



1Q2016 Financial Results

6 May 2016

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Financial Highlights & Capital Management

1Q2016 Financial Highlights

	1Q2016	1Q2015	Increase/ (Decrease)
	S\$'000	S\$'000	%
Gross revenue:			
- Hospitality	22,395	20,077	11.5
- Retail	7,753	9,260	(16.3)
	30,148	29,337	2.8
Net property income:			
- Hospitality	20,822	18,688	11.4
- Retail	5,471	7,027	(22.1)
	26,293	25,715	2.2
Distribution income	19,700	21,386	(7.9)
DPS (cents)	1.10²	1.61	(31.7)
DPS (cents) <i>(adjusted for Rights Issue¹ for comparison purposes only)</i>	1.47²	1.61	(8.7)

- Gross revenue for 1Q2016 was \$0.8 million higher than 1Q2015. Hospitality segment posted higher revenue which offset the lower revenue from retail segment.
- Net property income (NPI) for 1Q2016 was \$0.6 million higher than 1Q2015 mainly due to higher contribution from the hospitality segment offset by the lower revenue from retail segment.
- Income available for distribution was \$1.7 million lower than 1Q2015 mainly due to lower retail revenue and higher finance expenses.

¹ On 7 March 2016, OUE H-REIT announced an underwritten renounceable Rights Issue (Rights Issue) of 441,901,257 stapled securities. On 13 April 2016, new Stapled Securities of 441,901,257 were issued pursuant to the Rights Issue. The new Stapled Securities rank *pari passu* with the existing Stapled Securities issued and issuable as at 31 March 2016, including the right to any distributions which may accrue for the financial period from 1 January 2016 to 31 March 2016.

² 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.

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

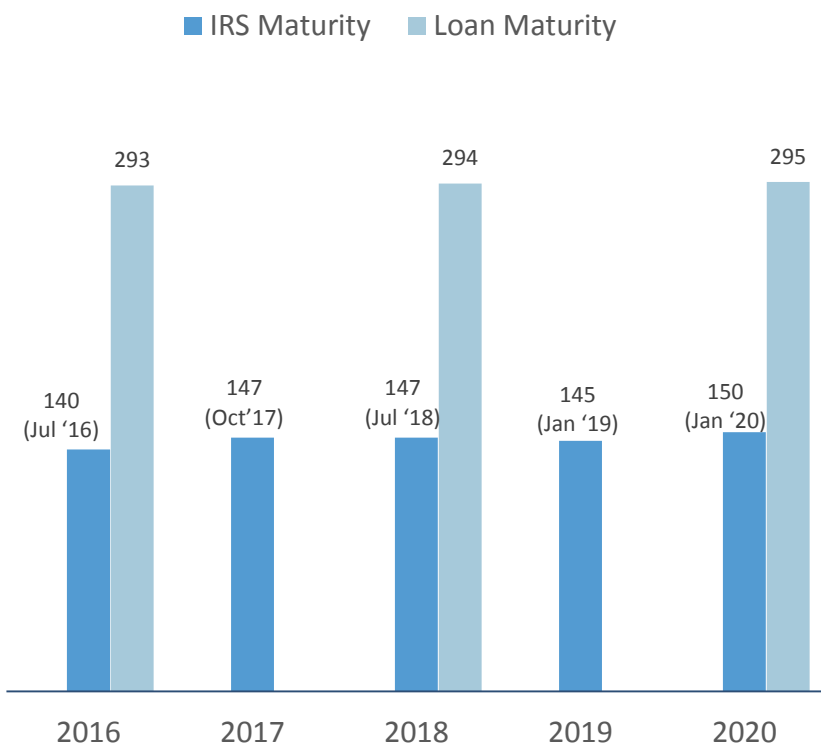
1Q2016 vs 1Q2015 – Retail Highlights

	1Q2016 S\$'000	1Q2015 S\$'000	Increase/ (Decrease) %
Gross revenue:			
- Hospitality	22,395	20,077	11.5
- Retail	7,753	9,260	(16.3)
	30,148	29,337	2.8
Net property income (NPI):			
- Hospitality	20,822	18,688	11.4
- Retail	5,471	7,027	-22.1
	26,293	25,715	2.2
Distribution income	19,700	21,386	-7.9

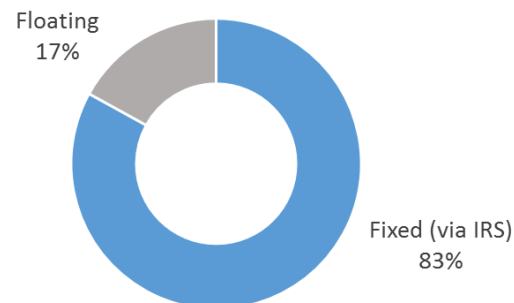
- Retail segment pertains to rental and other income from the Mandarin Gallery shopping mall.
- Retail revenue for 1Q2016 was \$1.5 million lower than 1Q2015 mainly due to landlord fit out periods for incoming tenants and lower average occupancy rate.
- As at 31 March 2016, approximately 13% of the net lettable area is under landlord fit out period.
- The mall recorded an effective rent per square foot per month of \$24.4 for 1Q2016 as compared to \$24.6 for 1Q2015.

