



1Q 2013 Results Presentation

8 May 2013

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Results Highlights



Executive Summary - Performance

	Actual 1Q 2013	Forecast 1Q 2013	Variance
	\$	\$	
Gross Revenue (\$'000)	28,110	29,335	-4.2%
NPI (\$'000)	25,962	26,406	-1.7%
Income Available for Distribution (\$'000)	22,136	21,697	+2.0%
DPS (cents)	1.38	1.34	+3.0%

- **Income Available for Distribution is 2.0% higher than forecast, despite a weak operating environment.**
- **DPU exceeded forecast by 3.0%**



Financial Results

	Actual 1Q 2013	Forecast 1Q 2013	Variance	Variance
	S\$'000	S\$'000	S\$'000	%
Master lease rental	23,471	24,970	(1,499)	-6.0%
Retail and office revenue	4,639	4,365	274	+6.3%
Gross revenue	28,110	29,335	(1,225)	-4.2%
Property tax	(1,693)	(1,869)	176	+9.4%
Property insurance	(17)	(38)	21	+55.3%
MCST contribution	(12)	(12)	-	0.0%
Retail and office expenses	(297)	(919)	622	+67.7%
Property manager fees	(120)	(91)	(29)	-31.9%
Other property expenses	(9)	-	(9)	N.M.
Property expenses	(2,148)	(2,929)	781	+26.7%
Net property income	25,962	26,406	(444)	-1.7%
REIT Manager's fees	(2,680)	(2,729)	49	+1.8%
Trustee's fees	(69)	(107)	38	+35.5%
Other trust expenses	(160)	(260)	100	+38.5%
REIT level expenses	(2,909)	(3,096)	187	+6.0%
Interest expense	(2,914)	(4,067)	1,153	+28.4%
Realised interest rate swap cost	(818)	-	(818)	N.M.
Total finance costs	(3,732)	(4,067)	335	+8.2%
Net income before tax and fair value changes	19,321	19,243	78	+0.4%
Fair value change in interest rate swap	(139)	-	(139)	N.M.
Total return for the period before income tax	19,182	19,243	(61)	-0.3%



Statement of Distribution to Stapled Securityholders

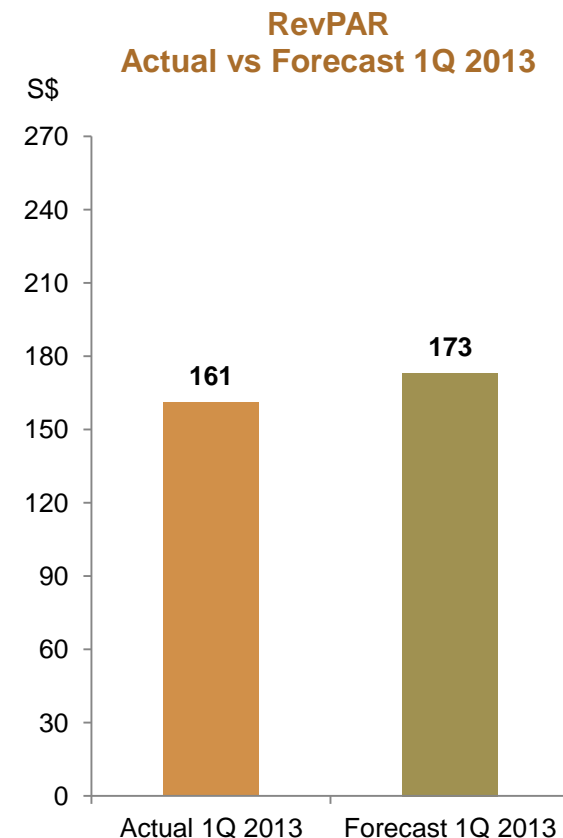
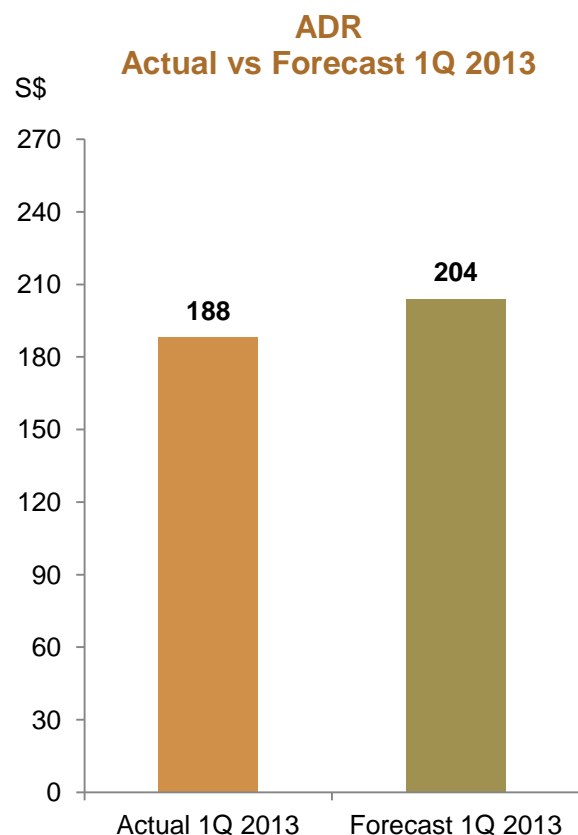
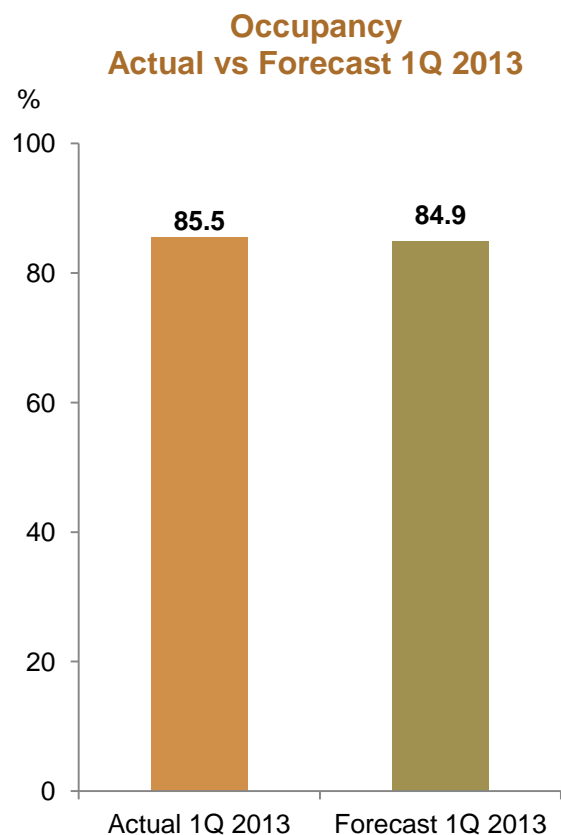
	Actual 1Q 2013	Forecast 1Q 2013	Variance	Variance
	S\$'000	S\$'000	S\$'000	%
Total return for the period before income tax	19,182	19,243	(61)	-0.3%
Income tax expense	-	-	-	-
Total return for the period after income tax	19,182	19,243	(61)	-0.3%
Add/(less) non tax deductible/(chargeable) items :				
REIT Manager's fees paid/payable in stapled securities	2,144	2,183	(39)	-1.8%
Amortisation of debt upfront cost	168	164	4	+2.4%
Trustee's fees	69	107	(38)	-35.5%
Other Adjustment	25	-	25	N.M.
Amortisation of realised interest rate swap cost	409	-	409	N.M.
Fair value change in interest rate swap	139	-	139	N.M.
Net tax adjustment	2,954	2,454	500	+20.4%
Income available for distribution	22,136	21,697	439	+2.0%



