**

- Bachelor of Commerce (Accounting and Finance) (First Class Honours), University of Western Australia
- Master of Philosophy (Management Studies), Cambridge University

**Present Directorships (as at 30 September 2013)****Listed companies**

- Nil

**Others**

- Frasers Centrepoint Asset Management (Commercial) Limited

**Major appointments (other than Directorships)**

- Chief Financial Officer, Frasers Centrepoint Limited
- Chief Executive Officer – Australia, New Zealand and United Kingdom, Frasers Centrepoint Limited

**Past Directorships in listed companies held over the preceding 3 years (from 1 October 2010 to 30 September 2013)**

- Gemdale Properties and Investment Corporation Limited (formerly known as Frasers Property (China) Limited)

**Others**

- Mr Chia was previously an investment banker and has worked with Schroders, Salomon Smith Barney / Citigroup Global Markets and HSBC in London, New York, Kuala Lumpur and Singapore.

**MR CHRISTOPHER TANG KOK KAI**

AGE 52

Non-Executive Director



**Date of appointment as Director** : 27 January 2006

**Length of service as Director (as at 30 September 2013)** : 7 years 8 months

**Board committee served on:**

- Nil

**Academic & Professional Qualifications:**

- Bachelor of Science, National University of Singapore
- Master of Business Administration, National University of Singapore

**Present Directorships (as at 30 September 2013)****Listed companies**

- Nil

**Others**

- Frasers Centrepoint Asset Management (Commercial) Limited
- Hektar Asset Management Sdn Bhd
- Republic Polytechnic (Member of the Board of Governors)

**Major appointments (other than Directorships)**

- Chief Executive Officer, Frasers Centrepoint Commercial, Frasers Centrepoint Limited
- Chief Executive Officer, Greater China, Frasers Centrepoint Limited

**Past Directorships in listed companies held over the preceding 3 years (from 1 October 2010 to 30 September 2013)**

- Gemdale Properties and Investment Corporation Limited (formerly known as Frasers Property (China) Limited)

**Others**

- Mr Tang was the Chief Executive Officer of Frasers Centrepoint Asset Management Ltd., the Manager of Frasers Centrepoint Trust, from July 2006 to Feb 2010. He had previously worked with DBS Bank, DBS Land and British Petroleum

# BOARD OF DIRECTORS

## MR LIM EE SENG

AGE 62

Non-Executive Director



Date of appointment as Director : 27 January 2006

Length of service as Director : 7 years 8 months (as at 30 September 2013)

### Board committees served on:

- Former Chairman of the Board from 1 July 2008 to 23 April 2009

### Academic & Professional Qualifications:

- Bachelor of Engineering (Civil Engineering), University of Singapore
- Master of Science (Project Management), National University of Singapore
- Fellow, Singapore Institute of Directors
- Member, The Institution of Engineers Singapore

### Present Directorships (as at 30 September 2013)

#### Listed companies

- Nil

#### Others

- Frasers Centrepoint Asset Management (Commercial) Limited

### Major appointments (other than Directorships)

- Group Chief Executive Officer, Frasers Centrepoint Limited
- 2nd Vice-President, Real Estate Development Association of Singapore

### Past Directorships in listed companies held over the preceding 3 years (from 1 October 2010 to 30 September 2013)

- Gemdale Properties and Investment Corporation Limited (formerly known as Frasers Property (China) Limited)

#### Others

- Awarded Public Service Medal, Singapore
- Former Board member of the Building and Construction Authority of Singapore (2005 to 2009)
- Former Council member of the Singapore Chinese Chamber of Commerce and Industry (2000 to 2004)
- Previously Managing Director of MCL Land Limited (1996 to 2004)
- Previously General Manager of the property division of First Capital Corporation Limited

## MR ANTHONY CHEONG FOOK SENG

AGE 59

Non-Executive Director



Date of appointment as Director : 27 February 2006

Length of service as Director : 7 years 8 months (as at 30 September 2013)

### Board committee served on:

- Audit Committee (Member)

### Academic & Professional Qualifications:

- Member, Institute of Chartered Accountants in England & Wales
- Member, Institute of Singapore Chartered Accountants

### Present Directorships (as at 30 September 2013)

#### Listed companies

- Fraser & Neave Holdings Bhd

#### Others

- Fraser and Neave Group and Frasers Centrepoint Group companies

### Major appointments (other than Directorships)

- Group Company Secretary of the Fraser and Neave Group

### Past Directorships in listed companies held over the preceding 3 years (from 1 October 2010 to 30 September 2013)

- Gemdale Properties and Investment Corporation Limited (formerly known as Frasers Property (China) Limited)

#### Others

- Nil

**MR BOBBY CHIN YOKE CHOONG**

AGE 62

Independent Non-Executive Director



**Date of appointment as Director : 3 April 2006**

**Length of service as Director : 7 years 6 months (as at 30 September 2013)**

**Board committee served on:**

- Audit Committee (Chairman)

**Academic & Professional Qualifications:**

- Bachelor of Accountancy, University of Singapore
- Fellow Chartered Accountant of Singapore of the Institute of Singapore Chartered Accountants
- Associate member, Institute of Chartered Accountants in England and Wales

**Present Directorships (as at 30 September 2013)****Listed companies**

- AV Jennings Limited
- Ho Bee Land Limited
- Oversea-Chinese Banking Corporation Limited
- Sembcorp Industries Limited
- Singapore Telecommunications Limited
- Yeo Hiap Seng Limited

**Others**

- NTUC Enterprise Co-operative Limited (Deputy Chairman)
- NTUC Fairprice Co-operative Limited
- Singapore Labour Foundation
- Singapore Power Limited

**Major appointments (other than Directorships)**

- Council of Presidential Advisers (Member)

**Past Directorships in listed companies held over the preceding 3 years (from 1 October 2010 to 30 September 2013)**

- Neptune Orient Lines Limited

**Others**

- Former Managing Partner of KPMG Singapore
- Former Board member of Urban Redevelopment Authority (URA) from 1997 to 2006, and its Chairman from 2001 to 2006
- Former Chairman of Singapore Totalisator Board from 2006 to 2012

**MR SOH KIM SOON**

AGE 67

Independent Non-Executive Director



**Date of appointment as Director : 23 March 2006**

**Length of service as Director : 7 years 6 months (as at 30 September 2013)**

**Board committee served on:**

- Audit Committee (Member)

**Academic & Professional Qualifications:**

- Bachelor of Arts (Honours), University of Singapore
- Associate, Chartered Institute of Bankers

**Present Directorships (as at 30 September 2013)****Listed companies**

- EnGro Corporation Limited

**Others**

- ORIX Investment and Management Private Limited
- ORIX Leasing Singapore Limited

**Major appointments (other than Directorships)**

- Chairman of ORIX Investment and Management Private Limited

**Past Directorships in listed companies held over the preceding 3 years (from 1 October 2010 to 30 September 2013)**

- Nil

**Others**

- Previously Senior Managing Director of DBS Bank

# TRUST MANAGEMENT TEAM



from left to right:  
**Mr Alex Chia**  
**Ms Tay Hwee Pio**  
**Mr Chen Fung Leng**  
**Dr Chew Tuan Chiong**  
**Ms Lim Poh Tin**

### **DR CHEW TUAN CHIONG**

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#### **Chief Executive Officer & Executive Director**

Please refer to Dr Chew's biography in the section on 'Board of Directors'

### **MR ALEX CHIA**

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#### **Head, Investment**

Alex leads the investment team that is responsible for the expansion of FCT's asset portfolio with the objective of ensuring optimum investment returns.

Alex has over 8 years of business development experience in serviced residence industry covering the Pan Asia market. He also has more than 5 years of retail experience in areas of operations and project planning.

Alex holds a Bachelor Degree in Business Administration from National University of Singapore and an MBA from University of Hull, United Kingdom.

### **MS LIM POH TIN**

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#### **General Manager and Head, Asset Management**

Poh Tin's responsibilities include formulating business and asset enhancement plans in relation to FCT's properties with short, medium and long-term objectives. This involves working together with the Property Manager to ensure that the property business plans are executed diligently.

Poh Tin has more than 25 years of experience in real estate asset and property management. She holds Diplomas in Building Maintenance and Management from Ngee Ann Technical College and Management Studies from Singapore Institute of Management. She obtained her Bachelor of Science (Honours) degree in Real Estate Management from Oxford Brookes University.

### **MS TAY HWEE PIO**

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#### **Financial Controller**

Hwee Pio is responsible for the financial, taxation, treasury and compliance functions of Frasers Centrepoint Trust. She has over 20 years of financial experience in the real estate industry. Prior to joining FCT, Hwee Pio was based in Shanghai for 10 years, of which she was the financial controller for Frasers Centrepoint Limited's business operations in China since year 2006. Before joining Frasers Centrepoint Limited, Hwee Pio held financial positions at Keppel Land, Guocoland and KPMG.

Hwee Pio is a Singapore Chartered Accountant (CA) with the Institute of Singapore Chartered Accountants and she is a Fellow with the Association of Chartered Certified Accountants.

### **MR CHEN FUNG LENG**

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#### **Head, Investor Relations and Research**

Fung Leng is responsible for FCT's investor relations function, he covers investor targeting, media and unitholder communication, as well as to provide market intelligence and research support to management. Fung Leng holds a Master of Science degree in Industrial and Systems Engineering and a Bachelor's degree in Mechanical Engineering (Honours), both degrees from the National University of Singapore.



# PROPERTY MANAGEMENT TEAM



from left to right:  
**Mr Edmund tan**  
**Mr Chia Shee Liang**  
**Ms Jill Ng**  
**Ms See San San**

## MR CHIA SHEE LIANG

### General Manager

Shee Liang, who has more than 20 years of experience in the real estate sector, leads the Property Management team in managing the portfolio of retail properties at Frasers Centrepoint Commercial, Frasers Centrepoint Limited (FCL). Shee Liang spent 17 years working overseas in China, Hong Kong, Taipei and Indonesia, specialising in retail management and consultancies. Prior to joining FCL, Shee Liang was head of Property Management with Savills, Singapore. He has extensive hands on experience in leading and coordinating shopping centres and mixed development that comprises retail, residential, hotel and office, from conceptual planning stage to pre and post operational stages of the development process. The sizes of projects ranged from 50,000 to 200,000 square metres. Shee Liang obtained his B.Sc (Estate Management) from National University of Singapore.

## MS SEE SAN SAN

### Head, Leasing

San San heads the leasing function across ten malls in the Frasers Centrepoint Limited Group and she has 26 years of work experience. Prior to this, San San was Assistant General Manager of Marina Centre Holdings (MCH) where she was responsible for marketing/leasing the shopping mall, leisure-plex and office block at Marina Square, Singapore's third largest shopping mall. Prior to joining MCH, San San gained extensive marketing and management experience in the retail, industrial and residential sector working for Jones Lang Wootton, Colliers Jardine, and Colliers Goh & Tan. San San holds a Bachelor Degree in Estate Management from the National University of Singapore and a graduate diploma in marketing from the Marketing Institute of Singapore.

## MS JILL NG

### Head, Advertising & Promotions

Jill has 14 years of experience in sales and marketing in the field of information technology, event management and mall management. Prior to joining Frasers Centrepoint Limited, she was part of the development marketing team for a greenfield retail mall. She also led Marketing Communications at Singapore's largest suburban mall where she spearheaded branding, loyalty, service excellence and promotions. Jill has a Degree in Business Administration from Macquarie University and a Diploma in Hospitality Management from Temasek Polytechnic.

## MR EDMUND TAN

### Head, Retail Design Management

Edmund leads the retail designs function, responsible for the review and approval of shop front designs and layouts across 10 Frasers Centrepoint malls. He develops and implements retail design guidelines to maintain standards and quality in tenancy designs. He is also involved in asset enhancement initiatives, design and feasibility studies to continuously improve the standards of both interior and tenancy designs in the malls.

Prior to joining Frasers Centrepoint Limited, Edmund has 11 years of working experience in design conceptualisation, space planning and project management in retail, corporate office and hospitality sectors in Singapore and in overseas. He holds a Diploma in Interior Design from the LaSalle-SIA, College of the Arts.

# COMMUNITY ENGAGEMENT



Children enjoying themselves at the play area at Causeway Point.

Dr Teo Ho Pin (Left), Mayor of North West District, receiving the \$30,000 cheque for the 'North West Silver Care Fund @ Causeway Point', from Mr Philip Eng (Right), Chairman of Frasers Centrepoint Asset Management.



## MAKING OUR MALLS FAMILY-FRIENDLY DESTINATIONS

We strive to establish our malls as family-friendly destinations that support a wide variety of communal events and services that cater to families and the community. We frequently organize or support the hosting of communal events at our malls that promote healthy communal interaction and family bonding. Our mall management also works closely with local community organizations and government agencies to facilitate the organization of social events such as children's art and craft activities, charity drives, community exhibitions as well as initiatives to promote family-friendly practices.

Many of our malls are equipped with pro-family and elderly-friendly amenities, such as children's play area, nursing rooms, wheelchair ramps and family parking spaces. These amenities help to make the shopping experience at our malls more enjoyable for all. Four of our malls were awarded the "We Welcome Families" Achiever Award by Businesses for Families Council, which recognises commendable family-friendly practices at business establishments.

## CONTRIBUTING BACK TO THE COMMUNITY

In conjunction with the 15th anniversary and re-launch of Causeway Point in July 2013, we launched the 'North West Silver Care Fund @ Causeway Point' with an initial sum of S\$30,000. This fund aims to support the programmes administered by the North West CDC to promote active and healthy living of our silver community in the North West District.

In conjunction with the launch of the fund, Causeway Point also lined up several programmes such as the 'Walk & Shop Reward Card Game' and a Shoppers give-back Programme. All proceeds from these programmes went into supporting the 'North West Silver Care Fund @ Causeway Point'.

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We launched the North West Silver Care fund @ Causeway Point to support active and healthy living of our silver community in the North West district.





# OPERATIONS & FINANCIAL REVIEW



- 23 Operations & Financial Review
- 29 Capital Resources
- 31 Risk Management
- 32 Market Overview





# OPERATIONS & FINANCIAL REVIEW

## OPERATIONS REVIEW

### LEASE RENEWALS IN FY2013

During the year under review, a total of 170 leases, which accounted for 146,864 square feet or 16.7% of FCT's total net lettable area ("NLA"), were renewed with 7.7% average rental reversion. Rental reversion refers to the difference in average rental rate between the renewed leases and the preceding expired leases which were typically contracted 3 years ago. All malls, with the exception of Bedok Point, recorded positive rental reversions of between 7.6% and 10.9% for the year.

The average occupancy cost<sup>1</sup> for the portfolio stood at 16% for the 11-month period between October 2012 and August 2013. This is relatively unchanged from the same period in the previous year.

#### SUMMARY OF LEASE RENEWALS FROM 1 OCTOBER 2012 TO 30 SEPTEMBER 2013

Property	Number of lease renewals	Aggregate NLA of renewed leases (sq ft)	Renewed NLA as percentage of property's NLA	Average rental reversion Increase/(Decrease)
Causeway Point	39	33,929	8.1%	7.6%
Northpoint	59	58,504	24.8%	8.9%
Bedok Point	16	5,817	7.1%	(14.5)%
YewTee Point	35	28,856	39.2%	10.9%
Anchorpoint	21	19,758	27.6%	9.7%
<b>FCT Portfolio</b>	<b>170</b>	<b>146,864</b>	<b>16.7%</b>	<b>7.7%</b>

### LEASE EXPIRY PROFILE

The lease expiry profiles for FCT portfolio and for the respective malls from FY2014 to FY2018 are presented in the tables below. Our leases have average lease duration of 3 years. Some key or anchor tenants are offered longer tenure. The lease expiry profile is relatively well-staggered with leases accounting for 32.1% and 39.0% of FCT's Gross Rental Income ("GRI") due for renewals in FY2014 and FY2015, respectively.

The aggregate NLA of the leases in FCT portfolio which are due for renewal in FY2014 is 264,053 square feet. Causeway Point and Northpoint, the two largest malls in FCT portfolio, account for 189,426 square feet or 72% of the total NLA due for renewals in FY2014.

As at 30 September 2013, the weighted average lease expiry of FCT portfolio stood at 1.56 years by NLA, and 1.49 years by GRI.

#### LEASE EXPIRY PROFILES OF FCT PORTFOLIO AND BY PROPERTY AS AT 30 SEPTEMBER 2013

FCT Portfolio	FY2014	FY2015	FY2016	FY2017	FY2018
Number of Leases expiring	219	232	130	19	2
NLA of expiring leases as % of the portfolio's NLA	30.5%	37.4%	22.8%	4.5%	4.8%
Total NLA of expiring leases (square feet)	264,053	323,718	197,132	38,697	41,646
GRI of expiring leases as % of the portfolio's GRI	32.1%	39.0%	22.5%	4.8%	1.6%
Causeway Point	FY2014	FY2015	FY2016	FY2017	FY2018
NLA of expiring leases as % of the mall's NLA	81	78	54	7	2
Expiries as % mall's total NLA	36.6%	25.3%	26.0%	2.0%	10.0%
Total NLA of expiring leases (square feet)	151,685	104,904	107,790	8,427	41,646
GRI of expiring leases as % of the mall's GRI	39.0%	32.0%	23.3%	2.2%	3.4%

<sup>1</sup> Occupancy cost is defined as a ratio of the rental payable (inclusive of base rent, service charge, advertising & promotional charge and gross turnover rent) to tenants' sales.

# OPERATIONS & FINANCIAL REVIEW

Northpoint	FY2014	FY2015	FY2016	FY2017	FY2018
NLA of expiring leases as % of the mall's NLA	43	81	45	6	-
Expiries as % mall's total NLA	16.1%	57.8%	20.8%	5.3%	0.0%
Total NLA of expiring leases (square feet)	37,741	135,503	48,717	12,452	-
GRI of expiring leases as % of the mall's GRI	17.9%	50.2%	25.0%	6.9%	0.0%

Bedok Point	FY2014	FY2015	FY2016	FY2017	FY2018
NLA of expiring leases as % of the mall's NLA	48	14	6	1	-
Expiries as % mall's total NLA	56.0%	28.1%	14.1%	1.8%	0.0%
Total NLA of expiring leases (square feet)	44,092	22,153	11,063	1,424	-
GRI of expiring leases as % of the mall's GRI	60.7%	25.3%	11.3%	2.7%	0.0%

YewTee Point	FY2014	FY2015	FY2016	FY2017	FY2018
NLA of expiring leases as % of the mall's NLA	20	41	8	4	-
Expiries as % mall's total NLA	13.9%	55.5%	13.4%	17.1%	0.0%
Total NLA of expiring leases (square feet)	9,504	37,912	9,159	11,690	-
GRI of expiring leases as % of the mall's GRI	15.8%	56.7%	13.6%	13.9%	0.0%

Anchorpoint	FY2014	FY2015	FY2016	FY2017	FY2018
NLA of expiring leases as % of the mall's NLA	27	18	17	1	-
Expiries as % mall's total NLA	30.3%	33.5%	29.4%	6.8%	0.0%
Total NLA of expiring leases (square feet)	21,031	23,246	20,403	4,704	-
GRI of expiring leases as % of the mall's GRI	37.2%	28.4%	29.9%	4.5%	0.0%

## LEASES WITH GROSS TURNOVER RENT AND STEP-UP CLAUSES

Nearly all our leases include step-up clause which stipulates annual increase to the base rent during the lease term. In addition, 94% of the occupied leases include Gross Turnover rent<sup>1</sup> ("GTO") clause. The aggregate GTO as a percentage of FCT's gross revenue was approximately 5% for the year under review, this is unchanged from FY2012.

### PERCENTAGE OF OCCUPIED LEASES WITH GTO AND STEP-UP CLAUSES

	FY2013	FY2012	Change
With GTO clause	94.0%	94.0%	No change
With step-up clause	99.2%	98.7%	0.5%-point

## MALL OCCUPANCY

Average portfolio occupancy as at 30 September 2013 stood at 98.4%, which was 4.8%-point higher than a year ago. The better occupancy was attributed to the 11.8%-point improvement in occupancy at Causeway Point after the full completion of the refurbishment works at the mall. Occupancy at Northpoint remained healthy in the year under review while occupancy of the smaller malls saw higher volatility due to fitting-out period of new tenants and vacancies.

### OCCUPANCY BY PROPERTY

Property	As at 30 September 2013	As at 30 September 2012	Increase/(Decrease)
Causeway Point	99.5%	87.7%	11.8%-point
Northpoint	99.3%	99.7%	(0.4)%-point
Bedok Point	96.7%	98.7%	(2.0)%-point
YewTee Point	92.7%	96.3%	(3.6)%-point
Anchorpoint	96.9%	99.3%	(2.4)%-point
<b>Total FCT portfolio</b>	<b>98.4%</b>	<b>93.6%</b>	<b>4.8%-point</b>

<sup>1</sup> Gross Turnover rent: Rent which is a percentage of the tenant's sales.

## SHOPPER TRAFFIC

The total shopper traffic in FY2013 was 87.5 million, or an average of 7.3 million per month. This is 3.1% higher than the same period last year. Causeway Point recorded 13% year-on-year improvement in shopper traffic to 23.4 million, after the full completion of the refurbishment works in December 2012. Northpoint remained the most-visited mall in FCT's portfolio with total shopper traffic of 41.7 million, or nearly 3.5 million per month. The shopper traffic at YewTee Point and Anchorpoint remained relatively stable but Bedok Point saw a 17.5% decline in shopper traffic during the year.

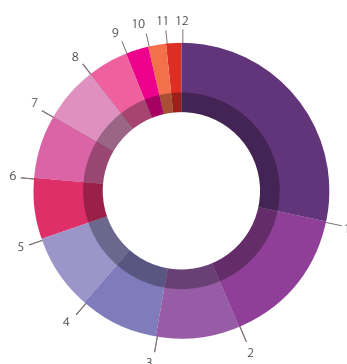
### SHOPPER TRAFFIC BY PROPERTY (million)

Property	FY2013	FY2012	Increase/(Decrease)
Causeway Point	23.4	20.7	13.0%
Northpoint	41.7	40.8	2.2%
Bedok Point	6.6	8.0	(17.5)%
YewTee Point	11.8	11.5	2.6%
Anchorpoint	4.0	3.9	2.6%
<b>Total FCT portfolio</b>	<b>87.5</b>	<b>84.9</b>	<b>3.1%</b>

## TRADE SECTOR ANALYSIS

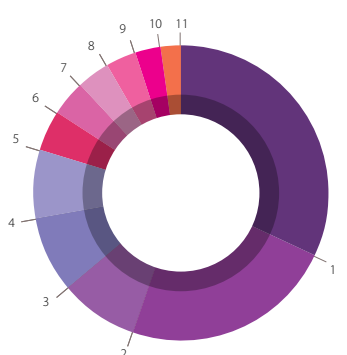
FCT's diversified portfolio comprises 11 major trade sectors of which Food & Restaurants and Fashion were the dominant trade sectors. Food & Restaurants accounted for 28.4% of FCT's total NLA as at 30 September 2013, compared to 25.6% a year ago. This was mainly due to the opening of new restaurants and food court at Causeway Point in January 2013 after the completion of the mall's refurbishment. Correspondingly, the GRI contribution from Food & Restaurants has also increased to 32.2% of FCT's total GRI as at 30 September 2013, from 31.0% a year ago. Fashion trade accounted for 23.3% of FCT's GRI as at 30 September 2013, a slight decrease compared to 24.6% a year ago. The percentage contributions in terms of NLA and GRI of other trade sectors have also remained relatively stable compared to a year ago.

### AS % OF FCT'S NET LETTABLE AREA



TRADE CLASSIFICATIONS	%
1 Food & Restaurants	28.4%
2 Fashion	15.3%
3 Services/Education	9.1%
4 Household	8.8%
5 Supermarket	8.2%
6 Department Store	6.8%
7 Leisure/Entertainment	6.8%
8 Beauty, Hair, Cosmetics, Personal Care	6.2%
9 Books, Music, Art & Craft, Hobbies	4.5%
10 Healthcare	2.5%
11 Sports Apparels & Equipment	1.8%
12 Vacant	1.6%
<b>TOTAL</b>	<b>100.0%</b>

### AS % OF FCT'S GROSS RENTAL INCOME



TRADE CLASSIFICATIONS	%
1 Food & Restaurants	32.2%
2 Fashion	23.3%
3 Services/Education	8.6%
4 Beauty, Hair, Cosmetics, Personal Care	8.2%
5 Household	7.6%
6 Supermarket	4.3%
7 Healthcare	4.0%
8 Books, Music, Art & Craft, Hobbies	3.7%
9 Department Store	3.2%
10 Leisure/Entertainment	2.7%
11 Sports Apparels & Equipment	2.2%
<b>TOTAL</b>	<b>100.0%</b>

# OPERATIONS & FINANCIAL REVIEW

## TOP 10 TENANTS BY GROSS RENTAL INCOME (GRI)

The top ten largest tenants in FCT's portfolio collectively accounted for 22.1% of the total GRI as at 30 September 2013 (30 September 2012: 22.6%). Our largest tenant, Cold Storage Singapore (1983) Pte Ltd, the operator of Cold Storage supermarkets, the Guardian Pharmacy and 7-Eleven stores in FCT malls, accounted for 4.7% of the portfolio GRI in FY2013.

### TOP 10 TENANTS BY GROSS RENTAL INCOME AS AT 30 SEPTEMBER 2013

Tenant	Trade Sector	GRI %
Cold Storage Singapore (1983) Pte Ltd <sup>1</sup>	Supermarket	4.7%
Metro (Private) Limited <sup>2</sup>	Departmental Store	3.2%
Courts (Singapore) Limited	Household	3.0%
Copitiam Pte Ltd <sup>3</sup>	Food & Restaurants	2.0%
Food Republic Pte Ltd	Food & Restaurants	1.9%
NTUC Fairprice Co-operative Ltd <sup>4</sup>	Supermarket	1.6%
Watson's Personal Care Stores Pte Ltd	Beauty, Hair, Cosmetics, Personal Care	1.5%
Aspial Corporation Ltd <sup>5</sup>	Fashion	1.5%
McDonald's Restaurants Pte Ltd	Food & Restaurants	1.4%
G2000 Apparel (S) Pte Ltd	Fashion	1.3%
<b>TOTAL (Top 10)</b>		<b>22.1%</b>

<sup>1</sup> Includes the leases for Cold Storage supermarkets, Guardian Pharmacy and 7-Eleven stores

<sup>2</sup> Includes the leases for Metro departmental store and Clinique Service Centre

<sup>3</sup> Operator of the Kopitiam food courts

<sup>4</sup> Includes leases for NTUC Fairprice and NTUC Healthcare (Unity)

<sup>5</sup> Include leases for Lee Hwa Jewellery, CITIGEMS, Goldheart Jewellery and Maxi-Cash

## COMPLETION OF THE ASSET ENHANCEMENT INITIATIVE (AEI) AT CAUSEWAY POINT

The AEI at Causeway Point was fully completed in December 2012 on schedule. This was the third mall enhancement project for FCT, after the AEI at Anchorpoint in 2007 and at Northpoint in 2009. The commencement of the AEI at Causeway Point was announced in July 2010 and it was implemented in phases over a 30-month period.

