



ParkwayLife REIT

("PLife REIT")



Q2 2009 Results Presentation

6 August 2009



Disclaimer

- ❑ This Presentation is focused on comparing actual results for the period from 1 April 2009 to 30 June 2009 (“Q2 2009”) versus the period from 1 April 2008 to 30 June 2008 (“Q2 2008”) and for the period from 1 January 2009 to 30 June 2009 (“H1 2009”) versus the period from 1 January 2008 to 30 June 2008 (“H1 2008”). This shall be read in conjunction with PLife REIT 2009 Second Quarter Unaudited Financial Statement and Distribution Announcement in SGXNet.

- ❑ This Presentation may contain forward-looking statements that involve assumptions, 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, shifts in expected levels of property rental income, changes in operating expenses, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager’s current view of future events.

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Q2 2009 Highlights

Q2 2009 Highlights



Strong Revenue & DPU growth

- Gross revenue grew by 28.9% (Q2 Y-O-Y) and 33.1% (H1 Y-O-Y)
- Net property income grew by 27.9% (Q2 Y-O-Y) and 32.1% (H1 Y-O-Y)
- DPU at 1.89 cents; growth at a rate of 18.9% since IPO



Minimum Guaranteed Rent for Singapore Hospitals increase by 4.36%

- With CPI growth of 3.36%, 3rd Year Minimum Guaranteed Rent set to increase by 4.36% above total actual rent payable for 2nd Year of Term based on (CPI + 1%) formula
- Rate Effective for the period 23 August 2009 to 22 August 2010
- Strong and Sustainable Returns for Unit holders as Singapore Hospital Properties contributes approximately 80% of the revenue of PLife REIT



Q2 2009 Highlights (cont'd)



The 1st listed entity in Singapore offered Revolving Credit Islamic Financing

- Offered S\$50mil 3-year Revolving Murabaha Facility (similar to revolving credit facility of a traditional loan) with Islamic Bank of Asia (“IBA”)
- Showcased PLife REIT’s innovation and ability in diversifying into other non-traditional funding sources



Poised for growth with sharpened focus on investment and asset management

- Internal reorganisation to sharpen focus on both investment and asset management, to bring PLife REIT to the next level of growth



Q2 2009 Highlights (cont'd)



Maiden Asset Enhancement Initiatives (“AEI”) at P-Life Matsudo

- Demonstration of PLife REIT’s asset enhancement capabilities, and the ability to unlock portfolio value
- Conversion of existing utility space to a device manufacturing room
- Attractive ROI of 17.4%, with a breakeven of approximately 5.6 years
- Significant increase in gross rental of P-Life Matsudo by 19.4%
- Low capital outlay of approximately JPY 160.1mil (S\$2.56mil)¹
- DPU of P-Life Matsudo is expected to increase by 40.0%, translating to an accretion to overall Group’s DPU by 0.042 cents²
- The AEI works which are customised to closely cater to the sub-lessee’s operational requirements will promote good Landlord-Lessee relationship and facilitate further potential value-adding opportunities

