



ANNOUNCEMENT

PROPOSED BONUS ISSUE

The Board of Directors (the “**Directors**”) of ARA Asset Management Limited (“**ARA**” or the “**Company**”) is pleased to announce that the Company is proposing a bonus issue of up to 69,847,199 new ordinary shares (the “**Bonus Shares**”) on the basis of one (1) Bonus Share credited as fully paid at nil consideration for every ten (10) existing ordinary shares held in the Company (the “**Proposed Bonus Issue**”). Fractional entitlements will be disregarded and dealt with in such manner as the Directors may in their absolute discretion deem fit for the benefit of the Company.

As at the date of this announcement, the Company has a total of 698,471,997 issued ordinary shares and as such, up to 69,847,199 Bonus Shares will be issued. The Company will capitalise the sum of up to S\$139,694 standing to the credit of the Company’s reserves to be applied towards paying up in full for the Bonus Shares. The Bonus Shares, when allotted and issued, will rank *pari passu* in all respects with the existing ordinary shares in the Company, except that they shall not be entitled to such rights, allotments or distributions the record date of which falls before the date of allotment and issue of such Bonus Shares.

Rational for the Proposed Bonus Issue

The Proposed Bonus Issue is to give due recognition to shareholders for their continuing support for the Company.

Approvals

The issue of the Bonus Shares will be made pursuant to the authority granted to the Directors by the share issue mandate approved by the shareholders of the Company at the annual general meeting held on 28 April 2011.

The Proposed Bonus Issue is conditional upon approval being obtained from the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) for the listing and quotation of the Bonus Shares on the Official List of SGX-ST. The Company will be making an application to the SGX-ST for the listing and quotation of the Bonus Shares on the official list of the SGX-ST in due course.

Additional Information

The Bonus Shares will be issued to shareholders whose names appear in the Register of Members or who have shares entered against their names in the Depository Register as at the date of the closure of the Register of Members of the Company (the “**Books Closure Date**”). Subject to the said approval by the SGX-ST, the Company will make a further announcement on the Books Closure Date.

By Order of the Board
ARA Asset Management Limited

Lim Hwee Chiang
Director
4 May 2011

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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