

Ascott Residence Trust

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



**Daiwa Investment Conference, Tokyo
5 March 2012**



Agenda

1. **Ascott Reit Overview**
2. **Portfolio Information**
3. **Capital & Risk Management**
4. **Prospects**
5. **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.

1. Ascott Reit Overview

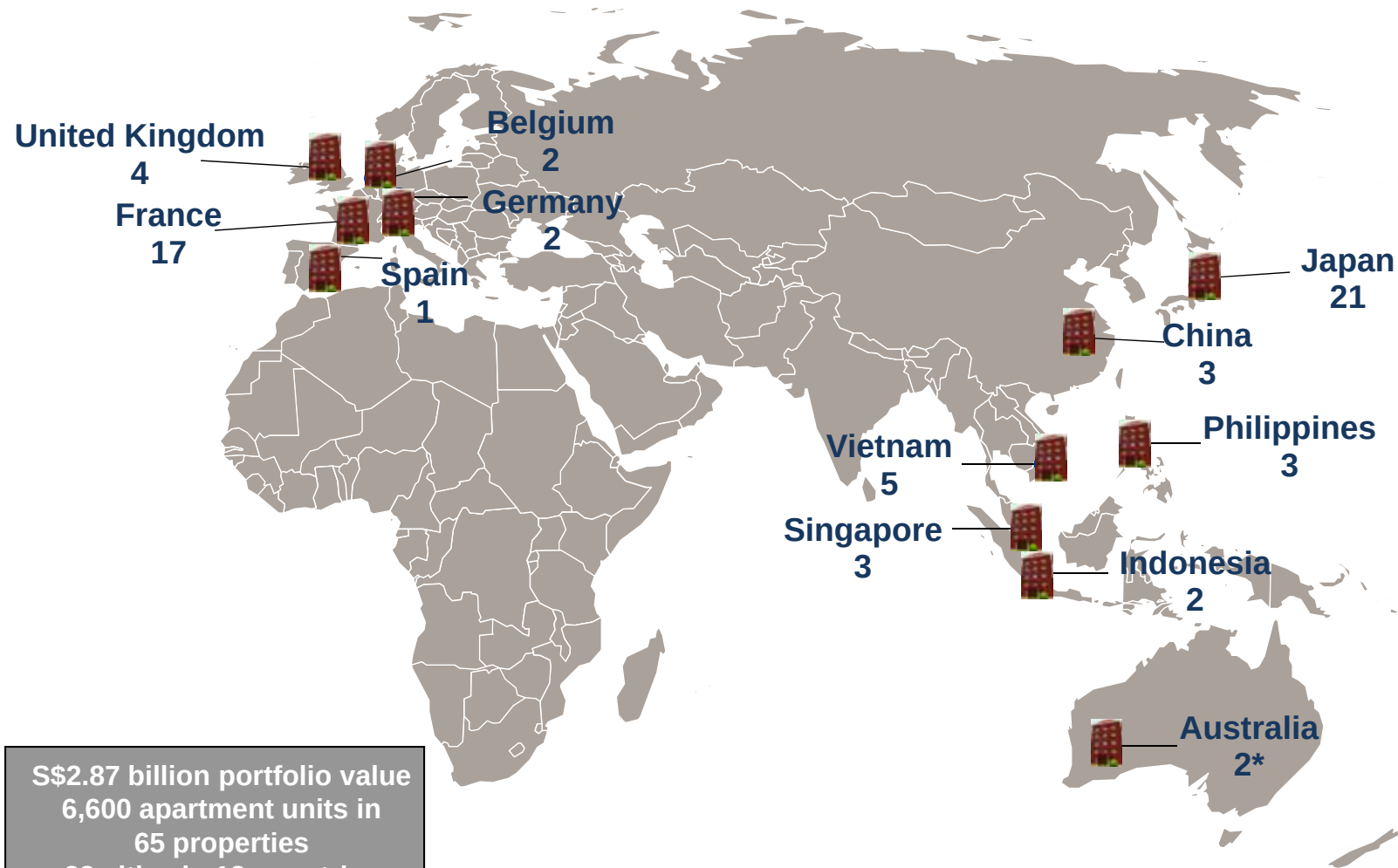


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Ascott Reit's Footprint

Balanced and Diversified Portfolio



S\$2.87 billion portfolio value
6,600 apartment units in
65 properties
23 cities in 12 countries

Portfolio diversified across economic cycles

* Includes Somerset Gordon Heights which will be divested in second quarter 2012.

Business Overview

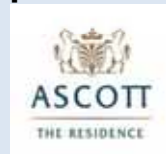
Ascott Residence Trust (Ascott Reit) invests primarily in real estate and real estate related assets, which are income-producing and used predominantly as serviced residences or rental housing properties.

Sponsor

Ascott Reit's Sponsor, The Ascott Limited (Ascott) is the world's largest serviced apartment owner-operator with over 29,000 apartment units in key cities of Asia Pacific, Europe and the Gulf region

Portfolio

Owns 6,600 apartments in 23 cities across 12 countries in Asia Pacific and Europe
Operates under Ascott, Citadines and Somerset Brands



Portfolio Value

S\$2.87billion

Market Cap

S\$1.19 billion
as at 27 February 2012

Major Unitholder

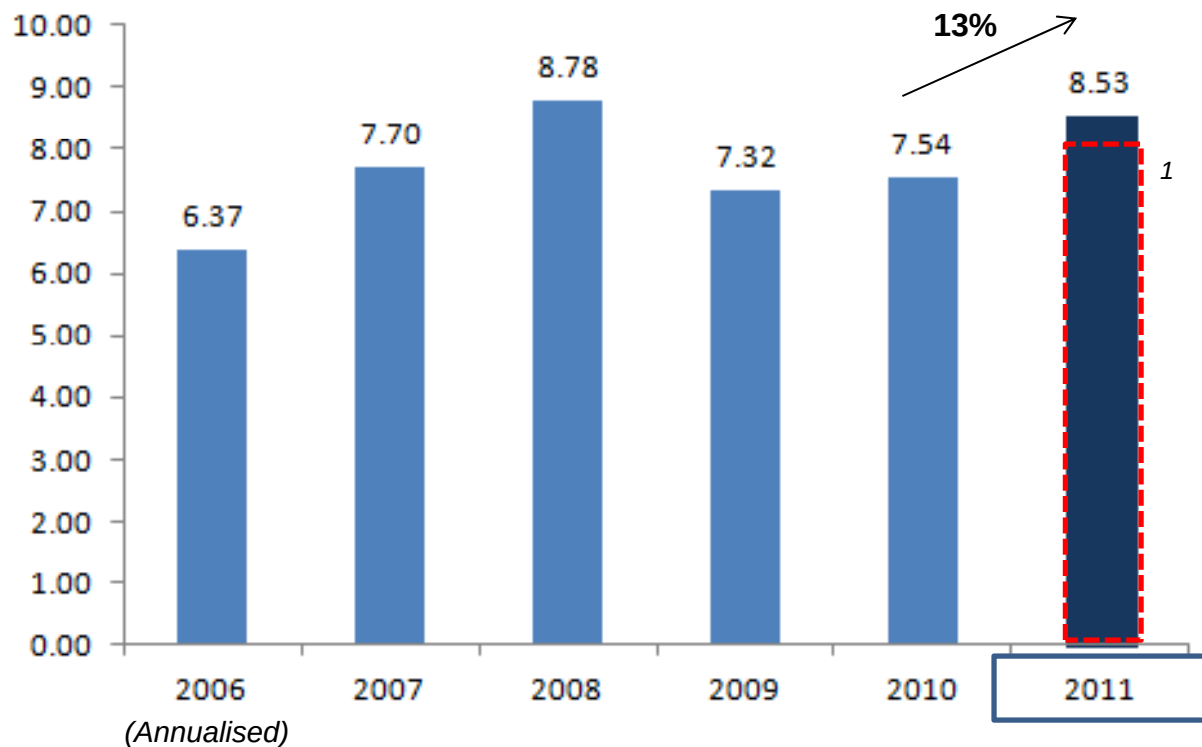
CapitaLand's ownership is 48.9%
as at 27 February 2012



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Distribution to unit holders

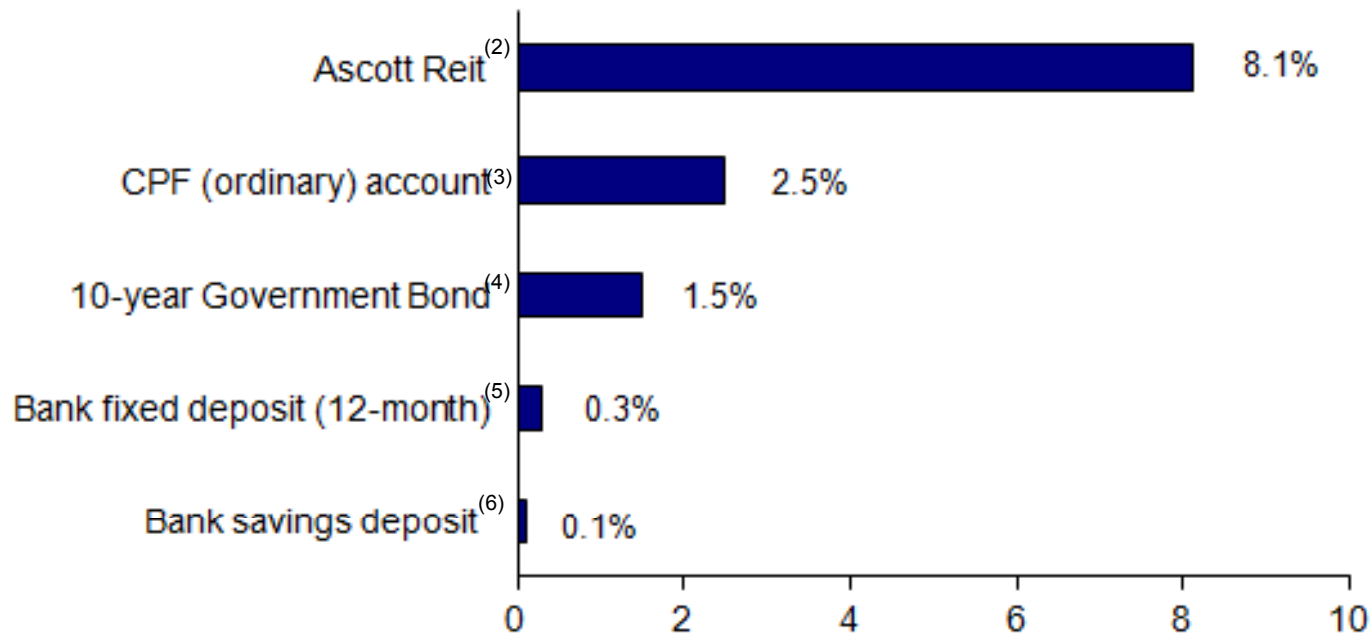


Delivered stable distributions since listing in 2006
FY2011 DPU exceeded forecast¹ by 10%

¹ Forecast DPU at 7.74 cents as disclosed in the Offer Information Statement dated 13 September 2010

Attractive Yield vs Other Asset Class

Trading 30% below NAV⁽¹⁾



Attractive yield compared to other asset class

Notes:

(1)Based on Net Asset Value as at 31 Dec 2011

(2)Based on Ascott Reit's closing unit price of S\$1.05 on 27 Feb 2012 and DPU of 8.53 cents for FY2011

(3)Based on interest paid on Central Provident Fund (CPF) ordinary account from 1 April to 30 June 2012. Source: CPF website

(4)Source: Singapore Government Securities website as at Feb 2012

(5)Source: Monetary Authority of Singapore website as at Feb 2012

(6)Source: Monetary Authority of Singapore website as at Feb 2012



FY 2011 vs FY 2010 Performance

	FY 2011	FY 2010	Change
Revenue (S\$m)	288.7	207.2	+39%↑
Gross Profit (S\$m)	157.5	101.3	+55%↑
Unitholders' Distribution (S\$m)	96.2	57.7	+67%↑
Distribution Per Unit (S cents)	8.53	7.54	+13%↑
Revenue Per Available Unit (S\$/day) – serviced residences	143	130	+10%↑

- Increase in revenue mainly due to contribution from the 28 serviced residences acquired on 1 October 2010, partially offset by divestment of Ascott Beijing and Country Woods.
- On a same store basis, YTD Dec 2011 revenue increased by S\$3.0 million from S\$162.3 million to S\$165.3 million and gross profit increased by S\$3.1 million from S\$78.0 million to S\$81.1 million led by Singapore serviced residences.
- RevPAU increase is driven by strong performance of the Singapore and United Kingdom (UK) serviced residences.



