



Ascott Residence Trust

1H 2009 Financial Results



Briefing for Media & Analysts on 23 July 2009



Agenda

- **Results Highlights**
- **2Q 2009 Portfolio Performance**
- **Portfolio Information**
- **Capital and Risk Management**
- **Prospects**



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 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.

Results Highlights





1H 2009 Performance

	1H 2009	1H 2008	Change
Revenue (S\$m)	85.1	92.0	-7% ↓
Gross Profit (S\$m)	40.7	47.1	-14% ↓
Unitholders' Distribution (S\$m)	21.9	27.5	-20% ↓
Distribution Per Unit (S cents)	3.55	4.52	-21% ↓
Revenue Per Available Unit (S\$/day) – serviced residences	120	142	-15% ↓








2Q 2009 Performance

	2Q 2009	2Q 2008	Change
Revenue (S\$m)	43.0	46.1	-7% ↓
Gross Profit (S\$m)	20.8	23.4	-11% ↓
Unitholders' Distribution (S\$m)	11.0	13.3	-17% ↓
Distribution Per Unit (S cents)	1.79	2.19	-18% ↓
Revenue Per Available Unit (S\$/day) – serviced residences	119	143	-17% ↓



2Q vs 1Q 2009 Performance

	2Q 2009	1Q 2009	Change
Revenue (S\$m)	43.0	42.1	+2% 
Gross Profit (S\$m)	20.8	19.9	+5% 
Unitholders' Distribution (S\$m)	11.0	10.8	+2% 
Distribution Per Unit (S cents)	1.79	1.77	+1% 
Revenue Per Available Unit (S\$/day) – serviced residences	119	120	-1% 

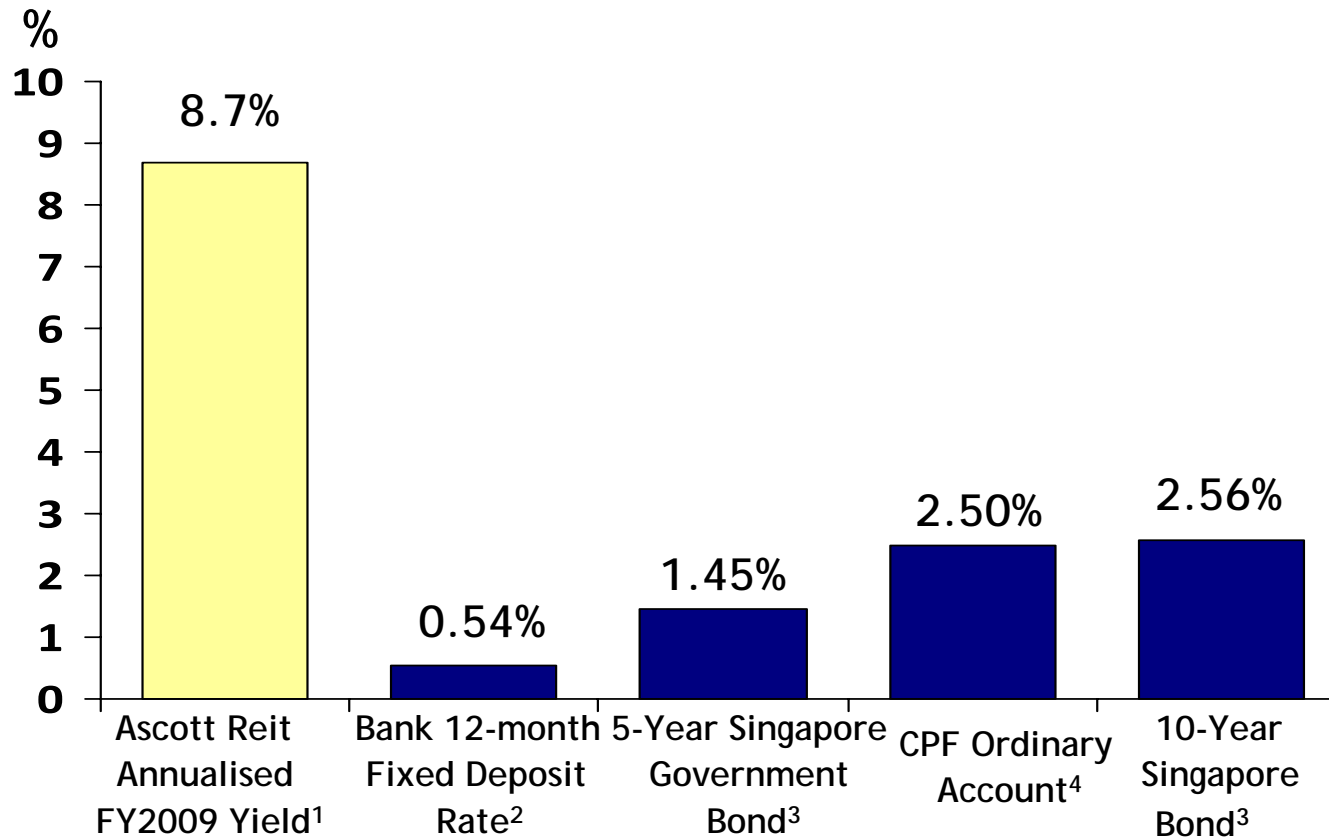


Distribution Details

Distribution Period	1 January to 30 June 2009
Distribution Rate	3.55 cents per unit
Book Closure Date	31 July 2009
Distribution Payment Date	28 August 2009



Attractive Trading Yield



1. Based on Ascott Reit's closing price of S\$0.825 per unit as at 22 July 2009 and annualised DPU of 7.16 cents based on 1H 2009 DPU of 3.55 cents
2. As at June 2009 (Source: Monetary Authority of Singapore website)
3. As at June 2009 (Source: Singapore Government Securities website)
4. Based on interest paid on Central Provident Fund (CPF) Ordinary Account (Source: CPF website)



Property Valuations

- Property value lower by S\$60.6¹ million following latest revaluation by HVS International Pte Ltd
 - Mainly from the lower valuation of serviced residences in China and Japan
- NAV per unit as at 30 June 2009 is S\$1.36
- Ascott Reit units are trading at 39% discount to NAV based on closing price of S\$0.825 on 22 July 2009

