ASCOTT
RESIDENCE TRUST
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Ascott Residence Trust

The Proposed Acquisitions of Serviced Residence Properties in Australia and Japan and Rental Housing Properties in Japan From Interested Persons

Extraordinary General Meeting
24 July 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 the Target Acquisitions

Ascott Raffles Place Singapore

Overview of the Target Acquisitions

Summary of the Target Acquisitions

	Citadines on Bourke Melbourne ("COBM")	Citadines Shinjuku Tokyo ("CST")	Citadines Karasuma-Gojo Kyoto ("CKK")	Portfolio of four rental housing properties in Osaka ("S-Residences")	Total
Proposed Acquisition	100%	Remaining 40% interest	Remaining 40% interest	100%	
Purchase Consideration[1]	A$158.0m (S$167.0m)	JPY1.8b (S$20.5m)	JPY872.2m (S$9.7m)	JPY4.4b (S$48.8m)	**S$246.0m**[2]
No. of Apartment Units	380	160	124	488	**868**[3]

Blended EBITDA yield = 5.1%[4]

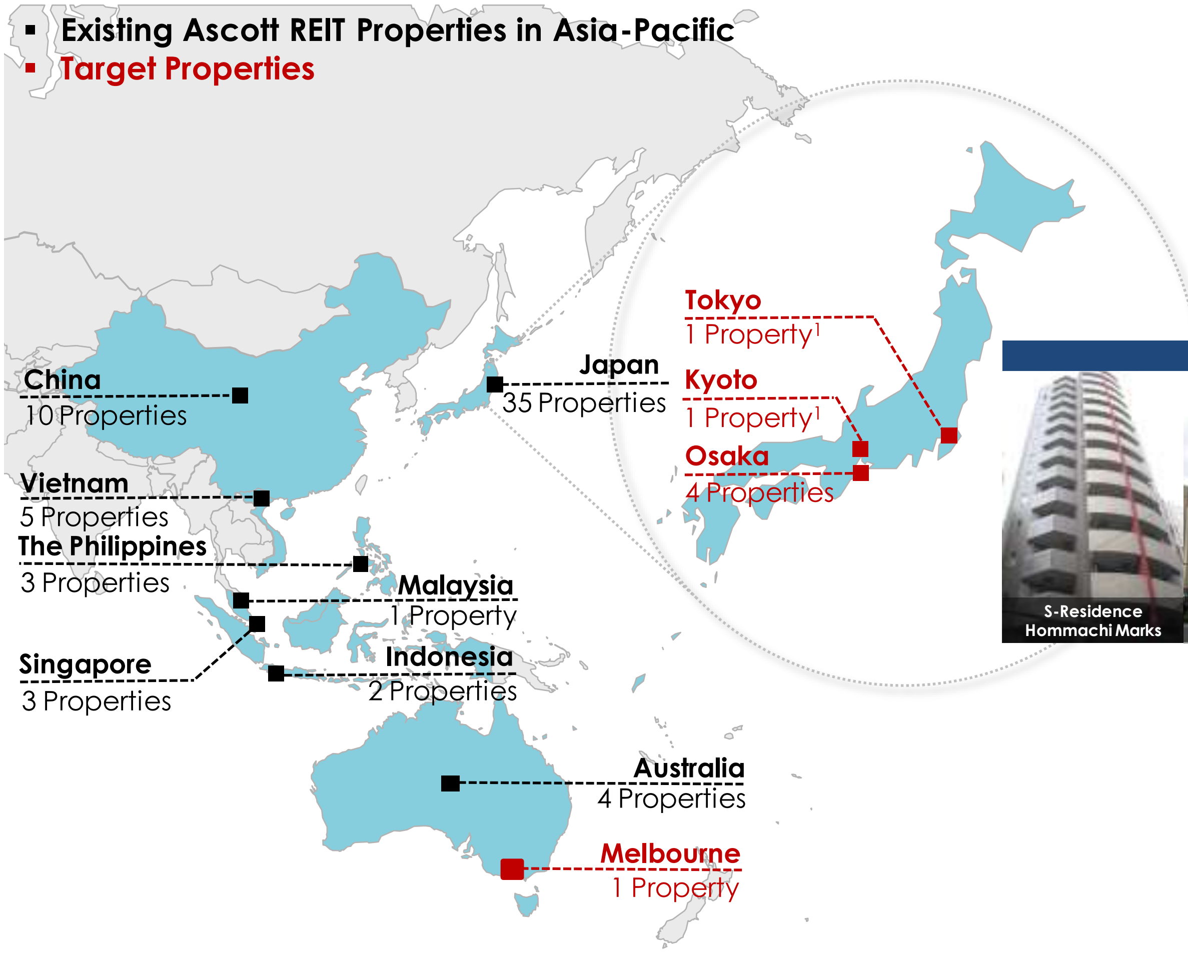
Interested Person/Party Transactions	Unitholders' approval is required for the proposed transactions at the extraordinary general meeting on 24 July 2015, 10.00 a.m.

