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PRESS RELEASE

ARA US Hospitality Trust's Maiden Results Exceed IPO Forecast¹

- **Distributable Income of US\$7.7 million and Distribution per Stapled Security ("DPS") of 1.36 US cents exceeded forecast by 3.2% and 3.8%, respectively**
- **Net Property Income of US\$9.9 million outperformed forecast by 0.4%**
- **RevPAR Index of 106.8%² reflects superior portfolio performance and quality**
- **Gearing at 31.9% amongst the lowest in Singapore-listed REITs**

Singapore, 30 July 2019 – ARA US Hospitality Trust ("ARA H-Trust" or "Group"), the first pure-play U.S. upscale select-service hospitality portfolio listed on the SGX-ST, today announced that its financial results for its reporting period from its listing date of 9 May 2019 (the "Listing date") to 30 June 2019 (the "Reporting Period") have exceeded forecast for the same period.

Summary of Results

ARA H-Trust	9 May 2019 to 30 June 2019		
	Actual	Forecast	Change
	US\$'000	US\$'000	%
Distributable Income	7,677	7,439	3.2
Distribution per Stapled Security (cents)	1.36	1.31	3.8
Gross Revenue	28,823	29,195	(1.3)
Net Property Income	9,862	9,821	0.4

DBS Bank Ltd. ("DBS") is the Sole Issue Manager for the Offering (the "Sole Issue Manager"). DBS, Oversea-Chinese Banking Corporation Limited and United Overseas Bank Limited are the Joint Financial Advisers and Joint Global Coordinators for the Offering (collectively, the "Joint Financial Advisers and Joint Global Coordinators"). DBS, Oversea-Chinese Banking Corporation Limited, United Overseas Bank Limited and Credit Suisse (Singapore) Limited are the Joint Bookrunners and Underwriters for the Offering (collectively, the "Joint Bookrunners and Underwriters").

¹ The Prospectus presented the 8-month profit forecast for the period from 1 May 2019 to 31 December 2019. Forecast results for the period from the Listing date to 30 June 2019 is derived by pro-rating the 1 May 2019 to 30 June 2019 profit forecast accordingly.

² RevPAR Index measures a hotel's RevPAR performance relative to an aggregated grouping of competitive hotels. An index greater than 100% represents more than the expected share of the aggregate group's RevPAR performance.

Financial Performance

ARA H-Trust recorded Distributable Income of US\$7.7 million for the Reporting Period, which outperformed forecast by 3.2%. The higher Distributable Income was mainly due to higher Net Property Income and lower borrowing costs. ARA H-Trust recorded a DPS of 1.36 US cents, which was 3.8% higher than the forecast DPS of 1.31 US cents.

For the Reporting Period, Net Property Income was US\$9.9 million and ahead of forecast by 0.4% largely due to lower property expenses from various cost management initiatives including productivity improvements in labor management and energy expense savings through procurement and operating initiatives. With gross revenue slightly lower than forecast by 1.3%, the portfolio occupancy remained strong at 82.8% with Average Daily Rate (“ADR”) of US\$126.

Mr Lee Jin Yong, Chief Executive Officer of the Managers³ said, “We are delighted to present a strong set of results which is consistent with our focus on enhancing value for our securityholders. Our DPS outperformed forecast by 3.8% and the portfolio recorded a RevPAR Index of 106.8%, reflecting the superior performance and attractiveness of our quality portfolio compared to their respective competitive sets. The U.S. economy continues to exhibit stable positive growth which bodes well for the hospitality industry.”

Portfolio Update

During the Reporting Period, Hyatt House hotels performed strongly with occupancy at 87.2% and RevPAR (“Revenue Per Available Room”) of US\$123, which exceeded forecast by 1.6% and 1.7%, respectively. Hyatt House hotels achieved a RevPAR Index of 114.4% compared to their respective competitive sets.

Hyatt Place hotels achieved occupancy of 80.9% and RevPAR of US\$96. Hyatt Place hotels achieved a RevPAR Index of 103.9% compared to their respective competitive sets.

Both Hyatt House and Hyatt Place hotels reported higher gross operating profit margins of 44.5% and 42.0%, which exceeded the forecast by 0.5% and 1.1%, respectively.

Proactive Capital Management

The Managers adopt a prudent approach towards capital management. As at 30 June 2019, gearing was 31.9%, compared to 33.4% at IPO.

Net finance costs of US\$1.4 million was lower than forecast by 12.5% for the Reporting Period due to lower interest rates, interest income from fixed deposits and the repayment of a US\$7.5 million revolving credit facility.

As at 30 June 2019, the debt term to maturity was 4.9 years with 82.9% of debt hedged to fixed rate, providing greater certainty of interest expense.

Positive Outlook

The U.S. reported an annualized real GDP growth rate of 3.1%⁴ for the first quarter of 2019 compared to 2.2% for the fourth quarter of 2018, reflecting positive economic growth since 2010. Consumer confidence remains high as the unemployment rate remained low at 3.7%⁵ in June 2019.

