



ARA ASSET MANAGEMENT LIMITED FINANCIAL STATEMENTS ANNOUNCEMENT

FINANCIAL RESULTS FOR THE QUARTER ENDED 30 SEPTEMBER 2016

The financial information for the quarter ended 30 September 2016 in the announcement have been extracted from the interim financial statements for the period from 1 January 2016 to 30 September 2016, 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 the following business segments:

- Real estate investment trusts (“REITs”);
- Private real estate funds; and
- Real estate management services.

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

**Financial Results Announcement
For the quarter ended 30 September 2016**
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	1/7/16 to 30/09/16 ("3Q2016") S\$'000	1/7/15 to 30/09/15 ("3Q2015") S\$'000	Change %	1/1/16 to 30/09/16 ("YTD2016") S\$'000	1/1/15 to 30/09/15 ("YTD2015") S\$'000	Change %
Management fees	(a)	34,737	33,225	5%	102,677	95,001	8%
Acquisition, divestment and performance fees	(a)	1,070	1,151	(7%)	3,388	8,680	(61%)
Finance income	(b)	17,119	3,785	352%	27,788	8,662	221%
Other income		53	74	(28%)	726	220	230%
Total revenue		52,979	38,235	39%	134,579	112,563	20%
Administrative expenses	(c)	(13,844)	(10,449)	32%	(39,877)	(34,775)	15%
Operating lease expenses	(d)	(1,042)	(1,041)	0%	(3,115)	(3,035)	3%
Other expenses	(e)	(3,269)	(2,983)	10%	(8,463)	(8,390)	1%
Finance costs	(f)	(580)	(3,322)	(83%)	(3,262)	(8,016)	(59%)
Total expenses		(18,735)	(17,795)	5%	(54,717)	(54,216)	1%
Results from operating activities		34,244	20,440	68%	79,862	58,347	37%
Share of profit of associates and joint ventures, net of tax	(g)	1,455	719	102%	3,763	6,307	(40%)
Profit before tax	(h)	35,699	21,159	69%	83,625	64,654	29%
Tax expense	(i)	(3,601)	(3,538)	2%	(11,227)	(10,268)	9%
Profit for the period		32,098	17,621	82%	72,398	54,386	33%
Attributable to:							
Equity holders of the Company		31,473	17,083	84%	70,151	52,495	34%
Non-controlling interests		625	538	16%	2,247	1,891	19%
		32,098	17,621	82%	72,398	54,386	33%

Net Profit⁽¹⁾	31,473	17,083	84%	70,151	52,495	34%
Adjusted Net Profit⁽²⁾	21,458	17,814	20%	57,965	51,926	12%

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

(2) Adjusted Net Profit refers to Net Profit excluding one-off adjustments comprising: (i) acquisition, divestment and performance fees; (ii) gain / (loss) on fair valuation / disposal of financial assets; (iii) gain / (loss) on disposal of investments; (iv) impairment on available-for-sale financial assets; (v) performance-based bonuses; and (vi) any other income / expense deemed non-recurrent.

Seed Capital Investment

The fair value gains arising from ARA's seed capital investments into its private real estate funds under management from inception to date which are not recorded in the income statement but accounted for in the statement of comprehensive income amounted to approximately US\$29.5 million as at 30 June 2016. These gains reflect the underlying performance of the funds, excluding the impact of foreign exchange.

This amount has not been crystallised and there is no guarantee that such amount will be realised at the end of the fund life of each respective fund. Past performance of the funds is not indicative of the future prospects and returns.

ARA intends to hold these seed capital investments in its private real estate funds under management over the long term. The fair values of the respective funds may increase or decrease depending on various factors, risks and assumptions.

**Financial Results Announcement
For the quarter ended 30 September 2016**
1(a)(ii) Explanatory notes to the income statement of the Group
(a) Revenue

	3Q2016	3Q2015	Change	YTD2016	YTD2015	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Management fees	34,737	33,225	5%	102,677	95,001	8%
REIT base and performance fees	(i) 22,494	22,095	2%	66,186	64,269	3%
Portfolio management and service fees	(ii) 6,206	5,702	9%	18,849	14,882	27%
Real estate management services fees	(iii) 6,037	5,428	11%	17,642	15,850	11%
Acquisition, divestment and performance fees	(iv) 1,070	1,151	(7%)	3,388	8,680	(61%)
Acquisition, divestment and performance fees	669	839	(20%)	2,523	7,079	(64%)
Advisory and consultancy fees	400	312	28%	865	1,602	(46%)

- (i) REIT management fees increased to S\$66.2 million in YTD2016 from S\$64.3 million in YTD2015, mainly due to higher REIT management fees arising from better asset performance post the asset enhancement initiatives undertaken, which resulted in higher valuation of the property portfolios of the REITs under management. Suntec REIT's acquisition of three floors of strata office space at Suntec Tower Two and Cache Logistics Trust's ("Cache") acquisition of three properties located in Australia in 4Q2015 also contributed to the higher REIT management fees in YTD2016.
- (ii) Portfolio management and service fees were higher at S\$18.8 million in YTD2016 compared to S\$14.9 million in YTD2015, mainly due to higher management fees from (i) the ARA China Investment Partners, LLC ("CIP") following the acquisition of two commercial properties in China in September and December 2015, (ii) the launch of the ARA Harmony III (Malaysia Malls) ("Harmony III") and the ARA Harmony V (Park Mall) ("Harmony V") in August and December 2015 respectively and (iii) fee contribution from the Peninsula Investment Partners L.P. ("PIP").
- (iii) Real estate management fees grew to S\$17.6 million in YTD2016 from S\$15.9 million in YTD2015, mainly due to higher property management fees received by the APM Group of companies ("APM") following (i) the completion of the asset enhancement works at Suntec City and (ii) the rendering of property management services to two commercial properties acquired by the CIP in September and December 2015.
- (iv) Acquisition, divestment and performance fees decreased to S\$3.4 million in YTD2016 from S\$8.7 million in YTD2015. The acquisition fees received in YTD2016 were in relation to (i) fees received from Suntec REIT's acquisition of 177 Pacific Highway in Australia and (ii) AmFIRST REIT's acquisition of Mydin HyperMall in January 2016. In comparison, fees received in YTD2015 were mainly (a) acquisition fees related to (i) Fortune REIT's acquisition of Laguna Plaza in January 2015, (ii) Cache's acquisition of three Australian properties in February 2015 and fees received from the completion of the development of the DHL Supply Chain Advanced Regional Centre, and (iii) the ARA Summit Development Fund I, L.P. ("SDF I")'s maiden acquisition in Australia and (b) divestment fees received in relation to (i) the sale of certain properties held under the Straits Investment Partners ("SIP") portfolio, (ii) Fortune REIT's divestment of Nob Hill Square which was completed in April 2015 and (iii) Cache's divestment of Kim Heng Warehouse which was completed in June 2015. Advisory and consultancy fees of S\$0.9 million in YTD2016 were lower than the S\$1.6 million received in YTD2015 mainly due to a decrease in project management services provided by APM and its related corporations to the properties it manages in Singapore, China and Malaysia.

