



(An Affiliate of Cheung Kong Group)

# RESULTS FOR THE QUARTER ENDED 30 September 2012



**Embargoed until 5.05 p.m.  
1 November 2012**

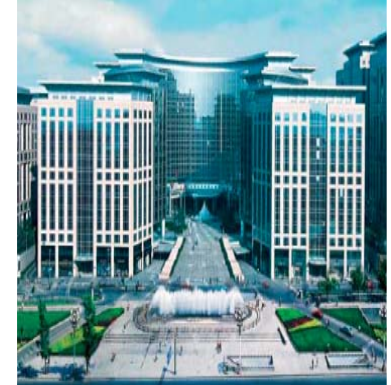
十年辛勤筑辉煌

10 YEARS OF ACHIEVEMENTS



(An Affiliate of Cheung Kong Group)

## BUSINESS OVERVIEW



# BUSINESS SEGMENTS

## ARA ASSET MANAGEMENT LIMITED

**Business Segments**

**Revenue - Recurrent**  
(Primary Basis)










	<b>REITs</b>	<b>Private Real Estate Funds</b>	<b>Real Estate Management Services</b>	<b>Corporate Finance Advisory Services</b>
	<b>Base Fees</b> (Gross Property Value)	<b>Portfolio Management Fees</b> (Committed Capital / Gross Property Value)	<b>Property Management Fees</b> (Property Gross Revenue)	
	<b>Performance / Variable Fees</b> (Net Property Income)		<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>Consultancy Fees</b> (Project Value)	<b>Advisory Fees</b> (Purchase Value)
		<b>Return on Seed Capital</b>		

