



ahtrust
ascendas hospitality trust

2Q FY2014/15
Financial Results Presentation

6 November 2014

SYDNEY

MELBOURNE

BRISBANE

CAIRNS

BEIJING

TOKYO

OSAKA

SINGAPORE

Disclaimer

This presentation shall be read in conjunction with A-HTRUST's Unaudited Financial Results for the Second Quarter ended 30 September 2014 ("2Q FY2014/15"), a copy of which is available on www.sgx.com or www.a-htrust.com.

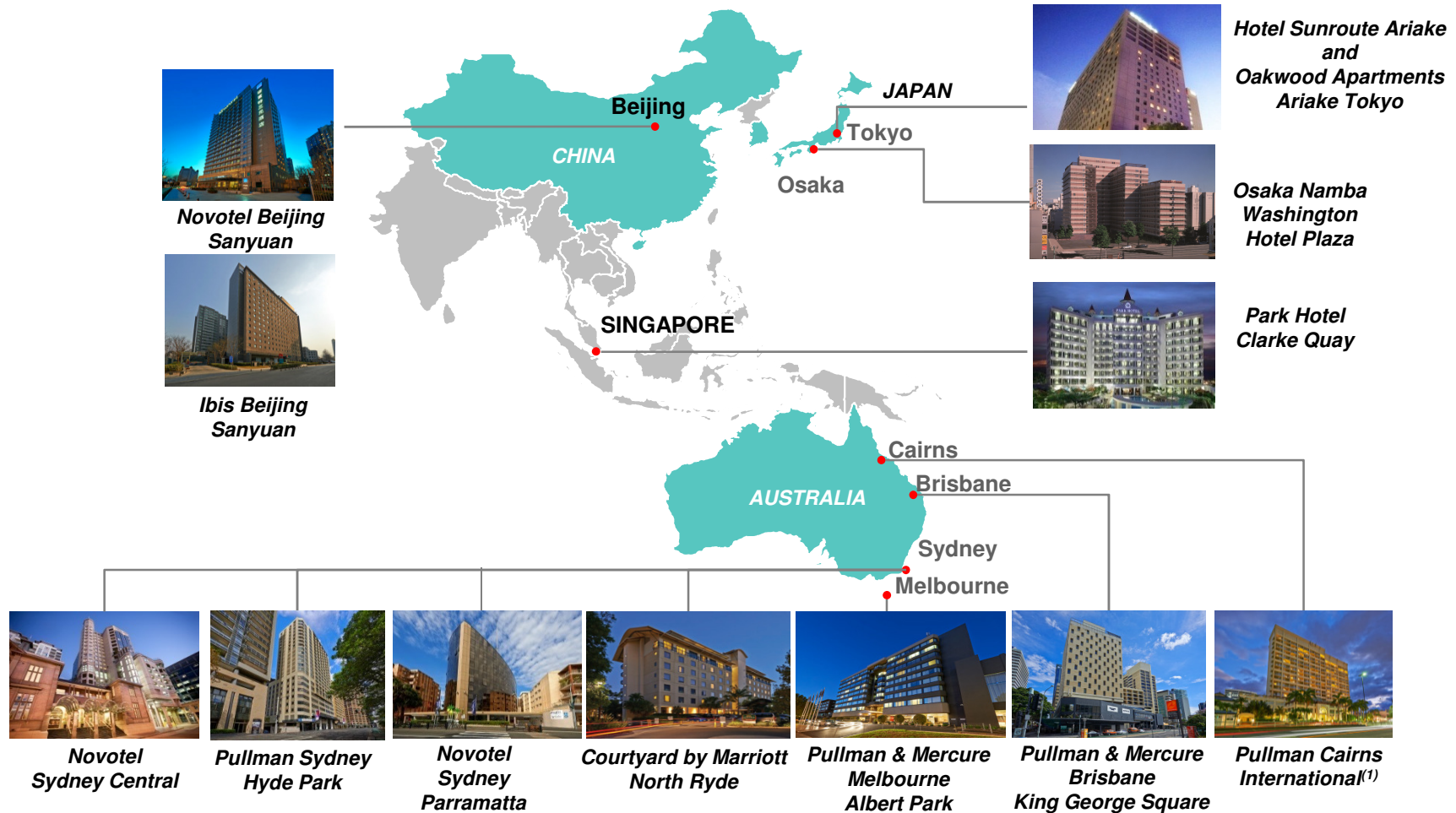
This presentation may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples 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.

A-HTRUST – Our Portfolio

✦ 12 quality hotels with over 4,500 rooms across 8 key cities in Australia, China, Japan and Singapore



(1) A-HTRUST owns 50% of Pullman Cairns International

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- 4 Capital Management
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Key Highlights

1

2Q FY2014/15 Financial Highlights

Gross Revenue

- ☐ ▲ **6.5%** y-o-y to S\$56.5 million
- ☐ Due to improved asset performance and contribution by latest acquisition in Osaka although this was partially offset by weaker AUD, RMB and JPY against SGD

Distributable Income

- ☐ **3.2%** y-o-y decrease to S\$14.1 million
- ☐ Taking into account a S\$2.1 million cost incurred for the partial unwinding of the Australia cross-currency swaps (“AUDSGD CCS”)

Net Property Income

- ☐ ▲ **6.9%** y-o-y to S\$22.8 million
- ☐ Improvement in line with growth in gross revenue

DPS

- ☐ **9.9%** y-o-y decline to 1.27 cents
- ☐ ▲ **3.5%** y-o-y to 1.46 cents if we exclude the partial unwinding of AUDSGD CCS

Portfolio Highlights

Australia Portfolio



- Average occupancy posted positive growth of 1.6 percentage points y-o-y to **84.3%** while ADR also increased by 1.3% to AUD162
- RevPAR increased **3.2%** y-o-y to AUD136

Japan Portfolio



- Oakwood Apartments Ariake Tokyo registered strong RevPAR growth of 46.5% y-o-y
- Osaka Namba Washington Hotel Plaza made a full quarter contribution