1. Net of tax and minority interest

2Q 2009 Portfolio Performance

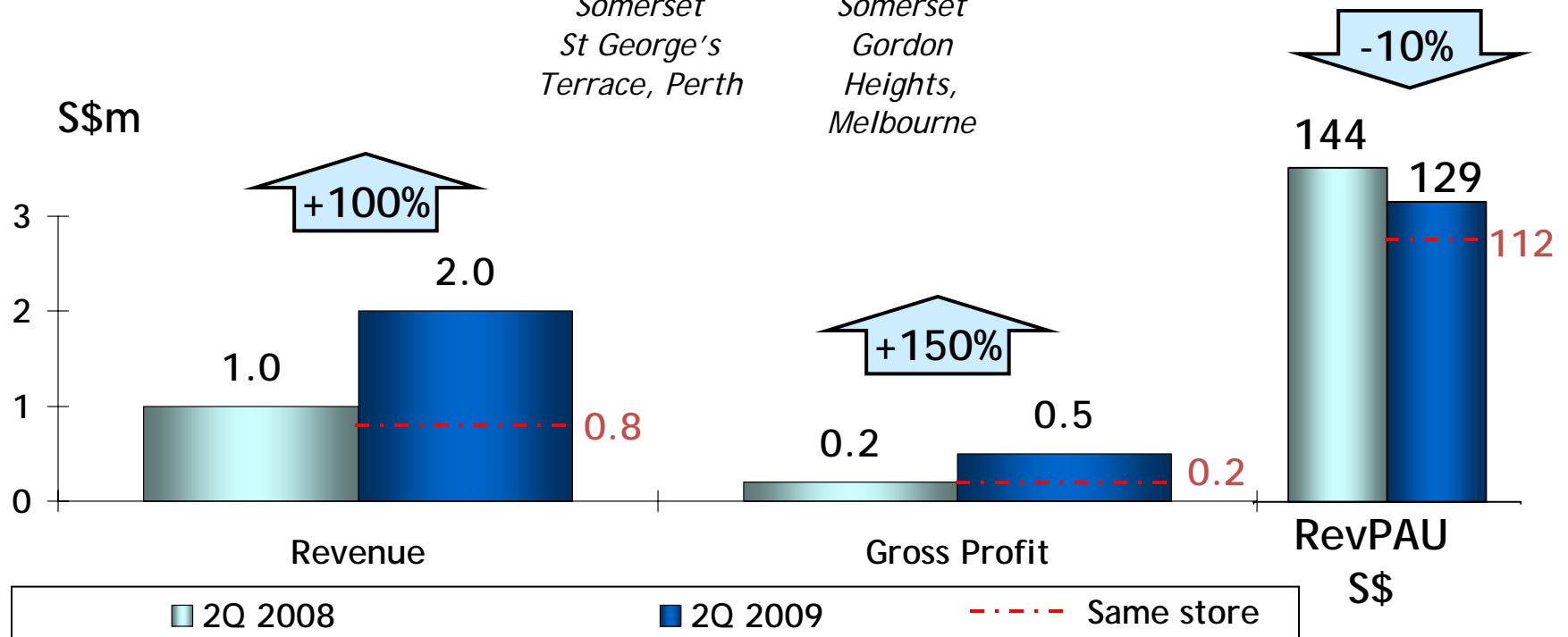




*Somerset
St George's
Terrace, Perth*



*Somerset
Gordon
Heights,
Melbourne*



**Better performance due to contribution from Somerset St George's Terrace, Perth¹
In AUD terms, RevPAU increased by 11%**

¹ Somerset St George's Terrace was acquired on 11 June 2008.



China



Ascott Beijing



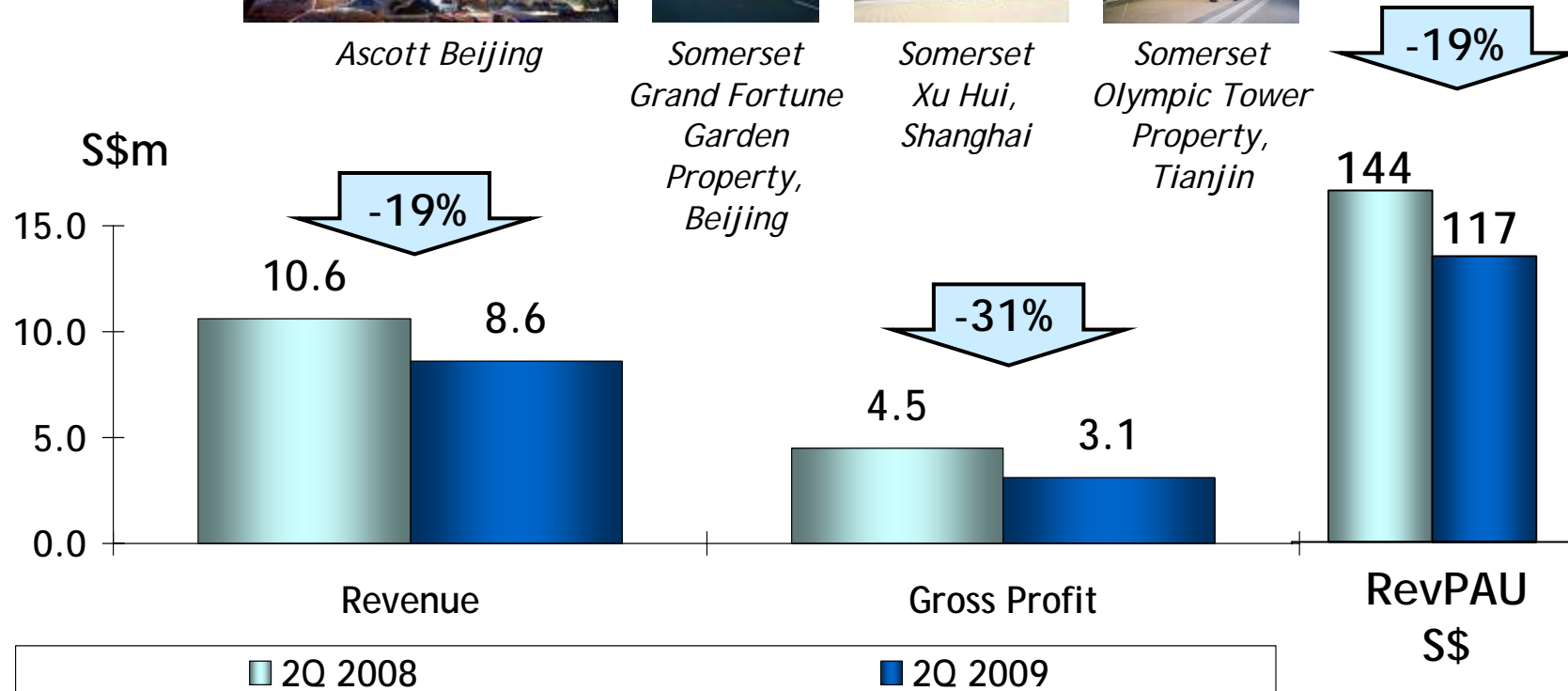
*Somerset
Grand Fortune
Garden
Property,
Beijing*



