

**FIRST REAL ESTATE INVESTMENT TRUST
2009 FULL YEAR UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT**

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

Its Indonesian assets are operated by PT Siloam International Hospitals, a wholly-owned subsidiary of PT Lippo Karawaci Tbk, a strong brand name in Indonesian healthcare industry supported by a team of international healthcare professionals. 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. Both operators are companies in which Pacific Healthcare Holdings Ltd have substantial interest. The Lentor Residence is operated by First Lentor Residence Pte. Ltd. while The Adam Road Hospital is operated by Health Promise Pte. Ltd..

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.

FIRST REAL ESTATE INVESTMENT TRUST
2009 FULL YEAR UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT

Summary of First REIT's results

	Group					
	Quarter			Year-to-date		
	4Q 2009	4Q 2008	Change	31 Dec 2009	31 Dec 2008	Change
	<u>S\$'000</u>	<u>S\$'000</u>	<u>%</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>%</u>
Gross Revenue	7,667	7,564	1.4%	30,162	29,964	0.7%
Net Property Income	7,580	7,493	1.2%	29,850	29,750	0.3%
Distributable Amount	5,284	5,318	(0.6%)	20,964	20,831	0.6%
Distribution per unit (cts)	1.92	1.94	(1.0%)	7.62	7.62	-

1(a)(i) Consolidated Statement of Comprehensive Income

	Group					
	Quarter			Year-to-date		
	4Q 2009	4Q 2008	Change	31 Dec 2009	31 Dec 2008	Change
	<u>S\$'000</u>	<u>S\$'000</u>	<u>%</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>%</u>
Gross revenue	7,667	7,564	1.4%	30,162	29,964	0.7%
Property operating expenses	(87)	(71)	22.5%	(312)	(214)	45.8%
Net property income	7,580	7,493	1.2%	29,850	29,750	0.3%
Interest income	8	16	(50.0%)	43	214	(79.9%)
Manager's management fees	(681)	(695)	(2.0%)	(2,818)	(2,947)	(4.4%)
Trustee fees	(30)	(27)	11.1%	(122)	(107)	14.0%
Finance costs	(599)	(653)	(8.3%)	(1,982)	(2,160)	(8.2%)
Other expenses	11	6	83.3%	(275)	(288)	(4.5%)
Net income for the period/year	6,289	6,140	2.4%	24,696	24,462	1.0%
Increase/(decrease) in fair value of investment properties	13,979	(700)	n.m	13,979	(700)	n.m
Total return for the period/year before income tax	20,268	5,440	272.6%	38,675	23,762	62.8%
Income tax for the period/year	813	2,934	(72.3%)	(2,713)	(809)	235.4%
Total return for the period/year after income tax	21,081	8,374	151.7%	35,962	22,953	56.7%

FIRST REAL ESTATE INVESTMENT TRUST
2009 FULL YEAR UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT

	Group					
	Quarter			Year-to-date		
	4Q 2009	4Q 2008	Change	31 Dec 2009	31 Dec 2008	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Other comprehensive income for the period/year, net of tax	-	-	-	-	-	-
Total comprehensive income for the period/year	21,081	8,374	151.7%	35,962	22,953	56.7%

N.M : not meaningful

1(a)(ii) Statement of Distribution

	Group					
	Quarter			Year-to-date		
	4Q 2009	4Q 2008	Change	31 Dec 2009	31 Dec 2008	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Total comprehensive income for the period/year	21,081	8,374	151.7%	35,962	22,953	56.7%
Add back non-cash items:						
- Management fees payable in units	191	188	1.6%	979	1,117	(12.4%)
- change in fair value of investment properties net of deferred tax	(15,993)	(3,239)	393.7%	(15,993)	(3,239)	393.7%
- Other adjustments	5	(5)	200.0%	16	-	100.0%
Total Unitholders' distribution	5,284	5,318	(0.6%)	20,964	20,831	0.6%
Unitholders' distribution:						
- as distribution from operations	4,762	4,796	(0.7%)	18,894	18,761	0.7%
- as distribution of Unitholders' capital contribution	522	522	-	2,070	2,070	-
Total Unitholders' distribution	5,284	5,318	(0.6%)	20,964	20,831	0.6%

