



**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.**

---

**MEMORANDUM OF UNDERSTANDING WITH THE STRAITS TRADING COMPANY LIMITED**

---

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 (the "**Trustee-Manager**", and together with the REIT Manager, the "**Managers**"), are pleased to announce that the REIT Manager has today entered into a non-binding memorandum of understanding with The Straits Trading Company Limited ("**STC**") and Astor Properties Pte. Ltd, a member of the Far East Organization group ("**FEO**") for the Proposed Acquisitions (as defined below) (the "**Acquisition MOU**"), details of the Proposed Acquisitions are set out below.

Pursuant to the Acquisition MOU, the REIT Manager is exploring the proposed acquisition (the "**Proposed REIT Acquisition**") by Far East H-REIT from STC and/or its subsidiaries of a leasehold interest of such tenure to be mutually agreed between the parties (the "**Leasehold Interest**") in the Rendezvous Grand Hotel Singapore (the "**Hotel Component**") and Rendezvous Gallery Singapore (the "**Retail Component**") which are located at Bras Basah in Singapore (the Hotel Component and the Retail Component shall collectively be referred to as the "**Property**").

Separately, pursuant to the Acquisition MOU, FEO is exploring the proposed acquisition from STC and/or its subsidiaries of the reversionary interest for the remaining leasehold period in the Property (the "**Proposed FEO Acquisition**") by an entity of the Far East Organization group to be identified by FEO ("**FEO Nominee**"). It is currently contemplated that the Proposed REIT Acquisition and the Proposed FEO Acquisition (collectively, the "**Proposed Acquisitions**") shall be conditional upon each other occurring. Simultaneously with the entry into of the Acquisition MOU, the REIT Manager has today also entered into a non-binding memorandum of understanding with FEO to explore entering into a master lease agreement with FEO Nominee (the "**Master Lease Transaction**", and together with the Proposed Acquisitions, the "**Proposed Transactions**") concurrently with and conditional upon the completion of the Proposed Acquisitions, where FEO Nominee will be the master lessee of the Hotel Component.

<p>The issue managers for the initial public offering and listing of Far East Hospitality Trust are DBS Bank Ltd., Goldman Sachs (Singapore) Pte. and The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch (the "<b>Issue Managers</b>"). The Issue Managers assume no responsibility for the contents of this announcement.</p>
---

The REIT Manager and FEO are currently evaluating the Proposed Transactions. Far East H-REIT is also exploring the various methods of financing the Proposed REIT Acquisition, including debt financing and/or the issuance of stapled securities in Far East Hospitality Trust (including consideration securities).

The Proposed Transactions are also subject to satisfactory due diligence, relevant valuations being carried out, the receipt of the requisite approvals and definitive agreements being negotiated, finalised and executed by the parties. No definitive agreements have been executed, and accordingly, there can be no assurance that the Proposed Transactions will proceed.

If the Proposed Transactions were to proceed, the definitive agreements will be signed after the financial year ending 31 December 2012, and therefore the Proposed Transactions are not expected to have a material impact on Far East Hospitality Trust's financial performance for the financial year ending 31 December 2012.

The Managers will provide further details in subsequent announcements in accordance with the Listing Rules at appropriate times.

In the meantime, holders of stapled securities in Far East Hospitality Trust (the "**Stapled Securities**", and the holders of the Stapled Securities, the "**Stapled Securityholders**") are advised to refrain from taking any action in respect of their Stapled Securities which may be prejudicial to their interests and to exercise caution when dealing with the Stapled Securities. In the event that the Stapled Securityholders wish to deal in the Stapled Securities, they are advised to seek their own advice and/or consult their own stockbrokers.

By Order of the Board

Chloe Kho Kim Suan  
Company Secretary

**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)**

26 November 2012

#### **IMPORTANT NOTICE**

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), 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.