

PRESS RELEASE
For Immediate Release

OUE H-Trust's 4Q 2014 Distributable Income Increases 7.5%

- ***OUE H-Trust's 4Q 2014 distributable income (DI) and distribution per Stapled Security (DPS) are 7.5% and 6.6% respectively higher than 4Q 2013***
- ***DI and DPS are also higher than forecast¹. OUE H-Trust has outperformed the forecast every quarter since listing in July 2013***
- ***Acquisition of Crowne Plaza Changi Airport expected to be completed no later than end February 2015***

Singapore – 27 January 2015 - OUE Hospitality Trust (OUE H-Trust), a stapled group comprising OUE Hospitality Real Estate Investment Trust (OUE H-REIT) and OUE Hospitality Business Trust (OUE H-BT), has achieved distributable income (DI) of S\$23.6 million and distribution per Stapled Security (DPS) of 1.78 cents for the period from 1 October 2014 to 31 December 2014 (4Q 2014). Compared to the same period last year, 4Q 2014 DI is 7.5% higher and DPS is 6.6% higher. Both DI and DPS are respectively 1.3% and 1.1% higher than the forecast¹.

OUE H-Trust's full year 2014 (FY2014) DPS of 6.74 cents is also 2.6% higher than the forecast FY2014 DPS of 6.57 cents. This translates to a distribution yield of 7.66% based on the IPO price of \$0.88 per Stapled Security or 7.45% based on closing price on 31 December 2014 of \$0.905 per Stapled Security.

Distribution Details

Distribution Period	1 October 2014 to 31 December 2014
Distribution Rate	1.78 cents per Stapled Security
Ex-Distribution Date	2 February 2015, 9.00 am
Book Closure Date	4 February 2015
Distribution Payment Date	27 February 2015

Credit Suisse (Singapore) Limited, Goldman Sachs (Singapore) Pte. and Standard Chartered Securities (Singapore) Pte. Limited were the joint global coordinators and issue managers for the initial public offering of OUE Hospitality Trust.

¹ The forecast figures are derived from the forecast as set out in the Prospectus of OUE H-Trust dated 18 July 2013 and adjusted for seasonality of the Singapore hospitality sector.

OUÉ HOSPITALITY REIT MANAGEMENT PTE. LTD.

Mr. Christopher Williams, Chairman of OUE Hospitality REIT Management Pte. Ltd., the manager of OUE H-REIT (the REIT Manager), said: "OUE H-Trust has delivered another quarter of stellar results to stapled securityholders by outperforming 4Q 2013 and the forecast for 4Q 2014. In addition, OUE H-Trust's FY2014 DPS of 6.74 cents is also 2.6% higher than the forecast FY2014 DPS."

Mr. Chong Kee Hiong, CEO of the REIT Manager, said: "Mandarin Orchard Singapore (Mandarin Orchard) has performed well in 4Q 2014 despite a challenging environment with new supply of hotel rooms and lower visitor arrivals. Mandarin Orchard posted a higher revenue per available room (RevPAR) of \$255 in 4Q 2014 compared to \$249 in 4Q 2013. This was achieved on both higher occupancy and room rates. The hotel also recorded better food and beverage (F&B) sales from higher patronage."

Mr. Chong continued: "Mandarin Gallery continues to add to the income stability of the OUE H-Trust as it enjoys a high occupancy of 98.2%. Its average rental per square foot per month for 4Q 2014 is \$23.60 compared to \$23.10 in 4Q 2013."

Mr. Chong added: "In line with OUE H-Trust's strategy to acquire value-enhancing assets, OUE H-Trust had obtained stapled securityholders' approval at the extraordinary general meeting held on 13 January 2015 to acquire Crowne Plaza Changi Airport (CPCA) and its future extension (CPEX). The acquisition of CPCA is expected to be completed no later than end February 2015 and will be accretive to the income of OUE H-Trust following completion. The construction of CPEX is expected to be completed by end of 2015 (but no later than June 2016) and OUE H-Trust will complete the acquisition when CPEX has obtained its temporary occupation permit."

The addition of Crowne Plaza Changi Airport will expand OUE H-Trust's coverage of the Singapore hospitality market and enlarge and diversify its hotel clientele. Crowne Plaza Changi Airport will be able to leverage on the expansion plans of Changi Airport, which has commenced the development of Terminal 4 and Jewel Changi Airport, and the corporate demand from companies located at the nearby Changi Business Park.

Outlook

Singapore recorded lower than expected economic growth of 2.8 per cent² for 2014. While global recovery faces strong headwind, economists are optimistic about Singapore's growth in 2015 and forecast the economy to grow in the range of 3 per cent³.

