



BUILDING

ON OUR

STRENGTHS

**Annual
General
Meeting**

24 April 2017



DISCLAIMER

This Presentation is focused on comparing actual results for the period from 1 January 2016 to 31 December 2016 (“2016”) versus the period from 1 January 2015 to 31 December 2015 (“2015”).

This shall be read in conjunction with PLife REIT Annual Report 2016.

This Presentation 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, shifts in expected levels of property rental income, changes in operating expenses, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager’s current view of future events.

AGENDA

- 1) Significant Events
- 2) Financial Performance
- 3) Overall Portfolio Review
 - Key Attributes and Strengths



The image features a solid teal background. In the center, the words "SIGNIFICANT EVENTS" are written in a bold, white, sans-serif font. Surrounding this central text are several white, horizontally-oriented ovals of varying sizes and orientations, scattered across the teal field. The ovals are positioned at various angles, some near the top and some near the bottom, creating a dynamic, abstract composition.

SIGNIFICANT EVENTS

1HFY2016: PROPERTY ACQUISITION

Deepened our presence in Japan with the acquisition of a nursing home



Silver Heights Hitsujigaoka (Ichibankan & Nibankan)

- Purchase price of **JPY1,100 million (\$13.6 million)**
- Net property yield of **6.7%**

2nd STRATEGIC ASSET RECYCLING

Strengthened and rebalanced our Japan portfolio with the successful completion of the second asset recycling initiative

Divestments
<ul style="list-style-type: none"> Divested 4 nursing homes at JPY3.72 billion (approx. S\$48.9 million¹) in Japan Average net property yield of 6.1% 34.4% premium over original purchase price and 4.8% over latest valuation Divestment gain of S\$5.39 million will be equally distributed over the 4 quarters in FY2017



Acquisitions
<ul style="list-style-type: none"> Acquired 5 properties at JPY4.759 billion (approx. S\$59.5 million²) in Japan – 4 nursing homes and 1 group home DPU yield-accretive acquisition with an average net property yield of 6.9% 9.1% discount to valuation

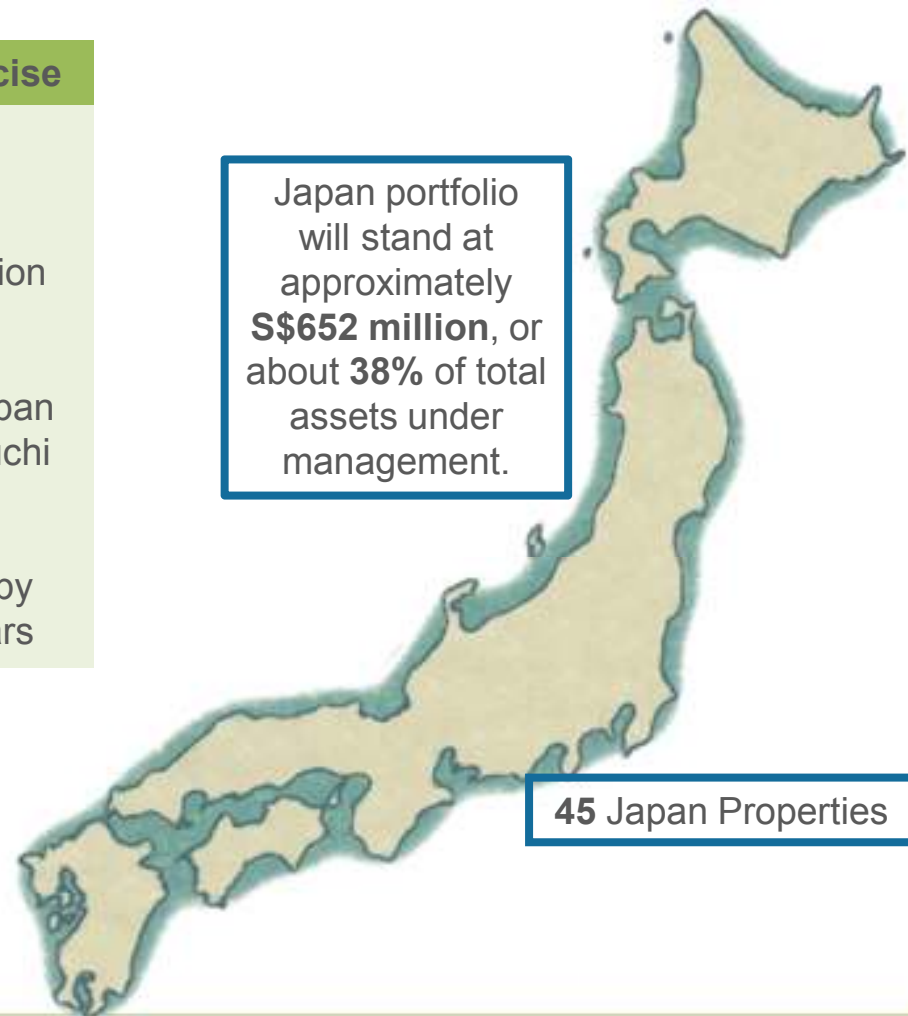


1 At an exchange rate of S\$1.00 to JPY76.00 as announced on 22 December 2016
 2 At an exchange rate of S\$1.00 to JPY80.00 as announced on 17 February 2017

