

**FRASERS HOSPITALITY TRUST
FINANCIAL STATEMENTS ANNOUNCEMENT
FOR THE THIRD QUARTER ENDED 30 JUNE 2018**

Frasers Hospitality Trust ("FHT" or the "Trust") is a stapled group 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, directly or indirectly, in a diversified portfolio of income-producing real estate located anywhere in the world except Thailand, which is used primarily for hospitality and/or hospitality-related purposes, as well as real estate-related assets in connection to the foregoing.

The portfolio of FHT comprises 15 properties, comprising nine hotels (the "Hotels") and six serviced residences (the "Serviced Residences", and together with the Hotels, the "Properties"), with a total of 3,072 hotel rooms and 842 Serviced Residence units. The Properties are located in Singapore, Australia, the United Kingdom, Japan, Malaysia and Germany.

Hotels	Market Segment*	Number of Rooms
InterContinental Singapore	Luxury	406
Sofitel Sydney Wentworth	Luxury	436
ANA Crowne Plaza Kobe	Upper Upscale	593
The Westin Kuala Lumpur	Upper Upscale	443
Maritim Hotel Dresden	Upscale	328
Novotel Melbourne on Collins	Upscale	380
Novotel Sydney Darling Square	Mid-scale	230
Park International London	Mid-scale	171
Ibis Styles London Gloucester Road	Mid-scale	85
Total		3,072

Serviced Residences	Market Segment*	Number of Units
Fraser Suites Singapore	Upper Upscale	255
Fraser Suites Sydney	Upper Upscale	201
Fraser Place Canary Wharf	Upper Upscale	108
Fraser Suites Queens Gate	Upper Upscale	105
Fraser Suites Glasgow	Upper Upscale	98
Fraser Suites Edinburgh	Upper Upscale	75
Total		842

* Based on STR Global Chain Scales

Distribution Policy

Distributions from FHT comprise distributions from FH-REIT and FH-BT.

FH-REIT's distribution policy is to distribute 100.0% of FH-REIT's Distributable Income for the period from the listing date of FHT (being 14 July 2014) to 30 September 2015 and at least 90.0% of its Distributable Income thereafter.

FH-BT's distribution policy will be to distribute as much of its income as practicable, and the declaration and payment of distributions by FH-BT will be at the sole discretion of Board of Directors of Frasers Hospitality Trust Management Pte. Ltd. ("Trustee-Manager").

Distributions are made on a semi-annual basis, with the amount calculated as at 31 March and 30 September each year for the six-month periods ending on each of the said dates. Frasers Hospitality Asset Management Pte. Ltd. ("REIT Manager") and Trustee-Manager (collectively, the "Managers") are required to pay distributions within 90 days of the end of each distribution period. Distributions, when paid, will be in Singapore dollars.

1 (a) (i) Consolidated Statements of Total Return and Statements of Comprehensive Income for 3Q 2018 and 3Q 2017

	3Q 2018			3Q 2017			Variance		
	FHT	FH-REIT	FH-BT	FHT	FH-REIT	FH-BT	FHT	FH-REIT	FH-BT
	1 Apr 2018 to 30 Jun 2018			1 Apr 2017 to 30 Jun 2017			Increase/(Decrease)		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	%	%	%
Master lease rental	29,986	33,265	-	29,825	33,989	-	0.5	(2.1)	-
Room revenue	6,254	-	6,254	5,816	-	5,816	7.5	-	7.5
Food & beverage revenue	1,562	-	1,562	1,623	-	1,623	(3.8)	-	(3.8)
Other income	417	-	417	1,658	-	1,658	(74.8)	-	(74.8)
Gross revenue	38,219	33,265	8,233	38,922	33,989	9,097	(1.8)	(2.1)	(9.5)
Property tax	(2,541)	(2,541)	-	(2,597)	(2,597)	-	(2.2)	(2.2)	-
Property insurance	(324)	(303)	(21)	(360)	(360)	-	(10.0)	(15.8)	100.0
Property management fees	(1,372)	(1,372)	-	(1,368)	(1,368)	-	0.3	0.3	-
Other property expenses	(832)	(832)	-	(802)	(802)	-	3.7	3.7	-
Operations and maintenance expenses	(1,670)	(26)	(1,887)	(1,557)	(33)	(1,756)	7.3	(21.2)	7.5
Energy and utilities expenses	(190)	-	(190)	(134)	-	(134)	41.8	-	41.8
Hotel management fee	(220)	-	(220)	(210)	-	(210)	4.8	-	4.8
Rental expense	-	-	(3,279)	-	-	(4,163)	-	-	(21.2)
Staff costs	(1,774)	-	(1,774)	(1,822)	-	(1,822)	(2.6)	-	(2.6)
Marketing expenses	(601)	-	(601)	(552)	-	(552)	8.9	-	8.9
Administrative expenses	(203)	-	(203)	(199)	-	(199)	2.0	-	2.0
Property operating expenses	(9,727)	(5,074)	(8,175)	(9,601)	(5,160)	(8,836)	1.3	(1.7)	(7.5)
Net property income	28,492	28,191	58	29,321	28,829	261	(2.8)	(2.2)	(77.8)
Depreciation	(1,059)	-	(243)	(1,844)	-	(748)	(42.6)	-	(67.5)
REIT Manager's management fees	(1,858)	(1,858)	-	(1,891)	(1,891)	-	(1.7)	(1.7)	-
Trustee-Manager's management fees	(10)	-	(10)	(24)	-	(24)	(58.3)	-	(58.3)
Other management fees	(1,171)	(1,171)	-	(1,180)	(1,180)	-	(0.8)	(0.8)	-
Trustees' fees	(126)	(126)	-	(124)	(124)	-	1.6	1.6	-
Other trust expenses	(888)	(878)	(10)	(617)	(620)	3	43.9	41.6	NM
Non-capitalisable expenses in relation to assets acquisition and Rights Issue	-	-	-	(209)	(210)	1	(100.0)	(100.0)	(100.0)
Finance income	144	134	10	94	88	6	53.2	52.3	66.7
Amortisation of debt upfront costs	(293)	(293)	-	(417)	(417)	-	(29.7)	(29.7)	-
Finance costs	(4,971)	(4,971)	-	(4,555)	(4,555)	-	9.1	9.1	-
Total return before foreign exchange differences, fair value changes and tax	18,260	19,028	(195)	18,554	19,920	(501)	(1.6)	(4.5)	(61.1)
Foreign exchange gain/(loss), net	43	44	(1)	(164)	(162)	(2)	NM	NM	(50.0)
Net change in fair value of derivative financial instruments	80	80	-	1,499	1,499	-	(94.7)	(94.7)	-
Realised gain/(loss) on derivative financial instruments, net	(112)	(112)	-	98	98	-	NM	NM	-
Total return for the Period before tax	18,271	19,040	(196)	19,987	21,355	(503)	(8.6)	(10.8)	(61.0)
Taxation	(1,606)	(1,564)	(42)	(1,710)	(1,705)	(5)	(6.1)	(8.3)	>100.0
Total return for the Period after tax	16,665	17,476	(238)	18,277	19,650	(508)	(8.8)	(11.1)	(53.1)
Other comprehensive income									
Items that may be reclassified subsequently to statement of total return:									
Effective portion of changes in fair value of cash flow hedges	840	840	-	(821)	(821)	-	NM	NM	-
Net change in fair value of cash flow hedges reclassified to total return	(287)	(287)	-	(721)	(721)	-	(60.2)	(60.2)	-
Foreign currency translation differences	(9,189)	(9,171)	(17)	(1,111)	(991)	(142)	>100.0	>100.0	(88.0)
Total comprehensive income for the Period	8,029	8,858	(255)	15,624	17,117	(650)	(48.6)	(48.3)	(60.8)

NM - Not meaningful

1 (a) (i) Consolidated Distribution Statements for 3Q 2018 and 3Q 2017

Reconciliation of total return to income available for distribution

Note	FHT	FH-REIT	FH-BT	FHT	FH-REIT	FH-BT	FHT	FH-REIT	FH-BT
	3Q 2018			3Q 2017			Variance		
	1 Apr 2018 to 30 Jun 2018			1 Apr 2017 to 30 Jun 2017			Increase/(Decrease)		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	%	%	%
Total return for the Period after tax	16,665	17,476	(238)	18,277	19,650	(508)	(8.8)	(11.1)	(53.1)
(Non-taxable) / non-tax deductible items and other adjustments:									
Amortisation of debt upfront costs	293	293	-	417	417	-	(29.7)	(29.7)	-
Amortisation of other assets	18	18	-	18	18	-	-	-	-
Depreciation	1,059	-	243	1,844	-	748	(42.6)	-	(67.5)
Foreign exchange (gain)/loss, net	(43)	(44)	1	44	43	1	NM	NM	-
Non-capitalisable expenses in relation to assets acquisition and Rights Issue	-	-	-	209	210	(1)	(100.0)	(100.0)	(100.0)
Net change in fair value of derivative financial instruments	(80)	(80)	-	(1,499)	(1,499)	-	(94.7)	(94.7)	-
Other management fees paid and payable in Stapled Securities	(l) 1,094	1,094	-	1,110	1,110	-	(1.4)	(1.4)	-
Property management fees paid and payable in Stapled Securities, net of withholding tax	(m) 1,369	1,369	-	1,366	1,366	-	0.2	0.2	-
REIT Manager's management fees paid and payable in Stapled Securities	1,858	1,858	-	1,891	1,891	-	(1.7)	(1.7)	-
Trustee-Manager's management fees paid and payable in Stapled Securities	10	-	10	24	-	24	(58.3)	-	(58.3)
Trustee's fees in relation to FH-REIT	75	75	-	73	73	-	2.7	2.7	-
Other adjustments	(n) (112)	132	(1)	293	524	-	NM	(74.8)	100.0
Net effect of (non-taxable) / non-tax deductible items and other adjustments	5,541	4,715	253	5,790	4,153	772	(4.3)	13.5	(67.2)
Income available for distribution	22,206	22,191	15	24,067	23,803	264	(7.7)	(6.8)	(94.3)
Income available for distribution attributable to:									
- Stapled Securityholders	21,097	21,082	15	22,958	22,694	264	(8.1)	(7.1)	(94.3)
- Perpetual Securities holders	1,109	1,109	-	1,109	1,109	-	-	-	-
	22,206	22,191	15	24,067	23,803	264	(7.7)	(6.8)	(94.3)

NM - Not meaningful

Footnotes:

- (a) The master lease rental earned by FH-REIT from FH-BT is eliminated at FHT level. Consequently, only the income arising from the hotel operations of Novotel Melbourne on Collins ("NMOC") are reflected at FHT level.
- (b) NMOC is being classified as property, plant and equipment in FHT's financial statements. Decrease in depreciation expenses because part of the furniture, fittings and equipment have been fully depreciated.
- (c) Other management fees relate mainly to MIT Manager's management fees.
- (d) Other trust expenses relate mainly to professional fees, audit fees, tax fees and administrative expenses.
- (e) The expenses in 3Q 2017 relate to professional fees and miscellaneous expenses incurred in relation to (a) the underwritten and renounceable rights issue (the "Rights Issue") of 441,549,281 new Stapled Securities in FHT which was launched and announced on the Singapore Exchange Securities Trading Limited (the "SGX-ST") on 9 September 2016 (the "Launch Announcement") and completed on 17 October 2016; and (b) acquisition of NMOC and the related Hotel Assets as defined in the Launch Announcement.
- (f) The amortisation of debt upfront costs was lower in 3Q 2018 mainly due to lower upfront fees following re-financing of certain term loans in July 2017, November 2017 and March 2018.
- (g) Finance costs comprise interest expense on FH-REIT Group's borrowings in SGD, JPY, MYR and AUD as well as net interest expense or income arising from the interest rate swaps and cross currency swaps. Interest expense was higher in 3Q 2018 mainly due to (i) increased leverage, (ii) higher interest rates following the re-financing of bank borrowings to bonds of a longer tenure i.e. 3 years to 5 years and 5 years to 7 years, and (iii) higher market interest rates compared to when the bank borrowings were taken in 2014.
- (h) This relates mainly to unrealised net gain/(loss) arising from revaluation of foreign currency forwards contracts. The net change in fair value of derivative financial instruments in 3Q 2017 arose mainly from the increase in fair value of the JPYSGD cross currency interest rate swap which was subsequently settled in Q4 2017.
- (i) This relates to net realised gain/(loss) arising from the settlement of foreign currency forwards contracts.
- (j) This relates to net fair value gain/(loss) arising from the interest rate swaps.
- (k) This relates to exchange differences arising from translation of the results and the financial position of all the Group entities with functional currencies other than SGD. The major contributors to the movement in this quarter are GBP, AUD and JPY. The fair value changes in the cross currency swaps which are designated as net investment hedges are recorded in foreign currency translation reserve at the consolidation level.
- (l) This relates to MIT Manager's management fees which is payable in Stapled Securities.
- (m) Property management fees include serviced residences management fee and trademark licence fee which are payable in Stapled Securities.
- (n) Other adjustments are in relation to other non-tax deductible and non-taxable items.
- (o) Distribution of FHT represents the aggregate of distributions by FH-REIT and FH-BT.

