

ARA ASSET MANAGEMENT LIMITED



**RESULTS FOR THE QUARTER ENDED  
31 MARCH 2011**



**1. BUSINESS OVERVIEW**

## BUSINESS SEGMENTS



### ARA ASSET MANAGEMENT LIMITED

Business Segments	REITs	Private Real Estate Funds	Real Estate Management Services	Corporate Finance Advisory Services
Revenue - Recurrent (Primary Basis)	<b>Base Fees</b> (Gross Property Value)  <b>Performance / Variable Fees</b> (Net Property Income)	<b>Portfolio Management Fees</b> (Committed Capital / Gross Property Value)	<b>Property Management Fees</b> (Property Gross Revenue)  <b>Convention &amp; Exhibition Service Fees</b> (Gross Revenue)	
Revenue - One-off (Primary Basis)	<b>Acquisition / Divestment Fees</b> (Gross Property Value)	<b>Performance Fees</b> (IRR above Hurdle)  <b>Return on Seed Capital</b>	<b>Consultancy Fees</b> (Project Value)	<b>Advisory Fees</b> (Purchase Value)

1Q2011 Results

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## FUNDS & SERVICES



### Diversified & complementary fund platforms & services

REITs	FORTUNE REIT	SUNTEC	PROSPERITY REIT	APN PROPERTY GROUP	CACHE
Listing Venue	SGX-ST & SEHK	SGX-ST	SEHK	Bursa	SGX-ST
Focus	Suburban retail properties in Hong Kong	Prime office & retail properties in Singapore	Office & industrial/ office properties in Hong Kong	Commercial properties in Malaysia	Logistics properties in the Asia Pacific region
Property Value <sup>(1)</sup>	HK\$13,300m	S\$7,044m	HK\$5,934m	RM1,013m	S\$776m
Private Real Estate Funds	<b>ADF</b> ARA Asia Dragon Fund		<b>ARA Harmony Fund</b>		<b>APN</b>   Property Group
Description	Flagship strategic and opportunistic private real estate fund investing in Singapore, Hong Kong, China, Malaysia and other emerging economies in Asia		Single-asset private real estate fund which owns the Suntec Singapore Int'l Convention & Exhibition Centre		Strategic alliance with Australian specialist real estate investment manager, APN Property Group <sup>(2)</sup> for private funds investing primarily in Australian real estate
Fund Size	US\$1.1b (Committed Capital)		S\$288m (Gross Asset Value)		-
Real Estate Management Services	APM A Member of the ARA Group		Suntec SINGAPORE Suntec International Convention & Exhibition Services		
Description	Property management services provider		Operations, sales and marketing services provider & consultant for convention, exhibition, meeting and event facilities		

1Q2011 Results

Notes:

- (1) Property values as of last publicly-announced valuation
- (2) ARA currently holds a 14.1% interest in APN Property Group

