



3Q2016 Financial Results

31 October 2016

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Financial Highlights & Capital Management

3Q2016 & YTD Sep 2016 Financial Highlights

	3Q2016	3Q2015	Increase/ (Decrease)	YTD Sep 2016	YTD Sep 2015	Increase/ (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Gross revenue:						
- Hospitality	24,796	23,326	6.3	66,494	64,077	3.8
- Retail	8,513	9,343	(8.9)	23,833	27,530	(13.4)
	33,309	32,669	2.0	90,327	91,607	(1.4)
Net property income:						
- Hospitality	22,855	21,732	5.2	61,447	59,519	3.2
- Retail	6,591	7,037	(6.3)	17,450	20,745	(15.9)
	29,446	28,769	2.4	78,897	80,264	(1.7)
Distribution income	22,252	23,002	(3.3)	58,507	64,576	(9.4)
DPS (cents)	1.23	1.72	(28.5)	3.25	4.85	(33.0)

- Gross revenue and NPI for 3Q2016 were S\$0.6 million and S\$0.7 million respectively higher than 3Q2015. Hospitality segment posted higher revenue and NPI which offset the lower contribution from retail segment.
- Income available for distribution was S\$0.8 million or 3.3% lower than 3Q2015 mainly due to lower net property income from retail segment.
- The DPS for 3Q2016 was 1.23 cents due to lower income available for distribution and an enlarged number of stapled securities in issue following the rights issue completed in April 2016.

3Q2016 vs 3Q2015 – Hospitality Highlights

	Revenue			Net property income		
	3Q2016	3Q2015	Increase/ (Decrease)	3Q2016	3Q2015	Increase/ (Decrease)
	S\$m	S\$m	%	S\$m	S\$m	%
MOS	18.7	19.3	(3.1)	17.7	18.3	(3.2)
CPCA¹	6.1 ²	4.0	52.3	5.1 ²	3.4	51.1
Hospitality segment	24.8	23.3	6.4	22.8	21.7	5.3

- Hospitality revenue was S\$1.5 million higher than 3Q2015. This was a result of S\$2.1 million higher master lease income from CPCA which more than offset the S\$0.6 million decrease in master lease income from MOS. The master lease income from CPCA of S\$6.1 million for 3Q2016 was inclusive of an income support of approximately S\$1.0 million. OUEAH (OUE Airport Hotel Pte. Ltd., the Vendor) had provided an income support of approximately S\$1.0 million as the master lease income from the enlarged CPCA was less than the pro-rated Target Quarterly Rent of S\$4.8 million as CPEX has just begun operations.
- Master lease income from MOS was S\$0.6 million lower than 3Q2015 as MOS recorded a lower RevPAR of S\$224 as compared to RevPAR of S\$243 in 3Q2015. The lower RevPAR was attributed to global economic uncertainties that resulted in dampened corporate travel. The increase in rooms supply in Singapore has also created a highly competitive market environment for business in all segments. The decrease in room sales was partially mitigated by an increase in food and beverage sales due to higher patronage at the food and beverage outlets.
- Master lease income from the enlarged CPCA was S\$2.1 million higher than 3Q2015 due to enlarged room inventory in CPCA with the addition of CPEX's 243 rooms which opened for business on 1 August 2016, and an income support of approximately S\$1.0 million from OUEAH, as CPEX is expected to take time to ramp up its operations. In 3Q2016, the master lease income contribution from CPCA was for one month, and contribution from enlarged CPCA was for two months as CPEX was acquired and commenced operations on 1 August 2016. As such, it is not meaningful to compare the RevPAR for enlarged 563-room CPCA with the RevPAR for the 320-room CPCA for 3Q2015.

RevPAR: revenue per available room

¹With the addition of the newly acquired CPEX which forms an integral part of CPCA (collectively, the "enlarged CPCA"), the Deed of Income Support comes into effect. Subject to the enlarged CPCA not achieving agreed Target Quarterly Rent over the first twelve (12) quarters from the date of acquisition of CPEX, OUE H-REIT could drawdown the income support over (i) three years from the date of OUE H-REIT's acquisition of CPEX; or (ii) until the income support of S\$7.5 million had been fully drawdown by OUE H-REIT, whichever is earlier.

²Inclusive of CPEX (243 rooms only) that was acquired and commenced operations on 1 August 2016. The enlarged CPCA has 563 rooms.

