



ahtrust
ascendas hospitality trust

4Q FY2015/16
Financial Results Presentation
12 May 2016

SYDNEY • MELBOURNE • BRISBANE • BEIJING • TOKYO • OSAKA • SINGAPORE

Disclaimer

This presentation shall be read in conjunction with A-HTRUST's Unaudited Financial Results for the Fourth Quarter ended 31 March 2016 ("4Q FY2015/16"), 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.



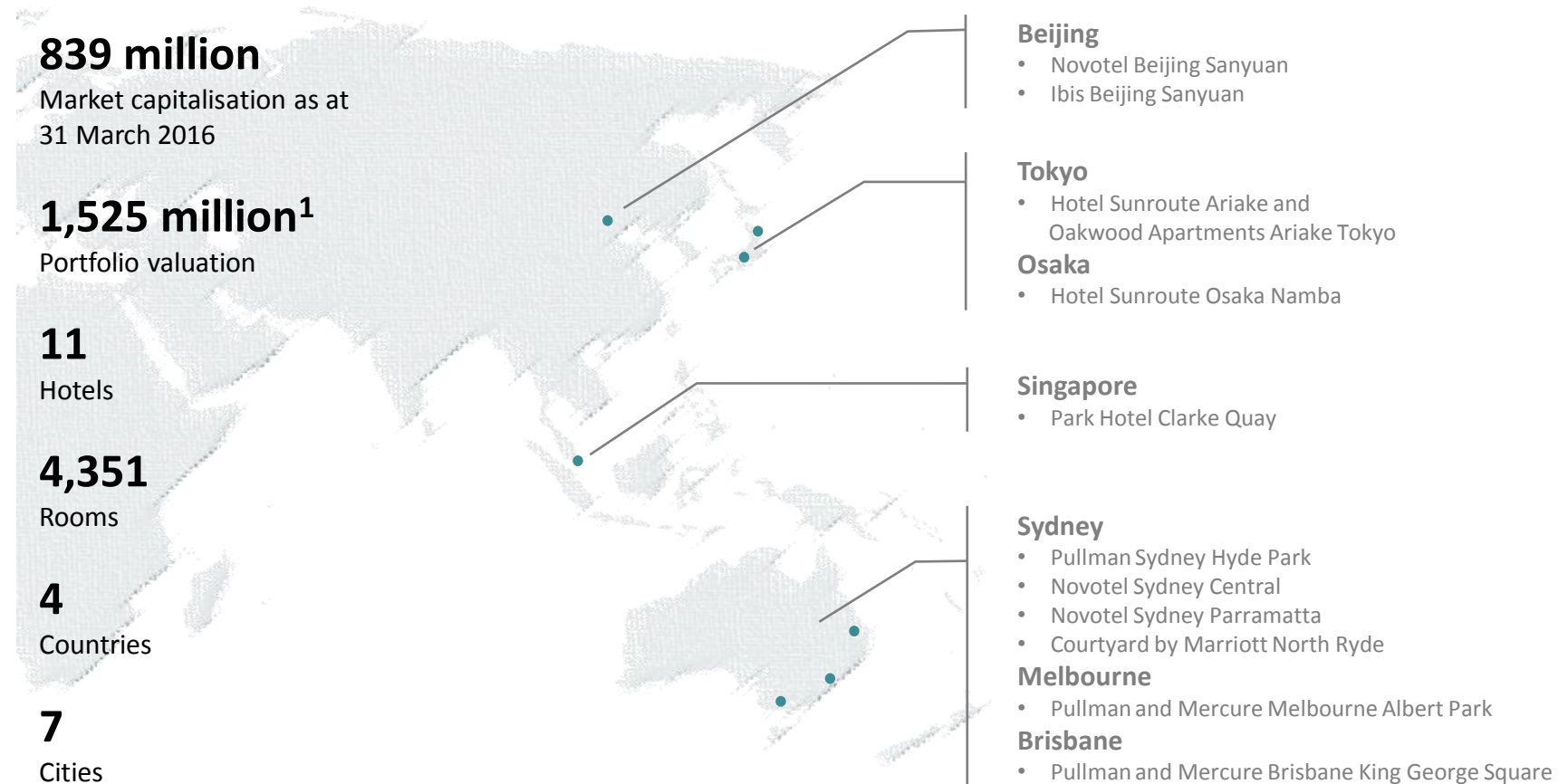


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Overview of Ascendas Hospitality Trust

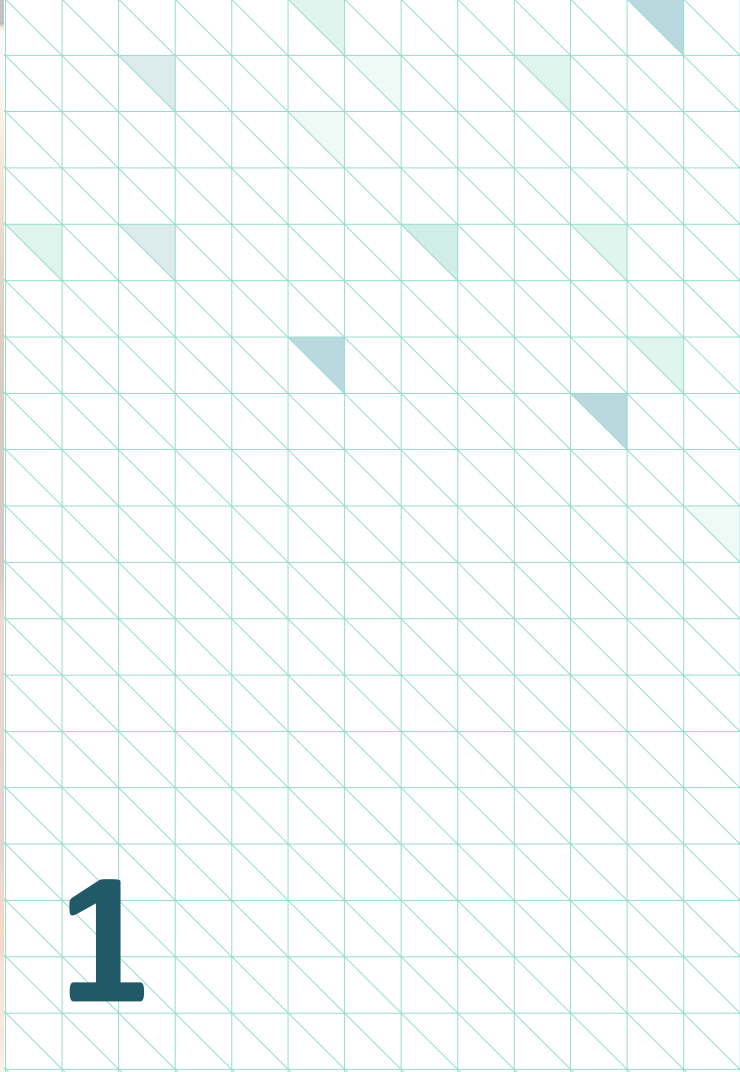
A hospitality trust with a focus on pan-Asian region



Note:

1. As at 31 March 2016





1

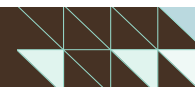
Key Highlights

4Q FY2015/16 Financial Highlights

	4Q FY2015/16			FY2015/16		
Gross Revenue	S\$52.9m	3.0% y-o-y	▼	S\$215.1m	5.3% y-o-y	▼
Net Property Income ("NPI")	S\$23.4m	3.5% y-o-y	▲	S\$90.9m	2.7% y-o-y	▼
Income available for distribution	S\$15.4m	10.2% y-o-y	▲	S\$63.7m	13.2% y-o-y	▲
Adjusted Income available for distribution ¹	S\$14.6m	4.3% y-o-y	▲	S\$60.5m	7.6% y-o-y	▲
Distribution per Stapled Security ("DPS")	1.30 cents	4.0% y-o-y	▲	5.41 cents	6.9% y-o-y	▲

Note:

