

About Ascendas Hospitality Trust

Ascendas Hospitality Trust (“A-HTRUST”) is a stapled trust comprising Ascendas Hospitality Real Estate Investment Trust (“A-HREIT”) and Ascendas Hospitality Business Trust (“A-HBT”). A-HTRUST was listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”) on 27 July 2012.

A-HTRUST is managed by Ascendas Hospitality Trust Management Pte Ltd. (the “Trustee-Manager”) and Ascendas Hospitality Fund Management Pte Ltd. (the “REIT Manager”)(Trustee-Manager and REIT Manager collectively “Managers”), both being part of the Ascendas-Singbridge group which manages a portfolio of more than 58 million square feet of business space across Asia.

A-HTRUST is established with the principal investment strategy of investing, directly or indirectly, in a diversified portfolio of income-producing real estate used predominantly for hospitality purposes located across Asia, Australia and New Zealand, as well as real estate-related assets in connection with the foregoing.

A-HTRUST has a portfolio of 11 quality hotels across China, Japan, Australia and Singapore (“Portfolio”) of more than 4,000 rooms.

Hotel	Country/City	Number of rooms
Courtyard by Marriott Sydney – North Ryde ⁽¹⁾	Australia/Sydney	196
Pullman Sydney Hyde Park ⁽¹⁾	Australia/Sydney	241
Novotel Sydney Central ⁽¹⁾	Australia/Sydney	255
Novotel Sydney Parramatta ⁽¹⁾	Australia/Sydney	194
Pullman and Mercure Melbourne Albert Park ⁽¹⁾	Australia/Melbourne	378

Hotel	Country/City	Number of rooms
Pullman and Mercure Brisbane King George Square ⁽¹⁾	Australia/Brisbane	438
Hotel Sunroute Ariake and Oakwood Apartments (“Sunroute and Oakwood Ariake”)	Japan/Tokyo	912
Hotel Sunroute Osaka Namba (“Osaka Namba”)	Japan/Osaka	698
Novotel Beijing Sanyuan	China/Beijing	306
Ibis Beijing Sanyuan	China/Beijing	397
Park Hotel Clarke Quay	Singapore	336

⁽¹⁾ Collectively these hotels comprise the Ascendas Australia Hotel Fund (“AAHF”)

Distribution Policy

A-HTRUST’s distribution policy is to distribute at least 90% of its distributable income with the actual level of distribution to be determined at the Managers’ discretion. In FY2015/16, the Managers retained approximately 5% of the distributable income. The Managers expect to continue to retain approximately 5% of distributable income for FY2016/17.

A-HTRUST makes distributions to Stapled Securityholders on a semi-annual basis, with the amount calculated as at 30 September and 31 March each year for the six-month period ending on each of the said dates. Distributions are paid in Singapore dollars.

FINANCIAL REVIEW OF A-HTRUST FOR THE FIRST QUARTER ENDED 30 JUNE 2016

1(a) (i) Consolidated statements of net income for 1Q FY2016/17 and 1Q FY2015/16

	1 April 2016 to 30 June 2016			1 April 2015 to 30 June 2015			Variance [increase (+)/decrease (-)]			
	Note	A-HTRUST (\$'000)	A-HREIT Group (\$'000)	A-HBT Group (\$'000)	A-HTRUST (\$'000)	A-HREIT Group (\$'000)	A-HBT Group (\$'000)	A-HTRUST (%)	A-HREIT Group (%)	A-HBT Group (%)
Gross Revenue		52,364	7,647	49,074	52,787	7,316	49,407	(0.8)	4.5	(0.7)
Gross rental revenue		37,621	7,505	34,331	36,865	7,185	33,485	2.1	4.5	2.5
Food & beverage revenue		10,688	-	10,688	11,607	-	11,607	(7.9)	-	(7.9)
Other income		4,055	142	4,055	4,315	131	4,315	(6.0)	8.4	(6.0)
Property Expenses		(29,762)	(1,157)	(32,819)	(31,358)	(1,063)	(34,101)	(5.1)	8.8	(3.8)
Operations and maintenance expenses		(5,594)	(19)	(5,575)	(5,728)	(33)	(5,695)	(2.3)	(42.4)	(2.1)
Hotel management fee		(1,676)	-	(1,676)	(1,659)	-	(1,659)	1.0	-	1.0
Property taxes and insurance		(908)	(385)	(523)	(887)	(331)	(556)	2.4	16.3	(5.9)
Services and other taxes		(1,226)	-	(1,226)	(1,508)	-	(1,508)	(18.7)	-	(18.7)
Administrative and general expenses		(2,346)	(99)	(2,247)	(2,242)	(64)	(2,178)	4.6	54.7	3.2
Sales and marketing expenses		(1,951)	-	(1,951)	(2,071)	-	(2,071)	(5.8)	-	(5.8)
Staff costs		(12,652)	-	(12,652)	(13,067)	-	(13,067)	(3.2)	-	(3.2)
Energy and utilities expenses		(2,106)	(654)	(1,452)	(2,030)	(635)	(1,395)	3.7	3.0	4.1
Other expenses		(1,303)	-	(5,517)	(2,166)	-	(5,972)	(39.8)	-	(7.6)
Net Property Income		22,602	6,490	16,255	21,429	6,253	15,306	5.5	3.8	6.2
Depreciation		(6,428)	-	(6,428)	(6,219)	-	(6,219)	3.4	-	3.4
Amortisation of prepaid land leases		(305)	-	(305)	(323)	-	(323)	(5.6)	-	(5.6)
Finance income		251	19	232	259	6	253	(3.1)	NM	(8.3)
Finance costs		(4,713)	(846)	(3,867)	(5,027)	(914)	(4,113)	(6.2)	(7.4)	(6.0)
Fund management fees		(2,055)	(700)	(1,355)	(2,064)	(626)	(1,438)	(0.4)	11.8	(5.8)
Trustees' fees		(163)	(41)	(122)	(141)	(41)	(100)	15.6	-	22.0
Unrealised exchange loss, net	(a)	(2,891)	77	(2,968)	(2,506)	(155)	(2,351)	15.4	NM	26.2
Other trust expenses	(b)	(407)	(485)	78	357	284	73	NM	NM	6.8
Net change in fair value of derivative financial instruments		(331)	(651)	320	75	145	(70)	NM	NM	NM
Net profit before share of results of joint venture		5,560	3,863	1,840	5,840	4,952	1,018	(4.8)	(22.0)	80.7

NM - Not Meaningful

1(a) (i) **Consolidated statements of net income for 1Q FY2016/17 and 1Q FY2015/16 (cont'd)**

