

Ascott Residence Trust

A Leading Global Serviced Residence REIT

1Q 2016 Financial Results

15 April 2016



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
- Financial Highlights
- Portfolio Performance
- Capital and Risk Management
- Portfolio Information
- Outlook and Prospects
- Appendix

Overview of Ascott REIT

A Leading Global Serviced Residence REIT

S\$1.9b¹ Market Capitalisation	S\$4.8b² Total Assets	11,292 Apartment Units	89 Properties	38 Cities in 14 Countries
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Notes:

Figures above as at 31 March 2016

1. Market capitalisation as at 14 April 2016
2. Excludes Ascott Orchard Singapore, which acquisition is targeted to be completed in 2017. If Ascott Orchard Singapore was included, the portfolio of Ascott REIT would be approximately S\$5.2 billion.



Financial Highlights

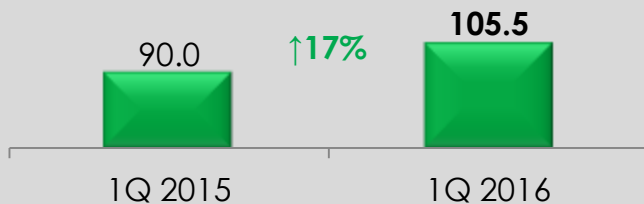
Ascott Raffles Place Singapore



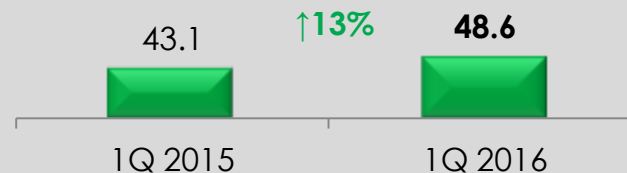
Financial Highlights for 1Q 2016

1Q 2016 vs 1Q 2015 Financial Performance

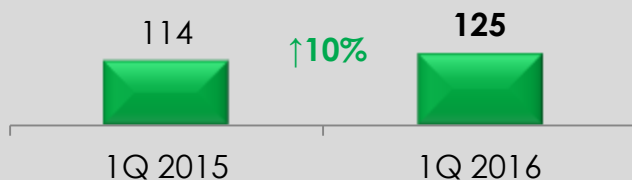
Revenue (\$m)



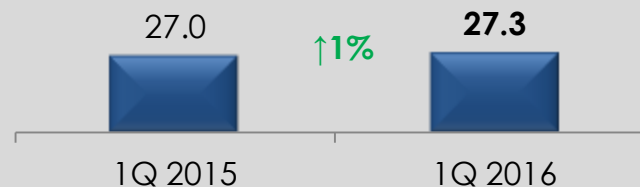
Gross Profit (\$m)



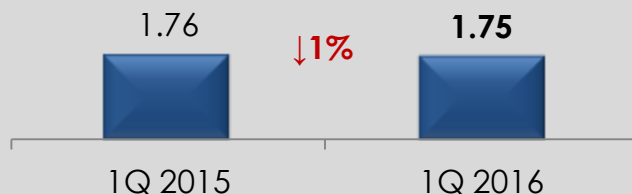
Revenue Per Available Unit (\$)



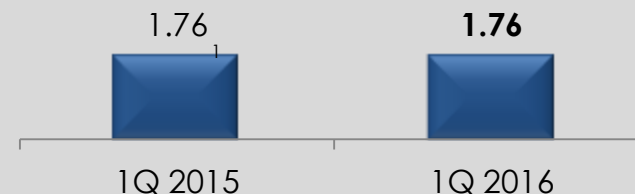
Unitholders' Distribution (\$m)



Distribution Per Unit (\$ cents)



Adjusted Distribution Per Unit¹ (\$ cents)



Note:

1. Adjusted for effect of equity placement exercise where 94,787,000 new units at an issue price of \$1.055 per unit were issued on 23 March 2016.

Overview of 1Q 2016

- **Stronger operational performance**
 - Revenue and gross profit grew 17% and 13% respectively year-on-year mainly due to properties acquired in 2015¹.
 - RevPAU increased 10% year-on-year mainly due to the properties acquired in 2015¹.
- **Active Asset Management**
 - The ongoing refurbishment at Citadines Barbican London, Ascott Makati as well as the final phase of refurbishment at Somerset Xu Hui Shanghai are on track for completion by 2Q 2016.
- **Prudent Capital Management**
 - Successfully raised S\$120m due 2024 which was subsequently swapped into Euros at an overall effective fixed rate of 2.15% p.a.
 - Effective borrowing rate has been lowered to 2.5% p.a. and average weighted debt to maturity extended beyond 5 years.

Note:

1. Citadines on Bourke Melbourne and a portfolio of four rental housing properties in Osaka, Japan as acquired on 31 July 2015 and Element New York Times Square West as acquired on 19 August 2015.

Portfolio Performance

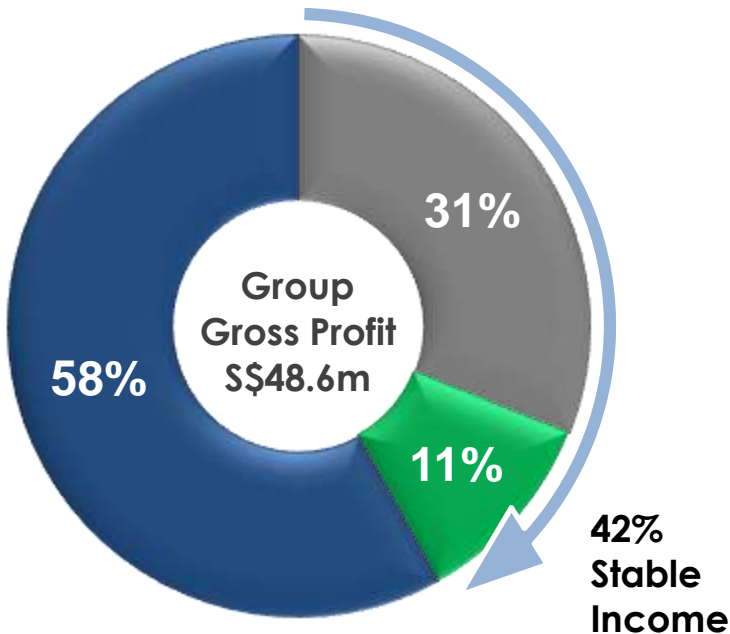
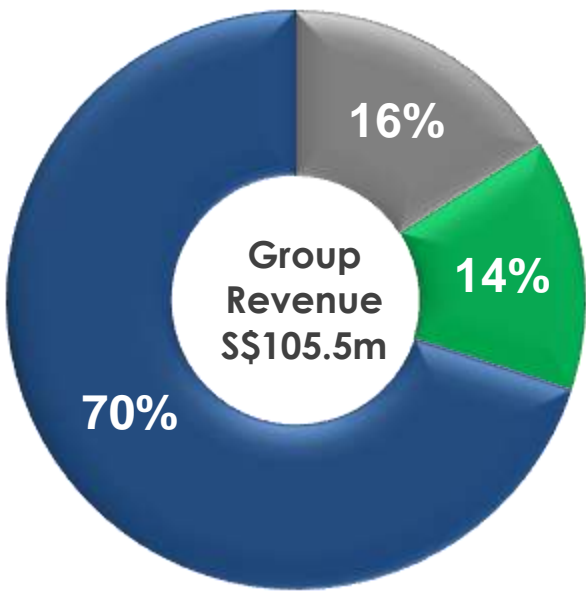
Ascott Raffles Place Singapore



Portfolio Highlights

Revenue and Gross Profit (by category)

