



Ascott Residence Trust

FY 2009 Financial Results



21 January 2010



Agenda

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- **FY 2009 Portfolio Performance**
- **Asset Enhancement Initiatives**
- **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





4Q 2009 vs 4Q 2008 Performance

	4Q 2009	4Q 2008	Change
Revenue (S\$m)	46.1	47.2	-2% ↓
Gross Profit (S\$m)	21.9	20.4	+7% ↑
Unitholders' Distribution (S\$m)	11.5	10.3	+12% ↑
Distribution Per Unit (S cents)	1.87	1.69	+11% ↑
Revenue Per Available Unit (S\$/day) – serviced residences	124	133	-7% ↓

- Lower revenue mainly due to lower performance from Singapore, partially offset by better performance from Philippines and Indonesia's business interruption compensation.
- Gross profit increase mainly due to one-off contribution made by Somerset Liang Court in 4Q 2008 to the MCST of Liang Court property and Indonesia's business interruption compensation received in 4Q 2009.




FY 2009 vs FY 2008 Performance

	FY 2009	FY 2008	Change
Revenue (S\$m)	175.5	192.4	-9% ↓
Gross Profit (S\$m)	84.6	95.5	-11% ↓
Unitholders' Distribution (S\$m)	45.2	53.7	-16% ↓
Distribution Per Unit (S cents)	7.32	8.78	-17% ↓
Revenue Per Available Unit (S\$/day) – serviced residences	122	145	-16% ↓

- Lower revenue and gross profit mainly due to lower performance from Singapore and China.



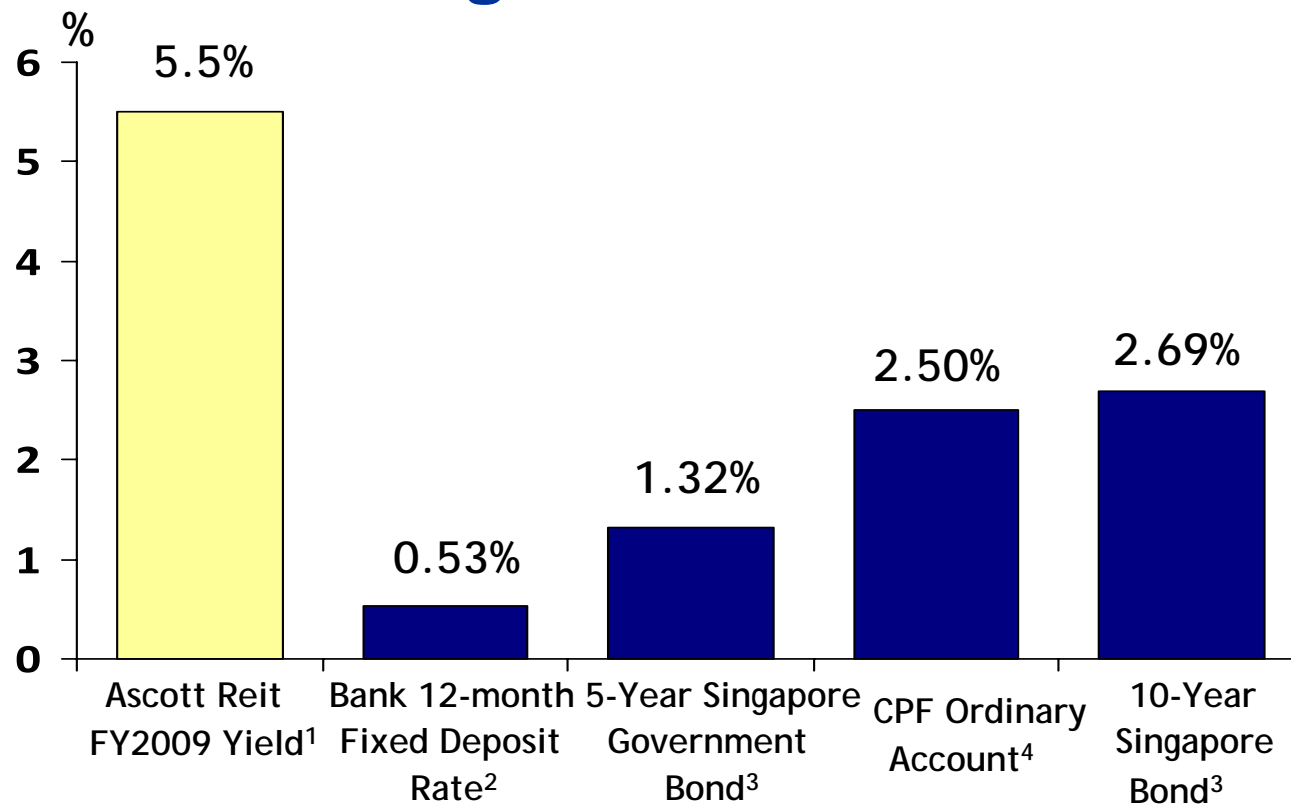
Distribution Details

Distribution Period	1 January to 30 June 2009	1 July to 31 December 2009
Distribution Rate	3.55 cents per unit	3.77 cents per unit
Books Closure Date	31 July 2009	29 January 2010
Distribution Payment Date	28 August 2009 	26 February 2010

FY 2009 DPU of 7.32 cents represents 100 percent of distributable income



Attractive Trading Yield



1. Based on Ascott Reit's closing price of S\$1.33 per unit as at 20 January 2010 and FY 2009 DPU of 7.32 cents
2. As at Dec 2009 (Source: Monetary Authority of Singapore website)
3. As at Jan 2010 (Source: Singapore Government Securities website)
4. Based on interest paid on Central Provident Fund (CPF) Ordinary Account (Source: CPF website)



Property Valuations

- Property value higher by S\$10.5¹ million following latest revaluation by HVS International Pte Ltd compared to June 2009 valuation
 - Mainly from the higher valuation of serviced residences in Philippines and Japan
- NAV per unit as at 31 December 2009 is S\$1.34

