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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 25 January 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, 25 January 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. Eirene Yeung 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.



**Fortune Real Estate Investment Trust
Financial Statements
For the financial year ended 31 December 2010**

These figures have not been audited but have been reviewed by our auditors.

Fortune Real Estate Investment Trust ("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, and HSBC Institutional Trust Services (Singapore) Limited, as the Trustee of Fortune REIT. Fortune REIT was listed on the Singapore Exchange Securities Trading Limited and the The Stock Exchange of Hong Kong Limited ("SEHK") 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.

Financial Statements Announcement
For the period from 1 January 2010 to 31 December 2010

1 (a) (i) Statement of comprehensive Income (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year

| | HK\$ '000 | | % | HK\$ '000 | | % |
|--|---|---|--------------|-------------------------|--|--------------|
| | Actual 1/10/10 to 31/12/10 ^(a) | Actual 1/10/09 to 31/12/09 ^(a) | | Increase/ (Decrease) | Actual 1/1/10 to 31/12/10 ^(a) | |
| Revenue ^(b) | 176,358 | 161,644 | 9.1% | 676,457 | 567,827 | 19.1% |
| Charge-out collections ^(c) | 41,386 | 37,955 | 9.0% | 160,806 | 133,527 | 20.4% |
| Total revenue | 217,744 | 199,599 | 9.1% | 837,263 | 701,354 | 19.4% |
| Property management fees | (5,024) | (4,607) | 9.1% | (19,265) | (16,190) | 19.0% |
| Other property operating expenses ^(d) | (55,640) | (53,081) | 4.8% | (202,716) | (175,205) | 15.7% |
| Property operating expenses | (60,664) | (57,688) | 5.2% | (221,981) | (191,395) | 16.0% |
| Net property income (before manager's performance fee) | 157,080 | 141,911 | 10.7% | 615,282 | 509,959 | 20.7% |
| Manager's performance fee | (4,712) | (4,258) | 10.7% | (18,458) | (15,299) | 20.7% |
| Net property income | 152,368 | 137,653 | 10.7% | 596,824 | 494,660 | 20.7% |
| Change in fair value of properties ^(e) | 848,067 | 525,001 | 61.5% | 1,760,977 | 806,283 | 118.4% |
| Change in fair value of financial instruments ^(f) | 21,491 | - | NM | (54,879) | - | NM |
| Net property income before finance costs | 1,021,926 | 662,654 | 54.2% | 2,302,922 | 1,300,943 | 77.0% |
| Borrowing costs | (26,379) | (23,378) | 12.8% | (109,750) | (88,159) | 24.5% |
| Profit before tax | 995,547 | 639,276 | 55.7% | 2,193,172 | 1,212,784 | 80.8% |
| Hong Kong taxation : | | | | | | |
| Current taxation | (16,466) | (13,941) | 18.1% | (62,741) | (50,528) | 24.2% |
| Deferred taxation | (3,349) | (4,735) | (29.3%) | (15,174) | (15,551) | (2.4%) |
| Total Hong Kong taxation | (19,815) | (18,676) | 6.1% | (77,915) | (66,079) | 17.9% |
| Net profit of property companies | 975,732 | 620,600 | 57.2% | 2,115,257 | 1,146,705 | 84.5% |
| Manager's base fee | (10,057) | (8,696) | 15.7% | (37,246) | (28,446) | 30.9% |
| Foreign exchange gain/(loss) ^(g) | 114 | (44) | (358.1%) | 190 | 25 | 657.1% |
| Non-tax deductible trust expenses ^(h) | (6,159) | 2,470 | (349.3%) | (56,230) | (2,515) | NM |
| Tax deductible trust expenses | (767) | (668) | 14.7% | (3,439) | (3,187) | 7.9% |
| Non tax-exempt income ⁽ⁱ⁾ | 306 | - | NM | 923 | 728 | 26.7% |
| Singapore taxation | (52) | - | NM | (156) | (122) | 27.1% |
| Total trust expenses | (16,615) | (6,938) | 139.5% | (95,958) | (33,517) | 186.3% |
| Net profit of Group, before transactions with unitholders | 959,117 | 613,662 | 56.3% | 2,019,299 | 1,113,188 | 81.4% |
| Distributions to unitholders ^(j) | | | | | | |
| Brought forward from previous quarters | (79) | - | NM | - | - | NM |
| Current period | (105,661) | - | NM | (406,487) | - | NM |
| Net profit of Group, after transactions with unitholders | 853,377 | 613,662 | 39.1% | 1,612,812 | 1,113,188 | 44.9% |
| Net profit of Group, before transactions with unitholders | 959,117 | 613,662 | 56.3% | 2,019,299 | 1,113,188 | 81.4% |
| Add/(Less): | | | | | | |
| Manager's base fee | 10,057 | 8,696 | 15.7% | 37,246 | 28,446 | 30.9% |
| Foreign exchange (gain)/loss ^(g) | (114) | 44 | (358.1%) | (190) | (25) | 657.1% |
| Non-tax deductible trust expenses ^(h) | 6,159 | (2,470) | (349.3%) | 56,230 | 2,515 | NM |
| Change in fair value of financial instruments ^(f) | (21,491) | - | NM | 54,879 | - | NM |
| Change in fair value of properties ^(e) | (848,067) | (525,001) | 61.5% | (1,760,977) | (806,283) | 118.4% |
| Income available for distribution^(k) | 105,661 | 94,931 | 11.3% | 406,487 | 337,841 | 20.3% |

Footnotes:

- (a) *The Group's financial information incorporates the financial statements of the Trust and the 14 Property Companies.*
- (b) *Revenue includes rental income, car park income, license income, atrium income and others.*
- (c) *Charge-out collections consist of expenses related to the operation of the properties that are payable by tenants and licensees and these expenses include air conditioning charges, management fees, promotional charges, government rents, utility charges, cleaning charges and government rates.*
- (d) *Included in the other property operating expenses for the period 1 January 2010 to 31 December 2010 is an allowance for doubtful debts of HK\$0.003 million (2009: HK\$2.1 million).*
- (e) *On 31 December 2010, an independent valuation was undertaken by Savills Valuation and Professional Services Limited. The firm is an independent valuer having appropriate professional qualifications and experiences in the location and category of the properties being valued. The valuations for the fourteen properties were based on a combination of the Investment Method and Direct Comparison Method. The valuations adopted amounted to HK\$13,300 million (31 December 2009: HK\$11,500 million).*
- (f) *The amount relates to the gain/loss arising from the re-measurement of the plain vanilla interest rate swaps which were not designated for hedge accounting as at 31 December 2010.*
- (g) *Foreign exchange gain/loss represents realised and unrealised foreign exchange differences. The unrealised exchange difference arose from translation of monetary assets and liabilities denominated in foreign currencies into Hong Kong dollars at rates of exchange ruling at the end of the reporting period. The realised exchange difference arose from the settlement of foreign currencies payables at the transaction dates. All exchange differences are included in the statement of comprehensive income.*
- (h) *Included in the non-tax deductible trust expenses for the period 1 January 2010 to 31 December 2010 is a provision of HK\$30.0 million for the cost of the dual primary listing on The Stock Exchange of Hong Kong Limited (2009: Nil) as well as the amortization of debt front end fee of HK\$22.2 million (2009: HK\$8.0 million).*
- (i) *Non tax-exempt income refers mainly to interest income from fixed deposits.*
- (j) *The amount of distribution to unitholders has been distributed and/or accrued as distribution payable in the Statement of Financial Position. Due to the dual primary listing in Hong Kong, the presentation of Statement of Comprehensive Income is revised to comply with the requirements of the Code on Real Estate Investment Trust ("REIT Code") published by The Securities and Futures Commission in Hong Kong.*
- (k) *Fortune REIT's distribution policy is to distribute to Unitholders on a semi-annual basis, the higher of (i) 100.0% of its tax-exempt income (except dividends paid out of interest income and gains, if any, which are distributable at the discretion of the Manager) after deduction of applicable expenses ("net Tax-Exempt Income"); and (ii) 90% of consolidated audited net profit after tax for the relevant financial year adjusted to eliminate the effects of certain adjustments in accordance with the REIT Code.*
- (l) *There is no investment income, write-off for stock obsolescence, impairment in the value of investments, profit on sale of investments, properties or plant and equipment, exceptional and extraordinary items during the financial period and the previous corresponding financial period.*

1 (a) (ii) Statement of other comprehensive income (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year

| | HK\$ '000 | | % | HK\$ '000 | | % |
|--------------------------------|----------------------------------|----------------------------------|-------------------------|---------------------------------|---------------------------------|-------------------------|
| | Actual 1/10/10 to 31/12/10 | Actual 1/10/09 to 31/12/09 | Increase/ (Decrease) | Actual 1/1/10 to 31/12/10 | Actual 1/1/09 to 31/12/09 | Increase/ (Decrease) |
| Net profit of Group | 853,377 | 613,662 | 39.1% | 1,612,812 | 1,113,188 | 44.9% |
| Other comprehensive income: | | | | | | |
| Cash flow hedge ^(a) | - | 12,770 | (100.0%) | 27,097 | 37,407 | (27.6%) |
| Total comprehensive income | 853,377 | 626,432 | 36.2% | 1,639,909 | 1,150,595 | 42.5% |

Footnote:

(a) There is no tax effect relating to the component of the other comprehensive income.

1 (b)(i) Statement of financial position, together with a comparative statement as at the end of the immediately preceding financial year

| | Trust HK\$ '000 | | Group ^(a) HK\$ '000 | |
|---|--------------------|--------------------|-----------------------------------|--------------------|
| | Actual 31/12/10 | Actual 31/12/09 | Actual 31/12/10 | Actual 31/12/09 |
| Current assets | | | | |
| Cash and bank balances | 457,756 | 473,233 | 506,073 | 515,341 |
| Trade and other receivables | 58,419 | 85,721 | 63,241 | 47,619 |
| Total current assets | 516,175 | 558,954 | 569,314 | 562,960 |
| Non-current assets | | | | |
| Investment in property companies | 5,470,134 | 5,470,134 | - | - |
| Investment properties ^(b) | - | - | 13,300,000 | 11,500,000 |
| Fixed assets | - | - | - | 44 |
| Total non-current assets | 5,470,134 | 5,470,134 | 13,300,000 | 11,500,044 |
| Total assets | 5,986,309 | 6,029,088 | 13,869,314 | 12,063,004 |
| Current liabilities | | | | |
| Trade and other payables | 5,907 | 16,946 | 269,747 | 276,474 |
| Distribution payable ^(c) | 201,995 | - | 201,995 | - |
| Borrowings | - | - | 79,000 | 2,786,286 |
| Derivative liability ^(d) | - | - | - | 27,097 |
| Provision for taxation | 1,244 | 2,849 | 8,977 | 7,079 |
| Total current liabilities | 209,146 | 19,795 | 559,719 | 3,096,936 |
| Non-current liabilities | | | | |
| Borrowings | - | - | 2,772,448 | - |
| Deferred tax liabilities | - | - | 148,165 | 132,991 |
| Derivative liability ^(d) | - | - | 55,294 | 415 |
| Total non-current liabilities | - | - | 2,975,907 | 133,406 |
| Total liabilities | 209,146 | 19,795 | 3,535,626 | 3,230,342 |
| Net assets attributable to unitholders | 5,777,163 | 6,009,293 | 10,333,688 | 8,832,662 |
| Unitholders' fund | | | | |
| Equity and reserves ⁽¹⁾ | - | 6,009,293 | - | 8,832,662 |

Note:

(1) Due to the dual primary listing in Hong Kong, the presentation of Statement of Financial Position is revised to comply with the requirements of the REIT Code.