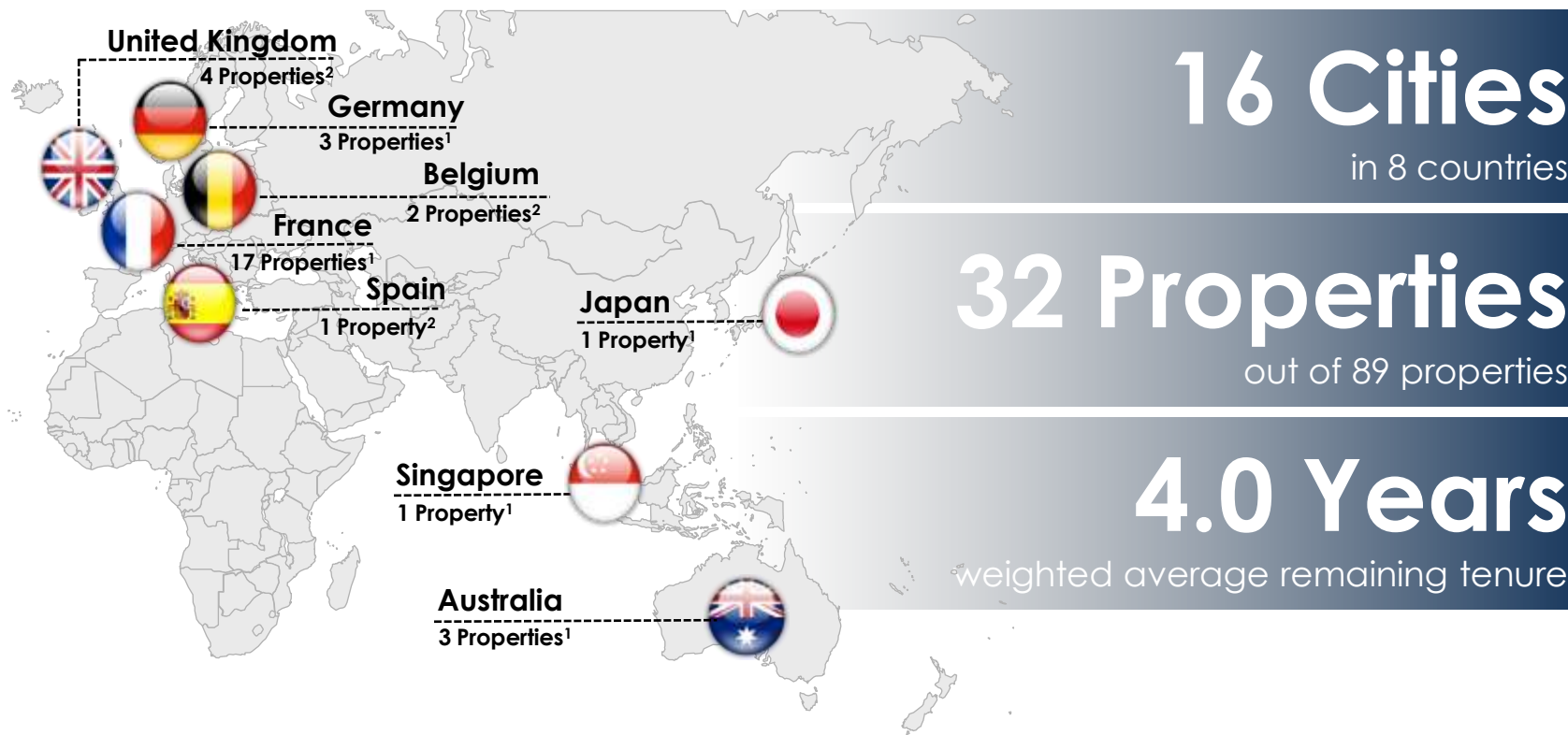
Revenue 1Q 2016	Gross Profit 1Q 2016
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- Master Leases
- Management Contracts with Minimum Guaranteed Income
- Management Contracts

Income Stability

42% of the Group's gross profit for 1Q 2016 is contributed by master leases and management contracts with minimum guaranteed income



Notes:

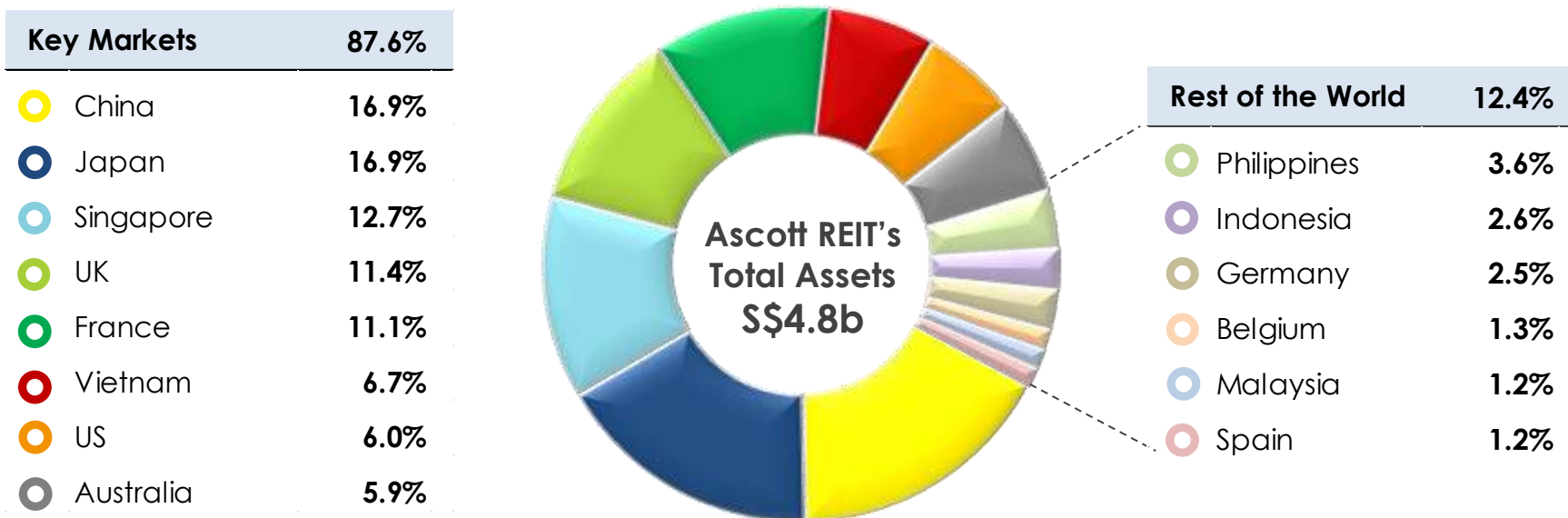
1. Properties under master leases
2. Properties under management contracts with minimum guaranteed income



Geographical Diversification

Key Markets¹ contributed 84.9% of the Group's Gross Profit in 1Q 2016

Breakdown of Total Assets by Geography As at 31 March 2016



Portfolio diversified across property and economic cycles

Note:

1. Key markets relate to countries that contribute to more than 5% of Ascott REIT's total assets



Somerset Grand Central Dalian



Citadines Zhuankou Wuhan



Citadines Gaoxin Xi'an



Somerset Heping Shenyang



Ascott Guangzhou



Somerset Olympic Tower Property Tianjin



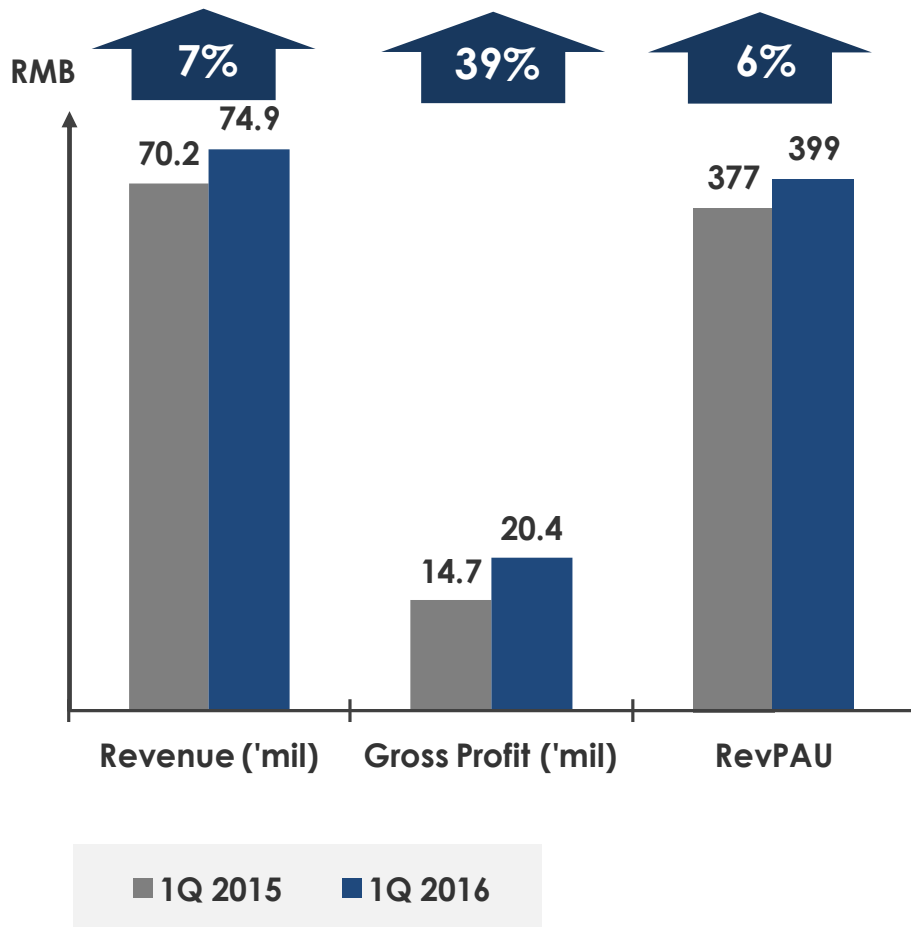
Citadines Xinghai Suzhou



Citadines Biyun Shanghai



Somerset Xu Hui Shanghai



Key Market Performance Highlights

- Revenue increased mainly due to stronger demand from project groups.
- Gross profit increased due to higher revenue and lower depreciation expense.
- ADR of refurbished apartment units at Somerset Xu Hui Shanghai was uplifted by approximately 20% in the latest completed phase AEI in 4Q 2015. The final phase of AEI is on track for completion in 2Q 2016.



