

Ascott Residence Trust

A Leading Global Serviced Residence REIT

CapitaLand & REITs
Corporate Day, Bangkok

8 August 2017



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
- Strong Sponsor – The Ascott Limited
- Ascott REIT's Strategies
- Financial Highlights
- Conclusion
- Appendix



Overview of Ascott REIT

Ascott Raffles Place Singapore



Overview of Ascott REIT

A Leading Global Serviced Residence REIT

| | | | | |
|---|--------------------------------|----------------------------------|-------------------------|-------------------------------------|
| S\$2.6b¹ Market Capitalisation | S\$5.3b Total Assets | 11,861 Apartment Units | 75 Properties | 38 Cities in 14 Countries |
|---|--------------------------------|----------------------------------|-------------------------|-------------------------------------|



Notes:

Figures above as at 30 June 2017, including the acquisition of Ascott Orchard Singapore, which is targeted to be completed in 4Q 2017, and DoubleTree by Hilton Hotel New York – Times Square South to be completed in 3Q 2017

1. Market capitalisation as at 3 August 2017

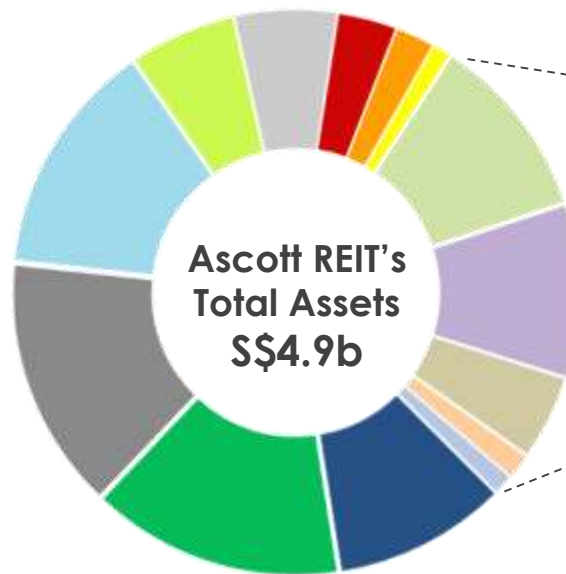


Portfolio diversified across property and economic cycles

Breakdown Of Total Assets By Geography As At 30 June 2017

Asia Pacific 61.6%

| | |
|---------------|-------|
| ○ Japan | 14.6% |
| ○ Singapore | 14.5% |
| ○ China | 13.6% |
| ○ Vietnam | 6.2% |
| ○ Australia | 5.9% |
| ○ Philippines | 3.4% |
| ○ Indonesia | 2.3% |
| ○ Malaysia | 1.1% |



Europe 28.4%

| | |
|-----------|-------|
| ○ France | 10.7% |
| ○ UK | 10.1% |
| ○ Germany | 4.9% |
| ○ Spain | 1.5% |
| ○ Belgium | 1.2% |

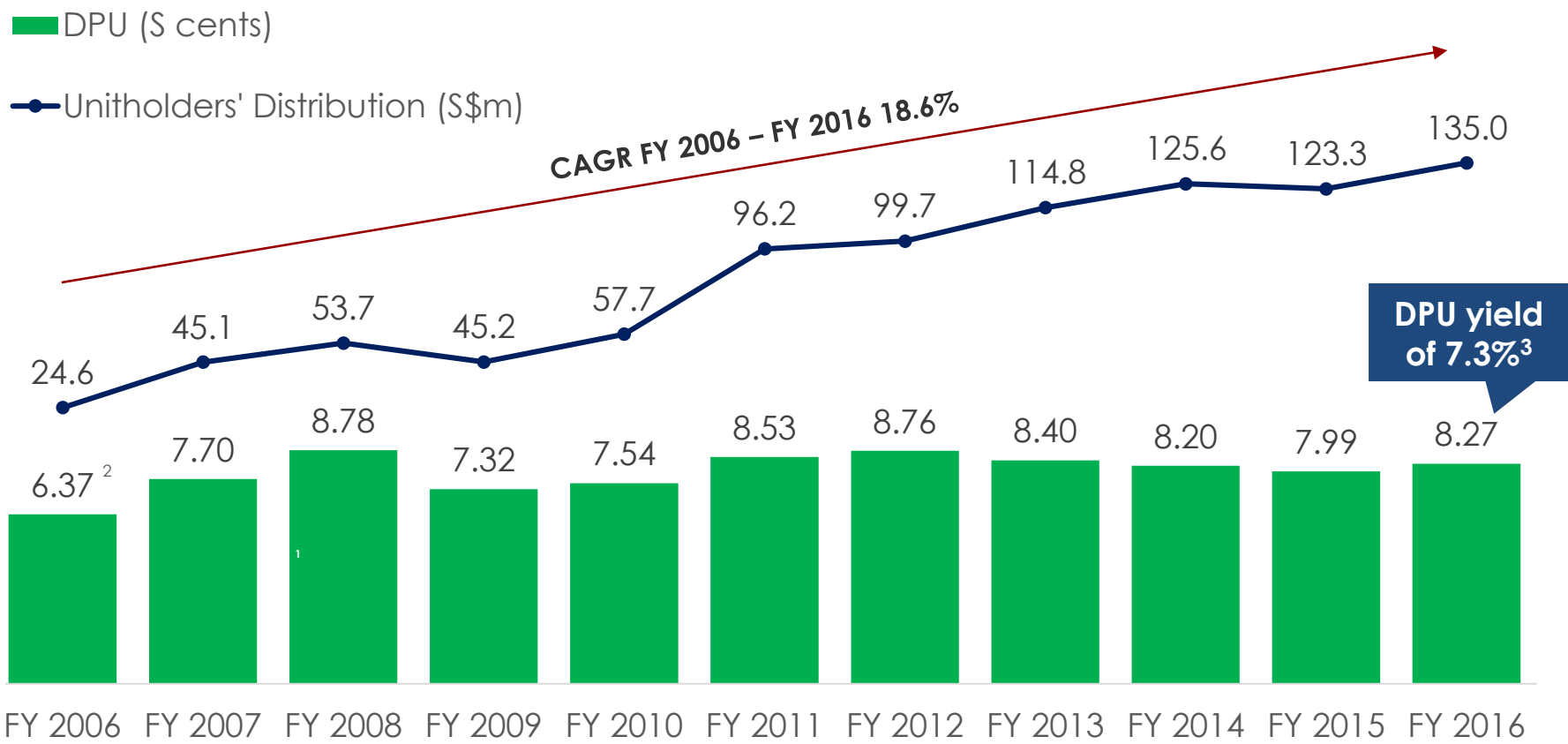
The Americas 10.0%

| | |
|-------|-------|
| ○ USA | 10.0% |
|-------|-------|



Overview of Ascott REIT

Ascott REIT Delivered A Healthy Total Shareholder Return Of 132%¹ Since IPO And Achieved Strong Growth In Unitholders' Distribution



Note:

1. As at 30 June 2017. Extracted from Bloomberg on 25 July 2017
2. Annualised DPU
3. Based on Ascott REIT's closing unit price of \$1.13 on 31 December 2016



Overview of Ascott REIT

Key Features Of Ascott REIT

| | |
|--|--|
| Investment Mandate | <ul style="list-style-type: none">Invests primarily in real estate and real estate-related assets which are income-producing and which are used, or predominantly used, as serviced residences, rental housing properties and other hospitality assets in any country in the world |
| Leverage | <ul style="list-style-type: none">Based on regulatory requirements, Ascott REIT's aggregate leverage limit cannot exceed 45%¹Historically, Ascott REIT's aggregate leverage has been at c.34%-41%² |
| Minimum Distribution Payout Ratio | <ul style="list-style-type: none">Required to distribute at least 90% of its taxable income to Unitholders to qualify for the Inland Revenue Authority of Singapore tax transparency treatment for REITsSince its listing, Ascott REIT has distributed 100% of Unitholders' distribution |
| Sponsor-aligned Interest | <ul style="list-style-type: none">CapitaLand Limited, through The Ascott Limited ("Ascott"), is a substantial Unitholder of Ascott REIT (c.44% interest in Ascott REIT) |
| Corporate Governance | <ul style="list-style-type: none">Externally managed by Ascott Residence Trust Management Limited³<ul style="list-style-type: none">– Majority Independent Non-Executive Directors on the Board |

Notes:

1. Ascott REIT is governed by the Code on Collective Investment Schemes ("CIS Code") issued by the Monetary Authority of Singapore.
2. Based on Ascott REIT's gearing for financial years 2011 – 2016.
3. Wholly-owned subsidiary of The Ascott Limited, which in turn is wholly-owned by CapitaLand Limited.



