

**NEWS RELEASE
FOR IMMEDIATE RELEASE**

PARKWAY LIFE REIT SET TO REVISE ANNUAL RENT FOR SINGAPORE HOSPITAL PROPERTIES

- **Second year minimum rent to be increased by 6.25%, based on CPI + 1% formula**
- **REIT is well-positioned to enjoy strong organic growth from Singapore Hospital Properties**

Singapore, 9 October 2008 – Parkway Trust Management Limited (the “**Manager**”), the manager of Parkway Life Real Estate Investment Trust (“**PREIT**”), the largest healthcare REIT in Asia Pacific, is pleased to announce that the consumer price index-linked (“**CPI**”) minimum rent from its Singapore Hospital Properties, will be revised upward by 6.25%, based on the CPI+1% formula. The rate is effective for the period 23 August 2008 to 22 August 2009.

Principal terms of the Master Leases for the Singapore Hospital Properties

The Singapore Hospital Properties comprise Mount Elizabeth Hospital, Gleneagles Hospital, East Shore Hospital and 40 medical suites in Mount Elizabeth Medical Centre and Gleneagles Medical Centre, which were all leased to Parkway Hospitals Singapore Pte Ltd (“**Master Lessee**”) for an initial term of 15 years from 23 August 2007 (“**Term**”) with an option to renew for a further 15 years (the “**Master Leases**”).

Strong organic growth from the Singapore Hospital Properties for the 2nd Year of the Term

Ms Justine Wingrove, Chief Executive Officer of the Manager said, “PREIT is an extremely defensive REIT as its revenues are derived from hospitals, nursing homes and a

pharmaceutical facility. 80% of the REIT's revenues come from a very high quality Singapore Hospital portfolio¹.”

Based on the information obtained from the Singapore Department of Statistics, the CPI for the 1st Year of the Term has been agreed at 5.25% which translates to a rent increase for the 2nd Year of the Term of 6.25% above the total actual rent payable for the 1st Year of the Term. The Master Lessee, in consultation with the Manager, has appointed an independent audit firm to verify the unaudited hospital revenue of the Master Lessee for 1st Year of the Term, which ended on 22 August 2008.

For the period 23 August 2007 to 30 June 2008, the total gross rental revenue from the Singapore Hospital Properties was S\$40.75 million. The full year unaudited total gross rental revenue for the period from 23 August 2007 to 22 August 2008 for the Singapore Hospital Properties will be confirmed based on a statement issued by the independent audit firm.

“With the Singapore Hospital Properties as the main contributor to the performance of PREIT, the long leases and annual rent review pegged to CPI+1% ensure there is downside protection and that our unit holders continue to enjoy stable and sustainable returns,” continued Ms Wingrove.

In addition to organic growth, PREIT will continue to benefit from pro-active asset management of its current portfolio and acquisition of quality and yield-accretive assets in the target markets including China, India, Japan, Malaysia, Singapore, Australia and Thailand.

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¹ Based on actual consolidated figures up to 30 June 2008 and after adjusting for additional revenue contribution from the recently acquired 7 nursing homes as announced on 29 September 2008.

About Parkway Life REIT

Parkway Life Real Estate Investment Trust (“**PREIT**”) is the largest healthcare REIT in Singapore by asset size. It was established to invest primarily in income-producing real estate and/or real estate-related assets in the Asia-Pacific region (including Singapore) that are used primarily for healthcare and/or 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 services).

PREIT’s total portfolio size is at S\$1.0 billion as at 30 September 2008. 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 ten assets located in Japan, namely a pharmaceutical products distributing and manufacturing facility in Chiba prefecture and nine high quality nursing homes in Chiba Prefecture, Hyogo Prefecture, Kanagawa Prefecture, Osaka Prefecture, Saitama Prefecture, and Tokyo Prefecture.

<p>Citigroup Global Markets Singapore Pte. Ltd. and UBS AG, acting through its business group, UBS Investment Bank were the joint global co-ordinators, joint bookrunners and joint lead underwriters to the initial public offering of Parkway Life REIT.</p>
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This announcement 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, competition, shifts in expected levels of property rental income, changes in operating expenses, property expenses, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business.

You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events.