Footnotes:

- (a) *The Group's financial information incorporates the financial statements of the Trust and the 14 Property Companies.*
- (b) *Investment properties are stated at valuation based on an independent professional valuation carried out by Savills Valuation and Professional Services Limited, the independent valuer on 31 December 2010. During the period, minor capital costs were incurred and included in the investment properties value.*
- (c) *Distribution payable is the amount of income available for distribution accrued from 1 July 2010 to 31 December 2010. This is to comply with the REIT Code after the dual primary listing in Hong Kong, and for Fortune REIT's distribution policy please refer to footnote (j) of section 1(a)(i).*
- (d) *The derivative liability relates to the fair value of the plain vanilla interest rate swaps transacted to hedge the interest rate risk on the term loan.*

1 (b)(ii) Aggregate amount of borrowings

As at 31/12/10

Amount repayable in one year or less, or on demand
 Amount repayable after one year

| Secured ^(a) | Unsecured |
|------------------------|-----------|
| HK\$ '000 | HK\$ '000 |
| 79,000 | - |
| 2,772,448 | - |
| 2,851,448 | - |

As at 31/12/09

Amount repayable in one year or less, or on demand
 Amount repayable after one year

| Secured ^(a) | Unsecured |
|------------------------|-----------|
| HK\$ '000 | HK\$ '000 |
| 2,786,286 | - |
| - | - |
| 2,786,286 | - |

Footnote:

- (a) *Fortune REIT has in place a term loan and revolving credit facility of a total of HK\$3,100.0 million. As at 31 December 2010, HK\$2,907.7 million had been drawdown.*

Included in the amount repayable after one year is a debt front end fee of HK\$56.3 million (31 December 2009: HK\$78.4 million). The Facility is secured by, inter alia, a mortgage over City One Shatin Property, Ma On Shan Plaza, The Metropolis Mall, Smartland, Tsing Yi Square Property, The Household Center, Centre de Laguna Property, Lido Garden Property and Rhine Garden Property.

Financial Statements Announcement
For the period from 1 January 2010 to 31 December 2010

1 (c) Statement of cash flows

| | Group | | Group | |
|--|----------------------------------|----------------------------------|---------------------------------|---------------------------------|
| | HK\$ '000 | HK\$ '000 | HK\$ '000 | HK\$ '000 |
| | Actual 1/10/10 to 31/12/10 | Actual 1/10/09 to 31/12/09 | Actual 1/1/10 to 31/12/10 | Actual 1/1/09 to 31/12/09 |
| Operating Activities | | | | |
| Profit before taxation | 978,984 | 632,338 | 2,097,370 | 1,179,389 |
| Adjustments for: | | | | |
| Change in fair value of properties | (848,067) | (525,001) | (1,760,977) | (806,283) |
| Change in fair value of derivative liabilities | (21,491) | - | 54,879 | - |
| Amortisation of debt front end fee | 5,037 | 5,205 | 22,162 | 8,223 |
| Depreciation | - | 19 | 44 | 74 |
| Allowance for doubtful debts | - | - | 3 | 2,138 |
| Base fee paid in units | 10,057 | 8,696 | 37,246 | 28,446 |
| Interest income | (306) | - | (923) | (728) |
| Borrowing costs | 26,379 | 23,378 | 109,750 | 88,159 |
| Operating profit before changes in working capital | 150,593 | 144,635 | 559,554 | 499,418 |
| (Increase)/decrease in trade and other receivables | (3,841) | (1,112) | (15,625) | 1,861 |
| (Decrease)/Increase in trade and other payables | (11,796) | 36,192 | (6,727) | 47,221 |
| Cash generated from operating activities | 134,956 | 179,715 | 537,202 | 548,500 |
| Income taxes paid | (59,616) | (66,286) | (60,999) | (66,286) |
| Cash flows from operating activities | 75,340 | 113,429 | 476,203 | 482,214 |
| Investing Activities | | | | |
| Upgrading of investment properties | (15,247) | (28,798) | (39,023) | (52,717) |
| Interest received | 306 | - | 923 | 728 |
| Increase in bank deposits | - | - | (80,000) | - |
| Acquisition of property companies/properties, net of cash acquired | - | (2,002,743) | - | (2,002,743) |
| Cash flow used in investing activities | (14,941) | (2,031,541) | (118,100) | (2,054,732) |
| Financing Activities | | | | |
| Proceeds from issue of new units (net of issue costs) | - | 1,810,867 | - | 1,810,867 |
| Distribution paid | - | - | (380,621) | (313,610) |
| Repayment of borrowings | - | - | (51,000) | - |
| Drawdown of borrowings | 79,000 | 516,000 | 94,000 | 516,000 |
| Payment of debt front end fee | - | (80,600) | - | (80,600) |
| Borrowing costs paid | (26,379) | (23,378) | (109,750) | (88,159) |
| Cash flow used in financing activities | 52,621 | 2,222,889 | (447,371) | 1,844,498 |
| Net increase/(decrease) in cash and cash equivalents | 113,020 | 304,777 | (89,268) | 271,980 |
| Cash and cash equivalents at beginning of the period | 313,053 | 210,564 | 515,341 | 243,361 |
| Cash and cash equivalents at end of the period | 426,073 | 515,341 | 426,073 | 515,341 |
| Represented by: | | | | |
| Cash at bank and in hand | 307,073 | 515,341 | 307,073 | 515,341 |
| Fixed deposits with maturity date less than 3 months | 119,000 | - | 119,000 | - |
| | 426,073 | 515,341 | 426,073 | 515,341 |

