

A stylized, monochromatic illustration of a tall building with many windows, rendered in a light beige color against a darker beige background. The building is shown from a low angle, looking up, and has a slightly stepped top. The windows are represented by small, rectangular shapes.

## **1Q FY2016/17 Financial Results Presentation**

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**4 August 2016**

# Disclaimer

This presentation shall be read in conjunction with A-HTRUST's Unaudited Financial Results for the First Quarter ended 30 June 2016 ("1Q FY2016/17") a copy of which is available on [www.sgx.com](http://www.sgx.com) or [www.a-htrust.com](http://www.a-htrust.com).

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

**The Australian Dollar, Chinese Renminbi, Japanese Yen and Singapore Dollar are defined herein as "AUD", "RMB", JPY" and "SGD" or "S\$", respectively.**

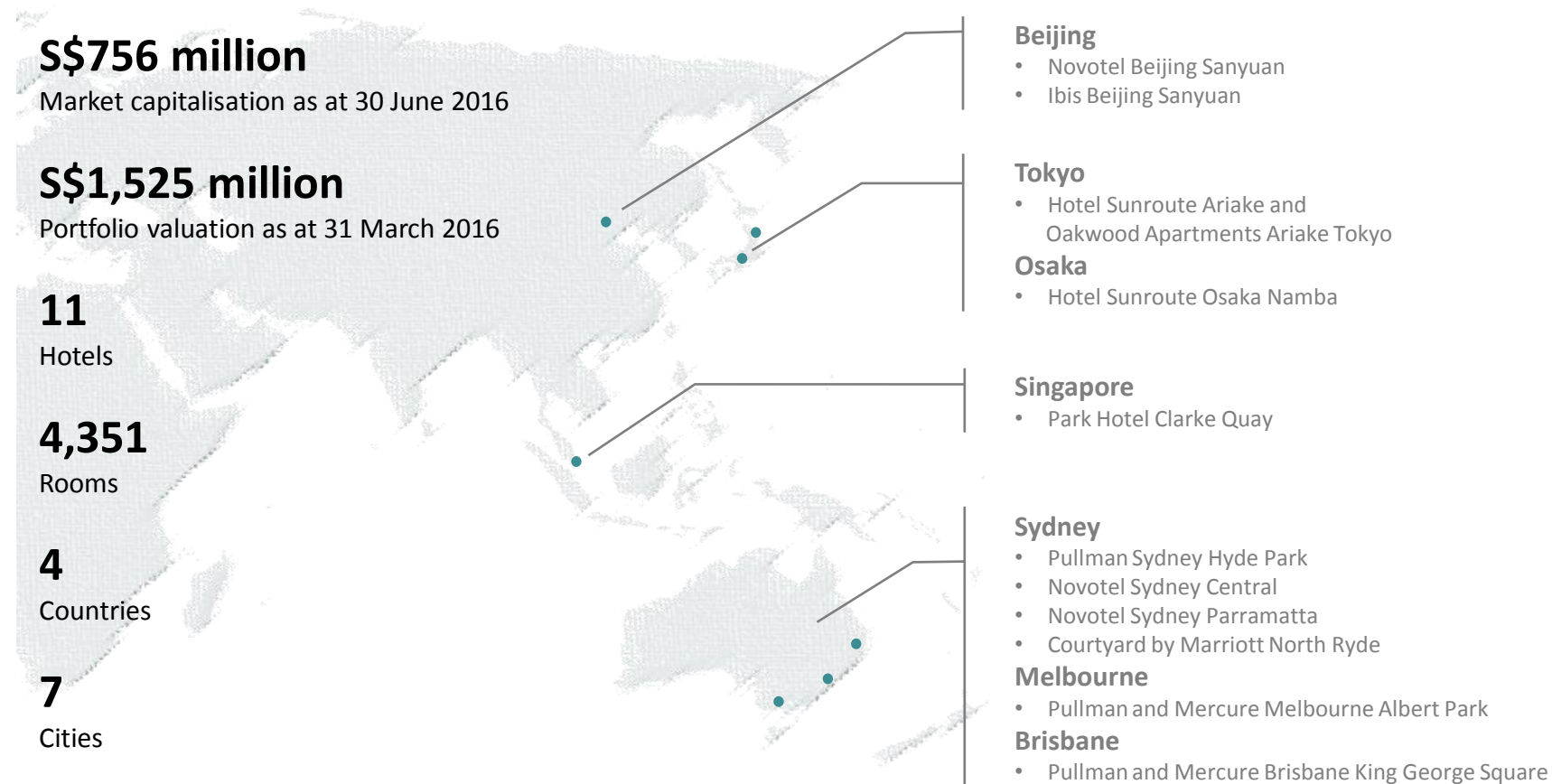
**Any discrepancies in the figures included herein between the individual amounts and total thereof are due to rounding.**

# Contents

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- 2 Financial Review
- 3 Portfolio Performance
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- 5 Looking Ahead

# Overview of Ascendas Hospitality Trust

A hospitality trust with a focus on pan-Asian region










# 1

## Key Highlights








# 1Q FY2016/17 Financial Highlights

	1Q FY2016/17		
Gross Revenue	\$52.4m	0.8% y-o-y	
Net Property Income	\$22.6m	5.5% y-o-y	
Distributable Income	\$15.2m	1.3% y-o-y	
Adjusted Distributable Income <sup>1</sup>	\$14.5m	1.6% y-o-y	
Distribution per Stapled Security ("DPS")	1.29 <sup>1</sup> cents	0.8% y-o-y	

**Note:**

1. After retaining distributable income for working capital purposes

# 1Q FY2016/17 Portfolio Highlights

	AOR <sup>1</sup>	ADR <sup>1</sup>	RevPAR <sup>1</sup>
Australia <sup>2</sup>	81.3% 0.5pp y-o-y 	AUD 168 2.4% y-o-y 	AUD 137 1.7% y-o-y 
China	86.5% 3.6pp y-o-y 	RMB 412 1.7% y-o-y 	RMB 357 2.9% y-o-y 
Japan	<ul style="list-style-type: none"> <li>Applies to Oakwood Apartments only</li> <li>Improvement in both occupancy and ADR</li> </ul>		JPY 10,004 7.2% y-o-y 
Singapore	<ul style="list-style-type: none"> <li>Decline in rental income contribution from Park Hotel Clarke Quay</li> </ul>		

