

YTL HOSPITALITY REIT



First Quarter FY2018 Financial Results

22 November 2017

KEY HIGHLIGHTS – 1Q FY2018

YTL HOSPITALITY REIT

FINANCIAL HIGHLIGHTS

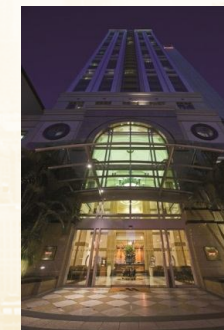
- Income available for distribution of RM33.6 million, +16.3% q-o-q
- 1.9737 sen distribution per unit (“DPU”) declared for 1Q FY2018

CAPITAL MANAGEMENT

- Average interest rates for the quarter
 - Borrowings in Ringgit Malaysia : 4.9%
 - Borrowings in Australian Dollar : 4.6%
- Debt headroom of ~RM2,113 million for acquisitions after completing the acquisition of The Majestic Hotel Kuala Lumpur

PORTFOLIO MANAGEMENT

- Properties in Malaysia and Japan under master leases
- 1Q FY2018 average occupancy rate for properties in Australia: 87.7%
- 1Q FY2018 RevPAR for properties in Australia at AUD 216, 9.5% higher as compared to 1Q FY2017





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Financial performances 1Q FY2018

Pangkor Laut Resort
Perak Darul Ridzuan, Malaysia

FINANCIAL PERFORMANCE: 1Q FY2018

YTL HOSPITALITY REIT

1 July - 30 September	1Q FY2018	1Q FY2017	Change
Total Revenue	120.5	101.1	+ 19.2%
- Hotel Revenue (Management Contracts)	89.8	72.5	+ 23.8% ⁽¹⁾
- Lease Rental (Master Leases)	30.7	28.6	+ 7.4% ⁽²⁾
Net Property Income (NPI)	55.1	47.5	+ 16.1%
- Management Contracts	26.7	21.1	+ 26.5%
- Master Leases	28.4	26.4	+ 7.7%
Income available for distribution	33.6	28.9	+ 16.3%
Income distribution	33.6	27.2	+ 23.7%
- from current quarter	33.6	27.2	+ 23.7%
Distribution per unit (DPU) (sen)	1.9737	2.0528	(3.9%)
Payout ratio (%)	100.0	94.0	+ 6.0 pp*

Notes:

(1) The increase was mainly due to the improvement in room sales after the refurbishment of Sydney Harbour Marriott and the appreciation of the Australian Dollar.

(2) The increase was mainly due to (i) the 5% step-up lease rental income for eight properties and (ii) additional rentals from The Ritz Carlton, Kuala Lumpur-Suite Wing and The Ritz Carlton, Kuala Lumpur-Hotel Wing effective June 2017 after completion of the refurbishment works.

* pp = change in percentage points

All figures in RM million unless indicated otherwise.

STATEMENT OF FINANCIAL POSITION

YTL HOSPITALITY REIT

RM ('000)	As at 30 September 2017 (Unaudited)	As at 30 June 2017 (Audited)	Change
Investment properties	1,931,529	1,937,647	(0.3%)
Property, plant and equipment	1,908,638	1,921,844	(0.7%)
Cash & cash equivalents	142,369	142,462	(0.1%)
Other assets	43,273	37,253	+ 16.2%
Total Assets	4,025,809	4,039,206	(0.3%)
Borrowings	1,406,331	1,404,590	+ 0.1%
Other liabilities	109,612	103,625	+ 5.8%
Total Liabilities	1,515,943	1,508,215	+ 0.5%
Net Asset Value (NAV)	2,509,866	2,530,991	(0.8%)
Number of units in circulation ('000)	1,704,389	1,704,389	0.0%
NAV per unit (RM)	1.473⁽¹⁾	1.485	(0.8%)

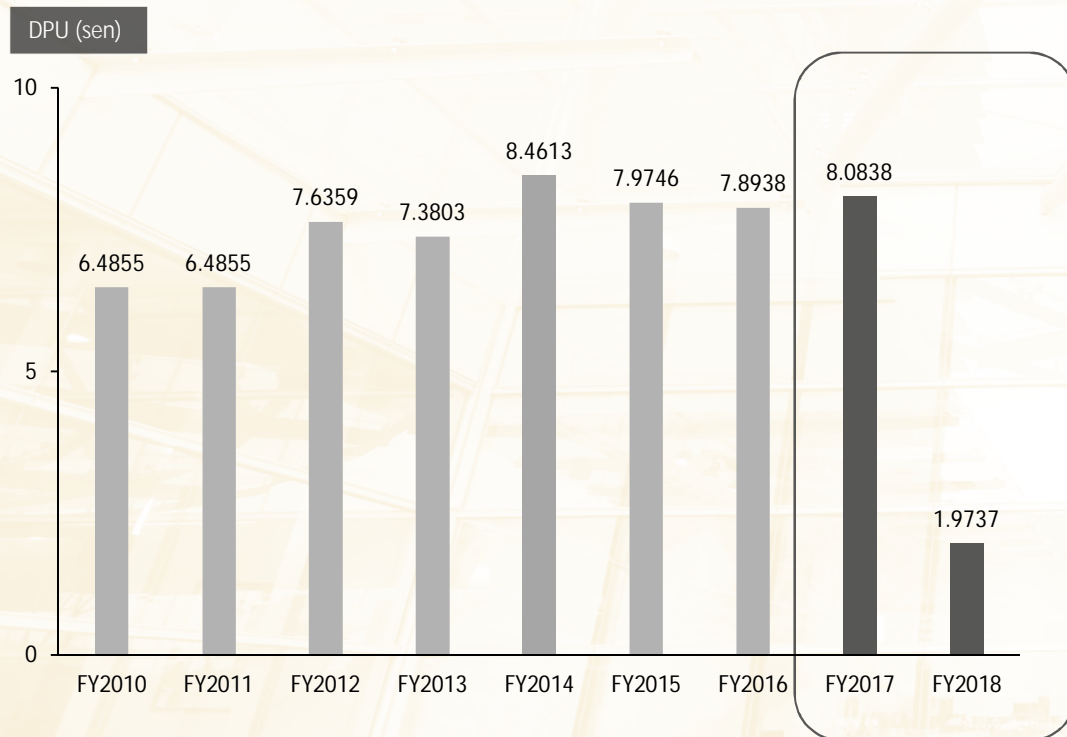
Notes:

(1) After total income distribution of RM33.6million in respect of 1QFY2018.

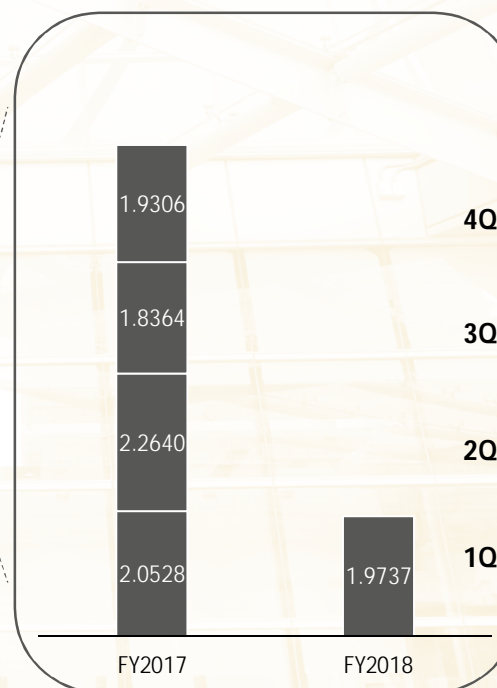
DPU PERFORMANCE

YTL HOSPITALITY REIT

Total DPU



Quarterly Breakdown



	Total Distributions*	
	FY2017	FY2018
Cumulative	122.7	33.6
4Q	32.9	
3Q	31.3	
2Q	31.3	
1Q	27.2	33.6

* In RM million

Notes:

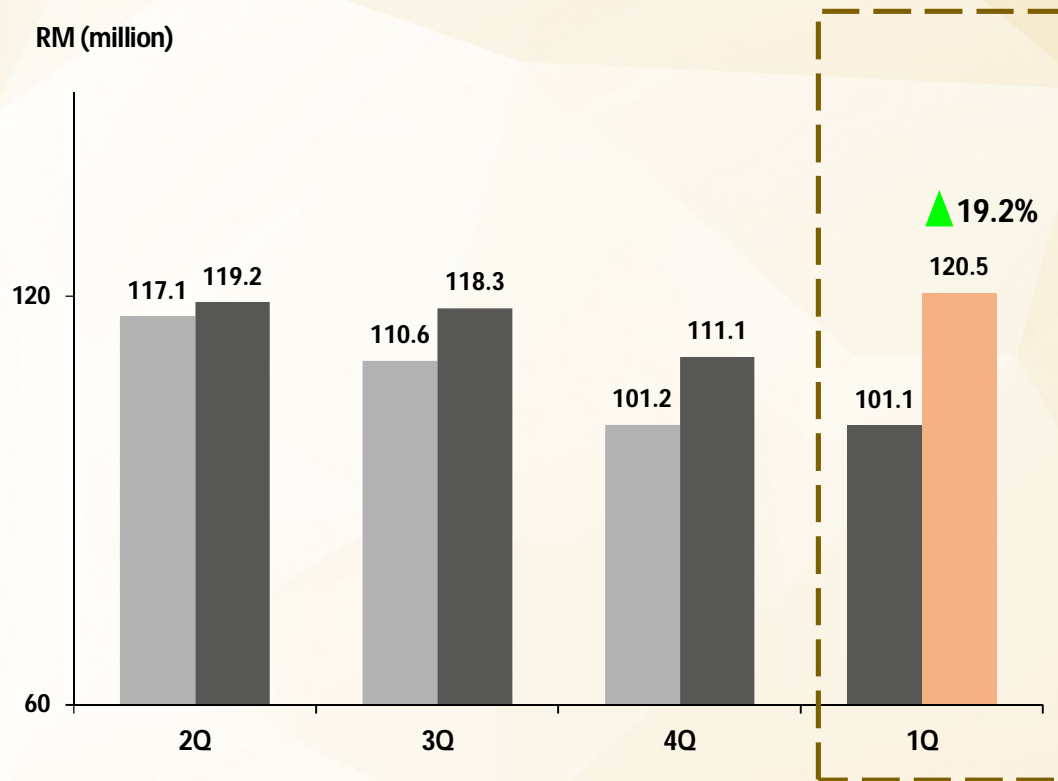
1. YTL Hospitality REIT started paying quarterly distributions commencing the financial year ended 30 June 2014.
2. DPUs subsequent to the issuance of 380,000,000 new placement units on 16 December 2016 are based on the increased number of units in issue.

