

1Q 2010 Financial Results

23 April 2010



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1. 1Q 2010 highlights
2. DPU & price comparison
3. Distribution details
4. Capital management
5. Portfolio highlights
6. Growth strategy



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Disclaimer

Investors are advised to read this presentation in conjunction with the 2010 First Quarter Unaudited Financial Statements & Distribution Announcement made by First REIT in SGXNET.

The value of units in First REIT (“Units”) and the income from them may fall as well as rise. 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.

This presentation may contain forward-looking statements that involve assumptions, risks and uncertainties based on the Manager’s current view of future events. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of risks, uncertainties and assumptions – representative examples include, without limitation, general economic and industry conditions, interest rate trends, cost of capital, capital availability, shifts in expected levels of property rental income, change in operating expenses, property expenses and government and public policy changes and continued availability of financing in the amounts and the terms necessary to support future business.

The past performance of First REIT is not necessarily indicative of the future performance of First REIT.



1Q 2010 key financial highlights

NPI

- 1Q 2010 NPI of S\$7.3 m
- 0.3% higher y-o-y

DPU

- 1Q 2010 DPU of 1.90 cents
- 1.1% higher y-o-y

Distributable Income

- 1Q 2010 distributable income at S\$5.2 m
- 1.3% higher y-o-y

Distribution Yield

- 8.9%
(based on closing price of S\$0.865 on 21 Apr 2010)

1Q 2010 review

Distribution yield at 8.9%

- ▶ NAV at 98.16¢ as at 31 Mar 2010

Revenue (including deferred rental) increased by 4.6% to S\$7.7 million

- ▶ Mainly due to higher rental income from Indonesia properties

Finance costs increased by 40.4% to S\$535,000

- ▶ Mainly due to the higher interest cost for the loan facility which was refinanced in June 2009

1Q 2010 financial summary

In S\$'000	1Q 2010	1Q 2009	Change
Gross Revenue	7,451	7,406	↑0.6%
Net Property Income	7,340	7,320	↑0.3%
Distributable Amount	5,248	5,183	↑1.3%
Distribution Per Unit			
• For the period	1.90	1.88	↑1.1%
• Annualised	7.71	*7.62	↑1.2%
Distribution Yield			
S\$0.865 per unit (Closing price as at 21 Apr 2010)	8.9%	**13.6%	↓34.6%

