



Asset Management (Fortune) Limited

Manager of



NEW FACILITY AND DISCLOSURE PURSUANT TO RULE 704(31) OF THE SGX-ST LISTING MANUAL

Reference is made to the circular of Fortune REIT dated 28 December 2011 (the “Circular”). Unless the context requires otherwise, terms used in this announcement shall have the same meaning as those defined in the Circular.

Introduction

At the extraordinary general meeting of unitholders of Fortune REIT (“**Unitholders**”) held on 19 January 2012, Unitholders’ approval was obtained for, among other things, the acquisition of the Belvedere Garden Property and the Provident Centre Property (the “**Acquisition**”). The total consideration for the Belvedere Garden Property and the Provident Centre Property will be part financed through the drawdown of the term loan facility under the New Facility.

The New Facility

ARA Asset Management (Fortune) Limited, as manager of Fortune Real Estate Investment Trust (“**Fortune REIT**”, and as manager of Fortune REIT, the “**Manager**”) wishes to announce that on 14 February 2012, Swinley Investments Limited (the “**New Facility Borrower**”) 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 lead arrangers and bookrunners. The Credit Agreement relates to a Hong Kong dollar 3-year term loan and revolving credit facility of up to an aggregate principal amount of HK\$1,400 million, comprising (a) a HK\$1,100 million term loan facility and (b) a HK\$300 million revolving credit facility (the “**New Facility**”). The New Facility will bear an interest margin of 2.0% per annum over the Hong Kong Interbank Offer Rate (“**HIBOR**”), and will mature and become payable on 14 February 2015.

The New Facility will be secured by an assignment of rentals, deposits, proceeds and all other income generated from the properties held by the New Property Companies, Full Belief and Genuine Joy, an assignment of the rights in the insurance policies and in the tenancy agreements relating to the respective properties held by the New Property Companies, Full Belief and Genuine Joy, share mortgages over the shares of the New Property Companies, Full Belief, Genuine Joy and relevant intermediate holding companies, legal charges over properties held by the New Property Companies, Full Belief and Genuine Joy, and a charge over all other assets of the New Property Companies, Full Belief, Genuine Joy and relevant intermediate holding companies. In addition, HSBC Institutional Trust Services (Singapore) Limited (in its capacity as the trustee of Fortune REIT), the New Property Companies, Full Belief, Genuine Joy and relevant intermediate holding companies will provide an unconditional and irrevocable guarantee in favour of the lenders under the Credit Agreement, subject to the recourse of the lenders being limited to the assets of Fortune REIT.

Use of Proceeds

It is intended that the HK\$1,100 million term loan facility will be drawn down on or about 17 February 2012 and will be used to part finance the Acquisition.

Disclosure pursuant to Rule 704(31) of the SGX-ST Listing Manual

Pursuant to Rule 704(31) of the Listing Manual of Singapore Exchange Securities Trading Limited (the “**SGX-ST**”), the Manager wishes to announce that the Credit Agreement includes a clause which places a restriction on the change of the manager of Fortune REIT, which states that an event of default under the Credit Agreement would result if the manager of Fortune REIT is changed without the prior written consent of the facility agent.

As at the date of this announcement, the aggregate level of facilities which may be affected by the occurrence of the event of default set out in the above paragraph is up to HK\$1,400 million.

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

Ang Meng Huat, Anthony
Director
14 February 2012

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 Fortune City One, Ma On Shan Plaza, Metro Town, Fortune Metropolis, Waldorf Avenue, Caribbean Square, Smartland, Jubilee Square, Tsing Yi Square, Nob Hill Square, Centre de Laguna, Hampton Loft, Lido Avenue and Rhine Avenue. 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 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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