*Somerset
Xu Hui,
Shanghai*



*Somerset
Olympic Tower
Property,
Tianjin*



**Lower performance from Beijing and Shanghai properties due to oversupply
Tianjin achieved better performance with RevPAU increasing 1.6% in RMB terms**



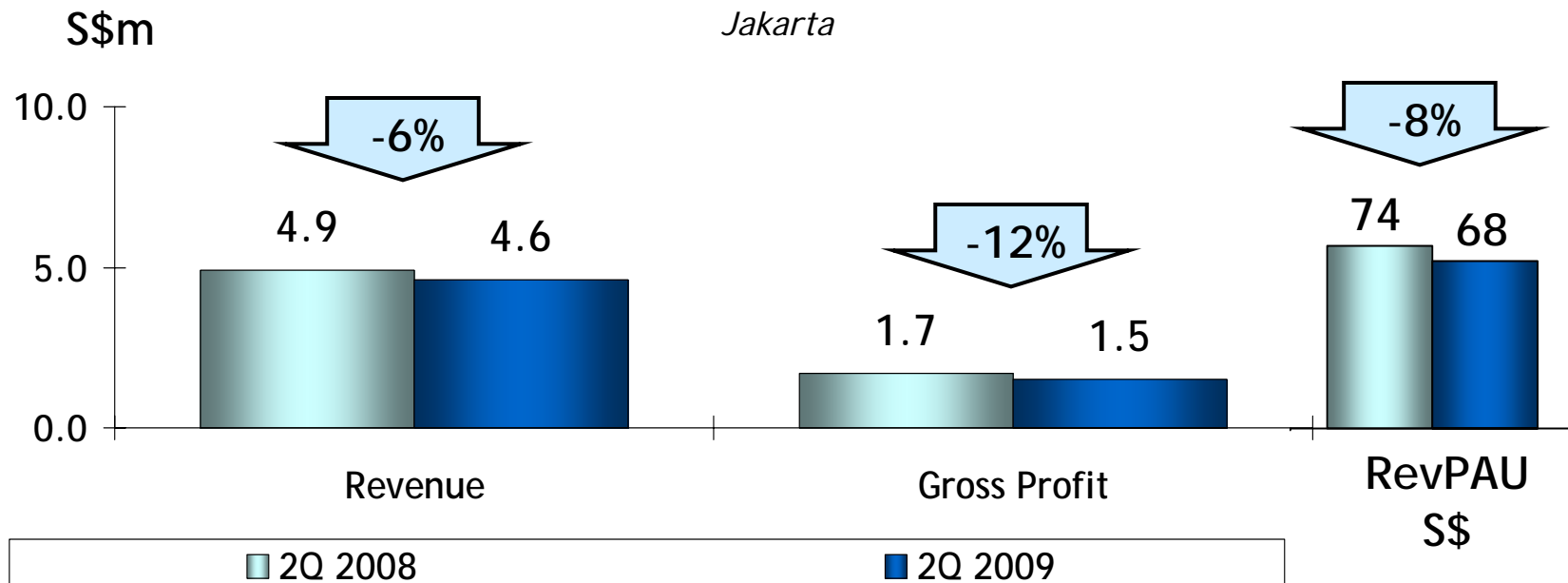
Ascott Jakarta



Somerset Grand Citra, Jakarta



Country Woods, Jakarta



**Apartment units taken out from Somerset Grand Citra for rectification work
Loss of revenue from this is covered by business interruption insurance**



