



Frasers Hospitality Trust

Acquisition of Maritim Hotel Dresden, Germany

6 May 2016

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

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Semper Opera House

Overview of Maritim Hotel Dresden

Overview of Maritim Hotel Dresden



Location	<ul style="list-style-type: none"> Devrientstr. 10 and 12, Kleine Packhofstr. 17, 01067 Dresden
Tenure	<ul style="list-style-type: none"> Freehold
Description	<ul style="list-style-type: none"> Located in Dresden's historical city centre and within the vicinity of various government and business offices and major tourist attractions Directly connected to the International Congress Centre (ICC) Dresden
Rooms and Facilities	<ul style="list-style-type: none"> 328 rooms Restaurant, bar, swimming pool, gym
Brand & Operating Structure	<ul style="list-style-type: none"> Upscale Maritim brand Master leased to Maritim Hotelgesellschaft, part of Maritim Hotel Group
Purchase Consideration¹	<ul style="list-style-type: none"> €58.4m (S\$90.4m)
Appraised Value²	<ul style="list-style-type: none"> €58.5m (S\$90.6m)
NPI Yield	<ul style="list-style-type: none"> 6.8% (Based on annual fixed rent payable by Master Lessee)

Notes:

(1) Based on assumed exchange rate of €1:S\$1.5487.

(2) Based on valuation report of Savills Advisory Services Limited on Maritim Hotel Dresden dated 31 March 2016.



Dresden Frauenkirche

Rationale and Key Benefits of the Acquisition

Rationale and Key Benefits of Acquisition

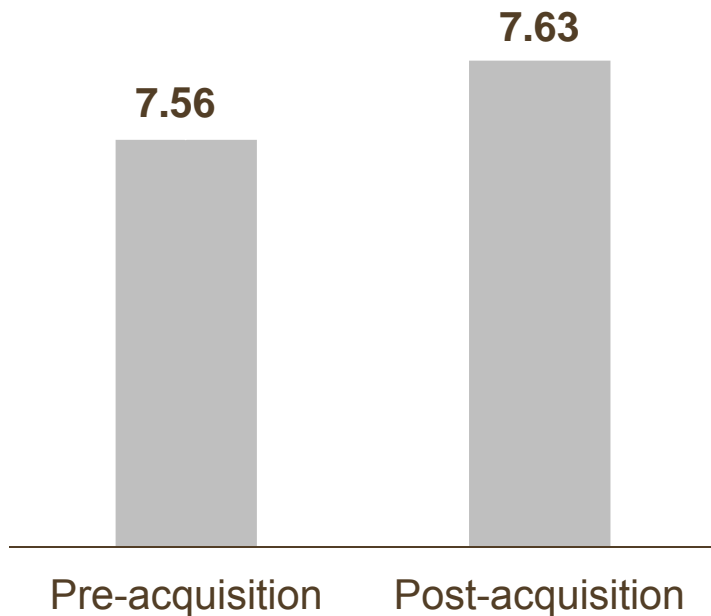
- 1 Accretive acquisition
- 2 Consistent with REIT Manager's investment strategy
- 3 Prime location within Dresden's historical city centre
- 4 Experienced German hotel operator
- 5 Attractive lease structure providing income stability
- 6 Increase diversification

Rationale and Key Benefits

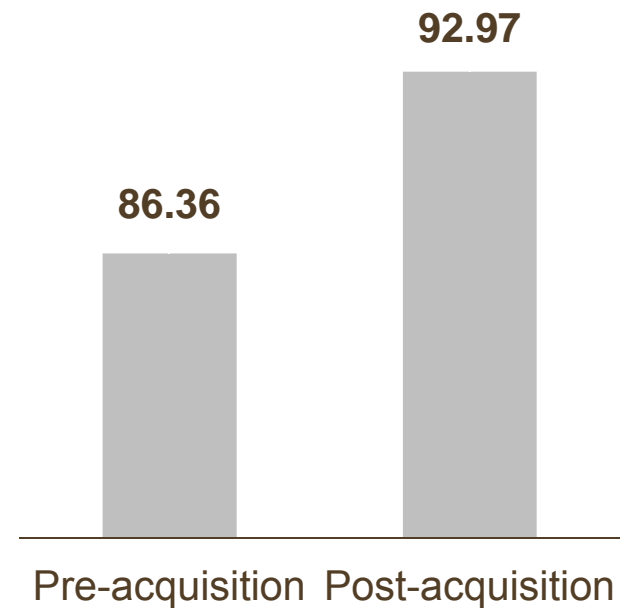
1 Accretive acquisition

Acquisition expected to be yield accretive

Pro forma DPS in Singapore cents
for FY2015¹



Pro forma NAV per Stapled Security
in Singapore cents for FY2015²



Note:

