

# RESULTS FOR THE HALF YEAR ENDED 30 JUNE 2012

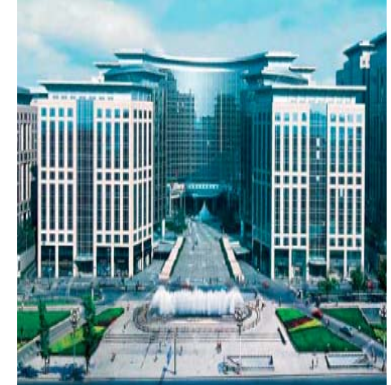


Embargoed until 5.05 a.m.  
10 August 2012



(An Affiliate of Cheung Kong Group)

## BUSINESS OVERVIEW



# BUSINESS SEGMENTS

## ARA ASSET MANAGEMENT LIMITED

**Business Segments**

**Revenue - Recurrent**  
(Primary Basis)

**REITs**

**Base Fees**  
(Gross Property Value)

**Performance / Variable Fees**  
(Net Property Income)

**Private Real Estate Funds**

**Portfolio Management Fees**  
(Committed Capital / Gross Property Value)

**Real Estate Management Services**

**Property Management Fees**  
(Property Gross Revenue)

**Convention & Exhibition Service Fees**  
(Gross Revenue)

**Corporate Finance Advisory Services**

**Revenue - One-off**  
(Primary Basis)

**Acquisition / Divestment Fees**  
(Gross Property Value)

**Performance Fees**  
(IRR above Hurdle)







**Return on Seed Capital**

**Consultancy Fees**  
(Project Value)

**Advisory Fees**  
(Purchase Value)

# FUNDS & SERVICES

*Diversified & complementary fund platforms & services*

REITs	 FORTUNE REIT 富商產業信託	 SUNTEC Real Estate Investment Trust	 PROSPERITY REIT 富富產業信託	 AmFIRST AmFirst Real Estate Investment Trust	 CACHE LOGISTICS TRUST	 HUI XIAN REIT 匯賢產業信託
<b>Listing Venue</b>	SGX-ST & SEHK	SGX-ST	SEHK	Bursa	SGX-ST	SEHK
<b>Focus</b>	Suburban retail properties in Hong Kong	Prime office & retail properties in Singapore	Office & industrial/office properties in Hong Kong	Commercial properties in Malaysia	Logistics properties in the Asia Pacific region	Commercial properties in the PRC
<b>Property Value<sup>(1)</sup></b>	HK\$19,268m	S\$7,554m	HK\$6,991m	RM1,180m	S\$877m	RMB 34,303m
Private Real Estate Funds	<i>ADF</i> ARA Asia Dragon Fund	<i>ADF II</i> ARA Asia Dragon Fund II	<i>ARA Harmony Fund</i>	<i>CIP</i> ARA China Investment Partners	<i>APN</i>   Property Group	
<b>Description</b>	Flagship strategic and opportunistic private real estate fund investing in Singapore, Hong Kong, China, Malaysia and other emerging economies in Asia	2nd strategic and opportunistic private real estate fund investing in Singapore, Hong Kong, China, Malaysia and other emerging economies in Asia	Single-asset private real estate fund which owns the Suntec Singapore Int'l Convention & Exhibition Centre	Core-plus private real estate fund investing in high quality, income producing office and commercial properties in key cities in China, including Hong Kong	Strategic alliance with Australian specialist real estate investment manager, APN Property Group <sup>(2)</sup> for private funds investing primarily in Australian real estate	
<b>Fund Size</b>	US\$1.1b (Committed Capital)	US\$441m (Committed Capital)	S\$400m (Gross Asset Value)	US\$500m (Initial Committed Capital)		

Real Estate Management Services	 APM (A Member of the ARA Group)	 Suntec SINGAPORE International Convention & Exhibition Centre	 Suntec International Convention & Exhibition Services
<b>Description</b>	Property management services provider	Operations, sales and marketing services provider & consultant for convention, exhibition, meeting and event facilities	

Notes:  
(1) Property values as of last publicly-announced valuation  
(2) ARA currently holds a 13.9% interest in APN Property Group

