



ASCOTT RESIDENCE TRUST

1H 2007 Financial Results

Media and Analyst Briefing

25 July 2007

Agenda

- **Operating Performance**
- **Portfolio Updates**
- **Outlook & Prospects**
- **Q&A Session**

Disclaimer

IMPORTANT NOTICE

The value of units in Ascott Residence Trust (“ART”) (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 ART (the “Manager”) or any of its affiliates. An investment in the Units is subject to investment risks, include the possible loss of the principal amount invested. The past performance of ART 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.

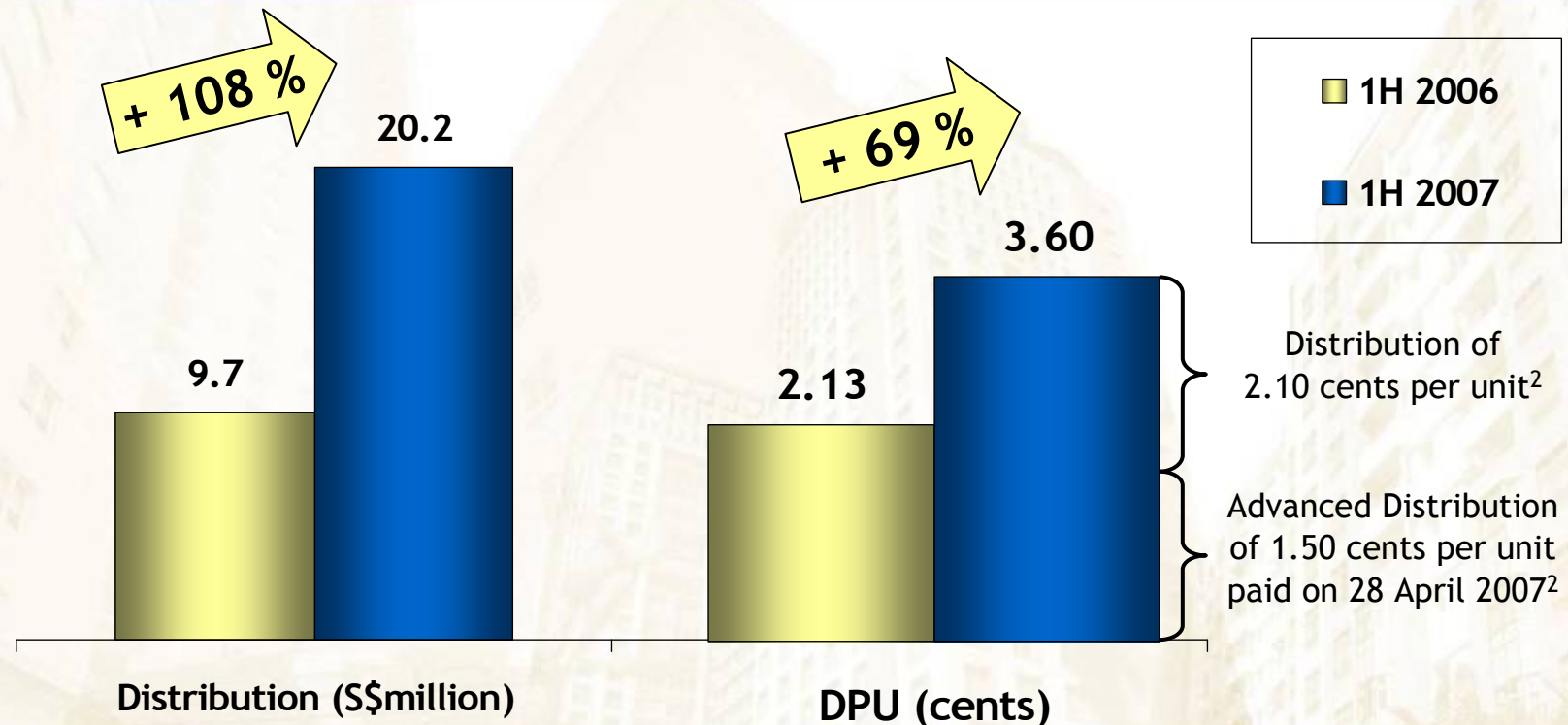
Unitholders of ART (the “Unitholders”) have no right to request the Manager to redeem their units in ART while the units in ART are listed. It is intended that Unitholders may only deal in their Units through trading on the Singapore Exchange Securities Trading Limited (“SGX-ST”). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.



Operating Performance

Increase in Unitholders' Distribution and DPU Actual 1H 2007 vs Actual 1H 2006

Operating
Performance



DPU Increased by 69%

1. The acquisition of ART's 12 initial properties was completed on 1 March 2006. Hence the income recorded relates only to the 4-month period from 1 March 2006 to 30 June 2006.
2. In conjunction with the equity fund raising which concluded on 26 March 2007, ART made, in lieu of the scheduled semi-annual distribution, an advance distribution of 1.50 cents per unit of ART's distributable income for the period from 1 January 2007 to 25 March 2007 (prior to the date on which the new units are issued under the equity fund raising) was paid on 28 April 2007. The distribution following the advance distribution comprises ART's distributable income for the period from 26 March 2007 (the day that the new units were issued) to 30 June 2007.

Statement of Total Return

Actual 1H 2007 vs Actual 1H 2006

Operating
Performance

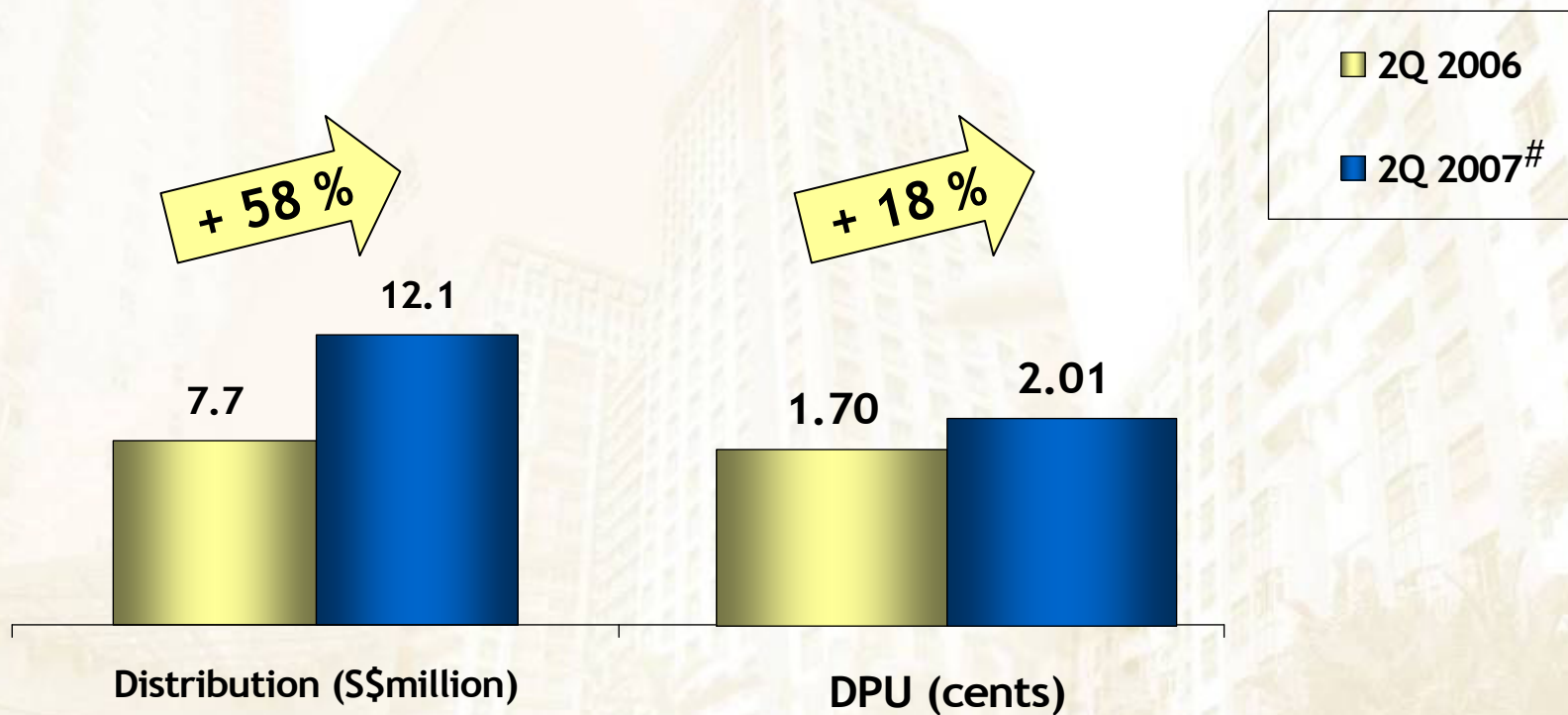
| <u>S\$m</u> | <u>Actual</u> <u>1H 2007</u> 1 January to 30 June 2007 | <u>Actual¹</u> <u>1H 2006</u> 1 March to 30 June 2006 | <u>Growth (%)</u> |
|---------------------------|---|---|---|
| Revenue | 69.6 | 34.9 | +100%  |
| Gross Profit | 31.9 | 17.1 | +86%  |
| Unitholders' Distribution | 20.2 | 9.7 | +108%  |

Unitholders' Distribution for 1H2007 Increased by S\$10.5 million

1. The acquisition of ART's 12 initial properties was completed on 1 March 2006. Hence the income recorded relates only to the 4-month period from 1 March 2006 to 30 June 2006.

