THIS ANNOUNCEMENT IS NOT AN OFFER FOR SALE OF SECURITIES IN THE UNITED STATES (INCLUDING ITS TERRITORIES AND POSSESSIONS, ANY STATE OF THE UNITED STATES AND THE DISTRICT OF COLUMBIA), CANADA, JAPAN, OR ANY OTHER JURISDICTION. ANY SECURITIES WHICH ARE THE SUBJECT OF SUCH OFFER HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION, AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES UNLESS REGISTERED UNDER THE SECURITIES ACT OR PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ANY APPLICABLE U.S. STATE OR LOCAL SECURITIES LAWS. NO PUBLIC OFFERING OF SECURITIES IS BEING MADE IN THE UNITED STATES.

Comprising

FRASERS HOSPITALITY REAL ESTATE INVESTMENT TRUST	**FRASERS HOSPITALITY BUSINESS TRUST**
(a real estate investment trust constituted on 12 June 2014 under the laws of the Republic of Singapore)	(a business trust constituted on 20 June 2014 under the laws of the Republic of Singapore)
managed by **Frasers Hospitality Asset Management Pte. Ltd.**	managed by **Frasers Hospitality Trust Management Pte. Ltd.**

LAUNCH OF PRIVATE PLACEMENT OF 150,000,000 NEW STAPLED SECURITIES IN FRASERS HOSPITALITY TRUST (THE "NEW STAPLED SECURITIES")

1. Introduction

Further to the announcement dated 11 May 2015 and the approvals granted at the extraordinary general meeting of Frasers Hospitality Trust ("**FHT**") (comprising Frasers Hospitality Real Estate Investment Trust ("**FH-REIT**") and Frasers Hospitality Business Trust ("**FH-BT**")) held on 24 June 2015 (the "**EGM**") in relation to, among others, the acquisition of a 75-year leasehold interest in Sofitel Sydney Wentworth[1] by FH-REIT (the "**Acquisition**") and the private placement to part finance the Acquisition, Frasers Hospitality Asset Management Pte. Ltd., as manager of FH-REIT (the "**REIT Manager**"), and Frasers Hospitality Trust Management Pte. Ltd., as trustee-manager of FH-BT (the "**Trustee-Manager**", and together with the REIT Manager, the "**Managers**"), wish to announce the launch of a private placement (the "**Private Placement**") of 150,000,000 New Stapled Securities at an issue price of between S$0.810 and S$0.820 per New Stapled Security (both figures inclusive) (the "**Issue**

1 "**Sofitel Sydney Wentworth**" refers to the property located at 61-101 Phillip Street, Sydney, NSW 2000, Australia. The land on which Sofitel Sydney Wentworth is situated is sub-divided into two stratum lots and this includes a basement carpark and a retail arcade over two levels under a separate stratum lot held by a third party which will not be acquired by FH-REIT.

DBS Bank Ltd. is the Sole Global Coordinator and Issue Manager of the initial public offer of the Stapled Securities (the "**Offering**"). DBS Bank Ltd., Morgan Stanley Asia (Singapore) Pte., Standard Chartered Securities (Singapore) Pte. Limited, and United Overseas Bank Limited are the joint bookrunners and underwriters for the Offering.

Price Range") so as to raise gross proceeds of approximately S$123.0 million (based on an illustrative issue price per New Stapled Security of S$0.820, which is the higher end of the Issue Price Range (the "**Maximum Issue Price**")).

Based on the Maximum Issue Price, the net proceeds will amount to approximately S$120.0 million, after deducting (i) the financial advisory fee payable to DBS Bank Ltd. as the financial adviser in relation to the Private Placement, (ii) the placement commission and related fees and expenses payable to DBS Bank Ltd. as the Lead Manager and Underwriter (as defined herein) in relation to the Private Placement, and (iii) professional and other fees and expenses to be incurred by FHT in connection with the Private Placement.