1 (a) (ii) Consolidated Statements of Total Return and Statements of Comprehensive Income for YTD 30 June 2018 and YTD 30 June 2017

	Note	FHT	FH-REIT	FH-BT	FHT	FH-REIT	FH-BT	FHT	FH-REIT	FH-BT
		YTD 30 June 2018			YTD 30 June 2017			Variance		
		1 Oct 2017 to 30 Jun 2018			1 Oct 2016 to 30 Jun 2017			Increase/(Decrease)		
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	%	%	%
Master lease rental	(a)	90,129	101,780	-	91,926	103,205	-	(2.0)	(1.4)	-
Room revenue		21,315	-	21,315	18,748	-	18,748	13.7	-	13.7
Food & beverage revenue		4,907	-	4,907	4,261	-	4,261	15.2	-	15.2
Other income		804	-	804	2,214	-	2,214	(63.7)	-	(63.7)
Gross revenue		117,155	101,780	27,026	117,149	103,205	25,223	0.0	(1.4)	7.1
Property tax		(7,596)	(7,596)	-	(7,748)	(7,748)	-	(2.0)	(2.0)	-
Property insurance		(988)	(920)	(68)	(1,058)	(1,058)	-	(6.6)	(13.0)	100.0
Property management fees		(3,987)	(3,987)	-	(4,107)	(4,107)	-	(2.9)	(2.9)	-
Other property expenses		(2,539)	(2,539)	-	(2,602)	(2,602)	-	(2.4)	(2.4)	-
Operations and maintenance expenses		(4,992)	(72)	(5,734)	(4,422)	(33)	(5,105)	12.9	>100.0	12.3
Energy and utilities expenses		(458)	-	(458)	(432)	-	(432)	6.0	-	6.0
Hotel management fee		(818)	-	(818)	(706)	-	(706)	15.9	-	15.9
Rental expense		-	-	(11,651)	-	-	(11,278)	-	-	3.3
Staff costs		(5,519)	-	(5,519)	(5,065)	-	(5,065)	9.0	-	9.0
Marketing expenses		(1,952)	-	(1,952)	(1,623)	-	(1,623)	20.3	-	20.3
Administrative expenses		(616)	-	(616)	(657)	-	(657)	(6.2)	-	(6.2)
Property operating expenses		(29,465)	(15,114)	(26,816)	(28,420)	(15,548)	(24,866)	3.7	(2.8)	7.8
Net property income		87,690	86,666	210	88,729	87,657	357	(1.2)	(1.1)	(41.2)
Depreciation	(b)	(3,276)	-	(796)	(5,396)	-	(2,265)	(39.3)	-	(64.9)
Acquisition fee paid in Stapled Securities	(c)	-	-	-	(2,447)	(2,413)	(34)	(100.0)	(100.0)	(100.0)
REIT Manager's management fees	(d)	(5,492)	(5,492)	-	(4,939)	(4,939)	-	11.2	11.2	-
Trustee-Manager's management fees		(37)	-	(37)	(45)	-	(45)	(17.8)	-	(17.8)
Other management fees	(e)	(3,784)	(3,784)	-	(3,767)	(3,767)	-	0.5	0.5	-
Trustees' fees		(378)	(378)	-	(370)	(370)	-	2.2	2.2	-
Other trust expenses	(f)	(2,002)	(1,961)	(41)	(2,584)	(2,532)	(52)	(22.5)	(22.5)	(21.2)
Non-capitalisable expenses in relation to assets acquisition and Rights Issue	(g)	-	-	-	(737)	(672)	(65)	(100.0)	(100.0)	(100.0)
Finance income		355	332	23	262	247	15	35.5	34.4	53.3
Amortisation of debt upfront costs	(h)	(1,620)	(1,620)	-	(1,252)	(1,252)	-	29.4	29.4	-
Finance costs	(i)	(14,941)	(14,941)	-	(13,343)	(13,343)	-	12.0	12.0	-
Total return before foreign exchange differences, fair value changes and tax		56,515	58,822	(641)	54,111	58,616	(2,089)	4.4	0.4	(69.3)
Foreign exchange gain/(loss), net		(606)	(594)	(12)	77	80	(3)	NM	NM	>100
Net change in fair value of investment property / property, plant and equipment	(j)	-	-	-	(11,941)	(11,941)	-	(100.0)	(100.0)	-
Net change in fair value of derivative financial instruments	(k)	424	424	-	12,194	12,194	-	(96.5)	(96.5)	-
Realised loss on derivative financial instruments, net	(l)	(373)	(373)	-	(324)	(324)	-	15.1	15.1	-
Total return for the Period before tax		55,960	58,279	(653)	54,117	58,625	(2,092)	3.4	(0.6)	(68.8)
Taxation		(4,029)	(3,940)	(89)	(4,116)	(4,101)	(15)	(2.1)	(3.9)	>100.0
Total return for the Period after tax		51,931	54,339	(742)	50,001	54,524	(2,107)	3.9	(0.3)	(64.8)
Other comprehensive income										
Items that may be reclassified subsequently to statement of total return:										
Effective portion of changes in fair value of cash flow hedges	(m)	4,456	4,456	-	3,340	3,340	-	33.4	33.4	-
Net change in fair value of cash flow hedges reclassified to total return		(1,434)	(1,434)	-	(2,404)	(2,404)	-	(40.3)	(40.3)	-
Foreign currency translation differences	(n)	(29,539)	(29,169)	(364)	(6,478)	(6,574)	75	>100.0	>100.0	NM
Total comprehensive income for the Period		25,414	28,192	(1,106)	44,459	48,886	(2,032)	(42.8)	(42.3)	(45.6)

NM - Not meaningful

1 (a) (ii) Consolidated Distribution Statements for YTD 30 June 2018 and YTD 30 June 2017

Reconciliation of total return to income available for distribution

	Note			FHT	FH-REIT	FH-BT	FHT	FH-REIT	FH-BT	FHT	FH-REIT	FH-BT
				YTD 30 June 2018			YTD 30 June 2017			Variance		
				1 Oct 2017 to 30 Jun 2018			1 Oct 2016 to 30 Jun 2017			Increase/(Decrease)		
				S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	%	%	%
Total return for the Period after tax				51,931	54,339	(742)	50,001	54,524	(2,107)	3.9	(0.3)	(64.8)
(Non-taxable) / non-tax deductible items and other adjustments:												
Acquisition fee paid in Stapled Securities				-	-	-	2,447	2,413	34	(100.0)	(100.0)	(100.0)
Amortisation of debt upfront costs				1,620	1,620	-	1,252	1,252	-	29.4	29.4	-
Amortisation of other assets				55	55	-	55	55	-	-	-	-
Depreciation				3,276	-	796	5,396	-	2,265	(39.3)	-	(64.9)
Foreign exchange loss, net				604	592	12	211	208	3	>100.0	>100.0	>100.0
Non-capitalisable expenses in relation to assets acquisition and Rights Issue				-	-	-	737	672	65	(100.0)	(100.0)	(100.0)
Net change in fair value of investment property / property, plant and equipment				-	-	-	11,941	11,941	-	(100.0)	(100.0)	-
Net change in fair value of derivative financial instruments				(424)	(424)	-	(12,194)	(12,194)	-	(96.5)	(96.5)	-
Other management fees paid and payable in Stapled Securities	(o)			3,557	3,557	-	3,551	3,551	-	0.2	0.2	-
Property management fees paid and payable in Stapled Securities, net of withholding tax	(p)			3,964	3,964	-	4,083	4,083	-	(2.9)	(2.9)	-
REIT Manager's management fees paid and payable in Stapled Securities				5,492	5,492	-	4,939	4,939	-	11.2	11.2	-
Trustee-Manager's management fees paid and payable in Stapled Securities				37	-	37	45	-	45	(17.8)	-	(17.8)
Trustee's fees in relation to FH-REIT				225	225	-	215	215	-	4.7	4.7	-
Other adjustments	(q)			(605)	209	-	327	1,043	(1)	NM	(80.0)	(100.0)
Net effect of (non-taxable) / non-tax deductible items and other adjustments				17,801	15,290	845	23,005	18,178	2,411	(22.6)	(15.9)	(65.0)
Income available for distribution	(r)			69,732	69,629	103	73,006	72,702	304	(4.5)	(4.2)	(66.1)
Income available for distribution attributable to:												
- Stapled Securityholders				66,404	66,301	103	69,678	69,374	304	(4.7)	(4.4)	(66.1)
- Perpetual Securities holders				3,328	3,328	-	3,328	3,328	-	-	-	-
				69,732	69,629	103	73,006	72,702	304	(4.5)	(4.2)	(66.1)

NM - Not meaningful

Footnotes:

- (a) The master lease rental earned by FH-REIT from FH-BT is eliminated at FHT level. Consequently, only the income arising from the hotel operations of NMOC are reflected at FHT level.
- (b) NMOC is being classified as property, plant and equipment in FHT's financial statements. Decrease in depreciation expenses because part of the furniture, fittings and equipment have been fully depreciated.
- (c) The YTD 30 June 2017 acquisition fee paid to FHT Australia Management Pty Ltd ("MIT Manager") and Trustee-Manager in Stapled Securities were in relation to the acquisition of NMOC and the Hotel Assets respectively as announced by FHT on SGX-ST on 24 October 2016, 31 October 2016 and 30 December 2016.
- (d) Lower management fee in YTD 30 June 2017 mainly due to the effect of the "Fee Reduction" exercise, please refer to FHT's announcements on the SGX-ST dated 31 October 2016 for further details.
- (e) Other management fees relate mainly to MIT Manager's management fees.
- (f) Other trust expenses relate mainly to professional fees, audit fees, tax fees and administrative expenses. Expenses were lower in YTD 30 June 2018 due to absence of one-off expenses.
- (g) The YTD 30 June 2017 expenses relate to professional fees and miscellaneous expenses incurred for (a) the Rights Issue; and (b) acquisition of NMOC and the related Hotel Assets as announced in the Launch Announcement.
- (h) The increase was mainly due to accelerated amortisation of debt upfront costs on S\$110 million and S\$65 million under the S\$500 million 5-year term loan facility granted pursuant to the S\$615 million facility agreement dated 19 June 2014 which were partially prepaid on 14 November 2017 and 14 March 2018 respectively. However, the increase was partially offset by the re-financing of bank borrowings with lower upfront fees in July 2017, November 2017 and March 2018.
- (i) Finance costs comprise interest expense on FH-REIT Group's borrowings in SGD, JPY, MYR and AUD as well as net interest expense or income arising from the interest rate swaps and cross currency swaps. Interest expense was higher in YTD 30 June 2018 mainly due to (i) increased leverage, (ii) higher interest rates following the re-financing of bank borrowings to bonds of a longer tenure i.e. 3 years to 5 years and 5 years to 7 years, and (iii) higher market interest rates compared to when the bank borrowings were taken in 2014.
- (j) The YTD 30 June 2017 net change in fair value of investment property/property, plant and equipment relates to the fair value loss arising from measuring NMOC at its acquisition price which approximates its fair value.
- (k) This relates mainly to unrealised net gains arising from revaluation of foreign currency forwards contracts. The YTD 30 Jun 2017 net change in fair value of derivative financial instruments relates mainly to the unrealised fair value gain of \$12.5 million arising from the JPYSGD cross currency interest rate swap which was subsequently settled in 4Q 2017.
- (l) This relates to net realised loss arising from the settlement of foreign currency forwards contracts.
- (m) This relates to net fair value gain arising from the interest rate swaps.
- (n) This relates to exchange differences arising from translation of the results and the financial position of all the Group entities with functional currencies other than SGD. The major contributors to the movement in FY18 are GBP and AUD. The fair value changes in the cross currency swaps which are designated as net investment hedges are recorded in foreign currency translation reserve at the consolidation level.
- (o) This relates to MIT Manager's management fees which is payable in Stapled Securities.
- (p) Property management fees include serviced residences management fee and trademark licence fee which are payable in Stapled Securities.
- (q) Other adjustments are in relation to other non-tax deductible and non-taxable items.
- (r) Distribution of FHT represents the aggregate of distributions by FH-REIT and FH-BT.

1 (b) (i) Statements of Financial Position

Note	FHT	FH-REIT	FH-BT	FHT	FH-REIT	FH-BT
	30 Jun 2018			30 Sep 2017		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets						
	2,164,247	2,414,345	-	2,172,119	2,435,515	-
(a) Investment properties	251,006	-	2,891	267,282	-	3,886
(b) Property, plant and equipment	3,003	3,003	-	630	630	-
Derivative financial instruments	-	-	1,759	-	-	1,853
Rental deposits	-	-	2,162	-	-	2,277
Deferred expense	455	-	455	479	-	479
(c) Deferred tax asset	2,418,711	2,417,348	7,267	2,440,510	2,436,145	8,495
Current assets						
	38	-	38	58	-	58
Inventories	66	66	-	121	121	-
Other assets	2,028	1,719	309	1,539	1,292	247
(d) Prepayments	9,917	10,297	672	11,907	11,173	3,253
Trade and other receivables	141	141	-	1	1	-
Derivative financial instruments	86,814	82,354	4,460	79,755	76,796	2,959
Cash and cash equivalents	99,004	94,577	5,479	93,381	89,383	6,517
Total assets	2,517,715	2,511,925	12,746	2,533,891	2,525,528	15,012
Current liabilities						
(e) Trade and other payables	18,192	13,801	6,360	17,956	13,921	7,160
Deferred income	697	697	-	1,092	1,092	-
Derivative financial instruments	34	34	-	698	698	-
(f) Borrowings	160,463	160,463	-	134,760	134,760	-
Income tax payables	2,836	2,763	73	3,839	3,839	-
	182,222	177,758	6,433	158,345	154,310	7,160
(g) Net current liabilities	(83,218)	(83,181)	(954)	(64,964)	(64,927)	(643)
Non-current liabilities						
	21,644	23,403	-	21,735	23,588	-
Rental deposits	211	-	211	168	-	168
Other payables	9,609	11,771	-	9,877	12,154	-
Deferred income	9,926	9,926	-	8,666	8,666	-
(h) Derivative financial instruments	694,362	694,362	-	676,182	676,182	-
(f) Borrowings	51,635	51,635	-	52,746	52,746	-
(i) Deferred tax liabilities	787,387	791,097	211	769,374	773,336	168
Total liabilities	969,609	968,855	6,644	927,719	927,646	7,328
Net assets	1,548,106	1,543,070	6,102	1,606,172	1,597,882	7,684
Represented by:						
Stapled Securityholders' funds						
	1,510,114	1,500,612	9,502	1,497,064	1,487,599	9,465
Stapled Securities in issue	(25,764)	(25,759)	(5)	(25,764)	(25,759)	(5)
Issue costs	79,104	89,000	(3,205)	122,581	129,556	(1,950)
Revenue reserves	618	618	-	(2,404)	(2,404)	-
Hedging reserve	(120,758)	(120,558)	(190)	(91,219)	(91,389)	174
Foreign currency translation reserve	5,635	-	-	5,635	-	-
(j) Revaluation reserve	1,448,949	1,443,913	6,102	1,505,893	1,497,603	7,684
Perpetual Securities holders' funds	99,157	99,157	-	100,279	100,279	-
	1,548,106	1,543,070	6,102	1,606,172	1,597,882	7,684

Footnotes:

- (a) In FHT's financial statements, the property, plant and equipment relates to the land, building, furniture, fittings and equipment of NMOC. This hotel is classified as property held for own use instead of as an investment property. Accordingly, we have treated this hotel as property, plant and equipment and applied the revaluation model of FRS 16 *Property, Plant and Equipment* where the asset is depreciated during the period and revalued at least once a year at the end of financial year. The lower net book value as at 30 June 2018 is mainly due to depreciation of the property during the period and exchange losses.
- (b) Derivative financial instruments (non-current assets) relate to fair value of cross currency swap and interest rate swap contracts.
- (c) The deferred tax asset relates to the excess of the tax written down value over the net book value of the property, plant and equipment of NMOC.
- (d) Trade and other receivables comprise mainly GST receivable, rental income receivable from master lessees and trade receivables from hotel operations.
- (e) Trade and other payables comprise mainly trade creditors, GST payable, provision for withholding tax and property tax, interest expense payable to banks, and accruals for professional fees.
- (f) For the breakdown of total borrowings into short-term and long-term borrowings, please refer to 1(b)(ii) below.
- (g) The net current liabilities position as at 30 June 2018 was mainly due to A\$117.2 million term loan facility maturing in July 2018. The REIT Manager has refinanced the term loan facility on 6 July 2018.
- (h) Derivative financial instruments (non-current liabilities) relate to fair value of cross currency swaps.
- (i) This relates to deferred tax on the revaluation gains on the investment properties and property, plant and equipment.
- (j) The revaluation reserve relates to revaluation of land and building of NMOC and the related deferred tax.
- (k) This relates to S\$100 million of fixed rate subordinated perpetual securities issued in May 2016, including accrued distributions and net of capitalisable issue costs.

1 (b) (ii) Aggregate Amount of Borrowings

Amount repayable in one year or less, or on demand *

Amount repayable after one year *

FHT		FHT	
As at 30 Jun 2018		As at 30 Sep 2017	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
-	160,463 ⁽¹⁾	-	134,760 ⁽¹⁾
32,191 ⁽²⁾	662,171 ⁽³⁾	30,509 ⁽²⁾	645,673 ⁽³⁾

* net of transaction costs

Details of borrowings and collateral:

- (1) The unsecured borrowings relate to A\$117.2 million of term loan facility maturing 3 years from 7 July 2015, and short-term unsecured borrowings with DBS Bank Ltd. and Oversea-Chinese Banking Corporation Limited. The A\$117.2 million term loan facility was refinanced on 6 July 2018.
- (2) The secured borrowing was drawn under the MYR95 million Senior Bond and the interest rate on this borrowing is 4.9% p.a.. The Senior Bond will mature 5 years from 14 July 2014 and is secured by a property, The Westin Kuala Lumpur.
- (3) The unsecured borrowings were drawn from (i) the JPY2.35 billion Kobe Excellence TMK series 1 Bonds maturing 5 years from 14 July 2014, (ii) the S\$120 million 2.63% series 002 Notes due July 2022, (iii) the S\$120 million 3.08% series 003 Notes due November 2024, (iv) S\$70 million of term loan facility with loan maturity of 5 years from 12 March 2018, and (v) the S\$500 million 5-year term loan facility granted pursuant to the S\$615 million facility agreement dated 19 June 2014, however, S\$110 million and S\$65 million were partially prepaid on 14 November 2017 and 14 March 2018 respectively. Please refer to FHT's announcements on the SGX-ST dated 14 November 2017 and 14 March 2018 for further details.

1 (c) Consolidated Cash Flows Statements

Note	FHT	FH-REIT	FH-BT	FHT	FH-REIT	FH-BT	FHT	FH-REIT	FH-BT	FHT	FH-REIT	FH-BT
	3Q 2018			3Q 2017			YTD 30 June 2018			YTD 30 June 2017		
	1 Apr 2018 to 30 Jun 2018			1 Apr 2017 to 30 Jun 2017			1 Oct 2017 to 30 Jun 2018			1 Oct 2016 to 30 Jun 2017		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
CASH FLOWS FROM OPERATING ACTIVITIES												
Total return before tax	18,271	19,040	(196)	19,987	21,355	(503)	55,960	58,279	(653)	54,117	58,625	(2,092)
Adjustments for:												
Acquisition fee paid in Stapled Securities	-	-	-	-	-	-	-	-	-	2,447	2,413	34
Amortisation of debt upfront costs	293	293	-	417	417	-	1,620	1,620	-	1,252	1,252	-
Amortisation of other assets	18	18	-	18	18	-	55	55	-	55	55	-
Depreciation	1,059	-	243	1,844	-	748	3,276	-	796	5,396	-	2,265
Finance costs	4,971	4,971	-	4,555	4,555	-	14,941	14,941	-	13,343	13,343	-
Finance income	(144)	(134)	(10)	(94)	(88)	(6)	(355)	(332)	(23)	(262)	(247)	(15)
Net change in fair value of derivative financial instruments	(80)	(80)	-	(1,499)	(1,499)	-	(424)	(424)	-	(12,194)	(12,194)	-
Net change in fair value of change in investment property/property, plant and equipment	-	-	-	-	-	-	-	-	-	11,941	11,941	-
Other management fees paid and payable in Stapled Securities	1,094	1,094	-	1,110	1,110	-	3,557	3,557	-	3,551	3,551	-
Property, plant and equipment written off	14	-	14	-	-	-	15	-	15	-	-	-
Property management fees paid and payable in Stapled Securities	1,369	1,369	-	1,366	1,366	-	3,964	3,964	-	4,083	4,083	-
REIT Manager's management fees paid and payable in Stapled Securities	1,858	1,858	-	1,891	1,891	-	5,492	5,492	-	4,939	4,939	-
Trustee-Manager's management fees paid and payable in Stapled Securities	10	-	10	24	-	24	37	-	37	45	-	45
Unrealised (gain)/loss on foreign exchange, net	(68)	(68)	-	181	182	(1)	279	273	6	(130)	(129)	(1)
Cash generated from operations before working capital changes	28,665	28,361	61	29,800	29,307	262	88,417	87,425	178	88,583	87,632	236
Changes in working capital:												
Inventories	12	-	12	(3)	-	(3)	20	-	20	(14)	-	(14)
Prepayments	(378)	(396)	18	(23)	(55)	32	(489)	(427)	(62)	(16)	1	(17)
Trade and other receivables	1,790	1,842	245	219	356	(837)	2,070	680	2,580	1,345	1,340	(1,106)
Trade and other payables	1,987	2,143	(276)	138	1,100	(131)	(269)	(420)	(563)	849	822	1,655
Rental deposits	-	-	-	-	-	-	-	-	-	-	4,152	(4,092)
Deferred income	-	-	-	(382)	(382)	-	(410)	(410)	-	18	18	-
Cash generated from/(used in) operations	32,076	31,950	60	29,749	30,326	(677)	89,339	86,848	2,153	90,765	93,965	(3,338)
Tax paid	(1,197)	(1,192)	(5)	(628)	(628)	(5)	(4,951)	(4,934)	(17)	(3,353)	(3,353)	(15)
Interest income received	144	134	10	94	88	6	355	332	23	262	247	15
Net cash generated from/(used in) operating activities	31,023	30,892	65	29,215	29,786	(676)	84,743	82,246	2,159	87,674	90,859	(3,338)

