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

ANNOUNCEMENT

CLOSE OF PRIVATE PLACEMENT OF 94,787,000 NEW UNITS IN ASCOTT RESIDENCE TRUST ("ASCOTT REIT") AT AN ISSUE PRICE OF S\$1.055 PER NEW UNIT

1. Introduction

Further to the announcement dated 14 March 2016 (the “**Announcement**”) in relation to the launch of the placement (the “**Private Placement**”), Ascott Residence Trust Management Limited, in its capacity as manager of Ascott REIT (the “**Manager**”), wishes to announce that Morgan Stanley Asia (Singapore) Pte. (the “**Placement Agent and Underwriter**”), has in consultation with the Manager, closed the books of orders for the Private Placement on 15 March 2016. 94,787,000 units in Ascott REIT (the “**New Units**”) have been placed pursuant to the Private Placement to raise gross proceeds of approximately S\$100.0 million.

2. Issue Price

The issue price has been fixed at S\$1.055 per New Unit (the “**Issue Price**”), as

agreed between the Manager and the Placement Agent and Underwriter following an accelerated book-building process pursuant to a price determination supplement entered into on 15 March 2016.

The Issue Price represents a discount of:

- (i) 6.8% to the volume weighted average price of S\$1.1324 per unit in Ascott REIT (“Unit”); and
- (ii) (for illustrative purposes only) 5.5% to the adjusted volume weighted average price¹ of S\$1.1169 per Unit,

for trades in the Units done on Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the full Market Day² on 14 March 2016, being the date on which the placement agreement was entered into between the Manager and the Placement Agent and Underwriter (the “**Placement Agreement**”).

3. Listing of, Dealing in and Quotation of the New Units

The trading of the New Units on the SGX-ST is currently expected to commence at 9.00 a.m. on 23 March 2016.

The Manager will make a formal application to the SGX-ST for the listing of, dealing in, and quotation of, the New Units on the Main Board of the SGX-ST. An announcement will be made upon the receipt of such in-principle approval from the SGX-ST.

The Private Placement shall be subject to certain conditions precedent more particularly set out in the Placement Agreement, including the receipt of the approval in-principle of the SGX-ST for the listing of, dealing in, and quotation of, the New Units on the Main Board of the SGX-ST.

1 The adjusted volume weighted average price is computed based on the volume weighted average price of all trades in the Units on the SGX-ST on the full Market Day on 14 March 2016 and excluding the Advanced Distribution (as defined in the Announcement) of approximately 1.55 cents per Unit (being the mid-point of the estimated Advanced Distribution). This amount is only an estimate based on information currently available to the Manager and the Manager’s estimate of Ascott REIT’s revenue and expense, and the actual Advanced Distribution may differ.

2 “**Market Day**” refers to a day on which the SGX-ST is open for securities trading.

BY ORDER OF THE BOARD

Ascott Residence Trust Management Limited

(Company Registration No. 200516209Z)

As manager of Ascott Residence Trust

Kang Siew Fong / Regina Tan

Joint Company Secretaries

15 March 2016

IMPORTANT NOTICE

The value of Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units 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.

Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This Announcement may contain forward-looking statements that involve risks and uncertainties. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events.