

**ASCOTT RESIDENCE TRUST
2012 FULL YEAR UNAUDITED FINANCIAL STATEMENTS
AND DISTRIBUTION STATEMENT
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ASCOTT RESIDENCE TRUST 2012 FOURTH QUARTER UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT

Summary of Group Results

	4Q 2012 S\$'000	4Q 2011 S\$'000	Better/ (Worse) %	YTD Dec 2012 S\$'000	YTD Dec 2011 S\$'000	Better/ (Worse) %
Revenue	75,934	75,267	1	303,841	288,653	5
Gross Profit	38,509	39,988	(4)	159,147	157,482	1
Unitholders' Distribution	22,786	20,633	10	99,698	96,166	4
Distribution Per Unit (cents)	2.00	1.83 ⁽¹⁾	9	8.76	8.53	3

⁽¹⁾ Distribution per unit was lower in Q4 2011 due to costs incurred for one-off events:

- (a) Established US\$2 billion Euro-Medium Term Note ("MTN") Programme at a cost of S\$0.5 million. This is in line with Ascott Reit's strategy of securing diversified funding sources and allows Ascott Reit to target an enlarged pool of investors;
- (b) Issued S\$250 million MTN. Higher loan related expenses and cash holding costs of S\$0.8 million were incurred due to early refinancing of the secured borrowings due in 2012. The issuance of the MTN reduced the debt refinancing exposure in 2012, extended the average loan tenure of the Group's debt and increased the percentage of the Group's unencumbered assets for more financial flexibility; and
- (c) Provision of S\$2.1 million for licensing related matters for a serviced residence in China.

Excluding these one-off costs, the distribution per unit for 4Q 2011 would have been 2.13 cents.

DISTRIBUTION AND BOOK CLOSURE DATE

Distribution	For 1 January 2012 to 30 June 2012	For 1 July 2012 to 31 December 2012
Distribution Rate	4.517 cents per Unit	4.238 cents per Unit
Book Closure Date	6 August 2012	5 February 2013
Payment Date	29 August 2012	28 February 2013

ASCOTT RESIDENCE TRUST

2012 FOURTH 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. With effect from 8 August 2012, the principal investment strategy of Ascott Reit has been 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.

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).

In the year 2010, Ascott Reit enhanced the geographical diversification of its portfolio by acquiring 26 properties in Europe.

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.

On 28 September 2012, Ascott Reit completed the divestment of Somerset Grand Cairnhill Singapore and the acquisition of Ascott Raffles Place Singapore, Ascott Guangzhou and signed the put and call option agreement for the New Cairnhill Serviced Residence to be developed.

On 15 November 2012, Ascott Reit completed the acquisition of Madison Hamburg.

As at 31 December 2012, Ascott Reit’s portfolio comprises 67 properties with 7,056 apartment units* in 25 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.

* Exclude New Cairnhill Serviced Residence

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

	Note	GROUP		Better / (Worse) %	GROUP		Better / (Worse) %
		4Q 2012 S\$'000	4Q 2011 S\$'000		YTD Dec 2012 S\$'000	YTD Dec 2011 S\$'000	
Revenue	A.1	75,934	75,267	1	303,841	288,653	5
Direct expenses	A.2	(37,425)	(35,279)	(6)	(144,694)	(131,171)	(10)
Gross Profit	A.1	38,509	39,988	(4)	159,147	157,482	1
Finance income		506	629	(20)	2,038	1,558	31
Other operating income	A.3	638	256	149	2,112	563	275
Finance costs	A.4	(10,362)	(10,821)	4	(42,343)	(39,510)	(7)
Manager's management fees		(3,543)	(3,538)	-	(14,129)	(13,741)	(3)
Trustee's fee		(80)	(78)	(3)	(311)	(298)	(4)
Professional fees	A.5	(967)	(1,214)	20	(1,912)	(2,388)	20
Audit fees		(400)	(411)	3	(1,757)	(1,541)	(14)
Foreign exchange gain/ (loss)	A.6	7,175	3,543	103	3,827	(1,543)	348
Other operating expenses	A.7	(645)	(2,218)	71	(1,149)	(2,617)	56
Share of profit / (loss) of associate (net of tax)		-	6	(100)	24	(22)	209
Net income before changes in fair value of financial derivatives and serviced residence properties		30,831	26,142	18	105,547	97,943	8
Net change in fair value of financial derivatives	A.8	4,683	(1)	n.m.	4,677	(5)	n.m.
Net change in fair value of serviced residence properties	A.9	(27,883)	47,423	(159)	100,030	130,177	(23)
Net divestment expenses	A.10	(197)	-	n.m.	(9,683)	-	n.m.
Assets written off	A.11	(476)	(1,983)	76	(621)	(3,115)	80
Total return for the period / year before tax		6,958	71,581	(90)	199,950	225,000	(11)
Income tax expense	A.12	(7,411)	(10,456)	29	(27,367)	(31,222)	12
Total return for the period / year after tax		(453)	61,125	(101)	172,583	193,778	(11)
Attributable to:							
Unitholders		1,362	51,157		162,354	180,277	
Non-controlling interests		(1,815)	9,968		10,229	13,501	
Total return for the period / year		(453)	61,125	(101)	172,583	193,778	(11)

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

	Note	GROUP		Better / (Worse) %	GROUP		Better / (Worse) %
		4Q 2012 S\$'000	4Q 2011 S\$'000		YTD Dec 2012 S\$'000	YTD Dec 2011 S\$'000	
Total return for the period /year attributable to unitholders		1,362	51,157		162,354	180,277	
Net effect of non-tax deductible / chargeable items and other adjustments	A.13	21,424	(30,524)		(62,656)	(84,111)	
Total amount distributable to Unitholders for the period / year		22,786	20,633	10	99,698	96,166	4
Comprises :							
- from operations		9,687	15,135		37,237	31,935	
- from unitholders' contributions		13,099	5,498		62,461	64,231	
		22,786	20,633	10	99,698	96,166	4

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

A.1 Revenue and Gross profit

Revenue for 4Q 2012 of S\$75.9 million comprised S\$12.6 million (17% of total revenue) from serviced residences on Master Leases, S\$18.2 million (24%) from serviced residences on management contracts with minimum guaranteed income and S\$45.1 million (59%) from serviced residences on management contracts.