3Q2016 vs 3Q2015 – Retail Highlights

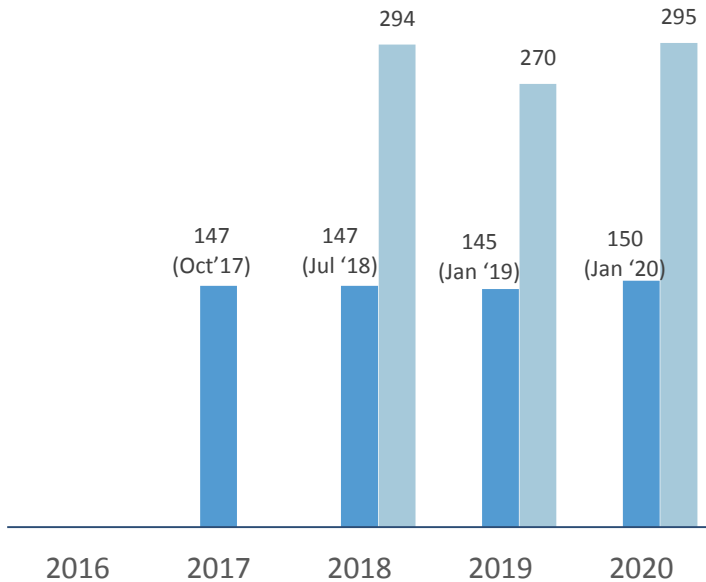
	3Q2016 S\$'000	3Q2015 S\$'000	Increase/ (Decrease) %
Gross revenue:			
- Hospitality	24,796	23,326	6.3
- Retail	8,513	9,343	(8.9)
	33,309	32,669	2.0
Net property income (NPI):			
- Hospitality	22,855	21,732	5.2
- Retail	6,591	7,037	(6.3)
	29,446	28,769	2.4
Distribution income	22,252	23,002	(3.3)

- Retail segment pertains to rental and other income from the Mandarin Gallery shopping mall.
- Retail revenue for 3Q2016 was S\$0.8 million lower than 3Q2015 mainly due to lower average occupancy rate of 89% (3Q2015: 95.7%).
- The mall recorded an effective rent per square foot per month of S\$24.6 for 3Q2016 as compared to S\$25.0 for 3Q2015.

Distribution Period	1 July 2016 to 30 September 2016
Distribution Rate	1.23 cents
Ex-Distribution Date	4 November 2016
Book Closure Date	8 November 2016
Distribution Payment Date	30 November 2016

Debt and Interest Maturity Profile (\$ 'm)

■ IRS Maturity ■ Loan Maturity



Gearing	■ 37.3%
Average Cost of Debt	■ 2.5% (3Q2016)
Debt Maturity	■ Weighted average remaining tenor of 2.7 years
Interest Service Ratio	■ 5.0 times (3Q2016)
Interest Profile	■ 68% fixed

OUE H-REIT has no loan due until July 2018.

Balance Sheet Highlights (As at 30 Sep 2016)

	S\$ 'm
Investment Properties	2,253.9
Total assets	2,304.2
Borrowings (secured)	859.0
Total liabilities	876.1
Net assets	1,428.0
NAV per Stapled Security (S\$)	0.80
Closing price on 30 Sep 2016 (S\$)	0.68
Discount to NAV (%)	15%

