

**PRESS RELEASE**

*For Immediate Release*

**Frasers Hospitality Trust’s DPU Outperforms Forecast For 2QFY15**

- For 2Q FY2015, Gross Revenue and Net Property Income exceeded forecast by 1.7% and 0.9% respectively
- Distributable Income beat forecast by 4.3%

**Singapore, 30 April 2015** – Frasers Hospitality Asset Management Pte. Ltd. (the “REIT Manager”), as manager of Frasers Hospitality Real Estate Investment Trust (“FH-REIT”) and Frasers Hospitality Trust Management Pte. Ltd. (the “Trustee-Manager”), as trustee-manager of Frasers Hospitality Business Trust (“FH-BT”) today are pleased to announce Frasers Hospitality Trust’s (“FHT”) performance for second quarter ended 31 March 2015 (“2Q FY2015”).

**Summary of Results**

S\$ mil	2Q FY2015			14 Jul 2014 to 31 Mar 2015		
	Actual	Forecast	Variance	Actual	Forecast	Variance
Gross Revenue (“GR”)	24.0	23.6	+1.7%	74.2	73.8	+0.5%
Net Property Income (“NPI”)	19.0	18.8	+0.9%	60.8	59.7	+1.8%
Distributable Income (“DI”)	16.6	16.0	+4.3%	52.4	49.9	+5.0%
DPU (cents)	1.38	1.33	+3.8%	4.34	4.13	+5.1%
DI adjusted <sup>1</sup>	14.3	Not available		44.5	Not available	
DPU (cents) adjusted <sup>1</sup>	1.18	Not available		3.69	Not available	

<sup>1</sup> Excluded foreign-sourced income from Japan which will be received once every year in May/June to be included for distribution for the period ending 30 September

**Ms Eu Chin Fen, Chief Executive Officer of the REIT Manager**, said, “We are pleased that our properties in Australia, Japan and the United Kingdom (“UK”) have turned in strong performances for 2Q FY2015 despite an uncertain global economy. Our strategy to focus on a geographically diversified portfolio had yielded good results as strong occupancies and growth in RevPar in these properties more than offset softer performances from our Singapore and Malaysia properties. ”

DBS Bank Ltd. is the Sole Global Coordinator and Issue Manager for the initial public offer of stapled securities in FHT (the “Offering”). DBS Bank Ltd., Morgan Stanley Asia (Singapore) Pte., Standard Chartered Securities (Singapore) Pte. Limited and United Overseas Bank Limited are the Joint Bookrunners and Underwriters for the Offering.

## Operational Performance

Gross Revenue (“GR”) beat forecast by 1.7% at \$24.0 million while Net Property Income (“NPI”) exceeded its forecast by 0.9% at \$19.0 million for 2Q FY2015.

In line with higher GR, Distributable Income (“DI”) outperformed by 4.3% at \$16.6 million and that translated into Distribution per Unit (“DPU”) of 1.38 cents compared to forecast of 1.33 cents. Adjusted DI and DPU for 2Q FY2015 was \$14.3 million and 1.18 cents respectively. Adjusted DI and DPU excluded foreign-sourced income from Japan which is received once a year in May/June and included for distribution in September each year.

The properties in Japan, Australia and UK have all outperformed their forecast. In Japan, medical conferences held during the quarter contributed to strong occupancy levels and in turn, GR outperformed its forecast by 22% at JPY279.3 million while NPI, which included higher common area expenses, outperformed by 6% at JPY185.0 million.

In Australia, both international and domestic arrivals remained strong and were well-supported by the commencement of the ICC (International Cricket Council) Cricket World Cup and Queen Victoria’s cruise ship visit. GR and NPI of the Australia properties, at AUD4.3 million and AUD3.3 million, exceeded forecast significantly by 27% and 34% respectively.

The UK properties recorded a commendable performance with strong occupancies from the corporate business segment. GR increased by 9% to GBP2.6 million and NPI grew faster at 16% to GBP1.9 million on lower expenses.

The Singapore property portfolio saw a slight decline in its GR and NPI of 3% and 2% respectively compared to forecast as Fraser Suites Singapore continued to face headwinds with the softening rental market. InterContinental Singapore performed well and met its forecast with high occupancies and increases in the number of conferences and events.

