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Ascott Residence Trust

A Leading Global Serviced Residence REIT

4Q 2015 Financial Results

26 January 2015



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
- Year in Review
- Financial Highlights
- Portfolio Performance
- Capital and Risk Management
- Portfolio Information
- Outlook and Prospects
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Overview of Ascott REIT

A Leading Global Serviced Residence REIT

S\$1.7b¹ Market Capitalisation	S\$4.7b² Total Assets	11,298 Apartment Units	89 Properties	38 Cities in 14 Countries
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Notes:

Figures above as at 31 December 2015

1. Market capitalisation as at 22 January 2016

2. Excludes the New Cairnhill SR, which acquisition is targeted to be completed in 2017. If the New Cairnhill SR was included, the portfolio of Ascott REIT would be approximately S\$5.1 billion.

Year in Review

Ascott Raffles Place Singapore

Year in Review

Revenue, gross profit for FY 2015 surged 18% and 14% YoY respectively

- Revenue and gross profit increased 18% and 14% YoY respectively mainly due to additional contribution from properties acquired in 2014¹ and 2015². RevPAU for FY 2015 increased 4% YoY.
- DPU for FY 2015 decreased 3% YoY from 8.20 cents to 7.99 cents. Adjusted DPU for FY 2015 increased 6% YoY from 7.61³ cents to 8.06 cents.

Acquired properties across Australia, Japan and the United States of America (US) worth S\$609.1m in FY 2015

- Ascott Reit acquired six properties across Australia, Japan and US, including the remaining stakes in two properties in Japan, amounting to an aggregate property value of S\$609.1m.



Notes:

1. Acquisition of nine properties in Australia, China, Japan and Malaysia in 2014
2. Acquisition of six properties in Australia, Japan and the United States of America, including the remaining stakes in two properties in Japan
3. Unitholders' distribution in FY 2014 included one-off items of approximately S\$9.1m

Year in Review

Ascott Reit makes first foray into the US with the acquisition of a prime extended-stay property in Times Square of New York for US\$163.5m (\$220.7m)

Acquisition of Element New York Times Square West

- In FY 2015, Ascott Reit charted new territory across the Atlantic, making its maiden acquisition in the US.
- Gained foothold into the high demand and highly contested accommodation and hospitality market of New York.

Strategically located near Times Square

- The property is situated in a prime location near Times Square, the commercial and epicenter of Midtown Manhattan.

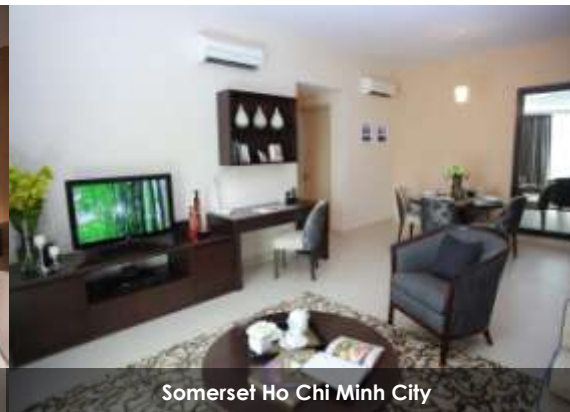


This strategic expansion into the US has successfully catapulted Ascott Reit into a global hospitality player with presence across 38 cities in 14 countries.

Year in Review

Completed asset enhancement initiatives (AEI) in FY 2015 uplifted ADR by 27-35%

- AEI at Somerset Grand Central Dalian, Somerset Ho Chi Minh City, Somerset Xu Hui Shanghai and Somerset Olympic Tower Property Tianjin have uplifted ADR of renovated apartment units by 27-35%.
- Remaining phases of AEI at Somerset Xu Hui Shanghai and Somerset Ho Chi Minh City are on track for completion in 2016 – 2017.
- First phase of AEI at Ascott Makati has commenced in 4Q 2015 while AEI at Citadines Barbican London and Somerset Millennium Makati will commence in 1Q 2016 and 2Q 2016 respectively.



Diversified funding sources by tapping debt capital market in FY 2015

- Successful issuance of S\$250m fixed rate perpetual securities at 4.68% p.a.
- Successful issuance of 7-year JPY7.3b fixed rate notes at 1.17% p.a. and 7-year S\$200m fixed rate notes at 4.21% p.a. which was swapped into Euros at 1.81% p.a.

Successfully divested six rental housing properties in Japan and a serviced residence property in the Philippines

- The divestment of the properties recorded a total net gain of about S\$9.9m





Financial Highlights

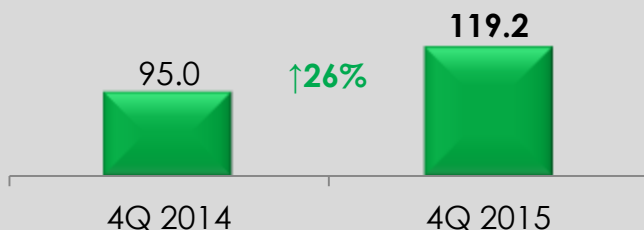
Ascott Raffles Place Singapore



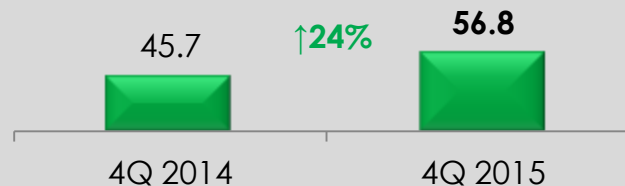
Financial Highlights for 4Q 2015

4Q 2015 vs 4Q 2014 Financial Performance

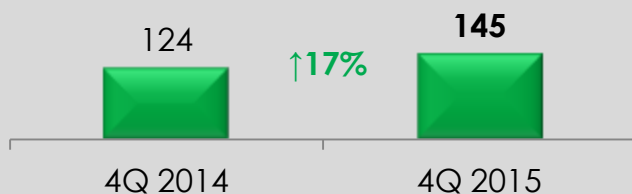
Revenue (S\$m)



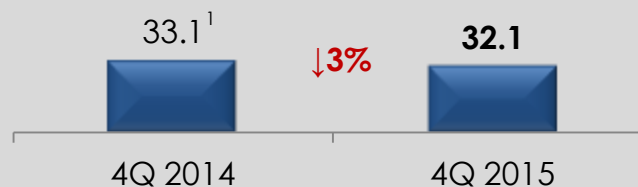
Gross Profit (S\$m)



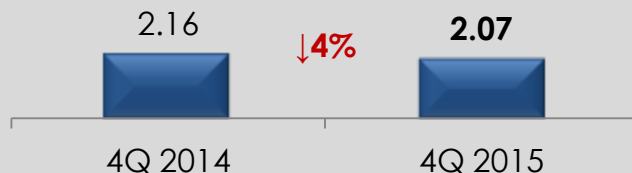
Revenue Per Available Unit (S\$)



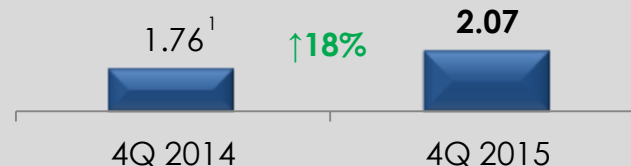
Unitholders' Distribution (S\$m)



Distribution Per Unit (S cents)



Adjusted Distribution Per Unit (S cents)



Note:

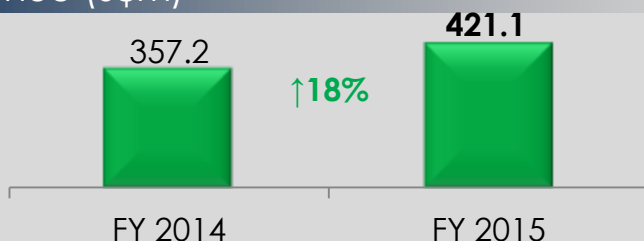
1. Unitholders' distribution in 4Q 2014 included one-off items of approximately S\$6.1 million



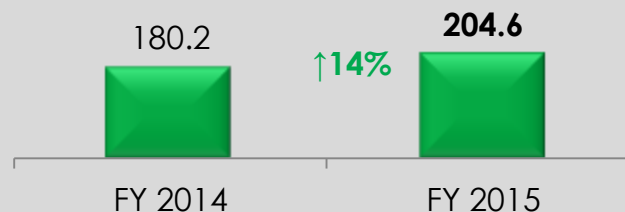
Financial Highlights for FY 2015

FY 2015 vs FY 2014 Financial Performance

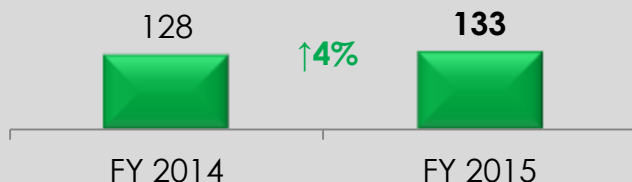
Revenue (\$m)



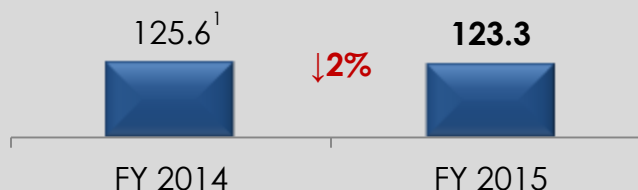
Gross Profit (\$m)



