

FOR IMMEDIATE RELEASE

First REIT posts DPU of 2.15 cents for 4Q 2019

SINGAPORE – 29 January 2020 – Bowsprit Capital Corporation Limited (“**Bowsprit**”), the Manager of First Real Estate Investment Trust (“**First REIT**” or the “**Trust**”), today rounded off the year with another stable quarter of distribution. Distribution per unit (“**DPU**”) for the fourth quarter ended 31 December 2019 (“**4Q 2019**”) remained steady at 2.15 Singapore cents, on the back of income available for distribution edging up 0.9% to S\$17.2 million.

On an annualised basis, the latest distribution represents a yield of 8.6% based on the closing price of S\$0.995 as of 31 December 2019.

Rental and other income for the quarter dipped at a marginal 1.6% to S\$28.9 million from the previous corresponding quarter (“**4Q 2018**”) of S\$29.3 million due to lower variable rental component for its Indonesia properties, while net property and other income (“**NPI**”) also registered a marginal slide of 0.8% to S\$28.3 million from S\$28.5 million in 4Q 2018.

Over a full year period, rental and other income as well as NPI declined 0.8% and 1.3% to S\$115.3 million and S\$112.9 million respectively, while distributable income grew 1.2% to S\$68.5 million.

As at 31 December 2019, the Trust’s gearing remained at a stable 34.5% with interest cover at 5.0 times.

Bowsprit’s Chief Executive Officer, Mr Victor Tan, said, “During the year, we managed to maintain higher distributable income, despite lower NPI from our portfolio. With our low gearing, the Trust is well positioned to capitalise on acquisition opportunities from third parties, as well as pipelines from our sponsors.”

Added Mr Tan, “We recently provided an update on the road subsidence that occurred in Surabaya back in December 2018. We would like to assure Unitholders that the existing Siloam Hospitals Surabaya is operational and performing well. The premises of the existing hospital was not impacted by the road subsidence event and we are closely monitoring the ongoing investigations. We are evaluating and considering the options available to us and will provide further updates when there are material developments. Separately, the Trust continues to be engaged in discussions with stakeholders for the five assets located in Indonesia and South Korea whose leases are due for renewal in 2021.”

Outlook

The Indonesia economy is likely to expand close to 5.0% in the fourth quarter of 2019 and expected to grow 5.1% in 2020.¹ Healthcare is a priority in Indonesia’s national development agenda, especially with the elderly population expected to grow more than 40% by 2025, making Indonesia one of Asia’s fastest ageing countries. With the rising demand for healthcare services, the Indonesian government continues to encourage private sector involvement in developing hospitals² as well as allocate a healthcare budget of IDR132.2 trillion for 2020, almost doubling 2015 healthcare budget of IDR69.3 trillion.³

According to the Directorate General of Health Services from the Ministry of Health, Indonesia currently has a total of 2,813 hospitals - 1,787 privately managed and 1,026 managed by the public sector. These hospitals offer 310,710 hospital beds, or 1.17 beds per thousand population. This rate is the lowest in ASEAN and among the lowest in the world.

Summary of Financial Results for period ended 31 December 2019

<i>(S\$'000)</i>	4Q 2019	4Q 2018	Change (%)	FY 2019	FY 2018	Change (%)
Rental and Other Income	28,860	29,321	(1.6%)	115,297	116,198	(0.8%)
Net Property and Other Income	28,304	28,530	(0.8%)	112,894	114,391	(1.3%)
Distributable Amount	17,169	17,014	0.9%	68,463	67,681	1.2%
Distribution per unit (cts)	2.15	2.15	-	8.60	8.60 ¹	-
Annualised Distribution per unit (cts)	8.60	8.60 ¹	-	8.60	8.60 ¹	-

¹ Actual distribution paid for FY 2018.

¹ 13 December 2019, Focus Economics - Indonesia Economic Outlook

² According to a report published by Statistics Indonesia in 2019

³ 16 August 2019, Ministry of State Secretariat of the Republic of Indonesia – In addition to education, 2020 state expenditures are used to strengthen healthcare programs

Distribution Details

Distribution	1 October 2019 to 31 December 2019
Distribution type	(a) Taxable income (b) Tax-exempt income (c) Capital distribution
Distribution rate	Total: 2.15 cents per unit (a) Taxable income distribution: 0.09 cents per unit (b) Tax-exempt income distribution: 1.15 cents per unit (c) Capital distribution: 0.91 cents per unit
Book closure date	6 February 2020 at 5.00 pm
Ex-dividend date	5 February 2020 at 9.00 am
Payment date	13 March 2020

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About First REIT

First Real Estate Investment Trust (“**First REIT**”) is a real estate investment trust constituted by the Trust Deed entered into on 19 October 2006 between Bowsprit Capital Corporation Limited as the Manager and HSBC Institutional Trust Services (Singapore) Limited as the Trustee. First REIT was listed on the Singapore Exchange Securities Trading Limited on 11 December 2006. On 1 March 2018, HSBC Institutional Trust Services (Singapore) Limited retired as the Trustee of First REIT in favour of Perpetual (Asia) Limited.

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 twenty properties located in Indonesia, Singapore and South Korea, namely 1) Siloam Hospitals Lippo Village, 2) Siloam Hospitals Kebon Jeruk, 3) Siloam Hospitals Surabaya, 4) Imperial Aryaduta Hotel & Country Club, 5) Mochtar Riady Comprehensive Cancer Centre, 6) Siloam Hospitals Lippo Cikarang, 7) Siloam Hospitals Manado & Hotel Aryaduta Manado, 8) Siloam Hospitals Makassar, 9) Siloam Hospitals Bali, 10) Siloam Hospitals TB Simatupang, 11) Siloam Hospitals Purwakarta, 12) Siloam Sriwijaya, 13) Siloam Hospitals Kupang & Lippo Plaza Kupang, 14) Siloam Hospitals Labuan Bajo, 15) Siloam Hospitals Buton & Lippo Plaza Buton, 16) Siloam Hospitals Yogyakarta, 17) Pacific Healthcare Nursing Home @ Bukit Merah, 18) Pacific Healthcare Nursing Home II @ Bukit Panjang, 19) The Lentor Residence and 20) Sarang Hospital.

Its hospital assets in Indonesia are operated by PT Siloam International Hospitals Tbk, a subsidiary of PT Lippo Karawaci Tbk, a strong brand name in the Indonesian healthcare industry supported by a team of international healthcare professionals whereas The Imperial Aryaduta Hotel & Country Club and Hotel Aryaduta Manado are operated by The Aryaduta Hotel and Resort Group. The Lippo Plaza Kupang and Lippo Plaza Buton are managed by PT Lippo Malls Indonesia. In Singapore, the nursing homes at Bukit Merah and Bukit Panjang are operated by Pacific Healthcare Nursing Home Pte. Ltd. and Pacific Eldercare and Nursing Pte. Ltd., respectively. The Lantor Residence is operated by The Lantor Residence Pte. Ltd. In South Korea, the Sarang Hospital is operated by a private doctor.

Through First REIT, investors can participate in an 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.

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 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.