1 (c) Consolidated Cash Flows Statements (Cont'd)

	3Q 2018			3Q 2017			YTD 30 June 2018			YTD 30 June 2017		
	1 Apr 2018 to 30 Jun 2018			1 Apr 2017 to 30 Jun 2017			1 Oct 2017 to 30 Jun 2018			1 Oct 2016 to 30 Jun 2017		
	FHT	FH-REIT	FH-BT	FHT	FH-REIT	FH-BT	FHT	FH-REIT	FH-BT	FHT	FH-REIT	FH-BT
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
CASH FLOWS FROM INVESTING ACTIVITIES												
Additions to investment properties	(4,182)	(4,182)	-	(3,701)	(3,710)	-	(12,287)	(12,287)	-	(5,040)	(5,075)	-
Acquisition of hotel assets/business, net of cash acquired	-	-	-	-	-	-	-	-	-	(2,762)	-	(2,762)
Additions to property, plant & equipment	(66)	-	-	(114)	-	-	(338)	-	-	(231,641)	(231,120)	(333)
Net cash used in investing activities	(4,248)	(4,182)	-	(3,815)	(3,710)	-	(12,625)	(12,287)	-	(239,443)	(236,195)	(3,095)
CASH FLOWS FROM FINANCING ACTIVITIES												
Distribution paid to Stapled Securityholders	(45,295)	(45,205)	(90)	(46,732)	(46,692)	(40)	(92,080)	(91,567)	(513)	(89,605)	(89,565)	(40)
Distribution paid to Perpetual Securities holders	(2,207)	(2,207)	-	(2,206)	(2,206)	-	(4,450)	(4,450)	-	(4,449)	(4,449)	-
Finance costs paid	(4,238)	(4,238)	-	(3,745)	(3,745)	-	(14,501)	(14,501)	-	(12,861)	(12,861)	-
Issue costs in relation to Perpetual Securities	-	-	-	-	-	-	-	-	-	(43)	(43)	-
Issue costs in relation to Rights Issue	-	-	-	(186)	(210)	24	-	-	-	(3,019)	(2,949)	(70)
Proceeds from Rights Issue	-	-	-	-	-	-	-	-	-	266,254	256,898	9,356
Proceeds from borrowings, net of debt upfront costs	20,000	20,000	-	15,200	15,200	-	243,332	243,332	-	15,200	15,200	-
Repayment of borrowings	(4,000)	(4,000)	-	-	-	-	(197,300)	(197,300)	-	(14,150)	(14,150)	-
Net cash (used in)/generated from financing activities	(35,740)	(35,650)	(90)	(37,669)	(37,653)	(16)	(64,999)	(64,486)	(513)	157,327	148,081	9,246
Net increase/(decrease) in cash and cash equivalents	(8,965)	(8,940)	(25)	(12,269)	(11,577)	(692)	7,119	5,473	1,646	5,558	2,745	2,813
Cash and cash equivalents at beginning of the financial Period	96,364	91,872	4,492	79,985	76,476	3,509	79,755	76,796	2,959	64,385	64,381	4
Effect of exchange rate changes on cash and cash equivalents	(585)	(578)	(7)	(209)	(209)	-	(60)	85	(145)	(2,436)	(2,436)	-
Cash and cash equivalents at end of the financial Period	86,814	82,354	4,460	67,507	64,690	2,817	86,814	82,354	4,460	67,507	64,690	2,817

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise the following:

	FHT	FH-REIT	FH-BT	FHT	FH-REIT	FH-BT
	As at 30 Jun 2018			As at 30 Jun 2017		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Cash and cash equivalent comprise:						
Cash and bank balances	82,032	77,572	4,460	61,349	58,532	2,817
Fixed deposits	4,782	4,782	-	6,158	6,158	-
Cash and cash equivalents	86,814	82,354	4,460	67,507	64,690	2,817

Footnote:

(a) On 14 October 2016, FHT issued 441,549,281 new Stapled Securities (the "Rights Stapled Securities") pursuant to the Rights Issue at an issue price of S\$0.603 per Rights Stapled Security. The gross proceeds from the Rights Issue was S\$266.3 million.

1 (d) (i) Statements of Changes in Stapled Securityholders' Funds

FHT	Note	Attributable to Stapled Securityholders						Perpetual Securities holders' funds	Total	
		Stapled Securities in issue	Issue costs	Revenue reserves	Hedging reserve	Foreign currency translation reserve	Revaluation reserve			
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000			
At 1 Oct 2017		1,497,064	(25,764)	122,581	(2,404)	(91,219)	5,635	1,505,893	-	1,505,893
Total return for the Period, net of tax		-	-	35,266	-	-	-	35,266	-	35,266
Total return for the Period, attributable to Perpetual Securities holders		-	-	(2,219)	-	-	-	(2,219)	-	(2,219)
<u>Other comprehensive income</u>										
Effective portion of changes in fair value of cash flow hedges		-	-	-	3,616	-	-	3,616	-	3,616
Net change in fair value of cash flow hedges reclassified to total return		-	-	-	(1,147)	-	-	(1,147)	-	(1,147)
Foreign currency translation differences		-	-	-	-	(20,350)	-	(20,350)	-	(20,350)
Other comprehensive income for the Period, net of tax		-	-	-	2,469	(20,350)	-	(17,881)	-	(17,881)
Total comprehensive income for the Period, net of tax		-	-	33,047	2,469	(20,350)	-	15,166	-	15,166
<u>Contributions by and distributions to Stapled Securityholders</u>										
REIT Manager's management fees paid and payable in Stapled Securities		3,634	-	-	-	-	-	3,634	-	3,634
Trustee-Manager's management fees paid and payable in Stapled Securities		27	-	-	-	-	-	27	-	27
Other management fees paid and payable in Stapled Securities		2,463	-	-	-	-	-	2,463	-	2,463
Property management fees paid and payable in Stapled Securities		2,595	-	-	-	-	-	2,595	-	2,595
Distributions to Stapled Securityholders		-	-	(46,785)	-	-	-	(46,785)	-	(46,785)
Total contributions by and distributions to Stapled Securityholders		8,719	-	(46,785)	-	-	-	(38,066)	-	(38,066)
At 31 Mar 2018		1,505,783	(25,764)	108,843	65	(111,569)	5,635	1,482,993	-	1,482,993
Total return for the Period, net of tax		-	-	16,665	-	-	-	16,665	-	16,665
Total return for the Period, attributable to Perpetual Securities holders		-	-	(1,109)	-	-	-	(1,109)	-	(1,109)
<u>Other comprehensive income</u>										
Effective portion of changes in fair value of cash flow hedges		-	-	-	840	-	-	840	-	840
Net change in fair value of cash flow hedges reclassified to total return		-	-	-	(287)	-	-	(287)	-	(287)
Foreign currency translation differences		-	-	-	-	(9,189)	-	(9,189)	-	(9,189)
Other comprehensive income for the Period, net of tax		-	-	-	553	(9,189)	-	(8,636)	-	(8,636)
Total comprehensive income for the Period, net of tax		-	-	15,556	553	(9,189)	-	6,920	-	6,920
<u>Contributions by and distributions to Stapled Securityholders</u>										
REIT Manager's management fees paid and payable in Stapled Securities	(a)	1,858	-	-	-	-	-	1,858	-	1,858
Trustee-Manager's management fees paid and payable in Stapled Securities	(a)	10	-	-	-	-	-	10	-	10
Other management fees paid and payable in Stapled Securities	(a)	1,094	-	-	-	-	-	1,094	-	1,094
Property management fees paid and payable in Stapled Securities	(a)	1,369	-	-	-	-	-	1,369	-	1,369
Distributions to Stapled Securityholders		-	-	(45,295)	-	-	-	(45,295)	-	(45,295)
Total contributions by and distributions to Stapled Securityholders		4,331	-	(45,295)	-	-	-	(40,964)	-	(40,964)
Stapled Securityholders' funds at 30 Jun 2018		1,510,114	(25,764)	79,104	618	(120,758)	5,635	1,448,949	-	1,448,949

1 (d) (i) Statements of Changes in Stapled Securityholders' Funds (Cont'd)

FHT	Note	Attributable to Stapled Securityholders							Perpetual Securities holders' funds	Total
		Stapled Securities in issue	Issue costs	Revenue reserves	Hedging reserve	Foreign currency translation reserve	Revaluation reserve	Total		
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000		
At 1 Oct 2017		-	-	-	-	-	-	-	100,279	100,279
<u>Contributions by and distributions to Perpetual Securities holders</u>										
Total return for the Period, attributable to Perpetual Securities holders		-	-	-	-	-	-	-	2,219	2,219
Distribution to Perpetual Securities holders		-	-	-	-	-	-	-	(2,243)	(2,243)
At 31 Mar 2018		-	-	-	-	-	-	-	100,255	100,255
<u>Contributions by and distributions to Perpetual Securities holders</u>										
Total return for the Period, attributable to Perpetual Securities holders		-	-	-	-	-	-	-	1,109	1,109
Distribution to Perpetual Securities holders		-	-	-	-	-	-	-	(2,207)	(2,207)
At 30 Jun 2018		-	-	-	-	-	-	-	(1,098)	(1,098)
Perpetual Securities holders' funds at 30 Jun 2018		-	-	-	-	-	-	-	99,157	99,157
At 30 Jun 2018		1,510,114	(25,764)	79,104	618	(120,758)	5,635	1,448,949	99,157	1,548,106

Footnote:

(a) This represents Stapled Securities to be issued as payment of management fees in lieu of cash i.e. REIT Manager's management fees, Trustee-Manager's management fees, MIT Manager's management fees and property management fees.

2,641,201 Stapled Securities and 2,005,522 Stapled Securities relating to base management fee and property management fees respectively for the period from 1 April 2018 to 30 June 2018 will be issued in October 2018. Stapled Securities relating to performance management fee for the period from 1 October 2017 to 30 June 2018 will be issued in October 2018.