Increase in Unitholders' Distribution and DPU Actual 2Q 2007 vs Actual 2Q 2006

Operating
Performance



Improved operating performance and accretive acquisitions

Includes contributions from the six properties acquired since listing.

Statement of Total Return

Actual 2Q 2007 vs Actual 2Q 2006

Operating
Performance




| <u>S\$m</u> | <u>Actual</u> <u>2Q 2007</u> | <u>Actual</u> <u>2Q 2006</u> | <u>Growth (%)</u> |
|---------------------------|---------------------------------|---------------------------------|-------------------|
| Revenue | 40.6 | 26.2 | +55% ↑ |
| Gross Profit | 18.2 | 12.9 | +41% ↑ |
| Unitholders' Distribution | 12.1 | 7.7 | +58% ↑ |

Unitholders' Distribution for 2Q 2007 Increased by S\$4.4 million

Statement of Total Return

Actual 2Q 2007 vs Forecast 2Q 2007

Operating
Performance

| <u>S\$m</u> | <u>Actual</u> <u>2Q 2007</u> | <u>Forecast[#]</u> <u>2Q 2007</u> | <u>Growth (%)</u> |
|---------------------------|---------------------------------|---|--|
| Revenue | 40.6 | 39.0 | +4%  |
| Gross Profit | 18.2 | 18.0 | +1%  |
| Unitholders' Distribution | 12.1 | 11.0 | +10%  |

**Unitholders' Distribution for 2Q 2007
Greater Than Forecast[#] by S\$1.1 million**

As disclosed in the Offer Information Statement dated 12 March 2007.

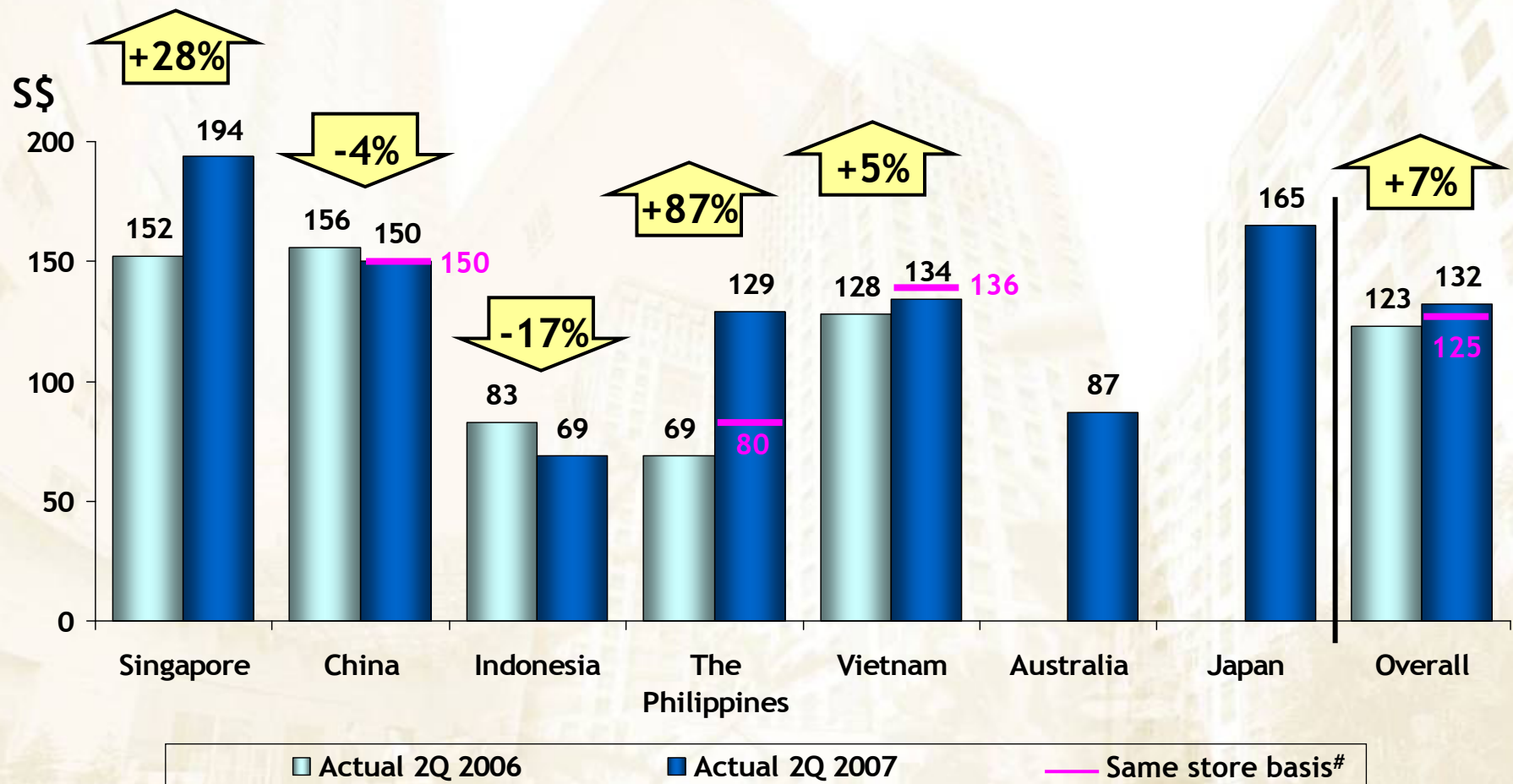
Distribution Details

| | | |
|----------------------------------|-------------------------------|-----------------------------|
| Distribution Period | 1 January to 25 March 2007 | 26 March to 30 June 2007 |
| Distribution Rate | 1.50 cents per unit | 2.10 cents per unit |
| Book Closure Date | 23 March 2007 | 2 August 2007 |
| Distribution Payment Date | 28 April 2007 | 28 August 2007 |

- Semi-annual distributions will resume thereafter

Continued Strong RevPAU Growth in Singapore, the Philippines and Vietnam

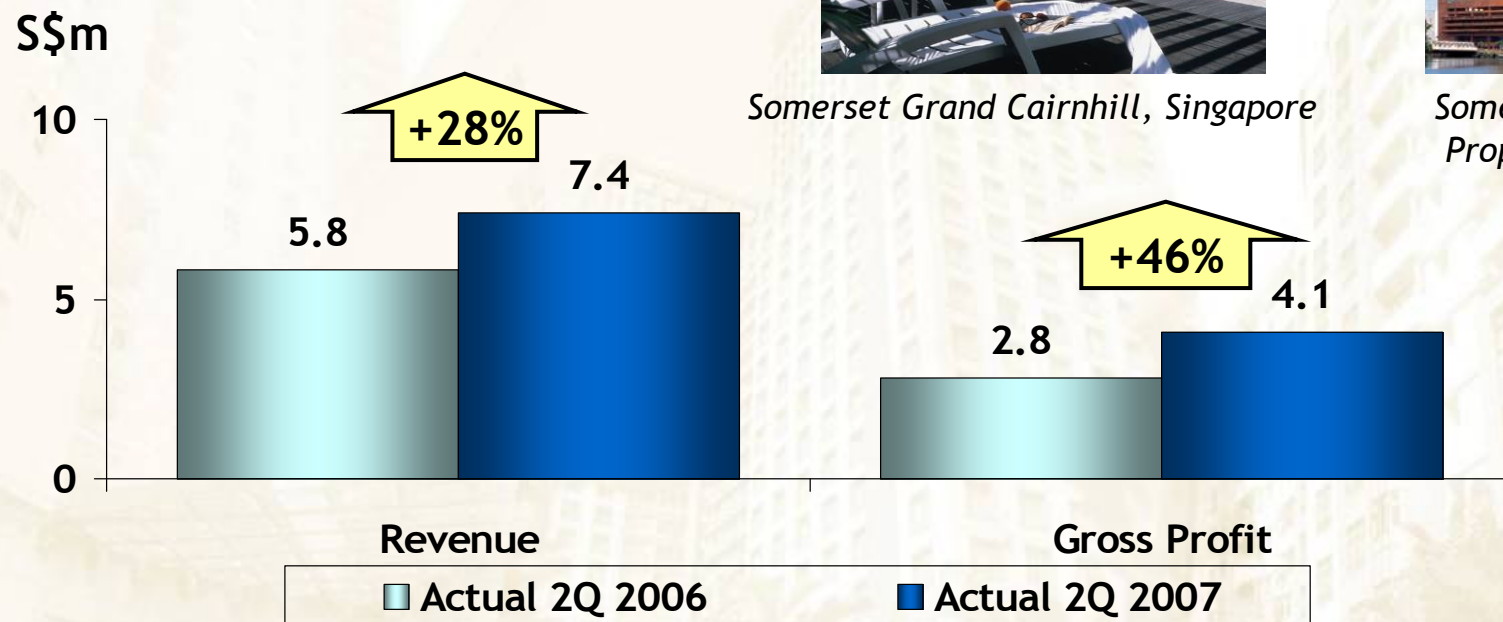
Operating
Performance



Excludes the acquisition of Somerset Olympic Tower Property, Tianjin in China, Ascott Makati in the Philippines, Somerset Chancellor Court, Ho Chi Minh City in Vietnam, Somerset Gordon Heights, Melbourne in Australia, and Somerset Roppongi, Tokyo and Somerset Azabu East, Tokyo in Japan.

