



CDL HOSPITALITY TRUSTS

**CDL HOSPITALITY TRUSTS
UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS AND
H-REIT AND ITS SUBSIDIARIES FOR THE SECOND QUARTER ENDED 30 JUNE 2008**

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CDL HOSPITALITY TRUSTS

A stapled group comprising:

CDL HOSPITALITY REAL ESTATE INVESTMENT TRUST AND ITS SUBSIDIARIES

(a real estate investment trust constituted on 8 June 2006
under the laws of the Republic of Singapore)
and

CDL HOSPITALITY BUSINESS TRUST

(a business trust constituted on 12 June 2006
under the laws of the Republic of Singapore)

CDL HOSPITALITY TRUSTS

UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS AND H-REIT AND ITS SUBSIDIARIES FOR THE SECOND QUARTER ENDED 30 JUNE 2008

INTRODUCTION

CDL Hospitality Trusts is a stapled group comprising CDL Hospitality Real Estate Investment Trust (“**H-REIT**”), a real estate investment trust, and CDL Hospitality Business Trust (“**HBT**”), a business trust. CDL Hospitality Trusts was listed on the Singapore Exchange Securities Trading Limited (“**SGX**”) on 19 July 2006.

The H-REIT Units and HBT Units are stapled together under the terms of a stapling deed dated 12 June 2006 entered into between M&C REIT Management Limited (the “**H-REIT Manager**”), DBS Trustee Limited (the “**H-REIT Trustee**”) and M&C Business Trust Management Limited (the “**H-REIT Trustee-Manager**”) (the “**Stapling Deed**”) and cannot be traded separately. CDL Hospitality Trusts is regulated by the Stapling Deed, the H-REIT Trust Deed and the HBT Trust Deed as well as any legislation and regulations governing CDL Hospitality Trusts, H-REIT and HBT.

H-REIT is constituted by a trust deed dated 8 June 2006 as amended by the First Supplemental Deed dated 11 January 2007 (collectively, the “**H-REIT Trust Deed**”). It is principally regulated by the Securities and Futures Act, Chapter 289 of Singapore (“**SFA**”), the Code of Collective Investment Schemes issued by the Monetary Authority of Singapore (the “**CIS Code**”), including the Property Funds Guidelines in Appendix 2 to the CIS Code, other relevant legislation and regulations as well as the Stapling Deed and the H-REIT Trust Deed.

HBT is constituted by a trust deed dated 12 June 2006 (the “**HBT Trust Deed**”). It is principally regulated by the Business Trusts Act, Chapter 31A of Singapore, the SFA, other relevant legislation and regulations as well as the Stapling Deed and the HBT Trust Deed.

**CDL HOSPITALITY TRUSTS
CDL HOSPITALITY REAL ESTATE INVESTMENT TRUST AND ITS SUBSIDIARIES (“H-REIT
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CDL HOSPITALITY BUSINESS TRUST (“HBT”)**

**UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS AND
H-REIT AND ITS SUBSIDIARIES FOR THE SECOND QUARTER ENDED 30 JUNE 2008**

H-REIT, the first hotel real estate investment trust in Singapore, is established with the principal investment strategy of investing, directly or indirectly, in a diversified portfolio of income-producing real estate which is primarily used for hospitality and/or hospitality-related purposes, whether wholly or partially, and real estate-related assets in relation to the foregoing.

As of 30 June 2008, H-REIT’s portfolio with a total of 2,806 hotel rooms, comprises Orchard Hotel, Grand Copthorne Waterfront Hotel, M Hotel, Copthorne King’s Hotel and Novotel Clarke Quay (collectively, the “**Singapore Hotels**”), all of which are located in Singapore and marketed as “superior” hotels, the Rendezvous Hotel Auckland, a deluxe hotel located in New Zealand’s gateway city of Auckland, as well as the Orchard Hotel Shopping Arcade, the shopping arcade adjoining Orchard Hotel.

HBT is a business trust which is presently dormant. Accordingly, the financial information of HBT has not been presented. HBT will, however, become active if H-REIT is unable to appoint a master lessee for any of the hotels in its portfolio at the expiry of the relevant master lease agreement or for a newly acquired hotel. In such circumstances, HBT will be appointed by H-REIT as a master lessee for that hotel, and HBT will in turn appoint a professional hotel manager to manage the day-to-day operations and marketing of the hotel. HBT exists primarily as “a master lessee of last resort”. HBT may also become active if it undertakes certain hospitality and hospitality-related development projects, acquisition and investments which may not be suitable for H-REIT.

H-REIT’s distribution policy is to distribute at least 90.0% of its taxable income, comprising substantially its income from the letting of the properties and related property services income after deduction of expenses and allowances, and of its tax exempt income (if any), with the actual level of distribution to be determined at the H-REIT Manager’s discretion. H-REIT will distribute 100% of its taxable and tax exempt income available for distribution to holders of the Stapled Securities for the financial period from 1 January 2008 to 30 June 2008. Distributions, when paid, will be in Singapore Dollars. H-REIT will make distributions to holders of the Stapled Securities on a semi-annual basis, with the amount calculated as at 30 June and 31 December each year for the six-month period ending on each of the said dates (the “**Scheduled Distribution**”). The first Scheduled Distribution will be paid on 29 August 2008.

With regards to HBT, in the event it becomes active and profitable, the determination to distribute and the quantum of distributions to be made by HBT will be determined by the HBT Trustee-Manager Board at its sole discretion.

Where appropriate, comparisons are made against the corresponding actual figures for the period from 1 January 2007 to 30 June 2007 or for the quarter ended 30 June 2007.

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H-REIT AND ITS SUBSIDIARIES FOR THE SECOND QUARTER ENDED 30 JUNE 2008

SUMMARY OF CONSOLIDATED STATEMENT OF TOTAL RETURN OF CDL HOSPITALITY
TRUSTS

	Actual 1 Apr 2008 to 30 Jun 2008 ^(a) S\$'000	Actual 1 Apr 2007 to 30 Jun 2007 ^(a) S\$'000	Increase/ (Decrease) %	Actual 1 Jan 2008 to 30 Jun 2008 ^(a) S\$'000	Actual 1 Jan 2007 to 30 Jun 2007 ^(a) S\$'000	Increase/ (Decrease) %
Gross revenue	29,535	20,745	42.4	57,429	38,724	48.3
Net property income	27,707	19,547	41.7	53,782	36,288	48.2
Net income before revaluation	20,334	17,999	13.0	39,248	29,309	33.9
Income available for distribution to holders of Stapled Securities	25,022	14,832	68.7	48,584	27,138	79.0
Income available for distribution per Stapled Security (cents)						
For the period	3.03	2.11	43.6	5.89	3.86	52.6
Annualised	12.19	8.46	44.1	11.84	7.78	52.2
Annualised distribution yield (%), based on the						
Initial public offer price of S\$0.83	14.69%	10.19%	44.2%	14.27%	9.37%	52.3%
Closing market price of S\$1.45 as at 29 th July 2008	8.41%	5.83%	44.3%	8.17%	5.37%	52.1%

Footnote

- (a) *The actual results for the second quarter ended 30 June 2008 and six months ended 30 June 2008 include contributions from Novotel Clarke Quay. The actual results for the corresponding quarter and same period last year are not comparable to the current financial period as Novotel Clarke Quay was only acquired on 7 June 2007.*

CDL HOSPITALITY TRUSTS
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UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS AND H-REIT AND ITS SUBSIDIARIES FOR THE SECOND QUARTER ENDED 30 JUNE 2008

1 (a) Statements of Total Return for CDL Hospitality Trusts and H-REIT Group together with a comparative statement for the corresponding period of the immediately preceding financial year