Somerset
Azabu East
Tokyo



Citadines
Shinjuku
Tokyo



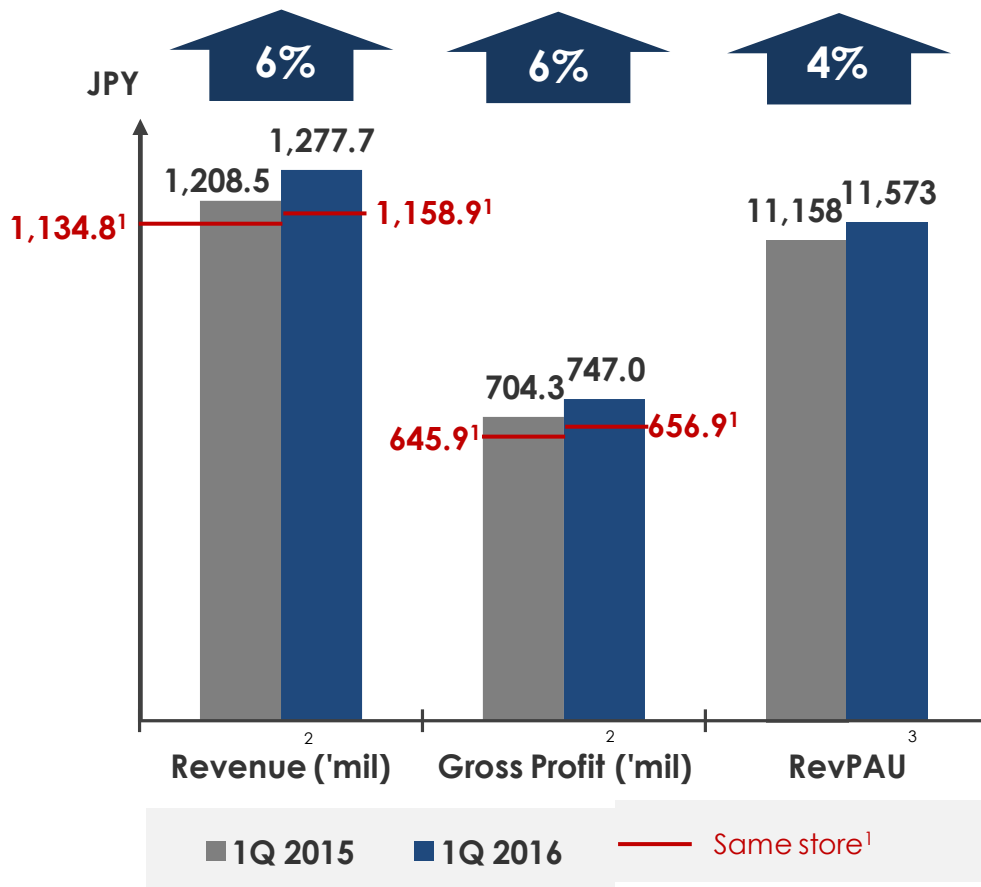
Citadines
Karasuma-Gojo
Kyoto



Citadines Central
Shinjuku Tokyo



29 rental housing
properties
in Japan



Key Market Performance Highlights

- Revenue and gross profit increased mainly due to contribution from the portfolio of four rental housing properties acquired in July 2015.
- On a same store basis, revenue and gross profit and RevPAU increased due to stronger demand from the corporate and leisure sectors.
- Occupancy for rental housing properties remained stable at 98% in 1Q 2016.

Notes:

- Excluding six rental housing properties which were divested on 30 September 2015 and four rental housing properties which were acquired on 31 July 2015
- Revenue and gross profit figures above relate to properties under master leases and management contracts
- RevPAU relates to serviced residences and excludes rental housing properties



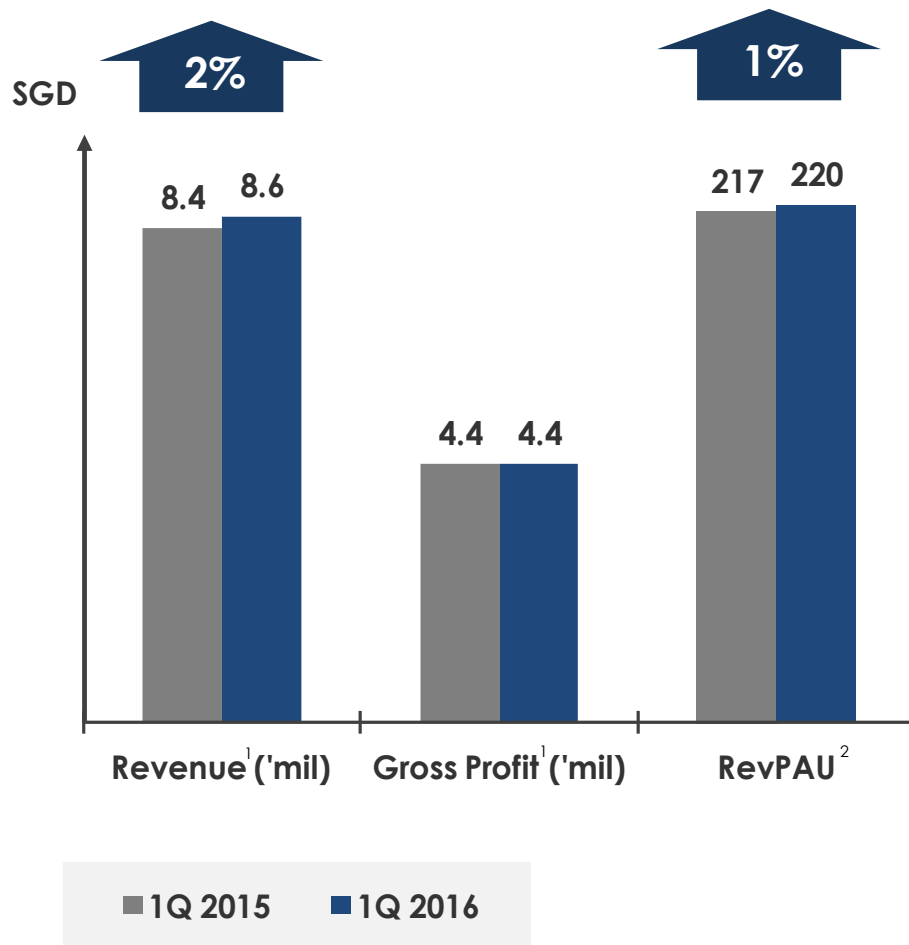
Somerset Liang
Court Property
Singapore



Citadines Mount
Sophia Property
Singapore



Ascott
Raffles Place
Singapore



Key Market Performance Highlights

- Revenue and RevPAU have remained fairly stable in 1Q 2016.

Notes:

- Revenue and gross profit figures above relate to properties under master leases and management contracts
- Includes RevPAU of Ascott Raffles Place Singapore



United Kingdom



Citadines Barbican London



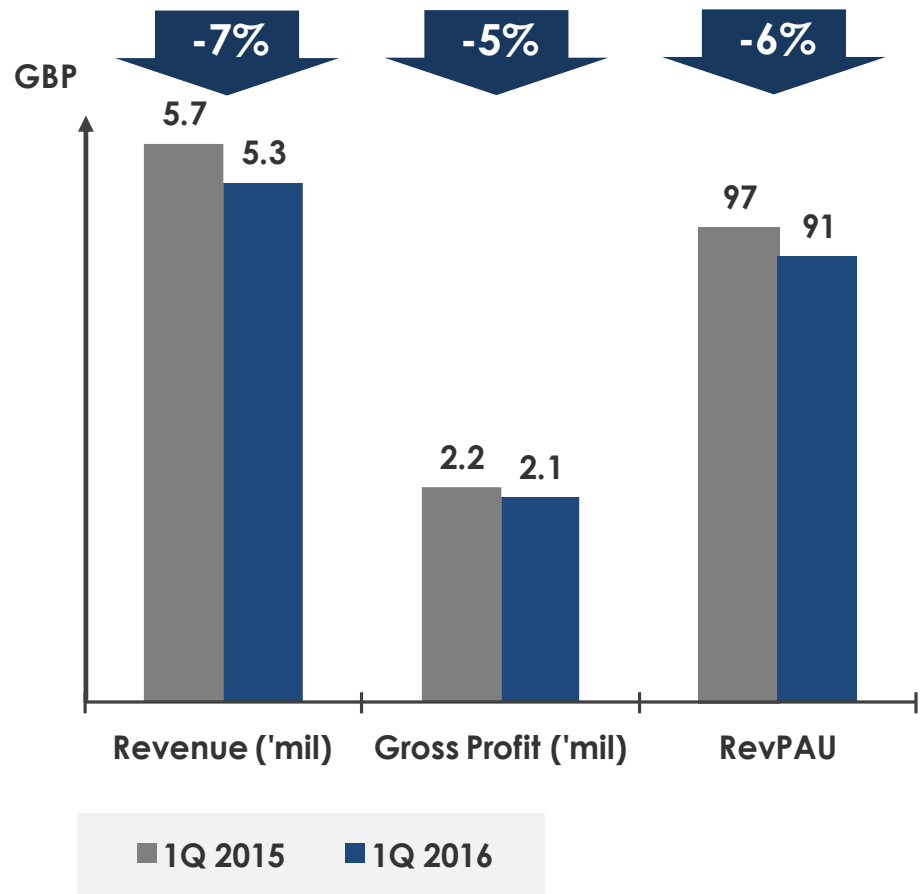
Citadines Holborn-Covent Garden London



Citadines Trafalgar Square London



Citadines South Kensington London



Key Market Performance Highlights

- Revenue, gross profit and RevPAU decreased mainly due to weaker demand from corporate segment and ongoing refurbishment at Citadines Barbican London.
- Phased refurbishment of 129 apartment units at Citadines Barbican London has commenced in 1Q 2016 and it is on track for completion in 3Q 2016.



