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Fortune Real Estate Investment Trust

(a Hong Kong collective investment scheme authorized under section 104 of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong))

(Stock Code: 778)

Managed by

ARA Asset Management (Fortune) Limited

PAYMENT OF MANAGER'S BASE FEE TO ARA ASSET MANAGEMENT (FORTUNE) LIMITED BY WAY OF UNITS IN FORTUNE REAL ESTATE INVESTMENT TRUST

The Board announces that on 3 July 2015, the Manager received an aggregate of 3,386,932 Base Fee Units in Singapore, as payment to the Manager of the Base Fee in the amount of HK$26,356,093, being full payment in arrears of the Base Fee component of its management fees for the period from 1 April 2015 to 30 June 2015 (both dates inclusive). The Base Fee Units were issued at a price of HK$7.7817 (being the Singapore Market Price) per Unit.

The payment of the Base Fee by way of the Base Fee Units is in accordance with the terms of the Trust Deed and does not require the specific prior approval of the Unitholders pursuant to a waiver granted by the SFC.

The Manager held 9,382,500 Units immediately before the issue of the Base Fee Units. Immediately after the issue of the Base Fee Units, the Manager holds 12,769,432 Units, representing approximately 0.68% of the 1,882,805,728 Units in issue (after the issue of the Base Fee Units).

Pursuant to the Trust Deed, the Manager is entitled to, among other management fees, the Base Fee. The Base Fee is payable quarterly in arrears, and will be in the form of Units. Pursuant to the Trust Deed, the Manager may elect to receive such Units as Units listed on the SGX-ST or Units listed on the HK Stock Exchange. The Manager shall receive such number of Units as may be purchased for the relevant amount of the Base Fee at the prevailing market price on the SGX-ST if it elects to receive Units in Singapore or at the prevailing market price on the HK Stock Exchange if it elects to receive Units in Hong Kong, at the time of the issue of such Units.

The Board announces that on 3 July 2015, the Manager received an aggregate of 3,386,932 Base Fee Units in Singapore, as payment to the Manager of the Base Fee in the amount of HK$26,356,093, being full payment in arrears of the Base Fee component of its management fees for the period from 1 April 2015 to 30 June 2015 (both dates inclusive). The Base Fee Units were issued at a price of HK$7.7817 (being the Singapore Market Price) per Unit. The number of Base Fee Units issued was determined on a basis which is consistent with the relevant provisions of the Trust Deed.

The payment of the Base Fee by way of the Base Fee Units is in accordance with the terms of the Trust Deed and does not require the specific prior approval of the Unitholders pursuant to a waiver granted by the SFC.

Under the waiver, for the purposes of the REIT Code and among other conditions, the number of Units issued to the Manager as payment of all or part of the Manager's Fees for each financial year of Fortune REIT shall be counted as part of the 20% of outstanding Units that the Manager may issue in each financial year without Unitholders' approval pursuant to paragraph 12.2 of the REIT Code. Further, in respect of each financial year, the maximum number of Units that may be issued to the Manager as payment of all or part of the Manager's Fees for that financial year shall, in the aggregate, be limited to such number of Units as represents 3% of the total number of Units outstanding as at the last day of the immediately preceding financial year plus the number of Units, if any, issued in that financial year for the purpose of financing any acquisition or divestment (where applicable) of real estate by Fortune REIT. Immediately after the issue of the Base Fee Units, the number of Units issued to the Manager as payment of all or part of the Manager's Fees for the period from 1 January 2015 to 30 June 2015 represents approximately 0.35% of the total number of Units outstanding as at 31 December 2014.

The Manager held 9,382,500 Units immediately before the issue of the Base Fee Units. Immediately after the issue of the Base Fee Units, the Manager holds 12,769,432 Units, representing approximately 0.68% of the 1,882,805,728 Units in issue (after the issue of the Base Fee Units).

This announcement is made pursuant to paragraph 10.4(k) of the REIT Code.

DEFINITIONS

"Base Fee"	The Manager's base fee which is 0.3% per annum of the Property Values and payable quarterly in arrears
"Base Fee Units"	The 3,386,932 Units which are the subject of this announcement
"Board"	The board of directors of the Manager
"Fortune REIT"	Fortune Real Estate Investment Trust
"HK Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Manager"	ARA Asset Management (Fortune) Limited (as manager of Fortune REIT)
"Manager's Fee"	The Base Fee and, where applicable, the acquisition fee or divestment fee payable to the Manager
"Property Values"	The values of all the properties owned by Fortune REIT, whether directly held by the Trustee or indirectly held by the Trustee through a property holding company, including a property company
"REIT Code"	The Code on Real Estate Investment Trusts published by the SFC, as

	amended, supplemented or otherwise modified from time to time
"SFC"	The Securities and Futures Commission of Hong Kong
"SGX-ST"	The Singapore Exchange Securities Trading Limited
"Singapore Market Price"	The volume weighted average price for a Unit for all trades done on the SGX-ST in the ordinary course of trading on the SGX-ST for the period of 10 Business Days (as defined in the Trust Deed) immediately preceding the date of issue of Units to the Manager
"Trustee"	HSBC Institutional Trust Services (Singapore) Limited (as trustee of Fortune REIT)
"Trust Deed"	The deed of trust entered into between the Trustee and the Manager constituting Fortune REIT, originally dated 4 July 2003 and as amended and restated from time to time
"Unitholders"	Holders of the Units
"Units"	The units of Fortune REIT

By order of the board of directors of
ARA Asset Management (Fortune) Limited
(in its capacity as manager of Fortune Real Estate Investment Trust)
CHIU Yu, Justina
Chief Executive Officer

Hong Kong, 3 July 2015

The Directors of the Manager as at the date of this announcement are Dr. Chiu Kwok Hung, Justin (Chairman), Mr. Lim Hwee Chiang, Ms. Yeung, Eirene and Mr. Ma Lai Chee, Gerald as Non-executive Directors; Ms. Chiu Yu, Justina and Mr. Ang Meng Huat, Anthony as Executive Directors; Mr. Lim Lee Meng, Mrs. Sng Sow-Mei (alias Poon Sow Mei) and Dr. Lan Hong Tsung, David as Independent Non-executive Directors.