



FY2007 Financial Results Media and Analyst Briefing 23 January 2008

Agenda

- **2007 Highlights**
- **Financial Performance**
- **Portfolio Information**
- **Prospects**
- **Acquisition of Somerset St Georges Terrace, Perth**
- **Q&A Session**

Disclaimer

IMPORTANT NOTICE

The value of units in Ascott Residence Trust (“ART”) (the “Units”) and the income derived from them may fall as well as rise. The Units are not obligations of, deposits in, or guaranteed by the Manager of ART (the “Manager”) or any of its affiliates. An investment in the Units is subject to investment risks, include the possible loss of the principal amount invested. The past performance of ART is not necessarily indicative of its future performance.

This presentation may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Prospective investors and Unitholders are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of the Manager on future events.

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

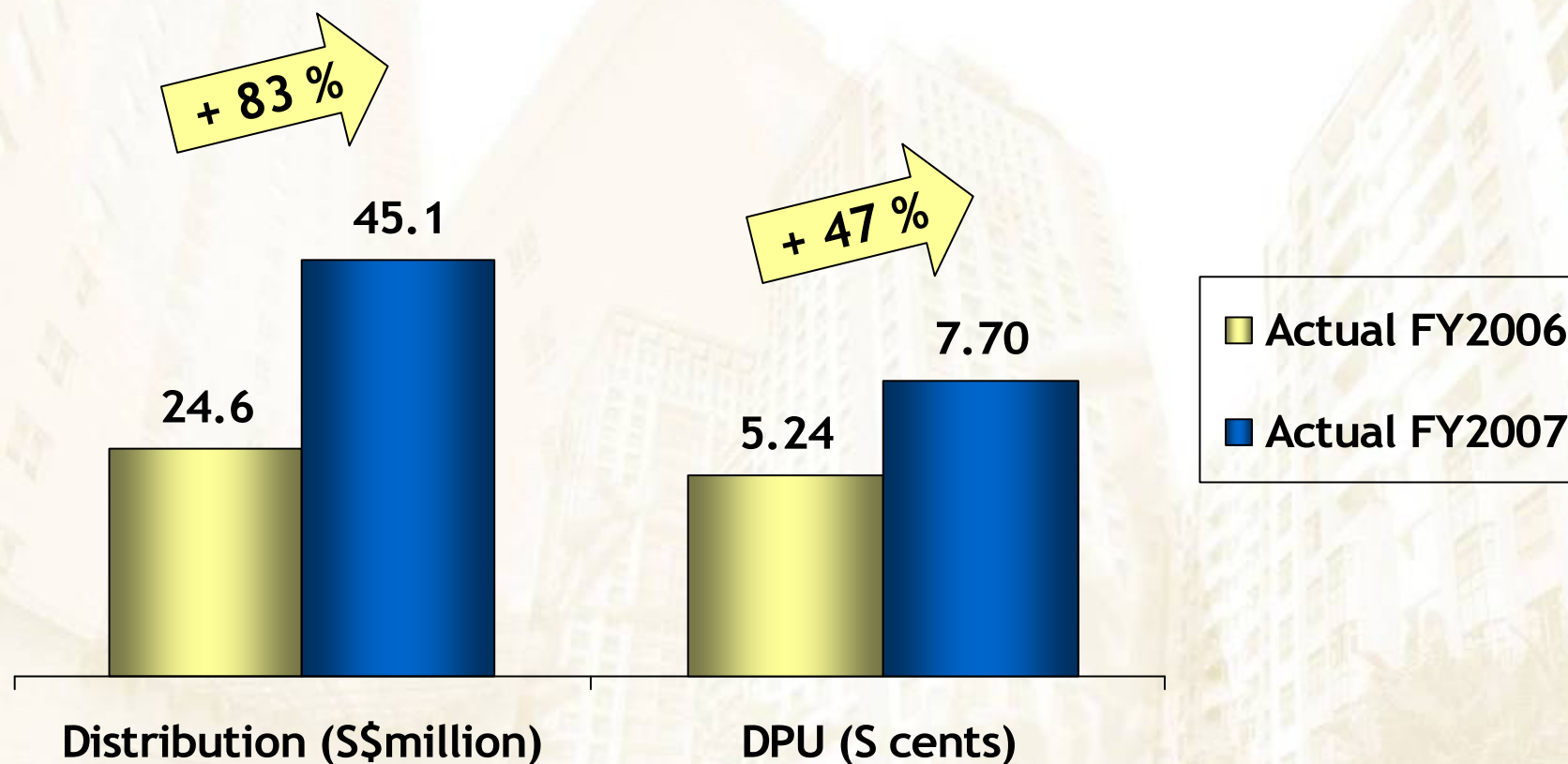
-  **Yield-accretive acquisitions and strong organic growth delivered Distribution Per Unit (DPU) of 7.70 cents for FY2007**
 - Completed acquisition of 5 serviced residences and 18 rental housing properties in Ho Chi Minh City, Manila, Melbourne and Tokyo
 - Completed asset enhancement programmes in Ascott Beijing and Somerset Gordon Heights, Melbourne
 - Achieved strong 9% growth in Revenue Per Available Unit (RevPAU)

-  **Greater income stability from geographical diversification and increased proportion of rental housing units in portfolio**
 - Increased number of rental housing units from 11% to 22% of portfolio

-  **Successfully raised gross proceeds of approximately S\$199.0 million through a secondary equity fund raising exercise**
 - Increased free float and improved ART's trading liquidity

Increase in Unitholders' Distribution and DPU

2007 Highlights



Yield-accretive acquisitions and strong organic growth

Note: ART was established on 19 January 2006 but the acquisition of the real properties was completed on 1 March 2006. Hence the income recorded relates only to the 10-month period from 1 March 2006 to 31 December 2006. ART had no income from 19 January 2006 to 28 February 2006.

Robust Growth

2007 Highlights

	2006	2007	
Number of Properties	14	36	↑
Number of Units	2,304	3,461	↑
Geographical Presence	9 cities in 6 countries	10 cities in 7 countries	↑
Portfolio Value (S\$ million)	927	1,489 ^[1]	↑
Net Asset Value Per Unit (S\$)	1.33	1.60	↑
Market Capitalisation (S\$ million)	798 ^[2]	879 ^[3]	↑



Ascott Makati, The Philippines

1. Includes revaluation gains of S\$147.4 million.
2. Based on ART's closing price of S\$1.60 per unit as at 29 December 2006.
3. Based on ART's closing price of S\$1.45 per unit as at 31 December 2007.

Revaluation Gains

- Enjoyed revaluation gains of S\$147.4 million
- Mainly from the revaluation of serviced residences in Singapore and China

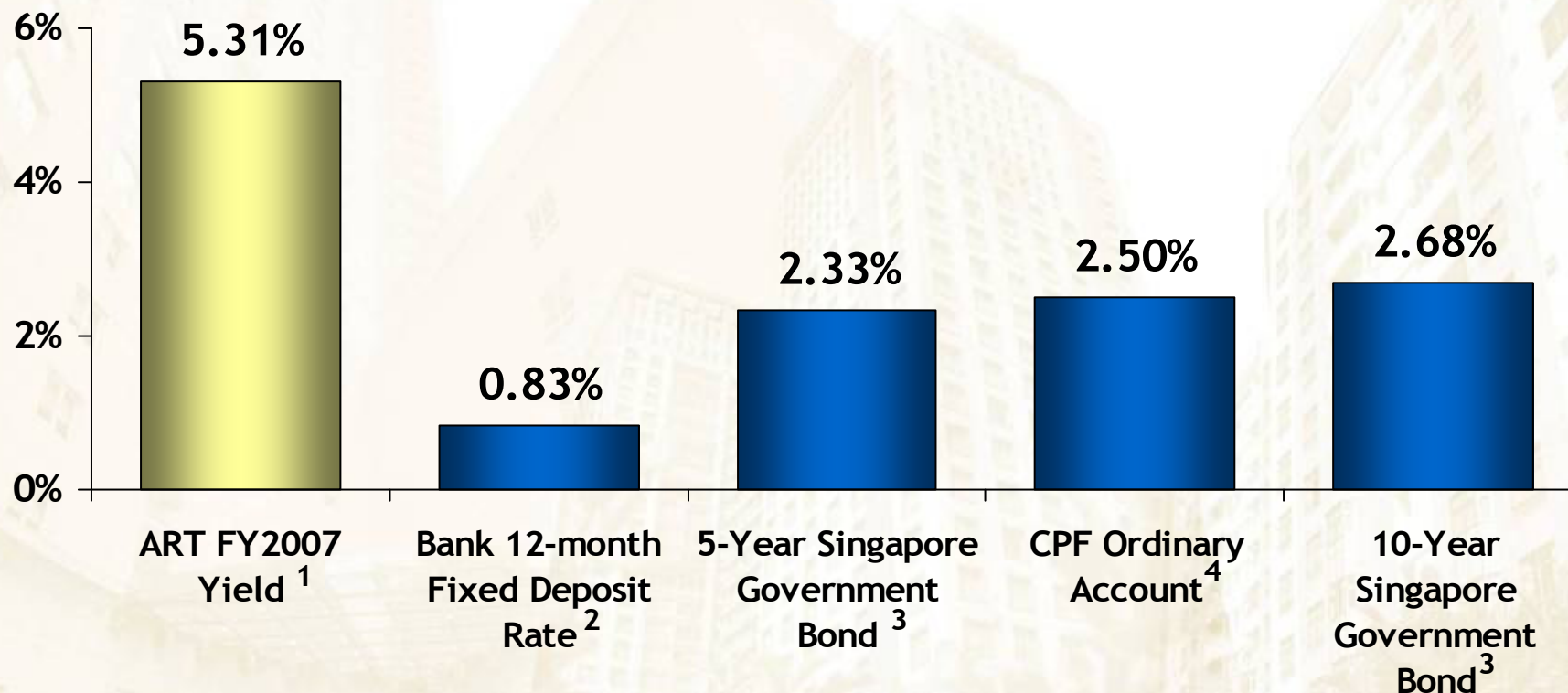
	Revaluation Gain/ (Loss) (S\$m)	Change (%)
Singapore	111.7	+ 39 %
China	26.6	+ 7 %
The Philippines	7.7	+ 6 %
Vietnam	9.1	+ 4%
Japan	2.4	+ 2 %
Indonesia	(7.9)	- 7 %
Australia	(2.2)	- 13 %



