



PRESS RELEASE

4Q2012 NET PROFIT UP 33% TO S\$17.7 MILLION

FY2012 NET PROFIT ROSE 7% TO S\$72.7 MILLION

TOTAL ASSETS UNDER MANAGEMENT JUMPED 12% TO S\$22.1 BILLION

- **Total revenue rose 9% to S\$133.5 million**
- **Proposed 1-for-10 bonus share issue**
- **Proposed final dividend of S\$0.027 per share**

FY2012 Results Highlights

		FY2012	FY2011	% Change
Revenue				
Management fees	(S\$'000)	102,615	90,860	13%
Acquisition, divestment and performance fees	(S\$'000)	8,223	21,288	(61%)
Other income	(S\$'000)	22,692	10,613	114%
Total Revenue	(S\$'000)	133,530	122,761	9%
Operating Profit (Pre-Tax)	(S\$'000)	81,641	73,538	11%
Share of Profit of Associates	(S\$'000)	4,461	2,794	60%
Net Profit	(S\$'000)	72,704	68,202	7%
EPS ¹	(S cents)	9.46	8.88	7%
AUM ²	(S\$ billion)	22.1	19.8	12%

25 February 2013 – ARA Asset Management Limited (“ARA” or the “Group”) is pleased to report a 7% increase in net profit to S\$72.7 million for the financial year ended 31 December 2012 (“FY2012”). Total revenue hit a record high of S\$133.5 million, achieved on the back of improved recurrent management fees and other income.

Recurrent management fees grew 13% on higher REIT management fees arising from better asset performance due to asset enhancement initiatives undertaken by the respective REITs, improved valuation of the property portfolios of the REITs under management; as well as acquisitions made by the REITs such as Fortune REIT’s acquisition of Belvedere Square and

¹ Based on the issued share capital of 768,319,189 shares as at 31 December 2012

² Based on exchange rates as at 31 December 2012

Provident Square for HK\$1.9 billion and Cache Logistics Trust's acquisition of Pan Asia Logistics Centre and Pandan Logistics Hub totalling over S\$100 million.

Higher portfolio management fees from the newly established private real estate funds further contributed to the increase in recurrent management fees. For FY2012, the Group raised close to US\$1.0 billion for its private real estate funds. In August 2012, the ARA Asia Dragon Fund II ("ADF II") completed its final closing, with capital commitments of US\$441.0 million, while the ARA China Investment Partners Fund ("CIP") received an initial committed capital of US\$500.0 million.

The majority of the Group's acquisition, divestment and performance fees of S\$21.3 million received in FY2011 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, divestment and performance fees of S\$8.2 million in FY2012 would have been significantly higher than the S\$2.8 million in FY2011.

Other income more than doubled to S\$22.7 million in FY2012 from S\$10.6 million in FY2011 on higher net gains on disposal of certain REIT units received by the Group as part payment for REIT management fees, as well as higher distribution of profits by the ARA Asia Dragon Fund arising from the divestment of properties under its portfolio.

For the 12 months to 31 December 2012, ARA's earnings per share ("EPS") of 9.46 Singapore cents rose 7% from FY2011 of 8.88 Singapore cents, while total assets under management ("AUM") jumped 12% to S\$22.1 billion as at 31 December 2012 compared to S\$19.8 billion a year ago.

Commenting on ARA's results, ARA Group CEO, John Lim said: "We are delighted to report another year of record earnings. Total revenue surged 9% year-on-year to a record S\$133.5 million while net profit jumped 7% year-on-year to S\$72.7 million. For FY2012, the Group had delivered yet another solid set of results amidst the gloomy global economic backdrop, giving credence to ARA's resilient business model. Moving forward, we will continue to strive to build on our existing REIT management and private funds platforms."

Mr Lim added: "As part of ARA's 10th anniversary celebrations and to further reward shareholders for their continued support, the Board is pleased to propose a 1-for-10 bonus issue in addition to a final cash dividend of S\$0.027 per share for FY2012. Barring unforeseen circumstances, we believe that the continued expansion of the Group will allow us to maintain

the current cash dividend per share, notwithstanding the increased number of shares post the proposed bonus share issue.”

The proposed 1-for-10 bonus issue is subject to approval from the SGX-ST, while the final cash dividend of S\$0.027 per share is subject to shareholders’ approval at ARA’s Annual General Meeting to be held on 26 April 2013. For the avoidance of doubt, the bonus shares (if approved by the SGX-ST) will also be entitled to the final cash dividend, payable on or about 20 May 2013.

Inclusive of the interim cash dividend of S\$0.023 per share paid out in September 2012, the total cash dividend for FY2012 amounts to S\$0.050 per share, same as that in FY2011.

– 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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