



Ascott Residence Trust

FY 2014 Financial Results

22 January 2015

IMPORTANT NOTICE

The value of units in Ascott Residence Trust (“**Ascott REIT**”) (the “**Units**”) and the income derived from them may fall as well as rise. The Units are not obligations of, deposits in, or guaranteed by Ascott Residence Trust Management Limited, the Manager of Ascott REIT (the “**Manager**”) or any of its affiliates. An investment in the Units is subject to investment risks, including the possible loss of the principal amount invested. The past performance of Ascott REIT is not necessarily indicative of its future performance.

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. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Prospective investors and Unitholders are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of the Manager on future events.

Unitholders of Ascott REIT (the “**Unitholders**”) have no right to request the Manager to redeem their units in Ascott REIT while the units in Ascott REIT are listed. It is intended that Unitholders may only deal in their Units through trading on Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.



Content

- Overview of Ascott REIT
- Year in Review
- Financial Highlights
- Portfolio Performance
- Capital and Risk Management
- Portfolio Information
- Outlook and Prospects
- Distribution Details
- Appendix



Overview of Ascott REIT

A Leading Global Serviced Residence REIT

S\$1.9b
Market Capitalisation

S\$4.1b
Total Asset Size

10,502
Apartment Units

90
Properties

37
Cities in 13 Countries



Note: Figures above as at 31 December 2014

Year in Review

Ascott Raffles Place Singapore



Year in Review

Achieved record high distribution of S\$125.6m for FY 2014, up 9% YoY

- Revenue and gross profit surged 13% and 12% YoY respectively underpinned by additional contribution from properties acquired in 2014 and stronger performance from existing properties
- Adjusted DPU for FY 2014 increased 6% YoY to 7.61 cents

Acquired nine properties in Australia, China, Japan and Malaysia

- Aggregate property value of S\$559.1m
- Made its first foray into five cities namely Dalian, Wuhan and Xi'an in China, Kuala Lumpur in Malaysia and Greater Sydney in Australia



Year in Review

Rejuvenated portfolio to create new value

- Completed AEI at Citadines Ramblas Barcelona, Citadines Toison d'Or Brussels, Ascott Jakarta which yielded ADR uplift of c.17-25%
- Ongoing AEI at Somerset Grand Central Dalian, Somerset Olympic Tower Tianjin, Somerset Xu Hui Shanghai and Somerset Ho Chi Minh City to further add value

Proactive capital management

- Maiden issuance of S\$150m perpetual securities at fixed rate to fund Tokyo and Greater Sydney acquisitions
- Raised JPY7.0b (S\$85.6m) and EUR80.0m (S\$129.2m) unsecured fixed rate notes with tenure of 6 years and 10 years respectively



Citadines Ramblas Barcelona



Citadines Toison d'Or Brussels



Ascott Jakarta



Financial Highlights

Ascott Raffles Place Singapore

4Q 2014 DPU surges 62% YoY

Distribution Per Unit^{1,2}

4Q 2014

FY 2014

2.16 cents
↑62% YoY

8.20 cents
↓2% YoY

Unitholders' Distribution

4Q 2014

FY 2014

S\$33.1m
↑26% YoY

S\$125.6m
↑9% YoY

Gross Profit

4Q 2014

FY 2014

S\$45.7m
↑10% YoY

S\$180.2m
↑12% YoY

Portfolio Value

As at 31 Dec 2014

S\$3,811.4m
↑9%

from S\$3,507.8m as at 30 Jun 2014

Notes:

- Adjusted DPU for 4Q 2014 and 4Q 2013 would be 1.76 cents and 1.56 cents respectively, up 13% YoY
- Adjusted DPU for FY 2014 and FY 2013 would be 7.61 cents and 7.19 cents respectively, up 6% YoY



4Q 2014 vs 4Q 2013

	4Q 2014	4Q 2013	% Change
Revenue (\$\$'m)	95.0	83.9	13% ↑
Gross Profit (\$\$'m)	45.7	41.6	10% ↑
Unitholders' Distribution (\$\$'m)	33.1 ¹	26.3 ¹	26% ↑
Distribution Per Unit (\$ cents)	2.16	1.33	62% ↑
Adjusted Distribution Per Unit (\$ cents) (For information Only)	1.76 ²	1.56 ^{2,3}	13% ↑
Revenue Per Available Unit (\$\$/day) (For Serviced Residences Only)	124	129	-4% ↓

- Revenue and gross profit increased mainly due to additional contribution from the properties acquired in 2014⁴ as well as stronger performance from existing properties mainly in United Kingdom
- RevPAU decreased due to weaker performance from properties in Singapore and Vietnam as well as lower ADR from the properties in China acquired in August 2014
— On a same store basis, excluding the new acquisitions, RevPAU increased by 2%

Notes:

1. Unitholders' distribution in 4Q 2014 and 4Q 2013 included one-off items of approximately S\$6.1 million and S\$2.5 million respectively.
2. Excluding one-off items
3. Adjusted for the effects from the Rights Issue
4. Acquisition of nine properties in Australia, China, Japan and Malaysia



FY 2014 vs FY 2013

	FY 2014	FY 2013	% Change
Revenue (\$\$'m)	357.2	316.6	13% ↑
Gross Profit (\$\$'m)	180.2	161.2	12% ↑
Unitholders' Distribution (\$\$'m)	125.6	114.8	9% ↑
Distribution Per Unit (\$ cents)	8.20	8.40	-2% ↓
Adjusted Distribution Per Unit (\$ cents) (For information Only)	7.61 ¹	7.19 ^{1,2}	6% ↑
Revenue Per Available Unit (\$\$/day) (For Serviced Residences Only)	128	132	-3% ↓

- Revenue and gross profit increased mainly due to additional contribution from the properties acquired in 2013³ and 2014⁴ as well as stronger performance from existing properties in Belgium, Japan and United Kingdom
- RevPAU decreased due to weaker performance from properties in Singapore and Philippines as well as lower ADR from properties in China acquired in 2014
— On a same store basis, excluding the new acquisitions, RevPAU increased by 3%

Notes:

1. Excluded one-off items
2. Adjusted for the effects from the Rights Issue
3. Acquisition of three serviced residence in China and 11 rental housing properties in Japan in June 2013
4. Acquisition of nine properties in Australia, China, Japan and Malaysia.

Portfolio Value Up by 9%¹

Higher valuation from properties in China, Belgium and United Kingdom

- Portfolio valuation as at 31 Dec 2014 of S\$3,811.4m
- Portfolio value increased mainly due to properties acquired in 2H 2014 and existing properties, partially offset by weakening of foreign currencies



Note:

1. As compared to valuation as at 30 June 2014

Portfolio Performance

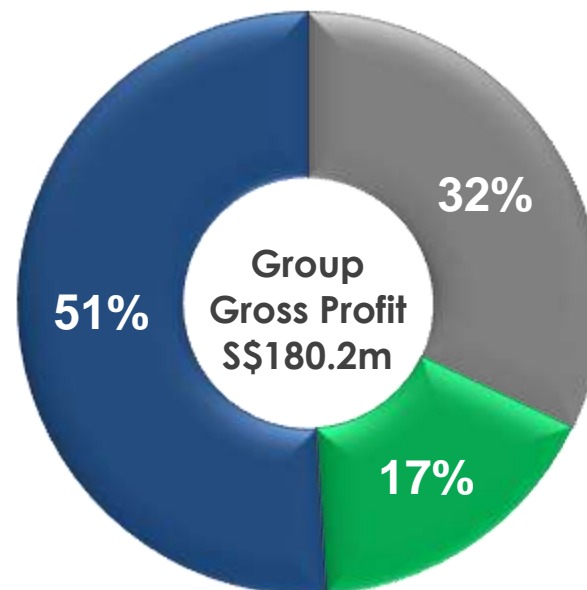
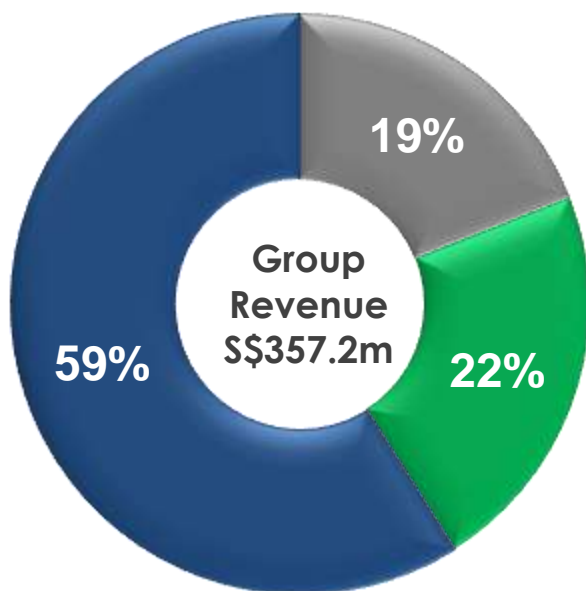


Citadines Suites Louvre Paris

Revenue and Gross Profit (By Category)

