



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 2012**

TABLE OF CONTENTS

	Page
INTRODUCTION	2
SUMMARY OF CDL HOSPITALITY TRUSTS' RESULTS	3 - 4
1(a) STATEMENTS OF TOTAL RETURN	5 - 11
1(b)(i) STATEMENTS OF FINANCIAL POSITION	12 - 13
1(b)(ii) AGGREGATE AMOUNT OF GROUP'S BORROWINGS AND DEBT SECURITIES	14
1(c) STATEMENTS OF CASH FLOWS	15 - 17
1(d) STATEMENT OF MOVEMENT IN UNITHOLDERS' FUNDS	17 - 21
1(e) DETAILS OF ANY CHANGES IN THE UNITS	22
2 AUDIT STATEMENT	23
3 AUDITORS' REPORT	23
4 ACCOUNTING POLICIES	23
5 CHANGES IN ACCOUNTING POLICIES	23
6 EARNINGS PER UNIT AND DISTRIBUTION PER UNIT	24
7 NET ASSET VALUE PER UNIT	25
8 REVIEW OF PERFORMANCE	26 - 30
9 VARIANCE FROM FORECAST OR PROSPECTUS STATEMENT	31
10 OUTLOOK AND PROSPECTS	31
11 DISTRIBUTIONS	32
12 DISTRIBUTION STATEMENT	32
13 GENERAL MANDATE RELATING TO INTERESTED PERSON TRANSACTIONS	32
14 CONFIRMATION PURSUANT TO RULE 705(5) OF 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 2012

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**”) and cannot be traded separately.

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 2012, H-REIT owns 12 hotels with 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 (collectively, the “**Singapore Hotels**”), all of which are located in Singapore and marketed as “superior” hotels; the Rendezvous Grand 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 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 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 makes distributions to unitholders 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. 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 (“CDLHT”)
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 2012

SUMMARY OF CDL HOSPITALITY TRUSTS’ RESULTS

	1 Jul 2012 to 30 Sep 2012 S\$'000	1 Jul 2011 to 30 Sep 2011 S\$'000	Increase/ (Decrease) %	1 Jan 2012 to 30 Sep 2012 S\$'000	1 Jan 2011 to 30 Sep 2011 S\$'000	Increase/ (Decrease) %
Gross revenue	36,145	36,433	-0.8	111,200	103,303	7.6
Net property income ^(a)	33,606	33,985	-1.1	103,731	99,690	4.1
Net income	26,433	26,981	-2.0	81,374	79,646	2.2
Income available for distribution to holders of Stapled Securities	29,211	29,607	-1.3	90,422	86,613	4.4
Less:						
Income retained for working capital	(2,921)	(2,960)	-1.3	(9,042)	(8,661)	4.4
Income available for distribution to holders of Stapled Securities (after deducting income retained for working capital)	26,290	26,647	-1.3	81,380	77,952	4.4
Income available for distribution per Stapled Security (before deducting income retained for working capital)(cents)						
For the period	3.02	3.08	-1.9	9.35	9.01	3.8
Annualised	12.01	12.22	-1.7	12.49	12.05	3.7
Annualised distribution yield (%) at closing market price of S\$2.07 as at 29 October 2012	5.80	5.90	-1.7	6.03	5.82	3.6
Income available for distribution per Stapled Security (after deducting income retained for working capital)(cents)						
For the period	2.72	2.77	-1.8	8.42	8.11	3.8
Annualised	10.82	10.99	-1.5	11.25	10.84	3.8
Annualised distribution yield (%) at closing market price of S\$2.07 as at 29 October 2012	5.23	5.31	-1.5	5.43	5.24	3.6

Footnote

(a) Included in the net property income for the nine months ended 30 September 2011 is a one-off property tax refund of S\$3.3 million. To assess the impact to CDLHT’s nine months ended 30 September 2011 results excluding this one-off property tax refund, please refer to page 4 of the Announcement.

**CDL HOSPITALITY TRUSTS (“CDLHT”)
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 2012

Footnote (continued)

- (a) The property tax refund of S\$3.3 million arose from revised property tax assessments issued by the Inland Revenue Authority of Singapore (“IRAS”) in respect of years 2006 to 2008. For further details on this property tax refund, please refer to Footnote (b) on page 7 of the Announcement. CDLHT’s results excluding this non-recurring property tax refund of S\$3.3 million from the nine months ended 30 September 2011 results, is as follows:

	1 Jul 2012 to 30 Sep 2012 S\$'000	1 Jul 2011 to 30 Sep 2011 S\$'000	Increase/ (Decrease) %	1 Jan 2012 to 30 Sep 2012 S\$'000	1 Jan 2011 to 30 Sep 2011 S\$'000	Increase/ (Decrease) %
Net property income	33,606	33,985	-1.1	103,731	96,306	7.7
Income available for distribution to holders of Stapled Securities	29,211	29,607	-1.3	90,422	83,263	8.6
Income available for distribution to holders of Stapled Securities (after deducting income retained for working capital)	26,290	26,647	-1.3	81,380	74,937	8.6
Income available for distribution per Stapled Security (before deducting income retained for working capital)(cents)	3.02	3.08	-1.9	9.35	8.67	7.8
Income available for distribution per Stapled Security (after deducting income retained for working capital)(cents)	2.72	2.77	-1.8	8.42	7.80	7.9

**CDL HOSPITALITY TRUSTS (“CDLHT”)
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 2012

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 period

<u>Statements of Total Return</u>	Foot-notes	H-REIT Group					
		1 Jul 2012 to 30 Sep 2012 S\$'000	1 Jul 2011 to 30 Sep 2011 S\$'000	Increase/ (Decrease) %	1 Jan 2012 to 30 Sep 2012 S\$'000	1 Jan 2011 to 30 Sep 2011 S\$'000	Increase/ (Decrease) %
Gross revenue	(a)	36,145	36,433	-0.8	111,200	103,303	7.6
Property tax	(b)	(1,890)	(1,802)	4.9	(5,645)	(1,766)	N.M.
Insurance	(c)	(233)	(214)	8.9	(752)	(551)	36.5
Other property expenses	(d)	(416)	(432)	-3.7	(1,072)	(1,296)	-17.3
Net property income		33,606	33,985	-1.1	103,731	99,690	4.1
H-REIT Manager's fees		(2,997)	(2,971)	0.9	(9,117)	(8,622)	5.7
H-REIT Trustee's fees		(61)	(60)	1.7	(184)	(174)	5.7
Other trust expenses	(e)	(354)	(401)	-11.7	(1,179)	(1,113)	5.9
Finance income		79	222	-64.4	525	535	-1.9
Finance costs		(3,839)	(3,794)	1.2	(12,401)	(10,669)	16.2
Net finance costs	(f)	(3,760)	(3,572)	5.3	(11,876)	(10,134)	17.2
Net income		26,434	26,981	-2.0	81,375	79,647	2.2
Income tax expense	(h)	9	(197)	N.M.	(479)	(753)	-36.4
Total return for the period		26,443	26,784	-1.3	80,896	78,894	2.5