		H-REIT Group					
<u>Statements of Total Return</u>	Footnotes	Actual 1 Apr 2008 to 30 Jun 2008 ^(a) S\$'000	Actual 1 Apr 2007 to 30 Jun 2007 ^(a) S\$'000	Increase/ (Decrease) %	Actual 1 Jan 2008 to 30 Jun 2008 ^(a) S\$'000	Actual 1 Jan 2007 to 30 Jun 2007 ^(a) S\$'000	Increase/ (Decrease) %
Gross revenue	(b)	29,535	20,745	42.4	57,429	38,724	48.3
Property tax	(c)	(1,249)	(648)	92.7	(2,498)	(1,273)	96.2
Insurance		(239)	(257)	(7.0)	(479)	(574)	(16.6)
Other property expenses	(d)	(340)	(293)	16.0	(670)	(589)	13.8
Net property income		27,707	19,547	41.7	53,782	36,288	48.2
H-REIT Manager's fees		(2,410)	(1,729)	39.4	(4,740)	(3,254)	45.7
H-REIT Trustee's fees		(51)	(43)	18.6	(103)	(83)	24.1
Other trust expenses	(e)	(690)	(337)	N.M	(1,073)	(578)	85.6
Finance income		4,625	5,226	(11.5)	3,567	5,963	(40.2)
Finance costs		(8,847)	(4,665)	89.6	(12,185)	(9,027)	35.0
Net finance (costs)/ income	(f)	(4,222)	561	N.M	(8,618)	(3,064)	N.M
Net income before revaluation		20,334	17,999	13.0	39,248	29,309	33.9
Net surplus on revaluation of investment properties		-	998	N.M	-	998	N.M
Net income	(g)	20,334	18,997	7.0	39,248	30,307	29.5
Income tax expense	(h)	-	-	-	-	-	-
Total return for the period		20,334	18,997	7.0	39,248	30,307	29.5

		CDL Hospitality Trusts					
<u>Statements of Total Return</u>	Footnotes	Actual 1 Apr 2008 to 30 Jun 2008 ^(a) S\$'000	Actual 1 Apr 2007 to 30 Jun 2007 ^(a) S\$'000	Increase/ (Decrease) %	Actual 1 Jan 2008 to 30 Jun 2008 ^(a) S\$'000	Actual 1 Jan 2007 to 30 Jun 2007 ^(a) S\$'000	Increase/ (Decrease) %
Gross revenue	(b)	29,535	20,745	42.4	57,429	38,724	48.3
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Insurance		(239)	(257)	(7.0)	(479)	(574)	(16.6)
Other property expenses	(d)	(340)	(293)	16.0	(670)	(589)	13.8
Net property income		27,707	19,547	41.7	53,782	36,288	48.2
H-REIT Manager's fees		(2,410)	(1,729)	39.4	(4,740)	(3,254)	45.7
H-REIT Trustee's fees		(51)	(43)	18.6	(103)	(83)	24.1
Other trust expenses	(e)	(690)	(338)	N.M	(1,075)	(581)	85.0
Finance income		4,625	5,227	(11.5)	3,569	5,966	(40.2)
Finance costs		(8,847)	(4,665)	89.6	(12,185)	(9,027)	35.0
Net finance (costs)/ income	(f)	(4,222)	562	N.M	(8,616)	(3,061)	N.M
Net income before revaluation		20,334	17,999	13.0	39,248	29,309	33.9
Net surplus on revaluation of investment properties		-	998	N.M	-	998	N.M
Net income	(g)	20,334	18,997	7.0	39,248	30,307	29.5
Income tax expense	(h)	-	-	-	-	-	-
Total return for the period		20,334	18,997	7.0	39,248	30,307	29.5

CDL HOSPITALITY TRUSTS
CDL HOSPITALITY REAL ESTATE INVESTMENT TRUST AND ITS SUBSIDIARIES (“H-REIT Group”)
CDL HOSPITALITY BUSINESS TRUST (“HBT”)

UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS AND H-REIT AND ITS SUBSIDIARIES FOR THE SECOND QUARTER ENDED 30 JUNE 2008

Footnotes

N.M – Not Meaningful

- (a) *The actual results for the second quarter ended 30 June 2008 and six months ended 30 June 2008 include contributions from Novotel Clarke Quay. The actual results for the corresponding quarter and same period last year are not comparable to the current financial period as Novotel Clarke Quay was only acquired on 7 June 2007.*
- (b) *Gross revenue comprises rental income from H-REIT’s investment properties as follows:*

H-REIT Group and CDL Hospitality Trusts						
	Actual 1 Apr 2008 to 30 Jun 2008 ^(a) S\$’000	Actual 1 Apr 2007 to 30 Jun 2007 ^(a) S\$’000	Increase/ (Decrease) %	Actual 1 Jan 2008 to 30 Jun 2008 ^(a) S\$’000	Actual 1 Jan 2007 to 30 Jun 2007 ^(a) S\$’000	Increase/ (Decrease) %
Orchard Hotel	7,129	5,852	21.8	14,313	11,404	25.5
Grand Copthorne Waterfront Hotel	5,985	4,680	27.9	11,466	8,892	28.9
M Hotel	4,174	3,303	26.4	8,178	6,321	29.4
Copthorne King’s Hotel	2,803	2,298	22.0	5,611	4,391	27.8
Orchard Hotel Shopping Arcade	1,060	925	14.6	2,093	1,815	15.3
Rendezvous Hotel Auckland	2,624	2,334	12.4	4,925	4,548	8.3
Novotel Clarke Quay	5,760	1,353	N.M	10,843	1,353	N.M
	29,535	20,745	42.4 ^(a)	57,429	38,724	48.3 ^(a)

- (c) *Property tax expense has increased due to changes to the property tax regime that applies to all hotels licensed under the Hotel Act (Cap 127). With effect from 1 January 2008, the annual value of hotel rooms is assessed on 20% (previously 15%) of gross room receipts in the preceding year, while that of the other lettable areas (including Food and Beverage areas) in the hotels is assessed based on estimated market rent. Under Singapore law, property tax is levied at 10% on the annual value of a hotel.*
- (d) *Other property expenses comprise mainly direct operating expenses of the Orchard Hotel Shopping Arcade.*
- (e) *Other trust expenses comprise mainly professional fees and administrative costs.*

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(f) *Net finance (costs)/ income comprise the following:*

H-REIT Group						
	Actual 1 Apr 2008 to 30 Jun 2008 ^(a) S\$'000	Actual 1 Apr 2007 to 30 Jun 2007 ^(a) S\$'000	Increase/ (Decrease) %	Actual 1 Jan 2008 to 30 Jun 2008 ^(a) S\$'000	Actual 1 Jan 2007 to 30 Jun 2007 ^(a) S\$'000	Increase/ (Decrease) %
Exchange gain ⁽ⁱ⁾	-	5,147	N.M	-	5,733	N.M
Interest income received / receivable from banks	36	79	(54.4)	90	230	(60.9)
Gain from remeasurement of financial derivatives ⁽ⁱⁱ⁾	4,589	-	N.M	3,477	-	N.M
Finance income	4,625	5,226	(11.5)	3,567	5,963	(40.2)
Exchange loss ⁽ⁱ⁾	(6,412)	-	N.M	(7,185)	-	N.M
Interest paid/ payable to banks ⁽ⁱⁱⁱ⁾	(2,339)	(4,571)	(48.8)	(4,808)	(8,839)	(45.6)
Amortisation of transaction costs capitalized	(57)	(57)	-	(114)	(114)	-
Financial expense arising from remeasuring non-current rental deposits at amortised cost	(39)	(37)	5.4	(78)	(74)	5.4
Finance costs	(8,847)	(4,665)	89.6	(12,185)	(9,027)	35.0
Net finance (costs)/ income	(4,222)	561	N.M	(8,618)	(3,064)	N.M

