

Press Release

For Immediate Release

A-HTRUST's DPS for 1Q FY2015/16 record growth of 3.2% y-o-y

- Overall improvement in portfolio performance led by Australia portfolio, although weak AUD and JPY dampened growth
- Income available for distribution for this quarter improved by 9.5% y-o-y
- Notwithstanding the 5% retention of distributable income in 1Q FY2015/16, DPS was 3.2% higher y-o-y

Singapore, 6 August 2015 – Ascendas Hospitality Trust (“A-HTRUST”) posted gross revenue of S\$52.8 million for the first quarter ended 30 June 2015 (“1Q FY2015/16”), a decline of 2.7% year-on-year (“y-o-y”), while net property income was relatively stable at S\$21.4 million. This was mainly due to the continued weakening of Australian Dollar (“AUD”) and Japanese Yen (“JPY”) against the Singapore Dollar (“SGD”), which impacted earnings in SGD despite the overall improvement in the performance of the portfolio.

Mr Tan Juay Hiang, Chief Executive Officer of the Managers, said: “We are encouraged by the performance of our portfolio where our Australia and Japan portfolios showed strong growth in the local currencies, especially the Australia portfolio which posted net property income growth of approximately 10% year-on-year in AUD terms. The performance of the China portfolio was marginally weaker in RMB terms. Although the portfolio recorded overall organic growth, we continue to face headwinds in the form of unfavourable currency movements. Compared against the same quarter last year, the average exchange rates for AUD and JPY both weakened against SGD by approximately 10%. This moderated our financial performance as gross revenue and net property income both posted decline in SGD terms.”

Overview of financial results

S\$' million	1Q FY2015/16	1Q FY2014/15	Change
Gross Revenue	52.8	54.3	(2.7%)
Net Property Income	21.4	21.6	(0.9%)
Income available for distribution	15.0	13.7	9.5%
Income available for distribution (less 5% income retained for working capital)	14.2	13.7	4.1%
Distribution per stapled security (cents)	1.28	1.24	3.2%

Income available for distribution for 1Q FY2015/16 grew by 9.5% y-o-y to S\$15.0 million. This was mainly because cost incurred in the corresponding quarter last year in relation to the unwinding of the AUDSGD cross currency swap was absent this quarter, although the increase was partially offset by higher financial costs. Starting from this quarter, up to 5% of income available for distribution will be retained for working capital purposes. This helps to reduce reliance on debt for funding of recurring capital expenditure requirements and is also part of A-HTRUST's long term strategy to ensure sustainable returns to its stapled securityholders. Distribution per stapled security ("DPS") was 1.28 cents for 1Q FY2015/16, recording growth of 3.2% y-o-y.

Portfolio performance

	1Q FY2015/16	1Q FY2014/15	Change
Australia			
Average Occupancy Rate (%)	81.8	78.5	3.3pp
Average Daily Rate ("ADR")(AUD)	164	165	(0.6%)
Revenue per Available Room ("RevPAR")(AUD)	134	129	3.9%
China			
Average Occupancy Rate (%)	82.9	83.7	(0.8)pp
ADR (RMB)	419	423	(0.9%)
RevPAR (RMB)	347	354	(2.0%)

Australia portfolio continued to improve in 1Q FY2015/16, recording a RevPAR growth of 3.9% y-o-y, mainly driven by the four hotels in Sydney. Pullman Sydney Hyde Park and Novotel Sydney Central saw strong room demand, and closure of a competing hotel continued to have positive impact on Courtyard by Marriott North Ryde (Sydney). The office component of Pullman Hyde Park had higher occupancy compared to the corresponding period last year when part of the office component was undergoing refurbishment. This resulted in higher rental income from the office component this quarter. Revenue from conferencing segment in Novotel Sydney Parramatta also improved following the completion of refurbishment of facilities in December 2014.

In general, overall hotel market in China is affected by slow recovery of the Europe economy and appreciation of RMB. These factors, together with increased competition from the opening of new hotels in Beijing, resulted in a decline in RevPAR of 2.0% y-o-y for the China portfolio.

The healthy Japan tourism sector had a positive impact on Oakwood Apartments Ariake Tokyo as RevPAR grew by 35.2% y-o-y.

Despite a challenging landscape in Singapore, Park Hotel Clarke Quay had an encouraging performance in the quarter compared to its peers, as it successfully implemented a promotion program to drive occupancy rates for travellers from specific target markets.

Mr Tan added: "A-HTRUST continued to reap the benefits from the asset enhancements completed last year. In addition, a F&B outlet together with some unutilised area in Ibis Beijing Sanyuan has been converted to rentable space. This space has been leased to a convenience store in June 2015, and will provide the hotel with a stream of stable income.

Preparation is also ongoing for the renovation of Osaka Namba Washington Hotel Plaza, which will commence in January 2016. We are hopeful that the renovated hotel will benefit from the positive trends in the Japan tourism sector. We will continue to explore opportunities to optimise the value of the existing portfolio.

We have also completed our maiden disposal, where Pullman Cairns International was divested on 29 June 2015. Up to S\$2.0 million of the proceeds from the disposal will be distributed to stapled securityholders over FY2015/16."

Capital management

As at 30 June 2015, A-HTRUST's financial position remained healthy with a gearing ratio of 38.0% and 89.3% of total borrowings with fixed interest rates. The effective interest rate was 3.4% while weighted average tenor of the borrowings was extended to approximately 2.8 years, following the refinancing of certain borrowings in April 2015.

Outlook

Tourism sector in Australia remained buoyant as domestic travelling in Australia recorded a 6% y-o-y increase to 82.3 million overnight trips for the 12-month period ended 31 March 2015¹. The overall tourism sector is expected to remain healthy in the near term, which is positive for A-HTRUST's Australia portfolio.

The China tourism sector remained challenging as the austerity drive and increased competition will likely impede growth of the hotel market performance. The World Athletics Championship to be held in Beijing in August 2015 is expected to draw international visitors to the city and may provide reprieve to its hospitality sector.

Japan welcomed 9.1 million foreign visitors year-to-date June 2015², as its tourism sector continue to benefit from pro-tourism government initiatives. Compared to the same period in 2014, this was an increase of 46%². As foreign arrivals continue on the uptrend, it bodes well for A-HTRUST's two hotels in Japan.

¹ Source: Tourism Research Australia

² Source: Japan National Tourism Organization

Although international arrivals to Singapore year-to-date May 2015 was down by 4%³ y-o-y, it recorded 1% y-o-y increase in the month of May 2015³, the first month showing y-o-y improvement this year. The Singapore Tourism Board is stepping up its efforts to counter the declining trend; launching a marketing campaign in conjunction with the Golden Jubilee, as well as collaborating with Singapore Airlines and Changi Airport Group to jointly promote inbound travel to Singapore and Changi Airport. Looking ahead, the sector is likely to remain stable.

A copy of the full results announcement is available at www.sqx.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 rooms⁴ 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 International⁴, 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.

³ Source: Singapore Tourism Board

⁴ Including Pullman Cairns International, which was divested on 29 June 2015

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.