

3Q FY2017/18 Financial Results Presentation

1 February 2018



Disclaimer

This presentation shall be read in conjunction with A-HTRUST's Unaudited Financial Results for the Third Quarter ended 31 December 2017 ("3Q FY2017/18") a copy of which is available on www.sgx.com or 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.

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Key Highlights

3Q FY2017/18 Financial Highlights

	3Q FY2017/18 ¹			3Q YTD FY2017/18 ¹		
Gross Revenue	S\$58.1m	1.8% y-o-y	▼	S\$170.0m	1.8% y-o-y	▲
Net Property Income ("NPI")	S\$25.2m	4.7% y-o-y	▼	S\$72.0m	1.9% y-o-y	▼
Income available for distribution	S\$17.2m	12.1% y-o-y	▼	S\$50.2m	1.7% y-o-y	▼
Adjusted Income available for distribution ²	S\$16.0m	13.7% y-o-y	▼	S\$46.8m	3.5% y-o-y	▼
Distribution per Stapled Security ("DPS") ²	1.41 cents	14.0% y-o-y	▼	4.14 cents	3.9% y-o-y	▼

Notes:

1. Save for DPS, percentage changes are based on figures rounded to nearest thousands
2. After retaining distributable income for working capital purposes

3Q FY2017/18 Portfolio Highlights

	AOR ¹		ADR ¹		RevPAR ¹	
Australia	86.7%	0.1pp y-o-y ▲	AUD 184	1.7% y-o-y ▲	AUD 160	1.9% y-o-y ▲
China	84.4%	1.7pp y-o-y ▼	RMB 413	2.7% y-o-y ▲	RMB 349	0.9% y-o-y ▲
Japan	<ul style="list-style-type: none"> Applies to Oakwood Apartments only Driven by higher occupancy and room rates 				JPY 10,970	5.9% y-o-y ▲
Singapore	<ul style="list-style-type: none"> Improvement in rental income contribution from Park Hotel Clarke Quay 					

Note:

1. AOR: Average Occupancy Rate; ADR: Average Daily Rate; RevPAR: Revenue per Available Room



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Financial Review

Results Summary – 3Q FY2017/18

S\$' million	3 rd Quarter		Change ²
	FY2017/18	FY2016/17	
Gross Revenue	58.1	59.2	(1.8)%
Net Property Income	25.2	26.4	(4.7)%
NPI Margin (%)	43.4	44.7	(1.3)pp
Income available for distribution	17.2	19.5	(12.1)%
Adjusted Income available for distribution ¹	16.0	18.5	(13.7)%
DPS (cents) ¹	1.41	1.64	(14.0)%

- Weaker performance from Australia portfolio
- Weakening of AUD, RMB, JPY against SGD

- Due to lower NPI, higher trust expense, absence of one-off gain in the corresponding period last year, as well as higher amount of income retained
- Partially offset by lower finance cost and income tax expense

Notes:

1. Net of retention of distributable income for working capital purposes. Retention of income for 3Q FY2017/18 was based on 7.0% of distributable income, while retention of income for 3Q FY2016/17 was based on 5.2% of distributable income.
2. Save for DPS, percentage changes are based on figures rounded to nearest thousands

Results Summary – 3Q YTD FY2017/18

S\$' million	3Q YTD		Change ²
	FY2017/18	FY2016/17	
Gross Revenue	170.0	167.1	1.8%
Net Property Income	72.0	73.4	(1.9)%
NPI Margin (%)	42.4	43.9	(1.5)pp
Income available for distribution	50.2	51.0	(1.7)%
Adjusted Income available for distribution ¹	46.8	48.5	(3.5)%
DPS (cents) ¹	4.14	4.31	(3.9)%

