FRASERS HOSPITALITY TRUST
FINANCIAL STATEMENTS ANNOUNCEMENT
FOR THE FIRST QUARTER ENDED 31 DECEMBER 2018

Frasers Hospitality Trust ("FHT" or the "Trust") is a stapled group comprising Frasers Hospitality Real Estate Investment Trust ("FH-REIT") and Frasers Hospitality Business Trust ("FH-BT"). FHT is established with the principal investment strategy of investing, directly or indirectly, in a diversified portfolio of income-producing real estate located anywhere in the world except Thailand, which is used primarily for hospitality and/or hospitality-related purposes, as well as real estate-related assets in connection to the foregoing.

The portfolio of FHT comprises 15 properties, comprising nine hotels (the "Hotels") and six serviced residences (the "Serviced Residences", and together with the Hotels, the "Properties"), with a total of 3,071 hotel rooms and 842 Serviced Residence units. The Properties are located in Singapore, Australia, the United Kingdom, Japan, Malaysia and Germany.

Hotels	Market Segment*	Number of Rooms
InterContinental Singapore	Luxury	406
Sofitel Sydney Wentworth	Luxury	436
ANA Crowne Plaza Kobe	Upper Upscale	593
The Westin Kuala Lumpur	Upper Upscale	443
Maritim Hotel Dresden	Upscale	328
Novotel Melbourne on Collins	Upscale	380
Novotel Sydney Darling Square	Mid-scale	230
Park International London	Mid-scale	171
ibis Styles London Gloucester Road	Mid-scale	84
Total		**3,071**

Serviced Residences	Market Segment*	Number of Units
Fraser Suites Singapore	Upper Upscale	255
Fraser Suites Sydney	Upper Upscale	201
Fraser Place Canary Wharf	Upper Upscale	108
Fraser Suites Queens Gate	Upper Upscale	105
Fraser Suites Glasgow	Upper Upscale	98
Fraser Suites Edinburgh	Upper Upscale	75
Total		**842**

***** *Based on STR Global Chain Scales*

Distribution Policy

Distributions from FHT comprise distributions from FH-REIT and FH-BT.

FH-REIT's distribution policy is to distribute 100.0% of FH-REIT's distributable income for the period from the listing date of FHT (being 14 July 2014) to 30 September 2018 and at least 90.0% of its distributable income thereafter.

FH-BT's distribution policy will be to distribute as much of its income as practicable, and the declaration and payment of distributions by FH-BT will be at the sole discretion of the Board of Directors of Frasers Hospitality Trust Management Pte. Ltd. (the "Trustee-Manager").

Distributions are made on a semi-annual basis, with the amount calculated as at 31 March and 30 September each year for the six-month periods ending on each of the said dates. Frasers Hospitality Asset Management Pte. Ltd. (the "REIT Manager") and the Trustee-Manager (collectively, the "Managers") are required to pay distributions within 90 days of the end of each distribution period. Distributions, when paid, will be in Singapore dollars.

1 (a) (i) Consolidated Statements of Total Return and Statements of Comprehensive Income for 1Q 2019 and 1Q 2018

	Note	FHT	FH-REIT Group	FH-BT Group	FHT	FH-REIT Group	FH-BT Group	FHT	FH-REIT Group	FH-BT Group
		1Q 2019			1Q 2018			Variance		
		1 Oct 2018 to 31 Dec 2018			1 Oct 2017 to 31 Dec 2017			Increase/(Decrease)		
		S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	%	%	%
Master lease rental	(a)	30,977	35,419	-	31,959	36,308	-	(3.1)	(2.4)	-
Room revenue		7,292	-	7,292	7,444	-	7,444	(2.0)	-	(2.0)
Food & beverage revenue		1,651	-	1,651	1,742	-	1,742	(5.2)	-	(5.2)
Other income	(b)	707	-	707	305	-	305	>100.0	-	>100.0
Gross revenue		**40,627**	**35,419**	**9,650**	**41,450**	**36,308**	**9,491**	**(2.0)**	**(2.4)**	**1.7**
Property tax		(2,375)	(2,375)	-	(2,633)	(2,633)	-	(9.8)	(9.8)	-
Property insurance		(305)	(284)	(21)	(334)	(309)	(25)	(8.7)	(8.1)	(16.0)
Property management fees		(1,348)	(1,348)	-	(1,363)	(1,363)	-	(1.1)	(1.1)	-
Other property expenses		(722)	(722)	-	(887)	(887)	-	(18.6)	(18.6)	-
Operations and maintenance expenses		(1,658)	(12)	(1,922)	(1,615)	(24)	(1,875)	2.7	(50.0)	2.5
Energy and utilities expenses		(191)	-	(191)	(109)	-	(109)	75.2	-	75.2
Hotel management fee		(285)	-	(285)	(305)	-	(305)	(6.6)	-	(6.6)
Rental expense		-	-	(4,442)	-	-	(4,349)	-	-	2.1
Staff costs		(1,811)	-	(1,811)	(1,896)	-	(1,896)	(4.5)	-	(4.5)
Marketing expenses		(683)	-	(683)	(676)	-	(676)	1.0	-	1.0
Administrative expenses		(187)	-	(187)	(183)	-	(183)	2.2	-	2.2
Property operating expenses		**(9,565)**	**(4,741)**	**(9,542)**	**(10,001)**	**(5,216)**	**(9,418)**	**(4.4)**	**(9.1)**	**1.3**
Net property income		**31,062**	**30,678**	**108**	**31,449**	**31,092**	**73**	**(1.2)**	**(1.3)**	**47.9**
Depreciation	(c)	(993)	-	(154)	(1,122)	-	(282)	(11.5)	-	(45.4)
REIT Manager's management fees		(1,826)	(1,826)	-	(1,894)	(1,894)	-	(3.6)	(3.6)	-
Trustee-Manager's management fees		(12)	-	(12)	(13)	-	(13)	(7.7)	-	(7.7)
Other management fees	(d)	(1,341)	(1,341)	-	(1,340)	(1,340)	-	0.1	0.1	-
Trustees' fees		(125)	(125)	-	(126)	(126)	-	(0.8)	(0.8)	-
Other trust expenses	(e)	(702)	(686)	(16)	(305)	(288)	(17)	>100.0	>100.0	(5.9)
Finance income		91	82	9	98	91	7	(7.1)	(9.9)	28.6
Amortisation of debt upfront costs	(f)	(295)	(295)	-	(803)	(803)	-	(63.3)	(63.3)	-
Finance costs	(g)	(5,029)	(5,029)	-	(5,047)	(5,047)	-	(0.4)	(0.4)	-
Total return before foreign exchange differences, fair value changes and tax		**20,830**	**21,458**	**(65)**	**20,897**	**21,685**	**(232)**	**(0.3)**	**(1.0)**	**(72.0)**
Foreign exchange gain/(loss), net		4	12	(8)	38	43	(5)	(89.5)	(72.1)	60.0
Net change in fair value of derivative financial instruments	(h)	142	142	-	228	228	-	(37.7)	(37.7)	-
Realised gain/(loss) on derivative financial instruments, net	(i)	180	180	-	(154)	(154)	-	NM	NM	-
Total return for the Period before tax		**21,156**	**21,792**	**(73)**	**21,009**	**21,802**	**(237)**	**0.7**	**(0.1)**	**(69.2)**
Taxation		(1,747)	(1,683)	(64)	(1,451)	(1,427)	(24)	20.4	17.9	>100.0
Total return for the Period after tax		**19,409**	**20,109**	**(137)**	**19,558**	**20,375**	**(261)**	**(0.8)**	**(1.3)**	**(47.5)**
Other comprehensive income										
Items that may be reclassified subsequently to statement of total return:										
Effective portion of changes in fair value of cash flow hedges	(j)	32	32	-	350	350	-	(90.9)	(90.9)	-
Net change in fair value of cash flow hedges reclassified to total return		8	8	-	620	620	-	(98.7)	(98.7)	-
Foreign currency translation differences	(k)	(8,967)	(8,825)	(133)	(19,116)	(18,910)	(191)	(53.1)	(53.3)	(30.4)
Total comprehensive income for the Period		**10,482**	**11,324**	**(270)**	**1,412**	**2,435**	**(452)**	**>100.0**	**>100.0**	**(40.3)**

