

A resilient portfolio of 11 suburban retail malls in Hong Kong



First Quarter Ended 31 March 2009

6 May 2009

FORTUNE
 置富產業信託 **REIT**

Results Highlights

First Quarter Ended 31 Mar 2009

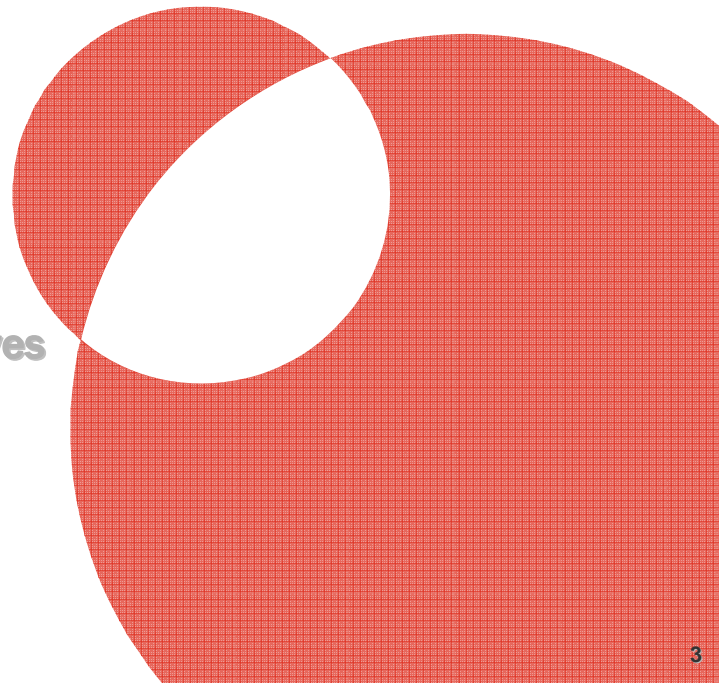
Total Revenue, 1Q09	HK\$168.2 mil	↑ 10.4% YoY
Net Property Income (NPI), 1Q09	HK\$123.1 mil	↑ 8.0% YoY
Distribution Per Unit (DPU), 1Q09	HK\$0.1006	↑ 14.4% YoY
Annualized Tax-exempt Yield ¹	15.3%	
Net Asset Value (NAV) Per Unit	HK\$7.47	
Portfolio Valuation ²	HK\$8,602 mil	
Gearing	26.6%	
Portfolio Rental Reversion ³	4.9%	
Portfolio Occupancy ⁴	95.5%	

Notes:

1. Based on the closing Unit price of HK\$2.67 as at 31 Mar 09.
2. As at 31 Dec 2008, Investment properties were re-valued by Knight Frank Petty Limited ("Knight Frank").
3. For all renewal leases from 1 Jan 09 to 31 Mar 09.
4. Actual occupancy as at 31 Mar 09.



-  Results Highlights
-  **Financial Results**
-  Hong Kong Economy
-  Portfolio Performance
-  Asset Enhancement Initiatives
-  Key Strategies

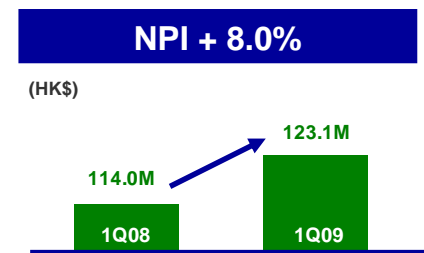
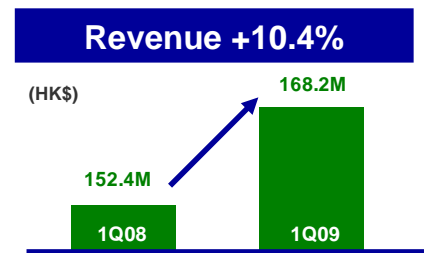


