



# YTL Hospitality REIT – A leading Asia Pacific hospitality REIT

## First Quarter 2015 Financial Results

20 November 2014

YTL HOSPITALITY REIT

# Key Highlights – 1Q FY2015 Results

- Revenue is marginally lower at RM102.3 million as compared to RM102.6million recorded in 1Q FY2014
- Net Property Income (“NPI”) is marginally lower at RM 47.5 million as compared to RM 48.3 million recorded in 1Q FY2014
- 1.92 sen distribution per unit (“DPU”) declared for 1Q FY2015
- Australia portfolio rooms revenue remains strong
  - Average occupancy in 1Q FY2015 is 84%, similar to that recorded in 1Q FY2014
  - Average Daily Rate (“ADR”) and Revenue per Available Room (“RevPar”) remains at A\$ 238 and A\$ 200 respectively, similar to those recorded in 1Q FY 2014

# Financial Snapshot

(RM'000)	1Q FY2015*	1Q FY2014*	% change	YTD FY2015*	YTD FY2014*	% change
Revenue	102,303	102,581	(0.3%)	102,303	102,581	(0.3%)
Net property income	47,472	48,274	(1.7%)	47,472	48,274	(1.7%)
Income available for distribution	26,369	28,217	(6.5%)	26,369	28,217	(6.5%)
Income distribution	25,395	25,395	0.0%	25,395	25,395	0.0%
Distribution per Unit (sen)	1.92	1.92	0.0%	1.92	1.92	0.0%
Payout ratio	96.3%	90.0%	6.3 pp <sup>(1)</sup>	96.3%	90.0%	6.3 pp <sup>(1)</sup>

\* Unaudited

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(1) Change in percentage points

# Financial results

## Income statement

Fiscal year ended 30 June (RM'000)	1Q FY2015*	1Q FY2014*	YTD FY2015*	YTD FY2014*
Hotel revenue	73,941	74,171	73,941	74,171
Property revenue	28,362	28,410	28,362	28,410
<b>Total revenue</b>	<b>102,303</b>	<b>102,581</b>	<b>102,303</b>	<b>102,581</b>
Property operating expenses	(54,831)	(54,307)	(54,831)	(54,307)
<b>Net property income</b>	<b>47,472</b>	<b>48,274</b>	<b>47,472</b>	<b>48,274</b>
Manager's fees	(1,770)	(2,122)	(1,770)	(2,122)
Trustee's fees	(246)	(350)	(246)	(350)
Administration expenses	(1,793)	(1,163)	(1,793)	(1,163)
Finance costs	(19,442)	(18,384)	(19,442)	(18,384)
Depreciation	(16,895)	(12,326)	(16,895)	(12,326)
Other income	1,237	901	1,237	901
<b>Profit before tax</b>	<b>8,563</b>	<b>14,830</b>	<b>8,563</b>	<b>14,830</b>
Income tax expense	(839)	(367)	(839)	(367)
<b>Profit for the period</b>	<b>7,724</b>	<b>14,463</b>	<b>7,724</b>	<b>14,463</b>
Distribution adjustments				
Depreciation	16,895	12,326	16,895	12,326
Others <sup>(1)</sup>	1,750	1,428	1,750	1,428
<b>Income available for distribution</b>	<b>26,369</b>	<b>28,217</b>	<b>26,369</b>	<b>28,217</b>
<b>Income distribution</b>	<b>25,395</b>	<b>25,395</b>	<b>25,395</b>	<b>25,395</b>
<b>Distribution per Unit (sen)</b>	<b>1.92</b>	<b>1.92</b>	<b>1.92</b>	<b>1.92</b>
<b>Units in circulation ('000)</b>	<b>1,324,389</b>	<b>1,324,389</b>	<b>1,324,389</b>	<b>1,324,389</b>

\* Unaudited

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(1) Includes (i) unrealised gains or losses on foreign translation differences, (ii) net income not distributed from foreign operations

