



CDL HOSPITALITY TRUSTS

**CDL HOSPITALITY TRUSTS
UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS AND
H-REIT AND ITS SUBSIDIARIES FOR THE THIRD QUARTER AND NINE MONTHS ENDED
30 SEPTEMBER 2010**

TABLE OF CONTENTS

	Page
INTRODUCTION	2
SUMMARY OF CDL HOSPITALITY TRUSTS' RESULTS	4
1(a) STATEMENTS OF TOTAL RETURN	5 - 10
1(b)(i) BALANCE SHEETS	11 - 12
1(b)(ii) AGGREGATE AMOUNT OF GROUP'S BORROWINGS AND DEBT SECURITIES	13 - 14
1(c) CASH FLOW STATEMENTS	15 - 17
1(d) STATEMENT OF CHANGES IN UNITHOLDERS' FUNDS	17 - 22
1(e) DETAILS OF ANY CHANGES IN THE UNITS	23
2 AUDIT STATEMENT	24
3 AUDITORS' REPORT	24
4 ACCOUNTING POLICIES	24
5 CHANGES IN ACCOUNTING POLICIES	24
6 EARNINGS PER UNIT AND DISTRIBUTION PER UNIT	25 - 26
7 NET ASSET VALUE PER UNIT	26
8 REVIEW OF PERFORMANCE	27 - 30
9 VARIANCE FROM FORECAST OR PROSPECTUS STATEMENT	31
10 OUTLOOK AND PROSPECTS	31
11 DISTRIBUTIONS	32
12 DISTRIBUTION STATEMENT	32
13 CONFIRMATION PURSUANT TO RULE 705(5) OF THE LISTING MANUAL	32



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 THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2010

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 “**HBT 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, the Second Supplemental Deed dated 26 March 2010 and the Third Supplemental Deed dated 20 July 2010 (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 Appendix (Appendix 2 of 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
Group”)
CDL HOSPITALITY BUSINESS TRUST (“HBT”)**

**UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS AND
H-REIT AND ITS SUBSIDIARIES FOR THE THIRD QUARTER AND NINE MONTHS ENDED
30 SEPTEMBER 2010**

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 September 2010, H-REIT's portfolio with a total of 3,942 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; the Mercure Brisbane, Ibis Brisbane, Novotel Brisbane, Mercure Perth and Ibis Perth (collectively, the “**Australia Hotels**”), hotels well-located in key gateway cities of Brisbane and Perth, Australia; 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 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**”). Distributions, when paid, will be in Singapore Dollars.

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
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 THIRD QUARTER AND NINE MONTHS ENDED
30 SEPTEMBER 2010

SUMMARY OF CDL HOSPITALITY TRUSTS’ RESULTS

	1 Jul 2010 to 30 Sep 2010 S\$'000	1 Jul 2009 to 30 Sep 2009 S\$'000	Increase/ (Decrease) %	1 Jan 2010 to 30 Sep 2010 S\$'000	1 Jan 2009 to 30 Sep 2009 S\$'000	Increase/ (Decrease) %
Gross revenue	31,634	22,859	38.4	88,952	65,609	35.6
Net property income	30,159	21,407	40.9	83,576	61,187	36.6
Net income before fair value adjustment on an investment property	19,328	16,542	16.8	61,380	46,379	32.3
Income available for distribution to holders of Stapled Securities	26,938	18,634	44.6	72,642	54,181	34.1
Less:						
Income retained for working capital	(2,694)	(1,662)	62.1	(7,264)	(4,879)	48.9
Income available for distribution to holders of Stapled Securities (after deducting income retained for working capital)	24,244	16,972	42.8	65,378	49,302	32.6
Income available for distribution per Stapled Security (before deducting income retained for working capital)(cents)						
For the period	2.81	2.23	26.0	8.26	6.48	27.5
Annualised	11.15	8.85	26.0	11.04	8.66	27.5
Annualised distribution yield (%) at closing market price of S\$2.15 as at 28 October 2010	5.19%	4.12%	26.0	5.13%	4.03%	27.3
Income available for distribution per Stapled Security (after deducting income retained for working capital) (cents)						
For the period	2.54	2.04	24.5	7.43	5.90	25.9
Annualised	10.08	8.09	24.6	9.93	7.89	25.9
Annualised distribution yield (%) at closing market price of S\$2.15 as at 28 October 2010	4.69%	3.76%	24.7	4.62%	3.67%	25.9

**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 THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2010

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

<u>Statements of Total Return</u>	Foot- notes	H-REIT Group					
		1 Jul 2010 to 30 Sep 2010 S\$'000	1 Jul 2009 to 30 Sep 2009 S\$'000	Increase/ (Decrease) %	1 Jan 2010 to 30 Sep 2010 S\$'000	1 Jan 2009 to 30 Sep 2009 S\$'000	Increase/ (Decrease) %
Gross revenue	(a)	31,634	22,859	38.4	88,952	65,609	35.6
Property tax	(b)	(833)	(853)	(2.3)	(3,592)	(2,634)	36.4
Insurance		(209)	(214)	(2.3)	(645)	(654)	(1.4)
Other property expenses	(c)	(433)	(385)	12.5	(1,139)	(1,134)	0.4
Net property income		30,159	21,407	40.9	83,576	61,187	36.6
H-REIT Manager's fees		(2,629)	(2,026)	29.8	(7,429)	(5,876)	26.4
H-REIT Trustee's fees		(55)	(49)	12.2	(161)	(146)	10.3
Other trust expenses	(d)	(334)	(204)	63.7	(883)	(474)	86.3
Finance income		291	5	N.M.	3,517	18	N.M.
Finance costs		(8,104)	(2,603)	N.M.	(17,239)	(8,339)	N.M.
Net finance costs	(e)	(7,813)	(2,598)	N.M.	(13,722)	(8,321)	64.9
Net income before fair value adjustment		19,328	16,530	16.9	61,381	46,370	32.4
Fair value adjustment on an investment property	(f)	18,988	-	N.M.	18,988	-	N.M.
Net income	(g)	38,316	16,530	N.M.	80,369	46,370	73.3
Income tax expense	(h)	(477)	(283)	68.6	(481)	(830)	(42.0)
Total return for the period		37,839	16,247	N.M.	79,888	45,540	75.4

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 THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2010