QUARTERLY FINANCIAL PERFORMANCES

YTL HOSPITALITY REIT

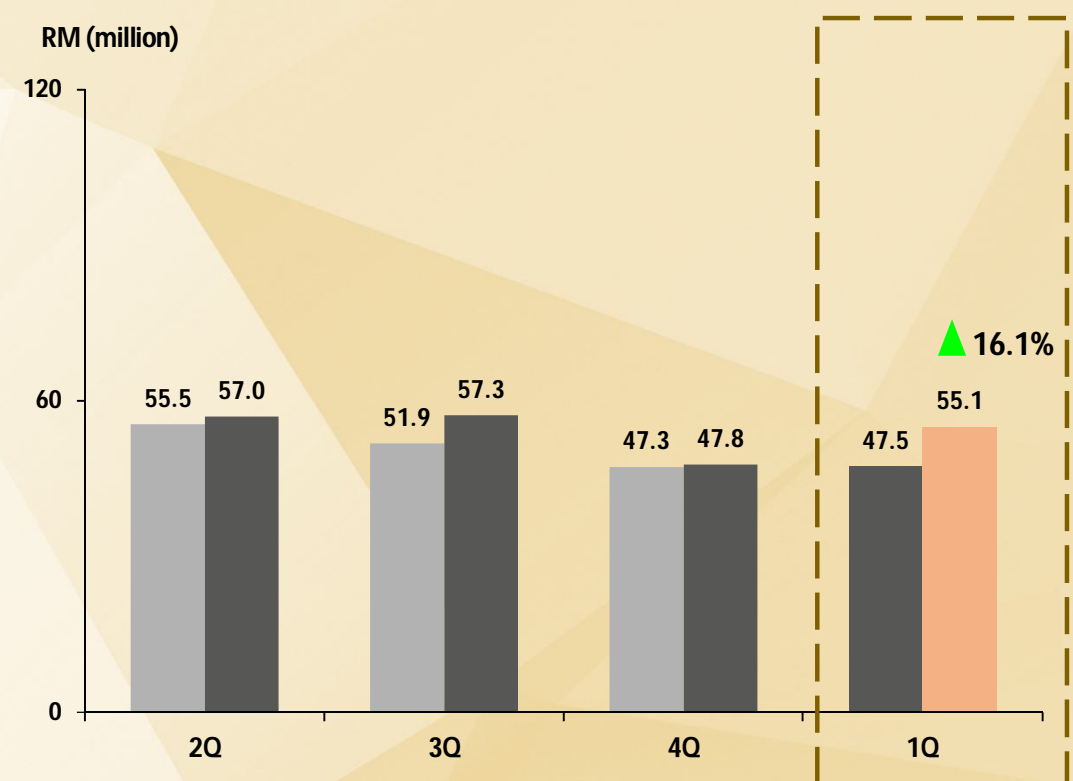
TOTAL revenue

RM (million)



NET property income

RM (million)



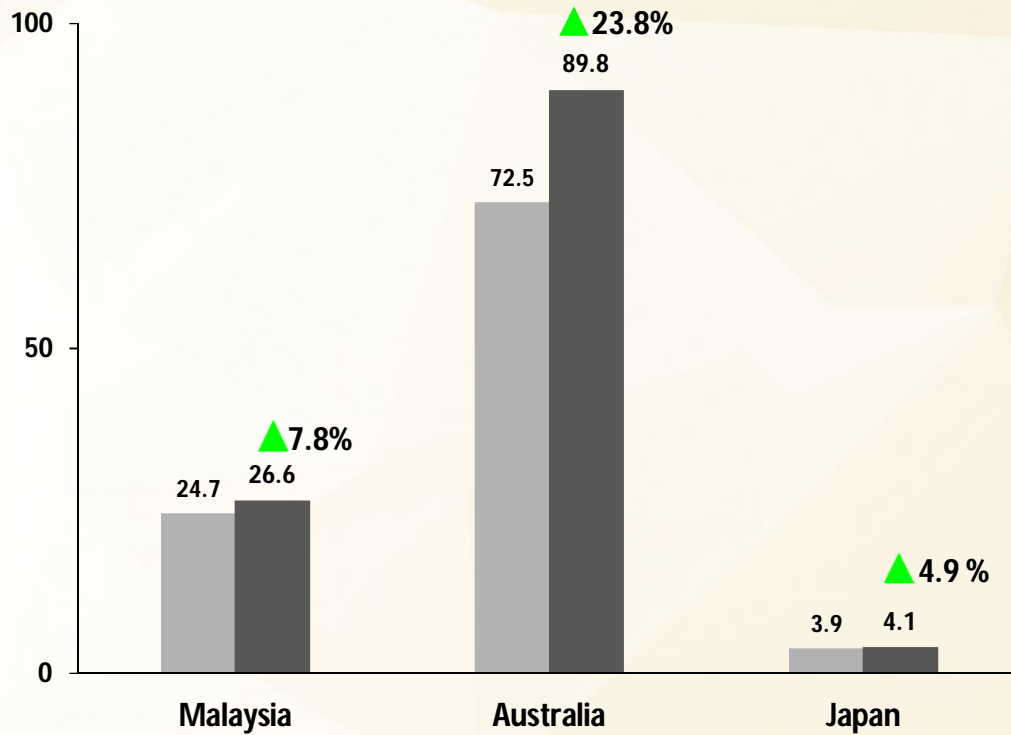
FY2016 FY2017 FY2018

QUARTERLY FINANCIAL PERFORMANCES BY COUNTRY

YTL HOSPITALITY REIT

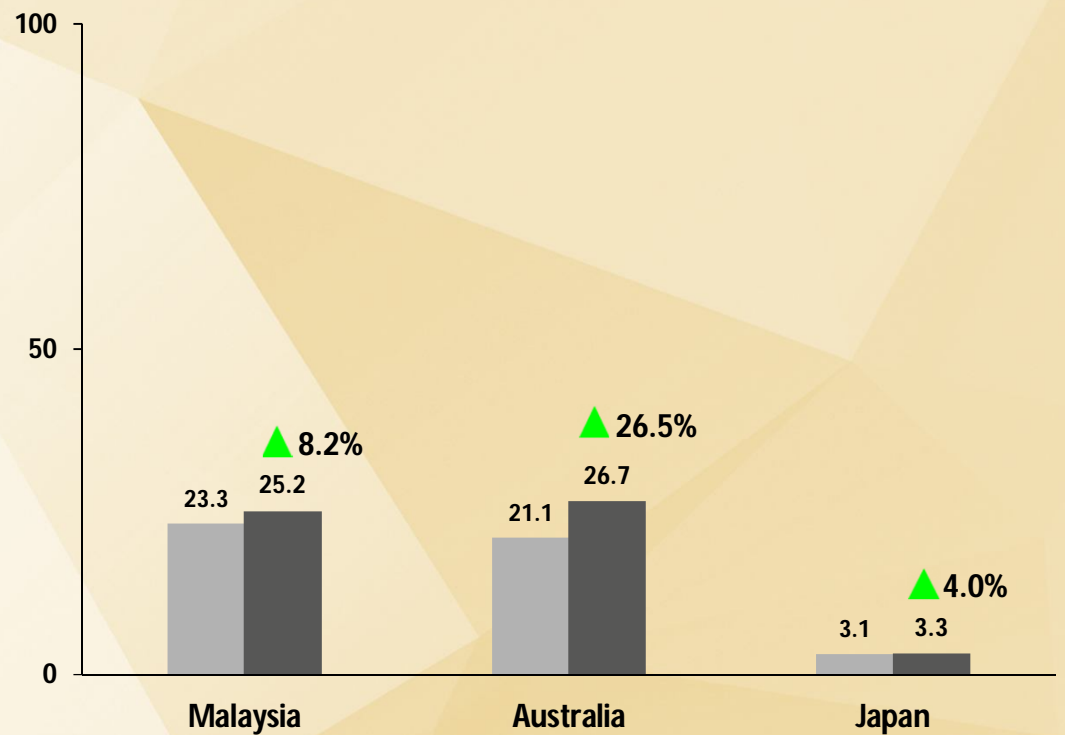
TOTAL revenue

RM (million)