*Somerset Olympic Tower
Property, Tianjin, China*

Attractive Trading Yield

2007 Highlights

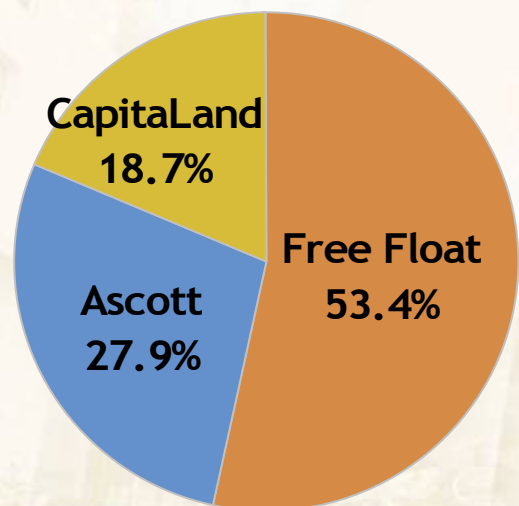


1. Based on ART's closing price of S\$1.45 per unit as at 31 December 2007 and actual distribution of 7.70 cents for FY2007.
2. As at December 2007 (Source: Monetary Authority of Singapore website)
3. As at 31 December 2007 (Source: Singapore Government Securities website)
4. Based on interest paid on Central Provident Fund (CPF) Ordinary Account from 1 October to 31 December 2007 (Source: CPF website)

Improved Trading Liquidity

- Free float more than doubled since listing
- ART's trading liquidity has improved
 - Average daily trading volume of 1.6 million units in 2007

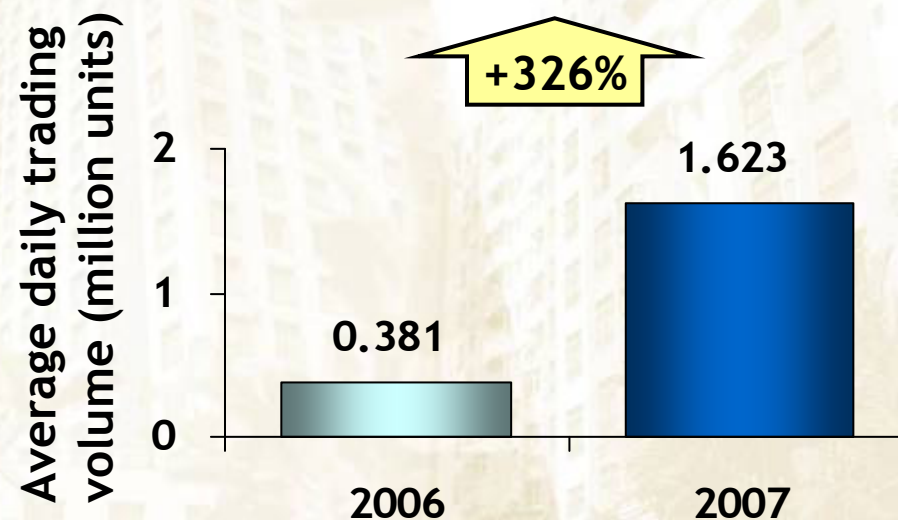
Free Float



606.2 million units in issue

Note: As at 31 December 2007.

Trading Liquidity



Average daily trading volume increased over four times



Financial Performance

FY2007 Performance Exceeds Forecast

Financial
Performance











	(A) Actual FY2007	(B) Forecast FY2007 [#]	(A) - (B) Variance (%)	(C) Actual FY2006 [*]	(A) - (C) Variance (%)
Revenue (S\$m)	154.8	144.5	+ 7% ↑	89.8	+ 72% ↑
Gross Profit (S\$m)	69.7	66.6	+ 5% ↑	42.6	+ 64% ↑
Unitholders' Distribution (S\$m)	45.1	40.4	+ 12% ↑	24.6	+ 83% ↑
Distribution Per Unit (S cents)	7.70	7.05	+ 9% ↑	5.24	+ 47% ↑
Revenue Per Available Unit (S\$)	132	124	+ 6% ↑	121	+ 9% ↑

As disclosed in the Prospectus of ART dated 6 March 2006 and the Offer Information Statement dated 12 March 2007.

* ART was established on 19 January 2006 but the acquisition of the real properties was completed on 1 March 2006. Hence the income recorded relates only to the 10-month period from 1 March 2006 to 31 December 2006. ART had no income from 19 January 2006 to 28 February 2006.

4Q2007 Performance Exceeds Forecast

Financial
Performance

	(A) Actual 4Q2007	(B) Forecast 4Q2007 [#]	(A) - (B) Variance (%)	(C) Actual 4Q2006	(A) - (C) Variance (%)
Revenue (S\$m)	42.9	39.0	+ 10% 	29.1	+ 47% 
Gross Profit (S\$m)	19.2	18.0	+ 7% 	13.3	+ 44% 
Unitholders' Distribution (S\$m)	12.8	11.0	+ 16% 	8.3	+ 54% 
Distribution Per Unit (S cents)	2.12	1.82	+ 16% 	1.65	+ 28% 
Revenue Per Available Unit (S\$)	138	124	+ 11% 	123	+ 12% 

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

Distribution Details

Financial
Performance

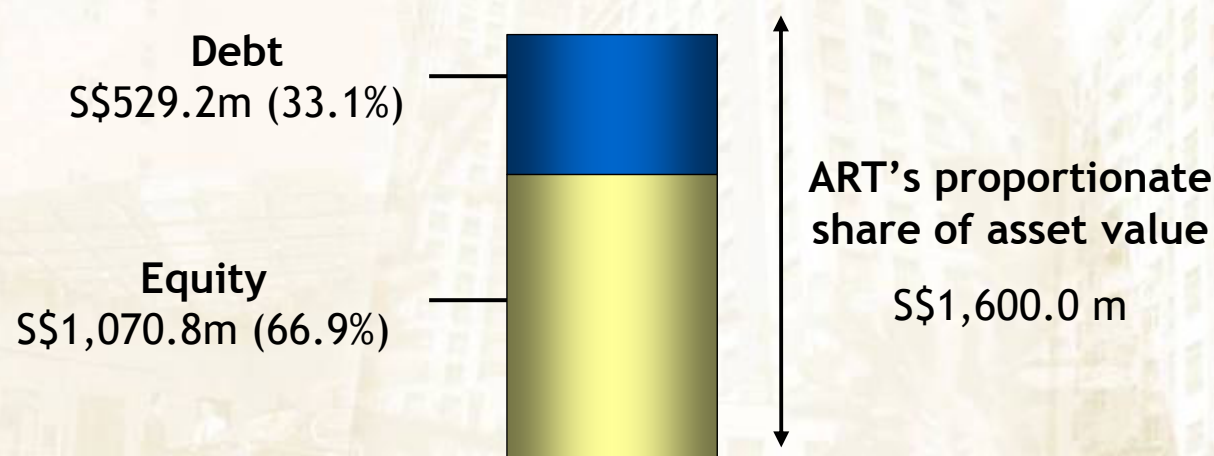
Distribution Period	1 January to 25 March 2007	26 March to 30 June 2007	1 July to 31 December 2007
Distribution Rate	1.50 cents per unit	2.10 cents per unit	4.10 cents per unit
Book Closure Date	23 March 2007	2 August 2007	1 February 2008
Distribution Payment Date	28 April 2007 PAID	28 August 2007 PAID	28 February 2008