Trust Income

First Quarter Ended 31 Mar 2009

Total Revenue And NPI Rose By 10.4% And 8.0% Respectively

	1Q09 (HK\$'000)	1Q08 (HK\$'000)	Variance (%)
Total revenue	168,249	152,383	10.4%
Property operating expenses	(41,308)	(34,849)	18.5%
Manager's performance fee	(3,808)	(3,526)	8.0%
Net property income ("NPI")	123,133	114,008	8.0%
Borrowing costs	(23,500)	(26,960)	(12.8%)
Profit before tax	99,633	87,048	14.5%
Hong Kong tax	(15,865)	(15,059)	5.4%
Net profit of property companies	83,768	71,989	16.4%
Income available for distribution	82,828	71,528	15.8%
DPU (HK\$)	0.1006	0.0879	14.4%



Distribution Yield

15.3% Tax-exempt yield backed by clean, transparent and steady cashflow

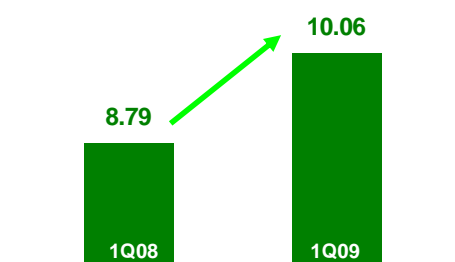
1Q09	Tax-exempt	Pre-tax ¹ Equivalent
DPU ^{2,3} (HK\$)	0.1006	0.1200
DPU yield ⁴	15.3%	18.2%

Notes:

1. Before HK income taxes. This figure is shown solely to illustrate the yield before the impact of HK taxes on the property companies. It does not imply investors are eligible for any dividend tax credits.
2. Fortune REIT pays tax-exempt distributions semi-annually (for the half years ending Jun and Dec)
3. Based on the deemed Units in issue of approximate 823.1m Units.
4. Based on the closing Unit price of HK\$2.67 on 31 Mar 09.

DPU +14.4 %

(HK cents)



Balance Sheet

As at 31 Mar 09	(HK\$'000)
Current Assets	217,768
Non Current Assets	8,612,584
Total Assets	8,830,352
Current Liabilities	217,885
Non Current Liabilities	2,518,293
Total Liabilities	2,736,178
Net Assets	6,094,174

Gearing Ratio

26.6%

Portfolio Valuation¹

HK\$8,602 M

NAV Per Unit^{2,3}

HK\$7.47

Notes:

1. As at 31 Dec 2008 by Knight Frank.
2. Based on net assets of the Group excluding hedging reserve.
3. The number of Units used for computation of NAV per Unit is 823,118,206 Units. This comprises: (a) number of Units in issue as at 31 Mar 2009 of 820,818,975 Units; (b) Units issued on 6 Apr 2009 to the Manager as the Manager's Base Fees for 1Q 2009 of 2,299,231 Units.




Debt management


Low Gearing At 26.6% ; Certainty Of Financing Cost

As at 31 Mar 09	Debt Profile
Total Debt ¹	HK\$2,349 mil
Gearing Ratio ²	26.6%
Interest Cover ³	5.2x
Weighted Avg. Cost of Debt	4.06%

Notes:

1. Excludes the debt front-end fee.
2. According to the Singapore Property Fund Guidelines, Aggregate Borrowing Limit as a % of Deposited Property must not exceed 35%, but it can increase to 60% with a credit rating.
3. Interest cover = EBIT / Total interest expense.

 No refinancing needs until June 2010

 100% of the interest cost has been fixed with various plain vanilla swaps


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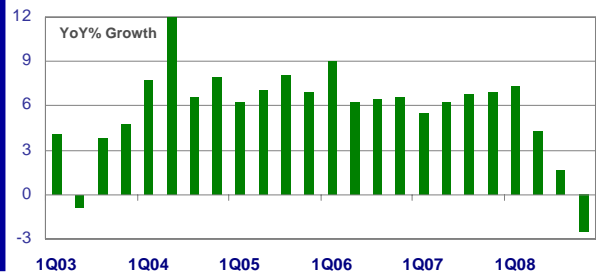
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Hong Kong Economy