1. After retaining of distributable income for working capital purposes. There was no retention in FY2014/15

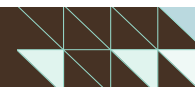


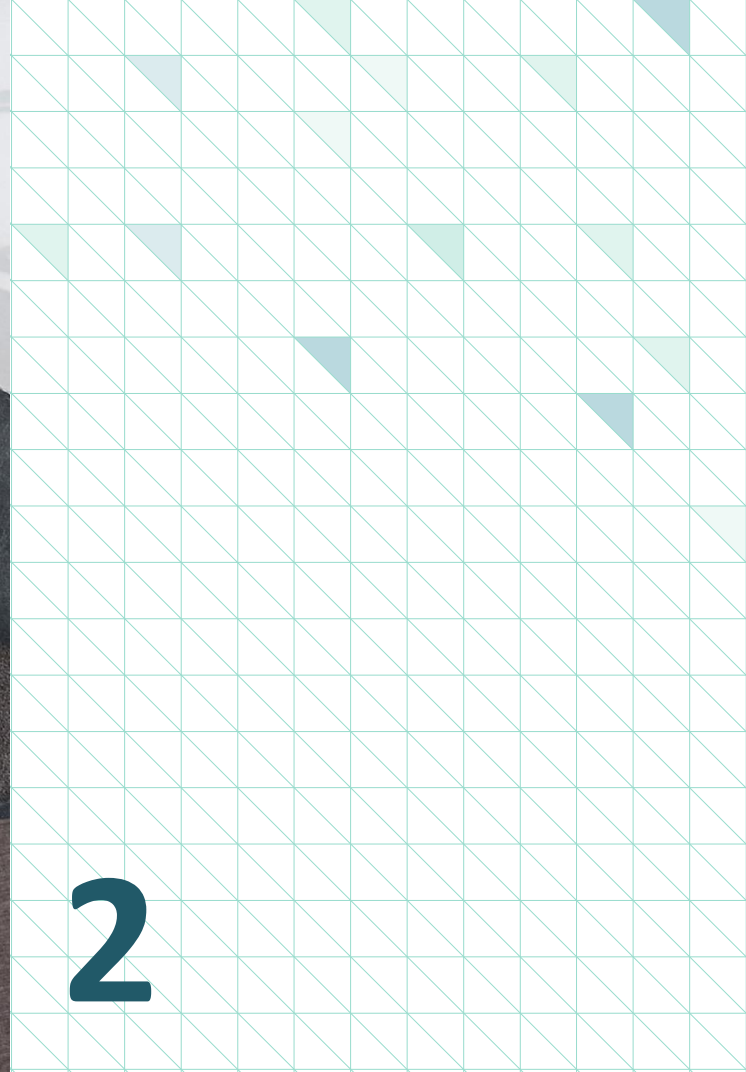
4Q FY2015/16 Portfolio Highlights

	AOR ¹		ADR ¹		RevPAR ¹	
Australia ²	83.8%	2.3pp y-o-y ▼	AUD 179	0.6% y-o-y ▲	AUD 150	2.6% y-o-y ▼
China	74.0%	0.7pp y-o-y ▼	RMB 398	5.0% y-o-y ▲	RMB 294	3.9% y-o-y ▲
Japan	<ul style="list-style-type: none"> Applies to Oakwood Apartments only Improvement in occupancy and ADR 				JPY 9,612	13.7% y-o-y ▲
Singapore	<ul style="list-style-type: none"> Drop in rental income contribution from Park Hotel Clarke Quay 					

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 – 4Q FY2015/16

S\$' million	4 th Quarter		Change
	FY2014/15	FY2015/16	
Gross Revenue	54.5	52.9	(3.0)%
Net Property Income	22.6	23.4	3.5%
NPI Margin	41.5	44.3	2.8pp
Income available for distribution	14.0	15.4	10.2%
- Operation	14.0	14.7	5.2%
- Proceeds from Divestment	-	0.7	-
Adjusted Income available for distribution ¹	14.0	14.6	4.3%
DPS (cents)	1.25	1.30	4.0%

- Lower contribution from Pullman & Mercure Brisbane and Park Hotel Clarke Quay
- Compounded by weaker AUD against SGD by 5%
- Partially offset by higher contribution from Japan portfolio

- Higher net property income
- Distribution of proportion of net proceeds from the sale of the Pullman Cairns International (“Cairns Hotel”)
- Stronger JPY against SGD by 5%

Note:.

1. After retaining distributable income for working capital purposes. There was no retention in 4Q FY2014/15



Results Summary – FY2015/16

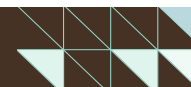
S\$' million	Full Year		Change
	FY2014/15	FY2015/16	
Gross Revenue	227.1	215.1	(5.3)%
Net Property Income	93.3	90.9	(2.7)%
NPI Margin	41.1	42.2	1.1pp
Income available for distribution	56.3	63.7	13.2%
- Operation	56.3	61.7	9.6%
- Proceeds from Divestment	-	2.0	-
Adjusted Income available for distribution ¹	56.3	60.5	7.6%
DPS (cents)	5.06	5.41	6.9%

- Overall improvement in the performance of the portfolio by S\$3.0m
- Offset by weaker AUD and JPY against SGD by 9% and 2%, respectively

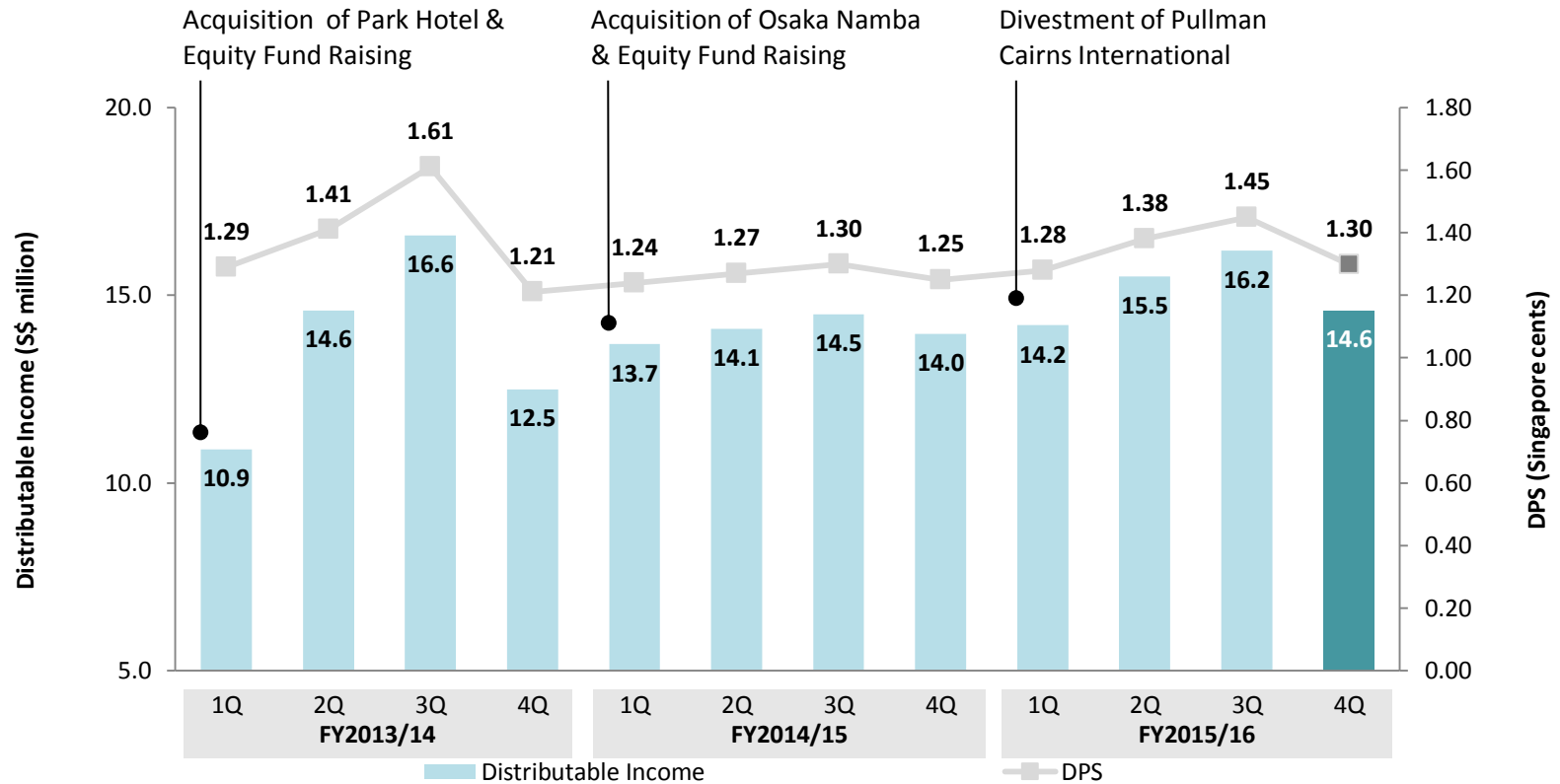
- Absence of costs of S\$6.9m related to unwinding of AUDSGD CCS
- Distribution of S\$2.0m from the sale proceeds of Cairns Hotel
- Partially offset by lower net property income

Note:.

