Ascott China Strategy

3 November 2012
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, availability of real estate properties, competition from other companies and venues for the sale/distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.
Agenda

- Ascott Global Business
- Ascott China
- China Projected Growth & Growth Strategy
- 2012 Property Opening
- 2013 Property Openings
Ascott Global Business
Global Footprint

>30,000 Units

74 Cities

21 Countries

Target to have 40,000 apartment units globally by 2015
Ascott’s Real Estate Value Chain

- Investment
- Development
- Operations
- Divestment
- Distribution

- Wholly-owned
- Joint Ventures
- Private Equity Fund (Ascott China Fund)
- REIT (Ascott Reit)
Ascott China
Ascott China

- Entered China market in 1998
- China’s largest international serviced residence owner-operator
- Owns/manages 42 properties with around 8,000 serviced residence units across 17 cities
- On track to achieve 12,000 units by 2015
China Footprint

8,000 units
17 cities
42 properties

- Ascott
- Citadines
- Somerset
- Other Brand

Cities: Shanghai, Hangzhou, Suzhou, Hong Kong, Macau, Foshan, Guangzhou, Shenzhen, Xiamen, Tianjin, Dalian, Xi’an, Chongqing, Wuhan, Hangzhou, Chengdu, Beijing, Shenyang, Xi’an, Chongqing, Wuhan, Hangzhou, Guangzhou, Foshan, Shenzhen, Xiamen, Macau, Hong Kong, Macau.
China Business Portfolio

- **Own Balanced Sheet**
  - Ready capital base for serviced residence investment and development
  - 2 properties

- **Ascott Residence Trust**
  - Serviced Residence REIT - Ascott Residence Trust S$3.4 billion* total portfolio value
  - 4 properties

- **Ascott China Fund**
  - Private Equity Fund - Ascott China Fund Fund size of US$500M
  - 11 properties

- **Management Contract**
  - Expand business footprint through management contracts with third parties
  - 25 properties

*Portfolio value when acquisitions of the new Cairnhill serviced residence in Singapore and Madison Hamburg are completed
## China Properties

### 42 Properties in 17 Cities

**East China**

- **Hangzhou**
  - Ascott Raffles City Hangzhou
  - Citadines Xinghai Suzhou
  - Somerset Emerald City Suzhou

- **Shanghai**
  - Ascott Huai Hai Road Shanghai
  - Citadines Biyun Shanghai
  - Somerset Xu Hui Shanghai
  - Serviced Residence in Shanghai (brand TBA)

- **Suzhou**
  - Ascott Midtown Suzhou
  - Citadines Xinghai Suzhou
  - Somerset Emerald City Suzhou

- **Tianjin**
  - Somerset International Building Tianjin

**North China**

- **Beijing**
  - Ascott Beijing
  - Ascott Raffles City Beijing
  - Somerset Grand Fortune Garden Beijing
  - Somerset Wangjing Beijing
  - Somerset ZhongGuanCun Beijing
  - Luxury Serviced Residence Beijing
  - Raffles City Residence Beijing

- **Dalian**
  - Somerset Harbour Court Dalian

- **Shenyang**
  - Somerset Heping
  - Shenyang

**Central West China**

- **Xi'an**
  - Citadines Central Xi'an
  - Citadines Xingqing Palace Xi'an

- **Chongqing**
  - Somerset JieFangBei

**East China**

- **Hangzhou**
  - Ascott M-City Foshan
  - Guanzhou

- **Shanghai**
  - Ascott Guangzhou
  - Ascott IFC Guangzhou
  - Springdale Serviced Residence, Guangzhou

- **Suzhou**
  - Ascott Maillen Shenzhen
  - Somerset Garden City Shenzhen
  - Somerset Grandview Shenzhen
  - Wuhan
  - Citadines Zhuankou Wuhan
  - Somerset Wusheng Wuhan

- **Xi'an**
  - Citadines Jinshang Road Xiamen

**South China**

- **Hong Kong**
  - Citadines Ashley Hongkong
  - Somerset Victoria Park Hongkong

- **Macau**
  - Ascott Paragon Macau

- **Macau**
  - Ascott Paragon Macau

- **Shenzhen**
  - Citadines Jinshang Road Xiamen

- **South China**
  - Macau
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- **Wuhan**
  - Somerset Wusheng Wuhan

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Awards & Accolades


2006-12 TravelWeekly China Travel Awards: Best Serviced Residence Group

2007-11 China Hotel Starlight Awards: Best Serviced Residence Operator in China

2008, 09, 11, 12 Golden Pillow Award: China's Most Popular Serviced Residence Brand

