

Ascott Residence Trust

A Leading Global Serviced Residence REIT

Annual General Meeting

16 April 2018



Important Notice

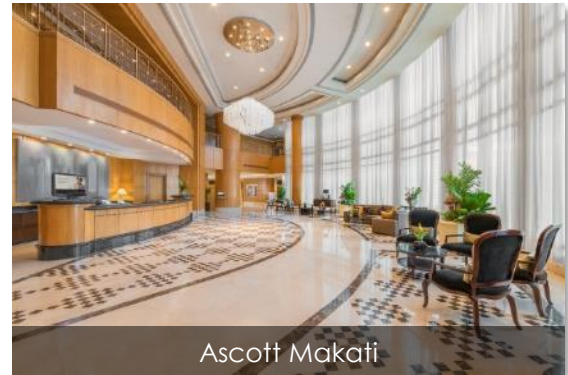
The value of units in Ascott Residence Trust ("Ascott REIT") (the "Units") and the income derived from them may fall as well as rise. The Units are not obligations of, deposits in, or guaranteed by Ascott Residence Trust Management Limited, the Manager of Ascott REIT (the "Manager") or any of its affiliates. 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 for FY 2017
- Portfolio Information
- Capital and Risk Management
- Contributing to the Community
- Looking Forward
- Appendix



Overview of Ascott REIT

Ascott Orchard Singapore

A Leading Global Serviced Residence REIT

Diversified And Defensive Portfolio Of Quality Assets Located In Major Gateway Cities



11,861 units

38 cities

14 countries

Most geographically diversified REIT listed on the SGX-ST

Market Capitalisation

S\$2.6b



Total Assets

S\$5.5b



**Total Shareholder
Return Since IPO**

+217%¹



Notes:
Figures above as at 31 December 2017, including Citadines Biyun Shanghai and Citadines Gaoxin Xi'an that were divested on 5 January 2018.

1. Consists all distributions and capital appreciation of Ascott Reit's unit price from IPO to 31 December 2017.



Diversified Geographical Footprint

United States of America

- o DoubleTree by Hilton Hotel New York – Times Square South
- o Element New York Times Square West
- o Sheraton Tribeca New York Hotel

United Kingdom

- o Citadines Barbican London
- o Citadines Holborn-Covent Garden London
- o Citadines South Kensington London
- o Citadines Trafalgar Square London

China

- o Ascott Guangzhou
- o Citadines Biyun Shanghai*
- o Citadines Gaoxin Xi'an*
- o Citadines Xinghai Suzhou
- o Citadines Zhuankou Wuhan
- o Somerset Grand Central Dalian
- o Somerset Heping Shenyang
- o Somerset Olympic Tower Property Tianjin
- o Somerset Xuhui Shanghai

Japan

- o Citadines Central Shinjuku Tokyo
- o Citadines Shinjuku Tokyo
- o Somerset Azabu East Tokyo
- o Citadines Karasuma-Gojo Kyoto
- o Actus Hakata V-Tower
- o Big Palace Kita 14jo
- o Gravis Court Kakomachi
- o Gravis Court Kokutaji
- o Gravis Court Nishiharaekimae
- o Infini Garden
- o Roppongi Residences Tokyo
- o S-Residence Hommachi Marks
- o S-Residence Tanimachi 9 chome
- o S-Residence Midoribashi Serio
- o S-Residence Fukushima Luxe

Spain

- o Citadines Ramblas Barcelona

France

- o Citadines Austerlitz Paris
- o Citadines Didot Montparnasse Paris
- o Citadines Les Halles Paris
- o Citadines Maine Montparnasse Paris
- o Citadines Montmartre Paris
- o Citadines Place d'Italie Paris
- o Citadines République Paris
- o Citadines Tour Eiffel Paris
- o Citadines Trocadéro Paris
- o La Clef Louvre Paris
- o Citadines Croisette Cannes
- o Citadines City Centre Grenoble
- o Citadines City Centre Lille
- o Citadines Presqu'île Lyon
- o Citadines Castellane Marseille
- o Citadines Prado Chanot Marseille
- o Citadines Antigone Montpellier

Belgium

- o Citadines Sainte-Catherine Brussels
- o Citadines Toison d'Or Brussels

Germany

- o Citadines Amulfpark Munich
- o Citadines City Centre Frankfurt
- o Citadines Kurfürstendamm Berlin
- o Citadines Michel Hamburg
- o Madison Hamburg

Philippines

- o Ascott Makati
- o Somerset Millenium Makati

Malaysia

- o Somerset Ampang Kuala Lumpur

Indonesia

- o Ascott Jakarta
- o Somerset Grand Citra Jakarta

Vietnam

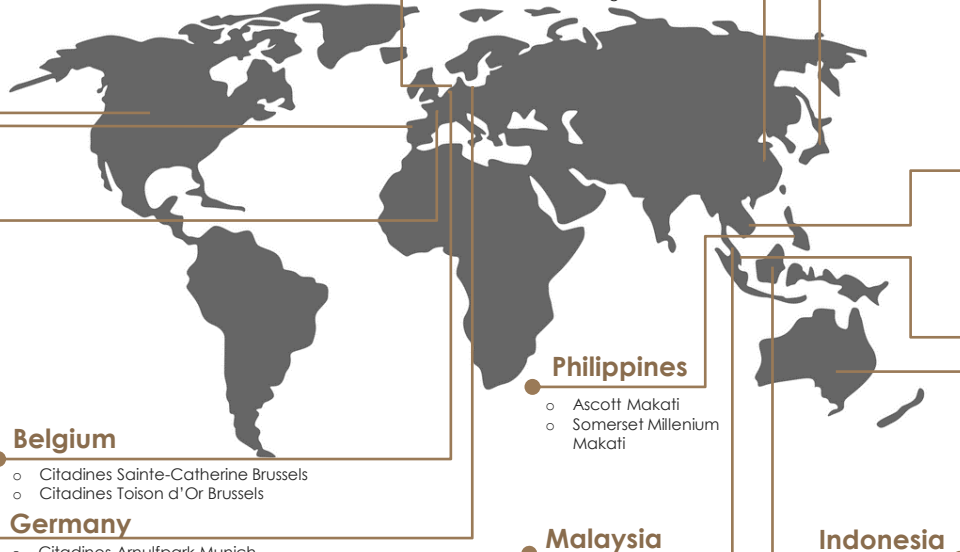
- o Somerset Grand Hanoi
- o Somerset Hoa Binh Hanoi
- o Somerset West Lake Hanoi
- o Somerset Chancellor Court Ho Chi Minh City
- o Somerset Ho Chi Minh City

Singapore

- o Ascott Orchard
- o Ascott Raffles Place
- o Citadines Mount Sophia
- o Somerset Liang Court

Australia

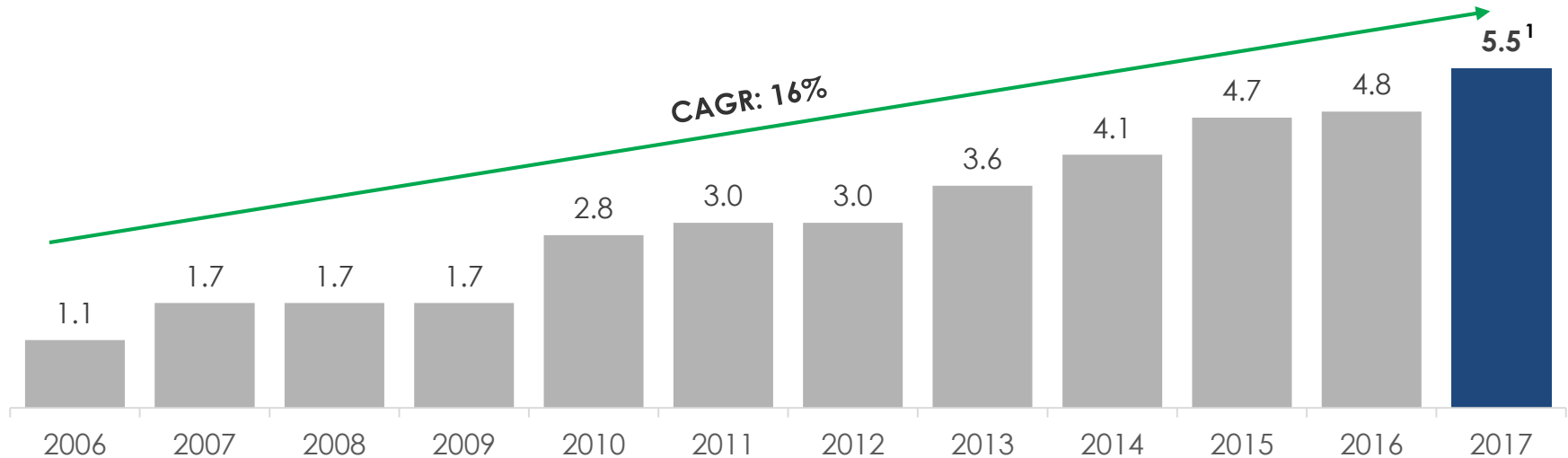
- o Citadines On Bourke Melbourne
- o Citadines St Georges Terrace Perth
- o Quest Campbelltown
- o Quest Mascot
- o Quest Sydney Olympic Park



Largest Hospitality S-REIT By Asset Size

Total Assets Increased Fivefold Since Listing

Total Assets
(S\$ billion)