NM - Not meaningful

Consolidated Distribution Statements for 1Q 2019 and 1Q 2018

Reconciliation of total return to income available for distribution

	Note	FHT	FH-REIT Group	FH-BT Group	FHT	FH-REIT Group	FH-BT Group	FHT	FH-REIT Group	FH-BT Group
		1Q 2019			1Q 2018			Variance		
		1 Oct 2018 to 31 Dec 2018			1 Oct 2017 to 31 Dec 2017			Increase/(Decrease)		
		S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	%	%	%
Total return for the Period after tax		**19,409**	**20,109**	**(137)**	**19,558**	**20,375**	**(261)**	**(0.8)**	**(1.3)**	**(47.5)**
(Non-taxable) / non-tax deductible items and other adjustments:										
Amortisation of debt upfront costs		295	295	-	803	803	-	(63.3)	(63.3)	-
Amortisation of other assets		17	17	-	18	18	-	(5.6)	(5.6)	-
Depreciation		993	-	154	1,122	-	282	(11.5)	-	(45.4)
Foreign exchange (gain)/loss, net		(6)	(15)	9	(40)	(45)	5	(85.0)	(66.7)	80.0
Net change in fair value of derivative financial instruments		(142)	(142)	-	(228)	(228)	-	(37.7)	(37.7)	-
Other management fees paid and payable in Stapled Securities	(l)	1,265	1,265	-	1,266	1,266	-	(0.1)	(0.1)	-
Property management fees paid and payable in Stapled Securities, net of withholding tax	(m)	1,343	1,343	-	1,357	1,357	-	(1.0)	(1.0)	-
REIT Manager's management fees paid and payable in Stapled Securities		1,826	1,826	-	1,894	1,894	-	(3.6)	(3.6)	-
Trustee-Manager's management fees paid and payable in Stapled Securities		12	-	12	13	-	13	(7.7)	-	(7.7)
Trustee's fees in relation to FH-REIT		75	75	-	75	75	-	-	-	-
Other adjustments	(n)	(258)	18	-	(267)	17	-	(3.4)	5.9	-
Net effect of (non-taxable) / non-tax deductible items and other adjustments		**5,420**	**4,682**	**175**	**6,013**	**5,157**	**300**	**(9.9)**	**(9.2)**	**(41.7)**
Income available for distribution	(o)	**24,829**	**24,791**	**38**	**25,571**	**25,532**	**39**	**(2.9)**	**(2.9)**	**(2.6)**
Income available for distribution attributable to:										
- Stapled Securityholders		23,707	23,669	38	24,449	24,410	39	(3.0)	(3.0)	(2.6)
- Perpetual Securities holders		1,122	1,122	-	1,122	1,122	-	-	-	-
		24,829	**24,791**	**38**	**25,571**	**25,532**	**39**	**(2.9)**	**(2.9)**	**(2.6)**

NM - Not meaningful

Footnotes:

(a)	The master lease rental earned by FH-REIT from FH-BT is eliminated at FHT level. Consequently, only the income arising from the hotel operations of Novotel Melbourne on Collins ("NMOC") are reflected at FHT level.
(b)	Other income comprises mainly carpark income and Gross Operating Profit ("GOP") guaranteed top-up arising from the terms in the hotel management contract with the hotel operator. The increase in other income was mainly due to the increase in GOP guaranteed top-up in 1Q 2019.
(c)	NMOC is being classified as property, plant and equipment in FHT's financial statements. The depreciation expense relates to the depreciation of the building and furniture, fittings and equipment of NMOC.
(d)	Other management fees relate mainly to management fees payable to FHT Australia Management Pty Ltd ("MIT Manager").
(e)	Other trust expenses relate mainly to professional fees, audit fees, tax fees and administrative expenses. Expenses were lower in 1Q 2018 due to write-back of certain expenses.
(f)	The amortisation of debt upfront costs was lower in 1Q 2019 mainly due to prior year's accelerated amortisation of debt upfront costs on S$110 million of the S$500 million 5-year term loan facility granted pursuant to the S$615 million facility agreement dated 19 June 2014 which was partially prepaid on 14 November 2017. The decrease was also partially due to the re-financing of certain borrowings with lower upfront costs.
(g)	Finance costs comprise mainly interest expense on FH-REIT Group's borrowings in SGD, JPY, MYR and AUD as well as net interest expense or income arising from the interest rate swaps and cross currency swaps.
(h)	This relates mainly to unrealised net gain arising from the revaluation of foreign currency forward contracts.
(i)	This relates to net realised gain/(loss) arising from the settlement of foreign currency forward contracts.
(j)	This relates to net fair value gain arising from the interest rate swaps.
(k)	This relates to exchange differences arising from translation of the results and the financial position of all the Group entities with functional currencies other than SGD. The major contributor to the movement in this quarter is AUD which depreciated against SGD. The fair value changes in the cross currency swaps which are designated as net investment hedges are recorded in foreign currency translation reserve at the consolidation level.
(l)	This relates to MIT Manager's management fees which is payable in Stapled Securities.
(m)	Property management fees include serviced residences management fee and trademark licence fee which are payable in Stapled Securities.
(n)	Other adjustments are in relation to other non-tax deductible and non-taxable items.
(o)	Distribution of FHT represents the aggregate of distributions by FH-REIT and FH-BT.

1 (b) (i) Statements of Financial Position

	Note	FHT	FH-REIT Group	FH-BT Group	FHT	FH-REIT Group	FH-BT Group
		31 Dec 2018			30 Sep 2018		
		S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Non-current assets							
Investment properties		2,137,853	2,378,408	-	2,151,867	2,397,657	-
Property, plant and equipment	(a)	242,210	-	2,432	248,432	-	2,642
Derivative financial instruments	(b)	15,064	15,064	-	4,895	4,895	-
Rental deposits		-	-	1,755	-	-	1,796
Deferred expense		-	-	1,959	-	-	2,003
Deferred tax asset	(c)	547	-	547	560	-	560
		2,395,674	2,393,472	6,693	2,405,754	2,402,552	7,001
Current assets							
Inventories		35	-	35	34	-	34
Other assets		31	31	-	48	48	-
Prepayments		1,644	1,371	273	1,758	1,504	254
Trade and other receivables	(d)	9,362	9,744	1,536	9,554	9,959	1,132
Derivative financial instruments		644	644	-	462	462	-
Cash and cash equivalents		75,439	71,168	4,271	77,080	72,541	4,539
		87,155	82,958	6,115	88,936	84,514	5,959
Total assets		**2,482,829**	**2,476,430**	**12,808**	**2,494,690**	**2,487,066**	**12,960**
Current liabilities							
Trade and other payables	(e)	18,227	14,440	6,782	15,616	11,338	6,687
Deferred income		10	10	-	686	686	-
Borrowings	(f)	427,996	427,996	-	408,132	408,132	-
Income tax payables		3,219	3,051	168	2,332	2,219	113
		449,452	445,497	6,950	426,766	422,375	6,800
Net current liabilities	(g)	**(362,297)**	**(362,539)**	**(835)**	**(337,830)**	**(337,861)**	**(841)**
Non-current liabilities							
Rental deposits		21,844	23,599	-	21,893	23,689	-
Other payables		283	-	283	221	-	221
Deferred income		8,699	10,658	-	8,837	10,840	-
Derivative financial instruments	(h)	4,382	4,382	-	4,474	4,474	-
Borrowings	(f)	424,356	424,356	-	426,884	426,884	-
Deferred tax liabilities	(i)	52,685	52,685	-	53,085	53,085	-
		512,249	515,680	283	515,394	518,972	221
Total liabilities		**961,701**	**961,177**	**7,233**	**942,160**	**941,347**	**7,021**
Net assets		**1,521,128**	**1,515,253**	**5,575**	**1,552,530**	**1,545,719**	**5,939**
Represented by:							
Stapled Securityholders' funds							
Stapled Securities in issue and to be issued		1,519,138	1,509,609	9,529	1,514,692	1,505,175	9,517
Issue costs		(25,764)	(25,759)	(5)	(25,764)	(25,759)	(5)
Revenue reserves		66,771	79,106	(3,484)	92,571	104,100	(3,241)
Hedging reserve		613	613	-	573	573	-
Foreign currency translation reserve		(147,899)	(147,474)	(465)	(138,932)	(138,649)	(332)
Revaluation reserve	(j)	9,111	-	-	9,111	-	-
		1,421,970	**1,416,095**	**5,575**	**1,452,251**	**1,445,440**	**5,939**
Perpetual Securities holders' funds	(k)	**99,158**	**99,158**	**-**	**100,279**	**100,279**	**-**
		1,521,128	**1,515,253**	**5,575**	**1,552,530**	**1,545,719**	**5,939**

Footnotes:

(a) In FHT's financial statements, the property, plant and equipment relates to the land, building, furniture, fittings and equipment of NMOC. This hotel is classified as property held for own use instead of as an investment property. Accordingly, we have treated this hotel as property, plant and equipment and applied the revaluation model of FRS *16 Property, Plant and Equipment* where the asset is depreciated during the period and revalued at least once a year at the end of financial year. The lower net book value as at 31 December 2018 was mainly due to depreciation of AUD against SGD.

