



Ascott Residence Trust

1H 2010 Financial Results Media & Analysts Briefing



23 July 2010



Agenda

- **Results Highlights**
- **2Q 2010 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









2Q 2010 Performance

	2Q 2010	2Q 2009	Change
Revenue (S\$m)	44.4	43.0	+3% ↑
Gross Profit (S\$m)	20.8	20.8	-
Unitholders' Distribution (S\$m)	11.6	11.0	+5% ↑
Distribution Per Unit (S cents)	1.87	1.79	+4% ↑
Revenue Per Available Unit (S\$/day) – serviced residences	125	119	+5% ↑



1H 2010 Performance

	1H 2010	1H 2009	Change
Revenue (S\$m)	87.9	85.1	+3% 
Gross Profit (S\$m)	40.9	40.7	+1% 
Unitholders' Distribution (S\$m)	21.8	21.9	-
Distribution Per Unit (S cents)	3.53	3.55	-1% 
Revenue Per Available Unit (S\$/day) – serviced residences	123	120	+3% 



Distribution Details

Distribution Period	1 January to 30 June 2010
Distribution Rate	3.53 cents per unit
Book Closure Date	2 August 2010
Distribution Payment Date	27 August 2010

Property Valuations

- Property value higher by S\$31.7¹ million following latest revaluations by Jones Lang LaSalle Property Consultants Pte Ltd and Savills (Singapore) Pte Ltd
 - Mainly from the higher valuation of serviced residences in Singapore and Japan as compared to December 2009 valuation
- NAV per unit as at 30 June 2010 is S\$1.38

1. Net of tax and non-controlling interests

2Q 2010 Portfolio Performance

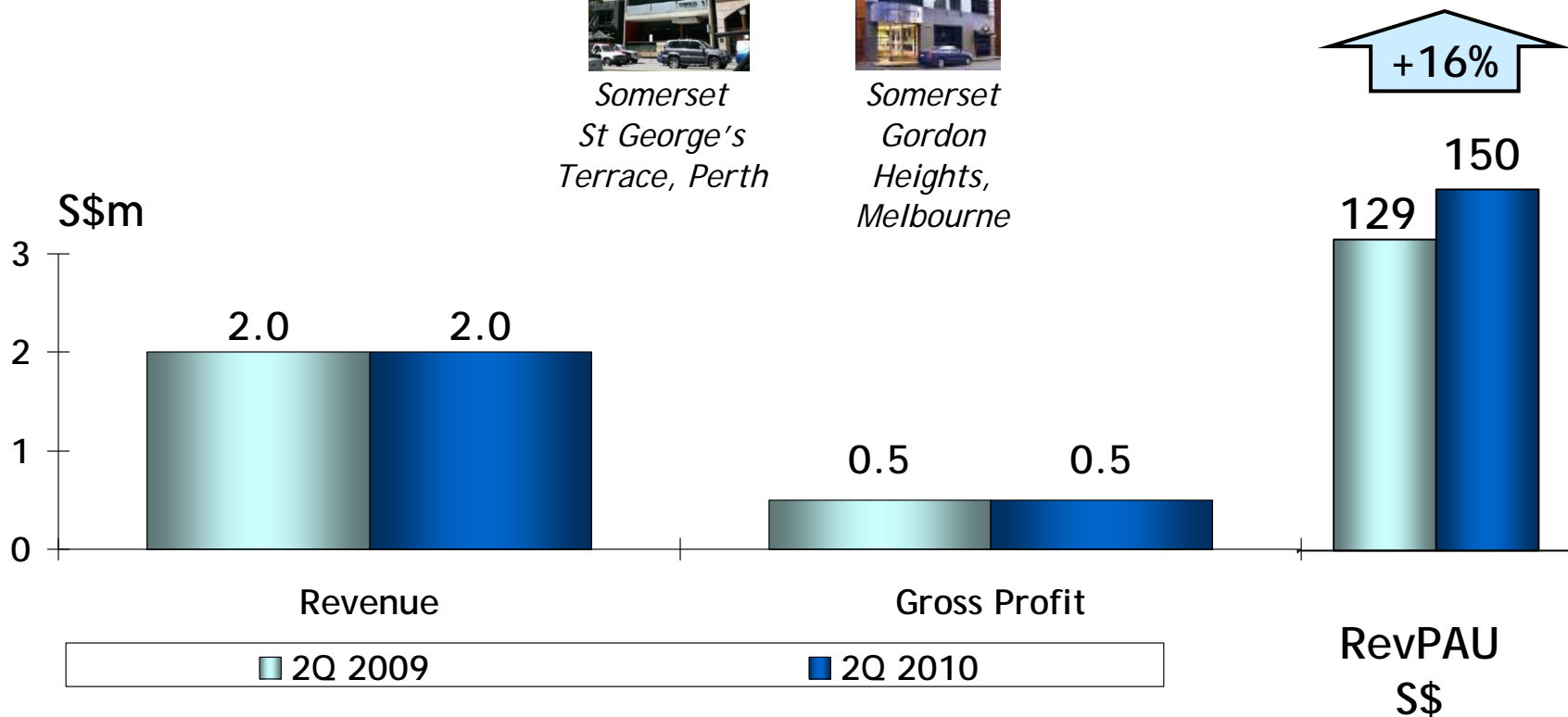




*Somerset
St George's
Terrace, Perth*



*Somerset
Gordon
Heights,
Melbourne*



**Improved performance due to strengthening of AUD against SGD
In AUD terms, RevPAU was 4% lower mainly due to weaker demand in Perth**



