

CLSA ASEAN Access Day

20 – 21 June 2013

FIRST REIT
FIRST REAL ESTATE INVESTMENT TRUST



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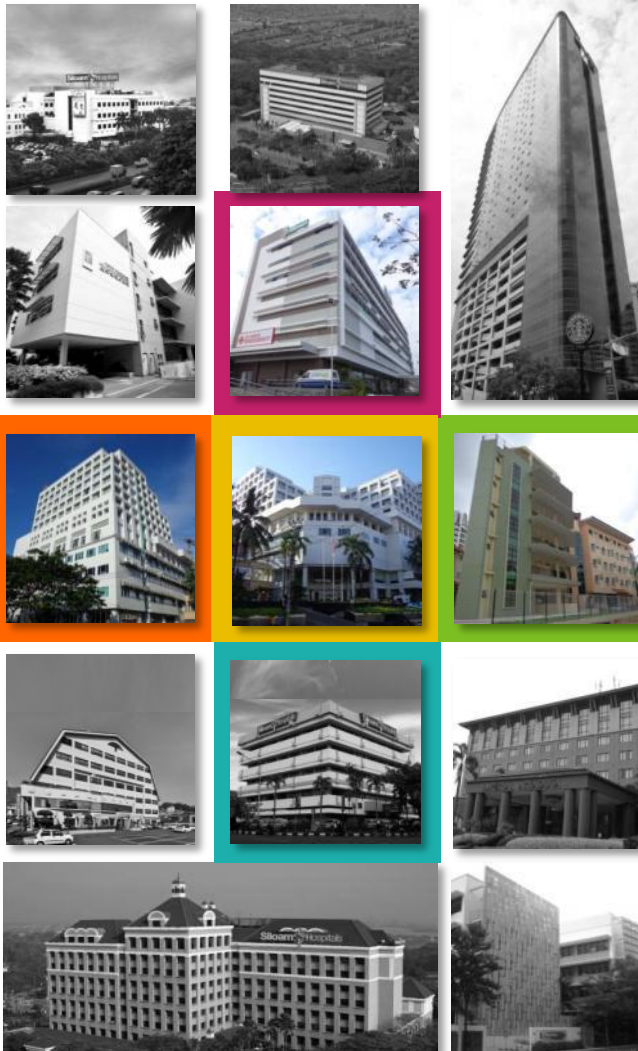
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The past performance of First REIT is not necessarily indicative of the future performance of First REIT.



1 Overview of First REIT

2 Financial Highlights

3 Growth Prospects

Key highlights of 2013

Resilient trust structure continues to provide stable returns and healthy dividend yield

- ▶ First REIT now has **14 properties** across Indonesia, Singapore & South Korea with assets worth S\$1,018.3 million, covering total GFA of 227,375 sqm, and 3,660 beds/sellable rooms
- ▶ **Completed the acquisition of 2 new properties in Indonesia in May 2013**, Siloam Hospitals Bali (“SHBL”) with purchase price of S\$97.3 million and Siloam Hospitals TB Simatupang (“SHTS”) with purchase price of S\$93.1 million
- ▶ **Asset enhancement of existing Lentor Residence** property completed in February 2013
- ▶ **Extension of lease term for a further 10 years** for Pacific Healthcare Nursing Home @ Bukit Merah and Pacific Healthcare Nursing Home II @ Bukit Panjang, with the new lease expiring on 11 April 2017
- ▶ **Gross revenue in 1Q 2013 increased 25.0%** y-o-y to S\$17.5 million and **net property income rose 23.4%** to S\$17.1 million
- ▶ **1Q 2013 DPU gained 9.4%** to 1.74 cents, whilst annualised DPU of 7.06 cents translates to distribution yield of 5.9%*

* Based on closing price of S\$1.20 on 17 June 2013

First REIT at a glance

1

Well-defined Acquisition Strategy

Distinct growth strategy by acquiring yield-accretive properties in the healthcare and healthcare-related industry which fulfils its investment criteria

2

Asset Size and Class

- 14 assets: S\$1,018.3 million (as at 22 May 2013)¹
- Indonesia: 8 hospitals, 1 integrated hotel & hospital and 1 hotel & country club
- Singapore: 3 nursing homes
- South Korea: 1 hospital

3

Resilient Healthcare-Related Real Estate Investment Trust in Singapore

Mandated to invest in quality, income-producing healthcare and/or healthcare-related real estate assets in Asia

4

Leasing Tenancy Arrangement

Long lease terms of minimum 10 years up to 15 years with step up escalation

5

Financing Arrangement

- Term loan with banks
 - S\$260 million
- 4.125% p.a. Fixed Rate Notes under the MTN Programme
 - S\$100 million

