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THE SECURITIES OF FAR EAST HOSPITALITY TRUST (“**FAR EAST H-TRUST**”) HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (“**THE SECURITIES ACT**”), AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS UNDER THE SECURITIES ACT. THERE WILL BE NO PUBLIC OFFERING OF THE SECURITIES IN THE UNITED STATES.



Comprising:

**FAR EAST HOSPITALITY
REAL ESTATE INVESTMENT TRUST**

(a real estate investment trust constituted on 1 August 2012 under the laws of the Republic of Singapore) managed by **FEO Hospitality Asset Management Pte. Ltd.**

**FAR EAST HOSPITALITY
BUSINESS TRUST**

(a business trust constituted on 1 August 2012 under the laws of the Republic of Singapore) managed by **FEO Hospitality Trust Management Pte. Ltd.**

ANNOUNCEMENT

Disclosures Pursuant to Rule 704(31) of the Listing Manual of Singapore Exchange Securities Trading Limited (the “SGX-ST”)

*Capitalised terms used herein, unless otherwise defined, have the meanings as defined in the prospectus of Far East H-Trust dated 16 August 2012 and registered with the Monetary Authority of Singapore on 16 August 2012 (the “**Prospectus**”).*

Pursuant to Rule 704(31) of the Listing Manual of the SGX-ST, FEO Hospitality Asset Management Pte. Ltd., as manager of Far East Hospitality Real Estate Investment Trust (“**Far East H-REIT**”), and the manager of Far East H-REIT, the “**REIT Manager**”, and FEO Hospitality Trust Management Pte. Ltd., as trustee-manager of Far East Hospitality Business Trust (“**Far East H-BT**”), and the trustee-manager of Far East H-BT, the “**Trustee-Manager**”, and collectively, the “**Managers**”) wish to announce the following:

- DBS Trustee Limited, in its capacity as trustee of Far East H-REIT (the “**REIT Trustee**”), has entered into loan facilities which have restrictions on change of the REIT Manager as well as change in control of the REIT Manager (the “**Far East H-REIT Facilities**”). The aggregate amount of the Far East H-REIT Facilities that are subject to such restrictions is S\$725.0 million, of which S\$650.0 million has been drawn down and is outstanding as at 27 August 2012.
- The Far East H-REIT Facilities agreement contains two change of control provisions as follows:

DBS Bank Ltd., Goldman Sachs (Singapore) Pte. and The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch are the joint global coordinators for the Offering (collectively, the “**Joint Global Coordinators**”). DBS Bank Ltd., Goldman Sachs (Singapore) Pte., The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch and Oversea-Chinese Banking Corporation Limited are the joint bookrunners and underwriters of the Offering (collectively, the “**Joint Bookrunners**”).

- (i) the REIT Manager shall be majority owned (directly and/or indirectly) by the Sponsor at all times; and
- (ii) Far East H-Trust shall be no less than 30.0% owned (directly and/or indirectly) by the Sponsor at all times,

(the “**Far East H-REIT Facility Conditions**”). There is a provision in the Far East H-REIT Debt Facilities agreement which permits the Sponsor to lower its Stapled Securityholding to less than the respective thresholds with the prior consent of the respective lender.

As at the date of this announcement, there has not been any breach of the Far East H-REIT Facility Conditions. The Sponsor also has not entered into any share pledging arrangement in relation to its current shareholding in the Managers.

By Order of the Board

Mr Gerald Lee Hwee Keong

Chief Executive Officer

**FEO Hospitality Asset Management Pte. Ltd. (Company Registration No. 201102629K)
as manager of Far East Hospitality Real Estate Investment Trust**

**FEO Hospitality Trust Management Pte. Ltd. (Company Registration No. 201210698W)
as trustee-manager of Far East Hospitality Business Trust**

27 August 2012

IMPORTANT NOTICE

This announcement is for information purposes only and does not constitute or form part of an offer, invitation or solicitation of any offer to purchase or subscribe for any securities of Far East H-Trust in Singapore or any other jurisdiction nor should it or any part of it form the basis of, or be relied upon in connection with, any contract or commitment whatsoever.

The value of the Stapled Securities and the income derived from them may fall as well as rise. The Stapled Securities are not obligations of, deposits in, or guaranteed by the Managers, DBS Trustee Limited (in its capacity as trustee of Far East H-REIT), the Sponsor, the Joint Bookrunners or any of their respective affiliates.

An investment in the 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 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.

This announcement is not an offer of securities for sale in the United States or elsewhere. The Stapled Securities are not being registered under the US Securities Act of 1933, as amended (the “**Securities Act**”) and may not be offered or sold in the United States unless registered under the Securities Act or pursuant to an exemption from such registration. There will be no public offering of the Stapled Securities in the United States.