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**Miscellaneous**

\* Asterisks denote mandatory information

Name of Announcer *	FORTUNE REAL ESTATE INV TRUST
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Announcement submitted on behalf of	FORTUNE REAL ESTATE INV TRUST
Announcement is submitted with respect to *	FORTUNE REAL ESTATE INV TRUST
Announcement is submitted by *	Lim Hwee Chiang
Designation *	Director
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**>> Announcement Details**

The details of the announcement start here ...

Announcement Title *	MEDIA RELEASE
Description	
<b>Attachments:</b>	 <a href="#">Press_release_050803_ARA.pdf</a> Total size = <b>52K</b> (2048K size limit recommended)

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## Media release

3 August 2005

6.00 pm

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### **ARA pledges support of Madam Ho Ching's views on REITs and waives acquisition fees**

**3 Aug 2005, Singapore** – The ARA Group and its subsidiary companies, ARA Asset Management (Singapore) Limited (“ARASL”) – the manager of Fortune REIT – and ARA Trust Management (Suntec) Limited (“ARATMSL”) – the manager of Suntec REIT – pledge their support of the views on the REIT industry given by Madam Ho Ching, Chief Executive Officer of Temasek Holdings Pte Ltd, on 28th July 2005.

The ARA Group is fully committed to the long-term growth of Singapore's REIT industry and firmly supports carrying out best practices to ensure that the interests of REIT unitholders are upheld. As manager of Fortune REIT and Suntec REIT, the ARA Group pledges to act in the best interests of unitholders. The ARA Group would be pleased to consider any improvements and new practices to enhance the REIT industry in Singapore.

“To show our commitment to the long-term interests of unitholders, the ARA Group will waive our front-end acquisition fees in respect of future deals which Fortune REIT and Suntec REIT may enter into. By doing so, we would like to demonstrate that our motivation is aligned to that of unitholders in the long-term. We believe in the sustainability of the assets' cash flow and are managing the portfolio with the unitholders' long-term interests in mind. The ARA Group believes that this waiver should set a new industry standard for REIT managers in Singapore,” commented Mr Justin Chiu, Chairman of the ARA Group.

“The ARA Group concurs with Madam Ho's concerns regarding the use of financial engineering in REITs. In light of this recent development, we will review the recent proposed acquisitions by Suntec REIT and may initiate discussions with the relevant parties,” expressed Mr. Chiu.

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## **About the ARA Group**

The ARA Group comprises the holding company ARA Asset Management Limited and its subsidiaries, including ARA Asset Management (Singapore) Limited (“ARASL”) – the manager of Fortune Real Estate Investment Trust (“Fortune REIT”) and ARA Trust Management (Suntec) Limited (“ARATMSL”) – the manager of Suntec Real Estate Investment Trust (“Suntec REIT”).

ARA Asset Management Limited is 70% owned by Mr. John Lim, its Chief Executive Officer, and 30% indirectly owned by Cheung Kong (Holdings) Limited.

## **About Fortune REIT**

Fortune REIT was established under a Trust Deed dated 4 July 2003 made between ARASL, as Manager, and HSBC Institutional Trust Services (Singapore) Limited (formerly known as Bermuda Trust (Singapore) Limited), as Trustee. Fortune REIT was listed on Singapore Exchange Securities Trading Limited on 12 August 2003.

Fortune REIT holds a portfolio of eleven shopping malls and properties in Hong Kong, through the ownership of the special purpose property ownership companies, worth more than HK\$7.8 billion. The retail malls and properties are City One Shatin Property, The Metropolis Mall, Ma On Shan Plaza, Waldorf Garden Property, The Household Center, Smartland, Jubilee Court Shopping Centre, Tsing Yi Square Property, Centre de Laguna Property, Lido Garden Property and Rhine Garden Property. Together they housed a total of 842 tenants as at 30 June 2005 from diverse trade sectors, including supermarkets, food and beverage outlets, bank and real estate services, and education providers. Tenants include Park’N Shop, Maxim’s Chinese Restaurant, Watson’s, Fortress, McDonald’s, Café de Coral, Bank of China (Hong Kong), DBS Bank, Standard Chartered Bank, Baleno, Bluestar Exchange, International Christian School Limited, and the Hong Kong Jockey Club.

## **About Suntec REIT**

Listed on 9 December 2004, Suntec REIT holds properties in Suntec City, Singapore’s largest integrated commercial development (including Singapore’s largest shopping mall). Its aim is to invest in income-producing real estate which is primarily used for retail and/or office purposes. Suntec REIT is managed by an external manager, ARATMSL.

In relation to the initial public offering in November/December 2004, the joint financial advisors were Citigroup Global Markets Singapore Pte Ltd (“Citigroup”) and DBS Bank Ltd (“DBS Bank”).

The joint lead underwriters and bookrunners were Citigroup, DBS Bank and Deutsche Bank AG, Singapore Branch, and BNP Paribas Peregrine (Singapore) Ltd was the co-manager in the transaction.

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**Important notice**

This media release 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 companies and venues for the sale or distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business.

Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on ARASL and ARATMSL's (together the "Managers") current views on future events.

The value of units in Fortune REIT or Suntec REIT ("Units") and the income derived from them, if any, may fall or rise. Units are not obligations of, deposits in, or guaranteed by, the Managers or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors should note that they have no right to request the Managers to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on Singapore Exchange Securities Trading Limited ("SGX-ST"). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

The past performance of Fortune REIT or Suntec REIT are not necessarily indicative of the future performance of Fortune REIT or Suntec REIT.