NEWS RELEASE
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PARKWAY LIFE REIT'S DISTRIBUTION PER UNIT ("DPU") INCREASED 8.9% Y-O-Y TO 2.90 CENTS FOR 3Q 2014

- **Distributable income grew 8.9% to S$17.6 million for 3Q 2014, driven mainly by acquisitions and rental growth of existing properties**
- **Pre-emptive refinanced all debts due in FY 2015, reducing near-term refinancing risk**
- **Healthy gearing of 34.6% with ample headroom for growth**

Singapore, 30 October 2014 – 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 2014 ("**3Q 2014**") and nine months ended 30 September 2014 ("**YTD 3Q 2014**").

PLife REIT reported distributable income of S$17.6 million for 3Q 2014, which is 8.9% higher than the S$16.1 million for the same period last year ("**3Q 2013**"). This represents a DPU of 2.90 cents for 3Q 2014, an increase from 2.66 cents in the same quarter last year.

With contributions from yield accretive acquisitions, higher rent from existing properties and the positive effect of net income hedge, DPU for YTD 3Q 2014 grew 8.7% to 8.62 cents, compared to the same period last year ("**YTD 3Q 2013**").

Mr Yong Yean Chau, Chief Executive Officer of the Manager, said: "Our strong foundation and defensive strategy with steady growth have allowed us to continue generating steady returns for our unitholders. As part of our prudent financial risk management strategy, we have completed refinancing all debts due in FY 2015. This puts us in a good position as we seek new opportunities moving forward."

Steady Financial Performance

Total Portfolio	3Q 2014 S$'000	3Q 2013 S$'000	Change %	YTD 3Q 2014 S$'000	YTD 3Q 2013 S$'000	Change %
Gross revenue	**25,332**	**23,345**	**8.5**	**75,275**	**68,957**	**9.2**
Net property income	**23,685**	**21,819**	**8.6**	**70,310**	**64,434**	**9.1**
Income available for distribution (after deducting income retained for capital expenditure)	**17,560**	**16,120**	**8.9**	**52,168**	**48,010**	**8.7**
Available DPU (cents)						
- **DPU for the period**	**2.90**	**2.66**	**8.9**	**8.62**	**7.93**	**8.7**
- **Annualised DPU**	**11.60**	**10.64**	**8.9**	**11.50**	**10.58**	**8.7**
Annualised distribution yield (%), based on closing market price of S$2.31 as at 30 September 2014	**5.02**	**4.61**	**8.9**	**4.98**	**4.58**	**8.7**

PLife REIT's 3Q 2014 gross revenue rose to S$25.3 million, up 8.5% from S$23.3 million in 3Q 2013. The higher revenue was primarily derived from rental income contributions from the Japanese properties acquired in second half of 2013 and first quarter of 2014 as well as higher rent from existing properties.

PLife REIT's favourable rental lease structures where at least 91%[1] of its Singapore and Japan portfolios have downside revenue protection and 66%[1] of the total portfolio is pegged to CPI[2]-linked revision formula ensure steady rental growth whilst protecting revenue stability amid uncertain market conditions.

Correspondingly, the net property income was S$23.7 million and S$70.3 million for 3Q 2014 and YTD 3Q 2014, representing year-on-year increases of 8.6% and 9.1% 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$0.6 million in 3Q 2014 and S$1.8 million for YTD 3Q 2014.

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[1] Based on gross revenue as at 30 September 2014.

[2] CPI is the abbreviation for Consumer Price Index.

As part of ongoing efforts to strengthen its balance sheet, PLife REIT has successfully termed out all the debts that are due in FY 2015. The weighted average debt term to maturity is extended from 2.88 years to 3.91 years due to the completion of pre-emptive refinancing exercise, with current effective all-in cost of debt of 1.43%.

Gearing remained at a healthy level of 34.6% as at 30 September 2014, with ample headroom for growth.

Outlook and future plans

The Group is well-positioned to benefit from the long-term prospects of the regional healthcare industry due to rising demand for better quality private healthcare services driven by the fast-ageing populations. Similarly it will actively explore opportunities in new markets and continue with proactive asset management to improve performance, enhance competitiveness and extract greater value from overall portfolio.

"PLife REIT's robust fundamentals as a first-mover and enlarged portfolio of 47 high-quality assets mean that we are well-positioned to ride on the back of strong growth in the healthcare sector." 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$1.5 billion as at 30 September 2014. It owns the largest portfolio of strategically-located private hospitals in Singapore comprising Mount Elizabeth Hospital, Gleneagles Hospital and Parkway East Hospital, covering an aggregate of 730 beds[3]. 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.

For media queries, please contact:

Bell Pottinger
Tel: (65) 6333 3449   Fax: (65) 6438 3442
Chelsea Phua –cphua@bell-pottinger.com / (65) 8322 6409
Priscilla Loh – ploh@bell-pottinger.com / (65) 9423 4810

[3] As at 30 September 2014.