	Note	1 April 2016 to 30 June 2016			1 April 2015 to 30 June 2015			Variance [increase (+)/decrease (-)]		
		A-HTRUST (\$'000)	A-HREIT Group (\$'000)	A-HBT Group (\$'000)	A-HTRUST (\$'000)	A-HREIT Group (\$'000)	A-HBT Group (\$'000)	A-HTRUST (%)	A-HREIT Group (%)	A-HBT Group (%)
Share of results of joint venture (net of tax)	(c)	(3)	-	(3)	3,944	-	3,944	NM	-	NM
Net profit before tax		5,557	3,863	1,837	9,784	4,952	4,962	(43.2)	(22.0)	(63.0)
Income tax expenses	(d)	(1,339)	(212)	(1,127)	(759)	(143)	(616)	76.4	48.3	83.0
Net profit after tax		4,218	3,651	710	9,025	4,809	4,346	(53.3)	(24.1)	(83.7)
Net profit attributable to:										
Stapled Securityholders of the Trust		4,218	3,651	703	9,025	4,809	4,302			
Non-controlling interests		-	-	7	-	-	44			

NM - Not Meaningful

Consolidated statements of comprehensive income for 1Q FY2016/17 and 1Q FY2015/16

	1 April 2016 to 30 June 2016			1 April 2015 to 30 June 2015			Variance [increase (+)/decrease (-)]			
	Note	A-HTRUST (\$'000)	A-HREIT Group (\$'000)	A-HBT Group (\$'000)	A-HTRUST (\$'000)	A-HREIT Group (\$'000)	A-HBT Group (\$'000)	A-HTRUST (%)	A-HREIT Group (%)	A-HBT Group (%)
Net profit for the quarter		4,218	3,651	710	9,025	4,809	4,346	(53.3)	(24.1)	(83.7)
Items that may be reclassified subsequently to profit or loss:										
Cash flow hedges - fair value (loss)/gain		(1,070)	(175)	(895)	1,250	(484)	1,734	NM	(63.8)	NM
Cash flow hedges - reclassification to profit or loss upon settlement		-	-	-	(273)	(61)	(212)	NM	NM	NM
Foreign currency translation gain/(loss), net	(e)	10,864	13,102	(2,238)	(19,366)	(7,776)	(11,590)	NM	NM	(80.7)
		9,794	12,927	(3,133)	(18,389)	(8,321)	(10,068)	NM	NM	(68.9)
Item that will not be reclassified to profit or loss:										
Revaluation deficit on freehold land and building		(22)	-	(22)	(23)	-	(23)	(4.3)	-	(4.3)
Other comprehensive income for the quarter, net of tax		9,772	12,927	(3,155)	(18,412)	(8,321)	(10,091)	NM	NM	(68.7)
Total comprehensive income for the quarter, net of tax		13,990	16,578	(2,445)	(9,387)	(3,512)	(5,745)	NM	NM	(57.4)
Total comprehensive income for the quarter attributable to:										
Stapled Securityholders of the Trust		13,990	16,578	(2,367)	(9,387)	(3,512)	(5,754)			
Non-controlling interests		-	-	(78)	-	-	9			

NM - Not Meaningful

Consolidated distribution statements for 1Q FY2016/17 and 1Q FY2015/16

	1 April 2016 to 30 June 2016			1 April 2015 to 30 June 2015			Variance [increase (+)/decrease (-)]			
	Note	A-HTRUST (\$'000)	A-HREIT Group (\$'000)	A-HBT Group (\$'000)	A-HTRUST (\$'000)	A-HREIT Group (\$'000)	A-HBT Group (\$'000)	A-HTRUST (%)	A-HREIT Group (%)	A-HBT Group (%)
Income available for distribution to unitholders of Stapled Securities at the beginning of the quarter		-	-	-	-	-	-	-	-	-
Net profit for the quarter		4,218	3,651	710	9,025	4,809	4,346	(53.3)	(24.1)	(83.7)
Add/(less):										
REIT manager's management fee payable in Stapled Securities		350	350	-	313	313	-	11.8	11.8	-
Trustee-manager's management fee payable in Stapled Securities		678	-	678	622	-	622	9.0	-	9.0
Depreciation		6,428	-	6,428	6,219	-	6,219	3.4	-	3.4
Amortisation of prepaid land leases		305	-	305	323	-	323	(5.6)	-	(5.6)
Unrealised exchange loss, net	(a)	2,891	(77)	2,968	2,506	155	2,351	15.4	NM	26.2
Net change in fair value on derivative financial instruments		331	651	(320)	122	(47)	169	171.3	NM	NM
Share of results of/distribution from joint venture (net of tax)	(c)	3	-	3	(3,944)	-	(3,944)	NM	-	NM
Loss on disposal of property, plant and equipment		-	-	-	486	-	486	NM	-	NM
Exchange adjustments arising from settlement of currency forwards	(b)	3	391	(388)	(613)	(72)	(541)	NM	NM	(28.3)
Others		(10)	31	(41)	(63)	116	(180)	(84.1)	(73.3)	(77.2)
Income available for distribution at end of quarter (before deducting income retained for working capital)		15,197	4,997	10,343	14,996	5,274	9,851	1.3	(5.3)	5.0
Less:										
Income retained for working capital	(f)	(725)	-	(725)	(750)	-	(750)	(3.3)	-	(3.3)
Income available for distribution at end of quarter (after deducting income retained for working capital)		14,472	4,997	9,618	14,246	5,274	9,101	1.6	(5.3)	5.7

NM - Not Meaningful

Notes:

- (a) *The unrealized exchange loss pertained to the revaluation of shareholders' loans denominated in AUD extended from A-HBT to its subsidiaries, in accordance with FRS 21. In 1Q FY2016/17, the AUD depreciated against SGD more compared to 1Q FY2015/16, hence resulting in higher net unrealized exchange loss on revaluation in AHBT.*
- (b) *Included in other trust expenses in 1Q FY2016/17 was realized exchange loss of S\$0.1 million arising from currency forward contracts undertaken to hedge AUD and JPY income. In 1Q FY2015/16, other trust expenses comprised largely realized exchange gain of S\$1.0 million arising from similar income hedges undertaken as well as a loss on disposal of property, plant and equipment of S\$0.5 million.*
- Inclusive of distribution adjustments made for currency forward contracts on income hedges (1Q FY2016/17: S\$0.003 million and 1Q FY2015/16: S\$0.6 million), total realized exchange loss of S\$0.1 million was recognized in 1Q FY2016/17 compared to realized exchange gain of S\$0.4 million in 1Q FY2015/16.*
- (c) *1Q FY2015/16 recorded share of joint venture's results largely due to the gain on disposal of Pullman Cairns International Hotel of approximately S\$3.7 million. The disposal was completed on 29 June 2015. The amount recognized in 1Q FY2016/17 related to cost accrued for the winding up of the joint venture.*
- (d) *The higher tax expenses in 1Q FY2016/17 was mainly due to the following:*
- (i) the Group generating higher assessable income in Australia and Japan (thus resulted in S\$0.2 million higher tax expenses); and*
 - (ii) a reversal of excess withholding tax provision of S\$0.3 million related to income received from overseas subsidiaries in 1Q FY2015/16 which has resulted in lower tax expenses for prior year.*
- (e) *This related to the exchange differences arising from the translation of the results and the financial position of all the Group entities with functional currencies different from that of the presentation currency of A-HTRUST (SGD). The net exchange gain on translation in 1Q FY2016/17 was due to the appreciation of JPY against SGD during the quarter, partially offset by the depreciation of AUD against SGD in the same period. In 1Q 2015/16, both AUD and JPY depreciated against SGD, resulting in a net exchange loss on translation.*
- (f) *For FY2016/17, A-HTRUST would continue to retain up to 5% of its income available for distribution in order to finance the recurring capital expenditure needs of the existing properties (FY2015/16: 5%). In 1Q FY 2016/17, the amount of income retained amounted to approximately S\$0.7 million (1Q FY2015/16: S\$0.8 million).*