Revenue for 4Q 2012 increased by S\$0.6 million or 1% as compared to 4Q 2011. The increase in revenue was mainly due to the contributions of S\$9.2 million from the acquisitions, partially offset by the decrease in revenue of S\$6.1 million from the divestments.

Revenue for 4Q 2011 also included a business interruption ("BI") claim of S\$1.6 million for Somerset Grand Citra. On a same store basis and excluding the BI claim, revenue decreased by S\$0.9 million. The decrease was mainly due to lower contribution from the properties in Vietnam.

The Group achieved a REVPAU of S\$139 in 4Q 2012, a decrease of 5% as compared to 4Q 2011.

Gross profit for 4Q 2012 of S\$38.5 million comprised S\$11.4 million (30% of total gross profit) from serviced residences on Master Leases, S\$6.7 million (17%) from serviced residences on management contracts with minimum guaranteed income and S\$20.4 million (53%) from serviced residences on management contracts.

As compared to 4Q 2011, gross profit decreased by S\$1.5 million or 4%. On a same store basis and excluding the BI claim, gross profit decreased by S\$2.4 million as compared to 4Q 2011. This was mainly due to higher staff costs and commission expenses.

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) %
	4Q 2012 S\$'000	4Q 2011 S\$'000		YTD Dec 2012 S\$'000	YTD Dec 2011 S\$'000	
Depreciation and amortisation	(2,024)	(2,405)	16	(10,799)	(9,105)	(19)
Staff costs	(8,163)	(7,486)	(9)	(30,844)	(26,892)	(15)

A.3 Other operating income

Other operating income for 4Q 2012 included income from reversal of prior years' accrued expenses no longer required.

A.4 Finance costs

The decrease in finance costs was mainly due to higher loan related expenses and cash holding costs incurred in 4Q 2011 as a result of early refinancing of the secured borrowings due in 2012 with the issuance of medium term notes.

The issuance of the medium term notes 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 Professional fees

Professional fees was lower mainly due to one-off expenses incurred for the establishment of the US\$2 billion Euro-Medium Term Note Programme in 4Q 2011.

A.6 Foreign exchange gain

The foreign exchange gain recognised in 4Q 2012 was largely due to realised exchange gain on repayment of EUR bank loans in 4Q 2012 funded with the divestment proceeds of Somerset Grand Cairnhill and unrealised exchange gain on JPY bank loans as a result of the depreciation of JPY against SGD as at balance sheet date.

A.7 Other operating expenses

Other operating expenses was lower due to one-off provision for licensing related matters for a serviced residence in China in 4Q 2011.

A.8 Net change in fair value of financial derivatives

This relates to the fair value gain of interest rate swaps and interest rate caps.

A.9 Net change in fair value of serviced residence properties

This relates to the deficit on revaluation of serviced residence properties, mainly from the properties in Vietnam, France and Philippines, partially offset by higher valuation from the United Kingdom serviced residences. The valuation of the serviced residence properties was carried out on 31 December 2012 by HVS. Please refer to Para 8(c) for more details.

A.10 Net divestment expenses

The net divestment expenses recognised in 4Q 2012 relates to the expenses incurred in connection with the divestment of Somerset Grand Cairnhill.

A.11 Assets written off

The assets written off in 4Q 2012 were in relation to the disposal of assets arising from the reconfiguration and refurbishment of Somerset Olympic Tower, Somerset Grand Hanoi and Somerset Roppongi.

A.12 Income tax expense

Taxation for 4Q 2012 was lower by S\$3.0 million as compared to the corresponding period last year. This was mainly due to the reversal of deferred tax liabilities on the serviced residence properties that have decreased in fair value.

Taxation for 4Q 2012 was higher than the quarter's total return before tax mainly due to withholding tax expense on dividend income received from the Group's subsidiaries and under-provision of prior years' tax expense.

A.13 Net effect of non-tax deductible/(chargeable) items and other adjustments include the following:

	GROUP		Better / (Worse) %	GROUP		Better / (Worse) %
	4Q 2012 S\$'000	4Q 2011 S\$'000		YTD Dec 2012 S\$'000	YTD Dec 2011 S\$'000	
Depreciation and amortisation	2,024	2,405	16	10,799	9,105	(19)
Manager's management fee payable/paid partially in units	2,814	2,692	(5)	10,734	10,308	(4)
Trustee's fees*	11	15	27	60	64	6
Foreign exchange (gain) / loss	(6,101)	(2,333)	162	(1,807)	2,371	176
Net change in fair value of financial derivatives	-	1	100	6	5	(20)
Net change in fair value of serviced residence properties (Note A.9)	27,883	(47,423)	(159)	(100,030)	(130,177)	(23)
Net divestment expenses (Note A.10)	197	-	n.m.	9,683	-	n.m.
Assets written off (Note A.11)	476	1,983	76	621	3,115	80
Deferred tax expense	(3,081)	4,244	173	4,498	14,719	69
Effect of non-controlling interests arising from the above	(3,000)	7,671	139	3,729	6,806	45

