



ARA ASSET MANAGEMENT LIMITED FINANCIAL STATEMENTS ANNOUNCEMENT

FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2012

The financial information for the year ended 31 December 2012 in the announcement have been extracted from the financial statements for the year ended 31 December 2012, which have been reviewed by the auditors in accordance with the Singapore Standard on Review Engagements 2410.

ARA Asset Management Limited ("ARA" or the "Group") is a real estate fund management company listed on the main board of the Singapore Exchange Securities Trading Limited ("SGX-ST").

The ARA Group comprises four primary business segments:

- Real estate investment trusts ("REITs");
- Private real estate funds;
- Real estate management services; and
- Corporate finance advisory services.

ARA currently manages REITs listed in Singapore, Hong Kong and Malaysia with a diversified portfolio spanning the office/retail (commercial), industrial/office and logistics sectors; private real estate funds investing in real estate in Asia; and provides real estate management services, including property management services and convention & exhibition services; and corporate finance advisory services.

Financial Results Announcement
For the financial year ended 31 December 2012
1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year

	Note	1/10/12 to 31/12/12 S\$'000	1/10/11 to 31/12/11 S\$'000	Change %	1/1/12 to 31/12/12 S\$'000	1/1/11 to 31/12/11 S\$'000	Change %
Management fees	(a)	28,556	23,061	24%	102,615	90,860	13%
Acquisition, divestment and performance fees	(a)	1,514	920	65%	8,223	21,288	(61%)
Finance income	(b)	6,861	2,600	164%	21,997	10,566	108%
Other income		29	17	71%	695	47	n.m.
Total revenue		36,960	26,598	39%	133,530	122,761	9%
Administrative expenses	(c)	(12,029)	(7,215)	67%	(39,172)	(33,789)	16%
Operating lease expenses	(d)	(914)	(587)	56%	(3,149)	(2,239)	41%
Other expenses	(e)	(4,506)	(1,995)	126%	(8,930)	(6,147)	45%
Results from operating activities		19,511	16,801	16%	82,279	80,586	2%
Finance costs	(f)	(146)	(2,180)	(93%)	(638)	(7,048)	(91%)
		19,365	14,621	32%	81,641	73,538	11%
Share of profit of associates, net of tax	(g)	1,196	983	22%	4,461	2,794	60%
Profit before tax	(h)	20,561	15,604	32%	86,102	76,332	13%
Tax expense	(i)	(2,792)	(2,015)	39%	(11,875)	(6,812)	74%
Profit for the period		17,769	13,589	31%	74,227	69,520	7%
Attributable to:							
Equity holders of the Company		17,686	13,266	33%	72,704	68,202	7%
Non-controlling interests		83	323	(74%)	1,523	1,318	16%
		17,769	13,589	31%	74,227	69,520	7%

n.m.: not meaningful

Financial Results Announcement
For the financial year ended 31 December 2012
1(a)(ii) Explanatory notes to the income statement of the Group
(a) Revenue

		4Q2012	4Q2011	Change	FY2012	FY2011	Change
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
Management fees		28,556	23,061	24%	102,615	90,860	13%
REIT base and performance fees	(i)	15,828	14,999	6%	61,709	56,229	10%
Portfolio management and service fees	(ii)	6,872	4,511	52%	25,457	21,764	17%
Real estate management services fees	(iii)	5,856	3,551	65%	15,449	12,867	20%
Acquisition, divestment and performance fees	(iv)	1,514	920	65%	8,223	21,288	(61%)
Acquisition, divestment and performance fees		348	545	(36%)	5,325	20,858	(74%)
Advisory and consultancy fees		1,166	375	211%	2,898	430	574%

- (i) REIT management fees increased by 10% to S\$61.7 million in FY2012 compared with S\$56.2 million in FY2011 primarily due to higher management fees arising from (i) better asset performance due to asset enhancement initiatives resulting in higher valuation of the property portfolios of the REITs under management; and (ii) acquisitions from Fortune REIT - Belvedere Square and Provident Square on 17 February 2012 and Cache Logistics Trust's ("Cache") - Pan Asia Logistics Centre at 21 Changi North Way and Pandan Logistics Hub at 49 Pandan Road on 30 April 2012 and 3 July 2012 respectively.
- (ii) Portfolio management and service fees increased by 17% from S\$21.8 million in FY2011 to S\$25.5 million in FY2012. The ARA Asia Dragon Fund II ("ADF II") which commenced its investment period in March 2012 and the ARA China Investment Partners ("CIP") launched in June 2012 contributed to the additional portfolio management fee income for the Group. However, this increase was partially offset by the reduced management fees from the ARA Asia Dragon Fund ("ADF") following partial divestment of its assets which saw capital returns to investors during the year.
- (iii) Real estate management services fees in FY2012 increased by 20% to S\$15.4 million from S\$12.9 million in FY2011 primarily due to higher leasing commission recognised and contributions from the APM Property Management (China) Limited group of companies ("APMC Group") from August 2012.
- (iv) In FY2012, acquisition, divestment and performance fees were down 61% against FY2011 primarily due to performance fees of S\$18.5 million received in relation to the divestment of interest by investors in ARA Harmony Fund in FY2011. The acquisition, divestment and performance fees of S\$8.2 million received for FY2012 mainly comprised acquisition/divestment fees received in relation to (i) Suntec REIT's divestment of Chijmes in January 2012; (ii) Fortune REIT's acquisition of Belvedere Square and Provident Square; (iii) Cache's acquisitions of Pan Asia Logistics Centre and Pandan Logistics Hub; (iv) AmFIRST REIT's acquisition of Kompleks Tun Sri Lanang (also known as Jaya 99) on 1 November 2012; and (v) advisory and consultancy fees of S\$2.9 million received mainly in relation to project management services provided by APM Property Management Pte. Ltd. ("APM") and its related corporations to malls in Malaysia, Suntec REIT and the ARA Harmony Fund for the re-making of Suntec City.

(b) Finance income

Finance income comprised primarily of distribution income, interest income, net gain on fair valuation / disposal of held-for-trading securities and net foreign exchange gain. Finance income increased from S\$10.6 million in FY2011 to S\$22.0 million in FY2012 primarily due to a net gain on fair valuation / disposal of certain REIT units received by the Group as part payment for REIT management and acquisition fees totalling S\$11.3 million (FY2011 recorded a net loss on fair valuation / disposal of certain REIT units). This increase was further boosted by a higher distribution income of S\$10.5 million received for FY2012 as compared to S\$9.6 million received for FY2011. This was mainly attributable to the distribution of profits by the ADF arising from the divestment of properties under its portfolio.