Revenue
FY 2014

Gross Profit
FY 2014

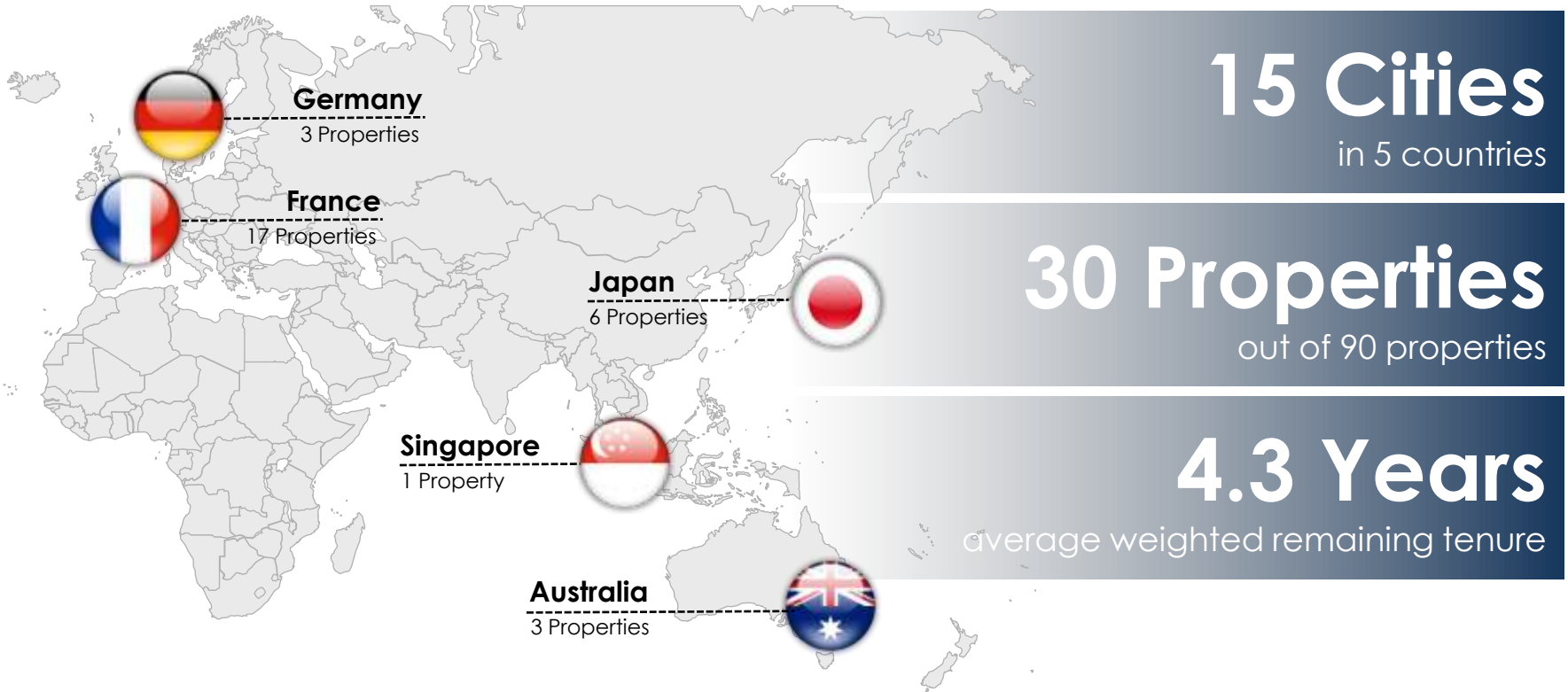


- Master Leases
- Management Contracts with Minimum Guaranteed Income
- Management Contracts



Master Leases

32% of Group's Gross Profit for FY 2014 is contributed by Master Leases





Master Leases (4Q 2014 vs 4Q 2013)



Citadines
Suites Louvre
Paris



Citadines
Les Halles Paris



Citadines
Croisette
Cannes



Citadines
Arnulfpark
Munich



Ascott
Raffles Place
Singapore



Quest Sydney
Olympic Park

Revenue ('mil)

Gross Profit ('mil)

	4Q 2014	4Q 2013		4Q 2014	4Q 2013
Australia (AUD) 3 Properties ¹	0.4	-	-	0.4	-
France (EUR) 17 Properties	5.8	5.8	-	5.3	5.3
Germany (EUR) 3 Properties	1.4	1.3	↑	1.3	1.3
Japan (JPY) 6 Properties	187.6	54.4	↑	151.3	31.1
Singapore (SGD) Ascott Raffles Place Singapore	2.2	2.1	↑	1.8	1.7

Higher revenue and gross profit for properties in Japan was mainly attributed to the acquisition of Infini Garden in March 2014.

Notes:

1. Acquired 3 serviced residence properties in Greater Sydney in December 2014.



Master Leases (FY 2014 vs FY 2013)



Citadines
Suites Louvre
Paris



Citadines
Les Halles Paris



Citadines
Croisette
Cannes



Citadines
Arnulfpark
Munich



Ascott
Raffles Place
Singapore



Quest Sydney
Olympic Park

Revenue ('mil)

Gross Profit ('mil)

	FY 2014	FY 2013		FY 2014	FY 2013	
Australia (AUD) 3 Properties ¹	0.4	-	-	0.4	-	-
France (EUR) 17 Properties	23.2	23.1	↑	21.5	21.2	↑
Germany (EUR) 3 Properties	5.7	5.6	↑	5.1	5.1	-
Japan (JPY) 6 Properties	661.9	110.0	↑	536.5	77.9	↑
Singapore (SGD) Ascott Raffles Place Singapore	9.1	9.0	↑	7.3	7.3	↑

Higher revenue and gross profit for properties in Japan was mainly attributed to the acquisition of Infini Garden in March 2014.

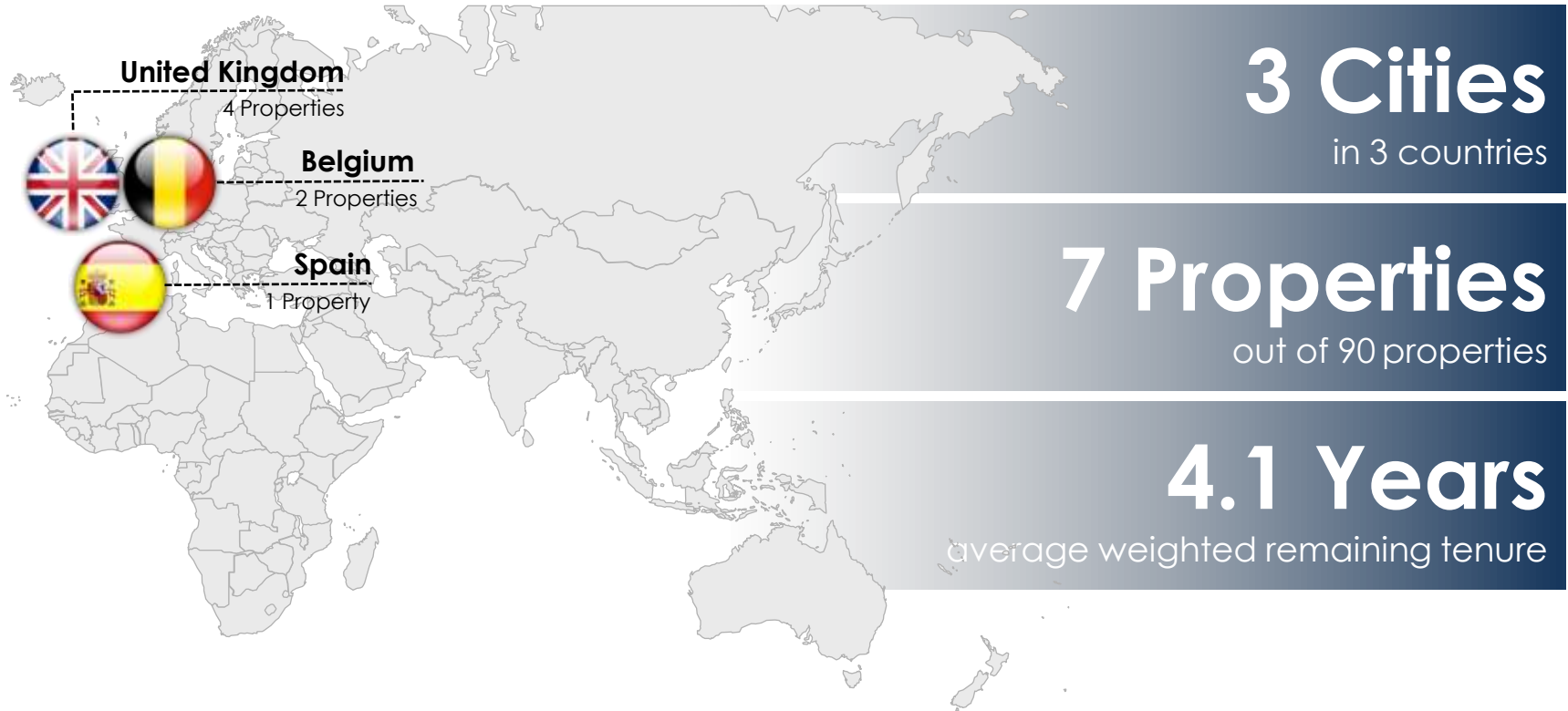
Notes:

1. Acquired 3 serviced residence properties in Greater Sydney in December 2014.



Management Contracts with Minimum Guaranteed Income

17% of Group's Gross Profit for FY 2014 is contributed by Management Contracts with Minimum Guaranteed Income





Management Contracts with Minimum Guaranteed Income (4Q 2014 vs 4Q 2013)

	Revenue ('mil)			Gross Profit ('mil)		
	4Q 2014	4Q 2013		4Q 2014	4Q 2013	
Belgium (EUR) 2 Properties	2.0	2.2	↓	0.7	0.4	↑
Spain (EUR) 1 Property	1.1	0.8	↑	0.4	0.3	↑
United Kingdom (GBP) 4 Properties	7.1	6.8	↑	3.5	3.0	↑



Management Contracts with Minimum Guaranteed Income (FY 2014 vs FY 2013)

