This Announcement is not an offer of securities for sale in the United States. The units in Ascott Residence Trust will not be registered under the Securities Act of 1933, as amended, and securities may not be offered or sold in the United States absent registration or an exemption from registration. Any offering of securities to be made in the United States will be made by means of an offering memorandum that may be obtained from Ascott Residence Trust Management Limited and that will contain detailed information about Ascott REIT and management, as well as financial statements.

ASCOTT RESIDENCE TRUST

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

ANNOUNCEMENT

LODGMENT OF OFFER INFORMATION STATEMENT

LAUNCH OF EQUITY FUND RAISING

Unless otherwise defined, all terms and references used herein shall bear the same meaning ascribed to them in the Offer Information Statement dated 13 September 2010.

I. Lodgment of Offer Information Statement and Launch of Equity Fund Raising

At the EGM of Unitholders of Ascott REIT held on 9 September 2010, Unitholders approved, *inter alia*, the extraordinary resolution for the Equity Fund Raising. Pursuant to such resolution, the Board of Directors of the Manager wishes to announce that it has today lodged with the Monetary Authority of Singapore (the "**Authority**") the offer information statement (the "**Offer Information Statement**") in relation to the Equity Fund Raising.

The Equity Fund Raising comprises the offering of 487,518,000 New Units by way of:

(a) a non-renounceable preferential offering of 67,858,000 New Units at the preferential offering issue price of between $1.07 and $1.11 (the "**Preferential Offering Issue Price Range**") per New Unit on the basis of one New Unit for every 10 existing Units held on the Preferential Offering Books Closure Date (fractions of a New Unit to be disregarded and taking into account the Rounding Mechanism) to Singapore Registered Unitholders; and

(b) a placement of 419,660,000 New Units at the private placement issue price of between $1.07 and $1.13 (the "**Private Placement Issue Price Range**") per New Unit to institutional and other investors.

The Preferential Offering Issue Price Range and Private Placement Issue Price Range represent discounts of 5.5% to 2.0%, and 5.5% to 0.2% to the adjusted volume weighted average price (the "**Adjusted VWAP**[1]") of $1.1328 per Unit for the full Market Day on 13 September 2010, respectively.

The Preferential Offering Issue Price Range and Private Placement Issue Price Range represent discounts of 6.3% to 2.8%, and 6.3% to 1.0% to the Adjusted VWAP[2] of $1.1419 per Unit for the full Market Day on 9 September 2010, respectively.

The Sole Financial Adviser and Sole Global Coordinator for the Equity Fund Raising is Credit Suisse (Singapore) Limited.

Credit Suisse (Singapore) Limited and DBS Bank Ltd. have been appointed as joint lead managers, bookrunners and underwriters (together, the "**Joint Lead Managers, Bookrunners and Underwriters**") for the Equity Fund Raising[3].

The final Preferential Offering Issue Price and Private Placement Issue Price will be determined by the Joint Lead Managers, Bookrunners and Underwriters with the agreement of the Manager, within the respective price ranges above, after a book-building process, and will be announced by the Manager thereafter via SGXNET. Such announcement will be made prior to the commencement of the Preferential Offering.

The Preferential Offering

The Preferential Offering is made to Singapore Registered Unitholders on a non-renounceable basis of one New Unit for every 10 Existing Units held on the Preferential Offering Books Closure Date, fractions of a New Unit to be disregarded and taking into account the Rounding Mechanism (as defined below). Singapore Registered Unitholders are eligible to apply for the Excess New Units.

Where a Singapore Registered Unitholder's provisional allotment of New Units under the Preferential Offering is other than an integral multiple of 1,000 Units, the increase in the provisional allotment of Preferential Offering New Units to the Unitholder will be by such number which, when added to such Unitholder's unitholding as at the Preferential Offering Books Closure Date, results in an integral multiple of 1,000 Units (the "**Rounding Mechanism**").