# Financial results

## Balance sheet

(RM'000)	As at 30.09.2014*	As at 30.06.2014
<b>Current assets</b>	<b>155,277</b>	<b>168,045</b>
<b>Non-current assets</b>	<b>3,053,294</b>	<b>3,157,589</b>
<b>Total assets</b>	<b>3,208,571</b>	<b>3,325,634</b>
<b>Current liabilities</b>	<b>71,718</b>	<b>77,197</b>
<b>Non-current liabilities</b>	<b>1,577,259</b>	<b>1,578,771</b>
<b>Total liabilities</b>	<b>1,648,977</b>	<b>1,655,968</b>
<b>Net Asset Value</b>	<b>1,559,594</b>	<b>1,669,666</b>
<b>NAV per unit (RM)<sup>(1)</sup></b>	<b>1.197<sup>(3)</sup></b>	<b>1.345</b>
<b>Adjusted NAV per unit (RM)<sup>(2)</sup></b>	<b>1.178</b>	<b>1.261</b>

\* Unaudited

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(1) Before income distribution.

(2) After income distribution.

(3) The recognition of unrealised foreign exchange loss on investments in Japanese and Australian subsidiaries resulted in the decrease in NAV per unit.

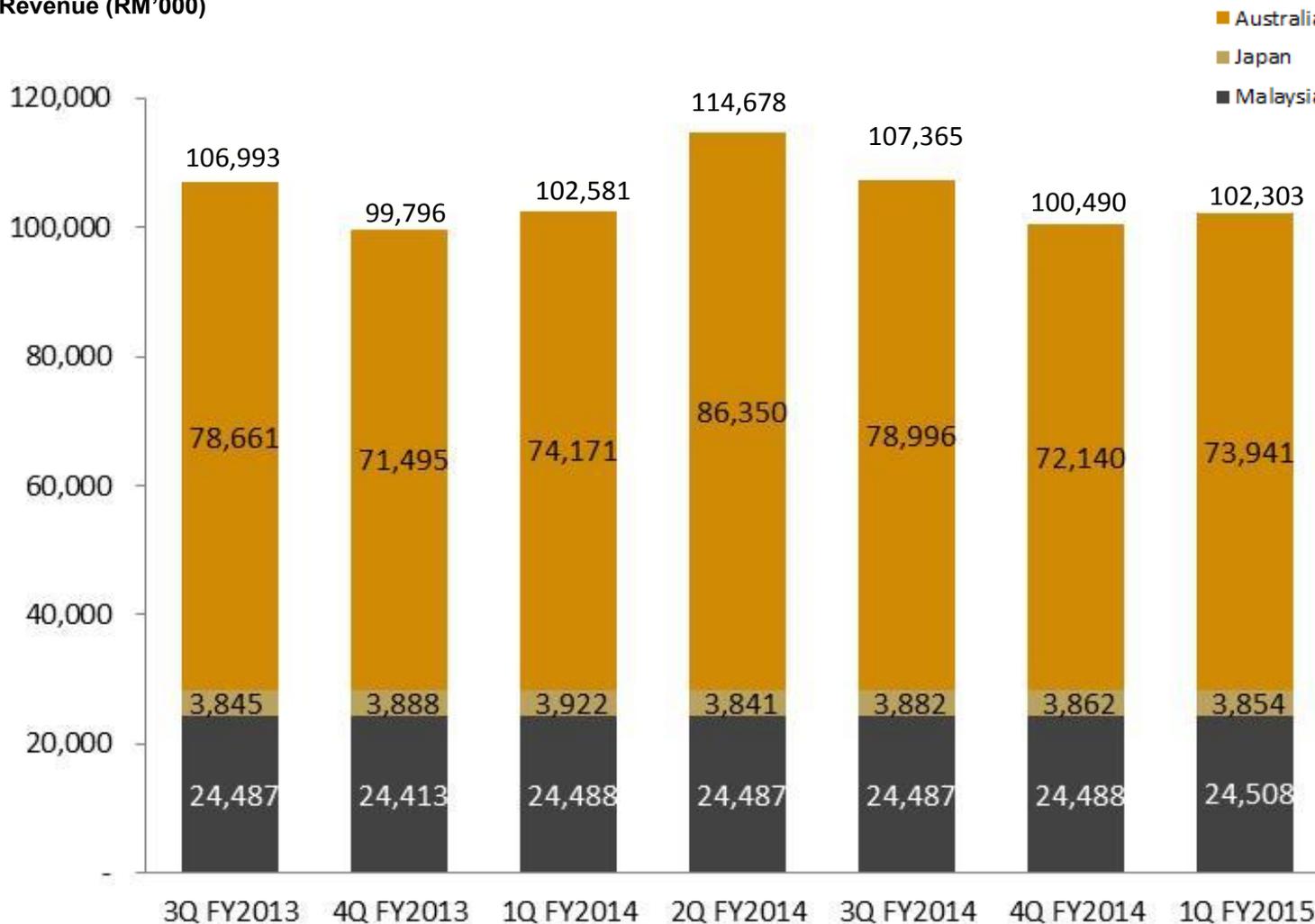
# Portfolio performance by country

1Q FY2015 versus 1Q FY2014

	Revenue (RM'000)			Net property income (RM'000)		
	1Q FY2015	1Q FY2014	% change	1Q FY2015	1Q FY2014	% change
Australia	73,941	74,171	(0.3%)	21,155	21,783	(2.9%)
Malaysia	24,508	24,488	+ 0.1%	23,125	23,277	(0.7%)
Japan	3,854	3,922	(1.7%)	3,192	3,214	(0.7%)

# Revenue breakdown by country

Revenue (RM'000)

