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**Champion Real Estate Investment Trust**

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

**(Stock Code: 2778)**

Managed by

**Eagle Asset Management**

Eagle Asset Management (CP) Limited

**FINAL DISTRIBUTION PER UNIT FOR THE 2009 INTERIM DISTRIBUTION  
AND  
DISTRIBUTION REINVESTMENT ARRANGEMENT  
IN RESPECT OF THE 2009 INTERIM DISTRIBUTION**

The purpose of this announcement is to inform the Unitholders of the final distribution per Unit and details of the Distribution Reinvestment Arrangement in respect of the 2009 Interim Distribution.

Further to the Interim Results Announcement, the Board wishes to announce that the final distribution per Unit for the 2009 Interim Distribution shall be HK\$0.1304.

The Board is also pleased to inform the Unitholders details of the Distribution Reinvestment Arrangement in respect of the six months ended 30 June 2009.

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**FINAL DISTRIBUTION PER UNIT FOR THE 2009 INTERIM DISTRIBUTION**

According to the Interim Results Announcement, an interim distribution of HK\$0.1314 per Unit will be paid to persons who are registered Unitholders as at the Record Date, subject to dilution upon issuance of Units to the REIT Manager for settlement of the Manager's Fee in respect of the first half of year 2009 and upon receipt of conversion notice, if any, in respect of the Bonds before the Closed Period.

On 21 August 2009, 36,199,068 new Units (representing approximately 0.7757% of the 4,666,721,106 Units in issue immediately after such issue) were issued to the REIT Manager for

settlement of the Manager's Fee. No notice of conversion had been received from any Bondholders and no Bonds were converted before the Closed Period. Accordingly, the Board announces that the final distribution per Unit for the 2009 Interim Distribution shall be HK\$0.1304.

## **DISTRIBUTION REINVESTMENT ARRANGEMENT IN RESPECT OF THE 2009 INTERIM DISTRIBUTION**

As per the Interim Results Announcement on 6 August 2009, the Board announced, among other things, that a Distribution Reinvestment Arrangement will be available to Unitholders of Champion REIT under which Unitholders are entitled to have a scrip distribution alternative in lieu of a cash distribution. A circular containing the details will be sent to Unitholders on or about 10 September 2009.

The register of Unitholders of Champion REIT was closed from 1 September 2009 to 4 September 2009 (both days inclusive). In order to qualify for the 2009 Interim Distribution, all unit certificates with completed transfer forms had to be lodged with Champion REIT's Unit Registrar for registration not later than 4:30 p.m. on Monday, 31 August 2009. Unitholders whose names appeared on the register of Unitholders on the Record Date may elect to receive:

1. only cash distribution of HK\$0.1304 per Unit; or
2. only Scrip Units at a Market Price of HK\$2.7569 per Unit (as defined hereinafter), subject to any fractional entitlement being disregarded as mentioned below; or
3. a combination of partly in cash distribution and partly in scrip distribution.

The Market Price of HK\$2.7569 per Unit is the average closing price of the units of Champion REIT quoted on the Hong Kong Stock Exchange for the five consecutive trading days starting from, and including, 28 August 2009, being the first day the Units are traded ex-distribution, less a 5% discount. The formula used for calculating your entitlement is as follows:

Number of Units held on the Record Date x 2009 Interim Distribution per Unit = Maximum distribution available for Unit election

$$\frac{\text{Maximum distribution available for Unit election}}{\text{Market Price}} = \text{Maximum number of Scrip Units to be issued (truncate (but not round off) to the nearest whole Unit)}$$

The number of Scrip Units to be received by each Unitholder pursuant to his election will be truncated (but not round off) to the nearest whole Unit. Since fractions of Units cannot be issued, if you elect to receive the maximum number of Scrip Units in lieu of your cash distribution, a residual distribution entitlement may arise, representing the difference between the total cash equivalent of the Scrip Units based on the Market Price to be issued to you and the maximum distribution available in respect of your unitholding. Fractional entitlements to Scrip Units will be disregarded and the benefit thereof will accrue to Champion REIT.

You may elect to receive Scrip Units in respect of all or part of your holding of Units. No fraction of a Unit will be issued. If you choose to take only part of your distribution as Scrip Units, you will receive the balance in cash.

