



ASHFORD  
HOSPITALITY TRUST



# Investor Presentation

*September 2011*

# Safe Harbor



In keeping with the SEC's "Safe Harbor" guidelines, certain statements made during this presentation could be considered forward-looking and subject to certain risks and uncertainties that could cause results to differ materially from those projected. When we use the words "will likely result," "may," "anticipate," "estimate," "should," "expect," "believe," "intend," or similar expressions, we intend to identify forward-looking statements. Such forward-looking statements include, but are not limited to, our business and investment strategy, our understanding of our competition, current market trends and opportunities, projected operating results, and projected capital expenditures.

These forward-looking statements are subject to known and unknown risks and uncertainties, which could cause actual results to differ materially from those anticipated including, without limitation: general volatility of the capital markets and the market price of our common stock; changes in our business or investment strategy; availability, terms and deployment of capital; availability of qualified personnel; changes in our industry and the market in which we operate, interest rates or the general economy, and the degree and nature of our competition. These and other risk factors are more fully discussed in the Company's filings with the Securities and Exchange Commission.

EBITDA is defined as net income before interest, taxes, depreciation and amortization. EBITDA yield is defined as trailing twelve month EBITDA divided by the purchase price. EBITDA, FFO, AFFO, CAD and other terms are non-GAAP measures, reconciliations of which have been provided in prior earnings releases and filings with the SEC.

This overview is for informational purposes only and is not an offer to sell, or a solicitation of an offer to buy or sell, any securities of Ashford Hospitality Trust, Inc. and may not be relied upon in connection with the purchase or sale of any such security.



# Agenda



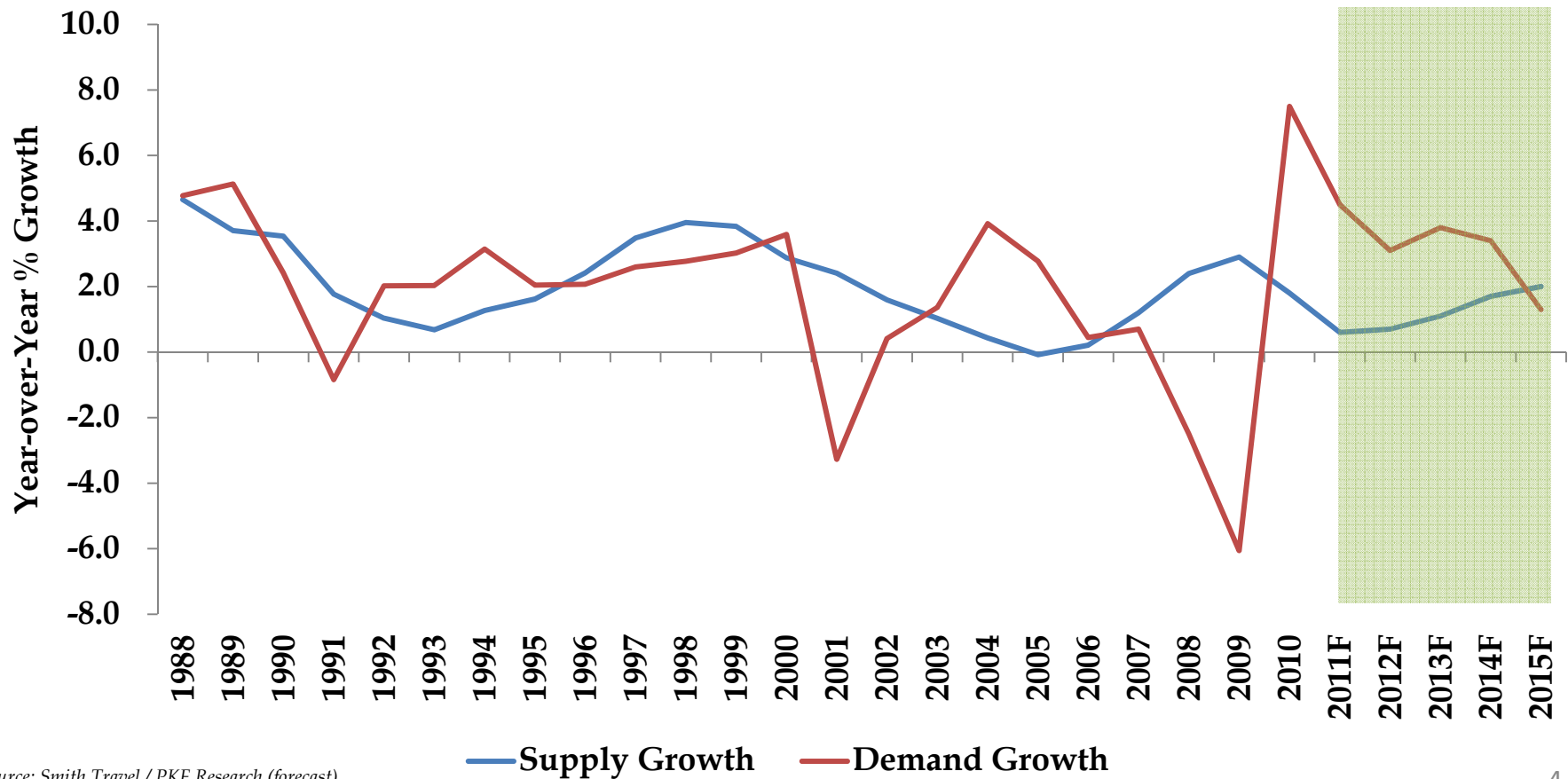
- Favorable macro market dynamics
- Focused portfolio, positioned for growth
- Proactive debt and equity capital market strategies
- Outperformance
- Accretive Highland transaction
- High insider ownership



# Attractive Supply/Demand Imbalance



- Demand increase is currently expected to outpace supply increase through 2014



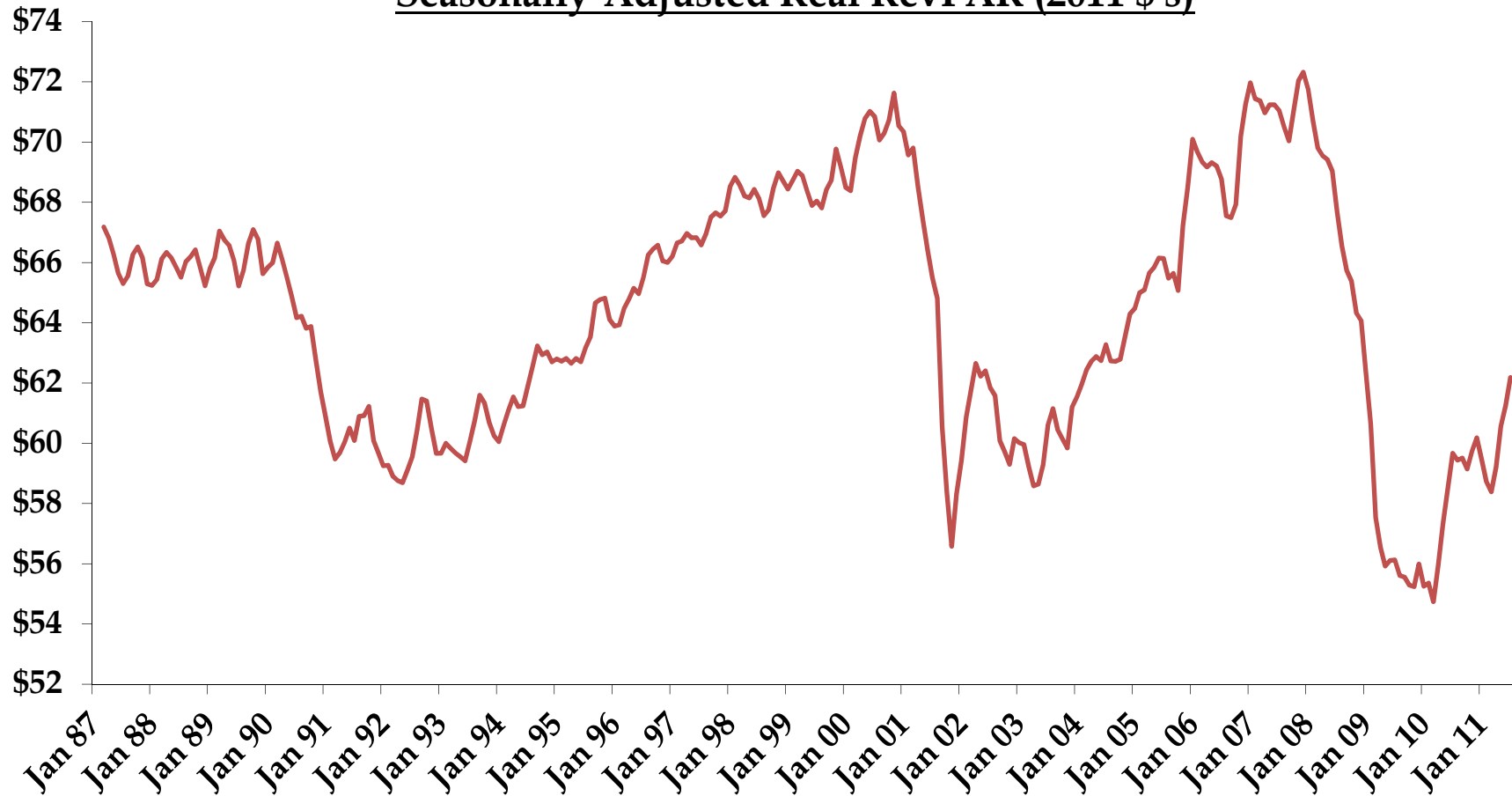
Source: Smith Travel / PKF Research (forecast)



