

FOR IMMEDIATE RELEASE

First REIT posts DPU of 2.15 cents for 4Q 2018

SINGAPORE – 16 January 2019 – Bowsprit Capital Corporation Limited (“**Bowsprit**”), the Manager of First Real Estate Investment Trust (“**First REIT**” or the “**Trust**”), today reported stable distribution per unit (“**DPU**”) of 2.15 Singapore cents for the fourth quarter ended 31 December 2018 (“**4Q 2018**”), while income to be distributed to unitholders edged up 1.4% to S\$17.0 million as compared to S\$16.8 million registered in the corresponding quarter a year ago (“**4Q 2017**”).

On an annualised basis, the latest distribution represents a yield of 8.7%, based on closing price of S\$0.985 as of 31 December 2018.

Supported by contributions from new properties acquired during the financial year ended in 31 December 2017 - Siloam Hospitals Buton & Lippo Plaza Buton and Siloam Hospitals Yogyakarta, as well as from existing properties, the Trust’s gross revenue and net property income (“**NPI**”) for the quarter rose 2.7% and 1.9% year-on-year to S\$29.3 million and S\$28.5 million respectively.

On a full year basis, gross revenue and NPI climbed 4.7% and 4.5% to S\$116.2 million and S\$114.4 million respectively, while distributable income for the year gained 1.4% to S\$67.7 million.

First REIT remained prudent with its capital management and maintained its gearing at a stable 35.0% as at 31 December 2018, with 59.0% of its debt on a fixed rate basis to mitigate interest rate fluctuations.

Key highlights in 4Q 2018

- 4Q 2018 DPU remained stable at 2.15 Singapore cents
- An attractive yield of 8.7% based on annualised DPU of 8.60 Singapore cents and closing price of S\$0.985 as of 31 December 2018

- OUE Limited (“**OUE**”) and OUE Lippo Healthcare Limited (“**OUELH**”) completed the acquisition of 100.00% shareholding in Bowsprit from PT Lippo Karawaci Tbk’s (“**Lippo Karawaci**”), and OUELH also completed the acquisition of 83,593,683 First REIT’s units from Lippo Karawaci, representing 10.6% of the total unitholdings of First REIT

Outlook

Bowsprit’s Chief Executive Officer, Mr Victor Tan, commented “We are pleased to close the year with stable and credible results underpinned by steady performance from our existing portfolio of 20 properties in Indonesia, Singapore and South Korea. With OUE and OUELH on board, First REIT and Bowsprit are well-positioned to tap on the growing opportunities in the Asia Pacific region to capitalise on the tremendous growth in demand for quality and affordable healthcare. In addition to the right-of-first-refusal to Lippo Karawaci’s pipeline of properties for acquisition in Indonesia, we now also have a first-right-of-refusal from OUELH. Our roadmap for the next three to five years is to look at asset rebalancing, diversifying our income streams by expanding into other geographical regions, as well as exploring opportunities to unlock the value of our existing assets.”

The Asia Pacific region is experiencing population ageing at an unprecedented pace, which is expected to lead to higher demand for healthcare services. According to a United Nations Economic Social Commission Asia and the Pacific report¹, the number of older persons in the region is expected to more than double, from 535 million in 2015 to about 1.3 billion in 2050.

¹ <https://www.unescap.org/op-ed/older-persons-key-players-global-development-agenda>

Summary of Financial Results for period ended 31 December 2018

<i>(S\$'000)</i>	4Q 2018	4Q 2017	Change (%)	FY 2018	FY 2017	Change (%)
Gross Revenue	29,321	28,551	2.7	116,198	110,993	4.7
Net Property Income	28,530	27,990	1.9	114,391	109,476	4.5
Distributable Amount	17,014	16,777	1.4	67,681	66,727	1.5
Distribution per unit (cts)	2.15	2.15	-	8.60	8.57 ¹	0.4
Annualised Distribution per unit (cts)	8.60	8.57 ¹	0.4	8.60	8.57 ¹	0.4

¹ Actual distribution paid for FY 2017.

Distribution Details

Distribution	1 October 2018 to 31 December 2018
Distribution type	(a) Taxable income (b) Tax-exempt income (c) Capital distribution
Distribution rate	Total: 2.15 cents per unit (a) Taxable income distribution: 0.07 cents per unit (b) Tax-exempt income distribution: 1.12 cents per unit (c) Capital distribution: 0.96 cents per unit
Book closure date	● 24 January 2019 at 5.00 pm
Ex-dividend date	● 23 January 2019 at 9.00 am
Payment date	● 28 February 2019

Distribution Reinvestment Plan ("DRP")

The DRP will not be applicable for this quarter. All Unitholders will be receiving 4Q 2018 DPU of Singapore 2.15 cents in cash, payable on 28 February 2019. 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. On 1 March 2018, HSBC Institutional Trust Services (Singapore) Limited retired as the Trustee of First REIT in favour of Perpetual (Asia) Limited.

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 20 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) Siloam Hospitals Buton & Lippo Plaza Buton 16) Siloam Hospitals Yogyakarta 17) Pacific Healthcare Nursing Home @ Bukit Merah, 18) Pacific Healthcare Nursing Home II @ Bukit Panjang, 19) The Lentor Residence and 20) 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 and Lippo Plaza Buton are 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 Pan- 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.