



Press Release

For Immediate Release

**A-HTRUST achieves record high
full year DPS of 5.68 cents in FY 2016/17**

- DPS grew by 5.4% y-o-y in 4Q FY2016/17 to 1.37 cents, underpinned by stronger overall portfolio performance
- Overall portfolio valuation increased by S\$98.9 million or 6.5% y-o-y to S\$1,623.6 million
- NAV per Stapled Security as at 31 March 2017 increased by 7.0% y-o-y to S\$0.92

Overview of financial results

S\$' million	4Q FY2016/ 17	4Q FY2015/ 16	Change ¹	FY2016/ 17	FY2015/ 16	Change ¹
Gross Revenue	57.4	53.4	7.5%	224.4	215.1	4.3%
Net Property Income	25.8	23.4	10.1%	99.2	90.9	9.1%
Income available for distribution	16.2	15.4	4.9%	67.2	63.7	5.5%
- Operation	16.2	14.7	9.9%	67.2	61.7	8.9%
- Proceeds from Divestment	-	0.7	-	-	2.0	-
Income available for distribution (less income retained for working capital)	15.4	14.6	5.7%	63.9	60.5	5.5%
DPS (cents)	1.37	1.30	5.4%	5.68	5.41	5.0%

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

Singapore, 11 May 2017 – Ascendas Hospitality Trust (“A-HTRUST”) posted a growth of 7.5% year-on-year (“y-o-y”) in gross revenue to S\$57.4 million in the fourth quarter ended 31 March 2017 (“4Q FY2016/17”). This was mainly due to overall improvement in underlying performance of the portfolio, and augmented by the appreciation of the Japanese Yen (“JPY”) and the Australian Dollar (“AUD”) against the Singapore Dollar (“SGD”). Correspondingly, net property income for 4Q FY2016/17 also improved, up by 10.1% y-o-y to S\$25.8 million.

Net of retention of income for working capital purposes, income available for distribution increased by 5.7% y-o-y to S\$15.4 million in 4Q FY2016/17. The growth was mainly due to the higher NPI and was achieved despite the absence of partial distribution of proceeds from the sale of Pullman Cairns International (“Proceeds from Divestment”). Distribution per stapled security (“DPS”) also posted corresponding growth of 5.4% y-o-y to 1.37 cents. Excluding the

Proceeds from Divestment, DPS for 4Q FY2015/16 would be 1.25 cents and DPS for 4Q FY2016/17 would be 9.6% higher y-o-y.

Portfolio performance

Portfolio of hotels under management agreements

	4Q FY2016/ 17	4Q FY2015/ 16	Change	FY2016/ 17	FY2015/ 16	Change
Australia						
Avg Occupancy Rate (%)	87.7	83.8	3.9pp	84.9	83.3	1.6pp
Avg Daily Rate ("ADR")(AUD)	182	179	1.7%	175	174	0.6%
Revenue per Available Room ("RevPAR")(AUD)	159	150	6.0%	149	145	2.8%
China						
Avg Occupancy Rate (%)	76.1	74.0	2.1pp	85.1	81.5	3.6pp
ADR (RMB)	388	398	(2.5)%	403	410	(1.7)%
RevPAR (RMB)	296	294	0.7%	343	334	2.7%

The Australia portfolio posted a quarter of strong performance with an improvement compared to the same quarter last year, mainly driven by Pullman Sydney Hyde Park, Novotel Sydney Central ("NSC"), and Pullman and Mercure Brisbane King George Square. The two Sydney city hotels benefitted from strong public demand and conferencing business during the quarter, and NSC also leveraged on a new aircrew business to yield better results. The Brisbane hotel posted stronger results on the back of improved conferencing business.

The China portfolio benefitted from favourable market conditions to drive its performance in 4QFY2016/17, while Ibis Beijing Sanyuan continued to see strong take-up rate from the members of China Lodging Group's loyalty programme.

Portfolio of hotels under master leases¹

The y-o-y improvement in the performance of the Japan portfolio was primarily due to higher contribution from Hotel Sunroute Osaka Namba. Under the improved rent structure, the hotel received variable rent as compared with the fixed rent it received in the corresponding quarter last year when the hotel was under renovation.