2008-12 TTG China Travel Awards: Best Serviced Residence Operator in China

2011 Oriental Morning Post China Real Estate Award: China’s Best Serviced Residence Operator

2010-11 Hotel Industry Development Summit: China’s Outstanding Serviced Apartment Brand
China Inventory Growth

Operating & In Pipeline Units

<table>
<thead>
<tr>
<th>Year</th>
<th>Properties</th>
<th>Units</th>
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<tbody>
<tr>
<td>2008</td>
<td>5,300</td>
<td>27</td>
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<tr>
<td>2009</td>
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<tr>
<td>2011</td>
<td>8,000</td>
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Growth:
- +28%
- +25%
Current China Portfolio

Total of 8,000 units in 42 properties
Operating Environment

**Slowing China Economy**
- China’s expected 2012 GDP growth has cooled but is still a robust 7.8%
- CPI coming off and is currently at 1.9%, providing room for government stimulus
- FDI continues to flow in (YTD Sep: RMB 83 billion)

**Tourism Moderating**
- Number of domestic travelers in China expected to grow 10% Y-o-Y to 3.3 billion in 2015
Strong SR Performance

• Despite the global economic slowdown and large numbers of hotels coming on-stream, SR performance is strong
• Expatriate demand for accommodation underpinned by FDI inflow and hiring activity
• Domestic business travelers increasingly forming a larger part of our customer base, especially for Tier 2 cities
• Guests appreciate safety of Ascott’s SR environment

Ascott’s China’s clientele is diversified across nationalities and industries, providing downside risk protection
Strong RevPAU Y-o-Y Growth

Ascott continues to focus on:
-- Longer stays
-- Client base diversification
China Projected Growth & Growth Strategy
China Projected Growth

Target of 12,000 Units by 2015

Operating & In Pipeline Units

No. of Properties

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<td>2012</td>
<td>42</td>
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<tr>
<td>2015</td>
<td>42</td>
<td>12,000</td>
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Growth Strategy – “Going Deep” into Key Cities

Management Contracts
- Build economies of scale by deepening presence in existing cities, especially Tier 1 cities
- Seize opportunities for expansion into certain new cities

Investments
- Continue to explore investment opportunities with supportive yield or purchase price below valuation
- Focus on Tier 1 cities and explore opportunities in key Tier 2 cities

Strategic Alliances
- Continue to strengthen our market leadership position through alliances with leading developers
Growth Strategy – Potential New Cities

East China
- Nanjing
- Wuxi
- Suzhou
- Hangzhou
- Shanghai
- Ningbo

South China
- Wuhan
- Foshan
- Guangzhou
- Shenzhen
- Zhuhai
- Macau
- Hong Kong

**Legend:**
- Orange dot: Existing Properties
- Blue dot: Potential New Management Contracts / Investment Deals
Growth Strategy – Potential New Cities

North China
- Beijing
- Tianjin
- Dalian
- Qingdao
- Shenyang

Central West China
- Xi’an
- Chengdu
- Chongqing

Existing Properties
Potential New Management Contracts / Investment Deals
Ascott IFC Guangzhou

No. of Units 314
Opening Year 2H 2012

- Part of landmark project known as Guangzhou International Financial Center
- Located in the heart of the new Guangzhou CBD
2013 Property Openings
Citadines Jinshang Road Xiamen

- No. of Units: 152
- Expected Opening: 1Q 2013

- Part of big residential project known as Chengshangcheng in Xiamen
- Near Xiamen Economic Zone and Government of Huli district
Ascott Raffles City Chengdu

- No. of Units: 297
- Expected Opening: 2H 2013

- Part of renowned mixed-development project Raffles City Chengdu
- Adjacent to the 1st Ring Road and connected to the metro interchange of Lines 1 & 3
Ascott Midtown Suzhou

No. of Units 169

Expected Opening 2H 2013

- Part of a larger mixed development project known as Vanke Jin Yu Ti Xiang
- Located in close proximity to Suzhou ancient town and opposite Suzhou University
### Somerset Wusheng Wuhan

<table>
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<th>No. of Units</th>
<th>257</th>
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<tr>
<td>Expected Opening</td>
<td>2H 2013</td>
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- Part of a mixed-use development by CMA
- Easy access to CBD area
Somerset Grandview Shenzhen

No. of Units 192

Expected Opening 2H 2013

• Centrally located on Xinsha Road, close to the Futian Central Business District

• Property will be surrounded by high-end office towers, shopping malls and food & beverage outlets
Thank You