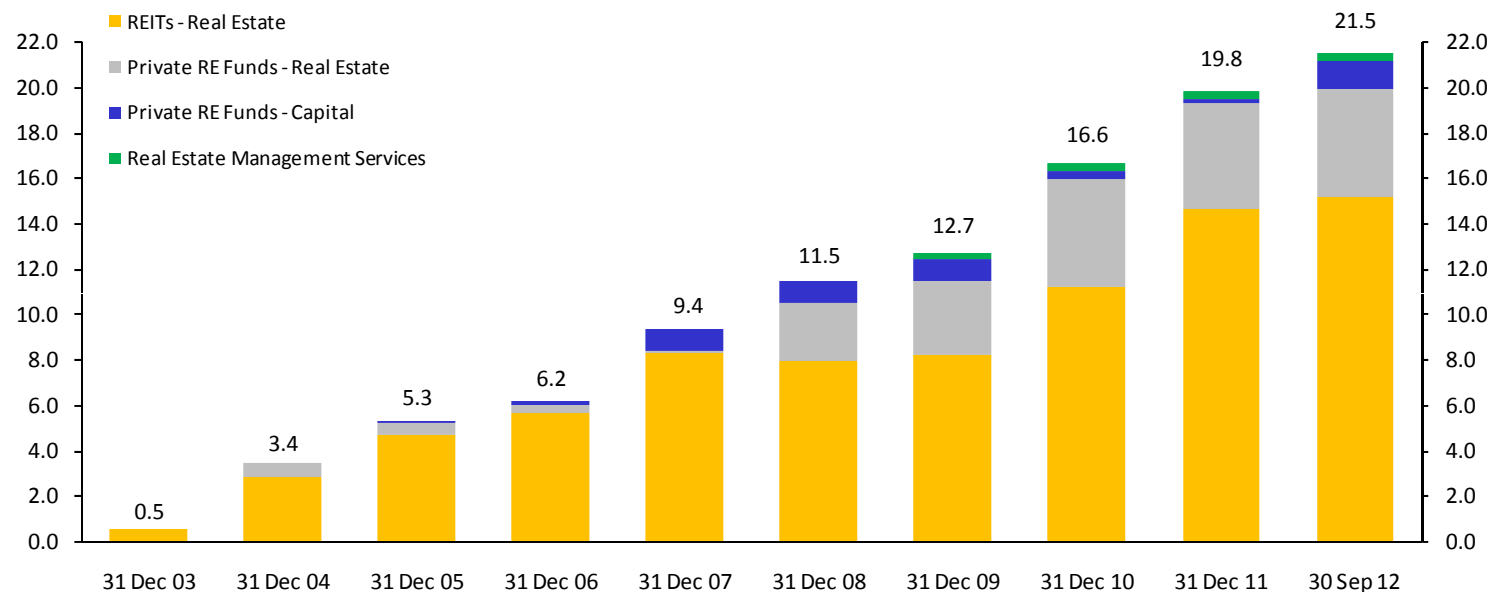
# FUNDS & SERVICES

*Diversified & complementary fund platforms & services*

<b>REITs</b>	 <b>FORTUNE REIT</b> 富商產業信託	 <b>SUNTEC</b> Real Estate Investment Trust	 <b>PROSPERITY REIT</b> 溢富產業信託	 <b>AmFIRST</b> Real Estate Investment Trust	 <b>CACHE</b> LOGISTICS TRUST	 <b>HUI XIAN REIT</b> 匯賢產業信託
<b>Listing Venue</b>	SGX-ST & SEHK	SGX-ST	SEHK	Bursa	SGX-ST	SEHK
<b>Focus</b>	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	Commercial properties in the PRC
<b>Property Value<sup>(1)</sup></b>	HK\$19,268m	S\$7,554m	HK\$7,312m	RM1,180m	S\$943m	RMB 34,459m
<b>Private Real Estate Funds</b>	<i>ADF</i> ARA Asia Dragon Fund	<i>ADF II</i> ARA Asia Dragon Fund II	<i>ARA Harmony Fund</i>	<i>CIP</i> ARA China Investment Partners	<b>APN</b>   Property Group	
<b>Description</b>	Flagship strategic and opportunistic private real estate fund investing in Singapore, Hong Kong, China, Malaysia and other emerging economies in Asia	2nd 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	Core-plus private real estate fund investing in high quality office and commercial properties in key cities in China, including Hong Kong	Strategic alliance with Australian specialist real estate investment manager, APN Property Group <sup>(2)</sup> for private funds investing primarily in Australian real estate	
<b>Fund Size</b>	US\$1.1b (Committed Capital)	US\$441m (Committed Capital)	S\$400m (Gross Asset Value)	US\$500m (Initial Committed Capital)		
<b>Real Estate Management Services</b>	 <b>APM</b> (A Member of the ARA Group)	 <b>Suntec SINGAPORE</b> International Convention & Exhibition Centre		 <b>Suntec International</b> Convention & Exhibition Services		
<b>Description</b>	Property management services provider	Operations, sales and marketing services provider & consultant for convention, exhibition, meeting and event facilities				
				(1)	Property values as of last publicly-announced valuation	
				(2)	ARA currently holds a 13.9% interest in APN Property Group	

# ASSETS UNDER MANAGEMENT

*S\$21.5 billion (US\$17.6 billion) as at 30 September 2012*



Assets Under Management <sup>(1)</sup> (S\$ billion)	30 Sep 2012	31 Dec 2011	Change
REITs – Real Estate <sup>(2)</sup>	15.2	14.6	0.6
Private Real Estate Funds – Real Estate	4.8	4.7	0.1
Private Real Estate Funds – Capital <sup>(3)</sup>	1.2	0.2	1.0
Real Estate Management Services <sup>(4)</sup>	0.3	0.3	-
<b>Total<sup>(5)</sup></b>	<b>21.5</b>	<b>19.8</b>	<b>1.7</b>

**Notes:**

- (1) Based on exchange rates as at 30 September 2012
- (2) Comprises gross property value of REITs managed by subsidiaries & associated companies
- (3) Excludes capital committed for projects pending completion
- (4) Revenue base for real estate management services fee computation
- (5) Total S\$ equivalent AUM fell from S\$21.8 billion as at 30 June 2012 mainly due to exchange rate fluctuations

# REITs and Private Real Estate Funds

## Updates

### REITs

ARA continues to focus on asset enhancements and acquisitions of existing REITs.