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

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

	Note	GROUP		REIT	
		31/12/12 S\$'000	31/12/11 S\$'000	31/12/12 S\$'000	31/12/11 S\$'000
Non-Current Assets					
Plant and equipment	B.1	50,327	62,110	10,078	10,468
Serviced residence properties	B.2	2,785,147	2,786,143	551,222	602,732
Interest in subsidiaries		-	-	166,583	121,086
Interest in associate		2,932	3,114	3,417	3,623
Financial derivatives	B.3	4	108	-	-
Deferred tax assets	B.4	2,583	2,088	-	-
		2,840,993	2,853,563	731,300	737,909
Current Assets					
Inventories		476	432	-	-
Trade receivables		11,940	12,664	1,523	2,178
Other receivables and deposits	B.5	23,918	10,896	1,490,553	1,408,111
Financial derivatives	B.3	-	6	-	-
Cash and bank balances	B.6	125,181	145,466	9,927	26,420
		161,515	169,464	1,502,003	1,436,709
Total Assets		3,002,508	3,023,027	2,233,303	2,174,618
Non-Current Liabilities					
Interest bearing liabilities	B.8	(1,003,056)	(943,268)	(349,650)	(353,985)
Financial derivatives	B.3	(18,757)	(17,066)	(13,691)	(9,867)
Deferred tax liabilities	B.7	(47,329)	(44,789)	-	-
		(1,069,142)	(1,005,123)	(363,341)	(363,852)
Current Liabilities					
Trade payables		(4,110)	(6,012)	(68)	(200)
Other payables		(106,617)	(111,225)	(340,219)	(396,681)
Interest bearing liabilities	B.8	(167,765)	(261,346)	(131,659)	-
Financial derivatives	B.3	(645)	(1,412)	(48)	-
Provision for taxation		(13,259)	(9,879)	(180)	(157)
		(292,396)	(389,874)	(472,174)	(397,038)
Total Liabilities		(1,361,538)	(1,394,997)	(835,515)	(760,890)
Net Assets		1,640,970	1,628,030	1,397,788	1,413,728
Represented by:					
Unitholders' funds	1(d)(i)	1,547,373	1,537,012	1,397,788	1,413,728
Non-controlling interests	1(d)(i)	93,597	91,018	-	-
Total Equity	1(d)(i)	1,640,970	1,628,030	1,397,788	1,413,728

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

B.1 Plant and equipment

The decrease in the Group's plant and equipment as at 31 December 2012 was mainly due to the divestment of Somerset Grand Cairnhill and Somerset Gordon Heights Melbourne, partially offset by the acquisitions of Citadines Kyoto, Ascott Guangzhou and Ascott Raffles Place.

B.2 Serviced residence properties

The decrease in the Group's serviced residences as at 31 December 2012 was mainly due to the divestment of Somerset Grand Cairnhill and Somerset Gordon Heights Melbourne, and foreign currency differences arising from translating the Group's overseas serviced residences.

The decrease was partially offset by the increase in the valuation of the serviced residences on 31 December 2012 and the acquisitions of Citadines Kyoto, Ascott Guangzhou, Ascott Raffles Place and Madison Hamburg.

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 increase in the Group's deferred tax assets as at 31 December 2012 was mainly due to tax losses of certain subsidiaries that can be utilised against future taxable profits.

B.5 Other receivables and deposits

The increase in the Group's other receivables and deposits as at 31 December 2012 was mainly due to higher accrued revenue.

B.6 Cash and bank balances

The increase in the Group's cash and bank balances as at 31 December 2012 was mainly due to the cash generated from operations and net proceeds from divestments and acquisitions, partially offset by distribution paid to unitholders and interest payments.

B.7 Deferred tax liabilities

The increase in the Group's deferred tax liabilities as at 31 December 2012 was mainly due to the relevant deferred tax liability provided on certain serviced residence properties that have increased in fair value.

B.8 Interest bearing liabilities

	GROUP		REIT	
	31/12/12 S\$'000	31/12/11 S\$'000	31/12/12 S\$'000	31/12/11 S\$'000
Amount repayable in one year or less or on demand				
- Secured	123,341	211,463	87,235	-
- Unsecured	44,612	50,000	44,612	-
Less: Fees and expenses incurred for debt raising exercises amortised over the tenure of secured and unsecured loans	(188)	(117)	(188)	-
	167,765	261,346	131,659	-
Amount repayable after one year				
- Secured	757,184	698,331	351,041	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	(4,128)	(5,063)	(1,391)	(2,453)
	1,003,056	943,268	349,650	353,985
Total	1,170,821	1,204,614	481,309	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 31 December 2012, 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 debt was 3.3 percent per annum, with an interest cover of 3.9 times. S\$729.0 million or 62 percent of the Group's borrowings are on fixed interest rates with S\$65.6 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 borrowings, 14 percent falls due in 2013, 27 percent falls due in 2014, 30 percent falls due in 2015, and the balance falls due after 2015.