**Financial Results Announcement
For the quarter ended 30 September 2016****(b) Finance income**

Finance income comprises mainly distribution income, interest income, net gain on fair valuation / disposal of financial assets and net foreign exchange gain. Finance income grew significantly to S\$27.8 million in YTD2016 from S\$8.7 million in YTD2015. This was primarily attributed to (i) a higher distribution income of S\$24.3 million in YTD2016 compared to S\$8.3 million in YTD2015, arising mainly from higher contribution from Suntec REIT following the further accumulation of unitholdings, as well as a one-time distribution of approximately S\$9.4 million from the ARA Asia Dragon Fund II ("ADF II") and (ii) a net gain on fair valuation / disposal of financial assets of S\$3.3 million in YTD2016 (YTD2015 had recorded a net loss on fair valuation / disposal of financial assets of S\$3.4 million under finance costs).

(c) Administrative expenses

Administrative expenses comprise primarily staff-related expenses and advisory fees. Administrative expenses were overall higher at S\$39.9 million in YTD2016 compared to S\$34.8 million in YTD2015. This in line with the Group's higher profit achieved for the period. In comparison, included in YTD2015 were adjustments for bonus expenses as the actual payments were lower than the amount accrued in the previous year. Excluded from administrative expenses were staff-related expenses of S\$11.9 million (YTD2015: S\$10.9 million) for Suntec Singapore International Convention & Exhibition Services Pte. Ltd. which were fully reimbursed from the ARA Harmony II (SSCEC) ("Harmony II").

(d) Operating lease expenses

Operating lease expenses were S\$3.1 million in YTD2016, comparable to that of YTD2015.

(e) Other expenses

Other expenses comprise primarily other staff-related expenses (such as travelling expenses), agency commission, telecommunications expenses, legal & professional fees (including auditors' remuneration, company secretarial and share registrar fees), insurance, depreciation, continuing listing expenses, board meeting expenses and other miscellaneous expenses. Other expenses were S\$8.5 million in YTD2016, marginally higher than that of S\$8.4 million in YTD2015. The marginal increase in other expenses in YTD2016 were mainly attributed to higher depreciation expenses and professional fees recorded during the period, partially offset by lower agency commission incurred in that same period.

(f) Finance costs

Finance costs comprise net loss on fair valuation / disposal of financial assets, impairment on available-for-sale financial assets, net foreign exchange loss and interest expense. Finance costs in YTD2016 fell to S\$3.3 million from S\$8.0 million in YTD2015, primarily due to (i) a net loss on fair valuation / disposal of financial assets of S\$3.4 million in YTD2015 (YTD2016 had recorded a net gain on fair valuation / disposal of financial assets of S\$3.3 million under finance income), (ii) a lower interest expense of S\$0.9 million incurred by the Group in YTD2016 (YTD2015: S\$1.6 million) and (iii) a lower net foreign exchange loss of S\$0.5 million in YTD2016 (YTD2015: S\$1.0 million).

(g) Share of profit of associates and joint ventures (net of tax)

Share of profit of associates and joint ventures (net of tax) comprise the Group's share of profit arising from the joint ventures in ARA-ShinYoung REIT and ARA-ShinYoung REIT No.2, the 40% equity interest in Cache Property Management Pte. Ltd., as well as 30% equity interest in the following: 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 respectively. The Group's share of profit of associates and joint ventures declined to S\$3.8 million in YTD2016 from S\$6.3 million in YTD2015, as the latter had included (i) the acquisition fee recorded by Hui Xian Asset Management Limited in relation to Hui Xian REIT's acquisition of Metropolitan Oriental Plaza in Chongqing, China in March 2015 and (ii) a higher income contribution from Cache Property Management Pte Ltd.

**Financial Results Announcement
For the quarter ended 30 September 2016**

(h) Profit before income tax

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

	3Q2016 S\$'000	3Q2015 S\$'000	Change %	YTD2016 S\$'000	YTD2015 S\$'000	Change %
Finance income						
Distribution income	16,812	3,745	349%	24,284	8,255	194%
Foreign exchange gain, net	-	-	n.m.	-	-	n.m.
Gain on fair valuation / disposal of financial assets	267	-	n.m.	3,295	-	n.m.
Interest income	40	37	8%	209	135	55%
Gain on disposal of investments	-	3	(100%)	-	272	(100%)
Other expenses						
Amortisation of intangible asset	66	60	10%	197	179	10%
Depreciation of plant and equipment	206	188	10%	947	572	66%
Finance costs						
Foreign exchange loss, net	169	584	(71%)	503	967	(48%)
Interest expense	427	896	(52%)	920	1,589	(42%)
Impairment on available-for-sale financial assets	(16)	59	n.m.	1,839	2,024	(9%)
Loss on fair valuation / disposal of financial assets	-	1,783	(100%)	-	3,436	(100%)