Portfolio Performance



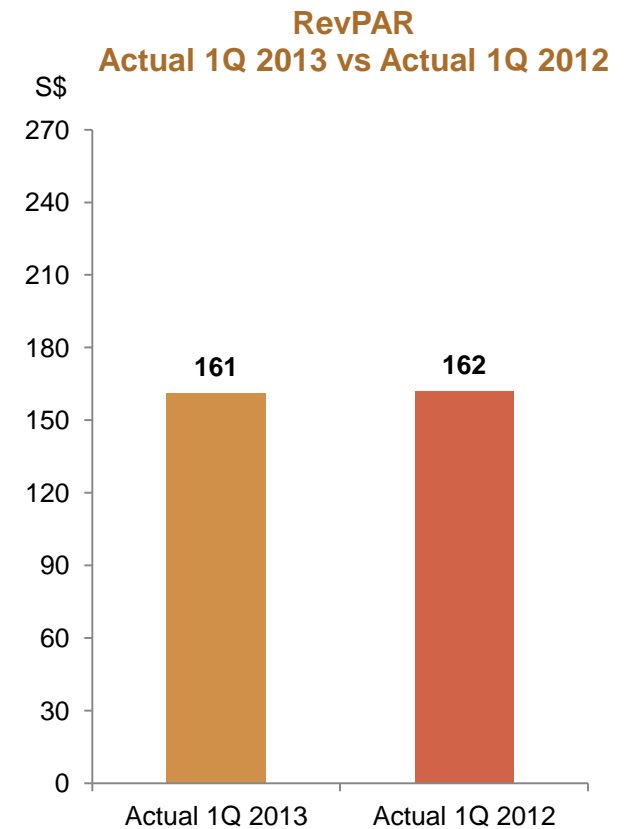
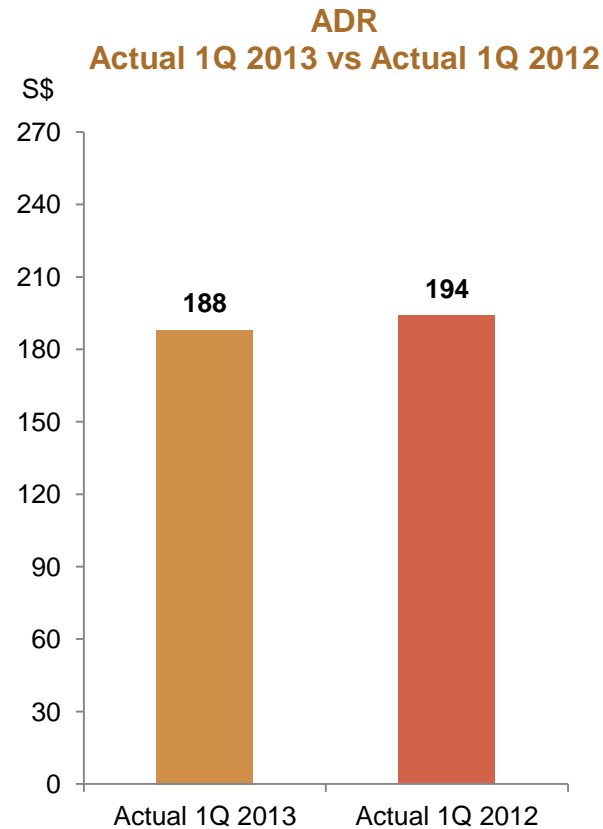
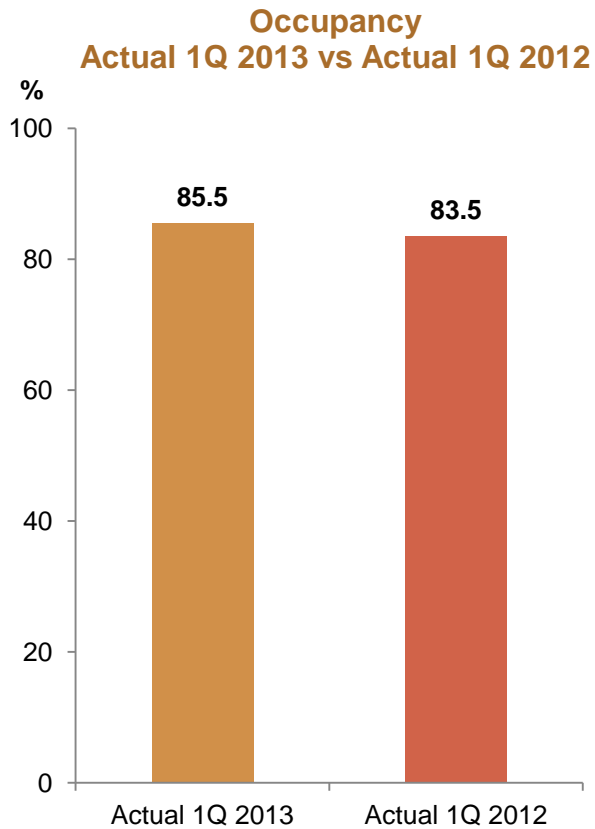
Summary of Portfolio Performance - Hotels



- Hotel occupancy is higher than forecast, although the softer ADR dragged down RevPAR.



