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First REIT's 2Q 2011 distributable income surges 86.5% to S\$9.9 million

- Gross revenue jumps 75.3% to S\$13.2 million due to two new hospitals acquired in December 2010
- DPU in 2Q 2011 rose y-o-y to 1.58 Singapore cents per unit following the rights issue in Dec 2010, resulting in a distribution yield of 7.8%

<i>(S\$'000)</i>	2Q 2011	2Q 2010	Change (%)	1H 2011	1H 2010	Change (%)
Gross Revenue	13,223	7,543	75.3	26,403	14,994	76.1
Net Property Income	13,103	7,458	75.7	26,189	14,798	77.0
Distributable Amount	9,886	5,301	86.5	19,781	10,549	87.5
Distribution Per Unit (cents)						
- For the period	1.58	1.92	NC ¹	3.16	3.82	NC ¹
- Adjusted	1.58	0.85 ²	85.9	3.16	1.69 ²	87.0
- Annualised	6.37	6.63 ³	NC ¹	6.37	6.63 ³	NC ¹

NC = Not comparable

- 1) 2Q 2011 vs 2Q 2010 and YTD 30 June 2011 vs YTD 30 June 2010 are not comparable due to the effect of rights issue and acquisitions made in December 2010. (see also footnote 2)
- 2) Restated to take into account the effect of the rights issue in December 2010.
- 3) Actual paid for FY 2010 and the distribution for 4Q 2010 was based on enlarged share base as a result of rights issue in December 2010.

SINGAPORE – 22 July 2011 – Bowsprit Capital Corporation Limited (“Bowsprit”), the Manager of **First Real Estate Investment Trust (“First REIT” or the “Trust”)**, Singapore’s first healthcare real estate investment trust, announced today that First REIT’s distributable income for the second quarter ended 30 June 2011 (“2Q 2011”) jumped 86.5% to S\$9.9 million.

Gross revenue similarly surged 75.3% year-on-year to S\$13.2 million mainly due to maiden contributions from two new hospitals acquired in December 2010, namely, the Mochtar Riady Comprehensive Cancer Centre and Siloam Hospitals Lippo Cikarang.

Adjusted for the effect of the rights issue made in December 2010 which saw the number of units in issue increase from 276 million to 625 million, and excluding the contribution from the Adam Road

property which was divested in 1Q 2011, First REIT achieved distribution per unit (“DPU”) of 1.58 cents compared to an adjusted DPU of 0.85 cents in 2Q 2010. The Trust achieved an annualised DPU of 6.37 cents, whilst its distribution yield stood at 7.8% based on First REIT’s closing price of S\$0.82 on 20 July 2011.

Books Closure and Distribution Payment

The Books will close from 5pm on 1 August 2011 to determine unitholders’ entitlement to the distribution which will be paid on 29 August 2011. The ex-dividend date will be on 28 July 2011.

Special non-recurring dividend

The gain on divestment of Adam Road property in the first quarter of 2011 is estimated to be around S\$8.7 million. Upon receiving the confirmation from the Inland Revenue Authority of Singapore of the tax treatment, the gain will be distributed (wholly or partially) to unitholders at the discretion of the Manager in the coming quarters.

Business Prospects

Dr Ronnie Tan, Bowsprit’s Chief Executive Officer said, “We are always on the lookout for quality, yield-accretive healthcare-related assets in the region to beef up our property portfolio. First REIT has a first right of refusal for properties owned by our sponsor PT Lippo Karawaci Tbk. Indonesia presents opportunities for First REIT as its healthcare infrastructure continues to undergo extensive development and upgrading to meet the growing demand for quality healthcare services.”

“In particular, Lippo Karawaci has announced plans to develop 25 hospitals in Indonesia in the next five years, and we are in preliminary discussions with our sponsor to acquire two of its new properties – Siloam Hospitals Jambi in East Sumatra and Siloam Hospitals Balikpapan in East Kalimantan.”

First REIT is currently conducting regulatory due diligence following the recent signing of the conditional Sale and Purchase Agreement for the proposed purchase of the Sarang Hospital in South Korea.

About First REIT

First Real Estate Investment Trust (“First REIT”) is a real estate investment trust constituted by the Trust Deed entered into on 19 October 2006 between Bowsprit Capital Corporation Limited as the Manager and HSBC Institutional Trust Services (Singapore) Limited as the Trustee. First REIT was listed on the Singapore Exchange Securities Trading Limited on 11 December 2006.

First REIT is Singapore’s first healthcare real estate investment trust that aims to invest in a diversified portfolio of income-producing real estate and / or real estate-related assets in Asia that are primarily used for healthcare and / or healthcare-related purposes.

Managed by Bowsprit Capital Corporation Limited, First REIT’s portfolio consists of nine properties located in Singapore and Indonesia, namely 1) Siloam Hospitals Lippo Village, 2) Siloam Hospitals Kebon Jeruk, 3) Siloam Hospitals Surabaya, 4) Imperial Aryaduta Hotel & Country Club, 5) Mochtar Riady Comprehensive Cancer Centre, 6) Siloam Hospitals Lippo Cikarang, 7) Pacific Healthcare Nursing Home @ Bukit Merah, 8) Pacific Healthcare Nursing Home II @ Bukit Panjang, 9) The Lentor Residence.

Its Indonesian assets are operated by PT Siloam International Hospitals, a wholly-owned subsidiary of PT Lippo Karawaci Tbk, a strong brand name in Indonesian healthcare industry supported by a team of international healthcare professionals. In Singapore, the nursing homes at Bukit Merah and Bukit Panjang are operated by Pacific Healthcare Nursing Home Pte. Ltd. and Pacific Eldercare and Nursing Pte. Ltd., respectively. The Lentor Residence is operated by First Lentor Residence Pte. Ltd.

Through First REIT, investors can participate in an asset class that has a focus towards Asia’s growing healthcare sector, which is boosted by an increase in life expectancy in Indonesia and the rest of Southeast Asia.

IMPORTANT NOTICE

The value of units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that the Manager redeem or purchase 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 release may contain forward-looking statements that involve assumptions, 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, 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.