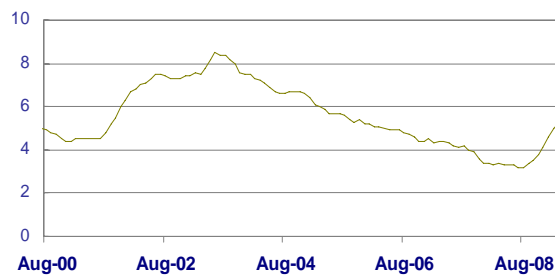
Well positioned to recover from recession

- ✓ Outbreak of global financial turmoil derailed the economic upturn since 2003. HK economy expected to contract by 2-3% in 2009. Timing of turnaround critically depends on global situation.
- ✓ HK is better positioned than many other economies to withstand the crisis and recover, given its sound fundamentals and Mainland Central government's supportive measure.

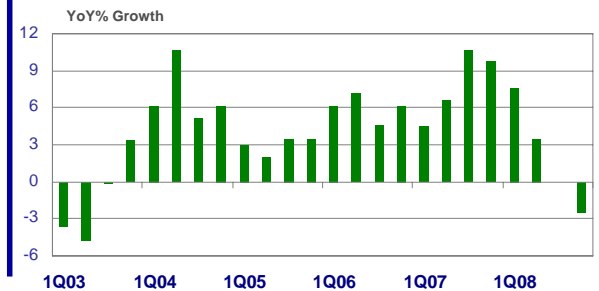
GDP: Forecast to drop by 2-3% in 2009



Unemployment: Rose to 5.2% for Jan 09 – Mar 09



Private consumption: Fell to -3.2% in 4Q08. Discretionary spending being affected the most.



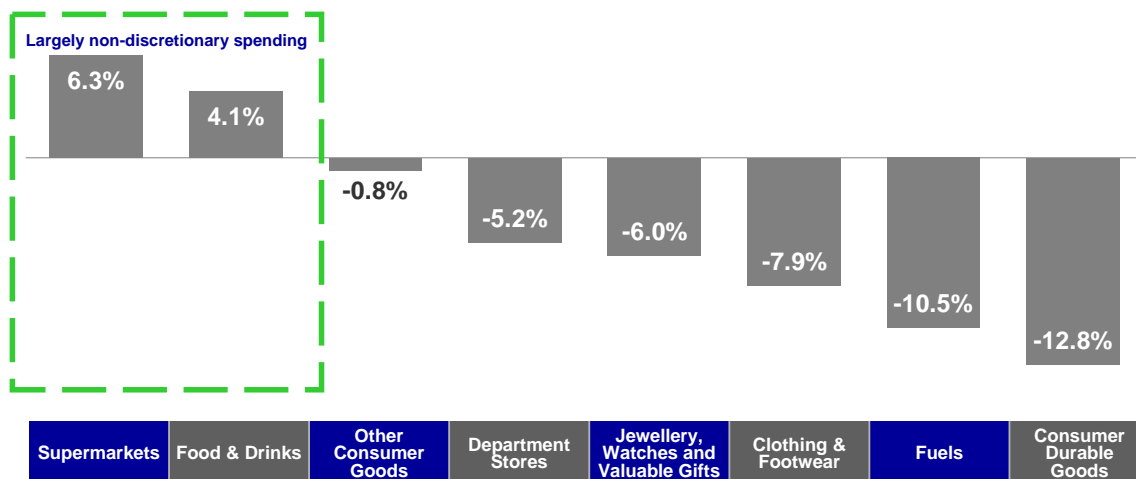
Source: Census & Statistics Department, HK