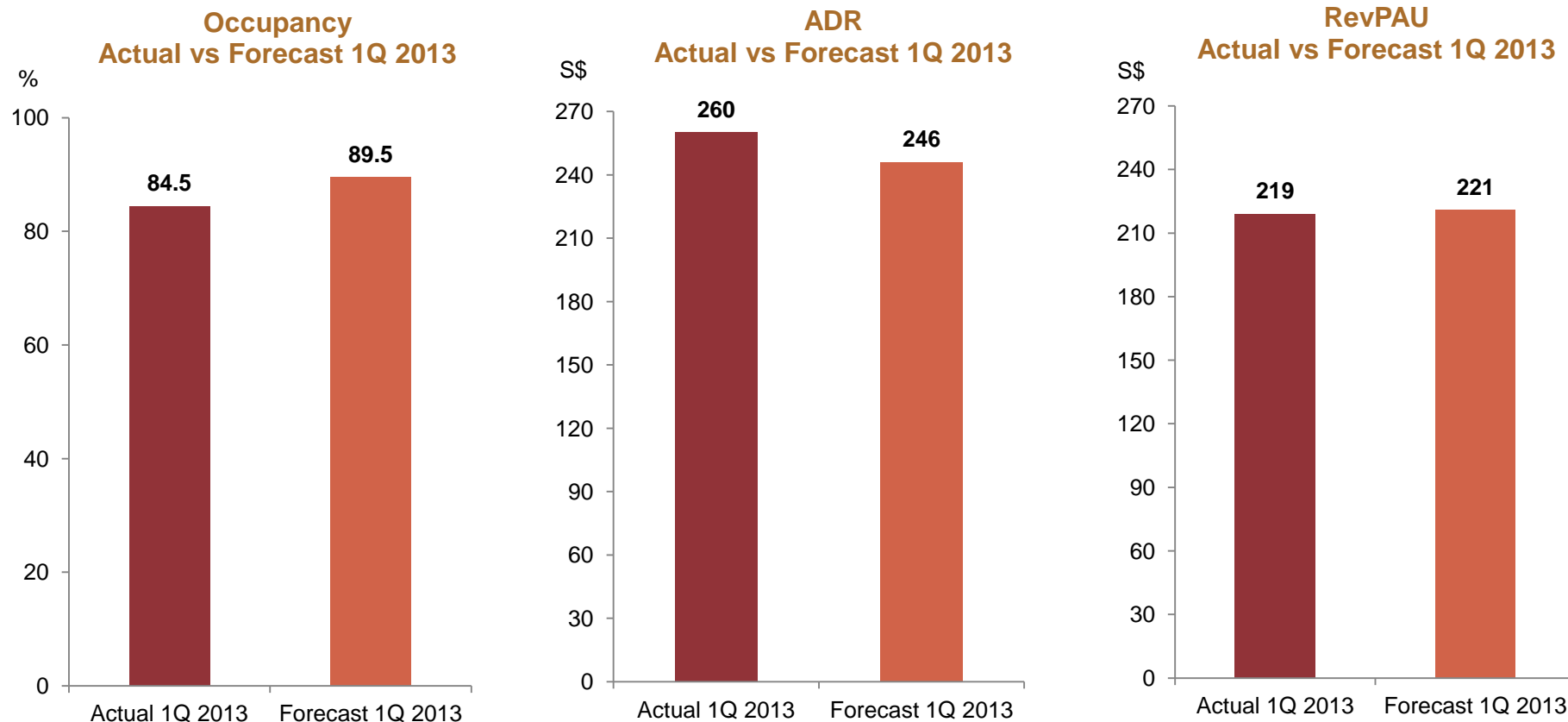
Summary of Portfolio Performance - Hotels



- Hotel RevPAR showed resilience compared to 1Q 2012 although the market experienced a 3.2% drop.



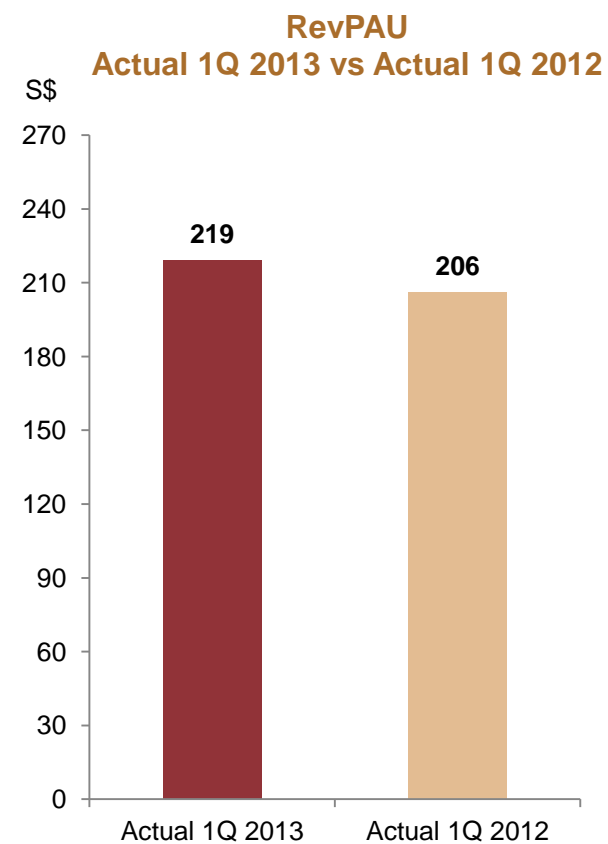
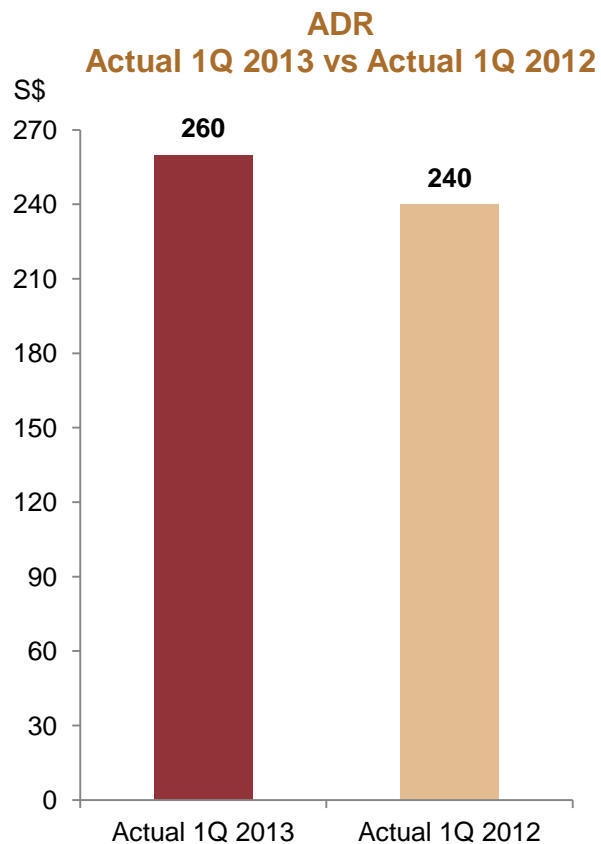
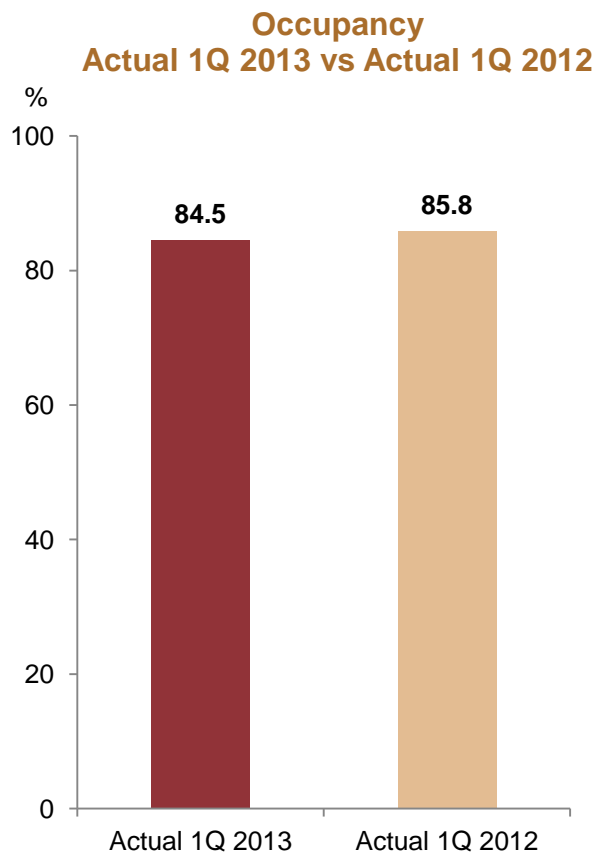
Summary of Portfolio Performance – Serviced Residences



- SR Occupancy has improved 5.4pp vs 4Q 2012, while ADR remains at a healthy level.



