



Ascott Residence Trust

3Q 2014 Financial Results

6 November 2014

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
- Key Highlights
- Portfolio Performance
- Capital and Risk Management
- Portfolio Information
- Recent Transactions
- Outlook and Prospects
- Appendix



Overview of Ascott REIT¹

Leading global serviced residence real estate investment trust

S\$1.9b²

Market Capitalisation

S\$3.9b

Total Asset Size

9,985

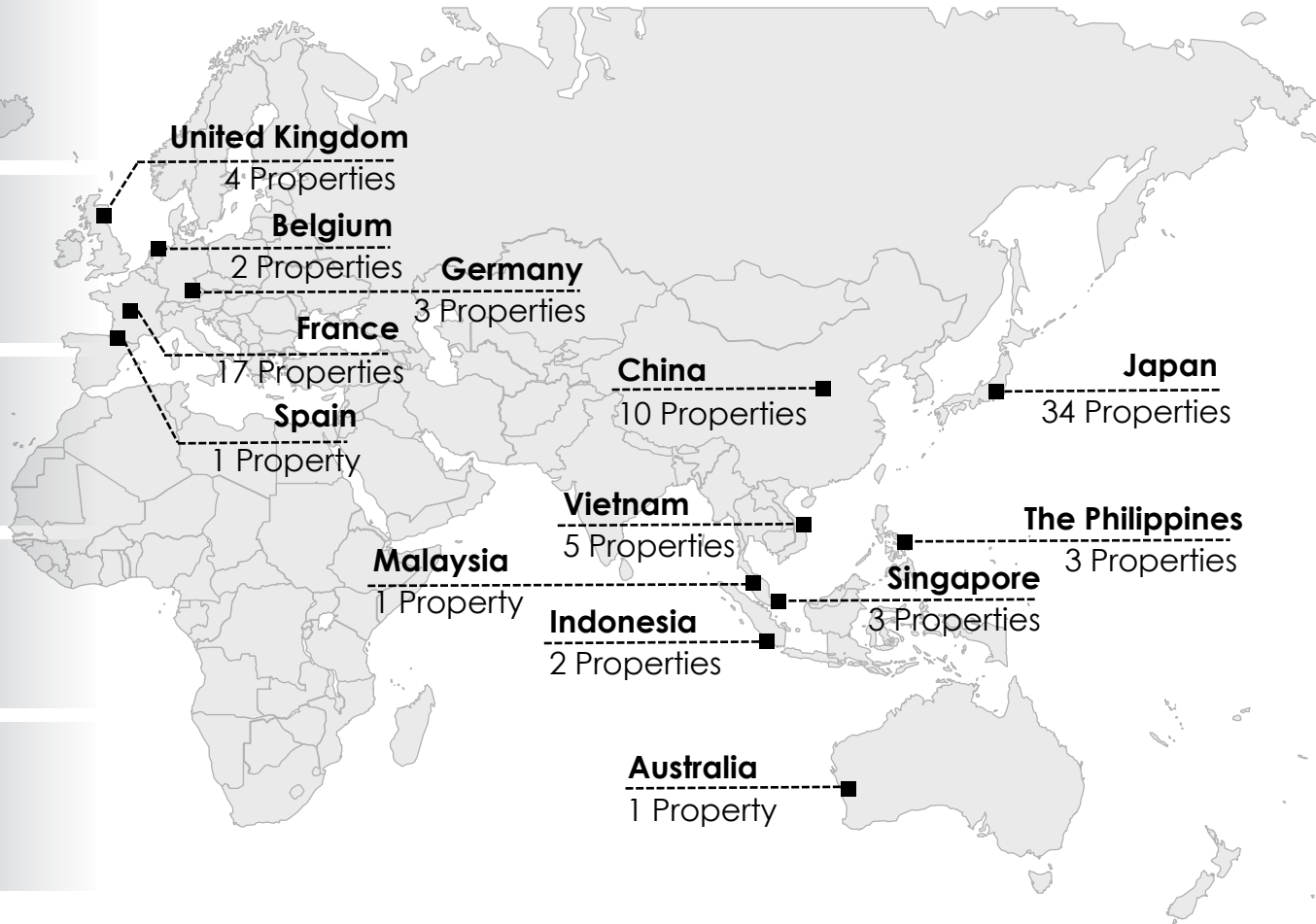
Apartment Units

86

Properties

36

Cities in 13 Countries



Notes:

- Figures as at 30 September 2014; If acquisition of a hotel property in Japan (as announced and completed on 16 October 2014) and three serviced residence properties in Australia (as announced on 23 October 2014) were included, the portfolio of Ascott REIT would be approximately S\$4.1 billion, comprising 90 properties with 10,503 units in 37 cities across 13 countries.
- Market capitalisation as at 3 November 2014.



Key Highlights

Ascott Raffles Place Singapore



Key Highlights

3Q 2014 Financials

Revenue

S\$93.7m

↑9% YoY

Gross Profit

S\$48.8m

↑9% YoY

Unitholders' Distribution

S\$32.3m

↑8% YoY

NAV Per Unit as at 30 Sep 2014

S\$1.35

↓2%¹

from S\$1.38 as at 30 Jun 2014

Note:

1. The decrease was mainly due to half-yearly distribution payment made to Unitholders on 25 August 2014.



3Q 2014 vs 3Q 2013

	3Q 2014	3Q 2013	% Change
Revenue (\$\$'m)	93.7	86.1	9% ↑
Gross Profit (\$\$'m)	48.8	44.8	9% ↑
Unitholders' Distribution (\$\$'m)	32.3	30.0 ¹	8% ↑
Distribution Per Unit (\$ cents)	2.11	2.37 ¹	-11% ↓
Adjusted Distribution Per Unit (\$ cents) (For information Only)	2.11	1.84 ²	15% ↑
Revenue Per Available Unit (\$\$/day) (For Serviced Residences Only)	128	133	-4% ↓

- Revenue and gross profit increased by 9%
 - Additional contribution from properties acquired in 2014³ as well as from existing properties.
 - Partially offset by absence of revenue due to cessation of operations for Somerset Grand Fortune Garden Property Beijing arising from the ongoing strata sale of units.
- On a same store basis, gross profit increased by 2%.

Notes:

1. Unitholders' distribution in 3Q 2013 included one-off items of approximately S\$1.5 million.
2. Adjusted for the effects from the Rights Issue and excluded one-off items.
3. Acquisition of Infini Garden (as completed in March 2014), Somerset Grand Central Dalian (as completed in June 2014) as well as Somerset Ampang Kuala Lumpur, Citadines Zhuankou Wuhan and Citadines Gaoxin Xi'an (as completed in August 2014).

Portfolio Performance



Citadines Suites Louvre Paris

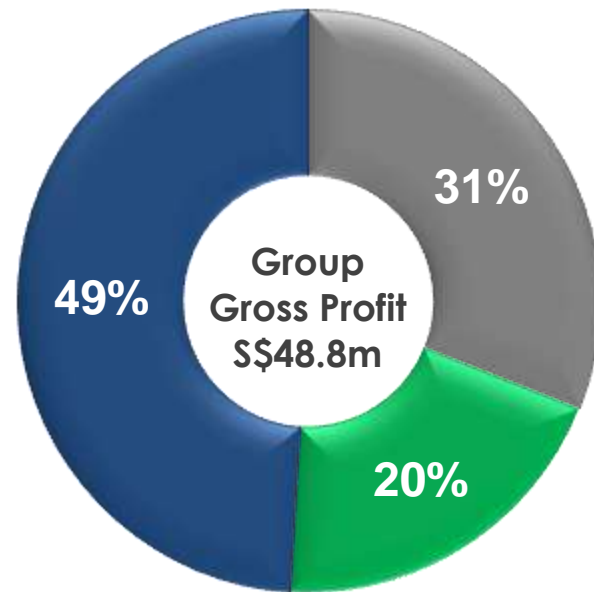
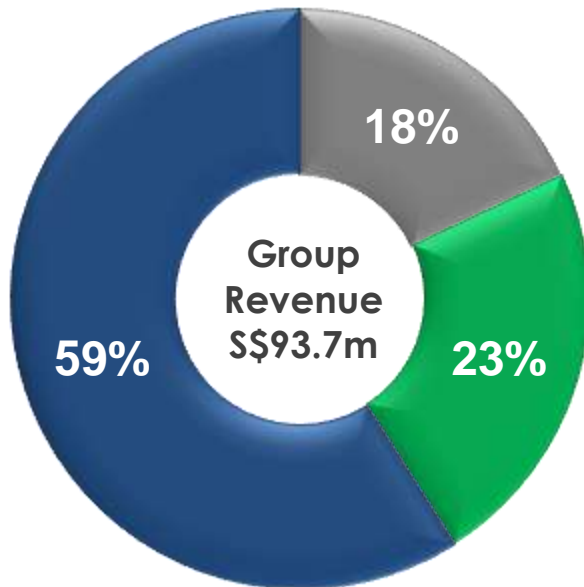


Portfolio Highlights

Revenue and Gross Profit (By Category)