1. Net of tax and minority interest

FY 2009 Portfolio Performance

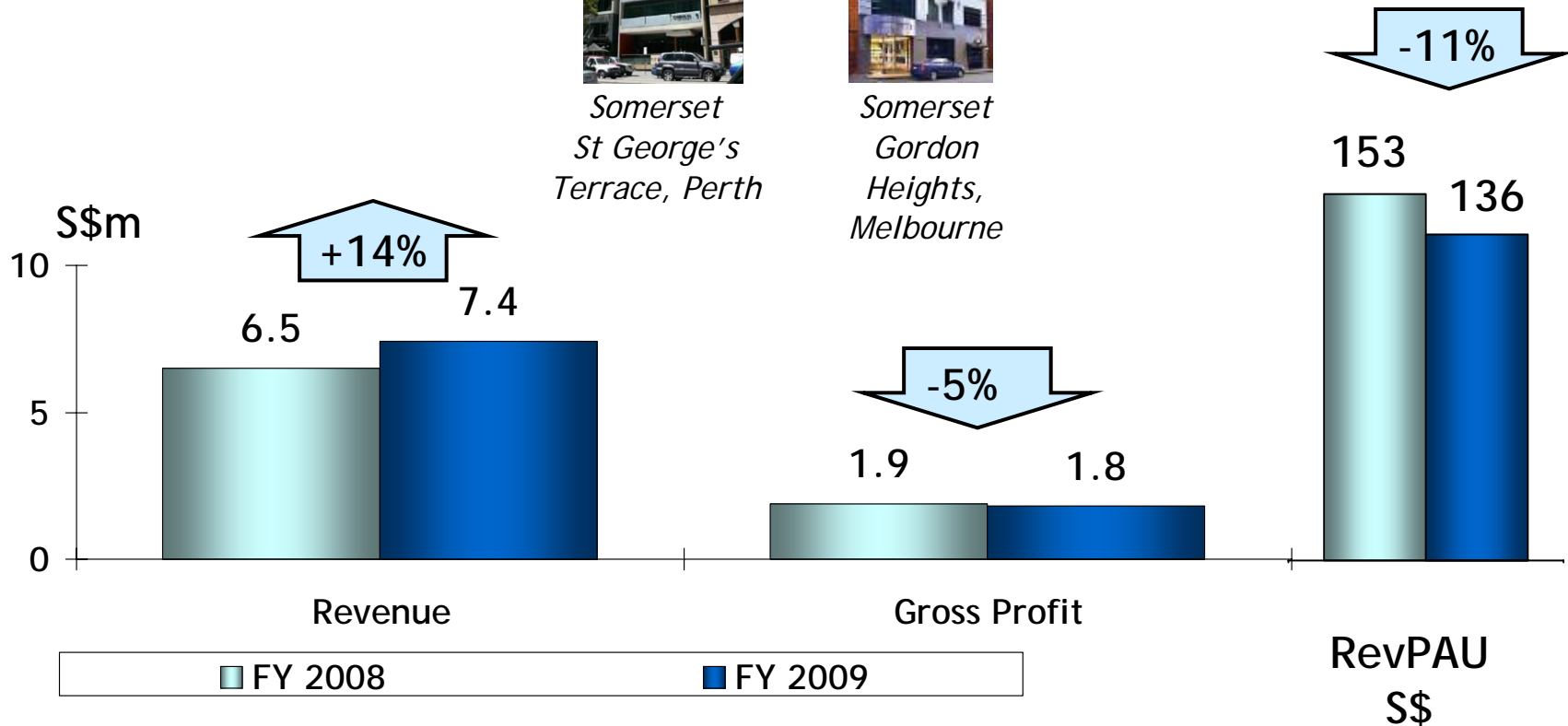




*Somerset
St George's
Terrace, Perth*



*Somerset
Gordon
Heights,
Melbourne*



**Increase in revenue due to the acquisition of Somerset St George's Terrace, Perth¹
Lower RevPAU and Gross Profit due to weaker market demand**

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



Ascott Beijing



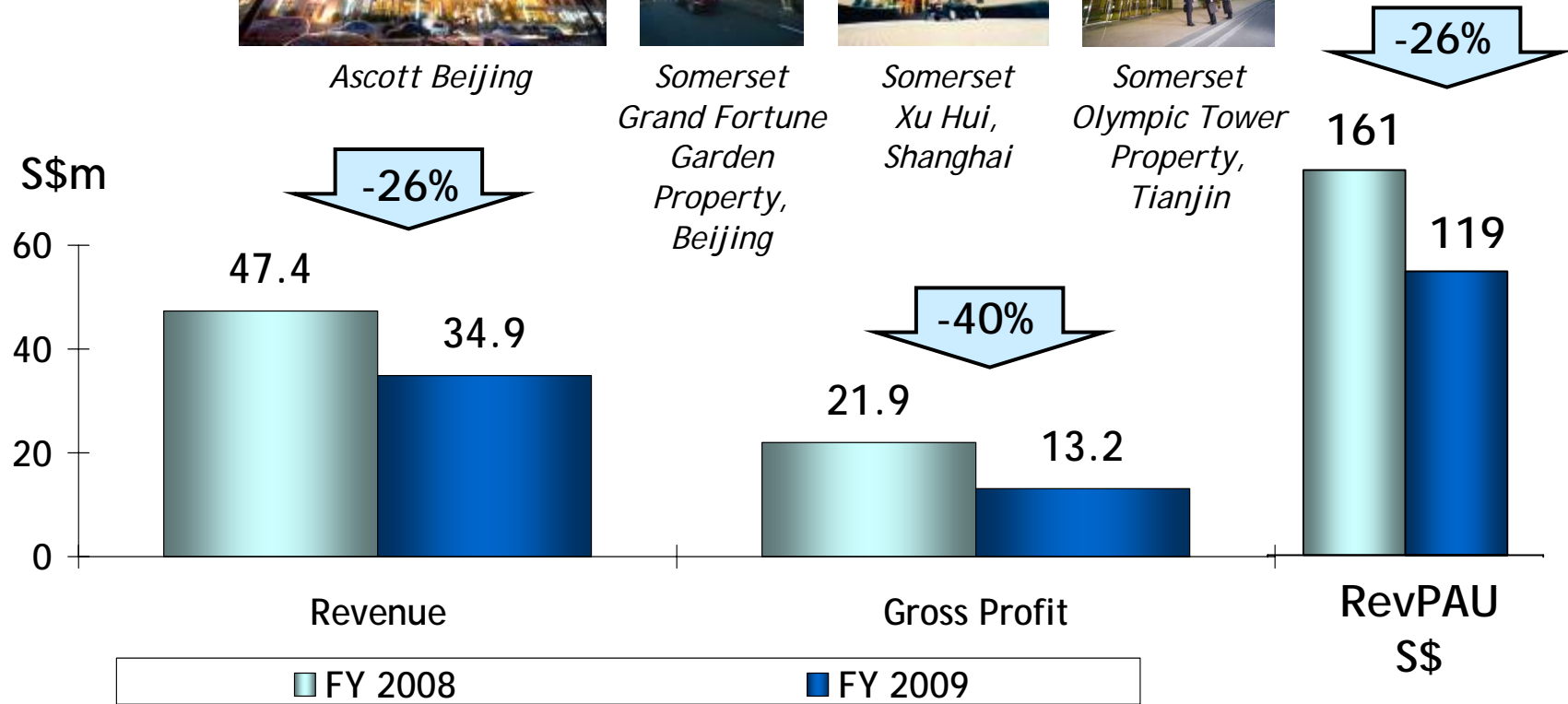
Somerset Grand Fortune Garden Property, Beijing