China



Ascott Beijing



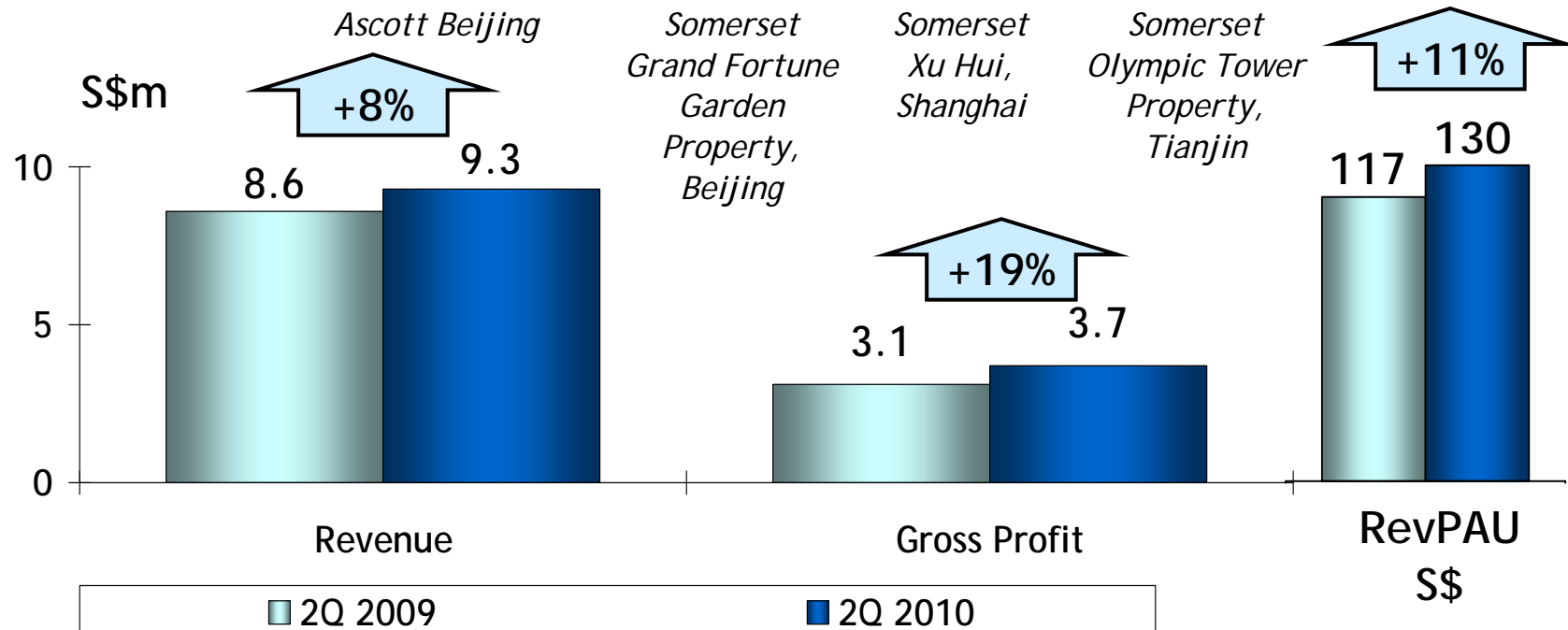
Somerset Grand Fortune Garden Property, Beijing



Somerset Xu Hui, Shanghai



Somerset Olympic Tower Property, Tianjin



Better performance in Beijing due to increased business activities and in Shanghai arising from World Expo. Tianjin's performance has declined due to increased competition and reduction in corporate accommodation budget





