Press Release

For Immediate Release

A-HTRUST posts DPS growth of 1.6% y-o-y

- DPS improved by 1.6% y-o-y to 1.31 cents, despite marginally lower net property income and retaining 7% of distributable income compared to 5% in 1Q FY2016/17
- DPS for 1Q FY2017/18 would be 1.33 cents, 3.1% higher y-o-y assuming the same proportion of income retained as 1Q FY2016/17

Overview of financial results

S$' million	1Q FY2017/18	1Q FY2016/17	Change[1]
Gross revenue	53.5	52.4	2.2%
Net property income	22.3	22.6	(1.5)%
Income available for distribution	15.8	15.2	4.2%
Income available for distribution (less income retained for working capital)	14.7[2]	14.5[2]	1.8%
Distribution per stapled security (cents)	1.31[2]	1.29[2]	1.6%

1. *Save for DPS, percentage changes are based on figures rounded to nearest thousands.*
2. *Retention of income for FY1Q FY2017/18 was based on 7% of distributable income, while retention of income for FY1Q FY2016/17 was based on 5% of distributable income.*

Singapore, 3 August 2017 – Ascendas Hospitality Trust ("A-HTRUST") posted gross revenue of S$53.5 million in the first quarter ended 30 June 2017 ("1Q FY2017/18"), a growth of 2.2% year-on-year ("y-o-y"). This was helped by appreciation of the Australian Dollar ("AUD") against Singapore Dollar ("SGD") as the overall gross revenue of the portfolio was relatively stable y-o-y, in local currency terms. However, net property income for 1Q FY2017/18 was lower by 1.5% y-o-y, mainly due to lower contribution from the Australia and Singapore portfolios.

Income available for distribution increased by 1.8% y-o-y partly due to lower financing costs. This was partially offset by higher amount of income retained as 7% of the distributable income was retained in 1Q FY2017/18 compared to 5% in the same quarter last year. As a result, distribution per stapled security ("DPS") grew by 1.6% y-o-y to 1.31 cents in 1Q FY2017/18. Assuming 5% of the income was retained in 1Q FY2017/18, the DPS would be 1.33 cents, 3.1% higher y-o-y.

Portfolio performance

Portfolio of hotels under management agreements

	1Q FY2017/18	1Q FY2016/17	Change
Australia			
Average Occupancy Rate (%)	83.3	81.3	2.0pp
Average Daily Rate (“ADR”)(AUD)	170	168	1.2%
Revenue per Available Room (“RevPAR”)(AUD)	141	137	2.9%
China			
Average Occupancy Rate (%)	86.1	86.5	(0.4)pp
ADR (RMB)	427	412	3.6%
RevPAR (RMB)	368	357	3.1%

The performance of the Australia portfolio was relatively stable compared to the corresponding quarter last year. The quarter saw better performance from Pullman Sydney Hyde Park, Novotel Sydney Central, as well as Courtyard by Marriott Sydney - North Ryde which was undergoing room refurbishment for majority of the same quarter last year. However, overall NPI for the Australia portfolio was affected by the decline in performance from the other three hotels. Novotel Sydney Parramatta and Pullman and Mercure Brisbane King George Square were affected by increased competition and weaker demand for events. There were also fewer conferences held in Pullman and Mercure Melbourne Albert Park.

China portfolio posted a y-o-y improvement as Novotel Beijing Sanyuan benefitted from strong demand from public segment and business groups while Ibis Beijing Sanyuan continued to benefit from China Lodging Group’s loyalty programme.

Portfolio of hotels under master leases[1]

Japan portfolio performed better compared to the corresponding quarter last year. This was mainly due to higher contribution from Oakwood Apartments Ariake Tokyo, which benefitted from more events held at the nearby exhibition centre.

Park Hotel Clarke Quay in Singapore posted a decline in performance due to increase in room supply and soft corporate demand.

Mr Tan Juay Hiang, Chief Executive Officer of the Managers, said: “The overall performance of the portfolio was affected by certain hotels in Australia and the hotel in Singapore. However, we can draw some positives from the portfolio performance as the portfolio of hotels under

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

management contracts saw an overall increase in RevPAR y-o-y. The China and Japan portfolios posted improvements, which once again demonstrated the value of diversified portfolio as this mitigated the impact of the weaker performing portfolios."

Capital management

As at 30 June 2017, A-HTRUST's financial position remained healthy with a gearing ratio of 32.7%, and weighted average tenor of the borrowings of 2.5 years. The effective interest rate was further lowered to 2.8% compared to 2.9% as at 30 March 2017. A-HTRUST will retain 7% of distributable income for 1Q FY2017/18.

Mr Tan continued: "This quarter, we will retain 7% of our distributable income, a slight increase from 5% in the same quarter last year. We constantly monitor our working capital requirements and the retention of income will help to reduce our reliance on bank borrowings for such requirements. There is no change to the distribution policy, where A-HTRUST will distribute at least 90% of its distributable income to the stapled securityholders.

On the financing aspect, we are pleased to achieve savings through refinancing certain loans at lower costs. This has helped A-HTRUST deliver another quarter of growth to stapled securityholders as DPS grew by 1.6% y-o-y to 1.31 cents in 1Q FY2017/18."

Outlook

In the near term, the hotel market in Sydney CBD is expected to remain buoyant with limited upcoming supply, although increased competition in the Sydney suburban markets may impede performance of hotels in these markets. While the Melbourne hotel market is expected to remain positive in the near term, upcoming supply may pose challenges. Conditions in the Brisbane hotel market are expected to remain soft in the near term as further supply enters the market.

In Beijing, robust domestic travelling is expected to continue driving the performance of the hotel sector amidst the declining trend of international arrivals into the city. As a result, the performance of the hotels in the city is expected to be healthy in the near term.

While inbound arrivals to Japan continued to be healthy with a year-to-date ("YTD") June 2017 increase of 17.4% y-o-y[2], the growth rate of inbound arrival is expected to slow down compared to recent years. In the near term, while the hotel markets in Tokyo and Osaka is expected to remain healthy in general, further improvement in performance may be moderated by increasing competition.

Inbound arrivals into Singapore in May 2017 continued the growth trend from the earlier three months of the year, resulting in a y-o-y growth of 3.6% YTD May 2017[3]. However, with the large inventory of hotel rooms and further upcoming supply, the performance of the Singapore hotel market is expected to remain subdued in near term.

[2] Source: Japan National Tourism Organization
[3] Source: Singapore Tourism Board

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.