1. After retaining 5% of distributable income for working capital purposes. There was no retention in FY2014/15



Distribution History



Distribution Details

Distribution for the period 1 October 2015 to 31 March 2016: **2.75** Singapore cents per stapled security

12 May 2016	Notice of Books Closure Date
18 May 2016, 9.00 am	Ex-Distribution Date
20 May 2016, 5.00 pm	Books Closure Date
17 June 2016	Date of Distribution

May 2016						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

June 2016						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		





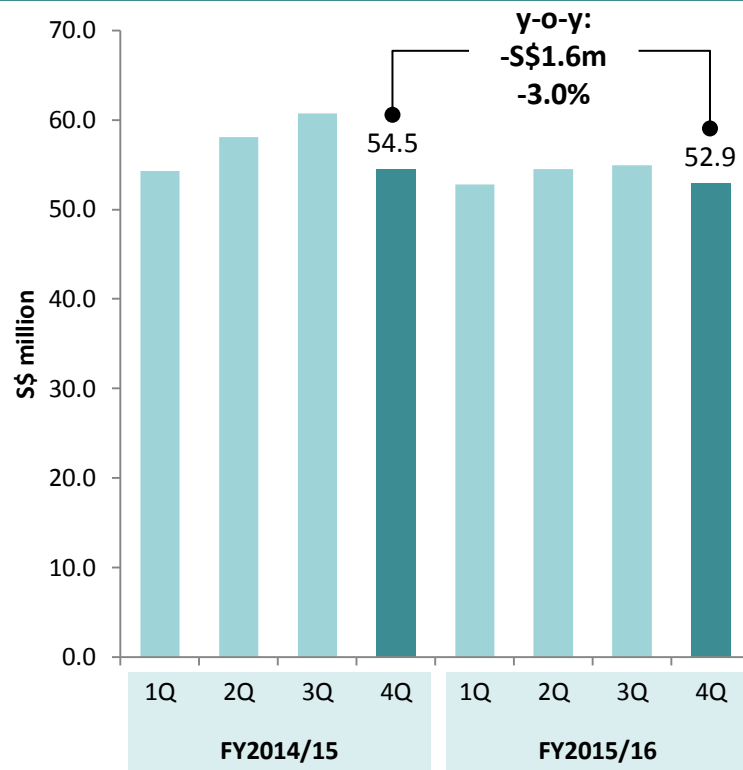
3

Portfolio Performance

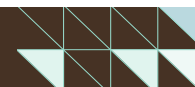
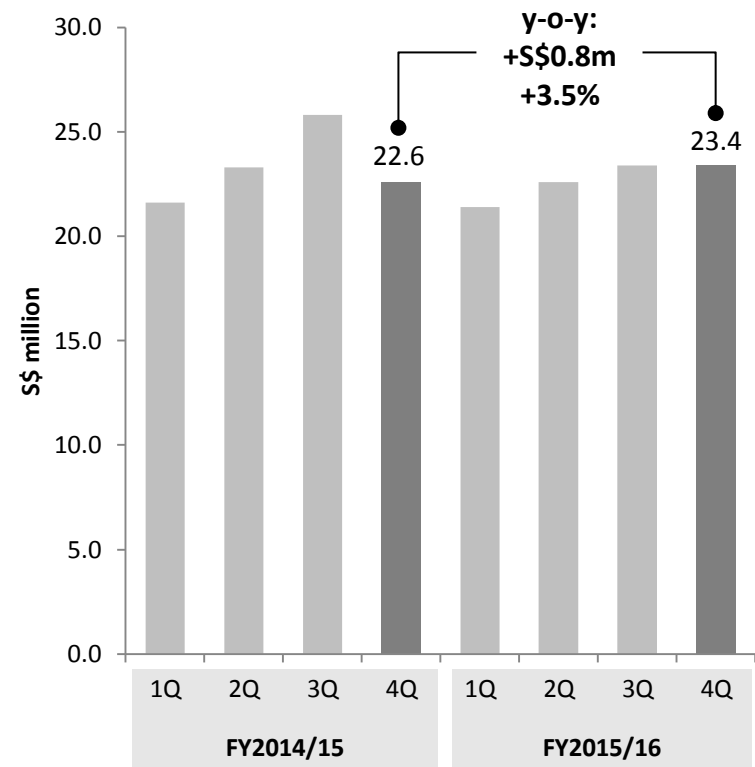
Better Margins Boost NPI

- ✦ Better NPI margins from Australia and China portfolios, and variable rent from Hotel Sunroute Ariake resulted in y-o-y improvement in NPI despite drop in gross revenue

Gross Revenue



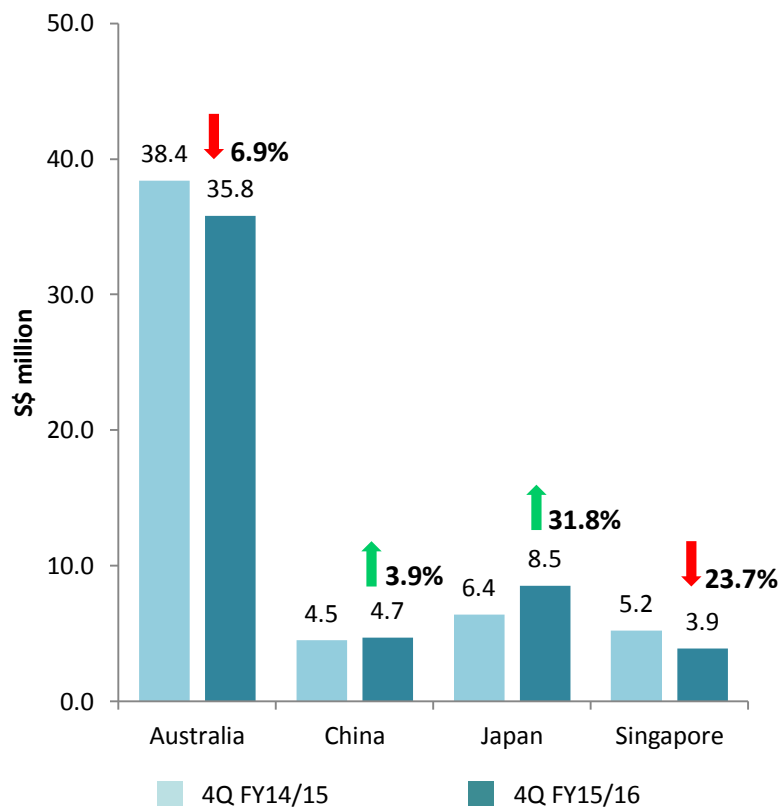
Net Property Income



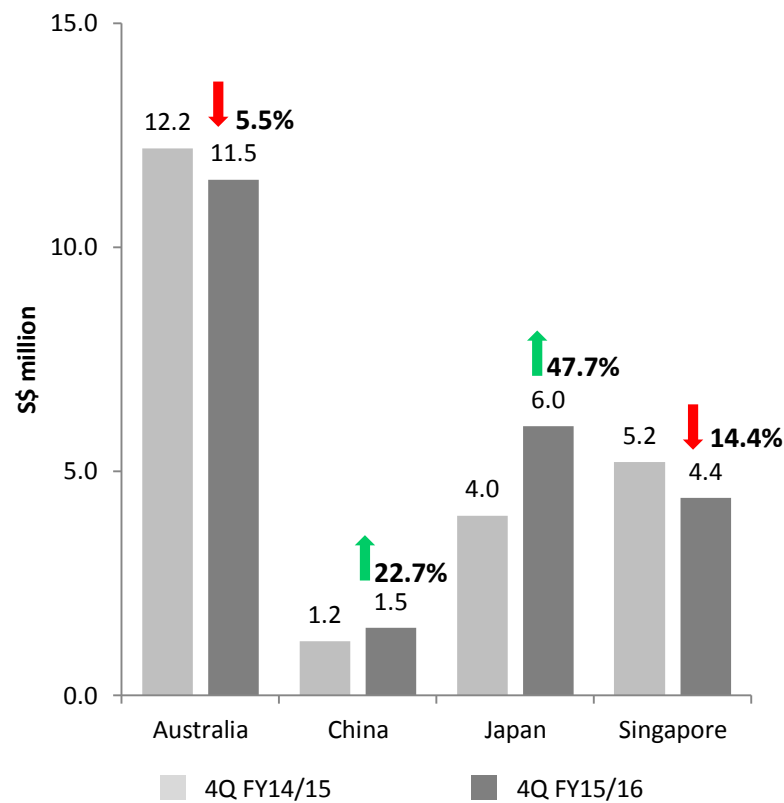
Performance by Country

- ✦ Japan and China portfolios showed strong improvements in SGD, while Singapore portfolio performance moderated