NET property income

RM (million)

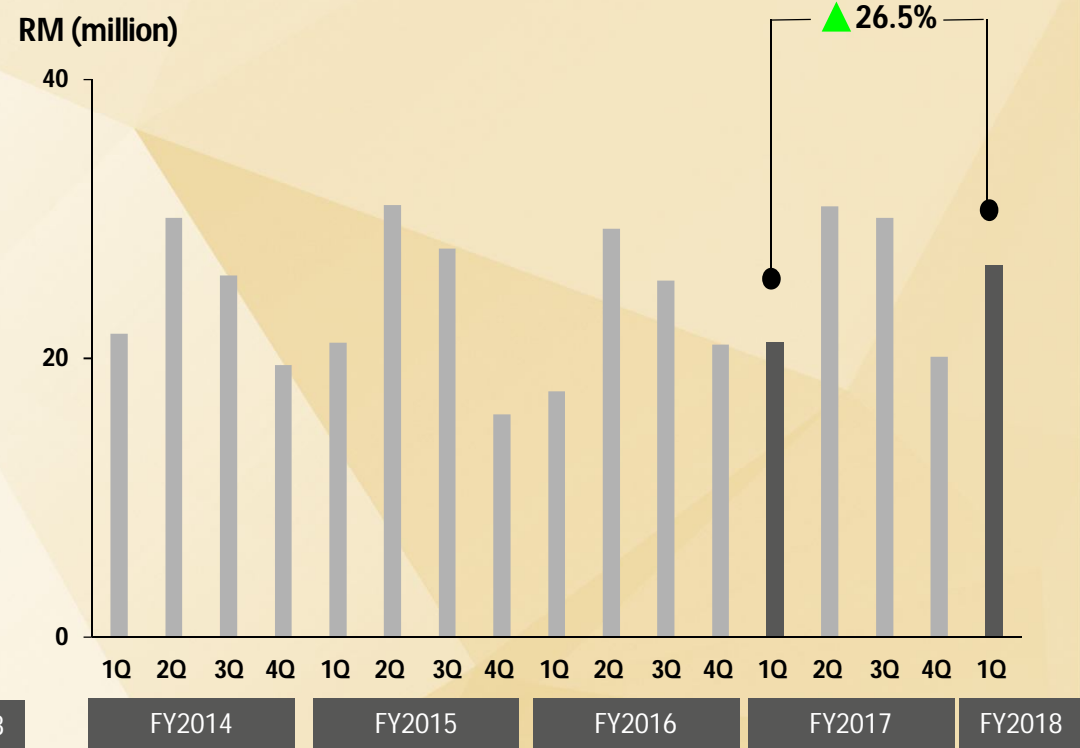
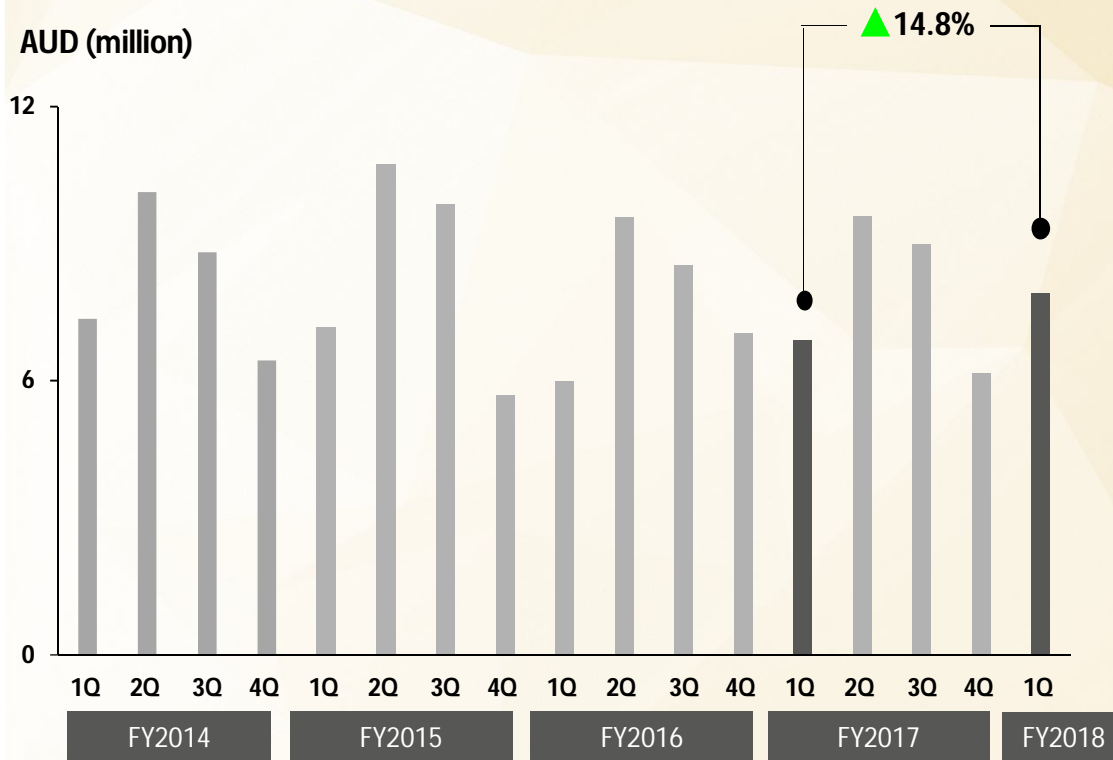


1Q FY2017 1Q FY2018

NPI FOR AUSTRALIA IN AUD AND RM

YTL HOSPITALITY REIT

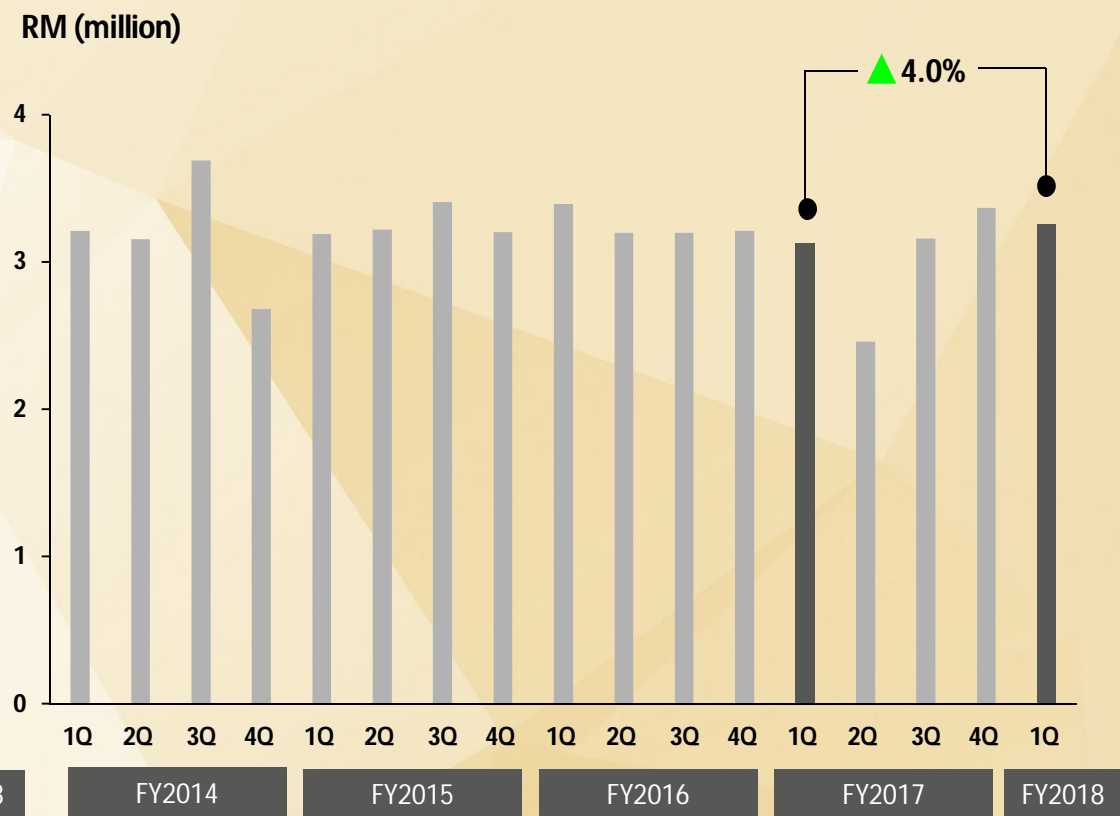
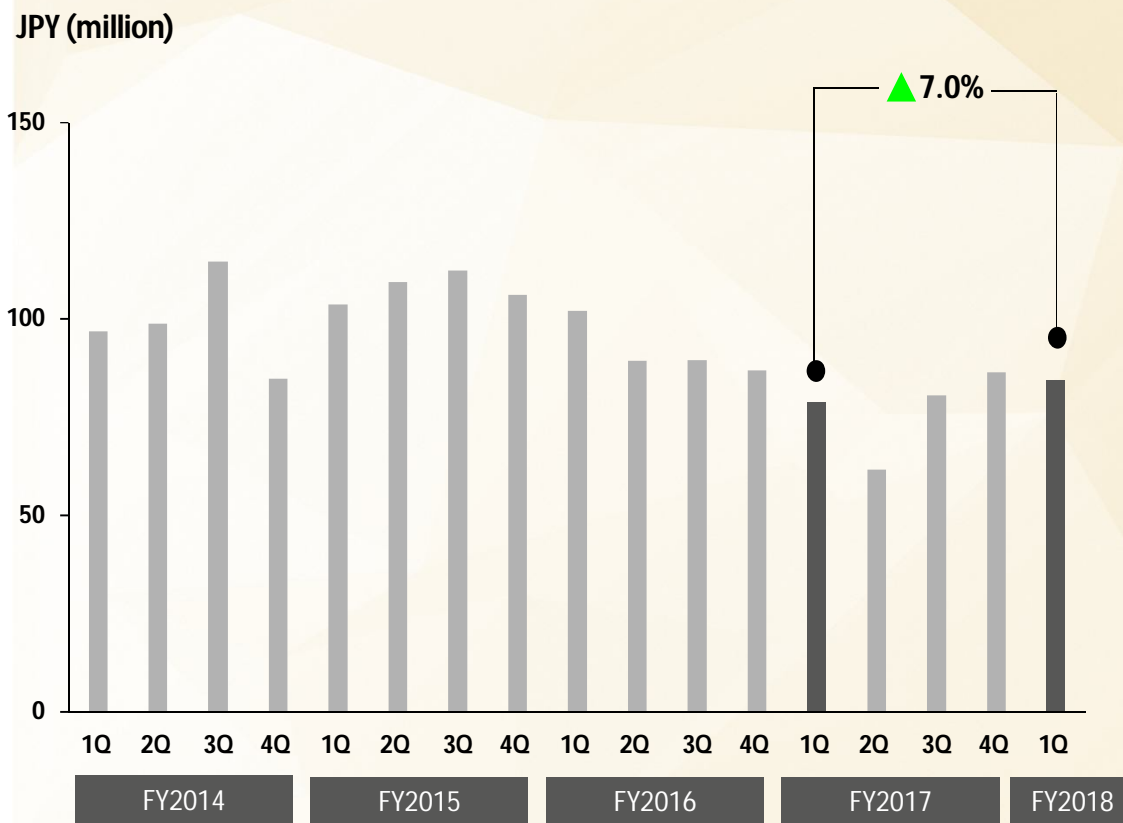
NPI in RM impacted by the foreign exchange effects of the stronger AUD relative to RM