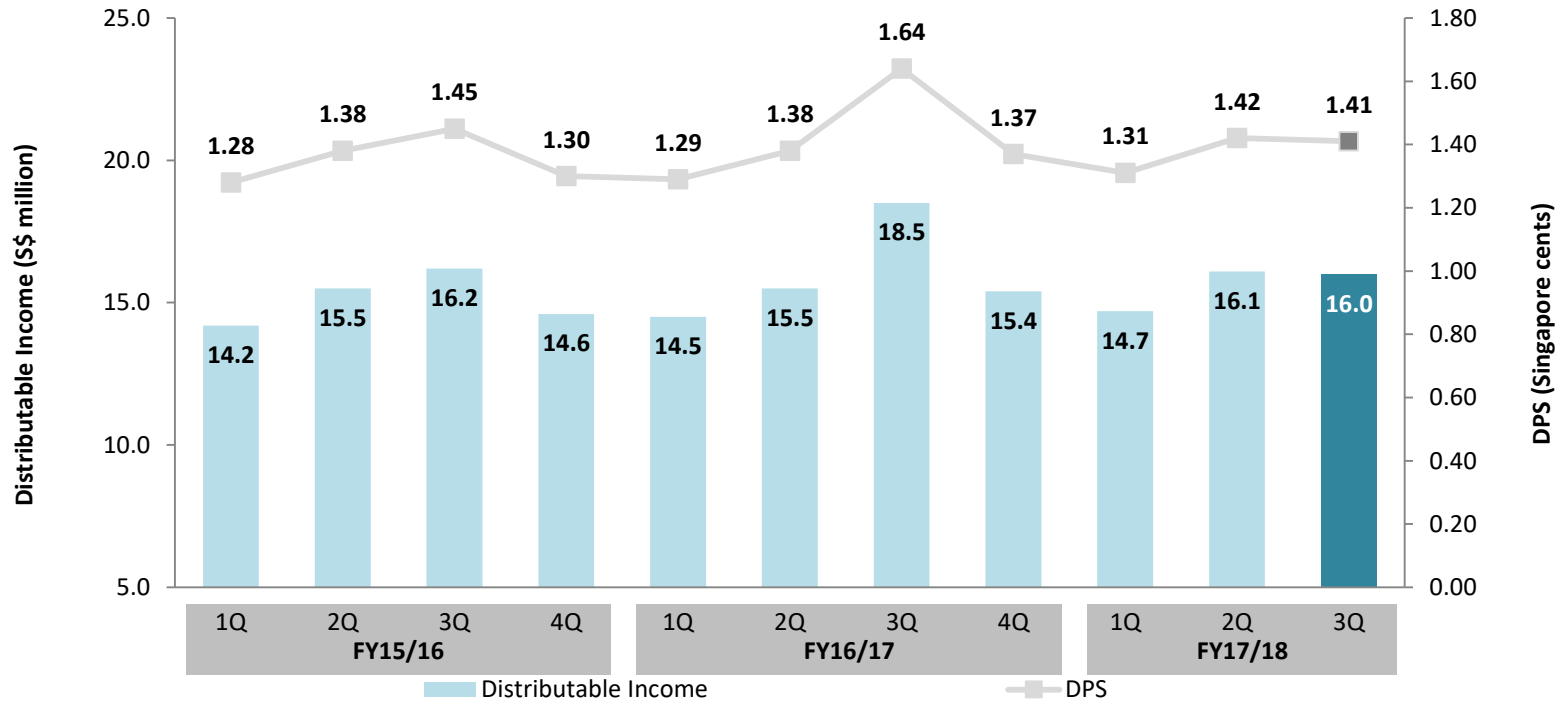
- Overall underlying revenue portfolio performance improved by S\$1.9 million, augmented by stronger AUD while partially offset by weaker JPY
- NPI was affected by lower contribution from the Australia portfolio, partially mitigated by stronger performance from China hotels

- Distributable income was lower mainly due to lower NPI, higher trust expense and higher amount of income retained
- Partially offset by lower finance cost of S\$2.0 million

Notes:

1. Net of retention of distributable income for working capital purposes. Retention of income for 3Q YTD FY2017/18 was based on 6.8% of distributable income, while retention of income for 3Q YTD FY2016/17 was based on 5.0% of distributable income.
2. Save for DPS, percentage changes are based on figures rounded to nearest thousands

Distribution History





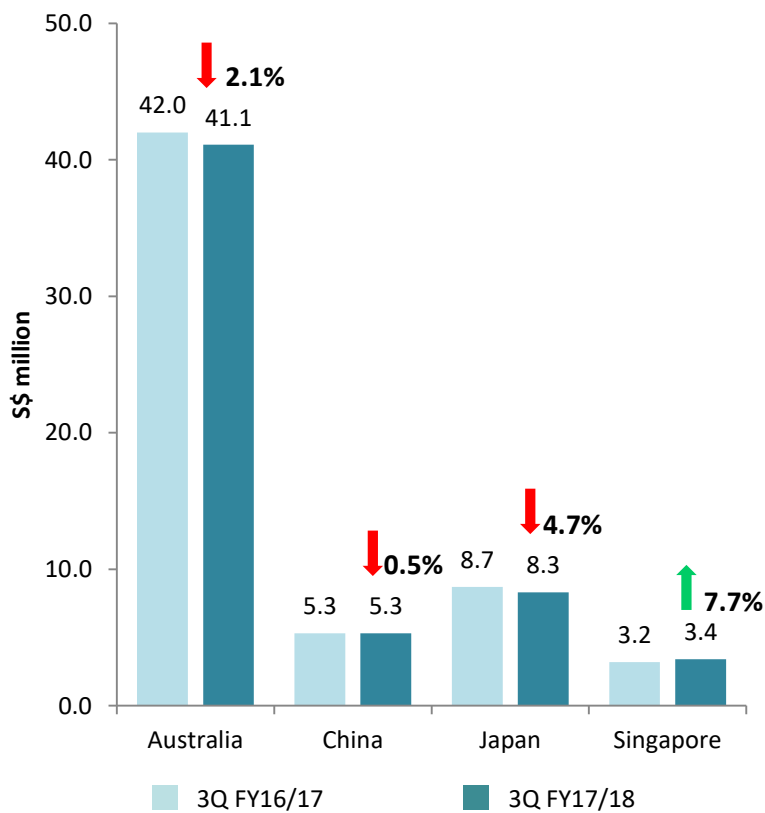
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Portfolio Performance