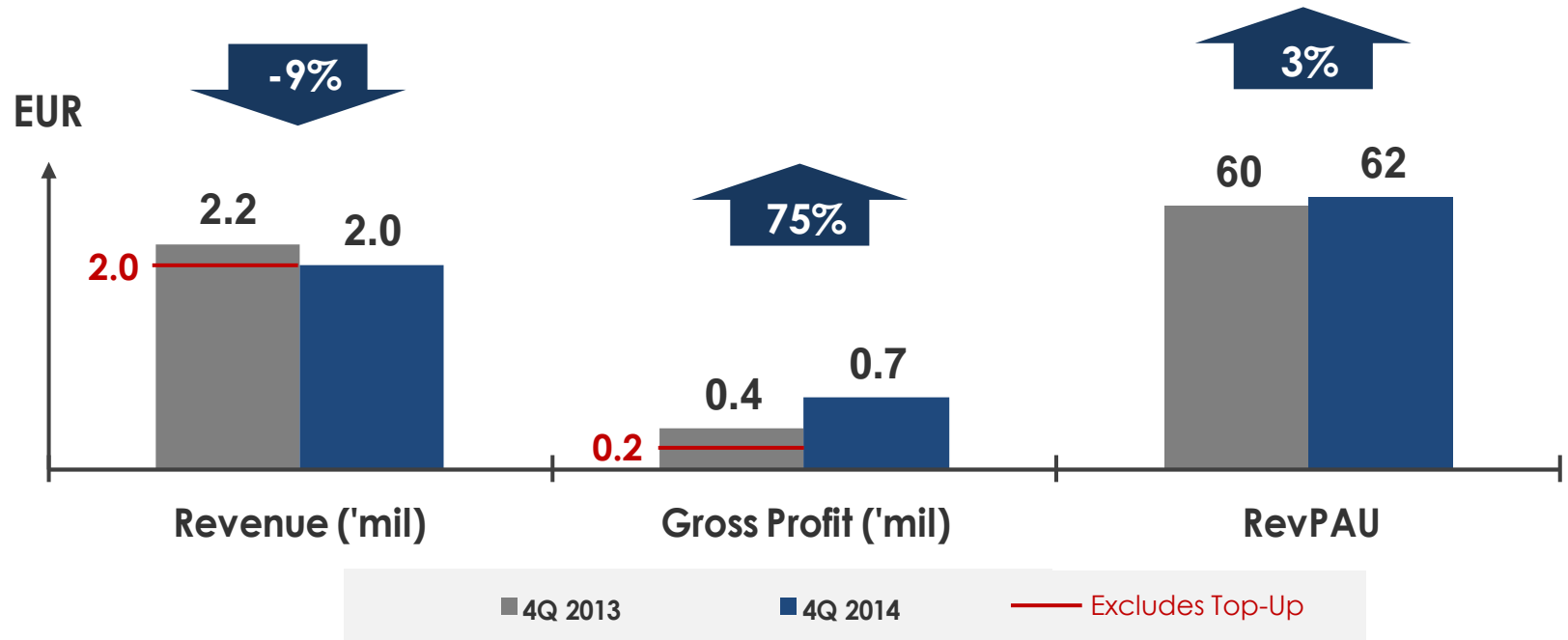
	Revenue ('mil)			Gross Profit ('mil)		
	FY 2014	FY 2013		FY 2014	FY 2013	
Belgium (EUR) 2 Properties	7.7	7.1	↑	1.8	1.3	↑
Spain (EUR) 1 Property	4.5	4.1	↑	1.9	1.9	-
United Kingdom (GBP) 4 Properties	26.9	26.0	↑	11.9	11.2	↑



Citadines
Sainte-Catherine
Brussels



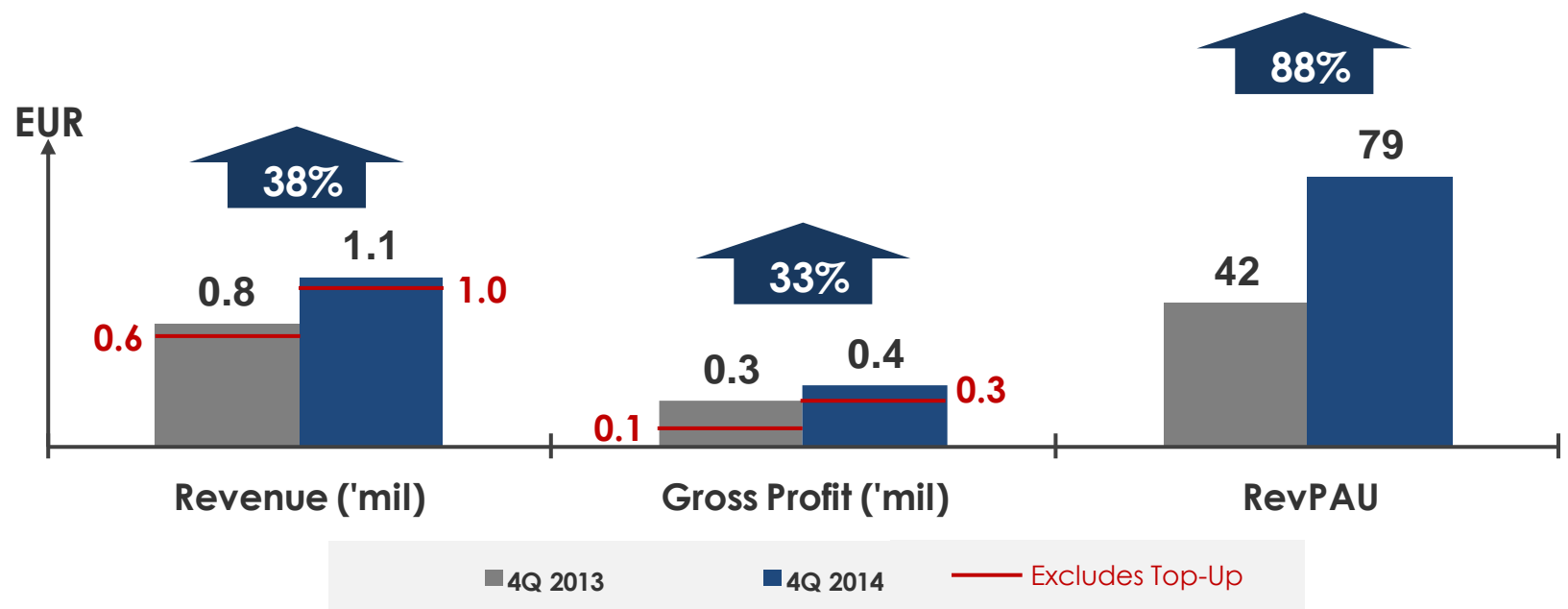
Citadines
Toison d'Or
Brussels



Excluding the top-up provided by property manager in 4Q 2013, revenue remained at the same level as last year and gross profit increased by EUR0.5 million YoY. Gross profit increased due to lower staff costs, depreciation expense and operation and maintenance expense.



Citadines Ramblas
Barcelona



Excluding the top-up, revenue and gross profit increased YoY. RevPAU increased mainly due to refurbishment of Citadines Ramblas Barcelona last year.