Japan



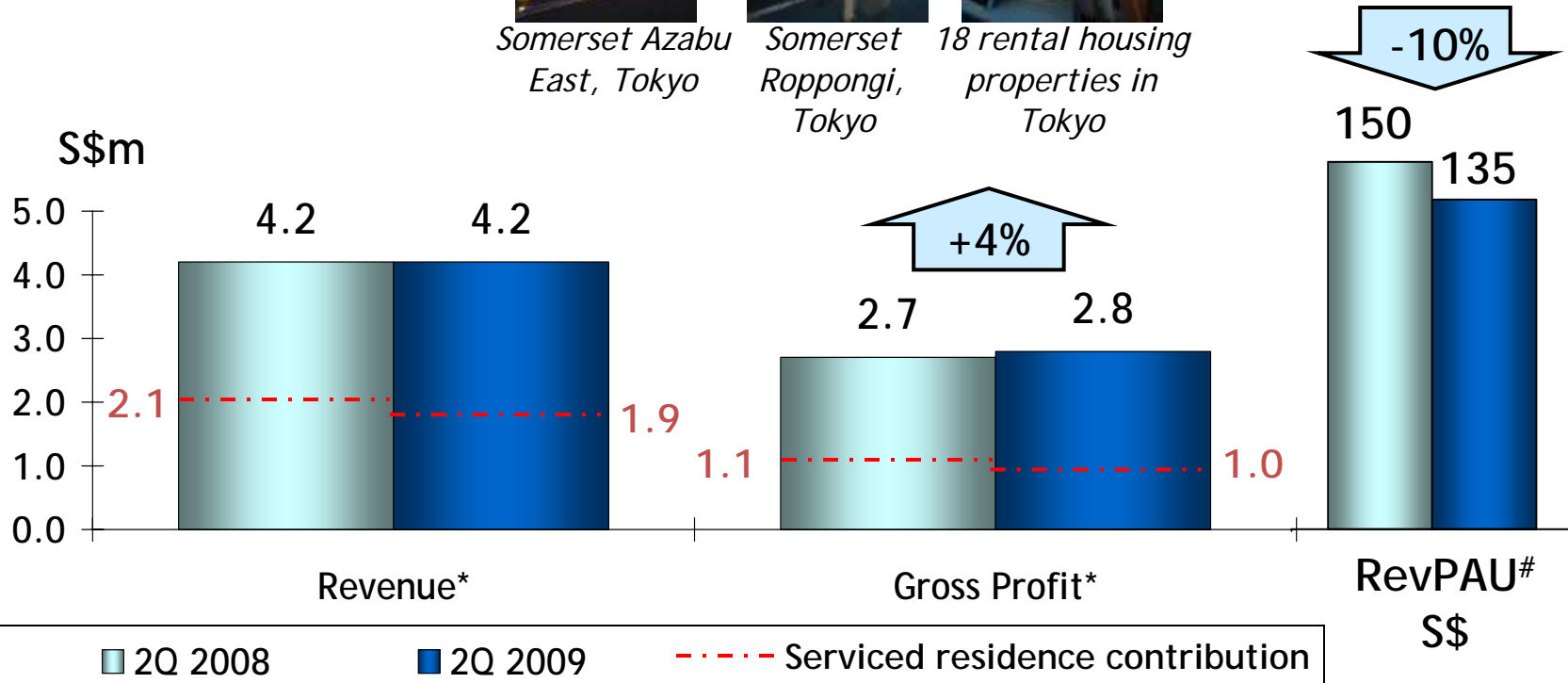
Somerset Azabu East, Tokyo



Somerset Roppongi, Tokyo



18 rental housing properties in Tokyo



**Performance from the serviced apartments affected by weak demand
Rental housing performance remains stable**

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

#RevPAU for serviced residence properties.



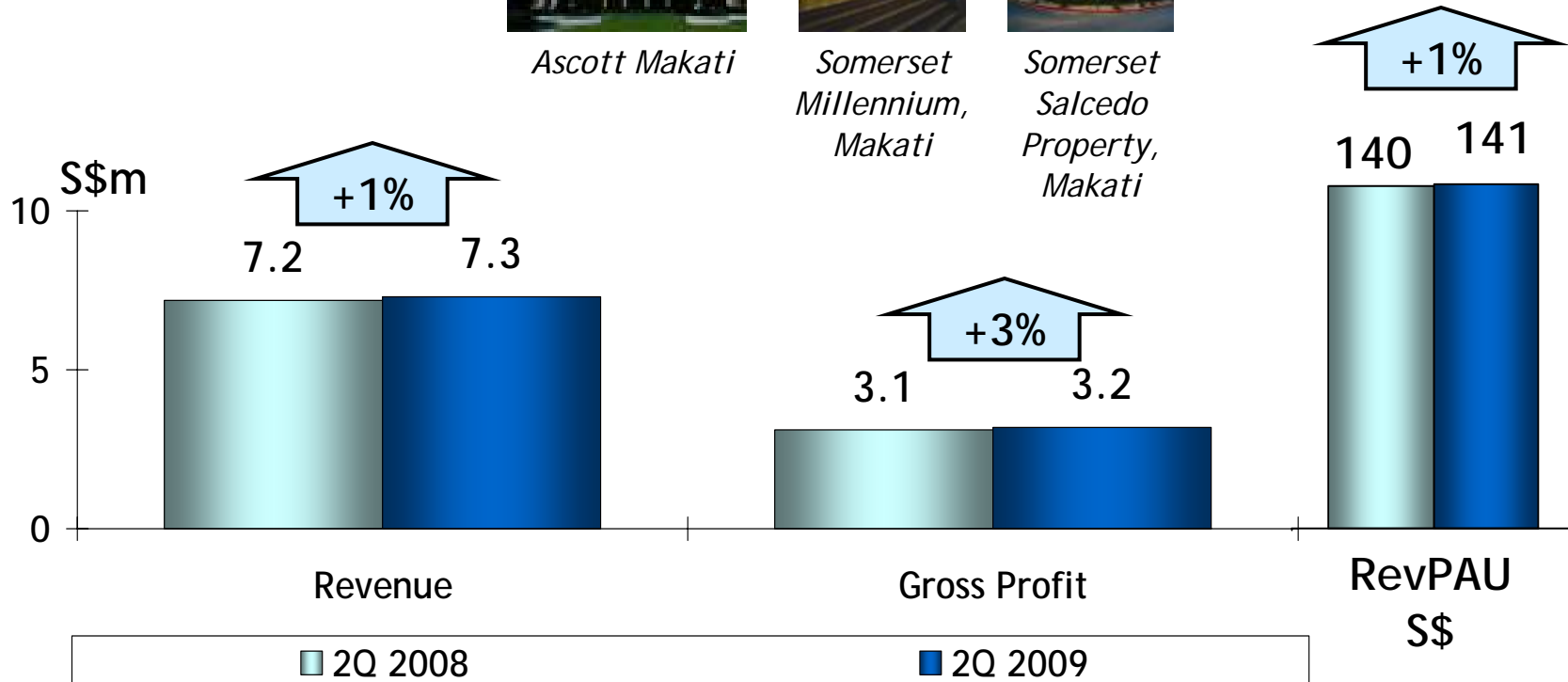
Ascott Makati



Somerset Millennium, Makati



Somerset Salcedo Property, Makati



In Peso terms, RevPAU increased by 7.5% as a result of Ascott Makati's asset enhancement