* Actual paid for FY 2009

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

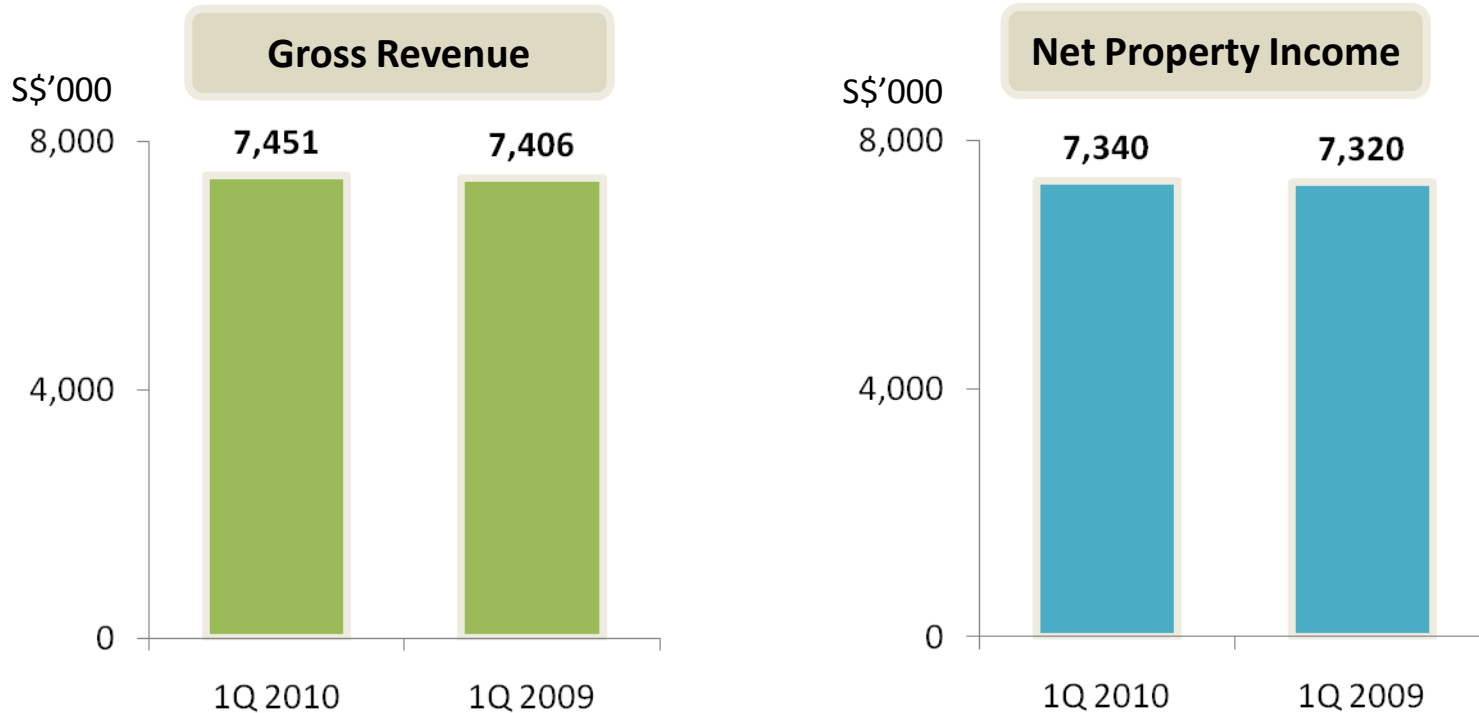
⚙ Gross revenue remained stable y-o-y

⚙ Based on 275,710,010 issued units as at 31 March 2010

Gross revenue & net property income

- **Steady rental structure:**

Fixed yearly rental increment for Singapore properties; base (2x percentage increase of Singapore CPI, capped at 2%) plus variable components (function of turnover growth) for Indonesia properties



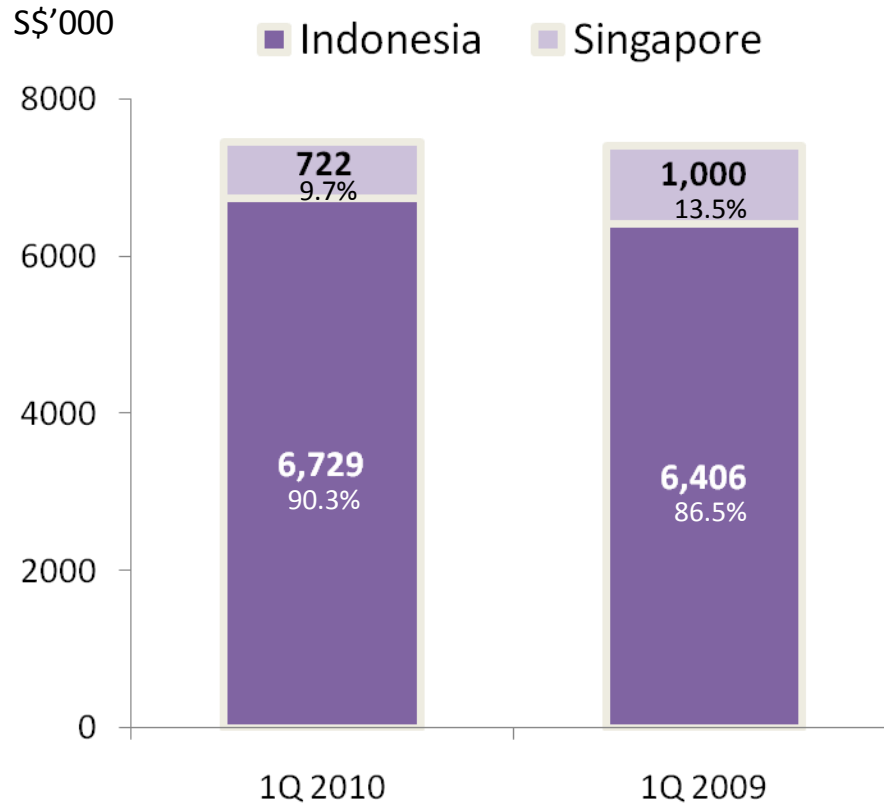
- ⚙ Gross revenue and NPI would have increased by 4.6% and 4.3% respectively if rental income from Pacific Cancer Centre @ Adam Road had been included

- ⚙ Long term leases denominated in Singapore dollars



Rental income: breakdown by geography

Proportion of Singapore revenue decreased slightly due to deferment of rental income from Pacific Cancer Centre @ Adam Road



- ⚙ Higher revenue to be generated from Indonesia:
 - ▶ First REIT to enjoy a variable rental growth component of 1.25% of total gross revenue of the four Indonesian assets in FY 2010, in addition to the annual escalation based on 2 times Singapore CPI (capped at 2%)

