



CDL HOSPITALITY TRUSTS

A stapled group comprising:

CDL HOSPITALITY REAL ESTATE INVESTMENT TRUST

(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)

In relation to the initial public offering of Stapled Securities, comprising one unit in H-REIT and one unit in HBT, in CDL Hospitality Trusts, being a stapled group comprising H-REIT and HBT, the joint financial advisers, global coordinators and bookrunners were DBS Bank Ltd and BNP Paribas Peregrine (Singapore) Ltd, and the joint underwriters were DBS Bank Ltd and BNP Paribas (acting through its Singapore Branch).

CDL HOSPITALITY TRUSTS

UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS AND H-REIT for the period from 12 June 2006 (date of constitution) to 30 September 2006 and 8 June 2006 (date of constitution) to 30 September 2006 respectively

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 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 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 (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 MAS (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.

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 at 30 September 2006, the H-REIT’s portfolio comprises Orchard Hotel Singapore, Grand Copthorne Waterfront Hotel Singapore, M Hotel Singapore and Copthorne King’s Hotel Singapore (the “**Hotels**”, and each a “**Hotel**”), all of which are located in Singapore and marketed as “superior” hotels, with a total of over 1,900 rooms, as well as Orchard Hotel

Shopping Arcade, the shopping arcade adjoining Orchard Hotel (together with the Hotels, the "**Properties**"). Orchard Hotel Shopping Arcade is included in H-REIT's portfolio as it is complementary to the guest facilities at Orchard Hotel Singapore, providing shopping and leisure facilities to hotel guests. While the assets in H-REIT's portfolio are all located in Singapore, H-REIT's investment strategy envisages investments globally.

HBT is a business trust which is presently dormant. It 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). As disclosed in the prospectus dated 10 July 2006 (the "**Prospectus**"), H-REIT will distribute 100.0% of its taxable income, and tax-exempt income (if any) for the period from the Listing Date to 31 December 2007. Thereafter, H-REIT will distribute at least 90.0% of its taxable income and tax-exempt income (if any), with the actual level of distribution to be determined at the H-REIT Manager's discretion. 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. H-REIT's first distribution after the Listing date will be for the period from the Listing Date to 31 December 2006 and will be paid by the H-REIT Manager on or before 1 March 2007. Subsequent distributions will take place semi-annually.

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.

CDL Hospitality Trusts is presenting the first interim financial results for the period from 8 June 2006, being the date of constitution of H-REIT, and 12 June 2006, being the date of constitution of HBT, to 30 September 2006. The prior period comparatives are based on the pro forma financial information as stated in the Prospectus.

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

FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS AND H-REIT
for the period from 12 June 2006 (date of constitution) to 30 September 2006 and 8 June
2006 (date of constitution) to 30 September 2006 respectively

SUMMARY OF CONSOLIDATED INCOME STATEMENT OF CDL HOSPITALITY TRUSTS

	Actual	Forecast	Increase / (Decrease)	
	12 Jun 2006 to 30 Sept 2006 ^(a) S\$'000	19 Jul 2006 to 30 Sept 2006 ^(b) S\$'000	S\$'000	%
Gross revenue	11,260	10,946	314	2.9%
Net property income	10,330	10,054	276	2.7%
Net income	12,147	10,856	1,291	11.9%
Income available for distribution to holders of Stapled Securities	7,889	7,434	455	6.1%
Income available for distribution per Stapled Security (cents)				
For the period ^(c)	1.13	1.06	0.07	6.6%
Annualised	5.57	5.23	0.34	6.5%
Annualised distribution yield (%), based on the				
Initial public offer price of S\$0.83	6.71%	6.30%	0.4%	6.5%
Closing market price of S\$1.12 as at 27 October 2006	4.97%	4.67%	0.3%	6.4%

Footnotes

- (a) *Although H-REIT and CDL Hospitality Trusts were established on 8 June 2006 and 12 June 2006 respectively, the acquisition of properties was only completed on 19 July 2006 which was the official listing date. Consequently, the actual income derived from the properties for the current period was from 19 July 2006 to 30 September 2006. H-REIT was dormant during the private trust period from 8 June 2006 to 18 July 2006.*
- (b) *The forecast is based on management's forecast for the period from 1 July 2006 to 31 December 2006 shown in the Prospectus pro-rated for the period 19 July 2006 to 30 September 2006.*
- (c) *The number of Stapled Securities used to calculate the amount available for distribution per Stapled Security is 698,760,600, comprising 698,000,000 Stapled Securities issued at the Initial Public Offering and 760,600 Stapled Securities to be issued as satisfaction of the component of the H-REIT Manager's management fees of S\$760,600 payable in the form of Stapled Securities.*