CDL Hospitality Trusts						
	Actual 1 Apr 2008 to 30 Jun 2008 ^(a) S\$'000	Actual 1 Apr 2007 to 30 Jun 2007 ^(a) S\$'000	Increase/ (Decrease) %	Actual 1 Jan 2008 to 30 Jun 2008 ^(a) S\$'000	Actual 1 Jan 2007 to 30 Jun 2007 ^(a) S\$'000	Increase/ (Decrease) %
Exchange gain ⁽ⁱ⁾	-	5,147	N.M	-	5,733	N.M
Interest income received / receivable from banks	36	80	(55.0)	92	233	(60.5)
Gain from remeasurement of financial derivatives ⁽ⁱⁱ⁾	4,589	-	N.M	3,477	-	N.M
Finance income	4,625	5,227	(11.5)	3,569	5,966	(40.2)
Exchange loss ⁽ⁱ⁾	(6,412)	-	N.M	(7,185)	-	N.M
Interest paid/ payable to banks ⁽ⁱⁱⁱ⁾	(2,339)	(4,571)	(48.8)	(4,808)	(8,839)	(45.6)
Amortisation of transaction costs capitalized	(57)	(57)	-	(114)	(114)	-
Financial expense arising from remeasuring non-current rental deposits at amortised cost	(39)	(37)	5.4	(78)	(74)	5.4
Finance costs	(8,847)	(4,665)	89.6	(12,185)	(9,027)	35.0
Net finance (costs)/ income	(4,222)	562	N.M	(8,616)	(3,061)	N.M

- (i) The foreign currency exchange loss recognized in the second quarter ended 30 June 2008 and six months ended 30 June 2008 was mainly due to unrealized revaluation loss on a foreign currency loan, denominated in New Zealand Dollar, extended to a subsidiary. The loss arose as a result of the depreciation of New Zealand Dollar against Singapore Dollar. In the previous corresponding period last year, there was an unrealized revaluation gain on the same loan as a result of the appreciation of New Zealand Dollar against Singapore Dollar. The unrealized revaluation gains/ losses has no impact on the distribution of CDL Hospitality Trusts.
- (ii) This represents a net gain in fair value of an interest rate swap which was entered into in the first quarter of 2008. Under Financial Reporting Standard 39 *Financial Instruments: Recognition and Measurement*, any change in the fair value of this interest rate swap has to be taken to the Statement of Total Return as it does not qualify for hedge accounting. The interest rate swap is not used for trading purposes and the unrealized gain has no impact on the distribution of CDL Hospitality Trusts.
- (iii) The decrease in interest paid/ payable to banks in the second quarter ended 30 June 2008 and six months ended 30 June 2008 was mainly due to lower funding costs and lower bank borrowings. As at 30 June 2008, total borrowings was S\$279.9 million against S\$590.0 million as at 30 June 2007.

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(g) *Net income of CDL Hospitality Trusts is contributed by:*

	CDL Hospitality Trusts			
	Actual 1 Apr 2008 to 30 Jun 2008 ^(a) S\$'000	Actual 1 Apr 2007 to 30 Jun 2007 ^(a) S\$'000	Actual 1 Jan 2008 to 30 Jun 2008 ^(a) S\$'000	Actual 1 Jan 2007 to 30 Jun 2007 ^(a) S\$'000
H-REIT	20,648	19,289	40,106	30,769
Other H-REIT group entities	(314)	(292)	(858)	(462)
	20,334	18,997	39,248	30,307

(h) *No income tax provisions are made as the distributable income to holders of Stapled Securities is based on 100% of taxable income available for distribution to holders of Stapled Securities.*

(i) *Distribution Statements⁽ⁱ⁾*

	H-REIT Group and CDL Hospitality Trusts			
	Actual 1 Apr 2008 to 30 Jun 2008 ^(a) S\$'000	Actual 1 Jan 2008 to 30 Jun 2008 ^(a) S\$'000	Actual 1 Apr 2007 to 30 Jun 2007 ^(a) S\$'000	Actual 1 Jan 2007 to 30 Jun 2007 ^(a) S\$'000
Net income of H-REIT	20,648	40,106	19,289	30,769
Add / (Less): Non tax deductible / (tax chargeable) items:				
- Amortisation of transaction costs	57	114	57	114
- Net surplus on revaluation of investment properties	-	-	(998)	(998)
- Financial expense arising from remeasuring non-current rental deposits at amortised cost	39	78	37	74
- Foreign exchange loss/ (gain)	6,342	7,102	(5,168)	(5,745)
- Gain from remeasurement of financial derivatives	(4,589)	(3,477)	-	-
- H-REIT Manager's fees paid / payable in Stapled Securities	1,928	3,792	1,383	2,603
- Other items	597	869	232	321
Income available for distribution to holders of Stapled Securities	25,022	48,584	14,832	27,138
Comprising :				
- Taxable income	22,859	44,303	13,936	25,535
- Tax exempt income	2,163	4,281	896	1,603
Total distribution to holders of Stapled Securities ⁽ⁱⁱ⁾	25,022	48,584	14,832	27,138

(i) The distribution of CDL Hospitality Trusts represents the aggregate of distributions by H-REIT and HBT. The distribution of CDL Hospitality Trusts for the period is contributed solely by H-REIT as HBT was dormant during the period. Accordingly, only the income available for distribution of H-REIT has been presented.

(ii) The total distribution to holders of Stapled Securities for the period from 1 January 2008 to 30 June 2008 is based on 100% of the income available for distribution to holders of Stapled Securities.

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1 (b)(i) Balance sheets together with a comparative statement at the end of the immediately preceding financial year

	Footnotes	H-REIT Group		CDL Hospitality Trusts ^(a)	
		Actual 30 Jun 2008 S\$'000	Actual 31 Dec 2007 S\$'000	Actual 30 Jun 2008 S\$'000	Actual 31 Dec 2007 S\$'000
Balance Sheets					
ASSETS					
Non-current assets					
Investment properties		1,625,605	1,628,809	1,625,605	1,628,809
Rental deposit		76	76	76	76
Total non-current assets		1,625,681	1,628,885	1,625,681	1,628,885
Current assets					
Trade and other receivables	(b)	18,259	14,750	18,259	14,750
Cash and cash equivalents		9,660	13,273	10,047	13,661
Total current assets		27,919	28,023	28,306	28,411
Total assets		1,653,600	1,656,908	1,653,987	1,657,296
Equity					
Units in issue of HBT		-	-	500	500
Issue expenses of HBT		-	-	(121)	(121)
Total equity	(c)	-	-	379	379
LIABILITIES					
Non-current liabilities					
Financial liabilities	(d)	255,762	259,648	255,762	259,648
Rental deposits	(e)	4,297	4,219	4,297	4,219
Net assets attributable to holders of H-REIT units	(f)	1,330,269	1,325,476	1,330,269	1,325,476
		1,590,328	1,589,343	1,590,328	1,589,343
Current liabilities					
Trade and other payables	(g)	20,540	17,030	20,548	17,039
Financial liabilities	(d)	23,932	31,735	23,932	31,735
Provision for taxation	(h)	18,800	18,800	18,800	18,800
		63,272	67,565	63,280	67,574
Total liabilities		1,653,600	1,656,908	1,653,608	1,656,917
Total equity and liabilities		1,653,600	1,656,908	1,653,987	1,657,296
Unitholders' funds					
<i>Represented by</i>					
Net assets attributable to holders of H-REIT units				Actual 30 Jun 2008 S\$'000	Actual 31 Dec 2007 S\$'000
Equity of HBT					
				1,330,269	1,325,476
				379	379
				1,330,648	1,325,855

