ADDRESS BY LIM JIT POH, CHAIRMAN, ASCOTT RESIDENCE TRUST MANAGEMENT LIMITED, AT ASCOTT RESIDENCE TRUST'S 10th ANNIVERSARY DINNER FUNCTION HELD ON FRIDAY, 15 APRIL 2016 AT ARTEMIS, CAPITAGREEN ROOFTOP

The birth of Real Estate Investment Trusts or REITs in Singapore was a new phenomenon to the investing public. CapitaLand Group was the pioneer and has much to be proud of. CapitaLand's first REIT was established and launched in July 2002. We in Ascott Reit, being part of the CapitaLand Group share in that honour. We made our appearance ten years ago in March 2006 as the first hospitability Reit with just 12 properties comprising 2,068 apartment units scattered in seven cities and five countries with an asset size of just $856 million. At that point of time, I had remarked that as a Reit, it was a small entity and confined to only, at most, the Asian region.

2 Ten short years down the road, Ascott Reit has become a global player with 91 properties (79 more than 2006), having 11,887 apartment units (9,819 more than initially), in 38 cities (31 more than when first started) and 14 countries (9 more than 2006). The biggest increase, has, however, been in its asset size. It is now an enviable $5.4 billion undertaking, $4.5 billion more than its launch and moving fast towards our public released target of $6 billion in 2017.

3 The speed and the extent of our growth do not come by chance. It is a calculated and planned corporate move, helped in a big way by our Sponsor, The Ascott Limited. But this ready-made pipeline of assets from the Sponsor alone is a necessary but not a sufficient condition for success. Credit must be given to the hard-working, efficient and effective Management and a far-sighted understanding Board.

4 Let me now on behalf of our unitholders express our deepest appreciation to our past and present Management personnel and Board Directors for their valuable contributions in bringing Ascott Reit to what it is today. Starting from our first Deputy Chairman Mr Liew Mun Leong to our present Deputy Chairman Mr Lim Ming Yan, respectively former and present President and Group CEO of CapitaLand, we then have former CEO Mr Chong Kee Hiong to present CEO Mr Ronald Tay, other non-independent directors drawn from CapitaLand Group were Mr Cameron Ong, Mr Lui Chong Chee, Mr Wen Khai Meng, Ms Jennie Chua and still with us Mr Lee Chee Koon, the present CEO of The Ascott Limited and independent directors from Mr Paul Ma, Mr David Schaefer, Mr Chandra Das and Mr Giam Chin Toon to present directors Mr Ku Moon Lun, Mr Zulkifli bin Baharudin and Mr Bob Tan Beng Hai. There are also many behind the scene Ascott Reit and CapitaLand staff who helped us along the way besides the numerous professionals like our lawyers, bankers, auditors and valuers. We must also thank our Trustee, DBS Trustee, for their trust and confidence in us.

5 Established ten years ago with presence only in Asia, we became proud owners of our assets in Europe in October 2010, four years after our initial listing. Another five years later in August 2015, we ventured into the USA before our parents. We were not trying to teach our parents what to do. I like to believe that we were a test bed for the huge and rich parent to do more when we are firmly rooted.

6 Let me now quote you what I call "happy numbers" on this special occasion. In terms of asset value, the compound annual growth rate (CAGR) is 18.8%. In terms of number of apartment units, the CAGR is 19.1%. In terms of number of cities it is 18.4%. In terms of number of countries it is 10.8%. But to the unitholders, the CAGR in turnover terms is 17.2% but the greatest reward for them is the total unitholder distribution growth of 18.0%. Where can we get return of this order on an annual basis for ten years running?

7 With these results, I am pleased to say that we have done a reasonable job for the unitholders and earned their loyalty. We have therefore not failed the investing public in introducing Ascott Reit to them.

8 The path ahead is exciting. The immediate goal of achieving $6 billion target shall not be a real problem. However, we need to continually educate the investing public that to continually acquire accretive assets cannot be possible and also not desirable. We have to bring in the other criterion of investing wisely in assets which do not have immediate accretive returns but are good and sound assets which have high potentials of achieving the accretive returns within a reasonable time frame. This time frame can, of course, be shortened since we can put our experience, accumulated knowledge and management skill-sets and influential network to good and effective use.

9 Let me come back to this excellent and golden pipeline of assets from our Sponsor. To be fair, while we have the first right of refusal to acquire these assets from them, we should also grant them the first right of refusal to manage our assets when we acquire them from third parties. We have already practised it but we should formalise and institutionalise it so that investing public and unitholders are fully committed to it. This has to be a win-win two way traffic. Such is business philosophy, ethics and trust.

10 Ladies and gentlemen, it has been a pleasant ten year journey. I am privileged and honoured to be the first Chairman. I thank you all for making my job so easy. This journey will no doubt continue with more and exciting destinations. On this note, please continue to enjoy the rest of the evening.