ASCOTT RESIDENCE TRUST
UNAUDITED RESULTS FOR THE QUARTER ENDED 30 JUNE 2012
TABLE OF CONTENTS

Item No.	Description	Page No.
	Summary of Group Results	1
	Introduction	2
1(a)(i)	Consolidated Statement of Total Return and Reconciliation Statement	3 – 4
1(a)(ii)	Explanatory Notes to Consolidated Statement of Total Return	4 – 6
1(b)(i)	Balance Sheets	7 – 9
1(c)	Consolidated Statement of Cash Flows	10
1(d)(i)	Statement of Changes in Equity	11 –12
1(d)(ii)	Details of Any Change in the Units	12
2 & 3	Audit Statement	12
4 & 5	Changes in Accounting Policies	13
6	Earnings Per Unit ("EPU") and Distribution Per Unit ("DPU")	13
7	Net Asset Value ("NAV") Per Unit	13
8	Group Performance Review	14 – 17
9	Outlook and Prospects	17
10	Distributions	18
11	General mandate for Interested Person Transactions	18
12	Confirmation pursuant to Rule 705(5) of the Listing Manual	19

ASCOTT RESIDENCE TRUST
2012 SECOND QUARTER UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT

Summary of Group Results

	2Q 2012 S$'000	2Q 2011 S$'000	Better/ (Worse) %	YTD Jun 2012 S$'000	YTD Jun 2011 S$'000	Better/ (Worse) %
Revenue	78,948	73,123	8	150,531	140,437	7
Gross Profit	42,723	41,150	4	79,905	77,517	3
Unitholders' Distribution	27,094	26,272	3	51,274	50,255	2
Distribution Per Unit (cents)	2.38	2.33	2	4.52	4.47	1

DISTRIBUTION AND BOOK CLOSURE DATE

Distribution	For 1 January 2012 to 30 June 2012
Distribution Rate	4.517 cents per Unit
Book Closure Date	6 August 2012
Payment Date	29 August 2012

ASCOTT RESIDENCE TRUST
2012 SECOND QUARTER UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT

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. On 9 July 2012, Ascott Reit has given notice to all unitholders that the principal investment strategy of Ascott Reit will be expanded to encompass real estate and real estate related assets which are income-producing and which are used, or predominantly used as serviced residences, rental housing properties and other hospitality assets and such change in investment strategy shall be effected on 8 August 2012, being 30 days from the date of the notice.

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 serviced residences 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.

On 21 December 2011, Ascott Reit completed the acquisition of 60% interest in Citadines Shinjuku Tokyo.

On 29 March 2012, Ascott Reit completed the acquisition of 60% interest in Citadines Kyoto. On 26 April 2012, Ascott Reit completed the divestment of Somerset Gordon Heights Melbourne.

As at 30 June 2012, Ascott Reit's portfolio comprises 65 properties with 6,681 apartment units in 23 cities across 12 countries in Asia Pacific and Europe.

At the Extraordinary General Meeting ("EGM") held on 27 July 2012, unitholders have given their approval for Ascott Reit to divest Somerset Grand Cairnhill Singapore and to acquire Ascott Raffles Place Singapore, Ascott Guangzhou and the New Cairnhill Serviced Residence to be built. When the divestment of Somerset Grand Cairnhill Singapore and the acquisitions of Ascott Raffles Place Singapore, Ascott Guangzhou and the new Cairnhill Serviced Residence in Singapore are completed, Ascott Reit's international portfolio will comprise 67 properties with 7,260 units in 24 cities across 12 countries in 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 2012 S$'000	GROUP 2Q 2011 S$'000	Better / (Worse) %	GROUP YTD Jun 2012 S$'000	GROUP YTD Jun 2011 S$'000	Better / (Worse) %
Revenue	A.1	78,948	73,123	8	150,531	140,437	7
Direct expenses	A.2	(36,225)	(31,973)	(13)	(70,626)	(62,920)	(12)
Gross Profit	A.1	42,723	41,150	4	79,905	77,517	3
Finance income		576	210	174	1,033	576	79
Other operating income	A.3	456	148	208	1,383	213	549
Finance costs	A.4	(10,841)	(9,845)	(10)	(21,520)	(19,183)	(12)
Manager's management fees		(3,677)	(3,483)	(6)	(6,929)	(6,682)	(4)
Trustee's fee		(76)	(73)	(4)	(152)	(145)	(5)
Professional fees		(416)	(272)	(53)	(606)	(680)	11
Audit fees		(535)	(389)	(38)	(944)	(735)	(28)
Foreign exchange gain / (loss)	A.5	44	(1,356)	103	(1,738)	(4,226)	59
Other operating expenses		(262)	(137)	(91)	(377)	(284)	(33)
Share of (loss) / profit of associate (net of tax)		(5)	9	(156)	20	(15)	233
Net income before changes in fair value of financial derivatives and serviced residence properties		**27,987**	**25,962**	**8**	**50,075**	**46,356**	**8**
Net change in fair value of financial derivatives		-	-	-	(6)	(5)	(20)
Net change in fair value of serviced residence properties	A.6	127,913	82,756	55	127,913	82,756	55
Profit from divestment	A.7	571	-	n.m.	571	-	n.m.
Assets written off	A.8	(145)	-	n.m.	(145)	-	n.m.
Total return for the period before tax		**156,326**	**108,718**	**44**	**178,408**	**129,107**	**38**
Income tax expense	A.9	(10,161)	(10,959)	7	(14,233)	(14,868)	4
Total return for the period after tax		**146,165**	**97,759**	**50**	**164,175**	**114,239**	**44**
Attributable to:							
Unitholders		136,873	96,406		153,599	111,715	
Non-controlling interests		9,292	1,353		10,576	2,524	
Total return for the period		**146,165**	**97,759**	**50**	**164,175**	**114,239**	**44**