		CDL Hospitality Trusts					
<u>Statements of Total Return</u>	Foot- notes	1 Jul 2010	1 Jul 2009	Increase/ (Decrease)	1 Jan 2010	1 Jan 2009	Increase/ (Decrease)
		to 30 Sep 2010 S\$'000	to 30 Sep 2009 S\$'000	%	to 30 Sep 2010 S\$'000	to 30 Sep 2009 S\$'000	%
Gross revenue	(a)	31,634	22,859	38.4	88,952	65,609	35.6
Property tax	(b)	(833)	(853)	(2.3)	(3,592)	(2,634)	36.4
Insurance		(209)	(214)	(2.3)	(645)	(654)	(1.4)
Other property expenses	(c)	(433)	(385)	12.5	(1,139)	(1,134)	0.4
Net property income		30,159	21,407	40.9	83,576	61,187	36.6
H-REIT Manager's fees		(2,629)	(2,026)	29.8	(7,429)	(5,876)	26.4
H-REIT Trustee's fees		(55)	(49)	12.2	(161)	(146)	10.3
Other trust expenses	(d)	(334)	(192)	74.0	(884)	(465)	90.1
Finance income		291	5	N.M.	3,517	18	N.M.
Finance costs		(8,104)	(2,603)	N.M.	(17,239)	(8,339)	N.M.
Net finance costs	(e)	(7,813)	(2,598)	N.M.	(13,722)	(8,321)	64.9
Net income before fair value adjustment		19,328	16,542	16.8	61,380	46,379	32.3
Fair value adjustment on an investment property	(f)	18,988	-	N.M.	18,988	-	N.M.
Net income	(g)	38,316	16,542	N.M.	80,368	46,379	73.3
Income tax expense	(h)	(477)	(283)	68.6	(481)	(830)	(42.0)
Total return for the period		37,839	16,259	N.M.	79,887	45,549	75.4

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 THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2010

Footnotes

N.M. – Not Meaningful

- (a) *Gross revenue comprises rental income from H-REIT’s investment properties. Please refer to Section 8(ii), page 28 of the Announcement. The results for the third quarter ended 30 September 2010 and nine months ended 30 September 2010 include contributions from the Australia Hotels, which were acquired on 18 February 2010.*
- (b) *Property tax for the quarter ended 30 September 2010 included a one-time write back of S\$0.6 million. This write back was based on the property tax assessments finalised by the Inland Revenue Authority of Singapore (“IRAS”) in the quarter ended 30 September 2010 for the year 2010.*
- (c) *Other property expenses comprise mainly direct operating expenses of the Orchard Hotel Shopping Arcade.*
- (d) *Other trust expenses comprise mainly professional fees and administrative costs.*
- (e) *Net finance costs comprise the following:*

	H-REIT Group					
	1 Jul 2010 to 30 Sep 2010 S\$’000	1 Jul 2009 to 30 Sep 2009 S\$’000	Increase/ (Decrease) %	1 Jan 2010 to 30 Sep 2010 S\$’000	1 Jan 2009 to 30 Sep 2009 S\$’000	Increase/ (Decrease) %
Interest income received / receivable	56	5	N.M.	112	18	N.M.
Exchange gain ⁽ⁱ⁾	235	-	N.M.	3,405	-	N.M.
Finance income	291	5	N.M.	3,517	18	N.M.
Exchange loss ⁽ⁱⁱ⁾	-	30	(100.0)	-	(2,221)	(100.0)
Interest paid/ payable to banks ⁽ⁱⁱⁱ⁾	(3,074)	(2,118)	45.1	(10,764)	(5,409)	99.0
Amortisation of transaction costs capitalised ^(iv)	(4,989)	(475)	N.M.	(6,350)	(588)	N.M.
Financial expense arising from remeasuring non-current rental deposits at amortised cost	(41)	(40)	2.5	(125)	(121)	3.3
Finance costs	(8,104)	(2,603)	N.M.	(17,239)	(8,339)	N.M.
Net finance costs	(7,813)	(2,598)	N.M.	(13,722)	(8,321)	64.9

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 THIRD QUARTER AND NINE MONTHS ENDED
30 SEPTEMBER 2010

CDL Hospitality Trusts

	1 Jul 2010 to 30 Sep 2010 S\$'000	1 Jul 2009 to 30 Sep 2009 S\$'000	Increase/ (Decrease) %	1 Jan 2010 to 30 Sep 2010 S\$'000	1 Jan 2009 to 30 Sep 2009 S\$'000	Increase/ (Decrease) %
Interest income received / receivable	56	5	N.M.	112	18	N.M.
Exchange gain ⁽ⁱ⁾	235	-	N.M.	3,405	-	N.M.
Finance income	291	5	N.M.	3,517	18	N.M.
Exchange loss ⁽ⁱⁱ⁾	-	30	(100.0)	-	(2,221)	(100.0)
Interest paid/ payable to banks ⁽ⁱⁱⁱ⁾	(3,074)	(2,118)	45.1	(10,764)	(5,409)	99.0
Amortisation of transaction costs capitalised ^(iv)	(4,989)	(475)	N.M.	(6,350)	(588)	N.M.
Financial expense arising from remeasuring non-current rental deposits at amortised cost	(41)	(40)	2.5	(125)	(121)	3.3
Finance costs	(8,104)	(2,603)	N.M.	(17,239)	(8,339)	N.M.
Net finance costs	(7,813)	(2,598)	N.M.	(13,722)	(8,321)	64.9

- (i) The Australia Hotels, which were acquired on 18 February 2010, were funded by a combination of Australian and Singapore debt. The exchange gain for the nine months ended 30 September 2010 relates mainly to realised gains arising from the conversion of funds borrowed in Singapore Dollars to Australian Dollars at favorable exchange rates. The exchange gain has no impact on the distributions of CDL Hospitality Trusts.
- (ii) The exchange loss recognised in the nine months ended 30 September 2009 was mainly due to revaluation loss on a foreign currency bank loan, denominated in New Zealand Dollar. No such foreign currency translation differences were recorded in the nine months ended 30 September 2010 as the New Zealand Dollar loan was fully repaid in July 2009.
- (iii) Interest paid/payable to banks in the third quarter ended 30 September 2010 and nine months ended 30 September 2010 increased mainly due to higher funding costs and additional interest expense incurred on borrowings relating to the acquisition of the Australia Hotels.
- (iv) The increase in amortisation is mainly due to the recognition of the remaining unamortised transaction costs of about S\$4.9 million incurred on the S\$350.0 million secured term loan and revolving credit facilities, following the repayment and subsequent cancellation of these facilities in August 2010.

**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 THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2010

(f) On acquisition of Novotel Clarke Quay in 2007, the H-REIT Group had recognised acquisition costs (included as part of investment properties) of approximately S\$18.8 million, mainly relating to the potential tax liability that could have arisen on this acquisition. Following the finalisation of the tax assessment for the relevant year, this amount is no longer required and is reflected in the current period as a fair value adjustment in the Statement of Total Return. This adjustment has no impact on the distribution of CDL Hospitality Trusts.

