ASCOTT
RESIDENCE TRUST
A Member of CapitaLand

Ascott Residence Trust
A Leading Global Hospitality REIT

1Q 2019 Financial Results

30 April 2019

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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

- Key Highlights of 1Q 2019
- Portfolio Performance
- Key Country Updates
- Outlook

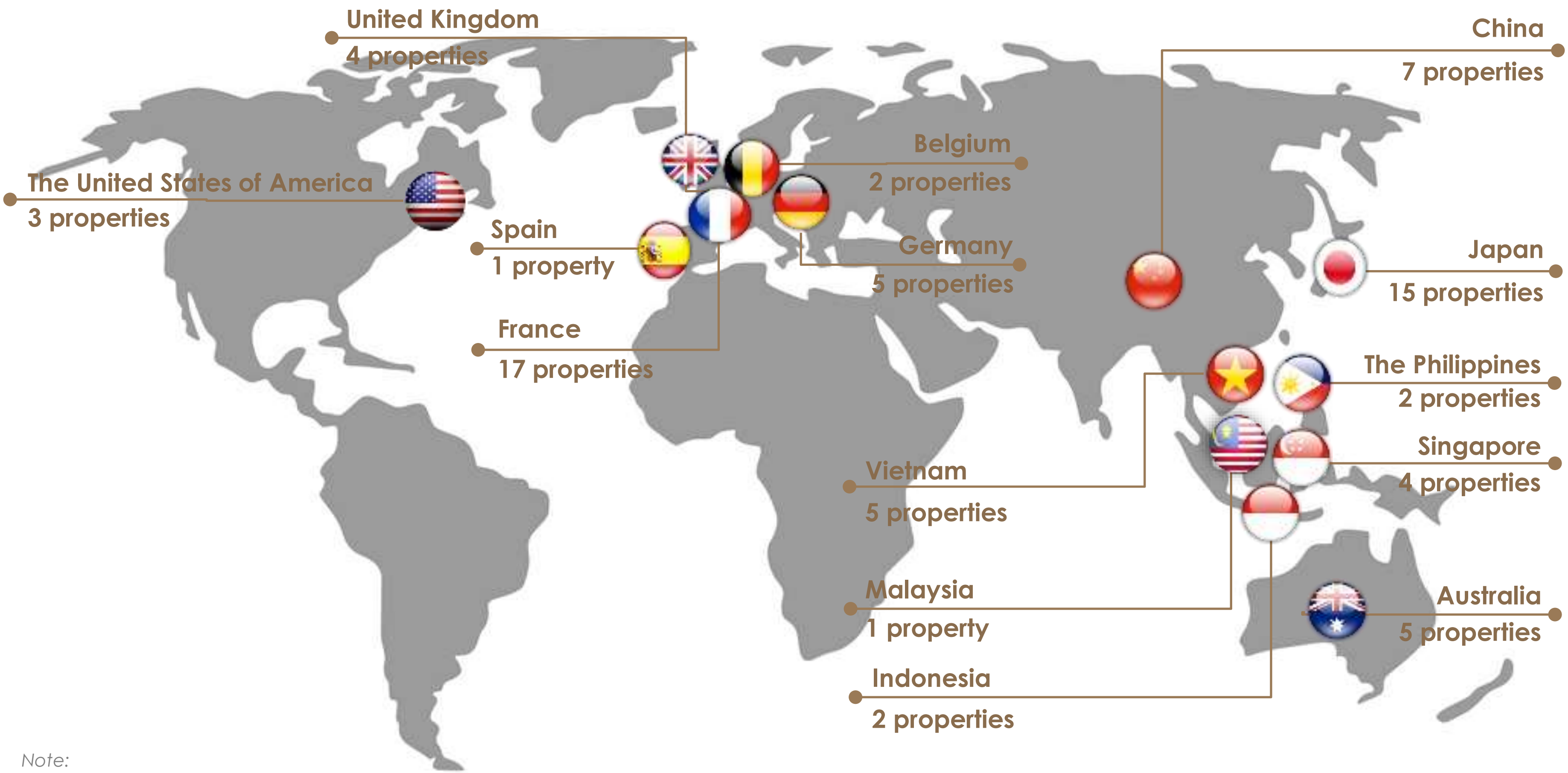
Key Highlights of 1Q 2019

Ascott Orchard Singapore

Ascott REIT – A Leading Global Serviced Residence REIT

Well-diversified portfolio of quality assets located in major gateway cities

S$2.6b[1]	S$5.7b	11,430	73	37
Market Capitalisation	Total Assets	Apartment Units	Operating Properties	Cities in 14 Countries



Note:

Figures above as at 31 March 2019 (unless otherwise indicated) and exclude lyf one-north Singapore (under-development)

1. Based on closing share price of S$1.18 as at 29 March 2019

Key Takeaways – 1Q 2019

▲ 3% Y-o-Y	▲ 2%[1] Y-o-Y	▲ 3% Y-o-Y	▲ 7% Y-o-Y
Revenue	**Gross Profit**	**RevPAU**	**DPU**

8 Key Markets[2] Contributed ~84% of Total Gross Profit
Better Performance on a Same-Store Basis

Fair value surplus of

~S$135.0m

arising from the sale of Ascott Raffles Place Singapore

expected to complete in May 2019

Acquisition of Prime Freehold Limited-Service Business Hotel

Citadines Connect Sydney Airport

expected to complete in May 2019

Notes:

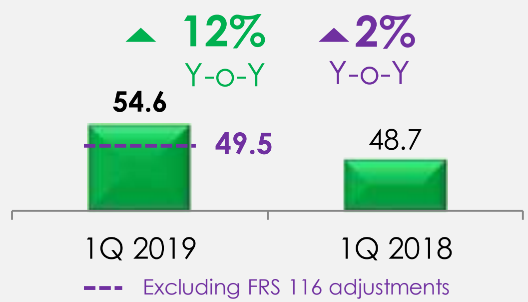
1. *Excluding FRS 116 impact. If impact is included, gross profit would increase 12%*
2. *Refers to Australia, China, France, Japan, Singapore, United Kingdom, United States and Vietnam*

