



Presentation at REITs Symposium 2016

4 June 2016

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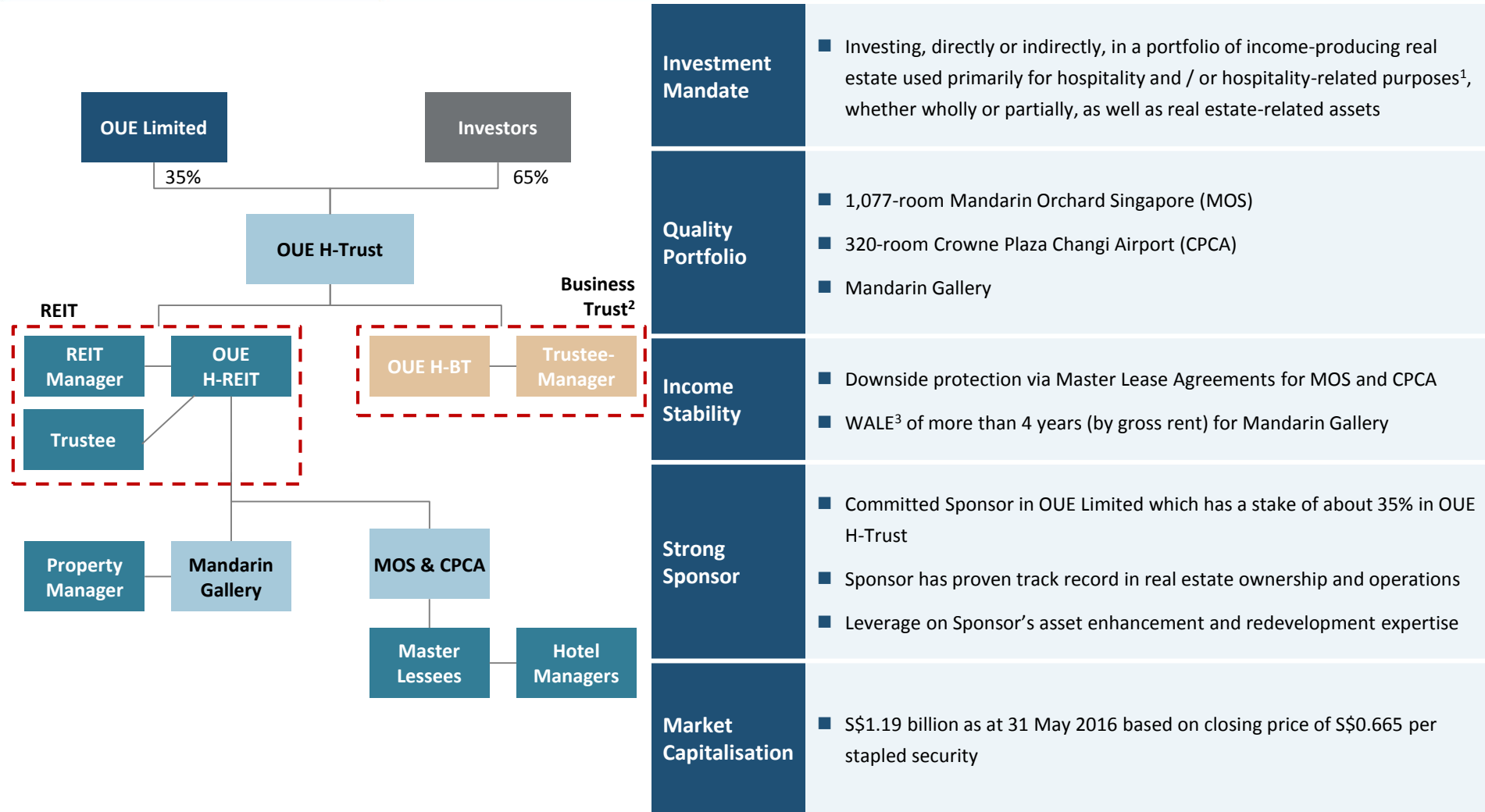
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Overview of OUE H-Trust