Note: 1. Based on an exchange rate of S\$1.00 to 62.50 units of JPY

Note: 2. Based on 603,130,464 units issued at 30 June 2009





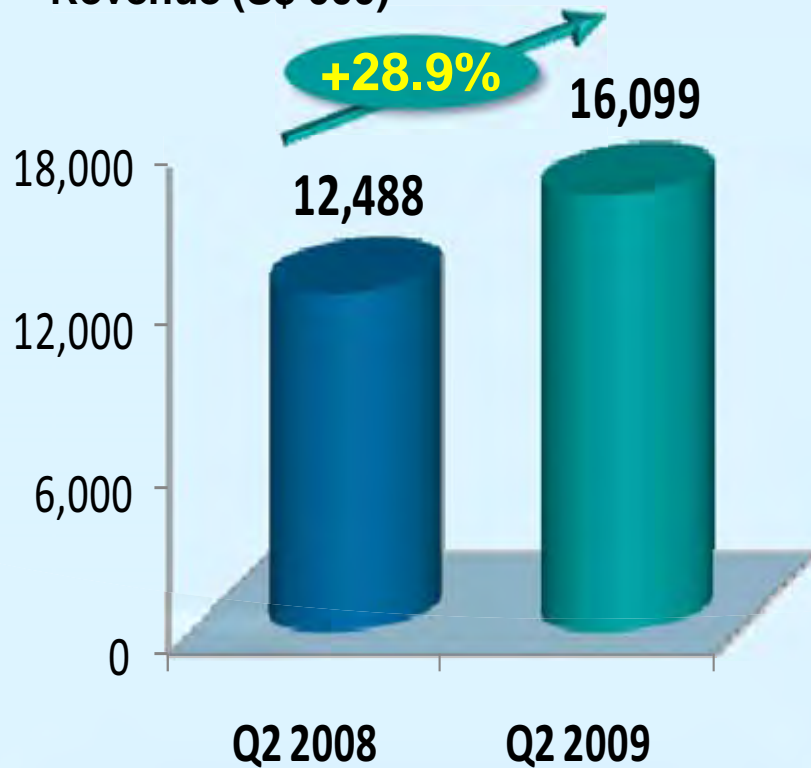
Financial Highlights

Strong Revenue Growth

- Q2 2009 Revenue grew by 28.9% to \$16.1 million
- H1 2009 Revenue grew by 33.1% to \$32.4 million

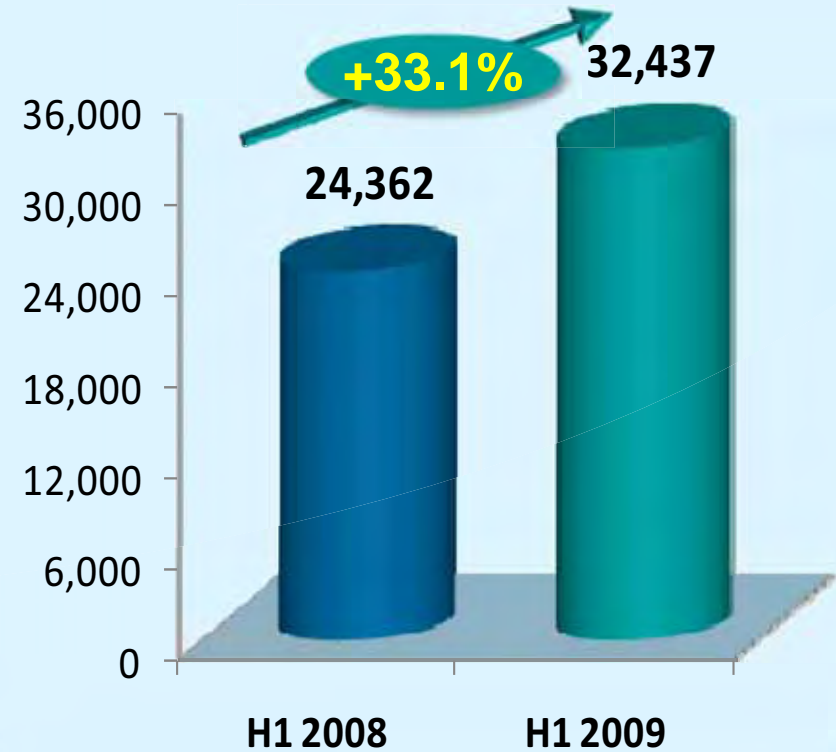
Higher Year-on-Year Revenue

Revenue (S\$'000)