2. Details of the Private Placement

The Managers have appointed DBS Bank Ltd. as the lead manager and underwriter (the "**Lead Manager and Underwriter**") in relation to the Private Placement.

The Managers have today entered into a placement agreement with the Lead Manager and Underwriter (the "**Placement Agreement**"), pursuant to which the Lead Manager and Underwriter has been appointed to procure subscribers for the Underwritten Stapled Securities (as defined below) at an issue price per New Stapled Security (the "**Issue Price**") to be determined within the Issue Price Range, on the terms and subject to the conditions of the Placement Agreement. The New Stapled Securities to be issued under the Private Placement less the TCC New Stapled Securities (as defined below) (the "**Underwritten Stapled Securities**"), are fully underwritten by the Lead Manager and Underwriter on the terms and subject to the conditions of the Placement Agreement.

The Issue Price of between S$0.810 and S$0.820 per New Stapled Security represents a discount of between:

(i) 4.2% and 5.4% to the volume weighted average price ("**VWAP**") of S$0.8558 per stapled security in FHT ("**Stapled Security**"), of trades in the Stapled Securities done on Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the preceding Market Day[1] on 24 June 2015 and up to the time the Placement Agreement was signed on 25 June 2015; and

(ii) (for illustrative purposes only) 1.8% and 3.0% to the adjusted VWAP[2] ("**Adjusted VWAP**") of S$0.8348 per Stapled Security.

The Issue Price will be determined by the Managers and the Lead Manager and Underwriter following an accelerated book-building process. The Managers will make an announcement via SGXNET[3] once the Issue Price has been determined.

The Private Placement shall be subject to certain conditions precedent, more particularly set out in the Placement Agreement, including the approval in-principle of the SGX-ST for the listing of and quotation for the New Stapled Securities on the Main Board of the SGX-ST.

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1 "**Market Day**" refers to a day on which the SGX-ST is open for securities trading.

2 The Adjusted VWAP is computed based on the VWAP of trades in the Stapled Securities done on the SGX-ST for the preceding Market Day on 24 June 2015 and up to the time the Placement Agreement was signed on 25 June 2015 and subtracting the Advanced Distribution (as defined herein).

3 An internet-based corporate announcement submission system maintained by the SGX-ST.

3. Subscription by TCC under the Private Placement

To provide a higher degree of certainty for the successful completion of the Private Placement and to enable TCC Hospitality Limited ("**TCC**") to be in a position to support FHT and align its interests with the stapled securityholders of FHT ("**Stapled Securityholders**"), TCC will subscribe for such number of New Stapled Securities at the Issue Price under the Private Placement up to its proportionate pre-placement stapled securityholding in FHT, in percentage terms; (collectively, the "**TCC New Stapled Securities**").

As at the date of this announcement, TCC holds 476,501,000 Stapled Securities, which is equivalent to approximately 39.56% of the total number of Stapled Securities in issue. Therefore, the TCC New Stapled Securities will comprise 59,340,000 New Stapled Securities issued under the Private Placement.

TCC's percentage stapled securityholding in FHT will not increase after the Private Placement.

Pursuant to Rules 805(1) and 812(2) of the Listing Manual of the SGX-ST, approval for the subscription by TCC of the TCC New Stapled Securities has been granted by an Ordinary Resolution at the EGM.

4. Rationale for the Private Placement

The Acquisition will be financed by a combination of debt and equity so as to ensure that the Acquisition will provide overall distribution per Stapled Security accretion to Stapled Securityholders while maintaining an optimum level of gearing. The Managers believe that the Private Placement is an efficient and overall beneficial method of raising funds to finance the Acquisition.

5. Eligibility to participate in the Private Placement

The offer of New Stapled Securities under the Private Placement will be made to institutional and accredited investors.

The New Stapled Securities have not been and will not be registered under the Securities Act or the securities laws of any state or jurisdiction of the United States and may not be offered or sold within the United States, absent registration or an exemption from, the registration requirements under the Securities Act and applicable state or local securities laws. The New Stapled Securities are being offered and sold in offshore transactions as defined in and in reliance on Regulation S under the Securities Act.