**CDL HOSPITALITY TRUSTS (“CDLHT”)
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 2012

		CDL Hospitality Trusts					
<u>Statements of Total Return</u>	Foot- notes	1 Jul 2012 to 30 Sep 2012 S\$'000	1 Jul 2011 to 30 Sep 2011 S\$'000	Increase/ (Decrease) %	1 Jan 2012 to 30 Sep 2012 S\$'000	1 Jan 2011 to 30 Sep 2011 S\$'000	Increase/ (Decrease) %
Gross revenue	(a)	36,145	36,433	-0.8	111,200	103,303	7.6
Property tax	(b)	(1,890)	(1,802)	4.9	(5,645)	(1,766)	N.M.
Insurance	(c)	(233)	(214)	8.9	(752)	(551)	36.5
Other property expenses	(d)	(416)	(432)	-3.7	(1,072)	(1,296)	-17.3
Net property income		33,606	33,985	-1.1	103,731	99,690	4.1
H-REIT Manager's fees		(2,997)	(2,971)	0.9	(9,117)	(8,622)	5.7
H-REIT Trustee's fees		(61)	(60)	1.7	(184)	(174)	5.7
Other trust expenses	(e)	(355)	(401)	-11.5	(1,180)	(1,114)	5.9
Finance income		79	222	-64.4	525	535	-1.9
Finance costs		(3,839)	(3,794)	1.2	(12,401)	(10,669)	16.2
Net finance costs	(f)	(3,760)	(3,572)	5.3	(11,876)	(10,134)	17.2
Net income	(g)	26,433	26,981	-2.0	81,374	79,646	2.2
Income tax expense	(h)	9	(197)	N.M.	(479)	(753)	-36.4
Total return for the period		26,442	26,784	-1.3	80,895	78,893	2.5

**CDL HOSPITALITY TRUSTS (“CDLHT”)
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 2012

Footnotes

N.M. – Not Meaningful

- (a) *Gross revenue comprises rental income from H-REIT’s investment properties. Please refer to Section 8(ii) on page 27 of the Announcement.*
- (b) *In 2008, the Inland Revenue Authority of Singapore (“IRAS”) raised a one-off additional property tax assessment of about S\$3.2 million in respect of the years 2006 and 2007, which was adjusted in the Statement of Total Return that year. The assessments were raised following the implementation of the new basis of computing the annual value of hotels effective 1 January 2008. An objection was subsequently lodged against these assessments by H-REIT’s consultant, CBRE Pte. Ltd. Following the finalisation of the property tax assessments for the years 2006 to 2008, a property tax refund of S\$3.3 million was adjusted against the 2Q 2011 property tax. Excluding the property tax refund, the property tax expense for nine months ended 30 September 2011 was about S\$5.2 million.*
- (c) *The increase in insurance expenses for the nine months ended 30 September 2012 was mainly due to the inclusion of insurance costs for Studio M Hotel (which was acquired on 3 May 2011) and an additional accrual of S\$58,000 following the annual finalisation of premiums by insurers in respect of prior years. In addition, there was a reversal of an over accrual of S\$69,000 in the 1Q 2011 which further attributed to the higher variance.*
- (d) *Other property expenses comprise mainly direct operating expenses of the Orchard Hotel Shopping Arcade. Expenses were lower for the nine months ended 30 September 2012 as it included a reversal of impairment loss for trade receivables of S\$165,000.*
- (e) *Other trust expenses comprise mainly professional fees and administrative costs, including cost relating to projects and stamp duty expenses.*

**CDL HOSPITALITY TRUSTS (“CDLHT”)
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 2012

(f) *Net finance costs comprise the following:*

	H-REIT Group					
	1 Jul 2012 to 30 Sep 2012 S\$'000	1 Jul 2011 to 30 Sep 2011 S\$'000	Increase/ (Decrease) %	1 Jan 2012 to 30 Sep 2012 S\$'000	1 Jan 2011 to 30 Sep 2011 S\$'000	Increase/ (Decrease) %
Interest income received/receivable from banks	79	190	-58.4	525	470	11.7
Exchange gain ⁽ⁱ⁾	-	32	N.M.	-	65	N.M.
Finance income	79	222	-64.4	525	535	-1.9
Exchange loss ⁽ⁱ⁾	(69)	-	N.M.	(861)	-	N.M.
Interest paid/payable to banks ⁽ⁱⁱ⁾	(3,587)	(3,638)	-1.4	(11,016)	(10,227)	7.7
Amortisation of transaction costs capitalised ⁽ⁱⁱⁱ⁾	(140)	(115)	21.7	(394)	(315)	25.1
Financial expense arising from remeasuring non-current rental deposits at amortised cost	(43)	(41)	4.9	(130)	(127)	2.4
Finance costs	(3,839)	(3,794)	1.2	(12,401)	(10,669)	16.2
Net finance costs	(3,760)	(3,572)	5.3	(11,876)	(10,134)	17.2

**CDL HOSPITALITY TRUSTS (“CDLHT”)
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 2012

(f) *Net finance costs comprise the following (continued):*

	CDL Hospitality Trusts					
	1 Jul 2012 to 30 Sep 2012 S\$'000	1 Jul 2011 to 30 Sep 2011 S\$'000	Increase/ (Decrease) %	1 Jan 2012 to 30 Sep 2012 S\$'000	1 Jan 2011 to 30 Sep 2011 S\$'000	Increase/ (Decrease) %
Interest income received/receivable from banks	79	190	-58.4	525	470	11.7
Exchange gain ⁽ⁱ⁾	-	32	N.M.	-	65	N.M.
Finance income	79	222	-64.4	525	535	-1.9
Exchange loss ⁽ⁱ⁾	(69)	-	N.M.	(861)	-	N.M.
Interest paid/payable to banks ⁽ⁱⁱ⁾	(3,587)	(3,638)	-1.4	(11,016)	(10,227)	7.7
Amortisation of transaction costs capitalised ⁽ⁱⁱⁱ⁾	(140)	(115)	21.7	(394)	(315)	25.1
Financial expense arising from remeasuring non-current rental deposits at amortised cost	(43)	(41)	4.9	(130)	(127)	2.4
Finance costs	(3,839)	(3,794)	1.2	(12,401)	(10,669)	16.2
Net finance costs	(3,760)	(3,572)	5.3	(11,876)	(10,134)	17.2

- (i) The exchange gain/(loss) for the third quarter and nine months ended 30 September 2011 and 30 September 2012 was mainly due to revaluation fluctuations on borrowings and cash and cash equivalents denominated in New Zealand and Australian dollars.
- (ii) The decrease in interest paid/payable to banks for the third quarter ended 30 September 2012 was mainly due to the lower funding cost from Australian borrowings. Interest paid/payable to banks for the nine months ended 30 September 2012 increased mainly due to the additional interest expense incurred on borrowings drawn in May last year to finance the acquisition of Studio M Hotel.
- (iii) The amortisation costs for the third quarter and nine months ended 30 September 2012 relates to the amortisation of transaction costs arising from the medium term note issuance and revolving credit facility.