# Attractive Industry Fundamentals



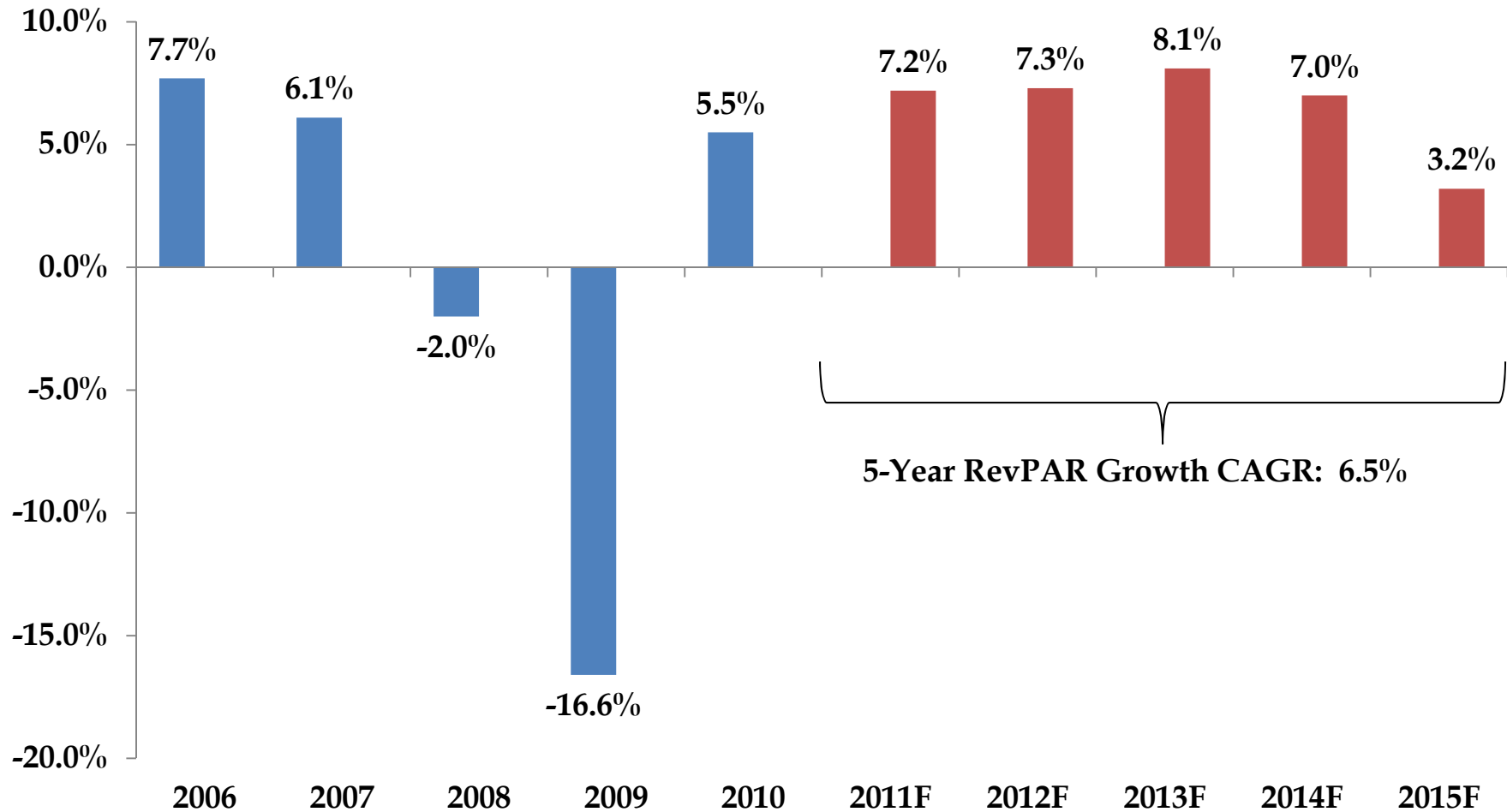
Seasonally-Adjusted Real RevPAR (2011 \$'s)



Source: Smith Travel Research (non-seasonally adjusted nominal monthly figures)



# PKF's Nominal US RevPAR Forecast



Source: Smith Travel Research / PKF Research (forecast)

■ Historical RevPAR Growth

■ Forecasted RevPAR Growth



# Ashford Snapshot



Portfolio Statistics	
Total Enterprise Value	\$4.1 B
Total Gross Assets	\$5.0 B
Peer Comparison	2 <sup>nd</sup> Largest
# of Hotels	124
# of Owned Rooms	26,139
# of Property Managers	6
\$ ADR	\$132.92
\$ RevPAR	\$96.54
RevPAR Growth %	6.7%

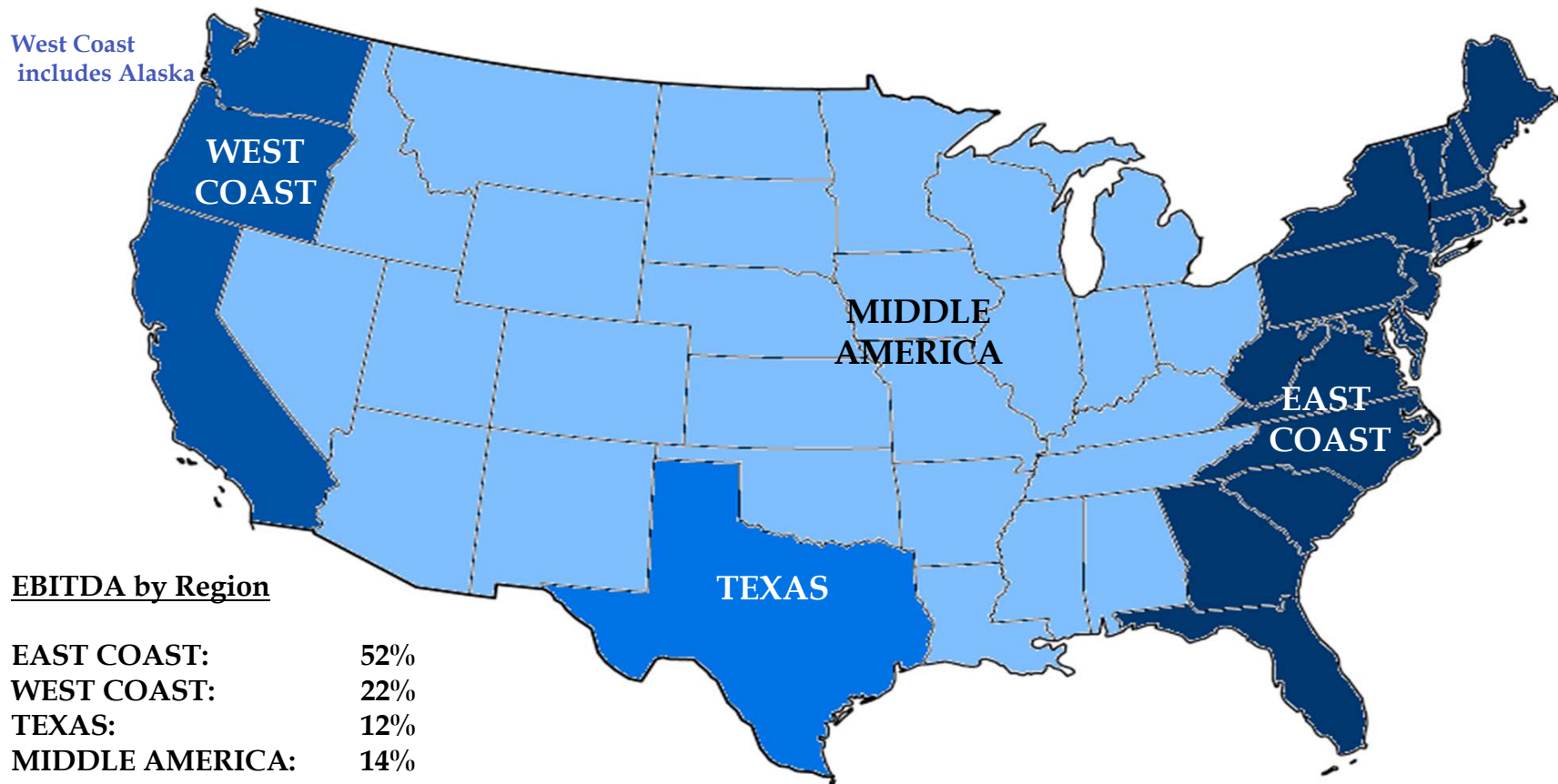
Financial Statistics	
Recent Share Price	\$6.66 (9/20/11)
# Fully Diluted Shares	84.3 M
Leverage Ratio	59.8%
Debt Wtd. Avg. Maturity	4.4 Years
Debt Wtd. Avg. Cost	3.20%
Quarterly Dividend	\$0.10
Dividend Yield	4.9%
TTM AFFO per Share	\$1.80
Dividend Coverage	4.5x



# Broad Geography



- Ashford's geographic footprint encompasses 29 states and Washington DC

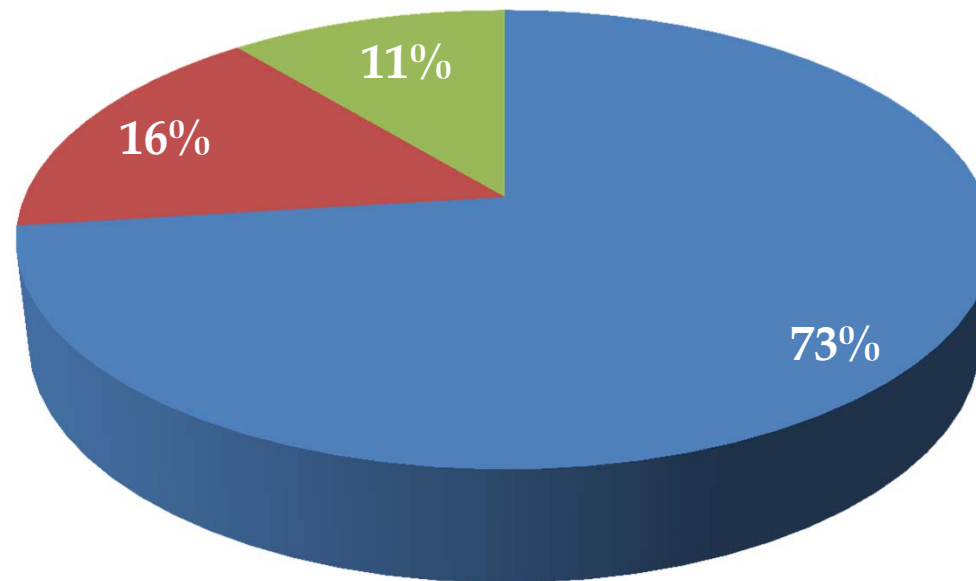






- The vast majority of Ashford's EBITDA comes from top 25 markets, with nearly 90% coming from top 50 markets