Hong Kong Retail Sales


Suburban retail still benefiting from the growth of non-discretionary spending

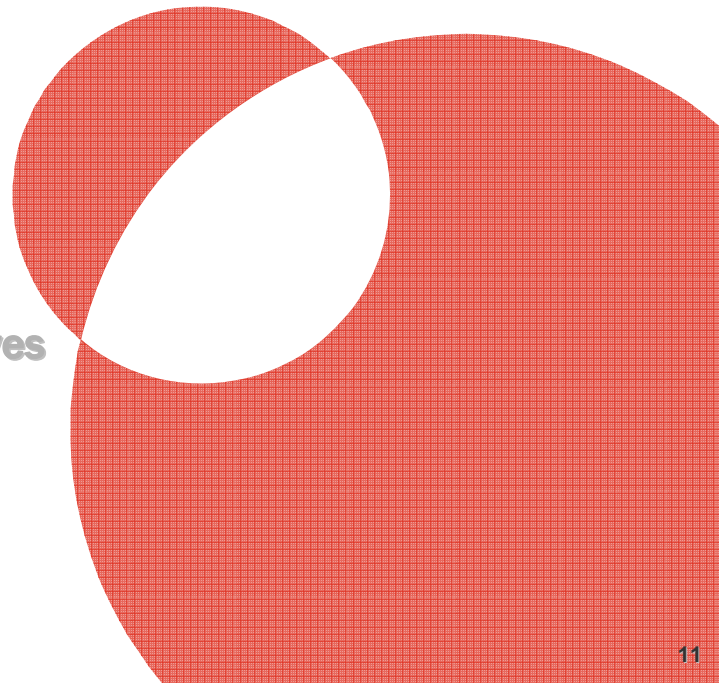
Hong Kong Retail Sales Value down by 3.9% YoY for the three months ended Mar 2009



Source: Census & Statistics Department, HK



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First Quarter Ended 31 Mar 2009

Occupancy and Passing Rent

Portfolio Occupancy Remains Strong At 95.5%; Passing Rents at HK\$27.09 psf

As at 31 Mar 09	GRA (sf)	Occupancy (31 Mar 09)	Occupancy (31 Dec08)		
1. City One Shatin Property	414,469	96.5%	97.0%	Portfolio Occupancy (as at 31 Mar 09)	95.5%
2. Ma On Shan Plaza	310,084	100.0%	99.9%		
3. The Metropolis Mall	332,168	96.0%	95.9%		
4. Waldorf Garden Property	80,842	100.0%	100.0%	Average Passing Rent (as at 31 Mar 09)	HK\$27.09 psf
5. Smartland	123,544	93.8%	94.4%		
6. Tsing Yi Square Property	78,836	97.6%	97.6%		
7. Jubilee Court Shopping Centre	170,616	84.8%	88.1%		
8. The Household Center	91,779	87.7%	87.1%	Rental Reversion (for renewal in 1Q09)	4.9%
9. Centre de Laguna Property	43,000	99.4%	100.0%		
10. Lido Garden Property	9,836	100.0%	100.0%		
11. Rhine Garden Property	14,604	100.0%	100.0%		
Portfolio Total	1,669,778	95.5%	96.0%		