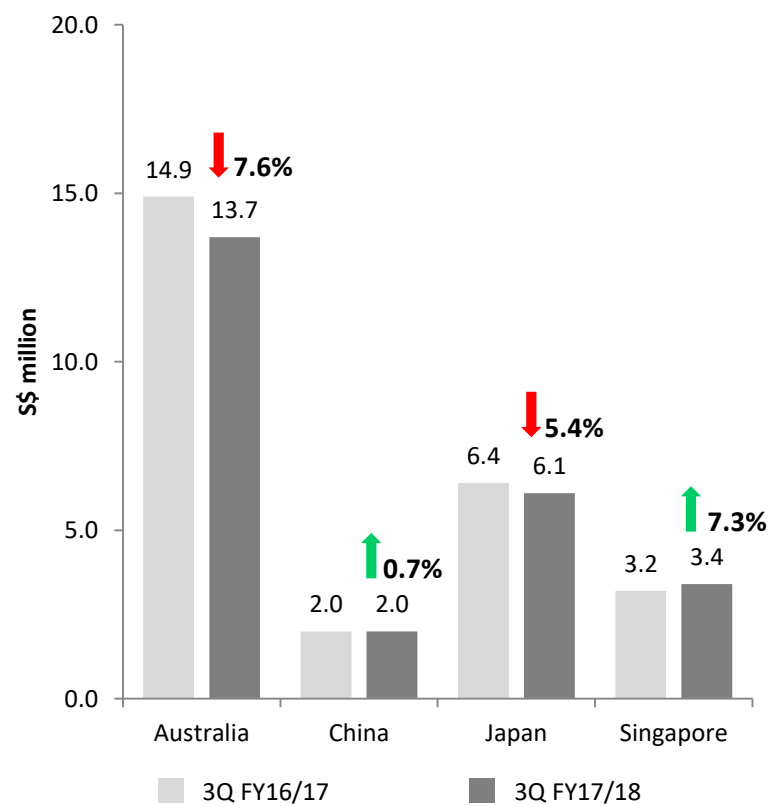
Performance by Country

- ✦ Weaker performance from Australia portfolio compounded with weaker AUD, RMB, JPY against SGD

