

# Frasers Centrepoint Trust

## Extraordinary General Meeting

12 September 2011



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This Presentation contains certain information with respect to the trade sectors of FCT’s tenants. The Manager has determined the trade sectors in which FCT’s tenants are primarily involved based on the Manager’s general understanding of the business activities conducted by such tenants. The Manager’s knowledge of the business activities of FCT’s tenants is necessarily limited and such tenants may conduct business activities that are in addition to, or different from, those shown herein.

This Presentation includes market and industry data and forecast that have been obtained from internal survey, reports and studies, where appropriate, as well as market research, publicly available information and industry publications. Industry publications, surveys and forecasts generally state that the information they contain has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of such included information. While the Manager has taken reasonable steps to ensure that the information is extracted accurately and in its proper context, the Manager has not independently verified any of the data from third party sources or ascertained the underlying economic assumptions relied upon therein.

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## Overview of Bedok Point

### Exciting new suburban mall that offers strong F&B and entertainment trade mix



<b>Storeys</b>	4 with 2 basement levels
<b>Title</b>	99-year leasehold from 15 March 1978
<b>Gross Lettable Area</b>	133,598 sq ft
<b>Net Lettable Area</b>	80,985 sq ft
<b>Number of Committed Leases</b>	74
<b>Purchase Consideration</b>	S\$127.0m <sup>1</sup>
<b>Commencement of Operations</b>	Mid-December 2010
<b>Occupancy</b>	97.4% as at 30 June 2011

1. The Purchase Consideration was arrived at on a willing-buyer and willing-seller basis and is the average of the two independent valuations of Bedok Point by Knight Frank Pte Ltd and Jones Lang LaSalle Property Consultants Pte Ltd

## **Competitive Strengths of Bedok Point**



### Strategic location and good connectivity to transportation hub



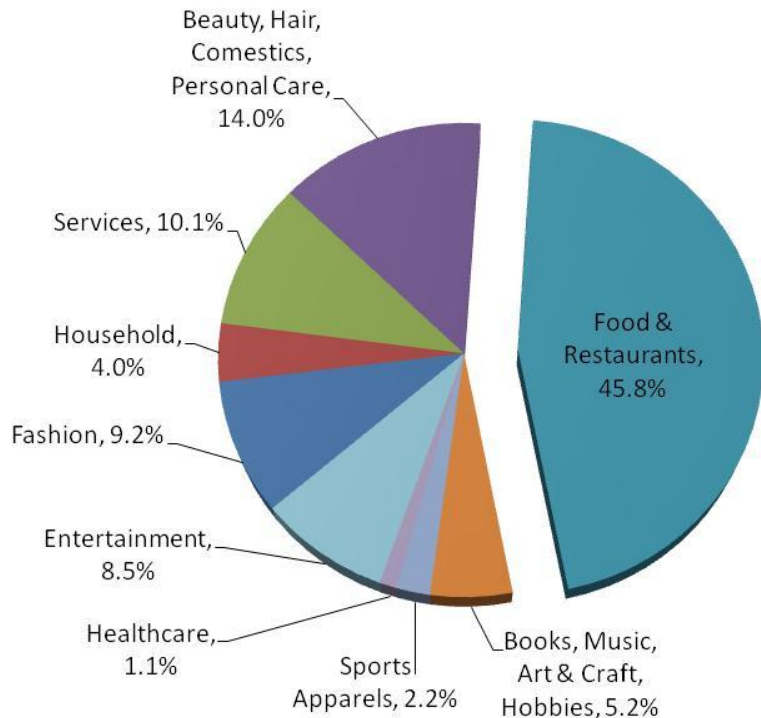
- **Excellent location, connectivity and accessibility**
  - Near to the Bedok MRT station and the Bedok bus interchange
  - Good street frontage on a major east-west road
  - Good accessibility to major expressways (ECP and PIE)
- **Captive Shopper Catchments**
  - Total trade area population of 269,400<sup>1</sup>

1. Source: Urbis Pty Ltd

## New suburban mall with potential for growth

- Bedok Point is currently the only fully enclosed and air-conditioned mall in Bedok
- Appeals to diverse groups of shoppers and restaurant customers