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Footnotes

- (a) *The balance sheet of CDL Hospitality Trusts comprises the balance sheets of H-REIT Group and HBT. No separate balance sheet of HBT has been presented as its net assets as at 30 June 2008 are approximately S\$379,000 (31 December 2007: S\$379,000).*
- (b) *Trade and other receivables include derivative assets of approximately S\$3,076,000 (31 December 2007: derivative liability of S\$81,000) which relate to the fair value of two consecutive interest rate swaps of notional amount of S\$220 million each.*
- (c) *Total equity comprises only the equity of HBT. The units in H-REIT are accounted for as a financial liability under Financial Reporting Standard 32 “Financial Instruments: Disclosure and Presentation”. Accordingly, the net assets attributable to holders of H-REIT units are included as part of non-current liabilities in the balance sheets.*
- (d) *Financial liabilities comprise borrowings of S\$279,694,000 (31 December 2007: S\$291,302,000). The borrowings are stated at amortised cost.*
- (e) *Rental deposits relate to rental deposits collected from the Master Lessees, stated at amortised cost.*
- (f) *The movements in net assets attributable to holders of H-REIT units are set out in section 1 (d).*
- (g) *Trade and other payables relates mainly to the loan interest payable, rental deposits of Orchard Hotel Shopping Arcade and accrual for property tax.*
- (h) *Provision for taxation relates to approximately S\$18.8 million to cover the potential tax liability on the capital gain arising upon the transfer of Novotel Clarke Quay to H-REIT on 7 June 2007.*

CDL HOSPITALITY TRUSTS
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CDL HOSPITALITY BUSINESS TRUST (“HBT”)

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1 (b)(ii) Aggregate amount of group’s borrowings and debt securities^(a)

		H-REIT Group and CDL Hospitality Trusts	
		Actual 30 Jun 2008	Actual 31 Dec 2007
		S\$'000	S\$'000
Secured borrowings			
Amount repayable after one year		256,000	260,000
	(i)	256,000	260,000
Unsecured borrowings			
Amount repayable within one year		23,932	31,654
	(ii)	23,932	31,654
Total borrowings		279,932	291,654

Footnotes

(a) Relates to borrowings from term loan and revolving credit facilities.

i. Secured borrowings

Details of borrowings and collateral

H-REIT was granted a S\$220.0 million secured term loan facility and a S\$70.0 million revolving credit facility by DBS Bank Limited and The Royal Bank of Scotland plc for a 3-year term (the “Facilities”) at a floating interest rate of the Singapore 3-month swap offer rate plus a margin of 0.24% per annum.

The Facilities are secured on the following:

- A first legal mortgage on the Singapore investment properties (except for Novotel Clarke Quay);
- Debenture over all present and future assets (including without limitation on all furniture, fixtures, fittings, equipment and inventory) in the investment properties which are owned or acquired by H-REIT but not including the operating bank accounts of the Singapore hotels (except for Novotel Clarke Quay);
- An assignment of H-REIT’s rights, title and interests in the present and future sale and purchase agreements, leases and tenancy agreements in connection with the Singapore investment properties (except for Novotel Clarke Quay);
- An assignment of H-REIT’s rights, title and interests in the lease agreement in respect of Waterfront Conference Centre, which is leased by H-REIT from City Developments Limited and sub-leased to Republic Hotels & Resorts Limited;
- An assignment of insurance policies (other than with respect to public liability) effected over the Singapore investment properties (except for Novotel Clarke Quay); and
- Assignment of the escrow account to be opened with the financial institutions granting the Facilities for the purposes of depositing all rental and sale proceeds in relation to the Singapore investment properties (except for Novotel Clarke Quay).

ii. Unsecured borrowings

H-REIT has in place the following uncommitted unsecured facilities to fund acquisitions, capital expenditure and working capital requirements:

- a S\$300.0 million multi-currency unsecured bridging loan facility (the “DBS Bank Bridging Loan Facility”) with DBS Bank Limited. The DBS Bank Bridging Loan Facility can be drawn down in multiple tranches and each tranche is to be repaid within a maximum period of one year from each drawn down date; and
- a S\$250.0 million multi-currency unsecured revolving credit facility with Citibank, N.A., Singapore Branch.

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1 (c)(i) Cash flow statements of H-REIT Group

		H-REIT Group			
Footnotes		Actual 1 Apr 2008 to 30 Jun 2008 S\$'000	Actual 1 Jan 2008 to 30 Jun 2008 S\$'000	Actual 1 Apr 2007 to 30 Jun 2007 S\$'000	Actual 1 Jan 2007 to 30 Jun 2007 S\$'000
Operating activities					
	Net income	20,334	39,248	18,997	30,307
	Adjustments for:				
	H-REIT Manager's fee paid / payable in Stapled Securities (a)	1,928	3,792	1,383	2,603
	Net finance costs/ (income)	4,222	8,618	(561)	3,064
	Impairment losses on trade receivables	3	3	(9)	(13)
	Net surplus on revaluation of investment properties	-	-	(998)	(998)
	Operating income before working capital changes	26,487	51,661	18,812	34,963
	Changes in working capital:				
	Trade and other receivables	1,665	(492)	(3,986)	(3,820)
	Trade and other payables	546	1,244	7,094	6,829
	Cash generated from operating activities	28,698	52,413	21,920	37,972
Investing activities					
	Net cash outflow on purchase of investment properties (b)	-	-	(197,877)	(197,877)
	Capital expenditure on investment properties	(1,773)	(2,648)	(30)	(66)
	Interest received	36	88	116	266
	Cash flows from investing activities	(1,737)	(2,560)	(197,791)	(197,677)
Financing activities					
	Proceeds from borrowings (b)	-	25,500	197,390	203,390
	Repayment of interest bearing loans	(22,698)	(35,648)	(6,000)	(6,000)
	Finance costs paid	(2,445)	(5,330)	(4,575)	(8,952)
	Distribution to holders of Stapled Securities (c)	-	(37,988)	-	(20,239)
	Cash flows from financing activities	(25,143)	(53,466)	186,815	168,199
	Net increase/ (decrease) in cash and cash equivalents	1,818	(3,613)	10,944	8,494
	Cash and cash equivalents at beginning of the period	7,842	13,273	6,227	8,677
	Cash and cash equivalents at end of the period	9,660	9,660	17,171	17,171

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1 (c)(ii) Cash flow statements of CDL Hospitality Trusts

		CDL Hospitality Trusts			
	Footnotes	Actual 1 Apr 2008 to 30 Jun 2008 S\$'000	Actual 1 Jan 2008 to 30 Jun 2008 S\$'000	Actual 1 Apr 2007 to 30 Jun 2007 S\$'000	Actual 1 Jan 2007 to 30 Jun 2007 S\$'000
Operating activities					
Net income		20,334	39,248	18,997	30,307
Adjustments for:					
H-REIT Manager's fee paid / payable in Stapled Securities	(a)	1,928	3,792	1,383	2,603
Net finance costs/ (income)		4,222	8,616	(562)	3,061
Impairment losses on trade receivables		3	3	(9)	(13)
Net surplus on revaluation of investment properties		-	-	(998)	(998)
Operating income before working capital changes		26,487	51,659	18,811	34,960
Changes in working capital:					
Trade and other receivables		1,664	(493)	(4,107)	(3,941)
Trade and other payables		544	1,244	7,090	6,827
Cash generated from operating activities		28,695	52,410	21,794	37,846
Investing activities					
Net cash outflow on purchase of investment properties	(b)	-	-	(197,877)	(197,877)
Capital expenditure on investment properties		(1,773)	(2,648)	(30)	(66)
Interest received		37	90	118	270
Cash flows from investing activities		(1,736)	(2,558)	(197,789)	(197,673)
Financing activities					
Proceeds from borrowings	(b)	-	25,500	197,390	203,390
Repayment of interest bearing loans		(22,698)	(35,648)	(6,000)	(6,000)
Finance costs paid		(2,445)	(5,330)	(4,575)	(8,952)
Distribution to holders of Stapled Securities	(c)	-	(37,988)	-	(20,239)
Cash flows from financing activities		(25,143)	(53,466)	186,815	168,199
Net increase/ (decrease) in cash and cash equivalents		1,816	(3,614)	10,820	8,372
Cash and cash equivalents at beginning of the period		8,231	13,661	6,735	9,183
Cash and cash equivalents at end of the period		10,047	10,047	17,555	17,555

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Footnotes

(a) *Significant non-cash transactions*

Quarter ended 30 June 2008

1,115,881 (Quarter ended 30 June 2007: 566,776) Stapled Securities amounting to S\$1,928,000 (Quarter ended 30 June 2007: S\$1,383,000) will be issued to the H-REIT Manager as satisfaction of asset management fees payable in units in respect of the quarter ended 30 June 2008 on 30 July 2008.