**Note:**

1. AOR: Average Occupancy Rate; ADR: Average Daily Rate; RevPAR: Revenue per Available Room
2. Excludes Pullman Cairns International which was divested in June 2015



# 2

## Financial Review



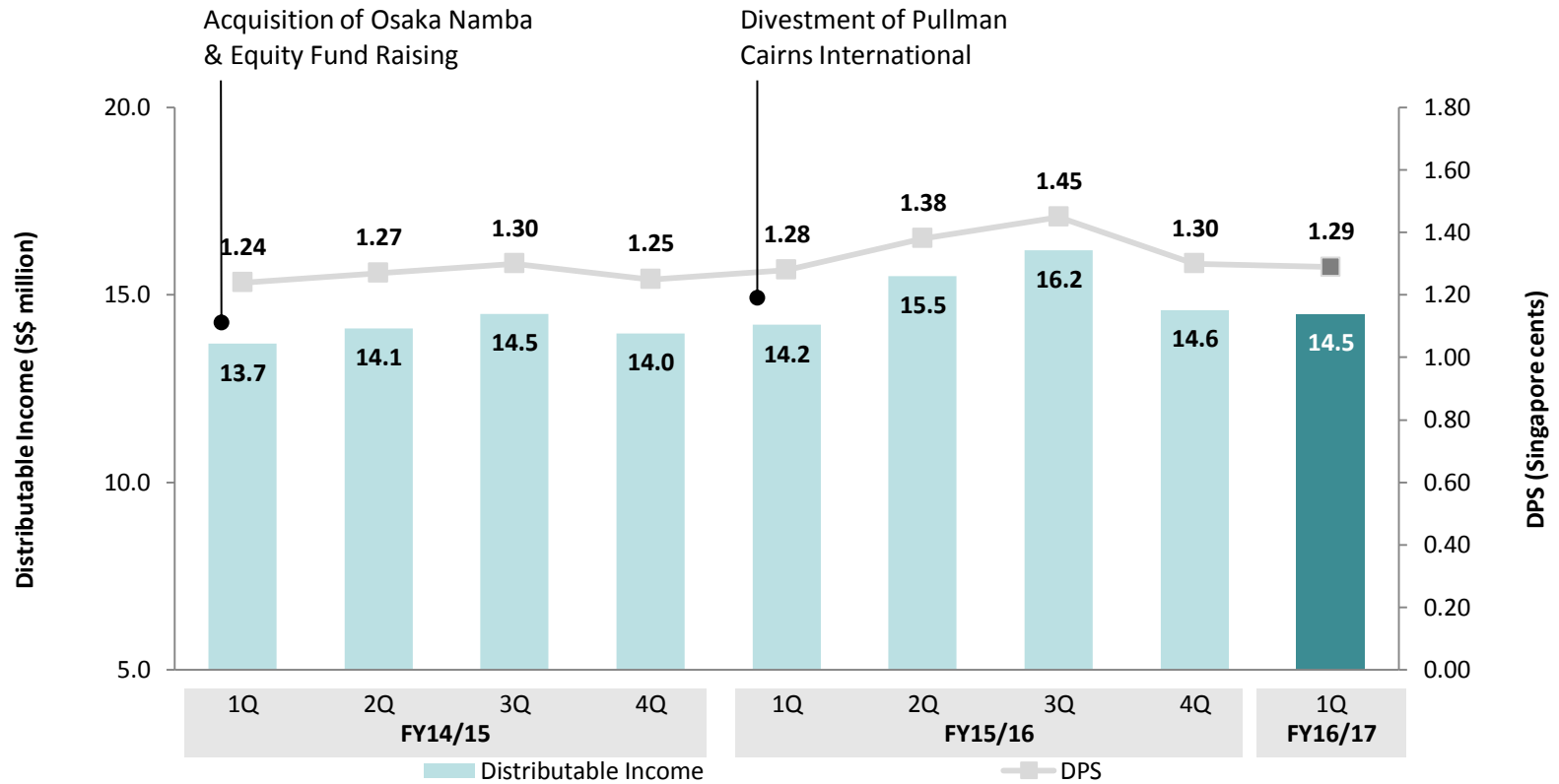
# Results Summary – 1Q FY2016/17

S\$' million	1 <sup>st</sup> Quarter		Change	
	FY2015/16	FY2016/17		
Gross Revenue	52.8	52.4	(0.8)%	<ul style="list-style-type: none"> <li>Mainly due to weaker AUD and RMB against SGD</li> <li>Partially offset by appreciation of JPY against SGD</li> </ul>
Net Property Income	21.4	22.6	5.5%	<ul style="list-style-type: none"> <li>Higher contribution from Hotel Sunroute Osaka Namba</li> </ul>
NPI Margin	40.6	43.2	2.6pp	
Income available for distribution	15.0	15.2	1.3%	
Adjusted Income available for distribution <sup>1</sup>	14.2	14.5	1.6%	<ul style="list-style-type: none"> <li>Higher net property income</li> <li>Partially offset by realised loss in relation to currency forward contracts</li> </ul>
DPS <sup>1</sup> (cents)	1.28	1.29	0.8%	