1 (d) (i) Statements of Changes in Stapled Securityholders' Funds (Cont'd)

FHT	Note	Attributable to Stapled Securityholders					Perpetual Securities holders' funds	Total	
		Stapled Securities in issue	Issue costs	Revenue reserves	Hedging reserve	Foreign currency translation reserve			
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000			
At 1 Oct 2016		1,202,801	(23,482)	60,054	(4,340)	(91,142)	1,143,891	-	1,143,891
Total return for the Period, net of tax		-	-	31,724	-	-	31,724	-	31,724
Total return for the Period, attributable to Perpetual Securities holders		-	-	(2,219)	-	-	(2,219)	-	(2,219)
<u>Other comprehensive income</u>									
Effective portion of changes in fair value of cash flow hedges		-	-	-	4,161	-	4,161	-	4,161
Net change in fair value of cash flow hedges reclassified to total return		-	-	-	(1,683)	-	(1,683)	-	(1,683)
Foreign currency translation differences		-	-	-	-	(5,367)	(5,367)	-	(5,367)
Other comprehensive income for the Period, net of tax		-	-	-	2,478	(5,367)	(2,889)	-	(2,889)
Total comprehensive income for the Period, net of tax		-	-	29,505	2,478	(5,367)	26,616	-	26,616
<u>Contributions by and distributions to Stapled Securityholders</u>									
Issue costs		-	(2,282)	-	-	-	(2,282)	-	(2,282)
REIT Manager's management fees paid in Stapled Securities		6,898	-	-	-	-	6,898	-	6,898
Trustee-Manager's management fees payable in Stapled Securities		21	-	-	-	-	21	-	21
Other management fees paid in Stapled Securities		3,959	-	-	-	-	3,959	-	3,959
Property management fees paid in Stapled Securities		5,673	-	-	-	-	5,673	-	5,673
Acquisition fee paid in Stapled Securities		2,447	-	-	-	-	2,447	-	2,447
Rights Issue		266,254	-	-	-	-	266,254	-	266,254
Distributions to Stapled Securityholders		-	-	(42,873)	-	-	(42,873)	-	(42,873)
Total contributions by and distributions to Stapled Securityholders		285,252	(2,282)	(42,873)	-	-	240,097	-	240,097
At 31 Mar 2017		1,488,053	(25,764)	46,686	(1,862)	(96,509)	1,410,604	-	1,410,604
Total return for the Period, net of tax		-	-	18,277	-	-	18,277	-	18,277
Total return for the Period, attributable to Perpetual Securities holders		-	-	(1,109)	-	-	(1,109)	-	(1,109)
<u>Other comprehensive income</u>									
Effective portion of changes in fair value of cash flow hedges		-	-	-	(821)	-	(821)	-	(821)
Net change in fair value of cash flow hedges reclassified to total return		-	-	-	(721)	-	(721)	-	(721)
Foreign currency translation differences		-	-	-	-	(1,111)	(1,111)	-	(1,111)
Other comprehensive income for the Period, net of tax		-	-	-	(1,542)	(1,111)	(2,653)	-	(2,653)
Total comprehensive income for the Period, net of tax		-	-	17,168	(1,542)	(1,111)	14,515	-	14,515
<u>Contributions by and distributions to Stapled Securityholders</u>									
REIT Manager's management fees paid in Stapled Securities		1,891	-	-	-	-	1,891	-	1,891
Trustee-Manager's management fees payable in Stapled Securities		24	-	-	-	-	24	-	24
Other management fees paid in Stapled Securities		1,110	-	-	-	-	1,110	-	1,110
Property management fees paid in Stapled Securities		1,366	-	-	-	-	1,366	-	1,366
Distributions to Stapled Securityholders		-	-	(46,732)	-	-	(46,732)	-	(46,732)
Total contributions by and distributions to Stapled Securityholders		4,391	-	(46,732)	-	-	(42,341)	-	(42,341)
Stapled Securityholders' funds at 30 Jun 2017		1,492,444	(25,764)	17,122	(3,404)	(97,620)	1,382,778	-	1,382,778

1 (d) (i) Statements of Changes in Stapled Securityholders' Funds (Cont'd)

	Note	Attributable to Stapled Securityholders					Perpetual Securities holders' funds	Total
		Stapled Securities in issue	Issue costs	Revenue reserves	Hedging reserve	Foreign currency translation reserve		
FHT		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 Oct 2016		-	-	-	-	-	100,259	100,259
<u>Contributions by and distributions to Perpetual Securities holders</u>								
Issue costs		-	-	-	-	-	20	20
Total return for the Period, attributable to Perpetual Securities holders		-	-	-	-	-	2,219	2,219
Distribution to Perpetual Securities holders		-	-	-	-	-	(2,243)	(2,243)
At 31 Mar 2017		-	-	-	-	-	100,255	100,255
<u>Contributions by and distributions to Perpetual Securities holders</u>								
Total return for the Period, attributable to Perpetual Securities holders		-	-	-	-	-	1,109	1,109
Distribution to Perpetual Securities holders		-	-	-	-	-	(2,206)	(2,206)
At 30 Jun 2017		-	-	-	-	-	(1,097)	(1,097)
Perpetual Securities holders' funds at 30 Jun 2017		-	-	-	-	-	99,158	99,158
At 30 Jun 2017		1,492,444	(25,764)	17,122	(3,404)	(97,620)	1,382,778	1,481,936

1 (d) (i) Statements of Changes in Stapled Securityholders' Funds (Cont'd)

	Note	Attributable to Stapled Securityholders					Perpetual Securities holders' funds	Total
		Stapled Securities in issue	Issue costs	Revenue reserves	Hedging reserve	Foreign currency translation reserve		
FH-REIT		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 Oct 2017		1,487,599	(25,759)	129,556	(2,404)	(91,389)	-	1,497,603
Total return for the Period, net of tax		-	-	36,863	-	-	-	36,863
Total return for the Period, attributable to Perpetual Securities holders		-	-	(2,219)	-	-	-	(2,219)
<u>Other comprehensive income</u>								
Effective portion of changes in fair value of cash flow hedges		-	-	-	3,616	-	-	3,616
Net change in fair value of cash flow hedges reclassified to total return		-	-	-	(1,147)	-	-	(1,147)
Foreign currency translation differences		-	-	-	-	(19,998)	-	(19,998)
Other comprehensive income for the Period, net of tax		-	-	-	2,469	(19,998)	-	(17,529)
Total comprehensive income for the Period, net of tax		-	-	34,644	2,469	(19,998)	-	17,115
<u>Contributions by and distributions to Stapled Securityholders</u>								
REIT Manager's management fees paid and payable in Stapled Securities		3,634	-	-	-	-	-	3,634
Other management fees paid and payable in Stapled Securities		2,463	-	-	-	-	-	2,463
Property management fees paid and payable in Stapled Securities		2,595	-	-	-	-	-	2,595
Distributions to Stapled Securityholders		-	-	(46,362)	-	-	-	(46,362)
Total contributions by and distributions to Stapled Securityholders		8,692	-	(46,362)	-	-	-	(37,670)
At 31 Mar 2018		1,496,291	(25,759)	117,838	65	(111,387)	-	1,477,048
Total return for the Period, net of tax		-	-	17,476	-	-	-	17,476
Total return for the Period, attributable to Perpetual Securities holders		-	-	(1,109)	-	-	-	(1,109)
<u>Other comprehensive income</u>								
Effective portion of changes in fair value of cash flow hedges		-	-	-	840	-	-	840
Net change in fair value of cash flow hedges reclassified to total return		-	-	-	(287)	-	-	(287)
Foreign currency translation differences		-	-	-	-	(9,171)	-	(9,171)
Other comprehensive income for the Period, net of tax		-	-	-	553	(9,171)	-	(8,618)
Total comprehensive income for the Period, net of tax		-	-	16,367	553	(9,171)	-	7,749
<u>Contributions by and distributions to Stapled Securityholders</u>								
REIT Manager's management fees paid and payable in Stapled Securities	(a)	1,858	-	-	-	-	-	1,858
Other management fees paid and payable in Stapled Securities	(a)	1,094	-	-	-	-	-	1,094
Property management fees paid and payable in Stapled Securities	(a)	1,369	-	-	-	-	-	1,369
Distributions to Stapled Securityholders		-	-	(45,205)	-	-	-	(45,205)
Total contributions by and distributions to Stapled Securityholders		4,321	-	(45,205)	-	-	-	(40,884)
Stapled Securityholders' funds at 30 Jun 2018		1,500,612	(25,759)	89,000	618	(120,558)	-	1,443,913

1 (d) (i) Statements of Changes in Stapled Securityholders' Funds (Cont'd)

	Note	Attributable to Stapled Securityholders					Total	Perpetual Securities holders' funds	Total
		Stapled Securities in issue	Issue costs	Revenue reserves	Hedging reserve	Foreign currency translation reserve			
FH-REIT		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
At 1 Oct 2017		-	-	-	-	-	100,279	100,279	
<u>Contributions by and distributions to Perpetual Securities holders</u>									
Total return for the Period, attributable to Perpetual Securities holders		-	-	-	-	-	2,219	2,219	
Distribution to Perpetual Securities holders		-	-	-	-	-	(2,243)	(2,243)	
At 31 Mar 2018		-	-	-	-	-	100,255	100,255	
<u>Contributions by and distributions to Perpetual Securities holders</u>									
Total return for the Period, attributable to Perpetual Securities holders		-	-	-	-	-	1,109	1,109	
Distribution to Perpetual Securities holders		-	-	-	-	-	(2,207)	(2,207)	
At 30 Jun 2018		-	-	-	-	-	(1,098)	(1,098)	
Perpetual Securities holders' funds at 30 Jun 2018		-	-	-	-	-	99,157	99,157	
At 30 Jun 2018		1,500,612	(25,759)	89,000	618	(120,558)	1,443,913	1,543,070	

Footnote:

(a) This represents Stapled Securities to be issued as payment of management fees in lieu of cash i.e. REIT Manager's management fees, MIT Manager's management fees and property management fees.

2,627,137 Stapled Securities and 2,005,522 Stapled Securities relating to base management fee and property management fees respectively for the period from 1 April 2018 to 30 June 2018 will be issued in October 2018. Stapled Securities relating to performance management fee for the period from 1 October 2017 to 30 June 2018 will be issued in October 2018.

1 (d) (i) Statements of Changes in Stapled Securityholders' Funds (Cont'd)

	Attributable to Stapled Securityholders							
	Stapled Securities in issue	Issue costs	Revenue reserves	Hedging reserve	Foreign currency translation reserve	Total	Perpetual Securities holders' funds	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
FH-REIT								
At 1 Oct 2016	1,202,791	(23,482)	60,074	(4,340)	(91,142)	1,143,901	-	1,143,901
Total return for the Period, net of tax	-	-	34,874	-	-	34,874	-	34,874
Total return for the Period, attributable to Perpetual Securities holders	-	-	(2,219)	-	-	(2,219)	-	(2,219)
<u>Other comprehensive income</u>								
Effective portion of changes in fair value of cash flow hedges	-	-	-	4,161	-	4,161	-	4,161
Net change in fair value of cash flow hedges reclassified to total return	-	-	-	(1,683)	-	(1,683)	-	(1,683)
Foreign currency translation differences	-	-	-	-	(5,583)	(5,583)	-	(5,583)
Other comprehensive income for the Period, net of tax	-	-	-	2,478	(5,583)	(3,105)	-	(3,105)
Total comprehensive income for the Period, net of tax	-	-	32,655	2,478	(5,583)	29,550	-	29,550
<u>Contributions by and distributions to Stapled Securityholders</u>								
Issue costs	-	(2,277)	-	-	-	(2,277)	-	(2,277)
REIT Manager's management fees paid in Stapled Securities	6,898	-	-	-	-	6,898	-	6,898
Other management fees paid in Stapled Securities	3,959	-	-	-	-	3,959	-	3,959
Property management fees paid in Stapled Securities	5,673	-	-	-	-	5,673	-	5,673
Acquisition fee paid in Stapled Securities	2,413	-	-	-	-	2,413	-	2,413
Rights Issue	256,898	-	-	-	-	256,898	-	256,898
Distributions to Stapled Securityholders	-	-	(42,873)	-	-	(42,873)	-	(42,873)
Total contributions by and distributions to Stapled Securityholders	275,841	(2,277)	(42,873)	-	-	230,691	-	230,691
At 31 Mar 2017	1,478,632	(25,759)	49,856	(1,862)	(96,725)	1,404,142	-	1,404,142
Total return for the Period, net of tax	-	-	19,650	-	-	19,650	-	19,650
Total return for the Period, attributable to Perpetual Securities holders	-	-	(1,109)	-	-	(1,109)	-	(1,109)
<u>Other comprehensive income</u>								
Effective portion of changes in fair value of cash flow hedges	-	-	-	(821)	-	(821)	-	(821)
Net change in fair value of cash flow hedges reclassified to total return	-	-	-	(721)	-	(721)	-	(721)
Foreign currency translation differences	-	-	-	-	(991)	(991)	-	(991)
Other comprehensive income for the Period, net of tax	-	-	-	(1,542)	(991)	(2,533)	-	(2,533)
Total comprehensive income for the Period, net of tax	-	-	18,541	(1,542)	(991)	16,008	-	16,008
<u>Contributions by and distributions to Stapled Securityholders</u>								
REIT Manager's management fees paid in Stapled Securities	1,891	-	-	-	-	1,891	-	1,891
Other management fees paid in Stapled Securities	1,110	-	-	-	-	1,110	-	1,110
Property management fees paid in Stapled Securities	1,366	-	-	-	-	1,366	-	1,366
Distributions to Stapled Securityholders	-	-	(46,692)	-	-	(46,692)	-	(46,692)
Total contributions by and distributions to Stapled Securityholders	4,367	-	(46,692)	-	-	(42,325)	-	(42,325)
Stapled securityholders' funds at 30 Jun 2017	1,482,999	(25,759)	21,705	(3,404)	(97,716)	1,377,825	-	1,377,825

