



CDL HOSPITALITY TRUSTS

**CDL HOSPITALITY TRUSTS
UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS,
H-REIT AND ITS SUBSIDIARIES AND HBT AND ITS SUBSIDIARIES FOR THE FOURTH
QUARTER AND YEAR ENDED 31 DECEMBER 2015**

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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 AND ITS SUBSIDIARIES

(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, H-REIT AND ITS SUBSIDIARIES AND HBT AND ITS SUBSIDIARIES FOR THE FOURTH QUARTER AND YEAR ENDED 31 DECEMBER 2015

INTRODUCTION

CDL Hospitality Trusts ("CDLHT") 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 2015, CDLHT owns 15 hotels and two resorts with a total of 4,909 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; the Angsana Velavaru and the Jumeirah Dhevanafushi (collectively, the "**Maldives Resorts**") resorts located in the Republic of Maldives; Hotel MyStays Asakusabashi and MyStays Kamata (collectively, the "**Japan Hotels**"), located in Tokyo, Japan; as well as the Claymore Connect (formerly known as Orchard Hotel Shopping Arcade), the shopping arcade adjoining Orchard Hotel and Hilton Cambridge City Centre (previously known as Cambridge City Hotel), located in Cambridge, United Kingdom (the "**Hilton Cambridge City Centre**").

In December 2013, the HBT Trustee-Manager activated the HBT. In addition to the acquisition of Jumeirah Dhevanafushi in December 2013, HBT has through its indirectly wholly-owned subsidiary, AKO GK also become the master lessee following the acquisition of the Japan Hotels by H-REIT's indirectly-owned subsidiary in December 2014. 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.

On 1 October 2015, HBT has through its indirectly wholly-owned subsidiary, CDL HBT Cambridge City (UK) Ltd completed the acquisition of the Hilton Cambridge City Centre through the acquisition of 100% of the issued share capital of CDL HBT Cambridge City Hotel (UK) Ltd.

CDLHT'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 and HBT Trustee-Manager's discretion. CDLHT 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 HBT Trustee-Manager Board will decide on the quantum of distributions to be made by HBT in 2015 and subsequent years.

**CDL HOSPITALITY TRUSTS (“CDLHT”)
CDL HOSPITALITY REAL ESTATE INVESTMENT TRUST AND ITS SUBSIDIARIES (“H-REIT Group”)
CDL HOSPITALITY BUSINESS TRUST AND ITS SUBSIDIARIES (“HBT Group”)**

**UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS,
H-REIT AND ITS SUBSIDIARIES AND HBT AND ITS SUBSIDIARIES FOR THE FOURTH QUARTER
AND YEAR ENDED 31 DECEMBER 2015**

SUMMARY OF CDL HOSPITALITY TRUSTS’ RESULTS

| | 1 Oct 2015 to 31 Dec 2015 S\$'000 | 1 Oct 2014 to 31 Dec 2014 S\$'000 | Increase/ (Decrease) % | 1 Jan 2015 to 31 Dec 2015 S\$'000 | 1 Jan 2014 to 31 Dec 2014 S\$'000 | Increase/ (Decrease) % |
|--|--|--|------------------------------|--|--|------------------------------|
| Gross revenue | 50,113 | 45,094 | 11.1 | 172,410 | 166,812 | 3.4 |
| Net property income | 37,805 | 38,647 | (2.2) | 137,003 | 140,526 | (2.5) |
| Net income before fair value adjustment | 22,003 | 30,725 | (28.4) | 89,561 | 106,242 | (15.7) |
| Income available for distribution to Stapled Securities holders (before retention) | 31,844 | 34,117 | (6.7) | 108,958 | 119,515 | (8.8) |
| Less: | | | | | | |
| Income retained for working capital | (3,185) | (3,412) | (6.7) | (10,896) | (11,952) | (8.8) |
| Income to be distributed to Stapled Securities holders (after retention) | 28,659 | 30,705 | (6.7) | 98,062 | 107,563 | (8.8) |
| Capital distribution | 1,130 | - | N.M | 1,130 | - | N.M |
| Total distribution to Stapled Securities holders (after retention and capital distribution) | 29,789 | 30,705 | (3.0) | 99,192 | 107,563 | (7.8) |
| Total distribution per Stapled Security (before retention)¹ (cents) | | | | | | |
| For the period/year | 3.33 | 3.47 | (4.0) | 11.15 | 12.19 | (8.5) |
| Annualised | 13.21 | 13.77 | (4.0) | 11.15 | 12.19 | (8.5) |
| Annualised distribution yield (%) at closing market price of S\$1.265 as at 27 January 2016 | 10.44 | 10.89 | (4.0) | 8.81 | 9.64 | (8.5) |
| Total distribution per Stapled Security (after retention)¹ (cents) | | | | | | |
| For the period/year | 3.01 | 3.13 | (3.8) | 10.06 | 10.98 | (8.4) |
| Annualised | 11.94 | 12.42 | (3.8) | 10.06 | 10.98 | (8.4) |
| Annualised distribution yield (%) at closing market price of S\$1.265 as at 27 January 2016 | 9.44 | 9.82 | (3.8) | 7.95 | 8.68 | (8.4) |

¹ This includes capital distribution.

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**UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS,
H-REIT AND ITS SUBSIDIARIES AND HBT AND ITS SUBSIDIARIES FOR THE FOURTH QUARTER AND YEAR ENDED 31 DECEMBER 2015**

1 (a) Consolidated Statements of Total Return of H-REIT Group and CDL Hospitality Trusts and Consolidated Statements of Comprehensive Income of HBT Group with a comparative statement for the corresponding period of the immediately preceding financial year

| Foot- notes | H-REIT Group | | | HBT Group ^(b) | | | CDL Hospitality Trusts | | |
|----------------|---|--|------------------------------|--|--|------------------------------|--|--|------------------------------|
| | 1 Oct 2015 to 31 Dec 2015 S\$'000 | 1 Oct 2014 to 31 Dec 2014 S\$'000 | Increase/ (Decrease) % | 1 Oct 2015 to 31 Dec 2015 S\$'000 | 1 Oct 2014 to 31 Dec 2014 S\$'000 | Increase/ (Decrease) % | 1 Oct 2015 to 31 Dec 2015 S\$'000 | 1 Oct 2014 to 31 Dec 2014 S\$'000 | Increase/ (Decrease) % |
| | Gross revenue | | | | | | | | |
| | 39,123 | 41,187 | (5.0) | - | - | - | 37,516 | 39,728 | (5.6) |
| | - | - | - | 9,384 | 3,398 | N.M | 9,384 | 3,398 | N.M |
| | - | - | - | 2,386 | 1,142 | N.M | 2,386 | 1,142 | N.M |
| | - | - | - | 827 | 826 | 0.1 | 827 | 826 | 0.1 |
| (a) | 39,123 | 41,187 | (5.0) | 12,597 | 5,366 | N.M | 50,113 | 45,094 | 11.1 |
| | Property expenses | | | | | | | | |
| | - | - | - | (4,599) | (2,331) | 97.3 | (4,599) | (2,331) | 97.3 |
| | - | - | - | (569) | (286) | 99.0 | (569) | (286) | 99.0 |
| (c) | (2,169) | (1,893) | 14.6 | (267) | - | N.M | (2,436) | (1,893) | 28.7 |
| | (390) | (359) | 8.6 | (27) | - | N.M | (417) | (359) | 16.2 |
| | - | - | - | (1,639) | (517) | N.M | (1,639) | (517) | N.M |
| | - | - | - | (658) | (287) | N.M | (658) | (287) | N.M |
| | - | - | - | (644) | (408) | 57.8 | (644) | (408) | 57.8 |
| (d) | - | - | - | (1,729) | (1,459) | 18.5 | (122) | - | N.M |
| (e) | (1,182) | (366) | N.M | (42) | - | N.M | (1,224) | (366) | N.M |
| | Net property income | | | | | | | | |
| | 35,382 | 38,569 | (8.3) | 2,423 | 78 | N.M | 37,805 | 38,647 | (2.2) |
| | (1,530) | (1,494) | 2.4 | - | - | - | (1,530) | (1,494) | 2.4 |
| | (1,769) | (1,928) | (8.2) | - | - | - | (1,769) | (1,928) | (8.2) |
| | - | - | - | (24) | (4) | N.M | (24) | (4) | N.M |
| | (68) | (68) | - | - | - | - | (68) | (68) | - |
| | (63) | (2) | N.M | - | - | - | (63) | (2) | N.M |
| (f) | (377) | - | N.M | (1,049) | - | N.M | (3,977) | (733) | N.M |
| (g) | (297) | (323) | (8.0) | (883) | (37) | N.M | (1,180) | (360) | N.M |
| | 690 | 1,050 | (34.3) | 12 | - | N.M | 114 | 1,050 | (89.1) |
| | (7,311) | (4,382) | 66.8 | (582) | (1) | N.M | (7,305) | (4,383) | 66.7 |
| (h) | (6,621) | (3,332) | 98.7 | (570) | (1) | N.M | (7,191) | (3,333) | N.M |
| | Net income/(loss) before fair value adjustment | | | | | | | | |
| | 24,657 | 31,422 | (21.5) | (103) | 36 | N.M | 22,003 | 30,725 | (28.4) |
| | (38,534) | 17,978 | N.M | - | - | - | (30,221) | 17,639 | N.M |
| (i) | (13,877) | 49,400 | N.M | (103) | 36 | N.M | (8,218) | 48,364 | N.M |
| (j) | 1,478 | (329) | N.M | (175) | (12) | N.M | 1,248 | (290) | N.M |
| | Total return/Total comprehensive (loss)/ income for the period | | | | | | | | |
| | (12,399) | 49,071 | N.M | (278) | 24 | N.M | (6,970) | 48,074 | N.M |

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CDL HOSPITALITY BUSINESS TRUST AND ITS SUBSIDIARIES (“HBT Group”)**

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1 (a) Consolidated Statements of Total Return of H-REIT Group and CDL Hospitality Trusts and Consolidated Statements of Comprehensive Income of HBT Group with a comparative statement for the corresponding period of the immediately preceding financial year

| Foot- notes | H-REIT Group | | | HBT Group ^(b) | | | CDL Hospitality Trusts | | |
|----------------|--|--|------------------------------|--|--|------------------------------|--|--|------------------------------|
| | 1 Jan 2015 to 31 Dec 2015 S\$'000 | 1 Jan 2014 to 31 Dec 2014 S\$'000 | Increase/ (Decrease) % | 1 Jan 2015 to 31 Dec 2015 S\$'000 | 1 Jan 2014 to 31 Dec 2014 S\$'000 | Increase/ (Decrease) % | 1 Jan 2015 to 31 Dec 2015 S\$'000 | 1 Jan 2014 to 31 Dec 2014 S\$'000 | Increase/ (Decrease) % |
| | Gross revenue | | | | | | | | |
| | 147,209 | 151,630 | (2.9) | - | - | - | 136,400 | 145,259 | (6.1) |
| | - | - | - | 26,621 | 13,532 | 96.7 | 26,621 | 13,532 | 96.7 |
| | - | - | - | 5,594 | 4,762 | 17.5 | 5,594 | 4,762 | 17.5 |
| | - | - | - | 3,795 | 3,259 | 16.4 | 3,795 | 3,259 | 16.4 |
| (a) | 147,209 | 151,630 | (2.9) | 36,010 | 21,553 | 67.1 | 172,410 | 166,812 | 3.4 |
| | Property expenses | | | | | | | | |
| | - | - | - | (11,635) | (8,480) | 37.2 | (11,635) | (8,480) | 37.2 |
| | - | - | - | (2,022) | (1,207) | 67.5 | (2,022) | (1,207) | 67.5 |
| (c) | (8,609) | (8,553) | 0.7 | (267) | - | N.M | (8,876) | (8,553) | 3.7 |
| | (1,608) | (1,525) | 5.4 | (27) | - | N.M | (1,635) | (1,525) | 7.2 |
| | - | - | - | (4,609) | (2,163) | N.M | (4,609) | (2,163) | N.M |
| | - | - | - | (1,674) | (1,192) | 40.4 | (1,674) | (1,192) | 40.4 |
| | - | - | - | (2,021) | (1,754) | 15.2 | (2,021) | (1,754) | 15.2 |
| (d) | - | - | - | (10,931) | (6,371) | 71.6 | (122) | - | N.M |
| (e) | (2,771) | (1,412) | 96.2 | (42) | - | N.M | (2,813) | (1,412) | 99.2 |
| | Net property income | | | | | | | | |
| | 134,221 | 140,140 | (4.2) | 2,782 | 386 | N.M | 137,003 | 140,526 | (2.5) |
| | (6,052) | (5,840) | 3.6 | - | - | - | (6,052) | (5,840) | 3.6 |
| | (6,711) | (7,007) | (4.2) | - | - | - | (6,711) | (7,007) | (4.2) |
| | - | - | - | (37) | (24) | 54.2 | (37) | (24) | 54.2 |
| | (273) | (266) | 2.6 | - | - | - | (273) | (266) | 2.6 |
| | (198) | (170) | 16.5 | - | - | - | (198) | (170) | 16.5 |
| (f) | (1,511) | - | N.M | (1,049) | - | N.M | (7,455) | (2,825) | N.M |
| (g) | (1,659) | (1,564) | 6.1 | (2,763) | (148) | N.M | (4,422) | (1,712) | N.M |
| | 908 | 1,120 | (18.9) | 16 | - | N.M | 332 | 1,120 | (70.4) |
| | (22,636) | (17,559) | 28.9 | (582) | (1) | N.M | (22,626) | (17,560) | 28.8 |
| (h) | (21,728) | (16,439) | 32.2 | (566) | (1) | N.M | (22,294) | (16,440) | 35.6 |
| | Net income/(loss) before fair value adjustments | | | | | | | | |
| | 96,089 | 108,854 | (11.7) | (1,633) | 213 | N.M | 89,561 | 106,242 | (15.7) |
| | (38,534) | 17,978 | N.M | - | - | - | (30,221) | 17,639 | N.M |
| | Net income/(loss) | | | | | | | | |
| (i) | 57,555 | 126,832 | (54.6) | (1,633) | 213 | N.M | 59,340 | 123,881 | (52.1) |
| (j) | (629) | (1,434) | (56.1) | (222) | (42) | N.M | (906) | (1,425) | (36.4) |
| | Total return/Total comprehensive income/(loss) for the year | | | | | | | | |
| | 56,926 | 125,398 | (54.6) | (1,855) | 171 | N.M | 58,434 | 122,456 | (52.3) |

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AND YEAR ENDED 31 DECEMBER 2015**

