



ASCOTT
RESIDENCE
TRUST

An Associate of CapitalLand

Ascott Residence Trust

Singapore Investment Week 2012

Serviced Residence: An Attractive Asset Class with Balance of Stability and Growth



26 August 2012



Agenda

- **Business Overview**
- **Results Highlights**
- **Capital and Risk Management**
- **Appendix**



Disclaimer

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 the Singapore Exchange Securities Trading Limited (“SGX-ST”). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

Business Overview



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Ascott Reit Overview

Business Overview

Ascott Residence Trust (Ascott Reit) invests primarily in real estate and real estate related assets, which are income-producing and used predominantly as serviced residences or rental housing properties.

Sponsor

Ascott Reit's Sponsor, The Ascott Limited is the world's largest serviced apartment owner-operator with over 30,000 apartment units in key cities of Asia Pacific, Europe and the Gulf region

Portfolio

Owns 7,260 apartments in 24 cities across 12 countries in Asia Pacific and Europe⁽¹⁾
Operates under Ascott, Citadines and Somerset Brands



Portfolio Value

S\$2.93 billion

Market Cap

S\$1.39 billion
as at 31 July 2012

Major Unitholder

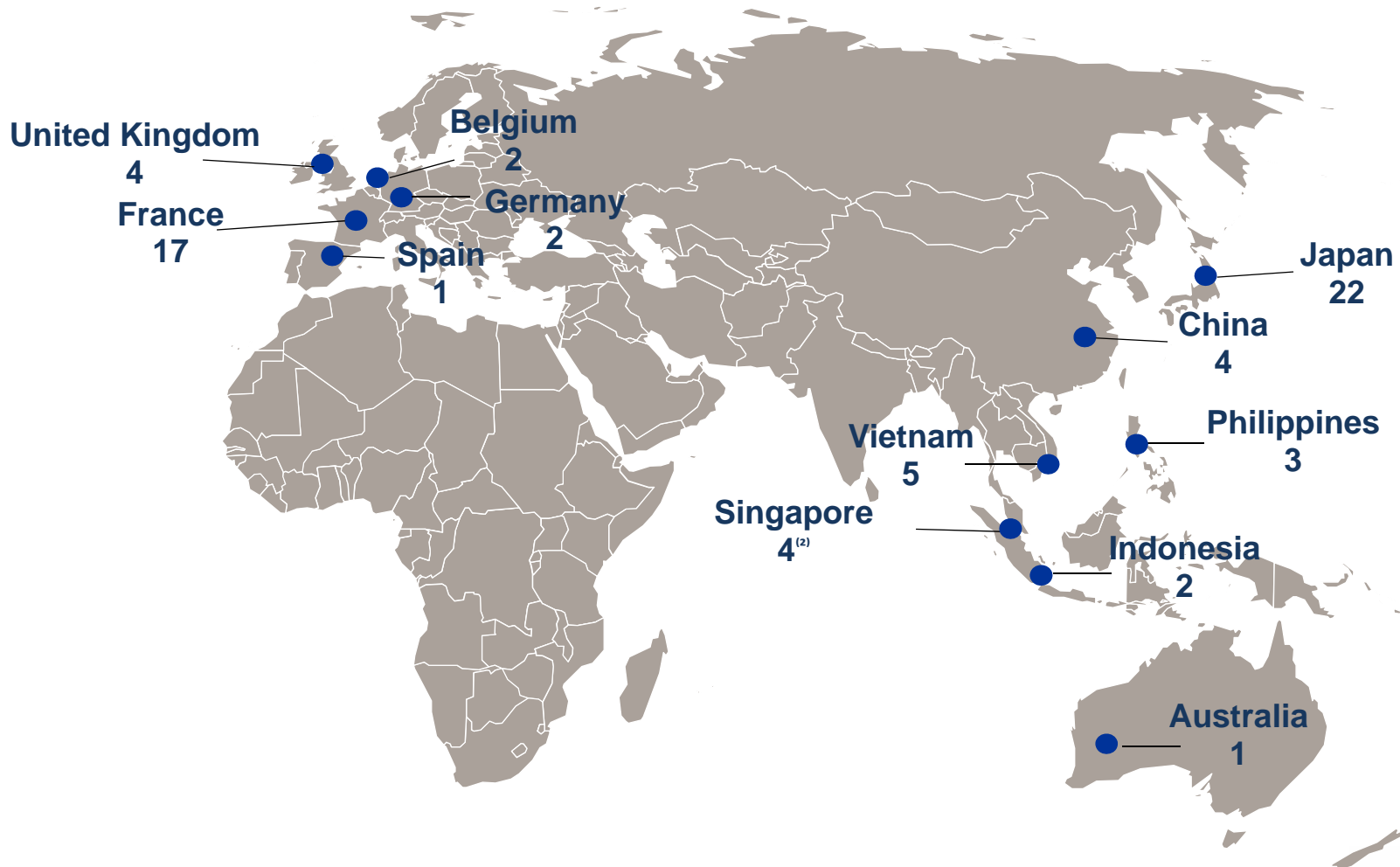
CapitaLand's ownership is 49.02%
as at 31 July 2012



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Ascott Reit's Global Footprint⁽¹⁾



Portfolio diversified across economic cycles

(1) Post acquisition of Ascott Raffles Place, Ascott Guangzhou and New Cairnhill SR.
(2) Post divestment of Somerset Grand Cairnhill Singapore as part of the Transactions.



Serviced Residences – An Attractive Asset Class

| | Apartments for Rent | Serviced Residences | Hotels |
|-------------------------------|--------------------------------|---|-----------------------------|
| Lease Structure & Terms | Long-term leases >1 year | <ul style="list-style-type: none"> ▪ Hybrid between hotels and apartments/condominiums ▪ Variable lease terms From 1 mth-1 year | Short-term accommodation |



Serviced Residences – An Attractive Asset Class

| | Apartments for Rent | Serviced Residences | Hotels |
|-------------|--|--|---|
| Seasonality | Dependent on general property sector conditions | <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 | <ul style="list-style-type: none"> ▪ Seasonal nature of hotel industry ▪ Highly correlated with the tourism industry |



Serviced Residences – An Attractive Asset Class

| | Apartments for Rent | Serviced Residences | Hotels |
|-------------------|---------------------|---|--|
| Range of Services | No service provided | Limited services provided <ul style="list-style-type: none"> ▪ Role and involvement of property manager less intensive compared to hotels | Full range of hospitality services <ul style="list-style-type: none"> ▪ Including food & beverage (F&B) ▪ Role and involvement of property manager most intensive |



Serviced Residences – An Attractive Asset Class

| | Apartments for Rent | Serviced Residences | Hotels |
|----------------|---|---|--|
| Cost Structure | <ul style="list-style-type: none"> ▪ Low investment cost - Unfurnished - Less common facilities ▪ Low operating costs - Minimal staffing | <ul style="list-style-type: none"> ▪ Low investment cost - High building efficiency - No F&B outlets ▪ Low operating costs - 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"> ▪ High investment cost - Land (premium location) - Lower building efficiency (more common facilities) ▪ High operating costs - More intensive staffing requirements due to complete range of services - High maintenance due to significant wear and tear |



Ascott Reit Sources of Income

| | Management Contract | Master Leases | Management Contract with Minimum Income |
|-------------|--|---|---|
| Description | <ul style="list-style-type: none"> Ascott manages Ascott Reit's portfolio in return for a fee | <ul style="list-style-type: none"> Master Lessees (subsidiaries of Ascott) pay fixed net rental per annum to Ascott Reit | <ul style="list-style-type: none"> Serviced residence contracts that offer minimum guaranteed net operating profit |
| Tenure | <ul style="list-style-type: none"> Average weighted remaining tenure of about 5 years | <ul style="list-style-type: none"> Average weighted remaining tenure of about 7 years | <ul style="list-style-type: none"> Average weighted remaining tenure of about 6 years |
| Location | <ul style="list-style-type: none"> 18 properties - 14 in Asia ex Japan⁽¹⁾ - 1 in Australia - 3 in Japan | <ul style="list-style-type: none"> 22 properties - 19 in France and Germany - 1 in The Philippines - 2 in Singapore⁽²⁾ | <ul style="list-style-type: none"> 8 properties - 7 across UK, Belgium and Spain - 1 in Vietnam that offers minimum EBITDA guarantee |

Note: 19 properties in Japan are under Rental Housing/Corporate Leasing

(1) Post divestment of Somerset Grand Cairnhill Singapore and acquisition of Ascott Guangzhou.

(2) Post acquisitions of Ascott Raffles Place and New Cairnhill SR. Master lease structure has a fixed and variable component.