FIRST REAL ESTATE INVESTMENT TRUST
2009 FULL YEAR UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT

1(b)(i) Statement of Financial Position

	Note	Group		Trust	
		31 Dec 2009	31 Dec 2008	31 Dec 2009	31 Dec 2008
		<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Assets					
Non-current Assets					
Investment properties		340,910	324,900	54,600	53,900
Investment in subsidiaries		-	-	176,543	178,613
Total non-current assets		340,910	324,900	231,143	232,513
Current Assets					
Trade and other receivables, current		1,109	1,358	2,091	2,096
Other assets, current		1,136	872	595	367
Cash and cash equivalents		11,497	12,417	10,699	11,731
Total current assets		13,742	14,647	13,385	14,194
Total Assets		354,652	339,547	244,528	246,707
Unitholders' funds and liabilities					
Unitholders' fund					
Issued equity		179,633	180,756	179,633	180,756
Retained earnings		91,394	74,342	2,690	4,784
Total Unitholders' funds		271,027	255,098	182,323	185,540
Non-current liabilities					
Deferred tax liabilities		21,079	23,092	135	382
Other financial liabilities, non-current	1	52,301	-	52,301	-
Total non-current liabilities		73,380	23,092	52,436	382
Current liabilities					
Income tax payable, current		538	537	-	-
Trade and other payable, current		1,711	2,361	7,025	7,326
Other financial liabilities, current	1	-	50,773	-	50,773
Other liabilities, current		7,996	7,686	2,744	2,686
Total current liabilities		10,245	61,357	9,769	60,785
Total liabilities		83,625	84,449	62,205	61,167
Total Unitholders' funds and liabilities		354,652	339,547	244,528	246,707

Note:

1. Other financial liabilities, non-current comprise the bank borrowings of S\$52.3 million (net of transaction costs) which are secured by all assets relating to First REIT's investment properties. This borrowing was drawdown on 10 June 2009 to refinance the previous borrowings of the same amount, which matured in June 09.

FIRST REAL ESTATE INVESTMENT TRUST
2009 FULL YEAR UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT

1(b)(ii) Borrowings and Debt Securities

	Group		Trust	
	31 Dec 2009	31 Dec 2008	31 Dec 2009	31 Dec 2008
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Secured Borrowings				
Amount repayable after one year	52,815	-	52,815	-
Less: Transaction costs in relation to Term Loan Facility	(514)	-	(514)	-
Total Borrowings	52,301	-	52,301	-
Amount repayable within one year	-	50,808	-	50,808
Less: Transaction costs in relation to Term Loan Facility	-	(35)	-	(35)
Total Borrowings	-	50,773	-	50,773

Note: The Borrowings is secured against all assets relating to First REIT's investment properties.

**FIRST REAL ESTATE INVESTMENT TRUST
2009 FULL YEAR UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT**

1(c) Consolidated Statement of Cash Flow

	Group	
	31 Dec 2009	31 Dec 2008
	S\$'000	S\$'000
Cash flows from operating activities		
Total return before income tax	38,675	23,762
Adjustments for:		
Interest income	(43)	(214)
Interest expense	1,767	2,020
Amortisation of borrowing costs	215	140
(Increase)/decrease in fair value of investment properties	(13,979)	700
Manager's management fees settled in units	966	1,108
Operating cash flows before changes in working capital	27,601	27,516
Trade and other receivables, current	229	(594)
Other assets, current	(239)	(13)
Trade and other payables, current	(494)	265
Other liabilities, current	310	85
Net cash flows from operating activities before income tax	27,407	27,259
Income tax paid	(4,750)	(6,303)
Net cash flows from operating activities	22,657	20,956
Cash flows from investing activities		
Interest received	63	259
Increase in investment properties	(2,031)	-
Net cash flows from investing activities	(1,968)	259
Cash flows from financing activities		
Increase in borrowings	1,313	-
Cash restricted in use for bank facilities	(4,000)	-
Interest paid	(1,923)	(2,098)
Distribution to the Unitholders	(20,999)	(20,305)
Net cash flows used in financing activities	(25,609)	(22,403)
Net decrease in cash and cash equivalents	(4,920)	(1,188)
Cash and cash equivalents at beginning of the year	12,417	13,605
Cash and cash equivalents at end of the year	7,497	12,417
Cash and cash equivalents in cash flow statement :		
Cash and cash equivalents per balance sheet	11,497	12,417
Cash restricted in use for bank facilities	(4,000)	-
Cash and cash equivalents in cash flow statement	7,497	12,417