As % of TTM Q2 2011 EBITDA



■ Top 25

■ Top 50

■ Other

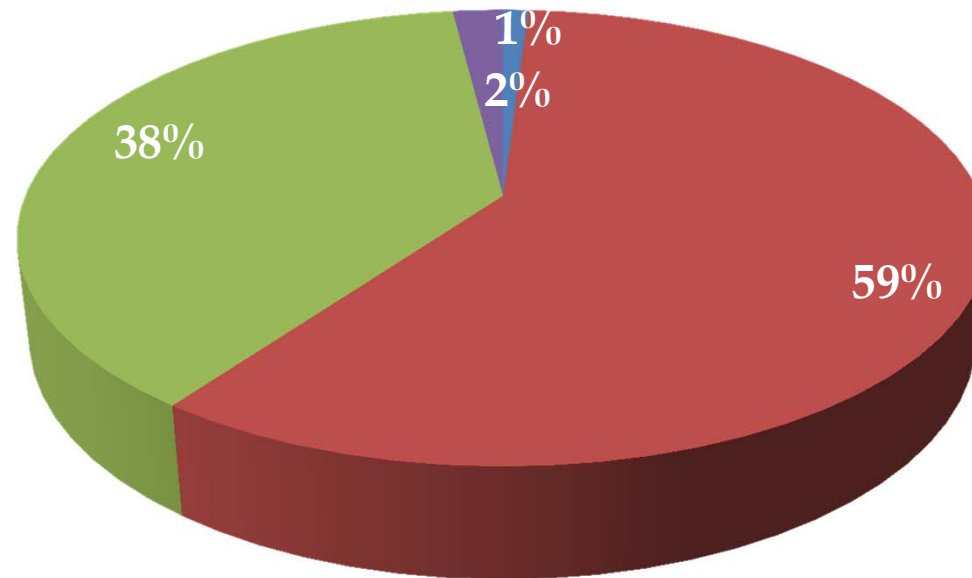


# Chain Scale



- Approximately 97% of Ashford's EBITDA comes from upper upscale and upscale assets

As % of TTM Q2 2011 EBITDA



■ Luxury ■ Upper Upscale ■ Upscale ■ Upper Midscale

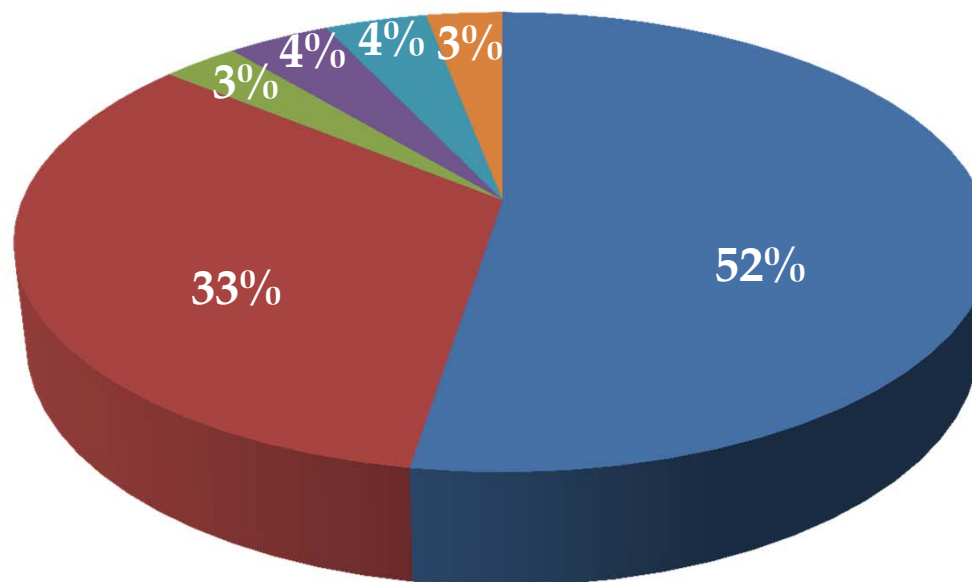


# Brand Family



- Approximately 85% of Ashford's EBITDA comes from Marriott and Hilton branded assets

*As % of TTM Q2 2011 EBITDA*



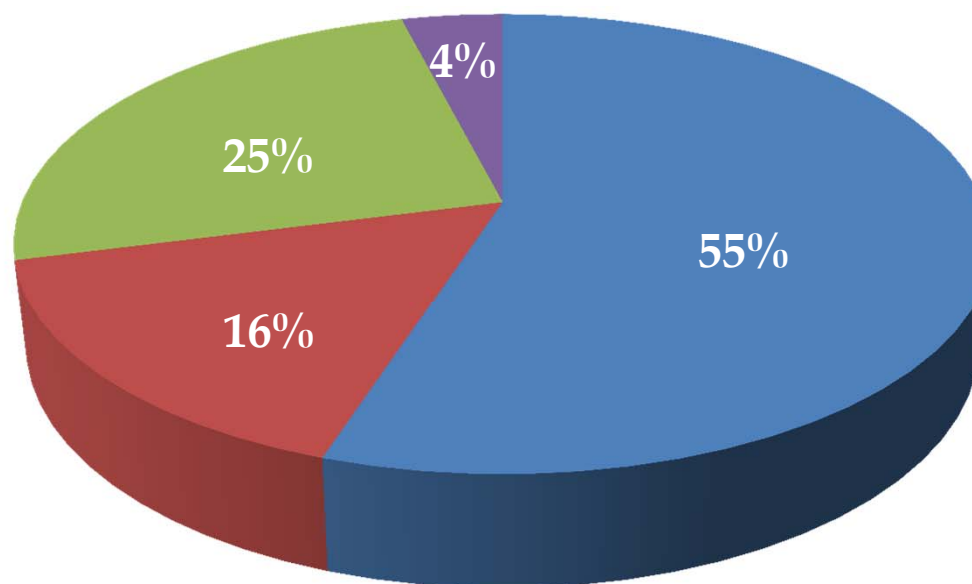
- Marriott
- Hilton
- Hyatt
- Starwood
- Intercontinental
- Independent



# Transient vs. Group vs. Contract



- Our customers are predominantly transient, with a strong emphasis on corporate business



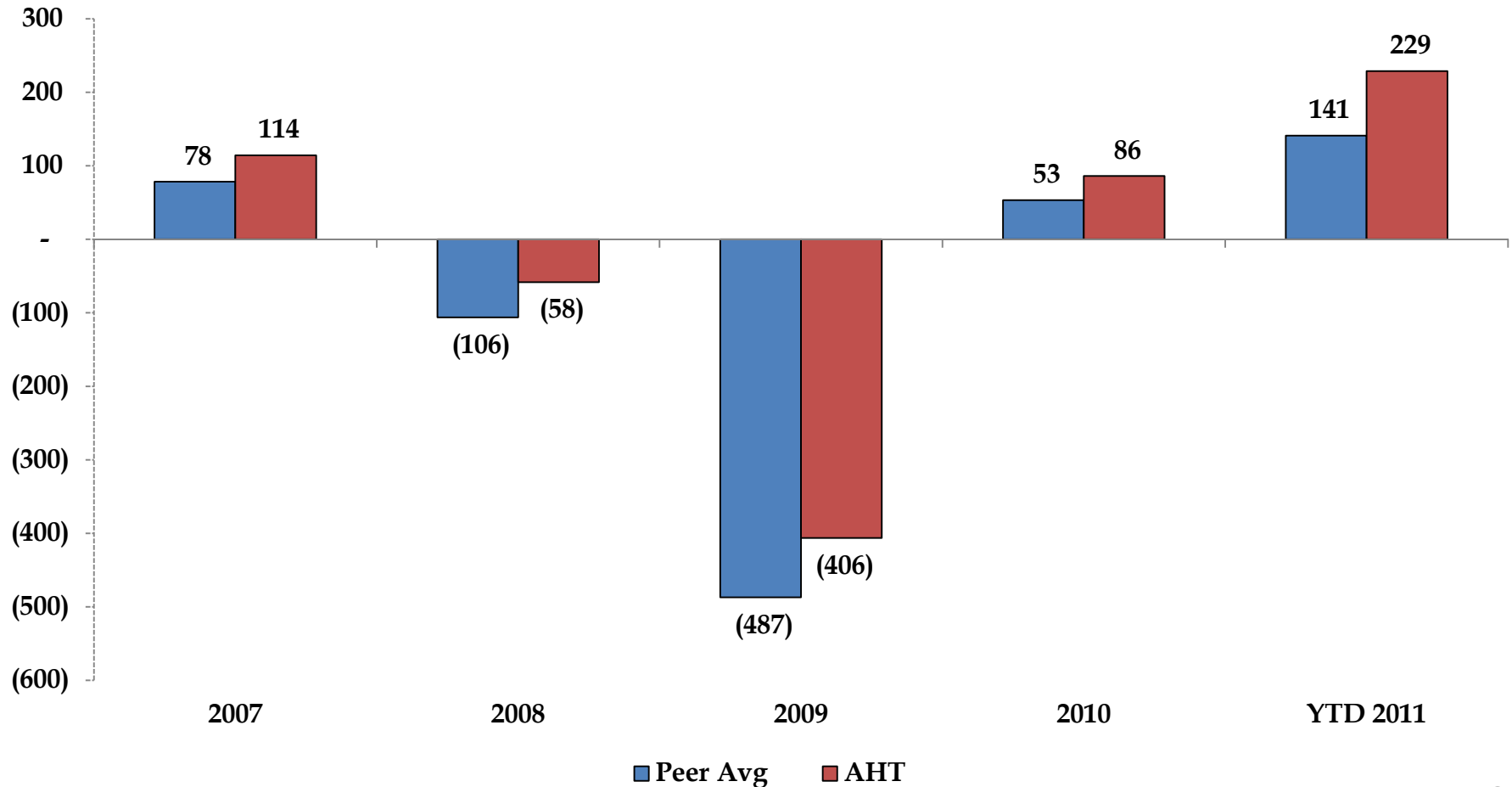
■ Transient - Corporate   ■ Transient - Leisure   ■ Group   ■ Contract