China Portfolio



- Average occupancy improved 1.8 percentage points y-o-y to **89.5%** and ADR remained stable at RMB399
- RevPAR increased **2.0%** y-o-y to RMB357

Singapore Hotel



- Steady rental income contribution from Park Hotel Clarke Quay which is under a master lease agreement





Financial
Review

2

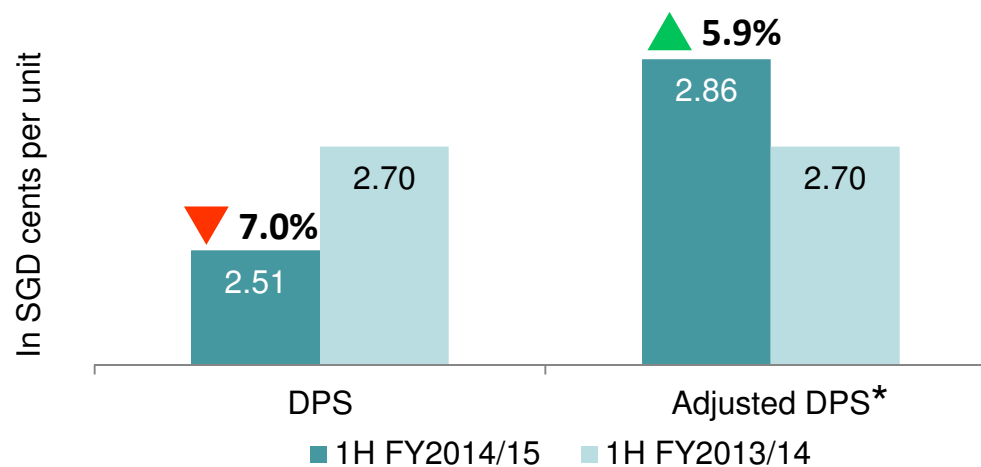
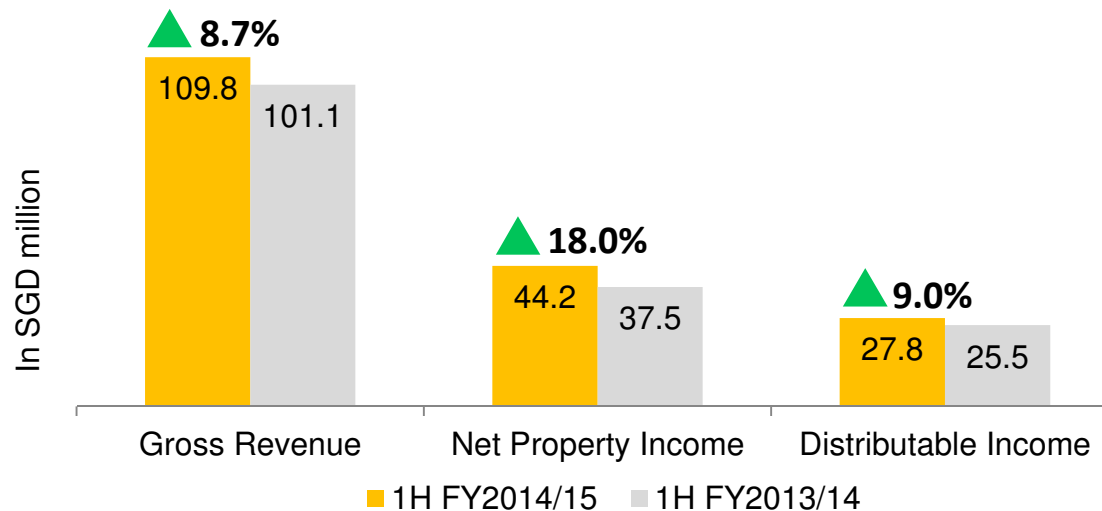
Results Summary – 2Q FY2014/15

S\$' mil	2Q FY2014/15	2Q FY2013/14	Change
Gross Revenue	56.5	53.1	+ 6.5%
Net Property Income	22.8	21.3	+ 6.9%
NPI Margin	40.3%	40.1%	0.2pp
Distributable Income	14.1	14.6	(3.2%)
DPS (cents)	1.27	1.41	(9.9%)
Adjusted DPS (excluding CCS unwinding*) (cents)	1.46	1.41	+ 3.5%
Number of Stapled Securities in issue ('000)	1,110,700	1,032,236	+ 7.6%

* Excludes the S\$2.1 million cost incurred for the partial unwinding of AUDSGD CCS (“CCS unwinding”)