Gross Revenue



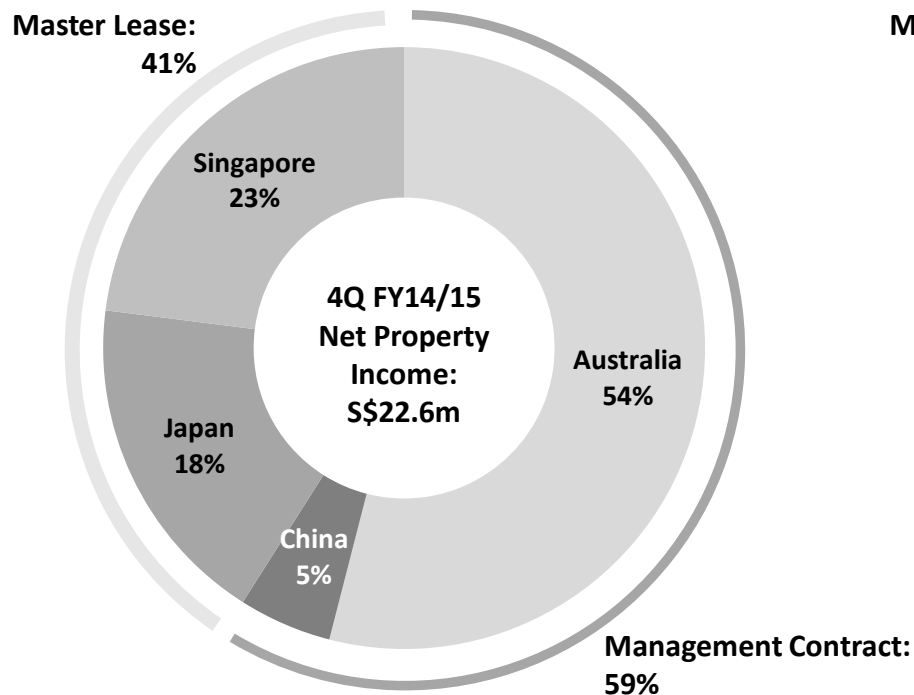
Net Property Income



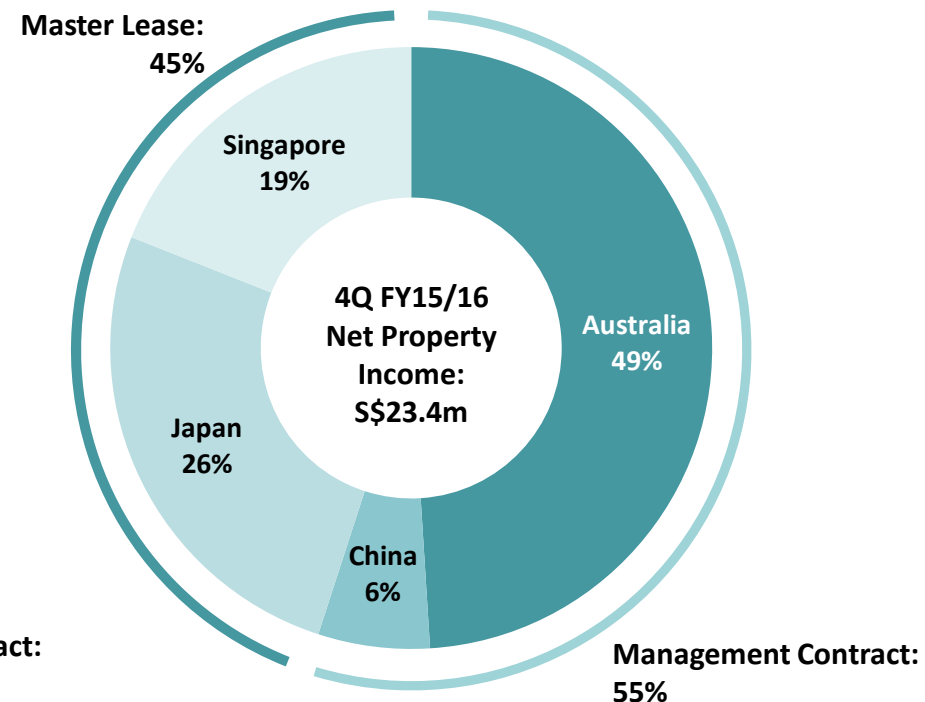
NPI Breakdown by Country and Contract Type

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

4Q FY14/15 Net Property Income



4Q FY15/16 Net Property Income

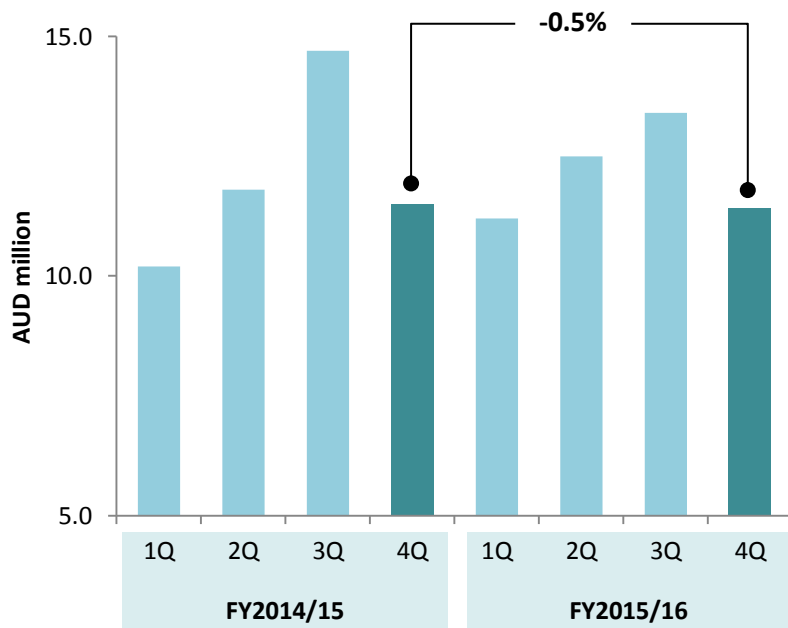


Brisbane Hotel Affected Australia Portfolio

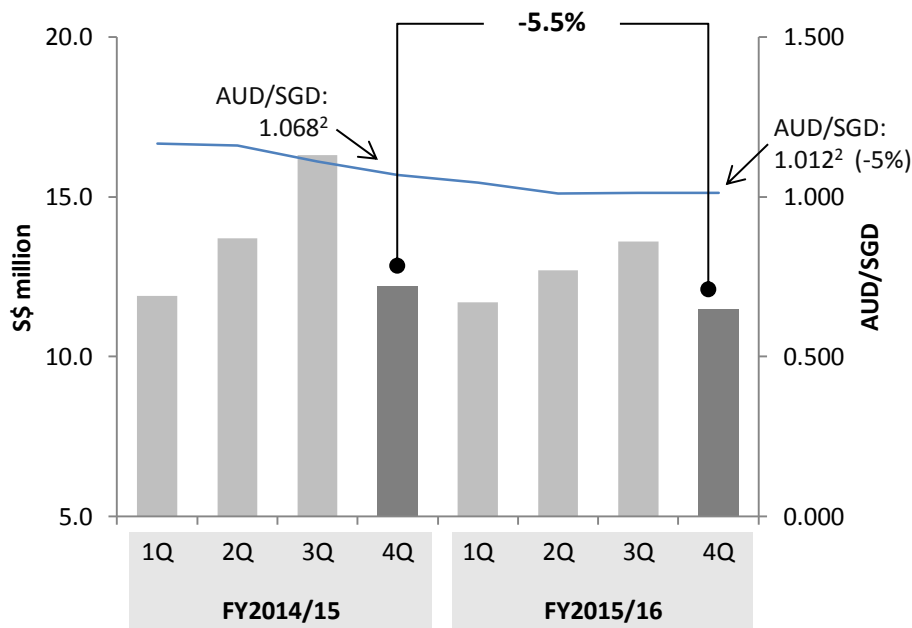
AUD	4 th Quarter		Change
	FY14/15	FY15/16	
AOR	86.1%	83.8%	↓ 2.3pp
ADR	178	179	↑ 0.6%
RevPAR	154	150	↓ 2.6%

- Brisbane hotel affected by competition from additional rooms
- Apart from Brisbane, a stable performance from the other hotels despite non-recurrence of two large scale events, being the AFC Asian Cup and the Cricket World Cup
- Compounded by weaker AUD against SGD

Net Property Income in AUD



Net Property Income in S\$



Note:

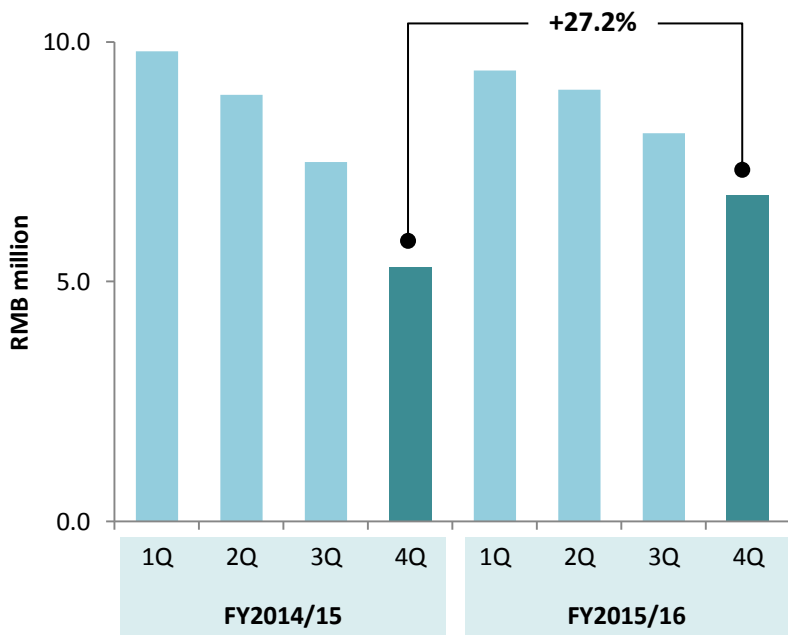
2. Based on average rate used for the respective quarter

