THE ASCOTT GROUP LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 197900881N)
("Ascott" or the "Company")

Voluntary Unconditional Cash Offer for The Ascott Group Limited

The Board of Directors of the Company wishes to inform shareholders of the Company ("**Shareholders**") that DBS Bank Ltd ("**DBS**"), for and on behalf of Somerset Capital Pte Ltd (the "**Offeror**"), a wholly-owned subsidiary of CapitaLand Limited, had on 8 January 2008 announced that it intends to make a voluntary unconditional cash offer (the "**Offer**") to acquire all the issued ordinary shares in the capital of the Company, other than those held by the Offeror, Somerset Land Pte Ltd ("**SLPL**") and Areca Investment Pte Ltd ("**AIPL**") as at the date of the Offer (the "**Offer Announcement**").

Terms of the Offer

The principal terms of the Offer are as follows:

(1) the Offer will be made at a price of **S$1.73 in cash** for each share in the Company ("**Share**") not already held as at the date of the Offer by the Offeror, SLPL and AIPL (an "**Offer Share**");

(2) the Offer will be extended to all new Shares unconditionally issued or to be issued pursuant to (i) the valid exercise (if any) prior to the close of the Offer of any share options to subscribe for new Shares (the "**Options**") granted under the Ascott Share Option Plan and (ii) any contingent awards of Shares granted under the Ascott Performance Share Plan and the Ascott Restricted Share Plan, which are vested and released prior to the close of the Offer. For the purposes of the Offer, the expression "Offer Shares" shall include such new Shares;

(3) the Offer Shares are to be acquired fully paid and free from all claims, charges, equities, liens, pledges and other encumbrances and together with all rights, benefits, entitlements and advantages attached thereto as at the date of the Offer Announcement and hereafter attaching thereto, including the right to all dividends, rights and other distributions (if any) declared, made or paid thereon on or after the date of the Offer Announcement (including any dividends that may be declared, made or paid in respect of the financial year ended 31 December 2007);

(4) the Offer will be extended, on the same terms and conditions, to all the issued Shares owned, controlled or agreed to be acquired by parties acting or presumed to be acting in concert with the Offeror in connection with the Offer (other than SLPL and AIPL); and

(5) **the Offer will be unconditional in all respects**.

The Offeror will also be making an options proposal to the holders of outstanding Options, the brief terms of which are set out in the Offer Announcement.

As at 4 January 2008, the Offeror, SLPL and AIPL own an aggregate of 1,067,846,016 Shares, representing approximately 66.53% of the total number issued Shares.

Shareholders should note that it is not the intention of the Offeror to preserve the listing status of Ascott. If the Offeror is entitled to do so, it intends to exercise any rights of compulsory acquisition that it may have in connection with the Offer.

Further details on the terms and conditions of the Offer are set out in the Offer Announcement dated 8 January 2008, a copy of which is available on the website of the Singapore Exchange Securities Trading Limited at www.sgx.com and attached to this announcement. Shareholders are advised to read the full text of the Offer Announcement.

Independent Financial Adviser

The Board of Directors of the Company will be appointing an independent financial adviser in connection with the Offer. A circular containing the advice of the independent financial adviser and the recommendation of the directors of the Company who are considered to be independent of the Offer ("**Independent Advice**") will be sent to Shareholders within 14 days from the date of despatch of the offer document to be issued by or on behalf of the Offeror ("**Offer Document**"). Shareholders should note that the unaudited consolidated financial statements of the Company for the financial year ended 31 December 2007 are expected to be announced by the Company on or about 25 January 2008 via SGXNET (the "**Ascott Full Year Results Announcement**"). The Offeror expects to despatch the Offer Document after the release of the Ascott Full Year Results Announcement. **In the meantime, Shareholders are advised to refrain from taking any action in relation to their Shares which may be prejudicial to their interests, to take note of the Ascott Full Year Results Announcement and consider the Independent Advice, and exercise caution when dealing in the Shares.**

Directors' Responsibility Statement

The Directors of the Company (including those who have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and the opinions expressed in this Announcement are fair and accurate and no material facts have been omitted from this Announcement.

Where information has been extracted from published or otherwise publicly available sources or obtained from the Offeror, the sole responsibility of the Directors for such information has been to ensure that it has been correctly and accurately extracted from these sources.

The Directors jointly and severally accept full responsibility accordingly.

By Order of the Board

Hazel Chew / Lam Chee Kin
Joint Company Secretaries

8 January 2008