Gross Revenue



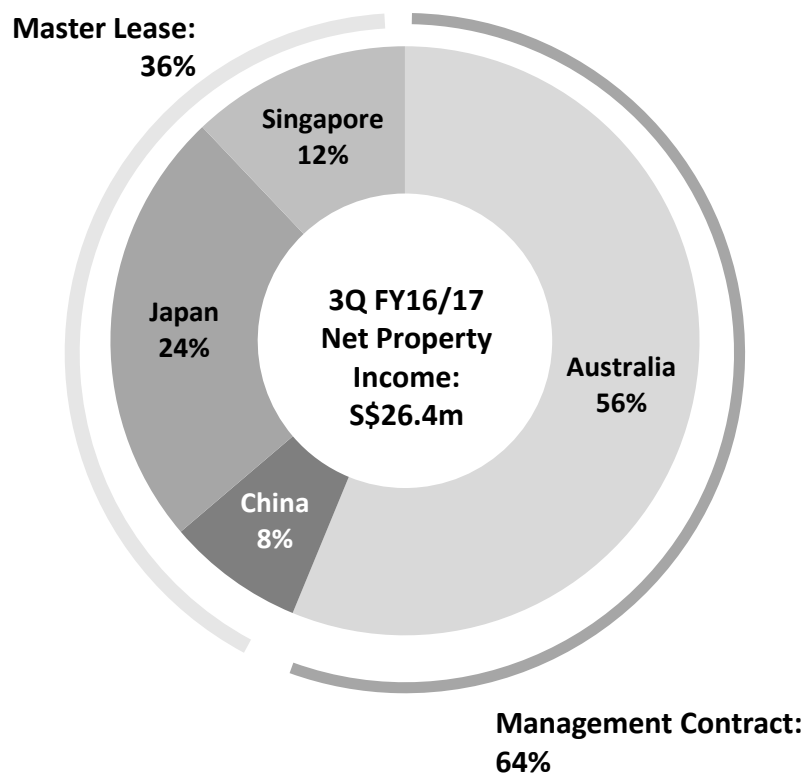
Net Property Income



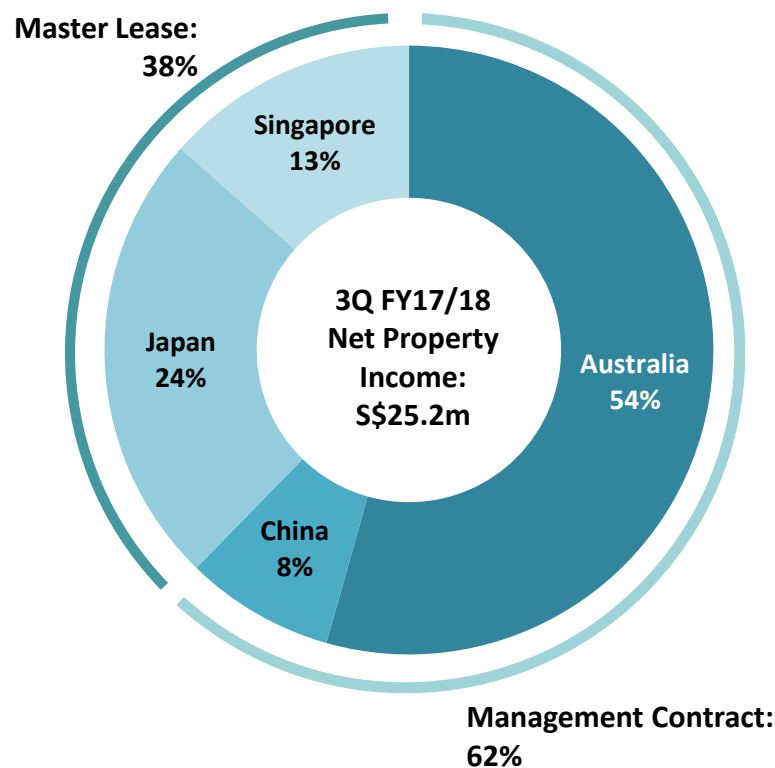
NPI Breakdown by Country and Contract Type