Notes:

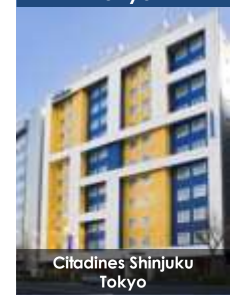
1. *Based on exchange rates of A$1.00 to S$1.05727 and JPY1.00 to S$0.01109*
2. *Adjusted for 40% share of property value in CST and CKK*
3. *Adjusted for full inventory from CST and CKK which have already been included in Ascott REIT's existing number of units*
4. *On pro forma basis for FY2014*

Overview of the Target Acquisitions

Overview of the Target Properties



Tokyo



Citadines Shinjuku Tokyo

Kyoto

Citadines Karasuma-Gojo Kyoto

Osaka

S-Residence Hommachi Marks | S-Residence Tanimachi 9 chome | S-Residence Midoribashi Serio | S-Residence Fukushima Luxe

Melbourne

Citadines on Bourke Melbourne

Note:

1. Ascott REIT targets to acquire remaining 40% interest in CST and remaining 40% interest in CKK

Overview of the Target Acquisitions

Property details of Citadines on Bourke Melbourne

Citadines on Bourke Melbourne

Agreed Property Value	A$158.5m (S$167.6m[1])
Appraised Value[2]	A$156.0m (S$164.9m[1])
No. of Units	380; Comprising studio, 1-bedroom, 2-bedroom units
Gross Floor Area	28,427.0 sqm
Title	Freehold
Location	131-135 Bourke Street, Melbourne, Victoria 3000, Australia
Year of Opening	2010

Notes:
1. Based on exchange rates of A$1.00 to S$1.05727
2. Average of two independent valuations by the independent valuers, namely, CBRE Pte. Ltd. (appointed by DBS Trustee Limited, in its capacity as trustee of Ascott REIT) and Savills (Singapore) Pte. Ltd. (appointed by The Ascott Limited), as at 30 April 2015.

Overview of the Target Acquisitions

Property details of Citadines on Bourke Melbourne (cont'd)

Citadines on Bourke Melbourne

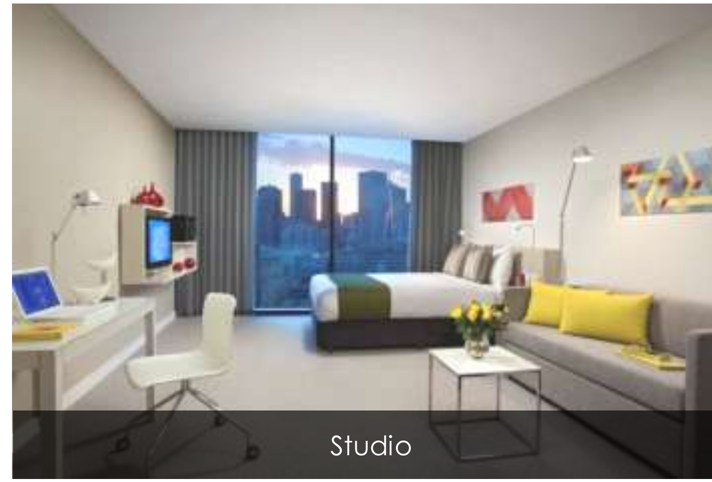
- Post completion, COBM will continue to be managed and operated by The Ascott Limited ("**Ascott**") by the execution of a new serviced residence management agreement
- The new management agreement is for an initial term of 10 years and with fee payable as follows:
  - 3% of the total revenue of the property; and
  - between 5% to 8% of the gross operating profit of the property (with the actual percentage payment depending on the gross operating profit generated by the property)

The proposed outcome-based management fee structure is to incentivise the operator to achieve higher gross operating profit for the property

Overview of the Target Acquisitions

Competitive strengths of Citadines on Bourke Melbourne

1. The property is strategically located within Melbourne's central business district. Close to Parliament House, 101 Collins Street and Bourke Street Mall, it is ideal for both business and leisure travellers
2. Enjoys good inter-city and intra-city connectivity
3. Relatively new property, opened in 2010


Studio


2-Bedroom – Living Room

Overview of the Target Acquisitions

Property details of Citadines Shinjuku Tokyo

Citadines Shinjuku Tokyo

Ascott REIT acquired 60% interest in Citadines Shinjuku Tokyo from Mitsubishi Estate Co. Ltd, an unrelated third party, on 25 November 2011

Agreed Property Value	JPY7.6b (S$84.3m[1])
Appraised Value[2]	JPY7.7b (S$85.0m[1])
No. of Units	160; Comprising studios units
Gross Floor Area	6,197.1 sqm
Title	Freehold
Location	1-28-13 Shinjuku, Shinjuku-ku, Tokyo
Year of Opening	2009

Notes:
1. *Based on exchange rates of JPY1.00 to S$0.01109*
2. *Average of two independent valuations by the independent valuers, namely, CBRE Pte. Ltd. (appointed by DBS Trustee Limited, in its capacity as trustee of Ascott REIT) and Savills (Singapore) Pte. Ltd. (appointed by The Ascott Limited), as at 30 April 2015.*

