



CDL HOSPITALITY TRUSTS

**CDL HOSPITALITY TRUSTS
UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS AND
H-REIT AND ITS SUBSIDIARIES FOR THE FOURTH QUARTER AND YEAR ENDED 31 DECEMBER
2013**

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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 FOURTH QUARTER AND YEAR ENDED 31 DECEMBER 2013

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 31 December 2013, H-REIT portfolio with a total of 4,455 hotel rooms, comprises 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; the newly added Angsana Velavaru and the Jumeirah Dhevanafushi (both of which were acquired on 31 January 2013 and 31 December 2013 respectively), resorts located in the Republic of Maldives; as well as the Orchard Hotel Shopping Arcade (re-named Claymore Link), the shopping arcade adjoining Orchard Hotel.

In December 2013, the HBT Trustee-Manager activated the HBT (which was previously dormant). Following the acquisition of Jumeirah Dhevanafushi by H-REIT’s indirect wholly-owned subsidiary, HBT, through its indirect wholly-owned subsidiary, CDL HBT Oceanic Maldives Pvt Ltd became the master lessee. No separate financial information for HBT has been presented in the unaudited financial statements for the year ended 31 December 2013 as the acquisition was only completed on 31 December 2013. In addition to its function as a master lessee, HBT may also undertake 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.

The quantum of distributions to be made by HBT in 2014 and subsequent years 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”)**

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H-REIT AND ITS SUBSIDIARIES FOR THE FOURTH QUARTER AND YEAR ENDED 31 DECEMBER
2013**

SUMMARY OF CDL HOSPITALITY TRUSTS’ RESULTS

	1 Oct 2013 to 31 Dec 2013 S\$'000	1 Oct 2012 to 31 Dec 2012 S\$'000	Increase/ (Decrease) %	1 Jan 2013 to 31 Dec 2013 S\$'000	1 Jan 2012 to 31 Dec 2012 S\$'000	Increase/ (Decrease) %
Gross revenue	39,424	38,335	2.8	148,782	149,535	-0.5
Net property income	36,460	35,562	2.5	137,389	139,293	-1.4
Net income before revaluation	28,435	28,174	0.9	106,401	109,548	-2.9
Income available for distribution to holders of Stapled Securities	31,644	31,236	1.3	118,554	121,658	-2.6
Less:						
Income retained for working capital	(3,164)	(3,124)	1.3	(11,855)	(12,166)	-2.6
Income to be distributed to holders of Stapled Securities	28,480	28,112	1.3	106,699	109,492	-2.6
Income available for distribution per Stapled Security (cents)						
For the period/year	3.24	3.22	0.6	12.18	12.57	-3.1
Annualised	12.85	12.81	0.3	12.18	12.57	-3.1
Annualised distribution yield (%) at closing market price of S\$1.59 as at 28 Jan 2014	8.08	8.06	0.3	7.66	7.91	-3.1
Income to be distributed per Stapled Security (cents)						
For the period/year	2.92	2.90	0.7	10.97	11.32	-3.1
Annualised	11.58	11.54	0.3	10.97	11.32	-3.1
Annualised distribution yield (%) at closing market price of S\$1.59 as at 28 Jan 2014	7.28	7.26	0.3	6.90	7.12	-3.1

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**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**

		H-REIT Group					
Foot- notes	1 Oct 2013 to 31 Dec 2013 S\$'000	1 Oct 2012 to 31 Dec 2012 S\$'000	Increase/ (Decrease) %	1 Jan 2013 to 31 Dec 2013 S\$'000	1 Jan 2012 to 31 Dec 2012 S\$'000	Increase/ (Decrease) %	
	Gross revenue	(a) 39,424	38,335	2.8	148,782	149,535	-0.5
	Property tax	(b) (2,134)	(1,949)	9.5	(8,414)	(7,594)	10.8
	Insurance	(c) (374)	(237)	57.8	(1,244)	(989)	25.8
	Other property expenses	(d) (456)	(587)	-22.3	(1,735)	(1,659)	4.6
	Net property income	36,460	35,562	2.5	137,389	139,293	-1.4
	H-REIT Manager's base fees	(1,420)	(1,326)	7.1	(5,547)	(5,256)	5.5
	H-REIT Manager's performance fees	(1,813)	(1,778)	2.0	(6,859)	(6,965)	-1.5
	H-REIT Trustee's fees	(65)	(62)	4.8	(256)	(246)	4.1
	Valuation fees	(43)	(3)	N.M.	(174)	(166)	4.8
	Other trust expenses	(e) (430)	(386)	11.4	(1,483)	(1,402)	5.8
	Finance income	80	146	-45.2	419	671	-37.6
	Finance costs	(4,329)	(3,979)	8.8	(17,057)	(16,380)	4.1
	Net finance costs	(f) (4,249)	(3,833)	10.9	(16,638)	(15,709)	5.9
	Net income before revaluation	28,440	28,174	0.9	106,432	109,549	-2.8
	Net surplus on revaluation of investment properties	36,556	14,982	N.M.	36,556	14,982	N.M.
	Net income	64,996	43,156	50.6	142,988	124,531	14.8
	Income tax expense	(h) (2,067)	(1,884)	9.7	(2,685)	(2,363)	13.6
	Total return for the period	62,929	41,272	52.5	140,303	122,168	14.8

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CDL Hospitality Trust

Foot- notes	1 Oct 2013 to 31 Dec 2013 S\$'000	1 Oct 2012 to 31 Dec 2012 S\$'000	Increase/ (Decrease) %	1 Jan 2013 to 31 Dec 2013 S\$'000	1 Jan 2012 to 31 Dec 2012 S\$'000	Increase/ (Decrease) %
Gross revenue	(a) 39,424	38,335	2.8	148,782	149,535	-0.5
Property tax	(b) (2,134)	(1,949)	9.5	(8,414)	(7,594)	10.8
Insurance	(c) (374)	(237)	57.8	(1,244)	(989)	25.8
Other property expenses	(d) (456)	(587)	-22.3	(1,735)	(1,659)	4.6
Net property income	36,460	35,562	2.5	137,389	139,293	-1.4
H-REIT Manager's base fees	(1,420)	(1,326)	7.1	(5,547)	(5,256)	5.5
H-REIT Manager's performance fees	(1,813)	(1,778)	2.0	(6,859)	(6,965)	-1.5
H-REIT Trustee's fees	(65)	(62)	4.8	(256)	(246)	4.1
Valuation fees	(43)	(3)	N.M.	(174)	(166)	4.8
Other trust expenses	(e) (434)	(387)	12.1	(1,514)	(1,404)	7.8
Finance income	79	147	-46.3	419	672	-37.6
Finance costs	(4,329)	(3,979)	8.8	(17,057)	(16,380)	4.1
Net finance costs	(f) (4,250)	(3,832)	10.9	(16,638)	(15,708)	5.9
Net income before revaluation	28,435	28,174	0.9	106,401	109,548	-2.9
Net surplus on revaluation of investment properties	36,556	14,982	N.M.	36,556	14,982	N.M.
Net income	(g) 64,991	43,156	50.6	142,957	124,530	14.8
Income tax expense	(h) (2,067)	(1,884)	9.7	(2,685)	(2,363)	13.6
Total return for the period	62,924	41,272	52.5	140,272	122,167	14.8

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Footnotes

N.M. – Not Meaningful

- (a) *Gross revenue comprises rental income and hotel revenue from H-REIT’s investment properties. Please refer to Section 8(ii) on page 26 of the Announcement.*
- (b) *The higher property tax for the year ended 31 December 2013 was mainly contributed by improved hotels’ performance in 2012 (where the current year’s property tax is assessed based on 25% gross room receipts in the preceding year) and the inclusion of property tax of Angsana Velavaru (which was acquired on 31 January 2013).*
- (c) *The increase in insurance expenses for the year ended 31 December 2013 was mainly due to insurance costs incurred for Angsana Velavaru (which was acquired on 31 January 2013). Insurance expense for 4Q 2013 arose from Angsana Velavaru and higher overall costs for the Singapore properties.*
- (d) *Other property expenses comprise mainly direct operating expenses of the Orchard Hotel Shopping Arcade. Expenses were higher for the financial year ended 31 December 2013 mainly due to higher commission and cleaning expenses incurred. For 4Q 2013, other operating expenses decreased mainly due to lower impairment loss on trade receivables of \$24,000 recorded during the quarter (4Q 2012: \$149,000).*
- (e) *Other trust expenses comprise mainly professional fees and administrative costs.*
- (f) *Net finance costs comprise the following:*

