

ASCOTT REIT TO RAISE S\$253.7 MILLION THROUGH AN UNDERWRITTEN RIGHTS ISSUE TO TAP FUTURE GROWTH OPPORTUNITIES

Singapore, 4 November 2013 – Ascott Residence Trust (Ascott Reit) has launched an underwritten renounceable rights issue to raise approximately S\$253.7 million. Existing Unitholders will be offered 253.7 million rights units at a ratio of one unit for every five units already held as at the book closure date. The rights units will be issued at S\$1.00 each. This is at a discount of approximately 22.5% to the closing price of S\$1.29 per unit as at 4 November 2013 and a discount of approximately 19.5% to the theoretical ex-rights price¹.

Mr Lim Jit Poh, Ascott Residence Trust Management Limited's (ARTML) Chairman, said: "The rights issue will enhance Ascott Reit's financial flexibility to tap future growth opportunities. It will also increase Ascott Reit's trading liquidity and enhance its credit profile. Unitholders will be able to subscribe for the rights units and benefit from Ascott Reit's future growth strategies. There is a strong pipeline of potential acquisitions from our sponsor, The Ascott Limited (Ascott), and third parties. We will continue to seek acquisition opportunities in key gateway cities in China, Japan, Malaysia, Australia and Europe. Ascott Reit will also continue to invest on refurbishing our properties to drive organic growth."

Mr Ronald Tay, ARTML's Chief Executive Officer, said: "For three consecutive quarters in 2013, we achieved double-digit growth in Unitholders' distribution mainly due to strong contributions from the recently acquired quality assets. Gross proceeds from the rights issue will be used to pay down debt of approximately S\$204.9 million and to fund capital expenditure and asset enhancement initiatives. We have strong support from Ascott which owns 45.3% of Ascott Reit. Ascott has undertaken to subscribe in full its allotment of rights units. The remaining rights units will be underwritten by DBS Bank Ltd. and J.P. Morgan."

Entitled Unitholders can subscribe for the rights units from 19 November to 3 December 2013. Those who do not wish to subscribe for the rights units may sell their rights entitlements during the nil-paid rights trading period from 19 November to 27 November 2013. Unitholders may also apply for excess rights units. The new rights units are expected to list on the Singapore Stock Exchange on 12 December 2013 at 9:00 am.



ASCOTT
RESIDENCE
TRUST

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¹ Theoretical ex-rights price = (Market capitalisation of Ascott Reit based on the closing price + gross proceeds from the rights issue) / units outstanding after the rights issue

Indicative Timeline	
Last day of cum-rights entitlement trading	11 November 2013
Book closure date	14 November 2013
Rights offer opens	19 November 2013
Trading of nil-paid rights entitlements commences	
Trading of nil-paid rights entitlements closes	27 November 2013
Rights offer closes	3 December 2013
Listing of new rights units	12 December 2013 at 9:00 am

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\$3.2 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\$3.6 billion comprising 82 properties with 9,007 units in 32 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.

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for Units. This announcement is not for publication or distribution, directly or indirectly, in or into the United States (including its territories and possessions, any state of the United States and the District of Columbia), Canada or Japan. This announcement is not an offer of securities for sale into the United States, Canada or Japan. The securities referred to herein have not been and will not be registered under the Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold in the United States, except pursuant to an applicable exemption from registration. Any public offering of securities made in the United States would be made by means of a prospectus that may be obtained from the Manager and would contain detailed information about the Manager and Ascott Reit, as well as financial statements. No public offering of securities is being made in the United States.

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