**Note:.**

1. After retaining distributable income for working capital purposes

# Distribution History





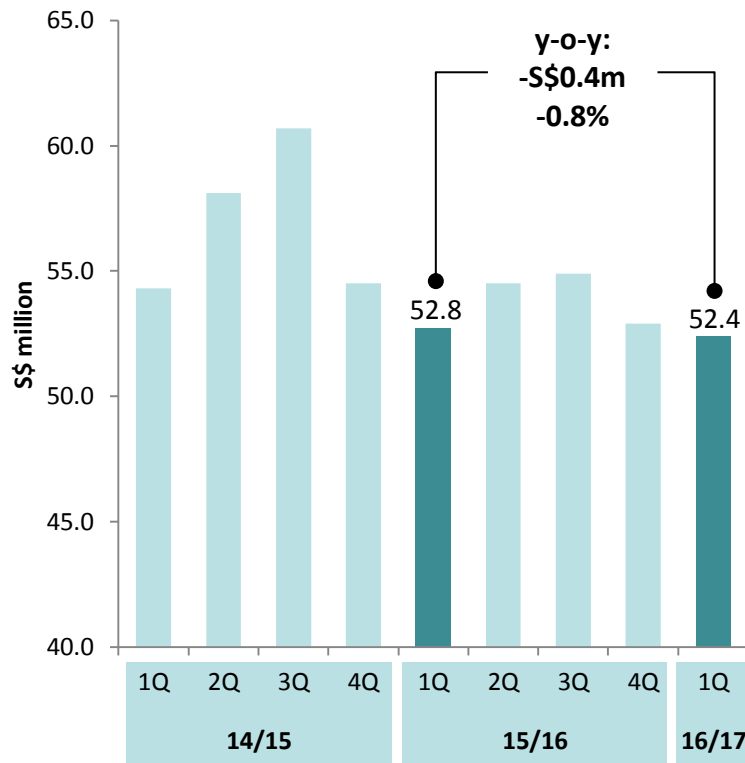
# 3

## Portfolio Performance

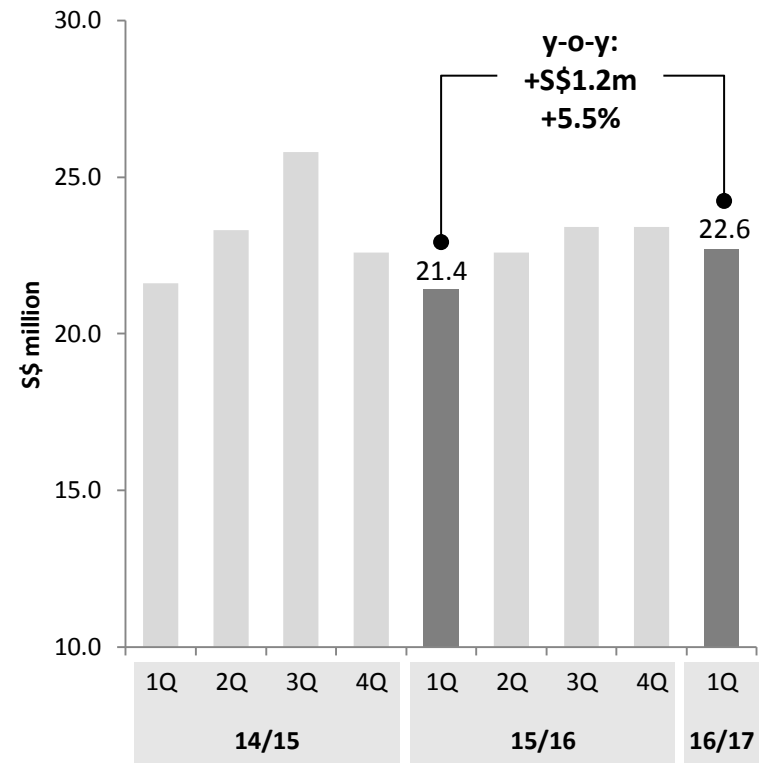
# Japan portfolio drive NPI

- ✦ Improved rent structure leads to higher contribution from Hotel Sunroute Osaka Namba, which in turn resulted in higher NPI for 1QFY2016/17

