



# Ascott Residence Trust

## *3Q 2009 Financial Results*



**28 OCTOBER 2009**



# Agenda

- **Results Highlights**
- **3Q 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










## 3Q 2009 vs 3Q 2008 Performance

	3Q 2009	3Q 2008	Change
<b>Revenue (S\$m)</b>	44.4	53.2	-17% ↓
<b>Gross Profit (S\$m)</b>	22.0	28.0	-21% ↓
<b>Unitholders' Distribution (S\$m)</b>	11.8	15.9	-25% ↓
<b>Distribution Per Unit (S cents)</b>	1.92	2.61	-26% ↓
<b>Revenue Per Available Unit (S\$/day) – serviced residences</b>	124	163	-24% ↓

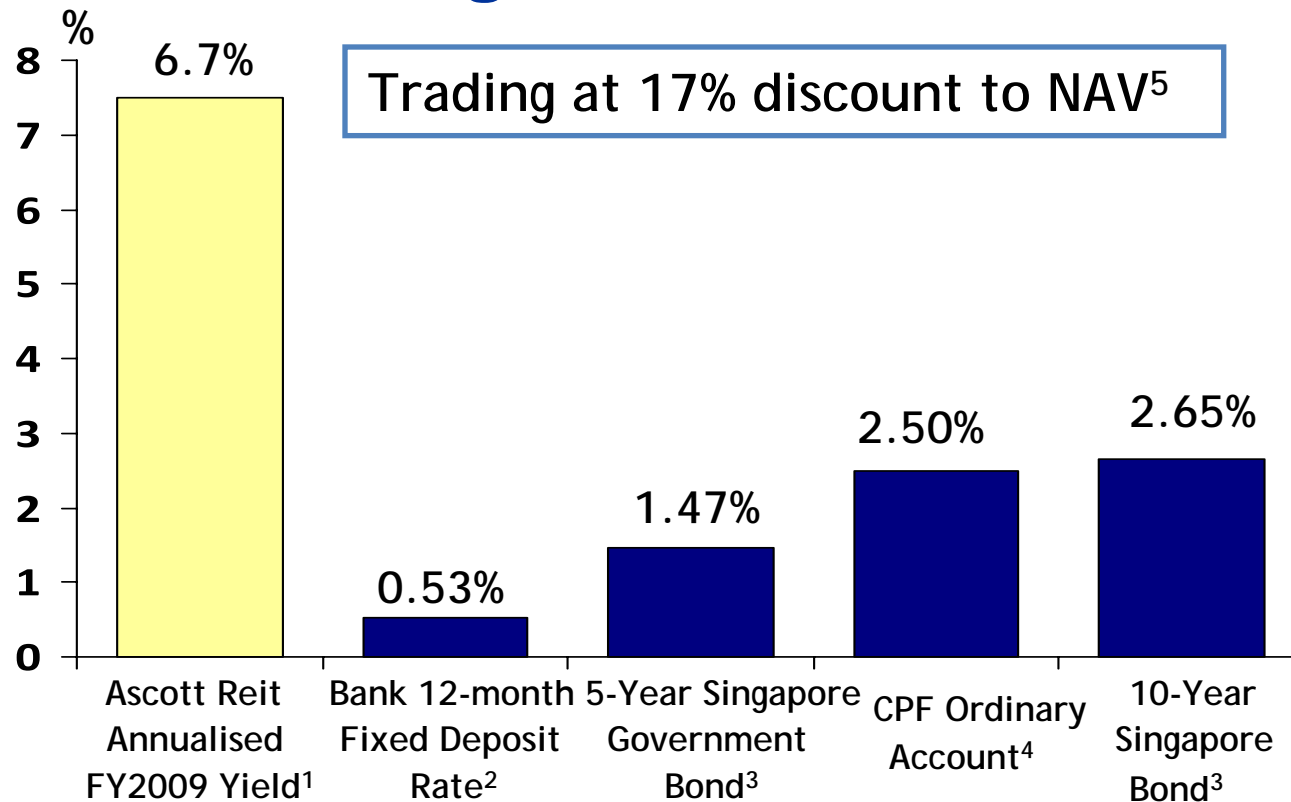


## 3Q vs 2Q 2009 Performance

	3Q 2009	2Q 2009	Change
<b>Revenue (S\$m)</b>	44.4	43.0	+3% 
<b>Gross Profit (S\$m)</b>	22.0	20.8	+6% 
<b>Unitholders' Distribution (S\$m)</b>	11.8	11.0	+7% 
<b>Distribution Per Unit (S cents)</b>	1.92	1.79	+7% 
<b>Revenue Per Available Unit (S\$/day) – serviced residences</b>	124	119	+4% 



# Attractive Trading Yield



1. Based on Ascott Reit's closing price of S\$1.09 per unit as at 27 October 2009 and annualised DPU of 7.31 cents based on YTD September 2009 DPU of 5.47 cents
2. As at September 2009 (Source: Monetary Authority of Singapore website)
3. As at September 2009 (Source: Singapore Government Securities website)
4. Based on interest paid on Central Provident Fund (CPF) Ordinary Account (Source: CPF website)
5. Based on Ascott Reit's closing price of S\$1.09 per unit as at 27 October 2009 and NAV per unit of S\$1.32 as at 30 September 2009

