



**FRASERS HOSPITALITY TRUST
FINANCIAL STATEMENTS ANNOUNCEMENT
FOR THE THIRD QUARTER ENDED 30 JUNE 2017**

Fraser Hospitality Trust ("FHT") is a stapled group comprising Fraser Hospitality Real Estate Investment Trust ("FH-REIT") and Fraser 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 Rockford Darling Harbour	Mid-scale	230
Park International London	Mid-scale	171
Best Western Cromwell London	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 Fraser 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. Fraser 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 2017 and 3Q 2016

Note	3Q 2017			3Q 2016			Variance		
	1 Apr 2017 to 30 Jun 2017			1 Apr 2016 to 30 Jun 2016			Increase/(Decrease)		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	%	%	%
Master lease rental	29,825	33,989	-	31,749	31,749	-	(6.1)	7.1	-
Room revenue	5,816	-	5,816	-	-	-	100.0	-	100.0
Food & beverage revenue	1,623	-	1,623	-	-	-	100.0	-	100.0
Other income	1,658	-	1,658	-	-	-	100.0	-	100.0
Gross revenue	38,922	33,989	9,097	31,749	31,749	-	22.6	7.1	100.0
Property tax	(2,597)	(2,597)	-	(2,306)	(2,306)	-	12.6	12.6	-
Property insurance	(360)	(360)	-	(334)	(334)	-	7.8	7.8	-
Property management fees	(1,368)	(1,368)	-	(1,408)	(1,408)	-	(2.8)	(2.8)	-
Other property expenses	(802)	(802)	-	(682)	(682)	-	17.6	17.6	-
Operations and maintenance expenses	(3,376)	(33)	(7,738)	-	-	-	100.0	100.0	100.0
Marketing expenses	(681)	-	(681)	-	-	-	100.0	-	100.0
Administrative expenses	(417)	-	(417)	-	-	-	100.0	-	100.0
Property operating expenses	(9,601)	(5,160)	(8,836)	(4,730)	(4,730)	-	>100.0	9.1	100.0
Net property income	29,321	28,829	261	27,019	27,019	-	8.5	6.7	100.0
Depreciation	(1,844)	-	(748)	-	-	-	100.0	-	100.0
Acquisition fee paid in Stapled Securities	-	-	-	(902)	(902)	-	(100.0)	(100.0)	-
REIT Manager's management fees	(1,891)	(1,891)	-	(1,861)	(1,861)	-	1.6	1.6	-
Trustee-Manager's management fees	(24)	-	(24)	-	-	-	100.0	-	100.0
Other management fees	(1,180)	(1,180)	-	(799)	(799)	-	47.7	47.7	-
Trustees' fees	(124)	(124)	-	(114)	(114)	-	8.8	8.8	-
Other trust expenses	(617)	(620)	3	(598)	(597)	(1)	3.2	3.9	>(100.0)
Non-capitalisable expenses in relation to asset acquisition	-	-	-	(3,291)	(3,291)	-	(100.0)	(100.0)	-
Non-capitalisable expenses in relation to asset acquisition and Rights Issue	(209)	(210)	1	-	-	-	100.0	100.0	100.0
Other income	-	-	-	16	16	-	(100.0)	(100.0)	-
Finance income	94	88	6	72	72	-	30.6	22.2	100.0
Amortisation of debt upfront costs	(417)	(417)	-	(416)	(416)	-	0.2	0.2	-
Finance costs	(4,555)	(4,555)	-	(4,404)	(4,404)	-	3.4	3.4	-
Total return before foreign exchange differences, fair value changes and tax	18,554	19,920	(501)	14,722	14,723	(1)	26.0	35.3	>100.0
Foreign exchange loss, net	(164)	(162)	(2)	(274)	(274)	-	(40.1)	(40.9)	100.0
Net change in fair value of derivative financial instruments	1,499	1,499	-	(9,561)	(9,561)	-	NM	NM	-
Realised gain on derivative financial instruments, net	98	98	-	36	36	-	>100.0	>100.0	-
Total return for the Period before tax	19,987	21,355	(503)	4,923	4,924	(1)	>100.0	>100.0	>100.0
Taxation	(1,710)	(1,705)	(5)	(1,731)	(1,731)	-	(1.2)	(1.5)	100.0
Total return for the Period after tax	18,277	19,650	(508)	3,192	3,193	(1)	>100.0	>100.0	>100.0
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	(821)	(821)	-	(3,153)	(3,153)	-	(74.0)	(74.0)	-
Net change in fair value of cash flow hedges reclassified to total return	(721)	(721)	-	(568)	(568)	-	26.9	26.9	-
Foreign currency translation differences	(1,111)	(991)	(142)	(26,283)	(26,283)	-	(95.8)	(96.2)	100.0
Total comprehensive income for the Period	15,624	17,117	(650)	(26,812)	(26,811)	(1)	NM	NM	>100.0

NM - Not meaningful

1 (a) (i) Consolidated Distribution Statements for 3Q 2017 and 3Q 2016

Reconciliation of total return to income available for distribution

Note	3Q 2017			3Q 2016			Variance		
	1 Apr 2017 to 30 Jun 2017			1 Apr 2016 to 30 Jun 2016			Increase/(Decrease)		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	%	%	%
Total return for the Period after tax	18,277	19,650	(508)	3,193	3,193	-	>100.0	>100.0	>100.0
(Non-taxable) / non-tax deductible items and other adjustments:									
Acquisition fee paid in Stapled Securities	-	-	-	902	902	-	(100.0)	(100.0)	-
Depreciation	1,844	-	748	-	-	-	100.0	-	100.0
Amortisation of debt upfront costs	417	417	-	416	416	-	0.2	0.2	-
Amortisation of other assets	18	18	-	20	20	-	(10.0)	(10.0)	-
Foreign exchange loss, net	44	43	1	55	55	-	(20.0)	(21.8)	100.0
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	(1,499)	(1,499)	-	9,561	9,561	-	NM	NM	-
Other management fees payable in Stapled Securities	(n) 1,110	1,110	-	725	725	-	53.1	53.1	-
Property management fees payable in Stapled Securities, net of withholding tax	(o) 1,366	1,366	-	1,403	1,403	-	(2.6)	(2.6)	-
REIT Manager's management fees payable in Stapled Securities	1,891	1,891	-	1,861	1,861	-	1.6	1.6	-
Trustee-Manager's management fees payable in Stapled Securities	24	-	24	-	-	-	100.0	-	100.0
Stamp duties on acquisition of investment properties	-	-	-	3,159	3,159	-	(100.0)	(100.0)	-
Trustee's fees in relation to FH-REIT	73	73	-	65	65	-	12.3	12.3	-
Other adjustments	(p) 293	524	-	200	200	-	46.5	>100.0	-
Net effect of (non-taxable) / non-tax deductible items and other adjustments	5,790	4,153	772	18,367	18,367	-	(68.5)	(77.4)	100.0
Income available for distribution	24,067	23,803	264	21,560	21,560	-	11.6	10.4	100
Income available for distribution attributable to:									
- Stapled Securityholders	22,958	22,694	264	20,950	20,950	-	9.6	8.3	100.0
- Perpetual Securities holders	1,109	1,109	-	610	610	-	81.8	81.8	-
	24,067	23,803	264	21,560	21,560	-	11.6	10.4	100.0

NM - Not meaningful

Footnotes:

- (a) On 19 and 20 October 2016, FHT completed the acquisitions of Novotel Melbourne on Collins and the Hotel Assets respectively. FH-REIT, through its indirectly wholly-owned subsidiary, acquired Novotel Melbourne on Collins, located in Australia. Correspondingly in 1Q 2017, the Trustee-Manager also activated the FH-BT (which was previously dormant). The activation was required to enable FH-BT, through its indirectly wholly-owned subsidiary, to become the master lessee of Novotel Melbourne on Collins. Accordingly, the entire operating results of Novotel Melbourne on Collins for the period 1 April 2017 to 30 June 2017 has been included in the 3Q 2017 results of FH-BT. As FH-BT was only activated in the current financial year, there were no prior period comparatives.
- (b) 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 are reflected at FHT level.
- (c) Novotel Melbourne on Collins has been classified as property, plant and equipment in FHT's financial statements. FHT commenced depreciating its property, the Novotel Melbourne on Collins on 20 October 2016. The depreciation expense relates to the depreciation of the building and furniture, fittings and equipment of Novotel Melbourne on Collins for the period from 1 April 2017 to 30 June 2017.
- (d) The acquisition fee paid to the REIT Manager in Stapled Securities in relation to the acquisition of the freehold property, Maritim Dresden, Germany in June 2016.
- (e) Other management fees mainly relates to MIT Manager's management fee. With the addition of Novotel Melbourne on Collins in October 2016, there was an increase in management fees payable to the MIT Manager.
- (f) Other trust expenses mainly relates to professional fees, audit fees, tax fees and administrative expenses. The expenses was higher in 3Q 2017 mainly due to an increase in accrual of professional fees related to distributions.
- (g) The expenses comprise stamp duty in relation to the acquisition of the freehold property, Maritim Hotel Dresden, Germany (the "Maritim Property") and the professional fees and miscellaneous expenses incurred on the acquisition of the Maritim Property in June 2016.
- (h) The expenses mainly comprised 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 SGX-ST on 9 September 2016 (the "Launch Announcement") and completed on 17 October 2016; and (b) acquisition of Novotel Melbourne on Collins and the related Hotel Assets as defined in the Launch Announcement.
- (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 cross currency interest rate swap, interest rate swaps and cross currency swaps. Interest expense was higher in 3Q 2017 mainly due to an unfavourable change in exchange rate. As at 30 June 2017, 87.8% of FH-REIT's Group debt portfolio is at fixed interest rates with remaining 12.2% at floating interest rates.
- (j) The change in fair value of derivative financial instruments arose mainly from the increase in fair value of the JPYSGD cross currency interest rate swap during 3Q 2017. There was a reduction in fair value of the JPYSGD cross currency interest rate swap in 3Q 2016 and the JPY/SGD exchange rate was comparatively more volatile in 3Q 2016 compared to 3Q 2017.
- (k) This relates to net realised gain arising from the settlement of foreign currency forwards contracts.
- (l) This relates to fair value loss arising from the interest rate swaps.
- (m) 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 foreign currency translation loss in 3Q 2017 was mainly due to depreciation of AUD and JPY against the SGD, which was partially offset by the appreciation of GBP, MYR and EUR against the SGD. 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 FHT level.
- (n) MIT Manager's management fee which is payable in Stapled Securities.
- (o) Property management fee includes service residences management fee and trademark licence fee which are payable in Stapled Securities.
- (p) Other adjustments are in relation to other non-tax deductible and non-taxable items.
- (q) Distribution of FHT represents the aggregate of distributions by FH-REIT and FH-BT. FH-BT was activated in Q1 2017.

1 (a) (ii) Consolidated Statements of Total Return and Statements of Comprehensive Income for YTD 30 June 2017 and YTD 30 June 2016

Note	YTD 30 June 2017			YTD 30 June 2016			Variance		
	FHT	FH-REIT	FH-BT ^(a)	FHT	FH-REIT	FH-BT ^(a)	FHT	FH-REIT	FH-BT
	1 Oct 2016 to 30 Jun 2017			1 Oct 2015 to 30 Jun 2016			Increase/(Decrease)		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	%	%	%
Master lease rental	91,926	103,205	-	90,150	90,150	-	2.0	14.5	-
Room revenue	18,748	-	18,748	-	-	-	100.0	-	100.0
Food & beverage revenue	4,261	-	4,261	-	-	-	100.0	-	100.0
Other income	2,214	-	2,214	-	-	-	100.0	-	100.0
Gross revenue	117,149	103,205	25,223	90,150	90,150	-	29.9	14.5	100.0
Property tax	(7,748)	(7,748)	-	(6,949)	(6,949)	-	11.5	11.5	-
Property insurance	(1,058)	(1,058)	-	(1,012)	(1,012)	-	4.5	4.5	-
Property management fees	(4,107)	(4,107)	-	(4,313)	(4,313)	-	(4.8)	(4.8)	-
Other property expenses	(2,602)	(2,602)	-	(2,288)	(2,288)	-	13.7	13.7	-
Operations and maintenance expenses	(9,648)	(33)	(21,609)	-	-	-	100.0	100.0	100.0
Marketing expenses	(1,941)	-	(1,941)	-	-	-	100.0	-	100.0
Administrative expenses	(1,316)	-	(1,316)	-	-	-	100.0	-	100.0
Property operating expenses	(28,420)	(15,548)	(24,866)	(14,562)	(14,562)	-	95.2	6.8	100.0
Net property income	88,729	87,657	357	75,588	75,588	-	17.4	16.0	100.0
Depreciation	(5,396)	-	(2,265)	-	-	-	100.0	-	100.0
Acquisition fee paid in Stapled Securities	(2,447)	(2,413)	(34)	(902)	(902)	-	>100.0	>100.0	100.0
REIT Manager's management fees	(4,939)	(4,939)	-	(5,653)	(5,653)	-	(12.6)	(12.6)	-
Trustee-Manager's management fees	(45)	-	(45)	-	-	-	100.0	-	100.0
Other management fees	(3,767)	(3,767)	-	(2,383)	(2,383)	-	58.1	58.1	-
Trustees' fees	(370)	(370)	-	(332)	(332)	-	11.4	11.4	-
Other trust expenses	(2,584)	(2,532)	(52)	(2,202)	(2,200)	(2)	17.3	15.1	>100.0
Non-capitalisable expenses in relation to asset acquisition	-	-	-	(3,291)	(3,291)	-	(100.0)	(100.0)	-
Non-capitalisable expenses in relation to asset acquisition and Rights Issue	(737)	(672)	(65)	-	-	-	100.0	100.0	100.0
Other income	-	-	-	21	21	-	(100.0)	(100.0)	-
Payment top-up	-	-	-	2,910	2,910	-	(100.0)	(100.0)	-
Finance income	262	247	15	214	214	-	22.4	15.4	100.0
Amortisation of debt upfront costs	(1,252)	(1,252)	-	(1,252)	(1,252)	-	-	-	-
Finance costs	(13,343)	(13,343)	-	(14,002)	(14,002)	-	(4.7)	(4.7)	-
Total return before foreign exchange differences, fair value changes and tax	54,111	58,616	(2,089)	48,716	48,718	(2)	11.1	20.3	>100.0
Foreign exchange gain/(loss), net	77	80	(3)	(586)	(586)	-	>(100.0)	>(100.0)	100.0
Net change in fair value of investment properties / property, plant and equipment	(11,941)	(11,941)	-	-	-	-	100.0	100.0	-
Net change in fair value of derivative financial instruments	12,194	12,194	-	(10,276)	(10,276)	-	NM	NM	-
Realised (loss)/gain on derivative financial instruments, net	(324)	(324)	-	63	63	-	NM	NM	-
Total return for the Period before tax	54,117	58,625	(2,092)	37,917	37,919	(2)	42.7	54.6	>100.0
Taxation	(4,116)	(4,101)	(15)	(3,276)	(3,276)	-	25.6	25.2	100.0
Total return for the Period after tax	50,001	54,524	(2,107)	34,641	34,643	(2)	44.3	57.4	>100.0
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	3,340	3,340	-	(9,399)	(9,399)	-	NM	NM	-
Net change in fair value of cash flow hedges reclassified to total return	(2,404)	(2,404)	-	(1,029)	(1,029)	-	>100.0	>100.0	-
Foreign currency translation differences	(6,478)	(6,574)	75	(46,105)	(46,105)	-	(85.9)	(85.7)	100.0
Total comprehensive income for the Period	44,459	48,886	(2,032)	(21,892)	(21,890)	(2)	NM	NM	>100.0

NM - Not meaningful

1 (a) (ii) Consolidated Distribution Statements for YTD 30 June 2017 and YTD 30 June 2016

Reconciliation of total return to income available for distribution

Note	YTD 30 June 2017			YTD 30 June 2016			Variance		
	1 Oct 2016 to 30 Jun 2017			1 Oct 2016 to 30 Jun 2016			Increase/(Decrease)		
	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	%	%	%
	50,001	54,524	(2,107)	34,643	34,643	-	44.3	57.4	100.0
Total return for the Period after tax									
(Non-taxable) / non-tax deductible items and other adjustments:									
Acquisition fee paid in Stapled Securities	2,447	2,413	34	902	902	-	>100.0	>100.0	100.0
Depreciation	5,396	-	2,265	-	-	-	100.0	-	100.0
Amortisation of debt upfront costs	1,252	1,252	-	1,252	1,252	-	-	-	-
Amortisation of other assets	55	55	-	32	32	-	71.9	71.9	-
Foreign exchange loss, net	211	208	3	465	465	-	(54.6)	(55.3)	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 properties / property, plant and equipment	11,941	11,941	-	-	-	-	100.0	100.0	-
Net change in fair value of derivative financial instruments	(12,194)	(12,194)	-	10,276	10,276	-	NM	NM	-
Other management fees payable in Stapled Securities	3,551	3,551	-	2,166	2,166	-	63.9	63.9	-
Property management fees payable in Stapled Securities, net of withholding tax	4,083	4,083	-	4,313	4,313	-	(5.3)	(5.3)	-
REIT Manager's management fees payable in Stapled Securities	4,939	4,939	-	5,653	5,653	-	(12.6)	(12.6)	-
Trustee-Manager's management fees payable in Stapled Securities	45	-	45	-	-	-	100.0	-	100.0
Stamp duties on acquisition of investment properties	-	-	-	3,159	3,159	-	(100.0)	(100.0)	-
Trustee's fees in relation to FH-REIT	215	215	-	191	191	-	12.6	12.6	-
Other adjustments	327	1,043	(1)	566	566	-	(42.2)	84.3	100.0
Net effect of (non-taxable) / non-tax deductible items and other adjustments	23,005	18,178	2,411	28,975	28,975	-	(20.6)	(37.3)	100.0
Income available for distribution	73,006	72,702	304	63,618	63,618	-	14.8	14.3	100.0
Income available for distribution attributable to:									
- Stapled Securityholders	69,678	69,374	304	63,008	63,008	-	10.6	10.1	100.0
- Perpetual Securities holders	3,328	3,328	-	610	610	-	>100.0	>100.0	-
	73,006	72,702	304	63,618	63,618	-	14.8	14.3	100.0

