



DBJ Tourism Management Seminar

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4 February 2015



Disclaimer

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, availability of real estate properties, competition from other companies and venues for the sale/distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.



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- 2 The Ascott Limited (“Ascott”)
- 3 Ascott Residence Trust (“Ascott REIT”)
- 4 Brands Under Ascott
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 - Citadines Apart’hotel
 - Somerset Serviced Residence



Introduction to Serviced Residence

Ascott Raffles Place Singapore



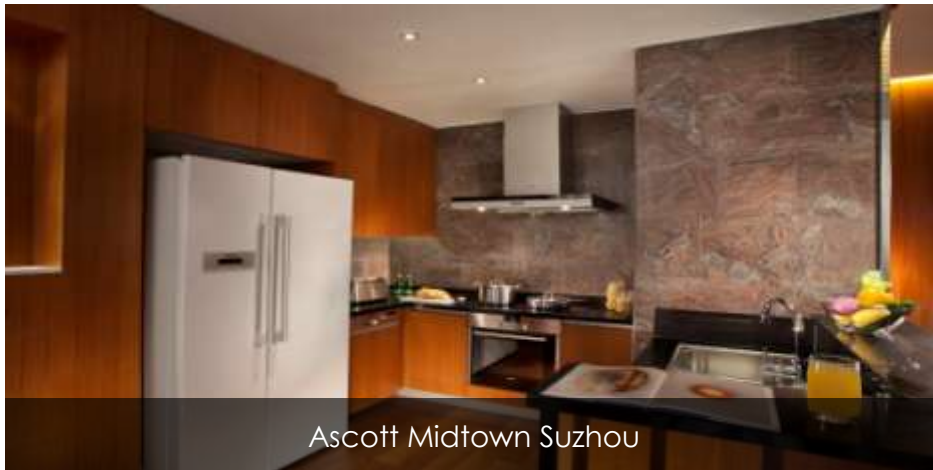
Introduction to Serviced Residence

Key Features of Serviced Residence

- Apartments with hotel-like services – “home away from home”
- Furnishings and Amenities – kitchen facilities with separate living/dining area
- Public Areas – limited F&B, meeting space



Ascott Raffles Place Singapore



Ascott Midtown Suzhou



Citadines Suites Louvre Paris



Introduction to Serviced Residence

Value Proposition of Serviced Residence

	Hotels	Serviced Residences	Apartments for Rent
Lease Structure & Terms	Short-term accommodation	Variable lease terms	Long-term leases
Cost Structure	<ul style="list-style-type: none"> ▪ High investment cost <ul style="list-style-type: none"> - Land (premium location) - Lower building efficiency (more common facilities) ▪ High operating costs due to full range of hospitality services - More intensive staffing requirements due to complete range of services - High maintenance due to significant wear and tear 	<ul style="list-style-type: none"> ▪ Low investment cost <ul style="list-style-type: none"> - High building efficiency - No F&B outlets ▪ Low operating costs due to limited services provided - Less intensive staffing requirements as only limited services are provided - Lower marketing and maintenance costs as average length of stay is longer 	<ul style="list-style-type: none"> ▪ Low investment cost <ul style="list-style-type: none"> - Unfurnished - Less common facilities ▪ Low operating costs as no services are provided - Minimal staffing
Seasonality	<ul style="list-style-type: none"> ▪ Seasonal nature of hotel industry ▪ Highly correlated with the tourism industry 	<ul style="list-style-type: none"> ▪ Some seasonality of hospitality industry, though longer lease terms provide certain level of rental support ▪ Correlated to GDP growth and FDI inflows 	Dependent on general property sector conditions

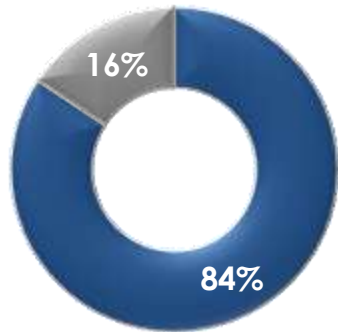
Serviced Residence is a more profitable and sustainable model in an environment of escalating manpower & operating costs