Period from 1 January 2008 to 30 June 2008

2,058,141 (six months ended 30 June 2007: 1,184,829) Stapled Securities amounting to S\$3,792,000 (six months ended 30 June 2007: S\$2,603,000) were issued or will be issued to the H-REIT Manager as satisfaction of asset management fees payable in units in respect of the period from 1 January to 30 June 2008.

(b) *Funds were drawn down to finance the acquisition of Novotel Clarke Quay on 7 June 2007.*

(c) *This relates to the distribution of S\$38 million made in respect of the period from 19 July 2007 to 31 December 2007 and S\$20 million for the period ended 31 December 2006 which were paid on 29 February 2008 and 28 February 2007 respectively.*

1 (d)(i) Statement of movements in unitholders’ funds for the period from 1 April 2008 to 30 June 2008

		Net Assets Attributable to Holders of H-REIT units					Stapled Group
	Footnotes	Units in issue	Issue Expenses	Hedging Reserve	Foreign Currency Translation Reserve	Accumulated Profits	Total
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 April 2008		887,305	(20,686)	(2,367)	(2)	442,588	1,306,838
Operations							
Increase in net assets attributable to unitholders resulting from operations		-	-	-	-	20,334	20,334
Hedging transaction	(a)	-	-	1,116	-	-	1,116
Translation differences relating to financial statements of foreign subsidiaries		-	-	-	53	-	53
Unitholders’ transactions							
(i) Stapled Securities to be issued as payment of H-REIT Manager’s management fees	(c)	1,928	-	-	-	-	1,928
Increase in net assets attributable to unitholders resulting from unitholders’ transactions		1,928	-	-	-	-	1,928
Balance as at 30 June 2008		889,233	(20,686)	(1,251)	51	462,922	1,330,269

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1 (d)(ii) Statement of movements in unitholders’ funds for the period from 1 January 2008 to 30 June 2008

		Net Assets Attributable to Holders of H-REIT units					Stapled Group
	Footnotes	Units in issue	Issue Expenses	Hedging Reserve	Foreign Currency Translation Reserve	Accumulated Profits	Total
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 January 2008		885,441	(20,686)	(932)	(9)	461,662	1,325,476
Operations							
Increase in net assets attributable to unitholders resulting from operations		-	-	-	-	39,248	39,248
Hedging transaction	(a)	-	-	(319)	-	-	(319)
Translation differences relating to financial statements of foreign subsidiaries		-	-	-	60	-	60
Unitholders’ transactions							
(i) Distribution to holders of Stapled Securities	(b)	-	-	-	-	(37,988)	(37,988)
(ii) Stapled Securities to be issued as payment of H-REIT Manager’s management fees	(c)	3,792	-	-	-	-	3,792
Increase in net assets attributable to unitholders resulting from unitholders’ transactions		3,792	-	-	-	(37,988)	(34,196)
Balance as at 30 June 2008		889,233	(20,686)	(1,251)	51	462,922	1,330,269

Footnotes

- (a) *The hedging reserve relates to the effective portion of the change in fair value of the interest rate swap entered into to hedge the interest rate risk on S\$220 million of the Facilities, which will expire on 31 July 2009.*
- (b) *Distribution to holders of Stapled Securities relates to the distribution made in respect of the period from 19 July 2007 to 31 December 2007.*
- (c) *These represent the Stapled Securities issued and to be issued as partial satisfaction of the management fee incurred for the respective quarters. The Stapled Securities are issued within 30 days from quarter end.*

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1 (d)(iii) Statement of movements in unitholders’ funds for the period from 1 April 2007 to 30 June 2007

		Net Assets Attributable to Holders of H-REIT units					Stapled Group	
Footnotes	Units in issue	Issue Expenses	Hedging Reserve	Foreign Currency Translation Reserve	Accumulated Profits	Total	Total	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
	583,110	(16,681)	(1,625)	(6)	146,858	711,656	712,035	
Operations								
	-	-	-	-	18,997	18,997	18,997	
	-	-	(322)	-	-	(322)	(322)	
	-	-	-	(38)	-	(38)	(38)	
Unitholders’ transactions								
(i) Stapled Securities to be issued								
- as payment of H-REIT Manager’s management fees	(c) 1,383	-	-	-	-	1,383	1,383	
- as payment of H-REIT Manager’s acquisition fees	(d) 2,198	-	-	-	-	2,198	2,198	
Increase in net assets attributable to unitholders resulting from unitholders’ transactions	3,581	-	-	-	-	3,581	3,581	
Balance as at 30 June 2007	586,691	(16,681)	(1,947)	(44)	165,855	733,874	734,253	

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1 (d)(iv) Statement of movements in unitholders’ funds for the period from 1 January 2007 to 30 June 2007

		Net Assets Attributable to Holders of H-REIT units					Stapled Group	
Footnotes	Units in issue	Issue Expenses	Hedging Reserve	Foreign Currency Translation Reserve	Accumulated Profits	Total	Total	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
	Balance as at 1 January 2007	581,890	(16,677)	(942)	(4)	155,787	720,054	720,433
	Operations							
	Increase in net assets attributable to unitholders resulting from operations	-	-	-	-	30,307	30,307	30,307
	Hedging transaction	(a)	-	(1,005)	-	-	(1,005)	(1,005)
	Translation differences relating to financial statements of foreign subsidiaries		-	-	(40)	-	(40)	(40)
	Unitholders’ transactions							
	(i) Distribution to holders of Stapled Securities	(b)	-	-	-	(20,239)	(20,239)	(20,239)
	(ii) Issue expenses		-	(4)	-	-	(4)	(4)
	(iii) Stapled Securities to be issued - as payment of H-REIT Manager’s management fees	(c)	2,603	-	-	-	2,603	2,603
	- as payment of H-REIT Manager’s acquisition fees	(d)	2,198	-	-	-	2,198	2,198
	Increase in net assets attributable to unitholders resulting from unitholders’ transactions		4,801	(4)	-	(20,239)	(15,442)	(15,442)
	Balance as at 30 June 2007	586,691	(16,681)	(1,947)	(44)	165,855	733,874	734,253

Footnotes

- (a) Hedging reserve relates to the effective part of the change in fair value of the 1.5 year interest rate swap which was entered into on 13 July 2006 to hedge the interest rate risk on S\$260 million of the Facilities. The interest rate swap matured on 13 January 2008.
- (b) Distribution to holders of Stapled Securities relates to the distribution made in respect of the period ended 31 December 2006.
- (c) These represent the Stapled Securities issued and to be issued as partial satisfaction of the management fee incurred for the respective quarters. The Stapled Securities are issued within 30 days from quarter end.
- (d) This represents 1,003,377 Stapled Securities issued and to be issued as satisfaction of the acquisition fee paid to the H-REIT Manager for the purchase of Novotel Clarke Quay.