Overview of Ascott REIT

Types Of Contracts¹

| | Stable Income | | Growth Income |
|-------------|---|---|---|
| | Properties under Master Lease | Properties under Management Contracts with Minimum Income Guarantee | Properties on Management Contracts |
| Description | Master Lessees (which include third parties and subsidiaries of Ascott) pay fixed rental per annum² to Ascott REIT | Properties on management contracts that enjoy minimum guaranteed income (from subsidiaries of Ascott) | No fixed or guaranteed rental but Ascott / third party operator manages Ascott REIT's properties for a fee |
| Location | 27 properties <ul style="list-style-type: none"> - 3 in Australia - 17 in France - 5 in Germany - 1 in Japan - 1 in Singapore | 7 properties <ul style="list-style-type: none"> - 4 in UK - 2 in Belgium - 1 in Spain | 41 properties <ul style="list-style-type: none"> - 14 in Japan - 22 in Asia (ex-Japan) - 2 in Australia - 3 in USA |

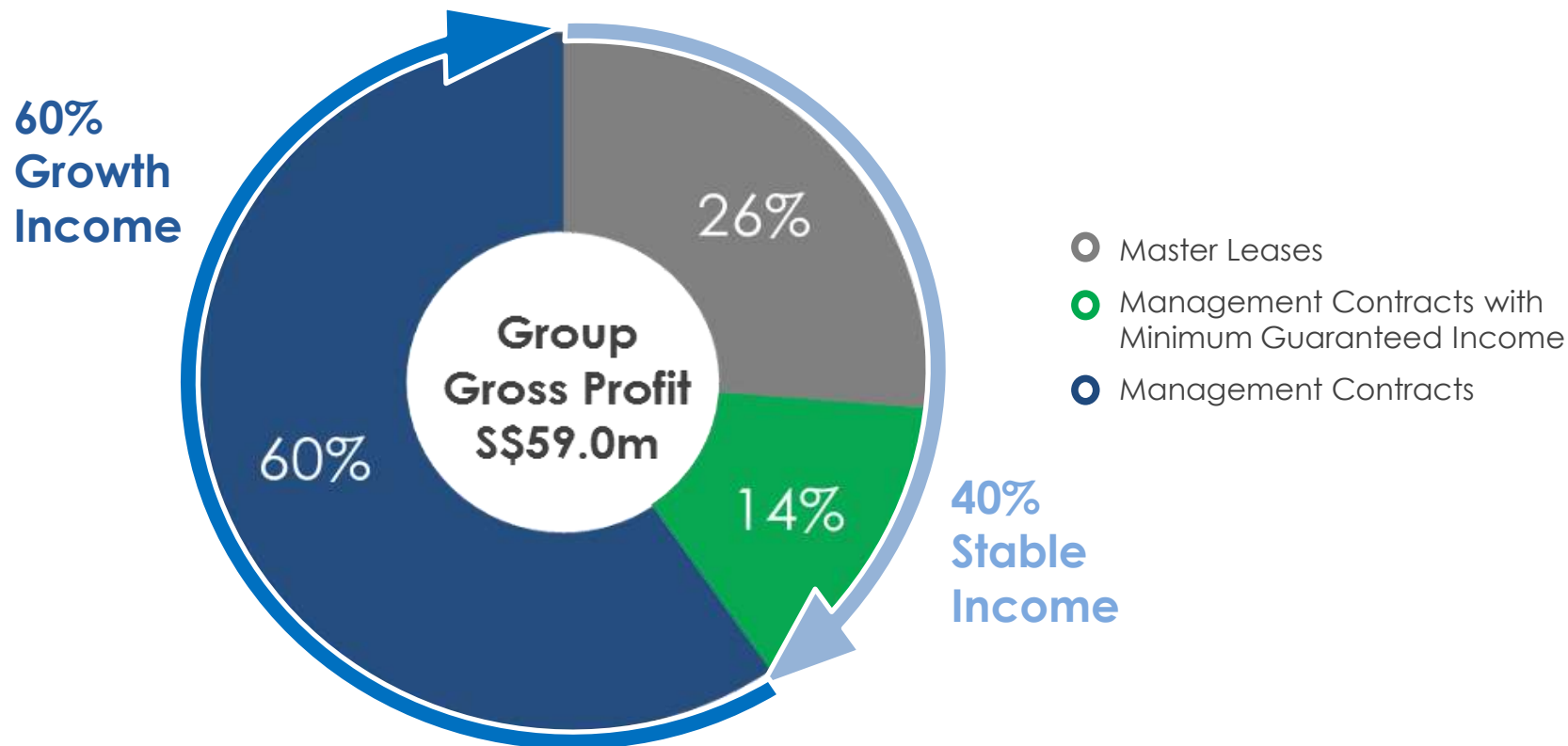
Notes:

- Figures above as at 30 June 2017, including the acquisition of Ascott Orchard Singapore, which is targeted to be completed in 4Q 2017 and DoubleTree by Hilton Hotel New York – Times Square South to be completed in 3Q 2017.
- The rental payments under the master leases are generally fixed for a period of time. However, the master leases provide for annual rental revisions and/or pegged to indices representing construction costs, inflation or commercial rental prices according to market practice. Accordingly, the rental revisions may be adjusted upwards or downwards depending on the above factors.



Portfolio underpinned by growth and stable income

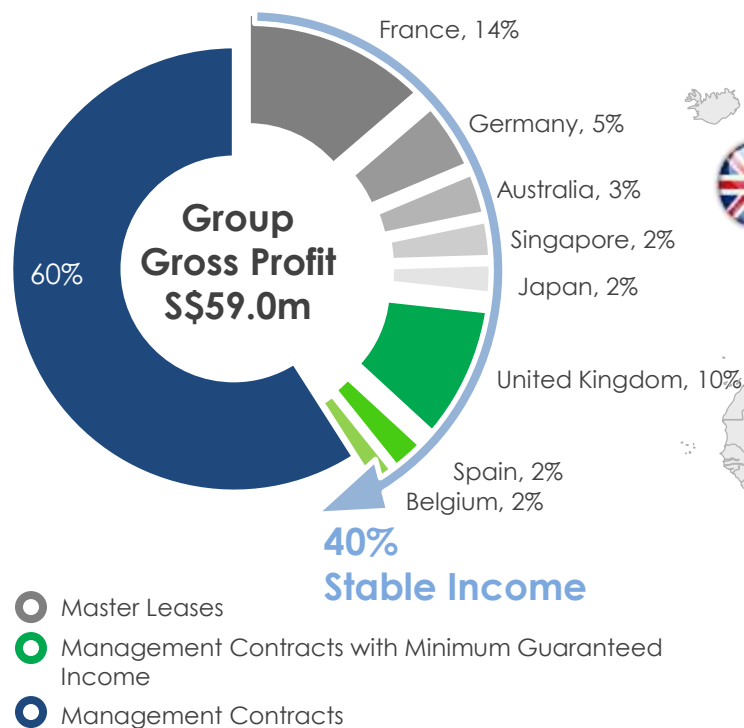
Gross Profit Contribution By Contract Type For 2Q 2017



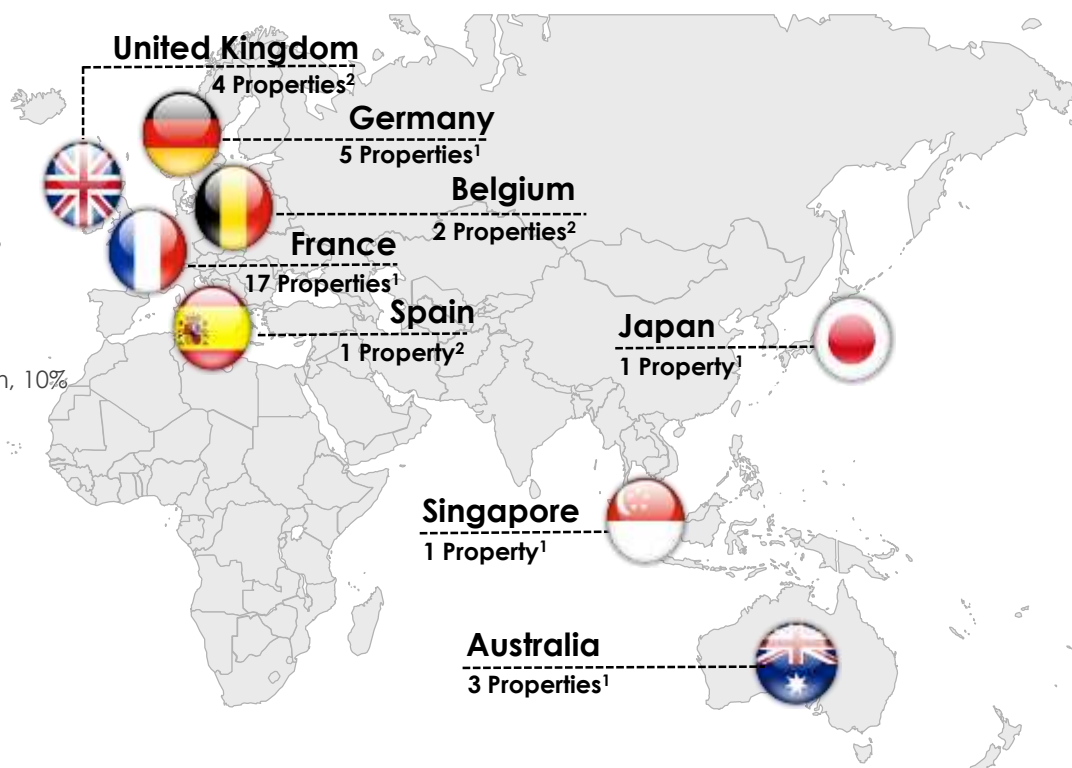


40% of Group Gross Profit in 2Q 2017 contributed by stable income

Gross Profit Contribution By Contract Type In 2Q 2017



Properties Under Master Leases And Management Contracts With Minimum Guaranteed Income



