Hospitality Properties Trust

NYSE: HPT

NAREIT REITWeek 2012

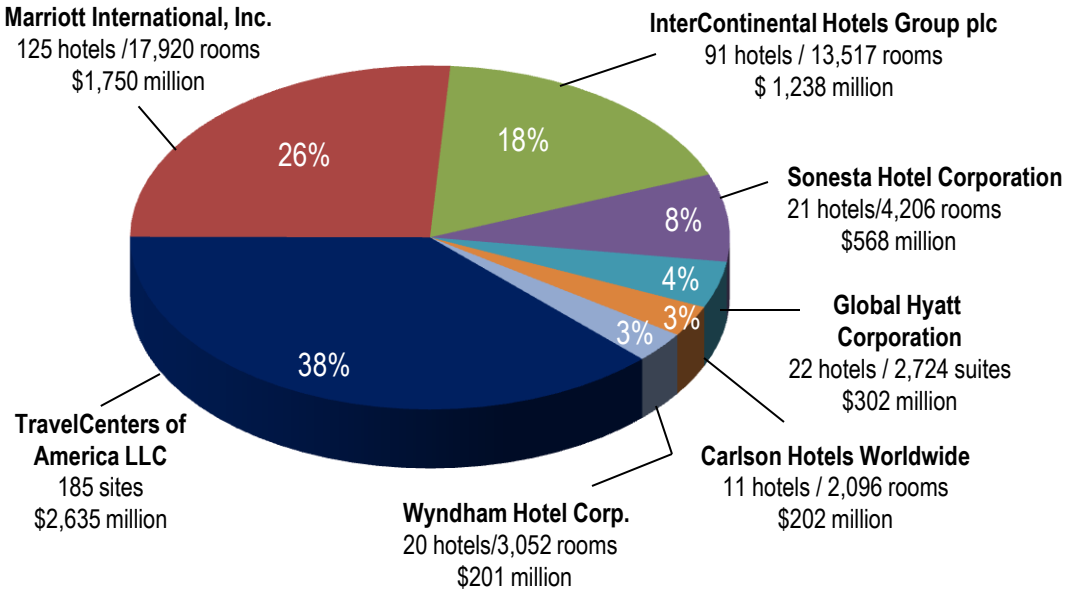
www.hptreit.com

HPT is a REIT that owns hotels and travel centers operated by large, well known brands.

- $6.8 billion investment portfolio (historical investment basis).
  - 290 hotels with 43,515 rooms.
  - 185 travel centers located adjacent to the U.S. interstate highway system.
- Total of 475 properties located in 44 states, Puerto Rico and Ontario, Canada.

HPT Managers[1]

(by $ invested)



HPT Brands [1]

Brand	Operator	Number of hotels/ travel centers	Percent of revenue
TravelCenters	TravelCenters	145 travel centers	25%
Courtyard	Marriott	71 hotels	15%
Petro	TravelCenters	40 travel centers	9%
Candlewood	Candlewood	71 hotels	9%
Residence Inn	Marriott	37 hotels	9%
CrownePlaza	InterContinental	6 hotels	6%
Sonesta/Sonesta E.S. Suites	Sonesta	21 hotels	6%
Staybridge	InterContinental	19 hotels	5%
Hyatt Place	Hyatt	22 hotels	4%
Marriott	Marriott	3 hotels	3%
InterContinental	InterContinental	3 hotels	2%
Wyndham/Hawthorn Suites	Wyndham	20 hotels	2%
Radisson/ Country Inn & Suites	Carlson	11 hotels	2%
TownePlace	Marriott	14 hotels	2%
Holiday Inn	InterContinental	2 hotels	1%

Note: Pro forma for conversion but not renovations.

Investment rationale.

Dividend security is a priority.	• Since inception, HPT has paid over $3 billion in distributions to investors. • $0.45 per share per quarter dividend is well covered; normalized FFO payout ratio is 58%.
Conservative capital structure.	• Investment grade rated (Moody's: Baa2; S&P: BBB-). • Conservative balance sheet with debt to total book capitalization of 44%. • Well laddered debt maturities with 70% of maturities coming due after 2014.
Risk mitigation.	• Geographic, brand and tenant diversity. • Strong operating agreements. • Credit support.
Quality assets.	• High quality hotel portfolio with low average historical cost of $98,000 per key. • Escrow 5% to 6% of revenues for FF&E[1] reserves as part of agreements. • Irreplaceable travel center portfolio with average historical cost of $14 million per site.
Capacity for growth.	• $750 million line of credit that is undrawn. • Ability to bid with no financing contingencies provides a competitive advantage.
Management experience.	• Over 16 years as a public company. • History of consistent performance in multiple up and down markets.