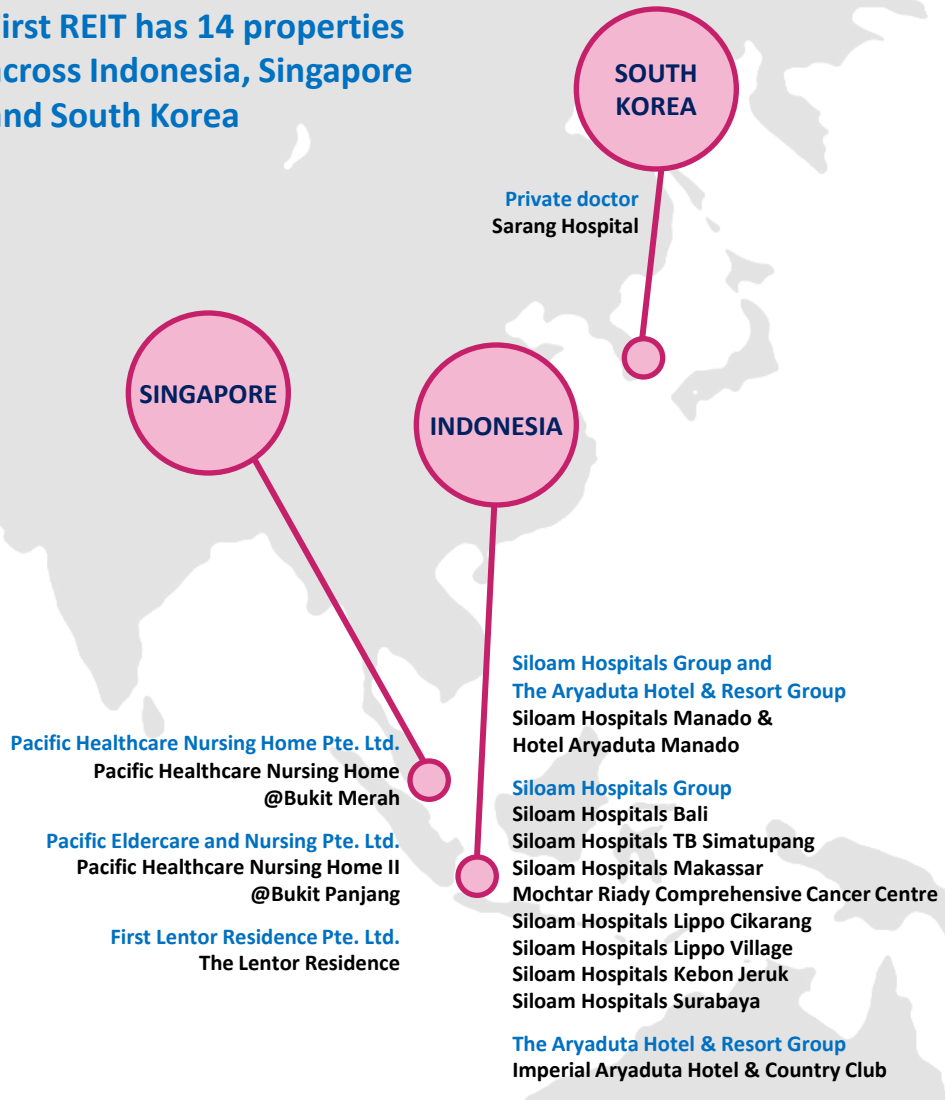
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Institutional vs Retail Investors

- Retail ≈30%
- Institutional ≈70%
- Estimated number of Unitholders ≈ 7,000 + (as at March 2013)
- Total number of Units: 704,098,185