Financial Statements Announcement
For the period from 1 January 2010 to 31 December 2010

1 (d)(i) Statement of changes in net assets attributable to unitholders

| <u>Statement for the fourth quarter FY2010</u> | Actual | | | | |
|---|------------------|------------------|-----------------|---------------------|-------------------|
| | Issued Units | Unit issue costs | Hedging reserve | Accumulated profits | Net |
| | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| Group | | | | | |
| Balance as at 1 October 2010 | 6,335,529 | (271,593) | (415) | 3,406,733 | 9,470,254 |
| Total comprehensive income | - | - | - | 853,377 | 853,377 |
| Unitholders' transactions | | | | | |
| Creation of units | | | | | |
| -management fee paid/payable in units | 10,057 | - | - | - | 10,057 |
| Increase in net assets resulting from Unitholders' transactions | 10,057 | - | - | - | 10,057 |
| Balance as at 31 December 2010 | 6,345,586 | (271,593) | (415) | 4,260,110 | 10,333,688 |
| Balance as at 1 October 2009 | 4,390,281 | (173,097) | (40,282) | 2,209,765 | 6,386,667 |
| Total comprehensive income | - | - | 12,770 | 613,662 | 626,432 |
| Unitholders' transactions | | | | | |
| Creation of units | | | | | |
| -proceeds from issuance of New Units | 1,888,973 | - | - | - | 1,888,973 |
| - unit issue costs | - | (98,496) | - | - | (98,496) |
| - acquisition fee paid in units | 20,390 | - | - | - | 20,390 |
| -management fee paid/payable in units | 8,696 | - | - | - | 8,696 |
| Increase in net assets resulting from Unitholders' transactions | 1,918,059 | (98,496) | - | - | 1,819,563 |
| Balance as at 31 December 2009 | 6,308,340 | (271,593) | (27,512) | 2,823,427 | 8,832,662 |

| <u>Statement for the YTD FY2010</u> | Actual | | | | |
|--|------------------|------------------|-----------------|---------------------|-------------------|
| | Issued Units | Unit issue costs | Hedging reserve | Accumulated profits | Net |
| | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| Group | | | | | |
| Balance as at 1 January 2010 | 6,308,340 | (271,593) | (27,512) | 2,823,427 | 8,832,662 |
| Total comprehensive income | - | - | 27,097 | 1,612,812 | 1,639,909 |
| Unitholders' transactions | | | | | |
| Creation of units | | | | | |
| -management fee paid/payable in units | 37,246 | - | - | - | 37,246 |
| Distribution paid to Unitholders | - | - | - | (176,129) | (176,129) |
| Increase (Decrease) in net assets resulting from Unitholders' transactions | 37,246 | - | - | (176,129) | (138,883) |
| Balance as at 31 December 2010 | 6,345,586 | (271,593) | (415) | 4,260,110 | 10,333,688 |
| Balance as at 1 January 2009 | 4,370,531 | (173,097) | (64,919) | 2,023,849 | 6,156,364 |
| Total comprehensive income | - | - | 37,407 | 1,113,188 | 1,150,595 |
| Unitholders' transactions | | | | | |
| Creation of units | | | | | |
| -proceeds from issuance of New Units | 1,888,973 | - | - | - | 1,888,973 |
| - unit issue costs | - | (98,496) | - | - | (98,496) |
| - acquisition fee paid in units | 20,390 | - | - | - | 20,390 |
| -management fee paid/payable in units | 28,446 | - | - | - | 28,446 |
| Distribution paid to Unitholders | - | - | - | (313,610) | (313,610) |
| Increase (Decrease) in net assets resulting from Unitholders' transactions | 1,937,809 | (98,496) | - | (313,610) | 1,525,703 |
| Balance as at 31 December 2009 | 6,308,340 | (271,593) | (27,512) | 2,823,427 | 8,832,662 |

Financial Statements Announcement
For the period from 1 January 2010 to 31 December 2010

Statement for the fourth quarter FY2010

Trust

Balance as at 1 October 2010

Total comprehensive income

Unitholders' transactions

Creation of units

-management fee paid/payable in units

Increase in net assets resulting from

Unitholders' transactions

Balance as at 31 December 2010

Balance as at 1 October 2009

Total comprehensive income

Unitholders' transactions

Creation of units

-proceeds from issuance of New Units

- unit issue costs

- acquisition fee paid in units

-management fee paid/payable in units

Increase in net assets resulting from

Unitholders' transactions

Balance as at 31 December 2009

| Actual | | | |
|------------------|------------------|---------------------|------------------|
| Issued Units | Unit issue costs | Accumulated profits | Net |
| HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| 6,335,529 | (271,593) | (377,503) | 5,686,433 |
| - | - | 80,673 | 80,673 |
| 10,057 | - | - | 10,057 |
| 10,057 | - | - | 10,057 |
| 6,345,586 | (271,593) | (296,830) | 5,777,163 |
| 4,390,281 | (173,097) | (175,886) | 4,041,298 |
| - | - | 148,432 | 148,432 |
| 1,888,973 | - | - | 1,888,973 |
| - | (98,496) | - | (98,496) |
| 20,390 | - | - | 20,390 |
| 8,696 | - | - | 8,696 |
| 1,918,059 | (98,496) | - | 1,819,563 |
| 6,308,340 | (271,593) | (27,454) | 6,009,293 |