**CDL HOSPITALITY TRUSTS (“CDLHT”)
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 2012

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

CDL Hospitality Trusts				
	1 Jul 2012 to 30 Sep 2012 S\$'000	1 Jul 2011 to 30 Sep 2011 S\$'000	1 Jan 2012 to 30 Sep 2012 S\$'000	1 Jan 2011 to 30 Sep 2011 S\$'000
H-REIT	25,765	27,657	80,447	81,101
Other H-REIT group entities (including consolidation adjustments)	669	(676)	928	(1,454)
HBT	(1)	-	(1)	(1)
	26,433	26,981	81,374	79,646

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

H-REIT Group and CDL Hospitality Trusts				
	1 Jul 2012 to 30 Sep 2012 S\$'000	1 Jul 2011 to 30 Sep 2011 S\$'000	1 Jan 2012 to 30 Sep 2012 S\$'000	1 Jan 2011 to 30 Sep 2011 S\$'000
Corporate income tax	-	(139)	-	(424)
Deferred tax	10	(49)	(463)	(307)
Others	(1)	(9)	(16)	(22)
	9	(197)	(479)	(753)

**CDL HOSPITALITY TRUSTS (“CDLHT”)
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 2012

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

	H-REIT Group and CDL Hospitality Trusts			
	1 Jul 2012 to 30 Sep 2012 S\$'000	1 Jul 2011 to 30 Sep 2011 S\$'000	1 Jan 2012 to 30 Sep 2012 S\$'000	1 Jan 2011 to 30 Sep 2011 S\$'000
Net income of H-REIT	25,765	27,657	80,447	81,101
Add/(Less): Non tax deductible/(tax chargeable) items:				
- Amortisation of transaction costs	140	115	394	315
- Financial expense arising from remeasuring non-current rental deposits at amortised cost	43	41	130	127
- Exchange loss/(gain)	698	(921)	1,650	(2,569)
- H-REIT Manager's fees paid/payable in Stapled Securities	2,397	2,377	7,293	6,897
- Other items	168	338	508	742
Income available for distribution to holders of Stapled Securities (before deducting income retained for working capital) ⁽ⁱⁱ⁾	29,211	29,607	90,422	86,613
Less :				
Income retained for working capital	(2,921)	(2,960)	(9,042)	(8,661)
Income available for distribution to holders of Stapled Securities (after deducting income retained for working capital) ⁽ⁱⁱ⁾	26,290	26,647	81,380	77,952
Comprising :				
- Taxable income	24,289	25,064	74,245	72,737
- Tax exempt income	2,001	1,583	7,135	5,215
	26,290	26,647	81,380	77,952

(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 income to be distributed for nine months ended 30 September 2012 of S\$81,380,000 comprises all of H-REIT's taxable income and net tax exempt income (after retaining an amount of S\$9,042,000 for working capital purposes) for the period from 1 January 2012 to 30 September 2012. Of this amount, the distributable income of S\$55,149,000 for the half year ended 30 June 2012 was paid on 29 August 2012.

**CDL HOSPITALITY TRUSTS (“CDLHT”)
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 2012

1 (b)(i) Statements of Financial Position together with a comparative statement at the end of the immediately preceding financial year

<u>Statements of Financial Position</u>	Footnotes	H-REIT Group		CDL Hospitality Trusts ^(a)	
		30 Sep 2012	31 Dec 2011	30 Sep 2012	31 Dec 2011
		S\$'000	S\$'000	S\$'000	S\$'000
ASSETS					
Non-current assets					
Investment properties		2,027,762	2,029,847	2,027,762	2,029,847
Rental deposit		76	76	76	76
		2,027,838	2,029,923	2,027,838	2,029,923
Current assets					
Trade and other receivables		16,657	18,036	16,657	18,036
Cash and cash equivalents	(b)	41,775	70,112	42,155	70,493
		58,432	88,148	58,812	88,529
Total assets		2,086,270	2,118,071	2,086,650	2,118,452
LIABILITIES					
Non-current liabilities					
Financial liabilities	(c)	271,882	534,765	271,882	534,765
Rental deposits	(d)	6,602	6,472	6,602	6,472
Deferred tax liabilities		6,288	6,001	6,288	6,001
		284,772	547,238	284,772	547,238
Current liabilities					
Financial liabilities	(c)	259,703	-	259,703	-
Trade and other payables	(e)	20,151	22,736	20,152	22,737
Provision for taxation		2	816	2	816
		279,856	23,552	279,857	23,553
Total liabilities		564,628	570,790	564,629	570,791
Net assets		1,521,642	1,547,281	1,522,021	1,547,661
Represented by:					
Unitholders' funds					
Unitholders' funds of H-REIT Group	(f)	1,521,642	1,547,281	1,521,642	1,547,281
Unitholders' funds of HBT		-	-	379	380
		1,521,642	1,547,281	1,522,021	1,547,661

**CDL HOSPITALITY TRUSTS (“CDLHT”)
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 2012

Footnotes

- (a) *The statement of financial position of CDL Hospitality Trusts comprises the statement of financial position of H-REIT Group and HBT. No separate statement of financial position of HBT has been presented as its net assets as at 30 September 2012 are approximately S\$379,000 (31 December 2011: S\$380,000).*
- (b) *Cash and cash equivalents comprise mainly rental income from H-REIT’s investment properties, which are reserved for distribution to unitholders at the next Scheduled Distribution.*
- (c) *Financial liabilities of S\$531,585,000 (31 December 2011: S\$534,765,000), which are measured at amortised cost, comprise S\$413.6 million notes issued pursuant to the Medium Term Note Programme and approximately S\$118.9 million drawn down from the RCF Facility, as explained under Section 1(b)(ii) Footnote (i) and Footnote (ii) on page 14 of the Announcement respectively.*
- During the reporting quarter, S\$260 million unsecured medium term notes were reclassified to current liabilities as the maturity date of these notes is less than one year.*
- (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 movement in unitholders’ funds are set out in Section 1(d).*

**CDL HOSPITALITY TRUSTS (“CDLHT”)
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 2012

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

		H-REIT Group and CDL Hospitality Trusts	
		30 Sep 2012 S\$'000	31 Dec 2011 S\$'000
	Footnotes		
Amount repayable after one year			
Unsecured medium term notes	(i)	153,600	413,600
Unsecured borrowings	(ii)	118,914	122,558
		272,514	536,158
Amount repayable within one year			
Unsecured medium term notes	(i)	260,000	-
Unsecured borrowings	(iii)	-	-
		260,000	-
Total borrowings		532,514	536,158

Footnotes

i. Unsecured medium term notes

H-REIT’s wholly-owned subsidiary, CDLHT MTN Pte. Ltd. (the “Issuer”) has in place a S\$1.0 billion Multi-currency Medium Term Note Programme (the “Programme”). As at reporting date, S\$413.6 million medium term notes has been issued by this subsidiary. These comprise:

- (a) S\$260.0 million medium term notes comprising S\$150.0 million 3-year fixed rate note and S\$110.0 million 3-year variable rate notes, which are repriced 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 purchase any variable rate notes which are put back to the Issuer. Proceeds from the notes issuance were on-lent to H-REIT to mainly repay outstanding borrowings.
- (b) S\$153.6 million medium term notes comprising S\$70.0 million 3-year fixed rate note and S\$83.6 million 5-year floating rate note, which are re-priced every six months. These medium term notes were issued in August 2011 and proceeds from the notes issuance were on-lent to H-REIT to fully repay the outstanding borrowings under the Bridge Loan Facility and one year revolving credit facility.

ii. Unsecured borrowings, after one year

H-REIT has in place a S\$100.0 million committed bilateral multi-currency revolving credit facility each from two banks (collectively S\$200.0 million) for a 3-year term (the “RCF Facility”).

