

ARA Asset Management Limited

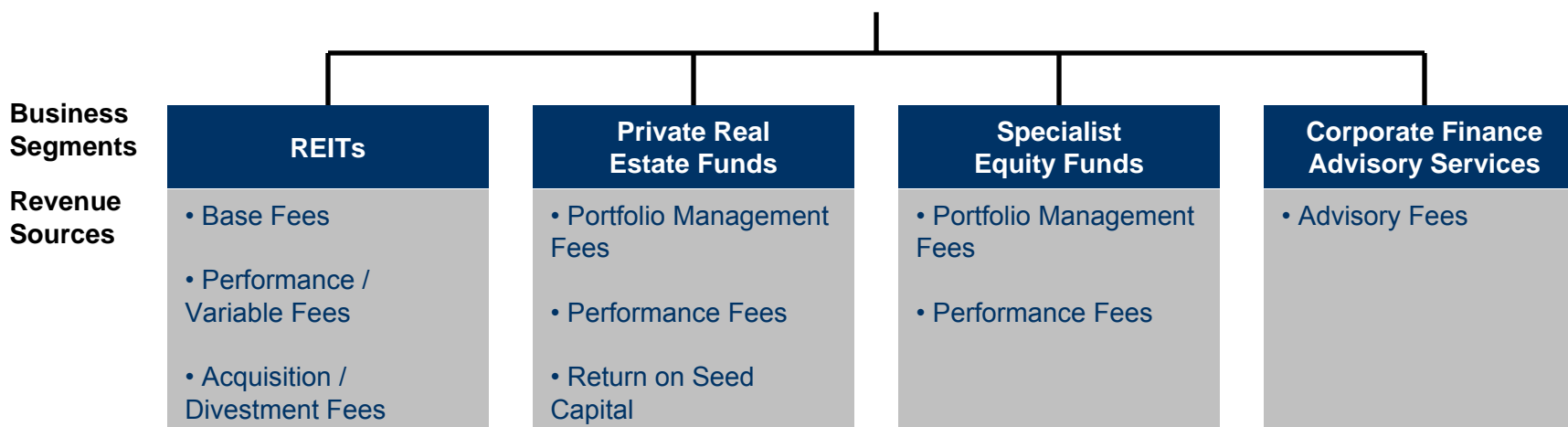
Results for the third quarter ended
30 September 2007

Overview of Business Segments



Asian real estate fund manager

ARA Asset Management Limited



Notes:

For the REITs we manage, we earn:

- base fees based on the value of the properties of the REITs;
- performance / variable fees based on the net property income of the REITs; and
- acquisition / divestment fees based on the acquisition / divestment value of properties acquired / divested by the REITs.

For the private real estate funds we manage, we earn:

- portfolio management fees based on the committed / invested capital of the funds;
- a share of the returns of the funds at the end of the funds' lives for performance beyond certain hurdle rates as performance fees;
- we also invest a portion of our capital as seed capital for certain of our funds and are entitled to returns on such seed capital.

For the specialist equity funds we manage, we earn:





- portfolio management fees based on the NAV of the funds; and
- a share of the returns of the funds periodically for performance beyond certain hurdle rates as performance fees.

We earn advisory fees for corporate finance advisory services rendered.

Fund Products



Diversified across geographies and asset sectors

REITs				
Description	SGX-listed with Hong Kong retail assets	SGX-listed with Singapore retail and office assets	HKSE-listed with HK office and industrial assets	Bursa-listed with M'sian commercial assets
Property Value⁽¹⁾	HK\$9,249 mil	S\$4,570 mil	HK\$5,033 mil	RM572 mil
Rentable Area	1.7 mil sf	2.4 mil sf	1.2 mil sf	1.0 mil sf
Private Real Estate Funds	<i>ADF</i> ARA Asia Dragon Fund	<i>AIFEREF</i> Al Islami Far Eastern Real Estate Fund	<i>CCP</i> China Capital Partners Fund	
Description	Flagship strategic and opportunistic Asian private real estate fund	Shariah-compliant fund invested in Singapore	JV with DLJ RECP for strategic real estate investments in China	
Specialist Equity Funds	<i>AAIF</i> ARA Asian Asset Income Fund			
Description	Open-ended private fund investing in REITs, listed infrastructure and utilities trusts in the Asia-Pacific			

