NEWS RELEASE
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PARKWAY LIFE REIT ENJOYS STRONG FULL YEAR PERFORMANCE AS IT EXECUTES ON GROWTH STRATEGY IN 2009

- Gross revenue for full year 2009 grew by 23.7% to reach S$66.7 million
- Net property income rises 23.1% to S$62.0 million for the full year
- DPU rises 11.6% to reach 2.05 cents for 4Q 2009
- Strong performance due to the acquisition of eight new nursing homes in Japan, increase in inflation-linked rental formula for the Singapore Hospital Properties and asset enhancement initiatives

<table>
<thead>
<tr>
<th>TOTAL PORTFOLIO</th>
<th>1 Oct 09 to 31 Dec 09 (4Q 2009) S$'000</th>
<th>1 Oct 08 to 31 Dec 08 (4Q 2008) S$'000</th>
<th>Inc / (Dec) %</th>
<th>1 Jan 09 to 31 Dec 09 (2009) S$'000</th>
<th>1 Jan 08 to 31 Dec 08 (2008) S$'000</th>
<th>Inc / (Dec) %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross revenue</td>
<td>17,744</td>
<td>16,178</td>
<td>9.7</td>
<td>66,679</td>
<td>53,887</td>
<td>23.7</td>
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<tr>
<td>Net property income</td>
<td>16,462</td>
<td>15,070</td>
<td>9.2</td>
<td>61,983</td>
<td>50,357</td>
<td>23.1</td>
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<tr>
<td>Income available for distribution</td>
<td>12,383</td>
<td>11,093</td>
<td>11.6</td>
<td>46,716</td>
<td>41,186</td>
<td>13.4</td>
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</tbody>
</table>

Available Distribution Per Unit (cents)¹
- DPU for the period 2.05 1.84 11.6 7.74 6.83 13.4
- Annualised DPU 8.20 7.36 11.6 7.74 6.83 13.4

Annualised Distribution Yield (%), based on closing market price of S$1.22 as at 31 Dec 2009 6.72 6.03 11.6 6.34 5.60 13.4

Singapore, 22 January 2010 – Parkway Trust Management Limited (the “Manager”), as manager of Parkway Life Real Estate Investment Trust (“PLife REIT”), is pleased to announce continued strong financial performance for the fourth quarter (“4Q 2009”) and full year (“2009”) ended 31 December 2009.

¹ The number of units used to calculate the Distribution per Unit (“DPU”) comprises 603,736,267 units and 602,347,258 units issued at 31 December 2009 and 31 December 2008 respectively, and units to be issued as partial satisfaction of the Manager’s management fees.
For the full year 2009, PLife REIT saw gross revenue increase by 23.7%, from S$53.9 million in 2008 to S$66.7 million in 2009. The higher revenue was due primarily to the full year revenue impact from the Japan properties acquired in 2008 and additional revenue contribution, amounting to S$1.0 million, from the eight new nursing homes acquired in November 2009. The increased revenue was also driven by the higher rent from the Singapore Hospital Properties, as a result of the high growth rate of the inflation-linked CPI + 1% formula. Property expenses for 2009 were S$4.7 million, a 33.0% increase from 2008. Net property income grew from S$50.4 million in 2008 to reach S$62.0 million in the full year 2009, which is a 23.1% rise.

For the 4Q 2009, PLife REIT achieved gross revenue of S$17.7 million, up 9.7% from the same period last year. Property expenses were S$1.3 million which is a 15.7% rise over the 4Q 2008. Net property income was S$16.5 million, 9.2% higher than in the 4Q 2008.

Distributable income rose by 11.6%, from S$11.1 million in 4Q 2008 to S$12.4 million in 4Q 2009. For full year 2009, distributable income was S$46.7 million, a 13.4% rise over the full year 2008. Distribution per Unit (“DPU”) for 4Q 2009 reached 2.05 cents, versus 1.84 cents in 4Q 2008. Full year 2009 DPU was 7.74 cents versus 6.83 cents in full year 2008. This translates into a 6.34% distribution yield for the full year 2009. Distribution payment date is expected on 26 February 2010.