For FY 2008, ART will continue to distribute 100% of its taxable income and Net Overseas Income

Strong Balance Sheet

- Gearing of 33.1%, well within the 60% gearing limit allowable under MAS property fund guidelines
- Obtained a Baa2 investment grade rating from Moody's

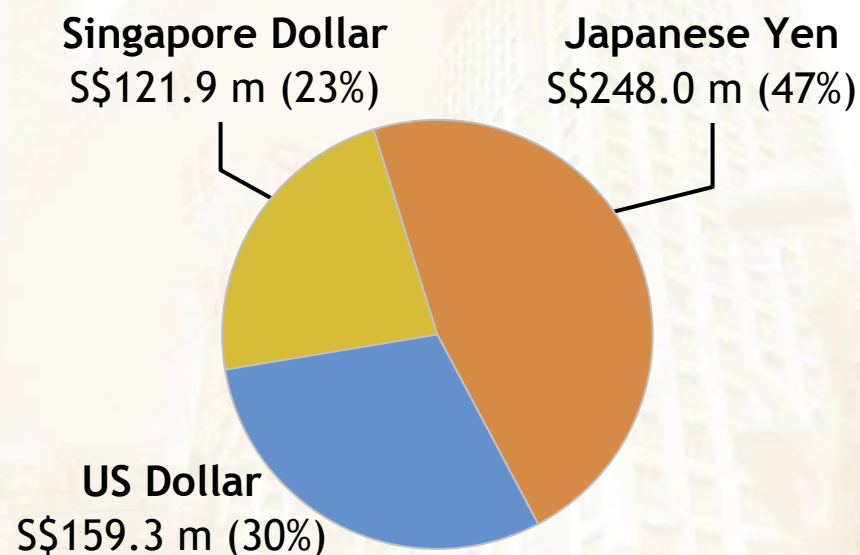
ART Gearing Profile



Note: Based on ART's proportionate share of asset value of S\$1,600.0 million as at 31 December 2007.

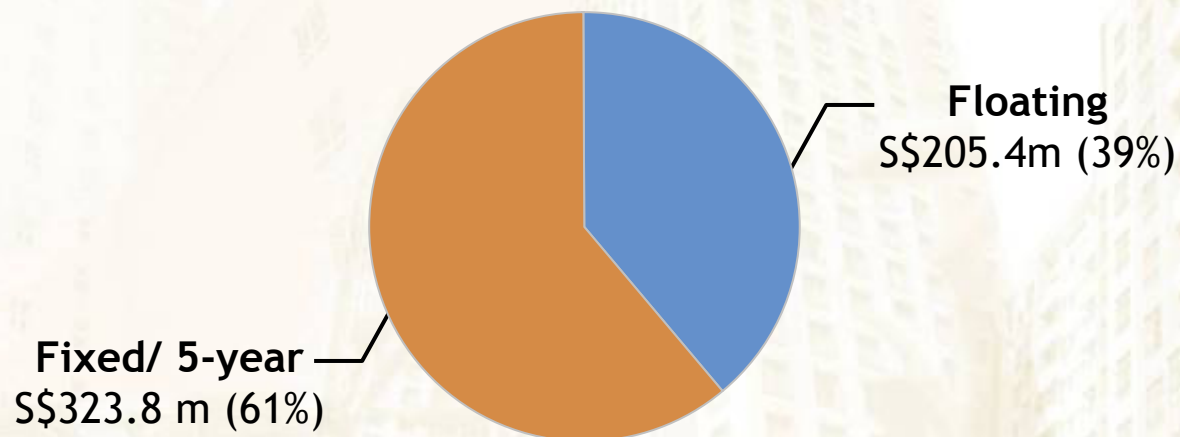
Borrowings in Yen, USD and SGD

As at 31 December 2007



ART's Share of Bank Loans = S\$529.2 million

As at 31 December 2007



Effective Borrowing Rate of 3.4%

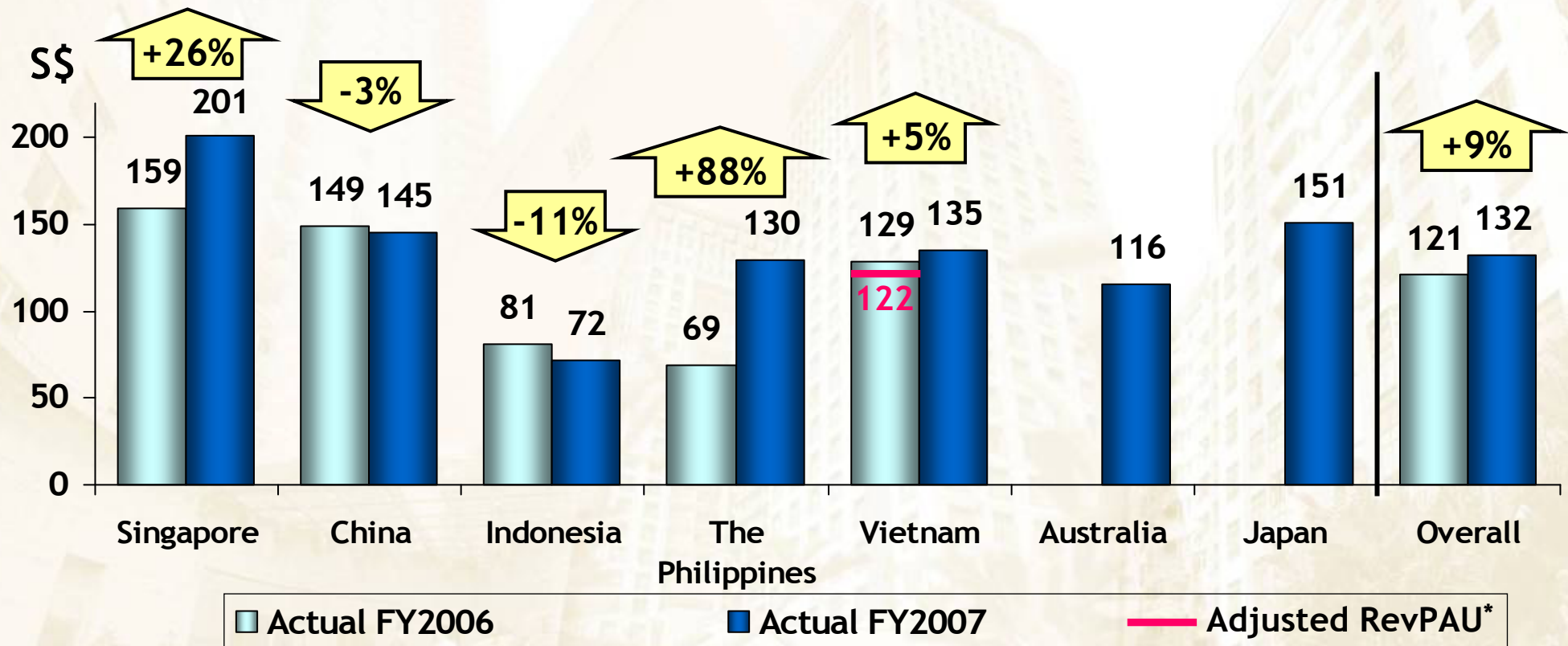
Interest Cover Ratio of 4.7x

Note: As at 31 December 2007.