	H-REIT Group					
	1 Oct 2013 to 31 Dec 2013 S\$’000	1 Oct 2012 to 31 Dec 2012 S\$’000	Increase/ (Decrease) %	1 Jan 2013 to 31 Dec 2013 S\$’000	1 Jan 2012 to 31 Dec 2012 S\$’000	Increase/ (Decrease) %
Interest income received/receivable from banks	80	146	-45.2	419	671	-37.6
Finance income	80	146	-45.2	419	671	-37.6
Exchange loss ⁽ⁱ⁾	(128)	(74)	73.0	(596)	(935)	-36.3
Interest paid/payable to banks ⁽ⁱⁱ⁾	(3,972)	(3,474)	14.3	(15,539)	(14,490)	7.2
Amortisation of transaction costs capitalised ⁽ⁱⁱⁱ⁾	(183)	(388)	-52.8	(741)	(782)	-5.2
Financial expense arising from remeasuring non-current rental deposits at amortised cost	(46)	(43)	7.0	(181)	(173)	4.6
Finance costs	(4,329)	(3,979)	8.8	(17,057)	(16,380)	4.1
Net finance costs	(4,249)	(3,833)	10.9	(16,638)	(15,709)	5.9

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

	CDL Hospitality Trusts					
	1 Oct 2013 to 31 Dec 2013 S\$'000	1 Oct 2012 to 31 Dec 2012 S\$'000	Increase/ (Decrease) %	1 Jan 2013 to 31 Dec 2013 S\$'000	1 Jan 2012 to 31 Dec 2012 S\$'000	Increase/ (Decrease) %
Interest income received/receivable from banks	79	147	-46.3	419	672	-37.6
Finance income	79	147	-46.3	419	672	-37.6
Exchange loss ⁽ⁱ⁾	(128)	(74)	73.0	(596)	(935)	-36.3
Interest paid/payable to banks ⁽ⁱⁱ⁾	(3,972)	(3,474)	14.3	(15,539)	(14,490)	7.2
Amortisation of transaction costs capitalised ⁽ⁱⁱⁱ⁾	(183)	(388)	-52.8	(741)	(782)	-5.2
Financial expense arising from remeasuring non-current rental deposits at amortised cost	(46)	(43)	7.0	(181)	(173)	4.6
Finance costs	(4,329)	(3,979)	8.8	(17,057)	(16,380)	4.1
Net finance costs	(4,250)	(3,832)	10.9	(16,638)	(15,708)	5.9

- (i) The exchange loss for the year ended 31 December 2012 and 31 December 2013 was mainly due to revaluation fluctuations on cash and cash equivalents denominated in New Zealand, Australian and United States dollars.
- (ii) The increase in interest paid/payable to banks for the fourth quarter and year ended 31 December 2013 was mainly due to the additional interest expense incurred on borrowings drawn in January 2013 to finance the acquisitions of Angsana Velavaru (acquired on 31 January 2013).
- (iii) The amortisation costs capitalised for the year ended 31 December 2013 relates to the amortisation of transaction costs arising from the medium term note issuance, revolving credit facility and term loan facility.

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

CDL Hospitality Trusts				
	1 Oct 2013 to 31 Dec 2013 S\$'000	1 Oct 2012 to 31 Dec 2012 S\$'000	1 Jan 2013 to 31 Dec 2013 S\$'000	1 Jan 2012 to 31 Dec 2012 S\$'000
H-REIT	42,673	37,807	119,977	118,254
Other H-REIT group entities (including consolidation adjustments)	22,323	5,349	23,011	6,277
HBT Group	(5)	-	(31)	(1)
	64,991	43,156	142,957	124,530

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

H-REIT Group and CDL Hospitality Trusts				
	1 Oct 2013 to 31 Dec 2013 S\$'000	1 Oct 2012 to 31 Dec 2012 S\$'000	1 Jan 2013 to 31 Dec 2013 S\$'000	1 Jan 2012 to 31 Dec 2012 S\$'000
Corporate income tax	(12)	-	(51)	-
Deferred tax	(2,054)	(1,879)	(2,630)	(2,342)
Others	(1)	(5)	(4)	(21)
	(2,067)	(1,884)	(2,685)	(2,363)

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

	H-REIT Group and CDL Hospitality Trusts			
	1 Oct 2013 to 31 Dec 2013 S\$'000	1 Oct 2012 to 31 Dec 2012 S\$'000	1 Jan 2013 to 31 Dec 2013 S\$'000	1 Jan 2012 to 31 Dec 2012 S\$'000
Net income of H-REIT	42,673	37,807	119,977	118,254
Add/(Less): Non tax deductible/(tax chargeable) items:				
- Amortisation of transaction costs	183	388	741	782
- Net surplus on revaluation of investment properties ⁽ⁱⁱ⁾	(17,402)	(10,799)	(17,402)	(10,799)
- Financial expense arising from remeasuring non-current rental deposits at amortised cost	46	43	181	173
- Exchange loss	3,361	934	4,307	2,584
- H-REIT Manager's fees paid/payable in Stapled Securities	2,586	2,483	9,924	9,776
- Other items	197	380	826	888
Income available for distribution to holders of Stapled Securities	31,644	31,236	118,554	121,658
Less :				
Income retained for working capital	(3,164)	(3,124)	(11,855)	(12,166)
Income to be distributed to holders of Stapled Securities ⁽ⁱⁱⁱ⁾	28,480	28,112	106,699	109,492
Comprising :				
- Taxable income	22,898	26,363	89,776	100,608
- Tax exempt income	5,582	1,749	16,923	8,884
	28,480	28,112	106,699	109,492

- (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 year is contributed solely by H-REIT. The income available for distribution of HBT is not presented as the HBT was only activated at year end.
- (ii) The Singapore Hotels and Orchard Hotel Shopping Arcade were revalued as at 31 December 2013 by Jones Lang LaSalle Property Consultants Pte Ltd, an independent valuer. The valuation gave rise to a revaluation surplus of S\$17.4 million, which has been recognised in the Statement of Total Return of H-REIT. This revaluation surplus has no impact on the income available for distribution to holders of Stapled Securities.
- (iii) The total income to be distributed for the year ended 31 December 2013 of S\$106,699,000 comprises all of H-REIT's taxable income and net tax exempt income (after retaining an amount of S\$11,855,000 for working capital purposes) for the period from 1 January 2013 to 31 December 2013. Of this amount, the distributable income of S\$52,620,000 for the half year ended 30 June 2013 was paid on 29 August 2013.

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

	Footnotes	H-REIT Group		CDL Hospitality Trusts ^(a)	
		31 Dec 2013 S\$'000	31 Dec 2012 S\$'000	31 Dec 2013 S\$'000	31 Dec 2012 S\$'000
ASSETS					
Non-current assets					
Investment properties	(b)	2,238,770	2,044,925	2,161,693	2,044,925
Property, plant and equipment	(c)	-	-	77,077	-
Rental deposit		76	76	76	76
		2,238,846	2,045,001	2,238,846	2,045,001
Current assets					
Trade and other receivables		15,748	13,583	15,494	13,583
Cash and cash equivalents	(d)	68,123	74,994	68,728	75,374
		83,871	88,577	84,222	88,957
Total assets		2,322,717	2,133,578	2,323,068	2,133,958
LIABILITIES					
Non-current liabilities					
Financial liabilities	(e)	542,245	270,018	542,245	270,018
Rental deposits	(f)	6,826	6,645	6,826	6,645
Financial derivative liabilities	(g)	421	-	421	-
Deferred tax liabilities		9,851	8,096	9,851	8,096
		559,343	284,759	559,343	284,759
Current liabilities					
Financial liabilities	(e)	145,983	259,773	145,983	259,773
Trade and other payable	(h)	22,329	25,130	22,332	25,131
Provision for taxation		28	2	28	2
		168,340	284,905	168,343	284,906
Total liabilities		727,683	569,664	727,686	569,665
Net assets		1,595,034	1,563,914	1,595,382	1,564,293
Represented by:					
Unitholders' funds					
Unitholders' funds of H-REIT Group	(i)	1,595,034	1,563,914	1,595,034	1,563,914
Unitholders' funds of HBT	(i)	-	-	348	379
		1,595,034	1,563,914	1,595,382	1,564,293

