ASCOTT RESIDENCE TRUST

ASCOTT RESIDENCE TRUST
UNAUDITED RESULTS FOR THE QUARTER ENDED 31 MARCH 2008

TABLE OF CONTENTS

ASCOTT RESIDENCE TRUST
2008 FIRST QUARTER UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT

INTRODUCTION

Ascott Residence Trust ("ART") was established under a trust deed dated 19 January 2006 entered into between Ascott Residence Trust Management Limited (as manager of ART) (the "Manager") and DBS Trustee Limited (as trustee of ART) (the "Trustee").

ART's objective is to invest primarily in real estate and real estate related assets which are income-producing and which are used, or predominantly used as serviced residences or rental housing properties in the Pan-Asian Region.

ART was directly held by The Ascott Group Limited up to and including 30 March 2006 (the "Private Trust"). On 31 March 2006 (the "Listing Date"), ART was listed on the Singapore Exchange Securities Trading Limited ("SGX-ST") with an initial portfolio of 12 properties ("Initial Properties") with 2,068 apartment units in 7 cities across five countries (Singapore, China, Indonesia, the Philippines and Vietnam).

Since listing, ART's portfolio has expanded to 36 properties with 3,466 apartment units in 10 cities across seven countries (Singapore, Australia, China, Indonesia, Japan, the Philippines and Vietnam).

As disclosed in the prospectus dated 6 March 2006 (the "Prospectus"), ART will distribute at least 90% of its taxable income (other than gains on the sale of real properties or shares by ART which are determined to be trading gains) and Net Overseas Income, with the actual level of distribution to be determined at the Manager's discretion. For FY 2008, similar to previous years, ART will continue to distribute 100% of its taxable income and Net Overseas Income. ART will make distributions to unitholders on a semi-annual basis, with the amount calculated as at 30 June and 31 December each year for the six-month period ending on each of the said dates. Distributions, when paid, will be in Singapore dollar.

1(a)(i) CONSOLIDATED STATEMENT OF TOTAL RETURN

	Note	GROUP 1Q 2008 S$'000	GROUP 1Q 2007 S$'000	Better/ (Worse) % +/-
Revenue	A.1	45,630	28,957	58
Direct expenses	A.2	(22,172)	(15,335)	-45
Gross Profit	A.1	23,458	13,622	72
Finance income		200	178	12
Other operating income		193	361	-47
Finance costs	A.3	(4,680)	(3,521)	-33
Manager's management fees		(1,893)	(1,216)	-56
Trustee's fee		(50)	(37)	-35
Professional fees		(281)	(99)	-184
Audit fees		(224)	(67)	-234
Foreign exchange gain - realised		2	239	-99
Other operating expenses		(142)	(79)	-80
Share of (loss) / profit of associates (net of tax)		(27)	101	-127
Net income before changes in fair value of financial derivative and unrealized foreign exchange loss		**16,556**	**9,482**	**75**
Net change in fair value of financial derivative	A.4	(4,294)	(4,207)	-2
Foreign exchange gain / (loss) - unrealised	A.5	1,828	(1,312)	239
Total return for the period before tax		**14,090**	**3,963**	**256**
Income tax expense	A.6	(2,691)	(1,879)	-43
Total return for the period after tax		**11,399**	**2,084**	**447**
Minority interests		(1,497)	(953)	-57
Total return for the period attributable to unitholders before distribution		**9,902**	**1,131**	**776**
Distribution to Unitholders from operations				
- Period from 1/7/06 to 31/12/06		-	(8,950)	
- Period from 1/7/07 to 31/12/07		(24,855)	-	
Total return for the period attributable to Unitholders after distribution		**(14,953)**	**(7,819)**	**-91**