The Scrip Units issued in respect of the 2009 Interim Distribution will, when they are issued, rank pari passu in all respects with the existing Units of Champion REIT in issued except that such Scrip Units themselves will not rank for the 2009 Interim Distribution.

Further details of the Distribution Reinvestment Arrangement are set out in the Appendix to a circular which will be sent to the Unitholders on or about 10 September 2009 together with the Election Form. Unitholders who wish to receive only Scrip Units or partly in cash and partly in Scrip Units must complete, sign and return the Election Forms to the Unit Registrar, Computershare Hong Kong Investor Services Limited of Rooms 1806–7, 18th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong **not later than 4:30 p.m. on 28 September 2009**.

The Distribution Reinvestment Arrangement is conditional upon the Listing Committee of the Hong Kong Stock Exchange granting listing of, and permission to deal in, the Scrip Units to be issued in respect of the 2009 Interim Distribution. If this condition is not satisfied, the Distribution Reinvestment Arrangement will not become effective, the Election Forms will be void and the 2009 Interim Distribution will then be paid wholly in cash.

## **DEFINITIONS**

“2006 Convertible Bonds”	the 2% coupon guaranteed convertible bonds due 2011 in the aggregate principal amount of HK\$765 million issued by Treasure Source Limited convertible into Units at an adjusted conversion price of HK\$4.26 per Unit
“2008 Convertible Bonds”	the 1% coupon guaranteed convertible bonds due 2013 in the aggregate principal amount of HK\$4,660 million issued by Fair Vantage Limited convertible into Units at an adjusted conversion price of HK\$3.92 per Unit (to be adjusted to HK\$3.83 per Unit with effect from 13 October 2009)
“2009 Interim Distribution”	the distribution for the six months period ended 30 June 2009
“Board”	the board of directors of the REIT Manager

“Bonds”	collectively, the 2006 Convertible Bonds and the 2008 Convertible Bonds issued by the respective entities wholly owned and controlled by the Trustee
“Bondholders”	holders of the Bonds
“Champion REIT”	Champion Real Estate Investment Trust
“Closed Period”	During the closure of the Champion REIT’s register of Unitholders (i.e. 1 September 2009 to 4 September 2009, both days inclusive), no Bondholders have the right to covert their Bonds into Units
“Distribution Reinvestment Arrangement”	the distribution reinvestment arrangement available to Unitholders under which Unitholders are entitled to have a scrip distribution alternative in lieu of a cash distribution in respect of the 2009 Interim Distribution
“Election Form”	the election form for use in connection with the Distribution Reinvestment Arrangement
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Interim Results Announcement”	2009 Interim Results Announcement issued by the REIT Manager dated 6 August 2009
“Manager’s Fee”	the fee of approximately HK\$105,194,000 payable by Champion REIT to the REIT Manager for the six months ended 30 June 2009
“Market Price”	the price for issue of Scrip Units
“Record Date”	4 September 2009
“REIT Manager”	Eagle Asset Management (CP) Limited, as manager of Champion REIT
“Scrip Units”	new units of Champion REIT issued from scrip distribution

“Trading Day”	any day (other than Saturday or Sunday) on which Hong Kong Stock Exchange is open for securities trading
“Trustee”	HSBC Institutional Trust Services (Asia) Limited, as trustee of Champion REIT
“Unit Registrar”	Computershare Hong Kong Investor Services Limited, as unit registrar of Champion REIT
“Unitholders”	holders of the Units
“Units”	the units of Champion REIT

By Order of the Board  
**Eagle Asset Management (CP) Limited**  
**(as manager of Champion Real Estate Investment Trust)**  
**LO Ka Shui**  
*Chairman*

Hong Kong, 4 September 2009

As at the date of this announcement, the Board comprises:

*Non-executive Directors:*

Dr. Lo Ka Shui (*Chairman*), Mr. Cheng Wai Chee, Christopher, Mr. Ho Shut Kan and Mr. Lo Kai Shui

*Executive Director:*

Mr. Lee Ching Ming, Adrian (*Chief Executive Officer*)

*Independent Non-executive Directors:*

Mr. Cha Mou Sing, Payson, Mr. David Gordon Eldon and Mr. Shek Lai Him, Abraham