Distribution Period	1 January 2016 to 31 March 2016
Distribution Rate	1.10 cents
Ex-Distribution Date	12 May 2016
Book Closure Date	16 May 2016
Distribution Payment Date	7 June 2016

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

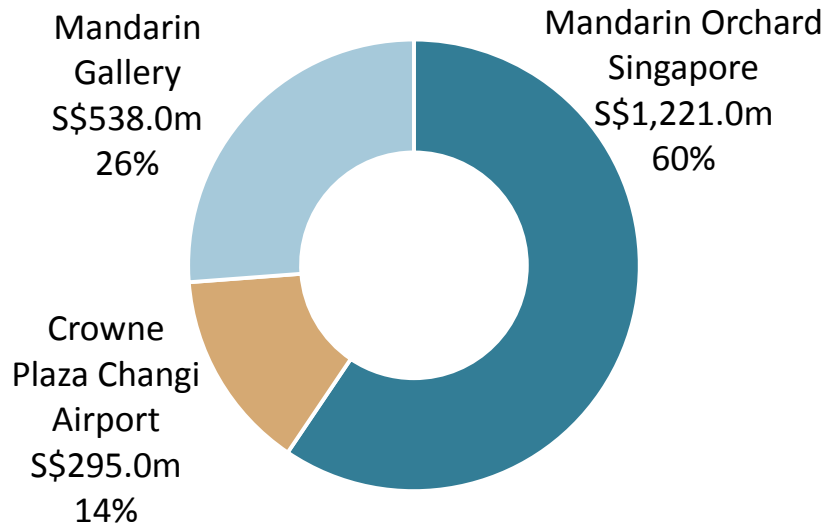


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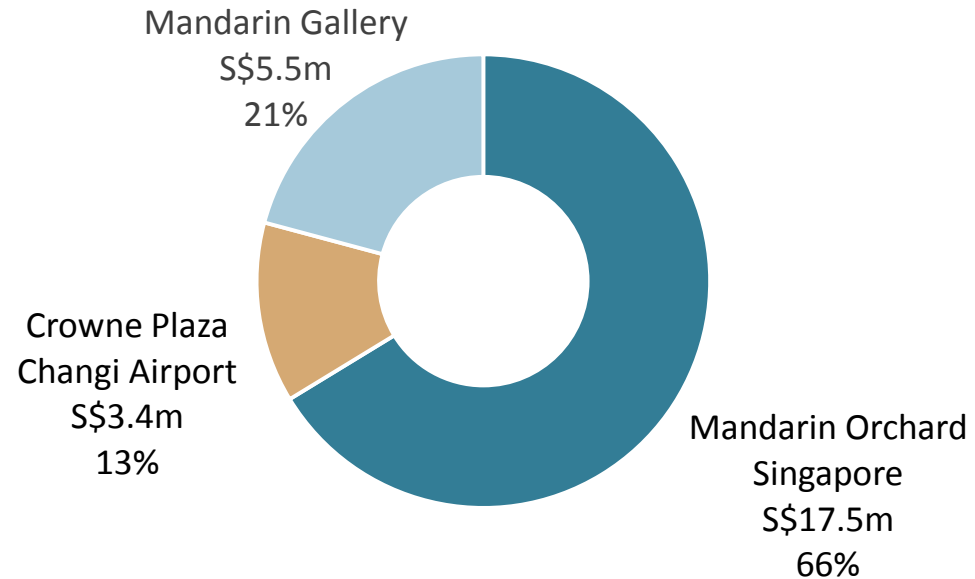
Portfolio Highlights