Double-Digit Growth in Singapore and The Philippines

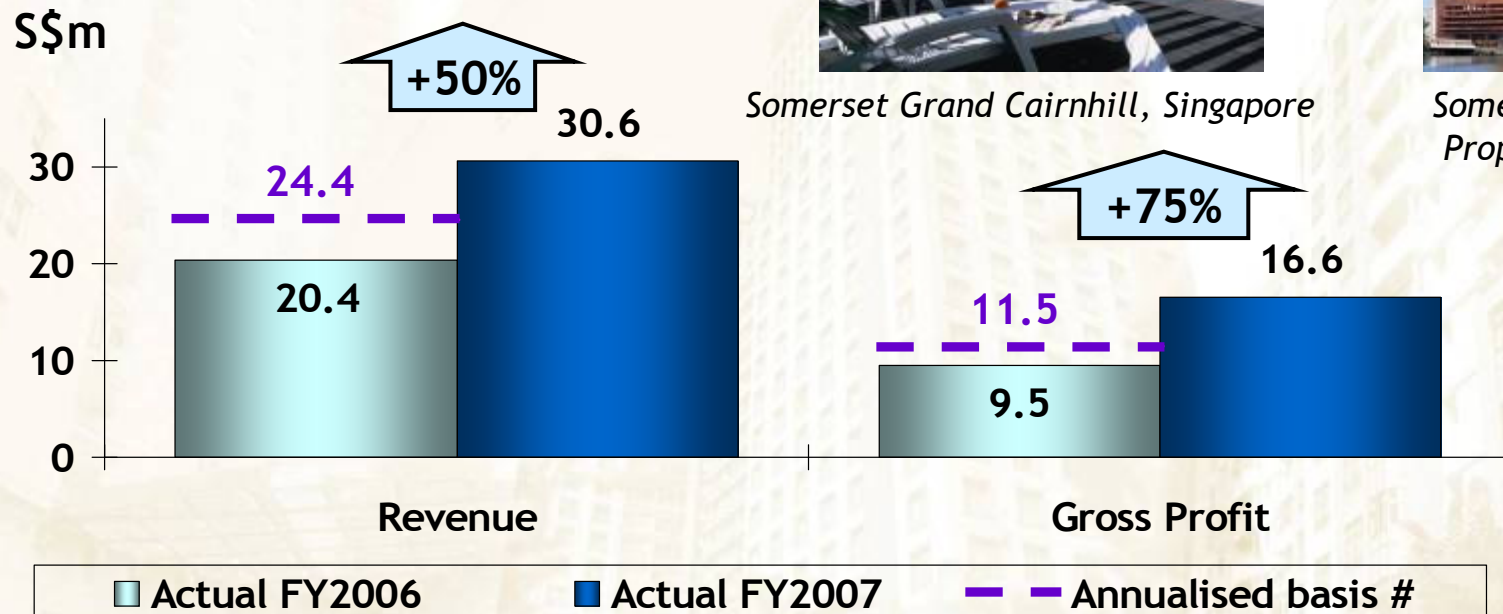
Financial Performance

Revenue Per Available Unit (RevPAU)



* Foreign currencies are converted to S\$ at December 2007 average rates.

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Somerset Grand Cairnhill, Singapore

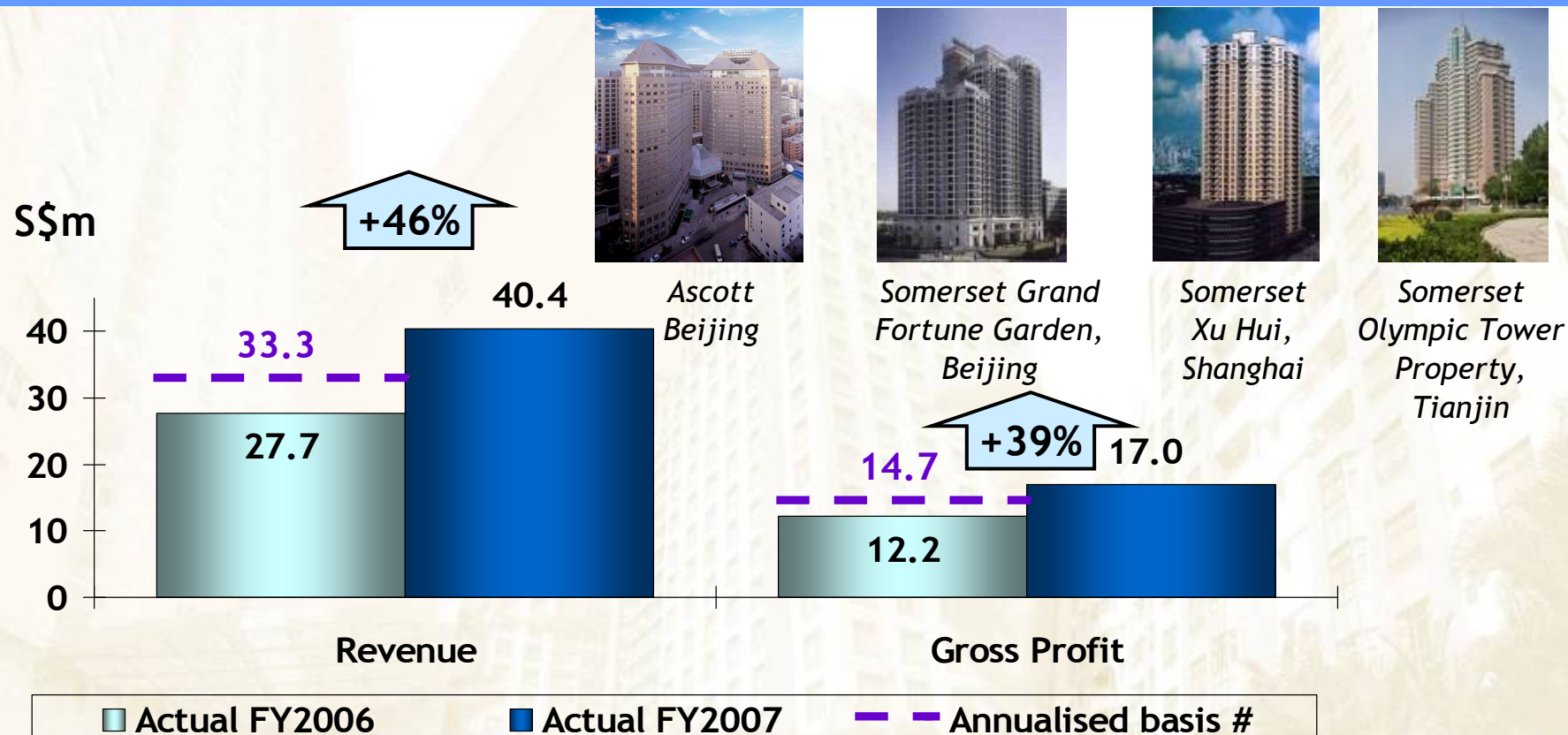


Somerset Liang Court Property, Singapore

Average daily rates increased by 24%

Figures are annualised to assume income was recorded for a 12-month period.

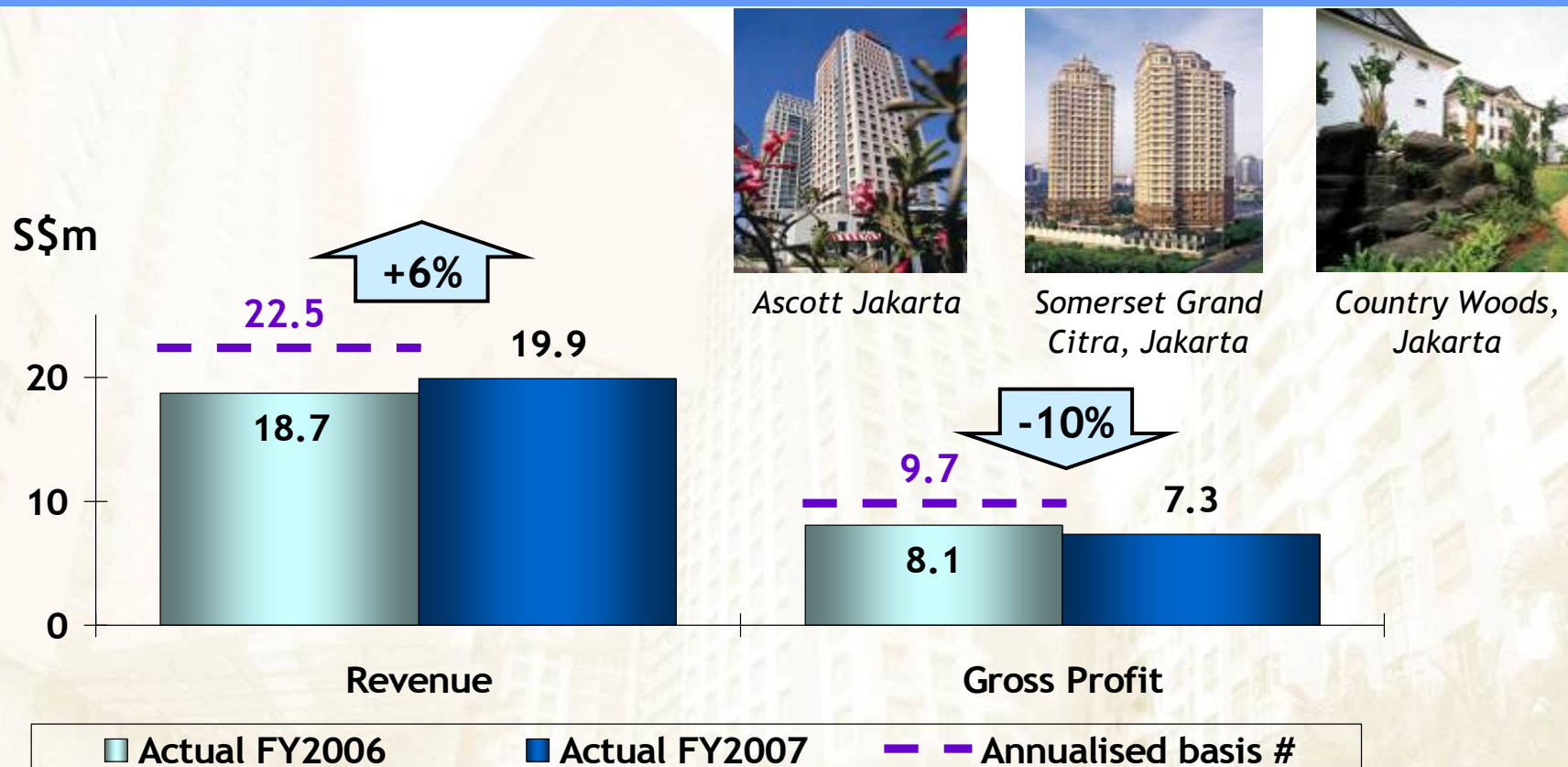
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Revenue increase due to contribution from Somerset Olympic Tower and asset enhancement at Ascott Beijing