# Private Real Estate Funds

Close to US\$1 billion raised -

Testament to the strength and track record of ARA

**Gross investor commitments of US\$941 million raised via two separate vehicles**

## *ADF II*

ARA Asia Dragon Fund II

### **Committed capital of US\$441 million**

- Third and final closing, signifying the continuation of the ADF Franchise

### **Pan-Asian opportunistic private real estate fund**

- Primary focus on retail, office and residential properties in China, Hong Kong, Singapore and Malaysia
- Secondary focus on the same asset classes in key cities of other Asian emerging economies
- Fund life of ten years
- Being opportunistic in nature, ADF II will target higher returns

## *CIP*

ARA China Investment Partners

### **Initial committed capital of US\$500 million**

- Additional capital commitments may be made available upon deployment of initial commitment

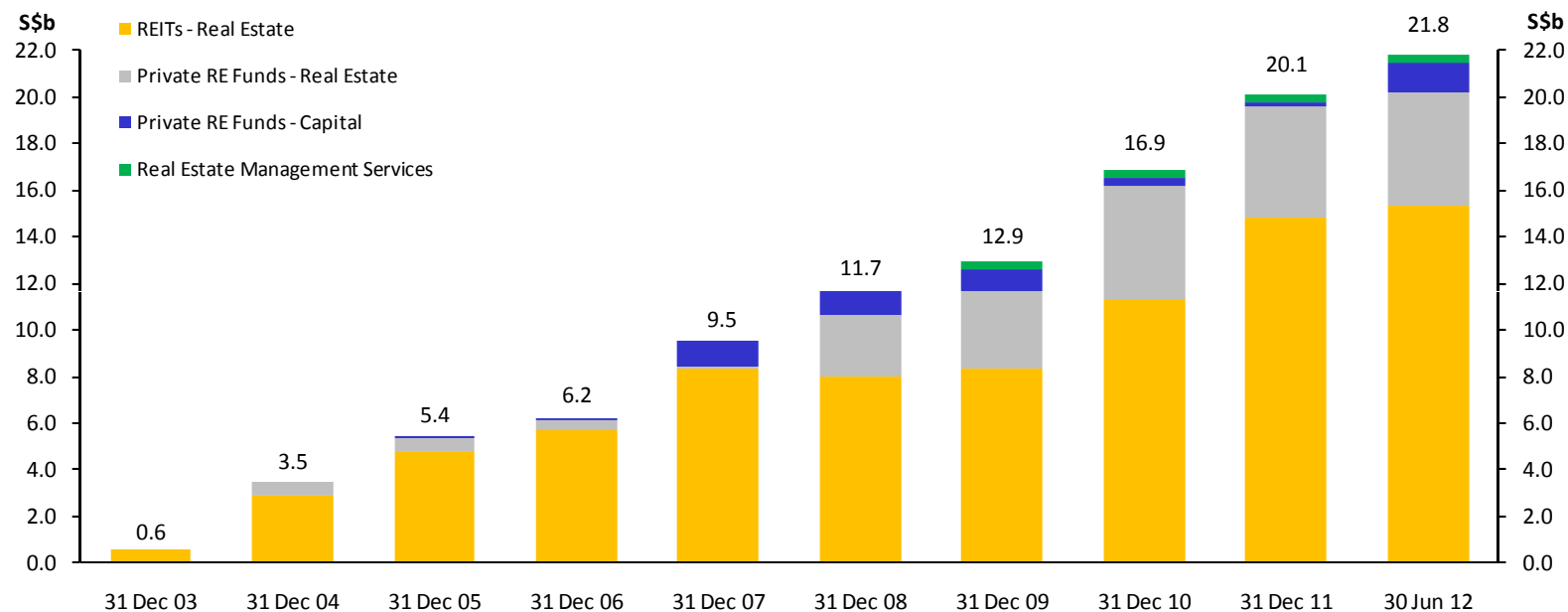
### **Long-term, core-plus separate account vehicle**

- Significant contribution from the California Public Employees' Retirement System (CalPERS)
- Targets high-quality, income producing office and retail properties in key cities in China, including Hong Kong
- Initial term of fund of ten years, with two additional extension options of six years each
- Fund's portfolio is expected to grow significantly over time



# ASSETS UNDER MANAGEMENT

*S\$21.8 billion (US\$17.2 billion) as at 30 June 2012*



Assets Under Management <sup>(1)</sup> (S\$ billion)	30 Jun 2012	31 Dec 2011	Change
REITs – Real Estate <sup>(2)</sup>	15.3	14.8	0.5
Private Real Estate Funds – Real Estate	4.9	4.7	0.2
Private Real Estate Funds – Capital <sup>(3)</sup>	1.3	0.2	1.1
Real Estate Management Services <sup>(4)</sup>	0.3	0.3	-
<b>Total</b>	<b>21.8</b>	<b>20.1</b>	<b>1.7</b>