NM - Not meaningful

Footnotes:

- (a) On 19 and 20 October 2016, FHT completed the acquisitions of Novotel Melbourne on Collins and the Hotel Assets respectively. FH-REIT, through its indirectly wholly-owned subsidiary, acquired Novotel Melbourne on Collins, located in Australia. Correspondingly in 1Q 2017, the Trustee-Manager also activated the FH-BT (which was previously dormant). The activation was required to enable FH-BT, through its indirect wholly-owned subsidiary, to become the master lessee of the Novotel Melbourne on Collins. Accordingly, the entire operating results of Novotel Melbourne on Collins for the period 20 October 2016 to 30 June 2017 has been included in the first half results of FH-BT. As FH-BT was only activated in the current financial year, there were no prior period comparatives.
- (b) 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 are reflected at FHT level.
- (c) Novotel Melbourne on Collins has been classified as property, plant and equipment in FHT's financial statements. FHT commenced depreciating its property, the Novotel Melbourne on Collins on 20 October 2016. The depreciation expense relates to the depreciation of the building and furniture, fittings and equipment of Novotel Melbourne on Collins for the period from 20 October 2016 to 30 June 2017.
- (d) The acquisition fee paid to FHT Australia Management Pty Ltd ("MIT Manager") and Trustee-Manager in Stapled Securities were in relation to the acquisition of the Novotel Melbourne on Collins and the Hotel Assets respectively as announced by FHT on SGX-ST on 24 October, 31 October and 30 December 2016.
- (e) Other management fees mainly relates to MIT Manager's management fee. With the addition of Novotel Melbourne on Collins in 1Q 2017, there was an increase in management fee payable to the MIT Manager.
- (f) Other trust expenses mainly relate to professional fees, audit fees, tax fees and administrative expenses. The expenses were higher in YTD 30 June 2017 mainly due to legal fees and other professional fees incurred in relation to the additional issuance of Junior Bond C by Notable Vision Sdn Bhd and higher distribution related expenses.
- (g) The expenses comprise stamp duty in relation to the acquisition of the Maritim Property and the professional fees and miscellaneous expenses incurred on the acquisition of the Maritim Property in June 2016.
- (h) The expenses mainly comprised professional fees and miscellaneous expenses incurred in relation to (a) the Rights Issue; and (b) acquisition of Novotel Melbourne on Collins and the related Hotel Assets as announced in the Launch Announcement.
- (i) Included in YTD 30 June 2016 was payment top-up comprising (a) S\$2.58 million and (b) S\$0.33 million in relation to InterContinental Singapore and Fraser Suites Singapore respectively. The payment top-up had been fully paid for Fraser Suites Singapore and InterContinental Singapore in 1Q 2016 and 2Q 2016 respectively.
- (j) 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 cross currency interest rate swap, interest rate swaps and cross currency swaps. Interest expense was lower in YTD 30 June 2017 mainly due to new cross currency swaps which resulted in net interest income. As at 30 June 2017, 87.8% of FH-REIT's Group debt portfolio is at fixed interest rates with remaining 12.2% at floating interest rates.
- (k) The net change in fair value of investment properties/property, plant and equipment relates to the fair value loss arising from measuring the Novotel Melbourne on Collins at its acquisition price which approximates its fair value.
- (l) This relates to unrealised gain arising mainly from fair valuation of the JPYSGD cross currency interest rate swap. The unrealised gain was due to depreciation of JPY against SGD in YTD 30 June 2017 as compared to YTD 30 June 2016 where JPY appreciated against SGD.
- (m) In YTD 30 June 2017, the net realised loss was mainly due to the appreciation of AUD resulting in a higher AUD/SGD exchange rate at settlement date of the AUDSGD forward contracts as compared to the forward rates on the contracts.
In YTD 30 June 2016, the net realised gain was mainly due to depreciation of GBP and EUR against SGD resulting in a lower GBP/SGD and EUR/SGD exchange rate at settlement date of the GBPSGD and EURSGD forward contracts as compared to the forward rates on those contracts.
- (n) The increase was mainly contributed by UK, Australia and Malaysia portfolio. The withdrawal of Wear and Tear Allowance by HM Revenue and Customs with effect from 6 April 2016 had resulted in a higher UK corporate tax expense for YTD 30 June 2017. On 19 October 2016, additional shareholder loan was extended to FHT Melbourne Trust 1 for the purchase of Novotel Melbourne on Collins. Australian withholding tax charged in relation to the shareholder loan interest for YTD 30 June 2017 was \$0.4 million.
- (o) This relates to fair value gain arising from the interest rate swaps.
- (p) 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 foreign currency translation loss in YTD 30 June 2017 was mainly due to appreciation of AUD, GBP and EUR against SGD, which was offset by the depreciation of JPY and MYR against SGD. The fair value changes in the cross currency swaps which are classified as net investment hedges are recorded in foreign currency translation reserve at the FHT level.
- (q) MIT Manager's management fee which is payable in Stapled Securities.
- (r) Property management fees includes service residences management fee and trademark licence fee which are payable in Stapled Securities.
- (s) Other adjustments are in relation to other non-tax deductible and non-taxable items.
- (t) Distribution of FHT represents the aggregate of distributions by FH-REIT and FH-BT. FH-BT was activated in the Q1 2017.

1 (b) (i) Statements of Financial Position

Note	FHT	FH-REIT	FH-BT ^(a)	FHT	FH-REIT	FH-BT
	30 Jun 2017			30 Sep 2016		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets						
Investment properties	2,058,147	2,302,957	-	2,058,413	2,058,413	-
Property, plant and equipment	246,057	-	4,188	-	-	-
Derivative financial instruments	146	146	-	61	61	-
Rental deposits	-	-	4,117	-	-	-
	2,304,350	2,303,103	8,305	2,058,474	2,058,474	-
Current assets						
Inventories	59	-	59	-	-	-
Other assets	139	139	-	194	194	-
Prepayments	1,440	1,318	122	1,319	1,319	-
Trade and other receivables	8,666	8,378	2,004	33,813	33,813	605
Derivative financial instruments	61	61	-	2,813	2,813	-
Cash and cash equivalents	67,507	64,690	2,817	64,385	64,381	4
	77,872	74,586	5,002	102,524	102,520	609
Total assets	2,382,222	2,377,689	13,307	2,160,998	2,160,994	609
Current liabilities						
Trade and other payables	18,540	15,012	5,790	20,437	20,423	619
Deferred income	695	695	-	678	678	-
Derivative financial instruments	322	322	-	2,664	2,664	-
Borrowings	130,190	130,190	-	128,925	128,925	-
Income tax payables	4,993	4,993	-	5,312	5,312	-
	154,740	151,212	5,790	158,016	158,002	619
Net current liabilities	(76,868)	(76,626)	(788)	(55,492)	(55,482)	(10)
Non-current liabilities						
Other payables	169	-	169	-	-	-
Borrowings	680,023	680,023	-	681,082	681,082	-
Rental deposits	21,208	25,325	-	21,551	21,551	-
Deferred income	10,429	10,429	-	10,404	10,404	-
Derivative financial instruments	5,188	5,188	-	16,746	16,746	-
Deferred tax liabilities	28,529	28,529	-	29,049	29,049	-
	745,546	749,494	169	758,832	758,832	-
Total Liabilities	900,286	900,706	5,959	916,848	916,834	619
Net assets	1,481,936	1,476,983	7,348	1,244,150	1,244,160	(10)
Represented by:						
Stapled Securities in issue	1,492,444	1,482,999	9,445	1,202,801	1,202,791	10
Issue costs	(25,764)	(25,759)	(5)	(23,482)	(23,482)	-
Revenue reserves	17,122	21,705	(2,167)	60,054	60,074	(20)
Hedging reserve	(3,404)	(3,404)	-	(4,340)	(4,340)	-
Foreign currency translation reserve	(97,620)	(97,716)	75	(91,142)	(91,142)	-
Stapled Securityholders' funds	1,382,778	1,377,825	7,348	1,143,891	1,143,901	(10)
Perpetual Securities holders' funds	99,158	99,158	-	100,259	100,259	-
	1,481,936	1,476,983	7,348	1,244,150	1,244,160	(10)