The Kuala Lumpur (“KL”) market softened as a result of slower economic growth, weaker consumer spending and lower corporate travel demand in a lackluster oil and gas market. Coupled with increased competition of new and refurbished accommodation, occupancy levels were impacted. GR and NPI of The Westin KL dipped 23% and 27% respectively compared to its forecast.

## Balance Sheet

As at 31 March 2015, total debt stood at S\$721.6 million with gearing at 38.4%. Net asset value was 86.7 cents per unit.

## Distribution Details

Distribution Period	14 Jul 2014 to 31 Mar 2015
Distribution Rate	3.69 cents per unit
Last Day of Trading on “cum” Basis	6 May 2015
Ex-Date	7 May 2015
Books Closure Date	11 May 2015
Distribution Payment Date	29 Jun 2015

## Outlook

For 2015, the Singapore Tourism Board (“STB”) expects tourism arrivals to grow between 0% to 3% and tourism receipts to grow between 0% to 2%. Heightened external competition from other tourism markets on top of increased supply of hotel rooms pose challenges for the Singapore hospitality industry. However, tourism numbers are expected to improve as Singapore celebrates its SG50 Golden Jubilee birthday. To boost tourism arrivals, the STB is launching a new S\$20 million global campaign encompassing flight, hotel, retail and entertainment offerings to add to the slew of new multi-faceted attractions. Besides strengthening attractions in arts and lifestyle, Singapore will be hosting major

sporting events such as the South East Asian games and the Sevens World Series Rugby in 2015<sup>1</sup> and is promoted by Lonely Planet as a top 2015 destination to visit.

The KL hospitality landscape is expected to remain challenging with slower economic growth and lower corporate travel demand amidst increased competition with about 3,500 hotel rooms and 1,700 serviced residence units likely to enter the market from 2015 to 2018<sup>2</sup>. Nevertheless, KL remains a popular Meetings, Incentives, Conferences and Exhibitions (“MICE”) destination for high profile conventions and is in 10<sup>th</sup> position amongst Asia Pacific and Middle East cities voted by International Congress and Convention Association (ICCA) 2013 rankings<sup>3</sup>. The Malaysian government has also launched the MyFest 2015 campaign to target 29.4 million tourist arrivals and MYR89 billion in tourist receipts with a year filled with festivals and events<sup>4</sup>.

For Japan, international tourist arrivals is expected to remain strong in 2015 after hitting a record 13.4 million arrivals in 2014<sup>5</sup>. Increase in international arrivals and recovery of its domestic economy is expected to drive average daily rate growth of hotels in 2015<sup>6</sup>. Kobe, a popular MICE city, is expected to ride on the growth in corporate and leisure travel.

Sydney was the strongest performing hospitality market in Australia in 2014<sup>7</sup>. For 2015, outlook for Sydney remains positive and should continue to lead room rate growth along with Melbourne<sup>8</sup>. A weaker Australian dollar, the continued strength of the cruise line industry and a full line up of events are expected to support international and domestic travel to Sydney<sup>9</sup>.

Tourist arrivals to the UK is forecasted to reach 35.1 million in 2015, with visitor spending of GBP22.2 billion, an increase of 4.5% compared to 2014<sup>10</sup>. In terms of occupancy level, the outlook for London and the surrounding regions in 2015 is projected to grow 1.5% and 1.6% respectively<sup>11</sup>.

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<sup>1</sup> <http://www.channelnewsasia.com/news/business/singapore/stb-to-launch-s-20m>

<sup>2</sup> JLL, Hotel Intelligence Malaysia, Feb 2015

<sup>3</sup> JLL, Hotel Intelligence Malaysia, Feb 2015

<sup>4</sup> Ttgasia.com

<sup>5</sup> Japan National Tourism Agency

<sup>6</sup> Horwath HTL, Hotel Yearbook 2015 Asia

<sup>7</sup> Dransfield Hotels and Resorts, Hotel Futures 2015

<sup>8</sup> Deloitte Access Economics, Tourism and Hotel Market Outlook 2015

<sup>9</sup> Dransfield Hotels and Resorts, Hotel Futures 2015

<sup>10</sup> [www.visitbritain.com](http://www.visitbritain.com)

<sup>11</sup> Horwath HTL, Hotel Yearbook 2015 EMEA

### **About Frasers Hospitality Trust**

Frasers Hospitality Trust (“FHT”) is the first global hotel and serviced residence trust listed in Singapore on 14 July 2014, comprising Frasers Hospitality Real Estate Investment Trust (“FH-REIT”) and Frasers Hospitality Business Trust (“FH-BT”).

