

22 December 2015

Manager of



NEW BANKING FACILITIES

1. Introduction

On 11 April 2011, Fortune Real Estate Investment Trust ("**Fortune REIT**") through its wholly owned property holding subsidiaries, entered into a credit agreement with respect to an aggregate principal amount of HK\$3,800 million, comprising a HK\$2,830 million term loan facility and a HK\$970 million revolving credit facility (collectively, the "**Existing Facilities**"). Part of the Existing Facilities in the amount of HK\$638 million was prepaid upon the disposal of Nob Hill Square on 2 April 2015. The remaining Existing Facilities will mature and become payable on 11 April 2016.

2. The New Facilities

The board of directors of ARA Asset Management (Fortune) Limited, as manager of Fortune REIT (the "**Manager**"), wishes to announce that on 22 December 2015, FRT Finance (HK) Limited (the "**Borrower**"), a special purpose vehicle of Fortune REIT, entered into two 5-year term loan facility agreements of an aggregate principal amount of HK\$3,200 million (the "**New Facilities**"), comprising a HK\$2,000 million secured term loan facility secured over a property of Fortune REIT (the "**Property**") and a HK\$1,200 million unsecured term loan facility. The New Facilities bear a blended interest margin of 1.20% per annum over Hong Kong Interbank Offer Rate and will mature and become payable on 22 December 2020.

The New Facilities will be secured by (i) a security agreement which includes, among others, an assignment of rights in the bank accounts, deposits and proceeds generated from the Property held by the property holding company (the "**Property Company**"), an assignment of insurance policies and the property management agreement relating to the Property, an assignment of the Property Company's rights in the tenancy agreements relating to the Property and an assignment or charge of certain other assets of the Property Company; (ii) share mortgage over the shares of the Property Company; (iii) mortgage over the Property held by the Property Company; and (iv) a deed of assignment assigning the rights of HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of Fortune REIT (the "**Trustee**") in respect of the property management agreement in relation to the Property held by the Property Company. The Property Company and the Trustee will also provide an unconditional and irrevocable guarantee in favour of the lenders under the Facility Agreements, (in case of the Trustee) with recourse limited to the assets of Fortune REIT.

3. Use of Proceeds

The New Facilities will be used to refinance the outstanding amount of the Existing Facilities as well as for other general corporate purpose of Fortune REIT. It is expected that the New Facilities will be drawn in March 2016.

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

Chiu Yu, Justina
Director
22 December 2015

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 is primary listed on The Stock Exchange of Hong Kong Limited and secondary listed on the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”).

Fortune REIT holds a portfolio of 17 retail properties in Hong Kong, comprising approximately 3.18 million square feet of retail space and 2,713 car parking spaces. The retail properties are Fortune City One, Fortune Kingswood, Ma On Shan Plaza, Metro Town, Fortune Metropolis, Laguna Plaza, Belvedere Square, Waldorf Avenue, Caribbean Square, Provident Square, Jubilee Square, Smartland, Tsing Yi 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 (“ARA”). ARA is a real estate fund management company listed on the Main Board of the SGX-ST.

More information can be found at www.ara-asia.com.

Media and investor contacts

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