n.m.: not meaningful

(i) 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

	3Q2016 S\$'000	3Q2015 S\$'000	Change %	YTD2016 S\$'000	YTD2015 S\$'000	Change %
Profit for the period	32,098	17,621	82%	72,398	54,386	33%
Other comprehensive income / (loss) Items that are or may be reclassified subsequently to profit or loss:						
- Translation differences relating to financial statements of foreign subsidiaries	3,915	10,598	(63%)	(8,560)	13,300	n.m.
- Effective portion of changes in fair value of cash flow hedges	(15)	-	n.m.	(15)	-	n.m.
- Net change in fair value of available-for-sale financial assets	919	(29,204)	n.m.	27,202	(43,093)	n.m.
- Net change in fair value of available-for-sale financial assets reclassified to profit or loss	(16)	59	n.m.	1,839	2,024	(9%)
Other comprehensive income / (loss) for the period, net of tax	4,803	(18,547)	n.m.	20,466	(27,769)	n.m.
Total comprehensive income / (loss) for the period	36,901	(926)	n.m.	92,864	26,617	249%
Total comprehensive income / (loss) attributable to:						
Equity holders of the Company	36,276	(1,467)	n.m.	90,605	24,732	266%
Non-controlling interests	625	541	16%	2,259	1,885	20%
Total comprehensive income / (loss) for the period	36,901	(926)	n.m.	92,864	26,617	249%

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 quarter ended 30 September 2016

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	
		30/09/16 S\$'000	31/12/15 S\$'000	30/09/16 S\$'000	31/12/15 S\$'000
Assets					
Plant and equipment		2,409	2,105	-	-
Intangible assets	(a)	1,128	1,147	-	-
Subsidiaries	(b)	-	-	310,010	292,008
Associates and joint ventures	(c)	17,781	16,191	-	-
Financial assets	(d)	499,367	397,294	-	-
Deferred tax assets	(e)	739	712	-	-
Other receivables	(f)	4,823	5,566	-	-
Total non-current assets		526,247	423,015	310,010	292,008
Financial assets	(g)	47,302	33,509	-	-
Trade and other receivables	(h)	58,726	47,827	13,813	13,292
Cash and cash equivalents		62,509	76,742	1,677	31,517
Total current assets		168,537	158,078	15,490	44,809
Total assets		694,784	581,093	325,500	336,817
Equity					
Share capital		1,995	1,995	1,995	1,995
Reserves		276,080	255,616	225,297	225,287
Retained earnings		282,393	262,702	84,660	102,912
Equity attributable to equity holders of the Company		560,468	520,313	311,952	330,194
Non-controlling interests	(i)	5,785	7,295	-	-
Total equity		566,253	527,608	311,952	330,194
Liabilities					
Loan and borrowings	(j)	73,205	14,118	-	-
Other payables		1,994	1,832	12,402	5,280
Financial derivatives		15	-	-	-
Deferred tax liabilities		115	115	-	-
Total non-current liabilities		75,329	16,065	12,402	5,280
Trade and other payables	(k)	29,402	25,001	1,146	1,343
Loan and borrowings	(j)	12,147	45	-	-
Current tax payable		11,653	12,374	-	-
Total current liabilities		53,202	37,420	1,146	1,343
Total liabilities		128,531	53,485	13,548	6,623
Total equity and liabilities		694,784	581,093	325,500	336,817

**Financial Results Announcement
For the quarter ended 30 September 2016****Footnotes:**

- (a) *Intangible assets mainly represent the Group's contractual rights to receive the expected future economic benefits embodied in each of the management agreements between ARA Korea Limited ("ARA Korea") and two privately-held Korean REITs under its management that is expected to flow to the Group, subsequent to the acquisition of ARA Korea in April 2014. The intangible assets are measured at cost less accumulated amortisation. As at 30 September 2016, an accumulated amortisation of S\$610,000 (31 December 2015: S\$413,000) has been made.*
- (b) *Interests 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.*
- (c) *Interests in associates and joint ventures relates to the Group's joint venture in ARA-ShinYoung REIT and ARA-ShinYoung REIT No.2, 40% equity interest in Cache Property Management Pte. Ltd., as well as 30% equity interest in the following: 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 respectively.*
- (d) *Non-current financial assets as at 30 September 2016 comprised primarily (i) 132.2 million Suntec REIT units held by the Group as a strategic stake (31 December 2015: 94.3 million units); (ii) 22.5 million Cache units held by the Group as a strategic stake (31 December 2015: 17.9 million units); (iii) 36.2 million AmFIRST REIT units held by the Group as strategic stake (31 December 2015: 36.2 million units); (iv) seed capital investments in the ARA Asia Dragon Fund ("ADF I"), the ADF II, the CIP, the Morningside Investment Partners, LLC ("MIP"), the Harmony III and the PIP; and (v) a 10.02% strategic stake in ARA-NPS Real Estate Investment Company.*
- (e) *Deferred tax asset relates to unutilised tax losses carried forward.*
- (f) *This relates to the payment of the agent fees in relation to certain private real estate funds under management which will be amortised over the life of the relevant funds, and tenancy deposits in relation to the operating lease agreements for the Group's office space.*
- (g) *Current financial assets comprise REIT units received by the Group as part payment of management fees by certain REITs under management and REIT units received by the Group as payment for dividend income declared by an associate.*
- (h) *Trade and other receivables comprise accrued fees receivable, deposits, prepayments and other receivables. The increase in trade and other receivables was mainly due to the accrual of REIT management fees in YTD2016, partially offset by a decrease in trade receivables.*
- (i) *Non-controlling interests relate to the non-controlling shareholders' proportionate interest in ARA Fund Management (Harmony III) Limited, ARA-CWT Trust Management (Cache) Limited, Asia Property Management (China) Limited and its subsidiaries, APM (V) Consultancy Limited and its subsidiaries, ARA Korea, ARA Associates (Korea) Limited, ARA Real Estate Investors X Pte Ltd and ARAM Australia Pty Ltd.*
- (j) *Loan and borrowings as at 30 September 2016 relate to (i) a non-current secured term loan of S\$73.0 million (31 December 2015: S\$14.0 million); (ii) a current secured revolving credit facility of S\$12.0 million and (iii) finance lease liabilities of S\$352,000 (31 December 2015: S\$163,000). The Group's gearing ratio as at 30 September 2016 stood at approximately 15% (31 December 2015: 3%).*
- (k) *Trade and other payables comprise accrued fees payable, net GST output tax payable, provision for staff-related benefits to employees and other payables.*

