

The Securities and Futures Commission of Hong Kong, Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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

WAIVER IN RESPECT OF PARAGRAPH 9.13 OF THE REIT CODE

INTRODUCTION

The board of directors of ARA Asset Management (Fortune) Limited (the "**Manager**"), in its capacity as the manager of Fortune REIT, issues this announcement to provide details of a waiver from strict compliance by Fortune REIT with paragraph 9.13 of the Code on Real Estate Investment Trusts (the "**REIT Code**"), granted by the Securities and Futures Commission of Hong Kong ("**SFC**").

THE WAIVER

Under paragraph 9.13(b) of the REIT Code, expenses arising out of any advertising or promotional activities in connection with a real estate investment trust shall not be paid from the trust's property.

The Manager has made an application for, and the SFC has granted, a waiver from strict compliance by Fortune REIT with paragraph 9.13 of the REIT Code, so as to allow certain advertising and promotional expenses incurred in carrying out the duties of the Manager and/or HSBC Institutional Trust Services (Singapore) Limited (the "**Trustee**") to be paid from the assets of Fortune REIT. These expenses (collectively, the "**PR Expenses**") include:

- all fees, costs and expenses (including: (i) costs and expenses incurred in respect of roadshows, press conferences, luncheons and presentations and other public relations-related fees, costs or expenses; (ii) fees for public relations consultants; and (iii) unit or other securities issuance-related expenses) incurred in connection with any offering or issue of units or other securities;
- all fees, costs and expenses (including: (i) costs and expenses incurred in respect of roadshows, press conferences, luncheons and presentations and other public relations-related fees, costs or expenses; (ii) fees for public relations consultants; and (iii) unit or other securities issuance-related expenses) incurred in connection with convening and holding meetings of unitholders or meetings for the purposes of investor or analyst briefings; and

- all other fees, costs and expenses incurred in connection with any public relations-related activities in connection with Fortune REIT.

These PR Expenses are incurred to promote or enhance Fortune REIT's interests for the benefit of Fortune REIT and, indirectly, its unitholders. The Manager therefore believes that it is fair and reasonable for such PR Expenses to be recovered out of and paid from the assets of Fortune REIT.

The waiver granted is subject to the following conditions:

1. the aggregate amount of the PR Expenses incurred in each financial year shall be disclosed in the annual audited financial statements or annual report of Fortune REIT;
2. the audit committee of the Manager shall review annually the amounts of the PR Expenses incurred by the Manager and/or the Trustee and shall confirm in the annual report of Fortune REIT that:
 - (a) the PR Expenses are incurred in accordance with the internal control procedures of the Manager; and
 - (b) the PR Expenses are incurred solely for the purposes as set out in clause 4.3 of the trust deed constituting Fortune REIT (the "**Trust Deed**"); and
3. the payment or reimbursement to the Manager and/or the Trustee of such PR Expenses shall be made strictly in accordance with the requirements of the Trust Deed.

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, 31 May 2010

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, Dr. Cheng Mo Chi, Moses and Mrs. Sng Sow-Mei (alias Poon Sow Mei) as Independent Non-executive Directors; and Mr. Ma Lai Chee, Gerald as Alternate Director to Mr. Ip Tak Chuen, Edmond.