United Kingdom



Citadines Barbican London



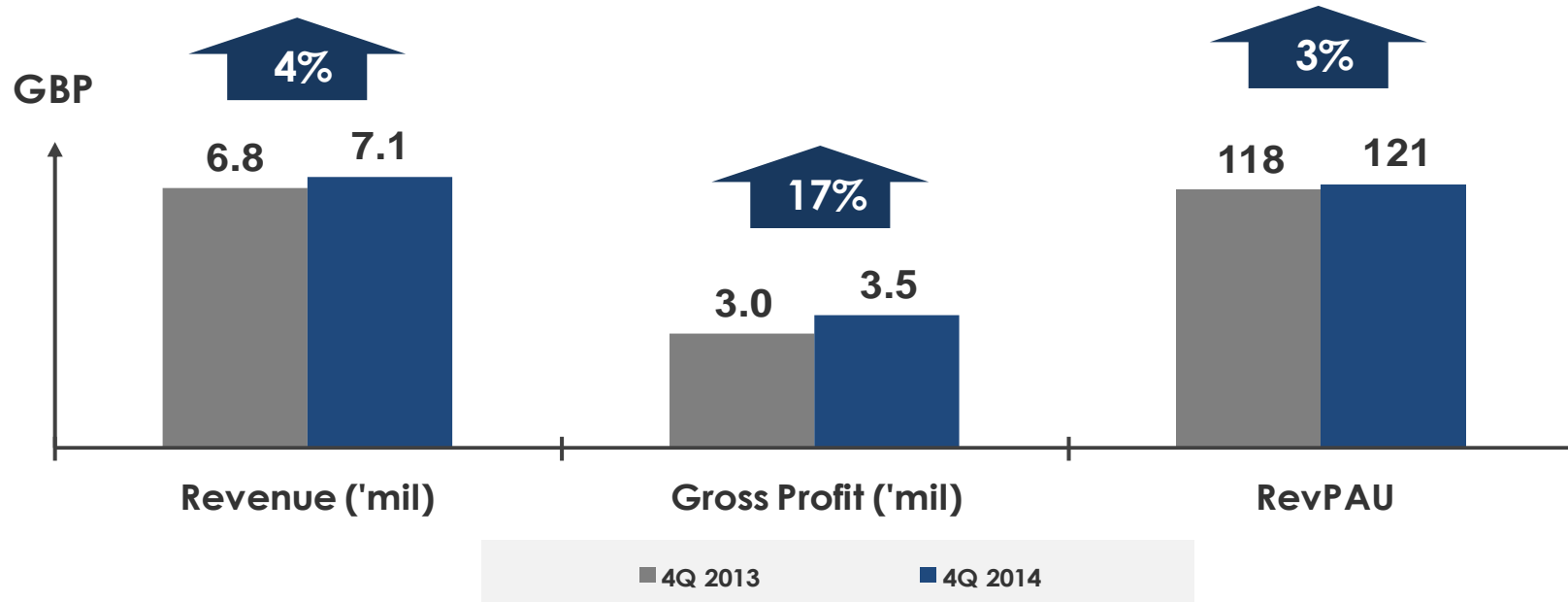
Citadines Holborn-Covent Garden London



Citadines South Kensington London



Citadines Trafalgar Square London

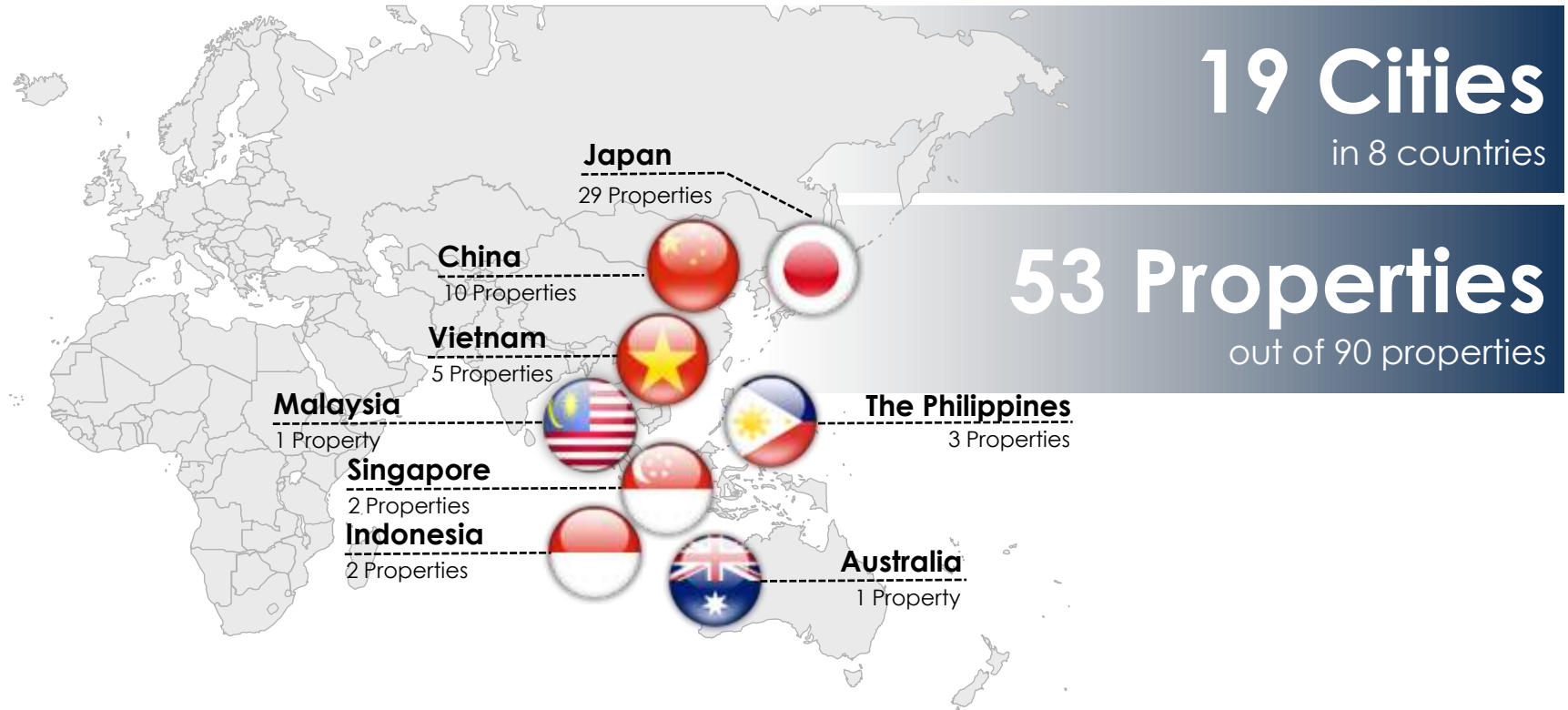


Revenue and RevPAU increase was mainly due to stronger demand from corporate and leisure sectors. Gross profit increased mainly due to higher revenue and lower staff costs.



Management Contracts

51% of Group's Gross Profit for FY 2014 is contributed by Management Contracts



Management Contracts (4Q 2014 vs 4Q 2013)

	Revenue ('mil)			Gross Profit ('mil)			RevPAU		
	4Q 2014	4Q 2013		4Q 2014	4Q 2013		4Q 2014	4Q 2013	
Australia (AUD)	1.3	0.7	↑	0.6	0.2	↑	158	91	↑
China (RMB)	79.6	61.5	↑	18.0	20.3	↓	423	494	↓
Indonesia (USD)	2.9	3.1	↓	0.6	0.9	↓	73	82	↓
Japan (JPY)¹	1,018.2	703.6	↑	567.5	401.0	↑	11,887	10,439	↑
Malaysia (MYR)	4.8	-	-	1.5	-	-	247	-	-
Philippines (PHP)	262.4	235.3	↑	85.6	72.8	↑	4,356	4,068	↑
Singapore (SGD)	6.7	7.2	↓	2.6	2.9	↓	205	220	↓
Vietnam (VND)^{2,3}	154.9	168.9	↓	74.4	92.4	↓	1,482	1,545	↓

Notes:

1. RevPAU for Japan refers to serviced residences and excludes rental housing.
2. Revenue and gross profit figures for VND are stated in billions. RevPAU figures are stated in thousands.
3. Revenue and gross profit for Somerset West Lake in 4Q 2014 have been classified under "Management Contracts" category as the deed of yield protection has expired on 31 March 2014. For comparison purpose, the revenue and gross profit for Somerset West Lake for 4Q 2013 have been classified under "Management Contracts" category.

Management Contracts (FY 2014 vs FY 2013)

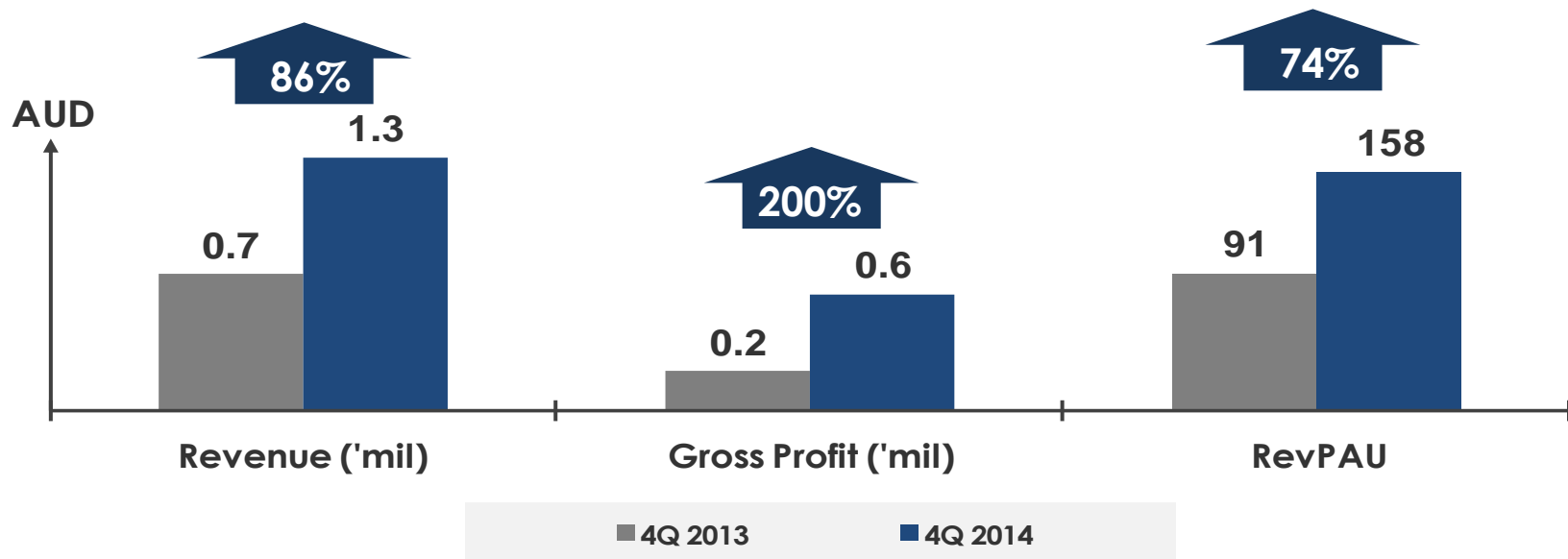
	Revenue ('mil)			Gross Profit ('mil)			RevPAU		
	FY 2014	FY 2013		FY 2014	FY 2013		FY 2014	FY 2013	
Australia (AUD)	4.9	4.2	↑	1.8	1.5	↑	150	129	↑
China (RMB)	271.3	194.4	↑	77.2	63.1	↑	446	522	↓
Indonesia (USD)	12.5	12.3	↑	4.5	3.7	↑	81	81	-
Japan (JPY)¹	3,147.2	2,381.0	↑	1,796.8	1,275.0	↑	10,745	9,422	↑
Malaysia (MYR)	8.3	-	-	2.8	-	-	260	-	-
Philippines (PHP)	1,062.9	1,018.5	↑	365.1	360.2	↑	4,468	4,680	↓
Singapore (SGD)	27.1	28.1	↓	12.5	12.6	↓	211	218	↓
Vietnam (VND)^{2,3}	631.9	675.4	↓	338.7	384.8	↓	1,513	1,550	↓

Notes:

1. RevPAU for Japan refers to serviced residences and excludes rental housing.
2. Revenue and gross profit figures for VND are stated in billions. RevPAU figures are stated in thousands.
3. Upon the expiry of the deed of yield protection, revenue and gross profit of Somerset West Lake have been classified under "Management Contracts" category from April 2014 onwards. For comparison purpose, the revenue and gross profit of Somerset West Lake for 1Q 2014 and FY 2013 have been classified under "Management Contracts" category.



Citadines
St Georges
Terrace Perth



Revenue and gross profit increased mainly due to higher demand for the renovated apartments at Citadines St Georges Terrace Perth. RevPAU increased as a result of the refurbishment last year.