RECONCILIATION OF TOTAL RETURN FOR THE PERIOD ATTRIBUTABLE TO UNITHOLDERS TO TOTAL UNITHOLDERS' DISTRIBUTION

	Note	GROUP 1Q 2008 S$'000	GROUP 1Q 2007 S$'000	Better/ (Worse) % +/-
Total return for the period attributable to unitholders before distribution		9,902	1,131	776
Net effect of non-tax deductible / chargeable items and other adjustments	A.7	4,266	6,911	-38
Total amount distributable to Unitholders for the period		**14,168**	**8,042**	**76**
Comprises :				
- from operations		3,239	2,361	
- from unitholders' contributions		10,929	5,681	
		14,168	**8,042**	**76**

1(a)(ii) Explanatory Notes to Consolidated Statement of Total Return

A.1 Revenue and Gross profit

Revenue in 1Q 2008 increased by S$16.6 million (58%) to S$45.6 million. Gross profit in 1Q 2008 increased by S$9.9 million (73%) to S$23.5 million. The strong operating performance was due to both organic growth across the portfolio, particularly in Singapore and Vietnam, and contribution from the newly-acquired properties subsequent to 1Q 2007. On a same store basis, ART's portfolio grew strongly with revenue increasing by S$3.9 million (13%) to S$32.9 million and gross profit increasing by S$2.8 million (21%) to S$16.4 million. The new acquisitions after 1Q 2007 had a sizeable contribution of S$12.7 million revenue and S$7.1 million gross profit in 1Q 2008.

Refer to Para 8(i)(a) for more detailed analysis.

A.2 Direct expenses include the following items:

	GROUP 1Q 2008 S$'000	GROUP 1Q 2007 S$'000	Better/ (Worse) % +/-
Depreciation and amortisation	(1,279)	(819)	-56
Staff costs	(3,988)	(3,052)	-31

A.3 Finance costs

The higher finance costs in 1Q 2008 was mainly due to additional bank loans taken up or assumed upon acquisition of new properties.

A.4 Net change in fair value of financial derivative

The 1Q 2008 loss of $4.3 million relates to unrealized changes in the fair value of a cross currency swap, entered into to effectively convert a subsidiary's US$ bank loan to S$ bank loan at the Group level. The corresponding translation effect to the Group arising from the underlying US$ bank loan was an unrealized foreign exchange gain of S$3.3 million taken to the Statement of Total Return (refer to Para A.5). Hence, the net impact on the Group's net asset value was a decrease of S$1.0 million.

A.5 Foreign exchange gain / (loss) - unrealized

The foreign exchange gain recognised in 1Q 2008 was mainly due to (1) unrealized revaluation gain on US$ bank loans in subsidiaries' books, as a result of the depreciation of US$ against RMB and (2) unrealized revaluation gain on US$ shareholder's loan in Philippines subsidiary's books, as a result of the depreciation of US$ against Peso, partly offset by the unrealized revaluation loss on foreign currency shareholder's loans, mainly denominated in US Dollars ("US$"), extended to the Group's subsidiaries, as a result of the depreciation of the US$ against S$.

A.6 Income tax expense

Taxation for 1Q 2008 was higher by S$0.8 million as compared to the corresponding period last year. This was mainly due to current tax provided on higher operating profit achieved and the unrealized revaluation gain on US$ bank loans recorded in China subsidiaries' books (refer to Para A.5), which is taxable in China.

A.7 Net effect of non-tax deductible / (chargeable) items and other adjustments include the following items:

	GROUP		
	1Q 2008 S$'000	**1Q 2007 S$'000**	Better/ (Worse) % +/-
Trustee's fees*	14	14	-
Depreciation (net of MI)	1,174	729	-61
Net change in fair value of financial derivative (Note A.4)	4,294	4,207	-2
Unrealised exchange (gain) / loss (Note A.5)	(1,828)	1,312	239
Manager's management fee payable partially in units	947	608	-56

* This relates to the Singapore properties only and is not tax deductible.