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4Q 2011 vs 4Q 2010 Performance

	4Q 2011	4Q 2010	Change
Revenue (S\$m)	75.3	72.8	+3% ↑
Gross Profit (S\$m)	40.0	39.3	+2% ↑
Revenue Per Available Unit (S\$/day) – serviced residences	146	137	+7% ↑

- Increase in revenue and RevPAU mainly due to stronger performance from the Group's serviced residences in UK, Singapore and Indonesia.
- In line with revenue, gross profit for 4Q 2011 increased by S\$0.7 million or 2%.



4Q 2011 vs 4Q 2010 Performance

	4Q 2011	4Q 2010	Change
Unitholders' Distribution (S\$m)	20.6	23.9	-14% ↓
Distribution Per Unit (S cents)	1.83	2.16	-15% ↓

Unitholders' distribution was lower due to costs incurred for one-off events in 4Q 2011:

- i. Established a US\$2 billion Euro-MTN programme
 - S\$0.5 million cost of establishing the programme
- Result: Secured diversified funding and to tap enlarged pool of investors
- ii. Issued a S\$250 million MTN
 - Loan related expenses and cash holding costs of S\$0.8 million
- Result: Reduced debt refinancing exposure in 2012, extended the average loan tenure of Group's debt, increased percentage of the Group's unencumbered assets for more financial flexibility
- iii Others
 - Provision of S\$2.1 million for licensing related matters for a serviced residence in China

Excluding these one-off costs, unitholders' distribution would have been S\$24.0 million



4Q 2011 vs Forecast Performance

	4Q 2011	Forecast ⁽¹⁾	Change
Revenue (S\$m)	75.3	73.9	+ 2% ↑
Gross Profit (S\$m)	40.0	38.9	+3% ↑
Revenue Per Available Unit (S\$/day) – serviced residences	146	138	+6% ↑

- Revenue for 4Q 2011 included a BI claim of S\$1.6 million. The forecast included a S\$1.1 million contribution from Country Woods Jakarta, which was divested on 29 October 2010. On a same store basis, revenue for 4Q 2011 was higher than the forecast by S\$0.9 million.
- Gross profit was higher by S\$1.1 million or 3%. Gross profit for 4Q 2011 included recognition of BI claim of S\$1.4 million which was not assumed in the forecast. On a same store basis (excluding BI claim and the S\$0.3 million contribution from Country Wood in the forecast), gross profit was at the same level as forecast.



4Q 2011 vs Forecast Performance

	4Q 2011	Forecast ⁽¹⁾	Change
Unitholders' Distribution (S\$m)	20.6	22.5	- 8% ↓
Distribution Per Unit (S cents)	1.83	1.99	- 8% ↓

- Unitholders' distribution was lower due to one-off costs incurred in 4Q 2011. Excluding these one-off costs, unitholders' distribution would have been S\$24.0 million.

Notes:

(1) The forecast is extracted from the Offer Information Statement dated 13 September 2010 and is based on the assumptions set out in the Offer Information Statement.

Property Valuation



Independent valuation conducted by HVS, Savills Advisory Services Limited and Savills Japan Co., Ltd.



Net change in property value in 4Q 2011 comprised

- A surplus on revaluation of S\$47.4 million mainly from higher valuation of the Group's serviced residences in Japan, France, China and Singapore
- Partially offset by lower valuation of Group's serviced residences in Vietnam



Net change in property value for FY 2011 is S\$130.2 million

→ NAV per unit as at 31 December 2011 is S\$1.36

2. Portfolio Information



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Serviced Residences – An Attractive Asset Class

	Apartments for Rent	Serviced Residences	Hotels
Lease Structure & Terms	Long-term leases	- Hybrid between hotels and apartments/condominiums Variable lease terms from one week to one year or longer	Short-term accommodation
Seasonality	Dependent on general property sector conditions	Some seasonality of hospitality industry, though longer lease terms provide certain level of rental support - Correlated to GDP growth and FDI inflows	Seasonal nature of hotel industry - Highly correlated with the tourism industry
Range of Services	No service provided	Limited services provided Role and involvement of property manager less intensive compared to hotels	Full range of hospitality services - Including food & beverage (F&B) - Role and involvement of property manager most intensive
Cost Structure	Low investment cost - Unfurnished - Less common facilities Low operating costs - Minimal staffing	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	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



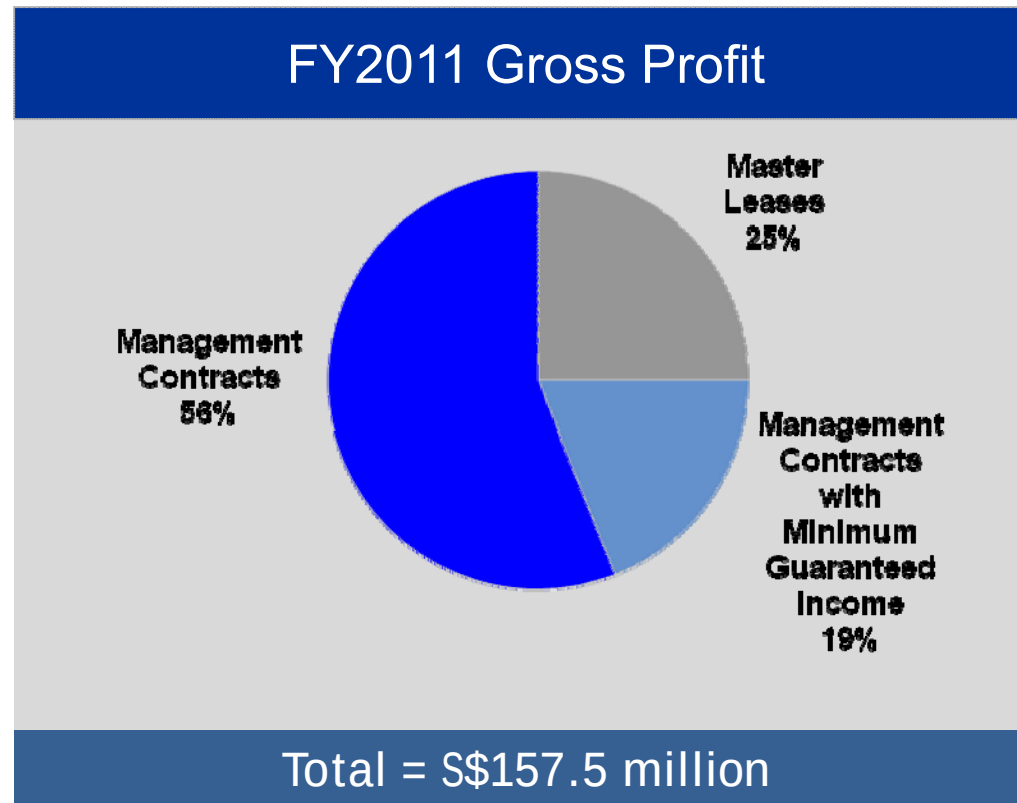
Ascott Reit's Sources of Income

	Properties on Management Contract	Properties on Master Lease	Properties on Management Contract with Minimum Income Guarantee
Description	• Ascott manages Ascott Reit's properties for a fee	• Master Lessees (subsidiaries of Ascott) pay fixed rental per annum to Ascott Reit*	• Properties on management contracts that enjoy minimum guaranteed income (from subsidiaries of Ascott)
Tenure	• Generally on a 5-year or 10-year basis	• Average weighted remaining tenure of about 7 years	• Average weighted remaining tenure of about 6.5 years
Location	• 37 properties -14 in Asia - 2 in Australia - 21 in Japan	• 20 properties -17 in France - 2 in Germany -1 in The Philippines	• 8 properties -4 in UK -2 in Belgium -1 in Spain -1 in Vietnam

* 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.



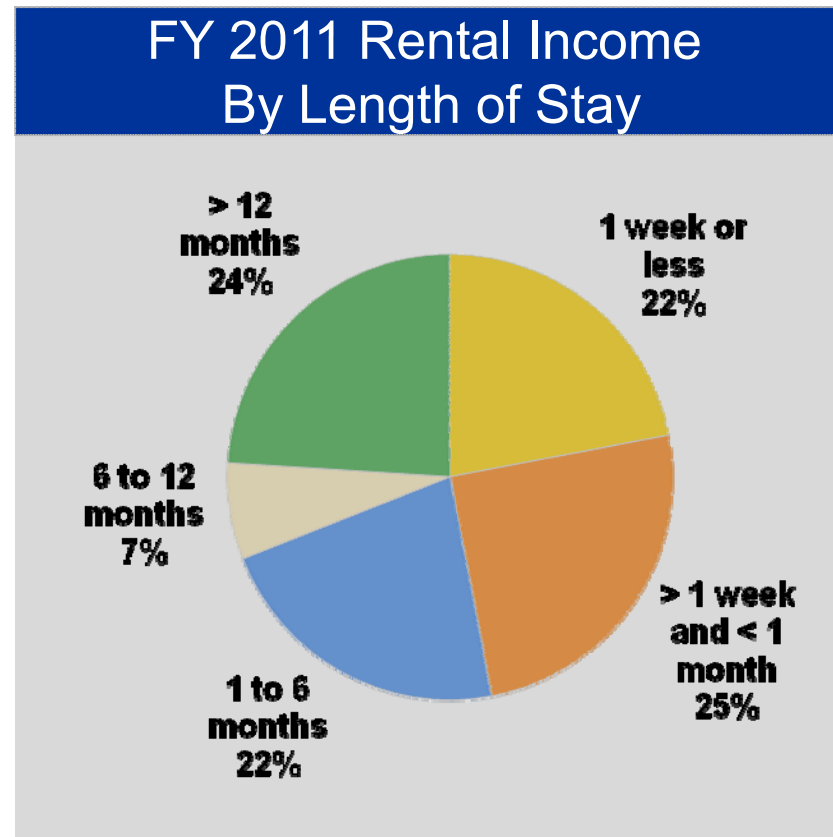
Balance of Income Stability and Growth



Both master leases and serviced residence management contracts with minimum guaranteed income have average weighted remaining tenures of about 7 years