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

	Note	GROUP 2Q 2012 S$'000	GROUP 2Q 2011 S$'000	Better / (Worse) %	GROUP YTD Jun 2012 S$'000	GROUP YTD Jun 2011 S$'000	Better / (Worse) %
Total return for the period attributable to unitholders		136,873	96,406		153,599	111,715	
Net effect of non-tax deductible / chargeable items and other adjustments	A.10	(109,779)	(70,134)		(102,325)	(61,460)	
Total amount distributable to Unitholders for the period		**27,094**	**26,272**	**3**	**51,274**	**50,255**	**2**
Comprises :							
- from operations		18,032	7,825		19,692	11,575	
- from unitholders' contributions		9,062	18,447		31,582	38,680	
		27,094	**26,272**	**3**	**51,274**	**50,255**	**2**

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

A.1 Revenue and Gross profit

Revenue for 2Q 2012 of S$78.9 million comprised S$10.1 million (13% of total revenue) from serviced residences on Master Leases, S$19.3 million (24%) from serviced residences on management contracts with minimum guaranteed income and S$49.5 million (63%) from serviced residences on management contracts.

Revenue for 2Q 2012 increased by S$5.8 million or 8% as compared to 2Q 2011. The increase in revenue was mainly due to the contribution of S$3.8 million from Citadines Shinjuku and Citadines Kyoto (which were acquired on 21 December 2011 and 29 March 2012 respectively), and stronger performance from the Group's serviced residences in United Kingdom, The Philippines, Vietnam and China.

The Group achieved a REVPAU of S$156 in 2Q 2012, an increase of 6% as compared to 2Q 2011. The increase in REVPAU was mainly driven by the strong performance of United Kingdom, The Philippines and China serviced residences.

Gross profit for 2Q 2012 of S$42.7 million comprised S$9.4 million (22% of total gross profit) from serviced residences on Master Leases, S$9.2 million (22%) from serviced residences on management contracts with minimum guaranteed income and S$24.1 million (56%) from serviced residences on management contracts.

In line with the increase in revenue, gross profit for 2Q 2012 increased by S$1.5 million or 4% as compared to 2Q 2011.

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

A.2 Direct expenses include the following items:

	GROUP 2Q 2012 S$'000	GROUP 2Q 2011 S$'000	Better / (Worse) %	GROUP YTD Jun 2012 S$'000	GROUP YTD Jun 2011 S$'000	Better / (Worse) %
Depreciation and amortisation	(2,826)	(2,507)	(13)	(5,814)	(4,614)	(26)
Staff costs	(7,751)	(6,228)	(24)	(15,003)	(12,620)	(19)

A.3 Other operating income

Other operating income for 2Q 2012 was higher due to receipt of the remaining funds upon liquidation of investment in Philippines.

A.4 Finance costs

The increase in finance costs was mainly due to the acquisitions of Citadines Shinjuku and Citadines Kyoto and the issuance of the medium term notes in 4Q 2011 to repay loans under the revolving credit facilities. This has enabled the Group to extend the average loan tenure of the Group's debt and increase the percentage of the Group's unencumbered assets for more financial flexibility.

A.5 Foreign exchange gain / (loss)

The foreign exchange gain recognised in 2Q 2012 was largely due to realised exchange gain on the settlement of the forward contract for the divestment proceeds from Somerset Gordon Heights Melbourne, offset by unrealised exchange loss on JPY bank loans as a result of the appreciation of JPY against SGD as at balance sheet date.

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, Japan, United Kingdom and The Philippines, partially offset by lower valuation of properties in France.

The surplus on revaluation of S$127.9 million recognised in 2Q 2012 included S$87.1 million from the revaluation of Somerset Grand Cairnhill Singapore. The fair value of Somerset Grand Cairnhill Singapore was determined based on the sale consideration of S$359.0 million pursuant to the announcement for the divestment of the property on 9 July 2012, which has been approved by the unitholders during the EGM held on 27 July 2012.

The valuation of the serviced residence properties (except for Somerset Grand Cairnhill Singapore) was carried out on 30 June 2012 by HVS. Please refer to Para 8(c) for more details.

A.7 Profit from divestment

The profit from divestment recognised in 2Q 2012 relates to the profit from divestment of Somerset Gordon Heights Melbourne.

A.8 Assets written off

This mainly relates to assets written off upon the refurbishment of Somerset Roppongi to convert the property to rental housing apartments.

A.9 Income tax expense

Taxation for 2Q 2012 was lower by S$0.8 million as compared to the corresponding period last year. This was mainly due to reversal of overprovision of deferred tax expense, partially offset by deferred tax liability provided on the serviced residence properties that have increased in fair value.