A-HTRUST Announcement of Results for the First Quarter Period Ended 30 June 2016

1(b) (i) Balance sheets

	30 June 2016			31 March 2016			Variance [increase(+)/decrease(-)]			
	Note	A-HTRUST (S\$'000)	A-HREIT Group (S\$'000)	A-HBT Group (S\$'000)	A-HTRUST (S\$'000)	A-HREIT Group (S\$'000)	A-HBT Group (S\$'000)	A-HTRUST (%)	A-HREIT Group (%)	A-HBT Group (%)
ASSETS										
Non-current assets										
Investment properties		821,154	595,650	225,503	788,303	577,491	210,812	4.2	3.1	7.0
Prepaid land lease		33,592	-	33,592	34,922	-	34,922	(3.8)	-	(3.8)
Property, plant and equipment		661,007	-	661,007	684,016	-	684,016	(3.4)	-	(3.4)
Investment in joint venture		1	-	1	26	-	26	(96.2)	-	(96.2)
Available-for-sale securities		-	3,058	-	-	3,058	-	-	-	-
Derivative financial instruments	(a)	1,686	37	1,649	2,079	231	1,848	(18.9)	(84.0)	(10.8)
Deferred tax assets		6,228	-	6,228	6,485	-	6,485	(4.0)	-	(4.0)
Other non-current assets		5,083	23	5,060	5,235	22	5,213	(2.9)	4.5	(2.9)
		<u>1,528,751</u>	<u>598,768</u>	<u>933,040</u>	<u>1,521,066</u>	<u>580,802</u>	<u>943,322</u>	<u>0.5</u>	<u>3.1</u>	<u>(1.1)</u>
Current assets										
Inventories		358	-	358	369	-	369	(3.0)	-	(3.0)
Trade and other receivables		12,324	3,196	13,099	10,853	4,745	9,729	13.6	(32.6)	34.6
Prepayments		3,521	806	2,715	4,594	1,132	3,462	(23.4)	(28.8)	(21.6)
Cash and cash equivalents	(b)	63,902	18,758	45,144	94,589	22,931	71,658	(32.4)	(18.2)	(37.0)
Derivative financial instruments	(a)	310	-	310	154	47	107	101.3	NM	189.7
Other current assets		251	-	251	258	-	258	(2.7)	-	(2.7)
		<u>80,666</u>	<u>22,760</u>	<u>61,877</u>	<u>110,817</u>	<u>28,855</u>	<u>85,583</u>	<u>(27.2)</u>	<u>(21.1)</u>	<u>(27.7)</u>
Total assets		<u>1,609,417</u>	<u>621,528</u>	<u>994,917</u>	<u>1,631,883</u>	<u>609,657</u>	<u>1,028,905</u>	<u>(1.4)</u>	<u>1.9</u>	<u>(3.3)</u>
LIABILITIES										
Current liabilities										
Trade and other payables	(c)	31,197	5,819	29,347	44,744	5,778	42,588	(30.3)	0.7	(31.1)
Income received in advance		3,100	2,275	825	2,902	2,127	775	6.8	7.0	6.5
Deferred income	(d)	1,802	130	1,673	1,863	130	1,733	(3.3)	-	(3.5)
Borrowings	(e)	124,230	-	124,230	57,979	-	57,979	114.3	-	114.3
Derivative financial instruments	(a)	8,124	717	7,407	3,100	242	2,858	162.1	196.3	159.2
Income tax payable		654	118	536	1,311	704	607	(50.1)	(83.2)	(11.7)
		<u>169,107</u>	<u>9,059</u>	<u>164,018</u>	<u>111,899</u>	<u>8,981</u>	<u>106,540</u>	<u>51.1</u>	<u>0.9</u>	<u>53.9</u>
Net current (liabilities)/assets	(e)	<u>(88,441)</u>	<u>13,701</u>	<u>(102,141)</u>	<u>(1,082)</u>	<u>19,874</u>	<u>(20,957)</u>	<u>NM</u>	<u>(31.1)</u>	<u>NM</u>

NM - Not Meaningful

A-HTRUST Announcement of Results for the First Quarter Period Ended 30 June 2016

1(b) (i) Balance sheets (cont'd)

	30 June 2016			31 March 2016			Variance [increase(+)/decrease(-)]			
	Note	A-HTRUST (S\$'000)	A-HREIT Group (S\$'000)	A-HBT Group (S\$'000)	A-HTRUST (S\$'000)	A-HREIT Group (S\$'000)	A-HBT Group (S\$'000)	A-HTRUST (%)	A-HREIT Group (%)	A-HBT Group (%)
Non-current liabilities										
Other payables		663	-	663	683	-	683	(2.9)	-	(2.9)
Rental and other deposits		11,871	5,313	6,558	11,248	5,130	6,118	5.5	3.6	7.2
Deferred income	(d)	10,159	811	9,348	10,801	811	9,990	(5.9)	-	(6.4)
Borrowings	(e)	335,951	112,235	223,716	400,452	107,960	292,492	(16.1)	4.0	(23.5)
Deferred taxation		54,422	15,892	38,530	54,901	15,852	39,049	(0.9)	0.3	(1.3)
Derivative financial instruments	(a)	5,009	2,277	2,732	3,748	917	2,831	33.6	148.3	(3.5)
Medium term notes		74,904	49,437	25,467	74,897	49,432	25,465	0.0	0.0	0.0
		<u>492,979</u>	<u>185,965</u>	<u>307,014</u>	<u>556,730</u>	<u>180,102</u>	<u>376,628</u>	<u>(11.5)</u>	<u>3.3</u>	<u>(18.5)</u>
Total liabilities		<u>662,086</u>	<u>195,024</u>	<u>471,032</u>	<u>668,629</u>	<u>189,083</u>	<u>483,168</u>	<u>(1.0)</u>	<u>3.1</u>	<u>(2.5)</u>
Net assets attributable to										
Stapled Securityholders		<u>947,331</u>	<u>426,504</u>	<u>523,885</u>	<u>963,254</u>	<u>420,574</u>	<u>545,737</u>	<u>(1.7)</u>	<u>1.4</u>	<u>(4.0)</u>
Stapled Securityholders' funds										
Stapled Securities in issue		969,787	415,006	554,781	968,827	414,653	554,174	0.1	0.1	0.1
Issue costs		(15,761)	(5,994)	(9,767)	(15,761)	(5,994)	(9,767)	-	-	-
Management fees payable in Stapled Securities		898	220	678	960	353	607	(6.5)	(37.7)	11.7
Revenue reserve	(b)	2,705	71,299	(67,983)	29,298	78,516	(48,743)	(90.8)	(9.2)	39.5
Asset revaluation reserve		106,288	-	105,191	106,310	-	105,213	(0.0)	-	(0.0)
Foreign currency translation reserve		(113,151)	(54,064)	(58,305)	(124,015)	(67,166)	(56,155)	(8.8)	(19.5)	3.8
Hedging reserve		(4,047)	37	(4,051)	(2,977)	212	(3,153)	35.9	(82.5)	28.5
Other reserves		612	-	612	612	-	612	-	-	-
		<u>947,331</u>	<u>426,504</u>	<u>521,156</u>	<u>963,254</u>	<u>420,574</u>	<u>542,788</u>	<u>(1.7)</u>	<u>1.4</u>	<u>(4.0)</u>
Non-controlling interest		<u>-</u>	<u>-</u>	<u>2,729</u>	<u>-</u>	<u>-</u>	<u>2,949</u>	<u>-</u>	<u>-</u>	<u>(7.5)</u>
		<u>947,331</u>	<u>426,504</u>	<u>523,885</u>	<u>963,254</u>	<u>420,574</u>	<u>545,737</u>	<u>(1.7)</u>	<u>1.4</u>	<u>(4.0)</u>
Number of Stapled Securities in issue ('000)		1,120,414	1,120,414	1,120,414	1,119,142	1,119,142	1,119,142			
Net asset value per Stapled Security (\$)		0.85	0.38	0.47	0.86	0.38	0.49			