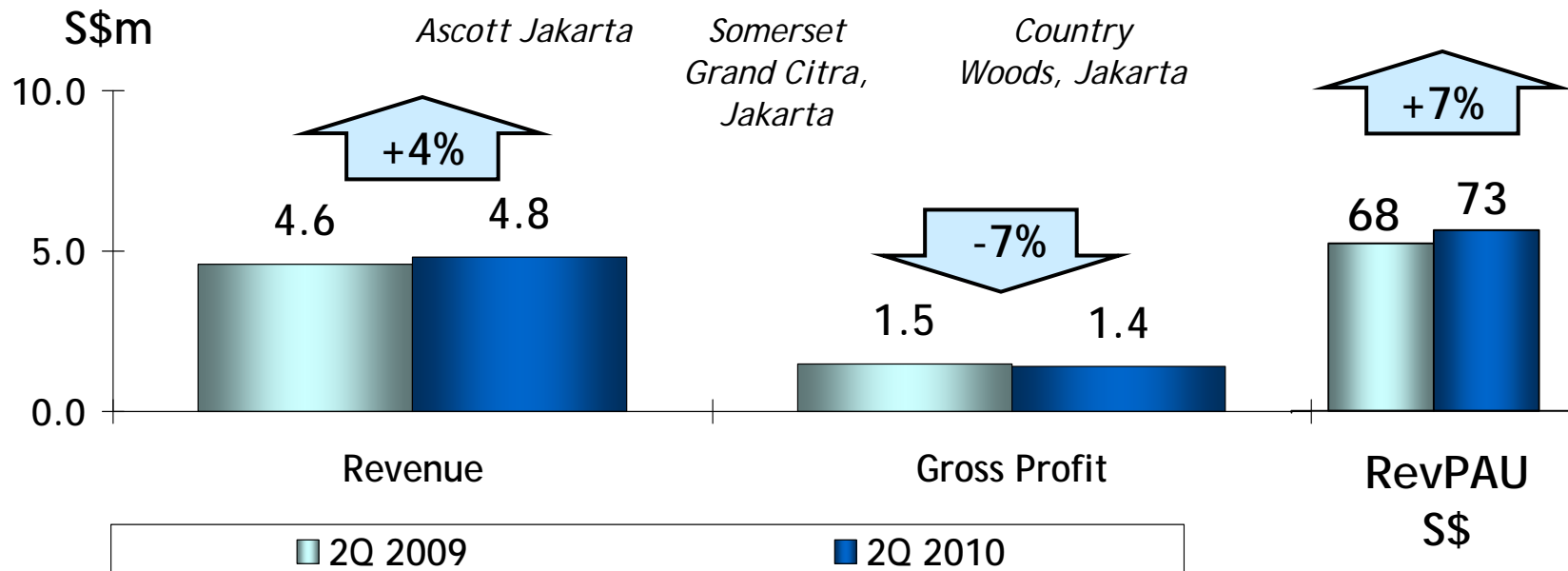
Ascott Jakarta



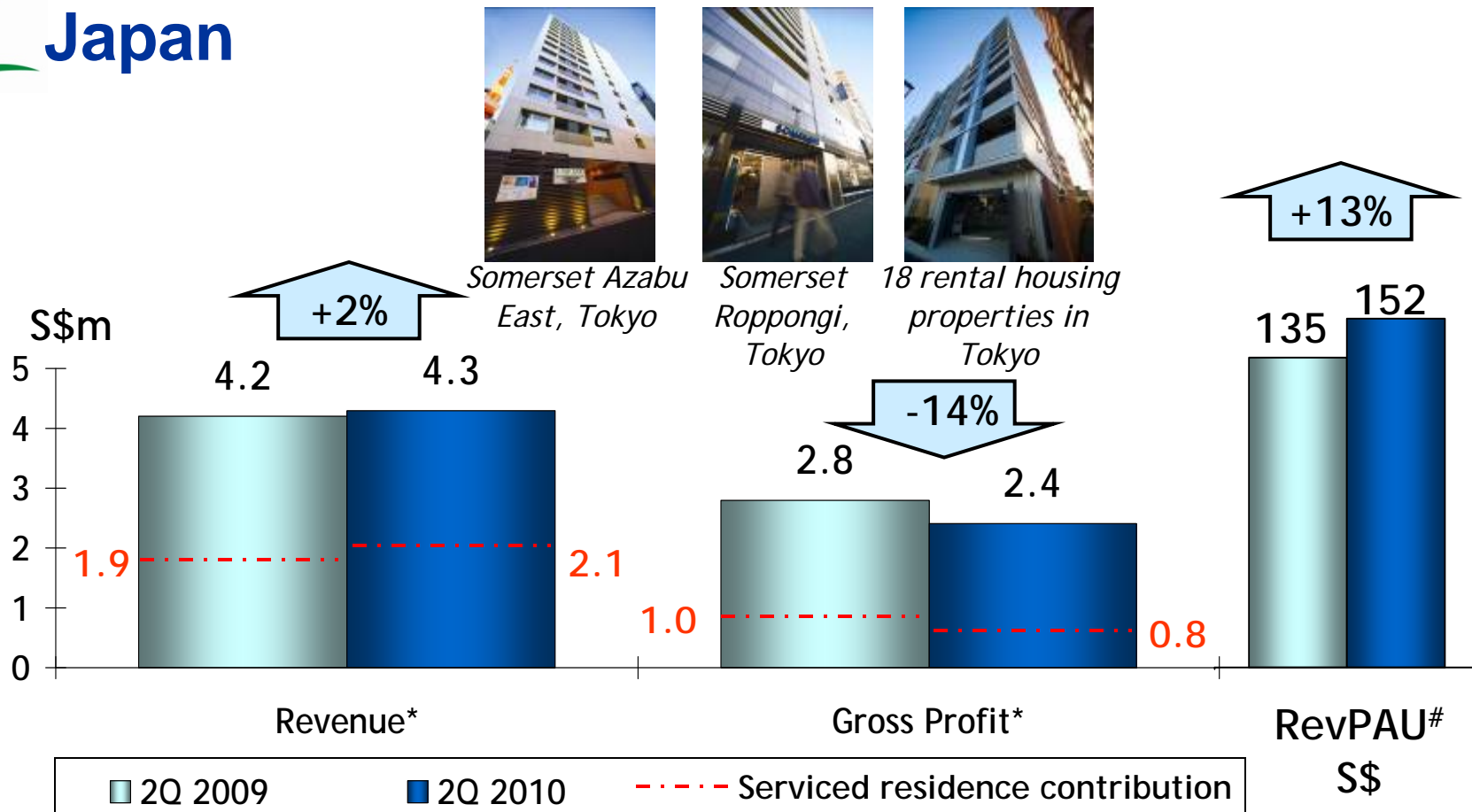
*Somerset
Grand Citra,
Jakarta*



*Country
Woods, Jakarta*



Improved performance due to increased business from information technology and oil and gas industries
Lower gross profit due to the appreciation of Rupiah against SGD as the operating expenses are mainly denominated in Rupiah



Improved performance due to increase in demand for serviced residences from the financial industry
Lower gross profit due to a S\$0.3m one-off reversal pertaining to VAT which resulted in higher gross profit in 2Q2009

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

#RevPAU for serviced residence properties.



