



A Member of CapitaLand

ASCOTT RESIDENCE TRUST

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

ANNOUNCEMENT

COMPLETION OF THE ACQUISITION OF SERVICED RESIDENCE PROPERTY IN SINGAPORE AND USE OF PROCEEDS FROM THE RIGHTS ISSUE

*Unless otherwise defined herein, all capitalised terms shall have the meanings ascribed to them in the announcement of Ascott Residence Trust Management Limited, as manager of Ascott Residence Trust, on 6 March 2017 (the “**Launch Announcement**”).*

Ascott Residence Trust Management Limited, as manager of Ascott Residence Trust (“**Ascott REIT**” and as manager of Ascott REIT, the “**Manager**”), refers to (i) the acquisition of Ascott Orchard Singapore¹ from CH Commercial Pte. Ltd. and CH Residential Pte. Ltd. (collectively, the “**Vendor**”) which was approved at the extraordinary general meeting of Ascott REIT held on 27 July 2012 (the “**Acquisition**”), and (ii) the underwritten and renounceable rights issue of 481,688,010 new units in Ascott REIT which was announced on 6 March 2017 (the “**Rights Issue**”).

The Manager is pleased to announce that the Acquisition has been completed today, for an aggregate purchase consideration of S\$405.0 million (“**Purchase Price**”).

Further to the Launch Announcement, S\$381.6 million (which is equivalent to 86.2% of the gross proceeds of approximately S\$442.7 million from the Rights Issue), has been utilised to part finance the remaining purchase price² for the Acquisition (the “**Remaining Purchase**”).

¹ Formerly known as Somerset Grand Cairnhill which was divested to affiliates of The Ascott Limited (“**TAL**”), and has been redeveloped by affiliates of TAL into an integrated development which includes Ascott Orchard Singapore.

² Approximately S\$259.2 million (64.0% of the Purchase Price) was paid to the Vendor on 9 October 2017, while approximately S\$125.6 million (31.0% of the Purchase Price) was paid to the Vendor on 10 October 2017.

Price”). Such use is in accordance with the stated use and in accordance with the percentage of the gross proceeds of the Rights Issue allocated to such use.

As at the date of this announcement, the Manager has fully disbursed all of the gross proceeds from the Rights Issue. The details of the use of proceeds from the Rights Issue are as follows:

(in S\$ million)	Announced use of proceeds	Actual use of proceeds³
To part finance the Remaining Purchase Price for the Acquisition	381.6	381.6
To part finance the German Acquisitions	56.0	56.0
To pay for the underwriting commission for the Rights Issue	3.4	3.4
To pay the estimated professional fees and expenses and other fees and expenses incurred in connection with the Rights Issue	1.7	1.7
Total	442.7	442.7

The balance of the Remaining Purchase Price has been funded by bank borrowings.

By Order of the Board
Ascott Residence Trust Management Limited
(Registration Number: 200516209Z)
As manager of Ascott Residence Trust

Karen Chan
Company Secretary
10 October 2017

³ Approximately S\$294.0 million (which is equivalent to 66.4% of the gross proceeds from the Rights Issue) had originally been used to repay outstanding borrowings, pending the deployment of such funds for their intended use.

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.

This document is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe 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. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses (including employee wages, benefits and training costs), property expenses and governmental and public policy changes. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's view of future events.