**Financial Results Announcement
For the financial year ended 31 December 2012****(c) Administrative expenses**

Administrative expenses comprised primarily of staff-related expenses and advisory fees. On a full year basis, administrative expenses increased by 16% to S\$39.2 million in FY2012 from S\$33.8 million in FY2011, primarily due to an increase in headcount from the establishment of new business segments which is in line with the Group's continuing business expansion as well as adjustments of accruals for year end. The increase is in line with the Group's recurrent revenue growth. Excluded from administrative expenses were staff-related expenses of S\$16.2 million (FY2011: S\$18.5 million) for Suntec Singapore International Convention & Exhibition Services Pte. Ltd. which was fully reimbursed from a fund.

(d) Operating lease expenses

Operating lease expenses increased to S\$3.1 million in FY2012 from S\$2.2 million in FY2011 due to additional office space secured for both its local and overseas operations which is in line with the Group's continuing business expansion.

(e) Other expenses

Other expenses comprised primarily of other staff-related expenses (such as travelling expenses), telecommunications expenses, legal & professional fees (including auditors' remuneration, company secretarial and share registrar fees), insurance, amortisation of intangible asset, depreciation, continuing listing expenses, board meeting expenses and other miscellaneous expenses.

Other expenses increased by S\$2.8 million from S\$6.1 million in FY2011 to S\$8.9 million in FY2012. This was mainly attributable to the recognition of legal and professional costs incurred for funds closing, namely the ADF II and the CIP and project abortive costs relating to the suspension of the listing of Dynasty REIT.

(f) Finance costs

Finance costs comprise net loss on fair valuation / disposal of held-for-trading securities, net foreign exchange loss and interest expenses. Finance costs decreased by S\$6.4 million from S\$7.0 million in FY2011 to S\$0.6 million in FY2012 primarily due to a net loss on fair valuation / disposal of held-for-trading securities of S\$6.1 million in FY2011. This mainly relates to the fair valuation of Suntec REIT units received by the Group for the acquisition of a one-third interest in the MBFC Property by Suntec REIT in December 2010 and part payment of quarterly REIT management fees receivable in units. There were no such losses recognised in FY2012.

(g) Share of profit of associates (net of tax)

Share of profit of associates (net of tax) was primarily due to the recognition of the Group's share of profits arising from (i) 30% effective interest in Am ARA REIT Managers Sdn. Bhd., the manager of AmFIRST REIT, (ii) 40% effective interest in Cache Property Management Pte. Ltd., the property manager of Cache and (iii) 30% effective interest in Hui Xian Asset Management Limited, the manager of Hui Xian REIT.

Financial Results Announcement
For the financial year ended 31 December 2012
(h) Profit before tax

The following items have been included in arriving at profit before tax for the period:

	4Q2012	4Q2011	Change	FY2012	FY2011	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<u>Finance income</u>						
Distribution income	4,393	2,567	71%	10,501	9,644	9%
Interest income	40	22	82%	165	831	(80%)
Foreign exchange gain - net	-	11	(100%)	-	91	(100%)
Gain on fair valuation of held-for-trading securities	2,428	-	n.m.	11,331	-	n.m.
<u>Operating expenses</u>						
Amortisation of intangible asset	-	144	(100%)	-	798	(100%)
Depreciation of plant and equipment	169	185	(9%)	595	578	3%
<u>Finance costs</u>						
Interest expense	78	28	179%	230	428	(46%)
Foreign exchange loss, net	68	-	n.m.	408	-	n.m.
Impairment loss on available-for-sale financial asset	-	541	(100%)	-	541	(100%)
Loss on fair valuation of held-for-trading securities	-	1,611	(100%)	-	6,079	(100%)

n.m.: not meaningful

(i) Income tax expense

The current tax expense is based on the statutory tax rates of the respective countries in which the subsidiaries of the Group operate.

1(a)(iii) Statement of comprehensive income together with a comparative statement for the corresponding period of the immediately preceding financial year

	4Q2012	4Q2011	Change	FY2012	FY2011	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Profit for the period	17,769	13,589	31%	74,227	69,520	7%
Other comprehensive income:						
Translation differences relating to financial statements of foreign subsidiaries	(176)	(326)	(46%)	(2,626)	163	n.m.
Net change in fair value of available-for-sale financial assets	7,625	1,958	289%	23,033	(16,374)	n.m.
Effective portion of changes in fair value of cash flow hedge	(30)	152	n.m.	717	(836)	n.m.
Other comprehensive income for the year, net of tax	7,419	1,784	316%	21,124	(17,047)	n.m.
Total comprehensive income for the period	25,188	15,373	64%	95,351	52,473	82%
Total comprehensive income attributable to:						
Equity holders of the Company	25,105	15,050	67%	93,828	51,155	83%
Non-controlling interests	83	323	(74%)	1,523	1,318	16%
Total comprehensive income for the period	25,188	15,373	64%	95,351	52,473	82%

n.m.: not meaningful

Note:

There is no tax effect relating to the components of the other comprehensive income for the period.

Financial Results Announcement
For the financial year ended 31 December 2012
1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

	Note	Group		Company	
		31/12/12 S\$'000	31/12/11 S\$'000	31/12/12 S\$'000	31/12/11 S\$'000
Assets					
Plant and equipment		1,640	1,360	-	-
Subsidiaries	(a)	-	-	85,923	87,690
Associates	(b)	3,578	3,100	-	-
Financial assets	(c)	123,209	96,920	-	-
Tenancy deposits		971	502	-	-
Total non-current assets		129,398	101,882	85,923	87,690
Financial assets	(d)	26,014	24,764	-	-
Trade and other receivables	(e)	33,420	30,616	4,029	5,304
Cash and cash equivalents		100,258	57,291	56,326	31,091
Total current assets		159,692	112,671	60,355	36,395
Total assets		289,090	214,553	146,278	124,085
Equity					
Share capital		1,537	1,537	1,537	1,537
Reserves		92,915	71,791	75,012	75,012
Accumulated profits		149,863	115,574	67,636	46,110
Equity attributable to equity holders of the Company		244,315	188,902	144,185	122,659
Non-controlling interests	(f)	2,304	659	-	-
Total equity		246,619	189,561	144,185	122,659
Liabilities					
Loan and borrowings	(g)	189	268	-	-
Deferred tax liabilities		118	117	-	-
Total non-current liabilities		307	385	-	-
Trade and other payables	(h)	26,099	17,343	2,093	1,426
Loan and borrowings	(g)	4,878	120	-	-
Derivative liabilities	(i)	-	717	-	-
Current tax payable		11,187	6,427	-	-
Total current liabilities		42,164	24,607	2,093	1,426
Total liabilities		42,471	24,992	2,093	1,426
Total equity and liabilities		289,090	214,553	146,278	124,085