Revenue
3Q 2014

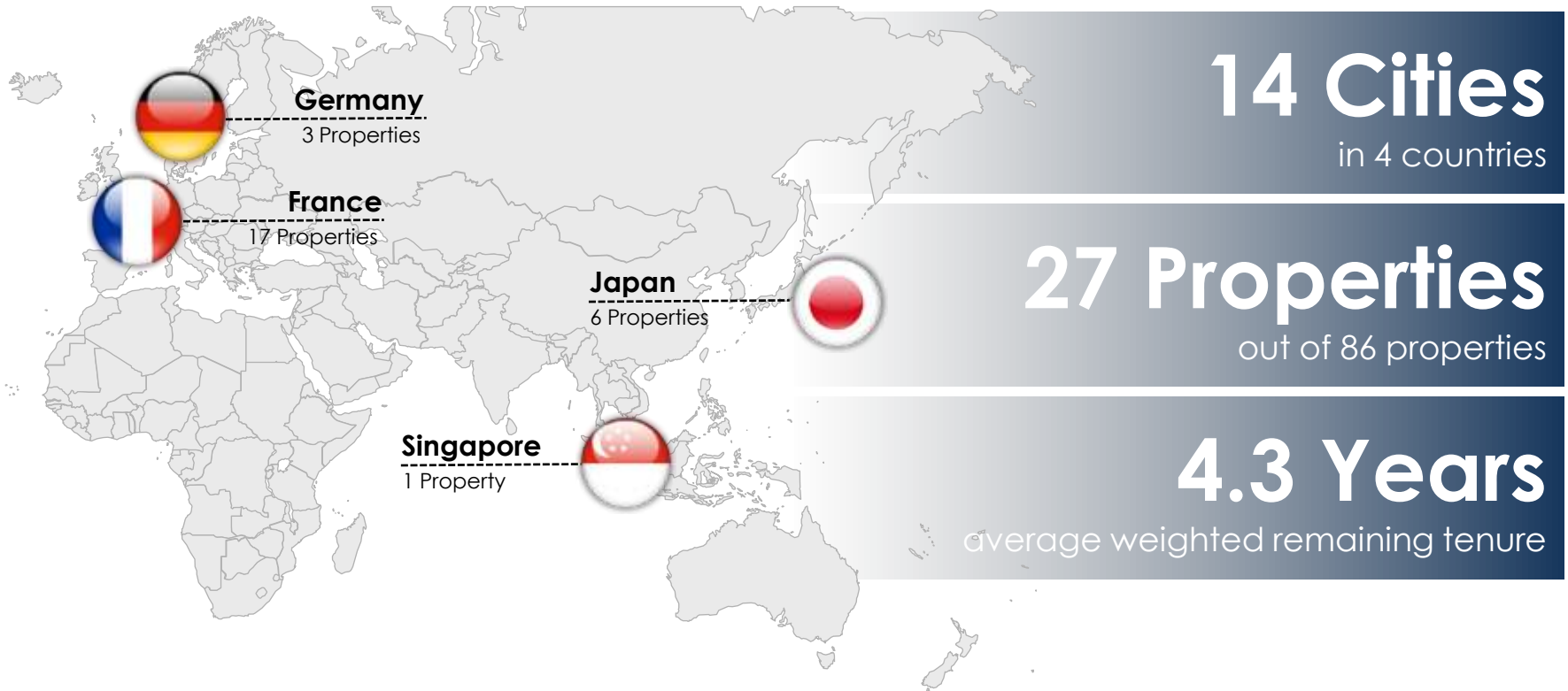
Gross Profit
3Q 2014



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

Master Leases

31% of Group's Gross Profit for 3Q 2014 is contributed by Master Leases





Master Leases (3Q 2014 vs 3Q 2013)



Citadines
Suites
Louvre Paris



Citadines
Prestige Les
Halles Paris



Citadines
Croisette
Cannes



Citadines
Arnulfpark
Munich



Madison
Hamburg



Ascott
Raffles Place
Singapore

Revenue ('mil)

Gross Profit ('mil)

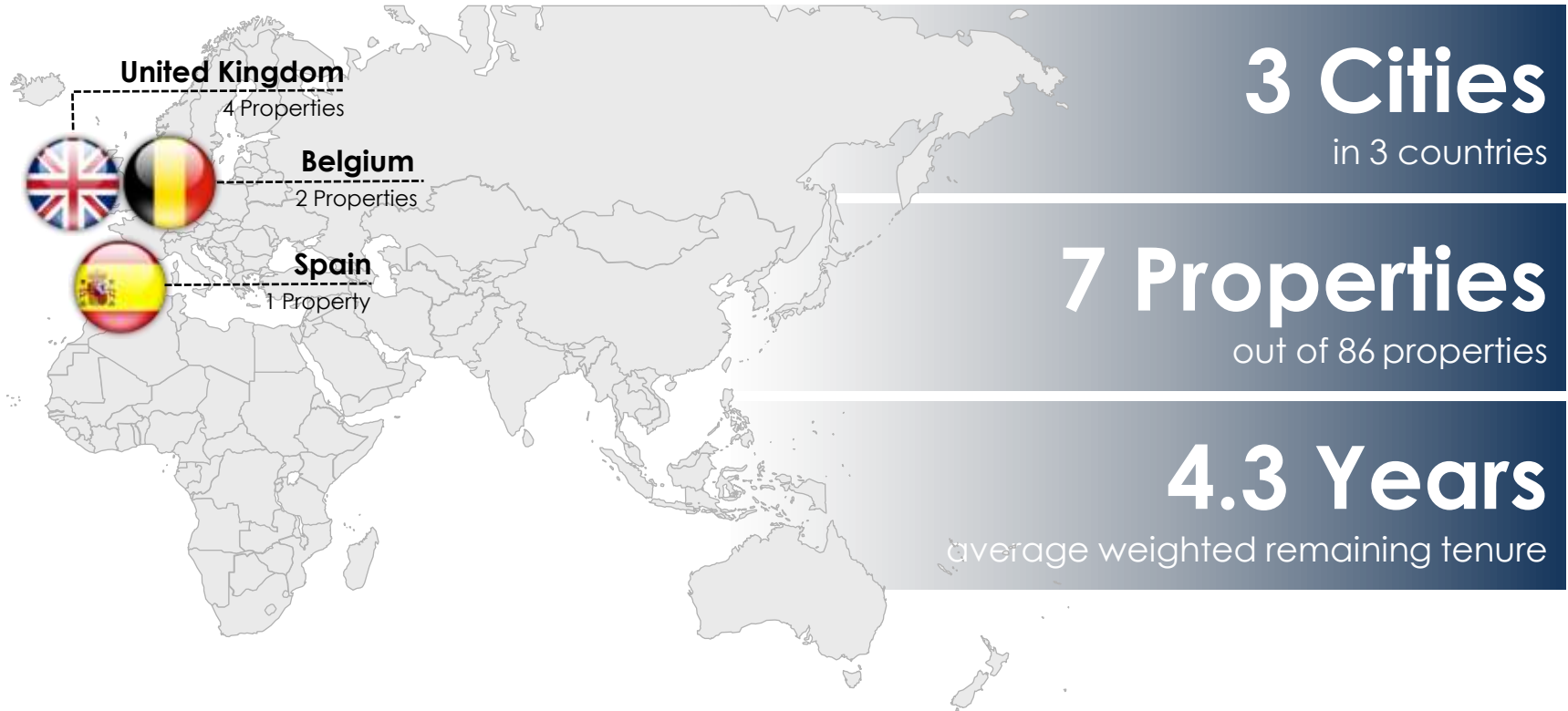
	3Q 2014	3Q 2013		3Q 2014	3Q 2013	
France (EUR) 17 Properties	5.7	5.8	↓	5.4	5.4	-
Germany (EUR) 3 Properties	1.4	1.6	↓	1.2	1.3	↓
Singapore (SGD) Ascott Raffles Place Singapore	2.4	2.4	-	2.0	2.0	-
Japan (JPY) 6 Properties	187.5	55.6	↑	152.4	46.8	↑

Revenue from the properties in France and Germany decreased slightly mainly due to reversal of over accrual of revenue in prior periods and lower recovery of costs from lessees respectively. Higher revenue and gross profit for properties in Japan mainly attributed to the acquisition of Infini Garden in March 2014.



Management Contracts with Minimum Guaranteed Income

20% of Group's Gross Profit for 3Q 2014 is contributed by Management Contracts with Minimum Guaranteed Income





Management Contracts with Minimum Guaranteed Income (3Q 2014 vs 3Q 2013)

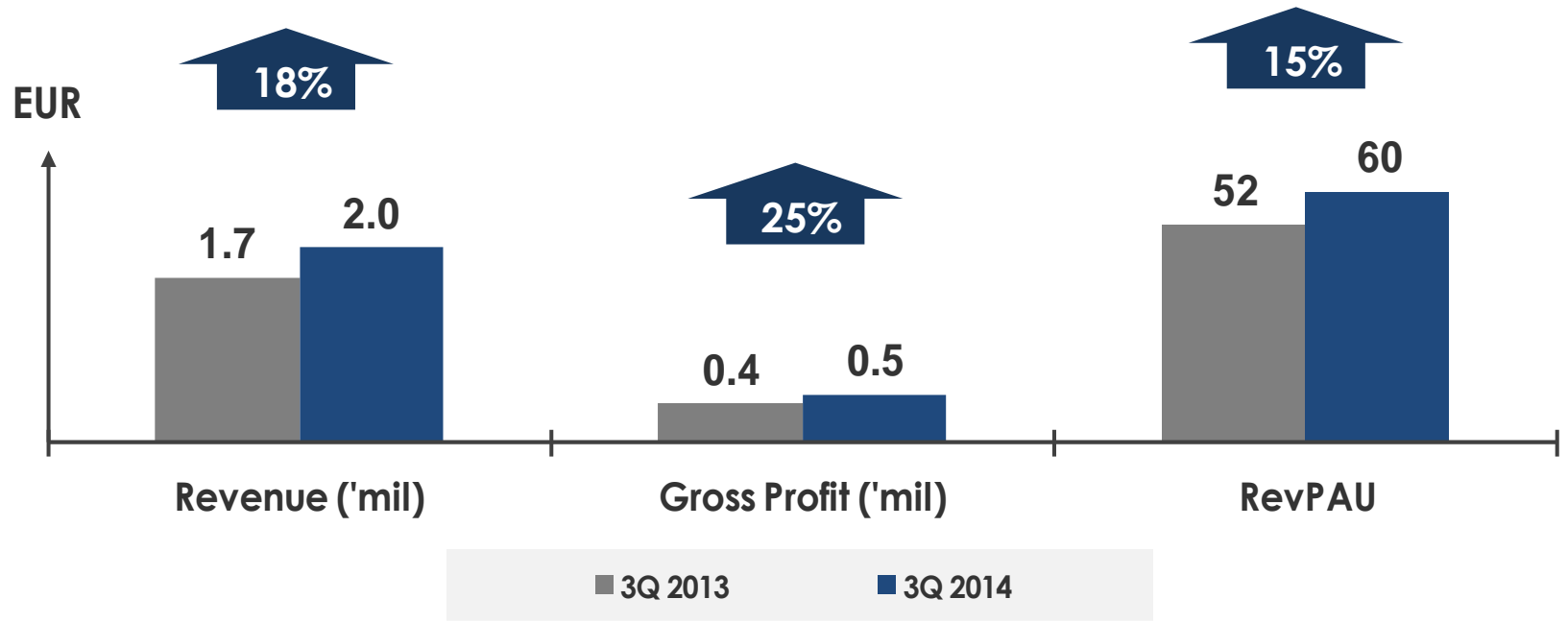
	Revenue ('mil)			Gross Profit ('mil)			RevPAU		
	3Q 2014	3Q 2013		3Q 2014	3Q 2013		3Q 2014	3Q 2013	
Belgium (EUR)	2.0	1.7	↑	0.5	0.4	↑	60	52	↑
Spain (EUR)	1.5	1.5	-	0.7	0.9	↓	108	84	↑
United Kingdom (GBP)	7.4	7.2	↑	3.8	3.2	↑	130	127	↑