# Hotel EBITDA Margin Change Comparison



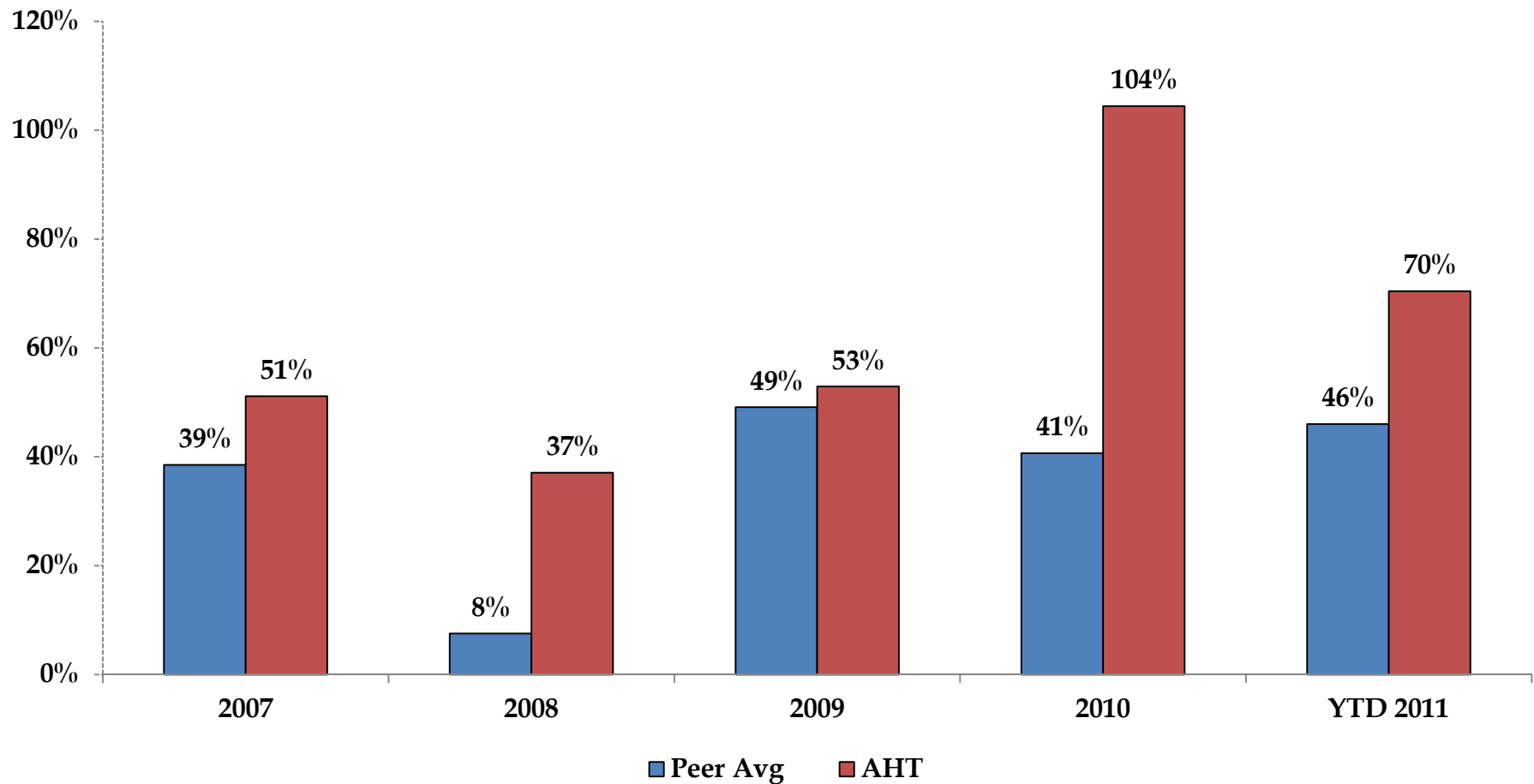
**HOTEL EBITDA MARGIN Y-O-Y CHANGE (BPS)**  
*(Peers include: BEE, DRH, FCH, HST, HT, LHO, PEB & SHO)*



# Hotel EBITDA Flows Comparison



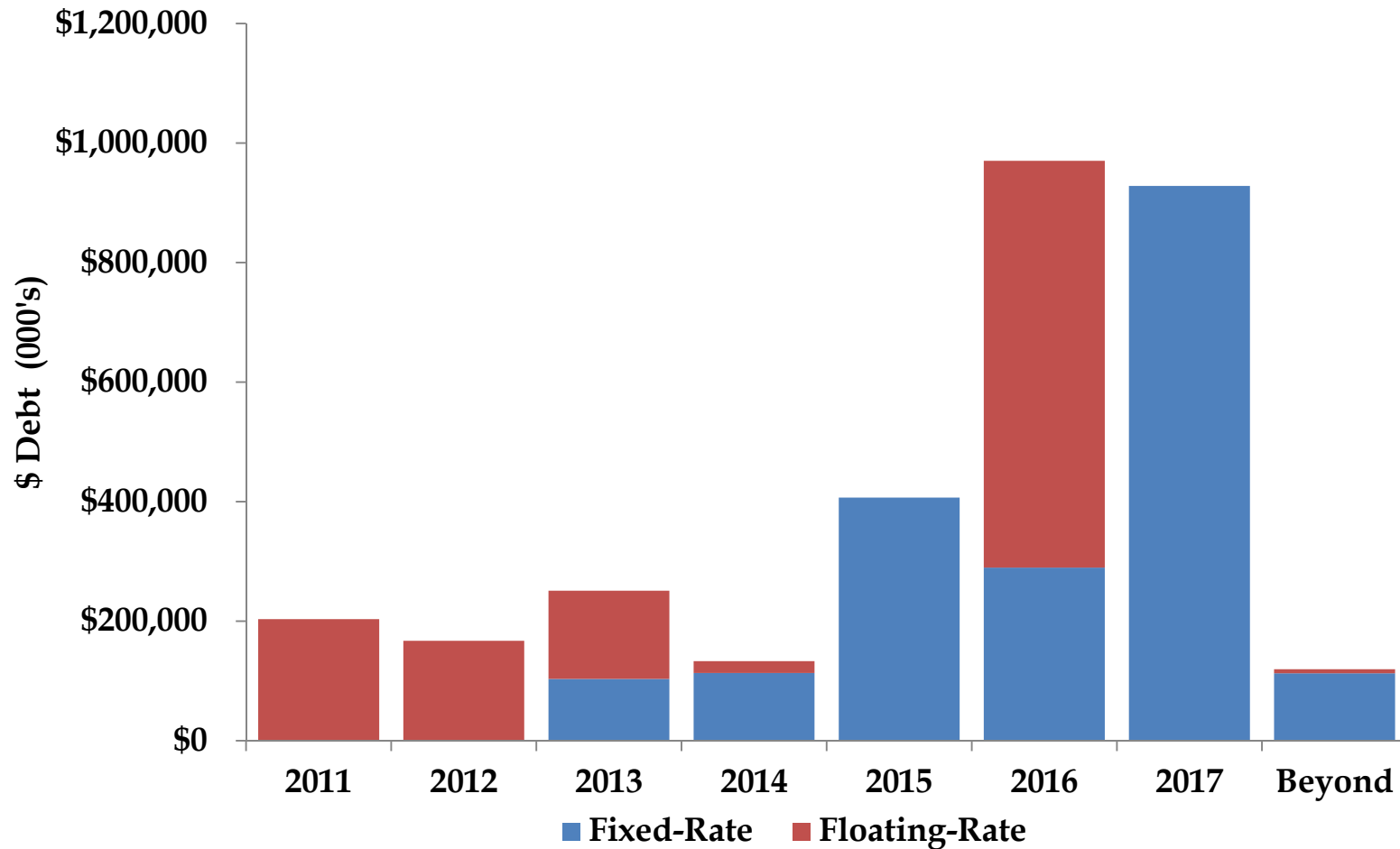
**HOTEL EBITDA FLOWS**  
*(Peers include: BEE, DRH, FCH, HST, HT, LHO, PEB & SHO)*