**Notes:**

- (1) Based on exchange rates as at 30 June 2012
- (2) Comprises gross property value of REITs managed by subsidiaries & associated companies
- (3) Excludes capital committed for projects pending completion
- (4) Revenue base for real estate management services fee computation



(An Affiliate of Cheung Kong Group)

## FINANCIAL RESULTS



## RESULTS SNAPSHOT

*20% increase in 1H2012 net profit to S\$35.4 million*

- 1** Net profit rose 20% year-on-year to S\$35.4 million
- 2** Total revenue rose 21% year-on-year to S\$63.4 million
- 3** EPS increased 20% to 4.61 Singapore cents per share, from 3.85 Singapore cents in 1H2011
- 4** Interim dividend of 2.30 Singapore cents per share declared
- 5** Total assets under management (AUM) of S\$21.8 billion as at 30 June 2012, up 16% from a year ago



## FINANCIAL HIGHLIGHTS

1H2012 Net Profit up 20% year-on-year

Financial Highlights		1H2012	1H2011	Change (%)
Revenue				
Management fees <sup>(1)</sup>	(S\$'000)	47,782	44,661	7%
Acquisition and performance fees <sup>(2)</sup>	(S\$'000)	4,663	2,499	87%
Other income <sup>(3)</sup>	(S\$'000)	10,978	5,394	104%
Total Revenue	(S\$'000)	63,423	52,554	21%
Operating Profit (Pre-Tax)	(S\$'000)	39,855	33,701	18%
Share of Profit of Associates	(S\$'000)	2,168	885	145%
Net Profit	(S\$'000)	35,384	29,571	20%
EPS <sup>(4)</sup>	(S cents)	4.61	3.85	20%
AUM <sup>(5)</sup>	(S\$ billion)	21.8	18.8	16%

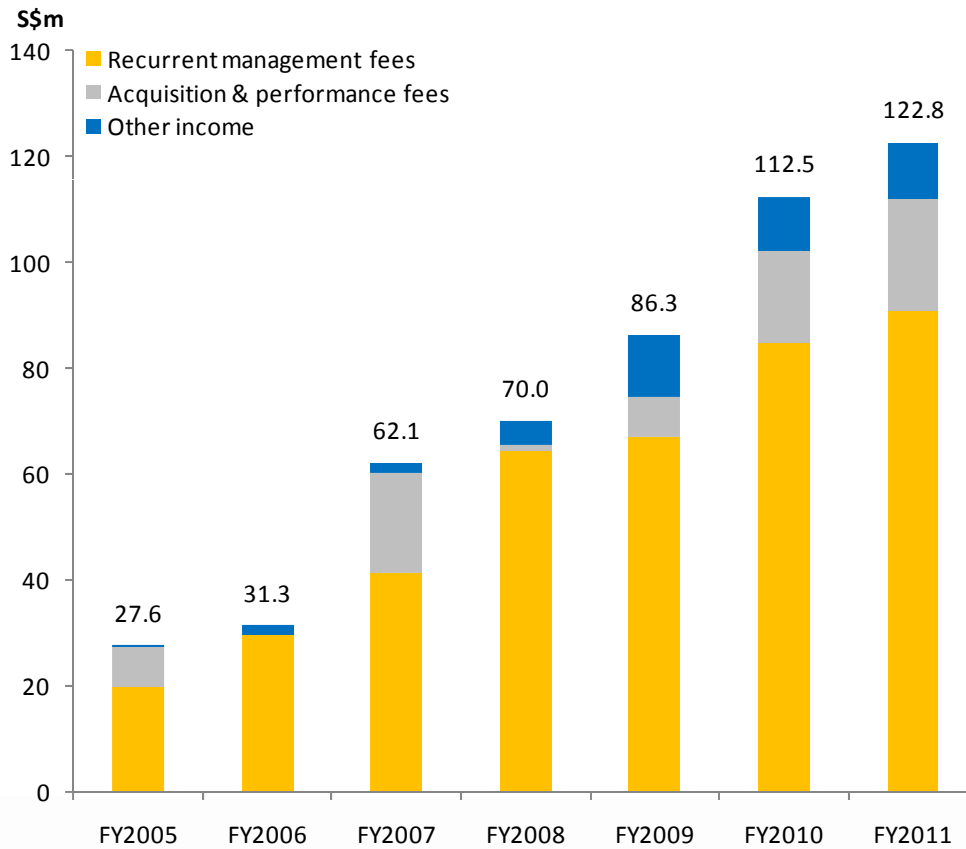
Notes:

- (1) Recurrent management fees from REITs, private real estate funds and real estate management services
- (2) Primarily REIT acquisition / disposal fees and private real estate fund arrangement/performance fees
- (3) Comprises mainly distribution income from financial assets and gains on disposal of REIT units
- (4) Based on share capital of 768,319,189 shares as at 30 June 2012
- (5) Based on exchange rates as at 30 June 2012

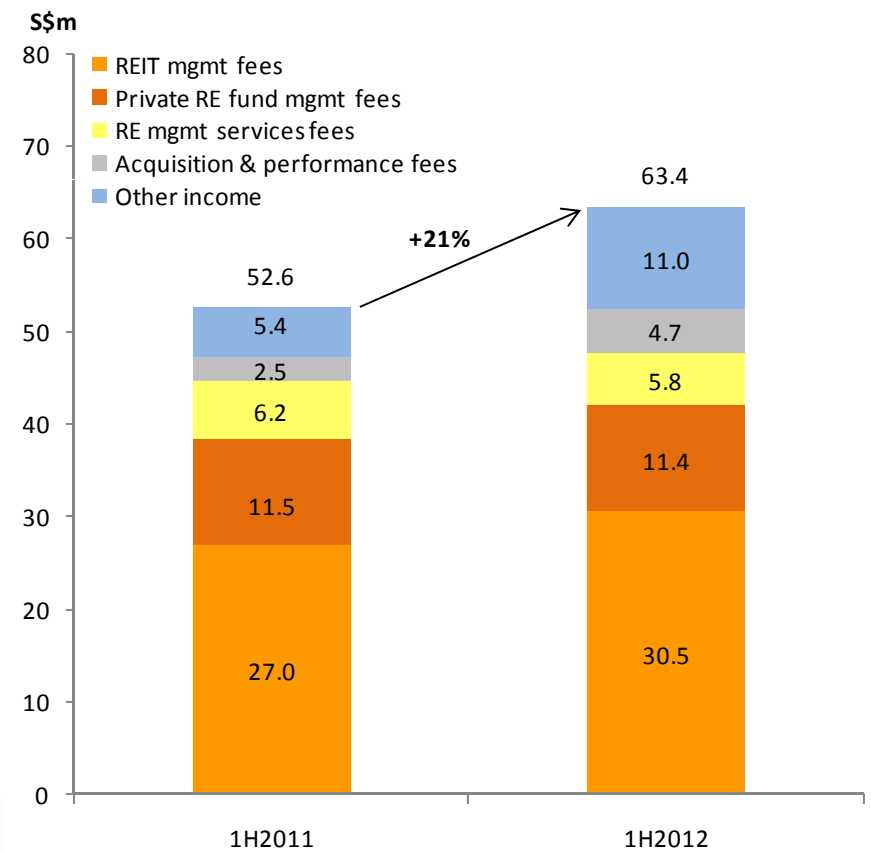
# REVENUE ANALYSIS

*Strong track record of revenue growth*

### Historical Revenue



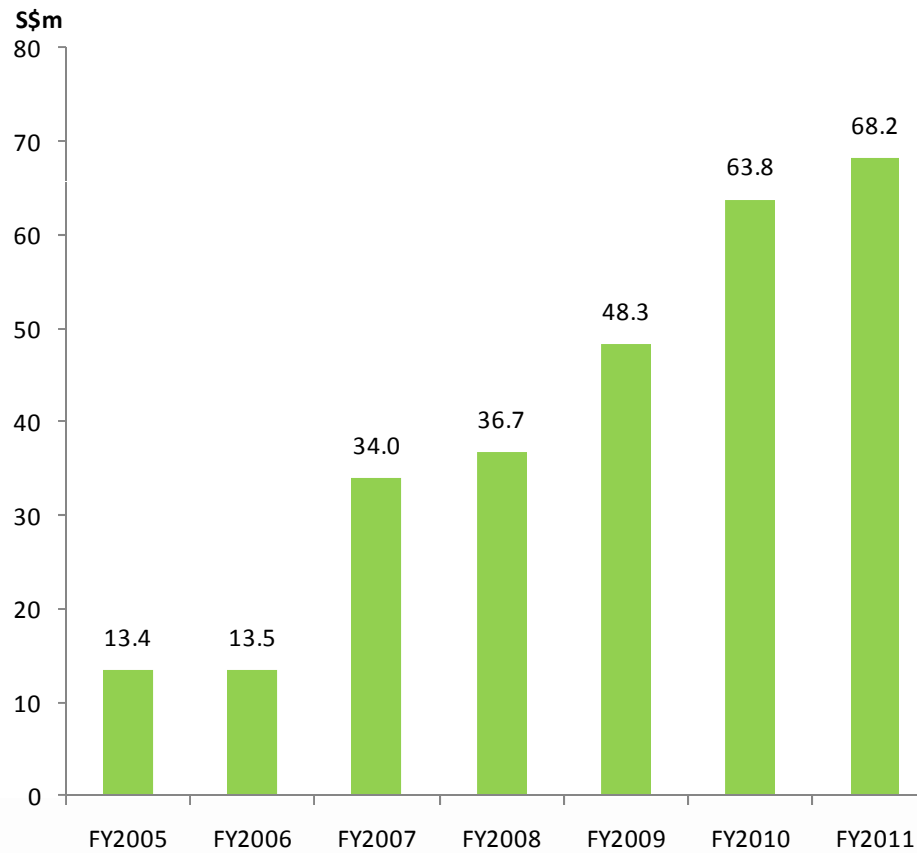
