ASCOTT RESIDENCE TRUST

ASCOTT RESIDENCE TRUST
UNAUDITED RESULTS FOR THE QUARTER ENDED 30 JUNE 2011

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ASCOTT RESIDENCE TRUST
2011 SECOND QUARTER UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT

Summary of Group Results

	2Q 2011 S$'000	2Q 2010 S$'000	Better/ (Worse) %	YTD Jun 2011 S$'000	YTD Jun 2010 S$'000	Better/ (Worse) %
Revenue	73,123	44,441	65	140,437	87,905	60
Gross Profit	41,150	20,754	98	77,517	40,900	89
Unitholders' Distribution	26,272	11,550	127	50,255	21,824	130
Distribution Per Unit (cents)	2.33	1.87	25*	4.47	3.53	27

* Distribution per Unit was higher by 25% mainly due to the yield accretive acquisition of the 28 properties on 1 October 2010, and better performance from the Singapore properties.

DISTRIBUTION AND BOOK CLOSURE DATE

Distribution	For 1 January 2011 to 30 June 2011
Distribution Rate	4.466 cent per Unit
Book Closure Date	1 August 2011
Payment Date	26 August 2011

INTRODUCTION

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

Ascott Reit'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. It has a portfolio of serviced residences and rental housing properties across Asia Pacific and Europe. Ascott Reit's investment policy covers any country in the world.

Ascott Reit was directly held by The Ascott Limited (formerly known as The Ascott Group Limited) up to and including 30 March 2006 (the "Private Trust"). On 31 March 2006 (the "Listing Date"), Ascott Reit 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).

On 1 October 2010, Ascott Reit completed the acquisition of 28 properties in Singapore, Vietnam and Europe from The Ascott Limited (Ascott) and the divestment of Ascott Beijing to Ascott. On 29 October 2010, Ascott Reit completed the divestment of Country Woods Jakarta, Indonesia.

At 30 June 2011, Ascott Reit's portfolio comprises 64 properties with 6,431 apartment units in 12 countries and 23 cities across Asia Pacific and Europe.

Ascott Reit makes 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 are paid in Singapore dollar.

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

	Note	GROUP 2Q 2011 S$'000	GROUP 2Q 2010 S$'000	Better / (Worse) %	GROUP YTD Jun 2011 S$'000	GROUP YTD Jun 2010 S$'000	Better / (Worse) %
Revenue	A.1	73,123	44,441	65	140,437	87,905	60
Direct expenses	A.2	(31,973)	(23,687)	(35)	(62,920)	(47,005)	(34)
Gross Profit	A.1	41,150	20,754	98	77,517	40,900	89
Finance income		210	294	(29)	576	632	(9)
Other operating income		148	53	179	213	106	101
Finance costs	A.3	(9,845)	(5,685)	(73)	(19,183)	(11,442)	(68)
Manager's management fees	A.3	(3,483)	(1,891)	(84)	(6,682)	(3,666)	(82)
Trustee's fee		(73)	(48)	(52)	(145)	(97)	(49)
Professional fees	A.3	(272)	(208)	(31)	(680)	(384)	(77)
Audit fees	A.3	(389)	(204)	(91)	(735)	(409)	(80)
Foreign exchange loss	A.4	(1,356)	(1,674)	19	(4,226)	(372)	n.m.
Other operating expenses		(137)	(76)	(80)	(284)	(241)	(18)
Share of profit/(loss) of associate (net of tax)		9	(22)	141	(15)	(31)	52
Net income before changes in fair value of financial derivatives and serviced residence properties		**25,962**	**11,293**	**130**	**46,356**	**24,996**	**85**
Net change in fair value of financial derivatives	A.5	-	(473)	n.a.	(5)	(898)	99
Net change in fair value of serviced residence properties	A.6	82,756	35,486	133	82,756	35,486	133
Total return for the period before tax		**108,718**	**46,306**	**135**	**129,107**	**59,584**	**117**
Income tax expense	A.7	(10,959)	(4,271)	(157)	(14,868)	(7,088)	(110)
Total return for the period after tax		**97,759**	**42,035**	**133**	**114,239**	**52,496**	**118**
Attributable to:							
Unitholders		96,406	39,056		111,715	48,246	
Non-controlling interests		1,353	2,979		2,524	4,250	
Total return for the period		**97,759**	**42,035**	**133**	**114,239**	**52,496**	**118**

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

	Note	GROUP 2Q 2011 S$'000	GROUP 2Q 2010 S$'000	Better / (Worse) %	GROUP YTD Jun 2011 S$'000	GROUP YTD Jun 2010 S$'000	Better / (Worse) %
Total return for the period attributable to unitholders		96,406	39,056		111,715	48,246	
Net effect of non-tax deductible/chargeable items and other adjustments	A.8	(70,134)	(27,506)		(61,460)	(26,422)	
Total amount distributable to Unitholders for the period		**26,272**	**11,550**	**127**	**50,255**	**21,824**	**130**
Comprises :							
- from operations		7,825	11,489		11,575	12,048	
- from unitholders' contributions		18,447	61		38,680	9,776	
		26,272	**11,550**	**127**	**50,255**	**21,824**	**130**

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

A.1 Revenue and Gross profit

Revenue for 2Q 2011 of S$73.1 million comprised S$10.9 million (15% of total revenue) from properties on Master Leases, S$18.5 million (25%) from properties on management contracts with minimum guaranteed income and S$43.7 million (60%) from properties on management contracts. Revenue for 2Q 2011 increased by S$28.7 million or 65% as compared to 2Q 2010. The increase in revenue was mainly due to the additional revenue of S$33.1 million from the 28 properties acquired on 1 October 2010 (the "Acquisitions"), partially offset by the decrease in revenue of S$5.1 million from the divestment of Ascott Beijing and Country Woods (the "Divestments").