**Financial Results Announcement
For the quarter ended 30 September 2016**

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

	30/09/2016		31/12/2015	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Amount repayable in one year or less, or on demand	12,147	-	45	-
Amount repayable after one year	73,205	-	14,118	-
	<u>85,352</u>	<u>-</u>	<u>14,163</u>	<u>-</u>

Footnotes:

- (a) As at 30 September 2016, the Group's borrowings included the following:
- (i) a secured term loan facility of S\$73.0 million (31 December 2015: S\$14.0 million) drawn for the Group's seed capital contributions and investments into the various funds which it manages;
 - (ii) a secured revolving credit facility of S\$12.0 million (31 December 2015: Nil) drawn for the Group's investments and for general working capital purposes; and
 - (iii) finance lease liabilities of S\$352,000 (31 December 2015: S\$163,000) which relates to the purchase of certain plant and equipment.
- (b) As at 30 September 2016, the Group has the following facilities available for utilisation:
- (i) a term loan of S\$7.0 million secured on the Group's strategic stake in Suntec REIT (31 December 2015: S\$16.0 million);
 - (ii) a multicurrency revolving credit facility of S\$37.6 million secured on the Group's strategic stake in Suntec REIT and Cache (31 December 2015: S\$49.6 million);
 - (iii) an unsecured money market line of S\$100.0 million (31 December 2015: S\$80.0 million); and
 - (iv) unsecured overdraft facilities of S\$6.0 million and HK\$3.0 million (31 December 2015: S\$6.0 million and HK\$3.0 million).

Details of any collateral

As at 30 September 2016, the Group has pledged 105.2 million units of Suntec REIT and 22.5 million units of Cache as security for the above facilities, which bear interest at a fixed spread over the corresponding benchmark rate of the available currencies.

**Financial Results Announcement
For the quarter ended 30 September 2016**
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

	Note	3Q2016 S\$'000	3Q2015 S\$'000	YTD2016 S\$'000	YTD2015 S\$'000
Cash flows from operating activities					
Profit for the period		32,098	17,621	72,398	54,386
Adjustments for:					
Amortisation of intangible assets		66	60	197	179
Depreciation of plant and equipment		206	188	947	572
Distribution income		(16,812)	(3,745)	(24,284)	(8,255)
(Gain) / Loss on fair valuation / disposal of financial assets		(267)	1,780	(3,295)	3,164
Gain on disposal of plant and equipment		-	-	(21)	(1)
Interest expense		427	896	920	1,589
Interest income		(40)	(37)	(209)	(135)
Impairment loss on available-for-sale financial assets		(16)	59	1,839	2,024
Management fees received / receivable in units of REITs		(21,834)	(15,801)	(55,616)	(48,404)
Share of profit of associates and joint ventures		(1,455)	(719)	(3,763)	(6,307)
Tax expense		3,601	3,538	11,227	10,268
Operating profit before working capital changes		(4,026)	3,840	340	9,080
Changes in working capital:					
Change in trade and other receivables		3,844	(9,659)	928	(297)
Change in trade and other payables		4,764	2,359	4,573	(9,063)
Cash generated from / (used in) operating activities		4,582	(3,460)	5,841	(280)
Distribution income received		16,869	3,810	24,401	8,352
Proceeds from sale of units in REITs		5,149	6,344	34,696	7,415
Tax paid		(4,893)	(4,309)	(11,948)	(9,997)
Net cash from operating activities	(a)	21,707	2,385	52,990	5,490
Cash flows from investing activities					
Investment in joint ventures		(5,739)	-	(5,739)	-
Acquisition of non-controlling interests without a change in control		(1,622)	-	(1,622)	-
Dividend received from associates		499	1,348	1,045	1,820
Interest received		40	37	209	135
Proceeds from disposal of plant and equipment		-	-	22	9
Software development expenditure		24	-	(178)	-
Purchase of plant and equipment		(25)	(345)	(1,321)	(713)
Contribution from non-controlling interests		529	-	594	53
Purchase of available-for-sale financial assets, net		(9,222)	(29,732)	(76,841)	(86,279)
Net cash used in investing activities	(b)	(15,516)	(28,692)	(83,831)	(84,975)
Cash flows from financing activities					
Dividends paid		(24,674)	(19,510)	(53,201)	(45,040)
Interest paid		(427)	(896)	(920)	(1,589)
(Payment of) / Proceeds from finance lease liabilities, net		(34)	(12)	189	(34)
Proceeds from borrowings, net		7,000	27,037	71,000	103,342
Net cash (used in) / from financing activities	(c)	(18,135)	6,619	17,068	56,679
Net decrease in cash and cash equivalents					
Cash and cash equivalents at beginning of period		74,073	61,434	76,742	64,430
Effect of exchange rate fluctuations on cash held		380	515	(460)	637
Cash and cash equivalents at end of period		62,509	42,261	62,509	42,261

Footnotes:

- (a) Cash flows from operating activities increased to S\$53.0 million in YTD2016 from S\$5.5 million in YTD2015 mainly due to (i) proceeds received from the sale of REIT units received by the Group as part payment for REIT management fees in YTD2016 and (ii) distribution income receipts.
- (b) Net cash outflow for investing activities amounted to S\$83.8 million in YTD2016, compared to S\$85.0 million in YTD2015. The lower cash outflow in YTD2016 was mainly attributed to lower investments and seed capital contributions to the various private real estate funds during the period.
- (c) Net cash inflow for financing activities was S\$17.1 million in YTD2016 as compared to S\$56.7 million in YTD2015. The cash inflows in both periods were mainly proceeds from borrowings to finance (i) the accumulation of Suntec REIT units by the Group and (ii) investments and seed capital contributions to the various private real estate funds. The inflows in both periods were partially offset by the dividends paid in those same periods.

