

FOR IMMEDIATE RELEASE

Growing yield-accretive acquisitions boost First REIT's 4Q 2015 DPU to 2.09 cents

SINGAPORE – 19 January 2016 – 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 posted a 2.5% rise in distribution per unit (“DPU”) to 2.09 Singapore cents for the fourth quarter ended 31 December 2015 (“**4Q 2015**”), bringing the annualised DPU to 8.30 Singapore cents, a 3.1% gain compared to the preceding year.

Distributable income for the quarter edged up 5.0% to S\$15.7 million on the back of a 7.4% and 7.9% jump in gross revenue and net property income to S\$25.7 million and S\$25.4 million respectively. For the full-year, the Trust registered a 6.4% rise in distributable income to S\$61.9 million, while gross revenue and net property income rose 8.0% and 8.1% to S\$100.7 million and S\$99.3 million respectively.

The growth for the year was due to a full year’s contribution from Siloam Sriwijaya which was acquired in December 2014 as well as a maiden contribution from Siloam Hospitals Kupang & Lippo Plaza Kupang (the “**Kupang Property**”) acquired in December 2015.

“First REIT continues to deliver strong performance with steady growth in our income streams and consecutive quarterly rise in DPU due to our strategic yield-accretive acquisitions since our listing. The Trust ended the financial year with an enlarged portfolio of 17 properties and an 8.5% growth in assets-under-management to S\$1.27 billion from S\$1.17 million. Moving into FY 2016, Unitholders can look forward to continuous growth as the Trust plans to further expand our asset size with more yield-accretive acquisitions. Moreover, with the increase of the regulatory gearing limit from 35% to

45% proposed by the Monetary Authority of Singapore, this will give us greater operational flexibility and headroom for more acquisitions.

“In addition, with the approval of our asset enhancement initiatives for Siloam Hospitals Surabaya at an extraordinary general meeting on 29 December 2015, we expect the Trust to continue to deliver increasing returns to our Unitholders,” said Dr Ronnie Tan, Bowsprit’s Chief Executive Officer.

Key highlights and significant achievements in 4Q 2015

- New DPU record of 2.09 Singapore cents compared to 2.04 Singapore cents of the same period a year ago
- Annualised DPU of 8.30 Singapore cents, translates to an annualised distribution yield of 6.9% based on closing price of S\$1.20 on 31 December 2015
- NAV per unit increased to 103.88 Singapore cents as at 31 December 2015 up 2.0% from 101.81 Singapore cents as at 31 December 2014
- Completed the acquisition of the Kupang Property for S\$70.0 million in December 2015
- Received Unitholders’ approval at an extraordinary meeting on 29 December 2015 for the asset enhancement initiative for Siloam Hospitals Surabaya, with an expected completion date in 2019

Outlook

Despite the economy facing a slight slowdown, the Indonesian healthcare market stands among a few sectors that have continued to see growth. Healthcare demand has risen since the introduction of *Jaminan Kesehatan Nasional*, the national health insurance scheme. According to BMI Research, annual healthcare expenditure is expected to increase an average of 10% a year until 2017 to about US\$25 billion¹. Supply currently falls short of demand, especially in the private healthcare sector and there is room for the expansion and addition of more healthcare facilities. After a round of stimulus measures unveiled in September 2015, the Indonesian government has continued to seek ways to boost spending, investment and business confidence, which include the reduction in fuel prices and cutting of bank lending rates to companies.

¹ *Financial Times, 9 December 2015, 'Indonesia healthcare gets shot in the arm.'*

First REIT's Sponsor, PT Lippo Karawaci Tbk ("**Lippo Karawaci**"), has continued to expand its healthcare footprint in Indonesia and currently has a strong pipeline of 46 hospitals, thereby presenting First REIT with strong acquisition opportunities.

Summary of Financial Results for period ended 31 December 2015

| <i>(S\$'000)</i> | 4Q 2015 | 4Q 2014 | Change (%) | FY 2015 | FY 2014 | Change (%) |
|--|----------------|-------------------|-------------------|----------------|-------------------|-------------------|
| Gross Revenue | 25,675 | 23,901 | 7.4 | 100,698 | 93,255 | 8.0 |
| Net Property Income | 25,374 | 23,525 | 7.9 | 99,276 | 91,873 | 8.1 |
| Distributable Amount | 15,711 | 14,963 | 5.0 | 61,923 | 58,221 | 6.4 |
| Distribution per unit (cts) | 2.09 | 2.04 | 2.5 | 8.30 | 8.05 | 3.1 |
| Annualised Distribution per unit (cts) | 8.30 | 8.05 ¹ | 3.1 | 8.30 | 8.05 ¹ | 3.1 |

¹ Actual distribution paid for FY 2014.

Distribution Details

| | |
|--------------------------|--|
| Distribution | 1 October 2015 to 31 December 2015 |
| Distribution type | (a) Taxable income (b) Tax-exempt income (c) Capital distribution |
| Distribution rate | Total: 2.09 cents per unit (a) Taxable income distribution: 0.08 cents per unit (b) Tax-exempt income distribution: 1.10 cents per unit (c) Capital distribution: 0.91 cents per unit |
| Book closure date | 27 January 2016 at 5.00 pm |
| Ex-dividend date | 25 January 2016 at 9.00 am |
| Payment date | 29 February 2016 |

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 previous DRPs) on 27 January 2016.

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 17 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 Sriwijaya, 13) Siloam Hospitals Kupang & Lippo Plaza Kupang, 14) Pacific Healthcare Nursing Home @ Bukit Merah, 15) Pacific Healthcare Nursing Home II @ Bukit Panjang, 16) The Lantor Residence and 17) 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 and Hotel Aryaduta Manado are operated by The Aryaduta Hotel & Resort Group. Lippo Plaza Kupang is managed by PT Lippo Malls Indonesia. 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 Lantor Residence is operated by The Lantor Residence Pte Ltd, while 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.