A.10 Net effect of non-tax deductible/(chargeable) items and other adjustments include the following:

	GROUP		Better / (Worse)	GROUP		Better / (Worse)
	2Q 2012 S$'000	2Q 2011 S$'000	%	YTD Jun 2012 S$'000	YTD Jun 2011 S$'000	%
Depreciation and amortisation	2,826	2,507	(13)	5,814	4,614	(26)
Manager's management fee payable/paid partially in units	2,769	2,624	(6)	5,189	4,996	(4)
Trustee's fees*	16	17	6	32	32	-
Foreign exchange loss	811	1,021	21	2,514	3,799	34
Net change in fair value of financial derivatives	-	-	-	6	5	(20)
Net change in fair value of serviced residence properties (Note A.6)	(127,913)	(82,756)	55	(127,913)	(82,756)	55
Profit from divestment (Note A.7)	(571)	-	n.m.	(571)	-	n.m.
Assets written off (Note A.8)	145	-	n.m.	145	-	n.m.
Deferred tax expense	5,617	6,966	19	6,708	8,712	23
Effect of non-controlling interests arising from the above	7,404	(12)	n.m.	7,066	(313)	n.m.

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

1(b)(i) BALANCE SHEETS

	Note	GROUP 30/06/12 S$'000	GROUP 31/12/11 S$'000	REIT 30/06/12 S$'000	REIT 31/12/11 S$'000
Non-Current Assets					
Plant and equipment	B.1	66,736	62,110	6,921	10,468
Serviced residence properties	B.2	2,498,130	2,786,143	334,378	602,732
Interest in subsidiaries		-	-	121,714	121,086
Interest in associate		3,118	3,114	3,607	3,623
Financial derivatives	B.3	27	108	-	-
Deferred tax assets	B.4	1,679	2,088	-	-
		2,569,690	**2,853,563**	**466,620**	**737,909**
Current Assets					
Assets held for sale	B.5	359,000	-	359,000	-
Inventories		527	432	-	-
Trade receivables		11,109	12,664	1,220	2,178
Other receivables and deposits	B.6	21,976	10,896	1,393,622	1,408,111
Financial derivatives	B.3	-	6	-	-
Cash and bank balances	B.7	147,152	145,466	29,073	26,420
		539,764	**169,464**	**1,782,915**	**1,436,709**
Total Assets		**3,109,454**	**3,023,027**	**2,249,535**	**2,174,618**
Non-Current Liabilities					
Interest bearing liabilities	B.9	(1,015,872)	(943,268)	(332,775)	(353,985)
Financial derivatives	B.3	(19,603)	(17,066)	(12,453)	(9,867)
Deferred tax liabilities	B.8	(49,133)	(44,789)	-	-
		(1,084,608)	**(1,005,123)**	**(345,228)**	**(363,852)**
Current Liabilities					
Trade payables		(4,460)	(6,012)	(106)	(200)
Other payables		(106,717)	(111,225)	(391,020)	(396,681)
Interest bearing liabilities	B.9	(190,649)	(261,346)	(64,774)	-
Financial derivatives	B.3	(783)	(1,412)	(120)	-
Provision for taxation		(6,201)	(9,879)	(76)	(157)
		(308,810)	**(389,874)**	**(456,096)**	**(397,038)**
Total Liabilities		**(1,393,418)**	**(1,394,997)**	**(801,324)**	**(760,890)**
Net Assets		**1,716,036**	**1,628,030**	**1,448,211**	**1,413,728**
Represented by:					
Unitholders' funds	1(d)(i)	1,615,315	1,537,012	1,448,211	1,413,728
Non-controlling interests	1(d)(i)	100,721	91,018	-	-
Total Equity	1(d)(i)	**1,716,036**	**1,628,030**	**1,448,211**	**1,413,728**

1(b)(ii) Explanatory Notes to Balance Sheet

B.1 Plant and equipment

The increase in the Group's plant and equipment as at 30 June 2012 was mainly due to the acquisition of Citadines Kyoto in March 2012, partially offset by the reclassification of the plant and equipment of Somerset Grand Cairnhill Singapore from Non-Current Assets to assets held for sale under Current Assets.

B.2 Serviced residence properties

The decrease in the Group's serviced residences as at 30 June 2012 was mainly due to the reclassification of Somerset Grand Cairnhill Singapore from serviced residence properties under Non-Current Assets to assets held for sale under Current Assets, foreign currency differences arising from translating the Group's overseas serviced residences and the divestment of Somerset Gordon Heights Melbourne. Ascott REIT announced on 9 July 2012 the divestment of Somerset Grand Cairnhill Singapore for a sale consideration of S$359.0 million. This divestment has been approved by the unitholders at the EGM held on 27 July 2012.

The decrease was partially offset by the increase in the valuation of the serviced residences on 30 June 2012 and the acquisition of Citadines Kyoto in March 2012.

B.3 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.

B.4 Deferred tax assets

The decrease in the Group's deferred tax assets as at 30 June 2012 was mainly due to the utilisation of tax losses during the year.

B.5 Assets held for sale

This relates to the reclassification of Somerset Grand Cairnhill Singapore from serviced residence properties and plant and equipment under Non-Current Assets. Please refer to notes B.1 and B.2 above.