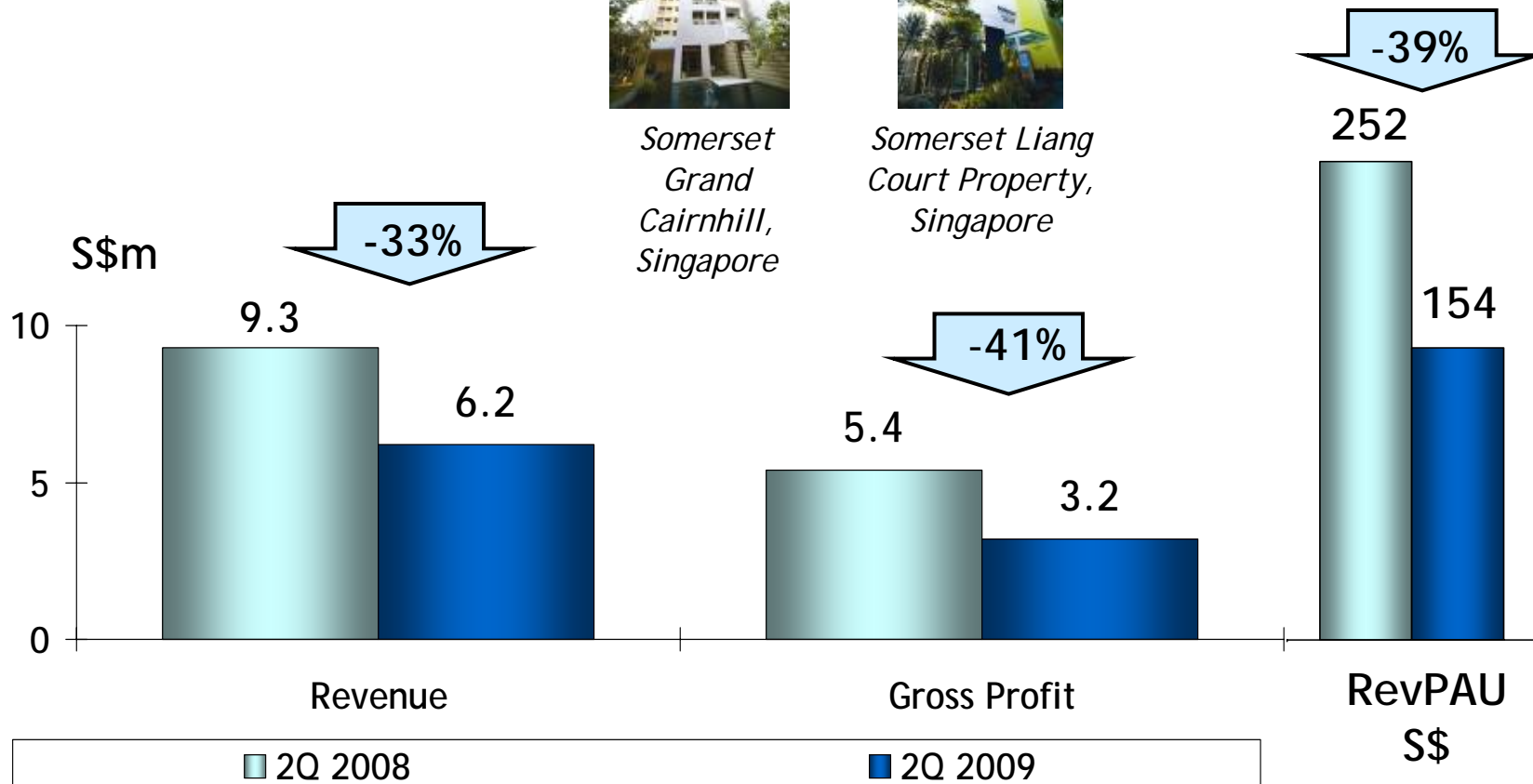
Singapore



Somerset Grand Cairnhill, Singapore



Somerset Liang Court Property, Singapore



Lower performance due to weaker demand from business travellers



Somerset
Grand Hanoi



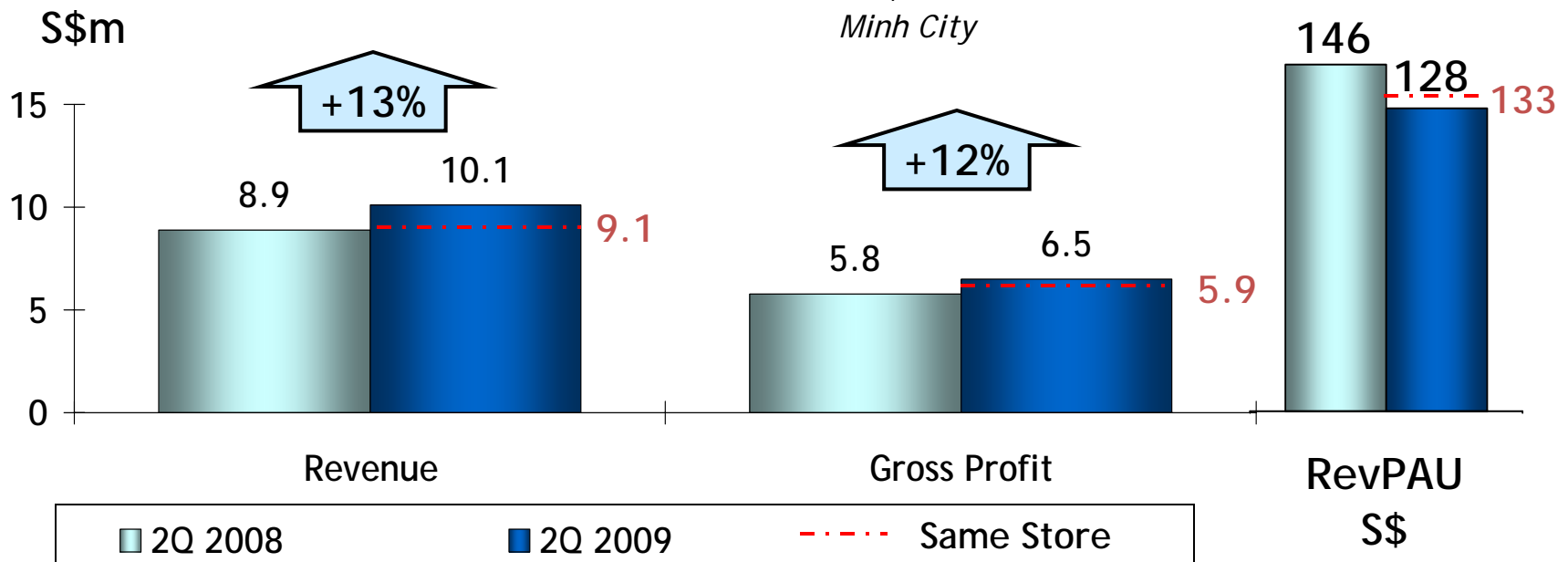
Somerset West
Lake, Hanoi



Somerset
Chancellor
Court, Ho Chi
Minh City



Somerset Ho
Chi Minh City



Better performance mainly due to contribution from Somerset West Lake¹

¹ Somerset Westlake was acquired on 01 April 2009.

