ASCOTT REIT TO ACQUIRE THREE ACCRETIVE ASSETS IN MALAYSIA AND CHINA FOR S$173.9 MILLION

Marks foray into Kuala Lumpur, Wuhan and Xi'an

Singapore, 7 July 2014 – Ascott Residence Trust (Ascott Reit) has entered into conditional agreements to acquire its first serviced residence in Kuala Lumpur, Malaysia as well as Wuhan and Xi'an in China at a total property value of S$173.9 million and an EBITDA yield of 5.1% on a pro forma basis for FY 2013. The accretive acquisitions are expected to increase FY 2013 distribution per unit by 1.2% from 8.71 cents[1] to 8.81 cents on a pro forma basis.

Ascott Reit will acquire the 207-unit Somerset Ampang Kuala Lumpur from The Ascott Limited (Ascott) for MYR175 million (S$67.4 million[2]). Ascott Reit will also acquire the 249-unit Citadines Zhuankou Wuhan and the 251-unit Citadines Gaoxin Xi'an for RMB252 million (S$51.4 million[3]) and RMB270 million (S$55.1 million[3]) respectively from Ascott Serviced Residence (China) Fund, in which Ascott holds a 36.1% stake. The three serviced residences will continue to be managed by Ascott.

Mr Lim Jit Poh, Ascott Residence Trust Management Limited's (ARTML) Chairman, said: "This is Ascott Reit's first acquisition of a serviced residence in Malaysia, which has a stable and growing economy. The acquisition of the two properties in Wuhan and Xi'an will further expand our presence in China. Many multinational corporations have established offices in Malaysia, increasing foreign direct investment by 25% year-on-year to a record MYR38.8 billion in 2013. This trend is expected to gain momentum given the government's pro-business policies to make Malaysia a business and investment-friendly destination. Demand for serviced residences in China remains strong due to the continual influx of multinational companies and increasing domestic and international business travel."

Mr Lim added: "In the first quarter of this year, we acquired our first serviced residence in Dalian and our second property in Fukuoka. We are now adding three more high quality assets with 707 apartment units that will broaden Ascott Reit's earning base and expand our asset size to S$4.0 billion. Ascott Reit will have close to 10,000 apartment units after the acquisitions. Entering Kuala Lumpur, Wuhan and Xi'an will also further diversify our portfolio across 36 cities and 13 countries. These acquisitions demonstrate our ability to execute Ascott Reit's growth strategy and we will continue to seek acquisitions in key cities in Asia Pacific and Europe to further enhance Ascott Reit's portfolio."

[1] Adjusted for the pro forma financial effects of Ascott Reit's acquisition of a serviced residence in Dalian (as announced on 20 February 2014) and Infini Garden in Fukuoka (as announced on 21 March 2014), as if they were completed on 1 January 2013 and held for FY2013.

[2] Based on exchange rate of MYR1.00 = S$0.38538.

[3] Based on exchange rate of RMB1.00 = S$0.20404.

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Mr Ronald Tay, ARTML's Chief Executive Officer, said: "Kuala Lumpur is a key commercial centre and a gateway for international travellers to Malaysia. The government is positioning the city as a leading destination in Asia for meetings, conferences and exhibitions having secured many international events. Kuala Lumpur's modern infrastructure, quality facilities and competitive business costs will continue to attract multinational companies to set up businesses in the city and drive demand from expatriates and travellers for serviced residences."

Mr Tay said: "Wuhan and Xi'an have seen rapid economic growth due to the central government's policies to develop China's inland regions. Wuhan is a major transportation, commercial and financial hub with significant growth potential. Its foreign direct investment (FDI) in 2013 grew 18.1% to US$5.2 billion from 2012 and the compound annual growth rate (CAGR) of FDI between 2007 and 2013 was 14.5%. Xi'an is one of the most developed cities in north-west China with many global high-tech giants setting up large-scale manufacturing and research and development bases in the city. FDI in Xi'an increased by 26.3% in 2013 compared to 2012 and the CAGR of FDI between 2007 and 2013 was 17.1%."

Mr Tay added: "Besides, there is a limited supply of international-class serviced residences in Wuhan and Xi'an to cater to the rising number of expatriates and business travellers, especially those working in multinational companies based in the development zones where Citadines Zhuankou Wuhan and Citadines Gaoxin Xi'an are located. Following these two acquisitions in China, Ascott Reit will have presence in nine cities across China."

The acquisitions of Somerset Ampang Kuala Lumpur, Citadines Zhuankou Wuhan and Citadines Gaoxin Xi'an are inter-conditional. Ascott Reit will seek Unitholders' approval for the transactions at an extraordinary general meeting to be held on 31 July 2014.

Somerset Ampang Kuala Lumpur

Somerset Ampang Kuala Lumpur has a prime location close to the capital's Golden Triangle – a major business, shopping and entertainment hub marked by Jalan Ampang, Jalan Sultan Ismail and Jalan Tun Razak. The serviced residence is near several embassies and office buildings such as Petronas Twin Towers, Menara Citibank and Menara ExxonMobil as well as shopping malls such as Suria KLCC and Ampang Park Shopping Complex. In addition, the serviced residence is a five-minute walk to Ampang Park Light Rail Transit station, providing convenient access to the rest of the city.

Somerset Ampang Kuala Lumpur is part of an integrated development which houses HSC Medical Centre, one of Malaysia's leading medical, heart and diagnostic centres. The serviced residence features studio, one-, two- and three-bedroom apartments.

Citadines Zhuankou Wuhan

Citadines Zhuankou Wuhan is strategically located within the Wuhan Economic and Development Zone. It is a short walk to major commercial developments and offices such as the Xianglong Times Business Centre and Dongfeng Peugeot Citroen Automobile Company's headquarters. The serviced residence is part of a mixed-use development with restaurants and retail outlets. A wide range of amenities including shopping malls, supermarkets and food & beverage outlets are also located near the property. Citadines Zhuankou Wuhan offers apartments ranging from studios to two-bedroom units.

Citadines Gaoxin Xi'an

Citadines Gaoxin Xi'an is situated in the heart of the Hi-Tech Industries Development Zone and enjoys close proximity to commercial developments such as Pioneer Square, Hi-Tech International Business Centre, Gao Ke Plaza and Sea Star Square. A variety of retail, dining and entertainment facilities are available at the Golden Eagle and Ginwa shopping malls which are a short walk away. Residents can also visit the nearby historic City Wall of Tang Dynasty Park and Antique City of Tang Dynasty. The serviced residence has a range of studios to two-bedroom apartment units.

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 about S$3.8 billion[4] since it was listed on the Singapore Exchange Securities Trading Limited (SGX-ST) in March 2006. Ascott Reit's international portfolio comprises 83 properties with 9,278 units in 33 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

[4] Includes Ascott Reit's acquisition of a serviced residence in Dalian (as announced on 20 February 2014) and Infini Garden in Fukuoka (as announced on 21 March 2014).

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.

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