1(b)(i) BALANCE SHEET

	Note	GROUP 31/3/08 S$'000	GROUP 31/12/07 S$'000	REIT 31/3/08 S$'000	REIT 31/12//07 S$'000
Non-Current Assets					
Plant and equipment		20,914	21,271	3,343	3,427
Serviced residence properties	1(b)(ii)	1,552,178	1,559,202	399,973	399,973
Interest in subsidiaries		-	-	106,121	106,121
Interest in associate		3,415	3,591	3,909	4,057
Deferred tax assets		2,449	2,436	-	-
		1,578,956	**1,586,500**	**513,346**	**513,578**
Current Assets					
Inventories		429	438	-	-
Trade receivables		10,437	10,545	1,471	1,411
Other receivables and deposits		26,564	27,097	597,424	610,154
Cash and bank balances	1(b)(iii)	58,763	64,515	5,141	12,636
		96,193	**102,595**	**604,036**	**624,201**
Total Assets		**1,675,149**	**1,689,095**	**1,117,382**	**1,137,779**
Non-Current Liabilities					
Interest bearing liabilities	1(b)(iv)	(361,532)	(365,461)	(123,817)	(121,446)
Financial derivatives	1(b)(v)	(18,668)	(13,966)	(17,290)	(12,996)
Deferred tax liabilities		(13,988)	(13,932)	-	-
Minority interests		(64,761)	(65,672)	-	-
Net assets attributable to unitholders	1(d)(i)	(955,337)	(972,941)	(880,573)	(916,040)
		(1,414,286)	**(1,431,972)**	**(1,021,680)**	**(1,050,482)**
Current Liabilities					
Trade payables		(4,640)	(3,606)	(64)	(75)
Other payables	1(b)(vi)	(75,411)	(74,659)	(30,675)	(28,365)
Interest bearing liabilities	1(b)(iv)	(176,705)	(176,256)	(64,452)	(58,380)
Provision for taxation		(4,107)	(2,602)	(511)	(477)
		(260,863)	**(257,123)**	**(95,702)**	**(87,297)**
Total Liabilities		**(1,675,149)**	**(1,689,095)**	**(1,117,382)**	**(1,137,779)**

1(b)(ii) Serviced residence properties

The decrease in the Group's serviced residence properties as at 31 March 2008 was mainly due to the foreign currency differences arising from translating the Group's overseas serviced residence properties, held by subsidiaries with non-Singapore dollar functional currencies, to Singapore dollar at lower exchange rates as a result of the weakening of these foreign currencies, particularly US Dollar, against Singapore dollar.

1(b)(iii) Cash and bank balances

The decrease in the Group's cash and bank balances as at 31 March 2008 was mainly due to distribution to unitholders on 28 February 2008 for the period 1 July 2007 to 31 December 2007.

1(b)(iv) Interest bearing liabilities

		GROUP		REIT	
		31/3/08	31/12/07	31/3/08	31/12/07
		S$'000	S$'000	S$'000	S$'000
Amount repayable in one year or less or on demand					
- Secured		3,184	8,319	-	-
- Unsecured		174,707	169,056	64,452	58,380
Less: Fees and expenses incurred for debt raising exercises amortised over the tenure of secured and unsecured loans		(1,186)	(1,119)	-	-
		176,705	176,256	64,452	58,380
Amount repayable after one year					
- Secured		362,670	366,693	124,202	121,864
Less: Fees and expenses incurred for debt raising exercises amortised over the tenure of secured loans		(1,138)	(1,232)	(385)	(418)
		361,532	365,461	123,817	121,446
Total	(1)	**538,237**	**541,717**	**188,269**	**179,826**

(1) The decrease in the Group's borrowings as at 31 March 2008 was mainly due to the repayment of bank loans of approximately S$6.7 million, partly offset by additional bank loan of approximately S$3.6 million drawn down for the 10% deposit paid for the acquisition of Somerset St Georges Terrace, Perth.

As at 31 March 2008, ART's gearing was 33%, well within the 60% limit allowed under the Monetary Authority of Singapore's Property Fund Guidelines.