(b) Derivative financial instruments (non-current assets) relate to fair value of cross currency swaps.

(c) Deferred tax asset relates to the excess of the tax written down value over the net book value of the property, plant and equipment of NMOC.

(d) Trade and other receivables comprise mainly GST receivable, rental income receivable from master lessees and trade receivables from hotel operations.

(e) Trade and other payables comprise mainly trade creditors, GST payable, provision for withholding tax and property tax, interest expense payable to banks, and accruals for professional fees.

(f) For the breakdown of total borrowings into short-term and long-term borrowings, please refer to 1(b)(ii) below.

(g) The net current liabilities position as at 31 December 2018 was mainly due to (i) S$325 million (the remaining balance of S$500 million 5-year term loan facility granted pursuant to the S$615 million facility agreement dated 19 June 2014), (ii) JPY2.35 billion Kobe Excellence TMK series 1 Bonds and (iii) MYR95 million Senior Bond, maturing in July 2019, and (iv) short-term unsecured borrowings. Notwithstanding the net current liabilities position, FHT has S$75.4 million in cash and cash equivalent as at 31 December 2018 and has established a S$1 billion Multicurrency Debt Issuance Programme, of which S$660 million remains available to refinance its borrowings and meet its current obligations as and when they fall due.

(h) Derivative financial instruments (non-current liabilities) relate to fair value of cross currency swaps.

(i) This relates mainly to deferred tax on the cumulative revaluation gains on the investment properties and property, plant and equipment.

(j) The revaluation reserve relates to revaluation of land and building of NMOC (net of deferred tax).

(k) This relates to S$100 million of fixed rate subordinated perpetual securities issued in May 2016, including accrued distributions and net of capitalisable issue costs.

1 (b) (ii) Aggregate Amount of Borrowings

	FHT		FHT	
	As at 31 Dec 2018		As at 30 Sep 2018	
	Secured	Unsecured	Secured	Unsecured
	S$'000	S$'000	S$'000	S$'000
Amount repayable in one year or less, or on demand *	31,181[(1)]	396,815[(2)]	31,358[(1)]	376,774[(3)]
Amount repayable after one year *	-	424,356[(4)]	-	426,884[(4)]

* net of transaction costs

Details of borrowings and collateral:

(1) The secured borrowing was drawn under the MYR95 million Senior Bond and the interest rate on this borrowing is 4.9% p.a.. The Senior Bond will mature 5 years from 14 July 2014 and is secured by a property, The Westin Kuala Lumpur. The refinancing of this borrowing is in progress.

(2) The unsecured borrowings relate to (i) S$325 million (the remaining balance of S$500 million 5-year term loan facility granted pursuant to the S$615 million facility agreement dated 19 June 2014) maturing in July 2019, (ii) JPY2.35 billion Kobe Excellence TMK series 1 Bonds maturing 5 years from 14 July 2014, and (iii) short-term unsecured borrowings of S$43 million. The refinancing of these borrowings is in progress.

(3) The unsecured borrowings relate to (i) S$325 million (the remaining balance of S$500 million 5-year term loan facility granted pursuant to the S$615 million facility agreement dated 19 June 2014) maturing in July 2019, (ii) JPY2.35 billion Kobe Excellence TMK series 1 Bonds maturing 5 years from 14 July 2014, and (iii) short-term unsecured borrowings of S$24 million.

(4) The unsecured borrowings were drawn from (i) the S$120 million 2.63% series 002 Notes due July 2022, (ii) the S$120 million 3.08% series 003 Notes due November 2024, (iii) S$70 million of term loan facility with loan maturity of 5 years from 12 March 2018, and (iv) A$120 million of term loan facility with loan maturity of 5 years from 6 July 2018.

1 (c) Consolidated Cash Flows Statements

	Note	FHT	FH-REIT Group	FH-BT Group	FHT	FH-REIT Group	FH-BT Group
		1Q 2019			1Q 2018		
		1 Oct 2018 to 31 Dec 2018			1 Oct 2017 to 31 Dec 2017		
		S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
CASH FLOWS FROM OPERATING ACTIVITIES							
Total return before tax		**21,156**	**21,792**	**(73)**	**21,009**	**21,802**	**(237)**
Adjustments for:							
Amortisation of debt upfront costs		295	295	-	803	803	-
Amortisation of other assets		17	17	-	18	18	-
Depreciation		993	-	154	1,122	-	282
Finance costs		5,029	5,029	-	5,047	5,047	-
Finance income		(91)	(82)	(9)	(98)	(91)	(7)
Net change in fair value of derivative financial instruments		(142)	(142)	-	(228)	(228)	-
Other management fees paid and payable in Stapled Securities		1,265	1,265	-	1,266	1,266	-
Property, plant and equipment written off		-	-	-	(1)	-	(1)
Property management fees paid and payable in Stapled Securities		1,343	1,343	-	1,357	1,357	-
REIT Manager's management fees paid and payable in Stapled Securities		1,826	1,826	-	1,894	1,894	-
Trustee-Manager's management fees paid and payable in Stapled Securities		12	-	12	13	-	13
Unrealised (gain)/loss on foreign exchange, net		(54)	(63)	9	(32)	(36)	4
Cash generated from operations before working capital changes		**31,649**	**31,280**	**93**	**32,170**	**31,832**	**54**
Changes in working capital:							
Inventories		(1)	-	(1)	1	-	1
Prepayments		114	133	(19)	(219)	(71)	(148)
Trade and other receivables		239	157	(404)	974	174	174
Trade and other payables		974	1,420	318	(1,702)	(1,802)	792
Deferred income		(676)	(676)	-	(410)	(410)	-
Cash generated from/(used in) operations		**32,299**	**32,314**	**(13)**	**30,814**	**29,723**	**873**
Tax paid		(213)	(208)	(5)	(410)	(403)	(7)
Interest income received		91	82	9	98	91	7
Net cash generated from/(used in) operating activities		**32,177**	**32,188**	**(9)**	**30,502**	**29,411**	**873**

1 (c) Consolidated Cash Flows Statements (Cont'd)

	Note	FHT	FH-REIT Group	FH-BT Group	FHT	FH-REIT Group	FH-BT Group
		1Q 2019			1Q 2018		
		1 Oct 2018 to 31 Dec 2018			1 Oct 2017 to 31 Dec 2017		
		S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
CASH FLOWS FROM INVESTING ACTIVITIES							
Additions to investment properties		(2,358)	(2,573)	-	(4,362)	(4,362)	-
Additions to property, plant & equipment		(267)	-	(54)	(218)	-	-
Net cash used in investing activities		**(2,625)**	**(2,573)**	**(54)**	**(4,580)**	**(4,362)**	**-**
CASH FLOWS FROM FINANCING ACTIVITIES							
Distribution paid to Stapled Securityholders		(44,087)	(43,981)	(106)	(46,785)	(46,362)	(423)
Distribution paid to Perpetual Securities holders		(2,243)	(2,243)	-	(2,243)	(2,243)	-
Finance costs paid		(3,912)	(3,912)	-	(4,009)	(4,009)	-
Proceeds from borrowings, net of debt upfront costs		30,000	30,000	-	132,578	132,578	-
Repayment of borrowings		(11,000)	(11,000)	-	(120,200)	(120,200)	-
Net cash used in financing activities		**(31,242)**	**(31,136)**	**(106)**	**(40,659)**	**(40,236)**	**(423)**
Net (decrease)/increase in cash and cash equivalents		**(1,690)**	**(1,521)**	**(169)**	**(14,737)**	**(15,187)**	**450**
Cash and cash equivalents at beginning of the financial Period		77,080	72,541	4,539	79,755	76,796	2,959
Effect of exchange rate changes on cash and cash equivalents		49	148	(99)	(997)	(924)	(73)
Cash and cash equivalents at end of the financial Period		**75,439**	**71,168**	**4,271**	**64,021**	**60,685**	**3,336**

