ASCOTT RESIDENCE TRUST
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

10 YEARS
A Defining Decade

ASCOTT REIT'S 2Q 2016 UNITHOLDERS' DISTRIBUTION GROWS 9% TO S$35.0 MILLION BOLSTERED BY ACQUISITIONS

Distribution per unit rises 2% to 2.13 cents

Singapore, 20 July 2016 – Ascott Residence Trust's (Ascott Reit) Unitholders' distribution for 2Q 2016 rose 9% year-on-year to S$35.0 million and distribution per unit (DPU) went up 2% to 2.13 cents. The increase was due to higher revenue which grew 21% to S$119.4 million, mainly contributed by Ascott Reit's acquisitions in 2015 and 2016. Revenue per available unit (RevPAU) climbed 10% to S$142. Gross profit gained 17% to S$57.9 million.

Ascott Reit's 2Q 2016 DPU would increase by 3% to 2.16 cents if the effect of its equity placement in March 2016 was excluded. Ascott Reit raised S$100 million through the equity placement by issuing 94.8 million new units at a price of S$1.055 per unit to partly fund the acquisition of its second property in New York, Sheraton Tribeca New York Hotel, in April 2016.

Mr Lim Jit Poh, Ascott Residence Trust Management Limited's (ARTML) Chairman, said: "Ascott Reit performed strongly with higher distributable income and DPU. We continued to achieve double-digit growth in revenue due to our S$609 million acquisitions last year and the recent acquisition in New York for S$218 million. Our entry into the U.S. last year not only propelled Ascott Reit into a global hospitality player, our two U.S. acquisitions were the biggest contributors to revenue growth. We completed the acquisition of our second property in New York in 2Q, boosting our asset size to about S$5.0 billion."

"We made our appearance in March 2006 as the first hospitability REIT with just 12 properties comprising 2,068 apartment units in seven cities and five countries with an asset size of S$856 million. Ten years on, Ascott Reit has become the most diversified REIT in Singapore with 90 properties and 11,649 apartment units across 38 cities and 14 countries. Ascott Reit is also the largest hospitality REIT in Singapore by asset size. Our asset size will expand to S$5.3 billion when the acquisition of Ascott Orchard Singapore is completed, which is expected to be in 2017."

Mr Lim said: "As we mark our 10th year anniversary this year, we remain committed to deliver stable and growing returns to Unitholders. We will continue to seek accretive acquisitions in gateway cities in markets such as Australia, Japan, Europe and the U.S. to enhance our portfolio and achieve our target asset size of S$6 billion by 2017."

Mr Ronald Tay, ARTML's Chief Executive Officer, said: "Japan was the top performing market in 2Q with RevPAU increasing 9%[1] due to stronger demand from leisure travellers for our serviced residences. Spain also saw a 4%[1] growth in RevPAU because of higher demand from leisure travellers at Citadines Ramblas Barcelona."

[1] Based on RevPAU in local currencies.

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

Commenting on Brexit, Mr Tay said: "Ascott Reit's portfolio in Europe is well-diversified across the UK, France, Germany, Belgium and Spain. Our properties in the UK are in London and these assets form only 10.2% of Ascott Reit's total gross profit for 1H 2016. Our London properties are on management contracts with a minimum guaranteed income, giving Ascott Reit a stable income. We are closely monitoring the situation, keeping in mind that the formalisation of Brexit will take at least two years. While businesses may reduce corporate travel as they evaluate their options, we expect an increase in leisure travellers if the pound continues to remain affordable. We take a long term view of the markets and believe that London will continue to remain a key global city."

"The performance of our other properties in Europe is also stable as the properties in France and Germany are underpinned by master leases, and the properties in Belgium and Spain are on management contracts with minimum guaranteed income."

Mr Tay added: "We continue to actively manage our portfolio of properties to maximise returns. The final phase of refurbishment at Somerset Xu Hui Shanghai was completed in June 2016 and the first phase of renovation at Ascott Makati is on track for completion this year. We expect to complete the refurbishment at Citadines Barbican London and Somerset Ho Chi Minh City in 2017. We will also continue to be prudent in our capital management by tapping the debt capital market to diversify our funding sources and securing longer term financing at an optimal cost. Currently, 80% of our total borrowing is on fixed interest rates which will mitigate interest rate volatility."