Apartment Rental Income By Length of Stay¹



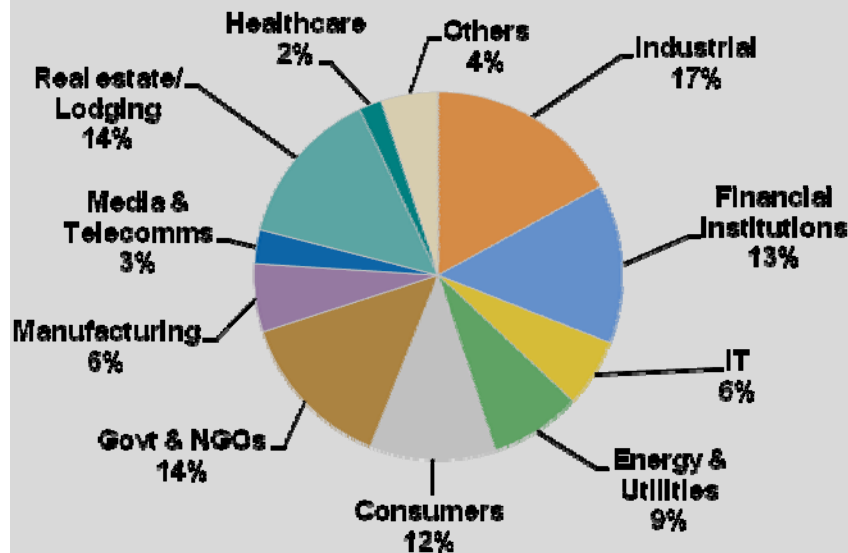
Average apartment rental income by length of stay is more than 4.5 months. For Pan Asian portfolio, about 90% of apartment rental income is derived from Corporate Travel. For Europe portfolio, about 50% of apartment rental income is derived from Corporate Travel and 50% from Leisure Business

¹ Information for properties on serviced residence management contracts only. Information for properties on master leases is not included



Diverse Tenant Mix and Quality Clientele

FY 2011 Apartment Rental Income
By Industry¹

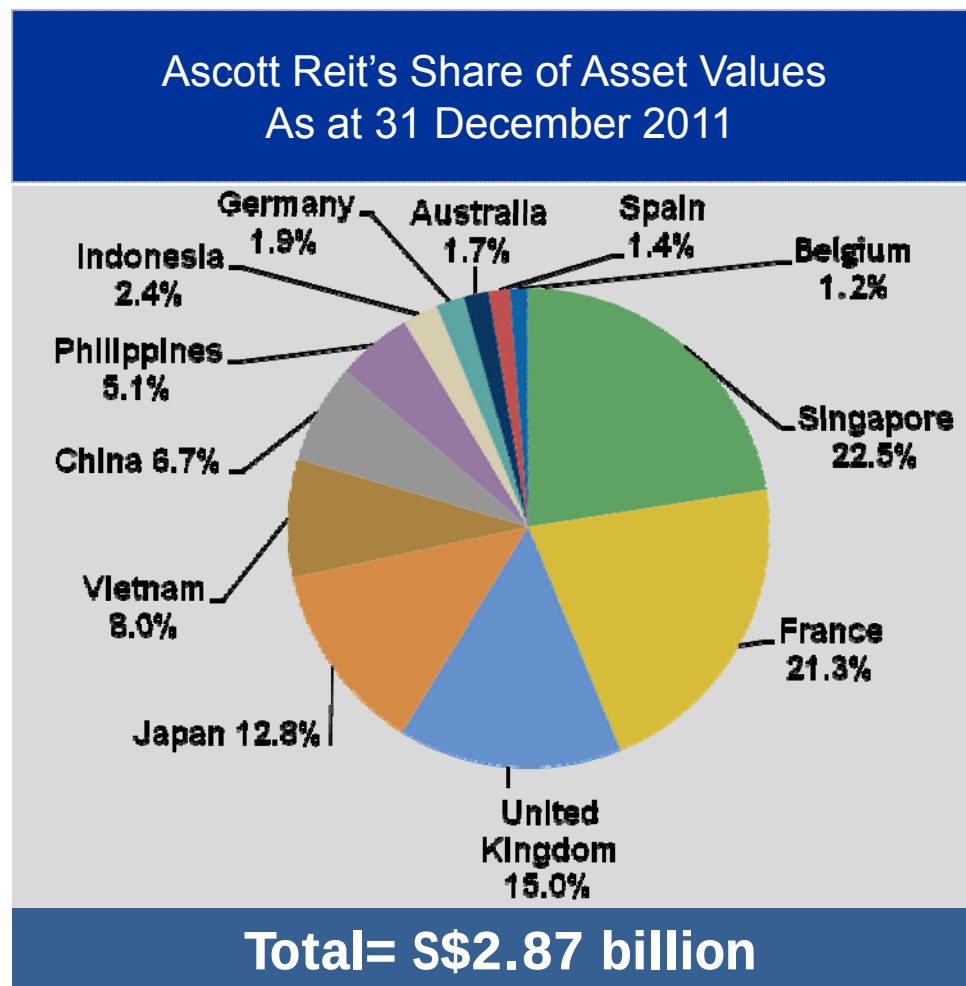


Earnings diversified, not reliant on any single industry

¹ Information based on apartment rental income for corporate accounts for properties on serviced residence management contracts only. Information for properties on master leases is not included.



Geographical Diversification



Portfolio diversified across economic cycles



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Quality Portfolio, Stable Income

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

51 out of 65 properties are Freehold assets

4

Aim to deliver stable and growing distributions

Acquisition, active asset management, capital and risk management



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3. Capital & Risk Management



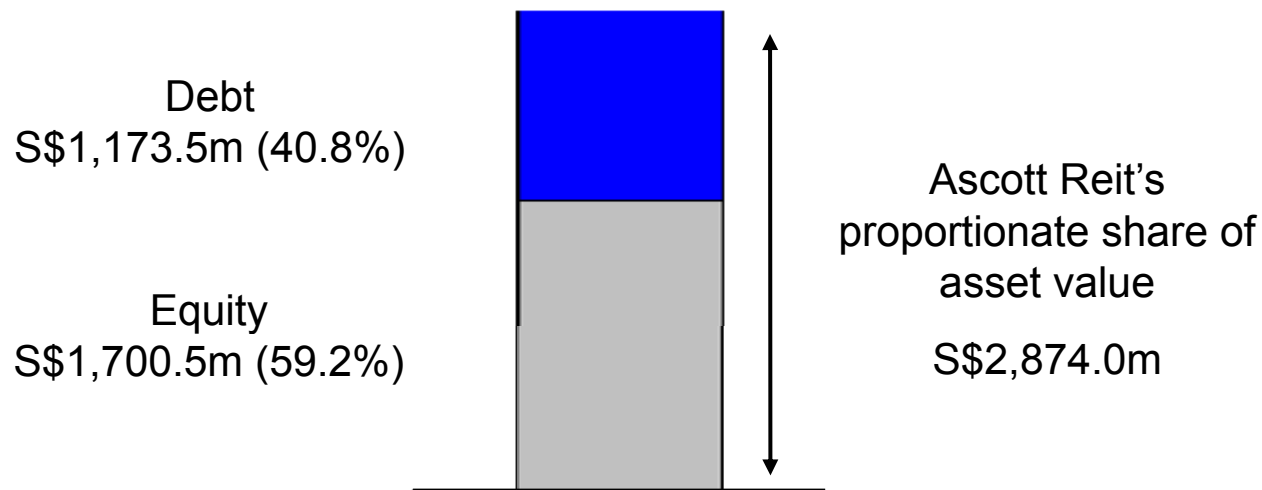
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Healthy Balance Sheet

Gearing of 40.8%, well within the 60% gearing limit allowable under MAS property fund guidelines

Ascott Reit Gearing Profile As at 31 December 2011





Proactive Capital Management

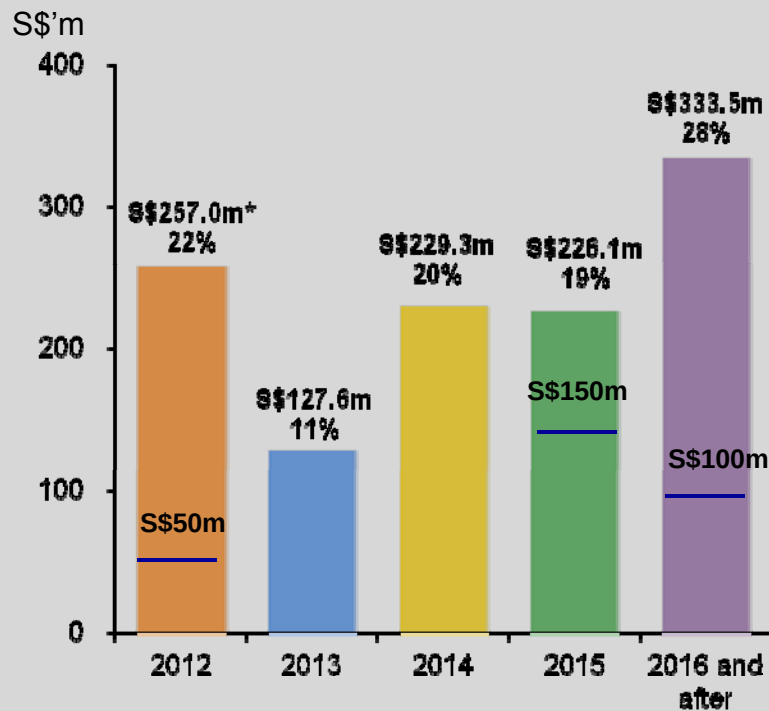
To prepare the group to weather through uncertainties, we have strengthened our balance sheet and increased financial flexibility:

- ✓ Raised S\$250 million from MTN programme in 4Q 2011
 - S\$100m 7-year notes at 4.3% p.a due in 2018
 - S\$150m 4-year notes at 3.8% p.a due in 2015
- ✓ Extended loan tenure of the Group's debt from 2.8 years to 3.4 years
- ✓ Increased the percentage of the Group's unencumbered assets
- ✓ US\$2 billion Euro-MTN programme established in November 2011
 - In line with Ascott Reit's strategy of securing diversified funding
 - Target an enlarged pool of investors

