10 Years 2006-2016

Annual General Meeting 2017

FIRST REIT

FIRST REAL ESTATE INVESTMENT TRUST

Disclaimer

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Investors have no right to request the Manager to redeem 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.

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.

This presentation may contain forward-looking statements that involve assumptions, risks and uncertainties based on the Manager's current view of future events. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of risks, uncertainties and assumptions – representative examples include, without limitation, general economic and industry conditions, interest rate trends, cost of capital, capital availability, shifts in expected levels of property rental income, change in operating expenses, property expenses and government and public policy changes and 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 Manager's current view of future events.

The past performance of First REIT is not necessarily indicative of the future performance of First REIT.

FY 2016 Achievements

10 Years
2006-2016

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21% Ave Total Returns per Year

395% AUM Growth

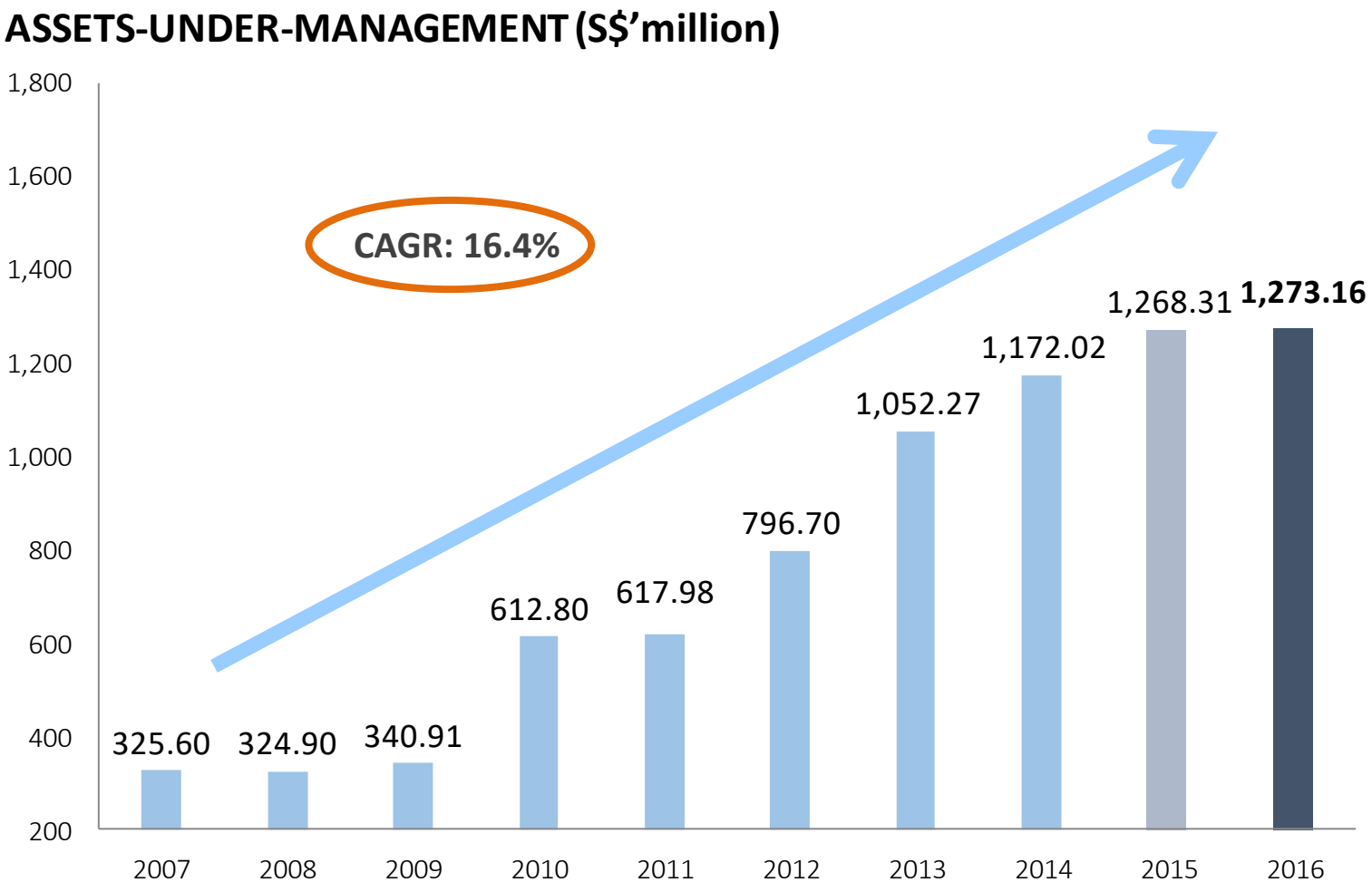
8.47¢ Record DPU



Siloam Hospitals Kupang

Consistent Growth in Asset Size

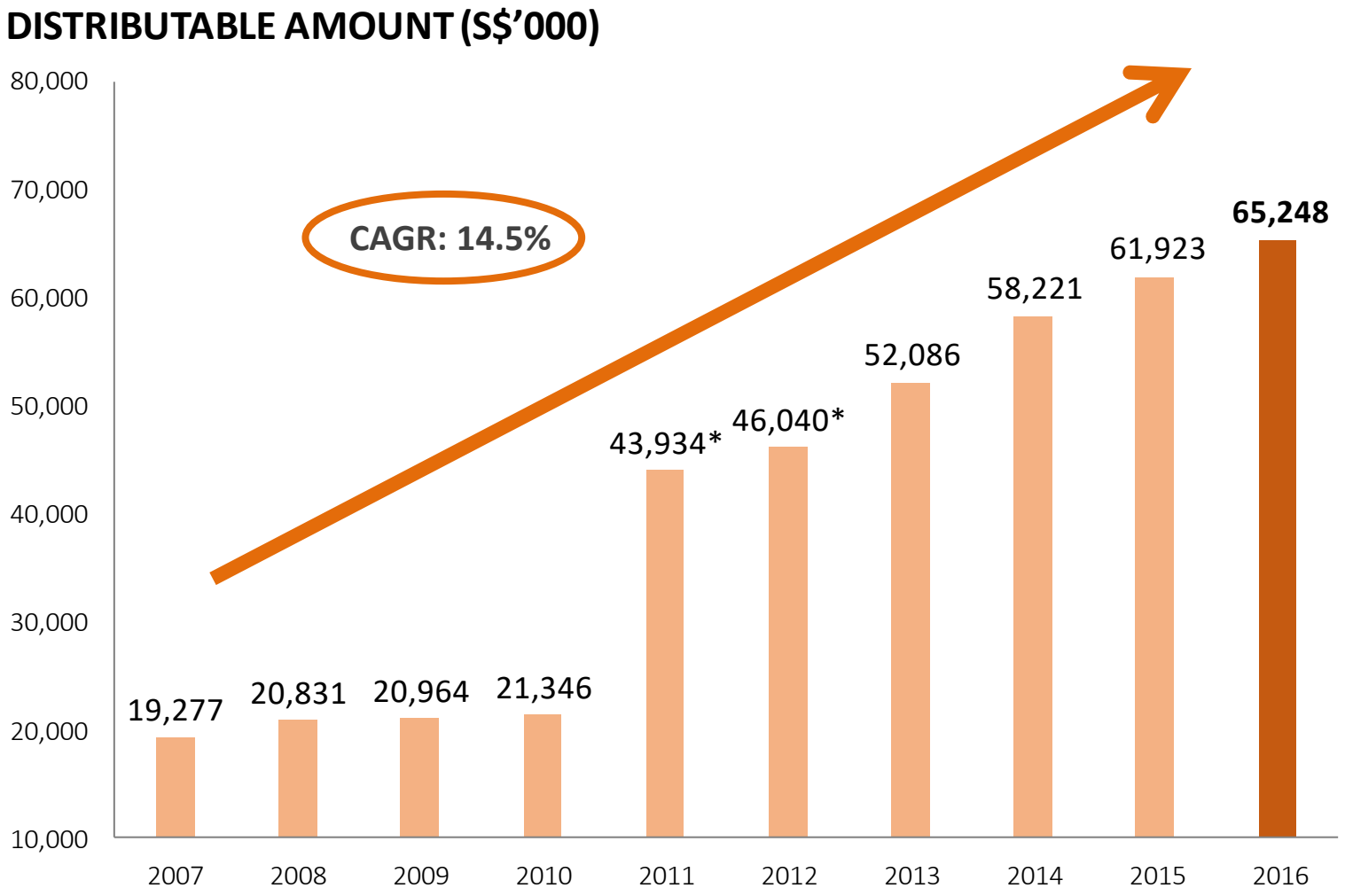
10 Years
2006-2016



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Distribution Income on the Uptrend

10 Years
2006-2016

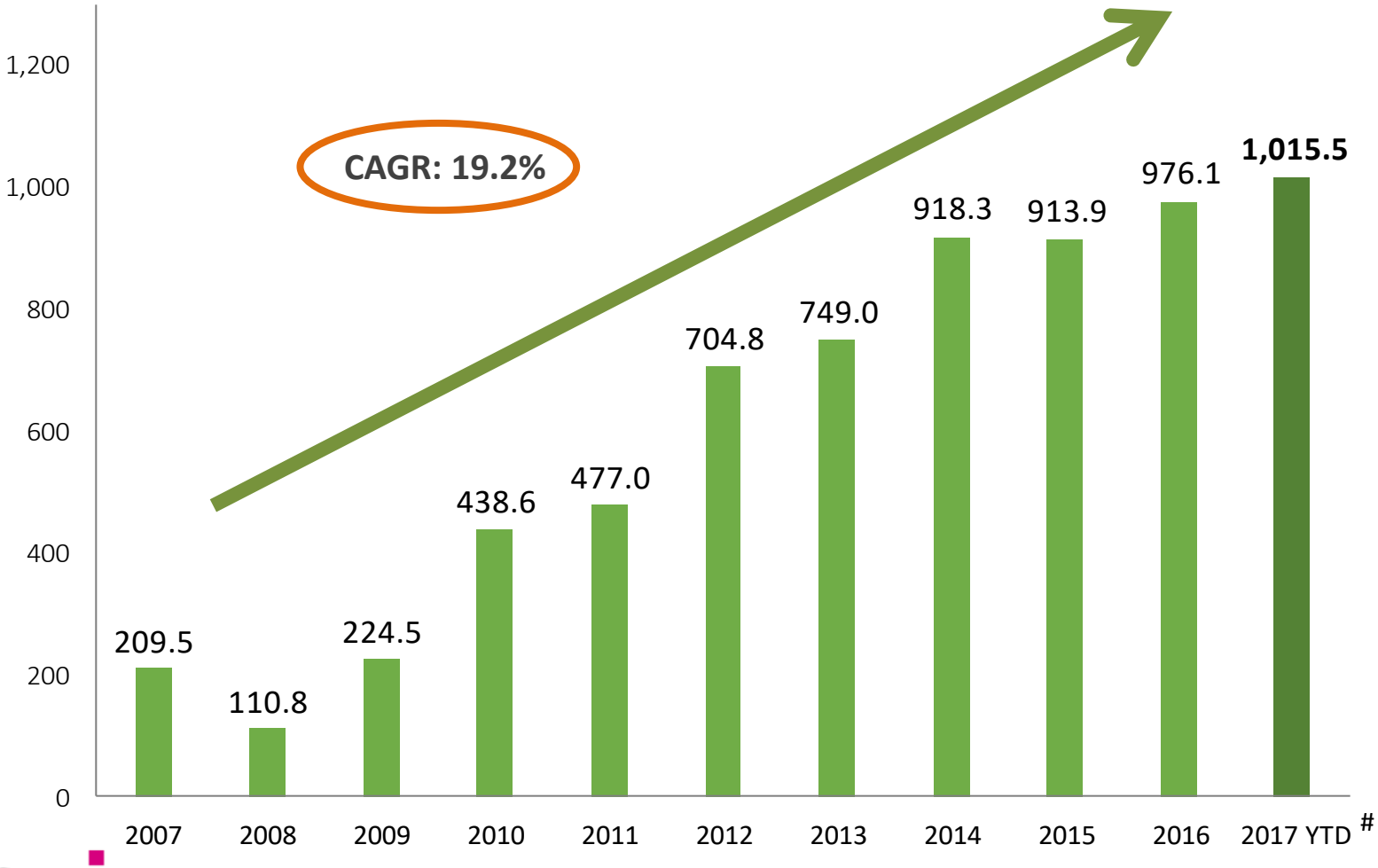


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* *Includes other gain distribution*