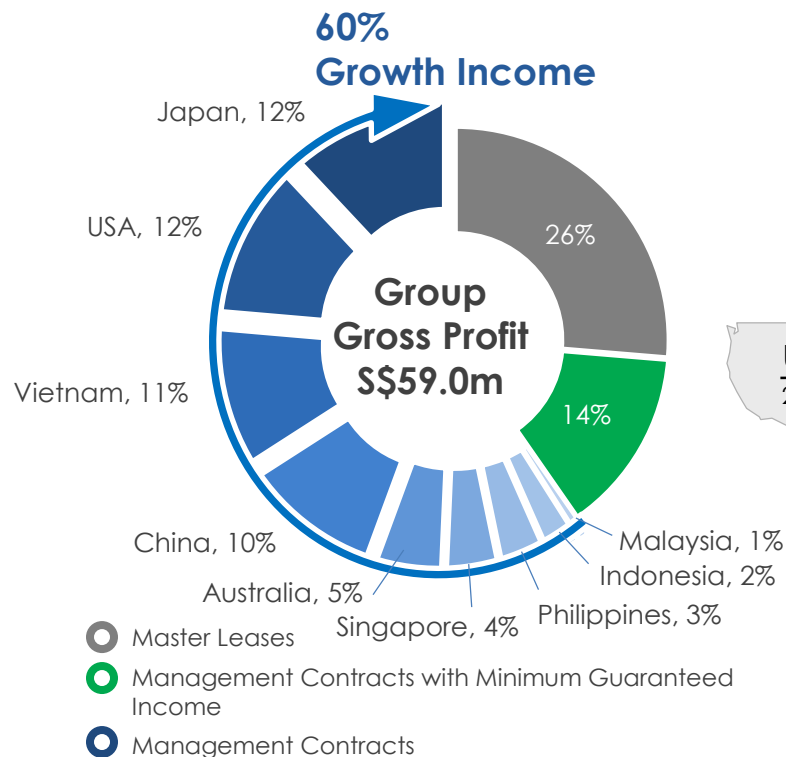
34 out of 73 properties enjoy income visibility derived from master leases and minimum guaranteed income contracts with remaining weighted average tenure of approximately 4 years

Notes:

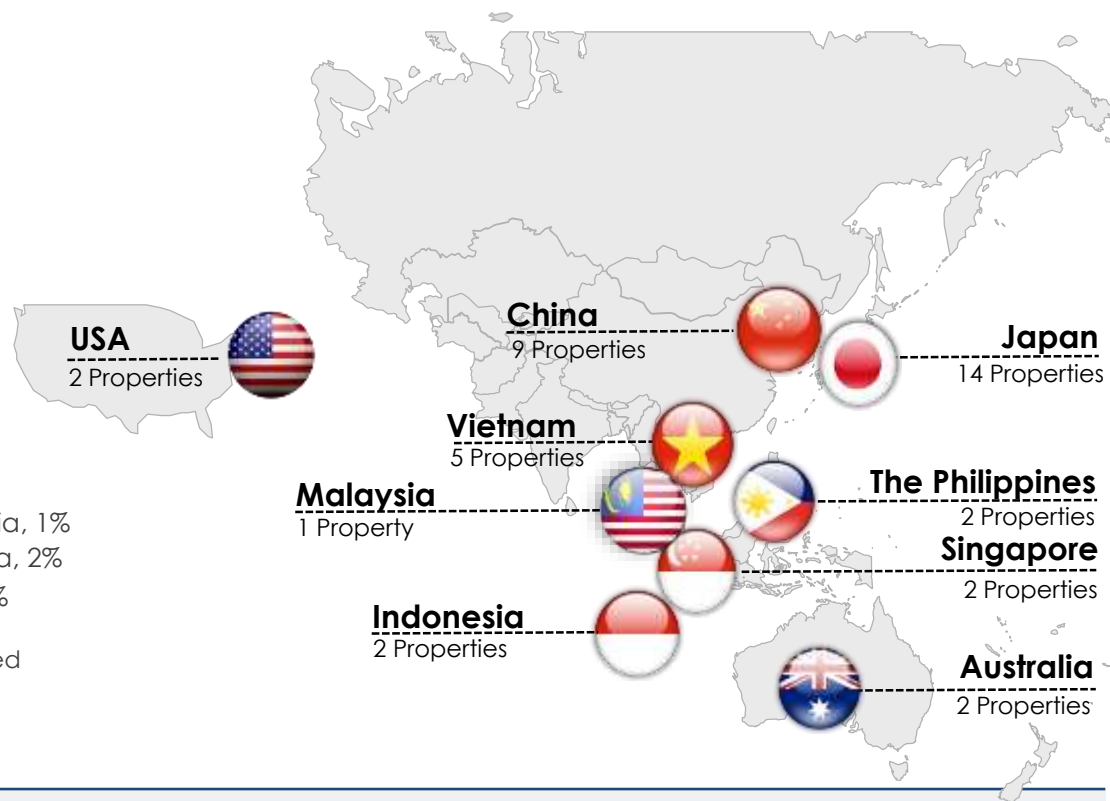
1. Properties under master leases
2. Properties under management contracts with minimum guaranteed income

60% of Group Gross Profit in 2Q 2017 contributed by growth income

Gross Profit Contribution By Contract Type In 2Q 2017



Properties Under Management Contracts



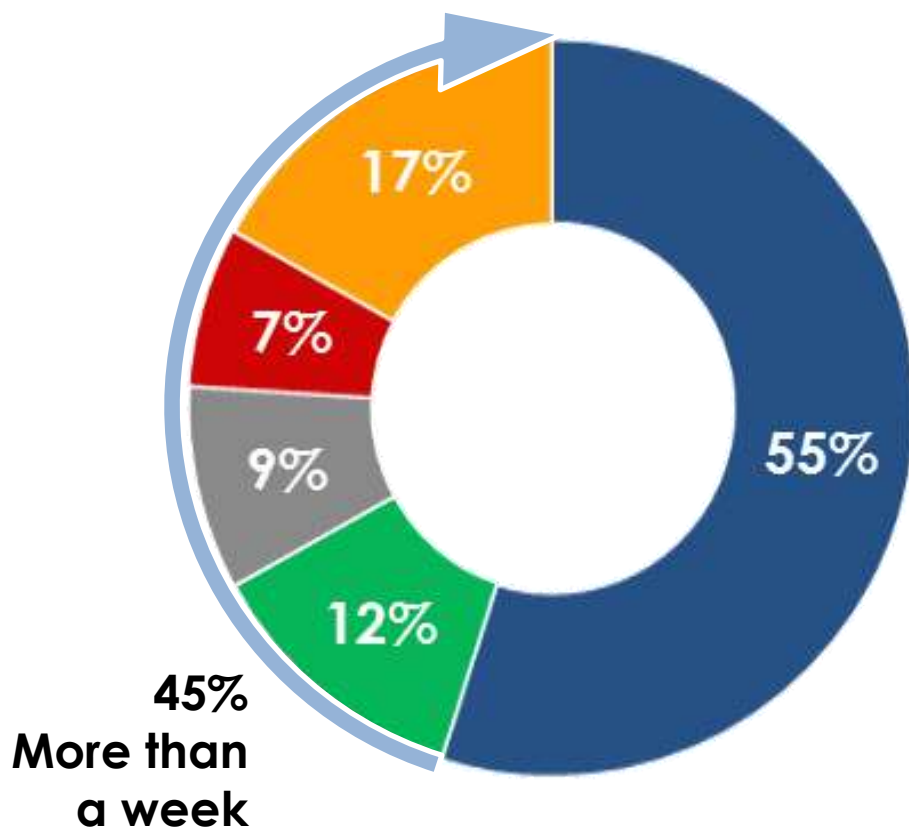
39 out of 73 properties enjoy upside growth potential derived from management contracts



Continue to focus on long stay segments

Breakdown Of Apartment Rental Income¹ By Length Of Stay

YTD June 2017



Average length of stay was
about 3.2 months

- 1 week or less
- Less than 1 month
- 1 to 6 months
- 6 to 12 months
- More than 12 months

Notes:

1. Information for properties on master leases are not included



Strong Sponsor – The Ascott Limited

Ascott Raffles Place Singapore

Strong Sponsor

The Ascott Limited, A Wholly-owned Subsidiary Of CapitaLand Limited



Ascott is one of the leading international serviced residence owner-operators with close to 70,000 units in over 500 properties across 124 cities in 31 countries¹

Over 30 year track record having pioneered Pan-Asia's first international-class serviced residence property in 1984

Award-winning brands with worldwide recognition



Sponsor – c.44% CapitaLand ownership in Ascott REIT

Note:

1. Including the Quest's portfolio of serviced residences in Australia, New Zealand and Fiji.



Ascott's Global Portfolio

The Acquisitions Will Give An Instant Boost Of Over 13,000 Units To Ascott's Global Portfolio, Bringing It To Close To 70,000 Units Globally

Approx. 70,000

Apartment Units

502¹

Properties

124

Cities in 31 Countries



Figures above as at 21 July 2017; include units under development

Note:

1. Exclude the number of properties under the Synergy corporate housing portfolio
2. Exclude Quest NewQuay Docklands, Quest Cannon Hill, Quest at Sydney Olympic Park, Quest Mascot and Quest Campbelltown which are owned by Ascott and/or its affiliates



Expanding Global Network Through Acquisitions

In July 2017, Ascott Acquired An Additional 60% Stake In Quest Apartment Hotels and 80% Stake In Synergy Global Housing In U.S.