**Financial Results Announcement
For the financial year ended 31 December 2012****Footnotes:**

- (a) *Interest in subsidiaries comprise equity investments in the Company's subsidiaries and loans to subsidiaries where the settlement of the amount is neither planned nor likely to occur in the foreseeable future.*
- (b) *Interest in associates relates to the Group's 40% equity interest in Cache Property Management Pte. Ltd., and 30% equity interest in Am ARA REIT Holdings Sdn. Bhd., Am ARA REIT Managers Sdn. Bhd., World Deluxe Enterprises Limited, Hui Xian Asset Management Limited and Beijing Hui Xian Enterprise Services Limited.*
- (c) *Non-current financial assets as at 31 December 2012 comprise (i) 34.1 million Suntec REIT units held by the Group as a strategic stake and which have been pledged as security for a credit facility (see 1(b)(ii) – Details of any collateral); (ii) 11.9 million Cache units held by the Group as a strategic stake, (iii) 37.0 million AmFIRST REIT units held by the Group as strategic stake and which have been pledged as security for a credit facility (see 1(b)(ii) – Details of any collateral); (iv) seed capital investments in the ADF and the ADF II; (v) investment in the ARA Asian Asset Income Fund ("AAIF"); and (vi) a 13.9% strategic stake in APN Property Group Limited ("APN").*
- (d) *Current financial assets as at 31 December 2012 comprise (i) REIT units received by the Group as part payment of management fees by Suntec REIT, (ii) REIT units received by the Group as payment of acquisition fees for the acquisition of Belvedere Square and Provident Square by Fortune REIT on 17 February 2012; (iii) REIT units received by the Group as payment of acquisition fees for the acquisition of Pandan Logistics Hub by Cache on 3 July 2012; and (iv) REIT units received by the Group as full payment for dividend income declared by an associate. The REIT units received as payment for acquisition fees are subject to a one-year moratorium as stipulated in the Code on Collective Investment Schemes issued by the MAS.*
- (e) *Trade and other receivables comprise accrued fees receivable, deposits, prepayments and other receivables. The increase in trade and other receivables is primarily due to the increase in accrued portfolio management fees relating to (i) the ADF II and the CIP; and (ii) an increase in the valuation of the property portfolios of the REITs under management in FY2012.*
- (f) *Non-controlling interest relates to the non-controlling shareholders' proportionate interest in ARA-CWT Trust Management (Cache) Limited, as well as APMC Group which was acquired in August 2012.*
- (g) *Financial liabilities as at 31 December 2012 relate to (i) a secured revolving credit facility taken up with United Overseas Bank (Malaysia) Bhd to finance the subscription of a 3-for-5 rights issue by AmFIRST REIT (see 1(b)(ii) – Details of any collateral); and (ii) finance lease liabilities for the purchase of certain plant and equipment.*
- (h) *Trade and other payables comprise accrued fees payable, net GST output tax payable, provision for staff related benefits to employees and other payables. The increase in trade and other payables was primarily due to payment of FY2011 bonus before the year end as compared to FY2012 where bonus payment was made after the year end. The increase in headcount, in line with the Group's continuing business expansion, as well as legal and professional costs incurred for funds closing, namely the ADF II and the CIP and project abortive costs for the year ended 31 December 2012 also contributed to the increase.*
- (i) *Derivative liabilities relate to the fair value of foreign currency forward contracts entered into by the Group to hedge the Group's net foreign currency exposure.*

**Financial Results Announcement
For the financial year ended 31 December 2012**

1(b)(ii) Aggregate amount of group's borrowings and debt securities

	31/12/12		31/12/11	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Amount repayable in one year or less, or on demand	4,878	-	120	-
Amount repayable after one year	189	-	268	-
	<u>5,067</u>	<u>-</u>	<u>388</u>	<u>-</u>

Footnotes:

- (a) *The increase in total borrowings was primarily due to the RM12.0 million (equivalent to approximately S\$4.8 million) loan taken up to finance the subscription of a 3-for-5 rights issue by AmFIRST REIT (see 1(b)(ii) – Details of any collateral).*
- (b) *The Group's borrowings includes S\$266,000 (31 December 2011: S\$388,000) relating to finance leases liabilities for the purchase of certain plant and equipment.*
- (c) *As at 31 December 2012, the Group has the following facilities available:*
- (i) *an unutilised revolving credit facility of S\$19.8 million secured on the Group's strategic stake in Suntec REIT (31 December 2011: S\$20.0 million);*
 - (ii) *an unutilised revolving credit facility of RM4.0 million secured on the Group's strategic stake in AmFIRST REIT (31 December 2011: RM16.0 million); and*
 - (iii) *unutilised unsecured overdraft facilities of S\$6.0 million and HK\$3.0 million (31 December 2011: S\$6.0 million and HK\$3.0 million);*

Details of any collateral

As at 31 December 2012, the Group had bank borrowings of RM12.0 million (equivalent to S\$4.8 million (31 December 2011: Nil)) which relates to a secured revolving credit facility provided by United Overseas Bank (Malaysia) Bhd to our wholly-owned subsidiary, Jadeline Capital Sdn. Bhd. to finance the subscription of a 3-for-5 rights issue by AmFIRST REIT which amounts to approximately 13.9 million units. This facility bears interest at a floating rate of 1.4% p.a. above the bank's cost of funds and is secured by a pledge of 23.1 million units in AmFIRST REIT. This facility is available for a period of 3 years with an option to extend for another 3 years.

On 15 March 2011, the Group pledged 34.1 million units of Suntec REIT as security for a S\$20.0 million revolving credit facility with United Overseas Bank Limited. The facility bears interest at a floating rate of 1.35% p.a. above the Association of Banks in Singapore Swap Offer Rate and terminates on 15 March 2014.

