

## PRESS RELEASE

### ARA's YTD 3Q2012 NET PROFIT AT S\$55.0 MILLION

- Recurring management fees up 9% to S\$74.1 million, representing 77% of revenue
- YTD 3Q2012 net profit at S\$55.0 million. Excluding acquisition and performance fees, YTD 3Q2012 net profit rose 40% year-on-year
- Total assets under management of S\$21.5 billion, up 11% from a year ago

### YTD 3Q2012 Results Highlights

		YTD 3Q2012	YTD 3Q2011	% Change
Revenue				
Management fees	(S\$'000)	74,059	67,799	9%
Acquisition and performance fees	(S\$'000)	6,709	20,368	(67%)
Other income	(S\$'000)	15,802	7,996	98%
Total Revenue	(S\$'000)	96,570	96,163	0%
Operating Profit (Pre-Tax)	(S\$'000)	62,428	59,317	5%
Share of Profit of Associates	(S\$'000)	3,265	1,881	80%
Net Profit	(S\$'000)	55,018	54,936	0%
Net Profit (excluding acquisition and performance fees)	(S\$'000)	48,309	34,568	40%
EPS <sup>1</sup>	(S cents)	7.16	7.15	0%
AUM	(S\$ billion)	21.5	19.3	11%

**1 November 2012** – ARA Asset Management Limited (“ARA” or the “Group”) is pleased to report a net profit of S\$55.0 million for the nine months ended 30 September 2012 (“YTD 3Q2012”). Excluding acquisition and performance fees, the net profit had increased 40% year-on-year.

Recurrent management fee income increased by 9% to S\$74.1 million in YTD 3Q2012 from S\$67.8 million in YTD 3Q2011. This was primarily due to higher REIT management fees arising from (i) an increase in the valuation of the property portfolios of the REITs under management; (ii) Fortune REIT's acquisition of The Belvedere Square and The Provident Square in February 2012; and (iii) Suntec REIT's effective 60.8% interest in the ARA Harmony Fund.

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

The Group's recently-closed funds, the US\$441 million ARA Asia Dragon Fund II ("ADF II") and the US\$500 million ARA China Investment Partners Fund ("CIP Fund"), have also started to contribute positively to the Group's portfolio management fee income. Portfolio management and service fees increased by 8% from S\$17.3 million in YTD 3Q2011 to S\$18.6 million in YTD 3Q2012.

Majority of the Group's acquisition and performance fees of S\$20.4 million received in YTD 3Q2011 was derived from one-off performance fees of S\$18.5 million in relation to the ARA Harmony Fund. Excluding this gain, the Group's acquisition and performance fees of S\$6.7 million in YTD 3Q2012 would have been significantly higher than the S\$1.9 million in YTD 3Q2011.

Other income nearly doubled to S\$15.8 million in YTD 3Q2012 from S\$8.0 million in YTD 3Q2011, primarily due to higher net gain on disposal of certain REIT units received by the Group as part payment for REIT management fees and acquisition fees.

For the first nine months of 2012, earnings per share ("EPS") was 7.16 Singapore cents, up marginally from the same period a year ago. Total assets under management ("AUM") jumped 11% to S\$21.5 billion as at 30 September 2012 from S\$19.3 billion a year ago.

Commenting on ARA's results, ARA Group CEO, John Lim said: "The Group's ability to turn in a set of resilient earnings despite the less-than-stellar global economic backdrop is a strong validation to the defensive nature of our business. Nonetheless, we continue to develop our existing businesses and REIT platforms and to manage our private funds to seek out new investment opportunities as and when they arise."

**– End of Release –**

## 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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