NPI FOR JAPAN IN JPY AND RM

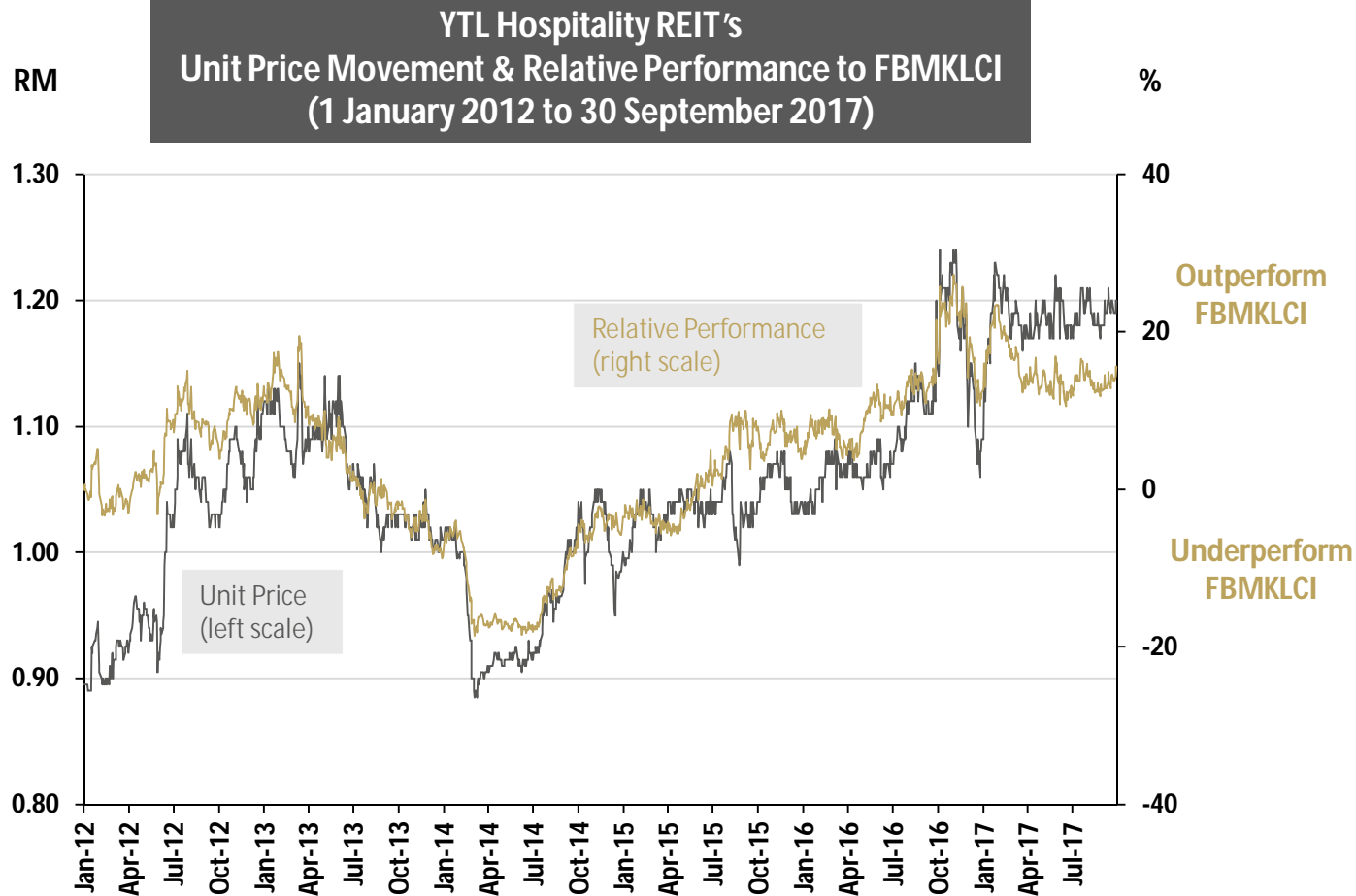
YTL HOSPITALITY REIT

NPI in RM impacted by the foreign exchange effects of the weaker JPY relative to RM



UNIT PRICE PERFORMANCE

YTL HOSPITALITY REIT



Notes:

1. As at 30 September 2017.
2. For the quarter ended 30 September 2017.

TRADING STATISTIC

Closing price ¹	RM1.20
Market Cap (RM) ¹	RM2,045 mil
Units issued ¹	1,704,388,889
Average daily traded volume for 1Q FY2018 ('000 units) ²	366.7