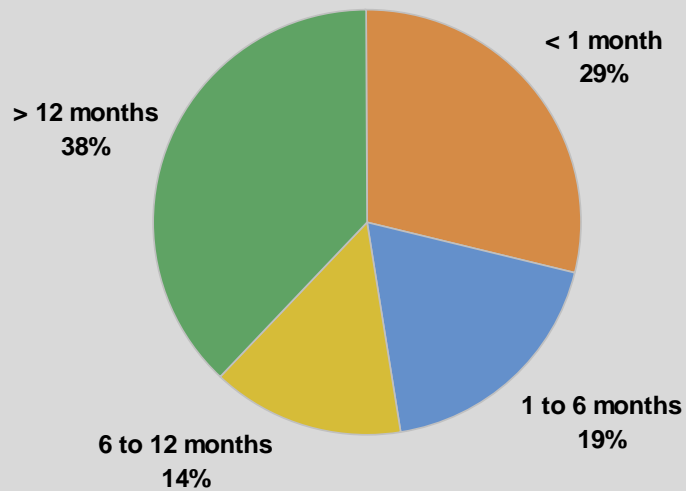
Portfolio Information



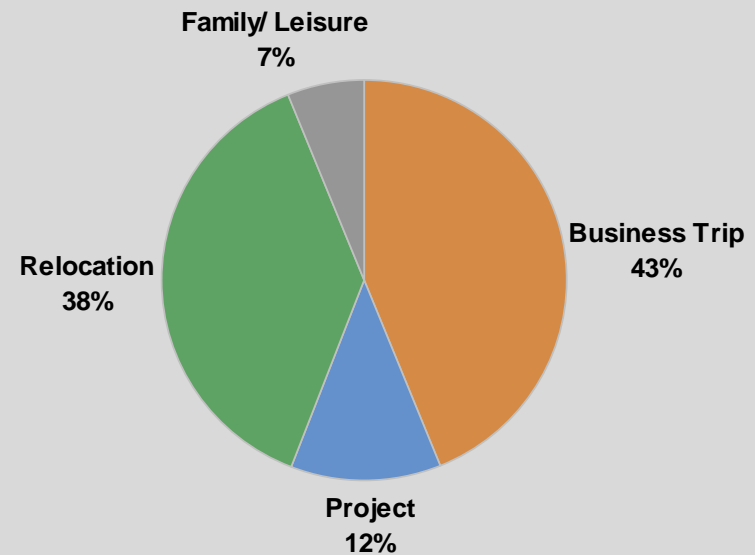


Length of Stay and Market Segment

Apartment Rental Income By Length of Stay¹



Apartment Rental Income By Market Segment¹



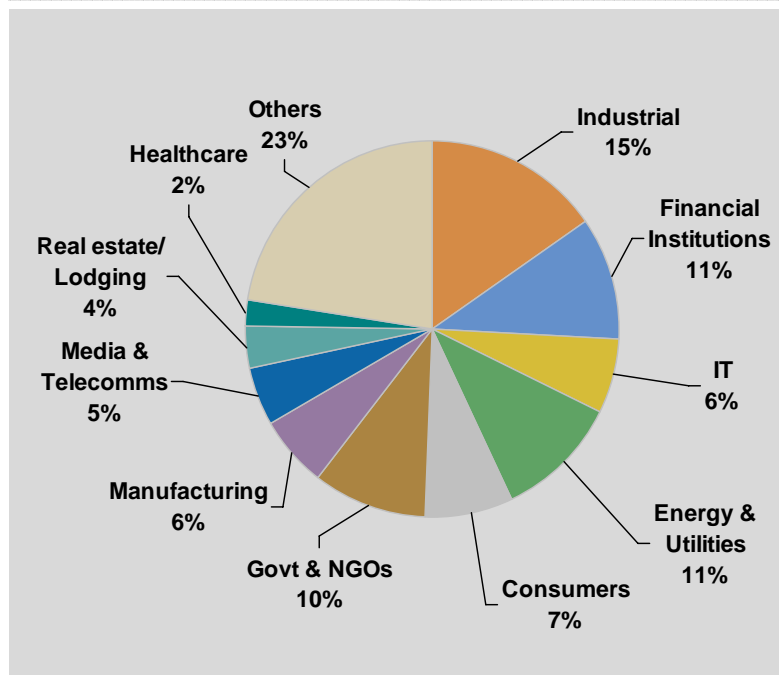
Average length of stay is 7 months²

¹ For YTD 30 June 2009

² Apartment rental income by length of stay

Diverse Tenant Mix

Apartment Rental Income By Industry¹



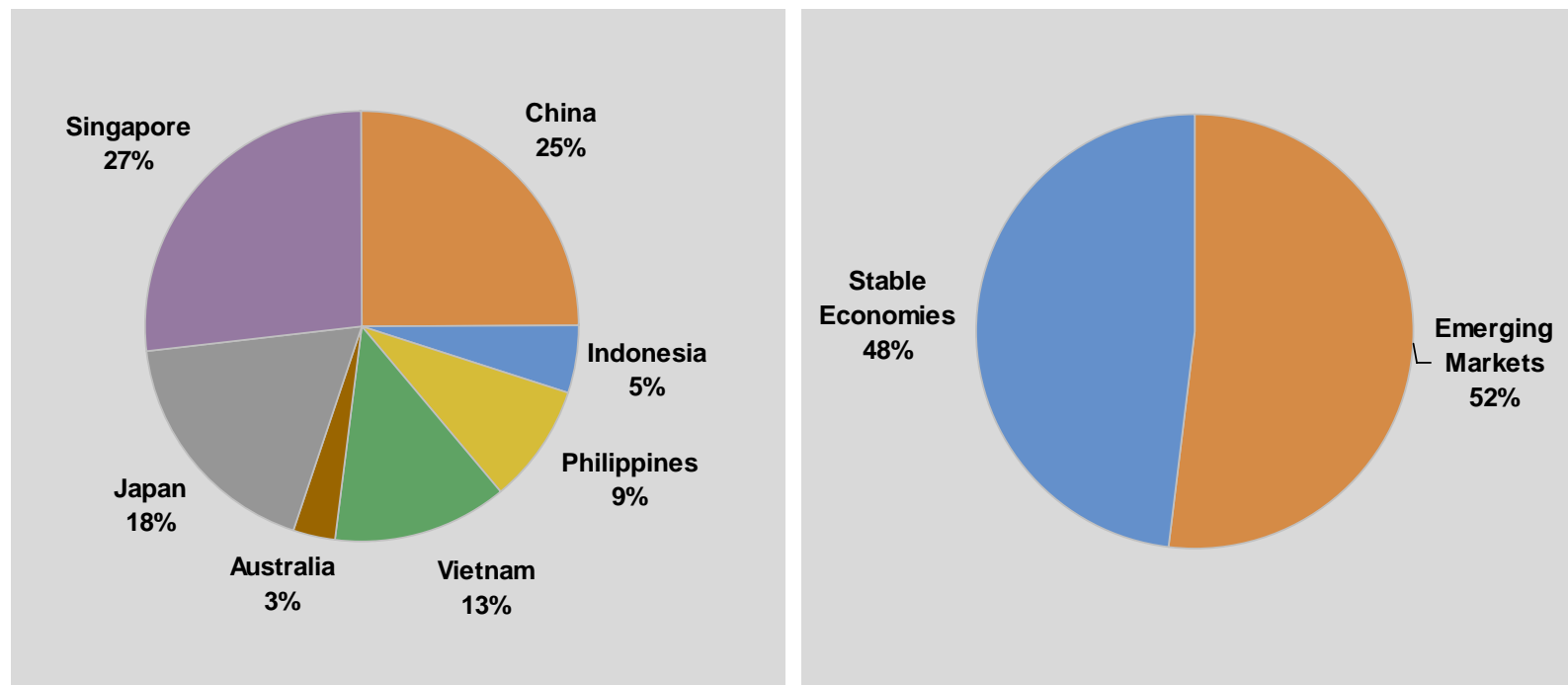
Earnings diversified by industry

¹ Apartment rental income from corporate accounts for YTD 30 June 2009