Financial Results Announcement
For the financial year ended 31 December 2012
1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

	4Q2012 S\$'000	4Q2011 S\$'000	FY2012 S\$'000	FY2011 S\$'000
Cash flows from operating activities				
Profit for the period	17,769	13,589	74,227	69,520
Adjustments for:				
Amortisation of intangible asset	-	144	-	798
Depreciation of plant and equipment	169	185	595	578
Distribution income	(4,393)	(2,567)	(10,501)	(9,644)
Impairment loss on available-for-sale securities	-	541	-	541
Interest expense	78	28	230	428
Interest income	(40)	(22)	(165)	(831)
Loss on disposal of plant and equipment	-	1	6	1
(Gain) / loss on fair valuation of held-for-trading securities	(2,428)	1,611	(11,331)	6,079
Management fees received / receivable in units of REITs	(12,572)	(11,952)	(52,722)	(44,811)
Share of profit of associates	(1,196)	(983)	(4,461)	(2,794)
Tax expense	2,792	2,015	11,875	6,812
Operating profit before working capital changes	179	2,590	7,753	26,677
Changes in working capital:				
Change in trade and other receivables	2,456	(3,096)	(2,570)	(2,271)
Change in trade and other payables	6,087	(4,762)	8,216	(2,857)
Cash generated from operating activities	8,722	(5,268)	13,399	21,549
Distribution income received	4,393	2,567	10,501	9,644
Proceeds from sale of units in REITs	6,748	3,283	64,877	27,033
Tax paid	(1,085)	(907)	(7,114)	(8,818)
Cash flows (used in) / from operating activities	18,778	(325)	81,663	49,408
Cash flows from investing activities				
Dividend received from associate	158	542	908	828
Interest received	40	22	165	831
Investment in associate	-	239	-	(4)
Acquisition of subsidiaries, net of cash acquired	7	-	1,346	-
Proceeds from disposal of plant and equipment	-	(3)	-	3
Proceeds from interest bearing loan to a private fund	-	-	-	8,000
Purchase of plant and equipment	(202)	(71)	(892)	(444)
(Purchase of)/proceeds from disposal of available-for-sale securities	3,034	984	(5,035)	12,402
Cash flows (used in) / from investing activities	3,037	1,713	(3,508)	21,616
Cash flows from financing activities				
Dividends paid	-	(1,080)	(39,215)	(36,661)
Interest paid	(78)	(28)	(230)	(428)
Payment of finance lease liabilities	(29)	(30)	(122)	(119)
Drawdown / (repayment) of borrowings	(4)	-	4,801	(18,851)
Cash flows used in financing activities	(111)	(1,138)	(34,766)	(56,059)
Net increase in cash & cash equivalents	21,704	250	43,389	14,965
Cash and cash equivalents at beginning of period	78,573	57,089	57,291	42,327
Effect of exchange rate fluctuations on cash held	(19)	(48)	(422)	(1)
Cash and cash equivalents at end of period	100,258	57,291	100,258	57,291

**Financial Results Announcement
For the financial year ended 31 December 2012**

Footnotes:

- (a) As at 31 December 2012, the Group had utilised S\$63.4 million of the net IPO proceeds raised of S\$75.5 million as follows:-

	As at	
	31/12/12 S\$'000	31/12/11 S\$'000
Seed capital investment in the ADF	28,169	24,723
Strategic stake in REIT	27,200	27,200
Investment in mezzanine loan ⁽¹⁾	8,000	8,000
	63,369	59,923

- (1) This investment was made in relation to the establishment of the ARA Harmony Fund.

The balance amount of S\$12.1 million has been deployed for the Group's working capital and general corporate purposes. This is in line with the disclosure in the Prospectus of the Company dated 26 October 2007.

- (b) Net cash flows from operating activities increased to S\$81.7 million in FY2012 from S\$49.4 million in FY2011 primarily due to higher proceeds received from the sale of certain REIT units received by the Group as part payment for REIT management and acquisition fees.
- (c) Net cash outflow from investing activities was S\$3.5 million in FY2012 as compared to a net cash inflow of S\$21.6 million in FY2011. The net cash outflow from investing activities in FY2012 mainly arose from the subscription of a 3-for-5 rights issue by AmFIRST REIT amounting to S\$4.6 million and seed capital investment (net of redemption) amounting to S\$0.4 million in both the ADF and the ADF II pursuant to capital calls by both funds. The acquisition of subsidiaries, net of cash acquired of S\$1.3 million relates to the acquisition of APMC Group and the amount was determined based on the audited consolidated accounts of the investee. The net cash inflow from investment activities in FY2011 was primarily attributable to (i) net proceeds received from the partial sale of AmFIRST REIT units in April 2011; and (ii) proceeds received in relation to the Group's participation in a mezzanine loan to the ARA Harmony Fund to partially finance its acquisition of Suntec Singapore.
- (d) Net cash outflow from financing activities decreased to S\$34.8 million in FY2012 from S\$56.1 million in FY2011, primarily due to the repayment of the RM44.9 million loan facility (equivalent to S\$18.9 million) in FY2011. In FY2012, although the Group had paid higher dividends relative to FY2011, the effect was offset by the drawdown of RM12.0 million (equivalent to S\$4.8 million) from the total revolving credit facility of RM16 million taken up by the Group in FY2012 to finance the 3-for-5 rights issue by AmFIRST REIT.

Financial Results Announcement
For the financial year ended 31 December 2012

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

<u>Company</u>	Share capital S\$'000	Share premium S\$'000	Accumulated profits S\$'000	Total equity S\$'000
At 1 January 2011	1,397	75,152	29,569	106,118
Total comprehensive income for the period				
- Profit for the period	-	-	4,893	4,893
At 31 March 2011	1,397	75,152	34,462	111,011
Total comprehensive income for the period				
- Profit for the period	-	-	13,989	13,989
Transactions with owners, recorded directly in equity				
- Issue of 1-for-10 bonus shares	140	(140)	-	-
Final tax-exempt dividend paid of S\$0.025 per share	-	-	(17,462)	(17,462)
At 30 June 2011	1,537	75,012	30,989	107,538
Total comprehensive income for the period				
- Profit for the period	-	-	10,645	10,645
Interim tax-exempt dividend paid of S\$0.023 per share	-	-	(17,671)	(17,671)
At 30 September 2011	1,537	75,012	23,963	100,512
Total comprehensive income for the period				
- Profit for the period	-	-	22,147	22,147
At 31 December 2011	1,537	75,012	46,110	122,659
At 1 January 2012	1,537	75,012	46,110	122,659
Total comprehensive income for the period				
- Profit for the period	-	-	7,407	7,407
At 31 March 2012	1,537	75,012	53,517	130,066
Total comprehensive income for the period				
- Profit for the period	-	-	31,144	31,144
Transactions with owners, recorded directly in equity	-	-	-	-
Final tax-exempt dividend paid of S\$0.027 per share	-	-	(20,744)	(20,744)
At 30 June 2012	1,537	75,012	63,917	140,466
Total comprehensive income for the period				
- Profit for the period	-	-	14,323	14,323
Interim tax-exempt dividend paid of S\$0.023 per share	-	-	(17,671)	(17,671)
At 30 September 2012	1,537	75,012	60,569	137,118
Total comprehensive income for the period				
- Profit for the period	-	-	7,067	7,067
At 31 December 2012	1,537	75,012	67,636	144,185