Ascott bought an additional 60% stake in Quest Apartment Hotels (“Quest”) for A\$180 million (\$\$191 million)

- This will propel Ascott to become the leading serviced residence provider in Australasia and provide another engine of growth outside of its existing market through Quest's highly scalable business format franchise platform



Ascott has acquired an 80% stake in Synergy Global Housing (“Synergy”)

- Synergy is the leading corporate housing provider in the U.S. with close to 2,000 units located predominantly in the U.S. West Coast
- The acquisition will expand Ascott's footprint in the U.S. by leveraging Synergy's platform for significant cross selling opportunities and synergies through complementary geographical reach, target segments and strengths



Ascott's Brands



Ascott Raffles
Place Singapore

Ascott
Exclusive city
living homes
with discreet
services for
business
travellers

citadines
APART'HOTEL



Citadines Saint-
Germain-des-Prés
Paris, France

Citadines
Ideal home in
the city with
flexible services
for individuals
on the go



Somerset Wusheng
Wuhan, China

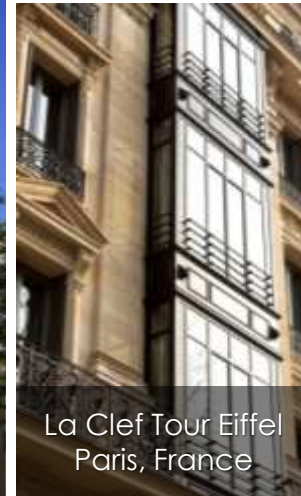
Somerset
Stylish
apartments
offering the
comforts and
familiarity of
home for
executives



Quest West Perth,
Australia

Quest
Spacious
serviced
apartment style
hotel rooms
perfect for short
and long stays,
located across
Australia, New
Zealand and Fiji

The Crest Collection
by The Ascott Limited



La Clef Tour Eiffel
Paris, France

**The Crest
Collection**
Luxurious city
living with
discreet services
for business and
leisure travellers

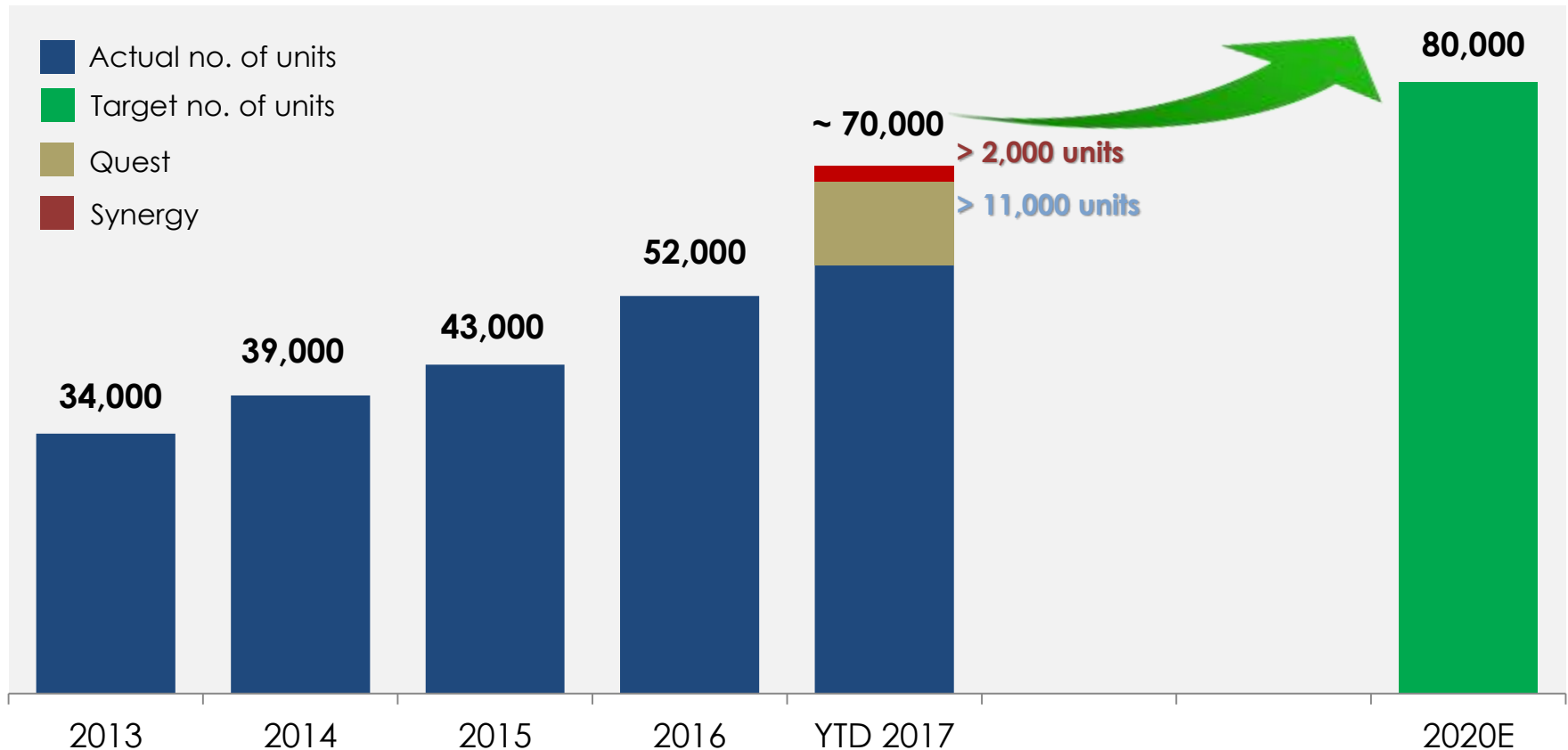


lyf Show Suite

lyf
A new way of
living and
collaborating as
a community,
connecting
guests with
fellow travellers
and change-
makers



Ascott Is Well On Track To Achieve Target Of 80,000 Units Under Management By 2020