Details of collateral

The borrowings of the Group are generally secured by:

- Mortgage on subsidiaries' serviced residence properties and the assignment of the rights, titles and interests with respect to the properties
- Assignment of rental proceeds of the properties and insurance policies relating to the properties
- Pledge of shares of some subsidiaries
- Corporate guarantee from the Reit

1(b)(v) Financial derivative

The S$18.7 million relates to the fair value of a cross currency swap, entered into to effectively convert a subsidiary's US$ bank loan to S$ bank loan at the Group level, and the fair value of interest rate swaps, entered into by two subsidiaries to hedge floating rate loans.

1(b)(vi) Other payables

The increase in the Group's other payables was mainly due to advance rental received for reservations made at the Beijing properties for the Beijing Olympics to be held in August 2008, partly offset by the foreign currency differences arising from translating the Group's other payables denominated in foreign currencies to Singapore dollar at lower exchange rates as a result of the weakening of these foreign currencies, particularly US Dollar, against Singapore dollar.

1(c) **CONSOLIDATED CASH FLOW STATEMENT**

	Note	GROUP 1Q 2008 S$'000	GROUP 1Q 2007 S$'000
Operating Activities			
Total return for the period before tax		14,090	3,963
Adjustments for:			
Depreciation and amortization	A.2	1,279	819
Loss on disposal of plant and equipment		8	1
Finance costs		4,680	3,521
Finance income		(200)	(178)
Manager's management fees payable / paid partially in units		947	608
Foreign exchange (gain) / loss – unrealized		(1,828)	1,312
Net change in fair value of financial derivative		4,294	4,207
Share of loss / (profit) of associate		27	(101)
Operating profit before working capital changes		**23,297**	**12,936**
Changes in working capital	1	4,252	(11,714)
Cash generated from operations		**27,549**	**1,222**
Income tax paid		(1,679)	(1,339)
Cash flows from operating activities		**25,870**	**(117)**
Investing Activities			
Acquisition of plant and equipment		(1,027)	(496)
Acquisition of subsidiaries, net of cash acquired		-	(107,859)
Acquisition of associate		-	(43)
Capital expenditure on serviced residence properties		(3,194)	(2,398)
Interest received		200	3,163
Proceeds from sale of plant and equipment		-	13
Cash flows from investing activities		**(4,021)**	**(107,620)**
Financing Activities			
Distribution to unitholders		(24,855)	(14,798)
Dividend paid to minority shareholders		-	(609)
Interest paid		(6,115)	(7,437)
Proceeds from bank borrowings		10,225	2,330
Proceeds from issue of new units		-	199,004
Repayment of bank borrowings		(6,659)	(4,304)
Cash flows from financing activities		**(27,404)**	**174,186**
(Decrease) / Increase in cash & cash equivalents		**(5,555)**	**66,449**
Cash and cash equivalents at beginning of the period		**64,515**	**36,267**
Effect of exchange rate changes on balances held in foreign currencies		(197)	(448)
Cash and cash equivalents at end of the period		**58,763**	**102,268**

Footnotes

(1) *For 1Q 2007, the negative changes in working capital were mainly due to repayment of amounts owing to related parties, payment of acquisition costs and partial payment of manager's management fees.*

1(d)(i) NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

	Note	GROUP 1Q 2008 S$'000	GROUP 1Q 2007 S$'000	REIT 1Q 2008 S$'000	REIT 1Q 2007 S$'000
Unitholders' Contribution					
Balance as at beginning of period		810,070	633,597	810,070	633,597
Issue of new units		767	200,342	767	200,342
Issue expenses		-	(3,723)	-	(3,723)
Distribution to Unitholders		-	(5,848)	-	(5,848)
Balance as at end of period		**810,837**	**824,368**	**810,837**	**824,368**
Operations [(1)]					
Balance as at beginning of period		173,280	26,151	105,970	9,077
Change in net assets attributable to unitholders resulting from operations after distribution		(14,953)	(7,819)	(36,234)	(17,939)
Transfer to capital reserve		(64)	-	-	-
Balance as at end of period		**158,263**	**18,332**	**69,736**	**(8,862)**
Foreign Currency Translation Reserve					
Balance as at beginning of period		(9,919)	2,064	-	-
Translation differences relating to financial statements of foreign subsidiaries		(2,997)	(9,736)	-	-
Balance as at end of period		**(12,916)**	**(7,672)**	**-**	**-**
Capital Reserve					
Balance as at beginning of period		480	-	-	-
Translation adjustment		(13)			
Transfer from Operations		64	-	-	-
Balance as at end of period		**531**	**-**	**-**	**-**
Hedging Reserve					
Balance as at beginning of period		(970)	-	-	-
Change in fair value of financial derivatives		(408)	-	-	-
Balance as at end of period		**(1,378)**	**-**	**-**	**-**
Net Assets Attributable to Unitholders	1(b)(i)	**955,337**	**835,028**	**880,573**	**815,506**

