

FAR EAST HOSPITALITY TRUST

A hospitality stapled group 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)

Far East Hospitality Business Trust

(a business trust constituted on 1 August 2012 under the laws of the Republic of Singapore)

CLARIFICATION ANNOUNCEMENT ON ANNUAL REPORT 2014

FEO Hospitality Asset Management Pte. Ltd., as manager of Far East Hospitality Real Estate Investment Trust (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**"), refers to Far East Hospitality Trust's annual report for the financial year ended 31 December 2014 (the "Trust's Annual Report 2014"), which was made available on the SGXNET.

Singapore Exchange Securities Trading Limited (the "SGX-ST") has provided the following comment to the Managers to seek further clarification:-

Comment from the SGX-ST: We note on page 66 of the Trust's Annual Report 2014, the disclosure in relation to interested person transactions entered during the financial period under review. With reference to Listing Rule 907, please disclose the aggregate value of interested person transactions ("IPT") entered into during the financial year under review in the Trust's Annual Report. The name of the interested person and the corresponding aggregate value of the IPT entered into with the same interested person must be presented in the following format:

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)

The Managers wish to provide their clarification as set out below:-

Response from the Managers:

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) S\$'000	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) S\$'000
Rental income - Master Lease ⁽¹⁾	98,396	-
Rental income - Excluded Commercial Premises ⁽²⁾	3,103	-
Rental income received/receivable from FEO Hospitality Asset Management Pte Ltd (the "REIT Manager")	220	-
Total Rental income	101,719	
Management fees paid/payable to REIT Manager	12,017	-
Shared service fees paid/payable to related corporation of the REIT Manager ⁽³⁾	1,425	-
Property management fees paid/payable to Far East Hospitality Management (S) Pte Ltd	550	-
Reimbursable expenses paid/payable to Far East Hospitality Management (S) Pte Ltd ⁽⁴⁾	1,121	-

- (1) The relates to the rental received/receivable from the master lessees of the properties:
- First Choice Properties Pte Ltd
 - Far East Organization Centre Pte Ltd
 - Golden Landmark Pte Ltd
 - Transurban Properties Pte Ltd
 - Far East Orchard Limited
 - Golden Development Pte Ltd
 - Golden Development Pte Ltd
 - Serene Land Pte Ltd
 - OPH Riverside Pte Ltd
 - Serene Land Pte Ltd
 - Oxley Hill Properties Pte Ltd
 - Riverland Pte Ltd
- (2) The relates to rental received/receivable from the related corporation of the REIT Manager:
- Far East Hospitality Holdings Pte. Ltd.
 - Far East Hospitality Management (S) Pte. Ltd.
 - Far East Organization Centre Pte. Ltd.
 - Far East Management (Private) Limited
 - Far East Orchard Limited
 - Kitchen Language Pte. Ltd.
 - Yeo Hiap Seng Ltd
- (3) This relates to the shared services agreements between the master lessees and Far East H-REIT in respect of the properties. Far East H-REIT paid to the master lessees monthly, a share of the costs of the applicable services provided to and attributed to the Excluded Commercial Premises based on the agreed proportion of the total costs and expenses for the properties. The services provided or procured by the master lessees included cleaning and maintenance services, fire alarm system maintenance, lifts maintenance, landscape maintenance, waste disposal services, provision of security services, chiller plant maintenance, air conditioner maintenance and other services.
- (4) This relates to lease commission, lease administration fee, arrears management fees, operation, engineering and technical support services fee.

By Order of the Board

Gerald Lee Hwee Keong
Chief Executive Officer
FEO Hospitality Asset Management Pte. Ltd.
(Company Registration No. 201102629K)
15 April 2015

By Order of the Board

Gerald Lee Hwee Keong
Chief Executive Officer
FEO Hospitality Trust Management Pte. Ltd.
(Company Registration No. 201210698W)
15 April 2015