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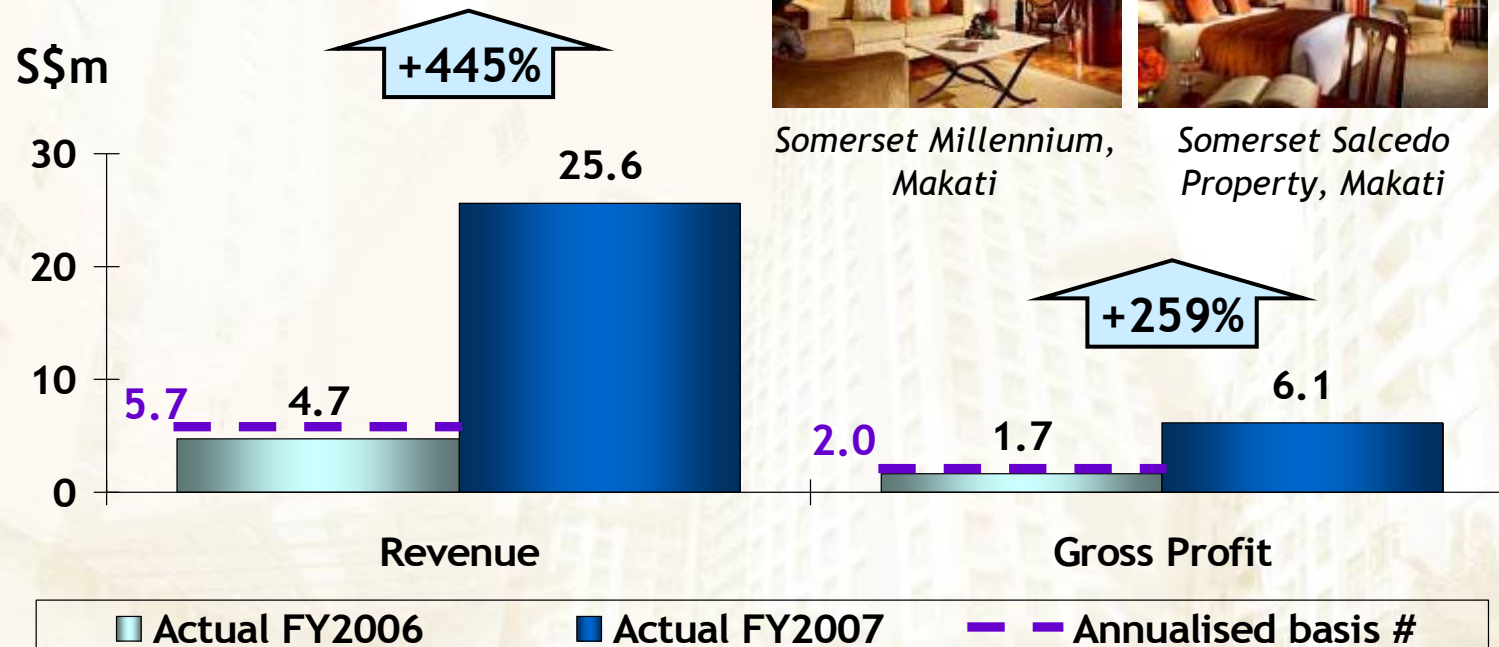
Increased competition in Jakarta

Figures are annualised to assume income was recorded for a 12-month period.

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The Philippines

Financial Performance



Somerset Millennium, Makati



Somerset Salcedo Property, Makati

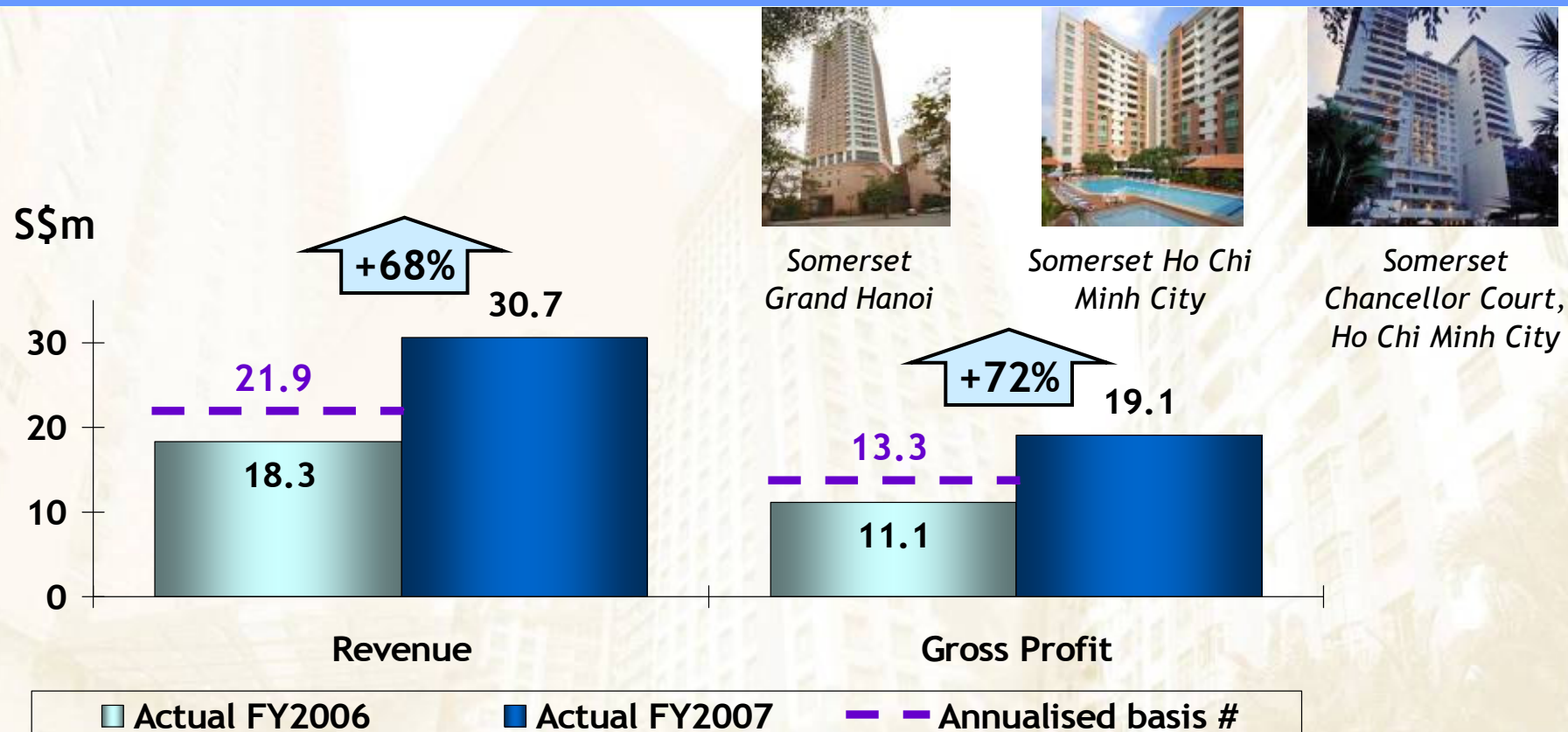


Ascott Makati

Strong growth due to higher ADR and contribution from Ascott Makati

Figures are annualised to assume income was recorded for a 12-month period.

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Higher average daily rates and contribution from Somerset Chancellor Court in Ho Chi Minh City

Figures are annualised to assume income was recorded for a 12-month period.

