FRASERS HOSPITALITY TRUST

PRESS RELEASE

Frasers Hospitality Trust Fourth Quarter Distribution Income Grew 8.5% to $23.8 Million

Boosted mainly by the addition of Novotel Melbourne on Collins and better performance of Australia, UK, Malaysia and Germany portfolios

Singapore, 27 October 2017 – Frasers Hospitality Trust ("**FHT**"), a stapled group comprising Frasers Hospitality Real Estate Investment Trust ("**FH-REIT**") and Frasers Hospitality Business Trust ("**FH-BT**"), is pleased to announce that its gross revenue ("**GR**") and net property income ("**NPI**") for the fourth quarter ended 30 September 2017 ("**4Q FY2017**") grew 24.2% and 9.8% year-on-year ("**yoy**") to $41.6 million and $31.5 million respectively. Distribution income ("**DI**") for the quarter increased 8.5% yoy to $23.8 million. Consequently, distribution per Stapled Security ("**DPS**") was 7.2% higher yoy at 1.2763 cents.

Summary of Results

S$ mil	4Q FY2017	4Q FY2016	Variance	FY2017	FY2016	Variance
GR	41.6	33.5	+24.2%	158.7	123.6	+28.4%
NPI	31.5	28.6	+9.8%	120.2	104.2	+15.3%
DI	23.8	21.9	+8.5%	93.5	84.9	+10.0%
DPS (cents)	1.2763	1.1903	+7.2%	5.0458	5.2299	-3.5%

In 4Q FY2017, FHT's GR, NPI and DI were boosted by the addition of Novotel Melbourne on Collins ("**NMOC**"). All country portfolios, except for Singapore and Japan, also reported better yoy performance. Consequently, DPS improved 7.2% compared to a year ago.

For the financial year ended 30 September 2017 ("**FY2017**"), FHT's GR, NPI and DI improved yoy, lifted by the addition of NMOC and Maritim Hotel Dresden as well as better performance of the overall portfolio. DPS for FY2017 was 5.0458 cents, 3.5% lower yoy due to the enlarged stapled security base post-rights issue.

Ms Eu Chin Fen, Chief Executive Officer of the Managers said, "We are pleased to report a commendable set of results for FY2017. Overall, our portfolio performance has been resilient, underpinned by the addition of Novotel Melbourne on Collins and Maritim Hotel Dresden. All country portfolios recorded higher gross operating profit except for Singapore which reported flat growth despite soft market conditions and new supply. As we move into the new financial year, we will stay proactive in managing our assets and maintain our disciplined approach towards pursuing value-creating acquisitions to deliver sustainable long-term growth in DPS and net asset value to our stapled securityholders."

Review of 4Q FY2017 Portfolio Performance

In 4Q FY2017, the Australia portfolio recorded a significant yoy increase of 39.6% and 45.7% in gross operating revenue ("**GOR**") and gross operating profit ("**GOP**"), respectively, boosted by the addition of NMOC. Average revenue per available room ("**RevPAR**") for the portfolio declined 4.9% in 4Q FY2017 as refurbishment works on Novotel Rockford Darling Harbour peaked in August and September 2017, affecting the overall portfolio occupancy. Sydney and Melbourne continued to enjoy a busy events calendar, with Sydney in particular benefitting from the opening of the International Convention Centre. RevPAR for FHT's Sydney (excluding Novotel Rockford Darling Harbour) and Melbourne properties increased by 3.6% and 4.0% respectively for the quarter.

GOR and GOP of the Singapore portfolio declined marginally in 4Q FY2017. InterContinental Singapore achieved higher RevPAR on the back of occupancy gains which was offset by a decline in banquet revenue. Fraser Suites Singapore turned in lower GOR and GOP in this quarter due to continued downward pressure on the average daily rate ("**ADR**").

GOR and GOP of the UK portfolio improved 4.8% and 0.5% respectively yoy, on the back of improved market sentiment as compared to 4Q FY2016. Higher ADR and occupancy contributed to the 6.4% yoy growth in RevPAR for the quarter. While the portfolio performance has improved, GOP growth remains under pressure due to higher costs arising from the increase in minimum wage rates.

GOR and GOP of ANA Crowne Plaza Kobe in Japan declined by 3.9% and 7.7% respectively in 4Q FY2017 due mainly to lower banquet revenue from weddings. Room revenue was stable yoy. Apart from continuing to drive room revenue, the hotel will also focus on increasing revenue from local and international conferences and events.