Corporate developments

Expanded investment policy

From 25 March 2010, First REIT will have a broader mandate to invest in a wide range of income-producing assets within the healthcare sector

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



⚙️ Enables First REIT to improve stability of returns to shareholders



Corporate developments

Continued focus on upgrades & asset enhancements

An ongoing effort to provide higher quality care and service

Singapore



- Comprehensive asset enhancement works underway for modern boutique cancer specialist hospital, Pacific Cancer Centre @ Adam Road since November 2009; completion targeted for mid-2011

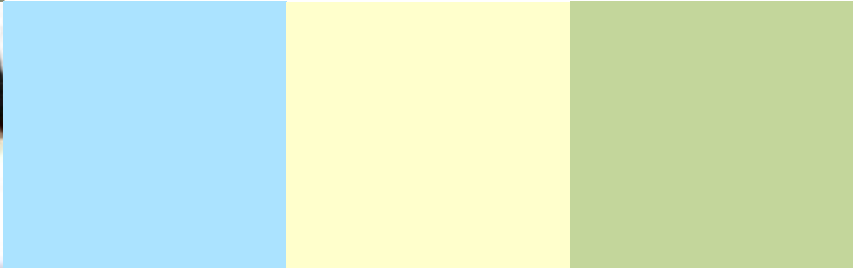
Indonesia



- Indonesian hospitals continue to show strong growth and higher occupancy, reflecting the continued demand for quality healthcare



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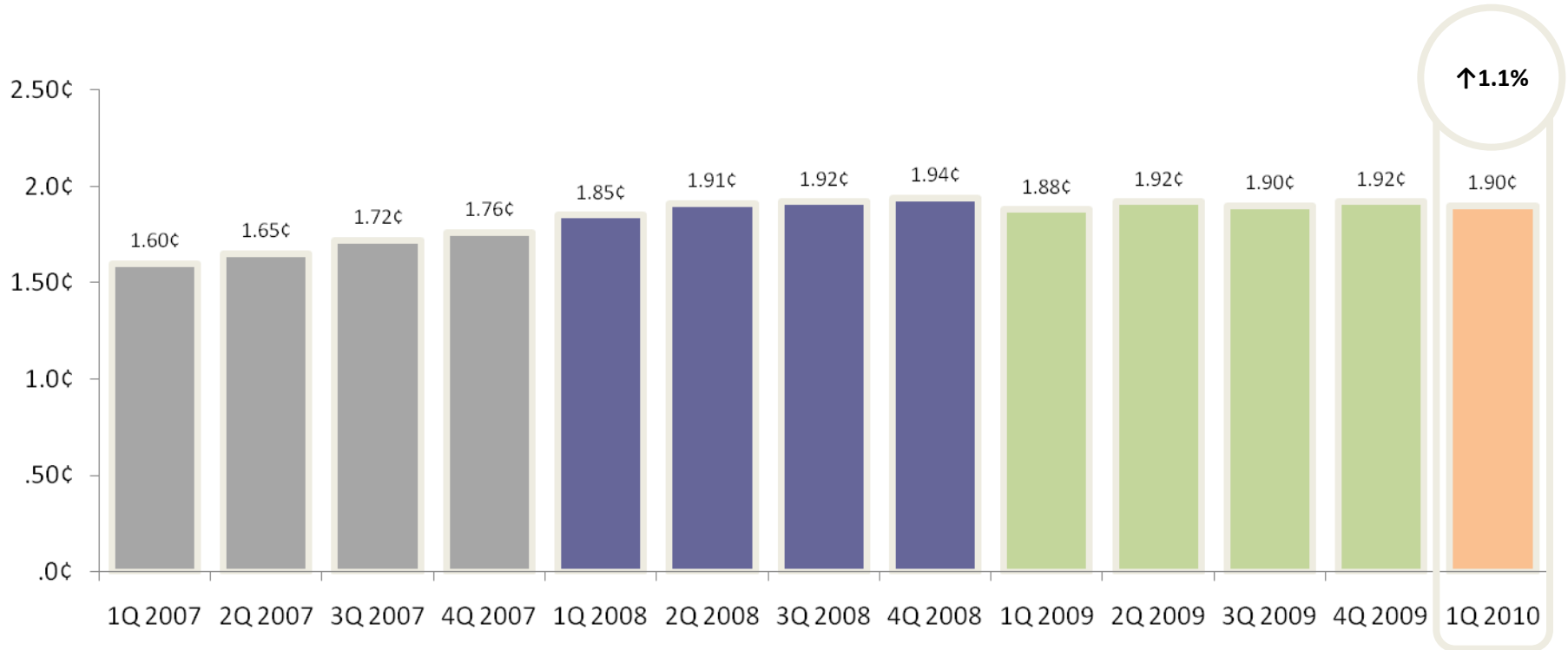


