SERVICES SECTOR

ParkwayLife Reit

390 Orchard Road #16-01 to 04
Palais Renaissance
Singapore 238871

http://www.plifereit.com

COMPANY BACKGROUND

Parkway Life REIT is Asia’s largest healthcare REIT. Listed on the Singapore Exchange in August 2007, Parkway Life REIT invests in income producing real estate or real estate related assets in the Asia Pacific region (including Singapore) that are used primarily for healthcare and/or healthcare-related purpose.

Parkway Life REIT aims to deliver regular and stable distributions and achieve long term growth for Unitholders.

STRENGTHS

- Long term stable growth and distributions
- Financial strength arising from low debt level and strong credit rating
- Geographically diversified portfolio of assets across the Asia-Pacific region
- Diversified portfolio of healthcare real estate assets
- Acquisition growth through partnerships with Asia-Pacific healthcare players and strategic relationship with ParkwayHealth
- Growth in the Asia-Pacific healthcare industry driven by rising incomes and demographics
- Strong and experienced management team

STRATEGY

Parkway Life REIT owns the largest portfolio of strategically located private hospitals in Singapore, comprising Mount Elizabeth, Gleneagles Hospital and East Shore Hospital. Parkway Life REIT has investments in a pharmaceutical products manufacturing facility P-Life Matsudo and two nursing homes Bon Sejour Shin-Yamashita and Bon Sejour Ibaraki in Japan.

Parkway Life REIT aims to:

- Leverage the management team’s deal sourcing capabilities to develop the pipeline of acquisition opportunities;
- Benefit from Singapore’s strengthening position as a regional healthcare hub and biomedical and pharmaceutical centre of excellence;
- Tap into the strong growth in demand for healthcare services across Asia; and
- Benefit from Parkway Holdings Limited’s healthcare industry experience and vast Asian network

With a five-year right of first refusal granted by Parkway Holdings Limited, both Parkway Life REIT and Parkway Holdings Limited provide an integrated and synergistic platform for the acquisition of hospitals and healthcare-related assets in the region, thus benefitting both in our efforts to expand in Asia.

Asset Enhancement

In addition to growing our portfolio, Parkway Life REIT also constantly explores the opportunity to implement various asset enhancement initiatives to improve the performance, maximize the operational efficiency and enhance the competitiveness of the assets, which ultimately lead to increases in revenue.

Capital And Financial Management

Parkway Life REIT is in excellent financial health, with strong capital position and low financial gearing. On 19 February 2008, Parkway Life REIT received a long term investment grade issuer rating of “BBB+” from Fitch Ratings, the international ratings agency. With a BBB+ rating, Parkway Life REIT is able to increase its aggregate leverage up to a maximum of 60% as prescribed by the Property Funds Guidelines.

Parkway Life REIT endeavours to maintain an optimal capital structure and proactively manages financial risks, while allowing substantial financial flexibility to undertake growth initiatives.

ASSET PORTFOLIO

Hospitals & Medical Centres

- Mount Elizabeth Hospital – A 505-bed private tertiary acute care hospital; located in Singapore
- Gleneagles Hospital – A 308-bed private tertiary acute care hospital; located in Singapore
- East Shore Hospital – A 154-bed private general acute care hospital; located in Singapore

Nursing Homes

- Bon Sejour Shin-Yamashita – A freehold 5-storey paid nursing home with care service, consisting of 74 units; located in Yokohama City, Kanagawa Prefecture, Japan
- Bon Sejour Ibaraki – A freehold 5-storey paid nursing home with care service, consisting of 94 units; located in Ibaraki City, Osaka, Japan

Other Healthcare-Related Assets

- P-Life Matsudo – A freehold 2-storey pharmaceutical product distributing and manufacturing facility; located in Matsudo City, Chiba Prefecture, Japan
**COMPETITIVE STRENGTHS OF PROPERTIES**

- 100% committed occupancy
- Diversified Portfolio (Geography & Asset Type) + Quality Assets
- Locked-in Value given long-term leases (weighted average lease term to expiry of 14.0 yrs)
- Growing Demand for Private Healthcare + Operational Synergies with Parkway
- Stability and Sustainability of Returns to Unitholders
- Minimal Exposure to Escalating Operating Expenses (largely borne by Lessees)
- Good Organic Growth (97.5% of Leases (by NLA) with annual rent escalation tied to inflation)
- Diversified Portfolio (Geography & Asset Type)
- Quality Assets
- Growing Demand for Private Healthcare + Operational Synergies with Parkway
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**Note:**
1. Based on Gross Rental Income (as at 30 June 2008)

**DEBT FUNDING PROFILE**

<table>
<thead>
<tr>
<th>Debt headroom (%)</th>
<th>Assets (S$m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to 45%</td>
<td>640 570 0 0</td>
</tr>
<tr>
<td>Up to 60%</td>
<td>1,200 1,130 560 0</td>
</tr>
</tbody>
</table>

**Low gearing provides strong financial flexibility with substantial debt capacity to fund future acquisitions.**

**IR contact**

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