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

**FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS AND H-REIT
for the period from 12 June 2006 (date of constitution) to 30 September 2006 and 8 June
2006 (date of constitution) to 30 September 2006 respectively**

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

<u>Statements of Total Return</u>	Foot- notes	H-REIT			CDL Hospitality Trusts
		Actual 8 Jun 2006 to 30 Sept 2006 ^(a) S\$'000	Pro Forma 19 Jul 2005 to 30 Sept 2005 ^(b) S\$'000	Increase / (Decrease) %	Actual 12 Jun 2006 to 30 Sept 2006 ^(a) S\$'000
Gross revenue	(c)	11,260	9,222	22.1%	11,260
Property tax		(464)	(355)	30.7%	(464)
Insurance		(222)	(218)	1.8%	(222)
Other property expenses	(d)	(244)	(239)	2.1%	(244)
Net property income		10,330	8,410	22.8%	10,330
H-REIT Manager's management fees		(951)	(858)	10.8%	(951)
H-REIT Trustee's fees		(28)	(29)	(3.5%)	(28)
Other trust expenses	(e)	(326)	(209)	56.0%	(329)
Gain on remeasurement of financial derivative	(f)	850	0	NM	850
Finance income	(g)	4,476	0	NM	4,479
Finance costs	(h)	(2,204)	(2,213)	(0.4%)	(2,204)
Net income		12,147	5,101	138.1%	12,147
Income tax expense		0	0	NM	0
Total return for the period		12,147	5,101	138.1%	12,147

<u>Income available for distribution</u>		H-REIT			CDL Hospitality Trusts
		Actual 8 Jun 2006 to 30 Sept 2006 ^(a) S\$'000	Pro Forma 19 Jul 2005 to 30 Sept 2005 ^(b) S\$'000	Increase / (Decrease) %	Actual 12 Jun 2006 to 30 Sept 2006 ^(a) S\$'000
Net income		12,147	5,101	138.1%	12,147
Add/ (Less): Non-tax (chargeable)/ deductible items (net)	(i)	(4,258)	788	(640.4%)	(4,258)
Net income available for distribution		7,889	5,889	34.0%	7,889

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

**FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS AND H-REIT
for the period from 12 June 2006 (date of constitution) to 30 September 2006 and 8 June
2006 (date of constitution) to 30 September 2006 respectively**

Footnotes

NM – Not Meaningful

(a) Although H-REIT and CDL Hospitality Trusts were established on 8 June 2006 and 12 June 2006 respectively, the acquisition of properties was only completed on 19 July 2006 which was the official listing date. Consequently, the actual income derived from the properties for the current period was from 19 July 2006 to 30 September 2006. H-REIT was dormant during the private trust period from 8 June 2006 to 18 July 2006.

(b) The Pro Forma figures of H-REIT are derived by prorating the pro forma figures of H-REIT for the year ended 31 December 2005 disclosed in the Prospectus for the period from 19 July 2005 to 30 September 2005 (see note (a) above).

No comparative statement of total return for CDL Hospitality Trusts has been presented as it was established on 12 June 2006.

(c) Gross revenue comprises rental income from H-REIT’s investment properties as follows:

	Actual 12 Jun 2006 to 30 Sept 2006 S\$’000	Pro Forma 19 Jul 2005 to 30 Sept 2005 ^(b) S\$’000	Increase / (Decrease)	
			S\$’000	%
Orchard Hotel	3,827	3,253	574	17.6%
Grand Copthorne Waterfront Hotel	3,246	2,378	868	36.5%
M Hotel	2,229	1,823	406	22.3%
Copthorne King’s Hotel	1,271	1,072	199	18.6%
Orchard Hotel Shopping Arcade	687	696	(9)	(1.3%)
Total	11,260	9,222	2,038	22.1%

The higher gross revenue was mainly due to the higher occupancy rate and average daily rate for all the four hotels as shown in table 9(ii).

(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.

(f) This relates to the change in fair value of the interest rate swap prior to it being designated as a hedge (see section 1 b(ii) for details).