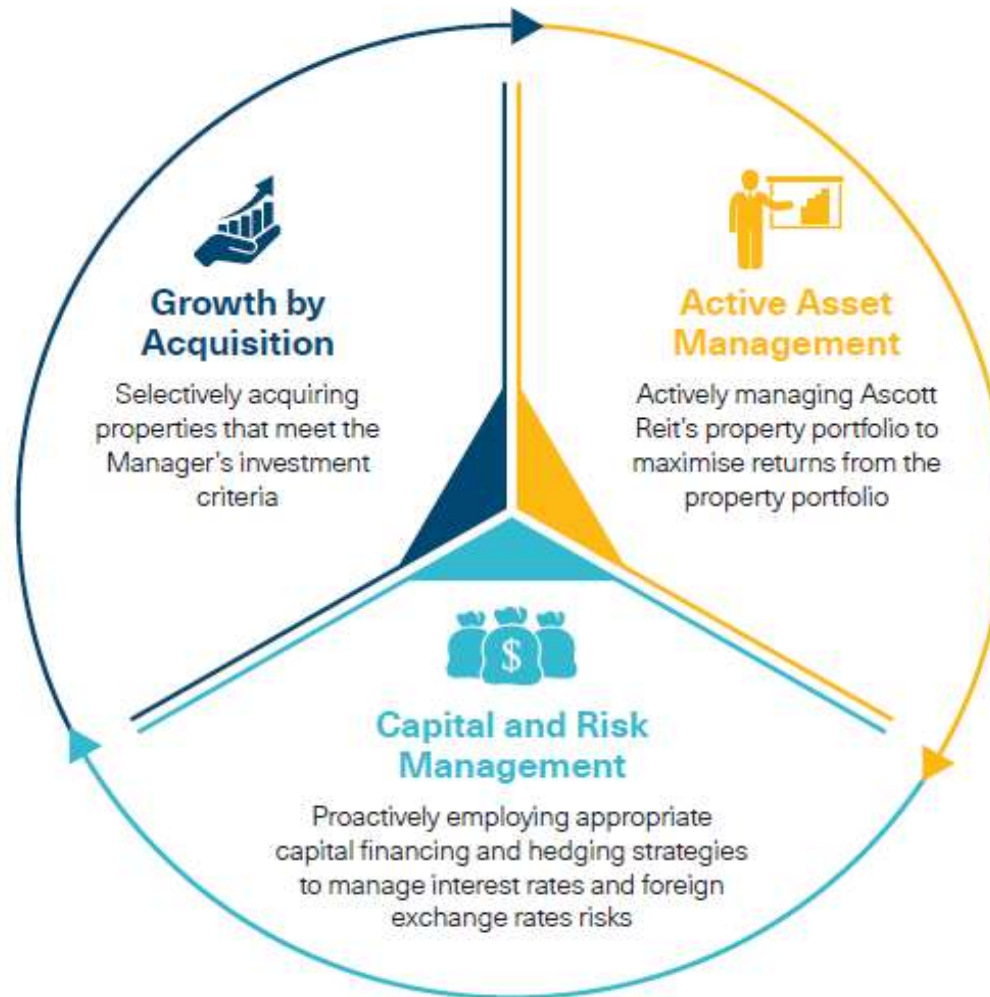


A low-angle photograph of the Ascott Raffles Place building in Singapore. The building is a tall, modern skyscraper with a distinctive Art Deco-inspired design, featuring a central vertical column of windows and a tiered, cylindrical top. The building is set against a bright blue sky with scattered white clouds. The title "Ascott REIT's Strategies" is overlaid in white text on the upper right portion of the image.

Ascott REIT's Strategies

Ascott Raffles Place Singapore

Ascott REIT's Strategies

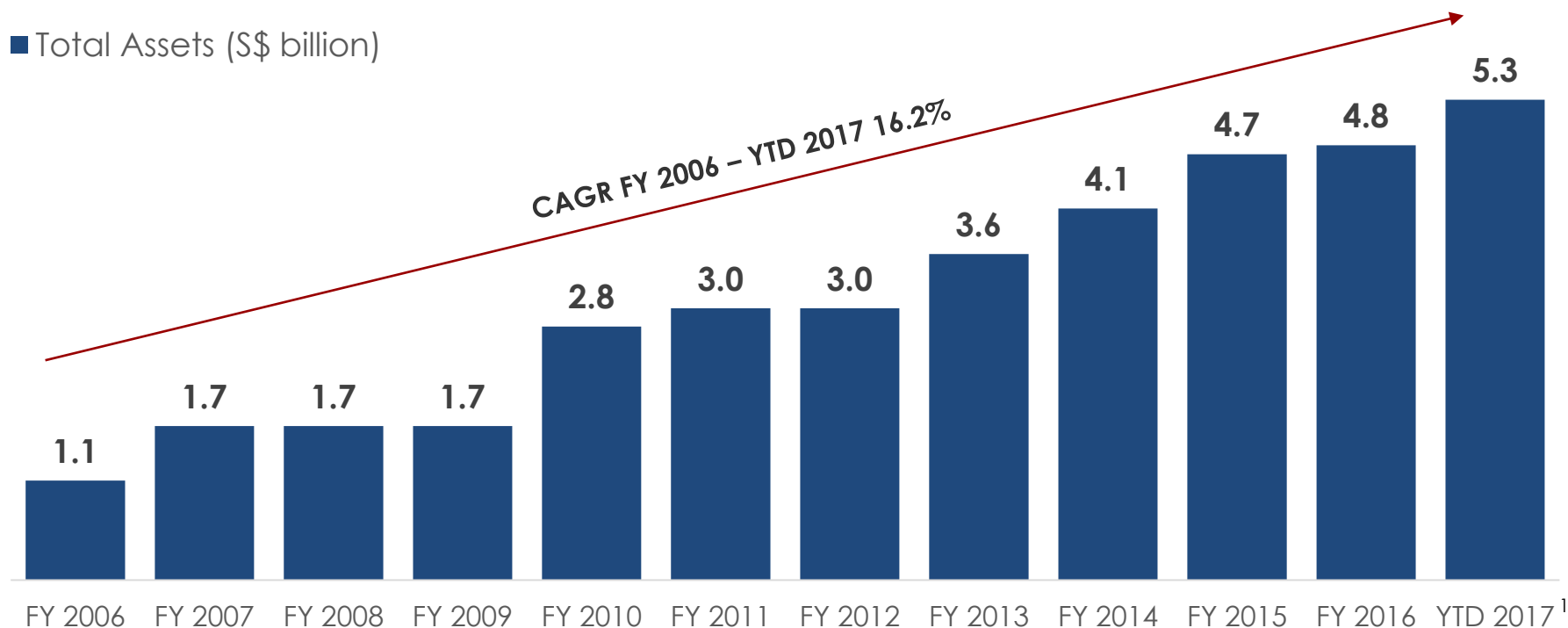




Growth By Acquisition

Ascott REIT Has More Than Quadrupled Its Total Assets Since Its Listing In 2006

■ Total Assets (\$\$ billion)



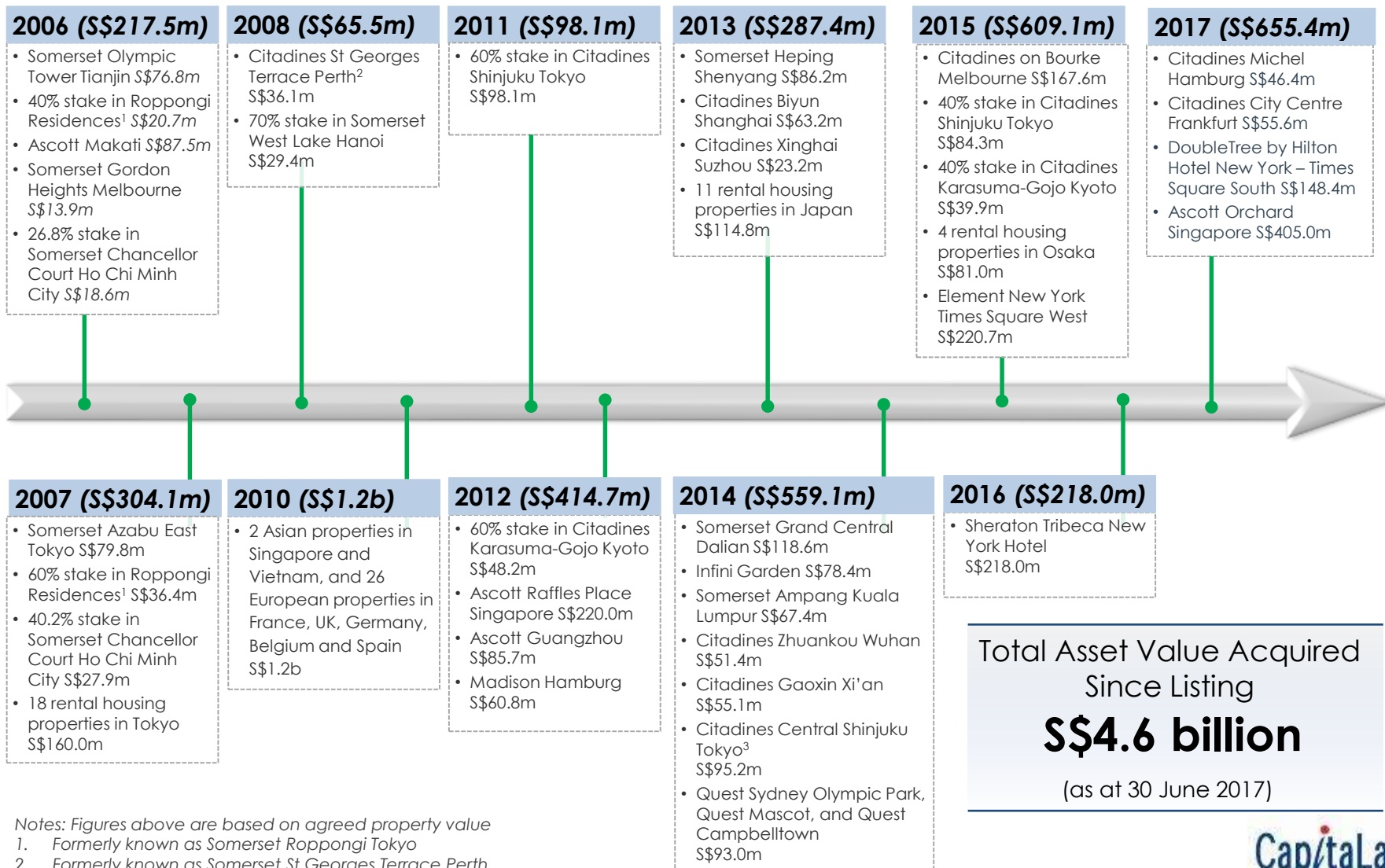
Note:

1. As at 30 June 2017, including the acquisition of Ascott Orchard Singapore, which is targeted to be completed in 4Q 2017 and DoubleTree by Hilton Hotel New York – Times Square South to be completed in 3Q 2017.



