

The logo for ARA Asset Management Limited, featuring the letters 'ARA' in a bold, blue, sans-serif font with a horizontal line pattern through each letter. The background of the slide is a watercolor-style illustration of a landscape with mountains and a sky with three white birds in flight. A large, abstract watercolor splash in shades of yellow, orange, and red is on the left side.

ARA

ARA Asset Management Limited

Results for the quarter ended 31 March 2016

ANCHORED BY OUR CORE VALUES



ARA Asset Management Limited

An integrated real estate fund manager in Asia, and is driven by a vision to be the best-of-class investment manager, offering bespoke solutions and enduring value to investors and partners.



1Q2016

Highlights of the quarter

1Q2016 HIGHLIGHTS

Business expansion initiatives to drive future growth



REITs: UNLOCKING VALUE WHILST SEEKING GROWTH AND DIVERSIFICATION

- ✓ Development of 177 Pacific Highway in North Sydney held by Suntec REIT progressing well within schedule and is expected to complete in the second half of FY2016
- ✓ Amfirst REIT completed the acquisition of the Mydin HyperMall for RM250 million and the divestment of AmBank Group Leadership Centre for RM36 million
- ✓ Performance of the office and retail portfolios under management is expected to be stable for the year

ARA PRIVATE FUNDS: NEW INVESTMENTS

- ✓ The SDF I made its second investment into a residential development in Australia
- ✓ The Peninsula Investment Partners L.P. which was established in September 2015, has to date entered into two sale and purchase agreements to acquire two office properties in Australia
- ✓ The Group is actively evaluating investment opportunities in Australia, South Korea and China for its various funds whilst pursuing its Country Desk strategies in the target markets of China, South Korea and Australia

**Group
AUM of
~S\$29
billion⁽¹⁾**

**Recurrent
management
fees up 14%
to S\$34.3
million**

**10% growth
in total
revenue**

**Adjusted
net profit of
~S\$19
million**

**10%
growth in
adjusted
net profit**

Notes:

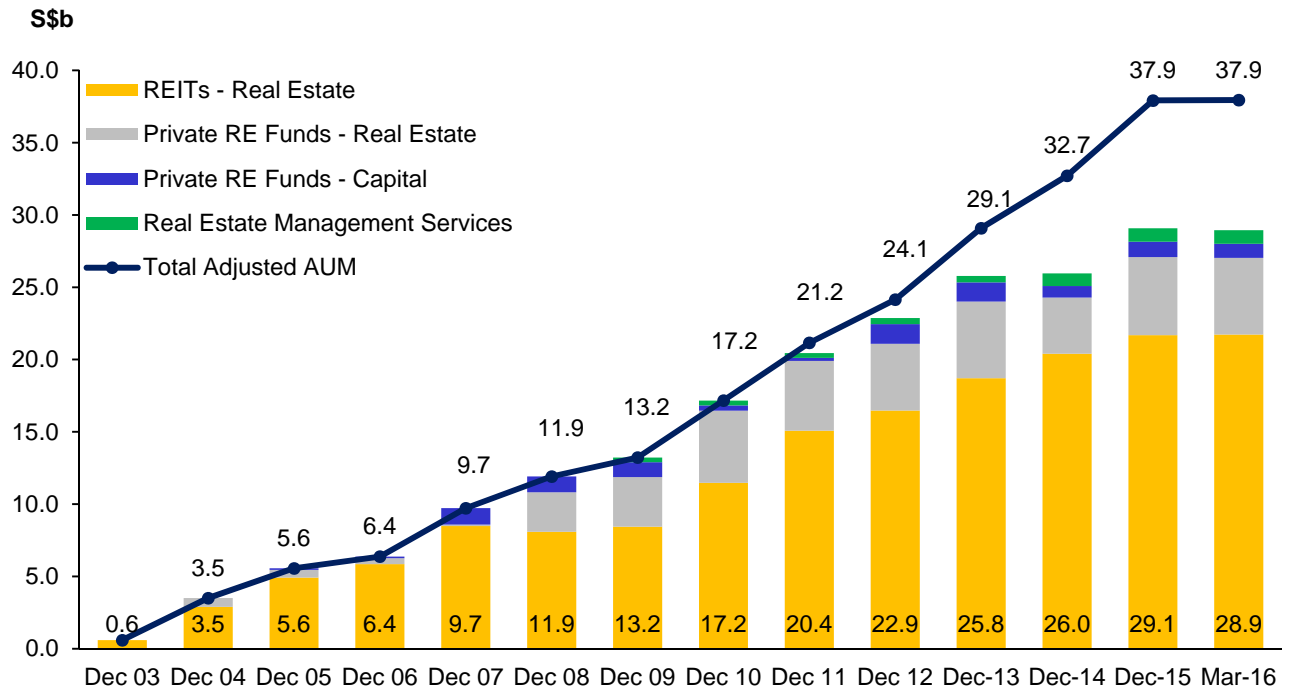
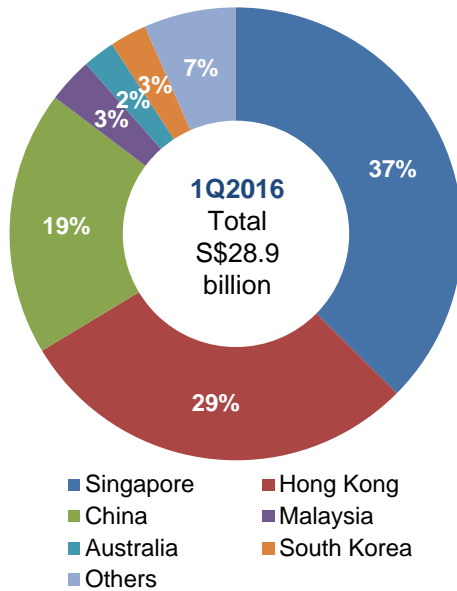
(1) Based on exchange rates as at 31 March 2016 and after accounting for divestments.

