



PRESS RELEASE

CONTACT INFORMATION

August Consulting

Tel: (65) 6733 8873 Fax: (65) 6733 9913

Nora SNG, nora@august.com.sg

Erin TAN, erin@august.com.sg

First REIT's Q4 distributable income of 1.76 cents per unit outperforms forecast by 9.3%

- Q4 net property income exceeds forecast by 18.6% with the addition of four new healthcare properties
- Full-year DPU of 6.73 Singapore cents translates to distribution yield of 9.0% - one of the highest among Singapore REITs
- Portfolio expansion to continue with China MOUs

(S\$'000)	4Q2007 1 Oct – 31 Dec 2007			FY2007 1 Jan – 31 Dec 2007		
	Actual	Forecast	Change (%)	Actual	Forecast	Change (%)
Gross Revenue	7,255	6,124	18.5	26,900	24,221	11.1
Net Property Income	7,208	6,080	18.6	26,672	24,047	10.9
Distributable Income	4,793	4,395	9.1	18,327	17,359	5.6
Distribution Per Unit (cents)						
- For the period	1.76	1.61	9.3	6.73	6.37	5.7
- Annualised	6.98	6.37	9.6	6.73	6.37	5.7
Distribution Yield (%)						
- Based on closing price of S\$0.75 on 18 January 2008	9.3	8.5	-	9.0	8.5	-

SINGAPORE – 22 January 2008 – Bowsprit Capital Corporation (the “Manager”), the manager of **First Real Estate Investment Trust** (“**First REIT**”), Singapore’s first healthcare real estate investment trust, today announced distributable income of S\$4.8 million for the fourth quarter ended 31 December 2007, translating to a distribution of 1.76



Singapore cents per unit. The distributable income and DPU exceeded forecast by 9.1% and 9.3% respectively.

As a result of an expanded portfolio beyond its Indonesian assets, First REIT achieved a net property income of S\$7.2 million in the fourth quarter, outperforming forecast by 18.6%. The higher income was driven by additional revenue from Lengkok and Senja nursing homes in April 2007, Lentor nursing home in June 2007 and the Adam Road Hospital in July 2007.

On a full-year basis, distributable income of S\$18.3 million was 5.6% higher than forecast, while DPU of 6.73 Singapore cents outperformed forecast by 5.7%.

Based on the closing price of S\$0.75 per unit on 18 January 2008, the DPU for the full year represents a distribution yield of 9.0%.

“We believe that our yield of 9.0% remains one of the highest among the Singapore REITs and this in our opinion, is an attractive proposition,” said Dr Ronnie Tan, Chief Executive Officer of Bowsprit Capital.

He added, “First REIT’s growth is a clear reflection of our steady portfolio performance. We have always been mindful to carefully assess our acquisition options and select only DPU-accretive ones that will further improve the quality of our income through diversification of geographic and tenant mix.”

Potential Acquisitions

Looking ahead, First REIT will continue to seek opportunities in high growth markets such as Indonesia and China.

Dr Tan explained, “We will continue to work with our sponsor, Lippo Karawaci, in Indonesia. In addition, China will also remain a key focus in our acquisition pipeline as we believe that the healthcare needs in the country will continue to grow exponentially as income rises.”



In the last six months, First REIT has signed four Memoranda of Understanding (MOUs) with hospitals in China. They include two hospitals in Wuxi, one in Nantong, and one in Shanghai.

First REIT is set to raise the asset under its management to S\$ 500 million by 2009.

“We are confident of meeting this target as our relatively low gearing of 15.5% gives us headroom to undertake more prospective acquisitions,” Dr Tan added

Higher Asset Valuation

Following the recent completion of annual independent valuations of its eight properties, First REIT’s assets are now valued at S\$325.6 million, representing an increase of S\$17.6 million over the book value as at 30 September 2007.

Books Closure and Distribution Payment

The Books Closure and Distribution Payment dates for the fourth quarter payout of 1.76 Singapore cents are 31 January 2008 and 29 February 2008 respectively.

About First REIT

First REIT is Singapore’s first healthcare real estate investment trust that aims to invest in a diversified portfolio of income-producing real estate and / or real estate-related assets in Asia that are primarily used for healthcare and / or healthcare-related purposes.

*Managed by Bowsprit Capital Corporation Limited, First REIT’s portfolio consists of eight properties located in Singapore and Indonesia, namely, 1) **Adam Road Hospital**, 2) **The Lentor Residence**, 3) **Lengkok Nursing Home**, 4) **Senja Nursing Home**, 5) **Siloam***

FIRST REIT

FIRST REAL ESTATE INVESTMENT TRUST

Hospitals Lippo Karawaci (160 operational beds¹), 6) Siloam Hospitals West Jakarta (205 operational beds), 7) Siloam Hospitals Surabaya (160 operational beds), and 8) Imperial Aryaduta Hotel & Country Club (190 saleable rooms²), which is a popular choice with business travellers and also provides accommodation for out-of-town inpatients, outpatients and day-surgery patients as it is located near Siloam Hospitals Lippo Karawaci.

Its Indonesian assets are operated by PT. Siloam International Hospitals, a wholly-owned subsidiary of PT. Lippo Karawaci Tbk, a strong brand name in the Indonesian healthcare industry supported by a team of international healthcare professionals. In Singapore, the Adam Road Hospital, Lengkok Nursing Home and Senja Nursing Home are operated by associates of Pacific Healthcare Holdings Limited while The Lentor Residence is operated by First Lentor Residence Pte Ltd.

Through First REIT, investors can participate in a new asset class that has a focus towards Asia's growing healthcare sector, which is boosted by an increase in life expectancy in Indonesia and the rest of Southeast Asia.

While the assets in its portfolio are located in only Singapore and Indonesia, First REIT's acquisition growth strategy leverages on the expected rising per capita healthcare expenditure in the region by targeting investments in healthcare and/or healthcare-related assets in key cities throughout Asia.

First REIT's current distribution policy is to distribute 100.0% of its tax-exempt income (after deduction of applicable expenses) and capital receipts, for the period commencing from its listing date (11 December 2006) to 31 December 2007, and thereafter to distribute at least 90.0% of its tax-exempt income (after deduction of applicable expenses) and capital receipts.

IMPORTANT NOTICE

¹ The bed capacity of this hospital is 250.

² The room capacity of the hotel is 197.

FIRST REIT

FIRST REAL ESTATE INVESTMENT TRUST

The value of units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that the Manager redeem or purchase 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 release may contain forward-looking statements that involve assumptions, 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 other developments or companies, shifts in expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of management on future events.