Asset Value and NPI Contribution

Breakdown by Asset Value¹



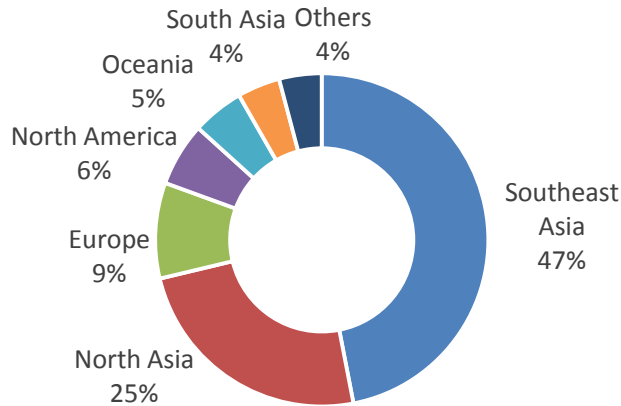
1Q2016 Breakdown by NPI Contribution



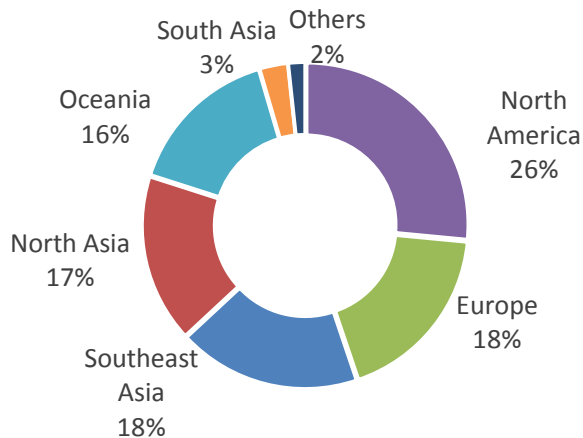
¹ Based on independent valuations as at 31 December 2015. Does not include Crowne Plaza Changi Airport extension which is currently under construction and completion of the acquisition will take place when it is completed and temporary occupation permit is obtained.

Portfolio Customer Profile (By Geography)

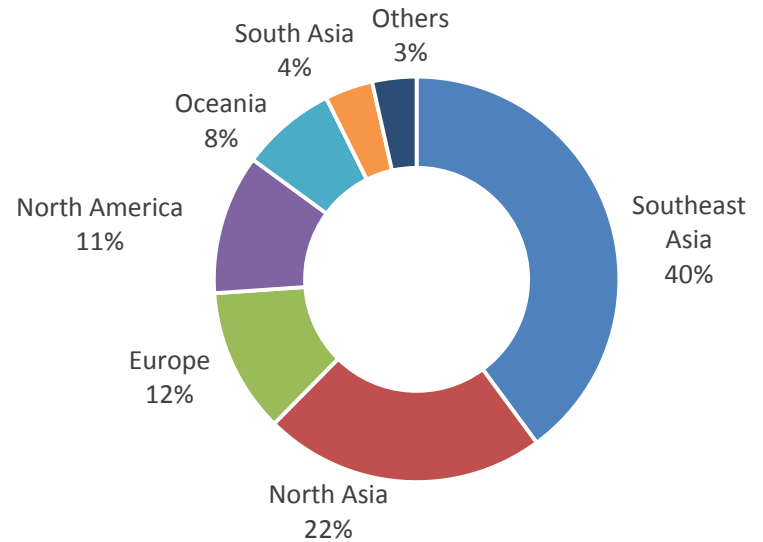
**Customer Profile for Mandarin Orchard Singapore
(By Geography Based on Room Nights Occupied)
1Q2016**



**Customer Profile for Crowne Plaza Changi Airport
(By Geography Based on Room Nights Occupied)
1Q2016**



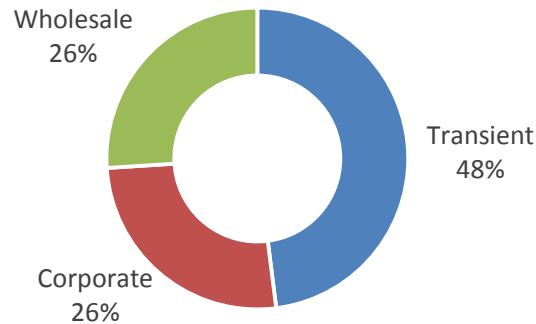
**Portfolio Customer Profile
(By Geography Based on Room Nights Occupied)
1Q2016**



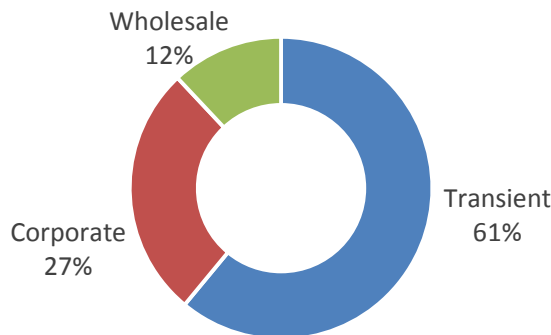
Note: Excludes aircrew.