Footnotes:

- (a) The Statement of Financial Position of FH-BT relates to the hotel operations of Novotel Melbourne on Collins. No prior period comparatives are presented as the hotel business was only acquired on 19 October 2016.
- (b) In FHT's financial statements, the property, plant and equipment relates to the land, building, furniture, fittings and equipment of Novotel Melbourne on Collins. This hotel is classified as property held for own use as an owner-occupied property 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.
- (c) Derivative financial instruments (non-current assets) relate to fair value of a cross currency swap contract.
- (d) The rental deposit comprises 8 months of fixed rent under the Novotel Melbourne on Collins Master Lease Agreement ("MLA") whereby FH-BT (through its indirectly wholly-owned subsidiary FH-BT NMCS Operations Pty Ltd) pays the rental deposit to FH-REIT (through its indirectly wholly-owned subsidiary FHT Melbourne Trust 1).
- (e) The decrease was mainly due to utilisation of the 10% deposit amounting to A\$23.7million for the purchase consideration of Novotel Melbourne on Collins and the Hotel Assets which were completed on 19 and 20 October 2016 respectively.
- (f) Trade and other payables mainly comprise trade creditors, GST payable, provision for withholding tax and property tax, accruals for interest expense payable to banks, and accruals for professional fees.
- (g) The short-term unsecured borrowing includes S\$15.2 million drawn down from a revolving credit facility of S\$25 million as at 30 June 2017. For the breakdown of total borrowings into short-term and long-term borrowings, please refer to 1(b)(ii) below.
- (h) The net current liabilities position as at 30 June 2017 was mainly due to Facility A (S\$115 million) of the S\$615 million Term Loan Facilities maturing in July 2017. The REIT Manager has refinanced Facility A on 7 July 2017. Please refer to FHT's announcements on the SGX-ST dated 6 and 7 July 2017 for further details.
- (i) Derivative financial instruments (non-current liabilities) relate to fair value of cross currency swaps, cross currency interest rate swap and interest rate swaps.
- (j) This relates to S\$100 million of fixed rate subordinated perpetual securities issued in May 2016. Distribution was made to perpetual securities holders on 14 November 2016 and 12 May 2017.

1 b (ii) Aggregate Amount of Borrowings

	FHT		FHT	
	As at 30 Jun 2017		As at 30 Sep 2016	
	Secured	Unsecured	Secured	Unsecured
	S\$'000	S\$'000	S\$'000	S\$'000
Amount repayable in one year or less, or on demand *	-	130,190 ⁽¹⁾	-	128,925 ⁽¹⁾
Amount repayable after one year *	30,687 ⁽²⁾	649,336 ⁽³⁾	31,294 ⁽²⁾	649,788 ⁽³⁾

* net of transaction costs

Details of borrowings and collateral:

- (1) The unsecured borrowing was drawn from Facility A of S\$615 million Term Loan Facilities and falls due on 14 July 2017 and short-term unsecured borrowing of S\$15.2 million from a revolving credit facility of S\$25 million with DBS Bank Ltd. The Facility A of S\$615 million Term Facilities was prepaid on 7 July 2017. Please refer to FHT's announcements on the SGX-ST dated 7 July 2017 for further details.
- (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) Facility B of S\$615 million of Term Loan Facilities with loan maturing 5 years from 14 July 2014, (ii) the JPY2.35 billion Kobe Excellence TMK series 1 Bonds maturing 5 years from 14 July 2014, and (iii) A\$117.2 million of Term Loan Facility maturing 3 years from 7 July 2015.

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 2017			3Q 2016			YTD 30 June 2017			YTD 30 June 2016		
	1 Apr 2017 to 30 Jun 2017			1 Apr 2016 to 30 Jun 2016			1 Oct 2016 to 30 Jun 2017			1 Oct 2015 to 30 Jun 2016		
	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 for the Period before tax	19,987	21,355	(503)	4,923	4,924	(1)	54,117	58,625	(2,092)	37,917	37,919	(2)
Adjustments for:												
Acquisition fee paid in Stapled Securities	-	-	-	902	902	-	2,447	2,413	34	902	902	-
Amortisation of other assets	18	18	-	20	20	-	55	55	-	32	32	-
Amortisation of debt upfront costs	417	417	-	416	416	-	1,252	1,252	-	1,252	1,252	-
Depreciation	1,844	-	748	-	-	-	5,396	-	2,265	-	-	-
Finance costs	4,555	4,555	-	4,404	4,404	-	13,343	13,343	-	14,002	14,002	-
Finance income	(94)	(88)	(6)	(72)	(72)	-	(262)	(247)	(15)	(214)	(214)	-
Net change in fair value of derivative financial instruments	(1,499)	(1,499)	-	9,561	9,561	-	(12,194)	(12,194)	-	10,276	10,276	-
Net change in fair value of change in investment properties / property, plant and equipment	-	-	-	-	-	-	11,941	11,941	-	-	-	-
Other management fees paid and payable in Stapled Securities	1,110	1,110	-	725	725	-	3,551	3,551	-	2,166	2,166	-
Property management fees paid and payable in Stapled Securities	1,366	1,366	-	1,403	1,403	-	4,083	4,083	-	4,313	4,313	-
REIT Manager's management fees paid and payable in Stapled Securities	1,891	1,891	-	1,861	1,861	-	4,939	4,939	-	5,653	5,653	-
Trustee-Manager's management fees payable in Stapled Securities	24	-	24	-	-	-	45	-	45	-	-	-
Unrealised (gain)/loss on foreign exchange, net	181	182	(1)	(95)	(95)	-	(130)	(129)	(1)	(147)	(147)	-
Cash generated from/(used in) operations before working capital changes	29,800	29,307	262	24,048	24,049	(1)	88,583	87,632	236	76,152	76,154	(2)
Changes in working capital:												
Inventories	(3)	-	(3)	-	-	-	(14)	-	(14)	-	-	-
Prepayments	(23)	(55)	32	594	594	-	(16)	1	(17)	1,340	1,340	-
Trade and other receivables	219	356	(837)	(963)	(963)	-	1,345	1,340	(1,106)	(1,865)	(1,865)	-
Trade and other payables	138	1,100	(131)	3,794	3,793	1	849	822	1,655	(699)	(700)	1
Rental deposits	-	-	-	-	-	-	-	4,152	(4,092)	4,091	4,091	-
Deferred income	(382)	(382)	-	658	658	-	18	18	-	1,203	1,203	-
Cash generated from/(used in) operations	29,749	30,326	(677)	28,131	28,131	-	90,765	93,965	(3,338)	80,222	80,223	(1)
Tax paid	(628)	(628)	(5)	-	-	-	(3,353)	(3,353)	(15)	(2,372)	(2,372)	-
Interest income received	94	88	6	72	72	-	262	247	15	214	214	-
Net cash generated from/(used in) operating activities	29,215	29,786	(676)	28,203	28,203	-	87,674	90,859	(3,338)	78,064	78,065	(1)

