



Press Release

For Immediate Release

**A-HTRUST posts another quarter of growth
with DPS improving by 2.9% y-o-y**

- DPS improved by 2.9% y-o-y to 1.42 cents, despite higher income retention of 6.4% compared to 5.0% in the corresponding quarter last year
- Assuming the same income retention rate as 2Q FY2016/17, DPS for 2Q FY2017/18 would have improved by 4.9% y-o-y
- Overall RevPAR for the hotels under management contracts posted y-o-y improvement

Overview of financial results

S\$' million	2Q FY2017/ 18	2Q FY2016/ 17	Change ¹	1H FY2017/ 18	1H FY2016/ 17	Change ¹
Gross Revenue	58.4	55.6	5.2	111.9	107.9	3.7
Net Property Income	24.5	24.3	0.8	46.8	46.9	(0.3)
Income available for distribution	17.2	16.3	5.3	33.0	31.5	4.8
Income available for distribution (less income retained for working capital) ²	16.1	15.5	3.7	30.8	30.0	2.8
DPS (cents) ²	1.42	1.38	2.9	2.73	2.67	2.2

1. Save for DPS, percentage changes are based on figures rounded to nearest thousands.

2. Retention of income for 2Q FY2017/18 and 1H FY2017/18 were based on 6.4% and 6.7% of distributable income respectively, while retention of income for 2Q FY2016/17 and 1H FY2016/17 were based on 5.0% and 4.9% of distributable income respectively.

Singapore, 6 November 2017 – For the second quarter ended 30 September 2017 (“2Q FY2017/18”), Ascendas Hospitality Trust (“A-HTRUST”) posted year-on-year (“y-o-y”) growth in gross revenue and net property income of 5.2% and 0.8%, respectively. Overall improvement in gross revenue across the portfolio was further lifted by the appreciation of the Australian Dollar (“AUD”) against Singapore Dollar (“SGD”), although it was partially offset by a weaker Japanese Yen (“JPY”) against SGD.

Lower net finance cost contributed to the quarter’s income available for distribution being 3.7% higher y-o-y, which was partially negated by higher retention of income. As a result, distribution per stapled security (“DPS”) grew by 2.9% y-o-y to 1.42 cents in 2Q FY2017/18. Assuming 5.0% of the income was retained in 2Q FY2017/18, y-o-y growth for DPS would be 4.9% y-o-y.

Portfolio performance

Portfolio of hotels under management agreements

	2Q FY2017/ 18	2Q FY2016/ 17	Change	1H FY2017/ 18	1H FY2016/ 17	Change
Australia						
Avg Occupancy Rate (%)	87.6	84.2	3.4pp	85.5	82.8	2.7pp
Avg Daily Rate ("ADR")(AUD)	169	169	-	169	169	-
Revenue per Available Room ("RevPAR")(AUD)	148	142	4.2%	145	140	3.6%
China						
Avg Occupancy Rate (%)	91.1	91.5	(0.4)pp	88.6	89.0	(0.4)pp
ADR (RMB)	427	407	4.9%	427	409	4.4%
RevPAR (RMB)	389	372	4.6%	379	364	4.1%

Most of the hotels in the Australia portfolio recorded higher room revenue and also posted stronger performance for conferences and events business. Novotel Sydney Central continued to improve as it leveraged on its aircrew business to drive performance. Courtyard by Marriott Sydney-North Ryde also improved compared to the same quarter last year when it was undergoing room refurbishment. However, overall net property income was marginally lower mainly due to higher land tax related to Pullman and Mercure Melbourne Albert Park, and higher operating expenses for Pullman and Mercure Brisbane King George Square.

The performance of China portfolio improved y-o-y as both hotels in the portfolio benefitted from healthy public demand to maintain high occupancy rate and drive higher room rates. Ibis Beijing Sanyuan continued to see strong demand from members of China Lodging Group's loyalty programme, while both hotels also benefitted from cost savings.

Portfolio of hotels under master leases¹

Japan portfolio posted marginal improvement as it continued to benefit from strong inbound arrivals. However, the better performance was negated by a weaker JPY against SGD.