1Q2016 - GROUP AUM NET OF DIVESTMENTS

Divestments and stronger SGD moderated AUM to S\$28.9 billion



GROUP AUM UNDER MANAGEMENT BY COUNTRY



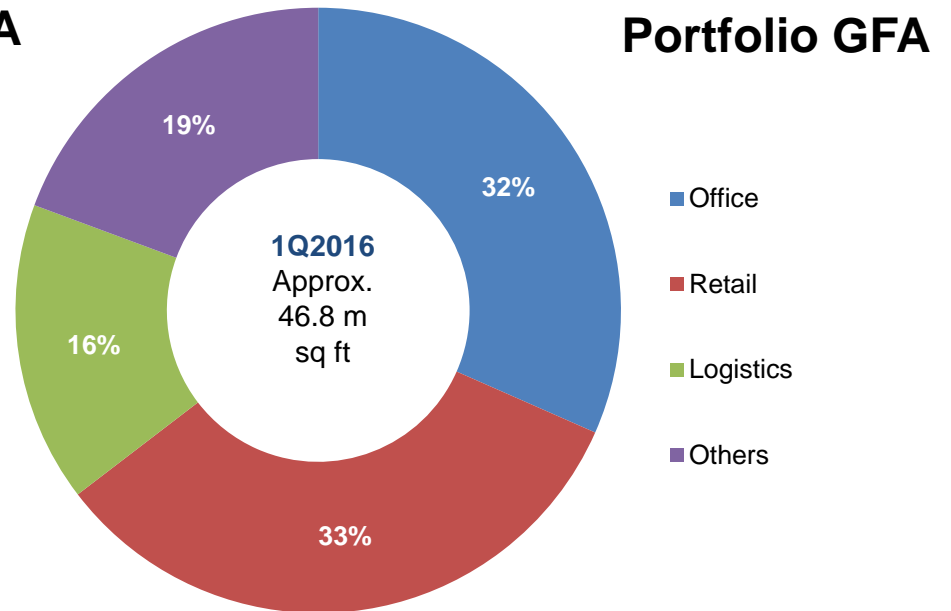
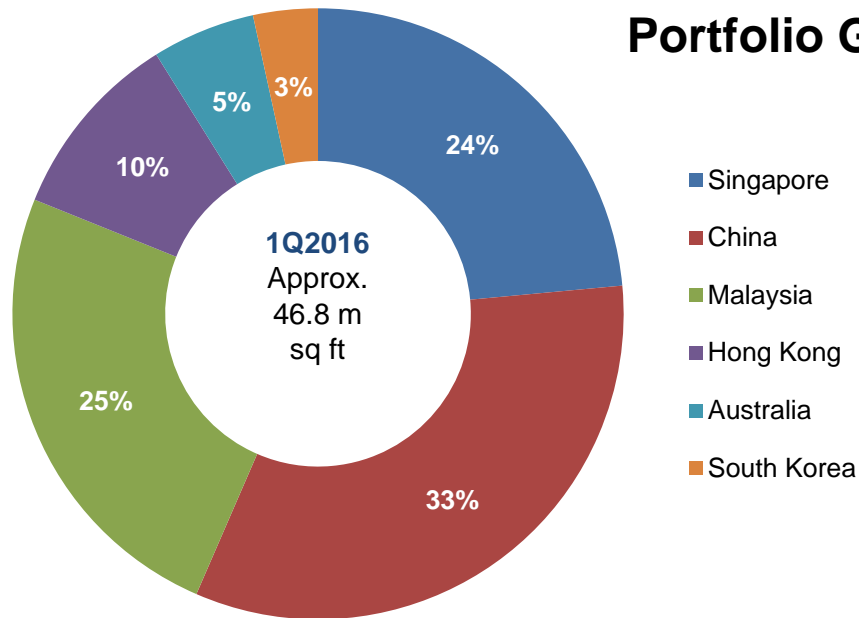
Assets Under Management ⁽¹⁾ (S\$b)	Mar 2016	Dec 2015	Change
REITs – Real Estate ⁽²⁾	21.7	21.7	0.2%
Private Real Estate Funds – Real Estate	5.3	5.4	(1.8)%
Private Real Estate Funds – Capital ⁽³⁾	1.0	1.1	(7.7)%
Real Estate Management Services ⁽⁴⁾	0.9	0.9	-
Total	28.9	29.1	(0.5)%

Notes:

- (1) Based on exchange rates as at 31 March 2016
- (2) Comprises gross property value of REITs managed by subsidiaries, associates and joint venture
- (3) Unutilised capital commitments including capital committed for projects pending completion
- (4) Revenue base for real estate management services fee computation and gross property value of other properties under management

