

**FRASERS HOSPITALITY TRUST
FINANCIAL STATEMENTS ANNOUNCEMENT
FOR THE SECOND QUARTER ENDED 31 MARCH 2019**

Fraser's Hospitality Trust ("FHT" or the "Trust") is a stapled group comprising Fraser's Hospitality Real Estate Investment Trust ("FH-REIT") and Fraser's Hospitality Business Trust ("FH-BT"). FHT is established with the principal investment strategy of investing, directly or indirectly, in a diversified portfolio of income-producing real estate located anywhere in the world except Thailand, which is used primarily for hospitality and/or hospitality-related purposes, as well as real estate-related assets in connection to the foregoing.

The portfolio of FHT comprises 15 properties, comprising nine hotels (the "Hotels") and six serviced residences (the "Serviced Residences", and together with the Hotels, the "Properties"), with a total of 3,071 hotel rooms and 842 Serviced Residence units. The Properties are located in Singapore, Australia, the United Kingdom, Japan, Malaysia and Germany.

Hotels	Market Segment*	Number of Rooms
InterContinental Singapore	Luxury	406
Sofitel Sydney Wentworth	Luxury	436
ANA Crowne Plaza Kobe	Upper Upscale	593
The Westin Kuala Lumpur	Upper Upscale	443
Maritim Hotel Dresden	Upscale	328
Novotel Melbourne on Collins	Upscale	380
Novotel Sydney Darling Square	Mid-scale	230
Park International London	Mid-scale	171
ibis Styles London Gloucester Road	Mid-scale	84
Total		3,071

Serviced Residences	Market Segment*	Number of Units
Fraser Suites Singapore	Upper Upscale	255
Fraser Suites Sydney	Upper Upscale	201
Fraser Place Canary Wharf	Upper Upscale	108
Fraser Suites Queens Gate	Upper Upscale	105
Fraser Suites Glasgow	Upper Upscale	98
Fraser Suites Edinburgh	Upper Upscale	75
Total		842

* Based on STR Global Chain Scales

Distribution Policy

Distributions from FHT comprise distributions from FH-REIT and FH-BT.

FH-REIT's distribution policy is to distribute 100.0% of FH-REIT's distributable income for the period from the listing date of FHT (being 14 July 2014) to 30 September 2015 and at least 90.0% of its distributable income thereafter.

FH-BT's distribution policy will be to distribute as much of its income as practicable, and the declaration and payment of distributions by FH-BT will be at the sole discretion of the Board of Directors of Fraser's Hospitality Trust Management Pte. Ltd. (the "Trustee-Manager").

Distributions are made on a semi-annual basis, with the amount calculated as at 31 March and 30 September each year for the six-month periods ending on each of the said dates. Fraser's Hospitality Asset Management Pte. Ltd. (the "REIT Manager") and the Trustee-Manager (collectively, the "Managers") are required to pay distributions within 90 days of the end of each distribution period. Distributions, when paid, will be in Singapore dollars.

1 (a) (i) Consolidated Statements of Total Return and Statements of Comprehensive Income for 2Q 2019 and 2Q 2018

	FHT	FH-REIT Group	FH-BT Group	FHT	FH-REIT Group	FH-BT Group	FHT	FH-REIT Group	FH-BT Group
	2Q 2019			2Q 2018			Variance		
Note	1 Jan 2019 to 31 Mar 2019			1 Jan 2018 to 31 Mar 2018			Increase/(Decrease)		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	%	%	%
Master lease rental	25,506	29,565	-	28,184	32,207	-	(9.5)	(8.2)	-
Room revenue	7,347	-	7,347	7,617	-	7,617	(3.5)	-	(3.5)
Food & beverage revenue	1,396	-	1,396	1,603	-	1,603	(12.9)	-	(12.9)
Other income	374	-	374	82	-	82	>100.0	-	>100.0
Gross revenue	34,623	29,565	9,117	37,486	32,207	9,302	(7.6)	(8.2)	(2.0)
Property tax	(2,500)	(2,500)	-	(2,422)	(2,422)	-	3.2	3.2	-
Property insurance	(314)	(290)	(24)	(330)	(308)	(22)	(4.8)	(5.8)	9.1
Property management fees	(1,255)	(1,255)	-	(1,252)	(1,252)	-	0.2	0.2	-
Other property expenses	(664)	(664)	-	(820)	(820)	-	(19.0)	(19.0)	-
Operations and maintenance expenses	(1,631)	(33)	(1,869)	(1,707)	(22)	(1,972)	(4.5)	50.0	(5.2)
Energy and utilities expenses	(205)	-	(205)	(159)	-	(159)	28.9	-	28.9
Hotel management fee	(276)	-	(276)	(293)	-	(293)	(5.8)	-	(5.8)
Rental expense	-	-	(4,059)	-	-	(4,023)	-	-	0.9
Staff costs	(1,669)	-	(1,669)	(1,849)	-	(1,849)	(9.7)	-	(9.7)
Marketing expenses	(681)	-	(681)	(675)	-	(675)	0.9	-	0.9
Administrative expenses	(215)	-	(215)	(230)	-	(230)	(6.5)	-	(6.5)
Property operating expenses	(9,410)	(4,742)	(8,998)	(9,737)	(4,824)	(9,223)	(3.4)	(1.7)	(2.4)
Net property income	25,213	24,823	119	27,749	27,383	79	(9.1)	(9.3)	50.6
Depreciation	(949)	-	(138)	(1,095)	-	(271)	(13.3)	-	(49.1)
REIT Manager's management fees	(1,700)	(1,700)	-	(1,740)	(1,740)	-	(2.3)	(2.3)	-
Trustee-Manager's management fees	(9)	-	(9)	(14)	-	(14)	(35.7)	-	(35.7)
Other management fees	(1,163)	(1,163)	-	(1,273)	(1,273)	-	(8.6)	(8.6)	-
Trustees' fees	(124)	(124)	-	(126)	(126)	-	(1.6)	(1.6)	-
Other trust expenses	(636)	(621)	(15)	(809)	(795)	(14)	(21.4)	(21.9)	7.1
Finance income	88	78	10	113	107	6	(22.1)	(27.1)	66.7
Amortisation of debt upfront costs	(290)	(290)	-	(524)	(524)	-	(44.7)	(44.7)	-
Finance costs	(5,055)	(5,055)	-	(4,923)	(4,923)	-	2.7	2.7	-
Total return before foreign exchange differences, fair value changes and tax	15,375	15,948	(33)	17,358	18,109	(214)	(11.4)	(11.9)	(84.6)
Foreign exchange gain/(loss), net	134	137	(3)	(687)	(681)	(6)	NM	NM	(50.0)
Net change in fair value of derivative financial instruments	(116)	(116)	-	116	116	-	NM	NM	-
Realised gain/(loss) on derivative financial instruments, net	253	253	-	(107)	(107)	-	NM	NM	-
Total return for the Period before tax	15,646	16,222	(36)	16,680	17,437	(220)	(6.2)	(7.0)	(83.6)
Taxation	(1,085)	(956)	(129)	(972)	(949)	(23)	11.6	0.7	>100.0
Total return for the Period after tax	14,561	15,266	(165)	15,708	16,488	(243)	(7.3)	(7.4)	(32.1)
Other comprehensive income									
Items that may be reclassified subsequently to statement of total return:									
Effective portion of changes in fair value of cash flow hedges	(184)	(184)	-	2,026	2,026	-	NM	NM	-
Net change in fair value of cash flow hedges reclassified to total return	171	171	-	(527)	(527)	-	NM	NM	-
Foreign currency translation differences	(7,798)	(7,763)	(34)	(1,234)	(1,088)	(156)	>100.0	>100.0	(78.2)
Total comprehensive income for the Period	6,750	7,490	(199)	15,973	16,899	(399)	(57.7)	(55.7)	(50.1)

NM - Not meaningful

Consolidated Distribution Statements for 2Q 2019 and 2Q 2018

Reconciliation of total return to income available for distribution

Note	FHT	FH-REIT Group	FH-BT Group	FHT	FH-REIT Group	FH-BT Group	FHT	FH-REIT Group	FH-BT Group
	2Q 2019			2Q 2018			Variance		
	1 Jan 2019 to 31 Mar 2019			1 Jan 2018 to 31 Mar 2018			Increase/(Decrease)		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	%	%	%
Total return for the Period after tax	14,561	15,266	(165)	15,708	16,488	(243)	(7.3)	(7.4)	(32.1)
(Non-taxable) / non-tax deductible items and other adjustments:									
Amortisation of debt upfront costs	290	290	-	524	524	-	(44.7)	(44.7)	-
Amortisation of other assets	8	8	-	19	19	-	(57.9)	(57.9)	-
Depreciation	949	-	138	1,095	-	271	(13.3)	-	(49.1)
Foreign exchange (gain)/loss, net	(163)	(165)	2	687	681	6	NM	NM	(66.7)
Net change in fair value of derivative financial instruments	116	116	-	(116)	(116)	-	NM	NM	-
Other management fees paid and payable in Stapled Securities	1,088	1,088	-	1,197	1,197	-	(9.1)	(9.1)	-
Property management fees paid and payable in Stapled Securities, net of withholding tax	(m) 1,243	1,243	-	1,238	1,238	-	0.4	0.4	-
REIT Manager's management fees paid and payable in Stapled Securities	1,700	1,700	-	1,740	1,740	-	(2.3)	(2.3)	-
Trustee-Manager's management fees paid and payable in Stapled Securities	9	-	9	14	-	14	(35.7)	-	(35.7)
Trustee's fees in relation to FH-REIT	73	73	-	75	75	-	(2.7)	(2.7)	-
Other adjustments	(n) (79)	192	-	(226)	60	1	(65.0)	>100.0	(100.0)
Net effect of (non-taxable) / non-tax deductible items and other adjustments	5,234	4,545	149	6,247	5,418	292	(16.2)	(16.1)	(49.0)
Income available for distribution	19,795	19,811	(16)	21,955	21,906	49	(9.8)	(9.6)	NM
Income available for distribution attributable to:									
- Stapled Securityholders	18,698	18,714	(16)	20,858	20,809	49	(10.4)	(10.1)	NM
- Perpetual Securities holders	1,097	1,097	-	1,097	1,097	-	-	-	-
	19,795	19,811	(16)	21,955	21,906	49	(9.8)	(9.6)	NM

NM - Not meaningful

Footnotes:

- (a)** The master lease rental earned by FH-REIT from FH-BT is eliminated at FHT level. Consequently, only the income arising from the hotel operations of Novotel Melbourne on Collins ("NMOC") are reflected at FHT level.
- (b)** Other income comprises mainly carpark income and Gross Operating Profit ("GOP") guaranteed top-up arising from the terms in the hotel management contract with the hotel operator. The increase in other income was mainly due to the increase in GOP guaranteed top-up in 2Q 2019.
- (c)** NMOC is being classified as property, plant and equipment in FHT's financial statements. The depreciation expense relates to the depreciation of the building and furniture, fittings and equipment of NMOC.
- (d)** Other management fees relate mainly to management fees payable to FHT Australia Management Pty Ltd (the "MIT Manager").
- (e)** Other trust expenses relate mainly to professional fees, audit fees, tax fees and administrative expenses.
- (f)** The amortisation of debt upfront costs was lower in 2Q 2019 mainly due to prior year's accelerated amortisation of debt upfront costs on S\$65 million of the S\$500 million 5-year term loan facility granted pursuant to the S\$615 million facility agreement dated 19 June 2014 which was partially prepaid on 14 March 2018. The decrease was also partially due to the re-financing of certain borrowings with lower upfront costs.
- (g)** Finance costs comprise mainly interest expense on FH-REIT Group's borrowings in SGD, JPY, MYR and AUD as well as net interest expense or income arising from the interest rate swaps and cross currency swaps.
- (h)** This relates mainly to unrealised net (loss)/gain arising from the revaluation of foreign currency forward contracts.
- (i)** This relates to net realised gain/(loss) arising from the settlement of foreign currency forward contracts.
- (j)** This relates to net fair value gain arising from the interest rate swaps.
- (k)** This relates to exchange differences arising from translation of the results and the financial position of all the entities with functional currencies other than SGD. The major contributor to the movement in this quarter is AUD which depreciated against SGD. The fair value changes in the cross currency swaps which are designated as net investment hedges are recorded in foreign currency translation reserve at the consolidation level.
- (l)** This relates to MIT Manager's management fees which is payable in Stapled Securities.
- (m)** Property management fees include serviced residences management fee and trademark licence fee which are payable in Stapled Securities.
- (n)** Other adjustments are in relation to other non-tax deductible and non-taxable items.
- (o)** Distribution of FHT represents the aggregate of distributions by FH-REIT and FH-BT.