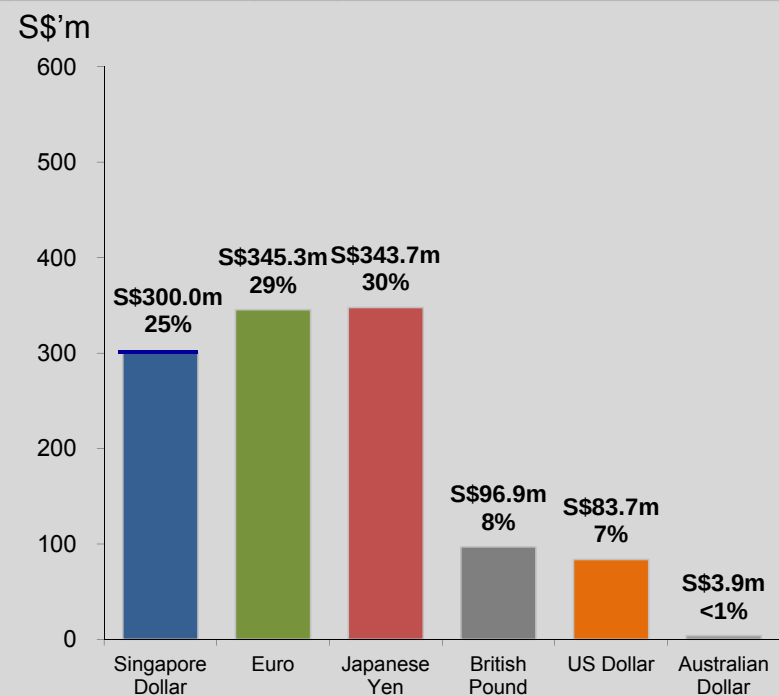


Debt Profile

Maturity Profile As at 31 December 2011



Currency Profile As at 31 December 2011



Ascott Reit's Share of Bank Loans = S\$1,173.5 million

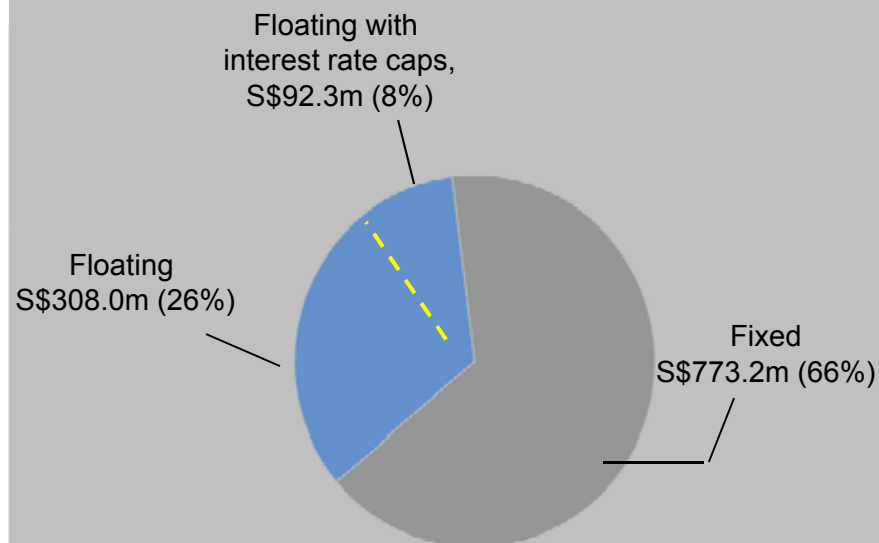
— Medium Term Note

*S\$145 million borrowings due in 2012 has been refinanced in 4Q 2011 with maturity in 2015

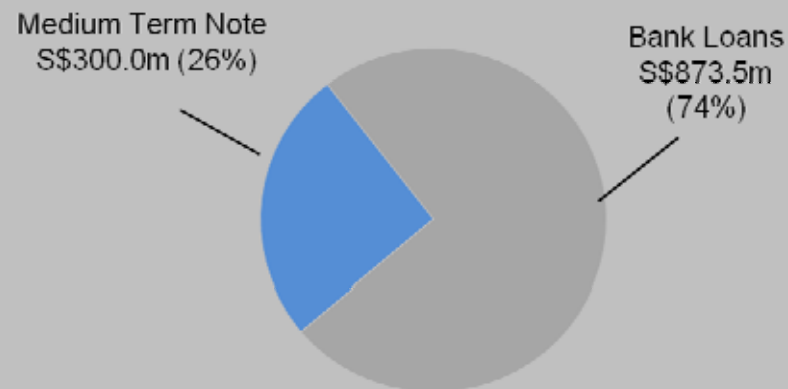


Interest Rate and Debt Mix Profile

Interest Rate Profile
As at 31 December 2011



Debt Type
As at 31 December 2011





Capital and Risk Management Strategy

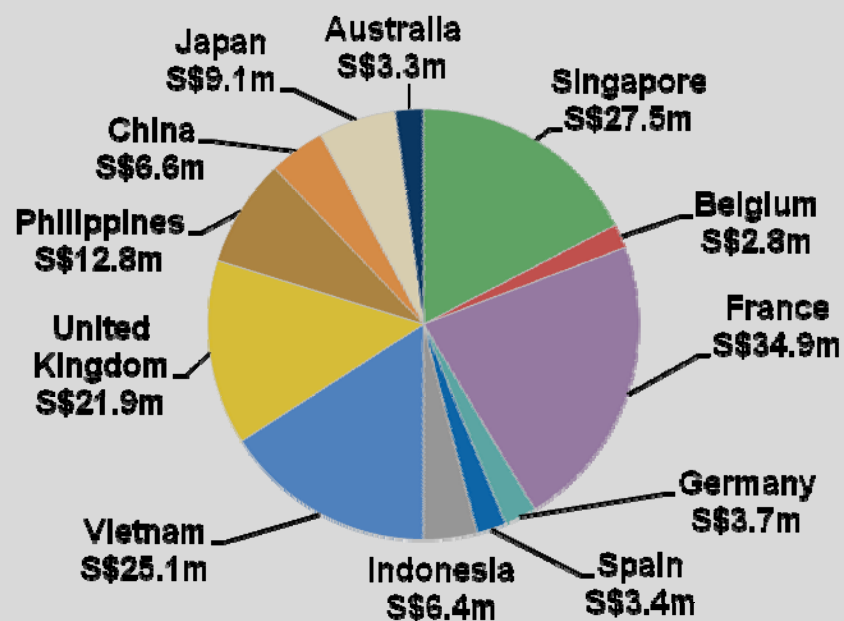
Credit Metrics as at 31 December 2011

Gearing	40.8%
Interest Cover	3.8 X
Effective Borrowing Rate	3.2%
Weighted Avg Debt to Maturity	3.4 years
Moody's Rating	Baa3



Foreign Exchange Profile

Ascott Reit's Share of Gross Profit FY2011



Total = S\$157.5 million

Foreign Exchange Movements

Currency	Percentage of Ascott Reit's Share of Gross Profit 31 Dec 2011	Foreign exchange rate movements from Dec '10 to Dec' 11
SGD	17	-
EUR	29	1.4%
USD	20	-5.2%
GBP	14	-2.2%
PHP	8	-2.8%
RMB	4	-2.3%
JPY	6	0.3%
AUD	2	2.8%
Total	100	-1.2%



Foreign Exchange Management



Cashflows

- Manage volatility of foreign currency cash flow from overseas assets
 - Revenue and operating expenses are mainly in respective local currency
 - Indonesia - Majority of revenue in US\$ while operating expenses are in local currency
- Monitor foreign exchange risks associated with remitting the various currencies to Singapore for distribution and, to the extent feasible, hedge these currency risks



Capital Values

- Adopt natural hedge strategy, as far as possible
 - Borrowing in the same currency as underlying asset

4. Prospects



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Outlook and Prospects

(1) Stability through uncertain economic conditions:

- Ascott Reit's income remains stable in view of our extended-stay business model and geographical spread.
- With properties located across 23 cities in 12 countries, the Group's exposure across different economic cycles will continue to enhance stability of income and asset value.
- Income stability is further supported by properties which are on master leases and serviced residence contracts with minimum guaranteed income, predominantly from the Europe portfolio.

(2) Continue to implement asset enhancement initiatives to increase returns of our portfolio:

Operating performance of London properties is expected to be boosted by:

- Completion of the renovation of Citadines Prestige Trafalgar Square.
- Upcoming London Olympics in 2012.



Outlook and Prospects

(3) Strengthened our balance sheet and increased financial flexibility:

- (a) Raised S\$250 million from MTN programme in 4Q 2011.
- (b) Extended loan tenure of the Group's debt.
- (c) Increased the percentage of the Group's unencumbered assets.
- (d) Set up a US\$2 billion Euro-MTN programme.

(4) The Group is evaluating the redevelopment options for Somerset Grand Cairnhill Singapore:

- We will make an announcement to the SGX-ST of any material development on this matter as and when appropriate in accordance with the Listing Rules of SGX-ST.
- At this stage, there is no certainty of any proposed redevelopment materialising.

(5) The Group's operating performance in 2012 is expected to be profitable

Thank You



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5. Appendix



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Portfolio Performance



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Master Leases



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Overview of Master Leases



20 out of Ascott Reit's 65 serviced residences are on master leases



These serviced residences contributed 25% of the Group's gross profit for 4Q 2011



These master leases have an average weighted remaining tenure of about 7 years



Master Leases



Citadines
Louvre
Paris



Citadines
Les Halles
Paris



Citadines
Place
d'Italie
Paris



Citadines
Croisette
Cannes



Citadines
Arnulfpark
Munich



Citadines
Kurfursten-
damm
Berlin



Somerset
Salcedo
Property
Makati

	Revenue			Gross Profit		
	4Q 2011 S\$'M	4Q 2010 S\$'M	Forecast ¹ S\$'M	4Q 2011 S\$'M	4Q 2010 S\$'M	Forecast ¹ S\$'M
France <i>(17 properties)</i>	9.5	9.3	9.6	8.8	8.8	8.9
Germany <i>(2 properties)</i>	1.0	1.0	1.0	0.9	0.9	0.9
Philippines <i>(Somerset Salcedo Property Makati)</i>	0.2	0.2	0.2	0.2	0.2	0.2
Master Leases Total	10.7	10.5	10.8	9.9	9.9	10.0

Revenue increased by S\$0.2 million or 2% in 4Q 2011 as compared to 4Q 2010 mainly due to pre-determined rate increases for certain master leases. Gross profit was maintained at the same level as there was a reversal of costs of S\$0.2 million in 4Q 2010.

¹ The forecast is extracted from the Offer Information Statement dated 13 September 2010 and is based on the assumptions set out in the Offer Information Statement.