Financial Results Announcement
For the financial year ended 31 December 2012

Group	Share capital and premium	Fair value reserve	Other reserves	Accumulated profits	Attributable to equity holders of the Company	Non-controlling interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2011	76,549	17,129	(3,303)	82,505	172,880	638	173,518
Total other comprehensive income	-	(129)	(561)	-	(690)	-	(690)
Profit for the period	-	-	-	14,827	14,827	316	15,143
Total comprehensive income for the period	-	(129)	(561)	14,827	14,137	316	14,453
At 31 March 2011	76,549	17,000	(3,864)	97,332	187,017	954	187,971
Total other comprehensive income	-	(4,576)	(1,015)	-	(5,591)	-	(5,591)
Profit for the period	-	-	-	14,744	14,744	340	15,084
Total comprehensive income for the period	-	(4,576)	(1,015)	14,744	9,153	340	9,493
<i>Transactions with owners, recorded directly in equity</i>							
<i>Contributions by and distributions to owners</i>							
Waiver of loan to subsidiary	-	-	-	-	-	231	231
Dividend paid to non-controlling interest	-	-	-	-	-	(448)	(448)
Total transactions with owners	-	-	-	-	-	(217)	(217)
Final tax-exempt dividend paid of S\$0.025 per share	-	-	-	(17,462)	(17,462)	-	(17,462)
At 30 June 2011	76,549	12,424	(4,879)	94,614	178,708	1,077	179,785
Total other comprehensive income	-	(13,627)	1,077	-	(12,550)	-	(12,550)
Profit for the period	-	-	-	25,365	25,365	339	25,704
Total comprehensive income for the period	-	(13,627)	1,077	25,365	12,815	339	13,154
Interim tax-exempt dividend paid of S\$0.023 per share	-	-	-	(17,671)	(17,671)	-	(17,671)
At 30 September 2011	76,549	(1,203)	(3,802)	102,308	173,852	1,416	175,268
Total other comprehensive income	-	1,958	(174)	-	1,784	-	1,784
Profit for the period	-	-	-	13,266	13,266	323	13,589
Total comprehensive income for the period	-	1,958	(174)	13,266	15,050	323	15,373
<i>Transactions with owners, recorded directly in equity</i>							
Dividend paid to non-controlling interest	-	-	-	-	-	(1,080)	(1,080)
Total transactions with owners	-	-	-	-	-	(1,080)	(1,080)
At 31 December 2011	76,549	755	(3,976)	115,574	188,902	659	189,561
At 1 January 2012	76,549	755	(3,976)	115,574	188,902	659	189,561
Total other comprehensive income	-	7,194	(616)	-	6,578	-	6,578
Profit for the period	-	-	-	20,003	20,003	291	20,294
Total comprehensive income for the period	-	7,194	(616)	20,003	26,581	291	26,872
At 31 March 2012	76,549	7,949	(4,592)	135,577	215,483	950	216,433
Total other comprehensive income	-	2,215	163	-	2,378	-	2,378
Profit for the period	-	-	-	15,381	15,381	390	15,771
Total comprehensive income for the period	-	2,215	163	15,381	17,759	390	18,149
<i>Transactions with owners, recorded directly in equity</i>							
<i>Contributions by and distributions to owners</i>							
Final tax-exempt dividend paid of S\$0.027 per share	-	-	-	(20,744)	(20,744)	-	(20,744)
Total transactions with owners	-	-	-	(20,744)	(20,744)	-	(20,744)
At 30 June 2012	76,549	10,164	(4,429)	130,214	212,498	1,340	213,838
Total other comprehensive income	-	5,999	(1,250)	-	4,749	-	4,749
Profit for the period	-	-	-	19,634	19,634	759	20,393
Total comprehensive income for the period	-	5,999	(1,250)	19,634	24,383	759	25,142
<i>Transactions with owners, recorded directly in equity</i>							
<i>Contributions by and distributions to owners</i>							
Dividend paid to non-controlling interest	-	-	-	-	-	(800)	(800)
Interim tax-exempt dividend paid of S\$0.023 per share	-	-	-	(17,671)	(17,671)	-	(17,671)
Total contributions by and distributions to owners	-	-	-	(17,671)	(17,671)	(800)	(18,471)
<i>Changes in ownership interests in subsidiaries</i>							
Acquisition of non-controlling interests with a change in control	-	-	-	-	-	800	800
Total changes in ownership interests in subsidiaries	-	-	-	-	-	800	800
Total transactions with owners	-	-	-	(17,671)	(17,671)	-	(17,671)
At 30 September 2012	76,549	16,163	(5,679)	132,177	219,210	2,099	221,309
Total other comprehensive income	-	7,625	(206)	-	7,419	-	7,419
Profit for the period	-	-	-	17,686	17,686	83	17,769
Total comprehensive income for the period	-	7,625	(206)	17,686	25,105	83	25,188
<i>Transactions with owners, recorded directly in equity</i>							
<i>Changes in ownership interests in subsidiaries</i>							
Acquisition of non-controlling interests with a change in control	-	-	-	-	-	122	122
Total changes in ownership interests in subsidiaries	-	-	-	-	-	122	122
At 31 December 2012	76,549	23,788	(5,885)	149,863	244,315	2,304	246,619

Note:

- Included in the share capital is a share premium account of S\$75.0 million as at 31 December 2012 (31 December 2011: S\$75.0 million).
- Other reserves comprised foreign currency translation reserves and hedging reserves.