Financial Highlights
(1Q 2019 vs 1Q 2018)

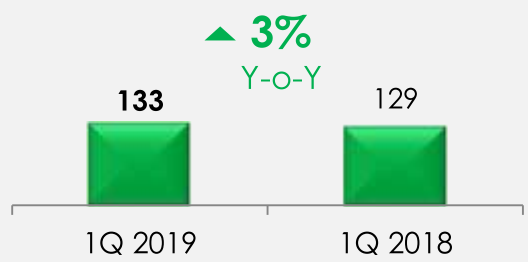
Stronger operating performance from properties in Singapore, United Kingdom and Philippines

Revenue (S$m)

Gross Profit (S$m)

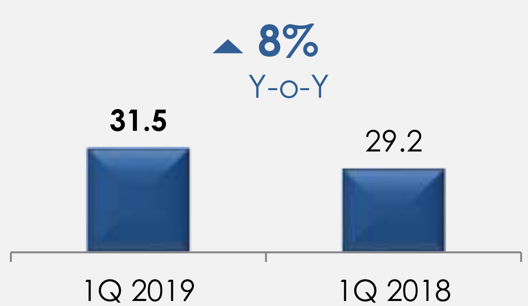


Revenue Per Available Unit (S$)

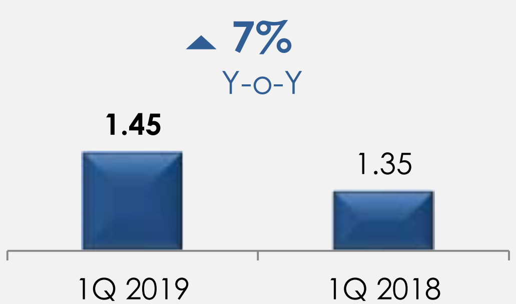


Higher Unitholders' distribution due to better operating performance, lower financing costs and higher one-off realised exchange gain

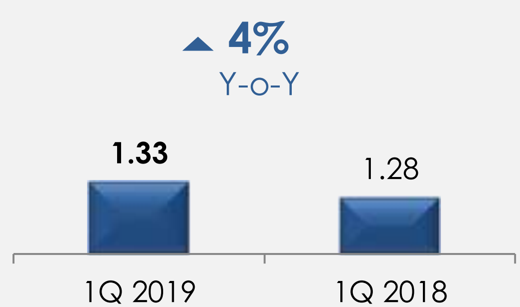
Unitholders' Distribution (S$m)



Distribution Per Unit (S cents)



Adjusted Distribution Per Unit[1] (S cents)



Notes:

1. Excludes one-off realised exchange gains arising from the repayment of foreign currency bank loans

Revenue and Gross Profit by Contract Type (1Q 2019 vs 1Q 2018)

Higher contributions for MCMGIs and Management Contracts

		Revenue (S$'mil)			Gross Profit (S$'mil)			RevPAU (S$)		
		1Q 2019	1Q 2018	% Change	1Q 2019	1Q 2018	% Change	1Q 2019	1Q 2018	% Change
Stable Income	Master Leases[1]	19.9	20.0	(1)	17.9	18.0	(1)	n.a.	n.a.	n.a.
Stable Income	MCMGI[2]	17.1	15.9	8	5.7	5.2	10	165	151	9
Growth Income	Management Contracts[3]	78.9	76.9	3	31.0	25.5	22	128	125	2
	Total 73 Properties[4]	115.9	112.8	3	54.6	48.7	12	133	129	3

- **Master Leases:** Lower revenue and gross profit mainly due to lower rent upon renewal of six master leases in France in 4Q 2018, mitigated by higher contribution from Singapore and Australia
- **MCMGI:** Higher revenue and gross profit achieved across Belgium and UK, due to stronger corporate and leisure demand
- **Management Contracts:** Higher revenue and gross profit mainly due to properties in Singapore, Japan and Philippines. Revenue from Singapore increased due to stronger market demand, revenue from Philippines was higher due to the refurbished apartments at Ascott Makati, while revenue from Japan grew due to stronger leisure demand.

Notes:
1. *Excludes contribution from Infini Garden in 1Q 2018, which was reclassified from Master Lease to Management Contracts after the master lease arrangement expired on 30 June 2018*
2. *MGMGI refers to Management Contracts with Minimum Guaranteed Income*
3. *Includes contribution from Infini Garden in 1Q 2018, which was reclassified from Master Lease to Management Contracts after the master lease arrangement expired on 30 June 2018*
4. *Relates to operating properties only and excludes lyf one-north Singapore (under development)*

Yield-Enhancing Capital Recycling

Divestment of Ascott Raffles Place Singapore

- Sale Price of **S$353.3mil**, or **64.3%** above book value
- Exit Yield of **~2%**
- Estimated net gain of **S$135.0mil**
- Target completion in **May 2019**

Acquisition of Citadines Connect Sydney Airport

- Deepen market presence in the stable and resilient market of **Australia**
- Acquired at **A$60.6mil**, with EBITDA yield of **>6%**
- Target completion in **May 2019**

Portfolio Performance

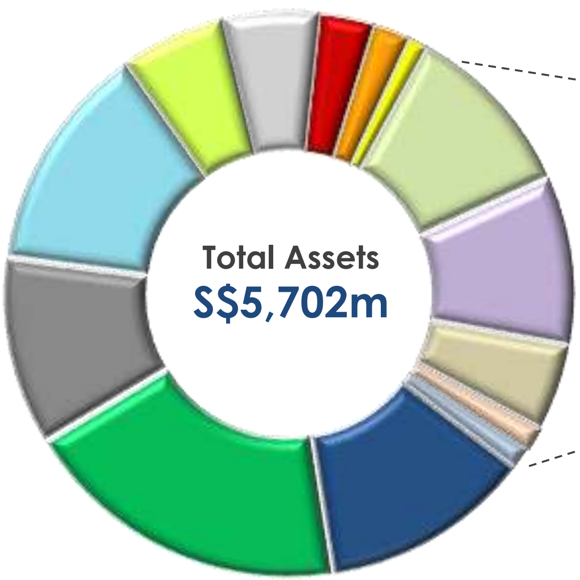
lyf one-north Singapore
(Artist's Impression)