Singapore

Operating
Performance



Somerset Grand Cairnhill, Singapore

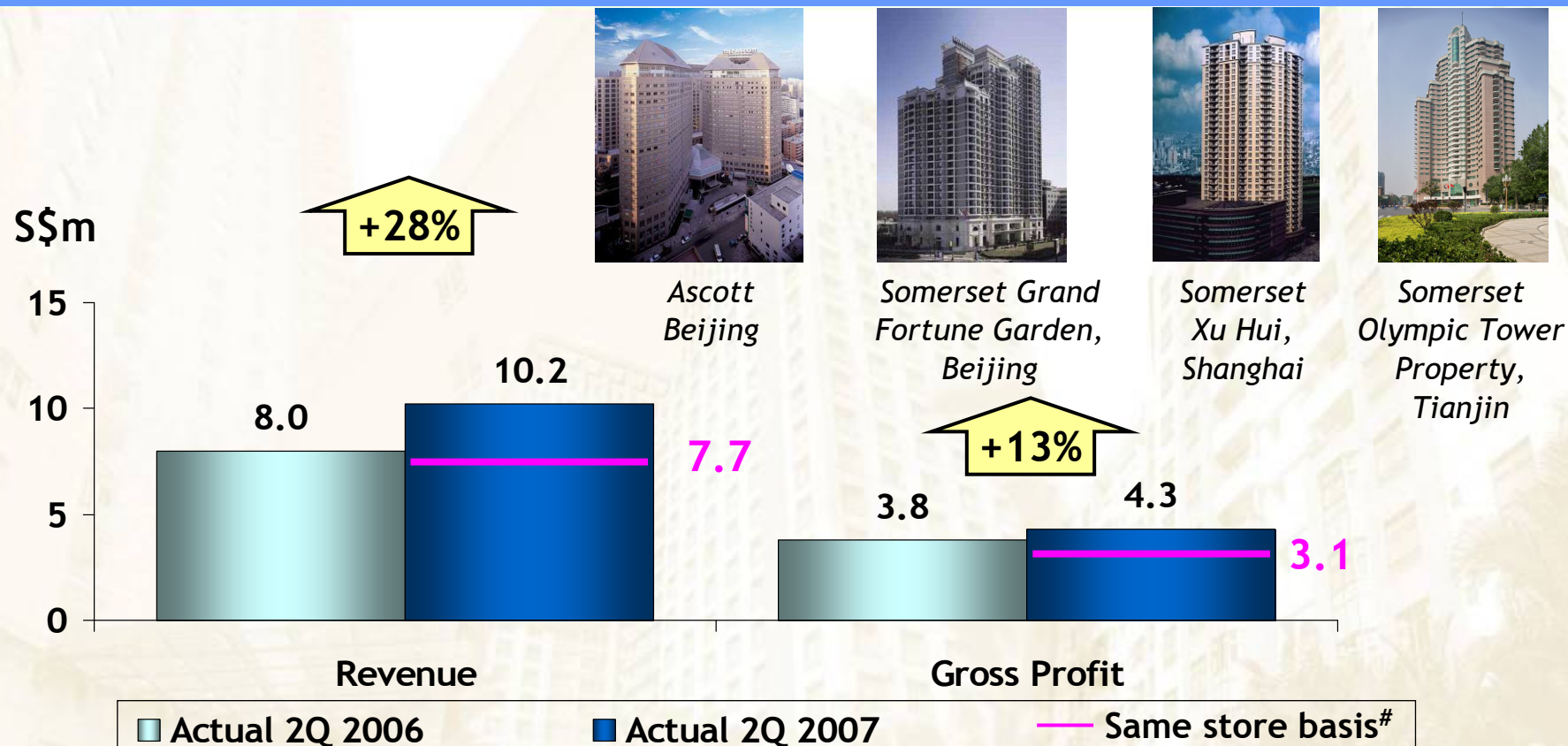


Somerset Liang Court Property, Singapore

Strong ADR and improved margins

China

Operating
Performance

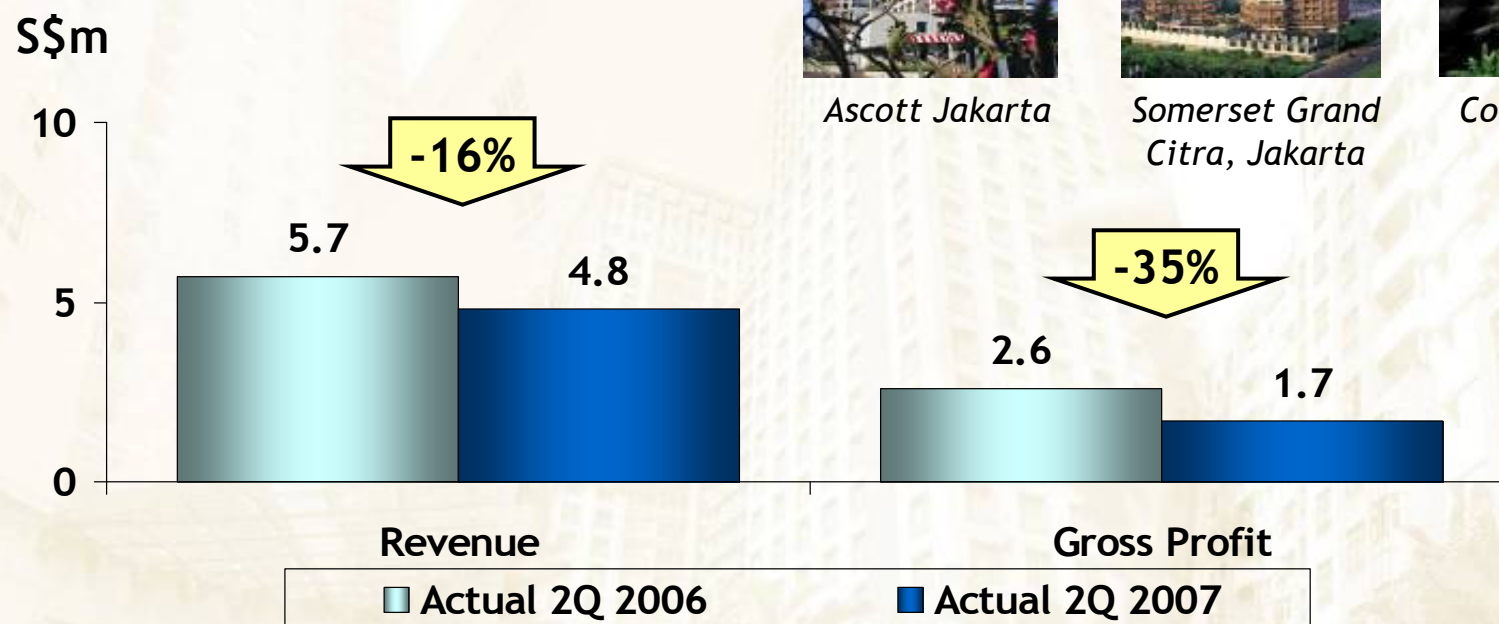


Increased competition in Shanghai

Excludes the acquisition of Somerset Olympic Tower Property, Tianjin.