Results Summary – 1H FY2014/15

✦ Growth recorded across major performance indicators



* Excluding cost incurred for CCS unwinding

Distribution Details

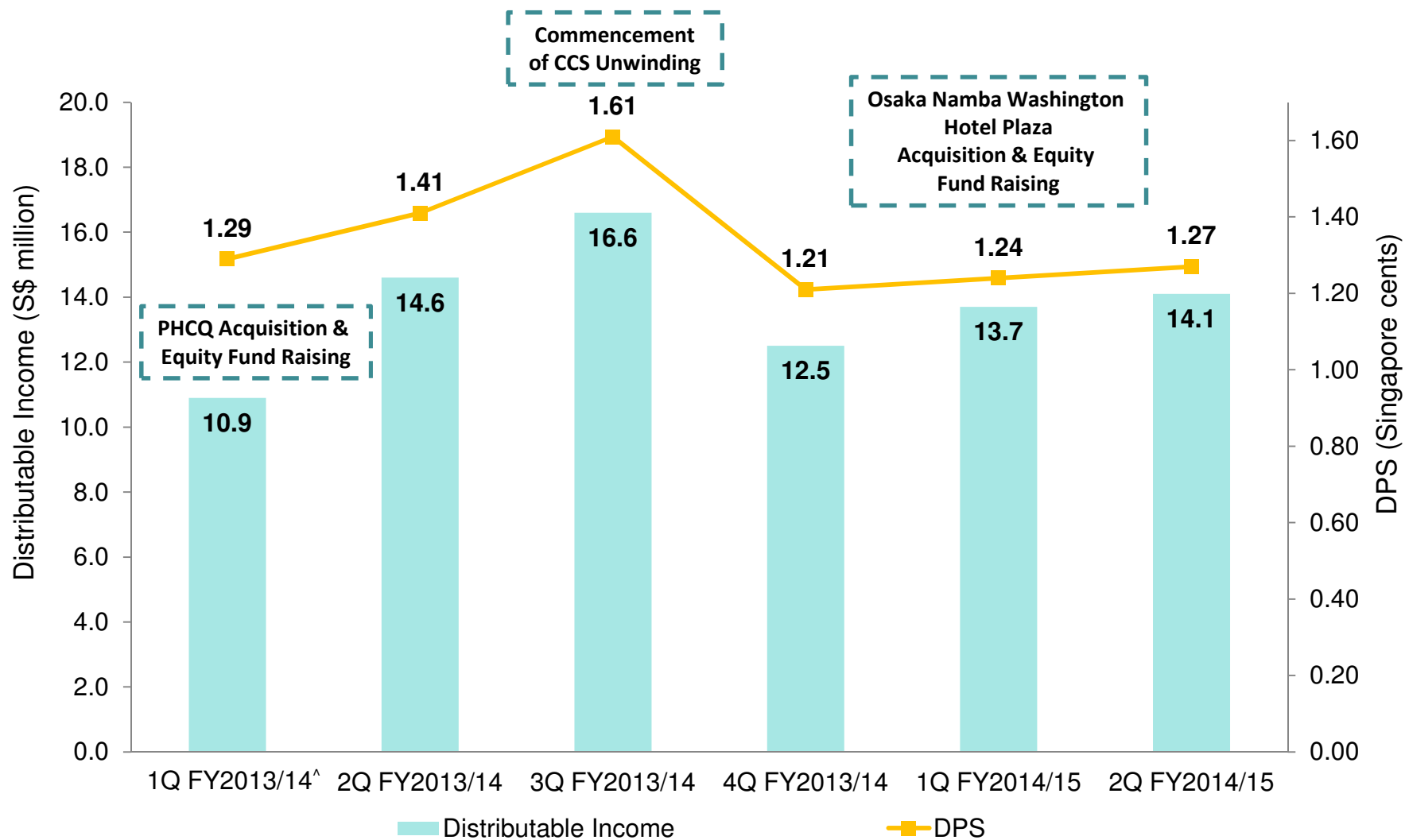
Distribution Period		
1 April to 8 April 2014 ⁽¹⁾	0.0684 cents	Paid on 6 June 2014
9 April to 30 September 2014	2.4388 cents	Payable on 12 December 2014

Timetable

Distribution Payment Date	12 December 2014
Notice of Books Closure Date	6 November 2014
Ex-distribution Date	12 November 2014, 9.00 am
Books Closure Date	14 November 2014, 5.00 pm

(1) An advanced distribution of SGD 0.0684 cents for the period from 1 April to 8 April 2014 was paid on 6 June 2014, together with the distribution for the half year 1 October 2013 to 31 March 2014

Distribution History



[^] Includes the impact of acquiring Park Hotel Clarke Quay ("PHCQ") and equity fund raising for the acquisition

Balance Sheet

(S\$'mil)	As at 30 September 2014
Non-current assets	1,345.4
Current assets	93.0
Total assets	1,438.4
Current liabilities	38.9
Non-current liabilities	587.8
Total liabilities	626.7
Net Asset Value ("NAV")	811.7
NAV per Stapled Security (SGD)	0.73



Portfolio
Performance

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Continued Growth in NPI – 2Q FY2014/15

✕ Growth in NPI in 2Q FY2014/15 driven by overall asset performance

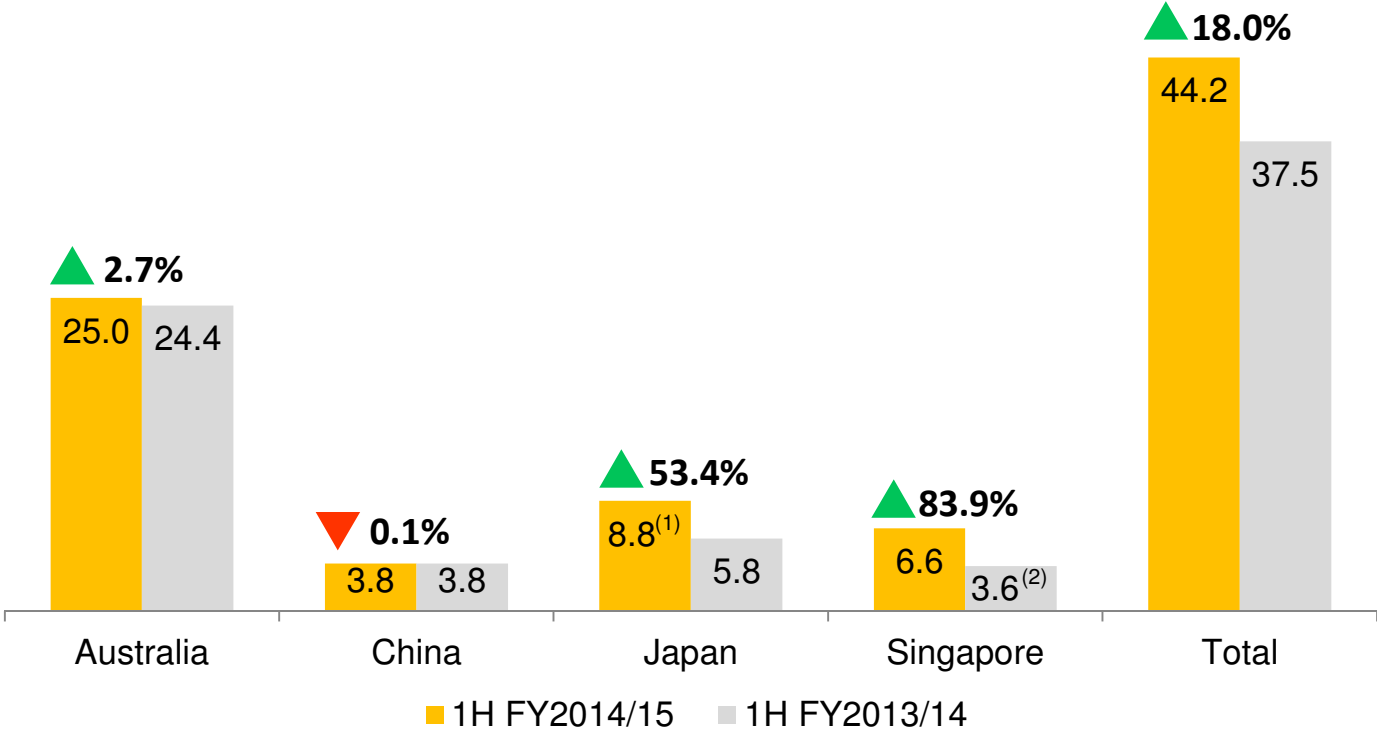
	2Q		Variance		Attributable to			
	FY2014/15	FY2013/14			Assets Performance		FX Movement	
	S\$ 'mil	S\$ 'mil	S\$ 'mil	% ⁽¹⁾	S\$ 'mil	% ⁽¹⁾	S\$ 'mil	% ⁽¹⁾
NPI								
Australia	13.2	13.0	0.2	1.6%	0.2	1.6%	-	-
China	1.8	1.9	(0.1)	(5.1%)	(0.1)	(3.8%)	< (0.1)	(1.3%)
Japan	4.3 ⁽²⁾	2.9	1.4	48.7%	1.7	57.9%	(0.3)	(9.2%)
Singapore	3.5	3.5	< (0.1)	(1.5%)	< (0.1)	(1.5%)	-	-
Total	22.8	21.3	1.5	6.9%	1.8	8.3%	(0.3)	(1.4%)