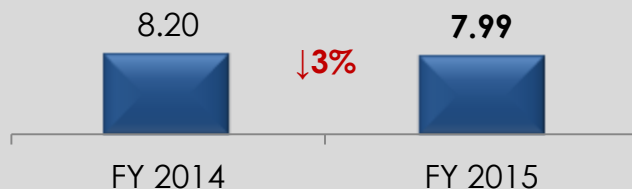
Revenue Per Available Unit (\$)



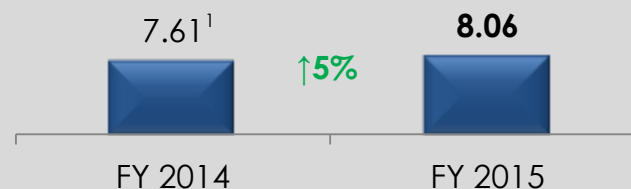
Unitholders' Distribution (\$m)



Distribution Per Unit (\$ cents)



Adjusted Distribution Per Unit (\$ cents)



Note:

1. Unitholders' distribution in FY 2014 included one-off items of approximately \$9.1 million

Portfolio Value Up by 15%¹

Higher valuation from properties in Japan, France and United Kingdom

- Portfolio valuation as at 31 December 2015 of S\$4,373.9m
- Portfolio value increased mainly due to properties acquired in 2H 2015 as well as higher valuation of properties in Japan, France and United Kingdom, partially offset by lower valuation from properties in Australia



Note:

1. As compared to valuation as at 30 June 2015

Portfolio Performance



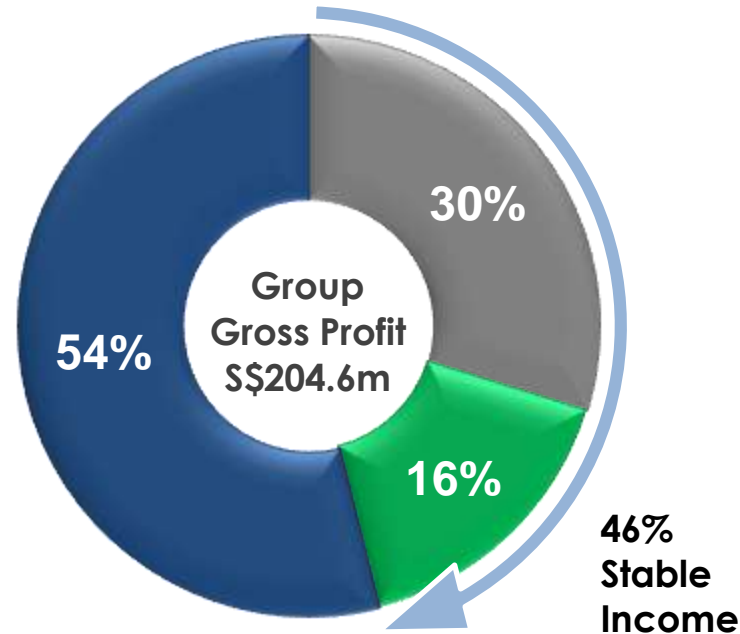
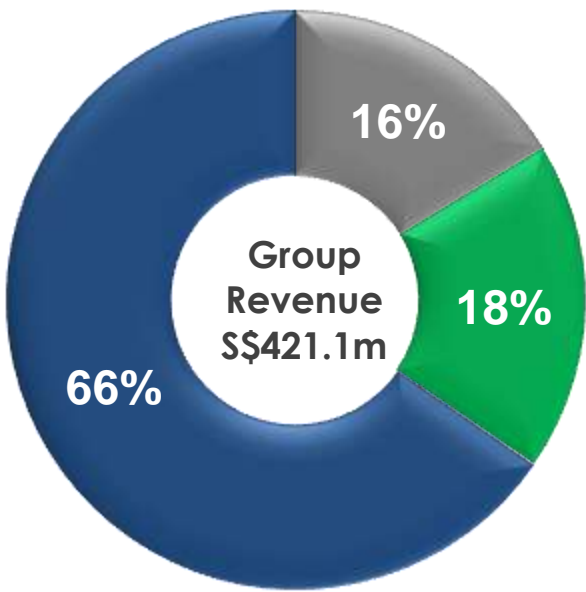
Citadines Suites Louvre Paris



Portfolio Highlights

Revenue and Gross Profit (by category)

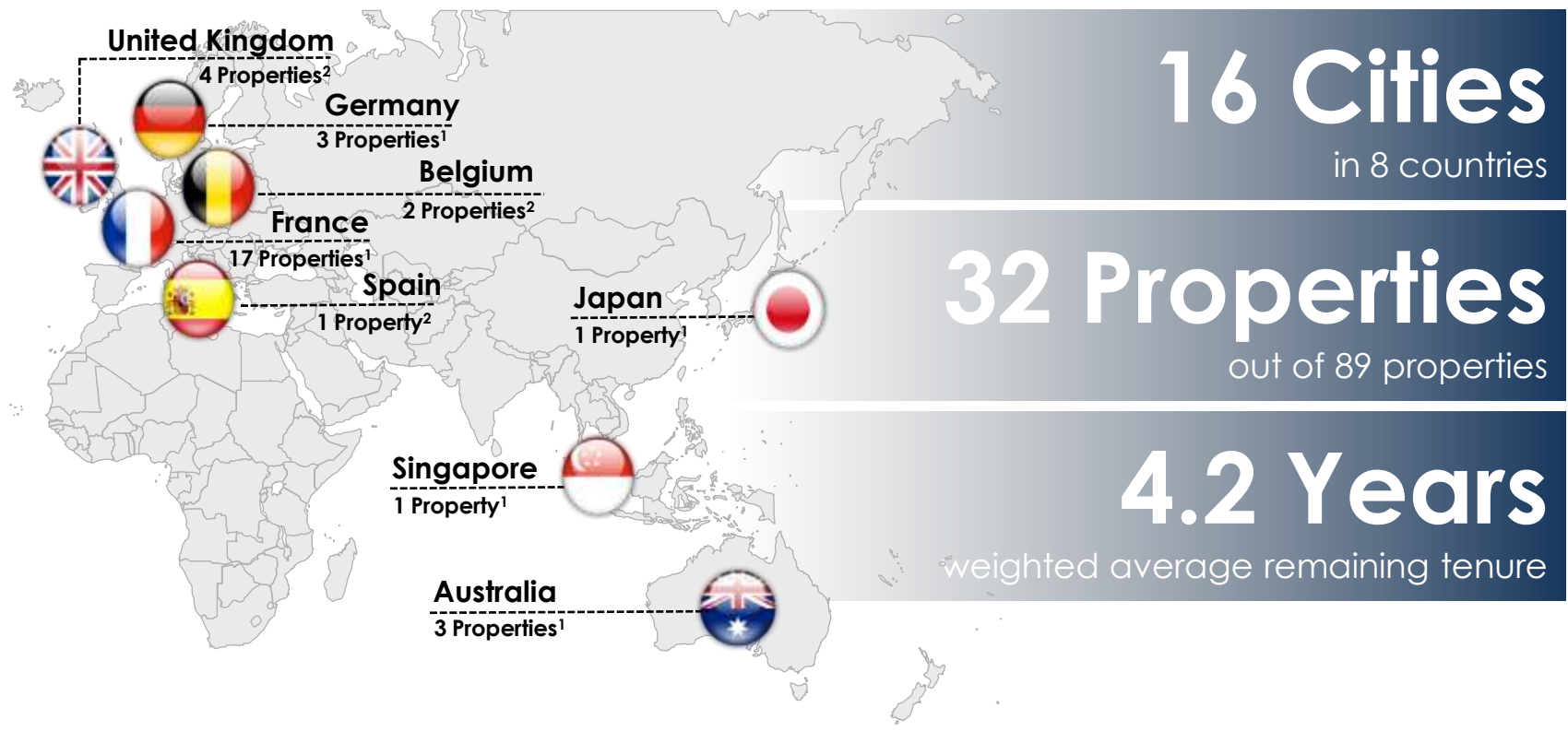
Revenue FY 2015	Gross Profit FY 2015
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- Master Leases
- Management Contracts with Minimum Guaranteed Income
- Management Contracts

Income Stability

46% of the Group's gross profit for FY 2015 is contributed by master leases and management contracts with minimum guaranteed income



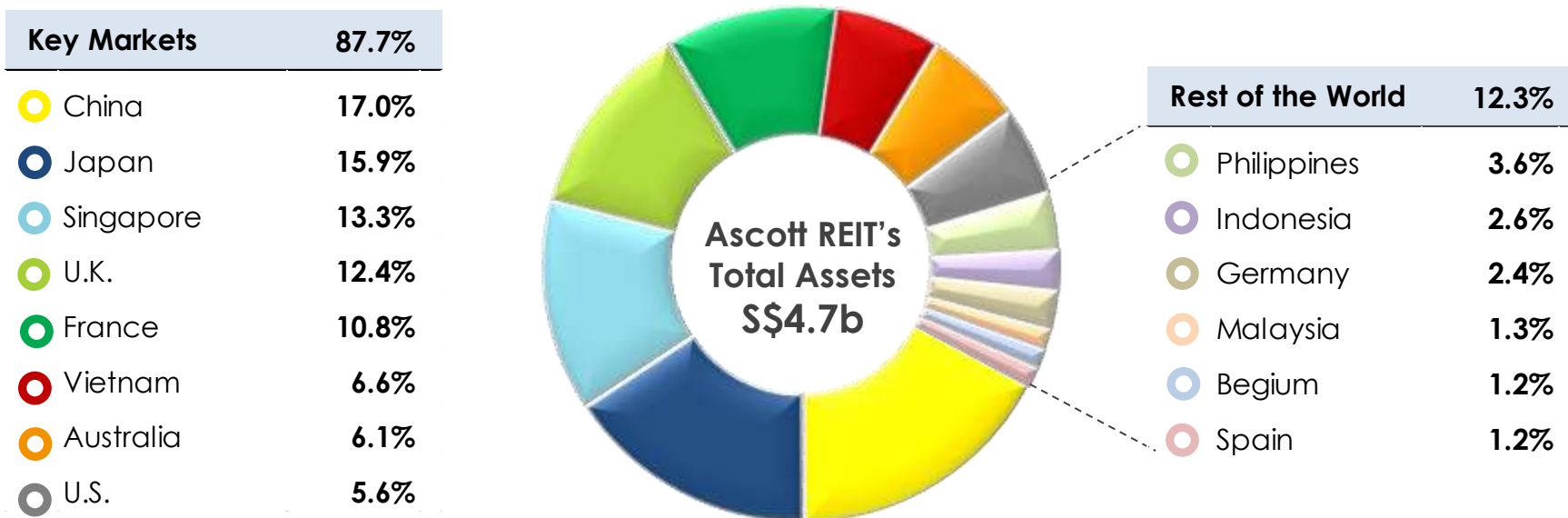
Notes:
 1. Properties under master leases
 2. Properties under management contracts with minimum guaranteed income