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Consistent DPU

Annualised DPU at 7.71 cents

Quarterly DPU breakdown



2007 2008 2009

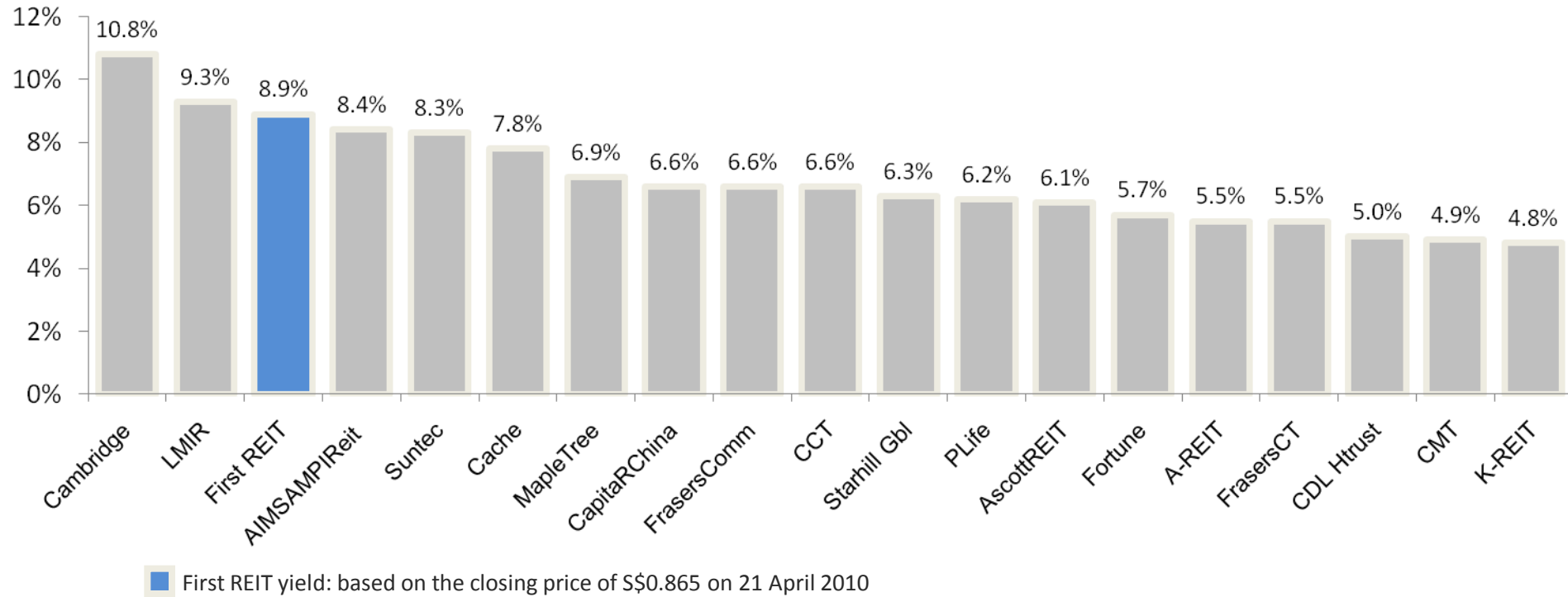
↑1.1%

1.90c

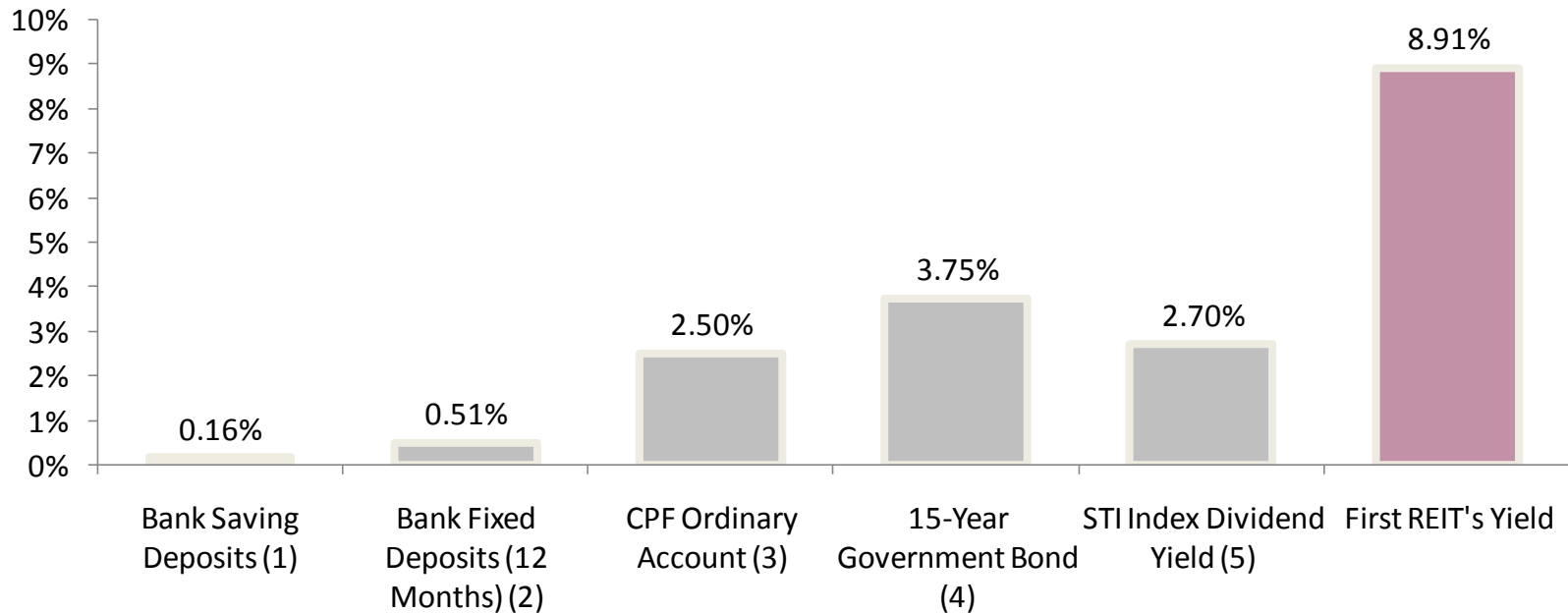
1Q 2010
vs
1Q 2009



Yield comparison



Attractive yield

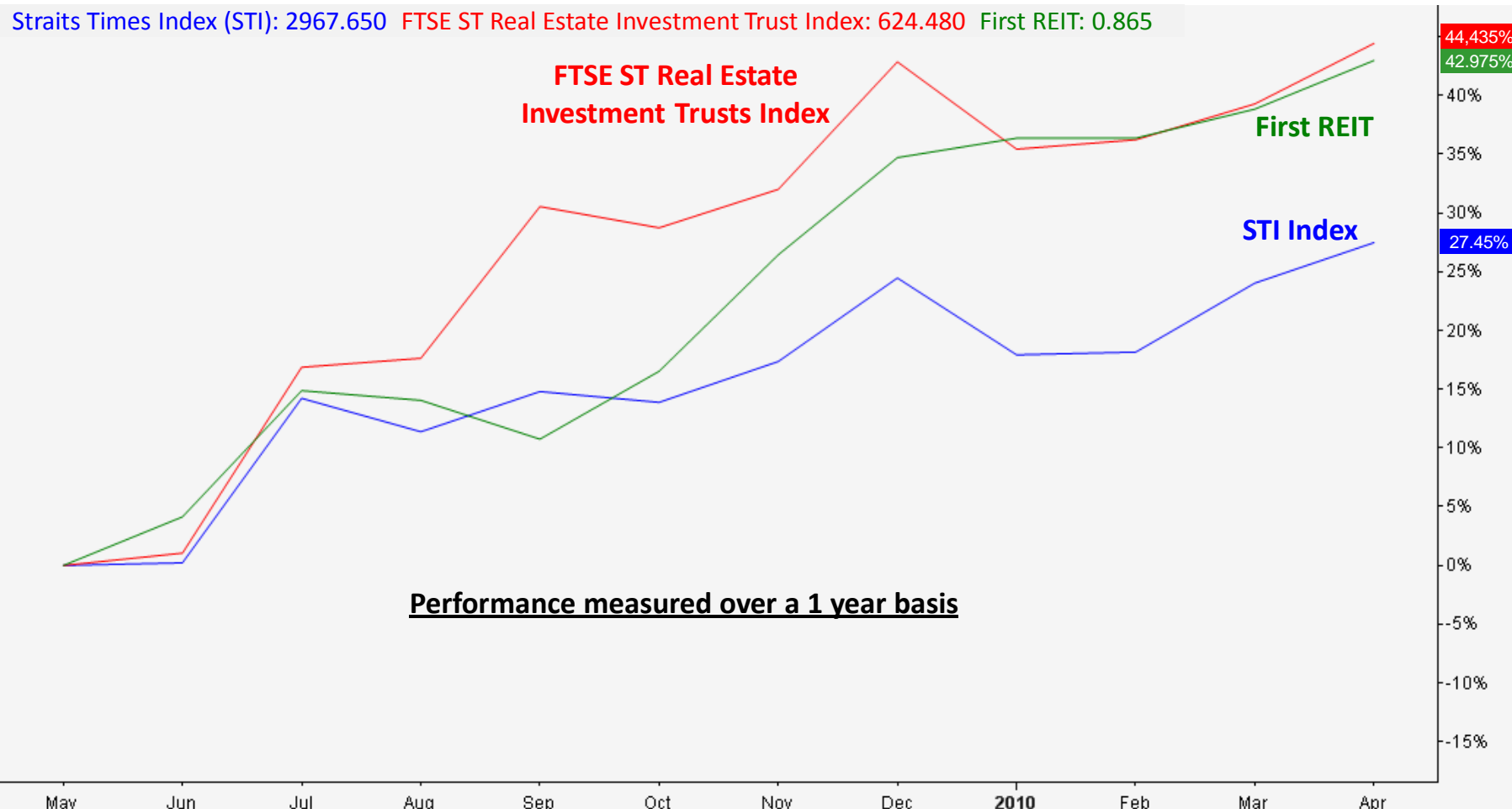


Note:

- (1) Interest rate for bank savings deposits as at 31 March 2010. Source: MAS website
- (2) Interest rate for bank fixed deposits (12 months) as at 31 March 2010. Source: MAS website
- (3) Interest paid on Central Provident Fund ordinary account for 1 Jan 2010 – 31 Mar 2010. Source: CPF website
- (4) Singapore Government Securities bond yield as at 31 March 2010. Source: MAS website
- (5) Based on Bloomberg data as at 21 April 2010
- (6) Based on the closing price of S\$0.865 on 21 April 2010 and annualised DPU of 7.71 Singapore cents