# 3Q 2009 Portfolio Performance

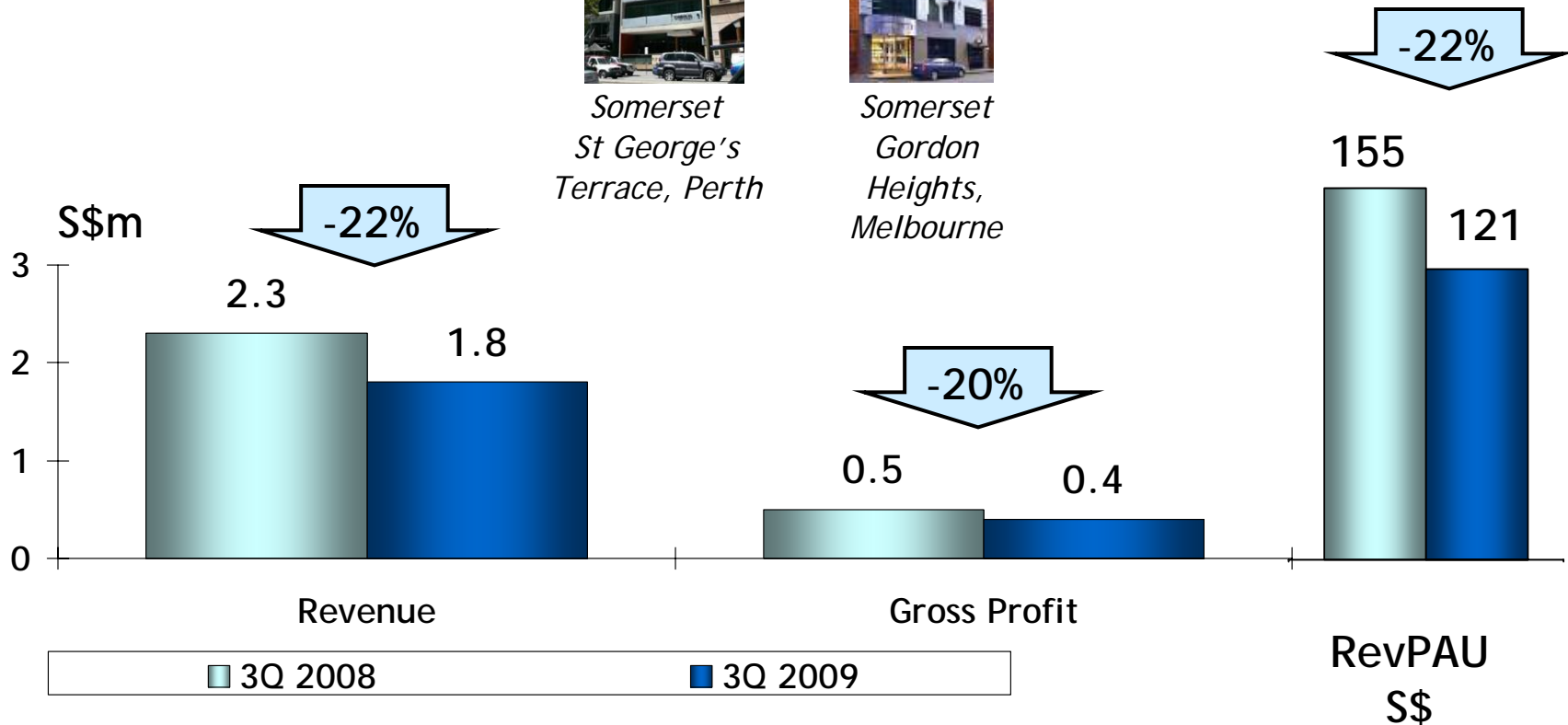




*Somerset  
St George's  
Terrace, Perth*



*Somerset  
Gordon  
Heights,  
Melbourne*



**Lower revenue due to closure of apartment units for refurbishment and reduced level of F&B operation at Somerset St George's Terrace. RevPAU in AUD terms decreased by 8%**

 **China**



*Ascott Beijing*



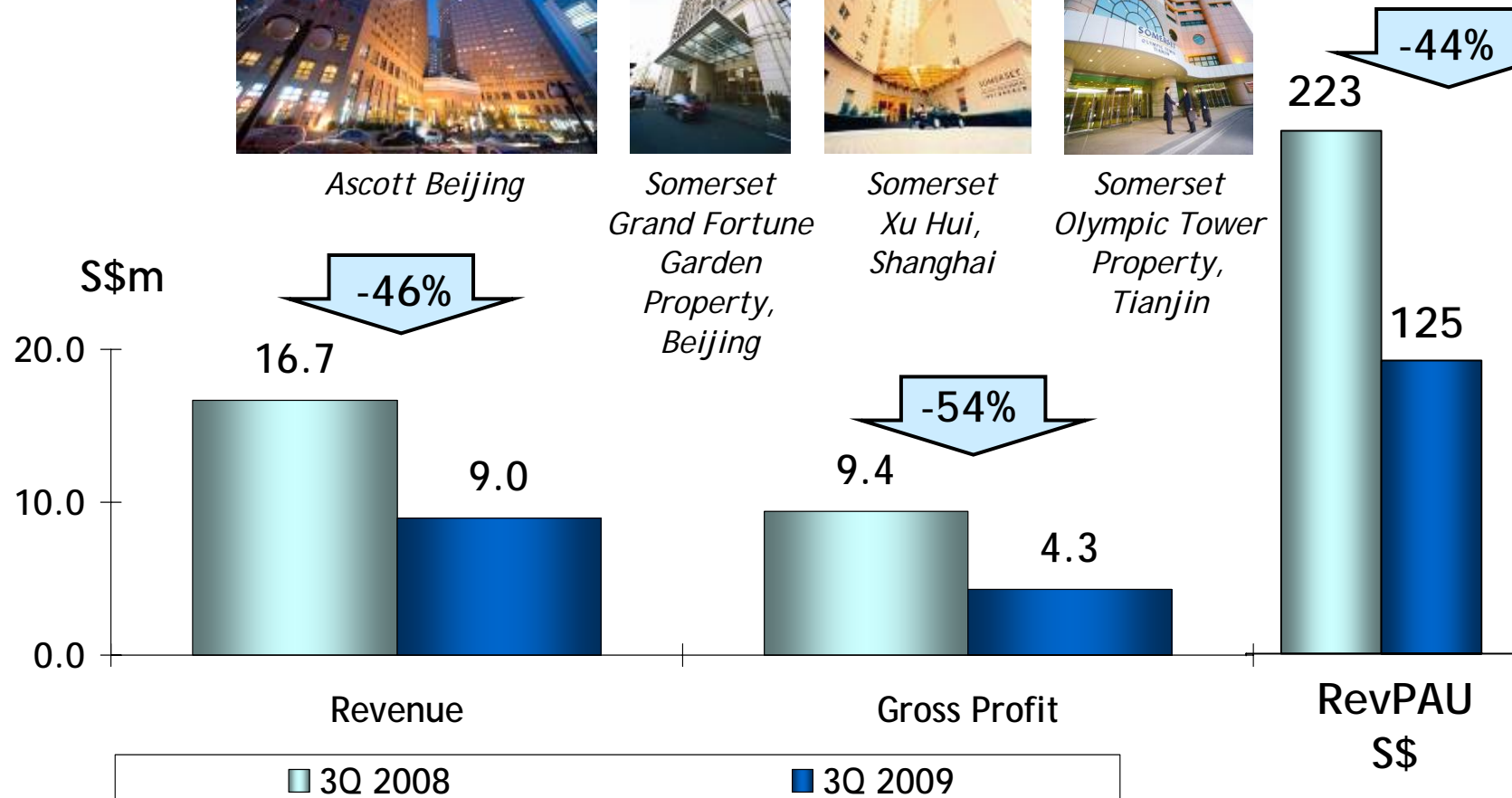
*Somerset  
Grand Fortune  
Garden  
Property,  
Beijing*