Concept Design by WOHA

Performance Driven by Balanced and Diversified Asset Allocation

59% Asia Pacific

Asia Pacific	58.9%
Singapore	20.8%
Japan	12.2%
China	9.7%
Vietnam	5.3%
Australia	5.0%
Philippines	3.1%
Indonesia	1.9%
Malaysia	0.9%



41% Europe/Americas

Europe	25.1%
France	9.3%
UK	8.9%
Germany	4.4%
Spain	1.3%
Belgium	1.2%

The Americas	16.0%
USA	16.0%

Notes:
As at 31 March 2019

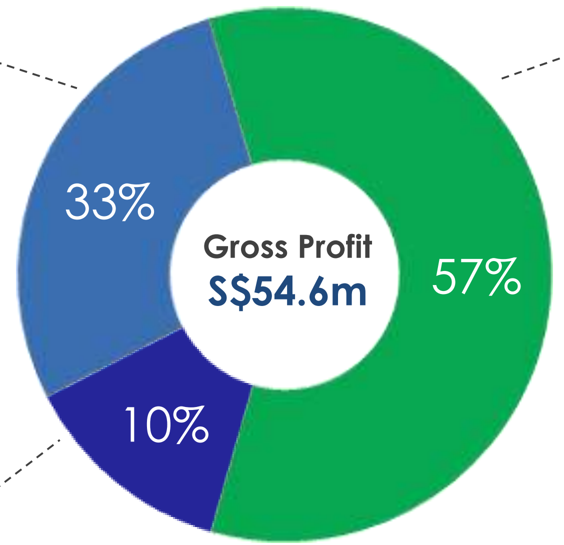
Delivering Resilient Performance

8 Key Markets contribute ~**84%** of Total Gross Profit
No concentration in any single market

43% Stable

Master Leases	33%
France	***14%***
Singapore	***10%***
Germany	6%
Australia	***3%***

MCMGI[1]	10%
United Kingdom	***8%***
Belgium	1%
Spain	1%



57% Growth

Management Contracts	57%
Japan	***13%***
Vietnam	***10%***
China	***9%***
United States	***6%***
Australia	***6%***
Singapore	***5%***
Philippines	4%
Indonesia	3%
Malaysia	<1%

8 Key Markets: **Australia (9%), China (9%), France (14%), Japan (13%), Singapore (15%), United Kingdom (8%), United States (6%)** and **Vietnam (10%)** contribute ~84% of Gross Profit

Notes:
Based on 1Q 2019 Gross Profit
1. Management Contracts with Minimum Guaranteed Income

Balanced Portfolio of Stable Income and Growth Income

	Stable Income		Growth Income
	Master Lease	**Management Contracts with Minimum Income Guarantee**	**Management Contracts**
Description	Fixed rental[1] received	Enjoy minimum guaranteed income	Variable amount (no fixed or guaranteed rental)
Location and Number of Properties[2]	27 properties mainly in Europe France(17) Germany(5) Australia(3) Singapore(2)	7 properties in Europe United Kingdom(4) Belgium(2) Spain(1)	39 properties mainly in Asia Pacific Australia(2) China(7) Indonesia(2) Japan(15) Malaysia(1) The Philippines(2) Singapore(2) United States(3) Vietnam(5)
Percentage of Gross Profit[3]	**33%**	**10%**	**57%**

43% Stable

57% Growth

Notes:

1. Rental received under master leases are generally fixed. However, some contracts provide for annual rental revisions pegged to indices; while some contracts include a variable rental above fixed rental if certain conditions are met

2. As at 31 March 2019 and excluding lyf one-north (under development)

3. Based on 1Q 2019 Gross Profit

8 Key Markets Generally Performed Well

Contributed ~84% of Total Gross Profit

		Gross Profit (LC'mil)			RevPAU (LC)			
		1Q 2019	1Q 2018	% Change	1Q 2019	1Q 2018	% Change	Key Reason for Change
Stable Income	Australia (AUD)	1.8	1.7	6	n.a.	n.a.	n.a.	Lower operation and maintenance expense
Stable Income	France (EUR)	4.8	5.0	(4)	n.a.	n.a.	n.a.	Lower rent upon renewal of master leases
Stable Income	Singapore (SGD)	5.3	4.5	18	n.a.	n.a.	n.a.	Stronger corporate and leisure demand and lower depreciation expense
Stable Income	United Kingdom (GBP)	2.4	2.0	20	119	102	17	Higher corporate and leisure demand
Growth Income	Australia (AUD)	3.2	3.1	3	159	153	4	Higher leisure demand in Melbourne
Growth Income	China (RMB)	25.4	23.4	9	448	449	-	FRS 116 adjustments, higher long stay and project group demand
Growth Income	Japan (JPY)[1]	580.5	555.7	4	11,183	10,396	8	Stronger leisure demand
Growth Income	Singapore (SGD)	2.7	2.0	35	201	165	22	Mainly due to higher market demand
Growth Income	United States (USD)	2.6	(0.1)	n.a.	140	147	(5)	FRS 116 adjustments; ongoing renovation at Element New York Times Square West
Growth Income	Vietnam (VND)[2]	97.8	99.0	(1)	1,592	1,614	(1)	Increased supply and competition, and higher staff costs

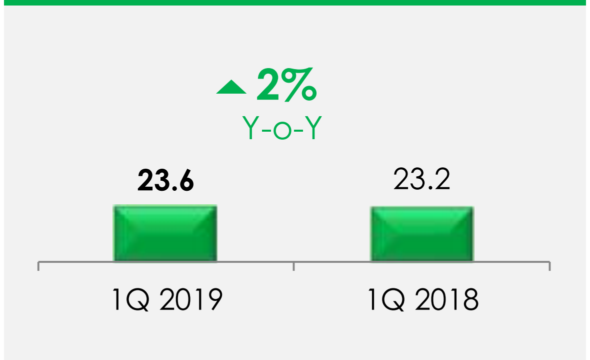
Notes: All figures above are stated in local currency