On a same store basis, revenue for 2Q 2011 also increased by S$0.7 million from S$39.3 million to S$40.0 million. The increase was mainly due to the higher contribution from the Group's serviced residences in Singapore, partially offset by weaker performance from the serviced residences in Japan and Vietnam.

The Group achieved a REVPAU of S$147 in 2Q 2011, an increase of 17% as compared to 2Q 2010. The Group's occupancy increased from 80% in 2Q 2010 to 81% in 2Q 2011. The increase in REVPAU was mainly due to the existing Singapore properties and the newly acquired United Kingdom properties.

Gross profit for 2Q 2011 of S$41.2 million comprised S$10.2 million (25% of total gross profit) from properties on Master Leases, S$8.9 million (22%) from properties on management contracts with minimum guaranteed income and S$22.1 million (53%) from properties on management contracts. Gross profit in 2Q 2011 increased by S$20.4 million or 98% as compared to 2Q 2010. The increase in gross profit was mainly due to the additional contribution of S$20.9 million from the Acquisitions, partially offset by the decrease in gross profit of S$1.8 million from the Divestments. Gross profit margin increased from 47% in 2Q 2010 to 56% in 2Q 2011 due to high margins for properties on Master Leases, and better margins achieved by properties on management contracts as a result of higher rental rates achieved and better cost management.

On a same store basis, in line with the increase in revenue, gross profit for 2Q 2011 increased by S$1.3 million from S$19.0 million to S$20.3 million.

Please refer to Para 8(a) for a more detailed analysis.

A.2 Direct expenses include the following items:

	GROUP		Better / (Worse)	GROUP		Better / (worse)
	2Q 2011 S$'000	2Q 2010 S$'000	%	YTD Jun 2011 S$'000	YTD Jun 2010 S$'000	%
Depreciation and amortisation	(2,507)	(1,531)	(64)	(4,614)	(3,015)	(53)
Staff costs	(6,228)	(4,231)	(47)	(12,620)	(8,008)	(58)

A.3 Finance costs/ Manager's management fees/ Professional fees/ Audit fees

The increase in the above expenses is mainly attributed to the Acquisitions.

A.4 Foreign exchange loss

The foreign exchange loss recognised in 2Q 2011 was largely due to unrealised exchange loss on foreign currency shareholder's loans, mainly denominated in US Dollar ("USD"), extended to the Group's subsidiaries, whose functional currency is denominated in USD, as a result of the depreciation of the USD against SGD. The foreign exchange loss was partially offset by unrealised exchange gain on SGD bank loan in Australia subsidiary's books, as a result of the appreciation of AUD against SGD and on USD bank loan in China subsidiary's books, as a result of the appreciation of RMB against USD.

A.5 Net change in fair value of financial derivatives

The net change in fair value of financial derivatives is nil as compared to the corresponding period last year due to the unwinding of the cross currency swap, upon the divestment of Ascott Beijing. The cross currency swap was previously entered into to effectively convert Ascott Beijing's US$ bank loan to S$ bank loan at the Group level.

A.6 Net change in fair value of serviced residence properties

This relates to the surplus on revaluation of serviced residence properties, mainly from the properties in Singapore and France, partially offset by lower valuation of properties in Japan and China. The valuation of the serviced residence properties was carried out on 30 June 2011 by HVS and Savills Advisory Services Limited. Please refer to Para 8(c) for more details.

A.7 Income tax expense

Taxation for 2Q 2011 was higher by S$6.7 million as compared to the corresponding period last year. This was mainly due to deferred tax liability provided on the serviced residence properties that have increased in fair value.

A.8 Net effect of non-tax deductible/(chargeable) items and other adjustments include the following:

	GROUP 2Q 2011 S$'000	GROUP 2Q 2010 S$'000	Better / (Worse) %	GROUP YTD Jun 2011 S$'000	GROUP YTD Jun 2010 S$'000	Better / (Worse) %
Depreciation and amortisation	2,507	1,531	(64)	4,614	3,015	(53)
Manager's management fee payable/paid partially in units	2,624	945	(178)	4,996	1,833	(173)
Trustee's fees*	17	8	(113)	32	21	(52)
Foreign exchange loss/(gain) (Note A.4)	1,021	1,415	28	3,799	(219)	n.m.
Net change in fair value of financial derivatives (Note A.5)	-	473	n.a.	5	898	99
Net change in fair value of serviced residence properties (Note A.6)	(82,756)	(35,486)	133	(82,756)	(35,486)	133
Deferred tax expense	6,966	2,200	(217)	8,712	2,561	(240)
Effect of non-controlling interests arising from the above	(12)	1,503	101	(313)	1,159	127

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

1(b)(i) **BALANCE SHEETS**

	Note	GROUP 30/06/11 S$'000	GROUP 31/12/10 S$'000	REIT 30/06/11 S$'000	REIT 31/12/10 S$'000
Non-Current Assets					
Plant and equipment		42,317	44,952	11,385	12,319
Serviced residence properties	1(b)(ii)	2,629,261	2,577,620	599,315	542,681
Interest in subsidiaries		-	-	121,086	119,785
Interest in associate		2,955	3,215	3,456	3,702
Financial derivatives	1(b)(iii)	257	409	-	41
Deferred tax assets		2,513	6,759	-	-
		2,677,303	**2,632,955**	**735,242**	**678,528**
Current Assets					
Inventories		294	316	-	-
Trade receivables		8,302	8,438	2,110	1,985
Other receivables and deposits		26,396	29,394	1,246,736	1,228,743
Cash and bank balances	1(b)(iv)	112,686	132,711	13,154	15,099
		147,678	**170,859**	**1,262,000**	**1,245,827**
Total Assets		**2,824,981**	**2,803,814**	**1,997,242**	**1,924,355**
Non-Current Liabilities					
Interest bearing liabilities	1(b)(v)	(704,147)	(631,131)	(412,108)	(84,488)
Financial derivatives	1(b)(iii)	(11,610)	(10,479)	(812)	(76)
Deferred tax liabilities		(39,239)	(34,282)	-	-
		(754,996)	**(675,892)**	**(412,920)**	**(84,564)**
Current Liabilities					
Trade payables		(8,012)	(8,132)	(110)	(270)
Other payables		(84,181)	(151,480)	(141,369)	(156,953)
Interest bearing liabilities	1(b)(v)	(397,785)	(468,351)	-	(289,207)
Financial derivatives	1(b)(iii)	-	(590)	-	-
Provision for taxation		(8,135)	(9,275)	(36)	(125)
		(498,113)	**(637,828)**	**(141,515)**	**(446,555)**
Total Liabilities		**(1,253,109)**	**(1,313,720)**	**(554,435)**	**(531,119)**
Net Assets		**1,571,872**	**1,490,094**	**1,442,807**	**1,393,236**
Represented by:					
Unitholders' funds	1(d)(i)	1,501,501	1,417,467	1,442,807	1,393,236
Non-controlling interests	1(d)(i)	70,371	72,627	-	-
Total Equity	1(d)(i)	**1,571,872**	**1,490,094**	**1,442,807**	**1,393,236**

