



ARA ASSET MANAGEMENT LIMITED



**RESULTS FOR THE HALF YEAR ENDED
30 JUNE 2008**



AGENDA



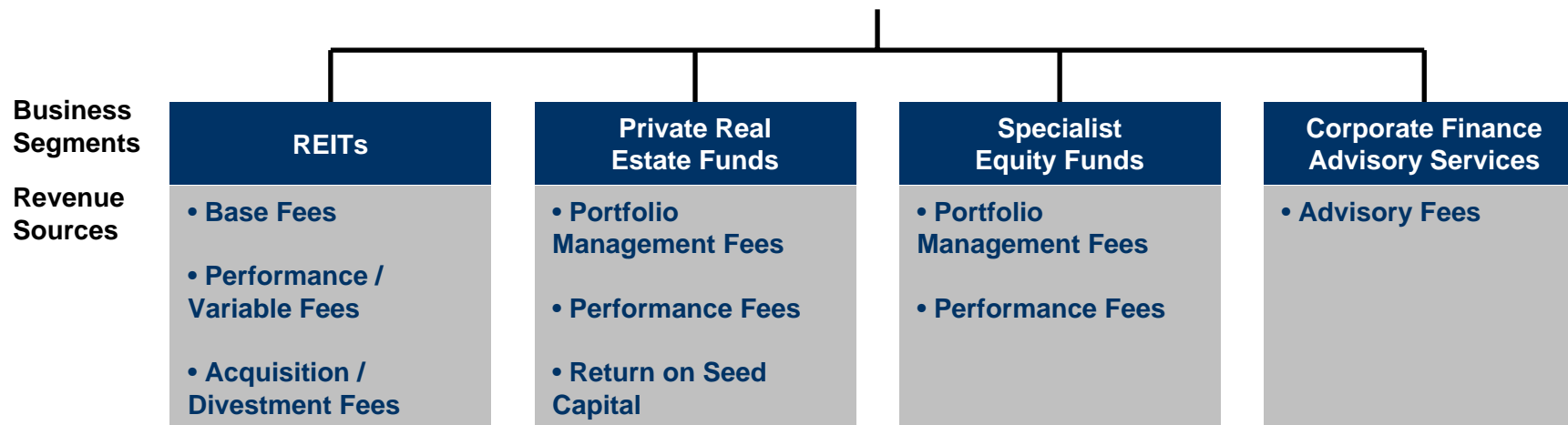
1. Overview of ARA
2. Highlights
3. Financial Review
4. Outlook

1. OVERVIEW OF ARA



Leading 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.