*Somerset  
Xu Hui,  
Shanghai*



*Somerset  
Olympic Tower  
Property,  
Tianjin*



**Excluding Beijing Olympics' estimated impact in 3Q 2008, revenue and RevPAU for 3Q 2009 decreased by about 15%**



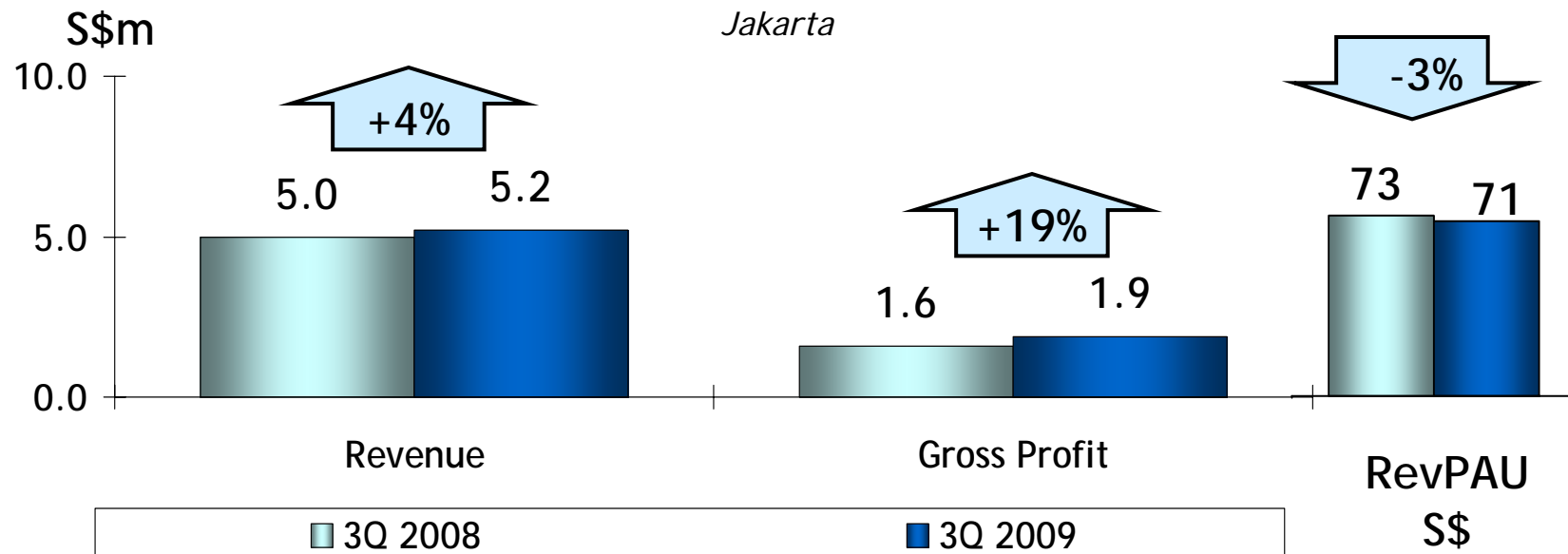
Ascott Jakarta



Somerset  
Grand Citra,  
Jakarta



Country  
Woods, Jakarta



**Increase in revenue and gross profit due to business interruption insurance compensation  
Lower RevPAU due to apartment units taken out from  
Somerset Grand Citra for rectification works**



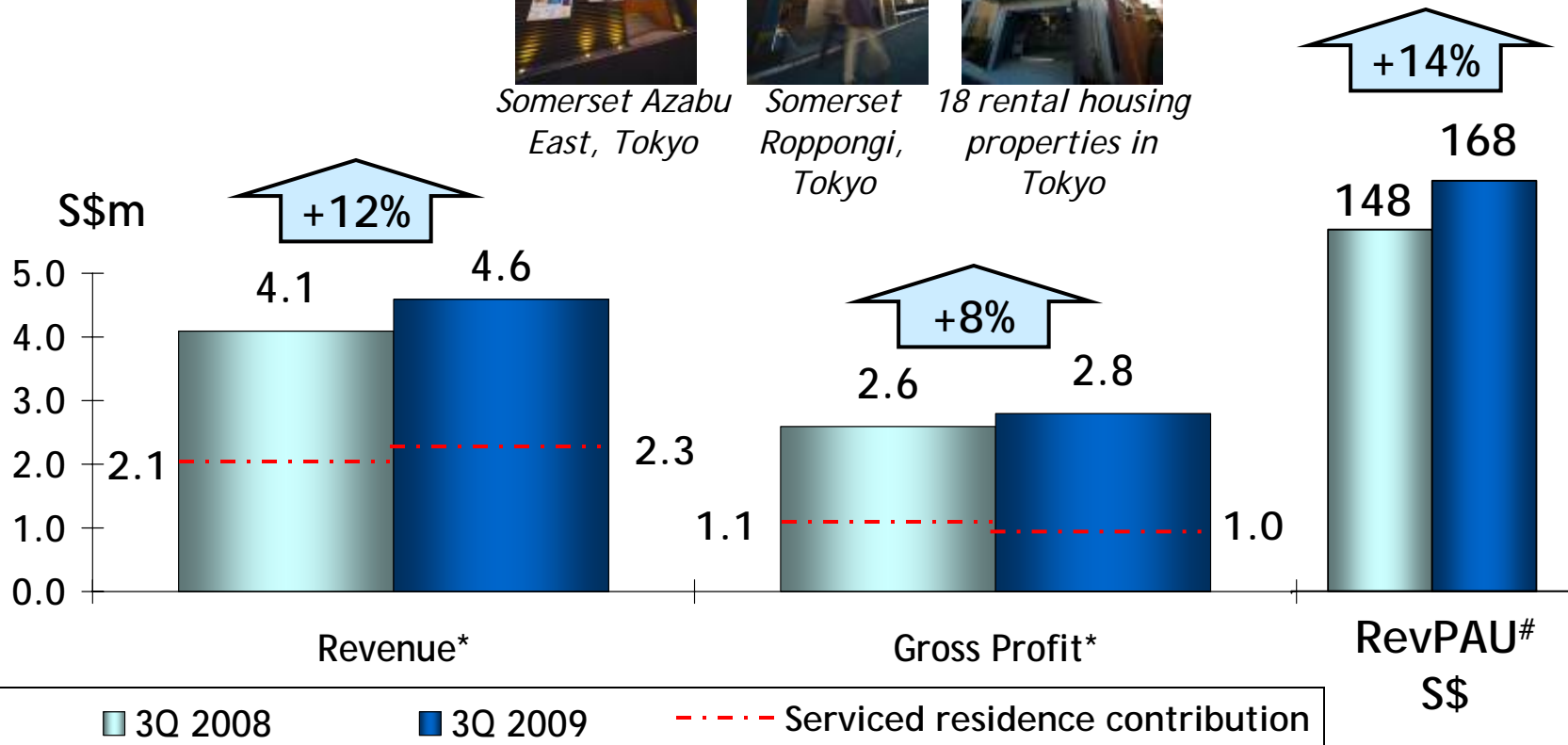
Somerset Azabu East, Tokyo



Somerset Roppongi, Tokyo



18 rental housing properties in Tokyo



**Increase in revenue and RevPAU due to strengthening of JPY  
Rental housing performance remains stable**

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

#RevPAU for serviced residence properties.