China Portfolio Posted Another Quarter of Growth

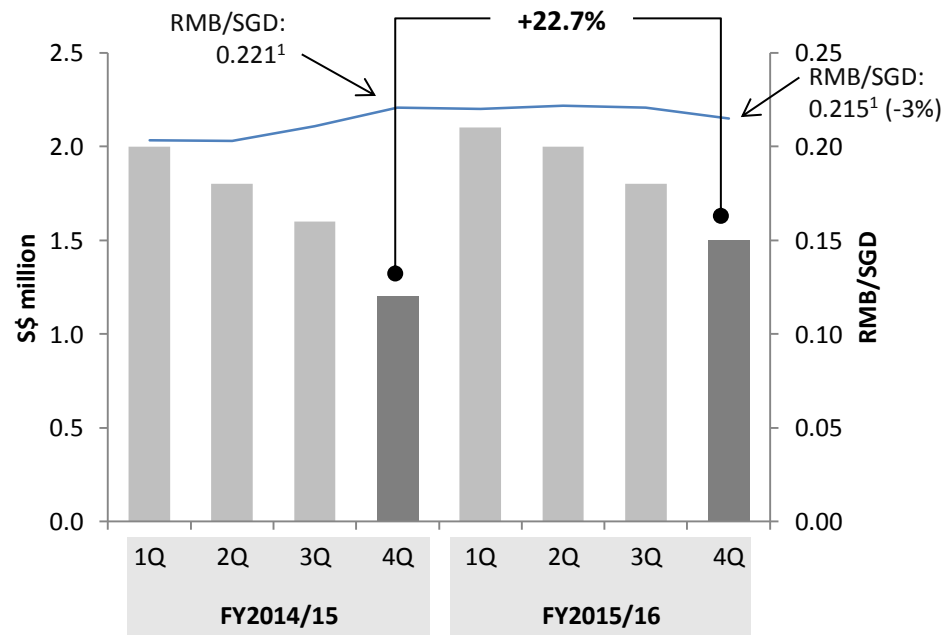
RMB	4 th Quarter		Change
	FY14/15	FY15/16	
AOR	74.7%	74.0%	↓ 0.7pp
ADR	379	398	↑ 5.0%
RevPAR	283	294	↑ 3.9%

- China portfolio posted another quarter of growth despite a challenging market
- Managed to generate more conferencing and event business
- Leasing of spaces and absence of once-off expense incurred in the corresponding quarter boost NPI

Net Property Income in RMB



Net Property Income in S\$



Note:

1. Based on average rate used for the respective quarter

Japan Portfolio Post Record High Income

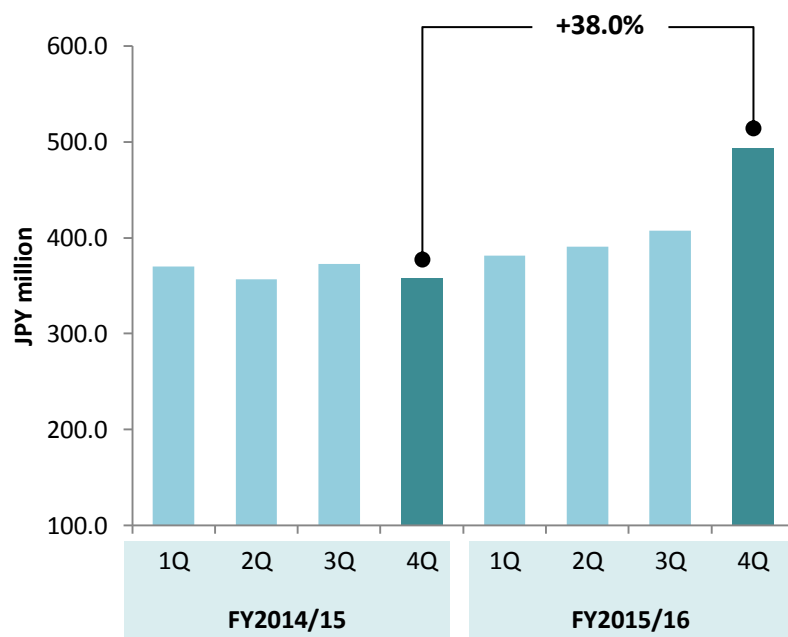
JPY	4 th Quarter		Change
	FY14/15	FY15/16	
RevPAR¹	8,454	9,612	↑ 13.7%

Note:

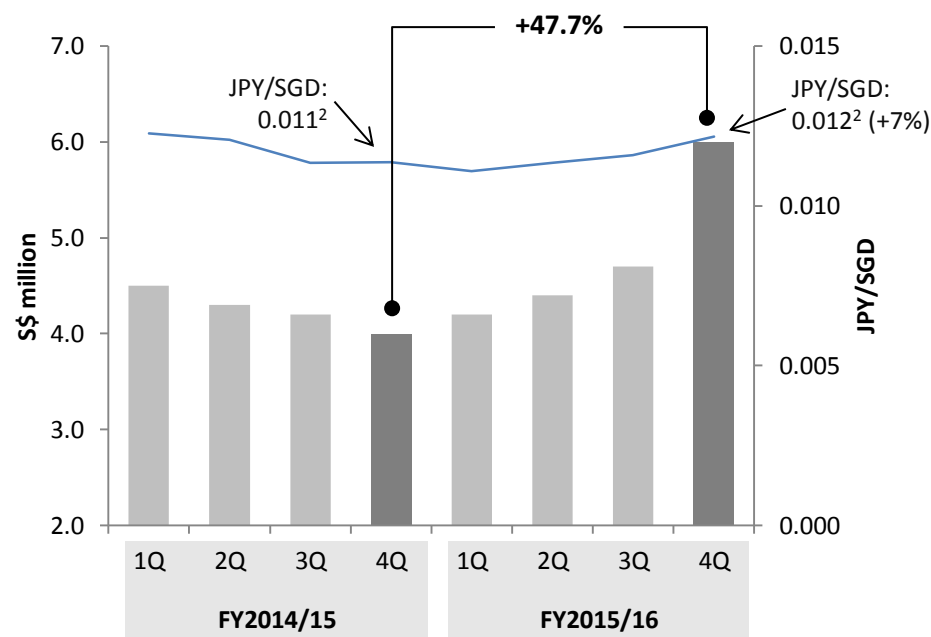
1. Applies to Oakwood Apartments only

- Oakwood Apartments Ariake Tokyo continue to improve
- Hotel Sunroute Ariake had a strong performance and contributed variable rent for the first time
- Recovery of JPY against SGD boost results in SGD

