

ASCOTT REIT ACHIEVES 12% INCREASE IN 2Q 2015 REVENUE TO S\$98.7 MILLION

Japan continues to be the strongest performing market with RevPAU growth of 12%¹

Singapore, 22 July 2015 – Ascott Residence Trust (Ascott Reit) has achieved a 12% increase in revenue to S\$98.7 million compared to 2Q 2014. This was mainly due to its acquisitions of quality properties in 2014. In line with the revenue growth, gross profit rose 6% to reach S\$49.4 million.

Ascott Reit's Unitholders' distribution for 2Q 2015 is S\$32.3 million. Distribution per unit (DPU) for 2Q 2015 is 2.09 cents, 5% higher than the adjusted DPU of 2.00 cents for 2Q 2014 which excluded a one-off item of approximately S\$3.0 million. The one-off item relates to realised exchange gain arising from the repayment of foreign currency bank loans.

Mr Lim Jit Poh, Ascott Residence Trust Management Limited's (ARTML) Chairman, said: "Ascott Reit continues to seek accretive acquisitions of quality assets in key cities to enhance Unitholders' returns. This year, we have so far announced acquisitions amounting to half a billion dollars. We have recently announced Ascott Reit's first foray into the United States of America (USA) with the purchase of a prime property in Times Square, New York. We are also acquiring seven other properties that will extend Ascott Reit's footprint to Melbourne and Osaka, and strengthen our foothold in Tokyo and Kyoto²."

Mr Lim said: "These acquisitions will strengthen Ascott Reit's position as the largest hospitality REIT listed on the Singapore Exchange with asset value of S\$4.6 billion. Our portfolio will also expand to close to 11,800 units across 96 properties in 40 cities in Asia Pacific, Europe and the USA. With the completion of our acquisition of the Cairnhill development in Singapore which is expected to be in 2017, Ascott Reit's asset size will grow to S\$5.0 billion. This will bring us closer to achieving our target of S\$6.0 billion of assets by 2017."

Mr Ronald Tay, ARTML's Chief Executive Officer, said: "As part of our prudent capital management strategies to tap diversified funding sources, we successfully raised S\$250 million from the issuance of perpetual securities in June. We had strong investor interest with orders exceeding S\$1 billion. Proceeds from the perpetual securities will be swiftly deployed to partly fund the acquisitions in Australia and the USA while maintaining our gearing at around 40%."

"In 2Q 2015, Japan continued to be our strongest performing market with revenue per available unit (RevPAU) growth of 12%¹ compared to a year ago. This was mainly due to stronger demand for our serviced residences in Japan from corporate and leisure travellers. RevPAU for Belgium was up 16%¹ as a result of stronger corporate demand while RevPAU for Australia rose 10%¹ due to the high demand for our Perth property."

¹ Based on RevPAU in local currencies.

² The transaction is subject to Unitholders' approval at an extraordinary general meeting to be held on 24 July 2015.

Mr Tay added: “We will continue to actively manage our properties to maximise yields. This includes refurbishing our properties to enhance guest experience. RevPAU for Citadines Ramblas Barcelona in Spain increased 11%¹ in 2Q 2015 due to higher demand for its renovated apartments. The ongoing refurbishment of Somerset Olympic Tower Tianjin and Somerset Xu Hui Shanghai are expected to be completed this year. Besides refurbishment, we will look into divesting some of our properties with limited growth potential to enhance returns to Unitholders.”

Summary of Results

2Q 2015 vs 2Q 2014

	2Q 2015	2Q 2014	Change (%)
Revenue (S\$ million)	98.7	88.1	+12%
Gross Profit (S\$ million)	49.4	46.5	+6%
Unitholders' Distribution (S\$ million)	32.3	33.5	-4%
DPU (S cents)	2.09	2.19	-5%
DPU (S cents) (adjusted for one-off item)	2.09	2.00	+5%
Revenue Per Available Unit (RevPAU) S\$/day	129	137	-6%

- Revenue for 2Q 2015 increased mainly due to the additional revenue of S\$12.3 million from Ascott Reit's acquisitions in 2014. The increase was partially offset by the decrease in revenue of S\$1.7 million from its existing properties.
- Unitholders' distribution in 2Q 2014 included a one-off item of approximately S\$3.0 million. DPU for 2Q 2014 would be 2.00 cents if it was adjusted for the one-off item.
- RevPAU was lower mainly because of weaker performance from Singapore and Philippines properties and lower average daily rate from the China properties acquired in 2014. On a same store basis, excluding the acquisitions, RevPAU remained the same as 2Q 2014.