Summary of Portfolio Performance – Serviced Residences

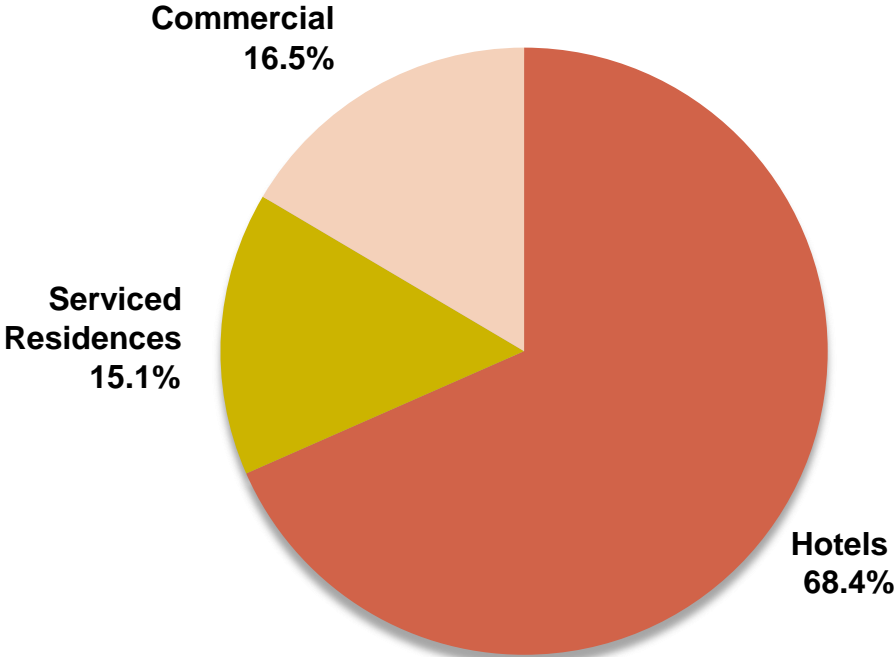


- SR RevPAU has improved 6.3% compared to 1Q 2012.



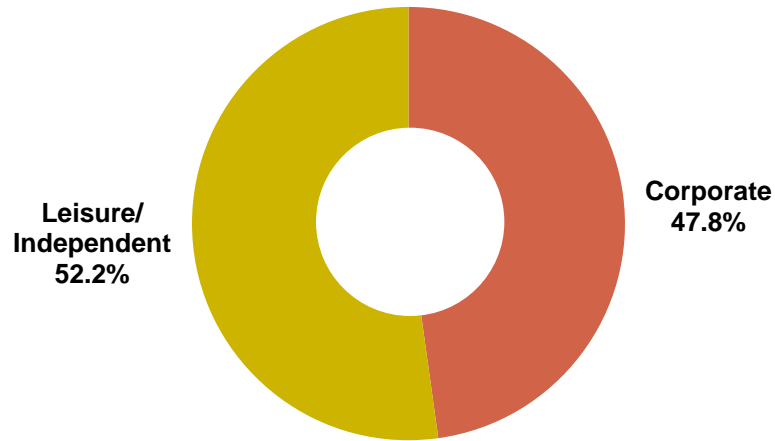
Breakdown of Gross Revenue – Total Portfolio

Actual 1Q 2013

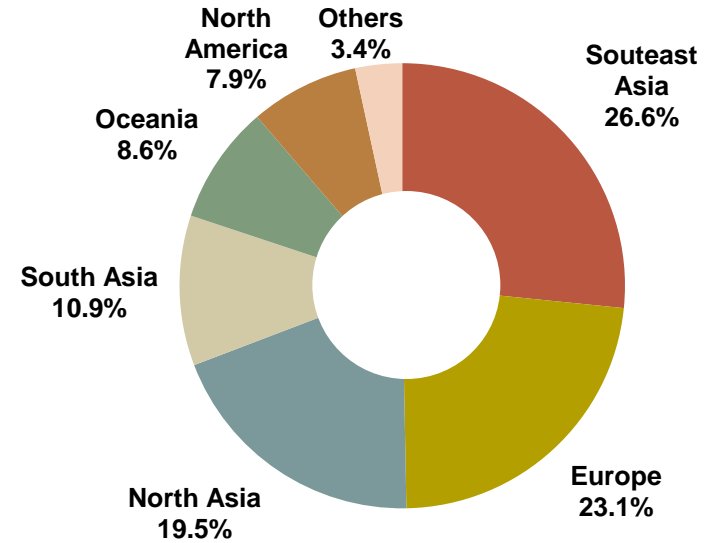


Market Segmentation 1Q 2013 - Hotels

Hotels (by Revenue)



Hotels (by Region)

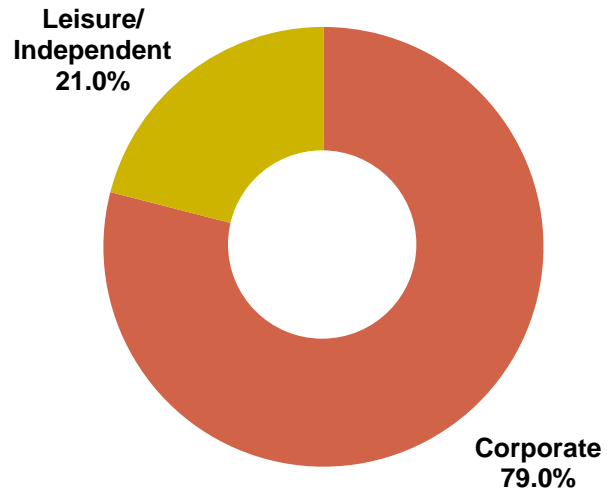


- The Corporate segment remained firm.
- Travellers from Asia contributed 57% of the Hotels' revenue.

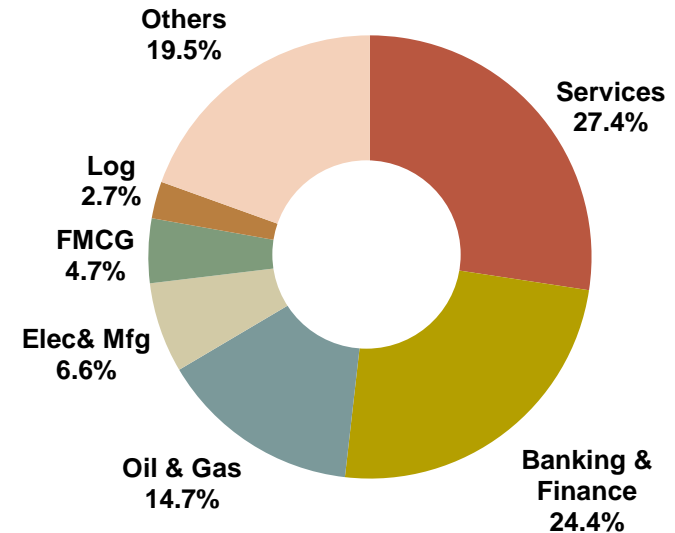


Market Segmentation 1Q 2013 – Serviced Residences

Serviced Residences (by Revenue)



Serviced Residences (by Industry)



- The Serviced Residences further diversified the revenue base by tapping into the Leisure & Independent segment, as well as clients from different industries.



