VOLUNTARY UNCONDITIONAL CASH OFFER

by

DBS BANK LTD

(Company Registration No. 196800306E)
(Incorporated in the Republic of Singapore)

for and on behalf of

SOMERSET CAPITAL PTE LTD

(Company Registration No. 199903322R)
(Incorporated in the Republic of Singapore)

a wholly-owned subsidiary of

CAPITALAND LIMITED

(Company Registration No. 198900036N)
(Incorporated in the Republic of Singapore)

to acquire all the issued ordinary shares in the capital of

THE ASCOTT GROUP LIMITED

(Company Registration No. 197900881N)
(Incorporated in the Republic of Singapore)

other than those already held by Somerset Capital Pte Ltd, Somerset Land Pte Ltd and Areca Investment Pte Ltd as at the date of the Offer

DESPATCH OF OFFER DOCUMENT AND OPTIONS PROPOSAL LETTER

1. INTRODUCTION

1.1 Despatch of Offer Document. DBS Bank Ltd ("**DBS Bank**") wishes to announce, for and on behalf of Somerset Capital Pte Ltd (the "**Offeror**"), that the Offeror has on 29 January 2008 despatched the offer document dated 26 January 2008 (the "**Offer Document**"), which contains details of the voluntary unconditional cash offer (the "**Offer**") by the Offeror to acquire all the issued ordinary shares in the capital of The Ascott Group Limited ("**Ascott**") other than those already held by the Offeror, Somerset Land Pte Ltd and Areca Investment Pte Ltd ("**Offer Shares**") as at the date of the Offer (being 29 January 2008).

An electronic copy of the Offer Document will be available on the website of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") at www.sgx.com.

All capitalised terms not defined herein shall have the same meaning as used in the Offer Document.

1.2 Despatch of Options Proposal Letter. DBS Bank further announces, for and on behalf of the Offeror, that the Offeror has today despatched a separate letter dated 26 January 2008 (the "**Options Proposal Letter**"), which contains details of the proposal made ("**Options Proposal**") to holders ("**Optionholders**") of outstanding options to subscribe for new shares in the capital of Ascott granted by Ascott pursuant to the Ascott Share Option Plan. The Options Proposal Letter has been despatched to Optionholders together with copies of the Offer Document.

An electronic copy of the Options Proposal Letter will be available on the website of the SGX-ST at www.sgx.com.

2. OFFER DOCUMENT

2.1 Form(s) of Acceptance. The Offer Document has been despatched together with the following documents:

(a) in the case of Shareholders whose Offer Shares are deposited with The Central Depository (Pte) Limited ("**CDP**"), a Form of Acceptance and Authorisation ("**FAA**"); and

(b) in the case of Shareholders whose Offer Shares are not deposited with CDP, a Form of Acceptance and Transfer ("**FAT**").

2.2. Request for Offer Document and Related Documents

2.2.1 For Depositors. Shareholders whose Offer Shares are deposited with CDP ("**Depositors**") may obtain copies of the Offer Document and the FAA during normal business hours up to the Closing Date (as stated in paragraph 5 below) from CDP at the following address:

The Central Depository (Pte) Limited
4 Shenton Way
#02-01 SGX Centre 2
Singapore 068807

Copies of the FAA may be obtained by Depositors from CDP on production of satisfactory evidence that their securities accounts with CDP are or will be credited with the Offer Shares.

2.2.2 For Non-Depositors. Shareholders who hold Offer Shares which are not deposited with CDP ("**Non-Depositors**") may obtain copies of the Offer Document and the FAT during normal business hours up to the Closing Date from Boardroom Corporate & Advisory Services Pte. Ltd. at the following address:

Boardroom Corporate & Advisory Services Pte. Ltd.
3 Church Street #08-01
Samsung Hub
Singapore 049483

Copies of the FAT may be obtained by Non-Depositors from Boardroom Corporate & Advisory Services Pte. Ltd. on production of satisfactory evidence of title to the Offer Shares.