Notes:

(1) Property values as of last valuation

Highlights



- **Strong growth in Total AUM to US\$6.1 billion as at 30 Sep 07, up 43% year-on-year**
 - Total assets under management (“Total AUM”) grew strongly on the back of increased value of REIT portfolio and first closing of the ARA Asia Dragon Fund

- **YTD total revenue up 18% to S\$26.6 mil**
 - Increased REIT management fees the main contributor to revenue growth

- **YTD PATMI⁽¹⁾ up 19% to S\$11.4 mil**

- **ARA Asia Dragon Fund will boost private funds contribution to Group income**
 - First closing on 20 Sep 07 with capital commitments of US\$716.0 million and allocated co-investment capital of US\$500.0 million
 - Recognition of portfolio management fees, which are based on committed capital, from 20 Sep 07

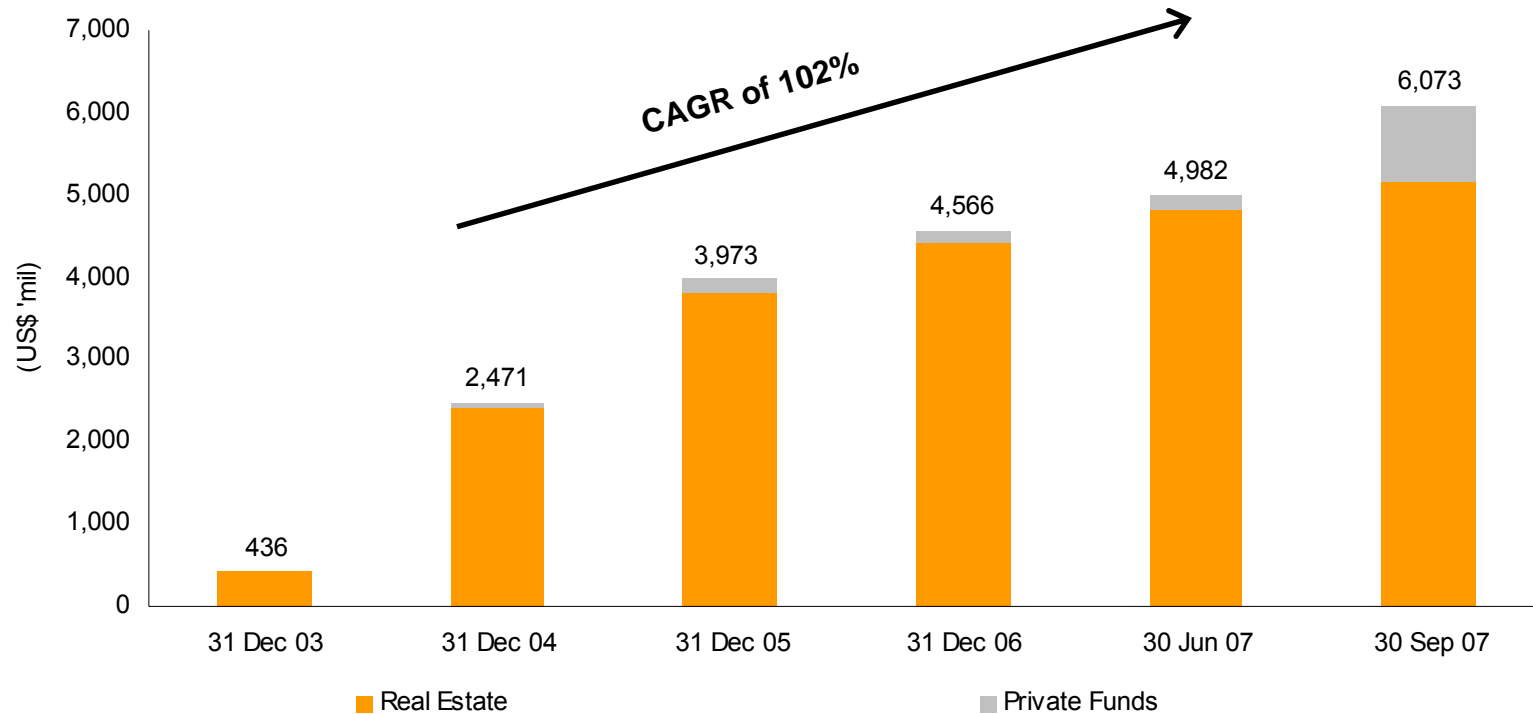
- **New business segment – specialist equity fund management**
 - ARA Asian Asset Income Fund established in Jun 07