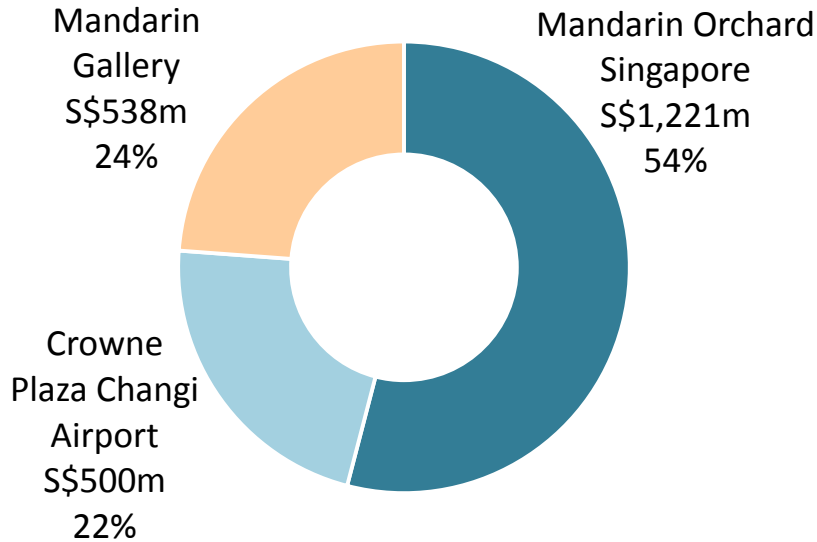


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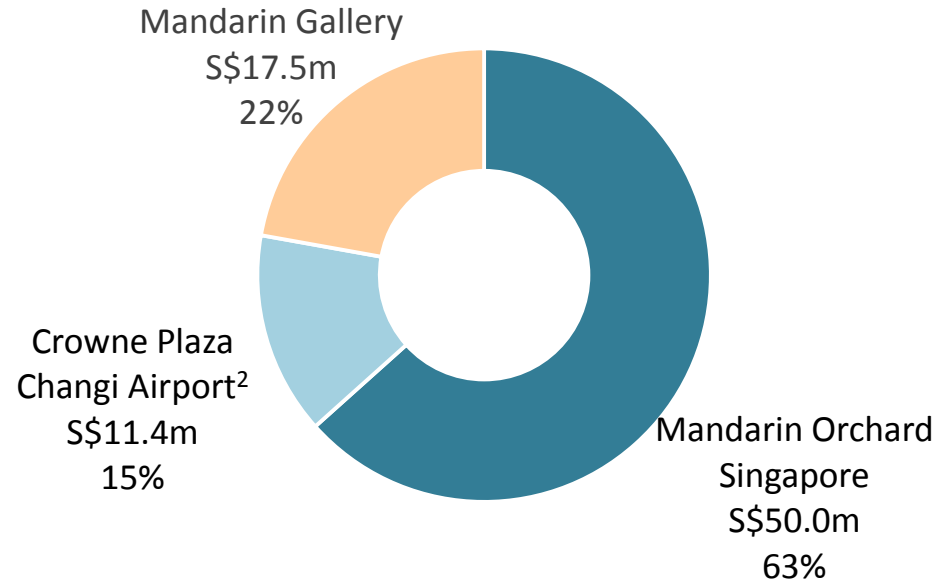
Portfolio Highlights

Asset Value and NPI Contribution (As at 30 Sep 2016)

Breakdown by Asset Value¹



YTD Sep 2016 Breakdown by NPI Contribution

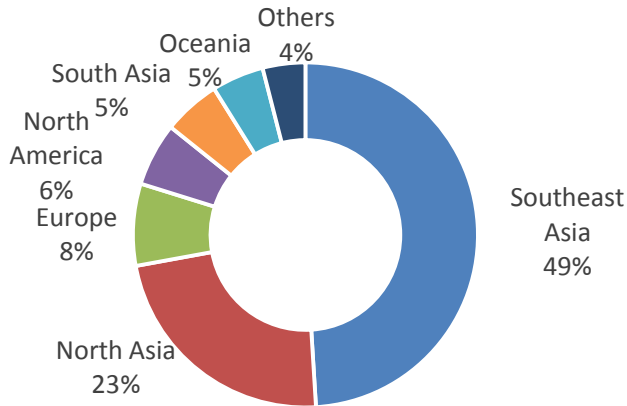


¹ Based on independent valuations as at 31 December 2015 for MOS and Mandarin Gallery. Enlarged CPCA based on independent valuation of CPCA as at 31 December 2015 and acquisition price of CPEX which was acquired on 1 August 2016.

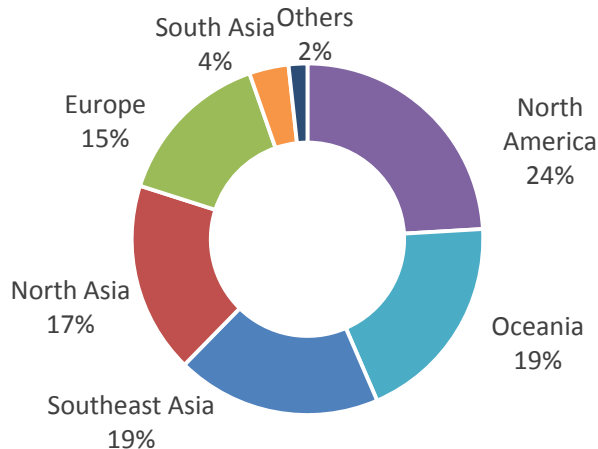
² NPI for the 320-room CPCA for January 2016 to July 2016 and NPI for the 563-room enlarged CPCA for August and September 2016.