Somerset Xu Hui, Shanghai



Somerset Olympic Tower Property, Tianjin



Lower performance due to higher rates achieved in 2008 for Beijing Olympics and oversupply situation in Beijing and Shanghai in 2009



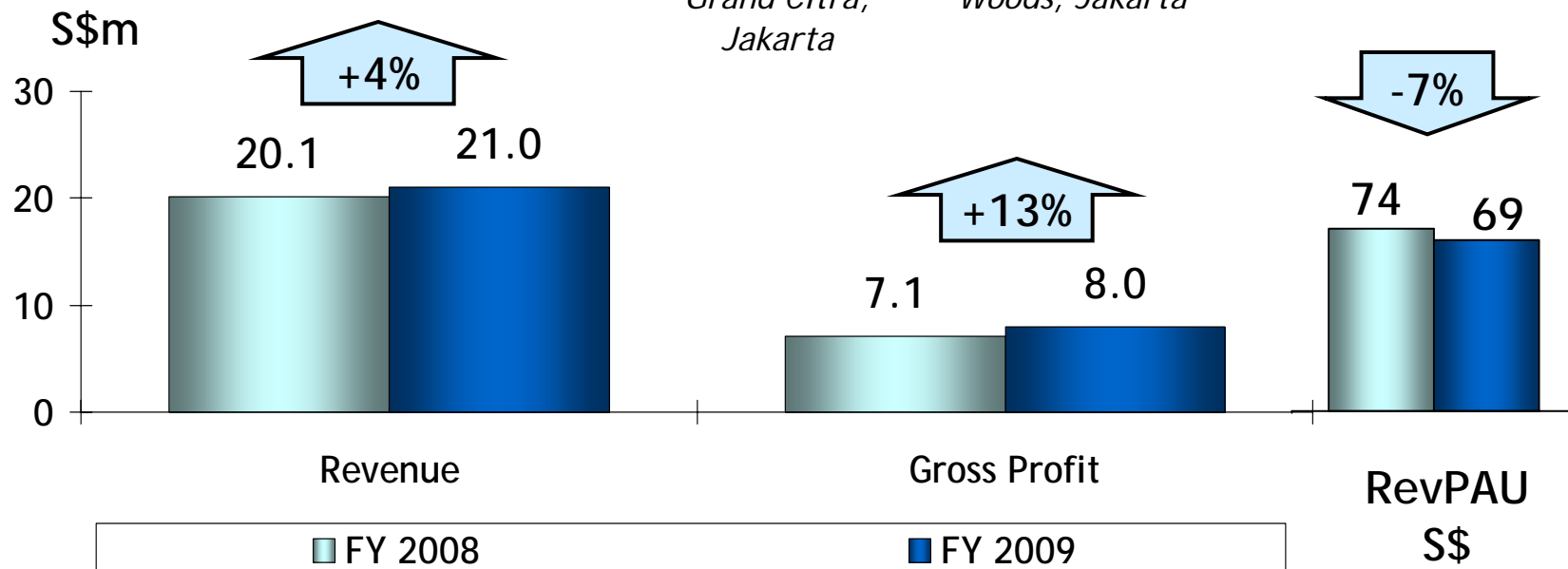
Ascott Jakarta



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.



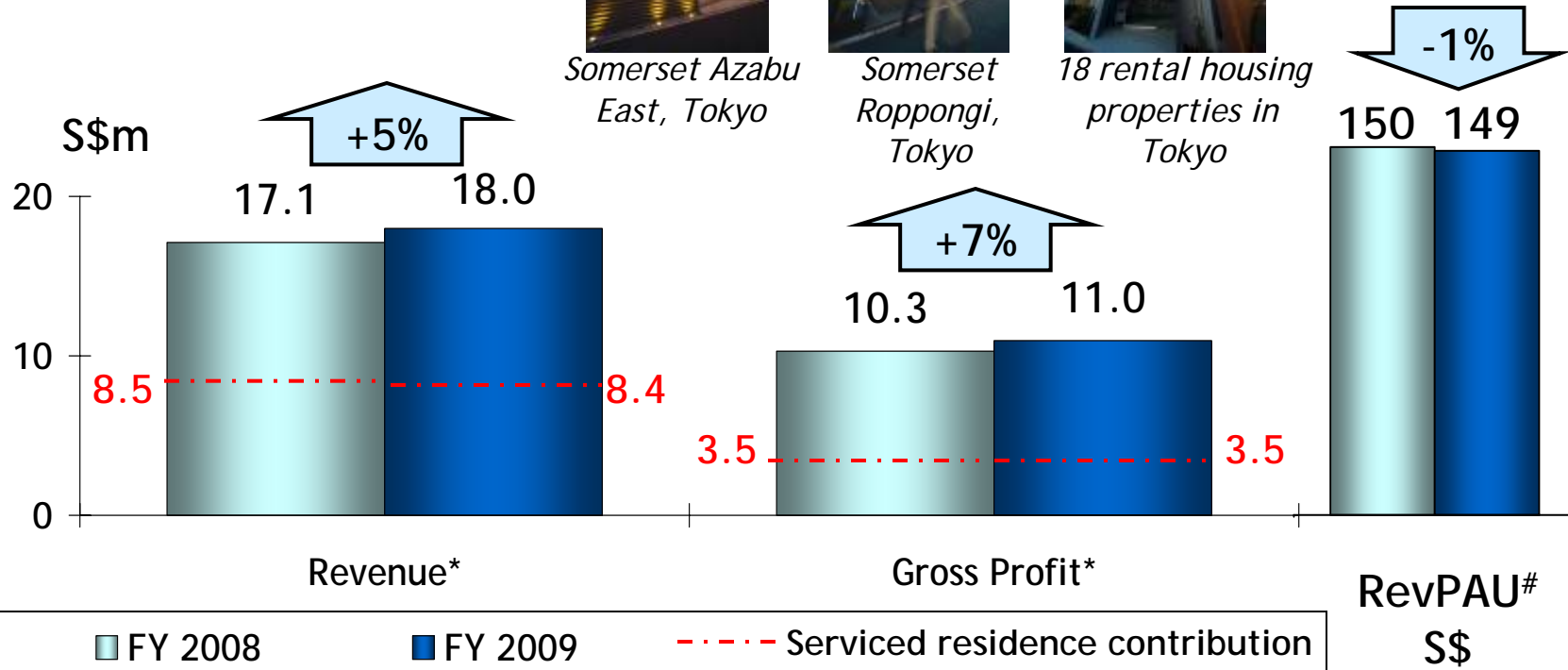
Somerset Azabu East, Tokyo



Somerset Roppongi, Tokyo



18 rental housing properties in Tokyo



**Improved performance due to appreciation of JPY against SGD
Rental housing remains stable with occupancy of 90% and higher rental rates**

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

#RevPAU for serviced residence properties.