1 (a) (ii) Consolidated Statements of Total Return and Statements of Comprehensive Income for 1H 2019 and 1H 2018

	FHT	FH-REIT Group	FH-BT Group	FHT	FH-REIT Group	FH-BT Group	FHT	FH-REIT Group	FH-BT Group
	1H 2019			1H 2018			Variance		
Note	1 Oct 2018 to 31 Mar 2019			1 Oct 2017 to 31 Mar 2018			Increase/(Decrease)		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	%	%	%
Master lease rental	56,483	64,984	-	60,143	68,515	-	(6.1)	(5.2)	-
Room revenue	14,639	-	14,639	15,061	-	15,061	(2.8)	-	(2.8)
Food & beverage revenue	3,047	-	3,047	3,345	-	3,345	(8.9)	-	(8.9)
Other income	1,081	-	1,081	387	-	387	>100.0	-	>100.0
Gross revenue	75,250	64,984	18,767	78,936	68,515	18,793	(4.7)	(5.2)	(0.1)
Property tax	(4,875)	(4,875)	-	(5,055)	(5,055)	-	(3.6)	(3.6)	-
Property insurance	(619)	(574)	(45)	(664)	(617)	(47)	(6.8)	(7.0)	(4.3)
Property management fees	(2,603)	(2,603)	-	(2,615)	(2,615)	-	(0.5)	(0.5)	-
Other property expenses	(1,386)	(1,386)	-	(1,707)	(1,707)	-	(18.8)	(18.8)	-
Operations and maintenance expenses	(3,289)	(45)	(3,791)	(3,322)	(46)	(3,847)	(1.0)	(2.2)	(1.5)
Energy and utilities expenses	(396)	-	(396)	(268)	-	(268)	47.8	-	47.8
Hotel management fee	(561)	-	(561)	(598)	-	(598)	(6.2)	-	(6.2)
Rental expense	-	-	(8,501)	-	-	(8,372)	-	-	1.5
Staff costs	(3,480)	-	(3,480)	(3,745)	-	(3,745)	(7.1)	-	(7.1)
Marketing expenses	(1,364)	-	(1,364)	(1,351)	-	(1,351)	1.0	-	1.0
Administrative expenses	(402)	-	(402)	(413)	-	(413)	(2.7)	-	(2.7)
Property operating expenses	(18,975)	(9,483)	(18,540)	(19,738)	(10,040)	(18,641)	(3.9)	(5.5)	(0.5)
Net property income	56,275	55,501	227	59,198	58,475	152	(4.9)	(5.1)	49.3
Depreciation	(1,942)	-	(292)	(2,217)	-	(553)	(12.4)	-	(47.2)
REIT Manager's management fees	(3,526)	(3,526)	-	(3,634)	(3,634)	-	(3.0)	(3.0)	-
Trustee-Manager's management fees	(21)	-	(21)	(27)	-	(27)	(22.2)	-	(22.2)
Other management fees	(2,504)	(2,504)	-	(2,613)	(2,613)	-	(4.2)	(4.2)	-
Trustees' fees	(249)	(249)	-	(252)	(252)	-	(1.2)	(1.2)	-
Other trust expenses	(1,338)	(1,307)	(31)	(1,114)	(1,083)	(31)	20.1	20.7	-
Finance income	179	160	19	211	198	13	(15.2)	(19.2)	46.2
Amortisation of debt upfront costs	(585)	(585)	-	(1,327)	(1,327)	-	(55.9)	(55.9)	-
Finance costs	(10,084)	(10,084)	-	(9,970)	(9,970)	-	1.1	1.1	-
Total return before foreign exchange differences, fair value changes and tax	36,205	37,406	(98)	38,255	39,794	(446)	(5.4)	(6.0)	(78.0)
Foreign exchange gain/(loss), net	138	149	(11)	(649)	(638)	(11)	NM	NM	-
Net change in fair value of derivative financial instruments	26	26	-	344	344	-	(92.4)	(92.4)	-
Realised gain/(loss) on derivative financial instruments, net	433	433	-	(261)	(261)	-	NM	NM	-
Total return for the Period before tax	36,802	38,014	(109)	37,689	39,239	(457)	(2.4)	(3.1)	(76.1)
Taxation	(2,832)	(2,639)	(193)	(2,423)	(2,376)	(47)	16.9	11.1	>100.0
Total return for the Period after tax	33,970	35,375	(302)	35,266	36,863	(504)	(3.7)	(4.0)	(40.1)
Other comprehensive income									
Items that may be reclassified subsequently to statement of total return:									
Effective portion of changes in fair value of cash flow hedges	(136)	(136)	-	3,616	3,616	-	NM	NM	-
Net change in fair value of cash flow hedges reclassified to total return	163	163	-	(1,147)	(1,147)	-	NM	NM	-
Foreign currency translation differences	(16,765)	(16,588)	(167)	(20,350)	(19,998)	(347)	(17.6)	(17.1)	(51.9)
Total comprehensive income for the Period	17,232	18,814	(469)	17,385	19,334	(851)	(0.9)	(2.7)	(44.9)

NM - Not meaningful

Consolidated Distribution Statements for 1H 2019 and 1H 2018

Reconciliation of total return to income available for distribution

Note	FHT	FH-REIT Group	FH-BT Group	FHT	FH-REIT Group	FH-BT Group	FHT	FH-REIT Group	FH-BT Group
	1H 2019			1H 2018			Variance		
	1 Oct 2018 to 31 Mar 2019			1 Oct 2017 to 31 Mar 2018			Increase/(Decrease)		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	%	%	%
Total return for the Period after tax	33,970	35,375	(302)	35,266	36,863	(504)	(3.7)	(4.0)	(40.1)
(Non-taxable) / non-tax deductible items and other adjustments:									
Amortisation of debt upfront costs	585	585	-	1,327	1,327	-	(55.9)	(55.9)	-
Amortisation of other assets	25	25	-	37	37	-	(32.4)	(32.4)	-
Depreciation	1,942	-	292	2,217	-	553	(12.4)	-	(47.2)
Foreign exchange (gain)/loss, net	(169)	(180)	11	647	636	11	NM	NM	-
Net change in fair value of derivative financial instruments	(26)	(26)	-	(344)	(344)	-	(92.4)	(92.4)	-
Other management fees paid and payable in Stapled Securities	2,353	2,353	-	2,463	2,463	-	(4.5)	(4.5)	-
Property management fees paid and payable in Stapled Securities, net of withholding tax	2,586	2,586	-	2,595	2,595	-	(0.3)	(0.3)	-
REIT Manager's management fees paid and payable in Stapled Securities	3,526	3,526	-	3,634	3,634	-	(3.0)	(3.0)	-
Trustee-Manager's management fees paid and payable in Stapled Securities	21	-	21	27	-	27	(22.2)	-	(22.2)
Trustee's fees in relation to FH-REIT	148	148	-	150	150	-	(1.3)	(1.3)	-
Other adjustments	(337)	210	-	(493)	77	1	(31.6)	>100.0	(100.0)
Net effect of (non-taxable) / non-tax deductible items and other adjustments	10,654	9,227	324	12,260	10,575	592	(13.1)	(12.7)	(45.3)
Income available for distribution	44,624	44,602	22	47,526	47,438	88	(6.1)	(6.0)	(75.0)
Income available for distribution attributable to:									
- Stapled Securityholders	42,405	42,383	22	45,307	45,219	88	(6.4)	(6.3)	(75.0)
- Perpetual Securities holders	2,219	2,219	-	2,219	2,219	-	-	-	-
	44,624	44,602	22	47,526	47,438	88	(6.1)	(6.0)	(75.0)

NM - Not meaningful

Footnotes:

- (a)** The master lease rental earned by FH-REIT from FH-BT is eliminated at FHT level. Consequently, only the income arising from the hotel operations of NMOC are reflected at FHT level.
- (b)** Other income comprises mainly carpark income and GOP guaranteed top-up arising from the terms in the hotel management contract with the hotel operator. The increase in other income was mainly due to the increase in GOP guaranteed top-up in 1H 2019.
- (c)** NMOC is being classified as property, plant and equipment in FHT's financial statements. The depreciation expense relates to the depreciation of the building and furniture, fittings and equipment of NMOC.
- (d)** Other management fees relate mainly to management fees payable to the MIT Manager.
- (e)** Other trust expenses relate mainly to professional fees, audit fees, tax fees and administrative expenses. Expenses were lower in 1H 2018 due to write-back of certain expenses.
- (f)** The amortisation of debt upfront costs was lower in 1H 2019 mainly due to prior year's accelerated amortisation of debt upfront costs on S\$110 million and \$65 million of the S\$500 million 5-year term loan facility granted pursuant to the S\$615 million facility agreement dated 19 June 2014 which was partially prepaid on 14 November 2017 and 14 March 2018 respectively. The decrease was also partially due to the re-financing of certain borrowings with lower upfront costs.
- (g)** Finance costs comprise mainly interest expense on FH-REIT Group's borrowings in SGD, JPY, MYR and AUD as well as net interest expense or income arising from the interest rate swaps and cross currency swaps.
- (h)** This relates mainly to unrealised net gain arising from the revaluation of foreign currency forward contracts.
- (i)** This relates to net realised gain/(loss) arising from the settlement of foreign currency forward contracts.
- (j)** This relates to net fair value gain arising from the interest rate swaps.
- (k)** This relates to exchange differences arising from translation of the results and the financial position of all the entities with functional currencies other than SGD. The major contributor to the movement in 1H 2019 is AUD which depreciated against SGD. The fair value changes in the cross currency swaps which are designated as net investment hedges are recorded in foreign currency translation reserve at the consolidation level.
- (l)** This relates to MIT Manager's management fees which is payable in Stapled Securities.
- (m)** Property management fees include serviced residences management fee and trademark licence fee which are payable in Stapled Securities.
- (n)** Other adjustments are in relation to other non-tax deductible and non-taxable items.
- (o)** Distribution of FHT represents the aggregate of distributions by FH-REIT and FH-BT.

