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First REIT's distributable income in 2Q rises to S\$5.3 million on the back of 4.6% rise in gross revenue

- *DPU maintained at 1.92 cents per unit*
- *Annualised DPU rose 1.0% to 7.70 cents translating to distribution yield of 8.7%*
- *Confident of acquiring yield-accretive healthcare asset by early FY 2011*

<i>(S\$'000)</i>	<i>2Q 2010</i>	<i>2Q 2009</i>	<i>Change (%)</i>	<i>1H 2010</i>	<i>1H 2009</i>	<i>Change (%)</i>
Gross Revenue	*7,845	7,498	4.6	*15,594	14,904	4.6
Net Property Income	*7,760	7,405	4.8	*15,398	14,725	4.6
Distributable Amount	5,301	5,282	0.4	10,549	10,465	0.8
Distribution Per Unit (cents)						
- For the period	1.92	1.92	-	3.82	3.80	0.5
- Annualised	7.70	**7.62	1.0	7.70	**7.62	1.0
Distribution Yield (%)						
- Based on closing price of S\$0.89 on 23 July 2010	8.7%	***11.3%	(23.0)	8.7%	***11.3%	(23.0)

* Includes deferred rental income of property under asset enhancement

** Actual paid for FY 2009

*** Based on closing price of S\$0.675 as at 21 Jul 2009

SINGAPORE – 26 July 2010 – First REIT continued to deliver stable rental income and distribution despite no new acquired properties under its portfolio. First REIT's Manager, **Bowsprit Capital Corporation Limited** ("Bowsprit") today reported a 0.4% improvement in its second-quarter ("2Q 2010") distributable income to S\$5.3 million for the period ended 30 June 2010.

Taking into account the deferred rental income from the Pacific Cancer Centre @ Adam Road which is currently under development, from April to June this year, First REIT's gross revenue grew by 4.6% to S\$7.8 million, due mainly to higher rental income from its Indonesia properties.

Net property income rose by 4.8% to S\$7.8 million as property operating expenses were lowered by 8.6% due to the write back of repair and maintenance, although higher property tax was incurred for The Lantor Residence.

Distribution per unit ("DPU") for the second quarter was maintained at 1.92 Singapore cents. Based on its annualised DPU of 7.70 Singapore cents and the closing price of S\$0.89 on 23 July 2010, First REIT achieved a distribution yield of 8.7%.

Books Closure and Distribution Payment

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

Business Prospects

Whilst economic uncertainties continued to prevail elsewhere, particularly in Europe, the Singapore economy, as with other economies in the Asia Pacific region continue to improve.

Dr Ronnie Tan, Bowsprit's CEO said, "As the Asian economies continue their recovery, we are continually enhancing our existing assets to drive revenue and growth. In Singapore, comprehensive asset enhancement works for the modern boutique cancer specialist hospital, Pacific Cancer Centre @ Adam Road which commenced in November 2009 are making good progress and on track for mid-2011 completion."

"In addition, we have just confirmed with our tenant on a new extension block to Lantor Residence costing some S\$4.5 million which is expected to commence soon."

Although First REIT has not made any acquisitions since 2008 due to the global economic recession and reflecting its prudent capital management strategy, it continues to deliver stable and sustainable rental income and distribution, underscoring the resilience of its trust structure.

But looking ahead, the Trust is confident of making a yield-accretive healthcare acquisition towards the later part of this year or early next year. “We have been actively considering acquisition opportunities that are available to us through our sponsor Lippo Karawaci who has a robust pipeline of healthcare assets in Indonesia, as well as other countries in the Asia Pacific. We are confident of raising our overall asset base by early FY 2011,” added Dr Tan.

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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.