Citadines
Zhuankou Wuhan



Citadines
Gaoxin Xi'an



Citadines
Xinghai Suzhou



Ascott
Guangzhou



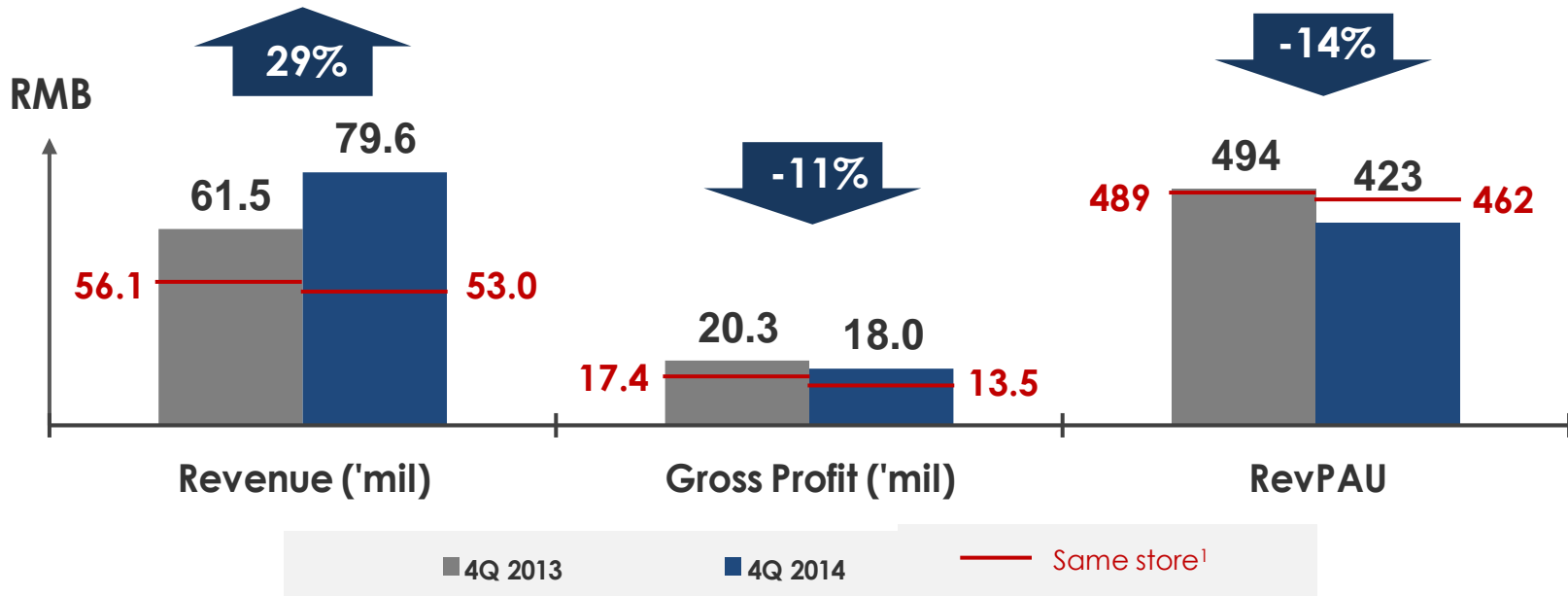
Somerset
Heping Shenyang



Citadines
Biyun Shanghai



Somerset Xu Hui
Shanghai



Revenue increased mainly due to contribution from the properties acquired in 2014². RevPAU decreased mainly due to the acquired properties in the regional cities, which had a lower ADR. Gross profit decreased mainly due to higher staff costs, operation and maintenance expense and depreciation expense.

Notes:

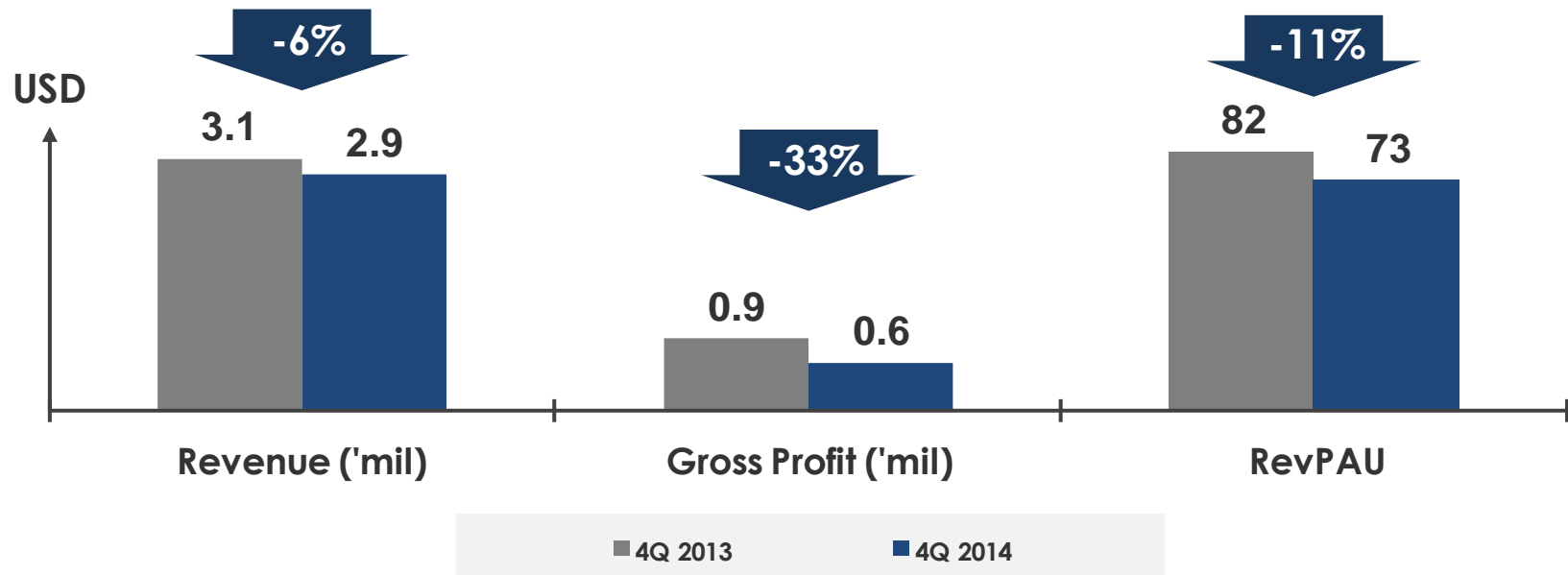
1. Excluding Somerset Grand Central Dalian acquired in June 2014, Citadines Zhuankou Wuhan and Citadines Gaoxin Xi'an acquired in August 2014, and Somerset Grand Fortune Garden Property Beijing which had commenced strata sale of units since October 2013.
2. Acquisition of Somerset Grand Central Dalian (completed in June 2014), Citadines Zhuankou Wuhan and Citadines Gaoxin Xi'an (completed in August 2014).



Ascott Jakarta



Somerset Grand
Citra Jakarta



Revenue and RevPAU decreased mainly due to weaker demand from corporate accounts. Gross profit decreased mainly due to lower revenue and higher insurance cost.

Japan



Somerset Azabu East Tokyo



Citadines Shinjuku Tokyo



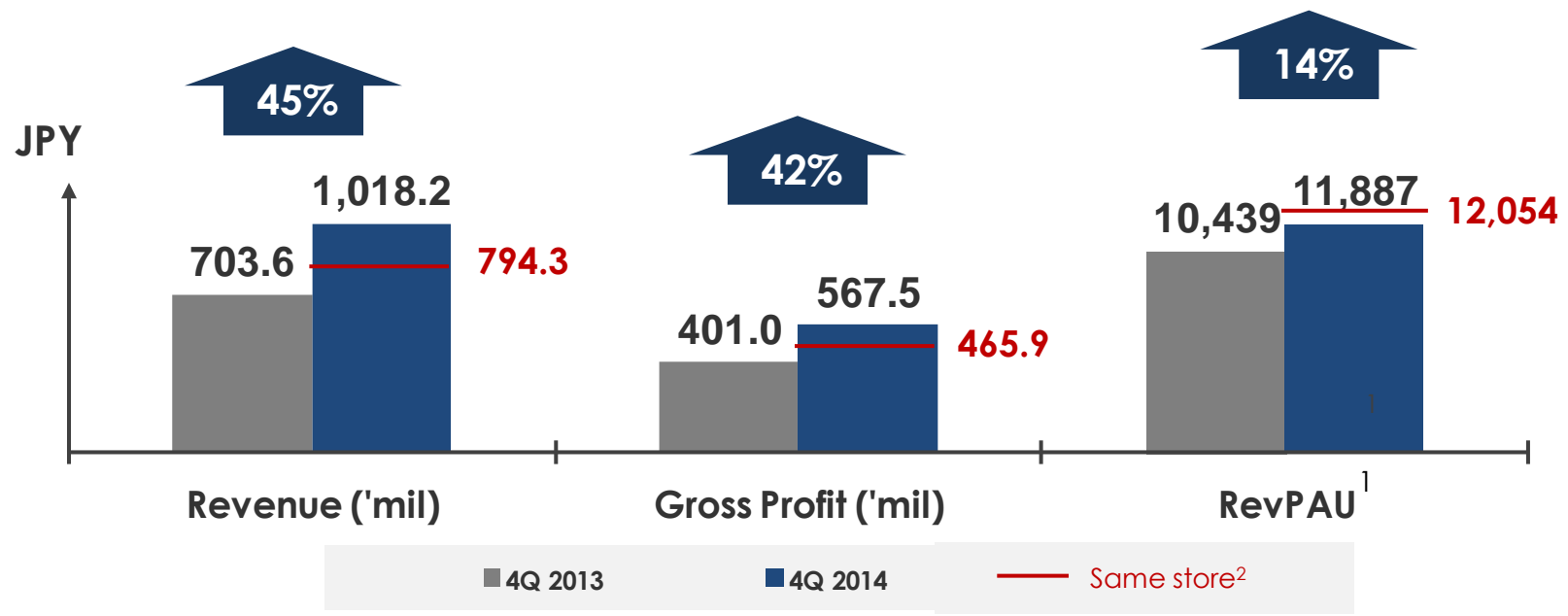
Citadines Karasuma-Gojo Kyoto



Best Western Shinjuku Astina Tokyo



25 rental housing properties in Japan



Revenue and gross profit increased mainly due to the contribution from Best Western Shinjuku Astina Hotel Tokyo acquired in October 2014, as well as stronger demand from the corporate and leisure sectors for all the serviced residence properties.

