PRESS RELEASE

Frasers Hospitality Trust Maintains Stable Performance in First Quarter

Relaunching of newly-renovated Novotel Rockford Darling Harbour in February

Singapore, 24 January 2018 – 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 first quarter ended 31 December 2017 ("**1Q FY2018**") grew 4.8% and 3.1% year-on-year ("**yoy**") to $41.5 million and $31.4 million respectively. Distribution income ("**DI**") increased slightly by 0.2% to $24.4 million while distribution per stapled security ("**DPS**") was 1.3107 cents, down 1.1%.

Summary of Results

$m	**1Q FY2018**	**1Q FY2017**	**Variance**
GR	41.5	39.6	+4.8%
NPI	31.4	30.5	+3.1%
DI	24.4	24.4	+0.2%
No. of Stapled Securities Entitled to Distribution (million)	1,861.2	1,841.2	+1.1%
DPS (cents)	1.3107	1.3258	-1.1%

The increase in GR and NPI in 1Q FY2018 was attributed to better yoy performance of all country portfolios except for the UK.

As part of FHT's prudent capital management strategy, FH-REIT extended its debt maturity by refinancing the $115 million 3-year bank loan with a 5-year tenure bond issuance at a higher interest cost.

DI was maintained at $24.4 million despite lower contribution from Novotel Rockford Darling Harbour which is undergoing renovation.

Due to a higher stapled security base, DPS was slightly lower yoy.

Ms Eu Chin Fen, Chief Executive Officer of the Managers said, "Underpinned by our income diversification strategy, our first quarter performance has been resilient. We are pleased to have completed the renovation of Novotel Rockford Darling Harbour which will be relaunched next month.

"With our balance sheet strength and low gearing at 33%, we remain well-positioned to pursue accretive acquisitions for growth and asset enhancement initiatives to unlock value for our stapled securityholders."

Review of Portfolio's Performance

In 1Q FY2018, FHT's Australia portfolio recorded a 3.7% and 4.9% increase in gross operating revenue ("**GOR**") and gross operating profit ("**GOP**") respectively, with Novotel Melbourne on Collins being the key contributor to the growth. Due to the renovation at Novotel Rockford Darling Harbour, which has been renamed Novotel Sydney Darling Square ("**NSDS**") since 1 January 2018, revenue per available room ("**RevPAR**") for the portfolio declined 1.8% yoy. Excluding NSDS, RevPAR for the Sydney properties and Novotel Melbourne on Collins improved yoy by 1.0% and 6.1% respectively. Both Sydney and Melbourne continued to benefit from busy events calendars, with Sydney in particular benefitting from the opening of the International Convention Centre.

FHT's Singapore portfolio reported GOR and GOP growth of 1.7% and 4.5% respectively in 1Q FY2018. InterContinental Singapore achieved higher RevPAR on the back of average daily rate ("**ADR**") and occupancy gains as well as higher F&B outlet revenue. On the other hand, Fraser Suites Singapore turned in lower RevPAR due to continued downward pressure on ADR. Consequently, the portfolio ADR and RevPAR were lower yoy by 2.0% and 1.0% respectively.

GOR and GOP of the UK portfolio declined 1.1% and 4.0% respectively in 1Q FY2018 due to overall weaker room revenue as well as increase in staff costs due to higher minimum wage rates. Pressure on GOP is expected to persist with the anticipation of further increase in minimum wage rates.

ANA Crowne Plaza Kobe reported GOR and GOP growth of 2.9% and 6.2% yoy in 1Q FY2018 on the back of better banquet performance due to more events being held at the hotel. Apart from continuing to drive room revenue, the hotel remains focused on increasing revenue from local and international conferences and events.

In 1Q FY2018, RevPAR of The Westin Kuala Lumpur was lower than a year ago due to softer corporate demand. However, stronger banquet performance led to higher F&B revenue and consequently, GOR and GOP of the hotel increased yoy by 1.9% and 2.4% respectively.

Capital Management with High Proportion of Fixed-Rate Borrowings

Following the issuance of the $120 million 3.08% 7-year fixed rate notes in November 2017 to partially prepay long-term borrowings due in July 2019, FHT's total borrowings as at 31 December 2017 were $821.3 million, with gearing at 33.0% and the weighted average years to maturity at 2.61 years. The proportion of fixed-rate borrowings was 88.5% while the effective cost of debt was 2.8% per annum. Interest cover was 5.5 times and net asset value per Stapled Security was 78.66 cents.

Outlook

For January to November 2017, Tourism Australia reported an increase in international arrivals of 6.9% yoy, with Chinese visitors growing 12.2%. Sydney's hotel market is expected to strengthen, with continued strong demand bolstered by the opening of the International Convention Centre. Stable occupancy and anticipated increases in ADR are expected to push RevPAR up further[1]. While Melbourne continues to enjoy strong visitor growth, the market buoyancy of recent years is anticipated to moderate over the medium term as the city's hotel development pipeline continues to build[2].

