



ARA ASSET MANAGEMENT LIMITED



**RESULTS FOR THE HALF YEAR ENDED
30 JUNE 2009**



AGENDA



1. Overview of ARA
2. Financial Results
3. Strategy

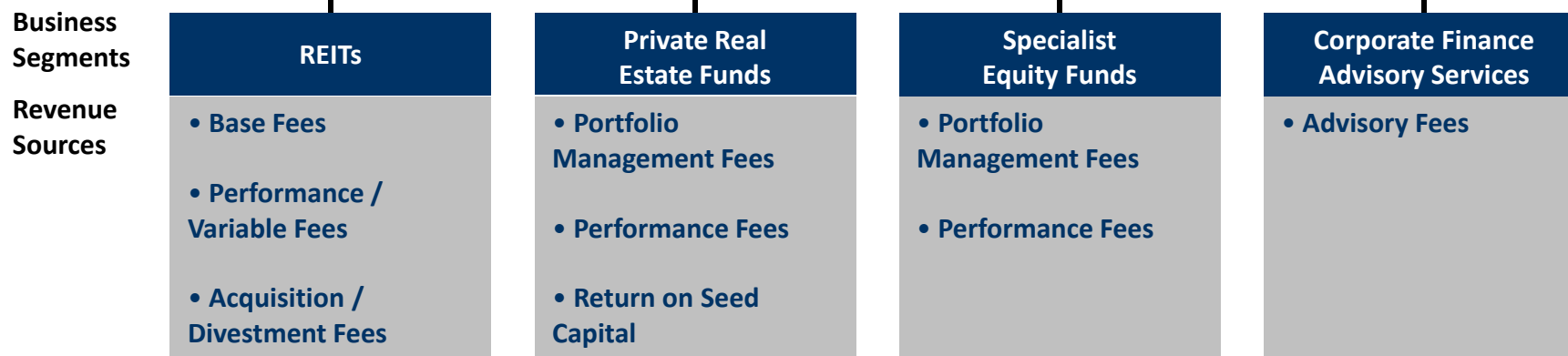


1. OVERVIEW OF ARA

Business Segments



ARA ASSET MANAGEMENT LIMITED







Notes:	<p>For the REITs we manage, we earn:</p> <ul style="list-style-type: none"> • 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 value of properties acquired / divested by the REITs. 	<p>For the private real estate funds we manage, we earn:</p> <ul style="list-style-type: none"> • portfolio management fees based on the committed 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; and • returns on seed capital. 	<p>For the specialist equity funds we manage, we earn:</p> <ul style="list-style-type: none"> • 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. 	<p>We earn advisory fees for corporate finance advisory services rendered.</p>
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Fund Products



Diversified and complementary fund strategies

REITs				
Description	SGX-listed with Hong Kong retail assets	SGX-listed with Singapore retail and office assets	HKSE-listed with HK office and industrial/office assets	Bursa-listed with M'sian commercial assets
Property Value⁽¹⁾	HK\$8,900m	S\$5,411m	HK\$4,839m	RM988m
Rentable Area	1.7m sf	2.9m sf	1.2m sf	2.3m sf
Private Real Estate Funds	<p align="center">ADF ARA Asia Dragon Fund</p>		<p align="center">ARA Harmony Fund⁽²⁾</p>	
Description	Flagship strategic and opportunistic private real estate fund investing in Singapore, Hong Kong, China and Malaysia as well as other emerging economies in Asia		Single-asset private real estate fund invested in Suntec Singapore International Convention & Exhibition Centre	
Specialist Equity Funds	<p align="center">AAIF ARA Asian Asset Income Fund</p>			
Description	Open-ended private fund investing in REITs, listed infrastructure and utilities trusts in the Asia-Pacific region			

