

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 2016, for all properties owned by First REIT.

The portfolio of First REIT’s properties is revalued at S\$1,273.2 million, which represents an increase of S\$4.9 million (0.4%) over First REIT’s book value as at 31st December 2015. The revalued portfolio of First REIT will be reflected in the financial statements of First REIT for the financial year ended 31st December 2016.

The valuations of the respective properties as at 31st December 2016 are set out below:

No.	Properties	Valuation ⁽¹⁾ (S\$ million)	% ⁽²⁾	Appointed Appraiser
	Indonesia			
1	Siloam Hospitals Lippo Village	161.7	12.7	KJPP Rinaldi, Alberth, Baroto & Partners
2	Siloam Hospitals Surabaya (“ SHS ”) ⁽³⁾	30.2	2.4	
3	Siloam Hospitals Labuan Bajo ⁽⁴⁾	20.6	1.6	
4	Siloam Hospitals Kupang & Lippo Plaza Kupang	69.5	5.5	
5	Imperial Aryaduta Hotel & Country Club	41.8	3.3	Savills Valuation & Professional Services (S) Pte Ltd in partnership with KJPP Willie Prasetyo dan Rekan
6	Siloam Hospitals Kebon Jeruk	96.0	7.5	
7	Mochtar Riady Comprehensive Cancer Centre	252.8	19.9	
8	Siloam Hospitals Lippo Cikarang	48.7	3.8	KJPP Willson & Rekan in association with Knight Frank
9	Siloam Hospitals Purwakarta	41.0	3.2	
10	Siloam Sriwijaya	42.7	3.4	
11	Siloam Hospitals Manado & Hotel Aryaduta Manado	104.3	8.2	KJPP Rengganis, Hamid & Rekan in strategic alliance with CBRE
12	Siloam Hospitals Makassar	73.7	5.8	
13	Siloam Hospitals Bali	124.7	9.8	
14	Siloam Hospitals TB Simatupang	119.4	9.4	
	Sub total	1,227.1	96.4	

No.	Properties	Valuation ⁽¹⁾ (S\$ million)	% ⁽²⁾	Appointed Appraiser
	Singapore			
15	Pacific Healthcare Nursing Home @ Bukit Merah	10.0	0.8	Colliers International Consultancy & Valuation (Singapore) Pte Ltd
16	Pacific Healthcare Nursing Home II @ Bukit Panjang	10.0	0.8	
17	The Lentor Residence	16.8	1.3	
	Sub total	36.8	2.9	
	South Korea			
18	Sarang Hospital ⁽⁵⁾	9.3	0.7	Colliers International Consultancy & Valuation (Singapore) Pte Ltd
	Sub total	9.3	0.7	
	Total Portfolio Value	1,273.2	100%	

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

⁽¹⁾ Given the negative environment of the Singapore Consumer Price Index in recent years, a more prudent and conservative perspective approach was adopted in this annual valuation exercise.

⁽²⁾ Value as a percentage of Total Portfolio Value.

⁽³⁾ 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.

⁽⁴⁾ Siloam Hospitals Labuan Bajo was acquired on 30th December 2016.

⁽⁵⁾ Based on a value of US\$6.4 million at the exchange rate of US\$1 = S\$1.4467 as at 31st December 2016.

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

Dr Ronnie Tan Keh Poo
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.