First REIT vs STI Index vs FTSE ST REIT Index





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Distribution details

Since listing in Dec 2006, First REIT has maintained a payout policy of 100% of distributable income

1 Jan 2010 -
31 Mar 2010

Distribution Per Unit	1.90¢
- Taxable	0.13¢
- Tax-Exempt	1.58¢
- Capital	0.19¢
Book Closure Date	3 May 2010
Distribution Payment Date	27 May 2010



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Healthy balance sheet

Working capital (current assets less current liabilities) remains robust

Assets

In S\$'000	As at 31 Mar 2010	As at 31 Dec 2009
Non-current	341,837	340,910
Current	13,761	13,742
Total	355,598	354,652
Non-current	74,620	73,380
Current	10,332	10,245
Total	84,952	83,625
Unitholders' Funds	270,646	271,027
NAV/unit	98.16	98.39¢

Liabilities

Low gearing

Conservative debt gearing at 15.7% vs regulatory limit of 35%

Borrowings are secured by property assets

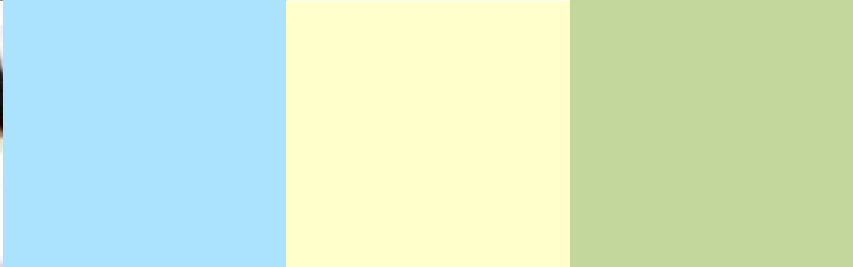
	As at 31 Mar 2010	As at 31 Dec 2009
Total Debt *	S\$53.8 million	S\$52.8 million
Interest Cover	12.1 times	13.5 times
Debt-to-Property	15.7%	15.5%

** before transaction costs*

- ⚙️ Cost of asset enhancement works for Pacific Cancer Centre @ Adam Road, estimated at S\$18.6 million, will be funded through debt
- ⚙️ Will raise First REIT's gearing from 15.7% as at 31 March 2010 to just below 20.0% upon completion – still significantly lower than regulatory limit



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Portfolio highlights



Indonesia

- 3 hospital properties with 537 beds
- 1 hotel / country club with 197 saleable rooms

- **15-year leases** with option to renew for 15 years
- Nearest date of renewal: Dec 2021

Singapore

- 3 nursing homes with 672 beds
- 1 new Cancer Centre to be completed by mid-2011