Steady Increase in Market Capitalisation

10 Years
2006-2016

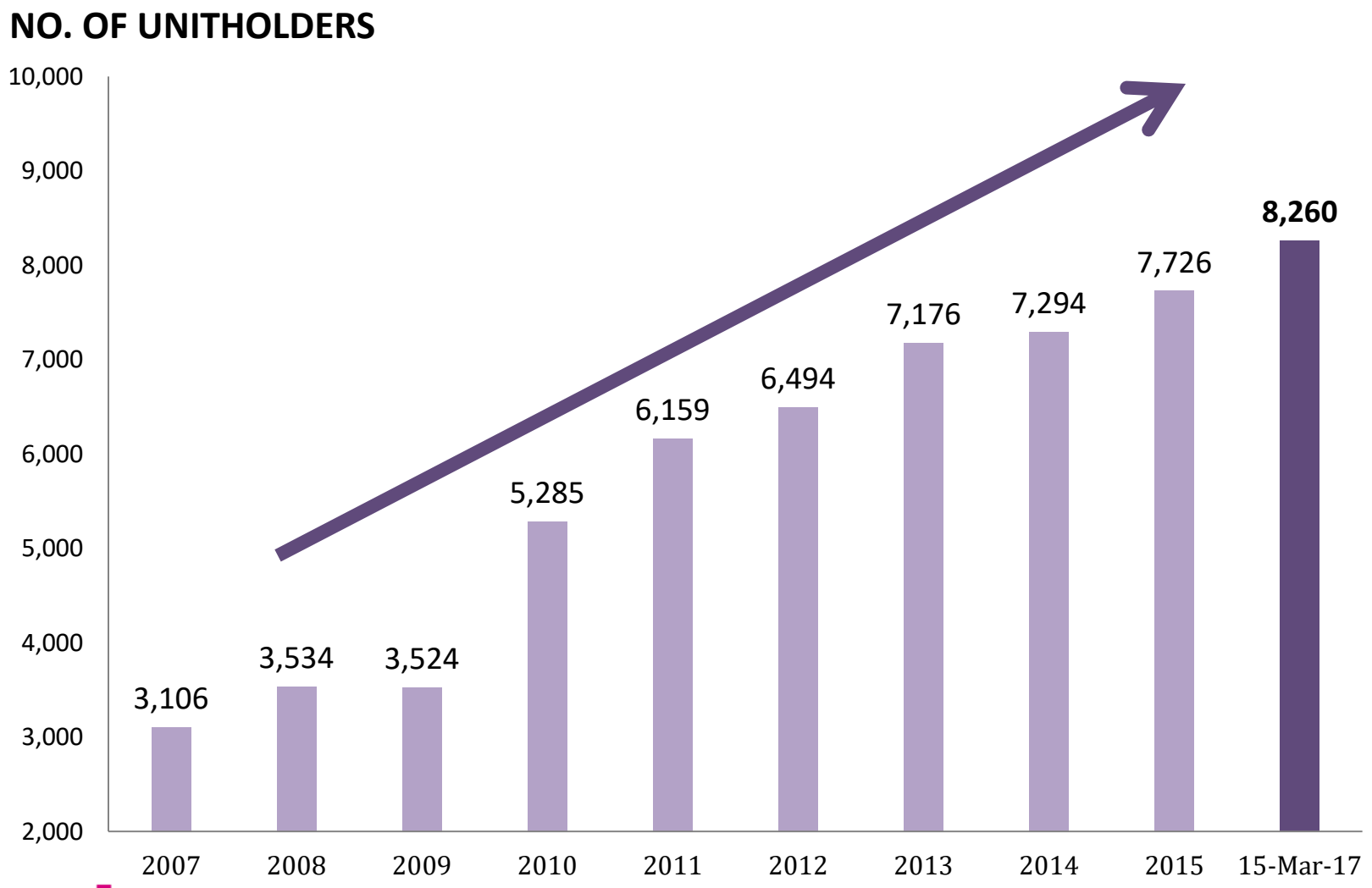


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Based on closing price of S$1.31 on 31 March 2017 and total number of 775,174,287 units

Expanding Unitholder Base

10 Years
2006-2016



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Recent Transactions

10 Years
2006-2016



Siloam Hospitals Labuan Bajo

Latest Acquisition: Siloam Hospitals Labuan Bajo

10 Years
2006-2016







Property Type	Hospital	**Master Lessees**	PT Lippo Karawaci Tbk and PT Lintas Buana Jaya[1]
Purchase Consideration	**S$20.0 million**	**Base Rent**	Initial base rent of S$1.85 million per annum 9.25% gross yield
Valuations	**S$20.50 million by Rengganis[2]** **S$20.58 million by Alberth[3]**	**Base Rent Escalation**	Takes effect from the sixth year and for subsequent years of the SHLB Master Lease at a rate equal to 2x percentage increase of Singapore CPI, capped at 2% For each five-year period after the initial five-year period, the increase is subject to a further cap of 5%.
Discount to Valuation	**2.82%** *(based on higher of 2 valuations)*	**Variable Rent**	Takes effect from the sixth year and for subsequent years of the SHLB Master Lease based on SHLB Gross Operating Revenue growth
Financing	Drawdown of committed debt and internal cash	**Lease Term**	15 years with option to renew for a further 15 years
Property Title	HGB (Right to Build) title certificate expiring on 11 May 2046		

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[1] PT Lintas Buana Jaya is a wholly owned subsidiary of PT Siloam International Hospitals Tbk
[2] KJPP Rengganis, Hamid & Rekan in strategic alliance with CBRE Pte. Ltd., appraised as at 19 October 2016
[3] KJPP Rinaldi, Alberth, Baroto & Partners., appraised as at 19 October 2016

Property Details: Siloam Hospitals Labuan Bajo

10 Years
2006-2016

Jalan Gabriel Gampur, Labuan Bajo, West Manggarai Regency, East Nusa Tenggara, Indonesia

Established	2015	Land Area	2,837 sqm
Hospital Beds	153	Gross Floor Area	7,604 sqm
Property Classification	Hospital	Centre of Excellence	Emergency Medicine, Internal Medicine and Neuroscience









