



CDL HOSPITALITY TRUSTS

FOR IMMEDIATE RELEASE

30 APRIL 2009

CDL HOSPITALITY TRUSTS REPORTS 1Q 2009 GROSS REVENUE OF S\$22.5 MILLION

- **Income available for distribution per Stapled Security of 2.18 cents, representing an annualised gross yield per unit of 16.22%¹**
- **New S\$350 million facility to refinance all outstanding bank loans successfully secured**
- **Strong balance sheet with debt to assets of 19.7%**

Singapore, 30 April 2009 – CDL Hospitality Trusts (“CDLHT”), 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, is pleased to announce its results for the quarter ended 31 March 2009 (“1Q 2009”).

CDLHT registered gross revenue of S\$22.5 million and an income available for distribution of S\$18.2 million for 1Q 2009. Income available for distribution per Stapled Security is 2.18 cents, which translates to an annualised gross yield per Stapled Security of 16.22% based on a share price of S\$0.545 as at close of market on 29 April 2009. The expected distribution per Stapled Security would be lower at 1.97 cents, after deducting S\$1.7 million of the income retained for working capital, and holders of CDLHT’s Stapled Securities would enjoy an annualised distribution yield of 14.66% for 1Q 2009.

Successful Refinancing

CDLHT has secured a new S\$350.0 million bank facility from DBS Bank to refinance all of its S\$297 million borrowings, which mature in July 2009. The new 3-year facility consists of a S\$270 million term loan and a S\$80 million committed revolving credit facility. The interest rate for the new facility is the Singapore dollar swap offer rate plus interest margin of 2.60% per annum. For further details, please refer to the separate announcement on the refinancing released today.

In addition, CDLHT already has in place a S\$300.0 million uncommitted multi-currency unsecured bridging loan facility with DBS Bank Limited. The facility can be drawn down in multiple tranches, with a repayment period of a maximum of one year from each drawn down date per tranche. This further boosts CDLHT’s abilities to fund future opportunistic acquisitions, capital expenditure and working capital requirements.

As at 31 March 2009, CDLHT has a strong balance sheet with a debt to assets ratio of 19.7% which is among one of the lowest in the Singapore REIT industry.

Mr Vincent Yeo, CEO of M&C REIT Management Limited, the Manager of H-REIT, said, “After several years of exceptional performance due to the boom in tourism arrivals, hotels experienced a contraction in revenues in 1Q 2009 as overall demand declined due to weak global economic conditions, and the absence of large-scale events during the quarter. Our performance was in line with our expectations, bearing in mind that early 2008 was an exceptionally strong period for us.”

“We are also pleased to have successfully secured credit facilities at relatively attractive rates, which is a strong endorsement of CDLHT’s asset quality and credit standing.”

¹ Based on closing market price of S\$0.545 as at 29 April 2009



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Financial highlights for 1Q 2009 are as follows:

	Actual 1 Jan 09 to 31 Mar 09 S\$'000	Actual 1 Jan 08 to 31 Mar 08 S\$'000	Increase/ (Decrease) %
Gross revenue	22,531	27,894	(19.2)
Net property income	20,551	26,075	(21.2)
Net income	15,410	18,914	(18.5)
Income available for distribution to holders of Stapled Securities	18,171	23,562	(22.9)
Less:			
Income retained for working capital	(1,662)	-	n.m.
Income available for distribution to holders of Stapled Securities (after deducting income retained for working capital)	16,509	23,562	(29.9)
Income available for distribution per Stapled Security (before deducting income retained for working capital) (cents)			
- For the period	2.18	2.86	(23.8)
- Annualised	8.84	11.50	(23.1)
Annualised gross yield at closing market price of S\$0.545 as at 29 April 2009	16.22%	21.10%	(23.1)
Income available for distribution per Stapled Security (after deducting income retained for working capital) (cents)			
- For the period	1.97	2.86	(31.1)
- Annualised	7.99	11.50	(30.5)
Annualised distribution yield at closing market price of S\$0.545 as at 29 April 2009	14.66%	21.10%	(30.5)