Total Asset Value Acquired Since Listing: **S\$4.5 billion**

Note:

1. Including Citadines Biyun Shanghai and Citadines Gaoxin Xi'an which were divested on 5 January 2018.

Clinched Highly Coveted Accolades

Asia Pacific Best of the Breeds REITs Awards 2017

- Best Hospitality REIT - Platinum



Singapore Governance and Transparency Index 2017

- Ranked **6** out of the 42 Trusts

World Travel Awards 2017

- Leading Serviced Apartments' in respective countries
 - Citadines Michel Hamburg
 - Citadines Sainte-Catherine Brussels
 - Citadines Shinjuku Tokyo
 - Somerset Grand Hanoi



Business Traveller Asia-Pacific Awards 2017

- Best Serviced Residence in Asia Pacific
 - Ascott Raffles Place Singapore

Travel Weekly Asia Readers' Choice Awards 2017

- Best Serviced Residence Property
 - Ascott Orchard Singapore



TripAdvisor Awards

- Travellers' Choice Award 2017
 - Ascott Raffles Place Singapore
 - La Clef Louvre Paris
 - Citadines Karasuma-Gojo Kyoto
 - Somerset Grand Hanoi
 - Somerset Ho Chi Minh City
- Certificate of Excellence Award 2017
 - 37 properties¹

Note:

1. For the full list of the awards, please refer to <https://www.the-ascott.com/en/ascottlimited/awards.html>.

Year in Review for FY 2017



Citadines City Centre Frankfurt

Year in Review for FY 2017

Revenue And Unitholders' Distribution Grew **4%** And **13%** Y-o-Y Respectively;
Continued To Pay Out **100%** Of Distributable Income

Revenue

S\$496.3m

▲ 4% Y-o-Y

S\$475.6m in FY 2016



Gross Profit

S\$226.9m

▲ 2% Y-o-Y

S\$222.4m in FY 2016



Revenue Per Available Unit

S\$144

▲ 3% Y-o-Y

S\$140 in FY 2016



Unitholders' Distribution

S\$152.2m

▲ 13% Y-o-Y

S\$135.0m in FY 2016



Distribution Per Unit

7.09 S cents

▼ 14% Y-o-Y¹

8.27 S cents in FY 2016



Adjusted Distribution Per Unit

7.99 S cents²

▲ 5% Y-o-Y

7.59 S cents in FY 2016

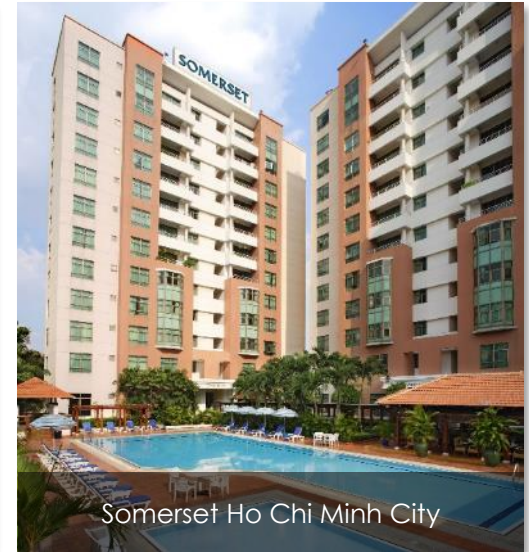


Notes:

1. Mainly due to Rights Issue completed in April 2017 to part fund the acquisitions of Ascott Orchard Singapore, Citadines City Centre Frankfurt and Citadines Michel Hamburg.
2. Adjusted for one-off items, equity placement, Rights Issue and divestment gain.

As At 31 December 2017, Investment Properties Were Valued At **S\$4.9b** With A Fair Value Gain Of **~S\$9.8m**

- Increased mainly due to higher valuation from properties in Germany, the United Kingdom and Vietnam



Enhancing And Diversifying Our Portfolio Of Quality Assets

Acquired **4** Prime Properties Worth **\$S\$648.3m** In Germany, Singapore and The U.S.

- **Enhancing income stability with properties on master lease arrangements**

Germany

1. Citadines City Centre Frankfurt – \$S\$51.7m
2. Citadines Michel Hamburg – \$S\$43.2m

Singapore

3. Ascott Orchard Singapore – \$S\$405.0m

- **Strengthening presence in the resilient hospitality market of New York City**

U.S.

4. DoubleTree by Hilton Hotel New York – Times Square South – \$S\$148.4m

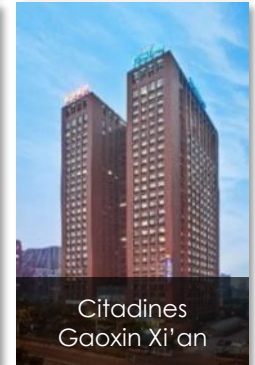
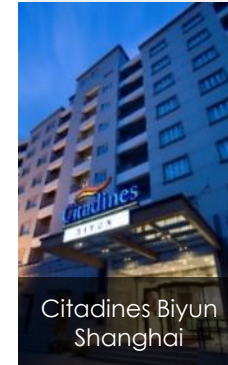
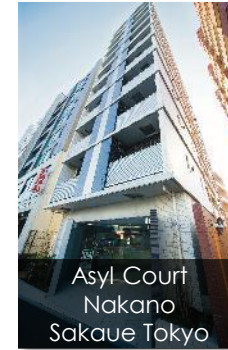
- **Successfully raised \$S\$442.7m through a rights issue which was 1.8 times oversubscribed**



Optimising Returns And Realising Value

Divested **S\$351.6m** Of Assets And Recognised A Total Divestment Gain Of **S\$71.7m**

- **Divested a portfolio of 18 rental housing properties in Tokyo, Japan on 26 April 2017**
 - 16% above valuation
 - Net divestment gain of **S\$20.1m**
- **Divested 2 serviced residences in China, Citadines Biyun Shanghai and Citadines Gaoxin Xi'an on 5 January 2018**
 - 69% above valuation
 - Net divestment gain of **S\$51.6m**



Distributed part of the divestment gains of **S\$6.5m** in February 2018

Augmenting Value Through Asset Enhancement Initiatives

Robust ADR Uplift At Refurbished Properties

Somerset Ho Chi Minh City

▲ **23%**
Y-o-Y



Pre-refurbishment



Post-refurbishment

Somerset Millennium Makati

▲ **14%**
Y-o-Y



Pre-refurbishment



Post-refurbishment

Citadines Barbican London

▲ **10%**
Y-o-Y



Pre-refurbishment



Post-refurbishment

Augmenting Value Through Asset Enhancement Initiatives

Citadines Barbican London
Additional rental revenue from
Sourced Market, a F&B retailer



Citadines Mount Sophia Singapore
Rejuvenated Lobby and Breakfast Lounge

Portfolio Information

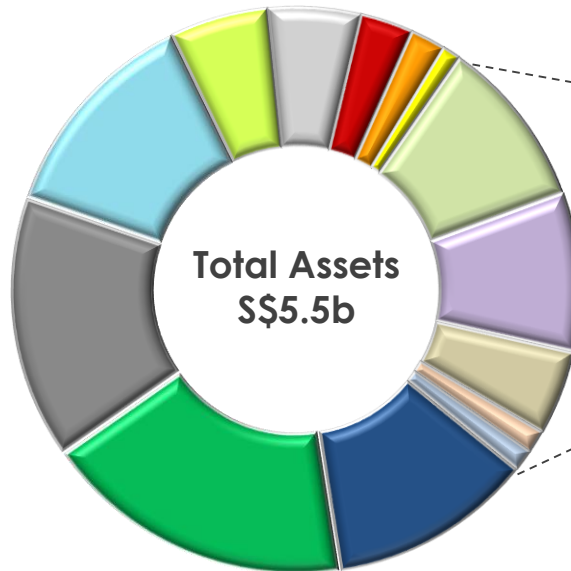
Ascott Makati

Stable Performance Driven By A Balanced And Diversified Portfolio

Breakdown of Total Assets by Geography As at 31 December 2017

Asia Pacific 62.3%

● Singapore	17.9%
● China	15.0%
● Japan	12.5%
● Vietnam	5.6%
● Australia	5.3%
● Philippines	3.0%
● Indonesia	2.0%
● Malaysia	1.0%