Overview of the Target Acquisitions

Competitive strengths of Citadines Shinjuku Tokyo

1. Located near the Shinjuku east area, the property is surrounded by many restaurants, entertainment outlets and department stores
2. It enjoys good inter-city and intra-city connectivity via the Marunouchi, Toei Shinjuku and Fukutoshin subway lines
3. Ranked second by TripAdvisor in 2014 among the 70 Top Hotels in Shinjuku


Studio


Studio

Overview of the Target Acquisitions

Property details of Citadines Karasuma-Gojo Kyoto


Citadines Karasuma-Gojo Kyoto

Ascott REIT acquired 60% interest in Citadines Karasuma-Gojo Kyoto from Mitsubishi Estate Co. Ltd, an unrelated third party, on 8 March 2012

Agreed Property Value	JPY3.6b (S$39.9m[1])
Appraised Value[2]	JPY3.7b (S$40.7m[1])
No. of Units	124; Comprising studios units, 1 retail unit, 35 car park lots
Gross Floor Area	4,835.1 sqm
Title	Freehold
Location	432 Matsuyacho Gojo-dori Karasuma-Higashiiru, Shimogyo-ku, Kyoto-shi, Kyoto
Year of Opening	2010

Notes:

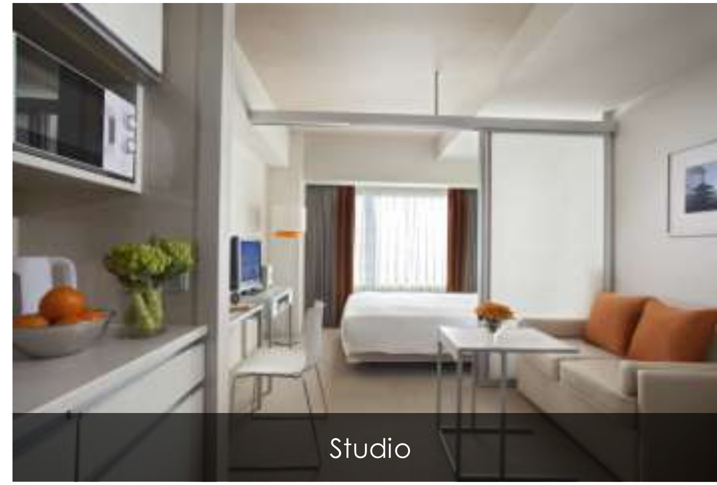
1. *Based on exchange rates of JPY1.00 to S$0.01109*
2. *Average of two independent valuations by the independent valuers, namely, CBRE Pte. Ltd. (appointed by DBS Trustee Limited, in its capacity as trustee of Ascott REIT) and Savills (Singapore) Pte. Ltd. (appointed by The Ascott Limited), as at 30 April 2015.*

Overview of the Target Acquisitions

Competitive strengths of Citadines Karasuma-Gojo Kyoto

1. Property is located near Kyoto's business district and tourist belt, 1-minute walk from Gojo subway station which is one stop from the main Kyoto station where the Shinkansen passes through

2. Ranked 17th in the Top 25 Japan Hotel by TripAdvisor's Travelers Choice Award 2015, CKK is the only property in Kyoto city to receive this award


