FIRST REAL ESTATE INVESTMENT TRUST

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

ANNUAL VALUATION OF PROPERTIES

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**") wishes to announce that the Manager has obtained independent annual valuations, as at 31st December 2017, for all properties owned by First REIT and its subsidiaries.

The portfolio of First REIT's properties is revalued at S$1,349.3 million, representing an increase of S$76.1 million (6.0%) over First REIT's book value as at 31st December 2016. The revalued portfolio of First REIT will be reflected in the financial statements of First REIT for the financial year ended 31st December 2017.

The valuations of the respective properties are set out below:

No.	Properties	Valuation as at 31 December 2017 (S$ million)	%(1)	Appointed Appraiser
	Indonesia			
1	Siloam Hospitals Lippo Village	163.3	12.1	KJPP Rengganis, Hamid & Rekan in strategic alliance with CBRE
2	Siloam Hospitals Surabaya ("**SHS**") (2)	29.2	2.2	
3	Imperial Aryaduta Hotel & Country Club	41.6	3.1	
4	Siloam Hospitals Kebon Jeruk	96.8	7.2	
5	Siloam Hospitals Purwakarta	41.0	3.0	
6	Mochtar Riady Comprehensive Cancer Centre	262.0	19.4	KJPP Willson & Rekan in association with Knight Frank
7	Siloam Hospitals Makassar	72.3	5.4	
8	Siloam Hospitals Manado & Hotel Aryaduta Manado	104.9	7.8	
9	Siloam Hospitals TB Simatupang	120.2	8.9	
10	Siloam Hospitals Bali	124.0	9.2	
11	Siloam Hospitals Yogyakarta (3)	27.3	2.0	
12	Siloam Hospitals Lippo Cikarang	52.0	3.9	Colliers International Consultancy & Valuation (Singapore) Pte Ltd in alliance with KJPP Rinaldi, Alberth, Baroto & Rekan
13	Siloam Sriwijaya	43.1	3.2	
14	Siloam Hospitals Kupang & Lippo Plaza Kupang (4)	77.1	5.7	
15	Siloam Hospitals Labuan Bajo	21.0	1.6	
16	Siloam Hospitals Buton & Lippo Plaza Buton (5)	29.6	2.2	
	Sub total	1,305.4	96.7	

No.	Properties	Valuation as at 31 December 2017 (S$ million)	%[1]	Appointed Appraiser
	Singapore			
17	Pacific Healthcare Nursing Home @ Bukit Merah	9.8	0.7	Cushman & Wakefield VHS Pte. Ltd.
18	Pacific Healthcare Nursing Home II @ Bukit Panjang	9.9	0.7	
19	The Lentor Residence	15.8	1.2	
	Sub total	35.5	2.6	
	South Korea			
20	Sarang Hospital[6]	8.4	0.6	Cushman & Wakefield VHS Pte. Ltd.
	Sub total	8.4	0.6	
	Total Portfolio Value	**1,349.3**	**100%**	

Note: Any discrepancies in the totals are due to rounding.

(1) Value as a percentage of Total Portfolio Value.

(2) At the extraordinary general meeting held on 29th December 2015, First REIT obtained Unitholders' approval for the transaction in relation to SHS pursuant to which, among others, development works will be undertaken to construct and develop the New SHS, which will be adjacent to the existing SHS. Upon completion of the New SHS which is expected in 2019, First REIT will acquire the New SHS. While the development works of the New SHS is in progress, the existing SHS remains operational. Please refer to the circular to unitholders dated 14th December 2015 in relation to the New SHS for further details.

(3) Siloam Hospitals Yogyakarta was acquired on 22nd December 2017.

(4) The term of the "Build Operate and Transfer" ("**BOT**") agreement entered into by Provincial Government of Nusa Tenggara Timur and PT Nusa Bahana Niaga ("**PT NBN**"), in relation to the BOT land on which Siloam Hospitals Kupang & Lippo Plaza Kupang is located (the "**BOT Agreement**"), has been extended pursuant to the Deed of Addendum No. 10 dated 7 November 2017, made before Albert Wilson Riwukore, S.H., Notary in Kupang City ("**Addendum to the BOT Agreement**"). Pursuant to the Addendum to the BOT Agreement, the term of the BOT Agreement has been extended to 30 years commencing from the date of the BOT Agreement, being 12 May 2011, and therefore will now expire on 12 May 2041. Siloam Hospitals Kupang & Lippo Plaza Kupang's valuation is based on an extended term of the BOT agreement from 25 years previously to 30 years up to 12 May 2041.

(5) Siloam Hospitals Buton & Lippo Plaza Buton was acquired on 10th October 2017.

(6) Sarang Hospital's valuation is based on a value of US$6.3 million at the exchange rate of US$1 = S$1.3370 as at 31st December 2017.

The valuation reports are available for inspection with prior appointment at the Manager's registered office during normal business hours for three months from the date of this announcement.

By Order of the Board

Mr Victor Tan Kok Mian
Executive Director and Chief Executive Officer
Bowsprit Capital Corporation Limited
(Company Registration No. 200607070D)
As Manager of First REIT

17th January 2017

Important Notice

The value of units in First REIT ("**Units**") and the income from them may fall as well as rise. 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 of First REIT may only deal in their Units through trading on Singapore Exchange Securities Trading Limited (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.