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*

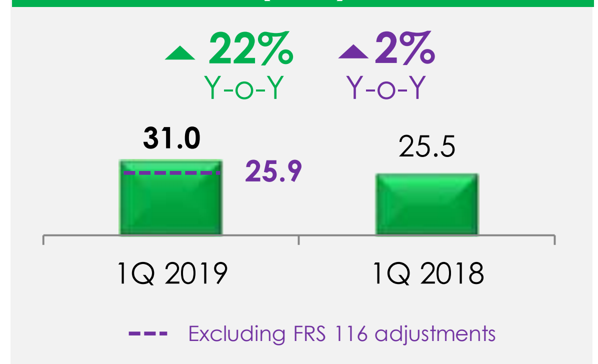
Strong Performance, Resilient Portfolio

- 1Q 2019 gross profit comprised **43% stable** income and **57% growth** income

Gross Profit from Stable Income (S$m)



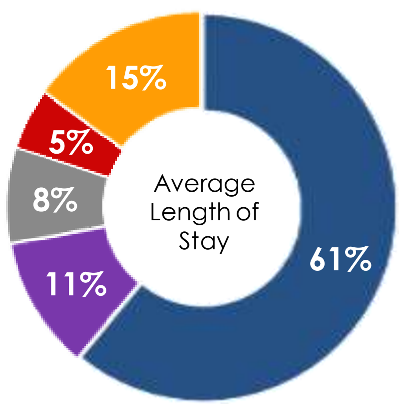
Gross Profit from Growth Income (S$m)



- **Stable** length of stay

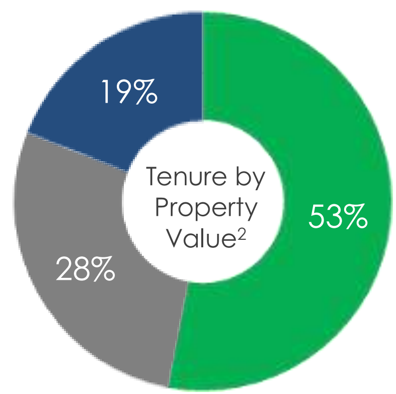
Average ~3 months[1]

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



- **Valuable** freehold land lease portfolio

>50% Freehold



- Freehold
- 51 to 100 Years
- Up to 50 Years

Notes:
As at 31 March 2019 (unless otherwise stated)
1. Average length of stay computed based on rental income for the period ended 31 March 2019, excluding properties on Master Leases
2. Proportion based on last valuation of property value as at 31 December 2018

Active Asset Management
(Updates on Asset Enhancement Initiatives)

Element New York Times Square West
The United States of America

Renovation of apartment units, lobby and public area	
Target to complete in 2Q 2019	

Somerset Grand Citra Jakarta
Indonesia

Renovation of 84 apartment units	
Target to complete in 2Q 2019	

Capital & Risk Management

Strong Balance Sheet	Liquidity and Interest Rate Risk Management	Foreign Exchange Risk Management
At comfortable target gearing of approximately 40%	Diversified funding sources and proactive interest rate management	Manage exposure through natural hedges and derivatives

Gearing remained low at
35.7%[1]
(debt headroom[2] of ~S$900m)
(vs 36.7%)

3.6 years[3]
Weighted average debt to maturity
(vs 3.9 years)

~80%[3]
Total debt on fixed rates
(vs ~80%)

'BBB' (stable outlook)
Long-term rating by Fitch

Interest cover
4.5X[3]
(vs 4.8X)

Low effective borrowing cost of
2.1%[3] **per annum**
(vs 2.3% p.a.)

NAV Per Unit
S$1.25[4]
(vs S$1.22)

52%
Assets hedged against foreign exchange movement
(vs ~49%)

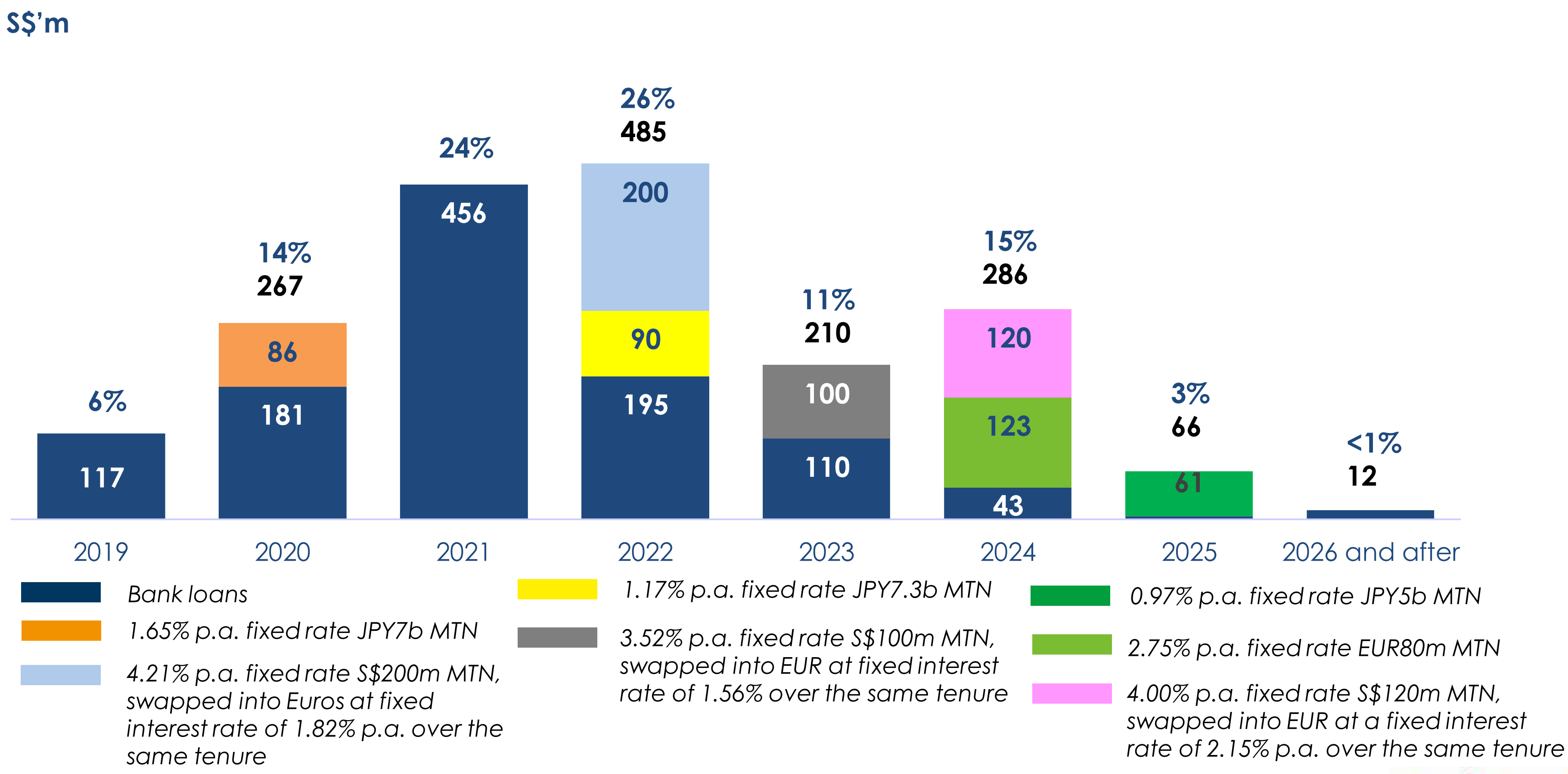
Historical impact of exchange rate movement of
±1.4% on Gross Profit
for the past 5 years