1 (d) (i) Statements of Changes in Stapled Securityholders' Funds (Cont'd)

	Note	Attributable to Stapled Securityholders					Perpetual Securities holders' funds	Total
		Stapled Securities in issue	Issue costs	Revenue reserves	Hedging reserve	Foreign currency translation reserve		
FH-REIT		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 Oct 2016		-	-	-	-	-	100,259	100,259
Contributions by and distributions to Perpetual Securities holders								
Issue costs		-	-	-	-	-	20	20
Total return for the Period, attributable to Perpetual Securities holders		-	-	-	-	-	2,219	2,219
Distribution to Perpetual Securities holders		-	-	-	-	-	(2,243)	(2,243)
At 31 Mar 2017		-	-	-	-	-	100,255	100,255
Contributions by and distributions to Perpetual Securities holders								
Total return for the Period, attributable to Perpetual Securities holders		-	-	-	-	-	1,109	1,109
Distribution to Perpetual Securities holders		-	-	-	-	-	(2,206)	(2,206)
At 30 Jun 2017		-	-	-	-	-	(1,097)	(1,097)
Perpetual Securities holders' funds at 30 Jun 2017		-	-	-	-	-	99,158	99,158
At 30 Jun 2017		1,482,999	(25,759)	21,705	(3,404)	(97,716)	1,377,825	1,476,983

1 (d) (i) Statements of Changes in Stapled Securityholders' Funds (Cont'd)

	Note	Attributable to Stapled Securityholders					Perpetual Securities holders' funds S\$'000	Total S\$'000	
		Stapled Securities in issue S\$'000	Issue costs S\$'000	Revenue reserves S\$'000	Hedging reserve S\$'000	Foreign currency translation reserve S\$'000			Total S\$'000
FH-BT									
At 1 Oct 2017		9,465	(5)	(1,950)	-	174	7,684	-	7,684
Total return for the Period, net of tax		-	-	(504)	-	-	(504)	-	(504)
<u>Other comprehensive income</u>									
Foreign currency translation differences		-	-	-	-	(347)	(347)	-	(347)
Other comprehensive income for the Period, net of tax		-	-	-	-	(347)	(347)	-	(347)
Total comprehensive income for the Period, net of tax		-	-	(504)	-	(347)	(851)	-	(851)
<u>Contributions by and distributions to Stapled Securityholders</u>									
Trustee-Manager's management fees paid and payable in Stapled Securities	(a)	27	-	-	-	-	27	-	27
Distributions to Stapled Securityholders		-	-	(423)	-	-	(423)	-	(423)
Total contributions by and distributions to Stapled Securityholders		27	-	(423)	-	-	(396)	-	(396)
At 31 Mar 2018		9,492	(5)	(2,877)	-	(173)	6,437	-	6,437
Total return for the Period, net of tax		-	-	(238)	-	-	(238)	-	(238)
<u>Other comprehensive income</u>									
Foreign currency translation differences		-	-	-	-	(17)	(17)	-	(17)
Other comprehensive income for the Period, net of tax		-	-	-	-	(17)	(17)	-	(17)
Total comprehensive income for the Period, net of tax		-	-	(238)	-	(17)	(255)	-	(255)
<u>Contributions by and distributions to Stapled Securityholders</u>									
Trustee-Manager's management fees paid and payable in Stapled Securities	(a)	10	-	-	-	-	10	-	10
Distributions to Stapled Securityholders		-	-	(90)	-	-	(90)	-	(90)
Total contributions by and distributions to Stapled Securityholders		10	-	(90)	-	-	(80)	-	(80)
Stapled Securityholders' funds at 30 Jun 2018		9,502	(5)	(3,205)	-	(190)	6,102	-	6,102

Footnote:

(a) This represents Stapled Securities to be issued as payment of Trustee-Manager's management fees in lieu of cash for the period from 1 October 2017 to 30 June 2018.

14,064 Stapled Securities relating to base management fee for the period from 1 April 2018 to 30 June 2018 will be issued in October 2018. Stapled Securities relating to performance management fee for the period from 1 October 2017 to 30 June 2018 will be issued in October 2018.

1 (d) (i) Statements of Changes in Stapled Securityholders' Funds (Cont'd)

	Attributable to Stapled Securityholders								
	Note	Stapled Securities in issue S\$'000	Issue costs S\$'000	Revenue reserves S\$'000	Hedging reserve S\$'000	Foreign currency translation reserve S\$'000	Total S\$'000	Perpetual Securities holders' funds S\$'000	Total S\$'000
FH-BT									
At 1 Oct 2016		10	-	(20)	-	-	(10)	-	(10)
Total return for the Period, net of tax		-	-	(1,599)	-	-	(1,599)	-	(1,599)
<u>Other comprehensive income</u>									
Foreign currency translation differences		-	-	-	-	217	217	-	217
Other comprehensive income for the Period, net of tax		-	-	-	-	217	217	-	217
Total comprehensive income for the Period, net of tax		-	-	(1,599)	-	217	(1,382)	-	(1,382)
<u>Contributions by and distributions to Stapled Securityholders</u>									
Issue costs		-	(5)	-	-	-	(5)	-	(5)
Trustee-Manager's management fees payable in Stapled Securities		21	-	-	-	-	21	-	21
Rights Issue		9,356	-	-	-	-	9,356	-	9,356
Acquisition fee paid in Stapled Securities		34	-	-	-	-	34	-	34
Total contributions by and distributions to Stapled Securityholders		9,411	(5)	-	-	-	9,406	-	9,406
At 31 Mar 2017		9,421	(5)	(1,619)	-	217	8,014	-	8,014
Total return for the Period, net of tax		-	-	(508)	-	-	(508)	-	(508)
<u>Other comprehensive income</u>									
Foreign currency translation differences		-	-	-	-	(142)	(142)	-	(142)
Other comprehensive income for the Period, net of tax		-	-	-	-	(142)	(142)	-	(142)
Total comprehensive income for the Period, net of tax		-	-	(508)	-	(142)	(650)	-	(650)
<u>Contributions by and distributions to Stapled Securityholders</u>									
Trustee-Manager's management fees payable in Stapled Securities		24	-	-	-	-	24	-	24
Distributions to Stapled Securityholders		-	-	(40)	-	-	(40)	-	(40)
Total contributions by and distributions to Stapled Securityholders		24	-	(40)	-	-	(16)	-	(16)
Stapled Securityholders' funds at 30 Jun 2017		9,445	(5)	(2,167)	-	75	7,348	-	7,348

1 (d) (ii) Details of Changes in Issued and Issuable Stapled Securities

	FHT		FHT	
	3Q 2018	3Q 2017	YTD 30 June 2018	YTD 30 June 2017
	1 Apr 2018 to 30 Jun 2018	1 Apr 2017 to 30 Jun 2017	1 Oct 2017 to 30 Jun 2018	1 Oct 2016 to 30 Jun 2017
Note	No. of Stapled Securities	No. of Stapled Securities	No. of Stapled Securities	No. of Stapled Securities
Balance at beginning of the Period	1,861,187,051	1,836,362,631	1,845,573,715	1,379,841,506
- As payment of REIT Manager's management fees	3,009,682	3,429,123	9,749,993	8,141,792
- As payment of Trustee-Manager's management fees	28,509	28,035	90,912	28,035
- As payment of other management fees	1,615,004	1,702,226	6,496,639	3,848,946
- As payment of property management fees	3,324,509	4,051,700	7,253,496	8,115,549
- As payment of acquisition fee	-	-	-	4,048,606
- Rights Issue	-	-	-	441,549,281
Issued Stapled Securities at the end of the Period	1,869,164,755	1,845,573,715	1,869,164,755	1,845,573,715
Issuable Stapled Securities				
As payment of REIT Manager's management fees	(a) 4,604,945	4,275,721	4,604,945	4,275,721
As payment of Trustee-Manager's management fees	(b) 22,382	36,323	22,382	36,323
As payment of other management fees	(c) 3,365,087	3,312,404	3,365,087	3,312,404
As payment of property management fees	(d) 2,005,522	1,878,680	2,005,522	1,878,680
Total issued and issuable Stapled Securities	1,879,162,691	1,855,076,843	1,879,162,691	1,855,076,843

Footnotes:

- (a) This represents 100% of the REIT Manager's base management fee and performance fee payable in Stapled Securities. With effect from 1Q FY2017, the REIT Manager's performance fee will be paid once a year after the end of the financial year.
- (b) This represents 100% of the Trustee-Manager's base management fee and performance fee payable in Stapled Securities. With effect from 1Q FY2017, the Trustee-Manager's performance fee will be paid once a year after the end of the financial year.
- (c) This represents 100% of the MIT Manager's base management fee and performance fee payable in Stapled Securities. With effect from 1Q FY2017, the MIT Manager's performance fee will be paid once a year after the end of the financial year.
- (d) This represents 100% of the Property Managers' management fees payable in Stapled Securities.

2 Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the auditors.

3 Where the figures have been audited or reviewed, the auditor's report (including any qualifications or emphasis of matter).

Not applicable.

4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The accounting policies and methods of computation adopted are consistent with those applied in the audited financial statements for the financial year ended 30 September 2017.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

There has been no change in the accounting policies and methods of computation adopted by FHT for the current reporting period compared with the audited financial statements as at 30 September 2017, except for the adoption of new or revised FRSS that are mandatory for financial year beginning on or after 1 October 2017. The adoption of these FRSS has no significant impact on the financial position or performance of FHT as at 30 June 2018 and for the quarter ended on that day.

6 Earnings per Stapled Security ("EPS") and Distribution per Stapled Security ("DPS") for the financial period ended 30 June 2018

Group earnings per Stapled Security

	Note	FHT		FHT	
		3Q 2018	3Q 2017	YTD 30 June 2018	YTD 30 June 2017
		1 Apr 2018 to 30 Jun 2018	1 Apr 2017 to 30 Jun 2017	1 Oct 2017 to 30 Jun 2018	1 Oct 2016 to 30 Jun 2017
Total return for the Period after tax (S\$'000)		16,665	18,277	51,931	50,001
Less: Total return for the Period after tax attributable to Perpetual Securities holders (S\$'000)		(1,109)	(1,109)	(3,328)	(3,328)
Total return for the Period after tax attributable to Stapled Securityholders (S\$'000)		15,556	17,168	48,603	46,673
Basic EPS					
Weighted average number of Stapled Securities in issue	(a)	1,869,215,818	1,845,620,210	1,865,229,753	1,814,842,033
EPS based on weighted average number of Stapled Securities in issue (cents)		0.83	0.93	2.60	2.57
Dilutive EPS					
Weighted average number of Stapled Securities in issue	(a)	1,879,162,691	1,855,076,843	1,879,162,691	1,855,076,843
EPS based on weighted average number of Stapled Securities in issue (cents)		0.82	0.92	2.58	2.51

Footnote:

(a) The weighted average number of Stapled Securities is weighted for Stapled Securities in 3Q 2018, 3Q 2017, YTD 30 June 2018 and YTD 30 June 2017 respectively.

