



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

ANNOUNCEMENT

RECEIPT OF APPROVAL IN PRINCIPLE FOR CONSIDERATION UNITS

1. Receipt of Approval in-Principle

Further to the announcement dated 29 December 2014 in relation to the completion of the acquisition of Siloam Sriwijaya ("**SS**" and the acquisition of SS, the "**SS Acquisition**"), Bowsprit Capital Corporation Limited, in its capacity as manager of First Real Estate Investment Trust ("**First REIT**", and the manager of First REIT, the "**Manager**"), is pleased to announce that approval in-principle has been obtained from Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the listing of and quotation on the Main Board of the SGX-ST of up to 5,084,745 new units in First REIT (the "**Consideration Units**") to be issued as part satisfaction of the purchase consideration for the SS Acquisition to PT Bisma Pratama Karya (the "**Vendor**").

The SGX-ST's in-principle approval is subject to, *inter alia*, compliance with the SGX-ST's listing requirements. The SGX-ST's in-principle approval is not to be taken as an indication of the merits of the SS Acquisition, the Consideration Units, First REIT and/or its subsidiaries.

The indicative date of trading of the Consideration Units on the SGX-ST will be on or around 6 January 2015.

2. Financing of SS Acquisition

S\$33,160,000 of the purchase consideration for SS was financed from a drawdown from a bank loan obtained by First REIT and the remaining S\$6,000,000 of the purchase consideration for SS will be satisfied by way of issuance of 4,804,612 Consideration Units at an issue price of S\$1.2488, which was determined based on the 10-day Volume Weighted Average Price¹ of the units in First REIT ("**Units**") on 26 December 2014, being the business day immediately preceding the date of completion of the SS Acquisition.

3. Status of Consideration Units

The Vendor has waived its right to be entitled to participate in the distribution of any distributable income accrued by First REIT for the period from the date of issue of the Consideration Units to 31 March 2015. Therefore, the Consideration Units will only be

¹ "**10-Day Volume Weighted Average Price**" refers to the volume weighted average traded price for a Unit for all trades on the SGX-ST in the ordinary course of trading on the SGX-ST for the period of 10 business days immediately preceding the relevant business day.

entitled to participate in First REIT's distributable income from 1 April 2015, as well as all distributions thereafter.

To facilitate the foregoing waiver from the Vendor, the Consideration Units will, upon issue, trade under a temporary stock counter separate from the existing First Real Estate Investment Trust stock counter for the period commencing from the date of issue of the Consideration Units to the last day of "cum-distribution" trading for the existing Units in issue on the day immediately prior to the date on which the Consideration Units are issued (the "**Existing Units**"), in respect of the distributions for the period ending 31 March 2015 (or such other period as may be determined by the Manager). After the last day of "cum-distribution" trading, both the Consideration Units trading on the temporary stock counter and the Existing Units will be aggregated and traded under the existing First Real Estate Investment Trust stock counter on the Main Board of Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on the next Market Day, i.e. the first day of "ex-distribution" trading for the Existing Units in respect of the distribution for the period ending 31 March 2015.

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)

2 January 2015

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.

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.