Citadines
Sainte-Catherine
Brussels



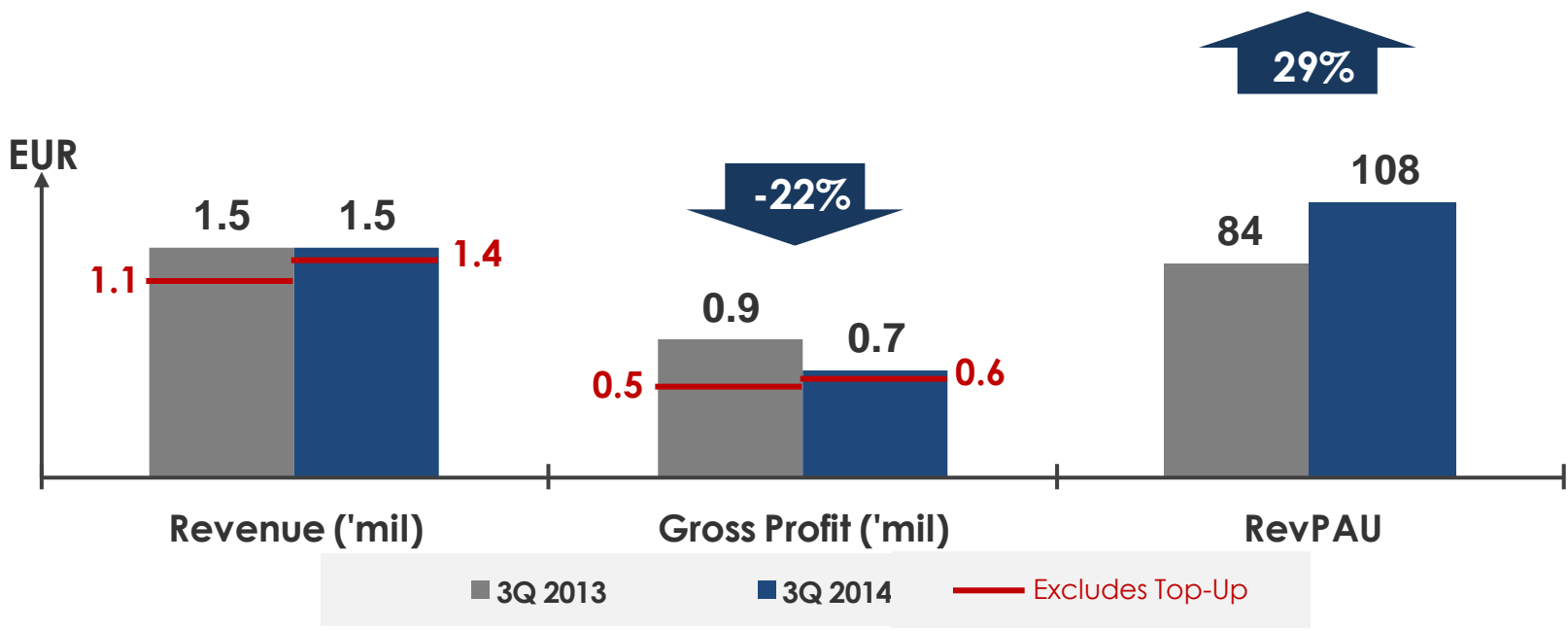
Citadines
Toison d'Or
Brussels



Revenue, gross profit and RevPAU increased mainly due to stronger demand for the refurbished apartments at Citadines Toison d'Or Brussels.



Citadines
Prestige Ramblas
Barcelona¹



There was a lower top-up provided by property manager for 3Q 2014. Excluding the top-up, revenue and gross profit increased by 27% and 20% respectively. RevPAU increased due to higher rental rates from the refurbished apartments at Citadines Prestige Ramblas Barcelona¹.

Note:
1. Formerly known as Citadines Ramblas Barcelona



United Kingdom



Citadines
Barbican
London



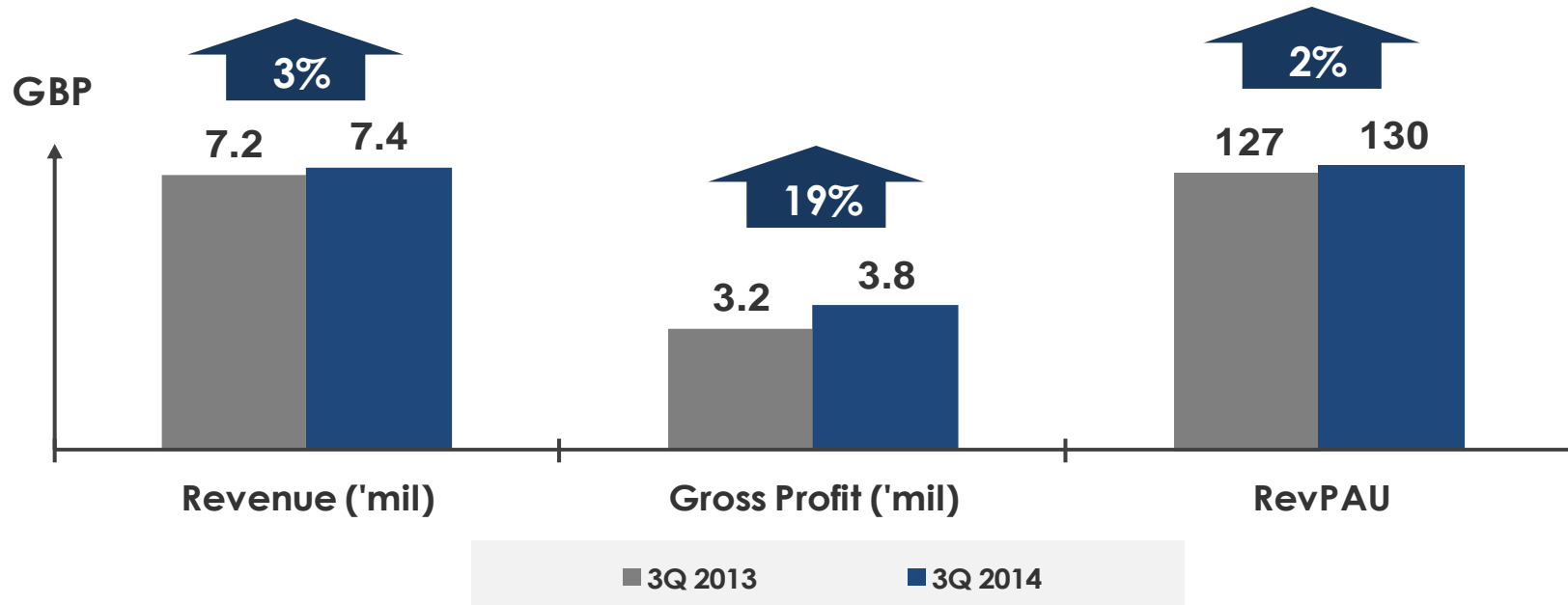
Citadines
Prestige Holborn-
Covent Garden
London