Studio


1-Bedroom – Living Room

Overview of the Target Acquisitions

Property details of S-Residences


S-Residence Hommachi Marks


S-Residence Tanimachi 9 chome


S-Residence Midoribashi Serio


S-Residence Fukushima Luxe

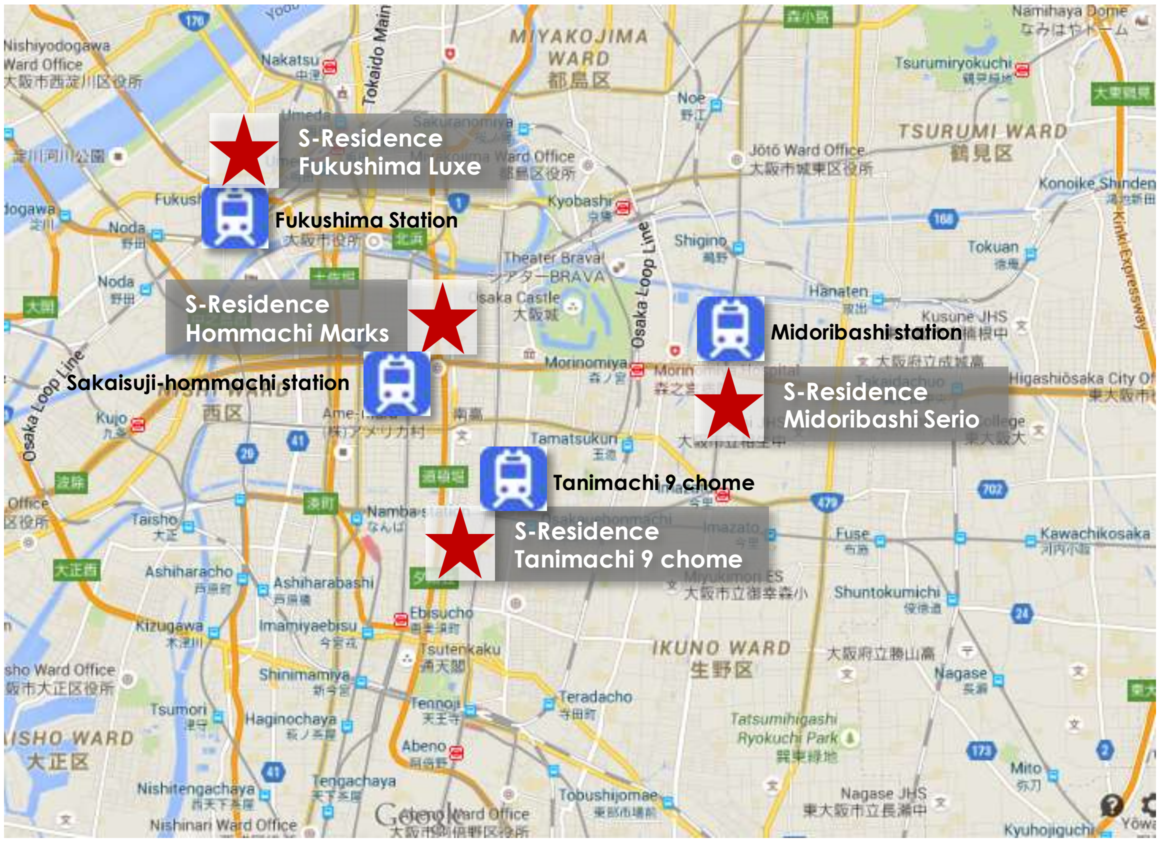
Agreed Property Value	JPY7.3b (S$81.0m[1])	
Appraised Value[2]	JPY7.4b (S$82.3m[1])	
No. of Units	488 (excludes 5 retail units)	
Gross Floor Area	16,322.5 sqm	
Title	Freehold	
Location of S-Residences	Hommachi Marks	2-3-6, Tokuicho, Chuo-ku, Osaka
	Tanimachi 9 chome	4-29, Ikutamamaemachi, Tennoji-ku, Osaka
	Midoribashi Serio	3-17-6, Nakamoto, Higashinari-ku, Osaka
	Fukushima Luxe	7-22-9, Fukushima, Fukushima-ku, Osaka

Notes:

1. *Based on exchange rates of JPY1.00 to S$0.01109*
2. *Average of two independent valuations by the independent valuers, namely, CBRE Pte. Ltd. (appointed by DBS Trustee Limited, in its capacity as trustee of Ascott REIT) and Savills (Singapore) Pte. Ltd. (appointed by The Ascott Limited), as at 30 April 2015.*

Overview of the Target Acquisitions

Competitive strengths of S-Residences



1. The S-Residences are located in Osaka city, within 7-minute walking distance from the nearest subway stations which provide easy access to the central business districts in Osaka

2. The S-Residences exhibited stable and strong occupancy, with annual occupancy of around 97% for the past three years and tenant leases averaging one to two years

Rationale for the Target Acquisitions

Citadines Suites Louvre Paris

Rationale for the Target Acquisitions

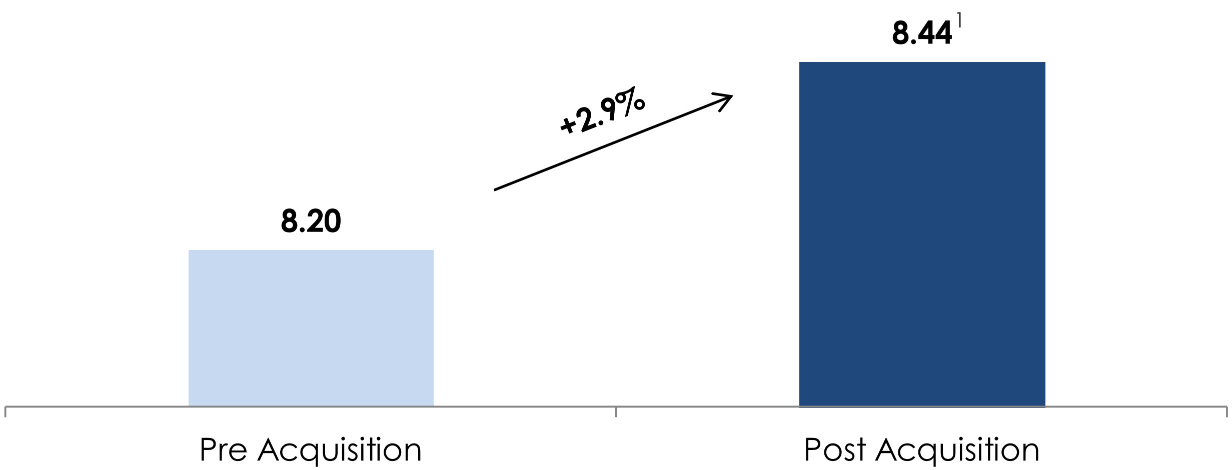
Key Rationale

1. Enhance DPU to Unitholders
2. Broaden earnings base with increased portfolio scale
3. Enhance geographical diversification
4. Investment in Melbourne, the capital of Victoria, Australia
5. Expand footprint in the growing Japanese market