B.6 Other receivables and deposits

The increase in the Group's other receivables and deposits as at 30 June 2012 was mainly due to higher accrued revenue and prepaid expenses.

B.7 Cash and bank balances

The increase in the Group's cash and bank balances as at 30 June 2012 was mainly due to the cash generated from operations and proceeds from divestment of Somerset Gordon Heights Melbourne, partially offset by distribution paid to unitholders, interest payments and the acquisition of Citadines Kyoto.

B.8 Deferred tax liabilities

The increase in the Group's deferred tax liabilities as at 30 June 2012 was mainly due to the relevant deferred tax liability provided on the serviced residence properties that have increased in value.

B.9 Interest bearing liabilities

	GROUP		REIT	
	30/06/12	31/12/11	30/06/12	31/12/11
	S$'000	S$'000	S$'000	S$'000
Amount repayable in one year or less or on demand				
- Secured	139,816	211,463	65,052	-
- Unsecured	51,130	50,000	-	-
Less: Fees and expenses incurred for debt raising exercises amortised over the tenure of secured and unsecured loans	(297)	(117)	(278)	-
	190,649	261,346	64,774	-
Amount repayable after one year				
- Secured	771,196	698,331	334,580	356,438
- Unsecured	250,000	250,000	-	-
Less: Fees and expenses incurred for debt raising exercises amortised over the tenure of secured and unsecured loans	(5,324)	(5,063)	(1,805)	(2,453)
	1,015,872	943,268	332,775	353,985
Total	**1,206,521**	**1,204,614**	**397,549**	**353,985**

Details of collateral

The borrowings of the Group are generally secured by:

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

Capital management

As at 30 June 2012, the Group's gearing was 39.7 percent, well within the 60 percent gearing limit allowable under MAS property fund guidelines. The average cost of debt was 3.4 percent per annum, with an interest cover of 3.8 times. S$680.9 million or 56 percent of the Group's borrowing are on fixed interest rates with S$154.0 million due for refinancing in the next 12 months. 3 percent of the Group's borrowings are on floating rates with interest rate caps.

Out of the Group's total borrowing, 10 percent falls due in 2012, 8 percent falls due in 2013, 27 percent falls due in 2014, and the balance falls due after 2014.

1(c) CONSOLIDATED STATEMENT OF CASH FLOWS

	GROUP			
	2Q 2012 S$'000	2Q 2011 S$'000	YTD Jun 2012 S$'000	YTD Jun 2011 S$'000
Operating Activities				
Total return for the period before tax	156,326	108,718	178,408	129,107
Adjustments for:				
Depreciation and amortisation	2,826	2,507	5,814	4,614
Profit from divestment	(571)	-	(571)	-
Loss / (gain) on disposal of plant and equipment	98	(3)	85	(25)
Assets written off	145	-	145	-
Finance costs	10,841	9,845	21,520	19,183
Finance income	(576)	(210)	(1,033)	(576)
Provision for doubtful debts addition / (written back)	23	13	13	(2)
Manager's management fees payable / paid partially in units	2,769	2,624	5,189	4,996
Foreign exchange loss - unrealised	811	1,021	2,514	3,799
Net change in fair value of financial derivatives	-	-	6	5
Net change in value of serviced residence properties	(127,913)	(82,756)	(127,913)	(82,756)
Share of loss / (profit) of associate	5	(9)	(20)	15
Operating profit before working capital changes	**44,784**	**41,750**	**84,157**	**78,360**
Changes in working capital	(8,458)	(15,639)	(12,048)	(44,905)
Cash generated from operations	**36,326**	**26,111**	**72,109**	**33,455**
Income tax paid	(8,475)	(2,589)	(12,940)	(6,777)
Cash flows from operating activities	**27,851**	**23,522**	**59,169**	**26,678**
Investing Activities				
Acquisition of plant and equipment	(3,802)	(2,427)	(7,307)	(3,128)
Acquisition of subsidiaries, net of cash acquired	(267)	-	(1,436)	-
Capital expenditure on serviced residence properties	(1,975)	(966)	(2,958)	(2,500)
Expenses incurred for divestment	(418)	-	(418)	-
Interest received	576	210	1,033	576
Proceeds from divestment of serviced residence property	15,335	-	15,335	-
Proceeds from sale of plant and equipment	26	8	41	33
Cash flows from investing activities	**9,475**	**(3,175)**	**4,290**	**(5,019)**
Financing Activities				
Distribution to unitholders	-	-	(45,907)	(25,148)
Dividend paid to non-controlling shareholders	(1,647)	(15)	(1,647)	(15)
Interest paid	(10,721)	(9,138)	(20,818)	(18,909)
Payment of finance lease	(806)	(849)	(1,646)	(1,682)
Payment of issue expenses	-	(1,170)	-	(1,223)
Proceeds from bank borrowings	103,818	45,336	156,248	423,917
Repayment of bank borrowings	(109,595)	(37,590)	(145,498)	(414,656)
Cash flows from financing activities	**(18,951)**	**(3,426)**	**(59,268)**	**(37,716)**
Increase / (decrease) in cash & cash equivalents	**18,375**	**16,921**	**4,191**	**(16,057)**
Cash and cash equivalents at beginning of the period	**127,986**	**97,625**	**145,466**	**132,711**
Effect of exchange rate changes on balances held in foreign currencies	791	(1,860)	(2,505)	(3,968)
Cash and cash equivalents at end of the period	**147,152**	**112,686**	**147,152**	**112,686**