(1) Computation is based on the financials rounded to the nearest dollars

(2) Included income from Osaka Namba Washington Hotel Plaza which was acquired on 15 April 2014

Continued Growth in NPI – 1H FY2014/15

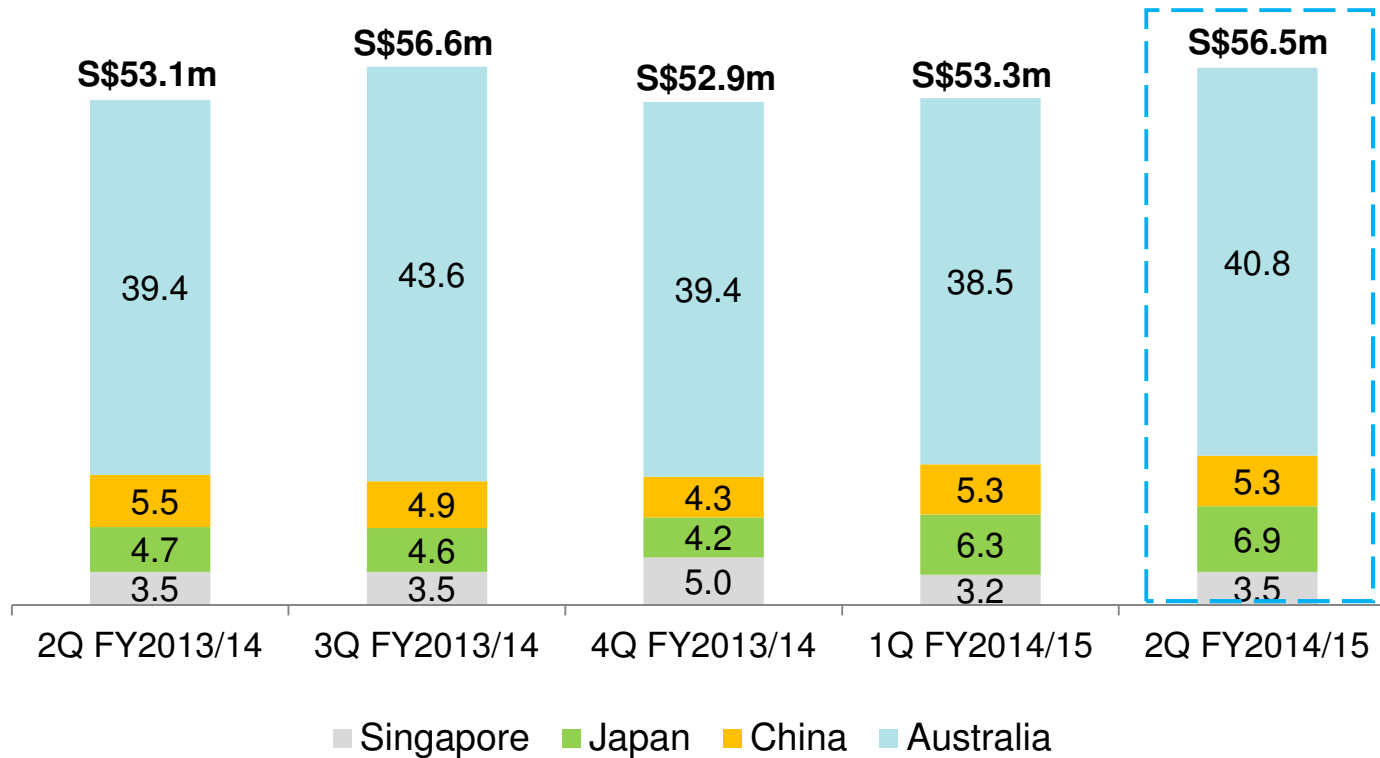
✕ Post-IPO acquisitions contribute to NPI growth of 18% in 1H FY2014/15