1(c) **CONSOLIDATED STATEMENT OF CASH FLOWS**

	GROUP			
	4Q 2012 S\$'000	4Q 2011 S\$'000	YTD Dec 2012 S\$'000	YTD Dec 2011 S\$'000
Operating Activities				
Total return for the period / year before tax	6,958	71,581	199,950	225,000
<u>Adjustments for:</u>				
Depreciation and amortisation	2,024	2,405	10,799	9,105
Net divestment expenses	197	-	9,683	-
Gain on disposal of plant and equipment	(494)	(76)	(399)	(179)
Assets written off	476	1,983	621	3,115
Finance costs	10,362	10,821	42,343	39,510
Finance income	(506)	(629)	(2,038)	(1,558)
Provision for doubtful debts (reversal) / addition	(18)	9	4	10
Manager's management fees payable / paid partially in units	2,814	2,692	10,734	10,308
Foreign exchange (gain) / loss - unrealised	(6,101)	(2,333)	(1,807)	2,371
Net change in fair value of financial derivatives	(4,683)	1	(4,677)	5
Net change in value of serviced residence properties	27,883	(47,423)	(100,030)	(130,177)
Share of (profit) / loss of associate	-	(6)	(24)	22
Operating profit before working capital changes	38,912	39,025	165,159	157,532
Changes in working capital	(10,627)	27,720	(19,376)	(11,608)
Cash generated from operations	28,285	66,745	145,783	145,924
Income tax paid	(4,337)	(2,340)	(20,605)	(13,928)
Cash flows from operating activities	23,948	64,405	125,178	131,996
Investing Activities				
Acquisition of plant and equipment	(333)	(6,414)	(7,729)	(15,163)
Acquisition of serviced residence properties, net of cash acquired	(63,181)	(5,943)	(342,673)	(5,943)
Capital expenditure on serviced residence properties	(4,035)	(3,899)	(11,140)	(9,406)
Expenses incurred for divestment	(6,981)	-	(7,729)	-
Interest received	505	629	2,038	1,558
Proceeds from divestment of serviced residence properties	-	-	374,335	-
Proceeds from sale of plant and equipment	678	91	722	215
Cash flows from investing activities	(73,347)	(15,536)	7,824	(28,739)
Financing Activities				
Distribution to unitholders	-	-	(97,165)	(75,400)
Dividend paid to non-controlling shareholders	(743)	(378)	(2,893)	(1,273)
Interest paid	(13,891)	(11,469)	(43,555)	(40,071)
Payment of finance lease	(818)	(856)	(3,267)	(3,385)
Payment of issue expenses	-	-	-	(1,223)
Proceeds from bank borrowings	44,401	11,695	283,034	591,059
Proceeds from issue of medium term notes	-	250,000	-	250,000
Repayment of bank borrowings	(19,441)	(260,600)	(232,957)	(810,688)
Repayment of medium term notes	(50,000)	-	(50,000)	-
Cash flows from financing activities	(40,492)	(11,608)	(146,803)	(90,981)
(Decrease) / Increase in cash & cash equivalents	(89,891)	37,261	(13,801)	12,276
Cash and cash equivalents at beginning of the period / year	217,043	102,815	145,466	132,711
Effect of exchange rate changes on balances held in foreign currencies	(1,971)	5,390	(6,484)	479
Cash and cash equivalents at end of the period / year	125,181	145,466	125,181	145,466

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

	Note	GROUP		GROUP	
		4Q 2012 S\$'000	4Q 2011 S\$'000	YTD Dec 2012 S\$'000	YTD Dec 2011 S\$'000
<u>Unitholders' Contribution</u>					
Balance as at beginning of period / year		1,179,504	1,226,141	1,228,759	1,252,694
Issue of new units		7,520	2,618	15,378	25,653
Issue expenses		-	-	-	(53)
Distribution to Unitholders		-	-	(57,113)	(49,535)
Balance as at end of period / year		1,187,024	1,228,759	1,187,024	1,228,759
<u>Operations</u>					
Balance as at beginning of period / year		462,113	290,094	341,173	186,839
Total return for the period attributable to Unitholders		1,362	51,157	162,354	180,277
Transfer to capital reserve		(116)	(78)	(116)	(78)
Distribution to Unitholders		-	-	(40,052)	(25,865)
Balance as at end of period / year		463,359	341,173	463,359	341,173
<u>Foreign Currency Translation Reserve</u>					
Balance as at beginning of period / year		(73,226)	(63,233)	(28,269)	(24,955)
Translation differences relating to financial statements of foreign subsidiaries		(17,194)	34,964	(62,151)	(3,314)
Balance as at end of period / year		(90,420)	(28,269)	(90,420)	(28,269)
<u>Capital Reserve</u>					
Balance as at beginning of period / year		1,637	1,559	1,637	1,559
Transfer from operations		116	78	116	78
Balance as at end of period / year		1,753	1,637	1,753	1,637
<u>Hedging Reserve</u>					
Balance as at beginning of period / year		(11,278)	(7,028)	(6,288)	1,330
Change in fair value of financial derivatives		1,618	740	(3,372)	(7,618)
Net change in fair value of cash flow hedges reclassified to total return		(4,683)	-	(4,683)	-
Balance as at end of period / year		(14,343)	(6,288)	(14,343)	(6,288)
Unitholders' Funds	1(b)(i)	1,547,373	1,537,012	1,547,373	1,537,012
<u>Non-controlling Interests</u>					
Balance as at beginning of period / year		98,820	69,026	91,018	72,627
Total return for the period		(1,815)	9,968	10,229	13,501
Acquisition of subsidiaries		84	6,556	2,333	6,556
Dividend paid to non-controlling shareholders		(743)	(378)	(2,893)	(1,273)
Translation differences relating to financial statements of foreign subsidiaries		(2,749)	5,846	(7,090)	(393)
Balance as at end of period / year	1(b)(i)	93,597	91,018	93,597	91,018
Equity	1(b)(i)	1,640,970	1,628,030	1,640,970	1,628,030