(1) Assumes FHT had completed the Acquisition and the issuance of the Perpetual Securities on 14 July 2014 and held the Property through to 30 September 2015. Also takes into account the issue of Stapled Securities as payment of the Acquisition Fee.

(2) Assumes FHT had completed the Acquisition on 30 September 2015. Also takes into account the issue of Stapled Securities as payment of the Acquisition Fee.

Rationale and Key Benefits

2 Consistent with REIT Manager's investment strategy

Germany : Europe's economic powerhouse expected to continue with steady growth



Source: Dresden Marketing, Saxony Investment Agency

- Largest economy in Europe and 4th in the world with GDP of US\$3.8 trillion in 2014¹.
- Mature property market, transparent business environment and steady economic growth².
- World's 7th largest international arrival market in the world².
- Top conference location in Europe and second worldwide after USA³.
- Diverse leisure and business demand with 4.6% growth in international arrivals to 33 million in 2014². Overnight stays by domestic and international travellers grew 2.5% and 5.1% to 348.5 million and 75.6 million respectively³.

Source:

(1) World Bank.

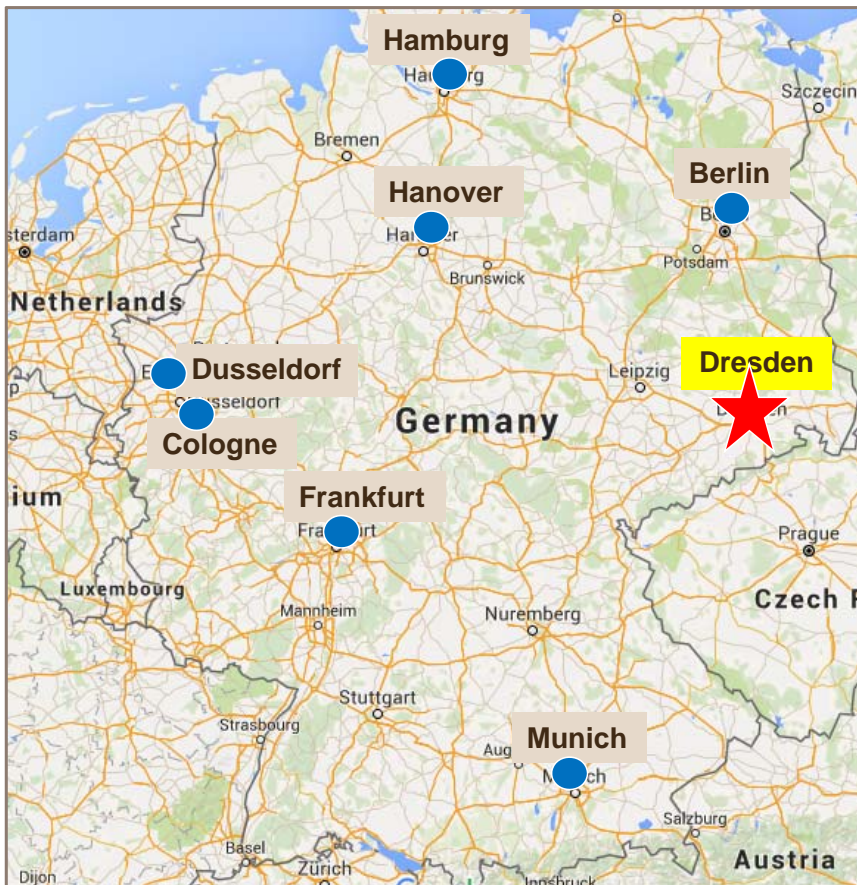
(2) The World Tourism Organization Tourism Highlights 2015.

(3) German National Tourist Board "Incoming Tourism Germany Facts & Figures 2014".

