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

USE OF PROCEEDS FROM RIGHTS ISSUE

Further to its announcement dated 5 December 2013 and 11 December 2013 in relation to the underwritten and renounceable rights issue (the "**Rights Issue**") of 253,749,218 new units in Ascott Residence Trust ("**Ascott REIT**", and the new units in Ascott REIT issued pursuant to the Rights Issue, the "**Rights Units**"), Ascott Residence Trust Management Limited, as manager of Ascott REIT (the "**Manager**"), wishes to announce that part of the gross proceeds of the Rights Issue of approximately S$253.7 million has been utilised as follows:

(a) approximately S$49.8 million (which is equivalent to approximately 19.6% of the gross proceeds of the Rights Issue) has been used to repay borrowings from two revolving credit facilities advanced to Ascott REIT;

(b) approximately S$4.2 million (which is equivalent to approximately 1.7% of the gross proceeds of the Rights Issue) has been used to fund the asset enhancement of Somerset St Georges Terrace Perth; and

(c) approximately S$3.3 million (which is equivalent to approximately 1.3% of the gross proceeds of the Rights Issue) has been used to pay the underwriting commission of S$3.1 million for the Rights Issue and the applicable goods and services tax on the underwriting commission.

The Manager will make further announcements via SGXNET when the balance of the gross proceeds is materially disbursed.

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

Kang Siew Fong / Regina Tan
Joint Company Secretaries
18 December 2013

IMPORTANT NOTICE

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for Units.

The value of Units and the income derived from them may fall as well as rise. Units in Ascott REIT 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 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.