Statement for YTD FY2010

Trust

Balance as at 1 January 2010

Total comprehensive loss

Unitholders' transactions

Creation of units

-management fee paid/payable in units

Distribution paid to Unitholders

Increase (Decrease) in net assets resulting from

Unitholders' transactions

Balance as at 31 December 2010

Balance as at 1 January 2009

Total comprehensive income

Unitholders' transactions

Creation of units

-proceeds from issuance of New Units

- unit issue costs

- acquisition fee paid in units

-management fee paid/payable in units

Distribution paid to Unitholders

Increase (Decrease) in net assets resulting from

Unitholders' transactions

Balance as at 31 December 2009

| Actual | | | |
|------------------|------------------|---------------------|------------------|
| Issued Units | Unit issue costs | Accumulated profits | Net |
| HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| 6,308,340 | (271,593) | (27,454) | 6,009,293 |
| - | - | (93,247) | (93,247) |
| 37,246 | - | - | 37,246 |
| - | - | (176,129) | (176,129) |
| 37,246 | - | (176,129) | (138,883) |
| 6,345,586 | (271,593) | (296,830) | 5,777,163 |
| 4,370,531 | (173,097) | 1,224 | 4,198,658 |
| - | - | 284,932 | 284,932 |
| 1,888,973 | - | - | 1,888,973 |
| - | (98,496) | - | (98,496) |
| 20,390 | - | - | 20,390 |
| 28,446 | - | - | 28,446 |
| - | - | (313,610) | (313,610) |
| 1,937,809 | (98,496) | (313,610) | 1,525,703 |
| 6,308,340 | (271,593) | (27,454) | 6,009,293 |

1 (d)(ii) Details of any changes in the units since the end of the previous period reported on

| <u>Date</u> | <u>Units Issued</u> | <u>Purpose</u> |
|-------------------------------------|----------------------|---|
| As at 1 October 2010 | 1,666,597,743 | Total units since the end of previous financial period |
| 7 October 2010 | 2,434,504 | As payment of management fee for the period from 1 July 2010 to 30 September 2010 |
| As at 31 December 2010 | <u>1,669,032,247</u> | |
| 5 January 2011 ^(a) | 2,567,653 | As payment of management fee for the period from 1 October 2010 to 31 December 2010 |
| Deemed units as at 31 December 2010 | <u>1,671,599,900</u> | |

Footnote:

(a) On 5 January 2011, there was an additional 2,567,653 units issued to the Manager as payment of management fee for the period from 1 October 2010 to 31 December 2010.

2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Review Engagement 2400 (Engagements to Review Financial Statements), or an equivalent standard)

The figures have not been audited but have been reviewed by the auditor in accordance with Singapore Standard on Review Engagement 2400.

3. Where the figures have been audited, or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Please see attached review report.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited financial statements have been applied

In accordance with the Fifth Amended Trust Deed, Fortune REIT has adopted the International Financial Reporting Standards ("IFRS") with effect from the first quarter of 2010. Prior to 2010, Fortune REIT prepared its financial statements in accordance with the provisions of Singapore Financial Reporting Standards ("SFRS"). The adoption of IFRS does not result in changes to the group's and trust's accounting policies.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

Please refer to item (4) above.

Financial Statements Announcement
For the period from 1 January 2010 to 31 December 2010

6. Earnings per unit and Distribution per unit for the financial period

Period from 1 January 2010 to 31 December 2010

| | Actual 1/10/10 to 31/12/10 HK cents | Actual 1/10/09 to 31/12/09 HK cents | Actual 1/1/10 to 31/12/10 HK cents | Actual 1/1/09 to 31/12/09 HK cents |
|---|--|--|---|---|
| Earnings per unit for the period based on the weighted average number of units in issue, before transactions with unitholders | 57.52 | 61.16 | 121.13 | 110.95 |
| Weighted average number of units in issue (million) | 1,667.0 | 1,003.3 | 1,667.0 | 1,003.3 |
| Distribution per unit for the period | 6.32 | 5.71 | 24.35 | 30.20 |
| Total number of units in issue (million) | 1,671.6 | 1,661.6 | 1,671.6 | 1,661.6 |

Footnote:

- a) 824.9 million of rights units and 6.4 million of acquisition fee in units were issued on 15 October 2009 and 16 October 2009 respectively. Earnings per unit and Distribution per unit were based on the total enlarged units in issue from fourth quarter 2009.

7. Net asset value per unit based on issued units at the end of current period

Net asset value per unit ^(a)

| Actual 31/12/10 HK\$ | Actual 31/12/09 HK\$ |
|----------------------------|----------------------------|
| 6.18 | 5.32 |

Footnote:

- (a) Net asset value per unit is calculated based on net assets of the Group over the total number of units in issue of 1,671.6 million. The increase in net asset value per unit was mainly due to the increase in the fair value of the investment properties.

8. Review of performance

Income Statement

| | HK\$ '000 | | % | HK\$ '000 | | % |
|-----------------------------------|----------------------------------|----------------------------------|----------|---------------------------------|---------------------------------|----------|
| | Actual 1/10/10 to 31/12/10 | Actual 1/10/09 to 31/12/09 | Increase | Actual 1/1/10 to 31/12/10 | Actual 1/1/09 to 31/12/09 | Increase |
| Total Revenue | 217,744 | 199,599 | 9.1% | 837,263 | 701,354 | 19.4% |
| Net Property Income | 152,368 | 137,653 | 10.7% | 596,824 | 494,660 | 20.7% |
| Income Available for Distribution | 105,661 | 94,931 | 11.3% | 406,487 | 337,841 | 20.3% |

Financial Review

Fortune REIT's total revenue increased by 19.4% year-on-year to HK\$837.3 million for the year ended 31 December 2010. Property operating expenses for the year amounted to HK\$240.4 million, giving rise to a net property income of HK\$596.8 million, a rise of 20.7% from HK\$494.7 million recorded in the previous year. Cost-to-revenue ratio was well managed at 26.5%. In spite of the short-term impact of renovation work at City One Shatin Property, Fortune REIT realised broad-based improvement from its portfolio compared to a year ago. The improved financial performance was mainly attributed to income contributions from three new properties acquired in October 2009, as well as an overall increase in occupancy and rental rates for the 11 existing properties.