[1] FF&E is defined as future renovations or refurbishments.

Recent developments: HPT entered into a new agreement with Wyndham Hotel Group.

- In May HPT announced a new strategic agreement with Wyndham Hotel Group to convert 20 hotels currently owned by us to Wyndham brands.

- Four of the hotels located in three states with a total of 1,270 guest rooms will be branded as "Wyndham Hotels and Resorts" and 16 hotels located in 11 states with 1,753 guest rooms will be branded as Hawthorn Suites by Wyndham" hotels. The annual owners priority for the Wyndham agreement will be $9.2 million dollars a year.

- HPT expects to fund $75 million in renovations over the next two years. As renovations are funded, HPT's owners priority return will increase by 8%.

- Management and branding fees due to Wyndham Hotel Group are subordinated to the owners priority due to HPT, and Wyndham Worldwide Corporation has provided us with a $20 million limited guarantee.

Recent developments: Marriott and HPT

- In May, HPT also announced that it entered an agreement with Marriott International, Inc. to retain and renovate up to 20 hotels that were previously marketed for sale.
- The term of Marriott's guarantee was extended through 2019 and the timing and amount of FF&E reserves was amended.
- HPT will invest approximately $43 million to renovate 18 hotels. As the renovations are funded, HPT's priority return will increase by 9% of amounts funded.
- HPT is currently considering rebranding two of the hotels.

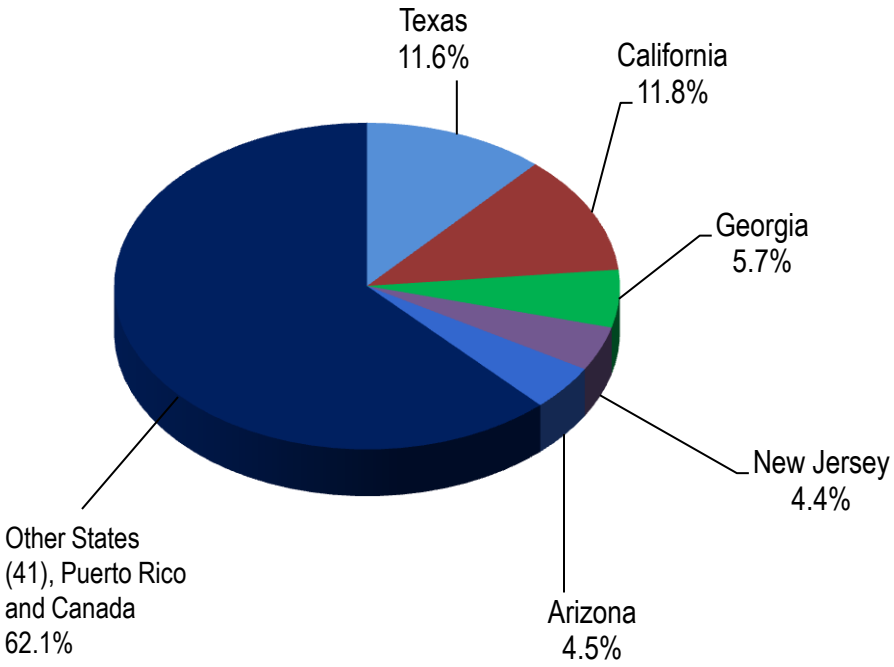
Upon completing Sonesta and Wyndham conversions, HPT's properties will be operated by 7 brand owners under 11 combination operating agreements.