**Financial Results Announcement
For the financial year ended 31 December 2012**

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year

There are no changes in the Company's share capital since the end of the last quarter financial statements announcement, which was reported on 1 November 2012.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year

	31/12/12	As at 31/12/11
Total number of issued shares	768,319,189	768,319,189

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on

Not applicable.

2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Review Engagements 2400 (Engagements to Review Financial Statements), or an equivalent standard)

The figures for the year ended 31 December 2012 have not been audited but have been reviewed by the auditors in accordance with Singapore Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity".

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Please refer to attached review report.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

The same accounting policies and methods of computation were followed during the current financial period as compared to those reported in the audited consolidated financial statements for the financial year ended 31 December 2011.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

Not applicable.

**Financial Results Announcement
For the financial year ended 31 December 2012**

6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

(Singapore cents)

	4Q2012	4Q2011	FY2012	FY2011
Earnings per ordinary share for the period based on profit for the period attributable to equity holders of the Company:				
(i) Based on the number of ordinary shares in issue as at the end of the financial period	2.30	1.73	9.46	8.88
(ii) On a fully diluted basis	2.30	1.73	9.46	8.88

The calculation of basic and diluted earnings per share for the relevant period was based on the profit for the period attributable to equity holders of the Company for the financial periods ended 31 December 2012 and 31 December 2011 and the issued share capital of 768,319,189 shares.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued share capital excluding treasury shares of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year

(Singapore cents)	Group		Company	
	31/12/12	31/12/11	31/12/12	31/12/11
Net asset value per ordinary share	31.80	24.59	18.77	15.96
Net tangible assets per ordinary share	31.80	24.59	18.77	15.96

Net asset value ("NAV") per share for the relevant period was calculated based on the net assets of the Group (excluding non-controlling interests) and the issued share capital of 768,319,189 shares.

Net tangible assets per share was calculated based on the NAV of the Group (excluding non-controlling interests and intangible asset), and the issued share capital of 768,319,189 shares.

**Financial Results Announcement
For the financial year ended 31 December 2012**

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

Review of performance

	4Q2012 S\$'000	4Q2011 S\$'000	Change %	FY2012 S\$'000	FY2011 S\$'000	Change %
Total Revenue	36,960	26,598	39%	133,530	122,761	9%
Management fees	28,556	23,061	24%	102,615	90,860	13%
Acquisition, divestment and performance fees	1,514	920	65%	8,223	21,288	(61%)
Finance income	6,861	2,600	164%	21,997	10,566	108%
Other income	29	17	71%	695	47	n.m.
Net profit ⁽¹⁾	17,686	13,266	33%	72,704	68,202	7%

(1) Net profit refers to "Profit for the period attributable to equity holders of the Company"

4Q2012 vs 4Q2011

The Group's recurrent management fee income increased by 24% to S\$28.6 million in 4Q2012 from S\$23.1 million in 4Q2011. This was primarily due to higher REIT management and portfolio management fees arising from (i) better asset performance due to asset enhancement initiatives resulting in higher valuation of the property portfolios of the REITs under management; and (ii) higher portfolio management fees receivable from the newly established private real estate funds, namely the CIP and the ADF II.

The Group's acquisition, divestment and performance fees increased from S\$0.9 million in 4Q2011 to S\$1.5 million in 4Q2012 mainly due to the project management services provided by APM for the re-making of Suntec City as well as acquisition fees received from AmFIRST REIT's acquisition.

Finance income increased to S\$6.9 million in 4Q2012 from S\$2.6 million in 4Q2011, mainly due to (i) S\$2.4 million net gain recorded on the fair valuation / disposal of certain REIT units received by the Group as part payment for REIT management and acquisition fees (4Q2011 recorded a net loss on fair valuation / disposal of certain REIT units); and (ii) higher distribution income of S\$4.4 million (4Q2011: S\$2.6 million) received. The higher distribution income was mainly attributable to the distribution of profits by the ADF arising from the divestment of a property under its portfolio in December 2012.

The Group recorded higher operating expenses of S\$17.4 million in 4Q2012 compared to S\$9.8 million in 4Q2011. This was primarily due to (i) legal and professional costs incurred for newly established funds, the ADF II and the CIP, which were closed during the year; (ii) accruals of project abortive costs relating to the suspension of the listing of Dynasty REIT; (iii) higher operating lease expenses from additional office space secured for both its local and overseas operations and (iv) increase in staff-related expenses arising from an increase in headcount from the establishment of new business segments, the ADF II and the CIP.

Finance costs for the Group declined S\$2.0 million to S\$0.1 million in 4Q2012 as finance costs in 4Q2011 included a net loss on fair valuation / disposal of certain REIT units of S\$1.6 million (4Q2012 recorded a net gain on fair valuation / disposal of certain REIT units).

As a result of the above, quarter-on-quarter net profit for 4Q2012 was S\$17.7 million or 33% higher compared to S\$13.3 million in 4Q2011.

**Financial Results Announcement
For the financial year ended 31 December 2012****FY2012 vs FY2011**

The Group's recurrent management fee income increased by 13% to S\$102.6 million in FY2012 from S\$90.9 million in FY2011. This was primarily due to higher REIT management and portfolio management fees recognised arising from (i) better asset performance due to asset enhancement initiatives resulting in higher valuation of the property portfolios of the REITs under management; (ii) Fortune REIT's acquisition of Belvedere Square and Provident Square and Cache's acquisitions of Pan Asia Logistics Centre and Pandan Logistics Hub; and (iii) portfolio management fees from the newly established private real estate funds namely the CIP and the ADF II.

In FY2012, the Group's acquisition, divestment and performance fees of S\$8.2 million comprised acquisition/divestment fees received in relation to (i) Suntec REIT's divestment of Chijmes; (ii) Fortune REIT's acquisition of Belvedere Square and Provident Square; (iii) Cache's acquisitions of Pan Asia Logistics Centre and Pandan Logistics Hub; (iv) AmFIRST REIT's acquisition of Jaya 99; and (v) advisory and consultancy fees received by APM for the re-making of Suntec City. Total acquisition and performance fees of S\$21.3 million received in FY2011 comprised primarily of (i) performance fee of S\$18.5 million received in relation to the ARA Harmony Fund; (ii) acquisition fees of S\$2.4 million relating to the acquisition of a 51% interest in Harmony Partners Investments Limited by Suntec REIT; (iii) the acquisition of 4 properties by Cache and (iv) the acquisition of 3 properties by AmFIRST REIT.