Strengths of Ascott Residence Trust

1

Geographically Diversified Portfolio

Diversification across economic cycles supports asset value and income stability

2

Stability of Income from Extended-Stay Business Model

Enhanced income visibility and stability through Master Lease and Minimum Guaranteed Income

3

Quality Assets in Key International Gateway Cities Across Asia Pacific and Europe

Close to 80% of properties are Freehold assets

4

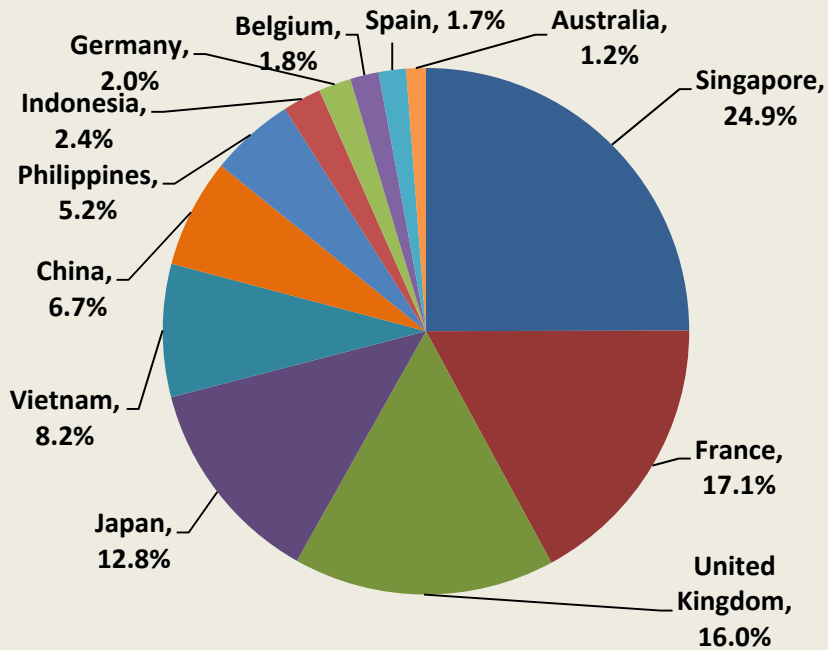
Aim to deliver stable and growing distributions

Acquisition, active asset management, capital and risk management



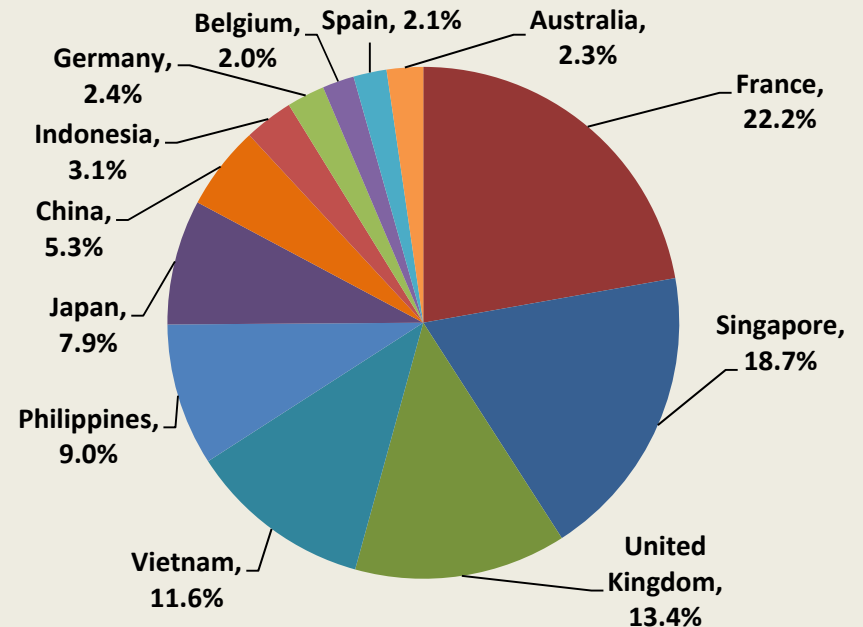
Geographical Diversification

Ascott Reit's Share of Asset Values As at 30 June 2012



Total= S\$2.93 billion

Ascott Reit's Share of Gross Profit YTD 30 June 2012



Total = S\$76.1 million



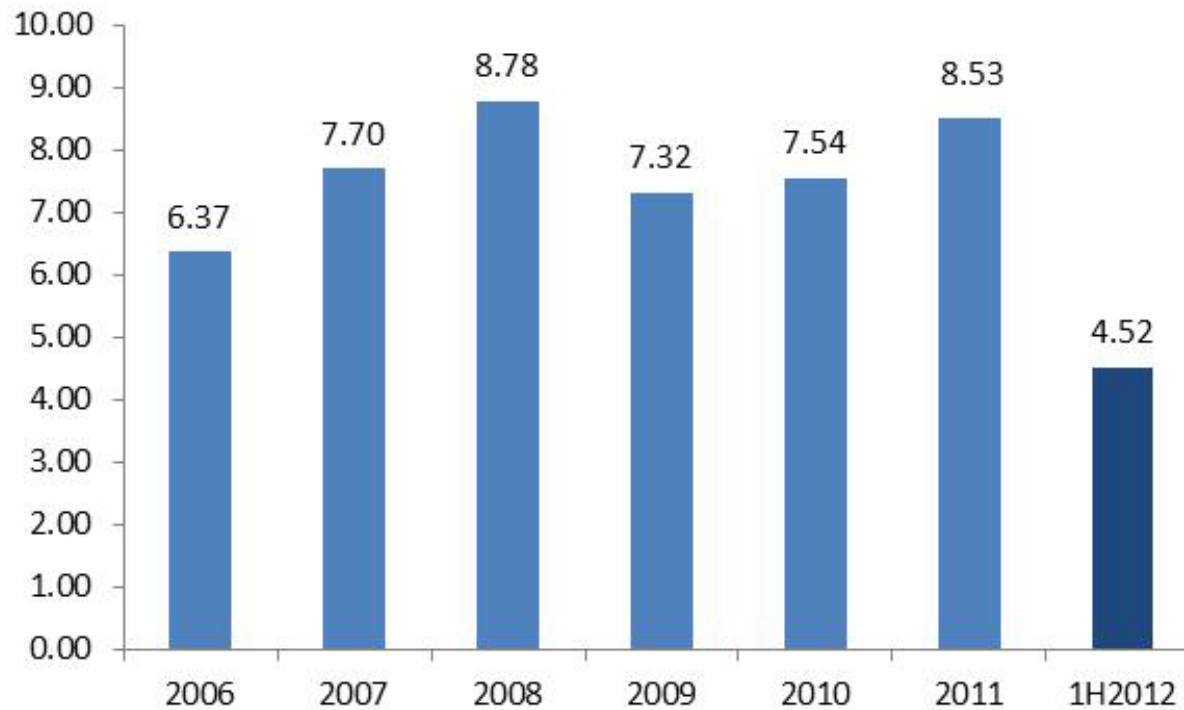
Balance of Income Stability and Growth



Both master leases and serviced residence management contracts with minimum guaranteed income have average weighted remaining tenures of about 6 years



Serviced Residences – Distribution to unit holders



Delivered stable distributions since listing in 2006



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Results Highlights



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1H 2012 vs 1H 2011 Performance

| | 1H 2012 | 1H 2011 | Change |
|--|---------|---------|--------|
| Revenue (S\$m) | 150.5 | 140.4 | 7% ↑ |
| Gross Profit (S\$m) | 79.9 | 77.5 | 3% ↑ |
| Unitholders' Distribution (S\$m) | 51.3 | 50.3 | 2% ↑ |
| Distribution Per Unit (S cents) | 4.52 | 4.47 | 1% ↑ |
| Revenue Per Available Unit (S\$/day) – serviced residences | 147 | 140 | 5% ↑ |

- Revenue increased by S\$10.1 million or 7%. The increase was mainly due to the additional contribution from newly acquired Citadines Shinjuku and Citadines Kyoto, and stronger performance from the Group's serviced residences in The Philippines, China and United Kingdom.
- In line with the increase in revenue, gross profit increased by S\$2.4 million or 3%.
- RevPAU growth was driven by an increase in the average rental rates of the Group's serviced residences.

