ASCOTT RESIDENCE TRUST

An Associate of CapitaLand

(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 SOMERSET AZABU EAST TOKUTEI MOKUTEKI KAISHA

Ascott Residence Trust Management Limited ("**ARTML**"), as manager of Ascott Residence Trust ("**Ascott Reit**"), wishes to announce that Ascott Reit's 100% wholly-owned subsidiary, Somerset Azabu East Tokutei Mokuteki Kaisha ("**SAE TMK**"), has increased its issued and paid-up share capital from JPY 2,645 million (approximately SGD 40.1 million) to JPY 3,495 million (approximately SGD 53.0 million) (the "**Share Increase**") as part of the refinancing of SAE TMK's loan facilities.

The Share Increase was made by way of an allotment and issue of a total of 17,000 new preferred shares (Class B) of JPY 50,000 each by SAE TMK to its existing shareholders as follows:

Shareholder	**Number of preferred shares (Class B)**	**Cash consideration**
[1]Somerset Azabu East (S) Pte. Ltd.	8,330	JPY 416.5 million (approximately SGD 6.3 million)
[1]Somerset Azabu East Investment (S) Pte. Ltd., Japan Branch	8,670	JPY 433.5 million (approximately SGD 6.6 million)
Total:	17,000	JPY 850 million (approximately SGD 12.9 million)

Following the Share Increase, SAE TMK's paid up share capital is now JPY 3,495 million comprising 4,560 common shares of JPY 50,000 each and 48,340 preferred shares (Class A) of JPY 50,000 each and 17,000 preferred shares (Class B) of JPY 50,000 each.

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 2012.

[1] Somerset Azabu East (S) Pte. Ltd. and Somerset Azabu East Investment (S) Pte. Ltd., Japan Branch are wholly-owned subsidiaries of Ascott Reit.

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
Singapore, 5 April 2012

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.