1 (b) (i) Statements of Financial Position

Note	FHT	FH-REIT Group	FH-BT Group	FHT	FH-REIT Group	FH-BT Group
	31 Mar 2019			30 Sep 2018		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets						
Investment properties	2,139,857	2,379,081	-	2,151,867	2,397,657	-
Property, plant and equipment	240,090	-	2,279	248,432	-	2,642
Derivative financial instruments	8,376	8,376	-	4,895	4,895	-
Rental deposits	-	-	1,746	-	-	1,796
Deferred expense	-	-	1,947	-	-	2,003
Deferred tax asset	544	-	544	560	-	560
	2,388,867	2,387,457	6,516	2,405,754	2,402,552	7,001
Current assets						
Inventories	26	-	26	34	-	34
Other assets	23	23	-	48	48	-
Prepayments	2,850	2,446	404	1,758	1,504	254
Trade and other receivables	7,719	8,333	1,212	9,554	9,959	1,132
Derivative financial instruments	533	533	-	462	462	-
Cash and cash equivalents	77,875	73,302	4,573	77,080	72,541	4,539
	89,026	84,637	6,215	88,936	84,514	5,959
Total assets	2,477,893	2,472,094	12,731	2,494,690	2,487,066	12,960
Current liabilities						
Trade and other payables	14,484	10,598	6,884	15,616	11,338	6,687
Deferred income	-	-	-	686	686	-
Derivative financial instruments	17	17	-	-	-	-
Borrowings	418,642	418,642	-	408,132	408,132	-
Income tax payables	2,525	2,355	170	2,332	2,219	113
	435,668	431,612	7,054	426,766	422,375	6,800
Net current liabilities	(346,642)	(346,975)	(839)	(337,830)	(337,861)	(841)
Non-current liabilities						
Rental deposits	21,831	23,577	-	21,893	23,689	-
Other payables	292	-	292	221	-	221
Deferred income	8,703	10,650	-	8,837	10,840	-
Derivative financial instruments	3,314	3,314	-	4,474	4,474	-
Borrowings	423,760	423,760	-	426,884	426,884	-
Deferred tax liabilities	52,407	52,407	-	53,085	53,085	-
	510,307	513,708	292	515,394	518,972	221
Total liabilities	945,975	945,320	7,346	942,160	941,347	7,021
Net assets	1,531,918	1,526,774	5,385	1,552,530	1,545,719	5,939
Represented by:						
Stapled Securityholders' funds						
Stapled Securities in issue and to be issued	1,523,178	1,513,640	9,538	1,514,692	1,505,175	9,517
Issue costs	(25,764)	(25,759)	(5)	(25,764)	(25,759)	(5)
Revenue reserves	80,235	93,275	(3,649)	92,571	104,100	(3,241)
Hedging reserve	600	600	-	573	573	-
Foreign currency translation reserve	(155,697)	(155,237)	(499)	(138,932)	(138,649)	(332)
Revaluation reserve	9,111	-	-	9,111	-	-
	1,431,663	1,426,519	5,385	1,452,251	1,445,440	5,939
Perpetual Securities holders' funds	100,255	100,255	-	100,279	100,279	-
	1,531,918	1,526,774	5,385	1,552,530	1,545,719	5,939

Footnotes:

- (a) In FHT's financial statements, the property, plant and equipment relates to the land, building, furniture, fittings and equipment of NMOC. This hotel is classified as property held for own use instead of as an investment property. Accordingly, we have treated this hotel as property, plant and equipment and applied the revaluation model of FRS 16 *Property, Plant and Equipment* where the asset is depreciated during the period and revalued at least once a year at the end of financial year. The lower net book value as at 31 March 2019 was mainly due to depreciation of AUD against SGD.
- (b) Derivative financial instruments (non-current assets) relate to fair value of cross currency swaps.
- (c) Deferred tax asset relates to the excess of the tax written down value over the net book value of the property, plant and equipment of NMOC.
- (d) Trade and other receivables comprise mainly GST receivable, rental income receivable from master lessees and trade receivables from hotel operations.
- (e) Trade and other payables comprise mainly trade creditors, GST payable, provision for withholding tax and property tax, interest expense payable to banks, and accruals for professional fees.
- (f) For the breakdown of total borrowings into short-term and long-term borrowings, please refer to 1(b)(ii) below.
- (g) The net current liabilities position as at 31 March 2019 was mainly due to (i) S\$325 million (the remaining balance of S\$500 million 5-year term loan facility granted pursuant to the S\$615 million facility agreement dated 19 June 2014), (ii) JPY2.35 billion Kobe Excellence TMK series 1 Bonds and (iii) MYR95 million Class A Senior Bond under the Medium Term Notes Programme of up to MYR750 million established by Notable Vision Sdn. Bhd., maturing in July 2019, and (iv) short-term unsecured revolving credit facilities of S\$33.5 million. Notwithstanding the net current liabilities position, FHT has S\$77.9 million in cash and cash equivalent as at 31 March 2019 and has established a S\$1 billion Multicurrency Debt Issuance Programme, of which S\$660 million remains available to refinance its borrowings and meet its current obligations as and when they fall due.
- (h) Derivative financial instruments (non-current liabilities) relate to fair value of cross currency swaps.
- (i) This relates mainly to deferred tax on the cumulative revaluation gains on the investment properties and property, plant and equipment.
- (j) The revaluation reserve relates to revaluation of land and building of NMOC (net of deferred tax).
- (k) This relates to S\$100 million of fixed rate subordinated perpetual securities issued in May 2016, including accrued distributions and net of capitalisable issue costs.

1 (b) (ii) Aggregate Amount of Borrowings

Amount repayable in one year or less, or on demand *

Amount repayable after one year *

FHT		FHT	
As at 31 Mar 2019		As at 30 Sep 2018	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
31,526 ⁽¹⁾	387,116 ⁽²⁾	31,358 ⁽¹⁾	376,774 ⁽³⁾
-	423,760 ⁽⁴⁾	-	426,884 ⁽⁴⁾

* net of transaction costs

Details of borrowings and collateral:

- (1) The secured borrowing was drawn under the MYR95 million Class A Senior Bond under the Medium Term Notes Programme of up to MYR750 million established by Notable Vision Sdn. Bhd., maturing in July 2019 and is secured by a property The Westin Kuala Lumpur ("TWKL"). The interest rate on this borrowing is 4.9% p.a.. The refinancing of this borrowing is in progress.
- (2) The unsecured borrowings relate to (i) S\$325 million (the remaining balance of S\$500 million 5-year term loan facility granted pursuant to the S\$615 million facility agreement dated 19 June 2014), (ii) JPY2.35 billion Kobe Excellence TMK series 1 Bonds, maturing in July 2019 and the refinancing of these borrowings are in progress; and (iii) short-term unsecured revolving credit facilities of S\$33.5 million.
- (3) The unsecured borrowings relate to (i) S\$325 million (the remaining balance of S\$500 million 5-year term loan facility granted pursuant to the S\$615 million facility agreement dated 19 June 2014), (ii) JPY2.35 billion Kobe Excellence TMK series 1 Bonds, maturing in July 2019, and (iii) short-term unsecured revolving credit facilities of S\$24 million.
- (4) The unsecured borrowings were drawn from (i) the S\$120 million 2.63% series 002 Notes due July 2022, (ii) the S\$120 million 3.08% series 003 Notes due November 2024, (iii) S\$70 million of term loan facility with loan maturity of 5 years from 12 March 2018, and (iv) A\$120 million of term loan facility with a loan maturity of 5 years from 6 July 2018.

1 (c) Consolidated Cash Flows Statements

	FHT	FH-REIT Group	FH-BT Group	FHT	FH-REIT Group	FH-BT Group	FHT	FH-REIT Group	FH-BT Group	FHT	FH-REIT Group	FH-BT Group
	2Q 2019			2Q 2018			1H 2019			1H 2018		
	1 Jan 2019 to 31 Mar 2019			1 Jan 2018 to 31 Mar 2018			1 Oct 2018 to 31 Mar 2019			1 Oct 2017 to 31 Mar 2018		
Note	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
CASH FLOWS FROM OPERATING ACTIVITIES												
Total return before tax	15,646	16,222	(36)	16,680	17,437	(220)	36,802	38,014	(109)	37,689	39,239	(457)
Adjustments for:												
Amortisation of debt upfront costs	290	290	-	524	524	-	585	585	-	1,327	1,327	-
Amortisation of other assets	8	8	-	19	19	-	25	25	-	37	37	-
Depreciation	949	-	138	1,095	-	271	1,942	-	292	2,217	-	553
Finance costs	5,055	5,055	-	4,923	4,923	-	10,084	10,084	-	9,970	9,970	-
Finance income	(88)	(78)	(10)	(113)	(107)	(6)	(179)	(160)	(19)	(211)	(198)	(13)
Net change in fair value of derivative financial instruments	116	116	-	(116)	(116)	-	(26)	(26)	-	(344)	(344)	-
Other management fees paid and payable in Stapled Securities	1,088	1,088	-	1,197	1,197	-	2,353	2,353	-	2,463	2,463	-
Property, plant and equipment written off	-	-	-	-	-	-	-	-	-	(1)	-	(1)
Property management fees paid and payable in Stapled Securities	1,243	1,243	-	1,238	1,238	-	2,586	2,586	-	2,595	2,595	-
REIT Manager's management fees paid and payable in Stapled Securities	1,700	1,700	-	1,740	1,740	-	3,526	3,526	-	3,634	3,634	-
Trustee-Manager's management fees paid and payable in Stapled Securities	9	-	9	14	-	14	21	-	21	27	-	27
Unrealised (gain)/loss on foreign exchange, net	(343)	(344)	1	379	377	2	(397)	(407)	10	347	341	6
Cash generated from operations before working capital changes	25,673	25,300	102	27,580	27,232	61	57,322	56,580	195	59,750	59,064	115
Changes in working capital:												
Inventories	9	-	9	7	-	7	8	-	8	8	-	8
Prepayments	(1,206)	(1,075)	(131)	108	40	68	(1,092)	(942)	(150)	(111)	(31)	(80)
Trade and other receivables	1,636	1,407	324	(694)	(1,336)	2,161	1,875	1,564	(80)	280	(1,162)	2,335
Trade and other payables	(2,512)	(2,643)	305	(552)	(761)	(1,077)	(1,538)	(1,223)	623	(2,254)	(2,563)	(285)
Deferred income	(10)	(10)	-	-	-	-	(686)	(686)	-	(410)	(410)	-
Cash generated from operations	23,590	22,979	609	26,449	25,175	1,220	55,889	55,293	596	57,263	54,898	2,093
Tax paid	(1,554)	(1,428)	(126)	(3,344)	(3,339)	(5)	(1,767)	(1,636)	(131)	(3,754)	(3,742)	(12)
Interest income received	88	78	10	113	107	6	179	160	19	211	198	13
Net cash generated from operating activities	22,124	21,629	493	23,218	21,943	1,221	54,301	53,817	484	53,720	51,354	2,094

1 (c) Consolidated Cash Flows Statements (Cont'd)