In 4Q FY2017, the Kuala Lumpur market continued its strong growth, with The Westin Kuala Lumpur recording yoy growth of 15.7% in RevPAR. Stronger transient and corporate demand contributed to the higher occupancy at the hotel yoy while improved consumer sentiment led to an increase in F&B outlet revenue. Banquet revenue of the hotel also improved on the back of an increase in corporate and social events.

Portfolio Growth

As at 30 September 2017, FHT's investment portfolio was valued at a total of $2.44 billion by an independent valuer. This represents an increase of 18.5% yoy. The addition of NMOC and higher valuations achieved across FHT's properties in Australia, the UK, Malaysia and Germany contributed to the higher portfolio value.

Capital Management with High Proportion of Fixed-Rate Borrowings

FHT's total debt, as at 30 September 2017, was $810.9 million, with gearing at 32.1% and the weighted average years to maturity at 2.07 years. The proportion of fixed-rate debt to total debt was 74.7% while the effective cost of debt was 2.6% per annum. Interest cover was 5.09 times and net asset value per Stapled Security was 81.59 cents.

Distribution Details

Distribution Period	1 April 2017 to 30 September 2017
DPS	2.5137 cents
Last Day of Trading on “Cum” Basis	1 November 2017
First Day of Trading on “Ex” Basis	2 November 2017
Books Closure Date	6 November 2017
Distribution Payment Date	29 December 2017

Outlook

Tourism Australia reported an increase in international arrivals of 7.4% yoy for January to August 2017, with Chinese visitors growing 12.1%. Sydney’s strong performance is expected to continue, supported by strong corporate demand, inbound tourism growth and a busy events calendar. Stable occupancy and growth in ADR are expected to further push RevPAR upwards[1]. The growth in Melbourne’s hotel occupancy is expected to remain subdued going forward due to more room supply. Nonetheless, its market outlook stays positive, with both rates and occupancy expected to remain high and stable[2].

For January to August 2017, Singapore Tourism Board reported a yoy growth of 4.0% in visitor arrivals, with China and Indonesia being the top source markets. Combined, both markets accounted for 36% of the total arrivals. Singapore continues to grow its robust pipeline of MICE events, having successfully secured 8 large congresses and tradeshows recently. Most of these events such as Campus Party (the world's largest technology-based festival) and the 20th International Congress of Endocrinology will make their debut in Southeast Asia or Asia, attracting 20,000 additional visitors to the city[3]. While the pressure on hotel trading performance remains in 2017 due to new supply, this is expected to ease as the pipeline of new hotel projects going forward suggests substantially slower supply growth[4].

According to Visit Britain, the UK received 23.1 million overseas visitors for the first seven months of 2017, up 8.0% yoy. In London, the hotel business has been boosted by the recovery of the global economy and the weaker pound which has attracted more leisure tourists from overseas. These positive factors should continue to support growth in 2018 but to a lesser extent. Brexit uncertainty is a possible dampener on business travel to the UK and the slowdown in the economy may also subdue domestic spending on hotels[5].

For January to September 2017, Japan National Tourism Organization recorded a 17.9% growth in foreign visitors yoy, with the number of Korean and Chinese visitors growing 40.3% and 11.0% respectively. The strong momentum of inbound tourism is expected to continue going forward, supported by key events including the Rugby World Cup 2019 in Fukuoka, the 2020 Tokyo Olympic Games and the highly anticipated integrated resort development. With the government’s efforts to develop wide-area tour routes in regional cities, there appears to be more upside potential for hotels outside of Tokyo[6].

According to Tourism Malaysia, tourist arrivals declined marginally by 0.9% yoy to 10.8 million for the first five months of 2017. Chinese tourists grew 7.8% yoy for the same period. Tourism Malaysia is targeting 31.8 million international arrivals for 2017. While hotel trading performance in Kuala Lumpur has improved, significant new supply over the next few years is likely to maintain pressure on room

[1] Source: JLL – Asia Pacific Property Digest, Q2 2017
[2] Source: Savills – Asia Pacific Hotel Sentiments Survey, 2H 2017
[3] Source: Singapore Tourism Board
[4] Source: JLL – Asia Pacific Property Digest, Q2 2017 and Singapore - The Next Chapter in Hotels & Tourism, September 2017
[5] Source: PwC – As good as it gets? UK hotels forecast 2018, September 2017
[6] Source: Savills – Spotlight: Japan Hospitality, September 2017

rates. Continued efforts by Tourism Malaysia to promote tourism and flight connectivity, targeting new source markets such as the Middle East and Europe, will be key factors to maintaining hotel demand[7].