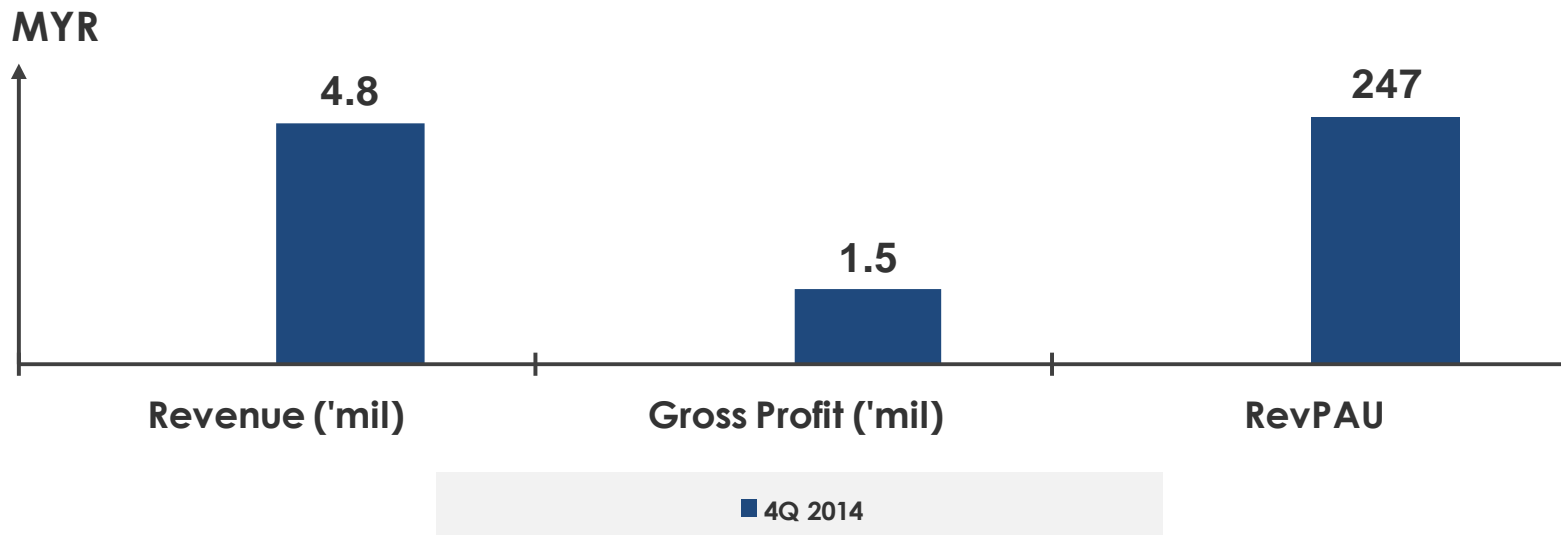
Notes:

- 1. RevPAU for serviced residence properties only
- 2. Excluding Best Western Shinjuku Astina Hotel Tokyo





Somerset Ampang
Kuala Lumpur



Ascott REIT made its first foray into Malaysia this year. Somerset Ampang Kuala Lumpur was acquired on 18 August 2014.



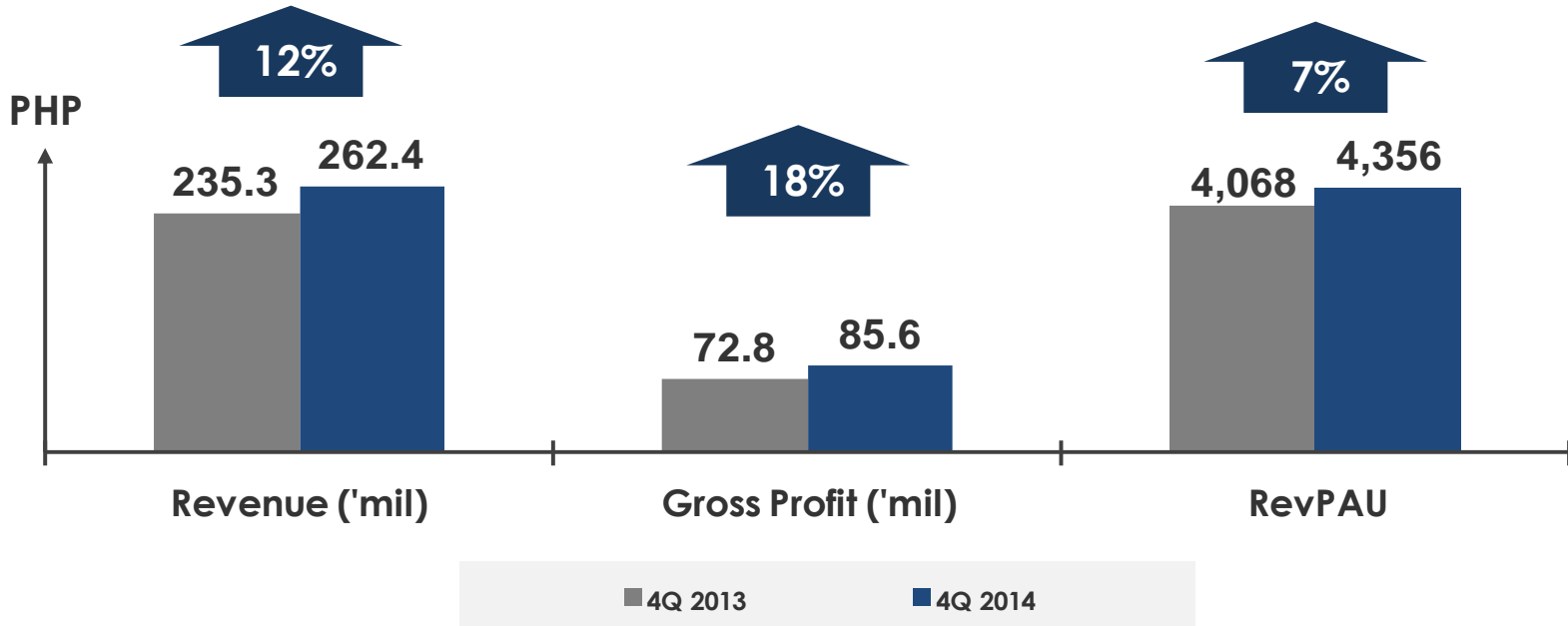
Ascott Makati



Somerset Millennium Makati



Salcedo Residences



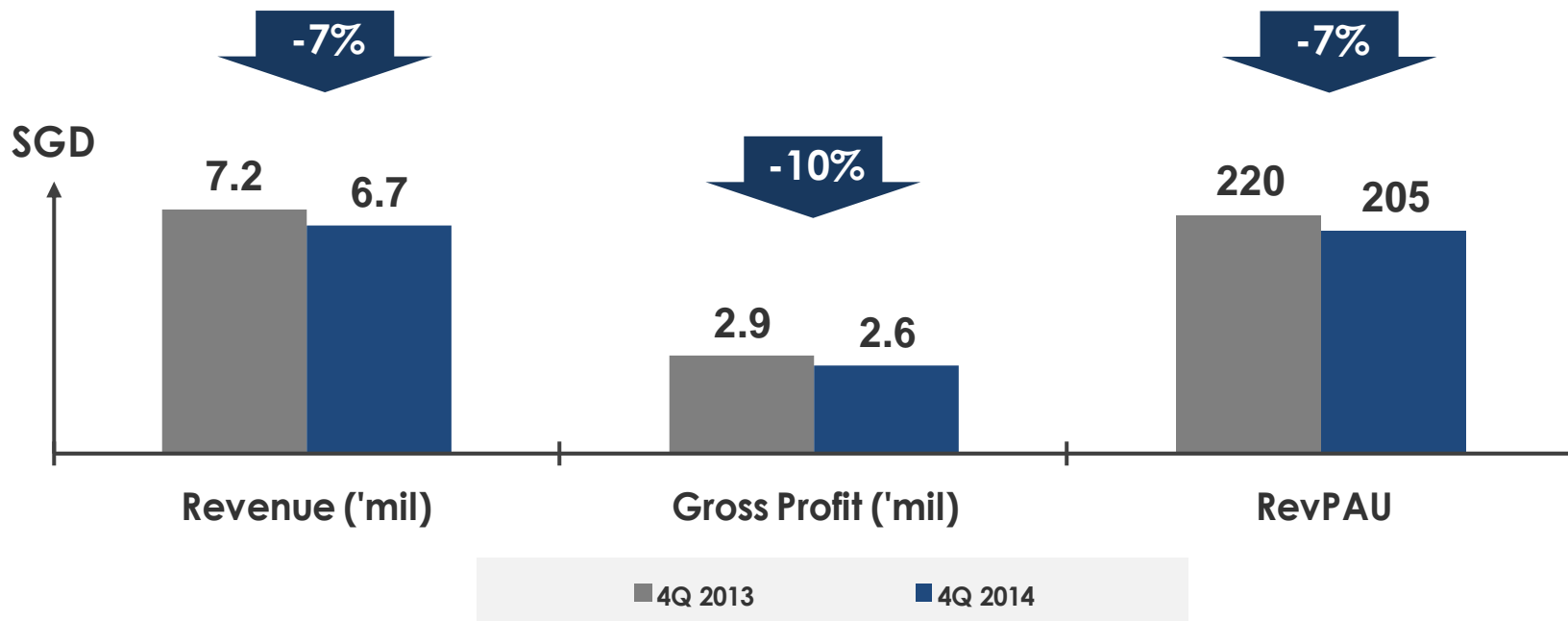
Revenue, gross profit and RevPAU increased mainly due to conversion of 56 two-bedroom units into studio and one-bedroom units at Ascott Makati last year.



Somerset
Liang Court
Property
Singapore



Citadines
Mount Sophia
Property
Singapore



Revenue, gross profit and RevPAU decreased mainly due to lower corporate accommodation budgets.