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise the following:

	FHT	FH-REIT Group	FH-BT Group	FHT	FH-REIT Group	FH-BT Group
	As at 31 Dec 2018			As at 31 Dec 2017		
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Cash and bank balances	71,358	67,087	4,271	58,033	54,697	3,336
Fixed deposits	4,081	4,081	-	5,988	5,988	-
Cash and cash equivalents	**75,439**	**71,168**	**4,271**	**64,021**	**60,685**	**3,336**

1 (d) (i) Statements of Changes in Stapled Securityholders' Funds

		Attributable to Stapled Securityholders								
FHT	**Note**	**Stapled Securities in issue**	**Issue costs**	**Revenue reserves**	**Hedging reserve**	**Foreign currency translation reserve**	**Revaluation reserve**	**Total**	**Perpetual Securities holders' funds**	**Total**
		S$'000	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**
At 1 Oct 2018		1,514,692	(25,764)	92,571	573	(138,932)	9,111	1,452,251	-	1,452,251
Total return for the Period, net of tax		-	-	19,409	-	-	-	19,409	-	19,409
Total return for the Period, attributable to Perpetual Securities holders		-	-	(1,122)	-	-	-	(1,122)	-	(1,122)
Other comprehensive income										
Effective portion of changes in fair value of cash flow hedges		-	-	-	32	-	-	32	-	32
Net change in fair value of cash flow hedges reclassified to total return		-	-	-	8	-	-	8	-	8
Foreign currency translation differences		-	-	-	-	(8,967)	-	(8,967)	-	(8,967)
Other comprehensive income for the Period, net of tax		-	-	-	40	(8,967)	-	(8,927)	-	(8,927)
Total comprehensive income for the Period, net of tax		-	-	18,287	40	(8,967)	-	9,360	-	9,360
Contributions by and distributions to Stapled Securityholders										
REIT Manager's management fees payable in Stapled Securities	**(a)**	1,826	-	-	-	-	-	1,826	-	1,826
Trustee-Manager's management fees payable in Stapled Securities	**(a)**	12	-	-	-	-	-	12	-	12
Other management fees payable in Stapled Securities	**(a)**	1,265	-	-	-	-	-	1,265	-	1,265
Property management fees payable in Stapled Securities	**(a)**	1,343	-	-	-	-	-	1,343	-	1,343
Distributions to Stapled Securityholders		-	-	(44,087)	-	-	-	(44,087)		(44,087)
Total contributions by and distributions to Stapled Securityholders		4,446	-	(44,087)	-	-	-	(39,641)	-	(39,641)
Stapled Securityholders' funds at 31 Dec 2018		**1,519,138**	**(25,764)**	**66,771**	**613**	**(147,899)**	**9,111**	**1,421,970**	**-**	**1,421,970**
At 1 Oct 2018		-	-	-	-	-	-	-	100,279	100,279
Contributions by and distributions to Perpetual Securities holders										
Total return for the Period, attributable to Perpetual Securities holders		-	-	-	-	-	-	-	1,122	1,122
Distribution to Perpetual Securities holders		-	-	-	-	-	-	-	(2,243)	(2,243)
At 31 Dec 2018		-	-	-	-	-	-	-	(1,121)	(1,121)
Perpetual Securities holders' funds at 31 Dec 2018		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**99,158**	**99,158**
At 31 Dec 2018		**1,519,138**	**(25,764)**	**66,771**	**613**	**(147,899)**	**9,111**	**1,421,970**	**99,158**	**1,521,128**

Footnote:

(a) This represents Stapled Securities to be issued as payment of management fees in lieu of cash i.e. REIT Manager's management fees, Trustee-Manager's management fees, MIT Manager's management fees and property management fees.

2,539,858 Stapled Securities and 1,894,988 Stapled Securities relating to base management fee and property management fees respectively for the period from 1 October 2018 to 31 December 2018 will be issued in May 2019. Stapled Securities relating to performance management fee for the period from 1 October 2018 to 31 December 2018 will be issued in November 2019.

1 (d) (i) Statements of Changes in Stapled Securityholders' Funds (Cont'd)

		Attributable to Stapled Securityholders								
FHT	**Note**	**Stapled Securities in issue**	**Issue costs**	**Revenue reserves**	**Hedging reserve**	**Foreign currency translation reserve**	**Revaluation reserve**	**Total**	**Perpetual Securities holders' funds**	**Total**
		S$'000	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**
At 1 Oct 2017		1,497,064	(25,764)	122,581	(2,404)	(91,219)	5,635	1,505,893	-	1,505,893
Total return for the Period, net of tax		-	-	19,558	-	-	-	19,558	-	19,558
Total return for the Period, attributable to Perpetual Securities holders		-	-	(1,122)	-	-	-	(1,122)	-	(1,122)
Other comprehensive income										
Effective portion of changes in fair value of cash flow hedges		-	-	-	350	-	-	350	-	350
Net change in fair value of cash flow hedges reclassified to total return		-	-	-	620	-	-	620	-	620
Foreign currency translation differences		-	-	-	-	(19,116)	-	(19,116)	-	(19,116)
Other comprehensive income for the Period, net of tax		-	-	-	970	(19,116)	-	(18,146)	-	(18,146)
Total comprehensive income for the Period, net of tax		-	-	18,436	970	(19,116)	-	290	-	290
Contributions by and distributions to Stapled Securityholders										
REIT Manager's management fees payable in Stapled Securities		1,894	-	-	-	-	-	1,894	-	1,894
Trustee-Manager's management fees payable in Stapled Securities		13	-	-	-	-	-	13	-	13
Other management fees payable in Stapled Securities		1,266	-	-	-	-	-	1,266	-	1,266
Property management fees payable in Stapled Securities		1,357	-	-	-	-	-	1,357	-	1,357
Distributions to Stapled Securityholders		-	-	(46,785)	-	-	-	(46,785)	-	(46,785)
Total contributions by and distributions to Stapled Securityholders		4,530	-	(46,785)	-	-	-	(42,255)	-	(42,255)
Stapled Securityholders' funds at 31 Dec 2017		**1,501,594**	**(25,764)**	**94,232**	**(1,434)**	**(110,335)**	**5,635**	**1,463,928**	**-**	**1,463,928**
At 1 Oct 2017		-	-	-	-	-	-	-	100,279	100,279
Contributions by and distributions to Perpetual Securities holders										
Total return for the Period, attributable to Perpetual Securities holders		-	-	-	-	-	-	-	1,122	1,122
Distribution to Perpetual Securities holders		-	-	-	-	-	-	-	(2,243)	(2,243)
At 31 Dec 2017		-	-	-	-	-	-	-	(1,121)	(1,121)
Perpetual Securities holders' funds at 31 Dec 2017		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**99,158**	**99,158**
At 31 Dec 2017		**1,501,594**	**(25,764)**	**94,232**	**(1,434)**	**(110,335)**	**5,635**	**1,463,928**	**99,158**	**1,563,086**

1 (d) (i) Statements of Changes in Stapled Securityholders' Funds (Cont'd)