Portfolio Customer Profile (By Segment Based on Room Revenue)

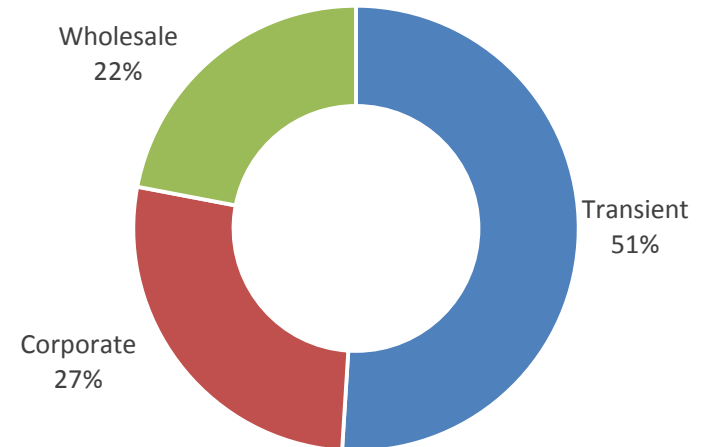
**Customer Profile for Mandarin Orchard Singapore
(By Segment Based on Room Revenue)¹
1Q2016**



**Customer Profile for Crowne Plaza Changi Airport
(By Segment Based on Room Revenue)¹
1Q2016**



**Portfolio Customer Profile
(By Segment Based on Room Revenue)^{1, 2}
1Q2016**

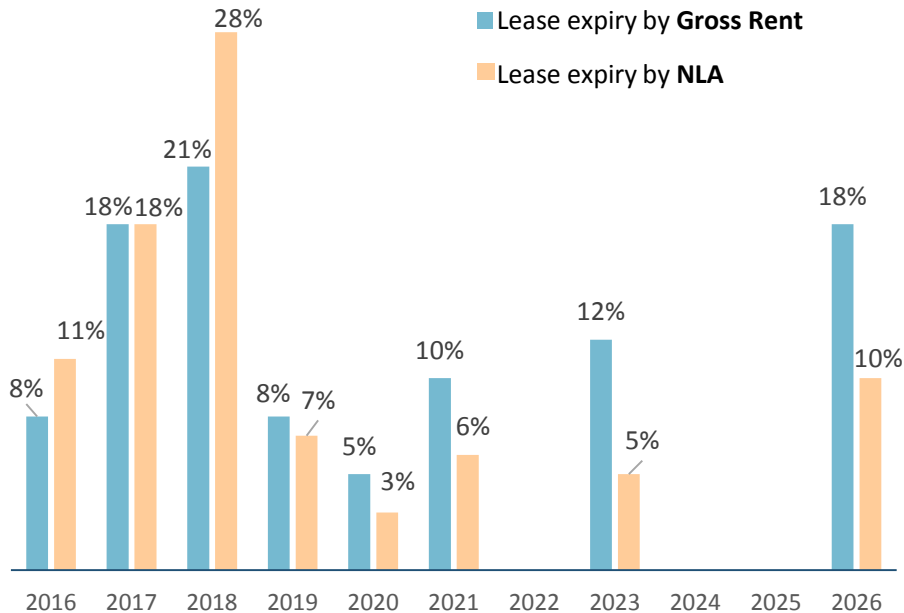


¹**“Transient”** refers to revenue derived from rental of rooms and suites to individuals or groups, who do not have a contract with the Hotel

“Corporate” refers to revenue derived from the rental of rooms and suites booked via a corporate or government company that has contracted annual rates with the Hotel

“Wholesale” refers to revenue derived from the rental of rooms and suites booked via a third party travel agent on a wholesale contracted rate basis

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:

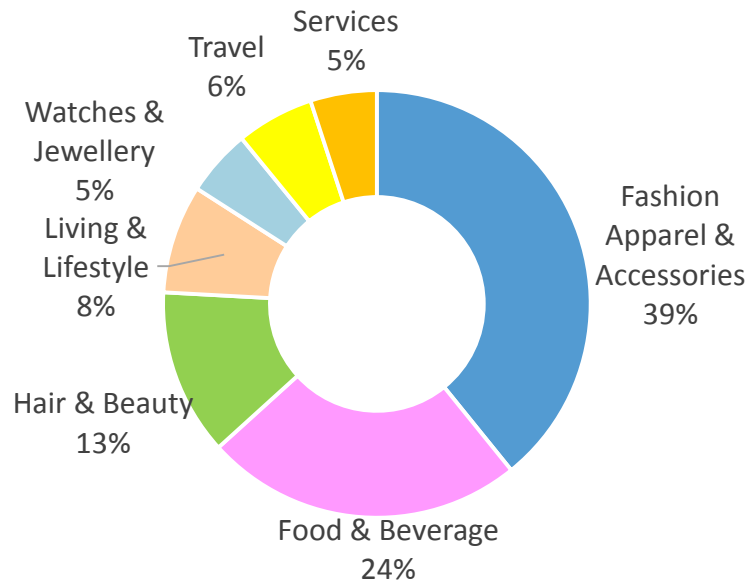
- Mandarin Gallery was approx. 88% committed
- Average occupancy of about 83% for 1Q2016 mainly due to landlord fit out periods for incoming tenants.
- Approximately 13% of NLA undergoing landlord fitout works
- Michael Kors expected to open in 3Q2016 and Victoria's Secret expected to open in 4Q2016