As at 30 September 2012, A\$93.2 million (S\$118.9 million) was utilised to fund the loan relating to the Australia Hotels.

Approximately S\$81.1 million of the RCF Facility remains unutilised at reporting date.

iii. Unsecured borrowings, within one year

H-REIT has in place a S\$300.0 million uncommitted multi-currency bridge loan facility with a bank (the “Bridge Loan Facility”) to fund acquisitions, capital expenditure and working capital requirements.

The Bridge Loan Facility can be drawn in multiple tranches and each tranche is to be repaid within a maximum period of one year from each draw down date.

As at reporting date, no amount was drawn down under this facility.

**CDL HOSPITALITY TRUSTS (“CDLHT”)
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 2012**

1 (c)(i) Statements of Cash Flows of H-REIT Group

		H-REIT Group			
Foot- notes	1 Jul 2012 to 30 Sep 2012 S\$'000	1 Jan 2012 to 30 Sep 2012 S\$'000	1 Jul 2011 to 30 Sep 2011 S\$'000	1 Jan 2011 to 30 Sep 2011 S\$'000	
Operating activities					
	26,434	81,375	26,981	79,647	
Net income					
Adjustments for:					
H-REIT Manager's acquisition fee	-	-	-	1,540	
H-REIT Manager's fee paid/payable in Stapled Securities	2,397	7,293	2,377	6,897	
Net finance costs	3,760	11,876	3,572	10,134	
	32,591	100,544	32,930	98,218	
Operating income before working capital changes					
Changes in working capital:					
Trade and other receivables	351	(317)	5,816	(872)	
Trade and other payables	1,611	(1,972)	326	(160)	
Cash used in operation	34,553	98,255	39,072	97,186	
Income tax paid	-	-	(2)	(728)	
Cash generated from operating activities	34,553	98,255	39,070	96,458	
Investing activities					
Cash outflow from acquisition of an investment property	-	-	(250)	(156,057)	
Security deposit from acquisition of an investment property	-	-	-	1,600	
Capital expenditure on investment properties	(2,342)	(4,165)	(1,823)	(8,002)	
Interest received	95	549	197	444	
Cash flows used in investing activities	(2,247)	(3,616)	(1,876)	(162,015)	
Financing activities					
Fixed deposit pledged	-	-	15	15	
Proceeds from medium term notes	-	-	153,600	153,600	
Proceeds from bank loans	-	-	-	153,200	
Repayment of bank loans	-	-	(153,200)	(153,200)	
Other transaction expenses	(35)	(52)	(428)	(442)	
Finance costs paid	(5,667)	(12,683)	(5,308)	(11,061)	
Distribution to holders of Stapled Securities	(55,149)	(110,241)	(51,359)	(102,270)	
Cash flows (used in)/generated from financing activities	(60,851)	(122,976)	(56,680)	39,842	
Net decrease in cash and cash equivalents	(28,545)	(28,337)	(19,486)	(25,715)	
Cash and cash equivalents at beginning of the period	70,320	70,112	61,132	67,361	
Cash and cash equivalents at end of the period	41,775	41,775	41,646	41,646	

**CDL HOSPITALITY TRUSTS (“CDLHT”)
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 2012**

1 (c)(ii) Statements of Cash Flows of CDL Hospitality Trusts

		CDL Hospitality Trusts			
Foot- notes		1 Jul 2012 to 30 Sep 2012 S\$'000	1 Jan 2012 to 30 Sep 2012 S\$'000	1 Jul 2011 to 30 Sep 2011 S\$'000	1 Jan 2011 to 30 Sep 2011 S\$'000
Operating activities					
	Net income	26,433	81,374	26,981	79,646
	Adjustments for:				
	H-REIT Manager's acquisition fee	-	-	-	1,540
	H-REIT Manager's fee paid/payable in Stapled Securities	(a) 2,397	7,293	2,377	6,897
	Net finance costs	3,760	11,876	3,572	10,134
	Operating income before working capital changes	32,590	100,543	32,930	98,217
	Changes in working capital:				
	Trade and other receivables	351	(317)	5,816	(872)
	Trade and other payables	1,610	(1,973)	326	(159)
	Cash used in operation	34,551	98,253	39,072	97,186
	Income tax paid	-	-	(2)	(728)
	Cash generated from operating activities	34,551	98,253	39,070	96,458
Investing activities					
	Cash outflow from acquisition of an investment property	(b) -	-	(250)	(156,057)
	Security deposit from acquisition of an investment property	-	-	-	1,600
	Capital expenditure on investment properties	(2,342)	(4,165)	(1,823)	(8,002)
	Interest received	95	550	197	444
	Cash flows used in investing activities	(2,247)	(3,615)	(1,876)	(162,015)
Financing activities					
	Fixed deposit pledged	-	-	15	15
	Proceeds from medium term notes	(b) -	-	153,600	153,600
	Proceeds from bank loans	(b) -	-	-	153,200
	Repayment of bank loans	(b) -	-	(153,200)	(153,200)
	Other transaction expenses	(35)	(52)	(428)	(442)
	Finance costs paid	(5,667)	(12,683)	(5,308)	(11,061)
	Distribution to holders of Stapled Securities	(55,149)	(110,241)	(51,359)	(102,270)
	Cash flows (used in)/generated from financing activities	(60,851)	(122,976)	(56,680)	39,842
	Net decrease in cash and cash equivalents	(28,547)	(28,338)	(19,486)	(25,715)
	Cash and cash equivalents at beginning of the period	70,702	70,493	61,516	67,745
	Cash and cash equivalents at end of the period	42,155	42,155	42,030	42,030

**CDL HOSPITALITY TRUSTS (“CDLHT”)
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 2012

Footnotes

(a) *Significant non-cash transactions*

Quarter ended 30 September 2012

1,207,377 (Quarter ended 30 September 2011: 1,471,310) Stapled Securities amounting to S\$2,397,000 (Quarter ended 30 September 2011: S\$2,377,000) will be issued to the H-REIT Manager as satisfaction of management fees payable in units in respect of the quarter ended 30 September 2012 on 30 October 2012.

Period from 1 January 2012 to 30 September 2012

3,900,807 (nine months ended 30 September 2011: 3,724,847) Stapled Securities amounting to S\$7,293,000 (nine months ended 30 September 2011: S\$6,897,000) were issued or will be issued to the H-REIT Manager as satisfaction of management fees payable in units in respect of the period ended from 1 January to 30 September 2012.