		Attributable to Stapled Securityholders							
FH-REIT Group	**Note**	**Stapled Securities in issue**	**Issue costs**	**Revenue reserves**	**Hedging reserve**	**Foreign currency translation reserve**	**Total**	**Perpetual Securities holders' funds**	**Total**
		S$'000	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**
At 1 Oct 2018		1,505,175	(25,759)	104,100	573	(138,649)	1,445,440	-	1,445,440
Total return for the Period, net of tax		-	-	20,109	-	-	20,109	-	20,109
Total return for the Period, attributable to Perpetual Securities holders		-	-	(1,122)	-	-	(1,122)	-	(1,122)
Other comprehensive income									
Effective portion of changes in fair value of cash flow hedges		-	-	-	32	-	32	-	32
Net change in fair value of cash flow hedges reclassified to total return		-	-	-	8	-	8	-	8
Foreign currency translation differences		-	-	-	-	(8,825)	(8,825)	-	(8,825)
Other comprehensive income for the Period, net of tax		-	-	-	40	(8,825)	(8,785)	-	(8,785)
Total comprehensive income for the Period, net of tax		-	-	18,987	40	(8,825)	10,202	-	10,202
Contributions by and distributions to Stapled Securityholders									
REIT Manager's management fees payable in Stapled Securities	**(a)**	1,826	-	-	-	-	1,826	-	1,826
Other management fees payable in Stapled Securities	**(a)**	1,265	-	-	-	-	1,265	-	1,265
Property management fees payable in Stapled Securities	**(a)**	1,343	-	-	-	-	1,343	-	1,343
Distributions to Stapled Securityholders		-	-	(43,981)	-	-	(43,981)	-	(43,981)
Total contributions by and distributions to Stapled Securityholders		4,434	-	(43,981)	-	-	(39,547)	-	(39,547)
Stapled Securityholders' funds at 31 Dec 2018		**1,509,609**	**(25,759)**	**79,106**	**613**	**(147,474)**	**1,416,095**	**-**	**1,416,095**
At 1 Oct 2018		-	-	-	-	-	-	100,279	100,279
Contributions by and distributions to Perpetual Securities holders									
Total return for the Period, attributable to Perpetual Securities holders		-	-	-	-	-	-	1,122	1,122
Distribution to Perpetual Securities holders		-	-	-	-	-	-	(2,243)	(2,243)
At 31 Dec 2018		-	-	-	-	-	-	(1,121)	(1,121)
Perpetual Securities holders' funds at 31 Dec 2018		**-**	**-**	**-**	**-**	**-**	**-**	**99,158**	**99,158**
At 31 Dec 2018		**1,509,609**	**(25,759)**	**79,106**	**613**	**(147,474)**	**1,416,095**	**99,158**	**1,515,253**

Footnote:

(a) This represents Stapled Securities to be issued as payment of management fees in lieu of cash i.e. REIT Manager's management fees, MIT Manager's management fees and property management fees.

2,525,794 Stapled Securities and 1,894,988 Stapled Securities relating to base management fee and property management fees respectively for the period from 1 October 2018 to 31 December 2018 will be issued in May 2019. Stapled Securities relating to performance management fee for the period from 1 October 2018 to 31 December 2018 will be issued in November 2019.

1 (d) (i) Statements of Changes in Stapled Securityholders' Funds (Cont'd)

		Attributable to Stapled Securityholders							
	Note	Stapled Securities in issue	Issue costs	Revenue reserves	Hedging reserve	Foreign currency translation reserve	Total	Perpetual Securities holders' funds	Total
		S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
FH-REIT Group									
At 1 Oct 2017		1,487,599	(25,759)	129,556	(2,404)	(91,389)	1,497,603	-	1,497,603
Total return for the Period, net of tax		-	-	20,375	-	-	20,375	-	20,375
Total return for the Period, attributable to Perpetual Securities holders		-	-	(1,122)	-	-	(1,122)	-	(1,122)
Other comprehensive income									
Effective portion of changes in fair value of cash flow hedges		-	-	-	350	-	350	-	350
Net change in fair value of cash flow hedges reclassified to total return		-	-	-	620	-	620	-	620
Foreign currency translation differences		-	-	-	-	(18,910)	(18,910)	-	(18,910)
Other comprehensive income for the Period, net of tax		-	-	-	970	(18,910)	(17,940)	-	(17,940)
Total comprehensive income for the Period, net of tax		-	-	19,253	970	(18,910)	1,313	-	1,313
Contributions by and distributions to Stapled Securityholders									
REIT Manager's management fees payable in Stapled Securities		1,894	-	-	-	-	1,894	-	1,894
Other management fees payable in Stapled Securities		1,266	-	-	-	-	1,266	-	1,266
Property management fees payable in Stapled Securities		1,357	-	-	-	-	1,357	-	1,357
Distributions to Stapled Securityholders		-	-	(46,362)	-	-	(46,362)	-	(46,362)
Total contributions by and distributions to Stapled Securityholders		4,517	-	(46,362)	-	-	(41,845)	-	(41,845)
Stapled Securityholders' funds at 31 Dec 2017		**1,492,116**	**(25,759)**	**102,447**	**(1,434)**	**(110,299)**	**1,457,071**	**-**	**1,457,071**
At 1 Oct 2017		-	-	-	-	-	-	100,279	100,279
Contributions by and distributions to Perpetual Securities holders									
Total return for the Period, attributable to Perpetual Securities holders		-	-	-	-	-	-	1,122	1,122
Distribution to Perpetual Securities holders		-	-	-	-	-	-	(2,243)	(2,243)
At 31 Dec 2017		-	-	-	-	-	-	(1,121)	(1,121)
Perpetual Securities holders' funds at 31 Dec 2017		**-**	**-**	**-**	**-**	**-**	**-**	**99,158**	**99,158**
At 31 Dec 2017		**1,492,116**	**(25,759)**	**102,447**	**(1,434)**	**(110,299)**	**1,457,071**	**99,158**	**1,556,229**

1 (d) (i) Statements of Changes in Stapled Securityholders' Funds (Cont'd)

		Attributable to Stapled Securityholders							
	Note	Stapled Securities in issue	Issue costs	Revenue reserves	Hedging reserve	Foreign currency translation reserve	Total	Perpetual Securities holders' funds	Total
		S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
FH-BT Group									
At 1 Oct 2018		9,517	(5)	(3,241)	-	(332)	5,939	-	5,939
Total return for the Period, net of tax		-	-	(137)	-	-	(137)	-	(137)
Other comprehensive income									
Foreign currency translation differences		-	-	-	-	(133)	(133)	-	(133)
Other comprehensive income for the Period, net of tax		-	-	-	-	(133)	(133)	-	(133)
Total comprehensive income for the Period, net of tax		-	-	(137)	-	(133)	(270)	-	(270)
Contributions by and distributions to Stapled Securityholders									
Trustee-Manager's management fees payable in Stapled Securities	(a)	12	-	-	-	-	12	-	12
Distributions to Stapled Securityholders		-	-	(106)	-	-	(106)	-	(106)
Total contributions by and distributions to Stapled Securityholders		12	-	(106)	-	-	(94)	-	(94)
Stapled Securityholders' funds at 31 Dec 2018		**9,529**	**(5)**	**(3,484)**	**-**	**(465)**	**5,575**	**-**	**5,575**

Footnote:

(a) This represents Stapled Securities to be issued as payment of Trustee-Manager's management fees in lieu of cash.

14,064 Stapled Securities relating to base management fee for the period from 1 October 2018 to 31 December 2018 will be issued in May 2019. Stapled Securities relating to performance management fee for the period from 1 October 2018 to 31 December 2018 will be issued in November 2019.

		Attributable to Stapled Securityholders							
	Note	Stapled Securities in issue	Issue costs	Revenue reserves	Hedging reserve	Foreign currency translation reserve	Total	Perpetual Securities holders' funds	Total
		S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
FH-BT Group									
At 1 Oct 2017		9,465	(5)	(1,950)	-	174	7,684	-	7,684
Total return for the Period, net of tax		-	-	(261)	-	-	(261)	-	(261)
Other comprehensive income									
Foreign currency translation differences		-	-	-	-	(191)	(191)	-	(191)
Other comprehensive income for the Period, net of tax		-	-	-	-	(191)	(191)	-	(191)
Total comprehensive income for the Period, net of tax		-	-	(261)	-	(191)	(452)	-	(452)
Contributions by and distributions to Stapled Securityholders									
Trustee-Manager's management fees payable in Stapled Securities		13	-	-	-	-	13	-	13
Distributions to Stapled Securityholders		-	-	(423)	-	-	(423)	-	(423)
Total contributions by and distributions to Stapled Securityholders		13	-	(423)	-	-	(410)	-	(410)
Stapled Securityholders' funds at 31 Dec 2017		**9,478**	**(5)**	**(2,634)**	**-**	**(17)**	**6,822**	**-**	**6,822**

