

## Press Release

For Immediate Release

### A-HTRUST reports 2Q FY2014/15 distributable income of S\$14.1 million

- Net property income for 2Q FY2014/15 and 1H FY2014/15 of S\$22.8 million and S\$44.2 million, respectively
- Distributable income for 1H FY2014/15 increased year-on-year to S\$27.8 million
- Continued improvement in RevPAR of managed hotels in Australia, China and Japan

#### Overview of financial results

S\$' million	2Q FY2014/15	2Q FY2013/14	Change	1H FY2014/15	1H FY2013/14	Change
Gross Revenue	56.5	53.1	6.5%	109.8	101.1	8.7%
Net Property Income	22.8	21.3	6.9%	44.2	37.5	18.0%
Distributable Income	14.1	14.6	(3.2%)	27.8	25.5	9.0%
DPS (cents)	1.27	1.41	(9.9%)	2.51	2.70	(7.0%)
Adjusted DPS (cents)	1.46 <sup>(1)</sup>	1.41	3.5%	2.86	2.70	5.9%

**Singapore, 6 November 2014** – Ascendas Hospitality Trust (“A-HTRUST”) posted gross revenue of S\$56.5 million for the second quarter ended 30 September 2014 (“2Q FY2014/15”), an increase of 6.5% from the same period last year. This is largely due to the full quarter contribution from Osaka Namba Washington Hotel Plaza (which was acquired on 15 April 2014) as well as improved performance of the Australia portfolio. In line with the higher gross revenue, net property income (“NPI”) registered year-on-year (“y-o-y”) growth of 6.9% to S\$22.8 million in 2Q FY2014/15.

After accounting for the S\$2.1 million cost incurred in 2Q FY2014/15 for the partial unwinding of the cross-currency swaps (“CCS”) for the Australia portfolio and an enlarged stapled security base<sup>(2)</sup>, income available for distribution for the quarter decreased 3.2% y-o-y to S\$14.1 million. This translated to a distribution per stapled security (“DPS”) of 1.27 cents for 2Q FY2014/15. DPS for the quarter would have increased 3.5% y-o-y to 1.46 cents without the partial unwinding of the CCS.

<sup>1</sup> Excludes S\$2.1 million cost incurred for partial unwinding of the AUDSGD CCS.

<sup>2</sup> 73,530,000 new stapled securities were issued by way of a private placement on 9 April 2014 to partially finance the acquisition of Osaka Namba Washington Hotel Plaza.

A-HTRUST made an advance distribution of 0.0684 cents per stapled security for the period of 1 to 8 April 2014<sup>3</sup>, which was paid on 6 June 2014. For the period of 9 April 2014 to 30 September 2014, Stapled Securityholders can expect to receive their distribution of 2.4388 cents per stapled security on 12 December 2014. The Books Closure Date is 14 November 2014.

### Portfolio performance

	2Q FY2014/ 15	2Q FY2013/ 14	Change	1H FY2014/ 15	1H FY2013/ 14	Change
<b>Australia</b>						
Avg Occupancy Rate (%)	84.3	82.7	1.6pp	78.5	72.3	6.2pp
Avg Daily Rate ("ADR")(AUD)	162	160	1.3%	165	164	0.4%
Rev per Available Room ("RevPAR")(AUD)	136	132	3.2%	129	118	9.0%
<b>China</b>						
Avg Occupancy Rate (%)	89.5	87.7	1.8pp	86.6	84.2	2.3pp
Avg Daily Rate ("ADR")(RMB)	399	399	0.0%	411	404	1.7%
Rev per Available Room ("RevPAR")(RMB)	357	350	2.0%	356	340	4.5%

In Australia, the average revenue per available room ("RevPAR") of the portfolio for 2Q FY2014/15 registered a growth of 3.2% y-o-y underpinned by steady increases in both occupancy and average daily rate ("ADR"). The key improvement came from the two hotels located within Sydney's city centre (i.e. Pullman Sydney Hyde Park and Novotel Sydney Central) as total revenue was boosted by an increase in events in the quarter.

The two hotels in Beijing grew RevPAR by 2.0% y-o-y to RMB 357 amid a competitive operating environment. The hotels increased room revenue through active online promotions and this helped to offset weaker food and beverage demand in a quarter marked by soft corporate demand and school vacation.

Oakwood Apartments Ariake Tokyo posted strong y-o-y RevPAR growth of 46.5% in 2Q FY2014/15, bolstered by the large number of events held at the nearby Tokyo Big Sight.

Mr Tan Juay Hiang, Chief Executive Officer of the Managers, said: "We are pleased to see a positive growth trend in the RevPAR performances of our managed hotels in this quarter and also the first half of FY2014/15. Concurrently, contribution from the latest acquisition in Osaka further strengthened the steady stream of rental income generated by our hotels operated under master lease contracts in Japan and Singapore."

<sup>3</sup> This was made following a private placement which was completed on 9 April 2014.

## Capital management

As at 30 September 2014, A-HTRUST's financial position remained stable with a gearing ratio of 38.3% and 91.1% of its total borrowings are on fixed rates. The effective interest rate and weighted average debt to maturity remained at approximately 3.1% and 3.1 years, respectively.