³ Refers to ARA Trust Management (USH) Pte. Ltd., the manager of ARA H-REIT, and ARA Business Trust Management (USH) Pte. Ltd., the trustee-manager of ARA H-BT (collectively known as the “Managers”).

⁴ Bureau of Economic Analysis, United States Department of Commerce.

⁵ Bureau of Labor Statistics, United States Department of Labor.

U.S. lodging demand growth is highly correlated with real GDP growth. The entire U.S. hotel industry reported an increase of 1.1% in RevPAR to US\$93.2 in second quarter of 2019 compared to second quarter of 2018.

Looking ahead, the Managers remain positive about their asset management initiatives to optimize revenue management and improve sales production. The Managers are also actively sourcing accretive acquisitions to enhance stapled securityholders value. The acquisition pipeline remains robust and the Managers are evaluating several potential off-market and marketed transactions.

Barring unforeseen circumstances, the Managers expect Distributable Income for the period from Listing date to 31 December 2019 to be in line with its IPO forecast.

– End –

About ARA US Hospitality Trust

Listed on the Singapore Exchange on 9 May 2019, ARA US Hospitality Trust is a hospitality stapled group comprising ARA US Hospitality Property Trust (“**ARA H-REIT**”) and ARA US Hospitality Management Trust (“**ARA H-BT**”). ARA US Hospitality Trust invests in income-producing real estate assets used primarily for hospitality purposes located in the United States.

As at Listing date, ARA US Hospitality Trust’s initial portfolio comprises 38 upscale select-service hotels across 21 states in the United States (the world’s largest lodging market) with a total of 4,950 rooms valued at US\$719.5 million. 36 out of the 38 hotels have freehold land titles.

ARA US Hospitality Property Trust is managed by ARA Trust Management (USH) Pte. Ltd. and ARA US Hospitality Management Trust is managed by ARA Business Trust Management (USH) Pte. Ltd., collectively, the Managers. The Managers are wholly-owned subsidiaries of ARA Asset Management Limited.

For more information, please visit www.araushotels.com.

About the Sponsor

The Sponsor, ARA Real Estate Investors 23 Pte. Ltd., is an indirect wholly-owned subsidiary of ARA Asset Management Limited, a premier global integrated real assets fund manager. Gross Assets Managed by ARA Group and its Associates is more than S\$80 billion⁶ across over 100 cities in 23 countries.

Driven by a vision to be best-in-class real assets fund management company. ARA Group and its Associates’ businesses include:

(a) **REITs** – ARA is one of the largest REIT managers in Asia Pacific. The Group directly manages Fortune REIT, dual-listed in Singapore and Hong Kong; Suntec REIT, Cache Logistics Trust and ARA US Hospitality Trust, listed in Singapore; and Hui Xian REIT and Prosperity REIT, listed in Hong Kong. It also indirectly manages REITs in Japan, Australia, Singapore and Malaysia through its associate companies.

(b) **Private real estate funds** – The Group manages private funds providing investment opportunities in diverse real estate sectors and geographies that cater to different investor risk appetites.

(c) **Country desks** – ARA operates country desks in China, Korea, Japan, Malaysia, Australia, Europe and the United States. The country desks employ a strong understanding of each local market to facilitate the flow of inbound and outbound capital and cross-country collaborations. ARA has an expanded presence in Japan via its strategic stake in Kenedix, Inc. and in Europe via its strategic stake in Cromwell Property Group.

(d) **Infrastructure** – ARA Infrastructure was established in 2018 to cater to strong investor demand for global infrastructure investment.

(e) **Real estate management services** – As part of the Group’s investor-operator philosophy, its dedicated property management teams actively work the ground to manage its assets globally.

ARA’s multi-platform, multi-product global fund management strategy, combined with its dedicated teams with in- depth local knowledge, enables the Group to offer enduring value to investors. Built on

⁶ Includes assets under management by ARA Asset Management Limited and the Group of companies (“ARA Group”) and its Associates.

a foundation of strong corporate governance and business integrity, ARA counts some of the world's largest pension funds, sovereign wealth funds, financial institutions, endowments and family offices as its investors.

For more information, please visit <http://www.ara-group.com/>.

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This presentation may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. These forward-looking statements speak only as at the date of the presentation. No assurance can be given that future events will occur, that projections will be achieved, or that assumptions are correct. Representative examples of these factors include (without limitation) general industry, hospitality outlook and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of occupancy, ADR and RevPAR, changes in operating expenses, government and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business.

Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management of future events. Predictions, projections or forecasts of the economy or economic trends of the markets are not necessarily indicative of the future or likely performance of ARA US Hospitality Trust. The forecast financial performance of ARA US Hospitality Trust is not guaranteed.

An investment in the Stapled Securities is subject to investment risks, including the possible loss of the principal amount invested. Holders of Stapled Securities ("**Stapled Securityholders**") have no right to request that the REIT Manager or Trustee-Manager redeem or purchase their Stapled Securities while the Stapled Securities are listed. It is intended that the Stapled Securityholders may only deal in their Stapled Securities through trading on Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). Listing of the Stapled Securities does not guarantee a liquid market for the Stapled Securities.

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