Park Hotel Clarke Quay in Singapore had a subdued performance during 4Q FY2016/17 due to the competitive hotel market compounded by weaker corporate demand.

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

Portfolio Valuation

Portfolio valuation as at 31 March 2017 increased by S\$98.9 million or 6.5% y-o-y to S\$1,623.6 million. Save for the Singapore portfolio, the other portfolios posted growth in valuation. As a result, net asset value per Stapled Security increased to S\$0.92, which represented an increase of 7.0% compared to S\$0.86 as at 31 March 2016.

Capital management

As at 31 March 2017, A-HTRUST's financial position remained healthy with a gearing ratio of 32.2%, and weighted average tenor of the borrowings of 2.8 years. The effective interest rate was further lowered to 2.9% compared to the previous quarter.

Mr Tan Juay Hiang, Chief Executive Officer of the Managers, said: "We are pleased to close the financial year on a positive note with a DPS growth of 5.4% y-o-y in 4Q FY2016/176, and have demonstrated consistency in term of distribution to stapled securityholders, where A-HTRUST has posted DPS y-o-y growth in seven out of the past eight quarters.

The performance in FY2016/17 was mainly driven by healthy organic growth, which demonstrated the quality of the portfolio. A-HTRUST also benefitted from the well-diversified portfolio as the performance of assets in the stronger markets lifted the overall portfolio performance. We are also encouraged that the asset management strategies implemented are working out to the benefit of A-HTRUST. Overall, the portfolio valuation increased from the previous year, which further validated the quality of the portfolio. This resulted in NAV per stapled security increasing for the second straight year to S\$0.92.

Our balance sheet remains healthy and this will enable us to pursue accretive acquisitions and capture opportunities that can enhance the value of the portfolio."

Outlook

As the AUD remained relatively weak, it is expected to continue driving both international arrivals and domestic travelling in Australia, benefitting the hotel market in general. Recently added air routes between certain cities in China and Australia² can also help to boost further inbound traffic from one of Australia's key growth markets. In general, while the hotel markets in Sydney CBD and Melbourne are expected to remain healthy in the near term, the market conditions in Brisbane and Sydney suburban markets are likely to remain challenging as new supply enters the market.

Growth in domestic travelling has supported the hospitality sector in Beijing, and will continue to be fundamental to the Beijing hotel market. Looking ahead, improved intercity transportation and tourism development in the city is expected to further boost domestic travelling, which will benefit the Beijing hotel market.

Having welcomed a record number of foreign visitors into Japan in 2016, the growth trend is expected to continue in near term, although at a slower pace. In general, the hotel markets in

² Source: Tourism Australia

Tokyo and Osaka are expected to remain healthy in the near term, although upcoming supply may moderate hotel market performance.

A modest growth of between 0 to 2% is forecasted for the number of international arrivals into Singapore in 2017³, and the year started well with a growth of 3.4% y-o-y in number of inbound for the first two months of 2017 to 2.8 million³. However in the near term, further increase in the supply of hotel rooms is expected to continue exerting downwards pressure on hotel market performance.

Mr Tan concluded: “We are heartened by the performance of the portfolio in FY2016/17, and will continue to seek out opportunities to improve the portfolio. In the coming financial year, all the rooms in Hotel Sunroute Ariake will be refurbished to refresh the product offering, while some of the rooms in Pullman Hyde Park will also be renovated as the hotel seeks to capture higher yielding segments. The renovation of Mercure rooms in Pullman and Mercure Brisbane King George Square, which is currently ongoing, is expected to be completed by end of 2017.

Moving into FY2017/18, we will build on this years’ performance as we remain committed to deliver long term sustainable return to the stapled securityholders.”

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

Media and investor queries:

Mr Chee Kum Tin
Capital Markets & Investor Relations
Direct : +65 6508 4927
Email : kumtin.chee@ascendas-singbridge.com

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

³ Source: Singapore Tourism Board

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. The group is uniquely placed to undertake 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 and has a substantial interest in and also manages three Singapore-listed funds under its subsidiary Ascendas. Besides these listed funds – Ascendas Reit, Ascendas India Trust and Ascendas Hospitality Trust, it also manages a series of private real estate funds.

Ascendas-Singbridge Group is jointly owned by Temasek Holdings and JTC Corporation through a 51:49 partnership.

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.