Source: Bloomberg



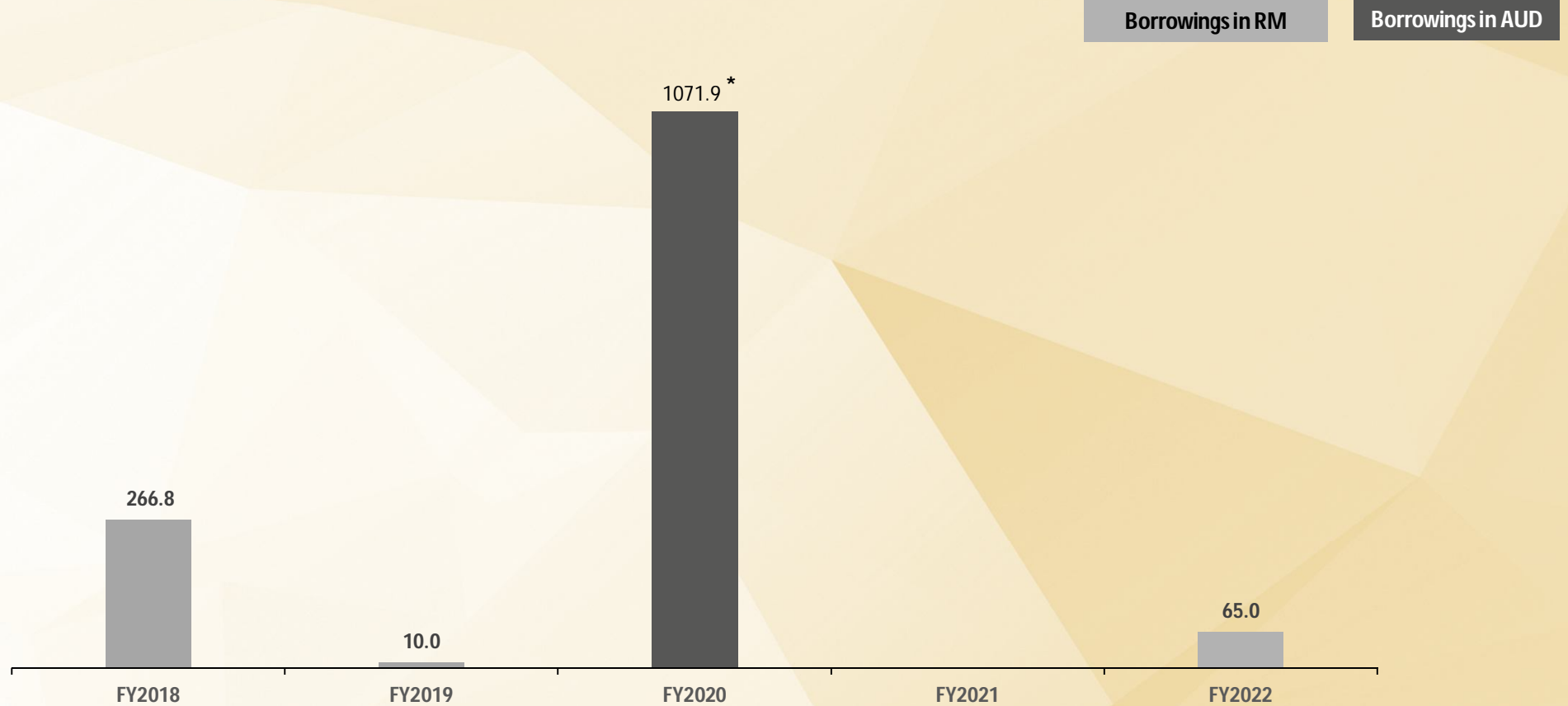
2

Capital management

Tanjong Jara Resort,
Terengganu, Malaysia

DEBT[^] MATURITY PROFILE

YTL HOSPITALITY REIT



Notes:

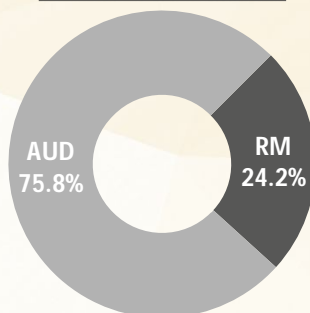
[^] Excluding the effects of capitalised transaction costs.

* RM equivalent based on the exchange rate of A\$1.00: RM3.31840 as at 30 September 2017.

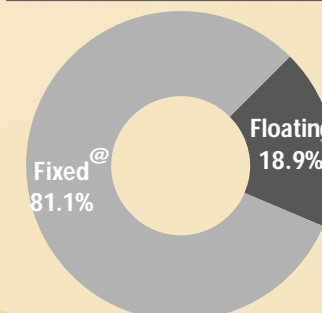
DEBT^ PROFILE AS AT 30 SEPTEMBER 2017

YTL HOSPITALITY REIT

CURRENCY



INTEREST RATE



	30 September 2017	30 June 2017	Change
Borrowings (RM'000)	1,413,699	1,412,394	+ 0.1%
Total Asset Value (RM'000)	4,025,809	4,039,206	(0.3%)
Gearing (%)	35.1%	35.0%	+ 0.1 pp
Average Interest Rates (%) *			
- Borrowings in Ringgit Malaysia	4.9%	4.8%	+ 0.1 pp
- Borrowings in Australian Dollar	4.6%	4.6%	0.0 pp
Interest Cover * #	2.9 x	2.7 x	+ 0.2 x

Notes:

* For the respective Quarter.

^ Excluding the effects of capitalised transaction costs.

Computed as NPI / Finance Cost

@ The interest rate is largely hedged and fixed at 4.76%

DEBT HEADROOM OF ~RM2,113 million FOR ACQUISITIONS

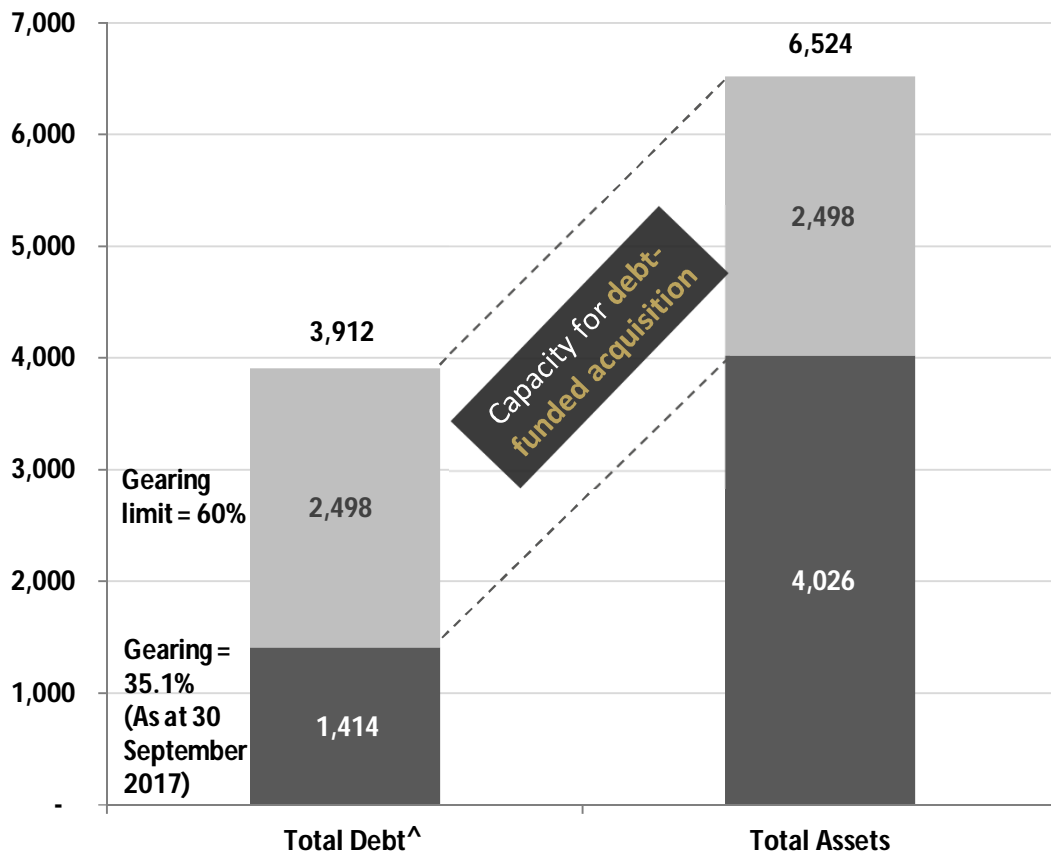
YTL HOSPITALITY REIT

As at 30 September 2017

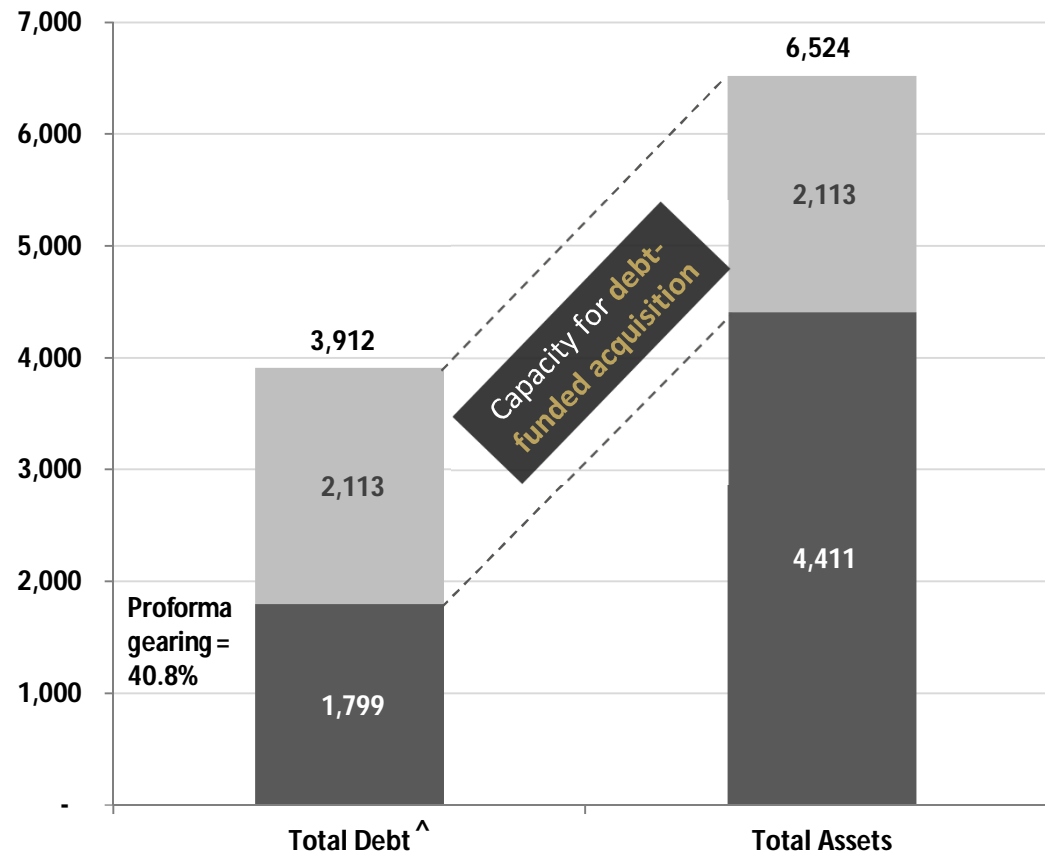
Borrowing of RM1385 million*

After completion of the acquisition

RM (million)



RM (million)



Notes:

* For acquisition of The Majestic Hotel Kuala Lumpur and associated costs.