La Clef
Louvre Paris¹



Citadines
Les Halles
Paris



Citadines
Croisette
Cannes



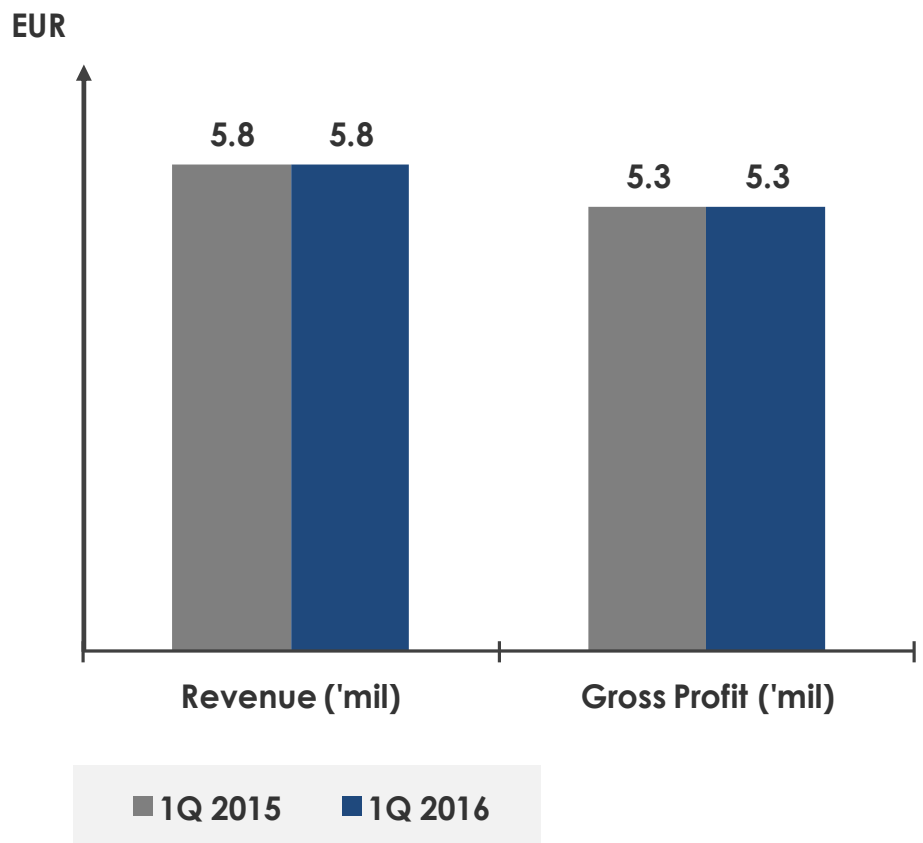
Citadines
Place d'Italie
Paris



Citadines
Tour Eiffel
Paris



Citadines
Austerlitz
Paris



Key Market Performance Highlights

- As all our properties in France are underpinned by master leases, operational risks relating to the attacks are mitigated.
- Master lease rental income has remained stable in 1Q 2016.

Note:
1. Formerly known as Citadines Suites Louvre Paris



Somerset
Grand Hanoi



Somerset
Hoa Binh Hanoi



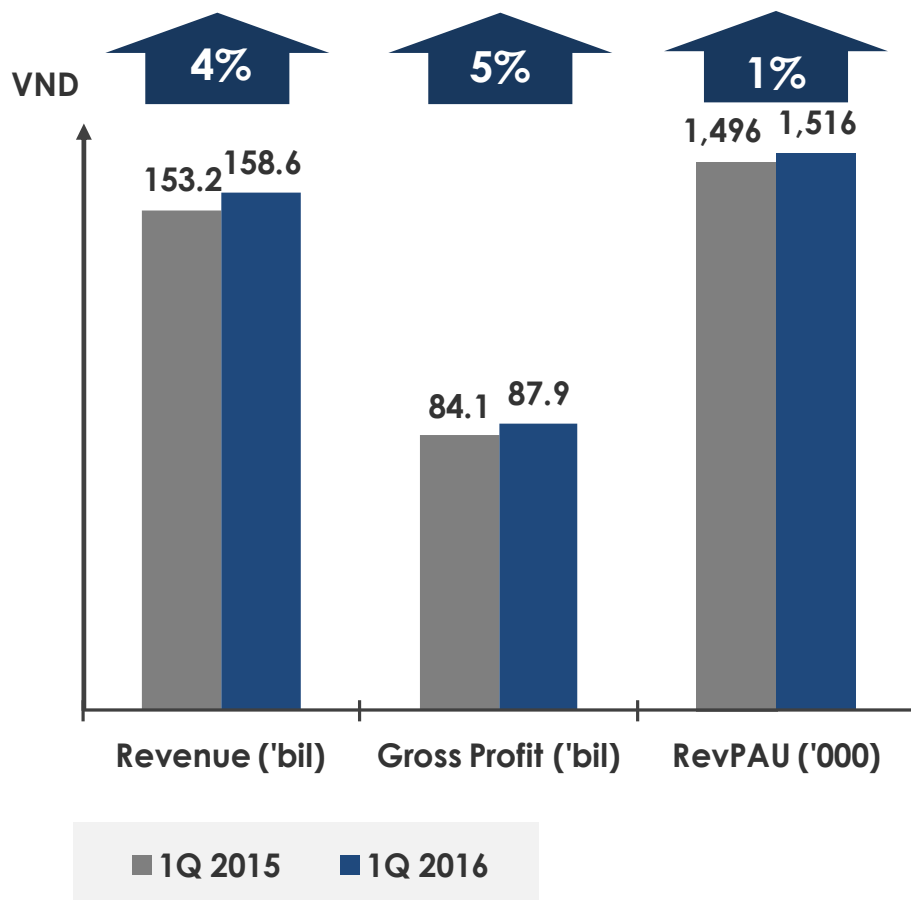
Somerset West
Lake Hanoi



Somerset Ho
Chi Minh City

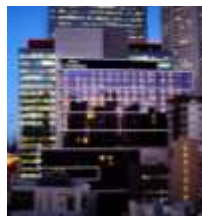


Somerset
Chancellor Court
Ho Chi Minh City



Key Market Performance Highlights

- Revenue increased mainly due to higher demand for the refurbished apartments at Somerset Ho Chi Minh City and stronger corporate demand.
- Gross profit increased due to higher revenue, partially offset by higher staff costs.
- ADR of refurbished apartment units at Somerset Ho Chi Minh City was uplifted by approximately 27% in the latest completed phase of AEI in 1Q 2015. The final phase of AEI is on track for completion in 1Q 2017.



Citadines on Bourke Melbourne



Citadines St Georges Terrace Perth



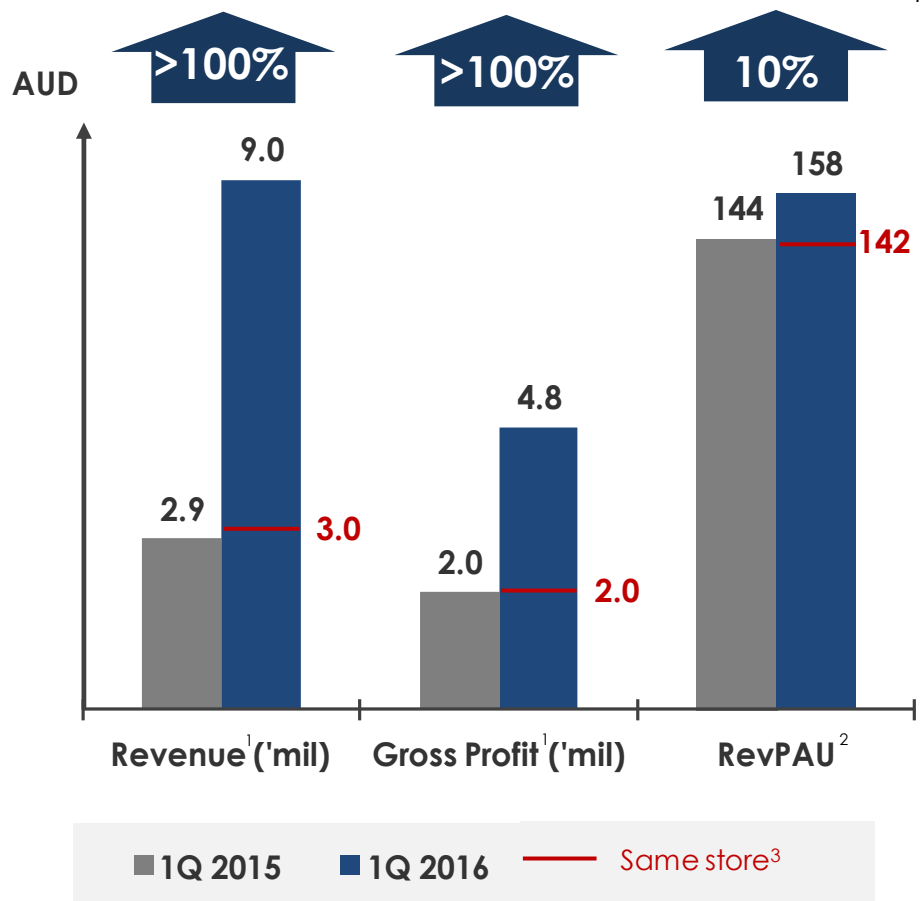
Quest Sydney Olympic Park



Quest Campbelltown



Quest Mascot



Key Market Performance Highlights

- Revenue, gross profit and RevPAU increased mainly due to the acquisition of Citadines on Bourke Melbourne in July 2015.
- Excluding the contribution from Citadines on Bourke Melbourne, revenue increased mainly due to annual rent increment from the properties under master leases. Gross profit remained at the same level as last year.