Geographical Diversification

Key Markets¹ contributed 84.4% of the Group's Gross Profit in FY 2015

Breakdown of Total Assets by Geography As at 31 December 2015



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



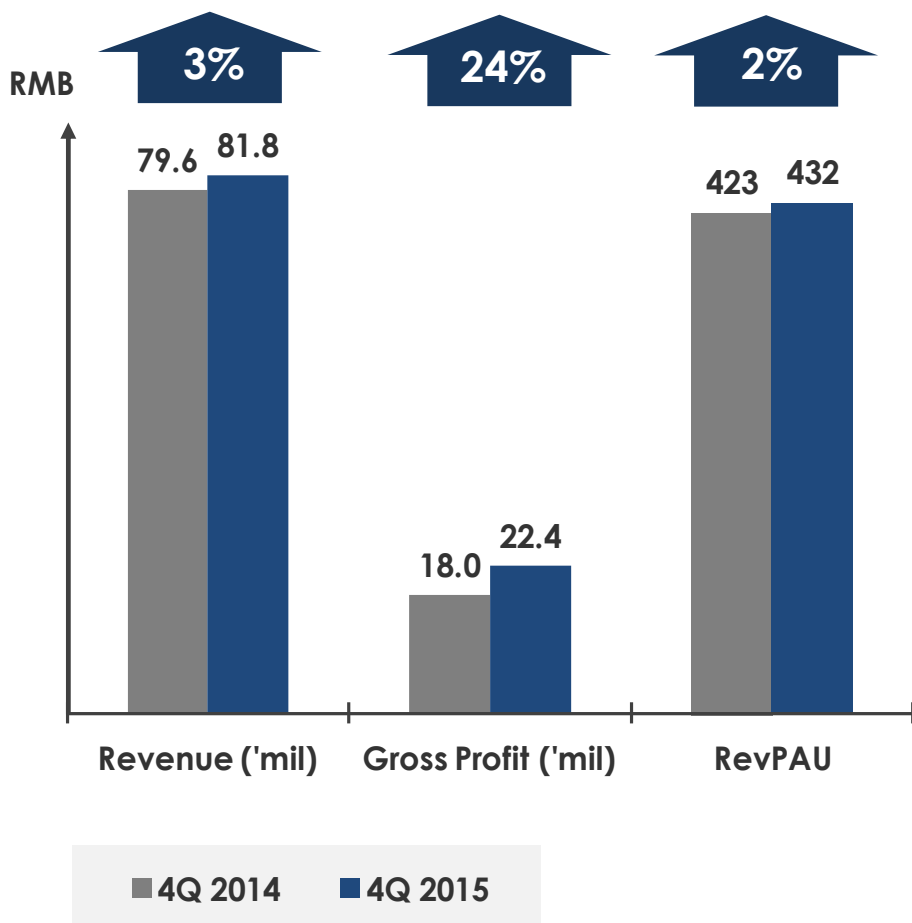
Citadines Xinghai Suzhou



Citadines Biyun Shanghai



Somerset Xu Hui Shanghai



Key Market Performance Highlights

- Revenue increased mainly due to stronger demand from project groups as well as higher demand for refurbished apartment units at Somerset Xu Hui Shanghai.
- Gross profit increased due to higher revenue and lower property tax.
- ADR of refurbished apartment units at Somerset Xu Hui Shanghai was uplifted by c.35% in the latest completed phase of AEI in 2Q 2015. Remaining phases of AEI are on track for completion in 3Q 2016.



Somerset Azabu East Tokyo



Citadines Shinjuku Tokyo



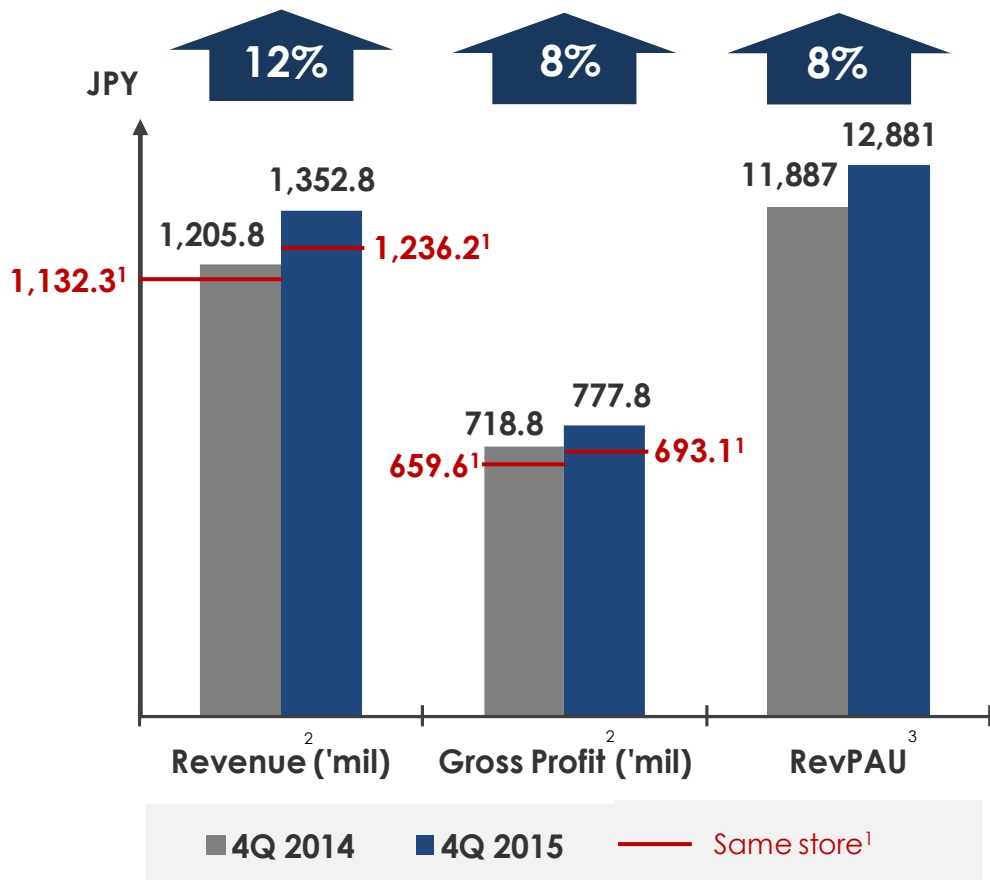
Citadines Karasuma-Gojo Kyoto



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 4Q 2015.

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



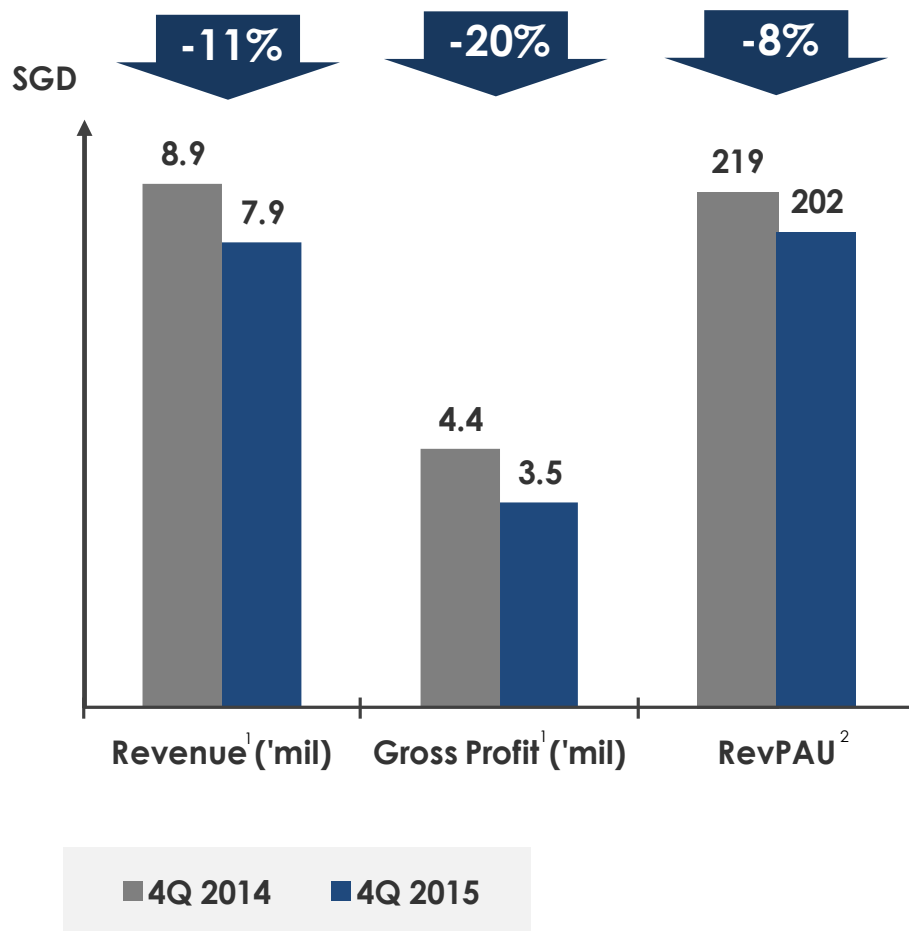
Somerset Liang Court Property Singapore



Citadines Mount Sophia Property Singapore



Ascott Raffles Place Singapore



Key Market Performance Highlights

- Revenue, gross profit and RevPAU decreased mainly due to weaker demand from project groups.