Leasing Update

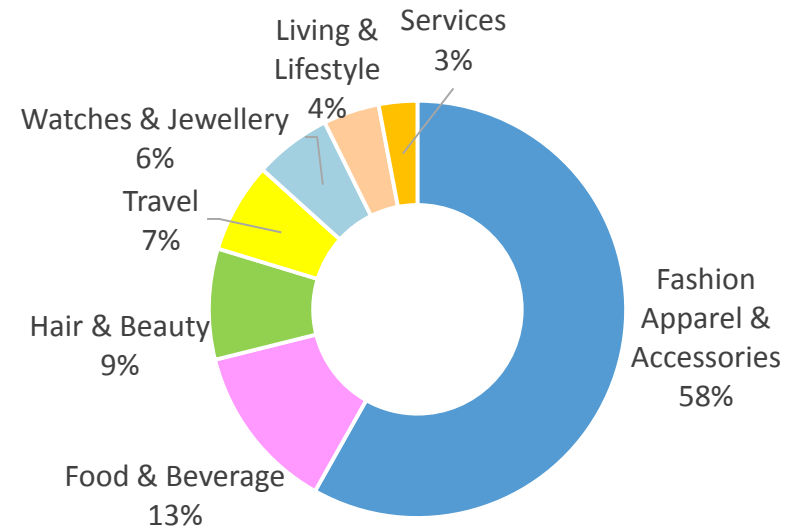
- Leases signed in 1Q2016 consisted of positive and negative reversions.
- To partner relevant tenants towards success, structure of leases for some tenants feature lower base rent and higher turnover rent compared to previous leases for the same units.
- As a result of the adoption of lower base rent 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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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



Appendices

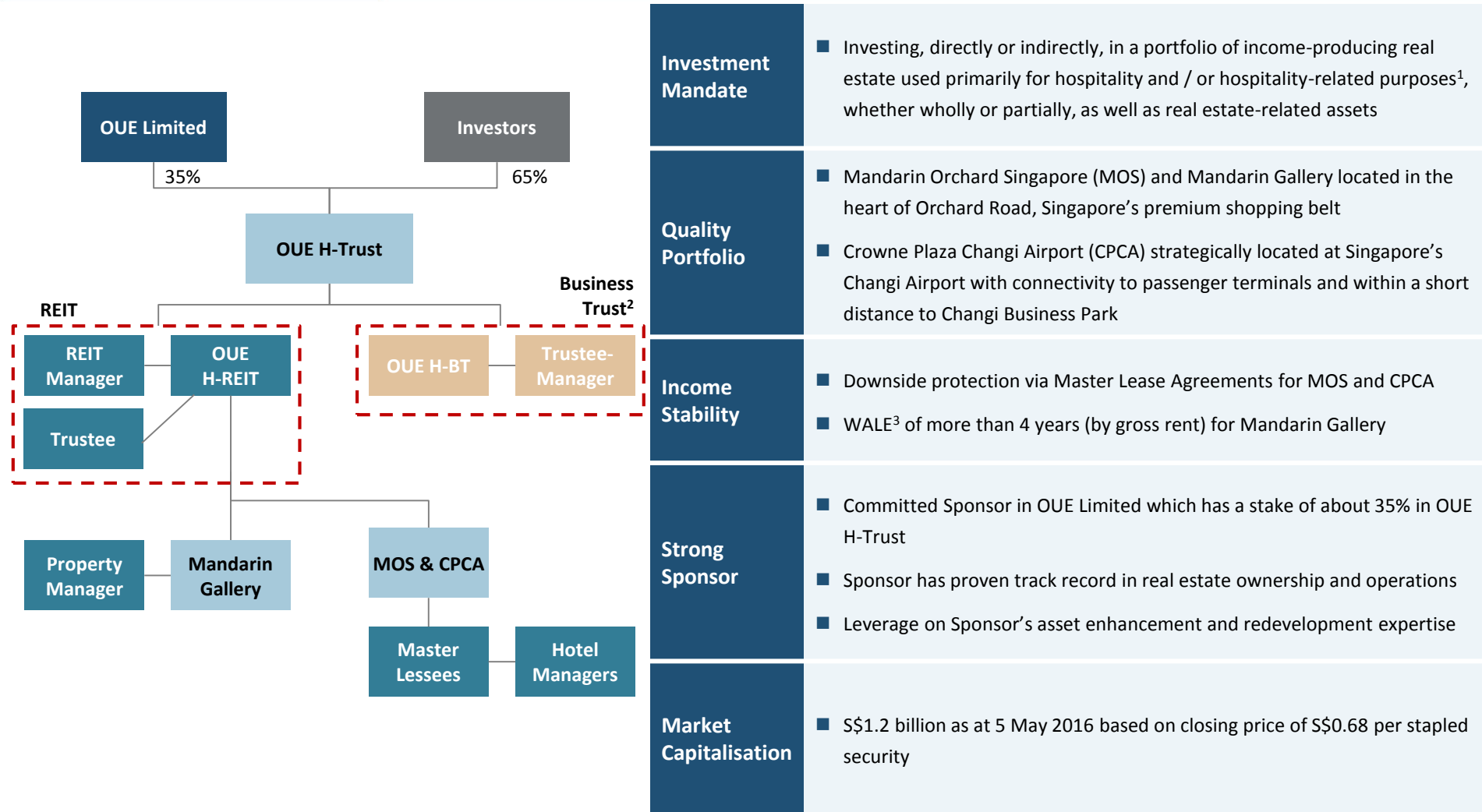
- Overview of OUE H-Trust
- OUE H-Trust's Portfolio
- Singapore Tourism - Highlights
- About the Sponsor – OUE Limited