(g) Finance income comprise the following:

	H-REIT		CDL Hospitality Trusts	
	Actual 8 Jun 2006 to 30 Sept 2006 ^(a) S\$’000	Pro Forma 19 Jul 2005 to 30 Sept 2005 ^(b) S\$’000	Increase / (Decrease) %	Actual 12 Jun 2006 to 30 Sept 2006 ^(a) S\$’000
Interest income received/receivable from banks	203	-	NM	206
Financial income arising on initial recognition of non-current rental deposits at fair value	4,273	-	NM	4,273
	4,476	-	NM	4,479

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

FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS AND H-REIT
for the period from 12 June 2006 (date of constitution) to 30 September 2006 and 8 June
2006 (date of constitution) to 30 September 2006 respectively

(h) Finance costs comprise the following:

	H-REIT		CDL Hospitality Trusts	
	Actual 8 Jun 2006 to 30 Sept 2006 ^(a) S\$'000	Pro Forma 19 Jul 2005 to 30 Sept 2005 ^(b) S\$'000	Increase / (Decrease) %	Actual 12 Jun 2006 to 30 Sept 2006 ^(a) S\$'000
Interest paid and payable to banks	(2,128)	(2,140)	(0.6%)	(2,128)
Amortisation of transaction costs capitalised	(46)	(40)	15.0%	(46)
Financial expense arising from remeasuring non-current rental deposits at amortised cost	(30)	(33)	(9.1%)	(30)
	(2,204)	(2,213)	(0.4%)	(2,204)

(i)

	H-REIT		CDL Hospitality Trusts	
	Actual 8 Jun 2006 to 30 Sept 2006 ^(a) S\$'000	Pro Forma 19 Jul 2005 to 30 Sept 2005 ^(b) S\$'000	Increase / (Decrease) %	Actual 12 Jun 2006 to 30 Sept 2006 ^(a) S\$'000
Non-tax (chargeable)/ deductible items comprise:				
- Amortisation of upfront fee for credit facilities	46	40	15.0%	46
- Financial income arising from the initial recognition of the non-current rental deposits at fair value	(4,273)	-	NM	(4,273)
- Financial expense arising from remeasuring non-current rental deposits at amortised cost	30	33	(9.1%)	30
- Gain from remeasurement of financial derivative	(850)	-	NM	(850)
- H-REIT Manager's management fees payable in Stapled Securities	761	687	10.8%	761
- Others	28	28	-	28
	(4,258)	788	(640.4%)	(4,258)

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

FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS AND H-REIT
for the period from 12 June 2006 (date of constitution) to 30 September 2006 and 8 June
2006 (date of constitution) to 30 September 2006 respectively

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

<u>Balance sheets</u>	Foot- notes	H-REIT Actual 30 Sept 2006 S\$'000	H-REIT Pro Forma 31 Dec 2005 ^(a) S\$'000	CDL Hospitality Trusts Actual 30 Sept 2006 ^(b) S\$'000
ASSETS				
Non-current assets				
Investment properties	(c)	846,300	846,300	846,300
Rental deposit		76	-	76
Total non-current assets		846,376	846,300	846,376
Current assets				
Trade and other receivables	(d)	5,469	1,071	5,470
Cash and cash equivalents		5,217	9,161	5,719
Total current assets		10,686	10,232	11,189
Total assets		857,062	856,532	857,565
LIABILITIES				
Current liabilities				
Trade and other payables	(e)	8,409	23,410	8,412
Rental deposits	(f)	922	918	922
		9,331	24,328	9,334
Non-current liabilities				
Borrowings (secured)	(g)	269,364	265,993	269,364
Rental deposits	(f)	4,032	3,920	4,032
Net assets attributable to holders of H-REIT units	(h)	574,335	562,291	574,335
		847,731	832,204	847,731
Total liabilities		857,062	856,532	857,065
Equity				
Units in issue for HBT		-	-	500
Accumulated losses of HBT		-	-	-
Total equity	(i)	-	-	500
Total liabilities and equity		857,062	856,532	857,565
Unitholders' funds				
<i>Represented by:</i>				
Net assets attributable to holders of H-REIT units				574,335
Equity of HBT				500
				574,835

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

**FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS AND H-REIT
for the period from 12 June 2006 (date of constitution) to 30 September 2006 and 8 June
2006 (date of constitution) to 30 September 2006 respectively**

Footnotes

- (a) *The Pro Forma balance sheet of H-REIT as at 31 December 2005 which was disclosed in the Prospectus has been presented for information only.*
- (b) *The balance sheet of CDL Hospitality Trusts comprise the balance sheets of H-REIT and HBT. No separate balance sheet of HBT has been presented as its net assets as at 30 September 2006 are approximately S\$500,000. No comparative balance sheet of CDL Hospitality Trusts as at preceding financial year end. i.e. 31 December 2005 has been presented as it was only established on 12 June 2006. The first financial period for CDL Hospitality Trusts is from 12 June 2006 to 31 December 2006.*
- (c) *The investment properties are stated at cost of acquisition.*
- (d) *Included in trade and other receivables is a derivative asset of approximately S\$3,000 relating to the fair value of interest rate swaps for a notional amount of S\$260.0 million.*
- (e) *Trade and other payables relates to the retention sum of S\$5.0 million for Grand Copthorne Waterfront Hotel and loan interest payable.*
- (f) *Rental deposits relate to rental deposits of Orchard Hotel Shopping Arcade and deposits collected from the Master Lessees, stated at amortised cost.*
- (g) *The borrowings are stated at amortised cost.*
- (h) *The movements in net assets attributable to holders of H-REIT units are set out in section 1 (d)(i).*
- (i) *Total equity comprises only the equity of HBT. The units in H-REIT are accounted for as a financial liability under Financial Reporting Standards (“FRS”) 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.*