Notes:
Figures above as at/for the period ending 31 March 2019, with 31 December 2018 comparable in brackets
1. *Computation of gearing excludes lease liabilities recognised by virtue of FRS 116 as these operating leases were entered into in the ordinary course of business and were in effect before 1 January 2019*
2. *Refers to the amount of additional debt before reaching aggregate leverage limit of 45% set by MAS*
3. *Excluding the effect of FRS 116 Leases which was effective 1 January 2019*
4. *Adjusted NAV per unit, excluding the distributable income to Unitholders, is S$1.24*

Diversified Funding Sources
Well Spread-out Debt Maturity

Commenced discussions to refinance the debt maturing in 2019
Well-diversified funding sources of 59% Bank Loans : 41% MTN

Debt Maturity Profile



Notes:
As at 31 March 2019

Key Country Updates

Citadines Connect Sydney Airport

Australia

Contributed 9% to Gross Profit

Master Lease

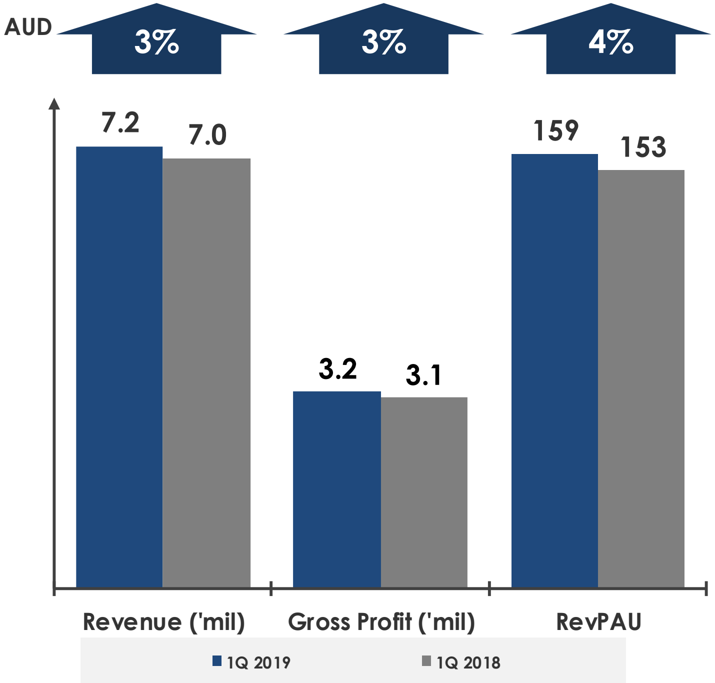
Management Contracts

3 Quest Properties

Citadines on Bourke Melbourne

Citadines St Georges Terrace Perth

Higher leisure demand in Melbourne



relates to properties under Management Contracts only

Performance Highlights and Market Outlook

- Revenue increased 3% while RevPAU increased 4%, mainly due to better performance at Citadines on Bourke Melbourne. Operating environment in Perth remained challenging.
- Continued weakness of the AUD put pressure on revenue and gross profit in SGD terms
- IMF forecasted GDP growth of 2.1% for 2019 and a decline in unemployment rate from 5.3% to 4.8% for 2019[1]
- Due to new supply of hotel rooms, RevPAU growth for the Melbourne market is expected to slow in 2019 as occupancy is expected to fall and operators feel pressure to reduce room rates[2]
- Since 2012, the Perth market has experienced ongoing RevPAU decline but the rate of decline moderated in late 2018. Perth market RevPAU is expected to stabilise in 2019[2]

Notes:
1. Source: International Monetary Fund (2019)
2. Source: CBRE (2019)

