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Fortune Real Estate Investment Trust

(constituted in the Republic of Singapore pursuant to a trust deed dated 4 July 2003 (as amended) and authorized as a collective investment scheme under section 286 of the Securities and Futures Act, Chapter 289 of Singapore)

(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: Singapore: F25U and Hong Kong: 778)

Managed by



ARA Asset Management (Fortune) Limited

- (1) RECEIPT AND ADOPTION OF THE TRUSTEE'S REPORT, STATEMENT BY THE MANAGER, AUDITED FINANCIAL STATEMENTS AND AUDITORS' REPORT**
- (2) RE-APPOINTMENT OF DELOITTE & TOUCHE LLP AND DELOITTE TOUCHE TOHMATSU AS AUDITORS OF FORTUNE REIT**
- (3) GENERAL MANDATE TO ISSUE UNITS AND/OR MAKE OR GRANT CONVERTIBLE INSTRUMENTS**
- (4) PROPOSED EXPANSION OF THE SCOPE OF FORTUNE REIT'S INVESTMENT STRATEGY**
- (5) NOTICE OF ANNUAL GENERAL MEETING**
- AND**
- (6) NOTICE OF BOOK CLOSURE**

The Board wishes to announce that the Manager has proposed resolutions regarding: (a) the receipt and adoption of the Trustee's Report, Statement by the Manager and Audited Financial Statements and Auditors' Report; (b) the re-appointment of the Auditors of Fortune REIT; (c) the granting of a general mandate to issue Units; and (d) the proposed expansion of scope of Fortune REIT's investment strategy, to be considered and voted on by Unitholders at the AGM.

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Such proposals are more particularly set out below and in the Circular, together with the AGM Notice and form of proxy for the AGM. The Circular will also be available for reference on the websites of Fortune REIT and the SEHK from the date of its despatch on 18 March 2011.

1. RECEIPT AND ADOPTION OF THE TRUSTEE'S REPORT, STATEMENT BY THE MANAGER, AUDITED FINANCIAL STATEMENTS AND AUDITORS' REPORT

Pursuant to the Trust Deed and paragraph 4.1 of the Property Funds Appendix, Unitholders' approval by Ordinary Resolution is required to receive and adopt the Trustee's Report, Statement by the Manager, Audited Financial Statements and Auditors' Report. Accordingly, the Manager proposes to seek Unitholders' approval by way of an Ordinary Resolution at the AGM to receive and adopt the Trustee's Report, the Statement by the Manager, the Audited Financial Statements and the Auditors' Report. These reports and statements are contained in the 2010 Annual Report, to be issued by the Manager to Unitholders on 18 March 2011.

2. RE-APPOINTMENT OF DELOITTE & TOUCHE LLP AND DELOITTE TOUCHE TOHMATSU AS AUDITORS OF FORTUNE REIT

Pursuant to Clause 22.1 of the Trust Deed, the auditors of Fortune REIT shall be appointed by an Ordinary Resolution at each annual general meeting of Fortune REIT, and the appointed auditors shall hold office until the conclusion of the next annual general meeting of Fortune REIT. Accordingly, the Manager proposes to seek Unitholder approval by way of an Ordinary Resolution at the AGM to re-appoint Deloitte & Touche LLP and Deloitte Touche Tohmatsu as the auditors of Fortune REIT until the conclusion of the next annual general meeting of Fortune REIT, and to also fix their remuneration.

3. GENERAL MANDATE TO ISSUE UNITS AND/OR MAKE OR GRANT CONVERTIBLE INSTRUMENTS

The General Mandate, if granted, will (subject to the provisions contained in the Trust Deed) empower the Manager from the date of the AGM until: (a) the conclusion of the next annual general meeting of Fortune REIT; or (b) the date by which the next annual general meeting of Fortune REIT is required by the Applicable Rules to be held, whichever is earlier, to:

- (a) issue Units and to make or grant Instruments (such as securities, warrants or debentures) convertible into Units and issue Units pursuant to such Instruments, up to a number not exceeding 50% of the total number of issued Units (excluding treasury Units, if any), of which 20% may be issued other than on a pro rata basis to Unitholders; and

(b) issue Units as either full or partial payment of fees which the Manager is entitled to receive for its own account pursuant to the Trust Deed.