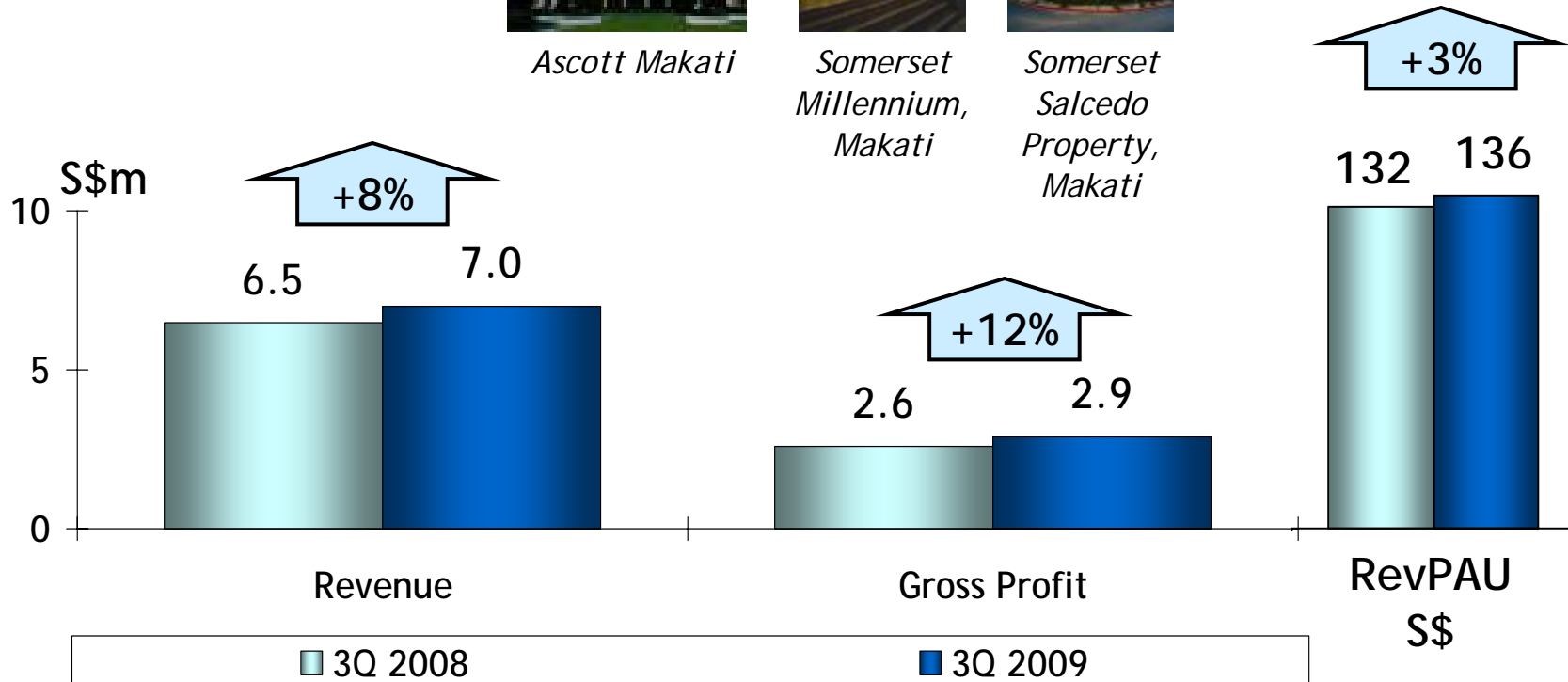
*Ascott Makati*



*Somerset Millennium, Makati*



*Somerset Salcedo Property, Makati*



**Revenue and RevPAU increased as a result of the successful launch of Ascott Makati's refurbished apartment units**



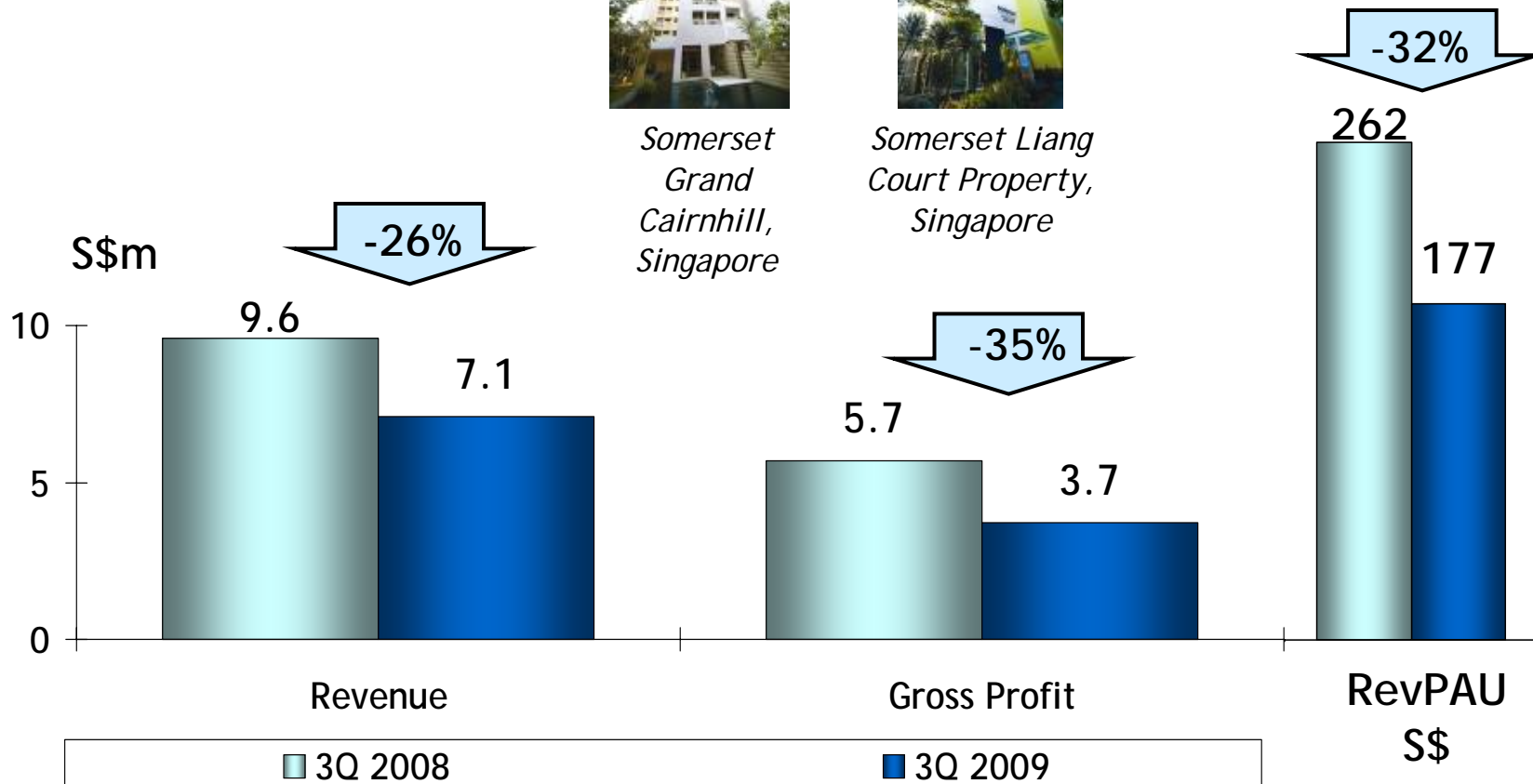
# Singapore



*Somerset Grand Cairnhill, Singapore*



*Somerset Liang Court Property, Singapore*