Overview of OUE H-Trust



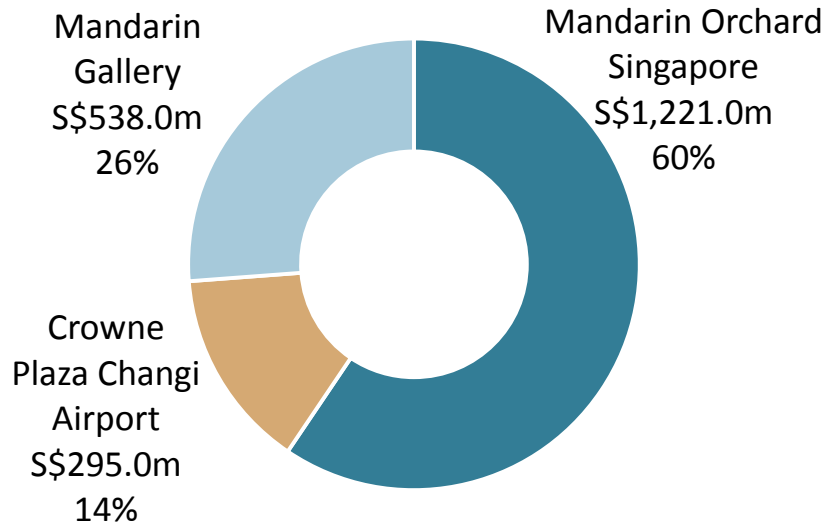
¹ Real estate which is used for hospitality purposes includes hotels, serviced residences, resorts and other lodging facilities, whether in existence by themselves as a whole or as part of larger mixed-use developments, which may include commercial, entertainment, retail and leisure facilities, while properties which are used for hospitality-related purposes include retail and/or commercial assets which are either complementary to or adjoining hospitality assets which are owned by OUE H-REIT or which OUE H-REIT has committed to buy