Capital & Risk Management



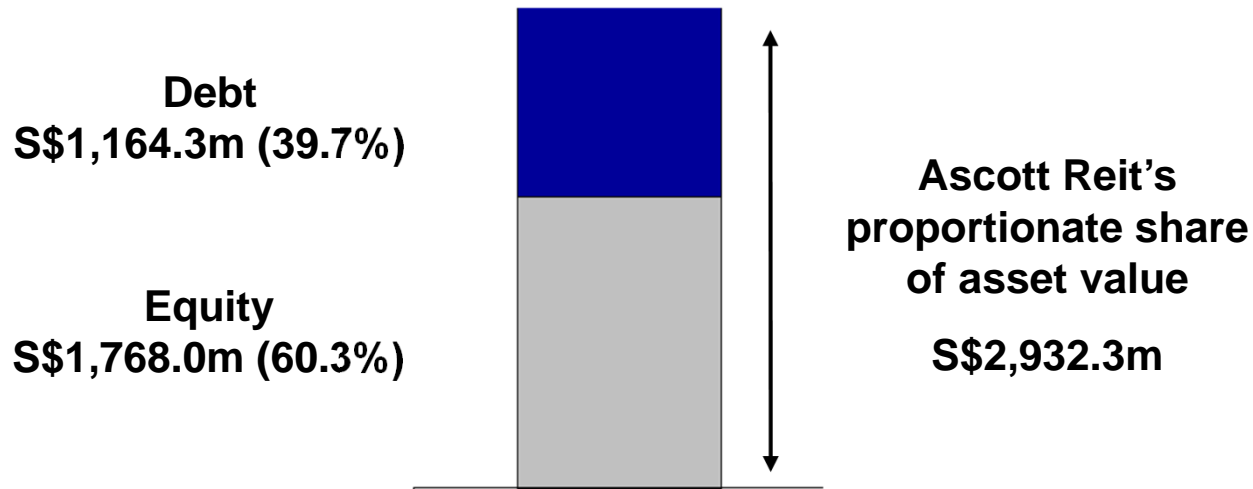
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Healthy Balance Sheet

Gearing of 39.7%, well within the 60% gearing limit allowable under MAS property fund guidelines

Ascott Reit Gearing Profile As at 30 June 2012

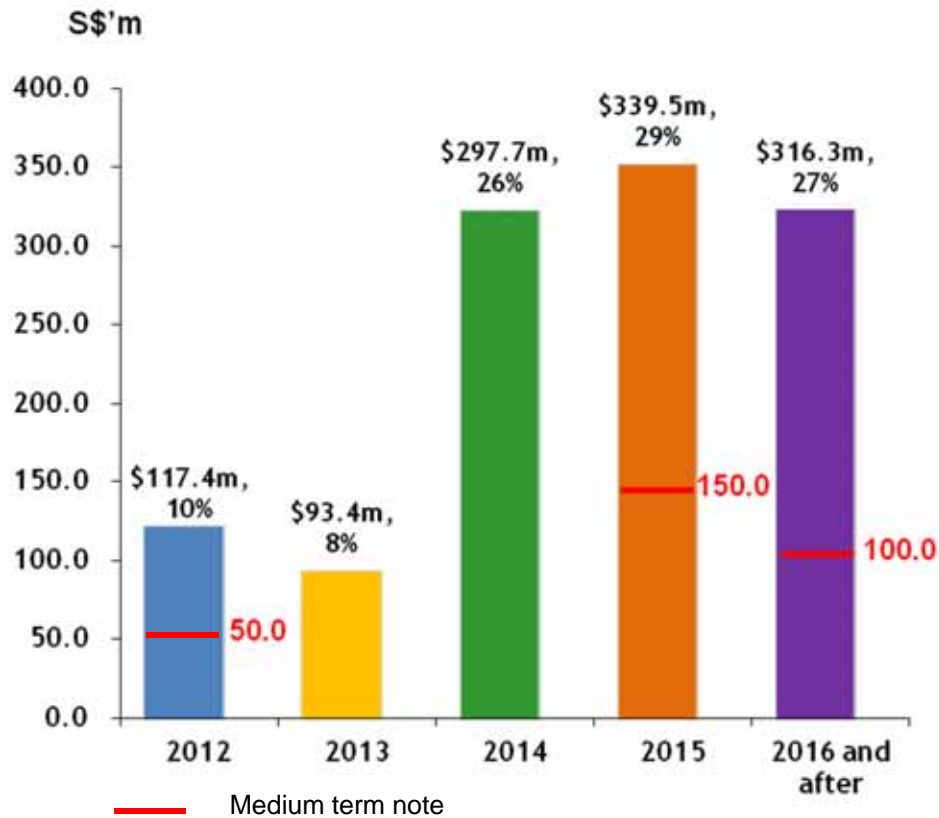


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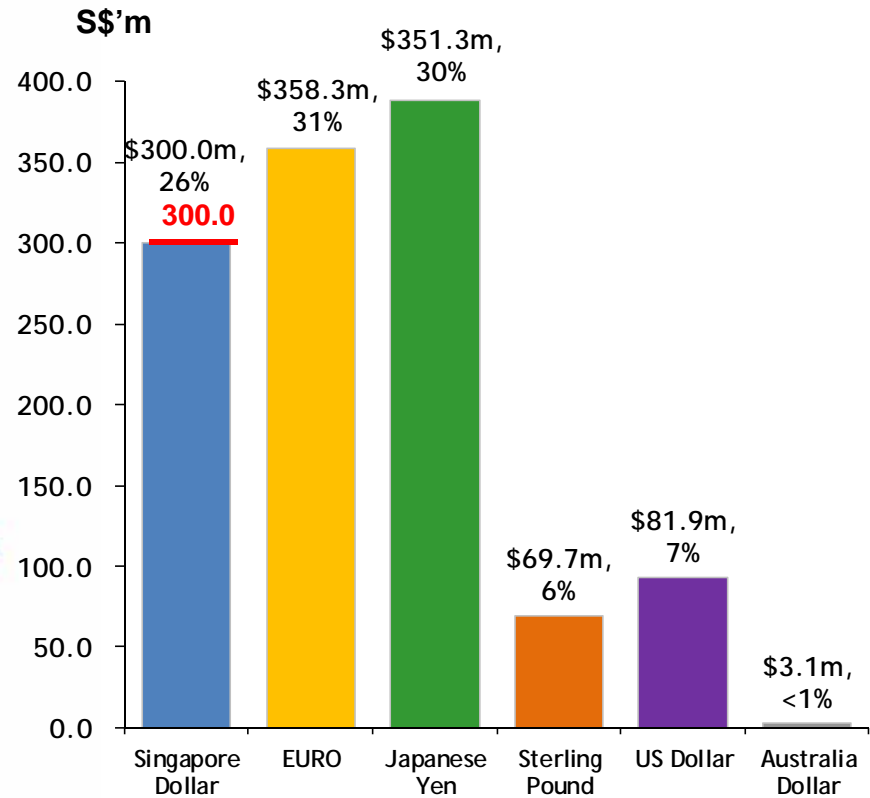


