



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

ANNOUNCEMENT
INCORPORATION OF JOINT VENTURE COMPANY

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**"), refers to the announcement dated 3 February 2016 on the proposed joint venture with Lippo Malls Indonesia Retail Trust ("**LMIR Trust**") to jointly acquire an integrated development, comprising a hospital component known as "Siloam Hospitals Yogyakarta" ("**SHYG**") and a retail mall component known as "Lippo Plaza Jogja" (the "**Joint Acquisition**"), located at Demangan Subdistrict, Gondokusuman District, Yogyakarta¹, with postal address Jalan Laksda Adi Sucipto No. 32 – 34, Yogyakarta.

In connection with the Joint Acquisition, PT Yogya Central Terpadu ("**PT YCT**"), a limited liability company in Indonesia has been incorporated on 14 March 2016 with an initial paid up/issued share capital in the amount of Rp.170,000,000,000 dividend into 85,000,000,000 Class A ordinary shares ("**Class A Shares**") and 85,000,000,000 Class B ordinary shares ("**Class B Shares**"). First REIT's wholly-owned subsidiary, Icon1 Holdings Pte. Ltd., and LMIR Trust's wholly-owned subsidiary, Icon2 Investments Pte. Ltd., each holds 100.0% of the Class A Shares and 100.0% of the Class B Shares in PT YCT, respectively.

The incorporation of PT YCT is funded by internal resources and is not expected to have any material impact on the consolidated net tangible assets and distributions per unit of First REIT for the current financial year ending 31 December 2016.

None of the directors of the Manager or substantial unitholders of First REIT has any interest, direct or indirect in the above transactions.

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)

15 March 2016

¹ Yogyakarta is also commonly referred to as "Yogya", "Jogjakarta" or "Jogja".

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 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.