**Financial Results Announcement
For the quarter ended 30 September 2016**

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

	Share capital S\$'000	Share premium S\$'000	Retained earnings S\$'000	Total equity S\$'000
Company				
At 1 January 2015	1,690	74,859	101,374	177,923
Profit for the period	-	-	9,410	9,410
Total comprehensive income for the period	-	-	9,410	9,410
At 31 March 2015	1,690	74,859	110,784	187,333
Profit for the period	-	-	3,590	3,590
Total comprehensive income for the period	-	-	3,590	3,590
<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	-	-	(22,819)	(22,819)
Total contributions by and distributions to owners	-	-	(22,819)	(22,819)
At 30 June 2015	1,690	74,859	91,555	168,104
Profit for the period	-	-	18,689	18,689
Total comprehensive income for the period	-	-	18,689	18,689
<i>Transactions with owners, recorded directly in equity</i>				
<i>Contributions by and distributions to owners</i>				
Interim tax-exempt dividend paid of S\$0.023 per share	-	-	(19,438)	(19,438)
Total contributions by and distributions to owners	-	-	(19,438)	(19,438)
At 30 September 2015	1,690	74,859	90,806	167,355
At 1 January 2016	1,995	225,287	102,912	330,194
Profit for the period	-	-	1,067	1,067
Total comprehensive income for the period	-	-	1,067	1,067
<i>Transactions with owners, recorded directly in equity</i>				
<i>Contributions by and distributions to owners</i>				
Adjustment to issue expenses in relation to Rights Issue	-	10	-	10
Total contributions by and distributions to owners	-	10	-	10
At 31 March 2016	1,995	225,297	103,979	331,271
Profit for the period	-	-	20,334	20,334
Total comprehensive income for the period	-	-	20,334	20,334
<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	-	-	(26,927)	(26,927)
Total contributions by and distributions to owners	-	-	(26,927)	(26,927)
At 30 June 2016	1,995	225,297	97,386	324,678
Profit for the period	-	-	10,211	10,211
Total comprehensive income for the period	-	-	10,211	10,211
<i>Transactions with owners, recorded directly in equity</i>				
<i>Contributions by and distributions to owners</i>				
Interim tax-exempt dividend paid of S\$0.023 per share	-	-	(22,937)	(22,937)
Total contributions by and distributions to owners	-	-	(22,937)	(22,937)
At 30 September 2016	1,995	225,297	84,660	311,952

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	Share capital and premium S\$'000	Fair value reserve S\$'000	Hedging reserve S\$'000	Foreign currency translation reserves S\$'000	Retained earnings S\$'000	Attributable to equity holders of the Company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Group								
At 1 January 2015	76,549	31,271	-	6,425	226,901	341,146	6,988	348,134
Total other comprehensive income	-	(3,303)	-	7,525	-	4,222	20	4,242
Profit for the period	-	-	-	-	18,970	18,970	901	19,871
Total comprehensive income for the period	-	(3,303)	-	7,525	18,970	23,192	921	24,113
<i>Transactions with owners, recorded directly in equity</i>								
<i>Change in ownership interest in a subsidiary, without a change in control</i>								
Contribution from a non-controlling interest	-	-	-	-	-	-	53	53
Total change in ownership interest in a subsidiary	-	-	-	-	-	-	53	53
At 31 March 2015	76,549	27,968	-	13,950	245,871	364,338	7,962	372,300
Total other comprehensive income	-	(8,612)	-	(4,823)	-	(13,435)	(29)	(13,464)
Profit for the period	-	-	-	-	16,442	16,442	452	16,894
Total comprehensive income for the period	-	(8,612)	-	(4,823)	16,442	3,007	423	3,430
<i>Transactions with owners, recorded directly in equity</i>								
<i>Contributions by and distributions to owners</i>								
Dividend paid to non-controlling interest	-	-	-	-	-	-	(2,711)	(2,711)
Final tax-exempt dividend paid of S\$0.027 per share	-	-	-	-	(22,819)	(22,819)	-	(22,819)
Total contributions by and distributions to owners	-	-	-	-	(22,819)	(22,819)	(2,711)	(25,530)
At 30 June 2015	76,549	19,356	-	9,127	239,494	344,526	5,674	350,200
Total other comprehensive income	-	(29,148)	-	10,598	-	(18,550)	3	(18,547)
Profit for the period	-	-	-	-	17,083	17,083	538	17,621
Total comprehensive income for the period	-	(29,148)	-	10,598	17,083	(1,467)	541	(926)
<i>Transactions with owners, recorded directly in equity</i>								
<i>Contributions by and distributions to owners</i>								
Dividend paid to non-controlling interest	-	-	-	-	-	-	(72)	(72)
Interim tax-exempt dividend paid of S\$0.023 per share	-	-	-	-	(19,438)	(19,438)	-	(19,438)
Total contributions by and distributions to owners	-	-	-	-	(19,438)	(19,438)	(72)	(19,510)
At 30 September 2015	76,549	(9,792)	-	19,725	237,139	323,621	6,143	329,764
At 1 January 2016	227,282	11,783	-	18,546	262,702	520,313	7,295	527,608
Total other comprehensive income	-	14,920	-	(11,873)	-	3,047	29	3,076
Profit for the period	-	-	-	-	19,354	19,354	687	20,041
Total comprehensive income for the period	-	14,920	-	(11,873)	19,354	22,401	716	23,117
<i>Transactions with owners, recorded directly in equity</i>								
<i>Contributions by and distributions to owners</i>								
Adjustment to issue expenses in relation to Rights Issue	10	-	-	-	-	10	-	10
Total contributions by and distributions to owners	10	-	-	-	-	10	-	10
At 31 March 2016	227,292	26,703	-	6,673	282,056	542,724	8,011	550,735
Total other comprehensive income	-	13,206	-	(602)	-	12,604	(17)	12,587
Profit for the period	-	-	-	-	19,324	19,324	935	20,259
Total comprehensive income for the period	-	13,206	-	(602)	19,324	31,928	918	32,846
<i>Transactions with owners, recorded directly in equity</i>								
<i>Contributions by and distributions to owners</i>								
Dividend paid to non-controlling interest	-	-	-	-	-	-	(1,600)	(1,600)
Final tax-exempt dividend paid of S\$0.027 per share	-	-	-	-	(26,927)	(26,927)	-	(26,927)
Total contributions by and distributions to owners	-	-	-	-	(26,927)	(26,927)	(1,600)	(28,527)
<i>Transactions with owners, recorded directly in equity</i>								
<i>Change in ownership interest in a subsidiary, without a change in control</i>								
Contribution from a non-controlling interest	-	-	-	-	-	-	65	65
Total change in ownership interest in a subsidiary	-	-	-	-	-	-	65	65
At 30 June 2016	227,292	39,909	-	6,071	274,453	547,725	7,394	555,119
Total other comprehensive income	-	903	(15)	3,915	-	4,803	-	4,803
Profit for the period	-	-	-	-	31,473	31,473	625	32,098
Total comprehensive income for the period	-	903	(15)	3,915	31,473	36,276	625	36,901
<i>Transactions with owners, recorded directly in equity</i>								
<i>Contributions by and distributions to owners</i>								
Dividend paid to non-controlling interest	-	-	-	-	-	-	(1,737)	(1,737)
Interim tax-exempt dividend paid of S\$0.023 per share	-	-	-	-	(22,937)	(22,937)	-	(22,937)
Total contributions by and distributions to owners	-	-	-	-	(22,937)	(22,937)	(1,737)	(24,674)
<i>Transactions with owners, recorded directly in equity</i>								
<i>Change in ownership interest in a subsidiary, without a change in control</i>								
Acquisition of non-controlling interests without a change in control	-	-	-	-	(596)	(596)	(1,026)	(1,622)
Contribution from a non-controlling interest	-	-	-	-	-	-	529	529
Total change in ownership interest in a subsidiary	-	-	-	-	(596)	(596)	(497)	(1,093)
At 30 September 2016	227,292	40,812	(15)	9,986	282,393	560,468	5,785	566,253