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

	CDL Hospitality Trusts			
	1 Jul 2010 to 30 Sep 2010 S\$'000	1 Jul 2009 to 30 Sep 2009 S\$'000	1 Jan 2010 to 30 Sep 2010 S\$'000	1 Jan 2009 to 30 Sep 2009 S\$'000
H-REIT	38,021	26,295	79,678	67,818
Other H-REIT group entities (including consolidation adjustments)	295	(9,765)	691	(21,448)
HBT	-	12	(1)	9
	38,316	16,542	80,368	46,379

(h) *This relates to current and deferred tax in respect of the Australia properties.*

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 THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2010

(i) *Income available for distribution⁽ⁱ⁾*

	H-REIT Group and CDL Hospitality Trusts			
	1 Jul 2010 to 30 Sep 2010 S\$'000	1 Jul 2009 to 30 Sep 2009 S\$'000	1 Jan 2010 to 30 Sep 2010 S\$'000	1 Jan 2009 to 30 Sep 2009 S\$'000
Net income of H-REIT	38,021	26,295	79,678	67,818
Add / (Less): Non tax deductible / (tax chargeable) items:				
- Amortisation of transaction costs	4,989	475	6,350	588
- Fair value adjustment on an investment property	(18,988)	-	(18,988)	-
- Financial expense arising from remeasuring non-current rental deposits at amortised cost	41	40	125	121
- Exchange (gain) / loss	568	(9,851)	(939)	(19,249)
- H-REIT Manager's fees paid / payable in Stapled Securities	2,104	1,621	5,943	4,701
- Other items	203	54	473	202
Income available for distribution to holders of Stapled Securities	26,938	18,634	72,642	54,181
Less :				
Income retained for working capital	(2,694)	(1,662)	(7,264)	(4,879)
Income to be distributed to holders of Stapled Securities ⁽ⁱⁱ⁾	24,244	16,972	65,378	49,302
Comprising :				
- Taxable income	22,031	14,954	59,092	43,911
- Tax exempt income	2,213	2,018	6,286	5,391
	24,244	16,972	65,378	49,302

- (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 distributable income for nine months ended 30 September 2010 of S\$65,378,000 comprises all of H-REIT's taxable income and net tax exempt income (after retaining an amount of S\$7,264,000 for working capital purposes) for the period from 1 January 2010 to 30 September 2010. Of this amount, distribution income of S\$41,009,505 relating to the half year ended 30 June 2010 has already been distributed on 27 August 2010.

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 THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2010

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

Balance Sheets	Footnotes	H-REIT Group		CDL Hospitality Trusts ^(a)	
		30 Sep 2010 S\$'000	31 Dec 2009 S\$'000	30 Sep 2010 S\$'000	31 Dec 2009 S\$'000
ASSETS					
Non-current assets					
Investment properties	(b)	1,742,913	1,501,615	1,742,913	1,501,615
Rental deposit		76	76	76	76
		1,742,989	1,501,691	1,742,989	1,501,691
Current assets					
Trade and other receivables		17,404	14,157	17,404	14,157
Cash and cash equivalents		39,347	5,293	39,731	5,681
		56,751	19,450	57,135	19,838
Total assets		1,799,740	1,521,141	1,800,124	1,521,529
LIABILITIES					
Non-current liabilities					
Financial liabilities	(c)	259,168	284,662	259,168	284,662
Rental deposits	(d)	4,661	4,536	4,661	4,536
Deferred tax liabilities		139	-	139	-
		263,968	289,198	263,968	289,198
Current liabilities					
Financial liabilities	(c)	119,141	-	119,141	-
Trade and other payables	(e)	19,275	14,905	19,276	14,909
Provision for taxation	(f)	728	19,528	728	19,528
		139,144	34,433	139,145	34,437
Total liabilities		403,112	323,631	403,113	323,635
Net assets		1,396,628	1,197,510	1,397,011	1,197,894
Represented by:					
Unitholders' funds					
Unitholders' funds of H-REIT Group	(g)	1,396,628	1,197,510	1,396,628	1,197,510
Unitholders' funds of HBT		-	-	383	384
		1,396,628	1,197,510	1,397,011	1,197,894

**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 THIRD QUARTER AND NINE MONTHS ENDED
30 SEPTEMBER 2010**

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 September 2010 are approximately S\$383,000 (31 December 2009: S\$384,000).*
- (b) *On 18 February 2010, the H-REIT Group acquired Mercure Brisbane, Ibis Brisbane Novotel Brisbane, Ibis Perth and Mercure Perth (collectively, the “Australia Hotels”) for a cash consideration of S\$222,163,000 (A\$175,000,000). The total acquisition costs of S\$16,040,000 (A\$12,635,000) included an acquisition fee paid to the H-REIT Manager of S\$2,222,000 (A\$1,750,000).*
- (c) *Financial liabilities comprise borrowings of S\$378,309,000 (31 December 2009: S\$284,662,000), including approximately S\$119.1 million drawn down from the DBS Bank Bridging Loan Facility and S\$260.0 million notes issued pursuant to the Medium Term Note Programme, as explained under Footnote (ii) and Footnote (iii) on pages 13 and 14 of the Announcement respectively.*
- (d) *Rental deposits relate to rental deposits collected from the Master Lessees, stated at amortised cost.*
- (e) *Trade and other payables relates mainly to loan interest payable, rental deposits of Orchard Hotel Shopping Arcade and accrual for property tax.*
- (f) *The 31 December 2009 balance sheet includes a provision for taxation amounting 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. Following the finalisation of the tax assessment for the relevant year, this amount is no longer required and is reflected as a fair value adjustment in the Statement of Total Return.*
- (g) *The movement in unitholders’ funds are set out in Section 1(d).*

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 THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2010

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

		H-REIT Group and CDL Hospitality Trusts	
Footnotes		30 Sep 2010 S\$'000	31 Dec 2009 S\$'000
Amount repayable after one year			
Secured borrowings	(i)	-	291,000
Unsecured medium term notes	(ii)	260,000	-
		260,000	291,000
Amount repayable within one year			
Unsecured borrowings	(iii)	119,141	-
		119,141	-
Total borrowings		379,141	291,000

Footnotes

i. Secured borrowings

In 2009, H-REIT was granted a S\$270.0 million committed secured term loan facility and a S\$80.0 million committed revolving credit facility by DBS bank Limited for a 3-year term (the “Facilities”).

During the current quarter, the above Facilities was fully re-financed through a combination of net proceeds from a S\$200.0 million private placement and the issuance of S\$260.0 million medium term notes. Please see Section 1(e)(b) on the private placement. Further details on the medium term notes are set out in Footnote (ii) below.

Following the full repayment of the Facilities, the existing security created over Orchard Hotel, Orchard Hotel Shopping Arcade, Grand Copthorne Waterfront Hotel, M Hotel, Copthorne King’s Hotel and Novotel Clarke Quay to secure such borrowings were fully discharged and the Facilities were accordingly cancelled.

ii. Unsecured medium term notes

On 23 July 2010, H-REIT, through a newly incorporated wholly-owned subsidiary, CDLHT MTN Pte. Ltd. (the “Issuer”), established a S\$1.0 billion Multi-currency Medium Term Note Programme (the “Programme”).

On 19 August 2010, the Issuer issued S\$260.0 million medium term notes comprising S\$150.0 million 3-year fixed rate notes and S\$110.0 million 3-year variable rate notes, which are re-priced every six or twelve months. The holders of the variable rate notes have the option to put the notes back to the Issuer at each interest re-pricing date. The Issuer has a 3-year committed arrangement with the banks to fund any variable rate notes which are put back to the Issuer.

The proceeds from the notes issuance were on-lent to H-REIT to repay the remaining balance of the Facilities as of 19 August 2010.

For further details on the Programme and issuance of the notes, please refer to the announcement released on the SGXNET on 23 July 2010 and 19 August 2010.

