

For Immediate Release

First REIT prices S\$60 million subordinated perpetual securities at 5.68% per annum

SINGAPORE – 30 June 2016 – Bowsprit Capital Corporation Limited, as manager of **First Real Estate Investment Trust** (“**First REIT**”, and as manager of First REIT, the “**Manager**”), today announced the pricing of S\$60 million subordinated perpetual securities (the “**Securities**”) with a fixed distribution rate of 5.68% per annum for the first five years up to 8 July 2021 (the “**First Call Date**”).

Dr Ronnie Tan, Chief Executive Officer of the Manager said, “The launch of these Securities is a step forward in diversifying our sources of funding for future growth opportunities. As the Securities are an alternative form of capital instrument, the exercise will bring down First REIT’s current gearing of 34.5% to around 30%. Proceeds raised from this exercise will strengthen our balance sheet and increase our debt headroom for future yield-accretive acquisitions given the new regulatory gearing limit of 45%.

First REIT has been on an active acquisition trail to maximise returns to Unitholders since our listing. Our most recent acquisition was the Kupang Property (comprising Siloam Hospitals Kupang & Lippo Plaza Kupang) in December last year. Meanwhile, the proposed joint acquisition with Lippo Malls Indonesia Retail Trust for an integrated development in Yogyakarta is still ongoing. This momentum is expected to continue with a visible strong pipeline of 43 hospitals from our Sponsor, PT. Lippo Karawaci Tbk., and the financial flexibility the Securities provide will be instrumental in achieving our growth.”

The Securities will be issued in denominations of S\$250,000 and the 5.68% per annum distribution rate is payable for the first five years. In the event that the Securities are not redeemed on the First Call Date, the distribution rate will reset on the First Call Date and every five years thereafter.

Distributions under the Securities will be payable semi-annually in arrear on 8 January and 8 July in each year on a discretionary basis.



CIMB Bank Berhad, The Hongkong and Shanghai Banking Corporation Limited and Oversea-Chinese Banking Corporation Limited are joint lead managers and bookrunners in respect of the Securities.

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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 17 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) Siloam Hospitals Manado & Hotel Aryaduta Manado, 8) Siloam Hospitals Makassar, 9) Siloam Hospitals Bali, 10) Siloam Hospitals TB Simatupang, 11) Siloam Hospitals Purwakarta, 12) Siloam Sriwijaya, 13) Siloam Hospitals Kupang & Lippo Plaza Kupang, 14) Pacific Healthcare Nursing Home @ Bukit Merah, 15) Pacific Healthcare Nursing Home II @ Bukit Panjang, 16) The Lentor Residence and 17) Sarang Hospital.

Its hospital assets in Indonesia are operated by PT Siloam International Hospitals Tbk, a subsidiary of PT Lippo Karawaci Tbk, a strong brand name in the Indonesian healthcare industry supported by a team of international healthcare professionals, whereas the Imperial Aryaduta Hotel & Country Club and Hotel Aryaduta Manado are operated by The Aryaduta Hotel & Resort Group. Lippo Plaza Kupang is managed by PT Lippo Malls Indonesia. 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 The Lentor Residence Pte Ltd, while 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.