Footnotes

N.M – Not Meaningful

- (a) *Gross revenue comprises rental income and hotel revenue from CDLHT's properties. Please refer to Section 8(i), page 26-28 of the Announcement.*
- (b) *Gross revenue and property expenses for HBT Group have increased in fourth quarter and year ended 31 December 2015 as compared to the same period last year primarily due to the inclusion of operating results of the Japan Hotels (acquired on 19 December 2014) and Hilton Cambridge City Centre (acquired on 1 October 2015).*
- Included in the FY 2015 HBT Group's result is a 13-day contribution of S\$0.3 million (JPY26.4 million) from the Japan Hotels for the period from 19 December 2014 to 31 December 2014. This amount was not recognised in FY 2014 as the financial impact was deemed immaterial to the Group.*
- (c) *The higher property tax in fourth quarter and year ended 31 December 2015 was mainly due to inclusion of property tax for Japan Hotels and Claymore Connect.*
- (d) *The rental expense of HBT Group relates to rent accrued to H-REIT's indirect wholly-owned subsidiaries (Jumeirah Dhevanafushi and Japan Hotels) and land lease payable to Cambridge City Council. For further details, refer to Section 8 (i) Footnote (c) and (d) on page 27 and 28 of the Announcement.*
- (e) *Other property expenses comprise mainly direct operating expenses of the newly renovated mall, Claymore Connect (formerly known as Orchard Hotel Shopping Arcade). Expenses in fourth quarter and year ended 31 December 2015 were higher mainly due to the inclusion of managing agent fees (including salaries and related expenses), cleaning, security and other charges incurred in preparation of the full opening of the mall. The other property expenses also include an impairment loss on trade receivables.*
- (f) *The depreciation and amortisation expenses of S\$377,000 and S\$1,511,000 at H-REIT Group for fourth quarter and year ended 31 December 2015 respectively relate to property, plant and equipment of Japan Hotels. The depreciation and amortisation expenses of S\$1,049,000 at HBT Group for both the fourth quarter and year ended 31 December 2015 relate to property, plant and equipment of Hilton Cambridge City Centre.*
- Included in the depreciation and amortisation expenses of CDLHT is an impairment charge on the property, plant and equipment and prepaid land lease of S\$1,558,000 and S\$165,000 respectively arising from Jumeirah Dhevanafushi.*
- (g) *Other trust expenses of H-REIT Group comprise mainly professional fees and administrative costs. In HBT Group, the expenses were higher in fourth quarter due to the inclusion of administrative expenses arising from HBT's subsidiaries (incorporated for the Hilton Cambridge City Centre's acquisition). The other trust expenses were higher for the year ended 31 December 2015 due to the inclusion of a one-off transaction costs of £1,163,000 (S\$2,442,000) incurred in relation to the UK acquisition. This treatment is in accordance with FRS 103 Business Combinations, which requires such expenses to be expensed off.*

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AND YEAR ENDED 31 DECEMBER 2015**

(h) Net finance costs comprise the following:

| | H-REIT Group | | | | | |
|--|--|--|------------------------------|--|--|------------------------------|
| | 1 Oct 2015 to 31 Dec 2015 S\$'000 | 1 Oct 2014 to 31 Dec 2014 S\$'000 | Increase/ (Decrease) % | 1 Jan 2015 to 31 Dec 2015 S\$'000 | 1 Jan 2014 to 31 Dec 2014 S\$'000 | Increase/ (Decrease) % |
| Interest income received/receivable from banks | 108 | 81 | 34.6 | 326 | 322 | 1.6 |
| Interest income received/receivable from HBT Group ⁽ⁱ⁾ | 582 | - | N.M | 582 | - | N.M |
| Exchange gain | - | 969 | N.M | - | 798 | N.M |
| Finance income | 690 | 1,050 | (34.3) | 908 | 1,120 | (18.9) |
| Exchange loss ⁽ⁱⁱ⁾ | (1,200) | - | N.M | (655) | - | N.M |
| Interest paid/payable to banks ⁽ⁱⁱⁱ⁾ | (5,818) | (4,141) | 40.5 | (20,787) | (16,432) | 26.5 |
| Amortisation of transaction costs capitalised ^(iv) | (244) | (196) | 24.5 | (998) | (940) | 6.2 |
| Financial expense arising from remeasuring non-current rental deposits at amortised cost | (49) | (45) | 8.9 | (196) | (187) | 4.8 |
| Finance costs | (7,311) | (4,382) | 66.8 | (22,636) | (17,559) | 28.9 |
| Net finance costs | (6,621) | (3,332) | 98.7 | (21,728) | (16,439) | 32.2 |

| | HBT Group | | | | | |
|---|--|--|------------------------------|--|--|------------------------------|
| | 1 Oct 2015 to 31 Dec 2015 S\$'000 | 1 Oct 2014 to 31 Dec 2014 S\$'000 | Increase/ (Decrease) % | 1 Jan 2015 to 31 Dec 2015 S\$'000 | 1 Jan 2014 to 31 Dec 2014 S\$'000 | Increase/ (Decrease) % |
| Interest income received/receivable from banks | 6 | - | N.M | 6 | - | N.M |
| Exchange gain | 6 | - | N.M | 10 | - | N.M |
| Finance income | 12 | - | N.M | 16 | - | N.M |
| Interest paid/payable to HREIT Group ⁽ⁱ⁾ | (582) | - | N.M | (582) | - | N.M |
| Interest paid/payable to banks ⁽ⁱⁱⁱ⁾ | - | (1) | N.M | - | (1) | N.M |
| Net finance cost | (570) | (1) | N.M | (566) | (1) | N.M |

| | CDL Hospitality Trusts | | | | | |
|--|--|--|------------------------------|--|--|------------------------------|
| | 1 Oct 2015 to 31 Dec 2015 S\$'000 | 1 Oct 2014 to 31 Dec 2014 S\$'000 | Increase/ (Decrease) % | 1 Jan 2015 to 31 Dec 2015 S\$'000 | 1 Jan 2014 to 31 Dec 2014 S\$'000 | Increase/ (Decrease) % |
| Interest income received/receivable from banks | 114 | 81 | 40.7 | 332 | 322 | 3.1 |
| Exchange gain | - | 969 | N.M | - | 798 | N.M |
| Finance income | 114 | 1,050 | (89.1) | 332 | 1,120 | (70.4) |
| Exchange loss ⁽ⁱⁱ⁾ | (1,194) | - | N.M | (645) | - | N.M |
| Interest paid/payable to banks ⁽ⁱⁱⁱ⁾ | (5,818) | (4,142) | 40.5 | (20,787) | (16,433) | 26.5 |
| Amortisation of transaction costs capitalised ^(iv) | (244) | (196) | 24.5 | (998) | (940) | 6.2 |
| Financial expense arising from remeasuring non-current rental deposits at amortised cost | (49) | (45) | 8.9 | (196) | (187) | 4.8 |
| Finance costs | (7,305) | (4,383) | 66.7 | (22,626) | (17,560) | 28.8 |
| Net finance costs | (7,191) | (3,333) | N.M | (22,294) | (16,440) | 35.6 |

**CDL HOSPITALITY TRUSTS (“CDLHT”)
CDL HOSPITALITY REAL ESTATE INVESTMENT TRUST AND ITS SUBSIDIARIES (“H-REIT Group”)
CDL HOSPITALITY BUSINESS TRUST AND ITS SUBSIDIARIES (“HBT Group”)**

**UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS,
H-REIT AND ITS SUBSIDIARIES AND HBT AND ITS SUBSIDIARIES FOR THE FOURTH QUARTER
AND YEAR ENDED 31 DECEMBER 2015**

- (i) The intra-group interest income/expenses between H-REIT Group and HBT Group arose from the loan extended by H-REIT to HBT to finance the UK acquisition.
- (ii) The exchange loss for the fourth quarter and year ended 31 December 2015 relates mainly to the revaluation of foreign currency denominated receivables and cash equivalent balances at reporting date, which was largely contributed by the depreciation of the Australian dollar (“AUD”) and New Zealand (“NZD”) dollar against the Singapore dollar (“SGD”).
- (iii) The interest paid/payable to banks for fourth quarter and year ended 31 December 2015 was due to increased borrowings drawn to finance the Hilton Cambridge City Centre and Japan Hotels acquisition and Claymore Connect asset enhancement works as well as the conversion of some of its US, Japan and Singapore dollar borrowings into longer tenor 5-year fixed rate term loans. In addition, there was also a general rise in interest rates on its floating rate borrowings.
- (iv) The amortisation costs for the fourth quarter and year ended 31 December 2015 relate to the amortisation of transaction costs arising from the medium term note issuance, revolving credit facility, term loan facility and TMK bond.
- (i) *Net income/(loss) of CDL Hospitality Trusts is contributed by:*

| | CDL Hospitality Trusts | | | |
|--|--|--|--|--|
| | 1 Oct 2015 to 31 Dec 2015 S\$'000 | 1 Oct 2014 to 31 Dec 2014 S\$'000 | 1 Jan 2015 to 31 Dec 2015 S\$'000 | 1 Jan 2014 to 31 Dec 2014 S\$'000 |
| H-REIT | 2,132 | 36,103 | 36,240 | 108,149 |
| Other H-REIT group entities (including consolidation adjustments) | (16,009) | 13,296 | 21,315 | 18,682 |
| HBT | 1,196 | (9) | 1,105 | (58) |
| Other HBT group entities (including consolidation adjustments) | (1,299) | 45 | (2,738) | 271 |
| CDL Hospitality Trusts' consolidation adjustments | 5,762 | (1,071) | 3,418 | (3,163) |
| | (8,218) | 48,364 | 59,340 | 123,881 |

- (j) *This relates to current and deferred tax in respect of properties at overseas.*

| | H-REIT Group | | HBT Group | | CDL Hospitality Trusts | |
|----------------------|--|--|--|--|--|--|
| | 1 Oct 2015 to 31 Dec 2015 S\$'000 | 1 Oct 2014 to 31 Dec 2014 S\$'000 | 1 Oct 2015 to 31 Dec 2015 S\$'000 | 1 Oct 2014 to 31 Dec 2014 S\$'000 | 1 Oct 2015 to 31 Dec 2015 S\$'000 | 1 Oct 2014 to 31 Dec 2014 S\$'000 |
| Corporate income tax | 99 | (10) | (139) | (12) | (40) | (22) |
| Deferred tax | 1,472 | (319) | - | - | 1,417 | (268) |
| Others | (93) | - | (36) | - | (129) | - |
| | 1,478 | (329) | (175) | (12) | 1,248 | (290) |

| | H-REIT Group | | HBT Group | | CDL Hospitality Trusts | |
|----------------------|--|--|--|--|--|--|
| | 1 Jan 2015 to 31 Dec 2015 S\$'000 | 1 Jan 2014 to 31 Dec 2014 S\$'000 | 1 Jan 2015 to 31 Dec 2015 S\$'000 | 1 Jan 2014 to 31 Dec 2014 S\$'000 | 1 Jan 2015 to 31 Dec 2015 S\$'000 | 1 Jan 2014 to 31 Dec 2014 S\$'000 |
| Corporate income tax | (633) | (431) | (184) | (42) | (817) | (473) |
| Deferred tax | 99 | (1,003) | - | - | 44 | (952) |
| Others | (95) | - | (38) | - | (133) | - |
| | (629) | (1,434) | (222) | (42) | (906) | (1,425) |

**CDL HOSPITALITY TRUSTS (“CDLHT”)
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AND YEAR ENDED 31 DECEMBER 2015**

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

| | CDL Hospitality Trusts | | | |
|---|--|--|--|--|
| | 1 Oct 2015 to 31 Dec 2015 S\$'000 | 1 Oct 2014 to 31 Dec 2014 S\$'000 | 1 Jan 2015 to 31 Dec 2015 S\$'000 | 1 Jan 2014 to 31 Dec 2014 S\$'000 |
| Net income of H-REIT | 2,132 | 36,103 | 36,240 | 108,149 |
| Net income of HBT | 1,196 | - | 1,105 | - |
| Add/(Less): Non tax deductible/(tax chargeable) items: | | | | |
| - Amortisation of transaction costs | 210 | 196 | 926 | 940 |
| - Net fair value loss/(gain) on investment properties ⁽ⁱⁱ⁾ | 37,260 | (10,717) | 37,260 | (10,717) |
| - Financial expense arising from remeasuring non-current rental deposits at amortised cost | 49 | 46 | 196 | 188 |
| - Exchange (gain)/loss | (11,674) | 5,624 | 22,267 | 10,032 |
| - H-REIT Manager's fees paid/payable in Stapled Securities | 2,639 | 2,739 | 10,210 | 10,278 |
| - HBT Trustee-Manager's fees | 37 | - | 37 | - |
| - Other items | (5) | 126 | 717 | 645 |
| Income available for distribution to Stapled Securities holders (before retention) | 31,844 | 34,117 | 108,958 | 119,515 |
| Less : | | | | |
| Income retained for working capital | (3,185) | (3,412) | (10,896) | (11,952) |
| Income to be distributed to Stapled Securities holders (after retention) | 28,659 | 30,705 | 98,062 | 107,563 |
| Capital distribution ⁽ⁱⁱⁱ⁾ | 1,130 | - | 1,130 | - |
| Total distribution to Stapled Securities holders (after retention and capital distribution) ^(iv) | 29,789 | 30,705 | 99,192 | 107,563 |
| Comprising : | | | | |
| - Taxable income | 21,432 | 22,721 | 79,229 | 87,290 |
| - Tax exempt income | 7,227 | 7,984 | 18,833 | 20,273 |
| - Capital distribution | 1,130 | - | 1,130 | - |
| | 29,789 | 30,705 | 99,192 | 107,563 |

- (i) The distribution of CDL Hospitality Trusts represents the aggregate of distributions by H-REIT and HBT.
- (ii) The Singapore Hotels and Claymore Connect were revalued as at 31 December 2015 by Knight Frank Pte Ltd, an independent valuer. The valuation gave rise to a net fair value loss of S\$37.3 million, which has been recognised in the Statement of Total Return of H-REIT. This fair value loss has no impact on the income available for distribution to holders of Stapled Securities.
- (iii) The capital distribution of S\$1.1 million relates to remittance from its Japan Hotels.
- (iv) The total income to be distributed for year ended 31 December 2015 of S\$99,192,000 comprises all of CDLHT's taxable income and net tax exempt income (after retaining an amount of S\$10,896,000 for working capital purposes) for the period from 1 January 2015 to 31 December 2015. Of this amount, the distributable income of S\$46,207,000 for the half year ended 30 June 2015 was paid on 28 August 2015.