Indonesia

Operating
Performance



Ascott Jakarta



*Somerset Grand
Citra, Jakarta*

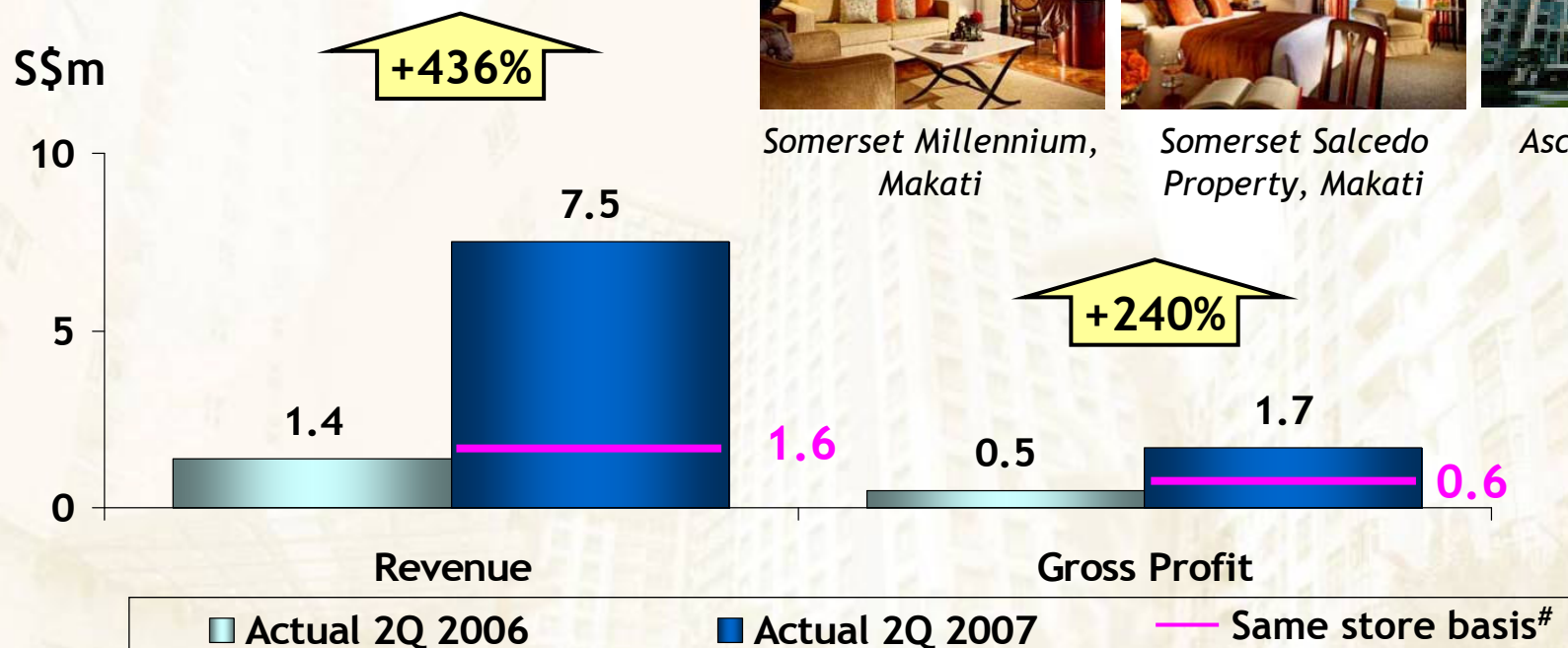


*Country Woods,
Jakarta*

Lower ADR and margins

The Philippines

Operating
Performance



Somerset Millennium,
Makati



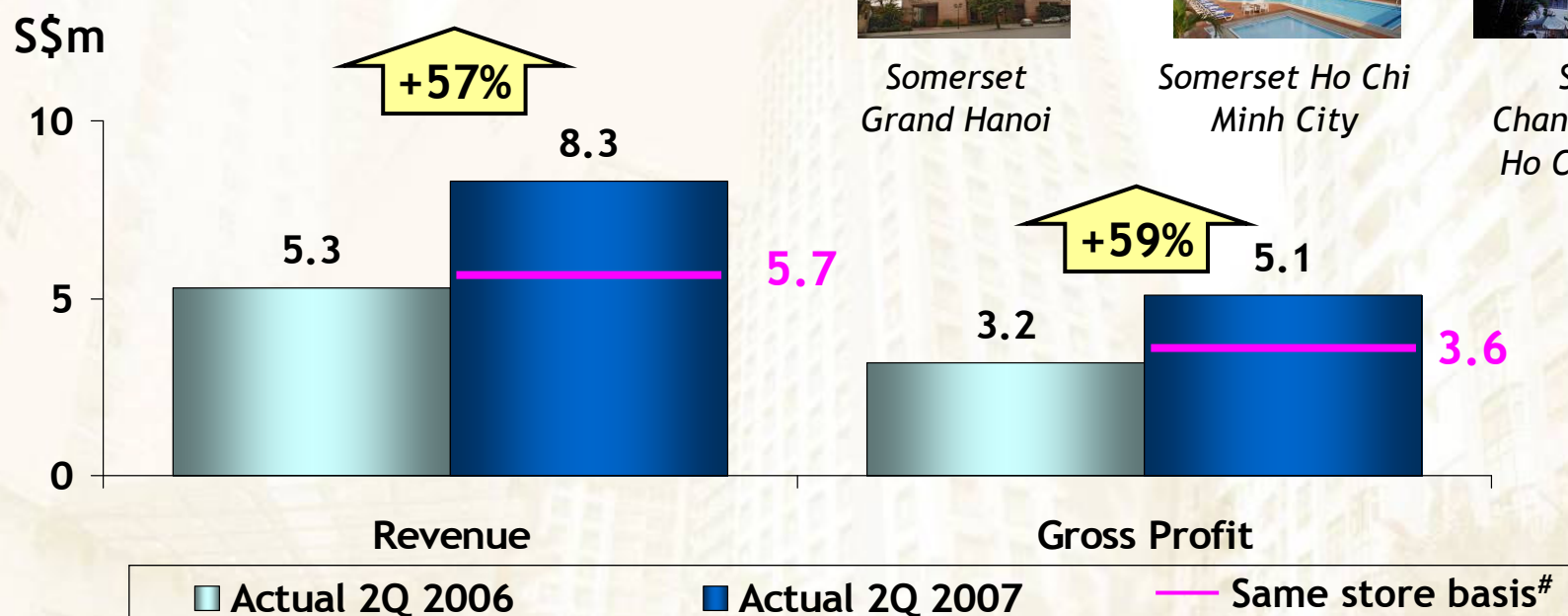
Somerset Salcedo
Property, Makati



Ascott Makati

Improved performance for all properties

Excludes the acquisition of Ascott Makati.



Strong ADR and improved margins

Excludes the acquisition of Somerset Chancellor Court, Ho Chi Minh City.