² Dormant as at listing and is the master lessee of last resort

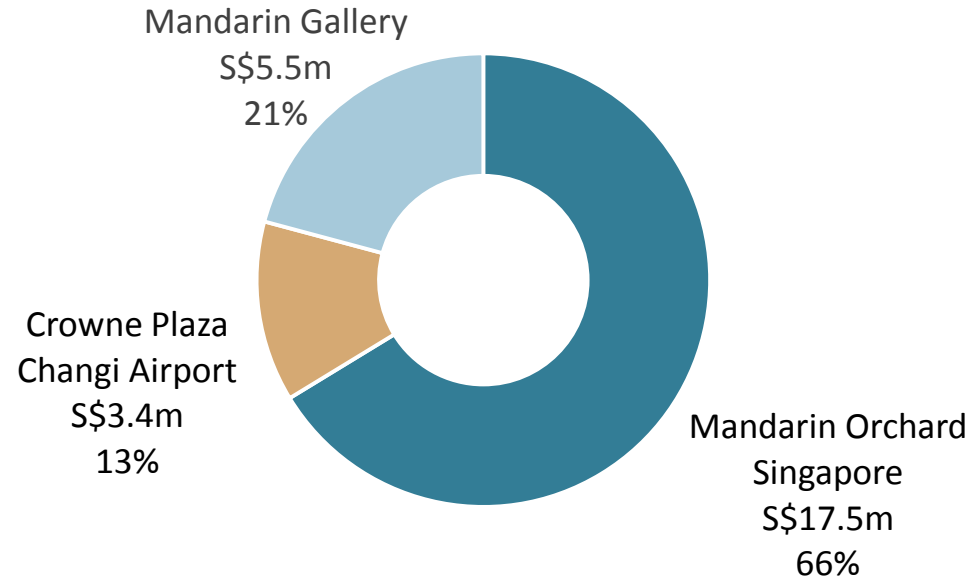
³ Weighted average lease expiry

Asset Value and NPI Contribution

Breakdown by Asset Value¹



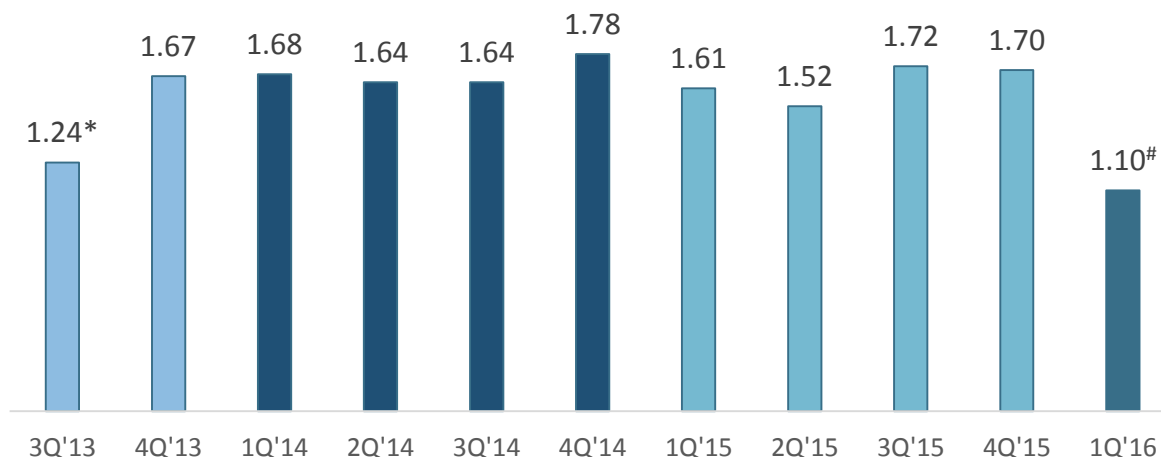
1Q2016 Breakdown by NPI Contribution



¹ Based on independent valuations as at 31 December 2015. Does not include Crowne Plaza Changi Airport extension which is currently under construction and completion of the acquisition will take place when it is completed and temporary occupation permit is obtained.

Historical Distribution Per Stapled Security (DPS)

Quarterly DPS Since Listing (\$cents)



* OUE H-Trust was listed on 25 July 2013, therefore the distribution for 3Q2013 was for the period from 23 July 2013 to 30 September 2013.

On 7 March 2016, OUE H-REIT announced an underwritten renounceable Rights Issue (Rights Issue) of 441,901,257 stapled securities which were subsequently issued on 13 April 2016. The new Stapled Securities rank pari passu with the existing Stapled Securities issued and issuable as at 31 March 2016. The DPS for 1Q2016 computed based on existing Stapled Securities as at 31 March 2016 is 1.47 cents. As the new Stapled Securities of 441,901,527 from the Rights Issue is also entitled to 1Q2016 distribution, the DPS for 1Q2016 based on the enlarged number of Stapled Securities is 1.10 cents.