**CDL HOSPITALITY TRUSTS (“CDLHT”)
CDL HOSPITALITY REAL ESTATE INVESTMENT TRUST AND ITS SUBSIDIARIES (“H-REIT Group”)
CDL HOSPITALITY BUSINESS TRUST AND ITS SUBSIDIARIES (“HBT Group”)**

**UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS,
H-REIT AND ITS SUBSIDIARIES AND HBT AND ITS SUBSIDIARIES FOR THE FOURTH QUARTER AND YEAR ENDED 31 DECEMBER 2015**

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 | | HBT Group ^(a) | | CDL Hospitality Trusts | |
|-------------------------------------|------------------------|------------------------|--------------------------|------------------------|------------------------|------------------------|
| | 31 Dec 2015 S\$'000 | 31 Dec 2014 S\$'000 | 31 Dec 2015 S\$'000 | 31 Dec 2014 S\$'000 | 31 Dec 2015 S\$'000 | 31 Dec 2014 S\$'000 |
| ASSETS | | | | | | |
| Non-current assets | | | | | | |
| Investment properties (b) | 2,257,091 | 2,288,455 | - | - | 2,176,664 | 2,206,423 |
| Property, plant and equipment (c) | 69,198 | 66,034 | 128,636 | - | 270,855 | 138,260 |
| Prepaid land lease | - | - | - | - | 7,406 | 6,507 |
| Other receivables (d) | 135,742 | - | - | - | - | - |
| Rental deposit | - | 126 | - | - | - | 126 |
| Deferred tax assets | 216 | 1,018 | - | - | 216 | 1,018 |
| | 2,462,247 | 2,355,633 | 128,636 | - | 2,455,141 | 2,352,334 |
| Current assets | | | | | | |
| Inventories | - | - | 1,280 | 1,366 | 1,280 | 1,366 |
| Trade and other receivables | 18,741 | 21,599 | 6,322 | 3,787 | 19,094 | 20,039 |
| Cash and cash equivalents (e) | 62,267 | 72,381 | 9,701 | 4,066 | 71,968 | 76,447 |
| | 81,008 | 93,980 | 17,303 | 9,219 | 92,342 | 97,852 |
| Total assets | 2,543,255 | 2,449,613 | 145,939 | 9,219 | 2,547,483 | 2,450,186 |
| LIABILITIES | | | | | | |
| Non-current liabilities | | | | | | |
| Financial liabilities (f) | 703,208 | 457,603 | - | - | 703,208 | 457,603 |
| Rental deposits (g) | 8,749 | 7,065 | - | - | 8,749 | 7,065 |
| Other payables (d) | - | - | 135,742 | - | - | - |
| Deferred tax liabilities | 10,514 | 11,574 | - | - | 10,514 | 11,521 |
| | 722,471 | 476,242 | 135,742 | - | 722,471 | 476,189 |
| Current liabilities | | | | | | |
| Financial liabilities (f) | 219,136 | 317,329 | - | - | 219,136 | 317,329 |
| Financial derivative liabilities | - | 581 | - | - | - | 581 |
| Trade and other payables (h) | 26,819 | 36,351 | 11,389 | 8,647 | 32,239 | 39,651 |
| Provision for taxation | 156 | 265 | 117 | 44 | 273 | 309 |
| | 246,111 | 354,526 | 11,506 | 8,691 | 251,648 | 357,870 |
| Total liabilities | 968,582 | 830,768 | 147,248 | 8,691 | 974,119 | 834,059 |
| Net assets | 1,574,673 | 1,618,845 | (1,309) | 528 | 1,573,364 | 1,616,127 |
| Represented by: | | | | | | |
| Unitholders' funds | | | | | | |
| Unitholders' funds of H-REIT Group | 1,574,673 | 1,618,845 | - | - | - | - |
| Unitholders' funds of HBT Group (j) | - | - | (1,309) | 528 | - | - |
| Unitholders' funds of Stapled Group | - | - | - | - | 1,573,364 | 1,616,127 |
| | 1,574,673 | 1,618,845 | (1,309) | 528 | 1,573,364 | 1,616,127 |

**CDL HOSPITALITY TRUSTS (“CDLHT”)
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Footnotes

- (a) *The Statement of Financial Position of HBT Group comprise the resort operations of Jumeirah Dhevanafushi, the Japan Hotels (acquired on 19 December 2014) and Hilton Cambridge City Centre (acquired on 1 October 2015).*
- (b) *The decrease in investment properties at H-REIT Group was mainly attributed to the recognition of net fair value loss 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 2015 by Knight Frank Pte Ltd, Jones Lang LaSalle Property Consultants Pte. Ltd., CBRE Limited, CBRE Valuations Pty Limited independent registered valuers, as follows:

| Properties | Tenure | Date of valuation | Valuation | |
|----------------------------------|--------------------------------------|-------------------|----------------------------|---------------|
| | | | Foreign currency (million) | (S\$ million) |
| Orchard Hotel | 75 years from 19 July 2006 | 31 December 2015 | S\$449.0 | 449.0 |
| Grand Copthorne Waterfront Hotel | 75 years from 19 July 2006 | 31 December 2015 | S\$351.0 | 351.0 |
| M Hotel | 75 years from 19 July 2006 | 31 December 2015 | S\$235.0 | 235.0 |
| Copthorne King's Hotel | 99 years from 1 February 1968 | 31 December 2015 | S\$121.0 | 121.0 |
| Claymore Connect Mall | 75 years from 19 July 2006 | 31 December 2015 | S\$106.0 | 106.0 |
| Novotel Singapore Clarke Quay | 97 years & 30 days from 2 April 1980 | 31 December 2015 | S\$319.0 | 319.0 |
| Studio M Hotel | 99 years from 26 February 2007 | 31 December 2015 | S\$159.0 | 159.0 |
| Rendezvous Grand Hotel Auckland | Freehold | 31 December 2015 | NZ\$117.0 | 113.5 |
| Novotel Brisbane | Freehold | 31 December 2015 | A\$68.0 | 69.8 |
| Mercure and Ibis Brisbane | Freehold | 31 December 2015 | A\$61.9 | 63.5 |
| Mercure Perth | Freehold | 31 December 2015 | A\$45.7 | 46.9 |
| Ibis Perth | Freehold | 31 December 2015 | A\$32.0 | 32.8 |
| Angsana Velavaru | 50 years from 26 August 1997 | 31 December 2015 | US\$78.0 | 110.1 |
| Jumeirah Dhevanafushi | 50 years from 15 June 2006 | 31 December 2015 | US\$57.0 | 80.4 |

The valuation at H-REIT Group's investment properties gave rise to a net fair value loss of S\$38,534,000 as at 31 December 2015 (31 December 2014: net fair value gain of S\$17,978,000). This net fair value is recognised in H-REIT Group's Statement of Total Return for the year ended 31 December 2015 and has no impact on the income available for distribution to holders of Stapled Securities.

In CDL Hospitality Trusts' Statement of Total Return for the year ended 31 December 2015, the fair value loss for Jumeirah Dhevanafushi of S\$8,313,000 (31 December 2014: fair value loss of S\$339,000) is reversed as the property is recorded at cost due to its classification as property, plant and equipment (refer to Footnote (c) below).

Included in H-REIT Group's investment properties as at 31 December 2015 is a net translation loss of S\$3,945,000 (31 December 2014: net translation loss of S\$4,238,000) relating to its overseas properties.

- (c) *The property, plant and equipment at H-REIT Group and HBT Group comprise the Japan Hotels (acquired on 19 December 2014) and Hilton Cambridge City Centre (acquired on 1 October 2015) respectively.*

The property, plant and equipment at CDLHT comprise the Japan Hotels, Jumeirah Dhevanafushi and Hilton Cambridge City Centre. For Jumeirah Dhevanafushi, the property is leased by H-REIT's indirect wholly-owned subsidiary to HBT's indirect wholly-owned subsidiary. For the Japan Hotels, there is a master lease arrangement between a trust bank in Japan (in its capacity as the trust bank holding the legal title to the Japan Hotels) and HBT's indirect wholly-owned subsidiary. Under FRS 40, these properties are considered property held for use as owner-occupied properties. Accordingly, these properties are classified as property, plant and equipment instead of investment property in CDLHT's financial statements. As at 31 December 2015, an impairment loss of S\$1,558,000 has been charged on the property, plant and equipment of Jumeirah Dhevanafushi.

- (d) *In September and December 2015, H-REIT drew down £64.5 million (S\$135.6 million) from its multi-currency bridge loan facility (refer to Section 1(b)(ii) Footnote (iv) on page 12 to the Announcement) and extended a loan to HBT to finance the acquisition of Hilton Cambridge City Centre. The intra-group loan between H-REIT and HBT is classified as other receivables/payables at H-REIT Group and HBT Group respectively.*
- (e) *Cash and cash equivalents for the H-REIT Group comprise mainly rental income from H-REIT's investment properties, which are reserved for distribution to unit holders at the next Scheduled Distribution.*

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- (f) *Financial liabilities of the H-REIT Group of S\$922,344,000 (31 December 2014: S\$774,932,000), which are measured at amortised cost, comprise S\$203.6 million notes issued pursuant to the Medium Term Note Programme, S\$36.3 million TMK bond and S\$682.4 million bank borrowings, as explained under Section 1(b)(ii) Footnotes (i),(ii),(iii) and (iv) on pages 11 and 12 of the Announcement.*
- (g) *Rental deposits relate to rental deposits collected from the Master Lessees, stated at amortised cost.*
- (h) *Trade and other payables for the H-REIT Group relate mainly to accrual of costs on asset enhancement works for Singapore Hotels and payables for operational and trust expenses.*
- Trade and other payables for HBT Group include accruals for a one-off transaction costs relating to the UK acquisition (refer to Section 1(a) Footnote (g) on page 5 to the Announcement).*
- (i) *The movement in unitholders’ funds are set out in Section 1(d).*
- (j) *HBT group recorded net liabilities of S\$1,309,000 as at 31 December 2015 due to the expensing of a one-time transaction costs arising from the UK acquisition (refer to Footnote (g) of page 5 to the Announcement). This net liabilities position of HBT Group will be addressed and mitigated over the next financial year when more profit from the group’s recently acquired asset, Hilton Cambridge City Centre is recognised.*

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

| | | H-REIT Group and CDL Hospitality Trusts | |
|---|-----------|---|------------------------|
| | | 31 Dec 2015 S\$'000 | 31 Dec 2014 S\$'000 |
| | Footnotes | | |
| Amount repayable after one year | | | |
| Secured TMK bond | (i) | 36,332 | - |
| Unsecured medium term notes | (ii) | 120,000 | 203,600 |
| Unsecured borrowings | (iii) | 550,525 | 255,234 |
| | | 706,857 | 458,834 |
| Amount repayable within one year | | | |
| Unsecured medium term notes | (ii) | 83,600 | - |
| Unsecured borrowings | (iv) | 135,563 | 317,914 |
| | | 219,163 | 317,914 |
| Total borrowings^(a) | | 926,020 | 776,748 |

(a) *The borrowings are presented before the deduction of unamortised transaction costs.*

Footnotes

i. Secured TMK bond

The TMK bond included in H-REIT Group relates to 5-year Japanese Yen denominated bond of JPY3.1 billion (S\$36.3 million) issued by H-REIT’s indirectly owned subsidiary, CDLHT Hanei Tokutei Mokutei Kaisha. CDLHT’s interest in Japan Hotels is held via a Tokutei Mokutei Kaisha (“TMK”) structure, and such TMK structures are required to issue bond to fund the acquisition of assets. The TMK bond was used to term out the existing short-term bridging loans, which were previously drawn in December 2014 to fund the acquisition of Japan Hotels.

The bondholders have a statutory preferred right, under Article 128 of the Japan Asset Liquidation Law, to receive payment of all obligations under the bond prior to other creditors out of the assets of the TMK. Such right shall be junior to the priority of the general statutory lien under the Japan Civil Code. While the assets of TMK are subject to a statutory preferred right, it is not considered a mortgage under Japan laws.

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ii 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\$203.6 million medium term notes have been issued by this subsidiary. These comprise:

- (a) S\$83.6 million medium term notes comprising 5-year floating rate note, which are re-priced every six months.
- (b) S\$120.0 million 5-year fixed rate medium term note. Proceeds from this medium term note issuance were utilised to partially redeem the outgoing S\$260.0 million medium term notes, which expired in August 2013.

iii. Unsecured borrowings, after one year

- (a) a 3-year to 3.25-year S\$250.0 million committed bilateral multi-currency revolving credit facility (the “RCF Facility”).

During the reporting quarter, H-REIT secured a fresh S\$250.0 million RCF Facility from two banks (comprising S\$150.0 million for a 3-year term and another S\$100.0 million for a 3.25-year term).

In December 2015, H-REIT drew down S\$140.0 million to refinance the matured facility and another S\$9.0 million to fund the asset enhancement works for Claymore Connect and other operating expenses. Consequently, as at 31 December 2015, only S\$101.0 million of the RCF Facility remained unutilised.

- (b) a 5-year A\$93.2 million (S\$95.7 million) bank facility (the “TL1 Facility”).

In December 2015, the previous 3-year A\$93.2 million term loan matured and H-REIT refinanced it with a fresh 5-year term fixed rate term loan 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\$105.8 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 fund the loan relating to Angsana Velavaru.

- (d) a 5-year S\$70.0 million floating rate term loan facility (the “TL3 Facility”). As at the reporting date, there was no unutilised balance as the TL3 Facility was fully drawn down to redeem the outgoing S\$70.0 million medium term notes, which expired in August 2014.

In April 2015, H-REIT exercised its option to convert its existing 5-year S\$70.0 million floating rate term loan into a fixed rate term loan, as allowed under the terms of the TL3 Facility.

- (e) a 5-year US\$65.0 million (S\$91.7 million) floating rate term loan facility (the “TL4 Facility”). As at the reporting date, there was no unutilised balance as the TL4 Facility was fully drawn down to fund the loan relating to Jumeirah Dhevanafushi (which expired in December 2014), and for working capital purposes.

In January 2015, H-REIT exercised its option to convert its existing 5-year US\$65.0 million (S\$91.7 million) floating rate term loan into a fixed rate term loan, as allowed under the terms of the TL4 Facility.

- (f) In September 2015, H-REIT secured a 5-year JPY3.3 billion (S\$38.3 million) fixed rate term loan facility. This was used to term out the existing short-term bridging loans, which were previously drawn in December 2014 to fund the acquisition of Japan Hotels.

iv. 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 2015, £64.5 million (S\$135.6 million) was drawn down to fund the acquisition of Hilton Cambridge City Centre as explained under Footnote (d) on page 10 of the Announcement.

Approximately S\$164.4 million of the Bridge Loan Facility remains unutilised as at the reporting date.