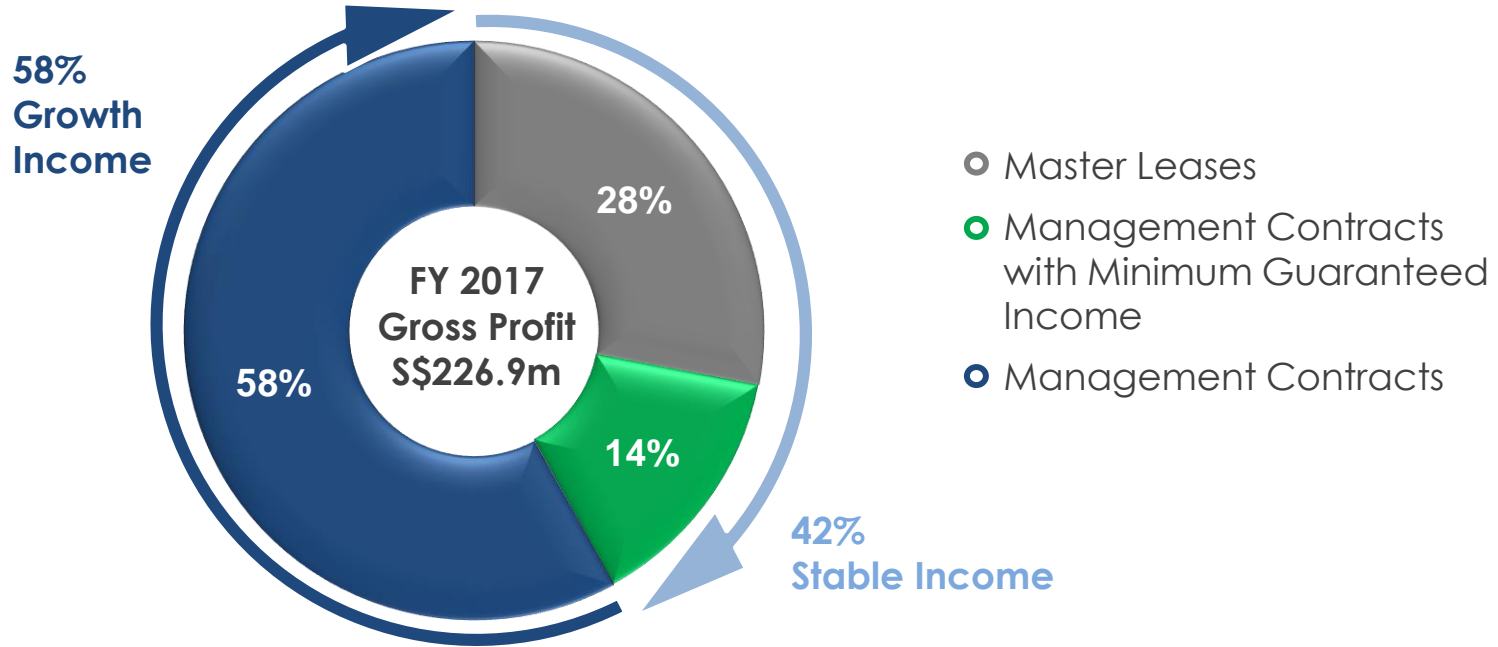
Europe 26.1%

● France	9.8%
● UK	9.0%
● Germany	4.8%
● Spain	1.3%
● Belgium	1.2%

The Americas 11.6%

● USA	11.6%
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Gross Profit Underpinned By Stable And Growth Income

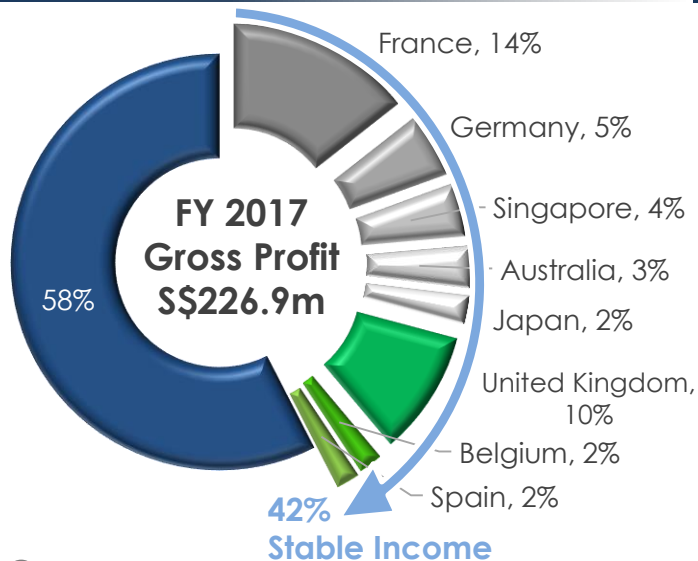




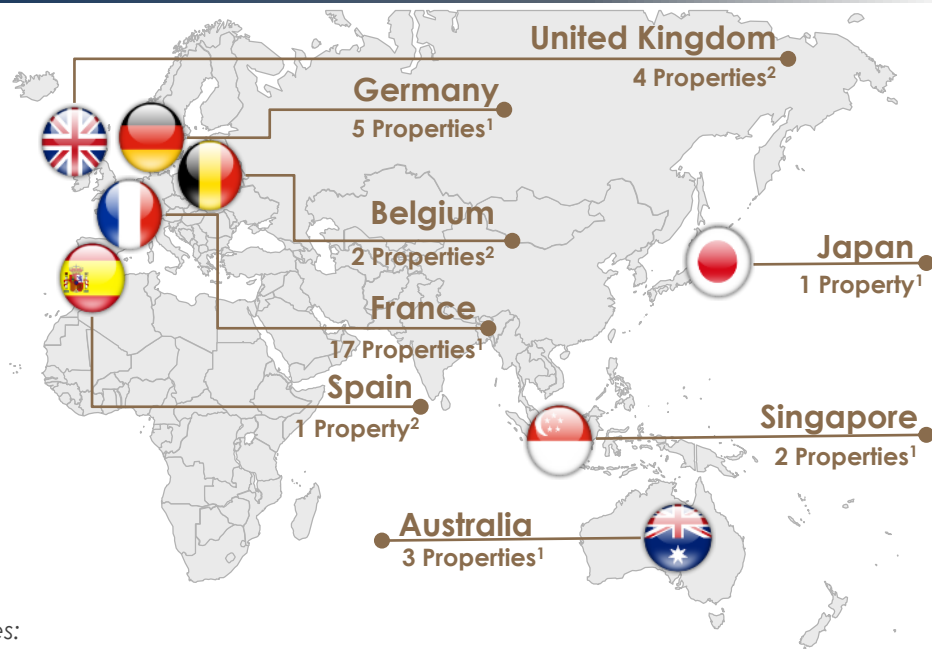
42% of Gross Profit Contributed By Stable Income

35 out of 75 properties enjoy income visibility derived from master leases and minimum guaranteed income contracts with weighted average tenure extended to ~6 years

Gross profit contribution by contract type in FY 2017



Properties under master leases and management contracts with minimum guaranteed income



Notes:

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

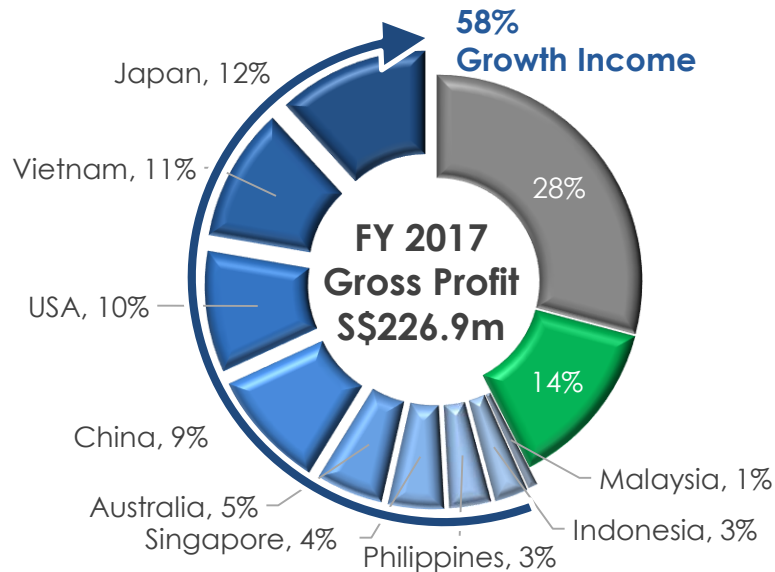
- Master Leases
- Management Contracts with Minimum Guaranteed Income
- Management Contracts



58% of Gross Profit Contributed By Growth Income

40 out of 75 properties enjoy upside growth potential derived from management contracts

Gross profit contribution by contract type in FY 2017



Properties under management contracts



Note:

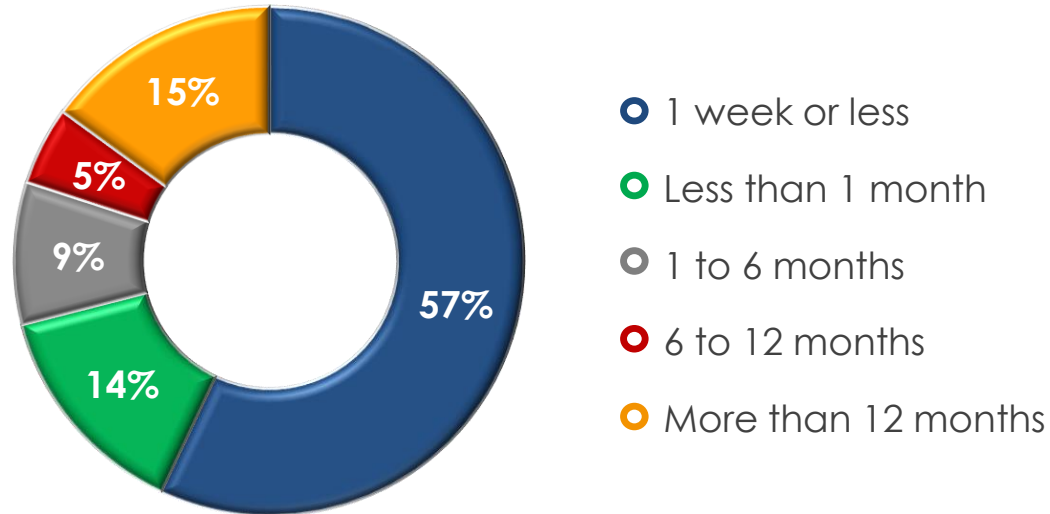
1. Including Citadines Biyun Shanghai and Citadines Gaoxin Xi'an that were divested on 5 January 2018.