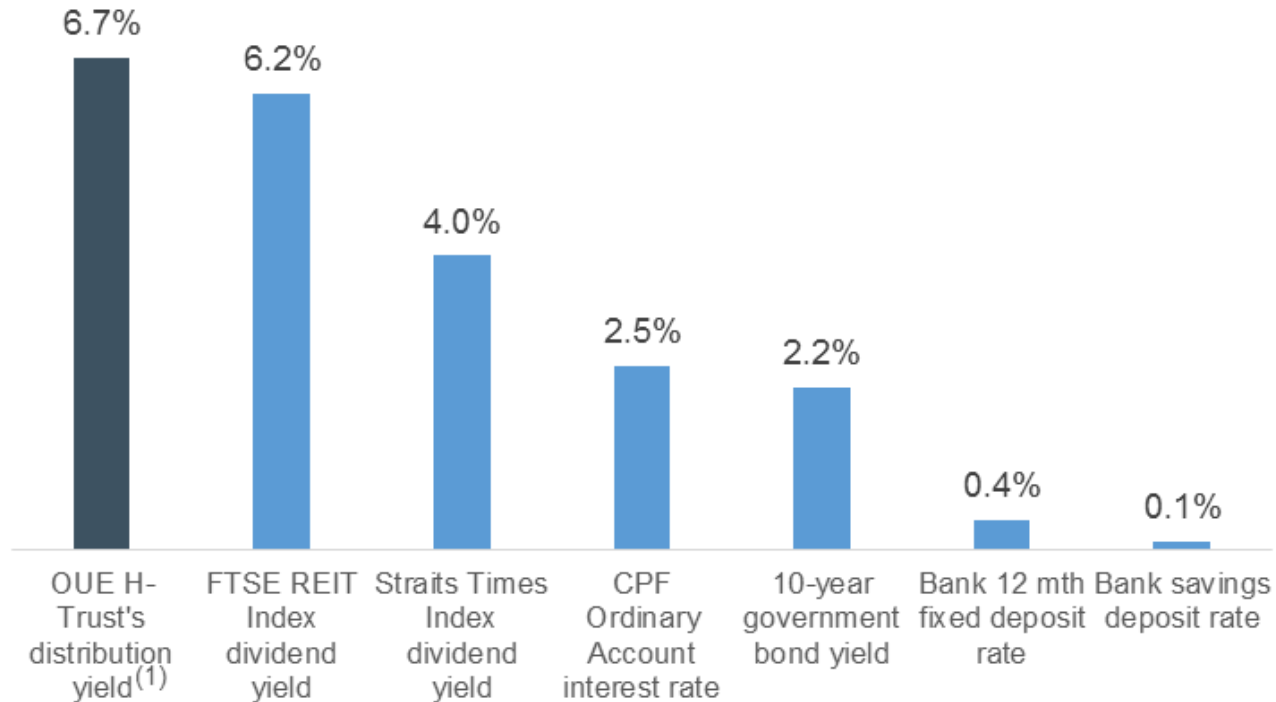
	25 Jul 2013 to 31 Dec 2013	FY2014	FY2015	1 Jan 2016 to 31 Mar 2016
Distribution Income \$m	38.2	89.0	87.4	19.7
DPS \$cents	2.90	6.74	6.55	1.10#
Last traded price of Stapled Security of the respective period	\$0.875 (as at 31 Dec 2013)	\$0.905 (as at 31 Dec 2014)	\$0.77 (as at 31 Dec 2015)	\$0.66 (as at 31 Mar 2016)
Distribution Yield¹	7.57% (annualised)	7.45%	8.51%	6.70% (annualised)

¹ Based on DPS for the financial period and last traded price of the respective periods

Attractive Distribution Yield

- 6.7% (annualised) distribution yield based on 1Q2016 Distribution per Stapled Security (DPS) of 1.10 cents.

Yield Comparison



Source: Bloomberg, Monetary Authority of Singapore, Central Provident Fund, Singapore Government Securities

(1) OUE H-Trust's annualised distribution yield based on 1Q2016 DPS of 1.10 cents and unit closing price of S\$0.66 as at 31 March 2016

(2) All information as at 31 Dec 2015 except for FTSE Index, Straits Times Index and 10-year government bond yield which are as at 31 May 2016



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OUE H-Trust's Portfolio

Premier Portfolio of High Quality Landmark Assets

Mandarin Orchard Singapore



GFA (sq ft '000)	990
No. of Available Rooms	1,077
Car Park Lots	441
Purchase Consideration	S\$1,180 million / (S\$1.12 million per key)
Leasehold Tenure	99-yr lease commencing from 1 July 1957

Master Lease	
Master Lessee	<ul style="list-style-type: none"> QUE Limited
Tenure	<ul style="list-style-type: none"> 15 years Option to renew for an additional 15 years
Master Lease Rental	<ul style="list-style-type: none"> Variable rent with upside potential Downside protected with minimum rent of \$45 million p.a.

- ✓ Located in the heart of Orchard Road
- ✓ A world class hospitality icon in Singapore since 1971
- ✓ Largest hotel on Orchard Road with 1,077 rooms and approx. 25,511 sq ft of meeting and function space with a total capacity of about 1,840 people

Popular F&B



Awards & Accolades



Premier Portfolio of High Quality Landmark Assets

Crowne Plaza Changi Airport



- ✓ Located at Singapore Changi Airport – The hotel has direct access to the passenger terminals and is within a short distance to Changi Business Park
- ✓ The hotel has 320 rooms including 27 suites, four food & beverage outlets and eight meeting rooms (including a ballroom)
- ✓ 243 rooms to be built in the extension currently under construction. Extension is expected to be completed around mid-2016
- ✓ Managed by InterContinental Hotels Group (IHG)

Awards & Accolades

- ✓ Best Airport Hotel – 26th Annual TTG Travel Awards
- ✓ World Best Airport Hotel - Skytrax World Airport Awards 2015 & 2016