The Managers, along with the Lead Manager and Underwriter, reserve the absolute discretion in determining whether to allow such participation as well as the persons who may be allowed to do so.

6. Use of Proceeds

Subject to relevant laws and regulations, the Managers intend to allocate the entire gross proceeds of approximately S$123.0 million (based on the Maximum Issue Price) from the Private Placement to part finance the estimated total cost of the Acquisition of A$240.8 million

(approximately S$248.1 million) ("**Total Acquisition Cost**")[1].

For the avoidance of doubt, the Total Acquisition Cost also includes the estimated fees and expenses incurred or to be incurred by FHT in connection with the Private Placement of approximately S$3.0 million (which is equivalent to 2.4% of the maximum gross proceeds of the Private Placement), comprising:

(a) the financial advisory fee payable to DBS Bank Ltd. as the financial adviser in relation to the Private Placement;

(b) the placement commission and related expenses payable to the Lead Manager and Underwriter; and

(c) professional and other fees and expenses to be incurred by FHT in connection with the Private Placement,

and which will be funded by the gross proceeds of the Private Placement.

Notwithstanding their current intention, the Managers may, subject to relevant laws and regulations, use the net proceeds from the Private Placement at their absolute discretion for other purposes, including, without limitation, to repay existing indebtedness.

The Managers will make periodic announcements on the utilisation of the net proceeds of the Private Placement via SGXNET as and when such funds are materially utilised and whether such a use is in accordance with the stated use and in accordance with the percentage allocated. Where there is any material deviation from the stated use of proceeds, the Managers will announce the reasons for such deviation.

Pending the deployment of the net proceeds from the Private Placement, the net proceeds may, subject to relevant laws and regulations, be deposited with banks and/or financial institutions, or be used to repay outstanding borrowings or for any other purpose on a short-term basis as the Managers may, in their absolute discretion, deem fit.

7. Authority to issue Stapled Securities

The issue of 150,000,000 New Stapled Securities under the Private Placement is being carried out pursuant to an approval granted by an Ordinary Resolution at the EGM.

8. Advanced Distribution

FHT's policy is to distribute its distributable income on a semi-annual basis to Stapled Securityholders.

In connection with the Private Placement, however, the Managers intend to declare in respect of the Stapled Securities in issue immediately prior to the issue of the New Stapled Securities ("**Existing Stapled Securities**"), a distribution of the distributable income for the period from

1 The Total Acquisition Cost comprises (i) the purchase consideration of Sofitel Sydney Wentworth of A$224.0 million (approximately S$230.8 million) (assuming an exchange rate of A$1:S$1.0303) (the "**Purchase Consideration**"); (ii) the acquisition fee payable to the REIT Manager for the Acquisition pursuant to the trust deed dated 12 June 2014 constituting FH-REIT (as amended) which amounts to approximately A$1.1 million (approximately S$1.2 million) (being 0.5% of the Purchase Consideration) and which will be fully paid in Stapled Securities; and (iii) the estimated professional and other fees and expenses incurred or to be incurred by FH-REIT in connection with the Acquisition and Private Placement (inclusive of debt financing related expenses and S$12.7 million of stamp duty arising from the Acquisition) of approximately S$16.1 million.

1 April 2015 to 5 July 2015, the day immediately preceding the date on which the New Stapled Securities will be issued under the Private Placement (the "**Advanced Distribution**").

The next distribution following the Advanced Distribution will comprise FHT's distributable income for the period from 6 July 2015 to 30 September 2015. Semi-annual distributions will resume thereafter.

The Advanced Distribution is intended to ensure that the distributable income accrued by FHT before the issue of the New Stapled Securities (which at this point, will be entirely attributable to the Existing Stapled Securities) is only distributed in respect of the Existing Stapled Securities, and is being proposed as a means to ensure fairness to holders of the Existing Stapled Securities.