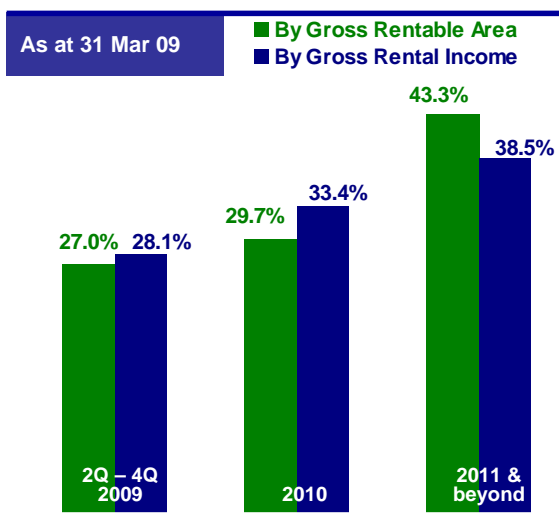
Portfolio Expiry Profile

27.0% of Leases Expiring in 2Q - 4Q 2009

Expiry Profile By Gross Rentable Area

As at 31 Mar 09	% of occupied GRA		
	2Q-4Q 2009	2010	2011 & beyond
1. City One Shatin	35.2	32.7	32.1
2. Ma On Shan Plaza	19.0	37.9	43.1
3. The Metropolis Mall	28.6	27.9	43.5
4. Waldorf Garden	5.0	18.5	76.5
5. Smartland	36.2	11.6	52.2
6. Tsing Yi Square	29.7	42.7	27.6
7. Jubilee Court Shopping Centre	25.9	17.1	57.0
8. The Household Center	7.8	32.3	59.9
9. Centre de Laguna	53.5	41.4	5.1
10. Lido Garden	44.2	55.8	0.0
11. Rhine Garden	2.4	1.5	96.1
Portfolio Total	27.0	29.7	43.3

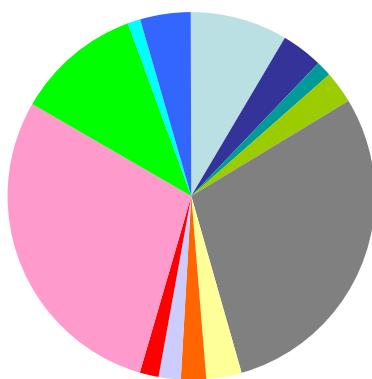
Portfolio Expiry Profile



Portfolio Trade Mix

Trade Mix Well Diversified To Meet Catchment Needs

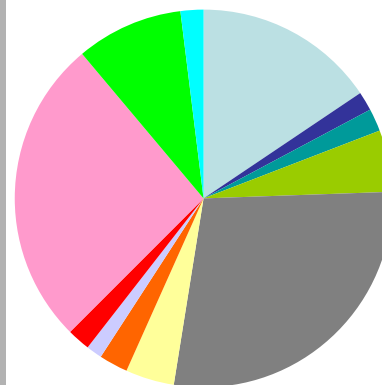
By Gross Rentable Area



Tenant's Trade Mix

8.7%	Banking & Real Estate	15.5%
3.6%	Community Services	1.7%
1.2%	Electronics & IT	1.9%
3.0%	Fashion & Shoes	5.4%
29.1%	Food & Beverage	28.1%
3.1%	Gifts, Toys & Jewellery	4.2%
2.0%	Homeware	2.3%
2.2%	Entertainment & Sports	1.5%
1.6%	Others	1.9%
28.7%	Services & Education	26.3%
11.2%	Supermarket	9.3%
1.1%	Wet Markets	1.9%
4.5%	Vacant	0.0%

By Gross Rental Income



Marketing And Promotions



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2009 CAPEX Planning

Capex: Planning to spend HK\$30M – HK\$40M in 2009



City One Shatin Property

- Air-conditioned corridor
- Replacement of the chiller plant
- Upgrading of the Wet Market