Management Contracts with Minimum Guaranteed Income



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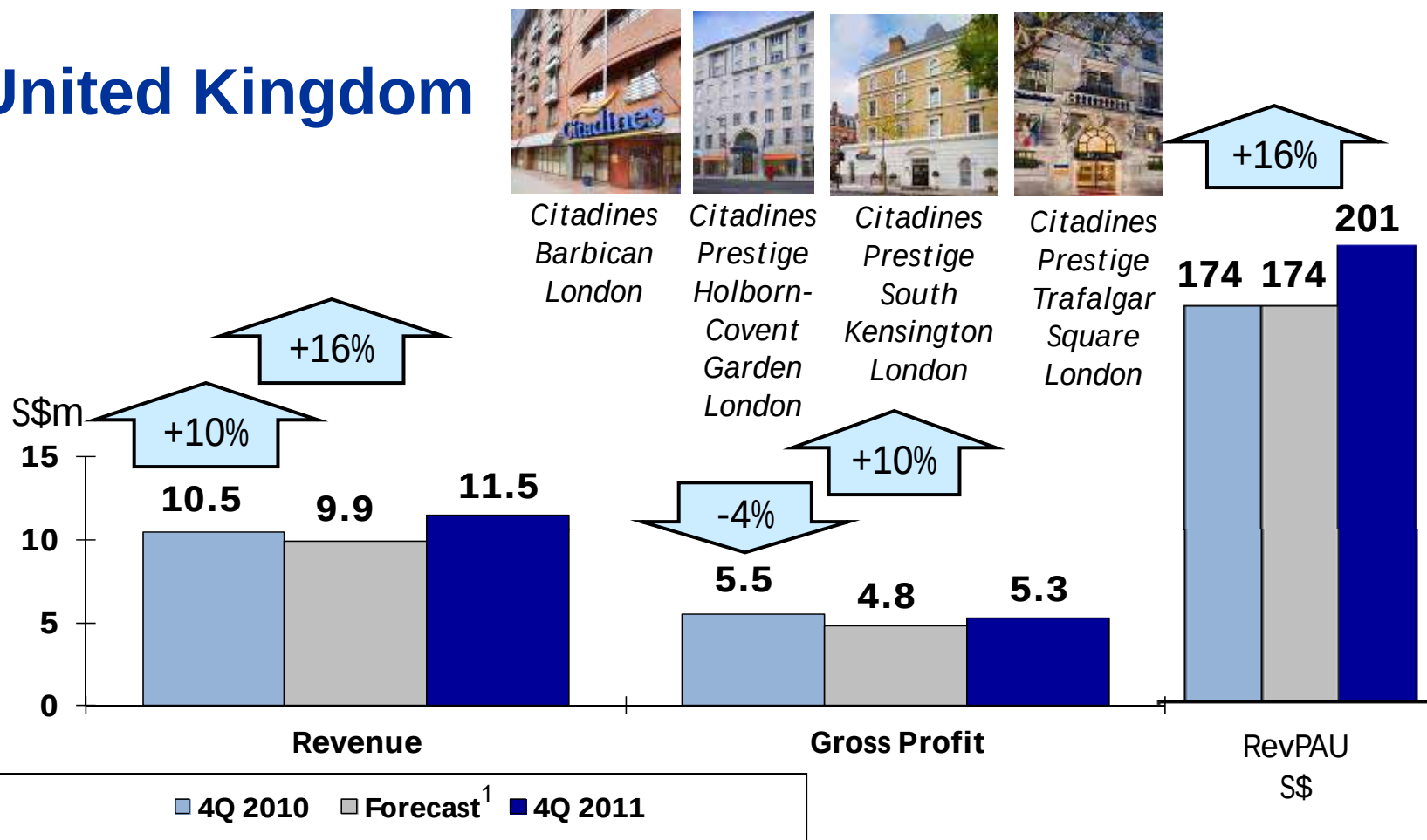


Overview of Management Contracts with Minimum Guaranteed Income

- ✓ 8 out of Ascott Reit's 65 serviced residences are on management contracts that provide minimum guaranteed income
- ✓ These serviced residences contributed 18% of the Group's gross profit for 4Q 2011
- ✓ These management contracts have an average weighted remaining tenure of about 6.5 years



United Kingdom



Revenue and RevPAU increased as positive market response to “Citadines Prestige” properties enabled us to achieve higher rates. Gross profit was lower compared to 4Q 2010 due to claw back of the top-up of S\$0.3 million recognised in 4Q 2010, as Citadines Prestige Holborn-Covent Garden exceeded performance hurdle for FY 2011.

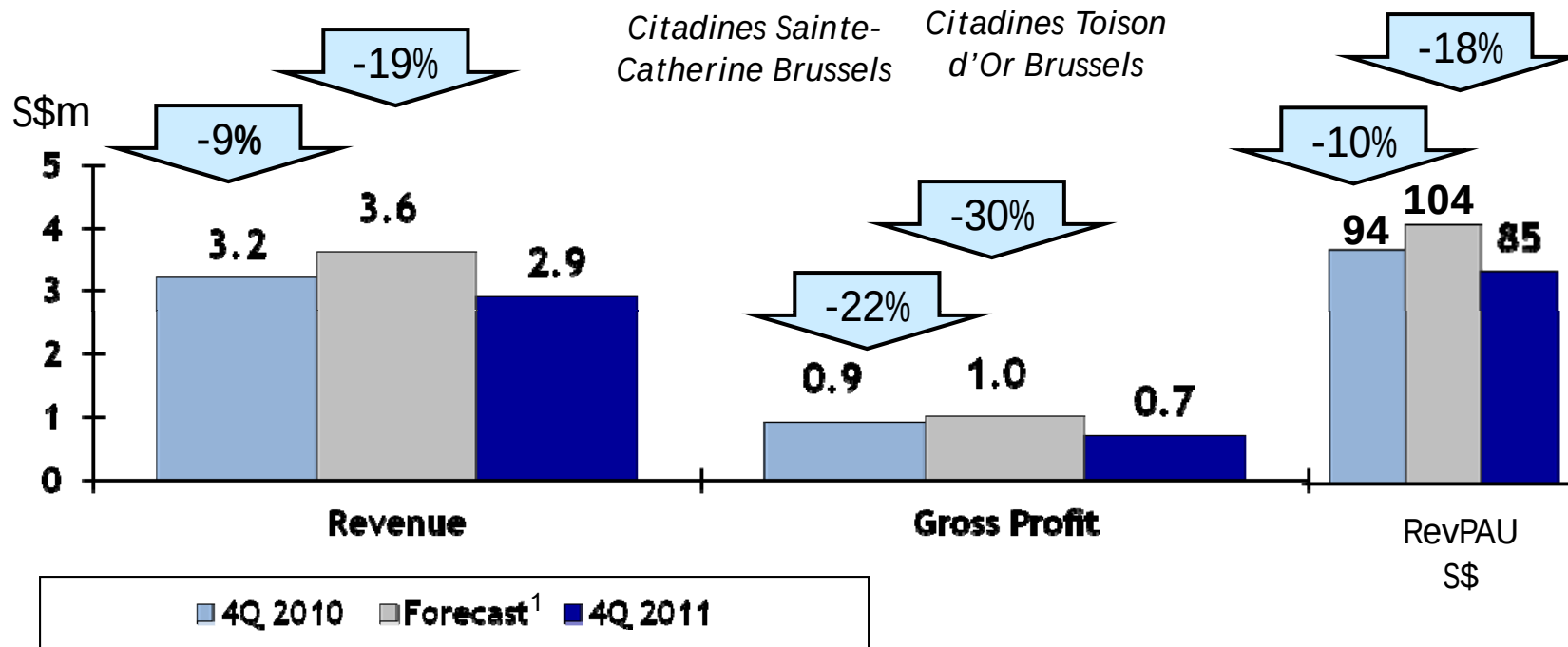
¹ The forecast is extracted from the Offer Information Statement dated 13 September 2010 and is based on the assumptions set out in the Offer Information Statement.



Citadines Sainte-Catherine Brussels



Citadines Toison d'Or Brussels

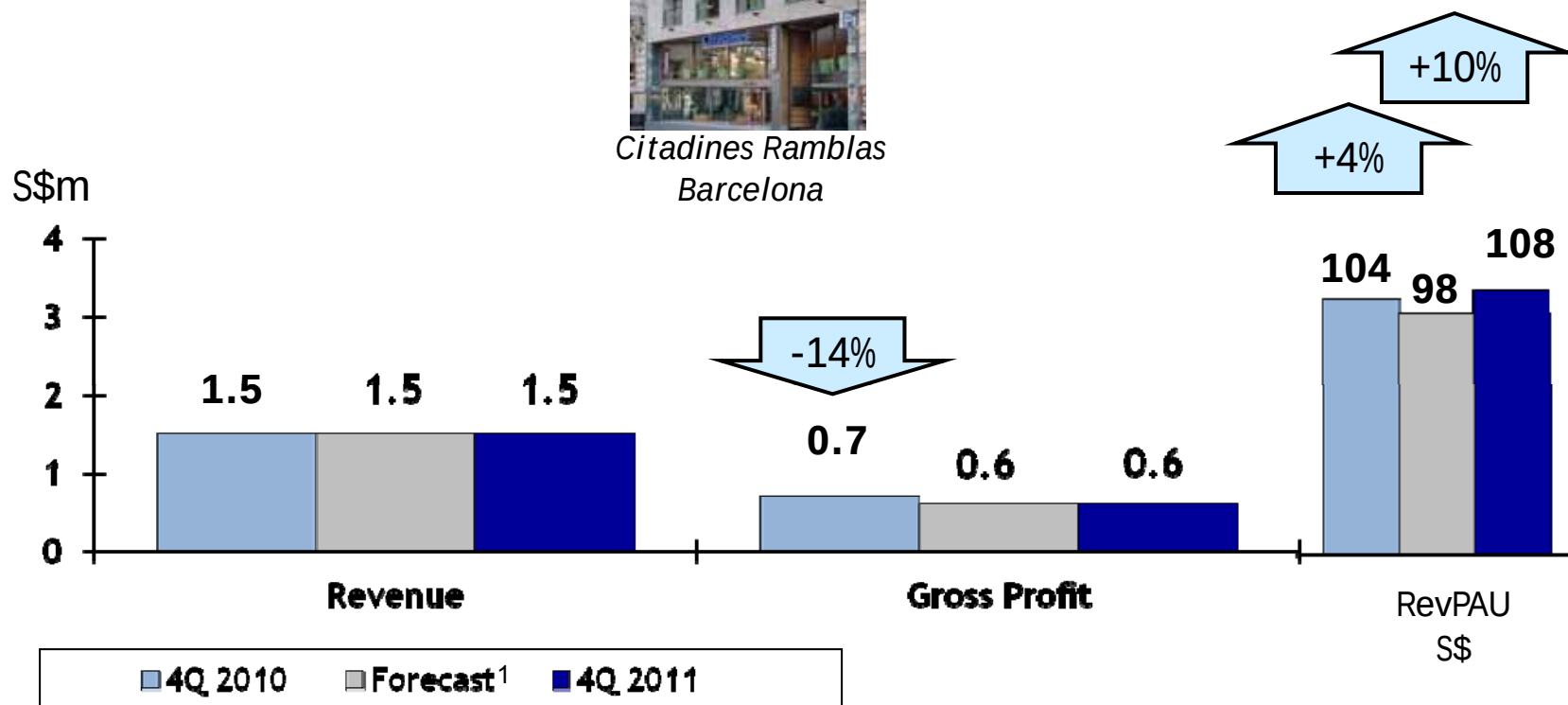


Decrease in revenue, RevPAU and gross profit in 4Q 2011 compared to 4Q 2010 was due to renovation of Citadines Sainte-Catherine. Decrease in revenue, RevPAU and gross profit as compared to forecast¹ was due to the delay in renovation of Citadines Sainte-Catherine. The forecast¹ assumed that all units of the property were renovated and ready for lease at higher rental rates in 4Q 2011.

¹ The forecast is extracted from the Offer Information Statement dated 13 September 2010 and is based on the assumptions set out in the Offer Information Statement.