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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 31 December 2013 are approximately S\$348,000 (31 December 2012: S\$379,000).*
- (b) *The increase in investment properties at H-REIT Group was mainly attributed to the following:*
- (i) *Acquisition of Angsana Velavaru, which is located in the Island of Velavaru in South Nilandhe Atoll in the Republic of Maldives at a total acquisition costs of US\$72.4 million (or approximately S\$88.5 million) on 31 January 2013. Included in the total acquisition costs are transaction costs amounting to US\$1.4 million (or approximately S\$1.7 million), out of which US\$0.71 million (or about S\$0.87 million) related to H-REIT Manager’s acquisition fee.*
- (ii) *Acquisition of Jumeirah Dhevanafushi, which is located in Meradhoo Gaafu Alifu Atoll in the Republic of Maldives at a total acquisition costs of US\$60.8 million (or approximately S\$77.1 million) on 31 December 2013. Included in the total acquisition costs are transaction costs amounting to US\$1.2 million (or approximately S\$1.5 million), out of which US\$0.60 million (or about S\$0.76 million) related to H-REIT Manager’s acquisition fee.*
- (iii) *Recognition of surplus from the revaluation of H-REIT Group investment properties at the end of the financial year. The details are as follows:*

The investment properties were valued as at 31 December 2013 by Jones Lang LaSalle Property Consultants Pte Ltd, Jones Lang LaSalle Hotels (NSW) Pty Limited, Colliers International New Zealand Limited and CBRE Pte. Ltd. independent registered valuers, as follows:

Property	Tenure	Date of valuation	Valuation
Orchard Hotel	75 years from 19 July 2006	31 December 2013	S\$455,500,000
Grand Copthorne Waterfront Hotel	75 years from 19 July 2006	31 December 2013	S\$358,000,000
M Hotel	75 years from 19 July 2006	31 December 2013	S\$233,000,000
Copthorne King’s Hotel	99 years from 1 February 1968	31 December 2013	S\$123,000,000
Orchard Hotel Shopping Arcade	75 years from 19 July 2006	31 December 2013	S\$78,000,000
Novotel Singapore Clarke Quay	97 years & 30 days from 2 April 1980	31 December 2013	S\$315,000,000
Studio M Hotel	99 years from 26 February 2007	31 December 2013	S\$163,000,000
Rendezvous Grand Hotel Auckland	Freehold	31 December 2013	NZ\$97,200,000
Novotel Brisbane	Freehold	31 December 2013	A\$73,000,000
Mercure and Ibis Brisbane	Freehold	31 December 2013	A\$64,000,000
Mercure Perth	Freehold	31 December 2013	A\$41,000,000
Ibis Perth	Freehold	31 December 2013	A\$29,000,000
Angsana Velavaru	50 years from 26 August 1997	31 December 2013	US\$80,000,000
Jumeirah Dhevanafushi	50 years from 15 June 2006	29 November 2013	US\$61,000,000

The valuation at H-REIT Group’s investment properties gave rise to a net revaluation surplus of S\$36,556,000 as at 31 December 2013 (31 December 2012: revaluation surplus of S\$14,982,000). This revaluation surplus is recognised in H-REIT Group’s Statement of Total Return for the year ended 31 December 2013 and has no impact on the income available for distribution to holders of Stapled Securities. There is no revaluation surplus recognised on Jumeirah Dhevanafushi in H-REIT Group’s Statement of Total Return as the property was acquired close to the financial year end.

As for CDL Hospitality Trusts’ Statement of Total Return for the year ended 31 December 2013, revaluation surplus for Jumeirah Dhevanafushi, if any, arising in future will be reversed as the property is recorded at cost due to its classification as property, plant and equipment (refer to Footnote (c) on page 12 of the Announcement).

Included in investment properties as at 31 December 2013 is a net translation loss of S\$23,537,000 (31 December 2012: translation loss of S\$9,731,000) relating to its overseas properties.

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- (c) *The property, plant and equipment relates to Jumeirah Dhevanafushi which was acquired on 31 December 2013. This is classified as property, plant and equipment at CDL Hospitality Trusts’ financial statements as the property was leased to HBT and under FRS 40, property held for use as owner-occupied property is not classified as investment property.*
- (d) *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.*
- (e) *Financial liabilities of S\$688,228,000 (31 December 2012: S\$529,791,000), which are measured at amortised cost, comprise S\$273.6 million notes issued pursuant to the Medium Term Note Programme and approximately S\$416.5 million bank borrowings, as explained under Section 1(b)(ii) and Section 1(b)(iii).*
- (f) *Rental deposits relate to rental deposits collected from the Master Lessees, stated at amortised cost.*
- (g) *In the quarter ended 30 June 2013, H-REIT Group entered into an interest rate swap of notional amount A\$93.2 million to hedge the interest rate risk arising from the variable rate loan under the TL1 Facility (refer to Footnote (ii)(b) on page 13 of the Announcement). Financial derivative liabilities as at 31 December 2013 relate to the fair value of the interest rate swap. The interest rate swap will expire in December 2015.*
- (h) *Trade and other payables relate mainly to loan interest payable, rental deposits of Orchard Hotel Shopping Arcade and accrual for property tax.*
- (i) *The movement in unitholders’ funds are set out in Section 1(d).*

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

		H-REIT Group and CDL Hospitality Trusts	
		31 Dec 2013	31 Dec 2012
		S\$’000	S\$’000
	Footnotes		
Amount repayable after one year			
Unsecured medium term notes	(i)	203,600	153,600
Unsecured borrowings	(ii)	340,401	118,178
		544,001	271,778
Amount repayable within one year			
Unsecured medium term notes	(i)	70,000	260,000
Unsecured borrowings	(iii)	76,092	-
		146,092	260,000
Total borrowings		690,093 ^(a)	531,778 ^(a)

^(a) *The borrowings presented do not include the unamortisation transaction costs.*

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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\$273.6 million medium term notes has been issued by this subsidiary. These comprise:

- (a) 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.*
- (b) S\$120.0 million 5-year fixed rate medium term note issued in June 2013. Proceeds from this medium term note issuance were utilised to redeem the outgoing S\$260.0 million medium term notes, which expired in August 2013.*
- (c) In 2013, the issuer fully redeemed S\$260.0 million medium term notes, which expired in August 2013. This was repaid through combination of proceeds from the medium term notes issued in June 2013 (refer to Footnote (i)(b) and drawings from the unutilised RCF Facility (refer to Footnote (ii)(a)).*

ii. Unsecured borrowings, after one year

H-REIT has in place the following unsecured facilities:

- (a) 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”).*

During the financial year ended 31 December 2013, H-REIT drew-down S\$140.0 million to repay the medium term notes which matured in August 2013. Consequently, as at 31 December 2013, S\$60.0 million of the RCF Facility remain unutilised.

- (b) a 3-year A\$93.2 million (S\$105.4 million) bank facility (the “TL1 Facility”). As at the reporting date, there was no unutilised balance as the TL1 Facility was fully drawn down to fund the loan relating to the Australia hotels.*
- (c) a 5-year US\$75.0 million (S\$95.0 million) fixed rate term loan facility (the “TL2 Facility”). As at the reporting date, there was no unutilised balance as the TL2 Facility was fully drawn down to re-finance the bridge loan facility utilised to fund the acquisition of Angsana Velavaru.*

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 or one year from the first drawn date (where the amount is drawn in multiple tranches).

In December 2013, US\$60.0 million (S\$76.1 million) was drawn down to fund the acquisition of Jumeirah Dhevanafushi as explained under Footnote (b) on page 11 of the Announcement.