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1 (e) Details of any changes in the H-REIT units / Stapled Securities

Foot- notes	<-----H-REIT Group----->				<-----CDL Hospitality Trusts----->			
	Actual 1 Apr 2008 to 30 Jun 2008	Actual 1 Apr 2007 to 30 Jun 2007	Actual 1 Jan 2008 to 30 Jun 2008	Actual 1 Jan 2007 to 30 Jun 2007	Actual 1 Apr 2008 to 30 Jun 2008	Actual 1 Apr 2007 to 30 Jun 2007	Actual 1 Jan 2008 to 30 Jun 2008	Actual 1 Jan 2007 to 30 Jun 2007
Issued H-REIT units / Stapled Securities at the beginning of the period	824,046,096	700,324,601	823,271,875	699,611,419	824,046,096	700,324,601	823,271,875	699,611,419
Issue of new H-REIT units / Stapled Securities ^(a)								
- as payment of H-REIT Manager's management fees	942,260	618,053	1,716,481	1,331,235	942,260	618,053	1,716,481	1,331,235
- as payment of H-REIT Manager's acquisition fees	-	917,556	-	917,556	-	917,556	-	917,556
Issued H-REIT units / Stapled Securities at the end of the period	824,988,356	701,860,210	824,988,356	701,860,210	824,988,356	701,860,210	824,988,356	701,860,210
H-REIT units/ Stapled Securities to be issued:								
- as payment of H-REIT Manager's management fees (b)	1,115,881	566,776	1,115,881	566,776	1,115,881	566,776	1,115,881	566,776
- as payment of H-REIT Manager's acquisition fees (c)	85,821	85,821	85,821	85,821	85,821	85,821	85,821	85,821
Total issued and issuable H-REIT units / Stapled Securities at the end of the period	826,190,058	702,512,807	826,190,058	702,512,807	826,190,058	702,512,807	826,190,058	702,512,807

Footnotes

- (a) Each Stapled Security comprises one H-REIT unit and one HBT unit.
- (b) These represent the H-REIT units/ Stapled Securities to be issued as partial satisfaction of the management fee incurred for the respective quarters.
- (c) An additional 85,821 H-REIT units/ Stapled Securities will be issued to the H-REIT Manager if the potential tax liability for the transfer of Novotel Clarke Quay to H-REIT materialises.

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2 Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice

The figures have not been audited but have been extracted from financial information for the six months ended 30 June 2008 which has been reviewed by our auditors in accordance with Singapore Standard on Review Engagements SSRE 2410 “Review of Interim Financial Information Prepared by the Independent Auditor of the Entity”.

3 Where the figures have been audited or reviewed, the auditor’s report (including any qualifications or emphasis of matter)

Please see the attached review report.

4 Whether the same accounting principles and methods of computation as in the issuer’s most recent audited financial statements have been applied

The accounting policies and methods of computation adopted are consistent with those applied in the audited financial statements for the year ended 31 December 2007.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

There has been no change in the accounting policies and methods of computation adopted by the H-REIT Group and CDL Hospitality Trusts.

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6 Earnings per Stapled Security (“EPS”) and Income Available for Distribution per Stapled Security (“DPS”) for the financial period

	Actual 1 Apr 2008 to 30 Jun 2008	Actual 1 Apr 2007 to 30 Jun 2007	Actual 1 Jan 2008 to 30 Jun 2008	Actual 1 Jan 2007 to 30 Jun 2007
Weighted average number of Stapled Securities	825,086,439 ^(a)	701,048,117	824,614,355 ^(b)	700,688,357
Earnings per Stapled Security based on the weighted average number of Stapled Securities (cents)				
- basic and diluted	2.46	2.71	4.76	4.32
Distribution per Stapled Security for the period based on the total number of Stapled Securities entitled to the distribution (cents)				
- Taxable income	2.77	1.98	5.37	3.63
- Tax exempt income	0.26	0.13	0.52	0.23
	3.03 ^(c)	2.11	5.89	3.86

Footnotes

- (a) *The weighted average number of Stapled Securities used for computation of EPS for the quarter ended 30 June 2008 is 825,086,439. This comprises:*
- (i) *The weighted average number of Stapled Securities in issue as at 30 June 2008 of 824,988,356;*
 - (ii) *Weighted average number of Stapled Securities to be issued to the H-REIT Manager as partial satisfaction of the acquisition fee payable in units in respect of the acquisition of Novotel Clarke Quay of 85,821; and*
 - (iii) *Weighted average number of Stapled Securities to be issued to the H-REIT Manager as satisfaction of management fee payable in units for the quarter ended 30 June 2008 of 12,262.*
- (b) *The weighted average number of Stapled Securities used for computation of EPS for the period from 1 January 2008 to 30 June 2008 is 824,614,355. This comprises:*
- (i) *The weighted average number of Stapled Securities in issue as at 30 June 2008 of 824,522,403;*
 - (ii) *Weighted average number of Stapled Securities to be issued to the H-REIT Manager as partial satisfaction of the acquisition fee payable in units in respect of the acquisition of Novotel Clarke Quay of 85,821; and*
 - (iii) *Weighted average number of Stapled Securities to be issued to the H-REIT Manager as satisfaction of management fee payable in units for the quarter ended 30 June 2008 of 6,131.*
- (c) *The computation of actual DPS for the quarter ended 30 June 2008 is based on the number of Stapled Securities entitled to distribution of 826,104,237. This comprises:*
- (i) *The number of Stapled Securities in issue as at 30 June 2008 of 824,988,356; and*
 - (ii) *The Stapled Securities to be issued to the H-REIT Manager as satisfaction of management fee payable in units for the quarter ended 30 June 2008 of 1,115,881.*

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7 Net asset value (“NAV”) per Stapled Security / H-REIT unit based on issued and issuable Stapled Securities / H-REIT units at the end of the period

	H-REIT Group		CDL Hospitality Trusts	
	Actual 30 Jun 2008	Actual 31 Dec 2007	Actual 30 Jun 2008	Actual 31 Dec 2007
	S\$	S\$	S\$	S\$
Net asset value per H-REIT unit/ Stapled Security	1.61	1.61	1.61	1.61

Footnotes

- (a) *The actual net asset value per H-REIT unit is computed based on:*
- *Net assets attributable to holders of H-REIT units as at 30 June 2008 of S\$1,330,269,000; and*
 - *The number of issued and issuable H-REIT units of 826,190,058 (see paragraph 1(e) for details).*
- (b) *The actual net asset value per Stapled Security is computed based on:*
- *Unitholders’ funds of CDL Hospitality Trusts as at 30 June 2008 of S\$1,330,648,000; and*
 - *The number of issued and issuable Stapled Securities of 826,190,058 (see paragraph 1(e) for details).*
- (c) *Net asset value of HBT as at 30 June 2008 is S\$379,000 (31 December 2007: S\$379,000). The net asset value per HBT unit is 0.05 cents (31 December 2007: 0.05 cents). The number of HBT units used for computation of the actual net asset value per HBT unit is 826,190,058 (31 December 2007: 824,131,917) comprising:*
- *HBT units in issue as at 30 June 2008 of 824,988,356;*
 - *HBT units to be issued to the H-REIT Manager on 30 July 2008 as satisfaction of management fee payable in units for the quarter ended 30 June 2008 of 1,115,881; and*
 - *HBT units issuable to the H-REIT Manager as partial satisfaction of the acquisition fee payable in units in respect of the acquisition of Novotel Clarke Quay of 85,821.*

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CDL HOSPITALITY BUSINESS TRUST (“HBT”)

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8 Review of the performance for the quarter ended 30 June 2008

8 (i) Consolidated statement of total return of CDL Hospitality Trusts

Foot- notes	Actual 1 Apr 2008 to 30 Jun 2008 ^(a)	Actual 1 Apr 2007 to 30 Jun 2007 ^(a)	Increase/ (Decrease)	Actual 1 Jan 2008 to 30 Jun 2008 ^(a)	Actual 1 Jan 2007 to 30 Jun 2007 ^(a)	Increase/ (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
	29,535	20,745	42.4	57,429	38,724	48.3
	(1,249)	(648)	92.7	(2,498)	(1,273)	96.2
	(239)	(257)	(7.0)	(479)	(574)	(16.6)
	(340)	(293)	16.0	(670)	(589)	13.8
	27,707	19,547	41.7	53,782	36,288	48.2
	(2,410)	(1,729)	39.4	(4,740)	(3,254)	45.7
	(51)	(43)	18.6	(103)	(83)	24.1
	(690)	(338)	N.M	(1,075)	(581)	85.0
	4,625	5,227	(11.5)	3,569	5,966	(40.2)
	(8,847)	(4,665)	89.6	(12,185)	(9,027)	35.0
(b)	(4,222)	562	N.M	(8,616)	(3,061)	N.M
	20,334	17,999	13.0	39,248	29,309	33.9
	-	998	N.M	-	998	N.M
	20,334	18,997	7.0	39,248	30,307	29.5
	-	-	-	-	-	-
	20,334	18,997	7.0	39,248	30,307	29.5