Further details regarding the Trust Deed provisions that the General Mandate is subject to are contained in the Circular.

4. PROPOSED EXPANSION OF THE SCOPE OF FORTUNE REIT'S INVESTMENT STRATEGY

The existing principal investment strategy of the Manager is to invest primarily in retail malls located in Hong Kong through the ownership of property companies (or other companies whose primary purpose is to hold or own properties) or directly in properties that Fortune REIT may acquire from time to time. The Manager proposes to expand the scope of Fortune REIT's investment strategy so that Fortune REIT may invest in commercial properties including retail, office and industrial properties. Notwithstanding the proposed change, other aspects of Fortune REIT's investment strategy will remain unchanged. The reasons for the proposed change, include among others, the Manager's desire to maintain and improve Fortune REIT's competitiveness in an increasingly competitive REIT market and to enhance Fortune REIT's property portfolio and investor base.

5. NOTICE OF AGM AND BOOK CLOSURE

The AGM will be held at Level 3, Rooms 325-326, Suntec Singapore International Convention and Exhibition Centre, 1 Raffles Boulevard, Suntec City, Singapore 039593 on Tuesday, 19 April 2011 at 10:30 a.m. for the purpose of considering and, if thought fit, passing with or without modifications, the Ordinary Resolutions and Extraordinary Resolution set out in the AGM Notice.

The Register of Unitholders will be closed from Thursday, 14 April 2011 to Tuesday, 19 April 2011, both days inclusive, to determine which Unitholders will qualify to attend and vote at the AGM, during which period no transfers of Units will be effected. For those Unitholders who are not already on the Register of Unitholders, in order to qualify to attend and vote at the AGM, all Unit certificates accompanied by the duly completed transfer forms must be lodged with the Hong Kong Unit Registrar, Computershare Hong Kong Investor Services Limited, at Rooms 1712-1716, 17/F., Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for Hong Kong Unitholders) not later than 4:30 p.m. on Wednesday, 13 April 2011, or to the Singapore Unit Registrar, Boardroom Corporate & Advisory Services Pte. Limited, at 50 Raffles Place, Singapore Land Tower #32-01, Singapore 048623 (for Singapore Unitholders) not later than 5:00 p.m. on Wednesday, 13 April 2011.

6. TEXT OF AGM NOTICE

The substantive text of the AGM Notice is reproduced below:

“NOTICE IS HEREBY GIVEN that the Annual General Meeting (**“AGM”**) of the unitholders (**“Unitholders”**) of Fortune Real Estate Investment Trust (**“Fortune REIT”**) will be held at Level 3, Rooms 325-326, Suntec Singapore International Convention and Exhibition Centre, 1 Raffles Boulevard, Suntec City, Singapore 039593 on Tuesday, 19 April 2011 at 10:30 a.m. for the purpose of considering and, if thought fit, passing, with or without modifications, the following resolutions:

AS ORDINARY BUSINESS

1. To receive and adopt the Report of HSBC Institutional Trust Services (Singapore) Limited, as trustee of Fortune REIT (the **“Trustee”**), the Statement by ARA Asset Management (Fortune) Limited, as manager of Fortune REIT (the **“Manager”**) and the Audited Financial Statements of Fortune REIT for the year ended 31 December 2010 together with the Auditors’ Report thereon.

(Ordinary Resolution 1)

2. To re-appoint Deloitte & Touche LLP and Deloitte Touche Tohmatsu as the Auditors of Fortune REIT and to hold office until the conclusion of the next annual general meeting of Fortune REIT and to authorise the Manager to fix their remuneration.