### Trade Mix by Monthly Gross Rental Income



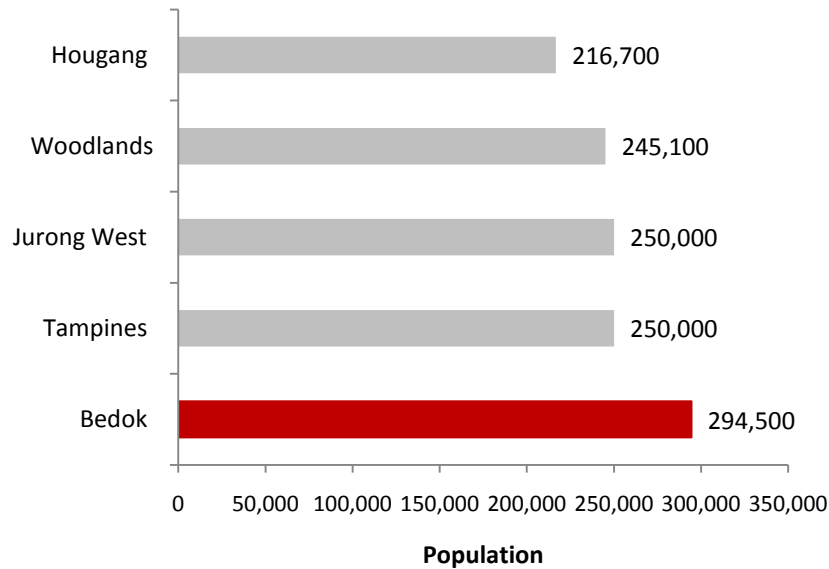
### Top F&B Tenants by Gross Rental Income

- Sushi-Tei Pte. Ltd.
- Kung Fu Paradise Pte. Ltd.
- Banquet Holdings Pte. Ltd.
- Pastamatrix International Pte. Ltd.
- Paradise Inn (2) Pte. Ltd

