



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

ANNOUNCEMENT

COMPLETION OF ACQUISITIONS OF MOCHTAR RIADY COMPREHENSIVE CANCER CENTRE AND SILOAM HOSPITALS LIPPO CIKARANG

1. Completion of Acquisitions

Further to the announcements by 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**":

- (i) dated 29 November 2010 in relation to the approval of unitholders of First REIT ("**Unitholders**") of, among others:
 - (a) the acquisition of Mochtar Riady Comprehensive Cancer Centre, which is located at Jalan Garnisun Dalam RT. 010/001 Kelurahan Karet Semanggi, Kecamatan Setiabudi, South Jakarta, Indonesia ("**MRCCC**") and the acquisition of MRCCC, the "**MRCCC Acquisition**") and the master lease of MRCCC; and
 - (b) the acquisition of Siloam Hospitals Lippo Cikarang, which is located at Jalan Mohammad Husni Thamrin Kav.105, Lippo Cikarang, Bekasi 17550, Indonesia ("**SHLC**") and the acquisition of SHLC, the "**SHLC Acquisition**") and the master lease of SHLC; and
- (ii) dated 28 December 2010 in relation to the results of the underwritten renounceable rights issue (the "**Rights Issue**") of 345,664,382 units in First REIT,

the Manager is pleased to announce the completion of the acquisition of MRCCC on 30 December 2010, and the completion of the acquisition of SHLC on 31 December 2010 (collectively, the "**Acquisitions**").

With the completion of the Acquisitions, First REIT's portfolio has been enlarged and comprises 10 assets located in Indonesia and Singapore, valued in aggregate at approximately S\$612.8 million as at 31 December 2010.

2. Total Acquisition Costs

The costs of the Acquisitions are:

- (i) (in relation to MRCCC) approximately S\$174.6 million, comprising the MRCCC purchase consideration of S\$170.5 million, the acquisition fee in relation to the MRCCC Acquisition payable to the Manager under the trust deed dated 19 October 2006 constituting First REIT (as amended) (the "**Trust Deed**") as well as the professional and other fees and expenses in connection with the MRCCC Acquisition (the "**MRCCC Acquisition Cost**"); and

- (ii) (in relation to SHLC) approximately S\$35.9 million, comprising the SHLC purchase consideration of S\$35.0 million, the acquisition fee in relation to the SHLC Acquisition payable to the Manager under the Trust Deed as well as the professional and other fees and expenses in connection with the SHLC Acquisition (the “**SHLC Acquisition Cost**”).

3. Use of Rights Issue proceeds and debt financing

Out of the net proceeds of the Rights Issue of S\$167.3 million, S\$35.3 million has been used towards financing the SHLC Acquisition Cost and S\$121.7 million has been used towards part financing the MRCCC Acquisition Cost. The remainder of the MRCCC Acquisition Cost will be financed by way of a transferable term loan of up to S\$50.0 million for a term of four years from Oversea-Chinese Banking Corporation Limited.

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)

31 December 2010

Important Notice

The value of units in First REIT (“**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 Singapore Exchange Securities Trading Limited (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.

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.

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