*Citadines Ramblas
Barcelona*

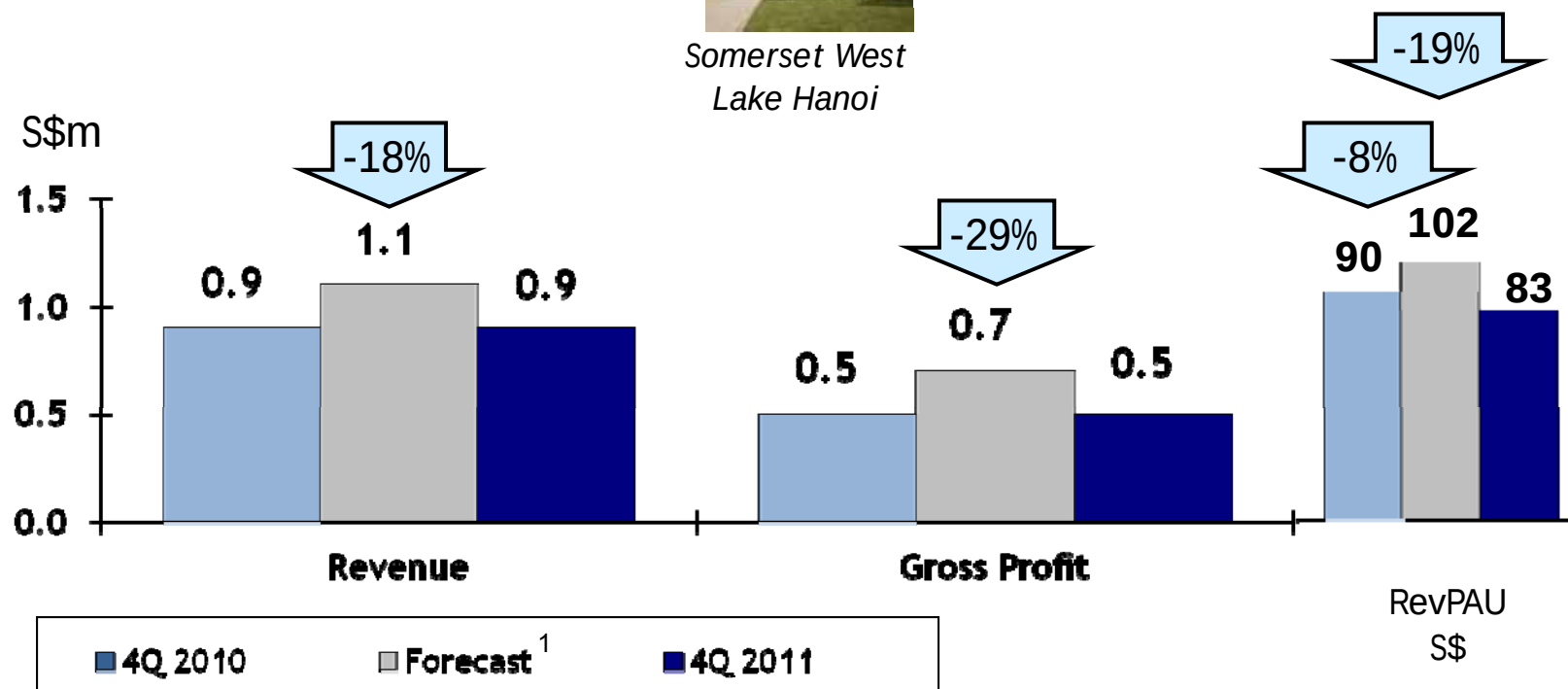


Revenue and gross profit for 4Q 2011 included a top-up by the property manager of S\$0.1 million similar to 4Q 2010 and as assumed in the forecast¹. Gross profit declined mainly due to increase in property tax in 4Q 2011.

¹ The forecast is extracted from the Offer Information Statement dated 13 September 2010 and is based on the assumptions set out in the Offer Information Statement.



Somerset West
Lake Hanoi



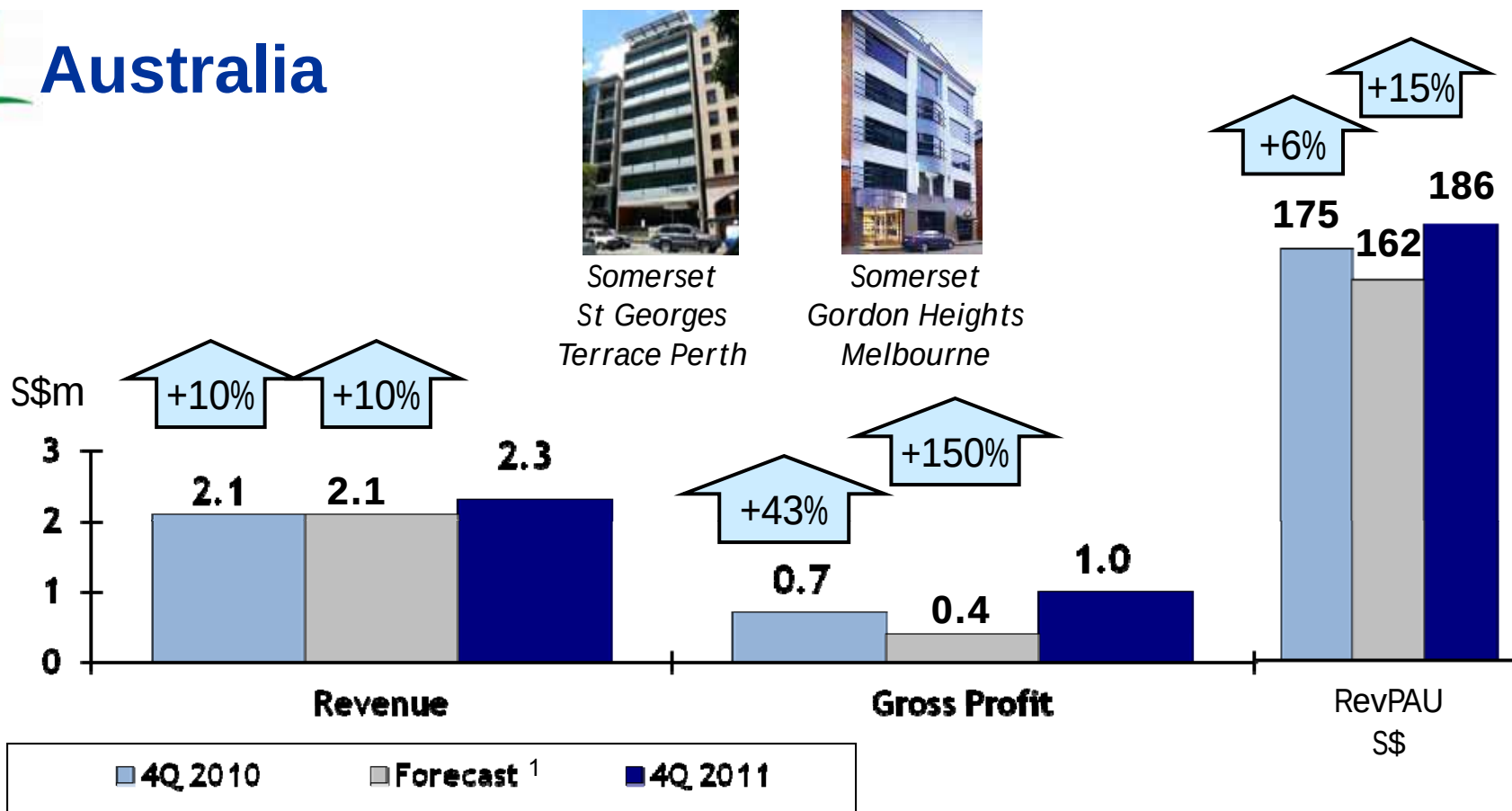
Decrease in revenue and gross profit as compared to forecast¹ was mainly due to lower USD exchange rate. Revenue and gross profit for 4Q 2011 included a yield protection amount of S\$0.2 million, similar to last year and as assumed in the forecast¹.

¹ The forecast is extracted from the Offer Information Statement dated 13 September 2010 and is based on the assumptions set out in the Offer Information Statement.

Management Contracts



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Revenue and RevPAU increased mainly due to the strengthening of AUD against SGD, higher demand in Perth as a result of increased business from the oil and gas, mining industries and the Commonwealth Heads of Government meeting. Gross profit in 4Q 2011 increased by S\$0.3 million due to one-off reversal of costs of S\$0.2 million in 4Q 2011. Excluding this adjustment, gross profit increased by S\$0.1 million or 14%.