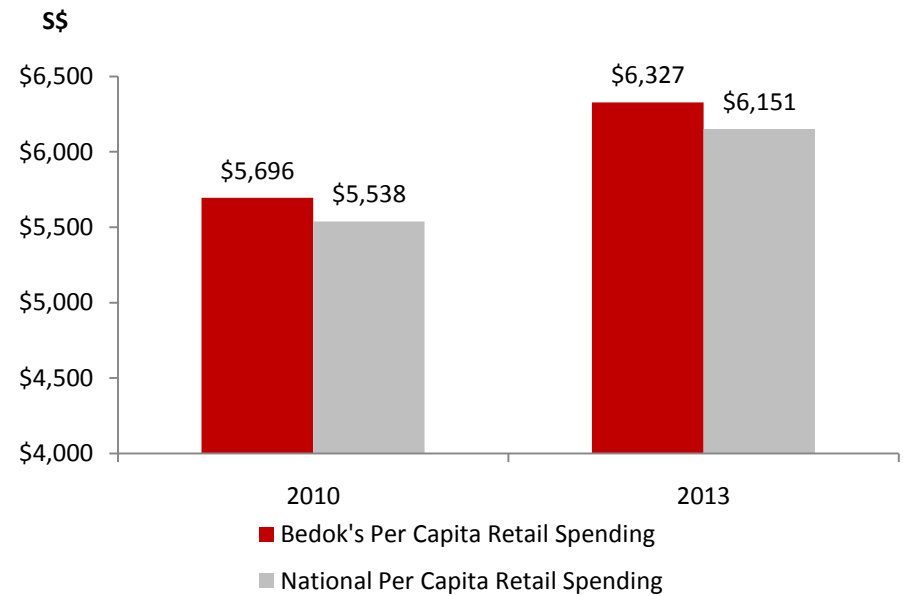


## Captive shopper catchments

**Bedok Point is located in Singapore's most populous town<sup>1</sup>**



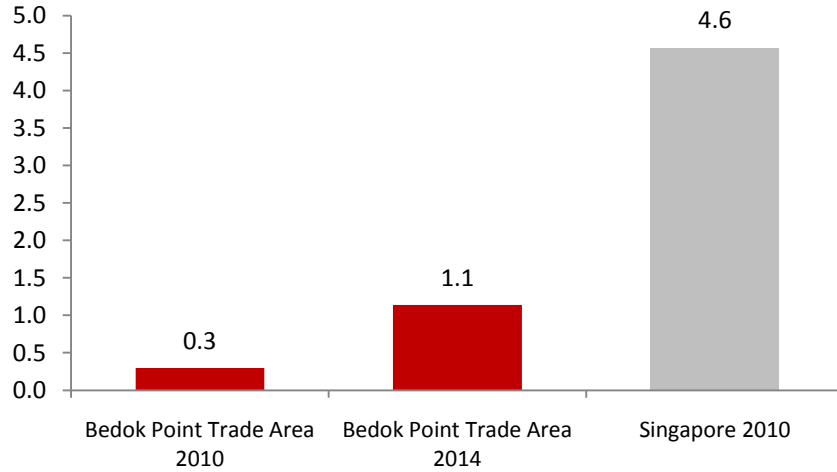
**...with high per capita retail spending<sup>2</sup>**



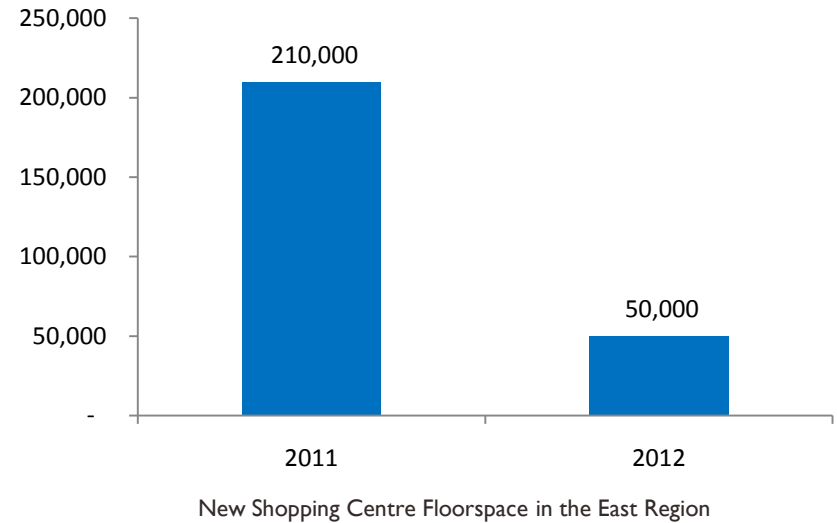
1. Source: Statistics Singapore Newsletter September 2010

2. Source: Urbis Pty Ltd

## Bedok Estate has low shopping centre floorspace per capita (sq ft)



## ... and a limited supply of new additional shopping centre floorspace in the East<sup>1</sup> in the near term (sq ft)