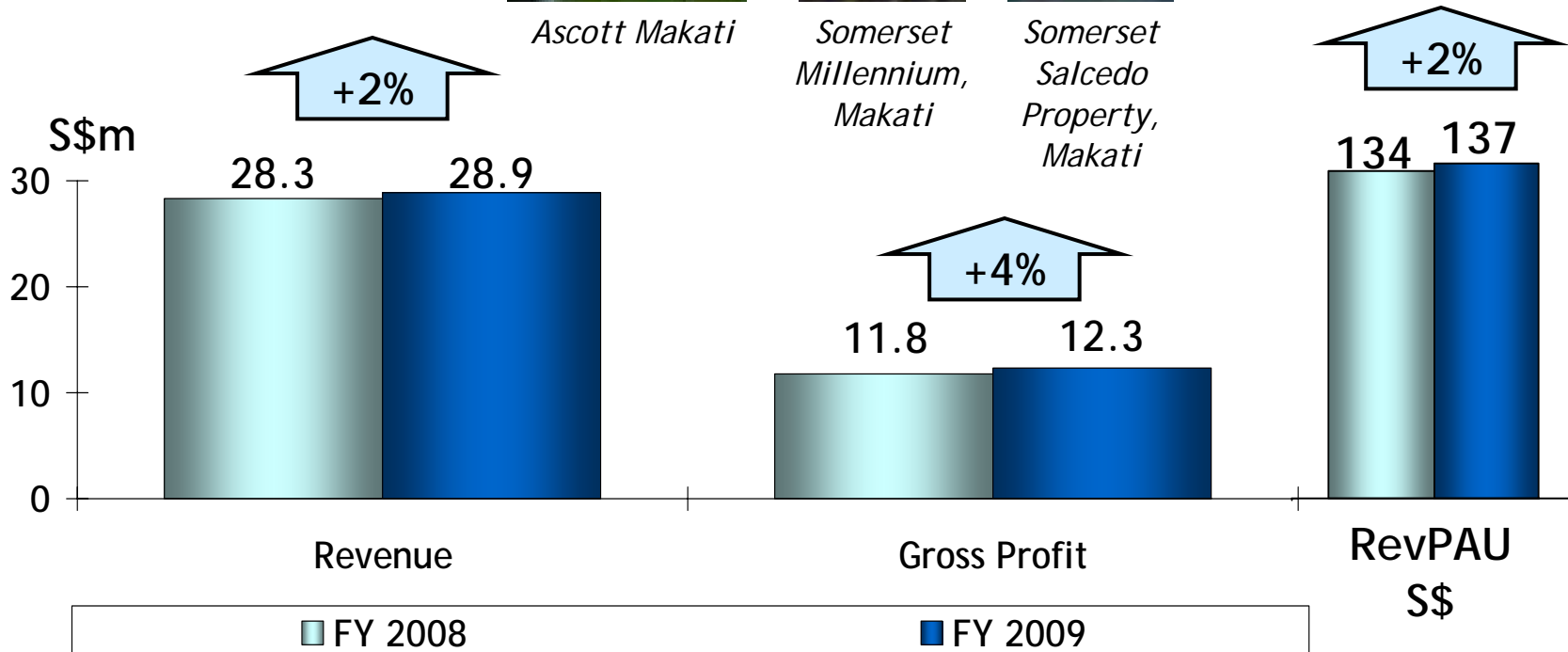
Ascott Makati



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

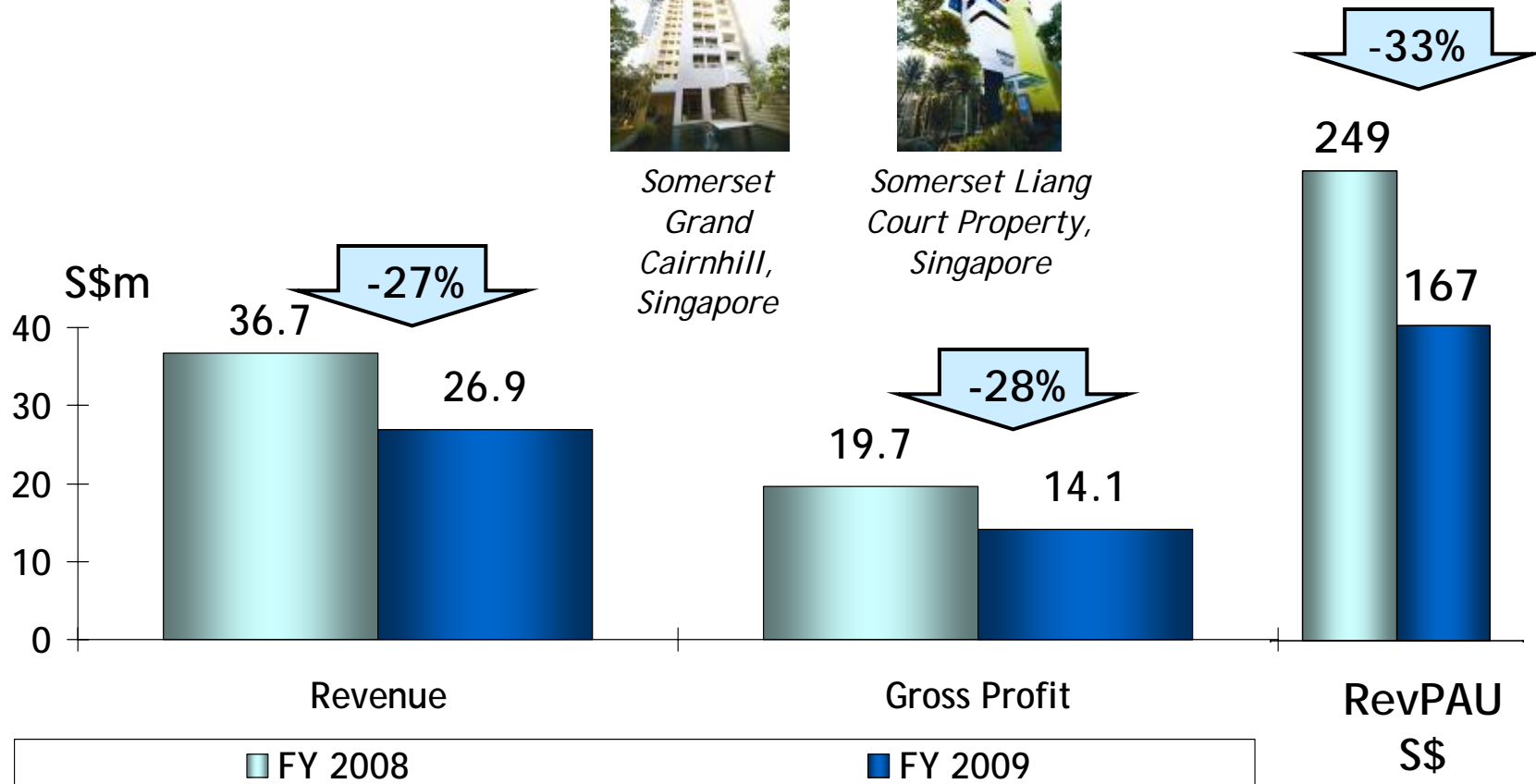
Singapore



Somerset Grand Cairnhill, Singapore



Somerset Liang Court Property, Singapore



Lower performance due to weaker demand and closure of apartment units for refurbishment in 4Q2009. FY2008 performance boosted by higher rates contracted prior to global financial crisis.



Somerset
Grand Hanoi



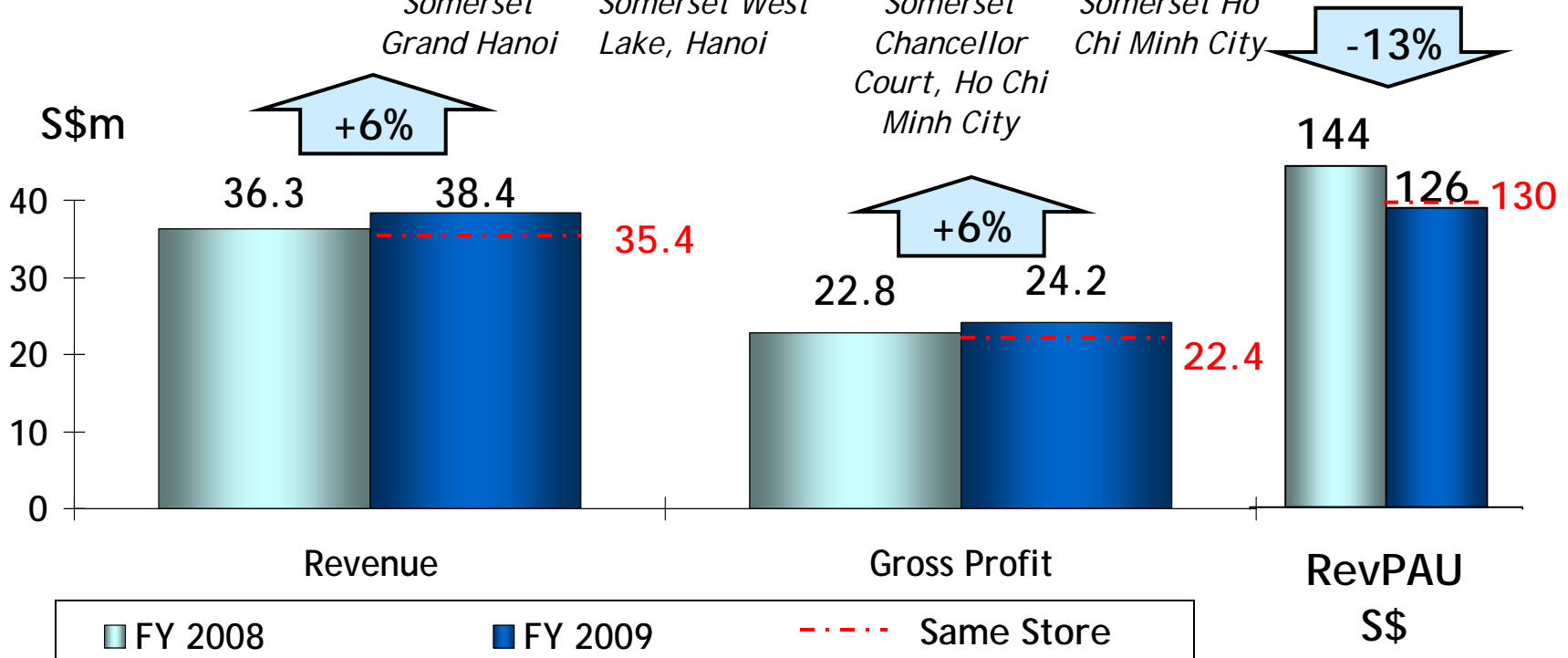
Somerset West
Lake, Hanoi



Somerset
Chancellor
Court, Ho Chi
Minh City



Somerset Ho
Chi Minh City



Better performance mainly due to contribution from Somerset West Lake¹
Lower RevPAU due to weaker demand from business travelers

¹ Somerset Westlake was acquired on 01 April 2009.

Asset Enhancement Initiatives





Asset Enhancements For Better Yield

Somerset Liang Court, Singapore

Refurbishment of the apartment units to be implemented in phases

Units To Be Renovated	185
Age of Property	26 years
Last Refurbishment (Year)	1999
Renovation Cost	S\$10.9 million
Payback Period	4 to 5 years
Capital Value of Asset Enhancement (assumed at 5% capitalisation rate)	S\$40 million
Increase in Asset Value (net of investment cost)	S\$29.1 million



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Asset Enhancements For Better Yield

Somerset Grand Cairnhill, Singapore

Refurbishment of the apartment units and breakfast area to be implemented in phases

Units To Be Renovated	144
Age of Property	20 years
Last Refurbishment (Year)	1999
Renovation Cost	S\$5.5 million
Payback Period	4 to 5 years
Capital Value of Asset Enhancement (assumed at 5% capitalisation rate)	S\$26 million
Increase in Asset Value (net of investment cost)	S\$20.5 million