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



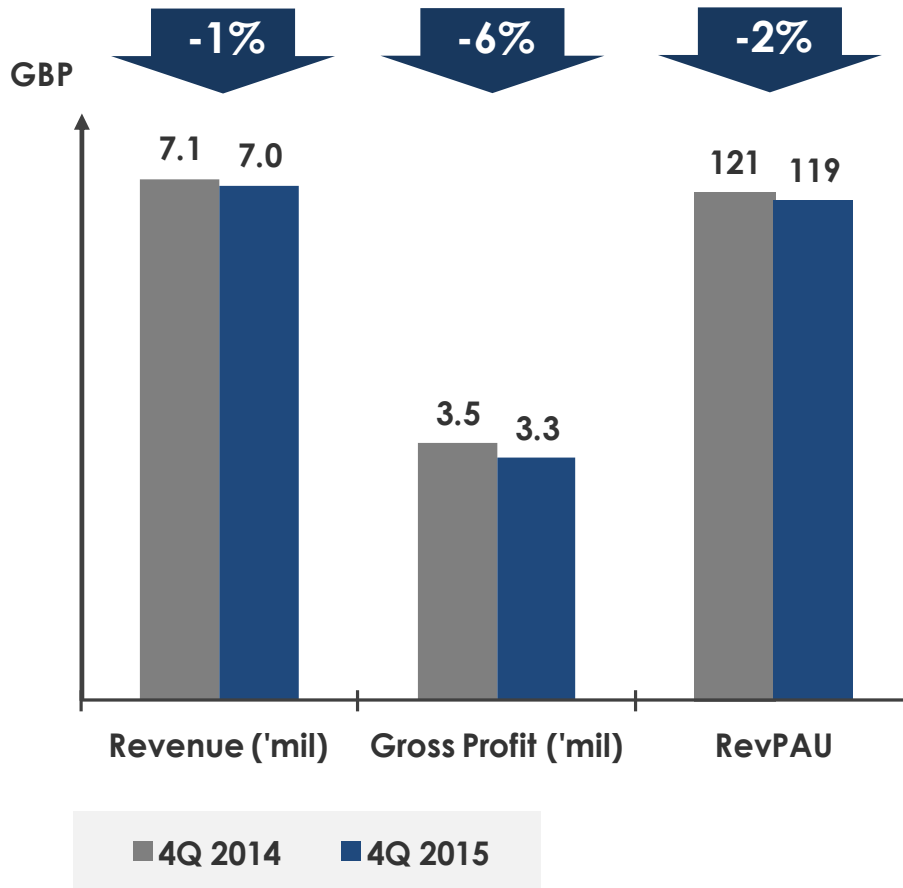
Citadines Holborn-Covent Garden London



Citadines Trafalgar Square London



Citadines South Kensington London



Key Market Performance Highlights

- Gross profit decreased mainly due to higher provision of incentive fee. Excluding the incentive fee, gross profit would have remain at the same level at 4Q 2014.
- In 4Q 2015, all properties in United Kingdom traded above minimum guaranteed income. Of which, three properties have exceeded the hurdle amount.
- Phased refurbishment of 129 apartment units at Citadines Barbican London will commence in 1Q 2016. The refurbishment is estimated to cost £3.9 million (\$\$8.3 million).



Citadines
Suites Louvre
Paris



Citadines
Les Halles
Paris



Citadines
Croisette
Cannes



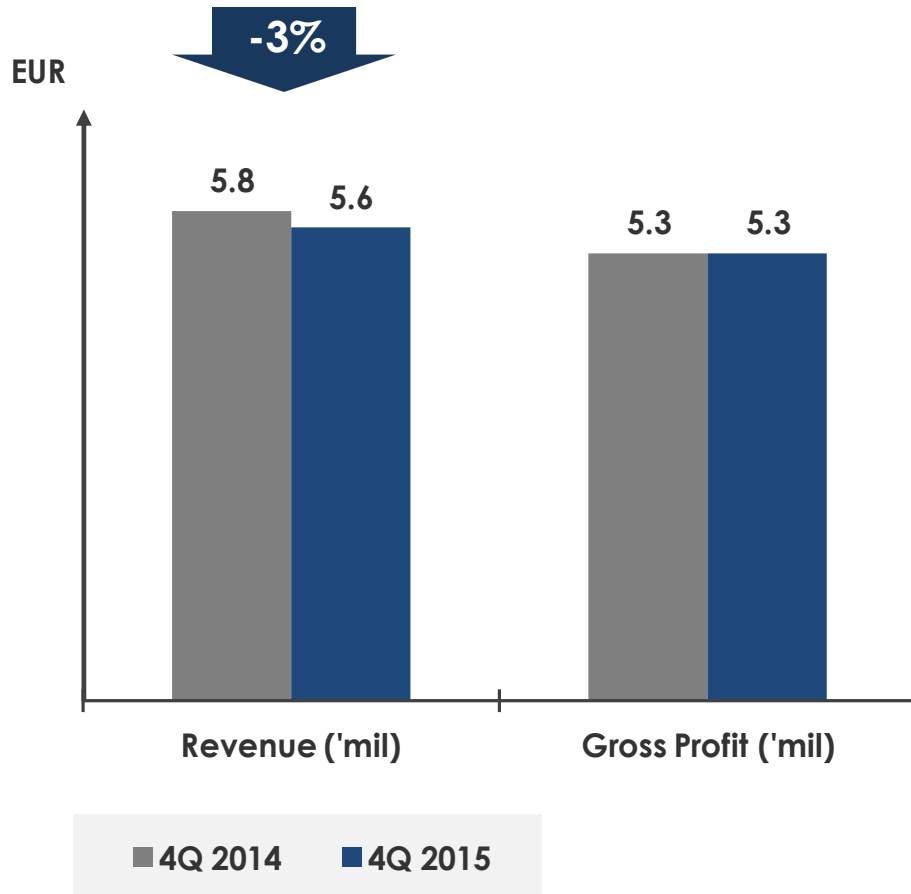
Citadines
Place d'Italie
Paris



Citadines
Tour Eiffel
Paris



Citadines
Austerlitz
Paris



Key Market Performance Highlights

- Revenue decreased due to lower recovery of costs from lessees. Gross profit remain at the same level as 4Q 2014.
- Master lease rental income has remained stable.



Somerset
Grand Hanoi



Somerset
Hoa Binh Hanoi



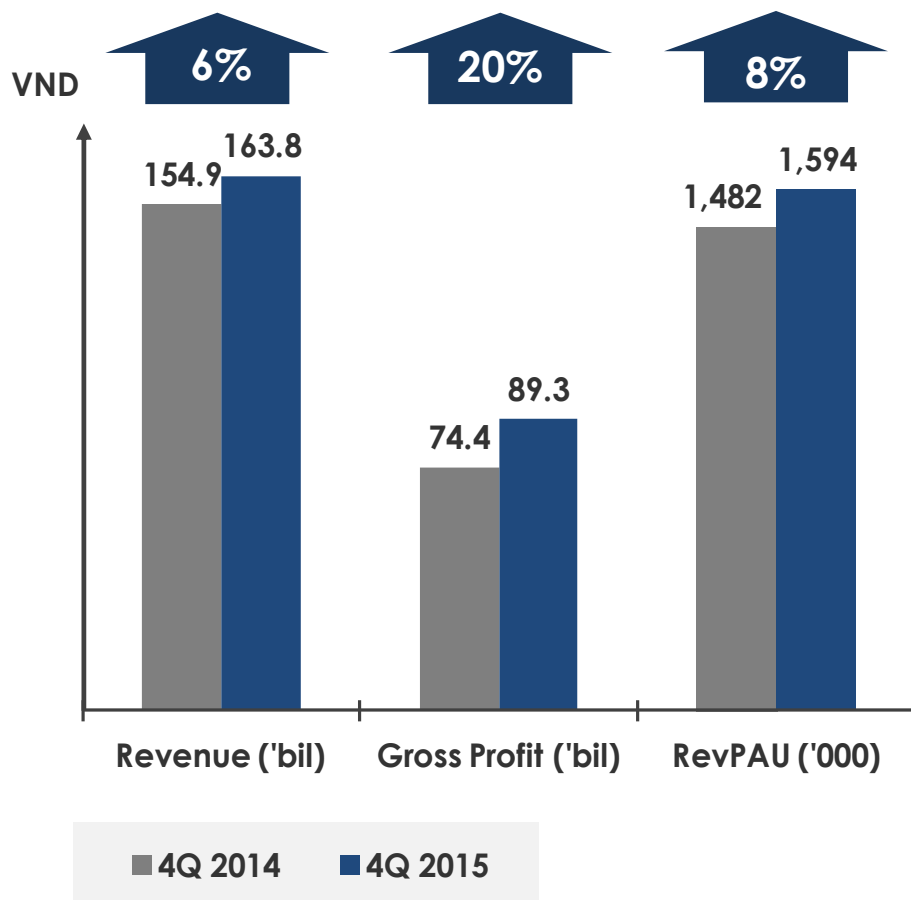
Somerset West
Lake Hanoi



Somerset Ho
Chi Minh City

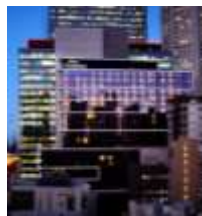


Somerset
Chancellor Court
Ho Chi Minh City



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 and lower depreciation expense.
- ADR of refurbished apartment units at Somerset Ho Chi Minh City was uplifted by c.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