	Agreement	No. of Properties	No. of Rooms	Annual Minimum Rent	% of Total	Security Features
1	Marriott No. 1	53	7,610	$67,567	11.4%	Security deposit.
2	Marriott Nos. 234	71	9,954	101,140	17.1%	Limited guaranty provided by Marriott.
3	Marriott No. 5	1	356	9,749	1.6%	Marriott guaranty.
4	InterContinental[1]	91	13,517	124,054	21.0%	Security deposit.
5	Hyatt	22	2,724	22,037	3.7%	Limited guaranty provided by Hyatt.
6	Carlson Hotels	11	2,096	12,920	2.2%	Limited guaranty provided by Carlson.
7	Sonesta No. 1	20	3,723	35,552	6.0%	-
8	Sonesta No. 2	1	483	2,441	0.4%	-
9	Wyndham	20	3,052	9,240	1.6%	Limited guaranty provided by Wyndham.
10	TA No. 1	145	-	150,221	25.4%	TA guaranty.
11	TA No. 2	40	-	56,189	9.5%	TA guaranty.
Total	**11 agreements 7 brand owners**	**475**	**43,515**	**591,110**	**100%**	

[1] Pro Forma as of March 31, 2012.

Properties are geographically diversified; combination contracts are also geographically diversified.

Geographic Diversity (% of Investment) as of March 31, 2012



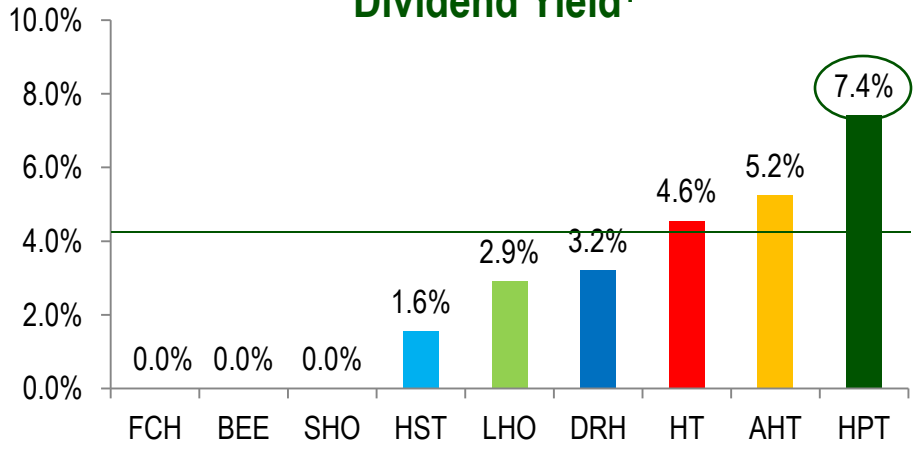
Portfolio diversity as of March 31, 2012

Agreement	Number of Properties	Number of States
Marriott No. 1	53	24
Marriott No. 234	71	24
Marriott No. 5*	1	1
IHG	130	34
Hyatt	22	14
Carlson	11	7
Sonesta 1	1	1
Sonesta 2	1	1
TA No. 1	145	39
TA No. 2	40	25
Total	**475**	

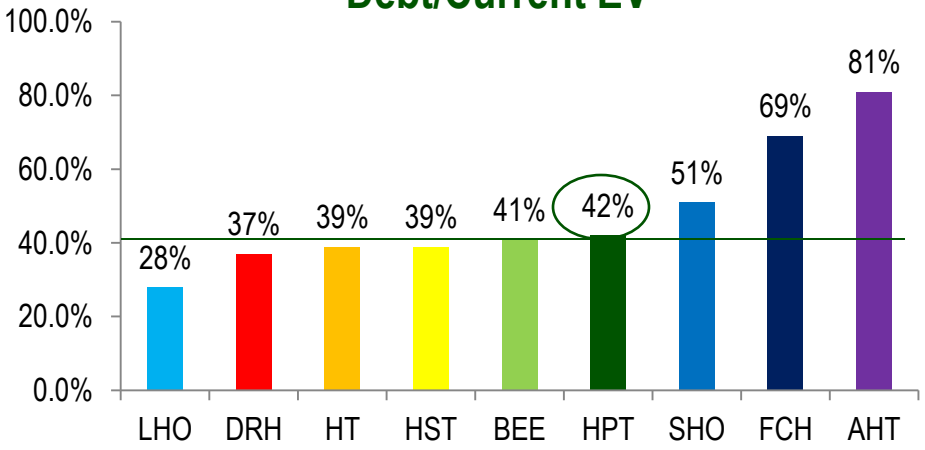
*Marriott International has guaranteed the lease for this Hawaii resort.