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

Note	FHT	FH-REIT	FH-BT	FHT	FH-REIT	FH-BT	FHT	FH-REIT	FH-BT	FHT	FH-REIT	FH-BT
	3Q 2017			3Q 2016			YTD 30 June 2017			YTD 30 June 2016		
	1 Apr 2017 to 30 Jun 2017			1 Apr 2016 to 30 Jun 2016			1 Oct 2016 to 30 Jun 2017			1 Oct 2015 to 30 Jun 2016		
	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												
Acquisition of investment properties	-	-	-	(93,361)	(93,361)	-	-	(231,120)	-	(93,361)	(93,361)	-
Additions to investment properties	(3,701)	(3,710)	-	(1,819)	(1,819)	-	(5,040)	(5,075)	-	(7,860)	(7,860)	-
Acquisition of other assets	-	-	-	(7)	(7)	-	-	-	-	(31)	(31)	-
Acquisition of hotel assets, net of cash	-	-	-	-	-	-	(2,762)	-	(2,762)	-	-	-
Acquisition of property, plant & equipment	(114)	-	-	-	-	-	(231,641)	-	(333)	-	-	-
Net cash used in investing activities	(3,815)	(3,710)	-	(95,187)	(95,187)	-	(239,443)	(236,195)	(3,095)	(101,252)	(101,252)	-
CASH FLOWS FROM FINANCING ACTIVITIES												
Distribution paid to Stapled Securityholders	(46,732)	(46,692)	(40)	(41,582)	(41,582)	-	(89,605)	(89,565)	(40)	(63,121)	(63,121)	-
Distribution paid to Perpetual Securities holders	(2,206)	(2,206)	-	-	-	-	(4,449)	(4,449)	-	-	-	-
Finance costs paid	(3,745)	(3,745)	-	(5,061)	(5,061)	-	(12,861)	(12,861)	-	(14,515)	(14,515)	-
Issuance of perpetual securities	-	-	-	100,000	100,000	-	-	-	-	100,000	100,000	-
Issue costs in relation to Perpetual Securities	-	-	-	(1,373)	(1,373)	-	(43)	(43)	-	(1,373)	(1,373)	-
Issue costs in relation to Rights Issue	(186)	(210)	24	-	-	-	(3,019)	(2,949)	(70)	-	-	-
Proceeds from borrowings, net of debt upfront costs	15,200	15,200	-	-	-	-	15,200	15,200	-	1,128	1,128	-
Proceeds from Rights Issue	-	-	-	-	-	-	266,254	256,898	9,356	-	-	-
Repayment of borrowings	-	-	-	-	-	-	(14,150)	(14,150)	-	-	-	-
Net cash (used in)/generated from financing activities	(37,669)	(37,653)	(16)	51,984	51,984	-	157,327	148,081	9,246	21,954	21,954	-
Net (decrease)/increase in cash and cash equivalents	(12,269)	(11,577)	(692)	(15,000)	(15,000)	-	5,558	2,745	2,813	(1,234)	(1,233)	(1)
Cash and cash equivalents at beginning of the financial Period/year	79,985	76,476	3,509	66,092	66,083	9	64,385	64,381	4	52,308	52,298	10
Effect of exchange rate changes on cash and cash equivalents	(209)	(209)	-	(5)	(5)	-	(2,436)	(2,436)	-	13	13	-
Cash and cash equivalents at end of the financial Period	67,507	64,690	2,817	51,087	51,078	9	67,507	64,690	2,817	51,087	51,078	9

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 2017			As at 30 Jun 2016		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Cash and cash equivalent comprise:						
Cash and bank balances	61,349	58,532	2,817	47,166	47,157	9
Fixed deposits	6,158	6,158	-	3,921	3,921	-
Cash and cash equivalents	67,507	64,690	2,817	51,087	51,078	9

Footnote:

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

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

		Attributable to Stapled Securityholders of the Trust							
		Stapled Securities in issue	Issue costs	Revenue reserves	Hedging reserve	Foreign currency translation reserve	Total	Perpetual Securities holders' funds	Total
FHT	Note	S\$'000	S\$'000	S\$'000	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)
Total comprehensive income for the Period, net of tax		-	-	-	2,478	(5,367)	(2,889)	-	(2,889)
<u>Contributions by and distributions to Stapled Securityholders</u>									
Issue costs		-	(2,282)	-	-	-	(2,282)	-	(2,282)
REIT Manager's management fee paid in Stapled Securities		6,898	-	-	-	-	6,898	-	6,898
Trustee-Manager's management fee payable in Stapled Securities	(a)	21	-	-	-	-	21	-	21
Other management fee paid in Stapled Securities		3,959	-	-	-	-	3,959	-	3,959
Property management fee 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)
Total comprehensive income for the Period, net of tax		-	-	-	(1,542)	(1,111)	(2,653)	-	(2,653)
<u>Contributions by and distributions to Stapled Securityholders</u>									
REIT Manager's management fee payable in Stapled Securities	(a)	1,891	-	-	-	-	1,891	-	1,891
Trustee-Manager's management fee payable in Stapled Securities	(a)	24	-	-	-	-	24	-	24
Other management fee payable in Stapled Securities	(a)	1,110	-	-	-	-	1,110	-	1,110
Property management fee payable in Stapled Securities	(a)	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)

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

Footnote:

- (a) This represents Stapled Securities to be issued as payment of management fees in lieu of cash for the period from 1 April 2017 to 30 June 2017 i.e. REIT Manager's management fee, Trustee-Manager's management fee, MIT Manager's management fee and property management fee.

2,352,365 Stapled Securities and 1,878,680 Stapled Securities relating to base management fee and property management fee for the period from 1 April 2017 to 30 June 2017 will be issued in November 2017. Stapled Securities relating to performance management fee for the period from 1 October 2016 to 30 June 2017 will be issued in November 2017.

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

Note	Attributable to							
	Stapled Securityholders of the Trust						Perpetual Securities holders' funds	
	Stapled Securities in issue	Issue costs	Revenue reserves	Hedging reserve	Foreign currency translation reserve	Total	Total	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
FHT								
At 1 Oct 2015	1,185,539	(23,686)	63,280	6,599	(59,450)	1,172,282	-	
Total return for the Period, net of tax	-	-	31,449	-	-	31,449	-	
<u>Other comprehensive income</u>								
Effective portion of changes in fair value of cash flow hedges	-	-	-	(6,246)	-	(6,246)	-	
Net change in fair value of cash flow hedges reclassified to total return	-	-	-	(461)	-	(461)	-	
Foreign currency translation differences	-	-	-	-	(19,822)	(19,822)	-	
Total comprehensive income for the Period, net of tax	-	-	-	(6,707)	(19,822)	(26,529)	-	
<u>Contributions by and distributions to Stapled Securityholders</u>								
REIT Manager's management fee paid in Stapled Securities	4,016	-	-	-	-	4,016	-	
Other management fee paid in Stapled Securities	957	-	-	-	-	957	-	
Property management fees paid in Stapled Securities	3,244	-	-	-	-	3,244	-	
Distributions to Stapled Securityholders	-	-	(21,539)	-	-	(21,539)	-	
Total contributions by and distributions to Stapled Securityholders	8,217	-	(21,539)	-	-	(13,322)	-	
At 31 Mar 2016	1,193,756	(23,686)	73,190	(108)	(79,272)	1,163,880	-	
Total return for the Period, net of tax	-	-	3,192	-	-	3,192	-	
Total return for the Period attributable to Perpetual Securities holders	-	-	(610)	-	-	(610)	-	
<u>Other comprehensive income</u>								
Effective portion of changes in fair value of cash flow hedges	-	-	-	(3,153)	-	(3,153)	-	
Net change in fair value of cash flow hedges reclassified to total return	-	-	-	(568)	-	(568)	-	
Foreign currency translation differences	-	-	-	-	(26,283)	(26,283)	-	
Total comprehensive income for the Period, net of tax	-	-	-	(3,721)	(26,283)	(30,004)	-	
<u>Contributions by and distributions to Stapled Securityholders</u>								
REIT Manager's management fee paid in Stapled Securities	3,792	-	-	-	-	3,792	-	
Other management fee paid in Stapled Securities	1,441	-	-	-	-	1,441	-	
Property management fees paid in Stapled Securities	2,910	-	-	-	-	2,910	-	
Acquisition fee paid in Stapled Securities	902	-	-	-	-	902	-	
Distributions to Stapled Securityholders	-	-	(42,058)	-	-	(42,058)	-	
Total contributions by and distributions to Stapled Securityholders	9,045	-	(42,058)	-	-	(33,013)	-	
At 30 Jun 2016	1,202,801	(23,686)	33,714	(3,829)	(105,555)	1,103,445	-	
At 1 Apr 2016								
<u>Contributions by and distributions to Perpetual Securities holders</u>								
Issue of perpetual securities	-	-	-	-	-	-	100,000	
Issue expenses	-	-	-	-	-	-	(1,600)	
Total return for the Period attributable to Perpetual Securities holders	-	-	-	-	-	-	610	
Distribution to Perpetual Securities holders	-	-	-	-	-	-	-	
Perpetual Securities holders' funds at 30 Jun 2016	-	-	-	-	-	-	99,010	
At 30 Jun 2016	1,202,801	(23,686)	33,714	(3,829)	(105,555)	1,103,445	99,010	

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

		Attributable to Stapled Securityholders of the Trust							
		Stapled Securities in issue	Issue costs	Revenue reserves	Hedging reserve	Foreign currency translation reserve	Total	Perpetual Securities holders' funds	Total
Note		S\$'000	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)
Total comprehensive income for the Period, net of tax		-	-	-	2,478	(5,583)	(3,105)	-	(3,105)
<u>Contributions by and distributions to Stapled Securityholders</u>									
Issue costs		-	(2,277)	-	-	-	(2,277)	-	(2,277)
REIT Manager's management fee paid in Stapled Securities		6,898	-	-	-	-	6,898	-	6,898
Other management fee paid in Stapled Securities		3,959	-	-	-	-	3,959	-	3,959
Property management fee 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)
Total comprehensive income for the Period, net of tax		-	-	-	(1,542)	(991)	(2,533)	-	(2,533)
<u>Contributions by and distributions to Stapled Securityholders</u>									
REIT Manager's management fee payable in Stapled Securities		(a) 1,891	-	-	-	-	1,891	-	1,891
Other management fee payable in Stapled Securities		(a) 1,110	-	-	-	-	1,110	-	1,110
Property management fee payable in Stapled Securities		(a) 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)

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

Footnote:

(a) This represents Stapled Securities to be issued as payment of management fees in lieu of cash for the period from 1 April 2017 to 30 June 2017 i.e. REIT Manager's management fee, MIT Manager's management fee and property management fee .