Net Property Income in JPY



Net Property Income in S\$

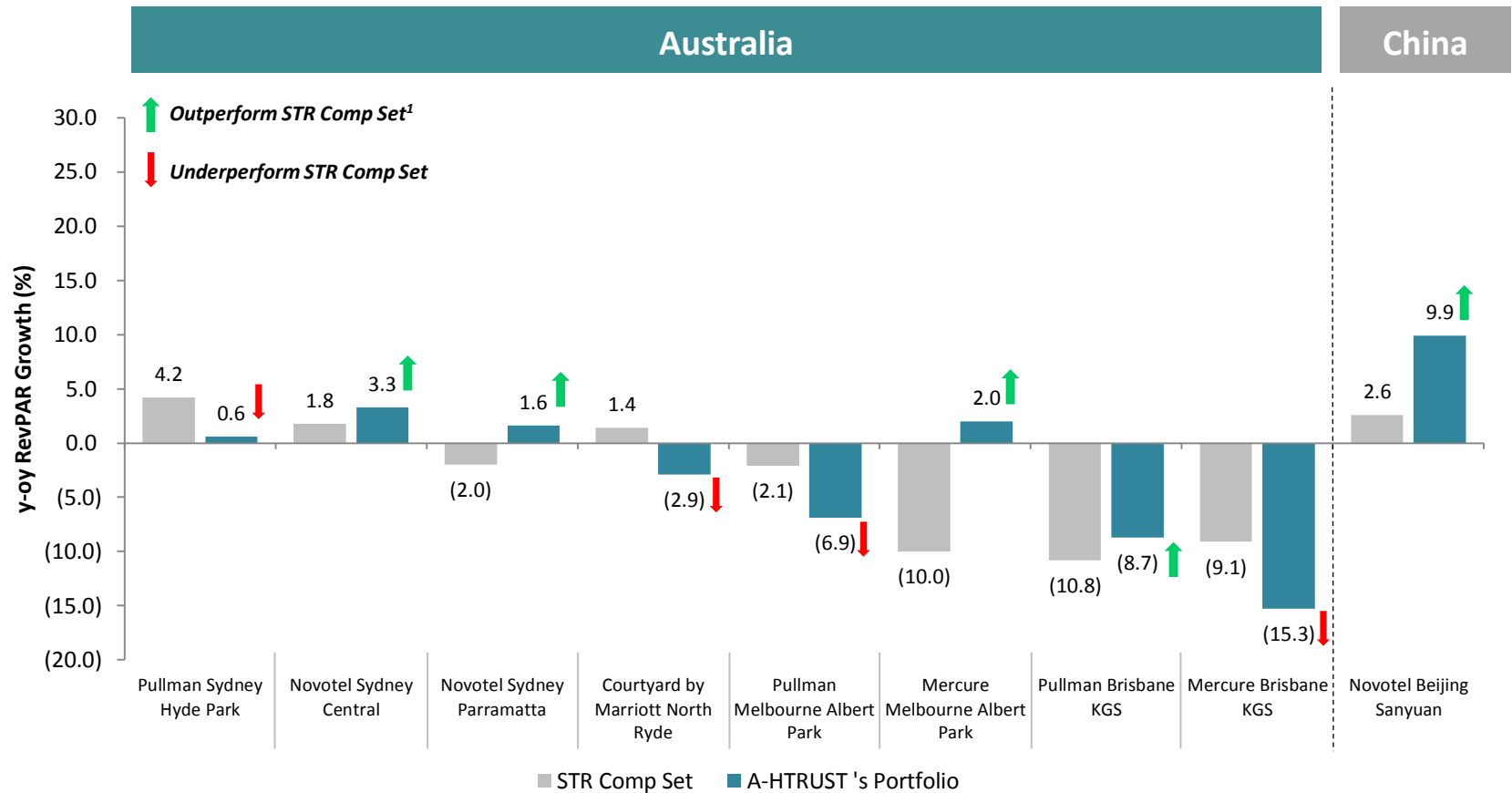


Note:

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.

Active Asset Management – Hotel Sunroute Osaka Namba

Hotel Sunroute Osaka Namba

- Reopened on 1 April 2016 following a three-month refurbishment
- JPY1,135 million facelift repositioned the hotel to appeal to modern-day for both business to leisure
- More guest rooms which can accommodate twin and double beds
- With effect from 1 January 2016, the hotel is now operating under a revised rent structure comprising: (i) a fixed rent component with a higher fixed rent amount as well as (ii) a variable component which enable A-HTRUST to enjoy upside



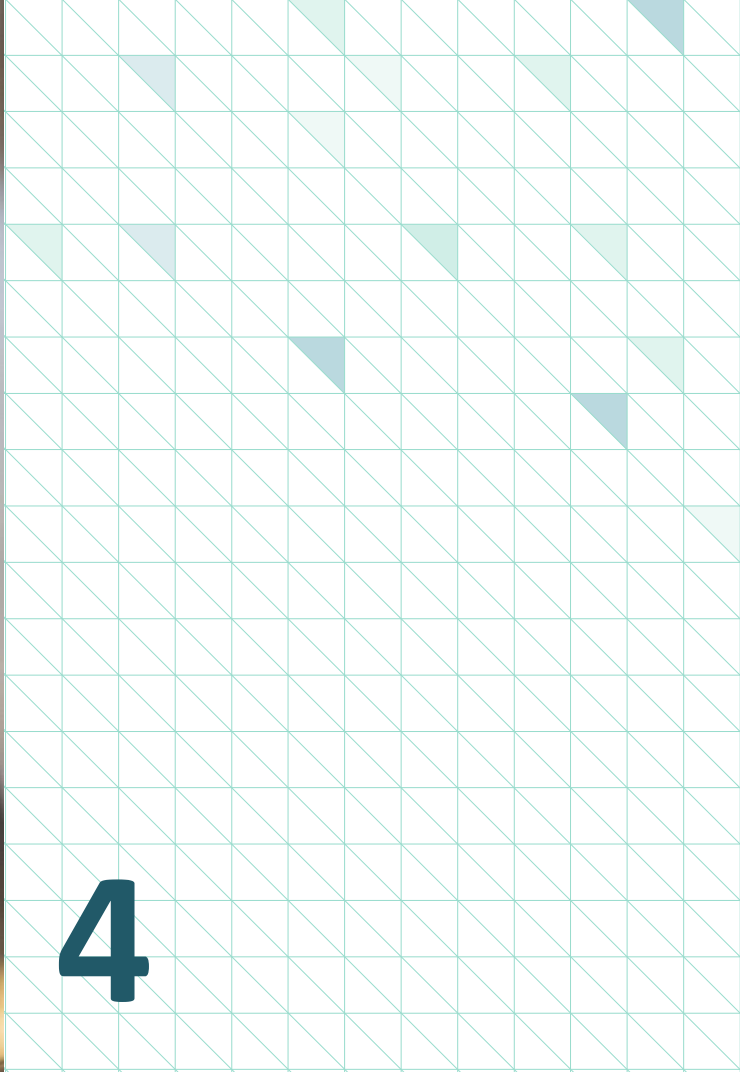
Lobby



Guest Room



Restaurant



4

Capital Management

Healthy Balance Sheet

✦ Total assets of S\$1,634.9 million as at 31 March 2016

	As at 31 December 2015	As at 31 March 2016
Borrowings	S\$538.1 million	S\$533.3
Total Assets	S\$1,407.5 million	S\$1,631.9
A-HTRUST Gearing ¹	38.2%	32.7%
- A-HREIT Gearing	28.8%	25.8%
- A-HBT Gearing	43.8%	36.5%
Weighted average interest rate	3.4%	3.4%
Weighted average debt to maturity	2.3 years	2.6 years
Net asset value per stapled security	S\$0.70	S\$0.86

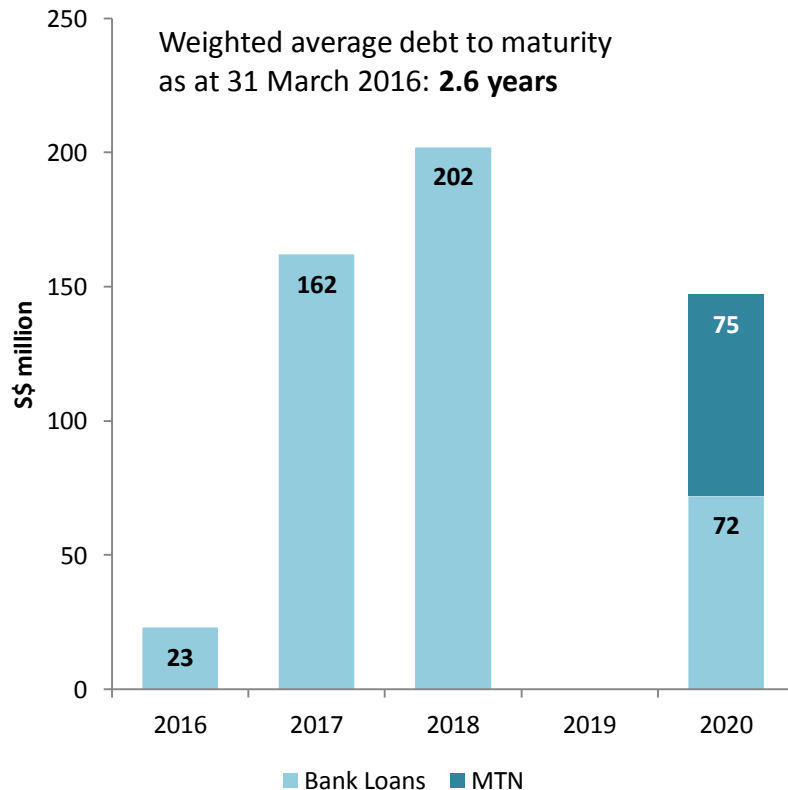
Note:

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



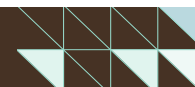
Balanced Debt Profile

Debt Maturity Profile



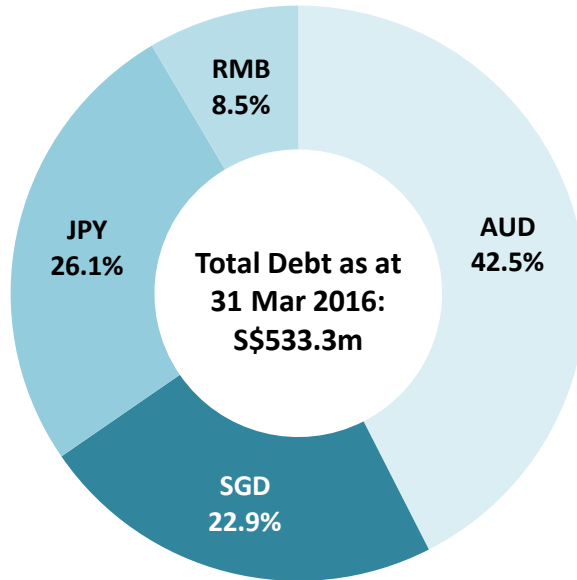
Debt Facilities

- **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
- **Refinancing of AUD70 million during the quarter extended weighted average debt to maturity to 2.6 years**