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

	Note	REIT		REIT	
		4Q 2012 S\$'000	4Q 2011 S\$'000	YTD Dec 2012 S\$'000	YTD Dec 2011 S\$'000
<u>Unitholders' Contribution</u>					
Balance as at beginning of period / year		1,179,504	1,226,141	1,228,759	1,252,694
Issue of new units		7,520	2,618	15,378	25,653
Issue expenses		-	-	-	(53)
Distribution to Unitholders		-	-	(57,113)	(49,535)
Balance as at end of period / year		1,187,024	1,228,759	1,187,024	1,228,759
<u>Operations</u>					
Balance as at beginning of period / year		223,111	162,421	194,981	140,592
Total return for the period attributable to Unitholders		2,724	32,560	70,906	80,254
Distribution to Unitholders		-	-	(40,052)	(25,865)
Balance as at end of period / year		225,835	194,981	225,835	194,981
<u>Hedging Reserve</u>					
Balance as at beginning of period / year		(15,441)	(7,897)	(10,012)	(50)
Change in fair value of financial derivatives		370	(2,115)	(5,059)	(9,962)
Balance as at end of period / year		(15,071)	(10,012)	(15,071)	(10,012)
Unitholders' Funds	1(b)(i)	1,397,788	1,413,728	1,397,788	1,413,728

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

	REIT			
	4Q 2012 '000	4Q 2011 '000	YTD Dec 2012 '000	YTD Dec 2011 '000
Balance as at beginning of period / year	1,137,019	1,127,380	1,129,871	1,107,853
Issue of new units :				
- partial payment of manager's management fees	2,085	2,491	9,233	8,812
- payment of manager's acquisition fee	2,330	-	2,330	12,018
- payment of manager's divestment fee	1,385	-	1,385	1,188
Balance as at end of period / year	1,142,819	1,129,871	1,142,819	1,129,871

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.

	4Q 2012	4Q 2011	YTD Dec 2012	YTD Dec 2011
Earnings per unit (EPU)				
Number of units on issue at end of period ('000)	1,142,819	1,129,871	1,142,819	1,129,871
Weighted average number of units for the period ('000)	1,139,272	1,129,032	1,135,237	1,122,417
EPU (cents) – Basic and Diluted (based on the weighted average number of units for the period)	0.12 ¹	4.53 ¹	14.30 ¹	16.06 ¹

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

Note 1: The computation of EPU included the net change in fair value of serviced residence properties, net of tax and non-controlling interests. Valuations of the serviced residence properties were conducted by independent valuers in Dec 2012 and Dec 2011. Excluding these effects, the EPU for 4Q 2012 and 4Q 2011 would be 2.11 cents and 1.61 cents respectively, and the EPU for YTD Dec 2012 and YTD Dec 2011 would be 6.24 cents and 6.23 cents respectively.

	4Q 2012	4Q 2011	YTD Dec 2012	YTD Dec 2011
Distribution per unit (DPU)				
Number of units on issue at end of period ('000)	1,142,819	1,129,871	1,142,819	1,129,871
DPU (cents) – Basic and diluted	2.00	1.83	8.76	8.53

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

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

	Group		REIT	
	31/12/12	31/12/11	31/12/12	31/12/11
NAV per unit (S\$)	1.35	1.36	1.22	1.25

8. GROUP PERFORMANCE REVIEW

8(a) Revenue and Gross Profit Analysis – 4Q 2012 vs. 4Q 2011

	<u>Revenue</u>				<u>Gross Profit</u>				<u>REVPAU Analysis</u>		
	4Q 2012	4Q 2011	Better/ (Worse)		4Q 2012	4Q 2011	Better/ (Worse)		4Q 2012	4Q 2011	Better/ (Worse)
	S\$'M	S\$'M	S\$M	%	S\$'M	S\$'M	S\$'M	%	S\$/day	S\$/day	%
France	9.0	9.5	(0.5)	(5)	8.3	8.8	(0.5)	(6)	-	-	-
Germany	1.4	1.0	0.4	40	1.3	0.9	0.4	44	-	-	-
Philippines	-	0.2	(0.2)	(100)	-	0.2	(0.2)	(100)	-	-	-
Singapore	2.2	-	2.2	n.m.	1.8	-	1.8	n.m.	-	-	-
Master Leases	12.6	10.7	1.9	18	11.4	9.9	1.5	15	-	-	-
Belgium	2.6	2.9	(0.3)	(10)	0.5	0.7	(0.2)	(29)	79	85	(7)
Spain	1.4	1.5	(0.1)	(7)	0.5	0.6	(0.1)	(17)	97	108	(10)
United Kingdom	13.2	11.5	1.7	15	5.1	5.3	(0.2)	(4)	225	201	12
Vietnam	1.0	0.9	0.1	11	0.6	0.5	0.1	20	80	83	(4)
Management contracts with minimum guaranteed income	18.2	16.8	1.4	8	6.7	7.1	(0.4)	(6)	158	149	6
Australia	1.6	2.3	(0.7)	(30)	0.7	1.0	(0.3)	(30)	202	186	9
China	7.4	5.0	2.4	48	2.6	1.7	0.9	53	119	115	3
Indonesia	3.7	6.0	(2.3)	(38)	1.2	2.7	(1.5)	(56)	96	107	(10)
Japan	8.0	4.1	3.9	95	4.6	2.4	2.2	92	145*	117*	24
Philippines	7.9	7.6	0.3	4	2.6	3.1	(0.5)	(16)	145	165	(12)
Singapore	7.4	12.6	(5.2)	(41)	3.6	6.1	(2.5)	(41)	226	234	(3)
Vietnam	9.1	10.2	(1.1)	(11)	5.1	6.0	(0.9)	(15)	92	104	(12)
Management contracts	45.1	47.8	(2.7)	(6)	20.4	23.0	(2.6)	(11)	132	144	(8)
Group	75.9	75.3	0.6	1	38.5	40.0	(1.5)	(4)	139	146	(5)

* 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\$0.5 million or 5% in 4Q 2012 as compared to 4Q 2011 mainly due to depreciation of EUR against SGD. In line with the decrease in revenue, gross profit decreased by S\$0.5 million or 6%. In EUR terms, revenue and gross profit have increased by 6% and 4% respectively.