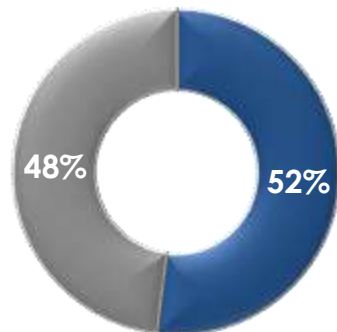
Introduction to Serviced Residence

Ascott REIT Enjoys Stability of Income from Extended-Stay Business Model

Apartment Rental Income¹ By Market Segment



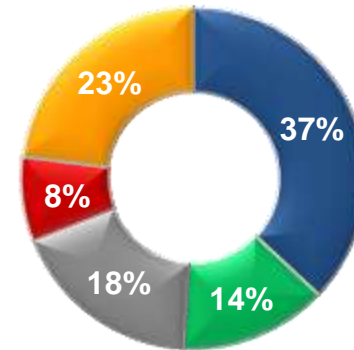
Asia-Pacific



Europe

- Corporate Travel
- Leisure

Apartment Rental Income¹ By Length of Stay



- 1 week or less 37%
- Less than 1 month 14%
- 1 to 6 months 18%
- 6 to 12 months 8%
- More than 12 months 23%

Diversified across corporate travel and leisure segments

Average length of stay is about 4.3 months

Note:
 1. Ascott REIT's apartment rental income for FY 2014; Portfolio information relates to properties on management contracts and rental housing properties only. Information for properties on master leases are not included.

A photograph of the Ascott hotel building at night. The building is a modern skyscraper with a curved glass facade. The central entrance is a prominent feature, featuring a large, illuminated 'ASCOTT' sign in blue. The entrance is covered by a glass canopy supported by metal pillars. The building's facade is illuminated with blue lights, and the sky is dark with some clouds. The overall scene is a nighttime view of a modern hotel building.

Ascott

ASCOTT


ASCOTT
HUI HAI ROAD
SHANGHAI

Ascott Huai Hai Road Shanghai, China

Strong Sponsor, Ascott (a wholly-owned subsidiary of CapitaLand)

World's largest international serviced residence owner-operator with more than 38,300 units in over 250 properties

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.46% CapitaLand ownership in Ascott REIT