Approximately S\$223.9 million of the Bridge Loan Facility remains unutilised as at the reporting date.

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

		H-REIT Group			
Foot- notes		1 Oct 2013 to 31 Dec 2013 S\$'000	1 Jan 2013 to 31 Dec 2013 S\$'000	1 Oct 2012 to 31 Dec 2012 S\$'000	1 Jan 2012 to 31 Dec 2012 S\$'000
Operating activities					
	Net income	64,996	142,988	43,156	124,531
	Adjustments for:				
	H-REIT Manager's fee paid/payable in Stapled Securities	2,586	9,924	2,483	9,776
(a)	Net finance costs	4,249	16,638	3,833	15,709
	Net surplus on revaluation of investment properties	(36,556)	(36,556)	(14,982)	(14,982)
	Operating income before working capital changes	35,275	132,994	34,490	135,034
	Changes in working capital:				
	Trade and other receivables	(1,508)	1,010	3,428	3,111
	Trade and other payables	(661)	(3,177)	58	(1,914)
	Cash used in operation	33,106	130,827	37,976	136,231
	Income tax paid	-	(26)	-	-
	Cash generated from operating activities	33,106	130,801	37,976	136,231
Investing activities					
	Cash outflow from acquisition of an investment property	(77,077)	(167,128)	-	-
(b)	Capital expenditure on investment properties	(6,920)	(14,090)	(1,983)	(6,148)
	Interest received	79	455	110	659
	Cash used in investing activities	(83,918)	(180,763)	(1,873)	(5,489)
Financing activities					
	Finance costs paid	(3,667)	(16,353)	(1,507)	(14,190)
(b)	Proceeds from medium term notes	-	120,000	-	-
(b)	Proceeds from bank loans	168,871	458,334	118,178	118,178
(b)	Repayment of bank loans	(90,978)	(150,978)	(118,178)	(118,178)
(b)	Repayment of medium term notes	-	(260,000)	-	-
	Payment of transaction costs related to bank loans	(488)	(776)	(1,377)	(1,429)
	Distribution to holders of Stapled Securities	-	(107,136)	-	(110,241)
	Cash generated from/(used in) financing activities	73,738	43,091	(2,884)	(125,860)
	Net increase/(decrease) in cash and cash equivalents	22,926	(6,871)	33,219	4,882
	Cash and cash equivalents at beginning of the period/year	45,197	74,994	41,775	70,112
	Cash and cash equivalents at end of the period/year	68,123	68,123	74,994	74,994

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

		CDL Hospitality Trusts			
Foot- notes		1 Oct 2013 to 31 Dec 2013 S\$'000	1 Jan 2013 to 31 Dec 2013 S\$'000	1 Oct 2012 to 31 Dec 2012 S\$'000	1 Jan 2012 to 31 Dec 2012 S\$'000
Operating activities					
	Net income	64,991	142,957	43,156	124,530
	Adjustments for:				
	H-REIT Manager's fee paid/payable in Stapled Securities	(a) 2,586	9,924	2,483	9,776
	Net finance costs	4,250	16,638	3,832	15,708
	Net surplus on revaluation of investment properties	(36,556)	(36,556)	(14,982)	(14,982)
	Operating income before working capital changes	35,271	132,963	34,489	135,032
	Changes in working capital:				
	Trade and other receivables	(1,255)	1,264	3,428	3,111
	Trade and other payables	(686)	(3,175)	58	(1,914)
	Cash used in operation	33,330	131,052	37,975	136,229
	Income tax paid	-	(26)	-	-
	Cash generated from operating activities	33,330	131,026	37,975	136,229
Investing activities					
	Cash outflow from acquisition of property, plant and equipment	(b) (77,077)	(77,077)	-	-
	Cash outflow from acquisition of an investment property	(b) -	(90,051)	-	-
	Capital expenditure on investment properties	(6,920)	(14,090)	(1,983)	(6,148)
	Interest received	80	455	111	660
	Cash used in investing activities	(83,917)	(180,763)	(1,872)	(5,488)
Financing activities					
	Finance costs paid	(3,667)	(16,353)	(1,507)	(14,190)
	Proceeds from medium term notes	(b) -	120,000	-	-
	Proceeds from bank loans	(b) 168,871	458,334	118,178	118,178
	Repayment of bank loans	(b) (90,978)	(150,978)	(118,178)	(118,178)
	Repayment of medium term notes	(b) -	(260,000)	-	-
	Payment of transaction costs related to bank loans	(488)	(776)	(1,377)	(1,429)
	Distribution to holders of Stapled Securities	-	(107,136)	-	(110,241)
	Cash generated from/(used in) financing activities	73,738	43,091	(2,884)	(125,860)
	Net increase/(decrease) in cash and cash equivalents	23,151	(6,646)	33,219	4,881
	Cash and cash equivalents at beginning of the period/year	45,577	75,374	42,155	70,493
	Cash and cash equivalents at end of the period/year	68,728	68,728	75,374	75,374

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Footnotes

(a) *Significant non-cash transactions*

Quarter ended 31 December 2013

1,628,040 (Quarter ended 31 December 2012: 1,303,781) Stapled Securities amounting to S\$2,586,000 (Quarter ended 31 December 2012: S\$2,483,000) will be issued to the H-REIT Manager as satisfaction of management fees payable in units in respect of the quarter ended 31 December 2013 on 28 January 2014.

Period from 1 January 2013 to 31 December 2013

5,726,864 (Year ended 31 December 2012: 5,204,588) Stapled Securities amounting to S\$9,924,000 (Year ended 31 December 2012: S\$9,776,000) were issued or will be issued to the H-REIT Manager as satisfaction of management fees payable in units in respect of the year ended 31 December 2013.

(b) *Proceeds from bank loans and medium term notes were utilised to fund the acquisition of Angsana Velavaru and Jumeirah Dhevanafushi and to redeem the medium term notes maturing in August 2013.*

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

	1 Oct 2013 to 31 Dec 2013 S\$'000	1 Oct 2012 to 31 Dec 2012 S\$'000	1 Jan 2013 to 31 Dec 2013 S\$'000	1 Jan 2012 to 31 Dec 2012 S\$'000
Balance as at beginning of the period/year	353	379	379	380
Net loss after tax	(5)	-	(31)	(1)
Balance as at end of the period/year	348	379	348	379

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1 (d)(ii) Statement of Movements in Unitholders’ funds for the period from 1 October 2013 to 31 December 2013

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	Hedging Reserve S\$’000	Accumulated Profits S\$’000	Total S\$’000	Total S\$’000
Balance as at 1 October 2013	1,135,217	(23,921)	(11,712)	(629)	435,589	1,534,544	1,534,897
Operations							
Increase in net assets resulting from operations	-	-	-	-	62,929	62,929	62,924
Movements in hedging reserve							
- Effective portion of changes in fair value of cash flow hedge (a)	-	-	-	208	-	208	208
Movements in foreign currency translation reserve:							
- Translation differences relating to financial statements of foreign subsidiaries	-	-	(1,113)	-	-	(1,113)	(1,113)
- Exchange differences on monetary items forming part of net investment in a foreign operation	-	-	(6,690)	-	-	(6,690)	(6,690)
- Exchange differences on hedge of net investment in a foreign operation	-	-	2,570	-	-	2,570	2,570
Unitholders’ transactions							
(i) Stapled Securities to be issued as payment of H-REIT Manager’s management fees (b)	2,586	-	-	-	-	2,586	2,586
(ii) Distribution to holders of Stapled Securities	-	-	-	-	-	-	-
Increase in net assets resulting from unitholders’ transactions	2,586	-	-	-	-	2,586	2,586
Balance as at 31 December 2013	1,137,803	(23,921)	(16,945)	(421)	498,518	1,595,034	1,595,382

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1 (d)(iii) Statement of Movements in Unitholders’ funds for the period from 1 January 2013 to 31 December 2013