The Rounding Mechanism will be extended to investors who have subscribed for or purchased Units under the Central Provident Fund (the "**CPF**") Investment Scheme and/or the Supplementary Retirement Scheme (the "**SRS**"), and to Units held by nominee

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1 Adjusted VWAP is computed on the volume-weighted average price of all trades on SGX-ST for the full Market day on 13 September 2010 and subtracting the Advanced Distribution of approximately 1.6 cents per Unit.
2 Adjusted VWAP is computed on the volume-weighted average price of all trades on SGX-ST for the full Market day on 9 September and subtracting the Advanced Distribution of approximately 1.6 cents per Unit.
3 The New Units to be subscribed by the CapitaLand Group pursuant to the Undertaking are not underwritten by the Joint Lead Managers, Bookrunners and Underwriters.

companies. However, in the case of Units held through nominee companies, the Rounding Mechanism will be applied at the level of the aggregate Units held in the securities accounts of such nominee companies with CDP. As such, investors whose Units are held through such nominee companies may not enjoy the benefit of the Rounding Mechanism on an individual level.

Singapore Registered Unitholders are at liberty to, accept in part or in full, or decline their provisional allotments of Preferential Offering New Units and are eligible to apply for the Excess New Units during the period from 24 September 2010 to 30 September 2010. In the allotment of Excess New Units, preference will be given to the rounding of odd lots and Directors and Substantial Unitholders (including the CapitaLand Group) will rank last in priority.

As the Preferential Offering is made on a non-renounceable basis, the provisional allotment cannot be renounced in favour of a third party or traded on the SGX-ST.

The Private Placement

Save for the New Units proposed to be placed to the CapitaLand Group as approved at the EGM of Unitholders of Ascott REIT held on 9 September 2010, the New Units under the Private Placement will be privately placed to institutional and other investors by the Joint Lead Managers, Bookrunners and Underwriters.

The CapitaLand Group will be issued such number of Private Placement New Units under the CapitaLand Group Placement as would be required to maintain the CapitaLand Group's pre-Preferential Offering unitholding, in percentage terms. TAL has also undertaken to procure the CapitaLand Group to subscribe for such Private Placement New Units.

The Private Placement New Units are not entitled to participate in the Preferential Offering.

The Undertaking

To demonstrate their support for Ascott REIT and the Equity Fund Raising, TAL has undertaken to the Manager and the Joint Lead Managers, Bookrunners and Underwriters that, among others:

(a) in relation to the Preferential Offering, it will, and it will procure that each of Somerset Capital Pte Ltd and the Manager will, accept in full its provisional allotment of Preferential Offering New Units under the Preferential Offering at the Preferential Offering Issue Price; and

(b) in relation to the Private Placement, it will procure the CapitaLand Group to subscribe, at the Private Placement Issue Price, for such number of Private Placement New Units such that the total number of Private Placement New Units subscribed for by the CapitaLand Group will be the difference between the total number of New Units which the CapitaLand Group would require to maintain its pre-Preferential Offering unitholding, in percentage terms and the total number of

Preferential Offering New Units under the Preferential Offering provisionally allotted to and accepted by the CapitaLand Group,

(the “**Undertaking**”).

Advanced Distribution and Status of the New Units

In order to ensure fairness to holders of the Existing Units, the Manager intends to declare, *in lieu* of the distributable income originally scheduled for the period from 1 July 2010 to 31 December 2010 (the "**Scheduled Distribution**"), in respect of the Existing Units, a distribution of the distributable income for the period from 1 July 2010 up to the day immediately prior to the date on which the Private Placement New Units are issued under the Equity Fund Raising (the "**Advanced Distribution**"). The next distribution thereafter will comprise the distributable income for the period from the day that the Private Placement New Units are issued to 31 December 2010. Semi-annual distributions are intended to resume thereafter.

For the avoidance of doubt:

(a) the Preferential Offering New Units and the Private Placement New Units will not be entitled to the Advanced Distribution; and

(b) the Preferential Offering New Units and the Private Placement New Units will be entitled to the distribution of any Distributable Income from the date of issue of the Private Placement New Units.