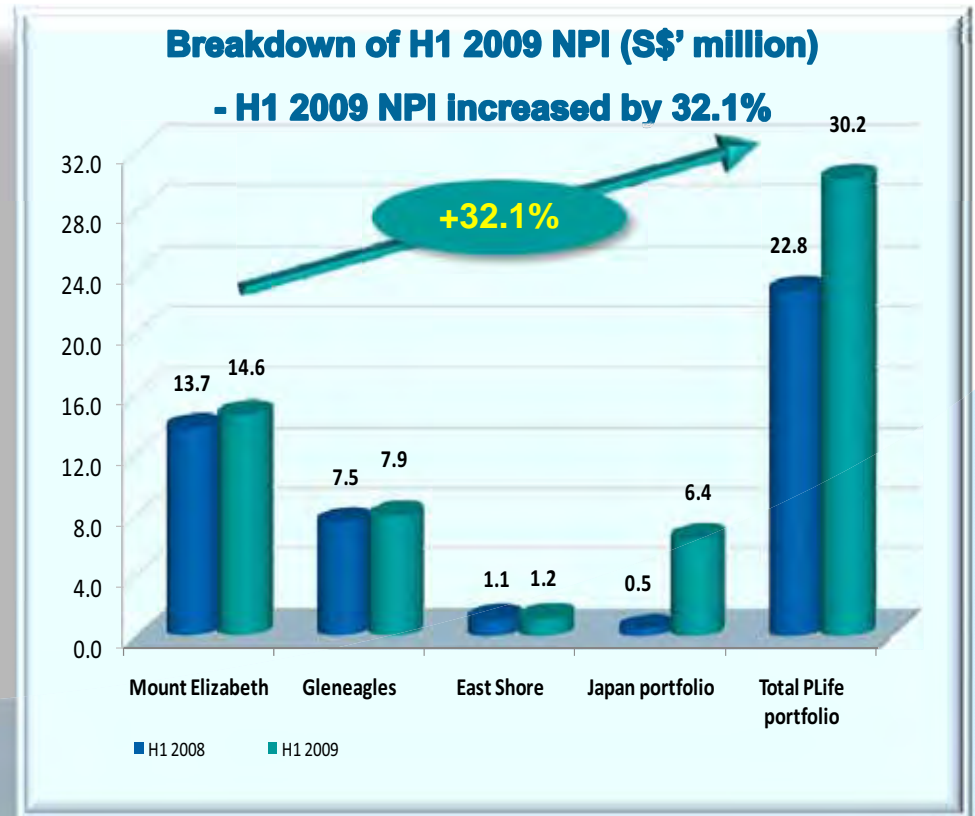
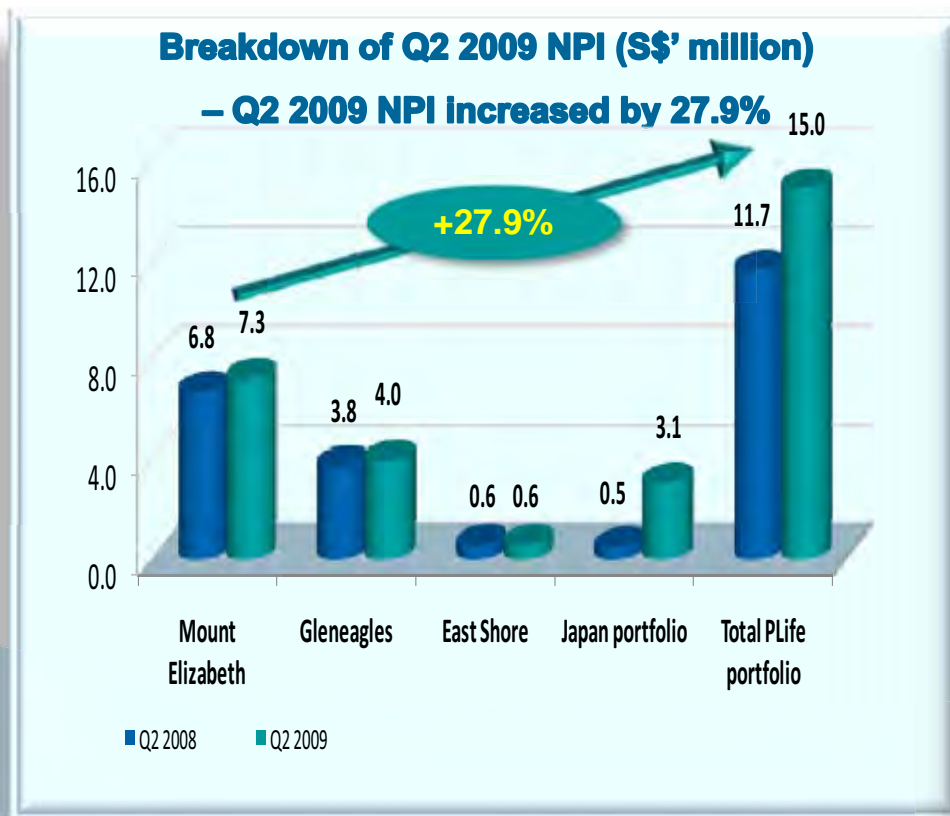
Higher Year-on-Year Revenue

