

PRESS RELEASE

**ARA REPORTS 19% INCREASE IN 1Q2011 NET PROFIT TO S\$14.8 MILLION
PROPOSES 1-FOR-10 BONUS ISSUE**

- Total revenue rose 19% to S\$27.2 million
- Recurrent management fees up 14% to S\$22.1 million
- Total assets under management of S\$16.8 billion (approximately US\$13.3 billion)
- 1-for-10 bonus issue proposed

1Q2011 Results Highlights

		1Q2011	1Q2010	% Change
Revenue				
Management fees	(S\$'000)	22,063	19,434	14%
Acquisition and performance fees	(S\$'000)	2,260	934	142%
Other income	(S\$'000)	2,877	2,498	15%
Total Revenue	(S\$'000)	27,200	22,866	19%
Net Profit	(S\$'000)	14,827	12,455	19%
EPS ¹	(S cents)	2.12	1.78	19%
AUM	(S\$ billion)	16.8	14.5	16%

4 May 2011 – ARA Asset Management Limited (“ARA” or the “Group”) is pleased to report a 19% increase in net profit to S\$14.8 million for the first quarter ended 31 March 2011 (“1Q2011”).

Total revenue rose 19% to S\$27.2 million in 1Q2011 from S\$22.9 million in 1Q2010, largely on the back of a 14% increase in recurrent management fees to S\$22.1 million from S\$19.4 million in 1Q2010. The increase was primarily due to contributions from Cache Logistics Trust which was listed on the SGX-ST on 12 April 2010 and management fee contribution from a one-third interest in the Marina Bay Financial Centre Property² which was acquired by Suntec REIT on 9 December 2010. During the quarter, the Group also received acquisition and performance fees

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

² Comprises the Marina Bay Financial Centre Tower 1, Marina Bay Financial Centre Tower 2, the Marina Bay Link Mall and 695 car park lots.

of S\$2.3 million, a 142% jump from the same quarter last year while other income increased 15% to S\$2.9 million.

For the quarter, net profit increased by 19% to S\$14.8 million from S\$12.5 million in 1Q2010. Total assets under management stood at S\$16.8 billion as at 31 March 2011.

Hui Xian REIT, the first offshore renminbi-denominated equity offering in Hong Kong, was successfully listed on The Stock Exchange of Hong Kong (“**SEHK**”) on 29 April 2011. Managed by Hui Xian Asset Management Limited, a 30% associate of the Group, Hui Xian REIT is the largest initial public offering in Hong Kong to date in 2011, raising RMB10.5 billion (approximately S\$2.0 billion) and with an initial market capitalisation of RMB26.2 billion (approximately S\$5.0 billion). Hui Xian REIT’s main real estate asset is the Oriental Plaza, one of the largest integrated commercial developments in Asia located in the heart of Beijing and with an appraised value of RMB31.4 billion as at April 2011.

ARA Group CEO, John Lim commented: “We are pleased to report a strong start to FY2011 with a 19% increase in net profit to S\$14.8 million for 1Q2011. For FY2011, a key focus of the Group is to place out the remaining capital of the ARA Asia Dragon Fund (“**ADF**”) and successfully close the ADF II so as to cement the ADF franchise. Having built up a sizeable REIT platform with over S\$11 billion in REIT assets under management, ARA will continue to seek to grow its REIT platform organically via active asset management and value-adding acquisitions, even as we look to develop and list new REITs focused on new market sectors and/or geographies.”

“The listing of Hui Xian REIT on the SEHK was a significant step in terms of the continuing development of the offshore renminbi market in Hong Kong and ARA is proud to be a part of this landmark transaction. We believe this could pave the way for future offshore renminbi equity offerings in Hong Kong and will look to leverage on our growing presence in China to develop and launch new products to tap this market.”

Mr Lim added, “As due recognition to shareholders for their continuing support for ARA, the Board is pleased to propose a 1-for-10 bonus issue. Barring unforeseen circumstances, we believe that with the continued expansion of the Group, we will be able to maintain the current cash dividend per share, notwithstanding the increased number of shares post the bonus issue.”

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 six REITs listed in three countries namely, Fortune REIT dual-listed in Singapore and Hong Kong, Suntec REIT and Cache Logistics Trust listed in Singapore, Hui Xian REIT and 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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