The Federal Statistical Office of Germany recorded a yoy increase of 3.0% in the number of domestic and foreign overnight stays for January to July 2017[8]. In Dresden, the total number of domestic and foreign visitors rose 4.5% yoy for January to May 2017[9]. The capital city of the Free State of Saxony continues to grow its pipeline of MICE events including Borsentag Tag, DATE (Design, Automation and Test in Europe), HAUS 2018 and Hematology and Oncology Conference.

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About Frasers Hospitality Trust

Frasers Hospitality Trust ("**FHT**") is the first global hotel and serviced residence trust listed in Singapore on 14 July 2014, comprising Frasers Hospitality Real Estate Investment Trust ("**FH-REIT**") and Frasers Hospitality Business Trust ("**FH-BT**").

It is established with the principal strategy of investing globally, on a long-term basis, in income-producing real estate assets used primarily for hospitality purposes.

FHT's well diversified portfolio of 15 quality assets are in prime locations across 9 key cities in Asia, Australia and Europe. With a combined appraised value of approximately S$2.44 billion, these 9 hotels and 6 serviced residences are: Novotel Melbourne on Collins, Novotel Rockford Darling Harbour, Sofitel Sydney Wentworth, Fraser Suites Sydney, InterContinental Singapore, Fraser Suites Singapore, Best Western Cromwell London, Park International London, Fraser Suites Edinburgh, Fraser Suites Glasgow, Fraser Suites Queens Gate London, Fraser Place Canary Wharf London, ANA Crowne Plaza Kobe, The Westin Kuala Lumpur and Maritim Hotel Dresden. Collectively, they have a total of 3,914 rooms comprising 3,072 hotel rooms and 842 serviced residence units.

For more information on FHT, please visit www.frasershospitalitytrust.com.

About Frasers Centrepoint Limited

Frasers Centrepoint Limited ("**FCL**") is a full-fledged international real estate company and one of Singapore's top property companies with total assets of around S$25 billion as at 30 June 2017. FCL has three strategic business units – Singapore, Australia and Hospitality, which focus on residential, commercial, retail and industrial properties in Singapore and Australia, and the hospitality business spanning more than 80 cities across Asia, Australia, Europe and the MENA region. FCL also has an International Business unit that focuses on China, Europe and Southeast Asia.

[7] Source: JLL – Asia Pacific Property Digest, Q2 2017
[8] Source: www.destatis.de
[9] Source: www.dresden.de

FCL is listed on the Main Board of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). FCL is also a sponsor and its subsidiaries are the managers of three REITs listed on the SGX-ST, Frasers Centrepoint Trust, Frasers Commercial Trust and Frasers Logistics & Industrial Trust that are focused on retail properties, office and business space properties, logistics and industrial properties respectively, as well as one stapled trust listed on the SGX-ST, Frasers Hospitality Trust (comprising FH-REIT and FH-BT) that is focused on hospitality properties.

As a testament to its excellent service standards, best practices and support of the environment, FCL is the proud recipient of numerous awards and accolades both locally and abroad.

For more information on FCL, please visit www.fraserscentrepoint.com.

About the TCC Group

The TCC Group is among the largest conglomerates in Southeast Asia and is engaged in a variety of businesses including real estate. The TCC Group invests in and develops a wide range of real estate projects globally, including hotels, office towers, retail centres, residences, serviced apartments, convention centres, golf courses and resorts. As at 30 September 2017, it owns, among others, 21 retail shopping centres with approximately 515,000 square metres of retail space, 11 commercial offices with approximately 1,000,000 square metres of office space, 46 hotels with 10,138 keys in Thailand and 6 countries worldwide.

Important Notice

This publication 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 similar developments, shifts in expected levels of property rental income, changes in operating expenses, (including employee wages, benefits and training costs), property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business.

Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on Frasers Hospitality Asset Management Pte. Ltd.'s (as the manager of FH-REIT) and Frasers Hospitality Trust Management Pte. Ltd.'s (as the trustee-manager of FH-BT) (collectively, the "**Managers**") current view on future events.

The value of Stapled Securities and the income derived from them, if any, may fall or rise. Stapled Securities are not obligations of, deposits in, or guaranteed by, the Managers, Perpetual (Asia) Limited (the Trustee of FH-REIT) or any of their affiliates. An investment in Stapled Securities is subject to investment risks, including the possible loss of the principal amount invested.

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Any discrepancies in the figures included herein between the listed amounts and total thereof are due to rounding.