# Debt Maturity Schedule



## AHT Debt Maturity Schedule

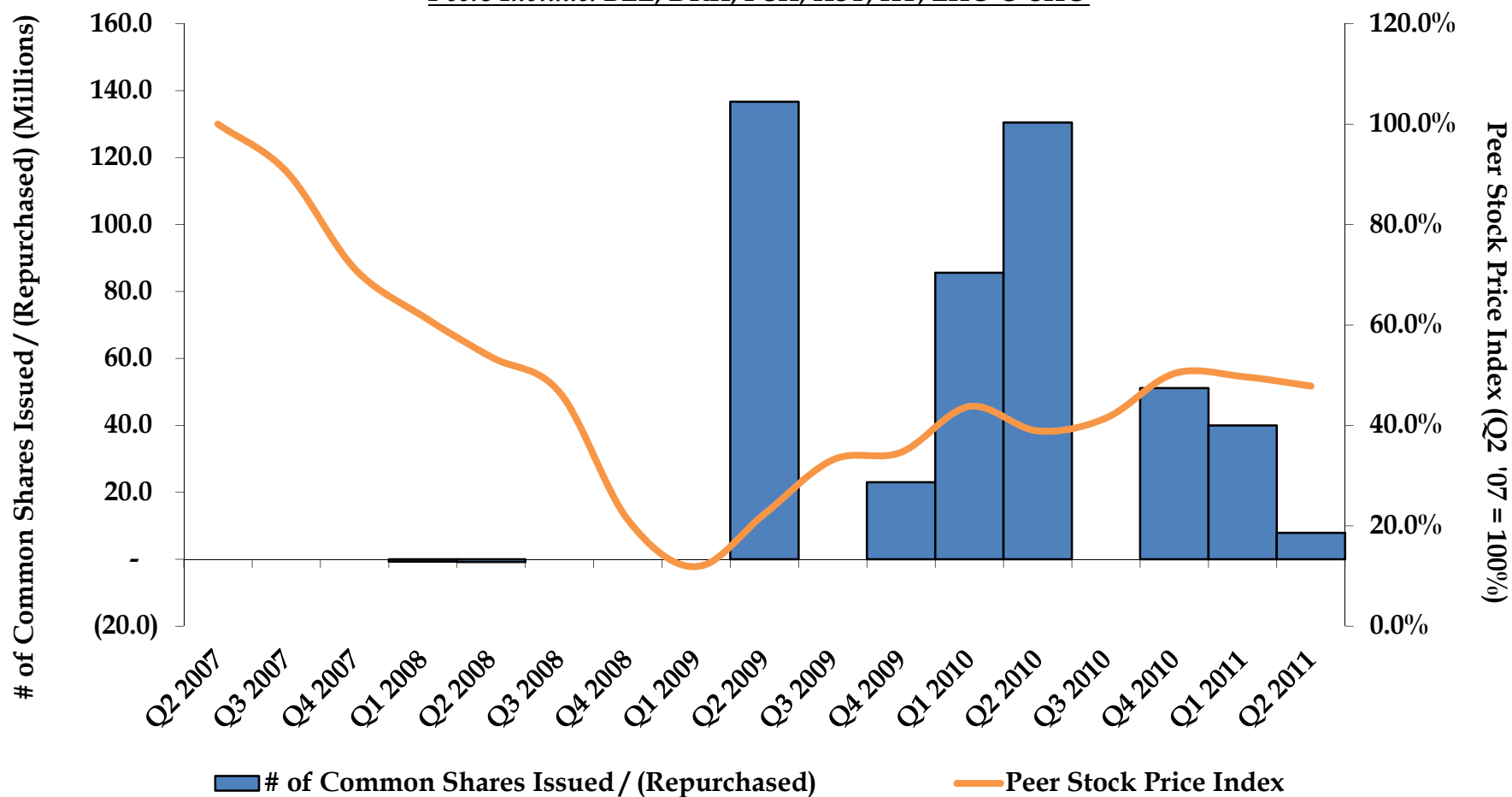


# Significant Industry Dilution



## Peer Common Stock Issuances / (Repurchases) - Q2 '07 to Q2 '11

Peers Include: BEE, DRH, FCH, HST, HT, LHO & SHO



Source: Bloomberg

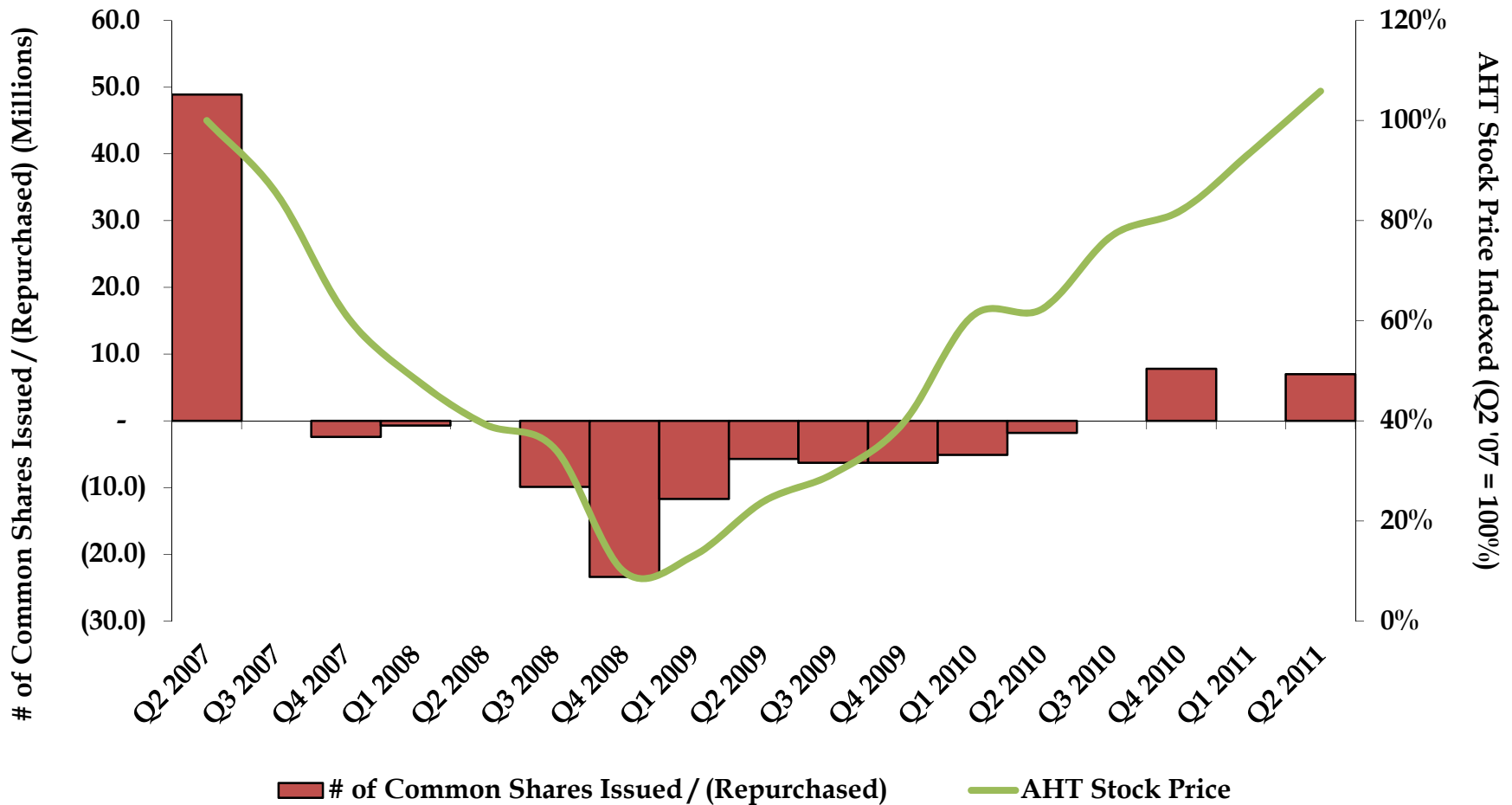




# Significant Shareholder Accretion



**Ashford Common Stock Issuances / (Repurchases) - Q2 '07 to Q2 '11**



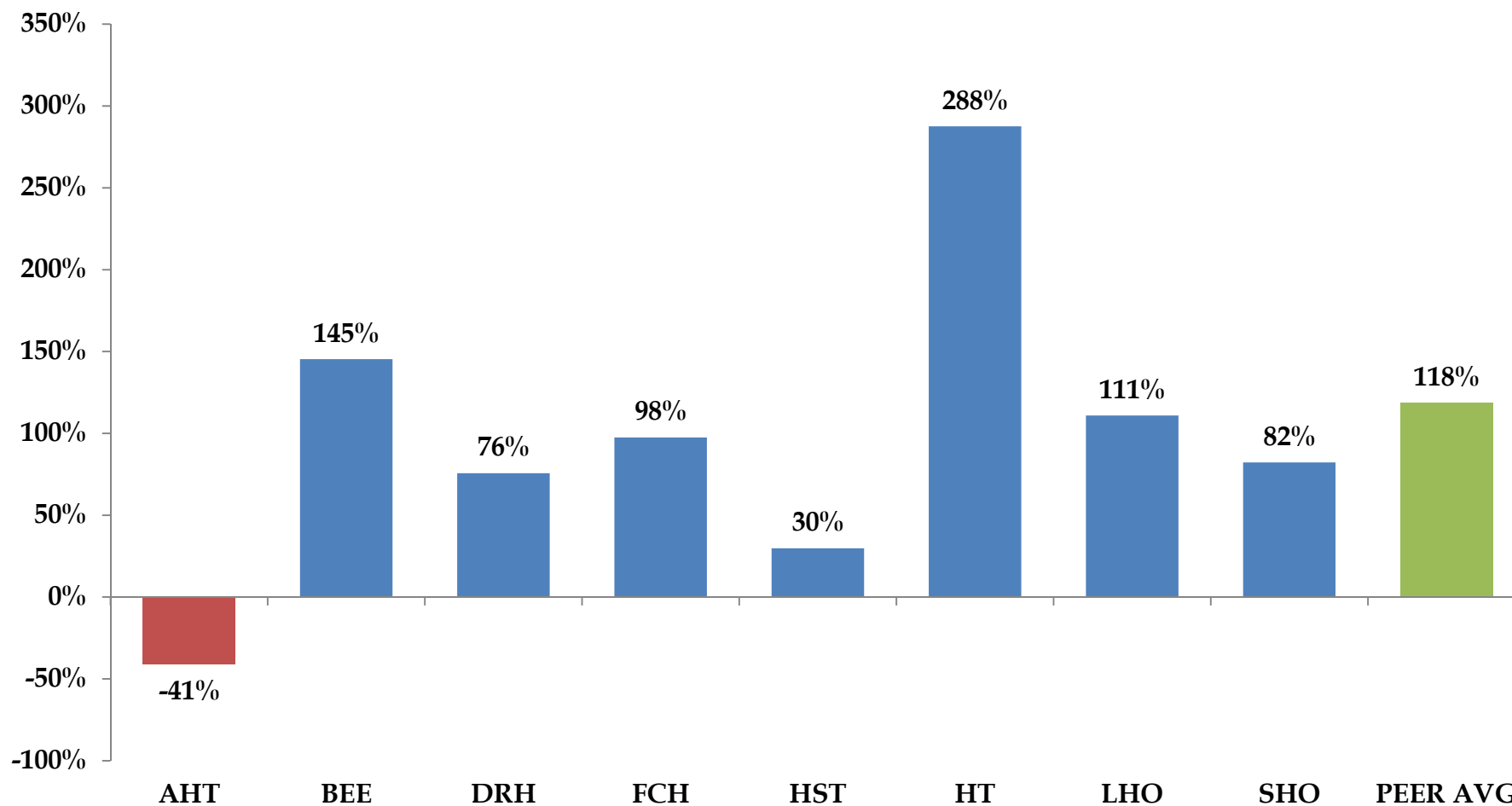
Source: Bloomberg



# Significantly Reduced Share Count



% Change in Fully Diluted Share Count : 6/30/07 vs. Current



Source: SNL, Company Filings & Street Research.