- SHLB is a newly-built three-storey hospital building which commenced operations in mid-January 2016
- Some medical facilities available include emergency rooms, operating theatres, delivery rooms, outpatient clinics, inpatient services, isolation rooms, intensive care unit, neonatal intensive care unit, X-ray machines, ultrasonography and 3-dimension echocardiography
- Various medical services offered include mammography, cardiology, dentistry, dermatology, general surgery, haemodialysis, internal medicine, paediatrics, obstetrics and gynaecology, medical rehabilitation and physiotherapy, radiology and trauma

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1Q 2017 Financial Highlights

10 Years
2006-2016



Key Highlights

10 Years
2006-2016

Newly-acquired properties boosted income streams while growth pipeline remains strong

- **Successfully completed the acquisition** of **Siloam Hospitals Labuan Bajo** on 30 December 2016 at a purchase consideration of S$20.0 million
- Portfolio size increased to **18 properties** across Indonesia, Singapore & South Korea, with total **assets-under-management** at **S$1.27 billion**
- **Financial Performance**

	1Q 2017	1Q 2016	Y-O-Y	FY 2016	FY 2015	Y-O-Y
Gross Revenue (S$'m)	27.2	26.5	2.5%	107.0	100.7	6.3%
Net Property Income (S$'m)	26.9	26.2	2.5%	105.8	99.3	6.6%
Distributable Income (S$'m)	16.6	16.2	2.4%	65.2	61.9	5.4%
DPU (cents)	2.14	2.11	1.4%	8.47	8.30	2.0%

- Annualised DPU of 8.68 cents translates to distribution yield of **6.6%**[1]
- Announced **S$60 million subordinated perpetual securities** priced at a fixed distribution rate of **5.68% p.a.** for the first 5 years
- Maintained **gearing below 45%** despite significant growth in portfolio value, distributable amount and DPU
- Received Unitholders' approval on 29 December 2015 for Asset Enhancement Initiative (AEI) of **Siloam Hospitals Surabaya**

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[1] *Based on closing price of S$1.310 on 31 March 2017*

Key Highlights

10 Years
2006-2016

Acquired 9 hospitals, 1 integrated hospital & mall and 1 integrated hospital & hotel in the last 7 years

Indonesia: 2010
- MRCCC
- SHLC

Singapore: Mar 2011
- Divestment of Adam Road property

South Korea: Aug 2011
- Sarang Hospital

Indonesia: 2012
- MD Property
- SHMK

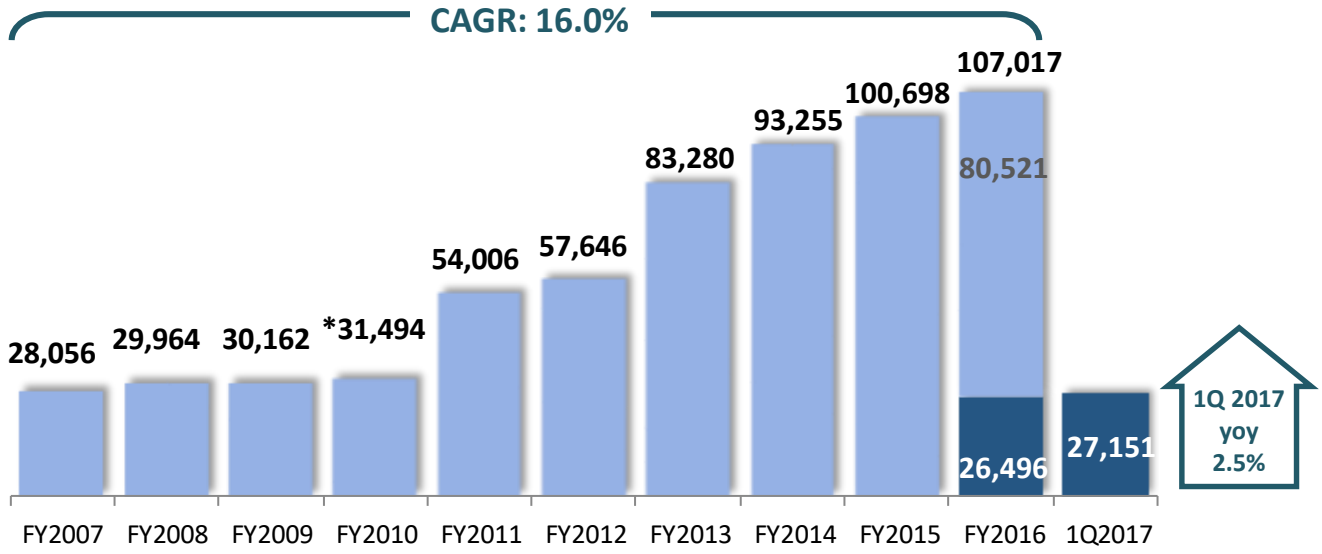
Indonesia: 2013
- SHBL
- SHTS

Indonesia: 2014
- SHPW
- SS

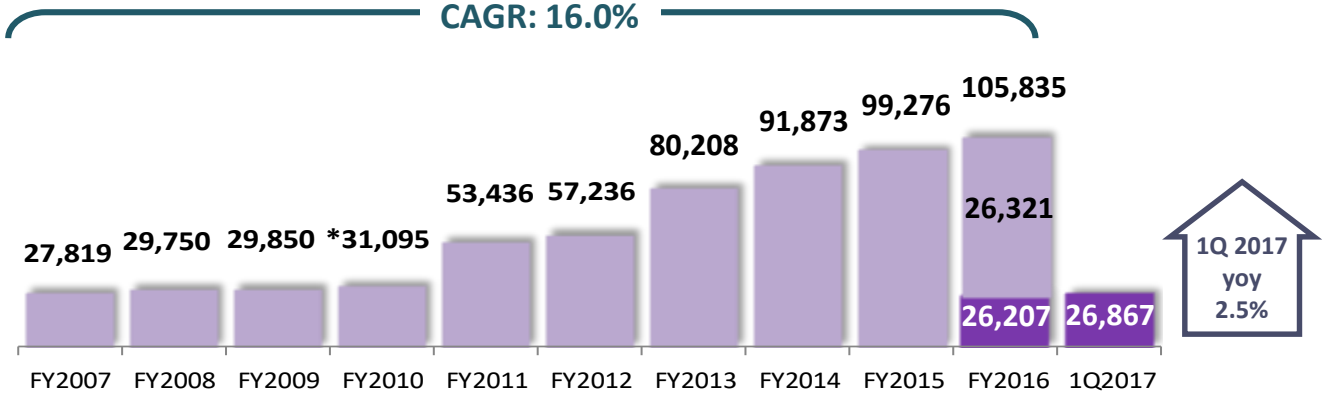
Indonesia: 2015
- Siloam Hospitals Kupang & Lippo Plaza Kupang