2.3. Overseas Shareholders. The Offer is made pursuant to the Offer Document and the form(s) of acceptance accompanying the Offer Document. The availability of the Offer to Shareholders whose addresses are outside Singapore as shown in the Register of Members of Ascott or in the records of CDP (as the case may be) (each, an "**Overseas Shareholder**") may be affected by the laws of the relevant overseas jurisdictions. Accordingly, Overseas Shareholders should inform themselves about and observe any applicable legal requirements.

It is the responsibility of Overseas Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws of the relevant jurisdiction, including the obtaining of any governmental or other consent which may be required, or compliance with other necessary formalities or legal requirements and the payment of any taxes, imposts, duties or other requisite payments due in such jurisdiction. **If you are in doubt about your position, you should consult your professional adviser in the relevant jurisdiction.**

The Offeror reserves the right not to treat an acceptance or purported acceptance of the Offer in or from any overseas jurisdiction and/or in respect of an Overseas Shareholder as valid. Overseas Shareholders accepting the Offer should note that if they have, in the FAT, provided addresses in overseas jurisdictions for the receipt of remittances of payment by the Offeror, such acceptances may be rejected.

The Offeror and DBS Bank do not intend to send the Offer Document, the FAA and the FAT to any Overseas Shareholder due to potential restrictions on sending such documents to the relevant overseas jurisdictions. Subject to compliance with applicable laws, any affected Overseas Shareholder may, nonetheless, attend in person and obtain copies of the Offer Document, the FAA or the FAT, as the case may be, and any related documents during normal business hours and up to the Closing Date, from the Offeror c/o Boardroom Corporate & Advisory Services Pte. Ltd. at 3 Church Street, #08-01 Samsung Hub, Singapore 049483 or CDP at 4 Shenton Way, #02-01 SGX Centre 2, Singapore 068807, as the case may be. Alternatively, an Overseas Shareholder may, subject to compliance with applicable laws, write in to Boardroom Corporate & Advisory Services Pte. Ltd. at the above-stated address to request that the Offer Document, the FAA or the FAT, as the case may be, and any related documents be sent to an address in Singapore by ordinary post at his own risk (up to three (3) Market Days prior to the Closing Date). For the avoidance of doubt, the Offer is made to all Shareholders (for all Offer Shares) including those to whom the Offer Document may not be despatched.

The Offeror and DBS Bank each reserves the right to notify any matter, including the fact that the Offer has been made, to any or all Shareholders (including Overseas Shareholders) by announcement to the SGX-ST or paid advertisement in a daily newspaper published or circulated in Singapore, in which case, such notice shall be deemed to have been sufficiently given notwithstanding any failure by any Shareholder to receive or see such announcement or advertisement.

Further details in respect of Overseas Shareholders are set out in the Offer Document.

2.4 **Procedures for Acceptance.** Details of the procedures for acceptance of the Offer are set out in Appendix 1 to the Offer Document, and in the FAA and the FAT.

2.5 **Settlement for the Offer.** Subject to the receipt by the Offeror from accepting Shareholders of all relevant documents required by the Offeror which are complete in all respects and in accordance with the instructions given in the Offer Document and the FAA or FAT (as the case may be), **remittances in the form of cheques for the appropriate amounts will be despatched** by ordinary post (or, in the case of Depositors, made by such other manner as the accepting Shareholder may have agreed with CDP for payment of any cash distributions), pursuant to Rule 30 of The Singapore Code on Take-overs and Mergers (the "**Code**"), to accepting Shareholders at their own risk, as soon as practicable and in any event **within 10 days of the receipt of acceptances of the Offer which are complete in all respects** and are received by 5.30 p.m. on the Closing Date.

Please refer to paragraph 2 of Appendix 1 to the Offer Document for further details on settlement of the consideration for the Offer.

3. OPTIONS PROPOSAL

3.1 **Acceptance Letter.** Included with the Options Proposal Letter is an acceptance letter for the Options Proposal (the "**Acceptance Letter**").

3.2 **Request for Options Proposal Letter.** Optionholders may obtain copies of the Options Proposal Letter during normal business hours up to the Closing Date (as stated in paragraph 5 below) from Boardroom Corporate & Advisory Services Pte. Ltd. at the address provided above.