1(d)(ii) **Details of any change in the units**

	REIT	
	1Q 2008 '000	1Q 2007 '000
Balance as at beginning of period	606,227	498,639
Issue of new units :		
- partial payment of manager's management fees	569	651
- payment of manager's acquisition fee	-	111
- equity fund raising on 26 March 2007	-	105,334
Balance as at end of period	**606,796**	**604,735**

2. **Whether the figures have been audited, or reviewed and in accordance with the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements)**

The figures have not been audited or reviewed by our auditors.

3. **Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)**

Not applicable.

4. **Whether the same accounting policies and methods of computation as in the most recently audited annual financial statements have been applied**

The accounting policies and methods of computation applied in the financial statements for the current reporting period are consistent with those disclosed in the audited financial statements for the year ended 31 December 2007.

5. **If there are any changes in the accounting policies and methods of computation required by an accounting standard, what has changed, as well as the reasons for the change**

Nil

6. **Earnings per unit ("EPU") and distribution per unit ("DPU") for the financial period**

In computing the EPU, the weighted average number of units for the period is used for the computation.

In computing the DPU, the number of units as at the end of each period is used for the computation.

Earnings per unit (EPU)(cents)	**1Q 2008**	**1Q 2007**
Number of units on issue at end of period	606,795,983	604,735,218
Weighted average number of units for the period	606,508,234	506,074,109
EPU (cents) – Basic and Diluted (based on the weighted average number of units for the period)	1.63	0.22

The diluted EPU is the same as the basic EPU as there were no dilutive instruments in issue during the period.

Distribution per unit (DPU)(cents)	1Q 2008	1Q 2007
Number of units on issue at end of period	606,795,983	604,735,218
DPU (cents) – Basic and diluted	2.33	1.59

The diluted DPU is the same as the basic DPU as there were no dilutive instruments in issue during the period.

7. Net asset value ("NAV") backing per unit based on issued units at the end of the period

	Group		REIT	
	31/3/08	31/12/07	31/3/08	31/12/07
NAV per unit ($)	1.57	1.60	1.45	1.51

8(i) GROUP PERFORMANCE REVIEW

8(i)(a) Revenue and Gross Profit Analysis – 1Q 2008 vs. 1Q 2007

	Ref	Revenue				Ref	Gross Profit					REVPAU Analysis		
		1Q 2008	1Q 2007	Better/ (Worse)			1Q 2008	1Q 2007	Better/ (Worse)			1Q 2008	1Q 2007	Better/ (Worse) +/-
		S$'M		S$M	%		S$'M		S$'M	%		S$/day	S$/day	%
Singapore		9.2	7.3	1.9	*26*		5.7	3.9	1.8	*46*		251	195	29
China		10.0	9.2	0.8	*9*		4.0	3.7	0.3	*8*		139	137	1
Indonesia		5.1	4.7	0.4	*9*		1.6	1.5	0.1	*7*		74	70	6
Philippines		7.7	2.3	5.4	*235*		3.2	0.8	2.4	*300*		147	91	62
Vietnam		8.7	5.5	3.2	*58*		5.8	3.7	2.1	*57*		144	133	8
Australia		0.7	-	0.7	*n.m.*		0.3	-	0.3	*n.m.*		164	-	n.m.
Japan		4.2	-	4.2	*n.m.*		2.9	-	2.9	*n.m.*				
- serviced residence		*1.9*	-	*1.9*	*n.m.*		*0.9*	-	*0.9*	*n.m.*		*135*	-	*n.m.*
- rental housing		*2.3*	-	*2.3*	*n.m.*		*2.0*	-	*2.0*	*n.m.*		*n.a.*	*n.a.*	*n.a.*
Group	**A.1**	**45.6**	**29.0**	**16.6**	***58***	**A.1**	**23.5**	**13.6**	**9.9**	***73***		**141**	**123**	**15**

