ASCOTT REIT SUCCESSFULLY RAISES S$150 MILLION THROUGH PRIVATE PLACEMENT TO CAPTURE GROWTH OPPORTUNITIES

Singapore, 29 January 2013 – Ascott Residence Trust (Ascott Reit) has successfully raised gross proceeds of S$150 million through a placement (Private Placement) of 114.9 million New Units at an issue price of S$1.305 per New Unit.

Mr Ronald Tay, Ascott Residence Trust Management Limited’s (ARTML) Chief Executive Officer, said: “This equity placement will allow us to increase our financial capacity to fund potential future acquisitions. This will in turn enable us to further grow and enhance Ascott Reit’s portfolio to boost Unitholders’ returns. We remain confident in the markets where we operate in as we continue to grow the business and enhance value for Unitholders.”

The proceeds will be primarily used to fund potential future acquisitions, finance asset enhancement initiatives, repay existing debt and for general working capital. Assuming that the net proceeds are used to repay existing debts, the Private Placement is expected to reduce Ascott Reit’s aggregate leverage from 40.1% to 34.9%. With the increased debt headroom post the Private Placement, Ascott Reit will be able to act more expeditiously when pursuing (i) acquisition opportunities and/or (ii) asset enhancement initiatives, both with the objective of delivering additional value for Unitholders.

The issue price of S$1.305 per New Unit represents a discount of approximately 4.6% to Ascott Reit's adjusted volume weighted price\(^1\) of S$1.3685 per Unit, for trades done on the Singapore Exchange Securities Trading Limited (SGX-ST) on 28 January 2013.

The volume weighted price has been adjusted by 4.85 cents, being Ascott Reit’s semi-annual distribution\(^2\) for the period from 1 July 2012 to 31 December 2012 and the midpoint of the estimated advanced distribution for the period from 1 January 2013 to 5 February 2013. The New Units are not entitled to the abovementioned distributions.

The Private Placement will increase Ascott Reit’s free float from 51% to 55% and this is expected to improve the level of trading liquidity of its Units. The successful Private Placement has enabled Ascott Reit to enlarge

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\(^1\) The adjusted volume weighted average price, for illustrative purposes only, is computed based on the volume weighted average price of all trades in the Units on the SGX-ST on 28 January 2013 (being the market day on which the Placement Agreement was signed) of S$1.3685 per Unit and subtracting, for illustrative purposes only, (i) the declared distribution in respect of the period from 1 July 2012 to 31 December 2012 (the “Semi-Annual Distribution”) and (ii) the estimated Advanced Distribution of approximately 0.61 cents per Unit (being the midpoint of the estimated Advanced Distribution). This amount is only an estimate based on information currently available to the Manager as the actual Advanced Distribution may differ.

\(^2\) Semi-annual distribution of 4.238 cents per Unit
its institutional investor base as it received participation from existing and new institutional investors from Asia, the United States and Europe.

Mr Tay added: “With a higher profile among global investors, and an increase in market capitalisation, Ascott Reit is well-positioned for future growth. The response from our existing and new investors for the Private Placement is a testament of their confidence in Ascott Reit. We would like to thank all our investors for their support.”

The joint bookrunners and underwriters of the Private Placement are DBS Bank Ltd and Standard Chartered Securities (Singapore) Pte Limited.

**Advanced Distribution**

In conjunction with the Private Placement, ARTML announced an Advanced Distribution of between 0.59 cents and 0.63 cents per Unit to existing Unitholders. The Advanced Distribution is for Ascott Reit’s distributable income from 1 January 2013 to 5 February 2013, which is the day immediately prior to the date on which the New Units will be issued.

The New Units, which are expected to be issued on 6 February 2013, will not be entitled to the Advanced Distribution.

The next distribution will be for Ascott Reit’s distributable income from 6 February 2013 to 30 June 2013. Semi-annual distributions will resume thereafter.

The Book Closure Date for the Advanced Distribution is 5 February 2013 at 5:00 p.m. and the Advanced Distribution will be paid on or around 5 April 2013.

**Listing of New Units**

The trading of the New Units on the SGX-ST is currently expected to commence at 9:00 a.m on 6 February 2013.

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<th>Indicative Timeline</th>
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<tr>
<td>1st day of Ex-trading for Advanced Distribution</td>
<td>1 February 2013, 9:00 a.m.</td>
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<tr>
<td>Book Closure Date for Advanced Distribution</td>
<td>5 February 2013, 5:00 p.m.</td>
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<td>Payment of Advanced Distribution</td>
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**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 tripled to about S$2.8 billion since it was listed on the Singapore Exchange Securities Trading Limited (SGX-ST) in March 2006. When the acquisition of the new Cairnhill serviced residence in Singapore is completed, Ascott Reit’s international portfolio will expand to S$3.2 billion comprising 68 properties with 7,427 units in 25 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 Beijing, 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**

This release may contain forward-looking statements that involve assumptions, 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 other developments or companies, shifts in expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of management on future events.

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The past performance of Ascott Residence Trust (“Ascott Reit”) is not indicative of the future performance of Ascott Reit. Similarly, the past performance of the Manager is not indicative of the future performance of the Manager. The value of units in Ascott Reit (“Units”) and the income derived from them may fall as well as rise. Units are not obligations.
of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

This release is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for Units.

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