CDL HOSPITALITY TRUSTS

FOR IMMEDIATE RELEASE **30 APRIL 2010**

CDL HOSPITALITY TRUSTS REPORTS STRONG OVERALL GROWTH FOR 1Q 2010

- **Gross revenue increased 18.1% to S$26.6 million**
- **Income available for distribution per Stapled Security rose 18.3% to 2.58 cents**
- **Strong RevPAR growth of 15.8% to S$174 for Singapore Hotels**
- **Continuation of robust growth in hospitality demand on the back of strong tourism drivers boosted by the phased opening of the Integrated Resorts**

Singapore, 30 April 2010 **–** 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 first quarter ended 31 March 2010 ("1Q 2010").

The financial highlights for 1Q 2010 are as follows:

	Actual 1 Jan 10 to 31 Mar 10 S$'000	Actual 1 Jan 09 to 31 Mar 09 S$'000	Increase/ (Decrease) %
Gross revenue	**26,605**	**22,531**	**18.1**
Net property income	**24,719**	**20,551**	**20.3**
Net income	**21,413**	**15,410**	**39.0**
Income available for distribution to holders of Stapled Securities	**21,598**	**18,171**	**18.9**
Less:			
Income retained for working capital	**(2,160)**	**(1,662)**	**30.0**
Income available for distribution to holders of Stapled Securities (after deducting income retained for working capital)	**19,438**	**16,509**	**17.7**
Income available for distribution per Stapled Security (before deducting income retained for working capital) (cents)			
- **For the period**	**2.58**	**2.18**	**18.3**
- **Annualised**	**10.46**	**8.84**	**18.3**
Annualised distribution yield at closing market price of S$1.90 as at 29 April 2010	**5.51%**	**4.65%**	**18.5**
Income available for distribution per Stapled Security (after deducting income retained for working capital) (cents)			
- **For the period**	**2.32**	**1.97**	**17.8**
- **Annualised**	**9.41**	**7.99**	**17.8**
Annualised distribution yield at closing market price of S$1.90 as at 29 April 2010	**4.95%**	**4.20%**	**17.9**

CDLHT registered gross revenue of S$26.6 million for 1Q 2010, a strong 18.1% increase from S$22.5 million in the previous corresponding period ("1Q 2009"). This was attributable to the strong hospitality performance which drove a 15.8% increase in RevPAR of the Singapore portfolio, and incremental contribution from recently acquired Australia Hotels (comprising the Novotel Brisbane, Mercure Brisbane, Ibis Brisbane, Mercure Perth and Ibis Perth), which accounted for approximately S$2.0 million of the gross revenue increase since the day following the completion of the acquisition on 18 February 2010. This is the first quarter the Australia Hotels are contributing to the Group's revenue.

Income available for distribution per Stapled Security (before deducting income retained for working capital) for 1Q 2010 increased 18.3% to 2.58 cents. The Australia Hotels contributed 0.12 cents to income available for distribution per Stapled Security, an incremental pro-forma contribution of 11%[1] to H-REIT's income available for distribution from the pre-acquisition portfolio.

In line with the improved operating results, income available for distribution per Stapled Security (after deducting the income retained for working capital) rose 17.8% to 2.32 cents, translating to a distribution yield of 4.95% for 1Q 2010 based on a unit price of S$1.90 as at close of market on 29 April 2010.

Mr Vincent Yeo, CEO of M&C REIT Management Limited, the Manager of H-REIT, said, "We are pleased to be back on the growth path again, rebounding strongly in 1Q 2010. In line with the recovery in the global and particularly, the regional economies, hotel room night demand was extremely strong. High occupancies of 84% were achieved, considerably exceeding that for 1Q 2009 and matching previous Q1 peaks since the inception of CDLHT. Strong demand also led to Average Daily Rates rebounding year-on-year for the first time since the peak in 2Q 2008.

"Through our ongoing prudent financial and capital management, CDLHT managed to navigate challenging times with a strong balance sheet that enabled us to exploit a window of opportunity to make our yield-accretive Australian acquisition this February. The acquisition not only provides a high yield but also broadens our revenue stream and increases our minimum rental income threshold, thereby enhancing downside protection. The positive news flow for the Australia economy, bolstered by the resource boom, particularly in the cities of Brisbane and Perth, would underpin the expected substantial rental reversion upside and lead to appreciable capital growth for our Australian hotels over the long term."