Crowne Plaza Changi Airport (CPCA)

Completion of Acquisition	30 January 2015
Approx. GFA (sq ft '000)	336
No. of Available Rooms	320
Purchase Consideration	S\$290 million / (S\$906 K per key)
Leasehold Tenure	Approx. 67 years remaining, expiring on 29 August 2083

Crowne Plaza Changi Airport Extension (CPEX)

Expected Completion of Acquisition	Upon completion of CPEX, expected to be around mid-2016, and TOP obtained
Approx. GFA (sq ft '000)	103
No. of Rooms	243
Purchase Consideration	S\$205 million / (S\$844 K per key)
Leasehold Tenure	Approx. 67 years remaining, expiring on 29 August 2083

Master Lease

Master Lessee	<ul style="list-style-type: none"> ▪ OUE Airport Hotel Pte. Ltd.
Tenure	<ul style="list-style-type: none"> ▪ First term of Master Lease to expire in May 2028 ▪ Master Lessee has option to renew for an additional two consecutive 5-year terms
Master Lease Rental	<ul style="list-style-type: none"> ▪ Variable rent with upside potential ▪ Downside protected with minimum rent of \$12.5 million p.a. (CPCA) / \$22.5 million p.a. (Combined CPCA & CPEX)

1Q2016 vs 1Q2015 – Hospitality Highlights

	Revenue			Net property income			RevPAR		
	1Q2016	1Q2015	Increase/ (Decrease)	1Q2016	1Q2015	Increase/ (Decrease)	1Q2016	1Q2015	Increase/ (Decrease)
	S\$m	S\$m	%	S\$m	S\$m	%	S\$	S\$	%
MOS	18.4	17.4	5.7	17.5	16.4	6.7	222	223	(0.4)
CPCA	4.0	2.7 ¹	48.1	3.4	2.3 ¹	47.8	252	246	2.4
Hospitality segment	22.4	20.1	11.5	20.9	18.7	11.4	229	227	0.9

- Hospitality revenue was 11.5% higher than 1Q2015. This was due to (i) higher master lease income from MOS; and (ii) higher master lease income from CPCA due to better operating performance and the contribution of master lease income for 3 months in 1Q2016 as compared to 2 months in 1Q2015 as CPCA was acquired on 30 January 2015.
- Master lease income from MOS was \$1.0 million higher than 1Q2015, mainly due to higher food and beverage (F&B) revenue from better banquet sales and higher patronage at F&B outlets. While meetings, incentives, convention and exhibition (MICE) events such as the Singapore Airshow lifted MOS' room sales, hotel demand from corporate segment remained muted during the quarter, resulting in RevPar that was relatively flat at \$222.
- CPCA contributed \$4.0 million master lease income in 1Q2016. Master lease income was \$1.3 million higher due to contribution for full 3 months in 1Q2016 as compared to 2 months in 1Q2015 and higher room sales though F&B sales was lower. CPCA achieved a higher RevPar of \$252 (1Q2015: \$246), mainly due to increased demand from the transient segment which more than the offset lower demand from the corporate segment.

¹ The figures relating to CPCA were for the period from 30 January 2015 (date of acquisition) to 31 March 2015.
RevPAR: revenue per available room

Premier Portfolio of High Quality Landmark Assets

Mandarin Gallery



GFA (sq ft '000)	196
Retail NLA (sq ft '000)	125
Purchase Consideration	S\$525 million (S\$2,674psf ¹)
Leasehold Tenure	99-yr lease commencing from 1 July 1957

- ✓ Prime retail landmark on Orchard Road featuring six duplexes and six street front shop units
- ✓ Completed in 2009 with a high degree of prominence given 152-metre wide frontage along Orchard Road
- ✓ Preferred location for flagship stores of international brands
- ✓ Tailored destination for its specific target audience
- ✓ Large and reputable tenant mix with minimal brand duplication versus neighbouring malls