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

3Q FY16/17 Net Property Income



3Q FY17/18 Net Property Income

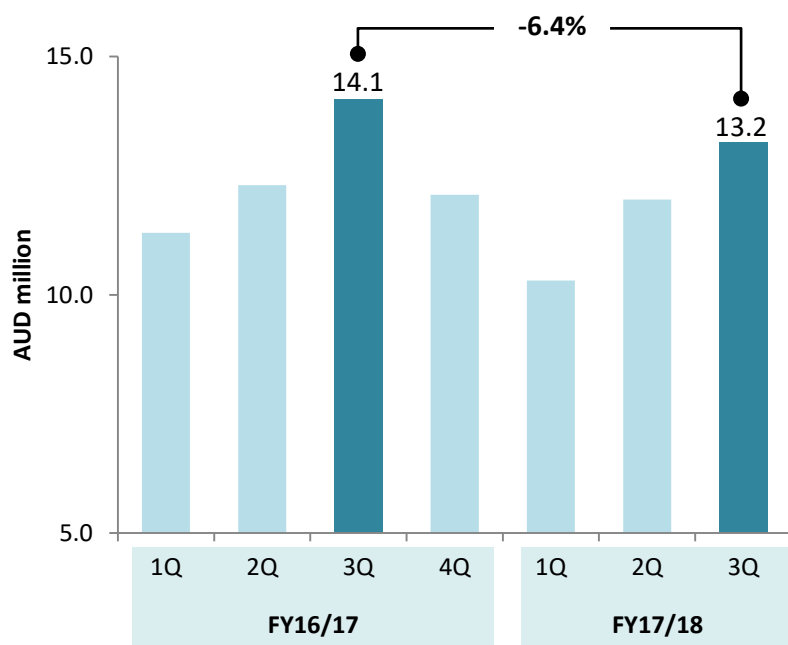


Australia portfolio impacted by weaker C&E business

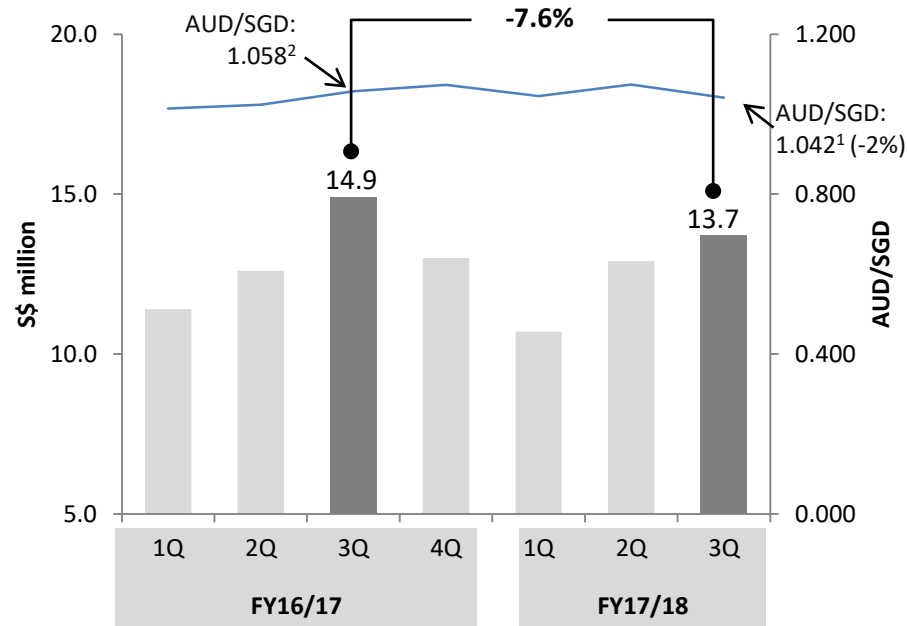
AUD	3 rd Quarter		Change
	FY17/18	FY16/17	
AOR (%)	86.7	86.6	↑ 0.1pp
ADR	184	181	↑ 1.7%
RevPAR	160	157	↑ 1.9%

- Mainly due to lower contribution from Melbourne hotel, which is impacted by weaker C&E business and higher land tax
- Novotel Sydney Central continue to improve while Courtyard by Marriott Sydney-North Ryde saw better performance following room refurbishment

Net Property Income in AUD



Net Property Income in S\$



1. Based on average rate used for the respective quarter

Stable performance from China portfolio

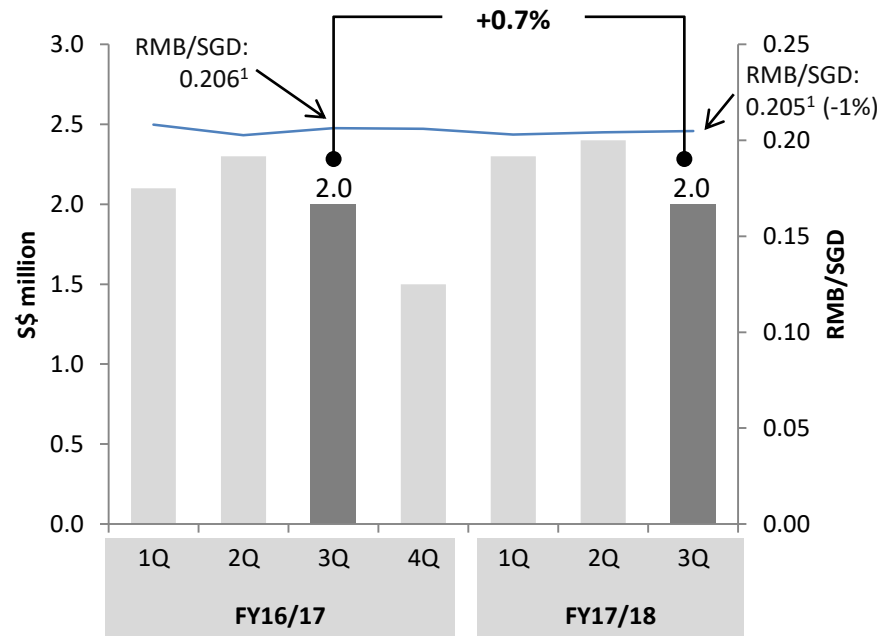
RMB	3 rd Quarter		Change
	FY17/18	FY16/17	
AOR (%)	84.4	86.1	↓ 1.7pp
ADR	413	402	↑ 2.7%
RevPAR	349	346	↑ 0.9%

- Novotel Beijing Sanyuan benefitted from strong public and corporate demand
- Ibis Sanyuan Beijing affected by weaker demand from participants of exhibitions and local corporate clients

Net Property Income in RMB



Net Property Income in S\$



1. Based on average rate used for the respective quarter

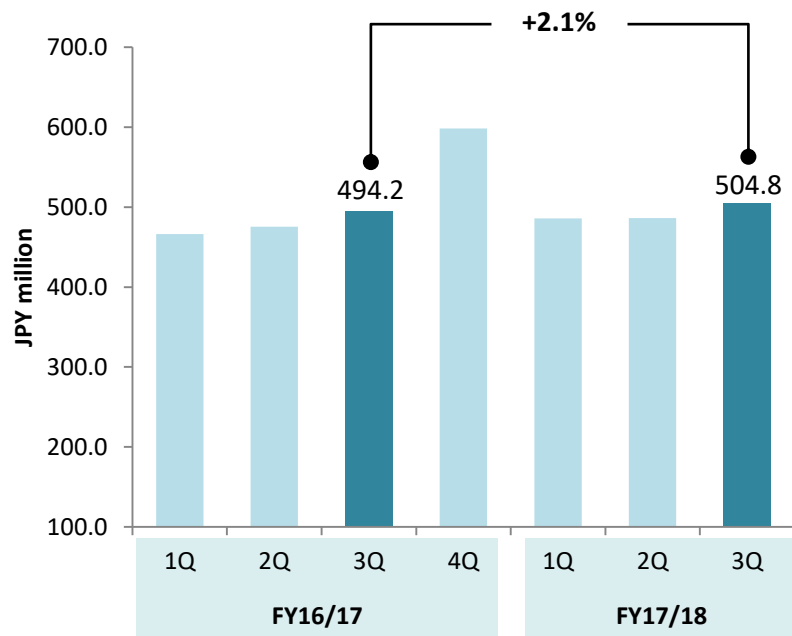
Improved underlying performance for Japan portfolio

