

Date: 25 March 2010

Dear Unitholder,

Expansion of the Manager's investment policy in First REIT

We, Bowsprit Capital Corporation Limited, as manager ("the Manager") of First Real Estate Investment Trust ("First REIT") would like to inform you that the Manager's investment policy will be expanded and will take effect on 2nd May 2010.

As stated in the Prospectus of First REIT dated 4 December 2006, First REIT was established with the principal investment objective of "owning and investing 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, including, but not limited to regional healthcare and/or healthcare-related markets with high growth potential such as Indonesia, Singapore, China, Malaysia, Thailand and Hong Kong, whether wholly or partially owned, and whether directly or indirectly held through the ownership of special purpose vehicles whose primary purpose is to hold or own real estate."

The expansion of the investment policy aims to create a wider pool of possible healthcare or healthcare related investments for First REIT.

The revised investment policy will read as follows:

*"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 health-care related purposes including, but not limited to, **hospitals, nursing homes, medical clinics, pharmacies, laboratories, diagnostic/imaging facilities and real estate and/or real estate related assets used in connection with healthcare research, education, lifestyle and wellness management, manufacture, distribution or storage of pharmaceuticals, drugs, medicine and other healthcare goods and devices and such other ancillary activities relating to the primary objective, whether wholly or partially owned and whether directly or indirectly held through the ownership of special purpose vehicles whose primary purpose is to hold or own real estate.**"*

Rationale for expanding the investment policy

The revised investment policy will provide the Manager with a broader mandate to invest in a wider range of income producing assets such as facilities for pharmaceutical products rather than confining the portfolio of First REIT to assets such as hospitals and nursing homes.

With a suitably diversified portfolio, First REIT's reliance on any particular type of healthcare-related real estate asset and exposure to its accompanying risks would be reduced. The reduction in risk exposure would correspondingly enable the Manager to improve the stability of returns to unitholders.

The widened investment policy will also allow the Manager the flexibility to take advantage of other opportunities in the healthcare sector for the benefit of unitholders.

Manager of FIRST REIT

Bowsprit Capital Corporation Limited

1 Phillip Street #15-00 Singapore 048692

Tel: (65) 6435 0168 Fax: (65) 6435 0167

Registration No. 200607070D

Notice under the Trust Deed and Code on Collective Investment Schemes (“the Code”)

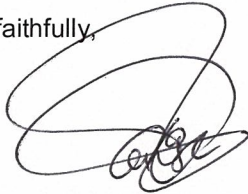
The Manager is sending this letter pursuant to Clause 9.2.4 of the Trust Deed dated 19 October 2006 which provides that the Manager may from time to time change its investment policies by giving not less than 30 days’ prior notice to the Trustee and to the unitholders.

This letter is in compliance with Section 4.2 (d) of the Code which requires the Manager to give not less than 1 month’s notice to existing unitholders of change in investment objective or approach as stated in the prospectus or trust deed.

No Objection from the Trustee

HSBC Institutional Trust Services (Singapore) Limited, in its capacity as the Trustee of First REIT, while not commenting on the merits of the proposed amendment, has no objection to the expansion of the Manager’s investment policy.

Yours faithfully,

A handwritten signature in black ink, appearing to be 'Dr Ronnie Tan Keh Poo', written over a large, stylized circular scribble.

Dr Ronnie Tan Keh Poo
Chief Executive Officer
BOWSPRIT CAPITAL CORPORATION LIMITED
Manager of First REIT

Company Registration No.200607070D