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

**FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS AND H-REIT
 for the period from 12 June 2006 (date of constitution) to 30 September 2006 and 8 June
 2006 (date of constitution) to 30 September 2006 respectively**

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

	Foot- notes	CDL Hospitality Trusts & H-REIT Actual 30 Sept 2006 S\$'000
Secured borrowings		
Amount repayable after one year		270,000
Amount repayable within one year		-
	(a)	270,000

Footnotes

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

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 and The Royal Bank of Scotland plc for a 3-years term (the “Facilities”) at a floating interest rate of the Singapore 3 months swap offer rate plus a margin of 0.24% per annum.

The Facilities are secured on the following:

- *A first legal mortgage on the investment properties;*
- *Debenture over all present and future assets (including without limitation 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 Hotels;*
- *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 investment properties;*
- *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 CDL and sub-leased to RHR;*
- *An assignment of insurance policies effected over the investment properties (other than with respect to public liability); 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 investment properties.*

The H-REIT Trustee has entered into an interest rate swap agreement with The Royal Bank of Scotland plc to fix the floating interest rate for S\$260.0 million of the Facilities for a period of 1.5 years from 13 July 2006. The fair value of the swaps which is included in other receivables is approximately S\$3,000 as at 30 September 2006.

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

**FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS AND H-REIT
for the period from 12 June 2006 (date of constitution) to 30 September 2006 and 8 June
2006 (date of constitution) to 30 September 2006 respectively**

1(c) Cash flow statements

	Foot- notes	H-REIT Actual 8 Jun 2006 to 30 Sept 2006 ^(a) S\$'000	CDL Hospitality Trusts Actual 12 Jun 2006 to 30 Sept 2006 ^(a) S\$'000
Operating activities			
Net income before tax		12,147	12,147
Adjustments for:			
H-RET Manager's fee paid / payable in Stapled Securities		761	761
Finance income		(4,476)	(4,479)
Finance costs		2,204	2,204
Net change in fair value of interest rate swap		(850)	(850)
Operating income before working capital changes		9,786	9,783
Changes in working capital:			
Trade and other receivables		(5,535)	(5,535)
Trade and other payables		9,725	9,728
Cash generated from operating activities		13,976	13,976
Investing activities			
Net cash outflow on purchase of investment properties	(b)	(840,416)	(840,416)
Interest received		6	8
Cash flows from investing activities		(840,410)	(840,408)
Financing activities			
Proceeds from borrowings		270,000	270,000
Proceeds from issue of Stapled Securities		578,840	579,340
Issue costs paid		(16,507)	(16,507)
Finance costs paid		(682)	(682)
Cash flows from financing activities		831,651	832,151
Net increase in cash and cash equivalents		5,217	5,719
Cash and cash equivalents at beginning of the period		-	-
Cash and cash equivalents at end of the period		5,217	5,719

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

**FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS AND H-REIT
for the period from 12 June 2006 (date of constitution) to 30 September 2006 and 8 June
2006 (date of constitution) to 30 September 2006 respectively**

Footnotes

(a) *There was no comparative cash flow statement as at 30 September 2006 because CDL Hospitality Trusts and H-REIT were formed on 12 June 2006 (date of constitution) and 8 June 2006 respectively. The first financial period is from 12 June 2006 to 30 September 2006 and 8 June 2006 to 30 September 2006 respectively.*

(b) *The details on net cash outflow on purchase of investment properties and related assets and liabilities are as follows:*

	S\$'000
Investment properties	846,300
Cash	884
Rental deposits	(884)
Net assets acquired	846,300
Purchase consideration	846,300
Less:	
Cash acquired	(884)
Retention sum	(5,000)
Net cash outflow	840,416

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

**FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS AND H-REIT
for the period from 12 June 2006 (date of constitution) to 30 September 2006 and 8 June
2006 (date of constitution) to 30 September 2006 respectively**

1 (d)(i) Statement of movements in net assets attributable to holders of H-REIT units ^(a)