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



Average Length Of Stay Remains High, Providing Income Stability

Average Length Of Stay Is About **3 Months**^{1,2}



Notes:

1. Based on rental income. Excluding properties on master leases.
2. Excluding the 18 rental housing properties in Japan that were divested on 26 April 2017.

Capital and Risk Management





Capital And Risk Management

Disciplined And Prudent Approach Towards Capital And Risk Management

Gearing remained low at

36.2%¹



Effective borrowing rate maintained at

2.4% per annum

4.1 years

Weighted average debt
to maturity



Interest cover

4.7X

'BBB' (outlook stable)

1st long-term rating by Fitch²



~81%

Total debts on fixed rates to hedge
against rising interest rates

Note:

1. As at 31 December 2017. Gearing is approximately 34.5% taking into account the divestment of Citadines Biyun Shanghai and Citadines Gaoxin Xi'an, which was completed on 5 January 2018.
2. Ascott Reit has ceased engagement with Moody's credit rating service in 1Q 2018.

Capital And Risk Management

Disciplined And Prudent Approach Towards Capital And Risk Management

Impact of foreign exchange fluctuations on gross profit
largely mitigated at



-0.5%



NAV Per Unit
S\$1.25

Adjusted NAV Per Unit¹
S\$1.21

Note:

1. Excluding the distributable income to Unitholders.

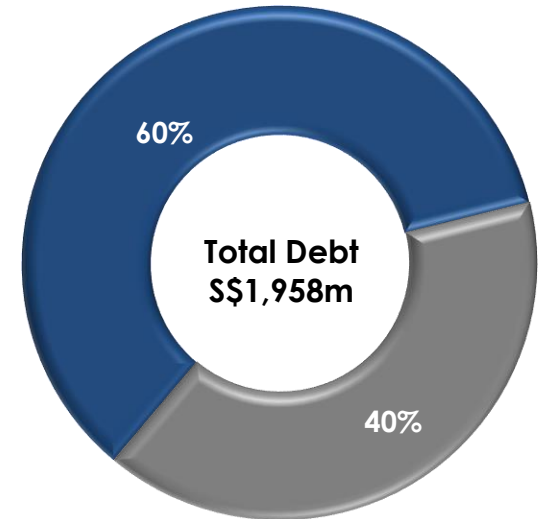
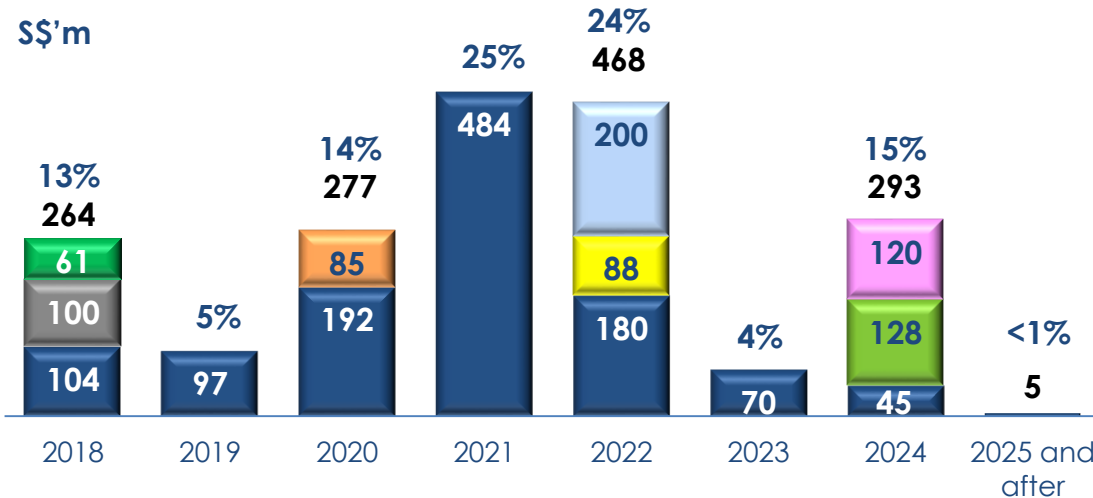


Continue To Diversify Funding Sources And Spread Out Debt Maturity Over The Long-term

Diversified Funding Sources And Well-spread Debt Maturity

Debt Maturity Profile
As at 31 December 2017

By Debt Type
As at 31 December 2017



- Bank loans
- 2.01% p.a. fixed rate JPY5b MTN
- 4.30% p.a. fixed rate S\$100m MTN
- 1.65% p.a. fixed rate JPY7b MTN
- 4.21% p.a. fixed rate S\$200m MTN¹
- 1.17% p.a. fixed rate JPY7.3b MTN
- 2.75% p.a. fixed rate EUR80m MTN
- 4.00% p.a. fixed rate S\$120m MTN²

Notes:

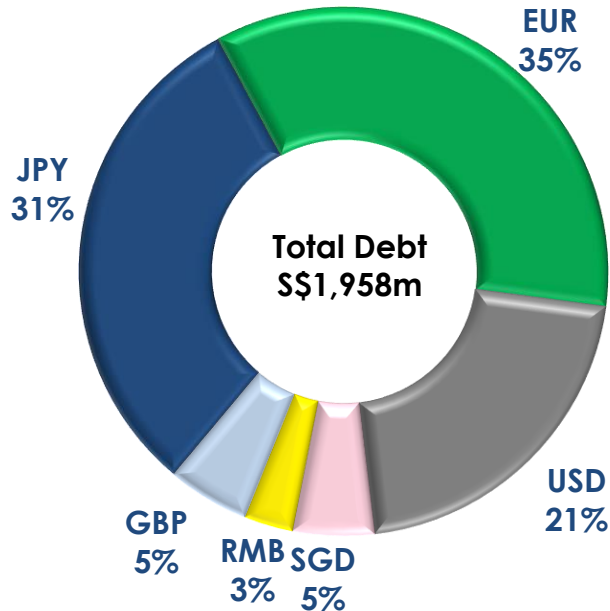
1. S\$ proceeds from the notes have been swapped into Euros at a fixed interest rate of 1.82% p.a. over the same tenure
2. S\$ proceeds from the notes have been swapped into Euros at a fixed interest rate of 2.15% p.a. over the same tenure

- Bank Loans
- Medium Term Notes ("MTN")

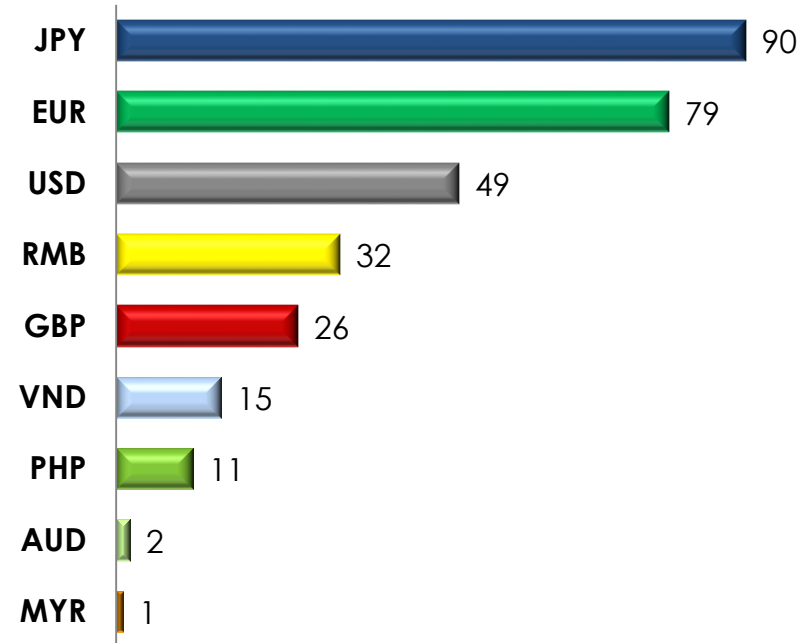
Foreign Currency Risk Management

Ascott REIT Adopts A Natural Hedging Strategy To The Extent Possible, **~48%** Of The Total Assets Denominated In Foreign Currency Have Been Hedged

Debt By Currency (%)
As at 31 December 2017



Balance Sheet Hedging (%)
As at 31 December 2017





Foreign Currency Risk Management

Overall Exchange Rate Fluctuations Have Been Largely Mitigated With Impact To Gross Profit At **-0.5%**

Currency	Gross Profit FY 2017 (%)	Exchange Rate Movement From 31 Dec 2016 to 31 Dec 2017 (%)
EUR	23.1	1.3
JPY	14.1	2.1
USD	12.1	-2.8
VND	10.5	-3.2
GBP	9.7	-0.5
RMB	9.4	-1.3
SGD	8.6	-
AUD	8.5	-0.9
PHP	3.3	-4.1
MYR	0.7	0.5
Total	100.0	-0.5

~70% of the distribution income derived in EUR, GBP and JPY has been hedged

A rooftop swimming pool area with lounge chairs and a modern building in the background. The pool is surrounded by a wooden deck and a low wall. The building has large windows and a tiled facade. The sky is clear and blue.