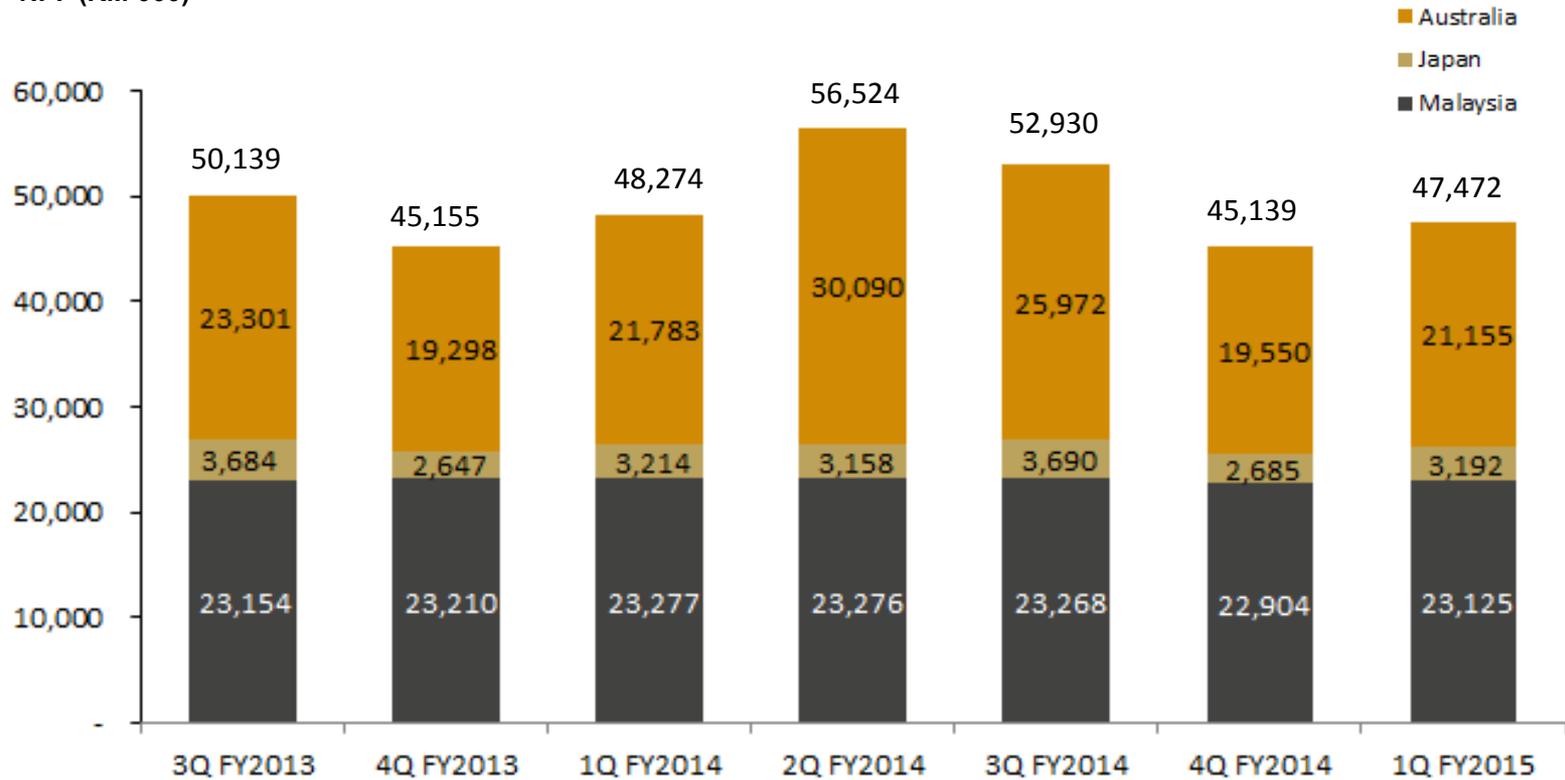


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Note: The variation of the revenue from Australia portfolio is due to seasonal factors

# NPI breakdown by country

NPI (RM'000)



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# Debt profile

## Gearing details

As at 30 September 2014

(RM'000)

<b>Total debt</b> <sup>(1)</sup>	1,581,800
<b>Total assets</b>	3,208,571
<b>Gearing</b>	49.3%
<b>Interest cover</b> <sup>(2)</sup>	2.4x