Indonesia: 2016
- SHLB

Gross Revenue



Net Property Income

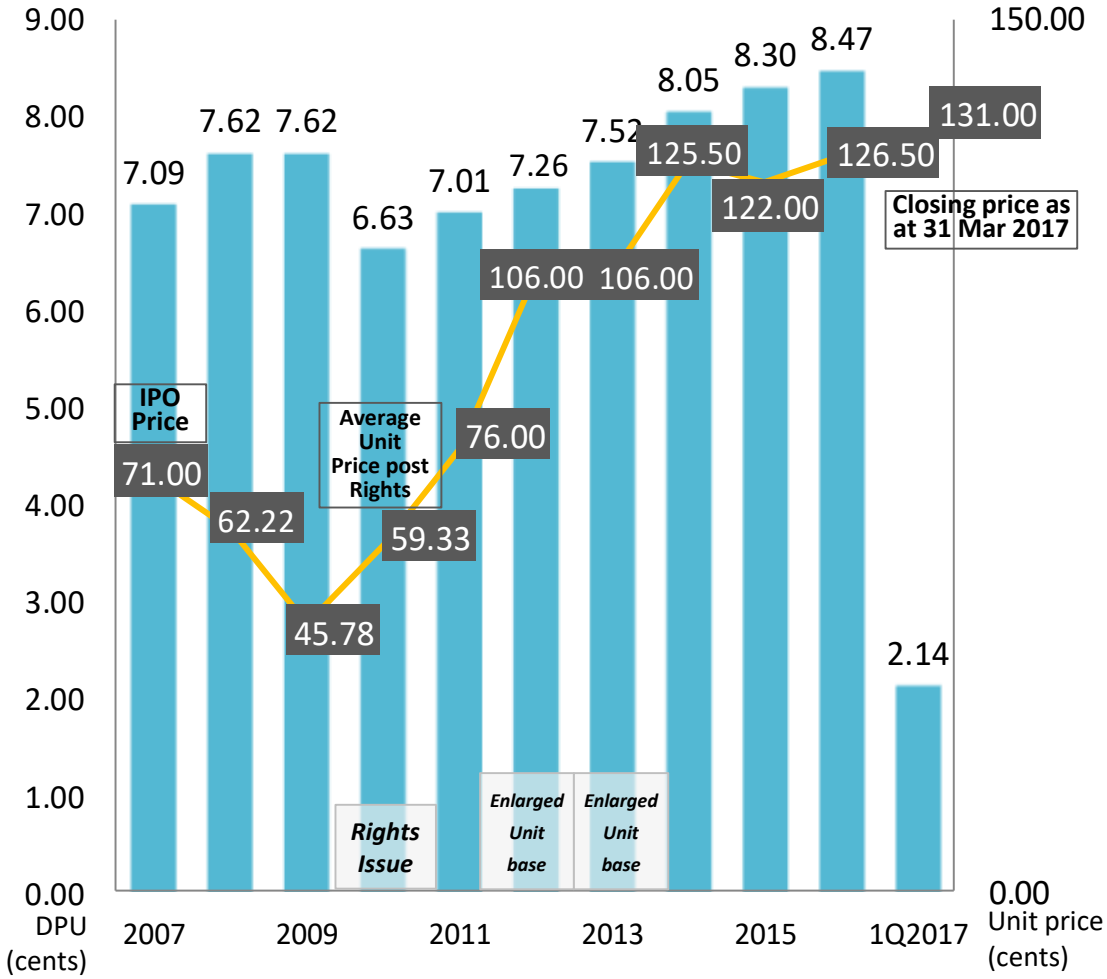


*Includes deferred rental income from Adam Road property as at 31 December 2010, which was divested on 25 March 2011

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% of Total Return: YTD & Annualised

10 Years
2006-2016



DPU Return: FY 2007 to YTD	**: 77.71 cents**
Return on Average Unit Price	**: 71.67 cents**
Total return to date	**: 149.38 cents**

Average Unit Price post Rights = (71.00 x 4 + 50.00 x 5)/9 = 59.33

Illustration of First REIT's Unit Value since IPO

- Total amount invested (assumes S$1,000 of First REIT Units at IPO and subscription to Rights Units) : S$1,880.28
- Total worth of Investment (including Dividends from IPO to YTD) : S$6,104.19
- **Annualised total return[1] : 21.8%**