Notes:

- Included in the share capital is a share premium account of S\$225.3 million as at 30 September 2016 (30 September 2015: S\$74.9 million).

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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 were no changes in the Company's share capital since the end of the last quarter financial results announcement, which was reported on 2 August 2016.

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

	30/09/16	As at	31/12/15
Total number of issued shares	997,278,289		997,278,289

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 nine-month period ended 30 September 2016 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 Group has applied the same accounting policies and methods of computation in the preparation of the interim financial information for the current period compared with the audited financial statements for the year ended 31 December 2015.

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

There is no change in the accounting policies and methods of computation adopted.

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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)	3Q2016	3Q2015 (Restated)	3Q2015 (Previously reported)
Weighted average number of ordinary shares	997,278,289	865,285,575	845,151,093
Earnings per share ("EPS") – Basic and Diluted	3.16	1.97	2.02

(Singapore cents)	YTD2016	YTD2015 (Restated)	YTD2015 (Previously reported)
Weighted average number of ordinary shares	997,278,289	865,285,575	845,151,093
Earnings per share ("EPS") – Basic and Diluted	7.03	6.07	6.21

The calculation of Basic and Diluted EPS for the relevant periods are based on the profit attributable to equity holders of the Company for the respective financial periods and weighted average ordinary shares on a pro-rata basis based on an adjustment factor calculated based on the market price and theoretical ex-rights price of an ordinary share. The Basic and Diluted EPS are the same as there is no dilutive instrument in issue at the reporting date.

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	
	30/09/16	31/12/15	30/09/16	31/12/15
Net asset value per ordinary share	56.20	52.17	31.28	33.11
Net tangible asset per ordinary share	56.09	52.06	31.28	33.11

Net asset value per share was calculated based on the net assets of the Group, excluding non-controlling interests, as at the relevant dates and the issued share capital of 997,278,289 shares.

Net tangible asset per share was calculated based on the net assets of the Group, excluding intangible assets and non-controlling interests, as at the relevant dates and the issued share capital of 997,278,289 shares.

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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

	3Q2016 S\$'000	3Q2015 S\$'000	Change %	YTD2016 S\$'000	YTD2015 S\$'000	Change %
Total Revenue	52,979	38,235	39%	134,579	112,563	20%
Management fees	34,737	33,225	5%	102,677	95,001	8%
Acquisition, divestment and performance fees	1,070	1,151	(7%)	3,388	8,680	(61%)
Finance income	17,119	3,785	352%	27,788	8,662	221%
Other income	53	74	(28%)	726	220	230%
Total expenses	(18,735)	(17,795)	5%	(54,717)	(54,216)	1%
Share of profit of associates and joint ventures, net of tax	1,455	719	102%	3,763	6,307	(40%)
Net Profit ⁽¹⁾	31,473	17,083	84%	70,151	52,495	34%
Adjusted Net Profit ⁽²⁾	21,458	17,814	20%	57,965	51,926	12%

n.m.: not meaningful

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

(2) *Adjusted Net Profit refers to Net Profit excluding one-off adjustments comprising: (i) acquisition, divestment and performance fees; (ii) gain / (loss) on fair valuation / disposal of financial assets; (iii) gain / (loss) on disposal of investments; (iv) impairment on available-for-sale financial assets; (v) performance-based bonuses; and (vi) any other income / expense deemed non-recurrent.*

3Q2016 vs 3Q2015

The Group's recurrent management fees for 3Q2016 were higher at S\$34.7 million compared to S\$33.2 million in 3Q2015. The increase in fees was mainly attributed to (a) higher REIT management fees arising from (i) better asset performance post the asset enhancement initiatives undertaken, which resulted in higher valuation of the property portfolios of the REITs under management and (ii) fee contribution from Suntec REIT's acquisition of three floors of strata office space at Suntec Tower Two and Cache's acquisition of three Australian properties in the last quarter of 2015, (b) higher portfolio management fees arising from (i) the CIP's acquisition of two commercial properties in China in September and December 2015, (ii) the launch of the Harmony III and the Harmony V in August and December 2015 respectively and (iii) fee contribution from the PIP, as well as (c) higher real estate management services fees from higher property management fees received by the Group.

Acquisition, divestment and performance fees of S\$1.1 million in 3Q2016 were comparable to that of S\$1.2 million in 3Q2015.

