



(Constituted in the Republic of Singapore
pursuant to a trust deed dated 4 July 2003 (as amended))

SGX-ST Announcement

PAYMENT OF ACQUISITION FEE BY WAY OF UNITS IN FORTUNE REAL ESTATE INVESTMENT TRUST

The Board of Directors of ARA Asset Management (Singapore) Limited (the “**Company**”), the manager of Fortune Real Investment Trust (“**Fortune REIT**”), wishes to announce that 6,371,875 units in Fortune REIT (“**Units**”) have been issued to the Company today at HK\$3.20 per Unit as payment of the acquisition fee in relation to the acquisition of Metro Town, Caribbean Bazaar and Hampton Loft (the “**Acquisition Fee**”). Such Units will not be sold within one year from their date of issue, in accordance with paragraph 5.6 of the Property Funds Guidelines at Appendix 2 of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore.

The manner of payment of the Acquisition Fee was disclosed in (i) the trust deed dated 4 July 2003 constituting Fortune REIT as amended by the first amended and restated deed dated 29 June 2005, the second supplemental deed dated 20 April 2006 and the third supplemental deed dated 12 October 2009 (the “**Trust Deed**”), (ii) the Fortune REIT prospectus dated 28 July 2003 issued in connection with the initial public offering of the Units, (iii) the Fortune REIT unitholders’ circular dated 24 August 2009 and (iv) the offer information statement dated 17 September 2009 in relation to the Fortune REIT rights issue.

While Clause 15.2.1(i) of the Trust Deed allows the Company to receive the Acquisition Fee Units at the rights issue price of HK\$2.29 per Unit, the Company has elected to receive the Acquisition Fee Units at the higher TERP¹ of HK\$3.20 per Unit instead.

With the above-mentioned issue of Units, the Company holds an aggregate of 12,528,739 Units and the total number of Units in issue as of today is 1,658,765,035 Units.

By Order of the Board
ARA Asset Management (Singapore) Limited
(Company registration no. 200303151G)
(as manager of Fortune Real Estate Investment Trust)

Lim Hwee Chiang, John
Director
16 October 2009

¹ “**TERP**” means theoretical ex-rights price. For the avoidance of doubt, the TERP is calculated as follows:

$$\text{TERP} = \frac{\text{Market capitalisation of Fortune REIT based on the closing price of HK\$4.10} + \text{rights issue gross proceeds}}{\text{Units in issue after the rights issue}}$$

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 (Singapore) Limited (“**ARASL**”), 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 Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 12 August 2003.

Fortune REIT holds a portfolio of [eleven] retail malls in Hong Kong, spread across Kowloon and the New Territories through the ownership of property companies (“the **Property Companies**”), worth approximately HK\$8.9 billion. The retail malls are City One Shatin Property, Ma On Shan Plaza, The Metropolis Mall, Waldorf Garden Property, Smartland, Tsing Yi Square Property, Jubilee Court Shopping Centre, The Household Center, Centre de Laguna Property, Lido Garden Property and Rhine Garden Property. Together they house a total of 839 tenants as at 30 June 2009 from diverse trade sectors such as supermarkets, food and beverage outlets, banks, real estate agencies, and education providers. Notable tenants include Park’N Shop, 7-Eleven, Aji Ichiban, Maxim’s Chinese Restaurant, Watsons, Mannings, Modern Beauty Salon, Fortress, McDonald’s, Kentucky Fried Chicken, Watami Japanese Restaurant, Centaline Property Agency, Midland Realty, DBS Bank, Bank of China (Hong Kong), HSBC, Japan Home Centre, Jumpin Gym U.S.A., International Christian School and the Hong Kong Jockey Club. More information about Fortune REIT can be found at www.fortunereit.com.

About ARASL, the Manager

Fortune REIT is managed by ARASL, a wholly-owned subsidiary company of ARA Asset Management Limited, which is listed on the Mainboard of the SGX-ST. More information about ARASL can be found at www.ara-asia.com.

Important Notice

The value of Units and the income derived from them may fall as well as rise. The Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units. The past performance of Fortune REIT is not necessarily indicative of the future performance of Fortune REIT.

This announcement 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.

This announcement is not an offer of securities for sale in the United States or elsewhere. The securities of Fortune REIT are not being registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”), and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements under the Securities Act. There will be no public offering of the securities in the United States.