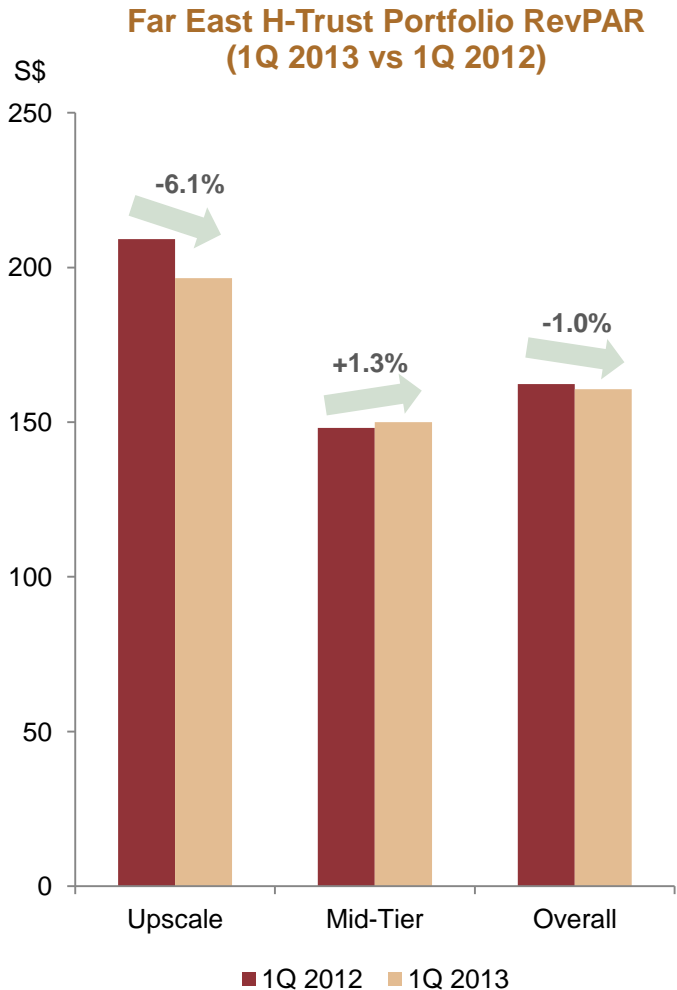
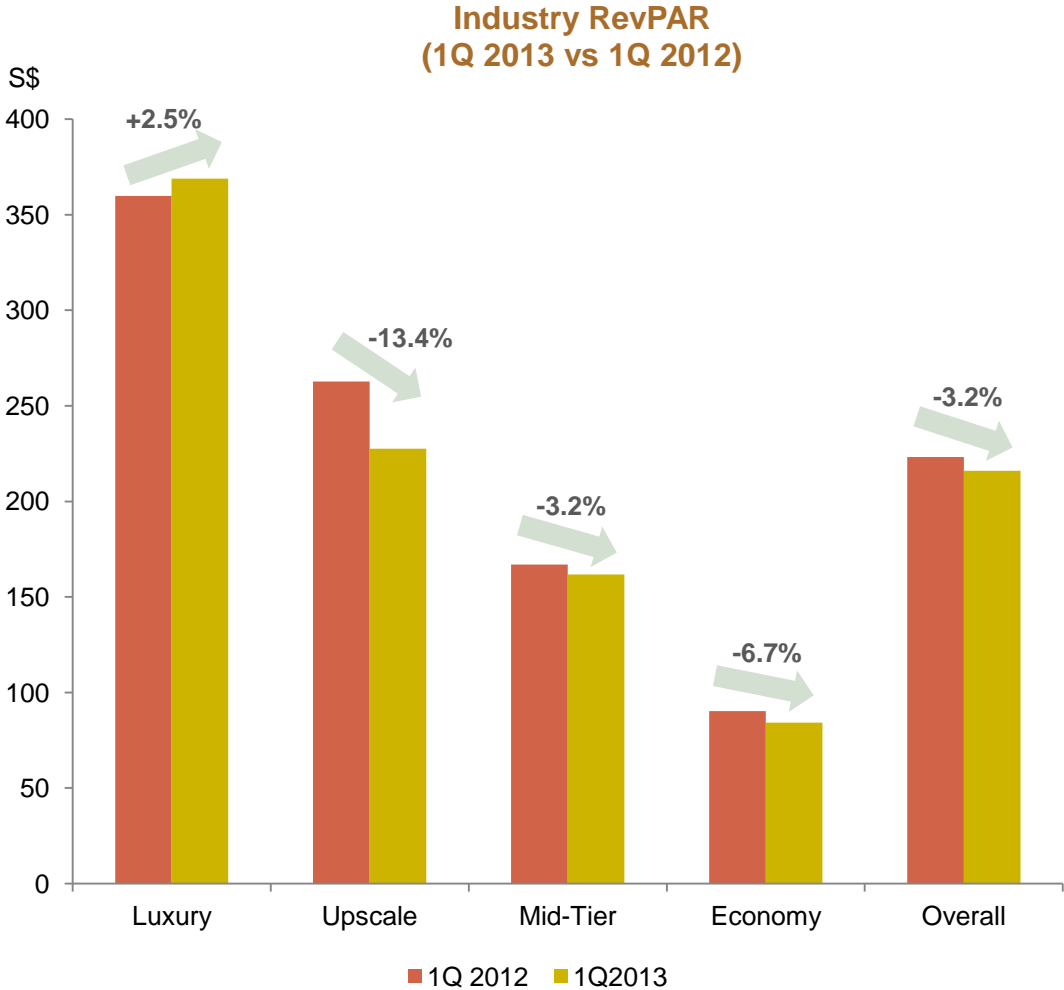
Singapore Economic & Tourism Outlook



- **1Q 2013 ended soft but 2013 GDP Forecast remains positive**
 - Advanced estimates by Ministry of Trade and Industry show Singapore's 1Q 2013 GDP contracting by 0.6% year-on-year and 1.4% quarter-on-quarter.
 - Monetary Authority of Singapore predicts moderate GDP growth of 1% to 3%, but thinks it may not reach the high end of the range.
- **Singapore Hospitality Market**
 - According to Singapore Tourism Board (STB), 1Q 2013 RevPAR across all hotel segments decreased by 3.2% year-on-year.
 - STB expects visitor arrivals to increase by 2.8% to 7.6% in 2013.