## Gross Revenue



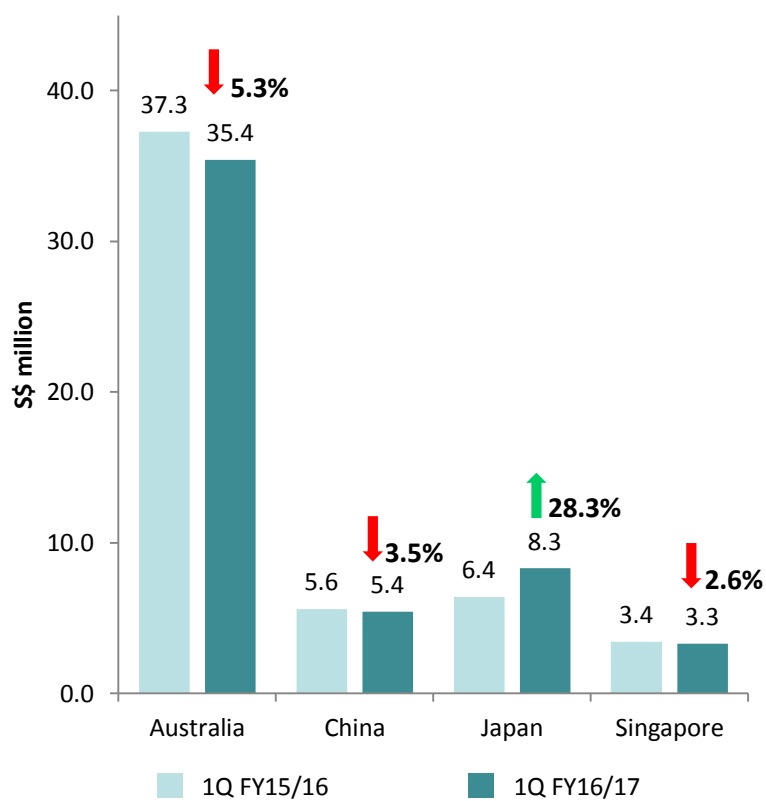
## Net Property Income



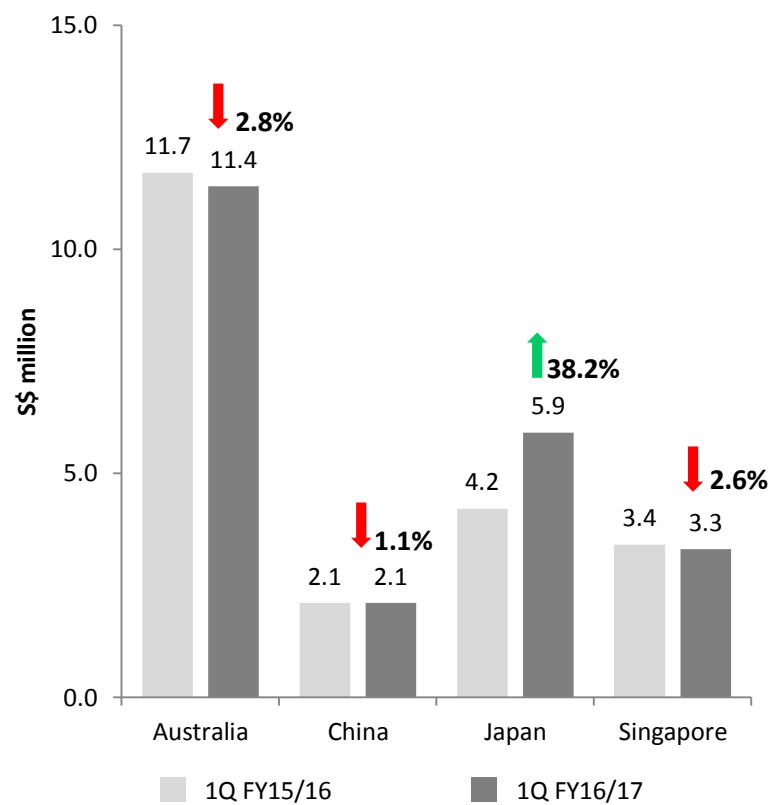
# Performance by Country

- ✦ Financials in SGD affected by foreign exchange while Japan portfolio showed strong growth, driven by Hotel Sunroute Osaka Namba

## Gross Revenue



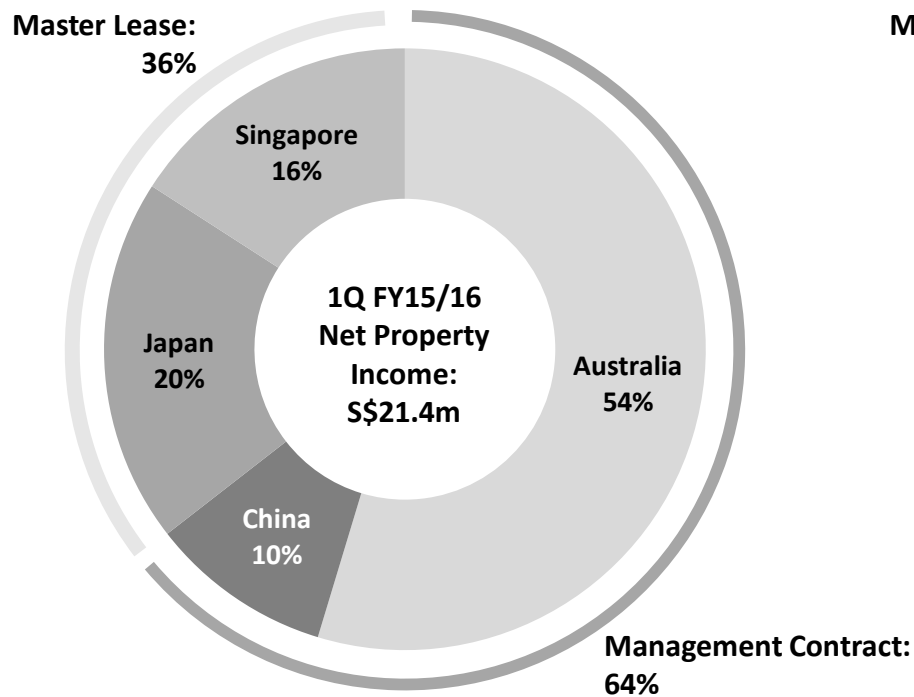
## Net Property Income



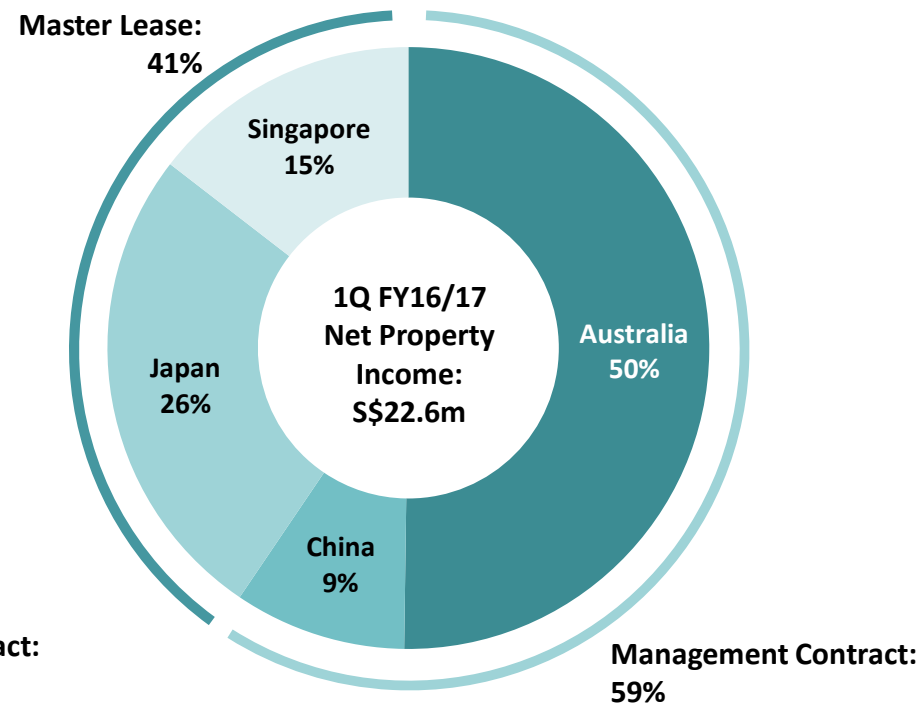
# NPI Breakdown by Country and Contract Type

- ✦ Well diversified portfolio with good mix of master lease arrangements and management contracts