China

Contributed 9% to Gross Profit

Management Contracts


Somerset Xu Hui Shanghai


Ascott Guangzhou


Citadines Xinghai Suzhou


Somerset Olympic Tower Property Tianjin


Somerset Grand Central Dalian

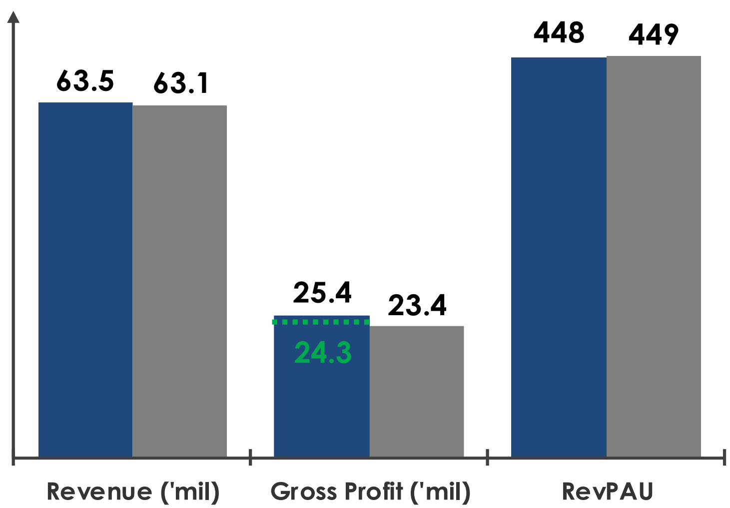

Citadines Zhuankou Wuhan


Somerset Heping Shenyang

Higher long stay and project group demand

1% | 9% | **maintained**

RMB



■ 1Q 2019 ■ 1Q 2018

--- Excluding FRS 116 adjustments for Somerset Olympic Tower Property Tianjin

Performance Highlights and Market Outlook

- Y-o-Y revenue increased 1%, while RevPAU remained stable. Higher revenue was due to an increase in long stay demand and higher demand from project groups
- Excluding the FRS 116 adjustments, gross profit increased by RMB 0.9 million or 4% due to higher revenue and lower depreciation expense
- IMF forecasted GDP growth of 6.3% for 2019 and unemployment rate to remain unchanged at 3.8% for 2019[1]
- Business travel may be impacted by economic uncertainty and ongoing trade tensions between US and China. Despite these challenges, China's tourism sector saw upticks in arrivals indicating that there is still solid demand from both domestic and international travellers[2]
- Market RevPAR is expected to remain stable for tier 1 and tier 2 cities[2]

Notes:
1. Source: International Monetary Fund (2019)
2. Savills Research~ Hotel (2019)

Japan

Contributed 13% to Gross Profit

Management Contracts

Citadines Central Shinjuku Tokyo

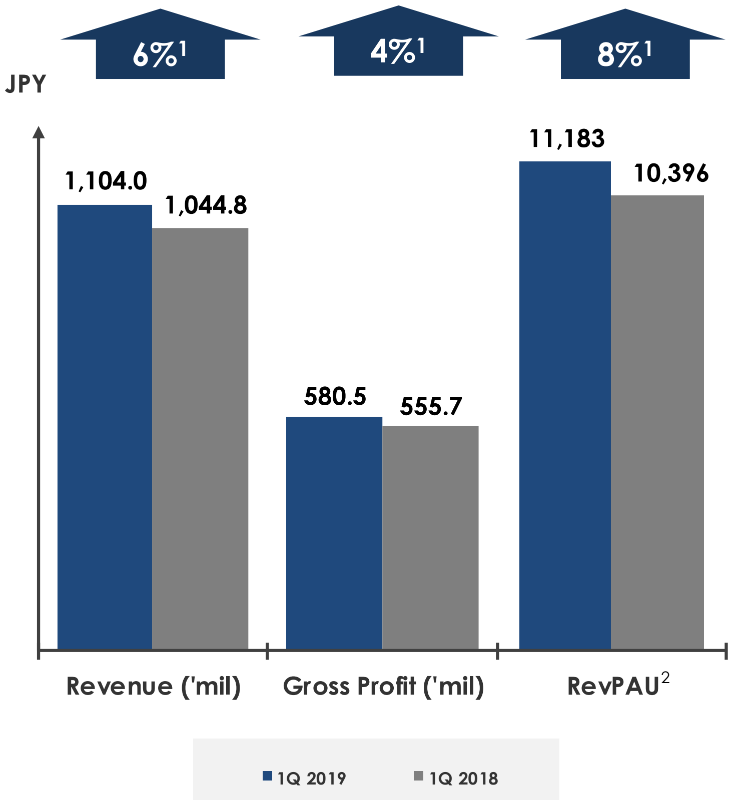
Citadines Shinjuku Tokyo

Citadines Karasuma-Gojo Kyoto

Somerset Azabu East Tokyo

11 rental housing properties in Japan

Stronger leisure demand



Performance Highlights and Market Outlook

- Revenue increased 6% and RevPAU was up 8% due to stronger leisure demand at the Tokyo properties
- Gross profit increased 4% due to higher revenue and lower depreciation expense
- IMF forecasted GDP growth of 1.0% for 2019 and unemployment rate remain unchanged at 2.4% for 2019[3]
- Despite the negative pressures of 2018, occupancy recovered in 1Q 2019 and overall hotel performance improved marginally
- International arrivals are expected to grow strongly, spurred by events such as the 2019 Rugby World Cup and the 2020 Tokyo Olympics. Visitor arrivals are expected to hit the 40 million target by 2020[4]

Notes:

1. *Including Infini Garden, which was reclassified from Master Lease to Management Contracts after the master lease arrangement expired on 30 June 2018*
2. *RevPAU relates to serviced residences and excludes rental housing properties*
3. *Source: International Monetary Fund (2019)*
4. *Source: Savills (2019)*

Singapore

Contributed 15% to Gross Profit[1]