Revenue (S\$'000)



Strong NPI Growth

- Increase in NPI is due to:
 - Rent contributions from Japan properties; and
 - Upward rent revision of Spore hospitals by 6.25%¹



Note:

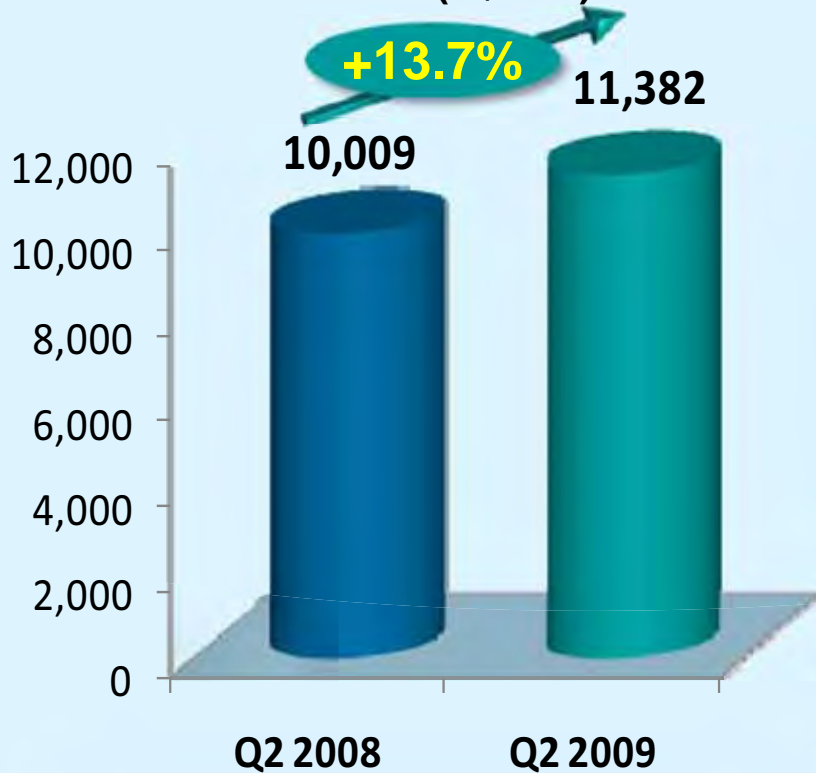
1. In 2nd year of lease commencing 23 August 2008 to 22 August 2009

Strong Distributable Income Growth

- Q2 2009 Distributable Income grew by 13.7% to \$11.4 million
- H1 2009 Distributable Income grew by 15.1% to \$22.8 million

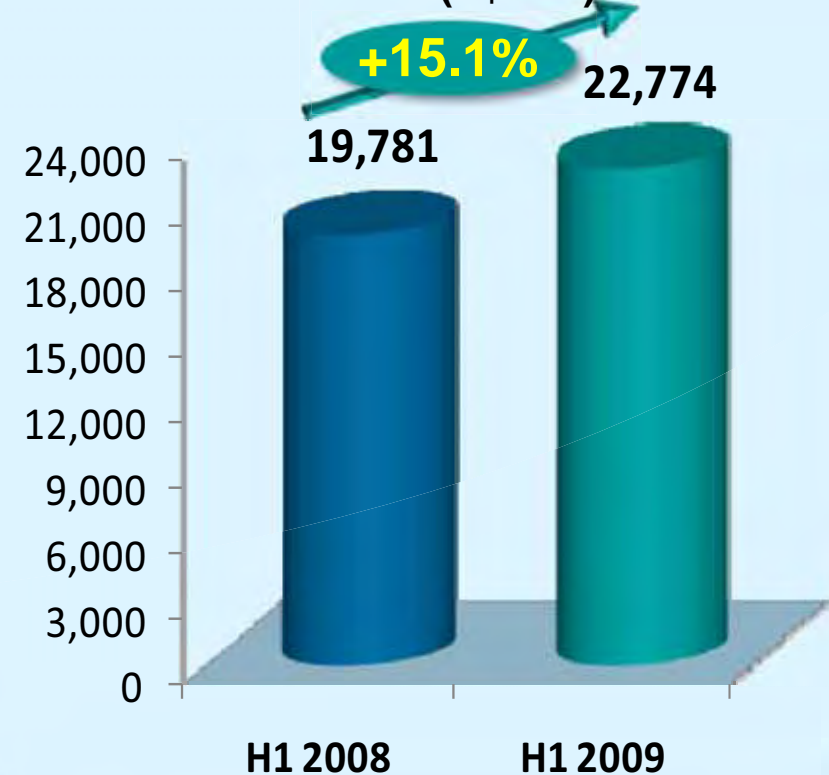
Higher Year-on-Year Distribution

Distributable income (S\$'000)