Citadines
Prestige South
Kensington London



Citadines
Prestige Trafalgar
Square London

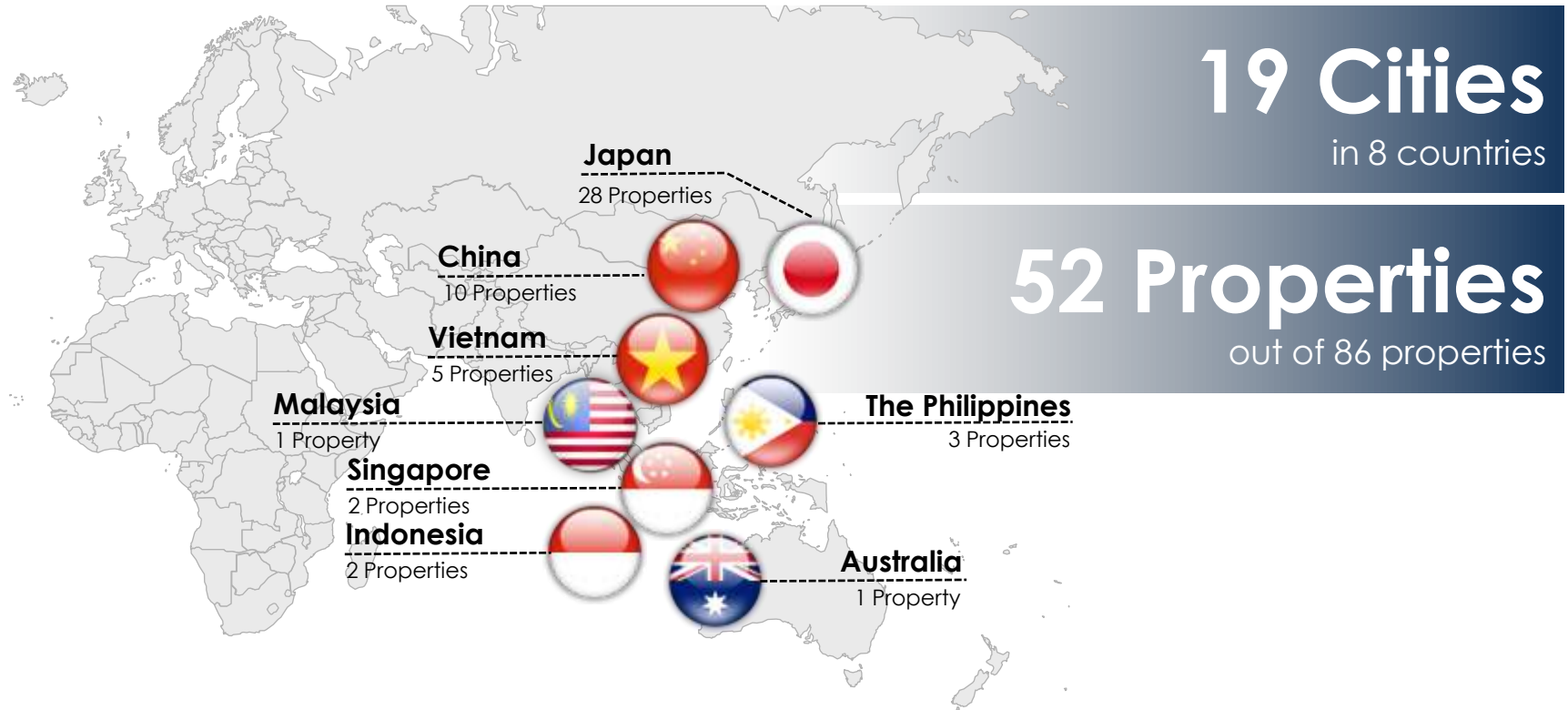


Revenue, gross profit and RevPAU increased mainly due to stronger demand from corporate and leisure sectors. Gross profit increased as a result of higher revenue, lower operating expenses and reversal of provision no longer required.



Management Contracts

49% of Group's Gross Profit for 3Q 2014 is contributed by Management Contracts



Management Contracts (3Q 2014 vs 3Q 2013)

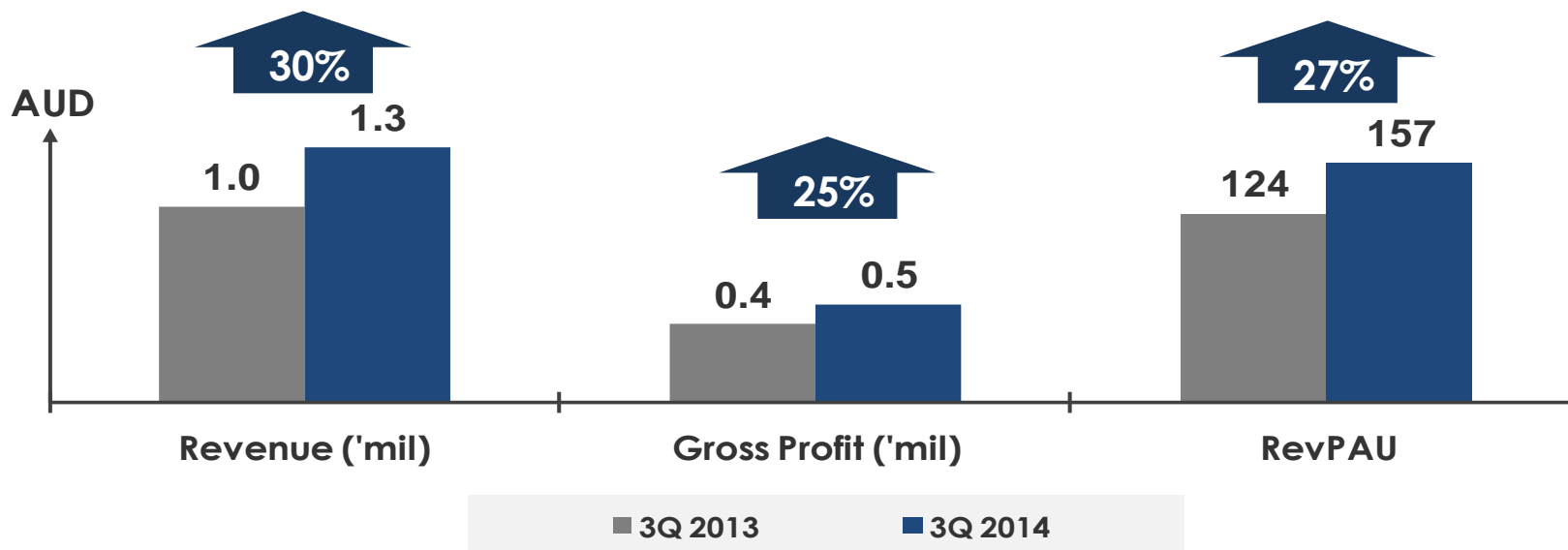
	Revenue ('mil)			Gross Profit ('mil)			RevPAU		
	3Q 2014	3Q 2013		3Q 2014	3Q 2013		3Q 2014	3Q 2013	
Australia (AUD)	1.3	1.0	↑	0.5	0.4	↑	157	124	↑
China (RMB)	80.6	61.7	↑	25.2	20.1	↑	432	497	↓
Indonesia (USD)	3.1	3.1	-	1.2	1.0	↑	78	80	↓
Japan (JPY)¹	730.8	674.5	↑	423.6	375.3	↑	10,216	9,313	↑
Malaysia (MYR)	3.5	-	↑	1.3	-	↑	279	-	↑
Philippines (PHP)	252.0	242.6	↑	84.8	83.5	↑	4,156	4,484	↓
Singapore (SGD)	7.3	7.5	↓	3.8	3.5	↑	225	230	↓
Vietnam (VND)^{2,3}	151.6	171.4	↓	80.8	98.5	↓	1,460	1,573	↓

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 3Q 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 3Q 2013 have been classified under "Management Contracts" category.



Citadines
St Georges
Terrace Perth¹



Revenue, gross profit and RevPAU increased mainly due to higher demand for the renovated apartments at Citadines St Georges Terrace Perth¹.

Note:

1. Formerly known as Somerset St Georges Terrace Perth



Citadines
Zhuankou Wuhan



Citadines
Gaoxin Xi'an



Citadines
Xinghai Suzhou



Ascott
Guangzhou



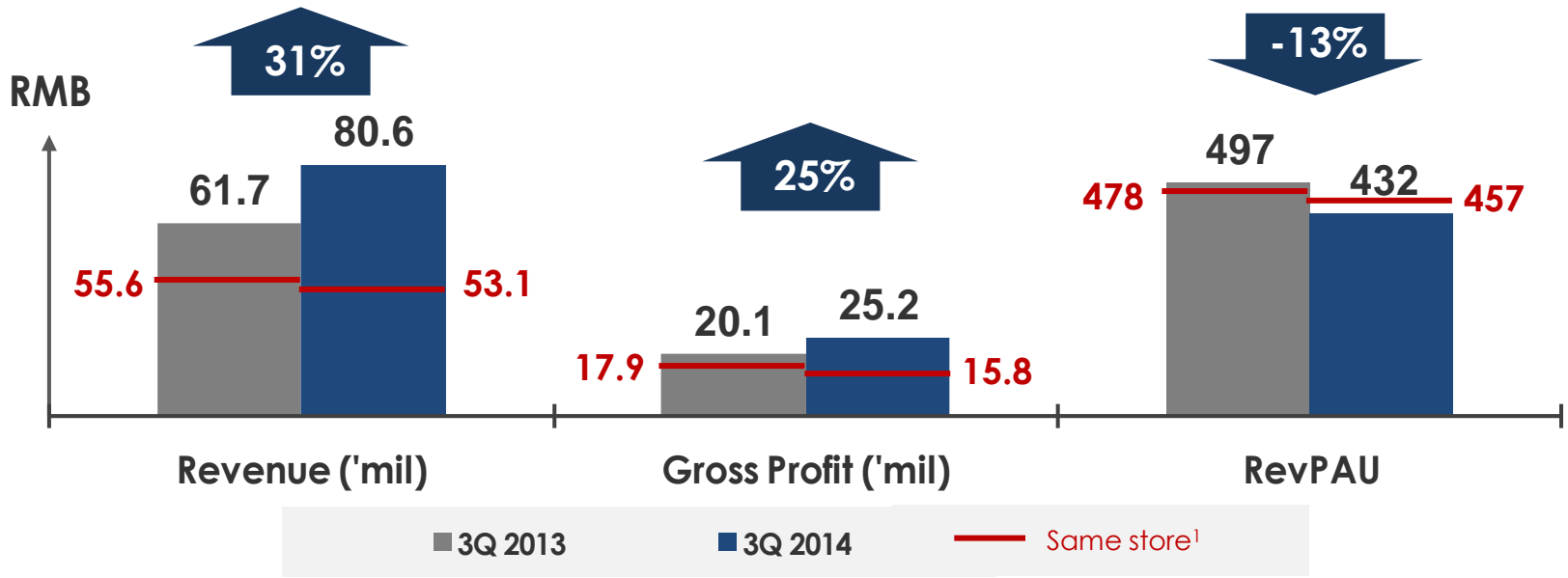
Somerset
Heping Shenyang



Citadines
Biyun Shanghai



Somerset Xu Hui
Shanghai



Revenue and gross profit increased mainly due to contribution from the properties acquired in 2014². RevPAU decreased mainly due to the acquired properties, which had a lower ADR. On a same store basis, revenue, gross profit and RevPAU decreased due to ongoing refurbishment at Somerset Xu Hui Shanghai and Citadines Xinghai Suzhou.