**FIRST REAL ESTATE INVESTMENT TRUST
2009 FULL YEAR UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT**

1(d)(i) Statements of Changes in Unitholders' Funds

	Issued Equity	Retained Earnings	Total
	S\$'000	S\$'000	S\$'000
Group			
Opening balance as at 1 Jan 2009	180,756	74,342	255,098
Total comprehensive income for the year	-	35,962	35,962
Other movements in equity:			
Transactions with unitholders:			
Manager's management fees settled in units	966	-	966
Distribution to Unitholders	(2,089)	(18,910)	(20,999)
Closing balance as at 31 Dec 2009	179,633	91,394	271,027
Opening balance as at 1 Jan 2008	181,722	69,620	251,342
Total comprehensive income for the year	-	22,953	22,953
Other movements in equity:			
Transactions with unitholders:			
Manager's management fees settled in units	1,108	-	1,108
Distribution to Unitholders	(2,074)	(18,231)	(20,305)
Closing balance as at 31 Dec 2008	180,756	74,342	255,098
Trust			
Opening balance as at 1 Jan 2009	180,756	4,784	185,540
Total comprehensive income for the year	-	16,816	16,816
Other movements in equity:			
Transactions with unitholders:			
Manager's management fees settled in units	966	-	966
Distribution to Unitholders	(2,089)	(18,910)	(20,999)
Closing balance as at 31 Dec 2009	179,633	2,690	182,323
Opening balance as at 1 Jan 2008	181,722	5,371	187,093
Total comprehensive income for the year	-	17,644	17,644
Other movements in equity:			
Transactions with unitholders:			
Manager's management fees settled in units	1,108	-	1,108
Distribution to Unitholders	(2,074)	(18,231)	(20,305)
Closing balance as at 31 Dec 2008	180,756	4,784	185,540

1(d)(ii) Details of any changes in the issued and issuable units

	Trust			
	Quarter		Year-to-date	
	4Q 2009	4Q 2008	31 Dec 2009	31 Dec 2008
Balance at beginning of period/year	275,133,627	273,080,266	273,671,344	272,073,506
Unitholders transactions:				
Issuance of new units	340,739	591,078	1,803,022	1,597,838
Issued units at end of period/year	275,474,366	273,671,344	275,474,366	273,671,344
New units to be issued				
- Manager's management fees payable in units	235,644	467,222	235,644	467,222
Total issued and issuable units	275,710,010	274,138,566	275,710,010	274,138,566

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice

The figures have not been audited or reviewed by our auditors.

3. Where the figures have been audited or reviewed, the auditor's report (including any qualifications or emphasis of matter)

Not applicable

4. Whether the same accounting policies and methods of computation as in the issuer's most recent audited annual financial statements have been applied

Except as disclosed in paragraph 5 below, the accounting policies and method of computation applied in the financial statement for the current financial period are consistent with those applied in the audited financial statements for the year ended 31 December 2008.

Certain comparative figures in this announcement have been reclassified from the previous period to be consistent with current period presentation. The amounts reclassified from the previous period are not material.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

Other than the adoption of various new/revised FRS and related Interpretations as issued by the Singapore Accounting Standards Council, which took effect from 1 January 2009, there has been no change in the accounting policies and methods of computation adopted by the Group.

The adoption of the new/revised accounting standards and interpretations does not have any material impact on the financial statements of the Group.

**FIRST REAL ESTATE INVESTMENT TRUST
2009 FULL YEAR UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT**

6. Earnings per unit (“EPU”) and available distribution per unit (“DPU”) for the financial period

	Group			
	Quarter		Year-to-date	
	4Q 2009	4Q 2008	31 Dec 2009	31 Dec 2008
Weighted average number of units in issue	275,042,968	273,187,976	274,757,004	272,785,228
Earnings per unit in cents (EPU)				
Basic and fully diluted basis	7.66	3.07	13.09	8.41
Number of units in issue	275,474,366	273,671,344	275,474,366	273,671,344
Distribution per unit in cents (DPU)				
Based on the number of units in issue at the end of the period	1.92	1.94	7.62	7.62

7. Net asset value (“NAV”) per unit at the end of the period

	Group		Trust	
	31 Dec 2009	31 Dec 2008	31 Dec 2009	31 Dec 2008
	Net asset value per unit (cents)	98.39	93.21	66.19

8. Review of the performance

4Q 2009 vs 4Q 2008

Gross Revenue for 4Q 2009 increased slightly by 1.4% to S\$7.7 million compared to 4Q 2008.