Notes:

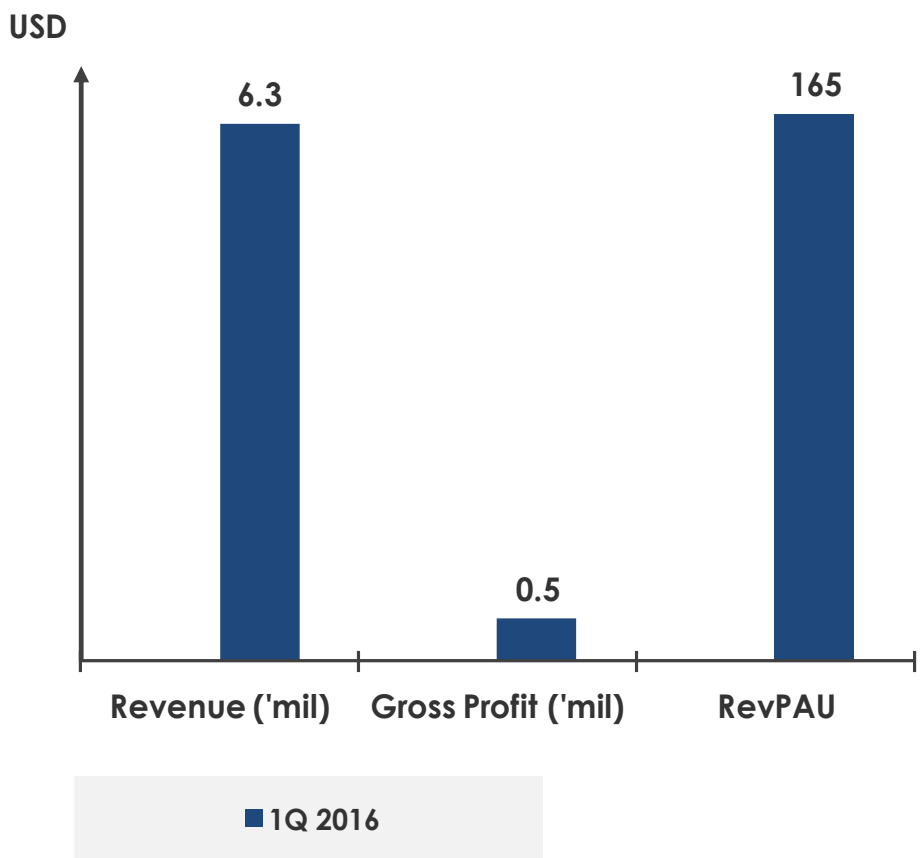
- Revenue and gross profit figures above relate to properties under master leases and management contracts
- RevPAU relates to Citadines on Bourke Melbourne and Citadines St Georges Terrace Perth only.
- Citadines on Bourke Melbourne was acquired in July 2015.



The United States of America



Element New York
Times Square West



Key Market Performance Highlights

- Ascott REIT made its first foray into the United States of America (US) with the acquisition of the 411-unit Element New York Times Square West on 19 August 2015.

Capital and Risk Management



Ascott Raffles Place Singapore



Healthy Balance Sheet and Credit Metrics

Key Financial Indicators

	As at 31 March 2016	As at 31 December 2015
Gearing	38.9%	39.3%
Interest Cover	3.7X	4.1X
Effective Borrowing Rate	2.5%	2.8%
Total Debts on Fixed Rates	78%	79%
Weighted Avg Debt to Maturity (Years)	5.1	4.6
NAV/Unit	S\$1.34	S\$1.41¹
Ascott REIT's Issuer Rating by Moody's	Baa3	Baa3

Note:

1. NAV Per Unit adjusted for 2H 2015 distribution payment would be S\$1.37



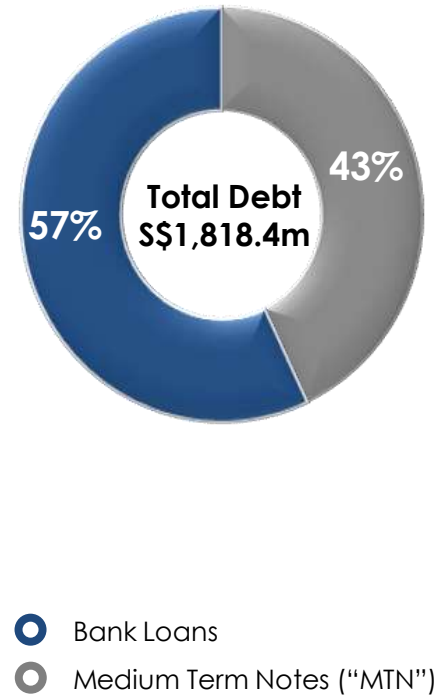
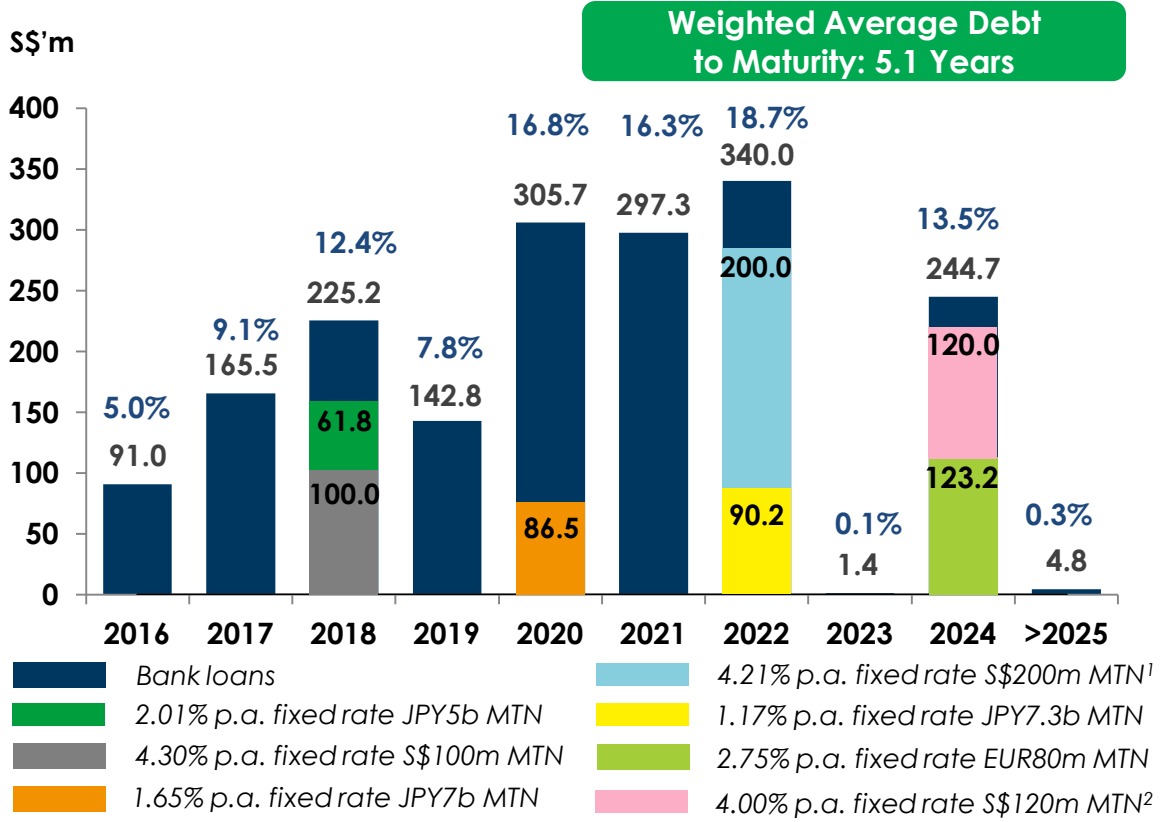
Capital and Risk Management



Debt Profile as at 31 March 2016

Debt Maturity Profile

By Debt Type



Ascott REIT seeks to diversify funding sources and secure long-term financing at an optimal cost.