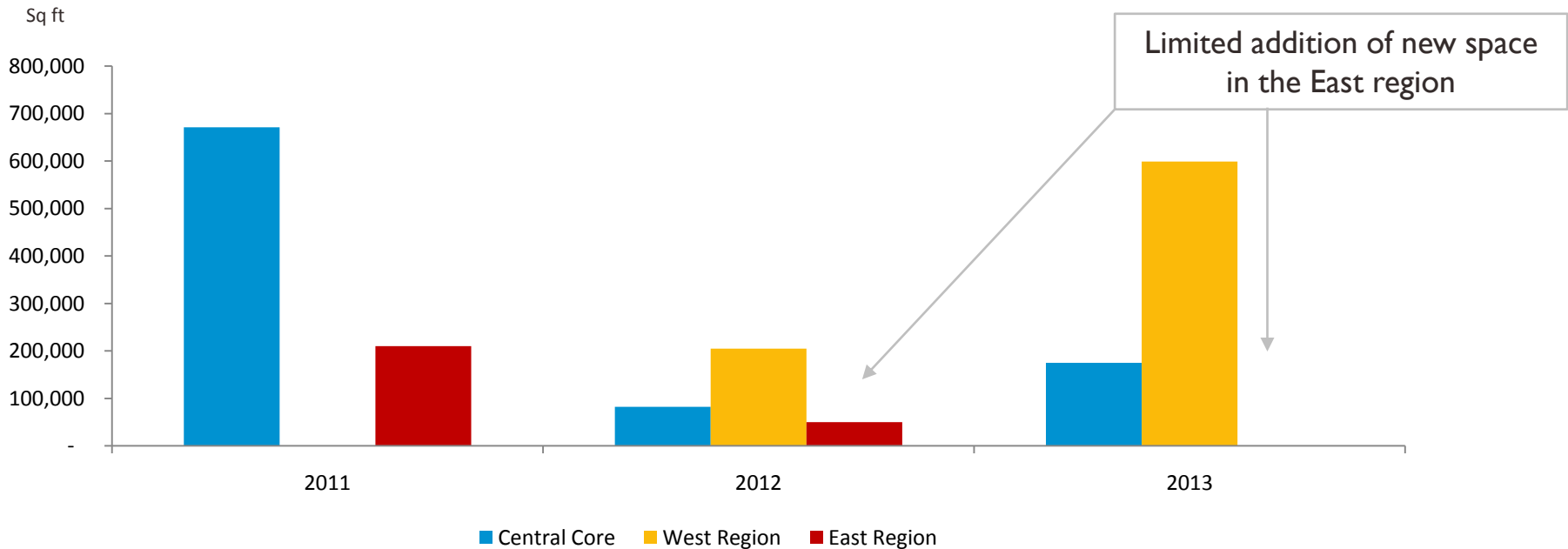


1. The East is a region located around 10km east of the Central Business District

## Limited supply of retail space in Singapore

- Total additional new retail floor space (of 260,000 sq ft) in the East region between 2011 and 2013 is relatively small compared to other regions

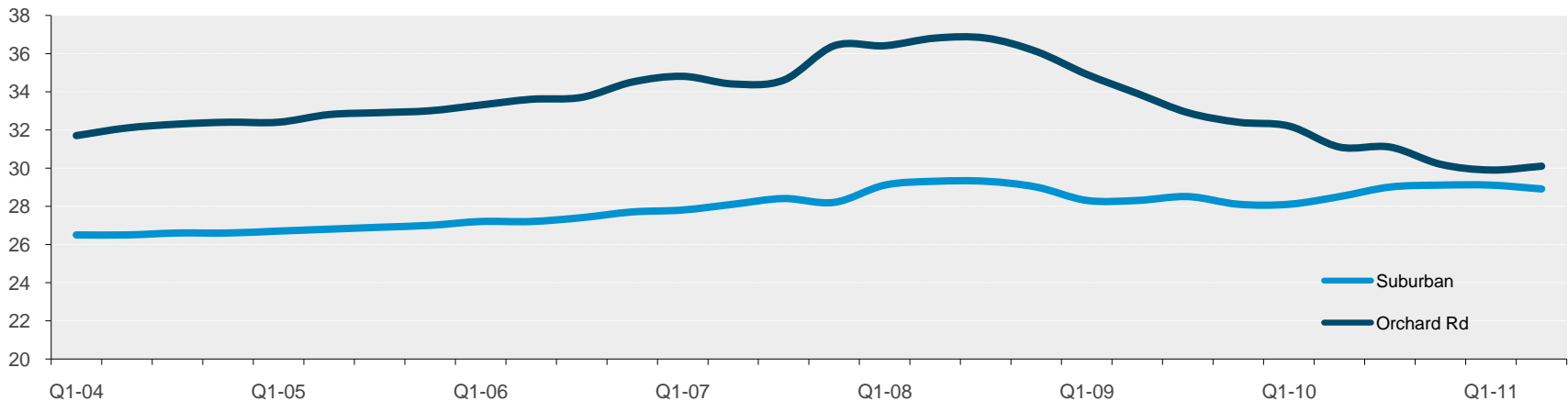
### New Shopping Centre Floorspace by Region (2011-2013)



### Exposure to the stable and resilient suburban retail property market

- Between Q3 2008 and Q1 2010, the combined effects of recession and additional retail space on Orchard Road placed downward pressure on rents and occupancy. Suburban prime rents decreased by 4% vis-à-vis Orchard Road prime rents decrease of 12%
- Suburban malls were more resilient to economic downturns due to limited supply and fairly captive trade areas