World's Largest International Serviced Residence Owner-Operator



> **38,300**

Serviced Residences units
Includes units under development

256

Properties



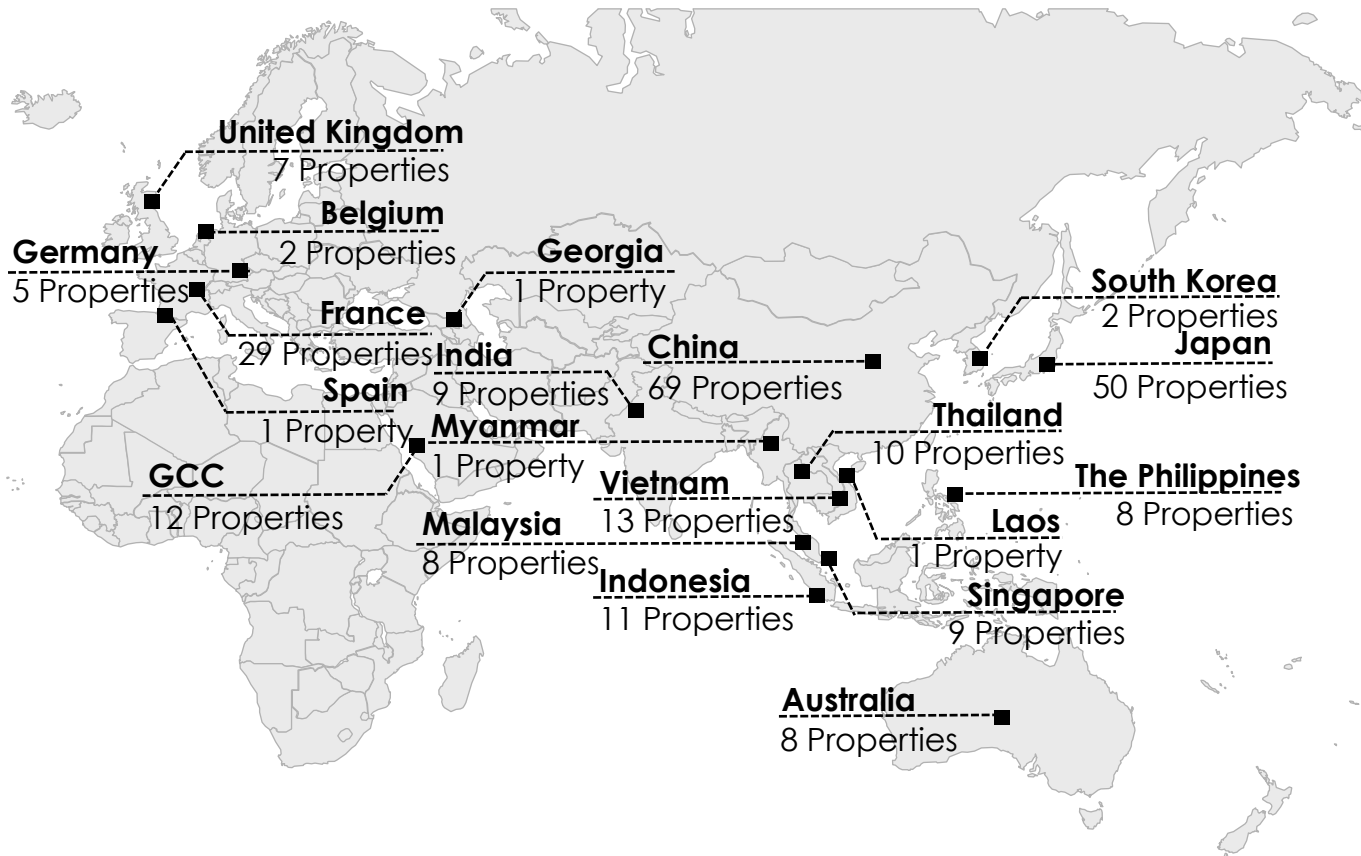
89

Cities in 24 Countries



1 REIT

2 Private Equity funds





Ascott REIT

Ascott Raffles Place Singapore

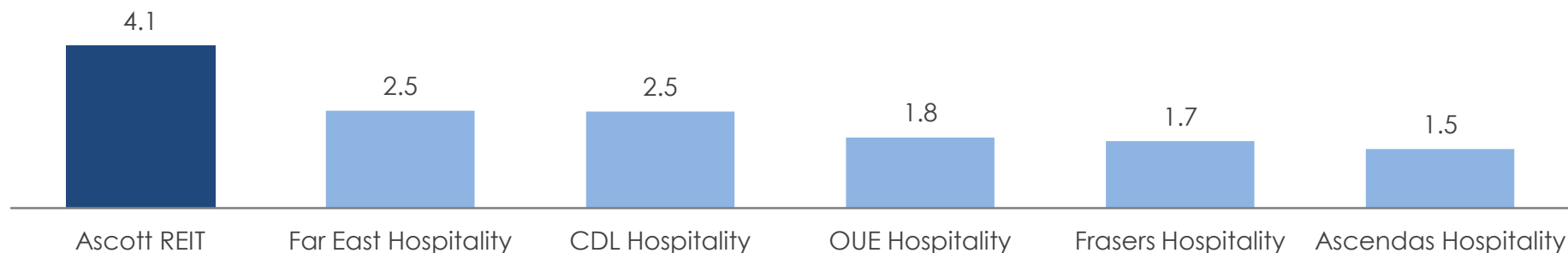


Ascott REIT



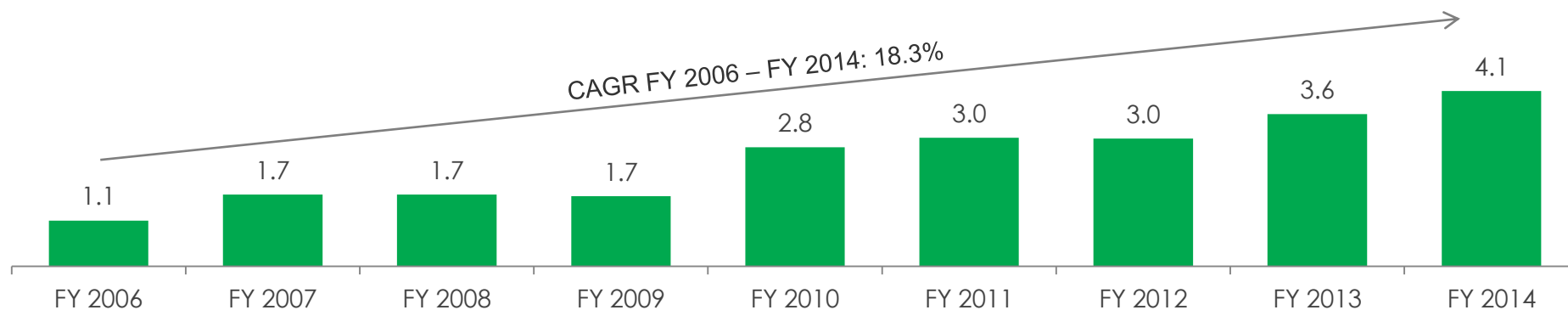
Largest Hospitality Trust listed on the SGX-ST by total asset value