The AEI at Causeway Point delivered return of investment ("ROI") of 17%, higher than the projected ROI of 13%. The average rent of the mall increased 32% from \$10.20 per square foot per month before the AEI to \$13.52 per square foot per month after post-AEI, as the mall enjoyed higher rental rates for new and renewed leases. Net property income increased 29% from \$42.2 million before the AEI to \$54.5 million (FY2013). The AEI had also delivered cumulative increase of \$276 million in valuation between FY2010 and FY2013. The valuation of Causeway Point was \$1,006 million as at 30 September 2013, compared to \$730 million as at 30 September 2010.

Causeway Point was awarded the Platinum GreenMark rating by the Building and Construction Authority for its efforts to improve energy efficiency and to reduce its carbon footprint.

## FINANCIAL REVIEW

### PERFORMANCE COMPARISON BETWEEN FY2013 AND FY2012

FY2013 gross revenue grew 7.3% to \$158.0 million on higher contributions from Causeway Point and Northpoint, due to better rental rates achieved for new and renewed leases during the year.

Property expenses for the year under review was \$46.4 million, an increase of \$3.6 million or 8.4% compared with the same period last year. The increase in property expenses was mainly due to higher property tax, other property expenses and property manager's fee arising from the improvement in revenue and net property income ("NPI"). FY2013 NPI was \$111.6 million, which was \$7.2 million or 6.9% higher compared with the same period last year.

The total distribution to unitholders for FY2013 was \$90.1 million, an increase of 9.5% compared to FY2012. Distribution per unit for FY2013 grew 9.2% year-on-year to a new-high of 10.93 cents.

**FINANCIAL HIGHLIGHTS (\$'000)**

Financial year ended 30 September	FY2013	FY2012	Increase/(Decrease)
Gross rent	140,329	131,280	6.9%
Other revenue	17,630	15,923	10.7%
<b>Gross revenue</b>	<b>157,959</b>	<b>147,203</b>	<b>7.3%</b>
Property expenses	(46,369)	(42,773)	8.4%
<b>Net property income</b>	<b>111,590</b>	<b>104,430</b>	<b>6.9%</b>

**DISTRIBUTION STATEMENTS (\$'000)**

Financial year ended 30 September	FY2013	FY2012	Increase/(Decrease)
<b>Net Income</b>	<b>80,916</b>	<b>74,040</b>	<b>9.3%</b>
Net tax adjustments	4,772	4,435	7.6%
Distribution from Associate	4,443	3,873	14.7%
<b>Income available for distribution</b>	<b>90,131</b>	<b>82,348</b>	<b>9.5%</b>
<b>Distribution to unitholders</b>	<b>90,131</b>	<b>82,348</b>	<b>9.5%</b>

**DISTRIBUTION PER UNIT (cents)**

Financial year ended 30 September	FY2013	FY2012	Increase / (Decrease)
First quarter (1 Oct – 31 Dec)	2.40	2.20	9.1%
Second quarter (1 Jan – 31 Mar)	2.70	2.50	8.0%
Third quarter (1 Apr – 30 Jun)	2.85	2.60	9.6%
Fourth quarter (1 Jul – 30 Sep)	2.98	2.71	10.0%
<b>Full Year (1 Oct – 30 Sep)</b>	<b>10.93</b>	<b>10.01</b>	<b>9.2%</b>

**TOTAL ASSETS AND NET ASSET VALUE PER UNIT**

As at 30 September 2013, the total assets of FCT stood at \$2.13 billion, an increase of 10.9% from \$1.92 billion a year ago. This resulted from the recognition of \$195.7 million of net surplus on revaluation of FCT's properties. All five properties recorded higher values in the valuations conducted by independent valuers on 30 September 2013. FCT's net assets as at 30 September 2013 stood at \$1.46 billion, an increase of \$199.3 million compared to a year ago. Correspondingly, the net asset value ("NAV") per unit of FCT increased 15.7% to \$1.77 from \$1.53 a year ago.

**NET ASSET VALUE PER UNIT**

As at	30 Sep 2013	30 Sep 2012	Increase/(Decrease)
NAV per unit	\$1.77 <sup>a</sup>	\$1.53 <sup>b</sup>	15.7%

<sup>a</sup> computed based on 824,704,435 Units

<sup>b</sup> computed based on 823,522,544 Units

**APPRAISED VALUE OF PROPERTIES\***

Property	Valuation @ 30.09.2013 (\$ million)	Book value @ 30.09.2013 (\$ million)	Revaluation Surplus (\$ million)	Capitalisation Rate <sup>1</sup>	
				2013	2012
Causeway Point	1,006.0	898.7	107.3	5.35%	5.50%
Northpoint	638.0	570.0	68.0	5.25%	5.50%
Bedok Point	128.5	128.0	0.5	5.50%	5.75%
YewTee Point	161.0	147.0	14.0	5.60%	5.75%
Anchorpoint	86.0	81.0	5.0	5.45%	5.60%
<b>Total</b>	<b>2,019.5</b>	<b>1,824.7</b>	<b>194.7</b>		
Adjustments <sup>2</sup>			1.0		
<b>Net Revaluation surplus</b>			<b>195.7</b>		

\* The properties were valued by one of Knight Frank Pte Ltd, Colliers International Consultancy & Valuation (Singapore) Pte Ltd or Jones Lang LaSalle Property Consultants Pte Ltd, at \$2.02 billion on 30 Sep 2013. Valuation methods used include: capitalisation approach, discounted cash flows method and direct comparison approach in determining the fair values of the properties. Annual valuations are required by the Code on Collective Investment Schemes.

<sup>1</sup> Capitalisation rates as adopted by the independent valuers to derive the market values of each property.

<sup>2</sup> FRS adjustments relating to amortisation of rental incentives.

# OPERATIONS & FINANCIAL REVIEW

## FINANCIAL PERFORMANCE REVIEW BY PROPERTY

### GROSS REVENUE BY PROPERTY (\$'000)

Properties	FY2013	FY2012	Increase/(Decrease)
Causeway Point	75,128	66,507	13.0%
Northpoint	48,804	46,669	4.6%
Bedok Point	12,242	12,464	(1.8%)
YewTee Point	13,156	13,124	0.2%
Anchorpoint	8,629	8,439	2.3%
<b>Total FCT</b>	<b>157,959</b>	<b>147,203</b>	<b>7.3%</b>

Causeway Point registered 13% growth in revenue for FY2013, the highest among the five malls. The growth was driven by higher mall occupancy after the completion of the refurbishment of the mall and higher rental rates achieved for both new and renewed leases signed during the year. As Causeway Point accounted for nearly half of FCT's total revenue, it was the main contributor to the 7.3% revenue growth of the portfolio. Northpoint recorded a revenue growth of 4.6%, mainly from improved rental rates from new and renewed leases signed during the year. Revenue performance for YewTee Point and Anchorpoint was comparable to FY2012. Bedok Point achieved lower revenue in FY2013 due to lower average rental rates achieved for lease renewals signed during the year.

### PROPERTY EXPENSES BY PROPERTY (\$'000)

Properties	FY2013	FY2012	Increase/(Decrease)
Causeway Point	20,595	17,923	14.9%
Northpoint	13,461	13,307	1.2%
Bedok Point	4,877	4,419	10.4%
YewTee Point	3,485	3,496	(0.3%)
Anchorpoint	3,951	3,628	8.9%
<b>Total FCT</b>	<b>46,369</b>	<b>42,773</b>	<b>8.4%</b>

The property expenses of Causeway Point increased \$2.7 million or 15% year-on-year. It was also the main contributor to the \$3.6 million or 8.4% increase in the overall portfolio's property expenses for the year under review. The sharp increase in the property expenses of Causeway Point was mainly attributed to higher property tax, which included one-time tax payments backdated to FY2010 to FY2012, following the most recent assessment by the Inland Revenue Authority of Singapore. Bedok Point saw a 10% increase in property expenses and this was due to higher property tax and maintenance expenses. For Anchorpoint, the increase of 9% in property expenses was attributed increase in repair and maintenance expenses as well as higher salary and marketing expenses.

### NET PROPERTY INCOME BY PROPERTY (\$'000)

Properties	FY2013	FY2012	Increase/(Decrease)
Causeway Point	54,533	48,584	12.2%
Northpoint	35,343	33,362	5.9%
Bedok Point	7,365	8,045	(8.5%)
YewTee Point	9,671	9,628	0.4%
Anchorpoint	4,678	4,811	(2.8%)
<b>Total FCT</b>	<b>111,590</b>	<b>104,430</b>	<b>6.9%</b>

Both Causeway Point and Northpoint registered healthy NPI growth of 12% and 6%, respectively, in FY2013. The NPI performance for Bedok Point, YewTee Point and Anchorpoint was mixed. Bedok Point recorded a decline of 8.5% in NPI due to a combination of lower gross revenue and higher expenses in FY2013, compared to the same period a year ago.

# CAPITAL RESOURCES

## OVERVIEW

Fraser's Centrepont Asset Management ("**FCAM**"), as Manager of Fraser's Centrepont Trust ("**FCT**"), continues to maintain a prudent financial structure and adequate financial flexibility to ensure that it has access to capital resources at competitive cost. FCAM proactively manages FCT's cash flows, financial position, debt maturity profile, cost of funds, interest rates exposure and overall liquidity position. FCAM monitors and maintains a level of cash and cash equivalents deemed adequate by management to meet its operational needs. It also maintains an amount of available banking facilities deemed sufficient by management with several reputable banks to ensure FCT has access to diversified sources of bank borrowings.

## SOURCES OF FUNDING

FCT relies on the debt capital and syndicated loans markets, equity market and bilateral bank facilities for its funding needs. FCAM maintains active relationship with several reputable banks which are located in Singapore. The principal bankers of FCT are DBS Bank Ltd, Oversea-Chinese Banking Corporation and Standard Chartered Bank.

As at 30 September 2013, FCT has a total capacity of \$1,364 million from its sources of funding, of which \$589 million or 43.2% has been utilised. The following table summarises the capacity and the amount utilised for each of the sources of funding:

Sources of Funding	Type	Capacity	Utilised	%Utilised
Revolving credit facility	Unsecured	\$30 million	Nil	0.0%
Medium Term Note Programme <sup>^</sup>	Unsecured	\$1,000 million	\$255 million	25.5%
Bank borrowings	Secured	\$334 million	\$334 million	100.0%
<b>Total</b>		<b>\$1,364 million</b>	<b>\$589 million</b>	<b>43.2%</b>

<sup>^</sup> On 14 August 2013, FCT increased the maximum aggregate principal amount of notes under its multicurrency Medium Term Note Programme from S\$500 million to S\$1 billion.

## CREDIT RATINGS

FCT has corporate credit ratings from Standard & Poor's Rating Services ("**S&P**") and Moody's Investors Service ("**Moody's**"). S&P has given FCT a corporate rating of "BBB+" with a stable outlook and Moody's has given FCT a corporate credit rating of "Baa1" with a stable outlook. In addition, S&P has also given a "BBB+" credit rating for FCT's multicurrency Medium Term Notes Programme ("**MTN Programme**").

## DEBT PROFILE

The Manager, on 21 January 2013, issued S\$70 million 3.00% Medium Term Notes ("**Notes**") due 2020 under FCT's existing MTN programme. Part of the proceeds from this issue was utilised to retire the S\$55 million 2.83% Notes which matured on 8 February 2013, while the remaining of the proceeds was utilised to finance the investments of FCT, asset enhancement works initiated by FCT and general working capital purposes of FCT.

FCT's total gross borrowings stood at S\$589 million at 30 September 2013, of which \$60 million of borrowing (about 10% of total borrowing) will mature in the next 12 months. The total borrowings comprised \$334 million in secured bank borrowings and \$255 million in unsecured Notes.

FCT's gearing stood at 27.6% as at 30 September 2013. The interest cover for the year ended September 2013 was 6.15 times.

The weighted average debt maturity was 2.85 years as at 30 September 2013.

# CAPITAL RESOURCES

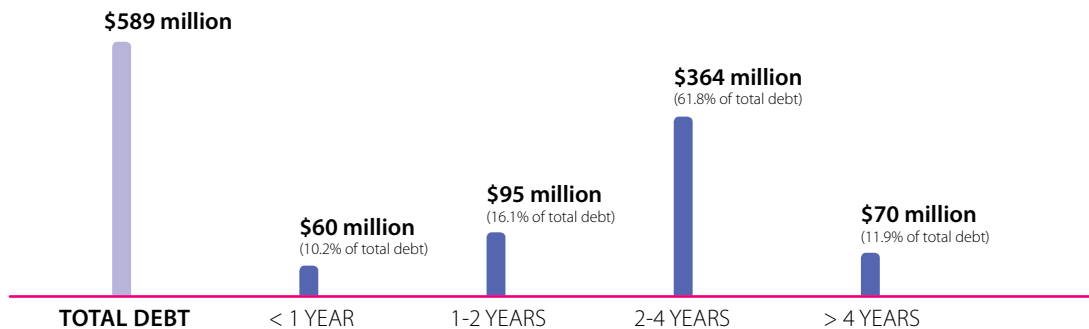
## HIGHLIGHTS

Financial year ended 30 September	2013	2012
Total Borrowings	\$589 million	\$577 million
Gearing <sup>1</sup>	27.6%	30.1%
Interest Cover	6.15 times	5.56 times
Average Cost of Borrowing	2.73%	2.71%

<sup>1</sup> Calculated as the ratio of total outstanding borrowings to the total assets as at the stated balance sheet date.

## DEBT MATURITY PROFILE (as at 30 September 2013)

Timeframe	Amount Due (\$ million)	As % of total borrowings
< 1 year	60.0	10.2%
1-2 years	95.0	16.1%
2-4 years	364.0	61.8%
> 4 years	70.0	11.9%
<b>Total Borrowings</b>	<b>589.0</b>	<b>100.0%</b>





# RISK MANAGEMENT

Effective risk management is a fundamental part of FCT's business strategy. Key risks, mitigating measures and management actions are continually identified, reviewed and monitored by management as part of FCAM's enterprise-wide risk management ("ERM") framework. Recognising and managing risks are central to the business and to protecting unitholders' interests.

## RISK MANAGEMENT FRAMEWORK

ERM reporting is facilitated through a web-based Corporate Risk Scorecard system which enables the reporting of risks and risk status using a common platform in a consistent and cohesive manner.

Risks are reported and monitored at the operational level using a Risk Scorecard which captures risks, mitigating measures, timeline for action items and risk ratings. Where applicable, Key Risk Indicators ("KRIs") are established to monitor risks. For risks that are material, the mitigating measures and KRIs are presented in the form of a Key Risk Dashboard and reviewed by the Management and Audit Committee on a regular basis.

Risk tolerance statements setting out the nature and extent of significant risks which FCAM is willing to take in achieving its strategic objectives have been formalised and adopted.

## RISK UPDATE

Formal risk reviews take place half yearly and the scorecard is updated regularly. On a half yearly basis, ERM validations are held where the Management of FCAM provides assurance to the Audit Committee, that key risks have been identified and the mitigating measures are adequate, and the system of risk management is adequate and effective to address risks in certain key areas which are considered relevant and material to the operations.

FCAM also seeks to benchmark its ERM programme against industry best practices and standards. In assessing areas for improvement and how the ERM processes and practices can be strengthened, reference was made to the best practices in risk management set out in the Risk Governance Guidance for Listed Boards issued by the Corporate Governance Council in May 2012.

As every staff has a role to play in risk management, ERM and business continuity plans ("BCPs") awareness briefings are conducted for new staff. Refresher sessions are also held to update staff on relevant developments in the area of ERM and BCPs, where required.

## KEY RISKS IN FINANCIAL YEAR 2012/2013

### Operational Risks

FCAM has established and strictly adheres to a set of standard operating procedures designed to identify monitor, report and manage the operational risks associated with the day-to-day management and maintenance of FCT malls. These procedures and guidelines are regularly reviewed and benchmarked against industry best practices to ensure relevance and effectiveness. Insurances are also in place to mitigate losses resulting from unforeseen events. BCPs are regularly tested for their effectiveness.

### Human Capital Risk

FCAM has in place a career planning and development system and conducts regular remuneration and benefits benchmarking to attract and retain appropriate talent for the business.

### Liquidity Risks

In managing FCT, FCAM adheres closely to the covenants in the loan agreements and property fund guidelines in the Code of Collective Investment Schemes issued by the Monetary Authority of Singapore.

In addition, there is close monitoring by FCAM of FCT's cash flow position and requirements so as to ensure sufficient liquidity reserves to finance its operations and meet any short-term obligations.

### Investment Risks

As FCT grows its investment portfolio via the acquisition of new properties and other forms of permitted investments, all investment opportunities are subject to a disciplined and rigorous appraisal process. All investment proposals are evaluated based on a comprehensive set of investment criteria including alignment with FCT's investment mandate, asset quality, expected returns, sustainability of asset performance and future growth potential, and having due regard to market conditions and outlook.

### Interest Rate Risk

Interest rate risk is managed by FCAM on an on-going basis with the primary objective of limiting the extent to which net interest expense could be affected by adverse movements in interest rates. For a major portion of FCT's outstanding borrowings, FCAM adopts a policy of hedging the floating-rate loans to fixed-rates through interest rate swaps.

### Credit Risk

FCAM has established credit limits for tenants and monitors their debt levels on an ongoing basis. Credit evaluations are performed before lease agreements are entered into with tenants. Credit risk is also mitigated by collecting rental deposits from the tenants. Cash and fixed deposits are placed with regulated financial institutions.

### Compliance Risk

FCT is subject to relevant laws and regulations including the Listing Manual of the Singapore Exchange Securities Trading Limited, the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore and the tax rulings issued by the Inland Revenue Authority of Singapore with regard to the taxation of FCT and its Unitholders. Any changes to these regulations may affect FCT's operations and results.

FCAM has in place policies and procedures to facilitate compliance with applicable laws and regulations. Management keeps abreast of latest developments in relevant laws and regulations through training and attending talks and briefings.

# MARKET OVERVIEW

## OVERVIEW OF THE SUBURBAN RETAIL SECTOR

### SUPPLY AND DEMAND

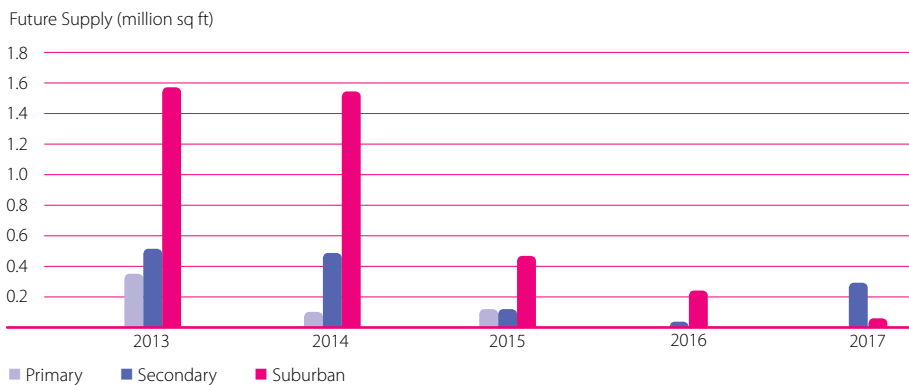
The suburban retail space, which constitutes about 44% of the existing retail stock, will contribute a substantial portion of the retail space supply between 2013 and 2016 (see chart). The expected suburban retail space to be added between 2013 and 2016 is about 3.78 million square feet, more than half of which are attributed to major retail developments such as JEM and Westgate in the Jurong Gateway region. In 2014, about 1.5 million square feet of retail space will be added to the suburban space when new malls including Bedok Mall (262k sq ft), Sports Hub (370k sq ft), Waterway Point (365k sq ft) and OneKM (210k sq ft) open. For 2015, the retail developments due to open include Promenade@Pelikat (58k sq ft) and Alexandra Central (48k sq ft).

The demand in the suburban space is expected to be support by strong leasing activity in the suburban space. JEM has reported near-full occupancy while reported pre-commitment level at Bedok Mall (due to open in December 2013) was more than 95% from both local and international retailers. The strong leasing interest can be attributed to rising household income and increasing population in the suburban regions. These positive factors are expected to support the absorption of the new supply over time.

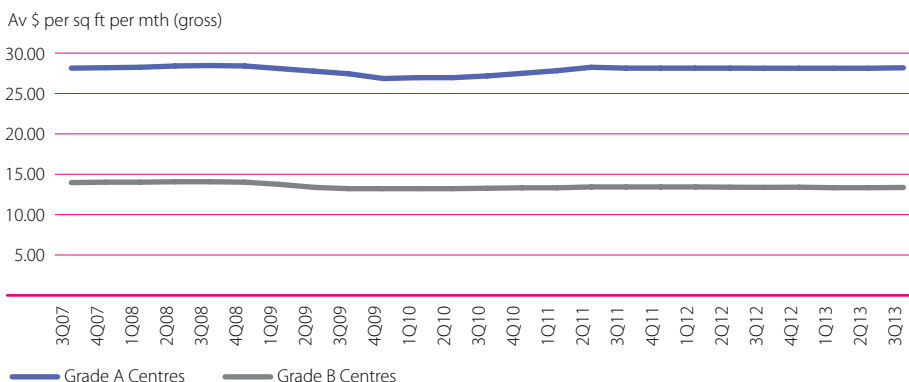
### RETAIL RENTAL

The retail rent of both the grade A and grade B suburban malls have remained stable at about \$28.2 and \$14.4, respectively, on a per square foot per month basis. Despite the significant addition of new retail space in the suburban sector in 2013-2014, rents are expected to remain resilient.

### PROJECTED SUPPLY OF RETAIL SPACE BY LOCATION\*



### RETAIL RENTAL VALUE - SUBURBAN SHOPPING AREA (Prime Level)\*



\* Source: Jones Lang LaSalle Research, August 2013

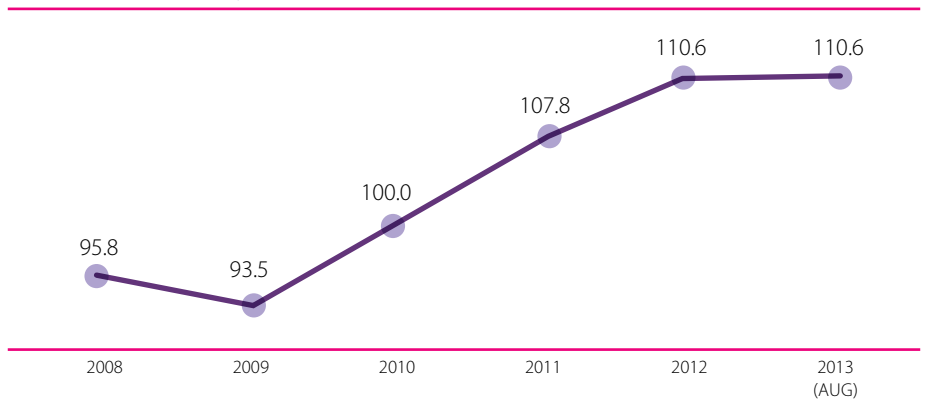
**OUTLOOK**

The Retail Sales Index (excluding motor vehicles) grew steadily between 2009 and 2012. The year-on-year growth of the index has also been positive for most of the first eight months in 2013. In particular, the subsectors including department stores, supermarkets and food & beverages grew at faster pace compared to other trades such as apparels & footwear and furniture & household equipment. This bodes well for the suburban retail malls as the department stores and supermarkets are usually the anchor tenants that draw shopper traffic.

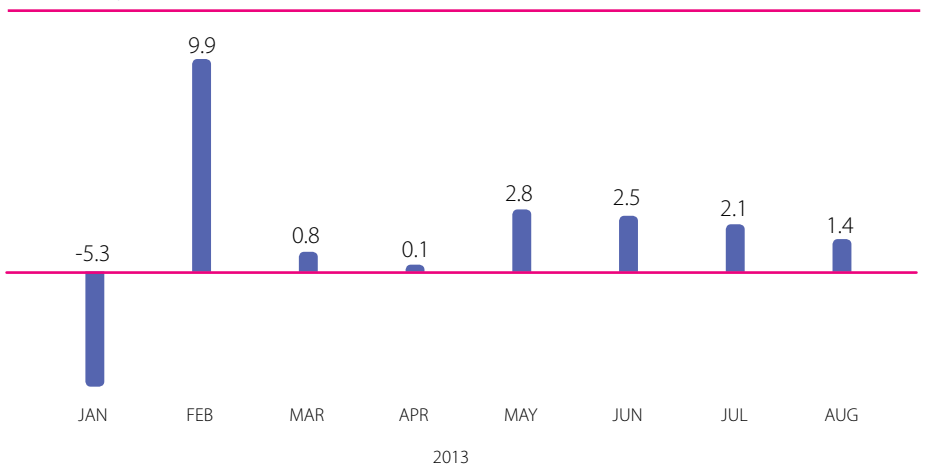
The Government expects Singapore's economy to grow between 3.5% and 4% in 2013, and between 2% and 4% in 2014<sup>^</sup>. The rise in median household income and sustained low unemployment rate, among other factors, are expected to underpin the growth and stability of the retail sector. In particular, the suburban retail sector could further benefit from the population increase in the suburban regions.

<sup>^</sup> Source: Ministry of Trade and Industry, 21 November 2013

**RENTAL SALES INDEX<sup>1</sup>**  
(2010 = 100, at current prices)



**YEAR-ON-YEAR % CHANGE IN RETAIL SALES INDEX (EXCLUDING MOTOR VEHICLES)<sup>1</sup>**  
(at current prices)



<sup>1</sup> Source: Department of Statistics, August 2013









# MALL PROFILES



36	Portfolio Overview
38	Causeway Point
42	Northpoint
45	Bedok Point
48	YewTee Point
51	Anchorpoint
54	Hektar Real Estate Investment Trust



# PORTFOLIO OVERVIEW

	<b>Title</b>	<b>Gross Floor Area<sup>1</sup></b> (Square Feet)	<b>Net Lettable Area (NLA)<sup>1</sup></b> (Square Feet)	<b>Number of Car Park Lots</b>	<b>Location and Connectivity to Public Transport</b>
 <b>CAUSEWAY POINT</b>	99 years leasehold w.e.f. 30 Oct 1995  (81 years remaining as at 30 Sep 2013)	629,159	416,137	843	Woodlands  Woodlands MRT Station and Woodlands Bus Interchange
 <b>NORTHPOINT</b>	99 years leasehold w.e.f. 1 Apr 1990  (76 years remaining as at 30 Sep 2013)	364,593	235,653	236	Yishun  Yishun MRT Station and Yishun Bus Interchange
 <b>BEDOK POINT</b>	99 years leasehold w.e.f. 15 Mar 1978  (64 years remaining as at 30 Sep 2013)	133,597	81,393	76	Bedok  Bedok MRT Station and Bedok Bus Interchange
 <b>YEWTEE POINT</b>	99 years leasehold w.e.f. 3 Jan 2006  (91 years remaining as at 30 Sep 2013)	116,250	73,669	83 <sup>2</sup>	Yew Tee (Choa Chu Kang)  Yew Tee MRT Station and public buses
 <b>ANCHORPOINT</b>	Freehold	101,891	71,610	128 <sup>3</sup>	Queenstown  Public and shuttle buses; nearest MRT: Queenstown MRT Station

<sup>1</sup> As indicated in the valuation reports (dated 30 September 2013) for the respective properties by independent valuers Knight Frank Pte Ltd, Colliers International Consultancy & Valuation (Singapore) Pte Ltd and Jones Lang Lasalle Property Consultants Pte Ltd.