Reflecting substantially lower market interest rates for fixed deposits, the Group’s interest income for 4Q 2009 decreased by 50.0% to S\$8,000 compared to 4Q 2008.

Management fee decreased by 2.0% for 4Q 2009 to S\$681,000 compared to 4Q 2008 mainly due to lower total assets value. (The properties have since increased in value to S\$340.9 million following the annual valuation dated 26 December 2009).

Trustee fees for 4Q 2009 increased by 11.1% to S\$30,000 compared to 4Q 2008 as the fee is presently fixed at a minimum amount of S\$10,000 per month from December 2008 onwards.

Finance costs for 4Q 2009 decreased by 8.3% to S\$599,000 compared to 4Q 2008 mainly due to the write off of loan amortised cost in 4Q 2008 which was partly offset by higher interest cost for the loan facility refinanced in June 2009.

Income tax for 4Q 2009 was a credit of S\$813,000 which resulted mainly from write back of provision for deferred taxation of S\$5.6 million following a change in the Indonesian Tax regulation.

Total return for 4Q 2009 increased by 151.7% to S\$21.1 million mainly due to the increase in fair value of our Indonesian properties.

8. Review of the performance(Cont'd)

FY 2009 vs FY 2008

Gross Revenue for FY 2009 remained stable at S\$30.0 million compared to FY 2008.

Reflecting substantially lower market interest rates for fixed deposits, the Group's interest income for FY 2009 decreased by 79.9% to S\$43,000 compared to FY 2008.

Management fee decreased by 4.4% for FY 2009 to S\$2.8 million compared to FY 2008 mainly due to lower total assets value. (The properties have since increased in value to S\$340.9 million following the annual valuation dated 26 December 2009).

Trustee fees for FY 2009 increased by 14.0% to S\$122,000 compared to FY 2008 as the fee is presently fixed at a minimum amount of S\$10,000 per month from December 2008 onwards.

Finance costs for FY 2009 decreased by 8.2% to S\$2.0 million compared to FY 2009 mainly due to the write off of loan amortised cost in FY 2008 which was partly offset by higher interest cost for the loan facility refinanced in June 2009.

Other expenses for FY 2009 decreased by 4.5% to S\$275,000 compared to FY 2008 mainly due to the write back of provision for professional fees and exchange gain.

Income tax for FY 2009 increased by 235.4% to S\$2.7 million compared to FY 2008 following the increased provision for deferred taxation on gain on revaluation of investment properties.

Total return for FY 2009 increased by 56.7% to S\$36.0 million which was mainly attributable to the increase in fair value of our Indonesian properties.

9. Variance between the forecast or prospectus statement (if disclosed previously) and the actual results

First REIT has not disclosed any forecast to the market.

10. Commentary on the competitive conditions of the industry

The recent global recession has demonstrated the resilience of the healthcare business, particularly in Asia which continues to perform well.

The healthcare sector is set to grow, driven by three main factors:

- Amidst the uncertain economic environment and with the improving standards of healthcare locally, more patients especially in Indonesia are staying back instead of travelling abroad to seek medical care;
- The trend towards an ageing population; and
- The increasing incidence of chronic and lifestyle illnesses.

In Indonesia, First REIT's Siloam Group of hospitals, whose brand is associated with quality healthcare of international standard, has witnessed robust growth in demand for services and higher occupancy.

As a result of the hospitals' strong performance, First REIT will enjoy a variable rental growth component of 1.25% of the total gross revenue of its four Indonesian assets in FY 2010. This is in addition to the annual escalation based on 2 times Singapore CPI (capped at 2%).

In Singapore, where First REIT owns three nursing homes, the prospects for private nursing care are bright in view of a steadily aging population and the Government's recent push to boost and raise awareness of palliative care services. All these factors will help to underscore the current and future demand for quality nursing homes and eldercare facilities for short and long-term convalescent, respite and rehabilitative care.

10. Commentary on the competitive conditions of the industry(Cont'd)

The Trust will continue to look at ways to enhance its nursing homes. As a first step, plans are being proposed for extension works to the Lentor Residence.