Rationale for the Target Acquisitions

1 Enhance DPU to Unitholders

Distribution Per Unit (S cents)



FY2014 pro forma DPU will increase by 2.9% from 8.20 cents to 8.44 cents[1] post acquisition

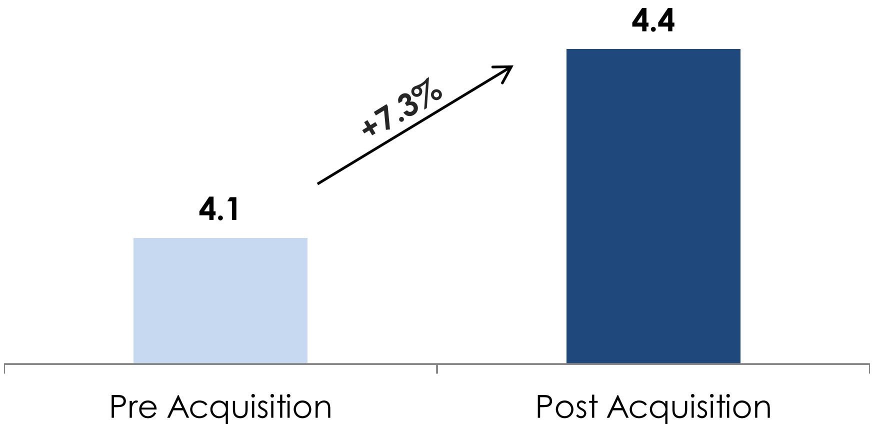
Note:
1. *Ascott REIT intends to finance the proposed acquisitions with debt financing and the issuance of perpetual securities as announced on 23 June 2015*

Rationale for the Target Acquisitions

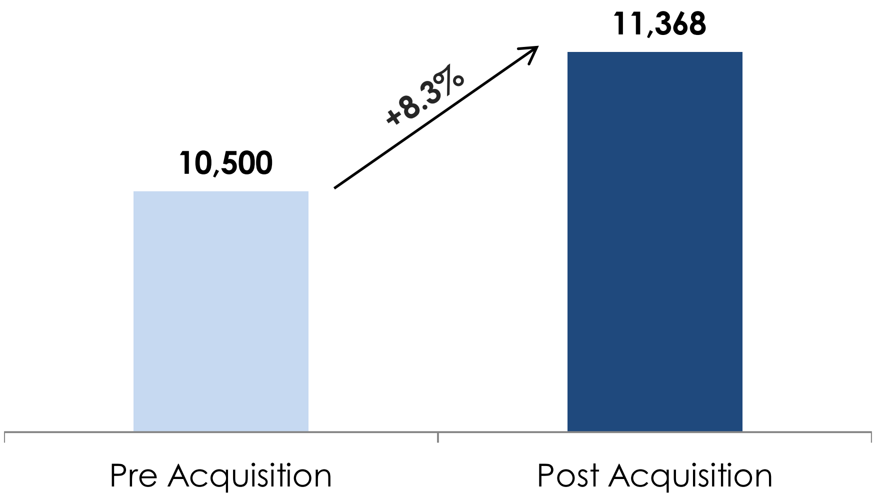
2 Broaden earnings base with increased portfolio scale

- Ascott REIT's total assets will increase 7.3% to S$4.4b
- The number of apartment units will increase 8.3% to 11,368 in 95 properties in 39 cities across 13 countries

Total Assets (S$ billon)



Number of Apartment Units



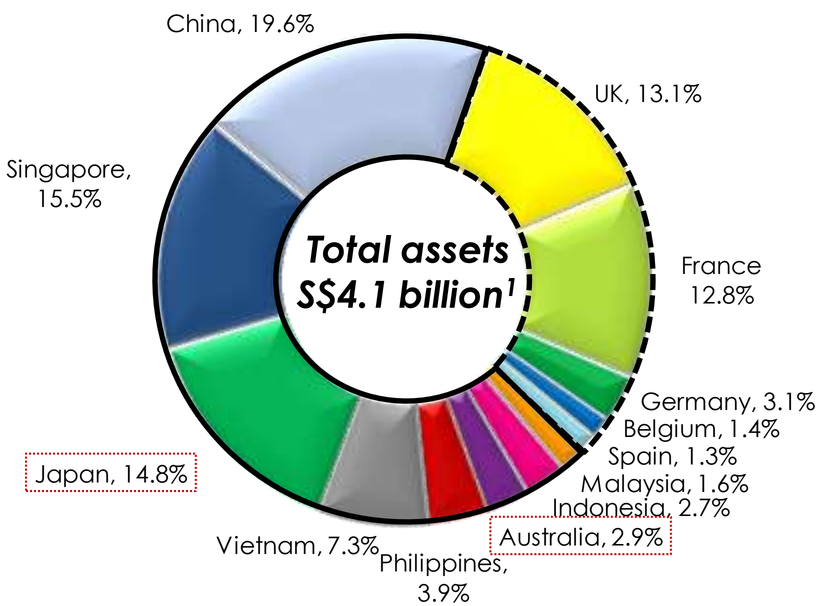
The target acquisitions will enable Ascott REIT to benefit from a broader earnings base, thereby raising the profile of Ascott REIT among global investors