(b) *Proceeds from bank loans were utilised to fund the acquisition of Studio M Hotel in May last year. These loans were subsequently repaid in August 2011 through proceeds from the issuance of medium term notes by H-REIT’s subsidiary as explained under Section (1)(b)(ii) Footnote (i)(b) on page 14 of the Announcement.*

1 (d)(i) Statement of Movements in Unitholders’ funds of HBT

	1 Jul 2012 to 30 Sep 2012 S\$’000	1 Jul 2011 to 30 Sep 2011 S\$’000	1 Jan 2012 to 30 Sep 2012 S\$’000	1 Jan 2011 to 30 Sep 2011 S\$’000
Balance as at beginning of the period	380	382	380	383
Net loss after tax	(1)	-	(1)	(1)
Balance as at end of the period	379	382	379	382

**CDL HOSPITALITY TRUSTS (“CDLHT”)
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 2012**

1 (d)(ii) Statement of Movements in Unitholders’ funds for the period from 1 July 2012 to 30 September 2012

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 2012	1,122,999	(23,921)	(2,536)	452,785	1,549,327	1,549,707
Operations						
Increase in net assets resulting from operations	-	-	-	26,443	26,443	26,442
Movements in foreign currency translation reserve:						
- Translation differences relating to financial statements of foreign subsidiaries	-	-	(693)	-	(693)	(693)
- Exchange differences on monetary items forming part of net investment in a foreign operation	-	-	(1,764)	-	(1,764)	(1,764)
- Exchange differences on hedge of net investment in a foreign operation	-	-	1,081	-	1,081	1,081
Unitholders’ transactions						
(i) Stapled Securities to be issued as payment of H-REIT Manager’s management fees	(a) 2,397	-	-	-	2,397	2,397
(ii) Distribution to holders of Stapled Securities	(b) -	-	-	(55,149)	(55,149)	(55,149)
Decrease in net assets resulting from unitholders’ transactions	2,397	-	-	(55,149)	(52,752)	(52,752)
Balance as at 30 September 2012	1,125,396	(23,921)	(3,912)	424,079	1,521,642	1,522,021

**CDL HOSPITALITY TRUSTS (“CDLHT”)
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 2012

1 (d)(iii) Statement of Movements in Unitholders’ funds for the period from 1 January 2012 to 30 September 2012

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 2012	1,118,103	(23,921)	(325)	453,424	1,547,281	1,547,661
Operations						
Increase in net assets resulting from operations	-	-	-	80,896	80,896	80,895
Movements in foreign currency translation reserve:						
- Translation differences relating to financial statements of foreign subsidiaries	-	-	(2,662)	-	(2,662)	(2,662)
- Exchange differences on monetary items forming part of net investment in a foreign operation	-	-	(4,569)	-	(4,569)	(4,569)
- Exchange differences on hedge of net investment in a foreign operation	-	-	3,644	-	3,644	3,644
Unitholders’ transactions						
(i) Stapled Securities issued and to be issued as payment of H-REIT Manager’s management fees	(a) 7,293	-	-	-	7,293	7,293
(ii) Distribution to holders of Stapled Securities	(c) -	-	-	(110,241)	(110,241)	(110,241)
Decrease in net assets resulting from unitholders’ transactions	7,293	-	-	(110,241)	(102,948)	(102,948)
Balance as at 30 September 2012	1,125,396	(23,921)	(3,912)	424,079	1,521,642	1,522,021

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 2012 to 30 June 2012.*
- (c) *Distribution to holders of Stapled Securities relates to the distribution made in respect of the period from 1 July 2011 to 31 December 2011 and from 1 January 2012 to 30 June 2012.*

**CDL HOSPITALITY TRUSTS (“CDLHT”)
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 2012**

1 (d)(iv) Statement of Movements in Unitholders’ funds for the period from 1 July 2011 to 30 September 2011

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 2011	1,113,269	(24,695)	(1,792)	380,601	1,467,383	1,467,765
Operations						
Increase in net assets resulting from operations	-	-	-	26,784	26,784	26,784
Movements in foreign currency translation reserve:						
- Translation differences relating to financial statements of foreign subsidiaries	-	-	(2,571)	-	(2,571)	(2,571)
- Exchange differences on monetary items forming part of net investment in a foreign operation	-	-	(2,478)	-	(2,478)	(2,478)
- Exchange differences on hedge of net investment in a foreign operation	-	-	3,076	-	3,076	3,076
Unitholders’ transactions						
(i) Stapled Securities to be issued as payment of H-REIT Manager’s management fees	(a) 2,377	-	-	-	2,377	2,377
(ii) Distribution to holders of Stapled Securities	(b) -	-	-	(51,359)	(51,359)	(51,359)
Decrease in net assets resulting from unitholders’ transactions	2,377	-	-	(51,359)	(48,982)	(48,982)
Balance as at 30 September 2011	1,115,646	(24,695)	(3,765)	356,026	1,443,212	1,443,594

**CDL HOSPITALITY TRUSTS (“CDLHT”)
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 2012**

1 (d)(v) Statement of Movements in Unitholders’ funds for the period from 1 January 2011 to 30 September 2011

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 2011	1,107,209	(24,695)	(2,061)	379,402	1,459,855	1,460,238
Operations						
Increase in net assets resulting from operations	-	-	-	78,894	78,894	78,893
Movements in foreign currency translation reserve:						
- Translation differences relating to financial statements of foreign subsidiaries	-	-	(3,785)	-	(3,785)	(3,785)
- Exchange differences on monetary items forming part of net investment in a foreign operation	-	-	(2,253)	-	(2,253)	(2,253)
- Exchange differences on hedge of net investment in a foreign operation	-	-	4,334	-	4,334	4,334
Unitholders’ transactions						
(i) Stapled Securities issued and to be issued as payment of H-REIT Manager’s management fees	(a) 6,897	-	-	-	6,897	6,897
(ii) Stapled Securities issued and to be issued as payment of H-REIT Manager’s acquisition fees	1,540	-	-	-	1,540	1,540
(iii) Distribution to holders of Stapled Securities	(c) -	-	-	(102,270)	(102,270)	(102,270)
Decrease in net assets resulting from unitholders’ transactions	8,437	-	-	(102,270)	(93,833)	(93,833)
Balance as at 30 September 2011	1,115,646	(24,695)	(3,765)	356,026	1,443,212	1,443,594

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 2011 to 30 June 2011.
- (c) Distribution to holders of Stapled Securities relates to the distribution made in respect of the period from 1 July 2010 to 31 December 2010 and from 1 January 2011 to 30 June 2011.

**CDL HOSPITALITY TRUSTS (“CDLHT”)
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 2012

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

<----- H-REIT Group and CDL Hospitality Trusts ----->				
Foot- notes	1 Jul 2012 to 30 Sep 2012	1 Jul 2011 to 30 Sep 2011	1 Jan 2012 to 30 Sep 2012	1 Jan 2011 to 30 Sep 2011
Issued H-REIT units/Stapled Securities at the beginning of the period	966,249,597	960,595,615	963,253,718	957,718,797
Issue of new H-REIT units/ Stapled Securities ^(a)				
- as payment of H-REIT Manager's management fees	1,281,679	1,186,793	4,277,558	3,302,817
- as payment of H-REIT Manager's acquisition fees (b)	-	-	-	760,794
Issued H-REIT units/Stapled Securities at the end of the period	967,531,276	961,782,408	967,531,276	961,782,408
H-REIT units/Stapled Securities to be issued:				
- as payment of H-REIT Manager's management fees (c)	1,207,377	1,471,310	1,207,377	1,471,310
Total issued and issuable H-REIT units/Stapled Securities at the end of the period	968,738,653	963,253,718	968,738,653	963,253,718

Footnotes

- (a) *Each Stapled Security comprises one H-REIT unit and one HBT unit.*
- (b) *An additional 760,794 H-REIT units/Stapled Securities were issued to H-REIT Manager as satisfaction of acquisition of Studio M Hotel.*
- (c) *These represent the H-REIT units/Stapled Securities to be issued as partial satisfaction of the management fee incurred for the respective quarters.*

**CDL HOSPITALITY TRUSTS (“CDLHT”)
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 2012

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 2012 which has been reviewed by our auditors in accordance with Singapore Standard on Review Engagements SSRE 2410 “Review of Interim Financial Information Performed 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 2011.