Current portfolio: 14 properties across 3 regions

First REIT has 14 properties across Indonesia, Singapore and South Korea



S\$1,018.3 m¹

Total Assets-Under-Management

227,375 sqm¹

Total GFA of Properties

3,660¹

Maximum number of beds/ saleable rooms

2017

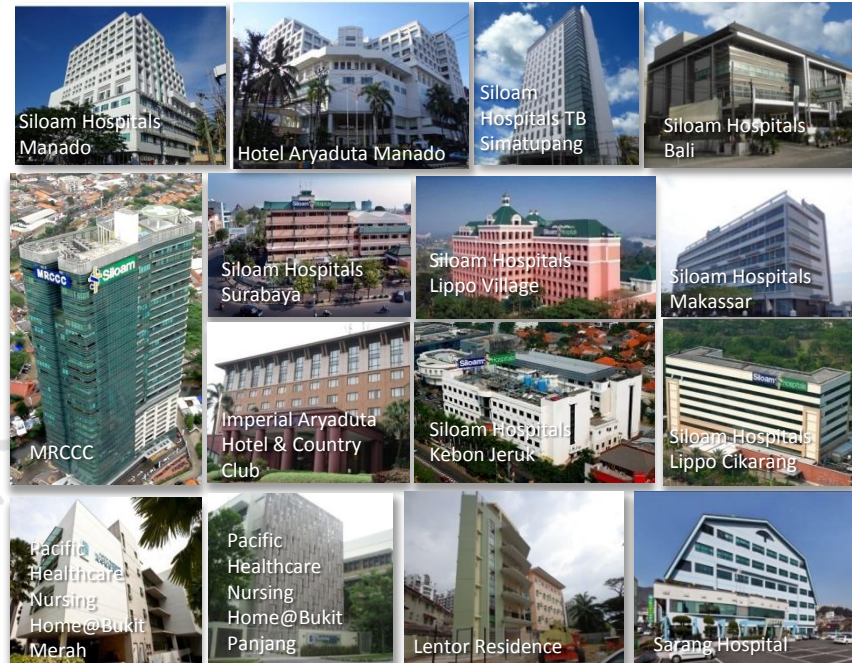
Nearest date of rental renewals

100%

Total Committed Occupancy

10 – 15 years

Long lease terms with step up escalation



Portfolio valuation since IPO

Property	Valuation since IPO (S\$m)								
	2006	2007	2008	2009	2010	2011	2012	May 2013 ¹	%
Indonesia									
Siloam Hospitals Lippo Village	132.5	139.0	138.5	146.8	147.3	153.8	158.1	158.1	15.5%
Siloam Hospitals Kebon Jeruk	71.2	75.1	74.1	81.2	82.0	85.9	88.4	88.4	8.7%
Siloam Hospitals Surabaya	23.6	25.8	26.2	27.4	29.7	30.9	31.7	31.7	3.1%
Imperial Aryaduta Hotel & Country Club	29.8	31.8	32.2	30.9	34.1	35.5	36.4	36.4	3.6%
Mochtar Riady Comprehensive Cancer Centre	-	-	-	-	216.0	217.5	223.3	223.3	21.9%
Siloam Hospitals Lippo Cikarang	-	-	-	-	41.3	41.3	42.9	42.9	4.2%
Siloam Hospitals Manado & Hotel Aryaduta Manado	-	-	-	-	-	-	96.5	96.5	9.5%
Siloam Hospitals Makassar	-	-	-	-	-	-	66.8	66.8	6.6%
Siloam Hospitals Bali	-	-	-	-	-	-	-	113.0	11.1%
Siloam Hospitals TB Simatupang	-	-	-	-	-	-	-	108.4	10.6%
<i>Subtotal</i>	<u>257.1</u>	<u>271.7</u>	<u>271.0</u>	<u>286.3</u>	<u>550.4</u>	<u>564.9</u>	<u>744.1</u>	<u>965.5</u>	<u>94.8%</u>
Singapore									
Pacific Healthcare Nursing Home @ Bukit Merah	-	12.6	12.0	11.4	11.1	11.0	10.8	10.8	1.1%
Pacific Healthcare Nursing Home II @ Bukit Panjang	-	11.5	11.4	11.1	11.0	11.0	10.7	10.7	1.1%
The Lentor Residence	-	13.1	13.0	12.5	12.1	14.0	16.8	16.8	1.6%
<i>Subtotal</i>	-	<u>37.2</u>	<u>36.4</u>	<u>35.0</u>	<u>34.2</u>	<u>36.0</u>	<u>38.3</u>	<u>38.3</u>	<u>3.8%</u>
South Korea									
Sarang Hospital	-	-	-	-	-	17.1 ²	14.3 ³	14.3 ³	<u>1.4%</u>
Grand Total	<u>257.1</u>	<u>308.9</u>	<u>307.4</u>	<u>321.3</u>	<u>584.6</u>	<u>618.0</u>	<u>796.7</u>	<u>1,018.1</u>	100%

¹ Based on FY2012 valuations, except for SHBL & SHTS which were appraised as at 26 February 2013

² Based on the exchange rate of US\$1=S\$1.2940 as at 28 December 2011

³ Based on the exchange rate of US\$1=S\$1.2224 as at 31 December 2012

Lease structures ensure consistent returns

Stable, long-term master leases: 10 – 15 years per property

Indonesia and Singapore properties' rental: **SGD**

- Forex volatility is mitigated by pegging base rent to SGD

South Korea property rental: **USD**

Resilient rental structure in place

Indonesia

- Fixed base rental
- **Annual base rental escalation** (2x percentage increase of Singapore CPI, capped at 2%)
- Additional **variable rental growth component** as a function of total gross revenue of Indonesian assets

Singapore | South Korea

- Fixed base rental
- **Annual increment** of 2%

Triple-Net Leases

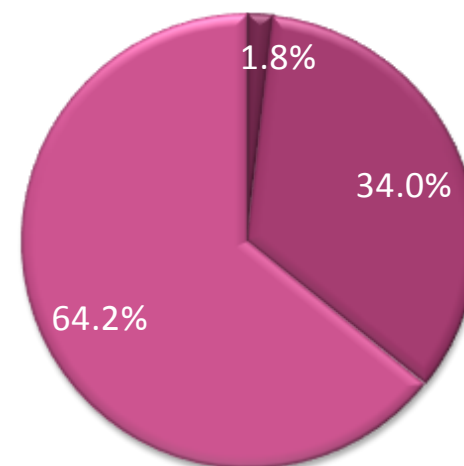
During the term of each of the Master Lease Agreements, the Master Lessee will bear all operating costs relating to the Properties, including:-

- ▶ **Maintenance**
- ▶ **Certain taxes**
- ▶ **Insurance**

Earliest rental renewals in 2017

Master Lease	Expiry
The Lantor Residence	Jun 2017
Sarang Hospital	Aug 2021
Siloam Hospitals Lippo Village	Dec 2021
Siloam Hospitals Kebon Jeruk	Dec 2021
Siloam Hospitals Surabaya	Dec 2021
Imperial Aryaduta Hotel & Country Club	Dec 2021
Mochtar Riady Comprehensive Cancer Centre	Dec 2025
Siloam Hospitals Lippo Cikarang	Dec 2025
Pacific Healthcare Nursing Home @ Bukit Merah	Apr 2027
Pacific Healthcare Nursing Home II @ Bukit Panjang	Apr 2027
Siloam Hospitals Manado & Hotel Aryaduta Manado	Nov 2027
Siloam Hospitals Makassar	Nov 2027
Siloam Hospitals Bali	May 2028
Siloam Hospitals TB Simatupang	May 2028

Lease expiry profile as % of GFA



- Next 3 - 5 years
- Within 10 years
- More than 10 years



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Key financial highlights (S\$'000)