2,339,065 Stapled Securities and 1,878,680 Stapled Securities relating to base management fee and property management fee for the period from 1 April 2017 to 30 June 2017 will be issued in November 2017. Stapled Securities relating to performance management fee for the period from 1 October 2016 to 30 June 2017 will be issued in November 2017.

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

Note	Attributable to							
	Stapled Securityholders of the Trust					Total	Perpetual Securities holders' funds	
	Stapled Securities in issue	Issue costs	Revenue reserves	Hedging reserve	Foreign currency translation reserve		Total	holders' funds
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
FH-REIT								
At 1 Oct 2015	1,185,529	(23,686)	63,282	6,599	(59,450)	1,172,274	-	1,172,274
Total return for the Period, net of tax	-	-	31,450	-	-	31,450	-	31,450
<u>Other comprehensive income</u>								
Effective portion of changes in fair value of cash flow hedges	-	-	-	(6,246)	-	(6,246)	-	(6,246)
Net change in fair value of cash flow hedges reclassified to total return	-	-	-	(461)	-	(461)	-	(461)
Foreign currency translation differences	-	-	-	-	(19,822)	(19,822)	-	(19,822)
Total comprehensive income for the Period, net of tax	-	-	-	(6,707)	(19,822)	(26,529)	-	(26,529)
<u>Contributions by and distributions to Stapled Securityholders</u>								
REIT Manager's management fee paid in Stapled Securities	4,016	-	-	-	-	4,016	-	4,016
Other management fee paid in Stapled Securities	957	-	-	-	-	957	-	957
Property management fees paid in Stapled Securities	3,244	-	-	-	-	3,244	-	3,244
Distributions to Stapled Securityholders	-	-	(21,539)	-	-	(21,539)	-	(21,539)
Total contributions by and distributions to Stapled Securityholders	8,217	-	(21,539)	-	-	(13,322)	-	(13,322)
At 31 Mar 2016	1,193,746	(23,686)	73,193	(108)	(79,272)	1,163,873	-	1,163,873
Total return for the Period, net of tax	-	-	3,193	-	-	3,193	-	3,193
Total return for the Period attributable to Perpetual Securities holders	-	-	(610)	-	-	(610)	-	(610)
<u>Other comprehensive income</u>								
Effective portion of changes in fair value of cash flow hedges	-	-	-	(3,153)	-	(3,153)	-	(3,153)
Net change in fair value of cash flow hedges reclassified to total return	-	-	-	(568)	-	(568)	-	(568)
Foreign currency translation differences	-	-	-	-	(26,283)	(26,283)	-	(26,283)
Total comprehensive income for the Period, net of tax	-	-	-	(3,721)	(26,283)	(30,004)	-	(30,004)
<u>Contributions by and distributions to Stapled Securityholders</u>								
REIT Manager's management fee paid in Stapled Securities	3,792	-	-	-	-	3,792	-	3,792
Other management fee paid in Stapled Securities	1,441	-	-	-	-	1,441	-	1,441
Property management fees paid in Stapled Securities	2,910	-	-	-	-	2,910	-	2,910
Acquisition fee paid in Stapled Securities	902	-	-	-	-	902	-	902
Distributions to Stapled Securityholders	-	-	(42,058)	-	-	(42,058)	-	(42,058)
Total contributions by and distributions to Stapled Securityholders	9,045	-	(42,058)	-	-	(33,013)	-	(33,013)
At 30 Jun 2016	1,202,791	(23,686)	33,718	(3,829)	(105,555)	1,103,439	-	1,103,439
At 1 Apr 2016								
<u>Contributions by and distributions to Perpetual Securities holders</u>								
Issue of perpetual securities	-	-	-	-	-	-	100,000	100,000
Issue expenses	-	-	-	-	-	-	(1,600)	(1,600)
Total return for the Period attributable to Perpetual Securities holders	-	-	-	-	-	-	610	610
Perpetual Securities holders' funds at 30 Jun 2016	-	-	-	-	-	-	99,010	99,010
At 30 Jun 2016	1,202,791	(23,686)	33,718	(3,829)	(105,555)	1,103,439	99,010	1,202,449

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

		Attributable to Stapled Securityholders of the Trust							
	Note	Stapled Securities in issue	Issue costs	Revenue reserves	Hedging reserve	Foreign currency translation reserve	Total	Perpetual Securities holders' funds	Total
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
FH-BT									
At 1 Oct 2016									
Total return for the Period, net of tax		10	-	(20)	-	-	(10)	-	(10)
		-	-	(1,599)	-	-	(1,599)	-	(1,599)
<u>Other comprehensive income</u>									
Foreign currency translation differences		-	-	-	-	217	217	-	217
<u>Contributions by and distributions to Stapled Securityholders</u>									
Issue costs		-	(5)	-	-	-	(5)	-	(5)
Trustee-Manager's management fee 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)
<u>Contributions by and distributions to Stapled Securityholders</u>									
Trustee-Manager's management fee payable in Stapled Securities	(a)	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

Footnote:

- (a) This represents Stapled Securities to be issued as payment of Trustee-Manager's management fee in lieu of cash for the period from 1 April 2017 to 30 June 2017. 13,300 Stapled Securities relating to base management fee for the period from 1 April 2017 to 30 June 2017 will be issued in November 2017. Stapled Securities relating to performance management fee for the period from 1 October 2016 to 30 June 2017 will be issued in November 2017.

		Attributable to Stapled Securityholders of the Trust							
	Note	Stapled Securities in issue	Issue costs	Revenue reserves	Hedging reserve	Foreign currency translation reserve	Total	Perpetual Securities holders' funds	Total
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
FH-BT									
At 1 Oct 2015									
Total return for the Period, net of tax		10	-	(2)	-	-	8	-	8
		-	-	(1)	-	-	(1)	-	(1)
At 31 Mar 2016									
		10	-	(3)	-	-	7	-	7
Total return for the Period, net of tax		-	-	(1)	-	-	(1)	-	(1)
Stapled Securityholders' funds at 30 Jun 2016									
		10	-	(4)	-	-	6	-	6

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

	FHT		FHT	
	3Q 2017	3Q 2016	YTD 30 June 2017	YTD 30 June 2016
	1 Apr 2017 to 30 Jun 2017	1 Apr 2016 to 30 Jun 2016	1 Oct 2016 to 30 Jun 2017	1 Oct 2015 to 30 Jun 2016
Note	No. of Stapled Securities	No. of Stapled Securities	No. of Stapled Securities	No. of Stapled Securities
Balance at beginning of the Period	1,836,362,631	1,368,026,070	1,379,841,506	1,357,378,521
- As payment of REIT Manager's management fee	3,429,123	4,944,341	8,141,792	10,189,293
- As payment of Trustee-Manager's management fee	28,035	-	28,035	-
- As payment of other management fee	1,702,226	1,869,776	3,848,946	3,143,006
- As payment of property management fee	4,051,700	3,842,173	8,115,549	7,971,540
- As payment of acquisition fee	-	1,159,146	4,048,606	1,159,146
- Rights Issue	-	-	441,549,281	-
Issued Stapled Securities at the end of the Period	1,845,573,715	1,379,841,506	1,845,573,715	1,379,841,506
Issuable Stapled Securities				
As payment of REIT Manager's management fee (a)	4,275,721	2,412,421	4,275,721	2,412,421
As payment of Trustee-Manager's management fee (b)	36,323	-	36,323	-
As payment of other management fee (c)	3,312,404	940,017	3,312,404	940,017
As payment of property management fee (a)	1,878,680	1,818,381	1,878,680	1,818,381
Total issued and issuable Stapled Securities	1,855,076,843	1,385,012,325	1,855,076,843	1,385,012,325

Footnotes:

- (a) This represents 100% of the REIT Manager's base management fee, property management fee for 3Q 2017 and performance fee for the period from 1 October 2016 to 30 June 2017 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 for 3Q 2017 and performance fee for the period from 1 October 2016 to 30 June 2017 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 for 3Q 2017 and performance fee for the period from 1 October 2016 to 30 June 2017 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.

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 2016 except for the adoption of new or revised FRSS that are mandatory for the financial year beginning on or after 1 October 2016. Such adoption has no significant impact on the financial position or performance of FHT for this reporting period.