Notes:

(1) Profit after tax and minority interests

Total AUM exceeded US\$6 billion as at 30 Sep 07

43% growth year-on-year



Market Capitalisation / AUM = 7.4% ⁽¹⁾

Notes:

(1) Based on IPO price and 28 Sep 07 exchange rate of US\$1 : S\$1.4843, Source: Bloomberg

3Q 07 Financial Results

Financial Highlights



S\$'000	YTD 07	YTD 06	Change
Total Revenue	26,618	22,634	18%
EBIT	13,479	11,696	15%
Net Profit	11,147	9,512	17%
Net Margin	42%	42%	-
PATMI ⁽¹⁾	11,403	9,581	19%
EPS (cents) ⁽²⁾	2.24	1.88	19%

- YTD revenue grew by 18% year-on-year due to higher REIT base and performance fees as a result of increased property value and net property income in the REITs we manage.
- YTD net margin maintained at 42%. Recognition of portfolio management fees from the ARA Asia Dragon Fund w.e.f 20 Sep 07 to provide boost to net margins in 4Q 07.

AUM (US\$ mil)	30 Sep 07	30 Sep 06	Change
Real Estate ⁽³⁾	5,158	4,111	26%
Private Funds ⁽⁴⁾	915	144	534%
Total AUM	6,073	4,255	43%

Notes:

- (1) Profit after tax and minority interests
- (2) Based on 509,060,000 shares in issue as at 30 Sep 07
- (3) Comprises REITs and 3rd party real estate managed by ARA
- (4) Comprises committed capital of private real estate funds and NAV of specialist equity funds

REITs – Acquisitions and Growth in FY 07



Date	Description	Value (local currency)	Value (USD) ⁽¹⁾
Jan 07	Acquisition of entire 10 th floor and units on the 26 th floor of Prosperity Center (Prosperity REIT)	HK\$43.4 mil	US\$5.6 mil
Mar 07	Revaluation gain (Suntec REIT)	S\$613.6 mil	US\$413.4 mil
Jun 07	Completion of acquisition of Kelana Brem Towers (AmFIRST REIT)	RM85.0 mil	US\$24.9 mil
Jun 07	Revaluation gain (Prosperity REIT)	HK\$124.1 mil	US\$16.0 mil
Aug 07	Entry into conditional sale and purchase agreement to acquire an interest in The Summit Subang USJ (AmFIRST REIT)	RM260.0 mil	US\$76.3 mil
Sep 07	Revaluation gain (Suntec REIT)	S\$677.5 mil	US\$456.4 mil
Oct 07	Completion of acquisition of one-third interest in One Raffles Quay (Suntec REIT)	S\$941.5 mil	US\$634.3 mil
Dec 07	Completion of acquisition of 11,786 sf of office strata space in Suntec Tower Two (Suntec REIT)	S\$24.9 mil	US\$16.8 mil
Dec 07	Execution of option to acquire 12,045 sf of office strata space in Suntec Tower One (Suntec REIT)	S\$27.6 mil	US\$18.6 mil
end Dec 07	Revaluation of properties (Fortune REIT and Prosperity REIT)	TBA	TBA
		YTD	US\$1,662.3 mil

Notes:

(1) Based on 28 Sep 07 exchange rate of US\$1 : S\$1.4843,
US\$1 : HK\$7.7666, US\$1 : RM3.4078, Source: Bloomberg