	FHT	FH-REIT Group	FH-BT Group	FHT	FH-REIT Group	FH-BT Group	FHT	FH-REIT Group	FH-BT Group	FHT	FH-REIT Group	FH-BT Group
	2Q 2019			2Q 2018			1H 2019			1H 2018		
	1 Jan 2019 to 31 Mar 2019			1 Jan 2018 to 31 Mar 2018			1 Oct 2018 to 31 Mar 2019			1 Oct 2017 to 31 Mar 2018		
Note	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
CASH FLOWS FROM INVESTING ACTIVITIES												
Additions to investment properties	(3,688)	(3,777)	-	(3,743)	(3,743)	-	(6,046)	(6,350)	-	(8,105)	(8,105)	-
Additions to property, plant & equipment	(256)	-	(165)	(54)	-	-	(523)	-	(219)	(272)	-	-
Net cash used in investing activities	(3,944)	(3,777)	(165)	(3,797)	(3,743)	-	(6,569)	(6,350)	(219)	(8,377)	(8,105)	-
CASH FLOWS FROM FINANCING ACTIVITIES												
Distribution paid to Stapled Securityholders	-	-	-	-	-	-	(44,087)	(43,981)	(106)	(46,785)	(46,362)	(423)
Distribution paid to Perpetual Securities holders	-	-	-	-	-	-	(2,243)	(2,243)	-	(2,243)	(2,243)	-
Finance costs paid	(5,879)	(5,879)	-	(6,254)	(6,254)	-	(9,791)	(9,791)	-	(10,263)	(10,263)	-
Proceeds from borrowings, net of debt upfront costs	-	-	-	90,754	90,754	-	30,000	30,000	-	223,332	223,332	-
Repayment of borrowings	(9,500)	(9,500)	-	(73,100)	(73,100)	-	(20,500)	(20,500)	-	(193,300)	(193,300)	-
Net cash (used in)/generated from financing activities	(15,379)	(15,379)	-	11,400	11,400	-	(46,621)	(46,515)	(106)	(29,259)	(28,836)	(423)
Net increase in cash and cash equivalents	2,801	2,473	328	30,821	29,600	1,221	1,111	952	159	16,084	14,413	1,671
Cash and cash equivalents at beginning of the financial Period	75,439	71,168	4,271	64,021	60,685	3,336	77,080	72,541	4,539	79,755	76,796	2,959
Effect of exchange rate changes on cash and cash equivalents	(365)	(339)	(26)	1,522	1,587	(65)	(316)	(191)	(125)	525	663	(138)
Cash and cash equivalents at end of the financial Period	77,875	73,302	4,573	96,364	91,872	4,492	77,875	73,302	4,573	96,364	91,872	4,492

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise the following:

	FHT	FH-REIT Group	FH-BT Group	FHT	FH-REIT Group	FH-BT Group
	As at 31 Mar 2019			As at 31 Mar 2018		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Cash and bank balances	75,729	71,156	4,573	93,218	88,726	4,492
Fixed deposits	2,146	2,146	-	3,146	3,146	-
Cash and cash equivalents	77,875	73,302	4,573	96,364	91,872	4,492

1 (d) (i) Statements of Changes in Stapled Securityholders' Funds

FHT	Note	Attributable to Stapled Securityholders						Perpetual Securities holders' funds	Total
		Stapled Securities in issue	Issue costs	Revenue reserves	Hedging reserve	Foreign currency translation reserve	Revaluation reserve		
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000		
At 1 Oct 2018		1,514,692	(25,764)	92,571	573	(138,932)	9,111	1,452,251	-
Total return for the Period, net of tax		-	-	19,409	-	-	-	19,409	-
Total return for the Period, attributable to Perpetual Securities holders		-	-	(1,122)	-	-	-	(1,122)	-
<u>Other comprehensive income</u>									
Effective portion of changes in fair value of cash flow hedges		-	-	-	48	-	-	48	-
Net change in fair value of cash flow hedges reclassified to total return		-	-	-	(8)	-	-	(8)	-
Foreign currency translation differences		-	-	-	-	(8,967)	-	(8,967)	-
Other comprehensive income for the Period, net of tax		-	-	-	40	(8,967)	-	(8,927)	-
Total comprehensive income for the Period, net of tax		-	-	18,287	40	(8,967)	-	9,360	-
<u>Contributions by and distributions to Stapled Securityholders</u>									
REIT Manager's management fees payable in Stapled Securities		1,826	-	-	-	-	-	1,826	-
Trustee-Manager's management fees payable in Stapled Securities		12	-	-	-	-	-	12	-
Other management fees payable in Stapled Securities		1,265	-	-	-	-	-	1,265	-
Property management fees payable in Stapled Securities		1,343	-	-	-	-	-	1,343	-
Distributions to Stapled Securityholders		-	-	(44,087)	-	-	-	(44,087)	-
Total contributions by and distributions to Stapled Securityholders		4,446	-	(44,087)	-	-	-	(39,641)	-
At 31 Dec 2018		1,519,138	(25,764)	66,771	613	(147,899)	9,111	1,421,970	-
Total return for the Period, net of tax		-	-	14,561	-	-	-	14,561	-
Total return for the Period, attributable to Perpetual Securities holders		-	-	(1,097)	-	-	-	(1,097)	-
<u>Other comprehensive income</u>									
Effective portion of changes in fair value of cash flow hedges		-	-	-	(184)	-	-	(184)	-
Net change in fair value of cash flow hedges reclassified to total return		-	-	-	171	-	-	171	-
Foreign currency translation differences		-	-	-	-	(7,798)	-	(7,798)	-
Other comprehensive income for the Period, net of tax		-	-	-	(13)	(7,798)	-	(7,811)	-
Total comprehensive income for the Period, net of tax		-	-	13,464	(13)	(7,798)	-	5,653	-
<u>Contributions by and distributions to Stapled Securityholders</u>									
REIT Manager's management fees payable in Stapled Securities	(a)	1,700	-	-	-	-	-	1,700	-
Trustee-Manager's management fees payable in Stapled Securities	(a)	9	-	-	-	-	-	9	-
Other management fees payable in Stapled Securities	(a)	1,088	-	-	-	-	-	1,088	-
Property management fees payable in Stapled Securities	(a)	1,243	-	-	-	-	-	1,243	-
Total contributions by and distributions to Stapled Securityholders		4,040	-	-	-	-	-	4,040	-
Stapled Securityholders' funds at 31 Mar 2019		1,523,178	(25,764)	80,235	600	(155,697)	9,111	1,431,663	-

1 (d) (i) Statements of Changes in Stapled Securityholders' Funds (Cont'd)

	Note	Attributable to Stapled Securityholders							Perpetual Securities holders' funds	Total
		Stapled Securities in issue	Issue costs	Revenue reserves	Hedging reserve	Foreign currency translation reserve	Revaluation reserve	Total		
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
FHT										
At 1 Oct 2018		-	-	-	-	-	-	-	100,279	100,279
<u>Contributions by and distributions to Perpetual Securities holders</u>										
Total return for the Period, attributable to Perpetual Securities holders		-	-	-	-	-	-	-	1,122	1,122
Distribution to Perpetual Securities holders		-	-	-	-	-	-	-	(2,243)	(2,243)
Total contributions by and distributions to Perpetual Securities holders		-	-	-	-	-	-	-	(1,121)	(1,121)
At 31 Dec 2018		-	-	-	-	-	-	-	99,158	99,158
<u>Contributions by and distributions to Perpetual Securities holders</u>										
Total return for the Period, attributable to Perpetual Securities holders		-	-	-	-	-	-	-	1,097	1,097
Total contributions by and distributions to Perpetual Securities holders		-	-	-	-	-	-	-	1,097	1,097
Perpetual Securities holders' funds at 31 Mar 2019		-	-	-	-	-	-	-	100,255	100,255
At 31 Mar 2019		1,523,178	(25,764)	80,235	600	(155,697)	9,111	1,431,663	100,255	1,531,918

Footnote:

- (a) This represents Stapled Securities to be issued as payment of management fees in lieu of cash i.e. REIT Manager's management fees, Trustee-Manager's management fees, MIT Manager's management fees and property management fees. 4,958,142 Stapled Securities and 3,596,159 Stapled Securities relating to base management fee and property management fees respectively for the period from 1 October 2018 to 31 March 2019 will be issued in May 2019. Stapled Securities relating to performance management fee for the period from 1 October 2018 to 31 March 2019 will be issued in November 2019.

1 (d) (i) Statements of Changes in Stapled Securityholders' Funds (Cont'd)

	Note	Attributable to Stapled Securityholders						Perpetual Securities holders' funds	Total
		Stapled Securities in issue	Issue costs	Revenue reserves	Hedging reserve	Foreign currency translation reserve	Revaluation reserve		
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000		
FHT									
At 1 Oct 2017		1,497,064	(25,764)	122,581	(2,404)	(91,219)	5,635	1,505,893	-
Total return for the Period, net of tax		-	-	19,558	-	-	-	19,558	-
Total return for the Period, attributable to Perpetual Securities holders		-	-	(1,122)	-	-	-	(1,122)	-
<u>Other comprehensive income</u>									
Effective portion of changes in fair value of cash flow hedges		-	-	-	1,590	-	-	1,590	-
Net change in fair value of cash flow hedges reclassified to total return		-	-	-	(620)	-	-	(620)	-
Foreign currency translation differences		-	-	-	-	(19,116)	-	(19,116)	-
Other comprehensive income for the Period, net of tax		-	-	-	970	(19,116)	-	(18,146)	-
Total comprehensive income for the Period, net of tax		-	-	18,436	970	(19,116)	-	290	-
<u>Contributions by and distributions to Stapled Securityholders</u>									
REIT Manager's management fees payable in Stapled Securities		1,894	-	-	-	-	-	1,894	-
Trustee-Manager's management fees payable in Stapled Securities		13	-	-	-	-	-	13	-
Other management fees payable in Stapled Securities		1,266	-	-	-	-	-	1,266	-
Property management fees payable in Stapled Securities		1,357	-	-	-	-	-	1,357	-
Distributions to Stapled Securityholders		-	-	(46,785)	-	-	-	(46,785)	-
Total contributions by and distributions to Stapled Securityholders		4,530	-	(46,785)	-	-	-	(42,255)	-
At 31 Dec 2017		1,501,594	(25,764)	94,232	(1,434)	(110,335)	5,635	1,463,928	-
Total return for the Period, net of tax		-	-	15,708	-	-	-	15,708	-
Total return for the Period, attributable to Perpetual Securities holders		-	-	(1,097)	-	-	-	(1,097)	-
<u>Other comprehensive income</u>									
Effective portion of changes in fair value of cash flow hedges		-	-	-	2,026	-	-	2,026	-
Net change in fair value of cash flow hedges reclassified to total return		-	-	-	(527)	-	-	(527)	-
Foreign currency translation differences		-	-	-	-	(1,234)	-	(1,234)	-
Other comprehensive income for the Period, net of tax		-	-	-	1,499	(1,234)	-	265	-
Total comprehensive income for the Period, net of tax		-	-	14,611	1,499	(1,234)	-	14,876	-
<u>Contributions by and distributions to Stapled Securityholders</u>									
REIT Manager's management fees payable in Stapled Securities		1,740	-	-	-	-	-	1,740	-
Trustee-Manager's management fees payable in Stapled Securities		14	-	-	-	-	-	14	-
Other management fees payable in Stapled Securities		1,197	-	-	-	-	-	1,197	-
Property management fees payable in Stapled Securities		1,238	-	-	-	-	-	1,238	-
Total contributions by and distributions to Stapled Securityholders		4,189	-	-	-	-	-	4,189	-
Stapled Securityholders' funds at 31 Mar 2018		1,505,783	(25,764)	108,843	65	(111,569)	5,635	1,482,993	-

1 (d) (i) Statements of Changes in Stapled Securityholders' Funds (Cont'd)