Geographical Diversification

Ascott Reit's Share of Asset Values As at 30 June 2009



Total = S\$1.55 billion

Note: Emerging markets include China, Indonesia, the Philippines and Vietnam. Stable economies include Australia, Japan and Singapore.

Capital & Risk Management

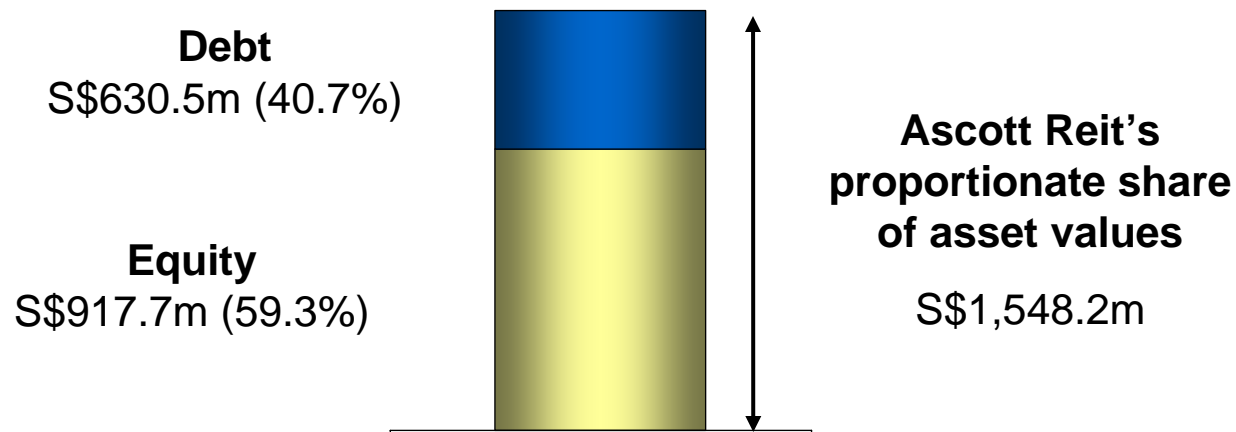




Healthy Balance Sheet

- Gearing of 40.7%, well within the 60% gearing limit allowable under MAS property fund guidelines

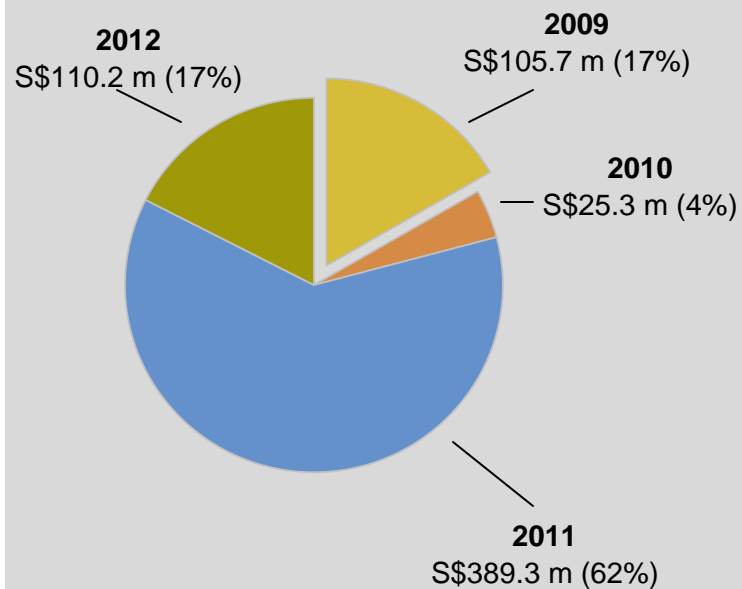
Ascott Reit Gearing Profile As at 30 June 2009