Master Lease

Ascott Raffles Place Singapore

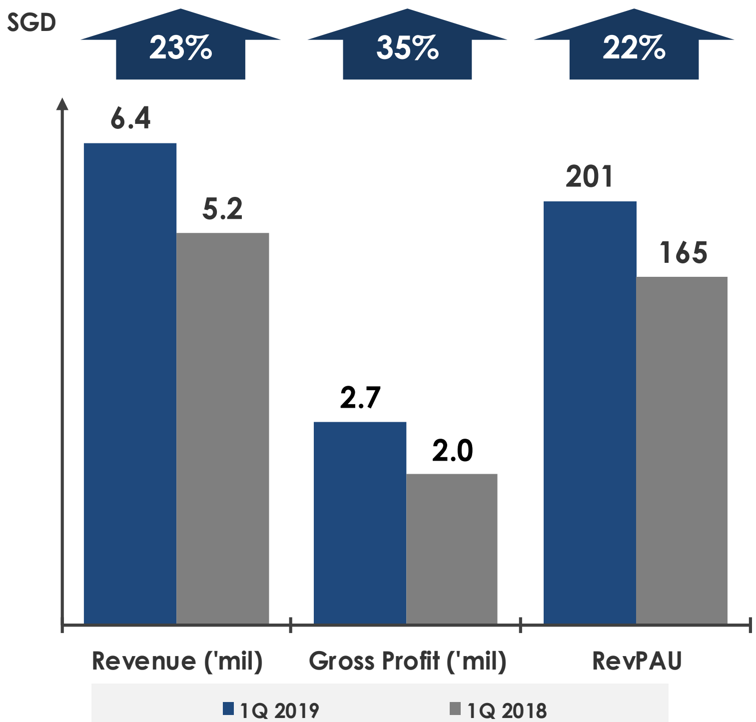
Ascott Orchard Singapore

Management Contracts

Somerset Liang Court Property Singapore

Citadines Mount Sophia Property Singapore

Stronger market demand



relates to properties under Management Contracts only

Performance Highlights and Market Outlook

- Revenue increased 23% and RevPAU grew 22% due to stronger market demand at all the Singapore properties
- Gross profit increased 35% due to higher revenue, partially offset by higher marketing expense
- IMF forecasted GDP growth of 2.3% and a slight decline in unemployment rate from 2.1% to 2.0% for 2019[2]
- STB forecasted visitor arrivals to be in the range of 18.7 million to 19.2 million in 2019, which is a growth of 1-4% from previous year
- Growth is supported by on-going efforts to keep Singapore attractive, including the newly-opened Jewel Changi Airport, rejuvenation of Orchard Road as a lifestyle belt and strategic partnerships to promote Singapore as a destination of choice[3]
- New room supply is expected to keep pace with the growth in arrivals. While more than 1,800 rooms are expected to open in 2019, about 76% of the upcoming supply is concentrated in the Sentosa and CBD-fringe area

Note:

1. *Of which, 2 properties are under Master Lease contracts, and 2 properties under Management Contracts contributed 10% and 5% respectively*
2. *Source: International Monetary Fund (2019)*
3. *Source: The Business Times (2019)*

United Kingdom

Contributed 8% to Gross Profit

Management Contracts with Minimum Guaranteed Income

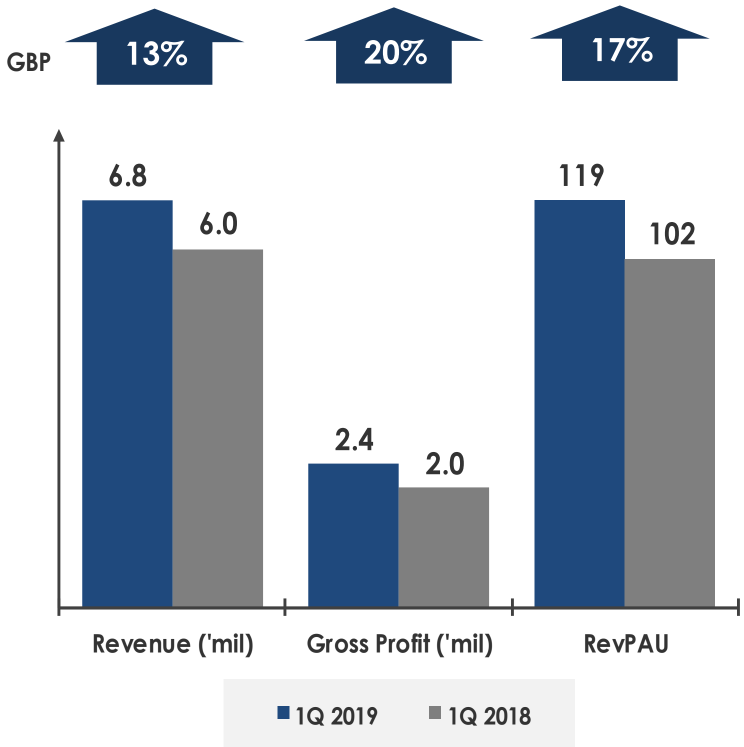
Citadines Trafalgar Square London

Citadines Holborn-Covent Garden London

Citadines Barbican London

Citadines South Kensington London

Higher corporate and leisure demand



Performance Highlights and Market Outlook

- Revenue and RevPAU increased by 13% and 17% respectively due to higher corporate and leisure demand. All properties registered stronger performance
- IMF forecasted GDP growth of 1.2% for 2019 and a slight increase in unemployment rate from 4.1% to 4.2% for 2019[1]
- Market demand is positive as the weak GBP continues to support tourism and hotels[2]
- New room supply, slowing economic growth and uncertainty around Brexit remain potential headwinds[2]
- Ascott REIT's UK portfolio has limited downside risks, as it comprises of management contracts with minimum guaranteed income