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 (“CDLHT”)
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 2012

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

	1 Jul 2012 to 30 Sep 2012	1 Jul 2011 to 30 Sep 2011	1 Jan 2012 to 30 Sep 2012	1 Jan 2011 to 30 Sep 2011
Weighted average number of Stapled Securities	967,544,400 ^(a)	961,798,401	966,225,312 ^(b)	960,657,530
Earnings per Stapled Security based on the weighted average number of Stapled Securities (cents)				
- basic and diluted	2.73	2.78	8.37	8.21
Distribution per Stapled Security for the period/year based on the total number of Stapled Securities entitled to the distribution (cents)				
- Taxable income	2.51	2.60	7.68	7.56
- Tax exempt income	0.21	0.17	0.74	0.55
	2.72 ^(c)	2.77	8.42	8.11

Footnotes

- (a) *The weighted average number of Stapled Securities used for computation of EPS for the quarter ended 30 September 2012 is 967,544,400. This comprises:*
- (i) *The weighted average number of Stapled Securities in issue as at 30 September 2012 of 967,531,276; 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 2012 of 13,124.*
- (b) *The weighted average number of Stapled Securities used for computation of EPS for the period from 1 January 2012 to 30 September 2012 is 966,225,312. This comprises:*
- (i) *The weighted average number of Stapled Securities in issue as at 30 September 2012 of 966,220,906; 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 2012 of 4,406.*
- (c) *The computation of DPS for the quarter ended 30 September 2012 is based on the number of Stapled Securities entitled to distribution of 968,738,653. This comprises:*
- (i) *The number of Stapled Securities in issue as at 30 September 2012 of 967,531,276; 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 2012 of 1,207,377.*

**CDL HOSPITALITY TRUSTS (“CDLHT”)
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 2012

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 2012 S\$	31 Dec 2011 S\$	30 Sep 2012 S\$	31 Dec 2011 S\$
Net asset value per H-REIT unit/ Stapled Security	1.57 ^(a)	1.60	1.57 ^(b)	1.60

Footnotes

- (a) *The net asset value per H-REIT unit as at 30 September 2012 is computed based on:*
- *Unitholders’ funds of H-REIT Group as at 30 September 2012 of S\$1,521,642,000; and*
 - *The number of issued and issuable H-REIT units of 968,738,653 (31 December 2011: 964,837,846) (Refer Section 1(e) on page 22 for details).*
- (b) *The net asset value per Stapled Security as at 30 September 2012 is computed based on:*
- *Unitholders’ funds of CDL Hospitality Trusts as at 30 September 2012 of S\$1,522,021,000; and*
 - *The number of issued and issuable Stapled Securities of 968,738,653 (31 December 2011: 964,837,846) (Refer Section 1(e) on page 22 for details).*
- (c) *Net asset value of HBT as at 30 September 2012 is S\$379,000 (31 December 2011: S\$380,000). The net asset value per HBT unit is 0.04 cents (31 December 2011: 0.04 cents). The number of HBT units used for computation of the actual net asset value per HBT unit is 968,738,653 (31 December 2011: 964,837,846) comprising:*
- *HBT units in issue as at 30 September 2012 of 967,531,276 (31 December 2011: 963,253,718); 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 2012 of 1,207,377 (31 December 2011: 1,584,128).*

**CDL HOSPITALITY TRUSTS (“CDLHT”)
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 2012

8 Review of the performance for the quarter ended 30 September 2012

8 (i) Statement of Total Return of CDL Hospitality Trusts

	Foot- notes	1 Jul 2012 to 30 Sep 2012 S\$'000	1 Jul 2011 to 30 Sep 2011 S\$'000	Increase/ (Decrease) %	1 Jan 2012 to 30 Sep 2012 S\$'000	1 Jan 2011 to 30 Sep 2011 S\$'000	Increase/ (Decrease) %
Gross revenue		36,145	36,433	-0.8	111,200	103,303	7.6
Property tax		(1,890)	(1,802)	4.9	(5,645)	(1,766)	N.M.
Insurance		(233)	(214)	8.9	(752)	(551)	36.5
Other property expenses		(416)	(432)	-3.7	(1,072)	(1,296)	-17.3
Net property income		33,606	33,985	-1.1	103,731	99,690	4.1
H-REIT Manager's fees		(2,997)	(2,971)	0.9	(9,117)	(8,622)	5.7
H-REIT Trustee's fees		(61)	(60)	1.7	(184)	(174)	5.7
Other trust expenses		(355)	(401)	-11.5	(1,180)	(1,114)	5.9
Finance income		79	222	-64.4	525	535	-1.9
Finance costs		(3,839)	(3,794)	1.2	(12,401)	(10,669)	16.2
Net finance costs	(a)	(3,760)	(3,572)	5.3	(11,876)	(10,134)	17.2
Net income		26,433	26,981	-2.0	81,374	79,646	2.2
Income tax expense	(a)	9	(197)	N.M.	(479)	(753)	-36.4
Total return for the period		26,442	26,784	-1.3	80,895	78,893	2.5

Footnote

N.M. - Not Meaningful

(a) Please refer to Footnote (f) on page 9 for net finance costs and Footnote (h) on page 10 for income tax expense.

**CDL HOSPITALITY TRUSTS (“CDLHT”)
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 2012

8 (ii) Breakdown of Total Gross Revenue by Property

	Foot- notes	1 Jul 2012 to 30 Sep 2012 S\$'000	1 Jul 2011 to 30 Sep 2011 S\$'000	Increase/ (Decrease) %	1 Jan 2012 to 30 Sep 2012 S\$'000	1 Jan 2011 to 30 Sep 2011 S\$'000	Increase/ (Decrease) %
Orchard Hotel		6,663	6,596	1.0	20,766	19,847	4.6
Grand Copthorne Waterfront Hotel		6,079	6,159	-1.3	18,220	17,837	2.1
M Hotel		4,031	4,089	-1.4	12,330	12,023	2.6
Copthorne King's Hotel	(a)	2,428	2,562	-5.2	7,714	7,668	0.6
Orchard Hotel Shopping Arcade		1,329	1,330	-0.1	4,020	3,927	2.4
Studio M Hotel	(b)	2,762	2,826	-2.3	8,232	4,589	N.M.
Rendezvous Grand Hotel Auckland		2,326	2,298	1.2	6,996	6,692	4.5
Novotel Singapore Clarke Quay		6,104	6,145	-0.7	17,835	16,499	8.1
Ibis Brisbane	(c)	525	526	-0.1	1,791	1,689	6.1
Mercure Brisbane	(c)	788	788	-0.1	2,687	2,532	6.1
Novotel Brisbane	(c)	1,598	1,600	-0.1	5,452	5,139	6.1
Ibis Perth	(c)	599	600	-0.1	2,043	1,926	6.1
Mercure Perth	(c)	913	914	-0.1	3,114	2,935	6.1
Total		36,145	36,433	-0.8	111,200	103,303	7.6