1(b)(ii) Serviced residence properties

The increase in the value of the Group's serviced residences as at 30 June 2011 was mainly due to the increase in the valuation of the properties.

1(b)(iii) Financial derivatives

The financial derivatives relate to the fair value of interest rate swaps and interest rate caps, entered into by subsidiaries to hedge interest rate risk.

1(b)(iv) Cash and bank balances

The decrease in the Group's cash and bank balances as at 30 June 2011 was mainly due to distribution paid to unitholders on 28 February 2011 for the period 22 September 2010 to 31 December 2010.

1(b)(v) **Interest bearing liabilities**

	GROUP		REIT	
	30/06/11 S$'000	31/12/10 S$'000	30/06/11 S$'000	31/12/10 S$'000
Amount repayable in one year or less or on demand				
- Secured	397,950	414,830	-	235,147
- Unsecured	-	54,082	-	54,082
Less: Fees and expenses incurred for debt raising exercises amortised over the tenure of secured and unsecured loans	(165)	(561)	-	(22)
	397,785	468,351	-	289,207
Amount repayable after one year				
- Secured	658,793	584,304	414,992	85,568
- Unsecured	50,000	50,000		-
Less: Fees and expenses incurred for debt raising exercises amortised over the tenure of secured and unsecured loans	(4,646)	(3,173)	(2,884)	(1,080)
	704,147	631,131	412,108	84,488
Total	**1,101,932**	**1,099,482**	**412,108**	**373,695**

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

Capital management

As at 30 June 2011, the Group's gearing was 40.1 percent, well within the 60 percent gearing limit allowable under MAS property fund guidelines. The average cost of debts was 3.2 percent per annum, with an interest cover of 4.0 times. S$648.6 million or 59 percent of the Group's borrowings are on fixed interest rates with S$190.1 million due for refinancing in the next 12 months, in line with the maturity dates of the underlying loans. 22 percent of the Group's borrowings are on floating rates with interest rate caps.

Out of the Group's total borrowings, 11 percent falls due in 2011, 36 percent falls due in 2012 and the balance falls due after 2012.

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

	GROUP			
	2Q 2011 S$'000	**2Q 2010 S$'000**	**YTD Jun 2011 S$'000**	**YTD Jun 2010 S$'000**
Operating Activities				
Total return for the period before tax	108,718	46,306	129,107	59,584
Adjustments for:				
Depreciation and amortisation	2,507	1,531	4,614	3,015
Gain on disposal of plant and equipment	(3)	(15)	(25)	(13)
Finance costs	9,845	5,685	19,183	11,442
Finance income	(210)	(294)	(576)	(632)
Provision for doubtful debts addition / (written back)	13	(44)	(2)	6
Manager's management fees payable / paid partially in units	2,624	945	4,996	1,833
Foreign exchange loss/ (gain) - unrealised	1,021	1,415	3,799	(219)
Net change in fair value of financial derivatives	-	473	5	898
Net change in value of serviced residence properties	(82,756)	(35,486)	(82,756)	(35,486)
Share of (profit)/loss of associate	(9)	22	15	31
Operating profit before working capital changes	**41,750**	**20,538**	**78,360**	**40,459**
Changes in working capital	(15,639)	(1,619)	(44,905)	(3,531)
Cash generated from operations	**26,111**	**18,919**	**33,455**	**36,928**
Income tax paid	(2,589)	(2,204)	(6,777)	(3,695)
Cash flows from operating activities	**23,522**	**16,715**	**26,678**	**33,233**
Investing Activities				
Acquisition of plant and equipment	(2,427)	(8,558)	(3,128)	(12,082)
Capital expenditure on serviced residence properties	(966)	(365)	(2,500)	(463)
Interest received	210	294	576	632
Proceeds from sale of plant and equipment	8	41	33	42
Cash flows from investing activities	**(3,175)**	**(8,588)**	**(5,019)**	**(11,871)**
Financing Activities				
Distribution to unitholders	-	-	(25,148)	(23,269)
Dividend paid to non-controlling shareholders	(15)	(1,887)	(15)	(3,138)
Interest paid	(9,138)	(4,260)	(18,909)	(11,838)
Payment of finance lease	(849)	-	(1,682)	-
Payment of issue expenses	(1,170)	-	(1,223)	-
Proceeds from bank borrowings	45,336	66,392	423,917	138,108
Repayment of bank borrowings	(37,590)	(66,498)	(414,656)	(128,010)
Cash flows from financing activities	**(3,426)**	**(6,253)**	**(37,716)**	**(28,147)**
Increase / (decrease) in cash & cash equivalents	**16,921**	**1,874**	**(16,057)**	**(6,785)**
Cash and cash equivalents at beginning of the period	**97,625**	**55,186**	**132,711**	**63,228**
Effect of exchange rate changes on balances held in foreign currencies	(1,860)	(536)	(3,968)	81
Cash and cash equivalents at end of the period	**112,686**	**56,524**	**112,686**	**56,524**