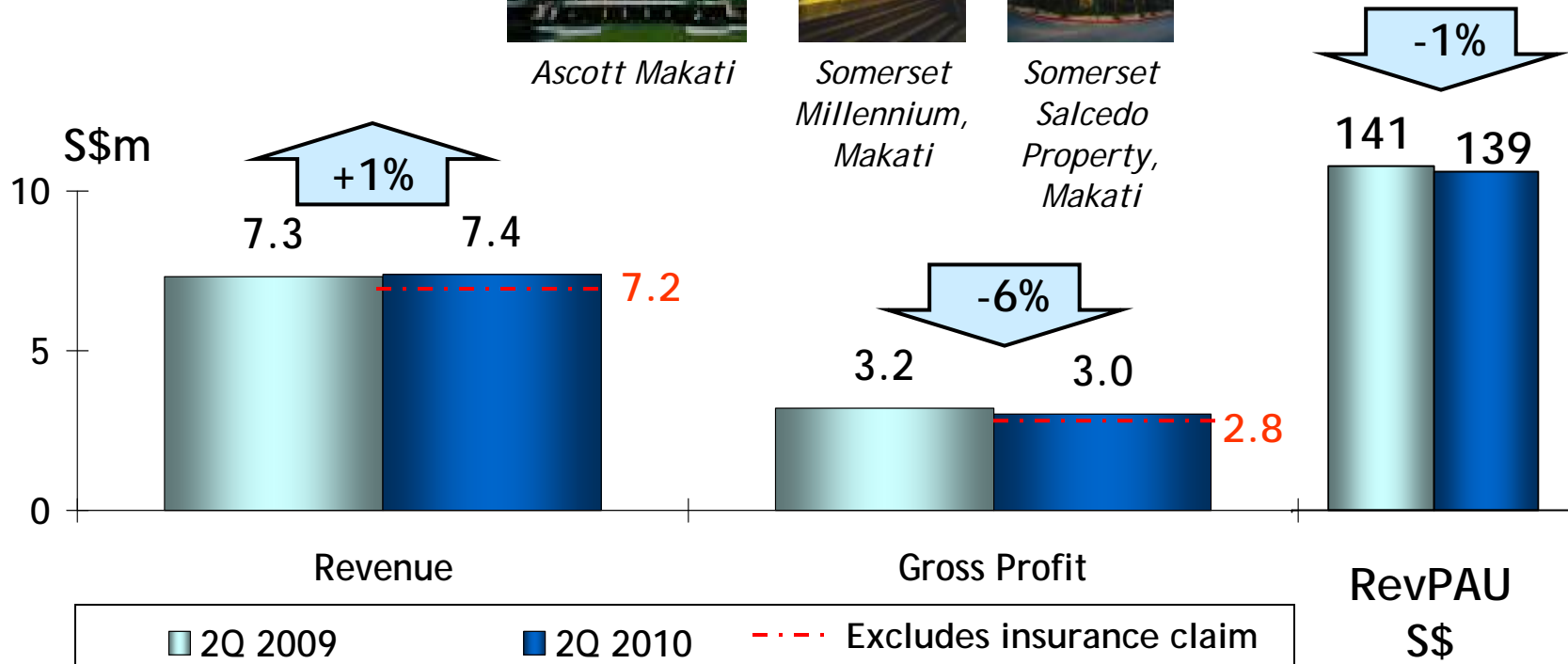
Ascott Makati



Somerset Millennium, Makati



Somerset Salcedo Property, Makati



Increase in revenue resulting from the receipt of business interruption insurance claim for the October 2007 explosion in the shopping complex at Ayala Center, in the vicinity of Ascott Makati. Lower gross profit due to higher utility rates



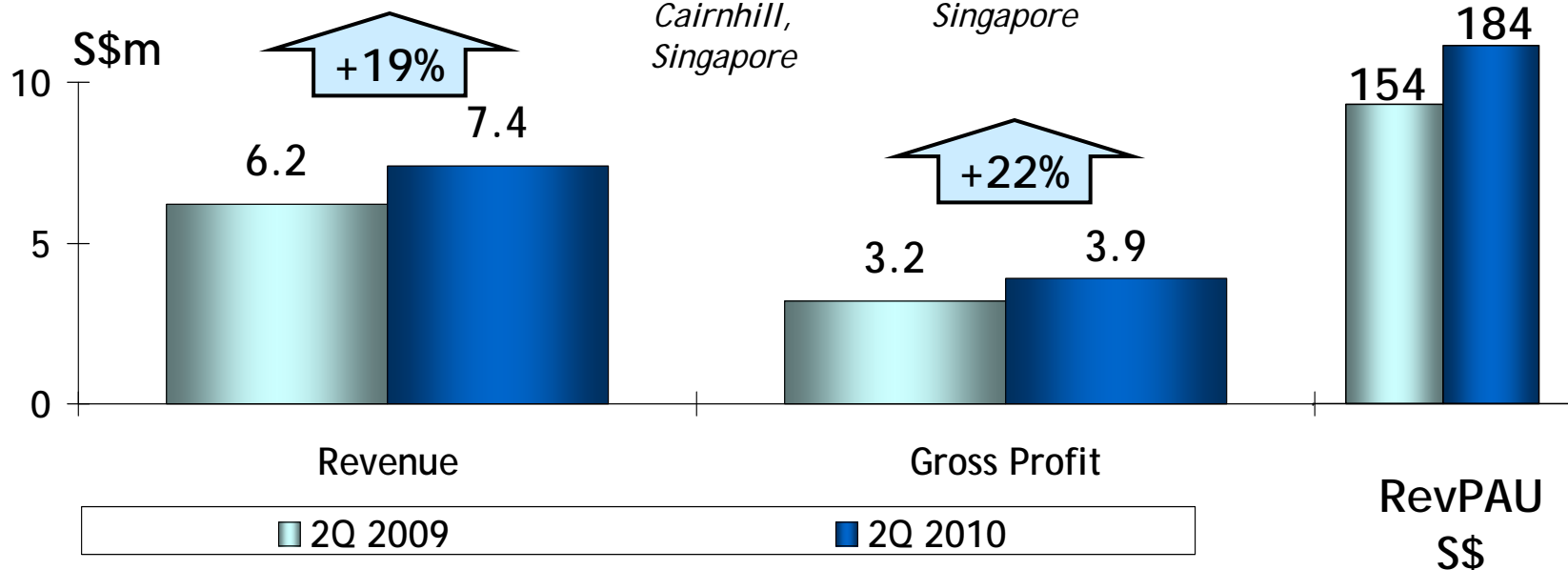
Singapore



Somerset Grand Cairnhill, Singapore



Somerset Liang Court Property, Singapore



**Better performance mainly due to an increase in demand from the financial industry
Improvement not fully captured due to phased renovation of the properties**