**CDL HOSPITALITY TRUSTS (“CDLHT”)
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 2012**

8 (iii) Breakdown of Net Property Income by Property

	Foot- notes	1 Jul 2012 to 30 Sep 2012 S\$'000	1 Jul 2011 to 30 Sep 2011 S\$'000	Increase/ (Decrease) %	1 Jan 2012 to 30 Sep 2012 S\$'000	1 Jan 2011 to 30 Sep 2011 S\$'000	Increase/ (Decrease) %
Orchard Hotel	(d)	6,116	6,061	0.9	19,116	19,444	-1.7
Grand Copthorne Waterfront Hotel	(d)	5,608	5,737	-2.2	16,791	17,318	-3.0
M Hotel	(d)	3,674	3,753	-2.1	11,254	11,615	-3.1
Copthorne King's Hotel	(d)	2,046	2,209	-7.4	6,564	7,117	-7.8
Orchard Hotel Shopping Arcade		1,046	1,015	3.1	3,333	2,854	16.8
Studio M Hotel	(b)	2,595	2,655	-2.3	7,741	4,309	N.M.
Rendezvous Grand Hotel Auckland		2,326	2,298	1.2	6,996	6,692	4.5
Novotel Singapore Clarke Quay	(d)	5,772	5,829	-1.0	16,849	16,120	4.5
Ibis Brisbane	(c)	525	526	-0.1	1,791	1,689	6.1
Mercure Brisbane	(c)	788	788	-0.1	2,687	2,532	6.1
Novotel Brisbane	(c)	1,598	1,600	-0.1	5,452	5,139	6.1
Ibis Perth	(c)	599	600	-0.1	2,043	1,926	6.1
Mercure Perth	(c)	913	914	-0.1	3,114	2,935	6.1
Total	(d)	33,606	33,985	-1.1	103,731	99,690	4.1

Footnotes

- (a) *Copthorne King's Hotel recorded a year-on-year contraction of 5.2% in gross revenue as it was affected by the absence of business from a large project group, which was not repeated this year. Furthermore, its business from the shipping industry was affected by the typhoon in Philippines, Taiwan, South Korea and China in July and August.*
- (b) *Studio M Hotel was acquired on 3 May 2011 and the full benefit of this acquisition was only felt in 2012.*
- (c) *There has been a change in the allocation of total variable rent amongst the Australia properties. As a result, the balances amongst the individual Australia properties in the previous corresponding period have been reclassified for consistency. This reclassification has no impact on the distribution of CDL Hospitality Trusts as the total revenue and net property income remains unchanged.*
- (d) *The net property income in year-to-date ("YTD") September 2011 included a one-off property tax refund of S\$3.3 million. Excluding this one-off property tax refund, the overall net property income for the nine months ended 30 September 2011 was S\$96.3 million, resulting in a year-on-year improvement of S\$7.4 million or 7.7% to S\$103.7 million for the nine months ended 30 September 2012. For further details, please refer to Footnote (a) on page 4 of the Announcement.*

**CDL HOSPITALITY TRUSTS (“CDLHT”)
 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 2012

8(iv) Review of the Performance

Third Quarter ended 30 September 2012

Gross revenue for 3Q 2012 was S\$36.1 million, marginally lower than the S\$36.4 million recorded in the corresponding quarter last year. The marginal drop in revenue was mainly due to lower revenue per available room (“RevPAR”) achieved by the Singapore Hotels (excluding Studio M Hotel), which declined slightly by 0.9% to S\$209 in 3Q 2012 compared to the same period last year. The weak global economic environment had impacted Singapore and this is evident in the latest 3Q 2012 flash GDP estimates¹ released by the Ministry of Trade and Industry, which showed a contraction of 1.5% against the previous quarter. This slowdown in economic activity in Singapore in 3Q 2012 caused business levels in hotels to dip slightly. The corporate market, in particular the meetings and conference business, was affected by the economic malaise. Consequently, there was a slight drop in occupancy rates by 0.9 percentage point while the average room rates for 3Q 2012 remained at the same levels as 3Q 2011. As for the contribution from the Australia hotels, the fixed rent was slightly lower than 3Q 2011 due to translation loss arising from the weakening Australian dollar.

In line with the drop in gross revenue, the net property income for 3Q 2012 was S\$33.6 million, 1.1% lower than 3Q 2011.

Correspondingly, the income available for distribution (before deducting income retained for working capital) of S\$29.2 million in 3Q 2012 was slightly lower than the S\$29.6 million recorded in 3Q 2011.

The income available for distribution per Stapled Security for 3Q 2012 (after deducting the income retained for working capital) was 2.72 cents as compared to the previous corresponding quarter’s 2.77 cents.

Statistics on the weighted average occupancy rate, daily rate and RevPAR for the Singapore Hotels (excluding Studio M Hotel) are set out below:

	1 Jul 2012 to 30 Sep 2012 ²	1 Jul 2011 to 30 Sep 2011 ²	Increase
Average Occupancy Rate	88.6%	89.5%	(0.9)pp
Average Daily Rate	S\$236	S\$236	-
Room Revenue per Available Room (RevPAR)	S\$209	S\$211	(0.9)%

Net property income contributed by the Orchard Hotel Shopping Arcade for 3Q 2012 was S\$1.0 million. Average occupancy was 95.4% in 3Q 2012 with an average monthly rental rate of about S\$7.27 per sq. ft.

¹ The Business Times, 18 Oct 2012, “Sharp fall in trade could hit GDP estimates”.
² Excludes Studio M Hotel, which was only acquired on 3 May 2011.

**CDL HOSPITALITY TRUSTS (“CDLHT”)
 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 2012

Nine months ended 30 September 2012

Gross revenue for YTD September 2012 of S\$111.2 million exceeded the corresponding period last year by S\$7.9 million or 7.6%. The increase was attributed to improved hospitality performance across the portfolio, the recognition of a full nine months contribution from Studio M Hotel (acquired on 3 May 2011) as compared to only 151 days in YTD September 2011 and the contribution of variable income from the Australian properties. In YTD September 2012, the group received a full year's variable income of S\$1.8 million (or A\$1.3 million) from the Australian properties, as compared to an 8-month variable income of S\$0.84 million (or A\$0.65 million) recognised in the same period last year.

RevPAR for the Singapore Hotels (excluding Studio M Hotel) increased by 4.5% to S\$213 in YTD September 2012 due to improvement in both average room rate and occupancy rate. The RevPAR for the Singapore Hotels (including Studio M Hotel) increased by 4.3% to S\$207 in YTD September 2012³.