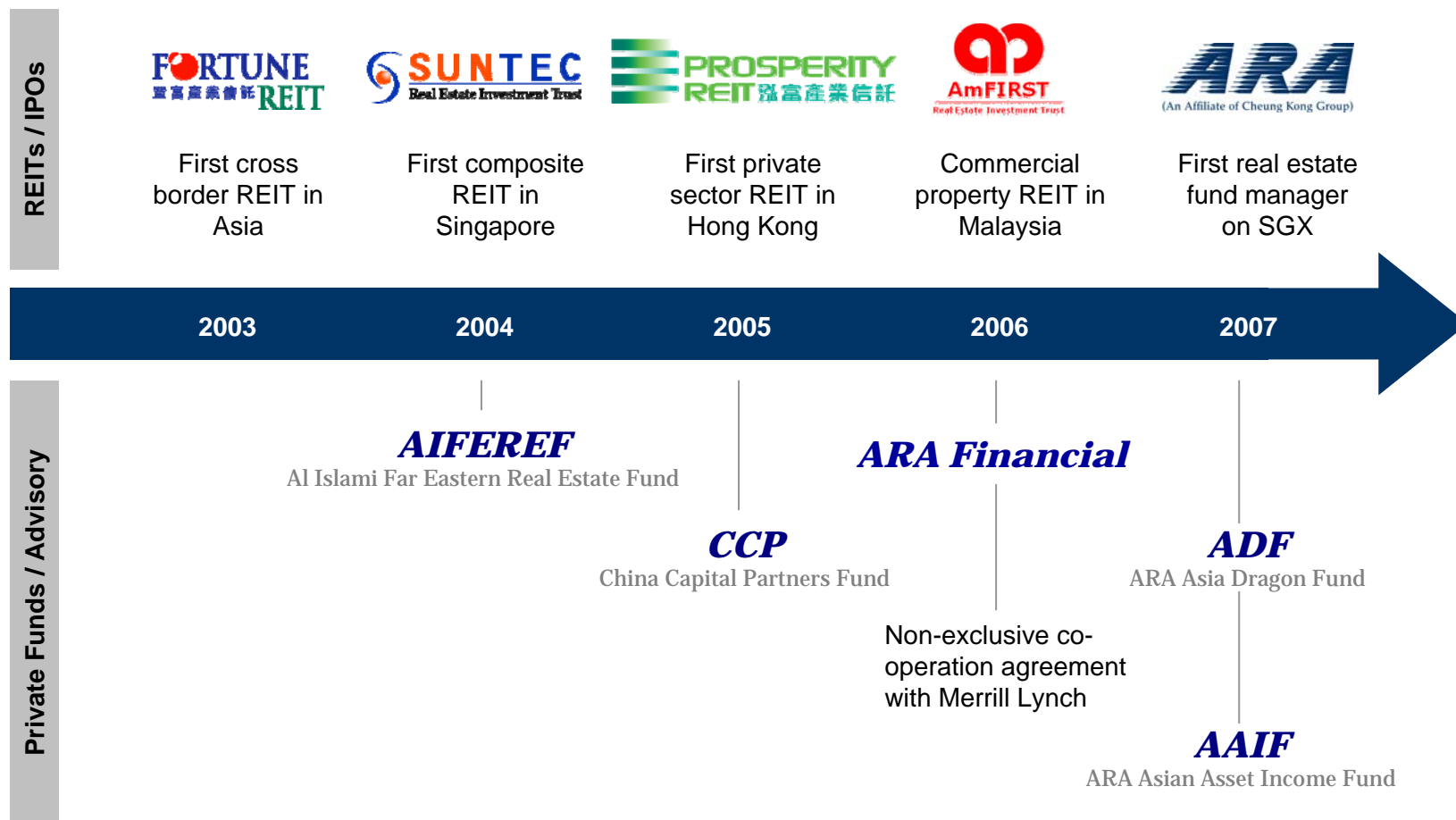
Diversified and complementary fund strategies

REITs	 FORTUNE REIT 豐亨置業信託	 SUNTEC Real Estate Investment Trust	 PROSPERITY REIT 強富產業信託	 AmFIRST Real Estate Investment Trust
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\$9,719 mn	S\$5,730 mn	HK\$5,225 mn	RM836 mn
Rentable Area	1.7 mil sf	2.9 mil sf	1.2 mil sf	2.3 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	<i>Shariah-compliant fund invested in Singapore (Divested in Oct 07)</i>	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			

Milestones



Track record of strong growth



Total Assets Under Management



S\$10.5 billion (US\$7.7 billion)⁽¹⁾ as at 30 Jun 08



2. HIGHLIGHTS



Revenue increased by 98%, net profit climbed 134%

Stable earnings

- 1H08 net profit up 134% to S\$18.1 mn from S\$7.7 mn in 1H07
- 1H08 total revenue increased by 98% to S\$34.1 mn from S\$17.2 mn in 1H07

Interim dividend of 2.17 Singapore cents per share declared

- Tax exempt, payable on 2 Sep 08
- Payout ratio of 70%

Secure financial position

- Low gearing, no short-term borrowings and healthy cash position at the Group level
- REITs do not have any major refinancings of external borrowings till end 2009
- ARA Asia Dragon Fund (“ADF”) completed 3rd and final closing with more than US\$1.13 bn in aggregate committed capital¹

Positioned for growth

- Continuing to work on new REIT and private fund offerings to grow assets under management
- Well-positioned to take advantage of opportunities that may arise to accelerate our growth