<b>Average interest rate p.a.</b> <sup>(3)</sup>	4.70%
<b>Maturity date of secured loan</b>	<b>23-Nov-17</b>

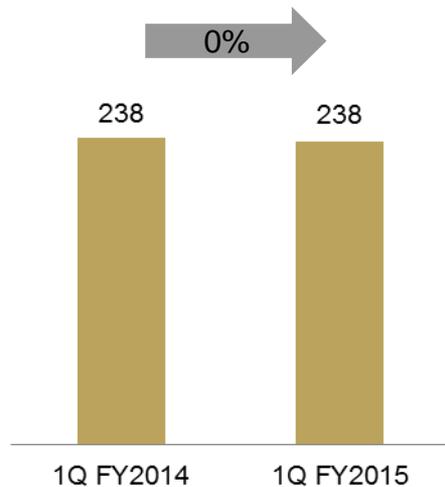
\* Unaudited

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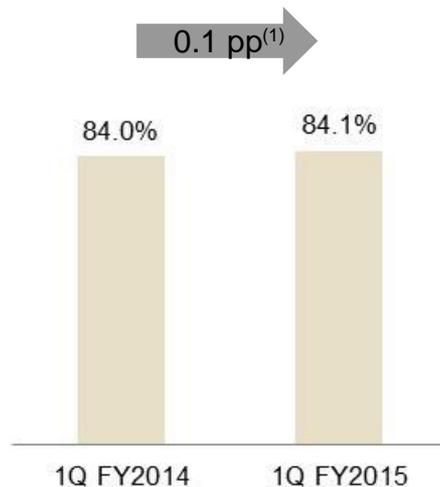
(1) The debt matures in FY 2017  
(2) Calculated as 1Q FY2015 NPI / 1Q FY2015 finance cost.  
(3) 1Q FY2015

# Details of Australia portfolio performance - 1Q FY2014 vs 1Q FY2015

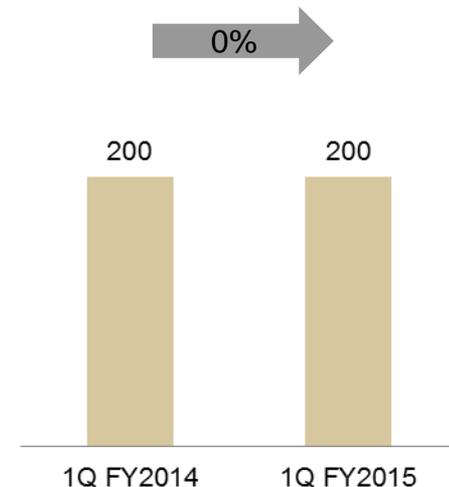
## Average Daily Rate (A\$)