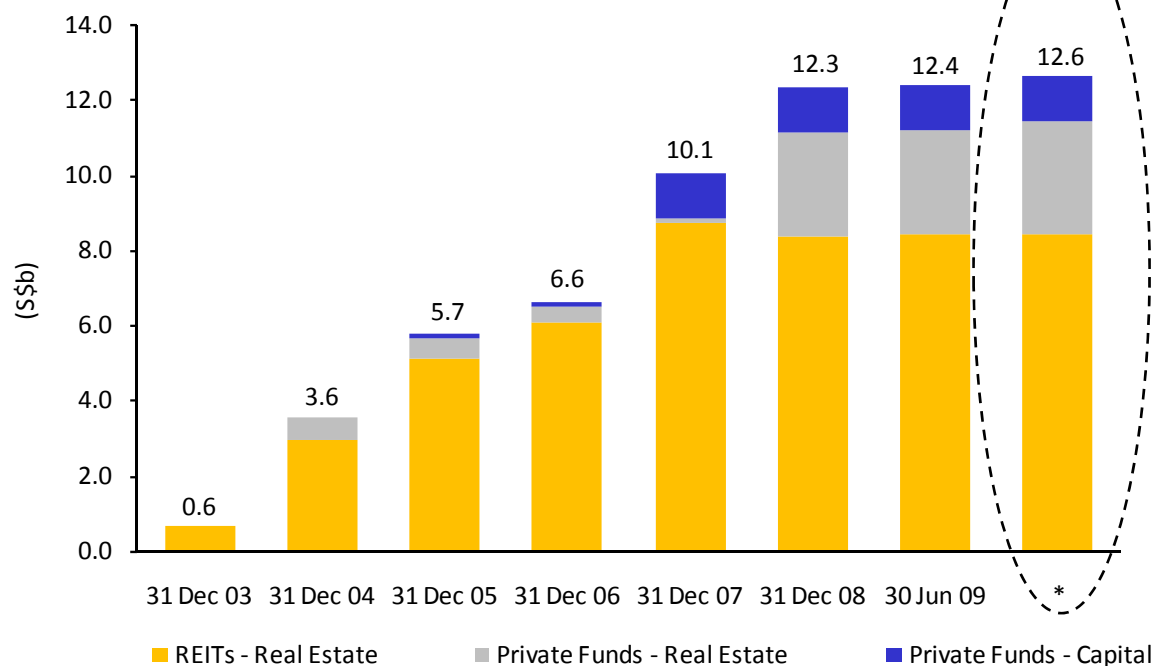
Notes:

- (1) Property values as of last publicly-announced valuation
- (2) Established on 1 Aug 09 as a Singapore-incorporated company

Total Assets Under Management



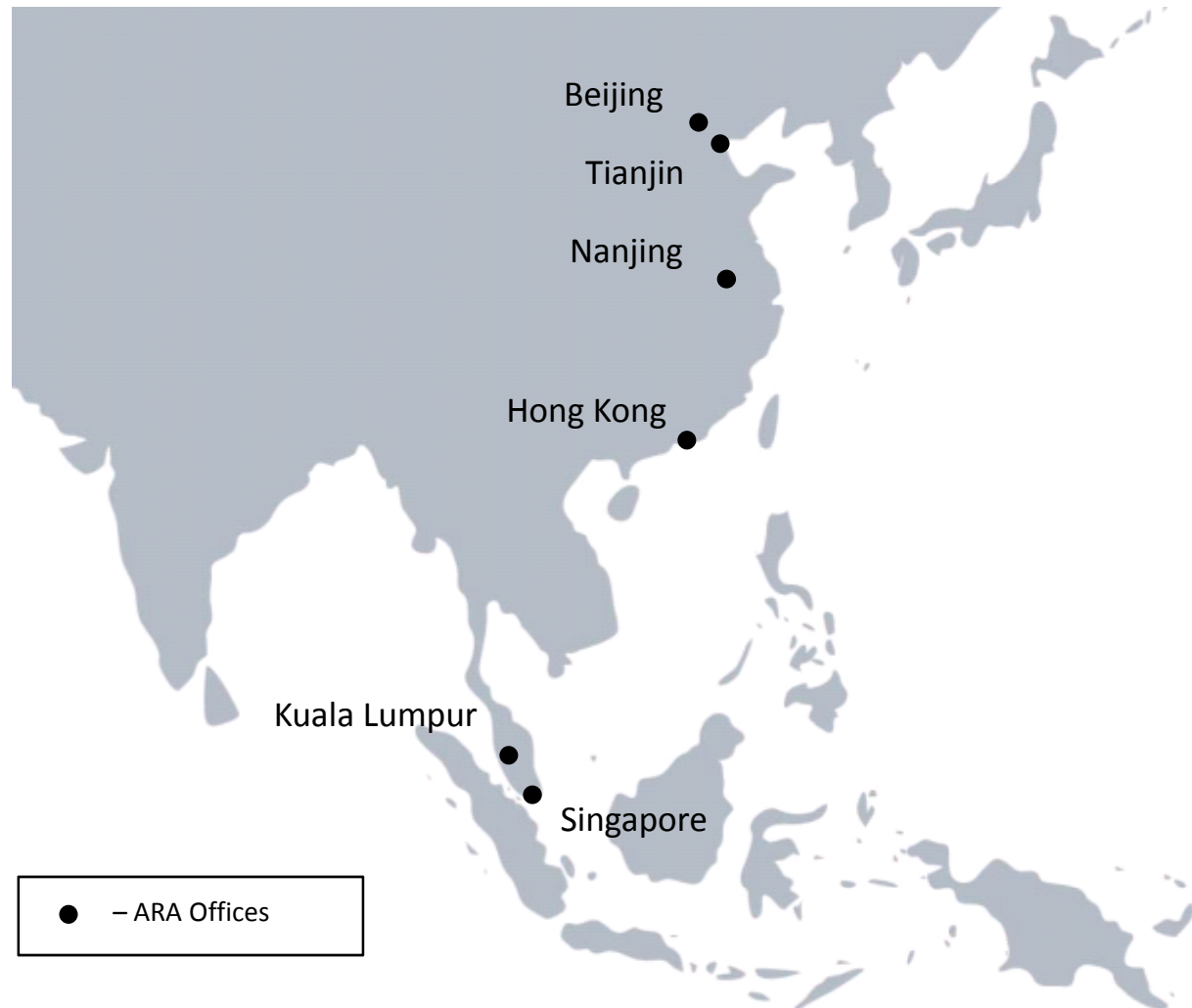
S\$12.4 billion (US\$8.5 billion) as at 30 Jun 09