Notes:

1. S\$ proceeds from the notes have been swapped into Euros at a fixed interest rate of 1.81% p.a. over the same tenure
2. S\$ proceeds from the notes have been swapped into Euros at a fixed interest rate of 2.15% p.a. over the same tenure

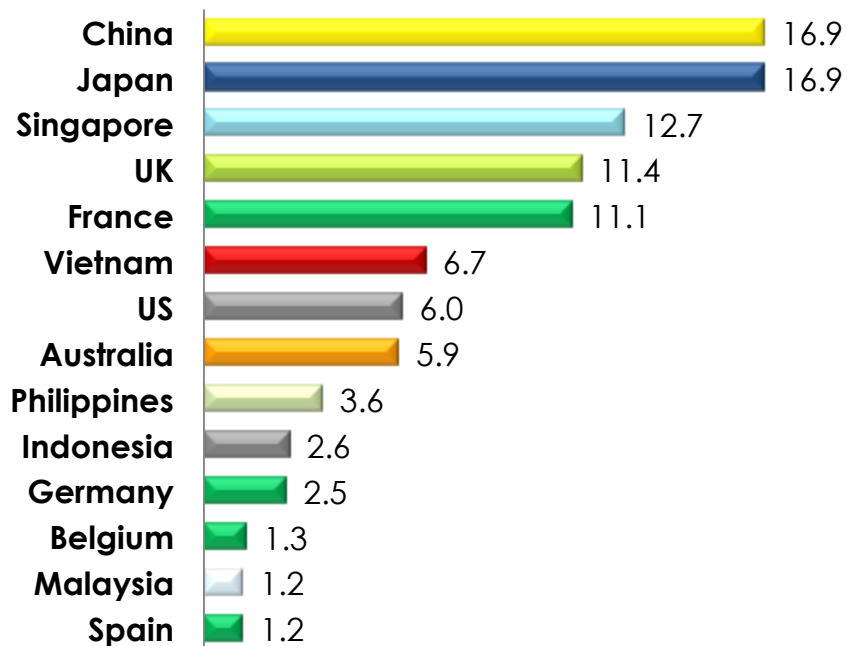




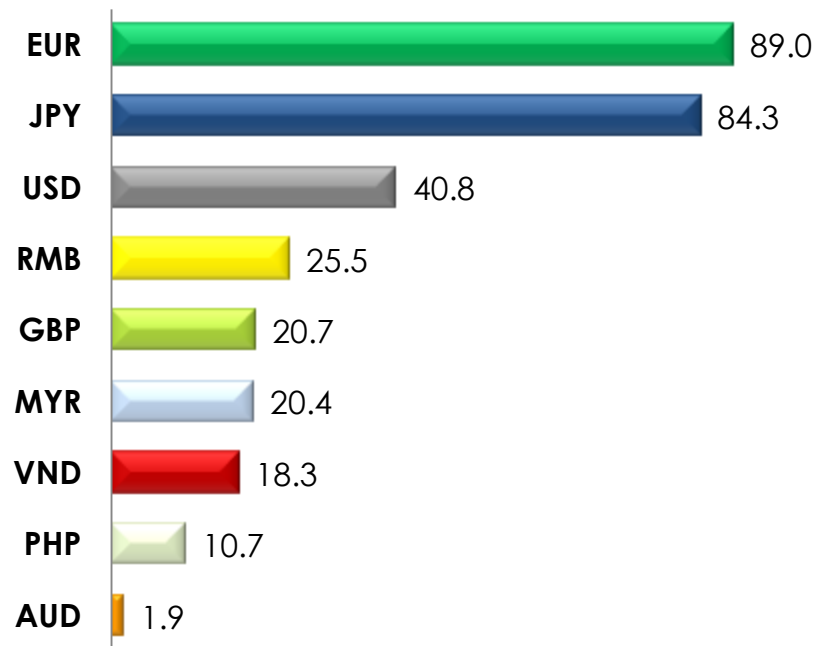
Capital and Risk Management

Foreign Currency Risk Management

Total Assets by Geography (%)
As at 31 March 2016



Balance Sheet Hedging (%)
As at 31 March 2016¹



Ascott REIT adopts a natural hedging strategy to the extent possible.



Capital and Risk Management

Foreign Currency Risk Management

Currency	Gross Profit YTD Mar 2016 (%)	Exchange Rate Movement From 31 Dec 2015 to 31 Mar 2016 (%)
EUR	23.2	3.8
JPY	18.5	2.2
VND	11.3	-
AUD	10.1	-0.2
SGD	9.1	-
RMB	9.0	-2.0
GBP	8.6	-4.3
PHP	3.7	-0.3
USD	5.3	0.2
MYR	1.2	0.6
Total	100.0	0.7

We have entered into foreign currency forward contracts to hedge distribution income derived in EUR and JPY. On a portfolio basis, 30% of FY 2016 foreign currency distribution income had been hedged.

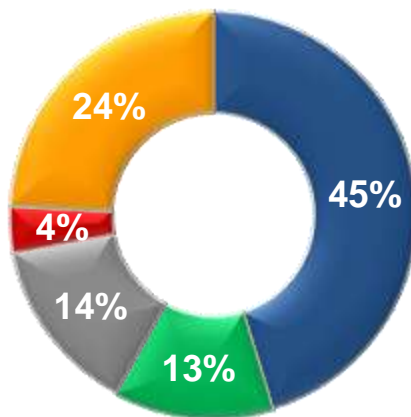
Portfolio Information

SOMERSET

Somerset Liang Court Singapore

Focus on Long Stay Segments

Breakdown of Apartment Rental Income¹ by Length of Stay 1Q 2016



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

Average length of stay is about 4 months

Note:

1. Excluding properties on master leases

Outlook and Prospects



Ascott Raffles Place Singapore



Outlook and Prospects

2016 marks the 10th year anniversary of Ascott Reit. It started out as the first Pan-Asian serviced residence real estate investment trust (REIT) listed on the Singapore Exchange Securities Trading Limited on 31 March 2006 with an asset value of about S\$1.0 billion and has since more than quadrupled to become a leading global serviced residence REIT with a total asset value of S\$4.8 billion and a global portfolio spanning across 38 cities in 14 countries as at 31 March 2016.

On 14 March 2016, Ascott Reit announced the acquisition of a second property in New York, the United States of America (US). Upon completion in 2Q 2016, Ascott Reit's asset size will grow to S\$5.0 billion. The Group continues to remain confident in achieving the target portfolio size of S\$6.0 billion by 2017 and continues to actively look out for accretive acquisitions in key hospitality markets in Australia, Japan, Europe and US.

The ongoing refurbishment at Citadines Barbican London and Ascott Makati, as well as the final phase of refurbishment at Somerset Xu Hui Shanghai, are on track for completion by 2Q 2016. As with all previous successful asset enhancement initiatives, we expect to see uplift in occupancy and ADR following these refurbishments, which will contribute to overall growth in RevPAU in 2016.

The Group will continue to actively tap the debt capital market so as to diversify its funding sources and secure longer term financing at an optimal cost. Ascott Reit continues to maintain a strong balance sheet with close to 80% of its total borrowing on fixed interest rates so as to mitigate interest rate volatility.

The global economy continues to remain uncertain, with the International Monetary Fund cutting its global growth forecast for 2016 from 3.4% to 3.2%. Notwithstanding the muted global growth outlook, the United Nations World Tourism Organisation has predicted a 4% growth in international visitor arrivals in 2016. We therefore expect demand for the serviced residences to remain healthy. With the extended-stay business model, coupled with the stability of income through its master leases and serviced residence management contracts with minimum guaranteed income, we are confident that Ascott Reit is well-positioned to provide stable income and returns to its Unitholders.

Appendix



Citadines Mount Sophia



Ongoing Asset Enhancement Initiatives

Properties		Costs	Time Period
1	Somerset Xu Hui Shanghai (Phase 2D) - Phased renovation of remaining 42 units of 1BR, 2BR and 3BRs	RMB20.1m (S\$4.4m)	4Q 2015 to 2Q 2016
2	Ascott Makati - Phased renovation of selected apartment units, café, business centres and public area - Upgrade mechanical and electrical infrastructure	US\$26.1m ¹ (S\$37.8m)	Phase 1: 4Q 2015 to 2Q 2016
3	Citadines Barbican London - Phased renovation of 129 apartment units	£3.9m (S\$8.3m)	1Q 2016 to 3Q 2016
4	Somerset Millennium Makati - Renovation of 113 apartment units	US\$1.0m (S\$1.5m)	2Q 2016 to 4Q 2016
5	Somerset Ho Chi Minh City (Phase 2) - Renovation of 91 apartment units including renovation of master and common bathrooms, room FF&E/OES over 2 phases	US\$7.8m (S\$11.3m)	1Q 2016 to 1Q 2017
Total		S\$63.3m	

Note:

1. For the entire refurbishment project



Master Leases (1Q 2016 vs 1Q 2015)



La Clef
Louvre Paris¹



Citadines
Les Halles Paris



Citadines
Croisette
Cannes



Citadines
Arnulfpark
Munich



Ascott
Raffles Place
Singapore



Quest Sydney
Olympic Park

Revenue ('mil)

Gross Profit ('mil)

	1Q 2016	1Q 2015		1Q 2016	1Q 2015	
Australia (AUD) 3 Properties	1.8	1.7	↑	1.7	1.6	↑
France (EUR) 17 Properties	5.8	5.8	-	5.3	5.3	-
Germany (EUR) 3 Properties	1.4	1.4	-	1.4	1.1	↑
Japan (JPY) 1 Property ²	133.3	187.8	↓	103.4	150.4	↓
Singapore (SGD) Ascott Raffles Place Singapore	2.2	2.2	-	2.0	1.8	↑