Metropolis Mall

- Renovation of the food court
- Upgrading of the toilet facilities



Waldorf Garden Property

- Completion of the toilet upgrading

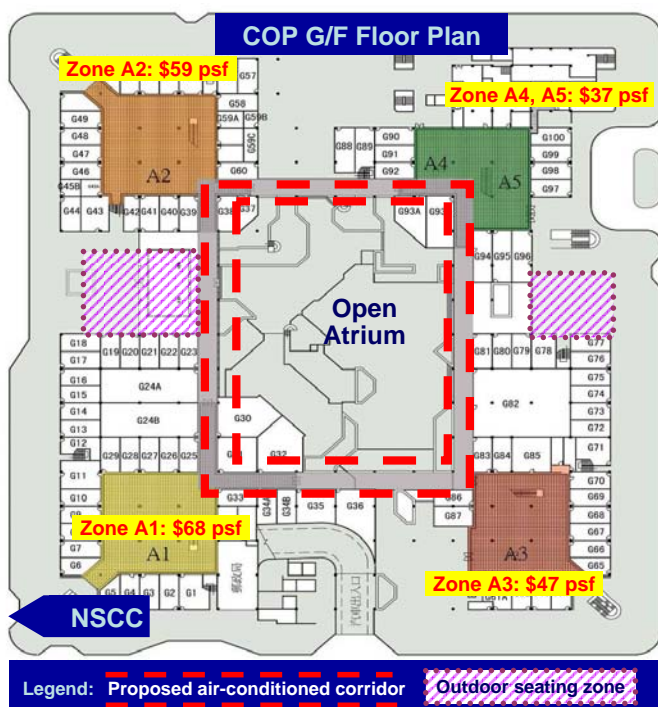


Smartland

- Completion of the ceiling and floor tiles replacement



AEI Continued in COP



Air-conditioned corridor

- ✓ To enhance circulation of shoppers' traffic flow between zones and thus improve overall rental



Energy Efficiency Enhancement

Chiller replacement in COP

- ✓ To reduce energy consumption by 10-20%
- ✓ First phase completed. Full completion scheduled before summer season.



