



CDL HOSPITALITY TRUSTS

FOR IMMEDIATE RELEASE

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CDL HOSPITALITY TRUSTS REPORTS STRONG GROWTH IN 1Q 2012

- **Gross revenue up 19.0% to S\$38.4 million**
- **Net property income up 19.6% to S\$36.0 million**
- **Income available for distribution per Stapled Security up 17.0% to a record 3.09 Singapore cents¹**
- **Highest-ever recorded 1Q RevPAR and Average Occupancy Rate for Singapore Hotels since IPO, at S\$213² and 88.5%² respectively**

Singapore, 26 April 2012 – 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 (“1Q 2012”) ended 31 March 2012.

The highlights are as follows:

	1 Jan 2012 to 31 Mar 2012 S\$'000 ("1Q 2012")	1 Jan 2011 to 31 Mar 2011 S\$'000 ("1Q 2011")	Increase/ (Decrease) %
Gross revenue	38,423	32,301	19.0
Net property income	36,030	30,120	19.6
Net income	28,948	23,565	22.8
Income available for distribution to holders of Stapled Securities	29,839	25,347	17.7
Less:			
Income retained for working capital	(2,984)	(2,535)	17.7
Income available for distribution to holders of Stapled Securities (after deducting income retained for working capital)	26,855	22,812	17.7
Income available for distribution per Stapled Security (before deducting income retained for working capital) (Singapore cents)			
- For the period	3.09	2.64	17.0
- Annualised	12.43	10.71	16.1
Income available for distribution per Stapled Security (after deducting income retained for working capital) (Singapore cents)			
- For the period	2.78	2.38	16.8
- Annualised	11.18	9.65	15.9

¹ Before deducting income retained for working capital.

² Excludes Studio M Hotel, which was only acquired on 3 May 2011.



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In 1Q 2012, CDLHT registered gross revenue of S\$38.4 million, a 19.0% increase from the corresponding period in 2011 ("1Q 2011"). This was attributed to organic growth across the portfolio and a S\$2.7 million revenue boost from Studio M Hotel, which was absent in 1Q 2011 as it was only acquired in the second quarter of 2011. Due to the strength of the resource sector and the receipt of a full year's variable income of S\$1.8 million (or A\$1.3 million), as compared to S\$0.84 million (or A\$0.65 million) recognised for an 8-month period in 1Q 2011, the gross revenue contribution from the Australia Hotels³ in 1Q 2012 was higher than in the corresponding quarter last year.

In tandem with the higher gross revenue, net property income in 1Q 2012 increased 19.6% year-on-year to S\$36.0 million. Accordingly, income available for distribution (before deducting income retained for working capital) increased 17.7%, from S\$25.3 million in 1Q 2011 to S\$29.8 million in 1Q 2012. In line with the improved operating results, income available for distribution per Stapled Security (after deducting income retained for working capital) for 1Q 2012 was 2.78 Singapore cents, a 16.8% growth over the 2.38 Singapore cents recorded in the corresponding period last year.

Mr Vincent Yeo, CEO of M&C REIT Management Limited, the manager of H-REIT, said, "We are pleased to report a positive set of results for 1Q 2012 despite an uncertain global environment. CDLHT's Singapore hotels registered an improved performance on the back of strong visitor arrival growth and as a result of our asset enhancement initiatives undertaken previously. Allied with the incremental contribution from our latest acquisition, Studio M Hotel, and our Australian hotels, this is a record first quarter, in terms of Income Available for Distribution since the inception of CDLHT."

Review of Portfolio Performance

Singapore's tourism market continued to expand in the first two months of 2012, with visitor arrivals increasing by 13.9% to 2.33 million, compared to the corresponding period in 2011.⁴ On the back of this growth, CDLHT achieved an improvement in overall performance across its Singapore Hotels in 1Q 2012.

The combined weighted average statistics for CDLHT's Singapore Hotels (excluding Studio M Hotel) for 1Q 2012 are as follows:

	1 Jan 2012 to 31 Mar 2012 ("1Q 2012") ⁵	1 Jan 2011 to 31 Mar 2011 ("1Q 2011") ⁵	Increase/ (Decrease) %
Average Occupancy Rate	88.5%	85.8%	2.7pp
Average Daily Rate	S\$241	S\$227	6.2%
Room Revenue per Available Room ("RevPAR")	S\$213	S\$195	9.3%

Fuelled by the general increase in visitor arrivals and bolstered by the return of the bi-annual Singapore Airshow in February 2012, the RevPAR for the Singapore Hotels (excluding Studio M Hotel) increased 9.3% year-on-year to S\$213 in 1Q 2012, the highest recorded 1Q RevPAR since the inception of CDLHT.