Total asset value¹ (\$\$b)



...having quadrupled its total assets since its listing in 2006

Ascott REIT's total asset value² (\$\$b)



Note:

1. Based on latest available company filings





Ascott REIT



A Member of CapitalLand

A Leading Global Serviced Residence REIT

S\$1.9b

Market Capitalisation

S\$4.1b

Total Asset Size

10,502

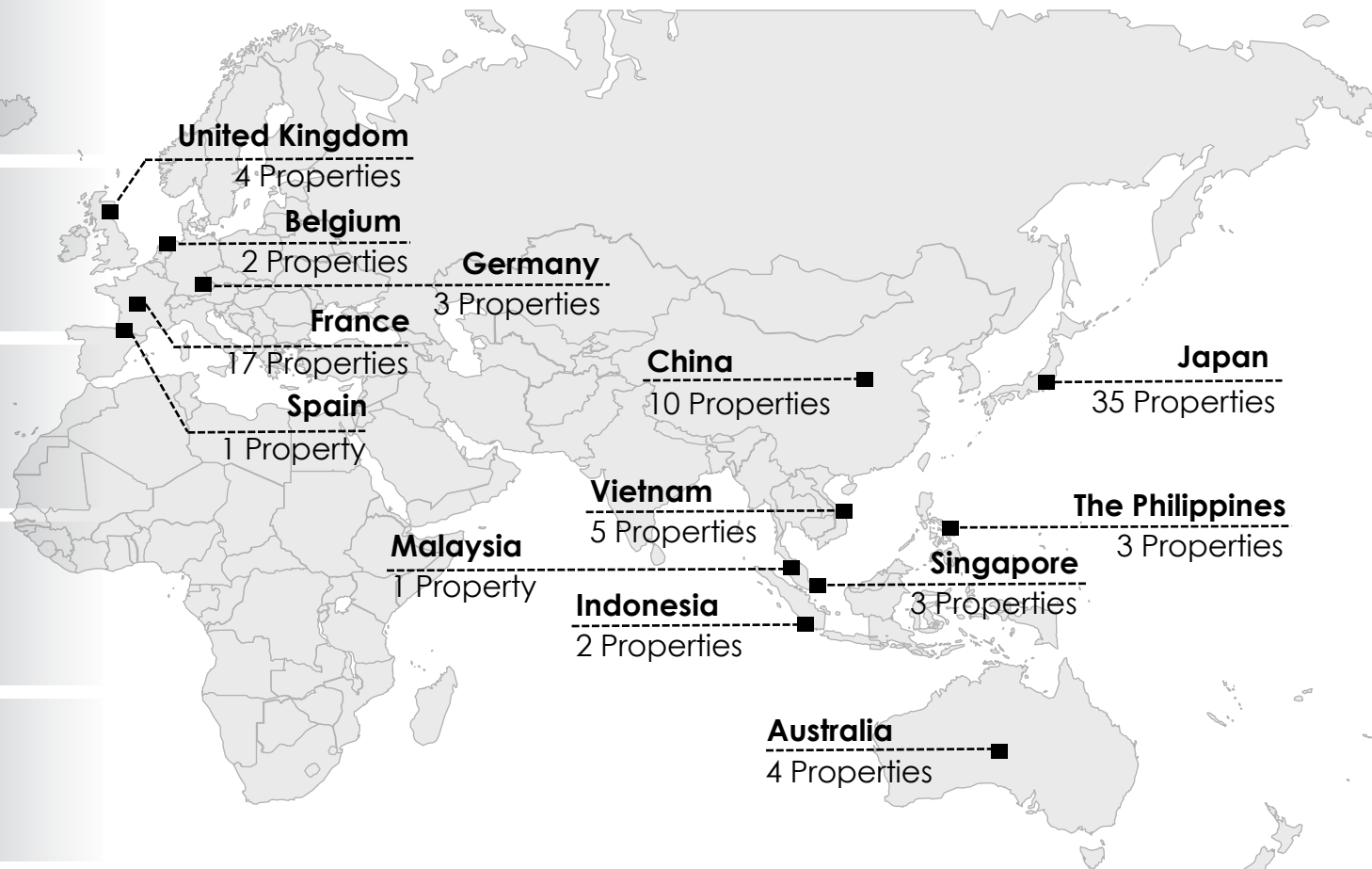
Apartment Units

90

Properties

37

Cities in 13 Countries



Note: Figures above as at 31 December 2014



