



(Constituted in the Republic of Singapore pursuant to
A trust deed dated 19 October 2006)

ANNOUNCEMENT

UNDERWRITTEN RENOUNCEABLE RIGHTS ISSUE RESULTS OF THE RIGHTS ISSUE

1. RESULTS OF THE RIGHTS ISSUE

1.1 Level of Subscription

Bowsprit Capital Corporation Limited, in its capacity as manager of First Real Estate Investment Trust ("**First REIT**") and as manager of First REIT, the "**Manager**", wishes to announce that valid acceptances and excess applications for a total of 425,875,570 Right Units (as defined herein), representing approximately 123.2% of the total number of Rights Units available under the underwritten renounceable rights issue (the "**Rights Issue**") of 345,664,382 new units in First REIT ("**Rights Units**"), were received as at the close of the Rights Issue on 22 December 2010.

The valid acceptances received include the acceptance by PT Lippo Karawaci Tbk's ("**Lippo**") pro rata entitlement of 75,164,382 Rights Units representing approximately 21.74% of the total number of Rights Units under the Rights Issue.

Details of the valid acceptances and excess applications received are as follows:

	Number of Rights Units	% of Rights Issue
Valid acceptances	337,873,544	97.7%
Excess applications	88,002,026	25.5%
Total	425,875,570	123.2%

1.2 Allotment of Rights Units for Excess Rights Units Applications

The balance of 7,790,838 Rights Units which were not validly accepted will be allotted to satisfy excess applications. In such allotment, preference will be given for the rounding of odd lots. Lippo, the Subscribing Subsidiaries¹, other Substantial Unitholders², directors of the Manager (the "**Directors**") and their respective associates will rank last in priority.

¹ "**Subscribing Subsidiaries**" refer to the existing subsidiaries of Lippo (including Bowsprit Capital Corporation Limited) and/or new subsidiaries set up by Lippo to hold units in First REIT ("**Units**").

² "**Substantial Unitholders**" refer to unitholders with an interest in one or more Units constituting not less than 5.0% of all Units in issue.

2. ALLOTMENT OF RIGHTS UNITS

2.1 Allotment

Successful subscribers with securities accounts with The Central Depository (Pte) Limited (“**CDP**” and securities accounts with the CDP, the “**Securities Accounts**”), including those who have elected to receive their Rights Units in their respective CDP Securities Accounts, will receive via ordinary post, on or about 31 December 2010, a notification from CDP stating the number of Rights Units that have been credited to their respective Securities Accounts.

2.2 Refunds

When any acceptance of and/or excess application for Rights Units is invalid or unsuccessful, the amount paid on acceptance and/or application will be returned or refunded to such applicant without interest or any share of revenue or other benefit arising therefrom within 14 days after the Closing Date³, by any one or a combination of the following:

- (i) where the acceptance and/or application had been made through CDP, by means of a crossed cheque in Singapore currency drawn on a bank in Singapore by ordinary post, at his own risk, to his mailing address as maintained with CDP, or in such other manner as he may have agreed with CDP for the payment of any cash distributions; or
- (ii) where the acceptance and/or application had been made by way of electronic applications through ATMs, by means of crediting his bank account with the relevant Participating Bank at his own risk, the receipt by such Participating Bank being a good discharge by the Manager and CDP of their obligations.

2.3 The “Nil-paid” Rights of Ineligible Unitholders

A total of 1,391,250 Rights Units, which would otherwise have been provisionally allotted to unitholders of First REIT (“**Unitholders**”) other than Eligible Unitholders⁴ (“**Ineligible Unitholders**”), were sold “nil-paid” on the SGX-ST.

The net proceeds from such sales of the provisional allotments of Rights Units, which would otherwise have been allotted to Ineligible Unitholders, after deduction of all expenses therefrom, will be pooled and thereafter distributed to Ineligible Unitholders in proportion to their respective unitholdings held as at 5.00 p.m. on 3 December 2010 (the “**Rights Issue Books Closure Date**”) and sent to them at their own risk by ordinary post,

3 **“Closing Date”** refers to 22 December 2010 at (i) 5.00 p.m., being the last date and time for acceptance of and/or excess application and payment for the Rights Units under the Rights Issue through CDP; or (ii) 9.30 p.m., being the last date and time for acceptance of and/or excess application and payment for the Rights Units under the Rights Issue through an automated teller machine (“**ATM**”) of a Participating Bank. “**Participating Banks**” refers to DBS Bank Ltd. (including POSB), Oversea-Chinese Banking Corporation Limited and United Overseas Bank Limited and its subsidiary, Far Eastern Bank Limited and a “**Participating Bank**” refers to any one of them.