Finance income increased to S\$17.1 million in 3Q2016 from S\$3.8 million in 3Q2015, mainly due to (i) higher distribution income from Suntec REIT following the Group's further accumulation of Suntec REIT units in 2016, as well as from the Group's investment in private real estate funds, including a one-off distribution income of approximately S\$9.4 million from the ADF II, and (ii) a net gain on fair valuation / disposal of financial assets of S\$0.3 million during the quarter (3Q2015 had recorded a net loss on fair valuation / disposal of financial assets of S\$1.8 million under finance costs).

Total expenses increased to S\$18.7 million in 3Q2016 from S\$17.8 million in 3Q2015, as the higher administrative expenses and other expenses incurred in line with the Group's higher profit achieved were partially offset by lower finance costs. Also included in 3Q2015 were adjustments to bonus expenses paid in respect of the previous year. The lower finance costs in 3Q2016 were attributed to (i) a net loss on fair valuation / disposal of financial assets of S\$1.8 million in 3Q2015 (3Q2016 had recorded a net gain on fair valuation / disposal of financial assets of S\$0.3 million under finance income); (ii) lower interest expense as a result of lower borrowings and (iii) lower net foreign exchange loss.

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The Group's share of profit of associates and joint ventures, net of tax increased to S\$1.5 million in 3Q2016 from S\$0.7 million in 3Q2015, mainly due to higher income contribution from Hui Xian Asset Management Limited.

Net Profit increased to S\$31.5 million in 3Q2016 from S\$17.1 million in 3Q2015. Similarly, the Adjusted Net Profit was also higher at S\$21.5 million in 3Q2016 compared to S\$17.8 million in 3Q2015.

YTD2016 vs YTD2015

The Group's recurrent management fees increased to S\$102.7 million in YTD2016 from S\$95.0 million in YTD2015. This was mainly due to (a) higher REIT management fees from (i) better asset performance post the asset enhancement initiatives undertaken and (ii) fee contribution from Suntec REIT's acquisition of three floors of strata office space at Suntec Tower Two and Cache's acquisition of three Australian properties in the last quarter of 2015, (b) higher portfolio management fees arising from (i) the CIP's acquisition of two commercial properties in China in September and December 2015, (ii) the launch of the Harmony III and the Harmony V in August and December 2015 respectively and (iii) fee contribution from the PIP, as well as (c) higher real estate management services fees from higher property management fees received by the Group.

Acquisition, divestment and performance fees for YTD2016 were lower at S\$3.4 million compared to S\$8.7 million in YTD2015. The acquisition fees received by the Group in YTD2016 were in relation to (i) Suntec REIT's acquisition of 177 Pacific Highway in Australia and (ii) AmFIRST REIT's acquisition of Mydin HyperMall in January 2016. In comparison, fees in YTD2015 were mainly attributed to (a) acquisition fees in relation to (i) Fortune REIT's acquisition of Laguna Plaza, (ii) Cache's acquisition of three Australian properties and fees received from the completion of the development of the DHL Supply Chain Advanced Regional Centre, and (iii) the SDF I's maiden acquisition in Australia and (b) divestment fees received in relation to (i) the sale of certain properties held under the SIP's portfolio, (ii) Fortune REIT's divestment of Nob Hill and (iii) Cache's divestment of Kim Heng Warehouse.

Finance income was S\$27.8 million in YTD2016, significantly higher from the S\$8.7 million in YTD2015, primarily due to (i) a higher distribution income of S\$24.3 million in YTD2016 compared to S\$8.3 million in YTD2015, arising mainly from Suntec REIT following the Group's further accumulation of Suntec REIT units in 2016, as well as from the Group's investment in private real estate funds, including a one-off distribution income of approximately S\$9.4 million from the ADF II, and (ii) a net gain on fair valuation / disposal of financial assets of S\$3.3 million in YTD2016 (YTD2015 had recorded a net loss on fair valuation / disposal of financial assets of S\$3.4 million under finance costs).

Total expenses increased to S\$54.7 million in YTD2016 from S\$54.2 million in YTD2015, as the higher administrative expenses incurred in line with the Group's higher profit achieved were substantially offset by lower finance costs. Also included in YTD2015 were adjustments to bonus expenses paid in respect of the previous year. The lower finance costs in YTD2016 were attributed to (i) a net loss on fair valuation / disposal of financial assets of S\$3.4 million in YTD2015 (YTD2016 had recorded a net gain on fair valuation / disposal of financial assets of S\$3.3 million under finance income), (ii) lower interest expense as a result of lower borrowings and (iii) lower net foreign exchange loss.

The Group's share of profit of associates and joint ventures, net of tax declined to S\$3.8 million in YTD2016 from S\$6.3 million in YTD2015, as the latter had included the acquisition fee recorded by Hui Xian Asset Management Limited in relation to Hui Xian REIT's acquisition of Metropolitan Oriental Plaza in Chongqing, China in March 2015, in addition to higher income contribution from Cache Property Management Pte Ltd.

Net Profit grew 34% year-on-year to S\$70.2 million in YTD2016. The Adjusted Net Profit was also higher at S\$58.0 million in YTD2016 compared to S\$51.9 million in YTD2015, an increase of 12% year-on-year.

As at 30 September 2016, the Group's total assets under management stood at S\$30.0 billion (approximately US\$22.0 billion).

**Financial Results Announcement
For the quarter ended 30 September 2016**

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

The current results are broadly in line with the Company's commentary made in the Financial Results Announcement for the second quarter ended 30 June 2016 under item 10. The Company has not disclosed any financial forecast to the market.

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 International Monetary Fund ("IMF"), in its October 2016 "World Economic Outlook" report update, maintained its 2016 global growth forecast at 3.1 per cent. Its subdued outlook for the advanced economies reflect the slower growth in demand, uncertainties and risks associated with the eventual outcome of Brexit, weaker-than-expected growth in the United States, broader macroeconomic challenges in the wake of weaker commodity prices and threats from policy uncertainty towards continued cross-border economic integration, among others.

The projected growth in the emerging markets and developing economies is expected to be resilient, with China projected to grow by 6.6 per cent and 6.2 per cent in 2016 and 2017 respectively.