Mr Yong Yean Chau, Chief Executive Officer of the Manager said, “PLife REIT enjoyed many significant achievements throughout the full year 2009. Given our strong financial position, we were able to time the market and acquire quality properties in the fourth quarter at a very attractive pricing. We also saw our maiden asset enhancement initiative, thereby boosting our income stream further. We have emerged an even stronger player and look forward to taking PLife REIT to its next level of growth in 2010.”

**A fulfilling year**

PLife REIT saw significant achievements throughout the full year 2009. In February, it was awarded the “Best Managed Small-Cap Corporate” in Singapore by Asiamoney.

In July, PLife REIT completed its maiden asset enhancement initiative at its Japan pharmaceutical product distributing and manufacturing facility, P-Life Matsudo, securing a ROI of 17.4% and a 40.0% increase in DPU for this property.
In November, PLife REIT acquired eight new nursing homes in Japan, which were secured at a net property yield of 8.29% and at a 12.2% discount to valuation.

Despite challenging credit conditions in 2009, PLife REIT was able to maintain a strong balance sheet and ample, diversified funding sources. It secured a five-year financing facility for the acquisition in November 2009, thereby lengthening the weighted average term to maturity of its financing facilities to 2.41 years as at 31 December 2009.

For the full year 2009, PLife REIT saw growth across its total portfolio mainly as a result of the acquisition of the eight new nursing homes. This brings PLife REIT’s total portfolio size to 21 properties worth approximately S$1.15 billion as at 31 December 2009, representing a 9.5% increase from the S$1.05 billion in the previous year. In addition, independent valuations were performed for all properties in the portfolio as at 31 December 2009. PLife REIT enjoyed a revaluation surplus of S$28.9 million or a valuation gain of 2.6% for its total portfolio.

**Market Outlook**

Notwithstanding positive sentiments about a global recovery, the current economic outlook remains uncertain. However, PLife REIT remains cautiously optimistic about its medium to long-term prospects. This is due to a favourable rental lease structure where at least 89.7% of the total portfolio will see good future rental growth, and downside protection due to the inflation-linked rental formula of the Singapore Hospital Properties. In addition, PLife REIT enjoys a 100% occupancy rate across its entire portfolio.

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**Awards**

In October 2008, PLife REIT was awarded the “Most Transparent Company Award 2008” from SIAS (Securities Investors Association Singapore) Investors’ Choice Awards 2008 in the New Issues Category, providing recognition to PLife REIT for maintaining the highest standard of corporate governance and transparent communication. In February 2009, PLife REIT was awarded the 2008 “Best Managed Small-Cap Corporate” in Singapore by Asiamoney, for its effective management vision and strategy, exemplary business achievements, and commitment to growing Unitholders’ value.

**About Parkway Life REIT**

Parkway Life Real Estate Investment Trust (“PLife REIT”) is Asia’s largest listed healthcare REIT 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’s total portfolio size stands at approximately S$1.15 billion as at 31 December 2009.
It owns the largest portfolio of strategically located private hospitals in Singapore comprising
Mount Elizabeth Hospital, Gleneagles Hospital, and East Shore Hospital, covering an aggregate
of 1,039 licensed beds. In addition, it has 18 assets located in Japan, namely a pharmaceutical
product distributing and manufacturing facility in Chiba Prefecture, and 17 high quality nursing
homes in various prefectures of Japan.

For media queries, please contact:

Kreab Gavin Anderson     Tel: +65 6339 9110
Jean Zhuang / Ang Shih-Huei
Mobile: +65 9061 1075 / +65 918 91039
Email: jzhuang@kreabgavinanderson.com / sang@kreabgavinanderson.com

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Life REIT” and the units in Parkway Life REIT, the “Units”).

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not obligations of, deposits in, or guaranteed by, Parkway Trust Management Limited, as
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