Debt Profile

By Maturity As at 30 June 2012



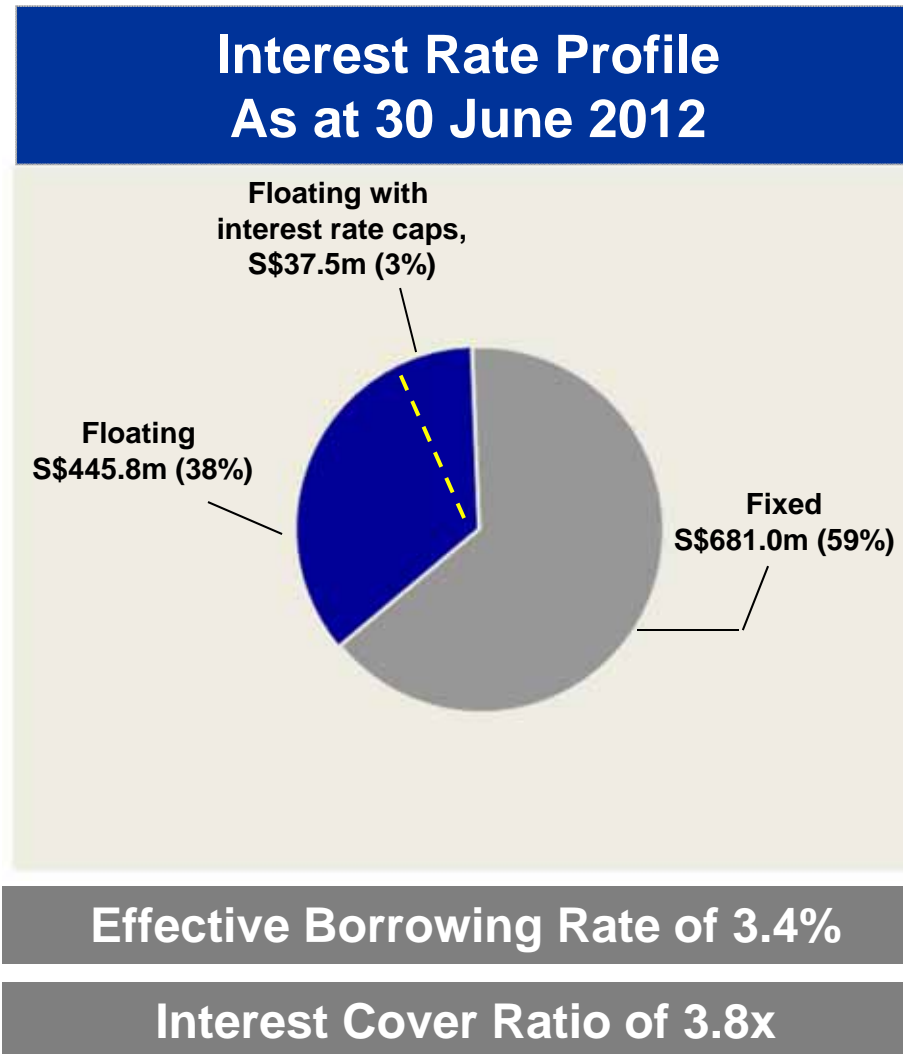
By Currency As at 30 June 2012



Ascott Reit's Share of Bank Loans = S\$1,164.3m



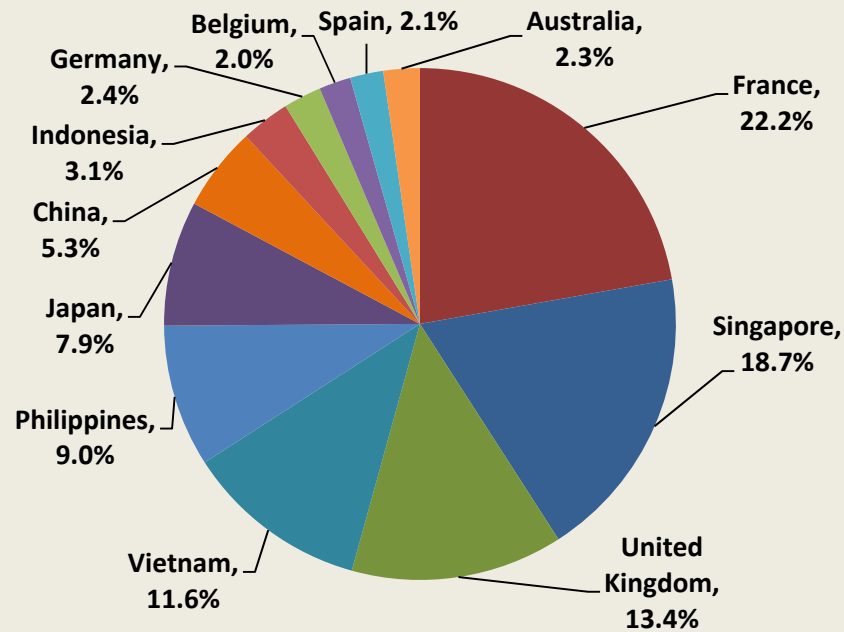
Interest Rate Profile





Foreign Exchange Profile

Ascott Reit's Share of Gross Profit YTD 30 June 2012



Total = S\$76.1 million

Foreign Exchange Movements

| Currency | Percentage of Ascott Reit's share of gross profit YTD June 2012 | Percentage movement of exchange rates from Dec'11 to June'12 |
|--------------|---|--|
| SGD | 19 | - |
| EUR | 29 | -4.7 |
| GBP | 13 | -1.3 |
| JPY | 8 | -4.1 |
| VND | 12 | -3.2 |
| RMB | 5 | -1.3 |
| PHP | 9 | -1.0 |
| USD | 3 | -2.1 |
| AUD | 2 | 0.5 |
| Total | 100 | -2.5 |



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Thank You



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Appendix



1. Portfolio Performance
2. Brand Introduction



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Portfolio Performance



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Master Leases



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Master Leases



*Citadines
Louvre
Paris*



*Citadines
Prestige
Les Halles
Paris*



*Citadines
Place
d'Italie
Paris*



*Citadines
Croisette
Cannes*



*Citadines
Arnulfpark
Munich*



*Citadines
Kurfurste-
damm
Berlin*



*Somerset
Salcedo
Property
Makati*

| | Revenue | | Gross Profit | |
|---|------------------|------------------|------------------|------------------|
| | 2Q 2012 S\$'M | 2Q 2011 S\$'M | 2Q 2012 S\$'M | 2Q 2011 S\$'M |
| France <i>(17 properties)</i> | 9.0 | 9.7 | 8.3 | 9.0 |
| Germany <i>(2 properties)</i> | 0.9 | 1.0 | 0.9 | 1.0 |
| The Philippines <i>(Somerset Salcedo Property Makati)</i> | 0.2 | 0.2 | 0.2 | 0.2 |
| Master Leases Total | 10.1 | 10.9 | 9.4 | 10.2 |

Revenue and gross profit decreased as compared to 2Q 2011 due to depreciation of EUR against SGD. In EUR terms, revenue and gross profit increased by 2%.

Management Contracts with Minimum Guaranteed Income



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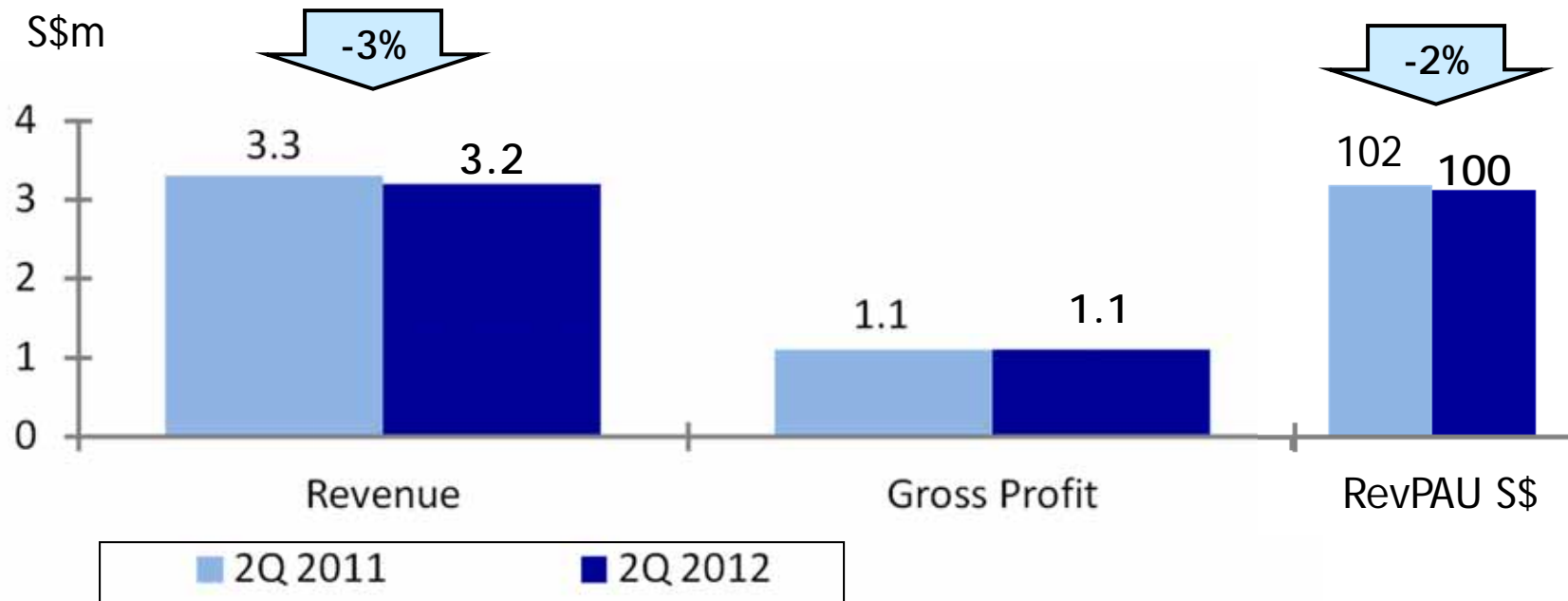
Belgium



Citadines Sainte-Catherine Brussels



Citadines Toison d'Or Brussels



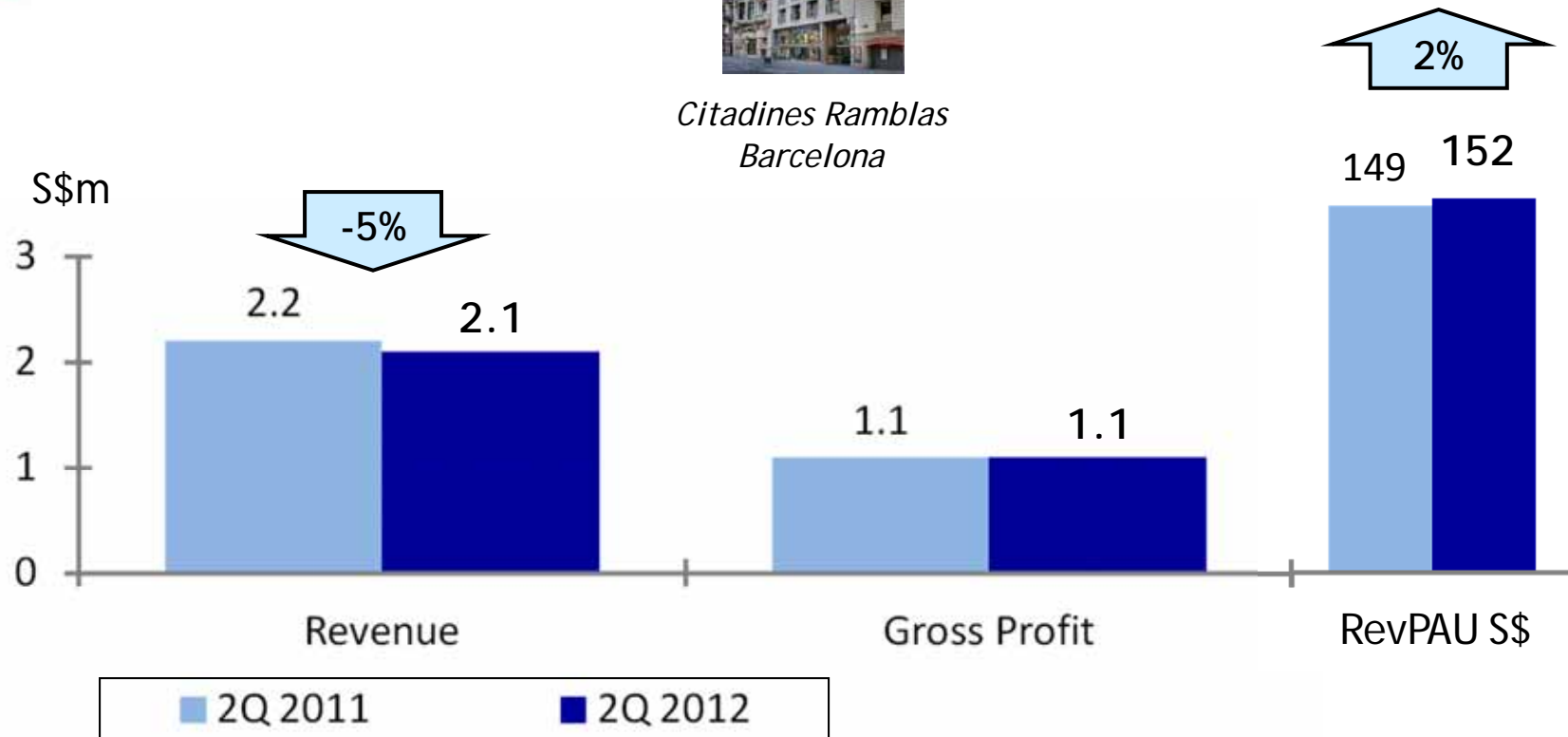
Revenue and RevPAU is lower due to weakening of EUR against SGD. In EUR terms, revenue, gross profit and RevPAU increased by 11%, 17% and 7% respectively. This is mainly due to better performance from Citadines Sainte-Catherine post renovations.