	Foot- notes	Issued Equity S\$'000	Issue Expenses S\$'000	Hedging Reserve ^(b) S\$'000	Accumulated profits S\$'000	Total S\$'000
Net assets attributable to holders of H-REIT units at beginning of the period		-	-	-	-	-
Operations						
Net income after tax		-	-	-	12,147	12,147
Increase in net assets attributable to holders of H-REIT units resulting from operations		-	-	-	12,147	12,147
Hedging transaction		-	-	(847)	-	(847)
Unitholders' transactions						
(i) Issue of H-REIT units	(c)	578,840	-	-	-	578,840
(ii) Issue expenses	(d)	-	(16,566)	-	-	(16,566)
(iii) H-REIT units to be issued - as payment of H-REIT Manager's management fees	(e)	761	-	-	-	761
Increase in net assets attributable to holders of H-REIT units resulting from unitholders' transactions		579,601	(16,566)	(847)	12,147	574,335
Net assets attributable to holders of H-REIT units at end of the period		579,601	(16,566)	(847)	12,147	574,335

Footnotes

- (a) *Prior period comparatives as at 30 September 2005 are not available as H-REIT was constituted on 8 June 2006 (date of constitution) and was listed on SGX on 19 July 2006.*
- (b) *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 term loan facility (the “Hedge”).*
- (c) *This represents the units issued by H-REIT during the initial public offering.*
- (d) *Issue expenses comprise professional and other fees, underwriting and selling commission and miscellaneous issue expense.*
- (e) *This represents 760,600 H-REIT units to be issued as partial satisfaction of the management fee for the period ended 30 September 2006.*

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

FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS AND H-REIT
for the period from 12 June 2006 (date of constitution) to 30 September 2006 and 8 June
2006 (date of constitution) to 30 September 2006 respectively

1 (d)(ii) Statement of movements in unitholders’ funds ^(a)

	Foot- notes	Issued Equity S\$’000	Issue Expenses S\$’000	Hedging Reserve ^(b) S\$’000	Accumulated profits S\$’000	Total S\$’000
Net assets attributable to holders of Stapled Securities at beginning of the period		-	-	-	-	-
Operations						
Net income after tax		-	-	-	12,147	12,147
Increase in net assets attributable to holders of Stapled Securities resulting from operations		-	-	-	12,147	12,147
Hedging transaction		-	-	(847)	-	(847)
Unitholders’ transactions						
(i) Issue of Stapled Securities	(c)	579,340	-	-	-	579,340
(ii) Issue expenses	(d)	-	(16,566)	-	-	(16,566)
(iii) Stapled Securities to be issued - as payment of H-REIT Manager’s management fees	(e)	761	-	-	-	761
Increase in net assets attributable to holders of Stapled Securities resulting from unitholders’ transactions		580,101	(16,566)	(847)	12,147	574,835
Net assets attributable to holders of Stapled Securities at end of the period		580,101	(16,566)	(847)	12,147	574,835

Footnotes

- (a) *Prior period comparatives as at 30 September 2005 are not available as CDL Hospitality Trusts was constituted on 12 June 2006 (date of constitution) and was listed on SGX on 19 July 2006.*
- (b) *Hedging reserve relates to the effective part of the change in fair value of the Hedge.*
- (c) *This represents the Stapled Securities issued by CDL Hospitality Trusts during the initial public offering.*
- (d) *Issue expenses comprise professional and other fees, underwriting and selling commission and miscellaneous issue expense.*
- (e) *This represents 760,600 Stapled Securities to be issued as partial satisfaction of the management fee for the period ended 30 September 2006.*

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

**FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS AND H-REIT
for the period from 12 June 2006 (date of constitution) to 30 September 2006 and 8 June
2006 (date of constitution) to 30 September 2006 respectively**

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

	Foot- notes	H-REIT Actual 8 Jun 2006 to 30 Sept 2006 ^(a) H-REIT units	CDL Hospitality Trusts Actual 12 Jun 2006 to 30 Sept 2006 ^(a) Stapled Securities
Issued H-REIT units/ Stapled Securities at the beginning of the period		-	-
Issue of new H-REIT units/ Stapled Securities ^(b)		698,000,000	698,000,000
Issued units at the end of the period		698,000,000	698,000,000
H-REIT units/ Stapled Securities to be issued: - as payment of H-REIT Manager's management fees	(c)	760,600	760,600
Total issued and issuable H-REIT units/ Stapled Securities as at 30 September 2006		698,760,600	698,760,600

Footnotes

- (a) *Although H-REIT and CDL Hospitality Trusts were established on 8 June 2006 and 12 June 2006 respectively, the acquisition of properties was only completed on 19 July 2006 which was the official listing date. Consequently, the actual income derived from the properties for the current period was from 19 July 2006 to 30 September 2006. H-REIT was dormant during the private trust period from 8 June 2006 to 18 July 2006.*
- (b) *Each Stapled Security comprises one H-REIT unit and one HBT unit.*
- (c) *There are 760,600 H-REIT units / Stapled Securities to be issued to the H-REIT Manager by 30 October 2006 as partial satisfaction of management fee incurred for the period ended 30 September 2006.*

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

**FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS AND H-REIT
for the period from 12 June 2006 (date of constitution) to 30 September 2006 and 8 June
2006 (date of constitution) to 30 September 2006 respectively**

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 reviewed by our auditors in accordance with Singapore Statement of Auditing Practice 11 “Review of Interim Financial Information”.