Asset Enhancements For Better Yield

Somerset Grand Hanoi, Vietnam

Refurbishment of the apartment units to be implemented in phases

Units To Be Renovated	185
Age of Property	12 years
Last Refurbishment (Year)	1997
Renovation Cost	US\$5.8 million
Payback Period	5 years
Capital Value of Asset Enhancement (assumed at 9% capitalisation rate)	US\$13 million
Increase in Asset Value (net of investment cost)	US\$7.2 million



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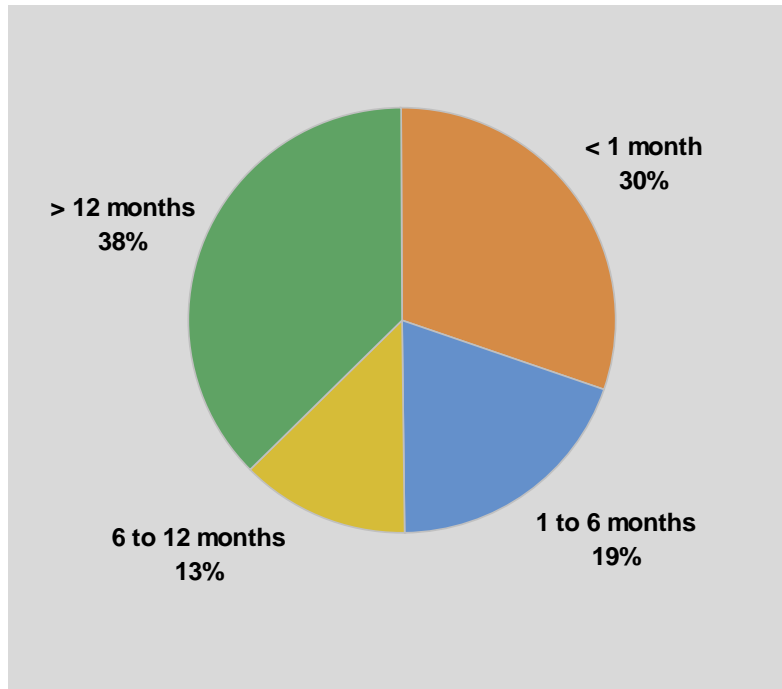
Portfolio Information