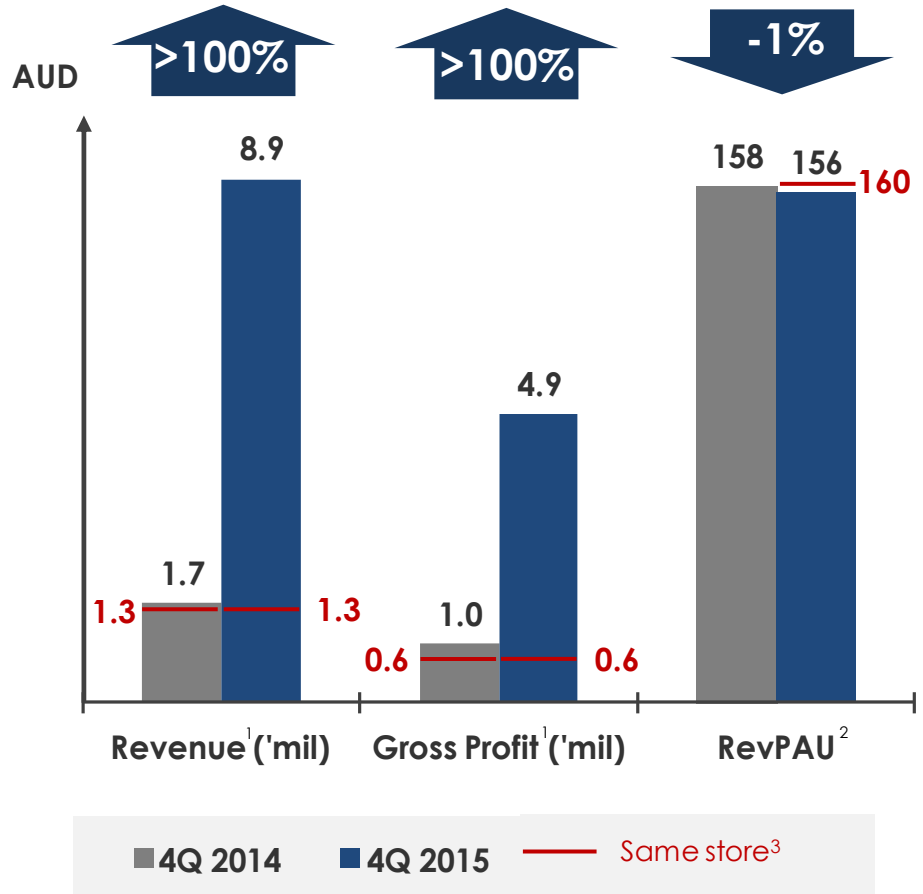
Quest Sydney Olympic Park



Quest Campbelltown



Quest Mascot



Key Market Performance Highlights

- Revenue and gross profit increased mainly due to contribution from the properties acquired in December 2014 and July 2015³.
- Excluding the acquisitions, revenue and gross profit remained at the same level as last year.
- RevPAU decreased due to lower ADR from the newly acquired property, Citadines on Bourke Melbourne.

Notes:

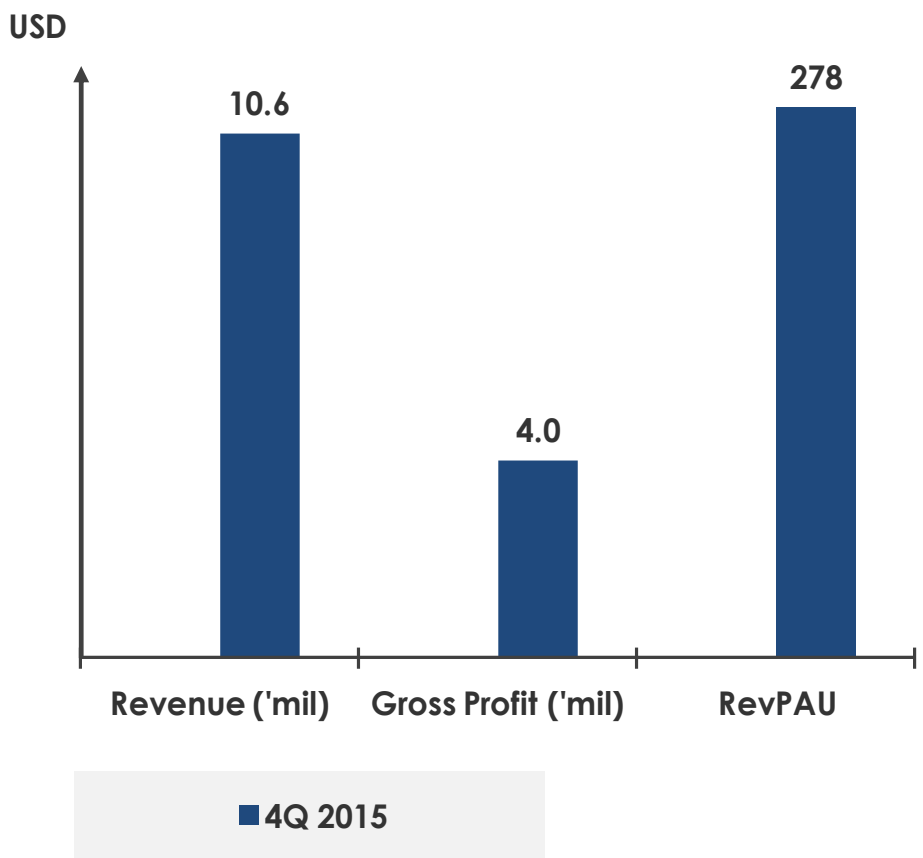
- Revenue and gross profit figures above relate to properties under master leases and management contracts
- RevPAU relates to Citadines on Bourke Melbourne and Citadines St Georges Terrace Perth only.
- Quest Sydney Olympic Park, Quest Mascot and Quest Campbelltown were acquired in December 2014 and Citadines on Bourke Melbourne which 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 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 December 2015	As at 30 September 2015
Gearing	39.3%	40.0%
Interest Cover	4.1X	4.1X
Effective Borrowing Rate	2.8%	2.8%
Total Debts on Fixed Rates	79%	76%
Weighted Avg Debt to Maturity (Years)	4.6	4.2
NAV/Unit	S\$1.41 ¹	S\$1.38
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



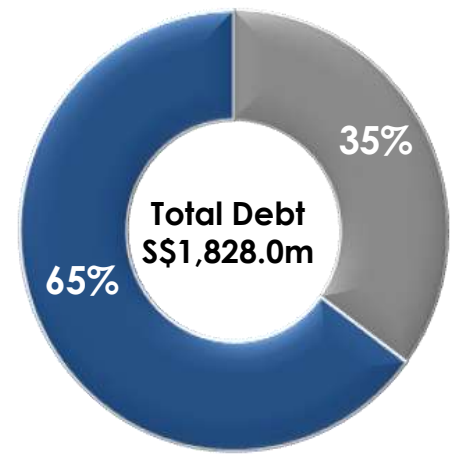
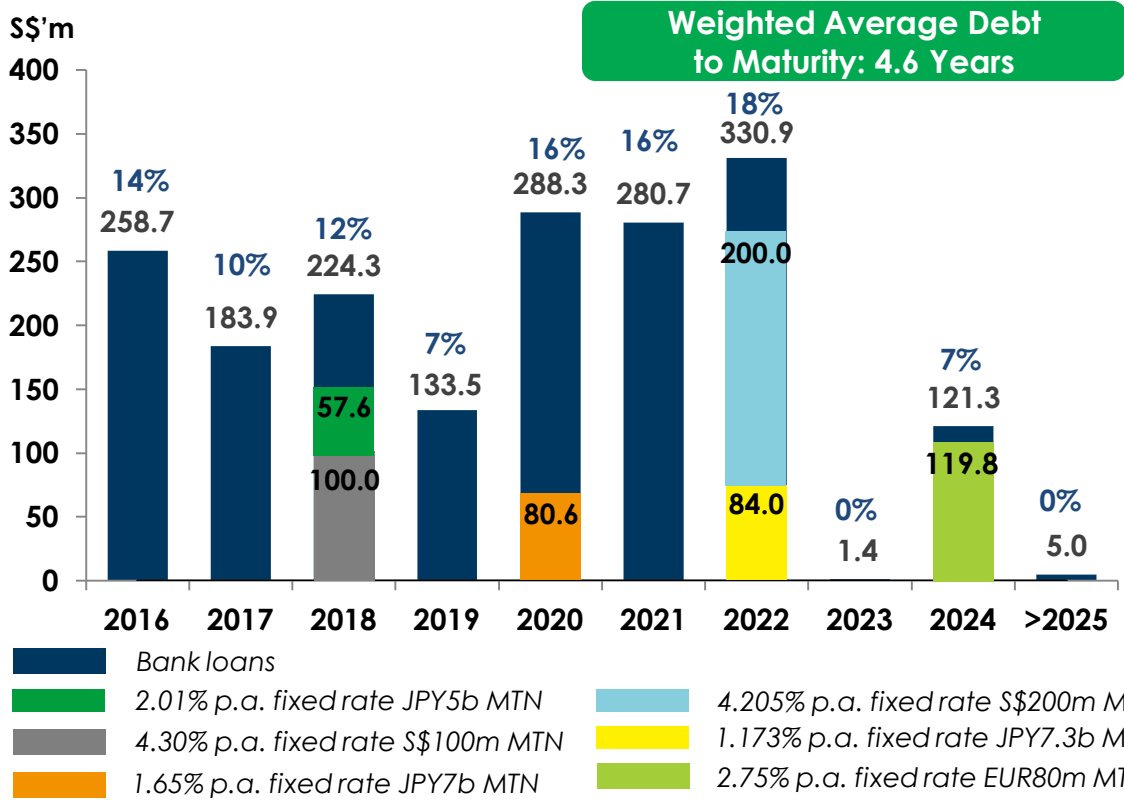
Capital and Risk Management