4 “**Eligible Unitholders**” refer to Unitholders with Units standing to the credit of their Securities Account (but do not include securities sub-accounts) and whose registered addresses with CDP are in Singapore as at the Rights Issue Books Closure Date (as defined herein) or who have, at least three Market Days prior to the Rights Issue Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents and such Unitholders who the Manager, on behalf of First REIT, and in consultation with Oversea-Chinese Banking Corporation Limited and Credit Suisse (Singapore) Limited, as joint lead managers and underwriters in relation to the Rights Issue (the “**Joint Lead Managers and Underwriters**”) determine, may be offered Rights Units without breaching applicable securities laws. “**Market Day**” refers to a day on which Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) is open for trading in securities.

without interest or any share of revenue or other benefit arising therefrom, provided that where the amount of net proceeds to be distributed to any single Ineligible Unitholder is less than S\$10.00, the Manager shall be entitled to retain or deal with such net proceeds as the Manager may, in its absolute discretion, deem fit for the sole benefit of First REIT and no Ineligible Unitholder shall have any claim whatsoever against the Manager, each of the Joint Lead Managers and Underwriters, or CDP in connection herewith.

3. ISSUE AND LISTING OF RIGHTS UNITS

3.1 Issue

The Manager expects that the Rights Units will be issued on or about 30 December 2010.

3.2 Listing and Quotation

The Manager further expects that the Rights Units will be listed and quoted on the Main Board of the SGX-ST with effect from 9.00 a.m. on 31 December 2010.

The Rights Units will, upon allotment and issue, rank *pari passu* in all respects with the existing Units in issue as at the date of issue of the Rights Units, including the right to any distributions which may accrue for the period from 1 October 2010 to 31 December 2010 as well as all distributions thereafter.

Unitholders who hold odd lots of Units (that is, lots other than board lots of 1,000 Units) and who wish to trade in odd lots are able to trade odd lots of Units on the SGX-ST's Unit Share Market.

The Manager wishes to take this opportunity to thank Unitholders for their support in ensuring the successful completion of the Rights Issue.

By Order of the Board

Dr Ronnie Tan Keh Poo
Chief Executive Officer
Bowsprit Capital Corporation Limited
(as manager of First Real Estate Investment Trust)
(Company registration no. 200607070D)

28 December 2010

Important Notice

The value of Units and the income derived from them may fall as well as rise. The 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. Investors have no right to request the Manager to redeem 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 document is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units. The past performance of First REIT is not necessarily indicative of the future performance of First REIT.

The offer information statement in relation to the Rights Issue (the "**Offer information Statement**") dated and lodged with the Monetary Authority of Singapore ("**MAS**") on 6 December 2010 may be accessed online at the website of the MAS at <www.mas.gov.sg>. The MAS assumes no responsibility for the contents of the Offer Information Statement. The availability of the Offer Information Statement on the MAS website does not imply that the Securities and Futures Act, Chapter 289 of Singapore, or any other legal or regulatory requirements, have been complied with. The MAS has not, in any way, considered the investment merits of First REIT. This announcement is qualified in its entirety by, and should be read in conjunction with the full text of the Offer Information Statement.

This document may contain forward-looking statements that involve 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 similar developments, shifts in expected levels of property rental income, changes in operating expenses (including employee wages, benefits and training costs), property expenses and governmental and public policy changes. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's view of future events.

Neither this document nor any copy or portion of it may be sent or taken, transmitted or distributed, directly or indirectly, into the United States of America. Nothing in this document constitutes an offer for securities for sale in the United States or any other jurisdiction where it is unlawful to do so. The Units have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or the securities law of any state of the United States and the Units may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state or local securities laws.