Private Funds – FY 07 Highlights

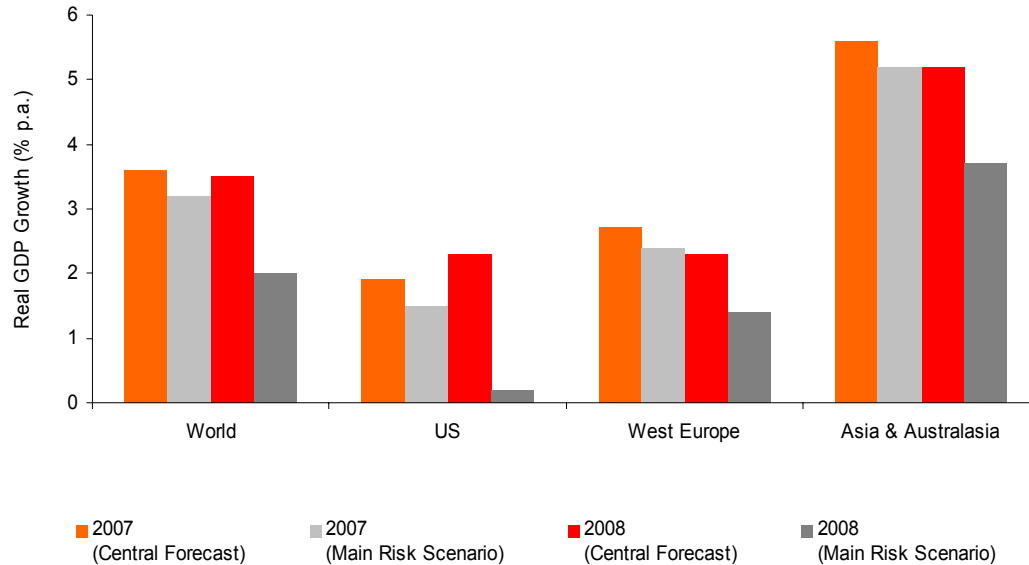


Date	Description
Jun 07	Received initial subscriptions for the ARA Asian Asset Income Fund. Fund size of US\$55.0 mil as at 30 Sep 2007.
Jul 07	Divestment of the Al-Islami Far Eastern Real Estate Fund (“AIFEREF”). Performance fees to be recognised upon return of capital to investors
Sep 07	First closing of the ARA Asia Dragon Fund <ul style="list-style-type: none">▪ Committed capital of US\$716.0 mil▪ Allocated co-investment capital of US\$500.0 mil

Outlook for Asian Real Estate remains Positive



Economic Growth Forecasts under Different Risk Scenarios



- The Asia Pacific region is expected to outperform the world economy under a range of scenarios⁽¹⁾.
- The region could be a beneficiary of the sub-prime fallout as investors reallocate funds from the US and Europe towards the Asia Pacific in search of higher growth opportunities on a risk-adjusted basis⁽²⁾.

Source: Economist Intelligence Unit, Heading for the Rocks, Oct 07

Notes:

- (1) Source: Economist Intelligence Unit, Heading for the Rocks, Oct 07
- (2) Source: Jones Lang LaSalle, Asia Pacific Property Digest, Third Quarter 07

On Track for a Record FY 07



▪ Record growth in Total AUM YTD

- REIT acquisitions, in particular Suntec REIT's acquisition of its one-third interest in One Raffles Quay
- Revaluation in REITs
- First closing of the ARA Asia Dragon Fund
- Initial subscriptions for the ARA Asian Asset Income Fund

▪ On course for a stellar 4Q 07

- Acquisition fees from Suntec REIT's acquisition of its one-third interest in One Raffles Quay in Oct 07
- Portfolio management fees from the ARA Asia Dragon Fund (first closing on 20 Sep 07)
- Portfolio management fees from the ARA Asian Asset Income Fund
- Increased REIT management fees from revaluation of Fortune REIT and Prosperity REIT

Continuing to Execute our Strategies for Growth ...



ARA aims to become the *premier real estate fund management company in Asia* through the following strategies:

- **Continue to seek to generate attractive returns for investors in the REITs and private funds we manage**
- **Grow REIT real estate assets under management**
- **Grow our private funds business**
- **Expand our geographical reach across Asia**

Disclaimer



These slides 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 uncertainties, risks and assumptions. Representative examples of these factors include but are not limited to general market and economic conditions, interest rate trends, competition from other real estate investors, changes in operating expenses including employee wages and benefits, changes in government policies, and the continued availability of financing in the amounts and terms necessary to support future business. You are cautioned not to place undue reliance on the forward-looking statements in these slides, which are based on the current view of management on future events. Information from external sources in these slides have not been independently verified by us. The external sources quoted in these slides have not consented to the inclusion of the information in these slides.

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