



ANNOUNCEMENT

APPOINTMENT AS ASSET MANAGER AND CONVENTION & EXHIBITION SERVICE PROVIDER FOR THE SUNTEC SINGAPORE INTERNATIONAL CONVENTION & EXHIBITION CENTRE

ARA Asset Management Limited (“ARA”) is pleased to announce its appointment as the asset manager and convention & exhibition service provider for the Suntec Singapore International Convention & Exhibition Centre (“Suntec Singapore”), pursuant to the acquisition of Suntec Singapore by Harmony Convention Holding Pte. Ltd. (“Harmony Fund”)¹. Harmony Fund, which is jointly held by Suntec REIT and certain private financial investors (the “Investors”), had on 1 August 2009, entered into a sale and purchase agreement to acquire Suntec Singapore for a consideration of S\$235 million. The acquisition will be funded with equity investment from the Investors, senior debt from Standard Chartered Bank, and a mezzanine loan of approximately S\$37 million, to be arranged by ARA².

The management contracts are expected to contribute approximately 0.2 Singapore cents per share to ARA’s earnings per share (“EPS”) for the financial year ending 31 December 2009³ and approximately 0.5 Singapore cents per share on a full-year basis⁴, representing approximately 4% and 8% respectively of ARA’s EPS of 6.3 Singapore cents for the financial year ended 31 December 2008.

1 The appointments are effective on completion of the acquisition of Suntec Singapore.

2 In connection with its role as arranger, ARA may take up part or all of the mezzanine loan.

3 Assuming the contracts take effect from 1 October 2009.

4 Based on ARA’s issued share capital of 582,060,000 shares as at 31 December 2008. Full year EPS contribution is estimated based on expected earnings contribution to ARA for the first full year of the contracts from 1 October 2009 to 30 September 2010.

Credit Suisse (Singapore) Limited and DBS Bank Ltd. were the joint global coordinators, bookrunners and underwriters for the initial public offering of ARA.

Situated within Singapore's Downtown Marina Centre precinct and only 20 minutes from Changi International Airport, Suntec Singapore is an award-winning international venue comprising approximately 1 million square feet of floor space spread over six levels catered to meetings, conventions and exhibitions. Suntec Singapore is part of the iconic integrated commercial development known as Suntec City comprising Suntec Singapore, five Grade A office towers with over 2 million square feet of net lettable area and one of Singapore's largest shopping malls with over 800,000 square feet of retail space. In addition to its world-class facilities, Suntec Singapore offers direct access to 5,200 hotel rooms, 1,000 retail shops and 300 restaurants within the Suntec City vicinity. Suntec City is easily accessible by car and public transport networks and is linked to two MRT stations in the upcoming Circle MRT line – the Esplanade and Promenade Stations which are expected to be operational in 2010.

As at the date of this announcement, ARA has an interest in approximately 40.2 million units in Suntec REIT, and certain of the directors of ARA collectively have an aggregate direct and indirect interest in approximately 214.0 million shares in ARA and certain of the directors of ARA collectively have an aggregate direct and indirect interest in approximately 40.3 million units in Suntec REIT. Mr Chiu Kwok Hung, Justin is the chairman and a director of ARA and the chairman and a director of ARA Trust Management (Suntec) Limited, the manager of Suntec REIT (the "Suntec REIT Manager") and a wholly-owned subsidiary of ARA. Mr Lim Hwee Chiang is the group chief executive officer and executive director of ARA, a director of the Suntec REIT Manager and a director of Harmony Fund. Mr Ip Tak Chuen, Edmond is a director of ARA, a director of the Suntec REIT Manager and an alternate director of Suntec City Development Pte. Ltd.⁵. Save as disclosed above and based on the information available to ARA as at the date of this announcement, none of the directors or substantial shareholders of ARA has any interest, direct or indirect, in the above transaction.

By Order of the Board

Lim Hwee Chiang
Director
2 August 2009

⁵ Suntec City Development Pte. Ltd. is the vendor of Suntec Singapore.

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) REIT management – The Group is one of the largest REIT managers in Asia ex-Japan and currently manages four REITs listed in three countries namely, Fortune REIT and Suntec REIT listed in Singapore, Prosperity REIT listed in Hong Kong and AmFIRST REIT listed in Malaysia;
- (b) Private real estate fund management – The Group manages several closed-end private real estate funds focused on real estate investments in Asia;
- (c) Specialist equity fund management – The Group currently manages an open-ended private fund investing in REITs and listed infrastructure and utilities trusts in the Asia-Pacific region; and
- (d) Corporate finance advisory services – The Group has an in-house advisory arm providing corporate finance advisory services to the Group and the various REITs we manage.

Credit Suisse (Singapore) Limited and DBS Bank Ltd. were the joint global coordinators, bookrunners and underwriters for the initial public offering of ARA.

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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.