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**First REIT**

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## First REIT's 3Q distributable income jumps 125.7% to S\$12.1 million

- Gross revenue surged 79.2% to S\$13.7 million and DPU rose y-o-y to 1.92 Singapore cents per unit due to maiden contribution from new acquisitions and gain on divestment of Adam Road property
- Distribution yield for 3Q 2011 based on annualised DPU of 6.79 Singapore cents at 8.7%
- Continues to search for quality healthcare-related assets in the region to boost property portfolio

(\$'000)	3Q 2011	3Q 2010	Change (%)	YTD 30 Sep 2011	YTD 30 Sep 2010	Change (%)
Gross Revenue	13,678	7,631	79.2	40,081	22,625	77.2
Net Property Income	13,474	7,518	79.2	39,663	22,316	77.7
Distributable Amount	12,078 <sup>1</sup>	5,351	125.7	31,859 <sup>1</sup>	15,900	100.4
Distribution Per Unit (cents)						
- For the period	1.92 <sup>1</sup>	1.94	NC <sup>2</sup>	5.08 <sup>1</sup>	5.76	NC <sup>2</sup>
- Adjusted	1.92 <sup>1</sup>	0.86 <sup>3</sup>	123.3	5.08 <sup>1</sup>	2.55 <sup>3</sup>	99.2
- Annualised	6.79 <sup>1</sup>	6.63 <sup>4</sup>	NC <sup>2</sup>	6.79 <sup>1</sup>	6.63 <sup>4</sup>	NC <sup>2</sup>

NC = Not comparable

- 1) This includes other gain relating to the distribution of a portion of the total gain on divestment of the Adam Road property of about S\$8.7 million. The balance will be distributed to unitholders at the discretion of the Manager of First REIT in future periods.
- 2) 3Q 2011 vs 3Q 2010 and YTD 30 September 2011 vs YTD 30 September 2010 are not comparable due to the effect of rights issue and acquisitions made in December 2010. (see also footnote 3)
- 3) Restated to take into account the effect of the rights issue in December 2010.
- 4) 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 – 21 Oct 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, has announced that First REIT’s distributable income for the third quarter ended 30 September 2011 (“3Q 2011”) jumped 125.7% to S\$12.1 million. The Trust also posted an increase of 79.2% in gross revenue to S\$13.7 million year-on-year.**

The increase was mainly due to maiden contributions from its three new properties: Indonesia’s Mochtar Riady Comprehensive Cancer Centre and Siloam Hospitals Lippo Cikarang acquired in December 2010, and South Korea’s Sarang Hospital acquired in August 2011; as well as other gain relating to the distribution of a portion of the total gain on divestment of the Adam Road property in 1Q 2011.

Including the aforementioned other gain, and adjusted for the effect of the rights issue in December 2010 which saw the number of units in issue increase to about 627 million, First REIT achieved distribution per unit (“DPU”) of 1.92 cents in 3Q 2011.

Based on an annualised DPU of 6.79 cents, the Trust’s distribution yield stood at 8.7% based on the closing price of 0.78 Singapore cents on 19 October 2011. Net asset value per unit stands at 77.88 Singapore cents as at 30 September 2011.

### **Business Prospects**

“Against the background of the current global economic uncertainties, First REIT continues to demonstrate resilience with consistent growth across all its properties. This reflects the Trust’s stable revenue structure, which seeks to provide unitholders with a stable form of REIT investment even in times of an economic downturn,” said Dr Ronnie Tan, Bowsprit’s Chief Executive Officer.

“With a visible pipeline from our sponsor PT Lippo Karawaci Tbk, we believe we will be able to strengthen our property portfolio in Indonesia by tapping on the sustained demand for quality healthcare services as well as leveraging our sponsor’s long-term expansion plans to develop over 25 hospitals over the next five years. Meanwhile, we have been engaging in preliminary discussions with our sponsor to acquire some of its upcoming properties to which we have a first right of refusal,” Dr Tan added.

On the Singapore front, First REIT expects the demand for nursing homes and community hospitals to rise on the back of the government’s push for improved tertiary care, which will be more pressing as the nation’s ageing population accelerates. In this regard, First REIT is also making good progress to its new 5-storey extension block at The Lantor Residence, which is estimated to be completed by the second half of 2012.

With a relatively low debt-to-property valuation ratio of 16.4% even after its recent acquisitions, the Manager will continue to look for valuable, yield-accretive healthcare-related assets in the region to add to its property portfolio.

## Books Closure and Distribution Payment

The Books will close from 1 November 2011 to determine unitholders' entitlement to the distribution which will be paid on 29 November 2011. The ex-dividend date will be on 28 October 2011.

## Special non-recurring distribution

The gain on divestment of Adam Road property in the first quarter of 2011 is estimated to be around S\$8.7 million, of which a portion amounting to 0.34 Singapore cents will be distributed this quarter as a special non-recurring distribution. The balance will be distributed (wholly or partially) to unitholders at the discretion of the Manager of First REIT in future periods.

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### 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 ten properties located in Indonesia, Singapore and South Korea, 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 and 10) Sarang Hospital.*

*Its Indonesian assets are operated by Siloam Hospitals Group, a division 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. Sarang Hospital in South Korea is managed by a private doctor.*

*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 in First REIT ("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 of First REIT may only deal in their Units through trading on Singapore Exchange Securities Trading Limited (the "SGX-ST"). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This document is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units. The past performance of First REIT is not necessarily indicative of the future performance of First REIT. This document 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 similar developments, shifts in expected levels of property rental income, changes in operating expenses (including employee wages, benefits and training costs), property expenses and governmental and public policy changes. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's view of future events.