Finance income increased to S\$22.0 million in FY2012 from S\$10.6 million in FY2011 mainly arising from a net gain of S\$11.3 million on fair valuation / disposal of certain REIT units received by the Group as part payment for REIT management and acquisition fees (FY2011 recorded a net loss on fair valuation / disposal of certain REIT units). This increase was further boosted by a higher distribution income of S\$10.5 million received for FY2012 as compared to S\$9.6 million received for FY2011. This was mainly attributable to the distribution of profits by the ADF arising from the divestment of a property under its portfolio.

Operating expenses increased from S\$42.2 million in FY2011 to S\$51.3 million in FY2012. This increase is in line with the Group's expansion strategy which saw (i) higher staff-related expenses from increased headcount from the expansion of new business segments, (ii) operating lease expenses from additional office space secured both locally and overseas, (iii) legal and professional costs incurred for newly established funds, the ADF II and the CIP, closed during the year and also (iv) accrual of project abortive costs relating to the suspension of the listing of Dynasty REIT.

Finance costs decreased by S\$6.4 million from S\$7.0 million in FY2011 to S\$0.6 million in FY2012 primarily due to a net loss on fair valuation / disposal of held-for-trading securities of S\$6.1 million in FY2011. This mainly relates to the fair valuation of Suntec REIT units received by the Group for the acquisition of a one-third interest in the MBFC Property by Suntec REIT in December 2010 and part payment of quarterly REIT management fees receivable in units. There were no such losses recognised in FY2012.

As a result of the above, the net profit for FY2012 was S\$72.7 million, 7% higher than FY2011's net profit of S\$68.2 million.

As at 31 December 2012, the Group's total assets under management stood at S\$22.1 billion (approximately US\$18.1 billion).

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

Not applicable.

**Financial Results Announcement
For the financial year ended 31 December 2012****10. A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months**

The 2013 outlook remains bleak for Europe, as unemployment rates remain on the rise for many European countries with many teetering on the edge of a recession or already experiencing one. The sovereign debt problems in Greece, Spain and Italy continue to be glossed over as governments lack the means as well as the political will to implement even harsher austerity measures.

Japan's recent yen devaluation has also sparked concerns that other nations may follow suit and take protectionist steps to devalue their own currencies in order to make their country's exports cheaper, triggering a potential global currency war that will be detrimental to global trade.

However, recent upbeat US macroeconomic data has prompted US Federal Reserve Chairman to suggest recently that the world's largest economy is slowly recovering, although it is still far from operating at full strength with the US jobless rate near 8%.

In a further boost to market confidence, China has taken its once-in-a-decade leadership change in stride late last year. Many are optimistic that the new team will be able to revive the slowing Chinese economy in 2013 by boosting its domestic industrial output and speeding up selected infrastructure and construction projects. Efforts have so far halted a seven-quarter deceleration, as China's gross domestic product grew by 7.9% in the final three months of 2012.

Given the uncertain business environment, ARA remains cautious and watchful of the unfolding events in the coming months, even as we believe that business sentiment has recovered somewhat compared to 12 months ago.

We note that governments around the world have reiterated their readiness to sustain their respective policies of monetary easing until such time when the global economy is on a firmer footing. This is evident in patchy but improving macroeconomic data in recent months such as better-than-expected US labour market conditions and more robust China growth and manufacturing figures that collectively indicate a general pick-up in economic activities.

REITs

In 4Q2012, AmFIRST REIT completed the acquisition of Kompleks Tun Sri Lanang (also known as Jaya 99), Malaysia, announced in August 2012 for a consideration of RM86.0 million which will be fully funded with borrowings.

In 2013, the Group will continue to focus on active asset management to add value to the properties in its portfolio and seek to make value-adding acquisitions for the REITs under the Group's management.

Private Funds

The ADF, which has completed its investment period in 2011, is actively managing its portfolio assets. This culminated in a successful divestment of its property at 169 Electric Road, a 41-storey Grade-A Hong Kong office block in 4Q2012. In 2013, the ADF will remain focused on asset management and potential divestment opportunities.

The Group raised close to US\$1.0 billion for its private real estate funds in FY2012, namely the ADF II which completed its final closing with capital commitments of US\$441.0 million and the CIP which received an initial committed capital of US\$500.0 million.

Going forward, the Group's newly established private real estate funds will contribute to higher recurring portfolio management fees.

Outlook for FY2013

Barring unforeseen circumstances, the Directors expect the Group's net profit in FY2013 to be comparable to that achieved in FY2012.

**Financial Results Announcement
For the financial year ended 31 December 2012****11. Dividend****(a) Current Financial Period Reported On**

Any dividend recommended for the current financial period reported on? Yes

Name of Dividend	:	Final Dividend
Dividend Type	:	Cash
Dividend Amount	:	S\$0.027 per share
Dividend Rate	:	Not applicable
Par value of shares	:	S\$0.002 per share
Tax Rate	:	Tax exempt (One-Tier)

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend recommended for the corresponding period of the immediately preceding financial year? Yes

Name of Dividend	:	Final Dividend
Dividend Type	:	Cash
Dividend Amount	:	S\$0.027 per share
Dividend Rate	:	Not applicable
Par value of shares	:	S\$0.002 per share
Tax Rate	:	Tax exempt (One-Tier)

(c) Date payable

20 May 2013

(d) Book Closure date

Registrable transfers received by the Company up to 5.00 pm on 7 May 2013 will be registered before entitlements to the dividend are determined.

12. If no dividend has been declared/recommended, a statement to that effect

A final dividend of S\$0.027 per share has been recommended for the financial year ended 31 December 2012. The proposed final dividend is subject to shareholders' approval at the Company's Annual General Meeting to be held on 26 April 2013.

Inclusive of the interim dividend of S\$0.023 per share paid out in 11 September 2012, the total dividend per share for FY2012 is S\$0.050 (FY2011: S\$0.050).

Financial Results Announcement
For the financial year ended 31 December 2012
PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year

	Revenue		Profit before share of profit of associates, income tax and non-controlling interests	
	FY2012 S\$'000	FY2011 S\$'000	FY2012 S\$'000	FY2011 S\$'000
<u>Business Segments</u>				
REITs	80,074	60,259	54,002	31,708
Private real estate funds ^(a)	25,508	40,424	10,805	26,623
Real estate management	18,365	13,298	9,239	6,739
Investment holding	8,885	8,780	8,432	8,861
Others ^(b)	698	-	874	110
	133,530	122,761	83,352	74,041
Unallocated expenses	-	-	(1,711)	(503)
	133,530	122,761	81,641	73,538

Notes:

(a) The segment results of private real estate funds in FY2011 included performance fee of S\$18.5 million received in relation to the ARA Harmony Fund.

