



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

BOWSPRIT CAPITAL CORPORATION LIMITED

Company Registration No.: 200607070D
(As Manager Of First Real Estate Investment Trust)

FIRST REIT SIGNS MOU TO ACQUIRE THE WUXI NEW DISTRICT PHOENIX HOSPITAL, JIANGSU, CHINA

Bowsprit Capital Corporation Limited, as manager (the “**Manager**”) of First Real Estate Investment Trust (“**First REIT**”) wishes to announce that it has entered into a Memorandum of Understanding (“**MOU**”) with Dr David Lin who will procure the acquisition by First REIT of the Wuxi New District Phoenix Hospital, Jiangsu, China (the “**Property**”) through the acquisition of up to 100% of the share capital of a property company to be incorporated in China to own the real property assets of the Property (the “**Acquisition**”).

Dr David Lin is a trained orthopedic doctor with more than 15 years of practice in the United States of America and China.

First REIT will effect the Acquisition through a China based special purpose vehicle, a wholly owned subsidiary of an offshore special purpose vehicle, both of which will be incorporated by First REIT.

The MOU provides for an exclusivity period of four months for the conduct of due diligence on the Property and for the Manager to negotiate and finalise terms and conditions of the Acquisition.

None of the directors, executive officers, substantial Unitholders or their associates has any interest, direct or indirect, in the proposed Acquisition.

Further announcement will be made by the Manager as and when appropriate.

By Order of the Board

Dr Ronnie Tan
Chief Executive Officer
Bowsprit Capital Corporation limited
as Manager of First REIT

15 October 2007

Merrill Lynch (Singapore) Pte Ltd and Oversea-Chinese Banking Corporation Ltd were the joint lead managers and underwriters of the initial public offering of units in First REIT.
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