

ASCOTT REIT TO DIVEST SOMERSET GORDON HEIGHTS MELBOURNE FOR A\$11.7 MILLION

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Singapore, 27 January 2012 – Ascott Residence Trust (Ascott Reit) has entered into a conditional sale and purchase agreement for the divestment of Somerset Gordon Heights Melbourne, at an agreed consideration of approximately A\$11.7 million (or S\$15.6 million¹). Ascott Reit is expected to realise a net gain of approximately A\$0.2 million (or S\$0.3 million¹). The divestment is expected to be completed in the second quarter of 2012.

Mr Lim Jit Poh, Ascott Residence Trust Management Limited's (ARTML or the "Manager") Chairman, said: "The divestment of Somerset Gordon Heights is in line with the Group's strategy to actively manage Ascott Reit's portfolio. The sale proceeds of A\$11.7 million will be primarily used to repay existing loans."



Mr Chong Kee Hiong, ARTML's Chief Executive Officer, said, "Somerset Gordon Heights has the smallest number of serviced apartment units in Ascott's portfolio with only 43 units in operation. The development is 13 years old and has reached a stage that offers limited growth, therefore the Manager is of the view that it is an opportune time to divest the property at a price which is 6.4% above last valuation, and concentrate on re-deploying management's resources for better efficiency."

Mr Chong added, "Ascott Reit continues to have a presence in Australia with Somerset St Georges Terrace Perth, which is located in the heart of Perth's business district. Perth still enjoys healthy demand from the oil and gas and mining industries, and continues to be a strong market. Despite the decision to divest Somerset Gordon Heights, Melbourne is still abound with opportunities. Hence, we would still be keen if there are suitable properties for acquisition that are yield accretive."

Somerset Gordon Heights Melbourne

Somerset Gordon Heights is located within the Central Business District within the heart of Melbourne city. The serviced residence is a freehold property that comprises 43 apartment units with net lettable area of 1,691 square metres.

Somerset Gordon Heights contributed about S\$0.7 million to or 0.4% of Ascott Reit's FY 2011 gross profit.

¹ Exchange rate used A\$1.00: S\$1.3359

About Ascott Residence Trust

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 or rental housing properties.

Ascott Reit's asset size has more than tripled to about S\$2.87 billion since listing in March 2006. Its international portfolio comprises 65 properties with 6,600 units in 23 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, Singapore, Tokyo, London, Paris, Berlin, Brussels, Barcelona, Munich, Hanoi, Ho Chi Minh City, Jakarta, Manila, Melbourne 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.

For more information about Ascott Reit, please visit <http://www.ascottreit.com>.

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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