Rationale and Key Benefits

2 Consistent with REIT Manager's investment strategy

Dresden : One of the top business locations in Germany largely driven by high-tech sectors



- Well established hub for scientific research, innovation and technology. Both Fraunhofer Society (Europe's largest research organisation for applied science) and Max Planck Society (Germany's 2nd largest research organisation) have key research centres in Dresden.
- Key sectors¹ driving economic development include:
 - Microelectronics: Half of all microchips made in Europe come from Dresden. Key companies include Globalfoundries and Infineon Technologies.
 - Nanotechnology: 10% of Germany's nanotech companies are located in the Dresden region.
 - Life Sciences/Biotech: Well represented by leading global pharmaceutical companies, including GlaxoSmithKline which set up its sole European production site for influenza vaccine in Dresden.

Source:
(1) <http://www.dresden.de>

Rationale and Key Benefits

2 Consistent with REIT Manager's investment strategy

Dresden : Established hospitality market with good business and leisure mix



Source: National Geographic

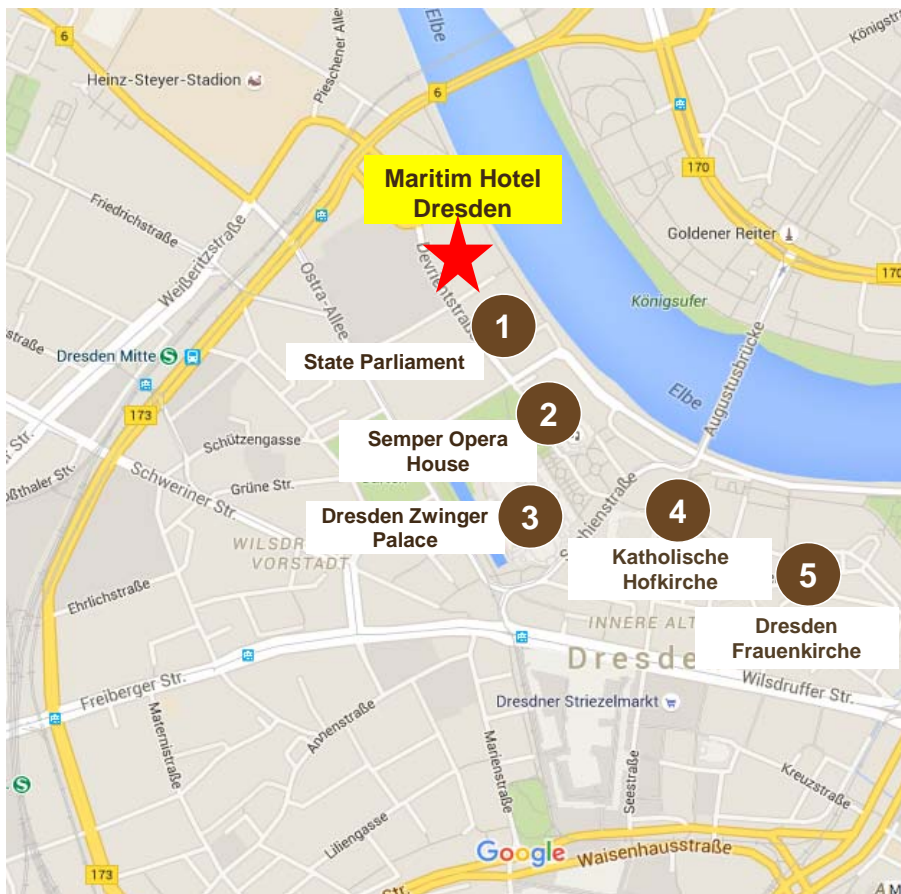
- Established secondary hospitality market, with good mix of business and leisure tourist arrivals.
- Important destination for meetings, incentives and conferences, with trade fair cycle dominated by annual recurring events such Semicon Europa and Plastic Electronics Conference & Exhibition.
- Over the past decade, Dresden has seen an average annual growth of 5.9% and 5.6% in arrivals and overnights respectively.
- In 2014, over 2 million arrivals and more than 4 million overnights were recorded in the city¹.

Source:
(1) <http://invest.dresden.de/en>.