Contributing to the Community

Community Involvement

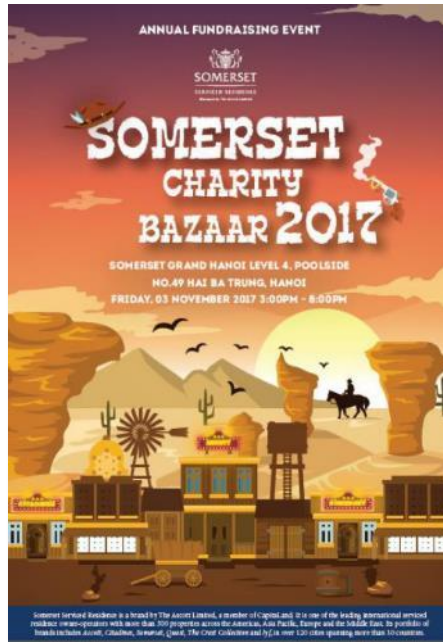
An International Volunteer Expedition To Construct The CapitaLand-Ascott GK Eco Village In Batangas City, Philippines



- In partnership with local NGO, Gawad Kalinga, and together with local villagers, staff volunteers assisted in building houses for 20 underprivileged families

With the support from CapitaLand Hope Foundation, CapitaLand's philanthropic arm, our Philippines team donated PHP3 million towards building the houses

Organised Various Initiatives Throughout The Year To Contribute To The Communities Our Properties Are Located In



Raising funds to support local school communities



Annual blood donation drives, 'Share Blood Save Lives!' by the properties in Vietnam



Commitment to Sustainability



ASCOTT
RESIDENCE
TRUST

A Member of CapitalLand

Environmental Protection



Tree Planting Day held in collaboration with CapitalLand Vietnam by properties in Vietnam



Ascott's pro-active commitment to protecting our environment

Earth Hour Activities



Candlelit yoga session at Ascott Jakarta during Earth Hour



Plant adoption campaign at Ascott Makati using recycled plastic bottles

Looking Forward

A wide-angle photograph of a modern hotel lobby. The space is characterized by a large, patterned carpet with concentric circular designs in shades of beige and brown. On the left, there are two white sofas with patterned cushions. The walls are finished with dark wood paneling and large glass windows. In the center, a glass-walled hallway leads deeper into the building. On the right, a reception desk with a frosted glass front and a dark countertop is visible. The ceiling features recessed lighting and several long, white, teardrop-shaped pendant lights. The overall atmosphere is clean, bright, and contemporary.

Looking Forward

Focused and committed on delivering stable and resilient returns to Unitholders

IMF forecasted global economic growth to sustain at 3.9% in 2018



Demand is expected to remain resilient while supply in some countries is projected to increase, potentially exerting pressure on room rates



Continue to lookout for accretive opportunities in key gateway cities



Identify opportunities to unlock values of the properties that have reached their optimal stage



Active capital management to ensure no major refinancing required in any specific period and exposures are adequately hedged





A Member of CapitaLand

Thank you

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Ascott Residence Trust Management Limited (<http://www.ascottreit.com>)
168 Robinson Road, #30-01 Capital Tower, Singapore 068912
Tel: (65) 6713 2888; Fax: (65) 6713 2121

Appendix



Strong Sponsor – The Ascott Limited

A wholly-owned subsidiary of CapitaLand Limited



- 

One of the leading international serviced residence owner-operators with extensive presence
- 

>30 years track record, pioneered Pan-Asia's first international-class serviced residence property in 1984
- 

Award-winning brands with worldwide recognition
- 

Sponsor – c.44% CapitaLand ownership in Ascott REIT



The Ascott Online Advantage Membership



Exclusive Rates with Prestigious Benefits Globally

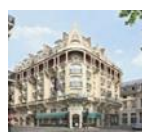
- 10% off Best Flexible Rate year round
- 25% off Birthday Discount
- Seasonal Offers up to 50% off Best Flexible Rate



Sign up and book at
www.the-ascott.com/member



Master Leases (FY 2017 vs FY 2016)



La Clef Louvre
Paris



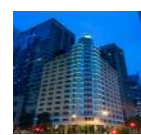
Citadines
Les Halles Paris



Citadines
Croisette
Cannes



Citadines
Arnulfpark
Munich



Ascott
Raffles Place
Singapore



Quest Sydney
Olympic Park

Revenue and gross profit grew **11%** and **10%** respectively due to inorganic growth

Revenue ('mil)

Gross Profit ('mil)

	FY 2017	FY 2016	% Change	FY 2017	FY 2016	% Change
Australia (AUD) 3 Properties	7.3	7.2	1	6.9	6.8	1
France (EUR) 17 Properties	23.1	22.9	1	21.1	21.1	-
Germany (EUR)¹ 5 Properties	8.1	6.0	35	7.4	5.5	35
Japan (JPY) 1 Property	533.5	533.2	-	416.2	412.9	1
Singapore (SGD)² 2 Properties	10.8	8.0	35	9.4	7.3	29
Total (SGD) 28 Properties	73.5	66.2	11	66.1	60.1	10

- Notes:
1. Revenue and gross profit for Germany increased by 35% each due to the acquisitions of Citadines Michel Hamburg and Citadines City Centre Frankfurt on 2 May 2017.
 2. Revenue and gross profit for Singapore increased by 35% and 29% respectively due to the acquisition of Ascott Orchard Singapore on 10 October 2017.



Management Contracts with Minimum Guaranteed Income (FY 2017 vs FY 2016)



Citadines Toison
d'Or Brussels



Citadines Ramblas
Barcelona



Citadines Trafalgar
Square London

Revenue, Gross Profit and RevPAU grew **4%** y-o-y each due to stronger performance in Belgium and Spain

	Revenue ('mil)			Gross Profit ('mil)			RevPAU		
	FY 2017	FY 2016	% Change	FY 2017	FY 2016	% Change	FY 2017	FY 2016	% Change
Belgium (EUR) 2 Properties	8.5	6.5	31	2.7	1.4	93	63	50	26
Spain (EUR) 1 Property	5.5	4.9	12	2.7	2.3	17	99	95	4
United Kingdom (GBP) 4 Properties	27.8	26.7	4	12.3	12.6	(2)	119	114	4
Total (SGD) 7 Properties	71.1	68.1	4	30.3	29.2	4	170	164	4

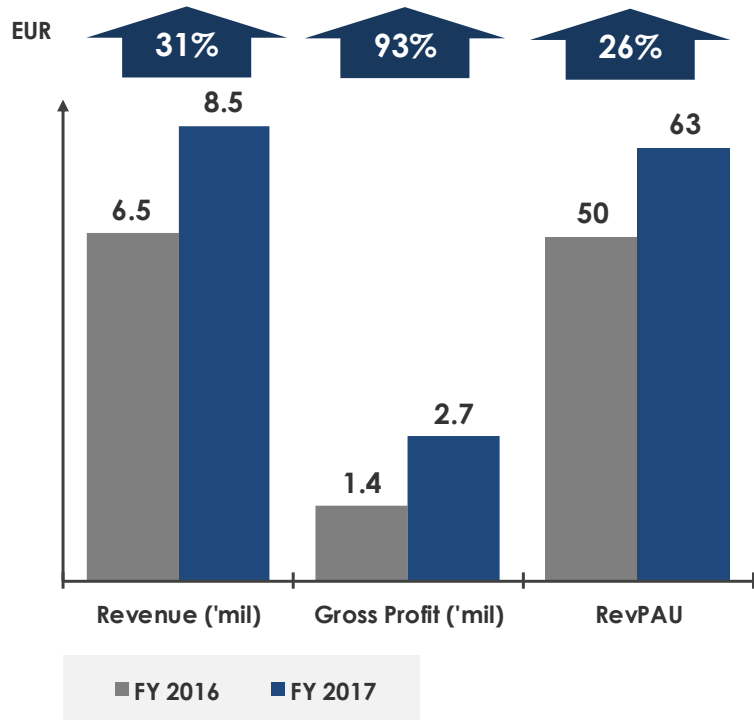
In FY 2017, all properties traded above minimum guaranteed income.