First phase completed in 1Q09



Other AEIs

Smartland

Before



After



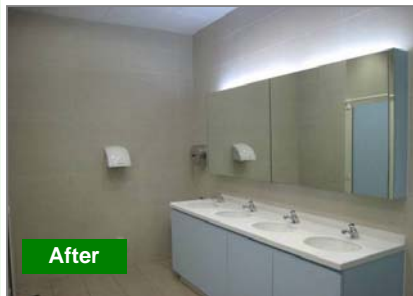
New ceiling, lighting and flooring

Waldorf Garden

Before



After



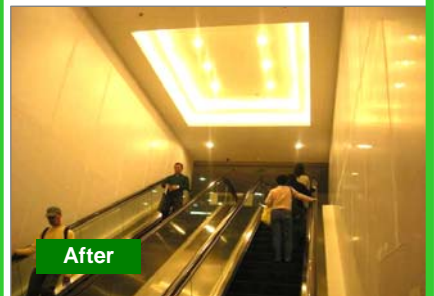
Washroom renovation

Ma On Shan Plaza

Before



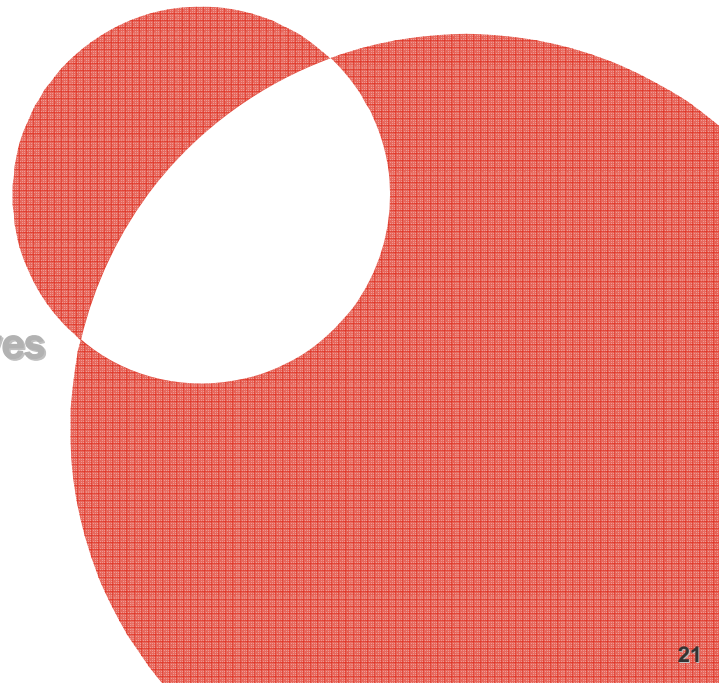
After



Upgrading of escalator lobby



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Key Strategies

First Quarter Ended 31 Mar 2009

Focus on Stability and Sustainability

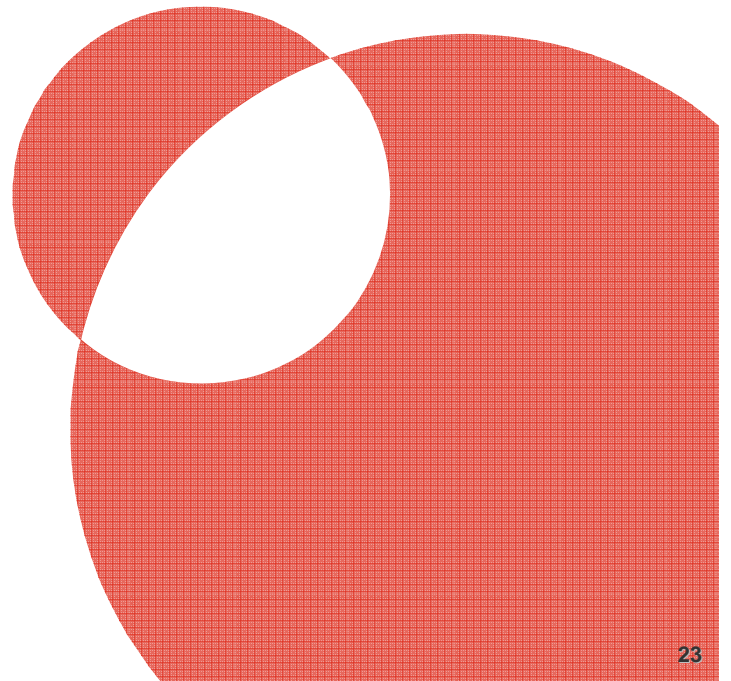
-  **Operational**
 - Maintain occupancy levels at all malls
 - Work closely with tenants to drive footfall and sales
-  **Asset Enhancement**
 - Focus on cost savings measures
 - Ongoing facilities upgrading
-  **Capital Management**
 - A prudent approach on gearing ratio and interest cost management
 - Current market may present acquisition opportunities



The Metropolis Mall



Additional Information



Financial Information First Quarter Ended 31 Mar 2009

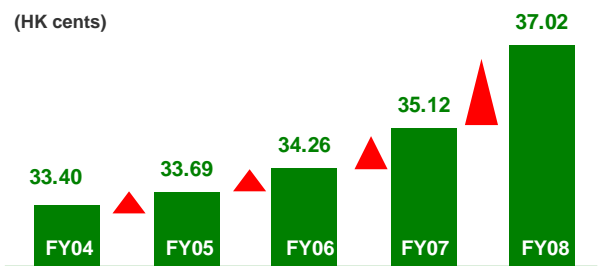
Key facts and portfolio data

Sponsor	Cheung Kong
IPO	12 August 2003
Latest Portfolio Valuation	HK\$8,602 M (as at 31 Dec 08)
Portfolio Size	1,669,778sf
No. of Tenants	833
No. of Carpark Lots	1,434

Unit data and yield performance (as at 31 Mar 09)

Closing Unit Price	HK\$2.67
NAV per Unit	HK\$7.47
Units in Issue	820,818,975
Market Cap	HK\$2.2 Billion
Indicative Yield	15.3%
Implied Property Yield	11.0%

DPU growth since IPO



A Resilient Portfolio of Malls



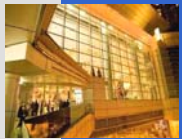
1 City One Shatin Property

Shatin
414,469 sf



2 Ma On Shan Plaza

Shatin
310,084 sf



3 The Metropolis Mall

Hung Hom
332,168 sf



4 Waldorf Garden Property

Tuen Mun
80,842 sf



5 Smartland
Tsuen Wan
123,544 sf

6 Tsing Yi Square Property
Tsing Yi
78,836 sf

7 Jubilee Court Shopping Centre
Shatin
170,616 sf

8 The Household Center
91,779 sf

9 Centre de Laguna Property
43,000 sf

10 Lido Garden Property
9,836 sf

11 Rhine Garden Property
14,604 sf

P Portfolio Highlights - COP

First Quarter Ended 31 Mar 2009



City One Shatin Property

GRA	414,469sf
Carpark lots	658
Valuation (end 08)	HK\$3,259M
Cap Rate	6.25%
Occupancy (Mar 09)	96.5%

