

## **ASCOTT REIT ACHIEVES S\$12.0 MILLION UNITHOLDERS' DISTRIBUTION FOR 3Q 2010**

### ***Completed Acquisition of 3,347 apartment units in October***

**Singapore, 22 October 2010** – Ascott Residence Trust (Ascott Reit) achieved a revenue of S\$46.5 million for the third quarter of 2010, a 5% increase compared to the same period last year. Unitholders' distribution and distribution per unit (DPU) for the period are S\$12.0 million and 1.85 cents respectively.

Mr Lim Jit Poh, Ascott Residence Trust Management Limited's (ARTML) Chairman, said: "The Group has seen improvements in demand for serviced residences in 3Q 2010 in most of the markets where it operates. Ascott Reit continued to benefit from its geographical diversification as it provided income stability for the Group through a period when hospitality demand in Asia Pacific is at differing stages of recovery."

Mr Chong Kee Hiong, ARTML's Chief Executive Officer, said, "Ascott Reit's revenue per available unit (RevPAU) increased 7% in 3Q 2010 compared to 3Q 2009, mainly led by RevPAU growth of 37% in Singapore. The better performance in Singapore is mainly due to the successful launch of the refurbished apartment units of Somerset Grand Cairnhill and Somerset Liang Court. RevPAU for Australia, China, Indonesia and The Philippines also increased in 3Q 2010."

### **Completion of acquisition of 3,347 apartment units in 28 properties in Asia and Europe**

On 1 October 2010, Ascott Reit completed the acquisition of 3,347 apartment units in 28 properties in Singapore, Vietnam, France, United Kingdom (UK), Germany, Belgium and Spain. Ascott Reit's enlarged portfolio now comprises 65 properties with 6,681 apartment units in 12 countries and 23 cities across Asia Pacific and Europe.

Mr Lim said: "With the addition of the Europe properties, the Group's income stability is enhanced through further diversification across geographies, and property and economic cycles. The income stability also arose from the master lease rentals in France and Germany, and minimum guaranteed income in the UK, Belgium and Spain."

Mr Lim added, "We will continue to seek yield-accretive acquisitions in Singapore, China, Vietnam and the UK. We will also explore opportunities in new emerging markets."

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Mr Chong said, “Going forward, the two refurbished Singapore properties and the newly acquired Citadines Mount Sophia will benefit from the robust demand amidst the strong and growing Singapore economy and a vibrant hospitality market boosted by the opening of the two integrated resorts. In Europe, we expect rental growth to be led by the UK properties.”

### ADVANCED DISTRIBUTION

On 13 September 2010, ARTML launched an equity fund raising by way of a private placement and non-renounceable preferential offering. In order to ensure fairness to holders of Ascott Reit units prior to the issuance of the private placement new units, the Manager declares, in lieu of the scheduled distribution, an advanced distribution of the distributable income for the period from 1 July 2010 up to 21 September 2010, the day immediately prior to the date on which the private placement new units are issued. The next distribution therefore will comprise the distributable income from 22 September 2010 to 31 December 2010. Semi-annual distributions will resume thereafter.

Advanced Distribution	For 1 July 2010 to 21 September 2010
Advanced Distribution Rate	1.74 cents
Book Closure Date	21 September 2010 [CLOSED]
Payment Date	19 November 2010

### SUMMARY OF RESULTS

	3Q 2010	3Q 2009	Better/ (Worse) +/-
<b>Revenue (S\$ million)<sup>1</sup></b>	46.5	44.4	+5%
<b>Gross Profit (S\$ million)<sup>2</sup></b>	21.1	22.0	-4%
<b>Revenue Per Available Unit (RevPAU) S\$/day</b>	130	122	+7%

#### Notes:

1. Revenue for 3Q 2009 included S\$0.4 million of business interruption (“BI”) claim for the loss of revenue due to the closure of apartment units of Somerset Grand Citra for rectification works. Excluding the BI claim, revenue for 3Q 2010 increased by S\$2.5 million or 6% as compared to 3Q 2009. The increase was mainly due to the higher contribution from the Group’s serviced residences in Singapore and Philippines, partially offset by a decrease in revenue from the serviced residences in Japan.
2. Gross profit for 3Q 2010 included an one time charge of prior years’ property tax of S\$0.3 million for one of the serviced residences in Indonesia previously not assessed by the Indonesia tax authority. Gross profit in 3Q 2009 included (1) an one-off reversal of S\$1.2 million for prior years’ accrual of centralised costs no longer required, and (2) recognition of BI claim of S\$0.4 million. Excluding these one-off adjustments, gross profit in 3Q 2010 and 3Q 2009 would have been S\$21.4 million and S\$20.4 million respectively, representing an increase of S\$1.0 million or 5% between the two periods.

**SUMMARY OF RESULTS (CONTINUED)**

	<b>3Q 2010</b>	<b>3Q 2009</b>	<b>Better/ (Worse) +/-</b>
<b>Unitholders' Distribution (S\$ million)</b>	12.0	11.8	+1%
<b>DPU (S cents)</b>	1.85	1.92	-4%

<b>DPU (S cents) (Excluding private placement units issued on 22 September 2010)</b>	1.93 <sup>1</sup>	1.92	+1%
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**Note:**

1. On 22 September 2010, 419,660,000 new units were issued under the private placement tranche of the equity fund raising to part fund the acquisition of the 28 properties, which was completed on 1 October 2010. Excluding the private placement new units, the DPU for 3Q 2010 would be 1.93 cents, representing an increase of 1% as compared to 3Q 2009.

**About Ascott Residence Trust**

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 or rental housing properties.

Ascott Reit's asset size has more than tripled to about S\$2.85 billion since listing in March 2006. Its international portfolio comprises 65 properties with 6,681 units in 23 cities across 12 countries in Asia Pacific and Europe. Ascott Reit's serviced residence properties are operated under the Ascott, Somerset and Citadines brands, and are mainly located in key gateway cities such as Beijing, Hanoi, Ho Chi Minh City, Jakarta, Manila, Melbourne, Perth, Shanghai, Singapore, Tokyo, Barcelona, Berlin, Brussels, London, Munich and Paris.

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.

For more information about Ascott Reit, please visit <http://www.ascottreit.com>.

**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 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.

Investors have no right to request the Manager to redeem their units in Ascott Reit while the units in Ascott Reit are listed. It is intended that unitholders may only deal in their units in Ascott Reit through trading on the SGX-ST. Listing of the units in Ascott Reit on the SGX-ST does not guarantee a liquid market for the units in Ascott Reit.

**Issued by:**

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