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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



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OUE H-Trust's Portfolio

Premier Portfolio of High Quality Landmark Assets

Mandarin Orchard Singapore

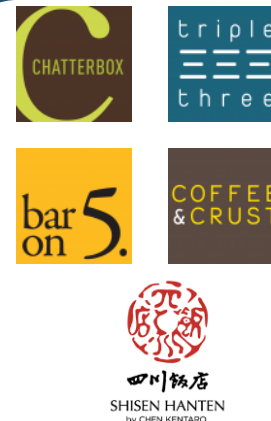


- ✓ Located in the heart of Orchard Road
- ✓ A world class hospitality icon in Singapore since 1971
- ✓ One of the top accommodation choices in Singapore for leisure and business travellers globally
- ✓ Largest hotel on Orchard Road with 1,077 rooms and approx. 25,511 sq ft of meeting and function space with a total capacity of about 1,840 people
- ✓ Addition of 26 new guest rooms in FY2013
- ✓ Strong branding



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

Popular F&B



Awards & Accolades



Triple Three & Shisen Hanten

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
- ✓ Designed by award-winning architectural firm WOHA
- ✓ 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
- ✓ OUE H-REIT will complete the acquisition of the extension when construction is completed and temporary occupation permit is obtained
- ✓ Managed by InterContinental Hotels Group (IHG)

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

Awards & Accolades

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

Overview of Master Leases

Mandarin Orchard Singapore

Property	Mandarin Orchard Singapore
No. of Guestrooms	1077
Master Lease Rental	<p>Variable Rent Comprising Sum of:</p> <p>(i) 33.0% of MOS GOR¹ ; and</p> <p>(ii) 27.5% of MOS GOP²;</p> <p>subject to Minimum Rent of S\$45 million³</p>
Master Lessee	<ul style="list-style-type: none"> ▪ OUE Limited
Tenure	<ul style="list-style-type: none"> ▪ 15 years ▪ Option to renew for an additional 15 years on the same terms and conditions
FF&E Reserve	<ul style="list-style-type: none"> ▪ 3% of GOR

¹ Gross operating revenue

² Gross operating profit

³ The rental under the Master Lease will be the minimum rent if the amount of variable rent for that operating year is less than the amount of minimum rent

Overview of the Master Leases - Crowne Plaza Changi Airport

Property	CPCA	CPCA and CPEX
No. of Guestrooms	320	563
Master Lease Rental	Variable Rent Comprising Sum of: (i) 1% of Hotel F&B Revenues; (ii) 30% of Hotel Rooms and Other Revenues not related to F&B; (iii) 30% of Hotel Gross Operating Profit; and (iv) 77% of Gross Rental Income from leased space; subject to Minimum Rent of S\$12.5 million ¹	Variable Rent Comprising Sum of: (i) 4% of Hotel F&B Revenues; (ii) 33% of Hotel Rooms and Other Revenues not related to F&B; (iii) 30% Hotel Gross Operating Profit; and (iv) 80% of Gross Rental Income from leased space; subject to Minimum Rent of S\$22.5 million ¹
Income Support	N.A.	Aggregate of S\$7.5 million to be drawn down over 3 years
Master Lessee	OUE Airport Hotel Pte. Ltd. (OUEAH)	
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 	
Capital Replacement Contribution	<ul style="list-style-type: none"> ■ Aligned with hotel management agreement between OUEAH and IHG ■ Generally at 3% of GOR 	

¹ The rental under the Master Lease will be the minimum rent if the amount of variable rent for that operating year is less than the amount of minimum rent

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.