Higher Year-on-Year Distribution

Distributable Income (S\$'000)



Strong Revenue and DPU Growth

- Q2 2009 DPU grew by 13.7% to 1.89 cents
- H1 2009 DPU grew by 15.1% to 3.78 cents

Consolidated Income Statement (S\$'000)	Year-on-Year (Actual)			Year –on-Year (Actual)		
	Q2 2009	Q2 2008	Variance %	H1 2009	H1 2008	Variance %
Gross Rental Revenue	16,099	12,488	28.9	32,437	24,362	33.1
Net Property Income	14,973	11,704	27.9	30,150	22,817	32.1
Income Available for Distribution	11,382	10,009	13.7	22,774	19,781	15.1
Available Distribution Per Unit (Cents) ¹						
- For the period	1.89	1.66	13.7	3.78	3.29	15.1
- Annualised	7.55	6.65	13.7	7.55	6.57	15.1

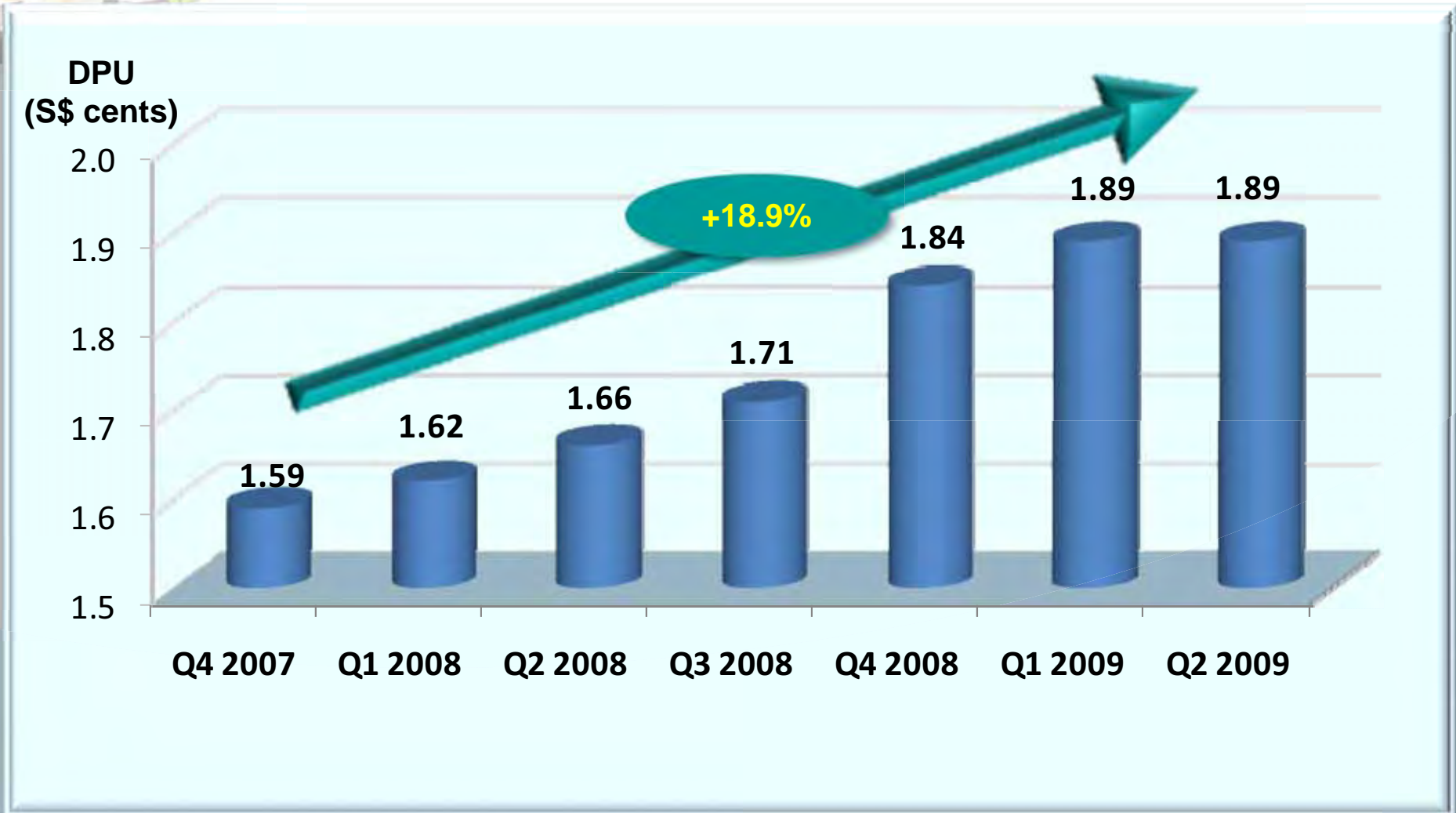
Note:

- The number of units used to calculate the Distribution per Unit (“DPU”) comprise 603,130,464 and 601,885,618 units issued at 30 June 2009 and 30 June 2008 respectively and units to be issued as partial satisfaction of Parkway Life REIT Manager’s management fees.



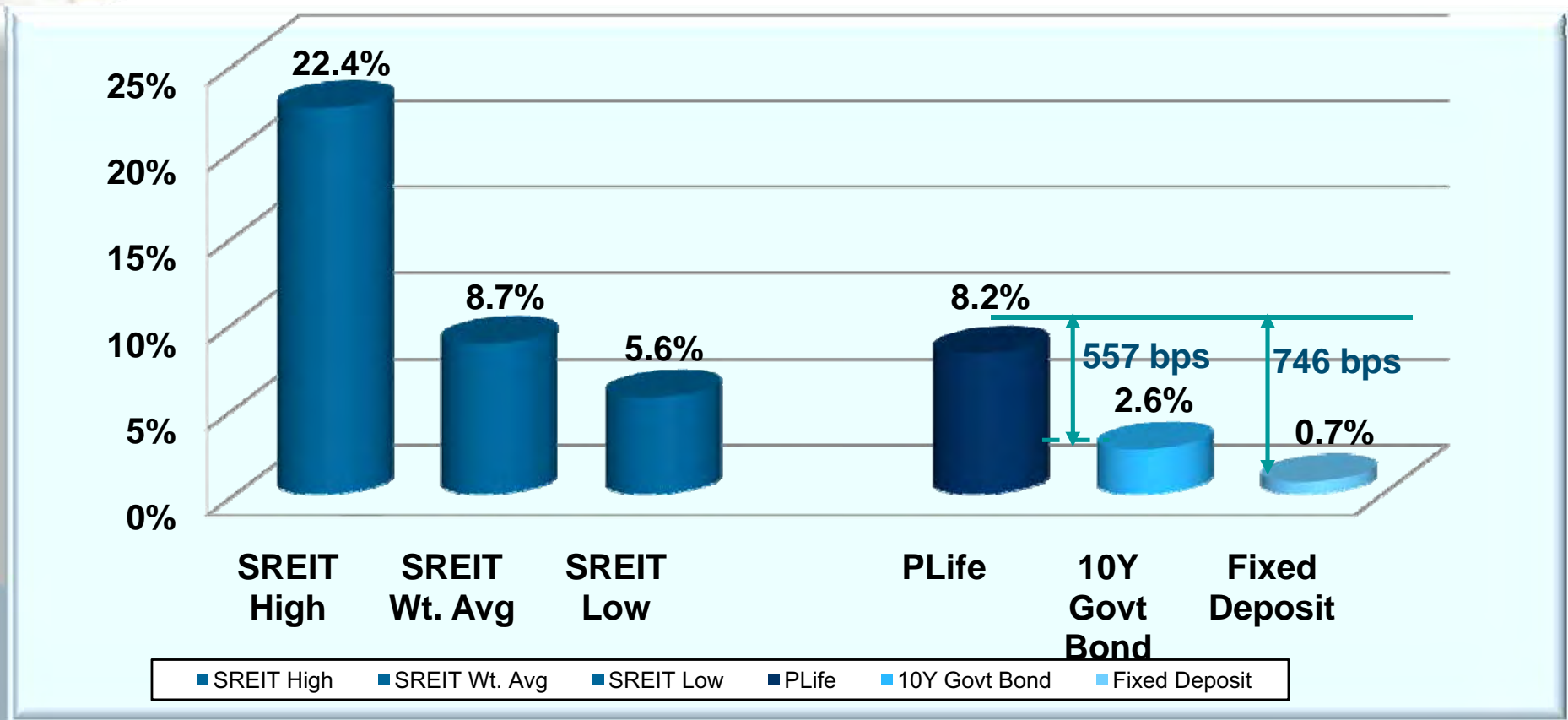
Strong DPU Growth of 18.9%