Mr Tan added: "The total unwinding of the CCS has been completed ahead of schedule in October 2014. This will lead to a natural hedge of AUD loans to the underlying assets and reduce our exposure to the risk of further weakening of the AUD."

## Outlook

In Australia, apart from the big mining states, the tourism outlook is generally positive for key cities such as Sydney, whose hotel market is underpinned by strong corporate demand and rising visitor arrivals. The lodging market in Brisbane, which was affected by the decrease in resource sector demand, should experience short term uplift in performance due to the Group of Twenty ("G20") Summit in November.

In China, slower economic growth and the government's austerity drive will continue to weigh on the hospitality market. Operating conditions in Beijing are expected to be competitive in the near term given the upcoming increase in hotel room supply.

Japan's tourism outlook remains positive because of the weakened Japanese yen. Although the weakened Japanese yen will continue to drive inbound demand, there is also an offsetting effect arising from currency translation. Plans are underway to add dedicated terminals for low cost carriers at Narita and Kansai Airport, which will further boost domestic and international tourism.

The near term outlook for Singapore's tourism market is stable as weaker demand from China is partially mitigated by growth in visitors from Southeast Asia and Europe. The long term outlook remains positive given Singapore's pro-business environment and competitiveness as a MICE venue.

*A copy of the full results announcement is available at [www.sqx.com](http://www.sqx.com) and [www.a-htrust.com](http://www.a-htrust.com).*

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### **About Ascendas Hospitality Trust**

[www.a-htrust.com](http://www.a-htrust.com)

*Ascendas Hospitality Trust (“A-HTRUST”) was listed in July 2012 as a stapled group comprising Ascendas Hospitality Real Estate Investment Trust (“A-HREIT”) and Ascendas Hospitality Business Trust (“A-HBT”), established with the principal investment strategy of investing, directly or indirectly, in a diversified portfolio of income-producing real estate used predominantly for hospitality purposes located across Asia, Australia and New Zealand, as well as real estate related assets in connection with the foregoing.*

*The asset portfolio comprises 12 hotels with over 4,500 rooms geographically diversified across key cities in Australia, China, Japan and Singapore; and located close to central business districts and conference centres as well as iconic tourist landmarks. These hotels are Pullman Sydney Hyde Park, Novotel Sydney Central, Novotel Sydney Parramatta, Courtyard by Marriott North Ryde, Pullman and Mercure Melbourne Albert Park, Pullman and Mercure Brisbane King George Square, Pullman Cairns International, Novotel Beijing Sanyuan, Ibis Beijing Sanyuan, Hotel Sunroute Ariake and Oakwood Apartments Ariake Tokyo, Osaka Namba Washington Hotel Plaza and Park Hotel Clarke Quay.*

*A-HTRUST is managed by Ascendas Hospitality Fund Management Pte. Ltd., the manager of A-HREIT, and Ascendas Hospitality Trust Management Pte. Ltd., the trustee-manager of A-HBT. A-HTRUST is sponsored by Ascendas Land International Pte Ltd, a wholly-owned subsidiary of Ascendas Pte Ltd.*

### **About Ascendas Group**

[www.ascendas.com](http://www.ascendas.com)

*Ascendas is Asia’s leading provider of business space solutions with more than 30 years of experience. Based in Singapore, Ascendas has built a strong regional presence and serves a global clientele of over 2,700 customers in 26 cities across 10 countries including Singapore, China, India, South Korea and Vietnam.*

*Ascendas specialises in masterplanning, developing, managing and marketing IT parks, industrial & logistics parks, business parks, science parks, hi-specs facilities, office and retail spaces. Leveraging on its track record and experience, Ascendas has introduced new business space concepts such as integrated communities and solutions which seamlessly combine high-quality business, lifestyle, retail and hospitality spaces to create conducive human-centric work-live-play-learn environments. Its flagship projects include the Singapore Science Park and Changi City at Changi Business Park in Singapore, International Tech Park Bangalore in India and Ascendas-Xinsu in Suzhou Industrial Park, China. Ascendas provides end-to-end real estate solutions, assisting companies across the entire real estate process.*

*In November 2002, Ascendas launched Singapore’s first business space trust, Ascendas Real Estate Investment Trust (A-REIT), and in August 2007, Ascendas India Trust (a-iTrust) was listed as the first Indian property trust in Asia. In July 2012, Ascendas listed Ascendas Hospitality Trust (A-HTRUST), which comprises a portfolio of quality hotels in Australia, China, Japan and Singapore. Besides managing listed real estate funds, Ascendas also manages a series of private funds with commercial and industrial assets across Asia.*

## **Important Notice**

This press release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends and foreign exchange rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of average daily room rates and occupancy, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on the Managers' current view of future events.

The value of securities in A-HTRUST ("Securities") and the income derived from them, if any, may fall as well as rise. Securities are not obligations of, deposits in, or guaranteed by, the Managers or any of its affiliates. An investment in Securities 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 Managers to redeem or purchase their Securities for so long as the Securities are listed on the SGX-ST. It is intended that stapled securityholders of A-HTRUST may only deal in their Securities through trading on the SGX-ST. Listing of the Securities on the SGX-ST does not guarantee a liquid market for the Securities. The past performance of A-HTRUST is not necessarily indicative of the future performance of A-HTRUST. Any discrepancies in the figures included herein between the listed amounts and total thereof are due to rounding.