*Somerset
Grand Hanoi*



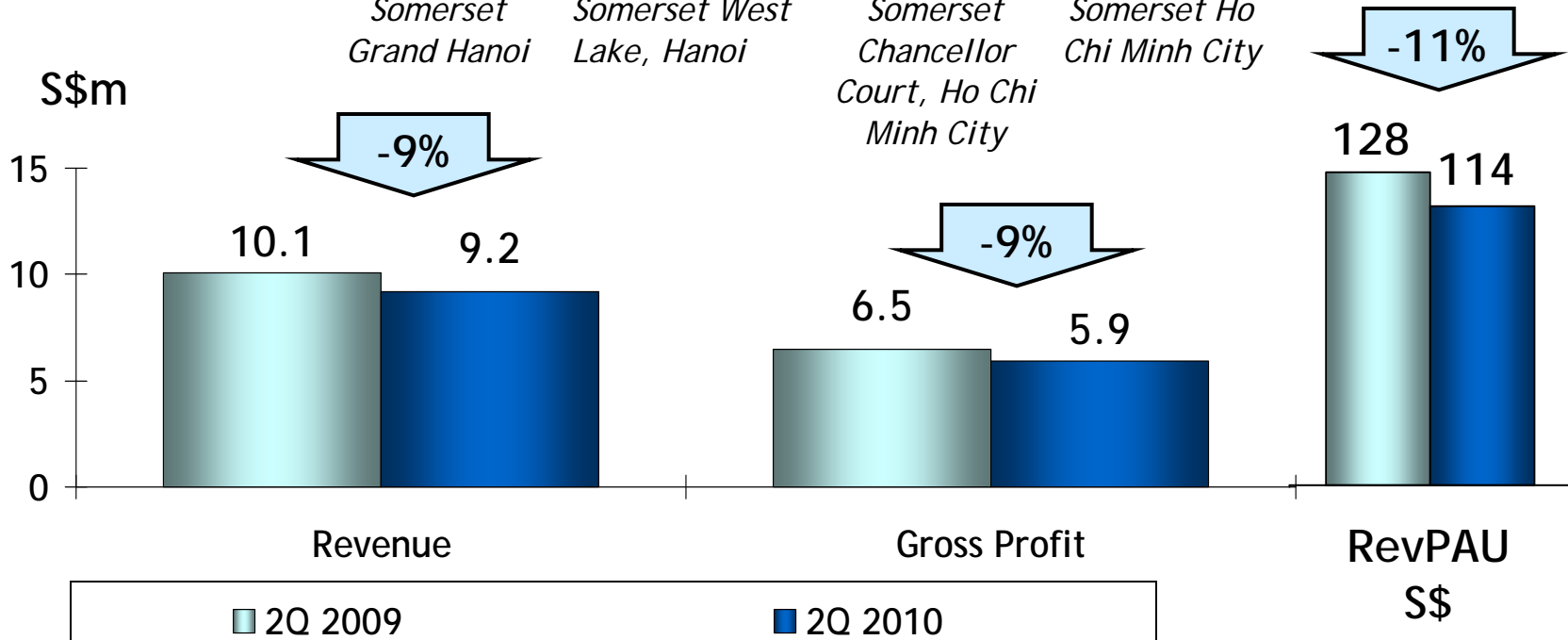
*Somerset West
Lake, Hanoi*



*Somerset
Chancellor
Court, Ho Chi
Minh City*



*Somerset Ho
Chi Minh City*



Lower performance due to lower renewal rates contracted in 2009 when corporates reduced their staff accommodation budget

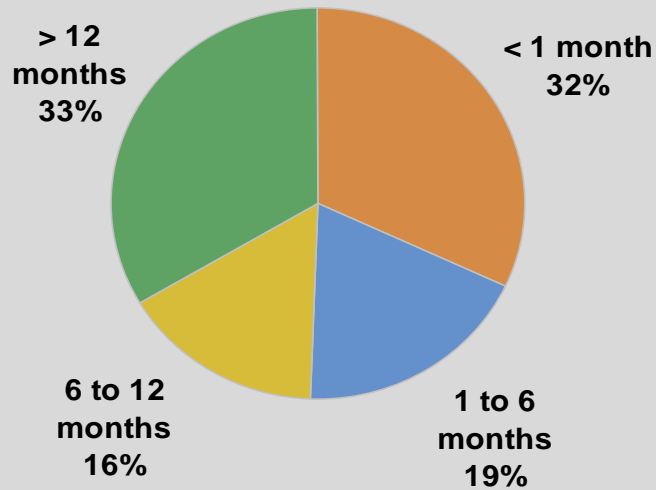
Portfolio Information



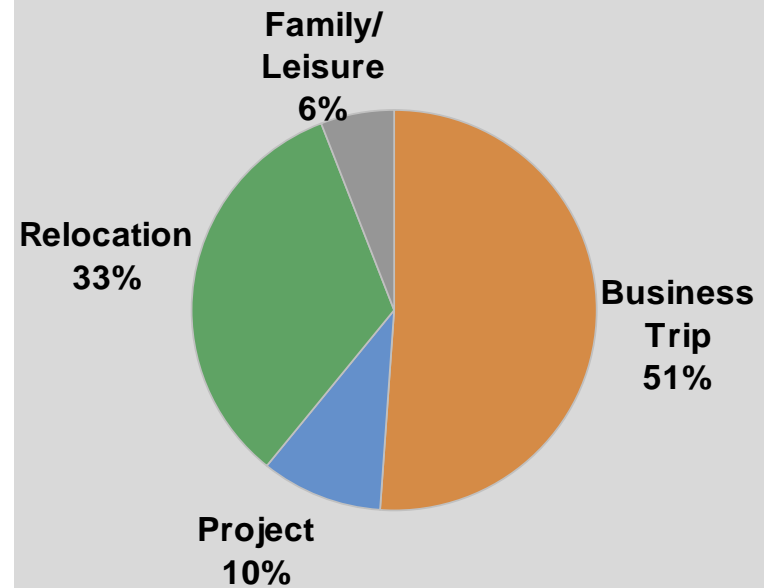


Length of Stay and Market Segment

Apartment Rental Income By Length of Stay¹



Apartment Rental Income By Market Segment



Average length of stay is 6.5 months²

¹ For YTD 30 June 2010

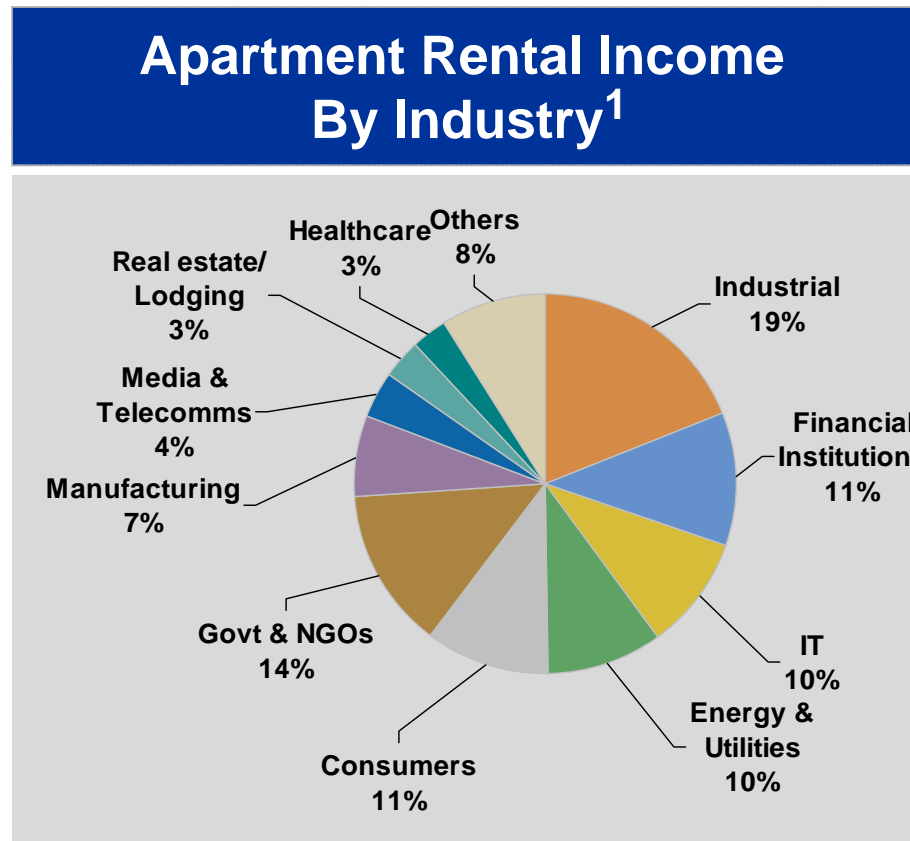
² Apartment rental income by length of stay