DIVERSIFIED ASSET MANAGEMENT PLATFORM

Operational experience spanning the Asia Pacific



















**90 properties under management
across the Asia Pacific**

**47 million sq feet of office, retail, logistics
and other assets**

A RESILIENT PORTFOLIO OF FUNDS & SERVICES

Nine REITs and 10 private real estate funds under management



REITs	 FORTUNE REIT 實富產業信託	 SUNTEC Real Estate Investment Trust	 PROSPERITY REIT 泓富產業信託	 AmFIRST Real Estate Investment Trust	 CACHE LOGISTICS TRUST	 HUI XIAN REIT 匯賢產業信託	ARA-NPS REITs	ARA-ShinYoung Private Real Estate Investment Trust		
Listing Venue	SGX-ST & HKEx	SGX-ST	HKEx	Bursa	SGX-ST	HKEx	Private REITs	Private REIT		
Listing Year	2003	2004	2005	2006	2010	2011	2007; 2010 ⁽¹⁾	2015		
Focus	Suburban retail properties in Hong Kong	Prime office & retail properties in S'pore & Aust	Office & ind/office properties in Hong Kong	Commercial properties in Malaysia	Logistics properties in the Asia Pacific region	Commercial properties in China	Office properties in South Korea	Residential properties in South Korea		
Property Value⁽²⁾	HK\$35,918m	S\$8,846m	HK\$10,419m	RM1,628m	S\$1,308m	RMB40,804m	KRW624,500m	KRW43,000m		
Private Real Estate Funds	 ADF ARA Asia Dragon Fund	 ADF II ARA Asia Dragon Fund II	 CIP ARA China Investment Partners	 MIP Morningside Investment Partners	 PIP Peninsula Investment Partners	 SIP Straits Investment Partners	 HARMONY II ARA Harmony Fund II	 HARMONY III ARA Harmony Fund III	 HARMONY V ARA Harmony Fund V	 SDF I ARA Summit Development Fund I
Description	Flagship strategic and opportunistic private real estate fund investing in Singapore, Hong Kong, China, Malaysia and other emerging economies in Asia	2nd strategic & opportunistic private real estate fund investing in Singapore, Hong Kong, China, Malaysia and other emerging economies in Asia	Core-plus private real estate fund investing in high quality office and commercial properties in key cities in China	Value-add private real estate fund investing in high quality office and commercial properties primarily in Singapore and Hong Kong	Core-plus private real estate fund investing in real estate assets across Asia including Australia, Singapore, Hong Kong, China and Japan	Separate account to manage the real estate portfolio belonging to The Straits Trading Company Limited	Single-asset private real estate fund which owns the Suntec Singapore Convention & Exhibition Centre	Private real estate fund which owns a portfolio of retail properties in Malaysia	Private real estate fund established for the redevt of Park Mall	Mandated to invest in real estate primarily in Southeast Asia and Australia
Fund Size	US\$1,133m (Committed Capital)	US\$441m (Committed Capital)	US\$821m ⁽³⁾ (Committed Capital)	US\$240m (Committed Capital)	US\$325m (Committed Capital)	S\$340m (GAV)	S\$668m (GAV)	RM1,773m (GAV)	S\$384m (Committed Capital)	US\$80m (Committed Capital)

Real Estate Mgmt Services

Description



Property management services provider



Operations, sales and marketing services provider & consultant for convention, exhibition, meeting and event facilities

Notes:

- (1) Two closed-end privately-held REITs with finite term of 10 years
- (2) As at 31 March 2016, based on publicly announced valuations. In the case of ARA-ShinYoung REIT, value refers to estimated total development costs
- (3) Received capital commitment of US\$317.6 million with effect from 1 July 2015

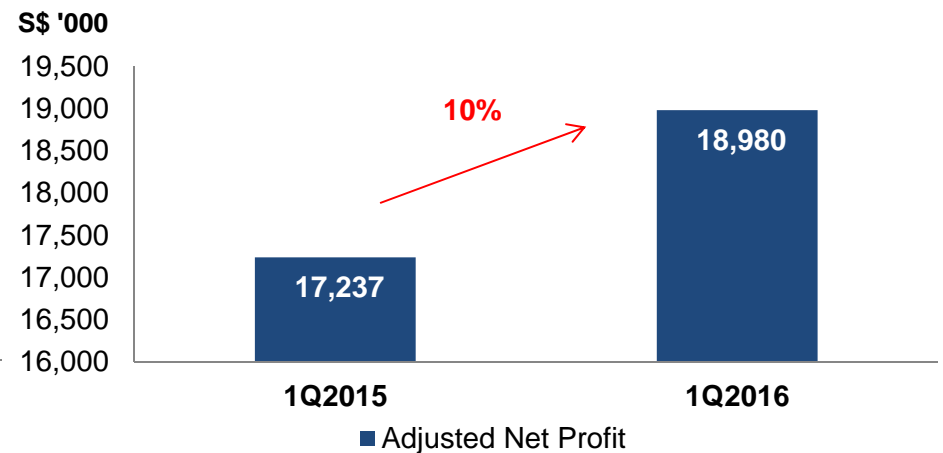
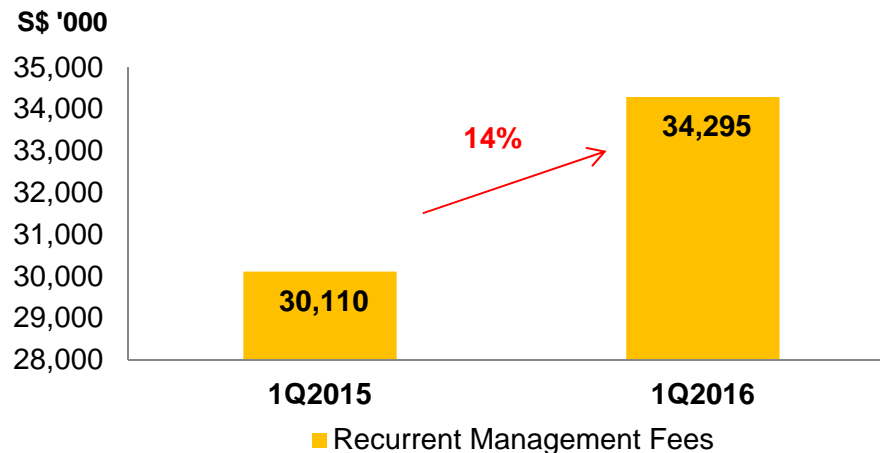