With the continued uncertain global economic outlook and the recent unfortunate aviation incidents in the region that have affected tourism sentiments, coupled with the lack of major convention events such as the Singapore Airshow, visitor arrivals in 2015 could remain soft. In 2015, Singapore is celebrating its golden jubilee, SG50, with a slew of activities throughout the year. The SG50 celebration programme has garnered international attention and Singapore has been named the top destination in Asia for 2015 by the New York Times⁴ and the top country to visit in 2015 by Lonely Planet⁵. Singapore is also hosting the 2015 Southeast Asian Games and the World Rugby Sevens. These factors would impact the performance of the hospitality industry.

² The Straits Times, 31 December 2014, "Singapore's economy grew 2.8% in 2014, incomes rose: PM"

³ channelnewsasia.com, 31 December 2014, "Experts optimistic about Singapore's growth in 2015"

⁴ The Straits Times, 12 January 2015, "The New York Times lists Singapore as top destination in Asia for 2015"

⁵ Lonely Planet - <http://www.lonelyplanet.com/best-in-travel/countries/01-singapore>

QUE HOSPITALITY REIT MANAGEMENT PTE. LTD.

The prime Orchard Road location of Mandarin Orchard Singapore allows it to enjoy resilient demand as Orchard Road is a preferred accommodation location for international visitors.

While the retail scene in Singapore is expected to remain challenging, Mandarin Gallery enjoys a high degree of prominence, boasting a wide frontage along Orchard Road and is a choice location for flagship stores of international brands. Mandarin Gallery is expected to continue to enjoy stable income as the mall's rental income comprises mainly fixed rent.

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

Summary of Results

Actual 4Q 2014 vs Actual 4Q 2013

	4Q			Notes
	2014	2013	Variance	
Gross Revenue (S\$m)	30.4	29.0	+ 4.8%	1
Net Property Income (S\$m)	27.0	25.5	+ 5.5%	2
Distributable Income (S\$m)	23.6	21.9	+ 7.5%	3
DPS (S cents)	1.78	1.67	+ 6.6%	3

Note 1:

- Both hospitality and retail segments posted higher revenue in 4Q 2014. Gross revenue for 4Q 2014 was \$30.4 million, an increase of \$1.4 million or 4.8% over 4Q 2013.
- Hospitality segment pertains to the master lease income earned from the Mandarin Orchard Singapore hotel which is pegged to a percentage of Gross Operating Revenue and Gross Operating Profit of the hotel. Hospitality revenue was \$0.9 million or 4.5% higher due to higher master lease income as the hotel recorded higher revenue per available room (RevPAR) of \$255 in 4Q 2014 as compared to RevPAR of \$249 in 4Q 2013. The higher RevPAR was attributed to both higher occupancy and room rates. The hotel also recorded better F&B sales from higher patronage.
- Retail segment pertains to rental and other income earned from the Mandarin Gallery shopping mall. Retail revenue for 4Q 2014 was \$0.5 million or 5.4% higher than 4Q 2013 mainly due to higher rental rates and income earned from leasing of advertising and outdoor space. The mall recorded an effective rent per square foot per month of \$23.6 for 4Q 2014 and \$23.1 for 4Q 2013.

Note 2:

- Net property income for 4Q 2014 was \$27.0 million, an increase of \$1.4 million or 5.5% over 4Q 2013 which was mainly contributed by higher revenue recorded by both segments.

Note 3:

- Income available for distribution was higher by \$1.6 million or 7.5% as a result of higher net property income coupled with lower trust expenses. The DPS achieved was 1.78 cents as compared to 4Q 2013 DPS of 1.67 cents.

QUE HOSPITALITY REIT MANAGEMENT PTE. LTD.

Actual vs Forecast

	4Q 2014			FY 2014			Notes
	Actual	Forecast ¹	Variance	Actual	Forecast ¹	Variance	
Gross Revenue (\$m)	30.4	30.5	- 0.3%	115.9	115.4	+ 0.4%	¹
Net Property Income (\$m)	27.0	27.0	- 0.3%	103.2	101.9	+ 1.3%	²
Distributable Income (\$m)	23.6	23.3	+ 1.3%	89.0	86.7	+ 2.6%	³
DPS (S cents)	1.78	1.76	+ 1.1%	6.74	6.57	+ 2.6%	³

Note 1:

4Q 2014

- Gross revenue was largely in line with forecast at \$30.4 million for 4Q 2014. Hospitality segment recorded \$0.3 million lower revenue which was offset by higher retail segment revenue of \$0.2 million.
- Hospitality segment pertains to the master lease income earned from the Mandarin Orchard Singapore hotel which is pegged to a percentage of Gross Operating Revenue and Gross Operating Profit of the hotel. Revenue from hospitality segment was lower due to lower master lease income as the hotel recorded RevPAR of \$255 as compared to the forecast RevPAR of \$263 due to weaker than forecast market demand. The hotel's F&B sales continued to perform better than forecast due to more banquet events and functions held which mitigated the impact of lower room sales in 4Q 2014.
- For the retail segment, Mandarin Gallery recorded higher revenue than forecast mainly due to higher income earned from leasing of advertising and outdoor space.