Spain



*Citadines Ramblas
Barcelona*



Revenue is lower due to weakening of EUR against SGD. In EUR terms, revenue gross profit, and RevPAU increased by 8%, 17% and 10% respectively. Improvement in operating performance is due to stronger leisure market.



United Kingdom



*Citadines
Barbican
London*



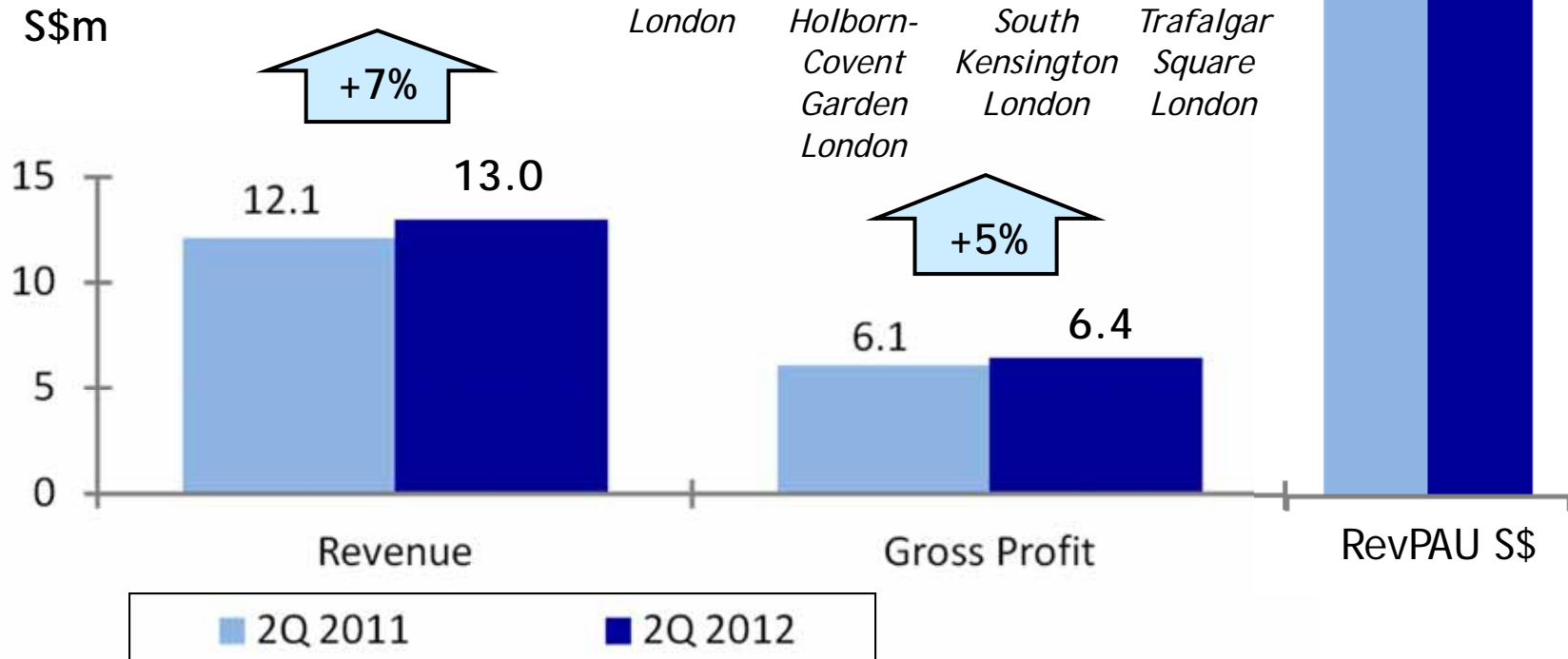
*Citadines
Prestige
Holborn-
Covent
Garden
London*



*Citadines
Prestige
South
Kensington
London*



*Citadines
Prestige
Trafalgar
Square
London*



Revenue and RevPAU increased mainly due to positive market response to the rebranded Citadines Prestige Trafalgar Square property, enabling the refurbished apartments to achieve higher rental rates. In line with the increase in revenue, gross profit was higher by S\$0.3 million or 5%.

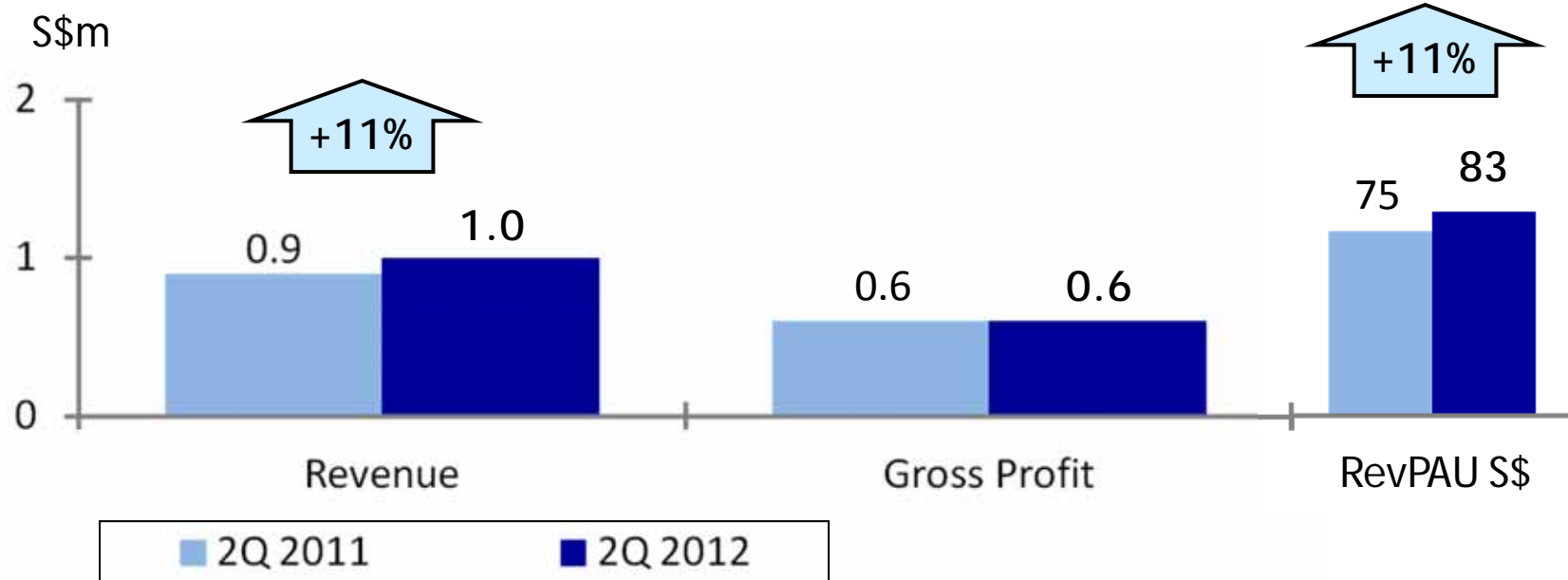


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Somerset West
Lake Hanoi



Revenue increased due to higher yield protection amount. However, gross profit remained at the same level as 2Q 2011 mainly due to higher staff costs. Yield protection for 2Q 2012 is S\$0.3 million.

