

**PRESS RELEASE**

**ARA's 1H2011 NET PROFIT UP 18% TO S\$29.6 MILLION**

- AUM hits record S\$18.8 billion
- On track to hit medium term AUM target of S\$20 billion
- Interim dividend of 2.30 Singapore cents declared

**1H2011 Results Highlights**

		1H2011	1H2010	% Change
Revenue				
Management fees	(S\$'000)	44,661	40,788	9%
Acquisition and performance fees	(S\$'000)	2,499	968	158%
Other income	(S\$'000)	5,394	4,535	19%
Total Revenue	(S\$'000)	52,554	46,291	14%
Operating Profit (Pre-Tax)	(S\$'000)	33,701	28,343	19%
Share of Profit of Associates	(S\$'000)	885	186	376%
Net Profit	(S\$'000)	29,571	25,078	18%
EPS <sup>1</sup>	(S cents)	3.85	3.26	18%
Dividend per Share	(S cents)	2.30	2.30	-
AUM	(S\$ billion)	18.8	13.8	36%

**8 August 2011** – ARA Asset Management Limited (“**ARA**” or the “**Group**”), a leading Asian real estate fund manager, is pleased to report an 18% increase in net profit to S\$29.6 million for the six months ended 30 June 2011 (“**1H2011**”). Total assets under management (“**AUM**”) soared 36% to a record S\$18.8 billion as at 30 June 2011 from S\$13.8 billion a year ago.

ARA Group CEO, Mr John Lim said: “We are pleased to report another strong quarter of earnings to bring our half-time net profit to S\$29.6 million, up 18% year-on-year. This was particularly significant given the strong appreciation of the SGD against the USD and HKD in which a sizeable portion of our revenues are denominated.”

ARA's core REIT management platform continues to move from strength to strength with the listing of Hui Xian REIT, the world's first offshore renminbi-denominated REIT in April 2011 and strong revaluation gains in the Group's REIT portfolio. On the private funds front, ARA has

<sup>1</sup> Based on the enlarged share capital of 768,319,189 shares following the 1-for-10 bonus issue in June 2011.

secured firm commitments of US\$300 million to date for the ARA Asia Dragon Fund II (“**ADF II**”). The Group is targeting to garner aggregate commitments of US\$1 billion for the fund by the end of the year and commence investments in 4Q2011.

Commenting on the outlook for the Group, Mr Lim said: “As at 30 June 2011, inclusive of Hui Xian REIT, our assets under management stands at S\$18.8 billion<sup>2</sup>, putting us firmly on track to achieve our medium-term target of assets under management of S\$20 billion. Today, ARA manages over 33 million square feet of real estate space across Asia via our REITs and private funds, making us one of the largest real estate fund managers in the region. Underpinned by our strong platform and track record, we are well-positioned to grow our assets under management and increase our presence in Asia.

Going forward, we want to entrench ARA’s position as a leading Asian real estate fund manager and reinforce the ARA brand. With our team of talented multicultural and multinational employees, we will seek to distinguish ARA by our commitment to integrity, performance, risk management and excellence in operational processes.”

The Directors have declared a tax-exempt (one-tier) interim dividend of 2.30 Singapore cents per ordinary share, unchanged from 1H2010. With the increased share capital base of the Company following the recent 1-for-10 bonus share issue in June 2011, the interim dividend represents a 10% increase in payout compared to 1H2010. Since listing, the Company has given out bonus shares representing 32% of shareholders’ shares held, while maintaining the per share dividend amount.

**– End of Release –**

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<sup>2</sup> Inclusive of a 30% share of Hui Xian REIT’s AUM

## 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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