Somerset Grand Hanoi



Somerset Hoa Binh Hanoi



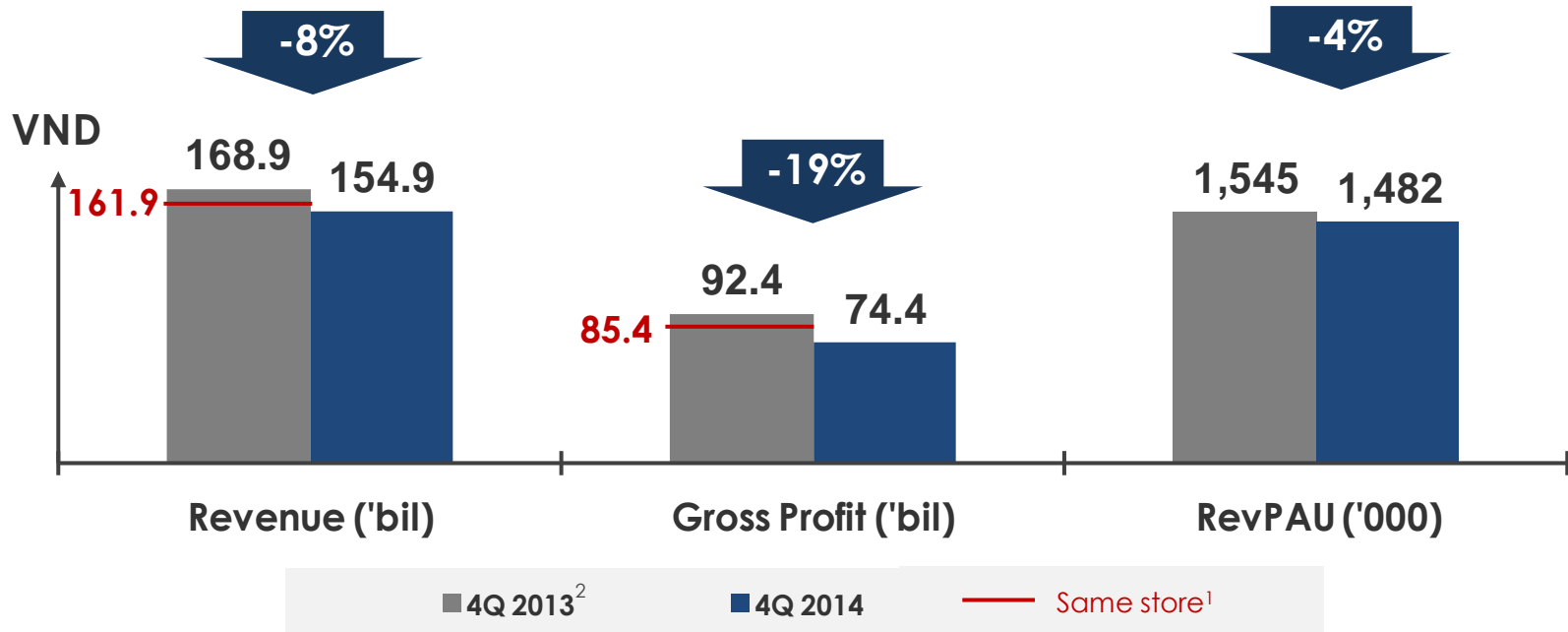
Somerset West Lake Hanoi



Somerset Ho Chi Minh City



Somerset Chancellor Court Ho Chi Minh City



Revenue, gross profit and RevPAU decreased mainly due to the expiry of the deed of yield protection² and ongoing refurbishment at Somerset Ho Chi Minh City. Gross profit decreased mainly due to lower revenue and higher depreciation expense.

Notes:

1. Excluding the yield protection amount for 4Q 2013.
2. Revenue and gross profit for Somerset West Lake in 4Q 2014 have been classified under "Management Contracts" category as the deed of yield protection has expired on 31 March 2014. For comparison purpose, the revenue and gross profit for Somerset West Lake for 4Q 2013 have been classified under "Management Contracts" category.

Capital and Risk Management



Ascott Raffles Place Singapore



Healthy Balance Sheet and Credit Metrics

Key Financial Indicators

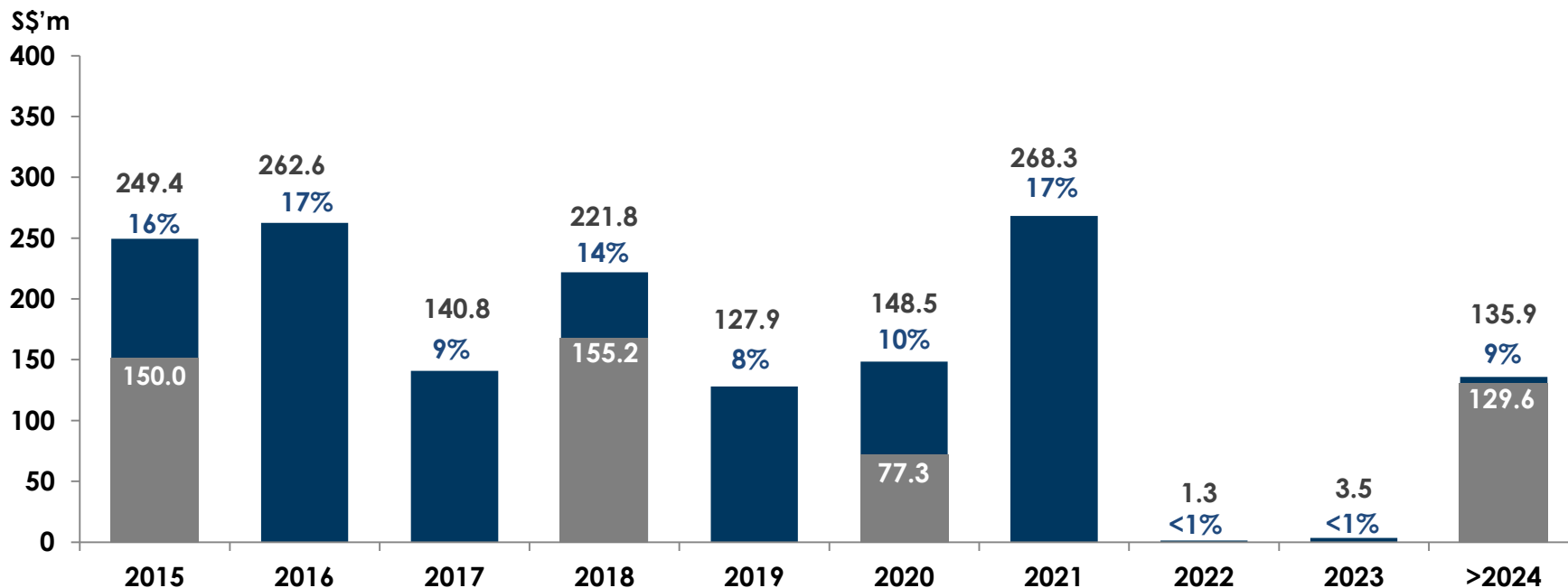
	As at 31 Dec 2014	As at 30 Sep 2014
Gearing	38.5%	40.0%
Interest Cover	4.3X	4.4X
Effective Borrowing Rate	3.0%	2.9%
Weighted Avg Debt to Maturity (Years)	4.4	3.8
NAV/Unit	S\$1.37	S\$1.35
Ascott REIT's Issuer Rating by Moody's	Baa3	Baa3

Proactive Capital Management

Debt Maturity Profile As at 31 Dec 2014

■ Bank loans
■ Medium Term Note

**Weighted Average Debt
to Maturity: 4.4 Years**

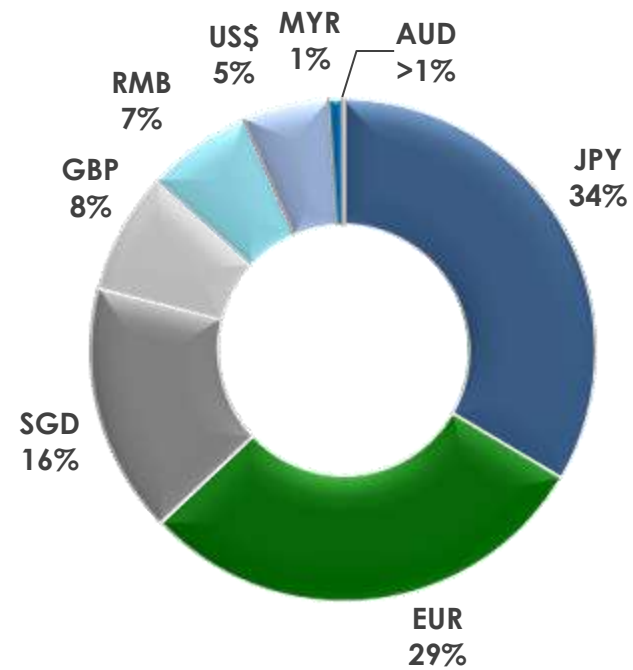
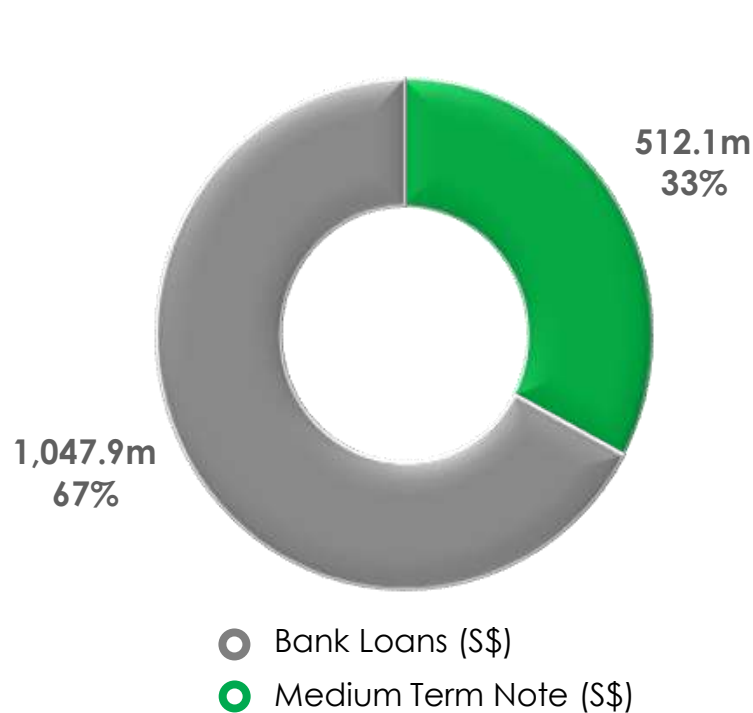


