

FOR IMMEDIATE RELEASE

First REIT delivers highest DPU of 2.00 cents for 2Q 2014

SINGAPORE – 15 July 2014 – 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 distribution per unit (“DPU”) of 2.00 cents for the second quarter ended 30 June 2014 (“2Q 2014”), representing a 8.1% increase over the same period of the preceding year.

Distribution to Unitholders for the quarter was S\$14.4 million, a 13.6% increase from a year ago. Annualised DPU rose 7.0% to 8.05 cents and at closing price of S\$1.21 on 14 July 2014, the Trust’s distribution yield remained at an attractive 6.7%.

“We have delivered our highest DPU since listing, hitting the 2.00 cents mark. We are pleased with how the Trust has panned out, with strong performance from our assets which we have increased to 15 properties on the completion of our latest acquisition, Siloam Hospitals Purwakarta. Going forward, we will continue to strengthen our portfolio and unlock value from our existing assets to enhance the returns to our Unitholders,” said Dr Ronnie Tan, Bowsprit’s Chief Executive Officer.

For the quarter under review, First REIT’s gross revenue rose 14.5% year-on year (“y-o-y”) to S\$23.0 million, while net property income increased 15.4% y-o-y to S\$22.7 million. The growth was contributed by Siloam Hospitals Bali and Siloam Hospitals TB Simatupang, acquired in May 2013, and partial maiden contribution from the newly acquired Siloam Hospitals Purwakarta in May 2014.

On a half-year basis, the Trust’s gross revenue and net property income increased 20.9% and 22.0% to S\$45.5 million and S\$44.9 million respectively. Distributable income rose 17.7% y-o-y to S\$28.6 million.

Key highlights and significant achievements in 2Q 2014

- Achieved highest DPU of 2.00 cents, an increase of 8.1% y-o-y from 1.85 cents
- Maintained an attractive yield of 6.7% based on annualised DPU of 8.05 cents and at closing price of S\$1.21 on 14 July 2014
- NAV per unit increased to 97.03 cents as at 30 June 2014 compared to 96.64 cents as at 31 December 2013
- At closing price of S\$1.21 on 14 July 2014, representing a premium of 24.7% to NAV per unit
- Completed the acquisition of Siloam Hospitals Purwakarta, located in West Java, Indonesia
- Secured a S\$165 million transferrable term loan facility from OCBC. All debts will be on a fixed-rate basis with no refinancing needs till 2017
- Issued 4,557,342 new units at an issue price of S\$1.0931 per new Unit to eligible Unitholders who have elected to participate in the distribution reinvestment plan (“DRP”) for 1Q 2014

Outlook

“The result of the presidential elections in Indonesia is not expected to impact the healthcare industry or cause any drastic changes to its healthcare policies in the short to medium term. The Trust’s healthcare assets in Indonesia continue to deliver strong performance and the demand for quality healthcare is also rising. With our Sponsor, Lippo Karawaci’s strong pipeline of 24 quality hospitals, we will continue to look at future acquisitions in Indonesia, as well as in other parts of Asia,” said Dr Tan.

Summary of Financial Results for period ended 30 June 2014

<i>(S\$'000)</i>	2Q 2014	2Q 2013	Change (%)	1H 2014	1H 2013	Change (%)
Gross Revenue	23,043	20,125	14.5	45,511	37,641	20.9
Net Property Income	22,723	19,696	15.4	44,896	36,811	22.0
Distributable Amount	14,371	12,655	13.6	28,566	24,260	17.7
Distribution per unit (cts)	2.00	1.85	8.1	3.99	3.59	11.1
Annualised Distribution per unit (cts)	8.05	7.52 ¹	7.0	8.05	7.52 ¹	7.0

¹ Actual distribution paid for FY2013.

Distribution Details

Distribution	1 April 2014 to 30 June 2014
Distribution type	(a) Taxable income (b) Tax-exempt income (c) Capital distribution
Distribution rate	Total: 2.00 cents per unit (a) Taxable income distribution: 0.07 cents per unit (b) Tax-exempt income distribution: 1.28 cents per unit (c) Capital distribution: 0.65 cents per unit
Book closure date	23 July 2014 at 5.00 pm
Ex-dividend date	21 July 2014 at 9.00 am
Payment date	29 August 2014

On 9 January 2014, First REIT has announced the establishment of a DRP, which will give Unitholders of First REIT the option to receive distributions in the form of fully-paid new units in First REIT in lieu of part only or all of the cash amount of any distribution to which the DRP applies. The DRP will apply to the above distribution. The Manager will announce the pricing of the DRP units to be issued which will be based on the market price less a discount of 3% (similar to 4Q 2013 and 1Q 2014 DRP) on 23 July 2014.

Overseas Unitholders who wish to be eligible to participate in the DRP should provide an address in Singapore for service of notices and documents to the Manager c/o The Central Depository Pte Limited ("CDP"), 9 North Buona Vista Drive #01-19/20 The Metropolis Singapore 138588, not later than three market days prior to the book closure date. Unitholders should note that all correspondences and notices will be sent to their last registered address with CDP.

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CONTACT INFORMATION

August Consulting

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

Janice ONG, janice@august.com.sg

Jeremy SING: jeremysing@august.com.sg

First REIT

Tel: (65) 6435 0168 Fax: (65) 6435 0167

Victor TAN, victortan@first-reit.com

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 15 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) Pacific Healthcare Nursing Home @ Bukit Merah, 13) Pacific Healthcare Nursing Home II @ Bukit Panjang, 14) The Lentor Residence and 15) 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.