Notes:

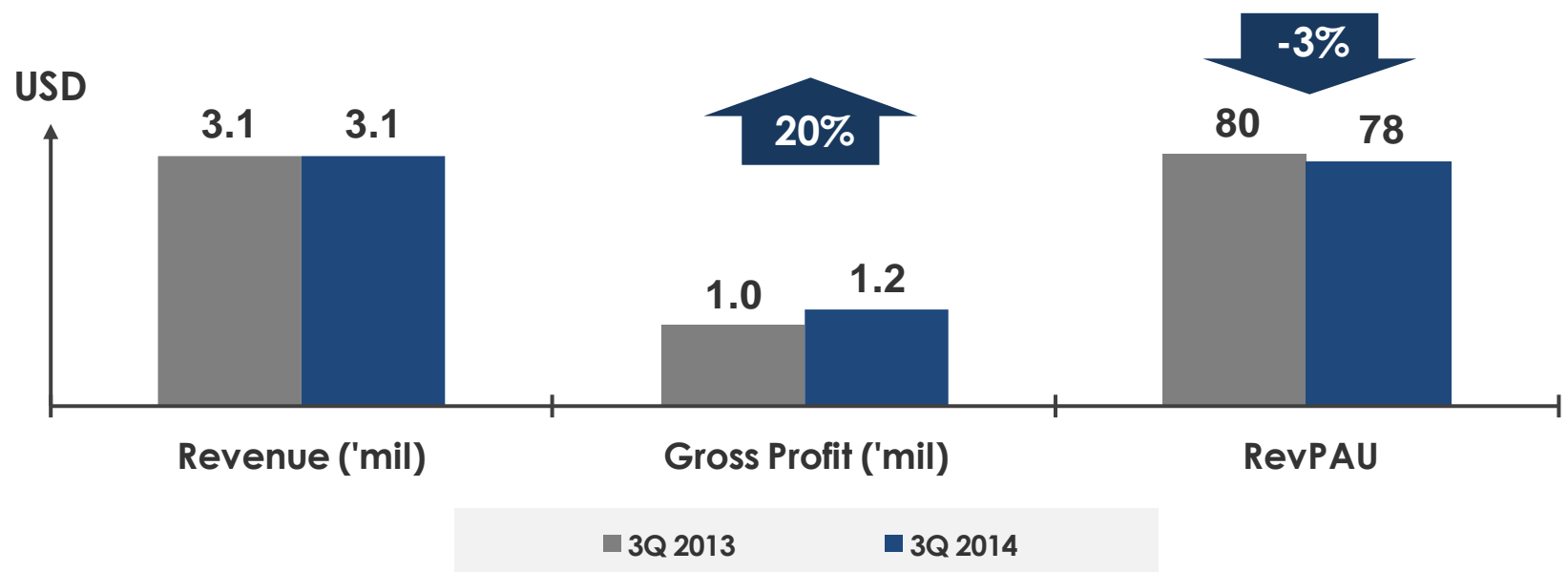
1. Excludes Somerset Grand Central Dalian acquired in June 2014, Citadines Zhuankou Wuhan and Citadines Gaoxin Xi'an acquired in August 2014, and Somerset Fortune Garden Property Beijing which had commenced strata sale of units since October 2013.
2. Acquisition of Somerset Grand Central Dalian (completed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



Ascott Jakarta



Somerset Grand Citra Jakarta



Gross profit increased mainly due to lower operation and maintenance expense.



Somerset
Azabu East
Tokyo



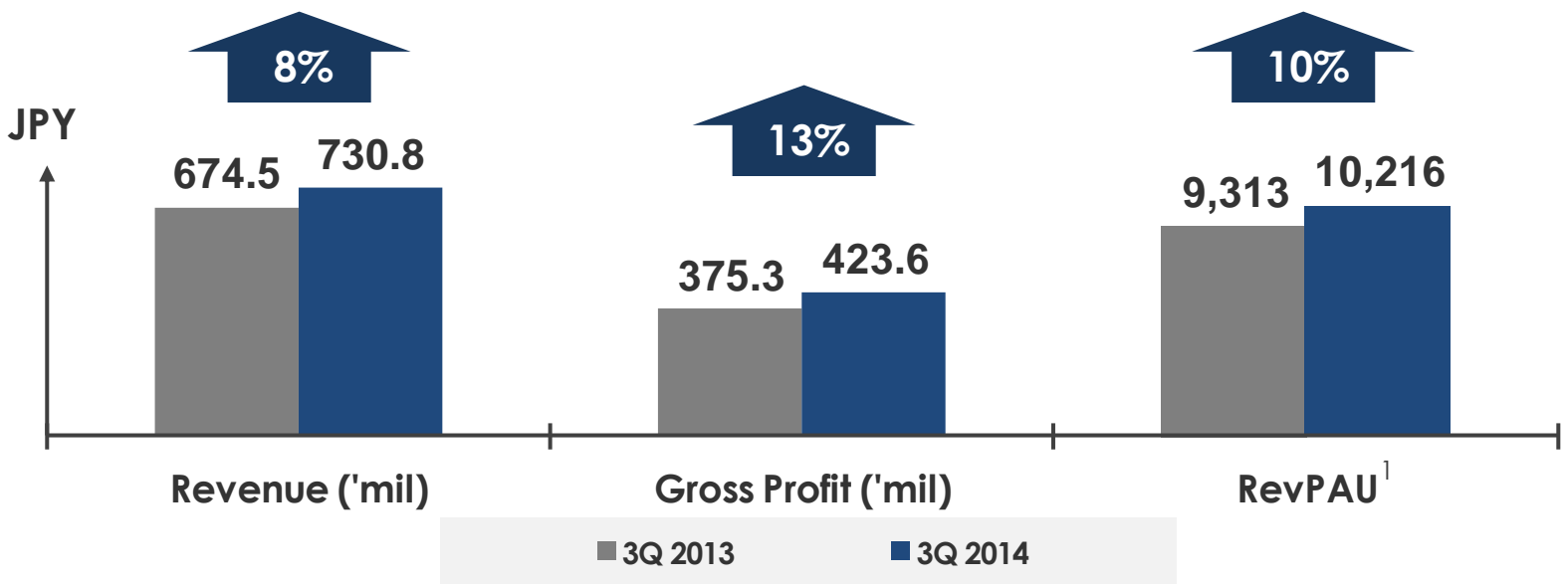
Citadines
Shinjuku
Tokyo



Citadines
Karasuma-Gojo
Kyoto



25 rental housing
properties
in Japan

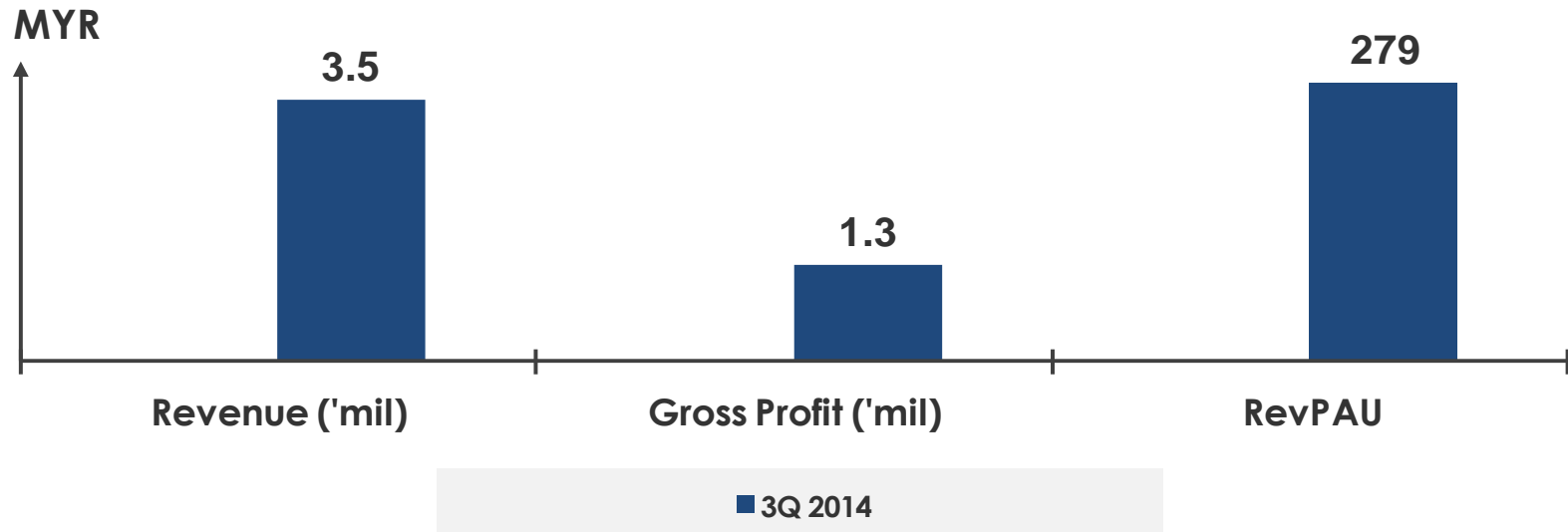


Revenue, gross profit and RevPAU increased mainly due to stronger demand from corporate and leisure sectors.

Note:
1. RevPAU for serviced residence properties only.