Growth By Acquisition

Ascott REIT's Strong Acquisition Track Record Since Listing



Notes: Figures above are based on agreed property value

- Formerly known as Somerset Roppongi Tokyo
- Formerly known as Somerset St Georges Terrace Perth
- Formerly known as Best Western Shinjuku Astina Hotel



Growth By Acquisition

Acquisitions In 2017

Ascott REIT acquired its first Frankfurt property and expanded in Hamburg and Singapore

- The 220-unit Ascott Orchard Singapore, which Ascott Reit has entered into a forward contract to acquire, is on track for delivery in 2017
- The acquisitions of Citadines City Centre Frankfurt and Citadines Michel Hamburg, are accretive at an EBITDA yield of 5.4%¹

Ascott REIT made its third accretive acquisition in Manhattan New York within two years

- The acquisition of the freehold property, DoubleTree by Hilton Hotel New York – Times Square South, is accretive at an EBITDA yield of 6.0%¹



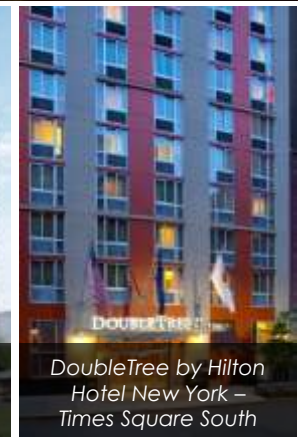
Citadines Michel Hamburg



Citadines City Centre Frankfurt



Ascott Orchard
Singapore



DoubleTree by Hilton
Hotel New York –
Times Square South

Note:

1. Based on FY2016 pro forma



Active Asset Management

Approximately 90% Of Ascott REIT's Serviced Residence Properties Have Undergone, Or Are Undergoing, Asset Enhancement Initiatives¹ ("AEI")

- In 2016, the completion of the final phase of AEI for Somerset Xu Hui Shanghai and second phase of AEI for Somerset Ho Chi Minh City has brought about improvement in ADR by approximately 16% and 26% respectively
- In 1H 2017, the completion of the AEI for Somerset Millennium Makati and Somerset Ho Chi Minh City have brought about improvement in ADR by approximately 14% and 23% respectively
- Refurbishment at Citadines Barbican London was completed in June 2017



Note:

1. As at 30 June 2017

Active Asset Management

Proactive Portfolio Reconstitution Over The Years – Total Divestment Value Of S\$1.3 billion Since 2010

2010 (S\$335.7m)

- Ascott Beijing S\$301.8m
- Country Woods Jakarta S\$33.9m



The proceeds from the 2012 divestments were deployed to fund the yield accretive acquisitions of

- Ascott Raffles Place Singapore
- Ascott Guangzhou

2014 (S\$140.0m)

- Fortune Garden Apartments¹



2015 (S\$60.3m)

- 6 Rental Housing Properties in Japan S\$53.1m
- Salcedo Residence S\$7.2m



Ascott REIT Divested

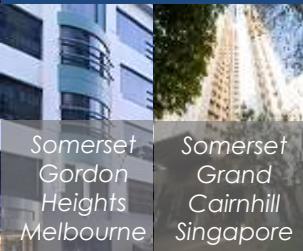
- 18 Rental Housing Properties in Japan
- Citadines Biyun Shanghai
- Citadines Gaoxin Xi'an

The proceeds from the 2010 divestments were used to partly fund the yield accretive acquisitions of

- Citadines Mount Sophia Property Singapore,
- Somerset Hoa Binh Hanoi
- 26 European properties in France, UK, Germany, Belgium and Spain

2012 (S\$374.6m)

- Somerset Gordon Heights Melbourne S\$15.6m
- Somerset Grand Cairnhill Singapore S\$359.0m



Ascott REIT has completed the strata sale of 81 apartment units as at July 2017.

Ascott REIT Divested

- Six Rental Housing Properties In Japan
- Salcedo Residences in Philippines

2017 (S\$351.6m)

- 18 Rental Housing Properties in Japan S\$153.6m
- Citadines Biyun Shanghai & Citadines Gaoxin Xi'an S\$198.0m



Aggregate net gain of S\$297.5m through the divestments during the period FY 2010 – YTD 2017

Note: Figures above are based on agreed sale price.

1. Formerly known as Somerset Grand Fortune Garden Property Beijing

Active Portfolio Reconstitution

Divestments in 2017 to reconstitute and improve the quality of portfolio

Ascott REIT divested a portfolio of 18 rental housing properties in Tokyo, Japan in April 2017

- The agreed sale price is 16.1% above the latest valuation of the properties, registering a net gain of S\$17.2m
- The divestment was completed on 26 April 2017

Ascott REIT announced the divestment of 2 serviced residences in China, Citadines Biyun Shanghai and Citadines Gaoxin Xi'an, in July 2017

- The agreed sale price of RMB980 million (S\$198.0m) is 69% above the latest valuation of the properties, registering a net gain of RMB239 million (S\$48.3m)
- The divestment is expected to be completed in 2H 2017



Total divestment value of S\$351.6m
Aggregate net gain of S\$65.5m



Capital and Risk Management

Healthy Balance Sheet and Credit Metrics

As at 30 June 2017

| | |
|--|----------------|
| Gearing | 32.4% |
| Interest Cover | 4.4X |
| Effective Borrowing Rate | 2.4% |
| Total Debts on Fixed Rates | 85% |
| Weighted Avg Debt to Maturity (Years) | 4.8 |
| NAV/Unit | S\$1.23 |
| Ascott REIT's Issuer Rating by Moody's | Baa3 |



Ascott REIT Continues To Diversify Funding Sources And Spread Out Debt Maturity Over The Long-term

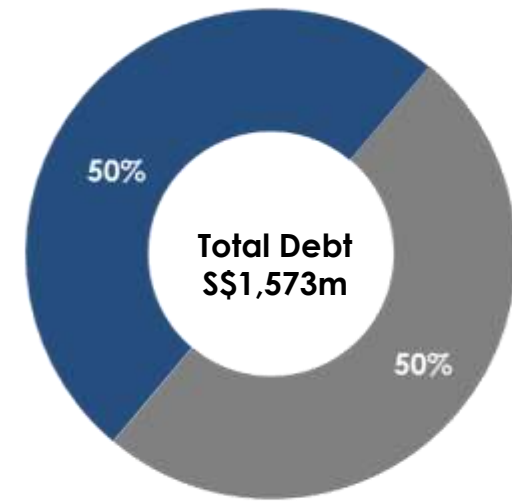
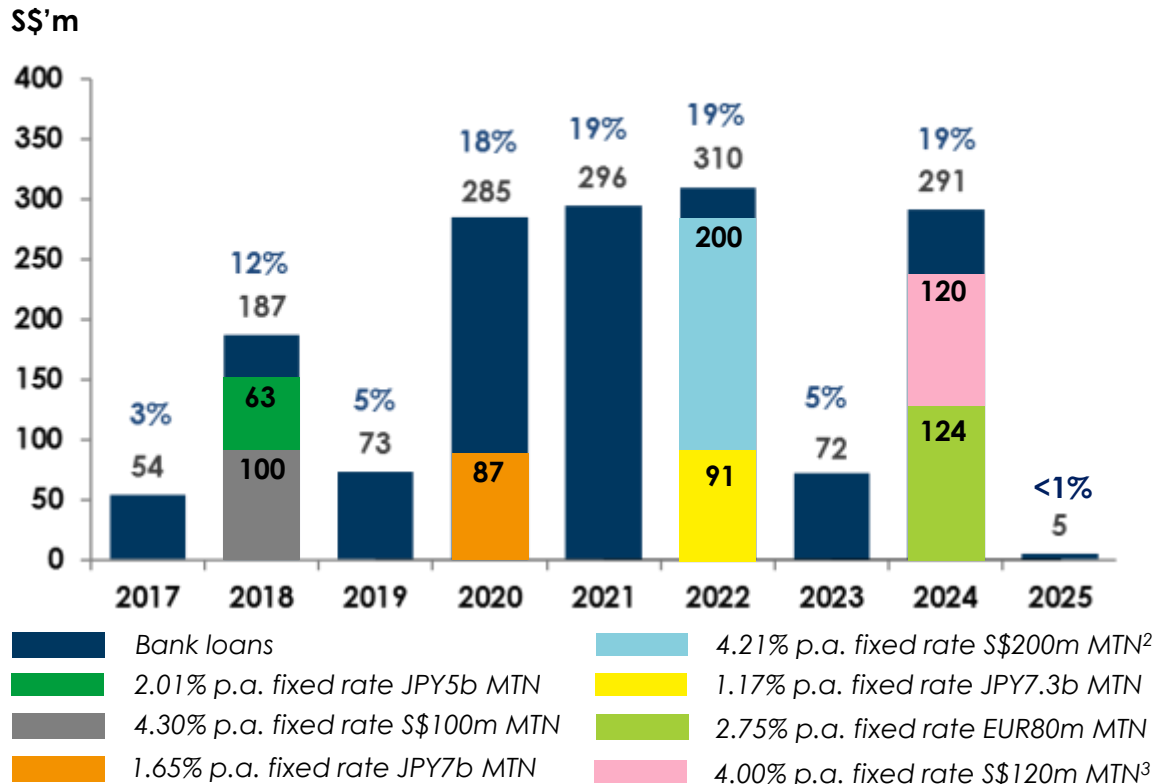
Refinancing Of The Loans That Are Coming Due In 2017 Is Completed¹

