



Media Release

12 October 2009

Fortune REIT announces Over-subscription of Rights Issue

12 Oct 2009. ARA Asset Management (Singapore) Limited, as manager of Fortune Real Estate Investment Trust (“**Fortune REIT**”, and as manager of Fortune REIT, the “**Manager**”), is pleased to announce that valid acceptances and excess applications for a total of 955,123,404 rights units were received as at the close of Fortune REIT’s rights issue on 7 October 2009. This represents 115.8% of the total number of rights units available under the rights issue. The Manager had on 24 August 2009 announced the fully underwritten one-for-one renounceable rights issue of 824,879,427 rights units at an issue price of HK\$2.29 per right unit to raise gross proceeds of HK\$1,889.0 million.

The majority of the proceeds from the rights issue will be used for the acquisition of three retail properties in Hong Kong, namely Metro Town, Caribbean Bazaar and Hampton Loft. The balance will be used for capital expenditure, asset enhancement and general corporate and working capital purposes.

Mr Justin Chiu, Chairman of the Manager said, “We would like to thank all our unitholders for their overwhelming response and support of the rights issue. It demonstrates their strong endorsement of and confidence in our prudent capital structure, our acquisition strategy and the long-term growth potential of Fortune REIT.”

Ms Justina Chiu, Chief Operating Officer of the Manager said, “With the successful completion of the rights issue and debt refinancing, Fortune REIT will have a stronger balance sheet with no debt maturing until 2013. We will continue to strive hard to drive operational performance through proactive leasing and property management.”

In support of the rights issue and to demonstrate its commitment as sponsor of Fortune REIT, Cheung Kong (Holdings) Limited (through its subsidiaries and associated companies)

has subscribed for its aggregate pro rata entitlement of rights units to maintain its deemed interest in approximately 31.9%¹ of Fortune REIT's units in issue.

The Fortune REIT rights issue was fully underwritten by joint lead managers and underwriters, Cazenove & Co. (Singapore) Pte. Limited (a Standard Chartered group company)² and DBS Bank Ltd.

The rights units will rank *pari passu* in all respects with the existing units in issue and will be entitled to any distributions which may accrue from 1 July 2009. Fortune REIT remains committed to paying out 100% of its distributable income for the financial year ending 31 December 2009.

The Manager expects that the rights units will be listed and quoted on the Main Board of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) with effect from 9.00 a.m. on 16 October 2009.

¹ As at 24 August 2009.

² Cazenove & Co.(Singapore) Pte. Limited is a wholly-owned subsidiary of Cazenove Asia Limited and a Standard Chartered group company. The mark “Cazenove” and marks containing “Cazenove” are trade marks of Cazenove IP Limited and are used under limited licence. Cazenove Asia Limited, Cazenove & Co. (Singapore) Pte. Limited, its subsidiaries and affiliates companies are now subsidiaries or affiliated companies of Standard Chartered Bank (Hong Kong) Limited, and are not affiliated with JPMorgan Cazenove Limited, Cazenove Inc., or their subsidiaries.

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, and HSBC Institutional Trust Services (Singapore) Limited, as the trustee of Fortune REIT. Fortune REIT was listed on 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.

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Important Notice

The value of Fortune REIT units (“**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 press release 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 press 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 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 document 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