Debt Profile as at 31 December 2015

Debt Maturity Profile

By Debt Type



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

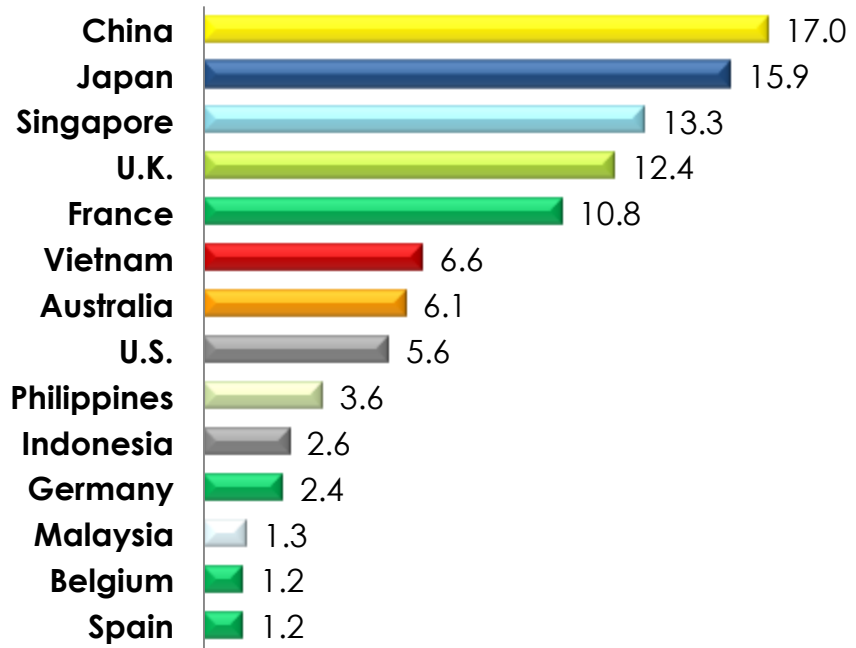




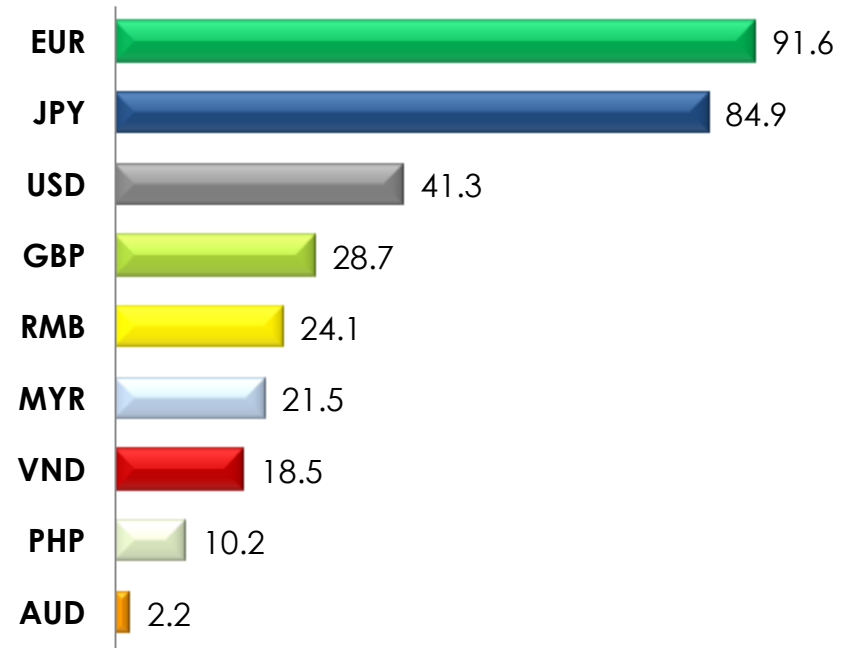
Capital and Risk Management

Foreign Currency Risk Management

Total Assets by Geography (%)
As at 31 December 2015



Balance Sheet Hedging (%)
As at 31 December 2015



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



Capital and Risk Management

Foreign Currency Risk Management

Currency	Gross Profit YTD Dec 2015 (%)	Exchange Rate Movement From 31 Dec 2014 to 31 Dec 2015 (%)
EUR	22.9	-1.2
JPY	16.7	3.0
GBP	13.0	1.4
VND	10.5	3.3
SGD	8.9	-
RMB	9.1	3.5
PHP	4.6	4.2
AUD	6.4	-4.1
USD	7.1	5.5
MYR	0.8	-5.2
Total	100.0	1.4

We have entered into foreign currency forward contracts to hedge distribution income derived in EUR, GBP and JPY. On a portfolio basis, 40% of FY 2015 foreign currency distribution income had been hedged.

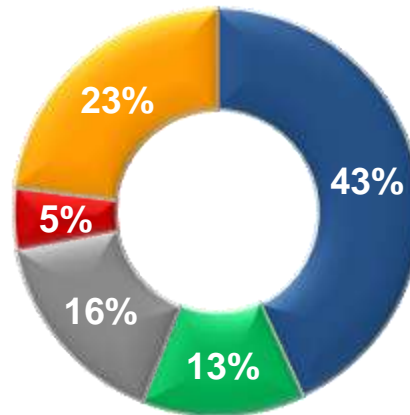
Portfolio Information

SOMERSET

Somerset Liang Court Singapore

Focus on Long Stay Segments

Breakdown of Apartment Rental Income¹ by Length of Stay FY 2015



- 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

2015 was a year of tremendous growth and expansion for Ascott Reit, having completed acquisition of assets worth S\$609.1 million to reach total assets of S\$4.7 billion as at 31 December 2015. The acquisitions included six properties across Australia, Japan and the United States of America (US), as well as the remaining stakes in two properties in Japan. The Group continues to actively look out for accretive acquisitions in key hospitality markets in Australia, Japan, Europe and US to achieve its target portfolio size of S\$6.0 billion by 2017.

As part of its strategy to optimise the value and returns for its Unitholders, Ascott Reit successfully divested a portfolio of six rental housing properties in Japan as well as a serviced residence property in the Philippines above the latest valuation of the properties.

In 2015, Asset Enhancement Initiatives (AEI) at Somerset Grand Central Dalian, Somerset Ho Chi Minh City, Somerset Xu Hui Shanghai and Somerset Olympic Tower Property Tianjin have successfully uplifted average daily rates of renovated apartment units by 27-35%. AEI at Ascott Makati has commenced in 4Q 2015 and the first phase is on track for completion by 2Q 2016. Citadines Barbican London will commence AEI in 1Q 2016 and is expected to be completed in 2Q 2016.

In December 2015, the US Federal Reserve raised interest rates by a quarter percentage point and pledged a gradual pace of increases over the course of 2016. This marked the end to the near zero borrowing cost environment since the global financial crisis in 2008. The Group maintains a strong balance sheet, with close to 80% of its total borrowings on fixed interest rates to hedge against the rising interest rate. Ascott Reit remains vigilant to changes in the macro and credit environment that may impact its financing plans.

In January 2016, The World Bank slashed its forecast for global growth in 2016 by 0.4 percentage point to 2.9%. The pace of global economic recovery is likely to remain slow caused by uncertainty in emerging markets. Notwithstanding the anaemic outlook, we expect demand for the serviced residences to remain healthy, especially in the key markets of Ascott Reit's balanced portfolio. 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.

The Group's operating performance for FY 2016 is expected to remain profitable.