Acquired 6 new hospitals + 1 new integrated hospital & hotel in the last 3 years

Indonesia: Dec 2010

- MRCCC
- SHLC

Singapore: Mar 2011

- Divestment of Adam Road property

South Korea: Aug 2011

- Sarang Hospital

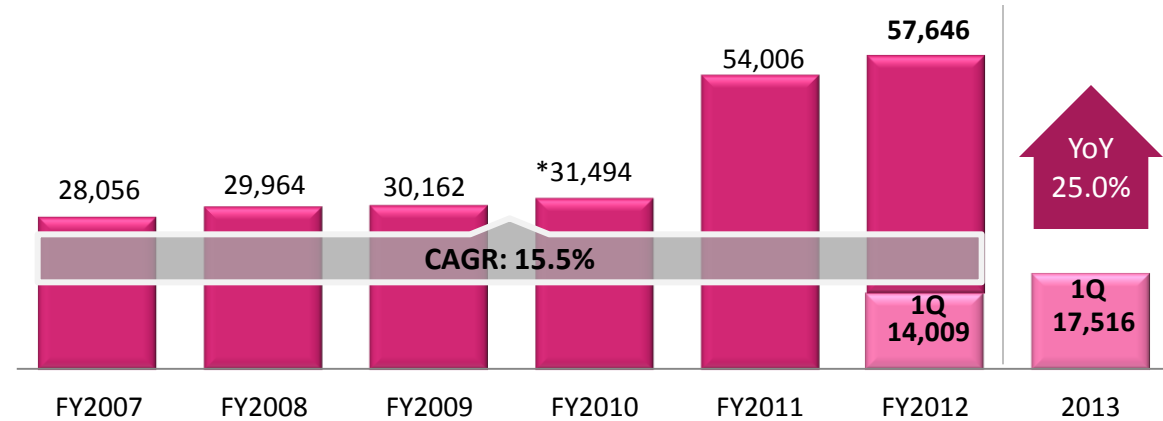
Indonesia: Nov 2012

- MD Property
- SHMK

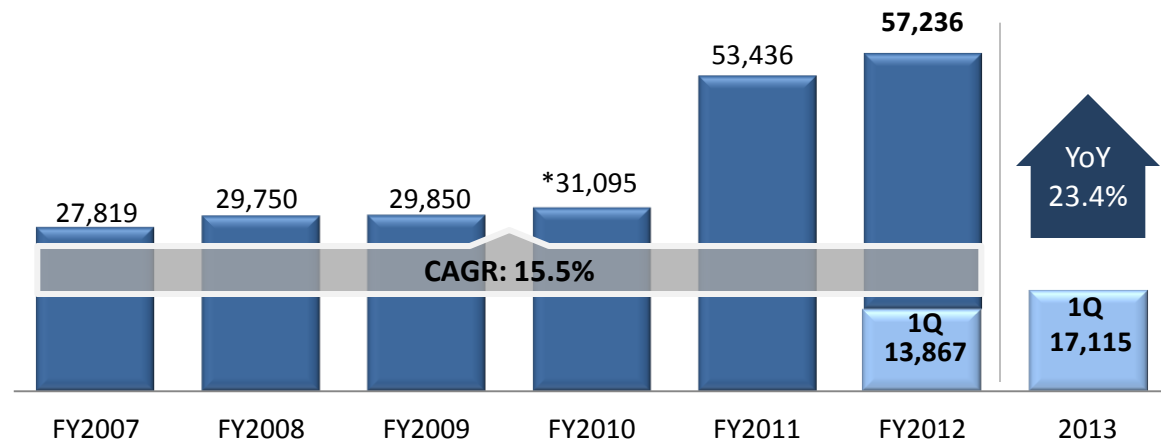
Indonesia: May 2013

- SHBL
- SHTS

Gross Revenue



Net Property Income



*Includes deferred rental income from Adam Road property as at 31 December 2010, which was divested on 25 March 2011