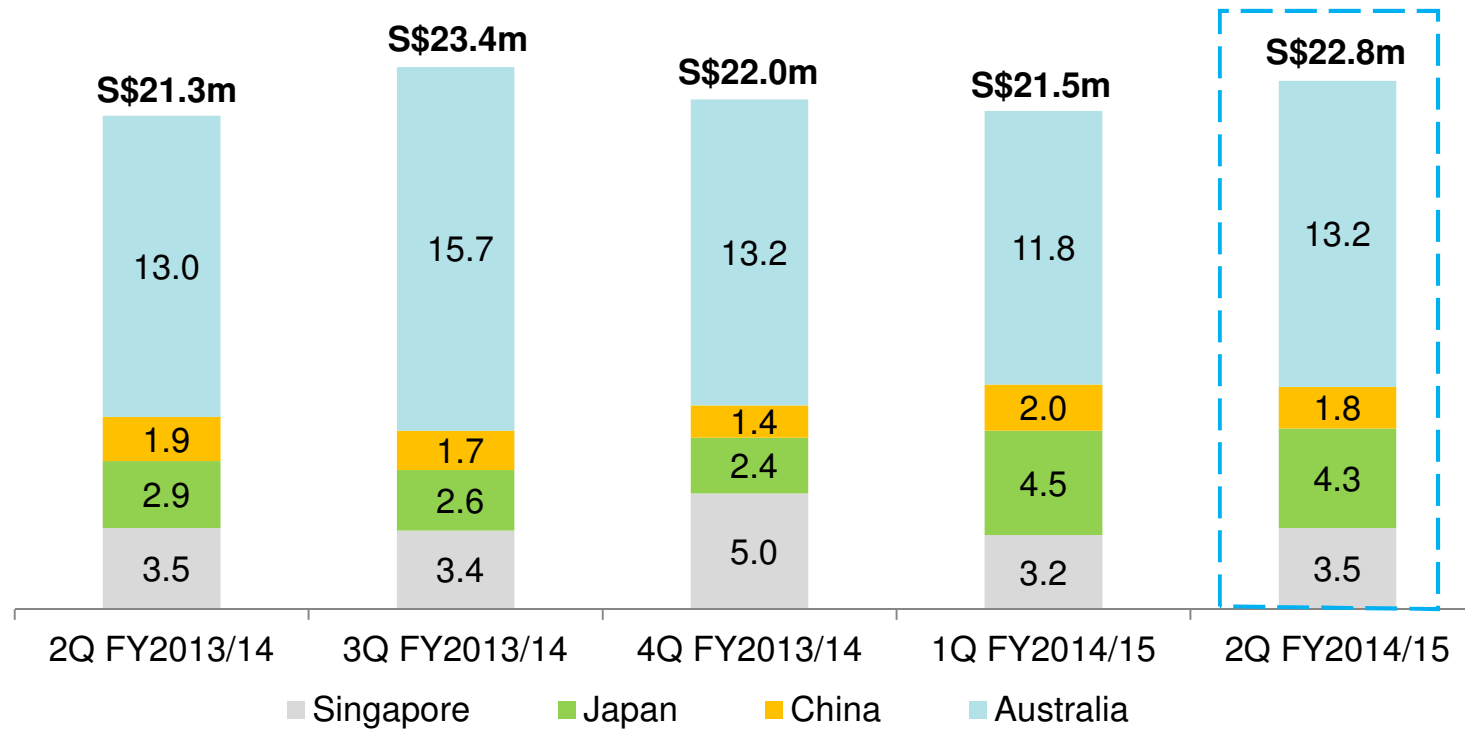
(1) Included Osaka Namba Washington Hotel Plaza which was acquired on 15 April 2014

(2) Included Park Hotel Clarke Quay which was acquired on 28 June 2013 (3-day contribution in 1Q FY2013/14)

Revenue Breakdown by Country

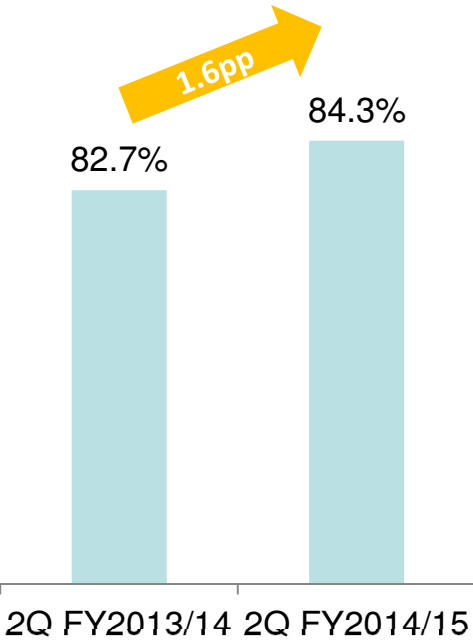


NPI Breakdown by Country

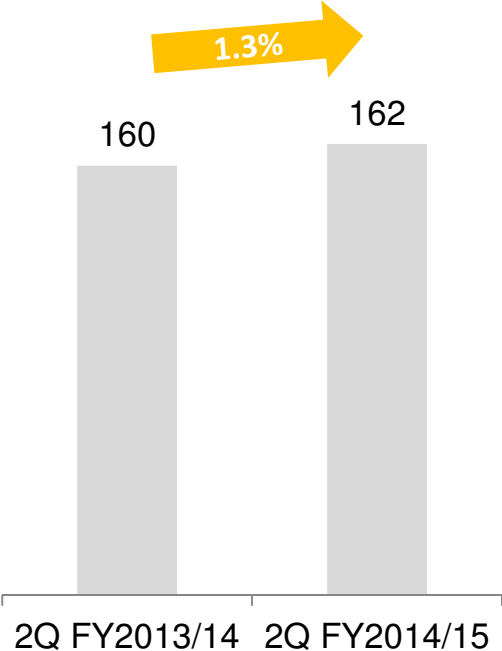


Australia Portfolio Performance – 2Q FY2014/15

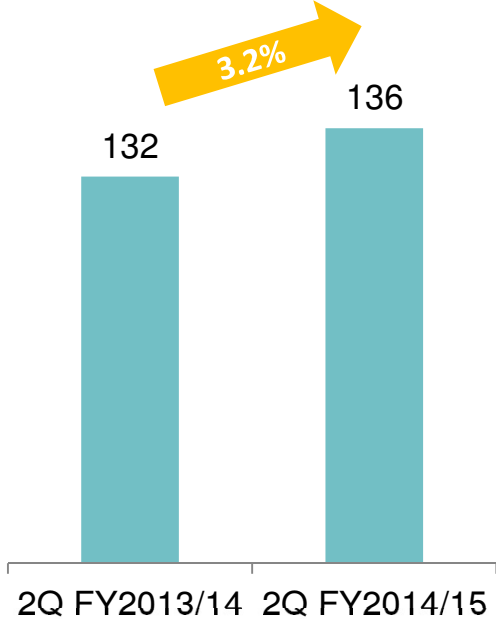
Avg Occupancy Rate (%)