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 2016, except for the adoption of new or revised FRSs that are mandatory for financial year beginning on or after 1 October 2016. The adoption of these FRSs has no significant impact on the financial position or performance of FHT as at 30 June 2017 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 2017

Group earnings per stapled security

	Note	FHT			FHT		
		3Q 2017	3Q 2016	3Q 2016	YTD 30 June 2017	YTD 30 June 2016	YTD 30 June 2016
		1 Apr 2017 to 30 Jun 2017	1 Apr 2016 to 30 Jun 2016 ^(b) As restated	1 Apr 2016 to 30 Jun 2016 As previously reported	1 Oct 2016 to 30 Jun 2017	1 Oct 2015 to 30 Jun 2016 ^(b) As restated	1 Oct 2015 to 30 Jun 2016 As previously reported
Total return for the Period after tax (S\$'000)		18,277	3,192	3,192	50,001	34,641	34,641
Less: Total return for the Period after tax attributable to Perpetual Securities holders (S\$'000)		(1,109)	(610)	(610)	(3,328)	(610)	(610)
Total return for the Period after tax attributable to Stapled Securityholders (S\$'000)		17,168	2,582	2,582	46,673	34,031	34,031
Basic EPS							
Weighted average number of Stapled Securities in issue	(a)	1,845,620,210	1,452,962,250	1,378,914,539	1,814,842,033	1,445,423,606	1,371,760,089
EPS based on weighted average number of Stapled Securities in issue (cents)		0.93	0.17	0.19	2.57	2.35	2.49
Dilutive EPS							
Weighted average number of Stapled Securities in issue	(a)	1,855,076,843	1,458,367,423	1,384,044,247	1,855,076,843	1,456,881,727	1,382,634,267
EPS based on weighted average number of Stapled Securities in issue (cents)		0.92	0.17	0.19	2.51	2.33	2.47

Footnotes:

- (a) The weighted average number of Stapled Securities is weighted for Stapled Securities in 3Q 2017, 3Q 2016, YTD 30 June 2017 and YTD 30 June 2016 respectively.
- (b) The weighted average number of Stapled Securities and EPS have been restated to reflect the effect of bonus element pursuant to the Rights Issue.

6 Earnings per Stapled Security ("EPS") and Distribution per Stapled Security ("DPS") for the financial period ended 30 June 2017 (Cont'd)

Group distribution per stapled security

	FHT			YTD 30 June 2017	FHT	
	3Q 2017	3Q 2016			YTD 30 June 2016	
	1 Apr 2017 to 30 Jun 2017	1 Apr 2016 to 30 Jun 2016			1 Oct 2015 to 30 Jun 2016	
		As restated ^(b)	As previously reported	1 Oct 2016 to 30 Jun 2017	As restated ^(b)	As previously reported
Total number of issued and issuable Stapled Securities at end of Period	1,855,076,843 ^(a)	1,830,563,585	1,385,012,325	1,855,076,843 ^(a)	1,830,563,585	1,385,012,325
Distribution to Stapled Securityholders (S\$'000)	22,958	20,950	20,950	69,678	63,008	63,008
DPS based on the total number of Stapled Securities entitled to distribution (cents)	1.2374	1.1444	1.5126	3.7695	4.0396	4.5632

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 2017 of 1,845,573,715; and

(ii) The estimated number of Stapled Securities to be issued to the REIT Manager, Trustee-Manager, MIT Manager and Property Manager as consideration for base management fee, property management fee for 3Q 2017 and performance management fee payable for the period from 1 October 2016 to 30 June 2017 of 9,503,128.

** 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 2017 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.

(b) The number of Stapled Securities entitled for distribution and DPS have been restated to reflect the effect of bonus element pursuant to the Rights Issue.

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 2017	As at 30 Sep 2016
Number of Stapled Securities issued at end of the Period	1,845,573,715	1,379,841,506
Net asset value (S\$'000)	1,382,778	1,143,891
Net asset value per stapled security (cents)	74.92	82.90

(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 2017	As at 30 Sep 2016
Number of Stapled Securities issued at end of the Period	1,845,573,715	1,379,841,506
Net tangible asset (S\$'000)	1,382,778	1,143,891
Net tangible asset value per stapled security (cents)	74.92	82.90

8 Review of performance

(a) 3Q 2017 VS 3Q 2016

		FH-REIT			FH-BT		
		Master Lessees - Gross Operating Revenue			Gross Operating Revenue		
		3Q 2017	3Q 2016	Change	3Q 2017	3Q 2016	Change
		1 Apr 2017 to 30 Jun 2017	1 Apr 2016 to 30 Jun 2016		1 Apr 2017 to 30 Jun 2017	1 Apr 2016 to 30 Jun 2016	
		LC\$'000	LC\$'000	%	LC\$'000	LC\$'000	%
Singapore	SGD	20,925	20,811	0.5	-	-	N/A
Malaysia	MYR	22,074	19,873	11.1	-	-	N/A
Japan	JPY	1,658,024	1,583,189	4.7	-	-	N/A
Australia ^(a)	AUD	22,824	21,599	5.7	8,701	N/A	NM
United Kingdom	GBP	6,598	6,272	5.2	-	-	N/A
Germany ^(b)	EUR	2,836	1,485	91.0	-	-	N/A

		FH-REIT			FH-BT		
		Master Lessees - Gross Operating Profit			Gross Operating Profit		
		3Q 2017	3Q 2016	Change	3Q 2017	3Q 2016	Change
		1 Apr 2017 to 30 Jun 2017	1 Apr 2016 to 30 Jun 2016		1 Apr 2017 to 30 Jun 2017	1 Apr 2016 to 30 Jun 2016	
		LC\$'000	LC\$'000	%	LC\$'000	LC\$'000	%
Singapore	SGD	8,225	8,362	(1.6)	-	-	N/A
Malaysia	MYR	7,474	5,388	38.7	-	-	N/A
Japan	JPY	494,200	418,041	18.2	-	-	N/A
Australia ^(a)	AUD	8,849	8,599	2.9	4,628	N/A	NM
United Kingdom	GBP	3,666	3,652	0.4	-	-	N/A
Germany ^(b)	EUR	1,223	574	>100.0	-	-	N/A

Footnotes:

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

(b) The acquisition of Maritim Hotel Dresden, Germany was completed on 15 June 2016.

Operational Performance

(a) Review of performance for 3Q 2017 compared to 3Q 2016

During the financial quarter under review ended 30 June 2017 ("3Q FY2017"), gross revenue ("GR") increased by 22.6% to \$38.9 million while net property income ("NPI") increased by 8.5% to \$29.3 million compared to same time last year ("3Q FY2016"). Distributable income ("DI") registered 9.6% increase year-on-year ("yoy") to S\$23.0 million. Distribution per Stapled Security ("DPS") declined 18.2% yoy to 1.24 cents due to enlarged Stapled Security base of 1,855.1 million post-Rights Issue.

In 3Q FY2017, the Australia portfolio recorded a significant yoy increase of 46.0% and 56.7% in gross operating revenue ("GOR") and gross operating profit ("GOP") respectively, boosted by the addition of Novotel Melbourne on Collins ("NMOC"). Average revenue per available room ("RevPAR") for the portfolio remained stable in 3Q FY2017, even though refurbishment works on NRDH commenced in Apr 2017, which affected the overall portfolio occupancy. Sydney and Melbourne continued to enjoy a busy events calendar, with Sydney in particular benefitting from the opening of the International Convention Centre. RevPAR for FHT's Sydney and Melbourne properties increased by 7.3% and 2.5% respectively yoy for the quarter.

The Singapore portfolio reported yoy GOR growth of 0.5% in 3Q FY2017 due to the higher occupancy rate at InterContinental Singapore ("ICSG") and Fraser Suites Singapore ("FSSG"). However, GOP declined 1.6% yoy due to higher operating cost in ICSG. ICSG recorded higher RevPAR yoy on the back of occupancy gains. Covers in the F&B outlets also increased yoy due mainly to a step up in marketing efforts. While RevPAR for FSSG grew in the quarter, it continues to face weakness in corporate demand and is actively reaching out to other industries such as engineering, government and manufacturing.

8 Review of performance (cont'd)

Operational Performance (cont'd)

(a) Review of performance for 3Q 2017 compared to 3Q 2016 (cont'd)

GOR and GOP of the UK portfolio improved 5.2% and 0.4% yoy respectively, with improved market sentiment vis-a-vis 3Q FY2016. Higher ADR and occupancy contributed to 5.5% yoy growth in RevPAR. While the portfolio performance has improved, GOP growth remains under pressure from minimum wage increment.

GOR and GOP of the ANA Crowne Plaza Kobe ("ANA CPK") increased 4.7% and 18.2% yoy respectively in 3Q FY2017 as a result of improved banquet and F&B revenues. However, the property remains cautious as the strength of the Japanese yen continues to affect international arrivals in the Kansai region, leading to less spill-over traffic from Osaka. The property remains focused on increasing revenue from conferences and events to improve performance.

In 3Q FY2017, RevPAR of The Westin Kuala Lumpur ("WKL") was 11.2% higher yoy on the back of higher ADR and occupancy. Stronger transient and corporate demand as well as the renovation works at a competing hotel led to higher occupancy at WKL yoy while improved consumer sentiment led to an increase in F&B outlet covers and revenue. Banquet revenue increased on the back of improved demand for corporate and social events at the hotel.