NM - Not Meaningful

1(b) (i) **Balance sheets (cont'd)**

Notes:

- (a) *Movements in derivative financial instruments arose from fair value changes upon re-measurement of foreign exchange forward contracts, cross currency swaps and interest rate swaps.*
- (b) *Decrease in cash and cash equivalents was largely due to the distribution related to the semi-annual period of October 2015 – March 2016 paid out to Stapled Securityholders in early June 2016.*
- (c) *Decrease in trade and other payables was mainly due to the settlement of vendors' invoices related to the renovation of Hotel Sunroute Osaka Namba (undertaken in 4Q FY2015/16 and completed in end March 2016).*
- (d) *Deferred income mainly related to the reimbursement received from Accor for their share of the costs for the asset enhancement initiative for the Australia Accor hotels. The decrease in deferred income was due to the amortization of the deferred income to the profit or loss during the quarter.*
- (e) *As at 30 June 2016, there were certain loans due for repayment in March and April 2017. The net current liabilities position as at 30 June 2016 was due to the reclassification of these borrowings as current liabilities as at 30 June 2016. The Managers are currently in advanced negotiations with banks to refinance these loans and expect refinancing to be completed within 3Q FY2016/17.*

1 (b)(ii) Gross Borrowings as at 30 June 2016

	30 June 2016			31 March 2016		
	A-HTRUST (S\$'000)	A-HREIT Group (S\$'000)	A-HBT Group (S\$'000)	A-HTRUST (S\$'000)	A-HREIT Group (S\$'000)	A-HBT Group (S\$'000)
Secured term loan	224,762	-	224,762	227,524	-	227,524
Less: Transaction costs capitalised	(1,046)	-	(1,046)	(1,165)	-	(1,165)
	<u>223,716</u>	<u>-</u>	<u>223,716</u>	<u>226,359</u>	<u>-</u>	<u>226,359</u>
TMK bonds	2,566	1,283	1,283	2,398	1,199	1,199
Unsecured term loan	234,140	111,140	123,000	229,975	106,975	123,000
Less: Transaction costs capitalised	(241)	(188)	(53)	(301)	(214)	(87)
	<u>233,899</u>	<u>110,952</u>	<u>122,947</u>	<u>229,674</u>	<u>106,761</u>	<u>122,913</u>
Medium term notes	75,000	49,500	25,500	75,000	49,500	25,500
Less: Transaction costs capitalised	(96)	(63)	(33)	(103)	(68)	(35)
	<u>74,904</u>	<u>49,437</u>	<u>25,467</u>	<u>74,897</u>	<u>49,432</u>	<u>25,465</u>
Amounts payable within one year	<u>124,230</u>	<u>-</u>	<u>124,230</u>	<u>57,979</u>	<u>-</u>	<u>57,979</u>
Amounts payable after one year	<u>410,855</u>	<u>161,672</u>	<u>249,183</u>	<u>475,349</u>	<u>157,392</u>	<u>317,957</u>
Total	<u>535,085</u>	<u>161,672</u>	<u>373,413</u>	<u>533,328</u>	<u>157,392</u>	<u>375,936</u>

TMK bonds

The TMK bond in A-HREIT Group relates to JPY 100 million bonds issued by Ascendas Hospitality Tokutei Mokutei Kaisha, which carries a fixed interest rate of 1.33% per annum and matures on 15 November 2017. The TMK bond in A-HBT Group relates to JPY 100 million issued by Ascendas Japan Namba Tokutei Mokutei Kaisha, which carries a floating interest rate of 3M JPY LIBOR + 1% per annum and matures on 7 April 2017.

A-HTRUST's interest in Sunroute and Oakwood Ariake, and Osaka Namba in Japan are held via Tokutei Mokutei Kaisha ("TMK") structures, and such TMK structures are required to issue preferred shares and bonds to fund the acquisition of assets.

Secured term loans

The securities for Ascendas Australia Hotel Trust ("AAHF Trust") Facility ("AAHF Facility") include (i) first registered mortgage over each property in the AAHF Trust portfolio, (ii) General Security Agreement granted over The Trust Company (RE Services) Limited as trustee for the AAHF Trust, AAHF Company and The Trust Company Limited (in its capacity as custodian of the AAHF Trust), (iii) first registered mortgage over leases between the AAHF Company and AAHF Trust over each hotel lease, and (iv) General Security Agreement granted by Lodging Logistics Pty Ltd (a company associated with the Courtyard by Marriott Sydney – North Ryde).

The AAHF Facility comprises A\$260 million variable rate term loan and revolving credit facility, of which A\$224 million remains outstanding as at 30 June 2016.

Medium term notes

This comprises S\$75.0 million (S\$49.5 million under A-HREIT Group and S\$25.5 million under A-HBT Group) 3.3% notes due 2020 issued in April 2015 pursuant to the S\$1 billion multi-currency stapled debt issuance programme.

