



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

ANNOUNCEMENT

COMPLETION OF THE KUPANG ACQUISITION

1. Completion of the Kupang Acquisition

Further to the announcement 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**") dated 19 November 2015 in relation to the proposed acquisition of the entire issued share capital of PT Nusa Bahana Niaga ("**PT NBN**", and the acquisition of PT NBN, the "**Kupang Acquisition**") from PT Bumi Sarana Sejahtera ("**PT BSS**") and PT Graha Data Nusa ("**PT GDN**", and together with PT BSS, the "**Vendors**"), the Manager is pleased to announce the completion of the Kupang Acquisition. PT NBN holds certain rights as BOT grantee pursuant to a BOT Agreement in respect of, among others, Lippo Plaza Kupang and Siloam Hospitals Kupang¹.

With the completion of the Kupang Acquisition, First REIT's portfolio has been enlarged and now comprises 17 properties located in Indonesia, Singapore and South Korea.

2. Financing of the Kupang Acquisition

S\$24.4 million of the purchase consideration for PT NBN was financed from internal cash and a drawdown from a bank loan obtained by First REIT, and another S\$15.0 million was satisfied by way of the issuance of 11,538,461 new units in First REIT as part consideration for the Kupang Acquisition ("**Consideration Units**") at an issue price of S\$1.30, being the higher of S\$1.30 and the 10-day Volume Weighted Average Price² of the units in First REIT ("**Units**") on 11 December 2015³, being the business day immediately preceding the date of completion of the Kupang Acquisition. The remaining S\$30.6 million of the purchase consideration will be satisfied by way of a separate payment of cash⁴ to be financed from a drawdown from a bank loan obtained by First REIT.

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- 1 PT NBN had entered into a "Build Operate and Transfer ("**BOT**") agreement with the Provincial Government of Nusa Tenggara Timur (as the BOT grantor) dated 12 May 2011 (the "**BOT Agreement**") pursuant to which PT NBN (as the BOT grantee) was granted certain rights in relation to a parcel of land of the Right to Use (*Hak Pakai*) No. 14/Kel. Fatululi (the "**BOT Land**"), which includes the buildings situated on the BOT Land, comprising Lippo Plaza Kupang and Siloam Hospitals Kupang.
 - 2 "**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.
 - 3 The 10-day Volume Weighted Average Price of the Units on 11 December 2015 was S\$1.1805.
 - 4 As the net assets of PT NBN amount to approximately S\$0.7 million, this payment of cash will amount to approximately S\$31.3 million to take into account the adjustments due to the net assets of PT NBN.

3. Status of Consideration Units

The Consideration Units will not be entitled to distributions by First REIT from the period from 1 October 2015 to 31 December 2015 and shall only be entitled to receive distributions by First REIT from 1 January 2016 onwards as well as all distributions thereafter.

The Consideration Units have been issued on 14 December 2015, and will be listed and quoted on a temporary stock counter separate from the existing First Real Estate Investment Trust stock counter for the existing Units in issue immediately prior to the date on which the Consideration Units are issued (the “**Existing Units**”). Trading in this temporary stock counter on the Main Board of the SGX-ST is expected to commence from 9.00 a.m. on 15 December 2015, until the last day of “cum-distribution” trading for the Existing Units in respect of the distributions for the period ending 31 December 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 the SGXST 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 December 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)

14 December 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.