## Occupancy rate (%)



## RevPar (A\$)

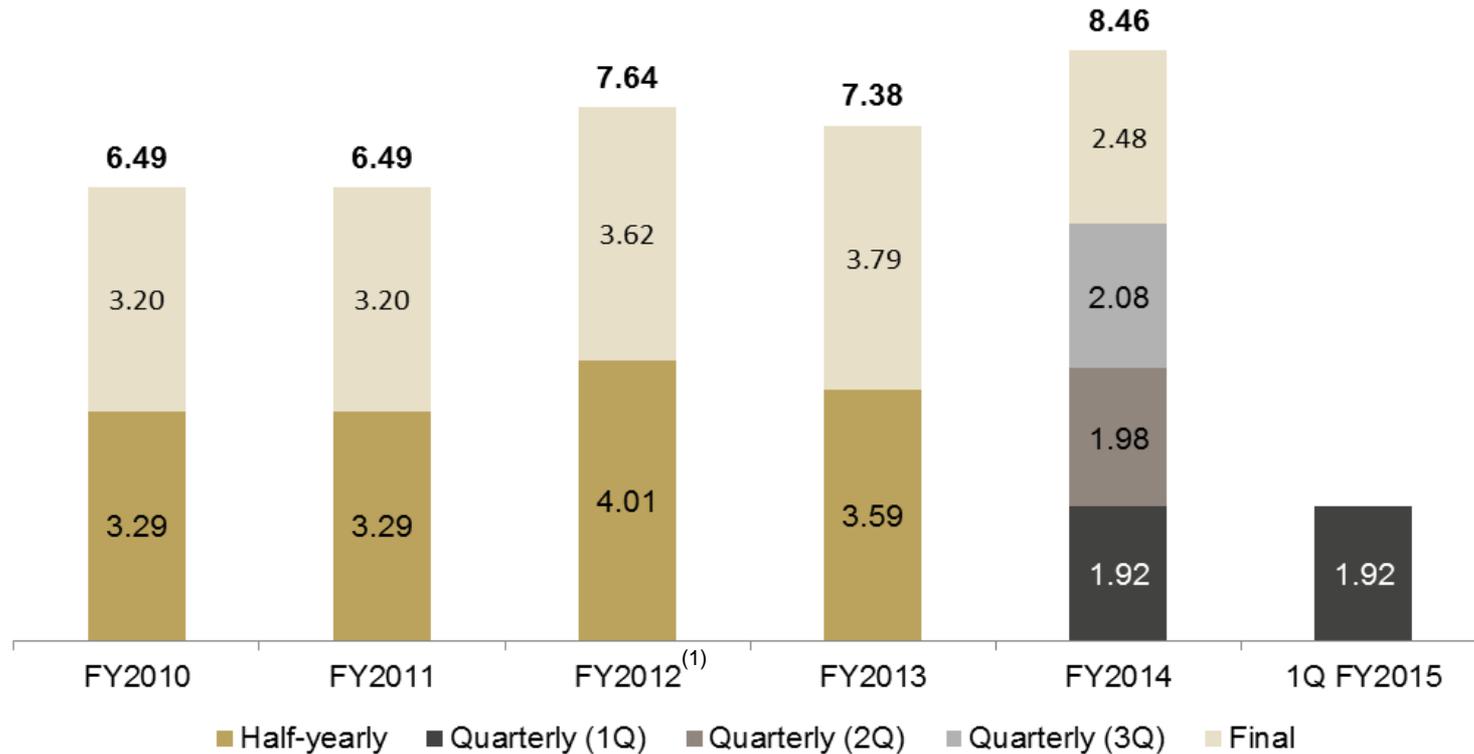


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(1) Change in percentage points

# Distribution performance

## Distribution per unit (sen)



YTL Hospitality REIT started paying quarterly distributions commencing the financial year ended 30 June 2014

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(1) Includes one-off gain on sale of Convertible Preferred Units issued by Starhill Global Real Estate Investment Trust amounting to RM19.6m, approximately 1.48 sen per unit.