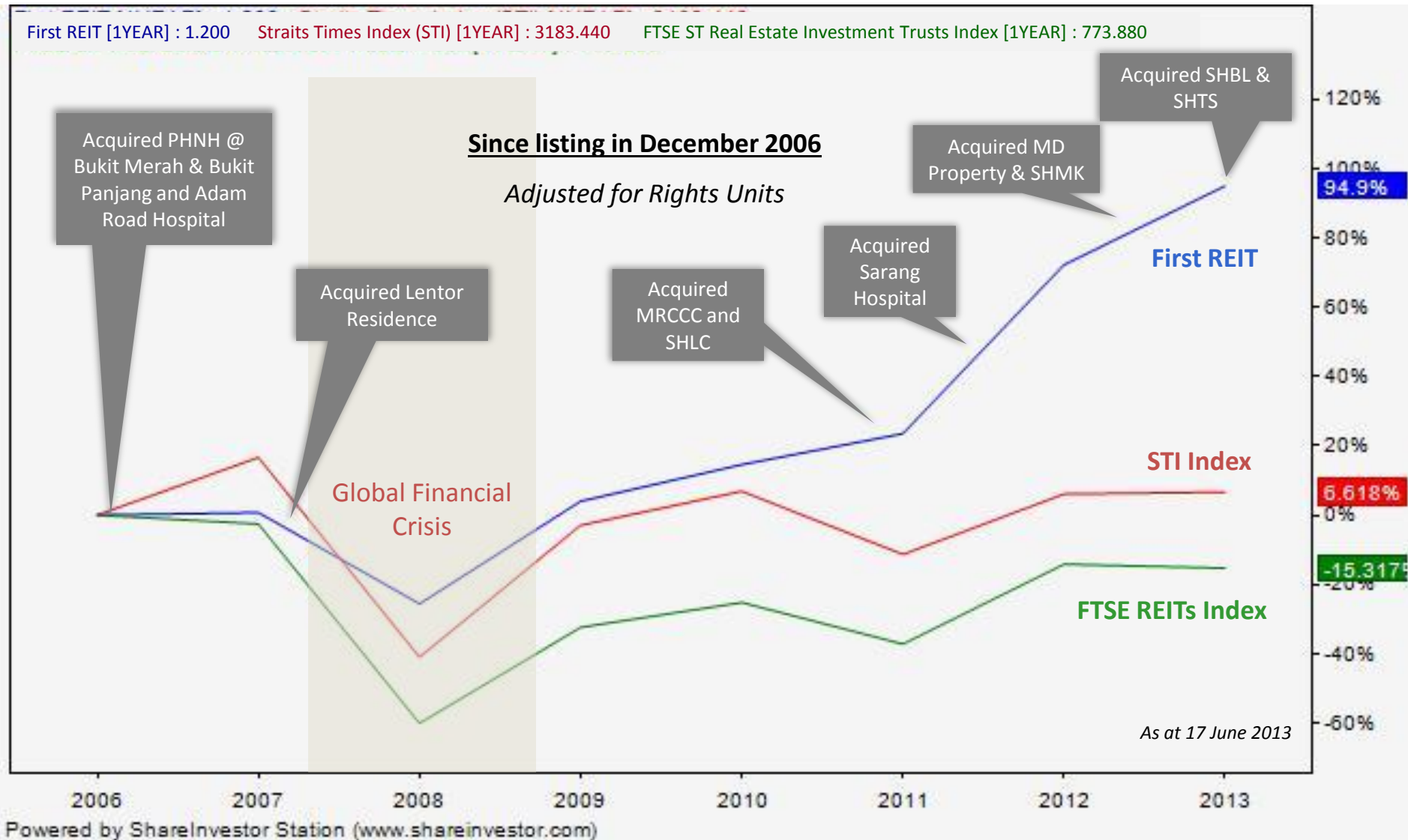
Consistent quarterly DPU payouts

Singapore Cents

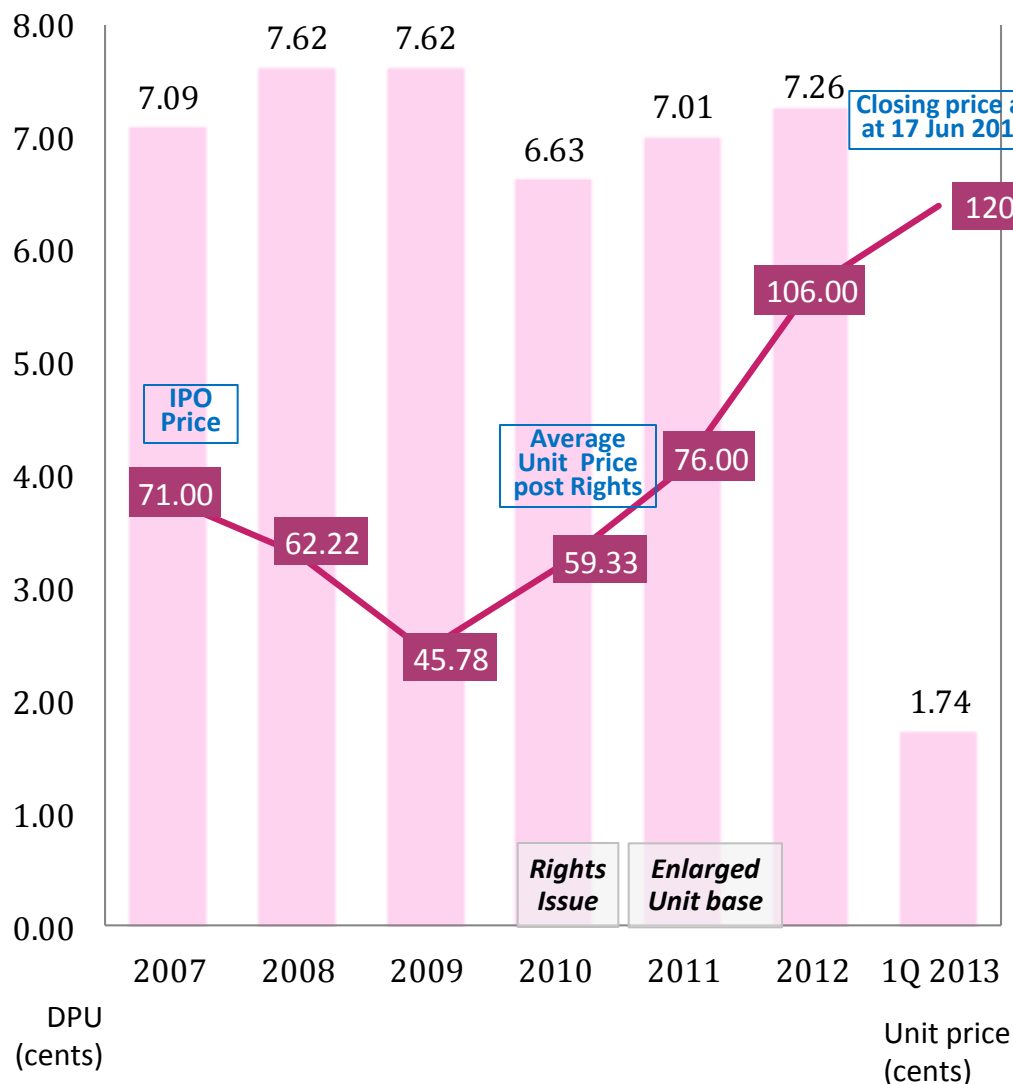


1. Actual paid for FY 2010 and the distribution per unit in 4Q 2010 was based on the enlarged unit base as a result of the rights issue in December 2010
2. The other gain distribution ("other gain") is the gain on divestment of the Adam Road property recognised in 1Q 2011, and was paid in 3Q 2011, 4Q 2011, 1Q 2012 and 2Q 2012
3. The advance distribution of 1.02 cents per unit for the period from 1 October to 25 November 2012 was paid on 26 December 2012