(Ordinary Resolution 2)

AS SPECIAL BUSINESS

3. That authority be given to the Manager to:

- (a) (i) issue units in Fortune REIT (**“Units”**) whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, **“Instruments”**) that might or would require Units to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Units,

at any time and upon such terms and conditions and for such purposes and to such persons as the Manager may, in its absolute discretion deem fit; and

- (b) issue Units in pursuance of any Instrument made or granted by the Manager while this Resolution was in force (notwithstanding that the authority conferred by this Resolution may have ceased to be in force),

provided that:

- (A) the aggregate number of Units to be issued pursuant to this Resolution (including Units to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed fifty per cent. (50%) of the total number of issued Units (excluding treasury Units, if any) (as calculated in accordance with sub-paragraph (B) below) at the time of the passing of this Resolution, of which the aggregate number of Units and Instruments to be issued other than on a *pro rata* basis to all Unitholders shall not exceed twenty per cent. (20%) of the total number of issued Units (excluding treasury Units, if any) (as calculated in accordance with sub-paragraph (B) below);
- (B) subject to such manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the purpose of determining the aggregate number of Units that may be issued under sub-paragraph (A) above, the total number of issued Units (excluding treasury Units, if any) shall be based on the total number of issued Units (excluding treasury Units, if any) as at the time this Resolution is passed, after adjusting for:
 - (i) any new Units arising from the conversion or exercise of any Instruments which are outstanding at the time this Resolution is passed; and
 - (ii) any subsequent bonus issue, consolidation or subdivision of Units;
- (C) in exercising the authority conferred by this Resolution, the Manager shall comply with, among other things, the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST), the applicable laws and regulations including without limitation the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), the Code on Real Estate Investment Trusts published by the Securities and Futures Commission of Hong Kong (the “**SFC**”), and where applicable, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Applicable Rules**”) and the trust deed constituting Fortune REIT dated 4 July 2003 (as amended) (the “**Trust Deed**”) for the time being in force (unless otherwise exempted or waived by the Monetary Authority of Singapore);
- (D) (unless revoked or varied by Unitholders in a general meeting) the authority conferred by this Resolution shall continue in force until (i) the conclusion of the next annual general meeting of Fortune REIT or (ii) the date by which the next annual general meeting of Fortune REIT is required by the Applicable Rules to be held, whichever is earlier;
- (E) where the terms of the issue of the Instruments provide for adjustment to the number of Instruments or Units into which the Instruments may be converted in the event of rights, bonus or other capitalisation issues or any other events, the Manager is authorised to issue additional Instruments or Units pursuant to such adjustment notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time the Instruments or Units are issued; and

(F) the Manager and Trustee be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Manager or, as the case may be, the Trustee may consider expedient or necessary or in the interest of Fortune REIT to give effect to the authority conferred by this Resolution.

(Ordinary Resolution 3)

4. That:

- (a) pursuant to Clause 10.2.4 of the Trust Deed, approval be and is hereby given to expand the scope of Fortune REIT's investment strategy so that Fortune REIT may invest in commercial properties including retail, office and industrial properties; and
- (b) the Manager, any director of the Manager and the Trustee each be and are hereby severally authorised to complete and do or cause to be done all such acts and things (including executing all such documents as may be required) as the Manager, such director of the Manager or, as the case may be, the Trustee, may consider expedient or necessary or in the interest of Fortune REIT to give effect to the matter resolved upon in sub-paragraph (a) above of this resolution.

(Extraordinary Resolution 4)

AS OTHER BUSINESS

5. To transact such other business as may be transacted at the AGM.

Notes –

- 1. A Unitholder entitled to attend and vote at the AGM is entitled to appoint not more than two proxies to attend and vote in his stead. A proxy need not be a Unitholder.
- 2. The instrument appointing a proxy or proxies must be lodged at: (a) the Singapore Unit Registrar, Boardroom Corporate & Advisory Services Pte. Limited, at 50 Raffles Place, Singapore Land Tower #32-01, Singapore 048623 (for Singapore Unitholders); or (b) the Hong Kong Unit Registrar, Computershare Hong Kong Investor Services Limited, at Rooms 1712-1716, 17/F., Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for Hong Kong Unitholders), not less than forty-eight (48) hours before the time appointed for AGM.
- 3. **Unitholders are advised to refer to the Circular dated 18 March 2011, which provides further information on the abovementioned resolutions."**

7. DEFINITIONS

In this announcement, the following definitions apply throughout unless otherwise stated:

2010 Annual Report	The annual report of Fortune REIT in respect of the financial year ended 31 December 2010.
AGM	The annual general meeting of Unitholders scheduled to be held at Level 3, Rooms 325-326, Suntec Singapore International Convention and Exhibition Centre, 1 Raffles Boulevard, Suntec City, Singapore 039593 on Tuesday, 19 April 2011 at 10:30 a.m..
AGM Notice	The notice to Unitholders in respect of the AGM.
Applicable Rules	The SFO, the REIT Code, the SFA, the CIS Code (including the Property Funds Appendix), the Singapore Listing Rules and Hong Kong Listing Rules (where applicable), and all other law, rules and regulations in Hong Kong and Singapore applicable to Fortune REIT.
Auditors	Deloitte & Touche LLP and Deloitte Touche Tohmatsu.
Auditors' Report	The auditors' report for the financial year ended 31 December 2010 prepared by the Auditors.
Audited Financial Statements	The audited consolidated financial statements of Fortune REIT for the financial year ended 31 December 2010.
Board	The board of Directors.
CIS Code	The Code on Collective Investment Schemes issued by the MAS.
Circular	The circular to Fortune REIT unitholders dated 18 March 2011, which provides further information on the resolutions to be proposed at the AGM.
Directors	The directors of the Manager.
Extraordinary Resolution	A resolution proposed and passed as such by a majority consisting of 75% or more of the total number of votes cast for and against such resolution at a meeting of Unitholders duly convened under the provisions of the Trust Deed.

Fortune REIT	Fortune Real Estate Investment Trust.
General Mandate	The general mandate to allow Fortune REIT to issue Units and/or execute Instruments in accordance with the terms and conditions as set out in Ordinary Resolution 3 in the AGM Notice.
Hong Kong	The Hong Kong Special Administrative Region of the People's Republic of China.
Hong Kong Listing Rules	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.
Hong Kong Unit Registrar	Computershare Hong Kong Investor Services Limited.
Instrument	Any offers, agreements or options that might or would require Units to be issued, including but not limited to warrants, debentures or other instruments convertible into Units.
Manager	ARA Asset Management (Fortune) Limited, in its capacity as manager of Fortune REIT.
MAS	The Monetary Authority of Singapore.
Ordinary Resolution	A resolution proposed and passed as such by a majority being greater than 50% or more of the total number of votes cast for and against such resolution at a meeting of Unitholders duly convened under the provisions of the Trust Deed.
Property Funds Appendix	The investment guidelines for real estate investment trusts issued by the MAS as Appendix 2 to the CIS Code.
REIT	Real Estate Investment Trust.
REIT Code	The Code on Real Estate Investment Trusts published by the SFC as amended, supplemented or otherwise modified for the time being.
SEHK	The Stock Exchange of Hong Kong Limited.
SFA	The Securities and Futures Act (Chapter 289 of Singapore) as amended, supplemented or otherwise modified for the time being.

SFC	The Securities and Futures Commission of Hong Kong.
SFO	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified for the time being.
SGX-ST	The Singapore Stock Exchange Securities Trading Limited.
Singapore Listing Rules	The listing rules for the time being applicable to the listing of Fortune REIT as an investment fund on the SGX-ST as the same may be modified, amended, supplemented, revised or replaced from time to time.
Singapore Unit Registrar	Boardroom Corporate & Advisory Services Pte. Limited.
Statement by the Manager	The statement signed by the Manager stating whether in its opinion the statement of total return and balance sheet presented at the AGM gives a true and fair view of the results of the business of Fortune REIT as at the end of 31 December 2010, and whether that at the date of the statement there are any reasonable grounds to believe that Fortune REIT will be able to pay its debts as and when they fall due.
Trust Deed	The deed of trust dated 4 July 2003 entered into between the Trustee and the Manager as amended by a first amending and restating trust deed dated 29 June 2005, a second supplemental trust deed dated 20 April 2006, a third supplemental trust deed dated 12 October 2009, a fourth supplemental trust deed dated 26 February 2010, a fifth supplemental trust deed dated 26 March 2010, and a sixth supplemental trust deed dated 23 July 2010, as the same may be supplemented or amended from time to time.
Trustee	HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of Fortune REIT.
Trustee's Report	The report of the Trustee as set out in the 2010 Annual Report to be issued by the Manager to Unitholders on 18 March 2011.
Unit	One undivided share in Fortune REIT.
Unitholder	Any person registered as holding a Unit.
%	Per centum or percentage.

This announcement is made pursuant to paragraph 10.3(d) of the REIT Code.

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

18 March 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.