1Q2016

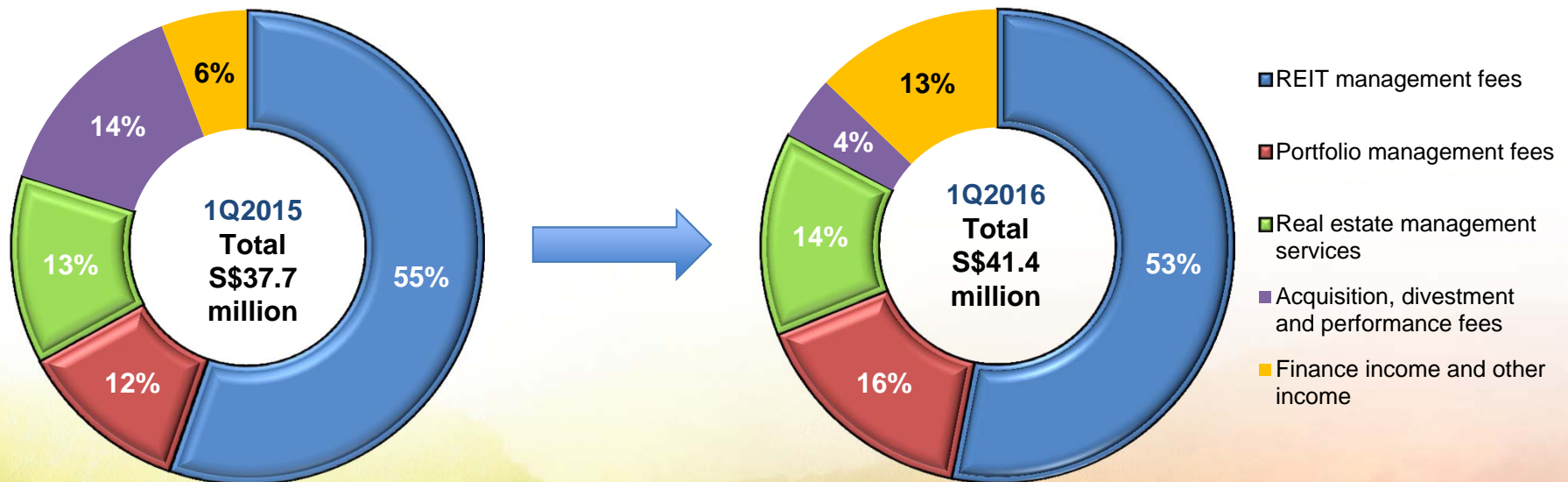
Results highlights

1Q2016 FINANCIAL HIGHLIGHTS

Continued growth in recurrent management fees; 10% growth in adjusted net profit



Recurrent management fees as a % of total revenue up year-on year from 80% to 83% in 1Q2016



1Q2016 FINANCIAL HIGHLIGHTS

Continued growth in recurrent management fees; 10% growth in adjusted net profit



Financial Highlights		1Q2016	1Q2015	Change
Revenue				
Management fees ⁽¹⁾	(S\$'000)	34,295	30,110	14%
Acquisition, divestment and performance fees ⁽²⁾	(S\$'000)	1,799	5,380	-67%
Finance income ⁽³⁾	(S\$'000)	5,040	2,079	142%
Other income	(S\$'000)	290	127	128%
Total Revenue	(S\$'000)	41,424	37,696	10%
Results from operating activities	(S\$'000)	22,555	20,110	12%
Share of profit of associates and joint venture	(S\$'000)	1,262	3,235	-61%
Net Profit attributable to equity holders of the Company	(S\$'000)	19,354	18,970	2%
Adjusted Net Profit attributable to equity holders of the Company⁽⁴⁾	(S\$'000)	18,980	17,237	10%

- REIT management fees up 5% year-on-year to S\$22.0 million driven by improved asset performance and fee contributions from new acquisitions, namely 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
- Higher portfolio management fees arising from (i) the CIP's acquisition of two commercial properties in China in September and December 2015 and (ii) the launch of the Harmony III and Harmony V in August and December 2015 respectively
- Total recurrent management fees increased 14% to S\$34.3 million
- Lower acquisition, divestment and performance fees as 1Q2015 had included Fortune REIT's acquisition of Laguna Plaza. Acquisition fees received in 1Q2016 were mainly in relation to AmFIRST REIT's acquisition of Mydin HyperMall and Suntec REIT's progressive development of 177 Pacific Highway in Australia
- Lower share of profit of associates and joint venture as 1Q2015 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
- 10% growth in adjusted net profit after taking into account one-off adjustments

Notes:

(1) Recurrent management fees from REIT, ARA Private Funds and real estate management services divisions
(2) Primarily REIT acquisition/divestment fees and project management and consultancy fees
(3) Comprises mainly distribution income, interest income, net gain on fair valuation / disposal of financial assets and net foreign exchange gain.
(4) Adjusted for (i) gain / (loss) on fair valuation / disposal of financial assets; (ii) acquisition, divestment and performance fees; (iii) bargain purchase arising from acquisition; (iv) impairment on available for sale financial assets; (v) gain / (loss) on disposal of investments and (vi) performance-based bonuses

1Q2016 FINANCIAL HIGHLIGHTS

Group balance sheet as at 31 March 2016



Group balance sheet as at 31 March 2016

	S\$'000		S\$'000
Plant and equipment	2,484	Loan and borrowings	14,276
Intangible assets	1,200	Other payables	1,826
Associates and joint venture	15,413	Deferred tax liabilities	115
Financial assets	395,987		
Deferred tax assets	744		
Other receivables	5,124		
Non-current assets	<u>420,952</u>	Non-current liabilities	<u>16,217</u>
Financial assets	27,265	Trade and other payables	22,896
Trade and other receivables	45,594	Loan and borrowings	146
Cash and cash equivalents	110,609	Current tax payable	14,426
Current assets	<u>183,468</u>	Current liabilities	<u>37,468</u>
		Total liabilities	<u>53,685</u>
		Shareholders' equity	<u>550,735</u>
Total assets	<u>604,420</u>	Total liabilities & shareholders' equity	<u>604,420</u>