Review of Hotels Performance

CDLHT's Singapore Hotels continued to achieve strong quarter-on-quarter RevPAR growth in 1Q 2010, riding on a sustained increase in demand. The combined weighted average statistics for CDLHT's Singapore Hotels, which include Orchard Hotel, Grand Copthorne Waterfront Hotel, M Hotel, Copthorne King's Hotel and Novotel Clarke Quay, are as follows:

[1] Incremental pro-forma contribution represents the 1Q 2010 contribution from the Australia Hotels base rental income, as a percentage of H-REIT's 1Q 2010 income available for distribution from the pre-acquisition portfolio (before deducting income retained for working capital) per Stapled Security, assuming the acquisition was completed as at 1 Jan 2010.

	Actual 1 Jan 10 to 31 Mar 10	Actual 1 Jan 09 to 31 Mar 09	Increase
Average Occupancy Rate	84.3%	74.8%	9.5 pp
Average Daily Rate	S$207	S$201	3.0%
Room Revenue per Available Room ("RevPAR")	S$174	S$150	15.8%

Outlook for the hospitality sector has improved significantly since December 2009. With the recovery of the global economy and the soft opening of the Resort World Sentosa Integrated Resort in February 2010, Singapore experienced four consecutive months of record high visitor arrivals since December 2009. In particular, visitor numbers from neighbouring countries such as Indonesia and Malaysia reported year-on-year growth in excess of 40%[2].

This resulted in a significant quarter of growth for CDLHT's Singapore Hotels, which achieved combined revenue of S$64.9 million for 1Q 2010, a 10.3% improvement over 1Q 2009. Average occupancy rates surged 9.5 percentage points to 84.3%, fuelled by increased visitor arrivals and the return of events such as the bi-annual Singapore Airshow in February and the International Furniture Fair in March. RevPAR increased 15.8% to S$174 for 1Q 2010 compared to 1Q 2009, marking the first reversal to growth in year-on-year RevPAR since 2009.

Net property income from the Orchard Hotel Shopping Arcade maintained at S$0.8 million for 1Q 2010. Average occupancy was 81.5%, while average rental rate improved slightly from approximately S$7.54 per sq. ft. for 1Q 2009 to S$7.64 per sq. ft. for 1Q 2010.

Positive outlook driven by strong business and leisure demand in Singapore

Since the acquisition, the Group's Australian Hotels have performed broadly in line with expectations, buttressed by the strength in the Australian economy which is experiencing a significant boost from the robust demand for natural resources.

Overall, the performance of CDLHT is underpinned by the largely stable lease rents from its overseas properties, and the performance of the Singapore Hotels contributes approximately 98% of the total portfolio variable rent.

In Singapore, the prospects of tourism and hospitality continue to be positive for 2010. With the recovery of global travel and the soft opening of the Resorts World Sentosa Integrated Resort in February 2010, Singapore saw the fourth consecutive month of record high visitor arrivals from December 2009 in the month of March 2010. Recently, the Singapore Tourism Board forecasted Singapore to receive 11.5 – 12.5 million visitors in 2010, an increase of 19% –29% from 2009. Tourism revenue is expected to increase by approximately 41% – 50% from 2009 to S$17.5 – S$18.5 billion in 2010. The structural boost in business and leisure demand, bolstered by the increased entertainment options offered by the opening of the Integrated Resorts, as well as the healthier economic outlook, is expected to continue to draw visitor arrivals and lead to extended lengths of stay in Singapore.

In terms of hotel room supply in Singapore, Horwath HTL estimated that 5,823 new rooms will enter the market this year, representing 17.1% of the existing number of gazetted rooms in 2009. About 3,028 of these new rooms are already operational, including 1,350 rooms from Resorts

[2] Source: Singapore Tourism Board

World Sentosa and 963 rooms from the Marina Bay Sands Integrated Resort, which opened partially on 27 April 2010. The upcoming injection of new hotel rooms is a strong indication of hotel operators' confidence in the continued growth of the Singapore hospitality industry, and together with the increasing entertainment offerings, is expected to further draw tourist arrivals.

Riding on this trend of growth, CDLHT's strong performance in 1Q 2010 has continued into the second quarter, with April registering RevPAR increase of approximately 38% for the Singapore Hotels. Barring unforeseen circumstances, average room rates are expected to continue registering healthy increases compared to last year, as the rate adjustment process continues and yield management is actively pursued.

Mr Yeo concluded, "We remain optimistic about the continued growth for hospitality demand, driven by a rebound in business travel and the revitalisation of Singapore's tourism and retail landscape. Moving forward, CDLHT will continue to work towards yield-optimisation to maximise DPU for our Unitholders, while remaining vigilant for value-enhancing acquisition opportunities."

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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 at 31 March 2010, H-REIT owns 3,942 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), one hotel in New Zealand (Rendezvous Hotel Auckland) and five hotels in Australia (Novotel Brisbane, Mercure Brisbane, Ibis Brisbane, Mercure Perth and Ibis Perth). M&C REIT Management Limited is the manager of H-REIT.