Distribution Details





Distribution Details

Distribution Period	1 July 2015 to 31 December 2015
Distribution Rate	4.138 cents per Unit
Last Day of Trading on “cum” Basis	29 January 2016, 5pm
Ex-Date	1 February 2016, 9am
Books Closure Date	3 February 2016
Distribution Payment Date	29 February 2016



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Thank You

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 (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 2Q 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	



Master Leases (4Q 2015 vs 4Q 2014)



Citadines
Suites Louvre
Paris



Citadines
Les Halles Paris



Citadines
Croisette
Cannes



Citadines
Arnulfpark
Munich



Ascott
Raffles Place
Singapore



Quest Sydney
Olympic Park

Revenue ('mil)

Gross Profit ('mil)

	4Q 2015	4Q 2014		4Q 2015	4Q 2014	
Australia (AUD) 3 Properties ¹	1.7	0.4	↑	1.6	0.4	↑
France (EUR) 17 Properties	5.6	5.8	↓	5.3	5.3	-
Germany (EUR) 3 Properties	1.4	1.4	-	1.3	1.3	-
Japan (JPY) 1 Property ²	132.8	187.6	↓	103.6	151.3	↓
Singapore (SGD) Ascott Raffles Place Singapore	2.2	2.2	-	2.1	1.8	↑

Note:

1. Acquired three serviced residence properties in Greater Sydney in December 2014
2. Five rental housing properties in Japan were divested on 30 September 2015



Management Contracts with Minimum Guaranteed Income (4Q 2015 vs 4Q 2014)

	Revenue ('mil)			Gross Profit ('mil)			RevPAU		
	4Q 2015	4Q 2014		4Q 2015	4Q 2014		4Q 2015	4Q 2014	
Belgium (EUR) 2 Properties	2.1	2.0	↑	0.6	0.7	↓	64	62	↑
Spain (EUR) 1 Property	1.1	1.1	-	0.5	0.4	↑	83	79	↑
United Kingdom (GBP) 4 Properties	7.0	7.1	↓	3.3	3.5	↓	119	121	↓



Management Contracts (4Q 2015 vs 4Q 2014)

	Revenue ('mil)			Gross Profit ('mil)			RevPAU		
	4Q 2015	4Q 2014		4Q 2015	4Q 2014		4Q 2015	4Q 2014	
Australia (AUD)	7.2	1.3	↑	3.3	0.6	↑	156	158	↓
China (RMB)	81.8	79.6	↑	22.4	18.0	↑	432	423	↑
Indonesia (USD)	3.3	2.9	↑	1.2	0.6	↑	86	73	↑
Japan (JPY)¹	1,220.0	1,018.2	↑	674.2	567.5	↑	12,881	11,887	↑
Malaysia (MYR)	5.1	4.8	↑	1.1	1.5	↓	270	247	↑
Philippines (PHP)	202.1	262.4	↓	69.6	85.6	↓	3,685	4,356	↓
Singapore (SGD)	5.7	6.7	↓	1.4	2.6	↓	176	205	↓
United States of America (USD)	10.6	-	-	4.0	-	-	278	-	-
Vietnam (VND)²	163.8	154.9	↑	89.3	74.4	↑	1,594	1,482	↑

Notes:

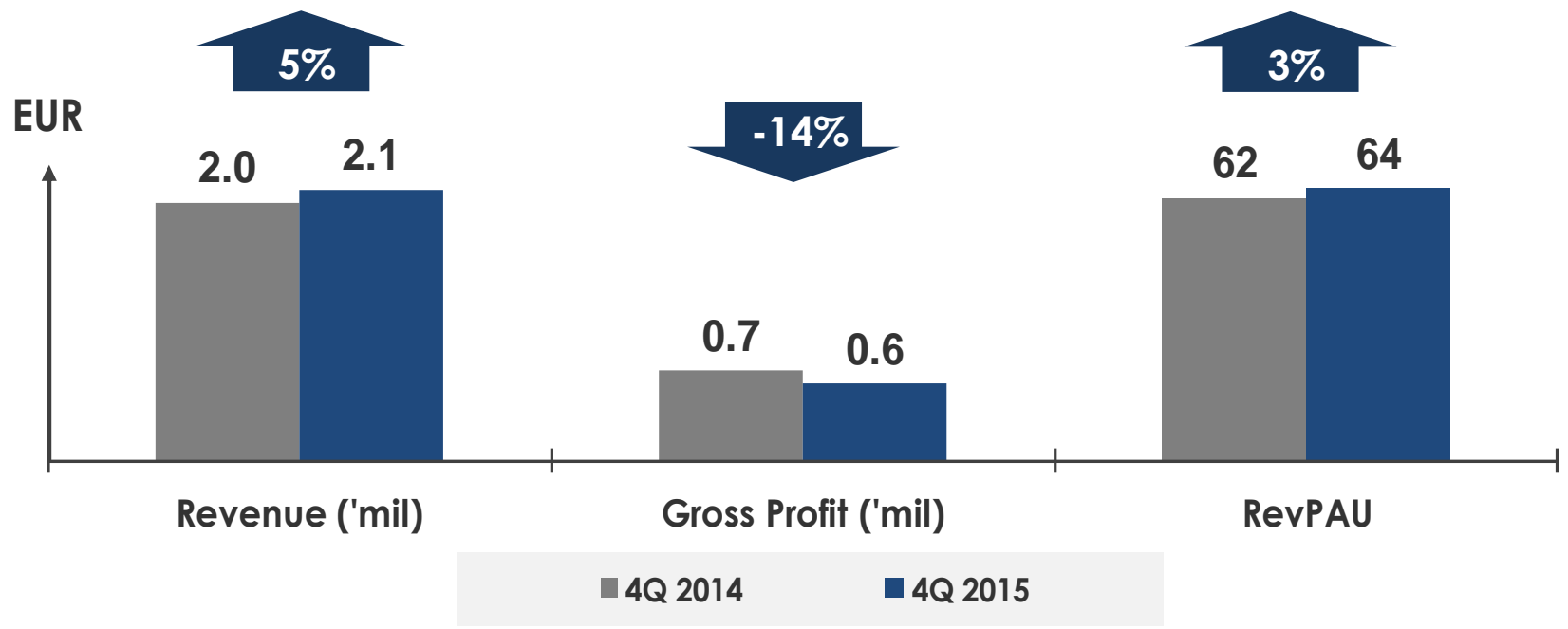
1. RevPAU for Japan refers to serviced residences and excludes rental housing.
2. Revenue and gross profit figures for VND are stated in billions. RevPAU figures are stated in thousands.



Citadines
Sainte-Catherine
Brussels



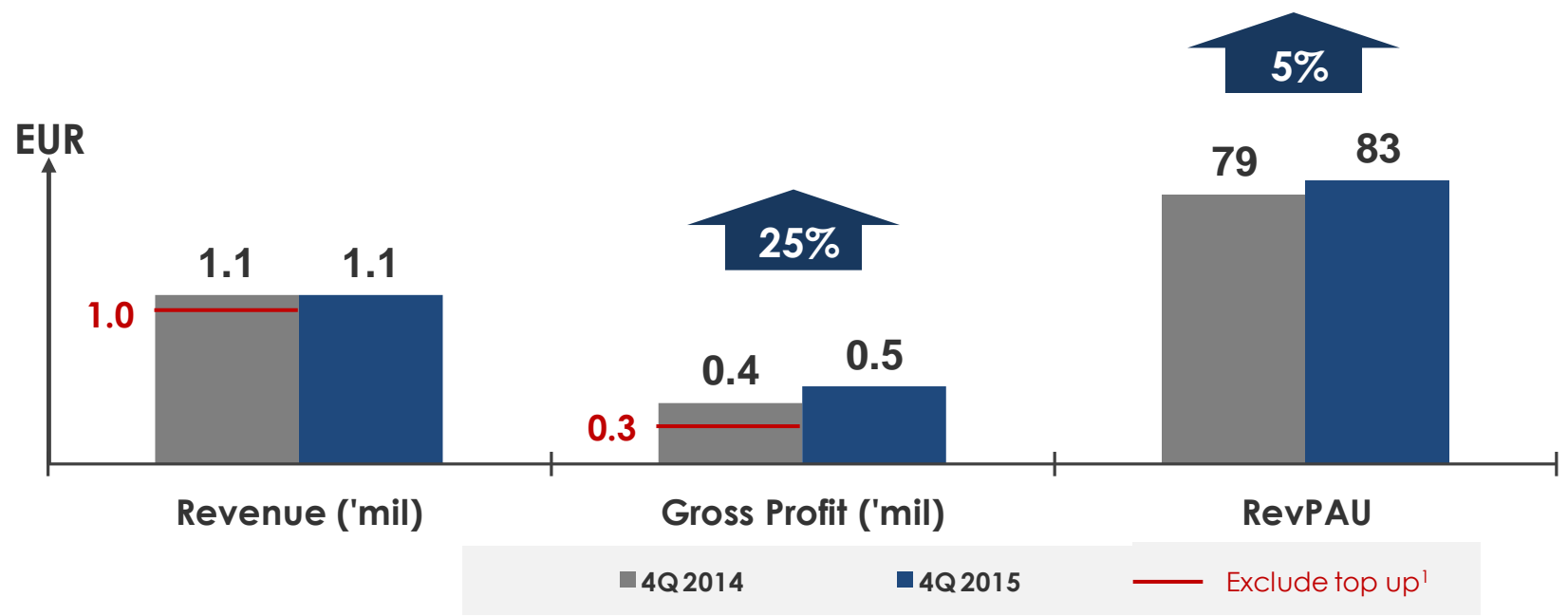
Citadines
Toison d'Or
Brussels



Gross profit decreased mainly due to higher incentive fee payable to the property manager.