Robust balance sheet

Gearing of approximately 3%

TRADING PERFORMANCE

Outperformed broader market index since listing



- With its resilient business model, ARA continues to outperform the broader market index since listing with total return of approximately 100%

Source : Bloomberg (as at 31 March 2016)



TODAY

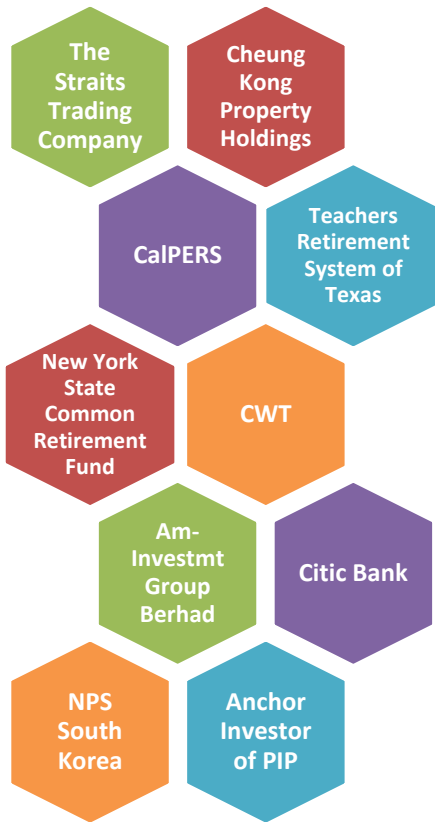
***Regional network of
strategic partnerships
and
1,215 employees across 15 cities***