Avg Daily Rate (AUD)



RevPAR (AUD)



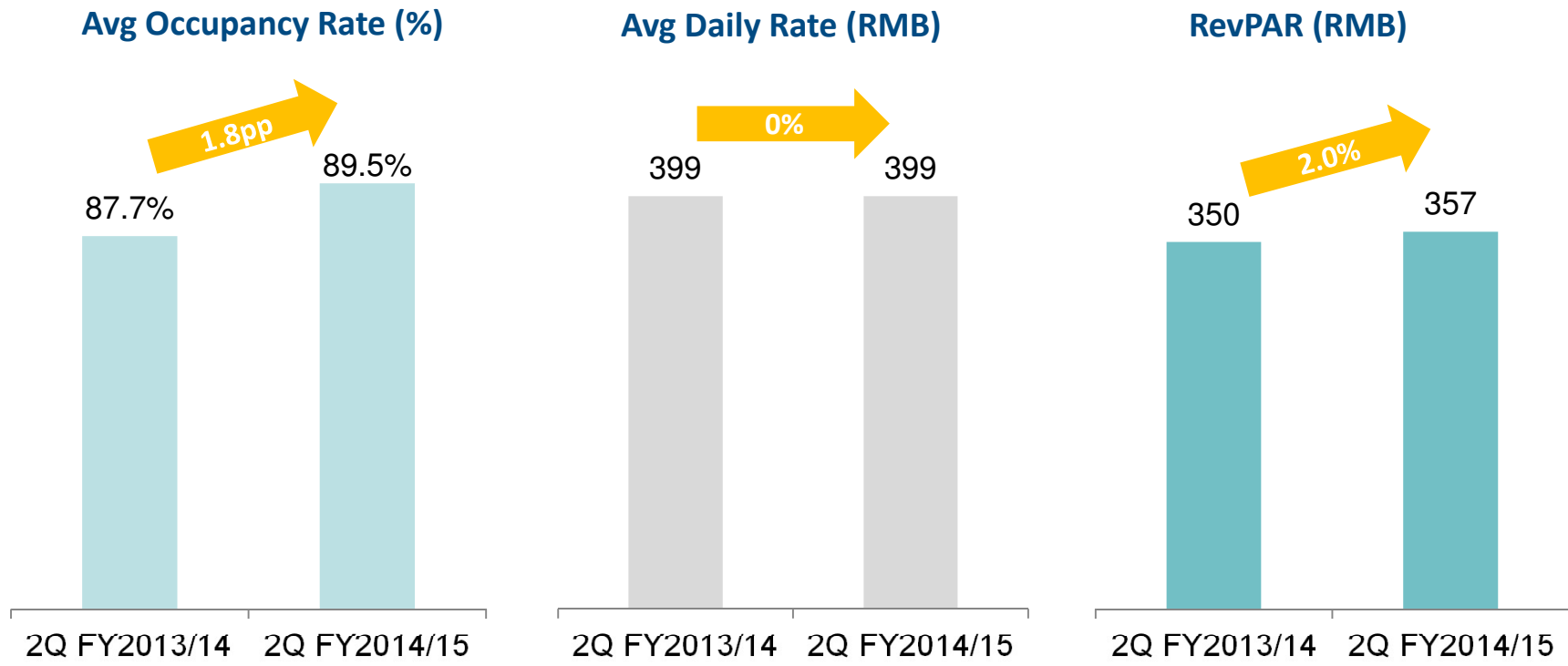
RevPAR Growth of Australia Hotels

- ✦ Majority of the hotels outperformed their competitive set in RevPAR growth in 2Q FY2014/15

	RevPAR Y-o-Y Growth (%)	STR Comp Set + RevPAR Y-o-Y Growth (%)	Outperform Comp Set
Pullman Sydney Hyde Park	9.5	6.1	✓
Novotel Sydney Central	7.6	(5.9)	✓
Novotel Sydney Parramatta	(0.2)	(3.1)	✓
Courtyard by Marriott North Ryde	(5.5)	(15.3)	✓
Pullman Melbourne Albert Park	26.6	1.5	✓
Mercure Melbourne Albert Park	(12.2)	(5.1)	✗
Pullman Brisbane KGS	2.4	(2.1)	✓
Mercure Brisbane KGS	(0.9)	(4.2)	✓

+ STR (Smith Travel Research) Global Report tracks a hotel's occupancy, ADR and RevPAR performance against its selected comparable competitors. STR Competitive Set ("Comp Set") refers to the average performance of the hotel and its competitors.

China Portfolio Performance – 2Q FY2014/15



RevPAR Growth of Beijing Hotels

- ✕ The 2 hotels in China registered positive growth in average occupancy and RevPAR while maintaining ADR amid competitive market conditions.
- ✕ Novotel Beijing registered a positive RevPAR growth in 2Q FY2014/15 vis-à-vis its competitors.