3.3 **Overseas Optionholders.** The Options Proposal is made pursuant to the Options Proposal Letter and the Acceptance Letter accompanying the Options Proposal Letter. The availability of the Options Proposal to Optionholders whose addresses are outside Singapore as shown in the records of Ascott (each, an "**Overseas Optionholder**") may be affected by the laws of the relevant overseas jurisdictions. Accordingly, Overseas Optionholders should inform themselves about and observe any applicable legal requirements.

It is the responsibility of Overseas Optionholders who wish to accept the Options Proposal to satisfy themselves as to the full observance of the laws of the relevant jurisdiction, including the obtaining of any governmental or other consent which may be required, or compliance with other necessary formalities or legal requirements and the payment of any taxes, imposts, duties or other requisite payments due in such jurisdiction. **If you are in doubt about your position, you should consult your professional adviser in the relevant jurisdiction.**

The Offeror reserves the right not to treat an acceptance or purported acceptance of the Options Proposal in or from any overseas jurisdiction and/or in respect of an Overseas Optionholder as valid. Overseas Optionholders accepting the Options Proposal should note that if they have, in the Acceptance Letter, provided addresses in overseas jurisdictions for the receipt of remittances for payment by the Offeror, such acceptances may be rejected.

The Offeror and DBS Bank do not intend to send the Options Proposal Letter (including the Acceptance Letter) to any Overseas Optionholder due to potential restrictions on sending such documents to the relevant overseas jurisdictions. Subject to compliance with applicable laws, any affected Overseas Optionholder may, nonetheless, attend in person and obtain copies of the Options Proposal Letter and any related documents during normal business hours and up to the Closing Date, from the Offeror c/o Boardroom Corporate & Advisory Services Pte. Ltd. at 3 Church Street, #08-01 Samsung Hub, Singapore 049483. Alternatively, an Overseas Optionholder may, subject to compliance with applicable laws, write in to Boardroom Corporate & Advisory Services Pte. Ltd. at the above-stated address to request that the Options Proposal Letter and any related documents be sent to an address in Singapore by ordinary post at his own risk (up to three (3) Market Days prior to the Closing Date). For the avoidance of doubt, the Options Proposal is made to all Optionholders including those to whom the Options Proposal Letter may not be despatched.

3.4 **Procedures for Acceptance.** Details of the procedures for acceptances of the Options Proposal are set out in paragraph 3.5 of the Options Proposal Letter and in the Acceptance Letter.

3.5 **Settlement of the Options Proposal.** Subject to the receipt by the Offeror from accepting Optionholders of the duly completed and signed Acceptance Letter before 5.30 p.m. on the Closing Date, remittances in the form of cheques for the appropriate amounts made out in their names as they appear in the records of Ascott will be despatched to accepting Optionholders by ordinary post at their own risk, as soon as practicable and in any event **within 10 days of the date of such receipt**.

Please refer to paragraph 3.6 of the Options Proposal Letter for further details on settlement of the consideration for the Options Proposal.

4. NO INTENTION TO REVISE THE OFFER PRICE

The Offeror does not intend to revise the Offer Price of S$1.73 for each Offer Share.

5. CLOSING DATE

The Offer will be open for acceptance until **5.30 p.m. on 26 February 2008 (subject to Rule 22.6 of the Code as described in Section 2.7 of the Offer Document)[1] or such later date(s) as may be announced from time to time by or on behalf of the Offeror (the "Closing Date").** Similarly, the Options Proposal will be open for acceptance until 5.30 p.m. on the Closing Date.

6. RESPONSIBILITY STATEMENT

The directors of the Offeror (including those who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement are fair and accurate and that no material facts have been omitted from this Announcement, and they jointly and severally accept responsibility accordingly.

Where any information has been extracted from published or otherwise publicly available sources (including, without limitation, information relating to Ascott and its subsidiaries), the sole responsibility of the directors of the Offeror has been to ensure through reasonable enquiries that such information has been accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this Announcement.

Issued by
DBS BANK LTD

For and on behalf of
SOMERSET CAPITAL PTE LTD
29 January 2008

[1] Pursuant to Rule 22.6 of The Singapore Code on Take-overs and Mergers, the Offer will remain open for a period of not less than 14 days after the date on which the Offer would otherwise have closed (being 5:30 p.m. on 26 February 2008).