ASCOTT RESIDENCE TRUST
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ACQUISITIONS LIFT ASCOTT REIT'S 3Q 2015 REVENUE BY 21% TO S$113.2 MILLION

RevPAU climbs 10% due to stronger operating performance

Singapore, 29 October 2015 – Ascott Residence Trust's (Ascott Reit) revenue for 3Q 2015 rose 21% over 3Q 2014 to reach S$113.2 million. This came on the back of its acquisitions in 2014 and 2015, as well as stronger operating performance from existing properties. Revenue per available unit (RevPAU) for 3Q 2015 grew 10% to S$141 compared to the same period in 2014. Gross profit increased 13% to S$55.2 million.

Ascott Reit's 3Q 2015 Unitholders' distribution of S$32.0 million included a one-off item of approximately S$1.2 million relating to the interest cost incurred on the S$250 million perpetual securities issued in June 2015 for the period prior to utilisation of the proceeds in 3Q 2015 to partially fund Ascott Reit's acquisitions in Australia and the United States of America. Distribution per unit (DPU) for 3Q 2015 is 2.07 cents. Excluding the one-off item, the adjusted DPU would be 2.15 cents, which is 2% higher than 3Q 2014 DPU of 2.11 cents.

Mr Lim Jit Poh, Ascott Residence Trust Management Limited's (ARTML) Chairman, said: "We continue to enhance Ascott Reit's portfolio and optimise Unitholders' returns through accretive acquisitions as well as active asset and capital management. In 3Q 2015, we completed half a billion dollars worth of acquisitions. We acquired six properties in Australia, Japan and the United States of America, and the remaining stakes in two properties in Japan. With Ascott Reit's entry into the United States of America, we are seeing maiden contribution from our property in Times Square of New York in this quarter. Recently, we also divested six rental housing properties in the regional cities of Japan for JPY4,475 million (approximately S$52.6 million[1]), which is 13% higher than the last valuation on 30 June 2015. This is in line with our active asset management strategy to unlock the value of properties with limited potential and re-deploy the proceeds in higher yielding assets."

Mr Lim said: "We will actively seek accretive acquisitions in markets such as Australia, Japan, Europe and the United States of America. Ascott Reit is the largest hospitality REIT in Singapore with an asset value of S$4.7 billion. With the expected completion of our acquisition of the Cairnhill development in Singapore in 2017, Ascott Reit's asset size will grow to S$5.1 billion; putting us well on track to achieve our target asset value of S$6.0 billion by 2017."

Mr Ronald Tay, ARTML's Chief Executive Officer, said: "In 3Q 2015, several of our markets achieved strong operating performance. Japan, Belgium and Indonesia showed double-digit growth in RevPAU. In Japan, greater demand for our serviced residences from corporate and leisure travellers pushed RevPAU up by 18%[2]. RevPAU for Belgium and Indonesia rose 15%[2] and 14%[2] respectively due to stronger corporate demand."

[1] Based on an exchange rate of JPY / SGD = 0.01176.
[2] Based on RevPAU in local currencies.

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Mr Tay added: "Our asset enhancement initiatives are driving organic growth and our refurbished properties are getting recognition. RevPAU for Vietnam was up 7%[2] as a result of increased demand for the refurbished apartments at Somerset Ho Chi Minh City. Citadines Ramblas Barcelona and Citadines Sainte-Catherine Brussels also saw higher demand for their refurbished apartments. They were recently named Spain's and Belgium's Leading Serviced Apartments at the World Travel Awards while Citadines Suites Louvre Paris was named France's Leading Serviced Apartments. Ascott Makati and Citadines Barbican London will commence refurbishment in 4Q 2015 and 1Q 2016 respectively. We will continue to invest in upgrading our properties to enhance guest experience and maximise Unitholders' returns."

Mr Tay said: "Ascott Reit's track record in delivering stable and growing distributions to Unitholders has been recognised by investors and institutions. We are very honoured to be awarded the Best REIT (Asia) for 2015 by World Finance magazine. The award is a vote of confidence by investors as we were nominated by readers and assessed on our growth, income stability and global presence. This is the second time Ascott Reit is recognised by World Finance having won Best Investment Fund Manager (South Eastern Asia) at its Real Estate Awards in 2011. Since our listing on the Singapore Stock Exchange in 2006, Ascott Reit has grown to become the leading global serviced residence REIT. Our acquisitions this year have increased Ascott Reit's portfolio by 1,279 units and we now have 11,392 units in 38 cities across 14 countries."

<u>Summary of Results</u>

3Q 2015 vs. 3Q 2014

	3Q 2015	**3Q 2014**	**Change (%)**
Revenue (S$ million)	113.2	93.7	+21%
Gross Profit (S$ million)	55.2	48.8	+13%
Unitholders' Distribution (S$ million)	32.0	32.3	-1%
DPU (S cents)	2.07	2.11	-2%
DPU (S cents) (adjusted for one-off item)	2.15	2.11	+2%
Revenue Per Available Unit (RevPAU) S$/day	141	128	+10%

- Revenue for 3Q 2015 increased mainly due to the additional revenue of S$17.8 million from Ascott Reit's acquisitions in 2014 and 2015, as well as increase in revenue of S$1.7 million from the existing properties.
- Unitholders' distribution in 3Q 2015 included a one-off item of approximately S$1.2 million relating to the interest incurred on the S$250 million perpetual securities issued in June 2015 for the period prior to utilisation of the proceeds in 3Q 2015. DPU for 3Q 2015 would be 2.15 cents if the one-off item was excluded.

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- Excluding the acquisitions, RevPAU for 3Q 2015 increased by 6% as compared to 3Q 2014 due to stronger performance from Ascott Reit's properties in China, Indonesia and Vietnam.

For Ascott Reit's 3Q 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 S$4.7 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 11,392 units in 38 cities across 14 countries in the Americas, Asia Pacific and Europe.

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

Issued by:

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