Belgium

Contributes 2% to Gross Profit

Strong recovery in market performance



Citadines Saint-Catherine Brussels



Citadines Toison d'Or Brussels

Key Market Performance Highlights

- Revenue and gross profit increased due to a recovering climate from the spate of terrorist attacks in 2015 and 2016¹
- Real GDP growth of 1.7% in 2017¹
- International tourist arrivals increased 12% Y-o-Y for January to September 2017¹
- IMF forecasted 2018 GDP to grow 1.6%

Note

1. Sources: Belgium Federal Planning Bureau (2018); STR, Global Hotel Review (2017); European Travel Commission (2018)



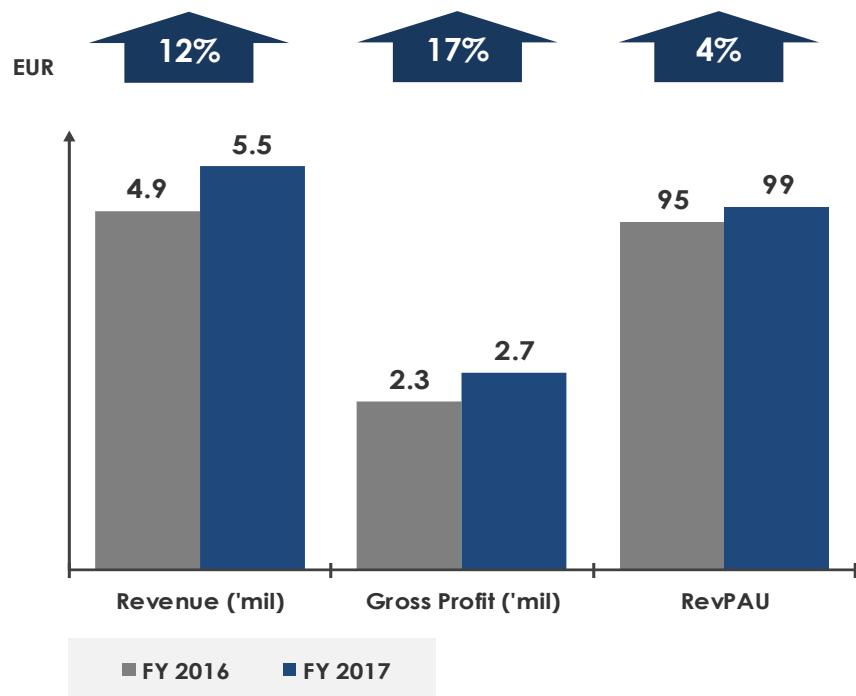
Spain

Contributes 2% to Gross Profit

Recovery from political unease and terrorist attacks



Citadines Ramblas
Barcelona



Key Market Performance Highlights

- Revenue, gross profit and RevPAU increased due to increase in leisure and retail income
- Real GDP growth of 3.1% in 2017¹
- International tourist arrivals totaled 82 million in 2017, an 8.6% increase Y-o-Y; tourist receipts registered new record of 12.2% increase Y-o-Y¹
- IMF forecasted 2018 GDP to grow 2.4%
- Fitch Ratings raised rating from “BBB” to “A-”, reaffirming the strong economic performance in 2017 despite mounting political uncertainty

Note

1. Sources: National Statistics Institute (2018)



United Kingdom

Contributes 10% to Gross Profit

Resilient growth despite political uncertainties



Citadines Barbican London



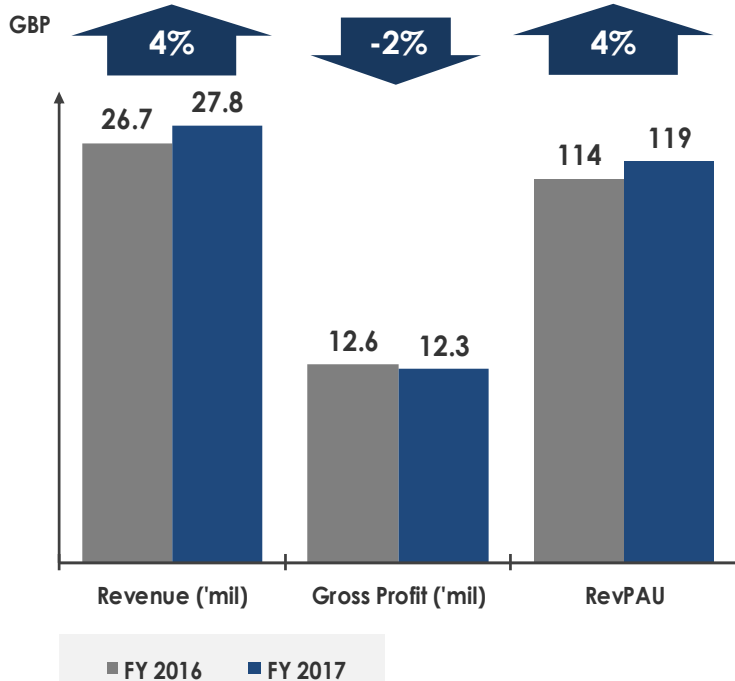
Citadines Holborn-Covent Garden London



Citadines Trafalgar Square London



Citadines South Kensington London



Key Market Performance Highlights

- Higher revenue and RevPAU due to higher leisure demand
- Lower gross profit due to higher property tax and marketing expenses
- Real GDP growth of 1.8% in 2017¹
- IMF forecasted 2018 GDP to grow 1.5%

Note

1. Sources: Office for National Statistics (2018); PwC (2017)



Management Contracts (FY 2017 vs FY 2016)

Revenue and RevPAU grew **3%** and **2%** y-o-y respectively

	Revenue ('mil)			Gross Profit ('mil)			RevPAU		
	FY 2017	FY 2016	% Change	FY 2017	FY 2016	% Change	FY 2017	FY 2016	% Change
Australia (AUD)	27.4	27.5	-	11.2	11.4	(2)	147	149	(1)
China (RMB)	297.8	302.1	(1)	104.1	90.7	15	416	402	3
Indonesia (USD)	12.0	12.4	(3)	4.3	4.9	(12)	77	81	(5)
Japan (JPY) ¹	4,175.1	4,764.6	(12)	2,170.3	2,665.4	(19)	11,721	12,466	(6)
Malaysia (MYR)	16.8	18.7	(10)	5.5	6.1	(10)	223	247	(10)
Philippines (PHP)	867.0	733.4	18	271.2	207.3	31	4,284	3,632	18
Singapore (SGD)	23.8	25.2	(6)	10.0	10.6	(6)	185	195	(5)
United States (USD)	70.1	57.9	21	15.6	15.5	1	218	236	(8)
Vietnam (VND) ²	712.3	642.1	11	389.4	353.8	10	1,647	1,489	11
Total (SGD)	351.7	341.3	3	130.5	133.1	(2)	139	136	2

Notes:

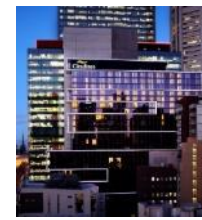
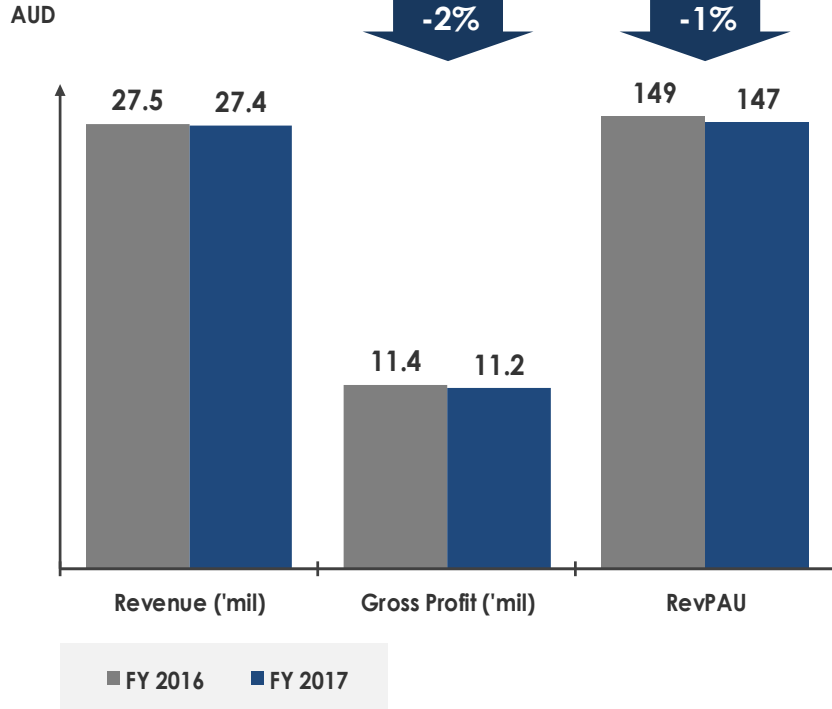
1. RevPAU for Japan refers to serviced residences and excludes rental housing.
2. Revenue and gross profit figures for VND are stated in billions. RevPAU figures are stated in thousands.