JPY	3 rd Quarter		Change
	FY17/18	FY16/17	
RevPAR¹	10,970	10,358	↑ 5.9%

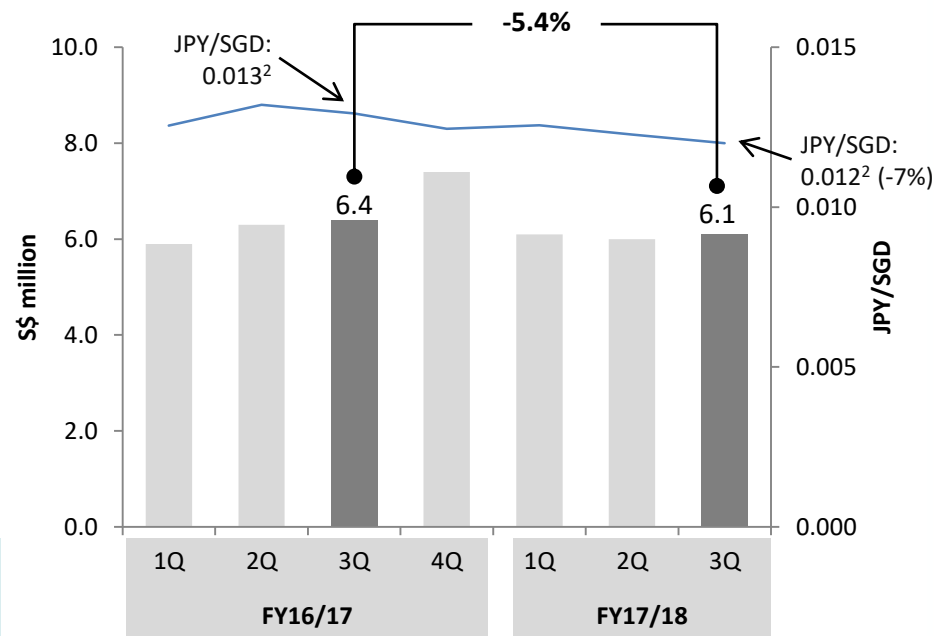
- Tokyo Big Sight benefitted Oakwood Apartments Ariake Tokyo
- Inbound guest groups helped to drive the performance of Hotel Sunroute Osaka Namba
- However, weaker JPY against SGD negated the underlying performance

