

NEWS RELEASE
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**PARKWAY LIFE REIT'S DPU INCREASES
15.6% Y-O-Y TO 3.36 CENTS FOR 3Q 2015**

- Overall DPU Growth of 15.6% for 3Q 2015
- DPU grew 2.5% Y-O-Y in 3Q 2015 from recurring operations
- No long-term debt refinancing needs till 2017

Total Portfolio	3Q 2015 S\$'000	3Q 2014 S\$'000	Increase %	YTD 3Q 2015 S\$'000	YTD 3Q 2014 S\$'000	Increase %
Gross revenue	25,965	25,332	2.5	76,386	75,275	1.5
Net property income	24,262	23,685	2.4	71,414	70,310	1.6
Income available for distribution	20,298	17,560	15.6	60,034	52,168	15.1
- from recurring operations ¹	18,020	17,560	2.5	53,201	52,168	1.9
- from distribution of divestment gains	2,278	-	n.m. ²	6,833	-	n.m.
Available Distribution Per Unit (cents)³						
- DPU for the period	3.36	2.90	15.6	9.92	8.62	15.1
- Annualised DPU	13.44	11.60	15.6	13.23	11.50	15.1
Annualised distribution yield (%), based on closing market price of S\$2.30 as at 30 September 2015	5.84	5.04	15.6	5.75	5.00	15.1

Singapore, 5 November 2015 – Parkway Trust Management Limited (the “Manager”), as manager of **Parkway Life Real Estate Investment Trust** (“PLife REIT” or the “Group”), one of Asia’s largest listed healthcare REITs, announced today its results for the third quarter of 2015 (“**3Q 2015**”) and nine months ended 30 September 2015 (“**YTD 3Q 2015**”).

PLife REIT reported distributable income of S\$20.3 million for 3Q 2015, which is 15.6% higher than the S\$17.6 million for the same period last year (“**3Q 2014**”). This represents

¹ Net of amount retained for capital expenditure of S\$0.75 million per quarter.

² n.m. denotes not meaningful.

³ The number of units used to calculate the DPU correlates to the number of units in issue as at end of respective periods.

DPU of 3.36 cents for 3Q 2015, a 15.6% increase from 2.90 cents in the same quarter last year.

Without one-time divestment gains from the completion of the asset recycling initiative in March, DPU from recurring operations grew 2.5% Y-O-Y (year-on-year) in 3Q 2015 and 1.9% for YTD 3Q 2015.

Mr Yong Yean Chau, Chief Executive Officer of the Manager, said: “We are pleased to announce another good quarter with continued success and steady growth in distribution to our Unitholders. Our DPU has grown steadily since IPO and this is indicative of our robust fundamentals and growth drivers, despite economic uncertainties.”

Summary of PLife REIT’s Results

PLife REIT’s 3Q 2015 gross revenue rose to S\$26.0 million, up 2.5% from S\$25.3 million in 3Q 2014. The higher revenue was primarily from higher yielding properties acquired from the asset recycling initiative and higher rent from the Singapore properties.

Correspondingly, the net property income was S\$24.3 million and S\$71.4 million for 3Q 2015 and YTD 3Q 2015, representing Y-O-Y increases of 2.4% and 1.6% respectively. Any adverse impact from the depreciation of the Japanese Yen has been mitigated as PLife REIT has hedged its Japan net income for the next few years. In this regard, the Group has registered a foreign exchange gain of S\$0.7 million for 3Q 2015 and S\$2.1 million for YTD 3Q 2015.

Annualised DPU of 13.44 cents for 3Q 2015 also outperformed 3Q 2014 by 15.6%, mainly due to the capital distribution of the S\$2.3 million gains arising from the divestment of the seven Japan properties in December 2014 and higher rent from existing properties and asset recycling initiative. In addition, coupled with the contributions from the property acquisition in 1Q 2014, DPU for YTD 3Q 2015 grew 15.1% to 9.92 cents, compared to the same period last year (“**YTD 3Q 2014**”).

Delivering Enhanced and Sustainable Returns for our Unitholders

With macro headwinds expected to persist on, PLife REIT remains committed in preserving its valued earnings resiliency to ensure that it maintains its ability to deliver sustained returns for its Unitholders. Guarding against potential risks of an environment of rising interest rates, PLife REIT further strengthened its balance sheet and eliminated imminent refinancing risk with the terming out of all its debts due in 2016. In addition, to reduce interest rate risk and better manage its financing costs, PLife REIT has hedged approximately 78% of its interest rate exposure. As at 30 September 2015, its weighted average debt term to maturity stands at 3.7 years, with a low effective all-in cost of debt of 1.5%. Gearing remains at a healthy level of 35.8%.

“Our robust portfolio fundamentals and sound financial metrics have allowed us to deliver consistent attractive results and rewards to our Unitholders. Moving ahead, while we seek to be nimble to market changes, we will continue to build on our successful strategies to enhance our overall value and growth potential in a sustainable way.” Mr Yong added.

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About Parkway Life REIT

Parkway Life Real Estate Investment Trust (“PLife REIT”) is one of Asia’s largest listed healthcare REITs by asset size. It invests in income-producing real estate and real estate-related assets that are used primarily for healthcare and healthcare-related purposes (including but are not limited to, hospitals, healthcare facilities and real estate and/or real estate assets used in connection with healthcare research, education, and the manufacture or storage of drugs, medicine and other healthcare goods and devices).

PLife REIT owns a well-diversified portfolio of 47 properties with a total portfolio size of approximately S\$1.6 billion as at 30 September 2015. It owns the largest portfolio of strategically-located private hospitals in Singapore comprising Mount Elizabeth Hospital, Gleneagles Hospital and Parkway East Hospital. In addition, it has 43 assets located in Japan, including one pharmaceutical product distributing and manufacturing facility in Chiba Prefecture as well as 42 high quality nursing home and care facility properties in various prefectures of Japan. It also owns strata-titled units/lots at Gleneagles Intan Medical Centre Kuala Lumpur in Malaysia.

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Important Notice

This press release is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for units in Parkway Life Real Estate Investment Trust (“PLife REIT”) and the units in PLife REIT, the “Units”).

The value of the Units and the income derived from them may fall as well as rise. The Units are not obligations of, deposits in, or guaranteed by, Parkway Trust Management Limited, as Manager of PLife REIT, or any of its affiliates. Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders of PLife 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. The past performance of PLife REIT or the Manager is not necessarily indicative of the future performance of PLife REIT or the Manager. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.