

PRESS RELEASE

ARA POSTS 1Q2013 NET PROFIT OF S\$16.8 MILLION

- Recurrent management fees up 15% to S\$26.7 million
- Recurrent net profit up 14% to S\$12.2 million
- Total assets under management jumped 9% to S\$22.7 billion

1Q2013 Results Highlights

		1Q2013	1Q2012	% Change
Revenue				
Management fees	(S\$'000)	26,674	23,106	15%
Acquisition, divestment and performance fees	(S\$'000)	953	4,010	(76%)
Finance income	(S\$'000)	4,588	7,174	(36%)
Other income	(S\$'000)	21	37	(43%)
Total Revenue	(S\$'000)	32,236	34,327	(6%)
Operating Profit (Pre-Tax)	(S\$'000)	19,340	22,358	(13%)
Share of Profit of Associates	(S\$'000)	845	1,380	(39%)
Net Profit	(S\$'000)	16,815	20,003	(16%)
Recurrent Net Profit ¹	(S\$'000)	12,216	10,720	14%
EPS ²	(S cents)	1.99	2.37	(16%)
AUM ³	(S\$ billion)	22.7	20.8	9%

8 May 2013 – ARA Asset Management Limited (“ARA” or the “Group”) is pleased to report total revenue of S\$32.2 million and net profit of S\$16.8 million for the quarter ended 31 March 2013 (“1Q2013”).

Recurrent management fees for 1Q2013 grew 15% quarter-on-quarter to S\$26.7 million on the back of higher REIT management fees and higher portfolio management fees from the Group’s Private Funds division. REIT management fees increased due to better asset performance arising from asset enhancement initiatives undertaken by the respective REITs, which resulted in higher valuation of property portfolios of REITs under management. The Group’s portfolio

¹ Recurrent Net Profit refers to Net Profit excluding acquisition, divestment and performance fees and finance income, adjusted for the effects of tax

² Based on the issued share capital of 845,151,093 shares as at 31 March 2013

³ Based on exchange rates as at 31 March 2013

management fees increased due to contributions from the ARA Asia Dragon Fund II (“ADF II”) from March 2012 and the ARA China Investment Partners (“CIP”), which commenced its investment period in June 2012.

In 1Q2012, the Group received acquisition / divestment fees relating to Suntec REIT’s divestment of Chijmes in January 2012 and Fortune REIT’s acquisition of 2 properties in February 2012 while in 1Q2013, the Group received approximately S\$1.0 million mainly in relation to project management services provided by APM Property Management Pte. Ltd. and its related corporations (“APM”) to malls in Malaysia, as well as to Suntec REIT and the ARA Harmony Fund for the re-making of Suntec City. Excluding the one-off acquisition, divestment and performance fees and finance income, the Group would have achieved an adjusted net profit of S\$12.2 million for 1Q2013, 14% higher than S\$10.7 million in 1Q2012.

The Group’s Assets under Management grew 9% quarter-on-quarter on the back of acquisitions by REITs under management, an increase in valuation of property portfolios of REITs under management and the inclusion of CIP.

Commenting on ARA’s results, ARA Group CEO, John Lim said: “We are pleased to report a good start to 2013. The Group’s recurrent management fees increased 15% quarter-on-quarter to S\$26.7 million, while recurrent net profit increased 14%. The Group’s quality of earnings continues to improve, underscoring the strength of ARA’s resilient business model and continued growth. We will continue to build on our existing REIT management and private funds platforms to grow our AUM.

ARA’s Private Funds division continues to identify attractive investment opportunities to deploy its remaining capital commitments. Private capital fund raising initiatives also remain active with increasing interest in private fund strategies being observed. Asia-focused mandates, in particular, are attracting significant attention from both institutional and high net worth investors world-wide. In addition to traditional fund products, ARA is developing potential co-investment platforms and seeks to work with long-term strategic investors seeking direct real estate investment exposure with experienced operating partners. Accordingly, ARA aims to build a core network of strategic capital partners to pursue such investment mandates in its key markets.”

Mr. Lim added: “With the uncertainties surrounding the US and the Eurozone, we remain cautiously optimistic of Asia’s growth prospects in the coming year, while being mindful of the external risks and their potential impact on Asian economies. We note that China’s new

leadership has in place an economic growth plan driven by urbanization and we remain selectively positive on China's real estate sector.”

– 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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