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	Hedging Reserve S\$’000	Accumulated Profits S\$’000	Total S\$’000	Total S\$’000
Balance as at 1 January 2013	1,127,879	(23,921)	(5,395)	-	465,351	1,563,914	1,564,293
Operations							
Increase in net assets resulting from operations	-	-	-	-	140,303	140,303	140,272
Movements in hedging reserve							
- Effective portion of changes in fair value of cash flow hedge	(a) -	-	-	(421)	-	(421)	(421)
Movements in foreign currency translation reserve:							
- Translation differences relating to financial statements of foreign subsidiaries	-	-	(6,333)	-	-	(6,333)	(6,333)
- Exchange differences on monetary items forming part of net investment in a foreign operation	-	-	(14,257)	-	-	(14,257)	(14,257)
- Exchange differences on hedge of net investment in a foreign operation	-	-	9,040	-	-	9,040	9,040
Unitholders’ transactions							
(i) Stapled Securities issued and to be issued as payment of H-REIT Manager’s management fees	(b) 9,924	-	-	-	-	9,924	9,924
(ii) Distribution to holders of Stapled Securities	(c) -	-	-	-	(107,136)	(107,136)	(107,136)
Decrease in net assets resulting from unitholders’ transactions	9,924	-	-	-	(107,136)	(97,212)	(97,212)
Balance as at 31 December 2013	1,137,803	(23,921)	(16,945)	(421)	498,518	1,595,034	1,595,382

Footnotes

- (a) *The hedging reserve relates to the changes in fair value of the interest rate swap entered into to hedge the interest rate risk on A\$93.2 million TL1 facility which will expire in December 2015.*
- (b) *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.*
- (c) *Distribution to holders of Stapled Securities relates to the distribution made in respect of the period from 1 July 2012 to 31 December 2012 and from 1 January 2013 to 30 June 2013.*

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1 (d)(iv) Statement of Movements in Unitholders’ funds for the period from 1 October 2012 to 31 December 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 October 2012	1,125,396	(23,921)	(3,912)	424,079	1,521,642	1,522,021
Operations						
Increase in net assets resulting from operations	-	-	-	41,272	41,272	41,272
Movements in foreign currency translation reserve:						
- Translation differences relating to financial statements of foreign subsidiaries	-	-	(396)	-	(396)	(396)
- Exchange differences on monetary items forming part of net investment in a foreign operation	-	-	(1,823)	-	(1,823)	(1,823)
- Exchange differences on hedge of net investment in a foreign operation	-	-	736	-	736	736
Unitholders’ transactions						
(i) Stapled Securities to be issued as payment of H-REIT Manager’s management fees	2,483	-	-	-	2,483	2,483
(ii) Distribution to holders of Stapled Securities	-	-	-	-	-	-
Increase in net assets resulting from unitholders’ transactions	2,483	-	-	-	2,483	2,483
Balance as at 31 December 2012	1,127,879	(23,921)	(5,395)	465,351	1,563,914	1,564,293

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1 (d)(v) Statement of Movements in Unitholders’ funds for the period from 1 January 2012 to 31 December 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	-	-	-	122,168	122,168	122,167
Movements in foreign currency translation reserve:						
- Translation differences relating to financial statements of foreign subsidiaries	-	-	(3,058)	-	(3,058)	(3,058)
- Exchange differences on monetary items forming part of net investment in a foreign operation	-	-	(6,392)	-	(6,392)	(6,392)
- Exchange differences on hedge of net investment in a foreign operation	-	-	4,380	-	4,380	4,380
Unitholders’ transactions						
(i) Stapled Securities issued and to be issued as payment of H-REIT Manager’s management fees	(a) 9,776	-	-	-	9,776	9,776
(iii) Distribution to holders of Stapled Securities	(b) -	-	-	(110,241)	(110,241)	(110,241)
Decrease in net assets resulting from unitholders’ transactions	9,776	-	-	(110,241)	(100,465)	(100,465)
Balance as at 31 December 2012	1,127,879	(23,921)	(5,395)	465,351	1,563,914	1,564,293

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 July 2011 to 31 December 2011 and from 1 January 2012 to 30 June 2012.*

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

H-REIT Group and CDL Hospitality Trusts				
Foot- notes	1 Oct 2013 to 31 Dec 2013	1 Oct 2012 to 31 Dec 2012	1 Jan 2013 to 31 Dec 2013	1 Jan 2012 to 31 Dec 2012
Issued H-REIT units/Stapled Securities at the beginning of the period	972,645,590	967,531,276	968,738,653	963,253,718
Issue of new H-REIT units/ Stapled Securities ^(a)				
- as payment of H-REIT Manager’s management fees	1,495,668	1,207,377	5,402,605	5,484,935
Issued H-REIT units/Stapled Securities at the end of the period/year	974,141,258	968,738,653	974,141,258	968,738,653
H-REIT units/Stapled Securities to be issued:				
- as payment of H-REIT Manager’s management fees	1,628,040	1,303,781	1,628,040	1,303,781
(a)				
Total issued and issuable H-REIT units/Stapled Securities at the end of the period/year	975,769,298	970,042,434	975,769,298	970,042,434

Footnotes

(a) Each Stapled Security comprises one H-REIT unit and one HBT unit.

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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 year ended 31 December 2013 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

On 1 January 2013, H-REIT Group and CDL Hospitality Trusts adopted the revised version of the Statement of Recommended Accounting Practice 7 (2012) issued by the Institute of Singapore Chartered Accountants, which has no significant impact to the financial statements of the H-REIT Group, HBT Group and CDL Hospitality Trusts.

The accounting policies and methods of computation adopted are consistent with those applied in the audited financial statements for the year ended 31 December 2012.

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.

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

	CDL Hospitality Trust			
	1 Oct 2013 to 31 Dec 2013	1 Oct 2012 to 31 Dec 2012	1 Jan 2013 to 31 Dec 2013	1 Jan 2012 to 31 Dec 2012
Weighted average number of Stapled Securities	974,158,954 ^(a)	968,752,825	972,048,924 ^(b)	966,860,643
Earnings per Stapled Security based on the weighted average number of Stapled Securities (cents)				
- basic and diluted	6.46	4.26	14.43	12.64
Distribution per Stapled Security for the period/year based on the total number of Stapled Securities entitled to the distribution (cents)				
- Taxable income	2.35	2.72	9.22	10.40
- Tax exempt income	0.57	0.18	1.75	0.92
	2.92 ^(c)	2.90	10.97	11.32

Footnotes

- (a) *The weighted average number of Stapled Securities used for computation of EPS for the quarter ended 31 December 2013 is 974,158,954. This comprises:*
- (i) *The weighted average number of Stapled Securities in issue as at 31 December 2013 of 974,141,258; 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 31 December 2013 of 17,696.*
- (b) *The weighted average number of Stapled Securities used for computation of EPS for the year from 1 January 2013 to 31 December 2013 is 972,048,924. This comprises:*
- (i) *The weighted average number of Stapled Securities in issue as at 31 December 2013 of 972,044,464; 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 31 December 2013 of 4,460.*
- (c) *The computation of DPS for the quarter ended 31 December 2013 is based on the number of Stapled Securities entitled to distribution of 975,769,298. This comprises:*
- (i) *The number of Stapled Securities in issue as at 31 December 2013 of 974,141,258; 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 31 December 2013 of 1,628,040.*

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**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 year**

	H-REIT Group		HBT Group		CDL Hospitality Trusts	
	31 Dec 2013 S\$	31 Dec 2012 S\$	31 Dec 2013 S\$	31 Dec 2012 S\$	31 Dec 2013 S\$	31 Dec 2012 S\$
Net asset value per H-REIT unit/Stapled Security	1.63 ^(a)	1.61	0.0004 ^(b)	0.0004	1.63 ^(c)	1.61

Footnotes

(a) The net asset value per H-REIT unit as at 31 December 2013 is computed based on:

- Unitholders’ funds of H-REIT Group as at 31 December 2013 of S\$1,595,034,000; and
- The number of issued and issuable H-REIT units of 975,769,298 (31 December 2012: 970,042,434) (Refer Section 1(e) on page 21 for details).

(b) The net asset value per HBT unit as at 31 December 2013 is computed based on:

- Unitholders’ funds of HBT Group as at 31 December 2013 of S\$348,000; and
- The number of issued and issuable HBT units of 975,769,298 (31 December 2012: 970,042,434) (Refer Section 1(e) on page 21 for details).

