

PRESS RELEASE
For Immediate Release

OUE H-Trust Records Higher 3Q2015 Distribution

- ***OUE H-Trust’s 3Q2015 Distribution Income (DI) and Distribution per Stapled Security 5.8% and 4.9% respectively higher than 3Q2014***

Singapore – 12 November 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 revenue and net property income (NPI) of \$32.7 million and \$28.8 million for the period from 1 July 2015 to 30 September 2015 (3Q2015) which were 14.6% and 13.5% respectively higher than 3Q2014. The higher revenue and NPI are attributable to Mandarin Orchard Singapore’s (MOS’) better operating performance and the contribution from Crowne Plaza Changi Airport (CPCA) which was acquired on 30 January 2015.

OUE H-Trust’s DI and DPS for 3Q2015 were \$23.0 million and 1.72 cents respectively. The DI and DPS were 5.8% and 4.9% higher than 3Q2014’s DI of \$21.7 million and DPS of 1.64 cents respectively.

Distribution Details

Distribution Period	1 July 2015 to 30 September 2015
Distribution Rate	1.72 cents per Stapled Security
Ex-Distribution Date	18 November 2015, 9.00 am
Book Closure Date	20 November 2015
Distribution Payment Date	15 December 2015

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 a strong performance with double-digit increases in both revenue and NPI for 3Q2015 and higher DPS to stapled securityholders. In addition to the continued efforts to optimise the performance of MOS, the acquisition of CPCA which is a quality asset has also added to the earnings of OUE H-Trust.”

Mr. Chong Kee Hiong, CEO of the REIT Manager, said: “Both MOS and CPCA have done well in 3Q2015 to deliver higher hospitality revenue for OUE H-Trust. MOS continued to leverage on its prime Orchard Road location to attract leisure and corporate travellers, achieving a higher RevPAR for 3Q2015 despite continued challenges faced by the hospitality industry. CPCA’s established position as the only global brand name hotel within the vicinity of the passenger terminals of Changi Airport

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allows it to tap the growing passenger capacity of the award-winning international airport.”

Mr. Chong continued: “Mandarin Gallery is 98% committed as at 30 September 2015. It recorded an effective rental per square foot per month of approximately \$25.0 in 3Q2015 compared to \$23.9 in 3Q2014.”

Outlook

Singapore Tourism Board (“STB”) reported a 0.3%¹ year-on-year decline in international visitor arrivals in the first nine months of 2015. The decline was partially mitigated by a turnaround for the months of July, August and September with year-on-year growth of 7.9%, 6.0% and 3.0% respectively. For the full year, STB expects 15.1 to 15.5² million visitors, or flat to a 3 per cent rise. Singapore continues to be one of the top MICE destinations. It hosted its second WTA Finals in October/November 2015 and will begin its hosting of the World Rugby Sevens Series in April 2016. The recent inscription of Singapore Botanic Gardens as a UNESCO World Heritage Site is likely to boost tourism³ in Singapore. These factors are likely to have a positive effect on hospitality demand.

However, with an uncertain global economic environment and a relatively strong Singapore dollar, the tourism industry continues to face headwinds in the near term. The hospitality sector will remain competitive with the expected supply of new hotel rooms.

The acquisition of Crowne Plaza Changi Airport has increased the income and enhanced the diversification of OUE H-Trust as it reduces the reliance of OUE H-Trust’s income stream on any single property.

The asset enhancement programme for Mandarin Orchard Singapore, which commenced in end-2013 will continue into 2016. The remaining 270 guest rooms out of the 430 guest rooms to be renovated will be refurbished in phases. This refurbishment is funded by the Sponsor, OUE Limited.

The retail scene in Singapore is expected to remain challenging amidst Mandarin Gallery’s lease renewal cycle in FY2015 and FY2016 as tenants adopt a more cautious view of the market. In addition, as a result of tenancy changes during the lease renewal cycle, more fit-out periods is expected in FY2016.

Mandarin Gallery will continue to focus on leveraging on its position as a high-end fashion mall and lifestyle destination to attract quality tenants and delight shoppers. In FY2016, Mandarin Gallery will be welcoming the first Singapore flagship stores of premium brands Michael Kors and Victoria’s Secret which will be calling Mandarin Gallery home for seven years and 10 years respectively.

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, 9 November 2015

² Reuters, Singapore keeps 2015 tourism forecast, brushing off weak first half, 17 September 2015

³ Channel NewsAsia, Botanic Gardens likely to boost tourism after World Heritage Site listing: Iswaran, 5 July 2015

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Summary of Results

3Q2015 vs 3Q2014

	3Q			Notes
	2015	2014	Variance	
Gross Revenue (S\$m)	32.7	28.5	+ 14.6%	1
Net Property Income (S\$m)	28.8	25.4	+ 13.5%	2
Distribution Income (S\$m)	23.0	21.7	+ 5.8%	3
DPS (S cents)	1.72	1.64	+ 4.9%	3

Note 1:

- Gross revenue for 3Q2015 was \$4.2 million higher than 3Q2014. Hospitality segment posted higher revenue while retail segment remained largely the same in 3Q2015.
- Hospitality segment pertains to the master lease income from MOS and CPCA which is pegged to a percentage of the operating revenue and profit of the respective hotels, subject to minimum rent.
- Hospitality revenue was \$4.1 million higher than 3Q2014. This was a result of MOS' better operating performance and an additional \$4.0 million of master lease income contribution from the newly acquired CPCA.
- Master lease income from MOS was \$0.1 million higher than 3Q2014 as MOS recorded a higher RevPAR of \$243 as compared to RevPAR of \$241 in 3Q2014. The higher RevPAR was contributed by higher occupancy driven by leisure and group business in current quarter.
- CPCA contributed \$4.0 million master lease income in 3Q2015 and the RevPAR achieved was \$250.
- Retail segment pertains to rental and other income from the Mandarin Gallery shopping mall. Retail revenue remained largely the same in 3Q2015 as compared to 3Q2014. The average rental reversion for leases signed in the quarter is positive. The mall recorded an effective rent per square foot per month of \$25.0 for 3Q2015 as compared to \$23.9 for 3Q2014.

Note 2:

- Net property income for 3Q2015 was \$3.4 million higher than 3Q2014 mainly due to master lease income from CPCA.

Note 3:

- Distribution income was \$1.3 million higher than 3Q2014 mainly due to contribution from CPCA. As a result, DPS for 3Q2015 was 1.72 cents as compared to 3Q2014 DPS of 1.64 cents.

About OUE Hospitality Trust

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

OUH 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.

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OUÉ H-REIT's asset portfolio comprising two hotels - the 1,077-room Mandarin Orchard Singapore and the 320-room Crowne Plaza Changi Airport, and a high-end retail mall - Mandarin Gallery, has a portfolio value of approximately S\$2.05 billion as at 30 September 2015.

OUÉ H-BT is dormant.

OUÉ H-REIT is managed by OUÉ Hospitality REIT Management Pte. Ltd., which is wholly-owned by OUÉ Limited (OUÉ). OUÉ H-BT is managed by OUÉ Hospitality Trust Management Pte. Ltd., which is also wholly-owned by 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 United States. 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 long-term shareholder value. OUÉ is the sponsor of OUÉ Hospitality Trust and OUÉ Commercial Real Estate Investment Trust.

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

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