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Review of Hotels Performance

The combined weighted average statistics for CDLHT's Singapore hotels (Orchard Hotel, Grand Copthorne Waterfront Hotel, M Hotel, Copthorne King's Hotel and Novotel Clarke Quay) are as follows:

	Actual 1 Jan 09 to 31 Mar 09	Actual 1 Jan 08 to 31 Mar 08	Increase/ (Decrease)
Average Occupancy Rate	74.8%	84.4%	(9.6) pp
Average Daily Rate	S\$201	S\$247	(18.6)%
Room Revenue per Available Room ("RevPAR")	S\$150	S\$208	(27.7)%

Singapore's tourism industry recorded a 13.7% fall in visitor arrivals to 2.25 million in 1Q 2009, representing the third consecutive quarter of decline since the onset of the financial crisis in 2H 2008. In tandem with weakening demand for hotel accommodation and increasing competition among hotel operators to secure market share, overall RevPAR for CDLHT's hotels was 27.7% lower at S\$150 for 1Q 2009 compared to the corresponding period in the previous year.

The Orchard Hotel Shopping Arcade continued to perform well in 1Q 2009, contributing gross revenue of S\$1.1 million and net property income of S\$0.8 million, an increase of 7.3% and 4.9% respectively from 1Q 2008. Average occupancy for 1Q 2009 remained above 90%, with an average rental rate of approximately S\$7.54 per sq. ft. compared to S\$6.88 per sq. ft. for the same period last year.

Long term prospects of the Singapore hospitality industry remain positive

In view of the overall reduction in leisure and corporate travel, the outlook for the tourism and hospitality industry may remain challenging for the rest of 2009. Notwithstanding a difficult macroeconomic climate, CDLHT remains optimistic of its longer term business prospects.

In particular, the highly anticipated Integrated Resorts ("IRs") scheduled for completion in 2009 and 2010 are expected to boost the long term growth of Singapore tourism. Resorts World at Sentosa ("RWS"), which is expected to open by 2010, expects to attract 15 million visitors and generate tourist receipts of S\$10 billion in 2010. Tourism receipts are expected to reach S\$15 billion by 2015. This month, RWS forecasted "over demand" for its hotels due to be launched in 1Q 2010 and strong interest for its MICE facilities from potential customers, auguring well for the recovery of the Singapore hospitality industry. In addition, the commencement of the IRs could also see increased patronage from neighbouring countries over the long term, particularly from the Genting Highlands Resort in Malaysia, which saw 19.6 million visitors in 2007.

The Singapore Tourism Board ("STB") has also taken steps to help the industry ride through current downturn, recently launching a S\$90 million initiative in marketing and training to develop Singapore's tourism sector. Despite a prognosis of 9 to 9.5 million visitors and tourism receipts of S\$12 million to S\$12.5 million for 2009, the STB has maintained its earlier projection of 17 million tourist arrivals and S\$30 billion tourism receipts per annum by 2015.



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Mr Yeo concluded, "In the absence of an economic recovery or pick-up in business and consumer confidence, we are likely to see continued difficult trading conditions and competition is expected to remain intense for the rest of 2009. CDLHT will remain prudent in managing our capital structure, and continue to proactively implement measures to streamline costs and broaden our revenue base to protect our profitability."

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About CDL Hospitality Trusts

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.

H-REIT, the first hotel real estate investment trust in Singapore, is established with the main aim of investing in a diversified portfolio of income-producing real estate which is primarily used for hospitality and/or hospitality-related purposes. As 31 March 2009, H-REIT owns 2,806 hotel rooms within a portfolio of five hotels and one shopping arcade in Singapore (Orchard Hotel, Grand Copthorne Waterfront Hotel, M Hotel, Copthorne King's Hotel, Orchard Hotel Shopping Arcade and Novotel Clarke Quay) and one hotel in New Zealand (Rendezvous Hotel Auckland). M&C REIT Management Limited is the manager of H-REIT.