(c) The net asset value per Stapled Security as at 31 December 2013 is computed based on:

- Unitholders’ funds of CDL Hospitality Trusts as at 31 December 2013 of S\$1,595,382,000; and
- The number of issued and issuable Stapled Securities of 975,769,298 (31 December 2012: 970,042,434) (Refer Section 1(e) on page 21 for details).

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8 Review of the performance for the quarter ended 31 December 2013

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

		CDL Hospitality Trust					
Foot- notes	1 Oct 2013 to 31 Dec 2013 S\$'000	1 Oct 2012 to 31 Dec 2012 S\$'000	Increase/ (Decrease) %	1 Jan 2013 to 31 Dec 2013 S\$'000	1 Jan 2012 to 31 Dec 2012 S\$'000	Increase/ (Decrease) %	
	39,424	38,335	2.8	148,782	149,535	-0.5	
	(2,134)	(1,949)	9.5	(8,414)	(7,594)	10.8	
	(374)	(237)	57.8	(1,244)	(989)	25.8	
	(456)	(587)	-22.3	(1,735)	(1,659)	4.6	
	36,460	35,562	2.5	137,389	139,293	-1.4	
	(1,420)	(1,326)	7.1	(5,547)	(5,256)	5.5	
	(1,813)	(1,778)	2.0	(6,859)	(6,965)	-1.5	
	(65)	(62)	4.8	(256)	(246)	4.1	
	(43)	(3)	N.M.	(174)	(166)	4.8	
	(434)	(387)	12.1	(1,514)	(1,404)	7.8	
	79	147	-46.3	419	672	-37.6	
	(4,329)	(3,979)	8.8	(17,057)	(16,380)	4.1	
(a)	(4,250)	(3,832)	10.9	(16,638)	(15,708)	5.9	
	28,435	28,174	0.9	106,401	109,548	-2.9	
	36,556	14,982	N.M.	36,556	14,982	N.M.	
	64,991	43,156	50.6	142,957	124,530	14.8	
(a)	(2,067)	(1,884)	9.7	(2,685)	(2,363)	13.6	
	62,924	41,272	52.5	140,272	122,167	14.8	

Footnote

(a) Please refer to Footnote (f) on page 7 for net finance costs and Footnote (h) on page 8 for income tax expense.

N.M. - Not Meaningful

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8 (ii) Breakdown of Total Gross Revenue by Property

		H-REIT Group					
Foot- notes	1 Oct 2013 to 31 Dec 2013 S\$'000	1 Oct 2012 to 31 Dec 2012 S\$'000	Increase/ (Decrease) %	1 Jan 2013 to 31 Dec 2013 S\$'000	1 Jan 2012 to 31 Dec 2012 S\$'000	Increase/ (Decrease) %	
	Orchard Hotel	6,217	6,938	-10.4	25,461	27,704	-8.1
	Grand Copthorne Waterfront Hotel	6,356	6,766	-6.1	23,620	24,986	-5.5
	M Hotel	4,006	4,365	-8.2	15,604	16,695	-6.5
	Copthorne King's Hotel	2,271	2,511	-9.6	8,911	10,225	-12.9
(a)	Orchard Hotel Shopping Arcade	954	1,368	-30.3	4,873	5,388	-9.6
	Studio M Hotel	2,130	2,630	-19.0	9,273	10,862	-14.6
	Novotel Singapore Clarke Quay	6,115	7,045	-13.2	22,876	24,880	-8.1
	Rendezvous Grand Hotel Auckland	2,486	2,367	5.0	9,723	9,363	3.8
	Ibis Brisbane	467	516	-9.5	2,194	2,307	-4.9
	Mercure Brisbane	700	773	-9.5	3,291	3,460	-4.9
	Novotel Brisbane	1,420	1,570	-9.5	6,678	7,022	-4.9
	Ibis Perth	533	589	-9.5	2,503	2,632	-4.9
	Mercure Perth	811	897	-9.5	3,814	4,011	-4.9
(b)	Angsana Velavaru	4,958	-	N.M.	9,961	-	N.M.
	Total	39,424	38,335	2.8	148,782	149,535	-0.5

Footnotes

- (a) Revenue for Orchard Hotel Shopping Arcade has declined in 4Q 2013 and FY 2013 as more tenants progressively moved out of the mall in December 2013 to make way for asset enhancement works.
- (b) No prior period comparatives are presented as the Angsana Velavaru was acquired on 31 January 2013. The gross revenue for the reporting period comprises a prorated minimum rent of US\$500,000 per month (based on a current minimum rent of US\$6.0 million per annum (the "Minimum Rent")). In addition to this, a variable rent of S\$3.0 million (or US\$2.5 million), being the excess of the income over and above the Minimum Rent for a period of 11 months was recognised in 4Q 2013 results as the full year performance of Angsana Velavaru has been determined.

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8 (iii) Breakdown of Net Property Income by Property

		H-REIT Group				
Foot-note	1 Oct 2013 to 31 Dec 2013	1 Oct 2012 to 31 Dec 2012	Increase/ (Decrease)	1 Jan 2013 to 31 Dec 2013	1 Jan 2012 to 31 Dec 2012	Increase/ (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Orchard Hotel	5,625	6,263	-10.2	23,183	25,379	-8.7
Grand Copthorne Waterfront Hotel	5,875	6,421	-8.5	21,773	23,212	-6.2
M Hotel	3,632	4,029	-9.9	14,157	15,283	-7.4
Copthorne King's Hotel	1,884	2,155	-12.6	7,388	8,719	-15.3
Orchard Hotel Shopping Arcade	622	914	-31.9	3,638	4,247	-14.3
Studio M Hotel	1,956	2,416	-19.0	8,601	10,157	-15.3
Novotel Singapore Clarke Quay	5,758	6,652	-13.4	21,451	23,501	-8.7
Rendezvous Grand Hotel Auckland	2,486	2,367	5.0	9,723	9,363	3.8
Ibis Brisbane	467	516	-9.5	2,194	2,307	-4.9
Mercure Brisbane	700	773	-9.5	3,291	3,460	-4.9
Novotel Brisbane	1,420	1,570	-9.5	6,678	7,022	-4.9
Ibis Perth	533	589	-9.5	2,503	2,632	-4.9
Mercure Perth	811	897	-9.5	3,814	4,011	-4.9
Angsana Velavaru	(a) 4,691	-	N.M.	8,995	-	N.M.
Total	36,460	35,562	2.5	137,389	139,293	-1.4

Footnote

- (a) No prior period comparatives are presented as the Angsana Velavaru was acquired on 31 January 2013. The net property income is derived after deducting property tax, insurances and other expenses from gross revenue.

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8 (iv) Review of the Performance

Fourth Quarter ended 31 December 2013

Gross revenue for 4Q 2013 was S\$39.4 million, an increase of S\$1.1 million or 2.8% over the previous corresponding quarter. The Singapore portfolio, which is the main revenue contributor, recorded a decline in revenue this quarter compared to a year ago. Generally, the hospitality sector in Singapore has become more competitive due to additional new supply of hotel rooms being introduced to the market and this was exacerbated by an overall weaker corporate market as many companies globally exercised restraint in travel budgets. As a result, revenue per available room ("RevPAR") of H-REIT's Singapore Hotels in the reporting quarter fell by 6.0% to S\$187 in 4Q 2013. As part of a major asset enhancement exercise announced in May 2013 for Orchard Hotel Shopping Arcade ("OHSA"), the tenants have progressively moved out of the mall during the fourth quarter to make way for the refurbishment, which commenced in December 2013. The gross revenue contribution was hence affected, declining by about S\$0.4 million compared to the same period last year. The continued weakening of the Australian dollar also led to lower fixed rent contributions from the Australia hotels.

Despite the above, there was an improvement in the overall gross revenue compared to the same period last year. This was mainly driven by the strong contribution of Angsana Velavaru resort in Maldives from which there was a recognition of S\$5.0 million (inclusive of a 11 months variable rent of S\$3.0 million (or US\$2.5 million)) revenue contribution. The resort continued to perform robustly since its acquisition in January 2013, registering a year-on-year growth in RevPAR of 21.1%¹ for the three months ended 31 December 2013.

