

## NEWS RELEASES - 2006

19 SEP 2006

### Ascott Residence Trust's Placement Of New Units 1.5 Times Subscribed

Proceeds to Fund Acquisitions In Tianjin And Tokyo

Announcement: Proposed Placement Of 44,000,000 New Units In Ascott Residence Trust At An Issue Price Of S\$1.10 Per New Unit

**Singapore, 19 September 2006** – Ascott Residence Trust Management Limited (ARTML), the manager of Ascott Residence Trust (ART), is pleased to announce that the placement of 44,000,000 New Units launched on the afternoon of 19 September 2006 to institutional investors was 1.5 times subscribed as at 6pm on the same day. The New Units are priced at S\$1.10 per unit, which represents a discount of 3.5% to the Volume Weighted Average Price (VWAP)<sup>1</sup> and a discount of 2.7% to the “ex-distribution”<sup>2</sup> VWAP.

The New Units were allocated to more than 15 quality institutional investors from Asia, Australia and Europe. The New Units issued represent approximately 9.7% of the number of ART units in issue and will increase the free float from 23% to 30%.

Proceeds from the placement will be used to fund the acquisitions of Somerset Olympic Tower in Tianjin, China and Somerset Roppongi in Tokyo, Japan.

Mr Lim Jit Poh, Chairman of ARTML, said, “We are pleased with the positive response to the placement. It demonstrates investors’ confidence in ART’s ability to execute its strategy of increasing portfolio size and geographical diversification.”

Mr Chong Kee Hiong, ARTML’s Chief Executive Officer, said, “This successful placement has broadened ART’s investor base to include more quality institutional investors and improved the free float of the trust.”

The new units will trade under a separate temporary stock counter on the mainboard of the SGX-ST, and the indicative date and time of commencement of trading is on or around 26 September 2006.

<sup>1</sup>Refers to the Volume Weighted Average Price of S\$1.14 from 18 September 2006 to 19 September 2006 (up to 12.30pm).

<sup>2</sup>Excludes the estimated accrued distribution on the existing Units for the period from 1 July 2006 to 25 September 2006 (being the date immediately prior to 26 September 2006, the date on or around which the New Units are currently expected to be issued).

### About Ascott Residence Trust

The Ascott Residence Trust is the first Pan-Asian serviced residence real estate investment trust (REIT) 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 in the Pan-Asian Region.

Comprising an initial asset portfolio of over 2,000 units in 12 strategically located serviced residences and rental housing property in Singapore, China, Indonesia, The Philippines and Vietnam, ART was listed with an asset size of about S\$856 million.

Launched in March 2006, ART is managed by the Ascott Residence Trust Management Limited, a wholly-owned subsidiary of The Ascott Group Limited. Listed on the mainboard of the Singapore Exchange, The Ascott Group Limited is a leading international serviced residence company with close to 17,000 serviced residence units in key cities of the Asia-Pacific region, Europe and the Middle East. Ascott boasts a 22-year industry track record and serviced residence brands that enjoy recognition worldwide.

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

### Important Notice

The value of units in ART and the income derived from them may fall as well as rise. Units in ART are not obligations of, deposits in, or guaranteed by the Manager or any of its affiliates. An investment in the units in ART is subject to investment risks, include the possible loss of the principal amount invested. The past performance of ART is not necessarily indicative of its future performance.

This press release 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 ART while the units in ART are listed. It is intended that unitholders may only deal in their units in ART through trading on the SGX-ST. Listing of the units in ART on the SGX-ST does not guarantee a liquid market for the units in ART.

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**Issued by:**

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In relation to the preferential offering by The Ascott Group Limited of units in Ascott Residence Trust, J.P. Morgan (S.E.A.) Limited acted as the Joint Financial Adviser, Sole Global Coordinator and Sole Lead Underwriter.