First REIT vs Benchmark Indices



% of total return – YTD & annualised



DPU Return: FY 2007 to YTD : **44.97 cents**

Return on Average Unit Price : **60.67 cents**

Total return to date : **105.64 cents**

Average Unit Price post Rights = $(71.00 \times 4 + 50.00 \times 5)/9$

Illustration of First REIT's Unit Value since IPO

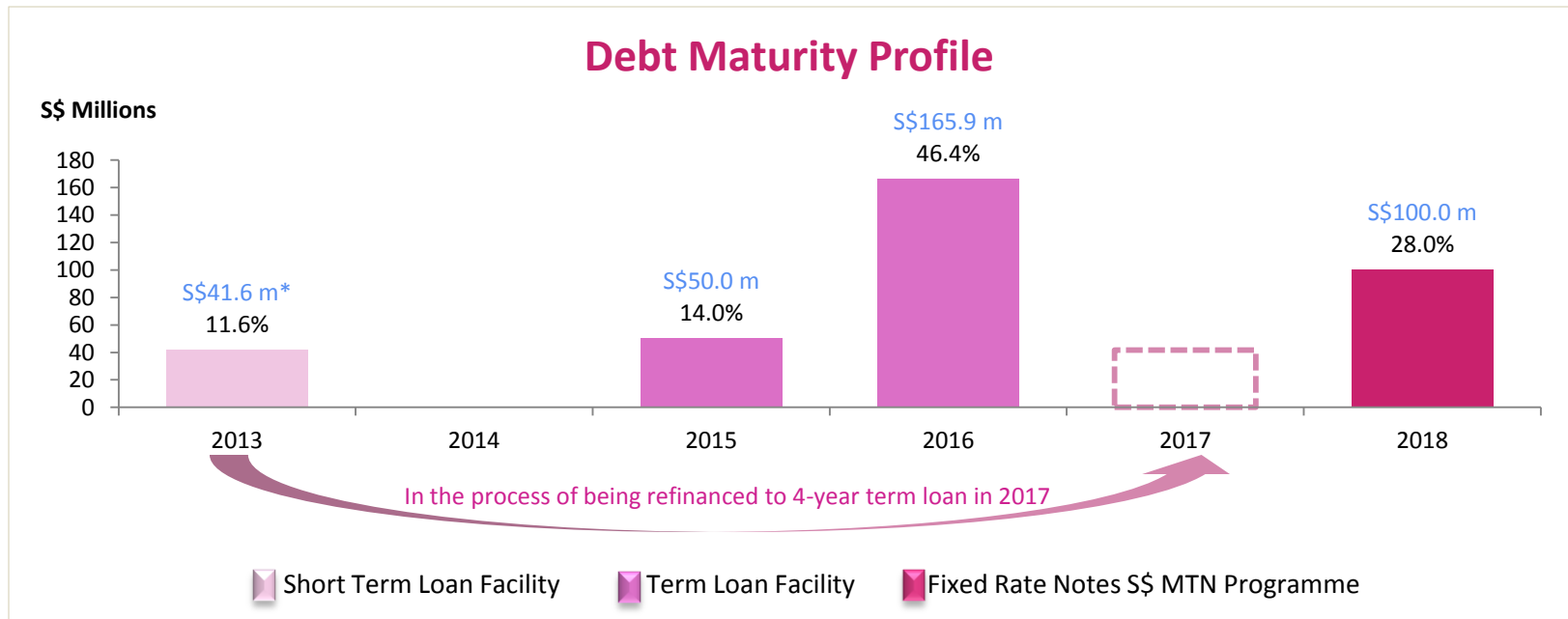
- Total amount invested
(assumed S\$1,000 of First REIT Units at IPO and subscription to Rights Units) : **S\$1,880.28**
- Total worth of Investment
(including Dividends from IPO to YTD) : **S\$4,718.06**
- % total return on annualised basis : **23.6%**

Capital management

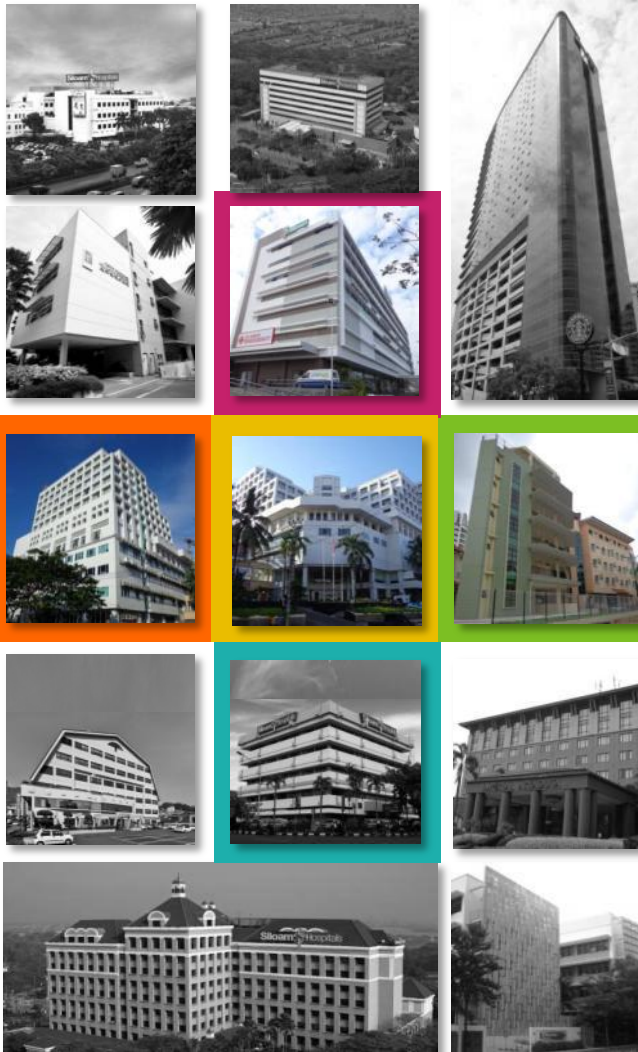
Borrowings are secured by property assets (except SHBL, SHTS and Sarang Hospital)

	After Acquisitions	As at 31 Mar 2013	As at 31 Dec 2012
Total Debt*	S\$357.5 million	S\$215.9 million	S\$215.7 million
Gearing Ratio	33.9%	25.9%	26.0%

* before transaction costs



* S\$41.6 million drawdown from bank loan and the issue of the S\$100 million Fixed Rate Notes under the MTN Programme was to finance the SHBL & SHTS acquisitions. The total debt of First REIT is still below the MAS regulation of 35%.