### Revenue Breakdown



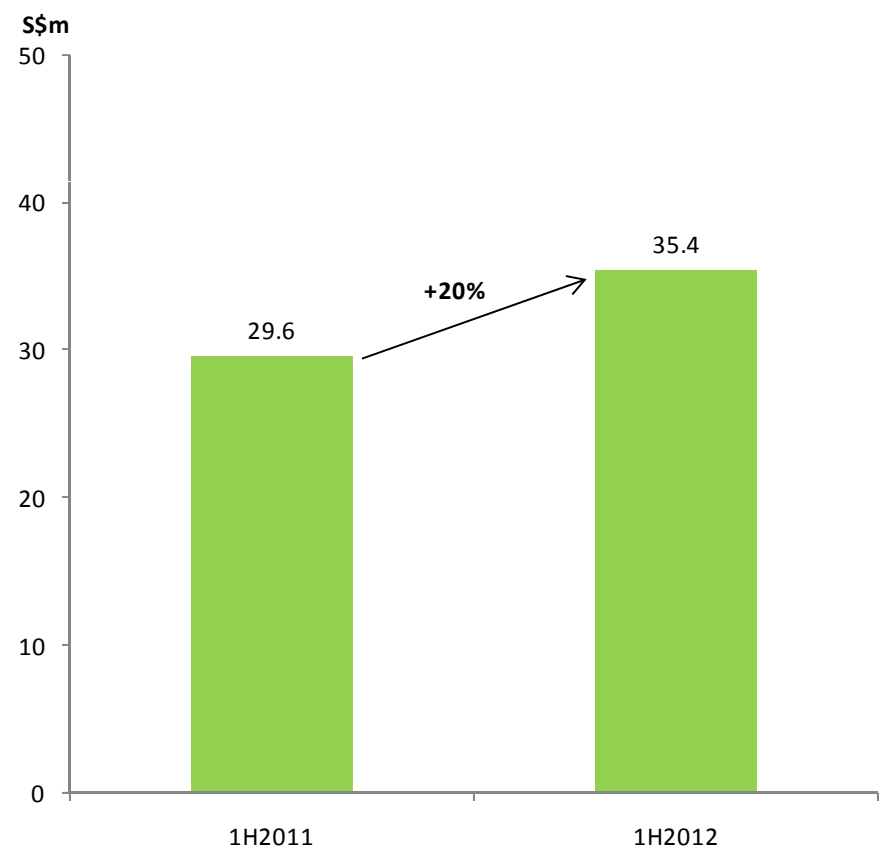
# PROFITABILITY ANALYSIS

*Strong track record of profit growth*

### Historical Net Profit



### Net Profit



## BALANCE SHEET

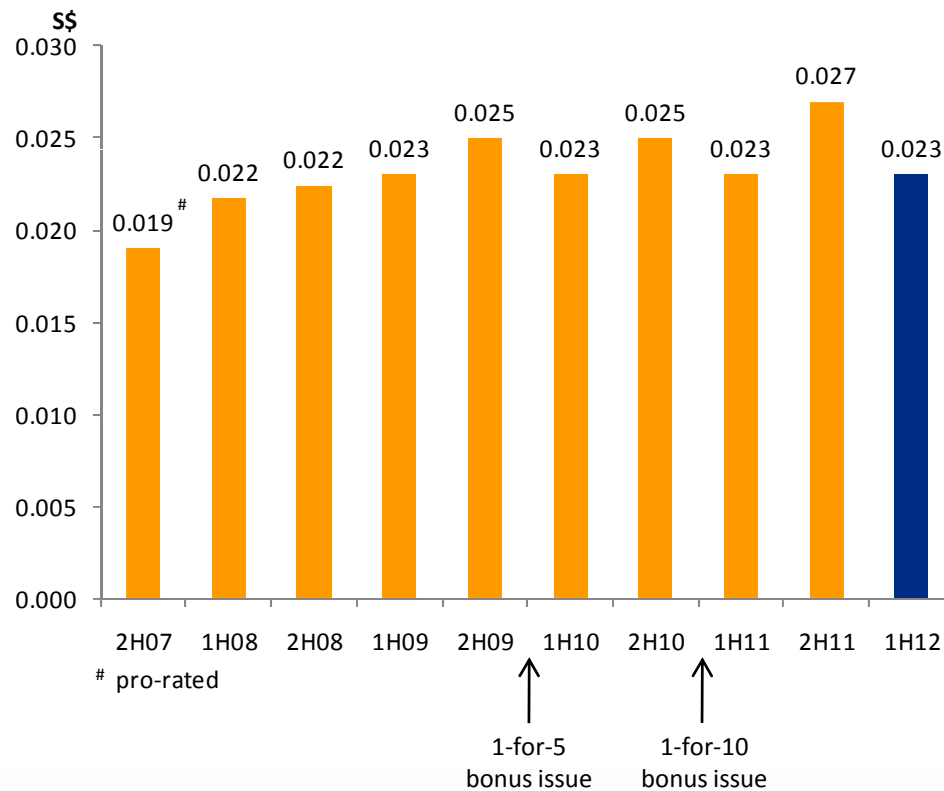
*Robust balance sheet with strong cash position and no debt*

Group balance sheet as at 30 Jun 2012		S\$'000			S\$'000
<b>Non-current assets</b>			<b>Non-current liabilities</b>		
Plant and equipment	1,154		Financial liabilities	208	
Tenancy deposits	917		Deferred tax liabilities	140	
Associates	4,717				
Financial assets	108,526				
	<u>115,314</u>				<u>348</u>
<b>Current assets</b>			<b>Current liabilities</b>		
Financial assets	3,782		Trade and other payables	18,388	
Trade and other receivables	29,672		Financial liabilities	118	
Cash and cash equivalents	92,911		Derivative liabilities	207	
			Current tax payable	8,780	
	<u>126,365</u>			<u>27,493</u>	
			<b>Total liabilities</b>	<u>27,841</u>	
			<b>Shareholders' equity</b>	<u>213,838</u>	
<b>Total assets</b>	<u>241,679</u>		<b>Total liabilities &amp; shareholders' equity</b>	<u>241,679</u>	

# DIVIDEND

*Consistent dividend per share*

**Dividend Per Share (Period)**



## Interim Dividend

FY2012 Interim Dividend	(S Cents)	2.30
1H2012 EPS	(S Cents)	4.61
Payout Ratio	(%)	50%