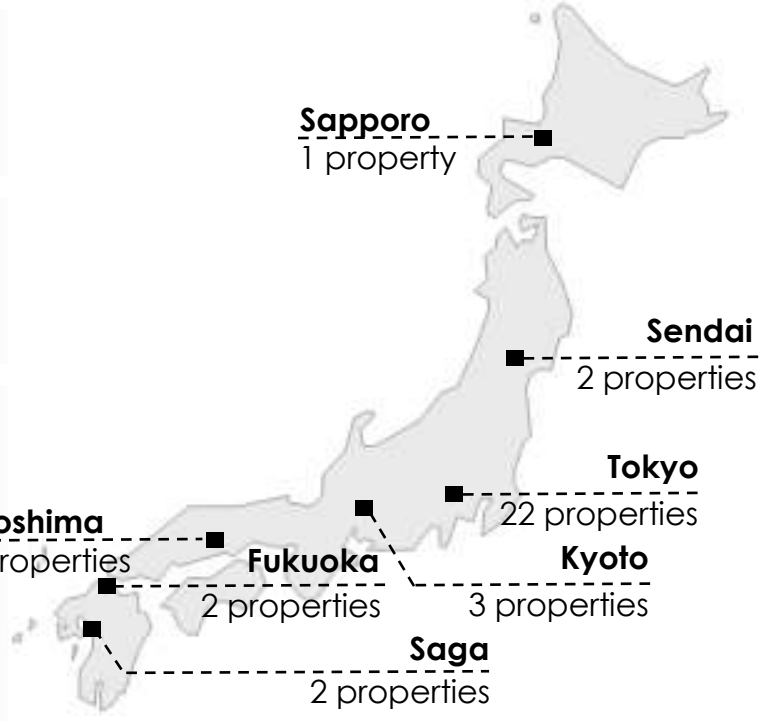
Ascott REIT's Presence in Japan Across 7 Cities

15.8%
of Ascott REIT's Total Assets

2,490
Apartment Units

4
Serviced Residences

31
Rental Housing Properties



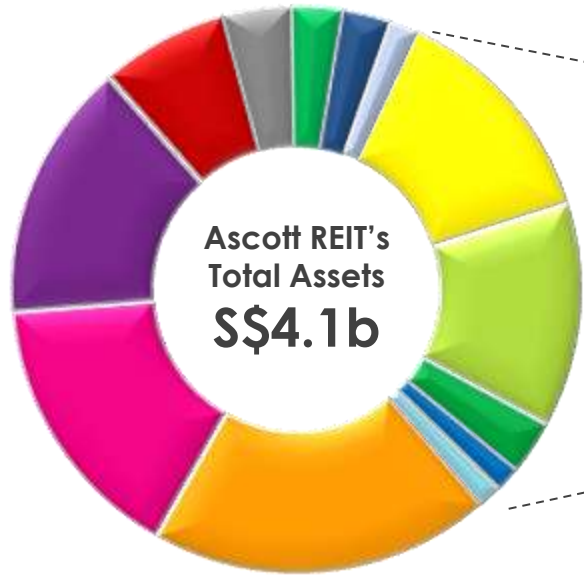


Geographically Diversified Portfolio

Strategically located across key international gateway cities

As at 31 Dec 2014

Asia-Pacific	68.3%
China	19.6%
Singapore	15.5%
Japan	14.8%
Vietnam	7.3%
Philippines	3.9%
Australia	2.9%
Indonesia	2.7%
Malaysia	1.6%