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Singapore Tourism - Highlights

Increased Prominence as Host Venue for Regional and International Sports Events



Top International MICE Destination

- ✓ **Top International Meeting Country for the 3rd time and Top International Meeting City for the 7th consecutive year**
 - Union of International Associations 2013
- ✓ **Asia's Top Convention City for the 12th consecutive year**
 - ICCA Global Rankings 2013
- ✓ **Best BT MICE City**
 - TTG Travel Awards 2014
- ✓ **Best Business City in Southeast Asia 2014**
 - Business Traveller Asia-Pacific Travel Awards 2014

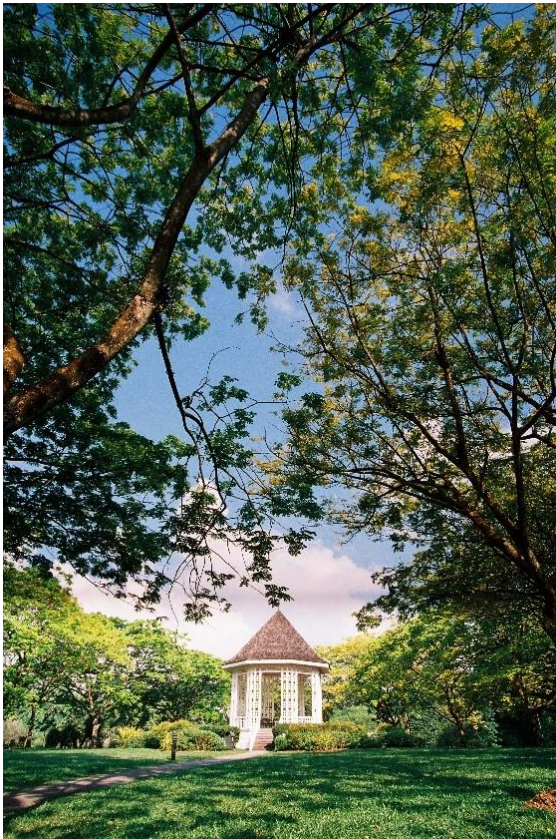
Established Cultural and Leisure Marquee Events



SINGAPORE MEDIA FESTIVAL

Source: Singapore Tourism Board
<http://www.yoursingapore.com/content/mice/en.html>

Singapore Botanic Gardens – Inscribed as a UNESCO World Heritage Site on 4 July 2015



Pipeline of New and Upcoming Attractions and Developments



Lee Kong Chian Natural History Museum
Opened April 2015



National Gallery Singapore
Opened Dec 2015



KidZania Singapore
Opened April 2016



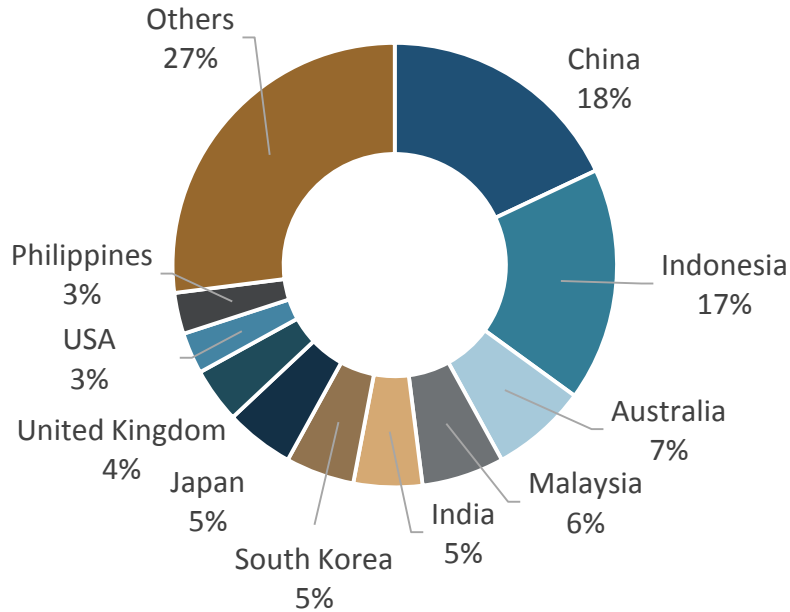
Changi Airport Terminal 4 - Opening 2017
Jewel Changi Airport - Opening 2018



