



ANNOUNCEMENT

APPROVAL IN-PRINCIPLE FOR PROPOSED BONUS ISSUE

The Board of Directors of ARA Asset Management Limited (“**ARA**” or the “**Company**”) had previously announced on 4 May 2011 a proposed bonus issue of up to 69,847,199 new ordinary shares of \$0.002 each in the capital of the Company (“**Bonus Shares**”) on the basis of one (1) Bonus Share credited as fully paid for every ten (10) existing ordinary shares held in the capital of the Company (the “**Proposed Bonus Issue**”). The Bonus Shares will be issued pursuant to a general mandate obtained at the Annual General Meeting of the Company held on 28 April 2011 which allows the Company’s directors to issue shares in the capital of the Company aggregating up to fifty (50) per cent of the Company’s issued share capital for the time being.

The Board of Directors of the Company is pleased to announce that in-principle approval has been obtained from the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 10 May 2011 in respect of the Company’s application for the listing of and quotation of up to 69,847,199 Bonus Shares, subject to compliance with the SGX-ST’s listing requirements.

The in-principle approval from the SGX-ST is not to be taken as an indication of the merits of the Proposed Bonus Issue, the Bonus Shares, the Company and/or its subsidiaries.

The Company will in due course make an announcement regarding the time and date on which the Register of Members and the Share Transfer Books of the Company will be closed in order to determine the entitlements of Shareholders to the Bonus Shares.

By Order of the Board
ARA Asset Management Limited

Lim Hwee Chiang
Director
10 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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This announcement may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of uncertainties, risks and assumptions. Representative examples of these factors include but are not limited to general market and economic conditions, interest rate trends, competition from other real estate investors, changes in operating expenses including employee wages and benefits, changes in government policies, and the continued availability of financing in the amounts and terms necessary to support future business. You are cautioned not to place undue reliance on any of the forward-looking statements in this announcement, which are based on the current view of management on future events.