1(c) **Consolidated cash flow statement**

Note	1 April 16 to 30 June 16			1 April 15 to 30 June 15		
	A-HTRUST (\$'000)	A-HREIT Group (\$'000)	A-HBT Group (\$'000)	A-HTRUST (\$'000)	A-HREIT Group (\$'000)	A-HBT Group (\$'000)
Cash flows from operating activities						
Profit before tax	5,557	3,863	1,837	9,784	4,952	4,962
Adjustments for:						
Depreciation and amortisation	6,733	-	6,733	6,542	-	6,542
Management fee paid/payable in units	898	220	678	935	313	622
Currency realignment	(1,245)	140	(1,385)	(6,066)	(173)	(5,893)
Unrealised exchange loss/(gain), net	2,891	(77)	2,968	2,506	155	2,351
Effects of recognising rental income on a straight line basis over lease term	(22)	-	(22)	-	-	-
Net change in fair value of derivative financial instruments	331	651	(320)	122	(47)	169
Share of results of joint venture, net of tax	3	-	3	(3,944)	-	(3,944)
Dividend from available-for-sale securities	-	(142)	-	-	(130)	-
Finance costs	4,713	846	3,867	5,027	914	4,113
Finance income	(251)	(19)	(232)	(259)	(6)	(253)
Amortisation of deferred income	(419)	-	(419)	(430)	-	(430)
Loss on disposal of property, plant and equipment	-	-	-	486	-	486
Operating cash flows before working capital changes	19,189	5,482	13,708	14,703	5,978	8,725
Changes in working capital:						
Inventories	-	-	-	3	-	3
Trade and other receivables	(2,309)	1,778	(3,726)	880	222	861
Prepayments	1,106	396	710	821	-	821
Other assets (current and non-current)	2	1	1	175	-	175
Trade and other payables	(13,402)	(1,180)	(12,584)	1,700	317	1,180
Rental and other deposits	209	183	26	5,780	178	5,602
Cash generated from/(used in) operations	4,795	6,660	(1,865)	24,062	6,695	17,367
Income tax paid	(506)	(209)	(297)	(1,410)	(512)	(898)
Interest received	349	23	326	255	10	245
Interest paid	(4,649)	(432)	(4,217)	(4,026)	(430)	(3,596)
Net cash (used in)/generated from operating activities (a)	(11)	6,042	(6,053)	18,881	5,763	13,118

1(c) **Consolidated cash flow statement (cont'd)**

	1 April 16 to 30 June 16			1 April 15 to 30 June 15			
	Note	A-HTRUST (\$'000)	A-HREIT Group (\$'000)	A-HBT Group (\$'000)	A-HTRUST (\$'000)	A-HREIT Group (\$'000)	A-HBT Group (\$'000)
Cash flows from investing activities							
Acquisition of property, plant and equipment		(3,809)	-	(3,809)	(2,280)	-	(2,280)
Proceeds from disposal of property, plant and equipment		-	-	-	5	-	5
Proceeds from disposal of properties held for sale		-	-	-	2,957	-	2,957
Return of capital (partial) from joint venture		-	-	-	26,581	-	26,581
Subsequent capital expenditures on investment property		(50)	-	(50)	(108)	(57)	(51)
Dividend income received from available-for-sale securities		-	142	-	-	130	-
Repayment of loan to joint venture		-	-	-	502	-	502
Repayment of loan from joint venture		-	-	-	(3,935)	-	(3,935)
Net cash (used in)/generated from investing activities		(3,859)	142	(3,859)	23,722	73	23,779
Cash flows from financing activities							
Distribution paid to Stapled Securityholders		(30,811)	(10,868)	(19,943)	(28,460)	(10,102)	(18,358)
Dividends paid to non-controlling interests		-	-	(142)	-	-	(130)
Proceeds from bank borrowings	(b)	4,018	-	4,018	74,873	49,416	25,457
Repayment of borrowings		-	-	-	(72,200)	(47,000)	(25,200)
Net cash used in financing activities		(26,793)	(10,868)	(16,067)	(25,787)	(7,686)	(18,231)
Net (decrease)/increase in cash and bank balances							
Cash and bank balances at beginning of quarter		94,589	22,931	71,658	88,108	19,944	68,164
Effect of exchange rate changes on cash and cash equivalents		(24)	511	(535)	(2,444)	(442)	(2,002)
Cash and bank balances at end of quarter		63,902	18,758	45,144	102,480	17,652	84,828

Notes:

- (a) *The net cash used in operating activities was largely due to the settlement of vendors' invoices related to the renovation of Hotel Sunroute Osaka Namba (which was completed in end March 2016).*
- (b) *A-HTRUST drew down S\$4.0 million from revolving credit facility in 1Q FY2016/17. These proceeds were mainly used for working capital.*

1(d) (i) **Statements of changes in Stapled Securityholders' funds**

	<---Attributable to Stapled Securityholders of the Trust--->								
	Stapled Securities in issue	Issue costs	Management fees payable in Stapled Securities	Revenue reserves	Foreign currency translation reserve	Asset revaluation reserve	Other reserve	Hedging reserve	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
A-HTRUST									
Balance at 1 April 2016	968,827	(15,761)	960	29,298	(124,015)	106,310	612	(2,977)	963,254
Profit for the quarter	-	-	-	4,218	-	-	-	-	4,218
<u>Other comprehensive income</u>									
Cash flow hedges - fair value loss	-	-	-	-	-	-	-	(1,070)	(1,070)
Revaluation deficit on freehold land and building	-	-	-	-	-	(22)	-	-	(22)
Currency translation differences	-	-	-	-	10,864	-	-	-	10,864
Other comprehensive income for the quarter, net of tax	-	-	-	-	10,864	(22)	-	(1,070)	9,772
Total comprehensive income for the quarter, net of tax	-	-	-	4,218	10,864	(22)	-	(1,070)	13,990
<u>Contributions by and distributions to Stapled Securityholders</u>									
Management fees paid in Stapled Securities	960	-	(960)	-	-	-	-	-	-
Management fees payable in Stapled Securities	-	-	898	-	-	-	-	-	898
Distributions to Stapled Securityholders	-	-	-	(30,811)	-	-	-	-	(30,811)
Total contributions by and distributions to Stapled Securityholders	960	-	(62)	(30,811)	-	-	-	-	(29,913)
Balance at 30 June 2016	969,787	(15,761)	898	2,705	(113,151)	106,288	612	(4,047)	947,331

1(d) (i) **Statement of changes in Stapled Securityholders' funds (cont'd)**

	<---Attributable to Stapled Securityholders of the Trust--->								
	Stapled Securities in issue	Issue costs	Management fees payable in Stapled Securities	Revenue reserves	Foreign currency translation reserve	Asset revaluation reserve	Other reserve	Hedging reserve	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
A-HTRUST									
Balance at 1 April 2015	965,035	(15,761)	944	(59,087)	(120,316)	60,354	599	(5,642)	826,126
Profit for the quarter	-	-	-	9,025	-	-	-	-	9,025
<u>Other comprehensive income</u>									
Cash flow hedges - fair value gain	-	-	-	-	-	-	-	1,250	1,250
Cash flow hedges - reclassification to profit or loss upon settlement	-	-	-	-	-	-	-	(273)	(273)
Revaluation deficit on freehold land and building	-	-	-	-	-	(23)	-	-	(23)
Currency translation differences	-	-	-	-	(19,366)	-	-	-	(19,366)
Other comprehensive income for the quarter, net of tax	-	-	-	-	(19,366)	(23)	-	977	(18,412)
Total comprehensive income for the quarter, net of tax	-	-	-	9,025	(19,366)	(23)	-	977	(9,387)
<u>Contributions by and distributions to Stapled Securityholders</u>									
Management fees paid in Stapled Securities	944	-	(944)	-	-	-	-	-	-
Management fees payable in Stapled Securities	-	-	935	-	-	-	-	-	935
Distributions to Stapled Securityholders	-	-	-	(28,460)	-	-	-	-	(28,460)
Total contributions by and distributions to Stapled Securityholders	944	-	(9)	(28,460)	-	-	-	-	(27,525)
Balance at 30 June 2015	965,979	(15,761)	935	(78,522)	(139,682)	60,331	599	(4,665)	789,214