1. Applies to Oakwood Apartments Ariake Tokyo only

Net Property Income in JPY



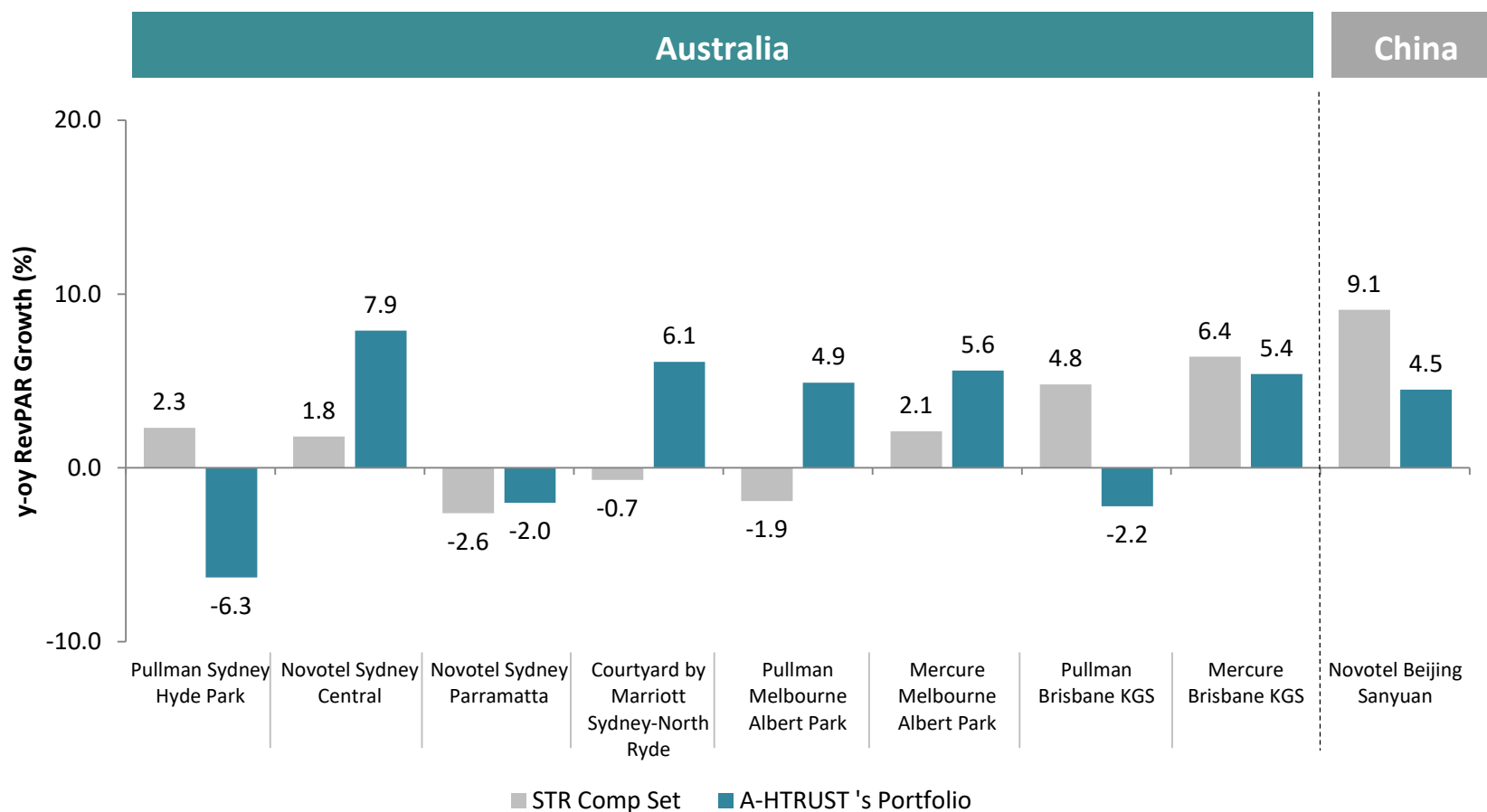
Net Property Income in S\$



2. Based on average rate used for the respective quarter

How our hotels performed

✦ Comparing of A-HTRUST's hotels performance against peers during the quarter



Note:

1. Source: STR (Smith Travel Research) Global Report. STR 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.



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Capital Management

Healthy balance sheet

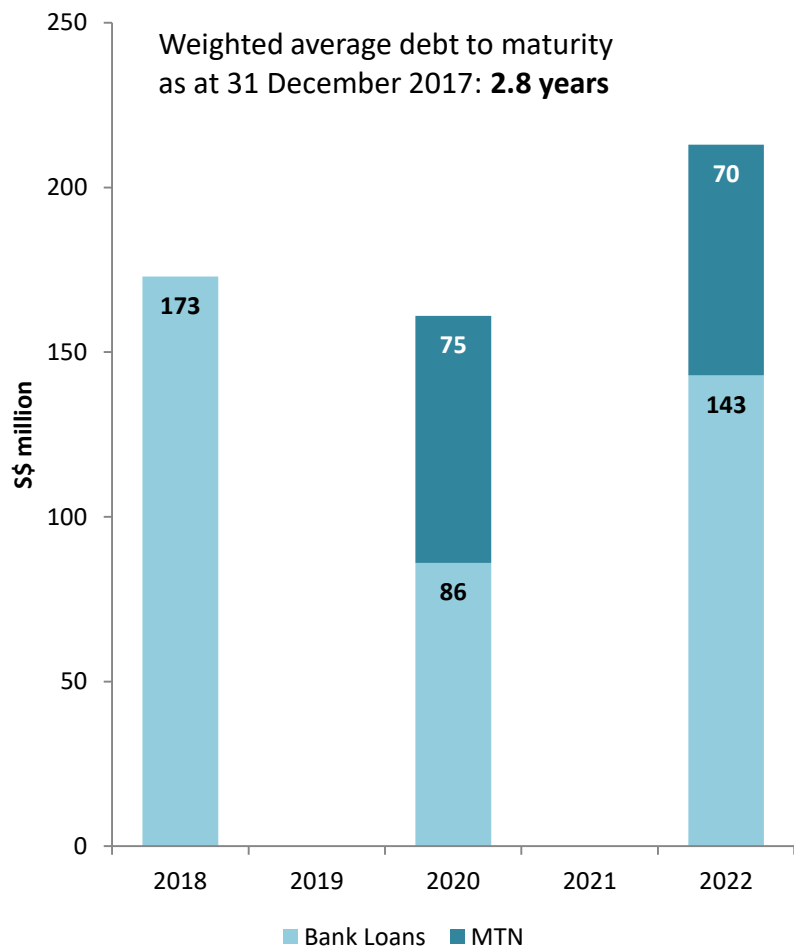
	As at 31 December 2017	As at 30 September 2017
Borrowings (S\$ m)	546.9	551.6
Total Assets (S\$ m)	1,646.3	1,692.5
A-HTRUST Gearing (%) ¹	33.2	32.6
- A-HREIT Gearing (%)	25.6	25.6
- A-HBT Gearing (%)	37.4	36.3
Weighted average interest rate (%)	2.7	2.9
Weighted average debt to maturity (years)	2.8	2.3
Net asset value per stapled security (S\$)	0.86	0.89