ESTABLISHED REGIONAL NETWORK

Expanding regional footprint across Asia Pacific

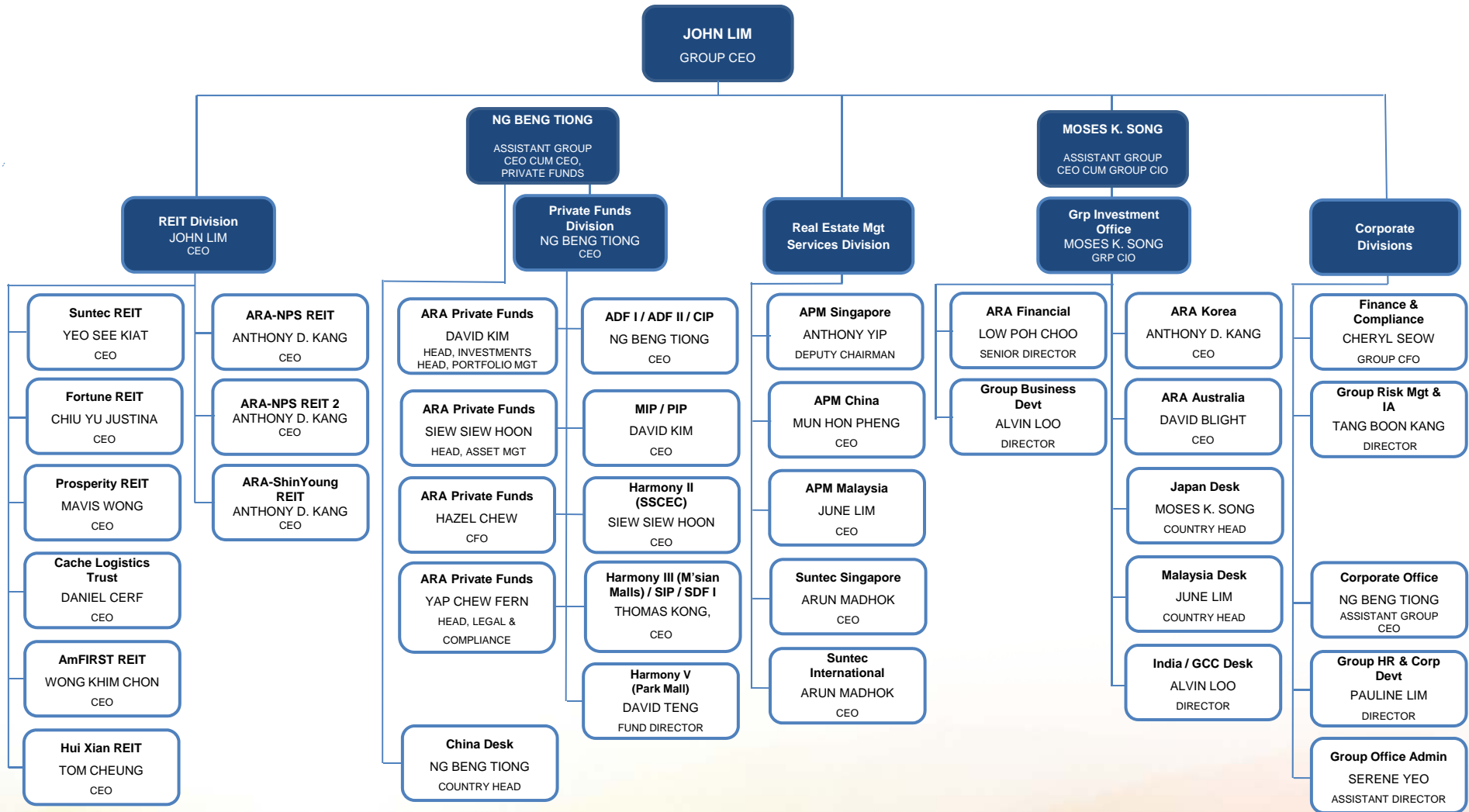


Strategic Partnerships



PROVEN LEADERSHIP

Experienced team with a proven track record



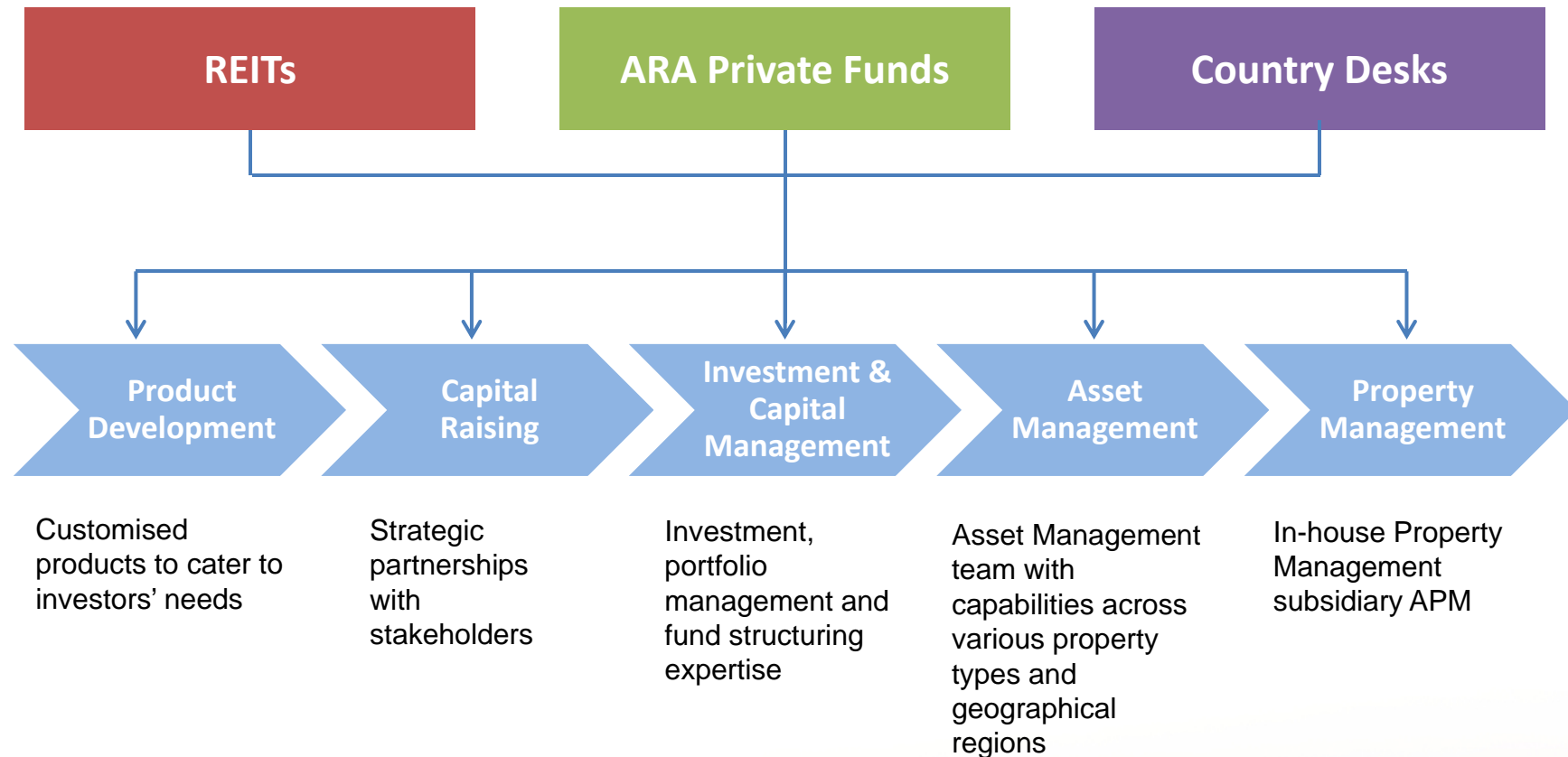


STRATEGIES

Driving sustainable growth...

DRIVING SUSTAINABLE GROWTH

Integrated business model



Inherent capabilities to...

