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

ASCOTT REIT'S 4Q 2018 DISTRIBUTION PER UNIT INCREASES 5% TO 2.15 CENTS

FY 2018 Unitholders' distribution of S$154.8 million is record high for third consecutive year

Singapore, 29 January 2019 – Ascott Residence Trust's (Ascott Reit) distribution per unit (DPU) increased 5% year-on-year to 2.15 cents in 4Q 2018. Unitholders' distribution for FY 2018 is a record high at S$154.8 million, a 2% increase from FY 2017. This was on the back of 4Q 2018 Unitholders' distribution rising 6% to S$46.5 million over 4Q 2017.

Gross profit for 4Q 2018 increased 3% to S$63.4 million due to higher revenue. Revenue grew 2% to S$136.5 million. This was mainly contributed by the additional revenue of S$0.4 million from Ascott Orchard Singapore acquired in October 2017 and higher revenue of S$2.7 million from existing properties, partially offset by the decrease in revenue of S$1.1 million from divestments[1]. On a same-store basis, gross profit and revenue also increased. Ascott Reit's revenue per available unit (RevPAU) for 4Q 2018 increased 5% year-on-year to S$163.

Mr Bob Tan, Ascott Residence Trust Management Limited's (ARTML) Chairman, said: "Ascott Reit achieved record high Unitholders' distribution for the third consecutive year. Ascott Reit's ability to deliver stable returns is a result of our efforts in building a geographically diversified portfolio of quality properties. We continued to strengthen Ascott Reit's position as the largest hospitality REIT in Singapore by acquiring a prime site to build lyf one-north Singapore, our first coliving property."

Mr Tan added: "As part of our proactive portfolio reconstitution strategy, we completed the divestment of two serviced residences in Shanghai and Xi'an in early 2018. The FY 2018 distribution included S$6.5 million, part of the net gains from the sale of these two properties. We also recently announced the sale of Ascott Raffles Place Singapore. These divestments will give Ascott Reit the financial flexibility to invest in new accretive opportunities that will enhance our portfolio and returns to Unitholders."

In 4Q 2018, Ascott Reit's key markets with strong operating performance include the United States, China and Japan. Gross profit for the United States surged 17%[2], underpinned by higher demand and increased revenue from the upgraded apartments at Sheraton Tribeca New York Hotel. In China, excluding the contribution from Citadines Gaoxin Xi'an and Citadines Biyun Shanghai that were divested in January 2018, gross profit grew 16%[1] as there were more guests on long stay. Similarly, Japan's gross profit rose 12%[1] due to stronger corporate and leisure demand in Tokyo.

[1] Ascott Reit completed the divestment of Citadines Biyun Shanghai and Citadines Gaoxin Xi'an in China on 5 January 2018.
[2] Based on gross profit 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

Ms Beh Siew Kim, ARTML's Chief Executive Officer, said: "Enhancing Unitholders' returns through proactive asset management, including refurbishing our properties and leveraging technology, continues to be our priority. Our refurbished properties have not only created a better experience for guests, average daily rates for these properties have also increased about 10% to 20% due to stronger demand. During the year, we completed the refurbishments for Ascott Makati, Citadines Arnulfpark Munich, Citadines Trocadéro Paris, Somerset Grand Hanoi and Sheraton Tribeca New York Hotel. We are also carrying out refurbishment works at Somerset Grand Citra Jakarta and Element New York Times Square West, to be completed this year."

The International Monetary Fund has revised its global economic growth forecast from 3.7% to 3.5%[3] for 2019. The modest growth stems from economic uncertainties arising from trade tensions, uncertainties about Brexit and tighter financial markets. As for the hospitality industry, the number of international travellers is expected to increase by 6%[4] in 2019. However, competition arising from new supply and higher operating costs may remain a challenge. With a well-diversified portfolio spanning over 14 countries and no earnings concentration risk in any single market, Ascott Reit remains resilient in providing stable returns to its Unitholders.

Ms Beh added: "While there are mixed views regarding further interest rate hikes in 2019, any possible increase is not expected to have any significant impact to Ascott Reit's total returns. We maintain a disciplined and prudent approach towards capital management, with 80% of Ascott Reit's total borrowings on fixed interest rates and a well-spread debt maturity where less than 5% of debt will mature in 2019. Ascott Reit's gearing stands at a healthy 36.7%. We will continue to monitor and manage its interest rate and exchange rate exposure."

Ascott Reit's 'BBB' investment grade status by Fitch Ratings provides credit assurance to stakeholders, enabling Ascott Reit to raise funds at attractive rates and terms.

For 2018, Ascott Reit's earnings before interest, taxes, depreciation and amortisation (EBITDA) breakdown (excluding corporate expenses) according to the FTSE classification of markets is 75% for developed markets.