<sup>2</sup> Part of limited common property for the exclusive benefit of Yew Tee Point.

<sup>3</sup> Located at Anchorpoint but are part of a common property of a strata sub-divided mixed-use development, which comprises Anchorpoint and The Anchorage (a condominium), managed by the MCST Title plan No.2304.



Number of Leases	Key Tenants (By NLA)	% of NLA Occupied by Top 10 Tenants	FY2013 Shopper Traffic (million)	Mail Occupancy as at 30 Sep 2013	FY2013 Gross Revenue (S\$'000)	FY2013 Net Property Income (S\$'000)	Valuation as at 30 Sep 2013 (S\$ million)
217	Metro, Courts, Cold Storage, Cathay Cineplexes, Food Republic, Uniqlo	48.6%	23.4	99.5%	75,128	54,533	1,006
176	Kopitiam, Harvey Norman, Cold Storage, Popular Bookstore, National Library	34.1%	41.7	99.3%	48,804	35,343	638.0
69	K-Box Karaoke, Challenger, Sushi Tei, Mind Stretcher, Paradise Inn	38.5%	6.6	96.7%	12,242	7,365	128.5
72	NTUC Fairprice, Koufu, Watsons, Xin Wang, West Co'z Cafe	55.9%	11.8	92.7%	13,156	9,671	161.0
63	Cold Storage, Gyu-Kaku, Koufu, Xin Wang,	54.1%	4.0	96.9%	8,629	4,678	86.0

# CAUSEWAY POINT



## CAUSEWAY POINT

<b>DESCRIPTION</b>	Seven retail levels (including one basement level) and seven car park levels (B2, B3 and 2nd - 6th levels)
<b>ADDRESS</b>	1 Woodlands Square Singapore 738099
<b>NET LETTABLE AREA</b>	416,137 square feet <sup>1</sup>
<b>CAR PARK LOTS</b>	843
<b>TITLE</b>	99 years leasehold w.e.f 30 Oct 1995
<b>YEAR ACQUIRED BY FCT</b>	2006
<b>MARKET VALUATION</b>	S\$1,006 million as at 30 Sep 2013
<b>ANNUAL SHOPPER TRAFFIC</b>	23.4 million (Oct 2012 – Sep 2013)
<b>KEY TENANTS</b>	Metro, Courts, Cold Storage, Cathay Cineplexes, Food Republic, Uniqlo

<sup>1</sup> As indicated in the valuation report for Causeway Point, dated 30 September 2013 by Knight Frank Pte Ltd.

## MALL PROFILE

Causeway Point is the largest mall in Woodlands, one of Singapore's most populous residential estates. It is conveniently located next to the Woodlands regional bus interchange and the Woodlands MRT station, which serves as an interchange station for the existing North-South Line and the new Thomson Line in the future.

With more than 200 retail stores, restaurants and food outlets spread over seven retail levels (including basement level), Causeway Point offers its shoppers a one-stop shopping and dining destination. The mall recorded annual shopper traffic of 23.4 million in FY2013, up from 20.7 million a year ago.

The mall has won the prestigious Platinum Award in the BCA's GreenMark program for its host of environment-friendly features that reduces its energy consumption and carbon footprint.



## CENTRE MANAGEMENT TEAM

from left to right:

**Ms Sharon Wong**  
Centre Executive

**Ms Fyonne Kwek**  
Centre Executive

**Mr Fong Yew Kay**  
Building Manager

**Ms Zana Fang**  
Centre Executive

**Mr Timothy Wong**  
Building Executive

**Ms June Tan**  
Assistant Centre Manager

**Ms Molly Lim**  
Senior Centre Manager

**Ms Fara Hatta**  
Advertising & Promotions Executive

**Mr Franz Lagania**  
Building Executive

**Ms Lillian Wong**  
Senior Advertising &  
Promotions Executive



## MALL PERFORMANCE HIGHLIGHTS

Financial Year ended 30 September	FY2013	FY2012	Increase/ (Decrease)
Gross Revenue (\$'000)	75,128	66,507	13.0%
Property Expenses (\$'000)	20,595	17,923	14.9%
Net Property Income (\$'000)	54,533	48,584	12.2%
Occupancy	99.5%	87.7%	11.8%-point
Shopper Traffic (million)	23.4	20.7	13.0%



# CAUSEWAY POINT

## TOP TENANTS

As at 30 September 2013, Causeway Point has a total of 222 leases, excluding vacancy. The key tenants include Metro, Courts, Cold Storage, Food Republic and Cathay Cineplexes. The top ten tenants contributed collectively, 32.4% (FY2012: 35.7%) of the mall's total Gross Rental Income ("GRI").

### TOP 10 TENANTS (BY GRI) AT CAUSEWAY POINT

as at 30 September 2013	As % of mall's GRI
Metro (Private) Limited <sup>(a)</sup>	6.8%
Courts (Singapore) Limited	6.2%
Cold Storage Singapore (1983) Pte Ltd <sup>(b)</sup>	4.8%
Food Republic Pte Ltd	4.0%
Cathay Cineplexes Pte Ltd	2.3%
Uniqlo (Singapore ) Pte Ltd	2.1%
McDonald's Restaurants Pte Ltd	1.8%
Aspial Corporation Ltd <sup>(c)</sup>	1.5%
Bagus Management Pte Ltd	1.5%
Soo Kee Jewellery <sup>(d)</sup>	1.4%
<b>Total</b>	<b>32.4%</b>

<sup>(a)</sup> Includes leases for Metro departmental store and Clinique Service Centre

<sup>(b)</sup> Includes leases for Cold Storage supermarket, Guardian Pharmacy and 7-Eleven stores

<sup>(c)</sup> Include leases for Lee Hwa Jewellery, CITIGEMS and Goldheart Jewellery

<sup>(d)</sup> Includes leases for SK Jewellery & Soo Kee Jewellery

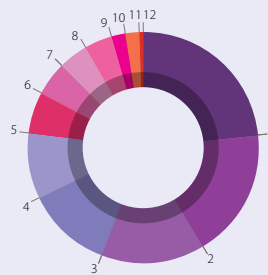




## TRADE MIX

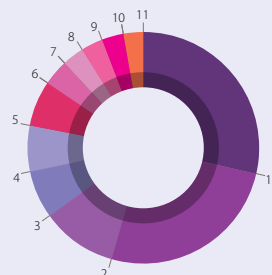
In terms of trade sectors, Food & Restaurants was the top GRI contributor to the mall at 28.8% (FY2012: 25.4%), followed by Fashion at 25.7% (FY2012: 28.2%). The GRI contribution of the Food & Restaurants increased following the progressive opening of new restaurants at the fifth level of the mall after the completion of the mall's refurbishment works in December 2012. The detailed breakdown of the trade mix by NLA and by GRI is presented in charts below.

**TRADE MIX BY NET LETTABLE AREA**  
(as at 30 September 2013)



TRADE CLASSIFICATIONS	%
1 Food & Restaurants	23.5%
2 Fashion	18.0%
3 Department Store	14.4%
4 Household	12.0%
5 Leisure/Entertainment	9.2%
6 Supermarket	5.7%
7 Service/Education	4.8%
8 Beauty, Hair, Cosmetics, Personal Care	4.2%
9 Books, Music, Art & Craft, Hobbies	3.8%
10 Healthcare	2.0%
11 Sports Apparels & Equipment	1.9%
12 Vacant	0.5%
<b>TOTAL</b>	<b>100.0%</b>

**TRADE MIX BY GROSS RENTAL INCOME**  
(as at 30 September 2013)



TRADE CLASSIFICATIONS	%
1 Food & Restaurants	28.8%
2 Fashion	25.7%
3 Household	10.6%
4 Department Store	6.6%
5 Beauty, Hair, Cosmetics, Personal Care	6.5%
6 Service/Education	6.4%
7 Healthcare	3.5%
8 Books, Music, Art & Craft, Hobbies	3.2%
9 Supermarket	3.0%
10 Leisure/Entertainment	3.0%
11 Sports Apparels & Equipment	2.7%
<b>TOTAL</b>	<b>100.0%</b>



# NORTHPOINT



## NORTHPOINT

<b>DESCRIPTION</b>	Six retail levels (including two basement levels) and three levels of car park (B1 - B3)
<b>ADDRESS</b>	930 Yishun Avenue 2, Northpoint Singapore 769098
<b>NET LETTABLE AREA</b>	235,653 square feet <sup>1</sup>
<b>CAR PARK LOTS</b>	236
<b>TITLE</b>	99 years leasehold w.e.f. 1 Apr 1990
<b>YEAR ACQUIRED BY FCT</b>	2006 (Northpoint 1), 2010 (Northpoint 2)
<b>MARKET VALUATION</b>	S\$638 million as at 30 Sep 2013
<b>ANNUAL SHOPPER TRAFFIC</b>	41.7 million (Oct 2012 – Sep 2013)
<b>KEY TENANTS</b>	Kopitiam, Harvey Norman, Cold Storage, Popular Bookstore, OCBC Bank

<sup>1</sup> As indicated in the valuation report for Northpoint, dated 30 September 2013, by Colliers International Consultancy & Valuation (Singapore) Pte Ltd.

## MALL PROFILE

Northpoint, opened in 1992, is Singapore's pioneer suburban retail mall. The mall is located in the populous Yishun estate.

The mall offers six retail levels of shopping (including two basement levels). It is connected to the Yishun bus interchange and is also linked to the Yishun MRT Station via a direct underground pedestrian underpass. Northpoint is the second largest mall in FCT's portfolio with an aggregate net lettable area of 235,653 square feet. The mall consistently attracts high shopper traffic flow from the surrounding residential estate and schools. Shopper traffic in FY2013 was 41.7 million or an average of 3.5 million per month, one of the highest among suburban malls in Singapore.

Key tenants at Northpoint include Cold Storage, Harvey Norman, Kopitiam and Popular Bookstore. The mall also features a community library and a 5,400 square foot rooftop wet and dry children's playground.

## CENTRE MANAGEMENT TEAM

from left to right:

**Mr Lee Chwee Beng**  
Building Executive

**Ms Joyce Sim**  
Senior Centre Executive

**Ms Cynthia Ng**  
Centre Manager

**Mr Kor Lee Kiong**  
Building Manager

**Ms Doralee Chen**  
Senior Centre Executive

**Ms Cherrie Chee**  
Advertising & Promotions Executive



## MALL PERFORMANCE HIGHLIGHTS

Financial Year ended 30 September	FY2013	FY2012	Increase/ (Decrease)
Gross Revenue (\$'000)	48,804	46,669	4.6%
Property Expenses (\$'000)	13,461	13,307	1.2%
Net Property Income (\$'000)	35,343	33,362	5.9%
Occupancy	99.3%	99.7%	(0.4)%-point
Shopper Traffic (million)	41.7	40.8	2.2%



# NORTHPOINT

## TOP TENANTS

As at 30 September 2013, Northpoint has a total of 175 leases, excluding vacancy. The key tenants include Kopitiam, Harvey Norman, Cold Storage, Popular Bookstore and OCBC Bank. The top ten tenants contributed collectively, 29.7% (FY2012: 29.5%) of the mall's total Gross Rental Income ("GRI").

### TOP 10 TENANTS (BY GRI) AT NORTHPOINT

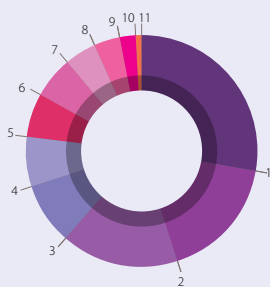
as at 30 September 2013	As % of mall's GRI
Copitiam Pte Ltd <sup>(a)</sup>	6.5%
Cold Storage Singapore (1983) Pte Ltd <sup>(b)</sup>	5.9%
Aspial Corporation Ltd <sup>(c)</sup>	2.5%
Overseas-Chinese Banking Corporation Ltd	2.5%
Pertama Merchandising Pte Ltd <sup>(d)</sup>	2.5%
United Overseas Bank Ltd	2.3%
Popular Book Company Pte Ltd	2.0%
Malayan Banking Berhad	1.9%
Suki Sushi Pte Ltd	1.9%
G2000 Apparel (S) Pte Ltd	1.7%
<b>Total</b>	<b>29.7%</b>

- <sup>(a)</sup> Operates the Kopitiam food court at Northpoint
- <sup>(b)</sup> Includes leases for Cold Storage supermarket, Guardian Pharmacy and 7-Eleven stores
- <sup>(c)</sup> Include leases for CITIGEMS, Goldheart Jewellery and Maxi-Cash
- <sup>(d)</sup> Operates the Harvey Norman store at Northpoint

## TRADE MIX

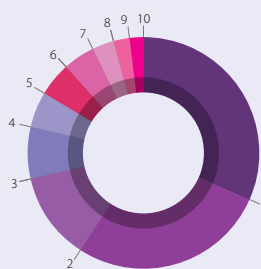
In terms of trade sectors, Food & Restaurants was the top GRI contributor to the mall at 31.7%, (FY2012: 31.2%), followed by Fashion at 27.7% (FY2012: 28.6%). The detailed breakdown of the trade mix by NLA and by GRI is presented in charts below.

### TRADE MIX BY NET LETTABLE AREA (as at 30 September 2013)



TRADE CLASSIFICATIONS	%
1 Food & Restaurants	28.0%
2 Service/Education	17.1%
3 Fashion	16.3%
4 Supermarket	8.7%
5 Books, Music, Art & Craft, Hobbies	7.0%
6 Household	6.1%
7 Beauty, Hair, Cosmetics, Personal Care	5.8%
8 Leisure/Entertainment	4.5%
9 Healthcare	3.5%
10 Sports Apparels & Equipment	2.3%
11 Vacant	0.7%
12 Department Store	0.0%
<b>TOTAL</b>	<b>100.0%</b>

### TRADE MIX BY GROSS RENTAL INCOME (as at 30 September 2013)



TRADE CLASSIFICATIONS	%
1 Food & Restaurants	31.7%
2 Fashion	27.7%
3 Service/Education	12.2%
4 Beauty, Hair, Cosmetics, Personal Care	7.2%
5 Healthcare	5.0%
6 Household	4.6%
7 Books, Music, Art & Craft, Hobbies	4.5%
8 Supermarket	3.0%
9 Sports Apparels & Equipment	2.2%
10 Leisure/Entertainment	1.9%
11 Department Store	0.0%
<b>TOTAL</b>	<b>100.0%</b>



# BEDOK POINT



## BEDOK POINT

<b>DESCRIPTION</b>	Five retail levels (including one basement level) and one basement car park
<b>ADDRESS</b>	799 New Upper Changi Road Singapore 467351
<b>NET LETTABLE AREA</b>	81,393 square feet <sup>1</sup>
<b>CAR PARK LOTS</b>	76
<b>TITLE</b>	99 years leasehold w.e.f. 15 Mar 1978
<b>YEAR ACQUIRED BY FCT</b>	2011
<b>MARKET VALUATION</b>	S\$128.5 million as at 30 Sep 2013
<b>ANNUAL SHOPPER TRAFFIC</b>	6.6 million (Oct 2012 – Sep 2013)
<b>KEY TENANTS</b>	K Box Karaoke, Challenger, Sushi Tei, Mind Stretcher, Paradise Inn

<sup>1</sup> As indicated in the valuation report for Bedok Point, dated 30 September 2013, by Jones Lang LaSalle Consultants Pte Ltd.

## MALL PROFILE

Bedok Point has five retail levels (including one basement level) and one basement car park. The mall is located in the town centre of Bedok, which is one of the largest residential estates in Singapore by population. The mall is well-served by the nearby Bedok MRT station and the Bedok bus interchange.

The mall offers an exciting array of restaurants, food outlets, entertainment, retail and service offerings that makes it an attractive destination for families, students and PMEBS (Professionals, Managers, Executives and Businessmen) around the precinct. The tenants at Bedok Point include K Box Karaoke, Challenger, Sushi Tei, Mind Stretcher and Paradise Inn, among others. Total shopper traffic to the mall in FY2013 was 6.6 million.

# BEDOK POINT

## CENTRE MANAGEMENT TEAM



from left to right:

**Ms Crystal Kong Jin Yi**  
Centre Executive

**Mr Woo Mun Hoa**  
Senior Building Executive

**Ms Angela Wu Zhuo Hui**  
Centre Manager (seated)

**Ms Joanne Loy Pui We**  
Advertising & Promotions Executive

**Ms Ivry Foo Cai Yi**  
Senior Centre Officer

## MALL PERFORMANCE HIGHLIGHTS

Financial Year ended 30 September	FY2013	FY2012	Increase/ (Decrease)
Gross Revenue (\$'000)	12,242	12,464	(1.8)%
Property Expenses (\$'000)	4,877	4,419	10.4%
Net Property Income (\$'000)	7,365	8,045	(8.5)%
Occupancy	96.7%	98.7%	(2.0)%-point
Shopper Traffic (million)	6.6	8.0	(17.5)%



## TOP TENANTS

As at 30 September 2013, Bedok Point has a total of 69 leases, excluding vacancy. The key tenants include Paradise Group, K Box Karaoke, Sushi Tei, Beijing 101 and Mind Stretcher. The top 10 tenants contributed collectively, 36.5% (FY2012: 34.0%) of the mall's total Gross Rental Income ("GRI").

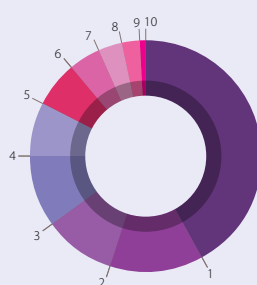
### TOP 10 TENANTS (BY GRI) AT BEDOK POINT

as at 30 September 2013	As % of mall's GRI
Paradise Group Holdings Pte Ltd	6.7%
K Box (Bedok Central) Pte Ltd	5.9%
Sushi-Tei Pte Ltd	4.2%
Beijing 101 Hair Consultants Pte Ltd	3.5%
L.A.I Singapore Pte Ltd	2.8%
Louisiana QSR Pte Ltd	2.8%
Mind Stretcher Learning Centre Ltd	2.7%
Starbucks Coffee Singapore Pte Ltd	2.7%
Pastamatrix International Pte Ltd	2.7%
Sports Link Holdings Pte Ltd	2.5%
<b>Total</b>	<b>36.5%</b>

## TRADE MIX

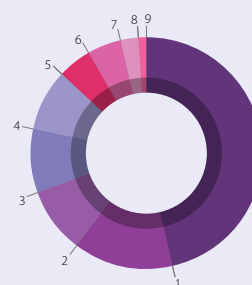
In terms of trade sectors, Food & Restaurants was the top GRI contributor to the mall at 46.4%, (FY2012: 45.0%), followed by Beauty, Hair, Cosmetics and Personal Care at 13.9% (FY2012: 14.3%). The detailed breakdown of the trade mix by NLA and by GRI is presented in charts below.

### TRADE MIX BY NET LETTABLE AREA (as at 30 September 2013)



TRADE CLASSIFICATIONS	%
1 Food & Restaurants	42.1%
2 Leisure/Entertainment	12.9%
3 Service/Education	10.1%
4 Beauty, Hair, Cosmetics, Personal Care	10.0%
5 Household	7.6%
6 Fashion	6.2%
7 Books, Music, Art & Craft, Hobbies	4.5%
8 Vacant	3.3%
9 Sports Apparels & Equipment	2.7%
10 Healthcare	0.6%
11 Department Store	0.0%
12 Supermarket	0.0%
<b>TOTAL</b>	<b>100.0%</b>

### TRADE MIX BY GROSS RENTAL INCOME (as at 30 September 2013)



TRADE CLASSIFICATIONS	%
1 Food & Restaurants	46.4%
2 Beauty, Hair, Cosmetics, Personal Care	13.9%
3 Fashion	9.3%
4 Service/Education	8.9%
5 Leisure/Entertainment	8.7%
6 Household	4.6%
7 Books, Music, Art & Craft, Hobbies	4.6%
8 Sports Apparels & Equipment	2.5%
9 Healthcare	1.1%
10 Department Store	0.0%
11 Supermarket	0.0%
<b>TOTAL</b>	<b>100.0%</b>



# YEWTEE POINT



## YEWTEE POINT

<b>DESCRIPTION</b>	Two retail levels (including one basement level) and one basement car park
<b>ADDRESS</b>	21 Choa Chu Kang North 6 Singapore 689578
<b>NET LETTABLE AREA</b>	73,669 square feet <sup>1</sup>
<b>CAR PARK LOTS</b>	83*
<b>TITLE</b>	99 years leasehold w.e.f. 3 Jan 2006
<b>YEAR ACQUIRED BY FCT</b>	2010
<b>MARKET VALUATION</b>	S\$161.0 million as at 30 Sep 2013
<b>ANNUAL SHOPPER TRAFFIC</b>	11.8 million (Oct 2012 – Sep 2013)
<b>KEY TENANTS</b>	NTUC Fairprice, Koufu, Watsons, Xin Wang Hong Kong Café

\* Part of limited common property for the exclusive benefit of YewTee Point.

<sup>1</sup> As indicated in the valuation report for YewTee Point, dated 30 September 2013, by Knight Frank Pte Ltd.

## MALL PROFILE

YewTee Point has two retail levels (including one basement level). The mall is located in Yew Tee, a housing estate within a major residential precinct Choa Chu Kang, north-west of Singapore. YewTee Point is served by the adjacent Yew Tee MRT station and public bus services.

YewTee Point's key tenants include NTUC Fairprice, Koufu (food court), Watsons, Xin Wang Hong Kong Café, among others. It draws shoppers from the private apartments located above the mall, the Yew Tee housing estate, schools, military camp and the nearby industrial estate. Total shopper traffic to the mall in FY2013 was 11.8 million.

## CENTRE MANAGEMENT TEAM

from left to right:

**Mr Patrick Loh**  
Senior Building Executive

**Ms Crystal Lim**  
Senior Centre Officer

**Ms Deon Koh**  
Assistant Centre Manager

**Ms Farah Dila**  
Advertising & Promotions Executive

**Ms Faye Chia**  
Administrative Officer



## MALL PERFORMANCE HIGHLIGHTS

Financial Year ended 30 September	FY2013	FY2012	Increase/ (Decrease)
Gross Revenue (\$'000)	13,156	13,124	0.2%
Property Expenses (\$'000)	3,485	3,496	(0.3)%
Net Property Income (\$'000)	9,671	9,628	0.4%
Occupancy	92.7%	96.3 %	(3.6)%-point
Shopper Traffic (million)	11.8	11.5	2.6%





# YEWTEE POINT

## TOP TENANTS

As at 30 September 2013, YewTee Point has a total of 73 leases, excluding vacancy. The key tenants include NTUC Fairprice, Koufu (food court), Watsons, among others. The top 10 tenants contributed collectively, 51.1% (FY2012: 48.5%) of the mall's total Gross Rental Income ("GRI").

### TOP 10 TENANTS (BY GRI) AT YEWTEE POINT

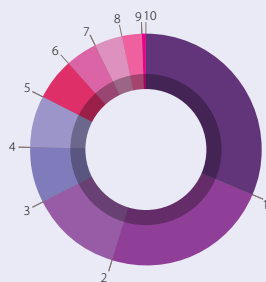
as at 30 September 2013	As % of mall's GRI
NTUC Fairprice Co-operative Ltd <sup>(a)</sup>	20.0%
Koufu Pte Ltd	10.4%
Kentucky Fried Chicken Management Pte Ltd	3.7%
Watson's Personal Care Stores Pte Ltd	3.7%
Shakura Pigmentation Pte Ltd	2.8%
West Co'z Cafe Pte Ltd	2.3%
XWS Pte Ltd (Xin Wang Hong Kong Café)	2.1%
Pastamatrix International Pte Ltd (Pastamania)	2.1%
BreadTalk Pte Ltd	2.1%
London Weight Management Pte Ltd	1.9%
<b>Total</b>	<b>51.1%</b>

<sup>(a)</sup> Includes leases for NTUC Fairprice and NTUC Healthcare (Unity)

## TRADE MIX

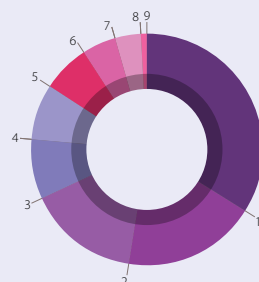
In terms of trade sectors, Food & Restaurants was the top GRI contributor to the mall at 34.1%, (FY2012: 39.2%), followed by Supermarket at 18.5% (FY2012: 16.1%). The detailed breakdown of the trade mix by NLA and by GRI is presented in charts below.

### TRADE MIX BY NET LETTABLE AREA (as at 30 September 2013)



TRADE CLASSIFICATIONS	%
1 Food & Restaurants	31.4%
2 Supermarket/Hypermarket	23.5%
3 Beauty, Hair, Cosmetics, Personal Care	12.7%
4 Service/Education	7.7%
5 Vacant	7.3%
6 Fashion	5.9%
7 Household	4.3%
8 Healthcare	4.1%
9 Books, Music, Art & Craft, Hobbies	2.6%
10 Sports Apparels & Equipment	0.5%
11 Department Store	0.0%
12 Leisure/Entertainment	0.0%
<b>TOTAL</b>	<b>100.0%</b>

### TRADE MIX BY GROSS RENTAL INCOME (as at 30 September 2013)



TRADE CLASSIFICATIONS	%
1 Food & Restaurants	34.1%
2 Supermarket/Hypermarket	18.5%
3 Beauty, Hair, Cosmetics, Personal Care	15.7%
4 Service/Education	8.1%
5 Fashion	8.0%
6 Healthcare	6.5%
7 Household	4.9%
8 Books, Music, Art & Craft, Hobbies	3.5%
9 Sports Apparels & Equipment	0.7%
10 Department Store	0.0%
11 Leisure/Entertainment	0.0%
<b>TOTAL</b>	<b>100.0%</b>

# ANCHORPOINT



## ANCHORPOINT

<b>DESCRIPTION</b>	Two retail levels (including one basement level) and an adjacent a two-storey restaurant building
<b>ADDRESS</b>	368 and 370 Alexandra Road Singapore 159952/159953
<b>NET LETTABLE AREA</b>	71,610 square feet <sup>1</sup>
<b>CAR PARK LOTS</b>	128*
<b>TITLE</b>	Freehold
<b>YEAR ACQUIRED BY FCT</b>	2006
<b>MARKET VALUATION</b>	S\$86.0 million as at 30 Sep 2013
<b>ANNUAL SHOPPER TRAFFIC</b>	4.0 million (Oct 2012 – Sep 2013)
<b>KEY TENANTS</b>	Cold Storage, Gyu-Kaku, Koufu, Xin Wang Hong Kong Café

\* Located at Anchorpoint but are part of a common property of strata sub-divided mixed-use development, which comprises Anchorpoint and The Anchorage (a condominium), managed by the MCST Title plan No.2304.

<sup>1</sup> As indicated in the valuation report for Anchorpoint, dated 30 September 2013, by Knight Frank Pte Ltd.

## MALL PROFILE

Anchorpoint has two retail levels (including one basement level) and an adjacent a 2-storey restaurant building. The mall is located along Alexandra Road, opposite to the popular large home furnishing store IKEA. Anchorpoint is well-served by public bus services as well as scheduled shuttle bus service between the mall and the nearby offices in the Alexandra area.