Germany

Both revenue and gross profit increased by S\$0.4 million in 4Q 2012 as compared to 4Q 2011. This was mainly due to contribution from the newly acquired Madison Hamburg in November 2012.

On a same store basis, revenue and gross profit decreased by 9% and 6% respectively due to the depreciation of EUR against SGD. In EUR terms, revenue and gross profit for 4Q 2012 remained at the same level as 4Q 2011.

Philippines

Both revenue and gross profit decreased by S\$0.2 million as compared to 4Q 2011 due to contribution from Salcedo Residences (formerly known as Somerset Salcedo) being classified under "Management contracts" category after its conversion from a master lease arrangement to a management contract.

Singapore

Revenue and gross profit increased by S\$2.2 million and S\$1.8 million respectively as compared to 4Q 2011, due to the contribution from the newly acquired Ascott Raffles Place in end September 2012 under a fixed and variable lease arrangement.

B. Management contracts with minimum guaranteed income

Belgium

Revenue decreased by S\$0.3 million or 10% in 4Q 2012 as compared to 4Q 2011. REVPAU decreased from S\$85 in 4Q 2011 to S\$79 in 4Q 2012. The decrease was mainly due to the refurbishment of Citadines Sainte Catherine during the quarter and depreciation of EUR against SGD. In line with the decrease in revenue, gross profit decreased by S\$0.2 million or 29%. In EUR terms, revenue and gross profit decreased by 6% and 25% respectively due to the renovation of Citadines Sainte Catherine.

Spain

Revenue decreased by S\$0.1 million or 7% in 4Q 2012 as compared to 4Q 2011. REVPAU decreased from S\$108 in 4Q 2011 to S\$97 in 4Q 2012. In line with the decrease in revenue, gross profit decreased by S\$0.1 million or 17%. The decrease was mainly due to depreciation of EUR against SGD. In EUR terms, revenue, gross profit and REVPAU remained stable.

United Kingdom

Revenue increased by S\$1.7 million or 15% in 4Q 2012 as compared to 4Q 2011. REVPAU increased from S\$201 in 4Q 2011 to S\$225 in 4Q 2012. The increase was mainly due to positive market response to the rebranded Citadines Prestige Trafalgar Square, enabling the refurbished apartments to achieve higher rental rates.

Gross profit decreased by S\$0.2 million or 4% mainly due to higher depreciation arising from completed refurbishment of Citadines Prestige Trafalgar Square and higher property taxes, partially offset by stronger underlying performance.

Vietnam

Revenue increased by S\$0.1 million or 11% in 4Q 2012 as compared to 4Q 2011 due to higher demand from Japanese corporates and higher guaranteed yield protection for 2012, partially offset by depreciation of VND against SGD. In line with the increase in revenue, gross profit increased by S\$0.1 million or 20%.

Revenue and gross profit for 4Q 2012 and 4Q 2011 included a yield protection amount of S\$0.3 million and S\$0.2 million respectively.

C. Management contracts

Australia

Revenue decreased by S\$0.7 million or 30% in 4Q 2012 as compared to 4Q 2011 mainly due to the divestment of Somerset Gordon Heights Melbourne on 26 April 2012. REVPAU increased from S\$186 in 4Q 2011 to S\$202 in 4Q 2012. Revenue and gross profit for Somerset St Georges Terrace in Perth remained at the same level as 4Q 2011.

China

Revenue and gross profit increased by S\$2.4 million and S\$0.9 million respectively as compared to 4Q 2011. The increase was mainly due to contribution from the newly acquired Ascott Guangzhou. REVPAU increased from S\$115 in 4Q 2011 to S\$119 in 4Q 2012.

Excluding the contribution from Ascott Guangzhou, revenue and gross profit increased by S\$0.1 million as compared to 4Q 2011 due to stronger demand from relocation and project groups.

Indonesia

As compared to 4Q 2011, revenue for 4Q 2012 decreased by S\$2.3 million or 38%. 4Q 2011 included one-off recognition of S\$1.6 million pertaining to BI claim for Somerset Grand Citra. Excluding the BI claim, revenue was lower by S\$0.7 million as compared to 4Q 2011 mainly due to the ongoing refurbishment of Ascott Jakarta, expected to be completed in 4Q 2013. REVPAU decreased from S\$107 in 4Q 2011 to S\$96 in 4Q 2012.

Gross profit decreased by S\$1.5 million or 56% as compared to 4Q 2011. Excluding the BI claim, gross profit decreased by S\$0.1 million mainly due to lower revenue, partially offset by lower staff costs.

Japan

As compared to 4Q 2011, revenue increased by S\$3.9 million or 95% in 4Q 2012 and gross profit increased by S\$2.2 million or 92%. This was mainly due to the contribution from the Citadines Shinjuku and Citadines Kyoto acquired in end December 2011 and March 2012 respectively. REVPAU increased from S\$117 in 4Q 2011 to S\$145 in 4Q 2012.

Excluding the contribution from Citadines Shinjuku and Citadines Kyoto, both revenue and gross profit decreased by S\$0.2 million as compared to 4Q 2011 mainly due to weaker performance from the rental housing properties.