China



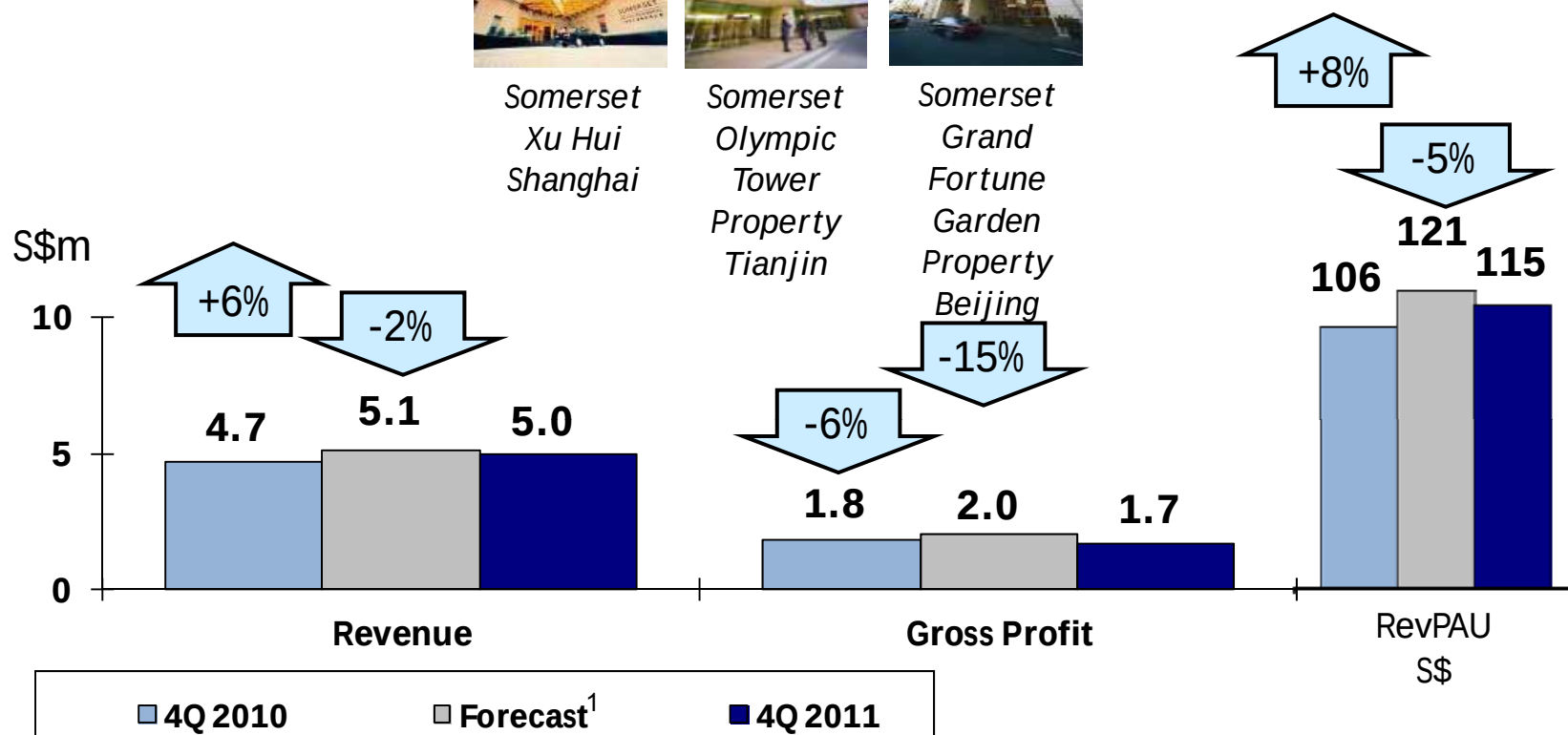
*Somerset
Xu Hui
Shanghai*



*Somerset
Olympic
Tower
Property
Tianjin*

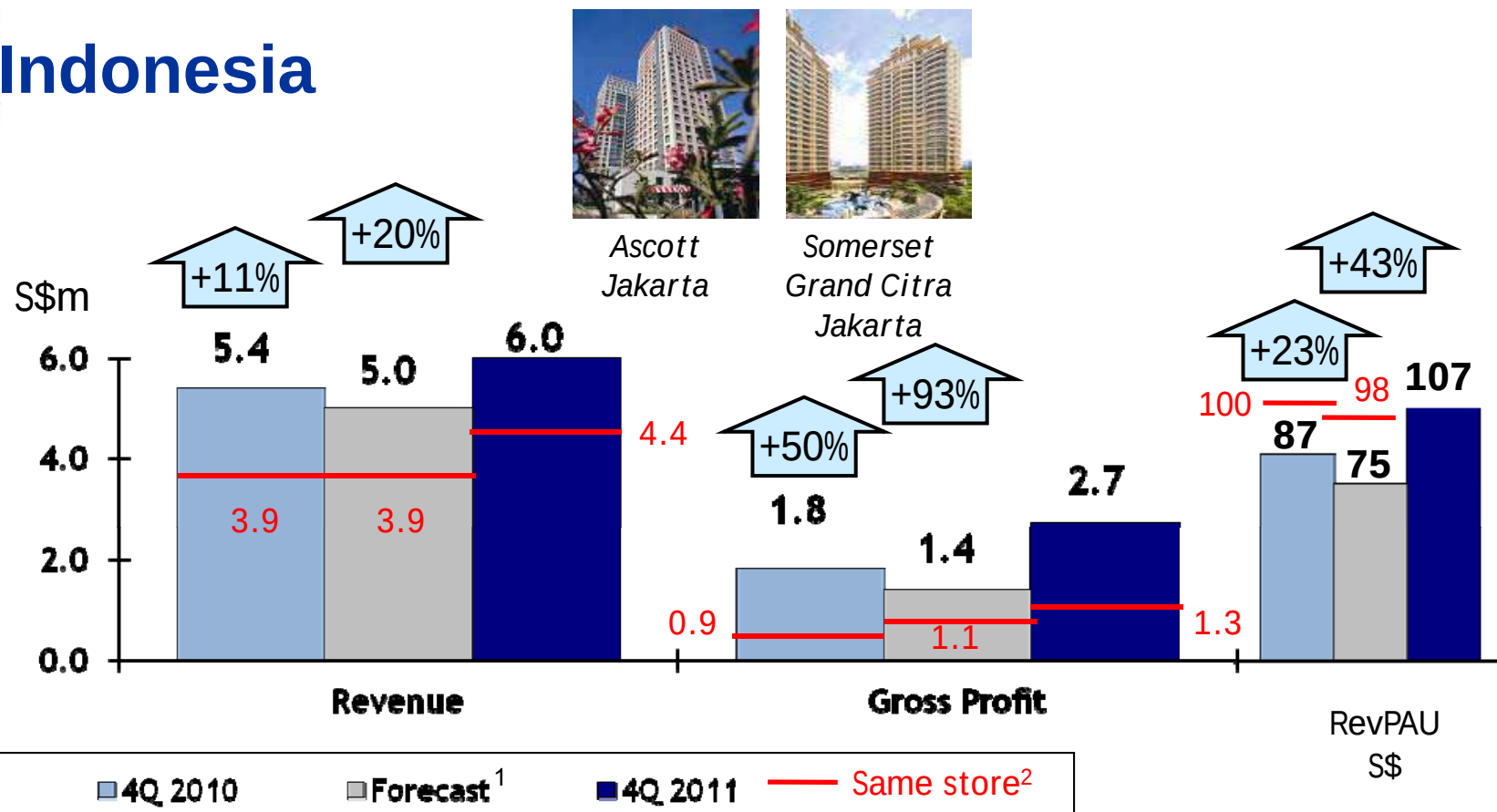


*Somerset
Grand
Fortune
Garden
Property
Beijing*



Revenue and RevPAU increased due to better performance for Somerset Fortune Garden in Beijing with higher demand from project groups. Gross profit in 4Q 2011 decreased by S\$0.1 million as compared to 4Q 2010 as 4Q 2010 included reversal of prior years' accruals of S\$0.3 million. Excluding this adjustment, gross profit increased by S\$0.2 million or 13%.

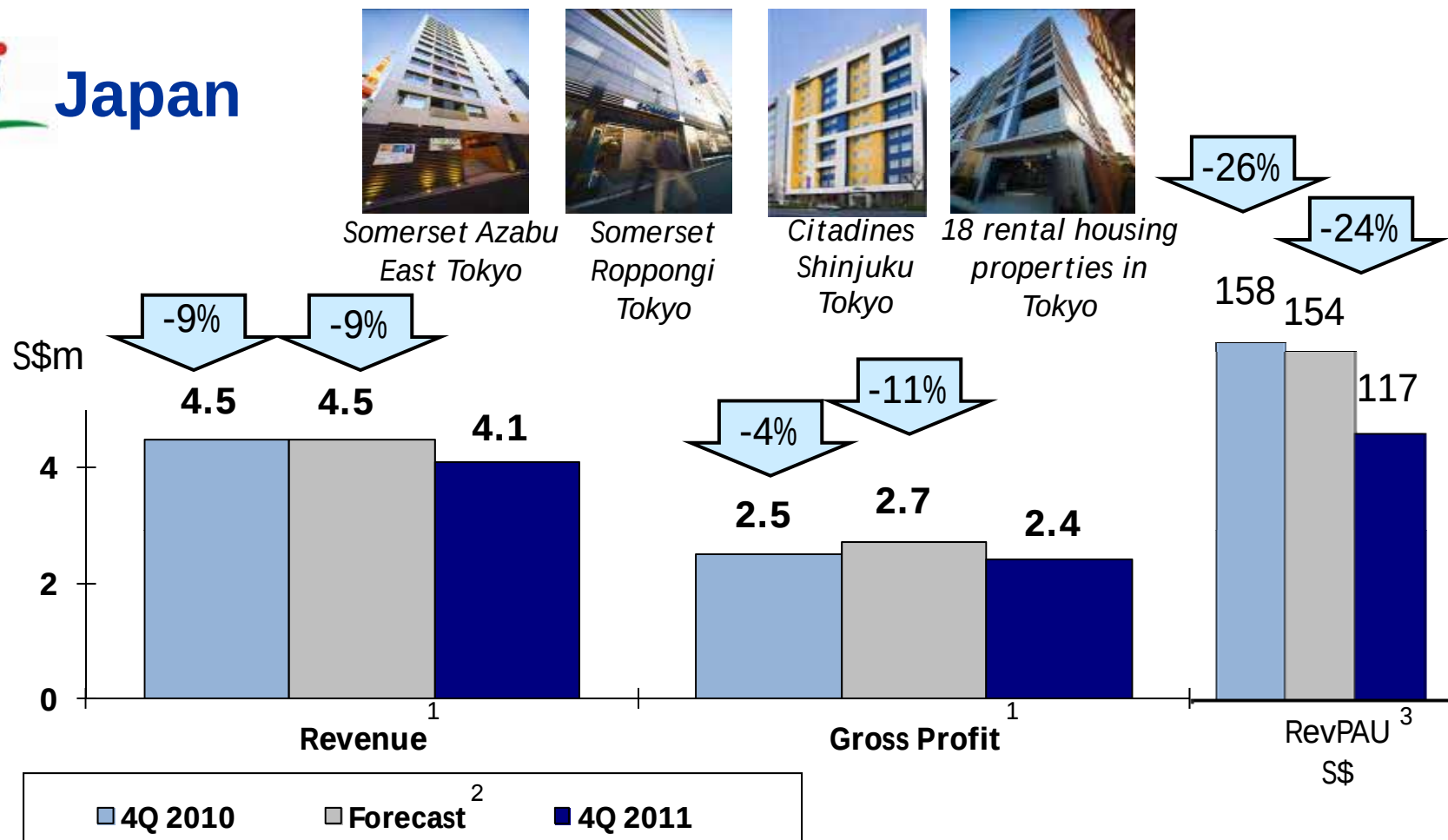
¹ The forecast is extracted from the Offer Information Statement dated 13 September 2010 and is based on the assumptions set out in the Offer Information Statement.



On a same store basis, revenue and gross profit increased by S\$0.5 million and S\$0.4 million respectively compared to 4Q 2010. Increase was due to higher demand from oil and gas industries.

¹ The forecast is extracted from the Offer Information Statement dated 13 September 2010 and is based on the assumptions set out in the Offer Information Statement.

² Excludes Country Woods Jakarta divested on 29 October 2010 and BI claim



Revenue and gross profit decreased due to weaker performance of the serviced residences after the earthquake and tsunami in March 2011, partially offset by stronger performance from the rental housing properties.

¹ Revenue and Gross Profit includes contribution from serviced residence and rental housing properties.

² The forecast is extracted from the Offer Information Statement dated 13 September 2010 and is based on the assumptions set out in the Offer Information Statement.

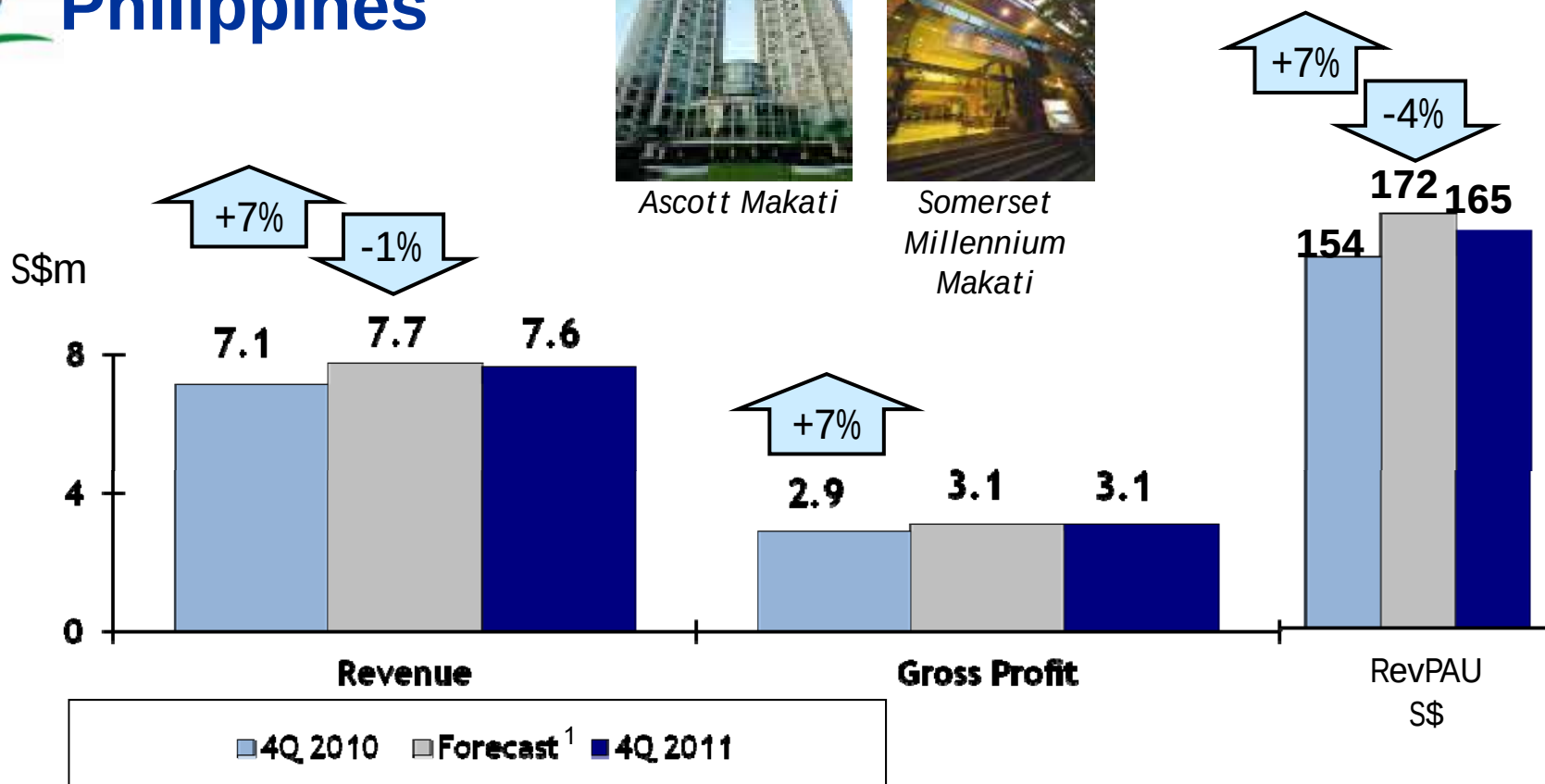
³ RevPAU for serviced residence properties only.