^ Excluding the effects of capitalised transaction costs.

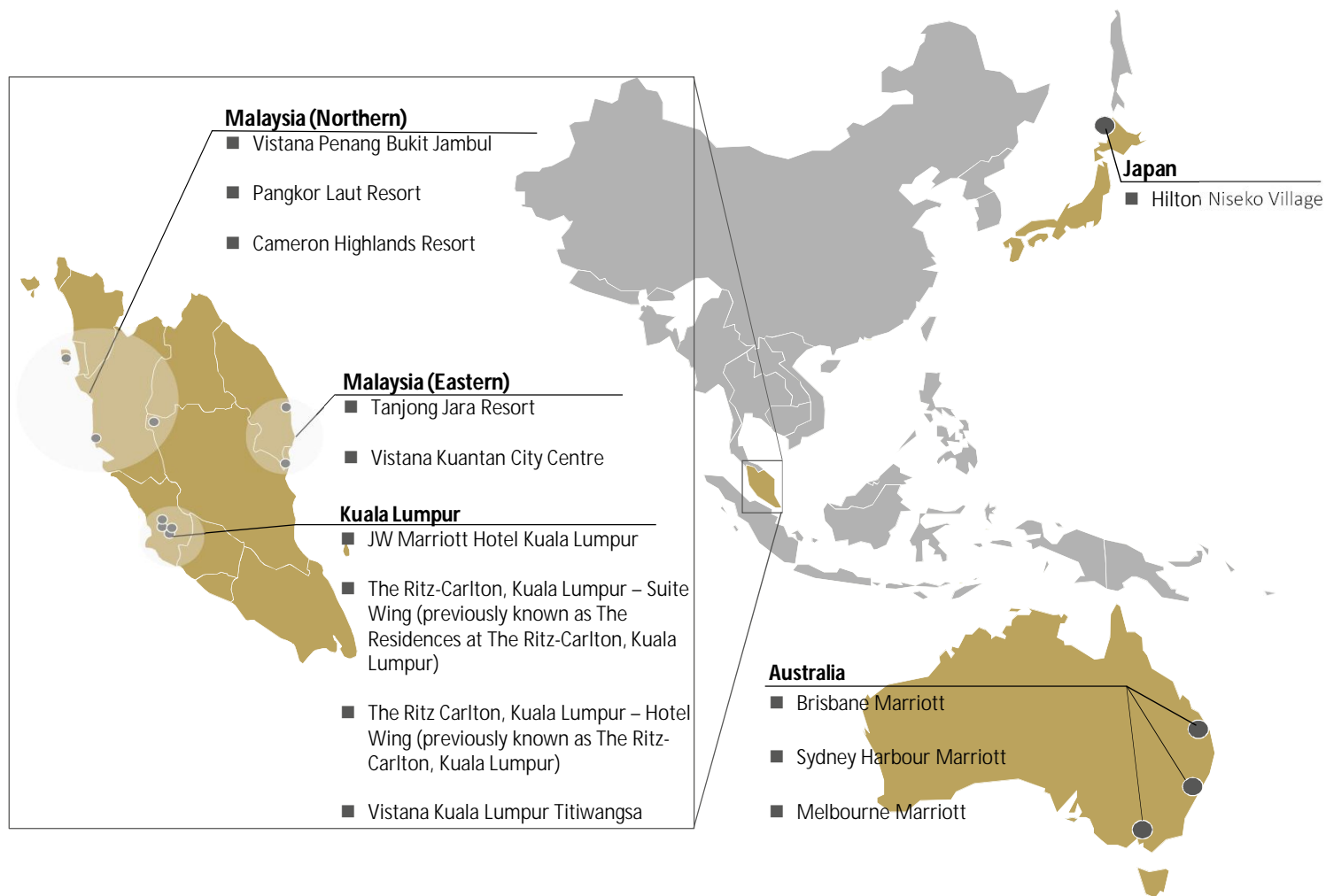
3

Asset management

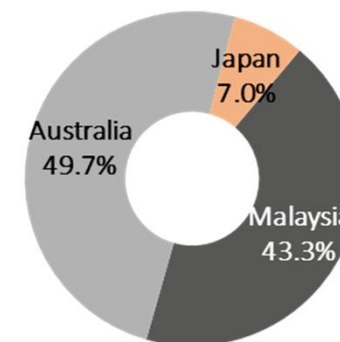
Vistana Penang Bukit Jambul
Pulau Pinang, Malaysia

LUXURY HOTELS & SERVICED RESIDENCES IN 3 COUNTRIES

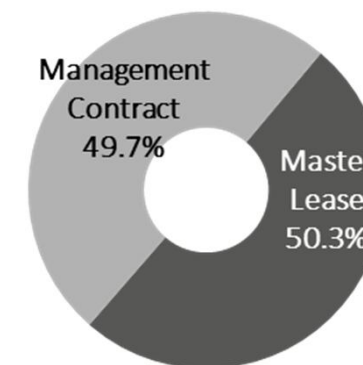
YTL HOSPITALITY REIT



ASSET breakdown (by Country)⁽¹⁾



ASSET breakdown (by Contract Type)⁽¹⁾



Note:

(1) Based on investment properties and property, plant & equipment as at 30 September 2017.

PORTFOLIO OCCUPANCY

YTL HOSPITALITY REIT

	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	1Q FY2018
Malaysia	Under Master Leases							
Japan	Under Master Lease							
Australia	–	–	83.1% ⁽¹⁾	84.2%	84.4%	86.4%	86.9%	87.7%

Note:

(1) For 1 July 2012 to 30 June 2013 which includes certain pre-acquisition period as the properties were acquired on 29 November 2012.

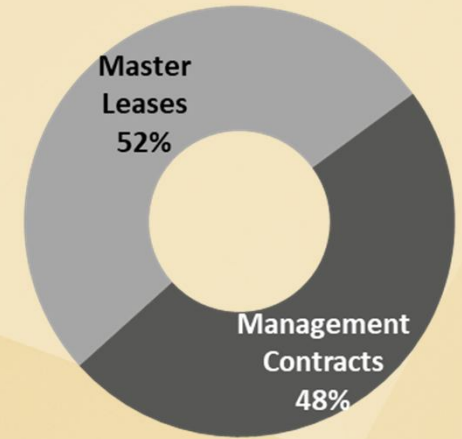
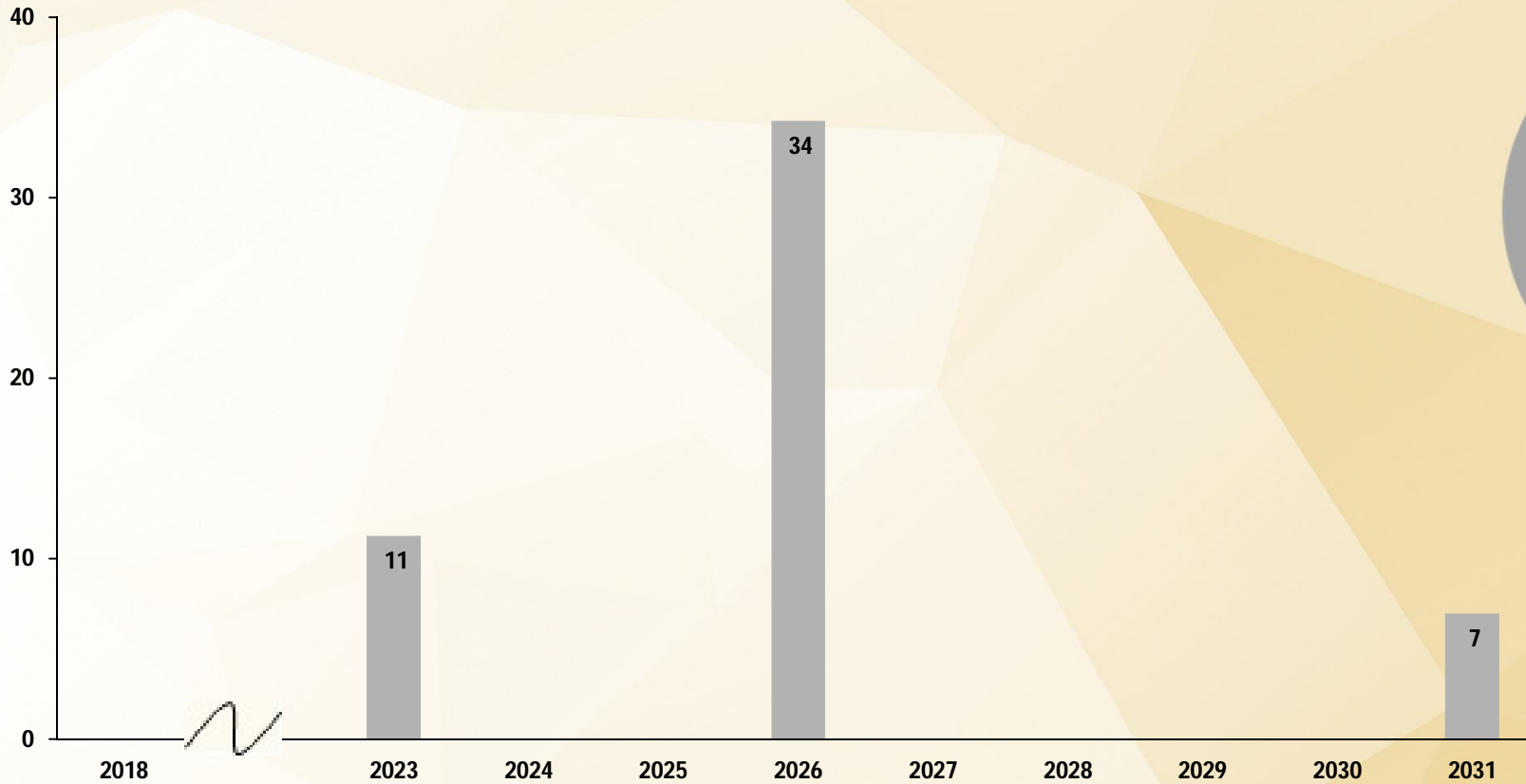
MASTER LEASES EXPIRY PROFILE