The Philippines

Revenue in 4Q 2012 increased by S\$0.3 million or 4% as compared to 4Q 2011. This was mainly due to higher demand from business process outsourcing industries as well as the inclusion of the contribution from Salcedo Residences (formerly known as Somerset Salcedo), being reclassified from "Master Leases" category after its conversion from a master lease arrangement to a management contract. REVPAU decreased from S\$165 in 4Q 2011 to S\$145 in 4Q 2012 due to lower REVPAU from Salcedo Residences. On a same store basis, REVPAU remained at the same level as 4Q 2011.

Gross profit in 4Q 2012 decreased by S\$0.5 million or 16% mainly due to higher operation and maintenance expense and staff costs.

Singapore

Revenue decreased by S\$5.2 million or 41% and gross profit decreased by S\$2.5 million or 41% in 4Q 2012 as compared to 4Q 2011. This was mainly due to the divestment of Somerset Grand Cairnhill on 28 September 2012. REVPAU decreased by 3% from S\$234 in 4Q 2011 to S\$226 in 4Q 2012.

Excluding the contribution from Somerset Grand Cairnhill last year, revenue and gross profit increased by S\$0.3 million and S\$0.5 million respectively as compared to 4Q 2011.

Vietnam

Revenue decreased by S\$1.1 million or 11% and gross profit decreased by S\$0.9 million or 15% as compared to 4Q 2011. This was mainly due to depreciation of VND against SGD. REVPAU decreased from S\$104 in 4Q 2011 to S\$92 in 4Q 2012.

In VND terms, revenue decreased by 4% due to weaker market demand and lower office rental income. Gross profit decreased by 9% due to higher staff costs and operation and maintenance expense.

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

	Revenue				Gross Profit				REVPAU Analysis		
	YTD Dec 2012	YTD Dec 2011	Better/ (Worse)		YTD Dec 2012	YTD Dec 2011	Better/ (Worse)		YTD Dec 2012	YTD Dec 2011	Better/ (Worse)
	S\$'M	S\$M	%		S\$'M	S\$'M	%		S\$/day	S\$/day	%
France	36.1	38.0	(1.9)	(5)	33.3	34.9	(1.6)	(5)	-	-	-
Germany	4.2	3.8	0.4	11	4.1	3.7	0.4	11	-	-	-
Philippines	0.5	0.9	(0.4)	(44)	0.4	0.8	(0.4)	(50)	-	-	-
Singapore	2.3	-	2.3	n.m.	1.9	-	1.9	n.m.	-	-	-
Master Leases	43.1	42.7	0.4	1	39.7	39.4	0.3	1	-	-	-
Belgium	10.7	11.3	(0.6)	(5)	2.6	2.8	(0.2)	(7)	82	85	(4)
Spain	6.8	7.1	(0.3)	(4)	3.2	3.4	(0.2)	(6)	119	123	(3)
United Kingdom	49.0	44.5	4.5	10	21.9	21.9	-	-	212	194	9
Vietnam	4.0	3.7	0.3	8	2.4	2.3	0.1	4	83	78	6
Management contracts with minimum guaranteed income	70.5	66.6	3.9	6	30.1	30.4	(0.3)	(1)	155	146	6
Australia	7.5	9.0	(1.5)	(17)	3.2	3.3	(0.1)	(3)	200	183	9
China	23.2	18.6	4.6	25	8.7	6.6	2.1	32	122	108	13
Indonesia	15.4	17.5	(2.1)	(12)	5.3	6.4	(1.1)	(17)	100	99	1
Japan	29.6	15.8	13.8	87	14.7	9.1	5.6	62	133*	114*	17
Philippines	31.9	29.3	2.6	9	12.1	12.0	0.1	1	160	160	-
Singapore	45.1	51.1	(6.0)	(12)	24.5	27.5	(3.0)	(11)	238	243	(2)
Vietnam	37.5	38.1	(0.6)	(2)	20.8	22.8	(2.0)	(9)	98	100	(2)
Management contracts	190.2	179.4	10.8	6	89.3	87.7	1.6	2	142	141	1
Group	303.8	288.7	15.1	5	159.1	157.5	1.6	1	145	143	1

* refers to serviced residences in Japan, excludes rental housing

For the year ended 31 December 2012 ("YTD Dec 2012"), revenue increased by S\$15.1 million or 5% as compared to the corresponding period last year ("YTD Dec 2011"). The increase in revenue was mainly due to the additional contribution of S\$18.8 million from the newly acquired properties, partially offset by the decrease in revenue of S\$8.3 million from the divestments. On a same store basis and excluding the BI claim of S\$1.6 million in YTD Dec 2011, YTD Dec 2012 revenue increased by S\$6.2 million due to stronger performance from the Group's serviced residences in United Kingdom, China and The Philippines, partially offset by a lower contribution from the serviced residences in France due to depreciation of EUR against SGD.

REVPAU increased from S\$143 in YTD Dec 2011 to S\$145 in YTD Dec 2012, driven by an increase in the average rental rates and occupancy of the Group's serviced residences.

In line with the increase in revenue, gross profit for YTD Dec 2012 increased by S\$1.6 million or 1% as compared to YTD Dec 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 31 December 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, HVS used the Discounted Cash Flow approach. The valuation method used is consistent with that used for the 30 June 2012 valuation.

The Group's portfolio was revalued at S\$2,785.1 million, resulting in a deficit of S\$27.9 million which was recognised in the Consolidated Statement of Total Return in 4Q 2012. The deficit resulted mainly from lower valuation of the Group's serviced residences in Vietnam, France and Philippines, partially offset by higher valuation from the United Kingdom serviced residences. The net impact on the Consolidated Statement of Total Return was S\$22.7 million (net of tax and non-controlling interests).

9. **OUTLOOK AND PROSPECTS**

We have seen continued stability in operating performance in 4Q 2012.