(b) Comprise primarily of corporate finance advisory services, corporate management services and dormant companies.

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

Please refer to preceding Paragraph 8.

15. A breakdown of sales.

	FY2012 S\$'000	FY2011 S\$'000	Change %
Revenue reported for first half year	63,423	52,554	21%
Management fees	47,782	44,661	7%
Acquisition, divestment and performance fees	4,663	2,499	87%
Finance income	10,339	5,366	93%
Other income	639	28	n.m.
Operating profit after tax before deducting non-controlling interests reported for first half year	36,065	30,227	19%
Revenue reported for second half year	70,107	70,207	-
Management fees	54,833	46,199	19%
Acquisition, divestment and performance fees	3,560	18,789	(81%)
Finance income	11,658	5,200	124%
Other income	56	19	195%
Operating profit after tax before deducting non-controlling interests reported for second half year	38,162	39,293	(3%)

n.m.: not meaningful

**Financial Results Announcement
For the financial year ended 31 December 2012**

16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

	FY2012 S\$'000	FY2011 S\$'000
Ordinary	38,415 ^(a)	36,809 ^(b)
Preference	-	-
Total:	38,415	36,809

Notes:

- (a) This includes the proposed final dividend of S\$0.027 per share which amounts to S\$20.7 million and is payable on 20 May 2013. Of the total dividends, S\$17.7 million relates to the interim dividend of S\$0.023 per share which was paid on 11 September 2012. The total dividends for FY2012 may increase to \$40.5 million should the proposed bonus issue be approved by the SGX-ST. Further details on the proposed bonus issue are disclosed in paragraph 19 (page 21) of this announcement.
- (b) This comprises an interim dividend of S\$16.1 million or S\$0.023 per share which was paid on 8 September 2011 and a final dividend of S\$20.7 million or S\$0.027 per share which was paid on 22 May 2012.

17. Interested Person Transactions

A mandate was obtained from shareholders at the Company's Annual General Meeting held on 26 April 2012.

<u>Name of interested person</u>	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted during the financial period under review under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)	
	4Q2012 S\$'000	FY2012 S\$'000	4Q2012 S\$'000	FY2012 S\$'000
Fortune REIT ^(a)	-	-	3,418	16,302
Fortune REIT ^(b)	-	-	-	175
Cheung Kong Group ^(c)	-	-	1,675	5,267
	-	-	5,093	21,744

The interested person transactions have been entered into based on terms stipulated in the following:

- (a) the trust deed constituting Fortune REIT whereby the Group receives base, performance and acquisition fees for its role as the manager of Fortune REIT;
- (b) an operating lease agreement with Fortune REIT; and
- (c) the shareholders' agreement of World Deluxe Enterprises Limited whereby Hui Xian Asset Management Limited pays property management and related consultancy services to the Cheung Kong Group.

**Financial Results Announcement
For the financial year ended 31 December 2012**

18. Disclosure of each person occupying a managerial position who is a relative of a director / CEO / substantial shareholder under Rule 704 (13)

List of Persons occupying Managerial Positions who are related to a Director or Chief Executive Officer or Substantial Shareholder of ARA Asset Management Ltd and any of its principal subsidiaries

Name	Age	Family Relationship with any Director and/or Chief Executive Officer and/or Substantial Shareholder	Current position and duties, and the year position was first held	Details of changes in duties and position held, if any, during the year
Chiu Yu Justina	32	Daughter of Dr Chiu Kwok Hung Justin (Chairman and Non-executive director).	<p>Executive Director and Deputy Chief Executive Officer ("Deputy CEO"), ARA Asset Management (Fortune) Limited, a wholly-owned subsidiary of ARA Asset Management Limited.</p> <p>Ms Chiu supports the Chief Executive Officer in the overall management of Fortune REIT including strategic planning, investor relations, asset management and investment activities of Fortune REIT.</p>	Nil

19. Others – Proposed bonus issue

The Directors have proposed a bonus issue of up to 76,831,918 new ordinary shares of S\$0.002 each in the capital of the Company on the basis of one (1) bonus share credited as fully paid for every ten (10) existing shares held in the capital of the Company.

The proposed bonus issue is conditional upon approval being obtained from the SGX-ST for the listing and quotation of the bonus shares on the Official List of the SGX-ST. If approved by the SGX-ST, these bonus shares will be entitled to the proposed final dividend S\$0.027 per share.

On behalf of the Board,

Chiu Kwok Hung, Justin
Director

Lim Hwee Chiang
Director

**BY ORDER OF THE BOARD
ARA ASSET MANAGEMENT LIMITED**

Lim Hwee Chiang
Director
25 February 2013

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 the forward-looking statements in this release, which are based on the current view of management on future events. Information from external sources in this release has not been independently verified by us.



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The Board of Directors
ARA Asset Management Limited
6 Temasek Boulevard #16-02
Suntec Tower Four
Singapore 038986

25 February 2013

Dear Sirs

Review of Financial Statements

Introduction

We have reviewed the accompanying financial statements of ARA Asset Management Limited (“the Company”) and its subsidiaries (collectively the “Group”), which comprise the statements of financial position of the Group and the Company as at 31 December 2012, the income statement and statement of comprehensive income, statement of changes in equity and statement of cash flows of the Group for the year then ended, and a summary of significant accounting policies and other explanatory information (the “Financial Statements”). Management is responsible for the preparation and presentation of this Financial Statements in accordance with Singapore Financial Reporting Standard (“FRS”). Our responsibility is to express a conclusion on this Financial Statements based on our review.

Scope of review

We conducted our review in accordance with Singapore Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of the Financial Statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Financial Statements is not prepared, in all material respects, in accordance with FRS.

Restriction on use

Our report is provided in accordance with the terms of our engagement. Our work was undertaken so that we might report to you on the Financial Statements for the purpose of assisting the Company to meet the requirements of paragraph 3 of Appendix 7.2 of the Singapore Exchange Limited Listing Manual and for no other purpose. Our report is included in the Company’s announcement of its Financial Statements for the information of its shareholders. We do not assume responsibility to anyone other than the Company for our work, for our report, or for the conclusions we have reached in our report.

Yours faithfully

KPMG LLP
*Public Accountants and
Certified Public Accountants*

Singapore