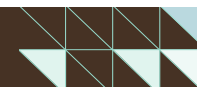
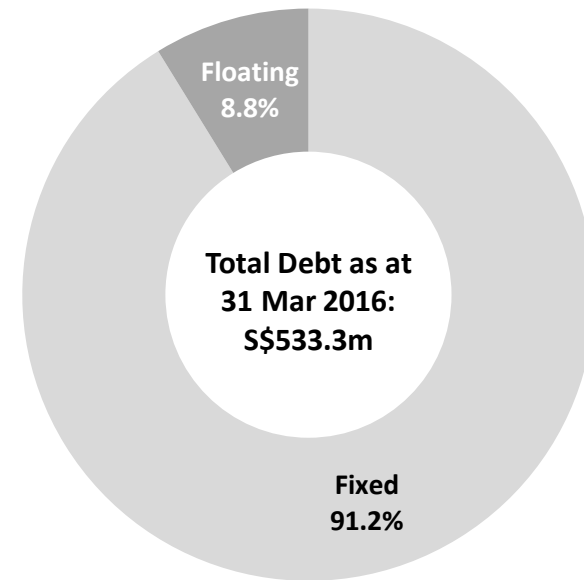


Prudent Capital Management

Debt Currency Profile



Interest Rate Profile



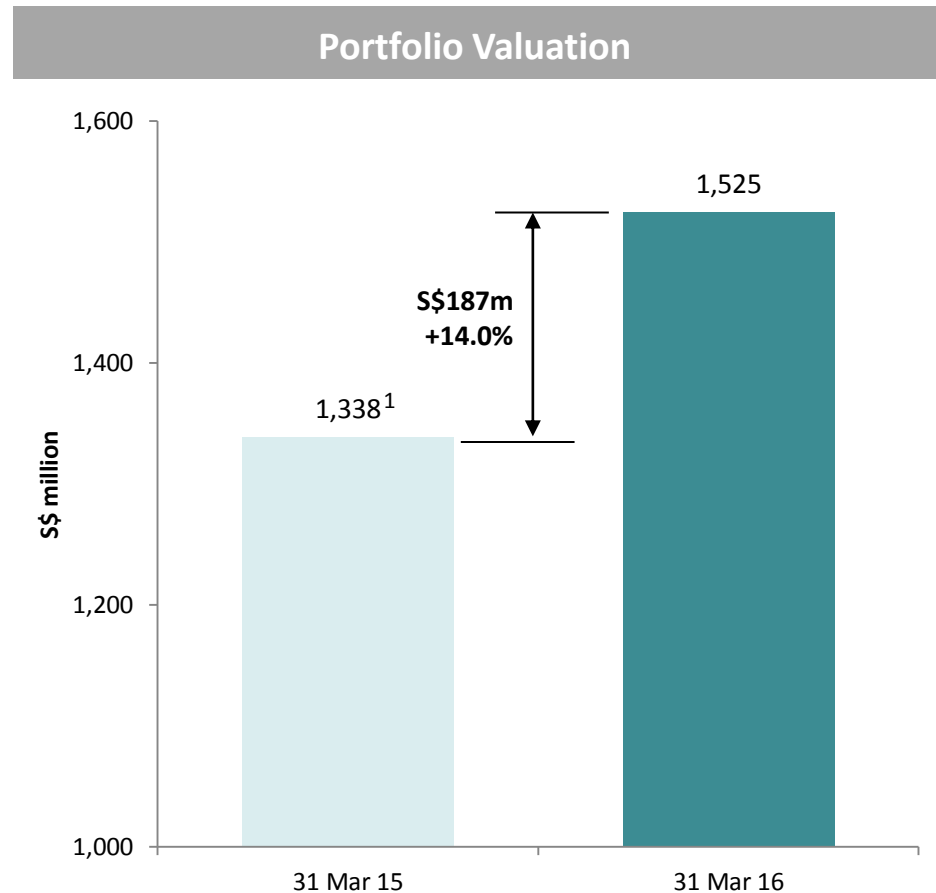


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Portfolio Valuation

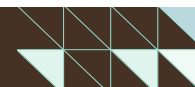
Portfolio Valuation as at 31 March 2016

- ✦ As at 31 March 2016, the portfolio valuation for A-HTRUST was S\$1,524.7m
- ✦ This represented an increase of 14.0% compared to the valuation at 31 March 2015, on a same store basis
- ✦ Save for Pullman and Mercure Brisbane King George Square, all properties had valuation growth in local currencies
- ✦ Uplift of valuation across the portfolios in each of the four countries in local currencies
- ✦ The increase in portfolio valuation was mainly driven by the two hotels in Japan, attributed to the vibrant hospitality sector, as well as the refurbishment and revised rent structure of Hotel Sunroute Osaka Namba



Note:

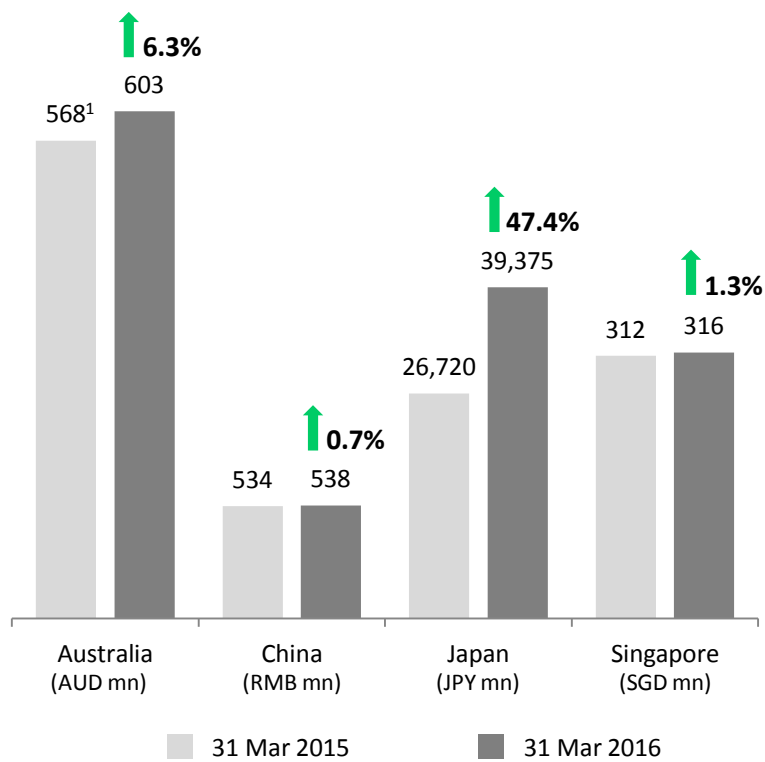
1. Excluded valuation of Pullman Cairns International ("Cairns Hotel") which was divested in June 2015. Including the valuation of the Cairns Hotel, portfolio valuation as at 31 March 2015 was S\$1,373.4 million, and the increase in portfolio valuation as at 31 March 2016 would be 11.0%.



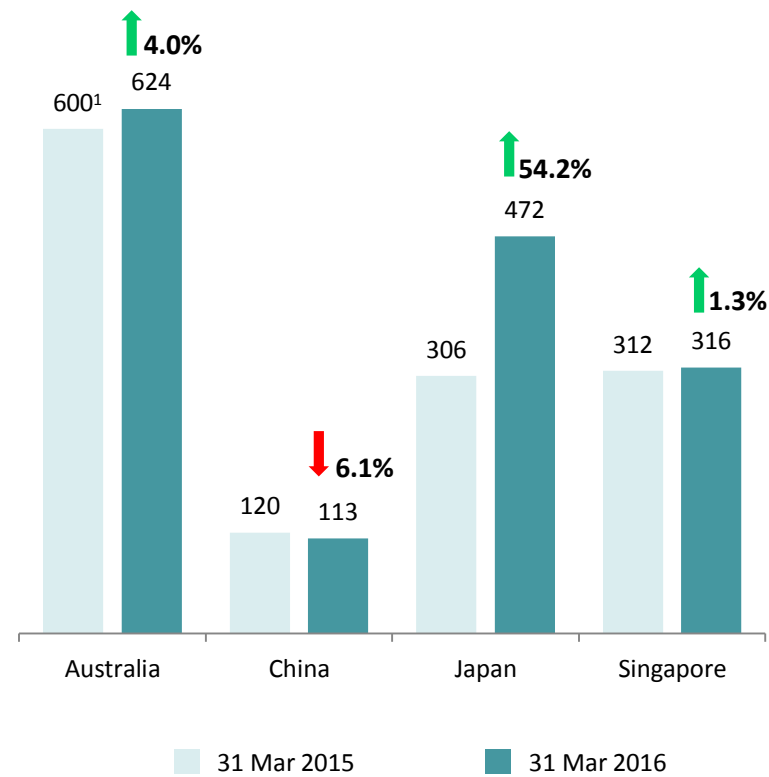
Valuation Breakdown by Country

- ✦ Increase in valuation across the portfolios in each of the four countries in local currencies reinforced quality of portfolio