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1(c) Consolidated Statements of Cash Flows

| Foot- notes | H-REIT Group | | HBT Group | | CDL Hospitality Trusts | |
|----------------|---|--|--|--|--|--|
| | 1 Oct 2015 to 31 Dec 2015 S\$'000 | 1 Oct 2014 to 31 Dec 2014 S\$'000 | 1 Oct 2015 to 31 Dec 2015 S\$'000 | 1 Oct 2014 to 31 Dec 2014 S\$'000 | 1 Oct 2015 to 31 Dec 2015 S\$'000 | 1 Oct 2014 to 31 Dec 2014 S\$'000 |
| | Operating activities | | | | | |
| | (13,877) | 49,400 | (103) | 36 | (8,218) | 48,364 |
| | Adjustments for: | | | | | |
| | H-REIT Manager's fee paid/payable in Stapled Securities | | | | | |
| (a) | 2,639 | 2,739 | - | - | 2,639 | 2,739 |
| | Depreciation of property, plant and equipment | | | | | |
| | 377 | - | 1,049 | - | 2,188 | 673 |
| | Amortisation of prepaid land lease | | | | | |
| | - | - | - | - | 67 | 60 |
| | Net finance costs | | | | | |
| | 5,966 | 3,332 | 572 | 1 | 6,551 | 3,333 |
| | Transaction costs for acquisition of a subsidiary | | | | | |
| | - | - | 2,442 | - | 2,442 | - |
| | Impairment loss on prepaid land lease | | | | | |
| | - | - | - | - | 166 | - |
| | Property, plant and equipment written off | | | | | |
| | - | - | 142 | - | 142 | - |
| | Impairment loss on property, plant and equipment | | | | | |
| | - | - | - | - | 1,557 | 34 |
| | Impairment loss on trade receivables | | | | | |
| | 470 | - | 42 | - | 512 | - |
| | Net fair value loss/(gain) on investment properties | | | | | |
| | 38,534 | (17,978) | - | - | 30,221 | (17,639) |
| | Operating income before working capital changes | | | | | |
| | 34,109 | 37,493 | 4,144 | 37 | 38,267 | 37,564 |
| | Changes in working capital: | | | | | |
| | Inventories | | | | | |
| | - | - | 222 | (324) | 222 | (324) |
| | Trade and other receivables | | | | | |
| | 1,978 | (1,866) | 185 | (153) | 679 | (4,178) |
| | Trade and other payables | | | | | |
| | (344) | 1,932 | (1,399) | 2,810 | (273) | 6,867 |
| | Income tax paid | | | | | |
| | (181) | (1) | (61) | - | (239) | (1) |
| | Cash generated from operating activities | | | | | |
| | 35,562 | 37,558 | 3,091 | 2,370 | 38,656 | 39,928 |
| | Investing activities | | | | | |
| | Capital expenditure on investment properties | | | | | |
| | (2,625) | (8,660) | - | - | (3,190) | (9,016) |
| | Cash outflow from acquisition of property, plant and equipment | | | | | |
| | (172) | (65,217) | (512) | - | (119) | (64,861) |
| | Net cash outflow from acquisition of a subsidiary | | | | | |
| | - | - | (134,735) | 6 | (134,735) | 6 |
| | Interest received | | | | | |
| | 100 | 110 | - | - | 100 | 110 |
| | Cash (used in)/from investing activities | | | | | |
| | (2,697) | (73,767) | (135,247) | 6 | (137,944) | (73,761) |
| | Financing activities | | | | | |
| | Restricted cash | | | | | |
| | (1,371) | - | - | - | (1,371) | - |
| | Other (receivables)/payables | | | | | |
| | (3,786) | - | 3,786 | - | - | - |
| | Fund reserved for the completion of the Acquisition | | | | | |
| | - | - | 135,358 | - | 135,358 | - |
| | Proceeds from bank loans | | | | | |
| (b) | 200,650 | 151,486 | - | - | 200,650 | 151,486 |
| | Repayment of bank loans | | | | | |
| (b) | (200,727) | (76,896) | - | - | (200,727) | (76,896) |
| | Payment of transaction costs related to bank loans | | | | | |
| | (1,892) | (528) | - | - | (1,892) | (528) |
| | Finance costs paid | | | | | |
| | (6,338) | (4,543) | - | - | (6,338) | (4,543) |
| | Cash (used in)/generated from financing activities | | | | | |
| | (13,464) | 69,519 | 139,144 | - | 125,680 | 69,519 |
| | Net increase in cash and cash equivalents | | | | | |
| | 19,401 | 33,310 | 6,988 | 2,376 | 26,392 | 35,686 |
| | Cash and cash equivalents at beginning of the period | | | | | |
| | 41,228 | 39,701 | 2,520 | 1,690 | 43,748 | 40,761 |
| | Effect of exchange rate changes on cash and cash equivalents | | | | | |
| | 267 | - | 193 | - | 457 | - |
| | Cash and cash equivalents at end of the period | | | | | |
| (c) | 60,896 | 72,381 | 9,701 | 4,066 | 70,597 | 76,447 |

**CDL HOSPITALITY TRUSTS (“CDLHT”)
CDL HOSPITALITY REAL ESTATE INVESTMENT TRUST AND ITS SUBSIDIARIES (“H-REIT Group”)
CDL HOSPITALITY BUSINESS TRUST AND ITS SUBSIDIARIES (“HBT Group”)**

**UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS,
H-REIT AND ITS SUBSIDIARIES AND HBT AND ITS SUBSIDIARIES FOR THE FOURTH QUARTER AND YEAR
ENDED 31 DECEMBER 2015**

1(c) Consolidated Statements of Cash Flows

| Foot- notes | H-REIT Group | | HBT Group | | CDL Hospitality Trusts | |
|--|--|--|--|--|--|--|
| | 1 Jan 2015 to 31 Dec 2015 S\$'000 | 1 Jan 2014 to 31 Dec 2014 S\$'000 | 1 Jan 2015 to 31 Dec 2015 S\$'000 | 1 Jan 2014 to 31 Dec 2014 S\$'000 | 1 Jan 2015 to 31 Dec 2015 S\$'000 | 1 Jan 2014 to 31 Dec 2014 S\$'000 |
| Operating activities | | | | | | |
| Net income/(loss) | 57,555 | 126,832 | (1,633) | 213 | 59,340 | 123,881 |
| Adjustments for: | | | | | | |
| H-REIT Manager's fee paid/payable in Stapled Securities | (a) 10,210 | 10,278 | - | - | 10,210 | 10,278 |
| Depreciation of property, plant and equipment | 1,511 | - | 1,049 | - | 5,480 | 2,614 |
| Amortisation of prepaid land lease | - | - | - | - | 253 | 211 |
| Net finance costs | 21,073 | 16,439 | 572 | 1 | 21,654 | 16,440 |
| Transaction costs for acquisition of a subsidiary | - | - | 2,442 | - | 2,442 | - |
| Impairment loss on prepaid land lease | - | - | - | - | 166 | - |
| Property, plant and equipment written off | - | - | 142 | - | 142 | - |
| Impairment loss on property, plant and equipment | - | - | - | - | 1,557 | 34 |
| Impairment loss on trade receivables | 470 | - | 42 | - | 512 | - |
| Net fair value loss/(gain) on investment properties | 38,534 | (17,978) | - | - | 30,221 | (17,639) |
| Operating income before working capital changes | 129,353 | 135,571 | 2,614 | 214 | 131,977 | 135,819 |
| Changes in working capital: | | | | | | |
| Inventories | - | - | 244 | (1,366) | 244 | (1,366) |
| Trade and other receivables | 1,945 | (4,393) | (751) | (3,323) | 2,887 | (6,742) |
| Trade and other payables | 375 | 5,012 | (405) | 7,930 | (1,734) | 11,934 |
| Income tax paid | (850) | (204) | (154) | - | (1,004) | (204) |
| Cash generated from operating activities | 130,823 | 135,986 | 1,548 | 3,455 | 132,370 | 139,441 |
| Investing activities | | | | | | |
| Capital expenditure on investment properties | (16,924) | (27,741) | - | - | (15,466) | (27,430) |
| Cash outflow from acquisition of property, plant and equipment | (335) | (65,217) | (512) | - | (2,304) | (65,528) |
| Net cash outflow from acquisition of a subsidiary | - | - | (134,735) | 6 | (134,735) | 6 |
| Interest received | 318 | 342 | - | - | 318 | 342 |
| Cash (used in)/from investing activities | (16,941) | (92,616) | (135,247) | 6 | (152,187) | (92,610) |
| Financing activities | | | | | | |
| Restricted cash | (1,371) | - | - | - | (1,371) | - |
| Other (receivables)/payables | (139,144) | - | 139,144 | - | - | - |
| Proceeds from bank loans | (b) 378,723 | 230,959 | - | - | 378,723 | 230,959 |
| Proceeds from bond | (b) 35,030 | - | - | - | 35,030 | - |
| Repayment of medium term notes | - | (70,000) | - | - | - | (70,000) |
| Repayment of bank loans | (b) (273,308) | (76,896) | - | - | (273,308) | (76,896) |
| Payment of transaction costs related to bank loans | (2,835) | (892) | - | - | (2,835) | (892) |
| Finance costs paid | (20,142) | (16,644) | - | - | (20,142) | (16,644) |
| Distribution to holders of Stapled Securities | (102,587) | (105,639) | - | - | (102,587) | (105,639) |
| Cash used in/(from) financing activities | (125,634) | (39,112) | 139,144 | - | 13,510 | (39,112) |
| Net (decrease)/increase in cash and cash equivalents | (11,752) | 4,258 | 5,445 | 3,461 | (6,307) | 7,719 |
| Cash and cash equivalents at beginning of the period | 72,381 | 68,123 | 4,066 | 605 | 76,447 | 68,728 |
| Effect of exchange rate changes on cash and cash equivalents | 267 | - | 190 | - | 457 | - |
| Cash and cash equivalents at end of the year | 60,896 | 72,381 | 9,701 | 4,066 | 70,597 | 76,447 |

**CDL HOSPITALITY TRUSTS (“CDLHT”)
CDL HOSPITALITY REAL ESTATE INVESTMENT TRUST AND ITS SUBSIDIARIES (“H-REIT Group”)
CDL HOSPITALITY BUSINESS TRUST AND ITS SUBSIDIARIES (“HBT Group”)**

**UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS,
H-REIT AND ITS SUBSIDIARIES AND HBT AND ITS SUBSIDIARIES FOR THE FOURTH QUARTER AND YEAR
ENDED 31 DECEMBER 2015**

Footnotes

(a) Significant non-cash transactions

Quarter ended 31 December 2015

2,017,102 (Quarter ended 31 December 2014: 1,579,075) Stapled Securities amounting to S\$2,639,000 (Quarter ended 31 December 2014: S\$2,739,000) will be issued to the H-REIT Manager as satisfaction of asset management fees payable in units in respect of the quarter ended 31 December 2015.

Period from 1 January 2015 to 31 December 2015

6,921,908 (Year ended 31 December 2014: 6,462,785) Stapled Securities amounting to S\$10,210,000 (Year ended 31 December 2014: S\$10,917,000) were issued or will be issued to the H-REIT Manager as satisfaction of asset management fees payable in units in respect of the year ended from 1 January 2015 to 31 December 2015.

(b) Proceeds from bank loans and TMK bond were utilised to fund UK Acquisition and repayment of two short term loan borrowings of JPY 6.07 billion (S\$70.5 million) under the bridging loan facilities.

(c) Cash and cash equivalents for H-REIT Group and CDL Hospitality Trusts at the end of the period/year are as follows:

| | HREIT Group | CDL Hospitality Trusts |
|---|---------------|------------------------|
| | S\$'000 | S\$'000 |
| Cash and cash equivalents in the Statement of Financial Position | 62,267 | 71,968 |
| Restricted cash ^(a) | (1,371) | (1,371) |
| Cash and cash equivalents in the Consolidated Statement of Cash Flows | <u>60,896</u> | <u>70,597</u> |

(a) Relates to cash reserved by a trust bank in Japan.

**CDL HOSPITALITY TRUSTS (“CDLHT”)
CDL HOSPITALITY REAL ESTATE INVESTMENT TRUST AND ITS SUBSIDIARIES (“H-REIT Group”)
CDL HOSPITALITY BUSINESS TRUST AND ITS SUBSIDIARIES (“HBT Group”)**

**UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS,
H-REIT AND ITS SUBSIDIARIES AND HBT AND ITS SUBSIDIARIES FOR THE FOURTH QUARTER AND YEAR
ENDED 31 DECEMBER 2015**

1 (d)(i) Statement of Movements in Unitholders’ funds for the period from 1 January 2015 to 31 December 2015

| | | Unitholders’ funds of H-REIT Group | | | | | |
|--|---------------------------|------------------------------------|---|----------------------------|--------------------------------|------------------|--|
| Footnotes | 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 | |
| Balance as at 1 January 2015 | 1,148,720 | (23,921) | (23,650) | (581) | 518,277 | 1,618,845 | |
| Operations | | | | | | | |
| Increase in net assets resulting from operations | - | - | - | - | 69,325 | 69,325 | |
| Movements in hedging reserve | | | | | | | |
| Effective portion of changes in fair value of cash flow hedge (a) | - | - | - | 373 | - | 373 | |
| Movements in foreign currency translation reserve: | | | | | | | |
| - Translation differences relating to financial statements of foreign subsidiaries | - | - | 13,455 | - | - | 13,455 | |
| - Exchange differences on hedge of net investment in a foreign operation | - | - | (9,508) | - | - | (9,508) | |
| - Exchange differences on monetary items forming part of net investment in a foreign operation | - | - | (24,925) | - | - | (24,925) | |
| Unitholders’ transactions | | | | | | | |
| (i) Stapled Securities to be issued as payment of H-REIT Manager’s management fees (b) | 7,571 | - | - | - | - | 7,571 | |
| (ii) Distribution to holders of Stapled Securities (c) | - | - | - | - | (102,587) | (102,587) | |
| Decrease in net assets resulting from unitholders’ transactions | 7,571 | - | - | - | (102,587) | (95,016) | |
| Balance as at 30 September 2015 | 1,156,291 | (23,921) | (44,628) | (208) | 485,015 | 1,572,549 | |
| Operations | | | | | | | |
| Decrease in net assets resulting from operations | - | - | - | - | (12,399) | (12,399) | |
| Movements in hedging reserve | | | | | | | |
| Effective portion of changes in fair value of cash flow hedge (a) | - | - | - | 208 | - | 208 | |
| Movements in foreign currency translation reserve: | | | | | | | |
| - Translation differences relating to financial statements of foreign subsidiaries | - | - | (1,508) | - | - | (1,508) | |
| - Exchange differences on hedge of net investment in a foreign operation | - | - | 1,484 | - | - | 1,484 | |
| - Exchange differences on monetary items forming part of net investment in a foreign operation | - | - | 11,700 | - | - | 11,700 | |
| Unitholders’ transactions | | | | | | | |
| (i) Stapled Securities to be issued as payment of H-REIT Manager’s management fees (b) | 2,639 | - | - | - | - | 2,639 | |
| Increase in net assets resulting from unitholders’ transactions | 2,639 | - | - | - | - | 2,639 | |
| Balance as at 31 December 2015 | 1,158,930 | (23,921) | (32,952) | - | 472,616 | 1,574,673 | |

**CDL HOSPITALITY TRUSTS (“CDLHT”)
CDL HOSPITALITY REAL ESTATE INVESTMENT TRUST AND ITS SUBSIDIARIES (“H-REIT Group”)
CDL HOSPITALITY BUSINESS TRUST AND ITS SUBSIDIARIES (“HBT Group”)**

**UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS,
H-REIT AND ITS SUBSIDIARIES AND HBT AND ITS SUBSIDIARIES FOR THE FOURTH QUARTER AND YEAR
ENDED 31 DECEMBER 2015**

1 (d)(i) Statement of Movements in Unitholders’ funds for the period from 1 January 2014 to 31 December 2014

| | | Unitholders’ funds of H-REIT Group | | | | | |
|-----------|--|------------------------------------|---|----------------------------|--------------------------------|------------------|-----------|
| Footnotes | 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 | |
| | Balance as at 1 January 2014 | 1,137,803 | (23,921) | (16,945) | (421) | 498,518 | 1,595,034 |
| | Operations | | | | | | |
| | Increase in net assets resulting from operations | - | - | - | - | 76,327 | 76,327 |
| | Movements in hedging reserve | | | | | | |
| | Effective portion of changes in fair value of cash flow hedge | (a) | - | - | (57) | - | (57) |
| | Movements in foreign currency translation reserve: | | | | | | |
| | - Translation differences relating to financial statements of foreign subsidiaries | - | - | 13 | - | - | 13 |
| | - Exchange differences on hedge of net investment in a foreign operation | - | - | 955 | - | - | 955 |
| | - Exchange differences on monetary items forming part of net investment in a foreign operation | - | - | (5,626) | - | - | (5,626) |
| | Unitholders’ transactions | | | | | | |
| | (i) Stapled Securities to be issued as payment of H-REIT Manager’s management fees | (b) | 7,539 | - | - | - | 7,539 |
| | (ii) Distribution to holders of Stapled Securles | (d) | - | - | - | (105,639) | (105,639) |
| | Decrease in net assets resulting from unitholders’ transactions | | 7,539 | - | - | (105,639) | (98,100) |
| | Balance as at 30 September 2014 | 1,145,342 | (23,921) | (21,603) | (478) | 469,206 | 1,568,546 |
| | Operations | | | | | | |
| | Increase in net assets resulting from operations | - | - | - | - | 49,071 | 49,071 |
| | Movements in hedging reserve | | | | | | |
| | Effective portion of changes in fair value of cash flow hedge | (a) | - | - | (103) | - | (103) |
| | Movements in foreign currency translation reserve: | | | | | | |
| | - Translation differences relating to financial statements of foreign subsidiaries | - | - | 4,007 | - | - | 4,007 |
| | - Exchange differences on hedge of net investment in a foreign operation | - | - | (3,628) | - | - | (3,628) |
| | - Exchange differences on monetary items forming part of net investment in a foreign operation | - | - | (2,426) | - | - | (2,426) |
| | Unitholders’ transactions | | | | | | |
| | (i) Stapled Securities to be issued as payment of H-REIT Manager’s management fees | (b) | 2,739 | - | - | - | 2,739 |
| | (ii) Stapled Securities to be issued as payment of H-REIT Manager’s acquisition fee | (e) | 639 | - | - | - | 639 |
| | Increase in net assets resulting from unitholders’ transactions | | 3,378 | - | - | - | 3,378 |
| | Balance as at 31 December 2014 | 1,148,720 | (23,921) | (23,650) | (581) | 518,277 | 1,618,845 |

**CDL HOSPITALITY TRUSTS (“CDLHT”)
CDL HOSPITALITY REAL ESTATE INVESTMENT TRUST AND ITS SUBSIDIARIES (“H-REIT Group”)
CDL HOSPITALITY BUSINESS TRUST AND ITS SUBSIDIARIES (“HBT Group”)**

**UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS,
H-REIT AND ITS SUBSIDIARIES AND HBT AND ITS SUBSIDIARIES FOR THE FOURTH QUARTER AND YEAR
ENDED 31 DECEMBER 2015**

1 (d)(i) Statement of Movements in Unitholders’ funds for 1 January 2015 to 31 December 2015

Unitholders’ funds of HBT Group

| | Units in issue S\$’000 | Issue Expenses S\$’000 | Foreign Currency Translation Reserve S\$’000 | Accumulated Profits S\$’000 | Total S\$’000 |
|---|---------------------------|------------------------------|--|-----------------------------------|------------------|
| Balance as at 1 January 2015 | 500 | (121) | 9 | 140 | 528 |
| Operations Decrease in net assets resulting from operations | - | - | - | (1,577) | (1,577) |
| Movements in foreign currency translation reserve: Translation differences relating to financial statements of foreign subsidiaries | - | - | (29) | - | (29) |
| Balance as at 30 September 2015 | 500 | (121) | (20) | (1,437) | (1,078) |
| Operations Decrease in net assets resulting from operations | - | - | - | (278) | (278) |
| Movements in foreign currency translation reserve: Translation differences relating to financial statements of foreign subsidiaries | - | - | 47 | - | 47 |
| Balance as at 31 December 2015 | 500 | (121) | 27 | (1,715) | (1,309) |

**CDL HOSPITALITY TRUSTS (“CDLHT”)
CDL HOSPITALITY REAL ESTATE INVESTMENT TRUST AND ITS SUBSIDIARIES (“H-REIT Group”)
CDL HOSPITALITY BUSINESS TRUST AND ITS SUBSIDIARIES (“HBT Group”)**

**UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS,
H-REIT AND ITS SUBSIDIARIES AND HBT AND ITS SUBSIDIARIES FOR THE FOURTH QUARTER AND YEAR
ENDED 31 DECEMBER 2015**

1 (d)(ii) Statement of Movements in Unitholders’ funds for the period from 1 January 2014 to 30 December 2014

Unitholders’ funds of HBT Group

| | Units in issue S\$’000 | Issue Expenses S\$’000 | Foreign Currency Translation Reserve S\$’000 | Accumulated Profits S\$’000 | Total S\$’000 |
|---|---------------------------|------------------------------|--|-----------------------------------|------------------|
| Balance as at 1 January 2014 | 500 | (121) | - | (31) | 348 |
| Operations Increase in net assets resulting from operations | - | - | - | 147 | 147 |
| Movements in foreign currency translation reserve: Translation differences relating to financial statements of foreign subsidiaries | - | - | 2 | - | 2 |
| Balance as at 30 September 2014 | 500 | (121) | 2 | 116 | 497 |
| Operations Increase in net assets resulting from operations | - | - | - | 24 | 24 |
| Movements in foreign currency translation reserve: Translation differences relating to financial statements of foreign subsidiaries | - | - | 7 | - | 7 |
| Balance as at 31 December 2014 | 500 | (121) | 9 | 140 | 528 |

**CDL HOSPITALITY TRUSTS (“CDLHT”)
CDL HOSPITALITY REAL ESTATE INVESTMENT TRUST AND ITS SUBSIDIARIES (“H-REIT Group”)
CDL HOSPITALITY BUSINESS TRUST AND ITS SUBSIDIARIES (“HBT Group”)**

**UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS,
H-REIT AND ITS SUBSIDIARIES AND HBT AND ITS SUBSIDIARIES FOR THE FOURTH QUARTER AND YEAR
ENDED 31 DECEMBER 2015**

1 (d)(iii) Statement of Movements in Unitholders’ funds for the period from 1 January 2015 to 31 December 2015

| | | Unitholders’ funds of CDL Hospitality Trusts | | | | |
|--|---------------------------|--|---|----------------------------|--------------------------------|------------------|
| Footnotes | 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 |
| Balance as at 1 January 2015 | 1,149,220 | (24,042) | (23,774) | (581) | 515,304 | 1,616,127 |
| Operations | | | | | | |
| Increase in net assets resulting from operations | - | - | - | - | 65,404 | 65,404 |
| Movements in hedging reserve: | | | | | | |
| Effective portion of changes in fair value of cash flow hedge (a) | - | - | - | 373 | - | 373 |
| Movements in foreign currency translation reserve: | | | | | | |
| - Translation differences relating to financial statements of foreign subsidiaries | - | - | 13,068 | - | - | 13,068 |
| - Exchange differences on hedge of net investment in a foreign operation | - | - | (9,508) | - | - | (9,508) |
| - Exchange differences on monetary items forming part of net investment in a foreign operation | - | - | (24,925) | - | - | (24,925) |
| Unitholders’ transactions | | | | | | |
| (i) Stapled Securities to be issued as payment of H-REIT Manager’s management fees (b) | 7,571 | - | - | - | - | 7,571 |
| (ii) Distribution to holders of Stapled Securities (c) | - | - | - | - | (102,587) | (102,587) |
| Decrease in net assets resulting from unitholders’ transactions | 7,571 | - | - | - | (102,587) | (95,016) |
| Balance as at 30 September 2015 | 1,156,791 | (24,042) | (45,139) | (208) | 478,121 | 1,565,523 |
| Operations | | | | | | |
| Decrease in net assets resulting from operations | - | - | - | - | (6,970) | (6,970) |
| Movements in hedging reserve: | | | | | | |
| Effective portion of changes in fair value of cash flow hedge (a) | - | - | - | 208 | - | 208 |
| Movements in foreign currency translation reserve: | | | | | | |
| - Translation differences relating to financial statements of foreign subsidiaries | - | - | (1,220) | - | - | (1,220) |
| - Exchange differences on hedge of net investment in a foreign operation | - | - | 1,484 | - | - | 1,484 |
| - Exchange differences on monetary items forming part of net investment in a foreign operation | - | - | 11,700 | - | - | 11,700 |
| Unitholders’ transactions | | | | | | |
| (i) Stapled Securities to be issued as payment of H-REIT Manager’s management fees (b) | 2,639 | - | - | - | - | 2,639 |
| Increase in net assets resulting from unitholders’ transactions | 2,639 | - | - | - | - | 2,639 |
| Balance as at 31 December 2015 | 1,159,430 | (24,042) | (33,175) | - | 471,151 | 1,573,364 |

**CDL HOSPITALITY TRUSTS (“CDLHT”)
CDL HOSPITALITY REAL ESTATE INVESTMENT TRUST AND ITS SUBSIDIARIES (“H-REIT Group”)
CDL HOSPITALITY BUSINESS TRUST AND ITS SUBSIDIARIES (“HBT Group”)**

**UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS,
H-REIT AND ITS SUBSIDIARIES AND HBT AND ITS SUBSIDIARIES FOR THE FOURTH QUARTER AND YEAR
ENDED 31 DECEMBER 2015**

1 (d)(iv) Statement of Movements in Unitholders’ funds for the period from 1 January 2014 to 31 December 2014

| | | Unitholders’ funds of CDL Hospitality Trusts | | | | |
|--|---------------------------|--|---|----------------------------|--------------------------------|------------------|
| Footnotes | 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 |
| Balance as at 1 January 2014 | 1,138,303 | (24,042) | (16,945) | (421) | 498,487 | 1,595,382 |
| Operations | | | | | | |
| Increase in net assets resulting from operations | - | - | - | - | 74,382 | 74,382 |
| Movements in hedging reserve: | | | | | | |
| Effective portion of changes in fair value of cash flow hedge (a) | - | - | - | (57) | - | (57) |
| Movements in foreign currency translation reserve: | | | | | | |
| - Translation differences relating to financial statements of foreign subsidiaries | - | - | (5) | - | - | (5) |
| - Exchange differences on hedge of net investment in a foreign operation | - | - | 955 | - | - | 955 |
| - Exchange differences on monetary items forming part of net investment in a foreign operation | - | - | (5,626) | - | - | (5,626) |
| Unitholders’ transactions | | | | | | |
| (i) Stapled Securities to be issued as payment of H-REIT Manager’s management fees (b) | 7,539 | - | - | - | - | 7,539 |
| (ii) Distribution to holders of Stapled Securities (d) | - | - | - | - | (105,639) | (105,639) |
| Decrease in net assets resulting from unitholders’ transactions | 7,539 | - | - | - | (105,639) | (98,100) |
| Balance as at 30 September 2014 | 1,145,842 | (24,042) | (21,621) | (478) | 467,230 | 1,566,931 |
| Operations | | | | | | |
| Increase in net assets resulting from operations | - | - | - | - | 48,074 | 48,074 |
| Movements in hedging reserve: | | | | | | |
| Effective portion of changes in fair value of cash flow hedge (a) | - | - | - | (103) | - | (103) |
| Movements in foreign currency translation reserve: | | | | | | |
| - Translation differences relating to financial statements of foreign subsidiaries | - | - | 3,901 | - | - | 3,901 |
| - Exchange differences on hedge of net investment in a foreign operation | - | - | (3,628) | - | - | (3,628) |
| - Exchange differences on monetary items forming part of net investment in a foreign operation | - | - | (2,426) | - | - | (2,426) |
| Unitholders’ transactions | | | | | | |
| (i) Stapled Securities to be issued as payment of H-REIT Manager’s management fees (b) | 2,739 | - | - | - | - | 2,739 |
| (ii) Stapled Securities to be issued as payment of H-REIT Manager’s acquisition fee (e) | 639 | - | - | - | - | 639 |
| Increase in net assets resulting from unitholders’ transactions | 3,378 | - | - | - | - | 3,378 |
| Balance as at 31 December 2014 | 1,149,220 | (24,042) | (23,774) | (581) | 515,304 | 1,616,127 |

**CDL HOSPITALITY TRUSTS (“CDLHT”)
CDL HOSPITALITY REAL ESTATE INVESTMENT TRUST AND ITS SUBSIDIARIES (“H-REIT Group”)
CDL HOSPITALITY BUSINESS TRUST AND ITS SUBSIDIARIES (“HBT Group”)**

**UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS,
H-REIT AND ITS SUBSIDIARIES AND HBT AND ITS SUBSIDIARIES FOR THE FOURTH QUARTER AND YEAR
ENDED 31 DECEMBER 2015**

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 of the previous 3-year A\$93.2 million term loan facility. The interest rate swap expired in December 2015 as this loan was refinanced with 5-year fixed rate term loan facility.*
- (b) *These represent the Stapled Securities 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 2014 to 31 December 2014 and from 1 January 2015 to 30 June 2015.*
- (d) *Distribution to holders of Stapled Securities relates to the distribution made in respect of the period from 1 July 2013 to 31 December 2013 and 1 January 2014 to 30 June 2014.*
- (e) *Distribution to holders of Stapled Securities relates to the acquisition fee payable to the H-REIT Manager for the purchase of the Japan Hotels.*