Ascott Makati

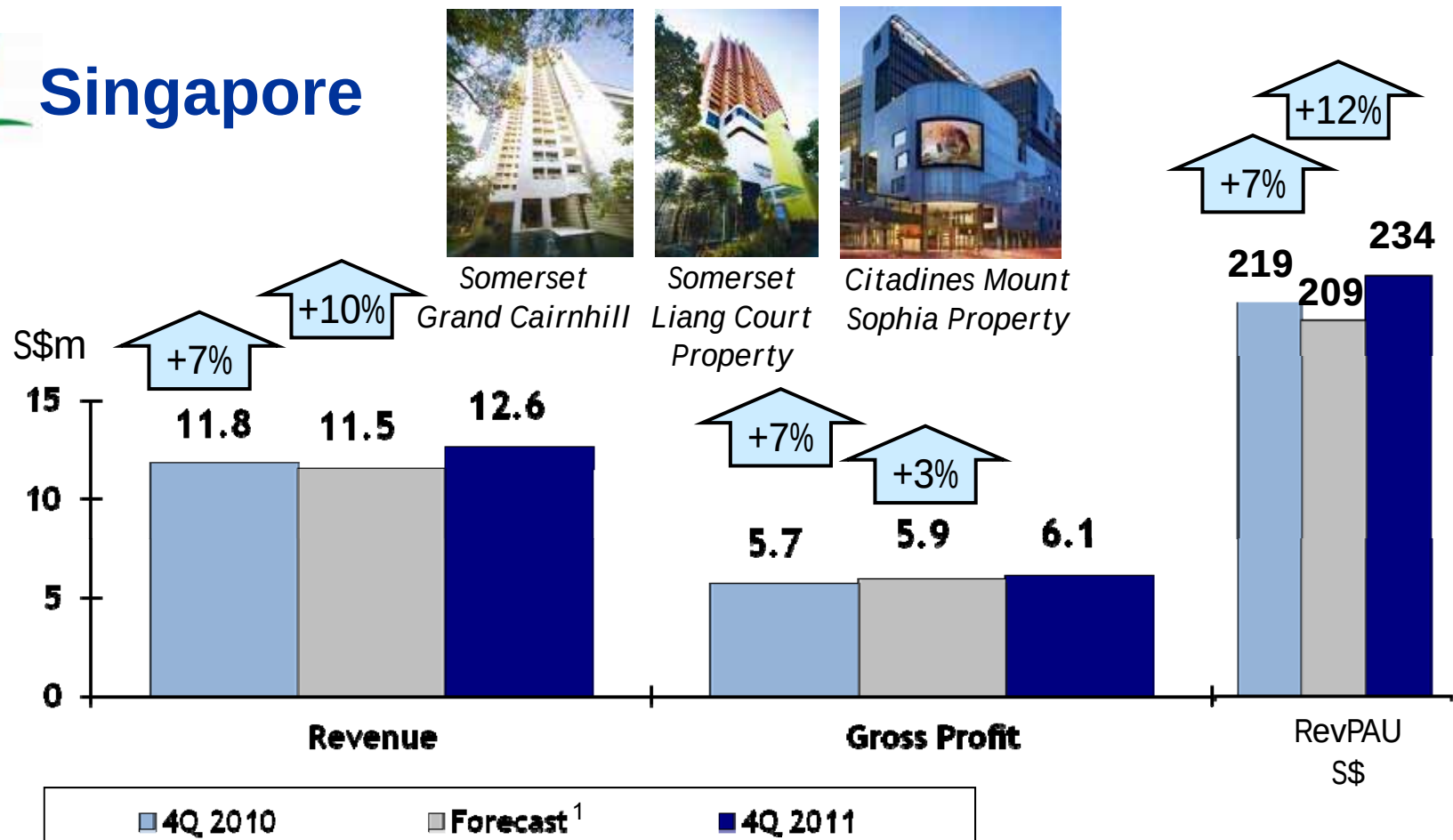


Somerset
Millennium
Makati



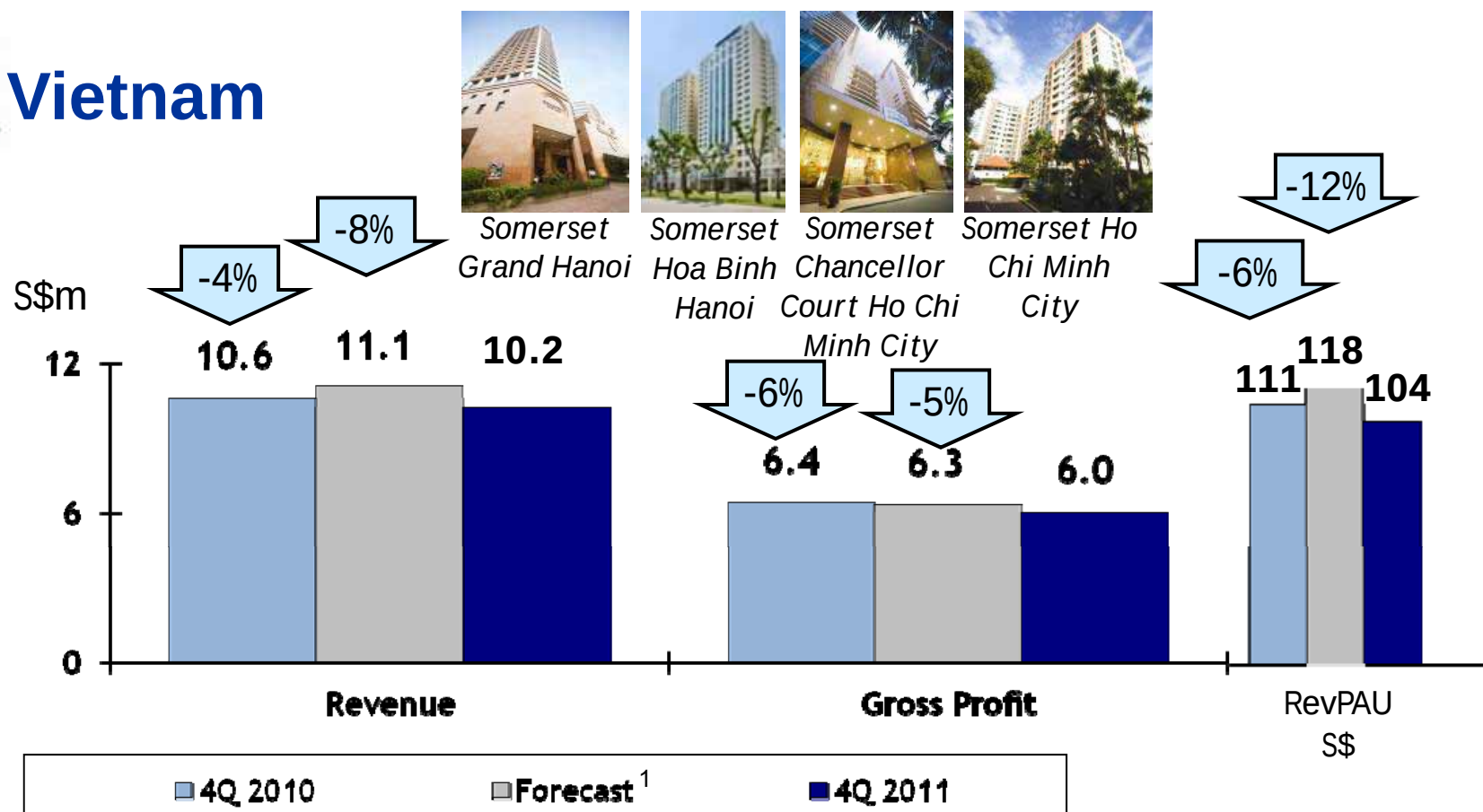
Revenue, RevPAU and gross profit increased mainly due to higher demand for serviced residences from business process outsourcing, mining, and oil and gas industries.

¹ The forecast is extracted from the Offer Information Statement dated 13 September 2010 and is based on the assumptions set out in the Offer Information Statement.



Revenue, RevPAU and gross profit increased mainly due to strong market demand which enabled the serviced residences to achieve higher rental rates.

¹ The forecast is extracted from the Offer Information Statement dated 13 September 2010 and is based on the assumptions set out in the Offer Information Statement.



Revenue, RevPAU and gross profit were lower as compared to 4Q 2010 and forecast¹ due to the weakening of USD against SGD and lower serviced residence revenue arising from a reduction in corporate accommodation budget as well as new supply of serviced residences in the market. In USD terms, revenue, RevPAU and gross profit decreased by 3%, 2% and 2% respectively as compared to 4Q 2010.

¹ The forecast is extracted from the Offer Information Statement dated 13 September 2010 and is based on the assumptions set out in the Offer Information Statement.

Awards



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2011 Corporate Awards

Best Investment Fund
Manager in 2011
(South Eastern Asia)



Best Annual Report Award
in 2010
(Bronze Category)



Most Transparent Company
Award in 2011
(Runner-up, Hotels &
Restaurants)



Brand Introduction

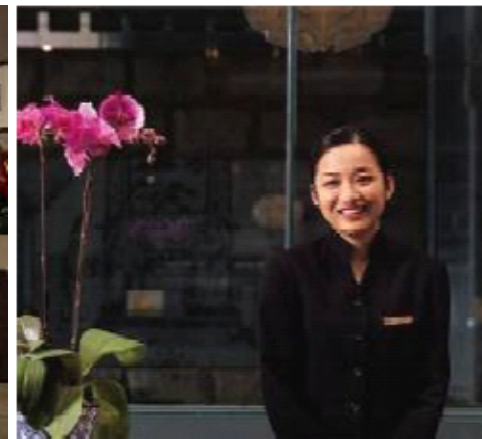


An Associate of CapitaLand



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



An Associate of CapitalLand



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