Local Currencies (millions)

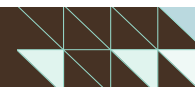


S\$ million

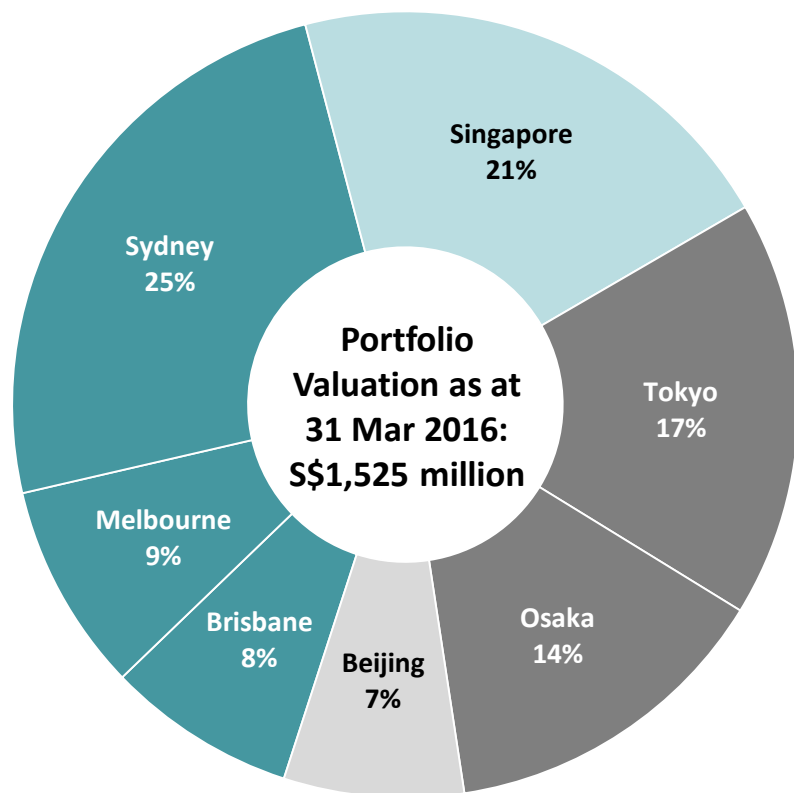


Note:

1. Excluded valuation of Pullman Cairns International which was divested in June 2015



Valuation Breakdown by City

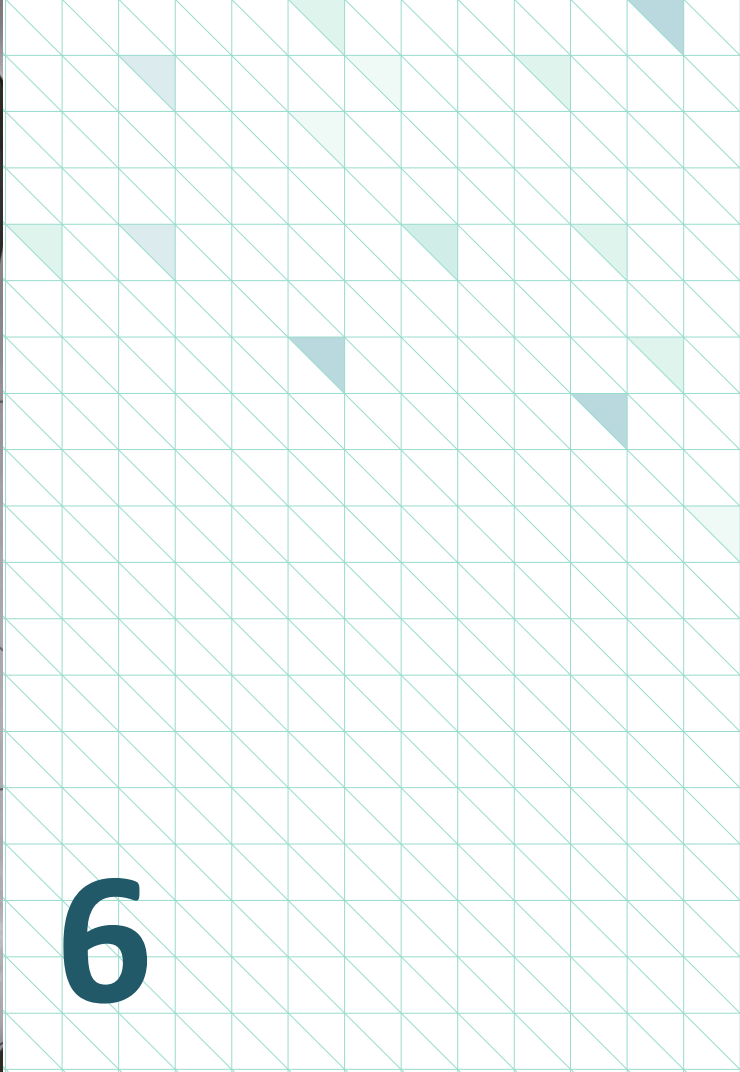


AUSTRALIA	AUD mn	SGD mn	41%
Pullman Sydney Hyde Park	135.5	140.1	9%
Novotel Sydney Central	126.0	130.3	9%
Novotel Sydney Parramatta	52.5	54.3	4%
Courtyard by Marriott North Ryde	47.5	49.1	3%
Pullman and Mercure Melbourne Albert Park	126.5	130.8	9%
Pullman and Mercure Brisbane King George Square	115.0	118.9	8%

CHINA	RMB mn	SGD mn	7%
Novotel Beijing Sanyuan	246.0	51.6	3%
Ibis Beijing Sanyuan	292.0	61.2	4%

JAPAN	JPY mn	SGD mn	31%
Hotel Sunroute Ariake & Oakwood Apartments Ariake Tokyo	21,800	261.5	17%
Hotel Sunroute Osaka Namba	17,575	210.8	14%

SINGAPORE	SGD mn	21%
Park Hotel Clarke Quay	316.0	21%



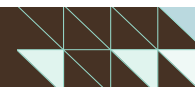
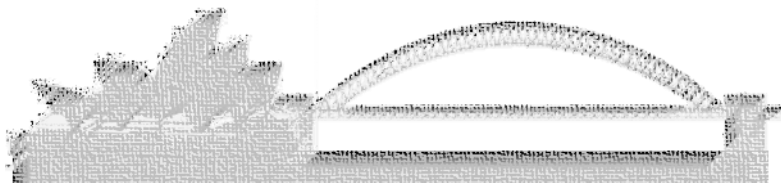
6

Looking Ahead

Australia – Inbound and Domestic Travelling Healthy



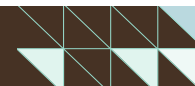
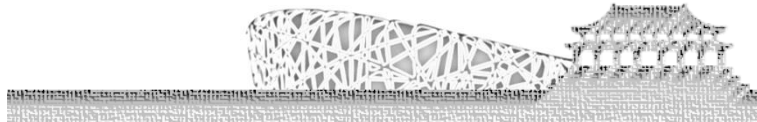
- The tourism sector in Australia continued to see steady growth on both foreign and domestic fronts
- The Australian hotel market, in general, is expected to benefit from the continued growth in both international arrivals and domestic travelling, as AUD remained relatively weak
- However, the performance of the hotel market in Brisbane is expected to remain soft against a backdrop of increased supply in hotel rooms



China – Competitive Environment



- Oversupply of hotel rooms is expected to continue affecting the market in Beijing in the near term
- However, the tourism sector will continue to be supported by domestic travelling for business as well as leisure purposes



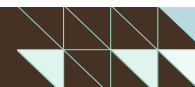
Japan – Strong Inbound



- With the goal of 20 million foreign visitors achieved ahead of schedule, the government has doubled the target to 40 million by 2020¹
- Some of the initiatives to achieve the new target included campaigns to attract more visitors from Europe and the United States and Australia¹
- The number of international visitors to Japan continued its growth momentum with 39.3% increase y-o-y in the first three months of 2016²

Notes:

1. Source: Article from www.japantimes.co.jp dated 30 March 2016 – “Japan doubles overseas tourist target for 2020”
2. Source: Japan National Tourism Organisation



Singapore – Challenges Remain

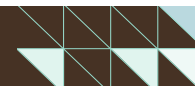


- The number of international visitors was forecasted to remain stable at between 15.2 and 15.7 million in 2016, and the year got off with an encouraging start posting a y-o-y increase of 12.3% YTD February¹
- Supply of new hotel rooms may continue to impede the performance of the general hotel market, demand from corporate is also expected to remain weak in the near term
- The government will continue to drive arrivals through initiatives such as marketing in new source cities in key markets as well as global campaigns to position Singapore as top business destination¹



Note:

1. Source: Singapore Tourism Board





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