Anchorpoint offers an exciting range of eateries and restaurants, retail shopping and boutique outlets. The stores and restaurants at Anchorpoint include Cold Storage, Koufu (food court), Japanese BBQ restaurant Gyu-Kaku as well as reputable retailers such as Charles & Keith and Cotton On, among others. Total shopper traffic to the mall in FY2013 was 4.0 million.

# ANCHORPOINT

## CENTRE MANAGEMENT TEAM



from left to right:  
**Mr Abdul Rahman Bin Anwar**  
 Senior Building Executive  
**Ms Lynn Foo Mei Jin**  
 Centre Executive  
**Mr Raymond Chan Kin**  
 Centre Manager  
**Ms Hazel Soh Pei Yun**  
 Advertising & Promotions Executive

## MALL PERFORMANCE HIGHLIGHTS

Financial Year ended 30 September	FY2013	FY2012	Increase/ (Decrease)
Gross Revenue (\$'000)	8,629	8,439	2.3%
Property Expenses (\$'000)	3,951	3,628	8.9%
Net Property Income (\$'000)	4,678	4,811	(2.8)%
Occupancy	96.9%	99.3 %	(2.4)%-point
Shopper Traffic (million)	4.0	3.9	2.6%



## TOP TENANTS

As at 30 September 2013, Anchorpoint has a total of 63 leases, excluding vacancy. The key tenants include Cold Storage, Koufu (food court), Gyu-Kaku Japanese BBQ restaurant, Watson's, among others. The top 10 tenants contributed collectively 47.2% (FY2012: 44.6%) of the mall's total Gross Rental Income ("GRI").

### TOP 10 TENANTS (BY GRI) AT ANCHORPOINT

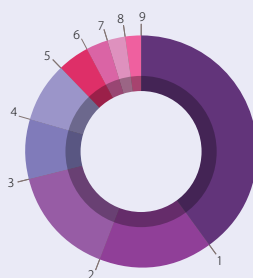
as at 30 September 2013	As % of mall's GRI
Cold Storage (1983) Singapore Pte Ltd <sup>a</sup>	10.0%
Koufu Pte Ltd	6.5%
Royal Culinary Pte Ltd (Gyu-Kaku)	4.5%
XWS Pte Ltd (Xin Wang Hong Kong Café)	4.2%
Sarika Connoisseur Cafe Pte Ltd (TCC)	4.0%
Sakuraya Foods Pte Ltd	4.0%
G2000 Apparel (S) Pte Ltd	3.7%
Cotton On Singapore Pte Ltd	3.7%
JP Food Service Pte Ltd (Jack's Place)	3.4%
Watson's Personal Care Stores Pte Ltd	3.2%
<b>Total</b>	<b>47.2%</b>

<sup>a</sup> Includes leases for Cold Storage supermarket, Guardian Pharmacy and 7-Eleven stores.

## TRADE MIX

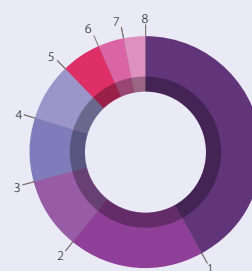
In terms of trade sectors, Food & Restaurants was the top GRI contributor to the mall at 42.1%, (FY2012: 42.2%), followed by Fashion at 18.9% (FY2012: 21.0%). The detailed breakdown of the trade mix by NLA and by GRI is presented in charts below.

### TRADE MIX BY NET LETTABLE AREA (as at 30 September 2013)



TRADE CLASSIFICATIONS	%
1 Food & Restaurants	40.0%
2 Fashion	16.1%
3 Supermarket	15.1%
4 Beauty, Hair, Cosmetics, Personal Care	8.5%
5 Service/Education	8.3%
6 Household	4.4%
7 Vacant	3.1%
8 Books, Music, Art & Craft, Hobbies	2.3%
9 Healthcare	2.2%
10 Sports Apparels & Equipment	0.0%
11 Department Store	0.0%
12 Leisure/Entertainment	0.0%
<b>TOTAL</b>	<b>100.0%</b>

### TRADE MIX BY GROSS RENTAL INCOME (as at 30 September 2013)



TRADE CLASSIFICATIONS	%
1 Food & Restaurants	42.1%
2 Fashion	18.9%
3 Beauty, Hair, Cosmetics, Personal Care	9.9%
4 Supermarket	9.1%
5 Service/Education	7.8%
6 Household	5.7%
7 Books, Music, Art & Craft, Hobbies	3.6%
8 Healthcare	2.9%
9 Sports Apparels & Equipment	0.0%
10 Department Store	0.0%
11 Leisure/Entertainment	0.0%
<b>TOTAL</b>	<b>100.0%</b>

# HEKTAR REAL ESTATE INVESTMENT TRUST

## Investment in Hektar REIT

As at 30 September 2013, FCT holds 31.17% of the units in Hektar Real Estate Investment Trust ("H-REIT"). H-REIT, an associate of FCT, is a retail-focused REIT in Malaysia listed on the Main Market of Bursa Malaysia Securities Berhad. Its property portfolio comprises Subang Parade in Selangor; Mahkota Parade in Melaka; Wetex Parade & Classic Hotel in Muar, Johor; Central Square in Sungai Petani and Landmark Central in Kulim, both located in Kedah. The properties in H-REIT portfolio have a total net lettable area ("NLA") of 1.7 million square feet.



from left to right:  
Subang Parade  
Mahkota Parade  
Wetex Parade  
Central Square  
Landmark Central

## HEKTAR PROPERTY PROFILE

(as at 31 December 2012)

	Subang Parade	Mahkota Parade	Wetex Parade	Central Square	Landmark Central
STATE	Selangor	Melaka	Johor	Kedah	Kedah
TITLE	Freehold	Leasehold (Expiring in 2101)	Freehold	Freehold	Freehold
NET LETTABLE AREA (RETAIL)	500,447 sq ft	484,052 sq ft	155,253 sq ft	300,046 sq ft	281,716 sq ft
TENANCIES	132	108	100	88	78
OCCUPANCY	99.76%	96.05%	97.83%	89.80%	96.87%
VISITOR TRAFFIC IN FY2012	11.4 million	11.0 million	5.7 million	n/a	n/a
PURCHASE PRICE (RM)	280.0 million	232.0 million	117.5 million	83.0 million	98.0 million
VALUATION (RM)	391.3 million	315.0 million	135.0 million	84.7 million	103.0 million

## HEKTAR REIT'S TOP 10 TENANTS

The top ten tenants in the Hektar's portfolio contributed approximately 24.4% of total monthly rental income.

Tenant	Trade Sector	NLA (sq ft)	% of Total NLA	% Monthly Rental Income <sup>#</sup>
1 Parkson	Department Store	254,009	14.8%	9.4%
2 The Store	Department Store	267,114	15.5%	5.8%
3 Ampang Superbowl	Leisure & Entertainment	61,717	3.6%	1.4%
4 Giant Supermarket	Department Store	72,140	4.2%	1.3%
5 K.F.C.	Food & Beverage	11,776	0.7%	1.3%
6 Celebrity Fitness	Leisure & Entertainment	34,317	2.0%	1.2%
7 World Of Sports	Fashion & Footwear	11,517	0.7%	1.2%
8 Digital One	Electronics and IT	21,361	1.2%	1.0%
9 McDonald's	Food & Beverage	8,431	0.5%	1.0%
10 Best Denki	Electronics and IT	24,739	1.4%	0.8%
Top 10 Tenants (By Monthly Rental Income)		767,121	44.5%	24.4%
Other Tenants		954,945	55.5%	75.6%
<b>Total</b>		<b>1,722,066</b>	<b>100.0%</b>	<b>100.0%</b>

<sup>#</sup> Based on monthly rental income for December 2012.

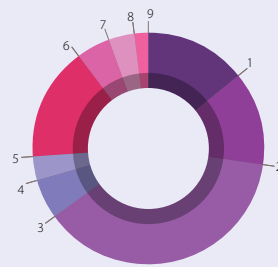




## TRADE MIX

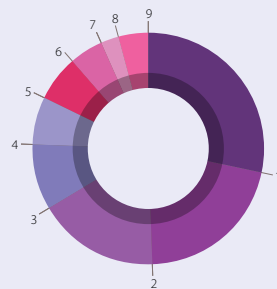
Departmental stores and supermarkets constituted approximately 37.7% of H-REIT's total portfolio NLA. This proportion has increased in FY2012 with the addition of the Landmark Central and Central Square. The largest contributor for rental income was the fashion and footwear segment, which contributed approximately 28.4% of H-REIT's monthly rental income.

TRADE MIX BY NET LETTABLE AREA



TRADE CLASSIFICATIONS	%
1 Fashion & Footwear	14.3%
2 Food & Beverage/Food Court	13.1%
3 Department Store/Supermarket	37.7%
4 Gift/Books/Toys/Specialty	5.6%
5 Education/Services	3.2%
6 Leisure & Entertainment, Sports & Fitness	16.0%
7 Electronics & IT	4.7%
8 Housewares & Furnishing	3.4%
9 Others	1.9%

TRADE MIX BY GROSS RENTAL INCOME



TRADE CLASSIFICATIONS	%
1 Fashion & Footwear	28.4%
2 Food & Beverage/Food Court	21.1%
3 Department Store/Supermarket	17.1%
4 Gift/Books/Toys/Specialty	9.0%
5 Education/Services	6.7%
6 Leisure & Entertainment, Sports & Fitness	6.3%
7 Electronics & IT	4.9%
8 Housewares & Furnishing	2.5%
9 Others	4.0%

## LEASE EXPIRY PROFILE

(as at 31 December 2012)

For year ending 31 December	FY2013	FY2014	FY2015
Number of leases expiring	190	162	129
NLA of expiring leases (square feet)	319,121	576,383	708,450
NLA of expiring leases as % of total NLA	19%	33%	41%
Expiries as % Monthly Rental Income*	29%	35%	30%

\* Based on monthly rental income for December 2012. Figures may not round to 100% due to miscellaneous items.

CORPORATE  
GOVERNANCE



# CORPORATE GOVERNANCE REPORT

## INTRODUCTION

Frasers Centrepoint Trust (“**FCT**”) is a real estate investment trust (“**REIT**”) listed on the Main Board of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”). **FCT** is managed by Frasers Centrepoint Asset Management Ltd. (“**Manager**”), which is a wholly-owned subsidiary of Frasers Centrepoint Limited (“**FCL**”).

The **Manager** is committed to upholding high standards of corporate governance to preserve and enhance **FCT’s** asset value so as to maximise the returns from investments, and ultimately the distributions and total return to unitholders (“**Unitholders**”) of **FCT**.

Listed on the Mainboard of the **SGX-ST**, **FCT** adheres closely to the principles and guidelines of the Code of Corporate Governance and other applicable laws, rules and regulations, including the **SGX-ST** Listing Manual. Reference is made to both the Code of Corporate Governance 2005 and 2012 (the “**2005 Code**” and “**2012 Code**” respectively), and although the **2012 Code** takes effect in respect of annual reports for the financial year commencing on 1 October 2013, the **Manager** has started to ensure compliance with the **2012 Code** to such extent and as best as it can.

The **Manager** has general powers of management over the assets of **FCT**. The **Manager’s** main responsibility is to manage **FCT’s** assets and liabilities for the benefit of Unitholders. It ensures that the business of **FCT** is carried on and conducted in a proper and efficient manner. The **Manager** also ensures that applicable laws and regulations such as the listing rules of the **SGX-ST**, the Code on Collective Investment Schemes (“**Code on CIS**”) (containing the Property Funds Guidelines) and the Securities and Futures Act (“**SFA**”), are complied with. It also supervises the property manager in its day-to-day management of the malls of **FCT**, namely, Anchorpoint, Causeway Point, Northpoint, YewTee Point and Bedok Point, pursuant to property management agreements entered into for each mall.

The primary role of the **Manager** is to set the strategic direction for **FCT**. This includes making recommendations to the Trustee on acquisitions, divestments and enhancement of assets.

As required under the licensing regime for **REIT** managers, the **Manager** holds a Capital Markets Services Licence (“**CMS Licence**”) issued by the Monetary Authority of Singapore (“**MAS**”) to carry out **REIT** management activities.

This corporate governance report (“**CG Report**”) provides an insight on the **Manager’s** corporate governance framework and practices in compliance with the principles and guidelines of the **2005 Code** and the **2012 Code**. As **FCT** is a listed **REIT**, not all principles of the **2005 Code** and the **2012 Code** may be applicable to **FCT** and the **Manager**. Any deviations from the **2005 Code** and the **2012 Code** are explained.

## BOARD MATTERS

### Principle 1: Board’s Conduct of Affairs

The composition of the Board of Directors of the Manager (“**Board**”) as at 30 September 2013 is as follows:

Mr Philip Eng Heng Nee	Chairman, Non-Executive (Independent)
Dr Chew Tuan Chiong	Chief Executive Officer (Non-independent)
Mr Anthony Cheong Fook Seng	Non-Executive (Non-independent)
Mr Chia Khong Shoong	Non-Executive (Non-independent)
Mr Bobby Chin Yoke Choong	Non-Executive (Independent)
Mr Lim Ee Seng	Non-Executive (Non-independent)
Mr Soh Kim Soon	Non-Executive (Independent)
Mr Christopher Tang Kok Kai	Non-Executive (Non-independent)

The Board oversees the business affairs of **FCT** and the **Manager**, providing oversight, strategic direction and entrepreneurial leadership, and sets strategic aims and directions of the Manager. It works closely with Management, and has oversight of and reviews Management’s performance. The Board sets the values and standards of corporate governance for the **Manager** and **FCT**, with the ultimate aim of safeguarding and enhancing Unitholder value and achieving sustainable growth for **FCT**. None of the Directors has entered into any service contract directly with **FCT**.

Management provides the Board with complete, timely and adequate information to keep the Directors updated on the operations and financial performance of **FCT**.

# CORPORATE GOVERNANCE REPORT

As part of the **Manager's** internal controls, the Board has established a Manual of Authority. This sets out the requisite levels of authorisation required for particular types of transactions to be carried out, and specifies whether Board approval needs to be sought. The matters reserved to the Board for approval include approval of annual budgets, financial plans, financial statements, business strategy and material transactions of **FCT**, namely, major acquisitions, divestments, funding and investment proposals, and appointment of key executives. To assist the Board to effectively discharge its oversight and functions, appropriate delegations of authority to Management have been effected to enhance operational efficiency. To assist the Board in its corporate governance and risk management responsibilities, the Audit Committee was established.

Upon joining the Board, new Directors undergo an induction and/or orientation programme to provide them with information on **FCT's** business, strategic directions, governance practices, policies and business activities, including major new projects. New Independent Directors who join the Board are issued a formal letter of appointment setting out relevant Directors' duties and obligations, so as to acquaint them with their responsibilities as Directors of the **Manager**.

The **Manager** sees to it that the Board is regularly updated on new developments in laws and regulations or changes in regulatory requirements and financial reporting standards which are relevant to or may affect the Manager or **FCT**. During the year, the Board was briefed and/or updated on the following: (1) amendments to the **SGX-ST** Listing Manual and (2) risk based capital adequacy requirements for holders of capital markets services licences. In addition, the **Manager** encourages Directors to be members of the Singapore Institute of Directors ("**SID**"), and for them to attend training courses from **SID** and receive journal updates, so as to stay abreast of changes to the financial, legal and regulatory requirements, and the business environment.

The Board meets regularly, at least once every quarter, to review the key activities, performance, business strategies and significant operations and/or management matters pertaining to the Manager and/or **FCT**. In the event Directors are unable to attend Board meetings physically, the **Manager's** Articles of Association allows for such meetings to be conducted via telephone, video conference or any other form of electronic or instantaneous communication. At least once a year and if required, time is set aside after scheduled Board meetings for discussions amongst the members of the Board without the presence of Management, in line with the guidelines of the **2012 Code**, as this facilitates a more effective check on Management.

The number of Board and Audit Committee meetings held during the year ended 30 September 2013 and the attendance of Directors at these meetings are disclosed below:

	Board Meetings	Audit Committee Meetings
<b>Meetings held for financial year ended 30 September 2013</b>	5	4
Mr Philip Eng Heng Nee	5/5	NA
Dr Chew Tuan Chiong	5/5	NA
Mr Anthony Cheong Fook Seng	5/5	4/4
Mr Chia Khong Shoong	5/5	NA
Mr Bobby Chin Yoke Choong	5/5	4/4
Mr Lim Ee Seng	5/5	NA
Mr Soh Kim Soon	5/5	4/4
Mr Christopher Tang Kok Kai	5/5	NA

## Principle 2: Board Composition and Guidance

The Board comprises eight members, of which three are independent non-executive Directors. The CEO is the only Executive Director on the Board. The rest of the Board members are non-executive Directors.

The size of the Board is appropriate and adequate, having regard to the scope and nature of the Manager's and **FCT's** business and operations. The Board is of the view that the current size and composition of the Board is appropriate for the scope and nature of the operations of the **Manager** and **FCT** and facilitates effective decision-making. In line with the **2012 Code**, the Board is also of the view that the current size of the Board is not so large as to be unwieldy. In this regard, the Board has taken into account the requirements of the business of the **Manager** and **FCT** and the need to avoid undue disruptions from changes to the composition of the Board and the Audit Committee. The Board considers that its present size, composition and balance between Executive, Non-Executive and Independent Directors, is appropriate and allows for a balanced exchange of views, robust deliberations, debates among members and effective oversight over Management. The current composition gives the Board the ability to consider and make decisions objectively and independently on issues relating to **FCT** and the **Manager**. Under the current composition, no one individual or group dominates the Board's decisions or its process.



The composition of the Board is reviewed regularly to ensure that the Board has the appropriate size and mix of expertise and experience. There is a strong and independent element on the Board.

Directors exercise their judgment independently and objectively in the interests of **FCT** and the **Manager**. The Board reviews and assesses annually the independence of its directors based on the definitions and guidelines of independence set out in the Code of Corporate Governance. In its review for the financial year ended 30 September 2013, the Board determined the following with respect to the independence of directors:

Mr Philip Eng Heng Nee	Independent
Dr Chew Tuan Chiong	Non-independent
Mr Anthony Cheong Fook Seng	Non-independent
Mr Chia Khong Shoong	Non-independent
Mr Bobby Chin Yoke Choong	Independent
Mr Lim Ee Seng	Non-independent
Mr Soh Kim Soon	Independent
Mr Christopher Tang Kok Kai	Non-independent

The Board members have core competencies and expertise and experience in various fields ranging from accounting and finance, to business management. Coupled with relevant industry knowledge and strategic planning experience of the Board members, the Board is well-placed to drive **FCT's** continuous growth and success and deliver sustainable Unitholder value. Management is able to benefit from the diverse and objective perspectives of the Board members on issues that are brought before the Board, with a healthy exchange of ideas and views between the Board and Management, to help shape the strategic process. Directors of the Manager are not subject to periodic retirement by rotation. The Board reviews its composition to ensure the appropriate size and diversity of skills, expertise and experience.

### **Principle 3: Chairman and Chief Executive Officer**

The positions of Chairman and Chief Executive Officer are held by separate persons. This is so that an appropriate balance of power and authority, with clear divisions of responsibilities and accountability, can be attained. Such separation of roles between the Chairman and the Chief Executive Officer promotes robust deliberations by the Board and Management on the business activities of **FCT**. The Chairman and Chief Executive Officer are not related to each other, nor is there any other business relationship between them.

The Chairman, who is non-executive and independent, leads and ensures the effectiveness of the Board. Through the Chairman's continuing leadership of the Board, constructive discussions among the Board members as well as between the Board and Management, and effective contribution by the Directors, are promoted. High standards of corporate governance are upheld as a result.

The Chief Executive Officer has full executive responsibilities over the business direction and operations of the **Manager**.

### **Principle 4: Board Membership**

The **Manager** does not consider it necessary for the Board to establish a nominating committee. In respect of the search and nomination process for new directors, the Board identifies the relevant and/or desirable skills and experience, and engages search companies as well as networking contacts to identify and shortlist candidates, to spread its reach for the best person for the role.

The **2012 Code** requires listed companies to fix the maximum number of board representations on other listed companies that their directors may hold and to disclose this in their annual report. Details of such directorships and other principal commitments of our Directors may be found on pages 14 to 17. In determining whether each Director is able to devote sufficient time to discharge his duties, the Board has taken cognizance of the **2012 Code** requirement, but is of the view that its assessment should not be restricted to the number of board representations of each Director and their respective principal commitments per se. Holistically, the contributions by our Directors to and during meetings of the Board and the Audit Committee as well as their attendance at such meetings should also be taken into account.

### **Principle 5: Board Performance**

The Board uses objective performance criteria to assess the effectiveness of the Board as a whole and the contribution of each Director to the effectiveness of the Board.

# CORPORATE GOVERNANCE REPORT

All Directors are required to assess the performance of the Board and the Board Committee. The assessment covers areas such as Board composition, Board processes, managing the Manager's performance, Board Committee effectiveness and any specific areas where improvements may be made.

## **Principle 6: Access to Information**

On an on-going basis, and prior to Board meetings, adequate and timely information is given by Management to Board members, who have separate and independent access to Management and the Company Secretary. The Company Secretary is a non-executive Director and a member of the Audit Committee. Under the direction of the Chairman, the Company Secretary ensures that Board procedures, and applicable rules and regulations are complied with. He attends all Board meetings and acts as a channel of communication for information flow and dissemination to and within the Board, as well as between senior Management and non-executive Directors.

The annual calendar of Board activities is scheduled in advance. Board papers are dispatched to Directors about a week before scheduled meetings so that Directors have sufficient time to review and consider matters being tabled and discussed at the meetings. Senior Executives are requested to attend the Board meetings to provide additional insights into matters being discussed and to respond to any queries from Directors.

The Directors, either individually or as a group, may seek or obtain independent professional advice, where necessary, in the furtherance of their duties and at the **Manager's** expense.

## **REMUNERATION MATTERS**

### **Principle 7: Remuneration Matters**

### **Principle 8: Level and Mix of Remuneration**

### **Principle 9: Disclosure on Remuneration**

**FCT**, as a **REIT**, is managed by the **Manager** which has experienced and well-qualified management personnel to manage the operational matters of the **Manager** and **FCT**. The remuneration of the staff of the **Manager** and Directors' fees are paid by the **Manager** from the fees it receives from **FCT**, and not by **FCT**.

For the financial year ended 30 September 2013, the **Manager** adopted the remuneration policies and practices of Fraser and Neave, Limited ("**F&N**"), which has a Remuneration Committee<sup>1</sup> ("**F&N RC**") that oversees, inter alia, the framework of remuneration, compensation and benefits for key executives of the **Manager**, including the CEO. The level and mix of remuneration and benefits, policies and practices of the **Manager** was reviewed by the **F&N RC** on an annual basis. In undertaking such reviews, the **F&N RC** took into consideration the performance of the **Manager** and that of individual employees. It also reviewed and approved the framework for salary reviews, performance bonuses and incentives for senior Management taking into consideration the achievements of **FCT** and the **Manager**, and the performance of individual employees. Remuneration of the Directors and officers of the **Manager** are not paid out of the trust property of **FCT**, but are directly paid by the **Manager** from the fees it receives.

The Directors' fees for the financial year ended 30 September 2013 is shown in the table below. The Chief Executive Officer does not receive Director's fees. In determining the quantum of such fees, factors such as frequency of meetings, time spent and responsibilities of Directors are taken into account.

<sup>1</sup> Until 21 March 2013, this Committee of F&N was known as the Remuneration & Staff Establishment Committee.

Board Members	Directors' Fees
Mr Philip Eng Heng Nee (Chairman)	S\$75,000
Dr Chew Tuan Chiong	–
Mr Anthony Cheong Fook Seng <sup>1</sup> (Member, Audit Committee)	S\$45,000
Mr Chia Khong Shoong <sup>2</sup>	S\$35,000
Mr Bobby Chin Yoke Choong (Member, Audit Committee)	S\$55,000
Mr Lim Ee Seng <sup>2</sup>	S\$35,000
Mr Soh Kim Soon (Member, Audit Committee)	S\$50,000
Mr Christopher Tang Kok Kai <sup>2</sup>	S\$35,000

<sup>(1)</sup> Director's fees are paid to Fraser & Neave (S) Pte Ltd

<sup>(2)</sup> Director's fees are paid to FCL Management Services Pte Ltd

## ACCOUNTABILITY AND AUDIT

### Principle 10: Accountability

The Board, with the support of Management, is responsible for providing a balanced and understandable assessment of **FCT's** performance, position and prospects, on a quarterly basis. Quarterly and annual financial statements and other material information are disseminated to **Unitholders** through announcements to the **SGX-ST**, and, where applicable, press releases. Financial statements of **FCT** are prepared in accordance with the Singapore Financial Reporting Standards prescribed by the Accounting Standards Council.

### Principle 11: Risk Management and Internal Controls

During FY2013, risk tolerance statements setting out the nature and extent of significant risks which the **Manager** is willing to take in achieving its strategic objectives have been formalised and adopted.

The **Manager** has established a system of internal controls comprising procedures and processes to safeguard **FCT's** assets, **Unitholders'** interests as well as to manage risks. The Audit Committee reviews and reports to the Board on the adequacy of the system of controls, including financial, operational, compliance and information technology controls, and risk management policies and systems established by Management.

The Audit Committee reviews the risk profiles of **FCT** and the **Manager**, and guides Management to ensure that robust risk management and internal controls are in place. Effective risk management is fundamental to **FCT's** business strategy. Key risks, control measures and management actions are continually identified, reviewed and monitored by Management as part of the **Manager's** enterprise-wide risk management framework. Financial and operational key risk indicators are in place to track key risk exposures.

In addition, each transaction is comprehensively analysed to understand the risks involved before it is undertaken. In assessing business risks, the Board considers the economic environment and risks pertaining to the relevant industry. It reviews management reports and feasibility studies on major transactions prior to their approval.

Using a comfort matrix of key risks, the material financial, operational, compliance and information technology risks of the **FCT** Group have been documented and presented against strategies, policies, people, processes, systems, mechanism and reporting processes that have been put in place.

An outline of the **Manager's** enterprise-wide risk management framework and progress report is set out on page 31.

### Opinion of the Board on Internal Controls and Risk Management Framework

Based on internal controls and risk management framework established and maintained by the **Manager**, work performed by internal and external auditors and reviews performed by Management and the Audit Committee, the Board, with the concurrence of the Audit Committee, is of the opinion that the **Manager's** internal controls were adequate as at 30 September 2013 to address financial, operational compliance and information technology risks of **FCT**, which the **Manager** considers relevant and material to its operations.

# CORPORATE GOVERNANCE REPORT

The Board notes that the system of internal controls and risk management provides reasonable, but not absolute, assurance that the **Manager** will not be adversely affected by any event that could be reasonably foreseen as it works to achieve its business objectives.

In this regard, the Board also notes that no system of internal controls and risk management can provide absolute assurance against the occurrence of material errors, poor judgment in decision making, human error, losses, fraud or other irregularities.

