

PRESS RELEASE

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First REIT's distributable income for 3Q 2008 up 12.4% to S\$5.3 million

- 3Q 2008 DPU - 1.92 cents per unit (up 11.6%)
- In spite of global economic uncertainties, First REIT's fundamentals remain intact. Its revenues are derived from long-term leases denominated in Singapore dollars with no currency risk and no provision for downward revision in rentals
- Distribution yield of 19.24% is one of the highest among S-REITs, Singapore stocks and government bonds

(S\$'000)	3Q 2008	3Q 2007	Change (%)	9M 2008	9M 2007	Change (%)
Gross Revenue	7,606	7,083	7.4	22,598	19,646	15.0
Net Property Income	7,557	6,997	8.0	22,455	19,465	15.4
Distributable Amount	5,263	4,683	12.4	15,525	13,532	14.7
Distribution Per Unit (cents)						
- For the period	1.92	1.72	11.6	5.68	4.97	14.3
- Annualised	7.60	6.73*	12.9	7.60	6.73*	12.9
Distribution Yield (%) Based on closing price of S\$0.395 on 17 October 2008	19.24%	17.04%	12.9%	19.24%	17.04%	12.9%

*Actual paid for FY2007

SINGAPORE – 21 October 2008 – Bowsprit Capital Corporation Limited (“Bowsprit”), the **Manager of First Real Estate Investment Trust** (“**First REIT**”), reported today that its 3Q 2008 distributable amount for the period ended 30 September 2008 increased by 12.4% to S\$5.3 million.

Merrill Lynch (Singapore) Pte. Ltd. and Oversea-Chinese Banking Corporation Limited were the joint lead managers and underwriters of the initial public offering of units in First REIT

This was achieved on the back of a 7.4% rise in gross revenue to S\$7.6 million due to increased rental from First REIT's four Indonesian properties acquired in 2006 and the rental received from the four Singaporean properties newly acquired in 2007.

In the latest third quarter, First REIT's Distribution Per Unit ("DPU") grew by 11.6% to 1.92 Singapore cents. Based on its annualised DPU of 7.60 Singapore cents and the closing price of S\$0.395 on 17 October 2008, First REIT achieved a distribution yield of 19.24% - one of the highest amongst S-REITs, Singapore stocks and government bonds.

Books Closure and Distribution Payment

For the purpose of determining each Unitholder's entitlement to First REIT's 3Q2008 distribution, the Transfer Books and Register will be closed from 5pm on 31 October 2008. The Distribution of 1.92 Singapore cents per Unit will be paid out on 28 November 2008.

Business Prospects

Said Dr Ronnie Tan, Bowsprit's Chief Executive Officer, "In today's challenging economic environment around the world, we remain optimistic that the demand for quality healthcare will continue to grow. First REIT's revenues are derived from long-term leases denominated in Singapore dollars with no currency risk and no provision for downward revision in rentals. In addition, we have been paying stable distributions since our IPO in December 2006."

"Healthcare tends to be a resilient sector – everyone still has to look after his health in good or bad times. Moreover, the ageing population and its related diseases will continue to provide opportunities for healthcare services," he added.

Going forward, First REIT will continue to focus on improving the income generating capacity of its existing healthcare properties through asset enhancement initiatives and working with its tenants to continually upgrade healthcare services. Amongst its Indonesian assets for example, its sponsor PT. Lippo Karawaci Tbk has been executing a long-term growth plan to expand and enhance services offered by the Siloam Group of hospitals so as to grow patient volume and revenue.

In Singapore, the Manager is also concluding its plans to enhance Adam Road Hospital to its maximum plot ratio.

Acquisition Strategy

Dr Tan added, “With regards to our strategy to expand the REIT’s portfolio of assets, we will continue to exercise prudence in assessing the attractiveness, timing and sequence of future acquisitions.”

Although First REIT’s debt-to-property valuation ratio remains relatively low at 15.6%, giving it ample headroom for further acquisitions, the REIT will continue to be selective in its acquisitions to ensure that its portfolio consists of only quality and good-yielding healthcare assets that provide relatively long-term, consistent and sustainable returns to Unitholders.

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About First REIT

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 eight properties located in Singapore and Indonesia, namely, 1) Adam Road Hospital, 2) The Lentor Residence, 3) Pacific Healthcare Nursing Home @ Bukit Merah, 4) Pacific Healthcare Nursing Home @ Senja, 5) Siloam Hospitals Lippo Karawaci, 6) Siloam Hospitals West Jakarta, 7) Siloam Hospitals Surabaya, and 8) Imperial Aryaduta Hotel & Country Club.

Its Indonesian assets are operated by PT. Siloam International Hospitals, a wholly-owned subsidiary of PT. Lippo Karawaci Tbk, a strong brand name in the Indonesian healthcare industry supported by a team of international healthcare professionals. In Singapore, the Adam Road Hospital, Pacific Healthcare Nursing Home @ Bukit Merah and Pacific Healthcare Nursing Home @ Senja are operated by associates of Pacific Healthcare Holdings Limited while The Lentor Residence is operated by First Lentor Residence Pte Ltd.

Through First REIT, investors can participate in an asset class that has a focus on Asia’s growing healthcare sector, which is boosted by an increase in life expectancy in Indonesia and the rest of Southeast Asia.

While the current assets in its portfolio are located in only Singapore and Indonesia, First REIT’s acquisition growth strategy leverages on the expected rising per capita healthcare expenditure in the region by targeting investments in healthcare and/or healthcare-related assets in key cities throughout Asia.



First REIT's current distribution policy is to distribute at least 90.0% of its tax-exempt income (after deduction of applicable expenses) and capital receipts.

IMPORTANT NOTICE

The value of units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that the Manager redeem or purchase their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This release may contain forward-looking statements that involve assumptions, 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 other developments or companies, shifts in expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of management on future events.