1Q FY15/16 Net Property Income



1Q FY16/17 Net Property Income



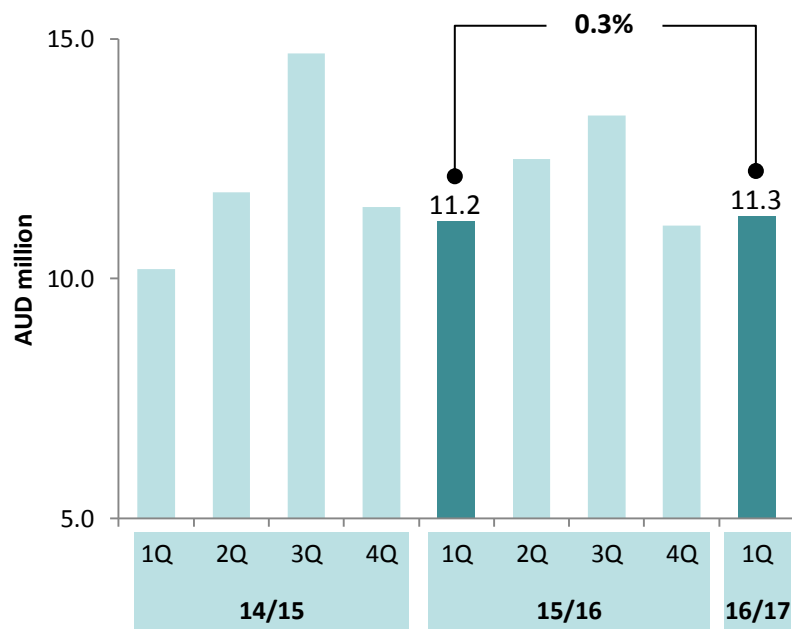
# Stable performance from Australia portfolio

AUD	1 <sup>st</sup> Quarter		Change
	FY15/16	FY16/17	
<b>AOR</b>	81.8%	81.3%	↓ 0.5pp
<b>ADR</b>	164	168	↑ 2.4%
<b>RevPAR</b>	134	137	↑ 1.7%

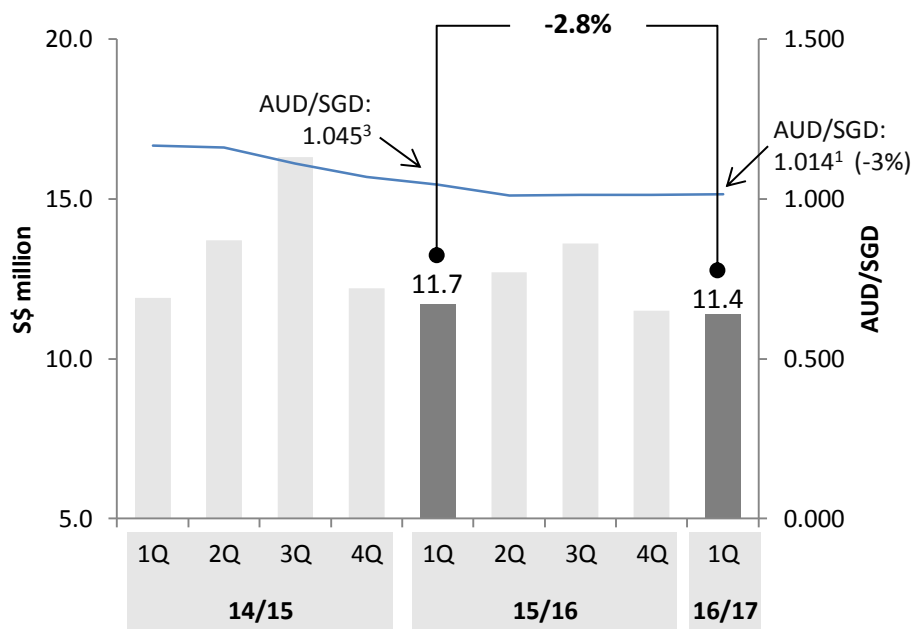
- Hotels in Sydney and Melbourne (except for CMNR<sup>1</sup>) recorded better performance due to higher demand for rooms and more conferencing and event business
- On same store basis, NPI up by 3.5% in AUD terms<sup>2</sup>
- CMNR closed rooms for refurbishment while Brisbane hotel operated in competitive market

**Note:** 1. Courtyard by Marriott North Ryde, 2. Excluding Pullman Cairns International

## Net Property Income in AUD



## Net Property Income in S\$



**Note:**

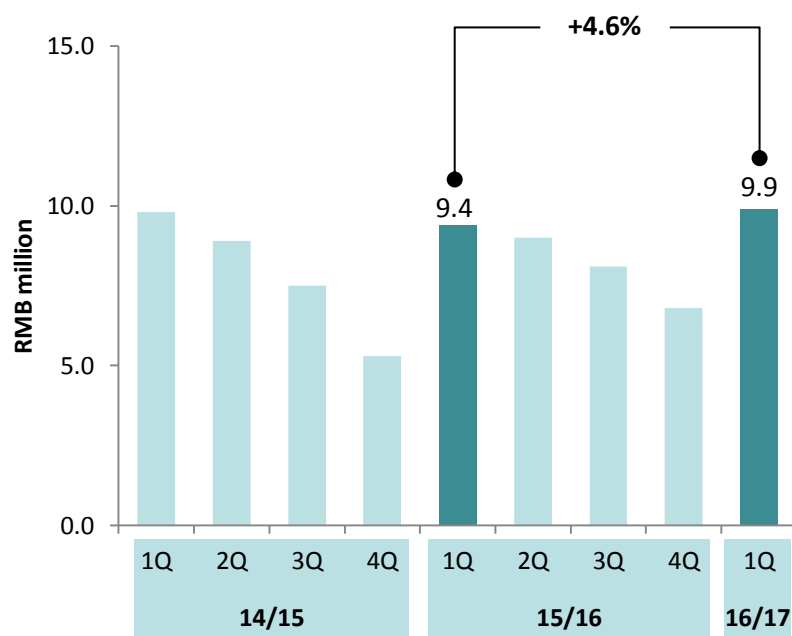
3. Based on average rate used for the respective quarter