#### Prime Retail Rents by Submarket (sq ft per month)

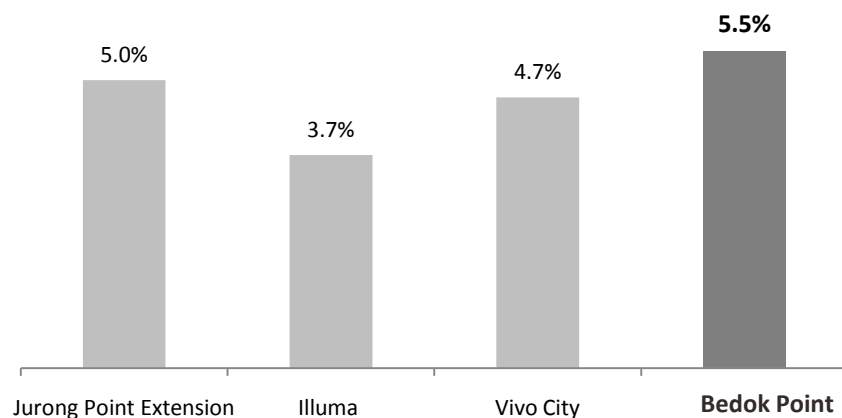


## Comparison with recently concluded transactions



## Comparison with recently concluded transactions

### Property yield of recently concluded transactions



### Recently concluded transactions

Property Name	Approx Lettable Area (sq ft)	Date of sale	Price (S\$m)	Price per sq ft (S\$)
Jurong Point Extension <sup>1</sup>	314,123	Jun-11	670	2,133
Illuma <sup>1</sup>	185,190	Feb-11	295	1,593
Vivo City <sup>1</sup>	1,037,191	Nov-10	1,982	1,910
CapitaLand Bedok Site	267,948 <sup>2</sup>	Sep-10	789	2,944
<b>Bedok Point</b>	<b>80,985</b>	<b>Jul 11</b>	<b>127</b>	<b>1,568</b>

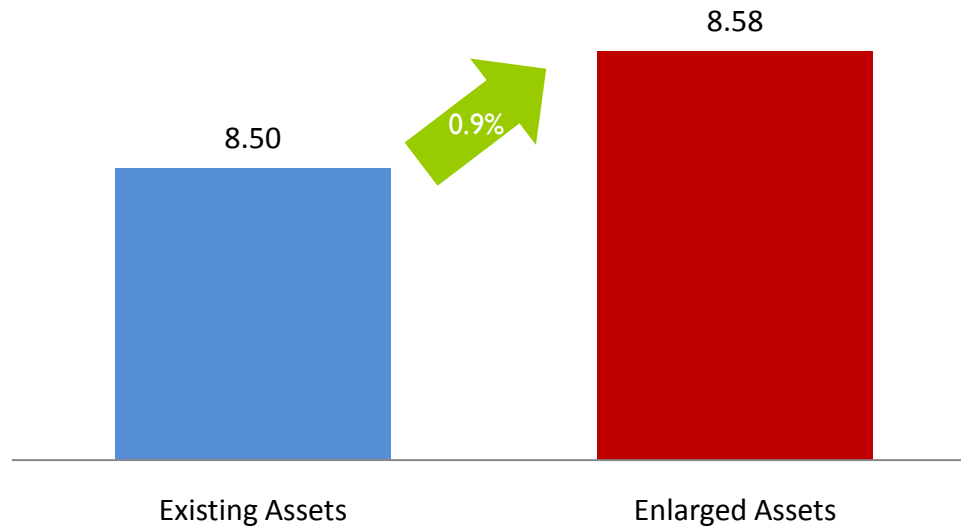
1. Extracted from the Knight Frank valuation report enclosed in Appendix D of the Circular dated 24 August 2011