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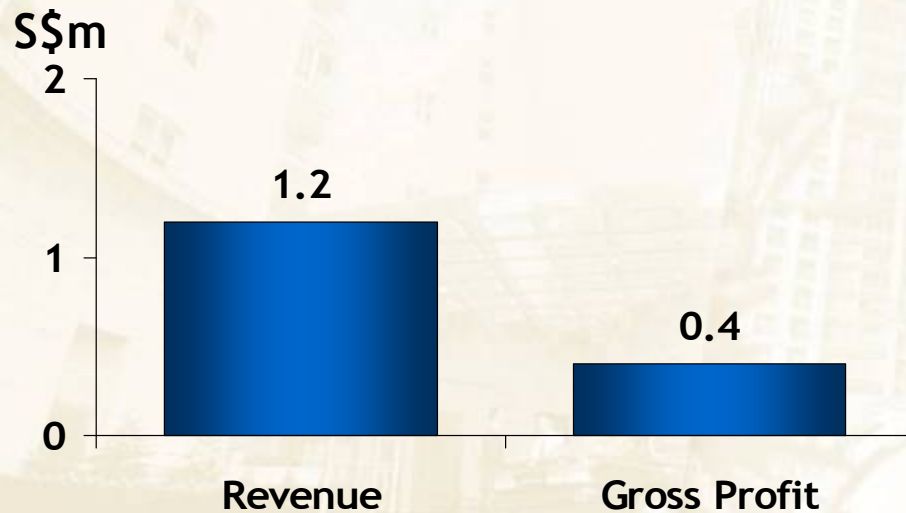
Australia and Japan Actual FY2007

Financial
Performance

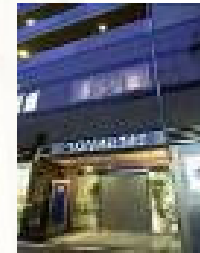
Australia



Somerset Gordon Heights, Melbourne



Japan



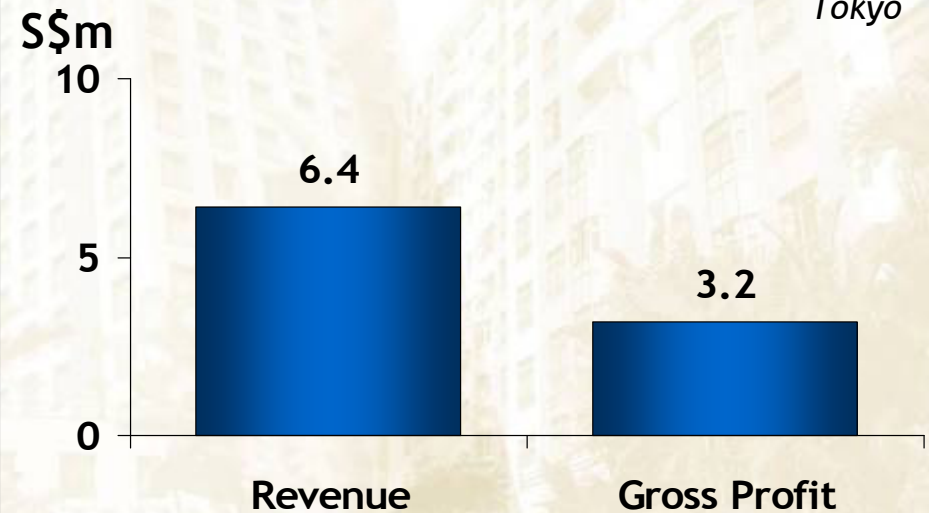
Somerset Roppongi, Tokyo



Somerset Azabu East, Tokyo



18 rental housing properties in Tokyo



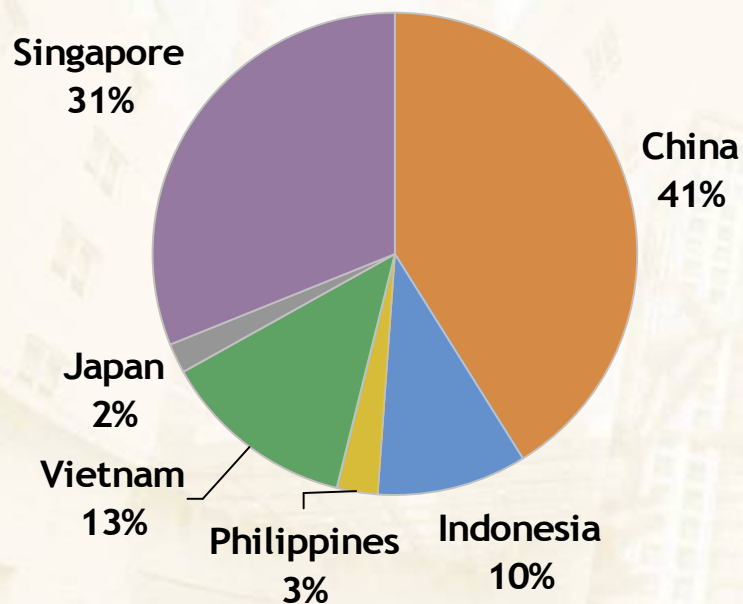
Acquisitions completed in 2007



Portfolio Information

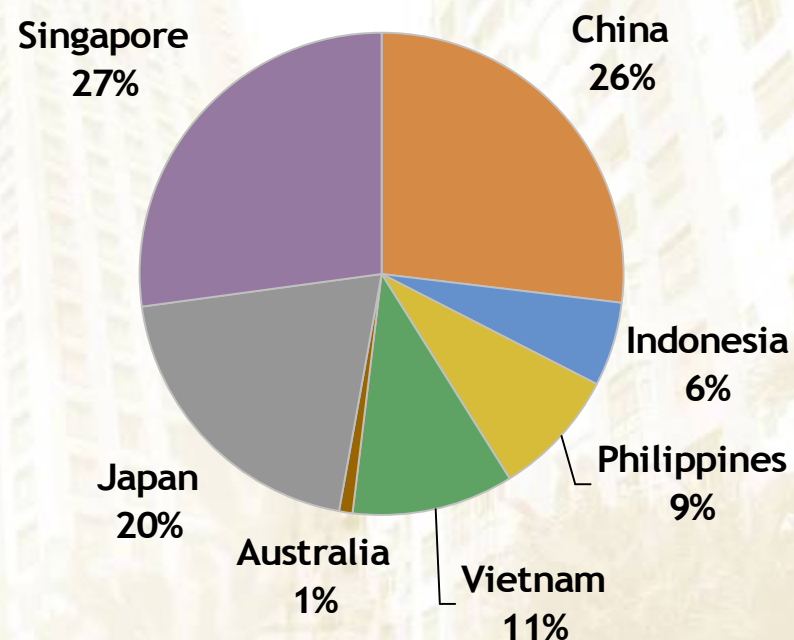
Portfolio Diversification By Geography

**ART's Share of Property Values
As at 31 December 2006**



Total = S\$927 million

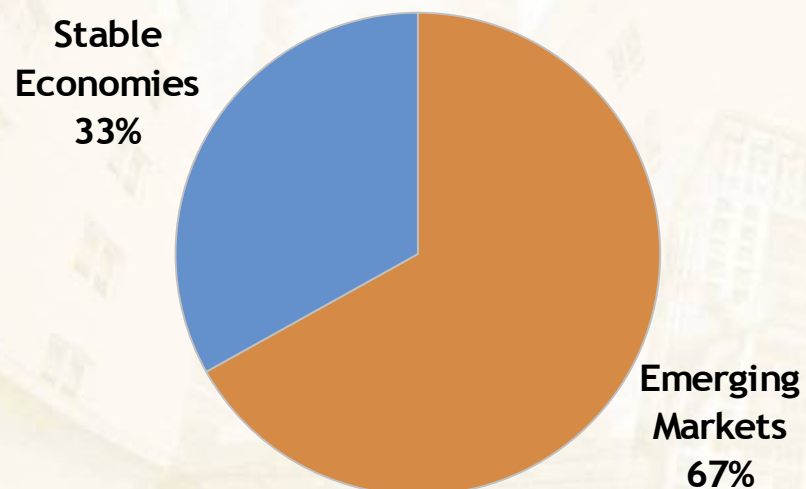
**ART's Share of Property Values
As at 31 December 2007**



