ACQUISITIONS BOOST ASCOTT REIT'S REVENUE FOR 2Q 2014

Revenue increases 14% and Unitholders' distribution is up 8%

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Singapore, 21 July 2014 – Ascott Residence Trust's (Ascott Reit) revenue for 2Q 2014 increased 14% to S$88.1 million compared to 2Q 2013. This was largely due to contributions of S$9.4 million from new properties acquired in 2013 and 2014, as well as stronger contribution from existing properties. In line with the increase in revenue, gross profit grew 14% to S$46.5 million.

Ascott Reit's Unitholders' distribution for 2Q 2014 rose 8% to S$33.5 million. Distribution per unit (DPU) of 2.19 cents for 2Q 2014 is 5% higher than the adjusted DPU of 2.09 cents for 2Q 2013. This accounted for the effects from Ascott Reit's rights issue in December 2013 and excluded one-off items of approximately S$4.0 million.

Mr Lim Jit Poh, Ascott Residence Trust Management Limited's (ARTML) Chairman, said: "In the first quarter, we acquired a quality asset in Fukuoka and in the second quarter, we acquired our first property in Dalian. In July, we entered into conditional agreements to acquire our first serviced residences in Kuala Lumpur, Xi'an and Wuhan[1]. The acquisitions of these three properties with prime locations are expected to increase our FY 2013 DPU by 1.2% to 8.81 cents on a pro forma basis. It will broaden Ascott Reit's earning base, increase our total asset size to S$4.0 billion and expand our portfolio to nearly 10,000 units. We will continue to grow Ascott Reit's portfolio through accretive acquisitions in China, Japan, Malaysia, Australia and Europe to further enhance Unitholders' returns."

Mr Ronald Tay, ARTML's Chief Executive Officer, said: "Revenue for China surged 60%[2] mainly due to the acquisitions of three properties in 2013 and stronger performance from existing properties. Revenue for Japan increased 70%[2] mainly due to the acquisitions of 11 rental housing properties in 2013 and Infini Garden in March 2014 as well as stronger demand for our serviced residences from corporate and leisure travellers. Revenue for Spain and Belgium were also up 18%[2] and 17%[2] respectively as our renovated apartments at Citadines Prestige Ramblas Barcelona and Citadines Toison d'Or Brussels were able to yield higher rental rates."

Mr Tay added: "We will continue to actively refurbish our properties to enhance the experience for our guests and create value from the existing portfolio to maximise returns for Unitholders. We completed the refurbishment of Ascott Raffles Place Singapore in this quarter and the uplift in rental rate for the renovated units was encouraging. We have also started the upgrading of Somerset Ho Chi Minh City and the renovation of several properties in China is ongoing."

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[1] The transactions are subject to Unitholders' approval at an extraordinary general meeting to be held on 31 July 2014.
[2] Based on revenue in local currencies.

Summary of Results

2Q 2014 vs 2Q 2013

	2Q 2014	2Q 2013	Change (%)
Revenue (S$ million)	88.1	77.4	+14%
Gross Profit (S$ million)	46.5	41.0	+14%
Unitholders' Distribution (S$ million)	33.5	30.9	+8%
DPU (S cents)	2.19	2.45	-11%
DPU (S cents) (adjusted for the effects from rights issue and excluded one-off items)	2.19	2.09	+5%
Revenue Per Available Unit (RevPAU) S$/day	137	142	-4%

- Revenue for 2Q 2014 increased mainly due to the additional revenue of S$9.4 million from Ascott Reit's acquisitions in 2013 and 2014, as well as stronger contribution of S$2.4 million from existing properties. The increase was partially offset by the decrease in revenue of S$1.1 million as Somerset Grand Fortune Garden had ceased operations due to the ongoing strata sale of its apartment units.
- Unitholders' distribution for 2Q 2013 included one-off items of approximately S$4.0 million.
- DPU for 2Q 2013 would be 2.09 cents if it was adjusted for the effects from the rights issue in December 2013 and excluded one-off items.

1H 2014 vs 1H 2013

	1H 2014	1H 2013	Change (%)
Revenue (S$ million)	168.5	146.6	+15%
Gross Profit (S$ million)	85.7	74.7	+15%
Unitholders' Distribution (S$ million)	60.2	58.5	+3%
DPU (S cents)	3.94	4.70	-16%
DPU (S cents) (adjusted for the effects from rights issue and excluded one-off items)	3.94	3.76	+5%
RevPAU (S$/day)	131	133	-2%

- Revenue for 1H 2014 rose mainly due to the additional contribution of S$17.3 million from Ascott Reit's acquisitions in 2013 and 2014, as well as higher revenue of S$6.8 million from existing properties. The increase was partially offset by the decrease in revenue of S$2.2 million as Somerset Grand Fortune Garden had ceased operations due to the ongoing strata sale of its apartment units.
- Unitholders' distribution for 1H 2013 included one-off items of approximately S$12.1 million.
- DPU for 1H 2013 would be 3.76 cents if it was adjusted for the effects from the rights issue in December 2013 and excluded one-off items.

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 2014 to 30 June 2014, Unitholders can expect to receive their distribution of 3.937 cents per unit on 25 August 2014. The Books Closure Date is on 31 July 2014.

Distribution Period	1 January 2014 to 30 June 2014
Distribution Rate	3.937 cents per unit
Last Day of Trading on "cum" Basis	25 July 2014, 5 pm
Ex-Date	29 July 2014, 9 am
Books Closure Date	31 July 2014
Distribution Payment Date	25 August 2014

For Ascott Reit's 2Q 2014 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 more than quadrupled to about S$3.8 billion since it was listed on the Singapore Exchange Securities Trading Limited (SGX-ST) in March 2006. Ascott Reit's international portfolio comprises 83 properties with 9,278 units in 33 cities across 12 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 Shanghai, Guangzhou, Singapore, Tokyo, London, Paris, Berlin, Brussels, Barcelona, Munich, Hanoi, Ho Chi Minh City, Jakarta, Manila and Perth.

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. ARTML is the winner of World Finance Magazine's "Best Real Estate Investment Fund Manager 2011" in South Eastern Asia in their inaugural Real Estate Awards.

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.

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