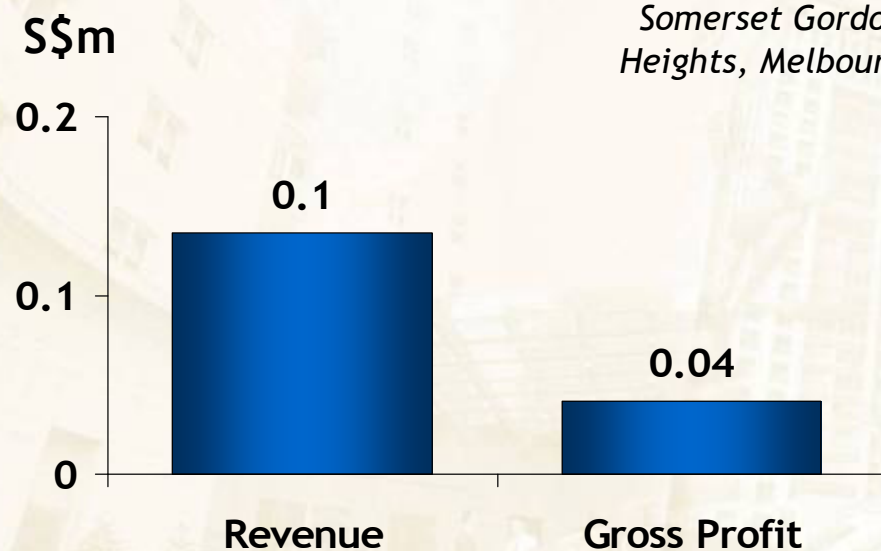
Australia and Japan Actual 2Q 2007

Operating
Performance

Australia



*Somerset Gordon
Heights, Melbourne*



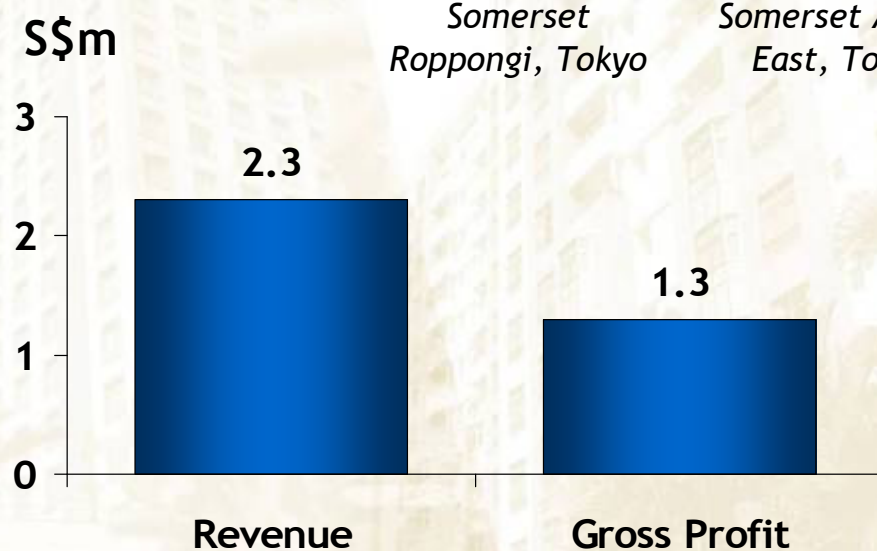
Japan



*Somerset
Roppongi, Tokyo*



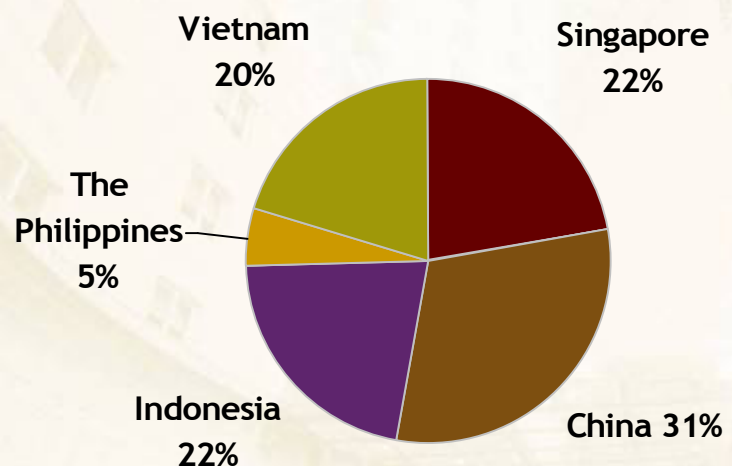
*Somerset Azabu
East, Tokyo*



Acquisitions completed in 2Q 2007

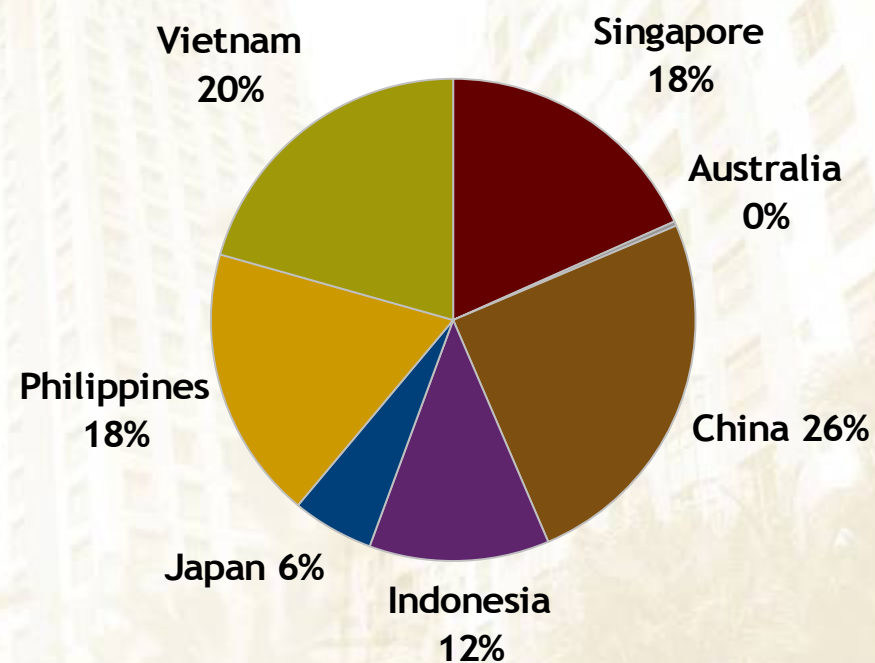
Well-diversified Portfolio

**Revenue
Actual 2Q 2006**



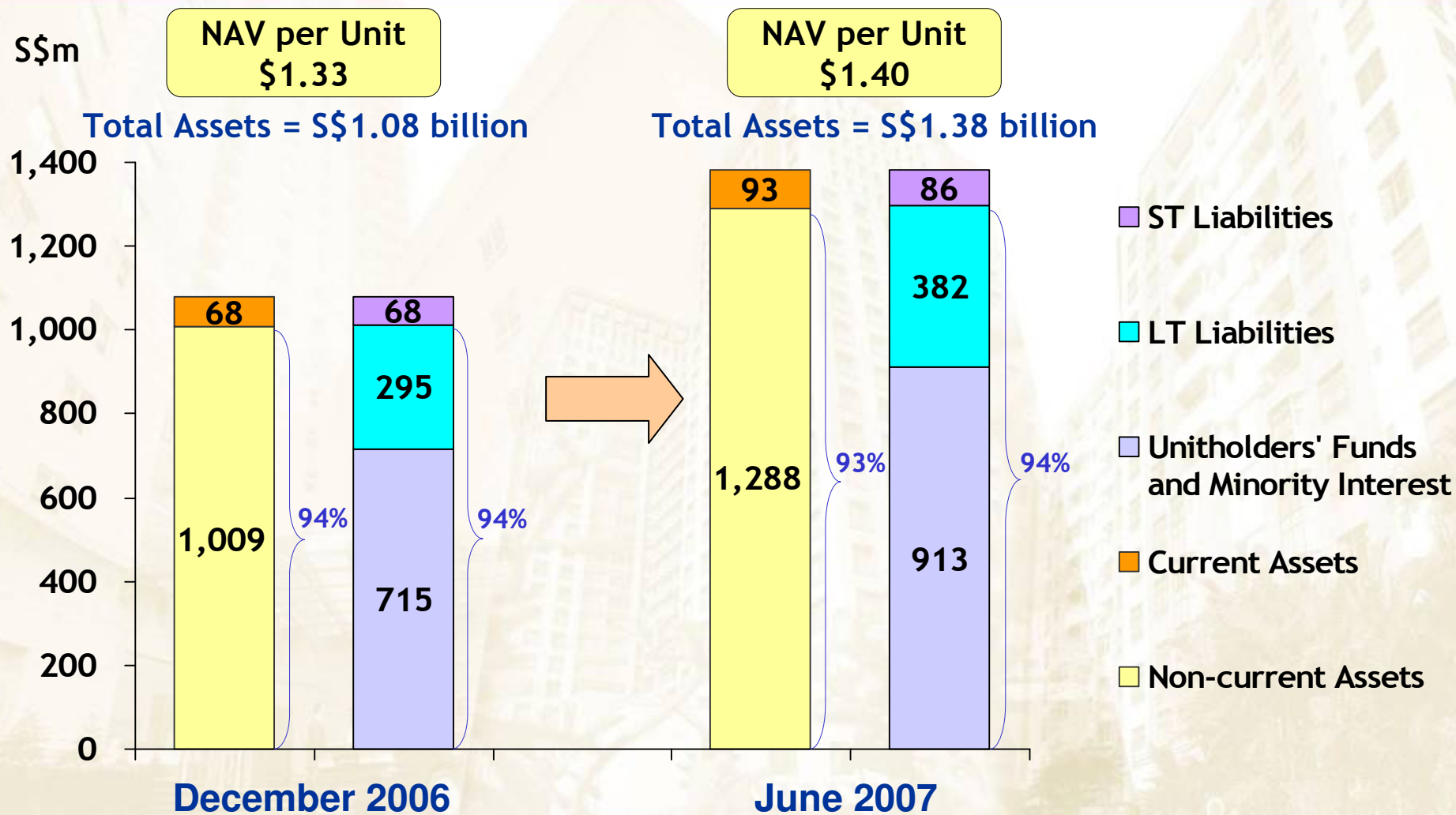
Total = S\$26.2 million

**Revenue
Actual 2Q 2007**



Total = S\$40.6 million

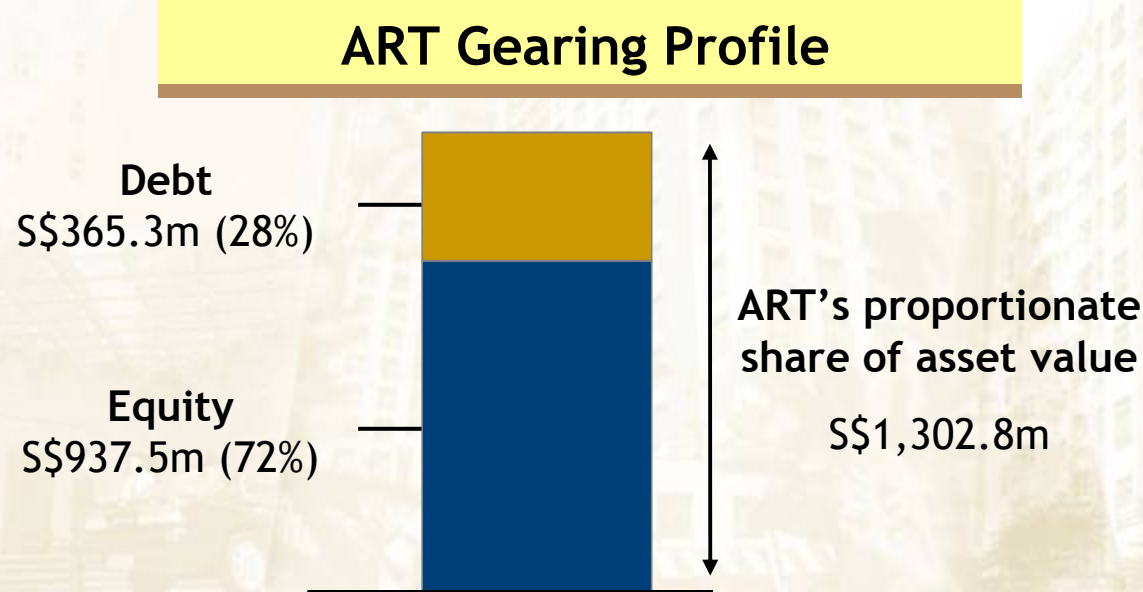
Balance Sheet



Investments Funded By Both Equity And Long Term Borrowings

Capital and Risk Management

- **Maintain strong balance sheet and optimise gearing**
 - Gearing of 28%
 - Borrowing capacity increased to 60% with Baa2 investment grade rating from Moody's
 - Able to borrow an additional S\$417 million¹