Lodging REIT peer comparison.

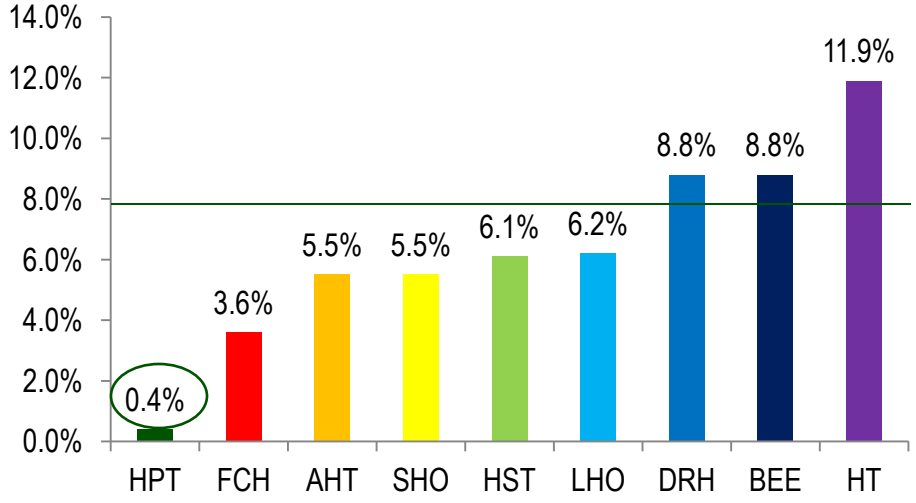
Dividend Yield[1]



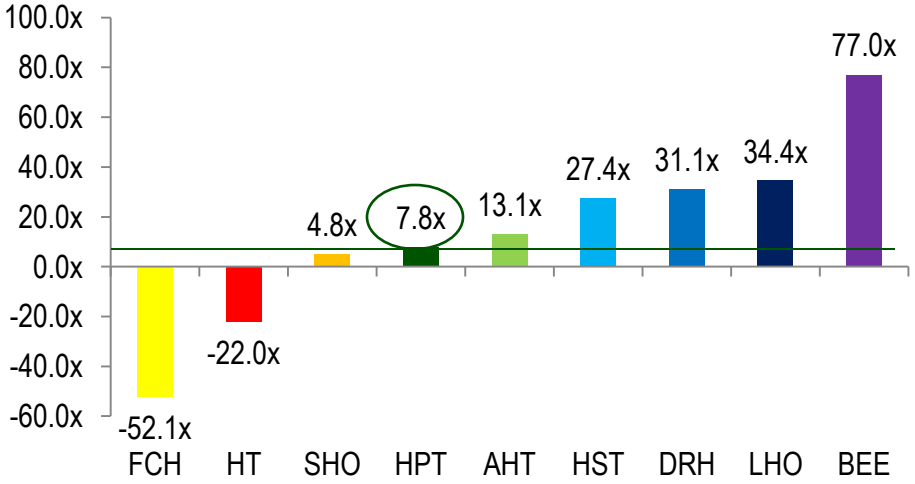
Debt/Current EV[1]



RevPAR Growth[2]



Total FFO Multiple[1]



[1] As of May 31, 2012.
[2] Based on Q12012 reported financial results. Note: Excluding 86 renovations, RevPar growth was 5.6%.

HPT has $2.6 billion invested in 185 travel centers located along the U.S. Interstate Highway System, leased to TA under two agreements.

HPT owns 145 “TA” travel centers located in 39 states.

HPT owns 40 “Petro” travel centers located in 25 states.