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

CDL Hospitality Trusts have adopted the same accounting principles and methods of computation as disclosed in the Prospectus.

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.

Not applicable

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

	Actual 12 Jun 2006 to 30 Sept 2006	Forecast 19 Jul 2006 to 30 Sept 2006 ^(c)
Weighted average number of Stapled Securities ^(a)	698,010,278	NA
Earnings per Stapled Security - based on the weighted average number of Security Securities (cents) - basic and diluted	1.74	NA
Income available for distribution per Stapled Security for the period based on the total number of Stapled Securities entitled to the distribution (cents) ^(b)	1.13	1.06

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

**FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS AND H-REIT
for the period from 12 June 2006 (date of constitution) to 30 September 2006 and 8 June
2006 (date of constitution) to 30 September 2006 respectively**

Footnotes

- (a) *The weighted average number of units used for computation of EPU is 698,010,278. This comprises:*
- (i) *The weighted average number of Stapled Securities in issue as at 30 September 2006 of 698,000,000, and*
 - (ii) *Weighted average number of Stapled Securities issuable to the H-REIT Manager as partial satisfaction of management fee for the period ended 30 September 2006 of 10,278.*
- (b) *The computation of actual DPS is based on the number of Stapled Securities entitled to the distribution of 698,760,600. This comprises:*
- (i) *The number of Stapled Securities in issue as at 30 September 2006 of 698,000,000, and*
 - (ii) *The Stapled Securities issuable to the H-REIT Manager by 30 October 2006 as partial satisfaction of management fee for the period ended 30 September 2006 of 760,600.*
- (c) *The figures shown are prorated from the Forecast as disclosed in the Prospectus.*

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

**FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS AND H-REIT
for the period from 12 June 2006 (date of constitution) to 30 September 2006 and 8 June
2006 (date of constitution) to 30 September 2006 respectively**

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

	H-REIT Actual 30 Sept 2006 ^(a) S\$	H-REIT Pro forma 31 Dec 2005 ^(b) S\$	CDL Hospitality Trusts Actual 30 Sept 2006 ^(c) S\$
Net asset value per H-REIT unit/Stapled Security	0.82	0.81	0.82

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 September 2006 of \$574,335,000;*
 - *The number of H-REIT units of 698,760,600, comprising:*
 - (i) *H-REIT units in issue as at 30 September 2006 of 698,000,000; and*
 - (ii) *H-REIT units to be issued to the H-REIT Manager by 30 October 2006 as partial satisfaction of management fee for the period ended 30 September 2006 of 760,600.*
- (b) *The figure shown is extracted from the Pro Forma balance sheet as at 31 December 2005 as disclosed in the Prospectus.*
- (c) *The actual net asset value per Stapled Security is computed based on:*
- *Unitholders’ funds of CDL Hospitality Trusts as at 30 September 2006 of \$574,835,000;*
 - *The number of Stapled Securities of 698,760,600, comprising:*
 - (i) *Stapled Securities in issue as at 30 September 2006 of 698,000,000; and*
 - (ii) *Stapled Securities to be issued to the H-REIT Manager by 30 October 2006 as partial satisfaction of management fee for the period ended 30 September 2006 of 760,600.*
- (d) *Net asset value of HBT as at 30 September 2006 is 0.07 cents. The number of HBT units used for computation of the actual net asset value per HBT unit is 698,760,600, comprising:*
- *HBT units in issue as at 30 September 2006 of 698,000,000; and*
 - *HBT units to be issued to the H-REIT Manager by 30 October 2006 as partial satisfaction of management fee for the period ended 30 September 2006 of 760,600.*

**8 Review of the performance – Variance between actual and proforma results for the
period from 19 July 2006 to 30 September 2006**

Please refer to Section 9 below on the review of actual performance against the prorated proforma for the year ended 31 December 2005 and Forecast for the 6-month period ending 31 December 2006 stated in the Prospectus.