# Distribution time table

<b>Distribution period</b>	<b>1 July to 30 September 2014</b>
<b>Distribution per unit</b>	<b>1.92 sen</b>

## Distribution timetable

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<b>Ex-date</b>	<b>3 December 2014</b>
<b>Entitlement Date</b>	<b>5 December 2014</b>
<b>Payment Date</b>	<b>24 December 2014</b>



# YTL HOSPITALITY REIT

## **Appendix**

# YTL Hospitality REIT overview

A unique investment opportunity providing exposure to high quality Asia Pacific hospitality assets

9 luxury hotels, 3 upscale hotels and 1 serviced residence



## YTL Hospitality REIT overview

Asset value	No. of rooms / units	NPI breakdown <sup>(2)</sup>	Countries	Market capitalisation <sup>(3)</sup>
RM3.05 billion <sup>(1)</sup>	3,706	Master lease (55%) Management contract (45%)	Malaysia Australia Japan	RM1.34 billion

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(1) Based on investment properties and property, plant & equipment as at 30 September 2014.  
 (2) Based on NPI for the financial period ended 30 September 2014.  
 (3) Based on YTL Hospitality REIT's closing price of RM1.01 per unit as at 30 September 2014.

# Portfolio valuation

3,706 rooms and units located across 3 countries

## Portfolio overview

	# of rooms / units	Appraised value (RM'000)	% of total appraised value
JW Marriott Hotel Kuala Lumpur*	561	383,000	12.5%
The Residences at The Ritz-Carlton, Kuala Lumpur*	114	239,000	7.8%
The Ritz-Carlton, Kuala Lumpur*	251	310,000	10.1%
Vistana Kuala Lumpur Titiwangsa*	364	111,000	3.6%
Vistana Penang Bukit Jambul*	427	109,000	3.5%
Vistana Kuantan City Centre*	215	81,000	2.6%
Pangkor Laut Resort*	97	109,000	3.5%
Tanjong Jara Resort*	99	100,000	3.3%
Cameron Highlands Resort*	56	58,000	1.9%
Hilton Niseko Village <sup>*(1)</sup>	506	213,045	6.9%
Sydney Harbour Marriott <sup>(2)</sup>	563	887,592	28.9%
Brisbane Marriott <sup>(2)</sup>	267	282,025	9.2%
Melbourne Marriott <sup>(2)</sup>	186	188,255	6.1%
<b>Total</b>	<b>3,706</b>	<b>3,070,917</b>	<b>100.0%</b>

\* Properties that are master leased.

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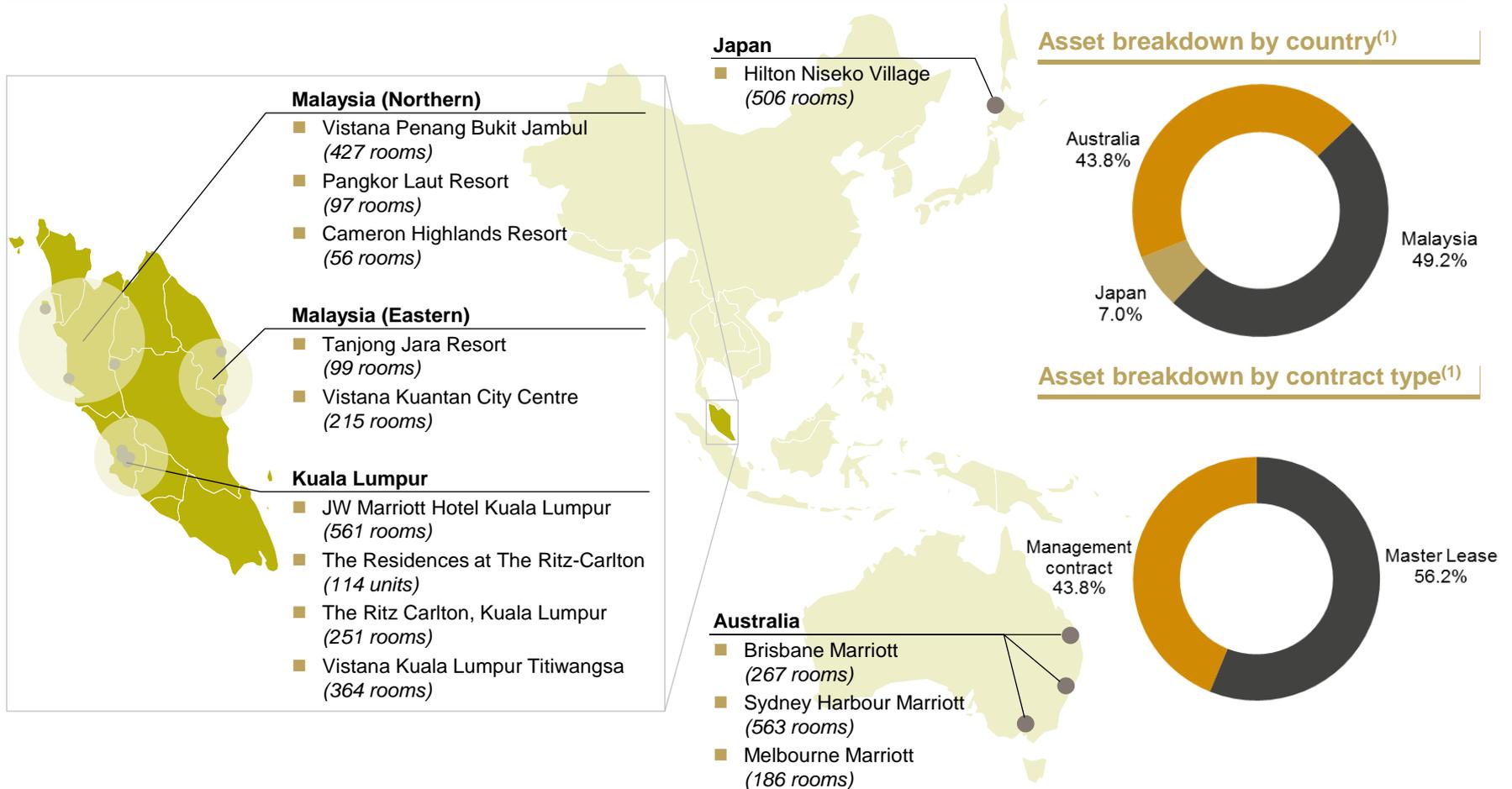
(1) Converted at exchange rate of JPY100: RM2.9922 as at 30 September 2014.