Total = S\$1.49 billion

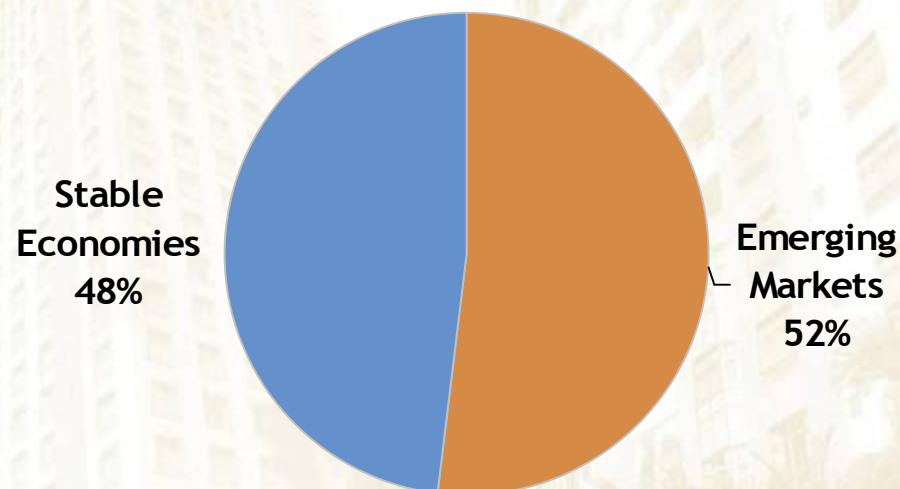
Portfolio Diversification

ART's Share of Property Values As at 31 December 2006



Total = S\$927 million

ART's Share of Property Values As at 31 December 2007



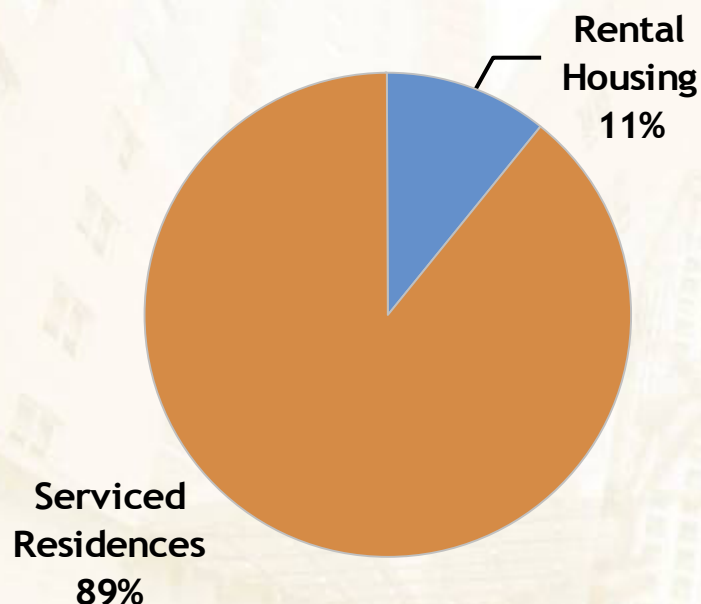
Total = S\$1.49 billion

Geographical diversification to achieve a balance of stability and growth

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

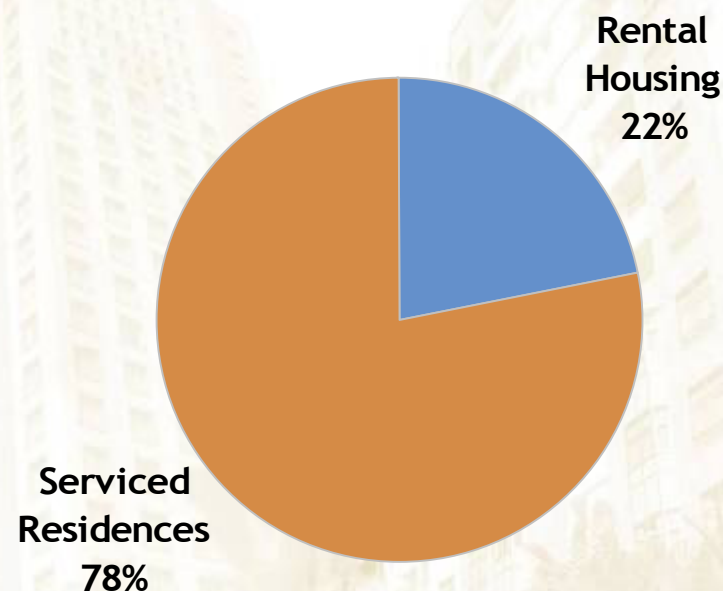
Portfolio Diversification

**Number of Units By Apartment Type
As at 31 December 2006**



Total = 2,304 units

**Number of Units By Apartment Type
As at 31 December 2007**



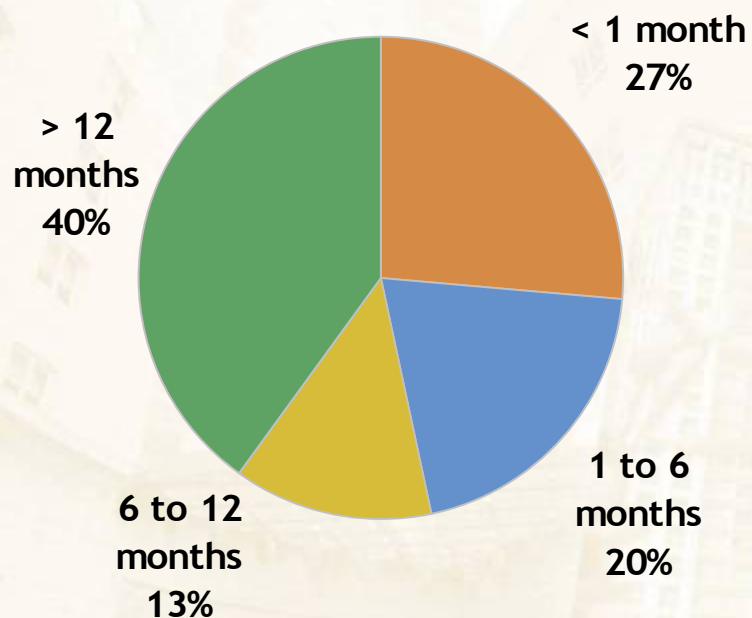
Total = 3,461 units

Long stay profile and high occupancy of rental housing provides greater income stability

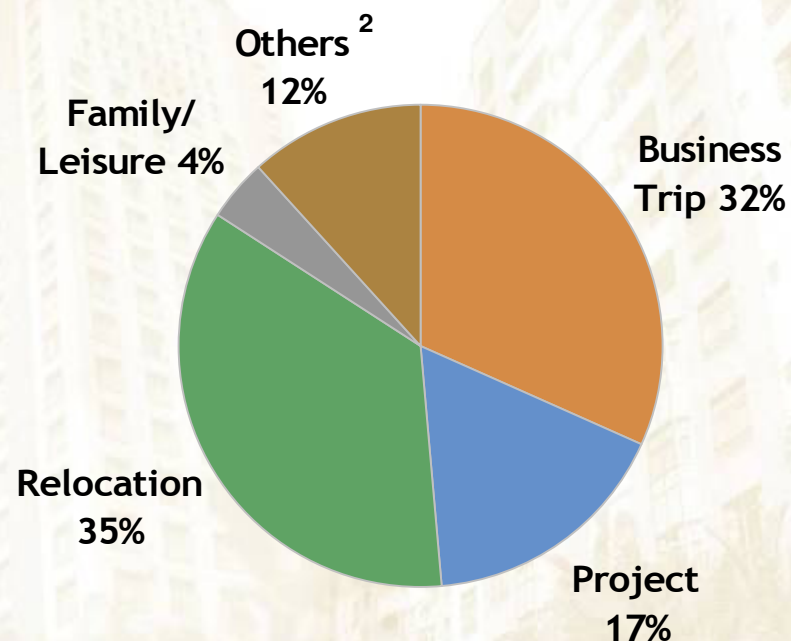
Diversified by Length of Stay and Market Segment

Portfolio
Information

Apartment Rental Income By Length of Stay¹



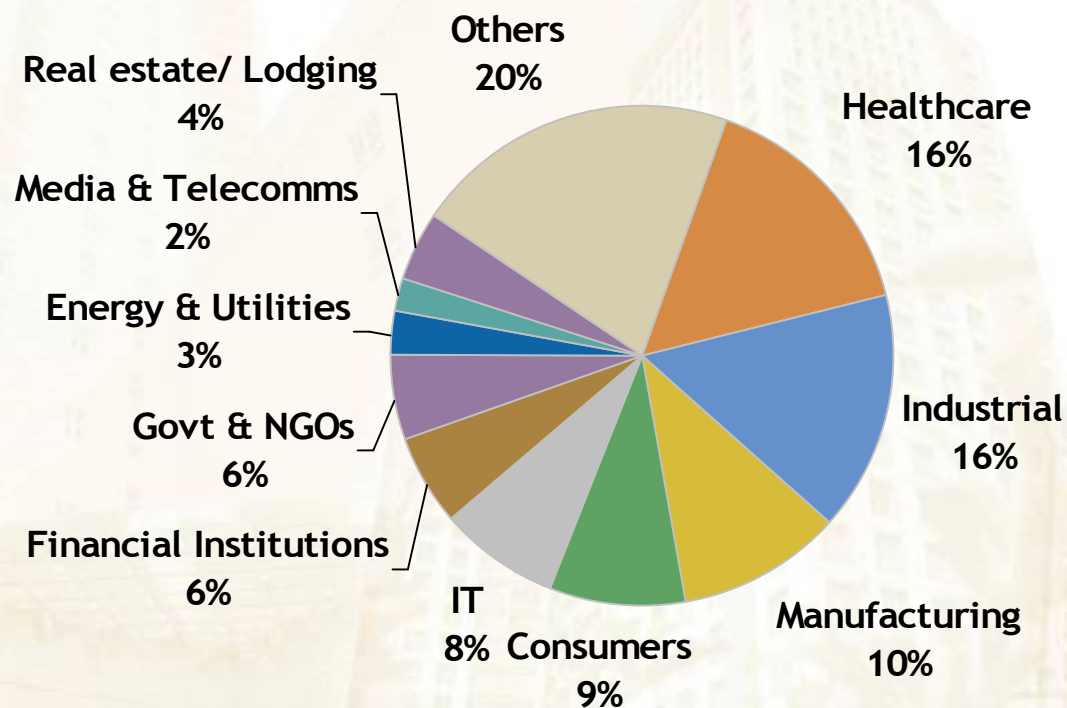
Apartment Rental Income by Market Segment¹



Average length of stay is more than 8 months

1. For the year ended 31 December 2007. Assumes acquisitions made in 2007 were completed on 1 January 2007.
2. Includes training, medical, etc.