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

	Note	GROUP 2Q 2012 S$'000	GROUP 2Q 2011 S$'000	GROUP YTD Jun 2012 S$'000	GROUP YTD Jun 2011 S$'000
Unitholders' Contribution					
Balance as at beginning of period		1,205,817	1,259,782	1,228,759	1,252,694
Issue of new units		2,539	2,418	5,144	20,417
Issue expenses		-	-	-	(53)
Distribution to Unitholders		-	-	(25,547)	(10,858)
Balance as at end of period		**1,208,356**	**1,262,200**	**1,208,356**	**1,262,200**
Operations					
Balance as at beginning of period		337,539	187,858	341,173	186,839
Total return for the period attributable to Unitholders		136,873	96,406	153,599	111,715
Distribution to Unitholders		-	-	(20,360)	(14,290)
Balance as at end of period		**474,412**	**284,264**	**474,412**	**284,264**
Foreign Currency Translation Reserve					
Balance as at beginning of period		(53,933)	(35,908)	(28,269)	(24,955)
Translation differences relating to financial statements of foreign subsidiaries		(5,407)	(11,457)	(31,071)	(22,410)
Balance as at end of period		**(59,340)**	**(47,365)**	**(59,340)**	**(47,365)**
Capital Reserve					
Balance as at beginning of period		1,637	1,535	1,637	1,559
Translation adjustment		-	24	-	-
Balance as at end of period		**1,637**	**1,559**	**1,637**	**1,559**
Hedging Reserve					
Balance as at beginning of period		(7,710)	3,056	(6,288)	1,330
Change in fair value of financial derivatives		(2,040)	(2,285)	(3,462)	(487)
Translation adjustment		-	72	-	-
Balance as at end of period		**(9,750)**	**843**	**(9,750)**	**843**
Unitholders' Funds	**1(b)(i)**	**1,615,315**	**1,501,501**	**1,615,315**	**1,501,501**
Non-controlling Interests					
Balance as at beginning of period		96,405	71,121	91,018	72,627
Total return for the period		9,292	1,353	10,576	2,524
Acquisition of subsidiaries		2,249	-	2,249	-
Dividend paid to non-controlling shareholders		(1,647)	-	(1,647)	-
Translation differences relating to financial statements of foreign subsidiaries		(5,578)	(2,103)	(1,475)	(4,780)
Balance as at end of period	**1(b)(i)**	**100,721**	**70,371**	**100,721**	**70,371**
Equity	**1(b)(i)**	**1,716,036**	**1,571,872**	**1,716,036**	**1,571,872**

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

	Note	REIT 2Q 2012 S$'000	REIT 2Q 2011 S$'000	REIT YTD Jun 2012 S$'000	REIT YTD Jun 2011 S$'000
Unitholders' Contribution					
Balance as at beginning of period		1,205,817	1,259,782	1,228,759	1,252,694
Issue of new units		2,539	2,418	5,144	20,417
Issue expenses		-	-	-	(53)
Distribution to Unitholders		-	-	(25,547)	(10,858)
Balance as at end of period		**1,208,356**	**1,262,200**	**1,208,356**	**1,262,200**
Operations					
Balance as at beginning of period		156,032	124,250	194,981	140,592
Total return for the period attributable to Unitholders		97,494	57,188	78,905	55,136
Distribution to Unitholders		-	-	(20,360)	(14,290)
Balance as at end of period		**253,526**	**181,438**	**253,526**	**181,438**
Hedging Reserve					
Balance as at beginning of period		(11,268)	1,336	(10,012)	(50)
Change in fair value of financial derivatives		(2,403)	(2,167)	(3,659)	(781)
Balance as at end of period		**(13,671)**	**(831)**	**(13,671)**	**(831)**
Unitholders' Funds	**1(b)(i)**	**1,448,211**	**1,442,807**	**1,448,211**	**1,442,807**

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

	REIT 2Q 2012 '000	REIT 2Q 2011 '000	REIT YTD Jun 2012 '000	REIT YTD Jun 2011 '000
Balance as at beginning of period	1,132,503	1,123,190	1,129,871	1,107,853
Issue of new units :				
- partial payment of manager's management fees	2,278	2,030	4,910	4,161
- payment of manager's acquisition fee	-	-	-	12,018
- payment of manager's divestment fee	-	-	-	1,188
Balance as at end of period	**1,134,781**	**1,125,220**	**1,134,781**	**1,125,220**

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. 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 2011.