(2) Converted at exchange rate of A\$1.00: RM2.8632 as at 30 September 2014.

# A portfolio of upscale and luxury hotels and serviced residences

3,706 rooms located across 3 countries

Focused on city and destination hotels and resorts managed by best-in-class operators and affiliated with quality global brands



(1) Based on investment properties and property, plant & equipment as at 30 September 2014.

# Luxury hotels and residences Malaysia



	JW Marriott Hotel Kuala Lumpur	The Ritz-Carlton, Kuala Lumpur	The Residences at The Ritz-Carlton, Kuala Lumpur
<b>Address</b>	183, Jalan Bukit Bintang, 55100 Kuala Lumpur	168, Jalan Imbi and Jalan Yap Tai Chi, 55100 Kuala Lumpur	Lot 1308, Jalan Yap Tai Chi, Seksyen 67 Off Jalan Imbi, 55100 Kuala Lumpur
<b>Description</b>	Centrally located in the heart of KL	Centrally located in the heart of KL	A multiple "Five Star Diamond Award" winner. "Best Business Hotel in Malaysia" by Bloomberg Television and CNBC Asia Pacific
<b>Year open</b>	1997	1997	2005
<b>Master lease expiry</b>	December 31, 2023	November 14, 2026	June 30, 2031
<b>Master lease remaining<sup>(1)</sup></b>	9 years	12 years	17 years
<b>Annual lease ('000)</b>	RM24,300	RM19,250	RM12,600
<b>No. of rooms</b>	561	251	114
<b>Acquisition date</b>	December 16, 2005	November 15, 2011	May 16, 2007 and November 15, 2011
<b>Valuation ('000)</b>	RM383,000	RM310,000	RM239,000

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(1) Lease remaining calculated as of 1 October 2014. There are options for the lessee to renew the lease upon expiry.