Summary of Results

2Q 2016 vs. 2Q 2015

	2Q 2016	**2Q 2015**	**Change (%)**
Revenue (S$ million)	119.4	98.7	+21%
Gross Profit (S$ million)	57.9	49.4	+17%
Unitholders' Distribution (S$ million)	35.0	32.3	+8%
DPU (S cents)	2.13	2.09	+2%
DPU (S cents) (adjusted for effect of equity placement)	2.16	2.09	+3%
DPU (S cents) (adjusted for one-off item)	1.91	2.09	-9%
DPU (S cents) (adjusted for effect of equity placement and one-off item)	1.95	2.09	-7%
Revenue Per Available Unit (RevPAU) S$/day	142	129	+10%

ASCOTT RESIDENCE TRUST
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

10 YEARS
A Defining Decade

- Revenue for 2Q 2016 increased mainly due to the additional revenue of S$27.8 million from Ascott Reit's acquisitions in 2015 and 2016. The increase was partially offset by the decrease in revenue of S$0.8 million from the divestment of six rental housing properties in Japan in 3Q 2015 and a decrease in revenue of S$6.3 million from the existing properties.
- Unitholder's distribution in 2Q 2016 included a realised exchange gain of S$3.5 million arising from repayment of foreign currency bank loans with the divestment proceeds from Fortune Garden Apartments.
- RevPAU grew 10% because of the acquisitions in 2015 and 2016.

1H 2016 vs. 1H 2015

	1H 2016	**1H 2015**	**Change (%)**
Revenue (S$ million)	224.9	188.7	+19%
Gross Profit (S$ million)	106.4	92.5	+15%
Unitholders' Distribution (S$ million)	62.4	59.3	+5%
DPU (S cents)	3.88	3.85	+1%
DPU (S cents) (adjusted for effect of equity placement)	3.92	3.85	+2%
DPU (S cents) (adjusted for one-off item)	3.66	3.85	-5%
DPU (S cents) (adjusted for effect of equity placement and one-off item)	3.71	3.85	-4%
Revenue Per Available Unit (RevPAU) S$/day	134	122	+10%

- Revenue for 1H 2016 increased mainly due to the additional revenue of S$44.3 million from Ascott Reit's acquisitions in 2015 and 2016. The increase was partially offset by the decrease in revenue of S$1.7 million from the divestment of six rental housing properties in Japan and a decrease in revenue of S$6.4 million from the existing properties.
- Unitholder's distribution in 1H 2016 included a realised exchange gain of S$3.5 million arising from repayment of foreign currency bank loans with the divestment proceeds from Fortune Garden Apartments.
- RevPAU grew 10% because of the acquisitions in 2015 and 2016.

Distribution

- Ascott Reit makes distributions to Unitholders on a semi-annual basis, with the amount calculated as at 30 June and 31 December each year.
- Following Ascott Reit's equity placement on 14 March 2016, Ascott Reit declared an advanced distribution of 1.585 cents per unit based on the period of 1 January 2016 to 22 March 2016, which was paid on 27 April 2016.
- For the period of 23 March 2016 to 30 June 2016, Unitholders will receive their distribution of 2.290 cents per unit on 24 August 2016.

Distribution Period	1 January 2016 to 22 March 2016	23 March 2016 to 30 June 2016
Distribution Rate	1.585 cents per unit	2.290 cents per unit
Last Day of Trading on "cum" Basis	17 March 2016	25 July 2016
Ex-Date	18 March 2016	26 July 2016
Book Closure Date	22 March 2016	28 July 2016
Distribution Payment Date	27 April 2016 (Paid)	24 August 2016

For Ascott Reit's 2Q 2016 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$4.9 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 11,649 units in 38 cities across 14 countries in the Americas, Asia Pacific and Europe. Ascott Reit was awarded 'Best REIT (Asia)' by World Finance magazine at its Real Estate Awards in 2015.

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, Melbourne, 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:

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