Fortune REIT has income available for distribution amounting to HK\$406.5 million for FY2010, an increase of 20.3% from a year earlier. The distribution per unit ("DPU") for the Reporting Year was 24.35 HK cents (2009: 30.20 HK cents), which comprised of an interim DPU of 12.27 HK cents and a final DPU of 12.08 HK cents. The lower DPU was attributed to an enlarged unit base as a result of the rights issue in October 2009. Based on HK\$4.01, the average closing unit price in Singapore and Hong Kong as of 31 December 2010, the DPU for FY2010 represents a yield of 6.1%.

Capital management

As at 31 December 2010, Fortune REIT had in place loan facilities totalling HK\$3,100 million, from which HK\$2,828.7 million of the term loan facility and HK\$79.0 million of the revolving credit facility had been drawn. Both facilities will be due on 14 October 2013. The facility is secured by, amongst other things, mortgages on nine of Fortune REIT's properties, with such properties carrying an aggregate fair value of HK\$9,557 million as at 31 December 2010. The trustee has provided a guarantee for the facilities.

The Manager continued to take a prudent approach in managing the risk in fluctuation of interest cost. As at 31 December 2010, the interest cost for 50% of Fortune REIT's term loan was fixed through entering into plain vanilla swaps. Fortune REIT's effective interest cost stood at 3.88% for FY2010. The Manager reaffirms its commitment to bringing down the interest cost.

Fortune REIT's gearing ratio and aggregate leverage was lowered to 21.0% as at 31 December 2010 (31 December 2009: 23.7%). The decrease was due to a rise in valuation of investment properties. Fortune REIT stands out from its peers as one of the lowest geared REITs in the region. A debt headroom of approximately HK\$3.0 billion provides debt flexibility, allowing for potential acquisitions in the future.

Driven primarily by an increase in the value of investment properties, Fortune REIT's net asset value per unit rose to HK\$6.18 as at 31 December 2010, up 16.2% from HK\$5.32 reported at the end of 2009. The gross liability as a percentage of gross assets was 25.5% as at 31 December 2010.

Fortune REIT, with a cash balance of HK\$506.1 million and an available revolving credit facility of approximately HK\$191.0 million as at 31 December 2010, has sufficient financial resources to satisfy its financial commitments and working capital requirements.

Operation Review

As at 31 December 2010, Fortune REIT owns a geographically diverse portfolio of 14 retail malls and properties in Hong Kong, comprising approximately 2.0 million Sq.ft. of retail space and 1,660 car parking lots.

Leasing activities were buoyant during the Reporting Year. The occupancy rate of Fortune REIT's portfolio continued to improve throughout the year, climbing to a record high of 98.7% as at 31 December 2010, despite some frictional vacancies at City One Shatin Property due to tenant repositioning. Passing rent also reached a record high of HK\$28.7 per Sq. ft. as at 31 December 2010. A healthy rental reversion of 10.8% was registered for lease renewals in FY2010.

Fortune REIT housed a total of 1,017 tenants as at 31 December 2010. The top ten tenants contributed approximately 23.9% of the total portfolio's gross rental income for FY2010, and occupied approximately 21.8% of total gross rentable area. These figures illustrate the diversification of tenants within the portfolio.

The Manager will continue to focus on retaining quality tenants and strive to commit expiring leases early as well as upgrade the tenant mix when opportunities arise.

Asset Enhancement Initiatives

The Asset Enhancement Initiatives ("AEIs") at Ngan Shing Commercial Centre of City One Shatin Property commenced in May 2010 and were successfully completed in September 2010. The proactive leasing and marketing strategy paid off handsomely for Fortune REIT as the renovated space was fully leased prior to works completion. In 2011, the Manager will focus on employing AEIs at the other side of City One Shatin Property, specifically, City One Plaza, which has already seen retailers competing for prime spaces ahead of the actual renovation work.

Additional Quarterly Review

Revenue and net property income for the fourth quarter of 2010 rose 9.1% and 10.7% year-on-year to HK\$217.7 million and HK\$152.4 million respectively. The improvement in financial performance compared to the fourth quarter of 2009 is mainly attributed to the increase in occupancy and rental rates for the portfolio. Cost-to-revenue ratio was at 27.9% as compared to 28.9% recorded for the fourth quarter of 2009. Income available for distribution was HK\$105.7 million, 11.3% higher than the corresponding period last year.

9. Variance between actual and the forecast results for the period from 1 January 2010 to 31 December 2010

Not applicable.

10. Commentary on the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

Fortune REIT has delivered a stellar performance in FY2010, riding on the back of an overall improving Hong Kong economy. Hong Kong retail sales for the first eleven months of 2010 registered an increase of 18.2% in value over the previous year. While big-ticket luxury items were the key drivers of retail sales growth, stimulated by tourists from Mainland China, domestic spending upheld strongly as well with supermarkets and food and beverage outlets registering stable growth. Fortune REIT's portfolio of private housing estate retail properties, which cater mainly to day-to-day shopping needs, will continue to benefit from the general well-being of the non-discretionary retail sectors.