2. On total land area

## **Rationale for the Acquisition**

### Yield accretive transaction

#### Forecast Period 2012<sup>1</sup> DPU (cents)

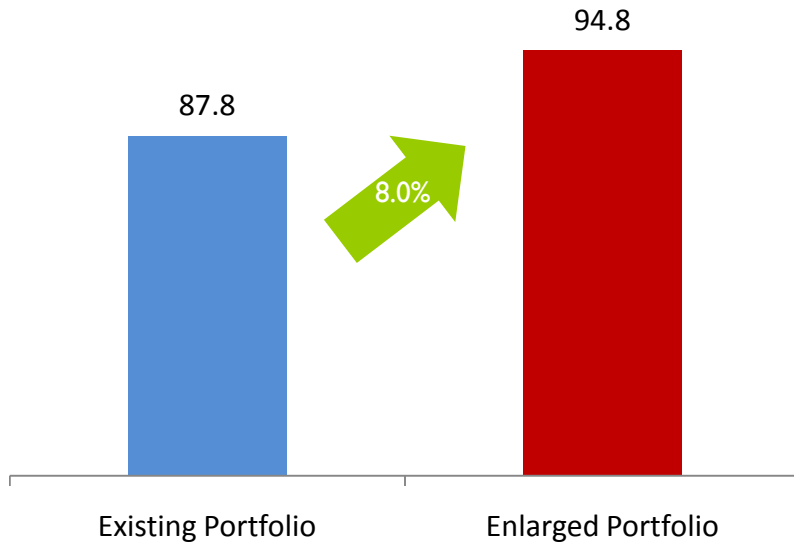


- **Assumptions:**
  - Debt financing of 51.2% of the Purchase Consideration (\$65.0m) and
  - New Units and the Acquisition Fee Units issued at the illustrative issue price of \$1.38

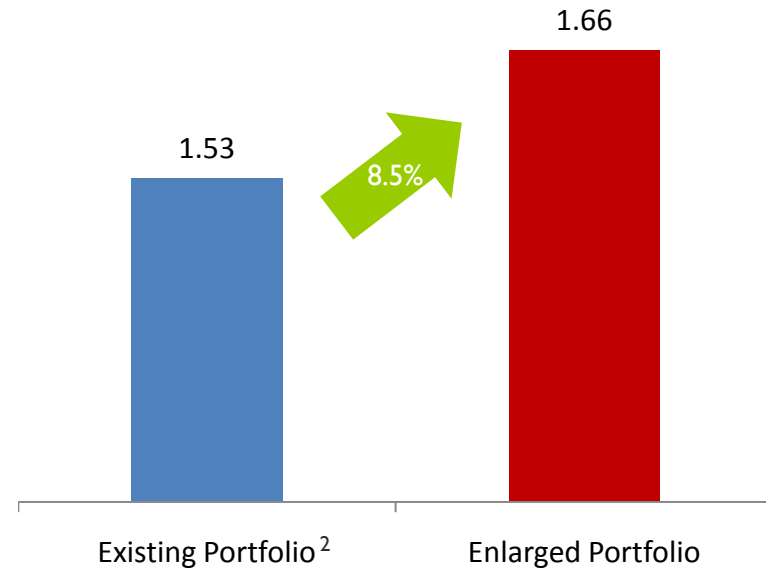
1. Forecast Period 2012 is defined as the period from 1 October 2011 to 30 September 2012

## In line with the Manager's investment strategy

### NPI (S\$m) (Forecast Period)<sup>1</sup>



### Asset Size (S\$'bn)

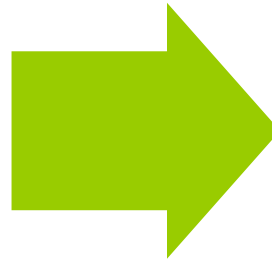
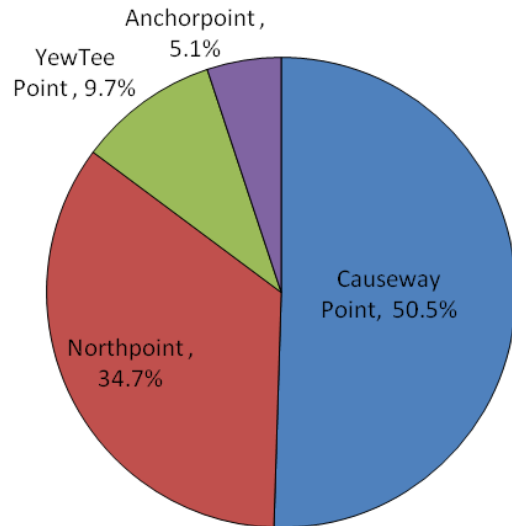