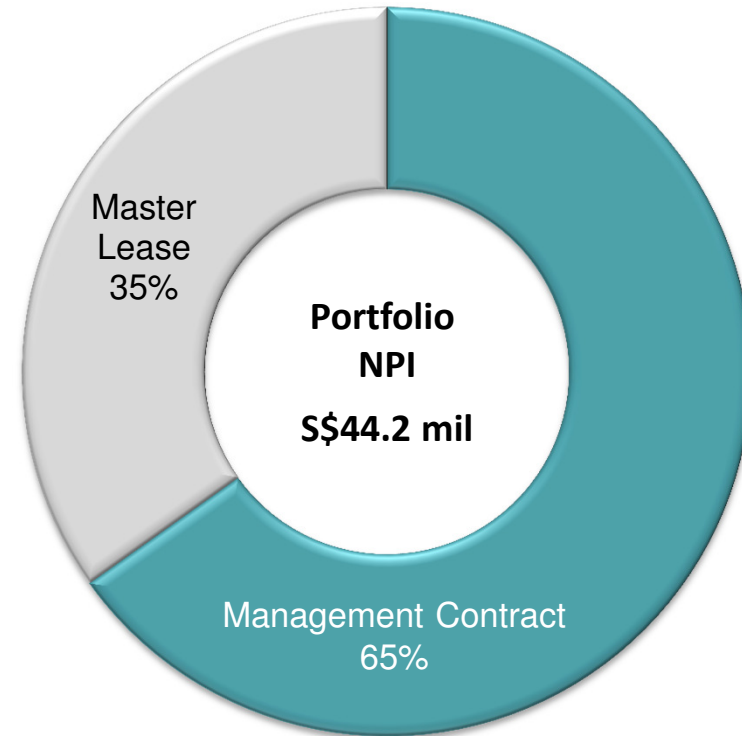
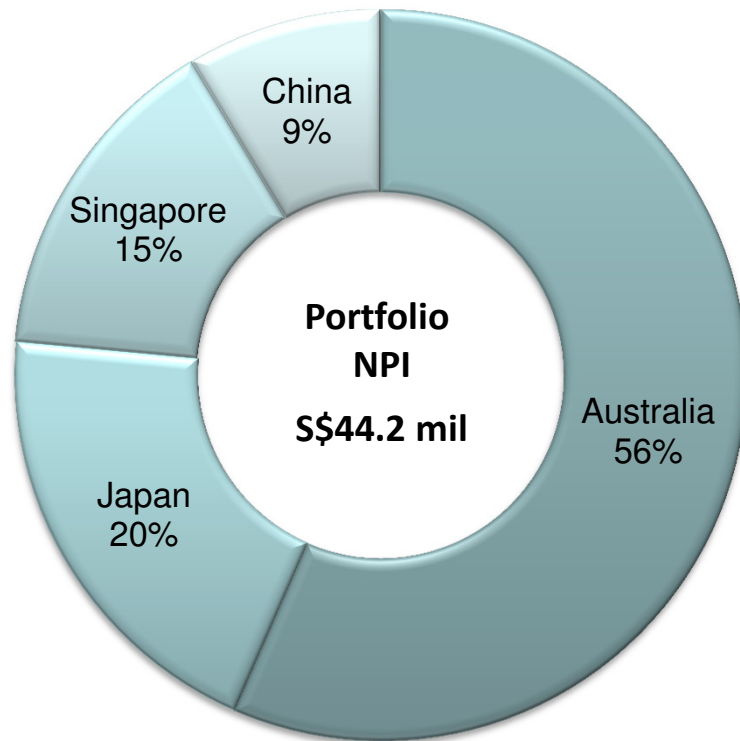
	RevPAR Y-o-Y Growth (%)	STR Comp Set + RevPAR Y-o-Y Growth (%)	Outperform Comp Set
Novotel Beijing Sanyuan	3.0	(4.9)	✓

+STR (Smith Travel Research) Global Report tracks a hotel's occupancy, ADR and RevPAR performance against its selected comparable competitors. STR Competitive Set ("Comp Set") refers to the average performance of the hotel and its competitors.

A-HTRUST Asset Portfolio

Breakdown of Portfolio Net Property Income by Geography and Contract Type

1H FY2014/15





Capital Management

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Healthy Balance Sheet

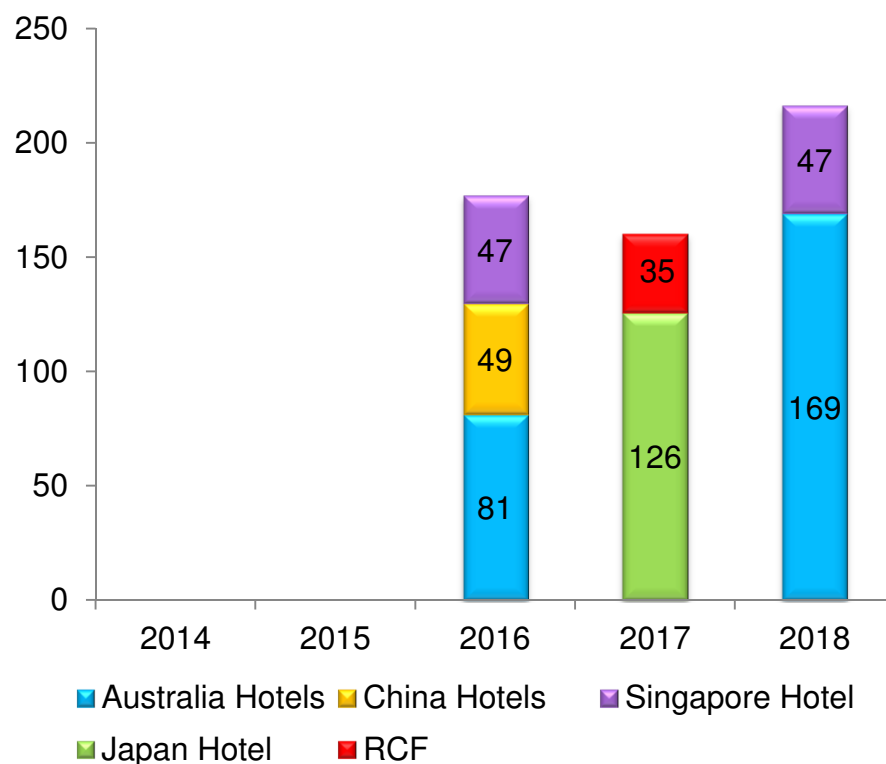
✦ Total assets of S\$1,438.4 million as at 30 September 2014