The Board has received assurances from the CEO and the Financial Controller of the **Manager** the following:

- that the financial records have been properly maintained and the financial statements are presented fairly in all material respects the Group's operations and finances. To the best of their knowledge, they are not aware of any events that have arisen which would have a material effect on the financial results of **FCT** and its subsidiary, except as disclosed in the financial results, and nothing has come to their attention which may render the financial results false or misleading.
- that the system of risk management and internal controls in place for **FCT** were adequate and effective as at 30 September 2013 to address financial, operational, compliance and information technology risks which the **Manager** considers relevant and material to **FCT's** operations.

## Principle 12: Audit Committee

The Audit Committee comprises three Non-executive Directors, two of whom including the Chairman, are independent:

Name	Role
Mr Bobby Chin Yoke Choong	Chairman
Mr Anthony Cheong Fook Seng	Member
Mr Soh Kim Soon	Member

Members of the Audit Committee are appropriately qualified to discharge their responsibilities, possessing the requisite accounting and financial management expertise and experience.

The Audit Committee is governed by written terms of reference, with explicit authority to investigate any matter within its terms of reference. It has full access to, and the co-operation of Management, and full discretion to invite any Director or executive officer to attend its meetings. It has reasonable resources to enable it to discharge its functions effectively.

The Audit Committee's responsibilities include:

- reviewing the effectiveness of the **Manager's** internal control processes including financial, compliance and risk management controls/framework, reviewing the results of audit findings, and directing prompt remedial action by Management;
- reviewing the financial statements and the audit report for recommendation to the Board for approval;
- monitoring Management's compliance with applicable rules and legislation, such as the listing rules of the **SGX-ST**, the **Code on CIS** and the **SFA**;
- reviewing with the external auditors, the audit plans, audit reports and their evaluation of the system of internal controls;
- reviewing the appointment and re-appointment of the external auditors and their fees and recommending the same to the Board for approval, as well as reviewing the adequacy of external audits in respect of cost, scope and performance;
- reviewing the independence and objectivity of the external auditors, taking into consideration the non-audit services provided by the external auditors. For FY2013, an aggregate amount in fees, comprising audit fees of \$89,000 and non-audit fees of \$25,300 was paid/payable to **FCT's** external auditors;
- reviewing the adequacy and effectiveness of the internal audit function, including its resources, audit plans and the scope and effectiveness of the internal audit procedures; and
- reviewing Interested Person/Party Transactions to ascertain compliance with internal procedures and provisions of applicable laws and regulations;



In discharging its duties, the Audit Committee met with the internal and external auditors and reviewed both their audit plans and reports, and the assistance given by the **Manager** to the auditors. All audit findings and recommendations are presented to the Audit Committee for discussion. In addition, updates on changes in accounting standards and treatment are prepared by external auditors and circulated to members of the Audit Committee periodically.

The Audit Committee is satisfied with the independence and objectivity of the external auditors and has recommended to the Board the nomination of the external auditors for re-appointment. The Audit Committee has reviewed the nature and extent of non-audit services provided by the external auditors, and is satisfied that they do not affect the independence and objectivity of the external auditors.

The Manager, on behalf of **FCT**, confirms that **FCT** has complied with Rule 712 and Rule 715 of the Listing Manual in relation to its auditing firm.

### WHISTLE-BLOWING POLICY

A Whistle-Blowing Policy is in place to provide an avenue through which employees may report or communicate, in good faith and in confidence, any concerns relating to financial and other matters, so that independent investigation of such matters can be conducted and appropriate follow-up action taken.

#### Principle 13: Internal Audit

The **Manager** has in place an internal audit function which was supported by F&N's Internal Audit Department ("**F&N IA**") for the financial year ended 30 September 2013.

The **F&N IA** is independent of the activities that it audits. The Head of **F&N IA**, who is a Chartered Accountant of Singapore, reported directly to the Chairman of the Audit Committee and administratively, to the Group Company Secretary of **F&N**.

The Head of **F&N IA** and most of the internal audit staff are members of the Institute of Internal Auditors, Singapore and the department has adopted and complied with the Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors. To ensure that the internal audits are effectively performed, it recruits and employs suitably qualified staff with the requisite skills and experience. Such staff are also given relevant training and development opportunities to update their technical knowledge and auditing skills. Key staff members of the **F&N IA** also receive relevant technical training and seminars organised by the Institute of Internal Auditors, Singapore and other professional bodies.

The **F&N IA** operates within the framework stated in its terms of reference. It adopts a risk-based audit methodology to develop its audit plans, and its activities are aligned to key risks of **FCT**. Based on risk assessments performed, greater focus and appropriate review intervals are set for higher risk activities, and material internal controls, including compliance with **FCT** and the Manager's policies, procedures and regulatory responsibilities.

During the year, **F&N IA** conducted its audit reviews based on the approved internal audit plans. All audit reports detailing audit findings and recommendations are provided to Management who would respond on the actions to be taken. Each quarter, **F&N IA** would submit to the Audit Committee a report on the status of the audit plan and on audit findings and actions taken by Management on such findings. Key findings are highlighted at the Audit Committee meetings for discussion and follow-up action. The Audit Committee monitors the timely and proper implementation of required corrective, preventive or improvement measures undertaken by Management.

The Audit Committee is satisfied that for the financial year ended 30 September 2013, the internal audit function is adequately resourced to perform its functions, and has appropriate standing within **FCT** and the **Manager**.

### UNITHOLDER RIGHTS AND RESPONSIBILITIES

#### Principle 14: Unitholder Rights

The **Manager** believes in treating all Unitholders fairly and equitably. It aspires to keep all **Unitholders** and other stakeholders and analysts in Singapore and beyond informed of **FCT's** activities, including changes (if any) in **FCT's** business which are likely to materially affect the price or value of its Units, in a timely and consistent manner.

# CORPORATE GOVERNANCE REPORT

**Unitholders** are also given the opportunity to participate effectively and vote at general meetings of **FCT**, where relevant rules and procedures governing such meetings (for instance, how to vote) are clearly communicated.

## Principle 15: Communication with Unitholders

The **Manager** strives to uphold high standards of disclosure and corporate transparency. It aims to provide timely, effective and fair information relating to the **FCT's** performance and its developments to its **Unitholders** and the investment community through announcements to the **SGX-ST** and on **FCT's** website, to enable them to make informed investment decisions. The **Manager** has a dedicated investor relations manager ("**IR manager**") to facilitate communication between **FCT**, its **Unitholders** and the investment community.

The **Manager** meets and communicates regularly with **Unitholders** and the investment community to keep them apprised of **FCT's** corporate developments and financial performance. During the year, the senior Management and the **IR manager**, met or spoke with 273 investors at investment conferences, non-deal road shows as well as one-on-one and group meetings. The **Manager** also conducts post-result briefings for analysts and the media, following the release of its half year and full year results. For its first quarter and third quarter results, this is done by conference calls. The **Manager** makes available all its briefing materials, its financial information, its annual reports and all announcements to the **SGX-ST** on its website at [www.fct.sg](http://www.fct.sg), with contact details for investors to channel their comments and queries.

## Principle 16: Conduct of Unitholder Meetings

All **Unitholders** are sent a copy of the Annual Report. In compliance with the Property Funds Guidelines, an Annual General Meeting ("**AGM**") was held during the year. The Board supports and encourages active **Unitholder** participation at **AGMs**. It believes that **AGMs** serve as an opportune forum for **Unitholders** to meet the Board and senior Management, and to interact with them. A **Unitholder** is allowed to appoint one or two proxies to attend and vote at the general meetings on his/her behalf. Board members and appropriate senior Management are present at each **Unitholders'** meeting to respond to any questions from **Unitholders**. The external auditors are also present to address queries about the conduct of audit and the preparation and content of the auditors' report.

For greater transparency, the **Manager** has implemented electronic poll voting at its **AGMs**, whereby **Unitholders** are invited to vote on relevant resolutions by way of poll (instead of by show of hands), using hand held electronic devices. This allows all **Unitholders** present or represented at the meeting to vote on a one vote per Unit basis. The voting results of all votes cast for, or against, of each resolution are displayed at the meeting and announced to the **SGX-ST** after the meeting. The **Manager** will continue to use the electronic poll voting system at the forthcoming **AGM**.

## DEALINGS IN UNITS

The **Manager** has adopted a dealing policy ("**Dealing Policy**") on securities trading which provides guidance with regard to dealings in **FCT** units by its Directors, officers and employees. Directors, officers and employees are prohibited from dealing in **FCT** units:

- in line with the Listing Rule 1207(19)(c) on Dealings in Securities, two weeks before the date of announcement of quarterly financial statements and one month before the date of announcement of full-year results ("**Prohibition Period**"); and
- at any time while in possession of unpublished material or price sensitive information.

Directors, officers and employees are also directed to refrain from dealing in **FCT** units on short-term considerations.

Prior to the commencement of the Prohibition Period, Directors, officers and employees will be reminded not to trade during this period or whenever they are in possession of unpublished price sensitive information. Outside of the **Prohibition Period**, any trades must be reported to the Board within 48 hours. Every quarter, each Director, officer or employee is required to complete and submit a declaration form to the Compliance Officer to report any trades he/she made in **FCT** units in the previous quarter and confirm that no trades were made during the **Prohibition Period**. A quarterly report will be provided to the Audit Committee. Any non-compliance with the **Dealing Policy** will be reported to Audit Committee for its review and instructions.

In compliance with the Dealing Policy in relation to the **Manager**, prior approval from the Board is required before the **Manager** deals or trades in **FCT** units. The **Manager** has undertaken that it will not deal in **FCT** units:

- a) during the period commencing one month before the public announcement of **FCT's** full-year results and (where applicable) property valuations and two weeks before the public announcement of **FCT's** quarterly results; or
- b) whenever it is in possession of unpublished material price sensitive information.

The **Manager** has also given an undertaking to the **MAS** that it will announce to the **SGX-ST** the particulars of its holdings in **FCT** units and any changes thereto within two business days after the date on which it acquires or disposes of any **FCT** units, as the case may be.

## CONFLICTS OF INTEREST

The **Manager** has put in place procedures to address potential conflicts of interest (including in relation to Directors, officers and employees) which may arise in managing **FCT**. These include the following:

- The **Manager** is to be dedicated to managing **FCT** and will not directly or indirectly manage other **REITs**.
- All executive officers of the **Manager** will be employed by the **Manager**.
- All resolutions in writing of the Directors in relation to matters concerning **FCT** must be approved by a majority of the Directors, including at least one Independent Director.
- At least one-third of the Board shall comprise Independent Directors.
- On matters where **FCL** and/or its subsidiaries have an interest (directly or indirectly), Directors nominated by them shall abstain from voting. In such matters, the quorum must comprise a majority of independent Directors and must exclude nominee Directors of **FCL** and/or its subsidiaries.
- An interested Director is required to disclose his interest in any proposed transaction with **FCT** and is required to abstain from voting on resolutions approving the transaction.

## RELATED PARTY TRANSACTIONS

The **Manager** has established internal control procedures to ensure that all related party transactions ("**RPT**") are undertaken on normal commercial terms, and will not be prejudicial to the interests of **FCT** and the **Unitholders**. This may entail obtaining (where practicable) quotations from parties unrelated to the **Manager**, or obtaining one or more valuations from independent professional valuers (in accordance with the Property Funds Guidelines).

All **RPT** are entered in a register maintained by the **Manager**, including any quotations from unrelated parties and independent valuations supporting the bases on which such transactions are entered into. The **Manager** incorporates into its internal audit plan a review of the **RPT** recorded in the register to ascertain that internal procedures and requirements of the Listing Manual and Property Funds Guidelines have been complied with. The Audit Committee reviews the internal audit reports twice a year to ascertain that the guidelines and procedures established to monitor **RPT** have been complied with. In addition, the Trustee also has the right to review any such relevant internal audit reports to ascertain that the Property Fund Guidelines have been complied with.

In respect of transactions entered into or to be entered into by the Trustee for and on behalf of **FCT** with a related party of the **Manager** (which would include relevant Associates (as defined in the Listing Manual) thereof) or **FCT**, the Trustee is required to satisfy itself that such transactions are conducted on normal commercial terms, are not prejudicial to the interests of **FCT** and the **Unitholders**, and in accordance with all applicable requirements of the Property Funds Guidelines and/or the Listing Manual. The Trustee has the ultimate discretion under the Trust Deed entered into between the Trustee and the **Manager** constituting **FCT** to decide whether or not to enter into such a transaction involving a related party of the **Manager** or **FCT**.

## ROLE OF THE AUDIT COMMITTEE FOR RELATED PARTY TRANSACTIONS

The Audit Committee reviews **RPT** periodically to ensure compliance with the internal control procedures and the relevant provisions of the Listing Manual and Property Funds Guidelines. Any member who has an interest in a transaction shall abstain from participating in the review and approval processes in relation to that transaction.

# FINANCIALS

# REPORT OF THE TRUSTEE

HSBC Institutional Trust Services (Singapore) Limited (the "Trustee") is under a duty to take into custody and hold the assets of Frasers Centrepoint Trust (the "Trust") and its subsidiary (collectively, the "Group") in trust for the holders ("Unitholders") of units in the Trust (the "Units"). In accordance with the Securities and Futures Act, Chapter 289, of Singapore, its subsidiary legislation and the Code on Collective Investment Schemes, the Trustee shall monitor the activities of Frasers Centrepoint Asset Management Ltd. (the "Manager") for compliance with the limitations imposed on the investment and borrowing powers as set out in the trust deed dated 5 June 2006 (as amended and restated) (the "Trust Deed") between the Manager and the Trustee in each annual accounting period and report thereon to Unitholders in an annual report.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed the Trust during the period covered by these financial statements set out on pages 70 to 108 in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

For and on behalf of the Trustee,  
**HSBC Institutional Trust Services (Singapore) Limited**



**Antony Wade Lewis**  
*Director*

**Singapore**

12 November 2013



# STATEMENT BY THE MANAGER

In the opinion of the directors of Frasers Centrepoint Asset Management Ltd., the accompanying financial statements set out on pages 70 to 108, comprising the Balance Sheets and Portfolio Statements as at 30 September 2013, the Statements of Total Return, Distribution Statements, Statements of Movements in Unitholders' Funds and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory notes are drawn up so as to present fairly, in all material respects, the financial positions of the Group and the Trust as at 30 September 2013, the total return, distributable income, movements in Unitholders' funds of the Group and of the Trust and cash flow of the Group for the year ended on that date in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Singapore Chartered Accountants and the provisions of the Trust Deed. At the date of this statement, there are reasonable grounds to believe that the Group and the Trust will be able to meet their financial obligations as and when they materialise.

For and on behalf of the Manager,  
**Frasers Centrepoint Asset Management Ltd.**



**Mr Philip Eng Heng Nee**  
*Director*



**Dr Chew Tuan Chiong**  
*Director and Chief Executive Officer*

**Singapore**

12 November 2013

# INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF FRASERS CENTREPOINT TRUST

(Constituted in the Republic of Singapore pursuant to a trust deed dated 5 June 2006 (as amended and restated))

We have audited the accompanying financial statements of Frasers Centrepoint Trust (the "Trust") and its subsidiary (collectively, the "Group"), which comprise the Balance Sheets and Portfolio Statements of the Group and the Trust as at 30 September 2013, the Statements of Total Return, Distribution Statements, Statements of Movements in Unitholders' Funds of the Group and the Trust and Cash Flow Statement of the Group for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 70 to 108.

## MANAGER'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Manager of the Trust is responsible for the preparation and fair presentation of these financial statements in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Singapore Chartered Accountants, and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

## AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Trust's preparation and fair presentation of financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Manager of the Trust, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## OPINION

In our opinion, the financial statements present fairly, in all material respects, the financial positions of the Group and the Trust as at 30 September 2013, the total return, distributable income and movements in Unitholders' funds of the Group and the Trust and cash flows of the Group for the year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Singapore Chartered Accountants.

*Ernst + Young LLP*

**ERNST & YOUNG LLP**  
Public Accountants and  
Chartered Accountants  
Singapore

12 November 2013

# BALANCE SHEETS

as at 30 September 2013

	Note	Group		Trust	
		2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
<b>Non-current assets</b>					
Investment properties	3	2,019,500	1,816,000	2,019,500	1,816,000
Fixed assets	4	121	129	121	129
Investment in subsidiary	5	–	–	*	*
Investment in associate	6	71,727	71,819	63,843	63,843
		2,091,348	1,887,948	2,083,464	1,879,972
<b>Current assets</b>					
Trade and other receivables	7	3,456	6,302	3,456	6,302
Cash and cash equivalents	8	39,706	22,869	39,706	22,869
		43,162	29,171	43,162	29,171
<b>Total assets</b>		2,134,510	1,917,119	2,126,626	1,909,143
<b>Current liabilities</b>					
Trade and other payables	9	45,662	39,868	45,671	39,875
Current portion of security deposits		14,249	13,817	14,249	13,817
Deferred income	10	704	734	704	734
Interest-bearing borrowings	11	60,000	58,000	60,000	58,000
		120,615	112,419	120,624	112,426
<b>Non-current liabilities</b>					
Interest-bearing borrowings	11	529,000	519,000	529,000	519,000
Non-current portion of security deposits		21,990	22,036	21,990	22,036
Deferred income	10	550	634	550	634
		551,540	541,670	551,540	541,670
<b>Total liabilities</b>		672,155	654,089	672,164	654,096
<b>Net assets</b>		1,462,355	1,263,030	1,454,462	1,255,047
Represented by:-					
Unitholders' funds		1,470,618	1,268,401	1,454,462	1,255,047
Translation reserve	12	(8,263)	(5,371)	–	–
<b>Unitholders' funds and reserve</b>		1,462,355	1,263,030	1,454,462	1,255,047
<b>Units in issue ('000)</b>	13	824,383	823,200	824,383	823,200
<b>Net asset value per Unit</b>	14	\$ 1.77	\$ 1.53	\$ 1.76	\$ 1.52

\* Denotes amount less than \$500

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# STATEMENTS OF TOTAL RETURN

for the Financial Year Ended 30 September 2013

	Note	Group		Trust	
		2013	2012	2013	2012
		\$'000	\$'000	\$'000	\$'000
Gross revenue	15	157,959	147,203	157,959	147,203
Property expenses	16	(46,369)	(42,773)	(46,369)	(42,773)
Net property income		111,590	104,430	111,590	104,430
Interest income		35	7	35	7
Borrowing costs	17	(17,704)	(18,245)	(17,704)	(18,245)
Asset management fees	18	(11,520)	(10,713)	(11,520)	(10,713)
Valuation fees		(88)	(110)	(88)	(110)
Trustee's fees		(326)	(309)	(326)	(309)
Audit fees		(87)	(106)	(87)	(106)
Other professional fees		(574)	(440)	(574)	(440)
Other charges		(410)	(474)	(412)	(477)
Net income		80,916	74,040	80,914	74,037
Distribution from associate		-	-	4,443	3,873
Share of results of associate					
- operations		4,910	4,352	-	-
- revaluation surplus		2,333	6,064	-	-
Surplus on revaluation of investment properties	3	195,741	100,759	195,741	100,759
Unrealised gain from fair valuation of derivatives		3,866	352	3,866	352
Total return before tax		287,766	185,567	284,964	179,021
Taxation	19	-	-	-	-
<b>Total return for the year</b>		<b>287,766</b>	<b>185,567</b>	<b>284,964</b>	<b>179,021</b>
<b>Earnings per Unit (cents)</b>	20				
Basic		34.93	22.56	34.59	21.76
Diluted		34.93	22.56	34.59	21.76

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# DISTRIBUTION STATEMENTS

for the Financial Year Ended 30 September 2013

	Group		Trust	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Income available for distribution to Unitholders at beginning of year	22,354	18,357	22,351	18,354
Net income	80,916	74,040	80,914	74,037
Net tax adjustments (Note A)	4,772	4,435	4,774	4,438
Distributions from associate	4,443	3,873	4,443	3,873
	90,131	82,348	90,131	82,348
Income available for distribution to Unitholders	112,485	100,705	112,482	100,702
Distributions to Unitholders:				
Distribution of 2.07 cents per Unit for period from 1/7/2011 to 22/9/2011	–	15,977	–	15,977
Distribution of 0.28 cents per Unit for period from 23/9/2011 to 30/9/2011	–	2,303	–	2,303
Distribution of 2.20 cents per Unit for period from 1/10/2011 to 31/12/2011	–	18,096	–	18,096
Distribution of 2.50 cents per Unit for period from 1/1/2012 to 31/3/2012	–	20,572	–	20,572
Distribution of 2.60 cents per Unit for period from 1/4/2012 to 30/6/2012	–	21,403	–	21,403
Distribution of 2.71 cents per Unit for period from 1/7/2012 to 30/9/2012	22,317	–	22,317	–
Distribution of 2.40 cents per Unit for period from 1/10/2012 to 31/12/2012	19,772	–	19,772	–
Distribution of 2.70 cents per Unit for period from 1/1/2013 to 31/3/2013	22,250	–	22,250	–
Distribution of 2.85 cents per Unit for period from 1/4/2013 to 30/6/2013	23,495	–	23,495	–
	87,834	78,351	87,834	78,351
Income available for distribution to Unitholders at end of year	24,651	22,354	24,648	22,351
Note A – Net tax adjustments relate to the following items:				
- Asset management fees paid/payable in Units	2,304	2,402	2,304	2,402
- Trustee's fees	326	309	326	309
- Amortisation of loan arrangement fees	674	671	674	671
- Amortisation of lease incentives	1,004	(1,288)	1,004	(1,288)
- Deferred income and amortisation of rental deposits	–	12	–	12
- Other items	464	2,329	466	2,332
Net tax adjustments	4,772	4,435	4,774	4,438

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.



# STATEMENTS OF MOVEMENTS IN UNITHOLDERS' FUNDS AND TRANSLATION RESERVE

for the Financial Year Ended 30 September 2013

	Group		Trust	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Net assets at beginning of year	1,263,030	1,151,858	1,255,047	1,149,407
<b>Operations</b>				
Total return for the year	287,766	185,567	284,964	179,021
<b>Unitholders' transactions</b>				
Creation of Units				
- issued as satisfaction of acquisition fee	-	1,270	-	1,270
- issued as satisfaction of asset management fees	2,285	3,655	2,285	3,655
Issue expense adjustment	-	45	-	45
Distributions to Unitholders	(87,834)	(78,351)	(87,834)	(78,351)
Net decrease in net assets resulting from Unitholders' transactions	(85,549)	(73,381)	(85,549)	(73,381)
Movement in translation reserve (Note 12)	(2,892)	(1,014)	-	-
Net assets at end of year	1,462,355	1,263,030	1,454,462	1,255,047

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# PORTFOLIO STATEMENTS

as at 30 September 2013

## GROUP

Description of Property	Term of Lease	Location	Existing Use	Occupancy Rate as at 30 September	At Valuation		Percentage of Total Assets	
				2013	2013	2012	2013	2012
				%	\$'000	\$'000	%	%
<i>Investment properties in Singapore</i>								
Causeway Point	99-year leasehold from 30 October 1995	1 Woodlands Square	Commercial	99.5	1,006,000	890,000	47.1	46.4
Northpoint	99-year leasehold from 1 April 1990	930 Yishun Avenue 2	Commercial	99.3	638,000	570,000	29.9	29.7
Anchorpoint	Freehold	368 & 370 Alexandra Road	Commercial	96.9	86,000	81,000	4.0	4.2
YewTee Point	99-year leasehold from 3 January 2006	21 Choa Chu Kang North 6	Commercial	92.7	161,000	147,000	7.6	7.7
Bedok Point	99-year leasehold from 15 March 1978	799 New Upper Changi Road	Commercial	96.7	128,500	128,000	6.0	6.7
Investment properties, at valuation					2,019,500	1,816,000	94.6	94.7
Investment in associate (Note 6)					71,727	71,819	3.4	3.8
					2,091,227	1,887,819	98.0	98.5
Other assets					43,283	29,300	2.0	1.5
Total assets attributable to Unitholders					2,134,510	1,917,119	100.0	100.0

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# PORTFOLIO STATEMENTS

as at 30 September 2013

## TRUST

Description of Property	Term of Lease	Location	Existing Use	Occupancy Rate as at 30 September	At Valuation		Percentage of Total Assets	
				2013	2013	2012	2013	2012
				%	\$'000	\$'000	%	%
<i>Investment properties in Singapore</i>								
Causeway Point	99-year leasehold from 30 October 1995	1 Woodlands Square	Commercial	99.5	1,006,000	890,000	47.3	46.6
Northpoint	99-year leasehold from 1 April 1990	930 Yishun Avenue 2	Commercial	99.3	638,000	570,000	30.0	29.9
Anchorpoint	Freehold	368 & 370 Alexandra Road	Commercial	96.9	86,000	81,000	4.1	4.3
YewTee Point	99-year leasehold from 3 January 2006	21 Choa Chu Kang North 6	Commercial	92.7	161,000	147,000	7.6	7.7
Bedok Point	99-year leasehold from 15 March 1978	799 New Upper Changi Road	Commercial	96.7	128,500	128,000	6.0	6.7
Investment properties, at valuation					2,019,500	1,816,000	95.0	95.2
Investment in associate (Note 6)					63,843	63,843	3.0	3.3
					2,083,343	1,879,843	98.0	98.5
Other assets					43,283	29,300	2.0	1.5
Total assets attributable to Unitholders					2,126,626	1,909,143	100.0	100.0

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# PORTFOLIO STATEMENTS

as at 30 September 2013

On 30 September 2013, independent valuations of the investment properties were undertaken by Knight Frank Pte Ltd ("Knight Frank"), Jones Lang LaSalle Property Consultants Pte Ltd ("JLL"), and Colliers International Consultancy & Valuation (Singapore) Pte Ltd ("Colliers"). The Manager believes that these independent valuers possess appropriate professional qualifications and recent experience in the location and category of the investment properties being valued. The valuations were performed based on the following methods:

Description of Property	Valuer	Valuation Method	Valuation	
			2013 \$'000	2012 \$'000
Causeway Point	Knight Frank (2012: JLL)	Capitalisation approach and discounted cash flows (2012: capitalisation approach and discounted cash flows)	1,006,000	890,000
Northpoint	Colliers (2012: Colliers)	Direct comparison method, investment method and discounted cash flows (2012: direct comparison method, investment method and discounted cash flows)	638,000	570,000
Anchorpoint	Knight Frank (2012: Knight Frank)	Capitalisation approach and discounted cash flows (2012: capitalisation approach and discounted cash flows)	86,000	81,000
YewTee Point	Knight Frank (2012: Knight Frank)	Capitalisation approach and discounted cash flows (2012: capitalisation approach and discounted cash flows)	161,000	147,000
Bedok Point	JLL (2012: Knight Frank)	Capitalisation approach and discounted cash flows (2012: capitalisation approach and discounted cash flows)	128,500	128,000

The net changes in fair values of these investment properties have been recognised in the Statements of Total Return in accordance with the Group's accounting policies.

The investment properties are leased to third party tenants. Generally, these leases contain an initial non-cancellable period of three years. Subsequent renewals are negotiated with individual lessees. Contingent rent, which comprises gross turnover rent, recognised in the Statements of Total Return amounted to \$7,802,000 (2012: \$7,404,000).