- **10-year leases** with option to renew for 10 years
- Nearest date of renewals: Apr 2017



Indonesia

	Siloam Hospitals Lippo Village	Siloam Hospitals Kebon Jeruk	Siloam Hospitals Surabaya	Imperial Aryaduta Hotel & Country Club
				
Type	Hospital	Hospital	Hospital	Hotel & Country Club
Land Area	17,442 sqm	11,420 sqm	6,862 sqm	54,410 sqm
Gross Floor Area ("GFA")	27,284 sqm	18,316 sqm	9,227 sqm	17,427 sqm
Purchase Price	S\$94.3 million	S\$50.6 million	S\$16.8 million	S\$21.2 million
Appraised Value¹	S\$146.8 million	S\$81.2 million	S\$27.4 million	S\$30.9 million
Annual Rental	S\$12,613,000	S\$7,149,000	S\$2,827,000	S\$3,467,000
No. of Beds / Saleable rooms	188 ²	192	157	197
No. of Staff	205 full time & part time doctors and 361 nurses & medical staff	212 specialist doctors and 314 nurses & medical staff	108 full time & part time doctors and 238 nurses & medical staff	--
Year of Building Completion	1995	1991	1977	1994
Centre of Excellence	Neuro-science centre, Heart centre	Urology centre, Orthopaedics	Fertility centre, Stroke centre	--
Lease Terms	15 years with option to renew for 15 years wef 11 Dec 2006	15 years with option to renew for 15 years wef 11 Dec 2006	15 years with option to renew for 15 years wef 11 Dec 2006	15 years with option to renew for 15 years wef 11 Dec 2006

- 1: Appraised by KJPP Hendra Gunawan & Rekan in association with Colliers International as at 26 December 2009
- 2: The full capacity of the hospital is 250 beds



Singapore

	Pacific Healthcare Nursing Home @ Bukit Merah	Pacific Healthcare Nursing Home II @ Bukit Panjang	The Lentor Residence	Pacific Cancer Centre @ Adam Road*
				
Type	Nursing Home	Nursing Home	Nursing Home	Hospital / Cancer Centre
Land Area	1,984 sqm	2,000 sqm	2,486 sqm	1,818 sqm
Gross Floor Area ("GFA")	3,593 sqm	3,563 sqm	2,983 sqm	-
Purchase Price	S\$11.8 million	S\$11.5 million	S\$12.8 million	-
Appraised Value¹	S\$11.4 million	S\$11.1 million	S\$12.5 million	S\$19.6 million
Annual Rental	S\$952,000	S\$928,000	S\$1,030,000	S\$1,196,000
No. of Beds	259	265	148	-
Year of Building Completion	2004	2006	1999	To be completed in mid-2011
Title	30 years leasehold from 22 Apr 2002	30 years leasehold from 14 May 2003	99 years leasehold from 20 Aug 1938	Freehold
Lease Terms	10 years with option to renew for 10 years wef 11 Apr 2007	10 years with option to renew for 10 years wef 11 Apr 2007	10 years with option to renew for 10 years wef 8 Jun 2007	New 10-year lease with option to renew for 10 years from date of completion

• 1: Appraised by CB Richard Ellis (Pte) Ltd as at 26 December 2009

* Formerly known as Adam Road Hospital, currently under redevelopment

Portfolio breakdown

Description	Country	Valuation (S\$m)				
		2006	2007	2008	2009	% (2009)
Siloam Hospitals Lippo Village	Indonesia	132.5	139.0	138.5	146.8	43%
Siloam Hospitals Kebon Jeruk	Indonesia	71.2	75.1	74.1	81.2	24%
Siloam Hospitals Surabaya	Indonesia	23.6	25.8	26.2	27.4	8%
Imperial Aryaduta Hotel & Country Club	Indonesia	29.8	31.8	32.2	30.9	9%
Subtotal		<u>257.1</u>	<u>271.7</u>	<u>271.0</u>	<u>286.3</u>	<u>84%</u>
Pacific Healthcare Nursing Home @ Bukit Merah	Singapore	-	12.0	12.0	11.4	3%
Pacific Healthcare Nursing Home II @ Bukit Panjang	Singapore	-	11.4	11.4	11.1	3%
The Lentor Residence	Singapore	-	13.0	13.0	12.5	4%
Pacific Cancer Centre @ Adam Road	Singapore	-	17.5	17.5	19.6	6%
Subtotal		-	<u>53.9</u>	<u>53.9</u>	<u>54.6</u>	<u>16%</u>
Grand Total		<u>257.1</u>	<u>325.6</u>	<u>324.9</u>	<u>340.9</u>	<u>100%</u>