**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 THIRD QUARTER AND NINE MONTHS ENDED
30 SEPTEMBER 2010**

iii. Unsecured borrowings

H-REIT has in place a S\$300.0 million uncommitted multi-currency unsecured bridging loan facility (the “DBS Bank Bridging Loan Facility”) with DBS Bank Limited to fund acquisitions, capital expenditure and working capital requirements.

The DBS Bank Bridging Loan Facility can be drawn down in multiple tranches and is to be repaid within a maximum period of one year from the drawn down date or one year from the first drawn down date (where the amount is drawn in multiple tranches). An amount was drawn down to finance the acquisition of the Australia Hotels in February 2010.

As at 30 June 2010, the balance outstanding from this bridging loan facility was S\$229.9 million (comprising S\$116.3 million and A\$93.2 million). On 1 July 2010, H-REIT partly repaid S\$116.3 million of the Singapore dollar portion of the bridging loan facility through net proceeds raised from the private placement. Please see Section 1(e)(b) for details.

As at balance sheet date, approximately S\$119.1 million (or the equivalent of A\$93.2 million) remains outstanding.

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 THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2010

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

		H-REIT Group			
Foot- notes	1 Jul 2010 to 30 Sep 2010 S\$'000	1 Jan 2010 to 30 Sep 2010 S\$'000	1 Jul 2009 to 30 Sep 2009 S\$'000	1 Jan 2009 to 30 Sep 2009 S\$'000	
Operating activities					
	38,316	80,369	16,530	46,370	
Adjustments for:					
H-REIT Manager’s fee paid / payable in Stapled Securities	2,104	5,943	1,621	4,701	
Fair value adjustment on an investment property	(18,988)	(18,988)	-	-	
Net finance costs	7,813	13,722	2,598	8,321	
Operating income before working capital changes	29,245	81,046	20,749	59,392	
Changes in working capital:					
Trade and other receivables	(2,399)	(466)	7,027	1,999	
Trade and other payables	1,369	2,962	(2,390)	(6,193)	
Cash generated from operating activities	28,215	83,542	25,386	55,198	
Investing activities					
Cash outflow from acquisition of investment properties	(195)	(237,895)	-	-	
Capital expenditure on investment properties	(1,978)	(4,287)	(21)	(1,832)	
Interest received	57	111	4	18	
Cash flows from investing activities	(2,116)	(242,071)	(17)	(1,814)	
Financing activities					
Fixed deposit pledged to bank	(15)	(15)	-	-	
Finance costs paid	(4,156)	(10,717)	(2,728)	(6,627)	
Proceeds from bank loans	-	267,136	312,500	341,500	
Repayment of bank loans	(409,314)	(439,814)	(298,555)	(310,055)	
Proceeds from medium term notes	260,000	260,000	-	-	
Payment of transaction costs related to borrowings	(341)	(341)	(7,327)	(7,327)	
Proceeds from issue of units / stapled securities	200,001	200,001	-	-	
Payment of issue expenses	(3,221)	(3,221)	-	-	
Distribution to holders of Stapled Securities	(41,009)	(80,461)	(32,250)	(71,529)	
Cash flows from financing activities	1,945	192,568	(28,360)	(54,038)	
Net increase/(decrease) in cash and cash equivalents	28,044	34,039	(2,991)	(654)	
Cash and cash equivalents at beginning of the period	11,288	5,293	9,065	6,728	
Cash and cash equivalents at end of the period	39,332	39,332	6,074	6,074	

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 THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2010

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

		CDL Hospitality Trusts			
Foot- notes		1 Jul 2010 to 30 Sep 2010 S\$'000	1 Jan 2010 to 30 Sep 2010 S\$'000	1 Jul 2009 to 30 Sep 2009 S\$'000	1 Jan 2009 to 30 Sep 2009 S\$'000
Operating activities					
	Net income	38,316	80,368	16,542	46,379
	Adjustments for:				
	H-REIT Manager's fee paid / payable in Stapled Securities	(a) 2,104	5,943	1,621	4,701
	Fair value adjustment on an investment property	(18,988)	(18,988)	-	-
	Net finance costs	7,813	13,722	2,598	8,321
	Operating income before working capital changes	29,245	81,045	20,761	59,401
	Changes in working capital:				
	Trade and other receivables	(2,399)	(466)	7,027	1,999
	Trade and other payables	1,368	2,959	(2,402)	(6,202)
	Cash generated from operating activities	28,214	83,538	25,386	55,198
Investing activities					
	Cash outflow from acquisition of investment properties	(b) (195)	(237,895)	-	-
	Capital expenditure on investment properties	(1,978)	(4,287)	(21)	(1,832)
	Interest received	57	111	4	18
	Cash flows from investing activities	(2,116)	(242,071)	(17)	(1,814)
Financing activities					
	Fixed deposit pledged to bank	(15)	(15)	-	-
	Finance costs paid	(4,156)	(10,717)	(2,728)	(6,627)
	Proceeds from bank loans	(b) -	267,136	312,500	341,500
	Repayment of bank loans	(c) (409,314)	(439,814)	(298,555)	(310,055)
	Proceeds from medium term notes	(c) 260,000	260,000	-	-
	Payment of transaction costs related to bank loans	(341)	(341)	(7,327)	(7,327)
	Proceeds from issue of units / stapled securities	(c) 200,001	200,001	-	-
	Payment of issue expenses	(3,221)	(3,221)	-	-
	Distribution to holders of Stapled Securities	(41,009)	(80,461)	(32,250)	(71,529)
	Cash flows from financing activities	1,945	192,568	(28,360)	(54,038)
	Net increase/(decrease) in cash and cash equivalents	28,043	34,035	(2,991)	(654)
	Cash and cash equivalents at beginning of the period	11,673	5,681	9,453	7,116
	Cash and cash equivalents at end of the period	39,716	39,716	6,462	6,462

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 THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2010

	H-REIT Group		CDL Hospitality Trusts	
	30 Sep 2010 S\$'000	30 Sep 2009 S\$'000	30 Sep 2010 S\$'000	30 Sep 2009 S\$'000
Cash and cash equivalents in consolidated balance sheets	39,347	6,074	39,731	6,462
Fixed deposit pledged to a financial institution	(15)	-	(15)	-
Cash and cash equivalents in consolidated statements of cash flows	39,332	6,074	39,716	6,462

Footnotes

(a) *Significant non-cash transactions*

Quarter ended 30 September 2010

987,846 (Quarter ended 30 September 2009: 1,097,472) Stapled Securities amounting to S\$2,104,000 (Quarter ended 30 September 2009: S\$1,621,000) will be issued to the H-REIT Manager as satisfaction of asset management fees payable in units in respect of the quarter ended 30 September 2010 on 29 October 2010.

Period from 1 January 2010 to 30 September 2010

3,149,829 (nine months ended 30 September 2009: 6,142,422) Stapled Securities amounting to S\$5,943,000 (nine months ended 30 September 2009: S\$4,701,000) 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 September 2010.