Looking ahead, leases that expire in 2011 will account for 37.6% and 35.7% of Fortune REIT's leased gross rentable area and gross rental income respectively. The Manager will continue to implement effective leasing and tenant repositioning strategies, particularly in Ma On Shan Plaza and The Metropolis Mall, where around 50% of the tenancies will be up for renewal in 2011. In addition to maintaining a high level of occupancy and respectable rental rates, the Manager remains committed to drive revenue growth by implementing various asset enhancement initiatives. Leveraging on a strong balance sheet and capital structure, the Manager will continue to look for acquisition opportunities in line with addressing the long-term interests of Fortune REIT's Unitholders.

The dual primary listing of Fortune REIT on the SEHK is a very significant achievement. It represents a milestone for Fortune REIT and establishes platforms that provide Fortune REIT with access to both the Singapore and Hong Kong capital markets. This is of great benefit to the growth and long-term development of Fortune REIT. The Manager believes that through active, comprehensive and highly effective management, Fortune REIT will continue to provide satisfactory returns to Unitholders.

11. Distributions

(a) Current financial period

| | |
|---|---|
| Any distribution declared for the current period? | Yes |
| Name of distribution | Final distribution for the period from 1 July 2010 to 31 December 2010 |
| Distribution Type | Tax-exempt income |
| Distribution Rate | 12.08 Hong Kong cents per unit |
| Par value of units | N.M. |
| Tax Rate | These distributions are made out of Fortune REIT's tax exempt income and net taxable interest income. Unitholders receiving distributions will not be assessable to Singapore income tax on the distributions received. |

(b) Corresponding period of the immediate preceding financial year

| | |
|---|---|
| Any distribution declared for the current period? | Yes |
| Name of distribution | Final distribution for the period from 1 July 2009 to 31 December 2009 |
| Distribution Type | Tax-exempt income |
| Distribution Rate | 10.60 Hong Kong cents per unit |
| Par value of units | N.M. |
| Tax Rate | These distributions are made out of Fortune REIT's tax exempt income. Unitholders receiving distributions will not be assessable to Singapore income tax on the distributions received. |

(c) Date Payable 1 March 2011

(d) Book Closure Date 10 February 2011

12. If no distribution has been declared/(recommended), a statement to that effect

Not applicable.

This release 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 risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other developments or companies, shifts in expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses, including employee wages, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.

BY ORDER OF THE BOARD
ARA ASSET MANAGEMENT (FORTUNE) LIMITED
AS MANAGER OF FORTUNE REAL ESTATE INVESTMENT TRUST

Ang Meng Huat, Anthony
Director

25 January 2011

ARA Asset Management (Fortune) Limited
(as Manager of Fortune REIT)
6 Temasek Boulevard
#16-02 Suntec City Tower 4
Singapore 038986

HSBC Institutional Trust Services (Singapore) Limited
(as Trustee of Fortune REIT)
21 Collyer Quay
#16-02, HSBC Building
Singapore 049320

Attention: Mr Anthony Ang / Ms Justina Chiu

Dear Sirs

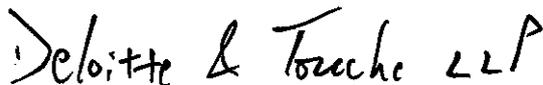
We have reviewed the accompanying financial information of Fortune Real Estate Investment Trust ("Fortune REIT") and its subsidiaries (the "Group") which comprise the statements of financial position of the Group and Fortune REIT as of December 31, 2010, and the statements of comprehensive income, statements of changes in net assets attributable to unitholders of the Group and of Fortune REIT and statement of cash flow of the Group for the financial year from January 1, 2010 to December 31, 2010 and other explanatory notes. The accompanying financial information has been prepared for the purpose of complying with Appendix 7.2 of the Singapore Exchange Listing Manual and accordingly, does not have the full disclosures required under the Singapore Financial Reporting Standards.

ARA Asset Management (Fortune) Limited ("The Manager of Fortune REIT") is responsible for the preparation and fair presentation of the financial information in accordance with the recognition and measurement criteria of the Singapore Financial Reporting Standards. Our responsibility is to express a conclusion on the financial information based on our review.

We conducted our review in accordance with Singapore Standard on Review Engagements 2400 *Engagement to Review Financial Statements*. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial information are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying financial information are not presented fairly, in all material respects, in accordance with the recognition and measurement criteria of the Singapore Financial Reporting Standards.

Yours faithfully



Public Accountants and
Certified Public Accountants
Singapore

January 25, 2011

25 January 2011

For immediate release

Manager of



FORTUNE
置富產業信託 REIT

**FORTUNE REAL ESTATE INVESTMENT TRUST (“Fortune REIT”)
PROPERTY VALUATIONS**

The Board of Directors of ARA Asset Management (Fortune) Limited, the Manager of Fortune REIT announced that Savills Valuation and Professional Services Limited has completed the independent valuations as at 31 December 2010 for the fourteen properties owned by Fortune REIT through the ownership of property companies. The fourteen 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.

The valuations as at 31 December 2010 are as follows:

| Property company | Property | Address | Gross Rentable Area (sq ft) | No. of Parking lots | Valuation (HK\$ m) |
|----------------------------------|--------------------------|--|-----------------------------|---------------------|--------------------|
| Million Nice Development Limited | City One Shatin Property | 1 & 2 Ngan Shing Street, 6 Lok Shing Street, New Territories, Hong Kong | 414,469 | 658 | 4,146 |
| Poko Shine Limited | Ma On Shan Plaza | 608 Sai Sha Road, Ma On Shan, Shatin, New Territories, Hong Kong | 310,084 | 290 | 2,376 |
| Mega Gain Resources Limited | Metro Town | 8 King Ling Road, Tseung Kwan O, Hong Kong | 180,822 | 74 | 1,775 |
| Vision Million Limited | The Metropolis Mall | 6-10 Metropolis Drive, Hung Hom, Kowloon, Hong Kong | 332,168 | 179 | 1,589 |

