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Fortune Real Estate Investment Trust

(a Hong Kong collective investment scheme authorized under section 104 of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong))
(Stock Code: 778)

Managed by



ARA Asset Management (Fortune) Limited

OVERSEAS REGULATORY ANNOUNCEMENT

This overseas regulatory announcement is issued pursuant to paragraph 10.3 of the Code on Real Estate Investment Trusts published by the Securities and Futures Commission of Hong Kong.

Please refer to the attached announcement on the next page issued on the Singapore Exchange Securities Trading Limited by Fortune REIT on 11 April 2011.

By order of the board of directors of
ARA Asset Management (Fortune) Limited
(in its capacity as manager of Fortune Real Estate Investment Trust)
ANG Meng Huat, Anthony
Executive Director and Chief Executive Officer

Hong Kong, 11 April 2011

The Directors of the Manager as at the date of this announcement are Mr. Chiu Kwok Hung, Justin (Chairman), Mr. Lim Hwee Chiang, Mr. Ip Tak Chuen, Edmond and Ms. Yeung, Eirene as Non-executive Directors; Mr. Ang Meng Huat, Anthony and Ms. Chiu Yu, Justina as Executive Directors; Mr. Lim Lee Meng, Mrs. Sng Sow-Mei (alias Poon Sow Mei) and Mr. Lan Hong Tsung, David as Independent Non-executive Directors; and Mr. Ma Lai Chee, Gerald as Alternate Director to Mr. Ip Tak Chuen, Edmond.



Asset Management (Fortune) Limited

(An Affiliate of Cheung Kong Group)

Manager of



NEW BANKING FACILITIES

Introduction

On 15 October 2009, Fortune Real Estate Investment Trust (“**Fortune REIT**”), through its wholly owned property holding subsidiaries, entered into a credit agreement with respect to an aggregate principal amount of HK\$3,100 million, comprising a term loan facility and a revolving credit facility (the “**Existing Facilities**”), which is due on 15 October 2013. The current outstanding loan balance due under the Existing Facilities is HK\$2,828.7 million. The Existing Facilities bear an interest margin of 2.0% per annum over the Hong Kong Interbank Offer Rate (“**HIBOR**”).

The New Facilities

The Board of Directors of ARA Asset Management (Fortune) Limited hereby announces that on 11 April 2011, eleven property holding subsidiaries of Fortune REIT (the “**Property Companies**”) entered into a syndicated credit agreement (the “**Credit Agreement**”) with Australia and New Zealand Banking Group Limited, DBS Bank Ltd. and Standard Chartered Bank (Hong Kong) Limited as the mandated coordinating arrangers and bookrunners. The Credit Agreement relates to a Hong Kong Dollar 5-year term loan and revolving credit facilities of up to an aggregate principal amount of HK\$3,800 million (the “**New Facilities**”), comprising a HK\$2,830 million term loan facility and a HK\$970 million revolving credit facility. The New Facilities will bear an interest margin of 0.91% per annum over HIBOR, and will mature and become payable on 11 April 2016.

The New Facilities will be secured by an assignment of deposits and proceeds generated from the properties held by the Property Companies, an assignment of the Property Companies’ rights in the insurance policies and under the property management agreements relating to their properties, share mortgages over the shares of the Property Companies, legal charges over properties held by certain Property Companies, an assignment of certain Property Companies’ rights in the tenancy agreements relating to their properties, and security agreements in respect of other assets of the Property Companies. In addition, HSBC Institutional Trust Services (Singapore) Limited (in its capacity as the trustee of Fortune REIT) provides an unconditional and irrevocable guarantee in favour of the lenders under the Credit Agreement.

Use of Proceeds

The New Facilities will be used in part to refinance the Existing Facilities, and the balance for financing the corporate funding requirements of Fortune REIT and its subsidiaries. It is expected that the New Facilities or a part thereof will be drawn on or about 15 April 2011 to refinance the Existing Facility.

By Order of the Board
ARA Asset Management (Fortune) Limited
As Manager of Fortune Real Estate Investment Trust

Ang Meng Huat, Anthony
Director
11 April 2011

About Fortune REIT

Fortune REIT is a real estate investment trust constituted by a Trust Deed entered into on 4 July 2003 (as amended) made between ARA Asset Management (Fortune) Limited, as the Manager of Fortune REIT (the “**Manager**”), and HSBC Institutional Trust Services (Singapore) Limited, as the Trustee of Fortune REIT. Fortune REIT was listed on the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) and The Stock Exchange of Hong Kong Limited on 12 August 2003 and 20 April 2010 respectively.

Fortune REIT holds a portfolio of fourteen retail properties in Hong Kong, spread across Kowloon and the New Territories, comprising approximately 2.0 million square feet of retail space and 1,660 car parking lots. The retail properties are City One Shatin Property, Ma On Shan Plaza, Metro Town, The Metropolis Mall, Waldorf Garden Property, Caribbean Bazaar, Smartland, Tsing Yi Square Property, Jubilee Court Shopping Centre, The Household Center, Centre de Laguna Property, Hampton Loft, Lido Garden Property and Rhine Garden Property. They house tenants from diverse trade sectors such as supermarkets, food and beverage outlets, banks, real estate agencies, and education providers.

More information can be found at www.fortunereit.com.

About the Manager

Fortune REIT is managed by ARA Asset Management (Fortune) Limited, a wholly owned subsidiary company of ARA Asset Management Limited, which is listed on the Main Board of the SGX-ST.

More information can be found at www.ara-asia.com.

Media and investor contacts

Anthony Ang
Chief Executive Officer
anthonyang@ara.com.hk

Justina Chiu
Deputy Chief Executive Officer
justinachiu@ara.com.hk

Jenny Hung
Senior Manager, Investment and Investor Relations
jennyhung@ara.com.hk

Singapore Office Tel:
+65 6835 9232

Hong Kong Office Tel:
+852 2169 0928