6 EPS and DPS for the financial period ended 30 June 2018 (Cont'd)

Group distribution per Stapled Security

	FHT		FHT	
	3Q 2018	3Q 2017	YTD 30 June 2018	YTD 30 June 2017
	1 Apr 2018 to 30 Jun 2018	1 Apr 2017 to 30 Jun 2017	1 Oct 2017 to 30 Jun 2018	1 Oct 2016 to 30 Jun 2017
Total number of issued and issuable Stapled Securities at end of Period	1,879,162,691 ^(a)	1,855,076,843	1,879,162,691 ^(a)	1,855,076,843
Distribution to Stapled Securityholders (S\$'000)	21,097	22,958	66,404	69,678
DPS based on the total number of Stapled Securities entitled to distribution (cents)	1.1226	1.2374	3.5459	3.7695

Footnotes:

(a) The computation of DPS for the periods are based on the number of Stapled Securities entitled to distribution. This comprises:

(i) The number of Stapled Securities in issue as at 30 June 2018 of 1,869,164,755; and

(ii) The estimated number of Stapled Securities to be issued to the REIT Manager, Trustee-Manager, MIT Manager and Property Managers as consideration for base management fee, property management fees for the period from 1 April 2018 to 30 June 2018 and performance management fee payable for the period from 1 October 2017 to 30 June 2018 of 9,997,936.

** As provided for in the trust deed dated 12 June 2014 constituting FH-REIT (as amended) and in the trust deed dated 20 June 2014 constituting FH-BT (as amended), the price of a Stapled Security issued shall be computed based on the volume weighted average price of a Stapled Security for the last ten business days immediately preceding the relevant financial period of which the fee accrues.

The computation of DPS for 3Q 2018 is presented for illustrative purpose only. FHT makes distributions on a semi-annual basis and the distributions are payable by the REIT Manager and Trustee-Manager within 90 days from the end of the said semi-annual period.

7 (i) Group net asset value ("NAV") per Stapled Security based on Stapled Securities in issue at the end of the period

	FHT	
	As at 30 Jun 2018	As at 30 Sep 2017
Number of Stapled Securities issued at end of the period	1,869,164,755	1,845,573,715
Net asset value (S\$'000)	1,448,949	1,505,893
Net asset value per Stapled Security (cents)	77.52	81.59

(ii) Group net tangible asset ("NTA") per Stapled Security based on Stapled Securities in issue at the end of the period

	FHT	
	As at 30 Jun 2018	As at 30 Sep 2017
Number of Stapled Securities issued at end of the period	1,869,164,755	1,845,573,715
Net tangible asset (S\$'000)	1,448,949	1,505,893
Net tangible asset value per Stapled Security (cents)	77.52	81.59

8 Review of performance
(a) 3Q 2018 VS 3Q 2017

		FH-REIT			FH-BT		
		Master Lessees - Gross Operating Revenue			Gross Operating Revenue		
		3Q 2018	3Q 2017	Change	3Q 2018	3Q 2017	Change
		1 Apr 2018 to 30 Jun 2018	1 Apr 2017 to 30 Jun 2017		1 Apr 2018 to 30 Jun 2018	1 Apr 2017 to 30 Jun 2017	
		LC\$'000	LC\$'000	%	LC\$'000	LC\$'000	%
Australia ^(a)	AUD	22,455	22,824	(1.6)	8,192	8,701	(5.9)
Singapore	SGD	20,608	20,925	(1.5)	-	-	N/A
United Kingdom	GBP	6,800	6,598	3.1	-	-	N/A
Japan	JPY	1,577,548	1,658,024	(4.9)	-	-	N/A
Malaysia	MYR	19,084	22,074	(13.5)	-	-	N/A
Germany	EUR	3,109	2,836	9.6	-	-	N/A

		FH-REIT			FH-BT		
		Master Lessees - Gross Operating Profit			Gross Operating Profit		
		3Q 2018	3Q 2017	Change	3Q 2018	3Q 2017	Change
		1 Apr 2018 to 30 Jun 2018	1 Apr 2017 to 30 Jun 2017		1 Apr 2018 to 30 Jun 2018	1 Apr 2017 to 30 Jun 2017	
		LC\$'000	LC\$'000	%	LC\$'000	LC\$'000	%
Australia ^(a)	AUD	8,878	8,849	0.3	3,803	4,628	(17.8)
Singapore	SGD	8,568	8,225	4.2	-	-	N/A
United Kingdom	GBP	3,813	3,666	4.0	-	-	N/A
Japan	JPY	478,514	494,200	(3.2)	-	-	N/A
Malaysia	MYR	4,808	7,474	(35.7)	-	-	N/A
Germany	EUR	1,407	1,223	15.0	-	-	N/A

Footnote:

(a) The Gross Operating Revenue ("GOR") and Gross Operating Profit ("GOP") of NMOC are excluded from FH-REIT and reflected under FH-BT.

Operational Performance

(a) Review of performance for 3Q 2018 compared to 3Q 2017

During the financial quarter under review ended 30 June 2018 ("3Q FY2018"), Gross Revenue ("GR") declined by 1.8% to S\$38.2 million while Net Property Income ("NPI") declined by 2.8% to S\$28.5 million compared to same time last year ("3Q FY2017"). Distributable Income ("DI") registered 8.1% decrease year-on-year ("yoy") to S\$21.1 million. Distribution Per Stapled Security ("DPS") declined 9.3% yoy to 1.1226 cents.

In 3Q FY2018, the Australia properties reported lower GOR and GOP as the trading environment in Sydney has been more competitive due to softer corporate demand. However, Novotel Sydney Darling Square performed better yoy as it benefited from having its full room inventory compared to last year when there was renovation. Novotel Melbourne on Collins continued to perform well in this quarter, with strong revenue per available room ("RevPAR") growth of 11.6% yoy. The portfolio RevPAR rose only by 2.0% yoy on the back of higher occupancy.

The Singapore portfolio recorded stable performance, with GOP increasing 4.2% yoy despite a drop in GOR of 1.5%. The higher GOP was attributed to increased operating efficiencies at both properties and stronger food and beverage revenue at the InterContinental Singapore. The portfolio RevPAR declined 3.8% yoy as Fraser Suites Singapore pursued a volume strategy by lowering its average daily rates ("ADR").

GOR and GOP of the UK portfolio grew yoy by 3.1% and 4.0% respectively due to ADR and occupancy gains arising from increased leisure demand.

ANA Crowne Plaza Kobe's GOR declined 4.9% yoy due to softer banquet performance. However, the decline in its GOP was lower at 3.2% due to productivity and efficiency gains achieved by its food and beverage division.

The Westin Kuala Lumpur's GOR and GOP declined yoy by 13.5% and 35.7% respectively as a result of consequential pullbacks in business and government spending leading up to and after the Malaysia general election which saw the unexpected election results. While the hotel maintained its market share vis-à-vis its peers, its revenue was affected by weak market demand, with corporate and government spending stalled on the back of uncertainty surrounding businesses and projects. Demand from the Middle East has also weakened for the quarter.

8 Review of performance (Cont'd)

(b) YTD 30 June 2018 VS YTD 30 June 2017

		FH-REIT			FH-BT		
		Master Lessees - Gross Operating Revenue			Gross Operating Revenue		
		YTD 30 June 2018	YTD 30 June 2017	Change	YTD 30 June 2018	YTD 30 June 2017	Change
		1 Oct 2017 to 30 Jun 2018	1 Oct 2016 to 30 Jun 2017		1 Oct 2017 to 30 Jun 2018	1 Oct 2016 to 30 Jun 2017	
		LC\$'000	LC\$'000	%	LC\$'000	LC\$'000	%
Australia ^(a)	AUD	70,844	73,394	(3.5)	26,354	23,813	10.7
Singapore	SGD	64,073	64,657	(0.9)	-	-	N/A
United Kingdom	GBP	17,625	17,659	(0.2)	-	-	N/A
Japan	JPY	4,770,745	4,845,891	(1.6)	-	-	N/A
Malaysia	MYR	66,350	70,348	(5.7)	-	-	N/A
Germany	EUR	8,322	7,592	9.6	-	-	N/A

		FH-REIT			FH-BT		
		Master Lessees - Gross Operating Profit			Gross Operating Profit		
		YTD 30 June 2018	YTD 30 June 2017	Change	YTD 30 June 2018	YTD 30 June 2017	Change
		1 Oct 2017 to 30 Jun 2018	1 Oct 2016 to 30 Jun 2017		1 Oct 2017 to 30 Jun 2018	1 Oct 2016 to 30 Jun 2017	
		LC\$'000	LC\$'000	%	LC\$'000	LC\$'000	%
Australia ^(a)	AUD	29,466	32,305	(8.8)	13,211	12,381	6.7
Singapore	SGD	26,466	25,744	2.8	-	-	N/A
United Kingdom	GBP	9,215	9,379	(1.7)	-	-	N/A
Japan	JPY	1,400,278	1,370,548	2.2	-	-	N/A
Malaysia	MYR	20,223	23,428	(13.7)	-	-	N/A
Germany	EUR	3,453	3,040	13.6	-	-	N/A

Footnote:

(a) The GOR and GOP of NMOC are excluded from FH-REIT and reflected under FH-BT.

Operational Performance

(a) Review of performance for YTD 30 June 2018 compared to YTD 30 June 2017

During the financial period under review from 1 October 2017 to 30 June 2018 ("9M FY2018"), GR was flat at S\$117.2 million while NPI decreased 1.2% to S\$87.7 million compared to the same time last year ("9M FY2017").

DI and DPS registered a yoy decline of 4.7% and 5.9% respectively to S\$66.4 million and 3.5459 cents.

Australia properties recorded stable GOR but GOP declined 4.5% yoy. The portfolio was impacted by the lacklustre performance from the Sydney properties. The market growth in Sydney had been subdued by the increase in supply and the more competitive trading environment.

The Singapore portfolio saw a decrease in GOR of 0.9% yoy. Fraser Suites Singapore's RevPAR was impacted by the downward pressure in ADR while InterContinental Singapore's RevPAR was affected by lower occupancy. However, with better cost controls at both properties, the portfolio GOP increased 2.8% compared to 9M FY2017.

The UK properties recorded a drop in GOR and GOP of 0.2% and 1.7% respectively compared to 9M FY2017. While the portfolio RevPAR was stable, the properties continued to face the pressure of increased operational costs with the implementation of increase in minimum wages.

ANA Crowne Plaza Kobe's GOR declined 1.6% yoy due mainly to the decline in banquets and conferences. With better cost controls, its GOP increased 2.2% yoy.

The Westin Kuala Lumpur saw a decline of 5.7% and 13.7% in GOR and GOP respectively, compared to 9M FY2017. The weak performance in room revenue was due to the decline in demand from corporate groups which resulted in the overall decline in GOP for 9M FY2018.

9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual result

No forecast or prospect statement has been previously disclosed.

10 Commentary on the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

Tourism Australia reported a yoy increase in international arrivals of 6.1% for the first five months of 2018, with Chinese visitors growing by 10.5%. A relatively large number of new rooms is anticipated to enter the Sydney market over the next three years but continued strong demand is expected to offset the supply increase. Stable occupancy and anticipated increases in ADR are likely to continue to support RevPAR growth in the city¹. The Melbourne hotel market, on the other hand, is expected to stay muted. Room rate growth has been hard to come by and with a glut of new supply in 2018 and 2019, this is anticipated to remain the case for some time².