ASCOTT
RESIDENCE
TRUST



Diverse Tenant Mix and Quality Clientele



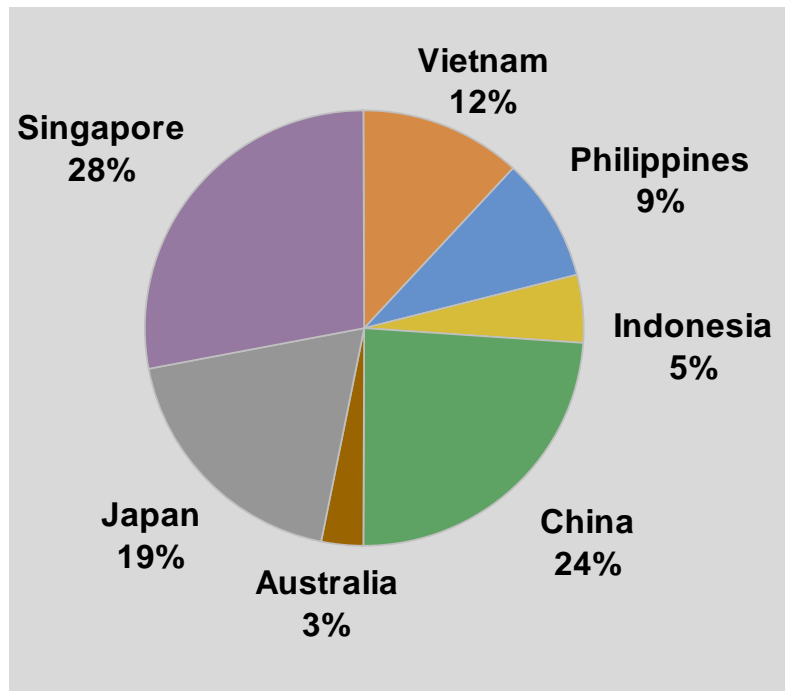
Earnings diversified by industry

¹ Apartment rental income from corporate accounts for YTD 30 June 2010



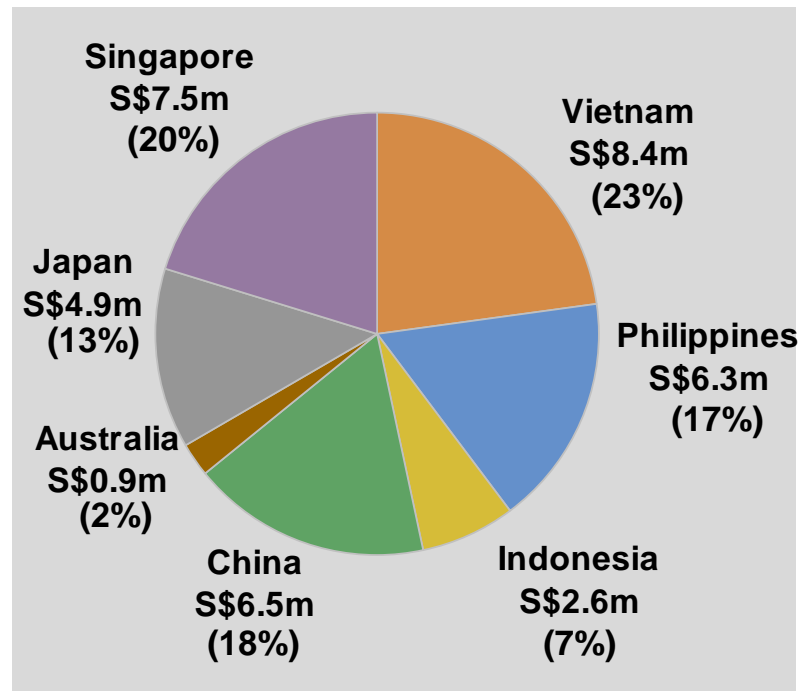
Geographical Diversification

**Ascott Reit's Share of Asset Values
As at 30 June 2010**



Total = S\$1.59 billion

**Ascott Reit's Share of Gross Profit
YTD 30 June 2010**



Total = S\$37.1 million

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



Capital and Risk Management

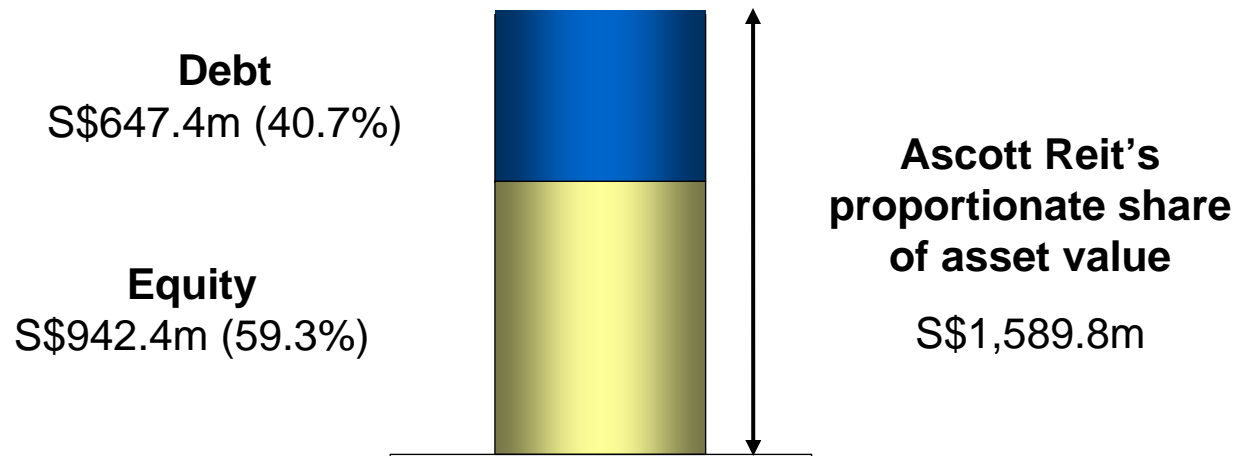




Healthy Balance Sheet

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

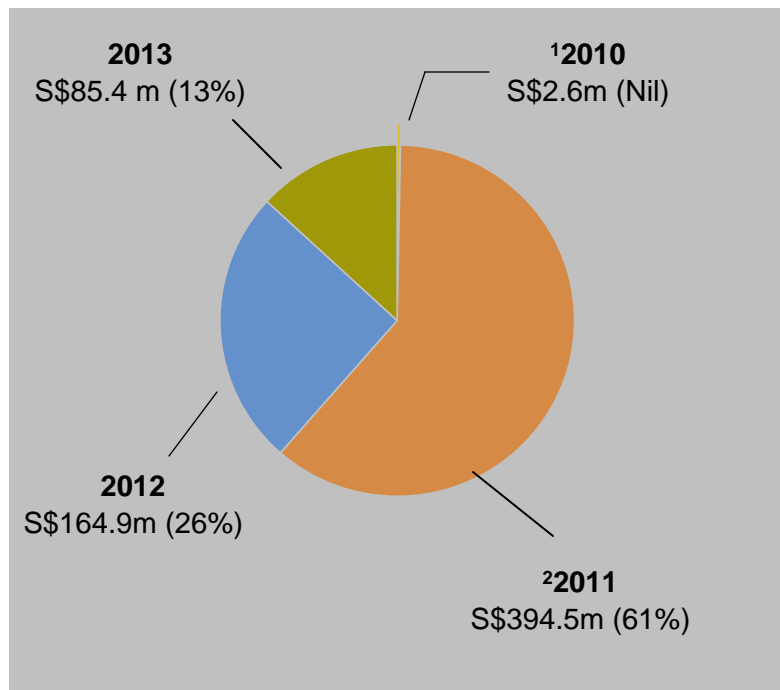
Ascott Reit Gearing Profile As at 30 June 2010