Management Contracts

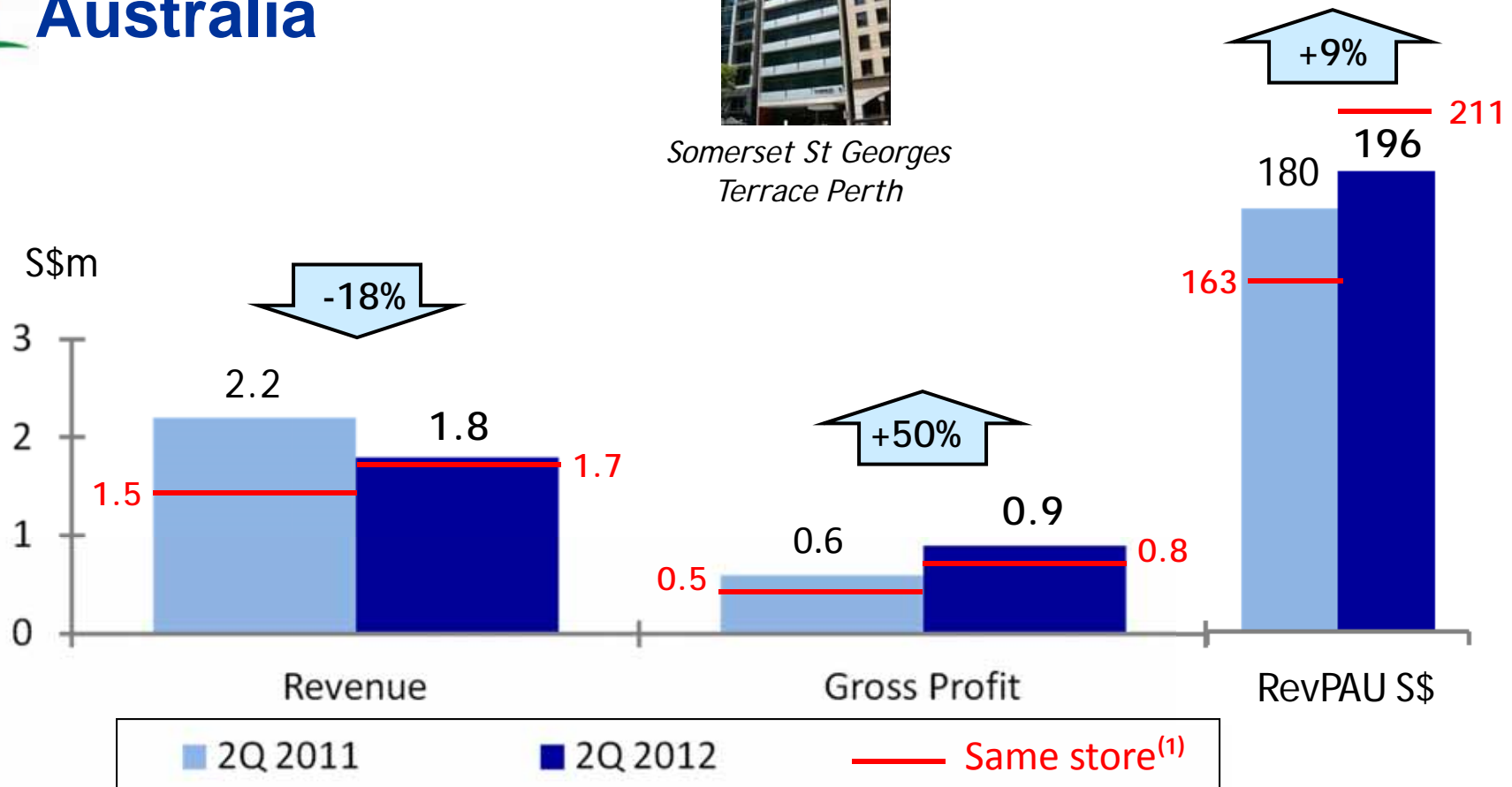


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Australia



Somerset St Georges Terrace Perth



Revenue decreased by S\$0.4 million or 18% due to divestment of Somerset Gordon Heights Melbourne on 26 April 2012. On a same store basis, increase in revenue, gross profit and RevPAU was mainly due to higher demand in Perth from increased business from oil and gas, and mining industries.



(1) Excludes Somerset Gordon Heights Melbourne (divested in April 2012)

China



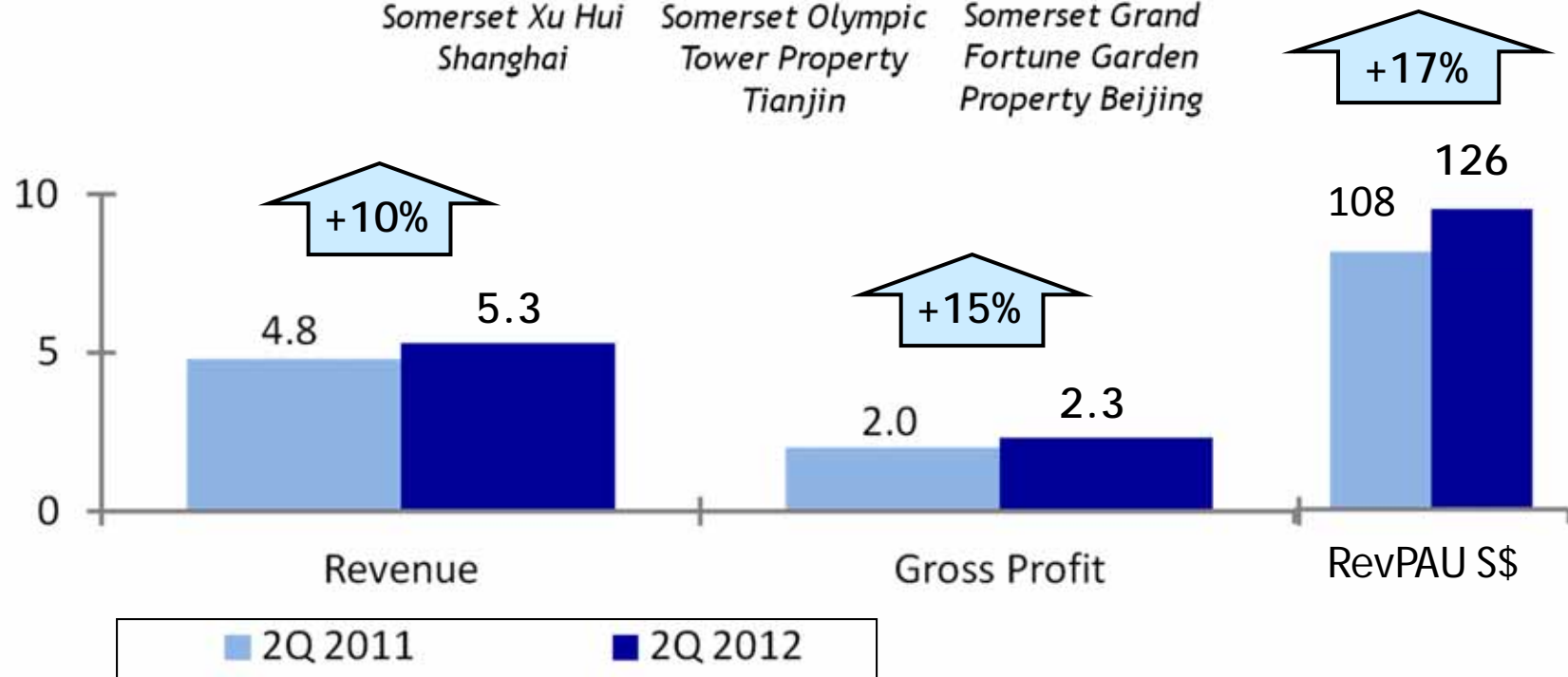
Somerset Xu Hui
Shanghai



Somerset Olympic
Tower Property
Tianjin



Somerset Grand
Fortune Garden
Property Beijing



Revenue and RevPAU increased mainly due to higher demand from project and relocation business. In line with the increase in revenue, gross profit in 2Q 2012 increased by S\$0.3 million or 15% as compared to 2Q 2011.