(b) *This relate to H-REIT’s acquisition of the Australian Properties on 18 February 2010, which were initially funded by borrowings.*

(c) *For the quarter ended 30 September 2010, H-REIT raised funds through the issuance of S\$260.0 million medium term notes and a S\$200.0 million private placement. The net proceeds were mainly utilised to partially repay the DBS Bank Bridging Loan Facility and fully re-finance the Facilities.*

1 (d)(i) Statement of movements in unitholders’ funds of HBT

	1 Jul 2010 to 30 Sep 2010 S\$'000	1 Jul 2009 to 30 Sep 2009 S\$'000	1 Jan 2010 to 30 Sep 2010 S\$'000	1 Jan 2009 to 30 Sep 2009 S\$'000
Balance as at beginning of the period	383	373	384	376
Net (loss) / profit after tax	-	12	(1)	9
Balance as at end of the period	383	385	383	385

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 THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2010

1 (d)(ii) Statement of movements in unitholders’ funds for the period from 1 July 2010 to 30 September 2010

Foot- notes	Unitholders’ funds of H-REIT Group				Stapled Group	
	Units in issue S\$’000	Issue Expenses S\$’000	Foreign Currency Translation Reserve S\$’000	Accumulated Profits S\$’000	Total S\$’000	Total S\$’000
Balance as at 1 July 2010	903,109	(20,674)	(10,758)	326,608	1,198,285	1,198,668
Operations						
Increase in net assets resulting from operations	-	-	-	37,839	37,839	37,839
Movements in foreign currency translation reserve:						
- Translation differences relating to financial statements of foreign subsidiaries	-	-	4,095	-	4,095	4,095
- Exchange differences on hedge of net investment in a foreign operation	-	-	5,022	-	5,022	5,022
- Exchange differences on monetary items forming part of net investment in a foreign operation	-	-	(5,500)	-	(5,500)	(5,500)
Unitholders’ transactions						
(i) Stapled Securities to be issued as payment of H- REIT Manager’s management fees	(a) 2,104	-	-	-	2,104	2,104
(ii) Distribution to holders of Stapled Securities	(b) -	-	-	(41,009)	(41,009)	(41,009)
(iii) Reversal of units / Stapled Securities to be issued as payment of H-REIT Manager’s acquisition fees no longer required	(188)	-	-	-	(188)	(188)
(iv) Issue of units / Stapled Securities	200,001	-	-	-	200,001	200,001
(v) Issue expenses	-	(4,021)	-	-	(4,021)	(4,021)
Increase in net assets resulting from unitholders’ transactions	201,917	(4,021)	-	(41,009)	156,887	156,887
Balance as at 30 September 2010	1,105,026	(24,695)	(7,141)	323,438	1,396,628	1,397,011

**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 THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2010

1 (d)(iii) Statement of movements in unitholders’ funds for the period from 1 January 2010 to 30 September 2010

Foot- notes	Unitholders’ funds of H-REIT Group				Stapled Group	
	Units in issue S\$’000	Issue Expenses S\$’000	Foreign Currency Translation Reserve S\$’000	Accumulated Profits S\$’000	Total S\$’000	Total S\$’000
Balance as at 1 January 2010	899,270	(20,674)	(5,097)	324,011	1,197,510	1,197,894
Operations						
Increase in net assets resulting from operations	-	-	-	79,888	79,888	79,887
Movements in foreign currency translation reserve:						
- Translation differences relating to financial statements of foreign subsidiaries	-	-	464	-	464	464
- Exchange differences on monetary items forming part of net investment in a foreign operation	-	-	(1,688)	-	(1,688)	(1,688)
- Exchange differences on hedge of net investment in a foreign operation	-	-	(820)	-	(820)	(820)
Unitholders’ transactions						
(i) Stapled Securities issued and to be issued as payment of H-REIT Manager’s management fees	(a) 5,943	-	-	-	5,943	5,943
(ii) Distribution to holders of Stapled Securities	(c) -	-	-	(80,461)	(80,461)	(80,461)
(iii) Reversal of units / Stapled Securities to be issued as payment of H-REIT Manager’s acquisition fees no longer required	(188)	-	-	-	(188)	(188)
(iv) Issue of units / Stapled Securities	200,001	-	-	-	200,001	200,001
(v) Issue expenses	-	(4,021)	-	-	(4,021)	(4,021)
Increase in net assets resulting from unitholders’ transactions	205,756	(4,021)	-	(80,461)	121,274	121,274
Balance as at 30 September 2010	1,105,026	(24,695)	(7,141)	323,438	1,396,628	1,397,011

Footnotes

- (a) *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.*
- (b) *Distribution to holders of Stapled Securities relates to the distribution made in respect of the period from 1 January 2010 to 30 June 2010.*
- (c) *Distribution to holders of Stapled Securities relates to the distribution made in respect of the period from 1 July 2009 to 31 December 2009 and from 1 January 2010 to 30 June 2010.*

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 THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2010

1 (d)(iv) Statement of movements in unitholders’ funds for the period from 1 July 2009 to 30 September 2009

Foot- notes	Unitholders’ funds of H-REIT Group					Stapled Group	
	Units in issue S\$’000	Issue Expenses S\$’000	Hedging Reserve S\$’000	Foreign Currency Translation Reserve S\$’000	Accumulated Profits S\$’000	Total S\$’000	Total S\$’000
Balance as at 1 July 2009	895,894	(20,674)	(308)	(11,748)	319,489	1,182,653	1,183,026
Operations							
Increase in net assets resulting from operations	-	-	-	-	16,247	16,247	16,259
Movement in hedging reserve:							
- Effective portion of change in fair value of cash flow hedge	(a) -	-	308	-	-	308	308
Movements in foreign currency translation reserve:							
- Translation differences relating to financial statements of foreign subsidiaries	-	-	-	(262)	-	(262)	(262)
- Exchange differences on a monetary item forming part of net investment in a foreign operation	(b) -	-	-	9,730	-	9,730	9,730
Unitholders’ transactions							
(i) Stapled Securities to be issued as payment of H- REIT Manager’s management fees	(c) 1,621	-	-	-	-	1,621	1,621
(ii) Distribution to holders of Stapled	(d) -	-	-	-	(32,250)	(32,250)	(32,250)
Decrease in net assets resulting from unitholders’ transactions	1,621	-	-	-	(32,250)	(30,629)	(30,629)
Balance as at 30 September 2009	897,515	(20,674)	-	(2,280)	303,486	1,178,047	1,178,432

**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 THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2010

1 (d)(v) Statement of movements in unitholders’ funds for the period from 1 January 2009 to 30 September 2009