Net property income for the reporting quarter was S\$36.5 million, an increase of 2.5% from the previous corresponding quarter.

Net finance costs for 4Q 2013 increased by S\$0.4 million over the previous corresponding quarter, mainly due to additional interest expense incurred on borrowings drawn to finance the Angsana Velavaru.

The Group revalued its investment properties as at 31 December 2013 and recorded a net revaluation surplus of S\$36.6 million. This revaluation surplus has no impact on the income available for distribution to holders of Stapled Securities.

The total income available for distribution (before deducting income retained for working capital) for 4Q 2013 was up S\$0.4 million (or 1.3%) year-on-year to S\$31.6 million. Correspondingly, the income to be distributed per Stapled Security (after deducting the income retained for working capital) for 4Q 2013 increased 0.7% from 2.90 cents in 4Q 2012 to 2.92 cents in 4Q 2013.

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

	1 Oct 2013 to 31 Dec 2013	1 Oct 2012 to 31 Dec 2012	Decrease
Average Occupancy Rate	87.0%	88.9%	(1.9)pp
Average Daily Rate	S\$215	S\$224	(4.0)%
RevPAR	S\$187	S\$199	(6.0)%

¹ The year-on-year comparison assume that H-REIT, through its wholly-owned subsidiary, Sanctuary Sands Maldives Private Limited, owns Angsana Velavaru for the three months ended 31 December 2012.

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Full Year ended 31 December 2013

Gross revenue for FY 2013 was S\$148.8 million, marginally lower than the S\$149.5 million recorded in the corresponding period last year, mainly due to reduced contribution from the Singapore Hotels. RevPAR for the Singapore Hotels in the reporting quarter fell by 6.8% to S\$191. The decline in RevPAR is consistent with our earlier guidance that the hotel operating environment in Singapore would be affected by the influx of new hotel rooms in the market and an overall weaker corporate demand due to the uncertain global economic environment. Whilst the Singapore hotels were able to maintain occupancy rates at around the 88% levels for the reporting year, average room rates, however, softened due to increased competition and the replacement of reduced corporate business with leisure business (secured at lower average room rates).

This was exacerbated by lower contribution from OHSA and the Australia hotels. OHSA posted lower revenue due to the closure of its mall for refurbishment, which commenced in December 2013. The weakening of the Australian dollar also led to an overall diminution in the fixed rent contribution from the Australia hotels. In 1Q 2013, H-REIT recognised an additional variable income of S\$2.0 million (A\$1.6 million) from its Australia hotels, which is recognised upon receipt. This is only slightly higher than the S\$1.8 million (A\$1.3 million) received the year before.

The decline in the Singapore and Australia markets was mitigated by the strong contribution of Angsana Velavaru resort in Maldives (acquired on 31 January 2013), from which there was a recognition of S\$10.0 million (inclusive of a 11 months variable rent of S\$3.0 million (or US\$2.5 million)) revenue contribution. The Angsana Velavaru performed robustly for the year, registering a year-on-year growth in RevPAR of 22.3%², supported by strong tourist arrivals growth.

In tandem with the lower revenue, net property income was 1.4% lower than the year before.

Net finance costs increased by S\$1.0 million to S\$16.6 million in FY 2013. The increase was mainly attributed to additional interest expense incurred on borrowings to finance the acquisition of Angsana Velavaru.

The Group revalued its investment properties as at 31 December 2013 and recorded a net revaluation surplus of S\$36.6 million. This revaluation surplus has no impact on the income available for distribution to holders of Staped Securities.

The income available for distribution (before deducting income retained for working capital) for FY 2013 dipped 2.6% year-on-year to S\$118.6 million. Correspondingly, the income to be distributed per Staped Security (after deducting income retained for working capital) for FY 2013 was 10.97 cents, compared to 11.32 cents the year before.

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

	1 Jan 2013 to 31 Dec 2013	1 Jan 2012 to 31 Dec 2012	Decrease
Average Occupancy Rate	87.4%	88.7%	(1.3)pp
Average Daily Rate	S\$218	S\$231	(5.6)%
RevPAR	S\$191	S\$205	(6.8)%

² The year-on-year comparison assumes that H-REIT, through its wholly-owned subsidiary, Sanctuary Sands Maldives Private Limited, owns Angsana Velavaru for the eleven months ended 31 December 2012.

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Net property income contributed by the Orchard Hotel Shopping Arcade for the year ended 31 December 2013 was S\$3.6 million. Average occupancy was 85.6% in YTD December 2013 with an average monthly rental rate of approximately S\$7.43 per sq. ft. The overall occupancy of 85.6% was about 9 percentage points lower than that achieved last year as more tenants moved out of the mall in the fourth quarter to make way for its refurbishment, which commenced in December 2013. As of 31 December 2013, all the tenants have moved out, except for three tenants, who are occupying the Galleria (which is not part of the asset enhancement exercise).

9 Variance between the forecast or prospectus statement (if disclosed previously) and the actual results

No forecast has been disclosed.

10 Commentary on the significant trends and 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.

An estimated 2,900 new rooms are slated to open in 2014, comparable to the new rooms supply of approximately 3,000 that came on-stream in 2013¹. While the full year 2013 average occupancy rate across the island remained high at 86%², the new supply entering the market is likely to translate to a competitive environment, as the market seeks to digest the additional rooms while companies remain cautious about corporate travel expenditure. In the first 26 days of January 2014, the RevPAR for Singapore Hotels declined by 0.3% compared to a year ago.

According to the Singapore Tourism Board (STB), international visitor arrivals grew 6.7% year-on-year to 15.5 million for January to December of 2013³. As part of STB's pursuit of Quality Tourism to achieve sustainable growth over the longer term⁴, the meetings, incentives, conventions and exhibitions (MICE) industry remains a key component of Singapore's tourism landscape.

The opening of the Singapore Sports Hub in April 2014 is expected to augment the city's MICE infrastructure, and in line with STB's plans to enhance the nation's destination attractiveness, more corporate and sporting events are expected to be held in Singapore. Compared to 2013, the events calendar in 2014 will include events like the Singapore Airshow in February, Food & Hotel Asia in April and Women's Tennis Association Championship in October. A host of quality events complemented by world-class attractions and facilities such as Gardens by the Bay, Marine Life Park, Marina Bay Cruise Centre Singapore and the Giant Panda Forest⁴ will enable business travellers to complement their leisure activities with their business activities.

The slower pace of the Australian economy and lower activity levels of the mining sector may affect the performance of the Australia Hotels but its effect will be mitigated by the largely fixed rent structure. The performance of the Australian dollar will also determine our rental receipts in our local currency.

¹ Horwath HTL report issued as at January 2014

² Singapore Tourism Board, Hotel Statistics (Preliminary), 27 January 2014

³ Singapore Tourism Board, International Visitor Arrival Statistics, 24 January 2014

⁴ Singapore Tourism Board, Annual Report 2012/2013

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Maldives continued to register strong visitor arrivals growth of 17.8% for the first 11 months of 2013 compared to the same period last year⁵. CDLHT is expected to benefit from growing Asian affluence, underpinned by the growth in Chinese outbound travel, from its exposure to the premium and distinctive Maldives tourism market through Angsana Velavaru and its new acquisition, Jumeirah Dhevanafushi.

Asset enhancement works for Orchard Hotel Shopping Arcade, excluding the Galleria (“OHSA”), commenced in December 2013 and is expected to complete in 12 months. During this time, the mall will be closed and there will be no income contribution from this asset apart from rental income received from the three tenants⁶ at the Galleria. The AEI will give OHSA a fresh new look and as part of a rebranding exercise, the mall will be renamed "Claymore Link" and repositioned as a family-friendly mall with enhanced retail offerings.

As at 31 December 2013, with a healthy post acquisition gearing of 29.7% and ample debt headroom, CDL Hospitality Trusts will continue to focus on sourcing for suitable acquisition opportunities in the hospitality sector in the next 12 months.