## Timeline

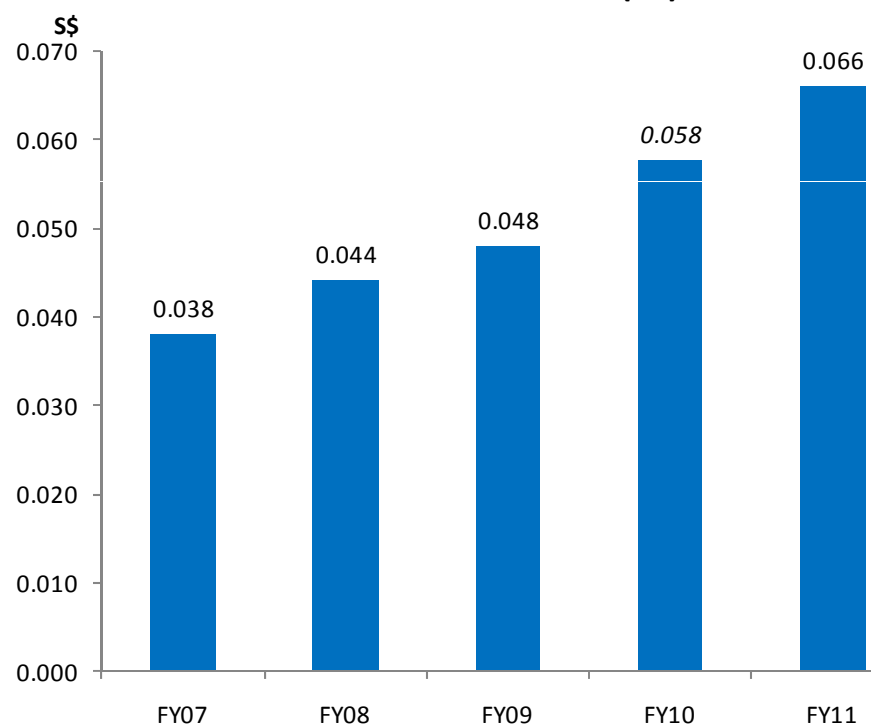
Ex-dividend date	24 Aug 2012
Books closure date	28 Aug 2012
Payment date	11 Sep 2012



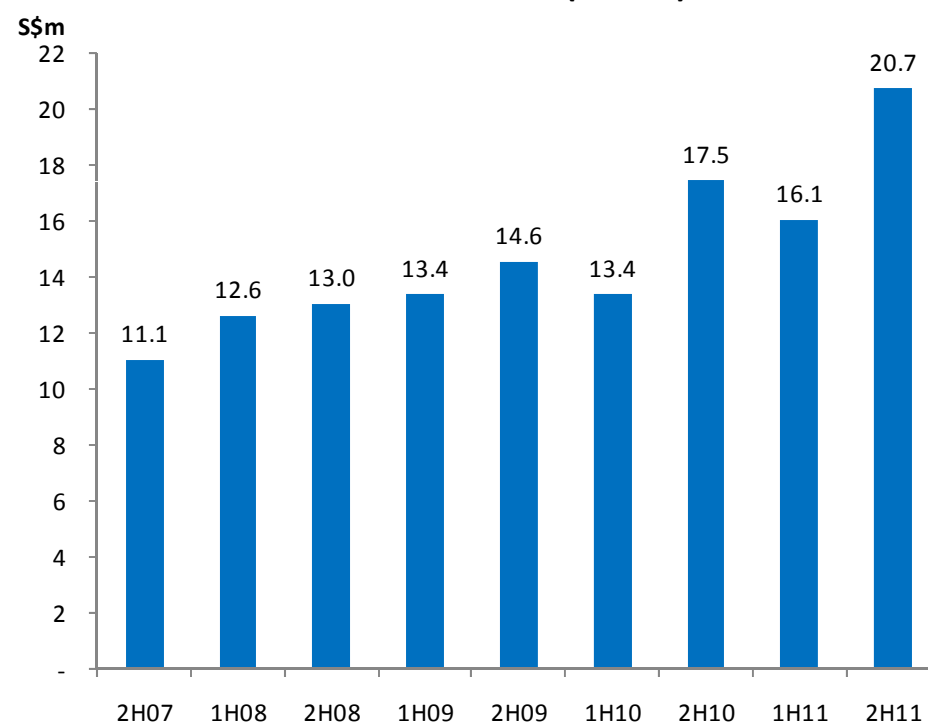
# DIVIDEND HISTORY

*Growing total dividend*

**Dividend Per Share (FY)\***



**Dividend Paid (Period)**



\* computed based on 582,060,000 shares at listing date, excluding the shares allotted under the 1-for-5 bonus issue in May 2010 and the 1-for-10 bonus issue in June 2011

## STRATEGY

*Poised for the next phase of growth*

### REITs

- Work with various partners to launch new REITs in new sectors and geographies
- Existing REITs to continue to focus on asset enhancements and acquisitions