1(d) (i) **Statement of changes in Stapled Securityholders' funds (cont'd)**

	<---Attributable to Stapled Securityholders of the Trust--->						
	Stapled Securities in issue	Issue costs	Management fees payable in Stapled Securities	Revenue reserves	Foreign currency translation reserve	Hedging reserve	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
A-HREIT							
Balance at 1 April 2016	414,653	(5,994)	353	78,516	(67,166)	212	420,574
Profit for the quarter	-	-	-	3,651	-	-	3,651
<u>Other comprehensive income</u>							
Cash flow hedges - fair value loss	-	-	-	-	-	(175)	(175)
Currency translation differences	-	-	-	-	13,102	-	13,102
Other comprehensive income for the quarter, net of tax	-	-	-	-	13,102	(175)	12,927
Total comprehensive income for the quarter, net of tax	-	-	-	3,651	13,102	(175)	16,578
<u>Contributions by and distributions to Stapled Securityholders</u>							
Management fees paid in Stapled Securities	353	-	(353)	-	-	-	-
Management fees payable in Stapled Securities	-	-	220	-	-	-	220
Distributions to Stapled Securityholders	-	-	-	(10,868)	-	-	(10,868)
Total contributions by and distributions to Stapled Securityholders	353	-	(133)	(10,868)	-	-	(10,648)
Balance at 30 June 2016	415,006	(5,994)	220	71,299	(54,064)	37	426,504

1(d) (i) Statement of changes in Stapled Securityholders' funds (cont'd)

	<---Attributable to Stapled Securityholders of the Trust--->						
	Stapled Securities in issue	Issue costs	Management fees payable in Stapled Securities	Revenue reserves	Foreign currency translation reserve	Hedging reserve	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
A-HREIT							
Balance at 1 April 2015	413,379	(5,994)	316	33,810	(72,147)	1,167	370,531
Profit for the quarter	-	-	-	4,809	-	-	4,809
<u>Other comprehensive income</u>							
Cash flow hedges - fair value loss	-	-	-	-	-	(484)	(484)
Cash flow hedges - reclassification to profit or loss upon settlement	-	-	-	-	-	(61)	(61)
Currency translation differences	-	-	-	-	(7,776)	-	(7,776)
Other comprehensive income for the quarter, net of tax	-	-	-	-	(7,776)	(545)	(8,321)
Total comprehensive income for the quarter, net of tax	-	-	-	4,809	(7,776)	(545)	(3,512)
<u>Contributions by and distributions to Stapled Securityholders</u>							
Management fees paid in Stapled Securities	316	-	(316)	-	-	-	-
Management fees payable in Stapled Securities	-	-	313	-	-	-	313
Distributions to Stapled Securityholders	-	-	-	(10,102)	-	-	(10,102)
Total contributions by and distributions to Stapled Securityholders	316	-	(3)	(10,102)	-	-	(9,789)
Balance at 30 June 2015	413,695	(5,994)	313	28,517	(79,923)	622	357,230

1(d) (i) **Statement of changes in Stapled Securityholders' funds (cont'd)**

	<---Attributable to Stapled Securityholders of the Trust--->										
	Stapled Securities in issue	Issue costs	Management fees payable in Stapled Securities	Revenue reserve	Foreign currency translation reserve	Asset revaluation reserve	Other reserves	Hedging reserve	Total	Non-controlling interests	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
A-HBT											
Balance at 1 April 2016	554,174	(9,767)	607	(48,743)	(56,155)	105,213	612	(3,153)	542,788	2,949	545,737
Profit for the quarter	-	-	-	703	-	-	-	-	703	7	710
<u>Other comprehensive income</u>											
Cash flow hedges - fair value (loss)/gain	-	-	-	-	-	-	-	(898)	(898)	3	(895)
Revaluation deficit on freehold land and building	-	-	-	-	-	(22)	-	-	(22)	-	(22)
Currency translation differences	-	-	-	-	(2,150)	-	-	-	(2,150)	(88)	(2,238)
Other comprehensive income for the quarter, net of tax	-	-	-	-	(2,150)	(22)	-	(898)	(3,070)	(85)	(3,155)
Total comprehensive income for the quarter, net of tax	-	-	-	703	(2,150)	(22)	-	(898)	(2,367)	(78)	(2,445)
<u>Contributions by and distributions to Stapled Securityholders and non-controlling interests</u>											
Management fees paid in Stapled Securities	607	-	(607)	-	-	-	-	-	-	-	-
Management fees payable in Stapled Securities	-	-	678	-	-	-	-	-	678	-	678
Distributions to Stapled Securityholders	-	-	-	(19,943)	-	-	-	-	(19,943)	-	(19,943)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(142)	(142)
Total contributions by and distributions to Stapled Securityholders and non-controlling interests	607	-	71	(19,943)	-	-	-	-	(19,265)	(142)	(19,407)
Balance at 30 June 2016	554,781	(9,767)	678	(67,983)	(58,305)	105,191	612	(4,051)	521,156	2,729	523,885

1(d) (i) **Statement of changes in Stapled Securityholders' funds (cont'd)**

	<---Attributable to Stapled Securityholders of the Trust--->										
	Stapled Securities in issue	Issue costs	Management fees payable in Stapled Securities	Revenue reserves	Foreign currency translation reserve	Asset revaluation reserve	Other reserves	Hedging reserve	Total	Non- controlling interests	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
A-HBT											
Balance at 1 April 2015	551,656	(9,767)	628	(92,582)	(47,527)	59,737	599	(6,737)	456,007	2,646	458,653
Profit for the quarter	-	-	-	4,302	-	-	-	-	4,302	44	4,346
<u>Other comprehensive income</u>											
Cash flow hedges - fair value gain	-	-	-	-	-	-	-	1,715	1,715	19	1,734
Cash flow hedges - reclassification to profit or loss upon settlement	-	-	-	-	-	-	-	(212)	(212)	-	(212)
Revaluation deficit on freehold land and building	-	-	-	-	-	(23)	-	-	(23)	-	(23)
Currency translation differences	-	-	-	-	(11,536)	-	-	-	(11,536)	(54)	(11,590)
Other comprehensive income for the quarter, net of tax	-	-	-	-	(11,536)	(23)	-	1,503	(10,056)	(35)	(10,091)
Total comprehensive income for the quarter, net of tax	-	-	-	4,302	(11,536)	(23)	-	1,503	(5,754)	9	(5,745)
<u>Contributions by and distributions to Stapled Securityholders and non-controlling interests</u>											
Management fees paid in Stapled Securities	628	-	(628)	-	-	-	-	-	-	-	-
Management fees payable in Stapled Securities	-	-	622	-	-	-	-	-	622	-	622
Distributions to Stapled Securityholders	-	-	-	(18,358)	-	-	-	-	(18,358)	-	(18,358)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(130)	(130)
Total contributions by and distributions to Stapled Securityholders and non-controlling interests	628	-	(6)	(18,358)	-	-	-	-	(17,736)	(130)	(17,866)
Balance at 30 June 2015	552,284	(9,767)	622	(106,638)	(59,063)	59,714	599	(5,234)	432,517	2,525	435,042