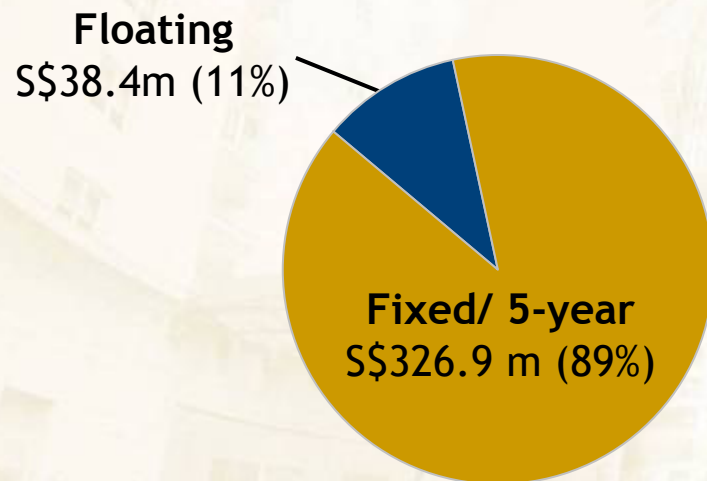


1. Based on ART's proportionate share of asset value of S\$1,302.8m.

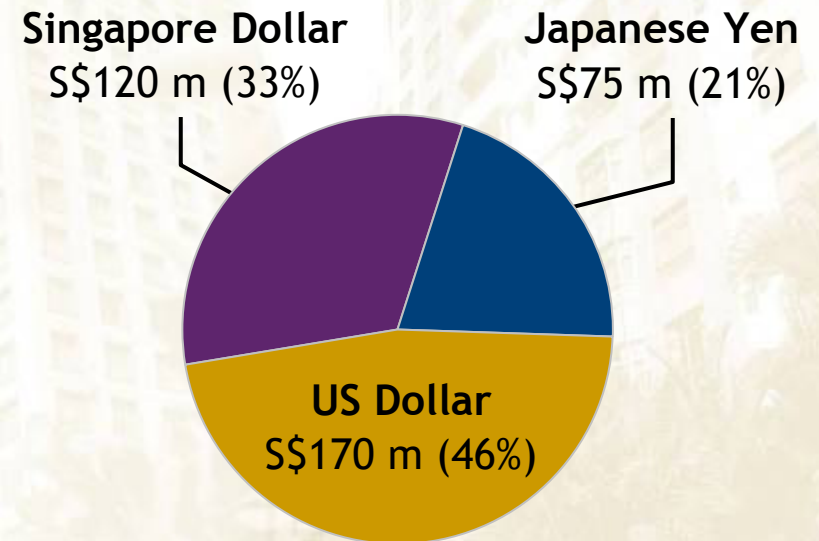
Loan Profile

- Adopt conservative interest rate management strategy
 - Effective borrowing rate of 4.2%

Bank Loans



ART's Share of Debt



ART's Share of Bank Loans = S\$365 million

Key Financial Ratios

| | 2Q 2007 | 2Q 2006 | Remarks |
|--|---------|---------|--|
| Unitholders' Distribution (S\$million) | 12.1 | 7.7 | ↑ by 58% |
| DPU (cents) | 2.01 | 1.70 | ↑ by 18% |
| Last Done Unit Price (S\$) | 2.02 | 1.07 | ↑ by 89% |
| Trading Yield | 3.6% | 5.7% | Based on forecast distribution per unit of 7.27 cents for 2007 ¹ and forecast distribution per unit of 6.11 cents for 2006 ² . |
| Gearing | 28.0% | 28.1% | Able to borrow an additional S\$417 million |
| Interest Cover Ratio (ICR) | 5.0x | 5.3x | ICR = EBITDA*/ Net interest expenses |

1. As disclosed in the Offer Information Statement dated 12 March 2007.
2. As disclosed in the Prospectus.

* Excludes foreign exchange differences and change in FV of financial instruments

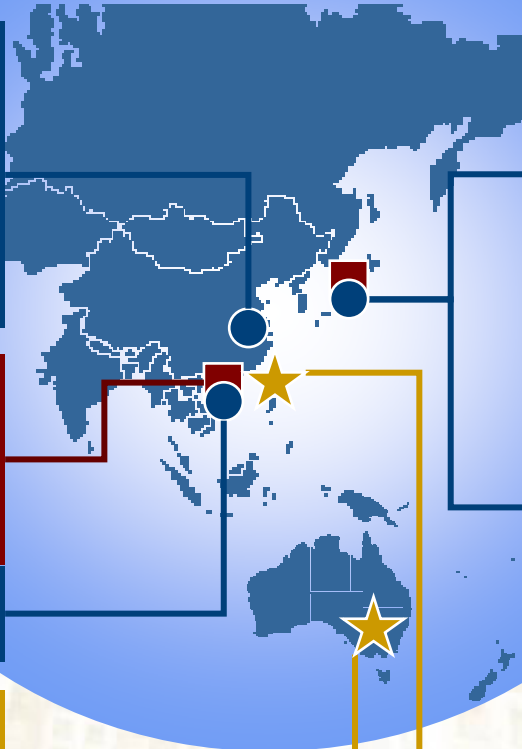


Portfolio Updates

Acquisitions Completed in 1H 2007



**Somerset Olympic Tower,
Tianjin (China)**
*Remaining 10% effective
interest completed on
1 February 2007*



**Somerset Roppongi, Tokyo
(Japan)**
*Remaining 60% effective
interest completed on
5 April 2007*



**Somerset Chancellor Court,
Ho Chi Minh City (Vietnam)**
*40.2% effective interest
completed on 30 March 2007*
*26.8% effective interest
completed on 24 Jan 2007*

**Somerset Azabu East,
Tokyo (Japan)**
*100% effective interest
completed on
5 April 2007*



**Somerset Gordon Heights,
Melbourne (Australia)**
*100% effective interest
completed on 28 May 2007*

**Ascott Makati (Manila,
The Philippines)**
*100% effective interest
completed on
22 March 2007*

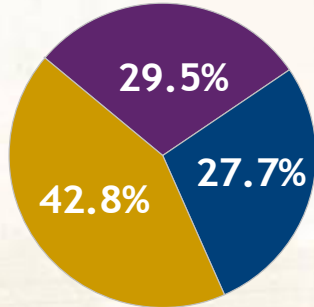


- Owned by third parties and managed by The Ascott Group prior to acquisition
- Owned and managed by The Ascott Group prior to acquisition
- ★ Owned and managed by third parties prior to acquisition