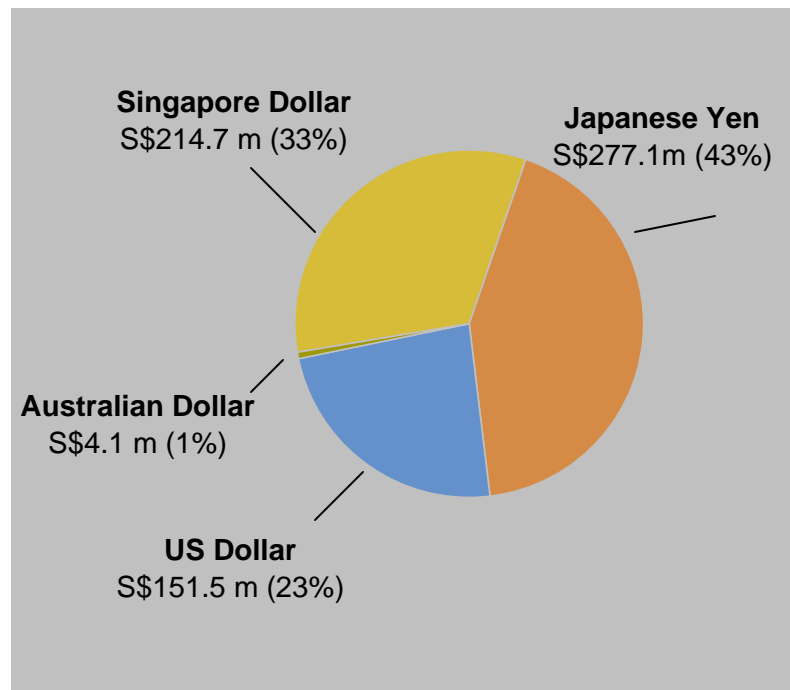


Debt Profile

Maturity Profile As at 30 June 2010



Currency Profile As at 30 June 2010

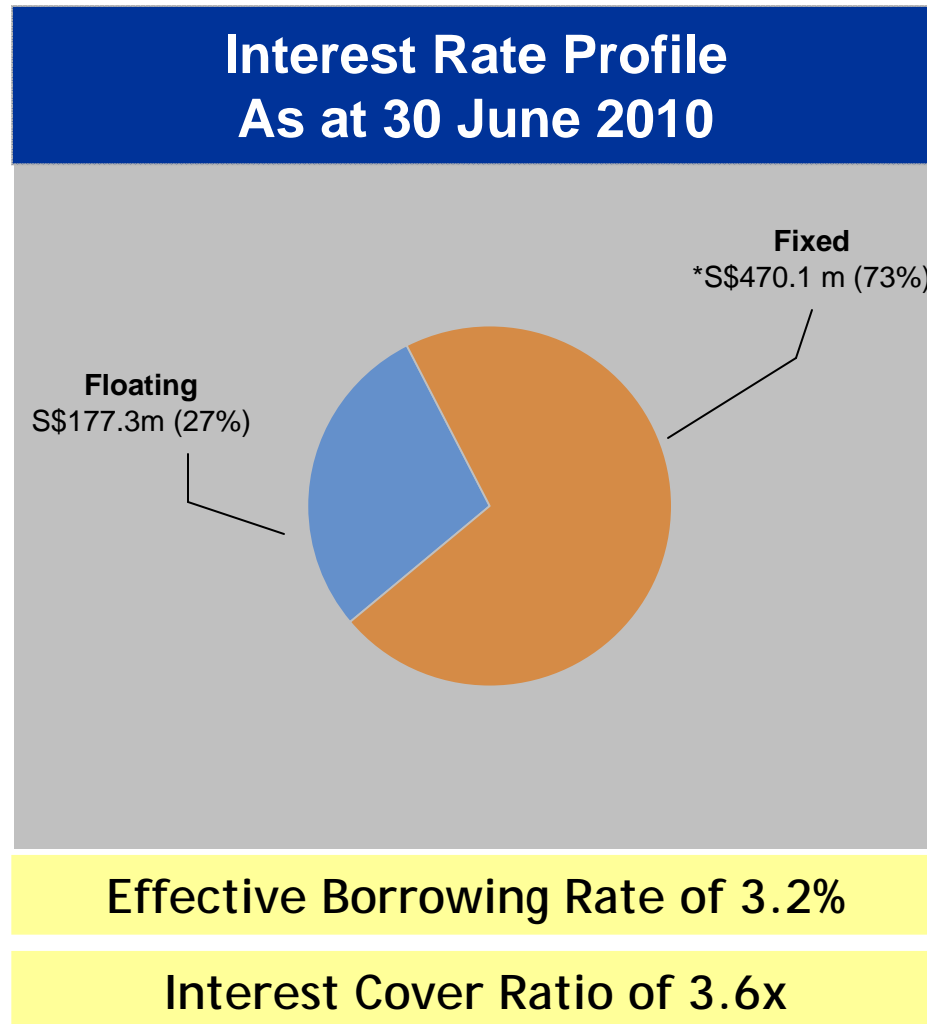


Ascott Reit's Share of Bank Loans = S\$647.4 m

¹ Relates to scheduled loan repayments

² Comprises S\$157.3m (SGD), S\$135.7m (JPY), S\$97.5m (USD) and S\$4.0m (AUD)

Interest Rate Profile

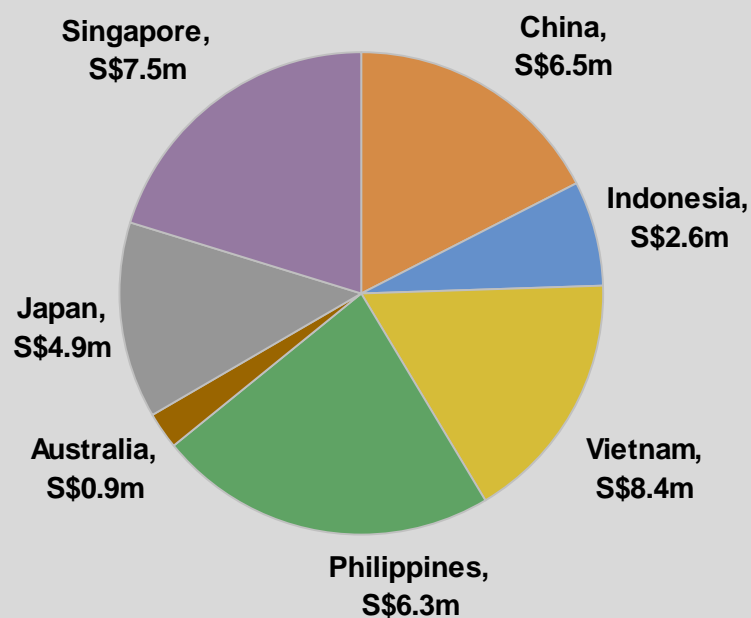


** S\$340.2m is due for refinancing in 2011, in line with the maturity dates of the underlying loans*



Foreign Exchange Profile

Ascott Reit's Share of Gross Profit YTD 30 June 2010



Total = S\$37.1 million

Foreign Exchange Movements

Currency	Percentage of Ascott Reit's Share of Gross Profit YTD 30 Jun 2010	Foreign exchange rate movements from Dec'09 to Jun'10
SGD	20	-
USD	30	0.8%
PHP	17	3.6%
RMB	18	0.8%
JPY	13	-4.4%
AUD	2	-0.4%
Total	100	0.4%

Prospects



The logo for 'Prospects' features a stylized lowercase 'i' with a red dot and a green swoosh underneath, positioned to the left of the word 'Prospects' in a bold, blue, sans-serif font.

Prospects

The pace of recovery of hospitality demand differs in the markets where we operate. Our geographical diversification will continue to provide income stability for the Group.

We have completed the refurbishment of the two Singapore properties and have relaunched them in July amidst a buoyant market. Somerset Grand Cairnhill and Somerset Liang Court are expected to benefit from the strong demand, with the renovated apartments enjoying premium rates. We have also embarked on refurbishments for selected properties in Vietnam and China. Our asset enhancement initiatives will increase the returns of our portfolio in the long term.