Performance of Park Hotel Clarke Quay in Singapore was stable amidst the competitive landscape brought about by the large inventory of rooms.

Mr Tan Juay Hiang, Chief Executive Officer of the Managers, said: "Overall, it was an encouraging quarter as the portfolio in all four countries posted growth in underlying revenue. For the hotels under management contracts, overall RevPAR posted another quarter of y-o-y

¹ Japan portfolio is primarily anchored by hotels under master leases, with Oakwood Apartments Ariake Tokyo under management contract arrangement.

improvement, which reflects the quality of these hotels as a whole. We will continue to explore opportunities to further improve performance of the portfolio.

In the coming quarter, Hotel Sunroute Ariake will be commencing refurbishment of rooms with minor renovation to restaurant and ballroom. This will be staged out in phases to minimise disruption to operations. The refurbishment can help to refresh the product offering and ensure that the hotel remains competitive.”

Capital management

As at 30 September 2017, A-HTRUST’s financial position remained healthy with a gearing ratio of 32.6%. The weighted average tenor of the borrowings is approximately 2.3 years and the effective interest rate remained stable at 2.9%. A-HTRUST retained 6.4% of distributable income for 2Q FY2017/18.

Outlook

In general, performance of Sydney CBD hotels are expected to remain strong on the back of limited supply, while hotels in suburban Sydney may be affected by increased competition. While the Melbourne hotel market is expected to remain positive in the near term, upcoming supply may moderate growth. More intense competition is also expected for meeting and conference facilities in Melbourne following the reopening of the International Convention Centre Sydney. The oversupply situation continues to persist in the Brisbane market, although the upcoming Commonwealth Games to be held in April 2018 in Gold Coast may provide a lift to the hotel market in the city.

While international arrivals into Beijing remained on the downtrend, domestic travelling is expected to continue supporting the hotel market in Beijing. As business and leisure demand continues to improve, the outlook of hotel market in Beijing is expected to remain healthy in the near term.

Inbound arrivals to Japan continued to be robust as the number of international visitors YTD September posted growth of 17.9% y-o-y². Looking ahead, the hotel markets in Tokyo and Osaka are expected to continue trading at a healthy level in the near term. However, performance improvement in these markets is expected to be moderate amidst increasingly competitive operating environment.

Inbound arrivals continued to grow, increasing by 4.0% y-o-y YTD August 2017³ and Singapore remained a premium destination for MICE. Singapore was awarded 2016’s top international association meetings city in Asia Pacific and Middle East by International Congress and Convention Association for the 15th consecutive years, and has secured large congresses in the coming years⁴, which will benefit the hotel market in Singapore. While the performance of hotel market in the near term is likely to remain subdued due to the large inventory of

² Source: Japan National Tourism Organization

³ Source: Singapore Tourism Board

⁴ Source: Singapore Tourism Board

rooms, the sector is expected to improve in the longer term as demand and supply begin to balance out.

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, as well as real estate related assets in connection with the foregoing.

The asset portfolio comprises 11 quality hotels with over 4,000 rooms geographically diversified across key cities in Australia, China, Japan and Singapore; and located close proximity to central business districts, business precincts, suburban centres, transportation nodes and iconic tourist landmarks.

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-Singbridge Group

www.ascendas-singbridge.com

Ascendas-Singbridge Group is Asia's leading sustainable urban and business space solutions provider with Assets Under Management exceeding S\$20 billion.

Jointly owned by Temasek Holdings and JTC Corporation through a 51:49 partnership, the Group undertakes urbanisation projects spanning townships, mixed-use developments and business/industrial parks. Headquartered in Singapore, Ascendas-Singbridge has projects in 28 cities across 9 countries in Asia, including Australia, China, India, Indonesia, Singapore and South Korea.

Ascendas-Singbridge holds commercial, hospitality and industrial assets across Asia Pacific. It has a substantial interest in and also manages three Singapore-listed funds under its subsidiary Ascendas, namely Ascendas Reit (a Straits Times Index component stock), Ascendas India Trust and Ascendas Hospitality Trust. Besides these listed funds, it also manages a series of private real estate funds.

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.