Debt Maturity Profile

As at 30 June 2017

By Debt Type

As at 30 June 2017



- Bank Loans
- Medium Term Notes ("MTN")

Notes:

- Excluding Citadines Gaoxin Xi'an, which will be divested in 2H 2017
- S\$ proceeds from the notes have been swapped into Euros at a fixed interest rate of 1.82% p.a. over the same tenure
- S\$ proceeds from the notes have been swapped into Euros at a fixed interest rate of 2.15% p.a. over the same tenure

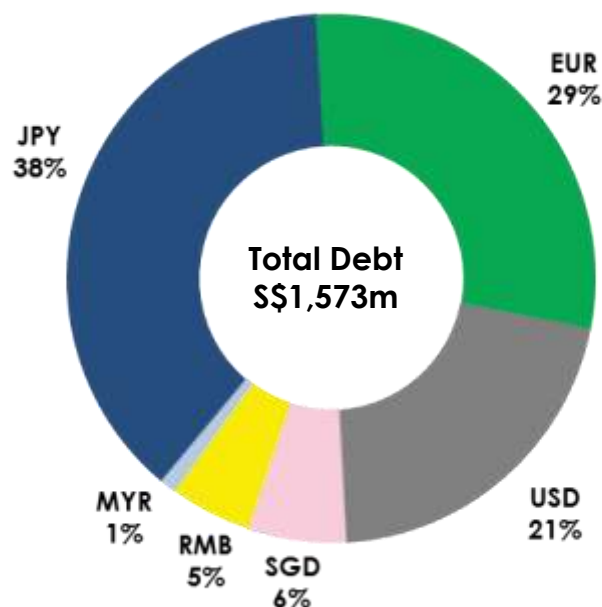


Foreign Currency Risk Management

Ascott REIT Adopts A Natural Hedging Strategy To The Extent Possible

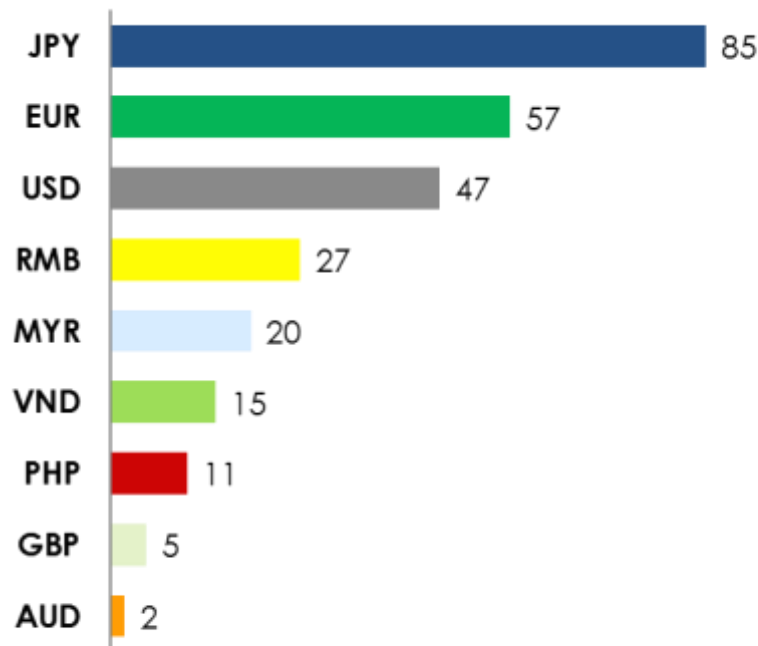
Debt By Currency (%)

As at 30 June 2017



Balance Sheet Hedging (%)

As at 30 June 2017





Foreign Currency Risk Management

Overall Exchange Rate Fluctuations Have Been Largely Mitigated

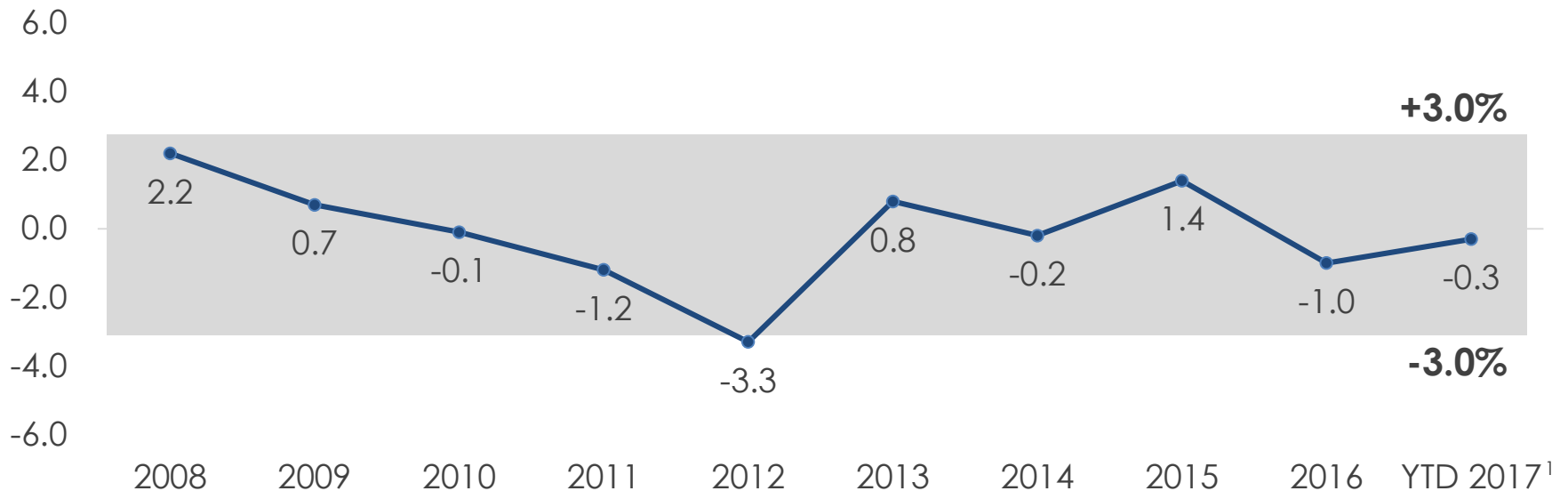
| Currency | Gross Profit YTD Jun 2017 (%) | Exchange Rate Movement From 31 Dec 2016 to 30 Jun 2017 (%) |
|--------------|----------------------------------|---|
| EUR | 23 | -0.3 |
| JPY | 16 | 2.5 |
| VND | 12 | -1.6 |
| RMB | 10 | -1.1 |
| AUD | 9 | -0.9 |
| GBP | 9 | -0.7 |
| USD | 9 | -1.1 |
| SGD | 7 | - |
| PHP | 4 | -1.6 |
| MYR | 1 | 0.3 |
| Total | 100 | -0.3 |

Distribution income derived in EUR, GBP and JPY had been hedged. On a portfolio basis, approximately 32% of estimated FY 2017 foreign currency distribution income had been hedged.



Foreign Currency Risk Management

Limited Impact Of Exchange Rate Movement On Gross Profit Over The Years (%)



Impact of exchange rate movement on gross profit has largely been kept within the threshold of +/- 3.0%.

Note:
1. As at June 2017

A low-angle photograph of the Ascott Raffles Place building in Singapore. The building is a tall, modern skyscraper with a distinctive Art Deco-inspired design, featuring a central vertical column of windows and a tiered, cylindrical top. The building is set against a bright blue sky with scattered white clouds. The title "Financial Highlights" is overlaid in the top right corner.