YTL HOSPITALITY REIT

NET property income
(% of total *)

Master leases

NET property income
(% of total *)



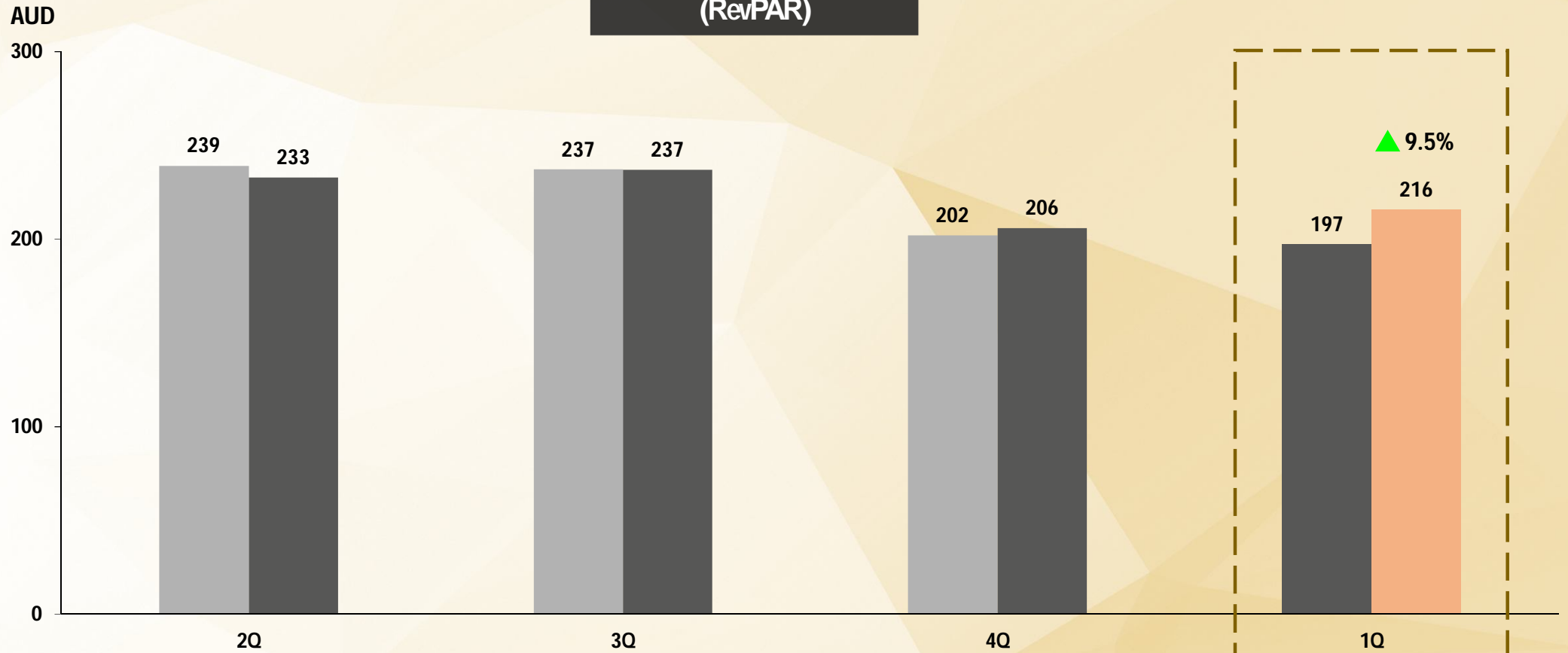
Note:
* For 1Q FY2018.

AUSTRALIA HOTEL PERFORMANCES (1 OF 2)

YTL HOSPITALITY REIT

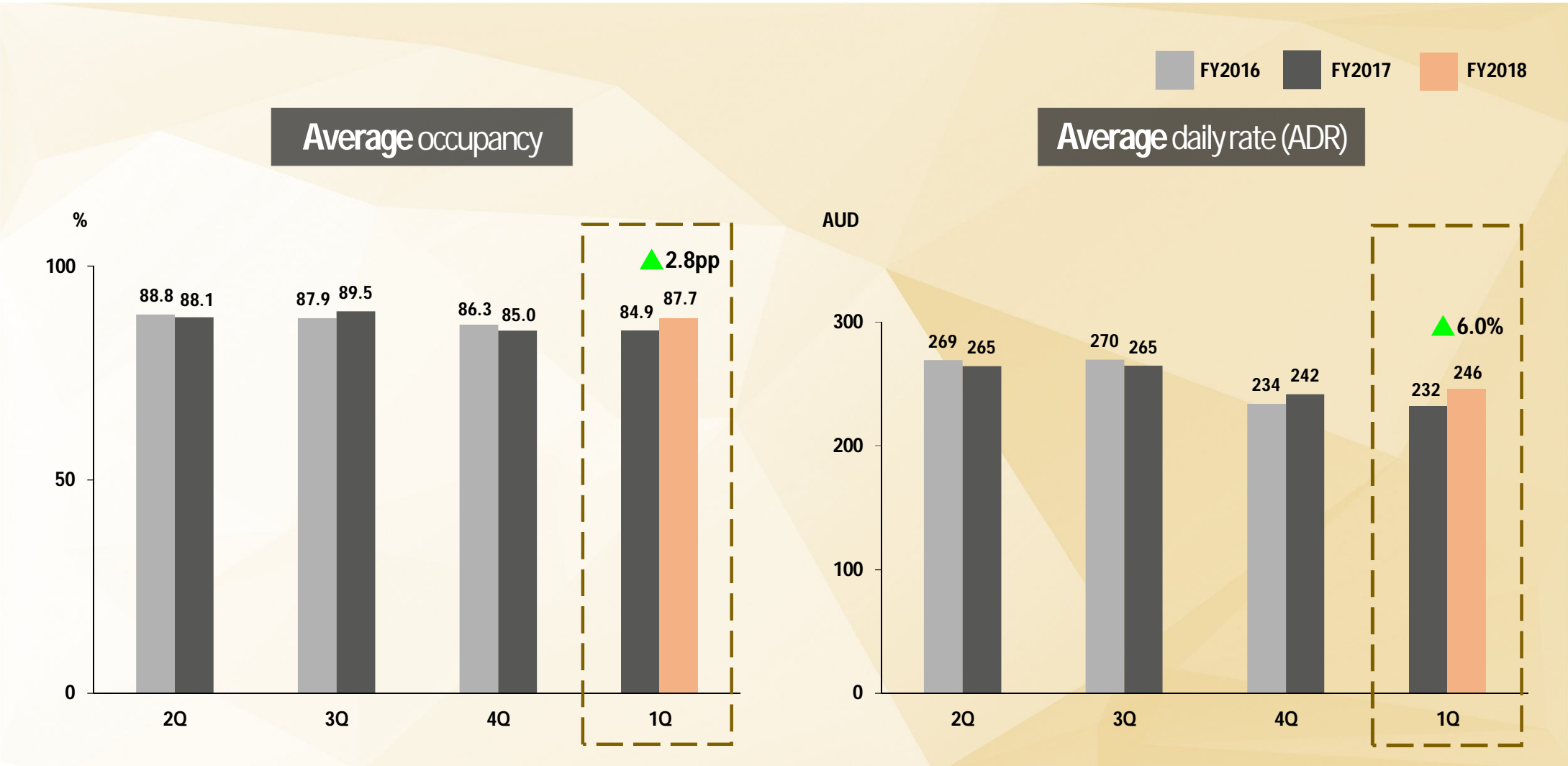
REVENUE per available room
(RevPAR)

FY2016 FY2017 FY2018



AUSTRALIA HOTEL PERFORMANCES (2 OF 2)

YTL HOSPITALITY REIT





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Appendices

JW MARRIOTT HOTEL KUALA LUMPUR

YTL HOSPITALITY REIT

Address	No. 183, Jalan Bukit Bintang, 55100 Kuala Lumpur
Description	A 5-star hotel with 569 rooms located on part of an 8-level podium block and entire 24-level tower block of Starhill Gallery together with car park bays located partially at basement 1 and 4 and the entire basement 2, 3 and 5 of JW Marriott Hotel Kuala Lumpur
Tenure	Freehold
Master lease expiry	31 December 2023
Master lease remaining ⁽¹⁾	6 years
Annual rental ⁽²⁾	RM24.56 million
No. of rooms	569
Acquisition date	16 December 2005
Valuation ⁽³⁾	RM411 million



Notes:

1. Lease remaining calculated as at 30 September 2017. There is an option for the lessee to renew the lease upon expiry.
2. Derived by annualising the applicable monthly rental as at 30 September 2017.
3. As at 31 May 2017.