**Lower performance due to weaker business travel demand from corporates such as financial institutions and the shipping industry**



# Vietnam



Somerset  
Grand Hanoi



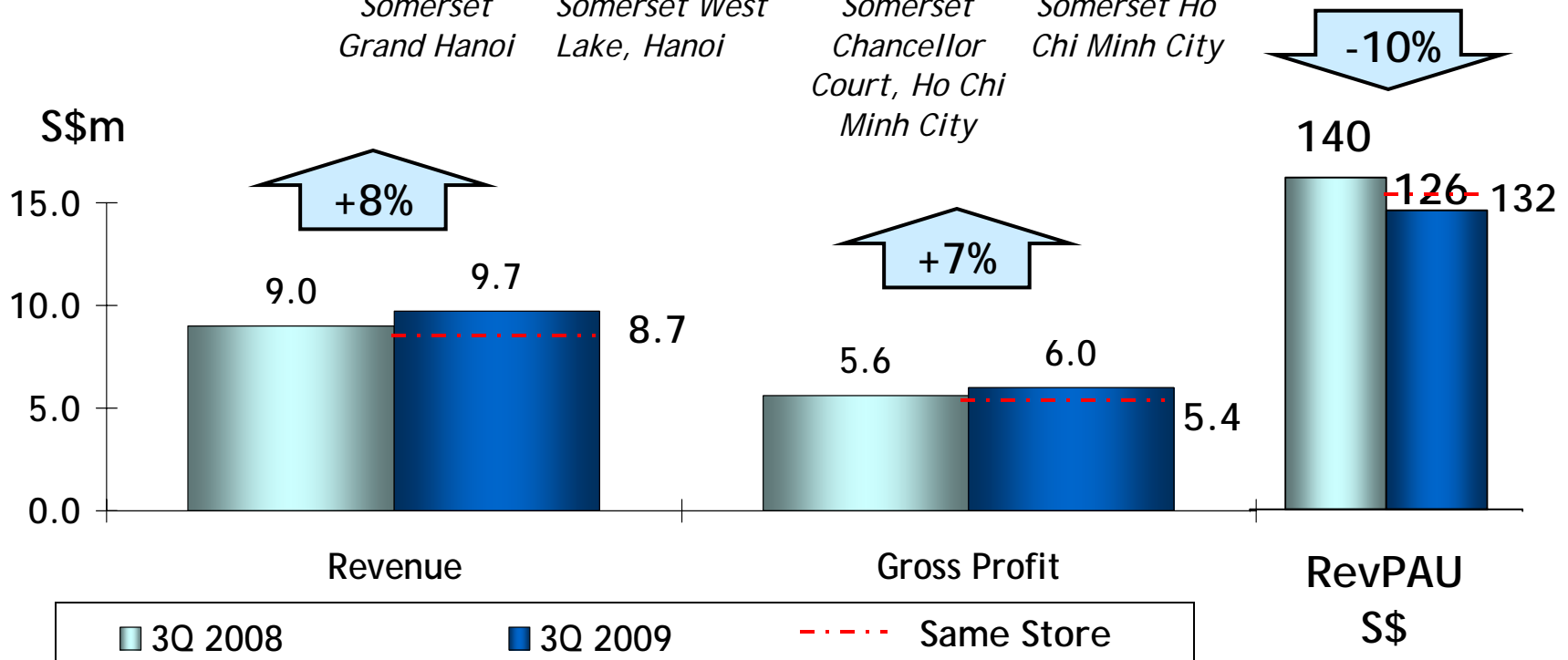
Somerset West  
Lake, Hanoi



Somerset  
Chancellor  
Court, Ho Chi  
Minh City



Somerset Ho  
Chi Minh City



**Better performance due to contribution from Somerset West Lake<sup>1</sup>**

<sup>1</sup> Somerset Westlake was acquired on 01 April 2009.

