

FOR IMMEDIATE RELEASE

First REIT caps off FY 2014 with strong performance to deliver record DPU of 8.05 cents and total return of 26.8%¹

SINGAPORE – 15 January 2015 – 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, capped off financial year ended 31 December 2014 (“FY 2014”) with a strong set of results and declared a record annualised distribution per unit (“DPU”) of 8.05 cents, a 7.0% jump from a year ago.

This was on the back of amount distributable to Unitholders increasing by 11.8% to S\$58.2 million from S\$52.1 million in FY 2013. Net property income rose 14.5% to S\$91.9 million, boosted by a 12.0% increase in gross revenue to S\$93.3 million.

The growth was mainly due to contributions from the newly acquired properties in the last two years – Siloam Hospitals Bali and Siloam Hospitals TB Simatupang acquired in 2013, and Siloam Hospitals Purwakarta (“SHPW”) acquired in May 2014.

For the fourth quarter ended 31 December 2014 (“4Q 2014”), the Trust delivered another record DPU of 2.04 cents and distributable income rose 7.2% to S\$15.0 million from S\$14.0 million in 4Q 2013. Net property income and gross revenue increased by 8.6% and 4.6% to S\$23.5 million and S\$23.9 million respectively, mainly due to contribution from SHPW, as well as higher contributions from Singapore and other Indonesia properties.

¹ Source: SGX My Gateway (http://www.sgx.com/wps/wcm/connect/sgx_en/home/newsflash/mu_05012015_1)

Bowsprit's Chief Executive Officer, Dr Ronnie Tan said, "FY 2014 has panned out to be a significant year for the Trust. We hit 2.0 cents DPU in the second quarter and have been delivering record DPU in subsequent quarters. The Trust has also generated a total return of 26.8% for 2014 and was listed as the top five performers² amongst the 34 trusts listed on Singapore Exchange. In addition, we have also recently completed the acquisition of Siloam Sriwijaya, our first property in South Sumatra, Indonesia, rounding off the year with 16 properties and increasing our asset base to S\$1.17 billion."

"Despite an increased asset size, the Trust has also managed to keep our gearing below the regulatory limit of 35%. In December 2014, we secured two loan facilities at very competitive rates which will contribute towards our operational and financing needs. In FY 2015, we will continue to pace our growth, increase our portfolio and seek to enhance the values of our existing assets to deliver increasing returns to our Unitholders."

Key highlights and significant achievements in 4Q 2014

- Achieved a 3.6% increase in DPU to 2.04 cents from 1.97 cents in 4Q 2013
- Maintained an attractive yield of 6.3% based on annualised DPU of 8.05 cents and at closing price of S\$1.285 on 14 January 2015
- NAV per unit increased to 101.81 cents as at 31 December 2014 from 96.64 cents as at 31 December 2013
- Issued 4,395,530 new units at an issue price of S\$1.1784 per new Unit to eligible Unitholders who have elected to participate in the distribution reinvestment plan ("DRP") for 3Q 2014
- Completed the acquisition of Siloam Sriwijaya at a purchase consideration of approximately S\$39.16 million, representing a 10.57% discount to the higher of two independent valuations
- Secured two loan facilities from a bank totalling S\$45 million, which will be used for general corporate funding, refinancing existing debts and working capital requirements, which may include funding near term asset enhancement initiatives

² Source: SGX My Gateway (http://www.sgx.com/wps/wcm/connect/sgx_en/home/newsflash/mu_05012015_1)-

Outlook

Since coming into office in October, the government led by President Joko Widodo (known as Jokowi) has taken advantage of falling global oil prices to radically overhaul Indonesia's costly fuel subsidy regime. On 1 January 2015, Jokowi scrapped the subsidy for petrol and capped the amount of aid for diesel, shifting the subsidy to more productive spending such as the much-needed investment in infrastructure and welfare services. Despite uncertainty regarding the political viability and short-term growth drawbacks, there is still a sense of optimism regarding the long-term potential of Jokowi's reform agenda. FocusEconomics panellists see the Indonesia economy expanding 5.4% in 2015, which is down 0.1%. For 2016, the panel sees GDP growth picking up to 5.7%.³

Indonesia will remain the key focal market for First REIT. The recent weakening of Rupiah will not affect the Trust as rentals from Indonesia are collected in Singapore dollars. Its Sponsor, PT Lippo Karawaci Tbk continues to strengthen its portfolio of hospitals in Indonesia, owning 18 hospitals operated by the largest and most prominent hospital group, PT Siloam International Hospitals Tbk and still has a strong pipeline of 29 high-quality hospitals to which First REIT has the right-of-first-refusal for acquisitions.

Summary of Financial Results for period ended 31 December 2014

<i>(S\$'000)</i>	4Q 2014	4Q 2013	Change (%)	FY 2014	FY 2013	Change (%)
Gross Revenue	23,901	22,839	4.6	93,255	83,280	12.0
Net Property Income	23,525	21,653	8.6	91,873	80,208	14.5
Distributable Amount	14,963	13,955	7.2	58,221	52,086	11.8
Distribution per unit (cts)	2.04	1.97	3.6	8.05	7.52 ¹	7.0
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.

³ <http://www.focus-economics.com> – Indonesia Economic Growth

Distribution Details

Distribution	1 October 2014 to 31 December 2014
Distribution type	(a) Taxable income (b) Tax-exempt income (c) Capital distribution
Distribution rate	Total: 2.04 cents per unit (a) Taxable income distribution: 0.09 cents per unit (b) Tax-exempt income distribution: 1.28 cents per unit (c) Capital distribution: 0.67 cents per unit
Book closure date	26 January 2015 at 5.00 pm
Ex-dividend date	22 January 2015 at 9.00 am
Payment date	27 February 2015

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 and 1Q 2014 to 3Q 2014 DRP) on 26 January 2015.

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 16 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) Siloam Sriwijawa 13) Pacific Healthcare Nursing Home @ Bukit Merah, 14) Pacific Healthcare Nursing Home II @ Bukit Panjang, 15) The Lentor Residence and 16) 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.