



CDL HOSPITALITY TRUSTS

FOR IMMEDIATE RELEASE

30 JULY 2008

**CDL HOSPITALITY TRUSTS REPORTS RECORD DISTRIBUTIONS PER UNIT OF 5.89 CENTS FOR 1H 2008, UP 52.6% OVER 1H 2007**

- CDL Hospitality Trusts (“CDLHT”) Singapore hotels continue to deliver strong year-on-year (“YoY”) Revenue Per Available Room (“RevPAR”) growth of 30.6% for 2Q 2008 and 34.4% for 1H 2008 against Pro Forma 2007
- Gross revenue for 2Q 2008 increased 42.4% YoY to S\$29.5 million; gross revenue for 1H 2008 grew 48.3% YoY to S\$57.4 million
- Distribution per unit of 5.89 cents, up 52.6% for 1H 2008, and representing an annualised distribution yield per unit of 8.17%<sup>1</sup>

**Singapore, 30 July 2008** – CDL Hospitality Trusts, 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 financial performance for the second quarter (“2Q 2008”) and first six months (“1H 2008”) ended 30 June 2008.

The financial highlights for 2Q 2008 and 1H 2008 are as follows:

	Actual 1 Apr 08 to 30 Jun 08 <sup>2</sup> S\$'000	Actual 1 Apr 07 to 30 Jun 07 <sup>2</sup> S\$'000	Increase/ (Decrease) %	Actual 1 Jan 08 to 30 Jun 08 <sup>2</sup> S\$'000	Actual 1 Jan 07 to 30 Jun 07 <sup>2</sup> 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 closing market price of S\$1.45 as at 29 July 2008	8.41%	5.83%	44.3%	8.17%	5.37%	52.1%

<sup>1</sup> Based on closing market price of S\$1.45 as at 29 July 2008



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CDLHT achieved gross revenue of S\$29.5 million in 2Q 2008, 42.4% higher than the same period last year, while net property income was S\$27.7 million, representing an increase of 41.7% over 2Q 2007.

Gross revenue for 1H 2008 climbed 48.3% YoY to S\$57.4 million, while net property income for the same period was up 48.2% YoY to S\$53.8 million.

Distribution per Stapled Security ("DPU") for 1H 2008 was 5.89 cents, which is 52.6% higher than the same period last year.

Based on a market price of S\$1.45 as at close of market on 29 July 2008, holders of CDLHT's Stapled Securities would enjoy an annualised distribution yield of 8.17% for 1H 2008.

Mr Vincent Yeo, CEO of M&C REIT Management Limited, the Manager of H-REIT, said, "Our hotels have performed well in the last two quarters by exhibiting strong room rate growth with a slight increase in occupancies. Although Singapore has not been spared from a slowdown in travel caused by an uncertain global economic environment and higher travel costs due to oil price increases, business volumes remain healthy."

### Review of Hotels Performance

CDLHT delivered outstanding RevPAR growth with its Singapore hotels increasing RevPAR by 30.6% for 2Q 2008 and 34.4% for 1H 2008 against Pro Forma 2Q 2007 and 1H 2007 respectively.

For CDLHT's Singapore hotels, weighted average occupancy rate, daily rate and RevPAR statistics for 2Q 2008 and 1H 2008 are set out below:

	Actual 1 Apr 08 to 30 Jun 08	Pro Forma 1 Apr 07 to 30 Jun 07 <sup>3</sup>	Growth	Actual 1 Jan 08 to 30 Jun 08	Pro Forma 1 Jan 07 to 30 Jun 07 <sup>4</sup>	Growth
<b>Average Occupancy Rate</b>	<b>87.1%</b>	<b>86.0%</b>	<b>+1.1pp</b>	<b>85.8%</b>	<b>85.3%</b>	<b>+0.5pp</b>
<b>Average Daily Rate</b>	<b>S\$255</b>	<b>S\$197</b>	<b>29.4%</b>	<b>S\$251</b>	<b>S\$188</b>	<b>33.5%</b>
<b>RevPAR</b>	<b>S\$222</b>	<b>S\$170</b>	<b>30.6%</b>	<b>S\$215</b>	<b>S\$160</b>	<b>34.4%</b>

In 2Q 2008, the Orchard Hotel Shopping Arcade contributed net property income of S\$0.8 million, up 17.1% YoY. 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. In 1H 2008, the Orchard Hotel Shopping Arcade achieved net property income of S\$1.6 million, representing an 18.8% year-on-year increase. 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.

<sup>2</sup> 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.

<sup>3</sup> Assumes that Novotel Clarke Quay was acquired on 1 April 2007.

<sup>4</sup> Assumes that Novotel Clarke Quay was acquired on 1 January 2007.



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### Overall positive growth expected for FY2008

The Singapore tourism industry registered growth for the months of April and May 2008 with visitor arrivals of 1.65 million, representing 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 growth of 2.9% over the same period last year.

Mr Yeo said, "Following over four years of constant growth, we are now seeing a leveling off in Singapore's visitor arrivals. However, it is noteworthy that the drop in June's arrival figure is mitigated by the increase in the average length of stay per visitor. Despite economic uncertainty, we are pleased to be able to report a high occupancy rate of 87% in the second quarter. We expect further growth in the third quarter compared to the corresponding period in the previous year.

Mr Yeo added, "This business climate also represents opportunities for us as we are seeing more and more assets being offered for sale. With our low levels of gearing and strong balance sheet, we are well positioned to capitalize on attractive acquisition opportunities as they arise."

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### For more information, please contact:

**Alexander Ee**

Head, Strategy and Investor Relations  
M&C REIT Management Limited  
Tel: +65 6839 2886  
Mobile: +65 9040 6545  
Email: [alexanderee@cdlht.com](mailto:alexanderee@cdlht.com)

**Terence Foo / Jeffrey Fang**

Gavin Anderson & Company  
Tel: +65 6339 9110  
Mobile: +65 9878 8787  
/ +65 9838 5636  
Email: [tfoo@gavinanderson.com.sg](mailto:tfoo@gavinanderson.com.sg)  
/ [jfang@gavinanderson.com.sg](mailto:jfang@gavinanderson.com.sg)

### 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 of 30 June 2008, 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.

M&C REIT Management Limited

390 Havelock Road • #02-01 King's Centre • Singapore 169662 • Tel (65) 6737 1928 • [www.cdlht.com](http://www.cdlht.com)

Registered Address: 36 Robinson Road, #04-01 City House, Singapore 068877 • Company Registration No: 200607091Z

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