

FOR IMMEDIATE RELEASE - 26 JULY 2013

First REIT posts 41.7% increase in 2Q 2013 net property income to S\$19.7 million

Distributable income up 26.6% to \$12.7 million, whilst DPU increased 16.4% to 1.85 cents despite an expanded unit base

- Growth attributed to full quarter contributions from Siloam Hospitals Makassar and Siloam Hospitals Manado & Hotel Aryaduta Manado, and partial maiden contribution from Siloam Hospitals Bali and Siloam Hospitals TB Simatupang
- Annualised DPU of 7.24 cents translates to distribution yield of 6.1%

(S\$'000)	2Q 2013	2Q 2012	Change (%)	1H 2013	1H 2012	Change (%)
Gross Revenue	20,125	14,033	43.4	37,641	28,042	34.2
Net Property Income	19,696	13,903	41.7	36,811	27,770	32.6
Distributable Amount	12,655	9,997	26.6	24,260	19,660	23.4
Distribution per unit (cts)	1.85¹	1.59	16.4	3.59¹	3.18	12.9
Annualised Distribution per unit (cts)	7.24 ¹	6.58	10.0	7.24 ¹	6.58	10.0

1. (a) 35,450,935 new units ("Consideration Units") were issued on 22 May 2013. Unitholders on the register with CDP on 21 May 2013 ("Existing Unitholders") received an advance distribution on 26 June 2013, of 0.99 cents per unit for the period from 1 April 2013 to 21 May 2013. Thereafter, the Consideration Units will rank pari passu in all respects with the units in issue as at 21 May 2013, including the entitlements of all future distributions.

(b) The advance distribution of 0.99 cents per unit for the period from 1 April 2013 to 21 May 2013 paid on 26 June 2013 was calculated based on applicable number of units in issue as at 21 May 2013.

(c) The distributable amount for the period from 22 May 2013 to 30 Jun 2013 of 0.86 cents per unit is payable on 29 August 2013.

SINGAPORE – 26 July 2013 – 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 with properties in Indonesia, Singapore and South Korea, today posted a 41.7% increase in net property income to S\$19.7 million and a 26.6% jump in distributable income to S\$12.7 million for the second quarter ended 30 June 2013 ("2Q 2013").

Gross revenue for the quarter rose 43.4% year-on-year to S\$20.1 million, largely due to the contributions from the four most-recently acquired properties. The quarter registered the full quarter contributions from Siloam Hospitals Makassar (“SHMK”) and Siloam Hospitals Manado & Hotel Aryaduta Manado (“MD property”), as well as the partial maiden contributions from Siloam Hospitals Bali (“SHBL”) and Siloam Hospitals TB Simatupang (“SHTS”) which were acquired in November 2012 and May 2013 respectively. Contributions from SHBL and SHTS are expected to further boost First REIT’s gross revenue and net property income, and the full impact of the contributions will be realised from 3Q 2013.

Excluding the gain on divestment of the Adam Road property, and despite a 5.5% increase in unit base following the completion of the acquisitions of SHBL and SHTS in May 2013, First REIT achieved a 16.4% increase in distribution per unit (“DPU”) for 2Q 2013 to 1.85 cents compared to 1.59 cents in 2Q 2012. Annualised DPU gained 10.0% year-on-year to 7.24 cents and based on closing price of S\$1.19 on 25 July 2013, its distribution yield remained at an attractive 6.1%.

On a half-year basis, First REIT’s net property income and distributable income rose 32.6% and 23.4% to S\$36.8 million and S\$24.3 million respectively.

“This quarter, we are pleased to see the efforts of our recent acquisitions paying off in the form of enhanced income stream. The proposed acquisitions of SHBL and SHTS were completed in May 2013, expanding our portfolio to 14 properties and total assets-under-management to over S\$1.0 billion. With the expanded portfolio, we are confident of achieving higher and steadier stream of income as well as higher capital management flexibility for financing future acquisitions,” said Dr Ronnie Tan, Bowsprit’s Chief Executive Officer.

Books Closure and Distribution Payment

The Books will close at 5.00 pm on 6 August 2013 for the purposes of determining each Unitholder's entitlement to the distribution. The ex-distribution date will be on 2 August 2013 at 9.00 am. The distribution will be paid on 29 August 2013.

Business Prospects

First REIT continues to maintain a strong foothold in Indonesia, the largest economy in Southeast Asia and a country with a growing healthcare market. Total healthcare expenditure in Indonesia is expected to rise approximately 14% between 2013 and 2015 to an estimated US\$27.0 billion¹. This is driven by a combination of economic and demographic factors.

The growing affluence of the middle-class segment in Indonesia is driving strong demand for quality medical services. Increasingly, younger Indonesian consumers are seeking healthcare of higher quality. Life expectancy is higher and so is the number of older people in the population. Coupled with the current shortage of hospital beds of international standards and the government's on-going initiative to attain universal health coverage for its population, demand for quality healthcare is set to grow.

The Siloam Group of Hospitals, which is the largest and most prominent hospital group in Indonesia, is well-positioned to cater to the growing demand for healthcare and in particular, the middle to upper middle-income segment of the market.

First REIT's Sponsor, Lippo Karawaci, has a strong pipeline of 14 hospitals to-date to which First REIT has right-of-first-refusal, providing a steady and strong pipeline of healthcare assets available for future acquisition.

¹ Source: WHO, Frost & Sullivan

“With the growing healthcare market and a strong pipeline of hospitals from our Sponsor, we will continue to look at expanding our footprints in Indonesia. At the same time, we will continue our search for more yield-accretive and quality healthcare assets in other parts of Asia to grow our portfolio size,” said Dr Tan.

In addition, First REIT is also finalising a fixed-rate loan to refinance its existing loans due in November 2013 and January 2015, which will be announced in due course. With this, First REIT will be able to refinance its existing loans at a favourable interest rate.

Going forward, the Trust will also continue to explore asset enhancement initiatives with existing properties such as Siloam Hospitals Surabaya, Siloam Hospitals Kebon Jeruk and Imperial Aryaduta Hotel & Country Club.

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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 14 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) Pacific Healthcare Nursing Home @ Bukit Merah, 12) Pacific Healthcare Nursing Home II @ Bukit Panjang, 13) The Lantor Residence and 14) Sarang Hospital.

Its hospital assets in Indonesia are operated by Siloam Hospitals Group, a division 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 & Hotel Aryaduta Manado are operated by The Aryaduta Hotel & Resort Group. 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 Lantor Residence is operated by First Lantor 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.

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