Portfolio Customer Profile (By Geography)

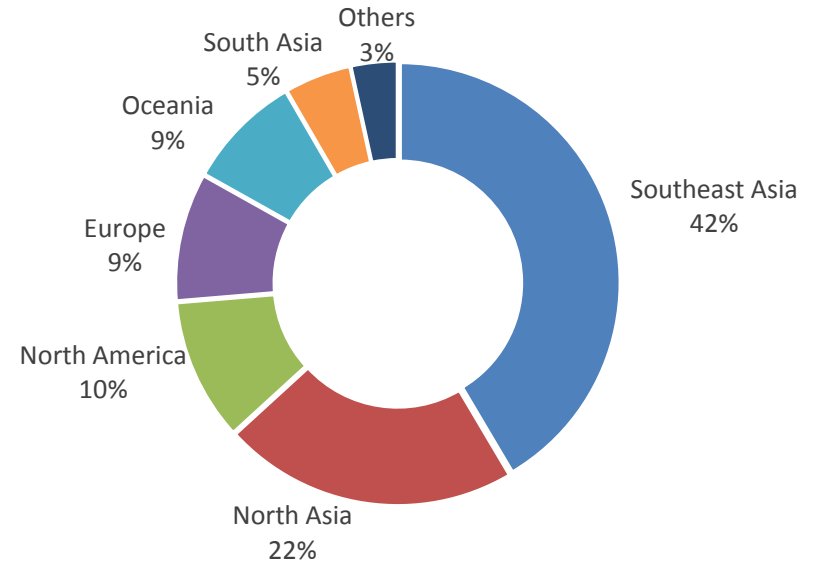
**Customer Profile for Mandarin Orchard Singapore
(By Geography Based on Room Nights Occupied)
YTD Sep 2016**



**Customer Profile for Crowne Plaza Changi Airport
(By Geography Based on Room Nights Occupied)
YTD Sep 2016**



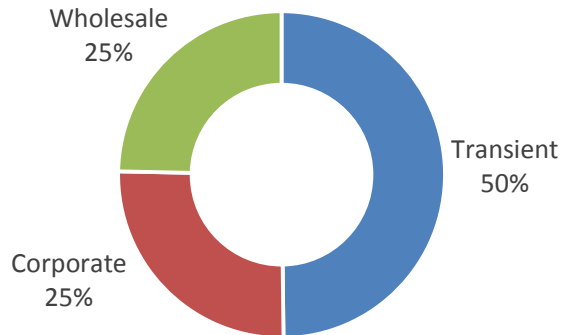
**Portfolio Customer Profile
(By Geography Based on Room Nights Occupied)
YTD Sep 2016**



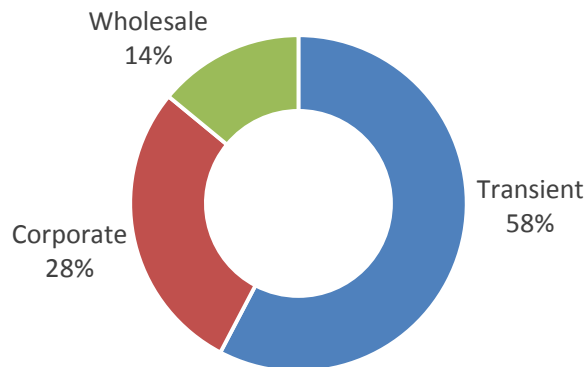
Note: Excludes aircrew.

Portfolio Customer Profile (By Segment Based on Room Revenue)

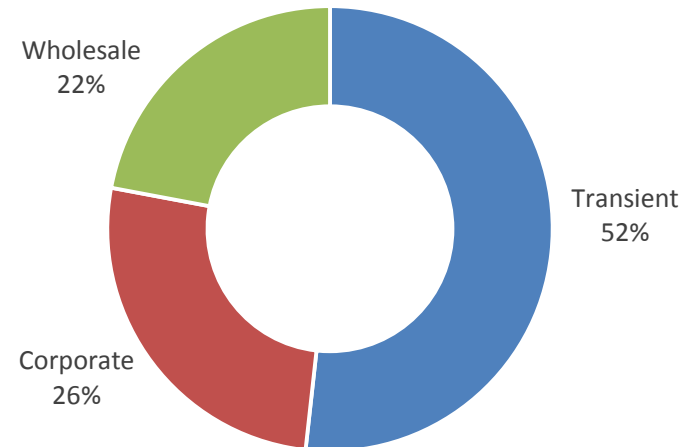
**Customer Profile for Mandarin Orchard Singapore
(By Segment Based on Room Revenue)¹
YTD Sep 2016**