Acquisitions Mainly Funded Through Equity

Before March 2007 Equity Fund Raising

499.4 million
units in issue



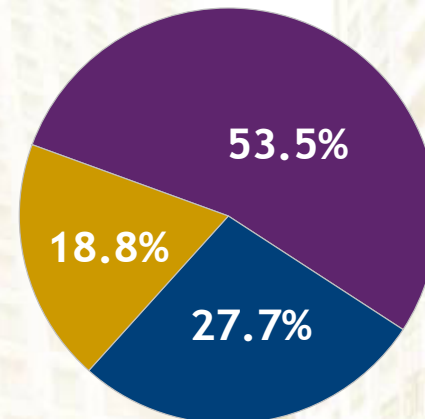
■ Free Float

■ Ascott

■ CapitaLand

After March 2007 Equity Fund Raising¹

604.7 million
units in issue

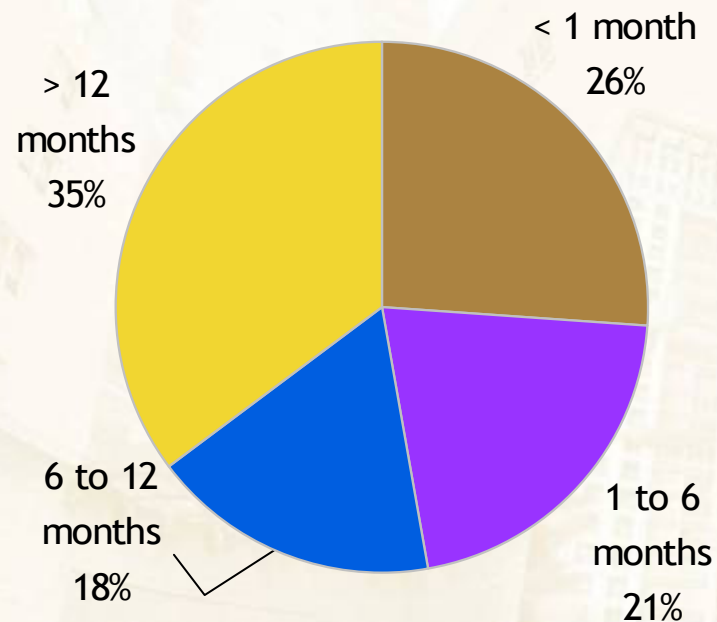


Free Float More Than Doubled Since Listing

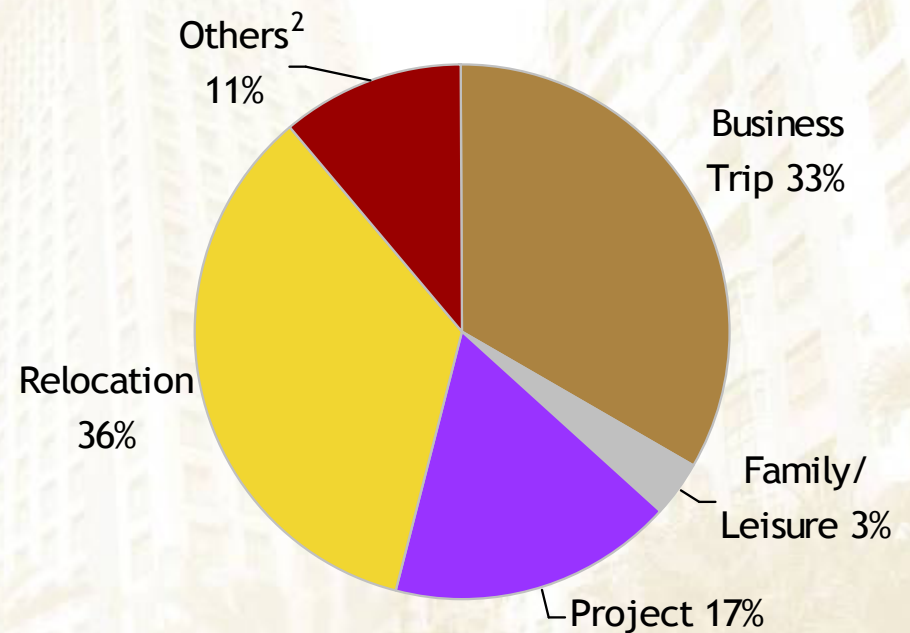
1. Includes CapitaLand's placement of 100 million ART units to a small group of high quality, long term institutional investors.

Diversified by Length of Stay and Market Segment

Apartment rental income by length of stay¹



Apartment rental income by market segment¹

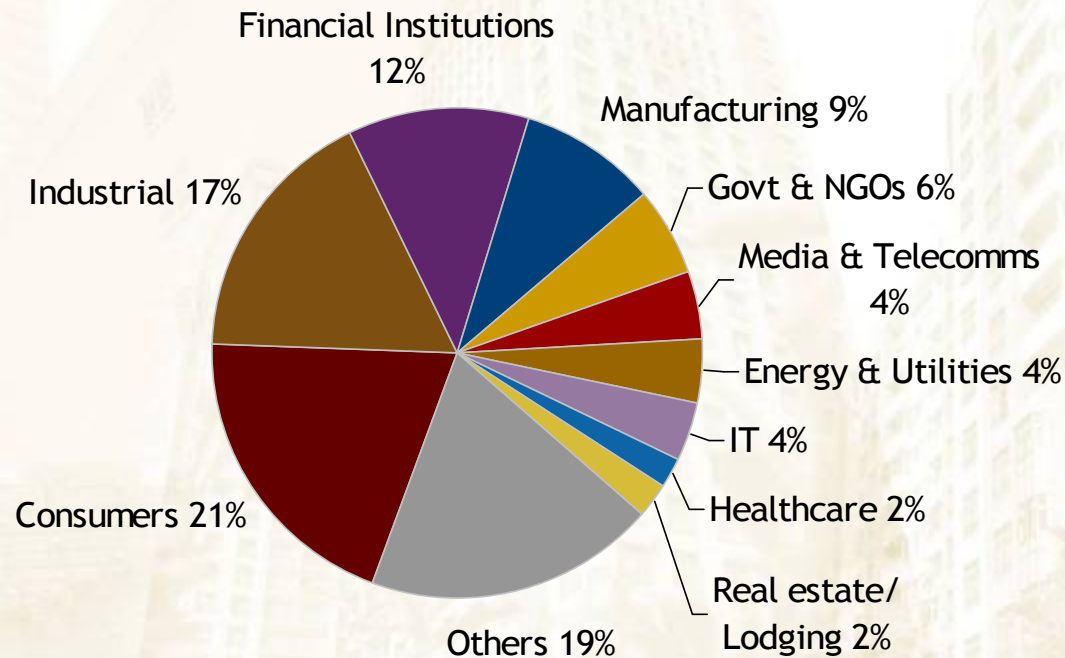


Stability in Earnings

1. For 1H 2007.
2. Includes training, medical, etc.

Diverse Tenant Mix and Quality Clientele

Apartment rental income by industry¹

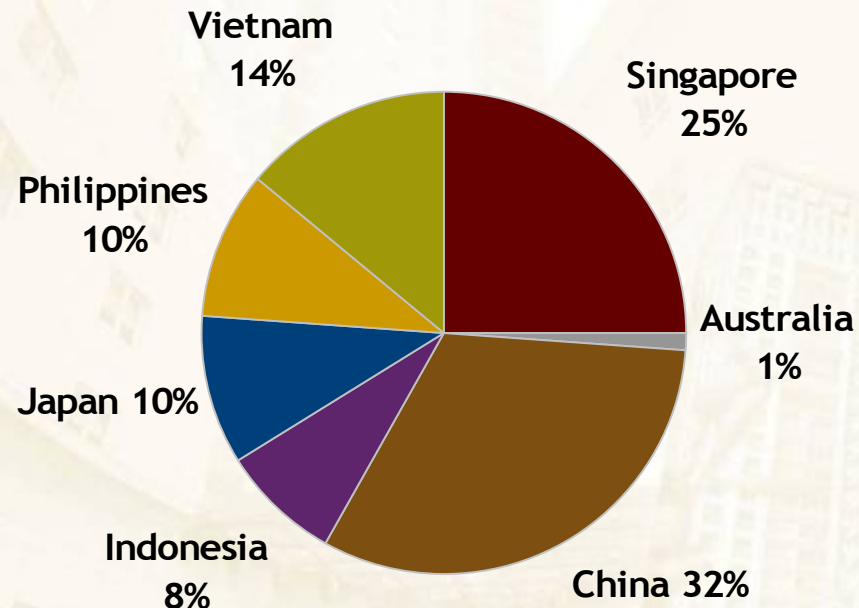


Earnings diversified by industry

1. For 1H 2007.

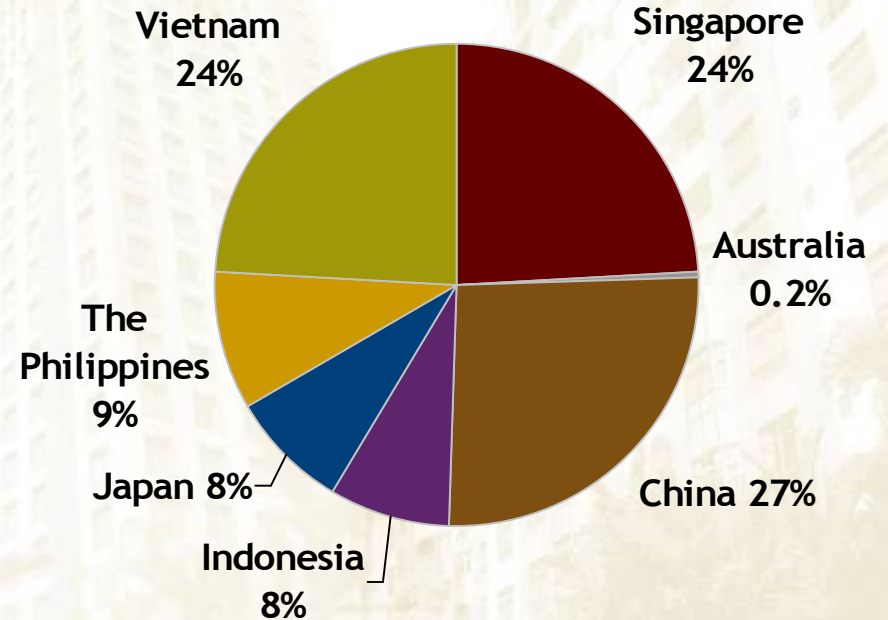
Portfolio Diversification

ART's Share of Property Values As at 30 June 2007



Total = S\$1.2 billion

ART's Share of Gross Profit 2Q 2007



Total = S\$16.9 million

Asset Enhancement For Better Yield

Completed

- **Reconfiguration at Ascott Beijing completed in June 2007**
 - 73 new one-bedroom units created from 35 larger apartment units
 - Total inventory increased by 38 units to 310 units
 - 45 units released for rental to date
 - RevPAU has improved 25% to date for the converted units
 - Remaining 28 units to be released by August 2007



