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CONTACT INFORMATION

August Consulting

Tel: (65) 6733 8873 Fax: (65) 6733 9913

HO See Kim, seekim@august.com.sg

FOO Yiting, yiting@august.com.sg

First REIT

Tel: (65) 6435 0168 Fax: (65) 6435 0167

Victor TAN, victortan@first-reit.com

First REIT posts 23.1% rise in 2Q 2012 distributable income to S\$12.2 million

- 2Q 2012 DPU grows 22.2% to 1.93 Singapore cents per unit
- Distribution yield of 7.4% based on annualised DPU of 7.07 cents (includes other gain)
- Funding in place for new acquisitions up to S\$118m

<i>(\$'000)</i>	<i>2Q 2012</i>	<i>2Q 2011</i>	<i>Change</i>	<i>1H 2012</i>	<i>1H 2011</i>	<i>Change</i>
Gross Revenue	14,033	13,223	6.1%	28,042	26,403	6.2%
Net Property Income	13,903	13,103	6.1%	27,770	26,189	6.0%
Distributable Amount	12,172	9,886	23.1%	24,310	19,781	22.9%
Distribution per unit (cts)	1.93	1.58	22.2%	3.86	3.16	22.2%
Annualised Distribution per unit (cts) (Excludes other gain)	6.39	6.33	0.9%	6.39	6.33	0.9%
Annualised Distribution per unit (cts) (Includes other gain)	7.07	7.01 ¹	0.9%	7.07	7.01 ¹	0.9%

¹ Actual paid for FY 2011 and this included the other gain distribution. The other gain distribution paid is a portion of the total gain on divestment of Adam Road property.

- The other distribution to be paid for 2Q 2012 will be the final payment resulting from the total gain on divestment of the Adam Road property.

SINGAPORE – 24 July 2012 – 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 with properties in Indonesia, Singapore and South Korea, today reported a 23.1% rise in its distributable income to S\$12.2 million for the second quarter ended 30 June 2012 (“2Q 2012”).

Gross revenue grew 6.1% to S\$14.0 million during the period, mainly due to contribution from Sarang Hospital in South Korea which was acquired in August 2011, as well as higher rental income from the rest of the properties.

First REIT's distribution per unit ("DPU") increased 22.2% to 1.93 cents while annualised DPU (including other gains) was also slightly higher at 7.07 cents. Based on the closing price of S\$0.96 on 23 July 2012, First REIT registered a distribution yield of 7.4%.

On a half-year basis, the Trust posted a 22.9% growth in distributable income of S\$24.3 million on the back of a 6.2% increase in gross revenue to S\$28.0 million.

Books Closure and Distribution Payment

First REIT's Books Closure and Distribution Payment dates are 1 August 2012 and 29 August 2012 respectively. The ex-dividend date will be on 30 July 2012 at 9.00 am.

Outlook

Despite slower growth in the Asia region as a result of continuing weakness and uncertainty in the wider global economic environment, Indonesia's economy remains robust. Fitch Ratings has raised Indonesia's investment grade status up one notch to BBB-minus and Moody's has raised its foreign and local-currency ratings up to Ba1. Indonesia's foreign direct investments continue to be growing strongly on the back of strong domestic demand and commodity exports.

Dr Ronnie Tan, Bowsprit's Chief Executive Officer, said: "The Indonesian healthcare market continues to hold attractive prospects for First REIT, driven largely by the country's rapidly-growing middle class segment. The resultant increasing need for more quality healthcare facilities will continue to propel the growth of the Indonesian healthcare industry."

First REIT will continue to focus on Indonesia in view of the growth prospects for healthcare which will present strong opportunities for its sponsor Lippo Karawaci. Since First REIT has a right-of-first-refusal on its sponsor, the Trust will in turn have a steady and strong pipeline of healthcare assets available for acquisition. First REIT has been conducting feasibility studies on a number of properties belonging to its sponsor in recent months.

In Singapore, the government remains strongly committed to providing quality palliative, tertiary and long-term care. Singapore's ageing population as well as the shortage of beds in hospitals and nursing

homes will continue to provide opportunities for First REIT. The Trust is also looking forward to the completion of its new 5-storey extension block for The Lantor Residence as part of asset enhancement for its properties later this year.

First REIT has a low debt-to-property valuation ratio of 15.9%, which is significantly below the regulatory limit of 35%, giving First REIT sufficient means to acquire more yield-accretive, quality assets in Asia to further expand its asset base.

No further refinancing needs until 2015

In May 2012, the Trust also secured a S\$168 million Transferrable Term Loan Facility (“TLF”) from Oversea-Chinese Banking Corporation Limited (“OCBC”) through its trustee, HSBC Institutional Trust Services (Singapore) Limited. Of the four-year S\$168 million TLF, which will be available in Singapore Dollars and US Dollars, approximately S\$50 million will be used to refinance First REIT’s outstanding loans with OCBC, with the remaining S\$118 million to be used to finance any future acquisitions. With this, First REIT will not have any short-term refinancing needs until 2015.

“With this term loan facility and our ample headroom for further acquisitions, we will continue to look for new yield-accretive acquisitions for our portfolio with a view to raise our portfolio size to at least S\$1 billion in the short to medium term,” said Dr Tan.

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About First REIT

First Real Estate Investment Trust (“First REIT”) is a real estate investment trust constituted by the Trust Deed entered into on 19 October 2006 between Bowsprit Capital Corporation Limited as the Manager and HSBC Institutional Trust Services (Singapore) Limited as the Trustee. First REIT was listed on the Singapore Exchange Securities Trading Limited on 11 December 2006.

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 ten properties located in Indonesia, Singapore and South Korea, 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, 6) Siloam Hospitals Lippo Cikarang, 7) Pacific Healthcare Nursing Home @ Bukit Merah, 8) Pacific Healthcare Nursing Home II @ Bukit Panjang, 9) The Lentor Residence and 10) Sarang Hospital.

Its Indonesian assets are operated by Siloam Hospitals Group, a division of PT Lippo Karawaci Tbk., a strong brand name in 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. The Lentor Residence is operated by First Lentor Residence Pte. Ltd. Sarang Hospital in South Korea is managed by a private doctor.

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 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 of First REIT 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.