Note

1. *Source: International Monetary Fund (2019)*
2. *Source: PWC UK (2019)*

United States

Contributed 6% to Gross Profit

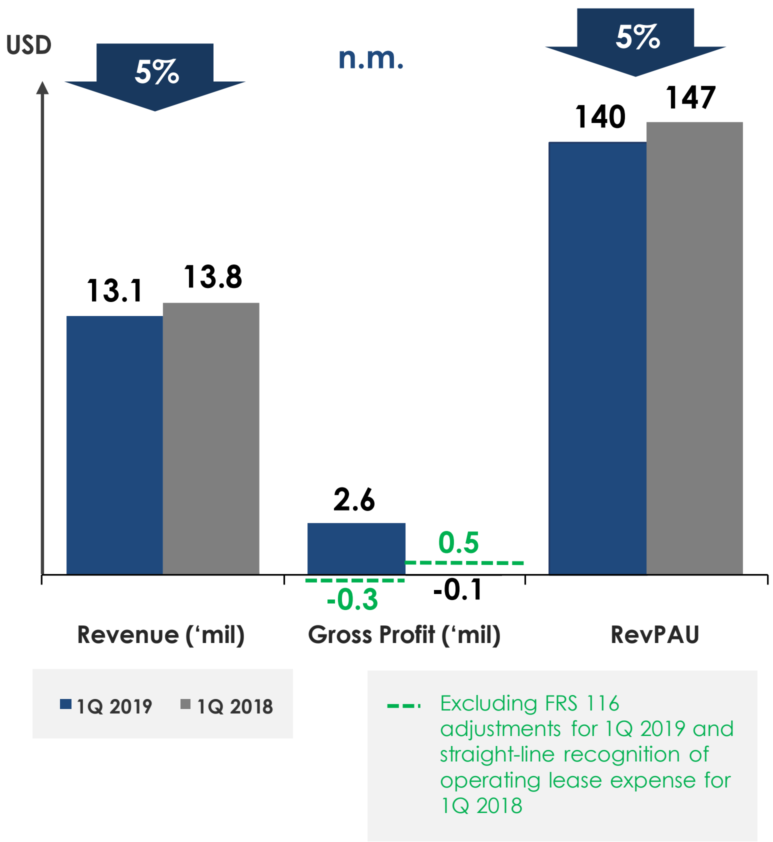
Lower revenue due to ongoing renovation works

Management Contracts

Element New York Times Square West

DoubleTree by Hilton Hotel New York

Sheraton Tribeca New York Hotel



Performance Highlights and Market Outlook

- Fall in revenue and RevPAU due to ongoing renovation at Element New York Times Square West
- Excluding the FRS 116 and straight-line lease adjustments, and the ongoing renovation at Element New York Times Square West, gross profit was in line with the prior year
- IMF forecasted GDP growth of 2.3% for 2019 and a slight decline in unemployment rate from 3.9% to 3.8% for 2019[1]
- Despite near-term risks including trade tensions, strong economic fundamentals in the US are expected to support the decelerating industry RevPAU growth in 2019[2]
- New lodging supply in New York is expected to be balanced by a growth in demand[3]

Notes:
1. *Source: International Monetary Fund (2019)*
2. *Source: PWC (2019)*
3. *Source: Hotel Management (2019)*

Vietnam

Contributed 10% to Gross Profit

Management Contracts


Somerset Grand Hanoi

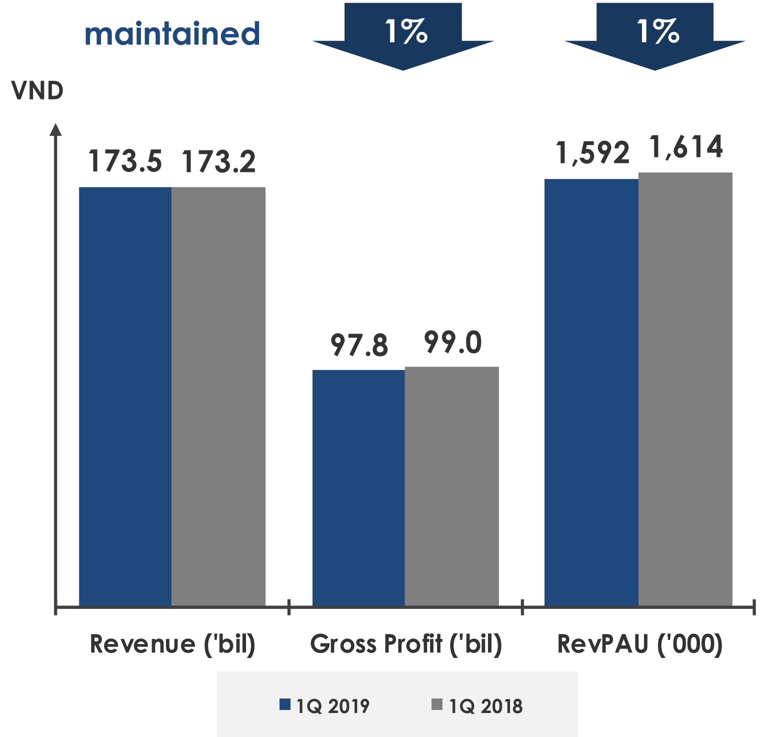

Somerset Hoa Binh Hanoi


Somerset West Lake Hanoi


Somerset Ho Chi Minh City


Somerset Chancellor Court Ho Chi Minh City

Performance affected by increased supply and competition



Performance Highlights and Market Outlook

- Revenue had a slight increase due to higher commercial rent while RevPAU decreased 1% due to increased supply and competition
- Gross profit decreased 1% due to higher staff costs, partially offset by higher revenue and lower marketing expense
- IMF forecasted GDP growth of 6.5% for 2019 and unemployment rate remain unchanged at 2.2% for 2019[1]
- Tourism will continue to grow albeit at a slower rate. Ho Chi Minh City, due to limited future supply, is expected to maintain good levels of stability in performance[2]
- Somerset Grand Hanoi on track to deliver better performance post-refurbishment

Notes:
1. Source: International Monetary Fund (2019)
2. Source: Savills (2019)

Outlook

Citadines Trafalgar Square London

Short Term Outlook

Strategies cushion effects of impending challenges

Challenges	Strategies Adopted
Tapered Economic Growth • Continued trade tensions • Policy uncertainties **New Supply in Some Markets**	**Diversification** • Asset allocation of 59% Asia Pacific : 41% Europe/Americas • No gross profit concentration from any single market
Uncertain Interest Rate Environment	**Capital & Risk Management** • ~80% of total debt on fixed rates • Debt maturity of 3.6 years **Rated "BBB" with Stable Outlook by Fitch** • Maintained investment grade status; ability to borrow at attractive rates
Competition Affecting Yield Enhancement	**Active Portfolio and Asset Management** • Active capital recycling ➢ Opportunistic divestment of Ascott Raffles Place Singapore at 64% above book value ➢ Acquired prime freehold limited service business hotel in Sydney, Australia at EBITDA yield of >6% • Asset Enhancement Initiatives

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Thank You

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