Growth in visitor arrivals continued on a positive trajectory as the Singapore Tourism Board reported a

[1] *Source: JLL – Asia Pacific Property Digest, Q3 2017*
[2] *Source: JLL – Hotel Destinations Asia Pacific, Oct 2017*

yoy growth of 5.8% for January to October 2017. China and Indonesia were the top source markets, accounting for 36% of total visitor arrivals. Singapore continues to grow its status as a leading MICE destination, with a line-up of prominent events for 2018 which include the biennial Singapore Airshow, Food&HotelAsia and World Cities Summit as well as the Dental Aesthetics Meeting in Asia and ITLM Asia Pacific. The decline in Singapore's hotel trading performance is expected to improve as the market is nearing the end of a protracted rise in new hotel supply. Continued visitor growth should provide a strong base for hotel demand[3].

According to Visit Britain, the UK received 33.3 million overseas visitors for January to October 2017, up 5.0% yoy. However, for the same period, there were 4% fewer business visits to the UK. It appears that headwinds from policy uncertainty, including Brexit, have impacted corporate demand. Going forward, uncertainty in the UK economy, the slowing effect of the weak British pound and increasing cost of labour are expected to continue to weigh on the UK hotel industry[4].

For 2017, Japan National Tourism Organization recorded 19.3% growth in foreign visitors, with the number of Korean and Chinese visitors growing yoy by 40.3% and 15.4% respectively. The strong momentum of inbound tourism is expected to continue, supported by key events including the Rugby World Cup 2019, 2020 Tokyo Olympic Games and the highly anticipated integrated resort development[5]. With the government's efforts to develop tour routes in regional cities, there appears to be more upside potential for hotels outside of Tokyo[5].

According to Tourism Malaysia, tourist arrivals declined by 2.5% yoy to 21.5 million for January to October 2017. However, Chinese tourists grew 8.1% yoy for the same period. While the hotel trading performance in Kuala Lumpur has seen some improvement in 2017, the anticipated influx of new supply is expected to place further pressure on room rates[6].

The Federal Statistical Office of Germany recorded a 3.0% yoy increase in the number of domestic and foreign overnight stays for January to November 2017[7]. In Dresden, the total number of domestic and foreign visitors rose 4.6% yoy for January to October 2017[8]. The capital city of the Free State of Saxony continues to grow its pipeline of MICE events including Energie, Lab Supply, Bauen Kaufen Wohnen, Hematology and Oncology Conference, Sachsenback and International Symposium Additive Manufacturing.

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About Frasers Hospitality Trust

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[3] Source: JLL – Asia Pacific Property Digest, Q3 2017 and Hotel Destinations Asia Pacific, Oct 2017
[4] Source: PwC – As Good As It Gets: UK Hotels Forecast 2018, Sep 2017
[5] Source: Savills – Spotlight: Japan Hospitality, Sep 2017
[6] Source: JLL – Hotel Destinations - Asia Pacific Oct 2017
[7] Source: www.destatis.de
[8] Source: www.dresden.de

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 investment strategy of investing on a long-term basis, directly or indirectly, in a diversified portfolio of income-producing real estate located anywhere in the world except Thailand, used primarily for hospitality and/or hospitality-related purposes, whether wholly or partially, as well as real estate-related assets in connection to the foregoing.

With 15 quality properties strategically located across 9 key cities in Asia, Australia and Europe, FHT's total asset value is approximately $2.5 billion as at 31 December 2017. These 9 hotels and 6 serviced residences are: Novotel Melbourne on Collins, Novotel Sydney Darling Square (formerly Novotel Rockford Darling Harbour), Sofitel Sydney Wentworth, Fraser Suites Sydney, InterContinental Singapore, Fraser Suites Singapore, ibis Styles London Gloucester Road (formerly Best Western Cromwell London), Park International London, Fraser Suites Edinburgh, Fraser Suites Glasgow, Fraser Suites Queens Gate, Fraser Place Canary Wharf, 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 multi-national company that owns, develops and manages, a diverse, integrated portfolio of properties. Listed on the Main Board of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and headquartered in Singapore, the company is organised around five asset classes, with assets totalling $27 billion.

FCL's assets range from residential, hospitality, retail and commercial, to industrial and logistics properties in Singapore, Australia, Europe, China and Southeast Asia. Its well-established hospitality business owns and / or operates serviced apartments and hotels in over 80 cities across Asia, Australia, Europe, the Middle East and Africa. The company is unified by its commitment to deliver enriching and memorable experiences for customers and stakeholders, leveraging knowledge and capabilities from across markets and property sectors, to deliver value in its multiple asset classes.

FCL is also a sponsor of four vehicles listed on the SGX-ST. Frasers Centrepoint Trust, Frasers Commercial Trust, and Frasers Logistics & Industrial Trust are focused on retail properties, office and business space properties, logistics and industrial properties respectively. FHT (comprising FH-REIT and FH-BT) is a stapled trust focused on hospitality properties.

For more information on FCL, please visit 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. 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.

Investors should note that they have no right to request the Managers to redeem their Stapled Securities while the Stapled Securities are listed. It is intended that Stapled Securityholders may only deal in their Stapled Securities through trading on the SGX-ST. Listing of the Stapled Securities on the SGX-ST does not guarantee a liquid market for the Stapled Securities.

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