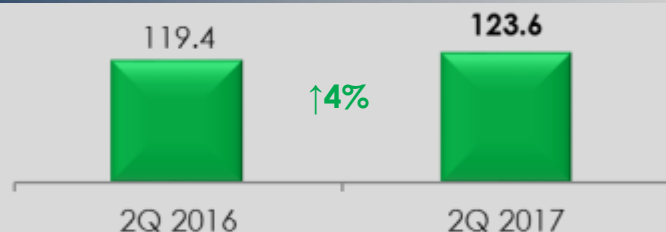
Financial Highlights

Ascott Raffles Place Singapore

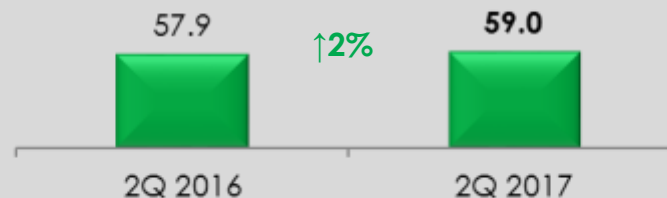
Financial Highlights for 2Q 2017

2Q 2017 vs 2Q 2016 Financial Performance

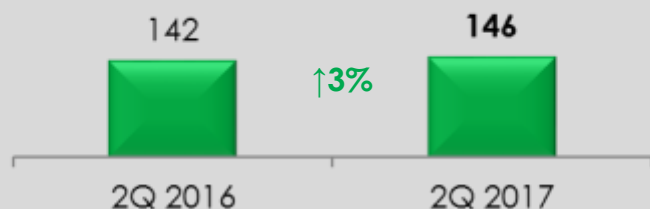
Revenue (\$m)



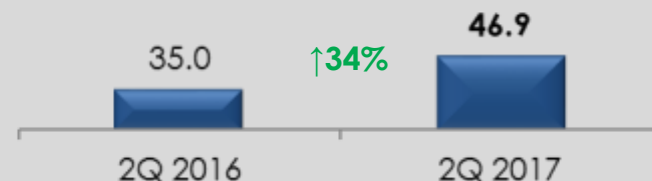
Gross Profit (\$m)



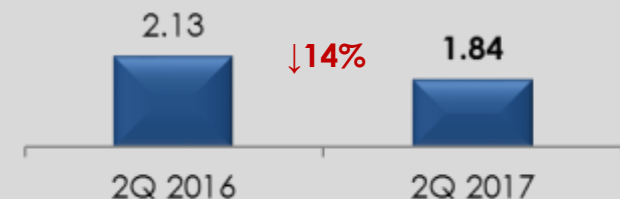
Revenue Per Available Unit (\$)



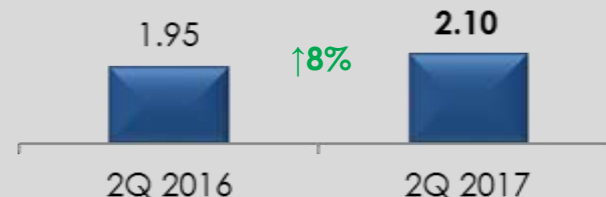
Unitholders' Distribution (\$m)



Distribution Per Unit (\$ cents)



DPU (cents) (adjusted for one-off items¹, Rights Issue and equity placement²)



Notes:

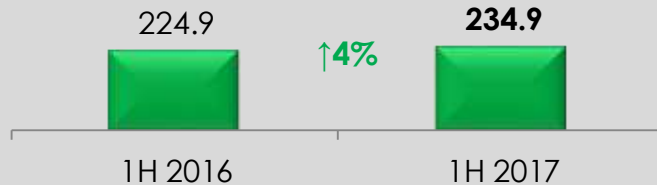
1. Unitholders' distribution in 2Q 2017 included a realised exchange gain of \$11.9 million arising from repayment of foreign currency bank loans with the proceeds from the Rights Issue and divestment proceeds. Unitholders' distribution in 2Q 2016 included a realised exchange gain of \$3.5 million arising from repayment of foreign currency bank loans
2. On 23 March 2016, 94,787,000 new units were issued on SGX-ST in relation to the equity placement exercise to raise proceeds to fund the acquisition of Sheraton Tribeca New York Hotel as completed on 29 April 2016



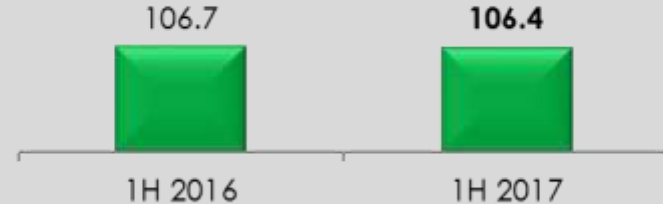
Financial Highlights for 1H 2017

1H 2017 vs 1H 2016 Financial Performance

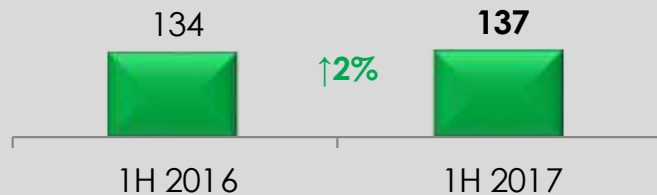
Revenue (\$m)



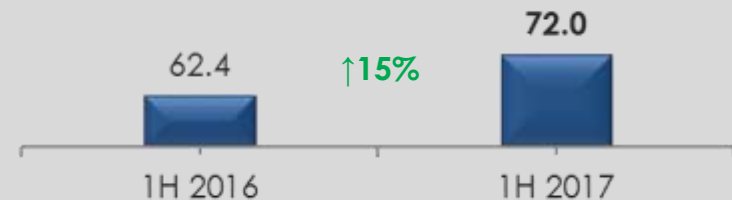
Gross Profit (\$m)



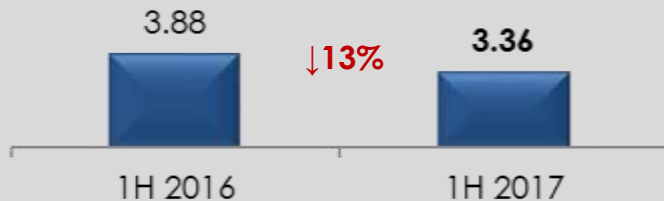
Revenue Per Available Unit (\$)



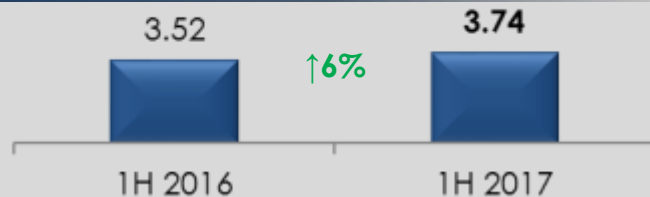
Unitholders' Distribution (\$m)



Distribution Per Unit (\$ cents)



DPU (cents) (adjusted for one-off items¹, Rights Issue and equity placement²)



Notes:

1. Unitholders' distribution in 1H 2017 included a realised exchange gain of \$11.9 million arising from repayment of foreign currency bank loans with the proceeds from the Rights Issue and divestment proceeds. Unitholders' distribution in 1H 2016 included a realised exchange gain of \$6.5 million arising from repayment of foreign currency bank loans.
2. On 23 March 2016, 94,787,000 new units were issued on SGX-ST in relation to the equity placement exercise to raise proceeds to fund the acquisition of Sheraton Tribeca New York Hotel as completed on 29 April 2016. Accordingly, 1H 2017 DPU was adjusted to exclude the contribution from the said acquisition for 1Q 2017.

Conclusion



Ascott Raffles Place Singapore



Conclusion

1

Strong Sponsor – The Ascott Limited

- Ascott is one of the leading international serviced residence owner-operators with more than 70,000 units in over 500 properties across 124 cities in 30 countries
- Global network of serviced residences under award-winning brands with worldwide recognition

2

Strong Track Record of Delivering Stable and Sustainable Returns

- Ascott REIT delivered a healthy total shareholder return of 132%¹ since IPO and achieved strong growth in Unitholders' distribution
- Ascott REIT has more than quadrupled its total assets since its listing in 2006

3

Growth Through Yield Accretive Acquisitions

- Ascott REIT is on track to complete the acquisition of DoubleTree by Hilton Hotel New York – Times Square South and Ascott Orchard Singapore in 2H 2017
- Remains on the lookout for opportunities for accretive acquisition in key gateway cities in Australia, Japan, Europe and the United States of America

Notes:

1. As at 30 June 2017. Extracted from Bloomberg on 25 July 2017.



Conclusion

4

Proactive Asset Management

- Successfully unlocked the value of the 18 rental housing properties in Tokyo, Citadines Biyun Shanghai and Citadines Gaoxin Xi'an through strategic portfolio reconstitution
- Continues to enhance value of properties through AEI for certain properties in Vietnam, Philippines and United Kingdom which uplifted ADR by 14% to 23%

5

Disciplined and Prudent Capital Management

- Maintained effective borrowing rate at 2.4% p.a. with 85% of the Group's borrowings on fixed interest rates
- Continues to remain vigilant to changes in macro and credit environment that may impact Ascott REIT's financing plans

Going forward, Ascott REIT will continue to focus on creating stable income and returns to Unitholders through its diversified portfolio and extended-stay business model, together with the master leases and management contracts with minimum guaranteed income.

Appendix

Ascott Raffles Place Singapore



Overview of Ascott REIT

Trust Structure