1 (e) Details of any changes in the units

| Foot-note | H-REIT Group | | HBT Group | | CDL Hospitality Trusts | |
|--|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| | 1 Oct 2015 to 31 Dec 2015 | 1 Oct 2014 to 31 Dec 2014 | 1 Oct 2015 to 31 Dec 2015 | 1 Oct 2014 to 31 Dec 2014 | 1 Oct 2015 to 31 Dec 2015 | 1 Oct 2014 to 31 Dec 2014 |
| Issued units at the beginning of the period | 985,224,365 | 978,763,630 | 985,224,365 | 978,763,630 | 985,224,365 | 978,763,630 |
| Issue of new units | | | | | | |
| - as payment of H-REIT Manager's management fees | 1,912,523 | 1,521,348 | 1,912,523 | 1,521,348 | 1,912,523 | 1,521,348 |
| Issued units at the end of the period | 987,136,888 | 980,284,978 | 987,136,888 | 980,284,978 | 987,136,888 | 980,284,978 |
| Units to be issued: | | | | | | |
| - as payment of H-REIT Manager's management fees | (a) 2,017,102 | 1,579,075 | 2,017,102 | 1,579,075 | 2,017,102 | 1,579,075 |
| - as payment of H-REIT Manager's acquisition fee | (b) - | 368,029 | - | 368,029 | - | 368,029 |
| Total issued and issuable units at the end of the period | 989,153,990 | 982,232,082 | 989,153,990 | 982,232,082 | 989,153,990 | 982,232,082 |

| Foot-note | H-REIT Group | | HBT Group | | CDL Hospitality Trusts | |
|--|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| | 1 Jan 2015 to 31 Dec 2015 | 1 Jan 2014 to 31 Dec 2014 | 1 Jan 2015 to 31 Dec 2015 | 1 Jan 2014 to 31 Dec 2014 | 1 Jan 2015 to 31 Dec 2015 | 1 Jan 2014 to 31 Dec 2014 |
| Issued units at the beginning of the period | 980,284,978 | 974,141,258 | 980,284,978 | 974,141,258 | 980,284,978 | 974,141,258 |
| Issue of new units | | | | | | |
| - as payment of H-REIT Manager's acquisition fees | 368,029 | - | 368,029 | - | 368,029 | - |
| - as payment of H-REIT Manager's management fees | 6,483,881 | 6,143,720 | 6,483,881 | 6,143,720 | 6,483,881 | 6,143,720 |
| Issued units at the end of the period | 987,136,888 | 980,284,978 | 987,136,888 | 980,284,978 | 987,136,888 | 980,284,978 |
| Units to be issued: | | | | | | |
| - as payment of H-REIT Manager's management fees | (a) 2,017,102 | 1,579,075 | 2,017,102 | 1,579,075 | 2,017,102 | 1,579,075 |
| - as payment of H-REIT Manager's acquisition fee | (b) - | 368,029 | - | 368,029 | - | 368,029 |
| Total issued and issuable units at the end of the period | 989,153,990 | 982,232,082 | 989,153,990 | 982,232,082 | 989,153,990 | 982,232,082 |

**CDL HOSPITALITY TRUSTS (“CDLHT”)
CDL HOSPITALITY REAL ESTATE INVESTMENT TRUST AND ITS SUBSIDIARIES (“H-REIT Group”)
CDL HOSPITALITY BUSINESS TRUST AND ITS SUBSIDIARIES (“HBT Group”)**

**UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS,
H-REIT AND ITS SUBSIDIARIES AND HBT AND ITS SUBSIDIARIES FOR THE FOURTH QUARTER AND YEAR
ENDED 31 DECEMBER 2015**

Footnotes

- (a) *These represent the H-REIT units/HBT units/Stapled Securities to be issued as partial satisfaction of the management fee incurred for the respective quarters.*
- (b) *These represent the H-REIT units/HBT units/Stapled Securities to be issued to the H-REIT Manager as satisfaction of acquisition fee in relation to the Japan Hotels payable in units of 368,029 for the quarter ended 31 December 2014.*

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 2015 which has been reviewed by our auditors in accordance with Singapore Standard on Review Engagements SSRE 2410 “Review of Interim Financial Information Prepared by the Independent Auditor of the Entity”.

3 Where the figures have been audited or reviewed, the auditor’s report (including any qualifications or emphasis of matter)

Please see the attached review report.

4 Whether the same accounting principles and methods of computation as in the issuer’s most recent audited financial statements have been applied

The accounting policies and methods of computation adopted are consistent with those applied in the audited financial statements for the year ended 31 December 2014.

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 accounting policies and methods of computation adopted by H-REIT Group, HBT 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 AND ITS SUBSIDIARIES (“HBT Group”)**

**UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS,
H-REIT AND ITS SUBSIDIARIES AND HBT AND ITS SUBSIDIARIES FOR THE FOURTH QUARTER AND YEAR
ENDED 31 DECEMBER 2015**

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

| | CDL Hospitality Trusts | | | |
|---|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| | 1 Oct 2015 to 31 Dec 2015 | 1 Oct 2014 to 31 Dec 2014 | 1 Jan 2015 to 31 Dec 2015 | 1 Jan 2014 to 31 Dec 2014 |
| Weighted average number of Stapled Securities | 987,158,813 ^(a) | 980,354,146 | 984,605,921 ^(b) | 978,084,237 |
| Earnings per Stapled Security based on the weighted average number of Stapled Securities (cents) | | | | |
| - basic and diluted | (0.71) ^(a) | 4.90 | 5.93 ^(b) | 12.52 |
| Distribution per Stapled Security for the period based on the total number of Stapled Securities entitled to the distribution (cents) | | | | |
| - Taxable income | 2.17 | 2.32 | 8.03 | 8.91 |
| - Tax exempt income | 0.73 | 0.81 | 1.92 | 2.07 |
| - Capital distribution | 0.11 | - | 0.11 | - |
| Total | 3.01 | 3.13 | 10.06 | 10.98 |

Footnotes

- (a) *The weighted average number of Stapled Securities used for computation of EPS for the quarter ended 31 December 2015 is 987,158,813. This comprise:*
- (i) *The weighted average number of Stapled Securities in issue as at 31 December 2015 of 987,136,888;*
 - (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 2015 of 21,925.*
- (b) *The weighted average number of Stapled Securities used for computation of EPS for the period from 1 January 2015 to 31 December 2015 is 984,605,921. This comprise:*
- (i) *The weighted average number of Stapled Securities in issue as at 31 December 2015 of 984,600,395; 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 2015 of 5,526.*
- (c) *The computation of DPS for the quarter ended 31 December 2015 is based on the number of Stapled Securities entitled to distribution of 989,153,990. This comprise:*
- (i) *The number of Stapled Securities in issue as at 31 December 2015 of 987,136,888;*
 - (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 2015 of 2,017,102.*

**CDL HOSPITALITY TRUSTS (“CDLHT”)
CDL HOSPITALITY REAL ESTATE INVESTMENT TRUST AND ITS SUBSIDIARIES (“H-REIT Group”)
CDL HOSPITALITY BUSINESS TRUST AND ITS SUBSIDIARIES (“HBT Group”)**

**UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS,
H-REIT AND ITS SUBSIDIARIES AND HBT AND ITS SUBSIDIARIES FOR THE FOURTH QUARTER AND YEAR
ENDED 31 DECEMBER 2015**

7 Net asset value (“NAV”) per unit based on issued and issuable units at the end of the period

| | H-REIT Group | | HBT Group | | CDL Hospitality Trusts | |
|--------------------------|-----------------------|--------------------|-------------------------|--------------------|------------------------|--------------------|
| | 31 Dec 2015 S\$ | 31 Dec 2014 S\$ | 31 Dec 2015 S\$ | 31 Dec 2014 S\$ | 31 Dec 2015 S\$ | 31 Dec 2014 S\$ |
| Net asset value per unit | 1.5919 ^(a) | 1.6481 | (0.0013) ^(b) | 0.0005 | 1.5906 ^(c) | 1.6454 |

Footnotes

- (a) *The net asset value per H-REIT unit as at 31 December 2015 is computed based on:*
- *Unitholders’ funds of H-REIT Group of S\$1,574,673,000; and*
 - *The number of issued and issuable H-REIT units of 989,153,990 (31 December 2014: 982,232,082) (Refer Section 1(e) on page 22 for details).*
- (b) *The net asset value per HBT unit as at 31 December 2015 is computed based on:*
- *Unitholders’ funds of HBT Group of (S\$1,309,000); and*
 - *The number of issued and issuable HBT units of 989,153,990 (31 December 2014: 982,232,082) (Refer Section 1(e) on page 22 for details).*
- (c) *The net asset value per Stapled Security as at 31 December 2015 is computed based on:*
- *Unitholders’ funds of CDL Hospitality Trusts as at 31 December 2015 of S\$1,573,364,000; and*
 - *The number of issued and issuable Stapled Securities of 989,153,990 (31 December 2014: 982,232,082) (Refer Section 1(e) on page 22 for details).*

**CDL HOSPITALITY TRUSTS (“CDLHT”)
CDL HOSPITALITY REAL ESTATE INVESTMENT TRUST AND ITS SUBSIDIARIES (“H-REIT Group”)
CDL HOSPITALITY BUSINESS TRUST AND ITS SUBSIDIARIES (“HBT Group”)**

**UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT OF CDL HOSPITALITY TRUSTS,
H-REIT AND ITS SUBSIDIARIES AND HBT AND ITS SUBSIDIARIES FOR THE FOURTH QUARTER AND YEAR ENDED 31 DECEMBER 2015**

8 Review of the performance for the quarter ended 31 December 2015

8 (i) Breakdown of Total Gross Revenue by Geography

| Footnotes | H-REIT Group | | | HBT Group | | | CDL Hospitality Trusts | | |
|------------------------------------|--|--|------------------------------|--|--|------------------------------|--|--|------------------------------|
| | 1 Oct 2015 to 31 Dec 2015 S\$'000 | 1 Oct 2014 to 31 Dec 2014 S\$'000 | Increase/ (Decrease) % | 1 Oct 2015 to 31 Dec 2015 S\$'000 | 1 Oct 2014 to 31 Dec 2014 S\$'000 | Increase/ (Decrease) % | 1 Oct 2015 to 31 Dec 2015 S\$'000 | 1 Oct 2014 to 31 Dec 2014 S\$'000 | Increase/ (Decrease) % |
| <u>Master leases</u> | | | | | | | | | |
| <i>Singapore</i> | | | | | | | | | |
| - Hotels | 25,689 | 26,679 | (3.7) | - | - | - | 25,689 | 26,679 | (3.7) |
| - Claymore Connect | (a) 1,864 | 494 | N.M | - | - | - | 1,864 | 494 | N.M |
| <i>Maldives</i> | (b) 4,081 | 6,236 | (34.6) | - | - | - | 4,081 | 6,236 | (34.6) |
| <i>Australia</i> | 3,468 | 3,782 | (8.3) | - | - | - | 3,468 | 3,782 | (8.3) |
| <i>New Zealand</i> | 2,414 | 2,537 | (4.8) | - | - | - | 2,414 | 2,537 | (4.8) |
| | 37,516 | 39,728 | (5.6) | - | - | - | 37,516 | 39,728 | (5.6) |
| <u>Management contracts</u> | | | | | | | | | |
| <i>Maldives</i> | (c) 555 | 1,459 | (62.0) | 3,909 | 5,366 | (27.2) | 3,909 | 5,366 | (27.2) |
| <i>Japan</i> | (d) 1,052 | - | N.M | 2,556 | - | N.M | 2,556 | - | N.M |
| <i>Cambridge</i> | (e) - | - | - | 6,132 | - | N.M | 6,132 | - | N.M |
| | 1,607 | 1,459 | 10.1 | 12,597 | 5,366 | N.M | 12,597 | 5,366 | N.M |
| Total | 39,123 | 41,187 | (5.0) | 12,597 | 5,366 | N.M | 50,113 | 45,094 | 11.1 |

For 4Q 2015 and FY 2015

Footnotes

- (a) The rental income and expenses recorded in 4Q 2015 and year ended 31 December 2015 included rental and expenses from the newly renovated mall, Claymore Connect. The mall was undergoing refurbishment works since end of December 2013 and received its Temporary Occupation Permit (“TOP”) in March 2015. Rental income from new tenants was recognised in Q3 2015 following the completion of their own retrofitting works. The mall was officially opened on 8 October 2015.
- (b) Resort with third party as Master Lessee refers to the lease agreement between H-REIT’s indirect wholly-owned subsidiary and Maldives Bay Pvt Ltd, a subsidiary of Banyan Tree Holdings Limited. The gross revenue for the reporting period comprises a minimum rent of US\$500,000 per month (based on a current minimum rent of US\$6.0 million per annum). The variable rent, being the excess of the income above the minimum rent of S\$2.0 million (or US\$1.4 million) (2014: S\$4.3 million or US\$3.4 million) was recognised in the fourth quarter results as the full year performance of Angsana Velavaru has been determined.

**CDL HOSPITALITY TRUSTS (“CDLHT”)
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H-REIT AND ITS SUBSIDIARIES AND HBT AND ITS SUBSIDIARIES FOR THE FOURTH QUARTER AND YEAR ENDED 31 DECEMBER 2015**

8 Review of the performance for the quarter ended 31 December 2015

8 (i) Breakdown of Total Gross Revenue by Geography

| Footnotes | H-REIT Group | | | HBT Group | | | CDL Hospitality Trusts | | |
|------------------------------------|--|--|------------------------------|--|--|------------------------------|--|--|------------------------------|
| | 1 Jan 2015 to 31 Dec 2015 S\$'000 | 1 Jan 2014 to 31 Dec 2014 S\$'000 | Increase/ (Decrease) % | 1 Jan 2015 to 31 Dec 2015 S\$'000 | 1 Jan 2014 to 31 Dec 2014 S\$'000 | Increase/ (Decrease) % | 1 Jan 2015 to 31 Dec 2015 S\$'000 | 1 Jan 2014 to 31 Dec 2014 S\$'000 | Increase/ (Decrease) % |
| <u>Master leases</u> | | | | | | | | | |
| <i>Singapore</i> | | | | | | | | | |
| - Hotels | 96,930 | 104,552 | (7.3) | - | - | - | 96,930 | 104,552 | (7.3) |
| - Claymore Connect | 4,398 | 1,821 | N.M | - | - | - | 4,398 | 1,821 | N.M |
| (a) | | | | | | | | | |
| <i>Maldives</i> | 10,201 | 11,905 | (14.3) | - | - | - | 10,201 | 11,905 | (14.3) |
| <i>Australia</i> | 15,194 | 16,747 | (9.3) | - | - | - | 15,194 | 16,747 | (9.3) |
| <i>New Zealand</i> | 9,677 | 10,234 | (5.4) | - | - | - | 9,677 | 10,234 | (5.4) |
| | 136,400 | 145,259 | (6.1) | - | - | - | 136,400 | 145,259 | (6.1) |
| <u>Management contracts</u> | | | | | | | | | |
| <i>Maldives</i> | 5,475 | 6,371 | (14.1) | 20,152 | 21,553 | (6.5) | 20,152 | 21,553 | (6.5) |
| <i>Japan</i> | 5,334 | - | N.M | 9,726 | - | N.M | 9,726 | - | N.M |
| <i>Cambridge</i> | - | - | - | 6,132 | - | N.M | 6,132 | - | N.M |
| | 10,809 | 6,371 | 69.7 | 36,010 | 21,553 | 67.1 | 36,010 | 21,553 | 67.1 |
| Total | 147,209 | 151,630 | (2.9) | 36,010 | 21,553 | 67.1 | 172,410 | 166,812 | 3.4 |

Footnotes

(c) Resort with HBT as Master Lessee refers to the lease agreement between H-REIT's indirectly wholly-owned subsidiary and CDL HBT Oceanic Maldives Pvt Ltd, HBT's indirect wholly-owned subsidiary.