Rationale for the Target Acquisitions

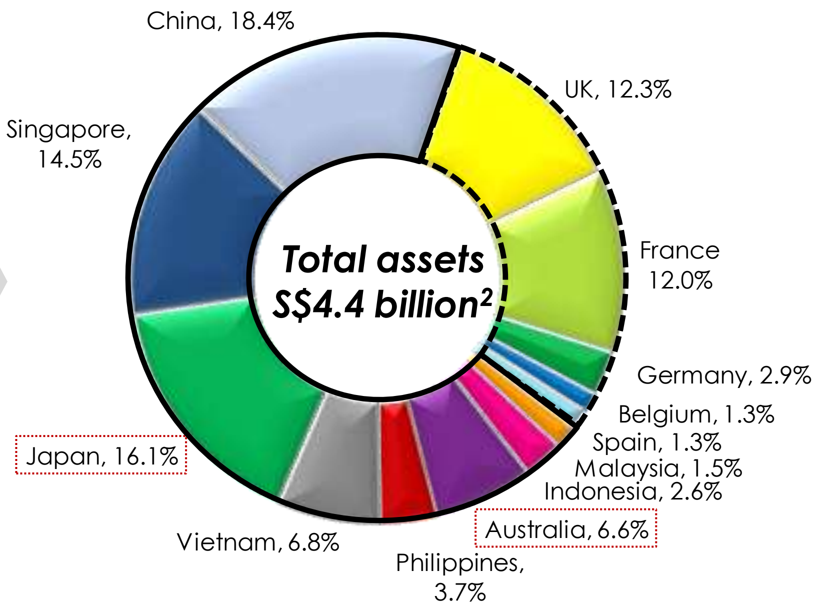
3 Enhance geographical diversification

Breakdown of Ascott REIT's Assets by Geography

Pre Acquisition
68.3% in Asia-Pacific
31.7% in Europe



Post Acquisition
70.2% in Asia-Pacific
29.8% in Europe



Post acquisition, Ascott REIT's portfolio will be diversified across a geographical spread of 39 cities in 13 countries and across property and economic cycles

Notes:
1. *As at 31 December 2014; 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$4.5 billion.*
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$4.8 billion.*

Rationale for the Target Acquisitions

4 Investment in Melbourne, the capital of Victoria, Australia

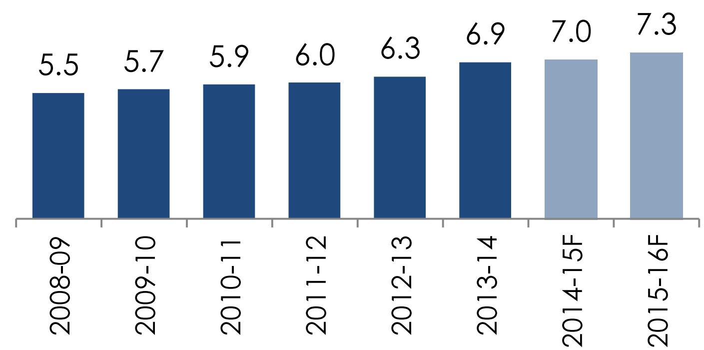
Deepen Ascott REIT's presence in the mature and stable market of Australia

— Top ten global destination for FDI for third straight year after attracting US$50 billion of FDI in 2013[1]

— In FY2014, Australia recorded a 7.6% growth in visitor arrivals to reach 6.9 million – the highest visitor arrivals growth the country has seen in a decade[2].

— Market Revenue per Available Room ("**RevPAR**") for Australia will continue to grow at 5% per year into 2016[3]

Visitor arrivals to Australia[2] (million)



With its reputation for transparent business environment and convenient access to the Asia-Pacific region, Melbourne is well-placed to benefit from the FDI activities

— Accounting for only 3% of Australia's land mass, Melbourne is responsible for 22% of Australia's economic activity and has achieved higher than OECD average GDP growth over the past decade[4]

— Melbourne currently holds the title of "World's Most Livable City"[5]

— Ranked seventh in Asia-Pacific by the Global Financial Centre's Index for its dynamic environment for business

Notes:
1. *Source: United Nations Conference on Trade and Development*
2. *Source: Australian Bureau of Statistics*
3. *Source: Deloitte Access Economics' Tourism and Hotel Market Outlook 2014*
4. *Source: Invest Australia*
5. *Source: Economic Intelligence Unit*