High Quality and Diverse Tenant Base

Retail

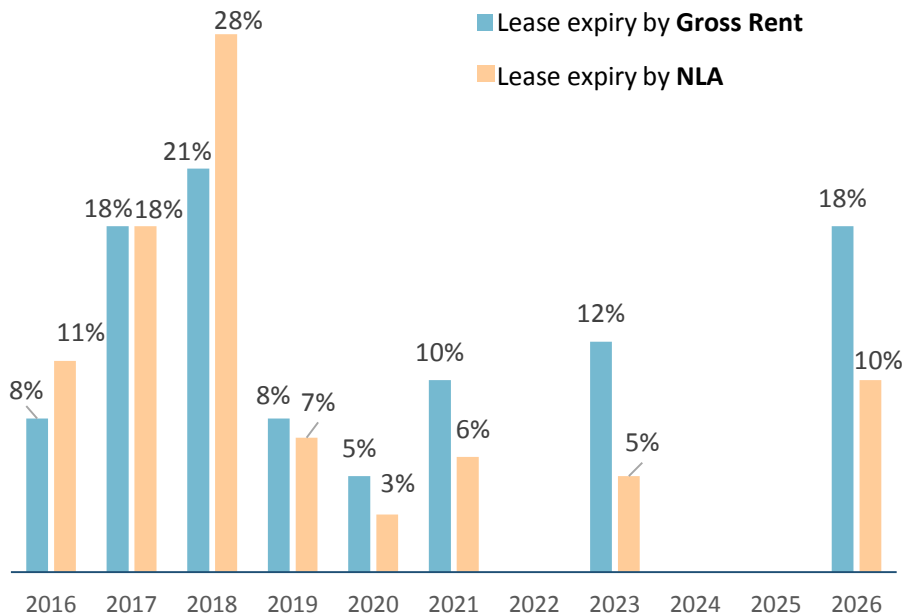


F&B



¹ Based on Mandarin Gallery's GFA.

Mandarin Gallery Lease Expiry Profile as at 31 March 2016¹



WALE² (by Gross Rent^{1,3}) : 4.5 yrs

WALE (by NLA^{1,4}) : 3.0 yrs

¹Based on committed tenancies

²Weighted average lease expiry

³Excludes turnover rent

⁴Net lettable area

As at 31 March 2016:

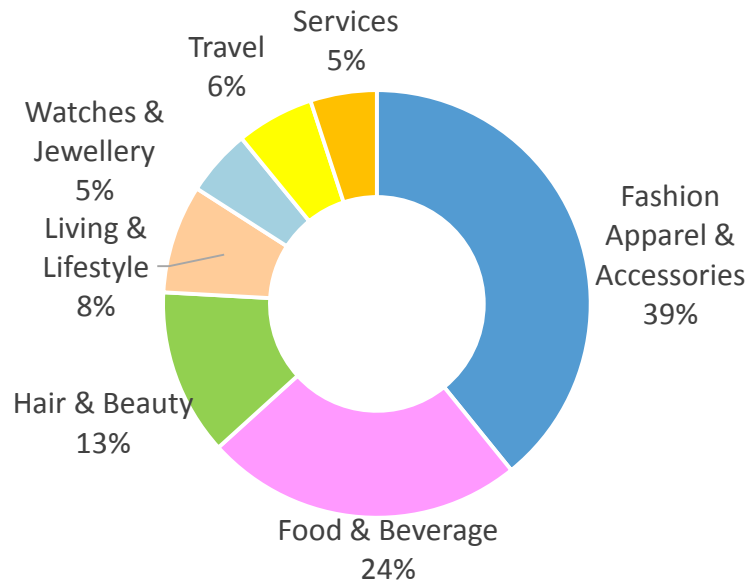
- The mall recorded an effective rent per square foot per month of \$24.4 for 1Q2016 as compared to \$24.6 for 1Q2015.
- Mandarin Gallery was approx. 88% committed
- Average occupancy of about 83% for 1Q2016 mainly due to landlord fit out periods for incoming tenants.
- Approximately 13% of NLA undergoing landlord fitout works
- Michael Kors expected to open in 3Q2016 and Victoria's Secret expected to open in 4Q2016