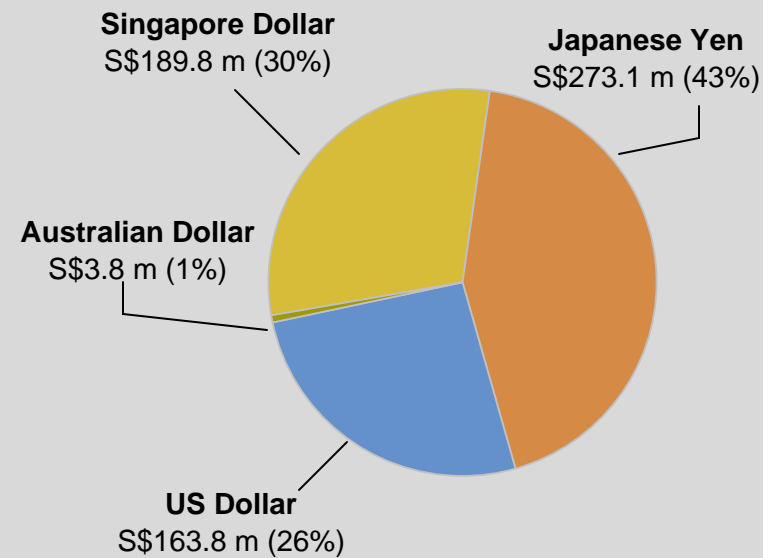


Debt Profile

Maturity Profile As at 30 June 2009

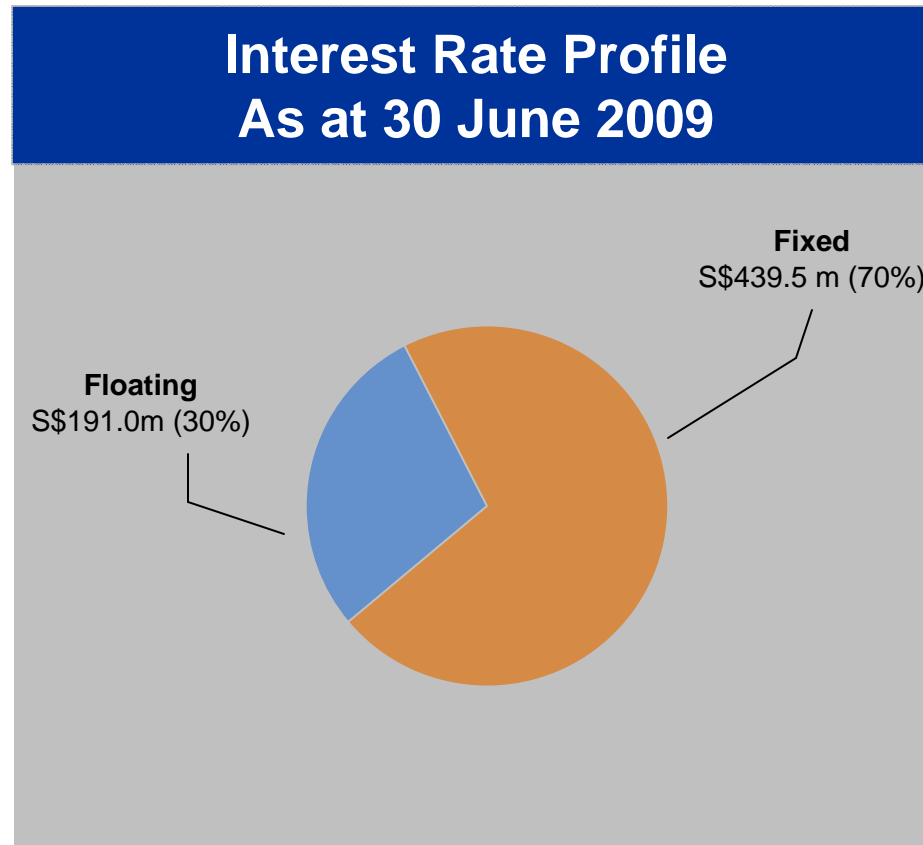


Currency Profile As at 30 June 2009



Ascott Reit's Share of Bank Loans = S\$630.5 m

Interest Rate Profile



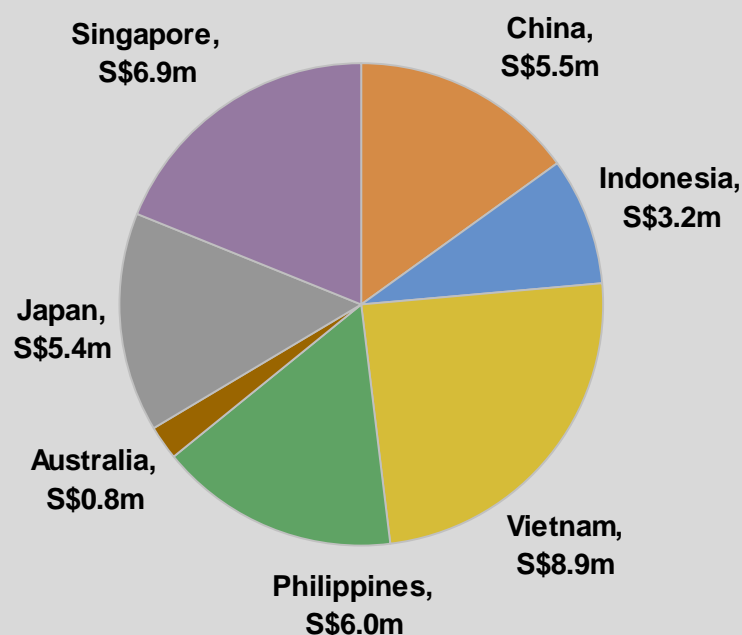
Effective Borrowing Rate of 3.4%

Interest Cover Ratio of 3.4x



Foreign Exchange Profile

Ascott Reit's Share of Gross Profit YTD 30 June 2009



Total = S\$36.7 million

Foreign Exchange Movements

Currency	Percentage of Ascott Reit's Share of Gross Profit YTD 30 Jun 2009	Foreign exchange rate movements from Dec'08 to Jun'09
SGD	19	-
USD	33	4.0%
PHP	16	3.0%
RMB	15	3.6%
JPY	15	-1.4%
AUD	2	4.4%
Total	100	2.2%

Prospects





Prospects

The global economic downturn continues to impact the Asian hospitality industry as reflected in our second quarter results. There are early signs that the decline in hospitality demand is levelling out, though the operating environment is expected to continue to be difficult as the timing and extent of economic recovery remain uncertain.

There are some initial signs of stabilisation in the markets in which the Group operates as it enters into the second half of the year. The Group's operating performance in 2009 is expected to be profitable but lower than 2008.



World's First and Only Pan-Asian Serviced Residence REIT

Australia <i>2 properties with 127 units in Melbourne and Perth</i>
China <i>4 properties with 743 units in Beijing, Shanghai and Tianjin</i>
Indonesia <i>3 properties with 652 units in Jakarta</i>
Japan <i>20 properties with 652 units in Tokyo</i>
The Philippines <i>3 properties with 515 units in Manila</i>
Singapore <i>2 properties with 343 units</i>
Vietnam <i>4 properties with 612 units in Hanoi and Ho Chi Minh City</i>

S\$1.55 billion portfolio value
3,644 apartment units in 38 properties
11 Pan-Asian cities in 7 countries



Thank You