The current expectation of the Managers is that the quantum of the distribution per Stapled Security under the Advanced Distribution is estimated to be 2.1 Singapore cents per Stapled Security[1]. The actual quantum of the distribution per Stapled Security under the Advanced Distribution will be announced on a later date after the management accounts of FHT for the relevant period have been finalised.

For the avoidance of doubt, holders of the New Stapled Securities will not be entitled to participate in the distribution of any distributable income accrued by FHT prior to the date of issue of the New Stapled Securities. The New Stapled Securities are expected to be issued and commence trading on the SGX-ST on 6 July 2015.

(Please see the announcement dated 25 June 2015 issued by the Managers in relation to the notification of the time and date on which the transfer books and register of Stapled Securityholders will be closed to determine Stapled Securityholders' entitlement to the Advanced Distribution.)

9. Status of the New Stapled Securities

Other than the Advanced Distribution to which the New Stapled Securities will not be entitled, the New Stapled Securities issued pursuant to the Private Placement will, upon issue, rank *pari passu* in all respects with the Existing Stapled Securities, including the right to any distributable income from 6 July 2015 to 30 September 2015 as well as all distributions thereafter.

10. Application to the SGX-ST for Approval-in-Principle

The Managers will make a formal application to the SGX-ST for the listing of, dealing in, and quotation for, the New Stapled Securities on the Main Board of the SGX-ST. An appropriate announcement will be made upon the receipt of such in-principle approval from the SGX-ST.

The Private Placement is subject to, *inter alia*, the approval in-principle of the SGX-ST for the listing of, dealing in, and quotation for, the New Stapled Securities on the Main Board of the SGX-ST.

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1 The estimated distribution for the period from 1 April 2015 to the day immediately prior to the date on which the New Stapled Securities will be issued pursuant to the Private Placement is based on the Managers' pro-rated estimate of FHT's revenue and expenses for the relevant period. This amount is only an estimate based on information currently available to the Managers, and the actual Advanced Distribution may differ. The Advanced Distribution also includes accrued distributable income from ANA Crowne Plaza Kobe in Japan for the period from 14 July 2014 to 5 July 2015.

By Order of the Board

Frasers Hospitality Asset Management Pte. Ltd.

(Company Registration No. 201331351D)

(as 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)

Piya Treruangrachada

Company Secretary

25 June 2015

IMPORTANT NOTICE

This announcement 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, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses, (including employee wages, benefits and training costs), 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 on future events.

The value of the Stapled Securities and the income derived from them, if any, may fall or rise. The Stapled Securities are not obligations of, deposits in, or guaranteed by, the Managers, the REIT Trustee or any of its affiliates. An investment in Stapled Securities is subject to investment risks, including the possible loss of the principal amount invested.

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for Stapled Securities in the United States. This announcement is not for publication or distribution, directly or indirectly, in or into the United States (including its territories and possessions, any state of the United States and the District of Columbia), Canada or Japan. The Stapled Securities referred to herein have not been, and will not be, registered under the Securities Act, or the securities laws of any state of the United States or other jurisdiction, and the Stapled Securities may not be offered or sold in the United States, absent registration or an exemption from, the registration requirements under the Securities Act and applicable state or local securities laws. No public offering of securities is being made in the United States.

Investors should note that they have no right to request the Managers to redeem their Stapled Securities while the Stapled Securities are listed. It is intended that Stapled Securityholders may only deal in their Stapled Securities through trading on the SGX-ST. Listing of the Stapled Securities on the SGX-ST does not guarantee a liquid market for the Stapled Securities.

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Stapled Securities. The past performance of FHT and the Managers is not necessarily indicative of the future performance of FHT and the Managers.

Foreign Investment Regime of Australia

Australia's foreign investment regime is set out in the Australian Foreign Acquisitions and Takeovers Act 1975 (the "**FATA**") and the Australian Government's Foreign Investment Policy (the "**Policy**").