Revenue in 1Q 2008 increased by S$16.6 million (58%) to S$45.6 million. Gross profit in 1Q 2008 increased by S$9.9 million (73%) to S$23.5 million. The strong operating performance was due to both organic growth across the portfolio, particularly in Singapore and Vietnam, and contribution from the newly-acquired properties subsequent to 1Q 2007. On a same store basis, ART's portfolio grew strongly with revenue increasing by S$3.9 million (13%) to S$32.9 million and gross profit increasing by S$2.8 million (21%) to S$16.4 million. The new acquisitions after 1Q 2007 had a sizeable contribution of S$12.7 million revenue and S$7.1 million gross profit in 1Q 2008.

We achieved an overall REVPAU of S$141 in 1Q 2008, an increase of 15% as compared to 1Q 2007. With overall portfolio occupancy remaining high at 81%, the growth in REVPAU was mainly driven by an increase in average daily rates in most markets. Serviced residence operations in Singapore and Philippines achieved double-digit REVPAU growth in 1Q 2008 as compared to the corresponding period.

In Singapore, the Group's serviced residences continued to show strong performance. Revenue increased by S$1.9 million or 26% as compared to 1Q 2007. Overall REVPAU increased by 29% from S$195 in 1Q 2007 to S$251 in 1Q 2008. With the continuation of strong demand for accommodation as a result of increased business activities in Singapore, the Group increased its average daily rates while maintaining occupancy above 90%. As a result, the gross profit of Singapore operations in 1Q 2008 exceeded that of 1Q 2007 by 46%.

For the Group's serviced residences in China, revenue increased by 9% in 1Q 2008 as compared to 1Q 2007. This was mainly due to the completion of the reconfiguration programme in Ascott Beijing and Somerset Olympic Tower with an increase in the number of apartment units and an increase in REVPAU from S$137 for 1Q 2007 to S$139 in 1Q 2008. In line with the increased revenue, gross profit in 1Q 2008 was higher than 1Q 2007 by S$0.3 million or 8%.

In Indonesia, revenue and gross profit in 1Q 2008 increased by S$0.4 million and S$0.1 million respectively as compared to 1Q 2007. This was mainly due to an increase in REVPAU in 1Q 2008 from S$70 in 1Q 2007 to S$74 in 1Q 2008.

In Philippines, the Group's serviced residences continued to deliver strong results. Revenue, gross profit and REVPAU in 1Q 2008 increased by 235%, 300% and 62% respectively as compared to 1Q 2007. The strong growth was due to the inclusion of Ascott Makati in the portfolio and healthy increase in average daily rates.

In Vietnam, the Group's serviced residences have put in a strong performance. Revenue increased by S$3.2 million or 58% as compared to 1Q 2007. This increase was due to the inclusion of Somerset Chancellor Court in the portfolio and higher average daily rates achieved while maintaining occupancy above 90%. The rate increases were driven by strong demand for quality serviced residences as a result of limited supply and strong macroeconomic factors in Vietnam. In line with the increased revenue, gross profit was higher than 1Q 2007 by S$2.1 million or 57%. On a same store basis, revenue and gross profit increased by 7% and 8% respectively as compared to 1Q 2007.

For Australia, revenue and gross profit in 1Q 2008 is derived from Somerset Gordon Heights, Melbourne, which was acquired on 28 May 2007.