The Group suspended the IPO of Dynasty REIT until further notice, owing to the worsening of overall market conditions since the registration of Dynasty REIT's prospectus with the MAS. The IPO suspension is not expected to have a negative impact on ARA's earnings, as the Group will continue to manage these properties in its privately managed funds and therefore continue to accrue portfolio management fees on the same assets.

### Private Real Estate Funds

#### *ADF*

ARA Asia Dragon Fund

Completed its investment phase in September 2011 – currently in its asset management and divestment phase.

#### *ADF II*

ARA Asia Dragon Fund II

Completed its third and final close, with capital commitments of US\$441 million, signifying the continuation of the ADF franchise.

#### *CIP*

ARA China Investment Partners

Initial committed capital of US\$500 million, with significant contribution from California Public Employees' Retirement System (CalPERS).

Additional capital commitments will be made available upon deployment of the initial commitment at the discretion of CalPERS.



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## FINANCIAL RESULTS



## RESULTS SNAPSHOT

*Strong quality of earnings*

1

**ARA's YTD 3Q2012 net profit at S\$55.0 million**

2

**Excluding acquisition and performance fees, YTD 3Q2012 net profit rose 40% year-on-year**

3

**Strong quality of earnings - Recurrent management fees up 9% to S\$74.1 million, representing 77% of revenue**

4

**Total assets under management (AUM) of S\$21.5 billion as at 30 September 2012, up 11% from a year ago**



## FINANCIAL HIGHLIGHTS

*Resilient business model delivers consistent performance*

Financial Highlights		YTD 3Q2012	YTD 3Q2011	Change (%)
Revenue				
Management fees <sup>(1)</sup>	(S\$'000)	74,059	67,799	9%
Acquisition and performance fees <sup>(2)</sup>	(S\$'000)	6,709	20,368	(67%)
Other income <sup>(3)</sup>	(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>(4)</sup>	(S cents)	7.16	7.15	0%
AUM <sup>(5)</sup>	(S\$ billion)	21.5	19.3	11%

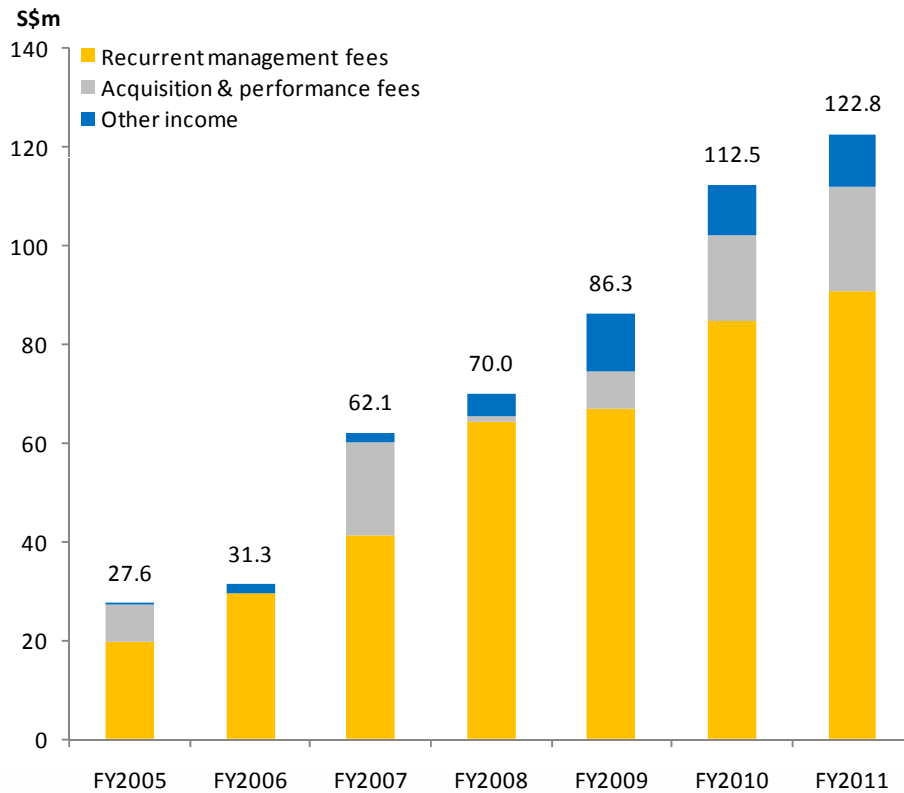
Notes:

- (1) Recurrent management fees from REITs, private real estate funds and real estate management services
- (2) Primarily REIT acquisition / disposal fees and private real estate fund arrangement / performance fees
- (3) Comprises mainly distribution income from financial assets and gains on disposal of REIT units
- (4) Based on share capital of 768,319,189 shares as at 30 September 2012
- (5) Based on exchange rates as at 30 September 2012

# REVENUE AND NET PROFIT

*Strong track record of revenue and net profit growth*

**Historical Revenue**



**Historical Net Profit**



## BALANCE SHEET

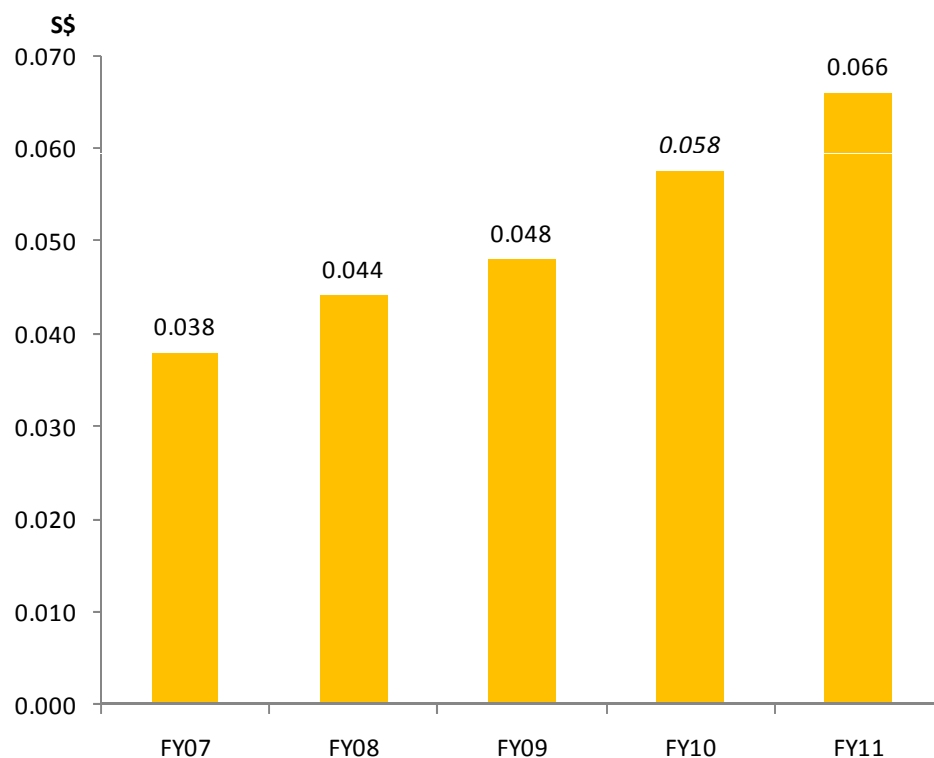
*Robust balance sheet with strong cash position*