Foot- notes	Unitholders’ funds of H-REIT Group					Stapled Group	
	Units in issue S\$’000	Issue Expenses S\$’000	Hedging Reserve S\$’000	Foreign Currency Translation Reserve S\$’000	Accumulated Profits S\$’000	Total S\$’000	Total S\$’000
Balance as at 1 January 2009	892,814	(20,674)	(1,813)	(23,162)	329,475	1,176,640	1,177,016
Operations							
Increase in net assets resulting from operations	-	-	-	-	45,540	45,540	45,549
Movement in hedging reserve:							
- Effective portion of change in fair value of cash flow hedge (a)	-	-	1,813	-	-	1,813	1,813
Movements in foreign currency translation reserve:							
- Translation differences relating to financial statements of foreign subsidiaries	-	-	-	(569)	-	(569)	(569)
- Exchange differences on a monetary item forming part of net investment in a foreign operation (b)	-	-	-	21,451	-	21,451	21,451
Unitholders’ transactions							
(i) Stapled Securities issued and to be issued as payment of H-REIT Manager’s management fees (c)	4,701	-	-	-	-	4,701	4,701
(ii) Distribution to holders of Stapled Securities (e)	-	-	-	-	(71,529)	(71,529)	(71,529)
Decrease in net assets resulting from unitholders’ transactions	4,701	-	-	-	(71,529)	(66,828)	(66,828)
Balance as at 30 September 2009	897,515	(20,674)	-	(2,280)	303,486	1,178,047	1,178,432

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\$220.0 million of the Facilities, which expired on 31 July 2009.*
- (b) *These represent the exchange differences arising from the translation on the NZD loan between H-REIT and its subsidiary. The loan is treated as H-REIT’s net investment in the subsidiary with effect from 1 July 2008. Accordingly, the exchange differences on the loan to subsidiary are recognised in the unitholders’ funds in the consolidated financial statements from 1 July 2008.*
- (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.*

**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 THIRD QUARTER AND NINE MONTHS ENDED
30 SEPTEMBER 2010**

- (d) *Distribution to holders of Stapled Securities relates to the distribution made in respect of the period from 1 January 2009 to 30 June 2009.*
- (e) *Distribution to holders of Stapled Securities relates to the distribution made in respect of the period from 1 July 2008 to 31 December 2008 and from 1 January 2009 to 30 June 2009.*

**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 THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2010

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

<----- H-REIT Group and CDL Hospitality Trusts ----->				
Foot- notes	1 Jul 2010 to 30 Sep 2010	1 Jul 2009 to 30 Sep 2009	1 Jan 2010 to 30 Sep 2010	1 Jan 2009 to 30 Sep 2009
Issued H-REIT units/Stapled Securities at the beginning of the period	838,640,187	833,567,324	836,575,110	828,022,666
Issue of new H-REIT units/ Stapled Securities ^(a)				
- equity fund raising through the private placement	116,960,000	-	116,960,000	-
- as payment of H-REIT Manager’s management fees	1,130,764	1,910,314	3,195,841	7,454,972
Issued H-REIT units/Stapled Securities at the end of the period	956,730,951	835,477,638	956,730,951	835,477,638
H-REIT units/Stapled Securities to be issued:				
- as payment of H-REIT Manager’s management fees	987,846	1,097,472	987,846	1,097,472
- as payment of H-REIT Manager’s acquisition fees	-	85,821	-	85,821
Total issued and issuable H-REIT units / Stapled Securities at the end of the period	957,718,797	836,660,931	957,718,797	836,660,931

Footnotes

- (a) Each Stapled Security comprises one H-REIT unit and one HBT unit.
- (b) CDL Hospitality Trusts issued 116,960,000 of new stapled securities (“New Stapled Securities”) at S\$1.71 per Stapled Security. The proceeds were used to partially repay the H-REIT Group’s borrowings (see Section 1(b)(ii) on page 13 and page 14 of the Announcement) on 1 July 2010. For further details on the private placement and on the use of proceeds, please refer to the announcement released on the SGXNET on 1 July 2010.
- (c) These represent the H-REIT units/Stapled Securities to be issued as partial satisfaction of the management fee incurred for the respective quarters.
- (d) Following the finalisation of the income tax affairs (see Footnote (f) on page 9 of the Announcement), the H-REIT manager’s fee of 85,821 units payable on acquisition of Novotel Clarke Quay is written back in the current quarter.

**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 THIRD QUARTER AND NINE MONTHS ENDED
30 SEPTEMBER 2010**

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 nine months ended 30 September 2010 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 2009.

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.

**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 THIRD QUARTER AND NINE MONTHS ENDED
30 SEPTEMBER 2010**

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

	1 Jul 2010 to 30 Sep 2010	1 Jul 2009 to 30 Sep 2009	1 Jan 2010 to 30 Sep 2010	1 Jan 2009 to 30 Sep 2009
Weighted average number of Stapled Securities	956,826,577 ^(a)	835,575,388	878,193,424 ^(b)	833,286,017
Earnings per Stapled Security based on the weighted average number of Stapled Securities (cents)				
- basic and diluted	3.95	1.95	9.10	5.47
Distribution per Stapled Security for the period based on the total number of Stapled Securities entitled to the distribution (cents)				
- Taxable income	2.30	1.79	6.71	5.25
- Tax exempt income	0.24	0.25	0.72	0.65
	2.54 ^(c)	2.04	7.43	5.90

Footnotes

- (a) *The weighted average number of Stapled Securities used for computation of EPS for the quarter ended 30 September 2010 is 956,826,577. This comprises:*
- (i) *The weighted average number of Stapled Securities in issue as at 30 September 2010 of 956,815,840; and*
 - (ii) *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 September 2010 of 10,737.*
- (b) *The weighted average number of Stapled Securities used for computation of EPS for the period from 1 January 2010 to 30 September 2010 is 878,193,424. This comprises:*
- (i) *The weighted average number of Stapled Securities in issue as at 30 September 2010 of 878,189,806; and*
 - (ii) *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 September 2010 of 3,618.*

**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 THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2010

- (c) *The computation of DPS for the quarter ended 30 September 2010 is based on the number of Stapled Securities entitled to distribution of 957,718,797. This comprises:*
- (i) *The number of Stapled Securities in issue as at 30 September 2010 of 956,730,951; 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 September 2010 of 987,846.*

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	
	30 Sep 2010 S\$	31 Dec 2009 S\$	30 Sep 2010 S\$	31 Dec 2009 S\$
Net asset value per H-REIT unit / Stapled Security	1.46 ^(a)	1.43	1.46 ^(b)	1.43

Footnotes

- (a) *The net asset value per H-REIT unit as at 30 September 2010 is computed based on:*
- *Unitholders’ funds of H-REIT Group of S\$1,396,628,000; and*
 - *The number of issued and issuable H-REIT units of 957,718,797 (31 December 2009: 837,694,789) (see Section 1(e) on page 23 for details).*
- (b) *The net asset value per Stapled Security as at 30 September 2010 is computed based on:*
- *Unitholders’ funds of CDL Hospitality Trusts as at 30 September 2010 of S\$1,397,011,000; and*
 - *The number of issued and issuable Stapled Securities of 957,718,797 (31 December 2009: 837,694,789) (see Section 1(e) on page 23 for details).*
- (c) *Net asset value of HBT as at 30 September 2010 is S\$383,000 (31 December 2009: S\$384,000). The net asset value per HBT unit is 0.04 cents (31 December 2009: 0.04 cents). The number of HBT units used for computation of the actual net asset value per HBT unit is 957,718,797 (31 December 2009: 837,694,789) comprising:*
- *HBT units in issue as at 30 September 2010 of 956,730,951 (31 December 2009: 836,575,110); and*
 - *HBT units to be issued to the H-REIT Manager as satisfaction of management fee payable in units for the quarter ended 30 September 2010 of 987,846 (31 December 2009: 1,033,858).*