For Japan, revenue and gross profit in 1Q 2008 is derived from Somerset Roppongi, Tokyo and Somerset Azabu East, Tokyo which were acquired on 5 April 2007 and 18 rental housing properties which were acquired on 18 December 2007. REVPAU achieved for the serviced residences in 1Q 2008 was S$135.

8(i)(b) Total Return

Total Return	1Q 2008 S$'000	1Q 2007 S$'000	Better/ (Worse) +/- %
Operating net profit	12,366	6,411	93
Net change in fair value of financial derivative	(4,294)	(4,207)	-2
Foreign exchange gain / (loss) (net of tax)	1,830	(1,073)	271
Total return attributable to unitholders	**9,902**	**1,131**	**776**

The Group achieved a 93% increase in operating net profit from S$6.4 million in 1Q 2007 to S$12.4 million in 1Q 2008 due to higher gross profit achieved as explained in Para 8(i)(a) above. Including foreign exchange differences and net change in fair value of financial derivative and serviced residence properties, the total return to unitholders in 1Q 2008 was S$9.9 million, a 776% increase over S$1.1 million recorded in 1Q 2007.

9. PROSPECTS

According to EIU estimates, the economies of major markets in Asia including Singapore, China, Japan and Vietnam are forecast to grow at a slower pace in 2008. Inflation estimates for these markets have also increased. These two factors will in turn have some impact on the Asian hospitality industry.

The Group's geographical diversity and extended stay business model allow it to continue to enjoy a high degree of income stability.

The Group will continue to actively manage its portfolio to optimise its potential for organic growth and continue to source for yield-accretive acquisitions.

The Group's operating performance in 2008 is expected to continue to grow, benefiting from the full year contribution of the properties acquired in 2007.

10. DISTRIBUTIONS

10(a) **Current financial period**
Any distributions declared for the current financial period? No

10(b) **Corresponding period of the preceding financial period**
Any distributions declared for the corresponding period of the immediate preceding financial period? Yes

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 ART's distributable income for the period from 1 January 2007 to 25 March 2007 (prior to the date on which the new units were issued under the equity fund raising).

Distribution Type	Distribution Rate (cents)
Taxable Income	0.63
Tax Exempt Income	0.30
Capital	0.47
Other Gains	0.10
Total	**1.50**

Tax rate : **Taxable Income Distribution**

Qualifying investors and individuals (other than those who hold their units through a partnership) will generally receive pre-tax distributions. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession.

Qualifying foreign non-individual investors will receive their distributions after deduction of tax at the rate of 10%.

All other investors will receive their distributions after deduction of tax at the rate of 18%.

Tax-Exempt Income Distribution

Tax-exempt income distribution is exempt from tax in the hands of all unitholders

Capital Distribution

Capital distribution represents a return of capital to unitholders for tax purposes and is therefore not subject to income tax. For unitholders who are liable to tax on profits from sale of ART Units, the amount of capital distribution will be applied to reduce the cost base of their ART Units for tax purposes.

Other Gains Distribution

Other gains distribution is not a taxable distribution to the Unitholders. However, such distribution is taxable if it is considered gains or profits of a trade or business carried on in Singapore by the Unitholders.

10(c) Book closure date : Not applicable

10(d) Date payable : Not applicable

11. **Confirmation pursuant to Rule 705(4) of the Listing Manual**

To the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited interim financial results of the Group and REIT (comprising the balance sheets as 31 March 2008 and the results of the business, consolidated statement of total return, consolidated cash flow statement and changes in net assets attributable to unitholders for the three months ended 31 March 2008, together with their accompanying notes), to be false or misleading in any material respect.

On behalf of the Board
Ascott Residence Trust Management Limited

Lim Jit Poh Director	Jennie Chua Director

This release 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 other companies, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.

BY ORDER OF THE BOARD
Ascott Residence Trust Management Limited
(Company registration no. 200516209Z)
As Manager of Ascott Residence Trust

Lam Chee Kin / Kang Siew Fong
Joint Company Secretaries

Singapore
23 April 2008