	As at 30 September 2014	As at 30 June 2014
Borrowings	S\$550.6 million	S\$561.2 million
Total Assets	S\$1,438.4 million	S\$1,470.0 million
A-HTRUST Gearing ⁽¹⁾	38.3%	38.2%
- A-HREIT Gearing	28.7%	29.0%
- A-HBT Gearing	43.6%	43.2%
Weighted average interest rate	3.1%	3.0%
Weighted average debt to maturity	3.1 years	3.3 years
Net asset value per stapled security	S\$0.73	S\$0.74

⁽¹⁾ Gearing is computed based on total debt over total assets

Balanced Debt Profile

As at 30 September 2014
 Weighted average debt to maturity: 3.1 years

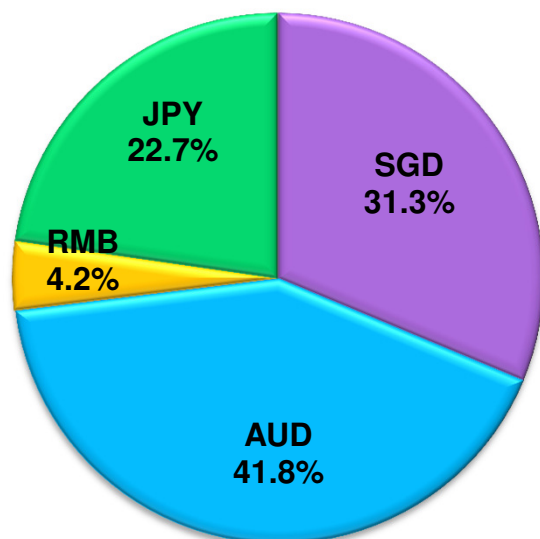


Debt Facilities

- ✦ **Term loan facilities:**
3 to 5-year term loan facilities
- ✦ **Revolving credit facility (“RCF”):**
3-year S\$60.0 million RCF
- ✦ **Medium term notes (“MTN”):**
S\$ 1 billion Multicurrency Stapled MTN programme established on 15 October 2014
- ✦ **No refinancing requirement until June 2016**

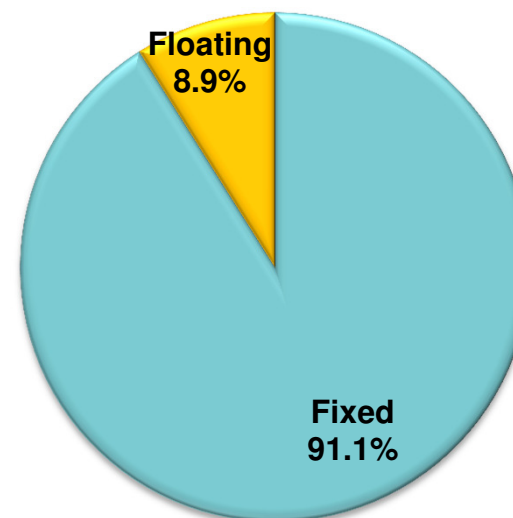
Prudent Capital Management

Debt Currency Profile



- ✦ As at 30 September 2014, more than 90% of total borrowings are matched with the natural currencies of the assets
- ✦ Unwinding of the AUDSGD CCS was fully completed ahead of schedule in October 2014

Interest Rate Profile



- ✦ 91.1% of total borrowings are on fixed-rate
- ✦ Minimise exposure to interest rate volatility and impact on distribution



Looking Ahead

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Australia



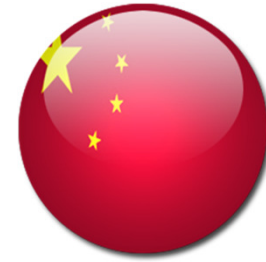
A slow but steady recovery with moderate growth

- ✦ Australia's 2Q 2014 GDP expanded by 3.1% y-o-y⁽¹⁾, performing above expectations as the economy continues to diversify away from the natural resource sector.
- ✦ Tourism prospects are positive for key cities like Sydney, whose hotel market is underpinned by strong corporate demand and rising inbound visitors.
- ✦ Market conditions are expected to remain soft for big mining states although Brisbane should experience short term uplift on the back of the G20 Summit in November.
- ✦ Revenue growth is expected to be stable for the Australia portfolio in FY2014/15.



(1) Source: Australian Bureau of Statistics

China



Competitive operating environment

- ✦ The slower economic growth and government's austerity drive will continue to weigh on China's hospitality market.
- ✦ Inbound tourism numbers for Beijing decreased by 6.1% y-o-y in the first eight months of 2014⁽¹⁾.
- ✦ The operating conditions of hotels in Beijing are expected to be competitive given the upcoming increase in room supply.



(1) Source: China National Tourism Administration

Japan



Positive Tourism Outlook

- ✦ International visitor arrivals to Japan reached approximately 6.3 million visitors as at June 2014, registering a 26.3% y-o-y growth⁽¹⁾.
- ✦ The relaxation of visa requirements for visitors from several Southeast Asian countries and weakening of the Japanese yen will continue to drive inbound demand.
- ✦ Plans to build new low cost carrier terminals at Narita and Kansai Airports are expected to boost domestic and international tourism.



(1) Source: Japan National Tourism Organisation

Singapore



Stable growth in tourism and hospitality sector

- ✦ Visitor arrivals to Singapore declined 2.5% y-o-y from January to July 2014, due to the drop in Chinese arrivals although this is partially mitigated by an increase in visitors from Southeast Asia and Europe⁽¹⁾.
- ✦ The hotel market is likely to remain stable in the near to medium term as new government measures to moderate the growth of hotel room supply take effect⁽²⁾.
- ✦ Tighter labour conditions may continue to affect the gross profit margins of the hotels in Singapore.



(1) Source: Singapore Tourism Board

(2) Source: Singapore Business Review, "No more vacancies: URA clamps down on new hotel applications", 11 July 2014



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