	Note	Attributable to Stapled Securityholders							Perpetual Securities holders' funds	Total
		Stapled Securities in issue	Issue costs	Revenue reserves	Hedging reserve	Foreign currency translation reserve	Revaluation reserve	Total		
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
FHT										
At 1 Oct 2017		-	-	-	-	-	-	-	100,279	100,279
<u>Contributions by and distributions to Perpetual Securities holders</u>										
Total return for the Period, attributable to Perpetual Securities holders		-	-	-	-	-	-	-	1,122	1,122
Distribution to Perpetual Securities holders		-	-	-	-	-	-	-	(2,243)	(2,243)
Total contributions by and distributions to Perpetual Securities holders		-	-	-	-	-	-	-	(1,121)	(1,121)
At 31 Dec 2017		-	-	-	-	-	-	-	99,158	99,158
<u>Contributions by and distributions to Perpetual Securities holders</u>										
Total return for the Period, attributable to Perpetual Securities holders		-	-	-	-	-	-	-	1,097	1,097
Total contributions by and distributions to Perpetual Securities holders		-	-	-	-	-	-	-	1,097	1,097
Perpetual Securities holders' funds at 31 Mar 2018		-	-	-	-	-	-	-	100,255	100,255
At 31 Mar 2018		1,505,783	(25,764)	108,843	65	(111,569)	5,635	1,482,993	100,255	1,583,248

1 (d) (i) Statements of Changes in Stapled Securityholders' Funds (Cont'd)

	Note	Attributable to Stapled Securityholders					Perpetual Securities holders' funds	Total
		Stapled Securities in issue	Issue costs	Revenue reserves	Hedging reserve	Foreign currency translation reserve		
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
FH-REIT Group								
At 1 Oct 2018		1,505,175	(25,759)	104,100	573	(138,649)	-	1,445,440
Total return for the Period, net of tax		-	-	20,109	-	-	-	20,109
Total return for the Period, attributable to Perpetual Securities holders		-	-	(1,122)	-	-	-	(1,122)
<u>Other comprehensive income</u>								
Effective portion of changes in fair value of cash flow hedges		-	-	-	48	-	-	48
Net change in fair value of cash flow hedges reclassified to total return		-	-	-	(8)	-	-	(8)
Foreign currency translation differences		-	-	-	-	(8,825)	-	(8,825)
Other comprehensive income for the Period, net of tax		-	-	-	40	(8,825)	-	(8,785)
Total comprehensive income for the Period, net of tax		-	-	18,987	40	(8,825)	-	10,202
<u>Contributions by and distributions to Stapled Securityholders</u>								
REIT Manager's management fees paid and payable in Stapled Securities		1,826	-	-	-	-	-	1,826
Other management fees paid and payable in Stapled Securities		1,265	-	-	-	-	-	1,265
Property management fees paid and payable in Stapled Securities		1,343	-	-	-	-	-	1,343
Distributions to Stapled Securityholders		-	-	(43,981)	-	-	-	(43,981)
Total contributions by and distributions to Stapled Securityholders		4,434	-	(43,981)	-	-	-	(39,547)
At 31 Dec 2018		1,509,609	(25,759)	79,106	613	(147,474)	-	1,416,095
Total return for the Period, net of tax		-	-	15,266	-	-	-	15,266
Total return for the Period, attributable to Perpetual Securities holders		-	-	(1,097)	-	-	-	(1,097)
<u>Other comprehensive income</u>								
Effective portion of changes in fair value of cash flow hedges		-	-	-	(184)	-	-	(184)
Net change in fair value of cash flow hedges reclassified to total return		-	-	-	171	-	-	171
Foreign currency translation differences		-	-	-	-	(7,763)	-	(7,763)
Other comprehensive income for the Period, net of tax		-	-	-	(13)	(7,763)	-	(7,776)
Total comprehensive income for the Period, net of tax		-	-	14,169	(13)	(7,763)	-	6,393
<u>Contributions by and distributions to Stapled Securityholders</u>								
REIT Manager's management fees payable in Stapled Securities	(a)	1,700	-	-	-	-	-	1,700
Other management fees payable in Stapled Securities	(a)	1,088	-	-	-	-	-	1,088
Property management fees payable in Stapled Securities	(a)	1,243	-	-	-	-	-	1,243
Total contributions by and distributions to Stapled Securityholders		4,031	-	-	-	-	-	4,031
Stapled Securityholders' funds at 31 Mar 2019		1,513,640	(25,759)	93,275	600	(155,237)	-	1,426,519

1 (d) (i) Statements of Changes in Stapled Securityholders' Funds (Cont'd)

	Note	Attributable to Stapled Securityholders						Perpetual Securities holders' funds	Total
		Stapled Securities in issue	Issue costs	Revenue reserves	Hedging reserve	Foreign currency translation reserve	Total		
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
FH-REIT									
At 1 Oct 2018		-	-	-	-	-	-	100,279	100,279
<u>Contributions by and distributions to Perpetual Securities holders</u>									
Total return for the Period, attributable to Perpetual Securities holders		-	-	-	-	-	-	1,122	1,122
Distribution to Perpetual Securities holders		-	-	-	-	-	-	(2,243)	(2,243)
Total contributions by and distributions to Perpetual Securities holders		-	-	-	-	-	-	(1,121)	(1,121)
At 31 Dec 2018		-	-	-	-	-	-	99,158	99,158
<u>Contributions by and distributions to Perpetual Securities holders</u>									
Total return for the Period, attributable to Perpetual Securities holders		-	-	-	-	-	-	1,097	1,097
Total contributions by and distributions to Perpetual Securities holders		-	-	-	-	-	-	1,097	1,097
Perpetual Securities holders' funds at 31 Mar 2019		-	-	-	-	-	-	100,255	100,255
At 31 Mar 2019		1,513,640	(25,759)	93,275	600	(155,237)	1,426,519	100,255	1,526,774

Footnote:

- (a) This represents Stapled Securities to be issued as payment of management fees in lieu of cash i.e. REIT Manager's management fees, MIT Manager's management fees and property management fees. 4,930,914 Stapled Securities and 3,596,159 Stapled Securities relating to base management fee and property management fees respectively for the period from 1 October 2018 to 31 March 2019 will be issued in May 2019. Stapled Securities relating to performance management fee for the period from 1 October 2018 to 31 March 2019 will be issued in November 2019.

1 (d) (i) Statements of Changes in Stapled Securityholders' Funds (Cont'd)

Note	Attributable to Stapled Securityholders						Perpetual Securities holders' funds	
	Stapled Securities in issue	Issue costs	Revenue reserves	Hedging reserve	Foreign currency translation reserve	Total	holders' funds	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
FH-REIT Group								
At 1 Oct 2017	1,487,599	(25,759)	129,556	(2,404)	(91,389)	1,497,603	-	1,497,603
Total return for the Period, net of tax	-	-	20,375	-	-	20,375	-	20,375
Total return for the Period, attributable to Perpetual Securities holders	-	-	(1,122)	-	-	(1,122)	-	(1,122)
<u>Other comprehensive income</u>								
Effective portion of changes in fair value of cash flow hedges	-	-	-	1,590	-	1,590	-	1,590
Net change in fair value of cash flow hedges reclassified to total return	-	-	-	(620)	-	(620)	-	(620)
Foreign currency translation differences	-	-	-	-	(18,910)	(18,910)	-	(18,910)
Other comprehensive income for the Period, net of tax	-	-	-	970	(18,910)	(17,940)	-	(17,940)
Total comprehensive income for the Period, net of tax	-	-	19,253	970	(18,910)	1,313	-	1,313
<u>Contributions by and distributions to Stapled Securityholders</u>								
REIT Manager's management fees paid and payable in Stapled Securities	1,894	-	-	-	-	1,894	-	1,894
Other management fees paid and payable in Stapled Securities	1,266	-	-	-	-	1,266	-	1,266
Property management fees paid and payable in Stapled Securities	1,357	-	-	-	-	1,357	-	1,357
Distributions to Stapled Securityholders	-	-	(46,362)	-	-	(46,362)	-	(46,362)
Total contributions by and distributions to Stapled Securityholders	4,517	-	(46,362)	-	-	(41,845)	-	(41,845)
At 31 Dec 2017	1,492,116	(25,759)	102,447	(1,434)	(110,299)	1,457,071	-	1,457,071
Total return for the Period, net of tax	-	-	16,488	-	-	16,488	-	16,488
Total return for the Period, attributable to Perpetual Securities holders	-	-	(1,097)	-	-	(1,097)	-	(1,097)
<u>Other comprehensive income</u>								
Effective portion of changes in fair value of cash flow hedges	-	-	-	2,026	-	2,026	-	2,026
Net change in fair value of cash flow hedges reclassified to total return	-	-	-	(527)	-	(527)	-	(527)
Foreign currency translation differences	-	-	-	-	(1,088)	(1,088)	-	(1,088)
Other comprehensive income for the Period, net of tax	-	-	-	1,499	(1,088)	411	-	411
Total comprehensive income for the Period, net of tax	-	-	15,391	1,499	(1,088)	15,802	-	15,802
<u>Contributions by and distributions to Stapled Securityholders</u>								
REIT Manager's management fees payable in Stapled Securities	1,740	-	-	-	-	1,740	-	1,740
Other management fees payable in Stapled Securities	1,197	-	-	-	-	1,197	-	1,197
Property management fees payable in Stapled Securities	1,238	-	-	-	-	1,238	-	1,238
Total contributions by and distributions to Stapled Securityholders	4,175	-	-	-	-	4,175	-	4,175
Stapled Securityholders' funds at 31 Mar 2018	1,496,291	(25,759)	117,838	65	(111,387)	1,477,048	-	1,477,048

1 (d) (i) Statements of Changes in Stapled Securityholders' Funds (Cont'd)

	Note	Attributable to Stapled Securityholders						Perpetual Securities holders' funds	Total
		Stapled Securities in issue	Issue costs	Revenue reserves	Hedging reserve	Foreign currency translation reserve	Total		
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
FH-REIT									
At 1 Oct 2017		-	-	-	-	-	-	100,279	100,279
<u>Contributions by and distributions to Perpetual Securities holders</u>									
Total return for the Period, attributable to Perpetual Securities holders		-	-	-	-	-	-	1,122	1,122
Distribution to Perpetual Securities holders		-	-	-	-	-	-	(2,243)	(2,243)
Total contributions by and distributions to Perpetual Securities holders		-	-	-	-	-	-	(1,121)	(1,121)
At 31 Dec 2017		-	-	-	-	-	-	99,158	99,158
<u>Contributions by and distributions to Perpetual Securities holders</u>									
Total return for the Period, attributable to Perpetual Securities holders		-	-	-	-	-	-	1,097	1,097
Total contributions by and distributions to Perpetual Securities holders		-	-	-	-	-	-	1,097	1,097
Perpetual Securities holders' funds at 31 Mar 2018		-	-	-	-	-	-	100,255	100,255
At 31 Mar 2018		1,496,291	(25,759)	117,838	65	(111,387)	1,477,048	100,255	1,577,303

1 (d) (i) Statements of Changes in Stapled Securityholders' Funds (Cont'd)

Note	Attributable to Stapled Securityholders						Perpetual Securities holders' funds	Total
	Stapled Securities in issue	Issue costs	Revenue reserves	Hedging reserve	Foreign currency translation reserve	Total		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
FH-BT Group								
At 1 Oct 2018	9,517	(5)	(3,241)	-	(332)	5,939	-	5,939
Total return for the Period, net of tax	-	-	(137)	-	-	(137)	-	(137)
<u>Other comprehensive income</u>								
Foreign currency translation differences	-	-	-	-	(133)	(133)	-	(133)
Other comprehensive income for the Period, net of tax	-	-	-	-	(133)	(133)	-	(133)
Total comprehensive income for the Period, net of tax	-	-	(137)	-	(133)	(270)	-	(270)
<u>Contributions by and distributions to Stapled Securityholders</u>								
Trustee-Manager's management fees paid and payable in Stapled Securities	12	-	-	-	-	12	-	12
Distributions to Stapled Securityholders	-	-	(106)	-	-	(106)	-	(106)
Total contributions by and distributions to Stapled Securityholders	12	-	(106)	-	-	(94)	-	(94)
At 31 Dec 2018	9,529	(5)	(3,484)	-	(465)	5,575	-	5,575
Total return for the Period, net of tax	-	-	(165)	-	-	(165)	-	(165)
<u>Other comprehensive income</u>								
Foreign currency translation differences	-	-	-	-	(34)	(34)	-	(34)
Other comprehensive income for the Period, net of tax	-	-	-	-	(34)	(34)	-	(34)
Total comprehensive income for the Period, net of tax	-	-	(165)	-	(34)	(199)	-	(199)
<u>Contributions by and distributions to Stapled Securityholders</u>								
Trustee-Manager's management fees payable in Stapled Securities	9	-	-	-	-	9	-	9
Total contributions by and distributions to Stapled Securityholders	9	-	-	-	-	9	-	9
Stapled Securityholders' funds at 31 Mar 2019	9,538	(5)	(3,649)	-	(499)	5,385	-	5,385

Footnote:

(a) This represents Stapled Securities to be issued as payment of Trustee-Manager's management fees in lieu of cash.