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# CASH FLOW STATEMENT

for the Financial Year Ended 30 September 2013

	Group	
	2013	2012
	\$'000	\$'000
<b>Operating activities</b>		
Total return before tax	287,766	185,567
Adjustments for:		
Allowance for doubtful receivables	104	130
Bad debts written off	5	–
Write back of allowance for doubtful receivables	(70)	(290)
Borrowing costs	17,704	18,245
Interest income	(35)	(7)
Asset management fees paid/payable in Units	2,304	2,402
Depreciation of fixed assets	43	44
Share of associate's results (including revaluation surplus)	(7,243)	(10,416)
Surplus on revaluation of investment properties	(195,741)	(100,759)
Unrealised gain from fair valuation of derivatives	(3,866)	(352)
Amortisation of lease incentives	1,004	(1,288)
Deferred income recognised	(986)	(964)
Operating income before working capital changes	100,989	92,312
Changes in working capital:		
Trade and other receivables	2,413	(611)
Trade and other payables	9,361	6,025
<b>Cash flows from operating activities</b>	<b>112,763</b>	<b>97,726</b>
<b>Investing activities</b>		
Distributions received from associate	4,443	3,873
Interest received	35	7
Capital expenditure on investment properties	(9,483)	(19,000)
Acquisition of fixed assets	(35)	(39)
Investment in associate	–	(12,533)
<b>Cash flows used in investing activities</b>	<b>(5,040)</b>	<b>(27,692)</b>
<b>Financing activities</b>		
Proceeds from borrowings	70,000	183,000
Repayment of borrowings	(58,000)	(165,000)
Borrowing costs paid	(14,772)	(16,549)
Distributions to Unitholders	(87,834)	(78,351)
Payment of issue and finance costs	(280)	(755)
<b>Cash flows used in financing activities</b>	<b>(90,886)</b>	<b>(77,655)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>16,837</b>	<b>(7,621)</b>
Cash and cash equivalents at beginning of year	22,869	30,490
<b>Cash and cash equivalents at end of year (Note 8)</b>	<b>39,706</b>	<b>22,869</b>

## SIGNIFICANT NON-CASH TRANSACTIONS

During the financial year, 1,181,891 (2012: 1,519,456) Units were issued and issuable in satisfaction of asset management fees payable in Units, amounting to a value of \$2,304,013 (2012: \$2,401,705) in respect of the financial year ended 30 September 2013.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.



# NOTES TO THE FINANCIAL STATEMENTS

30 September 2013

The following notes form an integral part of the financial statements.

## 1. GENERAL

Frasers Centrepoint Trust (the "Trust") is a Singapore-domiciled unit trust constituted pursuant to a trust deed dated 5 June 2006, and any amendment or modification thereof (the "Trust Deed"), between Frasers Centrepoint Asset Management Ltd. (the "Manager") and HSBC Institutional Trust Services (Singapore) Limited (the "Trustee"). The Trust Deed is governed by the laws of the Republic of Singapore. The Trustee is under a duty to take into custody and hold the assets of the Trust and its subsidiary (collectively, the "Group") in trust for the holders ("Unitholders") of units in the Trust (the "Units"). The address of the Trustee's registered office is 21 Collyer Quay #10-02 HSBC Building Singapore 049320.

The Trust was formally admitted to the Official List of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 5 July 2006 and was included in the Central Provident Fund Investment Scheme ("CPFIS") on 5 July 2006.

The principal activity of the Trust is to invest in income-producing properties used primarily for retail purposes, in Singapore and overseas, with the primary objective of delivering regular and stable distributions to Unitholders and to achieve long-term capital growth. The principal activity of the subsidiary is set out in Note 5.

The financial statements were authorised for issue by the Manager and the Trustee on 12 November 2013.

The Trust has entered into several service agreements in relation to management of the Trust and its property operations. The fee structures of these services are as follows:

### (a) Property management fees

Under the property management agreements, fees are charged as follows:

- (i) 2.0% per annum of the gross revenue of the properties;
- (ii) 2.0% per annum of the net property income of the properties (calculated before accounting for the property management fees); and
- (iii) 0.5% per annum of the net property income of the properties (calculated before accounting for the property management fees), in lieu of leasing commissions.

The property management fees are payable monthly in arrears.

### (b) Asset management fees

Pursuant to the Trust Deed, asset management fees comprise the following:

- (i) A base fee equal to a rate of 0.3% per annum of the value of Deposited Property (being all assets, as stipulated in the Trust Deed) of the Trust; and
- (ii) An annual performance fee equal to a rate of 5.0% per annum of the Net Property Income (as defined in the Trust Deed) of the Trust and any Special Purpose Vehicles (as defined in the Trust Deed) for each financial year.

Any increase in the rate or any change in the structure of the asset management fees must be approved by an Extraordinary Resolution of Unitholders passed at a Unitholders' meeting duly convened and held in accordance with the provisions of the Trust Deed.

The Manager may elect to receive the fees in cash or Units or a combination of cash and Units (as it may in its sole discretion determine). For the year ended 30 September 2013, the Manager has opted to receive an average of 20% (2012: 22%) of the asset management fees in the form of Units with the balance in cash. The portion of the asset management fees in the form of Units is payable on a quarterly basis in arrears, and the portion in cash is payable on a monthly basis in arrears.

# NOTES TO THE FINANCIAL STATEMENTS

30 September 2013

## 1. GENERAL (cont'd)

### (b) Asset management fees (cont'd)

The Manager is also entitled to receive acquisition fee at the rate of 1% of the acquisition price and a divestment fee of 0.5% of the sale price on all future acquisitions or disposals of properties or investments.

### (c) Trustee's fees

Pursuant to the Trust Deed, the Trustee's fees shall not exceed 0.1% per annum of the value of Deposited Property of the Trust, subject to a minimum of \$9,000 per month, excluding out-of-pocket expenses and GST.

Any increase in the maximum permitted or any change in the structure of the Trustee's fee must be approved by an Extraordinary Resolution of Unitholders passed at a Unitholders' meeting duly convened and held in accordance with the provisions of the Trust Deed.

The Trustee's fees are payable monthly in arrears.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### (a) Basis of preparation

The financial statements have been prepared in accordance with the recommendations of Statement of Recommended Accounting Practice ("RAP") 7 "Reporting Framework for Unit Trusts" issued by the Institute of Singapore Chartered Accountants ("ISCA"), the applicable requirements of the Code on Collective Investment Schemes (the "CIS Code") issued by the Monetary Authority of Singapore ("MAS") and the provisions of the Trust Deed. RAP 7 requires the accounting policies to generally comply with the principles relating to recognition and measurement under the Singapore Financial Reporting Standards ("FRS").

The financial statements, which are presented in Singapore dollars and rounded to the nearest thousand, unless otherwise stated, have been prepared on the historical cost basis except as disclosed in the accounting policies below.

In June 2012, the ISCA issued a revised RAP 7 which is effective for unit trusts with annual periods beginning on or after 30 June 2012. The changes that have been brought about under the revised RAP 7 include the requirements to present statement of movements in unitholders' funds by unit trusts, as well as statement of cash flow and statement of distribution by property funds. These changes have no material impact on the financial statements.

The preparation of the financial statements in conformity with RAP 7 requires the Manager to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Financial impact arising from revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:

- (i) Note 3 – Valuation of investment properties
- (ii) Note 6 – Accounting for investment in associate

### (b) Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards which are effective for annual periods beginning on 1 October 2012. The adoption of these standards did not have any material effect on the financial performance or position of the Group and the Trust.

# NOTES TO THE FINANCIAL STATEMENTS

30 September 2013

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

### (c) Standards issued but not yet effective

The Group has not adopted the following standards that have been issued but not yet effective:

	Effective date (Annual period beginning on or after)
FRS 113 <i>Fair Value Measurement</i>	1 January 2013
Improvements to FRSs 2012	
- Amendment to FRS 16 <i>Property, Plant and Equipment</i>	1 January 2013
- Amendment to FRS 32 <i>Financial Instruments: Presentation</i>	1 January 2013
Revised FRS 27 <i>Separate Financial Statements</i>	1 January 2014
Revised FRS 28 <i>Investments in Associates and Joint Ventures</i>	1 January 2014
Amendments to FRS 36 <i>Recoverable Amount Disclosures for Non-financial Assets</i>	1 January 2014
FRS 110 <i>Consolidated Financial Statements</i>	1 January 2014
FRS 112 <i>Disclosure of Interest in Other Entities</i>	1 January 2014

The Manager expects that the adoption of the above standards will have no material impact on the financial statements in the period of initial application.

### (d) Foreign currency

Transactions in foreign currencies are measured and recorded on initial recognition in Singapore dollars, the functional currency of the Trust and subsidiary, at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the balance sheet date are recognised in the Statement of Total Return except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in equity as translation reserve in the Balance Sheet and recognised in the Statement of Total Return on disposal of the foreign operation.

For consolidation purposes, the assets and liabilities of foreign operations are translated into Singapore dollars at the rate of exchange ruling at the balance sheet date and their profit or loss are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on translation are taken directly to a separate component of equity as translation reserve. On disposal of a foreign operation, the cumulative amount recognised in translation reserve relating to that particular foreign operation is recognised in the Statement of Total Return.

When associates that are foreign operations are partially disposed, the proportionate share of the accumulated exchange differences is reclassified to the Statement of Total Return.

### (e) Investment properties

Investment properties are stated at initial cost on acquisition, including transaction costs, and at valuation thereafter. Valuation is determined in accordance with the Trust Deed, which requires the investment properties to be valued by independent registered valuers in the following events:

- In such manner and frequency required under the CIS Code issued by the MAS; and
- At least once in each period of 12 months following the acquisition of each parcel of real estate property.

# NOTES TO THE FINANCIAL STATEMENTS

30 September 2013

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

### (e) *Investment properties (cont'd)*

Any increase or decrease on revaluation is credited or charged to the Statement of Total Return as a net revaluation surplus or deficit in the value of the investment properties.

Subsequent expenditure relating to investment properties that have already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of originally assessed standard of performance of the existing asset, will flow to the Group and the Trust. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in the Statement of Total Return in the year of retirement or disposal.

Investment properties are not depreciated. Investment properties are subject to continual maintenance and regularly revalued on the basis set out above. For taxation purposes, the Group and the Trust may claim capital allowances on assets that qualify as plant and machinery under the Income Tax Act.

### (f) *Basis of consolidation and investment in subsidiary*

A subsidiary is an entity over which the Group has the power to govern the financial and operating policies so as to obtain benefits from its activities.

In the Trust's balance sheet, investment in subsidiary is accounted for at cost less any impairment losses.

The consolidated financial statements incorporate the financial statements of the Trust and its subsidiary as of the balance sheet date. The financial statements of the subsidiary used in the preparation of the consolidated financial statements are prepared for the same reporting date and using consistent accounting policies as the Trust.

A subsidiary is consolidated from the date of acquisition, being the date on which the Group obtains control, and continues to be consolidated until the date that such control ceases. All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration, if deemed to be an asset or liability within the scope of FRS 39, will be recognised either in the Statement of Total Return or as change to a separate component of equity. If the contingent consideration is classified as equity, it is not remeasured until it is finally settled within equity.

In business combinations achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in the Statement of Total Return.

The Group elects for each individual business combination whether non-controlling interest in the acquiree (if any) is recognised on the acquisition date at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

# NOTES TO THE FINANCIAL STATEMENTS

30 September 2013

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

### (f) *Basis of consolidation and investment in subsidiary (cont'd)*

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in the Statement of Total Return on the acquisition date.

### (g) *Investment in associate*

An associate is an entity, not being a subsidiary or a joint venture, in which the Group has significant influence.

The Group's investment in associate is accounted for using the equity method. Under the equity method, the investment in associate is stated in the Balance Sheet at cost plus post-acquisition changes in the Group's share of net assets of the associate. The Group's share of results of the associate is recognised in the Statement of Total Return. Where there has been a change recognised directly in the equity of the associate, the Group recognises its share of such changes in equity.

After application of the equity method, the Group determines whether it is necessary to recognise any impairment loss with respect to the Group's net investment in the associate. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in the Statement of Total Return.

The associate is equity accounted for from the date the Group obtains significant influence until the date the Group ceases to have significant influence over the associate.

Goodwill relating to an associate is included in the carrying amount of the investment and is neither amortised nor tested individually for impairment. Any excess of the Group's share of the net fair value of the associate's identifiable assets, liabilities and contingent liabilities over the cost of the investment is excluded from the carrying amount of the investment and is instead included as income in the determination of the Group's share of the associate's results in the period in which the investment is acquired.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any unsecured receivables, the Group does not recognise further losses unless it has incurred obligations or made payments on behalf of the associate.

Where the dates of the financial statements of the associate are not co-terminous with those of the Group, the share of results is arrived at from the last audited financial statements available and un-audited management accounts to the end of the accounting period. Consistent accounting policies are applied for like transactions and events in similar circumstances. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the aggregate of the retained investment and proceeds from disposal is recognised in the Statement of Total Return.

### (h) *Fixed assets*

Fixed assets are stated at cost less accumulated depreciation and any impairment. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use. The cost of a fixed asset is recognised as an asset if, and only if, it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. Expenditure for additions, improvements and renewals are capitalised and expenditure for maintenance and repair are charged to the Statement of Total Return. When assets are derecognised upon disposal or when no future economic benefits are expected from their use or disposal, their cost and accumulated depreciation are removed from the financial statements and any gain or loss on derecognition of the assets is included in the Statement of Total Return.



# NOTES TO THE FINANCIAL STATEMENTS

30 September 2013

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

### (h) Fixed assets (cont'd)

Fixed assets are depreciated on the straight line method so as to write off the cost of the fixed assets over their estimated useful lives. The principal annual rates of depreciation for equipment, furniture and fittings range from 10% to 20%.

The carrying values of fixed assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

### (i) Impairment of non-financial assets

The Group assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An impairment loss is recognised in the Statement of Total Return whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses recognised in prior periods are assessed at each reporting date for any indication that the loss has decreased or no longer exists. If such indication exists, the recoverable amount is estimated. An impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Reversal of an impairment loss is recognised in the Statement of Total Return. After such a reversal, the depreciation charge, if any, is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

### (j) Financial assets

The Group determines the classification of its financial assets at initial recognition. When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are carried at amortised cost using the effective interest method, less any impairment losses. Gains or losses are recognised in the Statement of Total Return when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets classified as held for trading include derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by FRS 39. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial assets are recognised in the Statement of Total Return.

# NOTES TO THE FINANCIAL STATEMENTS

30 September 2013

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

### (j) *Financial assets (cont'd)*

Financial assets are recognised on the Balance Sheet when, and only when, the Group becomes a party to the contractual provisions of the instruments. Financial assets are derecognised when the contractual rights to receive cash flows from the assets have expired. On derecognition, the difference between the carrying amount and the consideration received is recognised in the Statement of Total Return.

All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned.

### (k) *Cash and cash equivalents*

Cash and cash equivalents comprise cash balances and bank deposits.

### (l) *Impairment of financial assets*

The Group assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

For financial assets carried at amortised cost, the Group first assesses individually whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of impairment loss is calculated as the difference between its carrying amount, and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss and any subsequent write-back is recognised in the Statement of Total Return.

When the asset becomes uncollectible, the carrying amount of impaired financial assets is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has incurred, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the Statement of Total Return to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

### (m) *Financial liabilities*

Financial liabilities are recognised on the Balance Sheet when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition. Financial liabilities are initially recognised at the fair value of consideration received, and in the case of financial liabilities other than those designated at fair value through profit or loss, less directly attributable transaction costs.

# NOTES TO THE FINANCIAL STATEMENTS

30 September 2013

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

### *(m) Financial liabilities (cont'd)*

Financial liabilities that are designated at fair value through profit or loss include financial liabilities held for trading. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments such as interest rate swaps entered into by the Group to hedge its risks associated with interest rate fluctuations.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial liabilities are recognised in the Statement of Total Return.

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the Statement of Total Return when the liabilities are derecognised and through the amortisation process.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

### *(n) Provisions*

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as finance cost.

### *(o) Security deposits and deferred income*

Security deposits relate to rental deposits received from tenants at the Group's investment properties. The accounting policy for security deposits as a financial liability is set out in Note 2(m).

Deferred income relates to the difference between consideration received for security deposits and its fair value at initial recognition, and is credited to the Statement of Total Return as gross rental income on a straight line basis over individual lease term.

### *(p) Leases*

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement at inception date: whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset even if that right is not explicitly specified in an arrangement.

Leases where the Group retains substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income. The accounting policy for rental income is set out in Note 2(q)(i).

### *(q) Revenue recognition*

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable, excluding discounts, rebates, and sales taxes or duty. The following specific recognition criteria must also be met before revenue is recognised:

# NOTES TO THE FINANCIAL STATEMENTS

30 September 2013

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

### (q) Revenue recognition (cont'd)

#### (i) Rental income

Rental income receivable under operating leases is recognised in the Statement of Total Return on a straight-line basis over the term of the lease, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased assets. Lease incentives granted are recognised as an integral part of the total rental to be received. The aggregate cost of incentives provided to lessees is recognised as a reduction of rental income over the lease term on a straight-line basis. Contingent rent, which comprises gross turnover rental, is recognised as income in the period in which it is earned.

#### (ii) Interest income

Interest income is recognised in the Statement of Total Return using the effective interest method.

### (r) Expenses

#### (i) Property expenses

Property expenses are recognised on an accrual basis. Included in property expenses are property management fees which are based on the applicable formula stipulated in Note 1(a).

#### (ii) Asset management fees

Asset management fees are recognised on an accrual basis based on the applicable formula stipulated in Note 1(b).

#### (iii) Trust expenses

Trust expenses are recognised on an accrual basis. Included in trust expenses are Trustee's fees which are based on the applicable formula stipulated in Note 1(c).

### (s) Taxation

#### (i) Current income tax

Current income tax is the expected tax payable on the taxable income for the period, using tax rates and tax laws enacted or substantively enacted at the balance sheet date.

#### (ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax is not recognised for temporary differences that:

- Arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- Are associated with investments in subsidiaries and associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the assets are realised or the liabilities are settled, based on tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

# NOTES TO THE FINANCIAL STATEMENTS

30 September 2013

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

### (s) Taxation (cont'd)

#### (iii) Tax transparency

The Inland Revenue Authority of Singapore ("IRAS") has issued a tax ruling on the income tax treatment of the Trust. Subject to meeting the terms and conditions of the tax ruling which includes a distribution of at least 90% of the taxable income of the Trust, the Trustee will not be assessed to tax on the taxable income of the Trust. Instead, the distributions made by the Trust out of such taxable income are subject to tax in the hands of Unitholders, unless they are exempt from tax on the Trust's distributions (the "tax transparency ruling"). Accordingly, the Trustee and the Manager will deduct income tax at the prevailing corporate tax rate from the distributions made to Unitholders that are made out of the taxable income of the Trust, except:

- a) where the beneficial owners are individuals or Qualifying Unitholders, the Trustee and the Manager will make the distributions to such Unitholders without deducting any income tax; and
- b) where the beneficial owners are foreign non-individual investors or where the Units are held by nominee Unitholders who can demonstrate that the Units are held for beneficial owners who are foreign non-individual investors, the Trustee and the Manager will deduct/withhold tax at a reduced rate of 10% from the distributions.

A Qualifying Unitholder is a Unitholder who is:

- (i) A tax resident Singapore-incorporated company;
- (ii) A non-corporate Singapore constituted or registered entity (e.g. town council, statutory board, charitable organisation, management corporation, club and trade and industry association constituted, incorporated, registered or organised in Singapore);
- (iii) A Singapore branch of a foreign company which has been presented a letter of approval from the Comptroller of Income Tax granting waiver from tax deducted at source in respect of distributions from the Trust;
- (iv) An agent bank or a Supplementary Retirement Scheme ("SRS") operator acting as nominee for individuals who have purchased Units in the Trust within the CPFIS or the SRS respectively; or
- (v) A nominee who can demonstrate that the Units are held for beneficial owners who are individuals or who fall within the classes of Unitholders listed in (i) to (iii) above.

The above tax transparency ruling does not apply to gains from the sale of real properties. Such gains, when determined by the IRAS to be trading gains, are assessable to tax on the Trustee. Where the gains are capital gains, the Trustee will not be assessed to tax and may distribute the capital gains without tax being deducted at source.

#### (iv) Sales tax

Revenue, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the IRAS is included as part of receivables or payables on the Balance Sheet.



# NOTES TO THE FINANCIAL STATEMENTS

30 September 2013

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

### (t) *Borrowing costs*

Borrowing costs are expensed in the period they occur, and consist of interest and other costs that the Group incurs in connection with the borrowing of funds.

### (u) *Segment reporting*

For management purposes, the Group is organised into operating segments based on individual investment property within the Group's portfolio. The Manager regularly reviews the segment results in order to allocate resources to the segments and to assess the segments' performance. Additional disclosures on each of these segments are shown in Note 23, including the factors used to identify the reportable segments and the measurement basis of segment information.

### (v) *Units and unit issuance expenses*

Proceeds from issuance of Units are recognised as Unitholders' funds. Incremental costs directly attributable to the issuance of Units are deducted against Unitholders' funds.

### (w) *Contingencies*

A contingent liability is:

- a) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or the Trust; or
- b) A present obligation that arises from past events but is not recognised because:
  - (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
  - (ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or the Trust.

Contingent liabilities and assets are not recognised on the Balance Sheets, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

### (x) *Related parties*

A related party is defined as follows:

- a) A person or a close member of that person's family is related to the Group if that person:
  - (i) has control or joint control over the Group;
  - (ii) has significant influence over the Group; or
  - (iii) is a member of the key management personnel of the Group or of a parent of the Group.

# NOTES TO THE FINANCIAL STATEMENTS

30 September 2013

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

### (x) Related parties (cont'd)

- b) An entity is related to the Group if any of the following conditions applies:
- (i) the entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  - (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (iii) both entities are joint ventures of the same third party.
  - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
  - (vi) the entity is controlled or jointly controlled by a person identified in (a);
  - (vii) a person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

## 3. INVESTMENT PROPERTIES

	Group and Trust	
	2013	2012
	\$'000	\$'000
At beginning	1,816,000	1,697,000
Capital expenditure	8,763	16,953
	1,824,763	1,713,953
Surplus on revaluation	194,737	102,047
At end	2,019,500	1,816,000

The investment properties owned by the Group and the Trust are set out in the Portfolio Statements. Northpoint has been mortgaged as security for a \$264 million secured five-year term loan from DBS Bank Ltd, Oversea-Chinese Banking Corporation Limited and Standard Chartered Bank (Note 11).

Bedok Point has been mortgaged as security for a \$70 million secured five-year term loan from DBS Bank Ltd (Note 11).

Investment properties are stated at fair value based on valuations performed by independent professional valuers. In determining the fair value, the valuers have used valuation methods which involve certain estimates. The key assumptions used to determine the fair value of investment properties include market-corroborated capitalisation yields, terminal yields and discount rates. The Manager is of the view that the valuation methods and estimates are reflective of the market conditions as at 30 September 2013.

The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties have each acted knowledgeably, prudently and without compulsion.

# NOTES TO THE FINANCIAL STATEMENTS

30 September 2013

## 3. INVESTMENT PROPERTIES (cont'd)

The net change in fair value of the properties recognised in the Statements of Total Return has been adjusted for amortisation of lease incentives as follows:

	Group and Trust	
	2013	2012
	\$'000	\$'000
Surplus on revaluation	194,737	102,047
Amortisation of lease incentives	1,004	(1,288)
Surplus on revaluation recognised in Statements of Total Return	195,741	100,759

The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements other than as disclosed in Note 24.

## 4. FIXED ASSETS

	Equipment, furniture and fittings	
	2013	2012
	\$'000	\$'000
<b>Cost</b>		
At beginning	277	246
Additions	35	39
Disposals	(4)	(8)
At end	308	277
<b>Accumulated depreciation</b>		
At beginning	148	112
Charge for the year	43	44
Disposals	(4)	(8)
At end	187	148
<b>Carrying amount</b>		
At beginning	129	134
At end	121	129

## 5. INVESTMENT IN SUBSIDIARY

	Trust	
	2013	2012
	\$'000	\$'000
Unquoted equity investment, at cost	*	*

\* Denotes amount less than \$500.

# NOTES TO THE FINANCIAL STATEMENTS

30 September 2013

## 5. INVESTMENT IN SUBSIDIARY (cont'd)

Details of the subsidiary are as follows:

Name of subsidiary	Place of incorporation / business	Effective equity interest held by the Trust	
		2013	2012
		%	%
FCT MTN Pte. Ltd. <sup>(1)</sup>	Singapore	100	100

<sup>(1)</sup> Audited by Ernst & Young LLP, Singapore

FCT MTN Pte. Ltd. ("FCT MTN") is a wholly-owned subsidiary with share capital of \$2 comprising 2 ordinary shares. The principal activity of the subsidiary is the provision of treasury services, including lending to the Trust the proceeds from issuance of notes under an unsecured multicurrency medium term note programme.

## 6. INVESTMENT IN ASSOCIATE

	Group		Trust	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Quoted units, at cost	67,806	67,806	67,806	67,806
Share of post-acquisition reserves				
- operations	3,086	2,619	-	-
- revaluation surplus	15,857	13,524	-	-
Translation difference	(8,263)	(5,371)	-	-
	78,486	78,578	67,806	67,806
Allowance for impairment	(6,759)	(6,759)	(3,963)	(3,963)
	71,727	71,819	63,843	63,843
Fair value of investment based on published price quotation	73,568	69,940	73,568	69,940

Details of the associate are as follows:

Name of associate	Place of incorporation / business	Effective equity interest held by the Group and Trust	
		2013	2012
		%	%
Hektar Real Estate Investment Trust <sup>(1)</sup>	Malaysia	31.17	31.17

<sup>(1)</sup> Audited by SJ Grant Thornton, Malaysia

Hektar Real Estate Investment Trust ("H-REIT") is a real estate investment trust constituted in Malaysia by a trust deed dated 5 October 2006. H-REIT units are listed on the Main Board of Bursa Malaysia Securities Berhad. The principal investment objective of H-REIT is to invest in income-producing real estate in Malaysia used primarily for retail purposes.

As the results of H-REIT are not expected to be announced in sufficient time to be included in the Group's results for the quarter ended 30 September 2013, the Group has estimated the results of H-REIT for the quarter ended 30 September 2013 based on its results for the preceding quarter, adjusted for significant transactions and events occurring up to the reporting date of the Group, if any.

The result for H-REIT was equity accounted for at the Group level, net of 10% (2012: 10%) withholding tax in Malaysia.

# NOTES TO THE FINANCIAL STATEMENTS

30 September 2013

## 6. INVESTMENT IN ASSOCIATE (cont'd)

The following summarised financial information relating to the associate has not been adjusted for the percentage of ownership interest held by the Group:

	2013 <sup>(2)</sup>	2012 <sup>(3)</sup>
	\$'000	\$'000
<b>Assets and liabilities</b>		
Non-current assets	413,434	330,283
Current assets	12,001	16,904
<b>Total assets</b>	<b>425,435</b>	<b>347,187</b>
Current liabilities	13,107	71,300
Non-current liabilities	174,004	85,392
<b>Total liabilities</b>	<b>187,111</b>	<b>156,692</b>
<b>Results</b>		
Revenue	45,696	38,936
Expenses	(29,087)	(23,507)
Revaluation surplus	7,865	19,095
<b>Total return for year</b>	<b>24,474</b>	<b>34,524</b>

<sup>(2)</sup> The financial information is based on the latest available unaudited management accounts as at 30 June 2013 and for the six months ended 30 June 2013 and the pro-rated six month results from the audited financial statements for the period ended 31 December 2012.

