

**FOR IMMEDIATE RELEASE**

## **First REIT's 1Q 2014 distribution up 22.3% to S\$14.2 million**

**SINGAPORE – 14 April 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 reported a 22.3% year-on-year (“y-o-y”) rise in distribution to Unitholders to S\$14.2 million for the first quarter ended 31 March 2014 (“1Q 2014”).

First REIT declared distribution per unit (“DPU”) of 1.99 cents, a 14.4% increase from 1Q 2013 DPU of 1.74 cents. Based on annualised DPU of 8.07 cents and closing price of S\$1.11 on 11 April 2014, First REIT’s distribution yield remains at a healthy 7.3%.

Including the full quarter contribution from First REIT’s newly acquired properties in May 2013, Siloam Hospitals Bali (“SHBL”) and Siloam Hospitals TB Simatupang (“SHTS”), gross revenue for 1Q 2014 rose 28.3% y-o-y to S\$22.5 million, while net property income jumped 29.6% y-o-y to S\$22.2 million.

On the Trust’s strong performance for the quarter, Dr Ronnie Tan, Bowsprit’s Chief Executive Officer commented, “We are pleased to deliver a strong first quarter with solid and growing DPU to our investors. After achieving our significant milestone of over S\$1 billion in asset size, we are progressing quickly with the proposed acquisition of our latest high-quality asset in Indonesia, Siloam Hospitals Purwakarta. This will increase our portfolio to 15 properties and broadens our asset size by 3.8% to S\$1.09 billion.”

### **Key highlights and significant milestones achieved in 1Q 2014**

- Delivered a strong 14.4% y-o-y increase in DPU to 1.99 cents from 1.74 cents
- Annualised DPU of 8.07 cents
- NAV per unit of 96.49 cents
- Establishment of a distribution reinvestment plan
- Announced the proposed acquisition of Siloam Hospitals Purwakarta

- Maintaining debt level within 35% limit despite significant growth in portfolio, distributable income and DPU

### **Business Prospects**

Indonesia will continue to be a focal market for First REIT's growth plans. Its economy, the largest in Southeast Asia, grew 5.8% in 2013, and is projected to grow in the range of 5.5% to 5.9% in 2014 according to Bank Indonesia. The upcoming elections this year is also not expected to cause any drastic change in regulations or policy within the healthcare industry in the short to medium term.

The combined force of political and economic factors together with an expanding middle class, changing lifestyles, increasing longevity and the government's universal healthcare program are all contributing to rising demand for quality healthcare in Indonesia.

These present strong opportunities for First REIT's Sponsor, Lippo Karawaci, who owns 16 hospitals under PT Siloam International Hospitals Tbk and has a strong pipeline of 24 hospitals to which the Trust has the right-of-first-refusal for future acquisitions.

In Singapore, the Government recently announced new healthcare policies aimed at making healthcare more affordable to Singaporeans. The Universal Medical Coverage under MediShield Life Insurance will be implemented in 2015. A new Pioneer Generation Package will benefit about 450,000 Singaporeans who are 65 years old or older by end of 2014, by helping them pay for their MediShield Life insurance premiums. Over 11,000 new hospital and nursing home beds are expected to be added to Singapore's healthcare system by 2020. All these will underpin increased demand for hospital and nursing home beds in Singapore.

As part of its key growth strategy, First REIT will continue to look for yield-accretive acquisition opportunities in Singapore, Indonesia and other parts of Asia and continue with asset enhancement initiatives within its existing portfolio.

**Summary of Financial Results for period ended 31 March 2014**

<i>(S\$'000)</i>	<b>1Q 2014</b>	<b>1Q 2013</b>	<b>Change (%)</b>
Gross Revenue	<b>22,468</b>	17,516	28.3
Net Property Income	<b>22,173</b>	17,115	29.6
Distributable Amount	<b>14,195</b>	11,605	22.3
Distribution per unit (cts)	<b>1.99</b>	1.74	14.4
Annualised Distribution per unit (cts)	<b>8.07</b>	7.52	7.3

**Distribution Details**

<b>Distribution</b>	1 January 2014 to 31 March 2014
<b>Distribution type</b>	(a) Taxable income (b) Tax-exempt income (c) Capital distribution
<b>Distribution rate</b>	Total: 1.99 cents per unit (a) Taxable income distribution: 0.08 cents per unit (b) Tax-exempt income distribution: 1.28 cents per unit (c) Capital distribution: 0.63 cents per unit
<b>Book closure date</b>	23 April 2014 at 5.00 pm
<b>Ex-dividend date</b>	21 April 2014 at 9.00 am
<b>Payment date</b>	29 May 2014

On 9 January 2014, First REIT has announced the establishment of a distribution reinvestment plan ("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 DRP) on 23 April 2014.

The directors of Bowsprit who currently hold units in First REIT, namely Mr Albert Cheok, Mr Wong Gang and Dr Ronnie Tan, intend to exercise in full their option to receive the distribution in the form of fully paid-up new units in First REIT and First REIT's Sponsor, PT Lippo Karawaci, intends to take up to close to the maximum number of new units to be allocated to it under the DRP which it is allowed to receive without triggering an obligation to make a mandatory offer under the Take-over Code.

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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**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.