27,228 Stapled Securities relating to base management fee for the period from 1 October 2018 to 31 March 2019 will be issued in May 2019. Stapled Securities relating to performance management fee for the period from 1 October 2018 to 31 March 2019 will be issued in November 2019.

1 (d) (i) Statements of Changes in Stapled Securityholders' Funds (Cont'd)

Note	Attributable to Stapled Securityholders						Perpetual Securities holders' funds S\$'000	Total S\$'000
	Stapled Securities in issue S\$'000	Issue costs S\$'000	Revenue reserves S\$'000	Hedging reserve S\$'000	Foreign currency translation reserve S\$'000	Total S\$'000		
FH-BT Group								
At 1 Oct 2017	9,465	(5)	(1,950)	-	174	7,684	-	7,684
Total return for the Period, net of tax	-	-	(261)	-	-	(261)	-	(261)
<u>Other comprehensive income</u>								
Foreign currency translation differences	-	-	-	-	(191)	(191)	-	(191)
Other comprehensive income for the Period, net of tax	-	-	-	-	(191)	(191)	-	(191)
Total comprehensive income for the Period, net of tax	-	-	(261)	-	(191)	(452)	-	(452)
<u>Contributions by and distributions to Stapled Securityholders</u>								
Trustee-Manager's management fees paid and payable in Stapled Securities	13	-	-	-	-	13	-	13
Distribution to Stapled Securityholders	-	-	(423)	-	-	(423)	-	(423)
Total contributions by and distributions to Stapled Securityholders	13	-	(423)	-	-	(410)	-	(410)
At 31 Dec 2017	9,478	(5)	(2,634)	-	(17)	6,822	-	6,822
Total return for the Period, net of tax	-	-	(243)	-	-	(243)	-	(243)
<u>Other comprehensive income</u>								
Foreign currency translation differences	-	-	-	-	(156)	(156)	-	(156)
Other comprehensive income for the Period, net of tax	-	-	-	-	(156)	(156)	-	(156)
Total comprehensive income for the Period, net of tax	-	-	(243)	-	(156)	(399)	-	(399)
<u>Contributions by and distributions to Stapled Securityholders</u>								
Trustee-Manager's management fees payable in Stapled Securities	14	-	-	-	-	14	-	14
Total contributions by and distributions to Stapled Securityholders	14	-	-	-	-	14	-	14
Stapled Securityholders' funds at 31 Mar 2018	9,492	(5)	(2,877)	-	(173)	6,437	-	6,437

1 (d) (ii) Details of Changes in Issued and Issuable Stapled Securities

Note	FHT		FHT	
	2Q 2019	2Q 2018	1H 2019	1H 2018
	1 Jan 2019 to 31 Mar 2019	1 Jan 2018 to 31 Mar 2018	1 Oct 2018 to 31 Mar 2019	1 Oct 2017 to 31 Mar 2018
	No. of Stapled Securities	No. of Stapled Securities	No. of Stapled Securities	No. of Stapled Securities
Balance at beginning of the Period	1,885,662,609	1,861,187,051	1,869,164,755	1,845,573,715
- As payment of REIT Manager's management fees	-	-	7,304,274	6,740,311
- As payment of Trustee-Manager's management fees	-	-	43,073	62,403
- As payment of other management fees	-	-	4,976,251	4,881,635
- As payment of property management fees	-	-	4,174,256	3,928,987
Issued Stapled Securities at the end of the Period	1,885,662,609	1,861,187,051	1,885,662,609	1,861,187,051
Issuable Stapled Securities				
As payment of REIT Manager's management fees (a)	4,875,293	4,666,016	4,875,293	4,666,016
As payment of Trustee-Manager's management fees (b)	28,869	34,728	28,869	34,728
As payment of other management fees (c)	3,244,465	3,165,277	3,244,465	3,165,277
As payment of property management fees (d)	3,596,159	3,324,509	3,596,159	3,324,509
Total issued and issuable Stapled Securities	1,897,407,395	1,872,377,581	1,897,407,395	1,872,377,581

Footnotes:

- (a) This represents 100% of the REIT Manager's base management fee and performance management fee payable in Stapled Securities. With effect from 1Q FY2017, the REIT Manager's performance management fee will be paid once a year after the end of the financial year.
- (b) This represents 100% of the Trustee-Manager's base management fee and performance management fee payable in Stapled Securities. With effect from 1Q FY2017, the Trustee-Manager's performance management fee will be paid once a year after the end of the financial year.
- (c) This represents 100% of the MIT Manager's base management fee and performance management fee payable in Stapled Securities. With effect from 1Q FY2017, the MIT Manager's performance management fee will be paid once a year after the end of the financial year.
- (d) This represents 100% of the property managers' management fees payable in Stapled Securities.

2 **Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the auditors.

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

Not applicable.

4 **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Except as disclosed in section 5 below, the accounting policies and methods of computation adopted for the current reporting financial period are consistent with those applied in the audited financial statements for the financial year ended 30 September 2018.

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.**

On 1 October 2018, FH-BT and its subsidiaries (collectively, "FH-BT Group") adopted Singapore Financial Reporting Standards (International) ("SFRS(I)") which are applicable for listed business trusts in Singapore. FH-BT Group's adoption of SFRS(I) did not have a significant impact on its financial statements. FH-REIT and its subsidiaries (collectively, "FH-REIT Group") and FHT continue to prepare their financial statements under Recommended Accounting Practice 7 *Reporting Framework for Unit Trusts*.

In addition to the adoption of SFRS(I) framework by the FH-BT Group as described above, the FH-REIT Group, the FH-BT Group and FHT adopted various new accounting standards, amendments to and interpretations of standards that are effective for financial year beginning 1 October 2018. The adoption of those new standards, amendments to and interpretations of standards did not have significant impact on their respective financial statements.

6 Earnings per Stapled Security ("EPS") and Distribution per Stapled Security ("DPS") for the financial period

Group earnings per Stapled Security

	Note	FHT		FHT	
		2Q 2019	2Q 2018	1H 2019	1H 2018
		1 Jan 2019 to 31 Mar 2019	1 Jan 2018 to 31 Mar 2018	1 Oct 2018 to 31 Mar 2019	1 Oct 2017 to 31 Mar 2018
Total return for the Period after tax (S\$'000)		14,561	15,708	33,970	35,266
Less: Total return for the Period after tax attributable to Perpetual Securities holders (S\$'000)		(1,097)	(1,097)	(2,219)	(2,219)
Total return for the Period after tax attributable to Stapled Securityholders (S\$'000)		13,464	14,611	31,751	33,047
Basic EPS					
Weighted average number of Stapled Securities in issue	(a)	1,890,135,617	1,865,286,868	1,887,898,861	1,863,236,720
EPS based on weighted average number of Stapled Securities in issue (cents)		0.71	0.78	1.68	1.77
Dilutive EPS					
Weighted average number of Stapled Securities in issue	(a)	1,897,407,395	1,872,377,581	1,897,407,395	1,872,377,581
EPS based on weighted average number of Stapled Securities in issue (cents)		0.70	0.78	1.67	1.76

Footnote:

(a) The weighted average number of Stapled Securities is weighted for Stapled Securities in 2Q 2019, 2Q 2018, 1H 2019 and 1H 2018 respectively.

6 Earnings per Stapled Security ("EPS") and Distribution per Stapled Security ("DPS") for the financial period (Cont'd)

Group distribution per Stapled Security

	FHT		FHT	
	2Q 2019	2Q 2018	1H 2019	1H 2018
	1 Jan 2019 to 31 Mar 2019	1 Jan 2018 to 31 Mar 2018	1 Oct 2018 to 31 Mar 2019	1 Oct 2017 to 31 Mar 2018
Total number of issued and issuable Stapled Securities at end of Period	1,894,216,910 ^(a)	1,869,164,755	1,894,216,910 ^(a)	1,869,164,755
Distribution to Stapled Securityholders (S\$'000)	18,698	20,858	42,405	45,307
DPS based on the total number of Stapled Securities entitled to distribution (cents)	0.9846	1.1126	2.2388	2.4233

Footnote:

(a) The computation of DPS for the periods are based on the number of Stapled Securities entitled to distribution. This comprises:

(i) The number of Stapled Securities in issue as at 31 March 2019 of 1,885,662,609; and

(ii) The number of Stapled Securities to be issued to the REIT Manager, the Trustee-Manager, the MIT Manager and property managers as consideration for base management fee and property management fees for the period from 1 October 2018 to 31 March 2019 of 8,554,301.

** As provided for in the trust deed dated 12 June 2014 constituting FH-REIT (as amended) and in the trust deed dated 20 June 2014 constituting FH-BT (as amended), the price of a Stapled Security issued shall be computed based on the volume weighted average price of a Stapled Security for the last ten business days immediately preceding the relevant financial period of which the fee accrues.

FHT makes distributions on a semi-annual basis and the distributions are payable by the REIT Manager and the Trustee-Manager within 90 days from the end of the said semi-annual period.

7 (i) Group net asset value ("NAV") per Stapled Security based on Stapled Securities in issue at the end of the period

	FHT	
	As at 31 Mar 2019	As at 30 Sep 2018
Number of Stapled Securities issued at end of the period	1,885,662,609	1,869,164,755
Net asset value (S\$'000)	1,431,663	1,452,251
Net asset value per Stapled Security (cents)	75.92	77.70

(ii) Group net tangible asset ("NTA") per Stapled Security based on Stapled Securities in issue at the end of the period

	FHT	
	As at 31 Mar 2019	As at 30 Sep 2018
Number of Stapled Securities issued at end of the period	1,885,662,609	1,869,164,755
Net tangible asset (S\$'000)	1,431,663	1,452,251
Net tangible asset value per Stapled Security (cents)	75.92	77.70

8 Review of performance
(a) 2Q 2019 VS 2Q 2018

		FH-REIT Group			FH-BT Group		
		Master Lessees - Gross Operating Revenue			Gross Operating Revenue		
		2Q 2019	2Q 2018	Change	2Q 2019	2Q 2018	Change
		1 Jan 2019 to 31 Mar 2019	1 Jan 2018 to 31 Mar 2018		1 Jan 2019 to 31 Mar 2019	1 Jan 2018 to 31 Mar 2018	
		LC\$'000	LC\$'000	%	LC\$'000	LC\$'000	%
Australia ^(a)	AUD	21,640	23,381	(7.4)	9,464	9,005	5.1
Singapore	SGD	21,623	21,420	0.9	-	-	N/A
United Kingdom	GBP	5,492	4,810	14.2	-	-	N/A
Japan	JPY	1,354,546	1,380,281	(1.9)	-	-	N/A
Malaysia	MYR	19,939	22,524	(11.5)	-	-	N/A
Germany	EUR	2,048	2,147	(4.6)	-	-	N/A

		FH-REIT Group			FH-BT Group		
		Master Lessees - Gross Operating Profit			Gross Operating Profit		
		2Q 2019	2Q 2018	Change	2Q 2019	2Q 2018	Change
		1 Jan 2019 to 31 Mar 2019	1 Jan 2018 to 31 Mar 2018		1 Jan 2019 to 31 Mar 2019	1 Jan 2018 to 31 Mar 2018	
		LC\$'000	LC\$'000	%	LC\$'000	LC\$'000	%
Australia ^(a)	AUD	8,547	9,793	(12.7)	4,900	4,528	8.2
Singapore	SGD	8,855	8,919	(0.7)	-	-	N/A
United Kingdom	GBP	2,448	2,198	11.4	-	-	N/A
Japan	JPY	320,842	336,487	(4.6)	-	-	N/A
Malaysia	MYR	5,212	7,479	(30.3)	-	-	N/A
Germany	EUR	564	694	(18.7)	-	-	N/A

Footnote:

(a) The Gross Operating Revenue ("GOR") and GOP of NMOC are excluded from FH-REIT Group and reflected under FH-BT Group.

