

FOR IMMEDIATE RELEASE

First REIT declares DPU of 2.15 cents for 2Q 2019

SINGAPORE – 5 August 2019 – Bowsprit Capital Corporation Limited (“**Bowsprit**”), the Manager of First Real Estate Investment Trust (“**First REIT**” or the “**Trust**”), today reported distribution per unit (“**DPU**”) of 2.15 Singapore cents for the second quarter ended 30 June 2019 (“**2Q 2019**”), which was the same as the previous corresponding period (“**2Q 2018**”). Income distributable to Unitholders was S\$17.1 million, up 1.2% from S\$16.9 million in 2Q 2018.

On an annualised basis and based on closing price of S\$1.03 as of 28 June 2019, the latest distribution represents a yield of 8.3%.

Rental and other income for the quarter edged up 0.2% to S\$29.0 million from S\$28.9 million in 2Q 2018, while net property income (“**NPI**”) dipped by a marginal 0.6% to S\$28.3 million, largely due to higher property expenses for its South Korea and Indonesia properties.

On a six-month basis, rental and other income remained stable at S\$57.6 million, while NPI slid 1.0% to S\$56.4 million. Distributable income gained 1.1% to S\$34.2 million as compared to S\$33.8 million in the first half of last year.

As at 30 June 2019, First REIT’s gearing remained stable at 34.5% with interest cover at 5.0 times.

“Our prudent and pro-active capital management has enabled us to maintain a healthy gearing of 34.5%. In April, we also managed to secure a S\$100 million term loan facility to refinance a S\$100 million term loan facility due in May. As a result, we do not expect any refinancing needs till 2021. Our low gearing will give us ample headroom to pursue yield-accretive acquisition opportunities to boost our portfolio,” said Mr Victor Tan, Chief Executive Officer of Bowsprit.

Outlook

Despite the global economic environment, the healthcare market is a resilient sector and the demand for quality healthcare services continues to rise in Indonesia and the rest of Asia. First REIT will continue to look for accretive acquisition opportunities from third parties, or from the pipeline of healthcare assets from its sponsors PT Lippo Karawaci Tbk and OUE Lippo Healthcare Limited, to grow its portfolio to maximise returns to Unitholders. The recent review by the Monetary Authority of Singapore to further raise the current leverage limit of 45% for S-REITs, if implemented, will further bolster growth opportunities across the industry.

Summary of Financial Results for period ended 30 June 2019

<i>(S\$'000)</i>	2Q 2019	2Q 2018	Change (%)	1H 2019	1H 2018	Change (%)
Rental and Other Income	28,987	28,924	0.2	57,636	57,637	-
Net Property Income	28,340	28,499	(0.6)	56,366	56,922	(1.0)
Distributable Amount	17,112	16,908	1.2	34,167	33,801	1.1
Distribution per unit (cts)	2.15	2.15	-	4.30	4.30	-
Annualised Distribution per unit (cts)	8.60	8.60 ¹	-	8.60	8.60 ¹	-

¹ Actual distribution paid for FY 2018.

Distribution Details

Distribution	1 April 2019 to 30 June 2019
Distribution type	(a) Taxable income (b) Tax-exempt income (c) Capital distribution
Distribution rate	Total: 2.15 cents per unit (a) Taxable income distribution: 0.07 cents per unit (b) Tax-exempt income distribution: 1.18 cents per unit (c) Capital distribution: 0.90 cents per unit
Book closure date	15 August 2019 at 5.00 pm
Ex-dividend date	14 August 2019 at 9.00 am
Payment date	17 September 2019

###

CONTACT INFORMATION

August Consulting

Tel: (65) 6733 8873 Fax: (65) 6733 9913

Janice ONG, janiceong@august.com.sg

Emelda THEN: emeldathen@august.com.sg

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. On 1 March 2018, HSBC Institutional Trust Services (Singapore) Limited retired as the Trustee of First REIT in favour of Perpetual (Asia) Limited.

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 20 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) Siloam Hospitals Labuan Bajo, 15) Siloam Hospitals Buton & Lippo Plaza Buton 16) Siloam Hospitals Yogyakarta 17) Pacific Healthcare Nursing Home @ Bukit Merah, 18) Pacific Healthcare Nursing Home II @ Bukit Panjang, 19) The Lentor Residence and 20) 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 and Lippo Plaza Buton are 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 Pan- 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.