3. FINANCIAL REVIEW



Financial Results



Stable earnings

Financial Results		1H08	1H07	Change
Total Revenue	(S\$'000)	34,142	17,235	98%
EBIT	(S\$'000)	20,490	8,959	129%
Net Profit	(S\$'000)	18,069	7,736	134%
Net Margin	(%)	53%	45%	+8%
EPS ⁽¹⁾	(S cents)	3.10	1.52	104%
ROE ⁽²⁾	(%)	39%	<i>n.m.</i>	<i>n.m.</i>

AUM		30 Jun 08	31 Dec 07	Change
Real Estate ⁽³⁾	(millions)	S\$8,785 (US\$6,455)	S\$8,633 (US\$6,343)	2%
Private Funds ⁽⁴⁾	(millions)	S\$1,715 (US\$1,260)	S\$1,557 (US\$1,144)	10%
Total AUM⁽⁵⁾	(millions)	S\$10,500 (US\$7,715)	S\$10,190 (US\$7,487)	3%

Notes:

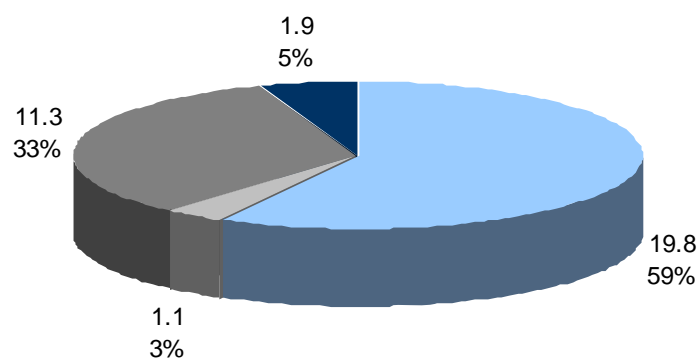
- (1) Based on weighted average number of shares of 582,060,000 shares in issue as at 30 Jun 08 and 509,060,000 shares in issue as at 30 Jun 07
- (2) Annualised figure
- (3) Comprises property value of REITs and 3rd party real estate managed by ARA
- (4) Comprises committed capital of private real estate funds and NAV of specialist equity funds managed by ARA
- (5) Based on 30 Jun 08 exchange rates. Source: Bloomberg.

Revenue by Segments

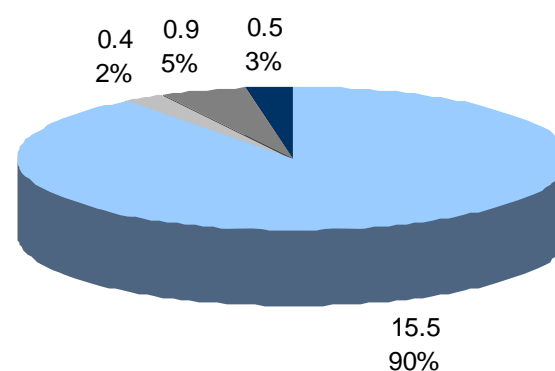


Strong growth in recurrent income, more diversified income base

1H08 Total Revenue: (S\$ mn)
Total: S\$34.1 mn (+98%)



1H07 Total Revenue (S\$ mn)
Total: S\$17.2 mn



■ REIT base and performance fees
 ■ Acquisition fees
■ Portfolio management and service fees
 ■ Other income

- More diversified income base with portfolio management and service fee income accounting for 33% of 1H08 total revenue
- REIT base and performance fees continued to increase in line with the Group’s enlarged REIT portfolio

4. OUTLOOK



Positioned for growth

REITs

- No major refinancings of external borrowings till end 2009
- Focusing on active asset management and asset enhancement to drive income growth in existing REITs
- Actively exploring setting up new REITs in new asset classes

Private Funds

- ADF has invested in real estate assets in Singapore and China with a gross value of US\$800 mn to date
- Actively reviewing opportunities with approximately US\$1 bn to invest¹

ARA

- Strong balance sheet with healthy cash position
- Stable income from fund management fees, adhering to fee-based business model
- Well-positioned to take advantage of opportunities that may arise amidst current market uncertainty

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.

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

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