# Luxury hotels

## Malaysia and Japan



	Pangkor Laut Resort	Tanjong Jara Resort	Cameron Highlands Resort	Hilton Niseko Village
<b>Address</b>	Pangkor Laut, 32200 Lumut, Perak Darul Ridzuan	Batu 8, Off Jalan Dungun, 23000 Dungun, Terengganu	By the Golf Course, 39000 Tanah Rata, Cameron Highlands, Pahang Darul Makmur	Higashiyama-Onsen, Niseko-town, Abuta-gun, Hokkaido
<b>Description</b>	Located on a privately owned island 1.6km off the west coast of Malaysia. "Number One in the World" in the Conde Nast Traveller UK's Top 100 List	Located on the east coast of Malaysia. Award winning spa resort with an Aga Khan award for architecture	Colonial boutique resort. Voted as one of the world's top 5 Tea Plantation Hotels	Located at the foot of the Niseko Annupuri mountain. Comes with natural hot springs
<b>Year open</b>	1994	1999	2006	1994
<b>Master lease expiry</b>	November 14, 2026	November 14, 2026	November 14, 2026	December 21, 2026
<b>Master lease remaining<sup>(1)</sup></b>	12 years	12 years	12 years	12 years
<b>Annual lease ('000)</b>	RM8,400	RM7,000	RM4,000	RM15,540
<b>No. of rooms</b>	97	99	56	506
<b>Acquisition date</b>	November 15, 2011	November 15, 2011	November 15, 2011	December 22, 2011
<b>Valuation ('000)<sup>(2)</sup></b>	RM109,000	RM100,000	RM58,000	JPY7,120,000 (RM213,045)

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(1) Lease remaining calculated as of 1 October 2014. There are options for the lessee to renew the lease upon expiry.

(2) Hilton Niseko Village's valuation converted at exchange rate of JPY100: RM2.9922 as at 30 September 2014.

# Upscale hotels Malaysia



## Vistana Kuala Lumpur Titiwangsa

## Vistana Penang Bukit Jambul

## Vistana Kuantan City Centre

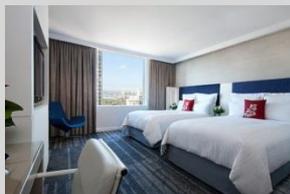
	Vistana Kuala Lumpur Titiwangsa	Vistana Penang Bukit Jambul	Vistana Kuantan City Centre
<b>Address</b>	No.9, Jalan Lumut, off Jalan Ipoh, 50400 Kuala Lumpur	No. 213, Jalan Bukit Gambir, Bukit Jambul, 11950 Pulau Pinang	Jalan Teluk Sisek, 25000 Kuantan, Pahang
<b>Description</b>	Located within the hub of Kuala Lumpur close to key transportation services.	Located in Penang, 12 km southwest of Georgetown City	Located strategically in Kuantan's town centre
<b>Year open</b>	1995	1999	1999
<b>Master lease expiry</b>	November 14, 2026	November 14, 2026	November 14, 2026
<b>Master lease remaining<sup>(1)</sup></b>	12 years	12 years	12 years
<b>Annual lease ('000)</b>	RM8,200	RM8,200	RM6,000
<b>No. of rooms</b>	364	427	215
<b>Acquisition date</b>	November 15, 2011	November 15, 2011	November 15, 2011
<b>Valuation ('000)</b>	RM111,000	RM109,000	RM81,000

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(1) Lease remaining calculated as of 1 October 2014. There are options for the lessee to renew the lease upon expiry.

# Luxury hotels

## Australia



	Sydney Harbour Marriott	Brisbane Marriott	Melbourne Marriott
<b>Address</b>	30 Pitt Street, Sydney, New South Wales	515 Queen Street, Brisbane, Queensland	Corner Exhibition and Lonsdale Street, Melbourne, Victoria
<b>Description</b>	Located on Pitt Street in the heart of the Sydney CDB and in close proximity to tourist attractions of Circular Quay, The Rocks and the Sydney Opera House as well as the city's major office and retail precincts. 5-star AAA tourism rating	Located on the northern end of the Brisbane CBD area, close to the Brisbane River and with a view of the Storey Bridge. 5-star AAA tourism rating	Located in the eastern section of the Melbourne CDB on the corner of Exhibition and Lonsdale Streets. 5-star AAA tourism rating
<b>Year open</b>	1989	1998	1982
<b>No. of rooms</b>	563	267	186
<b>Acquisition date</b>	November 29, 2012	November 29, 2012	November 29, 2012
<b>Valuation ('000)<sup>(1)</sup></b>	A\$310,000 (RM887,592)	A\$98,500 (RM282,025)	A\$65,750 (RM188,255)

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(1) Converted at exchange rate of A\$1.00: RM2.8632 as at 30 September 2014.

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