11 Distributions

11 (a) Current financial period

Any distributions declared for the current financial period?	Yes
Name of distribution	Distribution for the period from 1 July 2013 to 31 December 2013
i. Distribution type	Taxable income
Distribution rate	4.63 cents per unit
Tax rate	<u>Taxable income distribution</u> Qualifying investors and individuals (other than those who held their units through a partnership) would generally receive pre-tax distributions. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession. Qualifying foreign non-individual investors received their distributions after deduction of tax at the rate of 10%. All other investors received their distributions after deduction of tax at the rate of 17%.

⁵ Ministry of Tourism, Republic of Maldives, Tourist Arrivals by Nationality (January – November 2013), 14 January 2014

⁶ The three tenants are TAB, Aura and Esmirada

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ii. Distribution type	Tax Exempt Income
Distribution rate	0.93 cents per unit
Tax rate	<u>Tax exempt income distribution</u> These distributions are made of H-REIT’s tax exempt income. All unitholders are exempt from Singapore income tax on the distributions made by H-REIT out of its tax exempt income regardless of whether they are corporate unitholders or investors.

11 (b) Corresponding period of the preceding financial period

Any distributions declared for the current financial period?	Yes
Name of distribution	Distribution for the period from 1 July 2012 to 31 December 2012
i. Distribution type	Taxable income
Distribution rate	5.23 cents per unit
Tax rate	<u>Taxable income distribution</u> Qualifying investors and individuals (other than those who held their units through a partnership) would generally receive pre-tax distributions. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession. Qualifying foreign non-individual investors received their distributions after deduction of tax at the rate of 10%. All other investors received their distributions after deduction of tax at the rate of 17%.
ii. Distribution type	Tax Exempt Income
Distribution rate	0.39 cents per unit
Tax rate	<u>Tax exempt income distribution</u> These distributions are made of H-REIT’s tax exempt income. All unitholders are exempt from Singapore income tax on the distributions made by H-REIT out of its tax exempt income regardless of whether they are corporate unitholders or investors.

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11 (c) Book closure date

5.00 p.m. on 6 February 2014

11 (d) Date payable

28 February 2014

12 If no distribution has been declared/recommended, 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 Segmented revenue and results for operating segments (of CDL Hospitality Trusts)

14 (a) Operating segments for the year ended 31 December 2013

	Singapore Hotels	New Zealand Hotel	Australia Hotels	Maldives Hotels	Other Segment	Total
	1 Jan 2013 to 31 Dec 2013 S\$'000	1 Jan 2013 to 31 Dec 2013 S\$'000	1 Jan 2013 to 31 Dec 2013 S\$'000	1 Jan 2013 to 31 Dec 2013 S\$'000	1 Jan 2013 to 31 Dec 2013 S\$'000	1 Jan 2013 to 31 Dec 2013 S\$'000
Gross Revenue	105,745	9,723	18,480	9,961	4,873	148,782
Segment net property income	96,553	9,723	18,480	8,995	3,638	137,389
H-REIT Manager's base fees						(5,547)
H-REIT Manager's performance fees						(6,859)
H-REIT Trustee's fees						(256)
Valuation fees						(174)
Other trust expenses						(1,514)
Finance income						419
Finance costs						(17,057)
Net income before revaluation						106,401
Net surplus on revaluation of investment properties	9,400	9,420	1,210	8,524	8,002	36,556
Net income						142,957

**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 FOURTH QUARTER AND YEAR ENDED 31 DECEMBER 2013

14 (b) Operating segments for the year ended 31 December 2012

	Singapore Hotels	New Zealand Hotel	Australia Hotels	Maldives Hotels	Other Segment	Total
	1 Jan 2012 to 31 Dec 2012 S\$'000	1 Jan 2012 to 31 Dec 2012 S\$'000	1 Jan 2012 to 31 Dec 2012 S\$'000	1 Jan 2012 to 31 Dec 2012 S\$'000	1 Jan 2012 to 31 Dec 2012 S\$'000	1 Jan 2012 to 31 Dec 2012 S\$'000
Gross Revenue	115,352	9,363	19,432	-	5,388	149,535
Segment net property income	106,251	9,363	19,432	-	4,247	139,293
H-REIT Manager's base fees						(5,256)
H-REIT Manager's performance fees						(6,965)
H-REIT Trustee's fees						(246)
Valuation fees						(166)
Other trust expenses						(1,404)
Finance income						672
Finance costs						(16,380)
Net income before revaluation						109,548
Net surplus on revaluation of investment properties	(2,401)	(2,026)	6,209	-	13,200	14,982
Net income						124,530

15 In the review performance the factors leading to any changes in contributions to turnover and earnings by the business or geographical segments.

Please refer to Section 8(iv) for the review of the actual performance.

16 Breakdown of sales

	CDL Hospitality Trusts		
	1 Jan 2013 to 31 Dec 2013 S\$'000	1 Jan 2012 to 31 Dec 2012 S\$'000	Increase/ (Decrease) %
Gross revenue reported for first half year	73,498	75,055	-2.1
Total return for first half year	51,855	54,453	-4.8
Gross revenue reported for second half year	75,284	74,480	1.1
Total return for second half year	88,417	67,714	30.6

**CDL HOSPITALITY TRUSTS (“CDLHT”)
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**UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS AND
 H-REIT AND ITS SUBSIDIARIES FOR THE FOURTH QUARTER AND YEAR ENDED 31 DECEMBER
 2013**

17 Annual distribution to holders of Stapled Securities for financial year ended 31 December 2013

	H-REIT Group and CDL Hospitality Trusts	
	1 Jan 2013 to 31 Dec 2013 S\$'000	1 Jan 2012 to 31 Dec 2012 S\$'000
1 July 2011 to 31 December 2011	-	55,092
1 January 2012 to 30 June 2012	-	55,149
1 July 2012 to 31 December 2012	54,516	-
1 January 2013 to 30 June 2013	52,620	-

18 Confirmation pursuant to Rule 704(13) of the Listing Manual

Pursuant to Rule 704(13) of the Listing Manual of Singapore Exchange Securities Trading Limited, the H-REIT Manager and the HBT Trustee-Manager confirm that there are no persons occupying managerial positions in the H-REIT Manager and its principal subsidiary, the HBT Trustee-Manager, who are related to a director or the chief executive officer or a substantial shareholder of the H-REIT Manager or of the HBT Trustee-Manager respectively or a substantial stapled security holder of CDLHT.

**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 FOURTH QUARTER AND YEAR ENDED 31 DECEMBER
2013**

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)

28 January 2014

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)

28 January 2014



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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

28 January 2014

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 31 December 2013. 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 31 December 2013;
- Portfolio Statements of H-REIT Group and CDL Hospitality Trusts as at 31 December 2013;
- Statements of Total Return of H-REIT Group and CDL Hospitality Trusts for the three-month period ended 31 December 2013 and the year ended 31 December 2013;
- Statements of Movements in Unitholders' Funds of H-REIT Group and CDL Hospitality Trusts for the year ended 31 December 2013;
- Distribution Statements of H-REIT Group and CDL Hospitality Trusts for the three-month period ended 31 December 2013 and the year ended 31 December 2013;
- Statements of Cash Flows of H-REIT Group and CDL Hospitality Trusts for the year ended 31 December 2013; and
- Certain explanatory notes to the above 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 (2012) *Reporting Framework for Unit Trusts* and relevant to interim financial information, issued by the Institute of Singapore Chartered Accountants ("ISCA"). 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 (2012) *Reporting Framework for Unit Trusts* issued by the ISCA.

Restriction on use

Our report is provided in accordance with the terms of our engagement. Our work was undertaken so that we might report to you on the Interim Financial Information for the purpose of assisting CDL Hospitality Trusts to meet the requirements of Paragraph 3 of Appendix 7.2 of the Singapore Exchange Limited Listing Manual and for no other purpose. Our report is included in the CDL Hospitality Trusts' announcement of its Interim Financial Information for the information of its holders of Stapled Securities. We do not assume responsibility to anyone other than the CDL Hospitality Trusts for our work, for our report, or for the conclusions we have reached in our report.

Yours faithfully

KPMG LLP
*Public Accountants and
Chartered Accountants*

Singapore