The net property income in YTD September 2012 was S\$103.7 million, an increase of 4.1% (or S\$4.0 million) over the same period last year. However, this increase did not correspond to 7.6% growth in gross revenue noted above due to the inclusion of a one-off property tax refund of S\$3.3 million in YTD September 2011 net property income, which did not recur this year. The year-on-year improvement in net property income would be higher at 7.7% (or S\$7.4 million) if the one-off property tax refund of S\$3.3 million is excluded from YTD September 2011.

Net finance costs for the reporting period increased by S\$1.7 million to S\$11.9 million in YTD September 2012. This was mainly attributed to a full nine month's interest expense incurred on increased borrowings (drawn to finance Studio M in May last year) as compared to only 151 days for the same period last year and a weaker Australian and New Zealand dollar translation recognised during the reporting period.

The income available for distribution (before deducting income retained for working capital) of S\$90.4 million in YTD September 2012 exceeded the corresponding period by S\$3.8 million, or 4.4%. In tandem with the improved operating results, the income available for distribution per Stapled Security for YTD September 2012 (after deducting the income retained for working capital) was 8.42 cents, a 3.8% growth over the 8.11 cents recorded in the corresponding period last year.

Statistics on the weighted average occupancy rate, daily rate and RevPAR for the Singapore Hotels (excluding Studio M Hotel) are set out below:

	1 Jan 2012 to 30 Sep 2012 ²	1 Jan 2011 to 30 Sep 2011 ²	Increase
Average Occupancy Rate	88.9%	87.7%	1.2pp
Average Daily Rate	S\$239	S\$232	3.0%
Room Revenue per Available Room (RevPAR)	S\$213	S\$204	4.5%

Net property income contributed by the Orchard Hotel Shopping Arcade for nine months ended 30 September 2012 was S\$3.3 million. Average occupancy was 95.8% in nine months ended 30 September 2012 with an average monthly rental rate of approximately S\$7.28 per sq. ft.

³ Figures are computed on a proforma basis assuming that the Group owns Studio M Hotel for the period mentioned.

**CDL HOSPITALITY TRUSTS (“CDLHT”)
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 2012

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.

For the first six months of 2012, Singapore registered visitor arrival growth of 11.4% compared to the corresponding period a year ago¹. Changi Airport passenger traffic for the first nine months of 2012 grew by 9.9% year-on-year². More notably, travellers who used Changi Airport as a transit hub is now only 24% compared to one third of total traffic five years ago³. This shift marks an important medium to long term trend which reaffirms that Singapore is becoming more popular as a destination.

The new additions to the tourism landscape include the opening of Phase 1 (Bay South) of the 101-hectare Gardens by the Bay and the launch of the International Cruise Terminal this year⁴. Other upcoming attractions in the next twelve months that will continue to broaden and enrich the experience of visitors to Singapore include the Marine Life Park at Resorts World Sentosa and the River Safari featuring the Giant Pandas, which are slated to be opened in December 2012⁵ and the first quarter of 2013⁶ respectively. Supporting the growth in tourism infrastructure is the supply of new hotel rooms, estimated to increase by 3,000 to 4,000 rooms in the next 12 months⁷, which will contribute to a more competitive environment in the Singapore hospitality market.

While Singapore's enhanced tourism landscape should continue to draw visitors to Singapore and benefit CDLHT, its performance in the short term may be affected by the weak US and European economies and slower Chinese economic growth. The weak global growth environment will continue to weigh on the Singapore economy and the attendant accommodation demand in the next 12 months as many companies globally continue to exercise caution in travel expenditure⁸. These factors are likely to have a negative impact on the performance of the hospitality sector. The slow business environment for Singapore has continued into October. The first 24 days of October showed an indicative RevPAR growth of 1% for the Singapore Hotels compared to the corresponding period a year ago.

The natural resource sector in Australia is expected to underpin hotel room demand in Brisbane and Perth, where there is a static supply of new inventory. However, the slower pace of the Australian economy may lead to a moderation of growth for the Australia hotels.

CDL Hospitality Trusts' gearing as at 30 September 2012 is maintained at 25.5%. With a healthy gearing, CDL Hospitality Trusts continues to source for acquisition opportunities in the hospitality sector in the next 12 months.

¹ Singapore Tourism Board, 16 October 2012, "Visitor Arrival Statistics"

² Changi Airport Group Passenger Traffic Statistics

³ The Straits Times, 18 Jul 2012, "Changi sees drop in transfers, more visitors to Singapore"

⁴ Channel NewsAsia, 29 Jun 2012, "Gardens by the Bay opens to the public", The Business Times, 23 May 2012, "New cruise terminal to create some 3,000 jobs"

⁵ The Straits Times, 25 September 2012, "RWS to open world's largest oceanarium in December"

⁶ The Straits Times, 21 September 2012, "Pandas get health check"

⁷ Horwath HTL report issued as at July 2012

⁸ The Business Times, 21 August 2012, "Companies turning cautious on business travel"

**CDL HOSPITALITY TRUSTS (“CDLHT”)
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 2012

11 Distributions

11 (a) Current financial period

Any distribution 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/recommendeded, a statement to that effect

Not applicable

13 General mandate relating to Interested Person Transactions

CDL Hospitality Trusts has not obtained a general mandate from unitholders for Interested Person Transactions.

14 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 2012 to be false or misleading in any material respect.

On behalf of the Board of Directors

LIM YIN NEE JENNY
Director

YEO WEE ENG VINCENT
Chief Executive Officer

30 October 2012

**CDL HOSPITALITY TRUSTS (“CDLHT”)
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 2012**

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)

30 October 2012

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)

30 October 2012



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

30 October 2012

Dear Sirs

CDL Hospitality Real Estate Investment Trust Group and CDL Hospitality Trusts Review of Interim Financial Information

Introduction

We have reviewed the accompanying interim financial information (the "Interim Financial Information") of CDL Hospitality Real Estate Investment Trust ("H-REIT") and its subsidiaries (the "H-REIT Group") and CDL Hospitality Trusts for the quarter ended 30 September 2012. CDL Hospitality Trusts comprise the H-REIT Group and CDL Hospitality Business Trust. The Interim Financial Information consists of the following:-

- Statements of Financial Position of H-REIT Group and CDL Hospitality Trusts as at 30 September 2012;
- Portfolio Statements of H-REIT Group and CDL Hospitality Trusts as at 30 September 2012;
- Statements of Total Return of H-REIT Group and CDL Hospitality Trusts for the three-month period ended 30 September 2012 and nine-month period ended 30 September 2012;
- Statements of Movements in Unitholders' Funds of H-REIT Group and CDL Hospitality Trusts for the period ended 30 September 2012;
- Statements of Cash Flows of H-REIT Group and CDL Hospitality Trusts for the period ended 30 September 2012; and
- Certain explanatory notes to the above Interim Financial Information.



The management of M&C REIT Management Limited (the “Manager” of H-REIT) is responsible for the preparation and presentation of this Interim Financial Information in accordance with the recommendations of the Statement of Recommended Accounting Practice (“RAP”) 7 *Reporting Framework for Unit Trusts* issued by the Institute of Certified Public Accountants of Singapore (“ICPAS”). 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, in all material respects, in accordance with the recommendations of RAP 7 *Reporting Framework for Unit Trusts* issued by the ICPAS.

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 the inclusion of our report in CDL Hospitality Trusts’ announcement to the holders of 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