

Press Release

For Immediate Release

A-HTRUST reports y-o-y growth in distributable income and DPS of 12.0% and 3.3% for 4Q FY2014/15, respectively

- Distributable income and distribution per stapled security for 4Q FY2014/15 increased by 12.0% and 3.3% y-o-y, respectively
- Osaka Namba drove growth in 4Q FY2014/15, as net property income improved by 2.8% y-o-y
- A-HTRUST benefitted from RevPAR improvement for hotels under management contract arrangements in FY2014/15

Overview of financial results

S\$' million	4Q FY2014/15	4Q FY2013/14	Change	FY2014/15	FY2013/14	Change
Gross Revenue	54.5	53.7	1.6%	227.1	214.3	6.0%
Net Property Income	22.6	22.0	2.8%	93.3	83.5	11.8%
Distributable Income	14.0	12.5	12.0%	56.3	54.6	3.0%
DPS (cents)	1.25	1.21	3.3%	5.06	5.52	(8.3%)

Singapore, 8 May 2015 – Ascendas Hospitality Trust (“A-HTRUST”) posted gross revenue of S\$54.5 million for the fourth quarter ended 31 March 2015 (“4Q FY2014/15”), recording growth of 1.6% year-on-year (“y-o-y”). Net property income also improved 2.8% y-o-y to S\$22.6 million in 4Q FY2014/15, in line with the improvement in revenue. The improvement, which was mainly due to the contribution from Osaka Namba Washington Hotel Plaza, was partially offset by continued weakening of the Australian Dollar (“AUD”) and Japanese Yen (“JPY”) against the Singapore Dollar (“SGD”).

Income available for distribution for 4Q FY2014/15 increased by 12.0% y-o-y to S\$14.0 million due to the improvement in net property income and that there was no cost incurred in relation to the unwinding of the AUDSGD cross currency swaps (“CCS”) in 4Q FY2014/15, an exercise completed in October 2014. This resulted in an improvement of 3.3% y-o-y in distribution per stapled security (“DPS”) to 1.25 cents for 4Q FY2014/15.

The value of our portfolio as at 31 March 2015 reached S\$1,373.4 million taking into account net revaluation surplus of S\$41.8 million. Net Asset Value per Stapled Security was S\$0.74 for FY2014/15.

Portfolio performance

	4Q FY2014/ 15	4Q FY2013/ 14	Change	FY2014/ 15	FY2013/ 14	Change
Australia						
Avg Occupancy Rate (%)	86.1	83.8	2.3pp	84.0	81.0	3.0pp
Avg Daily Rate ("ADR")(AUD)	178	174	2.3%	173	168	3.0%
Rev per Available Room ("RevPAR")(AUD)	154	146	5.5%	145	136	5.1%
China						
Avg Occupancy Rate (%)	74.7	72.5	2.2pp	81.9	80.3	1.6pp
ADR (RMB)	379	393	(3.6%)	402	401	0.2%
RevPAR (RMB)	283	285	(0.7%)	329	322	2.2%

The Australia portfolio capped an effective year with a RevPAR growth of 5.5% y-o-y in 4Q FY2014/15, led by the hotels in Sydney, which saw better performance due to stronger demand and conferencing events. Courtyard by Marriott North Ryde (Sydney) also benefitted from the closure of a competing hotel. For the full year, the Australia portfolio recorded a RevPAR growth of 5.1% over FY2013/14.

The China portfolio recorded a decline in RevPAR of 0.7% y-o-y in 4Q FY2014/15, which was mainly attributed to more intense competition. However, RevPAR for the Beijing hotels improved 2.2% y-o-y on a full year basis.

Oakwood Apartments Ariake Tokyo continued its strong performance as RevPAR for 4Q FY2014/15 more than doubled compared to 4Q FY2013/14, which was a transition period as the new operator took over operation of the serviced apartments in January 2014. RevPAR of Oakwood Apartments Ariake Tokyo for the full year was up by 57.7% y-o-y.

The portfolio of hotels under management contract arrangements are complemented by Park Hotel Clarke Quay Singapore, Hotel Sunroute Ariake and Osaka Namba Washington Hotel Plaza, which provide a steady stream of rental income to A-HTRUST through master lease arrangements.

Capital management

As at 31 March 2015, A-HTRUST's financial position remained healthy with a gearing ratio of 37.2% and 88.9% of total borrowings on fixed rates. The effective interest rate remained at 3.2% while weighted average tenor was approximately 2.5 years.

In April 2015, A-HTRUST successfully issued its first series of stapled notes amounting to S\$75 million, with an interest rate of 3.3% per annum, on a 5-year tenor ("Stapled Notes"). The Stapled Notes was issued pursuant to the S\$1,000,000,000 Multicurrency Stapled Medium Term Note Programme established in October 2014.

Mr Tan Juay Hiang, Chief Executive Officer of the Managers, said: "The maiden issuance of the stapled notes was a landmark transaction for A-HTRUST. It is part of A-HTRUST's capital management strategy to tap on alternative funding options as well as to extend weighted average debt to maturity. The issue was taken up by a good mix of institutional investors and private banks. We are encouraged by the strong demand, which demonstrates investors' confidence in A-HTRUST's long term prospects."

Outlook

Weaker AUD continue to boost both inbound and domestic travels as the Australia tourism sector remains buoyant. The Australia hotel market is hence expected to maintain its positive performance in the near term. However, continual weakening of AUD against SGD will impact A-HTRUST's earnings in SGD terms.

The China hospitality sector is expected to remain competitive. While the sector will be supported by domestic travels, as China faces slower economic growth, total international arrival growth is expected to moderate. New supply of hotel rooms entering the market is also likely to continue to impact the hotel market performance.

The Japan tourism sector continues its strong performance from 2014 as the total number of foreign visitors in January to March 2015 exceeded that of the same period last year by 44%¹. With 2020 Tokyo Olympics Games on the horizon, and the Japan economy expected to continue on its path of recovery, the sector outlook remains optimistic.

Following a challenging 2014 for the hospitality sector in Singapore, the trend continues into 2015, with the number of visitor arrivals falling by 5% y-o-y in the first two months of 2015². The landscape ahead for the tourism sector is likely to remain challenging due, in part, to the relatively stronger SGD and new supply of hotel rooms, compounded by the labour crunch which results in higher operating costs. However, the master lease contract for Park Hotel Clarke Quay which provides a base rent and the strategic location of the hotel, which is well suited to the needs of business travellers, will help to mitigate the situation for A-HTRUST.

¹ Source: Japan National Tourism Organization

² Source: Singapore Tourism Board

Mr Tan concluded: “We are heartened that A-HTRUST’s portfolio was able to deliver an encouraging performance for FY2014/15, despite the headwinds encountered. The managed hotels in Australia, China and Japan recorded overall improvement in RevPAR, and the acquisition of Osaka Namba also contributed positively to the performance of the portfolio. However, distribution to stapled securityholders was affected by the weakening of AUD and JPY against the SGD. As we continue to face volatility in the currency markets, the completion of the unwinding of the AUDSGD cross currency swaps in October 2014 will put A-HTRUST in a better position to face such uncertainties.

We will continue to build on the encouraging performance of the portfolio and remain committed to deliver sustainable growth through improvement of assets and seeking value-accretive acquisitions to optimise the overall quality of the portfolio.”

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

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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 2,400 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.