1(d)(ii) **Details of any changes in the stapled securities**

	1 April 2016 to 30 June 2016			1 April 2015 to 30 June 2015		
	A-HTRUST ('000)	A-HREIT Group ('000)	A-HBT Group ('000)	A-HTRUST ('000)	A-HREIT Group ('000)	A-HBT Group ('000)
Balance at beginning of quarter	1,119,142	1,119,142	1,119,142	1,113,581	1,113,581	1,113,581
Issue of new Stapled Securities - Managers' fees paid in Stapled Securities (a)	1,272	1,272	1,272	1,378	1,378	1,378
Issued Stapled Securities at end of quarter	1,120,414	1,120,414	1,120,414	1,114,959	1,114,959	1,114,959
Stapled Securities to be issued: - Managers' fees payable in Stapled Securities (a)	1,349	1,349	1,349	1,330	1,330	1,330
Total issued and to be issued Stapled Securities	1,121,763	1,121,763	1,121,763	1,116,289	1,116,289	1,116,289

Notes:

(a) These are Stapled Securities issued to the Managers as partial consideration of manager's fees incurred. The Managers have opted to receive 50% of their fees in Stapled Securities in 1Q FY2016/17 (50% in 1Q FY2015/16).

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

The figures have not been audited or reviewed.

3 Where the figures have been audited or reviewed, the auditors' 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 recent 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 31 March 2016, except for the adoption of new or revised FRSs that are mandatory for financial year beginning on or after 1 April 2016. The adoption of these FRSs has no

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

significant impact on the financial position or performance of A-HTRUST for the current financial year.

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

There has been no change in the accounting policies and methods of computation adopted by A-HTRUST for the current reporting period compared with the audited financial statements as at 31 March 2016, except for the adoption of new or revised FRSs that are mandatory for financial year beginning on or after 1 April 2016. The adoption of these FRSs has no significant impact on the financial position or performance of A-HTRUST for the current financial year.

6 Group earnings per Stapled Security (“EPS”) and distribution per Stapled Security (“DPS”) for the quarter ended 30 June 2016.

Group earnings per Stapled Security

	1Q FY2016/17	1Q FY2015/16
Weighted average number of Stapled Securities ^(a)	1,119,771,106	1,114,322,958
EPU for the quarter based on the weighted average number of Stapled Securities in issue (cents)	0.38	0.81

Note:

- (a) The diluted EPS is the same as basic EPS as no dilutive instruments were in issue during the reported quarter.

Group distribution per Stapled Security

	1Q FY2016/17	1Q FY2015/16
Number of Stapled Securities issued and to be issued at end of quarter	1,121,763,110	1,116,288,734
Distribution per Stapled Security (cents)	1.29	1.28

7 Group net asset value (“NAV”) per Stapled Security based on existing Stapled Securities in issue and to be issued as at the end of the quarter

	As at 30 June 2016	As at 31 March 2016
Number of Stapled Securities in issue at end of quarter/year	1,120,414,088	1,119,142,101
Number of Stapled Securities to be issued ^(a)	1,349,022	1,271,987
Number of Stapled Securities in issue and to be issued at end of quarter/year	1,121,763,110	1,120,414,088
Net asset value per Stapled Security of the Group, based on Stapled Securities in issue at end of quarter/year (\$\$)	0.85	0.86
Net asset value per Stapled Security of the Group, based on Stapled Securities in issue and to be issued at end of quarter/year (\$\$)	0.84	0.86

Note:

- (a) Stapled Securities to be issued to the Managers as partial consideration of manager’s fees incurred for the period from 1 April 2016 to 30 June 2016 (31 March 2016: for the period from 1 January 2016 to 31 March 2016).

8 Review of the performance

Revenue and Net Property Income – 1Q FY2016/17 vs. 1Q FY2015/16

	Revenue				Net property income			
	1Q		Change		1Q		Change	
	FY2016/17	FY2015/16	(+increase / -decrease)	% ⁽¹⁾	FY2016/17	FY2015/16	(+increase / -decrease)	% ⁽¹⁾
	S\$million	S\$million	S\$million	% ⁽¹⁾	S\$million	S\$million	S\$million	% ⁽¹⁾
Australia (excl Cairns)	35.4	36.3	(0.9)	(2.6)	11.4	11.4	0.0	0.2
China	5.4	5.6	(0.2)	(3.5)	2.1	2.1	(0.0)	(1.1)
Japan	8.3	6.4	1.8	28.3	5.9	4.2	1.6	38.2
Singapore	3.3	3.4	(0.1)	(2.6)	3.3	3.4	(0.1)	(2.6)
Total on same store basis	52.4	51.8	0.6	1.2	22.6	21.1	1.5	7.3
Cairns	-	1.0	(1.0)	(100.0)	0.0	0.4	(0.4)	(99.6)
Total with Cairns	52.4	52.8	(0.4)	(0.8)	22.6	21.4	1.2	5.5

⁽¹⁾ Computation is based on the financials rounded to the nearest dollar
Any differences between the individual amounts and total thereof are due to rounding

A-HTRUST's results for 1Q FY2015/16 included the proportionate consolidation of its 50% share of results of the hotel operations of Pullman Cairns International ("Cairns operations"). The sale of the hotel was completed on 29 June 2015.

Group

Gross revenue for 1Q FY2016/17 was S\$52.4 million, a decrease of S\$0.4 million (0.8%) as compared to 1Q FY2015/16. Excluding contribution from Cairns operations of S\$1.0 million for 1Q FY2015/16, current year's gross revenue would be an increase of S\$0.6 million over last year. Overall underlying performance of the portfolio has improved S\$1.0 million over last year in local currency terms but the increase was partly offset by adverse currency movements in AUD and RMB.

Net property income for the quarter increased S\$1.2 million (5.5%) over last year. On a same store basis (excluding Cairns operations), net property income for the current year would be S\$1.5 million (7.3%) higher than prior year.

Australia

The Australia portfolio (excluding Cairns operations) showed better results compared to a year ago, with gross revenue increased by A\$ 0.2 million (0.5%) and net property income increased by A\$0.4 million (3.5%). All hotels improved performance except for Pullman and Mercure Brisbane King George Square and Courtyard by Marriot North Ryde. However, the improved performance was partially offset by the weaker AUD against SGD.