Somerset Ampang
Kuala Lumpur



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



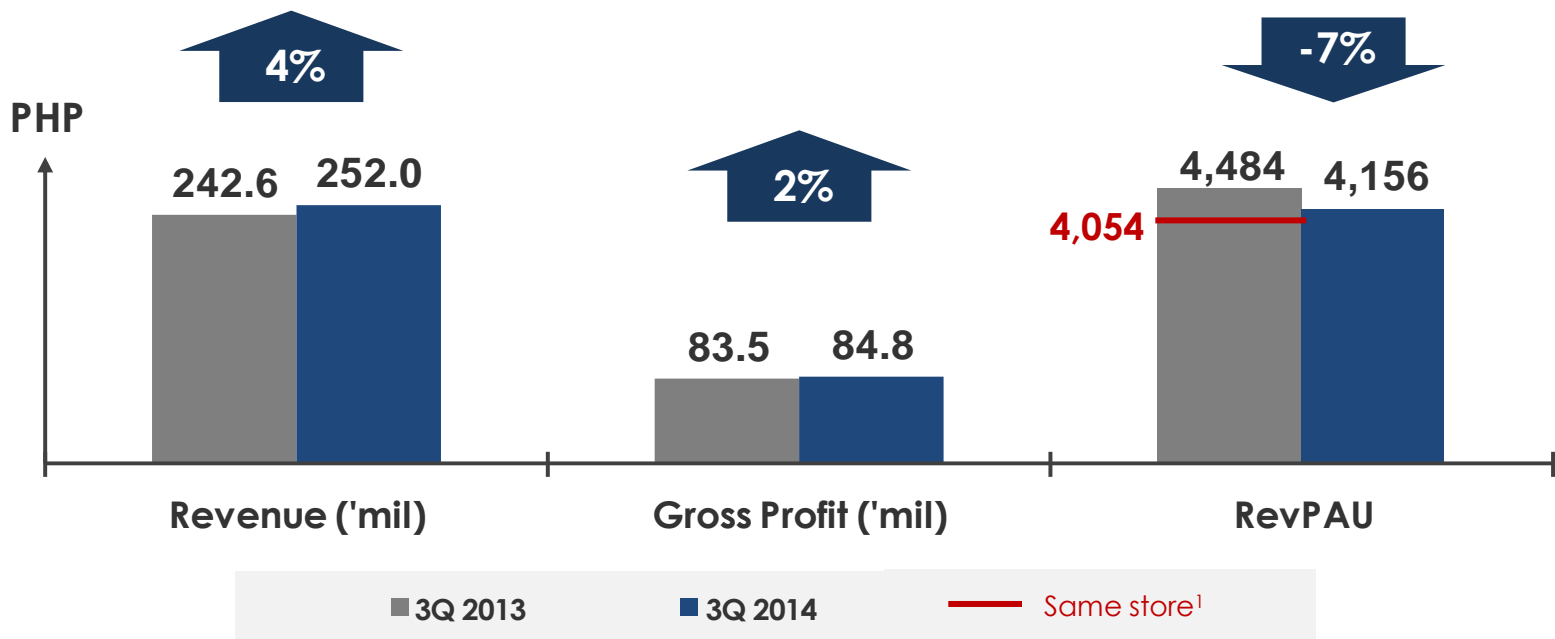
Ascott Makati



Somerset
Millennium Makati



Salcedo
Residences



Revenue and gross profit increased mainly due to conversion of 56 two-bedroom units into studio and one-bedroom units at Ascott Makati in 3Q 2013. Consequently, the increase in studio and one-bedroom inventory led to the decrease in RevPAU. On a same store basis, RevPAU increased 3%.

Note:

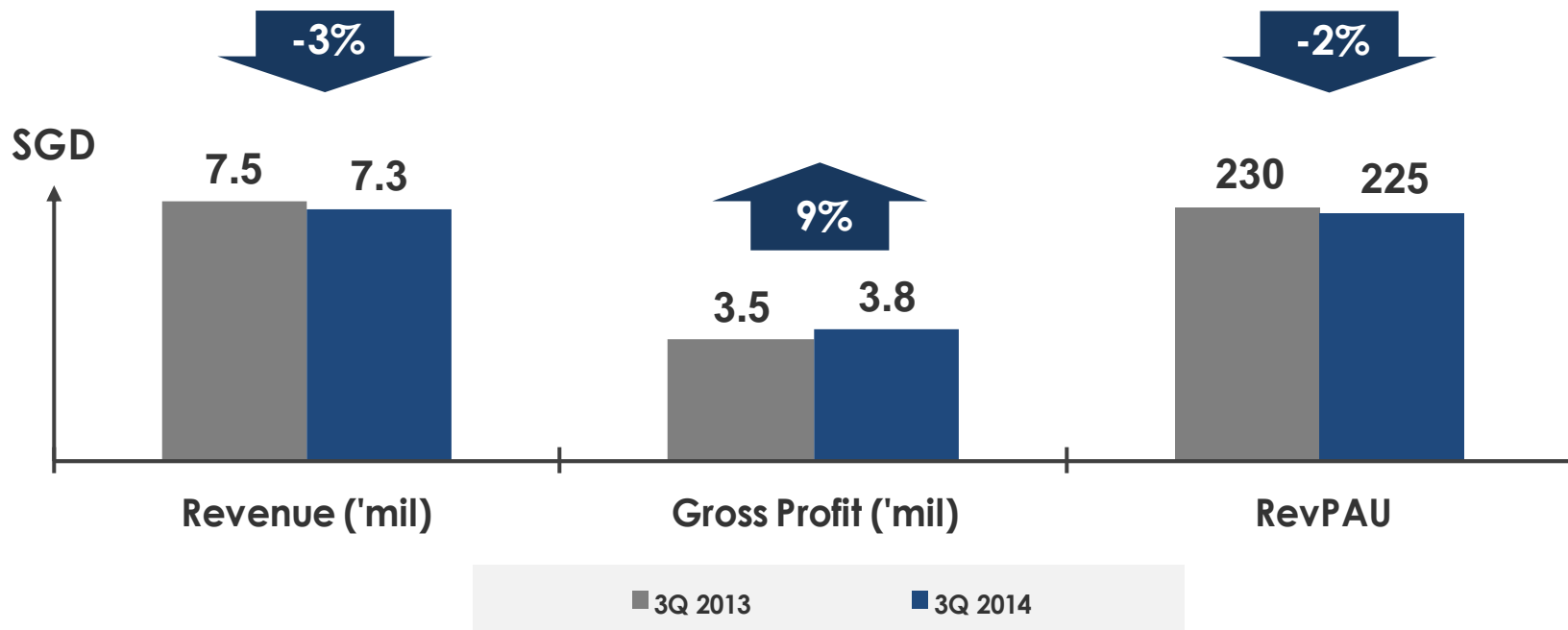
1. Adjusted for the increased room inventory.



Somerset
Liang Court
Property
Singapore



Citadines
Mount Sophia
Property
Singapore



Revenue and RevPAU decreased mainly due to lower corporate accommodation budgets. Gross profit increased due to refund of GST in respect of prior periods.



Somerset Grand Hanoi



Somerset Hoa Binh Hanoi



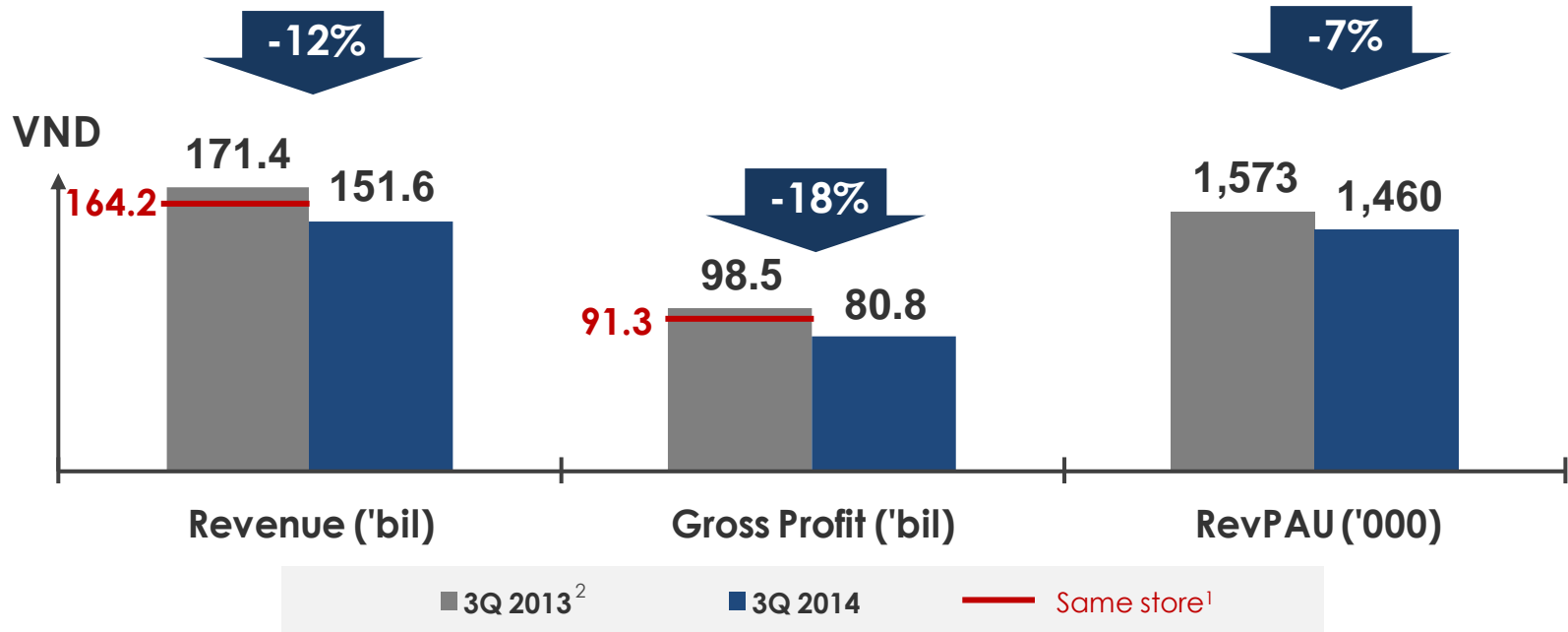
Somerset West Lake Hanoi



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, ongoing refurbishment at Somerset Ho Chi Minh City, reduction in corporate accommodation budgets and lower office rental income.