Rationale for the Target Acquisitions

5 Expand footprint in the growing Japanese market

Japanese government proactively attracting foreign companies

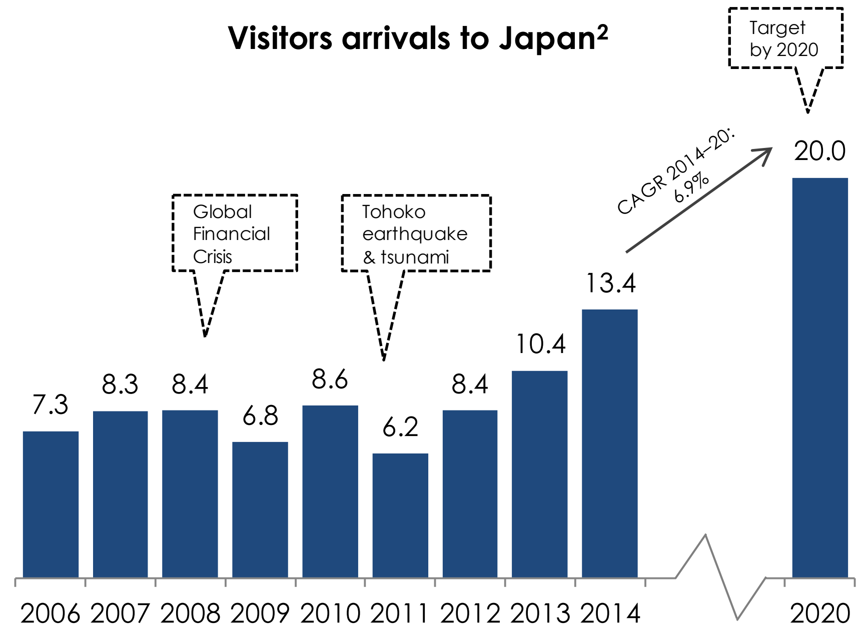
— Through the designation of "National Strategic Special Zone" and tax reforms, the government aims to double Japan's investment balance to JPY35 trillion by 2020[1]

Rapid growth in visitor arrivals into Japan leading up to the 2020 Tokyo Summer Olympics

— Visitor arrivals into Japan reached an estimated 13.4 million in 2014, a nearly 30% jump from the record breaking10.4 million achieved in 2013[2].

— The government aims to increase annual visitor arrivals to 20 million by the 2020 Tokyo Summer Olympics

Visitors arrivals to Japan[2]



Notes:
1. *Source: Tokyo Metropolitan Government*
2. *Source: Japan National Tourism Organisation*