Top 5 trade by GRA

Services & Education	33.6%
Food & Beverages	31.8%
Banking and Real Estate	8.6%
Supermarkets	6.8%
Wet Market	4.0%



52 blocks of residential towers, about 50,000 residents as immediate catchment

Served by the City One MTR station



Portfolio Highlights – Ma On Shan Plaza



Ma On Shan Plaza

GRA	310,084sf
Carpark lots	290
Valuation (end 08)	HK\$1,766M
Cap Rate	6.25%
Occupancy (Mar 09)	100%

Top 5 trade by GRA

Food & Beverages	24.6%
Services & Education	18.6%
Supermarkets	18.1%
Banking and Real Estate	15.8%
Gifts	5.7%



- Directly linked to the Ma On Shan MTR station
- Have been consistently in almost full occupancy



Portfolio Highlights – Metropolis Mall



The Metropolis Mall

GRA	332,168sf
Carpark lots	179
Valuation (end 08)	HK\$1,342M
Cap Rate	6.00%
Occupancy (Mar 09)	96.0%

Top 5 trade by GRA

Food & Beverages	32.3%
Services & Education	31.6%
Banking and Real Estate	15.8%
Community Services	5.8%
Gifts	4.0%

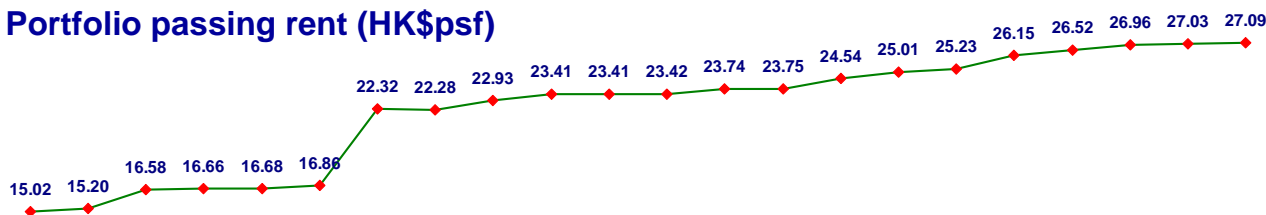


- Linked to the Hung Hom MTR station
- Catchment of nearby residents, University students, office workers and concert-goers

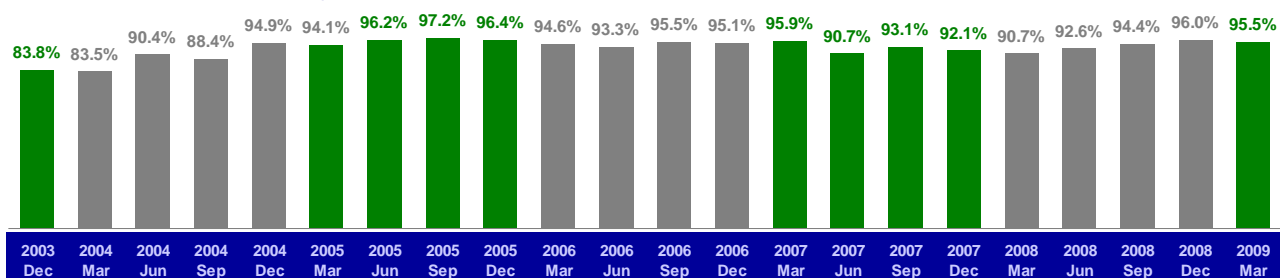


Record Of A Resilient Performance

Portfolio passing rent (HK\$psf)



Portfolio occupancy



Note:
1. Data from Dec 03 – Dec 05 include 5 IPO properties only. 6 other properties were acquired in Jun 05 and thus data from Jun 05 onwards include 11 properties.



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