Europe	31.7%
UK	13.1%
France	12.8%
Germany	3.1%
Belgium	1.4%
Spain	1.3%

Portfolio diversified across property and economic cycles



Income Stability

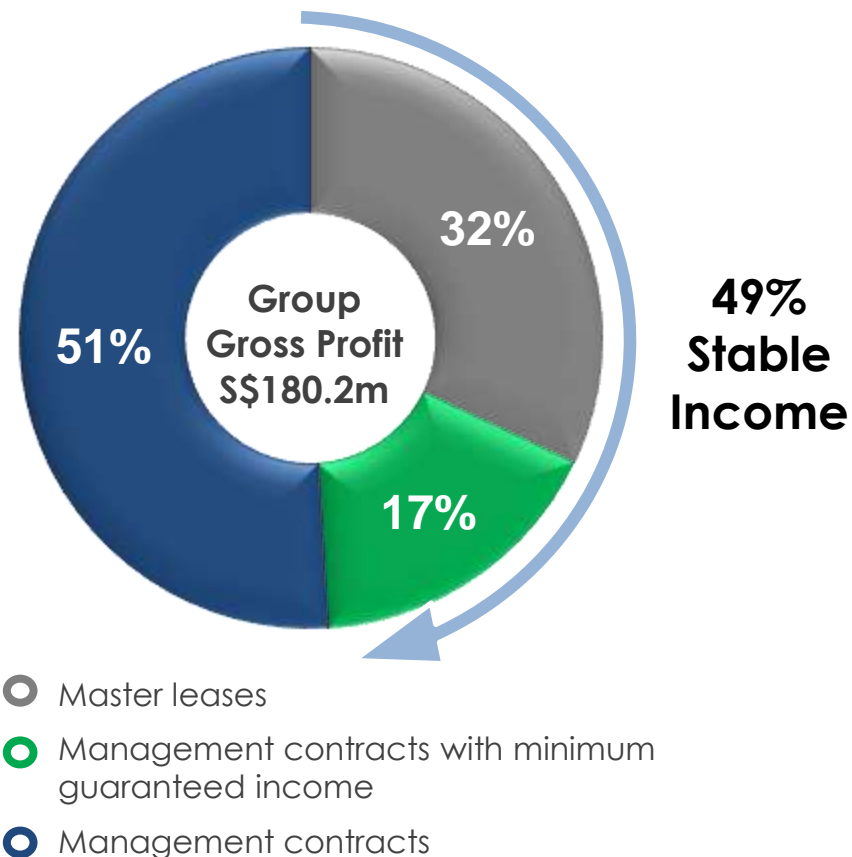
Enhanced income visibility from master leases and minimum guaranteed income

Group's gross profit contribution¹:

32% by master leases

17% by management contracts with minimum guaranteed income

51% by management contracts



Note:

1. Gross profit contribution for FY 2014.



Key Highlights

- 1 Strong Sponsor, Ascott – World’s Largest International Serviced Residence Owner-Operator**
- 2 Geographically diversified portfolio strategically located across key international gateway cities**
- 3 Enhanced income visibility from master leases and management contracts with minimum guaranteed income**

Brands Under Ascott



Citadines Suites Louvre Paris



Brands Under Ascott



Ascott Raffles Place Singapore

Ascott

Luxurious city living homes with discreet services for business travellers



Citadines Suite Louvre Paris

Citadines

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



Somerset West Lake Hanoi

Somerset

Stylish homes for executives and their families



Ascott The Residence



Ascott

Luxurious city living homes with discreet services for business travellers



Ascott Guangzhou



Ascott Huai Hai Road Shanghai



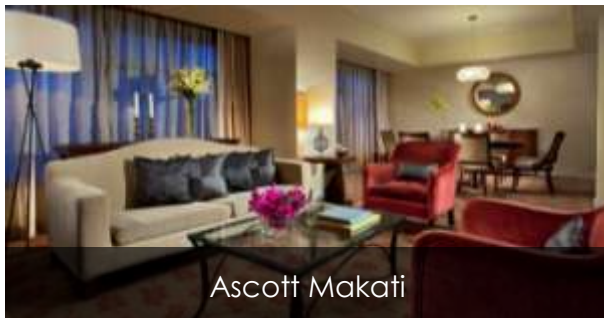
Ascott Jakarta



Ascott Raffles Place Singapore



Ascott IFC Guangzhou



Ascott Makati



Ascott Maillen Shenzhen



Citadines Apart'Hotel



Citadines
APART'HOTEL

Citadines

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



Citadines South Kensington London



Citadines Suite Louvre Paris



Citadines Ramblas Barcelona



Citadines Trafalgar Square London



Citadines Toison d'Or Brussels



Citadines St Georges Terrace



Citadines Kurfürstendamm Berlin



Somerset Serviced Residence



Somerset

Stylish homes for executives
and their families



Somerset Liang Court Singapore



Somerset Xu Hui Shanghai



Somerset Hoa Binh Hanoi



Somerset ZhongGuanCun Beijing



Somerset Al Fateh Bahrain



Somerset Ampang Kuala Lumpur



Somerset Grand Citra Jakarta




ASCOTT
RESIDENCE
TRUST

A Member of CapitaLand

Thank You

Appendix



Citadines Mount Sophia



Ascott REIT's Source of Income

Breakdown by types of contracts¹

	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 as operator manages Ascott REIT's properties for a fee
Tenure	Average weighted remaining tenure of about 4.3 years	Average weighted remaining tenure of about 4.1 years	Generally on a 10-year basis
Location	30 properties <ul style="list-style-type: none"> - 3 in Australia - 17 in France - 3 in Germany - 6 in Japan - 1 in Singapore 	7 properties <ul style="list-style-type: none"> - 4 in UK - 2 in Belgium - 1 in Spain 	53 properties <ul style="list-style-type: none"> - 29 in Japan - 23 in Asia (ex-Japan) - 1 in Australia

Notes:

1. Figures as at 31 December 2014
2. The rental payments under the master leases are generally fixed for a period of time. However, the master leases provide for annual rental revisions 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.