1(d)(i) **STATEMENT OF CHANGES IN EQUITY**

	Note	GROUP 2Q 2011 S$'000	GROUP 2Q 2010 S$'000	GROUP YTD Jun 2011 S$'000	GROUP YTD Jun 2010 S$'000
Unitholders' Contribution					
Balance as at beginning of period		1,259,782	759,920	1,252,694	771,294
Issue of new units		2,418	907	20,417	1,842
Issue expenses		-	-	(53)	-
Distribution to Unitholders		-	-	(10,858)	(12,309)
Balance as at end of period		**1,262,200**	**760,827**	**1,262,200**	**760,827**
Operations					
Balance as at beginning of period		187,858	53,575	186,839	55,345
Total return for the period attributable to Unitholders		96,406	39,056	111,715	48,246
Distribution to Unitholders		-	-	(14,290)	(10,960)
Balance as at end of period		**284,264**	**92,631**	**284,264**	**92,631**
Foreign Currency Translation Reserve					
Balance as at beginning of period		(35,908)	5,616	(24,955)	1,368
Translation differences relating to financial statements of foreign subsidiaries		(11,457)	(4,152)	(22,410)	96
Balance as at end of period		**(47,365)**	**1,464**	**(47,365)**	**1,464**
Capital Reserve					
Balance as at beginning of period		1,535	1,510	1,559	1,483
Translation adjustment		24	(9)	-	18
Balance as at end of period		**1,559**	**1,501**	**1,559**	**1,501**
Hedging Reserve					
Balance as at beginning of period		3,056	(4,042)	1,330	(4,429)
Change in fair value of financial derivatives		(2,285)	413	(487)	800
Translation adjustment		72	-	-	-
Balance as at end of period		**843**	**(3,629)**	**843**	**(3,629)**
Unitholders' Funds	**1(b)(i)**	**1,501,501**	**852,794**	**1,501,501**	**852,794**
Non-controlling Interests					
Balance as at beginning of period		71,121	72,887	72,627	71,736
Translation differences relating to financial statements of foreign subsidiaries		(2,103)	(2,258)	(4,780)	(2,378)
Total return for the period		1,353	2,979	2,524	4,250
Balance as at end of period	**1(b)(i)**	**70,371**	**73,608**	**70,371**	**73,608**
Equity	**1(b)(i)**	**1,571,872**	**926,402**	**1,571,872**	**926,402**

1(d)(i) **STATEMENT OF CHANGES IN EQUITY**

	Note	REIT 2Q 2011 S$'000	REIT 2Q 2010 S$'000	REIT YTD Jun 2011 S$'000	REIT YTD Jun 2010 S$'000
Unitholders' Contribution					
Balance as at beginning of period		1,259,782	759,920	1,252,694	771,294
Issue of new units		2,418	907	20,417	1,842
Issue expenses		-	-	(53)	-
Distribution to Unitholders		-	-	(10,858)	(12,309)
Balance as at end of period		**1,262,200**	**760,827**	**1,262,200**	**760,827**
Operations					
Balance as at beginning of period		124,250	23,756	140,592	29,407
Total return for the period attributable to Unitholders		57,188	25,426	55,136	30,735
Distribution to Unitholders		-	-	(14,290)	(10,960)
Balance as at end of period		**181,438**	**49,182**	**181,438**	**49,182**
Hedging Reserve					
Balance as at beginning of period		1,336	-	(50)	-
Change in fair value of financial derivatives		(2,167)	-	(781)	-
Balance as at end of period		**(831)**	**-**	**(831)**	**-**
Unitholders' Funds	1(b)(i)	**1,442,807**	**810,009**	**1,442,807**	**810,009**

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

	REIT 2Q 2011 '000	REIT 2Q 2010 '000	REIT YTD Jun 2011 '000	REIT YTD Jun 2010 '000
Balance as at beginning of period	1,123,190	618,015	1,107,853	617,210
Issue of new units :				
- partial payment of manager's management fees	2,030	791	4,161	1,596
- payment of manager's acquisition fee	-	-	12,018	-
- payment of manager's divestment fee	-	-	1,188	-
Balance as at end of period	**1,125,220**	**618,806**	**1,125,220**	**618,806**

2. **Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice**

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

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 2010.

5. **<u>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</u>**

Nil.

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

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)	**2Q 2011**	**2Q 2010**	**YTD Jun 2011**	**YTD Jun 2010**
Number of units on issue at end of period ('000)	1,125,220	618,806	1,125,220	618,806
Weighted average number of units for the period ('000)	1,124,328	618,398	1,116,858	618,052
EPU (cents) – Basic and Diluted (based on the weighted average number of units for the period)	8.57	6.32	10.00	7.81

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)	**2Q 2011**	**2Q 2010**	**YTD Jun 2011**	**YTD Jun 2010**
Number of units on issue at end of period ('000)	1,125,220	618,806	1,125,220	618,806
DPU (cents) – Basic and diluted	2.33	1.87	4.47	3.53

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

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

	Group		**REIT**	
	30/06/11	**31/12/10**	**30/06/11**	**31/12/10**
NAV per unit (S$)	1.33	1.28	1.28	1.26