### Private Real Estate Funds

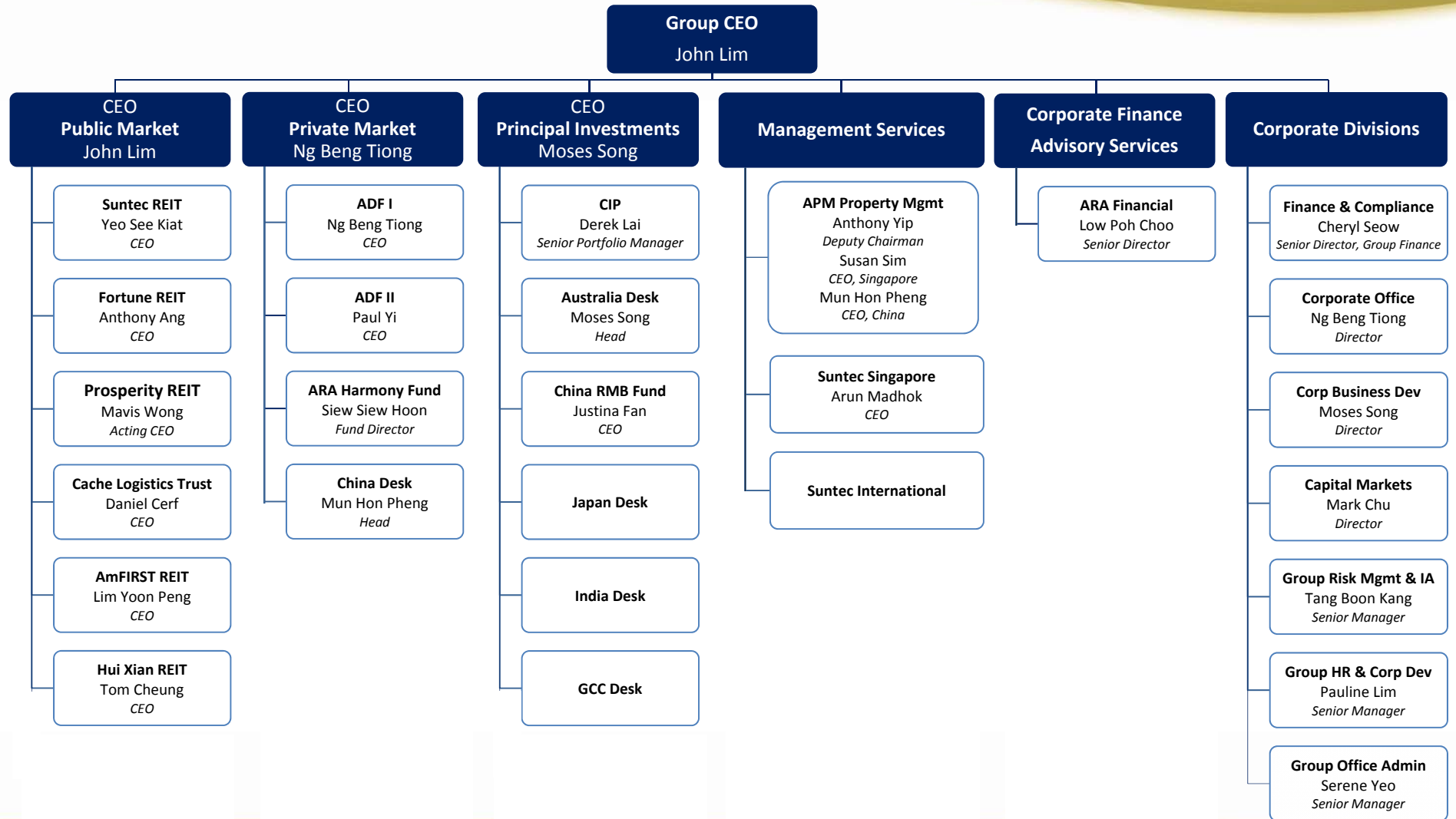
- Explore RMB funds in China
- Establish specialist funds for strategic investors

### Real Estate Mgmt Services

- Support REITs and private real estate funds and increase properties under management
- Leverage on the Suntec brand to expand geographical reach of convention services

# MANAGEMENT TEAM

*Experienced team with a proven track record*



## Established Regional Network



- Established regional network spanning 13 cities in the Asia-Pacific, including 6 cities in the China Mainland
- Network extends across Singapore, Hong Kong, China, Malaysia and Australia
- Staff strength of approximately 1,043<sup>(1)</sup> as at 30 June 2012

Notes:

(1) Inclusive of real estate management services business division and employees in joint-venture entities of the Group and various funds under management

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