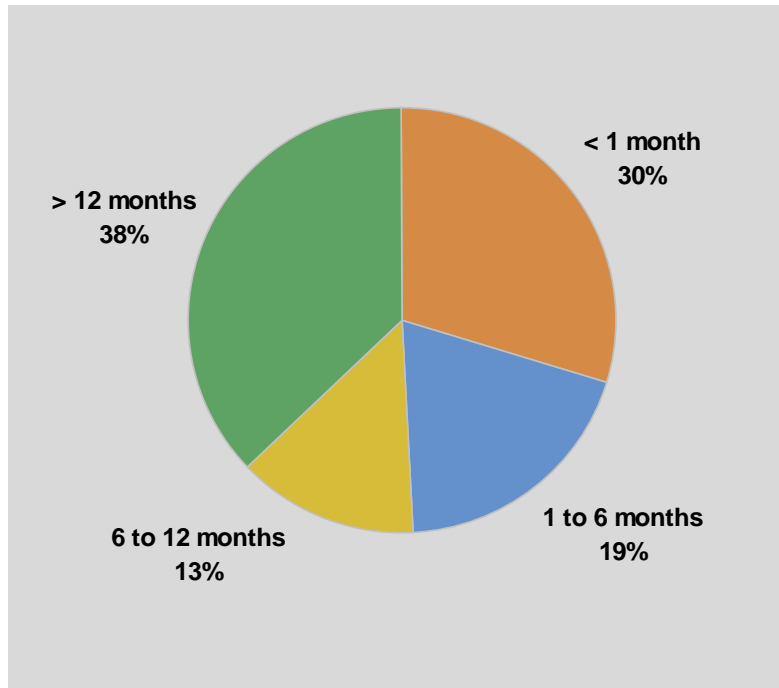
# Portfolio Information



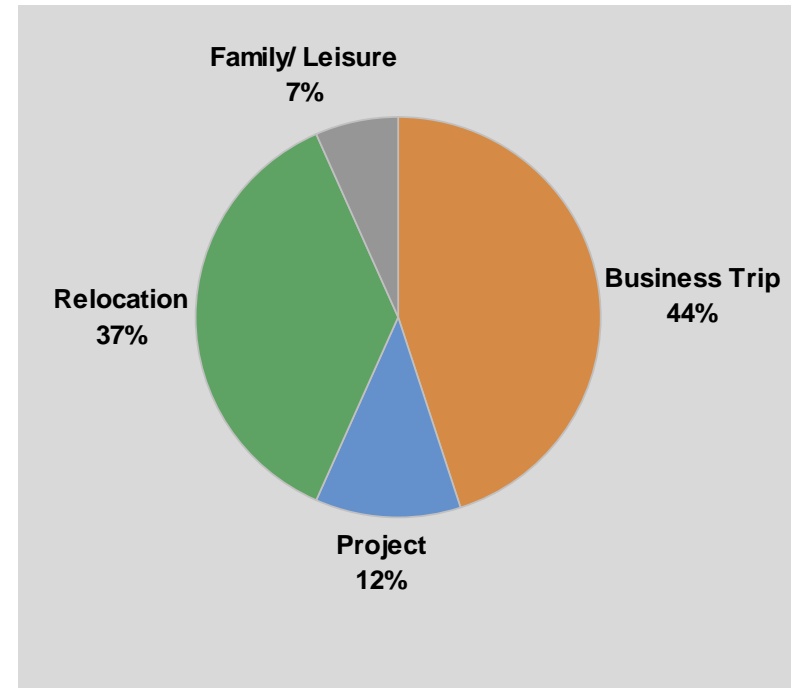


# Length of Stay and Market Segment

## Apartment Rental Income By Length of Stay<sup>1</sup>



## Apartment Rental Income By Market Segment<sup>1</sup>



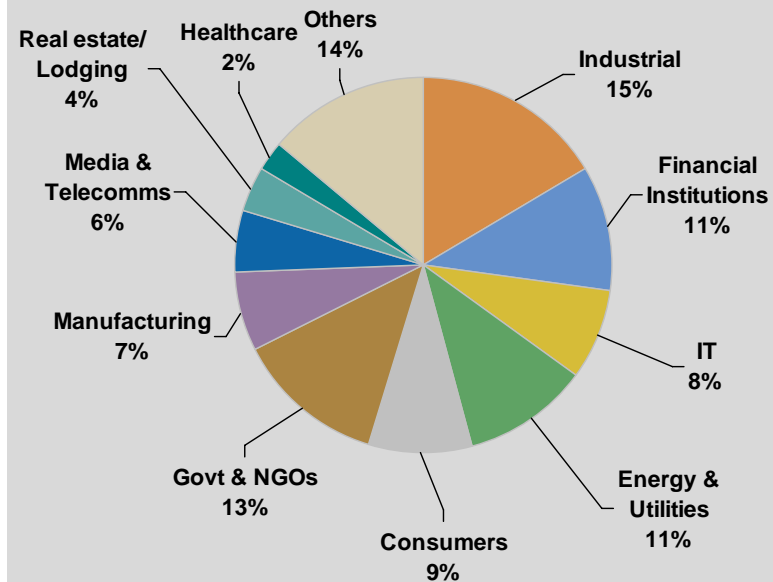
Average length of stay is 7 months<sup>2</sup>

<sup>1</sup> For YTD 30 September 2009

<sup>2</sup> Apartment rental income by length of stay

# Diverse Tenant Mix

## Apartment Rental Income By Industry<sup>1</sup>



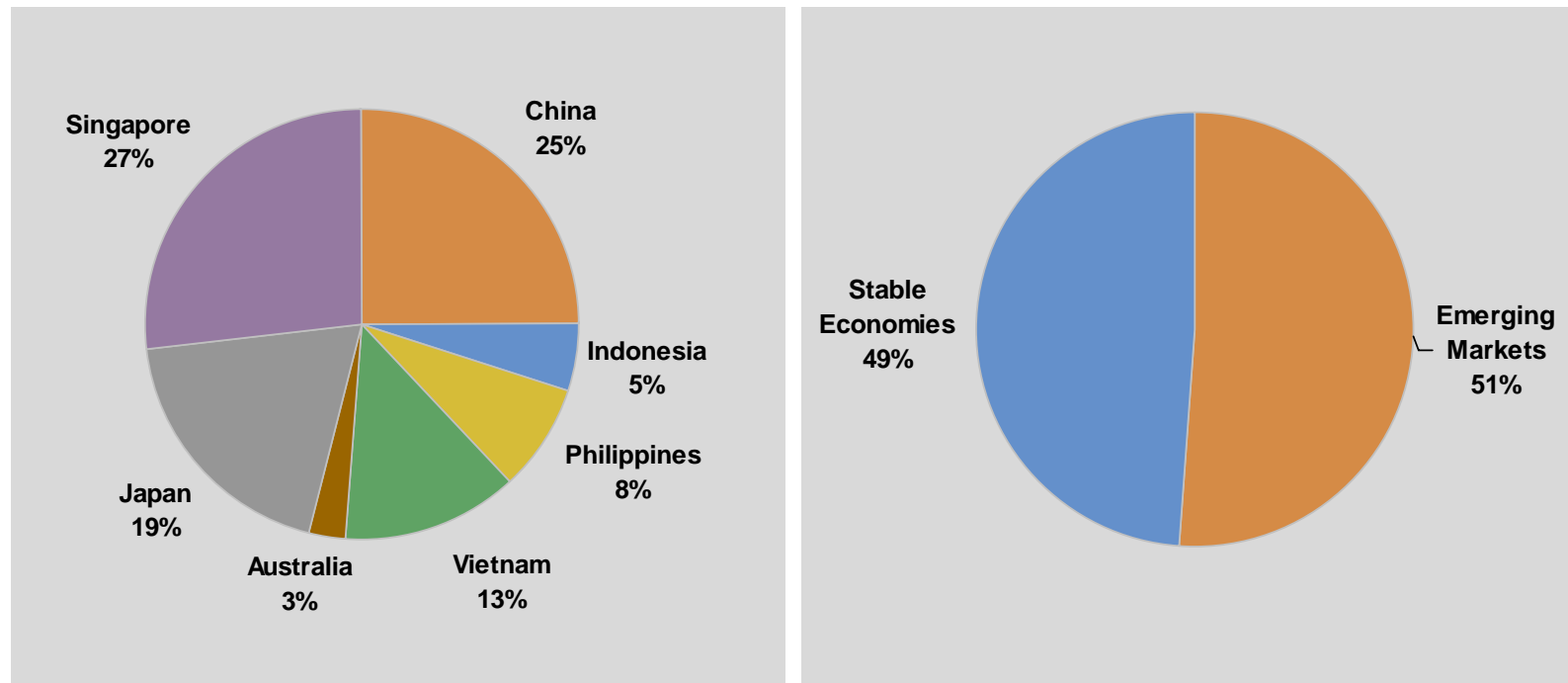
Earnings diversified, not reliant on any single industry

