ASCOTT RESIDENCE TRUST

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

ANNOUNCEMENT

INCREASE IN ISSUED AND PAID-UP SHARE CAPITAL OF CITADINES SHINJUKU TOKUTEI MOKUTEKI KAISHA

Ascott Residence Trust Management Limited ("**ARTML**"), as manager of Ascott Residence Trust ("**Ascott Reit**"), wishes to announce that Ascott Reit's 60% owned subsidiary, Citadines Shinjuku Tokutei Mokuteki Kaisha ("**CST TMK**"), has increased its issued and paid-up share capital from JPY2,750,100,000 (approximately SGD45.7 million) to JPY3,749,600,000 (approximately SGD62.3 million) (the "**Share Increase**") as part of the refinancing of CST TMK's loan facilities.

The Share Increase was made by way of an allotment and issue of a total of 19,990 new preferred shares (Class B) of JPY50,000 each by CST TMK to its existing shareholders as follows:

Shareholder	**Number of preferred shares (Class B)**	**Cash consideration**
[1]Citadines Shinjuku (S) Pte. Ltd.	3,918	JPY195,900,000 (approximately SGD3.2 million)
[1]Citadines Shinjuku Tokyo Godo Kaisha	4,078	JPY203,900,000 (approximately SGD3.4 million)
[2]Zillion Starlight Investments Godo Kaisha	6,117	JPY305,850,000 (approximately SGD5.1 million)
[2]Zillion Stars Pte. Ltd.	5,877	JPY293,850,000 (approximately SGD4.9 million)
Total:	19,990	JPY999,500,000 (approximately SGD16.6 million)

[1] Citadines Shinjuku (S) Pte. Ltd. and Citadines Shinjuku Tokyo Godo Kaisha are wholly owned subsidiaries of CapitaLand Limited, the holding company of ARTML

[2] Zillion Starlight Investments Godo Kaisha and Zillion Stars Pte. Ltd. are wholly owned subsidiaries of Ascott Reit

Following the Share Increase, CST TMK's paid up share capital is now JPY3,749,600,000 comprising 4 common shares of JPY25,000 each and 55,000 preferred shares (Class A) of JPY50,000 each and 19,990 preferred shares (Class B) of JPY50,000 each. Ascott Reit's interest in CST TMK remains at 60%.

The Share Increase is not expected to have any material impact on the net tangible assets or earnings per unit of Ascott Reit for the financial year ending 31 December 2011.

None of the directors of ARTML or the controlling unitholders of Ascott Reit has any interest, direct or indirect, in the above transaction.

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

Kang Siew Fong
Company Secretary
21 December 2011

IMPORTANT NOTICE

The value of Units and the income derived from them may fall as well as rise. Units in Ascott Residence Trust ("**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 holders of Units may only deal in their Units through trading on Singapore Exchange Securities Trading Limited (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 Residence Trust is not necessarily indicative of the future performance of Ascott Residence Trust.