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

**FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS AND H-REIT
for the period from 12 June 2006 (date of constitution) to 30 September 2006 and 8 June
2006 (date of constitution) to 30 September 2006 respectively**

9 Variance between the forecast or prospectus statement and the actual results

**9 (i) Consolidated income statement (for CDL Hospitality Trusts) – Actual compared to
Forecast**

	Foot- notes	Actual	Forecast	Increase / (Decrease)	
		12 Jun 2006 to 30 Sept 2006 ^(a) S\$'000	19 Jul 2006 to 30 Sept 2006 ^(b) S\$'000	S\$'000	%
Gross revenue		11,260	10,946	314	2.9%
Property tax		(464)	(407)	(57)	14.0%
Insurance		(222)	(228)	6	(2.6%)
Other property expenses		(244)	(257)	13	(5.1%)
Net property income		10,330	10,054	276	2.7%
H-REIT Manager's management fees		(951)	(932)	(19)	2.0%
H-REIT Trustee's fees		(28)	(28)	-	0.0%
Other trust expenses		(329)	(326)	(3)	0.9%
Gain on remeasurement of financial derivative		850	-	850	NM
Finance income	(c)	4,479	4,266	213	5.0%
Finance costs	(d)	(2,204)	(2,178)	(26)	1.2%
Net income		12,147	10,856	1,291	11.9%
Income tax expense		-	-	-	0.0%
Total return for the period		12,147	10,856	1,291	11.9%

Footnotes

(a) Although H-REIT and CDL Hospitality Trusts were established on 8 June 2006 and 12 June 2006 respectively, the acquisition of properties was only completed on 19 July 2006 which was the official listing date. Consequently, the actual income derived from the properties for the current period was from 19 July 2006 to 30 September 2006. H-REIT was dormant during the private trust period from 8 June 2006 to 18 July 2006.

(b) The Forecast is based on management's forecast for the period from 1 July 2006 to 31 December 2006 shown in the Prospectus pro-rated for the period 19 July 2006 to 30 September 2006.

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

FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS AND H-REIT
for the period from 12 June 2006 (date of constitution) to 30 September 2006 and 8 June
2006 (date of constitution) to 30 September 2006 respectively

- (c) *Comprises interest income on bank deposits and financial income arising from the initial recognition of the non-current rental deposits at fair value.*
- (d) *Comprises interest expenses incurred on borrowings, amortization of transaction costs on borrowings capitalised and financial expense arising from remeasuring non-current rental deposits at amortised cost.*
- (e) *Income available for distribution is as follows:*

	Actual 12 Jun 2006 to 30 Sept 2006 S\$'000	Forecast 19 Jul 2006 to 30 Sept 2006 S\$'000
Net income	12,147	10,856
Non-tax (chargeable)/deductible items (net)		
Non-tax deductible / (chargeable) items:		
- Amortisation of upfront fee for credit facilities	46	41
- Financial income arising from the initial recognition of the non-current rental deposits at fair value	(4,273)	(4,266)
- Financial expense arising from remeasuring non-current rental deposits at amortised cost	30	30
- Gain on remeasurement of financial derivative	(850)	-
- H-REIT Manager's management fees payable in Stapled Securities	761	745
- Others	28	28
Income available for distribution	7,889	7,434

Foot-
notes

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

FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS AND H-REIT
for the period from 12 June 2006 (date of constitution) to 30 September 2006 and 8 June
2006 (date of constitution) to 30 September 2006 respectively

9 (ii) Breakdown of Total Gross Revenue by Property

	Foot- notes	Actual	Forecast ^(a)	Increase / (Decrease)	
		12 Jun 2006 to 30 Sept 2006 S\$'000	19 Jul 2006 to 30 Sept 2006 S\$'000	S\$'000	%
Orchard Hotel		3,827	3,736	91	2.4%
Grand Copthorne Waterfront Hotel		3,246	3,048	198	6.5%
M Hotel		2,229	2,156	73	3.4%
Copthorne King's Hotel		1,271	1,297	(26)	(2.0%)
Orchard Hotel Shopping Arcade		687	709	(22)	(3.2%)
Total		11,260	10,946	314	2.9%

Combined for the four Hotels (weighted average)

	Actual	Forecast	Pro Forma
	12 Jun 2006 to 30 Sept 2006	19 Jul 2006 to 30 Sept 2006	19 Jul 2005 to 30 Sept 2005
Average Occupancy Rate (%)	84%	83%	78%
Average Daily Rate (\$)	167	155	133
Room revenue per Available Room (RevPAR) (\$)	140	129	103