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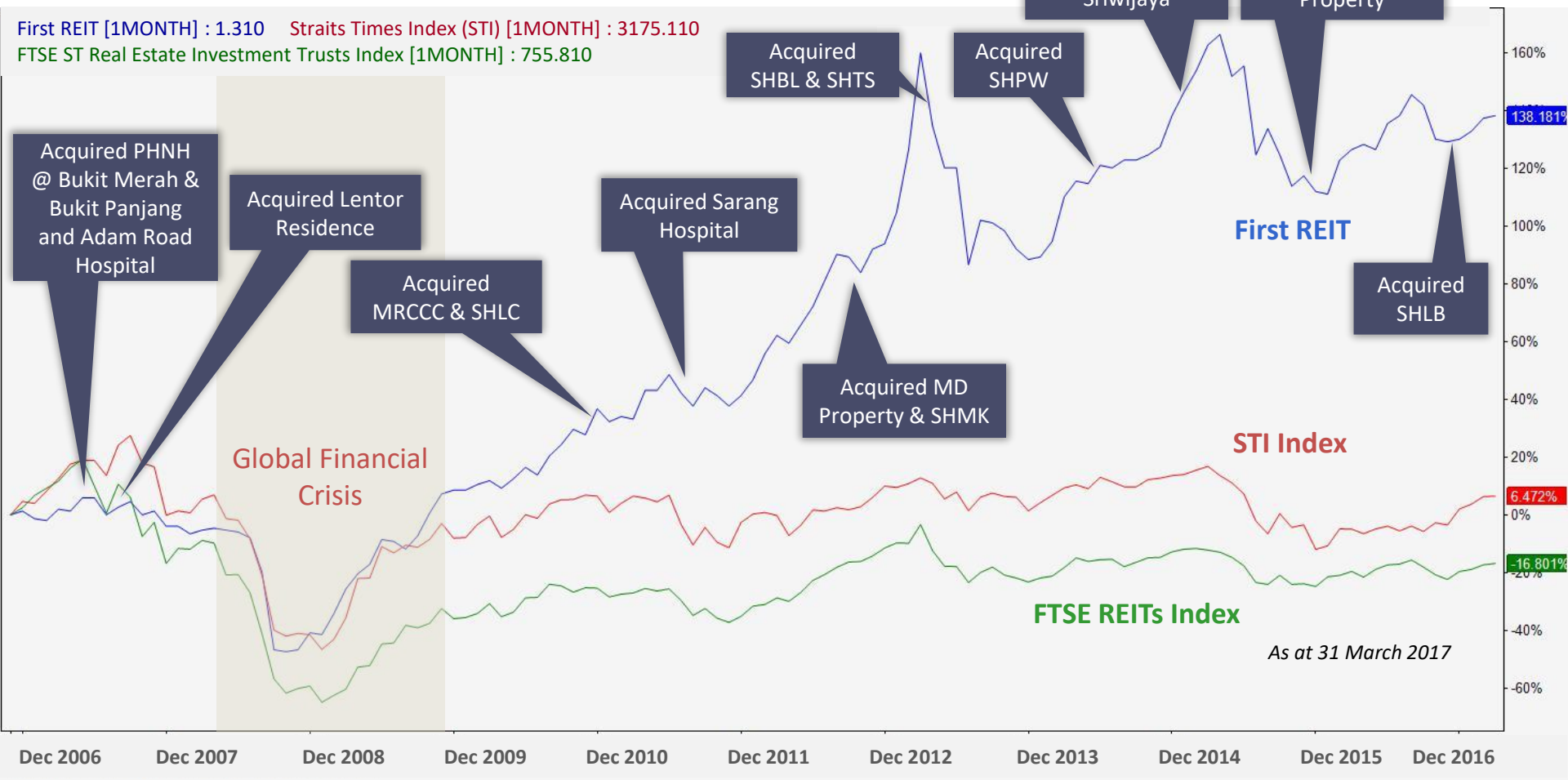
[1] Assumes Unitholder owned First REIT Units at the IPO price of S$0.71 per unit and fully subscribed for the 5-for-4 Rights Issue at S$0.50 per unit in 2010. The annualised total return will vary for investors who purchased Units in the secondary market at a market price that differs from the IPO price of S$0.71 per unit and/or who did not fully subscribe for the 5-for-4 rights issue in 2010.

First REIT vs Benchmark Indices

10 Years
2006-2016

Since listing in December 2006

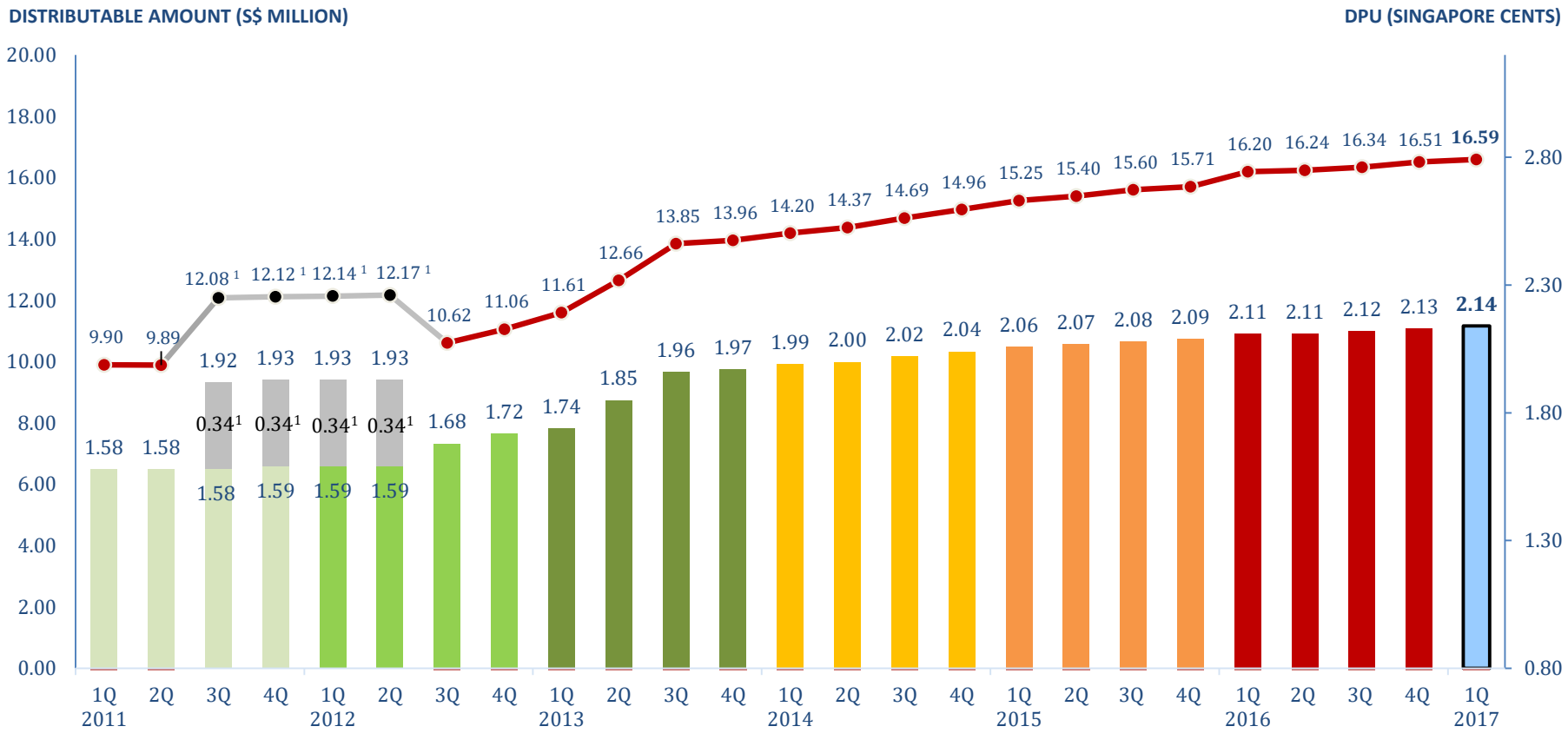
Adjusted for Rights Units



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Steady Growth in Quarterly DPU & Distributable Amount

10 Years
2006-2016



Note

(1) The other gain distribution is the gain on divestment of the Adam Road property recognised in 1Q 2011, and was paid in 3Q 2011, 4Q 2011, 1Q 2012 and 2Q 2012.