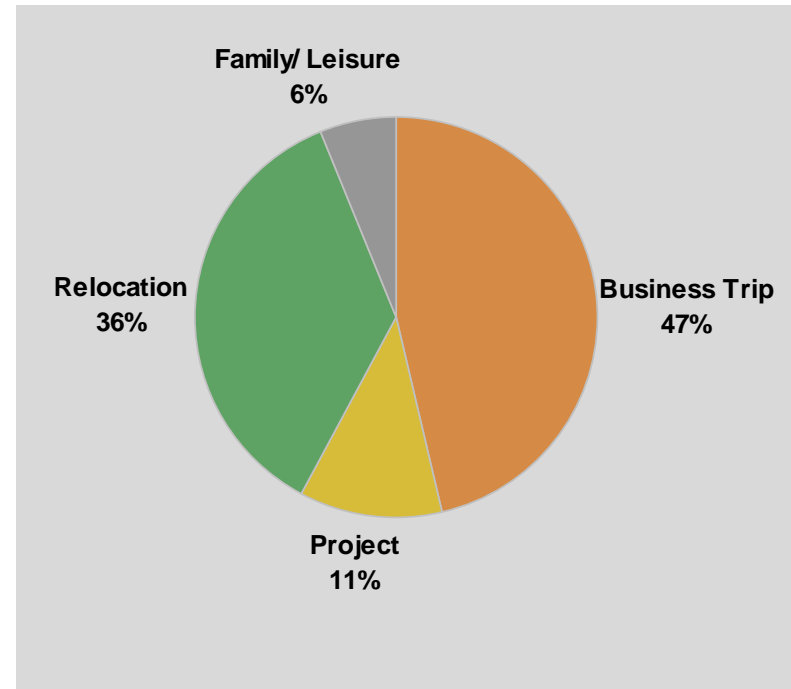


Length of Stay and Market Segment

Apartment Rental Income By Length of Stay¹



Apartment Rental Income By Market Segment¹



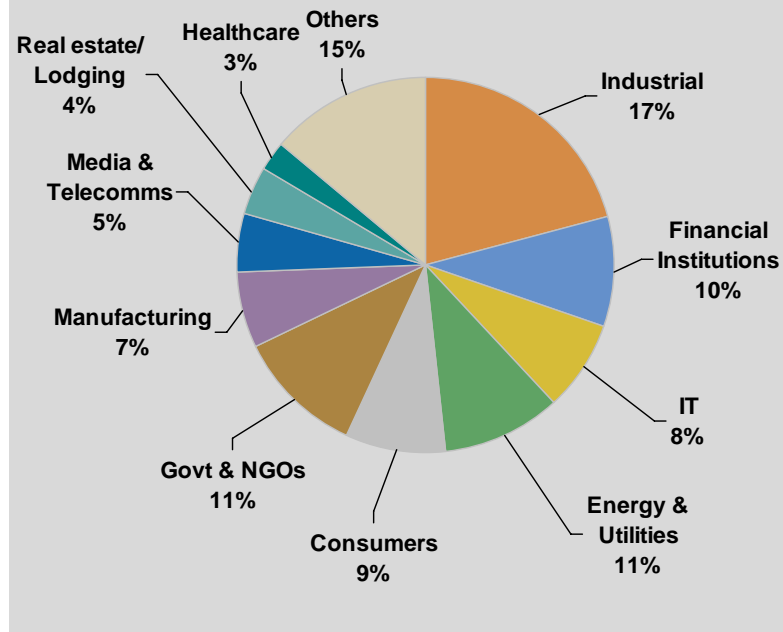
Average length of stay is 7 months²

¹ For the 12 months ended 31 December 2009

² Apartment rental income by length of stay

Diverse Tenant Mix

Apartment Rental Income By Industry¹



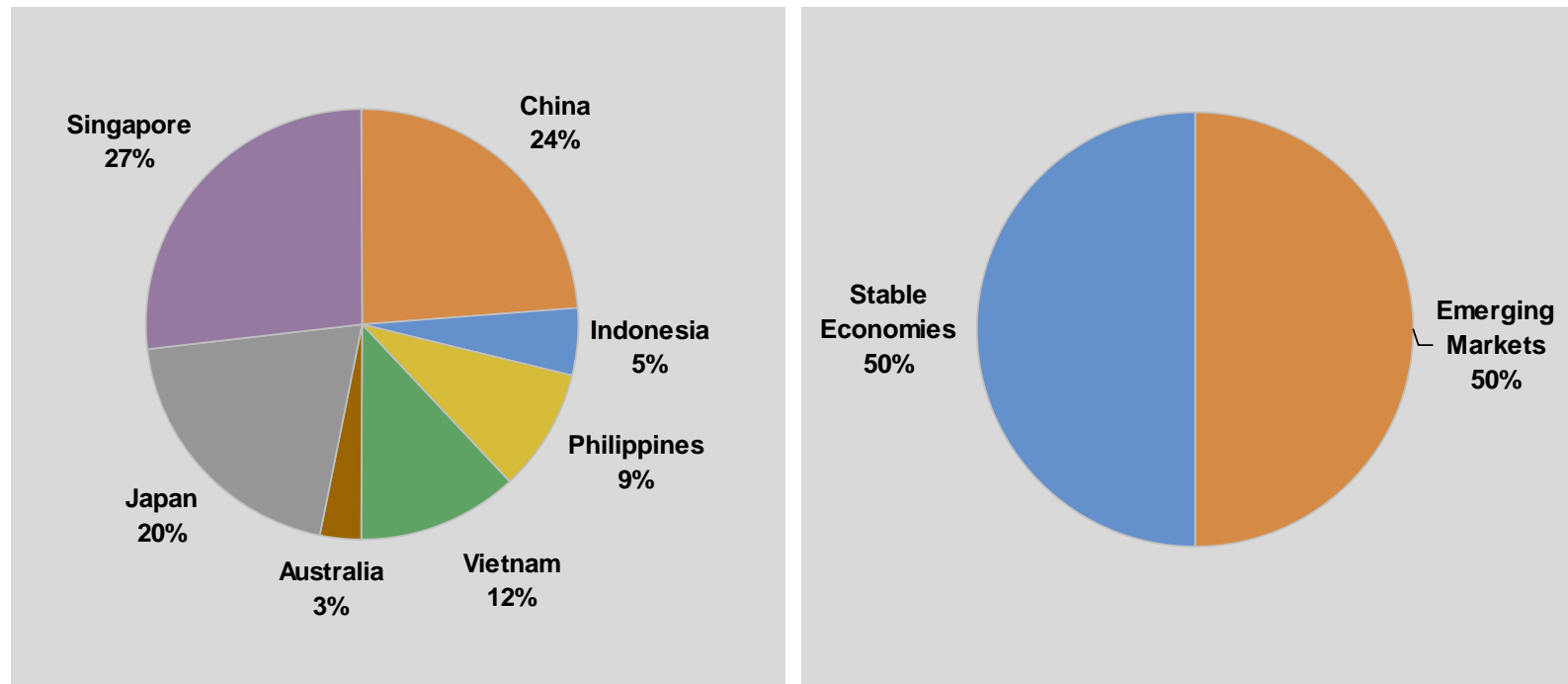
Earnings diversified by industry

¹ Apartment rental income from corporate accounts for the 12 months ended 31 December 2009



Geographical Diversification

Ascott Reit's Share of Asset Values As at 31 December 2009



Total = S\$1.56 billion

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



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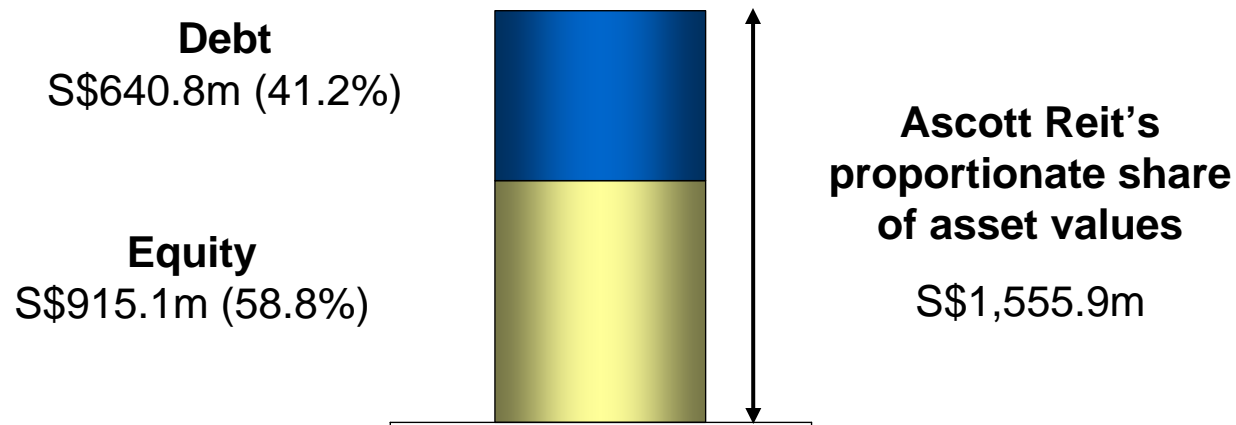
Capital & Risk Management



Healthy Balance Sheet

- **Gearing of 41.2%, well within the 60% gearing limit allowable under MAS property fund guidelines**

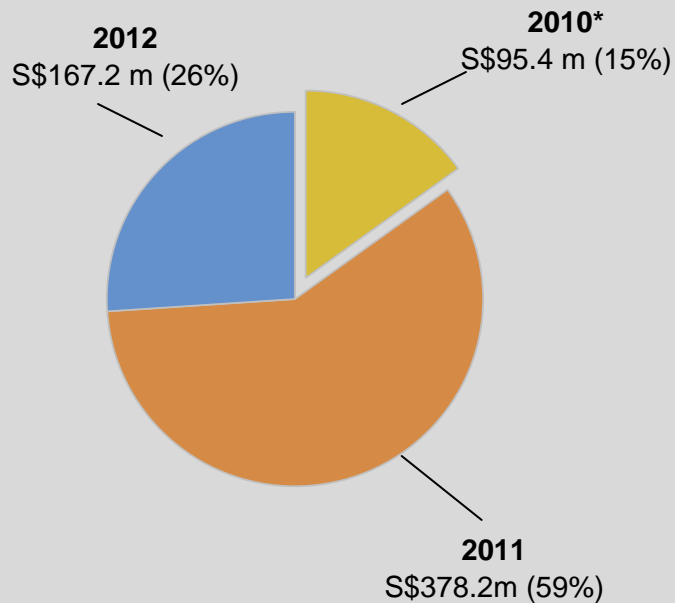
Ascott Reit Gearing Profile As at 31 December 2009