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Growth prospects

First REIT's potential pipeline for future acquisitions

Indonesia

Strong sponsor in Indonesia with healthy pipeline

- ▶ Right of First Refusal to LK's healthcare properties
- ▶ LK has 13 hospitals under Siloam Hospitals network
- ▶ 14 hospitals in the pipeline
- ▶ Nationally and internationally accredited
- ▶ Transformational hospital group scale-up to US\$3.5 billion in 5 years
- ▶ Other pipeline properties:
 - Siloam Hospitals Semarang
 - Siloam Hospitals Kendari
 - Siloam Hospitals Pluit
 - Siloam Hospitals Kemang
 - Siloam Hospitals Cempaka Putih

Singapore & Other Markets

- ▶ Nursing homes
- ▶ Other quality and yield-accretive healthcare-related assets in Asia

Pipeline properties

Siloam Hospitals Balikpapan



East Kalimantan

- 200 beds
- Completed: 2011

Siloam Hospitals Jambi



East Sumatra

- 100 beds
- Completed: 2011

Siloam Hospitals Palembang



South Sumatra

- 246 beds
- Completed: 2012

Siloam Hospitals Medan



North Sumatra

- Expected Completion: 2013

Siloam Hospitals Kupang



East Nusa Tenggara

- Expected Completion: 2013

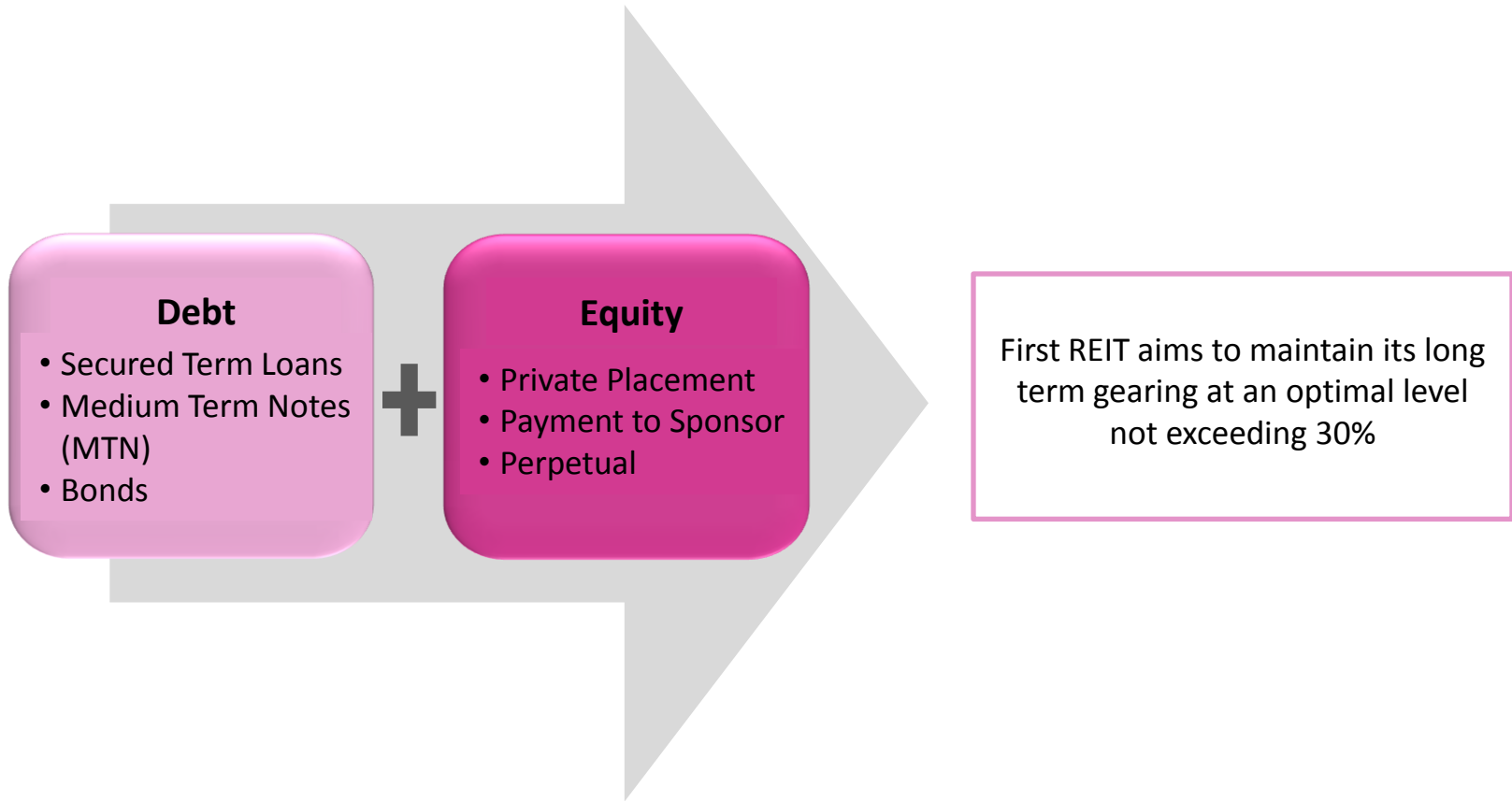
Siloam Hospitals Bandung

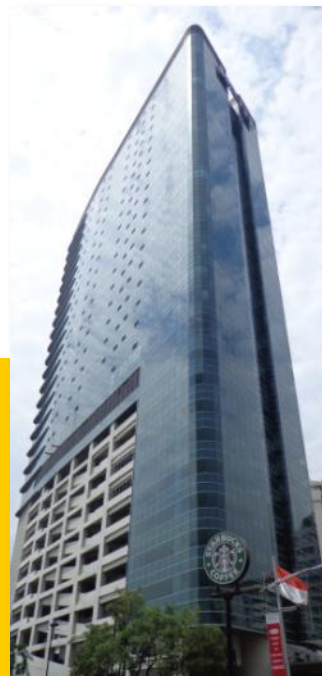


West Java

- Expected Completion: 2014

Options for future debt and equity (from 2013)





Thank You Q&As

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Appendices

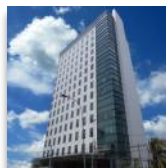


A Property details

First REIT Property - Indonesia



**Siloam Hospitals
Bali**



**Siloam Hospitals
TB Simatupang**



**Siloam Hospitals
Manado and Hotel
Aryaduta Manado**



**Siloam Hospitals
Makassar**



**Mochtar Riady
Comprehensive
Cancer Centre**

Type	Hospital	Hospital	Integrated Hospital & Hotel	Hospital	Hospital
Centre of Excellence	Trauma, Orthopaedics, Cardiology	Trauma, Cardiology, Oncology, Neuroscience	Trauma	Trauma, Cardiology	Oncology Digestive Unit
Land Area	9,025 sqm	2,489 sqm	5,518 sqm	3,963 sqm	4,145 sqm
Gross Floor Area	20,958 sqm	18,605 sqm	36,051 sqm	14,307 sqm	37,933 sqm
Purchase Price	S\$97.3 m	S\$93.1 m	S\$83.6 m	S\$59.3 m	S\$170.5 m
Appraised Value (FY2012)	S\$113.0 m ¹	S\$108.4 m ¹	S\$96.5 m ²	S\$ 66.8 m ³	S\$223.3 m
Max no. of Beds / Saleable rooms	295	271	224 beds / 200 rooms	416	375
Year of Building Completion	2012	2013	2011	2010	2010