Notes:

- Formerly known as Citadines Suites Louvre Paris
- Five rental housing properties in Japan were divested on 30 September 2015



Management Contracts with Minimum Guaranteed Income (1Q 2016 vs 1Q 2015)

	Revenue ('mil)			Gross Profit ('mil)			RevPAU		
	1Q 2016	1Q 2015		1Q 2016	1Q 2015		1Q 2016	1Q 2015	
Belgium (EUR) 2 Properties	1.6	1.7	↓	0.3	0.2	↑	50	52	↓
Spain (EUR) 1 Property	1.0	0.9	↑	0.4	0.3	↑	73	67	↑
United Kingdom (GBP) 4 Properties	5.3	5.7	↓	2.1	2.2	↓	91	97	↓



Management Contracts (1Q 2016 vs 1Q 2015)

	Revenue ('mil)			Gross Profit ('mil)			RevPAU		
	1Q 2016	1Q 2015		1Q 2016	1Q 2015		1Q 2016	1Q 2015	
Australia (AUD)	7.2	1.2	↑	3.1	0.4	↑	158	144	↑
China (RMB)	74.9	70.2	↑	20.4	14.7	↑	399	377	↑
Indonesia (USD)	2.8	2.9	↓	1.3	1.1	↑	72	77	↓
Japan (JPY)¹	1,144.4	1,020.7	↑	643.6	553.9	↑	11,573	11,158	↑
Malaysia (MYR)	5.0	4.3	↑	1.7	1.3	↑	264	227	↑
Philippines (PHP)	193.6	252.1	↓	61.4	87.4	↓	3,915	4,253	↓
Singapore (SGD)	6.4	6.2	↑	2.4	2.6	↓	201	197	↑
United States of America (USD)	6.3	-	-	0.5	-	-	165	-	-
Vietnam (VND)²	158.6	153.2	↑	87.9	84.1	↑	1,516	1,496	↑

Notes:

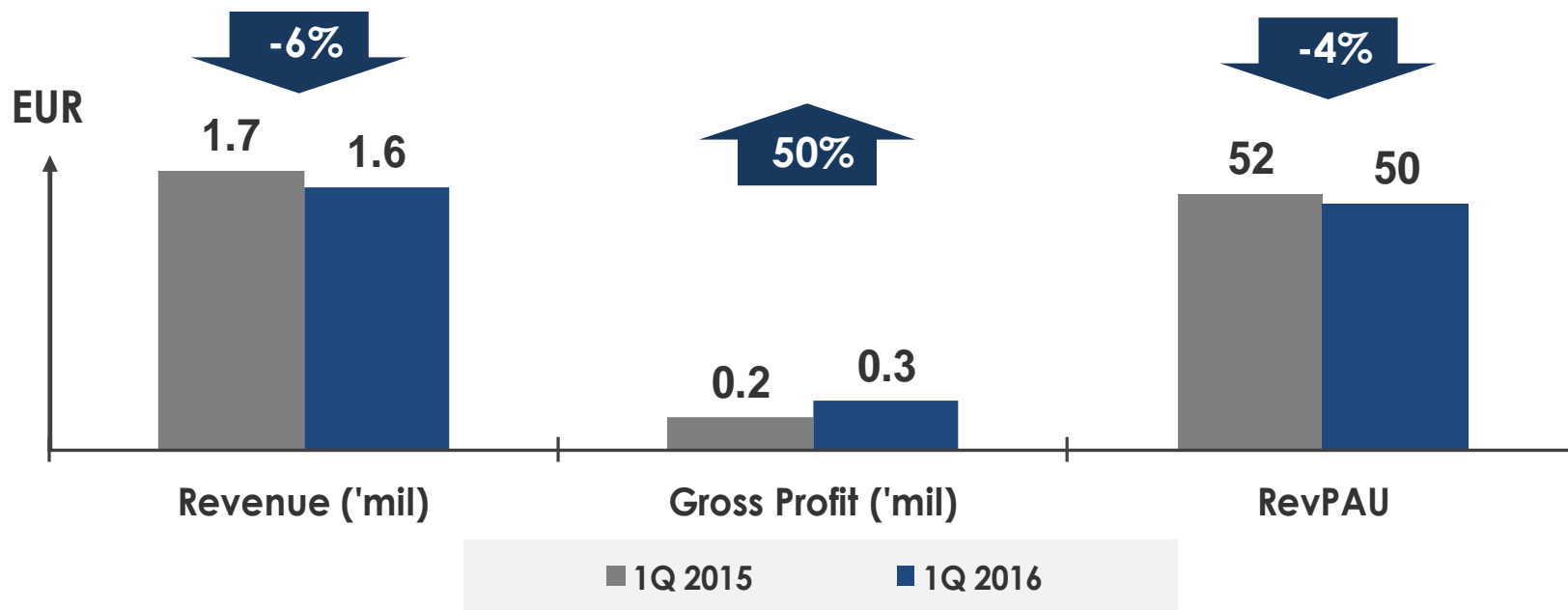
1. RevPAU for Japan refers to serviced residences and excludes rental housing.
2. Revenue and gross profit figures for VND are stated in billions. RevPAU figures are stated in thousands.



Citadines
Sainte-Catherine
Brussels



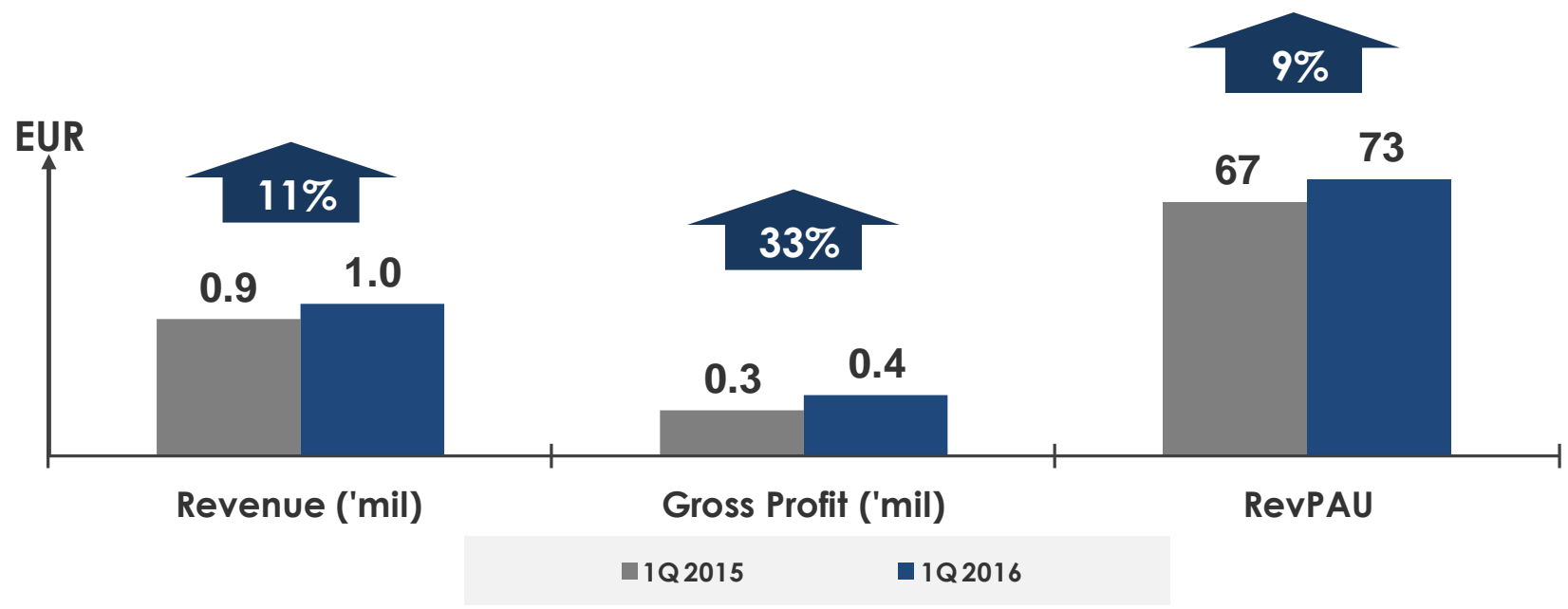
Citadines
Toison d'Or
Brussels



Despite lower revenue, gross profit was higher mainly due to lower incentive fee payable to the property manager.



