

ASCENDAS HOSPITALITY TRUST

A stapled group comprising:

Ascendas Hospitality Real Estate Investment Trust (a real estate investment trust constituted on 13 March 2012 under the laws of the Republic of Singapore) managed by Ascendas Hospitality Fund Management Pte. Ltd.	Ascendas Hospitality Business Trust (a business trust constituted on 13 March 2012 under the laws of the Republic of Singapore) managed by Ascendas Hospitality Trust Management Pte. Ltd.
--	---

FIXED-TERM BUILDING LEASE AGREEMENT IN RELATION TO OSAKA NAMBA WASHINGTON HOTEL PLAZA

Ascendas Hospitality Fund Management Pte. Ltd., as manager of Ascendas Hospitality Real Estate Investment Trust (“**A-HREIT**”, and the manager of A-HREIT, the “**REIT Manager**”), and Ascendas Hospitality Trust Management Pte. Ltd., as trustee-manager of Ascendas Hospitality Business Trust (“**A-HBT**”, and the trustee-manager of A-HBT, the “**Trustee-Manager**”), are pleased to announce that Ascendas Namba Godo Kaisha (the “**Master Lessee**”), a wholly-owned subsidiary of A-HBT has, today, entered into a fixed-term building lease agreement (the “**Fixed-Term Building Lease Agreement**”) with Sunroute Co., Ltd. (the “**Sub-Lessee**”), in relation to Osaka Namba Washington Hotel Plaza (the “**Hotel**”). The Sub-Lessee will also manage the operations of the Hotel, which will be rebranded under the “Sunroute” brand.

The lease term (the “**Lease Term**”) will commence on 1 January 2016, following the expiry of the existing fixed-term building lease agreement with Washington Hotel K.K., the current operator of the Hotel, and will expire on 31 December 2025.

Under the Fixed-Term Building Lease Agreement, the Sub-Lessee will pay to the Master Lessee, on a per annum basis, the higher of a base rent (“**Fixed Rent**”), or a proportion of the gross revenue based on a pre-determined formula. The Fixed Rent will increase by approximately 13% upon completion of the first year of operation, and the increased Fixed Rent (“**Increased Fixed Rent**”) will be the base rent for the remaining nine years of the Lease Term.

The Fixed Rent for the first year represents a marginal increase of 0.4% from prevailing rent, while the Increased Fixed Rent for the remaining nine years of the Lease Term is higher than the prevailing rent by approximately 13%.

The Sub-Lessee shall also bear the expenses in relation to the repair / maintenance of Furniture and Fittings, while the Master Lessee shall bear the replacement costs in relation to Building and Building Equipment. The Hotel will undergo renovation, where the costs in relation to the renovation will be borne by both parties based on pre-determined proportions.

None of the Directors of the REIT Manager and Trustee-Manager has any interest, direct or indirect, in the above transaction. As far as the Directors are aware, none of the controlling stapled securityholders of Ascendas Hospitality Fund Management Pte. Ltd. and Ascendas Hospitality Trust Management Pte. Ltd. has any interest, direct or indirect, in the above transaction.

By Order of the Board
Mary Judith de Souza
Joint Company Secretary
Ascendas Hospitality Fund Management Pte. Ltd.
(Company Registration No. 201133966D)
As manager of Ascendas Hospitality Real Estate Investment Trust

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

11 May 2015