8. GROUP PERFORMANCE REVIEW

8(a) Revenue and Gross Profit Analysis – 2Q 2011 vs. 2Q 2010

	Revenue				Gross Profit				REVPAU Analysis		
	2Q 2011	2Q 2010	Better/ (Worse)		2Q 2011	2Q 2010	Better/ (Worse)		2Q 2011	2Q 2010#	Better/ (Worse)
	S$'M		S$M	%	S$'M		S$'M	%	S$/day	S$/day	%
France	9.7	-	9.7	n.m.	9.0	-	9.0	n.m.	-	-	-
Germany	1.0	-	1.0	n.m.	1.0	-	1.0	n.m.	-	-	-
Philippines	0.2	0.2	-	-	0.2	0.2	-	-	-	-	-
Master Leases	**10.9**	**0.2**	**10.7**	n.m.	**10.2**	**0.2**	**10.0**	n.m.	-	-	-
Belgium	3.3	-	3.3	n.m.	1.1	-	1.1	n.m.	102	-	n.m.
Spain	2.2	-	2.2	n.m.	1.1	-	1.1	n.m.	149	-	n.m.
United Kingdom	12.1	-	12.1	n.m.	6.1	-	6.1	n.m.	212	-	n.m.
Vietnam	0.9	0.9	-	-	0.6	0.6	-	-	75	91	(18)
Management contracts with minimum guaranteed income	**18.5**	**0.9**	**17.6**	n.m.	**8.9**	**0.6**	**8.3**	n.m.	**163**	**91**	**79**
Australia	2.2	2.0	0.2	10	0.6	0.5	0.1	20	180	150	20
China	4.8	9.3	(4.5)	(48)	2.0	3.7	(1.7)	(46)	108	128	(16)
Indonesia	3.8	4.8	(1.0)	(21)	1.3	1.4	(0.1)	(7)	94	73	29
Japan	3.5	4.3	(0.8)	(19)	2.0	2.4	(0.4)	(17)	94*	150*	(37)
Philippines	7.2	7.2	-	-	3.1	2.8	0.3	11	161	156	3
Singapore	13.1	7.4	5.7	77	7.5	3.9	3.6	92	250	184	36
Vietnam	9.1	8.3	0.8	10	5.6	5.3	0.3	6	95	118	(19)
Management contracts	**43.7**	**43.3**	**0.4**	**0.9**	**22.1**	**20.0**	**2.1**	**11**	**140**	**127**	**10**
Group	**73.1**	**44.4**	**28.7**	**65**	**41.2**	**20.8**	**20.4**	**98**	**147**	**126**	**17**

** refers to serviced residences in Japan, excludes rental housing*
 # REVPAU for 2Q 2010 has been adjusted to be consistent with the current period's presentation.

Group

Please refer to para 1(a)(ii)(A.1) for analysis of the Group's performance.

Australia

Revenue increased by S$0.2 million or 10% in 2Q 2011 as compared to 2Q 2010. REVPAU increased from S$150 in 2Q 2010 to S$180 in 2Q 2011. The increase was mainly due to the strengthening of AUD against SGD and higher demand for serviced residences as a result of increased business from the oil and gas, and mining industries. In line with the increase in revenue, gross profit in 2Q 2011 increased by S$0.1 million or 20%.

China

Revenue decreased by S$4.5 million or 48% in 2Q 2011 as compared to 2Q 2010. REVPAU decreased from S$128 in 2Q 2010 to S$108 in 2Q 2011. The decrease was mainly due to the divestment of Ascott Beijing on 1 October 2010. Excluding the revenue contribution from Ascott Beijing for 2Q 2010, revenue for 2Q 2011 decreased by S$0.3 million or 6% as compared to 2Q 2010. The decrease was mainly due to lower performance in Tianjin and Shanghai, partially offset by better performance in Beijing. For Somerset Xu Hui, Shanghai, the lower performance was due to increased competition from the new supply of serviced residences added during the Shanghai World Expo. For Somerset Olympic Tower, Tianjin, the lower performance was due to the on-going renovation. For Somerset Fortune Garden, Beijing, the better performance was due to a reduced supply of serviced residences upon the conversion of several serviced residences into strata-titled residential projects for sale. Excluding the results of Ascott Beijing for 2Q 2010, in line with the decrease in revenue, gross profit for 2Q 2011 decreased by S$0.1 million or 5% as compared to 2Q 2010.

Indonesia

As compared to 2Q 2010, revenue decreased by S$1.0 million or 21% and gross profit decreased by S$0.1 million or 7%. This was mainly due to the divestment of Country Woods on 29 October 2010. Excluding the contribution from Country Woods for 2Q 2010, revenue for 2Q 2011 decreased by S$0.1 million or 3% as compared to 2Q 2010 due to the weakening of USD against SGD. In USD terms, both revenue and gross profit increased by 11%. The increase was mainly due to higher demand for serviced residences as a result of increased business from the oil and gas industries. REVPAU increased from S$73 in 2Q 2010 to S$94 in 2Q 2011, mainly due to the better performance of the serviced residences as well as the divestment of Country Woods which had a lower REVPAU.

Japan

Revenue decreased by S$0.8 million or 19% in 2Q 2011 as compared to 2Q 2010 due to weaker performance of the serviced residence properties. REVPAU decreased from S$150 in 2Q 2010 to S$94 in 2Q 2011 and occupancy decreased from 78% to 56%. This was mainly due to the aftermath effect of the earthquake in March 2011. Revenue from the rental housing properties was at the same level as 2Q 2010 on higher occupancy of 90% but at lower rental rates. In line with the decrease in revenue, gross profit in 2Q 2011 decreased by S$0.4 million or 17%.

The Philippines

Revenue in 2Q 2011 was at the same level as the revenue in 2Q 2010. 2Q 2010 included a one-off recognition of S$0.2 million pertaining to business interruption ("BI") claim for the October 2007 explosion in the shopping complex at Ayala Center, in the vicinity of Ascott Makati. Excluding this BI claim, revenue has increased by S$0.2 million from S$7.0 million in 2Q 2010 to S$7.2 million in 2Q 2011 and gross profit has increased by S$0.5 million from S$2.6 million in 2Q 2010 to S$3.1 million in 2Q 2011. REVPAU increased from S$156 in 2Q 2010 to S$161 in 2Q 2011. The increase was mainly due to higher demand for serviced residences from project groups. Gross profit in 2Q 2011 increased due to higher revenue and lower utilities expense arising from lower utility rate as compared to 2Q 2010.

