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

ANNOUNCEMENT
PAYMENT OF MANAGEMENT FEE
BY WAY OF ISSUE OF UNITS IN FIRST REAL ESTATE INVESTMENT TRUST

Bowsprit Capital Corporation Limited, as manager of First Real Estate Investment Trust (the "**Manager**") wishes to announce that 737,393 units in First Real Estate Investment Trust ("**First REIT**", and the units in First REIT, the "**Units**") have been issued to the Manager on 17 January 2018 at an issue price of S$1.2666 per Unit.

The 737,393 Units were issued to the Manager pursuant to the trust deed constituting First REIT dated 19 October 2006 (as amended) (the "**Trust Deed**") as payment of 70% of the Performance Fee component of the Manager's management fee (as defined in the Trust Deed) for the period from 1 October 2016 to 31 December 2016. The balance of the Performance Fee component of S$400,278.16 (excluding applicable goods and services tax) was paid in cash.

The issue price of the Units was determined based on the volume weighted average traded price of a Unit for all trades on Singapore Exchange Securities Trading Limited ("**SGX-ST**") for the 10 business days immediately preceding the end of 31 December 2016 in which the management fee accrues.

With the above-mentioned issue of Units, the Manager holds an aggregate of 50,640,891 Units, representing 6.49% of the total number of Units in issue of 780,691,899.

By Order of the Board

Victor Tan Kok Mian
Executive Director and Chief Executive Officer
Bowsprit Capital Corporation Limited
(Company Registration No: 200607070D)
As Manager of First Real Estate Investment Trust

17 January 2018

Important Notice

The value of 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 may only deal in their Units through trading on SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

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