# Improvement from China Portfolio

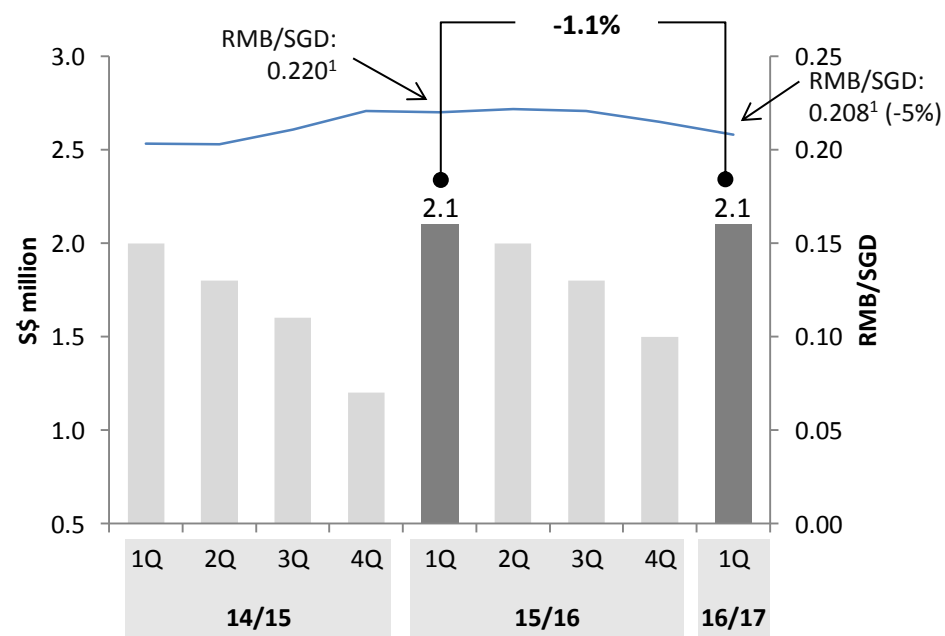
RMB	1 <sup>st</sup> Quarter		Change
	FY15/16	FY16/17	
AOR	82.9%	86.5%	↑ 3.6pp
ADR	419	412	↓ 1.7%
RevPAR	347	357	↑ 2.9%

- Volume strategy worked out for Novotel Beijing Sanyuan
- Leasing of spaces in Ibis Beijing Sanyuan for stable income boost NPI
- Depreciation of RMB against SGD moderated financials in SGD terms

## Net Property Income in RMB



## Net Property Income in S\$



Note:

1. Based on average rate used for the respective quarter



# Performance of Japan Portfolio Soar

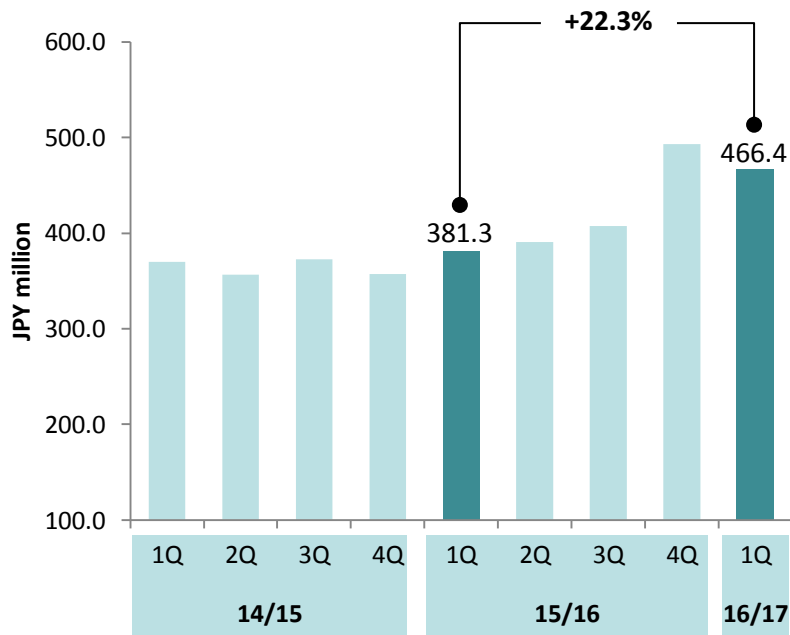
JPY	1 <sup>st</sup> Quarter		Change
	FY15/16	FY16/17	
RevPAR <sup>1</sup>	9,328	10,004	↑ 7.2%

**Note:**

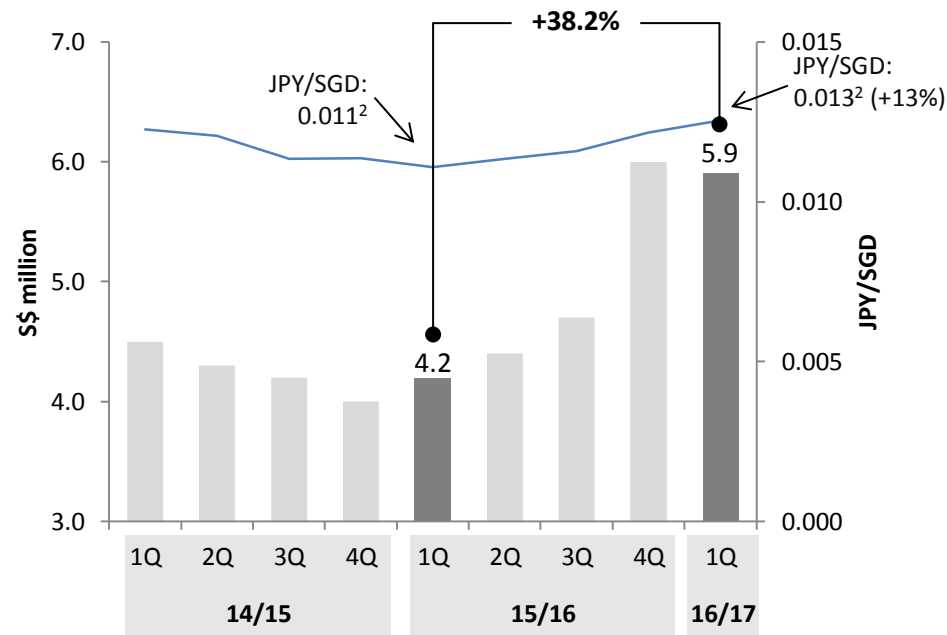
1. Applies to Oakwood Apartments only

- Hotel Sunroute Osaka Namba contributed higher NPI this quarter (up 66.9% y-o-y in JPY terms ) due to improved rent structure under new master lease
- Oakwood Apartments Ariake Tokyo continue to improve
- Appreciation of JPY against SGD boost results in SGD