THE RITZ-CARLTON, KUALA LUMPUR – SUITE WING *

YTL HOSPITALITY REIT

Address	No. 168, Jalan Imbi, 55100 Kuala Lumpur
Description	Parcel 1: 60 units of serviced apartments, 4 levels of commercial podium, 1 level of facilities deck and 2 levels of basement car parks Parcel 2: 50 units of serviced apartments and 4 units of penthouses including 1 level of basement car park
Tenure	Freehold
Master lease expiry	30 June 2031
Master lease remaining ⁽¹⁾	14 years
Annual rental ⁽²⁾	RM16.38 million
No. of rooms	114
Acquisition date	16 May 2007 & 15 November 2011
Valuation ⁽³⁾	Parcel 1: RM204 million Parcel 2: RM97 million



Notes:

1. Lease remaining calculated as at 30 September 2017. There is an option for the lessee to renew the lease upon expiry.
2. Derived by annualising the applicable monthly rental as at 30 September 2017.
3. As at 31 May 2017.

* Previously known as *The Residences at The Ritz-Carlton, Kuala Lumpur*.

THE RITZ-CARLTON, KUALA LUMPUR – HOTEL WING *

YTL HOSPITALITY REIT

Address	No. 168, Jalan Imbi, 55100 Kuala Lumpur
Description	22-storey 5-star hotel building comprising 251 rooms with 4-storey basement car parks
Tenure	Freehold
Master lease expiry	14 November 2026
Master lease remaining ⁽¹⁾	9 years
Annual rental ⁽²⁾	RM21.63 million
No. of rooms	251
Acquisition date	15 November 2011
Valuation ⁽³⁾	RM341 million



Notes:

1. Lease remaining calculated as at 30 September 2017. There is an option for the lessee to renew the lease upon expiry.
2. Derived by annualising the applicable monthly rental as at 30 September 2017.
3. As at 31 May 2017.

* Previously known as The Ritz-Carlton, Kuala Lumpur.

VISTANA PENANG BUKIT JAMBUL

YTL HOSPITALITY REIT

Address	No. 213, Jalan Bukit Gambier, Bukit Jambul, 11950 Pulau Pinang
Description	17-storey Tower A with 238 hotel rooms and 26-storey Tower B with 189 hotel suites with an annexed 3-storey podium
Tenure	99-year leasehold expiring on 27 October 2094
Master lease expiry	14 November 2026
Master lease remaining ⁽¹⁾	9 years
Annual rental ⁽²⁾	RM8.61 million
No. of rooms	427
Acquisition date	15 November 2011
Valuation ⁽³⁾	RM117 million



Notes:

1. Lease remaining calculated as at 30 September 2017. There is an option for the lessee to renew the lease upon expiry.
2. Derived by annualising the applicable monthly rental as at 30 September 2017.
3. As at 31 May 2017.

VISTANA KUALA LUMPUR TITIWANGSA

YTL HOSPITALITY REIT

Address	No. 9, Jalan Lumut, Off Jalan Ipoh, 50400 Kuala Lumpur
Description	17-storey hotel building with 364 rooms and 2-storey basement car parks
Tenure	Freehold
Master lease expiry	14 November 2026
Master lease remaining ⁽¹⁾	9 years
Annual rental ⁽²⁾	RM8.61 million
No. of rooms	364
Acquisition date	15 November 2011
Valuation ⁽³⁾	RM128.3 million



Notes:

1. Lease remaining calculated as at 30 September 2017. There is an option for the lessee to renew the lease upon expiry.
2. Derived by annualising the applicable monthly rental as at 30 September 2017.
3. As at 31 May 2017.

VISTANA KUANTAN CITY CENTRE

YTL HOSPITALITY REIT

Address	Jalan Teluk Sisek, 25000 Kuantan, Pahang
Description	8-storey hotel building with 215 rooms
Tenure	99-year leasehold expiring on 11 July 2092
Master lease expiry	14 November 2026
Master lease remaining ⁽¹⁾	9 years
Annual rental ⁽²⁾	RM6.30 million
No. of rooms	215
Acquisition date	15 November 2011
Valuation ⁽³⁾	RM88 million



Notes:

1. Lease remaining calculated as at 30 September 2017. There is an option for the lessee to renew the lease upon expiry.
2. Derived by annualising the applicable monthly rental as at 30 September 2017.
3. As at 31 May 2017.

PANGKOR LAUT RESORT

YTL HOSPITALITY REIT

Address	Pangkor Laut Island, 32200 Lumut, Perak Darul Ridzuan
Description	36 units of Garden Villas, 52 units of Hill Villas, 8 units of Beach Villas and 1 unit of Pavarotti Suite
Tenure	99-year registered lease expiring on 21 May 2095
Master lease expiry	14 November 2026
Master lease remaining ⁽¹⁾	9 years
Annual rental ⁽²⁾	RM8.82 million
No. of rooms	97
Acquisition date	15 November 2011
Valuation ⁽³⁾	RM116.1 million



Notes:

1. Lease remaining calculated as at 30 September 2017. There is an option for the lessee to renew the lease upon expiry.
2. Derived by annualising the applicable monthly rental as at 30 September 2017.
3. As at 31 May 2017.

TANJONG JARA RESORT

YTL HOSPITALITY REIT

Address	Batu 8, Off Jalan Dungun, 23000 Dungun, Terengganu Darul Iman
Description	Small luxury boutique resort with 100 rooms
Tenure	60-year leasehold expiring on 4 December 2067
Master lease expiry	14 November 2026
Master lease remaining ⁽¹⁾	9 years
Annual rental ⁽²⁾	RM7.35 million
No. of rooms	100
Acquisition date	15 November 2011
Valuation ⁽³⁾	RM101.1 million



Notes:

1. Lease remaining calculated as at 30 September 2017. There is an option for the lessee to renew the lease upon expiry.
2. Derived by annualising the applicable monthly rental as at 30 September 2017.
3. As at 31 May 2017.

CAMERON HIGHLANDS RESORT

YTL HOSPITALITY REIT

Address	By the Golf Course, 39000 Tanah Rata, Cameron Highlands, Pahang Darul Makmur
Description	3-storey luxury resort with a 2-storey spa village block with 56 rooms and suites and a single storey building
Tenure	99-year leasehold expiring on 9 December 2108
Master lease expiry	14 November 2026
Master lease remaining ⁽¹⁾	9 years
Annual rental ⁽²⁾	RM4.2 million
No. of rooms	56
Acquisition date	15 November 2011
Valuation ⁽³⁾	RM60 million



Notes:

1. Lease remaining calculated as at 30 September 2017. There is an option for the lessee to renew the lease upon expiry.
2. Derived by annualising the applicable monthly rental as at 30 September 2017.
3. As at 31 May 2017.

HILTON NISEKO VILLAGE

YTL HOSPITALITY REIT

Address	Aza-Soga, Niseko-cho, Abuta-gun, Hokkaido
Description	16-storey hotel building with 1-storey of basement comprising 506 rooms
Tenure	Freehold
Master lease expiry	21 December 2026
Master lease remaining ⁽¹⁾	9 years
Annual rental ⁽²⁾	RM16.32 million
No. of rooms	506
Acquisition date	22 December 2011
Valuation ^(3, 4)	JPY7,140 million (RM241 million)



Notes:

1. Lease remaining calculated as at 30 September 2017. There is an option for the lessee to renew the lease upon expiry.
2. Derived by annualising the applicable monthly rental as at 30 September 2017.
3. As at 31 May 2017.
4. RM equivalent based on the exchange rate of JPY100:RM3.37539 as at 30 September 2017.

SYDNEY HARBOUR MARRIOTT

YTL HOSPITALITY REIT

Address	30 Pitt Street, Sydney, New South Wales
Description	33-storey hotel building with central atrium comprising 595 rooms including 3 levels of basement with car parking bays
Tenure	Freehold
No. of rooms	595
Acquisition date	29 November 2012
Valuation ^(1,2)	AUD420 million (RM1,393.7 million)



Notes:

1. As at 31 May 2017.
2. RM equivalent based on the exchange rate of A\$1.00:RM3.31840 as at 30 September 2017.

BRISBANE MARRIOTT

YTL HOSPITALITY REIT

Address	515 Queen Street, Brisbane, Queensland
Description	28-storey hotel building comprising 267 rooms with 3 levels of basement with car parking bays
Tenure	Freehold
No. of rooms	267
Acquisition date	29 November 2012
Valuation ^(1,2)	AUD85 million (RM282.1 million)



Notes:

1. As at 31 May 2017.
2. RM equivalent based on the exchange rate of A\$1.00:RM3.31840 as at 30 September 2017.

MELBOURNE MARRIOTT

YTL HOSPITALITY REIT

Address	Corner Exhibition and Lonsdale Streets, Melbourne, Victoria
Description	16-storey hotel building comprising 186 rooms with 5 split levels of car park
Tenure	Freehold
No. of rooms	186
Acquisition date	29 November 2012
Valuation ^(1, 2)	AUD78.4 million (RM260.2 million)



Notes:

1. As at 31 May 2017.
2. RM equivalent based on the exchange rate of A\$1.00:RM3.31840 as at 30 September 2017.

DISCLAIMER

YTL HOSPITALITY REIT

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