Rationale and Key Benefits

3 Prime location within Dresden's historical city centre

Strategically located near key landmarks with direct connection to city's convention centre



Source: Google Maps as at 03 May 2016

- Sits on the bank of the Elbe River and just next to the State Parliament building. Short walk to key landmarks such as Semper Opera House, Dresden Zwinger Palace and Dresden Frauenkirche (Church of Our Lady).
- Connected to the International Congress Centre (ICC) Dresden, the largest conference centre in the city with a capacity of over 6,000 persons.

	Key Landmarks
1	State Parliament
2	Semper Opera House
3	Dresden Zwinger Palace
4	Katholische Hofkirche (Dresden Cathedral)
5	Dresden Frauenkirche (Church of Our Lady)

Rationale and Key Benefits

4 Experienced German hotel operator

Maritim Hotel Group is one of the largest German hotel chains

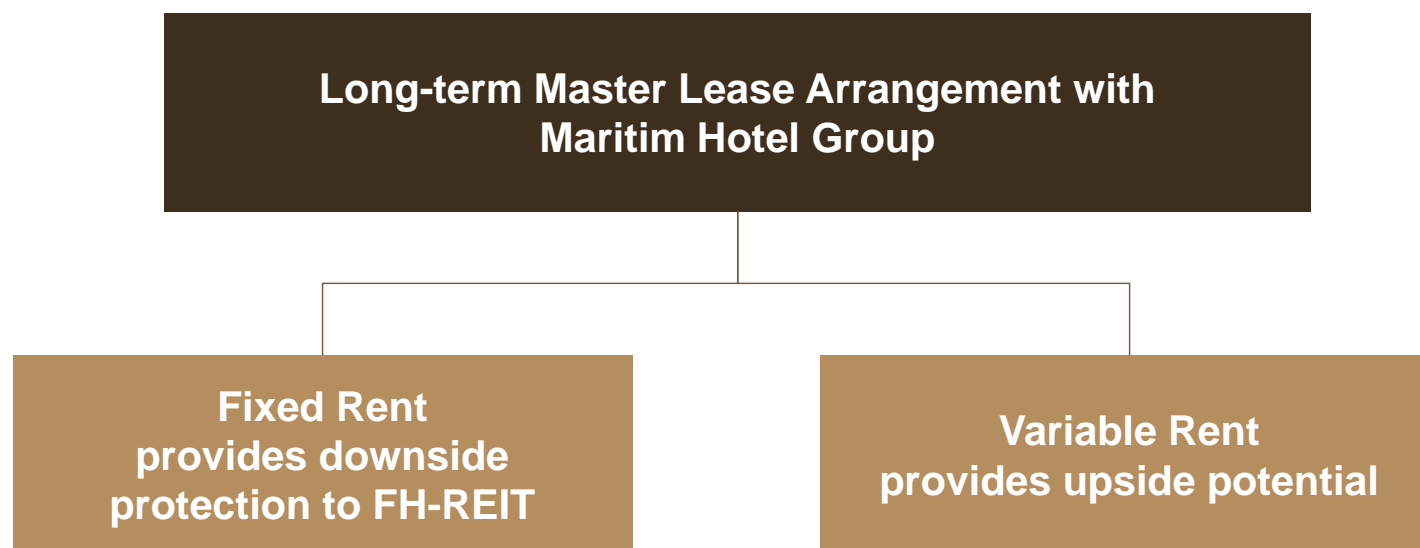


- Operates 34 hotels in Germany alone, and 14 hotels overseas (4 in Egypt, 3 in China, 2 in Mauritius, 2 in Spain, 1 in Amsterdam, 1 in Turkey and 1 in Malta).
- Specialises in operating hotels with/next to convention facilities e.g. Maritim Frankfurt is connected to Messe Frankfurt.
- Also operates the ICC Dresden, which is owned by the Dresden government (not part of the proposed acquisition).