# Potential Impact of Interest Rate Hedges in 2011



	Principal	Interest Expense (est.)	Interest Rate (est.)
<b>Total Debt</b>	<b>\$3.2 billion</b>	<b>\$173 million</b>	<b>5.4%</b>
<b>Swap Impact</b>		<b>(\$31.9 million)</b>	
<b>Flooridor Impact (if Libor stays below 50 bps in 2011)</b>		<b>(\$39.0 million)</b>	
<b>TOTAL</b>	<b>\$3.2 billion</b>	<b>\$102 million</b>	<b>3.2%</b>

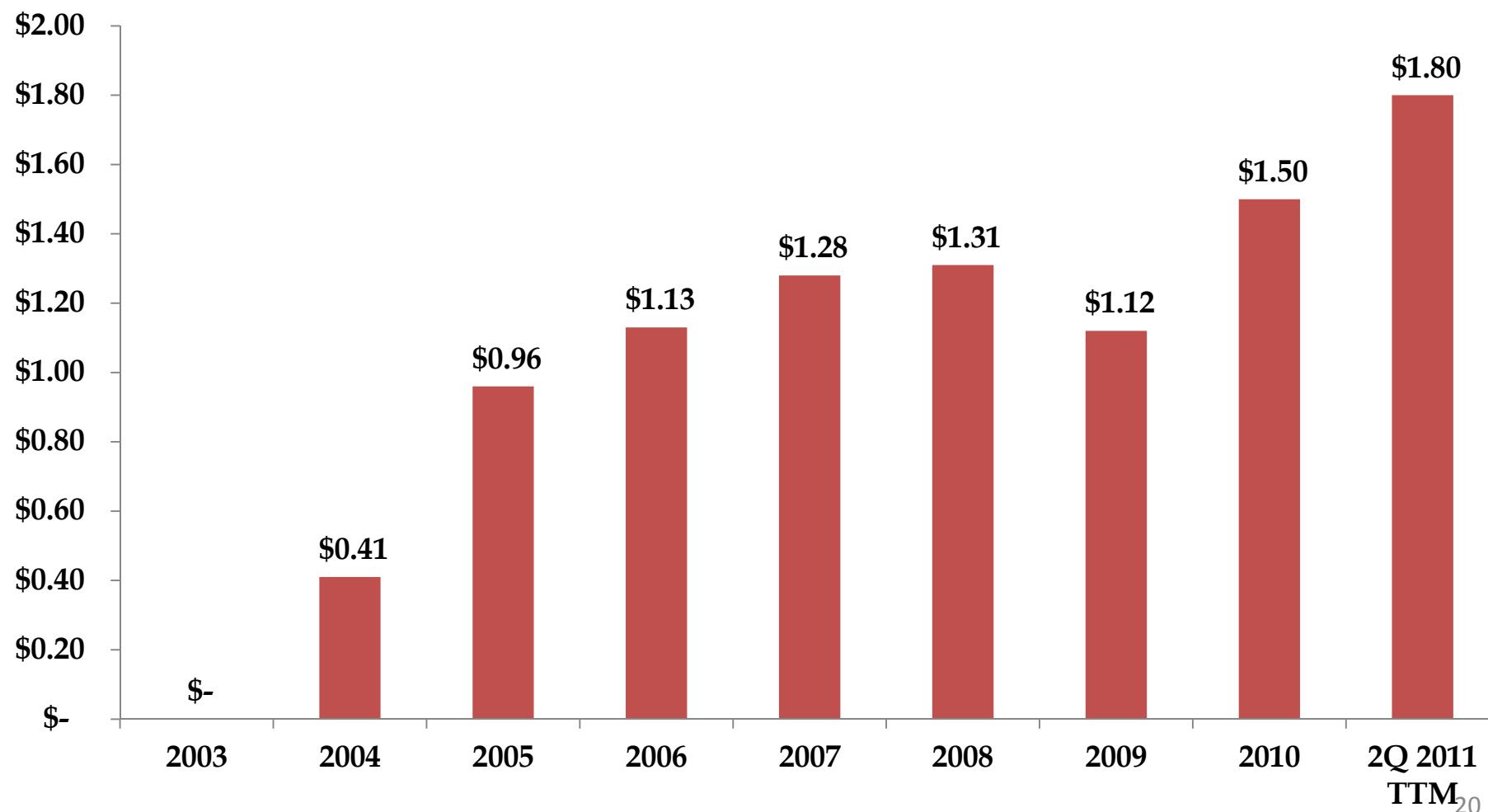
Note: Assumes 30-Day Libor of 25 bps



# Consistent Earnings Growth



Ashford's Historical AFFO per Share

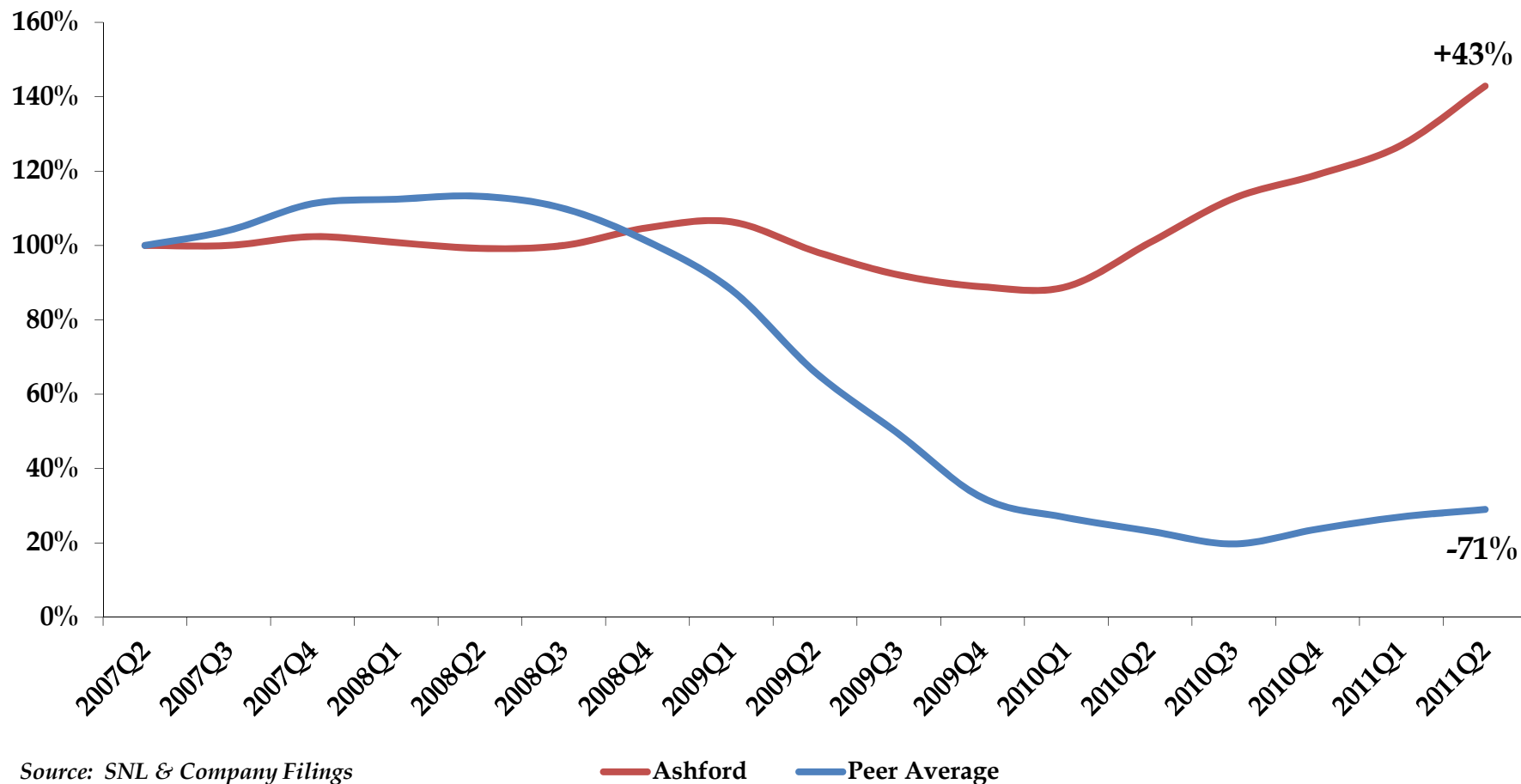


# AFFO per Share Outperformance



**TTM AFFO Per Share (2007Q2 = 100%)**

*Peers Include: BEE, DRH, FCH, HST, HT, LHO, SHO*