Australia

Contributes 5% to Gross Profit

Steady Performance



Citadines on Bourke Melbourne



Citadines St Georges Terrace Perth

Key Market Performance Highlights

- Stable performance for revenue and RevPAU
- Lower gross profit due to higher operating cost
- IMF estimated GDP to grow 2.2% in 2017 and forecasted 2.9% in 2018
- Business and employment-related travel expected to grow by 3.9% and 6.3% in 2018 – 2019 respectively¹

Note

1. Sources: Tourism Research Australia (2017)

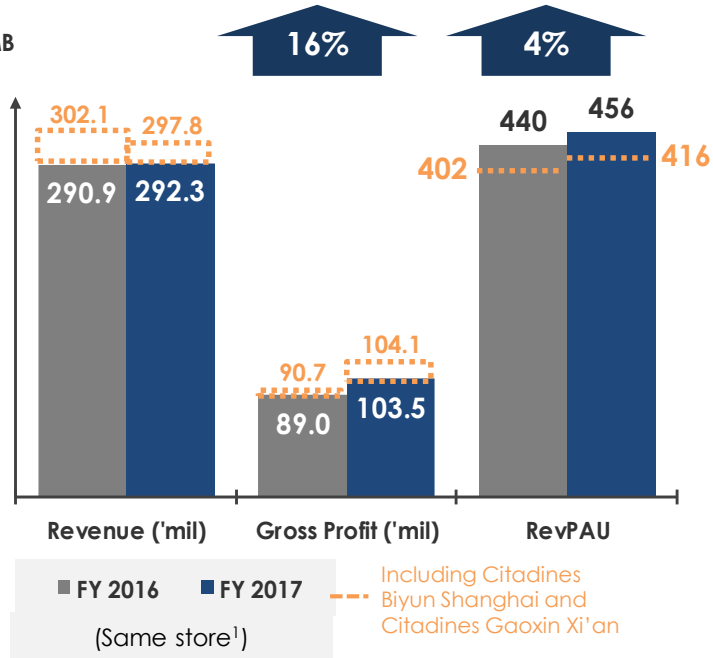


China

Contributes 9% to Gross Profit

Operating performance remains healthy

RMB



Somerset Hui Shanghai

Ascott Guangzhou

Citadines Xinghai Suzhou

Somerset Olympic Tower Property Tianjin

Somerset Grand Central Dalian

Citadines Zhuankou Wuhan

Somerset Heping Shenyang

Key Market Performance Highlights

- Gross profit increased mainly due to lower business tax, property tax refund and reversal of expenses that are no longer required. RevPAU increased largely due to higher revenue from the refurbished apartments at Somerset Xu Hui Shanghai
- Corporate demand for our properties in Shanghai, Guangzhou and Tianjin remained resilient while properties in other cities were affected by weaker demand from project groups
- Real GDP growth of 6.9% in 2017, exceeding the government's target of 6.5%¹
- IMF forecasted 2018 GDP to grow 6.6%
- Divested Citadines Biyun Shanghai and Citadines Gaoxin Xi'an on 5 January 2018

Note

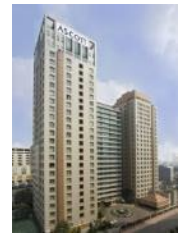
- Excluding Citadines Biyun Shanghai and Citadines Gaoxin Xi'an that were divested on 5 January 2018.
- Sources: China's National Bureau of Statistics (2018)



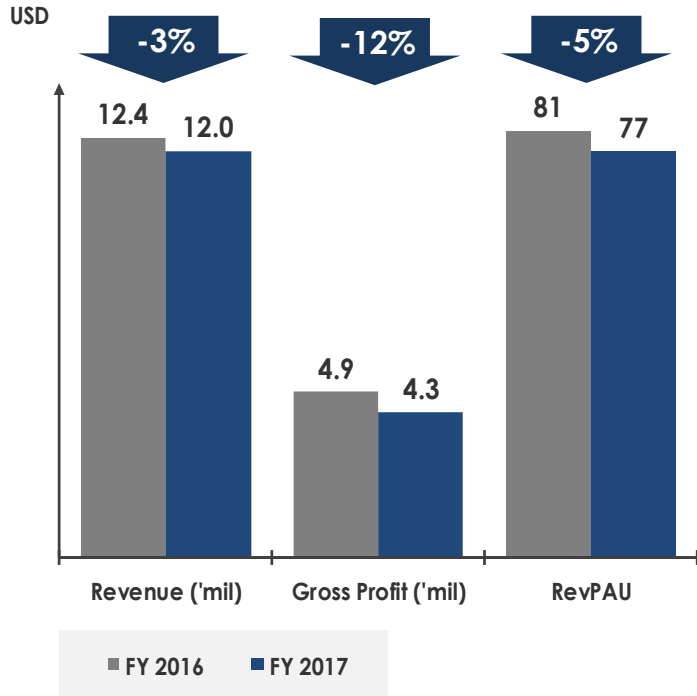
Challenges from keen competition



Somerset Grand
Citra Jakarta



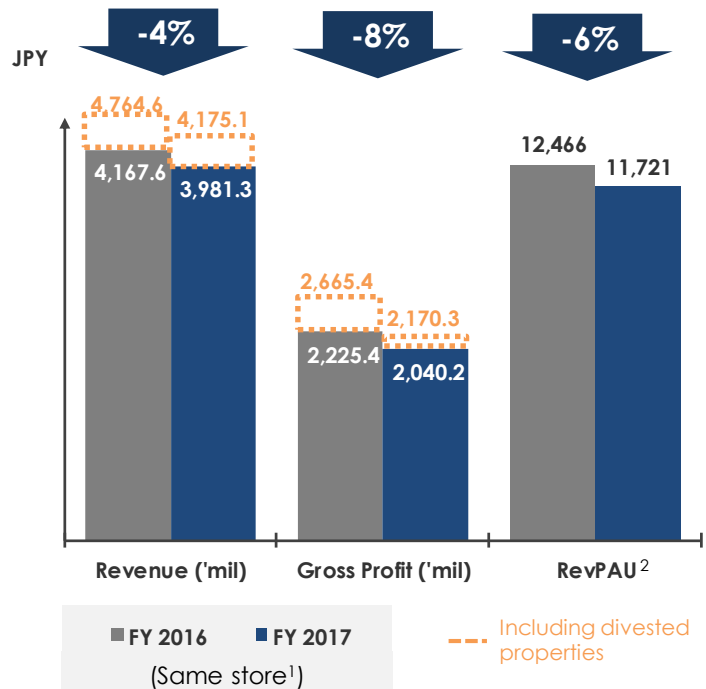
Ascott Jakarta



Key Market Performance Highlights

- Keen competition from new supply and resulted in lower ADR
- Somerset Grand Citra Jakarta is scheduled to undergo refurbishment in 2018
- Real GDP growth of 5.1% in 2017¹
- IMF forecasted 2018 GDP to grow 5.3%
- Despite the projected increase in demand, the potential pipeline of 1,914 rooms in 2018 might cause occupancy and room rates to remain stagnant²

Subdued performance due to keen competition



Citadines Central Shinjuku Tokyo



Citadines Shinjuku Tokyo



Citadines Karasuma-Gojo Kyoto



Somerset Azabu East Tokyo



11 rental housing properties in Japan

Key Market Performance Highlights

- Revenue, gross profit and RevPAU declined largely due to divestment of 18 rental housing properties on 26 April 2017 and keen competition from the new supply and the emerging *minpaku* private accommodation sector
- IMF estimated GDP to grow 1.8% in 2017 and forecasted 1.2% in 2018
- Tourist arrivals expected to reach 40 million by 2020³
- Keen competition expected to continue in the near future

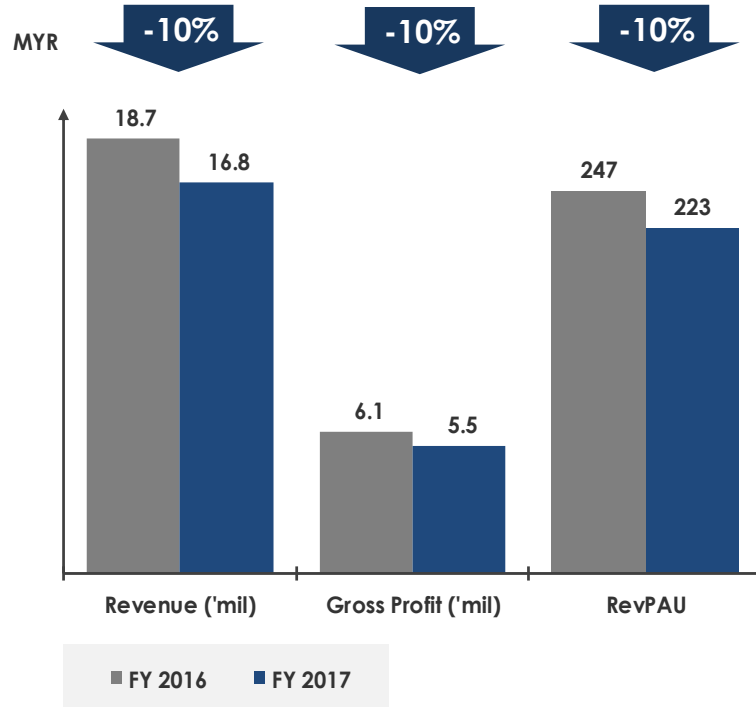
Notes

- Excluding the 18 rental housing properties in Tokyo, which were divested on 26 April 2017
- RevPAU relates to serviced residences and excludes rental housing properties
- Source: The Japan Times (2017)



Somerset Ampang
Kuala Lumpur

Subdued performance from keen competition



Key Market Performance Highlights

- Revenue and RevPAU decreased as a result of keen competition and softer corporate demand
- Increasing competition from new supply and emergent forms of alternative accommodation have affected both occupancy and room rates of our property
- Real GDP growth of 5.9% in 2017¹
- IMF forecasted 2018 GDP to grow 4.8%
- Expected to experience a slowdown in exports but stable labour market conditions and continued income growth is expected to support domestic demand²

