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

COMMENCEMENT OF CONSENT SOLICITATION EXERCISE IN RELATION TO THE OUTSTANDING S$100,000,000 4.125 PER CENT. NOTES DUE 2018 COMPRISED IN SERIES 001 (ISIN: SG56E6992960) (THE "NOTES") ISSUED UNDER THE S$500,000,000 MULTICURRENCY MEDIUM TERM NOTE PROGRAMME (THE "PROGRAMME") OF HSBC INSTITUTIONAL TRUST SERVICES (SINGAPORE) LIMITED (IN ITS CAPACITY AS TRUSTEE OF FIRST REAL ESTATE INVESTMENT TRUST ("FIRST REIT", AND AS TRUSTEE OF FIRST REIT, THE "ISSUER")

Reference is made to:

(a) the Notes issued by the Issuer under the Programme; and

(b) the trust deed dated 11 April 2013 entered into between (1) the Issuer, and (2) The Bank of New York Mellon, Singapore Branch, as trustee, relating to the Programme and constituting the Notes (the "**Trust Deed**").

Bowsprit Capital Corporation Limited, in its capacity as manager of First REIT, wishes to announce that the Issuer has today commenced a consent solicitation exercise to seek the approval of the holders of the Notes (the "**Noteholders**") by way of Extraordinary Resolution to, *inter alia*, only in respect of the Notes:

(i) amend the financial covenants set out in Clause 7.2.2 of the Trust Deed and Condition 3(b)(ii) of the Notes such that the ratio of Consolidated Total Borrowings to Consolidated Total Assets shall not exceed 0.45 times or such higher ratio as may be permitted under the Property Funds Appendix or the First REIT Trust Deed, provided that in no circumstance shall such ratio exceed 0.50 times;

(ii) approve the making of such consequential changes to the Conditions of the Notes and the Trust Deed as the Trustee may, in its absolute discretion, deem necessary, desirable or expedient to give effect to the Extraordinary Resolution;

(iii) sanction every abrogation, modification, compromise or arrangement in respect of the rights of the Noteholders appertaining to the Notes against the Issuer involved in or resulting from the modifications referred to in sub-paragraphs (i) and (ii) above; and

(iv) authorise and request the Trustee to concur in the modifications referred to in subparagraphs (i) to (iii) above and execute all documents, notices, forms, instruments, consents or agreements (including, without limitation, the Supplemental Trust Deed in the form of the draft produced to the Meeting and for the purposes of identification signed by the chairman of the Meeting with such amendments (if any) as the Trustee may approve and/or require) to give effect to the Extraordinary Resolution on such terms and conditions as the Trustee may in its absolute discretion decide and to concur in and do all acts and things as the Trustee may in its absolute discretion consider necessary, desirable or expedient to give effect to the Extraordinary Resolution.

Oversea-Chinese Banking Corporation Limited has been appointed to act as solicitation agent in connection with the Consent Solicitation, and Tricor Singapore Pte. Ltd. (trading as Tricor Barbinder Share Registration Services) has been appointed to act as an additional issuing and paying agent in respect of the Notes in relation to the Consent Solicitation and meeting agent in respect of the Consent Solicitation and the Meeting (the "**Meeting Agent**").

For further details on the Consent Solicitation, Noteholders should refer to the notice of meeting dated 13 January 2016 (the "**Notice of Meeting**"), which is published in *The Business Times* and announced via SGXNET, and the consent solicitation statement dated 13 January 2016 (the "**Consent Solicitation Statement**"), issued by the Issuer to the Noteholders. Terms defined in the Consent Solicitation Statement shall have the same meaning in this announcement unless otherwise defined herein.

Arrangements have also been made for a copy of the Consent Solicitation Statement (containing the form of the Notice of Meeting, the form of the Voting Instruction Form, and the Tax Residency Declaration Form) to be despatched to all Noteholders reflected in the register of The Central Depository (Pte) Limited as at close of business on 8 January 2016 and having an address in Singapore. In order to avoid any violation of laws applicable in countries other than Singapore, the Consent Solicitation Statement has not been and will not be mailed to Noteholders who do not presently have an address in Singapore ("**Foreign Noteholders**"). Foreign Noteholders who wish to obtain a copy of the Consent Solicitation Statement should provide in writing such address in Singapore to the Meeting Agent not later than five days before 10.00 a.m. (Singapore time) on 3 February 2016.

In addition, Noteholders may collect copies of the Consent Solicitation Statement from the office of the Meeting Agent at the following address, from 13 January 2016, between 9.00 a.m. (Singapore time) to 6.00 p.m. (Singapore time) from Mondays to Fridays (excluding public holidays), up to 10.00 a.m. (Singapore time) on 3 February 2016:

Tricor Singapore Pte. Ltd.
(trading as Tricor Barbinder Share Registration Services)
80 Robinson Road
#11-02
Singapore 068898
Contact No.: (65) 6236 3550 / 6236 3555

Unitholders of First REIT who are not otherwise Noteholders will not be eligible to attend or vote at the Meeting either in person or by proxy.

By Order of the Board

Dr Ronnie Tan Keh Poo
Chief Executive Officer
Bowsprit Capital Corporation Limited
(in its capacity as manager of First Real Estate Investment Trust)
(Company registration no. 200607070D)

13 January 2016

NOTE: This announcement does not constitute an invitation to participate in the Consent Solicitation. No offer or invitation to issue or redeem any securities is being made pursuant to this announcement. This announcement does not constitute or form part of, and should not be construed as, an offer for sale or subscription of, or a solicitation of any offer to buy or subscribe for, any securities of First RET or any other entity. This announcement must be read in conjunction with the Consent Solicitation Statement.