For H-REIT Group, the gross revenue for 4Q 2015 and year ended 31 December 2015 includes S\$0.6 million (US\$0.4 million) and S\$5.5 million (US\$4.0 million) rental income from HBT Group respectively (based on 80% of the gross operating profit of Jumeirah Dhevanafushi, not exceeding US\$6.0 million per annum or US\$1.2 million per quarter (the “threshold”). During the financial year, the excess rental amounting to S\$0.6 million (US\$0.4 million) was recognised for distribution by H-REIT in 2Q 2015. No excess rental was recognised in 4Q 2015.

For HBT Group, the gross revenue for the reporting period comprises the entire revenue derived from the resort operations of Jumeirah Dhevanafushi.

**CDL HOSPITALITY TRUSTS (“CDLHT”)
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(d) *The Japan Hotels with HBT refers to master lease arrangement between a trust bank in Japan (in its capacity as the trust bank holding the legal title to the Japan Hotels) and CDLHT.*

For H-REIT Group, the gross revenue for 4Q 2015 and year ended 31 December 2015 includes S\$1.0 million (JPY93.0 million) and S\$5.3 million (JPY 472.0 million) net rental income received from HBT Group (based on the gross operating profit of the Japan Hotels). The income from Japan Hotels of S\$1.7 million (JPY151.7 million), after deducting operating expenses, was included in the income available for distribution in the fourth quarter as the financial results for the first fiscal year ended 30 September 2015 have been audited and the income ascertained. Going forward, the fiscal period for the Japan Hotels will be set at 6-month intervals, from 1 October to 31 March and 1 April to 30 September. This will allow the income from the Japan Hotels to be distributed twice a year, subject to completion of the audit for the relevant period.

For HBT Group, the gross revenue for year ended 31 December 2015 comprise the 12 months of 2015 and the last 13 days of 2014 contributions derived from the hotel operations in Japan. The 13 days contribution (S\$0.3 million) was not recognised in FY 2014 as the acquisition was only completed towards the end of last year and the financial impact was immaterial to the Group.

(e) *Hilton Cambridge City Centre is owned and operated by HBT’s indirectly wholly-owned subsidiary. The gross revenue for the reporting period comprises the entire revenue derived from the hotel operations of Hilton Cambridge City Centre.*

8 (ii) Breakdown of Net Property Income by Geography

| Footnotes | H-REIT Group | | | HBT Group | | | CDL Hospitality Trusts | | |
|------------------------------------|--------------------------------------|--------------------------------------|------------------------------|--------------------------------------|--------------------------------------|------------------------------|--------------------------------------|--------------------------------------|------------------------------|
| | 1 Oct 2015 to 31 Dec 2015 S\$'000 | 1 Oct 2014 to 31 Dec 2014 S\$'000 | Increase/ (Decrease) % | 1 Oct 2015 to 31 Dec 2015 S\$'000 | 1 Oct 2014 to 31 Dec 2014 S\$'000 | Increase/ (Decrease) % | 1 Oct 2015 to 31 Dec 2015 S\$'000 | 1 Oct 2014 to 31 Dec 2014 S\$'000 | Increase/ (Decrease) % |
| <u>Master leases</u> | | | | | | | | | |
| <i>Singapore</i> | | | | | | | | | |
| - Hotels | 23,744 | 24,809 | (4.3) | - | - | - | 23,744 | 24,809 | (4.3) |
| - Claymore Connect | (a) 722 | 254 | N.M | - | - | - | 722 | 254 | N.M |
| <i>Maldives</i> | (b) 3,807 | 5,974 | (36.3) | - | - | - | 3,807 | 5,974 | (36.3) |
| <i>Australia</i> | 3,468 | 3,782 | (8.3) | - | - | - | 3,468 | 3,782 | (8.3) |
| <i>New Zealand</i> | 2,414 | 2,537 | (4.8) | - | - | - | 2,414 | 2,537 | (4.8) |
| | 34,155 | 37,356 | (8.6) | - | - | - | 34,155 | 37,356 | (8.6) |
| <u>Management contracts</u> | | | | | | | | | |
| <i>Maldives</i> | (c) 247 | 1,213 | (79.6) | (20) | 78 | N.M | 227 | 1,291 | (82.4) |
| <i>Japan</i> | (d) 980 | - | N.M | 166 | - | N.M | 1,146 | - | N.M |
| <i>Cambridge</i> | (e) - | - | - | 2,277 | - | N.M | 2,277 | - | N.M |
| | 1,227 | 1,213 | 1.2 | 2,423 | 78 | N.M | 3,650 | 1,291 | N.M |
| Total | 35,382 | 38,569 | (8.3) | 2,423 | 78 | N.M | 37,805 | 38,647 | (2.2) |

CDL HOSPITALITY TRUSTS (“CDLHT”)
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8 (ii) Breakdown of Net Property Income by Geography

| Footnotes | H-REIT Group | | | HBT Group | | | CDL Hospitality Trusts | | |
|------------------------------------|--|--|------------------------------|--|--|------------------------------|--|--|------------------------------|
| | 1 Jan 2015 to 31 Dec 2015 S\$'000 | 1 Jan 2014 to 31 Dec 2014 S\$'000 | Increase/ (Decrease) % | 1 Jan 2015 to 31 Dec 2015 S\$'000 | 1 Jan 2014 to 31 Dec 2014 S\$'000 | Increase/ (Decrease) % | 1 Jan 2015 to 31 Dec 2015 S\$'000 | 1 Jan 2014 to 31 Dec 2014 S\$'000 | Increase/ (Decrease) % |
| <u>Master leases</u> | | | | | | | | | |
| <i>Singapore</i> | | | | | | | | | |
| - Hotels | 88,793 | 96,082 | (7.6) | - | - | - | 88,793 | 96,082 | (7.6) |
| - Claymore Connect | (a) 2,190 | 912 | N.M | - | - | - | 2,190 | 912 | N.M |
| <i>Maldives</i> | (b) 9,107 | 10,863 | (16.2) | - | - | - | 9,107 | 10,863 | (16.2) |
| <i>Australia</i> | 15,194 | 16,747 | (9.3) | - | - | - | 15,194 | 16,747 | (9.3) |
| <i>New Zealand</i> | 9,677 | 10,234 | (5.4) | - | - | - | 9,677 | 10,234 | (5.4) |
| | 124,961 | 134,838 | (7.3) | - | - | - | 124,961 | 134,838 | (7.3) |
| <u>Management contracts</u> | | | | | | | | | |
| <i>Maldives</i> | (c) 4,196 | 5,302 | (20.9) | 329 | 386 | (14.8) | 4,525 | 5,688 | (20.4) |
| <i>Japan</i> | (d) 5,064 | - | N.M | 176 | - | N.M | 5,240 | - | N.M |
| <i>Cambridge</i> | (e) - | - | - | 2,277 | - | N.M | 2,277 | - | N.M |
| | 9,260 | 5,302 | 74.7 | 2,782 | 386 | N.M | 12,042 | 5,688 | N.M |
| Total | 134,221 | 140,140 | (4.2) | 2,782 | 386 | N.M | 137,003 | 140,526 | (2.5) |

**CDL HOSPITALITY TRUSTS (“CDLHT”)
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YEAR ENDED 31 DECEMBER 2015**

8 (iii) Review of the Performance

Fourth Quarter ended 31 December 2015

Gross revenue for CDL Hospitality Trusts (“CDLHT”) for 4Q 2015 was S\$50.1 million, 11.1% or S\$5.0 million higher than the corresponding period last year. The improvement was largely attributed fresh contribution of S\$6.1 million from Hilton Cambridge City Centre in United Kingdom (“UK”) (recently acquired on 1 October 2015) and another S\$2.6 million from the Group's Japan Hotels (acquired on 19 December 2014).

Excluding the contribution from its hotels in Japan and UK, CDLHT's 4Q 2015 gross revenue from its remaining portfolio was S\$41.4 million, S\$3.7 million (or 8.1%) lower than 4Q 2014. The Singapore Hotels and Maldives Resorts reported a drop in 2015 revenue of S\$1.0 million and S\$3.6 million respectively over 4Q 2014. Contribution from Maldives Resorts was lower due to lesser variable income recognised during the reporting quarter. In addition, the fixed rent contribution from Australia and New Zealand Hotels (in Singapore dollar terms) also dipped by S\$0.5 million yoy collectively, primarily due to the depreciation of both currencies against the SGD. The decline from aforesaid markets was partially mitigated by the additional S\$1.4 million gross rental income from Claymore Connect in which the refurbishment was completed last year.

RevPAR for the Singapore Hotels in the reporting quarter fell by 7.0% yoy to S\$172, with a reduction in both the yoy occupancy and average room rate by 3.5 percentage points and 2.9% respectively. Their performance were affected by the competitive trading environment induced by new hotel room supply into the market and the uncertain global economic environment. In addition to the ongoing soft room refurbishment at M Hotel, Grand Copthorne Waterfront Hotel also commenced the refurbishment of its lobby and second storey public areas end November 2015, which had affected occupancy.

The hospitality market in the Maldives in 4Q 2015 remained challenging, with the two resorts posting a collective 4Q 2015 RevPAR decline of 30.6%. The Maldives market, where hotel rates are priced in US dollars, felt the negative impact of the strong US currency, and this was compounded by the devaluation of the Chinese yuan in August 2015 and the sustained weakness of euro and Russian rouble. Forward bookings were also hampered by the one week state of emergency declared in the Maldives in October 2015.

Japan Hotels posted stellar performances, registering a yoy RevPAR growth of 18.1%¹ over the same period last year. International tourist arrivals to Japan for the reporting quarter was a record 5.3 million², representing a staggering growth rate of 42.8% over the same period last year. These arrivals, coupled with favourable government initiatives towards tourism and the weakened yen, catalysed the tourism boom in Japan.

The newly acquired hotel, Hilton Cambridge City Centre, recorded a robust 4Q 2015 yoy RevPAR growth of 20.8%. This growth was fueled by increased business due to the refurbished product (in 2014, the hotel underwent a refurbishment exercise).

Consequently, the Group's Net property income (after deducting Jumeirah Dhevanafushi, Japan Hotels and Hilton Cambridge City Centre operating expenses and the portfolio's property tax and insurance expenses) decreased marginally by S\$0.8 million to S\$37.8 million in 4Q 2015.

Net finance costs in 4Q 2015 increased by S\$3.9 million to S\$7.2 million due to higher interest expense as well as exchange loss from the revaluation of the Australian and New Zealand dollar denominated receivables and cash equivalent balances. The higher interest expense arose from additional loans taken to finance the UK and Japan Hotels as well as higher overall funding costs on the Group's Singapore and US dollar borrowings.

The Group revalued its investment properties as at 31 December 2015 and recorded a net fair value loss of S\$ 30.2 million for 4Q 2015 and FY 2015. The fair value loss mainly arose from its Singapore, Australia and Maldives properties (offset by a fair value gain on its New Zealand property) but has no impact on the unitholders distribution.

Overall, the income available for distribution (before deducting income retained for working capital) was S\$31.8 million for 4Q 2015, S\$2.3 million or 6.7% lower yoy. After retaining S\$3.2 million for working capital, the income to be distributed to unitholders (after retention) was S\$28.7 million in 4Q 2015.

¹ The yoy RevPAR comparison assumes H-REIT, through the Japan Trust, owned the Japan Hotels for the quarter ended 31 December 2014

² Japanese National Tourism Organisation, International Visitor Arrivals Statistics, 18 January 2016

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In addition, there was also a capital distribution of S\$1.1 million received from its Japan assets during the reporting quarter. This augmented the total distribution (after retention and capital distribution) to S\$29.8 million for 4Q 2015.

Correspondingly, the total distribution per Stapled Security (after retention and capital distribution) was 3.01 cents in 4Q 2015, as compared to 3.13 cents in the same period last year.

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

| | 1 Oct 2015 to 31 Dec 2015 | 1 Oct 2014 to 31 Dec 2014 | Increase/(Decline) |
|------------------------|------------------------------|------------------------------|--------------------|
| Average Occupancy Rate | 86.5% | 90.0% | (3.5)pp |
| Average Daily Rate | 199 | 205 | (2.9)% |
| RevPAR | 172 | 185 | (7.0)% |

Full year ended 31 December 2015

For FY 2015, CDLHT achieved a gross revenue of S\$172.4 million, S\$5.6 million or 3.4% higher than FY 2014. The increase was primarily due to the recognition of a full year's hotel revenue (inclusive of the 13-day revenue from December 2014) from its Japan Hotels, which contributed S\$9.7 million as well as an additional new contribution of S\$6.1 million from its recently acquired property, the Hilton Cambridge City Centre (acquired in October 2015).

Excluding the contribution from its Japan and UK properties, CDLHT's FY 2015 gross revenue from its remaining properties was S\$156.6 million, a S\$10.3 million (or 6.2%) decline as compared to FY 2014. This was mainly due to reduced contribution from its Singapore Hotels by S\$7.6 million and Maldives Resorts by S\$3.1 million (mainly due to lower full year variable rent from Angsana Velavaru, which was S\$2.0 million in FY 2015 as compared to S\$4.3 million in FY 2014). The fixed rent contribution from the Australia and New Zealand hotels was also lower by S\$1.6 million and S\$0.6 million respectively due to the adverse currency movements from the weakened AUD and NZD against the SGD. These declines were partially mitigated by a higher rental boost of S\$2.6 million yoy from Claymore Connect, which officially opened on 8 October 2015. The committed occupancy of the mall (including the Galleria) was 80% as at 31 December 2015.

The Singapore Hotels faced headwinds from softer consumer spending and subdued corporate travel demand amidst a slower global economic environment. In addition, with increased price competition from new and refurbished hotels, room rates came under pressure as well. This was exacerbated by the relatively strong Singapore dollar, which had affected key source markets around the region. Whilst events such as the SEA Games had a positive effect on the hospitality market in 2015, this impact was somewhat diluted by the absence of two biennale city-wide events, namely the Singapore Airshow and Food and Hotel Asia. Consequently, RevPAR for the Singapore Hotels declined 6.9% yoy to S\$175 for FY 2015.

In Maldives, the tourism market felt the impact of the slowing growth in China, which was aggravated by the devaluation of the Chinese yuan. The continued strength of US dollar and sustained weakness in the euro and Russian rouble rendered Maldives a more expensive travel destination as its room rates are priced in US dollars. This currency effect, compounded by intense pricing competition and aggressive market promotions amongst resorts in the market, consequently led to a combined yoy RevPAR decline of 18.8% for FY 2015.