**Customer Profile for Crowne Plaza Changi Airport
(By Segment Based on Room Revenue)¹
YTD Sep 2016**



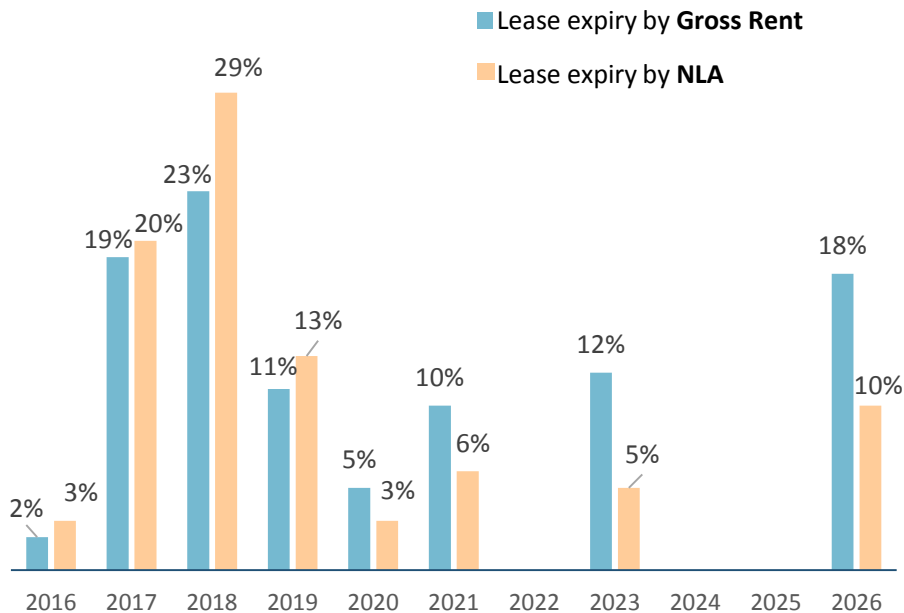
**Portfolio Customer Profile
(By Segment Based on Room Revenue)¹
YTD Sep 2016**



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 30 Sep 2016¹



WALE² (by Gross Rent^{1,3}) : 4.3 yrs

WALE (by NLA^{1,4}) : 2.8 yrs

¹Based on committed tenancies

²Weighted average lease expiry

³Excludes turnover rent

⁴Net lettable area

⁵Excludes pop-up stores

As at 30 Sep 2016:

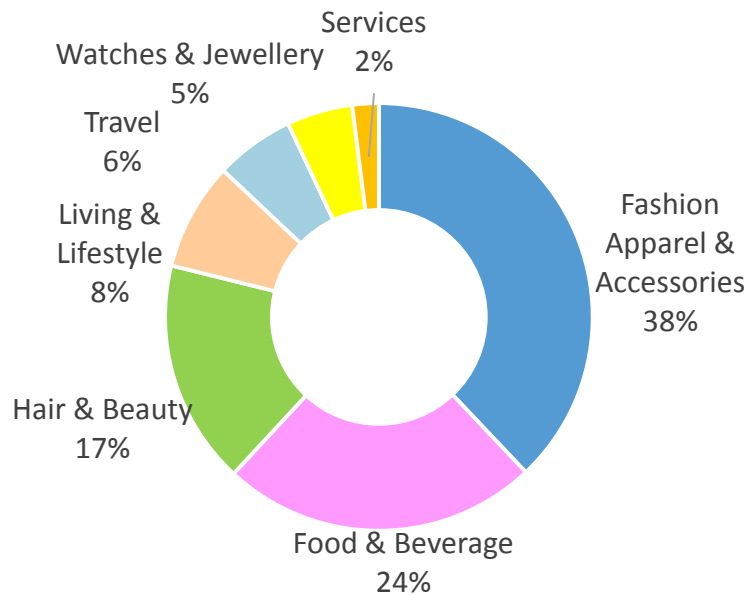
- Mandarin Gallery was approx. 89% committed⁵.
- Average occupancy of about 89% for 3Q2016 (79.1% for 2Q2016).
- Michael Kors opened in 3Q 2016.