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)	**2Q 2012**	**2Q 2011**	**YTD Jun 2012**	**YTD Jun 2011**
Number of units on issue at end of period ('000)	1,134,781	1,125,220	1,134,781	1,125,220
Weighted average number of units for the period ('000)	1,133,955	1,124,328	1,132,752	1,116,858
EPU (cents) – Basic and Diluted (based on the weighted average number of units for the period)	12.07	8.57	13.56	10.00

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 2012**	**2Q 2011**	**YTD Jun 2012**	**YTD Jun 2011**
Number of units on issue at end of period ('000)	1,134,781	1,125,220	1,134,781	1,125,220
DPU (cents) – Basic and diluted	2.38	2.33	4.52	4.47

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**	
	30/06/12	**31/12/11**	**30/06/12**	**31/12/11**
NAV per unit (S$)	1.42	1.36	1.28	1.25

8. GROUP PERFORMANCE REVIEW

8(a) Revenue and Gross Profit Analysis – 2Q 2012 vs. 2Q 2011

	Revenue				Gross Profit				REVPAU Analysis		
	2Q 2012	2Q 2011	Better/ (Worse)		2Q 2012	2Q 2011	Better/ (Worse)		2Q 2012	2Q 2011	Better/ (Worse)
	S$'M		S$M	%	S$'M		S$'M	%	S$/day	S$/day	%
France	9.0	9.7	(0.7)	(7)	8.3	9.0	(0.7)	(8)	-	-	-
Germany	0.9	1.0	(0.1)	(10)	0.9	1.0	(0.1)	(10)	-	-	-
Philippines	0.2	0.2	-	-	0.2	0.2	-	-	-	-	-
Master Leases	**10.1**	**10.9**	**(0.8)**	**(7)**	**9.4**	**10.2**	**(0.8)**	**(8)**	**-**	**-**	**-**
Belgium	3.2	3.3	(0.1)	(3)	1.1	1.1	-	-	100	102	(2)
Spain	2.1	2.2	(0.1)	(5)	1.1	1.1	-	-	152	149	2
United Kingdom	13.0	12.1	0.9	7	6.4	6.1	0.3	5	228	212	8
Vietnam	1.0	0.9	0.1	11	0.6	0.6	-	-	83	75	11
Management contracts with minimum guaranteed income	**19.3**	**18.5**	**0.8**	**4**	**9.2**	**8.9**	**0.3**	**3**	**172**	**163**	**6**
Australia	1.8	2.2	(0.4)	(18)	0.9	0.6	0.3	50	196	180	9
China	5.3	4.8	0.5	10	2.3	2.0	0.3	15	126	108	17
Indonesia	4.1	3.8	0.3	8	1.5	1.3	0.2	15	106	94	13
Japan	7.7	3.5	4.2	120	3.6	2.0	1.6	80	137*	94*	46
Philippines	8.0	7.2	0.8	11	3.2	3.1	0.1	3	175	161	9
Singapore	12.9	13.1	(0.2)	(2)	7.1	7.5	(0.4)	(5)	248	250	(1)
Vietnam	9.7	9.1	0.6	7	5.5	5.6	(0.1)	(2)	101	95	6
Management contracts	**49.5**	**43.7**	**5.8**	**13**	**24.1**	**22.1**	**2.0**	**9**	**149**	**140**	**6**
Group	**78.9**	**73.1**	**5.8**	**8**	**42.7**	**41.2**	**1.5**	**4**	**156**	**147**	**6**

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

Group

Please refer to para 1(a)(ii)(A.1) for analysis of the Group's revenue and gross profit.

Analysis By Country

A. Master Leases

France

Revenue decreased by S$0.7 million or 7% in 2Q 2012 as compared to 2Q 2011 mainly due to depreciation of EUR against SGD. In line with the decrease in revenue, gross profit decreased by S$0.7 million or 8%. In EUR terms, revenue and gross profit have increased by 2%.

Germany

Revenue decreased by S$0.1 million or 10% in 2Q 2012 as compared to 2Q 2011 mainly due to depreciation of EUR against SGD. In line with the decrease in revenue, gross profit decreased by S$0.1 million or 10%. In EUR terms, revenue and gross profit were at the same level as 2Q 2011.

Philippines

Revenue and gross profit remained at the same level as 2Q 2011.

B. Management contracts with minimum guaranteed income

Belgium

Revenue decreased by S$0.1 million or 3% in 2Q 2012 as compared to 2Q 2011. REVPAU decreased from S$102 in 2Q 2011 to S$100 in 2Q 2012. The decrease was mainly due to depreciation of EUR against SGD. In EUR terms, revenue, gross profit and REVPAU increased by 11%, 17% and 7% respectively. The increase was mainly due to better performance from Citadines Sainte-Catherine Brussels post renovation.

Spain

Revenue decreased by S$0.1 million or 5% in 2Q 2012 as compared to 2Q 2011. The decrease was mainly due to depreciation of EUR against SGD. In EUR terms, revenue, gross profit and REVPAU increased by 8%, 17% and 10% respectively. The increase was mainly due to stronger leisure market. Revenue and gross profit for 2Q 2012 included a top-up by the property manager of S$0.1 million.

United Kingdom

Revenue increased by S$0.9 million or 7% in 2Q 2012 as compared to 2Q 2011. REVPAU increased from S$212 in 2Q 2011 to S$228 in 2Q 2012. The increase was mainly due to positive market response to the rebranded Citadines Prestige Trafalgar Square property, enabling the refurbished apartments to achieve higher rental rates.

In line with the increase in revenue, gross profit increased by S$0.3 million or 5%.

Vietnam

Revenue increased by S$0.1 million or 11% in 2Q 2012 as compared to 2Q 2011 due to higher yield protection amount. Despite higher yield protection amount, gross profit remained at the same level as 2Q 2011 mainly due to higher staff costs. Revenue and gross profit for 2Q 2012 included a yield protection amount of S$0.3 million.