Operational Performance

(a) Review of performance for 2Q 2019 compared to 2Q 2018

During the financial period under review from 1 January 2019 to 31 March 2019 ("2Q FY2019"), Gross Revenue ("GR") declined 7.6% at S\$34.6 million and Net Property Income ("NPI") decreased 9.1% to S\$25.2 million compared to last year ("2Q FY2018"). Distributable Income ("DI") registered a decline of 10.4% compared to 2Q FY2018 at S\$18.7 million. Distribution Per Stapled Security ("DPS") registered a decline of 11.5% compared to 2Q FY2018 at 0.98 cents.

In 2Q FY2019, the Australia portfolio saw GOR and GOP decrease year-on-year ("yoy") by 4.0% and 6.1% respectively. The portfolio revenue per available room ("RevPAR") declined 5.4% yoy on the back of lower average daily rate ("ADR") and occupancy. Sofitel Sydney Wentworth and Fraser Suites Sydney reported weaker performance as the trading environment in Sydney continued to be challenging. However, Novotel Sydney Darling Square ("NSDS") performed better yoy as its banquet revenue doubled on the back of increased conferences and events business. NMOC also fared better with a 3.4% improvement in its RevPAR.

The performance of the Singapore portfolio remained stable in 2Q FY2019, with GOR increasing by 0.9% and GOP declining by 0.7% yoy. The portfolio RevPAR grew 2.2%, underpinned by higher occupancies, primarily at Fraser Suites Singapore. However, the absence of the Singapore Airshow this year and competition from new entrants in the Bugis precinct continued to exert downward pressure on InterContinental Singapore ("ICSG")'s ADR.

The UK portfolio's GOR and GOP increased yoy by 14.2% and 11.4% respectively. The portfolio RevPAR was 13.2% higher than a year ago as all the UK properties reported strong RevPAR growth. The full renovation of ibis Styles London Gloucester Road, which lasted 7 months, was completed in February 2019. Post-renovation, the hotel achieved a strong RevPAR growth of 31.0% on the back of improved occupancy and higher ADR.

ANA Crowne Plaza Kobe's GOR decreased 1.9% yoy due to lower F&B revenue while its GOP declined 4.6% due mainly to higher utilities costs arising from increased tariffs. Notwithstanding a weak lodging market, the hotel improved its RevPAR by 0.4%, hence increasing its market share during the quarter. While it has proactively sought to drive more revenue from corporate and other social events, the trend of declining wedding business continued to impact its food and beverage ("F&B") revenue.

TWKL's GOR and GOP decreased yoy by 11.5% and 30.3% respectively as weaker corporate and group demand in Kuala Lumpur continued to affect the hotel's room and F&B revenue. Its RevPAR declined yoy by 7.5% on the back of lower ADR while its F&B revenue was 29.1% lower due to softer demand in general banqueting. Notwithstanding the weaker RevPAR, the hotel has been able to maintain its market share vis-à-vis its peers.

8 Review of performance (Cont'd)

(b) 1H 2019 VS 1H 2018

		FH-REIT Group			FH-BT Group		
		Master Lessees - Gross Operating Revenue			Gross Operating Revenue		
		1H 2019	1H 2018		1H 2019	1H 2018	
		1 Oct 2018 to 31 Mar 2019	1 Oct 2017 to 31 Mar 2018	Change	1 Oct 2018 to 31 Mar 2019	1 Oct 2017 to 31 Mar 2018	Change
		LC\$'000	LC\$'000	%	LC\$'000	LC\$'000	%
Australia ^(a)	AUD	48,138	48,390	(0.5)	19,316	18,162	6.4
Singapore	SGD	43,736	43,466	0.6	-	-	N/A
United Kingdom	GBP	12,065	10,824	11.5	-	-	N/A
Japan	JPY	3,086,935	3,193,197	(3.3)	-	-	N/A
Malaysia	MYR	41,779	47,266	(11.6)	-	-	N/A
Germany	EUR	5,226	5,214	0.2	-	-	N/A

		FH-REIT Group			FH-BT Group		
		Master Lessees - Gross Operating Profit			Gross Operating Profit		
		1H 2019	1H 2018		1H 2019	1H 2018	
		1 Oct 2018 to 31 Mar 2019	1 Oct 2017 to 31 Mar 2018	Change	1 Oct 2018 to 31 Mar 2019	1 Oct 2017 to 31 Mar 2018	Change
		LC\$'000	LC\$'000	%	LC\$'000	LC\$'000	%
Australia ^(a)	AUD	20,086	20,588	(2.4)	10,174	9,408	8.1
Singapore	SGD	17,800	17,898	(0.5)	-	-	N/A
United Kingdom	GBP	5,914	5,402	9.5	-	-	N/A
Japan	JPY	825,183	921,764	(10.5)	-	-	N/A
Malaysia	MYR	10,681	15,414	(30.7)	-	-	N/A
Germany	EUR	1,949	2,046	(4.7)	-	-	N/A

Footnote:

(a) The GOR and GOP of NMOC are excluded from FH-REIT Group and reflected under FH-BT Group.

Operational Performance

(a) Review of performance for 1H 2019 compared to 1H 2018

During the financial period under review from 1 October 2018 to 31 March 2019 ("1H FY2019"), GR decreased 4.7% to S\$75.2 million while NPI decreased 4.9% to S\$56.3 million compared to last year ("1H FY2018"). DI declined 6.4% yoy to S\$42.4 million while DPS declined 7.6% yoy to 2.24 cents.

For 1H FY2019, the Australia portfolio registered an increase of 1.4% in GOR and a moderate increase of 0.9% in GOP yoy. NMOC and NSDS achieved RevPAR growth of 3.5% and 7.2% respectively. However, the portfolio's performance was impacted by a more subdued Sydney market growth due to the increase in room supply and the more competitive trading environment.

The Singapore portfolio saw an increase in GOR of 0.6% yoy. Continued pressure in the Bugis precinct compressed ICSG's ADR further, resulting in a 0.5% decline in the portfolio's GOP compared to 1H FY2018.

The UK portfolio recorded a yoy increase in GOR and GOP of 11.5% and 9.5% respectively in 1H FY2019. The portfolio RevPAR improved 11.0% yoy with all properties registering increases ranging from 4.8% to 21.5%. With downward pressures on the British Pound due to Brexit, the UK portfolio turned in better performance with higher occupancies from the public segment across the portfolio.

ANA Crowne Plaza Kobe reported a 3.3% decline in GOR at JPY3,086.9 million compared to 1H FY2018 due to lower F&B revenue. In addition, there was a timing difference in staff bonus write-back which led to a yoy decline of 10.5% in GOP to JPY825.2 million. As compared to 1H FY2018, staff bonus write-back was absent in 1H FY2019 as it was recognised in the last quarter of FY2018.

TWKL saw a yoy decline of 11.6% and 30.7% in GOR and GOP respectively. The weaker performance in room revenue was due to the compression of ADR. This was exacerbated by softer F&B performance which resulted in the overall decline in its GOP for 1H FY2019.

9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual result

No forecast or prospect statement has been previously disclosed.

10 Commentary on the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

Tourism Australia reported a yoy increase of 4.9% in international arrivals to 9.2 million for 2018, with Chinese visitors growing by 5.5% yoy. For the first 2 months of 2019, international arrivals rose 2.5% yoy to 1.7 million. However, in Sydney, new room supply added to the market over the past 2 years has been affecting hotel performance. The city's development pipeline is forecast to grow at 5.7% per annum over the next 3 years. While the city remains a popular destination, the risks to the market revolve around the strength of the corporate sector as economic growth may soften in 2019¹. In Melbourne, the hotel market is anticipated to remain under pressure, with over 1,400 rooms to be added by 2020. If all the projects come to fruition, future declines would be expected¹.

For 2018, the Singapore Tourism Board ("STB") recorded a 6.2% yoy growth in international visitor arrivals to 18.5 million. For the period from January to February 2019, international visitor arrivals rose 2.0% yoy to 3.1 million. China, Indonesia and India were the top three source markets for tourism, accounting for 42.5% of total visitor arrivals. To maintain Singapore's competitiveness as an attractive tourist destination, STB and industry partners have put in place a slew of initiatives including the redevelopment of Sentosa and the rejuvenation of Orchard Road. In 2019, close to 2,000 new hotel rooms are expected to enter the pipeline. After 2019, new supply is expected to taper off, which would help ease any supply pressure as the hotel market would be able to consolidate further in light of healthy tourist arrival numbers. Despite slower economic growth and ongoing US-China trade war, the Singapore hotel market is expected to remain steady².

According to VisitBritain, the UK welcomed 37.8 million overseas visitors for 2018, down 4.0% yoy. Business visits were 4.0% below the levels seen in 2017. Going forward, uncertainty relating to global trade tensions and Brexit are anticipated to take a toll on the UK's economic growth. Although the weaker British pound would continue to support leisure demand, new room supply and weaker corporate demand are likely to put pressure on occupancy rates and RevPAR growth³.

For 2018, Japan National Tourism Organization recorded a yoy growth of 8.7% in foreign visitors to 31.2 million. The number of foreign visitors increased by 5.6% yoy for the first 2 months of 2019. While inbound tourism from Europe and North America continues to see strong growth, the slowdown in the Chinese economy may weaken outbound tourism to Japan which remains highly dependent upon visitors from East Asia⁴.

For 2018, Tourism Malaysia reported a marginal 0.4% decline in tourist arrivals to 25.8 million. It aims to achieve tourist arrivals of 28.1 million for 2019. In Kuala Lumpur, significant supply influx has continued to weigh on room rates. As Malaysia is likely to implement a departure levy on all outbound travellers from June 2019, this raises concern that it may undermine growth in tourist arrivals⁵.

For 2018, the Federal Statistical Office of Germany recorded a yoy increase of 3.9% in the number of overnight stays by domestic and foreign visitors. For the first 2 months of 2019, the number of overnight stays increased 2.0% to 54.0 million⁶. In Dresden, the total number of domestic and foreign visitors for 2018 rose 3.2% yoy. For January 2019, the total number of visitors declined 7.4% yoy⁷. Dresden, the capital city of the Free State of Saxony, continues to grow its pipeline of MICE events for 2019 and 2020 including Green and Sustainable Chemistry Conference, EuroBrake, Lab-Supply, 18th European Conference on Applications of Surface and Interface Analysis, Bauen Kaufen Wohnen (Construction and Real Estate) and Borsentag Tag Dresden (Banking and Finance).

