



ASCOTT

RESIDENCE
TRUST

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ASCOTT REIT PRICES DEBUT S\$150 MILLION PERPETUAL SECURITIES

Singapore, 17 October 2014 – Ascott Residence Trust (Ascott Reit) has priced its debut S\$150 million perpetual securities with a fixed distribution rate of 5% per annum.

Proceeds from the issuance of the perpetual securities will be used to fund potential acquisitions and for general corporate funding purposes.

Mr Lim Jit Poh, Ascott Residence Trust Management Limited's (ARTML) Chairman, said: "This issuance of perpetual securities is part of Ascott Reit's capital management strategy to tap diversified funding sources. It is an alternative form of equity fund raising for Ascott Reit and will strengthen our balance sheet. Moreover, it will enhance our financial flexibility to tap future growth opportunities to optimise returns for Unitholders. The strong demand from investors shows their confidence in Ascott Reit's growth strategies."

Mr Ronald Tay, ARTML's Chief Executive Officer, said: "This is a milestone transaction for Ascott Reit. We would like to thank the investors for their continued support. Ascott Reit will continue to seek acquisition opportunities in key gateway cities in Asia and Europe, and we will also continue to invest in refurbishing our properties to drive organic growth."

Ascott Reit has been assigned a Baa3 corporate family investment grade rating by Moody's Investors Service Limited. The securities will be unrated. Given that the securities will be accounted as equity, Ascott Reit's aggregate leverage¹ is expected to decrease following the issuance of the securities.

DBS Bank Ltd and J.P. Morgan (S.E.A.) Limited are the joint lead managers and joint bookrunners for the issuance of the perpetual securities.

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 quadrupled to S\$4.1 billion since it was listed on the Singapore Exchange Securities Trading Limited in March 2006. Ascott Reit's international portfolio comprises 87 properties with 10,191 units in 36 cities across 13 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,

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¹ As defined in accordance with the Property Funds Appendix issued by the Monetary Authority of Singapore as Appendix 6 to the Code on Collective Investment Schemes

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.

Issued by:

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