C. Management contracts

Australia

Revenue decreased by S$0.4 million or 18% in 2Q 2012 as compared to 2Q 2011 mainly due to the divestment of Somerset Gordon Heights Melbourne on 26 April 2012. REVPAU increased from S$180 in 2Q 2011 to S$196 in 2Q 2012. Excluding the revenue contribution from Somerset Gordon Heights Melbourne, revenue for 2Q 2012 was higher by S$0.2 million or 13% as compared to 2Q 2011. The increase was mainly due to higher demand in Perth as a result of increased business from the oil and gas, and mining industries.

Gross profit in 2Q 2012 increased by $0.3 million or 50% as compared to 2Q 2011 due to the increase in revenue, better cost management and one-off reversal of costs no longer required.

China

Revenue increased by S$0.5 million or 10% in 2Q 2012 as compared to 2Q 2011. REVPAU increased from S$108 in 2Q 2011 to S$126 in 2Q 2012. The increase was mainly due to higher demand from project and relocation business.

In line with the increase in revenue, gross profit in 2Q 2012 increased by S$0.3 million or 15% as compared to 2Q 2011.

Indonesia

Revenue for 2Q 2012 increased by S$0.3 million or 8% in 2Q 2012 as compared to 2Q 2011. REVPAU increased from S$94 in 2Q 2011 to S$106 in 2Q 2012. The increase was mainly due to increased business from telecommunication and banking industries.

In line with the increase in revenue, gross profit in 2Q 2012 increased by S$0.2 million or 15% as compared to 2Q 2011.

Japan

As compared to 2Q 2011, revenue increased by S$4.2 million or 120% in 2Q 2012 and gross profit increased by S$1.6 million or 80%. This was mainly due to the contribution from the Citadines Shinjuku and Citadines Kyoto acquired in end December 2011 and March 2012 respectively.

Excluding the contribution from Citadines Shinjuku and Citadines Kyoto, revenue increased by S$0.4 million and gross profit increased by S$0.6 million as compared to 2Q 2011. REVPAU increased from S$94 in 2Q 2011 to S$137 in 2Q 2012 due to improved business conditions in 2Q 2012. Gross profit increased due to lower operation and maintenance expense, upon conversion of Somerset Roppongi from serviced residence to rental housing.

The Philippines

Revenue in 2Q 2012 increased by S$0.8 million or 11% as compared to 2Q 2011. REVPAU increased from S$161 in 2Q 2011 to S$175 in 2Q 2012. The increase was mainly due to higher demand from business process outsourcing, oil and gas and aircraft engineering industries.

Gross profit in 2Q 2012 increased by S$0.1 million or 3% due to the increase in revenue, partially offset by higher utility and staff costs.

Singapore

Revenue decreased by S$0.2 million or 2% in 2Q 2012 as compared to 2Q 2011. REVPAU decreased by 1% from S$250 in 2Q 2011 to S$248 in 2Q 2012. This decrease was due to lower occupancy as a result of disruption from the construction activities near Somerset Grand Cairnhill. Gross profit decreased by S$0.4 million or 5% mainly due to lower revenue, higher property tax and operation and maintenance expenses.

Vietnam

Revenue increased by S$0.6 million or 7% as compared to 2Q 2011. The increase was mainly due to stronger demand for the refurbished apartment units of Somerset Grand Hanoi and higher office rental income. REVPAU increased from S$95 in 2Q 2011 to S$101 in 2Q 2012.

Gross profit decreased by S$0.1 million or 2% due to higher staff costs and depreciation expense.

8(b) Revenue and Gross Profit Analysis – YTD Jun 2012 vs. YTD Jun 2011

	Revenue				**Gross Profit**				**REVPAU Analysis**		
	YTD Jun 2012	**YTD Jun 2011**	**Better/ (Worse)**		**YTD Jun 2012**	**YTD Jun 2011**	**Better/ (Worse)**		**YTD Jun 2012**	**YTD Jun 2011**	**Better/ (Worse)**
	S$'M		**S$M**	**%**	**S$'M**		**S$'M**	**%**	**S$/day**	**S$/day**	**%**
France	18.3	19.1	(0.8)	(4)	16.9	17.9	(1.0)	(6)	-	-	-
Germany	1.9	2.0	(0.1)	(5)	1.9	1.9	-	-	-	-	-
Philippines	0.5	0.4	0.1	25	0.4	0.4	-	-	-	-	-
Master Leases	**20.7**	**21.5**	**(0.8)**	**(4)**	**19.2**	**20.2**	**(1.0)**	**(5)**	**-**	**-**	**-**
Belgium	5.7	5.8	(0.1)	(2)	1.4	1.5	(0.1)	(7)	88	89	(1)
Spain	3.4	3.5	(0.1)	(3)	1.6	1.6	-	-	117	117	-
United Kingdom	22.3	20.9	1.4	7	10.2	10.0	0.2	2	198	183	8
Vietnam	2.0	1.9	0.1	5	1.2	1.2	-	-	84	81	4
Management contracts with minimum guaranteed income	**33.4**	**32.1**	**1.3**	4	**14.4**	**14.3**	**0.1**	**1**	**149**	**141**	**6**
Australia	4.1	4.2	(0.1)	(2)	1.7	1.2	0.5	42	193	178	8
China	10.5	9.0	1.5	17	4.1	3.2	0.9	28	123	104	18
Indonesia	7.9	7.6	0.3	4	2.7	2.5	0.2	8	103	95	8
Japan	13.6	7.7	5.9	77	6.5	4.4	2.1	48	127*	112*	13
Philippines	15.9	14.0	1.9	14	6.5	5.9	0.6	10	175	156	12
Singapore	25.3	25.5	(0.2)	(1)	14.2	14.2	-	-	242	244	(1)
Vietnam	19.1	18.8	0.3	2	10.6	11.6	(1.0)	(9)	99	100	(1)
Management contracts	**96.4**	**86.8**	**9.6**	**11**	**46.3**	**43.0**	**3.3**	**8**	**146**	**139**	**5**
Group	**150.5**	**140.4**	**10.1**	**7**	**79.9**	**77.5**	**2.4**	**3**	**147**	**140**	**5**