Note:

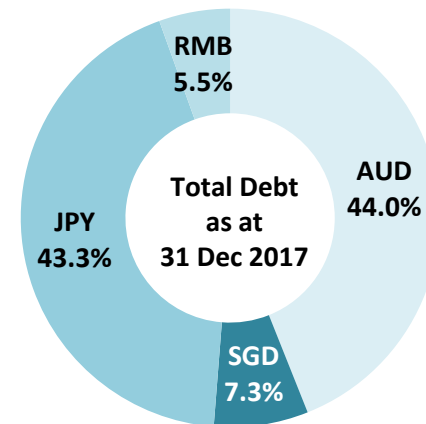
1. Gearing is computed based on total debt over total assets

Balanced debt profile and prudent capital management

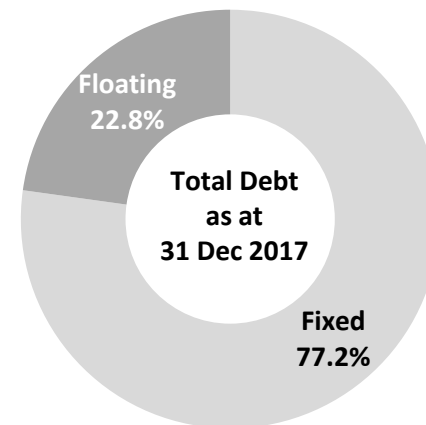
Debt Maturity Profile



Debt Currency Profile



Interest Rate Profile





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Looking Ahead

Australia

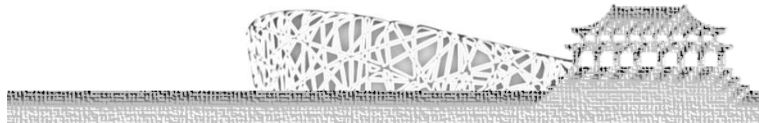


- The performance of the hotel market in Sydney CBD in general is expected to remain healthy in the near term given its popularity as a destination and relatively limited upcoming supply of rooms.
- However, the hotel markets in suburban Sydney are expected to face challenges from increased competition.
- The performance of the Melbourne hotel market is expected to moderate in view of an increase in supply over the next few years. Further, the C&E business in Melbourne will continue to be affected in the near term by competition from International Convention Centre Sydney which reopened in late 2016.
- The oversupply situation is expected to continue affecting the performance of the hotel market in Brisbane in the near term.

China



- Domestic travelling continued to drive the hotel market performance in Beijing amidst declining international arrivals.
- In the near term, domestic travelling is expected to remain robust, and coupled with limited supply in the city centre, the outlook for the Beijing hotels market in the city centre, in general, is expected to be stable.
- The Managers have, on 29 January 2018, announced that A-HTRUST will be divesting the two hotels in Beijing and completion of the divestment is expected to take place in the first half of FY2018/19.



Japan



- The growth momentum in international arrivals to Japan continued as the country welcomed almost 29 million foreign visitors in 2017, registering a growth of 19.3% y-o-y¹.
- The strong inbound has benefitted the hotel markets in Tokyo and Osaka and is expected to remain robust in near term.
- However, the increased competition from the upcoming supply of new rooms and legalisation of “minpaku” will limit further performance improvement in these hotel markets.

Note:

1. Source: Japan National Tourism Organisation

Singapore



- On the Singapore front, inbound arrivals remains buoyant with YTD November 2017 growth of 6.4% y-o-y¹.
- However, the hotel trading performance in general is likely to be moderate in the short term, in view of the significant new supply over the past two years and continued pressure on room rate growth from corporate due to tightening of budgets.



Note:

1. Source: Singapore Tourism Board



Ascendas Hospitality Fund Management Pte. Ltd.
Ascendas Hospitality Trust Management Pte. Ltd.

Managers of A-HTRUST

1 Fusionopolis Place

#10-10 Galaxis

Singapore 138522

Tel: +65 6774 1033

Email: info-aht@ascendas-singbridge.com

www.a-htrust.com