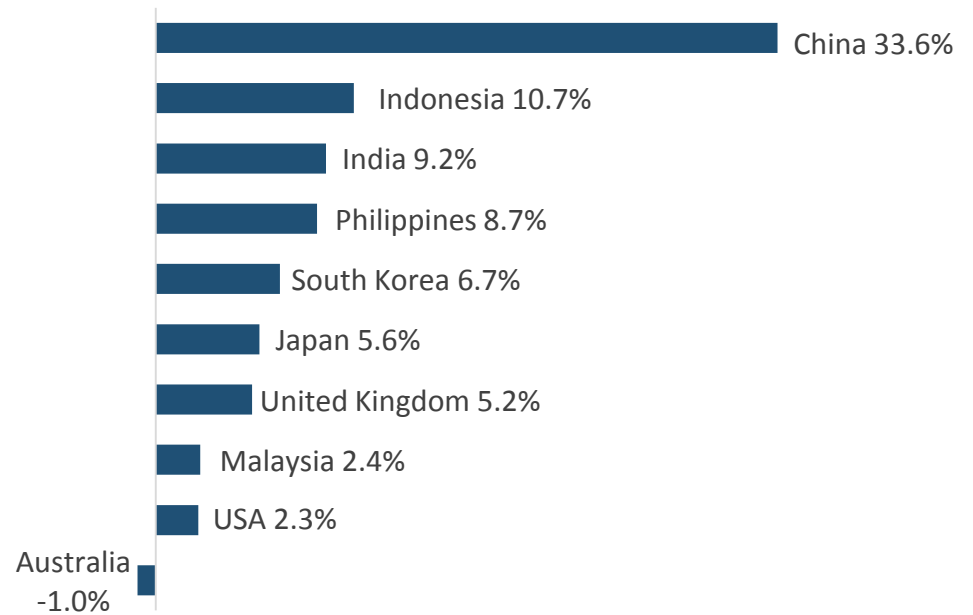
Revamp and expansion of Mandai zoo precinct
Completion ~ 2020

Visitor Arrivals (Top Markets)

Visitor Arrivals (By Country)
YTD Feb 2016



Top 10 Inbound Markets Growth Rate (Year-on-Year)
YTD Feb 2016





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About the Sponsor – OUE Limited

OUE – Leading Property Developer in Singapore

Track Record in Real Estate Ownership and Operations

Diversified real estate owner, developer and operator with a real estate portfolio located in Asia and the United States, across hospitality, retail, commercial and residential property segments

Hospitality



**Mandarin Orchard
Singapore**
OUE Hospitality Trust



**Crowne Plaza Changi
Airport**
OUE Hospitality Trust



Marina Mandarin
(30% stake)



**Crowne Plaza Changi
Airport Extension**
(100% stake)¹

Commercial



OUE Bayfront
OUE Commercial REIT



Lippo Plaza, Shanghai
OUE Commercial REIT



**One Raffles Place
Towers 1 & 2, and Shopping Mall**
OUE Commercial REIT



**OUE Downtown
Towers 1 and 2**
(100% stake)



**U.S. Bank Tower,
Los Angeles**
(100% stake)

Retail



Mandarin Gallery
OUE Hospitality Trust



Downtown Gallery
(100% stake)

Residential



OUE Twin Peaks
(100% stake)

¹The acquisition of Crowne Plaza Changi Airport (CPCA) was completed on 30 January 2015. The proposed acquisition of CPCA's future extension was approved by stapled securityholders' on 13 January 2015, and is intended to take place when the construction of the extension is completed (expected to be by mid 2016) and temporary occupation permit is obtained.

OUE – Leading Property Developer in Singapore

Proven Track Record in Asset Enhancement

Mandarin Gallery

Before redevelopment:



After redevelopment:



- S\$200 million conversion of the old hotel lobby of Mandarin Orchard Singapore
 - Addition of 67,447 sq ft of prime retail space
 - Repositioned as a high-end shopping and lifestyle destination
 - Completed in November 2009

OUE Bayfront

Before redevelopment:



After redevelopment



- Redevelopment of the well located former site of Overseas Union House into a premium commercial development comprising a Grade A office building, complemented by retail facilities at its ancillary properties, OUE Tower and OUE Link
 - Completed in 2011

One Raffles Place Tower 2

Before redevelopment:



After redevelopment:



- Redevelopment of the low block podium into a 350,000 sq ft 38-storey Grade A office building with column free floor plates of approximately 11,000 sq ft
 - TOP obtained in August 2012

Ability to leverage on the Sponsor's asset enhancement and redevelopment expertise



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Thank you