

**FOR IMMEDIATE RELEASE**

## **First REIT declares another record DPU of 2.02 cents for 3Q 2014**

**SINGAPORE – 17 October 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 3.1% year-on-year (“y-o-y”) rise in distribution per unit (“DPU”) to 2.02 cents for the third quarter ended 30 September 2014 (“3Q 2014”).

Net property income rose 7.9% y-o-y to S\$23.5 million and distribution to Unitholders increased 6.1% y-o-y to S\$14.7 million.

Bowsprit’s Chief Executive Officer, Dr Ronnie Tan said, “We are heartened to be able to deliver yet another record high dividend to our investors for this quarter, and with full contribution from our latest acquisition, Siloam Hospital Purwakarta, we also managed to boost our gross revenue by 4.6% to S\$23.8 million. Despite this recent increase in portfolio value, the Trust has managed to maintain our gearing below the 35% limit. Going forward, we will continue to be prudent with our capital management and remain focused on maximising value to our Unitholders.”

On a nine-month basis, First REIT’s gross revenue rose 14.7% y-o-y to S\$69.4 million, while net property income rose 16.7% y-o-y to S\$68.3 million. Distributable income rose 13.5% y-o-y to S\$43.3 million.

First REIT has secured a S\$40 million term loan facility which comprises two facility amounts of S\$20 million each, with maturity of three and four years from the date of the first drawdown of the loan. This new loan facility will be used for working capital and potential acquisitions in the future. With this facility and a S\$165 million transferrable term loan facility secured in 2Q 2014, First REIT has no refinancing needs until 2017.

### **Key highlights and significant achievements in 3Q 2014**

- Full quarter’s contribution from Siloam Hospitals Purwakarta

- Achieved a 3.1% increase in DPU to 2.02 cents from 1.96 cents
- Maintained an attractive yield of 6.8% based on annualised DPU of 8.05 cents and at closing price of S\$1.19 on 16 October 2014
- NAV per unit increased to 96.99 cents as at 30 September 2014 from 96.64 cents as at 31 December 2013
- Issued 3,171,926 new units at an issue price of S\$1.1887 per new Unit to eligible Unitholders who have elected to participate in the distribution reinvestment plan (“DRP”) for 2Q 2014

### **Outlook**

Joko Widodo’s victory at the recent presidential elections bodes well for the Indonesian economy and in particular, the healthcare sector. Reforms are expected to help Indonesia achieve longer-term growth and healthcare is a key area of focus, with the government’s universal healthcare programme expected to be rolled out as planned.

First REIT continues to see strong opportunities in the Indonesian healthcare sector and will tap on its Sponsor, Lippo Karawaci’s strong pipeline for future acquisitions. Lippo Karawaci currently owns 18 hospitals under PT Siloam International Hospitals Tbk (“Siloam”) with a pipeline of another 29 hospitals to which First REIT has the right-of-first-refusal for acquisitions.

In Singapore, to cope with the demand of the greying population, the Ministry of Health recently announced measures to raise the target number of nursing home beds to 17,150 by 2020. These include running three to four of its own nursing homes as well as releasing land for new facilities and helping operators scale up more quickly.

First REIT will continue to look for yield-accretive healthcare assets to acquire in Indonesia, Singapore and other parts of Asia as part of its growth strategy.

### Summary of Financial Results for period ended 30 September 2014

<i>(S\$'000)</i>	<b>3Q 2014</b>	<b>3Q 2013</b>	<b>Change (%)</b>	<b>YTD 30 Sep 2014</b>	<b>YTD 30 Sep 2013</b>	<b>Change (%)</b>
Gross Revenue	<b>23,843</b>	22,800	4.6	<b>69,354</b>	60,441	14.7
Net Property Income	<b>23,452</b>	21,744	7.9	<b>68,348</b>	58,555	16.7
Distributable Amount	<b>14,688</b>	13,847	6.1	<b>43,254</b>	38,107	13.5
Distribution per unit (cts)	<b>2.02</b>	1.96	3.1	<b>6.01</b>	5.55	8.3
Annualised Distribution per unit (cts)	<b>8.05</b>	7.52 <sup>1</sup>	7.0	<b>8.05</b>	7.52 <sup>1</sup>	7.0

<sup>1</sup> Actual distribution paid for FY2013.

### Distribution Details

<b>Distribution</b>	1 July 2014 to 30 September 2014
<b>Distribution type</b>	(a) Taxable income (b) Tax-exempt income (c) Capital distribution
<b>Distribution rate</b>	Total: 2.02 cents per unit (a) Taxable income distribution: 0.11 cents per unit (b) Tax-exempt income distribution: 1.24 cents per unit (c) Capital distribution: 0.67 cents per unit
<b>Book closure date</b>	28 October 2014 at 5.00 pm
<b>Ex-dividend date</b>	24 October 2014 at 9.00 am
<b>Payment date</b>	28 November 2014

On 9 January 2014, First REIT 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, 1Q 2014 and 2Q 2014 DRP) on 28 October 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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**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.