Ascott REIT's Total Debt = S\$1,560.0 million

Proactive Capital Management

Debt Type
As at 31 Dec 2014

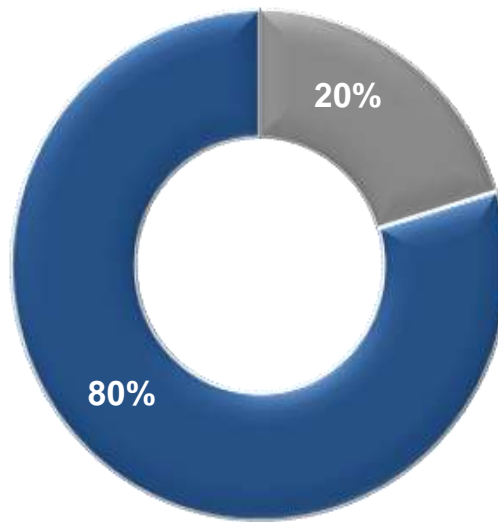
Debt by Currency
As at 31 Dec 2014



Ascott REIT's Total Debt = S\$1,560.0 million

Proactive Capital Management

Interest Rate Profile As at 31 Dec 2014



- Fixed
- Floating

Ascott REIT's Total Debt = S\$1,560.0 million



Foreign Exchange Profile

Proactive Capital Management

Currency	Gross Profit FY 2014 (%)	Exchange Rate Movement From 31 Dec 2013 to 31 Dec 2014 (%)
EUR	28	-0.3
JPY	16	-1.5
GBP	14	0.7
SGD	11	-
VND	11	-
RMB	9	0.5
PHP	6	-0.9
USD	3	0.7
MYR	1	-1.8 ¹
AUD	1	0.1
Total	100	-0.2

We have entered into foreign currency forward contracts to hedge distribution income derived in EUR, GBP and JPY. On a portfolio basis, approximately 40% of actual FY 2014 distribution income had been hedged.

Note:

1. Based on exchange movement of MYR/SGD from 18 August 2014 to 31 December 2014

Portfolio Information

SOMERSET

Somerset Liang Court Singapore

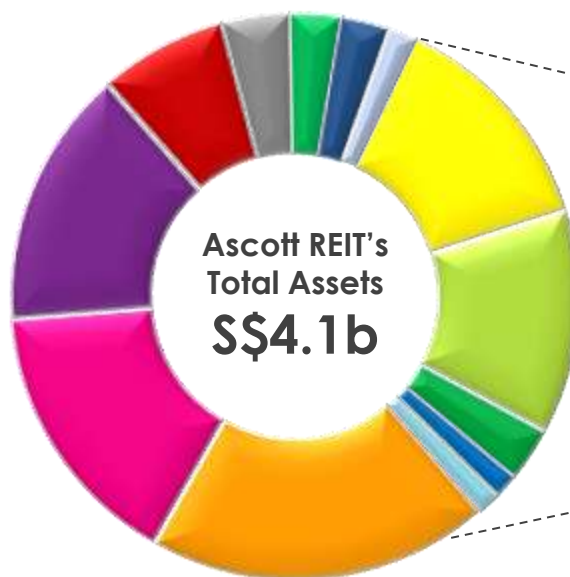


Geographical Diversification

Ascott REIT's Total Assets

As at 31 Dec 2014

Asia-Pacific	68.3%
China	19.6%
Singapore	15.5%
Japan	14.8%
Vietnam	7.3%
Philippines	3.9%
Australia	2.9%
Indonesia	2.7%
Malaysia	1.6%



Europe	31.7%
UK	13.1%
France	12.8%
Germany	3.1%
Belgium	1.4%
Spain	1.3%

Portfolio diversified across property and economic cycles

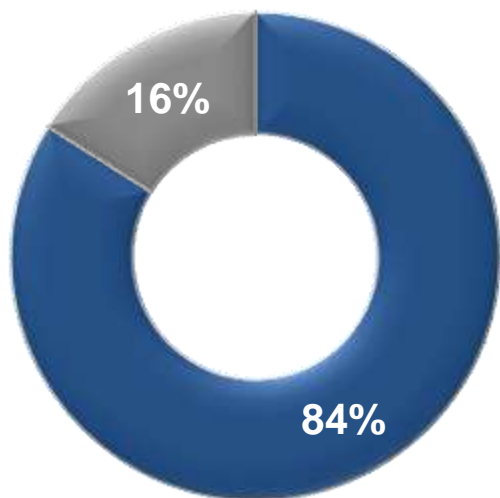


Apartment Rental Income¹

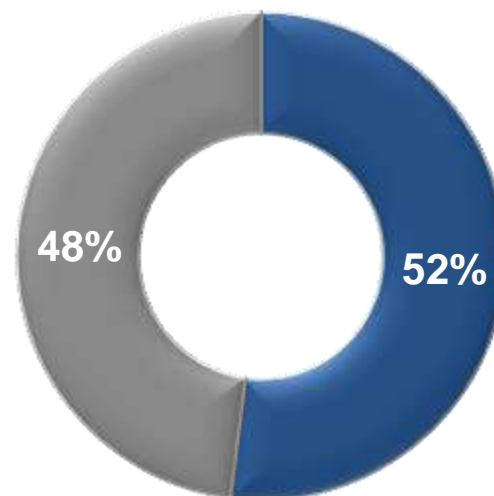
By Market Segment

FY 2014

Asia-Pacific



Europe



- Corporate Travel
- Leisure

Note:

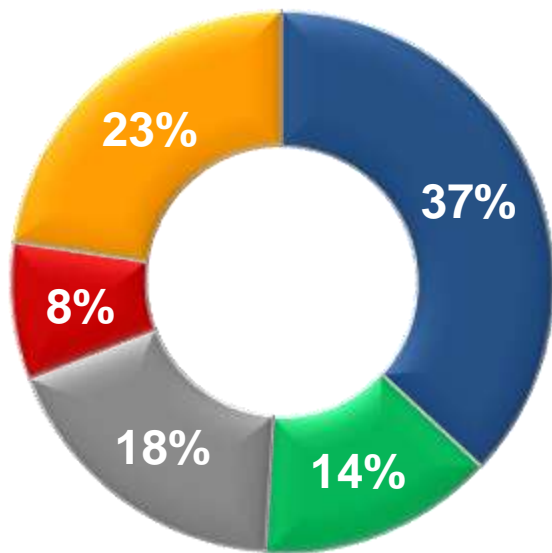
1. Information for properties on master leases are not included.



Apartment Rental Income¹

By Length of Stay

FY 2014



1 week or less	37%
Less than 1 month	14%
1 to 6 months	18%
6 to 12 months	8%
More than 12 months	23%

Average apartment rental income by length of stay is about 4.3 months

Note:

1. Information for properties on master leases are not included.



Outlook and Prospects

Ascott Raffles Place Singapore



Outlook and Prospects

2014 marked an exceptionally rewarding year for the Ascott REIT, having completed nine successful acquisitions of aggregate property value of S\$559.1 million, resulting in total asset value of S\$4.1 billion as at 31 December 2014. We will continue to actively look for accretive acquisitions as we seek to entrench our presence in key hospitality markets of Asia Pacific and Europe to further enhance Unitholders' returns.

In addition to actively pursuing growth through acquisitions, the Group continues to drive organic operational growth by putting the existing portfolio through robust asset enhancement programmes to optimise returns for the Unitholders and to meet increasingly sophisticated demands of modern travellers. Somerset Grand Central Dalian, Somerset Olympic Tower Property Tianjin, Somerset Xu Hui Shanghai and Somerset Ho Chi Minh City are currently undergoing refurbishment and are on track to complete in 2015.

The Group adopts a prudent and disciplined approach towards capital management. It will continue to actively seek diversified funding sources and secure long-term financing at an optimal cost. In December 2014, Ascott REIT made its maiden issue of a 10-year unsecured Euro-denominated bonds, part of its many initiatives to extend its debt maturity. As at 31 December 2014, 80% of the total borrowings are on fixed interest rates. The Manager remains vigilant to changes in the macro and credit environment that may impact the Group's financing plans.

The global economic recovery in 2014 has been weaker-than-expected and geopolitical risks continue to remain a concern. In January 2015, the World Bank and the International Monetary Fund lowered their global growth forecasts for 2015 due to disappointing economic prospects in certain geographies. Notwithstanding a challenging operating environment going into 2015, we expect the operational performance of our portfolio to remain healthy through our resilient extended-stay business model. The Group's financial performance for FY 2015 should remain profitable.

Distribution Details





Distribution Details

Distribution Period	1 July 2014 to 31 December 2014
Distribution Rate	4.264 cents per Unit
Last Day of Trading on “cum” Basis	27 January 2015, 5pm
Ex-Date	28 January 2015, 9am
Books Closure Date	30 January 2015
Distribution Payment Date	27 February 2015

Appendix



Citadines Mount Sophia



Ongoing Asset Enhancement Initiatives

Properties		Costs	Time Period
1	Somerset Ho Chi Minh City (Phase 1) - Renovation of 59 out of 151 apartment units and other works	US\$3.3m (S\$4.2m)	2Q 2014 to 1Q 2015
2	Somerset Grand Central Dalian - Renovation of swimming pool, kitchen, children's playground area and conversion of billiard room to golf simulator room	RMB7.3m (S\$1.5m)	4Q 2014 to 2Q 2015
3	Somerset Xu Hui Shanghai (Phase 2B) - Renovation of 42 units of 1BR, 2BR and 3BRs and other works	RMB18.3 m (S\$3.7m)	4Q 2014 to 2Q 2015
4	Somerset Olympic Tower Property Tianjin - Phased renovation of 86 units	RMB 29.5m (S\$5.9m) ¹	2Q 2014 to 4Q 2015
Total		S\$15.3m	

Note:

1. For the entire refurbishment project