The economic growth performance for Asia Pacific economies was uneven. The Singapore economy is estimated to have grown by 0.6 per cent year-on-year in the third quarter of 2016, due to lacklustre manufacturing and trade flows. The official 2016 growth forecast for the Singapore economy is expected at the lower end of between 1.0 and 2.0 per cent, with moderate growth for 2017. China's economic growth for the third quarter of 2016 held steady at 6.7 per cent year-on-year, unchanged from the first two quarters.

Hong Kong's economy registered a growth of 1.7 per cent year-on-year in the second quarter of 2016, up modestly from 0.8 per cent registered in the preceding quarter, on the back of positive export growth and private consumption expenditure. Overall 2016 GDP growth is still expected at between 1.0 and 2.0 per cent. Malaysia's economic growth moderated slightly to 4.0 per cent year-on-year in the second quarter of 2016 from the 4.2 per cent growth rate in the first quarter of 2016. Australia's GDP growth rate was 3.3 per cent in the second quarter of 2016, marginally higher than the 3.0 per cent growth rate in the previous quarter, driven by higher domestic demand. South Korea's GDP growth rate is estimated at 2.7 per cent for the third quarter of 2016 compared to 3.3 per cent in the preceding quarter.

REITs

The Group will continue to employ active asset management strategies in driving the performance of its managed properties, whilst seeking growth through acquisitions.

The development of 177 Pacific Highway in North Sydney held by Suntec REIT has been completed in August 2016. The property is 100% leased and has a WALE of 9.25 years.

Suntec REIT has on 4 November 2016 jointly with the PIP, completed its acquisition of a 50% interest in Southgate Complex in Melbourne, further augmenting its presence in Australia.

Private Funds

In October 2016, ARA successfully established the ARA Harmony VI (Century Link) ("Harmony VI") to invest in Century Link, a newly-completed premium-grade integrated commercial property located in the heart of Lujiazui Finance and Trade Zone in Pudong New District, Shanghai, China. The agreed property value is RMB20 billion (approximately S\$4.1 billion¹).

With the completion of the joint acquisition together with Suntec REIT of a 50% interest in Southgate Complex in Melbourne, the PIP to date deployed more than 50% of its committed capital.

ARA Private Funds has, since the establishment of its first flagship fund in 2007, expanded into one of the leading private equity real estate managers in Asia. Over time, in addition to managing a growing suite of private real estate funds and joint venture vehicles pursuing various investment strategies, ARA Private Funds continues to develop stronger investment and asset management capabilities over large-scale commercial properties in multiple asset classes across the Asia Pacific.

¹ Based on exchange rate of 1 SGD: RMB 4.8708 as at 25 October 2016

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11. Dividend

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on? No

Name of Dividend	:	Not applicable
Dividend Type	:	Not applicable
Dividend Amount	:	Not applicable
Dividend Rate	:	Not applicable
Par value of shares	:	Not applicable
Tax Rate	:	Not applicable

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend recommended for the corresponding period of the immediately preceding financial year? No

Name of Dividend	:	Not applicable
Dividend Type	:	Not applicable
Dividend Amount	:	Not applicable
Dividend Rate	:	Not applicable
Par value of shares	:	Not applicable
Tax Rate	:	Not applicable

(c) Date payable

Not applicable

(d) Book Closure date

Not applicable

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

No dividend has been declared or proposed for the financial period under review.

13. Interested Person Transactions

A mandate was obtained from shareholders at the Company's Annual General Meeting held on 15 April 2016.

Name of interested person	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)	
	3Q2016 S\$'000	YTD2016 S\$'000	3Q2016 S\$'000	YTD2016 S\$'000
Straits Trading Company Limited ("STC") and its subsidiaries and associates				
- Portfolio Management fee	–	–	879	2,679
- Property Management fees	–	–	236	718
- Property letting fees	–	–	167	246
	–	–	1,282	3,643

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14. Negative confirmation pursuant to Rule 705(5)

To the best of our knowledge, nothing has come to the attention of the Board of Directors of ARA Asset Management Limited which may render the unaudited interim financial information (comprising the statements of financial position and statements of income, comprehensive income, changes in equity and cash flows, together with their accompanying notes) as at 30 September 2016 and for the nine months ended on that date to be false or misleading in any material aspect.

On behalf of the Board,

Chiu Kwok Hung, Justin
Director

Lim Hwee Chiang
Director

15. Undertakings confirmation pursuant to Rule 720(1)

The Board of Directors of the Company hereby confirms that the undertakings from all its directors and executive officers as required in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual were procured.

16. Update on the Use of Proceeds from the Renounceable Underwritten Rights Issue

As at 30 September 2016, out of the gross proceeds of approximately S\$152.1 million that was raised from the Rights Issue, (i) S\$60.0 million has been utilised to repay in full the STC Shareholder Loan; (ii) S\$2.3 million has been used to pay for the expenses incurred in connection with the Rights Issue; and (iii) S\$26.8 million has been utilised for strategic investments and seed capital for the existing funds which the Company manages. The remaining proceeds from the Rights Issue amount to approximately S\$63.0 million.

The use of proceeds is in accordance with the stated use disclosed in the Offer Information Statement dated 19 November 2015.

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

Lim Hwee Chiang
Director
8 November 2016

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



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The Board of Directors
ARA Asset Management Limited
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8 November 2016

Dear Sirs

Report on review of Interim Financial Information

Introduction

We have reviewed the accompanying interim financial information 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 30 September 2016, the related income statements and statements of comprehensive income of the Group for the three-month and nine-month periods ended 30 September 2016, the statement of changes in equity and statement of cash flows of the Group for the nine-month period ended 30 September 2016 and certain explanatory notes (the "Interim Financial Information"). Management is responsible for the preparation and presentation of this Interim Financial Information in accordance with Singapore Financial Reporting Standard ("FRS") 34 *Interim Financial Reporting*. Our responsibility is to express a conclusion on this Interim Financial Information 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 interim financial information 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 Interim Financial Information is not prepared, in all material respects, in accordance with FRS 34 *Interim Financial Reporting*.



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 Interim Financial Information 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 Interim Financial Information 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

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*Public Accountants and
Chartered Accountants*

Singapore