THE ASCOTT GROUP LIMITED
(Co. Reg No: 197900881N)
(Incorporated in the Republic of Singapore)

COMPLETION OF ACQUISITION OF SUBSIDIARY IN XI'AN

On 30 March 2007, The Ascott Group Limited (the "**Company**") had announced that its indirectly wholly-owned subsidiary, Citadines Central (Hong Kong) Limited (formerly known as Citadines Soho Management (Hong Kong) Limited), had acquired 75% interest in Shaanxi Drum Tower Hotel Co., Ltd ("**Drum Tower**"), a Sino-foreign equity joint venture company. The remaining 25% interest in Drum Tower is held by Xi'an Jialefu Food Trading Co., Ltd ("**Xi'an Jialefu**"), a private limited company registered in Xi'an, China.

Drum Tower owns the property known as "Citadines Xi'an Central", located at No. 199 Zhubashi Road, Nanyuan Men, Beilin District, Xi'an City, Shaanxi Province, China. Citadines Xi'an Central is a 162-unit serviced residence and was opened in August 2007.

The Company wishes to announce that it has acquired the remaining 25% interest in Drum Tower from Xi'an Jialefu at a total consideration of RMB17.19 million (the "**Acquisition**"), of which RMB7 million has been paid. The remaining amount of RMB10.19 million will be payable over two tranches. The consideration was arrived at on a willing-buyer willing-seller basis, taking into account, amongst other factors, the net tangible asset value of Drum Tower, adjusted for the fair value of the underlying asset.

Subsequent to the aforesaid acquisition, the Company will hold 100% of the registered capital of Drum Tower.

The aforesaid acquisition is not expected to have any material impact on the earnings per share or net tangible assets per share of the Group for the current financial year ending 31 December 2008.

By Order of the Board
Hazel Chew / Lam Chee Kin
Joint Company Secretaries
24 January 2008