

FOR IMMEDIATE RELEASE

First REIT posts stable 1Q 2019 DPU of 2.15 cents

SINGAPORE – 10 April 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 first quarter ended 31 March 2019 (“**1Q 2019**”), on the back of distributable income edging up 0.9% year-on-year to S\$17.1 million. On an annualised basis, the latest distribution translates to an attractive yield of 8.7%, based on closing price of S\$0.99 as of 29 March 2019.

For the quarter under review, the Trust’s rental and other income, and net property income (“**NPI**”) registered a marginal 0.2% and 1.4% dip to S\$28.6 million and S\$28.0 million respectively, predominantly due to higher property expenses.

“Despite a marginal decline in our rental income and NPI, the Trust continues to deliver stable returns to our Unitholders. Our gearing also remained steady at 34.5% as at 31 March 2019, giving us ample headroom for further yield-accretive acquisitions. Going forward, the Trust will continue to explore opportunities to unlock the value of our existing portfolio through asset enhancement initiatives or strategic divestment of assets for capital gains. With OUE Limited (“**OUE**”) and OUE Lippo Healthcare Limited (“**OUELH**”) on board, we will also look at diversifying our income streams by expanding into other geographical markets,” said Mr Victor Tan, Chief Executive Officer of Bowsprit.

Outlook

The Asia Pacific healthcare market is on track to achieve unprecedented growth with total healthcare spending projected to surge to US\$2.3 trillion by 2026 from US\$1.7 trillion in 2017, outpacing growth in the United States and Europe¹. The growth will largely be driven by higher healthcare costs, rising incidence of chronic diseases and an ageing population.

Following the acquisition of Bowsprit by OUE and OUELH, and with OUELH’s stake in First REIT, the Trust is well-positioned to tap on the growing healthcare opportunities in the Asia Pacific region.

¹ 31 October 2018, Singapore Business Review – Asia hailed as world’s fastest-growing healthcare market

In Indonesia, demand for private healthcare continues to rise with the growing nationwide adoption of the national health insurance scheme and healthcare spending in Indonesia has been projected to rise to Rp1,224 trillion by 2027². Meanwhile, Indonesia's economy has shown signs of strengthening with a 5.17% year-on-year growth in its gross domestic product for 2018, compared to a growth of 5.07% for 2017³. Bank Indonesia also predicted stronger economic growth for 2019.

First REIT continues to have a strong acquisition pipeline of quality healthcare assets in Indonesia from both sponsors, OUELH and PT Lippo Karawaci Tbk.

Summary of Financial Results for period ended 31 March 2019

<i>(S\$'000)</i>	1Q 2019	1Q 2018	Change (%)
Rental and Other Income	28,649	28,713	(0.2)
Net Property Income	28,026	28,423	(1.4)
Distributable Amount	17,053	16,893	0.9
Distribution per unit (cts)	2.15	2.15	-
Annualised Distribution per unit (cts)	8.60	8.60 ¹	-

¹ Actual distribution paid for FY 2018.

Distribution Details

Distribution	1 January 2019 to 31 March 2019
Distribution type	(a) Taxable income (b) Tax-exempt income (c) Capital distribution
Distribution rate	Total: 2.15 cents per unit (a) Taxable income distribution: 0.08 cents per unit (b) Tax-exempt income distribution: 1.17 cents per unit (c) Capital distribution: 0.90 cents per unit
Book closure date	18 April 2019 at 5.00 pm
Ex-dividend date	17 April 2019 at 9.00 am
Payment date	30 May 2019

² 20 April 2018, Healthcare Asia Magazine - Indonesia's healthcare spending to balloon to \$47.1b by 2022

³ Statistics Indonesia, <https://www.bps.go.id/pressrelease/2019/02/06/1619/ekonomi-indonesia-2018-tumbuh-5-17-persen.html>

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CONTACT INFORMATION

August Consulting

Tel: (65) 6733 8873 Fax: (65) 6733 9913

Janice ONG, janiceong@august.com.sg

Jeremy SING: jeremysing@august.com.sg

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.