Industry & Portfolio RevPAR Comparison (2013 vs 2012)



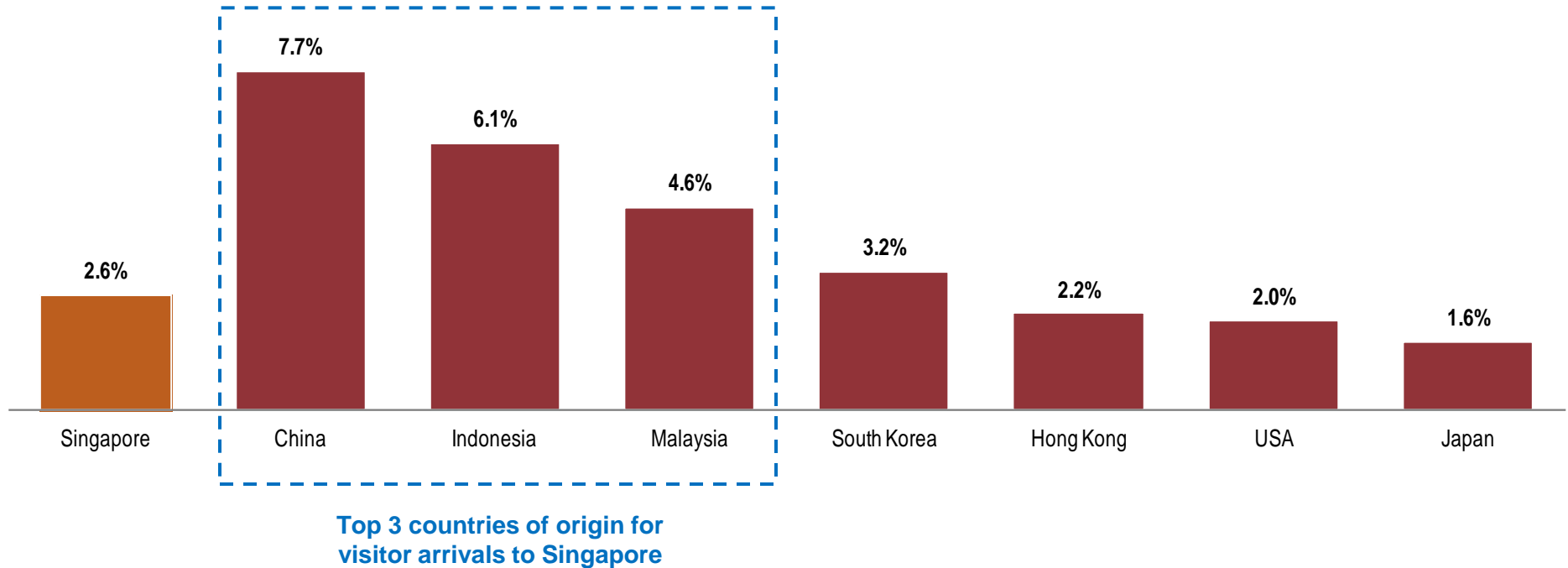
• **Far East H-Trust 's Hotel portfolio demonstrated greater resilience as compared to the industry.**



Source : STB, Far East H-Trust Research

Regional Macroeconomic Outlook

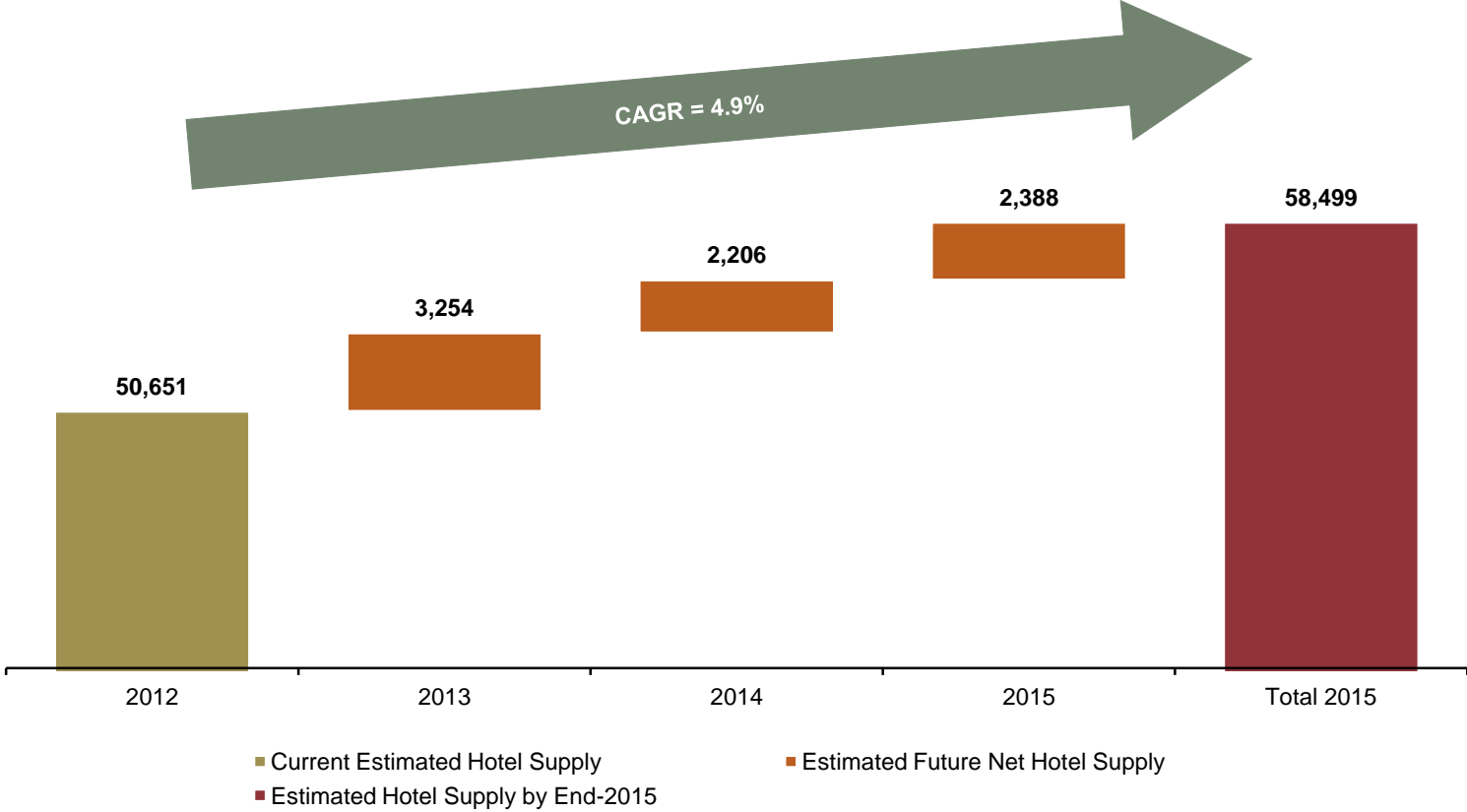
Regional Forecast Average 2012-15 Real GDP Growth



- **GDP growth for China, Indonesia, and Malaysia is expected to remain robust in next 3 years. These 3 markets contribute more than 50% of visitor arrivals to Singapore.**