Lease Terms	15 years with option to renew for 15 years wef 13 May 2013	15 years with option to renew for 15 years wef 22 May 2013	15 years with option to renew for 15 years wef 30 Nov 2012	15 years with option to renew for 15 years wef 30 Nov 2012	15 years with option to renew for 15 years wef 30 Dec 2010

¹ Appraised as at 26 February 2013 by KJPP Willson & Rekan in association with Knight Frank

² Appraised as at 5 September 2012 by KJPP Rengganis, Hamid & Rekan In Strategic Alliance with CB Richard Ellis (Pte) Ltd

³ Appraised as at 5 September 2012 by KJPP Willson & Rekan in association with Knight Frank

First REIT Property - Indonesia



**Siloam Hospitals
Lippo Cikarang**



**Siloam Hospitals
Lippo Village**



**Siloam Hospitals
Kebon Jeruk**



**Siloam Hospitals
Surabaya**



**Imperial Aryaduta
Hotel & Country Club**

Type	Hospital	Hospital	Hospital	Hospital	Hotel & Country Club
Centre of Excellence	Urology, Internal Medicine, Trauma	Neuroscience, Cardiology	Urology centre, Orthopaedics	Fertility services, Stroke centre	--
Land Area	9,900 sqm	17,442 sqm	11,420 sqm	6,862 sqm	54,410 sqm
Gross Floor Area	11,125 sqm	27,284 sqm	18,316 sqm	9,227 sqm	17,427 sqm
Purchase Price	S\$35.0 m	S\$94.3 m	S\$50.6 m	S\$16.8 m	S\$21.2 m
Appraised Value (FY2012)	S\$42.9 m	S\$158.1 m	S\$88.4 m	S\$31.7 m	S\$36.4 m
Max no. of Beds / Saleable rooms	126	250	197	160	197
Year of Building Completion	2002	1995	1991	1977	1994
Lease Terms	15 years with option to renew for 15 years wef 31 Dec 2010	15 years with option to renew for 15 years wef 11 Dec 2006	15 years with option to renew for 15 years wef 11 Dec 2006	15 years with option to renew for 15 years wef 11 Dec 2006	15 years with option to renew for 15 years wef 11 Dec 2006

First REIT Property – Singapore & South Korea



Pacific Healthcare Nursing Home @ Bukit Merah



Pacific Healthcare Nursing Home II @ Bukit Panjang



The Lentor Residence



Sarang Hospital

Type	Nursing Home	Nursing Home	Nursing Home	Hospital
Land Area	1,984 sqm	2,000 sqm	2,486 sqm	2,142 sqm
Gross Floor Area	3,593 sqm	3,563 sqm	4,005 sqm	4,982 sqm
Purchase Price	S\$11.8 m	S\$11.5 m	S\$12.8 m	US\$13.0 m
Appraised Value (FY 2012)	S\$10.8 m	S\$10.7 m	S\$16.8 m	US\$11.7 m
Max no. of Beds / Saleable rooms	259	265	208	217
Year of Building Completion	2004	2006	1999	2010
Lease Terms	10 years with renewal of 10 years wef 11 Apr 2007	10 years with renewal of 10 years wef 11 Apr 2007	10 years with option to renew for 10 years wef 8 June 2007	10 years with option to renew for 10 years wef 5 Aug 2011