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Strong Cash Distribution Model

10 Years
2006-2016

First REIT has maintained a payout policy of 100% of distributable income since listing in Dec 2006

Period	1 January 2017 to 31 March 2017
Distribution Per Unit	**2.14¢**
- Taxable	0.07¢
- Tax-Exempt	1.17¢
- Capital	0.90¢

Distribution Time Table	
Last trading day quoted on a "cum" distribution basis	20 April 2017
Ex-dividend date	21 April 2017
Book Closure Date	25 April 2017 at 5.00 pm
Distribution Payment Date	26 May 2017

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Majority of S$ Loans on Fixed Rate Basis

10 Years
2006-2016

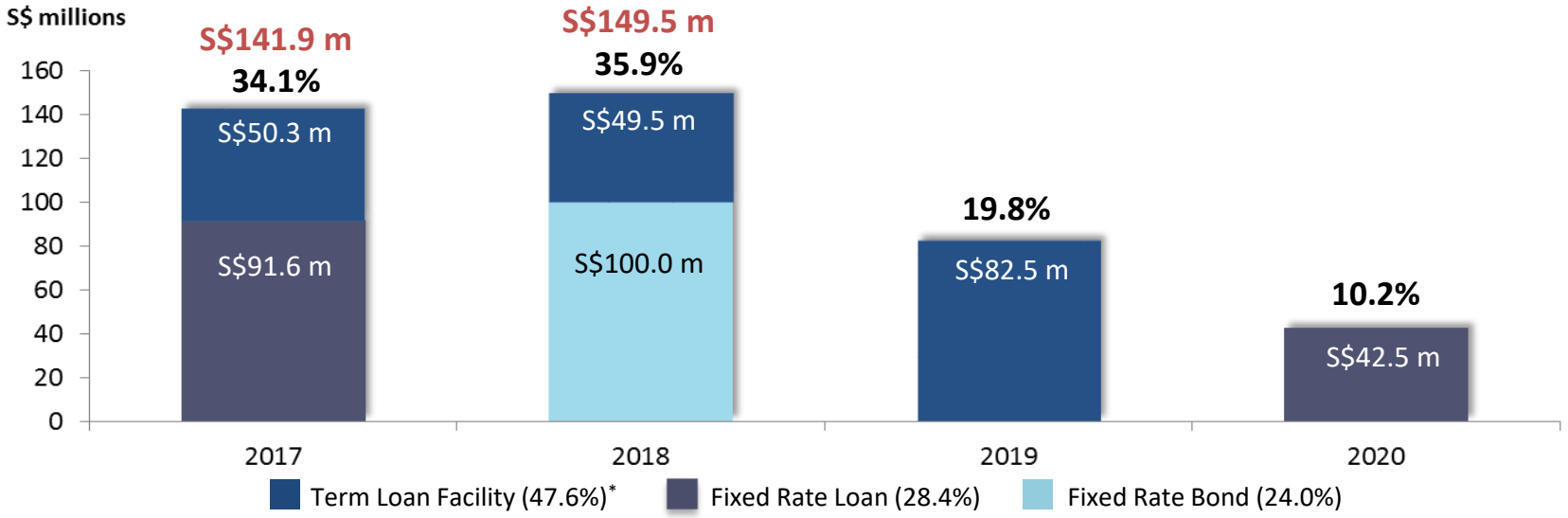
To mitigate the impact of interest rate fluctuations, 90.9% of First REIT's debt is on a fixed rate basis

	As at 31 Mar 2017	As at 31 Dec 2016[1]
Total Debt[2]	S$416.4 million	S$417.0 million
Gearing Ratio	31.0%	31.1%

[1] *On July 2016, First REIT's S$60 million subordinated perpetual securities was successfully issued. This lowered our gearing ratio from 34.4% (as at 30 June 2016) to 30.0%, thereby **increasing our debt headroom** for **future acquisition opportunities**. With the recent acquisition of SHLB, our gearing increased to 31.1% as at 31 Dec 2016.*

[2] *Before transaction costs*

Debt Maturity Profile



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* Term loan amount of S$160.3 million is hedged using interest rate swap

- **Borrowings are secured by investment properties (except SHLB, SHS, SS and Sarang Hospital)**

Our Growth Strategy

10 Years
2006-2016



Siloam Hospitals Surabaya

AEI: SILOAM HOSPITALS SURABAYA

10 Years
2006-2016

Artist's impression of the mixed development where the New SHS will be located



Description	12-storey hospital building with two podium floors and one lower ground floor, equipped with state-of-the-art medical equipment The mixed development will comprise the New SHS, a private school, an ancillary mall, a hotel and apartment and adequate car parks
Gross Floor Area	24,246 sqm
Max. No. of Beds	488
Centre of Excellence	Cardiology, Emergency & Trauma
Expected date of completion	2019

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TRANSACTION SUMMARY

10 Years
2006-2016

The SHS Asset Swap will be carried out through the following:

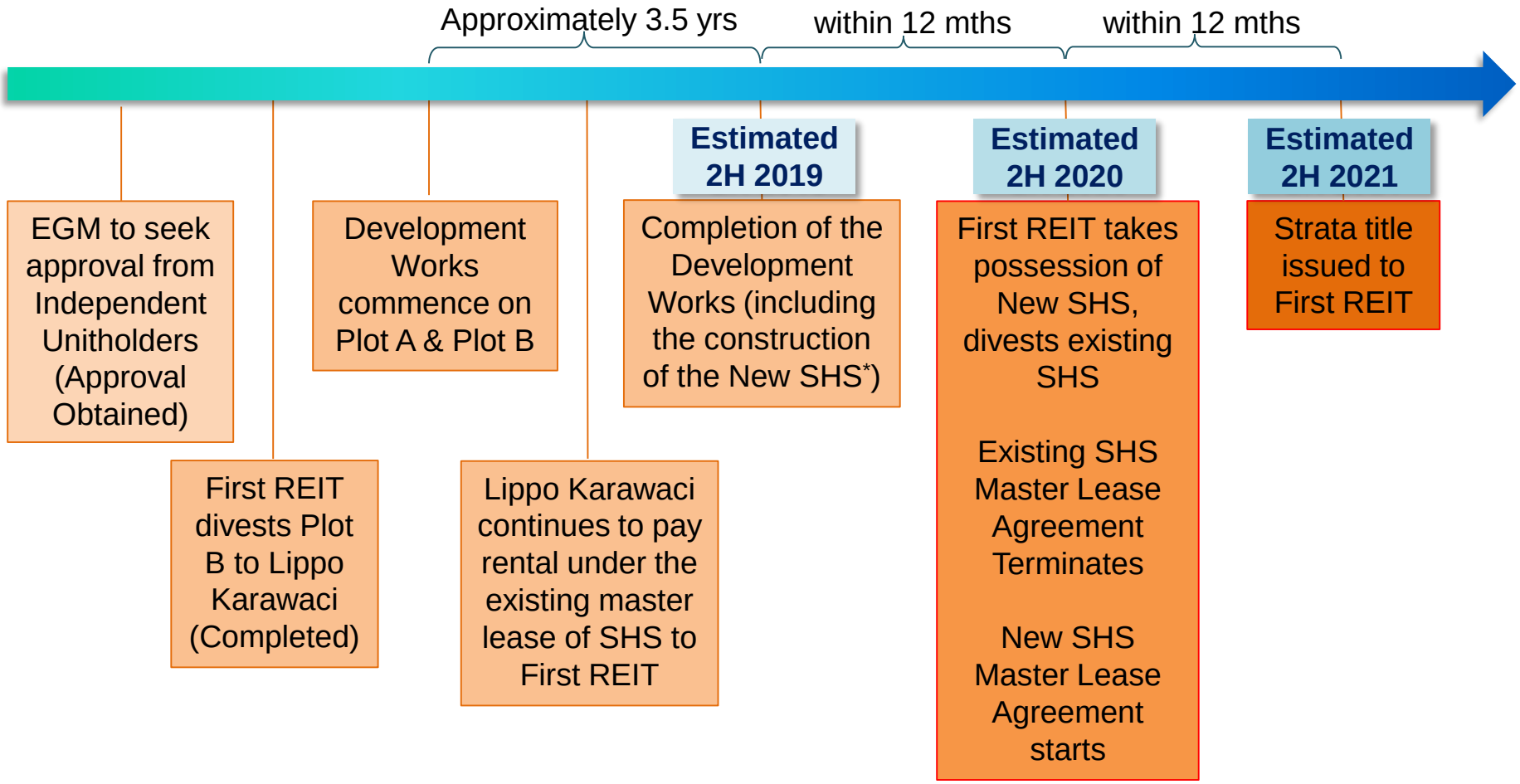
Divestment of Plot B (Completed)	• Divestment of Plot B for **S$8.2 million** owned by First REIT to its Sponsor, PT Lippo Karawaci Tbk ("Lippo Karawaci")
Development Works	• Lippo Karawaci will construct mixed development on Plot A (Sponsor's Land) and Plot B • While Development Works is in progress, the Existing SHS will remain operational and this ensures **continuity in rental income** for First REIT
New SHS Acquisition and New Master Lease	• Upon completion of the New SHS, First REIT will acquire the New SHS located on Plot A for **S$90.0 million** from Lippo Karawaci and enter into a new master lease agreement with Lippo Karawaci
Divestment of Existing SHS[1]	• Divestment of Existing SHS located on Plot C for **S$27.5 million** owned by First REIT to Lippo Karawaci

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[1] The divestment of Existing SHS will be the higher of S$27.5 million or the average of two independent valuations of the Existing SHS to be conducted prior to the completion of the Existing SHS Divestment.

TRANSACTION TIMELINE (INDICATIVE)

10 Years
2006-2016



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* Upon completion, Lippo Karawaci submits application for the SLF in relation to the New SHS, which is expected to be obtained within 9 months. Thereafter, Lippo Karawaci submits application for the necessary hospital operation permits and licenses in relation to the New SHS, which is expected to be obtained within 3 months.

Acquisition of Yield-Accretive Assets

10 Years
2006-2016

First REIT's potential pipeline for future acquisitions and AEIs

Indonesia

Strong sponsor in Indonesia with healthy pipeline

- Right of First Refusal to LK's healthcare properties
- LK has 25[1] hospitals under Siloam Hospitals network
- 43 hospitals in the pipeline
- Nationally and internationally accredited
- Transformational hospital group scale-up to US$3.5 billion in 5 years
- Other pipeline properties:
  - Siloam Hospitals Bandung, West Java
  - Siloam Hospitals Panakkukang Makassar, South Sulawesi
  - Siloam Hospitals Pluit, North Jakarta[2]
  - Siloam Hospitals Cempaka Putih, Central Jakarta[2]
  - Siloam Hospitals Medan, North Sumatra[2]

Potential Asset Enhancement Initiatives (AEIs)

- Siloam Hospitals Kebon Jeruk (SHKJ), West Jakarta
- Imperial Aryaduta Hotel & Country Club (IAHCC), Lippo Village Tangerang

Singapore & Other Markets

- Nursing homes
- Other quality and yield-accretive healthcare-related assets in Asia

Pipeline Properties (Completed)

Siloam Hospitals Buton	Siloam Hospitals Yogyakarta	Siloam Hospitals Bogor[2]
		
South East Sulawesi	*Central Java*	*West Java*
• 140 beds		

Pipeline Properties (Under Development)

Siloam Hospitals Sorong	Siloam Hospitals Lubuk Linggau[2]	Siloam Hospitals Jember
		
West Papua	*South Sumatra*	*East Java*

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Notes

[1] This includes 2 hospitals located in Bekasi and Mataram, announced to be acquired by PT Siloam International Hospitals Tbk on 16 January 2017

[2] These pipeline properties are owned by third parties but managed and operated by Siloam Hospitals Group

Options for Future Debt & Equity

Debt

- Secured Term Loans
- Medium Term Notes (MTN)
- Bonds

+

Equity

- Private Placement
- Payment to Vendor
- Perpetual Securities
- Distribution Reinvestment Plan

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THANK YOU

Q&A

10 Years
2006-2016



Mochtar Riady Comprehensive Cancer Centre