

PRESS RELEASE

ARA FIRST-HALF NET PROFIT RISES 22% TO S\$22.1 MILLION

- Total revenue rose 13% to S\$38.5 million
- Total assets under management of S\$12.4 billion (approximately US\$8.5 billion)
- Set up the ARA Harmony Fund to acquire the Suntec Singapore International Convention & Exhibition Centre for S\$235 million on 1 August 2009
- Interim dividend of 2.30 Singapore cents per share declared

1H2009 Results Highlights

		1H2009	1H2008	Change
Revenue				
Management fees	(S\$'000)	32,432	31,140	4%
Acquisition and performance fees	(S\$'000)	31	1,148	(97%)
Other income	(S\$'000)	6,021	1,854	225%
Total Revenue	(S\$'000)	38,484	34,142	13%
EBIT ¹	(S\$'000)	24,576	20,490	20%
Net Profit	(S\$'000)	22,079	18,069	22%
EPS ²	(S cents)	3.79	3.10	22%
Return on Equity ³	(%)	48%	39%	9% pts

¹ Earnings before interest and tax

² Based on 582,060,000 shares in issue as at 30 June 2009 and 30 June 2008

³ Based on net profit for the period divided by equity as at period end

5 August 2009 – ARA Asset Management Limited (“ARA” or the “Group”) is pleased to announce a net profit of S\$22.1 million for the six months ended 30 June 2009 (“1H2009”), a 22% increase from the S\$18.1 million achieved in 1H2008.

The increase in net profit was achieved on the back of a 13% rise in total revenue to S\$38.5 million in 1H2009 from S\$34.1 million in 1H2008. Management fees from REIT and private fund management rose 4% to S\$32.4 million in 1H2009 from S\$31.1 million in 1H2008 while

higher distribution income from REIT securities held by the Group and a gain of S\$2.2 million on disposal of REIT units received as part payment for REIT management fees resulted in a 225% jump in other income to S\$6.0 million in 1H2009 from S\$1.9 million in 1H2008.

As at 30 June 2009, the Group's assets under management stood at S\$12.4 billion (approximately US\$8.5 billion).

On 1 August 2009, the Group successfully closed the ARA Harmony Fund to acquire the Suntec Singapore International Convention & Exhibition Centre ("Suntec Singapore") for S\$235 million. Harmony Fund's investors comprise Suntec REIT and certain private financial investors. On completion of the acquisition, ARA will be appointed as the asset manager and convention & exhibition service provider for Suntec Singapore, which would contribute positively to the Group's results for the current financial year and beyond.

Following Suntec REIT's refinancing of its loan facilities due in 2009, all the REITs under the Group's management have no external borrowings coming due in the year. The Group will continue to pursue a proactive and prudent capital management strategy for the REITs under management while being on the lookout for acquisition opportunities.

ARA Group CEO, John Lim comments, "We are pleased to report another strong set of results for ARA with first-half net profit rising 22% to S\$22.1 million. Against the backdrop of very challenging economic conditions, the results are a clear demonstration of ARA's earnings resilience and operational prudence. With the closing of the ARA Harmony Fund, we are confident of extending ARA's solid performance into the second half of the year. Looking ahead, the Group will continue to seek opportunities to grow our assets under management through new fund launches and expand our geographical reach via new partnerships and acquisitions."

To thank shareholders for their continued support, the Directors have declared a tax-exempt (one-tier) interim dividend of 2.30 Singapore cents per ordinary share.

About ARA Asset Management Limited

ARA, an affiliate of the Cheung Kong group, is a real estate fund management company listed on the main board of the Singapore Exchange. ARA's business 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 closed-end 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 Group and the various REITs we manage.

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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