# Accretive Highland Transaction



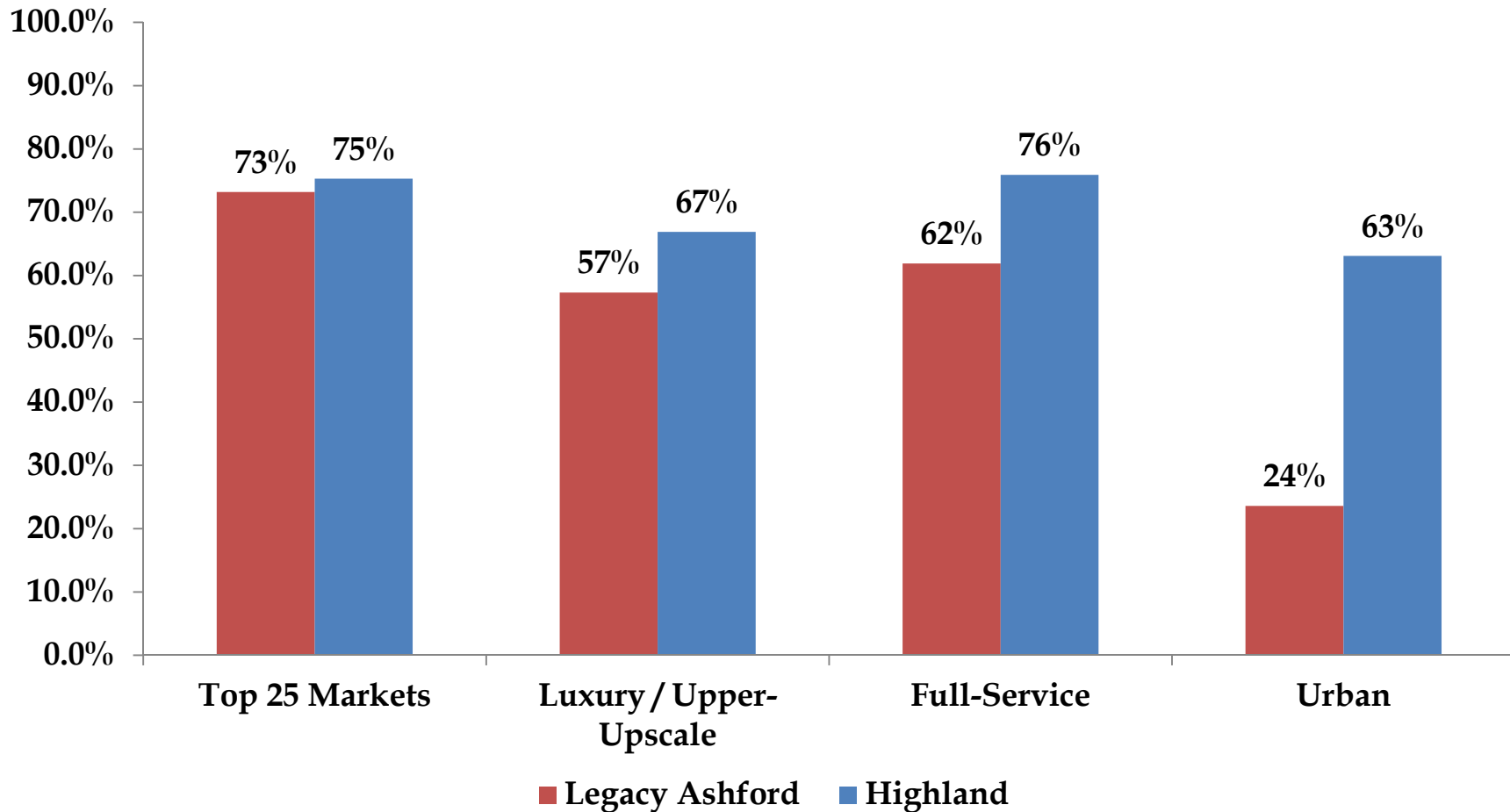
- 28 hotel portfolio (19 full-service, 9 select-service) with 8,084 rooms
- Total consideration of \$1.3 billion (\$158,000 per key)
- 2010 EBITDA multiple 13.4x
- Operational upside
  - 2010 EBITDA flows of 18% vs. AHT's of 104%
  - Remington took over management of 17 assets
  - NOI 36% below peak



# Portfolio Upgrade



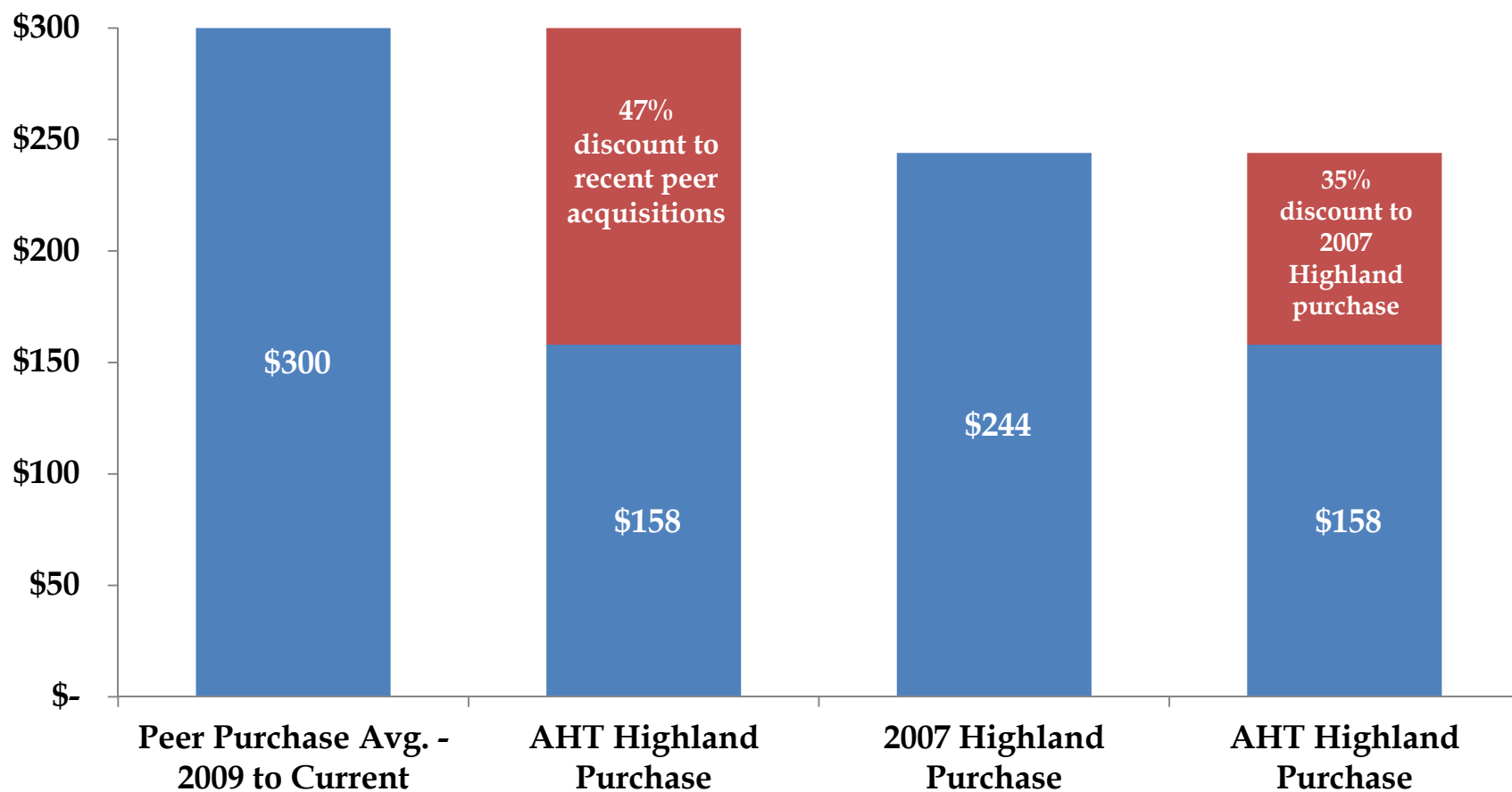
Legacy Ashford vs. Highland 2010 EBITDA Concentration



# Highland Transaction - Price Per Key Comparison



**Highland Purchase Price Per Key Comparison (\$ Thousands)**



Source: Real Capital Analytics & company filings.