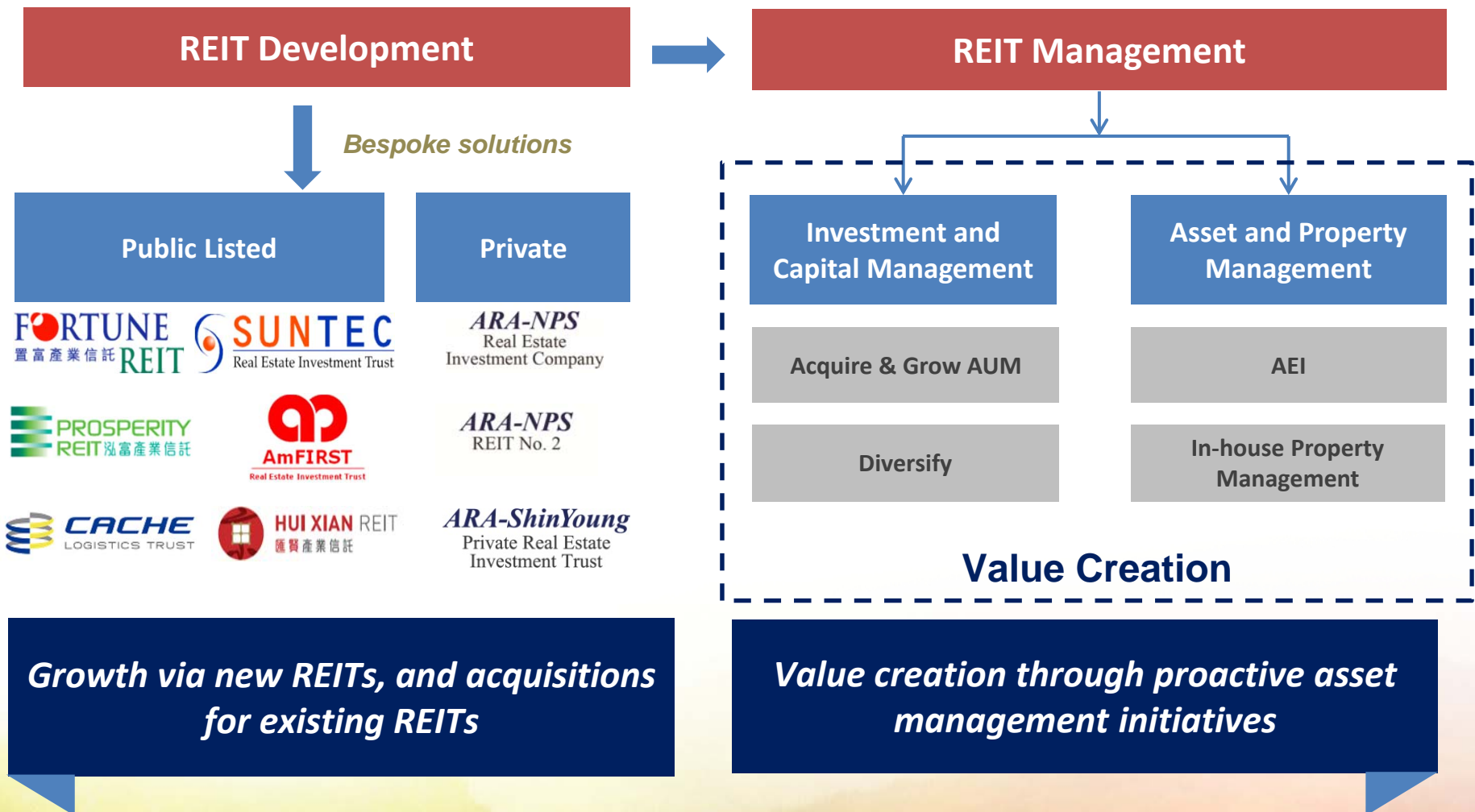
...maximise value across the value chain

REAL ESTATE INVESTMENT TRUSTS

Strong Multi-product, Multi-jurisdiction REIT Platform



- Track record of establishing, listing and managing listed REITs with 12% market share of the key Singapore and Hong Kong REIT markets

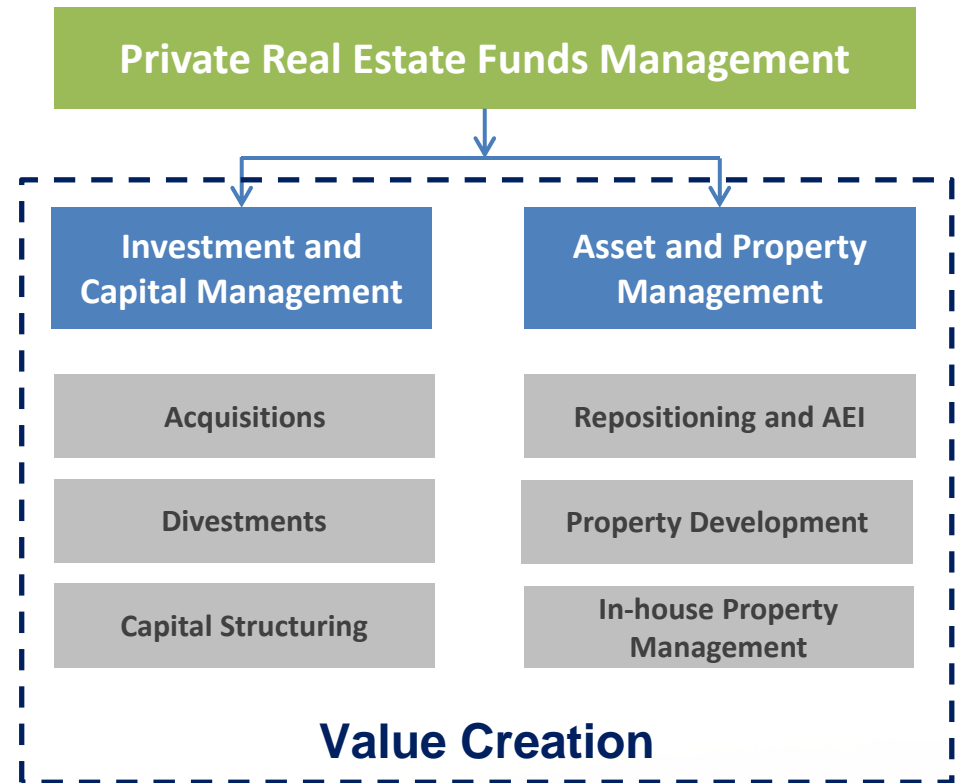
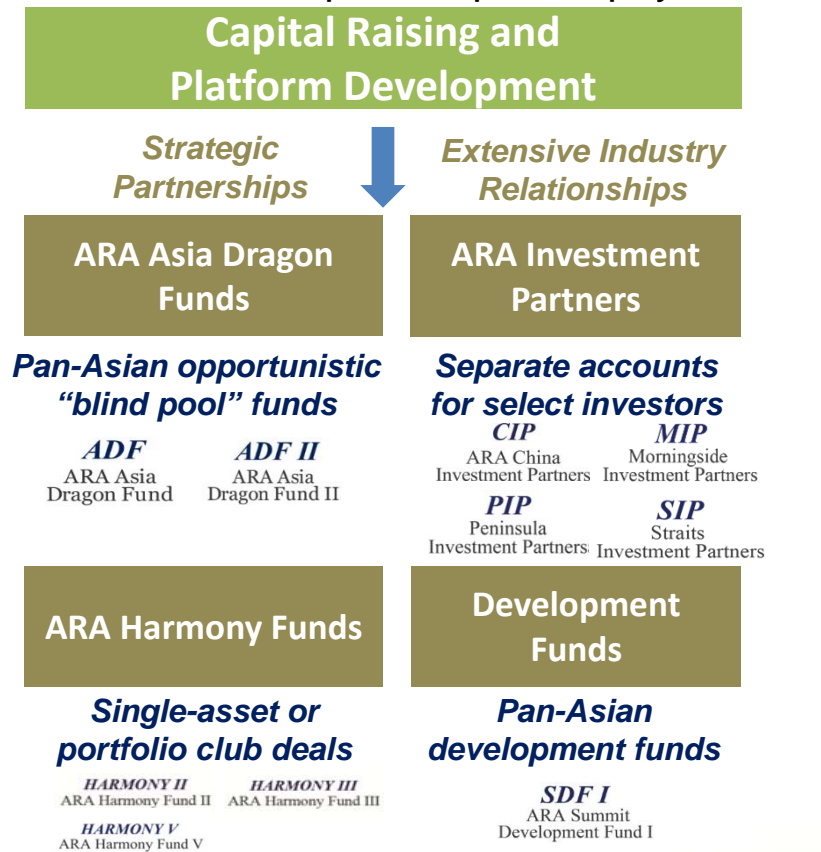