1 (d) (ii) Details of Changes in Issued and Issuable Stapled Securities

	Note	FHT	
		1Q 2019	1Q 2018
		1 Oct 2018 to 31 Dec 2018	1 Oct 2017 to 31 Dec 2017
		No. of Stapled Securities	No. of Stapled Securities
Balance at beginning of the Period		1,869,164,755	1,845,573,715
- As payment of REIT Manager's management fees		7,304,274	6,740,311
- As payment of Trustee-Manager's management fees		43,073	62,403
- As payment of other management fees		4,976,251	4,881,635
- As payment of property management fees		4,174,256	3,928,987
Issued Stapled Securities at the end of the Period		1,885,662,609	1,861,187,051
Issuable Stapled Securities			
As payment of REIT Manager's management fees	**(a)**	2,577,134	2,411,295
As payment of Trustee-Manager's management fees	**(b)**	17,002	17,476
As payment of other management fees	**(c)**	1,785,835	1,611,338
As payment of property management fees	**(d)**	1,894,988	1,728,260
Total issued and issuable Stapled Securities		**1,891,937,568**	**1,866,955,420**

Footnotes:

(a) This represents 100% of the REIT Manager's base management fee and performance management fee payable in Stapled Securities. With effect from 1Q FY2017, the REIT Manager's performance management fee will be paid once a year after the end of the financial year.

(b) This represents 100% of the Trustee-Manager's base management fee and performance management fee payable in Stapled Securities. With effect from 1Q FY2017, the Trustee-Manager's performance management fee will be paid once a year after the end of the financial year.

(c) This represents 100% of the MIT Manager's base management fee and performance management fee payable in Stapled Securities. With effect from 1Q FY2017, the MIT Manager's performance management fee will be paid once a year after the end of the financial year.

(d) This represents 100% of the property managers' management fees payable in Stapled Securities.

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

The figures have not been audited or reviewed by the auditors.

3 Where the figures have been audited or reviewed, the auditor's 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 recently audited annual financial statements have been applied.

Except as disclosed in Section 5 below, the accounting policies and methods of computation adopted for the current reporting financial period are consistent with those applied in the audited financial statements for the financial year ended 30 September 2018.

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

On 1 October 2018, FH-BT and its subsidiaries (collectively, "FH-BT Group") adopted Singapore Financial Reporting Standards (International) ("SFRS(I)") which are applicable for listed business trusts in Singapore. FH-BT Group's adoption of SFRS(I) did not have a significant impact on its financial statements. FH-REIT and its subsidiaries (collectively, "FH-REIT Group") and FHT continue to prepare their financial statements under Recommended Accounting Practice 7 *Reporting Framework for Unit Trusts* .

In addition to the adoption of SFRS(I) framework by FH-BT Group as described above, FH-REIT Group, FH-BT Group and FHT adopted various new accounting standards, amendments to and interpretations of standards that are effective for financial year beginning 1 October 2018. The adoption of those new standards, amendments to and interpretations of standards did not have significant impact on their respective financial statements.

6 Earnings per Stapled Security ("EPS") and Distribution per Stapled Security ("DPS") for the financial period

Group earnings per Stapled Security

	Note	FHT	
		1Q 2019	1Q 2018
		1 Oct 2018 to 31 Dec 2018	1 Oct 2017 to 31 Dec 2017
Total return for the Period after tax (S$'000)		19,409	19,558
Less: Total return for the Period after tax attributable to Perpetual Securities holders (S$'000)		(1,122)	(1,122)
Total return for the Period after tax attributable to Stapled Securityholders (S$'000)		**18,287**	**18,436**
Basic EPS			
Weighted average number of Stapled Securities in issue	**(a)**	1,885,710,814	1,861,231,141
EPS based on weighted average number of Stapled Securities in issue (cents)		0.97	0.99
Dilutive EPS			
Weighted average number of Stapled Securities in issue	**(a)**	1,891,937,568	1,866,955,420
EPS based on weighted average number of Stapled Securities in issue (cents)		0.96	0.98

Footnote:

(a) The weighted average number of Stapled Securities is weighted for Stapled Securities in 1Q 2019 and 1Q 2018 respectively.

6 Earnings per Stapled Security ("EPS") and Distribution per Stapled Security ("DPS") for the financial period (Cont'd)

Group distribution per Stapled Security

	FHT	
	1Q 2019	**1Q 2018**
	1 Oct 2018 to 31 Dec 2018	**1 Oct 2017 to 31 Dec 2017**
Total number of issued and issuable Stapled Securities at end of Period	1,890,097,455[(a)]	1,865,243,296
Distribution to Stapled Securityholders (S$'000)	23,707	24,449
DPS based on the total number of Stapled Securities entitled to distribution (cents)	1.2542	1.3107

Footnote:

(a) The computation of DPS for the periods are based on the number of Stapled Securities entitled to distribution. This comprises:

(i) The number of Stapled Securities in issue as at 31 December 2018 of 1,885,662,609; and

(ii) The number of Stapled Securities to be issued to the REIT Manager, the Trustee-Manager, the MIT Manager and property managers as consideration for base management fee and property management fees for the period from 1 October 2018 to 31 December 2018 of 4,434,846.

** As provided for in the trust deed dated 12 June 2014 constituting FH-REIT (as amended) and in the trust deed dated 20 June 2014 constituting FH-BT (as amended), the price of a Stapled Security issued shall be computed based on the volume weighted average price of a Stapled Security for the last ten business days immediately preceding the relevant financial period of which the fee accrues.

FHT makes distributions on a semi-annual basis and the distributions are payable by the REIT Manager and the Trustee-Manager within 90 days from the end of the said semi-annual period.

The computation of DPS for 1Q 2019 is presented for illustrative purpose only. FHT makes distributions on a semi-annual basis and the distributions are payable by the REIT Manager and Trustee-Manager within 90 days from the end of the said semi-annual period.

7 (i) Group net asset value ("NAV") per Stapled Security based on Stapled Securities in issue at the end of the period

	FHT	
	As at 31 Dec 2018	**As at 30 Sep 2018**
Number of Stapled Securities issued at end of the period	1,885,662,609	1,869,164,755
Net asset value (S$'000)	1,421,970	1,452,251
Net asset value per Stapled Security (cents)	75.41	77.70

(ii) Group net tangible asset ("NTA") per Stapled Security based on Stapled Securities in issue at the end of the period

	FHT	
	As at 31 Dec 2018	**As at 30 Sep 2018**
Number of Stapled Securities issued at end of the period	1,885,662,609	1,869,164,755
Net tangible asset (S$'000)	1,421,970	1,452,251
Net tangible asset value per Stapled Security (cents)	75.41	77.70

8 Review of performance

(a) 1Q 2019 VS 1Q 2018

		FH-REIT Group			FH-BT Group		
		Master Lessees - Gross Operating Revenue			Gross Operating Revenue		
		1Q 2019	1Q 2018		1Q 2019	1Q 2018	
		1 Oct 2018 to 31 Dec 2018	1 Oct 2017 to 31 Dec 2017	Change	1 Oct 2018 to 31 Dec 2018	1 Oct 2017 to 31 Dec 2017	Change
		LC$'000	LC$'000	%	LC$'000	LC$'000	%
Australia [(a)]	AUD	26,498	25,009	6.0	9,852	9,157	7.6
Singapore	SGD	22,113	22,045	0.3	-	-	N/A
United Kingdom	GBP	6,573	6,015	9.3	-	-	N/A
Japan	JPY	1,732,389	1,812,916	(4.4)	-	-	N/A
Malaysia	MYR	21,840	24,742	(11.7)	-	-	N/A
Germany	EUR	3,178	3,067	3.6	-	-	N/A

		FH-REIT Group			FH-BT Group		
		Master Lessees - Gross Operating Profit			Gross Operating Profit		
		1Q 2019	1Q 2018		1Q 2019	1Q 2018	
		1 Oct 2018 to 31 Dec 2018	1 Oct 2017 to 31 Dec 2017	Change	1 Oct 2018 to 31 Dec 2018	1 Oct 2017 to 31 Dec 2017	Change
		LC$'000	LC$'000	%	LC$'000	LC$'000	%
Australia [(a)]	AUD	11,540	10,795	6.9	5,274	4,880	8.1
Singapore	SGD	8,945	8,979	(0.4)	-	-	N/A
United Kingdom	GBP	3,466	3,205	8.1	-	-	N/A
Japan	JPY	504,341	585,277	(13.8)	-	-	N/A
Malaysia	MYR	5,469	7,936	(31.1)	-	-	N/A
Germany	EUR	1,385	1,353	2.4	-	-	N/A

Footnote:
(a) The Gross Operating Revenue ("GOR") and GOP of NMOC are excluded from FH-REIT Group and reflected under FH-BT Group.