The Manager is positive that the Group's income will remain sustainable as the Asian economy is continuously growing and our income from the European properties remains stable.

Our refurbished properties have shown an improvement in revenue and the Group will continue with the asset enhancement program to enhance value for Unitholders.

We will continue to capture future growth opportunities in key gateway cities.

Though the extent of world economy recovery is uncertain, the Group is positive on the long term growth of the markets it operates in. We expect Ascott Reit to remain profitable in FY 2013.

10. **DISTRIBUTIONS**

10(a) **Current financial period**

Any distributions declared for the current financial period? Yes
 Period of distribution : Distribution for 1 July 2012 to 31 December 2012

Distribution Type	Distribution Rate (cents)
Taxable Income	0.971
Tax Exempt Income	0.888
Capital	2.379
Total	4.238

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 July 2011 to 31 December 2011

Distribution Type	Distribution Rate (cents)
Taxable Income	1.194
Tax Exempt Income	0.443
Capital	2.426
Total	4.063

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 Ascott Reit Units, the amount of capital distribution will be applied to reduce the cost base of their Ascott Reit Units for tax purposes.

10(d) Book closure date : 5 February 2013

10(e) Date payable : 28 February 2013

11. General mandate for Interested Person Transactions (“IPT”)

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

12. SEGMENT REVENUE AND RESULTS

YTD Dec 2012	Singapore S\$'000	China S\$'000	Vietnam S\$'000	Indonesia S\$'000	Philippines S\$'000	Japan S\$'000	Australia S\$'000
Revenue	47,429	23,169	41,548	15,399	32,369	29,579	7,516
Direct expenses	(21,048)	(14,454)	(18,301)	(10,051)	(19,890)	(14,855)	(4,294)
Gross Profit	26,381	8,715	23,247	5,348	12,479	14,724	3,222

YTD Dec 2012 (continued)	France S\$'000	Germany S\$'000	Belgium S\$'000	Spain S\$'000	United Kingdom S\$'000	Total S\$'000
Revenue	36,129	4,165	10,741	6,753	49,044	303,841
Direct expenses	(2,871)	(52)	(8,181)	(3,551)	(27,146)	(144,694)
Gross Profit	33,258	4,113	2,560	3,202	21,898	159,147

Share of profit of associate (net of tax)	24
Finance income	2,038
Finance costs	(42,343)
Foreign exchange gain	3,827
Unallocated net expenses	(17,146)

Net income before changes in fair value of financial derivatives and serviced residence properties **105,547**

Net change in fair value of financial derivatives	4,677
Net change in fair value of serviced residence properties	100,030
Net divestment expenses	(9,683)
Assets written off	(621)

Total return for the year before tax **199,950**
Income tax expense (27,367)

Total return for the year after tax **172,583**
Non-controlling interests (10,229)

Total return for the year attributable to unitholders **162,354**
=====

12. **SEGMENT REVENUE AND RESULTS**

YTD Dec 2011	Singapore S\$'000	China S\$'000	Vietnam S\$'000	Indonesia S\$'000	Philippines S\$'000	Japan S\$'000	Australia S\$'000
Revenue	51,120	18,580	41,780	17,493	30,204	15,801	8,978
Direct expenses	(23,640)	(11,934)	(16,661)	(11,128)	(17,468)	(6,737)	(5,696)
Gross Profit	27,480	6,646	25,119	6,365	12,736	9,064	3,282

YTD Dec 2011 (continued)	France S\$'000	Germany S\$'000	Belgium S\$'000	Spain S\$'000	United Kingdom S\$'000	Total S\$'000
Revenue	37,970	3,828	11,267	7,098	44,534	288,653
Direct expenses	(3,038)	(94)	(8,482)	(3,659)	(22,634)	(131,171)
Gross Profit	34,932	3,734	2,785	3,439	21,900	157,482

Share of loss of associate (net of tax)	(22)
Finance income	1,558
Finance costs	(39,510)
Foreign exchange loss	(1,543)
Unallocated net expenses	(20,022)

Net income before changes in fair value of financial derivatives and serviced residence properties **97,943**

Net change in fair value of financial derivatives	(5)
Net change in fair value of serviced residence properties	130,177
Assets written off	(3,115)

Total return for the year before tax **225,000**
Income tax expense (31,222)

Total return for the year after tax **193,778**
Non-controlling interests (13,501)

Total return for the year attributable to unitholders **180,277**
=====

13. **BREAKDOWN OF SALES**

	YTD Dec 2012 S\$'000	YTD Dec 2011 S\$'000	Better/ (Worse) %
(a) Revenue reported for first half year	150,531	140,437	7
(b) Total return after taxation reported for first half year	164,175	114,239	44
(c) Revenue reported for second half year	153,310	148,216	3
(d) Total return after taxation reported for second half year	8,408	79,539	(89)

14. **BREAKDOWN OF TOTAL DISTRIBUTIONS**

1 January 2011 to 30 June 2011 – paid
 1 July 2011 to 31 December 2011 – paid
 1 January 2012 to 30 June 2012 – paid
 1 July 2012 to 31 December 2012 – to be paid

YTD Dec 2012 S\$'000	YTD Dec 2011 S\$'000
-	50,255
-	45,911
51,274	-
48,424	-

15. **Disclosure of person occupying a managerial position pursuant to Rule 704(13) of the Listing Manual**

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, Ascott Residence Trust Management Limited (the "Company"), being the manager of Ascott Reit, confirms that there is no person occupying a managerial position in the Company or in any of its or Ascott Reit's principal subsidiaries who is a relative of a director, chief executive officer, substantial shareholder of the Company or substantial unitholder of Ascott Reit.

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
 23 January 2013