ARA PRIVATE FUNDS

Expanding Suite of Private Real Estate Funds



- Investor-cum-operator philosophy

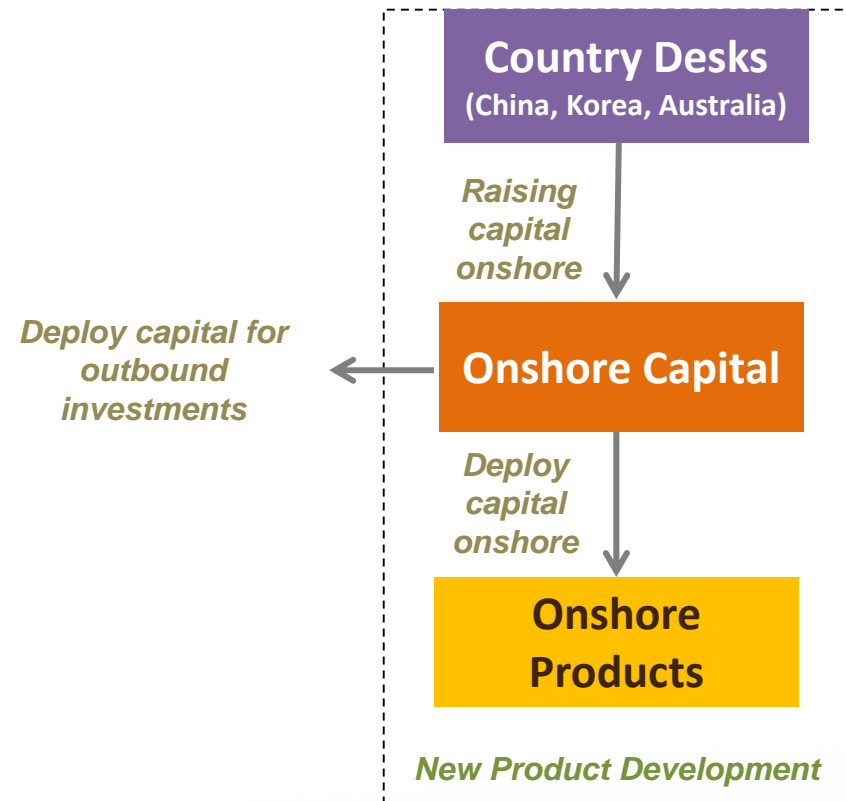


Growth via capital raising and platform development

Value creation through proactive asset management initiatives

COUNTRY DESKS

Scaling the Business Model



*Replicate ARA's business model:
ARA China, ARA Korea, ARA Australia*

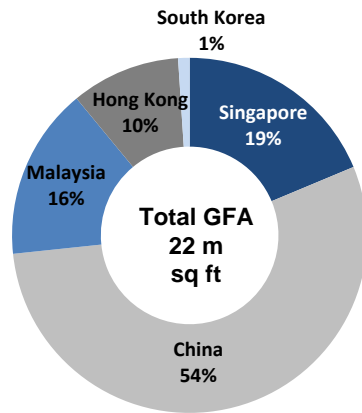
*Target raise of onshore capital to deploy
onshore or offshore*

Strategic Differentiator: Value-Adding to our Assets

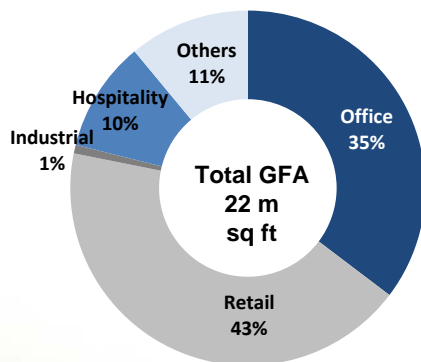
Asset Enhancement Capabilities of our Real Estate Management Services Division



Over 22 million sq ft of AEI work completed successfully for our properties in different countries and asset classes



Before AEI



After AEI



Information provided as at 31 December 2015



VISION

*To be
the premier real estate fund manager
in Asia*

Thank You

DISCLAIMER



These slides 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 the forward-looking statements in these slides, which are based on the current view of management on future events. Information from external sources in these slides has not been independently verified by us nor have the external sources quoted consented to the inclusion of the information.

Contact

Cheryl Seow
Group Chief Financial Officer
Group Finance
cherylseow@ara.com.hk

Marilyn Tan
Assistant Director
Corporate Finance
marilyntan@ara.com.hk

Global Headquarters:

6 Temasek Boulevard
Suntec Tower Four, #16-02
Singapore 038986

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

Website: www.ara-asia.com