



AMARA HOLDINGS LIMITED

NEWS RELEASE

AMARA REPORTS 44% INCREASE IN REVENUE TO S\$102.7 MILLION IN FY2009

- Revenue increase due to higher sales of property development units
- Earnings per share at 1.95 cents; Net Asset Value per share at 32.52 cents
- Proposes final cash dividend of 0.5 cents per ordinary share

Singapore, February 25, 2010 – Mainboard-listed Amara Holdings Limited (“Amara” or the “Group”) (安国控股有限公司), a homegrown integrated lifestyle group, today reported a 44% increase in revenue from S\$71.4 million to S\$102.7 million, for its full year ended December 31, 2009 (“FY2009”). Net profit registered a marginal decrease of 6% to S\$11.3 million for FY2009.

The increase in turnover was due mainly to higher sales of property development units. This was partially offset by lower revenue generated from its Hotel Investment and Management segment, which registered a fall in Revenue Per Available Room, in line with the decline in general economic conditions in 2009.

Said Mr Albert Teo (张福泉), Chief Executive Officer of Amara: “We have achieved an increase in revenue contributed mainly by higher sales of our property development units, in line with overall improved sentiments in the residential property market.”

“The recent January figures reflect a favourable outlook for residential property sales. With the opening of the integrated resort in Sentosa, we see visitor arrivals to Singapore showing signs of improvement. We are optimistic that these factors will positively impact the Group’s business.”

Performance Review

During the year under review, Group revenue increased by 44% to S\$102.7 million from S\$71.4 million in FY2008 due to higher sales of property development units. This was partly offset by lower revenue generated by the Hotel Investment and Management segment. Profit after tax saw a marginal decrease from S\$12.0 million to S\$11.3 million. Other income decreased by 60% from S\$6.2 million to S\$2.5 million for 2009, mainly due to absence of a one-time gain in 2008.

The Group’s Property Investment and Development segment reported a profit of S\$11.7 million in FY2009. This helped to buffer the performance of the Hotel Investment and Management segment, which has been affected by the slowdown in regional tourism and travel sector.

The Group’s balance sheet has been strengthened with reduced borrowings at S\$157.1 million as at December 31, 2009, from S\$196.4 million as at December 31, 2008. Gearing correspondingly was reduced from 48.56% to 41.39%.

The Group continues to maintain healthy cash and bank balances of S\$24.6 million as at December 31, 2009.

Outlook

With visitor arrivals to Singapore showing signs of improvement and with the newly opened integrated resort at Sentosa, the Group is optimistic that there will be improved contribution from its Hotel Investment and Management segment.

Separately, in line with the growth in broad-based interests and demand across the property market, the mass and mid-price segment of the residential market continues to show improvement. The Group currently has projects under progress, but contribution from the Property Investment and Development segment is not expected to be significant for the year.

Barring any unforeseen circumstances, the Group is optimistic of its outlook for FY2010.

ABOUT AMARA HOLDINGS LIMITED

Mainboard-listed Amara Holdings Limited (“Amara” or the “Group”), a homegrown integrated lifestyle group, is principally engaged in three business areas, namely, Hotel Investment and Management, Property Investment and Development, and Specialty Restaurants and Food Services.

Hotel Investment And Management

Amara made its debut entry into Hotel Investment and Management with the development of Amara Hotel (“Amara Singapore”) in Singapore in 1986. The Group also broadened its presence in the region with the development of Amara Signature, Shanghai. A mixed development, Amara Signature, Shanghai, will comprise a 360-room hotel, a shopping centre and office building along Chang Shou Road, Puxi, Shanghai, when it is completed.

In September 2004, the Group made its debut entry into the resort hotels business – Amara Sanctuary Resort, Sentosa, which opened in the second quarter of 2007.

Amara’s solid foundation and established brand name will provide the platform to spur the Group towards its vision of being a leading player in Asia’s hospitality industry.

Property Investment And Development

Amara's property investment and development operations span across retail, commercial and residential sectors. For each development, Amara aims to deliver creativity and value to its customers. The integration of aesthetics and functionality seen in the Group's property developments reflects its in-depth understanding of current market trends and needs. Its prized residential development, The Linear, conceptualised to provide a unique suburban living experience at Upper Bukit Timah, underscores the Group's astute property investment and development capabilities.

Specialty Restaurants And Food Services

The Group's entry into specialty restaurants and food services stands strong. This is attributable to its excellent products and incomparable service. Amara has developed a portfolio of concept restaurants including Thanying and Silk Road Restaurant. Both Thanying and Silk Road Restaurant have won numerous awards and are choice restaurants in the local dining scene.

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