

**PRESS RELEASE**

**ARA FY2007 NET PROFIT JUMPS 153% TO S\$34.0 MILLION**

- Total revenue surges 98% to S\$62.1 million
- Net profit jumps 153% to S\$34.0 million
- Return on equity of 34%
- Total assets under management climbs 56% to S\$10.4 billion (US\$7.3 billion)
- Proposes final dividend of 3.8 Singapore cents per share

**FY2007 Results Highlights**

		<b>FY2007</b>	<b>FY2006</b>	<b>Change (%)</b>
Total Revenue	(S\$'000)	62,077	31,311	98%
EBIT <sup>1</sup>	(S\$'000)	39,216	16,208	142%
Net Profit	(S\$'000)	34,012	13,463	153%
Net Margin	(%)	55%	43%	+12%
EPS <sup>2</sup>	(S cents)	6.53	2.64	147%
Return on Equity	(%)	34%	n.m. <sup>3</sup>	n.m.
Total AUM	(S\$ million)	10,443	6,673	56%

<sup>1</sup> Earnings before interest and tax

<sup>2</sup> Based on weighted average number of shares of 521,060,000 shares in issue as at 31 December 2007 and 509,060,000 shares in issue as at 31 December 2006

<sup>3</sup> Not meaningful

**Singapore, 20 February 2008** – ARA Asset Management Limited (“ARA” or the “Group”), an affiliate of the Cheung Kong Group and also the first real estate fund manager to be listed on the Singapore Exchange, today announced a sterling set of results for the financial year ended 31 December 2007 (“FY2007”). The Group’s net profit surged to S\$34.0 million, an increase of 153% from S\$13.5 million in FY2006.

The record profits were achieved on the back of a 98% jump in total revenue from S\$31.3 million in FY2006 to S\$62.1 million in FY2007. The increase in total revenue was mainly due to higher REIT management and acquisition fees as well as private fund portfolio

management and performance fees. Net margin for FY2007 rose to a record 55% from 43% in FY2006, boosted by acquisition fees from REITs and performance fees from the divestment of the Al Islami Far Eastern Real Estate Fund (“AIFEREF”) in October 2007. The AIFEREF, a Shariah-compliant private real estate fund established in August 2004 with the Dubai Islamic Bank and the Cheung Kong group as its main investors, turned in an excellent performance with an internal rate of return of 23.7%<sup>1</sup>. Following the success of AIFEREF, the Group is currently looking to set up another Shariah-compliant private real estate fund targeted at investors from the Middle East.

Total assets under management climbed 56% from S\$6,673 million (US\$4,639 million) as at 31 December 2006 to S\$10,443 million (US\$7,261 million) as at 31 December 2007, primarily from increases in the property values of the REITs managed by the Group and the ARA Asia Dragon Fund (“ADF”). The ADF is the Group’s flagship private real estate fund with aggregate capital commitments in excess of US\$1 billion and additional allocations by a major investor of US\$500 million for co-investments with the fund from its first two closings on 20 September 2007 and 30 December 2007.

Mr John Lim, Group CEO of ARA, said, “We are delighted to report a sterling set of results for the Group for our first financial year since our listing on 2 November 2007. Despite the current turbulence in global financial markets, ARA has never been in better shape financially – we have a strong balance sheet with a net cash position, and no debt requirements for our current operations. Moreover, the bulk of our income going forward has been secured. The full impact of the strong increase in our assets under management, in particular the contribution from the ADF, will be reflected in our FY2008 financial performance, which we expect to be better than FY2007. We have grown our assets under management to S\$10.4 billion (US\$7.3 billion) within a relatively short span of 5 years. With an experienced management team in place and ARA’s strong financial position, we are optimistic of continuing our growth and strengthening our position as a leading real estate fund manager in Asia.”

To reward shareholders, the Group has proposed a final dividend of 3.8 Singapore cents per ordinary share for FY2007<sup>2</sup>.

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<sup>1</sup> Before performance fees.

<sup>2</sup> Including an interim dividend of S\$8.6 million paid out of FY2007 retained earnings to shareholders prior to the initial public offering of ARA, total dividends for FY2007 amounts to S\$30.7 million, representing a dividend payout ratio of 90%.

## About ARA Asset Management Limited

ARA, an affiliate of the Cheung Kong group, is the first real estate fund management company to be listed on the Singapore Exchange. ARA has an established track record with total assets under management of S\$10.4 billion (approximately US\$7.3 billion) as at 31 December 2007.

ARA's business is geographically diversified across Asia, and is focused on the following primary segments:

- (a) REIT management – The Group is one of the largest REIT managers in Asia ex-Japan and currently manages four REITs listed in three countries namely, Fortune REIT and Suntec REIT listed in Singapore, Prosperity REIT listed in Hong Kong and AmFIRST REIT listed in Malaysia;
- (b) Private real estate fund management – The Group manages several private real estate funds focused on real estate investments in Asia;
- (c) Specialist equity fund management – The Group currently manages an open-ended private fund investing in REITs and listed infrastructure and utilities trusts in the Asia-Pacific region; and
- (d) Corporate finance advisory services – The Group has an in-house advisory arm providing corporate finance advisory services to the various REITs we manage.

ARA was incorporated as an exempted company with limited liability in Bermuda on 1 July 2002 and was admitted to the official list of the main board of the Singapore Exchange on 2 November 2007.

Credit Suisse (Singapore) Limited and DBS Bank Ltd. were the joint global coordinators, bookrunners and underwriters for the initial public offering of ARA.

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