



ASCOTT
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TRUST

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ASCOTT REIT TO ACQUIRE YIELD ACCRETIVE ASSET IN THRIVING GERMAN CITY OF HAMBURG FOR €37.5 MILLION

Singapore, 28 September 2012 – Ascott Residence Trust (Ascott Reit) has entered into a sale and purchase agreement to acquire a prime property in the thriving German city of Hamburg for €37.5 million (or approximately S\$59.4 million). The 166-unit Madison Hamburg is Ascott Reit’s first acquisition in Hamburg.

Mr Lim Jit Poh, Ascott Residence Trust Management Limited’s (ARTML) Chairman, said: “This is an attractive opportunity which is in line with Ascott Reit’s strategy to expand in Asia, London, Paris and key cities in Germany. Germany is Europe’s largest and strongest economy and Hamburg is the second largest city and tourism market in the country. Home to the third busiest port in Europe, the city is a thriving commercial and transport hub where many multinational companies like Airbus Deutschland, Philips and Shell are based. Ascott Reit’s entry into Hamburg will further enhance its diversification across property and economic cycles.”

Mr Ronald Tay, ARTML’s Chief Executive Officer, said: “Madison Hamburg is a prime asset with a strategic location. The acquisition is yield accretive to Ascott Reit as Madison Hamburg is expected to deliver a stable EBITDA yield of 7.0% compared to its funding cost. We will be acquiring Madison Hamburg with an existing master lease, comprising a fixed and variable rent. The fixed component alone amounts to 80% of the total annual rent and will further contribute to Ascott Reit’s income stability. Madison Hamburg will continue to be managed by a veteran local operator, Ms Marlies Head, who has been managing the property since it opened in 1993.”

Ascott Reit currently owns two serviced residences in Germany – Citadines Kurfürstendamm Berlin and Citadines Arnulfpark Munich. Ascott Reit’s assets in Germany will make up 10% of its total European portfolio value of S\$1.2 billion, upon completion of the acquisition of Madison Hamburg.

About Madison Hamburg

Madison Hamburg is strategically located at the junction of three key areas in Hamburg – the city centre with many well-known retail streets; Hafen City, an up-and-coming commercial, retail and entertainment district; and Reeperbahn, Hamburg’s most popular tourist area. The property is surrounded by the offices of many multinational companies such as KPMG, Ernst & Young, Deloitte and Unilever, while metro stations, museums and shopping arcades are within walking distance.

Popular and reputable among domestic and foreign travellers, the seven-storey Madison Hamburg has a net lettable area of 19,285 sqm and offers a range of studios, loft units, suites and penthouses. Facilities at the property

include meeting rooms, a business centre, restaurant and bar, gymnasium, spa, swimming pool and car park.

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\$2.9 billion since it was listed on the Singapore Exchange Securities Trading Limited (SGX-ST) in March 2006. When the divestment of Somerset Grand Cairnhill Singapore and the acquisitions of Ascott Raffles Place Singapore, Ascott Guangzhou, the new Cairnhill serviced residence in Singapore, and Madison Hamburg are completed, Ascott Reit's international portfolio will expand to S\$3.4 billion comprising 68 properties with 7,426 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

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.

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.

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