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# REGIONAL PRESENCE



## Established regional network

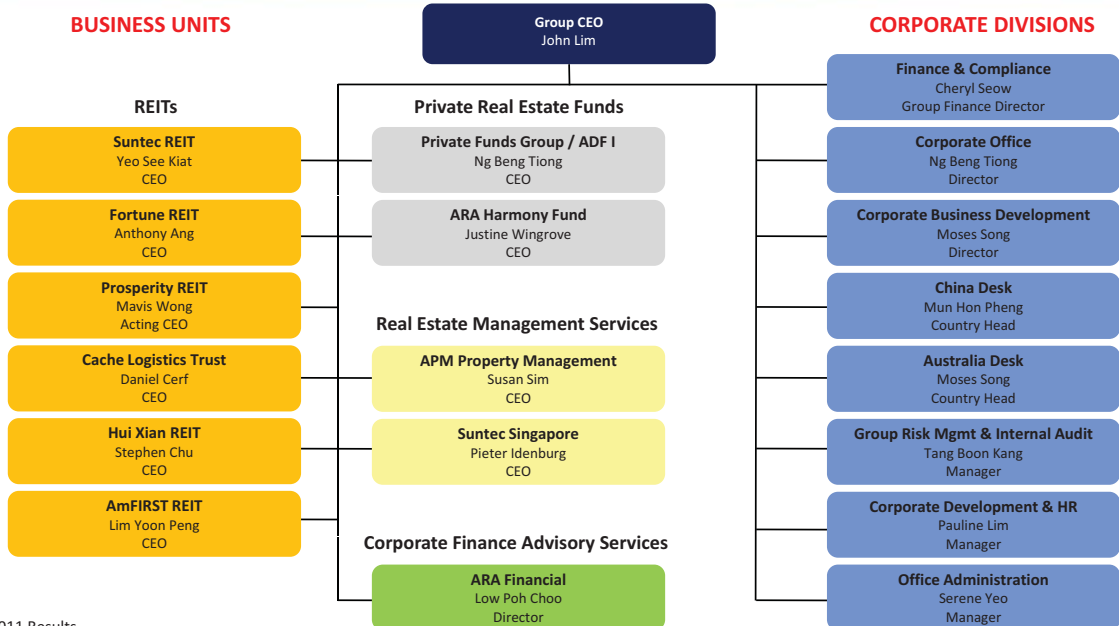


- Established regional network spanning 11 cities in the Asia-Pacific, including 6 cities in the PRC Mainland

# MANAGEMENT TEAM



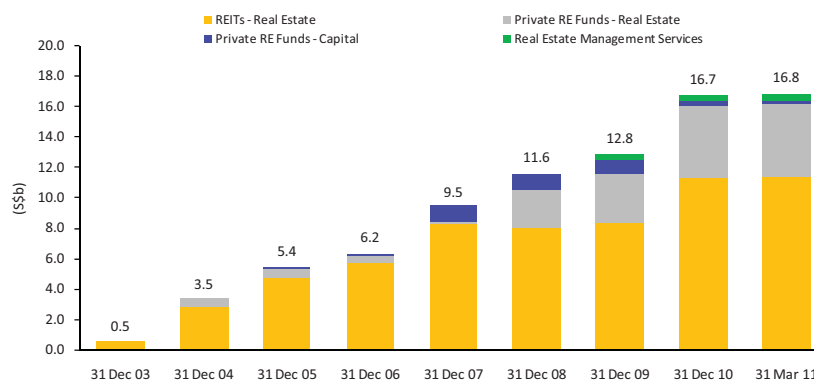
## Experienced team with a proven track record



## ASSETS UNDER MANAGEMENT



**S\$16.8 billion (US\$13.3 billion) as at 31 Mar 2011**



Assets Under Management <sup>(1)</sup> (S\$ billion)	31 Mar 2011	31 Dec 2010	Change
REITs – Real Estate <sup>(2)</sup>	11.4	11.3	0.1
Private Real Estate Funds – Real Estate	4.8	4.8	-
Private Real Estate Funds – Capital	0.3	0.3	-
Real Estate Management Services <sup>(3)</sup>	0.3	0.3	-
<b>Total</b>	<b>16.8</b>	<b>16.7</b>	<b>0.1</b>

Notes:  
 (1) Based on exchange rates as at 31 Mar 2011  
 (2) Comprises gross property value of REITs managed by subsidiaries & associated companies  
 (3) Revenue base for real estate management services fee computation