Investors in Stapled Securities who are 'foreign persons' for the purposes of Australia's foreign investment regime are required under the FATA or the Policy to notify and receive a prior statement of no objection ("**FIRB Clearance**") to their investment in FHT from the Australian Treasurer, through the Foreign Investment Review Board ("**FIRB**") if any of the circumstances set out below apply at the time Stapled Securities are acquired.

(i) if either FH-REIT or FH-BT is considered to be an AULTE 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;

(ii) if FHT has gross Australian assets in excess of a specified threshold prescribed under FATA (as at the date of this announcement, the threshold prescribed under FATA is A$252.0 million) at the time of acquisition, all investors (i) who are foreign persons and (ii) who are acquiring a Substantial Interest in FHT or have a Substantial Interest and increase their holding, will require FIRB Clearance; or

(iii) any investor that is a Foreign Government Investor making a 'direct investment' in FHT will require FIRB Clearance at the time of acquisition, regardless of whether FH-REIT or FH-BT is considered to be an AULTE or whether FHT has gross Australian assets in excess of A$252.0 million.

An explanation of key terms under Australia's foreign investment regime is set out below.

Australian Urban Land Trust Estate

An "AULTE" is an "Australian urban land trust estate" under the FATA. A trust estate is an AULTE under the FATA if the value of its interests in Australian urban land (being any land in Australia that is not used for a primary production business) exceeds 50% of the total value of its assets.

Foreign Government Investor

A Foreign Government Investor is:

(i) a foreign government, their agency or related entity (for example, state-owned enterprises and sovereign wealth funds) ("**Foreign Government**");

(ii) a corporation in which a Foreign Government has an interest (direct or indirect) of 15% or more;

(iii) a corporation in which two or more Foreign Governments have an aggregate interest (direct or indirect) of 40% or more; or

(iv) an entity that is otherwise controlled by a Foreign Government.

Direct Investment

A "Direct Investment" is an investment by a Foreign Government Investor that provides an element of influence or control over the target, including all investments of 10% or more.

Substantial Interest

The acquisition of a "Substantial Interest" is an acquisition of:

(i) control of 15% or more of the actual or potential voting power or issued shares in a target by a single foreign person (together with associates); or

(ii) control of 40% or more of the actual or potential voting power or issued shares in a target by more than one foreign person (together with associates).

AULTE Status

Based on the FH-REIT Unaudited Financial Statements, as at 31 March 2015, the value of the Australian assets comprised in FH-REIT's portfolio is approximately 10.7% of the total asset value of FH-REIT. Following the Acquisition, based on the FH-REIT Unaudited Financial Statements and the purchase consideration of A$224.0 million for the Acquisition (assuming an exchange rate of A$1:S$1.0303), the value of the Australian assets comprised in FH-REIT's portfolio is expected to increase to approximately 21.0% of the total asset value of FH-REIT. FH-BT is dormant as at the date

of this announcement. Accordingly, FHT is not expected to be considered an AULTE post-Acquisition.

In August 2013, an administrative exemption for certain 'passive investments' by foreign persons (other than Foreign Government Investors) in an AULTE was announced under the previous Australian Government. Relevantly, the exemption was to apply to acquisitions of interests of less than 10% in a listed trust that was an AULTE with predominantly non-residential properties.

FHT understands that the administrative exemption remains operative as at the date of this announcement on the basis that the administrative exemption remains published on FIRB's website and no announcement has been made that it has been revoked. However, there is no definitive clarity at this point as to the continued availability or terms of any such exemption in the future.

Australian Asset Value

Based on the FH-REIT Unaudited Financial Statements, as at 31 March 2015, FHT has gross Australian assets of approximately A$176.8 million. Following the Acquisition, based on the FH-REIT Unaudited Financial Statements and the purchase consideration of A$224.0 million for the Acquisition, the value of the gross Australian assets comprised in FH-REIT's portfolio is expected to increase to approximately A$400.8 million, which is in excess of A$252.0 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.