

FAR EAST H-TRUST ACHIEVES FIRST QUARTER DISTRIBUTABLE INCOME ABOVE FORECAST

- Delivers Distribution Income which is 2% above forecast¹
- Declares Distribution per Stapled Security of 1.38 cents, 3% above forecast

Singapore, 8 May 2013 – FEO Hospitality Asset Management Pte. Ltd. (the “REIT Manager”), as manager of Far East Hospitality Real Estate Investment Trust (“Far East H-REIT”), and FEO Hospitality Trust Management Pte. Ltd. (the “Trustee-Manager”), as trustee-manager of Far East Hospitality Business Trust (“Far East H-BT”), wish to announce that Far East Hospitality Trust (“Far East H-Trust”) has achieved Income Available for Distribution of S\$22.1 million for the three months ended 31 March 2013 (“1QFY13”) against its forecast of S\$21.7 million. The REIT Manager has declared a Distribution per Stapled Security for 1QFY13 of 1.38 cents, which is 3% above the forecast of 1.34 cents.

Summary of results

	Period from 1 January to 31 March 2013		
	Actual	Forecast ¹	Variance (%)
Gross Revenue (S\$'000)	S\$28,110	S\$29,335	(4.2)
Net Property Income (S\$'000)	S\$25,962	S\$26,406	(1.7)
Income Available for Distribution (S\$'000)	S\$22,136	S\$21,697	2.0
Distribution per Stapled Security (“DPS”)(cents)	1.38 cents	1.34 cents	3.0

¹ The forecast figures are derived from the full year projection for 2013 as disclosed in the Far East H-Trust’s Initial Public Offering Prospectus of 16 August 2012

The issue managers for the initial public offering and listing of Far East Hospitality Trust were DBS Bank Ltd., Goldman Sachs (Singapore) Pte. and The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch (the “Issue Managers”). The Issue Managers assume no responsibility for the contents of this press release.

On the first quarter performance, Mr Gerald Lee, Chief Executive Officer of the REIT Manager said, “The macro-economic conditions which impacted the hospitality sector in Singapore in the second half of 2012 continued to prevail during the first quarter of 2013. We were able to deliver Distribution per Stapled Security above forecast despite a soft first quarter. This reflects the underlying resilience of our Trust, as well as the effectiveness of our asset and cost management initiatives.”

Review of Performance

For the hospitality sector, the first quarter is traditionally the slowest period of the year with the postponement of corporate travel during the festive season, which comprises the New Year and Lunar New Year. In addition, the first quarter of 2013 is set against a comparatively higher visitor base in early 2012 due to the Singapore Airshow.

Against this backdrop, Far East H-Trust achieved Gross Revenue of S\$28.1 million compared to the forecast of S\$29.3 million for the period. The Hotels in the portfolio contributed 77.9% or S\$21.9 million of the overall Gross Revenue. The remaining 22.1% or S\$6.2 million came from the Serviced Residences.

While the Hotels enjoyed a healthy occupancy of 85.5%, pressure on rates caused the Revenue per Available Room (“RevPAR”) during the first quarter to fall short at S\$161 versus the forecast of S\$173. However, Far East H-Trust demonstrated resilience by maintaining the RevPAR at the level achieved during the same period last year while the hotel industry registered a decline of 3.2% as reported by the Singapore Tourism Board.

For the Serviced Residences, Revenue per Available Unit (“RevPAU”) was S\$219 for the period compared to the forecast of \$221. As compared to last year, this represents a 6.3% increase.

The rental revenue from the commercial spaces in the Hotels and Serviced Residences was 6.3% higher than forecast, helping to offset the lower room revenue at these properties.

Net Property Income for the portfolio was S\$25.9 million against the forecast of S\$26.4 million, while Income Available for Distribution came in higher at S\$22.1 million versus the forecast of S\$21.7 million as a result of active management of finance cost and trust operating expenses.

Outlook

The Singapore Tourism Board expects visitor arrivals to increase by 2.8% to 7.6% this year. However, the market and the operating environment continue to be challenging with new entrants and a tight labour market.

To position Far East H-Trust to meet both the opportunities and challenges of the hospitality industry, the REIT Manager will continue to proactively manage its portfolio of assets to improve the properties' operational performance and tap on the expected tourism growth. In addition, property enhancement initiatives will continue to be carried out at selected Hotels and Serviced Residences to improve their competitiveness and the overall guest experience.

As announced on 15 April 2013, Far East H-Trust has entered into a conditional sale and purchase agreement with The Straits Trading Company Limited to acquire Rendezvous Grand Hotel Singapore and Rendezvous Gallery. A circular will be issued to Stapled Securityholders in due course, together with a notice of an extraordinary general meeting to be convened.

ABOUT FAR EAST HOSPITALITY TRUST (“Far East H-Trust”)

Far East H-Trust is the first and only Singapore-Focused Hotel and Serviced Residence Hospitality Trust. Comprising Far East Hospitality Real Estate Investment Trust (“Far East H-REIT”) and Far East Hospitality Business Trust (“Far East H-BT”), Far East H-Trust has an Initial Portfolio of 11 properties totaling 2,526 hotel rooms and serviced residences units valued at approximately S\$2.16 billion and is Singapore’s largest diversified hospitality portfolio by asset value. Managed by FEO Hospitality Asset Management Pte. Ltd. and FEO Hospitality Trust Management Pte. Ltd. (collectively, the “Managers”) and sponsored by members of Far East Organization Group (the “Sponsor”), Far East H-Trust seeks to provide Stapled Securityholders with regular, stable and growing distributions on a quarterly basis. Far East H-Trust is a component stock of the FTSE ST Mid Cap Index since 18 March 2013.

ABOUT THE MANAGERS

FEO Hospitality Asset Management Pte Ltd and FEO Hospitality Trust Management Pte Ltd are the managers of Far East H-REIT and Far East H-BT respectively. Both are 67.0% owned by FEO Asset Management Pte Ltd (“FAMPL”) which is a wholly-owned subsidiary of Far East Organization Centre

Pte Ltd ("FEOC"), and 33.0% owned by Far East Orchard Limited ("Far East Orchard"), which as at the date of this press release is 59.8% owned by Far East Organisation Pte Ltd ("FEOPL").

IMPORTANT NOTICE

This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income and occupancy, changes in operating expenses, including employee wages, benefits and training, 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. You are cautioned not to place undue reliance on these forward looking statements, which are based on the Managers' current view of future events.

The value of the Stapled Securities and the income derived from them, if any, may fall as well as rise. The Stapled Securities are not obligations of, deposits in, or guaranteed by, the Managers or any of their affiliates. An investment in the Stapled Securities is subject to investment risks, including the possible loss of the principal amount invested. Investors should note that they will have no right to request the Managers to redeem or purchase their Stapled Securities for so long as the Stapled Securities are listed on the SGX-ST. It is intended that investors and 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. The past performance of Far East H-Trust is not necessarily indicative of the future performance of Far East H-Trust.

Media Contact

Weber Shandwick

Gerry Wong

Tel: +65 6825 8069, Mobile: +65 9247 4963

Email: gerry.wong@webershandwick.com

Samuel Chee

Tel: +65 6825 8077, M: +65 9127 1618

Email: samuel.chee@webershandwick.com