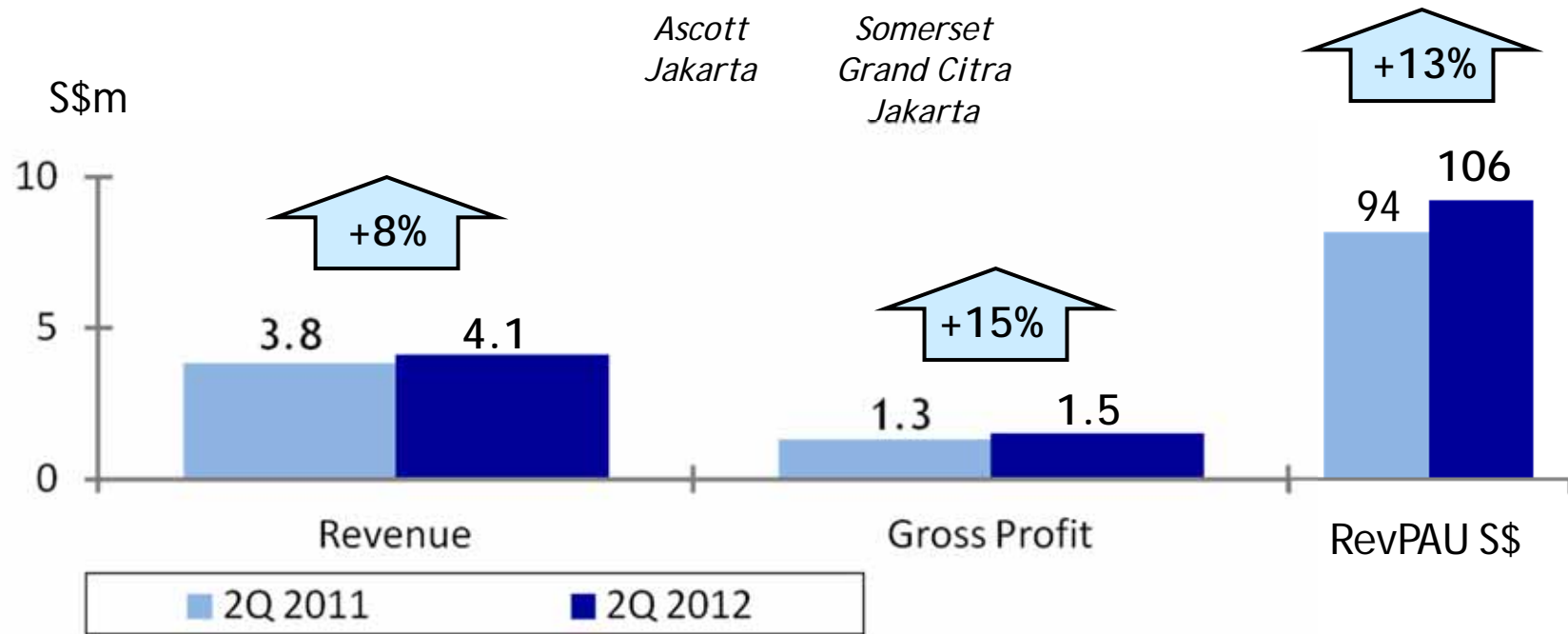
Indonesia



Ascott
Jakarta



Somerset
Grand Citra
Jakarta



Revenue and RevPAU increased mainly due to higher demand from telecommunication and banking industries. In line with the improvement in revenue, gross profit in 2Q 2012 grew by S\$0.2 million or 15%.



Japan



Somerset
Azabu East
Tokyo



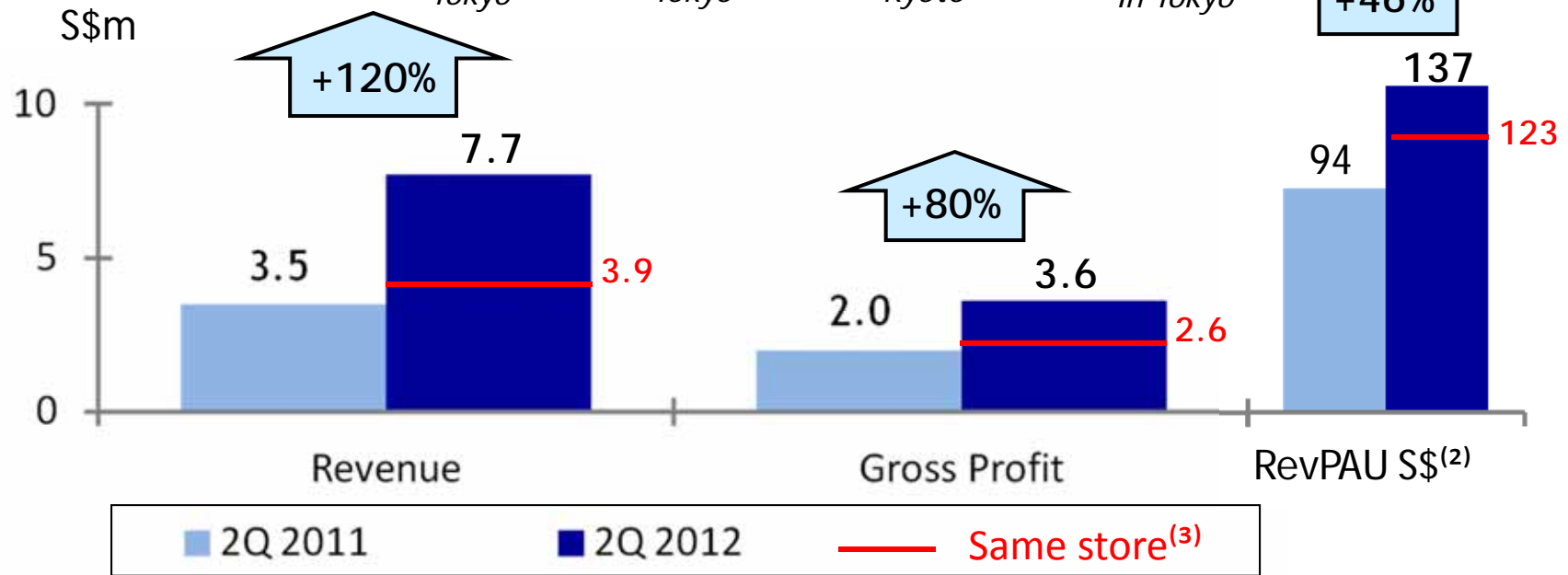
Citadines
Shinjuku
Tokyo



Citadines
Karasuma-Gojo
Kyoto



19 rental housing
properties
in Tokyo⁽¹⁾



Revenue and gross profit increased mainly due to the newly acquired Citadines Shinjuku and Citadines Kyoto. On a same store basis, revenue, gross profit and RevPAU were higher due to improving business conditions post earthquake and tsunami in March 2011.

(1) Somerset Roppongi Tokyo converted to rental housing in April 2012

(2) RevPAU for serviced residence properties only

(3) Excludes Citadines Shinjuku and Citadines Kyoto



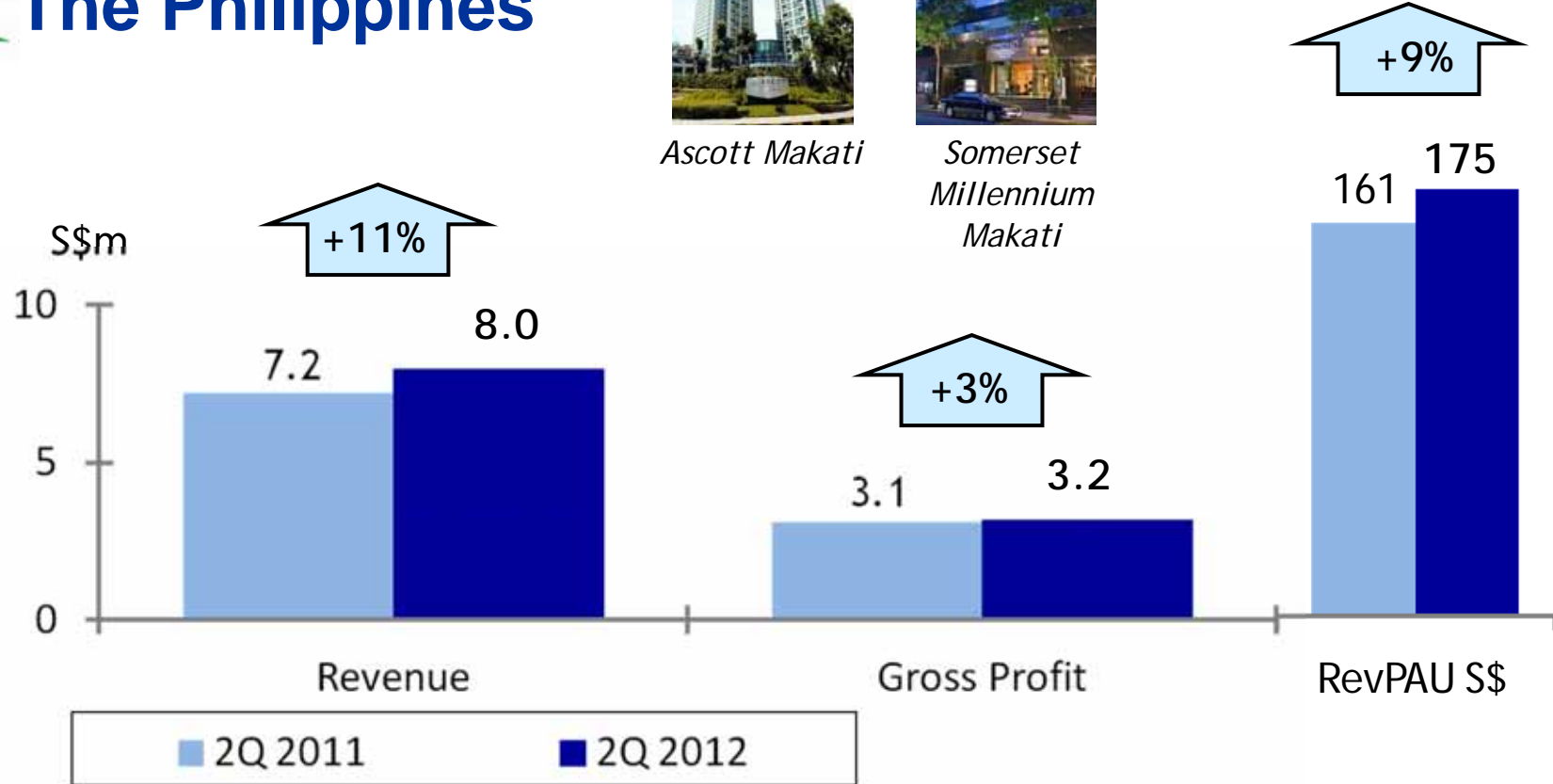
The Philippines



Ascott Makati



Somerset
Millennium
Makati



Revenue and RevPAU increased mainly due to higher demand from business process outsourcing, oil and gas, and aircraft engineering industries. Gross profit was higher by S\$0.1 million or 3% due to the increase in revenue, partially offset by higher utility and staff costs.