Notes:

1. Excluding the yield protection amount for 3Q 2013.
2. Revenue and gross profit for Somerset West Lake in 3Q 2014 have been classified under "Management Contracts" category from April 2014 upon the expiry of the deed of yield protection. For comparison purpose, the revenue and gross profit for Somerset West Lake for 3Q 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

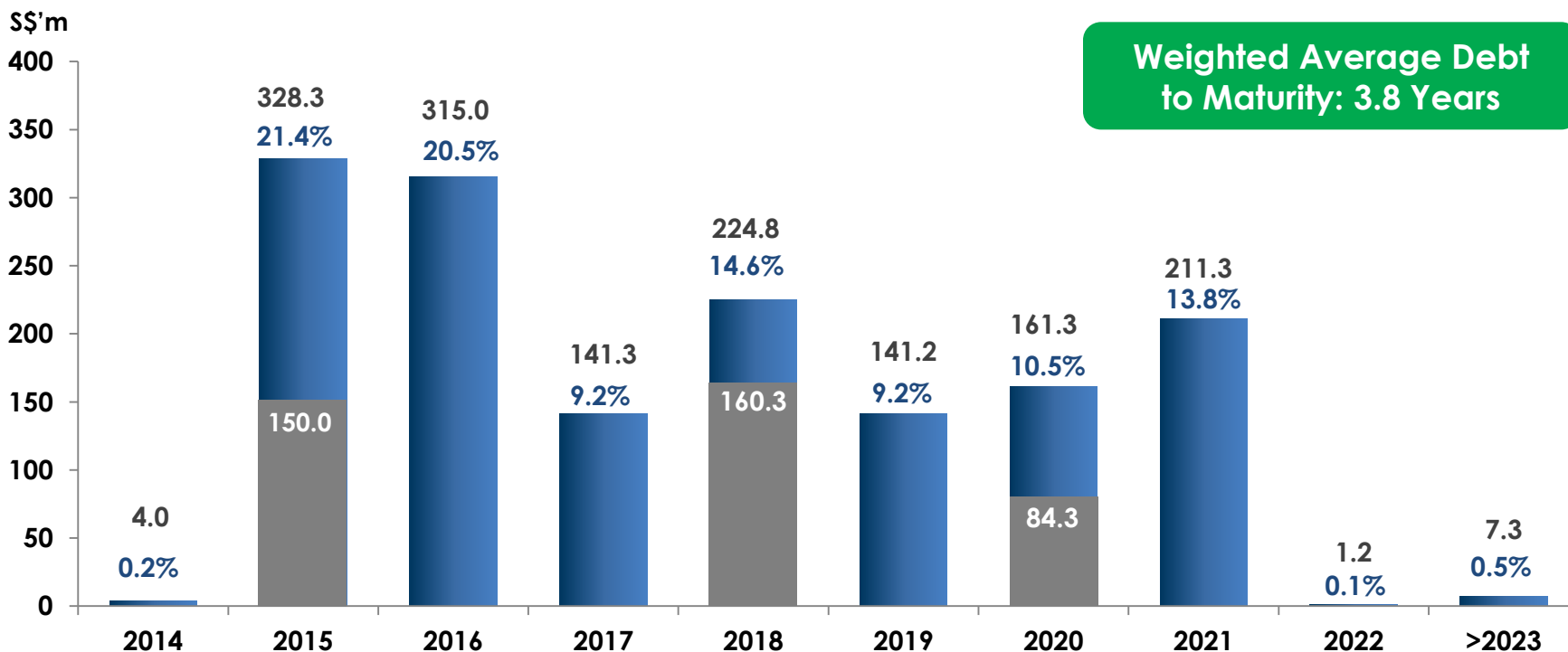
	As at 30 Sep 2014	As at 30 Jun 2014
Gearing	40.0% ¹	36.4%
Interest Cover	4.4X	4.4X
Effective Borrowing Rate	2.9%	2.9%
Weighted Avg Debt to Maturity (Years)	3.8	3.9
NAV/Unit	S\$1.35	S\$1.38
Ascott REIT's Issuer Rating by Moody's	Baa3	Baa3

Note:

- Gearing would be 39.2% as at 30 September 2014, including the acquisition of a hotel property in Tokyo, Japan (as announced and completed on 16 October 2014), three serviced residence properties in Australia (as announced on 23 October 2014) as well as issuance of S\$150 million perpetual securities at 5% p.a. on 17 October 2014.

Proactive Capital Management

Debt Maturity Profile As at 30 Sep 2014



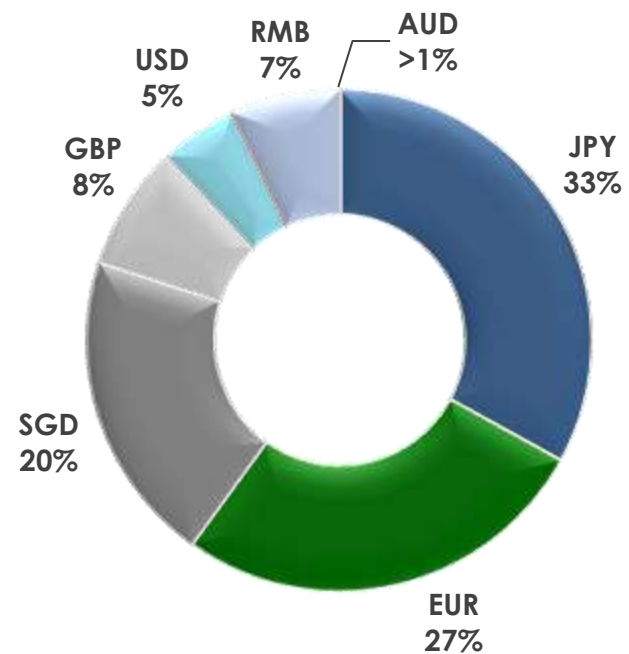
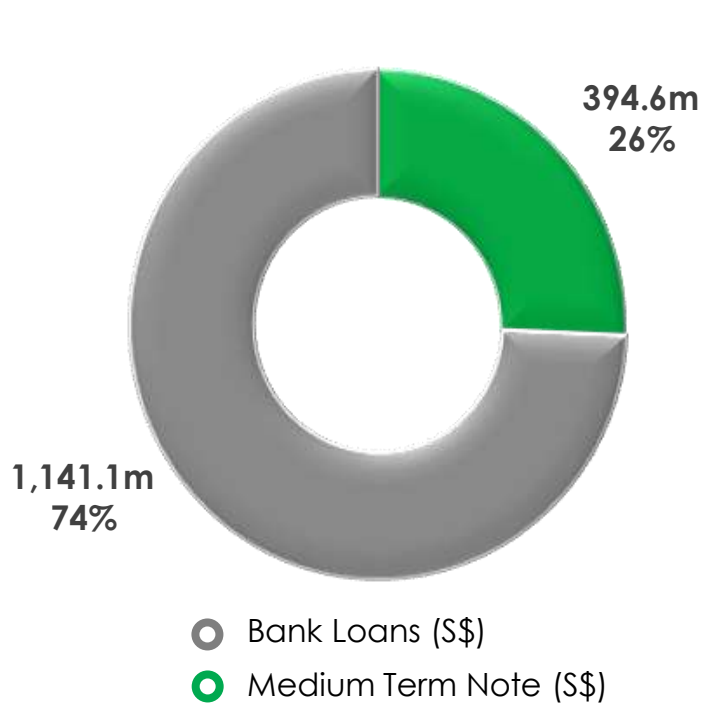
Ascott REIT's Total Debt = S\$1,535.7million

S\$394.6m medium term note arising from the S\$1.0 billion Medium Term Note Programme has been issued.

Proactive Capital Management

Debt Type
As at 30 Sep 2014

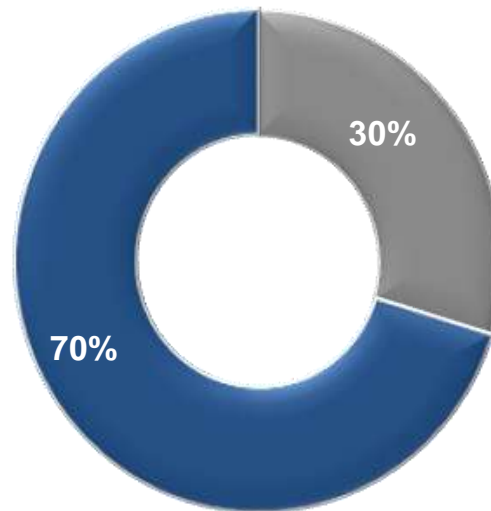
Debt by Currency
As at 30 Sep 2014



Ascott REIT's Total Debt = S\$1,535.7million

Proactive Capital Management

Interest Rate Profile As at 30 Sep 2014



- Fixed
- Floating

Ascott REIT's Total Debt = S\$1,535.7million



Foreign Exchange Profile

Proactive Capital Management

Currency	Gross Profit YTD Sep 2014	Exchange Rate Movement From 31 Dec 2013 to 30 Sep 2014
SGD	11%	-
EUR	29%	0.0
JPY	15%	-0.5
GBP	13%	0.7
VND	12%	0.0
RMB	9%	0.0
PHP	6%	-1.0
USD	4%	0.2
AUD	1%	0.9
MYR	0%	-1.8 ¹
Total	100%	0.0

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 estimated FY 2014 distribution income had been hedged.