1H 2015 vs 1H 2014

	1H 2015	1H 2014	Change (%)
Revenue (S\$ million)	188.7	168.5	+12%
Gross Profit (S\$ million)	92.5	85.7	+8%
Unitholders' Distribution (S\$ million)	59.3	60.2	-1%
DPU (S cents)	3.85	3.94	-2%
DPU (S cents) (adjusted for one-off item)	3.85	3.75	+3%
RevPAU (S\$/day)	122	131	-7%

- Revenue for 1H 2015 rose mainly due to the additional contribution of S\$24.7 million from Ascott Reit's acquisitions in 2014. The increase was partially offset by the decrease in revenue of S\$4.1 million from existing properties as well as the decrease of S\$0.4 million due to the expiry of deed of yield protection for Somerset West Lake Hanoi. On a same store basis, revenue for 1H 2015 decreased by S\$4.1 million due to weaker performance from France and Germany arising from the depreciation of Euro against Singapore dollar.
- Unitholders' distribution for 1H 2014 included a one-off item of approximately S\$3.0 million. DPU for 1H 2014 would be 3.75 cents if it was adjusted for the one-off item.
- RevPAU was lower mainly due to weaker performance from Singapore and Philippines properties and lower average daily rate from the China properties acquired in 2014. On a same store basis, excluding the acquisitions, RevPAU decreased by 2%.

Distribution

- Ascott Reit's distributions are made on a semi-annual basis, with the amount calculated as at 30 June and 31 December each year.
- For the period of 1 January 2015 to 30 June 2015, Unitholders can expect to receive their distribution of 3.847 cents per unit on 28 August 2015. The Books Closure Date is on 30 July 2015.

Distribution Period	1 January 2015 to 30 June 2015
Distribution Rate	3.847 cents per unit
Last Day of Trading on "cum" Basis	27 July 2015, 5 pm
Ex-Date	28 July 2015, 9 am
Books Closure Date	30 July 2015
Distribution Payment Date	28 August 2015

For Ascott Reit's 2Q 2015 financial statement and presentation slides, please visit www.ascottreit.com.

About Ascott Residence Trust

Ascott Reit was established with the objective of investing primarily in 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's asset size has quadrupled to over S\$4.3 billion since it was listed on the Singapore Exchange Securities Trading Limited (SGX-ST) in March 2006. Ascott Reit's international portfolio comprises 90 properties with 10,499 units in 37 cities across 13 countries in Asia Pacific and Europe.

Ascott Reit's serviced residences are operated under the Ascott, Citadines and Somerset brands, and are mainly located in key gateway cities such as Barcelona, Berlin, Brussels, Guangzhou, Hanoi, Ho Chi Minh City, Jakarta, Kuala Lumpur, London, Manila, Munich, Paris, Perth, Shanghai, Singapore and Tokyo.

Ascott Reit is managed by Ascott Residence Trust Management Limited, a wholly owned subsidiary of The Ascott Limited and an indirect wholly owned subsidiary of CapitaLand Limited, one of Asia's largest real estate companies.

Important Notice

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

This announcement 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. Investors 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.



A Member of CapitaLand

Ascott Residence Trust Management Limited
(Regn No: 200516209Z)
168 Robinson Road
#30-01 Capital Tower
Singapore 068912
t (65) 6713 2888 f (65) 6713 2121
www.ascottreit.com



BUILDING PEOPLE
BUILDING COMMUNITIES

Issued by:

Ascott Residence Trust Management Limited

168 Robinson Road, #30-01 Capital Tower, Singapore 068912

Tel: (65) 6713 2888 Fax: (65) 6713 2121

Website: <http://www.ascottreit.com>

For more information, please contact:

Analyst Contact

Janine Gui

Vice President

Corporate Asset Management

& Investor Relations

Tel: (65) 6713 2245

Email: janine.gui@the-ascott.com

Media Contact

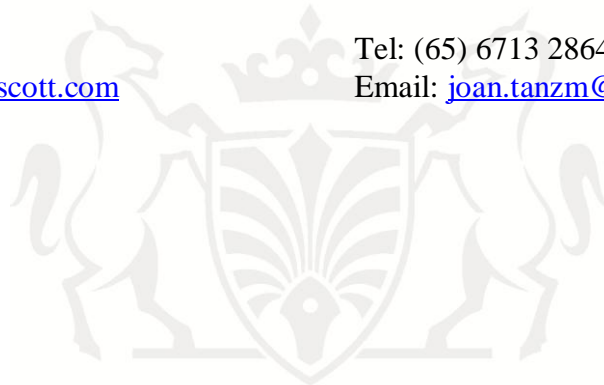
Joan Tan

Vice President

Group Communications

Tel: (65) 6713 2864 / HP: (65) 9743 9503

Email: joan.tanzm@capitaland.com



CERT NO. OHS-2009-0201-21
BS OHSAS 18001:2007
CERT NO. 2007-0387-21
ISO 14001:2004