Apartment Rental Income By Industry¹



Earnings diversified by industry

1. For the year ended 31 December 2007. Assumes acquisitions made in 2007 were completed on 1 January 2007.

Asset Enhancements For Better Yield

	Somerset Gordon Heights, Melbourne	Ascott Beijing	Somerset Olympic Tower Property, Tianjin
Asset Enhancements	<ul style="list-style-type: none"> Rebranding into a Somerset Refurbishment of the property 	<ul style="list-style-type: none"> 73 new one-bedroom units created from 35 larger apartment units All new units released for rental by 3Q 2007 	<ul style="list-style-type: none"> <u>Phase 1</u>: 20 new two-bedroom units created from 10 penthouse duplex units and released for rental by Oct 2007 <u>Phase 2</u>: Ongoing reconfiguration of 12 two-bedroom units into 18 new one-bedroom units to be completed by mid 2008
Increase in Inventory	Nil	38 units	Phase 1: 10 units Phase 2: 6 units
Renovation Cost	A\$0.7 million	US\$2.5 million	US\$0.7 million
Payback Period	3 years	3 years	4 years



Prospects

- ✓ **The global economy in 2008 may be affected by the lower growth expected in the United States, which may in turn have some impact on the Asian hospitality industry.**
- ✓ **ART's geographical diversity and extended stay business model allows it to continue to enjoy a high degree of income stability.**
- ✓ **ART will continue to actively manage its portfolio to optimise its potential for organic growth and continue to source for yield-accretive acquisitions.**
- ✓ **ART's operating performance in 2008 is expected to continue to grow.**



Acquisition of Somerset St Georges Terrace, Perth

Acquisition of Somerset St Georges Terrace, Perth

- Acquisition of 84-unit freehold serviced residence in Perth, Australia for a total purchase price of A\$28.5 million (S\$36.1 million)^[1]
- Acquisition is yield-accretive to ART at an estimated annualised property yield^[2] of 6.1%
- To be funded by borrowings
 - Will bring ART's gearing to 34.5%, well within the 60% gearing limit allowable under the Monetary Authority of Singapore's property fund guidelines
- The property, currently known as Chifley On The Terrace, will be re-branded Somerset St Georges Terrace, Perth upon legal completion expected to be in 2Q 2008^[3]



*Chifley On The Terrace
(Perth, Australia)*

1. Based on an exchange rate of A\$1 = S\$1.2654.
2. For the Forecast Year 2008.
3. Legal completion is conditional on, amongst others, all strata title owners of the property completing the transaction.

Acquisition Highlights

- **ART's first serviced residence in Perth**
 - Expands ART's portfolio in Australia to two cities: Melbourne and Perth
- **Strategically located along the prime St Georges Terrace in the heart of Perth's central business district**
- **Will be managed by Ascott International Management (Australia), an indirectly wholly owned subsidiary of The Ascott Group Limited**



Attractions of Perth

- **Strong economic growth**
 - Western Australia's economy grew 6.3%, much higher than the Australian economic growth rate of 3.2%^[1]
 - Tremendous growth in the mining industry expected to remain main driver of economic expansion
- **High potential for organic growth in Perth**
 - Perth the best performing Australian city in 2007 as average room rates grew 15% to reach A\$159^[2], while enjoying average occupancy of 84%
 - Limited supply of good-quality accommodation in Perth currently and in the next few years
- **Increase in visitors numbers expected**
 - Tourism Australia launched a 'Re-energise in Australia' campaign in 2007 targeted at attracting business events into the country
 - Visitor numbers expected to accelerate in the next two years^[3]

1. For the 12 months ended 30 June 2007. Source: Australian Bureau of Statistics.
2. For the first nine months of 2007. Source: Deloitte's HotelBenchmark Survey.
3. Source: Tourism Australia website.

World's First and Only Pan-Asian Serviced Residence REIT

Australia

2 properties with 127 units in Melbourne and Perth

China

4 properties with 743 units in Beijing, Shanghai and Tianjin

Indonesia

3 properties with 652 units in Jakarta

Japan

20 properties with 652 units in Tokyo

The Philippines

3 properties with 515 units in Manila

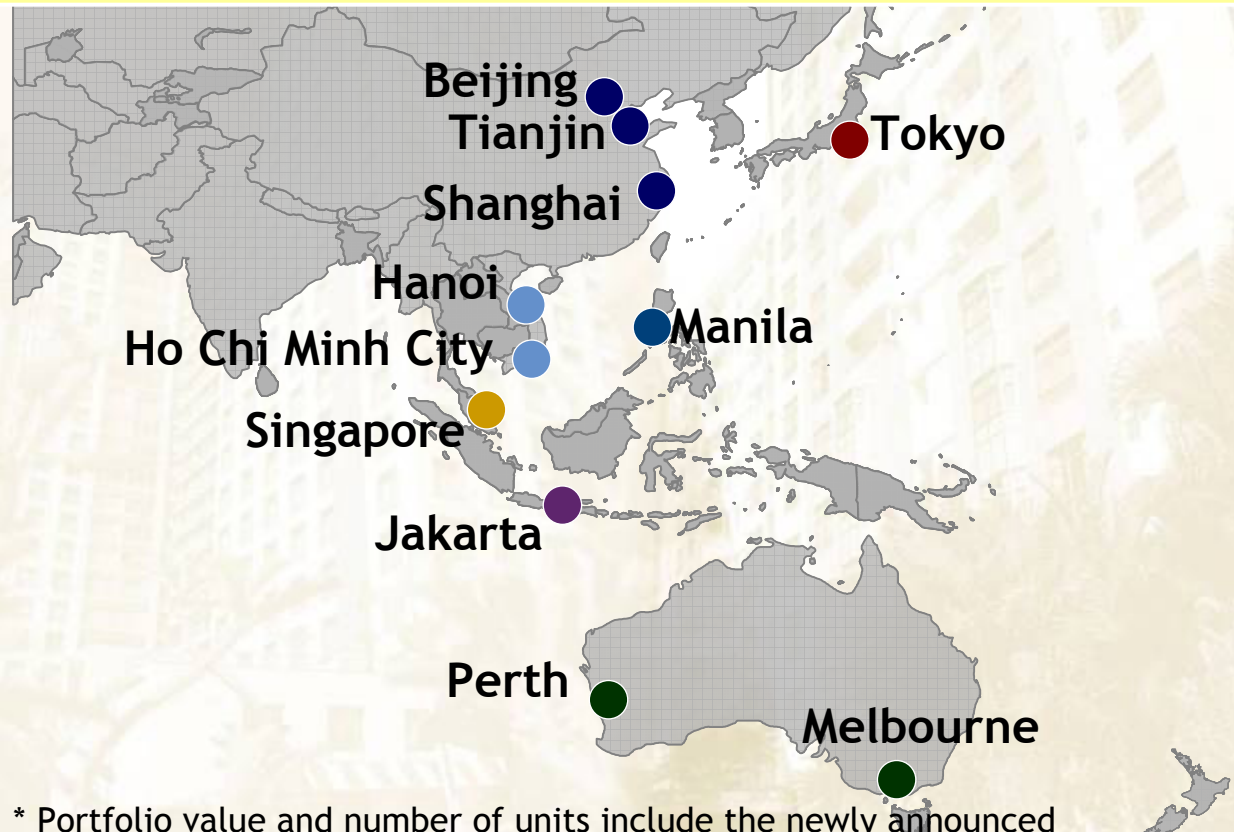
Singapore

2 properties with 339 units

Vietnam

3 properties with 522 units in Hanoi and Ho Chi Minh City

S\$1.53 billion portfolio value*
3,550 apartment units in 37 properties
11 Pan-Asian cities in 7 countries



* Portfolio value and number of units include the newly announced acquisition of the property in Perth, Australia, which is expected to be completed in 2Q 2008.



Q&A