
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.

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