

**PRESS RELEASE**

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**First REIT**

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## First REIT's 1Q 2010 distributable income up 1.3% to S\$5.2 million

- *DPU up 1.1% to 1.90 cents per unit*
- *Annualised DPU of 7.71 cents translates to distribution yield of 8.9%*
- *On track to acquire yield-accretive assets from second half of FY2010*

| (S\$'000)   | 1Q 2010<br>1 Jan – 31 Mar 10 | 1Q 2009<br>1 Jan – 31 Mar 09 | Change (%)    |
|---|------------------------------|------------------------------|---------------|
| <b>Gross Revenue</b>                                  | <b>7,451</b>                 | <b>7,406</b>                 | <b>0.6</b>    |
| <b>Net Property Income</b>                            | <b>7,340</b>                 | <b>7,320</b>                 | <b>0.3</b>    |
| <b>Distributable Amount</b>                           | <b>5,248</b>                 | <b>5,183</b>                 | <b>1.3</b>    |
| <b>Distribution Per Unit (cents)</b>                  |                              |                              |               |
| - For the period                                      | <b>1.90</b>                  | <b>1.88</b>                  | <b>1.1</b>    |
| - Annualised  | <b>7.71</b>                  | <b>7.62*</b>                 | <b>1.2</b>    |
| <b>Distribution Yield (%)</b>                         |                              |                              |               |
| - Based on closing price of S\$0.865 on 21 April 2010 | <b>8.9%</b>                  | <b>13.6%**</b>               | <b>(34.6)</b> |

\*Actual paid for FY 2009

\*\* Based on closing price of S\$0.56 as at 21 Apr 2009

**SINGAPORE – 23 April 2010** – First REIT's Manager, **Bowsprit Capital Corporation Limited** ("Bowsprit") today reported a 1.3% rise in first-quarter distributable income to S\$5.2 million for the period ended 31 March 2010.

This was achieved on the back of a 0.6% increase in gross revenue to S\$7.5 million. Higher rental income from Indonesia properties was partly offset by the deferment of rental income from Pacific

Cancer Centre @ Adam Road as the property is currently under redevelopment. The REIT's gross revenue would have increased by 4.6% to S\$7.7 million if the deferred rental income had been included.

Net property income rose marginally by 0.3% to S\$7.3 million with higher property tax incurred for the Lentor Residence being a major contributor to the 29.1% increase in property operating expenses.

Distribution per unit ("DPU") rose 1.1% to 1.90 Singapore cents, which represents 100% of the distributable income for this quarter. Based on its annualised DPU of 7.71 Singapore cents and the closing price of S\$0.865 on 21 April 2010, First REIT achieved a distribution yield of 8.9%.

### **Books Closure and Distribution Payment**

The Books will close from 5pm on 3 May 2010 for the purpose of determining Unitholders' entitlement to the distribution. The distribution will be paid on 27 May 2010.

### **Business Prospects**

The demand for quality private healthcare services in the Asia Pacific region is picking up strongly as the global economy comes out of the 2008 financial crisis. Major driving factors include rising affluence, ageing populations and greater appreciation of quality healthcare services. This trend has also produced greater interest in the supply of and demand for premium healthcare assets.

Said Dr Ronnie Tan, Bowsprit's CEO, "With the financial markets recovering strongly, particularly in the Asia Pacific region, we are ready to continue with our acquisition plans and hope to be able to add to our existing portfolio of properties from 2H FY2010."

Bowsprit is continually seeking new investment opportunities to further increase rental income and in that way generate higher returns for Unitholders. On 25 March 2010, the Manager issued a letter to Unitholders advising that First REIT's investment policy would be expanded to include, 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.

Dr Ronnie Tan commented, “Expanding our investment policy makes good sense. The broader mandate will enable us to invest in a wider range of income-producing assets within the healthcare sector. The increased spread and diversity will enable us to improve the stability of returns to First REIT’s unitholders.”

“Looking ahead, we will continue to enhance and value-add to our existing assets in our effort to drive revenue and growth. We also look forward to more investment opportunities from our sponsor, Lippo Karawaci, which has a pipeline of healthcare assets in Indonesia. Some of these may prove to be suitable and yield-accretive acquisitions for First REIT.”

“China is another market that offers much potential. But presently it looks like any healthcare asset acquisition there will require more evaluation and restructuring work for it to be able to meet First REIT’s criteria” Dr Tan added.

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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 Indonesia and Singapore, 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, 8) Pacific Cancer Centre @ Adam Road.*

*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 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 Limited have substantial interest. The Lentor Residence is operated by First Lentor Residence Pte. Ltd. while Pacific Cancer Centre @ Adam Road 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.*

**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.