We will explore new and existing markets for opportunities to expand the portfolio for increased and stable income. We will also look for opportunities to divest properties which have reached optimal yield.

The Group remains confident of the long term growth in the markets in which it operates. The operating performance in 2010 is expected to remain profitable.

Strong Sponsor





The Ascott Limited



Total: Over 25,000 Units

Operating Units: About 20,000

**Under development:
Over 5,000 units**

Owns ~S\$1.2B assets in Asia-Pac

- >50% owned: 1,951 units
- <50% owned: 4,317 units[#]

Owns ~S\$1B assets in Europe

- >50% owned: 2,991 units

World's largest international serviced residence owner-operator

[#] <50% owned includes properties owned by Ascott China Fund, which The Ascott Limited has a 33% stake in. It excludes properties owned by Ascott Reit

The Ascott Limited is the serviced residence arm of CapitaLand Limited, one of Asia's largest real estate companies



Conclusion





Ascott Reit

– World's First and Only Pan-Asian Serviced Residence Reit

Exposure to serviced residence asset class

- Demand for serviced residences underpinned by FDI inflows and GDP growth
- Strong international brand name

Exposure to Asia's growth

- Asia-focused portfolio
- Asia region's FDI/ GDP growth highest in the world

Sustainability of cashflow

- Longer average portfolio length of stay compared to hotels
- Diversified income across 7 Pan-Asian countries

Track Record

- Organic Growth
- Ability to acquire assets from The Ascott Limited and third party owners
- Proactive but conservative capital management

Sponsor

- The Ascott Limited/Ascott Reit model + right of first refusal
- Pipeline of quality assets from strong sponsor, The Ascott Limited which is the world's largest international serviced residence owner-operator



ASCOTT
RESIDENCE
TRUST

Thank You

