

NEWS RELEASE**FOR IMMEDIATE RELEASE****PARKWAY LIFE REIT FURTHER STRENGTHENS ITS PORTFOLIO WITH
ACQUISITION OF NURSING HOME PROPERTY IN JAPAN**

- **Acquisition to generate accretive net property yield of 5.8%¹**
- **Further diversification of tenant mix**
- **Strategically-located property with high occupancy rate enhance quality portfolio**
- **Acquisition to strengthen PLife REIT's stable, defensive foundation, riding on growth in Japan's healthcare sector**

Singapore, 28 November 2014 – Parkway Trust Management Limited, as manager of Parkway Life Real Estate Investment Trust (“PLife REIT”, and as manager of PLife REIT, the “Manager”), one of Asia’s largest listed healthcare REITs, is pleased to announce that PLife REIT has acquired an additional nursing home property, Habitation Jyosui, in Japan (the “Property”) for purchase price of JPY3,535 million (approximately S\$39.3 million)² from Ostara Japan Two TMK.

Acquisition of yield-accretive nursing home property located strategically in Fukuoka prefecture, Japan

HSBC Institutional Trust Services (Singapore) Limited, as trustee of PLife REIT has through its wholly-owned subsidiary, Parkway Life Japan4 Pte. Ltd., entered into a Tokumei Kumiai agreement (or silent partnership, similar to the holding structure for PLife REIT’s previous acquisitions in Japan) for the acquisition of the Property. The acquisition will be in line with the valuation³ and is expected to generate a net property yield of 5.8%¹. The acquisition is expected to be completed in the fourth quarter of 2014.

¹ The expected net property yield is computed by dividing the contractual net property income by the purchase price of the Property.

² All JPY reference in this press release are based on the exchange rate of S\$1.00 : ¥90.00.

³ K.K. Halifax Associates (Colliers International Tokyo) has independently valued the Property as at 31 October 2014 at JPY3,540,000,000 (approximately S\$39.3 million).

“The new asset serves to further strengthen our nursing home portfolio mix to sharpen our Japan portfolio.” said Mr Yong Yean Chau, Chief Executive Officer of the Manager.

“The acquisition is part of our continual efforts to strengthen our stable, defensive foundation so that we are well-positioned to ride on the back of unprecedented growth in the Japan healthcare sector. This is also a testament to PLife REIT’s strong fundamentals as a first-mover amidst growing investment exuberance in this sector, which is illustrated by the increasing acquisition activities of private sector investors in this sector.” Mr Yong added.

With the acquisition, PLife REIT’s Japan portfolio will stand at approximately S\$498 million⁴ or about 33% of total assets under management.

Strategically located asset with a stable long lease term enhances portfolio resiliency

As part of an integrated development, the Property is strategically situated above the Yakuin Odori train station in the central district of Fukuoka city in the Fukuoka Prefecture. The Property is also located within the high end residential area of the city, with close proximity to retail malls, hospitals and clinics.

The long balance lease term of 20 years of the Property will continue to ensure the resiliency of PLife REIT’s portfolio and improve its weighted average lease term to expiry (by gross revenue) from 9.87 years⁵ to 10 years.

New operator enhances the diversification of the tenant base

The Property is well operated by Kabushiki Kaisha Habitation (the “Operator”) and as at 31 August 2014, the operational occupancy of the Property is approximately 92%. The Operator is well established and equipped with the adequate experience in managing the operation of nursing home and care facility properties. The new and credible Operator will further strengthen the quality of the tenant profile in PLife REIT’s portfolio and further diversify PLife REIT’s tenant risk exposure. The stability of the lease for the Property is further enhanced with backup operator arrangements being put in place in the event that the Operator is unable to continue operating the Property.

⁴ Existing assets under management translated at the prevailing exchange rate of this press release.

⁵ As at 1 October 2014.

Mr Yong said “We have a strong presence in Japan and we will continue to work closely with our operators to strengthen our position in this sector. Our proven track records allow us to forge and foster new relationships with operators who will also become our key partners, as we enhance the offerings in this sector to meet the demands of a growing ageing population.”

Japan’s ageing population spurs governmental support for healthcare industry and increased private sector interest in eldercare facilities

Japan continues to take the global lead in life expectancy, which has driven both governmental support and increased private sector interest in eldercare facilities. The Japanese government’s support for the establishment of dedicated healthcare-related REITs in Japan has encouraged private sector investment in this market⁶. This is evidenced by Daiwa Real Estate Asset Management Co. Ltd.’s listing of Japan’s first healthcare facility focused REIT (Nippon Healthcare Investment Corporation) on the Tokyo Stock Exchange in early November 2014⁷.

Funding for the Acquisition

The acquisition cost of the Property will be funded via a 5-year committed and unsecured JPY term loan facility which will be put in place by the completion of the acquisition. The deployment of JPY funding provides a natural hedge for foreign exchange risks arising from JPY denominated assets, thereby insulating PLife REIT from JPY foreign exchange fluctuations, and enabling it to maintain a stable net asset value. Post-acquisition, PLife REIT’s gearing will increase to 35.1% from 33.3%⁸.

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⁶ Based on an article entitled “Health Care REITs To Debut As Japanese Get Older” in The Nikkei on 6 March 2013 (The Nikkei, Morning Edition published on 6 March 2013).

⁷ Based on an article entitled “Daiwa to list Japan’s first health care REIT in November” in the Nikkei Asian Review published on 1 October 2014 (<http://asia.nikkei.com/Markets/Tokyo-Market/Daiwa-to-list-Japan-s-first-health-care-REIT-in-November>).

⁸ As at the prevailing exchange rate of this press release.

About Parkway Life REIT

Parkway Life Real Estate Investment Trust (“PLife REIT”) is one of Asia’s largest listed healthcare REITs by asset size. It invests in income-producing real estate and real estate-related assets that are used primarily for healthcare and healthcare-related purposes (including but are not limited to, hospitals, healthcare facilities and real estate and/or real estate assets used in connection with healthcare research, education, and the manufacture or storage of drugs, medicine and other healthcare goods and devices).

PLife REIT owns a well-diversified portfolio of 47 properties with a total portfolio size of approximately S\$1.5 billion as at 30 September 2014. It owns the largest portfolio of strategically-located private hospitals in Singapore comprising Mount Elizabeth Hospital, Gleneagles Hospital and Parkway East Hospital, covering an aggregate of 730 beds as at 30 September 2014. In addition, it has 43 assets located in Japan, including one pharmaceutical product distributing and manufacturing facility in Chiba Prefecture as well as 42 high quality nursing home and care facility properties in various prefectures of Japan. It also owns strata-titled units/lots at Gleneagles Intan Medical Centre Kuala Lumpur in Malaysia.

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Important Notice

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The value of the Units and the income derived from them may fall as well as rise. The Units are not obligations of, deposits in, or guaranteed by, Parkway Trust Management Limited, as manager of PLife REIT (the “Manager”), or any of its affiliates. Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that unitholders of PLife 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. The past performance of PLife REIT or the Manager is not necessarily indicative of the future performance of PLife REIT or the Manager. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.