Hotel Room Supply in Singapore

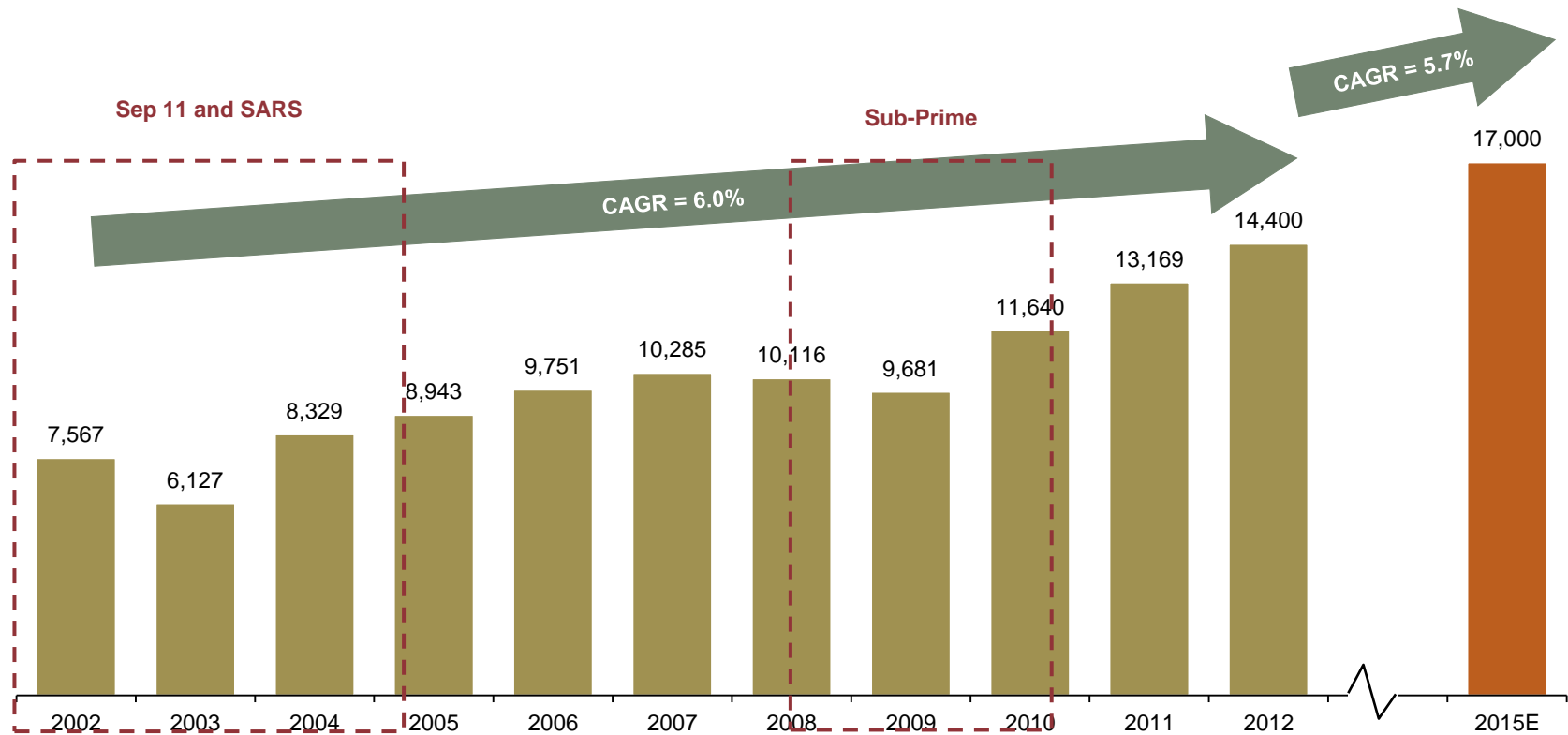


Hotel supply is expected to increase by 4.9% p.a.



Source : CBRE , Far East H-Trust Research

Historical and Forecast Visitor Arrivals in Singapore



Visitor arrivals are projected to grow by 5.7% p.a., exceeding the increase in hotel room supply.



Source : STB

Asset Enhancement Initiatives



Asset Enhancement Initiatives – Planned Refurbishments

Hotel & Serviced Residences

Before



After

Albert Court Village Hotel

Planned upgrade of 135 Superior and Deluxe Rooms and all corridors. Works to be completed by 4Q 2013



Asset Enhancement Initiatives – Planned Refurbishments

Hotel & Serviced Residences

Before



After

Regency House

Planned upgrade of 41 Studio Apartments. Works to be completed by 4Q 2013



Asset Enhancement Initiatives – Planned Refurbishments

Hotel & Serviced Residences

Before



After

Changi Village Hotel

The hotel is undergoing soft refurbishment of 201 rooms
(Painting of walls, change of flooring and drapes, refurbish couch and desk)



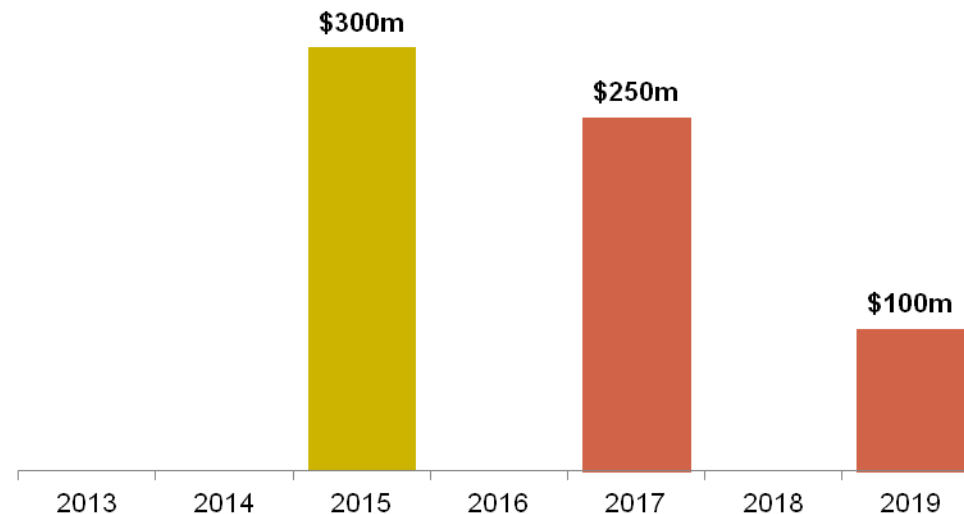
Capital Management



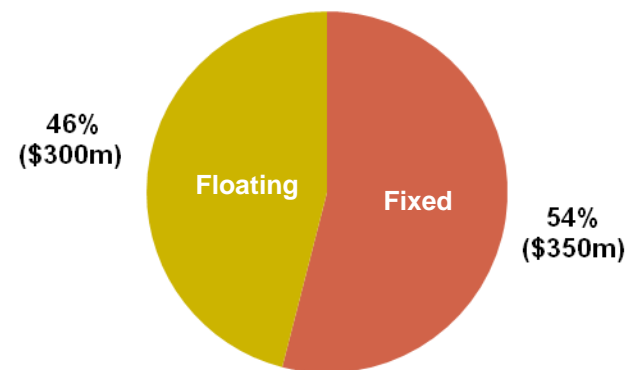
Capital Management

Total Debt	S\$650 m
Revolving Facility	S\$75 m
Gearing Ratio	29.3%
Net Debt / EBITDA	6.5x
Unencumbered Asset as % Total Asset	100%
Proportion of Floating Rate	46%
Proportion of Secured Debt	0%
Weighted Average Debt Maturity	3.8 years
Interest Coverage	8.4x

Debt Maturity Profile



Interest Rate Profile



Details of Distribution



Details of Distribution

For Period From 1 Jan 2013 to 31 Mar 2013

Distribution per Stapled Security	1.38 cents **
Ex-Date	14 May 2013
Book Closure Date	16 May 2013
Distribution Payment Date	14 June 2013

** Represents 100% of income available for distribution for the period



Outlook & Prospects



Outlook & Prospects

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 labor 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.



