

NEWS RELEASE
FOR IMMEDIATE RELEASE

PARKWAY LIFE REIT REPORTS STEADY GROWTH IN 3Q 2012

- **Gross revenue up 8.5% to S\$23.9 million in 3Q 2012**
- **Net property income up 9.5% to S\$22.1 million in 3Q 2012**
- **DPU up 7.1% to 2.58 cents for 3Q 2012 and 6.8% to 7.62 cents for YTD Sep 2012**

TOTAL PORTFOLIO	1 Jul 12 to 30 Sep 12 (3Q 2012) S\$'000	1 Jul 11 to 30 Sep 11 (3Q 2011) S\$'000	Increase %	1 Jan 12 to 30 Sep 12 (YTD 3Q 2012) S\$'000	1 Jan 11 to 30 Sep 11 (YTD 3Q 2011) S\$'000	Increase %
Gross revenue	23,910	22,046	8.5	70,087	64,916	8.0
Net property income	22,054	20,145	9.5	64,321	59,471	8.2
Income available for distribution (after deducting income retained for capital expenditure)	15,568	14,537	7.1	46,091	43,149	6.8
Available Distribution Per Unit (cents) ¹						
- DPU for the period	2.58	2.40	7.1	7.62	7.13	6.8
- Annualised DPU	10.32	9.60	7.1	10.16	9.51	6.8
Annualised Distribution Yield (%), based on closing market price of S\$1.985 as at 28 September 2012	5.20	4.84	7.1	5.12	4.79	6.8

Singapore, 8 November 2012 – Parkway Trust Management Limited (the “Manager”), as manager of Parkway Life Real Estate Investment Trust (“PLife REIT”) is pleased to announce a strong set of results for the third quarter (“3Q 2012”) and first nine months (“YTD 3Q 2012”) ended 30 September 2012.

Mr Yong Yean Chau, Chief Executive Officer of the Manager said, “We are pleased to report another quarter of steady growth in 3Q 2012 as we continued to benefit from our new acquisitions this year and enjoy revenue gains through our favourable rental lease structures. Amid a challenging global economic climate, proactive efforts to ensure that our income streams remain sustainable whilst prudently managing costs have paid off, enabling us to extend our earnings and deliver better returns to Unitholders.”

PLife REIT registered gross revenue of S\$23.9 million for 3Q 2012, an 8.5% increase from the previous corresponding period (“3Q 2011”). This was primarily due to a full quarter’s revenue contribution from the three Japan properties acquired in March 2012 and two months’

¹ The number of units used to calculate the Distribution per Unit (“DPU”) comprise the number of units in issue as at 30 September 2012 and 30 September 2011 respectively.

contributions from its units at Gleneagles Medical Centre Kuala Lumpur (“GMCKL”)². Revenue growth was further driven by higher rent from the Singapore properties mainly due to increased growth rate of CPI + 1% (i.e. 6.31%) in Year 6 of the lease term commencing 23 August 2012. For YTD 3Q 2012, gross revenue increased 8.0% from the same period last year (“YTD 3Q 2011”) to S\$70.1 million, due to revenue contribution from the properties acquired in 2011/2012 and higher rent from the existing properties. Net property income rose 9.5% and 8.2% year-on-year to S\$22.1 million and S\$64.3 million for 3Q 2012 and YTD 3Q 2012 respectively.

Finance costs rose by a marginal 1.7% for 3Q 2012 despite the growth of the portfolio. The increase was mainly due to additional financing costs incurred to finance the properties acquired in March and August 2012 and higher amortisation of transaction cost relating to debt facilities, offset by interest cost savings from the lower locked in hedged rates arising from the extension of interest rate hedges completed in August 2011. On a year-to-date basis, finance costs for YTD 3Q 2012 fell by 3.7%, helped largely by interest cost savings for the period.

As a result of the yield accretive Japan acquisitions, higher rent from the Singapore properties and savings from lower financing costs, distributable income for 3Q 2012 and YTD 3Q 2012 increased 7.1% and 6.8% respectively to S\$15.6 million and S\$46.1 million. Distributable income per Unit (“DPU”) for 3Q 2012 grew from 2.4 cents in the same period last year to 2.58 cents.

Healthy balance sheet

Following the pre-emptive refinancing exercise completed in 25 June 2012³, PLife REIT has no refinancing needs for its existing total debt portfolio until FY2014, with a weighted average debt maturity period of 2.68 years (as at 30 September 2012). Its gearing level as at 30 September 2012 stood at 36.4%, well below the 60% gearing limit imposed under the Monetary Authority of Singapore’s Property Funds Guidelines and representing further debt headroom for future acquisition opportunities.

Mr Yong concluded, “Notwithstanding near term uncertainties, the long term prospects of the regional healthcare industry remains firm, driven by increasing demand for quality healthcare. We will continue to work on improving our portfolio performance and strengthening our financial position to be able to capture growth opportunities as and when they arise.”

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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).

² Acquired on 1 August 2012.

³ Refer to announcement dated 2 August 2012 for details.

PLife REIT owns a well-diversified portfolio of 37 properties with a total portfolio size of approximately S\$1.4 billion as at 30 September 2012. 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 beds⁴. In Japan, has 33 assets, including one pharmaceutical product distributing and manufacturing facility in Chiba Prefecture as well as 32 high quality nursing home and care facility properties in various prefectures. It also owns strata-titled units/lots at Gleneagles Medical Centre Kuala Lumpur in Malaysia.

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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.

⁴ As at 31 December 2011.