Footnotes

(a) *The actual results for the second quarter ended 30 June 2008 and six months ended 30 June 2008 include contributions from Novotel Clarke Quay. The actual results for the corresponding quarter and same period last year are not comparable to the current financial period as Novotel Clarke Quay was only acquired on 7 June 2007.*

(b) *Please refer to footnote (f) under paragraph 1(a).*

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8 (ii) Breakdown of Total Gross Revenue by Property

	Actual 1 Apr 2008 to 30 Jun 2008 S\$'000	Actual 1 Apr 2007 to 30 Jun 2007 ^(a) S\$'000	Increase/ (Decrease) %	Actual 1 Jan 2008 to 30 Jun 2008 S\$'000	Actual 1 Jan 2007 to 30 Jun 2007 ^(a) S\$'000	Increase/ (Decrease) %
Orchard Hotel	7,129	5,852	21.8	14,313	11,404	25.5
Grand Copthorne Waterfront Hotel	5,985	4,680	27.9	11,466	8,892	28.9
M Hotel	4,174	3,303	26.4	8,178	6,321	29.4
Copthorne King's Hotel	2,803	2,298	22.0	5,611	4,391	27.8
Orchard Hotel Shopping Arcade	1,060	925	14.6	2,093	1,815	15.3
Rendezvous Hotel Auckland	2,624	2,334	12.4	4,925	4,548	8.3
Novotel Clarke Quay	5,760	1,353	N.M	10,843	1,353	N.M
Total	29,535	20,745	42.4^(a)	57,429	38,724	48.3^(a)

Footnote

(a) Includes Novotel Clarke Quay, which was only acquired on 7 June 2007.

Combined for the IPO Hotels (weighted average)^(a)

	Actual 1 Apr 2008 to 30 Jun 2008	Actual 1 Apr 2007 to 30 Jun 2007	Growth	Actual 1 Jan 2008 to 30 Jun 2008	Actual 1 Jan 2007 to 30 Jun 2007	Growth
Average Occupancy Rate	86.1%	84.9%	+1.2 pp	85.2%	84.4%	+0.8 pp
Average Daily Rate	\$260	\$203	28.1%	\$255	\$193	32.1%
Room Revenue per Available Room (RevPAR)	\$224	\$172	30.2%	\$218	\$163	33.7%

Combined for the Singapore Hotels (weighted average)^(b)

	Actual 1 Apr 2008 to 30 Jun 2008	Pro Forma 1 Apr 2007 to 30 Jun 2007 ^(c)	Growth	Actual 1 Jan 2008 to 30 Jun 2008	Pro Forma 1 Jan 2007 to 30 Jun 2007 ^(c)	Growth
Average Occupancy Rate	87.1%	86.0%	+1.1 pp	85.8%	85.3%	+0.5 pp
Average Daily Rate	\$255	\$197	29.4%	\$251	\$188	33.5%
Room Revenue per Available Room (RevPAR)	\$222	\$170	30.6%	\$215	\$160	34.4%

Footnotes

(a) IPO Hotels include Orchard Hotel, Grand Copthorne Waterfront Hotel, M Hotel and Copthorne King's Hotel.

(b) Singapore Hotels include the IPO Hotels and Novotel Clarke Quay.

(c) Assumes that Novotel Clarke Quay was acquired on 1 January 2007.

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8 (iii) Breakdown of Net Property Income by Property

	Actual 1 Apr 2008 to 30 Jun 2008 S\$'000	Actual 1 Apr 2007 to 30 Jun 2007 ^(a) S\$'000	Increase/ (Decrease) %	Actual 1 Jan 2008 to 30 Jun 2008 S\$'000	Actual 1 Jan 2007 to 30 Jun 2007 ^(a) S\$'000	Increase/ (Decrease) %
Orchard Hotel	6,693	5,555	20.5	13,440	10,780	24.7
Grand Copthorne Waterfront Hotel	5,685	4,458	27.5	10,867	8,421	29.0
M Hotel	3,874	3,126	23.9	7,579	5,949	27.4
Copthorne King's Hotel	2,535	2,091	21.2	5,073	3,962	28.0
Orchard Hotel Shopping Arcade	796	680	17.1	1,574	1,325	18.8
Rendezvous Hotel Auckland	2,624	2,334	12.4	4,925	4,548	8.3
Novotel Clarke Quay	5,500	1,303	N.M	10,324	1,303	N.M
Total	27,707	19,547	41.7^(a)	53,782	36,288	48.2^(a)

Footnote

(a) Includes Novotel Clarke Quay, which was only acquired on 7 June 2007.

8 (iv) Review of the Performance

Second Quarter ended 30 June 2008

Performance in 2Q 2008 was strong with gross revenues of S\$29.5 million and net property income of S\$27.7 million, which exceeded corresponding quarter last year by 42.4% and 41.7% respectively.

The income available for distribution of S\$25.0 million exceeded 2Q 2007 of S\$14.8 million by 68.7%. Distribution per unit for 2Q 2008 was 3.03 cents, which is 43.6% above the same period last year.

The original four hotels owned by H-REIT at its Initial Public Offering on 19 July 2006, being Orchard Hotel, Grand Copthorne Waterfront Hotel, M Hotel and Copthorne King's Hotel (the “**IPO Hotels**”) achieved a combined total Hotel revenue of S\$64.6 million, an improvement of 21.2% over the corresponding quarter last year of S\$53.3 million. Combined Gross Operating Profit for the IPO Hotels was S\$35.3 million as compared to 2Q 2007 of S\$26.8 million, an improvement of 31.7%. Including Novotel Clarke Quay which was acquired on 7 June 2007, the total Hotel revenue and Gross Operating Profit for 2Q 2008 was S\$75.8 million and S\$41.6 million respectively.

Statistics on the weighted average occupancy rate, daily rate and RevPAR for the IPO Hotels together with the Novotel Clarke Quay are set out below.

	IPO Hotels			All Singapore Hotels		
	Actual 1 Apr 2008 to 30 Jun 2008	Actual 1 Apr 2007 to 30 Jun 2007	Growth	Actual 1 Apr 2008 to 30 Jun 2008	Pro Forma 1 Apr 2007 to 30 Jun 2007 ^(a)	Growth
Average Occupancy Rate	86.1%	84.9%	+1.2 pp	87.1%	86.0%	+1.1 pp
Average Daily Rate	\$260	\$203	28.1%	\$255	\$197	29.4%
Room Revenue per Available Room (RevPAR)	\$224	\$172	30.2%	\$222	\$170	30.6%

Footnote

(a) Assumes that Novotel Clarke Quay was acquired on 1 April 2007.

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Net property income contributed by the Orchard Hotel Shopping Arcade was S\$0.8 million which exceeded 2Q 2007 by 17.1%. Occupancy increased from 92.0% in 2Q 2007 to 93.7% in 2Q 2008 with an average monthly rental rate of approximately S\$7.16 per sq. ft.

First Half ended 30 June 2008

Performance in 1H 2008 has been robust with gross revenues of S\$57.4 million and net property income of S\$53.8 million, which exceeded the corresponding period last year by 48.3% and 48.2% respectively. The strong operating performance was due to both organic growth across the portfolio, and a full period’s contribution from Novotel Clarke Quay.

The income available for distribution of \$48.6 million exceeded 1H 2007 of \$27.1 million by 79.0%. The annualized income available for distribution per Stapled Security of 11.84 cents exceeded 1H 2007 of 7.78 cents by 52.2%. Distribution per unit for 1H 2008 was 5.89 cents, which is 52.6% higher than the corresponding period last year.

