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First REIT posts 3% jump in 4Q 2010 distributable income; kickstarts FY2011 with two new hospitals

- Number of units in issue has more than doubled to 622,195,888 with the listing of the new rights units on 31 December 2010
- Adjusted DPU (excluding the new rights units issued on 31 December 2010) is 1.96 cents, up 2%
- Newly acquired MRCCC and SHLC expected to raise distributable income by 89% to S$40.3 million in Projection Year 2011
- Market capitalisation almost doubled to S$438.6 million as at 31 December 2010, from S$224.5 million a year ago

(S$'000)	*4Q 2010*	*4Q 2009*	*Change*	*FY 2010*	*FY 2009*	*Change*
Gross Revenue	7,960*	7,667	3.8%	31,494*	30,162	4.4%
Net Property Income	7,870*	7,580	3.8%	31,095*	29,850	4.2%
Distributable Amount	5,434	5,284	2.8%	21,346	20,964	1.8%
Distribution Per Unit (cts)	0.87**	1.92	(54.7%)	6.63**	7.62	(13.0%)
Adjusted Distribution Per Unit (cts)	1.96***	1.92	2.1%	7.72	7.62	1.3%

* *Includes deferred rental income of property under asset enhancements*

** *Distribution per unit is lower for 4Q 2010 and FY ended 31 Dec 2010 due to the issuance of 345,664,382 Rights Units on 31 December 2010 in relation to the acquisition of Mochtar Riady Comprehensive Cancer Centre and Siloam Hospitals Lippo Cikarang. These new rights units are entitled to participate in the Q4 2010 distribution. If the new rights units issued on 31 December 2010 are excluded in the computation, the adjusted distribution per unit would have been 1.96 cents and 7.72 cents for 4Q 2010 and FY ended 31 Dec 2010 respectively.*

****For Unitholders who subscribed to the new rights units, the effective distribution per unit would be equivalent to 1.96 cents.*

SINGAPORE – 21 January 2010 – Bowsprit Capital Corporation Limited ("Bowsprit"), the **Manager** of **First Real Estate Investment Trust** ("**First REIT**" or the "**Trust**")**,** Singapore's first healthcare real estate investment trust, today posted a 3% growth in distributable income for the fourth quarter ended 31 December 2010 ("4Q 2010").

Excluding the 345,664,382 new rights units issued on 31 December 2010, distribution per unit ("DPU") increased 2.1% to 1.96 cents. Including the new rights units, First REIT's total number of units in issue has more than doubled to 622,195,888, resulting in a DPU of 0.87 cents in 4Q 2010.

Including the deferred rental income of S$0.3 million from Pacific Cancer Centre @ Adam Road, which is currently under development, gross revenue increased 3.8% to S$8.0 million while net property income rose 3.8% to S$7.9 million.

Books Closure and Distribution Payment

The Books will close from 5pm on 31 January 2011 for the purpose of determining Unitholders' entitlement to the distribution. The distribution will be paid on 28 February 2011. The ex-dividend date will be on 27 January 2011 at 9.00am.

Higher distribution income in Projection Year 2011

First REIT completed the acquisitions of The Mochtar Riady Comprehensive Cancer Centre ("**MRCCC**") and Siloam Hospitals Lippo Cikarang ("**SHLC**") on 30 December and 31 December 2010 respectively, and almost doubled its asset base from S$355.5 million to S$612.8 million.

On the enlarged portfolio, the Manager had expected distributable income for Projection Year 2011 to increase by 89% to S$40.3 million, which would have translated to a DPU of 6.4 cents. Based on a theoretical ex-rights price of S$0.70 (as per the Circular to unitholders dated 10 November 2010), this would have translated to a dividend yield of 9.14%. However, on the closing unit price of S$0.765 as at 19 January 2011, the projected DPU of 6.4 cents will produce a dividend yield of 8.37%.

Going forward, First REIT's long-term master leases of minimum 10 years and built-in step-up rental features in its 10 properties will continue to provide stable returns to unitholders.

Stronger balance sheet to support First REIT's acquisition strategy

The two new assets and the completion of the rights issue have strengthened First REIT's balance sheet. Based on Projection Year 2011, the gearing level is estimated to be about 17%, which is significantly lower than the regulatory limit of 35%. This gives the Trust sufficient headroom for future accretive acquisitions and funding if the need arises.

"We are in a good stead because we are now a stronger REIT to pursue future acquisitions. We have significantly raised our asset base and our current market capitalization has almost doubled to over S$400 million after the successful rights issue," said Dr Ronnie Tan, Bowsprit's Chief Executive Officer.

Dr Tan added, "The healthcare market in Asia, particularly Indonesia, is underserved and has good growth potential. Coupled with a stable economic outlook, we expect our acquisition growth to gain momentum. We will continue to look for quality healthcare-related assets in Asia. Our objective is to raise our asset base to S$1 billion in the next two to three years. Our acquisition pipeline is strong as we have the right of first refusal to acquire new healthcare properties from our sponsor, Lippo Karawaci, which has plans to grow its healthcare business by having 25 hospitals in the next 5 years."

Asset Enhancements

First REIT will add a new extension block to Lentor Residence, estimated to cost about S$5 million. This enhancement is expected to commence after it receives the necessary regulatory approvals.

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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 a total of ten properties (the "**Existing Portfolio**") with six properties located in Indonesia, namely **1) Siloam Hospitals Lippo Village, 2) Siloam Hospitals Kebon Jeruk, 3) Siloam Hospitals Surabaya, 4) Imperial Aryaduta Hotel & Country Club, 5) Mochtar Riady Comprehensive Cancer Centre,** and **6) Siloam Hospitals Lippo Cikarang** and four properties located in Singapore, namely **1) Pacific Healthcare Nursing Home @ Bukit Merah, 2) Pacific Healthcare Nursing Home II @ Bukit Panjang, 3) The Lentor Residence** and **4) Proposed 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 leased to Pacific Healthcare Nursing Home Pte. Ltd. and Pacific Eldercare and Nursing Pte. Ltd. respectively. Both lessees are companies related to Pacific Healthcare Holdings Limited. The Lentor Residence is leased to First Lentor Residence Pte. Ltd. while the proposed Pacific Cancer Centre @ Adam Road is leased to Health Promise Pte. Ltd.

Through First REIT, investors can participate in an asset class that has a focus on Asia's growing healthcare sector, which is boosted by an increase in life expectancy in Indonesia and the rest of Southeast Asia.