

Press Release

For Immediate Release

A-HTRUST's 1Q FY2014/15 net property income and distributable income continue to grow

- Net property income for 1Q FY2014/15 grew 32.6% year-on-year mainly due to full quarter contribution from Park Hotel Clarke Quay and latest acquired Osaka hotel
- Distributable income for 1Q FY2014/15 increased 25.2% year-on-year to S\$13.7 million
- RevPAR of Australia and China hotels improved year-on-year as average occupancy rises

Overview of financial results

S\$' million	1Q FY2014/15	1Q FY2013/14	Change
Gross Revenue	53.3	48.0	11.1%
Net Property Income	21.5	16.2	32.6%
Distributable Income	13.7	10.9	25.2%
DPS (cents)	1.24	1.29	(3.9%)
Adjusted DPS (cents)	1.40 ⁽¹⁾	1.29	8.5%

Singapore, 13 August 2014 – Ascendas Hospitality Trust (“A-HTRUST”) has posted net property income (“NPI”) of S\$21.5 million for the first quarter ended 30 June 2014 (“1Q FY2014/15”), a year-on-year (“y-o-y”) increase of 32.6% from S\$16.2 million⁽²⁾. Gross revenue of S\$53.3 million in 1Q FY2014/15 registered a 11.1% y-o-y growth, due mainly to the full quarter income contribution from Park Hotel Clarke Quay and income from our latest acquired Osaka hotel.

Income available for distribution in 1Q FY2014/15 increased 25.2% y-o-y to S\$13.7 million, amid a S\$1.8 million cost incurred for the partial unwinding of the cross-currency swaps for the Australia portfolio (“CCS”). Excluding the partial unwinding of the CCS and taking into account an enlarged stapled security base⁽³⁾, distribution per stapled security (“DPS”) for 1Q FY2014/15 would have increased 8.5% y-o-y to 1.40 cents. The actual DPS however declined 3.9% y-o-y to 1.24 cents after adjusting for the partial unwinding of the CCS.

¹ Excludes S\$1.8 million cost incurred for partial unwinding of the AUDSGD CCS.

² Income in 1Q FY2013/14 included only 3 days of income from Park Hotel Clarke Quay and excluded income from Osaka Namba Washington Hotel Plaza.

³ 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.

Mr Tan Juay Hiang, Chief Executive Officer of the Managers, said: “Our performance this quarter has shown the full contributions from our two acquisitions since IPO. These two properties contributed 22.3% of A-HTRUST’s NPI in 1Q FY2014/15 and increased our portfolio size to S\$1.4 billion. The acquisitions have strengthened our portfolio in terms of increased geographical diversification and enhanced cashflow stability. We will continue with our proactive asset management strategy to extract more value from our portfolio and enhance our competitiveness.”

Improved portfolio performance

	1Q FY2014/15	1Q FY2013/14	Change
Australia			
Avg Occupancy Rate (%)	78.5	72.3	6.2pp
Avg Daily Rate (“ADR”)(AUD)	165	164	0.6%
Rev per Available Room (“RevPAR”)(AUD)	129	118	9.3%
China			
Avg Occupancy Rate (%)	83.7	80.8	2.9pp
Avg Daily Rate (“ADR”)(RMB)	423	409	3.4%
Rev per Available Room (“RevPAR”)(RMB)	354	331	6.9%

The average occupancy of the Australia hotels climbed 6.2 percentage points y-o-y to 78.5% and the revenue per available room (“RevPAR”) increased 9.3% y-o-y to AUD129. The improved asset performance was a result of new programmes launched to increase occupancy and attract leisure travellers during low periods such as the Easter holidays and winter school holidays.

The Beijing hotels also performed better in 1Q FY2014/15 due to flexible pricing strategies and acquisition of higher-yielding market segments such as corporate guests and demand via online channels. The Beijing International Automotive Exhibition in April 2014, which is held every two years, also contributed to the improved performance. The average occupancy of the Beijing hotels improved 2.9 percentage points to 83.7% and ADR increased 3.4% to RMB423. Overall, RevPAR was up 6.9% y-o-y to RMB354.

The RevPAR for Oakwood Apartments Ariake Tokyo has shown a 23.6% y-o-y growth in 1Q FY2014/15. The Managers remain confident on the positive prospects of this asset which is located within the vicinity of the 2020 Olympics.

Capital management

As at 30 June 2014, A-HTRUST’s financial position remained healthy with a gearing ratio of 38.2%, weighted average interest rate of 3.0% and weighted average debt to maturity of 3.3 years. As part of the Managers’ prudent capital management, approximately 93.5% of A-HTRUST’s total borrowings are on fixed-rate, minimising exposure to interest rate volatility.

Outlook

The hospitality outlook in Australia is showing positive signs of growth with improving business confidence, increase in visitor arrivals and limited new supply in Sydney and Melbourne. Occupancy rates in the Beijing hotels are expected to benefit from large-scale annual events like the Beijing International Radio & TV Fair in August and the global software development conference in September. The Managers will maintain their focus on driving the occupancy and improving the room rates of the Australia and China hotels.

Tourism prospects in Japan remain positive. International visitor arrivals to Japan grew 28.4% y-o-y in the first five months of 2014⁽⁴⁾. Major events to be held at the Tokyo Big Sight, such as the Comic Market in August and the Tokyo International Gift Show in September are expected to enhance the performance of our Oakwood Apartments in Ariake.

Visitor arrivals to Singapore declined 1.7% y-o-y in the first five months of 2014, due to the drop in Chinese arrivals⁽⁵⁾. In response, the Singapore Tourism Board and Changi Airport Group initiated a S\$1 million marketing campaign to promote Singapore as a standalone destination⁽⁶⁾. Looking ahead, occupancy levels in Singapore hotels are likely to remain stable with the opening of the Singapore Sports Hub and pipeline of major events and conventions.

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

Media and investor queries:

Ms Sharon Ho
Capital Markets & Investor Relations
Direct : +65 6508-8672
Email : sharon.ho@ascendas.com

Ms Susanna Lim San San
Chief Financial Officer
Direct: +65 6508-8585
Email: sansan.lim@ascendas.com

⁴ Source: Japan National Tourism Organisation

⁵ Source: Singapore Tourism Board

⁶ Source: Straits Times, “\$1-million drive to woo Chinese tourists back to Singapore”, 24 June 2014

About Ascendas Hospitality Trust

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 the Ascendas Group

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 25 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 launched as the first listed Indian property trust. 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, 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.