Singapore

Revenue increased by S$5.7 million or 77% in 2Q 2011 as compared to 2Q 2010. REVPAU increased by 36% from S$184 in 2Q 2010 to S$250 in 2Q 2011 mainly due to higher rental rates and occupancy achieved. On a same store basis (excluding the contribution from the newly acquired Citadines Mount Sophia), revenue for 2Q 2011 was higher by S$2.7 million or 36% as compared to 2Q 2010. This was due to the strong market demand and successful launch of the refurbished apartment units of the two serviced residences in Singapore. In line with the increase in revenue, gross profit in 2Q 2011 increased by S$3.6 million or 92% as compared to 2Q 2010. On a same store basis, gross profit for 2Q 2011 increased by S$1.9 million or 49%.

Vietnam

As compared to 2Q 2010, revenue increased by S$0.8 million or 10% in 2Q 2011 and gross profit increased by S$0.3 million or 6%. On a same store basis (excluding the contribution from the newly acquired Somerset Hoa Binh), revenue decreased by S$1.0 million or 12% and gross profit decreased by S$0.6 million or 11% as compared to 2Q 2010 due to the weakening of USD against SGD. In USD terms, both revenue and gross profit remained at the same level as that in 2Q 2010 as a result of higher office rental income, offset by a decline in the serviced residence revenue. The lower serviced residence revenue was due to reduction in corporate accommodation budget. REVPAU in USD terms decreased by 5% as compared to 2Q 2010.

8(b) Revenue and Gross Profit Analysis – YTD Jun 2011 vs. YTD Jun 2010

	Revenue				Gross Profit				REVPAU Analysis		
	YTD Jun 2011	YTD Jun 2010	Better/ (Worse)		YTD Jun 2011	YTD Jun 2010	Better/ (Worse)		YTD Jun 2011	YTD Jun 2010#	Better/ (Worse)
	S$'M		S$M	%	S$'M		S$'M	%	S$/day	S$/day	%
France	19.1	-	19.1	n.m.	17.9	-	-	n.m.	-	-	-
Germany	2.0	-	2.0	n.m.	1.9	-	-	n.m.	-	-	-
Philippines	0.4	0.4	-	-	0.4	0.4	-	-	-	-	-
Master Leases	**21.5**	**0.4**	**21.1**	n.m.	**20.2**	**0.4**	**19.8**	n.m.	-	-	-
Belgium	5.8	-	5.8	n.m.	1.5	-	1.5	n.m.	89	-	n.m.
Spain	3.5	-	3.5	n.m.	1.6	-	1.6	n.m.	117	-	n.m.
United Kingdom	20.9	-	20.9	n.m.	10.0	-	10.0	n.m.	183	-	n.m.
Vietnam	1.9	1.9	-	-	1.2	1.2	-	-	81	88	(8)
Management contracts with minimum guaranteed income	**32.1**	**1.9**	**30.2**	n.m.	**14.3**	**1.2**	**13.1**	n.m.	**141**	**88**	**60**
Australia	4.2	4.0	0.2	5	1.2	0.9	0.3	33	178	152	17
China	9.0	17.7	(8.7)	(49)	3.2	6.5	(3.3)	(51)	104	121	(14)
Indonesia	7.6	9.7	(2.1)	(22)	2.5	3.1	(0.6)	(19)	95	70	36
Japan	7.7	8.4	(0.7)	(8)	4.4	4.9	(0.5)	(10)	112*	143*	(22)
Philippines	14.0	14.6	(0.6)	(4)	5.9	5.9	-	-	156	161	(3)
Singapore	25.5	14.6	10.9	75	14.2	7.4	6.8	92	244	182	34
Vietnam	18.8	16.6	2.2	13	11.6	10.6	1.0	9	100	119	(16)
Management contracts	**86.8**	**85.6**	**1.2**	**1**	**43.0**	**39.3**	**3.7**	**9**	**139**	**125**	**11**
Group	**140.4**	**87.9**	**52.5**	**60**	**77.5**	**40.9**	**36.6**	**89**	**140**	**124**	**13**

** refers to serviced residences in Japan, excludes rental housing*
 # REVPAU for YTD Jun 2010 has been adjusted to be consistent with the current period's presentation.

For the six months ended 30 June 2011 ("YTD Jun 2011"), revenue increased by S$52.5 million or 60% as compared to the corresponding period last year ("YTD Jun 2010"). The increase in revenue was mainly due to the additional revenue of S$60.6 million from the Acquisitions, partially offset by the decrease in revenue of S$9.8 million from the Divestments.

On a same store basis (excluding the contribution from Ascott Beijing and Country Woods), YTD Jun 2011 revenue also increased by S$1.7 million from S$78.1 million to S$79.8 million.

The Group's occupancy remained stable at 78%. REVPAU increased by S$16 from S$124 in YTD Jun 2010 to S$140 in YTD Jun 2011, driven by an increase in the average rental rates of the Group's serviced residences.

Gross profit for YTD Jun 2011 has increased by S$36.6 million or 89% as compared to YTD Jun 2010. The increase in gross profit was mainly due to the additional contribution of S$38.0 million from the Acquisitions, partially offset by the decrease in gross profit of S$3.2 million from the Divestments.

On a same store basis (excluding the contribution from Ascott Beijing and Country Woods), the gross profit for YTD Jun 2011 and YTD Jun 2010 would be S$39.5 million and S$37.7 million respectively, representing an increase of S$1.8 million or 5%.

8(c) Change in value of serviced residence properties

The change in value of serviced residence properties has no impact on the unitholder's distribution.

Any increase or decrease in value is credited or charged to the Statement of Total Return as net appreciation or depreciation on revaluation of serviced residence properties.

As at 30 June 2011, independent full valuations for the Group's serviced residence properties were carried out by HVS and Savills Advisory Services Limited. In determining the fair value, HVS used the Discounted Cash Flow approach and Savills Advisory Services Limited used the Capitalisation of Income approach. The valuation methods used are consistent with that used for the 31 December 2010 valuation.