Leasing Update

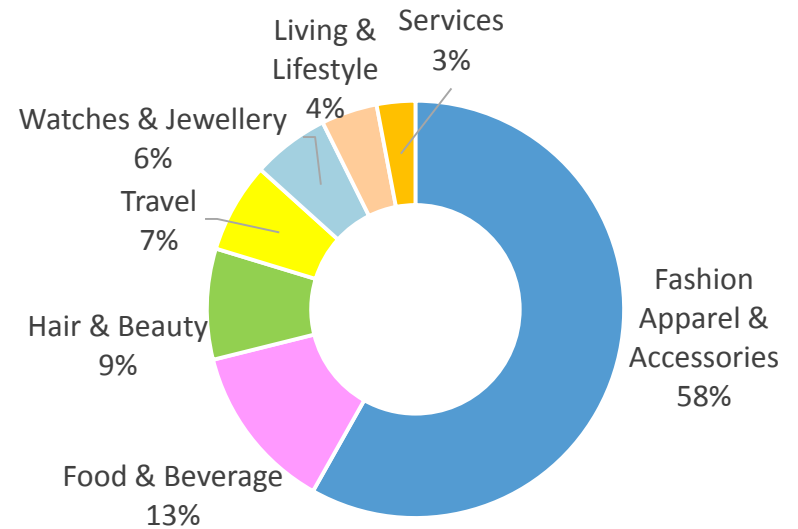
- Leases signed in 1Q2016 consisted of positive and negative reversions.
- To partner relevant tenants towards success, structure of leases for some tenants feature lower base rent and higher turnover rent compared to previous leases for the same units.
- As a result of the adoption of lower base rent and higher turnover rent component for some leases, the average rental reversion was -19% for leases signed in 1Q 2016, for approx. 5.8% of the NLA.
- In FY2015, leases signed for approx. 50% of the mall's NLA achieved average positive rental reversion of about 8.6%.

Mandarin Gallery - Tenant Mix

NLA
As at 31 Mar 2016¹



Gross Rent (excludes turnover rent)
As at 31 Mar 2016¹



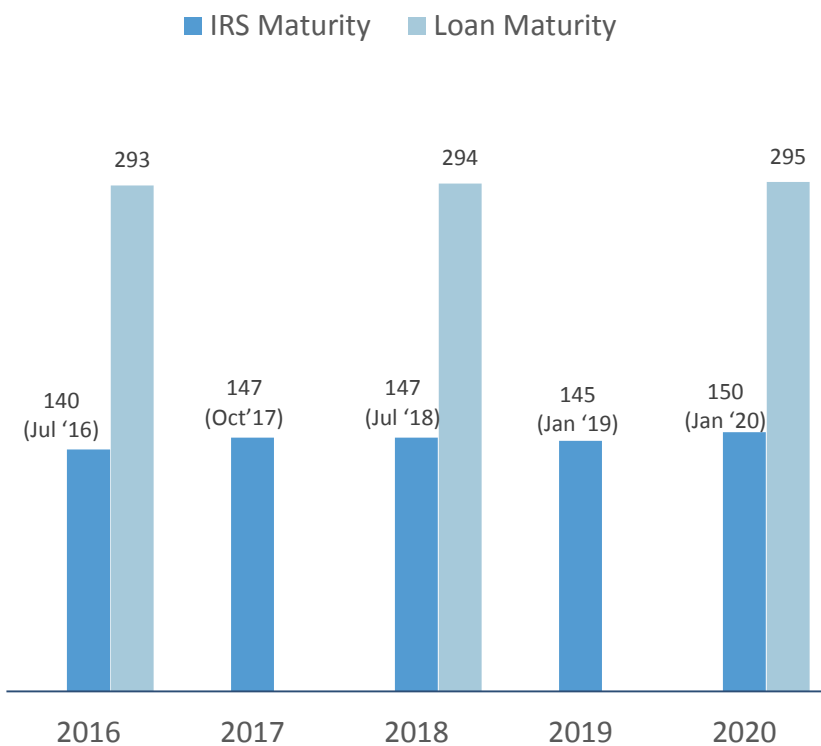
¹Based on committed tenancies



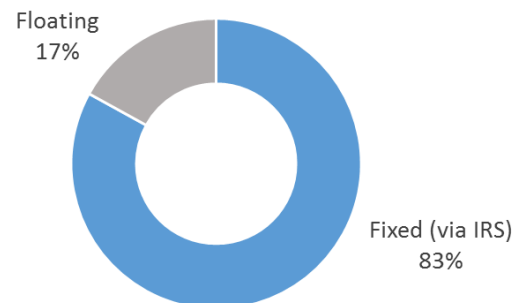
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Capital Management