9 (iii) Breakdown of Net Property Income by Property

	Foot- notes	Actual	Forecast ^(a)	Increase / (Decrease)	
		12 Jun 2006 to 30 Sept 2006 S\$'000	19 Jul 2006 to 30 Sept 2006 S\$'000	S\$'000	%
Orchard Hotel		3,594	3,540	54	1.5%
Grand Copthorne Waterfront Hotel		2,969	2,888	81	2.8%
M Hotel		2,088	2,020	68	3.4%
Copthorne King's Hotel		1,195	1,224	(29)	(2.4%)
Orchard Hotel Shopping Arcade		484	382	102	26.7%
Total		10,330	10,054	276	2.7%

Footnotes

- (a) *The Forecast is based on management's forecast for the period 1 July 2006 to 31 December 2006 shown in the Prospectus pro-rated for the period from 19 July 2006 to 30 September 2006.*

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

**FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS AND H-REIT
for the period from 12 June 2006 (date of constitution) to 30 September 2006 and 8 June
2006 (date of constitution) to 30 September 2006 respectively**

**9 (iv) Review of the Performance – Actual compared to Forecast for the period 19 July
2006 to 30 September 2006 and Proforma figures for the previous corresponding
period**

For the period under review, hotel trading continued to demonstrate the robustness seen in the course of the year. The gross revenue of S\$11.3 million and the net property income of S\$10.3 million exceeded the comparative proforma figures for the previous corresponding period by nearly 22% and 23% respectively. As compared to the forecast gross revenue of S\$10.9 million and forecast net property income of S\$10.1 million, the increase was approximately 3% each.

After the adjustment for non-tax (chargeable)/ deductible items, the income available for distribution of S\$7.9 million was 6.1% over the forecast of S\$7.4 million. The annualized income available for distribution per Stapled Security of 5.57 cents was 6.5% over the forecast 5.23 cents.

The four Hotels achieved a combined total revenue of S\$35.9 million. Combined Gross Operating Profit was S\$16.51 million against a forecast of S\$15.52 million – an improvement of 6.4%.

As against the forecast Average Occupancy Rate of 83% and weighted Average Daily Rate of S\$155, the actual was 84% and S\$167 respectively. The actual combined weighted average RevPAR was S\$140 compared to the forecast S\$129.

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

The Singapore tourism industry registered strong growth for the months of July and August 2006. Visitor arrivals for July and August 2006 totaled 1.78 million against 1.67 million visitors for the same period 2005, representing growth of 5.7%.

In August 2006, the Siloso Beach Resort opened on Sentosa Island with a capacity of 182 rooms and 12 villas. For the coming 12 months, approximately 906 additional room supply is expected. However, assuming continued robust room demand, this additional room supply is not expected to negatively impact the performance of the Hotels significantly.

Barring unforeseen circumstances, the results for the next reporting period are expected to be in line with the forecast. The overall outlook for the hotel industry continues to be positive.

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

**FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS AND H-REIT
for the period from 12 June 2006 (date of constitution) to 30 September 2006 and 8 June
2006 (date of constitution) to 30 September 2006 respectively**

11 Distributions

11 (a) Current financial period

Any distributions declared for the current financial period?

Nil

11 (b) Corresponding period of the preceding financial period

Any distributions declared for the corresponding period of the immediately preceding financial period?

Not applicable

11 (c) Date payable

Not applicable

11 (d) Book closure date

Not applicable

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

**FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS AND H-REIT
for the period from 12 June 2006 (date of constitution) to 30 September 2006 and 8 June
2006 (date of constitution) to 30 September 2006 respectively**

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

H-REIT’s first distribution will be for the period from listing date to 31 December 2006 and will be paid on or before 1 March 2007. Subsequent distributions will take place on a semi-annual basis.

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 October 2006

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 October 2006

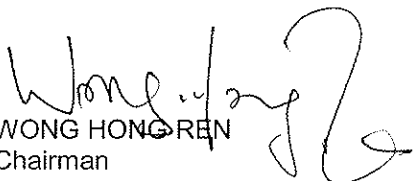
**CDL HOSPITALITY TRUSTS
CDL HOSPITALITY REAL ESTATE INVESTMENT TRUST ("H-REIT")
CDL HOSPITALITY BUSINESS TRUST ("HBT")**

**FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS AND H-REIT
for the period from 12 June 2006 (date of constitution) to 30 September 2006 and 8 June
2006 (date of constitution) to 30 September 2006 respectively**


CONFIRMATION BY THE BOARD

We, WONG HONG REN and VINCENT YEO WEE ENG, being two 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"), do confirm on behalf of the directors of H-REIT Manager and HBT Trustee-Manager 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 financial results of CDL Hospitality Trusts for the period ended 30 September 2006 to be false or misleading.

WONG HONG REN
Chairman



VINCENT YEO WEE ENG
Chief Executive Officer



30 October 2006