Singapore



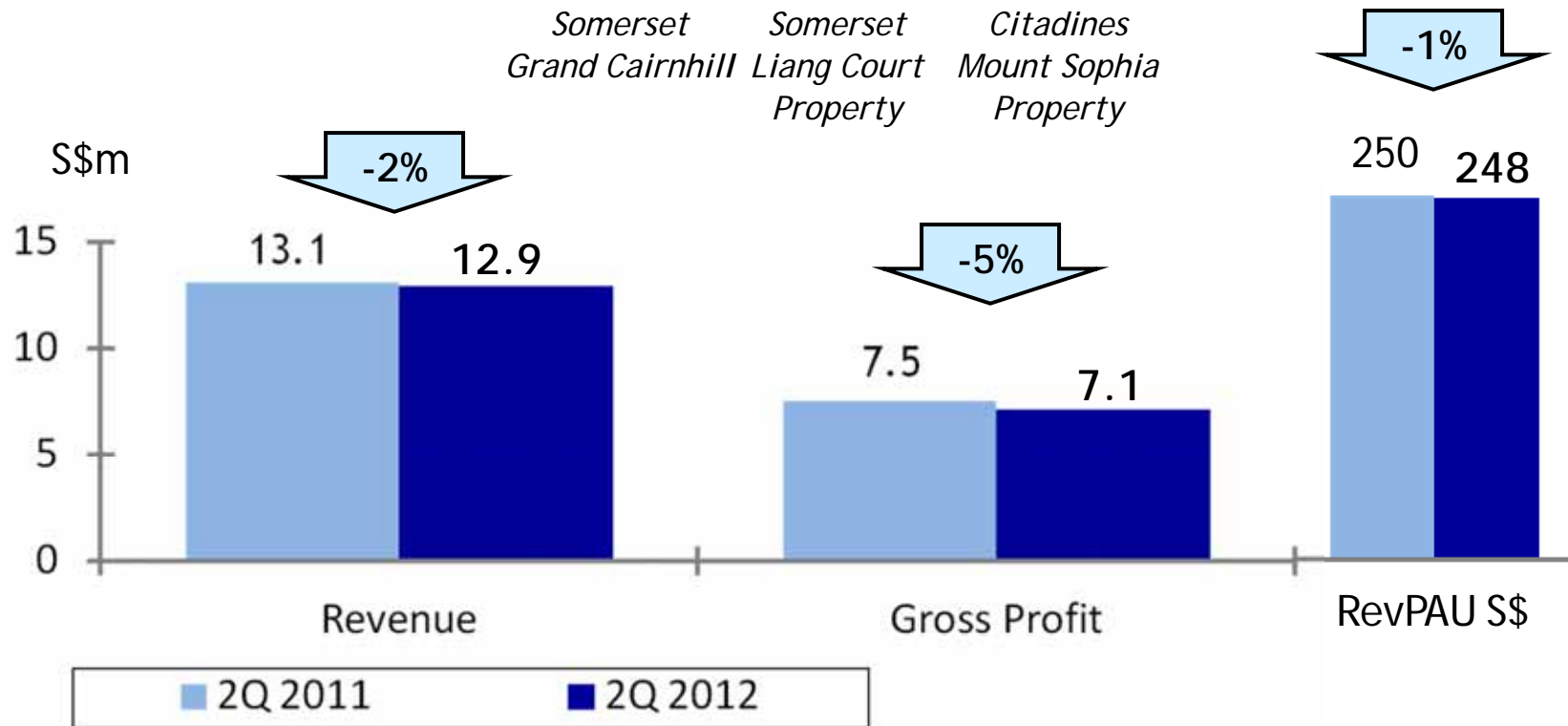
*Somerset
Grand Cairnhill*



*Somerset
Liang Court
Property*



*Citadines
Mount Sophia
Property*



Decrease in revenue and RevPAU due to lower occupancy as a result of disruption from the nearby construction activities. Gross profit decreased by S\$0.4 million or 5% mainly due to higher property tax and operation & maintenance expenses.



Vietnam



*Somerset
Grand Hanoi*



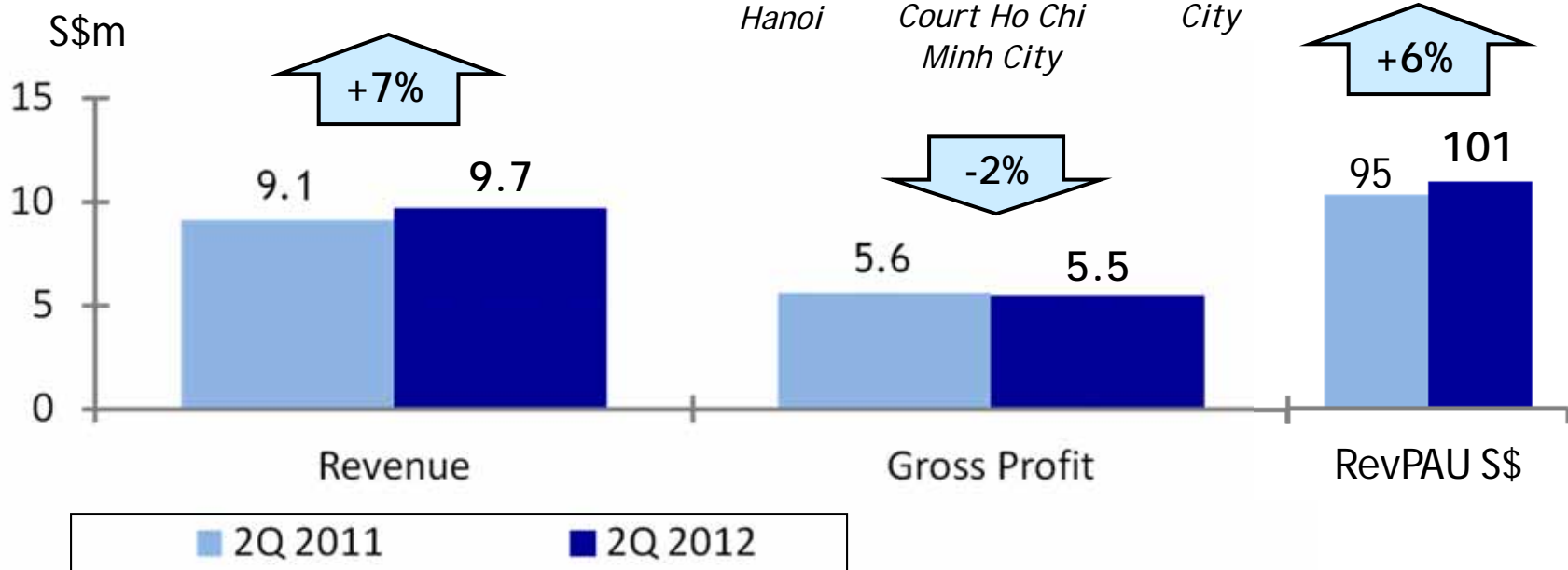
*Somerset
Hoa Binh
Hanoi*



*Somerset
Chancellor
Court Ho Chi
Minh City*



*Somerset Ho
Chi Minh
City*



Revenue increased by S\$0.6 million or 7% as compared to 2Q 2011. The increase was mainly due to stronger demand for the refurbished apartment units of Somerset Grand Hanoi and higher office rental income. Gross profit lower by S\$0.1 million or 2% due to higher staff costs and depreciation expense.

Brand Introduction



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Ascott The Residence

- **Defining Exclusive Living**
 - Luxurious, exclusive, discreet
 - Located in prime business districts of key cities
 - Provides efficient business support services, in an exclusive and luxurious environment



Citadines Apart'hotel

- ***Defining Vibrant Living***
 - Vibrancy of independent city living
 - Oasis of calm in key bustling cities
 - Personalised conveniences for savvy and vibrant individuals on the go
 - Range of services and amenities to complement different lifestyles
 - Modern comforts, business connectivity and customised services





Somerset Serviced Residence

- **Defining Balanced Living**

- A serviced residence for executives and their families looking for work life balance
- A stylish home with recreational facilities, lifestyle activities and business support services
- A place to make friends, share family experiences, get help to quickly settle into the city