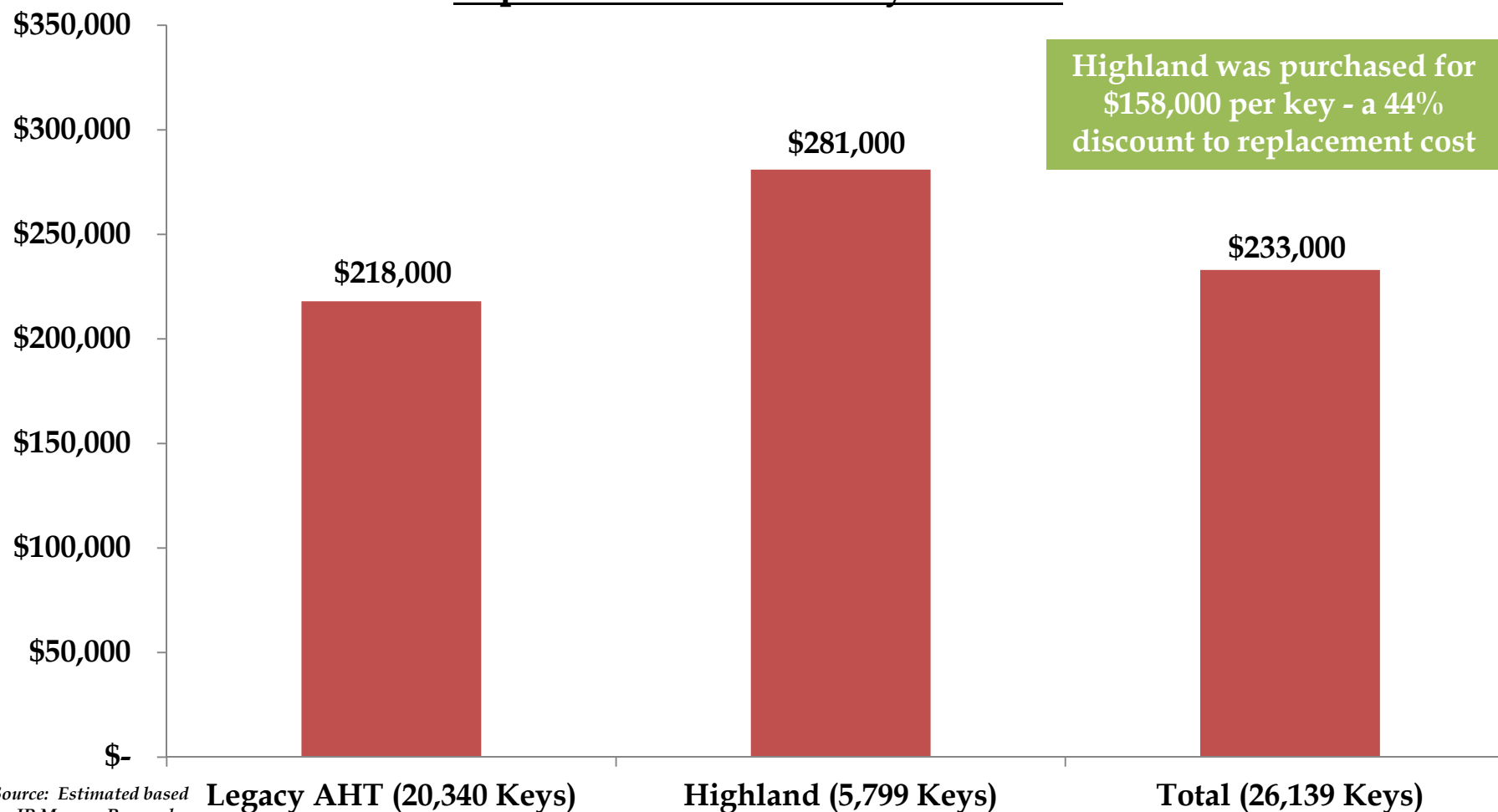




# Replacement Cost per Key



## Replacement Cost Per Key Estimate



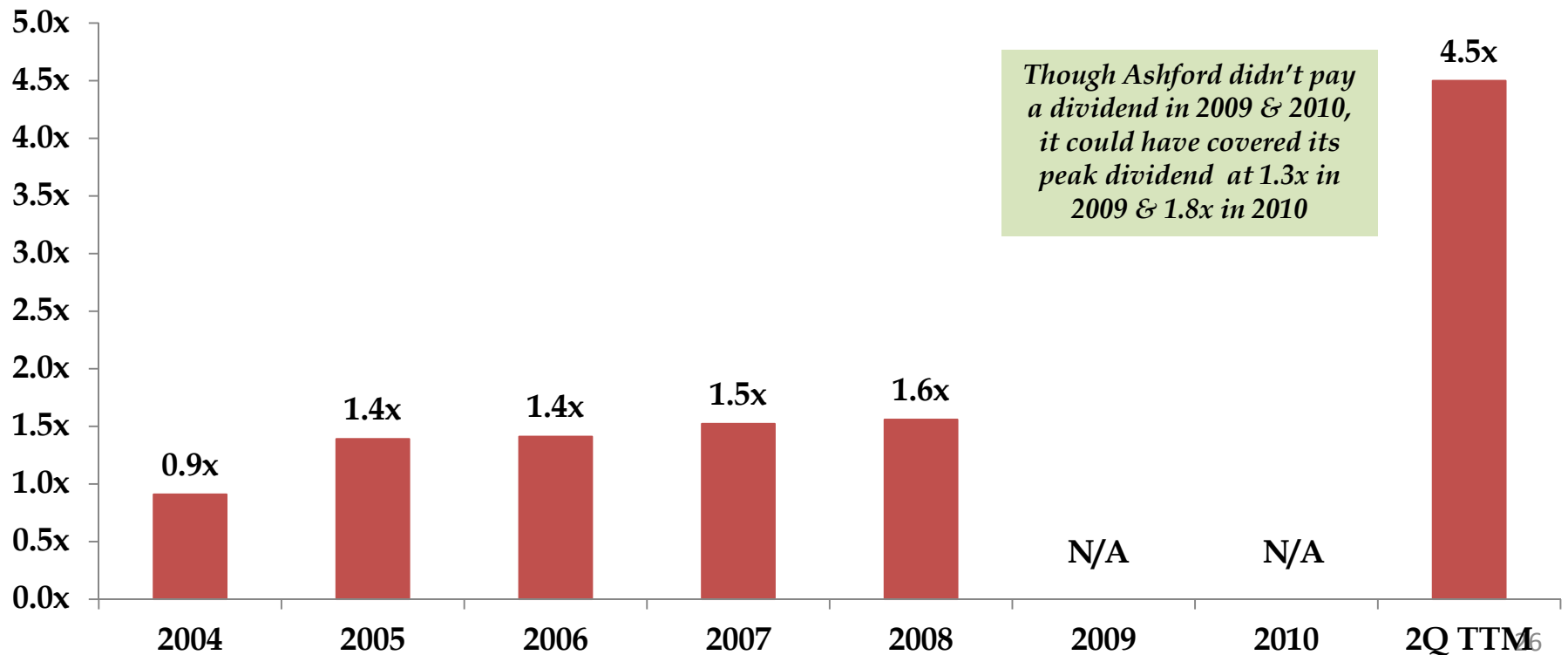
Source: Estimated based on JP Morgan Research Report



# Reinstated Dividend w/ Growth Potential

- Given the material reduction in our common share count, Ashford is well positioned to cover and potentially grow its dividend

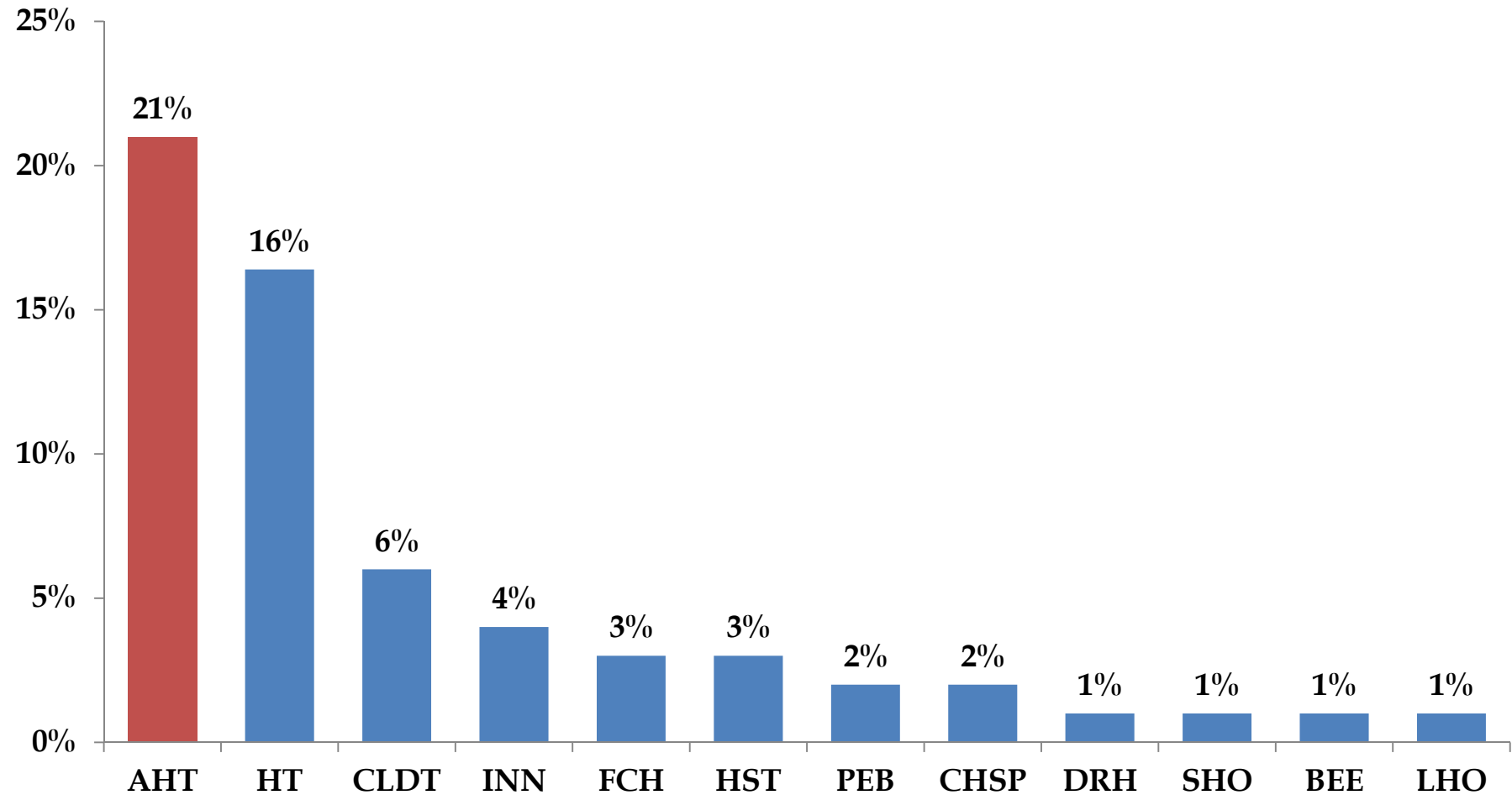
## AFFO Per Share / Dividend Coverage



# Most Highly-Aligned Management Team



## Insider Ownership %



Source: 2011 Proxy Filings





# ASHFORD

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