Leasing Update

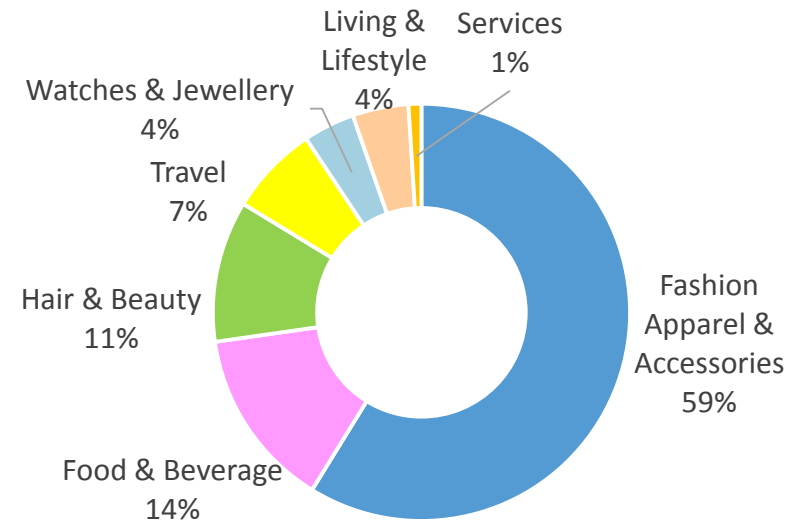
- Leases signed year-to-date 2016 consisted of positive and negative reversions.
- To partner relevant tenants towards success, structure of leases for some tenants feature lower base rent and higher turnover rent compared to previous leases for the same units.
- As a result of the adoption of lower base rent and higher turnover rent component for some leases, the average rental reversion for base rent was -34% for leases signed in 3Q2016, for approx. 3.9% 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 30 Sep 2016¹



Gross Rent (excludes turnover rent)
As at 30 Sep 2016¹



¹Based on committed tenancies



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Outlook

Singapore Tourism Board (“STB”) reported a 10.3%¹ year-on-year increase in international visitor arrivals in the first eight months of 2016. Despite the higher visitor arrivals, year-to-date August RevPAR for Singapore hotels was 2.7% lower than the same period last year.²

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. The increased rooms supply in Singapore had created a highly competitive market environment and this would likely persist. 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 million³ in a Tourism Development Fund to be invested from 2016 to 2020.

The asset enhancement programme on 430 rooms of Mandarin Orchard Singapore will continue in 2016 and is expected to complete in 1Q2017. In addition, a programme to renovate and increase the meeting facilities in MOS is in progress. The enhancement of MOS’ meeting facilities will allow it to attract and cater to a wider range of banquet and conference demand.

The retail scene in Singapore remains challenging. As a result of the impact of slower lease renewals and more fit-out periods by the landlord, Mandarin Gallery is expected to record lower average occupancy in FY2016. 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. Michael Kors has commenced operations in 3Q2016 and Victoria’s Secret is expected to open in 4Q2016. 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, 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.

¹Singapore Tourism Board, *International Visitor Arrivals Statistics*, 21 Oct 2016

²Singapore Tourism Board, *Hotel Statistics*, 21 Oct 2016

³MTI News Room, *Speech by Minister S Iswaran at the Tourism Industry Conference 2016*



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Thank You



Appendices

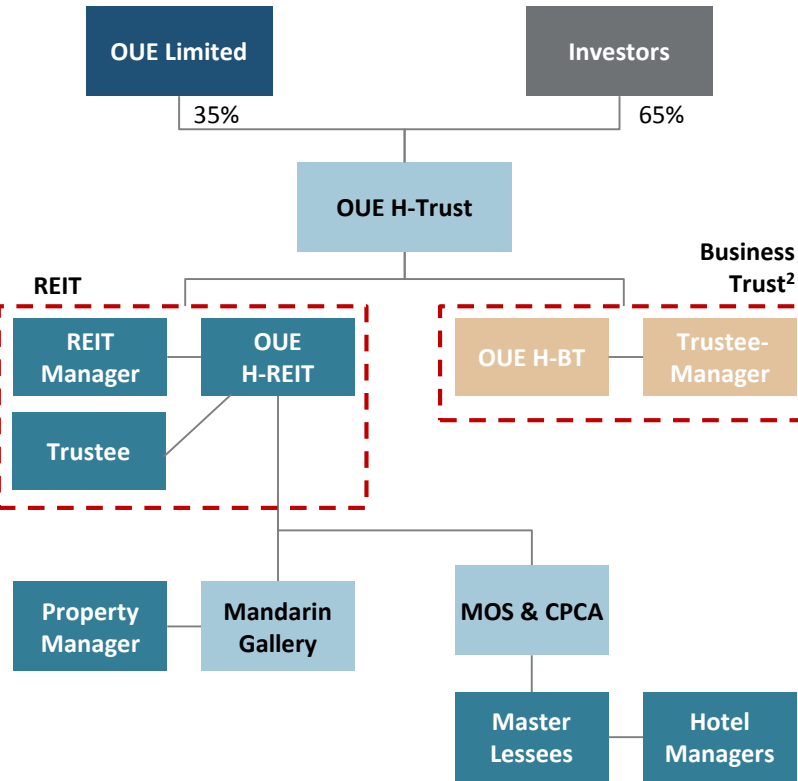
- Overview of OUE H-Trust
- OUE H-Trust's Portfolio
- Singapore Tourism - Highlights
- About the Sponsor – OUE Limited