1. Based on the forecast Net Property Income for Forecast Period 2012. Please refer to the forecast, together with the accompanying assumptions, shown in the Unitholders' Circular dated 24 August 2011

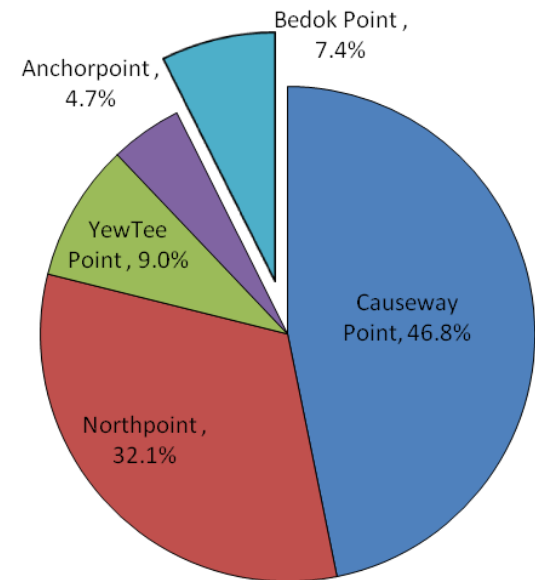
2. Asset size of existing portfolio as at 30 June 2011

## Greater income diversification

### Net Property Income Contribution Existing Portfolio<sup>1</sup>



### Net Property Income Contribution Enlarged Portfolio<sup>1</sup>



- Post acquisition, the NPI share contribution from the largest contributor Causeway Point will be reduced to 46.8% from 50.5%

<sup>1</sup> Based on the forecast Net Property Income for Forecast Period 2012. Please refer to the forecast, together with the accompanying assumptions shown in the Unitholders' Circular dated 24 August 2011



## Better geographical diversification of asset portfolio

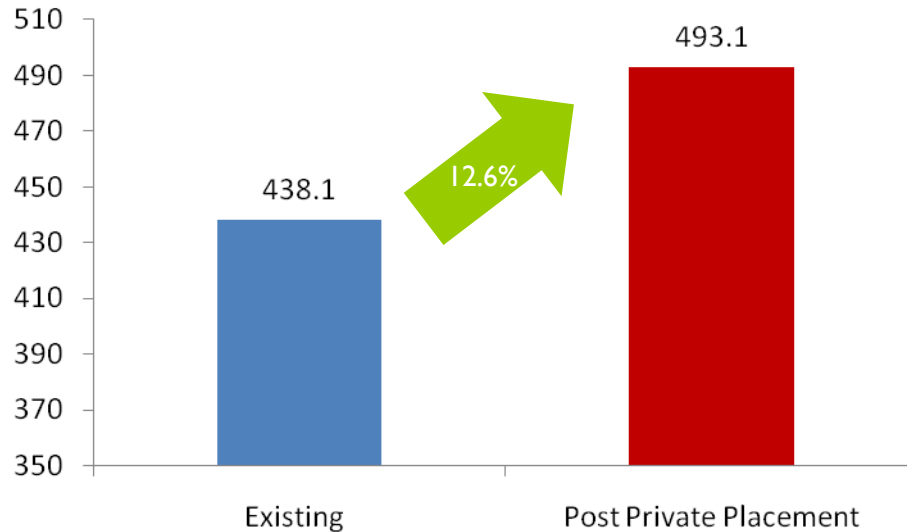
- Better geographical diversification of FCT's asset portfolio and market share increase in the suburban estate in the East region of Singapore



## Greater trading liquidity

### Free Float<sup>1</sup>

(million units)



- Assuming 55.0m New Units issued, FCT's free float<sup>1</sup> is expected to increase by 12.6% upon completion of Private Placement<sup>2</sup>
- FCL Group's percentage unitholding in FCT is expected to be reduced from 43.2% to 40.4% upon completion of Private Placement<sup>2</sup>