Operational Performance

(a) Review of performance for 1Q 2019 compared to 1Q 2018

During the financial period under review from 1 October 2018 to 31 December 2018 (“1Q FY2019”), Gross Revenue (“GR”) declined 2.0% at S$40.6 million and Net Property Income (“NPI”) decreased 1.2% to S$31.1 million compared to last year (“1Q FY2018”). Distributable Income (“DI”) registered a decline of 3.0% compared to 1Q FY2018 at S$23.7 million. Distribution Per Stapled Security (“DPS”) registered a decline of 4.3% compared to 1Q FY2018 at 1.25 cents.

In 1Q FY2019, the Australia portfolio saw GOR and GOP increased year-on-year ("yoy") by 6.4% and 7.3% respectively. Portfolio revenue per available room ("RevPAR") rose 2.7% on the back of higher occupancy and average daily rate ("ADR"). Novotel Sydney Darling Square performed better yoy with the return of its full room inventory. It also achieved higher ADR which led to a RevPAR growth of 19.7% yoy. The RevPAR of Novotel Melbourne on Collins rose 3.7% yoy on the back of higher occupancy.

The Singapore portfolio’s performance remained stable in 1Q FY2019. GOR increased marginally by 0.3% yoy due to higher food and beverage ("F&B") revenue from InterContinental Singapore while GOP declined 0.4% mainly due to higher utilities costs. The portfolio RevPAR declined 1.8% yoy as a result of lower ADR from InterContinental Singapore and Fraser Suites Singapore. Competition from new entrants in the Bugis precinct and softness in corporate long stay demand continued to exert downward pressure on the portfolio ADR.

GOR and GOP of the UK portfolio grew yoy by 9.3% and 8.1% respectively. All properties in the portfolio achieved higher ADR. This led to an overall increase in portfolio RevPAR of 9.2%. All properties also reported higher RevPAR except ibis Styles London Gloucester Road as renovation works at the hotel peaked during the quarter, resulting in 51 guest rooms being taken out of inventory. All guest rooms in ibis Styles London Gloucester Road were fully renovated by end December 2018 and renovation for the public areas is scheduled to be completed by March 2019.

ANA Crowne Plaza Kobe’s GOR decreased 4.4% yoy due mainly to lower F&B revenue. A reduction in wedding and year-end social events saw the hotel’s general banquet and wedding revenue declining 10.0% yoy. Its GOP declined more than its GOR mainly due to the timing of staff bonus write-back. As compared to 1Q FY2018, staff bonus write-back was absent in 1Q FY2019 as it was recognised in the last quarter of FY2018.

The Westin Kuala Lumpur’s GOR and GOP continued to drop significantly yoy by 11.7% and 31.1% respectively as corporate demand in the city remained weak, affecting both room and F&B revenue. The hotel’s RevPAR declined 11.6% yoy, on the back of lower ADR and occupancy. Notwithstanding the decline in RevPAR, the hotel continues to maintain its market share vis-à-vis its peers. With the weaker economic climate, corporations have been renewing their contracts at lower rates. The hotel remains focused on expanding its customer base.

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

Tourism Research Australia, in its 2017 tourism forecast report, has projected international visitors to Australia to increase from 8.6 million in 2016–17 to 9.2 million in 2017–18 and 9.7 million in 2018–19. From January to November 2018, Australia saw a 5.0% yoy increase in international arrivals to 8.2 million, with Chinese visitors growing by 5.7%[1]. Sydney CBD saw a few new hotel openings over the last two years and this is beginning to impact hotel performance. This trend is expected to continue as more than 2,000 rooms are planned for completion in the next 2 years. While Sydney remains a popular destination, the room supply outlook could weigh on future performance[2]. In Melbourne, delays in hotel developments have pushed completion dates out to 2021. While this has helped in part to alleviate the pressure on hotel performance in the short-term, future declines are expected when these projects come to fruition[2].

Singapore Tourism Board ("STB") forecasts international visitor arrivals for 2018 to be in the range of 17.6 million to 18.1 million, representing a growth of 1.0% to 4.0% yoy. For the period from January to November 2018, STB reported a yoy growth of 6.6% in visitor arrivals to 16.9 million. China, Indonesia and India remained the top three source markets for tourism, accounting for 42.6% of total visitor arrivals. In 2019, growth in visitor arrivals is anticipated to continue to offset any potential supply-side pressures[3].

According to VisitBritain, the volume of inbound tourism for 2018 is forecast to reach 40.9 million visitors, an increase of 4.4% on 2017. The UK welcomed 28.7 million overseas visitors for the first 9 months of 2018, down 5.0% yoy. Business visits were 4.0% below levels seen in the first 9 months of 2017. Going forward, caution remains as the impact on business investment from ongoing economic and political uncertainty relating to the outcome of the Brexit negotiations is expected to have a bearing on hotel performance. In addition, the headwinds of rising payroll costs are set to continue in 2019, following the announcement of further increases to the national minimum wage[4].

From January to November 2018, Japan National Tourism Organization recorded a yoy growth of 9.1% in foreign visitors. Growth in inbound tourism remains and hotel operators are likely to enjoy an improved outlook as the rate of increase in hotel supply appears to have slowed. Japan's marketing initiatives to increase tourism from outside Asia could potentially yield a positive impact on hotels in terms of diversification and profitability[5].

For the first 9 months of 2018, Tourism Malaysia reported a marginal 0.3% decline in tourist arrivals to 19.4 million. Malaysia has revised down its tourist arrival target for 2020 by 17.0% to 30.0 million. Accordingly, the targets for 2018 and 2019 have also been adjusted down to 26.4 million and 28.1 million respectively[6]. In Kuala Lumpur, hotel trading performance, particularly in the upscale and luxury segments, is expected to continue to face pressure amid increasing competition due to the large incoming room supply[7].

From January to November 2018, the Federal Statistical Office of Germany recorded a 4.0% yoy increase in the number of overnight stays by domestic and foreign visitors[8]. In Dresden, the total number of domestic and foreign visitors rose 3.4% yoy for the first 10 months of 2018[9] . Dresden, the capital city of the Free State of Saxony, continues to grow its pipeline of MICE events for 2019 including Baumesse HAUS 2019, Sachsenback, Green and Sustainable Chemistry Conference, EuroBrake, and the International Conference on Adhesion in Aqueous Media: From Biology to Synthetic Materials.

[1] Source: www.tourism.australia.com/en/markets-and-stats/tourism-statistics/international-visitor-arrivals.html
[2] Source: CBRE – MarketView Australia Hotels, Q3 2018
[3] Source: JLL – Asia Pacific Property Digest, Q3 2018
[4] Source: Knight Frank UK Hotel Trading Performance Review 2018
[5] Source: Savills – Spotlight: Japan Hospitality, August 2018
[6] Source: The Edge Markets, 14 September 2018
[7] Source: JLL – Asia Pacific Property Digest, Q2 2018
[8] Source: www.destatis.de
[9] Source: www.dresden.de

11 Distributions

(a) Current financial period

Any distribution declared for the current financial period?

No.

(b) Corresponding period of the immediately preceding financial year

Any distribution declared for the corresponding period of the immediately preceding financial period?

No.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12 If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

FHT makes distributions to Stapled Securityholders on a semi-annual basis for every six-month period ending 31 March and 30 September.

13 If the Group has obtained a general mandate from holders for Interested Party Transactions ("IPT"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, please make a statement to that effect.

FHT has not obtained a general mandate from Stapled Securityholders for IPTs.

14 Additional information - FHT's interests in Australia Land Trust

Australia's foreign investment regime was amended with effect from 1 July 2017 to introduce improvements to the regulation of foreign investments into Australia.