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Overview of OUE H-Trust

Overview of OUE H-Trust



As at 30 Sep 2016

Investment Mandate	<ul style="list-style-type: none"> Investing, directly or indirectly, in a portfolio of income-producing real estate used primarily for hospitality and / or hospitality-related purposes¹, whether wholly or partially, as well as real estate-related assets
Quality Portfolio	<ul style="list-style-type: none"> Mandarin Orchard Singapore (MOS) and Mandarin Gallery located in the heart of Orchard Road, Singapore’s premium shopping belt Crowne Plaza Changi Airport (CPCA) strategically located at Singapore’s Changi Airport with connectivity to passenger terminals and within a short distance to Changi Business Park
Income Stability	<ul style="list-style-type: none"> Downside protection via Master Lease Agreements for MOS and CPCA WALE³ of more than 4 years (by gross rent) for Mandarin Gallery
Strong Sponsor	<ul style="list-style-type: none"> Committed Sponsor in OUE Limited which has a stake of about 35% in OUE H-Trust Sponsor has proven track record in real estate ownership and operations Leverage on Sponsor’s asset enhancement and redevelopment expertise
Market Capitalisation	<ul style="list-style-type: none"> S\$1.2 billion as at 28 October 2016 based on closing price of S\$0.675 per stapled security

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 sqft of meeting and function space with a total capacity of about 1,840 people
- ✓ Shisen Hanten by Chen Kentaro, has been awarded two stars in the inaugural Michelin Guide Singapore 2016

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



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, CPCA and CPEX combined, has 563 rooms including 27 suites, four food & beverage outlets and eight meeting rooms (including a ballroom)
- ✓ Managed by InterContinental Hotels Group (IHG)

	Crowne Plaza Changi Airport (CPCA)	Crowne Plaza Changi Airport Extension (CPEX)
Completion of Acquisition	30 January 2015	1 August 2016
Approx. GFA (sq ft '000)	336	103
No. of Available Rooms	320	243
Purchase Consideration	S\$290 million / (S\$906 K per key)	S\$205 million / (S\$844 K per key)
Leasehold Tenure	Approx. 67 years remaining, expiring on 29 August 2083	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
- ✓ Travel Weekly Asia 2016 Readers Choice - Best Airport Hotel

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 (w.e.f. 1 August 2016)
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

VICTORIA'S SECRET
 MICHAEL KORS
 MaxMara RIMOWA
Germany since 1898
 BIMBA Y LOLA Y-3

F&B



¹ Based on Mandarin Gallery's GFA.



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Singapore Tourism - Highlights

Singapore – Multi-Faceted Offerings

Increased Prominence as Host Venue for Regional and International Sports Events



Top International MICE Destination

- ✓ **Top International Meeting City for the 8th consecutive year**
- Union of International Associations 2014
- ✓ **Asia's Top Convention City for the 13th consecutive year**
- ICCA Global Rankings 2014
- ✓ **Best BT MICE City**
- TTG Travel Awards 2015
- ✓ **Best Business City in Southeast Asia 2014**
- Business Traveller Asia-Pacific Travel Awards 2014

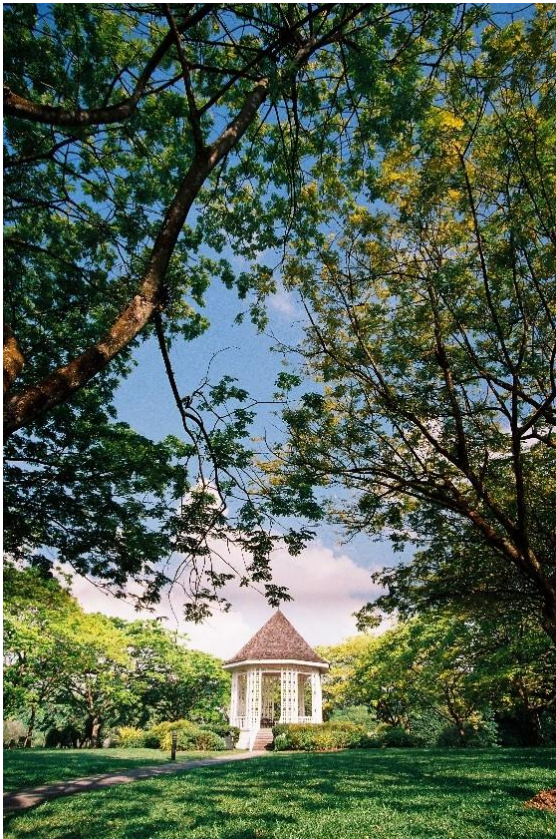
Established Cultural and Leisure Marquee Events