The Group's portfolio was revalued at S$2,629.3 million, resulting in a surplus of S$82.8 million which was recognised in the Consolidated Statement of Total Return in 2Q 2011. The surplus resulted mainly from higher valuation of the Group's serviced residences in Singapore and France, partially offset by lower valuation of the Group's serviced residences in Japan and China. The net impact on the Consolidated Statement of Total Return was S$77.4 million (net of tax and non-controlling interests).

9. REVIEW OF ACTUAL RESULTS AGAINST FORECAST AS DISCLOSED IN THE OFFER INFORMATION STATEMENT

9(a)(i) Consolidated Statement of Total Return for period 1 April 2011 to 30 June 2011

		GROUP		Better / (Worse)
	Note	Actual S$'000	Forecast [1] S$'000	%
Revenue	**A.1**	73,123	73,439	-
Direct expenses		(31,973)	(33,892)	6
Gross Profit	**A.1**	41,150	39,547	4
Finance income		210	71	196
Other operating income		148	51	190
Finance costs	**A.2**	(9,845)	(11,688)	16
Manager's management fees		(3,483)	(3,391)	(3)
Trustee's fee		(73)	(77)	5
Professional fees		(272)	(203)	(34)
Audit fees		(389)	(346)	(12)
Foreign exchange loss		(1,356)	-	n.m.
Other operating expenses		(137)	(146)	6
Share of loss of associate (net of tax)		9	-	n.m.
Net income before changes in fair value of financial derivatives and serviced residence properties		**25,962**	**23,818**	**9**
Net change in fair value of serviced residence properties	**A.3**	82,756	-	n.m.
Total return for the period before tax		**108,718**	**23,818**	**356**
Income tax expense	**A.4**	(10,959)	(5,364)	(104)
Total return for the period after tax		**97,759**	**18,454**	**430**
Attributable to:				
Unitholders		96,406	17,246	
Non-controlling interests		1,353	1,208	
Total return for the period		**97,759**	**18,454**	**430**

[1] *The forecast is extracted from the Offer Information Statement dated 13 September 2010 and is based on the assumptions set out in the Offer Information Statement.*

Reconciliation of Total Return for the period attributable to unitholders to total unitholders' distribution

	Note	GROUP Actual S$'000	GROUP Forecast S$'000	Better / (Worse) %
Total return for the period attributable to unitholders		96,406	17,246	
Net effect of non-tax deductible/chargeable items and other adjustments		(70,134)	5,487	
Total amount distributable to Unitholders for the period		**26,272**	**22,733**	**16**
Distribution per Unit (cents)		**2.33**	**2.01**	**16**

A.1 Revenue and Gross Profit Analysis – 2Q 2011 Actual vs Forecast

	Revenue				Gross Profit				REVPAU Analysis		
	Actual	Forecast	Better/ (Worse)		Actual	Forecast	Better/ (Worse)		Actual	Forecast	Better/ (Worse)
	S$'M		S$M	%	S$'M		S$'M	%	S$/day	S$/day	%
France	9.7	9.5	0.2	2	9.0	8.9	0.1	1	-	-	-
Germany	1.0	0.9	0.1	11	1.0	0.9	0.1	11	-	-	-
Philippines	0.2	0.2	-	-	0.2	0.2	-	-	-	-	-
Master Leases	**10.9**	**10.6**	0.3	3	**10.2**	**10.0**	**0.2**	**2**	-	-	-
Belgium	3.3	3.4	(0.1)	(3)	1.1	1.0	0.1	10	102	101	1
Spain	2.2	2.1	0.1	5	1.1	1.2	(0.1)	(8)	149	150	(1)
United Kingdom	12.1	10.6	1.5	14	6.1	5.8	0.3	5	212	185	15
Vietnam	0.9	1.1	(0.2)	(18)	0.6	0.7	(0.1)	(14)	75	102	(26)
Management contracts with minimum guaranteed income	**18.5**	**17.2**	**1.3**	**8**	**8.9**	**8.7**	**0.2**	**2**	**163**	**151**	**8**
Australia	2.2	1.8	0.4	22	0.6	0.3	0.3	100	180	144	25
China	4.8	5.0	(0.2)	(4)	2.0	1.7	0.3	18	108	117	(8)
Indonesia	3.8	5.0	(1.2)	(24)	1.3	1.3	-	-	94	74	27
Japan	3.5	4.4	(0.9)	(20)	2.0	2.7	(0.7)	(26)	94*	151*	(38)
Philippines	7.2	7.7	(0.5)	(6)	3.1	3.1	-	-	161	166	(3)
Singapore	13.1	11.6	1.5	13	7.5	6.0	1.5	25	250	215	16
Vietnam	9.1	10.1	(1.0)	(10)	5.6	5.7	(0.1)	(2)	95	108	(12)
Management contracts	**43.7**	**45.6**	**(1.9)**	**(4)**	**22.1**	**20.8**	**1.3**	**6**	**140**	**131**	**7**
Group	**73.1**	**73.4**	**(0.3)**	**-**	**41.2**	**39.5**	**1.7**	**4**	**147**	**138**	**7**

* *refers to serviced residences in Japan, excludes rental housing*

Revenue was lower by S$0.3 million as compared to the forecast as the forecast included a S$1.1 million contribution from Country Woods, which was divested on 29 October 2010. On a same store basis (excluding the revenue from Country Woods), revenue was higher by S$0.8 million or 1% mainly due to higher contribution from the serviced residences in Singapore and United Kingdom, partially offset by a lower contribution from the serviced residences in Vietnam and Japan.

Gross profit was higher by S$1.7 million or 4% as compared to the forecast. On a same store basis (excluding the S$0.3 million contribution from Country Woods in the forecast), gross profit was higher by S$2.0 million or 5%.

Master Leases

For the serviced residences on master lease arrangements, revenue for 2Q 2011 was higher by S$0.3 million as compared to the forecast due to a higher Euro exchange rate than that assumed in the forecast. In line with the increase in revenue, gross profit increased by S$0.2 million as compared to the forecast.