* Including the ARA Harmony Fund established on 1 Aug 09

Assets Under Management		30 June 09	31 Dec 08	Change (%)
REITs – Real Estate	(billion)	S\$8.4 (US\$5.8)	S\$8.3 (US\$5.7)	1%
Private Funds – Real Estate	(billion)	S\$2.8 (US\$1.9)	S\$2.8 (US\$1.9)	-
Private Funds – Capital	(billion)	S\$1.2 (US\$0.8)	S\$1.2 (US\$0.8)	(1%)
Total AUM	(billion)	S\$12.4 (US\$8.5)	S\$12.3 (US\$8.5)	-

Growing China network



- Added offices in Tianjin & Nanjing in 2008
- Staff strength of over 150 across Asia as at 30 Jun 09

**On track to build a
pan-Asian real estate
investment platform**



2. FINANCIAL RESULTS

Results In Brief



Resilient earnings

Financial Highlights		1H09	1H08	Change (%)
Revenue				
Management fees ⁽¹⁾	(S\$'000)	32,432	31,140	4%
Acquisition and performance fees ⁽²⁾	(S\$'000)	31	1,148	(97%)
Other income ⁽³⁾	(S\$'000)	6,021	1,854	225%
Total Revenue	(S\$'000)	38,484	34,142	13%
EBIT	(S\$'000)	24,576	20,490	20%
Net Profit	(S\$'000)	22,079	18,069	22%
Financial Measures				
EPS ⁽⁴⁾	(S cents)	3.79	3.10	22%
Net Margin	(%)	57%	53%	4% pts
ROE ⁽⁵⁾	(%)	48%	39%	9% pts

Notes:

- (1) Recurrent REIT and private fund management fees
- (2) One-time REIT acquisition fees and private fund performance fees
- (3) Comprises mainly distribution income from financial assets and gain on disposal of held-for-trading securities received as part payment of REIT management fees
- (4) Based on 582,060,000 shares in issue as at 30 Jun 09 and 30 Jun 08
- (5) Based on net profit for the period divided by equity as at period end

Dividend



Interim dividend of 2.30 Singapore cents per share declared

Interim Dividend

1H09 Interim dividend⁽¹⁾	(S cents)	2.30
1H08 Interim dividend	(S cents)	2.17
Change	(S cents)	0.13
	(%)	6.0%
Annualised dividend yield⁽²⁾	(%)	7.9%

Timeline

Ex-dividend date	18 Aug 09
Book closure date	21 Aug 09
Payment date	3 Sep 09

Notes:

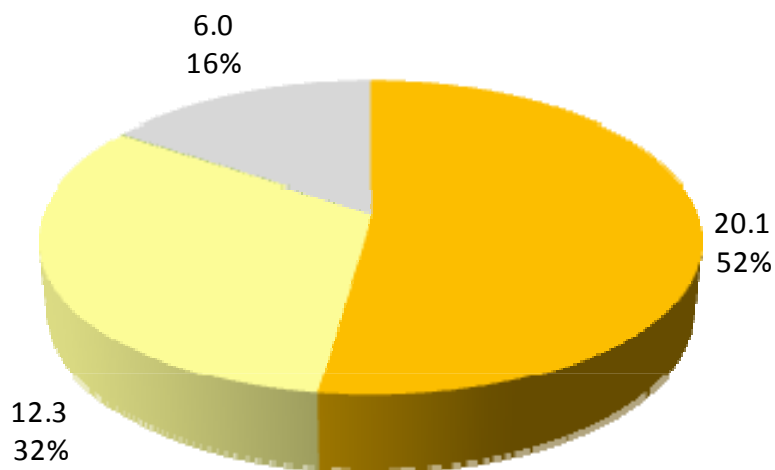
- (1) 61% payout ratio based on 1H09 net profit of S\$22.1m
- (2) Based on 30 Jun 09 closing price of S\$0.58