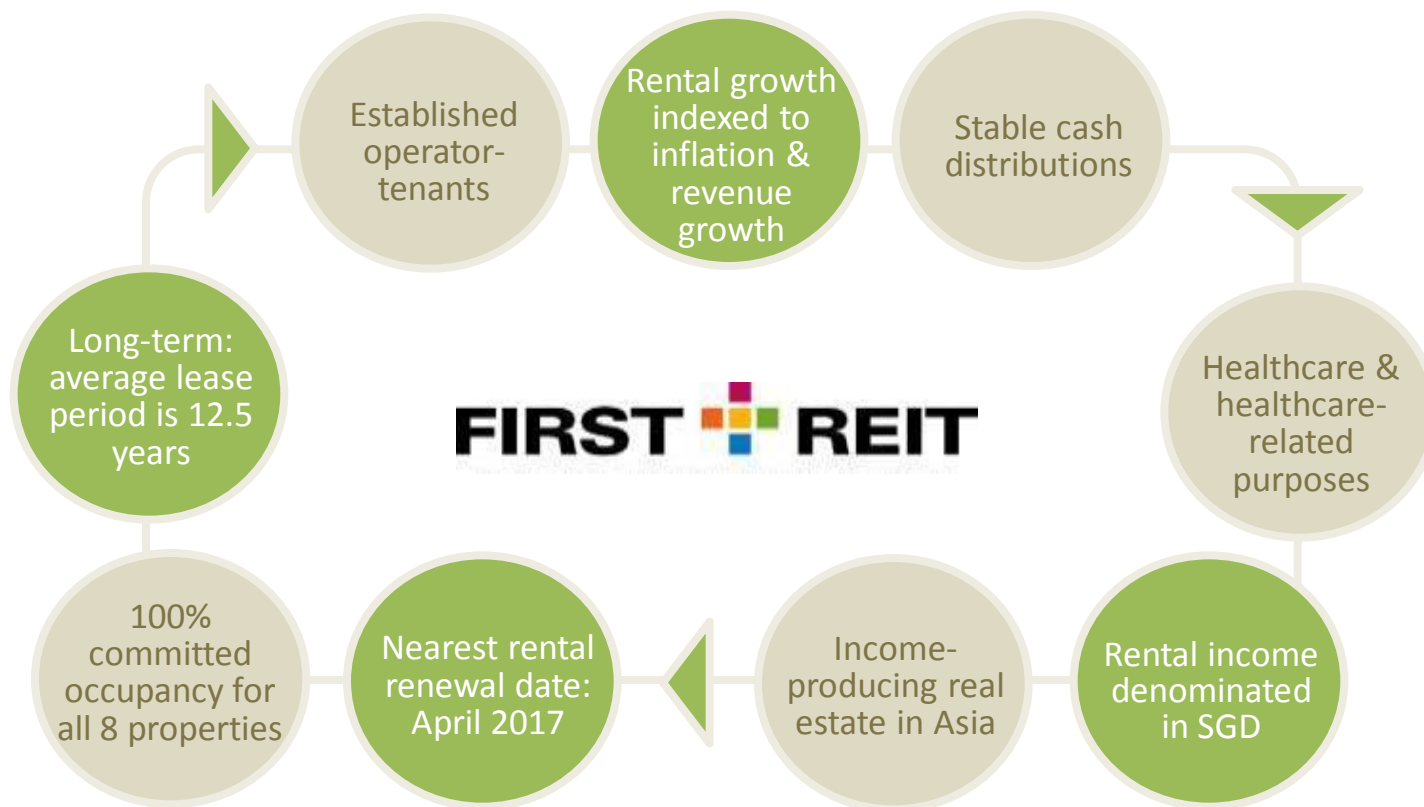


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Leverage resilient business model



Explore partnerships & acquisitions

Ready to continue with acquisition plans; hope to add to existing portfolio of properties from 2H FY2010



Pro-active
asset
enhancement/
management

Partnership with tenant-operator to identify value-adding initiatives and enhance competitive positioning

- ▶ Ongoing upgrades and improvements
- ▶ Plans for comprehensive asset enhancement works
- ▶ Plans for extension works



Exploring
acquisition
opportunities with
sponsor and third
parties

Exploring acquisition opportunities with sponsor, PT Lippo Karawaci Tbk

- ▶ First right of refusal for Siloam Hospital Semanggi (housing the Mochtar Riady Comprehensive Cancer Center), the Siloam Hospital Lippo Cikarang and future hospitals to be developed by the sponsor
- ▶ Will also look at other third parties to expand portfolio of yield accretive properties and raise overall asset base



Thank You



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