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



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



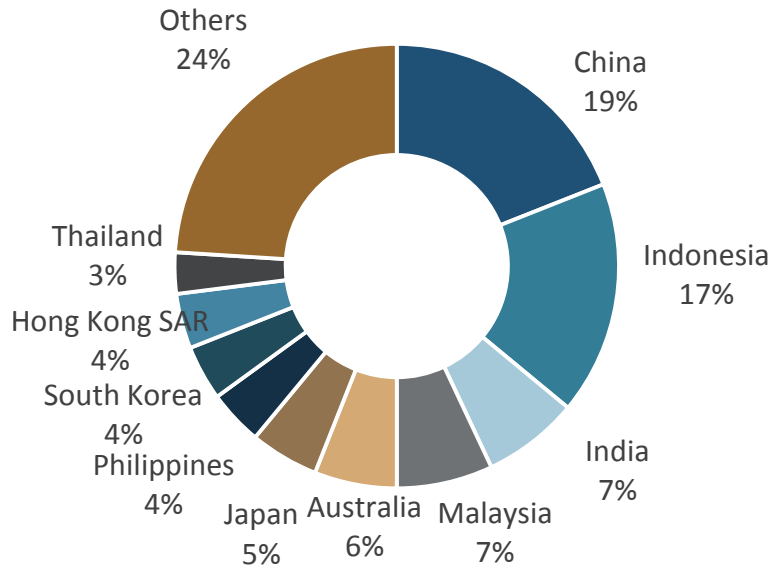
Changi Airport Terminal 4 – Est Opening 2017
Jewel Changi Airport – Est Opening 2019



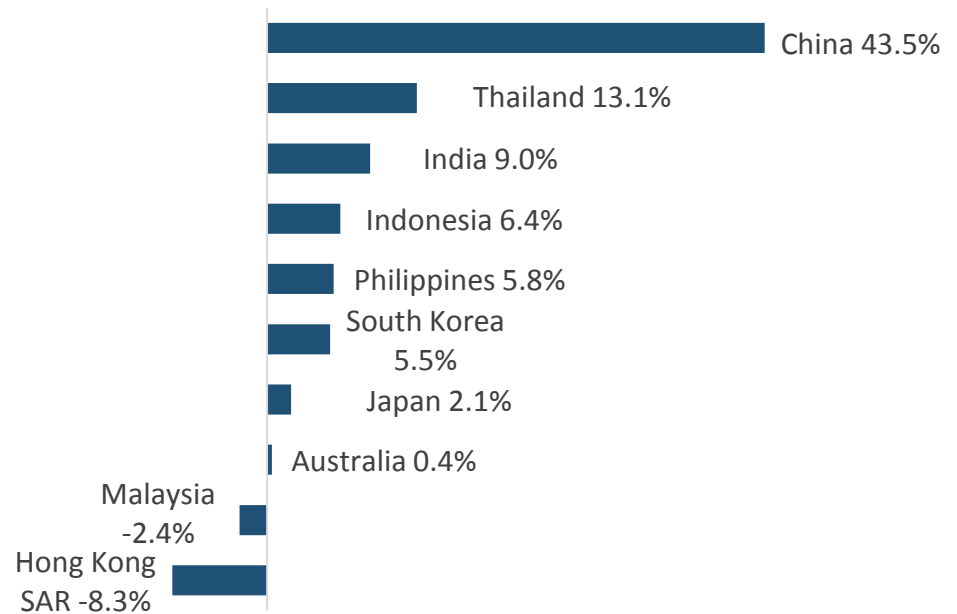
Revamp and expansion of Mandai zoo precinct
Completion ~ 2020

International Visitor Arrivals to Singapore (Top Markets)

Visitor Arrivals (By Country)
YTD August 2016



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



For the period January 2016 to August 2016, international visitor arrivals to Singapore reached 11.28 million, an increase of 10.3% over the same period last year



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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 Extension¹**

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)**

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