For FY 2015, the Japan welcomed 19.7 million visitors, a phenomenal 47.1% growth¹ over FY 2014. Buttressed by robust tourist arrivals in Japan and spurred by the spending latitude offered by the weakened Yen, the Japan Hotels turned in a stellar performance, registering a combined yoy RevPAR growth of 22.2%² for FY 2015. Various government initiatives such as the visa relaxation schemes for foreigners, increased passenger capacity of Haneda Airport as well as the expansion of duty-free shopping for tourists uplifted its tourism market.

¹ Japanese National Tourism Organisation, International Visitor Arrivals Statistics, 18 January 2016

² The yoy RevPAR comparison assumes H-REIT, through the Japan Trust, owned the Japan Hotels for year ended 31 December 2014

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Net property income (after deducting Jumeirah Dhevanafushi, Japan Hotels and Hilton Cambridge City Centre operating expenses and the portfolio’s property tax and insurance expenses) decreased by S\$3.5 million or 2.5% to S\$137.0 million for FY 2015. Included in the Group’s net income is a depreciation expense of S\$2.6 million arising from the Japan and UK hotels, which was absent the previous year.

Net finance costs for the period increased by S\$5.9 million to S\$22.3 million, mainly the result of higher interest expense of S\$4.4 million over the corresponding period last year. The higher interest expense was mainly due to additional borrowings drawn to finance Japan Hotels and Hilton Cambridge City Centre acquisitions, Claymore Connect asset enhancement works as well as the conversion of some of its US and Singapore dollar borrowings into longer tenor 5-year fixed rate term loans. In addition, there was a general rise in interest rates on its floating rate borrowings. In addition, there was a net exchange loss recognised for the year, largely contributed by the depreciation of the Australia and New Zealand dollar against the Singapore dollar in respect of its foreign currency denominated receivables and cash equivalent balances at balance sheet date.

The group revalued its investment properties as at 31 December 2015 and recorded a net fair value loss of S\$30.2 million for 4Q 2015 and FY 2015. The fair value loss mainly arose from its Singapore, Australia and Maldives properties (offset by a fair value gain on its New Zealand property) but has no impact on the unitholders distribution.

Overall, the income available for distribution (before deducting income retained for working capital) of S\$108.9 million for FY 2015 was S\$10.6 million or 8.8% lower yoy. This income includes variable income of S\$2.0 million from Angsana Velavaru (in which deferred income is released once a year) as well as income from its Japan Hotels for nine months of 2015 (which was remitted in December 2015 following the completion of its mandatory statutory audit and tax filing). After retaining S\$10.9 million for working capital, the income to be distributed to unitholders (after retention) was S\$98.1 million in FY 2015. In addition, there was also a capital distribution of S\$1.1 million received from its Japan assets during the reporting period. This augmented the total distribution (after retention and capital distribution) to S\$99.2 million for FY 2015.

Correspondingly, the total distribution per Stapled Security (after retention and capital distribution) was 10.06 cents in FY 2015, as compared to 10.98 cents in the same period last year.

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

| | 1 Jan 2015 to 31 Dec 2015 | 1 Jan 2014 to 31 Dec 2014 | Increase/(Decline) |
|------------------------|------------------------------|------------------------------|--------------------|
| Average Occupancy Rate | 87.7% | 89.1% | (1.4)pp |
| Average Daily Rate | 199 | 210 | (5.2)% |
| RevPAR | 175 | 188 | (6.9)% |

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

No forecast has been disclosed.

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

In Singapore, total visitor arrivals grew 0.4% yoy to 13.8 million for the first eleven months of 2015 based on the latest data from Singapore Tourism Board (“STB”). This was largely due to a 21.2% yoy increase in Chinese arrivals, which is the second largest source market for Singapore. The recent tie-up between Alitrip and STB to offer a greater variety of travel products to Chinese visitors is likely to encourage more visitorship from the world’s largest outbound source market¹.

Singapore is expected to see a better events calendar in 2016 as compared to 2015. These include the return of biennial citywide events such as Singapore Airshow in February and Food and Hotel Asia in April, introduction of new marquee events such as Rugby World Seven Series in April and hosting of prominent medical congresses in May². Singapore has also been successful in attracting big corporate incentive groups. For instance, in 2016, companies such as Herbalife and Unicity International are bringing approximately 20,000 and 25,000 people into Singapore respectively^{3,4} for company incentive trips.

On a more cautious note, despite the healthy events calendar, the outlook for the hospitality sector in Singapore in 2016 remains uncertain. Global economic growth was lower than expected in 2015, largely due to falling commodity prices, flagging trade and capital flows, and episodes of financial volatility⁵. For 2016, global economic outlook looks set to be disappointing based on the latest statement from the International Monetary Fund. Prospects of further rises in interest rates in the United States and the economic slowdown in China have been contributing to uncertainty and a higher risk of economic vulnerability worldwide⁶. Any further slowdown in economic activities will weigh on attendant demand for hotel rooms in Singapore.

On the supply front in Singapore, industry room inventory will continue to grow by an estimated 3,930 rooms in 2016, further increasing room stock by 6.4%. As such, room rates are likely to remain competitive as new hotels seek to build their base. For the first 26 days of January 2016, RevPAR for the Singapore Hotels decreased by 5.1% as compared to the same period last year.

As part of ongoing asset enhancements, Grand Copthorne Waterfront Hotel is currently undergoing renovation to refresh its lobby, add meeting room capacity and augment its food and beverage offerings. The hotel remains fully operational but it is anticipated that there will be some disruption and revenue loss during the period of renovation. The entire renovation is expected to complete by the second half of 2016. At M Hotel, the 288-room refurbishment which started in March 2015 is scheduled for completion by April 2016. Thereafter, M Hotel will proceed with another room refurbishment for its 115 club rooms and this is expected to complete in second half of 2016.

In Australia, the economy is expected to remain soft in 2016. In Perth and Brisbane, the lack of new investments in the mining sector as a result of the weak commodity prices coupled with the addition of new hotel supply, will weigh on the trading performance of the hospitality sector. However, any weakness in the performance of the Australia Hotels is mitigated by the defensive lease structure which provides CDLHT with largely fixed rent.

¹ People’s Daily Online, “China Ranks No.1 in World Outbound Market for a Third Consecutive Year”, 6 November 2015

² STB, “Slew of prominent medical congresses in Singapore and Southeast Asia for the first time”, 18 December 2015

³ The Straits Times, “Singapore wants business travellers to have fun - and spend more”, 2 December 2015

⁴ STB, “Singapore remains Asia’s top meeting and convention city for 2014”, 9 September 2015

⁵ The World Bank, “Anemic recovery in emerging markets to weigh heavily on global growth in 2016”, 6 January 2016

⁶ Reuters, “Global growth will be disappointing in 2016 – IMF’s Lagarde”, 30 December 2015

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Japan witnessed another record-breaking year for the tourism sector in 2015. In 2015, the country welcomed 19.7 million foreign visitors, surpassing the 13.4 million visitors recorded for 2014⁷. Tourism growth is likely to maintain its upwards trajectory as it benefits from the various government initiatives. In November 2015, the Japanese Prime Minister has called for a revision of the visitor arrivals target to 30.0 million visitors by year 2020, up from the previous target of 20.0 million⁸. For 2016, visitor arrivals are expected to grow 19.0% to 23.5 million⁹. The outlook for the hospitality sector is expected to remain positive.

Maldives registered 2.4% yoy visitor arrival growth for 2015, welcoming 1.2 million tourists. For 2016, the Maldives Government has launched a “Visit Maldives Year 2016” marketing campaign with the hope of increasing tourist arrivals to 1.5 million¹⁰. However, near term outlook for the tourism sector remains challenging given the continued strength of the US dollar, which is further exacerbated by the sustained weakness in the euro and Russian rouble. The slowing growth in China coupled with the recent devaluation of the Chinese yuan may also dampen demand to the tourism market.

In United Kingdom, the tourism sector continues to gain momentum with visitor arrivals up 4.0% yoy to 30.5 million for the first ten months of 2015. The recent rebranding of the Cambridge hotel on 15 December 2015 to the Hilton Cambridge City Centre should augment the trading performance as the hotel benefits from the management expertise and distribution strength of the international operator.

⁷ Japan National Tourism Organization (JNTO)

⁸ The Straits Times, "Visitors to Japan surge to record high in 2015, nearing 2020 target", 19 January 2016

⁹ The Japan Times, "Japan to see 23.5 million visitors from abroad in 2016: JTB travel agency", 9 January 2016

¹⁰ Travel and Tour, "Maldives aims to increase tourist arrivals to 1.5 million in 2016, 6 June 2015

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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 2015 to 31 December 2015 |
| i. Distribution type | Taxable income |
| Distribution rate | 4.22 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 | 1.04 cents per unit |
| Tax rate | <u>Tax exempt income distribution</u> These distributions are made of H-REIT's and HBT's tax exempt income. All unitholders are exempt from Singapore income tax on the distributions made by H-REIT and HBT out of their tax exempt income regardless of whether they are corporate unitholders or investors. |
| iii. Distribution type | Capital |
| Distribution rate | 0.11 cents per unit |
| Tax rate | <u>Capital distribution</u> Capital distribution represents a return of capital to Unitholders for tax purposes and is therefore not subject to income tax. For Unitholders who hold the Units as trading assets, the amount of capital distribution will be applied to reduce the cost base of their Units for the purpose of calculating the amount of taxable trading gains arising from the disposal of the Units. |

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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 2014 to 31 December 2014 |
| i. Distribution type | Taxable income |
| Distribution rate | 4.59 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 | 1.15 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 (c) Book closure date

5.00 p.m. on 5 February 2016

11 (d) Date payable

29 February 2016

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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

14 (a) Operating segments for the year ended 31 December 2015

| | CDL Hospitality Trusts | | | | | | | Total |
|---|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|----------|
| | Singapore Hotels | New Zealand Hotel | Australia Hotels | Maldives Resorts | Japan Hotels | Cambridge Hotel | Other Segment | |
| | 1 Jan 2015 to 31 Dec 2015 S\$'000 | 1 Jan 2015 to 31 Dec 2015 S\$'000 | 1 Jan 2015 to 31 Dec 2015 S\$'000 | 1 Jan 2015 to 31 Dec 2015 S\$'000 | 1 Jan 2015 to 31 Dec 2015 S\$'000 | 1 Jan 2015 to 31 Dec 2015 S\$'000 | 1 Jan 2015 to 31 Dec 2015 S\$'000 | |
| Gross Revenue | 96,930 | 9,677 | 15,194 | 30,353 | 9,726 | 6,132 | 4,398 | 172,410 |
| Segment net property income | 88,793 | 9,677 | 15,194 | 13,632 | 5,240 | 2,277 | 2,190 | 137,003 |
| H-REIT Manager's base fees | | | | | | | | (6,052) |
| H-REIT Manager's performance fees | | | | | | | | (6,711) |
| HBT Trustee-Manager's performance fees | | | | | | | | (37) |
| H-REIT Trustee's fees | | | | | | | | (273) |
| Valuation fees | | | | | | | | (198) |
| Depreciation and amortisation | | | | | | | | (5,732) |
| Impairment loss on property, plant and equipment and prepaid land lease | | | | | | | | (1,723) |
| Other trust expenses | | | | | | | | (4,422) |
| Finance income | | | | | | | | 332 |
| Finance costs | | | | | | | | (22,626) |
| Net income before fair value adjustment | | | | | | | | 89,561 |
| Net fair value loss on investment properties | | | | | | | | (30,221) |
| Net income | | | | | | | | 59,340 |

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14 (b) Operating segments for the year ended 31 December 2014

| | CDL Hospitality Trusts | | | | | Total |
|--|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| | Singapore Hotels | New Zealand Hotel | Australia Hotels | Maldives Resorts | Other Segment | |
| | 1 Jan 2014 to 31 Dec 2014 | 1 Jan 2014 to 31 Dec 2014 | 1 Jan 2014 to 31 Dec 2014 | 1 Jan 2014 to 31 Dec 2014 | 1 Jan 2014 to 31 Dec 2014 | 1 Jan 2014 to 31 Dec 2014 |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Gross Revenue | 104,552 | 10,234 | 16,747 | 33,458 | 1,821 | 166,812 |
| Segment net property income | 96,082 | 10,234 | 16,747 | 16,551 | 912 | 140,526 |
| H-REIT Manager's base fees | | | | | | (5,840) |
| H-REIT Manager's performance fees | | | | | | (7,007) |
| HBT Trustee-Manager's performance fees | | | | | | (24) |
| H-REIT Trustee's fees | | | | | | (266) |
| Valuation fees | | | | | | (170) |
| Depreciation and amortization | | | | | | (2,825) |
| Other trust expenses | | | | | | (1,712) |
| Finance income | | | | | | 1,120 |
| Finance costs | | | | | | (17,560) |
| Net income before fair value adjustment | | | | | | 106,242 |
| Net fair value gain on investment properties | | | | | | 17,639 |
| Net income | | | | | | 123,881 |

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(iii) for the review of the actual performance.

16 Breakdown of sales

| | CDL Hospitality Trusts | | |
|---|--------------------------------------|--------------------------------------|------------------------------|
| | 1 Jan 2015 to 31 Dec 2015 S\$'000 | 1 Jan 2014 to 31 Dec 2014 S\$'000 | Increase/ (Decrease) % |
| Gross revenue reported for first half year | 81,213 | 81,605 | (0.6) |
| Total return for first half year | 44,031 | 50,322 | (12.5) |
| Gross revenue reported for second half year | 91,197 | 85,207 | 7.1 |
| Total return for second half year | 14,403 | 72,134 | (80.0) |

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17 Annual distribution to holders of Stapled Securities for financial year ended 31 December 2015

H-REIT Group and CDL Hospitality
 Trusts

| | 1 Jan 2014 to 31 Dec 2014 S\$'000 | 1 Jan 2013 to 31 Dec 2013 S\$'000 |
|---------------------------------|--|--|
| 1 July 2013 to 31 December 2013 | - | 54,253 |
| 1 January 2014 to 30 June 2014 | - | 51,386 |
| 1 July 2014 to 31 December 2014 | 56,380 | - |
| 1 January 2015 to 30 June 2015 | 46,207 | - |

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.

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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 2016

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 2016



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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
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28 January 2016

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 2015. CDL Hospitality Trusts comprise the H-REIT Group and CDL Hospitality Business Trust and its subsidiaries. The Interim Financial Information consists of the following:-

- Statements of Financial Position of H-REIT Group and CDL Hospitality Trusts as at 31 December 2015;
- Portfolio Statements of H-REIT Group and CDL Hospitality Trusts as at 31 December 2015;
- Statements of Total Return of H-REIT Group and CDL Hospitality Trusts for the three-month period ended 31 December 2015 and year ended 31 December 2015;
- Statements of Movements in Unitholders' Funds of H-REIT Group and CDL Hospitality Trusts for the year ended 31 December 2015;
- Distribution Statement of CDL Hospitality Trusts for the three-month period ended 31 December 2015 and the year ended 31 December 2015;
- Statements of Cash Flows of H-REIT Group and CDL Hospitality Trusts for the year ended 31 December 2015; 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 (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