(b) YTD 30 June 2017 vs YTD 30 June 2016

		FH-REIT			FH-BT		
		Master Lessees - Gross Operating Revenue			Gross Operating Revenue		
		YTD 30 June 2017	YTD 30 June 2016	Change	YTD 30 June 2017	YTD 30 June 2016	Change
		1 Oct 2016 to 30 Jun 2017	1 Oct 2015 to 30 Jun 2016		1 Oct 2016 to 30 Jun 2017	1 Oct 2015 to 30 Jun 2016	
		LC\$'000	LC\$'000	%	LC\$'000	LC\$'000	%
Singapore	SGD	64,657	63,356	2.1	-	-	N/A
Malaysia	MYR	70,348	67,803	3.8	-	-	N/A
Japan	JPY	4,845,891	4,910,541	(1.3)	-	-	N/A
Australia ^(a)	AUD	73,394	69,058	6.3	23,813	N/A	NM
United Kingdom	GBP	17,659	16,845	4.8	-	-	N/A
Germany ^(b)	EUR	7,592	1,485	>100.0	-	-	N/A

		FH-REIT			FH-BT		
		Master Lessees - Gross Operating Profit			Gross Operating Profit		
		YTD 30 June 2017	YTD 30 June 2016	Change	YTD 30 June 2017	YTD 30 June 2016	Change
		1 Oct 2016 to 30 Jun 2017	1 Oct 2015 to 30 Jun 2016		1 Oct 2016 to 30 Jun 2017	1 Oct 2015 to 30 Jun 2016	
		LC\$'000	LC\$'000	%	LC\$'000	LC\$'000	%
Singapore	SGD	25,744	25,561	0.7	-	-	N/A
Malaysia	MYR	23,428	21,585	8.5	-	-	N/A
Japan	JPY	1,370,548	1,316,190	4.1	-	-	N/A
Australia ^(a)	AUD	32,305	29,490	9.5	12,381	N/A	NM
United Kingdom	GBP	9,379	9,274	1.1	-	-	N/A
Germany ^(b)	EUR	3,040	574	>100.0	-	-	N/A

Footnotes:

(a) The GOR and GOP of Novotel Melbourne on Collins are excluded from FH-REIT and reflected under FH-BT.

(b) The acquisition of Maritim Hotel Dresden, Germany was completed on 15 June 2016.

8 **Review of performance (cont'd)**

Operational Performance

(a) Review of performance for YTD 30 June 2017 compared to YTD 30 June 2016

During the financial period under review from 1 October 2016 to 30 June 2017 ("9M FY2017"), GR increased 29.9% to S\$117.1 million while NPI increased 17.4% to S\$88.7 million compared to same period last year ("9M FY2016"). DI grew 10.6% yoy to S\$69.7 million. DPS registered a decline of 17.4% at 3.77 cents, due to the enlarged Stapled Security base of 1,855.1 million post-Rights Issue

For 9M FY2017, the Australia portfolio, with the addition of NMOC, continued to achieve robust performance. GOR and GOP for the portfolio increased by 40.8% and 51.5% respectively. Excluding NMOC, GOR and GOP grew 6.3% and 9.5% respectively. The strong performance was due to the continued growth in international corporate and leisure demand into Sydney and Melbourne, which are key gateway cities of Australia.

The Singapore portfolio saw a yoy increase in GOR and GOP of 2.1% and 0.7% respectively. ICSG reported better performance due to higher occupancy levels following the completion of its renovation while FSSG's performance for 9M FY2017 declined due to continued weakness in the corporate demand for long stays.

For 9M FY2017, the UK portfolio recorded a yoy improvement in GOR and GOP of 4.8% and 1.1% respectively on the back of higher RevPAR.

ANA CPK's GOR declined 1.3% in GOR yoy to JPY4,845.9 million. However, GOP increased 4.1% yoy to JPY1,370.5 million due to higher banquet revenue.

GOR and GOP of The WKL grew 3.8% and 8.5% yoy respectively for 9M FY2017. The property recorded healthy gains in ADR and occupancy. In addition, the hosting of more corporate and social events resulted in higher banquet revenues, which led to the overall improved results.

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 of 6.9% in international arrivals for January to May 2017, with Chinese visitors growing by 7.2%. Sydney's healthy performance is expected to continue, with growth fuelled by both corporate demand and a busy events calendar¹. Melbourne's accommodation market has experienced a robust level of growth over the last five years, capitalising on the city's extensive events calendar. Notwithstanding this, the underlying market buoyancy is anticipated to moderate slightly as new supply pipeline continues to build².

For the first four months of 2017, Singapore Tourism Board reported a 4.4% growth yoy in visitor arrivals, with China and Indonesia being the top source markets for travellers. Singapore continues to grow its pipeline of MICE events which include the 5th Annual Worldwide Nursing Conference 2017, BuildTech Asia 2017, CAPA Asia Aviation and Corporate Travel Summit, and Aviation Week's MRO Asia Conference and Exhibition. However, the large hotel supply pipeline, increasing regional competition and ongoing global economic uncertainty may continue to impact hotel trading performance in Singapore³.

According to Visit Britain, the UK received 15.5 million overseas visitors for January to May 2017, up 9.0% yoy. The UK remains an attractive global destination and tourism arrivals are expected to grow 4.0% in 2017, with London being the most visited city in the country. While more hotel rooms are due to open in London this year, the expected increase in visitors is likely to absorb the extra supply⁴. In view of the rising confidence in the Scottish economy and its tourism going from strength to strength, Edinburgh looks to capitalise on this positive outlook and is benefitting from significant developments including the £850 million St James development⁵.

For January to June 2017, Japan National Tourism Organization recorded a 17.4% increase in foreign visitors, with the number of Korean and Chinese visitors growing 42.5% and 6.7% yoy respectively. The new Kansai Terminal 2, which is designated for low-cost carriers, has commenced operations since Jan 2017 and is expected to boost Osaka's incoming tourism numbers⁶. Osaka is likely to see a jump in new supply this year and room rates are expected to continue rising albeit at a slower pace⁷.

According to Tourism Malaysia, tourist arrivals for the first three months of 2017 declined marginally by 0.5% yoy to 6.6 million. Chinese tourists grew 7.5% yoy for the same period. Tourism Malaysia is targeting 31.8 million international arrivals for 2017, representing a yoy growth of over 18%. Despite the government's continued commitment to promote Kuala Lumpur as a key MICE destination, oversupply of hotel rooms remains a concern⁸.

The Federal Statistical Office of Germany recorded a yoy increase of 3.0% in the number of domestic and foreign overnight stays for the first four months of 2017⁹. In Dresden, the total number of domestic and foreign visitors rose 6.4% yoy for January to April 2017¹⁰. The capital city of the Free State of Saxony continues to grow its pipeline of MICE events including the 14th European Conference on Molecular Electronics, Cryogenics Conferences, Börsentag Dresden and HAUS.

¹ Source: JLL – Asia Pacific Property Digest, Q1 2017

² Source: JLL – Hotel Destinations Asia Pacific, May 2017

³ Source: JLL – Hotel Destinations Asia Pacific, May 2017

⁴ Source: JLL – Hotel Intelligence, March 2017

⁵ Source: JLL – Hotel Intelligence, March 2017

⁶ Source: JLL – Hotel Destinations Asia Pacific, May 2017

⁷ Source: Savills – Spotlight: Japan Hospitality – February 2017

⁸ Source: JLL – Hotel Destinations Asia Pacific, May 2017

⁹ Source: www.destatis.de

¹⁰ 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 Use of proceeds

(i) Use of Rights Issue proceeds raised on 17 October 2016

The Managers had on 9 September 2016 launched the Rights Issue and had on 20 October 2016, 27 October 2016, 25 November 2016, 29 December 2016 and 3 July 2017 made announcements in respect of the use of proceeds from the Rights Issue¹.

As of 3 July 2017, the proceeds from the Rights Issue have been fully utilised.

¹Please refer to FHT's announcements on the SGX-ST dated 20 October 2016, 27 October 2016, 25 November 2016, 29 December 2016 and 3 July 2017 for further details.

15 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"ⁱⁱ 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"ⁱⁱⁱ ("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 AUD252.0million.

15 Additional information - FHT's interests in Australia Land Trust (cont'd)

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); 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}

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 2017, the value of the Australian assets comprised in FHT's portfolio is 31.01% of the total asset value of FHT. Consequently, FHT is not considered to be an ALT.

As at 30 June 2017, FHT has gross Australian assets of approximately AUD 703.3 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.

17 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.

18 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 the REIT Manager and the Trustee-Manager which may render these financial results for the period from 1 October 2016 to 30 June 2017 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 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
27 July 2017

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.