<sup>(3)</sup> The financial information is based on the unaudited management accounts as at 30 June 2012 and for the six months ended 30 June 2012 and the pro-rated six month results from the audited financial statements for the period ended 31 December 2011.

As at 30 September 2013, the associate's property portfolio comprises Subang Parade in Selangor, Mahkota Parade in Melaka and Wetex Parade in Muar, Johor, Central Square and Landmark Central in Kedah.

## 7. TRADE AND OTHER RECEIVABLES

	Group and Trust	
	2013	2012
	\$'000	\$'000
Trade receivables	1,373	2,397
Allowance for doubtful receivables	(86)	(90)
<b>Net trade receivables</b>	<b>1,287</b>	<b>2,307</b>
Deposits	77	68
Prepayments	199	324
Other receivables	2	1,318
Loan arrangement fees	1,891	2,285
	<b>3,456</b>	<b>6,302</b>

# NOTES TO THE FINANCIAL STATEMENTS

30 September 2013

## 7. TRADE AND OTHER RECEIVABLES (cont'd)

Trade receivables are recognised at their original invoiced amounts which represent their fair values on initial recognition.

### (i) Trade receivables that are past due but not impaired

The Group and the Trust have trade receivables amounting to \$1,287,000 (2012: \$2,307,000) that are past due at the balance sheet date but not impaired. The aging of receivables at the balance sheet date is as follows:

	Group and Trust	
	2013	2012
	\$'000	\$'000
<b>Trade receivables past due but not impaired:</b>		
Less than 30 days	866	886
30 to 60 days	243	552
61 to 90 days	34	129
91 to 120 days	76	150
More than 120 days	68	590
	1,287	2,307

### (ii) Trade receivables that are impaired

The Group's and the Trust's trade receivables that are impaired at the balance sheet date and the movements of the allowance account used to record the impairment are as follows:

	Group and Trust	
	2013	2012
	\$'000	\$'000
Trade receivables	86	90
Allowance for impairment	(86)	(90)
	-	-
Movement in allowance account:		
At beginning	90	257
Impairment loss recognised	104	130
Written back	(70)	(290)
Allowance utilised	(38)	(7)
At end	86	90

Trade receivables that are individually determined to be impaired at the balance sheet date relate to debtors that are in significant difficulties and have defaulted on payments. The allowance for impairment recorded in relation to these receivables represents the amount in excess of the security deposits held as collateral.

Based on the Group's historical experience of the collection of trade receivables, the Manager believes that there is no additional credit risk beyond those which have been provided for.



# NOTES TO THE FINANCIAL STATEMENTS

30 September 2013

## 8. CASH AND CASH EQUIVALENTS

For purpose of the consolidated cash flow statement, cash and cash equivalents comprise the following at the balance sheet date:

	Group and Trust	
	2013	2012
	\$'000	\$'000
Cash at bank and on hand	25,706	17,869
Fixed deposits	14,000	5,000
	39,706	22,869

The weighted average effective interest rate for fixed deposits is 0.22% (2012: 0.06%) per annum.

## 9. TRADE AND OTHER PAYABLES

	Group		Trust	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Trade payables and accrued operating expenses	24,765	15,819	24,774	15,826
Amounts due to related parties (trade)	4,637	4,522	4,637	4,522
Deposits and advances	3,625	3,301	3,625	3,301
Interest payable	3,654	3,424	3,654	3,424
Other payables	28	82	28	82
Withholding tax	928	829	928	829
Fair value of interest rate swaps	8,025	11,891	8,025	11,891
	45,662	39,868	45,671	39,875

Included in trade payables and accrued operating expenses is an amount due to the Trustee of \$56,246 (2012: \$52,597).

Included in amounts due to related parties are amounts due to the Manager of \$3,186,015 (2012: \$3,087,324) and the Property Manager of \$1,451,172 (2012: \$1,434,103) respectively. The amounts due to related parties are unsecured, interest free and payable within the next 3 months.

The Trust entered into contracts to exchange, at specified intervals, the difference between floating rate and fixed rate interest amounts calculated by reference to agreed notional amounts. As at balance sheet date, the Trust has interest rate swaps for:

- (i) notional contract amount of \$100 million that mature in April 2015;
- (ii) notional contract amount of \$159 million that mature in July 2016; and
- (iii) notional contract amount of \$42 million that mature in June 2015.

The Group does not apply hedge accounting.

# NOTES TO THE FINANCIAL STATEMENTS

30 September 2013

## 10. DEFERRED INCOME

	Group and Trust	
	2013	2012
	\$'000	\$'000
<b>Cost</b>		
At beginning	2,812	3,266
Additions	872	866
Fully amortised	(771)	(1,320)
At end	2,913	2,812
<b>Accumulated amortisation</b>		
At beginning	1,444	1,800
Charge for the year	986	964
Fully amortised	(771)	(1,320)
At end	1,659	1,444
<b>Net deferred income</b>	1,254	1,368
This comprises:		
Current portion	704	734
Non-current portion	550	634
	1,254	1,368

## 11. INTEREST-BEARING BORROWINGS

	Group		Trust	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
<b>Non-current liabilities</b>				
Term loans (secured)	334,000	334,000	334,000	334,000
Loan from subsidiary (unsecured)	–	–	195,000	185,000
Medium Term Notes (unsecured)	195,000	185,000	–	–
	529,000	519,000	529,000	519,000
<b>Current liabilities</b>				
Loan from subsidiary (unsecured)	–	–	60,000	55,000
Medium Term Notes (unsecured)	60,000	55,000	–	–
Revolving credit loan (unsecured)	–	3,000	–	3,000
	60,000	58,000	60,000	58,000

# NOTES TO THE FINANCIAL STATEMENTS

30 September 2013

## 11. INTEREST-BEARING BORROWINGS (cont'd)

### a) Term loans (secured)

The Trust obtained a \$264 million 5-year secured term loan under a facility agreement dated 29 November 2010 between (i) the Trustee, as borrower and (ii) DBS Bank Ltd, Oversea-Chinese Banking Corporation Limited and Standard Chartered Bank, as lenders (the "\$264 million Secured Term Loan"). The secured term loan bears interest at the swap-offer rate plus a margin. The expected maturity date of the loan falls in July 2016.

The S\$264 million Secured Term Loan is principally secured by the following:

- a mortgage over Northpoint;
- an assignment of the rights, benefits, title and interest of the Trust in, under and arising out of the insurances effected in respect of Northpoint;
- an assignment and charge of the rights, benefits, title and interest of the Trust in, under and arising out of the tenancy agreements, the sale agreements, the performance guarantees (including sale proceeds and rental proceeds) and the bank accounts arising from, relating to or in connection with Northpoint;
- a first fixed and floating charge over all present and future assets of the Trust in connection with Northpoint.

In December 2011, FCT entered into a facility agreement with DBS Bank Ltd for a secured five-year term loan of S\$70 million (the "\$70 million Secured Term Loan").

The S\$70 million Secured Term Loan is principally secured by the following:

- a mortgage over Bedok Point;
- an assignment of the rights, benefits, title and interest of the Trust in, under and arising out of the insurances effected in respect of Bedok Point;
- an assignment and charge of the rights, benefits, title and interest of the Trust in, under and arising out of the tenancy agreements, the sale agreements, the performance guarantees (including sale proceeds and rental proceeds) and the bank accounts arising from, relating to or in connection with Bedok Point; and
- a first fixed and floating charge over all present and future assets of the Trust in connection with Bedok Point.

### b) Medium Term Notes (unsecured)

On 7 May 2009, the Group through its subsidiary, FCT MTN, established a \$500,000,000 Multicurrency Medium Term Note Programme ("FCT MTN Programme"). With effect from 14 August 2013, the maximum aggregate principal amount of notes that may be issued under the FCT MTN Programme is increased from \$500,000,000 to \$1,000,000,000. Under the FCT MTN Programme, FCT MTN may, subject to compliance with all relevant laws, regulations and directives, from time to time issue notes (the "Notes") in Singapore dollars or any other currency.

The Notes may be issued in various amounts and tenors, and may bear interest at fixed, floating, hybrid or variable rates of interest. Hybrid notes or zero coupon notes may also be issued under the FCT MTN Programme.

The Notes shall constitute direct, unconditional, unsubordinated and unsecured obligations of FCT MTN ranking *pari passu*, without any preference or priority among themselves, and *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of FCT MTN. All sums payable in respect of the Notes are unconditionally and irrevocably guaranteed by the Trustee.

# NOTES TO THE FINANCIAL STATEMENTS

30 September 2013

## 11. INTEREST-BEARING BORROWINGS (cont'd)

### b) Medium Term Notes (unsecured) (cont'd)

As at 30 September 2013, the aggregate balance of the Notes issued by the Group under the FCT MTN Programme amounted to \$255 million (2012: \$240 million), consisting of:

- (i) \$25 million (2012: \$25 million) Fixed Rate Notes which mature on 12 February 2015 and bear a fixed interest rate of 3.50% per annum payable semi-annually in arrear;
- (ii) \$60 million (2012: \$60 million) Fixed Rate Notes which mature on 24 January 2014 and bear a fixed interest rate of 2.80% per annum payable semi-annually in arrear;
- (iii) \$70 million (2012: \$70 million) Fixed Rate Notes which mature on 12 June 2015 and bear a fixed interest rate of 2.30% per annum payable semi-annually;
- (iv) \$30 million (2012: \$30 million) Fixed Rate Notes which mature on 12 June 2017 and bear a fixed interest rate of 2.85% per annum payable semi-annually; and
- (v) \$70 million (2012: \$Nil) Fixed Rate Notes which mature on 21 January 2020 and bear a fixed interest rate of 3.00% per annum payable semi-annually.

\$55 million Fixed Rate Notes which bear a fixed interest rate of 2.83% per annum were repaid in February 2013.

### c) Unsecured revolving credit facilities

The Trust has obtained unsecured revolving credit facilities amounting to \$30 million (2012: \$30 million). As at 30 September 2013, total borrowings drawn down by the Trust on these facilities amounted to \$Nil (2012: \$3 million).

## 12. TRANSLATION RESERVE

The translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currency is different from that of the Group's presentation currency.

	Group	
	2013	2012
	\$'000	\$'000
At beginning	5,371	4,357
Net effect of exchange differences arising from translation of financial statements of foreign operations	2,892	1,014
At end	8,263	5,371

# NOTES TO THE FINANCIAL STATEMENTS

30 September 2013

## 13. UNITS IN ISSUE

	Group and Trust	
	2013	2012
	No. of Units '000	No. of Units '000
<b>Units in issue</b>		
At beginning	823,200	819,817
<b>Issue of Units</b>		
- issued as satisfaction of acquisition fee	-	914
- issued as satisfaction of asset management fees	1,183	2,469
At end	824,383	823,200
<b>Units to be issued</b>		
- as asset management fees payable in Units	322	323
Total issued and issuable Units at end	824,705	823,523

Each Unit represents an undivided interest in the Trust. The rights and interests of Unitholders are contained in the Trust Deed and include the rights to:

- Receive income and other distributions attributable to the Units held;
- Participate in the termination of the Trust by receiving a share of all net cash proceeds derived from the realisation of the assets of the Trust less any liabilities, in accordance with their proportionate interests in the Trust. However, a Unitholder has no equitable or proprietary interest in the underlying assets of the Trust and is not entitled to the transfer to it of any assets (or part thereof) or of any estate or interest in any assets (or part thereof) of the Trust;
- Attend all Unitholders' meetings. The Trustee or the Manager may (and the Manager shall at the request in writing of not less than 50 Unitholders or one-tenth number of the Unitholders, whichever is lesser) at any time convene a meeting of Unitholders in accordance with the provisions of the Trust Deed; and
- One vote per Unit.

The restrictions of a Unitholder include the following:

- A Unitholder's right is limited to the right to require due administration of the Trust in accordance with the provisions of the Trust Deed; and
- A Unitholder has no right to request the Manager to redeem his Units while the Units are listed on SGX-ST.

A Unitholder's liability is limited to the amount paid or payable for any Units in the Trust. The provisions of the Trust Deed provide that no Unitholders will be personally liable to indemnify the Trustee or any creditor of the Trustee in the event that liabilities of the Trust exceed its assets.

## 14. NET ASSET VALUE PER UNIT

	Group		Trust	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Net asset value per Unit is based on:				
Net assets	1,462,355	1,263,030	1,454,462	1,255,047
	'000	'000	'000	'000
Total issued and issuable Units (Note 13)	824,705	823,523	824,705	823,523

# NOTES TO THE FINANCIAL STATEMENTS

30 September 2013

## 15. GROSS REVENUE

	Group and Trust	
	2013	2012
	\$'000	\$'000
Gross rental income	140,329	131,280
Turnover rental income	7,802	7,404
Carpark income	4,472	3,779
Others	5,356	4,740
	157,959	147,203

## 16. PROPERTY EXPENSES

	Group and Trust	
	2013	2012
	\$'000	\$'000
Property tax	14,144	11,631
Utilities	6,220	6,885
Maintenance	10,233	9,507
Property management fees	6,102	5,697
Marketing expenses	4,586	4,243
Allowance for doubtful receivables	104	130
Write back of allowance for doubtful receivables	(70)	(290)
Bad debts written off	5	–
Depreciation	43	44
Staff costs <sup>(1)</sup>	2,648	2,187
Carpark expenses	1,644	1,928
Others	710	811
	46,369	42,773

<sup>(1)</sup> Relates to reimbursement of staff costs paid/payable to the Property Manager.

The Group does not have any employees.

## 17. BORROWING COSTS

	Group and Trust	
	2013	2012
	\$'000	\$'000
Interest expense	17,030	17,574
Amortisation of loan arrangement fees	674	671
	17,704	18,245

## 18. ASSET MANAGEMENT FEES

Asset management fees comprise \$5,940,568 (2012: \$5,491,666) of base fee and \$5,579,496 (2012: \$5,221,517) of performance fee computed in accordance with the fee structure as disclosed in Note 1(b) to the financial statements.

An aggregate of 1,181,891 (2012: 1,519,456) Units were issued or are issuable to the Manager as satisfaction of the asset management fees payable.



# NOTES TO THE FINANCIAL STATEMENTS

30 September 2013

## 19. TAXATION

	Group		Trust	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
<b>Reconciliation of effective tax</b>				
Net income	80,916	74,040	80,914	74,037
Income tax using Singapore tax rate of 17% (2012: 17%)	13,756	12,587	13,755	12,586
Non-tax deductible items	811	754	811	754
Income not subject to tax	755	658	755	658
Income exempt from tax	(15,322)	(13,999)	(15,321)	(13,998)
	-	-	-	-

## 20. EARNINGS PER UNIT

The calculation of basic earnings per Unit is based on the weighted average number of Units during the year and total return for the year.

	Group		Trust	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Total return for year after tax	287,766	185,567	284,964	179,021
	'000	'000	'000	'000
Weighted average number of Units in issue	823,948	822,658	823,948	822,658

Diluted earnings per Unit is the same as basic earnings per Unit as there is no dilutive instrument in issue during the year.

## 21. SIGNIFICANT RELATED PARTY TRANSACTIONS

During the financial year, other than the transactions disclosed in the financial statements, the following related party transactions were carried out in the normal course of business on arm's length commercial terms:

	Group and Trust	
	2013	2012
	\$'000	\$'000
Property management fees and reimbursement of expenses paid/payable to the Property Manager <sup>(1)</sup>	13,861	13,119
Reimbursement of expenses paid/payable to the Manager	25	36
Reimbursement of expenses paid/payable to a subsidiary of a Unitholder	4	248

<sup>(1)</sup> In accordance with service agreements in relation to management of the Trust and its property operations.

## 22. FINANCIAL RISK MANAGEMENT

### (a) Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong and healthy capital structure in order to support its business and maximise Unitholder value.

# NOTES TO THE FINANCIAL STATEMENTS

30 September 2013

## 22. FINANCIAL RISK MANAGEMENT (cont'd)

### (a) Capital management (cont'd)

The Group is subject to the aggregate leverage limit as defined in the Property Fund Guidelines of the CIS Code. The CIS Code stipulates that borrowings and deferred payments (together the "Aggregate Leverage") of a property fund should not exceed 35.0% of the fund's depository property. The Aggregate Leverage of a property fund may exceed 35.0% of its depository property (up to a maximum of 60.0%) only if a credit rating from Fitch Inc., Moody's or Standard and Poor's is obtained and disclosed to the public.

As at 30 September 2013, the Group's Aggregate Leverage stood at 27.6% (2012: 30.1%) of its depository property, which is within the limit set by the Property Fund Guidelines. The Trust has maintained its corporate ratings of "BBB+" from Standard and Poor's and "Baa1" from Moody's.

### (b) Financial risk management objectives and policies

Exposure to credit, interest rate and liquidity risks arises in the normal course of the Group's business. The Manager continually monitors the Group's exposure to the above risks. There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures risks.

#### (i) Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Group as and when they fall due.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Manager has established credit limits for customers and monitors their balances on an ongoing basis. Credit evaluations are performed by the Manager before lease agreements are entered into with customers. Credit risk is also mitigated by the rental deposits held for each of the customers. In addition, receivables are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

The Manager has established an allowance account for impairment that represents its estimate of losses in respect of trade receivables due from specific customers. Subsequently when the Group is satisfied that no recovery of such losses is possible, the financial asset is considered irrecoverable and the amount charged to the allowance account is written off against the carrying amount of the impaired financial asset.

The maximum exposure to credit risk is represented by the carrying value of each financial asset on the Balance Sheet. At the balance sheet date, approximately 5.9% (2012: 11.6%) of the Group's trade receivables were due from 5 tenants who are reputable companies located in Singapore.

Trade and other receivables that are neither past due nor impaired represent creditworthy debtors with good payment record with the Group. Cash and fixed deposits are placed with a local bank regulated by the MAS.

Information regarding financial assets that are either past due or impaired is disclosed in Note 7.

#### (ii) Interest rate risk

The Group's exposure to changes in interest rates relates primarily to its interest-earning financial assets and interest-bearing financial liabilities. Interest rate risk is managed by the Manager on an on-going basis with the primary objective of limiting the extent to which net interest expense could be affected by adverse movements in interest rates. The Manager adopts a policy of fixing the interest rates for a portion of its outstanding borrowings using financial derivatives or other suitable financial products.

#### *Sensitivity analysis for interest rate risk*

It is estimated that a hundred basis points increase or decrease in interest rate at the balance sheet date, with all other variables held constant, would decrease or increase the Group's total return for the year and Unitholders' funds by approximately \$6,288,000 (2012: \$9,373,000), arising mainly as a result of change in the fair value of interest rate swap instruments.

# NOTES TO THE FINANCIAL STATEMENTS

30 September 2013

## 22. FINANCIAL RISK MANAGEMENT (cont'd)

(b) Financial risk management objectives and policies (cont'd)

(iii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's objective is to maintain sufficient cash on demand to meet expected operational expenses for a reasonable period, including the servicing of financial obligations. The Manager monitors and maintains a level of cash and cash equivalents deemed adequate to finance the Group's operations and to mitigate the effects of fluctuations in cash flows. In addition, the Manager monitors and observes the CIS Code issued by the MAS concerning limits on total borrowings.

The table below summarises the maturity profile of the Group's and the Trust's financial liabilities at the balance sheet date based on contractual undiscounted payments.

	Within 1 year	1 to 5 years	More than 5 years	Total
	\$'000	\$'000	\$'000	\$'000
<b>As at 30 September 2013</b>				
<b>Group</b>				
Trade and other payables	37,637	–	–	37,637
Derivative financial instruments	8,025	–	–	8,025
Security deposits	15,347	22,188	–	37,535
Interest-bearing borrowings	75,108	552,498	2,744	630,350
	136,117	574,686	2,744	713,547
<b>Trust</b>				
Trade and other payables	37,646	–	–	37,646
Derivative financial instruments	8,025	–	–	8,025
Security deposits	15,347	22,188	–	37,535
Interest-bearing borrowings	75,108	552,498	2,744	630,350
	136,126	574,686	2,744	713,556
<b>As at 30 September 2012</b>				
<b>Group</b>				
Trade and other payables	27,977	–	–	27,977
Derivative financial instruments	11,891	–	–	11,891
Security deposits	14,637	22,627	–	37,264
Interest-bearing borrowings	72,783	547,490	–	620,273
	127,288	570,117	–	697,405
<b>Trust</b>				
Trade and other payables	27,984	–	–	27,984
Derivative financial instruments	11,891	–	–	11,891
Security deposits	14,637	22,627	–	37,264
Interest-bearing borrowings	72,783	547,490	–	620,273
	127,295	570,117	–	697,412

# NOTES TO THE FINANCIAL STATEMENTS

30 September 2013

## 22. FINANCIAL RISK MANAGEMENT (cont'd)

### (c) Fair values

The following summarises the significant methods and assumptions used in estimating the fair values of financial instruments of the Group and the Trust.

#### *Derivative financial instruments*

The fair value of interest rate swaps are derived by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date.

#### *Non-derivative financial liabilities – security deposits and interest-bearing borrowings*

Fair values, which are determined for disclosure purposes, are estimated by discounting expected future cash flows at market incremental lending rates for similar types of lending or borrowing arrangements at the balance sheet date.

#### *Other non-derivative financial assets and liabilities*

The carrying amounts of financial assets and liabilities with maturity of less than one year (including trade and other receivables, cash and cash equivalents, and trade and other payables) are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the balance sheet date.

The fair value of financial liabilities by classes that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value are as follows:

	As at 30.9.2013 \$'000		As at 30.9.2012 \$'000	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Group and Trust</b>				
<b>Financial liabilities:</b>				
Interest-bearing borrowings (non-current)	529,000	532,921	519,000	530,546
Security deposits (non-current)	21,990	21,667	22,036	22,064
	550,990	554,588	541,036	552,610

#### *Fair value hierarchy*

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

# NOTES TO THE FINANCIAL STATEMENTS

30 September 2013

## 22. FINANCIAL RISK MANAGEMENT (cont'd)

(c) Fair values (cont'd)

	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
<b>At 30 September 2013</b>				
Interest rate swaps	–	8,025	–	8,025
	–	8,025	–	8,025
<b>At 30 September 2012</b>				
Interest rate swaps	–	11,891	–	11,891
	–	11,891	–	11,891

During the financial years ended 30 September 2013 and 2012, there have been no transfers between the respective levels.

## 23. SEGMENT REPORTING

*Business segments*

The Group is in the business of investing in the following shopping malls, which are considered to be the main business segments: Causeway Point, Northpoint, Anchorpoint, YewTee Point and Bedok Point. All these properties are located in Singapore.

Management monitors the operating results of the business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment information is presented in respect of the Group's business segments, based on its management and internal reporting structure.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly income-earning assets, interest-bearing borrowings and their related revenue and expenses.

Segment capital expenditure is the total costs incurred during the year to acquire segment assets that are expected to be used for more than one year.

*Geographical segments*

The Group's operations are primarily in Singapore except for its associate, for which operations are in Malaysia.

# NOTES TO THE FINANCIAL STATEMENTS

30 September 2013

## 23. SEGMENT REPORTING (cont'd)

(a) Business segments

	Causeway Point \$'000	Northpoint \$'000	Anchorpoint \$'000	YewTee Point \$'000	Bedok Point \$'000	Group \$'000
<b>2013</b>						
<i>Revenue and expenses</i>						
Gross rental income	66,294	43,792	7,700	11,623	10,920	140,329
Others	8,834	5,012	929	1,533	1,322	17,630
Gross revenue	75,128	48,804	8,629	13,156	12,242	157,959
Segment net property income	54,533	35,343	4,678	9,671	7,365	111,590
Interest income						35
Unallocated expenses *						(30,709)
Net income						80,916
Unrealised gain from fair valuation of derivatives						3,866
Share of results of associate						7,243
Surplus on revaluation of investment properties	107,750	68,426	5,024	14,004	537	195,741
Total return for the year						287,766
<b>2012</b>						
<i>Revenue and expenses</i>						
Gross rental income	59,029	41,557	7,668	11,587	11,439	131,280
Others	7,478	5,112	771	1,537	1,025	15,923
Gross revenue	66,507	46,669	8,439	13,124	12,464	147,203
Segment net property income	48,584	33,362	4,811	9,628	8,045	104,430
Interest income						7
Unallocated expenses *						(30,397)
Net income						74,040
Unrealised gain from fair valuation of derivatives						352
Share of results of associate						10,416
Surplus on revaluation of investment properties	52,989	36,147	2,889	9,034	(300)	100,759
Total return for the year						185,567

\* Unallocated expenses include borrowing costs and asset management fees as disclosed in the Statements of Total Return.



# NOTES TO THE FINANCIAL STATEMENTS

30 September 2013

## 23. SEGMENT REPORTING (cont'd)

(a) Business segments (cont'd)

	Causeway Point	Northpoint	Anchorpoint	YewTee Point	Bedok Point	Group
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>As at 30 September 2013</b>						
<i>Assets and liabilities</i>						
Segment assets	1,020,933	640,956	87,433	162,443	134,599	2,046,364
Investment in associate						71,727
Unallocated assets						16,419
<b>Total assets</b>						<b>2,134,510</b>
Segment liabilities	38,450	15,674	3,271	4,571	4,809	66,775
Unallocated liabilities						
- trade and other payables						16,380
- interest-bearing borrowings						589,000
<b>Total liabilities</b>						<b>672,155</b>
<i>Other segmental information</i>						
Allowance for doubtful receivables	51	6	5	15	27	104
Bad debts written off	-	5	-	-	-	5
Write back of allowance for doubtful receivables	(52)	(4)	(4)	-	(10)	(70)
Amortisation of lease incentives	474	445	24	4	57	1,004
Depreciation	16	5	4	10	8	43
Capital expenditure						
- Investment properties	8,726	18	-	-	19	8,763
- Fixed assets	7	8	5	4	11	35

# NOTES TO THE FINANCIAL STATEMENTS

30 September 2013

## 23. SEGMENT REPORTING (cont'd)

(a) Business segments (cont'd)

	Causeway Point	Northpoint	Anchorpoint	YewTee Point	Bedok Point	Group
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>As at 30 September 2012</b>						
<i>Assets and liabilities</i>						
Segment assets	896,039	573,041	82,390	148,321	133,988	1,833,779
Investment in associate						71,819
Unallocated assets						11,521
<b>Total assets</b>						<b>1,917,119</b>
Segment liabilities	29,486	15,834	3,161	4,562	4,363	57,406
Unallocated liabilities						
- trade and other payables						19,683
- interest-bearing borrowings						577,000
<b>Total liabilities</b>						<b>654,089</b>
<i>Other segmental information</i>						
Allowance for doubtful receivables	85	1	24	-	20	130
Write back of allowance for doubtful receivables	(168)	(1)	(25)	(81)	(15)	(290)
Amortisation of lease incentives	(1,159)	269	(111)	42	(329)	(1,288)
Depreciation	16	5	6	11	6	44
Capital expenditure						
- Investment properties	15,852	1,123	-	8	(30)	16,953
- Fixed assets	6	3	-	2	28	39

## 24. COMMITMENTS

	Group and Trust	
	2013	2012
	\$'000	\$'000
Capital expenditure contracted but not provided for	5,966	17,881

The Group leases out its investment properties. Non-cancellable operating lease rentals receivable are as follows:

	Group and Trust	
	2013	2012
	\$'000	\$'000
Receivable:		
Within 1 year	122,817	125,598
After 1 year but within 5 years	110,601	146,142
After 5 years	-	457
	<b>233,418</b>	<b>272,197</b>

# NOTES TO THE FINANCIAL STATEMENTS

30 September 2013

## 25. CONTINGENT LIABILITY

Pursuant to the tax transparency ruling from the IRAS, the Trustee and the Manager have provided a tax indemnity for certain types of tax losses, including unrecovered late payment penalties, that may be suffered by IRAS should IRAS fail to recover from Unitholders tax due or payable on distributions made to them without deduction of tax, subject to the indemnity amount agreed with the IRAS. The amount of indemnity, as agreed with IRAS, is limited to the higher of \$500,000 or 1.0% of the taxable income of the Trust each year. Each yearly indemnity has a validity period of the earlier of seven years from the relevant year of assessment and three years from the termination of the Trust.