Note:

1. Based on exchange movement of MYR/SGD from 18 August 2014 to 30 September 2014

Portfolio Information

SOMERSET

Somerset Liang Court Singapore

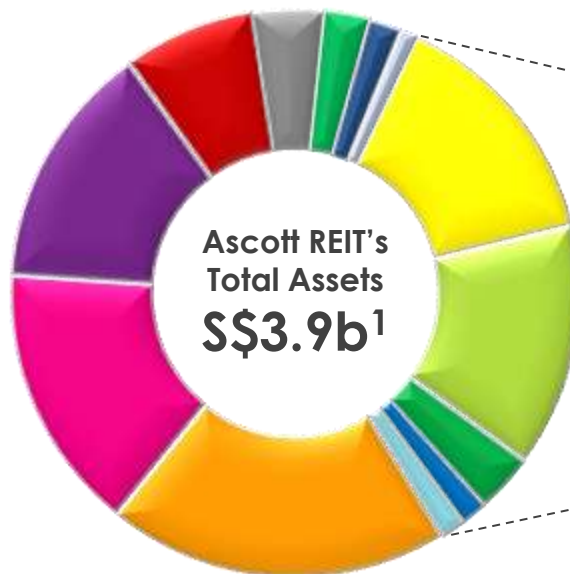


Geographical Diversification

Ascott REIT's Total Assets

As at 30 Sep 2014

Asia-Pacific	65.7%
China	19.6%
Singapore	15.2%
Japan	14.0%
Vietnam	7.5%
Philippines	4.1%
Indonesia	2.6%
Malaysia	1.8%
Australia	0.9%



Europe	34.3%
France	14.2%
UK	13.9%
Germany	3.3%
Belgium	1.5%
Spain	1.4%

Portfolio diversified across property and economic cycles

Note:
 1. Figures as at 30 September 2014; If acquisition of a hotel property in Japan (as announced and completed on 16 October 2014) and three serviced residence properties in Australia (as announced on 23 October 2014) were included, the portfolio of Ascott REIT would be approximately S\$4.1 billion.

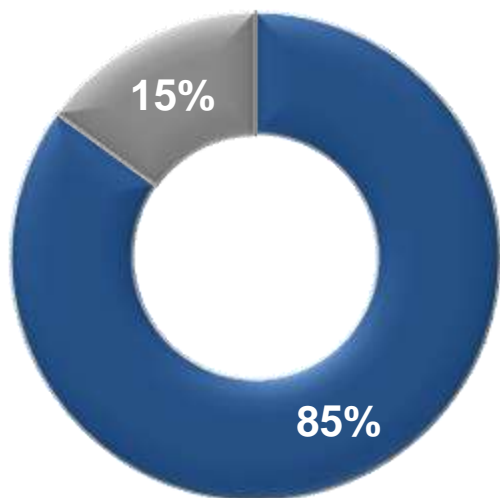


Apartment Rental Income¹

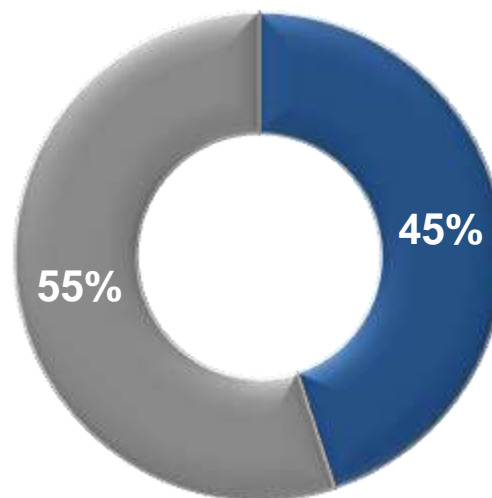
By Market Segment

3Q 2014

Asia-Pacific



Europe



-  Corporate Travel
-  Leisure

Note:

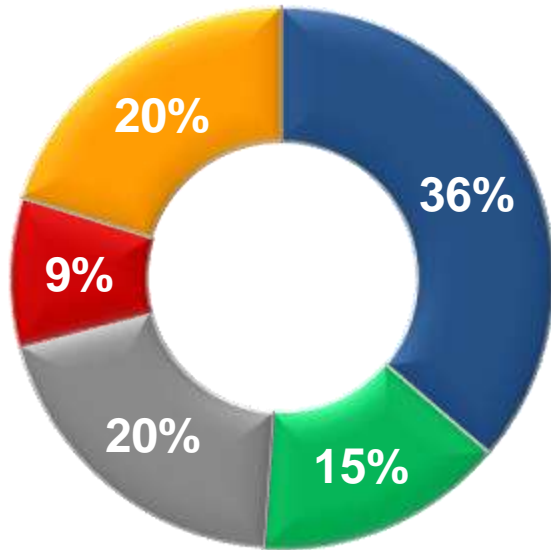
1. Information for properties on master leases are not included.



Apartment Rental Income¹

By Length of Stay

3Q 2014



1 week or less	36%
Less than 1 month	15%
1 to 6 months	20%
6 to 12 months	9%
More than 12 months	20%

Average apartment rental income by length of stay is about 4 months

Note:

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

Recent Transactions

Ascott Raffles Place Singapore

Recent Transactions

Acquisition of a hotel property in Shinjuku-ku, Tokyo¹




Property	A hotel property situated in Shinjuku-ku, Tokyo
No. of Units	206 units 3 retail units
Gross Floor Area	8,085 sqm
Title	Commercial, Freehold
Seller	Kabushiki Kaisha Oumi, an unrelated third party
Year of Opening	March 2008
Acquisition Price of Property	JPY8.0 billion (\$95.2 million ²)
Valuation	JPY8.4 billion ³ (\$100.0 million ²)
FY2013 Pro Forma EBITDA Yield	4.3% ⁴
FY2013 Pro Forma DPU Impact	0.6% accretion

Notes:

1. As announced and completed on 16 October 2014.
2. Based on exchange rate of JPY/SGD = 0.0119.
3. Valuation, appointed by DBS Trustee Limited, in its capacity as trustee of Ascott REIT, derived by Savills Japan Co., Ltd. as of 10 September 2014.
4. Based on purchase price of JPY8.0 billion.

Recent Transactions

Acquisition of Three Serviced Residence Properties in Greater Sydney, Australia¹

 <p>Map showing part of Australia</p>	Purchase Price of Properties	AUD 83.0 million (\$\$ 93.0 million ²)
	Valuation of Properties	AUD 84.8 million ³ (\$\$ 94.9 million ²)
	Blended EBITDA Yield	7.7%
	FY2013 Pro Forma DPU Impact	0.7% accretion
	Seller	Related companies of QSA Group Pty Ltd ("Quest")
Business Structure	Operating under fixed leases and franchise under the Quest brand	



Quest Sydney Olympic Park



Quest Mascot



Quest Campbelltown

Notes:

- As announced on 23 October 2014.
- Based on exchange rate of AUD/\$\$ = 1.12
- Valuation, appointed by DBS Trustee Limited, in its capacity as trustee of Ascott REIT, derived by Savills Valuation Pty Ltd as of 1 August 2014.



Recent Transactions

Issuance of S\$150 million perpetual securities at 5% p.a.¹

Key Terms of the Issuance

Issuer	DBS Trustee Limited in its capacity as trustee of Ascott Residence Trust
Issue Size	S\$150 million
Tenure	Perpetual; Callable at par at the end of year 5 and every interest payment date thereafter
Ranking	Direct unsecured and subordinated obligation of Issuer
Distributional Deferral	At Issuer's discretion. Any deferred distribution are non-cumulative
Coupon	<ul style="list-style-type: none">▪ Fixed at 5% p.a.▪ Reset at the end of Year 5 and every 5 years thereafter²▪ No coupon step-up
Accounting treatment	100% equity

Notes:

1. As announced on 17 October 2014 and issued on 27 October 2014.
2. Reset to prevailing SGD 5-year swap-offer rate plus the fixed spread p.a.

Recent Transactions

Issuance of S\$150 million fixed rate perpetual securities to fund acquisitions in Japan and Australia

Overall Impact on Ascott REIT

- **Enhance DPU to Unitholders**
FY2013 pro forma DPU accretion of +1.3% from 8.40 cents to 8.51 cents
- **Gearing of 39.2% kept well within 60% limit under MAS Property Fund Appendix**
- **Timely execution of fund raising with accretive acquisitions**
Proceeds from issuance of perpetual securities promptly deployed to finance yield accretive acquisitions

Australia



Quest Sydney Olympic Park



Quest Mascot



Quest Campbelltown

Japan



Hotel property located in Shinjuku-ku, Tokyo

Outlook and Prospects



Ascott Raffles Place Singapore



Outlook and Prospects

In October 2014, Ascott REIT entered into sales and purchase agreements to acquire one property in Tokyo, Japan and three in Greater Sydney, Australia of aggregate property value of about S\$188 million (the “Acquisitions”). With the total acquisitions made during the year, Ascott REIT’s asset value has grown from S\$3.6 billion as at 31 December 2013 to S\$4.1 billion with more than 10,500 apartment units. We continue to actively seek accretive acquisitions in key cities of Asia Pacific and Europe.

Ascott REIT made its maiden issuance of S\$150 million perpetual securities in October 2014 to finance the yield-accretive Acquisitions. The issuance has strengthened Ascott REIT’s balance sheet and enhanced its financial flexibility to tap any future growth opportunities to optimise returns for the unitholders.

While we tap diversified funding sources, the Manager will continue to maintain a disciplined and prudent capital management approach. We are actively exploring refinancing borrowings due in FY 2015. The Manager remains vigilant to changes in the macro and credit environment that may impact the Group’s financing plans.

Notwithstanding uncertainty in the global economic recovery due to geopolitical risks and concerns in certain markets, we expect the general hospitality business to remain healthy globally in 2014 and our portfolio to remain resilient and the Group’s operating performance for FY 2014 to remain profitable.

Appendix



Citadines Mount Sophia



Ongoing Asset Enhancement Initiatives

Properties		Costs	Time Period
1	Somerset Xu Hui Shanghai (Phase 2A) - Renovation of 36 units of 1BR, 2BR and 3BRs and other works	RMB19.7m (S\$4.1m)	2Q 2014 to 4Q 2014
2	Somerset Ho Chi Minh City (Phase 1) - Renovation of 59 out of 151 apartment units and other works	US\$8.2m (S\$10.4m)	2Q 2014 to 1Q 2015
3	Somerset Olympic Tower Property Tianjin - Phased renovation of 86 units	RMB 29.5m (S\$5.9m) ¹	2Q 2014 to 4Q 2015
4	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
Total		S\$21.9m	

Note:

1. For the entire refurbishment project