¹ Source: CBRE – MarketView Australia Hotels, Q4 2018 (24 January 2019)

² Source: CBRE - Singapore Hotel Marketview, H2 2018 (20 February 2019)

³ Source: PwC UK Hotels Forecast Update for 2019 and 2020, March 2019

⁴ Source: Savills – Spotlight: Japan Hospitality, January – February 2019 (20 February 2019)

⁵ Source: JLL – Asia Pacific Property Digest, Q4 2018 (14 February 2019)

⁶ Source: www.destatis.de

⁷ Source: www.dresden.de

11 Distributions

(a) Current financial period

Any distribution declared for the current financial period?	Yes.
Name of Distribution	(i) Distribution for period from 1 October 2018 to 31 March 2019
Distribution Type	(a) Taxable income (b) Tax-exempt income (c) Capital distribution
Distribution Rate	(i) Distribution for period from 1 October 2018 to 31 March 2019. <div style="text-align: right;"> Cents (Per Stapled Security) (a) Taxable income distribution 0.5418 (b) Tax-exempt income distribution 0.0001 (c) Capital distribution 1.6969 <hr/> 2.2388 </div>

(b) Corresponding period of the immediately preceding financial year

Any distribution declared for the corresponding period of the immediately preceding financial period?

Distribution for period from 1 October 2017 to 31 March 2018

	Cents (Per Stapled Security)
(a) Taxable income distribution	0.5562
(b) Tax-exempt income distribution	0.7273
(c) Capital distribution	1.1398
	<hr/> 2.4233 <hr/>

(c) Tax Rate

Taxable income distribution

Qualifying investors and individuals (other than those who held their stapled securities through a partnership) will receive pre-tax distributions. These distributions are exempted 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 will receive their distributions after deduction of tax at the rate of 10%.

All other investors will receive their distributions after deduction of tax at the rate of 17%.

Tax-exempt income distribution

Tax-exempt income distribution is exempt from tax in the hands of all Stapled Securityholders, regardless of their nationality, corporate identity or tax residence status. No tax will be deducted at source from such distribution. The tax-exempt income relates to tax-exempt dividend income received from subsidiaries by FH-REIT.

Capital distribution

The Capital Distribution represents a return of capital to Stapled Securityholders for Singapore income tax purposes and is therefore not subject to Singapore income tax. For Stapled Securityholders who are liable to Singapore income tax on profits from sale of Stapled Securities, the amount of Capital Distribution will be applied to reduce the cost base of their Stapled Securities for Singapore income tax purposes.

11 Distributions (Cont'd)

(d) Date payable

28 June 2019

(e) Books closure date

9 May 2019

12 If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

Not applicable.

13 If the Group has obtained a general mandate from holders for Interested Party Transactions ("IPT"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, please make a statement to that effect.

FHT has not obtained a general mandate from Stapled Securityholders for IPTs.

14 Additional information - FHT's interests in Australia Land Trust

Australia's foreign investment regime was amended with effect from 1 July 2017 to introduce improvements to the regulation of foreign investments into Australia.

Notifiable actions (i.e. mandatory notification)

Investors who are "foreign persons"ⁱⁱ that acquire Stapled Securities are required under the Australian Foreign Acquisitions and Takeovers Act 1975 ("FATA") or the Australian Government's Foreign Investment Policy to notify and receive a prior statement of no objection ("FIRB Clearance") of their investment in FHT under Australia's foreign investment regime from the Australian Treasurer through the Foreign Investment Review Board if any of the circumstances set out below apply at the time the Stapled Securities are acquired:

(a) if either FH-REIT or FH-BT is considered to be an "Australian Land Trust"ⁱⁱⁱ ("ALT") at the time of acquisition, all foreign persons acquiring Stapled Securities (including existing holders of Stapled Securities acquiring additional Stapled Securities) will require FIRB Clearance unless an exemption applies (see below); and

(b) any investor that is a Foreign Government Investorⁱⁱⁱ acquiring a "direct interest"^{iv} in FHT will require FIRB Clearance at the time of acquisition, regardless of whether FH-REIT or FH-BT is considered to be an ALT or whether FHT has gross Australian assets in excess of AUD252.0 million.

Exemptions from ALT requirements

The FATA contains two relevant exemptions from the requirement to obtain FIRB Clearance that would otherwise apply if FH-REIT or FH-BT was considered to be an ALT such that FIRB clearance would generally only be required for private foreign persons if:

(a) the relevant person's interest in FH-REIT or FH-BT would be valued in excess of a specified threshold prescribed under the FATA (at the date of this announcement, the relevant threshold prescribed under the FATA is AUD252.0 million, unless the ALT has 'sensitive' land holdings, in which case the threshold may be AUD55.0 million)^v; and

(b) the relevant person, together with associates, is acquiring an interest of 10% or more in FHT and will be in a position to influence or participate in the central management and control of the land entity or to influence, participate in or determine the policy of the land entity.^{vi}

14 Additional information - FHT's interests in Australia Land Trust (Cont'd)

Significant actions (i.e. voluntary notification)

If FHT has gross Australian assets in excess of a specified threshold prescribed under the FATA (as at the date of this announcement, the threshold prescribed under the FATA is AUD252.0 million for most private foreign investors)^{vii} at the time of acquisition, all investors (i) who are foreign persons (but not Foreign Government Investors) and (ii) who are acquiring a Substantial Interest in FHT or have a Substantial Interest^{viii} and increase their holding, should note that, while prior notification and FIRB Clearance are not required, the Australian Treasurer still has the power to make adverse orders under the FATA if such transaction is considered to be contrary to Australia's national interest. In such case, it may be prudent for an Investor to seek FIRB Clearance on a voluntary basis.

As at 31 March 2019, the value of the Australian assets comprised in FHT's portfolio is 31.14% of the total asset value of FHT. Consequently, FHT is not considered to be an ALT.

As at 31 March 2019, FHT has gross Australian assets of approximately AUD803.5 million, which is above AUD252.0 million.

Any Investor acquiring Stapled Securities on the secondary market should seek their own advice on the FIRB requirements as they pertain to their specific circumstances.

i A "foreign person" is defined as:

- an individual not ordinarily resident in Australia; or
- a corporation in which an individual not ordinarily resident in Australia, a foreign corporation or a foreign government holds a substantial interest ; or
- a corporation in which 2 or more persons, each of whom is an individual not ordinarily resident in Australia, a foreign corporation or a foreign government, hold an aggregate substantial interest ; or
- the trustee of a trust in which an individual not ordinarily resident in Australia, a foreign corporation or a foreign government holds a substantial interest ; or
- the trustee of a trust in which 2 or more persons, each of whom is an individual not ordinarily resident in Australia, a foreign corporation or a foreign government, hold an aggregate substantial interest; or
- a foreign government; or
- any other person, or any other person that meets the conditions, prescribed by the regulations.

ii An ALT is defined as a unit trust in which the value of interests in Australian land exceeds 50% of the value of the total assets of the unit trust.

iii A 'foreign government investor' is defined to mean:

- a foreign government or separate government entity;
- a corporation or trustee of a trust in which:
 - a foreign government or separate government entity, alone or together with one or more associates, holds a substantial interest (that is, an interest of at least 20 per cent); or
 - foreign governments or separate government entities of more than one foreign country (or parts of more than one foreign country), together with any one or more associates, hold an aggregate substantial interest (that is, an interest of at least 40 per cent);
- a general partner of a limited partnership in which:
 - a foreign government or separate government entity, alone or together with one or more associates, holds an interest of at least 20 per cent; or
 - foreign governments or separate government entities of more than one foreign country (or parts of more than one foreign country), together with any one or more associates, hold an aggregate interest of 40 per cent or more;
- a corporation, trustee or general partner of a kind described above.

iv A 'direct interest' is defined to mean:

- an interest of at least 10 per cent in the entity or business, or
- an interest of at least 5 per cent in the entity or business if the person who acquires the interest has entered a legal arrangement relating to the businesses of the person and the entity or business, or
- an interest of any percentage in the entity or business if the person who has acquired the interest is in a position to:
 - participate or influence the central management and control of the entity or business; or
 - influence, participate or determine the policy of the entity or business.

^v This exemption applies in respect of ALTs that have predominantly developed commercial real estate portfolios (ie, less than 10% residential or vacant commercial land. From 1 July 2017, the reference to residential land in the description of this exemption excludes interests in residential land acquired by a land entity where the land is used for the provision of residential care, a retirement village, or premises that provide accommodation to students in connection with an education institution). FIRB has confirmed that it is the value of the interest being acquired, rather than the value of the underlying land that is determinative for the purposes of this exemption. The concept of 'sensitive' land is broad and includes mines and critical infrastructure (for example, an airport or port).

^{vi} This exemption reflects the 'passive investor administrative exemption' that was previously available prior to 1 December 2015, and applies where an ALT is listed on an official stock exchange (whether in Australia or not).

^{vii} A higher threshold of AUD1,094.0 million applies to foreign persons that are enterprises from the United States, New Zealand, Chile, Japan, South Korea or the People's Republic of China. This does not apply to any subsidiaries incorporated outside of these countries (including Australia).

^{viii} A person holds a 'substantial interest' in a trust if the person together with any one or more associates, holds a beneficial interest in at least 20% of the income or property of the trust.

15 Confirmation pursuant to Rule 720(1) of the SGX-ST Listing Manual

The Managers confirm that they have procured undertakings from all their Directors and Executive Officers (in the format set out in Appendix 7.7) pursuant to Rule 720(1) of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual.

16 Confirmation pursuant to Rule 705(5) of the SGX-ST Listing Manual

We confirm that to the best of our knowledge, nothing has come to the attention of the Board of Directors of each of Frasers Hospitality Asset Management Pte. Ltd. (as manager of FH-REIT) and Frasers Hospitality Trust Management Pte. Ltd. (as trustee-manager of FH-BT) which may render these financial results to be false or misleading, in any material respect.

For and on behalf of the Board of Directors of

Frasers Hospitality Asset Management Pte. Ltd.

Frasers Hospitality Trust Management Pte. Ltd.

Law Song Keng
Director

David Wong See Hong
Director

BY ORDER OF THE BOARD

Frasers Hospitality Asset Management Pte. Ltd.

(Company registration no. 201331351D)

As manager of Frasers Hospitality Real Estate Investment Trust

Frasers Hospitality Trust Management Pte. Ltd.

(Company registration no. 201401270M)

As trustee-manager of Frasers Hospitality Business Trust

Catherine Yeo
Company Secretary
30 April 2019

IMPORTANT NOTICE

This announcement 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 average daily room rates and occupancy, changes in operating expenses (including employee wages, benefits and training costs), property expenses, 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 the Managers' current view on future events.

The value of the Stapled Securities and the income derived from them, may fall as well as 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 have no right to request that the Managers redeem or purchase their Stapled Securities while the Stapled Securities are listed. It is intended that holders of Stapled Securities may only deal in their Stapled Securities through trading on SGX-ST. Listing of the Stapled Securities on the SGX-ST does not guarantee a liquid market for the Stapled Securities.

The past performance of FHT is not necessarily indicative of the future performance of FHT.

Any discrepancies in the tables included in this announcement between the listed amounts and total thereof are due to rounding.