



PRESS RELEASE

ARA SUCCESSFULLY RAISES CLOSE TO US\$1 BILLION FOR ITS PRIVATE REAL ESTATE FUNDS

21 August 2012 – The Board of Directors of ARA Asset Management Limited (“**ARA**” or the “**Group**”), an integrated real estate fund manager in Asia, is pleased to announce that the Group has raised close to US\$1 billion for its private real estate funds.

The gross investor commitments of US\$941 million was raised via two separate vehicles, namely a new fund, ARA China Investment Partners, LLC, (“**CIP Fund**”), as well as through ARA’s existing vehicle, ARA Asia Dragon Fund II (“**ADF II**”).

ARA Group CEO Mr John Lim said: “ARA’s success in raising close to US\$1 billion despite the challenging fund raising environment, is a testament to the strength and track record of ARA, as well as its ability to expand its suite of fund platforms.”

CIP Fund with initial committed capital of US\$500 million has been established as a long term, core-plus separate account vehicle following a significant contribution from the California Public Employees’ Retirement System (“**CalPERS**”).

In a recent published statement, Ted Eliopoulos, Senior Investment Officer for CalPERS real estate program commented: “ARA is a disciplined investor with a strong bench of senior executives and capabilities in many aspects of real estate operations in Asia. The team has performed well for our fund over the years.”

ARA will also be invested in CIP Fund, which will adopt an investment strategy targeting high-quality, income producing office and retail properties in key cities in China, including Hong Kong.

The initial term of the CIP fund will be ten years with two additional extension options of six years each. Additional capital commitments will be made available upon deployment of the initial commitment at the discretion of CalPERS, and therefore, the fund's portfolio is expected to grow significantly over time.

ARA Fund Management (CIP) Limited, a wholly-owned subsidiary of ARA, will manage the new fund.

Moses K. Song, Chief Executive Officer of ARA's Principal Investments division, which will oversee the new fund, commented: "We are tremendously excited about expanding our strategic partnership with CalPERS in China and are grateful for their continuing support of ARA. We believe the prospects for "buy and hold" real estate investors targeting high quality retail and office properties in China remain very attractive. Naturally, we expect this platform to thrive."

CalPERS, which has assets of approximately US\$238 billion and administers retirement benefits for more than 1.6 million California State, local government, and public school employees, retirees, and their families on behalf of more than 3,000 public employers, is also currently invested in ARA Asia Dragon Fund ("ADF I") and ARA Asia Dragon Fund II ("ADF II").

Separately, ADF II has achieved a third and final closing, bringing the total fund size to US\$441 million.

ADF II is a Pan-Asian opportunistic real estate fund with a primary focus on retail, office, and residential properties in China, Hong Kong, Singapore and Malaysia, and a secondary focus on the same asset classes in key cities of other Asian emerging economies. Being opportunistic in nature, ADF II will target higher returns than CIP Fund.

Mr Ng Beng Tiong, CEO for ARA Private Funds, commented: “Achieving the final closing for ADF II is a major milestone for ARA’s private funds business, and signifies the start of the ADF franchise. ADF II will continue the successful investment strategy of its predecessor and we believe it can deliver similar robust returns for its investors.”

ARA Group is committed to invest up to US\$120 million in the two funds.

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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.

For more information, please contact:

Cheryl Seow
Senior Director, Group Finance
cherylseow@ara.com.hk

Arthur Poon
Manager, Corporate Finance
arthurpoon@ara.com.hk

Tel: (65) 6835 9232
Fax: (65) 6835 9672

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