Management contracts with minimum guaranteed income

Revenue from serviced residences on management contracts with minimum guaranteed income was higher by S$1.3 million as compared to the forecast. Higher contribution from the Group's serviced residences in the United Kingdom was offset by lower contribution from the Group's serviced residences in Belgium and Vietnam.

The increase for United Kingdom was mainly due to continued market improvement that enabled the refurbished apartments to achieve higher occupancy and rental rates than that assumed in the forecast. REVPAU has increased by 15% as compared to the forecast.

For Belgium, gross profit was higher by $0.1 million as compared to the forecast mainly due to better cost management.

Revenue for 2Q 2011 for Spain included a top-up by the property manager of S$0.2 million in respect of Citadines Ramblas Barcelona, as assumed in the forecast.

For Vietnam, the decrease in revenue and gross profit as compared to the forecast was due to weaker performance of Somerset West Lake and a lower USD exchange rate than that assumed in the forecast. REVPAU decreased by 26% from S$102 assumed in the forecast to S$75 in 2Q 2011. The revenue for 2Q 2011 included a yield protection amount of S$0.2 million as assumed in the forecast.

Albeit the increase in revenue by S$1.3 million, gross profit was higher by S$0.2 million or 2% as compared to the forecast mainly due to higher depreciation expense as a result of higher furniture and fittings costs incurred for the renovation of the properties.

Management contracts

For the serviced residences on management contracts, revenue decreased by S$1.9 million or 4% as compared to the forecast as the forecast included a S$1.1 million contribution from Country Woods. Excluding the revenue contribution from Country Woods, revenue was lower by S$0.8 million or 2% as compared to the forecast. The decrease was mainly due to the decrease in revenue from the serviced residences in Vietnam, Japan and Philippines, off-set by higher contribution from the serviced residences in Singapore and Australia.

For the Group's serviced residences in Vietnam, revenue decreased by S$1.0 million or 10% as compared to the forecast due to the lower USD exchange rate than that assumed in the forecast. In USD terms, revenue increased by 1%.

For the Group's serviced residences in Japan, revenue decreased by S$0.9 million or 20% as compared to the forecast due to weak market demand after the earthquake in March 2011. REVPAU decreased by 38% from S$151 assumed in the forecast to S$94 in 2Q 2011.

For the Group's serviced residences in Philippines, revenue decreased by S$0.5 million or 6% as compared to the forecast due to the lower PHP exchange rate than that assumed in the forecast. In PHP terms, revenue remained at the same level as the forecast.

For the Group's serviced residences in Singapore, revenue increased by S$1.5 million or 13% in 2Q 2011 as compared to the forecast. REVPAU increased by 16% from S$215 assumed in the forecast to S$250 in 2Q 2011 due to the strong market demand which enabled the serviced residences to achieve higher rental rates.

For the Group's serviced residences in Australia, revenue increased by S$0.4 million or 22% as compared to the forecast due to the higher AUD exchange rate as well as stronger performance from the properties. REVPAU increased by 25% from S$144 assumed in the forecast to S$180 in 2Q 2011.

Gross profit was higher by S$1.3 million or 6% as compared to the forecast. On a same store basis (excluding the S$0.3 million contribution from Country Woods in the forecast), gross profit was higher by S$1.6 million. This was mainly due to lower direct expense, such as staff costs, utility expense and repair and maintenance expense.

A.2 Finance costs

Finance costs were S$1.8 million or 16% lower than the forecast. This was mainly due to lower interest rates achieved as compared to the forecast.

A.3 **Net change in fair value of serviced residence properties**

In the forecast, it was assumed that there were no changes to the fair value of the serviced residence properties in 2011.

A.4 **Income tax expense**

Taxation for 2Q 2011 was higher by S$5.6 million as compared to the forecast. This was mainly due to deferred tax liability provided on the serviced residence properties that have increased in fair value.

10. OUTLOOK AND PROSPECTS

10(a) Prospects

The Group expects to continue to enjoy REVPAU growth led by Singapore and the United Kingdom ("UK"). We will also continue to enjoy income stability as a result of our geographical diversification across property and economic cycles and the stable base of income from master leases and serviced residence contracts with minimum guaranteed income.

In Japan, the 18 rental housing properties where tenants are mainly local Japanese have continued to perform well. Occupancy in the two serviced residence properties which cater mainly to an expatriate clientele has picked up in tandem with the improving business conditions in Japan.

On-going asset enhancement initiatives in China, Vietnam and UK will be completed in phases in 2011 and are expected to increase the returns of our portfolio. We will continue to seek yield accretive acquisitions in countries where we operate and explore opportunities in new emerging markets.

For FY 2011, the Manager expects to deliver the forecast distribution of 7.74 cents as disclosed in the Offer Information Statement dated 13 September 2010.

11. DISTRIBUTIONS

11(a) **Current financial period**

Any distributions declared for the current financial period? Yes

Period of distribution : Distribution for 1 January 2011 to 30 June 2011

Distribution Type	Distribution Rate (cents)
Taxable Income	1.243
Tax Exempt Income	0.209
Capital	3.014
Total	**4.466**

11(b) **Corresponding period of the preceding financial period**

Any distributions declared for the corresponding period of the immediate preceding financial period? Yes

Period of distribution : Distribution for 1 January 2010 to 30 June 2010

Distribution Type	Distribution Rate (cents)
Taxable Income	1.06
Tax Exempt Income	0.43
Capital	2.04
Total	**3.53**

11(c) 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 17%.

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.

11(d) Book closure date : 1 August 2011

11(e) Date payable : 26 August 2011

12. <u>Confirmation pursuant to Rule 705(5) of the Listing Manual</u>

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 at 30 June 2011 and the results of the business, consolidated statement of total return, consolidated cash flow statement and changes in equity for the six months ended 30 June 2011, 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

Chong Kee Hiong
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

Kang Siew Fong
Company Secretary
Singapore
22 July 2011