Notifiable actions (i.e. mandatory notification)
Investors who are "foreign persons"[i] that acquire Stapled Securities are required under the Australian Foreign Acquisitions and Takeovers Act 1975 ("FATA") or the Australian Government's Foreign Investment Policy to notify and receive a prior statement of no objection ("FIRB Clearance") of their investment in FHT under Australia's foreign investment regime from the Australian Treasurer through the Foreign Investment Review Board if any of the circumstances set out below apply at the time the Stapled Securities are acquired:

(a) if either FH-REIT or FH-BT is considered to be an "Australian Land Trust"[ii] ("ALT") at the time of acquisition, all foreign persons acquiring Stapled Securities (including existing holders of Stapled Securities acquiring additional Stapled Securities) will require FIRB Clearance unless an exemption applies (see below); and

(b) any investor that is a Foreign Government Investor[iii] acquiring a "direct interest"[iv] in FHT will require FIRB Clearance at the time of acquisition, regardless of whether FH-REIT or FH-BT is considered to be an ALT or whether FHT has gross Australian assets in excess of AUD252.0 million.

Exemptions from ALT requirements
The FATA contains two relevant exemptions from the requirement to obtain FIRB Clearance that would otherwise apply if FH-REIT or FH-BT was considered to be an ALT such that FIRB clearance would generally only be required for private foreign persons if:

(a) the relevant person's interest in FH-REIT or FH-BT would be valued in excess of a specified threshold prescribed under the FATA (at the date of this announcement, the relevant threshold prescribed under the FATA is AUD252.0 million, unless the ALT has 'sensitive' land holdings, in which case the threshold may be AUD55.0 million)[v]; and

(b) the relevant person, together with associates, is acquiring an interest of 10% or more in FHT and will be in a position to influence or participate in the central management and control of the land entity or to influence, participate in or determine the policy of the land entity.[vi]

14 Additional information - FHT's interests in Australia Land Trust (Cont'd)

Significant actions (i.e. voluntary notification)

If FHT has gross Australian assets in excess of a specified threshold prescribed under the FATA (as at the date of this announcement, the threshold prescribed under the FATA is AUD252.0 million for most private foreign investors)[vii] at the time of acquisition, all investors (i) who are foreign persons (but not Foreign Government Investors) and (ii) who are acquiring a Substantial Interest in FHT or have a Substantial Interest[viii] and increase their holding, should note that, while prior notification and FIRB Clearance are not required, the Australian Treasurer still has the power to make adverse orders under the FATA if such transaction is considered to be contrary to Australia's national interest. In such case, it may be prudent for an Investor to seek FIRB Clearance on a voluntary basis.

As at 31 December 2018, the value of the Australian assets comprised in FHT's portfolio is 31.23% of the total asset value of FHT. Consequently, FHT is not considered to be an ALT.

As at 31 December 2018, FHT has gross Australian assets of approximately AUD802.8 million, which is above AUD252.0 million.

Any Investor acquiring Stapled Securities on the secondary market should seek their own advice on the FIRB requirements as they pertain to their specific circumstances.

---

i A "**foreign person**" is defined as:

- an individual not ordinarily resident in Australia; or
- a corporation in which an individual not ordinarily resident in Australia, a foreign corporation or a foreign government holds a substantial interest ; or
- a corporation in which 2 or more persons, each of whom is an individual not ordinarily resident in Australia, a foreign corporation or a foreign government, hold an aggregate substantial interest ; or
- the trustee of a trust in which an individual not ordinarily resident in Australia, a foreign corporation or a foreign government holds a substantial interest ; or
- the trustee of a trust in which 2 or more persons, each of whom is an individual not ordinarily resident in Australia, a foreign corporation or a foreign government, hold an aggregate substantial interest; or
- a foreign government; or
- any other person, or any other person that meets the conditions, prescribed by the regulations.

ii An **ALT** is defined as a unit trust in which the value of interests in Australian land exceeds 50% of the value of the total assets of the unit trust.

iii A '**foreign government investor**' is defined to mean:

- a foreign government or separate government entity;
- a corporation or trustee of a trust in which:
  - a foreign government or separate government entity, alone or together with one or more associates, holds a substantial interest (that is, an interest of at least 20 per cent); or
  - foreign governments or separate government entities of more than one foreign country (or parts of more than one foreign country), together with any one or more associates, hold an aggregate substantial interest (that is, an interest of at least 40 per cent);
- a general partner of a limited partnership in which:
  - a foreign government or separate government entity, alone or together with one or more associates, holds an interest of at least 20 per cent; or
  - foreign governments or separate government entities of more than one foreign country (or parts of more than one foreign country), together with any one or more associates, hold an aggregate interest of 40 per cent or more;
- a corporation, trustee or general partner of a kind described above.

iv A '**direct interest**' is defined to mean:

- an interest of at least 10 per cent in the entity or business, or
- an interest of at least 5 per cent in the entity or business if the person who acquires the interest has entered a legal arrangement relating to the businesses of the person and the entity or business, or
- an interest of any percentage in the entity or business if the person who has acquired the interest is in a position to:
  - participate or influence the central management and control of the entity or business; or
  - influence, participate or determine the policy of the entity or business.

v This exemption applies in respect of ALTs that have predominantly developed commercial real estate portfolios (ie, less than 10% residential or vacant commercial land. From 1 July 2017, the reference to residential land in the description of this exemption excludes interests in residential land acquired by a land entity where the land is used for the provision of residential care, a retirement village, or premises that provide accommodation to students in connection with an education institution). FIRB has confirmed that it is the value of the interest being acquired, rather than the value of the underlying land that is determinative for the purposes of this exemption. The concept of 'sensitive' land is broad and includes mines and critical infrastructure (for example, an airport or port).

vi This exemption reflects the '**passive investor administrative exemption**' that was previously available prior to 1 December 2015, and applies where an ALT is listed on an official stock exchange (whether in Australia or not).

vii A higher threshold of AUD1,094.0 million applies to foreign persons that are enterprises from the United States, New Zealand, Chile, Japan, South Korea or the People's Republic of China. This does not apply to any subsidiaries incorporated outside of these countries (including Australia).

viii A person holds a '**substantial interest**' in a trust if the person together with any one or more associates, holds a beneficial interest in at least 20% of the income or property of the trust.

15 Confirmation pursuant to Rule 720(1) of the SGX-ST Listing Manual

The Managers confirm that they have procured undertakings from all their Directors and Executive Officers (in the format set out in Appendix 7.7) pursuant to Rule 720(1) of the SGX-ST Listing Manual.

16 Confirmation pursuant to Rule 705(5) of the SGX-ST Listing Manual

We confirm that to the best of our knowledge, nothing has come to the attention of the Board of Directors of each of Frasers Hospitality Asset Management Pte. Ltd. (as REIT Manager of FH-REIT) and Frasers Hospitality Trust Management Pte. Ltd. (as Trustee-Manager of FH-BT) which may render these financial results to be false or misleading, in any material respect.

For and on behalf of the Board of Directors of
Frasers Hospitality Asset Management Pte. Ltd.
Frasers Hospitality Trust Management Pte. Ltd.

Law Song Keng	Choe Peng Sum
Director	Director

BY ORDER OF THE BOARD

Frasers Hospitality Asset Management Pte. Ltd.
(Company registration no. 201331351D)
As REIT Manager of Frasers Hospitality Real Estate Investment Trust

Frasers Hospitality Trust Management Pte. Ltd.
(Company registration no. 201401270M)
As Trustee-Manager of Frasers Hospitality Business Trust

Catherine Yeo
Company Secretary
30 January 2019

IMPORTANT NOTICE

This announcement may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differs 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, 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 costs), property expenses, 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 on future events.

The value of the Stapled Securities and the income derived from them, may fall as well as rise. Stapled Securities are not obligations of, deposits in, or guaranteed by, the REIT Manager, the Trustee-Manager or any of its affiliates. An investment in Stapled Securities is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that the Managers redeem or purchase their Stapled Securities while the Stapled Securities are listed. It is intended that holders of Stapled Securities may only deal in their Stapled Securities through trading on SGX-ST. Listing of the Stapled Securities on the SGX-ST does not guarantee a liquid market for the Stapled Securities.

The past performance of FHT is not necessarily indicative of the future performance of FHT.

Any discrepancies in the tables included in this announcement between the listed amounts and total thereof are due to rounding.