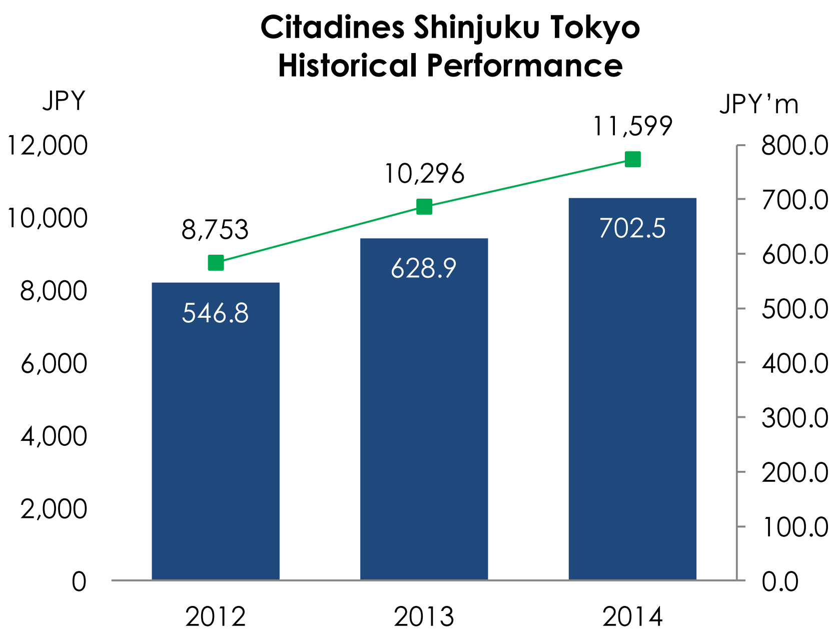
Rationale for the Target Acquisitions

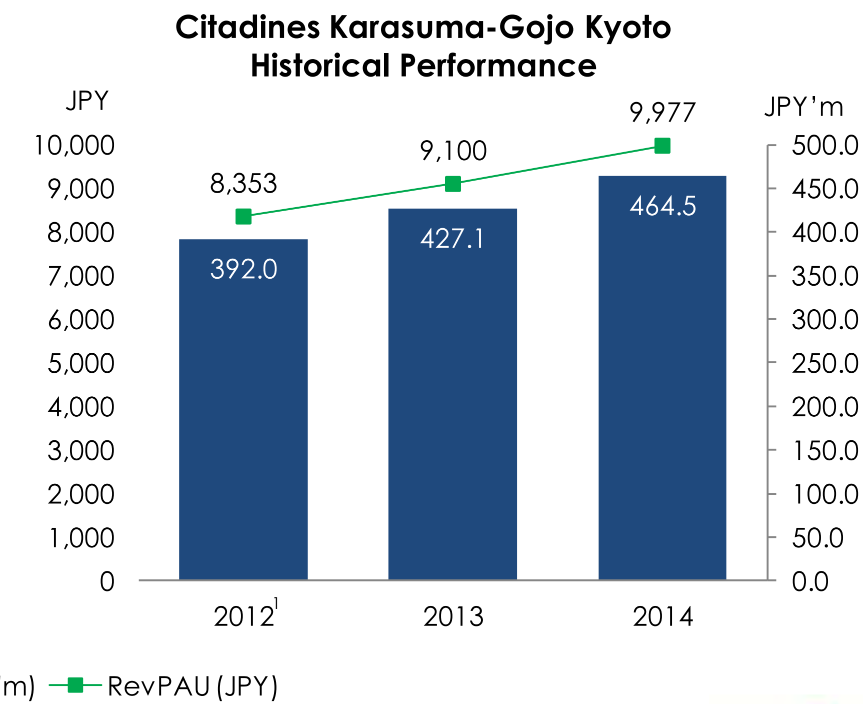
5 Expand footprint in the growing Japanese market (cont'd)

Strong historical performance of our properties

— Both CST and CKK have exhibited strong performance since acquisition of 60% interest in November 2011 and March 2012 respectively

— In FY2014, CST and CKK year-on-year REVPAU grew 12.7% and 9.6% respectively





Note:

1. *Relates to FY2012 performance of the property*

Overview of Funding Structure

Ascott Raffles Place Singapore

Overview of Funding Structure

Debt financing and issuance of perpetual securities

Citadines on Bourke Melbourne

S$167.0m[1]

Remaining 40% interest in Citadines Shinjuku Tokyo

S$20.5m[1]

Remaining 40% interest in Citadines Karasuma-Gojo Kyoto

S$9.7m[1]

S-Residences

S$48.8m[1]

Transaction Expenses

$17.8m[2]

Use of funds: S$263.8m

Ascott REIT intends to finance the proposed acquisitions with debt financing and the issuance of perpetual securities[3]

Notes:

1. *Based on the exchange rates of A$1.00 to S$1.05727 and JPY1.00 to S$0.01109, where applicable*
2. *Excludes acquisition fees of approximately $3.1 million, which will be payable in Units to the Manager*
3. *As announced on 23 June 2015*

Impact on Ascott REIT

Ascott Raffles Place Singapore

Impact on Ascott REIT

Pro Forma Financial Effects

	Pre Acquisition	Post Acquisition[1]
DPU	8.20 cents	8.44 cents
Net Asset Value Per Unit	S$1.37	S$1.38
Gearing	38.5%	39.5%

Note:
1. Ascott REIT intends to finance the proposed acquisitions with debt financing and the issuance of perpetual securities as announced on 23 June 2015

Conclusion

Citadines Mount Sophia

Conclusion

The Proposed Acquisitions of Serviced Residence Properties in Australia and Japan and Rental Housing Properties in Japan From Interested Persons

1 Enhance DPU to Unitholders	▪ FY2014 pro forma DPU will increase by 2.9% from 8.20 cents to 8.44 cents[1] post acquisition
2 Broaden earning base with increased portfolio scale	▪ Total assets is expected to increase 7.3% to S$4.4b post acquisition ▪ The number of apartment units will increase 8.3% to 11,368 in 95 properties in 39 cities across 13 countries
3 Enhance geographical diversification	▪ Ascott REIT's presence in Japan and Australia from 14.8% to 16.1% and 2.9% to 6.6% respectively, and expanding Ascott REIT's portfolio into Melbourne, the capital of Victoria, Australia
4 Investment in Melbourne, the capital of Victoria, Australia	▪ Market RevPAR for Melbourne grew 4.1% in 2013-14 ▪ Hospitality sector set to benefit as market RevPAR is expected to grow 7.3% to reach A$161 in 2015
5 Expand footprint in the growing Japanese market	▪ Tokyo and Kyoto hospitality markets expected to continue to perform strongly ▪ Ascott REIT extends presence into the city of Osaka, third largest city in Japan by population, through its rental housing portfolio

Note:
1. *Ascott REIT intends to finance the proposed acquisitions with debt financing and the issuance of perpetual securities as announced on 23 June 2015*

Conclusion (cont'd)

Overview of Ascott REIT's Portfolio Post Acquisition[1]

S$4.6b[2]	11,779	96	40
Total Assets	Apartment Units	Properties	Cities in 14 Countries

Notes:

1. *Includes the acquisition of an extended-stay hotel property in United States of America as announced on 2 July 2015 ("**U.S. acquisition**"); excluding the U.S. acquisition, Ascott REIT's post acquisition portfolio would be approximately S$4.4 billion of total assets, comprises 11,368 units in 95 properties in 39 cities across 13 countries*
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$5.0 billion*

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