1Q2011 Results

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## HUI XIAN REIT



**First offshore RMB-denominated equity offering to be listed on the SEHK**



### Overview of Hui Xian REIT

- Successfully listed on SEHK on 29 Apr 2011
- Managed by Hui Xian Asset Management Limited, a 30% associated company of ARA
- Main real estate asset is the Oriental Plaza – one of the largest and most iconic integrated developments in Beijing with a valuation as at Apr 2011 of **RMB31.4 billion** and a combined gross floor area (“GFA”) of approximately **787,000 sqm** comprising:
  - The Malls – a world-class shopping complex with a GFA of approximately 130,000 sqm spread over three levels;
  - The Tower Offices – the largest Grade A office development in Beijing comprising eight Grade A office buildings with a total GFA of approximately 310,000 sqm;
  - The Tower Apartments – the largest serviced apartment development in Beijing comprising 613 fully-furnished apartments in two blocks; and
  - Grand Hyatt Beijing – a leading five-star hotel with 825 guest rooms and suites.

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## 2. FINANCIAL RESULTS

## FINANCIAL HIGHLIGHTS

***Strong earnings growth on the back of increased recurrent management fees***

		1Q2011	1Q2010	Change (%)
<b>Revenue</b>				
Management fees <sup>(1)</sup>	(S\$'000)	22,063	19,434	14%
Acquisition and performance fees <sup>(2)</sup>	(S\$'000)	2,260	934	142%
Other income <sup>(3)</sup>	(S\$'000)	2,877	2,498	15%
<b>Total Revenue</b>	<b>(S\$'000)</b>	<b>27,200</b>	<b>22,866</b>	<b>19%</b>
<b>Net Profit</b>	<b>(S\$'000)</b>	<b>14,827</b>	<b>12,455</b>	<b>19%</b>
<b>EPS<sup>(4)</sup></b>	<b>(S cents)</b>	<b>2.12</b>	<b>1.78</b>	<b>19%</b>

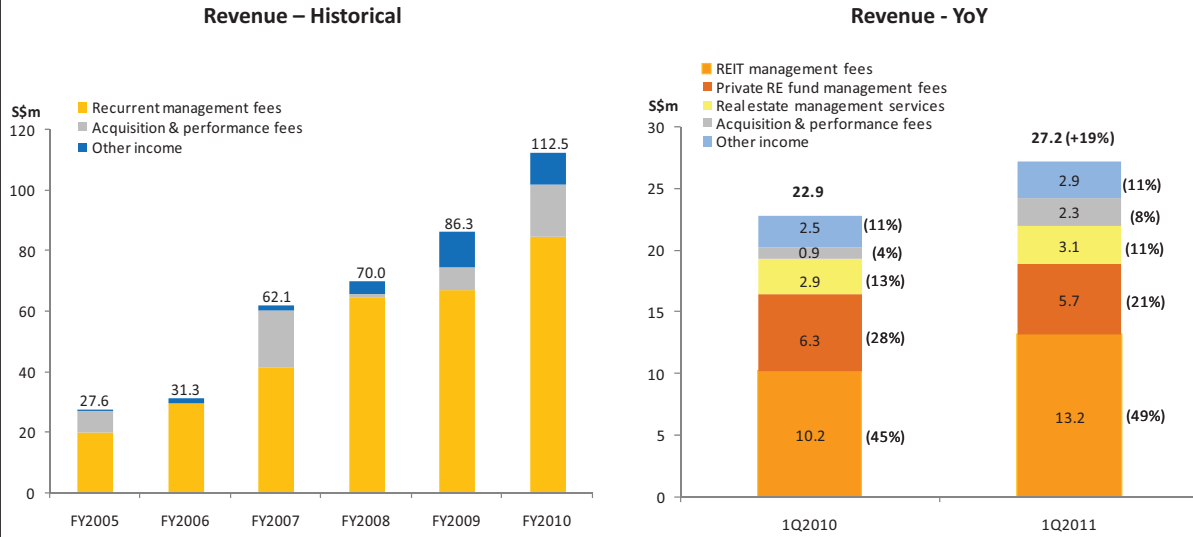
Notes:

- (1) Recurrent management fees from REITs, private real estate funds and real estate management services
- (2) Primarily REIT acquisition fees and private real estate fund arrangement/performance fees
- (3) Comprises mainly distribution income from financial assets and gain on disposal/fair valuation of held-for-trading securities received as part payment of REIT management fees
- (4) Based on 698,471,997 shares in issue following the 1-for-5 bonus issue on 10 May 2010

# REVENUE ANALYSIS



## Strong growth in recurrent REIT management fees

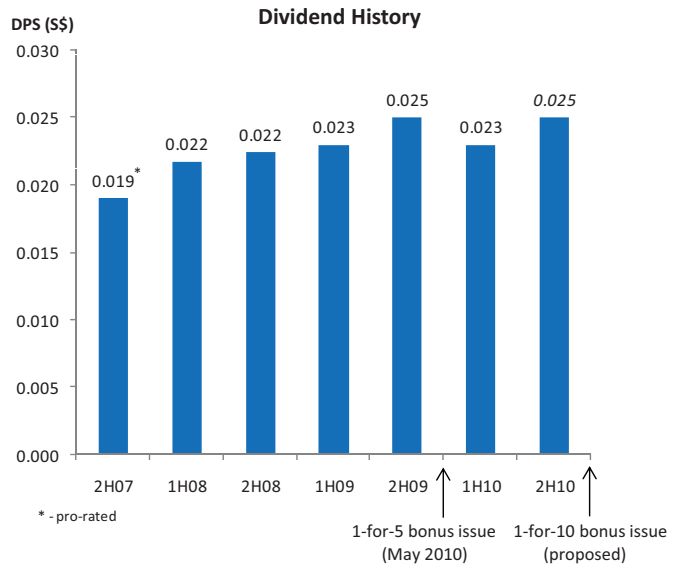


# PROPOSED BONUS ISSUE



## Proposed 1-for-10 bonus issue to reward shareholders

- Declared by Board as a gesture of recognition to shareholders for their support for the Company
- Bonus issue made based on the share issue mandate passed at the Company's AGM on 28 Apr 2011
- Subject to approval of SGX-ST
- Barring unforeseen circumstances, Company will seek to maintain dividend per share post bonus issue

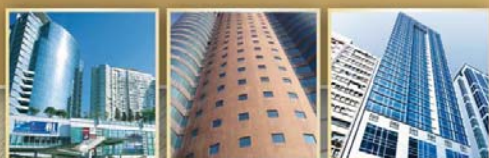


## BALANCE SHEET



### Robust balance sheet

Group balance sheet as at 31 Mar 2011	S\$'000		S\$'000
<b>Non-current assets</b>		<b>Non-current liabilities</b>	
Plant and equipment	1,519	Financial liabilities	354
Tenancy deposits	495	Deferred tax liabilities	142
Associates	1,462		
Financial assets	133,260		
Intangible asset	580		
	<u>137,316</u>		<u>496</u>
<b>Current assets</b>		<b>Current liabilities</b>	
Financial assets	15,890	Trade and other payables	14,636
Derivative assets	278	Financial liabilities	18,840
Trade and other receivables	24,693	Current tax payable	10,208
Cash and cash equivalents	53,974		
	<u>94,835</u>		<u>43,684</u>
		<b>Total liabilities</b>	<u>44,180</u>
		<b>Shareholders' equity</b>	<u>187,971</u>
<b>Total assets</b>	<u>232,151</u>	<b>Total liabilities &amp; Shareholders' equity</b>	<u>232,151</u>



## 3. STRATEGY

## STRATEGY



### *Poised for the next phase of growth*

#### REITs

- Work with various partners to launch new REITs in new sectors and geographies
- Existing REITs to continue to focus on asset enhancements and acquisitions

#### Private Real Estate Funds

- Place out remaining committed capital of ADF I in 1H2011
- Launch ADF II by 1H2011

#### Real Estate Management Services

- Support REITs and private real estate funds and increase properties under management
- Leverage on the Suntec brand to expand geographical reach of convention services

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