

FOR IMMEDIATE RELEASE

## **First REIT delivers stellar results for 3Q 2013 with 16.7% increase in DPU**

**SINGAPORE – 25 October 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 announced a 30.4% year-on-year (y-o-y) increase in distributable income to unitholders to S\$13.8 million for the third quarter ended 30 September 2013 (“3Q 2013”).**

For the quarter under review, net property income and gross revenue surged 53.4% and 60.7% y-o-y to S\$21.7 million and S\$22.8 million respectively. The growth was mainly attributable to the full quarter contributions from the four newly acquired properties, Siloam Hospitals Makassar (“SHMK”) and Siloam Hospitals Manado & Hotel Aryaduta Manado (“MD property”), as well as Siloam Hospitals Bali (“SHBL”) and Siloam Hospitals TB Simatupang (“SHTS”) which were acquired in November 2012 and May 2013 respectively.

First REIT declared a 16.7% increase in distribution per unit (“DPU”) of 1.96 cents for 3Q 2013, compared to 1.68 cents in 3Q 2012. Excluding the gain on divestment of the Adam Road property, annualised DPU gained 12.8% year-on-year to 7.42 cents and based on closing price of S\$1.105 on 24 October 2013, its distribution yield remained at an attractive 6.7%.

On a year-to-date basis, the Trust’s net property income and gross revenue rose 39.6% and 43.1% to S\$58.6 million and S\$60.4 million respectively.

“We are pleased to see the full impact of the contributions from our four newly acquired properties this quarter which has further boosted the Trust’s gross revenue and net property income, in addition to the steady stream of income from our existing assets. Going forward, we are exploring potential asset enhancement initiatives with three of our properties in Indonesia. This will further enhance our income stream and maximise returns to our unitholders,” said Dr Ronnie Tan, Bowsprit’s Chief Executive Officer.

**Key highlights for 3Q 2013**

- Achieved 16.7% y-o-y increase in DPU to 1.96 cents
- Maintained an attractive distribution yield of 6.7% based on closing price of S\$1.105 on 24 October 2013 and annualised DPU of 7.42 cents
- NAV per unit increased to 90.55 cents as at 30 September 2013 compared to 82.72 cents as at 31 December 2012
- At closing price of S\$1.105 on 24 October 2013, representing a premium of 22.0% to NAV per unit
- Successfully secured an attractive four-year S\$92 million fixed-rate term loan facility. With this, no refinancing needs until 2016

**Business Prospects**

First REIT remains largely unaffected by the recent weakening of Rupiah and Indonesia's slowing economy. This is because the rental for its Indonesia properties is in Singapore dollars, and a combination of economic and demographic factors continue to support the growing healthcare market in Indonesia.

While the Indonesian government has raised the benchmark interest rate to 7.25% on 12 September 2013 to deal with inflation and the weakening Rupiah, its healthcare policies remained unchanged. Its universal healthcare programme is expected to begin in 2014 and under this scheme, healthcare insurance will be provided for its citizens so that they can get free access to community healthcare centres and government hospitals. This scheme is targeted to cover all Indonesians by 2019.

As such, this will drive demand for better quality and faster private medical facilities from the growing middle-class and the younger Indonesian consumers who seek these services.

The operator of our Indonesian hospitals, PT Siloam International Hospitals Tbk ("Siloam"), successfully listed on the Indonesia Stock Exchange on 12 September 2013. As the largest and most prominent hospital group in Indonesia, it is well-positioned to cater to this growing demand for healthcare, particularly in the middle to upper middle-income segment of the market.

First REIT currently owns nine of the Siloam hospitals. The Trust'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 acquisitions.

With the growing healthcare market and a strong pipeline of hospitals from its Sponsor, First REIT will continue to look at expanding its footprint in Indonesia. At the same time, it will continue to search for more yield-accretive and quality healthcare assets in other parts of Asia to expand its portfolio size, as well as explore asset enhancement initiatives with existing properties such as Siloam Hospitals Surabaya, Siloam Hospitals Kebon Jeruk and Imperial Aryaduta Hotel & Country Club.

**Summary of Financial Results for period ended 31 September 2013**

<i>(S\$'000)</i>	<b>3Q 2013</b>	<b>3Q 2012</b>	<b>Change (%)</b>	<b>YTD 30 Sep 2013</b>	<b>YTD 30 Sep 2012</b>	<b>Change (%)</b>
Gross Revenue	22,800	14,189	60.7	60,441	42,231	43.1
<b>Net Property Income</b>	<b>21,744</b>	<b>14,175</b>	<b>53.4</b>	<b>58,555</b>	<b>41,945</b>	<b>39.6</b>
Distributable Amount	13,847	10,615	30.4	38,107	30,575	24.6
<b>Distribution per unit (cts)</b>	<b>1.96</b>	<b>1.68</b>	<b>16.7</b>	<b>5.55</b>	<b>4.86</b>	<b>14.2</b>
Annualised Distribution per unit (cts)	7.42	6.58	12.8	7.42	6.58	12.8

**Distribution Details**

<b>Distribution</b>	1 July 2013 to 30 September 2013
<b>Distribution type</b>	(a) Taxable income (b) Tax-exempt income (c) Capital distribution
<b>Distribution rate</b>	Total: 1.96 cents per unit (a) Taxable income distribution: 0.08 cents per unit (b) Tax-exempt income distribution: 1.23 cents per unit (c) Capital distribution: 0.65 cents per unit
<b>Book closure date</b>	4 November 2013 at 5.00 pm
<b>Ex-dividend date</b>	31 October 2013 at 9.00 am
<b>Payment date</b>	29 November 2013

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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 Lentor Residence and 14) 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 & 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 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.