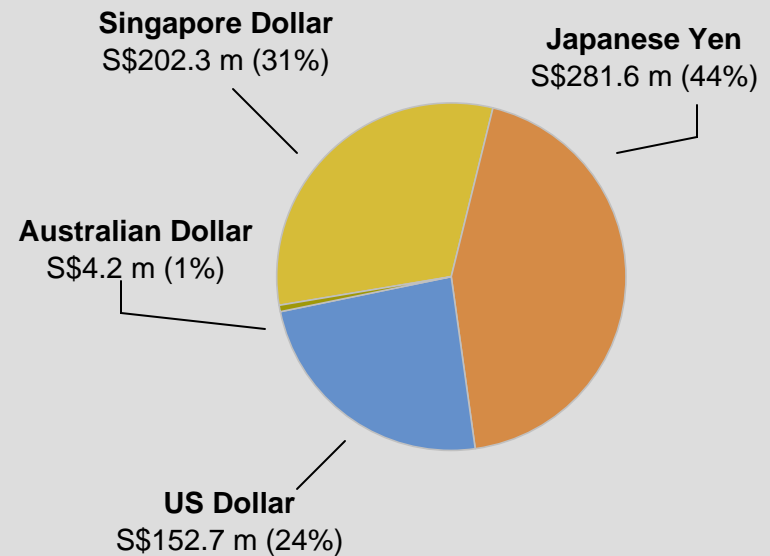


Debt Profile

Maturity Profile As at 31 December 2009



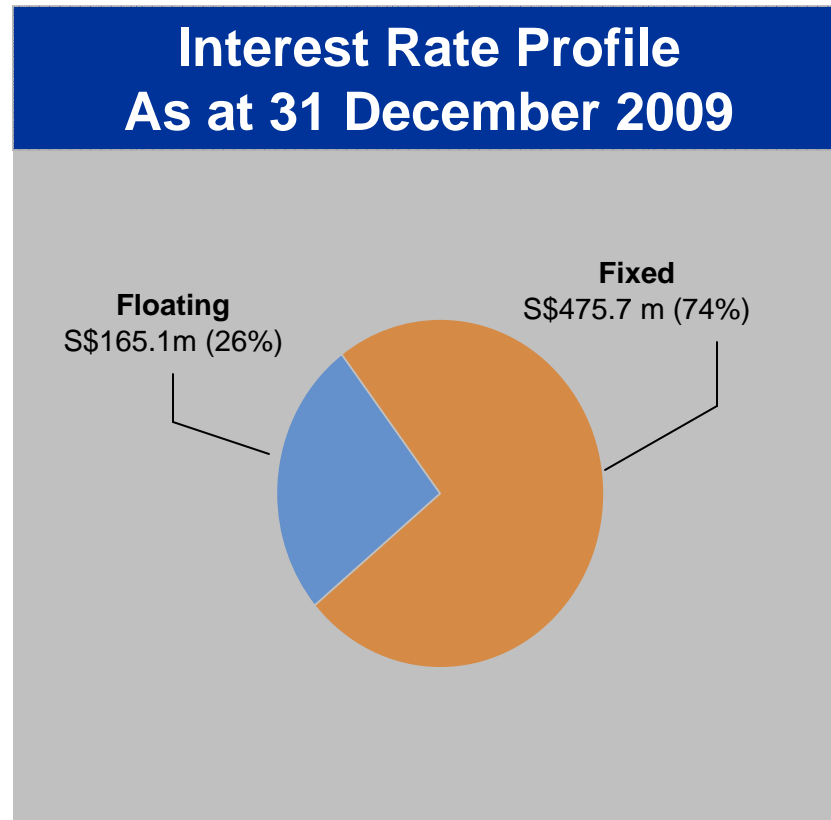
Currency Profile As at 31 December 2009



Ascott Reit's Share of Bank Loans = S\$640.8 m

**Bank commitment and existing bank facilities sufficient to refinance.*

Interest Rate and Currency Profile

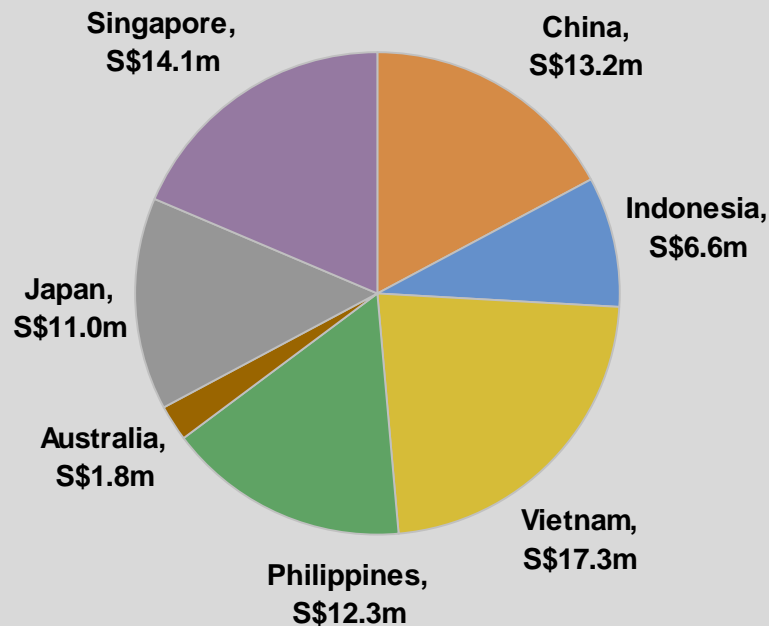


Effective Borrowing Rate of 3.3%

Interest Cover Ratio of 3.5x

Foreign Exchange Profile

Ascott Reit's Share of Gross Profit YTD 31 December 2009



Total = S\$76.3 million

Foreign Exchange Movements

Currency	Percentage of Ascott Reit's Share of Gross Profit YTD 31 Dec 2009	Foreign exchange rate movements from Dec'08 to Dec'09
SGD	19	-
USD	31	1.3%
PHP	16	0.6%
RMB	17	1.3%
JPY	15	-2.1%
AUD	2	13.8%
Total	100	0.7%

Prospects





Prospects

We have seen a continued stability in hospitality demand extending from 3Q 2009 into 4Q 2009.

We expect improvement in hospitality demand in 2010 in line with the more positive economic sentiments. The extent of the economic recovery is uncertain. The Group remains confident of the longer term growth in the markets in which it operates.

We will continue to actively manage the existing portfolio to optimise its potential and to source for yield-accretive acquisitions.

The Group's operating performance in 2010 is expected to be profitable.



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\$1.56 billion portfolio value
3,644 apartment units in 38 properties
11 Pan-Asian cities in 7 countries



Thank You