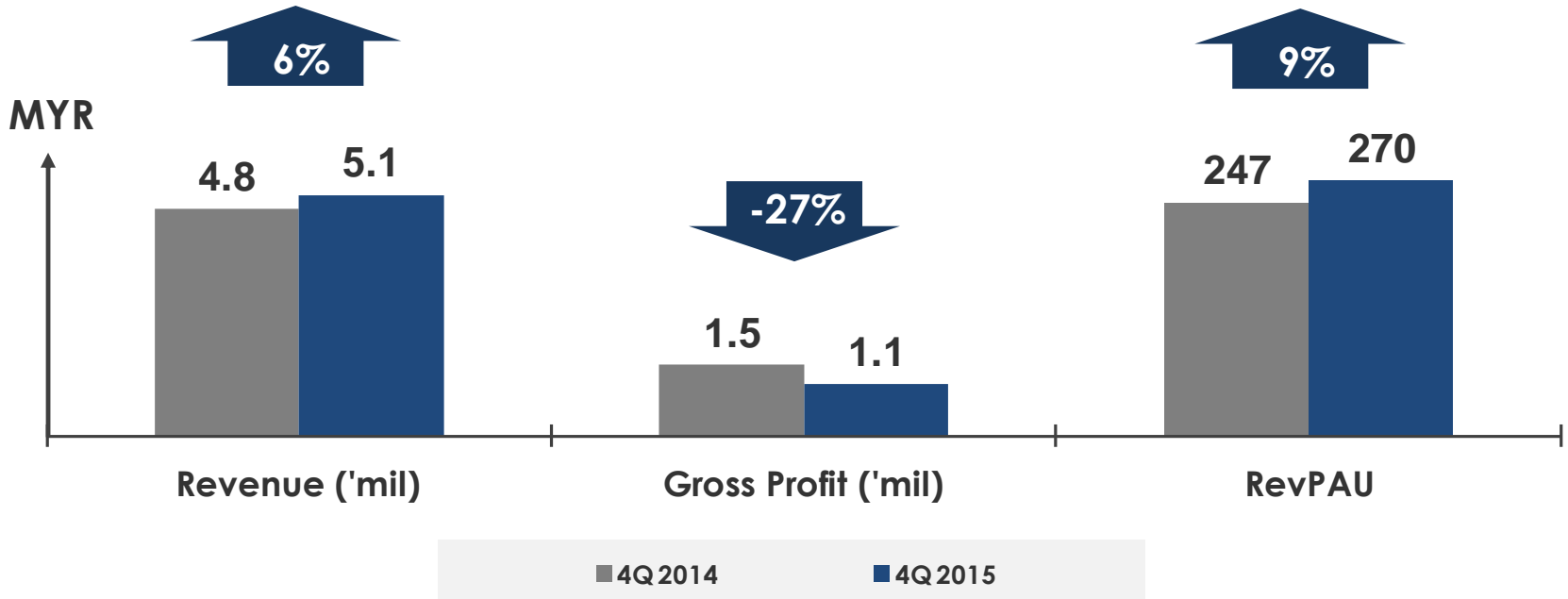
Citadines Ramblas
Barcelona



Excluding the top-up by the property manager in 4Q 2014, revenue for 4Q 2015 increased by EUR 0.1m. Gross profit increased by EUR 0.2m due to lower operating expenses.



Somerset Ampang
Kuala Lumpur



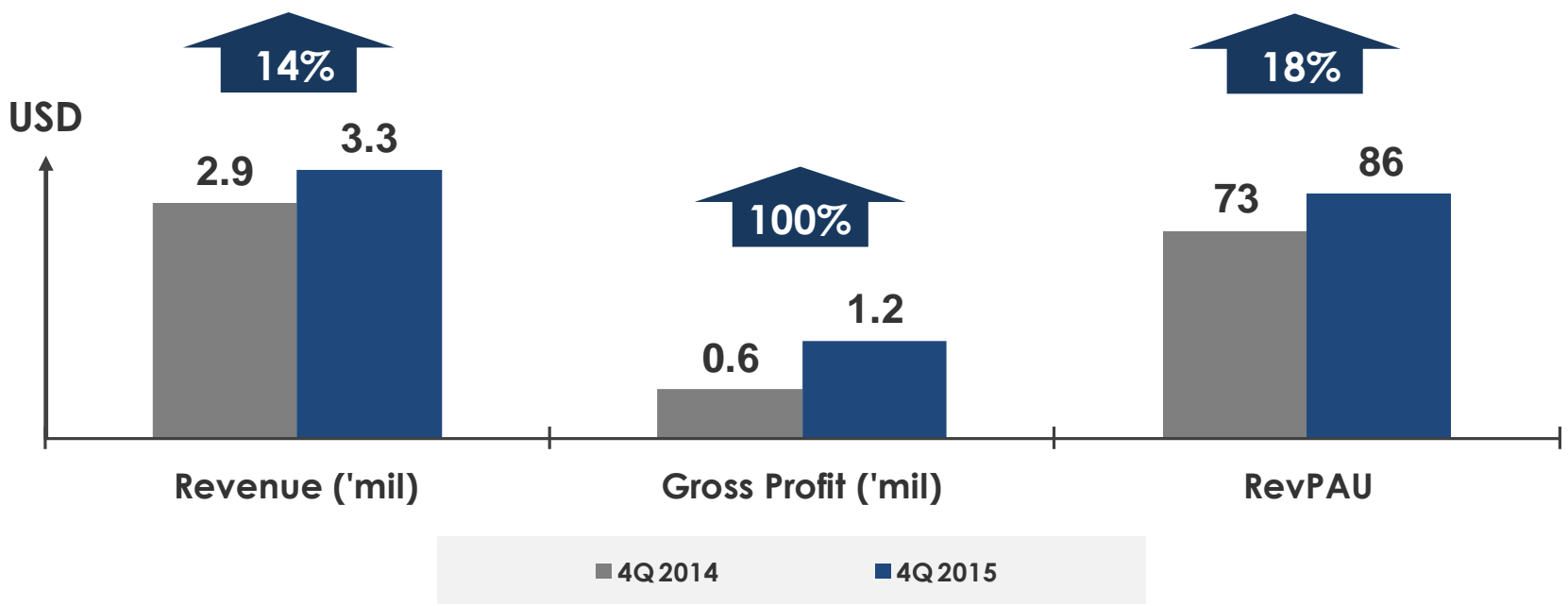
Gross profit decreased due to higher marketing expense.



Ascott Jakarta



Somerset Grand Citra Jakarta



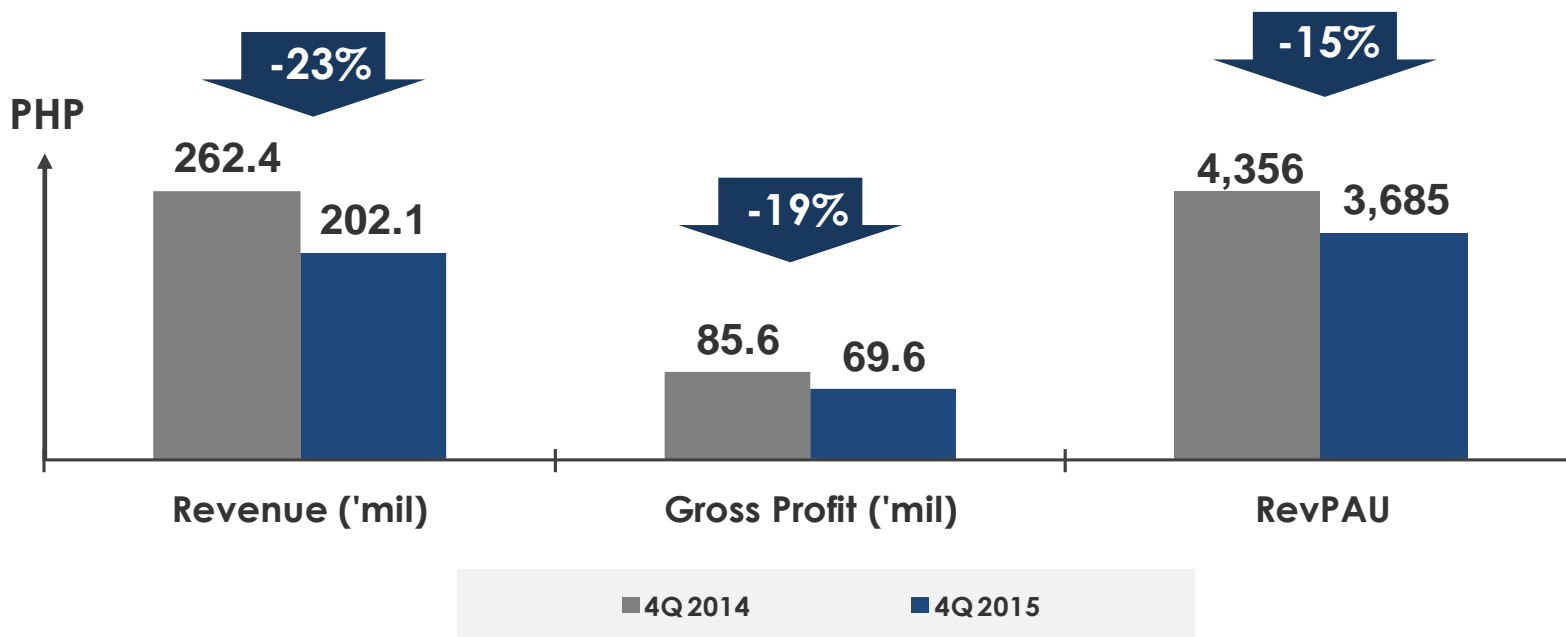
Revenue and RevPAU increased mainly due to stronger demand from corporate accounts. Gross profit increased due to higher revenue, coupled with lower staff costs and operation and maintenance expense.



Ascott Makati



Somerset
Millennium Makati



Revenue and RevPAU decreased mainly due to ongoing refurbishment at Ascott Makati, reduced room inventory at Somerset Millennium and weaker demand from corporate accounts. Gross profit decreased due to lower revenue, partially offset by lower property tax and operating expense.