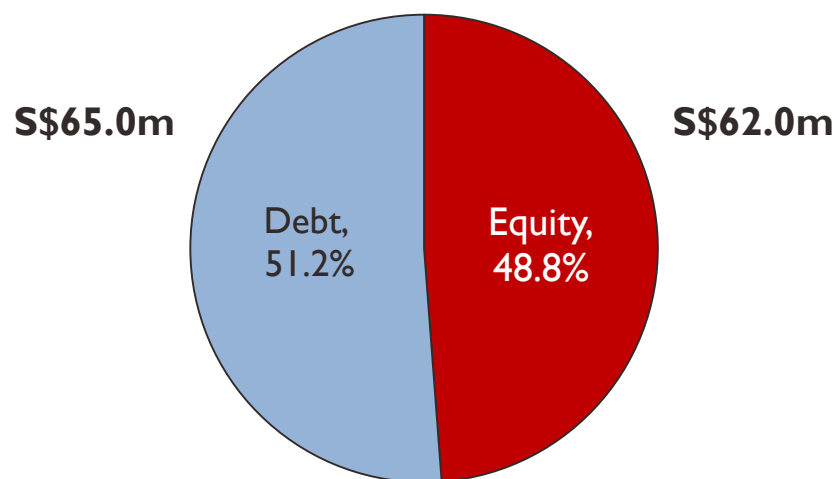
1. Free float is calculated based on the total issued units of 771.8m less 333.7m units held by the FCL Group as at 30 June 2011

2. Based on 55.0m New Units being issued under the Private Placement and further assuming that the FCL Group does not subscribe for any New Units under the Private Placement

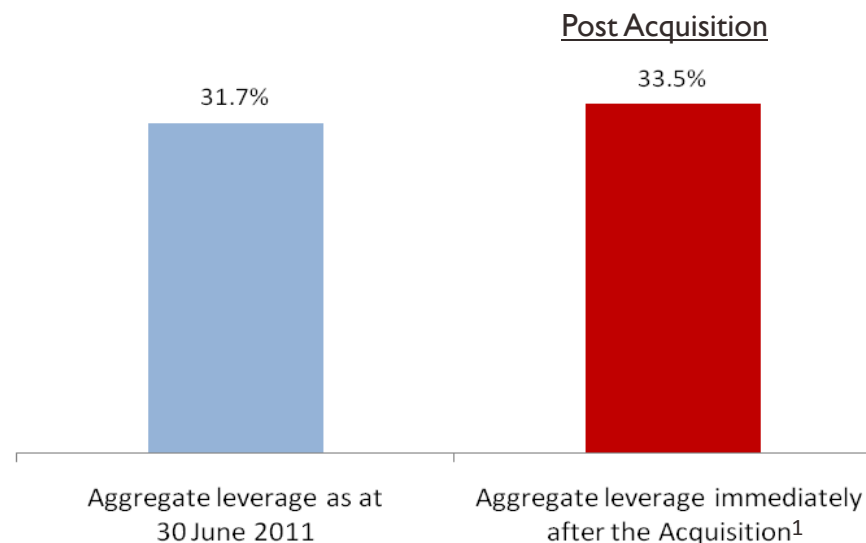
# Financing Structure Options

## Purchase Consideration of S\$127.0m

### Financing Mix



### Gearing



- In the event that the Acquisition is fully financed by debt, the resultant aggregate leverage ratio of FCT at the start of the Forecast Period 2012 immediately after the Acquisition will be 37.2%
- In the event that 55.0m New Units are issued under the Private Placement at the illustrative issue price of S\$1.38, S\$75.9m will be raised

1. The Manager has put in place loan facilities, which may be utilised to part finance the Acquisition in accordance with the funding structure to be determined by the Manager

## Conclusion



## EGM Resolutions<sup>1</sup>

**Resolution 1 : The Proposed Acquisition of Bedok Point**  
- Purchase Consideration of S\$127.0m

**Resolution 2 : The Proposed Issue of up to 55.0m New Units under the Private Placement**

**Resolution 3 : The Proposed Subscription of New Units by the FCL Group under the Private Placement**

1. FCL will abstain, and will ensure that FCL Trust Holdings Pte. Ltd. abstains, from voting on Resolution 1 and Resolution 3. Unitholders should note that: Resolution 2 (the Private Placement) and Resolution 3 (the FCL Group Placement) are each conditional upon Resolution 1 (the Acquisition) being passed; and Resolution 3 (the FCL Group Placement) is conditional upon Resolution 2 (the Private Placement) being passed.

# Thank you

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