Ascott Beijing, China

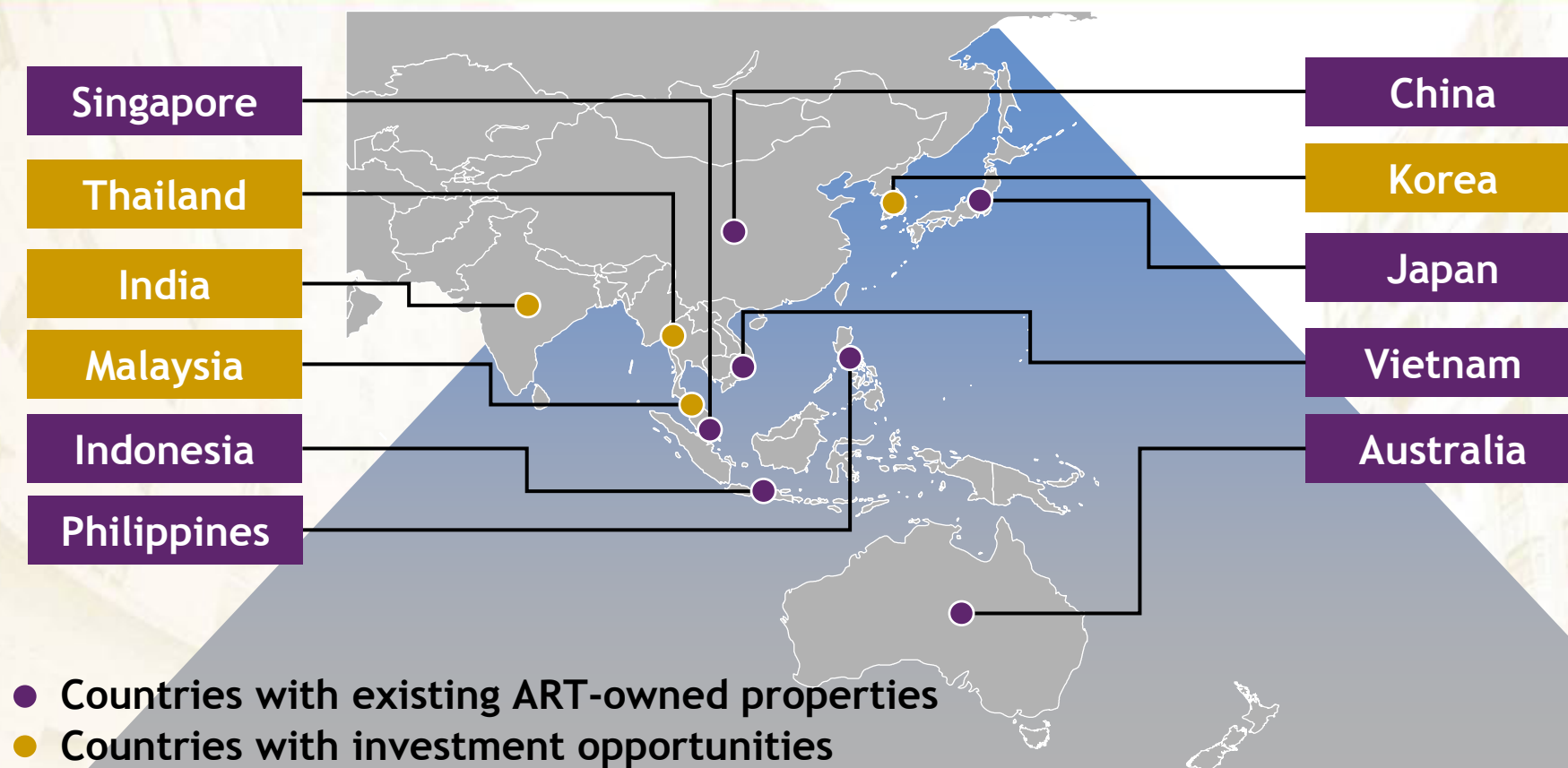
In Progress

- **Reconfiguration at Somerset Olympic Tower Property, Tianjin**
 - 10 penthouse duplex units being converted into 20 smaller two-bedroom units



Somerset Olympic Tower Property, Tianjin, China

Balance of Assets in Stable and Emerging Markets



Target S\$2 billion portfolio value by end-2008

Pan-Asian Assets Targeted for Injection by end-2008

Currently Owned* By The Ascott Group

Vietnam

- 1) Somerset Hoa Binh, Hanoi
- 2) Somerset West Lake, Hanoi

Thailand

- 1) Citadines Bangkok Sukhumvit 8
- 2) Citadines Bangkok Sukhumvit 16

Singapore

- 1) Ascott Singapore Raffles Place

China

- 1) Ascott Guangzhou
- 2) Somerset Zhong Guan Cun, Beijing
- 3) Citadines Hong Kong Ashley
- 4) Citadines Shanghai Biyun
- 5) Citadines Shenzhen Garden City
- 6) Citadines Suzhou Xinghai
- 7) Citadines Xi'an Central

Over S\$500 million of assets targeted#

* Properties either wholly owned, majority or minority stake.
Based on The Ascott Group's ownership stake in the properties.



Prospects

Prospects

- **Business and market sentiments in Asia remain positive**



Asia will continue to attract foreign direct investments from multinational companies



Increase in business travellers

- Drives REVPAU growth
- Maintains demand for quality serviced residences

For the full year 2007, the manager of ART is confident of delivering the forecast distribution per unit of 7.27 cents (on an annualised basis) as disclosed in the Offer Information Statement dated 12 March 2007.

World's Only Pan-Asian Serviced Residence REIT

Singapore

2 properties

- 1) Somerset Grand Cairnhill
- 2) Somerset Liang Court

Australia

1 property in 1 city

Melbourne

- 1) Somerset Gordon Heights

China

4 properties in 3 cities

Beijing

- 1) Ascott Beijing
- 2) Somerset Grand Fortune Garden

Shanghai

- 3) Somerset Xu Hui

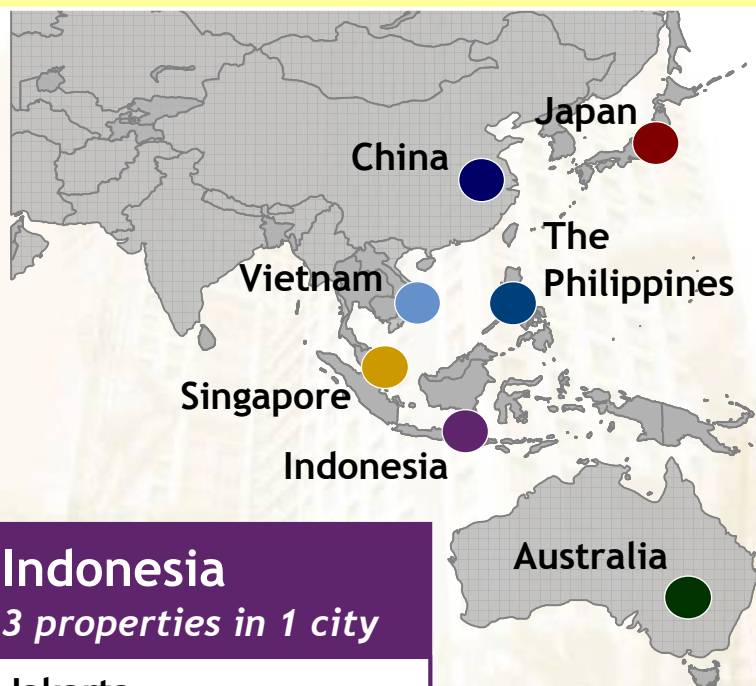
Tianjin

- 4) Somerset Olympic Tower

S\$1.2 billion portfolio value

2,942 apartment units[#] in 18 properties

10 Pan-Asian cities in 7 countries



Indonesia

3 properties in 1 city

Jakarta

- 1) Ascott Jakarta
- 2) Somerset Grand Citra
- 3) Country Woods

Japan

2 properties in 1 city

Tokyo

- 1) Somerset Azabu East
- 2) Somerset Roppongi

The Philippines

3 properties in 1 city

Manila

- 1) Ascott Makati
- 2) Somerset Millennium
- 3) Somerset Salcedo

Vietnam

3 properties in 2 cities

Hanoi

- 1) Somerset Grand Hanoi

Ho Chi Minh City

- 2) Somerset Chancellor Court
- 3) Somerset Ho Chi Minh City

[#] As at July 2007.



Q&A