| Property company | Property | Address | Gross Rentable Area (sq ft) | No. of Parking lots | Valuation (HK\$ m) |
|----------------------------|-------------------------------|---|------------------------------------|----------------------------|---------------------------|
| Waldorf Realty Limited | Waldorf Garden Property | 1 Tuen Lee Street, Tuen Mun, New Territories, Hong Kong | 80,842 | 73 | 925 |
| Genuine Joy Limited | Caribbean Bazaar | 1 Kin Tung Road, Tung Chung, Hong Kong | 63,018 | 117 | 511 |
| Quick Switch Limited | Smartland | 16 Tsuen Wah Street, Tsuen Wan, New Territories, Hong Kong | 123,544 | 67 | 411 |
| Team Challenge Limited | Tsing Yi Square Property | 7-19 Tsing Luk Street, Tsing Yi, New Territories, Hong Kong | 78,836 | 27 | 364 |
| Yee Pang Realty Limited | Jubilee Court Shopping Centre | 2-18 Lok King Street, Fo Tan, Shatin, New Territories, Hong Kong | 170,616 | 97 | 355 |
| Art Full Resources Limited | The Household Center | 8 King Lai Path, Kwai Chung, New Territories, Hong Kong | 91,779 | 43 | 302 |
| Ace Courage Limited | Centre de Laguna Property | 93 & 99 Cha Kwo Ling Road, Kwun Tong, Kowloon, Hong Kong | 43,000 | N.A. | 185 |
| Full Belief Limited | Hampton Loft | 11 Hoi Fan Road, Kowloon, Hong Kong | 74,734 | 35 | 177 |
| Partner Now Limited | Lido Garden Property | 41-63 Castle Peak Road, Sham Tseng, Tsuen Wan, New Territories, Hong Kong | 9,836 | N.A. | 111 |

| Property company | Property | Address | Gross Rentable Area (sq ft) | No. of Parking lots | Valuation (HK\$ m) |
|-------------------------|-----------------------|--|------------------------------------|----------------------------|---------------------------|
| Proven Effort Limited | Rhine Garden Property | 38 Castle Peak Road, Sham Tseng, Tsuen Wan, New Territories, Hong Kong | 14,604 | N.A. | 73 |
| Total | | | 1,988,352 | 1,660 | 13,300 |

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

ANG Meng Huat, Anthony
Director

25 January 2011

About Fortune REIT

Fortune Real Estate Investment Trust ("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, and HSBC Institutional Trust Services (Singapore) Limited, as the Trustee of Fortune REIT. Fortune REIT was dual primary listed on the Singapore Exchange Securities Trading Limited 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 sf 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 about Fortune REIT 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 Mainboard of the SGX-ST. More information can be found at www.ara-asia.com.

Media and investor contacts

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Justina Chiu
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Hong Kong Office Tel:
+852 2169 0928



25 January 2011

Manager of



NOTICE OF BOOKS CLOSURE & DISTRIBUTION PAYMENT DATE

NOTICE IS HEREBY GIVEN THAT the Transfer Books and Register of Unitholders of Fortune Real Estate Investment Trust ("Fortune REIT") will be closed on **10 February 2011 at 5.00 p.m.** for the purposes of determining Unitholders' entitlements to the Fortune REIT's distribution of **12.08 Hong Kong cents** per unit for the period of 1 July 2010 to 31 December 2010 (the "Distribution").

Unitholders whose securities accounts with The Central Depository (Pte) Limited ("CDP") are credited with Units as at 5.00 p.m. on 10 February 2011 will be entitled to the Distribution to be paid on **1 March 2011**.

SINGAPORE INCOME TAX ON FORTUNE REIT DISTRIBUTION

Unitholders are **NOT** subject to Singapore Income Tax on the Distribution received from gross income Distribution that is tax exempt.

CURRENCY ELECTION PURPOSES

Unitholders whose Units are held directly through CDP will receive their Distributions in the Singapore dollar equivalent of the Hong Kong dollar Distribution declared, unless Unitholders elect to receive the Distributions in Hong Kong dollars. Such Unitholders must complete a prescribed form ("Form of Election") by **5.00 p.m. on 17 February 2011**. For the portion of the Distributions to be paid in Singapore dollars, the Manager will make the necessary arrangements to convert the portion of the Distribution in Hong Kong dollars into Singapore dollars at such exchange rate as the Manager may determine having regard to any premium or discount which may be relevant to the cost of exchange.

Unitholders [save for approved depository agents (acting as nominees of their customers)] may only elect to receive Distributions in either Singapore dollars or Hong Kong dollars and shall **not** be able to elect to receive Distributions partly in Singapore dollars and partly in Hong Kong dollars.

The Form of Election will be sent out by Fortune REIT's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., on or around **11 February 2011**.

IMPORTANT NOTE

Unitholders who wish to receive the Distributions in Hong Kong dollars must complete and return the Form of Election by 5.00 p.m. on 17 February 2011.

No action is needed for Unitholders who wish to receive the Distributions in Singapore dollars.

IMPORTANT DATES AND TIMES

| Date/Deadline | Event |
|--|---|
| 10 February 2011, Thursday, 5.00 p.m. | Fortune REIT books closure |
| 17 February 2011 , Thursday, 5.00 p.m. | Unitholders must complete and return the Form of Election to CDP if he wish to receive the Distributions in Hong Kong dollars |
| 1 March 2011, Tuesday | Payment of Distribution |

For enquiries, please contact Mr. Donovan Ng at +65 68359232 or email: donovanng@ara.com.hk or visit our website at <www.fortunereit.com>.

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

ANG Meng Huat, Anthony
Director

25 January 2011

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