The Advanced Distribution is intended to ensure that the distributable income accrued by Ascott REIT up to the day immediately prior to the date on which the Private Placement New Units are issued under the Equity Fund Raising (which at this point, will be entirely attributable to the Existing Units) is only distributed in respect of the Existing Units. By implementing the Advanced Distribution, distributable income accrued by Ascott REIT up to the day immediately prior to the date on which the Private Placement New Units are issued under the Equity Fund Raising will only be distributed, in a single distribution, in respect of the Existing Units.

The Manager had, on 13 September 2010, announced that the books closure date for the Advanced Distribution is at 5.00 p.m. on 21 September 2010. The estimated quantum of the distribution per Existing Unit under the Advanced Distribution will be approximately 1.6 cents. The actual quantum of the distribution per Existing Unit under the Advanced Distribution will be announced after the management accounts of Ascott REIT for the relevant period have been finalised.

The Private Placement New Units and the Preferential Offering New Units (as the case may be) will, upon issue and allotment, rank *pari passu* in all respects with the Existing Units, including the right to any distributions which may be paid for the period from the date of issue of the Private Placement New Units to 31 December 2010 as well as all distributions thereafter.

II. Despatch of Offer Information Statement

The Offer Information Statement will be despatched to Singapore Registered Unitholders on 24 September 2010 and requires their immediate attention. Singapore Registered Unitholders who wish to accept their provisional allotments of New Units and if applicable, apply for the Excess New Units, under the Preferential Offering may do so in the manner set out in the Offer Information Statement.

III. Indicative Timetable

Unitholders should note the expected dates and times of the following key events relating to the Equity Fund Raising as set out below:

Event		Date and Time
Price Determination Date(1)	:	14 September 2010
Last day of cum trading for Preferential Offering and Advanced Distribution	:	16 September 2010 at 5.00 p.m.
First day of ex trading for Preferential Offering and Advanced Distribution	:	17 September 2010 at 9.00 a.m.
Advanced Distribution and Preferential Offering Books Closure Date	:	21 September 2010 at 5.00 p.m.
Expected date for issue of Private Placement New Units	:	22 September 2010
Expected date for commencement of trading of Private Placement New Units	:	22 September 2010 at 2.00 p.m.
Despatch of Offer Information Statement (together with the ARE) to Singapore Registered Unitholders	:	24 September 2010
Opening date and time for the Preferential Offering	:	24 September 2010 at 9.00 a.m. via ARE 24 September 2010 at 9.00 a.m. via ATMs
Closing date and time for the Preferential Offering	:	30 September 2010 at 5.00 p.m. via ARE 30 September 2010 at 9.30 p.m. via ATMs
Expected date for issue of Preferential Offering New Units	:	7 October 2010 after 5.00 p.m.
Expected date for commencement of trading of Preferential Offering New Units	:	8 October 2010 at 9.00 a.m.

Note:

(1) The date on which the Private Placement Issue Price and the Preferential Offering Issue Price are to be determined.

The above timetable is indicative and subject to change. Any change to the indicative timetable will be announced by the Manager through SGXNET.

BY ORDER OF THE BOARD
Ascott Residence Trust Management Limited
(Company Registration No: 200516209Z)
As Manager of Ascott Residence Trust

Lam Chee Kin / Kang Siew Fong
Joint Company Secretaries
Singapore, 13 September 2010

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.

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.

The past performance of Ascott REIT is not necessarily indicative of the future performance of Ascott REIT.

This Announcement may contain forward-looking statements that involve risks and uncertainties. Please refer to the section "Forward-looking Statements" of the Offer Information Statement for more information. 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. All forecasts are based on a specified range of issue prices per Unit and on the Manager's assumptions as explained in **Appendix E** of the Offer Information Statement. Such yields will vary accordingly for investors who purchase Units in the secondary market at a market price higher or lower than the issue price range specified in the Offer Information Statement. The major assumptions are certain expected levels of property rental income and property expenses over the relevant periods, which are considered by the Manager to be appropriate and reasonable as at the date of the Offer Information Statement. The forecast financial performance of Ascott REIT is not guaranteed and there is no certainty that it can be achieved. Investors should read the whole of the Offer Information Statement for details of the forecasts and consider the assumptions used and make their own assessment of the future performance of Ascott REIT.