Not for Publication or Distribution in the United States or to U.S. persons, EU Member States, Canada, Japan or Australia

This Announcement is not an offer for sale of securities into the United States or elsewhere. The "nil-paid" Rights and Rights Shares are not being registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold in the United States or to or for the account or benefit of U.S. persons (as defined in Regulation S under the Securities Act) unless registered under the Securities Act or pursuant to an exemption from registration under the Securities Act. There will be no public offering of securities in the United States.

ANNOUNCEMENT

PROPOSED RENOUNCEABLE UNDERWRITTEN RIGHTS ISSUE – USE OF PROCEEDS

The Board of Directors (the "**Board**" or the "**Directors**") of ARA Asset Management Limited (the "**Company**") refers to its announcements on 11 November 2015, 17 November 2015, 19 November 2015, 10 December 2015, 16 December 2015, 18 December 2015, 23 December 2015, 15 April 2016, 25 May 2016, 22 July 2016 and 2 December 2016 in relation to the Rights Issue. Unless otherwise specified, capitalised terms used in this Announcement shall have the same meanings ascribed to them in the offer information statement lodged with the Monetary Authority of Singapore on 19 November 2015 (the "**Offer Information Statement**").

Subsequent to the announcement dated 2 December 2016, out of the gross proceeds of approximately S$152.1 million that has been 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$89.8 million has been utilised for strategic investments and seed capital for the existing funds which the Company manages.

Such use is in accordance with the stated use as disclosed in the Offer Information Statement and as at the date of this announcement, the gross proceeds from the Rights Issue have been fully disbursed.

By Order of the Board

Lim Hwee Chiang
Director

25 January 2017

About ARA Asset Management Limited

ARA 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. The Group also manages five privately-held REITs in South Korea;

(b) Private real estate funds – The Group manages several private funds investing in real estate in Asia; and

(c) Real estate management services – The Group provides property management services and convention & exhibition services, including managing the award-winning Suntec Singapore Convention & Exhibition Centre.

For more information, please contact:

Cheryl Seow
Assistant Group CEO, Group Finance
cherylseow@ara.com.hk

Marilyn Tan
Assistant Director, Group Finance
marilyntan@ara.com.hk

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

IMPORTANT NOTICE

This announcement is for information only and does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire, any Rights or Rights Shares or any securities of the Company in any jurisdiction in which such an offer or solicitation is unlawful. No person should acquire any Rights or Rights Shares except on the basis of the information contained in the Offer Information Statement. The information contained in this announcement is not for release, publication or distribution to persons in the United States and should not be distributed, forwarded to or transmitted in or into any jurisdiction where to do so might constitute a violation of applicable securities laws or regulations. The issue, exercise or sale of Rights and the acquisition or purchase of the Rights Shares are subject to specific legal or regulatory restrictions in certain jurisdictions. The Company assumes no responsibility in the event there is a violation by any person of such restrictions.

The distribution of this announcement, the Offer Information Statement, the provisional allotment letters and/or the application forms for Rights Shares and excess Rights Shares into jurisdictions other than Singapore may be restricted by law. Persons into whose possession this announcement and such other documents come should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this announcement.

This announcement is not an offer for sale of securities in the United States or elsewhere. Rights and Rights Shares are not being registered under the Securities Act, and may not be offered or sold in the United States or to or for the account or benefit of US persons (as defined in Regulation S under the Securities Act) unless registered under the Securities Act or pursuant to an exemption from registration under the Securities Act. There will be no public offering of securities in the United States.