

Press Release

For Immediate Release

A-HTRUST reports distributable income of S\$14.5 million for 3Q FY2014/15

- Positive contribution from Osaka Namba and overall improvement in portfolio performance driven by Australia hotels as RevPAR increased year-on-year
- Net property income for 3Q FY2014/15 and 3Q YTD FY2014/15 grew 9.1% and 14.6% year-on-year, respectively

Overview of financial results

S\$' million	3Q FY2014/15	3Q FY2013/14	Change	3Q YTD FY2014/15	3Q YTD FY2013/14	Change
Gross Revenue	59.6	56.6	5.2%	169.4	157.7	7.5%
Net Property Income	25.5	23.4	9.1%	69.8	60.9	14.6%
Distributable Income	14.5	16.6	(12.9%)	42.3	42.2	0.4%
DPS (cents)	1.30	1.61	(19.3%)	3.81	4.31	(11.6%)
Adjusted DPS (cents) ¹	1.57	1.65	(4.8%)	4.43	4.35	1.8%

Singapore, 6 February 2015 – Ascendas Hospitality Trust (“A-HTRUST”) recorded a growth in gross revenue for the third quarter ended 31 December 2014 (“3Q FY2014/15”) of 5.2% year-on-year (“y-o-y”) to S\$59.6 million. The growth was mainly due to the contribution from Osaka Namba Washington Hotel Plaza (acquired in April 2014) as well as the continuing improvement in the performance of the Australia portfolio. Net property income also increased 9.1% y-o-y to S\$25.5 million in 3Q FY2014/15, in line with the improvement in revenue.

Income available for distribution for 3Q FY2014/15 decreased by 12.9% y-o-y to S\$14.5 million mainly due to the cost of approximately S\$3.0 million incurred in relation to the unwinding of the AUDSGD cross currency swaps (“CCS”), as well as the continued weakening of the Australian Dollar (“AUD”) and Japanese Yen (“JPY”) against the Singapore Dollar (“SGD”) which weighed on the results. This resulted in distribution per stapled security (“DPS”) of 1.30 cents for 3Q FY2014/15. Excluding the cost of the unwinding of the CCS, DPS would be 1.57 cents, a decrease of 4.8% y-o-y. The entire unwinding of the CCS was completed in October 2014.

¹ Excluded costs incurred for unwinding of the CCS for the respectively periods

Portfolio performance

	3Q FY2014/ 15	3Q FY2013/ 14	Change	3Q YTD FY2014/ 15	3Q YTD FY2013/ 14	Change
Australia						
Avg Occupancy Rate (%)	87.3	85.5	1.8pp	83.3	80.2	3.1pp
Avg Daily Rate ("ADR")(AUD)	184	172	7.0%	170	166	2.4%
Rev per Available Room ("RevPAR")(AUD)	161	147	9.5%	142	133	6.8%
China						
Avg Occupancy Rate (%)	79.8	80.1	(0.3pp)	84.3	82.9	1.4pp
ADR (RMB)	406	400	1.5%	409	403	1.5%
RevPAR (RMB)	324	320	1.3%	345	334	3.3%

The performance of the Australia portfolio continued to improve as demonstrated by the growth in RevPAR of 9.5% y-o-y, led by Pullman Sydney Hyde Park, and Pullman and Mercure Brisbane King George Square, which benefitted from strong conferencing events in the quarter and the Group of 20 Summit held in Brisbane in November 2014, respectively.

The Beijing hotels demonstrated resilience and recorded y-o-y RevPAR growth of 1.3% despite the challenging operating environment.

While the Japan portfolio is primarily anchored by master lease arrangements, Oakwood Apartments Ariake Tokyo, which is under management contract arrangement, continued its strong showing with a y-o-y RevPAR growth of 57.4% for 3Q FY2014/15.

Park Hotel Clarke Quay Singapore, which is also under master lease arrangement, also performed better y-o-y due to stronger demand in the corporate segment.

Mr Tan Juay Hiang, Chief Executive Officer of the Managers, said: "We are encouraged with the performance of our portfolio, which has shown continuing RevPAR growth. In particular, the Australia portfolio recorded y-o-y improvement in RevPAR for the fifth consecutive quarter.

As part of our continuous active asset management strategy to improve the quality of our hotels, we have completed the refurbishment of multi-purpose conference and event spaces in Novotel Sydney Parramatta in December 2014. The refurbished facilities can cater for meetings up to 550 people, and boasts one of the largest column-free hotel ballrooms in the Parramatta region. This will enable us to benefit from the growing importance of Parramatta as a business destination and boost our clientele in the conferencing segment."

Capital management

As at 31 December 2014, A-HTRUST's financial position remained stable with a gearing ratio of 38.9% and 90.3% of its total borrowings are on fixed rates. The effective interest rate increased slightly to 3.2% while weighted average debt was approximately 2.8 years.

Outlook

In general, the Australia tourism sector continued its recent trend of strong growth as international visitors grew 8% y-o-y to 6.3 million from January to September 2014². In the near term, the sector will be supported by major events such as the Australian Open, Formula One Grand Prix and Cricket World Cup. However, the falling commodity prices may see AUD declining in the short term which will impact our earnings in SGD terms.

The China hospitality sector is likely to be subjected to the ongoing austerity drive and downward pressure from new supply of hotel rooms. However, the demand may benefit from the World Championship in Athletics which will be held at the Beijing National Stadium in August.

Japan's tourism outlook continues to look optimistic as the number of foreign visitors for 2014 exceeded 2013 by 29%³. Together with the weakened JPY, the recently completed expansion of Haneda (Tokyo) airport, which increased its landing and take-off slots, will further boost inbound travels.

As Singapore celebrates her golden jubilee and the grand opening of the National Gallery Singapore in November 2015, it is expected to provide some respite to the tourism sector, which has seen the number of visitors fall by 3% y-o-y in the first 11 months of 2014⁴. In view of this, the near term outlook is expected to remain stable.

Mr Tan continued: "Looking forward, we may be faced with further headwinds, such as the expected slowdown in the growth of the China economy. Further, as the Australia economy feels the effect of the falling prices of copper and other commodities, further weakening of AUD will affect our receipts in SGD terms. In light of the challenging landscape ahead, we remained cautious of the general outlook of our hotels."

A copy of the full results announcement is available at www.sqx.com and www.a-htrust.com.

² Source: Tourism Research Australia

³ Source: Japan National Tourism Organization

⁴ Source: Singapore Tourism Board

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About Ascendas Hospitality Trust

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

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.