Note

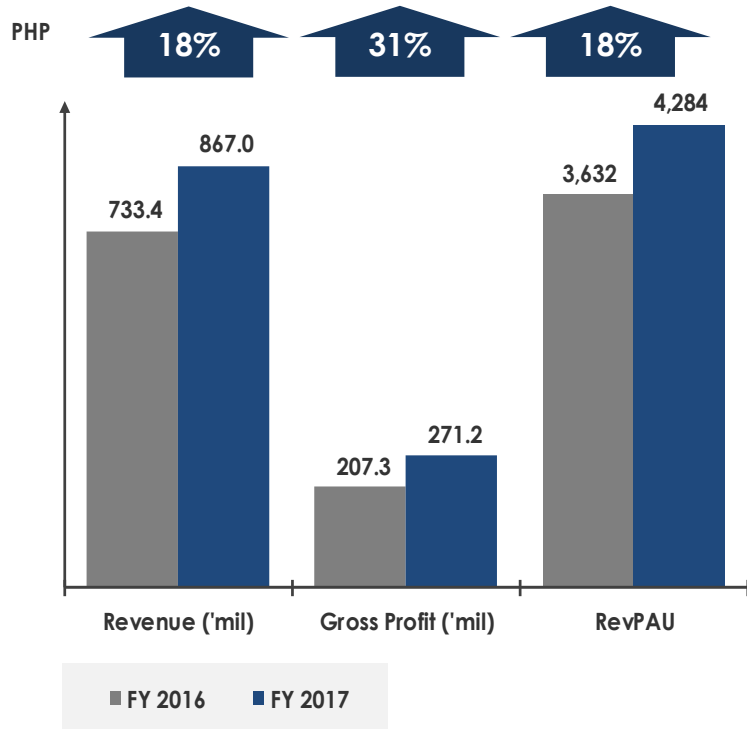
1. Sources: Central Bank of Malaysia (2018); The Malaysian Reserve (2018)



Philippines

Contributes 3% to Gross Profit

Robust operational performance



Somerset
Millennium Makati



Ascott Makati

Key Market Performance Highlights

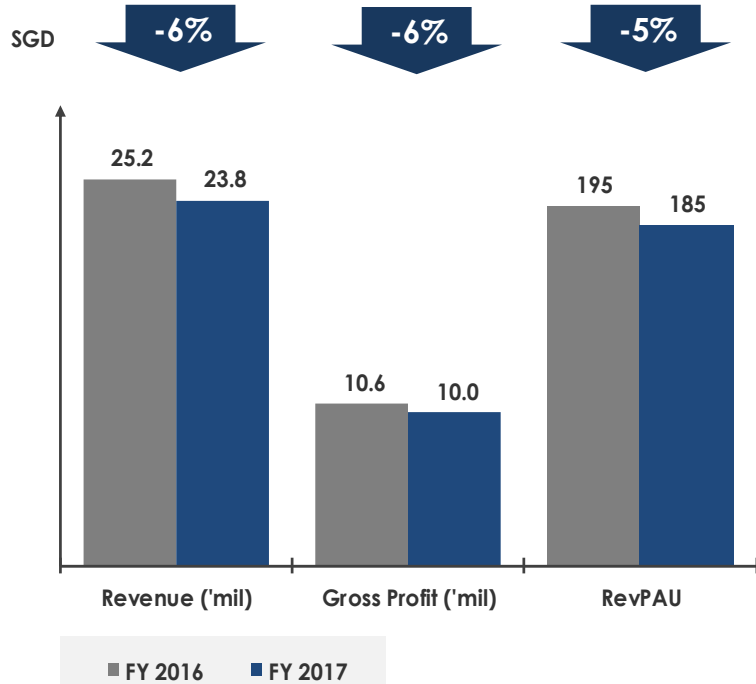
- Revenue, gross profit and RevPAU increased due to higher revenue from refurbished units
- Real GDP growth of 6.7% in 2017¹
- IMF forecasted 2018 GDP to grow 6.7%
- Incoming supply of rooms in Metro Manila in the coming years may potentially impact ADR¹
- Ascott Makati has commenced renovation of the apartment units and target to complete in 2Q 2018

Note

1. Sources: Philippine Statistics Authority (2018); Colliers (2018)



Performance affected by keen competition



Somerset Liang Court Property Singapore



Citadines Mount Sophia Property Singapore

Key Market Performance Highlights

- Revenue, gross profit and RevPAU declined largely due to increased competition and lower corporate demand
- Real GDP growth of 3.6%¹ in 2017
- IMF forecasted 2018 GDP to grow 2.6%
- New supply is expected to taper gradually and ease in 2H 2018, RevPAU for the overall industry is expected to pick up thereafter¹

Note

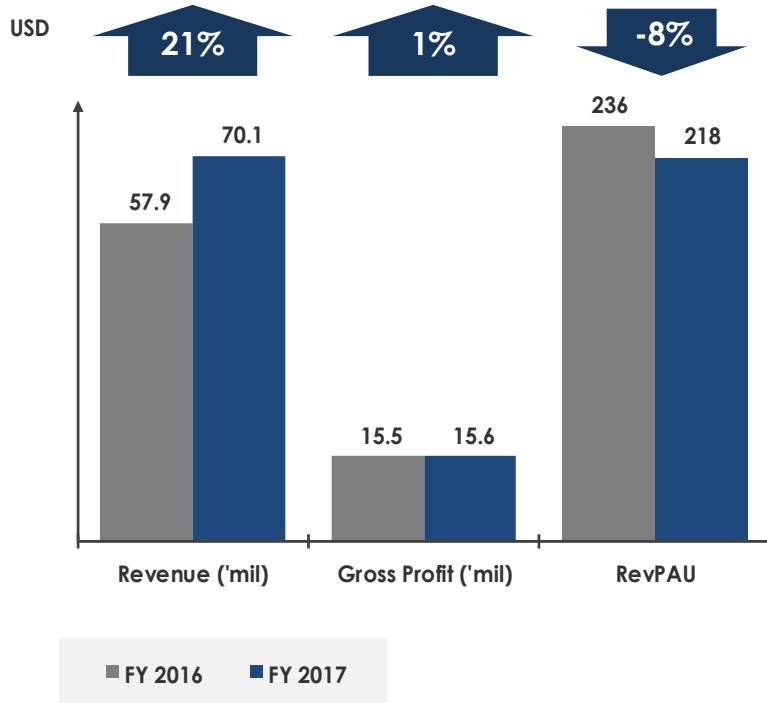
1. Sources: Ministry of Trade and Industry (2018); The Edge Singapore (2018)



United States

Contributes 10% to Gross Profit

Increase in supply to pose challenges



Note

1. Sources: Bureau of Economic Analysis (2017); HVS (2017)



Element New York Times Square West



DoubleTree by Hilton Hotel New York - Times Square South



Sheraton Tribeca New York Hotel

Key Market Performance Highlights

- Revenue growth largely due to acquisition of Sheraton Tribeca New York Hotel on 29 April 2016 and DoubleTree by Hilton Hotel New York - Times Square South on 16 August 2017, while RevPAU has declined from keen competition
- Real GDP growth of 2.3% in 2017¹
- IMF forecasted 2018 GDP to grow 2.7%
- Over 6,500 rooms is expected to be added into the Manhattan market in 2018, plausibly affecting ability to command higher rates¹
- Sheraton Tribeca is undergoing renovation and target to complete by 2Q 2018



Vietnam

Contributes 10% to Gross Profit

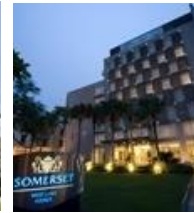
Healthy operational performance and growth



Somerset Grand Hanoi



Somerset Hoa Binh Hanoi



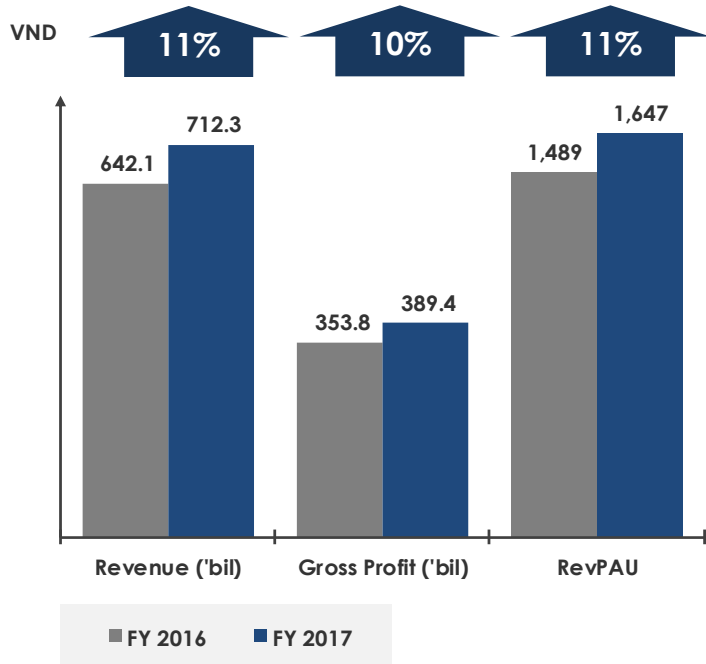
Somerset West Lake Hanoi



Somerset Ho Chi Minh City



Somerset Chancellor Court Ho Chi Minh City



Key Market Performance Highlights

- Revenue and RevPAU growth due to higher revenue from the refurbished units at Somerset Ho Chi Minh City and higher corporate demand
- Real GDP growth of 6.8% in 2017¹
- IMF forecasted 2018 GDP to grow 6.3%
- Remains as one of the world's fastest growing economies as foreign direct investment continue to stream in¹
- Potentially impacted by influx of new supply in the coming years¹