[3] "World Economic Outlook Update, January 2019: A Weakening Global Expansion" (21 January 2019), International Monetary Fund.
[4] "International tourism continues its success story with solid growth" (3 December 2018), World Travel Monitor® by IPK International.

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

Summary of Results

4Q 2018 vs. 4Q 2017

	4Q 2018	4Q 2017	Change (%)
Revenue (S$ million)	136.5	134.5	+2
Gross Profit (S$ million)	63.4	61.8	+3
Unitholders' Distribution (S$ million)[5]	46.5	43.9	+6
DPU (S cents)	2.15	2.04	+5
DPU (S cents) (adjusted for one-off items)	1.85	1.74	+6
Revenue Per Available Unit (RevPAU) S$/day	163	155	+5

- Revenue for 4Q 2018 grew 2% year-on-year to S$136.5 million. This was mainly contributed by the additional revenue of S$0.4 million from Ascott Orchard Singapore acquired in October 2017 and higher revenue of S$2.7 million from existing properties, partially offset by the decrease in revenue of S$1.1 million from the divestment of Citadines Biyun Shanghai and Citadines Gaoxin Xi'an.
- In 4Q 2018, gross profit increased 3% to S$63.4 million due to higher revenue.
- Unitholders' distribution for 4Q 2018 rose 6% to S$46.5 million.
- DPU for 4Q 2018 was 2.15 cents, an increase of 5% year-on-year.
- RevPAU for 4Q 2018 grew 5% to S$163 over 4Q 2017.

[5] Unitholders' distribution for 4Q 2018 and 4Q 2017 included a one-off partial distribution of gain of S$6.5 million from the divestment of Citadines Biyun Shanghai and Citadines Gaoxin Xi'an.

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

FY 2018 vs. FY 2017

	FY 2018	FY 2017	Change (%)
Revenue (S$ million)	514.3	496.3	+4
Gross Profit (S$ million)	239.4	226.9	+5
Unitholders' Distribution (S$ million)	154.8[6]	152.2[7]	+2
DPU (S cents)	7.16	7.09	+1
DPU (S cents) (adjusted for one-off items)	6.79	6.23	+9
Revenue Per Available Unit (RevPAU) S$/day	151	144	+5

- Revenue for FY 2018 grew 4% year-on-year to S$514.3 million. This was mainly due to additional contribution of S$25.8 million from acquisitions made in 2017 and increase in revenue of S$2.4 million from existing properties, partially offset by the decrease in revenue of S$10.2 million from the divestments of 18 rental housing properties in Tokyo, Japan, and Citadines Biyun Shanghai and Citadines Gaoxin Xi'an in China.
- FY 2018 gross profit increased 5% to S$239.4 million due to higher revenue, mainly due to contribution from acquisitions made in 2017 and higher contribution from existing properties.
- Unitholders' distribution for FY 2018 increased by 2% to S$154.8 million, a record year for Ascott Reit.
- DPU for FY 2018 notched up 1% to 7.16 cents.
- RevPAU for FY 2018 grew 5% to S$151 over FY 2017.

[6] Unitholders' distribution for YTD Dec 2018 included a realised exchange gain of S$1.6 million arising from the repayment of foreign currency bank loans with proceeds from the divestment of the two properties in China, and the partial distribution of divestment gain.

[7] Unitholders' distribution for YTD Dec 2017 included a realised exchange gain of S$11.9 million arising from the repayment of foreign currency bank loans with proceeds from the rights issue (pending the deployment of the funds for their intended use to part finance the acquisition of Ascott Orchard Singapore) and divestment of 18 rental housing properties in Tokyo, Japan, and the partial distribution of divestment gains.

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

Distribution and Book Closure Date

- Ascott Reit's distributions are made on a semi-annual basis, with the amount calculated as at 30 June and 31 December each year.

Distribution	For 1 January 2018 to 30 June 2018	For 1 July 2018 to 31 December 2018
Distribution Rate	3.192 cents per unit	3.966 cents per unit
Book Closure Date	1 August 2018	8 February 2019
Payment Date	27 August 2018	28 February 2019

For Ascott Reit's FY 2018 financial statement and presentation, 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 grown to S$5.3 billion since it was listed on the Singapore Exchange Securities Trading Limited (SGX-ST) in March 2006. Ascott Reit's international portfolio comprises 73 properties with 11,430 units in 37 cities across 14 countries in the Americas, Asia Pacific and Europe (as at 31 December 2018).

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, Frankfurt, 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, 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
Kang Wei Ling
Vice President
Investor Relations & Asset Management
Tel: (65) 6713 3317
Email: kang.weiling@the-ascott.com

Media Contact
Joan Tan
Vice President
Group Communications
Tel: (65) 6713 2864 / HP: (65) 9743 9503
Email: joan.tanzm@capitaland.com