FY 2014

- Both hospitality and retail segments posted higher than forecast revenue for FY 2014. Gross revenue was \$115.9 million, \$0.5 million higher than forecast revenue of \$115.4 million.
- Revenue from hospitality segment was \$0.1 million higher due to higher master lease income earned from the Mandarin Orchard Singapore hotel. The hotel recorded lower room sales as the RevPAR recorded was \$249 as compared to forecast RevPAR of \$257 mainly due to the impact of the renovation on room rates in 1H 2014 and the lower RevPAR achieved in 4Q 2014. F&B sales performed better than forecast due to higher banquet sales thereby translating into higher rental income for OUE H-REIT.
- For retail segment, Mandarin Gallery had contributed to the higher than forecast revenue mainly due to higher income earned from leasing of advertising and outdoor space. The mall recorded an effective rent per square foot per month of \$23.7 for FY 2014.

OUÉ HOSPITALITY REIT MANAGEMENT PTE. LTD.

Note 2:

4Q 2014

- Net property income recognised for 4Q 2014 was largely in line with forecast at \$27.0 million.

FY 2014

- Net property income recognised was \$1.3 million or 1.3% higher for FY 2014 as property expenses were \$0.8 million or 6.1% lower mainly due to lower than forecast utilities expenses on lower consumption and tariff rates of Mandarin Gallery.

Note 3:

4Q 2014

- Income available for distribution was \$0.3 million higher mainly due to lower professional fees incurred by the trust. The DPS achieved was 1.78 cents as compared to forecast DPS of 1.76 cents.

FY 2014

- In line with higher net property income and lower trust expenses, income available for distribution for FY 2014 was \$2.3 million higher than forecast translating into DPS of 6.74 cents versus forecast DPS of 6.57 cents.

About OUE Hospitality Trust

OUÉ Hospitality Trust is a stapled group comprising OUÉ Hospitality Real Estate Investment Trust (OUÉ H-REIT) and OUÉ Hospitality Business Trust (OUÉ H-BT), listed on the Mainboard of Singapore Exchange Securities Trading Limited.

OUÉ H-REIT was established with the principal investment strategy of investing, directly or indirectly, in a portfolio of income-producing real estate which is used primarily for hospitality and/or hospitality-related purposes, whether wholly or partially, as well as real estate-related assets.

OUÉ H-REIT's asset portfolio comprising the 1,077-room Mandarin Orchard Singapore and the adjoining Mandarin Gallery, has a portfolio value of S\$1.76 billion as at 31 December 2014.

OUÉ H-BT is dormant.

OUÉ H-REIT is managed by OUÉ Hospitality REIT Management Pte. Ltd., which is a wholly-owned subsidiary of OUÉ Limited (OUÉ). OUÉ H-BT is managed by OUÉ Hospitality Trust Management Pte. Ltd., which is also a wholly-owned subsidiary of OUÉ.

For more information, please visit www.oueht.com

About the Sponsor

OUÉ Limited (SGX-ST: "OUÉ") is a diversified real estate owner, developer and operator with a real estate portfolio located in prime locations in Asia and the U.S.. OUÉ consistently grows its business by leveraging its brands and proven expertise in developing and managing landmark assets across the commercial, hospitality, retail and residential sectors primarily in Singapore. With its core strategy of investing in and enhancing a stable of distinctive properties, OUÉ is committed to developing a portfolio that has a strong recurrent income base, balanced with development profits, to enhance

OUÉ HOSPITALITY REIT MANAGEMENT PTE. LTD.

long-term shareholder value. OUE is the sponsor of OUE Hospitality Trust and OUE Commercial REIT.

For more information, please visit www.oue.com.sg.

For further information, please contact:

Goh Lilian
Senior Vice President, Investor Relations
Tel: +65 6831 6345
Email: lilian.goh@oueht.com

IMPORTANT NOTICE

The value of stapled securities in OUE Hospitality Trust (“Stapled Securities”) and the income derived from them, if any, may fall or rise. Stapled Securities are not obligations of, deposits in, or guaranteed by, OUE Hospitality REIT Management Pte. Ltd. (as the manager of OUE Hospitality Real Estate Investment Trust), OUE Hospitality Trust Management Pte. Ltd. (as the trustee-manager of OUE Hospitality Business Trust) (collectively, the “Managers”) or any of their affiliates. An investment in Stapled Securities is subject to investment risks, including the possible loss of the principal amount invested. The past performance of OUE Hospitality Trust is not necessarily indicative of the future performance of OUE Hospitality Trust.

This press release 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. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Managers’ current view of future events.

Investors should note that they will have no right to request the Managers to redeem or purchase their Stapled Securities for so long as the Stapled Securities are listed on the SGX-ST. It is intended that holders of Stapled Securities may only deal in their Stapled Securities through trading on the SGX-ST. The listing of the Stapled Securities on the SGX-ST does not guarantee a liquid market for the Stapled Securities.

This press release is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for Stapled Securities.