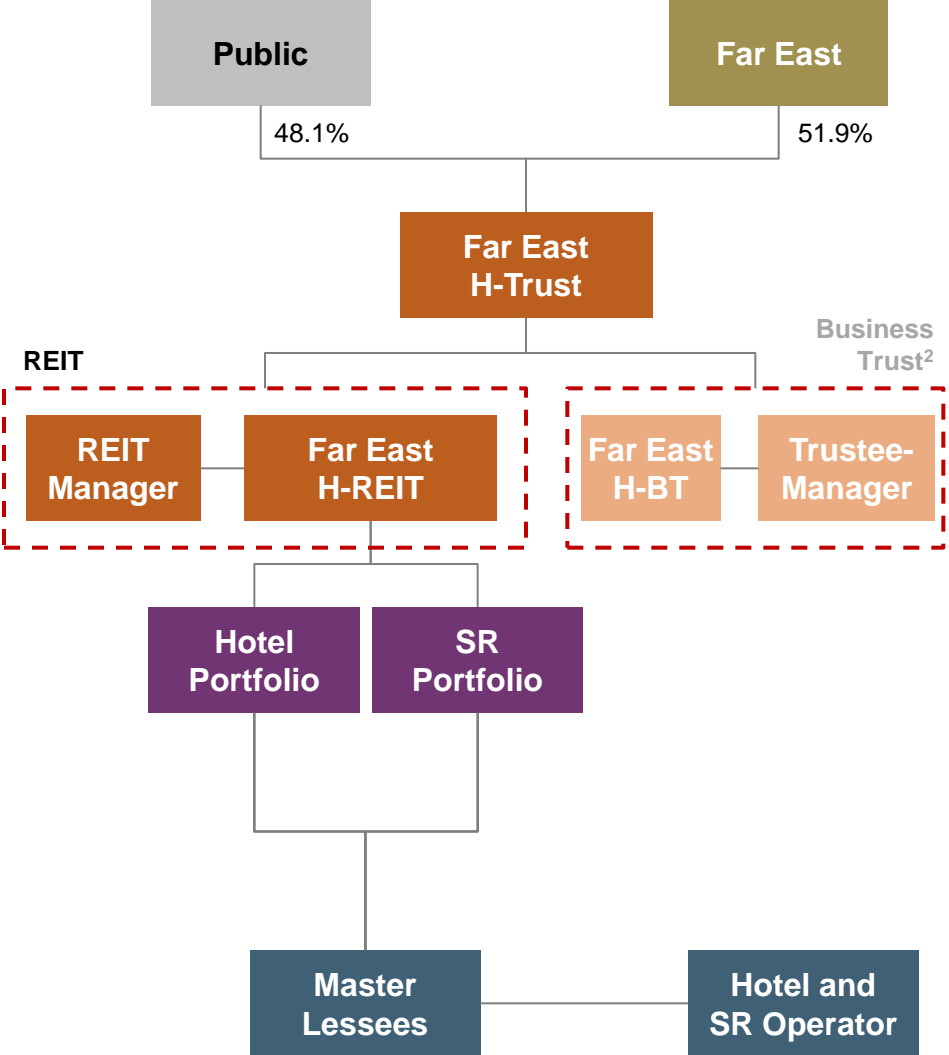
Thank You



Appendix



Overview of Far East H-Trust



Far East H-Trust Asset Portfolio Overview

Hotels



	Albert Court Village Hotel	Changi Village Hotel	The Elizabeth Hotel	Landmark Village Hotel	Oasia Hotel	Orchard Parade Hotel	The Quincy Hotel	Total / Weighted Average
Market Segment	Mid-tier	Mid-tier	Mid-tier	Mid-tier	Mid-tier / Upscale	Mid-tier / Upscale	Upscale	NA
Address	180 Albert Street, S'pore 189971	1 Netheravon Road, S'pore 508502	24 Mount Elizabeth, S'pore 228518	290 Victoria Street, S'pore 188061	8 Sinaran Drive, S'pore 307470	1 Tanglin Road, S'pore 247905	22 Mount Elizabeth Road, S'pore 228517	
Date of Completion	3 Oct 1994	30 Jan 1990 ⁴	3 May 1993	19 Oct 1988	2 June 2011	20 June 1987 ⁴	27 Nov 2008	
# of Rooms	210	380	256	393	428	388	108	2,163
Lease Tenure ¹	75 years	65 years	75 years	66 years	92 years	50 years	75 years	NA
GFA/Strata Area (sq m)	11,426	22,826	11,723	21,676	22,457	34,072	4,810	128,990
Retail NLA (sq m)	[1,002]	[778]	[595]	[1,164]	NA	[3,694]	NA	[7,233]
Office NLA (sq m)	NA	NA	NA	NA	NA	[2,509]	NA	[2,509]
Master Lessee / Vendor	First Choice Properties Pte Ltd	Far East Organization Centre Pte. Ltd.	Golden Development Private Limited	Golden Landmark Pte Ltd	Transurban Properties Pte. Ltd.	Orchard Parade Holdings Limited	Golden Development Private Limited	

¹ At Listing Date

² As at 31 March 2012. Based on the average of Knight Frank's and Colliers' valuations

³ For Forecast Period 2012 from 1 July 2012 to 31 December 2012

⁴ Date of acquisition by Sponsor, as property was not developed by Sponsor

Source: Prospectus

Far East H-Trust Asset Portfolio Overview

Serviced Residences



**Central Square
Village Residence**



**Hougang Village
Residences**



**Riverside
Village Residences**



**Regency
House**

**Total /
Weighted Average**

	Central Square Village Residence	Hougang Village Residences	Riverside Village Residences	Regency House	Total / Weighted Average
Market Segment	Mid-tier	Mid-tier	Mid-tier	Upscale	NA
Address	20 Havelock Road, S'pore 059765	1 Hougang Street 91, S'pore 538692	30 Robertson Quay, S'pore 238251	121 Penang House, S'pore 238464	
Date of Completion	19 Feb 1998	30 Dec 1999	12 July 1996	24 Oct 2000	
# of Rooms	128	78	72	90	368
Lease Tenure ¹	80 years	81 years	78 years	81 years	NA
GFA/Strata Area (sq m)	17,858	14,635	10,592	10,723	53,808
Retail NLA (sq m)	[2,213]	NA	[1,179]	[539]	[3,931]
Office NLA (sq m)	Office: [1,474] Serviced Office: [696]	NA	NA	[2,322]	[4,492]
Master Lessee / Vendor	OPH Riverside Pte Ltd	Serene Land Pte Ltd	Riverland Pte Ltd	Oxley Hill Properties Pte Ltd	

¹ At Listing Date

² As at 31 March 2012. Based on the average of Knight Frank's and Colliers' valuations

³ For Forecast Period 2012 from 1 July 2012 to 31 December 2012

Source: Prospectus