Average Occupancy Rate at the Singapore Hotels (excluding Studio M Hotel) also hit a record 1Q high in 1Q 2012, climbing 2.7 percentage points from 85.8% in 1Q 2011 to 88.5%. Over the same period, the Average Daily Rate at the Singapore Hotels (excluding Studio M Hotel) increased 6.2% from S\$227 to S\$241.

³ CDLHT's Australia Hotels include Novotel Brisbane, Mercure Brisbane, Ibis Brisbane, Mercure Perth and Ibis Perth.

⁴ STB Visitor Arrival Statistics (Updated 31 Mar 2012).

⁵ Excludes Studio M Hotel, which was only acquired on 3 May 2011.



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Orchard Hotel Shopping Arcade contributed S\$1.2 million to net property income in 1Q 2012. The average occupancy rate was 96.0% while the average monthly rental rate was about S\$7.20 per sq. ft. in 1Q 2012.

Bolstered by Australia's buoyant natural resource sector and static supply of hotel rooms, CDLHT's hotels in Brisbane and Perth continued to perform strongly in 1Q 2012.

Demand drivers to sustain tourism and hospitality growth in 2012

The range of upcoming new tourist attractions, a stronger events calendar as well as tourism infrastructure scheduled for opening in 2012 are expected to continue drawing more visitors to Singapore. Notable upcoming attractions in 2012 that will continue to broaden and enrich the experience of visitors include the expected opening of Phase 1 (Bay South) of the 101-hectare Gardens by the Bay, the River Safari featuring the major rivers of the world and the Giant Pandas, and the Marine Life Park at Resorts World Sentosa, which are expected to open in June, October, and by the end of 2012 respectively.⁶

On the tourism infrastructure front, the new Singapore International Cruise Terminal is expected to commence operations in the second quarter of 2012, doubling Singapore's berth capacity and enabling Singapore to accommodate the new generation of larger cruise liners.⁷ In addition, the continued increase in low cost carrier flights serving the Singapore market is expected to further facilitate visitor arrivals.

Hotel room supply in Singapore is expected to increase by 1,530 rooms⁸ in 2012, or by 3.1% compared to the supply inventory as at 31 December 2011, contributing to a more competitive hospitality market. Upcoming tourism demand drivers in 2012 are expected to continue attracting visitor arrivals and fuel the overall growth of Singapore's hospitality sector.

Mr Yeo concluded, "Singapore's tourism sector has continued on its strong growth trajectory in 2012. In the first two months of 2012, visitor arrivals in Singapore increased 13.9% year-on-year. With significant Singapore exposure, we are well-poised to benefit from any further increases in accommodation demand that will be created by the new tourist attractions. We are still firmly focused on growth. Our low gearing of 25.6% positions us well to capitalise on opportunities to enhance or expand the portfolio."

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⁶ Channel NewsAsia, 3 Apr 12, "Bay South Garden to open on June 29"; The Straits Times, 10 Mar 12, "Controlled chaos' at Amazon section of River Safari"; and RWS Press Release, 5 Sep 11, "Resorts World Sentosa unveils the Maritime Experiential Museum & Aquarium".

⁷ The Straits Times, 5 Mar 12, "New cruise terminal awaits bigger ships".

⁸ Horwath HTL report issued as at January 2012.



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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. M&C REIT Management Limited is the manager of H-REIT.

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 31 March 2012, H-REIT's portfolio has a total of 4,307 hotel rooms, comprising Orchard Hotel, Grand Copthorne Waterfront Hotel, M Hotel, Copthorne King's Hotel, Novotel Singapore Clarke Quay and Studio M Hotel, all of which are located in Singapore and marketed as "superior" hotels; the Rendezvous Hotel Auckland (which has been re-branded Rendezvous Grand Hotel Auckland with effect from 1 April 2012), a deluxe hotel located in New Zealand's gateway city of Auckland; the Mercure Brisbane, Ibis Brisbane, Novotel Brisbane, Mercure Perth and Ibis Perth, 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.