Year in Review

Ascott Raffles Place Singapore



Year in Review

Achieved record high distribution of S\$125.6m for FY 2014, up 9% YoY

- Revenue and gross profit surged 13% and 12% YoY respectively underpinned by additional contribution from properties acquired in 2014 and stronger performance from existing properties
- Adjusted DPU for FY 2014 increased 6% YoY to 7.61 cents

Acquired nine properties in Australia, China, Japan and Malaysia

- Aggregate property value of S\$559.1m
- Made its first foray into five cities namely Dalian, Wuhan and Xi'an in China, Kuala Lumpur in Malaysia and Greater Sydney in Australia



Year in Review

Rejuvenated portfolio to create new value

- Completed AEI at Citadines Ramblas Barcelona, Citadines Toison d'Or Brussels, Ascott Jakarta which yielded ADR uplift of c.17-25%
- Ongoing AEI at Somerset Grand Central Dalian, Somerset Olympic Tower Tianjin, Somerset Xu Hui Shanghai and Somerset Ho Chi Minh City to further add value

Proactive capital management

- Maiden issuance of S\$150m perpetual securities at fixed rate to fund Tokyo and Greater Sydney acquisitions
- Raised JPY7.0b (\$85.6m) and EUR80.0m (\$129.2m) unsecured fixed rate notes with tenure of 6 years and 10 years respectively





Financial Highlights

Ascott Raffles Place Singapore

4Q 2014 DPU surges 62% YoY

Distribution Per Unit^{1,2}

4Q 2014	FY 2014
2.16 cents ↑62% YoY	8.20 cents ↓2% YoY

Unitholders' Distribution

4Q 2014	FY 2014
S\$33.1m ↑26% YoY	S\$125.6m ↑9% YoY

Gross Profit

4Q 2014	FY 2014
S\$45.7m ↑10% YoY	S\$180.2m ↑12% YoY

Portfolio Value

As at 31 Dec 2014
S\$3,811.4m ↑9% from S\$3,507.8m as at 30 Jun 2014

Notes:

- Adjusted DPU for 4Q 2014 and 4Q 2013 would be 1.76 cents and 1.56 cents respectively, up 13% YoY
- Adjusted DPU for FY 2014 and FY 2013 would be 7.61 cents and 7.19 cents respectively, up 6% YoY



4Q 2014 vs 4Q 2013

	4Q 2014	4Q 2013	% Change
Revenue (\$\$'m)	95.0	83.9	13% ↑
Gross Profit (\$\$'m)	45.7	41.6	10% ↑
Unitholders' Distribution (\$\$'m)	33.1 ¹	26.3 ¹	26% ↑
Distribution Per Unit (\$ cents)	2.16	1.33	62% ↑
Adjusted Distribution Per Unit (\$ cents) (For information Only)	1.76 ²	1.56 ^{2,3}	13% ↑
Revenue Per Available Unit (\$\$/day) (For Serviced Residences Only)	124	129	-4% ↓







- Revenue and gross profit increased mainly due to additional contribution from the properties acquired in 2014⁴ as well as stronger performance from existing properties mainly in United Kingdom
- RevPAU decreased due to weaker performance from properties in Singapore and Vietnam as well as lower ADR from the properties in China acquired in August 2014
— On a same store basis, excluding the new acquisitions, RevPAU increased by 2%

Notes:

1. Unitholders' distribution in 4Q 2014 and 4Q 2013 included one-off items of approximately S\$6.1 million and S\$2.5 million respectively.
2. Excluding one-off items
3. Adjusted for the effects from the Rights Issue
4. Acquisition of nine properties in Australia, China, Japan and Malaysia