<sup>1</sup> Apartment rental income from corporate accounts for YTD 30 September 2009



# Geographical Diversification

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



Total = S\$1.54 billion

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

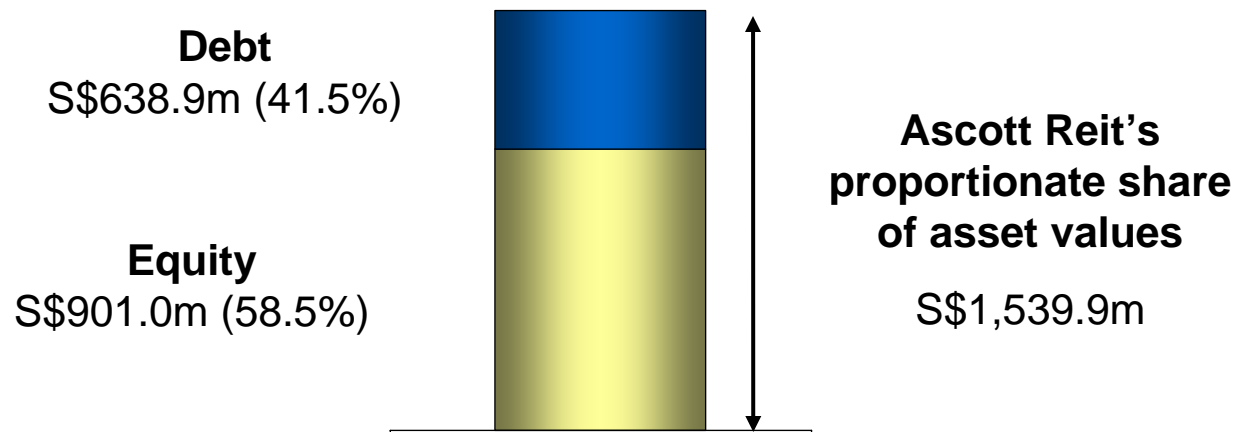
# Capital & Risk Management



# Healthy Balance Sheet

- Gearing of 41.5%, well within the 60% gearing limit allowable under MAS property fund guidelines

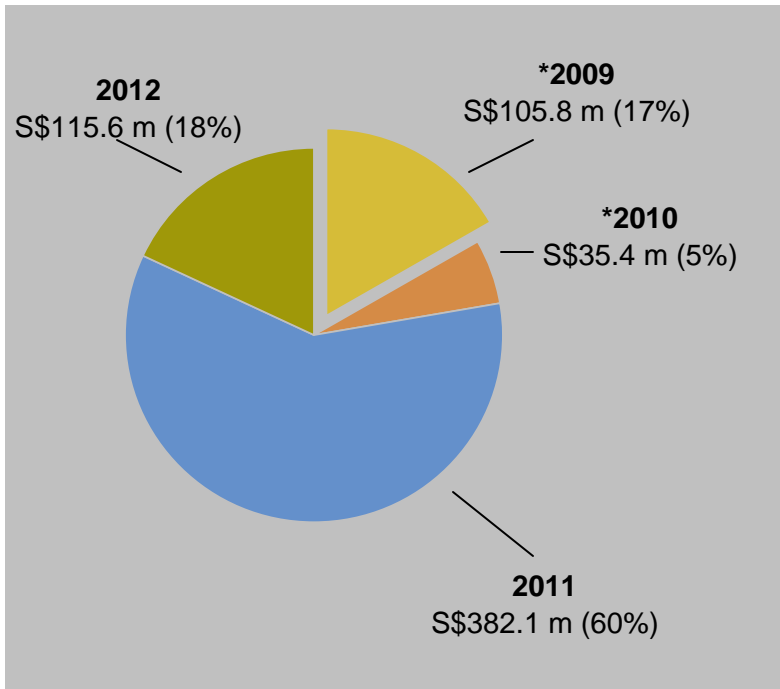
## Ascott Reit Gearing Profile As at 30 September 2009