The IPO Hotels achieved a combined total Hotel revenue of S\$128.1 million, an improvement of 23.9% over the corresponding period last year of S\$103.4 million. Combined Gross Operating Profit for the IPO Hotels was S\$68.6 million as compared to the corresponding period last year of S\$50.5 million, an improvement of 35.8%. Including Novotel Clarke Quay which was acquired on 7 June 2007, the total Hotel revenue and Gross Operating Profit for 1H 2008 was S\$149.4 million and S\$80.5 million respectively.

Statistics on the weighted average occupancy rate, daily rate and RevPAR for the IPO Hotels and the IPO Hotels together with the Novotel Clarke Quay are set out below:

	IPO Hotels			All Singapore Hotels		
	Actual 1 Jan 2008 to 30 Jun 2008	Actual 1 Jan 2007 to 30 Jun 2007	Growth	Actual 1 Jan 2008 to 30 Jun 2008	Pro Forma 1 Jan 2007 to 30 Jun 2007 ^(a)	Growth
Average Occupancy Rate	85.2%	84.4%	+0.8 pp	85.8%	85.3%	+0.5 pp
Average Daily Rate	\$255	\$193	32.1%	\$251	\$188	33.5%
Room Revenue per Available Room (RevPAR)	\$218	\$163	33.7%	\$215	\$160	34.4%

Footnote

(a) Assumes that Novotel Clarke Quay was acquired on 1 January 2007.

Net property income contributed by the Orchard Hotel Shopping Arcade was S\$1.6 million which exceeded 1H 2007 by 18.8%. Occupancy increased from 92.2% in 1H 2007 to 94.4% in 1H 2008 with an average monthly rental rate of approximately S\$7.02 per sq. ft.

9 Variance between the forecast or prospectus statement (if disclosed previously) and the actual results

Not applicable.

10 Commentary on the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

The Singapore tourism industry registered growth for the months of April and May 2008 with visitor arrivals of 1.65 million, representing a growth of 0.8% compared to the same period last year. However, June 2008 saw only 816,000 visitors which represented a 4.1% decline in visitor arrivals over June 2007. For the period January to June 2008, visitor arrivals were 5.1 million representing a growth of 2.9% over the same period last year.

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A total of 1,489 of new hotel room supply is expected in 2008. While we are cautious over the outlook for the remainder of 2008 due to the weakness demonstrated in visitor arrivals in the month of June, we still expect to register growth for the next reporting period. We believe that the general outlook for the hotel industry continues to be positive over the medium and long term.

11 Distributions

11 (a) Current financial period

Any distributions declared for the current financial period?	Yes
Name of distribution	Distribution for the period from 1 January 2008 to 30 June 2008
i. Distribution type	Taxable income
Distribution rate	5.37 cents per unit
Tax rate	<u>Taxable income distribution</u> Qualifying investors and individuals (other than those who held their units through a partnership) would generally receive pre-tax distributions. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession. Qualifying foreign non-individual investors received their distributions after deduction of tax at the rate of 10%. All other investors received their distributions after deduction of tax at the rate of 18%.
ii. Distribution type	Tax Exempt Income
Distribution rate	0.52 cents per unit
Tax rate	<u>Tax exempt income distribution</u> Distribution for the period from 1 January 2008 to 30 June 2008 These distributions are made of H-REIT’s tax exempt income. All unitholders are exempt from Singapore income tax on the distributions made by H-REIT out of its tax exempt income regardless of whether they are corporate unitholders or investors.

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11 (b) Corresponding period of the preceding financial period

Any distributions declared for the corresponding period of the immediately preceding financial period?	Yes
Name of distribution	Distribution for the period from 1 January 2007 to 30 June 2007
i. Distribution type	Taxable income
Distribution rate	3.63 cents per unit
Tax rate	<u>Taxable income distribution</u> Qualifying investors and individuals (other than those who hold their units through a partnership) will generally receive pre-tax distributions. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession. Qualifying foreign non-individual investors received their distributions after deduction of tax at the rate of 10%. All other investors will receive their distributions after deduction of tax at the rate of 18%.
ii. Distribution type	Tax Exempt income
Distribution rate	0.23 cents per unit Distribution for the period from 1 January 2007 to 30 June 2007
Tax rate	<u>Tax exempt income distribution</u> These distributions are made of H-REIT's tax exempt income. All unitholders are exempt from Singapore income tax on the distributions made by H-REIT out of its tax exempt income regardless of whether they are corporate unitholders or investors.

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11 (c) Book closure date

5.00 pm on 7 August 2008

11 (d) Date payable

29 August 2008

12 If no distribution has been declared / recommended, a statement to that effect

Not applicable

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13 CONFIRMATION PURSUANT TO RULE 705(4) OF THE LISTING MANUAL

We, on behalf of the directors of M&C REIT Management Limited (as Manager of CDL Hospitality Real Estate Investment Trust) (“**H-REIT Manager**”) and M&C Business Trust Management Limited (as Trustee-Manager of CDL Hospitality Business Trust) (“**HBT Trustee-Manager**”), hereby confirm that, to the best of our knowledge, nothing has come to the attention of the board of directors of H-REIT Manager and HBT Trustee-Manager which may render the unaudited financial results of CDL Hospitality Trusts for the quarter ended 30 June 2008 to be false or misleading in any material respect.

On behalf of the Board of Directors

WONG HONG REN
Chairman

YEO WEE ENG VINCENT
Chief Executive Officer

30 July 2008

**CDL HOSPITALITY TRUSTS
CDL HOSPITALITY REAL ESTATE INVESTMENT TRUST AND ITS SUBSIDIARIES (“H-REIT
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**UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS AND
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Disclaimer

This 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 other companies, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management on future events.

By Order of the Board

Enid Ling Peek Fong
Company Secretary
M&C REIT Management Limited
(Company Registration No. 200607091Z)
(as Manager of CDL Hospitality Real Estate Investment Trust)

30 July 2008

By Order of the Board

Enid Ling Peek Fong
Company Secretary
M&C Business Trust Management Limited
(Company Registration No. 200607118H)
(as Trustee-Manager of CDL Hospitality Business Trust)

30 July 2008



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The Board of Directors
M&C REIT Management Limited
(in its capacity as Manager of CDL Hospitality Real
Estate Investment Trust)
390 Havelock Road
#02-05 King's Centre
Singapore 169662

30 July 2008

Dear Sirs

CDL Hospitality Real Estate Investment Trust Group and CDL Hospitality Trusts Review of Interim Financial Information

Introduction

We have reviewed the accompanying consolidated balance sheets and portfolio statements of CDL Hospitality Real Estate Investment Trust ("H-REIT") and its subsidiaries (the "H-REIT Group") and CDL Hospitality Trusts as at 30 June 2008, and the related consolidated statements of total return, distribution statements, statements of movements in unitholders' funds and cash flow statements for the six-month period then ended and certain explanatory notes (the Interim Financial Information). CDL Hospitality Trusts comprises the H-REIT Group and CDL Hospitality Business Trust.

The management of M&C REIT Management Limited (the "Manager" of H-REIT) is responsible for the preparation and presentation of this Interim Financial Information in accordance with the provisions of the Statement of Recommended Accounting Practice ("RAP") 7 *Reporting Framework for Unit Trusts* relevant to interim financial information. Our responsibility is to express a conclusion on this Interim Financial Information based on our review.



Scope of review

We conducted our review in accordance with Singapore Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Interim Financial Information is not presented fairly, in all material respects, in accordance with the provisions of RAP 7 *Reporting Framework for Unit Trusts* relevant to interim financial information, issued by the Institute of Certified Public Accountants of Singapore.

Restriction on use

Our report is provided on the basis that it is solely for the information of the directors of the Manager and for the inclusion of our report in CDL Hospitality Trusts' interim announcement to the holders of Stapled Securities and should not be quoted or referred to, in whole or in part, without our prior written permission, for any other purposes. We do not assume any responsibility or liability for losses occasioned to the directors of the Manager, H-REIT or any other parties as a result of the circulation, publication, reproduction or use of the report contrary to the provisions of this paragraph.

Yours faithfully

KPMG

KPMG
*Public Accountants and
Certified Public Accountants*

Singapore