Debt and Interest Maturity Profile (\$ 'm)



Interest Rate Profile



Gearing	■ 42.2% ¹
Average Cost of Debt	■ 2.8% (1Q2016)
Debt Maturity	■ Weighted average remaining tenor of 2.2 years
Interest Service Ratio	■ 3.8 times (1Q 2016)
Additional Facilities	■ \$43 million Revolving Credit Facilities (undrawn)

¹Upon the completion of Rights Issue in April 2016 and taking into consideration the use of the proceeds to mainly fund the acquisition of the Crowne Plaza Changi Airport extension, OUE H-REIT's gearing would reduce to approximately 37.9%.

Balance Sheet Highlights (As at 31 Mar 2016)

	S\$ 'm
Investment Properties	2,054.1
Total assets	2,091.7
Borrowings (secured) ¹	877.8
Total liabilities	899.6
Net assets	1,192.1
NAV per Stapled Security (S\$)	0.89²
Closing price on 31 Mar 2016 (S\$)	0.66
<i>Discount to NAV² (%)</i>	<i>26%</i>

¹ Net of unamortised debt-related transaction costs

² Excluding effects of the Rights Issue



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Outlook

Singapore Tourism Board (“STB”) reported a 12.3% year-on-year increase in international visitor arrivals in the first two months of 2016. For the full year 2016, STB has forecasted a growth of 0% to 3% for visitor arrivals and 0% to 2% for tourism receipts.²

In 2016, Singapore will again host major biennial events which are expected to increase hospitality demand. However, the global economic environment remains uncertain. According to Singapore’s Ministry of Trade and Industry (the “MTI”), the estimated growth for Singapore is expected to be in the range of 1% to 3% for 2016 after achieving a growth rate of 2.0% for 2015.³ Against the backdrop of a subdued global and local economy, the tourism industry continues to face headwinds in the near term as consumers and corporates are likely to be conservative in their travel expenditures. In addition, the hospitality sector will remain competitive with the expected supply of new hotel rooms. To support the tourism industry and in an effort to boost tourism in the short term and long term, the Singapore government has set aside \$700 million⁴ in a Tourism Development Fund to be invested from 2016 to 2020.

The asset enhancement programme for Mandarin Orchard Singapore will continue in 2016. More than 250 out of the 430 guest rooms to be renovated have been completed. This refurbishment is funded by the Sponsor, OUE Limited.

In April 2016, OUE H-Trust completed the Rights Issue that raised \$238.6 million mainly to fund the acquisition of Crowne Plaza Changi Airport extension (“CPEX”) and to reduce its gearing so as to increase its financial flexibility. OUE H-Trust expects to acquire the 243-room CPEX in 2H2016 following the completion of the construction of the extension and upon receipt of the temporary occupation permit.

The retail scene in Singapore remains challenging. As a result of the impact of slower lease renewals and more fit-out periods both by the landlord in between lease periods and by the tenants, Mandarin Gallery is expected to record lower average occupancy in FY2016. Michael Kors and Victoria’s Secret are expected to open in 3Q2016 and 4Q2016 respectively, and both tenants account for approximately 15% of the mall’s net lettable area. Although OUE H-Trust’s retail segment income is impacted in 2016 by the lower rental contributions due to longer fit-out periods by the landlord and tenants, the strategy to sign strong tenants for longer lease periods (seven years for Michael Kors and 10 years for Victoria’s Secret) will benefit OUE H-Trust through enhanced income stability in the long run.

We will continue to actively seek growth opportunities and yield accretive acquisitions from our Sponsor and third parties.

¹ Singapore Tourism Board, International Visitor Arrivals Statistics, 8 April 2016

² Singapore Tourism Board, Speech by Mr Lionel Yeo, Chief Executive, STB at the Tourism Industry Conference 2016

³ MTI Press Release: 24 February 2016 – MTI Maintains 2016 GDP Growth Forecast at 1.0 to 3.0 Per Cent

⁴ MTI News Room, Speech by Minister S Iswaran at the Tourism Industry Conference 2016



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Thank You