

PRESS RELEASE

ARA FULL YEAR NET PROFIT CLIMBS 32% TO RECORD \$63.8 MILLION

- **Total revenue exceeds S\$100 million for the first time, up 30% to S\$112.5 million**
- **Recurrent management fees increased 26% to S\$84.6 million**
- **Total assets under management jumps 30% to S\$16.9 billion**
- **Proposed final dividend of S\$0.025 per share**

FY2010 Results Highlights

| | | FY2010 | FY2009 | Change |
|----------------------------------|------------------|----------------|---------------|---------------|
| Revenue | | | | |
| Management fees | (S\$'000) | 84,630 | 67,102 | 26% |
| Acquisition and performance fees | (S\$'000) | 17,499 | 7,494 | 134% |
| Other income | (S\$'000) | 10,382 | 11,683 | (11%) |
| Total Revenue | (S\$'000) | 112,511 | 86,279 | 30% |
| Net Profit | (S\$'000) | 63,812 | 48,339 | 32% |
| EPS ¹ | (S cents) | 9.14 | 6.92 | 32% |
| Net Margin | (%) | 57% | 56% | 1% pt |
| AUM ² | (S\$ billion) | 16.9 | 12.9 | 30% |

¹ Based on enlarged share capital of 698,471,997 shares following the 1-for-5 bonus issue in May 2010

² Assets under management as at year end based on exchange rates as at 31 December 2010

24 February 2011 – ARA Asset Management Limited (“**ARA**” or the “**Group**”) is pleased to report a record net profit of S\$63.8 million for the financial year ended 31 December 2010 (“**FY2010**”), a 32% jump from the previous record of S\$48.3 million achieved in FY2009.

Total revenue topped S\$100 million for the first time in the Group’s history, surging 30% to S\$112.5 million from S\$86.3 million in FY2009 on the back of strong growth in recurrent management fees and acquisition fees from Suntec REIT’s acquisition of a one-third interest in Marina Bay Financial Centre Towers 1 & 2 and the Marina Bay Link Mall (the “**MBFC Property**”). Management fee income increased 26% to S\$84.6 million in FY2010 from S\$67.1 million in FY2009, primarily from the Group’s real estate management services division established in 4Q2009, Cache Logistics Trust (“**Cache**”) which was listed on the mainboard of

the SGX-ST¹ on 12 April 2010, and an increase in the value of REIT assets under management. The Group also received acquisition and performance fees of S\$17.5 million in FY2010, a 134% jump from S\$7.5 million in FY2009, primarily from the acquisition of the MBFC Property by Suntec REIT as well as performance fees in relation to the ARA Harmony Fund. Other income fell by 11% to S\$10.4 million from S\$11.7 million in FY2009, mainly due to a lower gain on disposal of REIT units received as management fees.

The Group's net profit surged 32% to a record S\$63.8 million in FY2010 from S\$48.3 million in FY2009 as net margin rose marginally by 1% point to 57%. For the year, total assets under management increased 30% to S\$16.9 billion (approximately US\$13.1 billion), boosted by the acquisition of the MBFC Property by Suntec REIT, acquisitions by the ARA Asia Dragon Fund ("ADF I") of 2 retail malls in Malaysia and a commercial building in Shanghai, and positive revaluation gains across the Group's property portfolio.

In September 2010, ARA was named by Forbes Asia magazine as one of Asia's "200 Best under a Billion" out of approximately 13,000 publicly-listed companies in the Asia Pacific with annual revenues of between US\$5 million and US\$1 billion. ARA was one of only 8 companies in Singapore to make the list. Subsequently, in December 2010, ARA Group CEO, John Lim and ARA Group Finance Director, Cheryl Seow, were both ranked among the top three in the CEO and CFO category respectively in the Thomson Reuters Extel Asia IR Survey 2010 for Property & REITs – Asia. Voted by investment professionals at asset management firms, brokerage firms and research providers, the survey results are a strong endorsement of ARA's commitment to high standards of corporate governance and investor relations.

ARA Group CEO, John Lim commented, "The Group achieved another year of record profits in FY2010. In addition, ARA scaled new heights with several important milestones – reaching S\$1 billion in market capitalization in November 2010 and exceeding S\$100 million in annual revenues. During the year, we successfully integrated the real estate management services division with the Group's funds management operations. We also established new platforms in the logistics sector and in Australia, even as existing business units continue to execute their growth strategies. The Group remains focused on extending our REIT platform to new asset classes as well as geographies while on the private funds front, we will seek to fully invest the ADF I and launch the ADF II by the first half of 2011.

¹ Singapore Exchange Securities Trading Limited

ARA has firmly established itself as one of the largest specialist real estate fund managers in Asia with assets under management of S\$16.9 billion as at end 2010. With a network spanning Singapore, Hong Kong, China, Malaysia and Australia and covering both REITs and private real estate funds, ARA is uniquely positioned to take advantage of real estate opportunities in the region to become *the* premier real estate fund manager in Asia.”

The Board is pleased to propose a final cash dividend of S\$0.025 per share for FY2010. The proposed final cash dividend is subject to shareholders’ approval at the Company’s Annual General Meeting to be held on 28 April 2011. Inclusive of the interim cash dividend of S\$0.023 per share paid out in September 2010, the total cash dividend for FY2010 amounts to S\$0.048 per share. With the Company’s enlarged share base following the 1-for-5 bonus issue in May 2010, the proposed dividend for FY2010 represents a 20% increase from the total dividend paid in FY2009.

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) REITs – The Group is one of the largest REIT managers in Asia ex-Japan and currently manages five REITs listed in three countries namely, Fortune REIT dual-listed in Singapore and Hong Kong, Suntec REIT and Cache Logistics Trust listed in Singapore, Prosperity REIT listed in Hong Kong and AmFIRST REIT listed in Malaysia;
- (b) Private real estate funds – The Group manages several private funds investing in real estate in Asia;
- (c) Real estate management services – The Group provides property management services and manages the award-winning Suntec Singapore International Convention & Exhibition Centre; and
- (d) Corporate finance advisory services – The Group has an in-house advisory arm providing corporate finance advisory services to related corporations.

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