Singapore Tourism Board (STB) reported a yoy growth of 6.9% in visitor arrivals for the first five months of 2018. China and Indonesia were the top source markets for tourism, accounting for 35.3% of total visitor arrivals. In the near term, hotel demand is expected to remain strong due to continued arrivals growth while limited hotel supply should reduce supply-side pressure. Hotel trading performance is anticipated to pick up in 2H2018. Increased marketing efforts by STB and the positive outlook in Asia-Pacific tourism should continue to drive visitor arrivals growth³.

In the UK, weaker economic growth is expected to persist in 2018 as considerable uncertainty still relates to Brexit. While stronger global growth could help cushion inbound business and leisure travel to the UK, the weaker economic growth of the country is likely to depress ADR growth. The weak British pound that has made the UK more affordable for inbound tourists may also 'fizzle out'⁴.

For January to June 2018, Japan National Tourism Organization recorded 15.6% growth in foreign visitors. While growth of inbound tourism continues, high supply levels may concern hoteliers. But new regulations on minpaku (home-sharing type of accommodation) and strong demand fundamentals could mitigate the negative impact of heightened competition⁵.

Despite tourist arrivals declining 3.0% yoy to 25.9 million, tourist receipts still inched up 0.1% to RM82.2 billion last year. Tourism Malaysia targets to achieve 33.1 million tourist arrivals and RM134 billion in tourism receipts for 2018. It reported a yoy decline of 3.4% in tourist arrivals for January to April 2018. In Kuala Lumpur, hotel room rates are expected to remain stagnant in the near future, in view of the new room supply that has entered the market since last year. This would deter the existing hotels from raising their rates in order to stay competitive⁶.

For January to May 2018, the Federal Statistical Office of Germany recorded a yoy increase of 5.0% in the number of domestic and foreign overnight stays⁷. In Dresden, the total number of domestic and foreign visitors rose 8.9% yoy for January to May 2018⁸. Dresden, the capital city of the Free State of Saxony, continues to grow its pipeline of MICE events for 2018 and 2019 including Bauen Kaufen Wohnen, Florian, Borsentag Tag Dresden, HAUS, Sachsenback and Green and Sustainable Chemistry Conference.

¹ Source: JLL – Asia Pacific Property Digest, Q1 2018

² Source: CBRE – MarketView Australia Hotels, Q1 2018

³ Source: JLL – Asia Pacific Property Digest Q1 2018

⁴ Source: Knight Frank – Spring Market Overview, UK Hotel & Leisure Property 2018

⁵ Source: Savills – Spotlight: Japan Hospitality, February 2018

⁶ Source: The Edge Financial Daily – 25 May 2018

⁷ Source: www.destatis.de

⁸ Source: www.dresden.de

11 **Distributions**

(a) **Current financial period**

Any distribution declared for the current financial period?

No.

(b) **Corresponding period of the immediately preceding financial year**

Any distribution declared for the corresponding period of the immediately preceding financial period?

Not applicable.

(c) **Date payable**

Not applicable.

(d) **Books closure date**

Not applicable.

12 **If no dividend has been declared/recommended, a statement to that effect**

Refer to paragraph 11.

13 **If the Group has obtained a general mandate from holders for Interested Party Transactions ("IPT"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, please make a statement to that effect.**

FHT has not obtained a general mandate from Stapled Securityholders for IPTs.

14 **Additional information - FHT's interests in Australia Land Trust**

Australia's foreign investment regime was amended with effect from 1 July 2017 to introduce improvements to the regulation of foreign investments into Australia.

Notifiable actions (i.e. mandatory notification)

Investors who are "foreign persons"ⁱ that acquire Stapled Securities are required under the Australian Foreign Acquisitions and Takeovers Act 1975 ("FATA") or the Australian Government's Foreign Investment Policy to notify and receive a prior statement of no objection ("FIRB Clearance") of their investment in FHT under Australia's foreign investment regime from the Australian Treasurer through the Foreign Investment Review Board if any of the circumstances set out below apply at the time the Stapled Securities are acquired:

(a) if either FH-REIT or FH-BT is considered to be an "Australian Land Trust"ⁱⁱ ("ALT") at the time of acquisition, all foreign persons acquiring Stapled Securities (including existing holders of Stapled Securities acquiring additional Stapled Securities) will require FIRB Clearance unless an exemption applies (see below); and

(b) any investor that is a Foreign Government Investorⁱⁱⁱ acquiring a "direct interest"^{iv} in FHT will require FIRB Clearance at the time of acquisition, regardless of whether FH-REIT or FH-BT is considered to be an ALT or whether FHT has gross Australian assets in excess of AUD252.0 million.

Exemptions from ALT requirements

The FATA contains two relevant exemptions from the requirement to obtain FIRB Clearance that would otherwise apply if FH-REIT or FH-BT was considered to be an ALT such that FIRB clearance would generally only be required for private foreign persons if:

(a) the relevant person's interest in FH-REIT or FH-BT would be valued in excess of a specified threshold prescribed under the FATA (at the date of this announcement, the relevant threshold prescribed under the FATA is AUD252.0 million, unless the ALT has 'sensitive' land holdings, in which case the threshold may be AUD55.0 million)^v; and

(b) the relevant person, together with associates, is acquiring an interest of 10% or more in FHT and will be in a position to influence or participate in the central management and control of the land entity or to influence, participate in or determine the policy of the land entity.^{vi}

14 Additional information - FHT's interests in Australia Land Trust (Cont'd)

Significant actions (i.e. voluntary notification)

If FHT has gross Australian assets in excess of a specified threshold prescribed under the FATA (as at the date of this announcement, the threshold prescribed under the FATA is AUD252.0 million for most private foreign investors)^{vii} at the time of acquisition, all investors (i) who are foreign persons (but not Foreign Government Investors) and (ii) who are acquiring a Substantial Interest in FHT or have a Substantial Interest^{viii} and increase their holding, should note that, while prior notification and FIRB Clearance are not required, the Australian Treasurer still has the power to make adverse orders under the FATA if such transaction is considered to be contrary to Australia's national interest. In such case, it may be prudent for an Investor to seek FIRB Clearance on a voluntary basis.

As at 30 June 2018, the value of the Australian assets comprised in FHT's portfolio is 31.94% of the total asset value of FHT. Consequently, FHT is not considered to be an ALT.

As at 30 June 2018, FHT has gross Australian assets of approximately AUD796.3 million, which is above AUD252.0 million.

Any Investor acquiring Stapled Securities on the secondary market should seek their own advice on the FIRB requirements as they pertain to their specific circumstances.

i A "foreign person" is defined as:

- an individual not ordinarily resident in Australia; or
- a corporation in which an individual not ordinarily resident in Australia, a foreign corporation or a foreign government holds a substantial interest ; or
- a corporation in which 2 or more persons, each of whom is an individual not ordinarily resident in Australia, a foreign corporation or a foreign government, hold an aggregate substantial interest ; or
- the trustee of a trust in which an individual not ordinarily resident in Australia, a foreign corporation or a foreign government holds a substantial interest ; or
- the trustee of a trust in which 2 or more persons, each of whom is an individual not ordinarily resident in Australia, a foreign corporation or a foreign government, hold an aggregate substantial interest; or
- a foreign government; or
- any other person, or any other person that meets the conditions, prescribed by the regulations.

ii An ALT is defined as a unit trust in which the value of interests in Australian land exceeds 50% of the value of the total assets of the unit trust.

iii A 'foreign government investor' is defined to mean:

- a foreign government or separate government entity;
- a corporation or trustee of a trust in which:
 - a foreign government or separate government entity, alone or together with one or more associates, holds a substantial interest (that is, an interest of at least 20 per cent); or
 - foreign governments or separate government entities of more than one foreign country (or parts of more than one foreign country), together with any one or more associates, hold an aggregate substantial interest (that is, an interest of at least 40 per cent);
- a general partner of a limited partnership in which:
 - a foreign government or separate government entity, alone or together with one or more associates, holds an interest of at least 20 per cent; or
 - foreign governments or separate government entities of more than one foreign country (or parts of more than one foreign country), together with any one or more associates, hold an aggregate interest of 40 per cent or more;
- a corporation, trustee or general partner of a kind described above.

iv A 'direct interest' is defined to mean:

- an interest of at least 10 per cent in the entity or business, or
- an interest of at least 5 per cent in the entity or business if the person who acquires the interest has entered a legal arrangement relating to the businesses of the person and the entity or business, or
- an interest of any percentage in the entity or business if the person who has acquired the interest is in a position to:
 - participate or influence the central management and control of the entity or business; or
 - influence, participate or determine the policy of the entity or business.

v This exemption applies in respect of ALTs that have predominantly developed commercial real estate portfolios (ie, less than 10% residential or vacant commercial land. From 1 July 2017, the reference to residential land in the description of this exemption excludes interests in residential land acquired by a land entity where the land is used for the provision of residential care, a retirement village, or premises that provide accommodation to students in connection with an education institution). FIRB has confirmed that it is the value of the interest being acquired, rather than the value of the underlying land that is determinative for the purposes of this exemption. The concept of 'sensitive' land is broad and includes mines and critical infrastructure (for example, an airport or port).

vi This exemption reflects the 'passive investor administrative exemption' that was previously available prior to 1 December 2015, and applies where an ALT is listed on an official stock exchange (whether in Australia or not).

vii A higher threshold of AUD1,094.0 million applies to foreign persons that are enterprises from the United States, New Zealand, Chile, Japan, South Korea or the People's Republic of China. This does not apply to any subsidiaries incorporated outside of these countries (including Australia).

viii A person holds a 'substantial interest' in a trust if the person together with any one or more associates, holds a beneficial interest in at least 20% of the income or property of the trust.

15 Confirmation pursuant to Rule 720(1) of the SGX-ST Listing Manual

The Managers confirm that they have procured undertakings from all their Directors and Executive Officers (in the format set out in Appendix 7.7) pursuant to Rule 720(1) of the SGX-ST Listing Manual.

16 Confirmation pursuant to Rule 705(5) of the SGX-ST Listing Manual

We confirm that to the best of our knowledge, nothing has come to the attention of the Board of Directors of each of Frasers Hospitality Asset Management Pte. Ltd. (as REIT Manager of FH-REIT) and Frasers Hospitality Trust Management Pte. Ltd. (as Trustee-Manager of FH-BT) which may render these financial results to be false or misleading, in any material respect.

For and on behalf of the Board of Directors of
Frasers Hospitality Asset Management Pte. Ltd.
Frasers Hospitality Trust Management Pte. Ltd.

Law Song Keng
Director

Choe Peng Sum
Director

BY ORDER OF THE BOARD

Frasers Hospitality Asset Management Pte. Ltd.
(Company registration no. 201331351D)
As REIT Manager of Frasers Hospitality Real Estate Investment Trust

Frasers Hospitality Trust Management Pte. Ltd.
(Company registration no. 201401270M)
As Trustee-Manager of Frasers Hospitality Business Trust

Catherine Yeo
Company Secretary
26 July 2018

IMPORTANT NOTICE

This announcement 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 costs), property expenses, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business.

Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Managers' current view on future events. The value of the Stapled Securities and the income derived from them, may fall as well as rise. Stapled Securities are not obligations of, deposits in, or guaranteed by, the REIT Manager, the Trustee-Manager or any of its affiliates. 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.

The past performance of FHT is not necessarily indicative of the future performance of FHT.

Any discrepancies in the tables included in this announcement between the listed amounts and total thereof are due to rounding.