In addition, First REIT has commenced comprehensive asset enhancement works for its Adam Road Hospital since November 2009 with completion targeted for mid-2011. When completed, Adam Road Hospital will be transformed into a modern boutique cancer specialist hospital to be renamed "Pacific Cancer Centre @ Adam Road" and to be operated by Pacific Cancer Centre Pte. Ltd, a wholly-owned subsidiary of Singapore-listed Pacific Healthcare Holdings Limited.

The cost of asset enhancement works, estimated at \$18.6 million, will be funded through debt, and will raise First REIT's gearing from 15.5% as at 31 December 2009 to just below 20.0% upon completion – which will still be significantly lower than the regulatory limit of 35.0%.

In January 2010, the Trust terminated its option agreement in relation to the proposed acquisition of Tech-Link healthcare logistics and distribution centre in Singapore as the terms were no longer attractive in the present market environment.

Outlook for 2010

With improving market conditions, First REIT is currently exploring acquisition opportunities with its sponsor, PT Lippo Karawaci Tbk and other third parties to expand its portfolio of yield accretive properties and raise its overall asset base.

Barring unforeseen circumstances, the Manager expects that First REIT will continue to perform satisfactorily for the rest of 2010.

11. Distributions

11(a) Current financial period reported on

Any distributions declared for the current financial period? Yes

Distribution Type

Name of Distribution Distribution for the period from 1 October 2009 to 31 December 2009

i. Distribution Type Income / Capital

Distribution Type	Distribution Rate (cents per unit)
Taxable Income	0.16
Tax-Exempt Income	1.57
Capital	0.19
Total	1.92

Tax Rate

Taxable Income Distribution

Qualifying investors and individuals (other than those who hold their units through a partnership) will generally receive pre-tax distributions. These distributions are exempt from Singapore income tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession.

Qualifying foreign non-individual investors will receive their distributions after deduction of tax at the rate of 10% subject to the qualification below under Note A.

11. Distributions(Cont'd)

All other investors will receive their distributions after deduction of tax at the rate of 17%.

Note A

This tax concession applies to distributions made during the period 18 February 2005 to 17 February 2010. Therefore, if the Singapore Government does not extend the tax concession to distributions made after 17 February 2010, tax will be deducted from the income distribution at 17% instead of 10%. The Unit Registrar will continue to send out Form A and Form B for completion by the relevant Unitholders within the stipulated time limit so that in the event the tax concession is extended, it will be able to make income distribution net of 10% tax to eligible Unitholders. Notwithstanding the return of the completed Form A and Form B within the stipulated time limit, the Trustee and Manager will be obliged to deduct tax at the rate of 17% if the tax concession is not extended.

Tax-Exempt Income Distribution

Tax-Exempt Income Distribution is exempt from Singapore income tax in the hands of all unitholders.

Capital Distribution

Capital Distribution represents a return of capital to unitholders for Singapore income tax purposes and is therefore not subject to Singapore income tax. For unitholders who are liable to Singapore income tax on profits from the sale of First REIT Units, the amount of Capital Distribution will be applied to reduce the cost base of their First REIT Units for Singapore income tax purposes.

11(b) Corresponding period of the immediately preceding period

Any distributions declared for the corresponding period of the immediate preceding period? Yes

Distribution Type

Name of Distribution Distribution for the period from 1 October 2008 to 31 December 2008

i. Distribution Type Income / Capital

Distribution Type	Distribution Rate (cents per unit)
Taxable Income	0.18
Tax-Exempt Income	1.57
Capital	0.19
Total	1.94

Tax Rate

Taxable Income Distribution

Qualifying investors and individuals (other than those who hold their units through a partnership) will generally receive pre-tax distributions. These distributions are exempt from Singapore income tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession.

**FIRST REAL ESTATE INVESTMENT TRUST
2009 FULL YEAR UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT**

11. Distributions(Cont'd)

Qualifying foreign non-individual investors will receive their distributions after deduction of tax at the rate of 10%.

All other investors will receive their distributions after deduction of tax at the rate of 18%.

Tax-Exempt Income Distribution

Tax-Exempt Income Distribution is exempt from Singapore income tax in the hands of all unitholders.