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

For the six months ended 30 June 2012 ("YTD Jun 2012"), revenue increased by S$10.1 million or 7% as compared to the corresponding period last year ("YTD Jun 2011"). The increase in revenue was mainly due to the additional contribution of S$5.7 million from Citadines Shinjuku and Citadines Kyoto, and stronger performance from the Group's serviced residences in The Philippines, China and United Kingdom.

REVPAU increased by S$7 from S$140 in YTD Jun 2011 to S$147 in YTD Jun 2012, driven by an increase in the average rental rates of the Group's serviced residences. The Group's occupancy remained stable at 79%.

In line with the increase in revenue, gross profit for YTD Jun 2012 increased by S$2.4 million or 3% as compared to YTD Jun 2011.

(c) Change in value of serviced residence properties

The change in value of serviced residence properties will affect the net asset value but has no impact on the unitholders' 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 2012, independent full valuations for the Group's serviced residence properties were carried out by HVS. In determining the fair value of the Group's serviced residence properties (except for Somerset Grand Cairnhill Singapore), HVS used the Discounted Cash Flow approach. The valuation method used is consistent with that used for the 31 December 2011 valuation.

The fair value of Somerset Grand Cairnhill Singapore was based on the sale consideration of S$359.0 million pursuant to the announcement on 9 July 2012. At the EGM held on 27 July 2012, unitholders have approved the divestment of Somerset Grand Cairnhill Singapore.

The Group's portfolio was revalued at S$2,854.6 million, prior to the reclassification of Somerset Grand Cairnhill Singapore to a serviced residence property held for sale, resulting in a surplus of S$127.9 million which was recognised in the Consolidated Statement of Total Return in 2Q 2012. This surplus included S$87.1 million from the revaluation of Somerset Grand Cairnhill Singapore.

The surplus resulted mainly from higher valuation of the Group's serviced residences in Singapore, Japan, United Kingdom and The Philippines, partially offset by lower valuation of the Group's serviced residences in France. The net impact on the Consolidated Statement of Total Return was S$114.2 million (net of tax and non-controlling interests).

Following the reclassification of Somerset Grand Cairnhill Singapore to a serviced residence property held for sale, the carrying amount of the serviced residence properties was S$2,498.1 million.

9. OUTLOOK AND PROSPECTS

Global economic conditions are expected to remain uncertain for the rest of 2012. Nevertheless, the Group's income remained stable because of our extended stay business model, the geographically diversified portfolio with exposure across different economic cycles, as well as properties on master lease and serviced residence contracts with minimum guaranteed income.

The Group's presence in Asia will be strengthened following the acquisition of Ascott Raffles Place Singapore, Ascott Guangzhou and the New Cairnhill Serviced Residence, which have been approved at the EGM held on 27 July 2012. This transaction, like our past acquisitions, will broaden the Group's earnings base and improve stability of income through the master lease arrangements for the two Singapore properties.

We continue to actively manage our assets through periodic upgrading, refurbishment and reconfiguration of properties to increase the returns of the Group's portfolio. Citadines Prestige Trafalgar Square was well received by the public following the completion of rebranding and renovation in first quarter 2012. From July 2012, we will also embark on the refurbishment of Ascott Jakarta in phases.

We will continue to focus on yield accretive acquisitions in countries where we operate and explore opportunities in Asia as well as London, Paris and key cities in Germany.

The Group remains confident in the markets it operates in. The operating performance for FY2012 is expected to remain profitable.

10. DISTRIBUTIONS

10(a) **Current financial period**

Any distributions declared for the current financial period? Yes

Period of distribution : Distribution for 1 January 2012 to 30 June 2012

Distribution Type	Distribution Rate (cents)
Taxable Income	1.206
Tax Exempt Income	0.361
Capital	2.950
Total	**4.517**

10(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 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**

10(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.

10(d) Book closure date : 6 August 2012

10(e) Date payable : 29 August 2012

11. General mandate for Interested Person Transactions ("IPT")

The Group has not obtained a general mandate from unitholders for IPT.

12. Confirmation pursuant to Rule 705(5) 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 at 30 June 2012 and the results of the business, consolidated statement of total return, consolidated statement of cash flows and statement of changes in equity for the six months ended 30 June 2012, 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
27 July 2012