

NEWS RELEASES - 2006

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ART's Net Distributable Income Higher Than Forecast

Bolstered by strong demand for serviced residences in Singapore and Philippines

Ascott Residence Trust Unaudited Results For The Period Ended 30 September 2006

Presentation Slides: Ascott Residence Trust 3Q 2006 Results

Singapore, 25 October 2006 – Ascott Residence Trust Management Limited (ARTML), the manager of Ascott Residence Trust (ART), is pleased to announce a net distributable income of S\$14.3 million for the period 31 March 2006 (date of listing) to 30 September 2006. This represents a two percent increase above the forecast¹ of S\$14.0 million.

Distributable income per unit (DPU) for the same period is 3.14 cents, 0.06 cents above the forecast¹ of 3.08 cents.

Highlights of results for the period 31 March 2006 to 30 September 2006

	Actual	Forecast ¹	Change
Revenue (S\$m)	52.3	52.7	-1%
Gross Profit (S\$m)	25.2	24.1	+5%
Unitholders' Distribution (S\$m)	14.3	14.0	+2%
DPU ² (cents)	3.14	3.08	+2%

Mr Chong Kee Hiong, ARTML's CEO said, "ART's properties have done well to achieve RevPAU growth of four percent for the portfolio in the third quarter. In particular, our serviced residences in Singapore and the Philippines enjoyed strong growth, driven by higher occupancies and rates."

Mr Chong added, "With Asia's economic and business conditions continuing to be positive and the demand for quality serviced apartments remaining strong, ART is on track to deliver the forecast annualised DPU of 6.11 cents for the full year."

ARTML's chairman, Mr Lim Jit Poh said, "Within six months of listing, ARTML has demonstrated its ability to acquire yield accretive assets from The Ascott Group Limited and third party owners."

Mr Lim added, "The two new investments, Somerset Olympic Tower, Tianjin in China and Somerset Roppongi, Tokyo in Japan were funded by the assumption of bank debt and proceeds from a placement of 44 million new units in September. The successful placement to more than 15 institutional investors increased ART's free float from 23 percent to 30 percent. ART's unit price has also appreciated since the placement reflecting investors' confidence in its growth strategy. Going forward, the manager will continue to acquire and enhance quality serviced residence assets to deliver stable and sustainable distributions to unitholders."

Following the completion of the acquisition of Somerset Olympic Tower, Tianjin in China and Somerset Roppongi, Tokyo in Japan on 3 October, ART's owned portfolio is now valued at S\$952 million with over 2,300 apartment units in 14 properties across six countries.

¹The forecast numbers for 2006 are extracted from the forecast which was disclosed in the prospectus and pro-rated to correspond to the period from 31 March to 30 September.

²There is no distribution declared for the period from 01 July to 30 September 2006. Distribution declared for the period from 31 March to 30 June was paid on 28 August 2006. ART makes distributions to unitholders on a semi-annual basis, with the amount calculated as at 30 June and 31 December each year for the six-month period ending on each of the said dates.

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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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.