Capital Distribution

Capital Distribution represents a return of capital to unitholders for Singapore income tax purposes and is therefore not subject to Singapore income tax. For unitholders who are liable to Singapore income tax on profits from the

sale of First REIT Units, the amount of Capital Distribution will be applied to reduce the cost base of their First REIT Units for Singapore income tax purposes.

11(c) Book closure date: The Transfer Books and Register of First Real Estate Investment Trust will be closed from 5.00p.m. on 1 February 2010 for the purposes of determining each Unitholder's entitlement to First REIT's distribution.

11(d) Date Payable: 26 February 2010

12. If no distribution has been declared/recommended, a statement to that effect

Not applicable.

13. Segment Reporting

No business segmental result has been prepared as all the investment properties are mainly used for healthcare and/or healthcare-related purposes. The main segment would be by geographical area.

	Indonesia	Singapore	Total
	\$'000	\$'000	\$'000
2009			
Gross Revenue	26,055	4,107	30,162
Net Property Income	25,840	4,010	29,850
Interest income	9	34	43
Manager's management fees			(2,818)
Trustee fees			(122)
Finance costs			(1,982)
Other trust expenses			(275)
Net income			24,696
Increase/(decrease) in fair value of investment properties	15,310	(1,331)	13,979
Income tax	(2,961)	248	(2,713)
Total return for the financial year after tax			35,962

FIRST REAL ESTATE INVESTMENT TRUST
2009 FULL YEAR UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT

13. Segment Reporting(Cont'd)

	Indonesia	Singapore	Total
	\$'000	\$'000	\$'000
2008			
Gross Revenue	25,938	4,026	29,964
Net Property Income	25,828	3,922	29,750
Interest income	60	154	214
Manager's management fees			(2,947)
Trustee fees			(107)
Finance costs			(2,160)
Other trust expenses			(288)
Net income			24,462
Decrease in fair value of investment properties	(700)	-	(700)
Income tax	(809)	-	(809)
Total return for the financial year after tax			22,953

	Indonesia	Singapore	Total
	\$'000	\$'000	\$'000
Assets and Liabilities			
2009			
Segment assets including properties	288,281	66,371	354,652
Total assets			354,652
Segment liabilities	27,552	56,073	83,625
Total liabilities			83,625
2008			
Segment assets including properties	272,788	66,759	339,547
Total assets			339,547
Segment liabilities	29,002	55,447	84,449
Total liabilities			84,449

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business and geographical segments.

Not applicable

**FIRST REAL ESTATE INVESTMENT TRUST
2009 FULL YEAR UNAUDITED FINANCIAL STATEMENTS & DISTRIBUTION ANNOUNCEMENT**

15. A breakdown of sales as follows:-

	31 Dec 2009	31 Dec 2008	Changes
	\$'000	\$'000	%
Gross revenue reported for first half year	14,904	14,842	0.4
Total return after income tax for first half year	9,894	9,697	2.0
Total return after income tax but before change in fair value of investment properties net of deferred tax for first half year	9,894	9,697	2.0
Gross revenue reported for second half year	15,258	15,122	0.9
Total return after income tax for second half year	26,068	13,256	96.7
Total return after income tax but before change in fair value of investment properties net of deferred tax for second half year	10,075	10,017	0.6

16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows :

	Latest Full Year	Previous Full Year
	\$'000	\$'000
Distribution to unitholders	20,999	20,305

17. Certificate pursuant to Paragraph 7.3 of the Property Funds Guidelines

The Manager hereby certifies that in relation to the distribution to the unitholders of First REIT for the quarter ended 31 December 2009:

1. First REIT will declare a distribution ("Distribution") in excess of its profits (defined as the total return for the period before distribution for the purpose of this certification). The excess is attributed to capital receipts comprising amounts received by First REIT from the redemption of redeemable preference shares in the Singapore special purpose companies ("SPCs").
2. The Manager is satisfied on reasonable grounds that, immediately after making the Distribution, First REIT will be able to fulfill, from its deposited properties, its liabilities as they fall due.

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.

BY ORDER OF THE BOARD OF
BOWSPRIT CAPITAL CORPORATION LIMITED
(AS MANAGER OF FIRST REAL ESTATE INVESTMENT TRUST)

Dr Ronnie Tan Keh Poo @ Tan Kay Poo
Chief Executive Officer
22 January 2010