FHT is established with the principal investment strategy of investing on a long-term basis, directly or indirectly, in a diversified portfolio of income-producing real estate located anywhere in the world except Thailand, used primarily for hospitality and/or hospitality-related purposes, whether wholly or partially, as well as real estate-related assets in connection to the foregoing.

The Initial Portfolio is valued at approximately S\$1,654.3 million as at 31 December 2014, with 12 quality properties strategically located across seven key gateway cities in Asia, Australia and the United Kingdom. These six hotels and six serviced residences are: InterContinental Singapore, Fraser Suites Singapore, The Westin Kuala Lumpur, ANA Crowne Plaza Kobe, Novotel Rockford Darling Harbour, Fraser Suites Sydney, Park International London, Best Western Cromwell London, Fraser Suites Queens Gate, Fraser Place Canary Wharf, Fraser Suites Glasgow and Fraser Suites Edinburgh. Collectively, the Initial Portfolio has a total of 1,928 hotel rooms and 842 serviced residence units, for a total of 2,770 rooms.

For more information on FHT, please visit [www.frasershospitalitytrust.com](http://www.frasershospitalitytrust.com)

### **About the Sponsor: Frasers Centrepoint Limited**

Frasers Centrepoint Limited (“FCL”) is a full-fledged international real estate company and one of Singapore’s top property companies with total assets of approximately S\$21 billion as at 31 December 2014. FCL has four core businesses focused on residential, commercial, hospitality and industrial properties spanning 50 cities across Asia, Australasia, Europe, and the Middle-East.

FCL is listed on the Main Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”). The Company is also the sponsor of three real estate investment trusts listed on the Main Board of the SGX-ST. They are Frasers Centrepoint Trust, Frasers Commercial Trust, and Frasers Hospitality Trust, which are focused on retail properties, office and business space properties, and hospitality properties, respectively.

As a testament to its excellent service standards, best practices, and support of the environment, FCL is the proud recipient of numerous awards and accolades both locally and abroad.

For more information on FCL, please visit [www.fraserscentrepoint.com](http://www.fraserscentrepoint.com)

### **About the Strategic Partner: The TCC Group**

The TCC Group is among the largest businesses in Southeast Asia and is engaged in a variety of businesses including real estate. The TCC Group invests in and develops a wide range of real estate projects globally, including hotels, office towers, retail centres, residences, serviced apartments, convention centres, golf courses and resorts. As at 31 December 2013, it owns, among others, 17 retail shopping centres with approximately 500,000 sq m of retail space, seven commercial offices with approximately 810,000 sq m of office space, 40 hotels with over 10,000 keys/rooms in Thailand and 10 countries worldwide and over 48,000 acres of land bank for development.

**Important Notice**

This news release is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for Stapled Securities in FHT. A potential investor should read the Prospectus in relation to the initial public offering of Stapled Securities in FHT and make their own assessment of the future performance of FHT before deciding whether to subscribe for or purchase the Stapled Securities. This news release is qualified in its entirety by, and should be read in conjunction with, the full text of the Prospectus. Anyone wishing to subscribe for or purchase the Stapled Securities will need to make an application in the manner set out in the Prospectus. The past performance of the REIT Manager and the Trustee-Manager is not indicative of their future performance.

The value of the Stapled Securities and the income derived from them may fall as well as rise. An investment in Stapled Securities is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that the Managers redeem or purchase their Stapled Securities while the Stapled Securities are listed. It is intended that holders of Stapled Securities may only deal in their Stapled Securities through trading on SGX-ST. Listing of the Stapled Securities on the SGX-ST does not guarantee a liquid market for the Stapled Securities.

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Any discrepancies in the figures included herein between the listed amounts and total thereof are due to rounding.