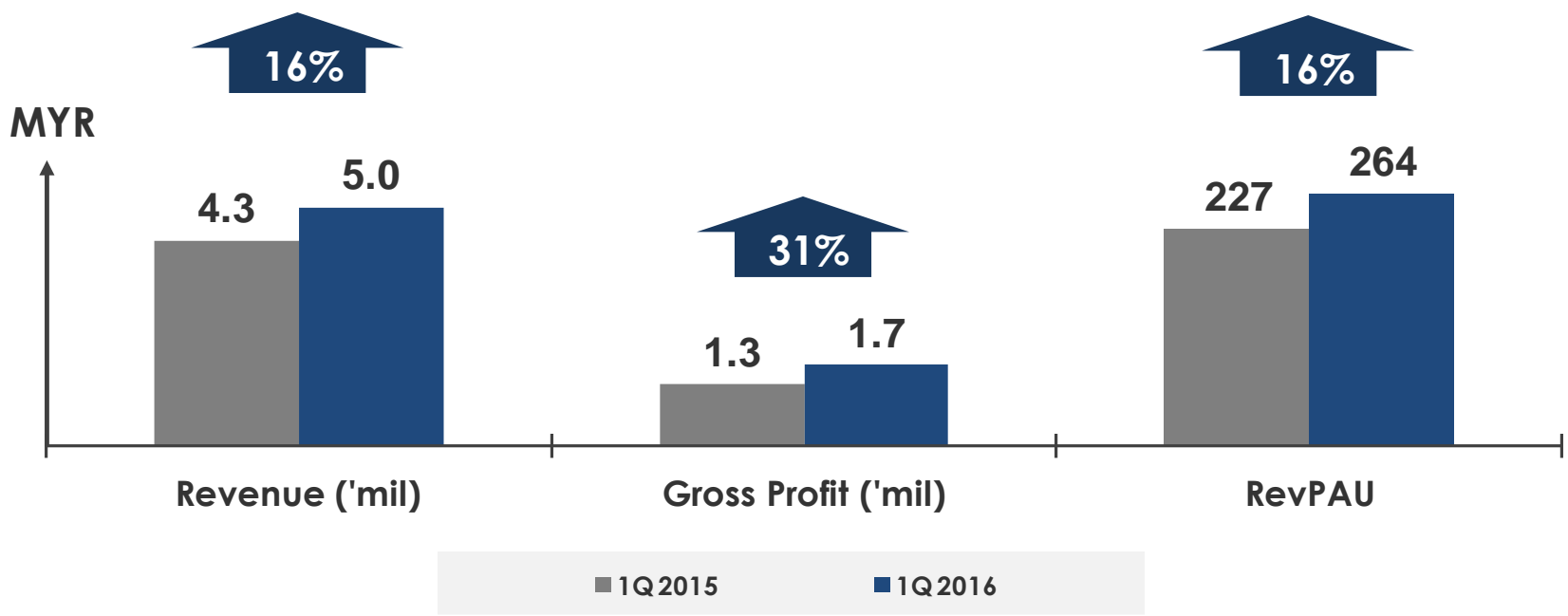
Citadines Ramblas
Barcelona



Revenue, gross profit and RevPAU increased due to stronger leisure demand.



Somerset Ampang
Kuala Lumpur



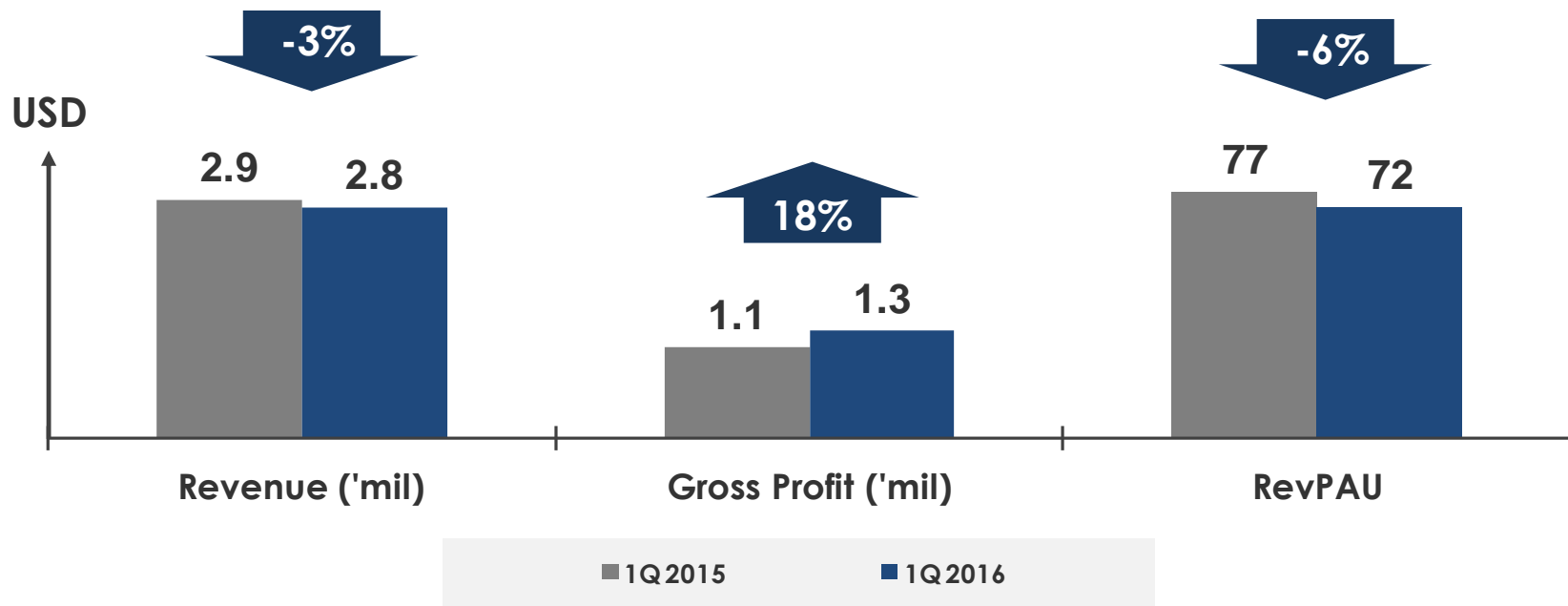
Revenue, gross profit and RevPAU increased due to stronger corporate demand.



Ascott Jakarta



Somerset Grand
Citra Jakarta



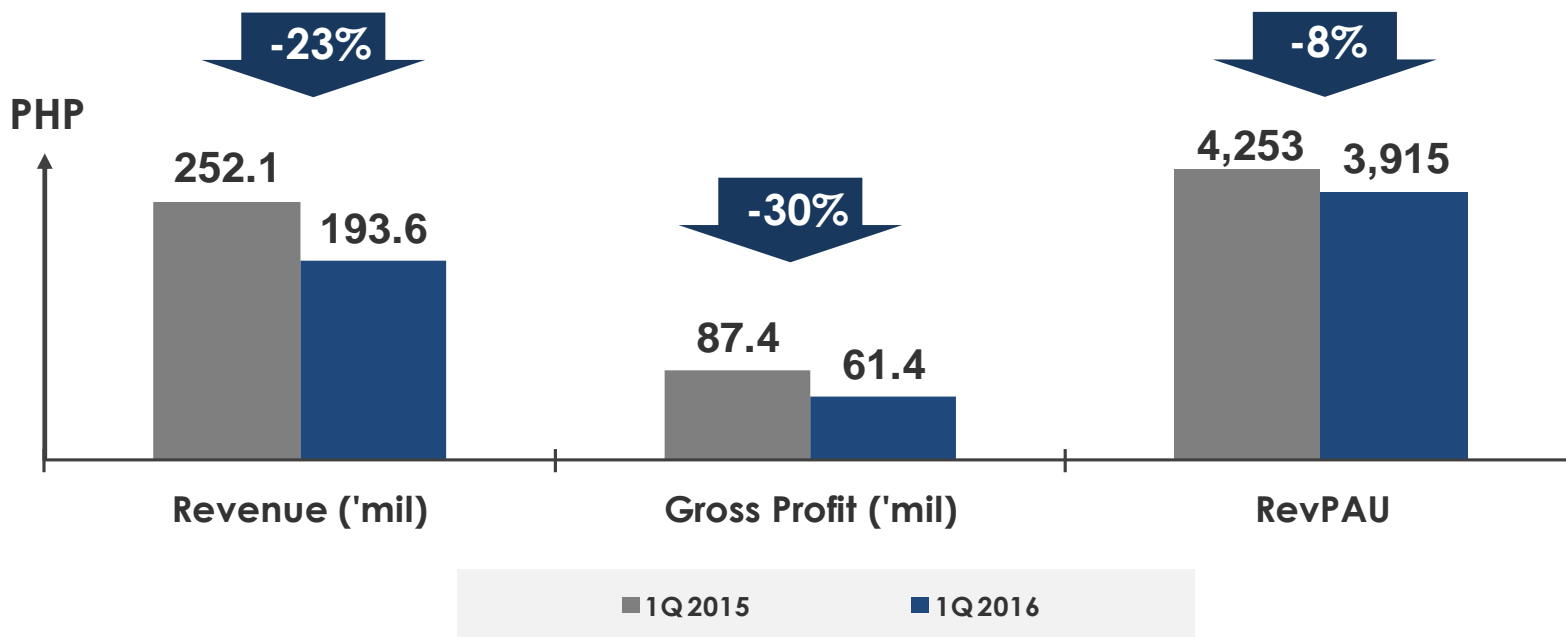
Revenue and RevPAU decreased mainly due to weaker corporate demand. Gross profit increased due to reversal of costs no longer required.



Ascott Makati



Somerset
Millennium Makati



Revenue, gross profit and RevPAU decreased mainly due to ongoing refurbishment at Ascott Makati, reduced room inventory at Somerset Millennium and weaker demand from corporate accounts.