



ASCOTT RESIDENCE TRUST

(Constituted in the Republic of Singapore pursuant to a trust deed dated 19 January 2006)

ANNOUNCEMENT

APPROVAL IN-PRINCIPLE FOR THE LISTING OF NEW UNITS

Ascott Residence Trust Management Limited, as manager of Ascott Residence Trust ("**ART**"), and manager of ART, the "**Manager**", is pleased to announce that approval in-principle has been received from the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 26 January 2007 for the listing and quotation on the Main Board of the SGX-ST of new units in ART (the "**New Units**") which are proposed to be issued under an equity fund raising to be carried out by ART (the "**Equity Fund Raising**").

The purpose of the Equity Fund Raising is to raise gross proceeds of up to approximately S\$199.0 million in order to, *inter alia*, part finance and re-finance the acquisition of five properties, namely Shoan Heights Serviced Apartment, Melbourne (to be re-branded Somerset Gordon Heights, Melbourne) in Australia, Somerset Azabu East, Tokyo in Japan, Somerset Roppongi, Tokyo in Japan, Oakwood Premier Ayala Center (to be re-branded Ascott Makati) in the Philippines and Somerset Chancellor Court, Ho Chi Minh City in Vietnam and associated costs, with the balance of the proceeds to be utilised for general corporate and working capital purposes.

The SGX-ST's approval in-principle is not an indication of the merits of ART, the units of ART or the Equity Fund Raising.

The circular to unitholders of ART (the "**Unitholders**") for the purpose of seeking their approval for, among other things, the Equity Fund Raising and the placement of New Units to the Ascott Group will be dispatched to Unitholders in due course.

BY ORDER OF THE BOARD

Ascott Residence Trust Management Limited
(Company Registration No: 200516209Z)
As Manager of Ascott Residence Trust

Doreen Nah
Company Secretary
Singapore, 29 January 2007

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 Advisor, Sole Global Coordinator and Sole Lead Underwriter.

Note:

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Neither this Announcement, nor any copy or portion of it, may be sent, taken, transmitted or distributed, directly or indirectly, in or into the United States, Japan or Canada, or to any U.S. person (as such term is defined in Regulation S under the U.S. Securities Act of 1933, as amended). It is not an offer of securities for sale into the United States. The New Units may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons unless they are registered or exempt from registration. The New Units have not been and will not be registered under the U.S. Securities Act of 1933, as amended, or the securities laws of any state of the United States. There will be no public offer of securities in the United States.