Group balance sheet as at 30 Sep 2012		S\$'000			S\$'000
<b>Non-current assets</b>			<b>Non-current liabilities</b>		
Plant and equipment		1,608	Financial liabilities		177
Tenancy deposits		936	Deferred tax liabilities		140
Associates		3,874			
Financial assets		118,830			
		<u>125,248</u>			<u>317</u>
<b>Current assets</b>			<b>Current liabilities</b>		
Financial assets		16,849	Trade and other payables		20,050
Derivative assets		30	Financial liabilities		4,923
Trade and other receivables		35,358	Current tax payable		9,459
Cash and cash equivalents		78,573			
		<u>130,810</u>			<u>34,432</u>
			<b>Total liabilities</b>		<u>34,749</u>
			<b>Shareholders' equity</b>		<u>221,309</u>
<b>Total assets</b>		<u>256,058</u>	<b>Total liabilities &amp; shareholders' equity</b>		<u>256,058</u>

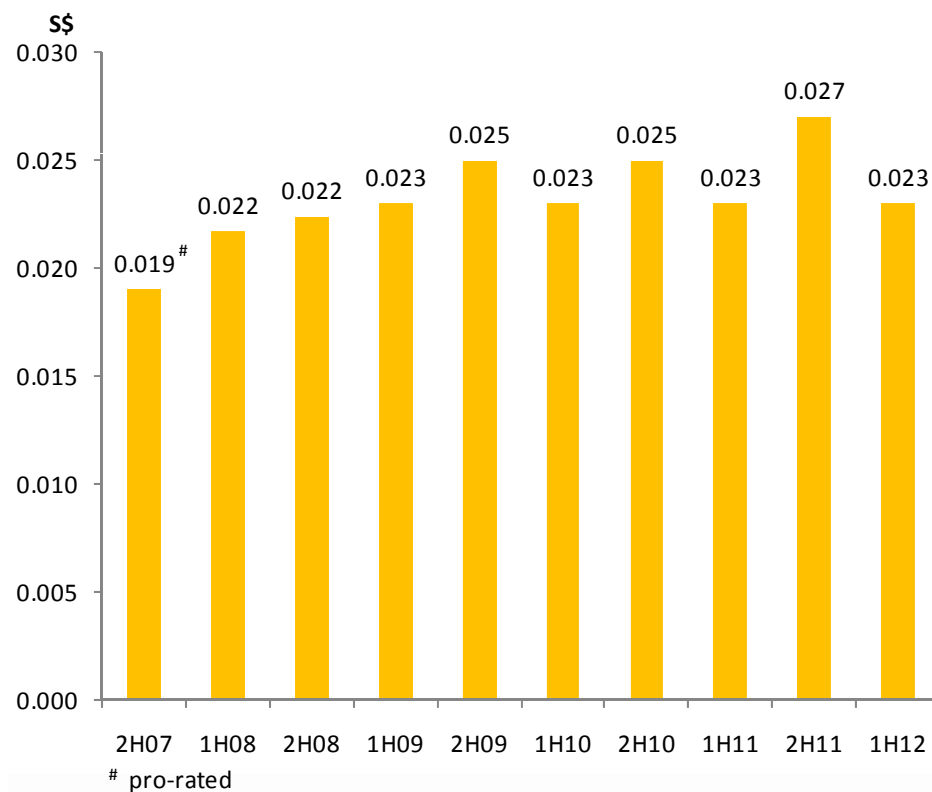
# DIVIDEND HISTORY

*Growing total dividend*

**Dividend Per Share (FY)\***



**Dividend Per Share (Period)**



\* computed based on 582,060,000 shares at listing date, excluding the shares allotted under the 1-for-5 bonus issue in May 2010 and the 1-for-10 bonus issue in June 2011

## 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

- Explore RMB funds in China
- Establish specialist funds for strategic investors