## Net Property Income in JPY



## Net Property Income in S\$

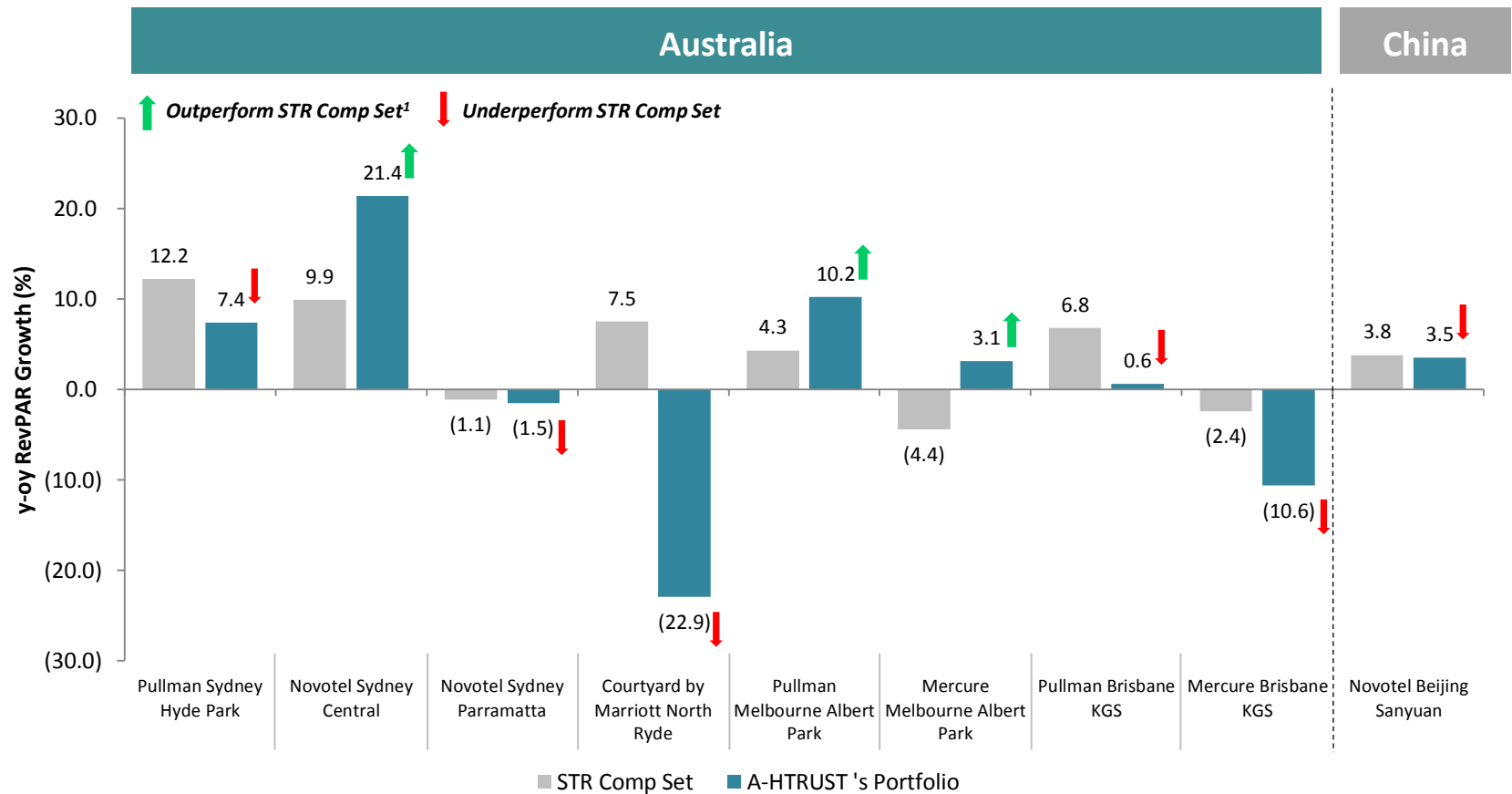


**Note:**

2. Based on average rate used for the respective quarter

# Quality Portfolio

✦ Majority of hotels recorded RevPAR growth, underpinned by the quality of the assets



**Note:**

1. STR (Smith Travel Research) Global Report tracks a hotel's occupancy, ADR and RevPAR performance against its selected comparable competitors. STR Competitive Set ("STR Comp Set") refers to the average performance of the hotel and its competitors.