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 THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2010

8 Review of the performance for the quarter ended 30 September 2010

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

	1 Jul 2010 to 30 Sep 2010 S\$'000	1 Jul 2009 to 30 Sep 2009 S\$'000	Increase/ (Decrease) %	1 Jan 2010 to 30 Sep 2010 S\$'000	1 Jan 2009 to 30 Sep 2009 S\$'000	Increase/ (Decrease) %
Gross revenue	31,634	22,859	38.4	88,952	65,609	35.6
Property tax	(833)	(853)	(2.3)	(3,592)	(2,634)	36.4
Insurance	(209)	(214)	(2.3)	(645)	(654)	(1.4)
Other property expenses	(433)	(385)	12.5	(1,139)	(1,134)	0.4
Net property income	30,159	21,407	40.9	83,576	61,187	36.6
H-REIT Manager's fees	(2,629)	(2,026)	29.8	(7,426)	(5,876)	26.4
H-REIT Trustee's fees	(55)	(49)	12.2	(161)	(146)	10.3
Other trust expenses	(334)	(192)	74.0	(884)	(465)	90.1
Finance income	291	5	N.M.	3,517	18	N.M.
Finance costs	(8,104)	(2,603)	N.M.	(17,239)	(8,339)	N.M.
Net finance costs	(7,813)	(2,598)	N.M.	(13,722)	(8,321)	64.9
Net income before fair value adjustment	19,328	16,542	16.8	61,380	46,379	32.3
Fair value adjustment on an investment property	18,988	-	N.M.	18,988	-	N.M.
Net income	38,316	16,542	N.M.	80,368	46,379	73.3
Income tax expense	(477)	(283)	68.6	(481)	(830)	(42.0)
Total return for the period	37,839	16,259	N.M.	79,887	45,549	75.4

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 THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2010

8 (ii) Breakdown of Total Gross Revenue by Property

	Foot- notes	1 Jul 2010 to 30 Sep 2010 S\$'000	1 Jul 2009 to 30 Sep 2009 S\$'000	Increase/ (Decrease) %	1 Jan 2010 to 30 Sep 2010 S\$'000	1 Jan 2009 to 30 Sep 2009 S\$'000	Increase/ (Decrease) %
Orchard Hotel		6,647	5,525	20.3	19,629	15,707	25.0
Grand Copthorne Waterfront Hotel		5,516	4,634	19.0	15,706	12,851	22.2
M Hotel		3,983	2,978	33.7	11,314	8,639	31.0
Copthorne King's Hotel		2,408	1,777	35.5	6,867	5,374	27.8
Orchard Hotel Shopping Arcade		1,221	983	24.2	3,421	3,209	6.6
Rendezvous Hotel Auckland		2,129	2,212	(3.8)	6,397	6,081	5.2
Novotel Clarke Quay		5,473	4,750	15.2	14,959	13,748	8.8
Ibis Brisbane	(a)	505	-	N.M.	1,271	-	N.M.
Mercure Brisbane	(a)	758	-	N.M.	1,892	-	N.M.
Novotel Brisbane	(a)	1,538	-	N.M.	3,851	-	N.M.
Ibis Perth	(a)	577	-	N.M.	1,444	-	N.M.
Mercure Perth	(a)	879	-	N.M.	2,201	-	N.M.
Total		31,634	22,859	38.4	88,952	65,609	35.6

Footnotes

(a) No prior period comparatives are presented as the Australia Hotels were acquired on 18 February 2010.

8 (iii) Breakdown of Net Property Income by Property

	Foot- notes	1 Jul 2010 to 30 Sep 2010 S\$'000	1 Jul 2009 to 30 Sep 2009 S\$'000	Increase/ (Decrease) %	1 Jan 2010 to 30 Sep 2010 S\$'000	1 Jan 2009 to 30 Sep 2009 S\$'000	Increase/ (Decrease) %
Orchard Hotel		6,373	5,217	22.2	18,398	14,773	24.5
Grand Copthorne Waterfront Hotel		5,280	4,393	20.2	14,737	12,124	21.6
M Hotel		3,772	2,768	36.3	10,548	8,001	31.8
Copthorne King's Hotel		2,239	1,546	44.8	6,194	4,666	32.7
Orchard Hotel Shopping Arcade		853	708	20.5	2,464	2,354	4.7
Rendezvous Hotel Auckland		2,129	2,212	(3.8)	6,397	6,081	5.2
Novotel Clarke Quay		5,256	4,563	15.2	14,179	13,188	7.5
Ibis Brisbane	(a)	505	-	N.M.	1,271	-	N.M.
Mercure Brisbane	(a)	758	-	N.M.	1,892	-	N.M.
Novotel Brisbane	(a)	1,538	-	N.M.	3,851	-	N.M.
Ibis Perth	(a)	577	-	N.M.	1,444	-	N.M.
Mercure Perth	(a)	879	-	N.M.	2,201	-	N.M.
Total		30,159	21,407	40.9	83,576	61,187	36.6

Footnotes

(a) No prior period comparatives are presented as the Australia Hotels were acquired on 18 February 2010.

**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 THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2010

8 (iv) Review of the Performance

Third Quarter ended 30 September 2010

Gross revenue of S\$31.6 million for 3Q 2010 exceeded that of 3Q 2009 by S\$8.8 million or 38.4%. The recovery was due to improved hospitality performance in Singapore and contribution from the Australia Hotels acquired in 1Q 2010, which accounted for approximately S\$4.3 million of the gross revenue increase. RevPAR for the Singapore Hotels increased by 31.2% to S\$199 in 3Q 2010. Fuelled by increased visitor arrivals, occupancy for the reporting quarter increased by 5.5 percentage points to 91.6% in 3Q 2010. On the back of better hospitality results, net property income, boosted by a write-back of property tax accruals of S\$0.6 million in 3Q 2010, correspondingly improved by S\$8.8 million or 40.9% to S\$30.2 million during the reporting quarter.

Net finance costs for 3Q 2010 increased by S\$5.2 million, mainly due to the recognition of the remaining unamortised transaction cost of about S\$4.9 million incurred on the Facilities which has been repaid and cancelled in August 2010.

The net income for H-REIT Group for 3Q 2010 was S\$38.3 million, an increase of S\$21.8 million over the same period last year. The increase was mainly due to a one-off fair value adjustment of about S\$18.8 million on an investment property. This fair value adjustment, which has no impact on the distribution of CDL Hospitality Trusts, is explained under Footnote (f) on page 9 of the Announcement.

The total income available for distribution in 3Q 2010 before deducting income retained for working capital of S\$26.9 million exceeded 3Q 2009 of S\$18.6 million by S\$8.3 million or 44.6%. In line with the improved operating results, the income available for distribution per Stapled Security for 3Q 2010, after deducting the income retained for working capital was 2.54 cents, a 24.5% growth over the 2.04 cents recorded in the corresponding quarter last year.