Revenue By Segments

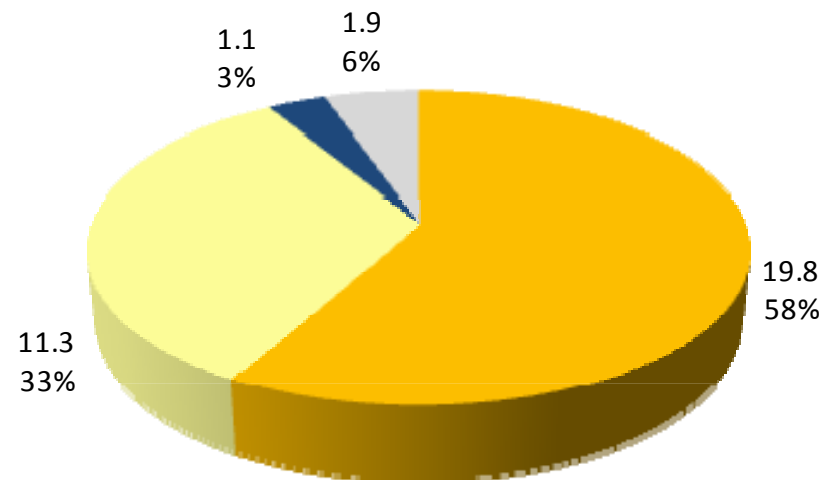


Stable income base

1H09 Total Revenue: (S\$m, % of total)
Total: S\$38.5m (+13%)



1H08 Total Revenue (S\$m, % of total)
Total: S\$34.1m



- REIT management fees
- Private fund management fees
- REIT acquisition fees
- Other income

Diversified and stable income base from private real estate fund and REIT management

Balance Sheet



Sound balance sheet

Group balance sheet as at 30 Jun 09		S\$'000			S\$'000
Non-current assets			Non-current liabilities		
Plant and equipment		717	Financial liabilities		18,692
Tenancy deposits		296	Deferred tax liabilities		54
Associates		437			
Financial assets		62,544			
		<u>63,994</u>			<u>18,746</u>
Current assets			Current liabilities		
Financial assets		1	Trade and other payables		13,436
Trade and other receivables		20,193	Financial liabilities		38
Cash and cash equivalents		43,779	Derivative liabilities		34
		<u>63,973</u>	Current tax payable		3,255
					<u>16,763</u>
			Total liabilities		35,509
			Shareholders' equity		92,458
Total assets		<u>127,967</u>	Total liabilities & Shareholders' equity		<u>127,967</u>



3. STRATEGY

Established ARA Harmony Fund to acquire Suntec Singapore for S\$235m



Suntec Singapore International Convention & Exhibition Centre ("Suntec Singapore")

- Internationally-recognized landmark with over **1 m sf** of prime real estate in Downtown Marina Centre precinct and easy access to airport and public transportation networks
- Strong synergistic potential with Suntec REIT's existing portfolio in Suntec City and excellent potential for asset enhancement
- Poised to tap into expected increase in MICE activity as Singapore develops into the premier convention hub of Asia

ARA's Role

- To be appointed asset manager and convention & exhibition service provider for Suntec Singapore⁽¹⁾
- Leverage on complementary strengths of ARA and existing Suntec Singapore team to capitalize on new growth opportunities for Suntec Singapore

Poised for growth

Strong foundation

- **Healthy balance sheet** – Ample cash reserves and limited borrowings
- **Stable income** – Well-positioned to meet challenges ahead

Continuing our growth

- **Private funds** – Established ARA Harmony Fund to acquire Suntec Singapore. Continue to seek to launch new private funds with specific strategies tailored to the current market climate
- **REITs** – Continue to pursue proactive and prudent capital management strategy and be on the lookout for opportunities for acquisitions and to set up new REITs
- **Creating a Pan-Asia platform** – Continue to seek opportunities for growth and expand geographical reach through new partnerships and acquisitions

ARA ... Poised for growth

Disclaimer

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

Contact

Cheryl Seow
Group Finance Director
cherylseow@ara.com.hk

Vincent Yeo
Finance Manager
vincentyeo@ara.com.hk

Singapore Office:
6 Temasek Boulevard
Suntec Tower Four, #16-02
Singapore 038986

Tel: (65) 6835 9232
Fax: (65) 6835 9672

Website: <http://www.ara-asia.com>