FY 2014 vs FY 2013

	FY 2014	FY 2013	% Change
Revenue (\$\$'m)	357.2	316.6	13% 
Gross Profit (\$\$'m)	180.2	161.2	12% 
Unitholders' Distribution (\$\$'m)	125.6	114.8	9% 
Distribution Per Unit (\$ cents)	8.20	8.40	-2% 
Adjusted Distribution Per Unit (\$ cents) (For information Only)	7.61 ¹	7.19 ^{1,2}	6% 
Revenue Per Available Unit (\$\$/day) (For Serviced Residences Only)	128	132	-3% 

- Revenue and gross profit increased mainly due to additional contribution from the properties acquired in 2013³ and 2014⁴ as well as stronger performance from existing properties in Belgium, Japan and United Kingdom
- RevPAU decreased due to weaker performance from properties in Singapore and Philippines as well as lower ADR from properties in China acquired in 2014
— On a same store basis, excluding the new acquisitions, RevPAU increased by 3%

Notes:

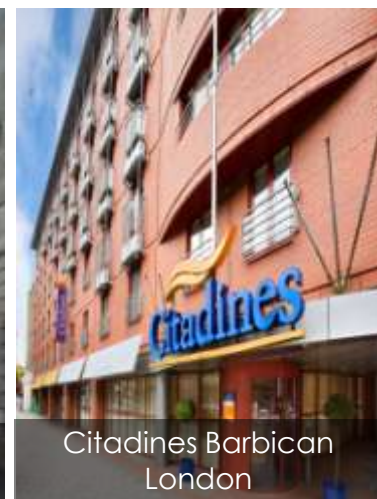
1. Excluded one-off items
2. Adjusted for the effects from the Rights Issue
3. Acquisition of three serviced residence in China and 11 rental housing properties in Japan in June 2013
4. Acquisition of nine properties in Australia, China, Japan and Malaysia.



Portfolio Value Up by 9%¹

Higher valuation from properties in China, Belgium and United Kingdom

- Portfolio valuation as at 31 Dec 2014 of S\$3,811.4m
- Portfolio value increased mainly due to properties acquired in 2H 2014 and existing properties, partially offset by weakening of foreign currencies



Note:

1. As compared to valuation as at 30 June 2014

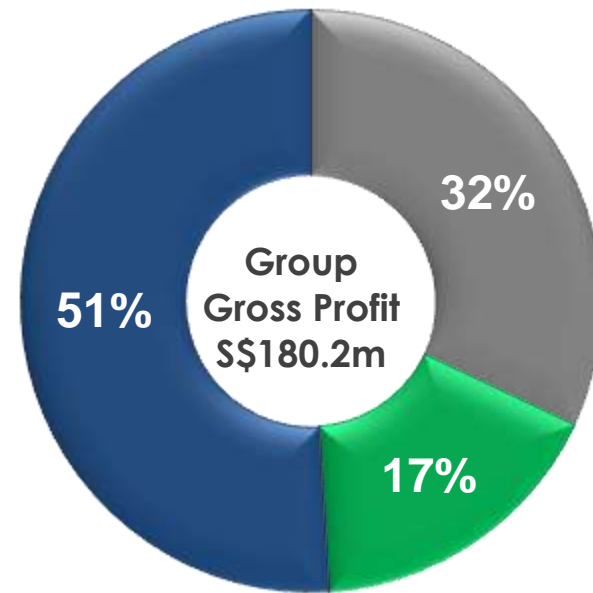
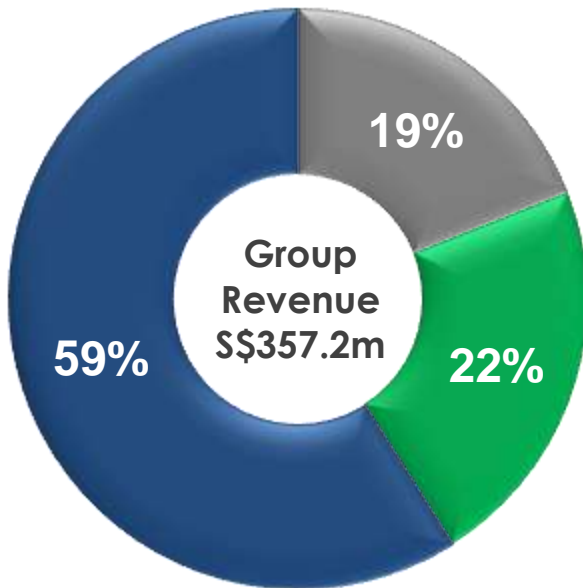


Portfolio Highlights

Revenue and Gross Profit (By Category)

Revenue
FY 2014

Gross Profit
FY 2014



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