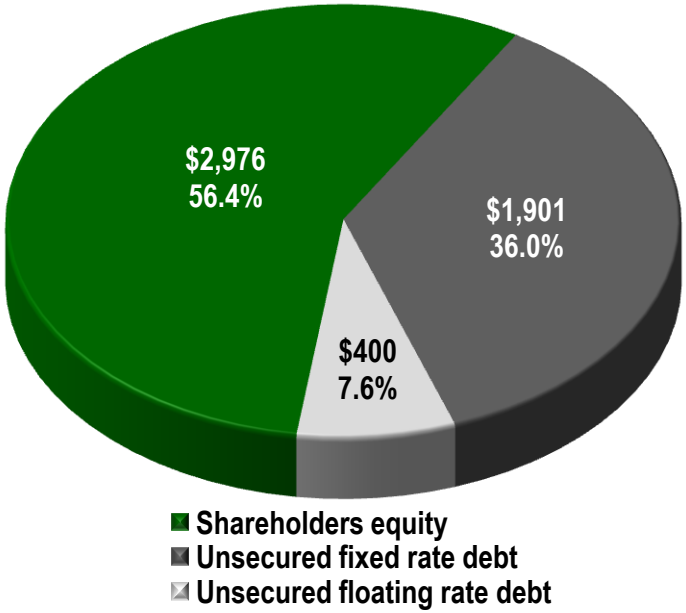
- TA’s 3 months ended March 31, 2012 operating results:
  - Revenue $1.9 billion.
  - EBITDAR $49.7 million.
- Recent LNG deal with Shell demonstrates TA’s market leadership position and dynamic industry relationships.

Book capitalization.

($ in thousands)

Book capitalization as of March 31, 2012

Unsecured floating rate debt	$	400,000
Unsecured fixed rate debt		1,901,307
Total debt		2,301,307
Shareholders equity (book value)		2,975,520
Total Capitalization	**$**	**5,276,827**



HPT has a conservative financial profile.

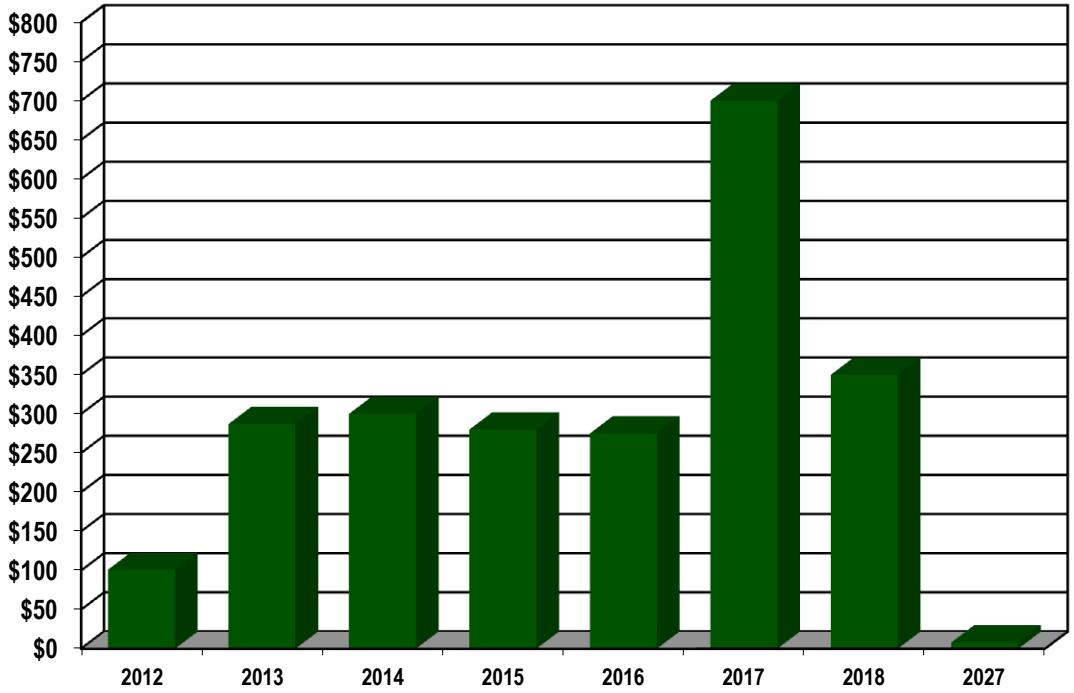
	As of and For the Three Months Ended March 31, 2012
Leverage Ratios:	
Total debt / total assets	41.9%
Total debt / real estate assets	35.8%
Total debt / total market capitalization	37.2%
Total debt / total book capitalization	43.6%
Secured debt / total assets	0.0%
Variable rate debt / total debt	17.4%
Coverage Ratios:	
EBITDA [(1)] / interest expense	4.2x
EBITDA [(1)] / interest expense and preferred distributions	3.1x
Total debt / annualized EBITDA [(1)]	4.0x

(1) EBITDA is calculated as GAAP net income before interest expense, income taxes, depreciation and amortization, acquisition related costs, loss on asset impairment, less deferred rent previously recognized in EBITDA and gain on extinguishment of debt.