For the reporting quarter, the Singapore Hotels achieved a combined Hotel revenue of S\$71.1 million, an improvement of 20.1% as compared to S\$59.2 million in the corresponding quarter last year. Gross operating profit in 3Q 2010 was S\$37.5 million, 24.2% higher than the S\$30.2 million recorded in the same period last year.

Statistics on the weighted average occupancy rate, daily rate and RevPAR for the Singapore Hotels are set out below:

	1 Jul 2010 to 30 Sep 2010	1 Jul 2009 to 30 Sep 2009	Increase
Average Occupancy Rate	91.6%	86.1%	5.5pp
Average Daily Rate	S\$217	S\$176	23.4%
Room Revenue per Available Room (RevPAR)	S\$199	S\$152	31.2%

Net property income contributed by the Orchard Hotel Shopping Arcade for 3Q 2010 was S\$0.9 million. Average occupancy was 91.6% in 3Q 2010 with an average monthly rental rate of approximately S\$7.13 per sq. ft.

**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 THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2010

Nine months ended 30 September 2010

Performance for YTD Sep 2010 was strong with gross revenues of S\$89.0 million and net property income of S\$83.6 million, which exceeded the corresponding period last year by 35.6% and 36.6% respectively. The strong operating performance was due to both organic growth across the Singapore portfolio, and contribution from the Australia Hotels acquired in 1Q 2010 which accounted for approximately S\$10.7 million of the gross revenue increase. RevPAR for the Singapore Hotels increased by 30.3% to S\$189 in YTD Sep 2010. Fuelled by increased visitor arrivals, occupancy for the reporting period surged by 9.3 percentage points to 88.1% in YTD Sep 2010.

Net finance costs, which increased by S\$5.4 million over the same period last year, comprise mainly interest costs and amortisation of transaction costs capitalised. Interest costs were higher in 2010 mainly due to higher funding costs and additional interest expense incurred on loan drawn down to finance the acquisition of the Australia hotels. Amortisation costs has also increased in the current reporting period due to the recognition of the remaining unamortised transaction costs of about S\$6.4 million following the repayment and subsequent cancellation of the Facilities in August 2010.

The net income for H-REIT Group for 3Q 2010 was S\$80.4 million, an increase of S\$34.0 million over the same period last year. The increase was mainly due to higher net income (before fair value adjustment on an investment property) recorded during the reporting period and a one-off fair value adjustment of about S\$18.8 million on an investment property.

The income available for distribution before deducting income retained for working capital of S\$72.6 million in YTD Sep 2010 exceeded S\$54.2 million in YTD Sep 2009 by S\$18.5 million, or 34.1%. In line with the improved operating results, the income available for distribution per Stapled Security for YTD Sep 2010, after deducting the income retained for working capital was 7.43 cents, a 25.9% growth over the 5.90 cents recorded in the corresponding period last year.

Overall, the Singapore Hotels achieved a combined Hotel revenue of S\$204.9 million, an improvement of 20.9% as compared to the corresponding period last year of S\$169.6 million. Gross operating profit in YTD Sep 2010 was S\$107.1 million, 26.7% higher than the S\$84.5 million recorded in the same period last year.

Statistics on the weighted average occupancy rate, daily rate and RevPAR for the Singapore Hotels are set out below:

	1 Jan 2010 to 30 Sep 2010	1 Jan 2009 to 30 Sep 2009	Increase
Average Occupancy Rate	88.1%	78.8%	9.3pp
Average Daily Rate	S\$215	S\$184	16.5%
Room Revenue per Available Room (RevPAR)	S\$189	S\$145	30.3%

Net property income contributed by the Orchard Hotel Shopping Arcade for YTD Sep 2010 was S\$2.5 million. Average occupancy was 84.8% in YTD Sep 2010 with an average monthly rental rate of approximately S\$7.47 per sq. ft.

**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 THIRD QUARTER AND NINE MONTHS ENDED
30 SEPTEMBER 2010**

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 hospitality sector in Singapore continues to be robust, underpinned by strong demand for accommodation. Despite an estimated increase of 14.9% in room supply since the beginning of 2010, H-REIT's Singapore Hotels registered a record quarterly occupancy of 91.6%. This follows after Singapore reported nine straight months of record high monthly visitor arrivals from December 2009 to August 2010, underpinned by a 22.2% growth in visitor arrivals for YTD August 2010 compared to the previous year. Singapore's top three markets of Indonesia, China and Malaysia recorded impressive annual growth of between 31.7% and 45.2% in visitor arrivals for YTD August 2010. Between now through to 2011, a further supply of rooms is expected to number 1,512 or 3.9% of the existing room supply (according to Horwarth HTL).

The Integrated Resorts have contributed to a structural boost in business and leisure demand. Leisure demand for weekend accommodation has improved, augmenting overall occupancies. RevPAR in Q3 2010 continued to rise steadily to S\$199, a 31.2% increase from last year.

The momentum to grow and enrich the Singapore experience for incoming visitors will be sustained by additional attractions which are expected to be phased in the coming years, such as Gardens by the Bay, River Safari and the water theme park at Resorts World Sentosa. With sustained strength of the Asian economy and on-going draw of the two Integrated Resorts, the hospitality sector in Singapore can be expected to benefit from high occupancies by progressively capitalising on opportunities to maximise yield.

Rental from the Australia Hotels are broadly in line with expectations. Australian hotels should continue to be a beneficiary of buoyant natural resource industry in Australia, which has been boosted by strong demand from China and other developing nations.

H-REIT is also well-poised for growth through acquisitions. Following several financing initiatives which were completed in Q3 2010, H-REIT's balance sheet is significantly strengthened with lowered gearing and broadened access to alternative funding sources. H-REIT continues to opportunistically pursue acquisitions while maintaining a disciplined approach to investment activities to enhance its portfolio.

**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 THIRD QUARTER AND NINE MONTHS ENDED
30 SEPTEMBER 2010**

11 Distributions

11 (a) Current financial period

Any distributions declared for the current financial period?

No

11 (b) Corresponding period of the preceding financial period

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

No

11 (c) Book closure date

Not applicable

11 (d) Date payable

Not applicable

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

Not applicable

13 CONFIRMATION PURSUANT TO RULE 705(5) 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 September 2010 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

29 October 2010

**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 THIRD QUARTER AND NINE MONTHS ENDED
30 SEPTEMBER 2010**

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)

29 October 2010

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)

29 October 2010



KPMG LLP
16 Raffles Quay #22-00
Hong Leong Building
Singapore 048581

Telephone +65 6213 3388
Fax +65 6225 0984
Internet www.kpmg.com.sg

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

29 October 2010

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 September 2010, and the related consolidated statements of total return, statements of movements in unitholders’ funds and statements of cash flows for the nine-month period then ended and certain explanatory notes (the Interim Financial Information). CDL Hospitality Trusts comprise 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 fair 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 inquiries, 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 inclusion in CDL Hospitality Trusts' interim announcement to the holders of its 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 LLP

KPMG LLP
*Public Accountants and
Certified Public Accountants*

Singapore
29 October 2010