Pullman and Mercure Brisbane King George Square had a weak performance for the quarter. The Mercure rooms have commenced room refurbishment in April 2016. Additional room supply in the Brisbane market with the opening of three new

8 Review of the performance (cont'd)

Revenue and Net Property Income – 1Q FY2016/17 vs. 1Q FY2015/16 (cont'd)

Australia

hotels in the first half of 2016, coupled with a prolonged downturn in the resource sector, continued to weigh down the hotel's overall performance. Courtyard by Marriott North Ryde also commenced room refurbishment in April 2016 which resulted in approximately a third of room inventory placed out of order. In addition, the hotel faced competition from a newly opened hotel (Holiday Inn Express) within the vicinity. Hence the hotel's performance saw a decline over the prior year.

Apart from the above two hotels, the other hotels in the Australia portfolio showed improvement over prior year with a quarter of strong demand for rooms and better conferencing and event business. The addition of a set of new aircrew from Qatar Airways in Novotel Sydney Central and Pullman and Mercure Melbourne Albert Park also allowed these two hotels to have a good base business so as to yield better during high demand periods.

With full occupancy since July 2015, contribution from Hyde Park office space was higher in 1Q FY2016/17 compared to a year ago, where only 80% of the space was leased out.

China

The underlying performance of the China hotels has improved over last year despite the implementation of value added tax in China to the hospitality sector on 1 May 2016. However, due to adverse currency movement, the operational results of the hotels in SGD terms were lower than last year.

Novotel Beijing Sanyuan executed a volume strategy which resulted in higher occupancy although average room rates experienced a marginal decline as a consequence of the implemented strategy.

Ibis Beijing Sanyuan has seen more than 1,000 room nights taken up by members of China Lodging's loyalty program in 1Q FY2016/17 following the integration with their distribution channels in February this year. The hotel also generated additional rental revenue by leasing the ground floor space to a convenience store and local eatery.

8 Review of the performance (cont'd)

Revenue and Net Property Income – 1Q FY2016/17 vs. 1Q FY2015/16 (cont'd)

China (cont'd)

Net property income for the China hotels was further boosted by stringent cost containment measures as well as a reversal of excess provision of compensation cost of RMB 0.2 million upon final settlement of a labour dispute with two ex-employees of Novotel Beijing.

Japan

Gross revenue and net property income for the Japan hotels for the quarter were S\$1.8 million (28.3%) and S\$1.6 million (38.2%) higher than last year mainly due to better performance of Osaka Namba as well as the stronger JPY against SGD.

Contribution from Osaka Namba was substantially higher than last year as a result of the revised rent structure in the new master lease agreement with Sunroute whereby A-HTRUST would earn the higher of variable or fixed rent. The hotel achieved a variable rent of JPY 242 million for the quarter, which was significantly higher than the fixed rent of JPY 163 million. The better underlying performance this quarter was further augmented by the stronger JPY.

Singapore

Gross revenue and net property income for Park Hotel for the quarter were lower than prior year.

The hotel faced weak demand from the corporate segment and had incurred higher commission costs to increase online travel agent channel bookings in this quarter to compensate for the shortfall from the corporate segment

Income available for distribution

Income available for distribution for the quarter was S\$15.2 million. With the 5% retention of S\$0.7 million for the quarter, income to be distributed would be S\$14.5 million, an increase of S\$0.2 million (1.6%) over last year. The increase was mainly due to the following:

- (i) Higher net property income of S\$1.5 million (excluding non-cash items).

8 Review of the performance (cont'd)

Revenue and Net Property Income – 1Q FY2016/17 vs. 1Q FY2015/16 (cont'd)

Income available for distribution (cont'd)

Partially offset by:

- (i) Higher tax expenses of S\$0.7 million. This was mainly due to the Group generating higher assessable income in Australia and Japan as well as a reversal of excess withholding tax provision of S\$0.3 million related to income received from overseas subsidiaries in 1Q FY 2015/16 which has resulted in lower tax expenses for prior year.
- (ii) Realised exchange loss of S\$0.1 million compared to S\$0.4 million realised exchange gain last year.

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

The weak AUD is expected to drive both international arrivals and domestic travelling in Australia. This in turn will benefit the Australia hotel market in general. Sydney and Melbourne in particular are expected to remain attractive in the near term given their positions as major corporate centres and leisure destinations, with relatively modest supply of new hotel rooms¹. However, the supply of new hotel rooms in Brisbane is expected to continue in the near term hence, the accommodation business in the city is likely to remain soft.

While the increased competition in the Beijing hotel market is expected to moderate its performance in the near term, the market will continue to be supported by domestic travel. The Beijing railway network will be expanded over the next five years which will enhance accessibility of Beijing and help to boost domestic travelling to the capital city of China.

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 (cont'd)

Inbound visitors to Japan continue to remain strong, improving by 29.1% y-o-y for the period YTD May 2016². In Osaka, the recent opening of the new “Flying Dinosaur” attraction, a popular roller coaster ride, in Universal Studio Japan is expected to attract more visitors to the theme park, boosting the number of travellers to the city. While the outlook for the sector is expected to remain positive in the near term, the recent appreciation trend of JPY may affect travelling sentiments and discourage inbound travelling to the country.

Despite the encouraging growth in inbound visitors to Singapore for the period YTD May 2016 of 13.3% y-o-y³, the hotel market in general will be challenging in the short term. The hotel market performance is expected to be affected by weakness in corporate demand compounded by the increased competition from the supply of new hotel rooms.

¹ Source: Jones Lang LaSalle

² Source: Japan National Tourism Organisation

³ Source: Singapore Tourism Board

11 Distributions

(a) Current financial period

Any distribution declared for the current financial period? Nil

(b) Corresponding period of the immediately preceding year

Any distributions declared for the corresponding period of the immediate preceding financial period? Nil

(c) Date payable Not applicable

(d) Book closure date Not applicable

12 If no distribution has been declared (recommended), a statement to that effect

No distribution has been declared or recommended for the current quarter ended 30 June 2016.

13 If the Group has obtained general mandate from unit holders for IPT, the aggregate value of such transactions are required under Rule 920(a)(ii). If no IPT mandate has been obtained, a statement to that effect

A-HTRUST did not obtain a general mandate from Stapled Securityholders for IPTs.

14 Disclosure pursuant to Rule 705(5) of listing manual

Pursuant to Listing Rule 705(5) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Managers confirm to the best of their knowledge, that nothing has come to their attention which may render these financial results to be false or misleading in any material aspect.

15 Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7 under rule 720(1)).

The Managers confirm that they have procured undertakings from all Directors and Executive Officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

This release may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends and foreign exchange rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.

By Order of the Board

Ascendas Hospitality Fund Management Pte. Ltd.
(Company Registration No. 201133966D)
(As manager of Ascendas Hospitality Real Estate Investment Trust)

Mary Judith de Souza
Company Secretary

By Order of the Board
Ascendas Hospitality Trust Management Pte. Ltd.
(Company Registration No. 201135524E)
(As trustee-manager of Ascendas Hospitality Business Trust)

Mary Judith de Souza
Company Secretary

4 August 2016