HPT has well laddered debt maturities.

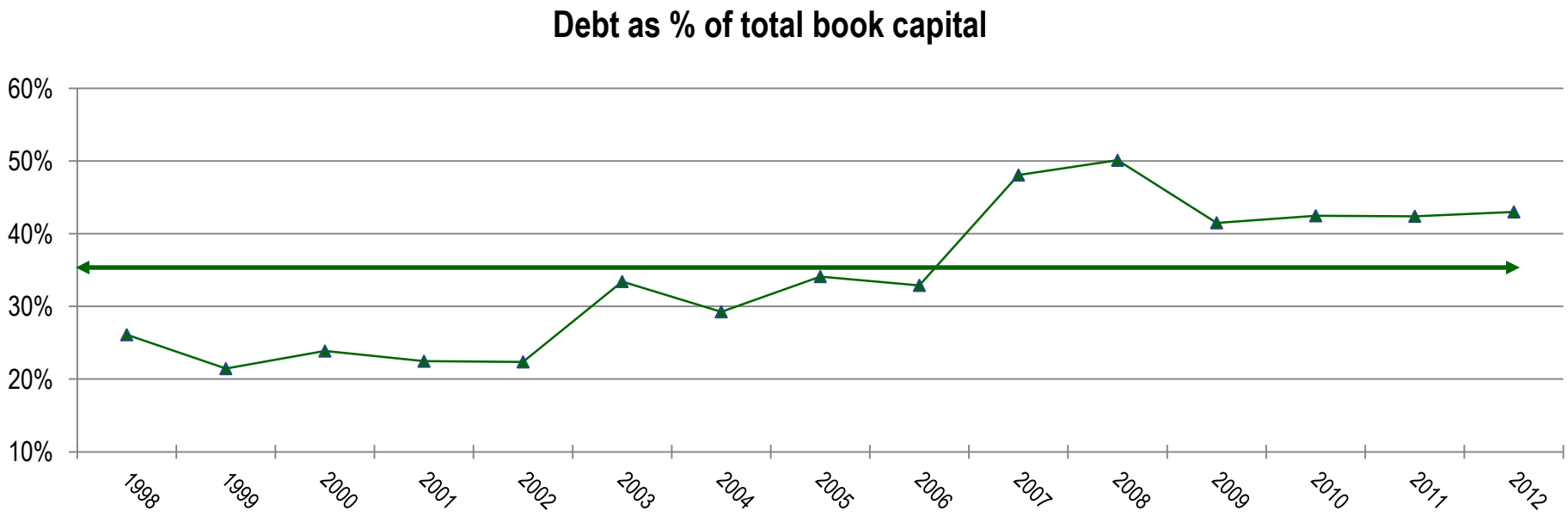
- No secured debt.
- Unsecured senior notes:
  - $1,901 million
  - All fixed rate
- Unsecured term loan:
  - $400 million
  - Flotating rate at 1.7% as of March 31, 2012.
- No derivatives, no off balance sheet liabilities and no material adverse change clauses or ratings triggers.

HPT Term Debt Maturities
March 31, 2012
($ in millions)



(1)

HPT has consistently maintained discipline in the balanced use of equity and debt to fund growth.



Since it was first rated in 1998, HPT debt has averaged only 34% of total book capital.

Modest increase in debt leverage is primarily the result of book depreciation, not a change in policy.

HPT's strategic initiatives.

- Implemented terms of amended agreements with Marriott and InterContinental to ensure steady cash flow streams to HPT with security features throughout lodging cycles.
- Entered into agreements with new hotel operators to diversify portfolio.
- Announced capital improvements to our existing portfolio to continue to upgrade our portfolio to maintain attractive assets.
- Identified strategic investment opportunities to grow HPT's hotel business.
- Continued to upgrade travel centers to take full advantage of improving business conditions.
- Maintained and strengthened HPT's capital structure.
- HPT remains optimistic about the improving economic conditions and has a renewed focus on growing the business.

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