

FOR IMMEDIATE RELEASE

First REIT's 2Q DPU up 1.4% to 2.14 cents

SINGAPORE – 17 July 2017 – Bowsprit Capital Corporation Limited (“Bowsprit”), the Manager of First Real Estate Investment Trust (“First REIT” or the “Trust”), today posted a 1.4% gain in distribution per unit (“DPU”) to 2.14 Singapore cents for the second quarter ended 30 June 2017 (“2Q 2017”), on the back of income distributable to Unitholders increasing 2.5% year-on-year to S\$16.6 million.

On an annualised basis, the latest distribution represents a yield of 6.4%, based on the closing price of S\$1.34 as at 30 June 2017.

Boosted by the full quarter contribution from Siloam Hospitals Labuan Bajo (“SHLB”) as well as higher rental income from existing portfolio, the Trust’s gross revenue and net property income (“NPI”) for the quarter rose 3.3% and 3.2% to S\$27.5 million and S\$27.2 million respectively. For the six-month period, gross revenue grew 2.9% to S\$54.6 million, while NPI increased 2.8% to S\$54.0 million.

“First REIT’s strategic focus in acquiring yield-accretive and high quality assets has yielded income stability and growth, allowing the Trust to deliver consistently growing DPU to our Unitholders. Following the acquisition of SHLB in December last year, and with our sponsor, PT Lippo Karawaci Tbk’s strong pipeline of over 40 healthcare assets in Indonesia for acquisition, the Trust plans to acquire one or two high-quality properties this year to further boost our income stream,” said Mr Victor Tan, Bowsprit’s Acting Chief Executive Officer.

Key highlights and corporate developments in 2Q 2017

- DPU up 1.4% to 2.14 Singapore cents compared to 2.11 Singapore cents in 2Q 2016
- Distribution to Unitholders rose 2.5% to S\$16.6 million compared to S\$16.2 million in 2Q 2016
- Retirement of Dr Ronnie Tan as CEO of Bowsprit after 10 years at the helm
- Re-designation of Chief Financial Officer, Mr Victor Tan to Acting CEO of Bowsprit and Executive Director of the Board

- Appointment of Mr Carl Gabriel Florian Stubbe as Non-Executive Non-Independent Director of the Manager, and Chairman of the Board
- Appointment of Mr Tan Chuan Lye as Lead Independent Director of the Board

Outlook

Indonesia's gross domestic product grew 5.01% in the first quarter of 2017, up slightly from 4.94% in the preceding quarter in 2016¹, driven mainly by higher export prices. With continued government reforms and infrastructure developments, the International Monetary Fund forecasts a growth of 5.1% for Indonesia in 2017². The healthcare sector will continue to benefit from the ongoing national health insurance scheme, which will boost demand among the rising middle-income class in Indonesia for better quality private healthcare.

In Singapore, the growing ageing population will continue to support demand for nursing homes. The Ministry of Health plans to increase the number of nursing home beds from 12,000 currently to 17,000 in 2020³.

“Currently, the Trust owns three nursing homes in Singapore and we are on constant lookout for opportunities here, either through acquisitions or asset enhancement initiatives of existing assets to optimise their value. To which, we added a new extension building to The Lantor Residence in 2013,” said Mr Tan.

Summary of Financial Results for period ended 30 June 2017

<i>(S\$'000)</i>	2Q 2017	2Q 2016	Change (%)	1H 2017	1H 2016	Change (%)
Gross Revenue	27,477	26,604	3.3	54,628	53,100	2.9
Net Property Income	27,154	26,321	3.2	54,021	52,528	2.8
Distributable Amount	16,642	16,240	2.5	33,235	32,437	2.5
Distribution per unit (cts)	2.14	2.11	1.4	4.28	4.22 ¹	1.4
Annualised Distribution per unit (cts)	8.63	8.47 ¹	1.9	8.63	8.47 ¹	1.9

¹ Actual distribution paid for FY 2016.

¹ 6 May 2017, The Business Times – Indonesia records 5.01% growth in Q1 on higher prices of commodities

² 3 February 2017, International Monetary Fund – Indonesia: Resilient economy can benefit from stronger reforms

³ 26 April 2017, The Straits Times - Demand for elderly care facilities on the rise

Distribution Details

Distribution	1 April 2017 to 30 June 2017
Distribution type	(a) Taxable income (b) Tax-exempt income (c) Capital distribution
Distribution rate	Total: 2.14 cents per unit (a) Taxable income distribution: 0.08 cents per unit (b) Tax-exempt income distribution: 1.17 cents per unit (c) Capital distribution: 0.89 cents per unit
Book closure date	25 July 2017 at 5.00 pm
Ex-dividend date	21 July 2017 at 9.00 am
Payment date	28 August 2017

Distribution Reinvestment Plan ("DRP")

The DRP will not be applicable for this quarter. All Unitholders will be receiving 2Q 2017 DPU of Singapore 2.14 cents in cash, payable on 28 August 2017. The Manager may consider applying the DRP at a later date and Unitholders will be notified accordingly.

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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 18 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) Siloam Hospitals Labuan Bajo, 15) Pacific Healthcare Nursing Home @ Bukit Merah, 16) Pacific Healthcare Nursing Home II @ Bukit Panjang, 17) The Lentor Residence and 18) 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 Lentor Residence is operated by The Lentor 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.