# 4

## Capital Management

# Healthy Balance Sheet

✦ Total assets of S\$1,609.4 million as at 30 June 2016

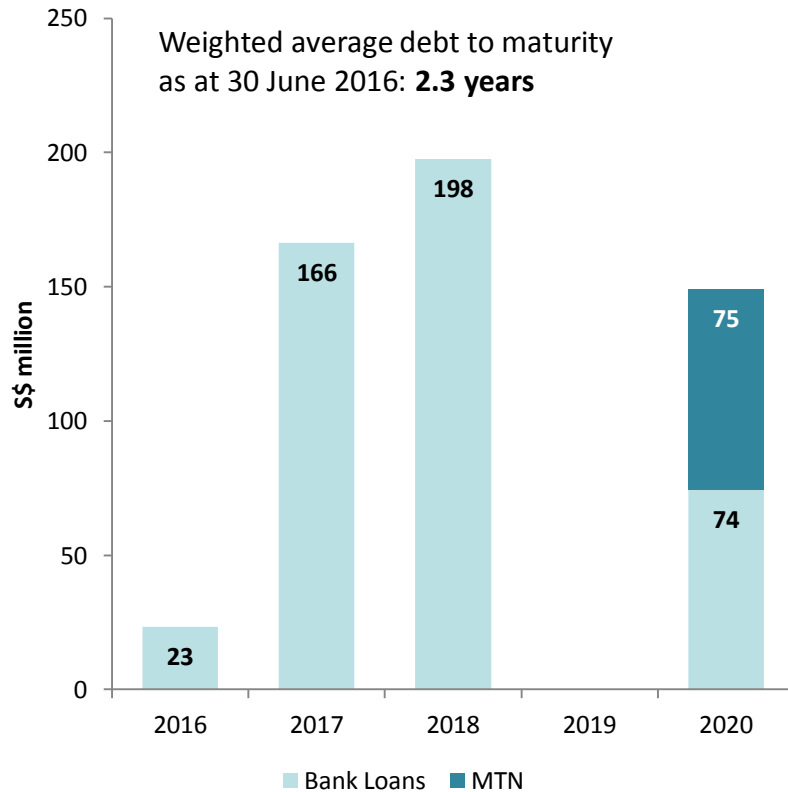
	As at 31 March 2016	As at 30 June 2016
Borrowings	S\$533.3m	S\$535.1m
Total Assets	S\$1,631.9m	S\$1,609.4m
A-HTRUST Gearing <sup>1</sup>	32.7%	33.2%
- A-HREIT Gearing	25.8%	26.0%
- A-HBT Gearing	36.5%	37.5%
Weighted average interest rate	3.4%	3.4%
Weighted average debt to maturity	2.6 years	2.3 years
Net asset value per stapled security	S\$0.86	S\$0.85

**Note:**

1. Gearing is computed based on total debt over total assets

# Balanced Debt Profile

## Debt Maturity Profile

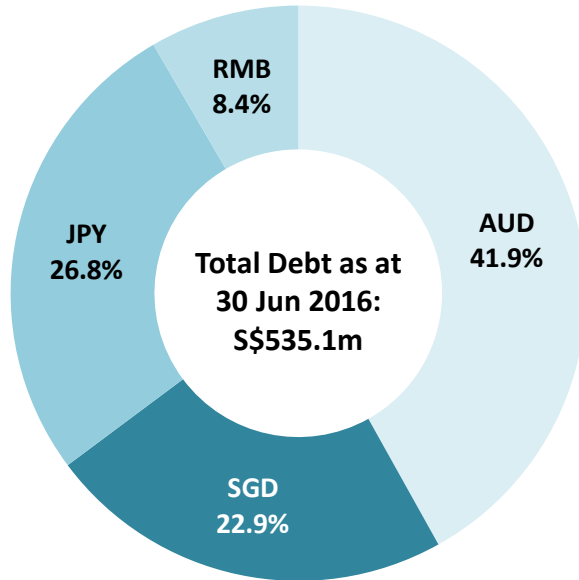


## Debt Facilities

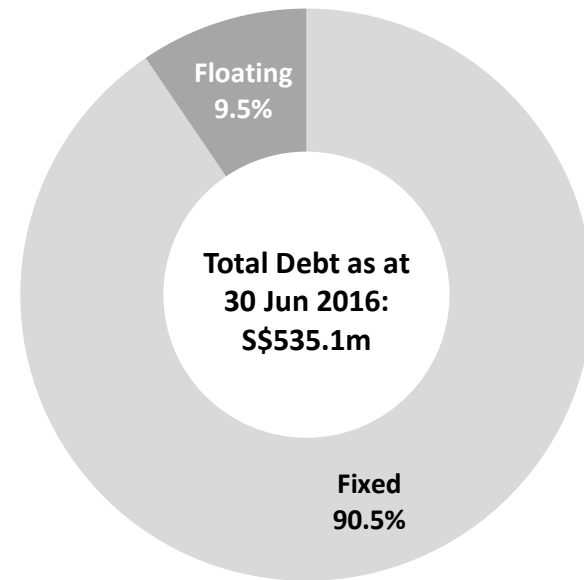
- **Term loan facilities:**  
*3 to 5-year term loan facilities*
- **Revolving credit facility (“RCF”):**  
*3-year S\$60 million RCF*
- **S\$1 billion Debt Issuance Programme (“Programme”):**  
*Programme established in October 2014, and updated in November 2015*

# Prudent Capital Management

## Debt Currency Profile



## Interest Rate Profile





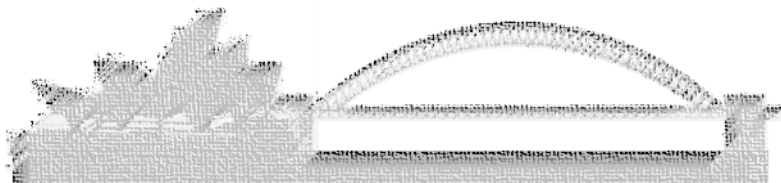
# 5

Looking Ahead

# Australia – Outlook for Sydney and Melbourne Healthy



- Weak AUD is expected to drive both international arrivals and domestic travelling in Australia, which 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 rooms<sup>1</sup>
- 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



**Note:**

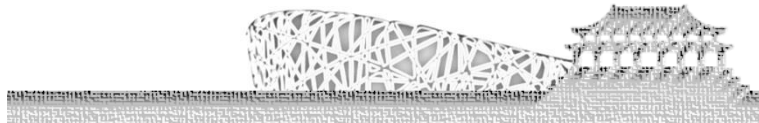
1. Source: Jones Lang LaSalle



# China – Competitive Environment to Persist



- 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



# Japan – Near Term Outlook Remains Positive



- Inbound visitors to Japan continue to remain strong, improving by 29.1% y-o-y for the period YTD May 2016<sup>1</sup>
- 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

**Note:**

1. Source: Japan National Tourism Organisation

# Singapore – Market Remains Challenging



- Despite the encouraging growth in inbound visitors to Singapore for the period YTD May 2016 of 13.3% y-o-y<sup>1</sup>, 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 competition from the supply of new hotel rooms



**Note:**

1. Source: Singapore Tourism Board



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