Rationale and Key Benefits

5 Attractive lease structure providing income stability

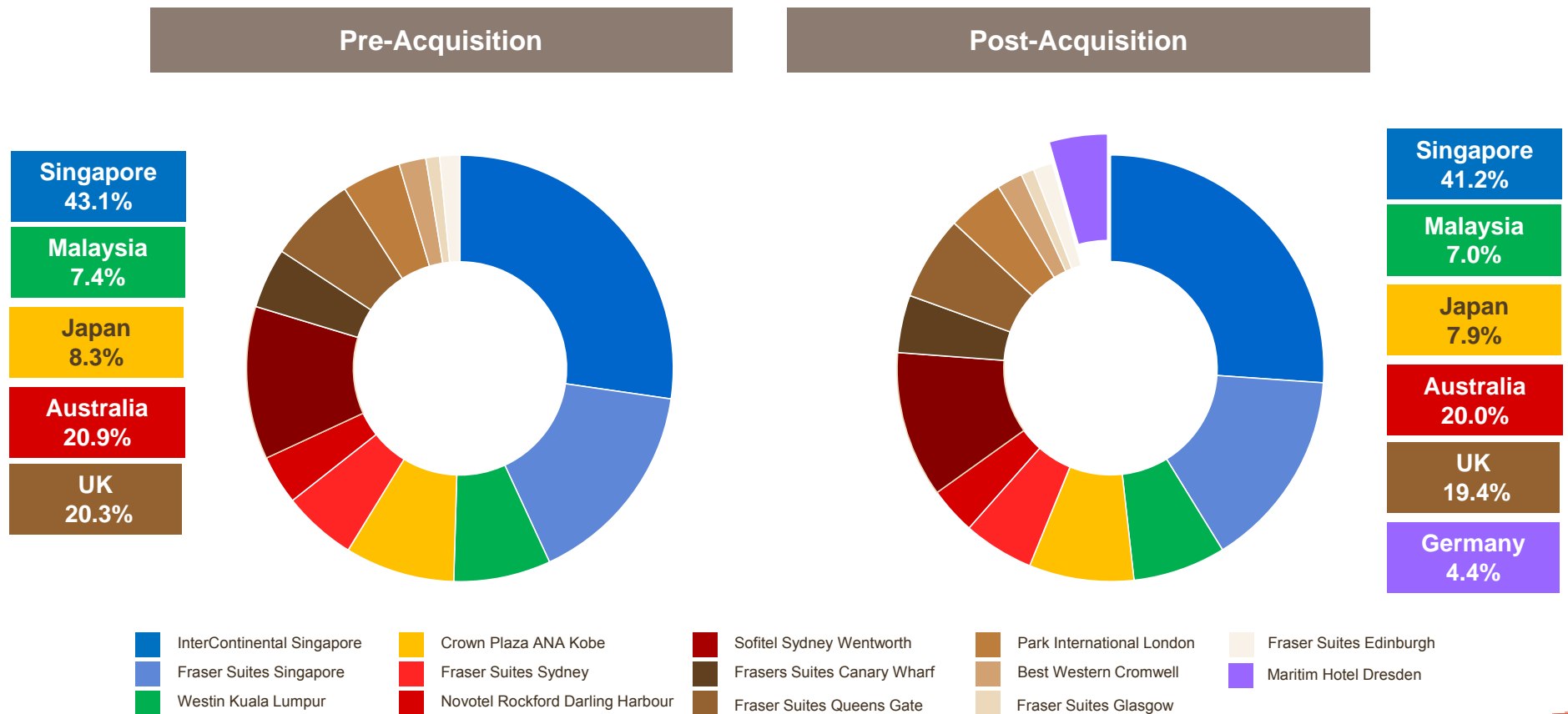
Fixed rent provides downside protection with upside potential through variable rent



Rationale and Key Benefits

6 Increase diversification

Increase portfolio size and diversify earnings base with first acquisition in Germany





Dresden Zwinger Palace

Financing for the Acquisition



Financing for the Acquisition

To be funded by proceeds from perpetual securities issued

Total Acquisition Cost ¹ (S\$m)	
Purchase consideration	90.4
Acquisition fee	0.9
Real estate transfer tax	3.1
Professional and other fees	3.2
Total	97.6

- Acquisition to be fully funded with proceeds from issuance of S\$100 million perpetual securities launched on 5 May 2016 at a fixed distribution rate of 4.45% per annum.
- The perpetual securities allow FHT to diversify its funding sources and provide it with greater financial flexibility to access investment opportunities.

Notes:

(1) Based on exchange rate of €1 : S\$1.5487.



Thank you