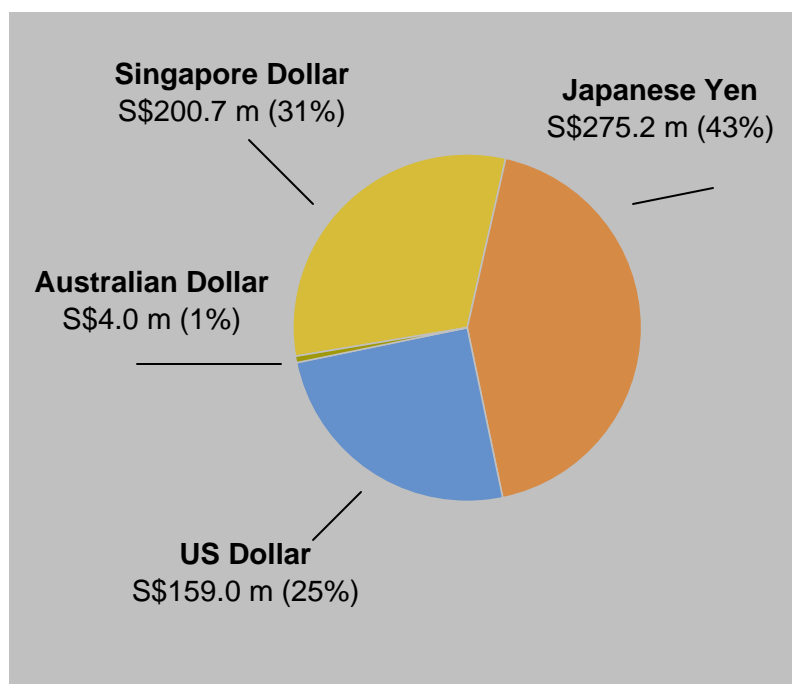


# Debt Profile

## Maturity Profile As at 30 September 2009



## Currency Profile As at 30 September 2009

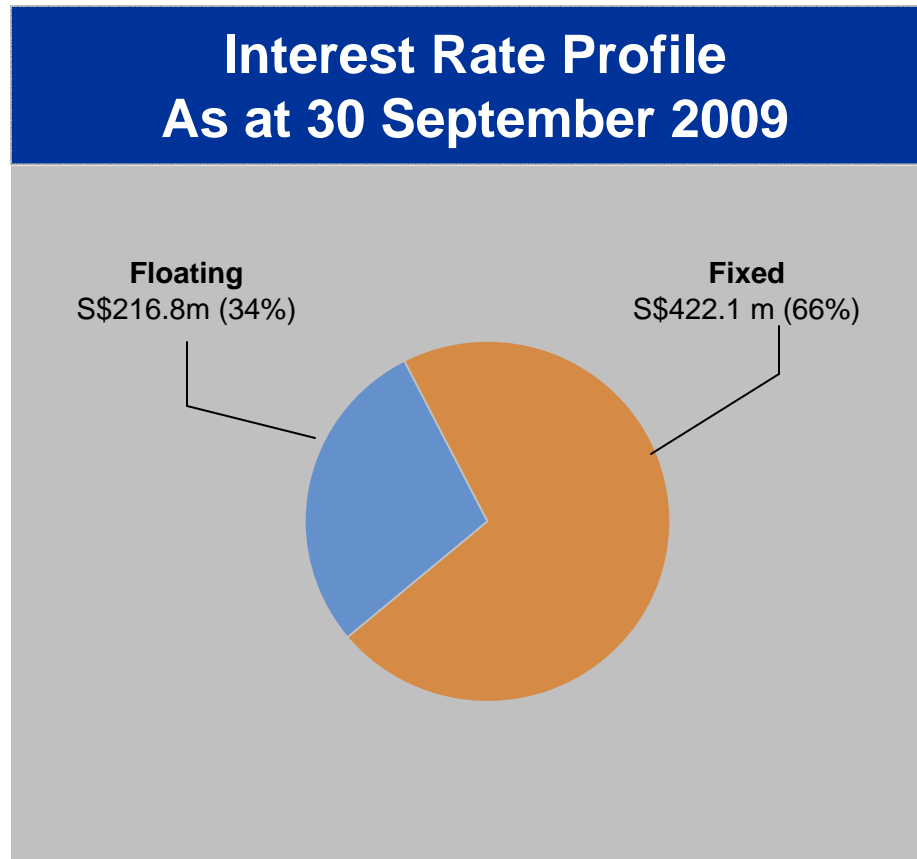


**Ascott Reit's Share of Bank Loans = S\$638.9 m**

\* Partially refinanced through issuance of 3-year Medium Term Note. Secured bank commitment for refinancing of remaining amount on 3-year term.



# Interest Rate Profile

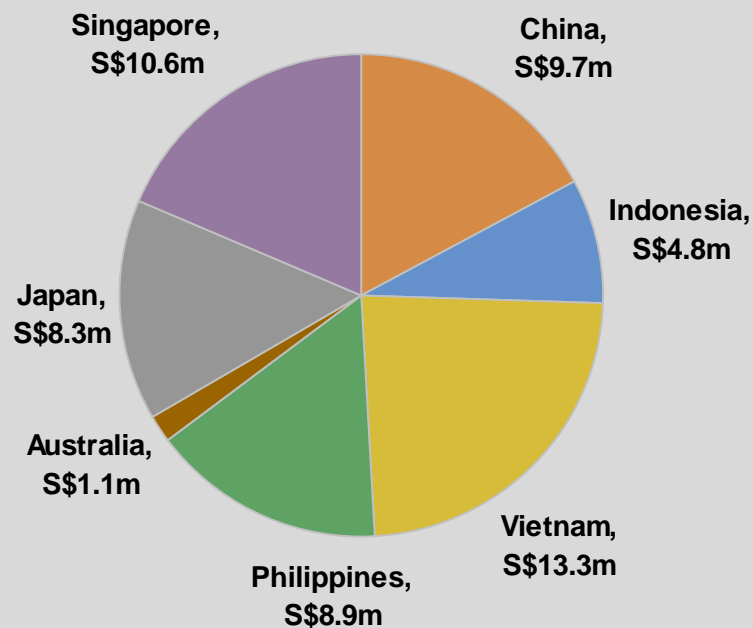


Effective Borrowing Rate of 3.3%

Interest Cover Ratio of 3.5x

# Foreign Exchange Profile

## Ascott Reit's Share of Gross Profit YTD 30 September 2009



**Total = S\$56.7 million**

## Foreign Exchange Movements

Currency	Percentage of Ascott Reit's Share of Gross Profit YTD 30 Sept 2009	Foreign exchange rate movements from Dec'08 to Sept'09
SGD	19	-
USD	32	2.6%
PHP	16	1.5%
RMB	17	2.6%
JPY	14	-2.4%
AUD	2	9.7%
<b>Total</b>	<b>100</b>	<b>1.3%</b>

# Prospects





## Prospects

The severe challenges posed by the global economic downturn to the hospitality industry have eased. The 3Q 2009 operating performance of the Group's portfolio reflected further signs of stabilisation in hospitality demand.

While we remain cautious over the pace and extent of recovery, we are confident of the longer-term growth in the markets in which we operate. To ride on the expected upturn in demand, we have accelerated our asset enhancement initiatives for selected properties.

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

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

**S\$1.54 billion portfolio value**  
**3,644 apartment units in 38 properties**  
**11 Pan-Asian cities in 7 countries**



# Thank You