- DPU has grown steadily from 1.59 cents to 1.89 cents, at a growth rate of 18.9% since IPO



Attractive Yield of 8.2%

- ❑ 557bps higher than 10-yr Singapore Government Bond
- ❑ 746 bps higher than fixed deposit rates
- ❑ Defensive nature of PLife REIT adds on to the attractiveness of 8.2% yield¹



Source: Bloomberg

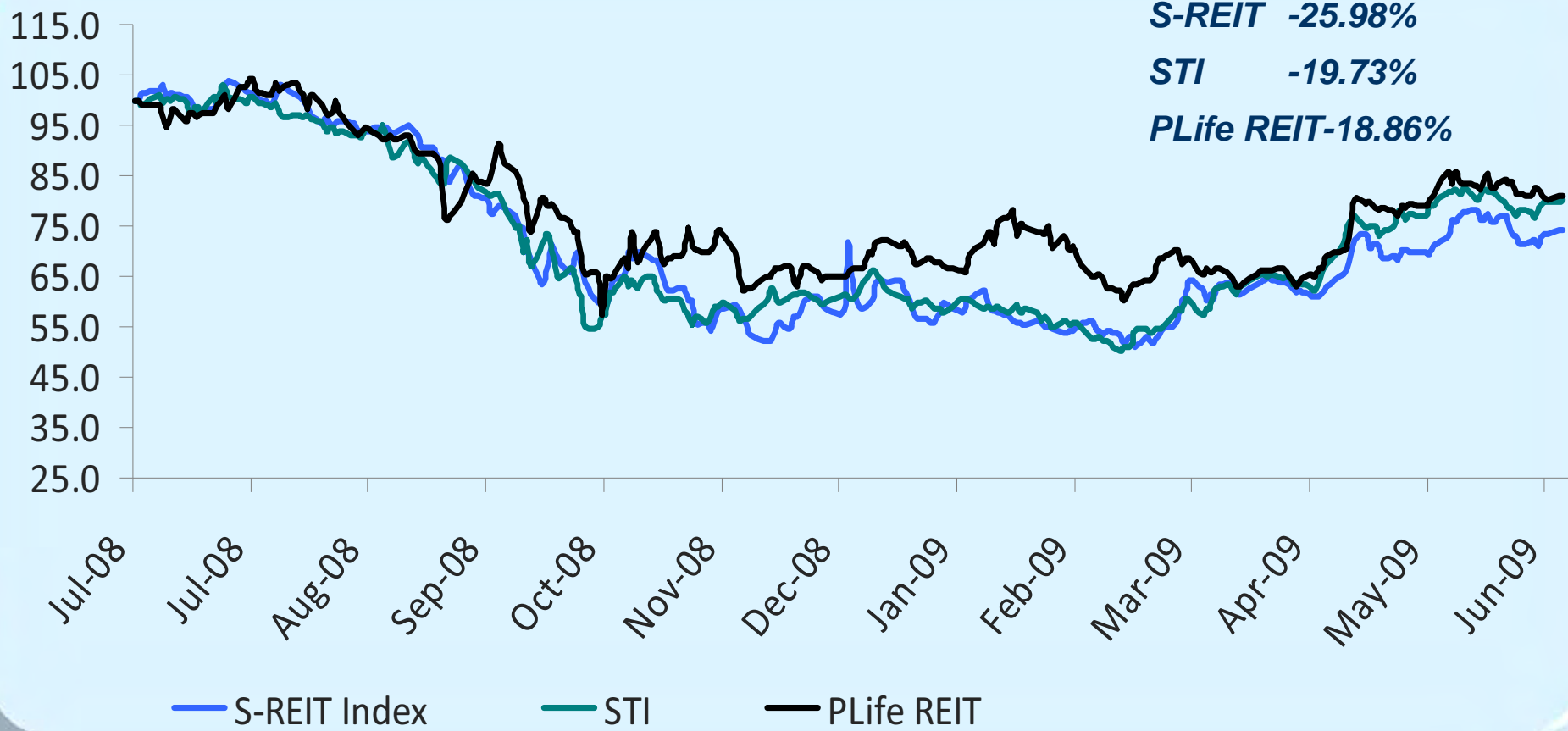
Note:

1. Based on share price of S\$0.925 as at 30 June 2009



Unit Price Relative Performance

PLife REIT's unit price has outperformed the STI Index and S-REIT consistently



Strong Balance Sheet

- Low gearing of 22.7%

Consolidated Balance Sheet (in S\$'000)	As at 30 June 2009	As at 31 December 2008	Variance Commentary
Total Assets	1,067,165	1,080,566	Decrease is mainly due to depreciation of Japanese Yen.
Total Debt	241,905	252,150	Decrease is mainly due to depreciation of Japanese Yen.
Net assets attributable to Unitholders	808,876	809,131	Due to marked-to-market movements of IRS booked in hedging reserves
Gearing ¹(%)	22.7	23.3	

Note:

1. Total Gross Borrowings before transaction costs ÷ Total Assets





Distribution Details

Stock Counter	Distribution Period	Distribution per unit (Cents)
PLife REIT	01 April 2009 to 30 June 2009	1.89

Distribution Timetable

Ex-Date: 13 August 2009

(Units will be traded ex-date)

Books Closure Date: 17 August 2009 at 5pm

Distribution Payment Date: 11 September 2009



Singapore Hospitals Annual Rent Review

Poised to Enjoy Strong Growth in Minimum Guaranteed Rent from the Singapore Hospitals

Principal Terms of Master Lease

Master Lessee	Parkway Hospitals Singapore Pte. Ltd. ("PH")
Term	15 + 15 years wef 23 August 2007
Annual Rent Escalation	Higher of: (i) Base Rent (S\$30.0 million) + Variable Rent (3.8% of AHR) ¹ (ii) $\{1+(CPI+1\%)\} \times \text{Preceding Year's Rent}^2$ (where CPI is negative, it shall be deemed as zero; 1 st Year Minimum Rent at S\$45.0 million)

- 3rd Year Minimum Rent set to increase by 4.36% above total actual rent payable for 2nd Year of Term based on (CPI + 1%) formula**
- Rate Effective for the period 23 August 2009 to 22 August 2010**
- Strong and Sustainable Returns for Unit holders as Singapore Hospital Properties is the main contributor of the performance of PLife REIT ³**

1. AHR denotes the Adjusted Hospital Revenue for the period from 23 Aug to 22 Aug of the following year of each of the hospitals.

2. CPI denotes the % increase in the Consumer Price Index announced by the Department of Statistic of Singapore for the relevant year compared to the immediately preceding year, computed on a 12-month average basis from July to June of the following year

3. As at 30 Jun 09, approx. 80% of the Parkway Life REIT's gross revenue is derived from Singapore Hospital Properties





Capital and Financial Management



Availability of Ample Funding Resources

Overall Unutilised Funding Sources

Conventional/Traditional Facilities

Bank Bilateral Facilities

- S\$100mil multi-currency RCF (committed)
- S\$60mil standby line

Total S\$160mil, drawn down S\$34 mil

Debt Capital Markets

- S\$500mil multi-currency MTN Programme has been put in place

Total S\$500mil, not tapped

Islamic Facilities

Bank Murabaha Facilities

- S\$50mil 3-year Revolving Murabaha Facility*
- Total S\$50mil, undrawn

Diversified funding sources provide flexibility and acquisitive “firepower” to support Parkway Life REIT’s future growth

*Received Letter of Offer from Islamic Bank of Asia