## 26. SUBSEQUENT EVENTS

On 21 October 2013, the Manager declared a distribution of \$24,576,000 to Unitholders in respect of the period from 1 July 2013 to 30 September 2013.

On 24 October 2013, the Trust issued 321,640 new Units at a price of \$1.8515 per Unit in payment of 20% of its management fees for the period from 1 July 2013 to 30 September 2013.

## 27. FINANCIAL RATIOS

The following financial ratios are presented as required by RAP 7:

	Group	
	2013	2012
	%	%
Expenses to weighted average net assets <sup>(1)</sup> :	1.01	1.04
- including performance component of asset management fees	0.58	0.59
- excluding performance component of asset management fees		
Portfolio turnover rate <sup>(2)</sup>	–	–

<sup>(1)</sup> The annualised ratios are computed in accordance with the guidelines of Investment Management Association of Singapore. The expenses used in the computation relate to expenses of the Trust, excluding property expenses, interest expense and income tax expense.

<sup>(2)</sup> The annualised ratios are computed based on the lesser of purchases or sales of underlying investment properties of the Group expressed as a percentage of daily average net asset value.

# STATISTICS OF UNITHOLDERS

## ISSUED AND FULLY PAID-UP UNITS

There were 824,704,435 Units (voting rights: one vote per Unit) outstanding as at 29 November 2013.

There is only one class of Units.

The market capitalisation was \$1,459,726,850 based on closing unit price of \$1.77 on 29 November 2013.

## TOP TWENTY UNITHOLDERS

As at 29 November 2013

S/No	Unitholders	Number of Units	% of Total
1.	FCL Trust Holdings Pte. Ltd.	313,500,000	38.01%
2.	HSBC (Singapore) Noms Pte. Ltd.	116,136,701	14.08%
3.	Citibank Noms S'pore Pte. Ltd.	107,220,428	13.00%
4.	DBSN Services Pte. Ltd.	60,632,030	7.35%
5.	DBS Nominees Pte. Ltd.	41,820,562	5.07%
6.	Frasers Centrepont Asset Management Ltd.	25,074,435	3.04%
7.	United Overseas Bank Nominees	13,063,700	1.58%
8.	Raffles Nominees (Pte.) Ltd.	10,888,645	1.32%
9.	NTUC Fairprice Co-Operative Ltd.	10,000,000	1.21%
10.	CIMB Sec (S'pore) Pte. Ltd.	7,643,000	0.93%
11.	UOB Kay Hian Pte. Ltd.	6,755,000	0.82%
12.	OCBC Securities Private Ltd.	6,698,000	0.81%
13.	DB Nominees (S) Pte. Ltd.	6,079,704	0.74%
14.	Bank Of S'pore Noms Pte. Ltd.	5,996,000	0.73%
15.	BNP Paribas Securities Svcs	4,741,552	0.57%
16.	Certis CISCO Security Pte. Ltd.	2,260,000	0.27%
17.	Morgan Stanley Asia (S'pore)	1,972,708	0.24%
18.	Maybank Kim Eng Secs Pte. Ltd.	1,663,500	0.20%
19.	Ng Say Ban	1,300,000	0.16%
20.	OCBC Nominees Singapore	1,053,000	0.13%
<b>Total holdings of top 20 unitholders</b>		<b>744,498,965</b>	<b>90.26%</b>

## MANAGER'S DIRECTORS' UNITHOLDINGS

As at 21 October 2013

Name of Director	Number of FCT Units held	
	Direct Interest	Deemed Interest
Mr Anthony Cheong Fook Seng	50,000	–
Mr Bobby Chin Yoke Choong	–	100,000
Mr Lim Ee Seng	200,000	–
Mr Soh Kim Soon	100,000	–
Mr Christopher Tang Kok Kai	50,000	620,000

# STATISTICS OF UNITHOLDERS

## SUBSTANTIAL UNITHOLDERS

As at 29 November 2013

Substantial Unitholders	Direct Interest		Deemed Interest		Total Number of Units Held	%
	Number of Units	%	Number of Units	%		
FCL Trust Holdings Pte. Ltd.	313,500,000	38.01%	-	-	313,500,000	38.01%
Fraser and Neave, Limited <sup>(1)</sup>	-	-	338,574,435	41.05%	338,574,435	41.05%
Frasers Centrepoint Limited <sup>(2)</sup>	-	-	338,574,435	41.05%	338,574,435	41.05%
Thai Beverage Public Company Limited <sup>(3)</sup>	-	-	338,574,435	41.05%	338,574,435	41.05%
International Beverage Holdings Limited <sup>(4)</sup>	-	-	338,574,435	41.05%	338,574,435	41.05%
InterBev Investment Limited <sup>(5)</sup>	-	-	338,574,435	41.05%	338,574,435	41.05%
TCC Assets Limited <sup>(6)</sup>	-	-	338,574,435	41.05%	338,574,435	41.05%
Charoen Sirivadhanabhakdi <sup>(7)</sup>	-	-	338,574,435	41.05%	338,574,435	41.05%
Khunying Wanna Sirivadhanabhakdi <sup>(8)</sup>	-	-	338,574,435	41.05%	338,574,435	41.05%
Schroder Investment Management Group <sup>(9)</sup>	-	-	71,187,000	8.63%	71,187,000	8.63%

(1) As at 29 November 2013, Fraser and Neave, Limited ("F&N") holds a 100% direct interest in Frasers Centrepoint Limited ("FCL"); FCL holds a 100% direct interest in each of Frasers Centrepoint Asset Management Ltd ("FCAM") and FCL Trust Holdings Pte. Ltd. ("FCLT"), and FCLT holds 313,500,000 units and FCAM hold 25,074,435 units in FCT. F&N therefore has a deemed interest in the units in FCT in which FCL has an interest by virtue of Section 4 of the Securities and Futures Act (Chapter 289 of Singapore).

(2) FCL holds a 100% direct interest in each of FCAM and FCLT; and FCAM and FCLT hold units in FCT. FCL therefore has a deemed interest in the units in FCT in which each of FCAM and FCLT has an interest, by virtue of Section 4 of the Securities and Futures Act (Chapter 289 of Singapore).

(3) ThaiBev holds a 100% direct interest in International Beverage Holdings Limited ("IBHL");  
 - IBHL holds a 100% direct interest in InterBev Investment Limited ("IBIL");  
 - IBIL holds a greater than 20% interest in F&N;  
 - F&N holds a 100% direct interest in FCL;  
 - FCL holds a 100% direct interest in each of FCAM and FCLT; and  
 - FCAM and FCLT hold units in FCT.  
 ThaiBev therefore has a deemed interest in the units in FCT in which F&N has an interest, by virtue of Section 4 of the Securities and Futures Act (Chapter 289 of Singapore).

(4) IBHL holds a 100% direct interest in InterBev Investment Limited ("IBIL");  
 - IBIL holds a greater than 20% interest in F&N;  
 - F&N holds a 100% direct interest in FCL;  
 - FCL holds a 100% direct interest in each of FCAM and FCLT; and  
 - FCAM and FCLT hold units in FCT.  
 IBHL therefore has a deemed interest in the units in FCT in which F&N has an interest, by virtue of Section 4 of the Securities and Futures Act (Chapter 289 of Singapore).

(5) IBIL holds a greater than 20% interest in F&N;  
 - F&N holds a 100% direct interest in FCL;  
 - FCL holds a 100% direct interest in each of FCAM and FCLT; and  
 - FCAM and FCLT hold units in FCT.  
 IBIL therefore has a deemed interest in the units in FCT in which F&N has an interest, by virtue of Section 4 of the Securities and Futures Act (Chapter 289 of Singapore).

(6) TCC Assets Limited ("TCCA") holds a majority interest in F&N;  
 - F&N holds a 100% direct interest in FCL;  
 - FCL holds a 100% direct interest in each of FCAM and FCLT; and  
 - FCAM and FCLT hold units in FCT.  
 TCCA therefore has a deemed interest in the units in FCT in which F&N has an interest, by virtue of Section 4 of the Securities and Futures Act (Chapter 289 of Singapore).

(7) Charoen Sirivadhanabhakdi and his spouse, Khunying Wanna Sirivadhanabhakdi, each owns 50% of the issued and paid-up share capital of TCCA;

- TCCA holds a majority interest in F&N;  
 - F&N holds a 100% direct interest in FCL;  
 - FCL holds a 100% direct interest in each of FCAM and FCLT; and  
 - FCAM and FCLT hold units in FCT.  
 Charoen Sirivadhanabhakdi therefore has a deemed interest in the units in FCT in which F&N has an interest, by virtue of Section 4 of the Securities and Futures Act (Chapter 289 of Singapore).

(8) Khunying Wanna Sirivadhanabhakdi and her spouse, Charoen Sirivadhanabhakdi, each owns 50% of the issued and paid-up share capital of TCCA;  
 - TCCA holds a majority interest in F&N;  
 - F&N holds a 100% direct interest in FCL;  
 - FCL holds a 100% direct interest in each of FCAM and FCLT; and  
 - FCAM and FCLT hold units in FCT.  
 Khunying Wanna Sirivadhanabhakdi therefore has a deemed interest in the units in FCT in which F&N has an interest, by virtue of Section 4 of the Securities and Futures Act (Chapter 289 of Singapore).

(9) Based on information provided by Schroder Investment (Singapore) Ltd. on 29 November 2013.

## DISTRIBUTION OF HOLDINGS

Size of Holdings	Number of Unitholders	Percentage of Unitholders	Number of Units	Percentage of Units
1 to 999	21	0.42%	4,502	0.00%
1,000 to 10,000	3,798	75.59%	17,713,818	2.15%
10,001 to 1,000,000	1,185	23.59%	62,487,150	7.58%
1,000,001 and above	20	0.40%	744,498,965	90.27%
<b>Grand Total</b>	<b>5,024</b>	<b>100.00%</b>	<b>824,704,435</b>	<b>100.00%</b>

## LOCATION OF UNITHOLDERS

Country	Number of Unitholders	Percentage of Unitholders	Number of Units	Percentage of Units
Singapore	4,834	96.22%	820,779,935	99.52%
Malaysia	121	2.41%	2,972,000	0.36%
Others	69	1.37%	952,500	0.12%
<b>Grand Total</b>	<b>5,024</b>	<b>100.00%</b>	<b>824,704,435</b>	<b>100.00%</b>

## FREE FLOAT

Based on information available to the Manager as at 29 November 2013, approximately 58.9% of the Units are held in the hands of public. Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited has accordingly been complied with.

# ADDITIONAL INFORMATION

## RELATED PARTY TRANSACTIONS

The transactions entered into with related parties during the financial period and which fall within the Listing Manual of the CIS Code, are as follows:

Name of Related Party	Aggregate value of all related party transactions during the financial period under review (excluding transactions of less than \$100,000 each)
	\$'000
<b>Frasers Centrepoint Limited and its subsidiaries</b>	
- Asset management fees	11,520
- Property management fees	4,847
- Reimbursement of expenses	1,981
<b>HSBC Institutional Trust Services (Singapore) Limited</b>	
- Trustee's fees	326

Saved as disclosed above, there were no additional related party transactions (excluding transactions of less than \$100,000 each) entered into during the financial period under review.

Please also see Significant Related Party Transactions in Note 21 in the financial statements.

Rules 905 and 906 of the Listing Manual are not applicable if such related party transactions are made on the basis of, and in accordance with, the terms and conditions set out in the Trust prospectus dated 27 June 2006 and therefore would not be subject to Audit Committee review / approval.

## SUBSCRIPTION OF THE TRUST UNITS

As at 30 September 2013, an aggregate of 824,382,795 Units were in issue. On 24 October 2013, the Trust issued 321,640 Units to the Manager as asset management fees for the period from 1 July 2013 to 30 September 2013.

## NON-DEAL ROADSHOW EXPENSES

Non-deal roadshow expenses of \$22,183 (2012: \$29,669) were incurred during the year ended 30 September 2013.



# NOTICE OF ANNUAL GENERAL MEETING



(a real estate investment trust constituted on 5 June 2006 under the laws of the Republic of Singapore)  
Sponsored by Frasers Centrepoint Limited

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the 5th Annual General Meeting of FRASERS CENTREPOINT TRUST ("**FCT**") will be held at Level 2, Alexandra Point, 438 Alexandra Road, Singapore 119958 on 21 January 2014 at 10.00 a.m. for the following purposes:-

### ROUTINE BUSINESS

#### Resolution (1)

1. To receive and adopt the Report of the Trustee issued by HSBC Institutional Trust Services (Singapore) Limited, as trustee of FCT (the "**Trustee**"), the Statement by the Manager issued by Frasers Centrepoint Asset Management Ltd., as manager of FCT (the "**Manager**") and the Audited Financial Statements of FCT for the year ended 30 September 2013.

#### Resolution (2)

2. To re-appoint Ernst & Young LLP as Auditors of FCT to hold office until the conclusion of the next Annual General Meeting, and to authorise the Manager, to fix their remuneration.

### SPECIAL BUSINESS

To consider and, if thought fit, to pass the following Ordinary Resolutions, with or without any modifications:

#### Resolution (3)

3. That authority be and is hereby given to the Manager, to
  - (a) (i) issue units in FCT ("**Units**") whether by way of rights, bonus or otherwise; and/or
  - (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Units to be issued, including but not limited to the creation and issue of (as well as adjustments to) securities, warrants, debentures or other instruments convertible into Units,

at any time and upon such terms and conditions and for such purposes and to such persons as the Manager may in its absolute discretion deem fit; and

- (b) issue Units in pursuance of any Instrument made or granted by the Manager while this Resolution was in force (notwithstanding that the authority conferred by this Resolution may have ceased to be in force),

provided that:

- (1) the aggregate number of Units to be issued pursuant to this Resolution (including Units to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed fifty per cent. (50%) of the total number of issued Units (excluding treasury Units, if any) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Units to be issued other than on a *pro rata* basis to unitholders of FCT ("**Unitholders**") does not exceed twenty per cent. (20%) of the total number of issued Units (excluding treasury Units, if any) (as calculated in accordance with sub-paragraph (2) below);

# NOTICE OF ANNUAL GENERAL MEETING

- (2) subject to such manner of calculation as may be prescribed by Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the purpose of determining the aggregate number of Units that may be issued under sub-paragraph (1) above, the total number of issued Units (excluding treasury Units, if any) shall be based on the number of issued Units (excluding treasury Units, if any) at the time this Resolution is passed, after adjusting for:
- (a) any new Units arising from the conversion or exercise of any Instruments which are outstanding at the time this Resolution is passed; and
  - (b) any subsequent bonus issue, consolidation or subdivision of Units;
- (3) in exercising the authority conferred by this Resolution, the Manager shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the deed of trust constituting FCT (as amended and restated) (the "**Trust Deed**") for the time being in force (unless otherwise exempted or waived by the Monetary Authority of Singapore);
- (4) unless revoked or varied by Unitholders in a general meeting, the authority conferred by this Resolution shall continue in force until (i) the conclusion of the next Annual General Meeting of FCT or (ii) the date by which the next Annual General Meeting of FCT is required by the applicable law or regulations to be held, whichever is earlier;
- (5) where the terms of the issue of the Instruments provide for adjustment to the number of Instruments or Units into which the Instruments may be converted in the event of rights, bonus or other capitalisation issues or any other events, the Manager may issue additional Instruments or Units pursuant to such adjustment notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time the Instruments or Units are issued; and
- (6) the Manager, any director of the Manager ("**Director**") and the Trustee, be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Manager, such Director, or, as the case may be, the Trustee may consider expedient or necessary or in the interest of FCT to give effect to the authority conferred by this Resolution.

## OTHER BUSINESS

4. To transact any other business which may properly be brought forward.

Frasers Centrepoint Asset Management Ltd.  
 (Company Registration No: 200601347G)  
 As manager of Frasers Centrepoint Trust

Anthony Cheong Fook Seng  
 Company Secretary

Singapore, 23 December 2013

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A Unitholder entitled to attend the meeting and vote is entitled to appoint not more than two proxies to attend and vote instead of him; a proxy need not be a Unitholder. Where a Unitholder appoints more than one proxy, he shall specify the proportion of his unitholdings to be represented by each proxy. The instrument appointing a proxy or proxies (a form is enclosed) must be deposited with the company secretary of the Manager at the registered office of the Manager not less than 48 hours before the time appointed for holding the meeting.

# NOTICE OF ANNUAL GENERAL MEETING

## **Explanatory Notes:**

### *Resolution 3*

Resolution 3 above, if passed, will empower the Manager from the date of this Annual General Meeting until the date of the next Annual General Meeting, to issue Units and to make or grant instruments (such as securities, warrants or debentures) convertible into Units and issue Units pursuant to such instruments, up to a number not exceeding 50% of the total number of issued Units (excluding treasury Units, if any), of which up to 20% may be issued other than on a *pro rata* basis to Unitholders.

For determining the aggregate number of Units that may be issued, the percentage of issued Units will be calculated based on the issued Units at the time the Resolution 3 above is passed, after adjusting for new Units arising from the conversion or exercise of any Instruments which are outstanding at the time Resolution 3 above is passed and any subsequent bonus issue, consolidation or subdivision of Units.

Fund raising by issuance of new Units may be required in instances of property acquisitions or debt repayments. In any event, if the approval of Unitholders is required under the Listing Manual of the SGX-ST and the Trust Deed or any applicable laws and regulations in such instances, the Manager will then obtain the approval of Unitholders accordingly.

## **Important Notice**

**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 will have no right to request the Manager to redeem or purchase their Units for so long as the Units are listed on the SGX-ST. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. The listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.**

**The past performance of FCT is not necessarily indicative of the future performance of FCT.**

**FRASERS CENTREPOINT TRUST**

(Constituted in the Republic of Singapore pursuant to a trust deed dated 5 June 2006 (as amended and restated))

**IMPORTANT**

1. For investors who have used their CPF money to buy units in Frasers Centrepoint Trust, this Annual Report is forwarded to them at the request of their CPF Approved Nominees and is sent FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF Investors and shall be ineffective for all intents and purposes if used or is purported to be used by them.
3. CPF Investors who wish to attend the Annual General Meeting as OBSERVERS have to submit their requests through their respective Agent Banks so that their Agent Banks may register, in the required format, with the Company Secretary, Frasers Centrepoint Asset Management Ltd. (Agent Banks: please see note No. 8 on required format).
4. **PLEASE READ THE NOTES TO THE PROXY FORM.**

# PROXY FORM

ANNUAL GENERAL MEETING

I/We \_\_\_\_\_ (Name) \_\_\_\_\_ (NRIC/Passport Number)

of \_\_\_\_\_ (Address)

being a unitholder/unitholders of Frasers Centrepoint Trust ("FCT"), hereby appoint:

Name	Address	NRIC/Passport Number	Proportion of Unitholdings (Note 2)	
			No. of Units	%

and/or (delete as appropriate)

Name	Address	NRIC/Passport Number	Proportion of Unitholdings (Note 2)	
			No. of Units	%

or both of whom failing, the Chairman of the Annual General Meeting as my/our proxy/proxies to attend and to vote for me/us on my/our behalf and if necessary, to demand a poll, at the Annual General Meeting of FCT to be held at 10.00 a.m. on 21 January 2014 at Level 2, Alexandra Point, 438 Alexandra Road, Singapore 119958 and any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the resolutions to be proposed at the Annual General Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies may vote or abstain from voting at his/their discretion, as he/they may on any other matter arising at the Annual General Meeting.

**NOTE: The Chairman of the AGM will be exercising his right under paragraph 9 of Schedule 1 of the Deed of Trust constituting FCT (as amended and restated) to demand a poll in respect of the resolutions to be put to the vote of members at the AGM and at any adjournment thereof. Accordingly, such resolutions at the AGM will be voted on by way of poll.**

No.	Resolutions Relating To:	No. of Votes For*	No. of Votes Against*
	<b>ROUTINE BUSINESS</b>		
1.	To receive and adopt the Trustee's Report, the Statement by the Manager and the Audited Financial Statements of FCT for the year ended 30 September 2013		
2.	To re-appoint Ernst & Young as Auditors of FCT and authorise the Manager to fix their remuneration		
	<b>SPECIAL BUSINESS</b>		
3.	To authorise the Manager to issue Units and to make or grant convertible instruments		
	<b>OTHER BUSINESS</b>		
4.	To transact any other business which may properly be brought forward		

\* If you wish to exercise all your votes "For" or "Against" the relevant resolution, please tick (✓) within the relevant box provided. Alternatively, if you wish to exercise your votes for both "For" and "Against" the relevant resolution, please indicate the number of Units in the boxes provided.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2014

Total number of Units held (Note 4)

\_\_\_\_\_  
Signature(s) of Unitholder(s)/Common Seal

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**IMPORTANT: PLEASE READ THE NOTES TO PROXY FORM BELOW**

**Notes To Proxy Form**

1. A Unitholder of FCT ("**Unitholder**") entitled to attend and vote at the meeting is entitled to appoint one or two proxies to attend and vote in his stead. A proxy need not be a Unitholder. The instrument appointing a proxy or proxies must be deposited with the Company Secretary of the Manager at its registered office at 438 Alexandra Road, #21-00 Alexandra Point, Singapore 119958, not less than 48 hours before the time appointed for holding the meeting.
2. Where a Unitholder appoints more than one proxy, the appointments shall be invalid unless he specifies the proportion of his holding (expressed as a percentage of the whole) to be represented by each proxy.
3. Completion and return of this instrument appointing a proxy or proxies shall not preclude a Unitholder from attending and voting at the meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a Unitholder attends the meeting in person, and in such event, the Manager reserves the right to refuse to admit any person or persons appointed under this instrument of proxy, to the meeting.
4. A Unitholder should insert the total number of Units held. If the Unitholder has Units entered against his name in the Depository Register maintained by the Central Depository (Pte) Limited ("**CDP**"), he should insert that number of Units. If the Unitholder has Units registered in his name in the Register of Unitholders of FCT, he should insert that number of Units. If the Unitholder has Units entered against his name in the said Depository Register and registered in his name in the Register of Unitholders, he should insert the aggregate number of Units. If no number is inserted, this form of proxy will be deemed to relate to all the Units held by the Unitholder.
5. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
6. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the power of attorney or a duly certified copy thereof must (failing previous registration with the Manager) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
7. The Manager shall be entitled to reject a Proxy Form which is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on and/or attached to the Proxy Form. In addition, in the case of Units entered in the Depository Register, the Manager may reject a Proxy Form if the Unitholder, being the appointor, is not shown to have Units entered against his name in the Depository Register as at 48 hours before the time appointed for holding the meeting, as certified by CDP to the Manager.
8. Agent Banks acting on the request of CPF investors who wish to attend the meeting as Observers are required to submit in writing, a list with details of the investors' names, NRIC/Passport numbers, addresses and numbers of Units held. The list, signed by an authorised signatory of the Agent Bank, should reach the Company Secretary, at the registered office of the Manager not later than 48 hours before the time appointed for holding the meeting. "**Agent Banks**" are banks appointed to maintain Unitholders' CPF Investment Accounts under the CPF Investment Scheme-Ordinary Account.

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Affix  
Postage  
Stamp

The Company Secretary  
Fraser Centrepoint Asset Management Ltd.  
(as manager of Fraser Centrepoint Trust)  
438 Alexandra Road  
#21-00 Alexandra Point  
Singapore 119958

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# CORPORATE INFORMATION

## FRASERS CENTREPOINT TRUST

### REGISTERED ADDRESS

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HSBC Institutional Trust Services  
(Singapore) Limited  
21 Collyer Quay #10-02  
HSBC Building  
Singapore 049320

### WEBSITE ADDRESS

---

[www.fct.sg](http://www.fct.sg)

### TRUSTEE

---

HSBC Institutional Trust Services  
(Singapore) Limited  
21 Collyer Quay #03-01  
HSBC Building  
Singapore 049320  
Phone: (65) 6658-6906  
Fax: (65) 6534-5526

### AUDITOR

---

Ernst & Young LLP  
Partner-in-charge: Mr Nagaraj Sivaram  
(since financial year 2012)  
One Raffles Quay  
Level 18 North Tower  
Singapore 048583  
Phone: (65) 6535-7777  
Fax: (65) 6532-7662

### BANKERS

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DBS Bank Ltd  
Oversea-Chinese Banking Corporation Ltd  
Standard Chartered Bank

### UNIT REGISTRAR

---

Boardroom Corporate &  
Advisory Services Pte Ltd  
50 Raffles Place  
#32-01 Singapore Land Tower  
Singapore 048623  
Phone: (65) 6536-5355  
Fax: (65) 6536-1360

## THE MANAGER

### REGISTERED ADDRESS

---

Frasers Centrepoint Asset  
Management Ltd  
438 Alexandra Road  
#21-00 Alexandra Point  
Singapore 119958  
Phone: (65) 6276-4882  
Fax: (65) 6272-8776

### DIRECTORS OF THE MANAGER

---

Mr Philip Eng Heng Nee  
Independent Non-Executive Chairman

Dr Chew Tuan Chiong  
CEO and Executive Director

Mr Anthony Cheong Fook Seng  
Non-Executive Director

Mr Chia Khong Shoong  
Non-Executive Director

Mr Bobby Chin Yoke Choong  
Independent Non-Executive Director

Mr Lim Ee Seng  
Non-Executive Director

Mr Soh Kim Soon  
Independent Non-Executive Director

Mr Christopher Tang Kok Kai  
Non-Executive Director

### AUDIT COMMITTEE

---

Mr Bobby Chin Yoke Choong (Chairman)  
Mr Anthony Cheong Fook Seng  
Mr Soh Kim Soon

### COMPANY SECRETARY

---

Mr Anthony Cheong Fook Seng





## **FRASERS CENTREPOINT ASSET MANAGEMENT LTD**

As Manager of Frasers Centrepoint Trust  
Company Registration Number: 200601347G

438 Alexandra Road  
#21-00 Alexandra Point  
Singapore 119958

Phone: (65) 6276 4882  
Fax: (65) 6272 8776  
Email: [ir@fraserscentrepointtrust.com](mailto:ir@fraserscentrepointtrust.com)

[www.fct.sg](http://www.fct.sg)