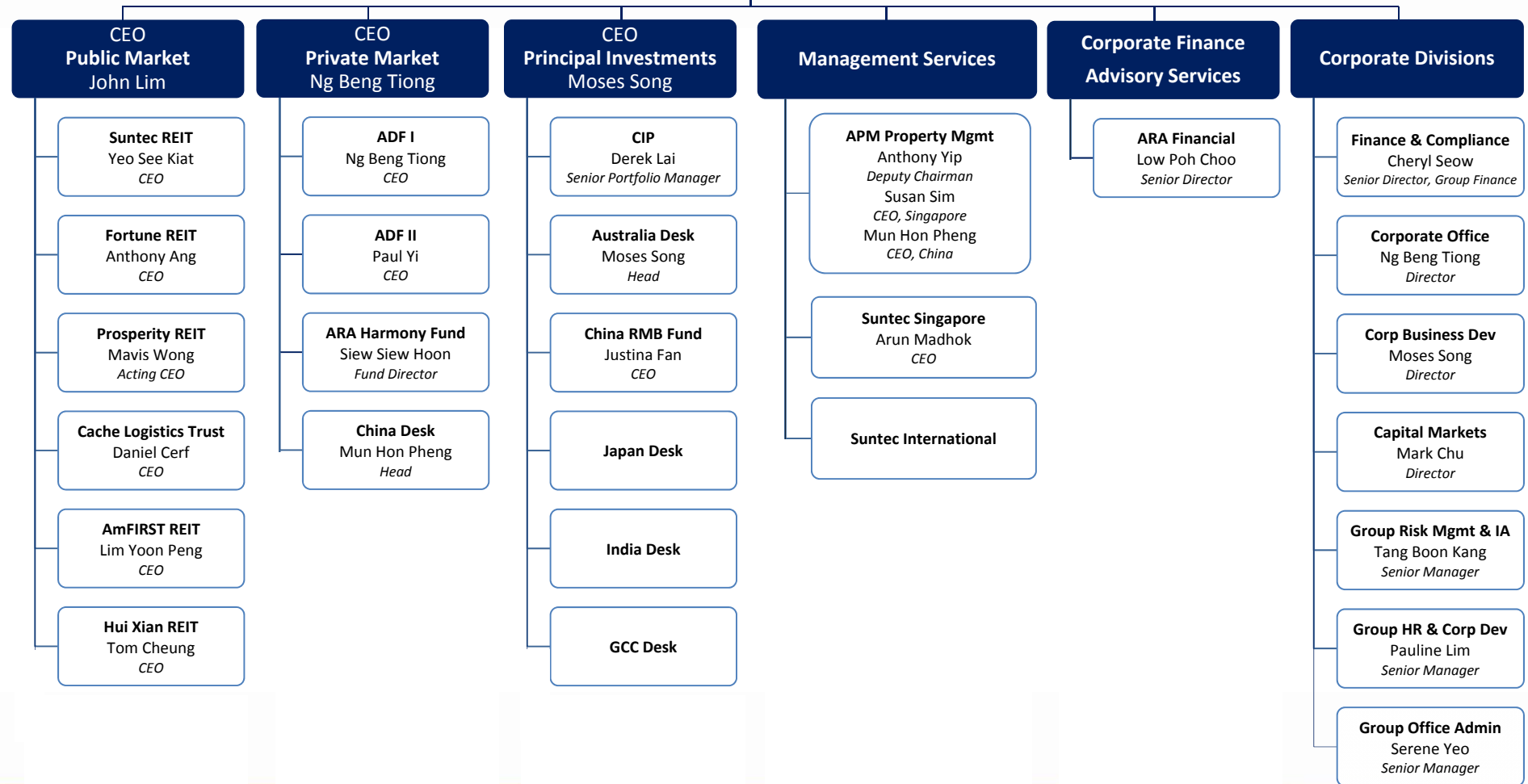
### Real Estate Mgmt Services

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

# MANAGEMENT TEAM

*Experienced team with a proven track record*

**Group CEO**  
John Lim



## Established Regional Network



- Established regional network spanning 13 cities in the Asia-Pacific, including 6 cities in the China Mainland
- Network extends across Singapore, Hong Kong, China, Malaysia and Australia
- Staff strength of approximately 983<sup>(1)</sup> as at 30 September 2012

Notes:

(1) Inclusive of real estate management services business division and employees in joint-venture entities of the Group and various funds under management

## DISCLAIMER

These slides 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 the forward-looking statements in these slides, which are based on the current view of management on future events. Information from external sources in these slides has not been independently verified by us nor have the external sources quoted consented to the inclusion of the information.

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