2nd STRATEGIC ASSET RECYCLING

Rationale of Strategic Asset Recycling Exercise

1. Unlock value from less strategic assets and acquire properties with higher yields
2. Diversify tenant risk exposure with the addition of three new operators
3. Better geographical diversification within Japan with PLife REIT's maiden entry into Yamaguchi Prefecture in Japan
4. Increase the weighted average lease term (by gross revenue) from 8.45 years¹ to 9.81 years



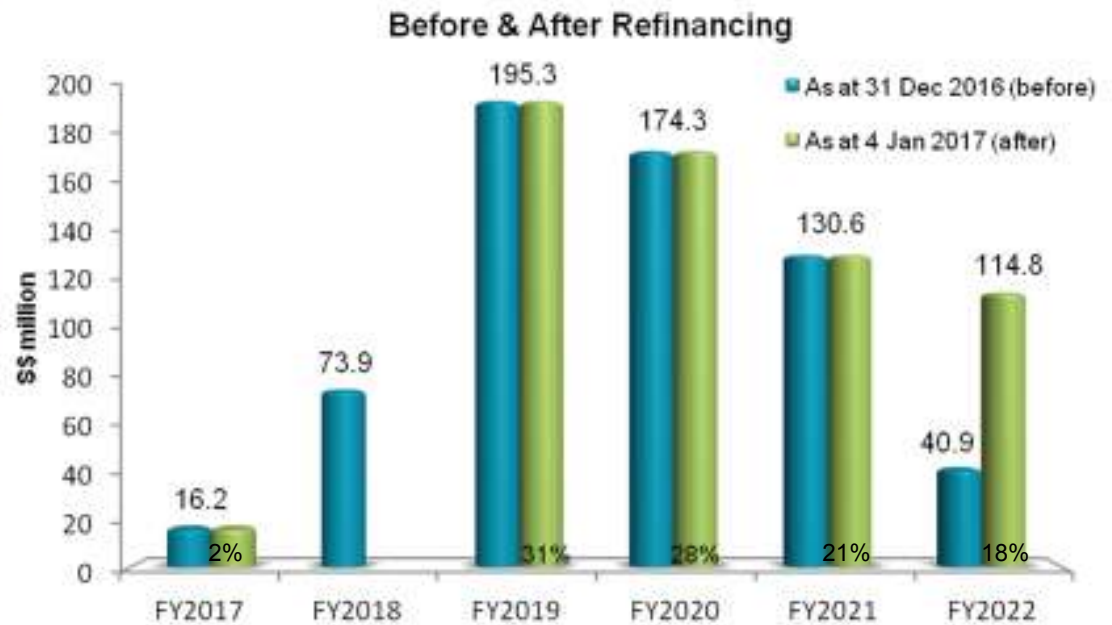
1 As at 31 December 2016.

PRUDENT FINANCIAL MANAGEMENT

Achieved diversified funding sources and well-spread out debt maturity stretching up to 2022

Maiden issuance of 6-year senior unsecured Fixed Rate Notes due 2022

- Competitive interest rate of **0.58% p.a.**
- JPY3.3 billion (S\$40.7 million)** raised
- Proceeds used to **pre-emptively refinance JPY loans** that were due in 1Q 2017 and to **fund the acquisition** in March 2016



Debt Refinancing Exercise

- No long-term debt refinancing need till **FY2019**
- Weighted average term to maturity extended from 3.2 years to **3.6 years** post refinancing exercise

MANAGEMENT OF INTEREST AND FX RISKS



No Exposure to Japanese Yen and Interest Rate Volatility

- Adopted natural hedge strategy to match assets and liabilities denominated in JPY
- Hedged 100% of JPY net income for the next 5 years (till 1Q 2020) to mitigate any volatility in JPY
- Interest rates are largely hedged to mitigate any fluctuation in interest rates
- Enhances stability of distributions to Unitholders

PROACTIVE ASSET MANAGEMENT



Ninth Asset Enhancement Initiative

- Completed AEI at Sawayaka Kiyotakan, Japan, in July 2016
- Installed dedicated elevator for Day Service centre at level 3 of the property
- Increased rent by **4.7%** for remaining lease term of approximately 17 years

SINGAPORE PORTFOLIO



Rent Increase for Singapore Properties

- 10th year minimum guaranteed rent for the Singapore Properties to increase by **1%**
- Commencing 23 August 2016 till 22 August 2017

The background is a solid teal color. It features several white, abstract, rounded shapes that resemble stylized ovals or organic forms, scattered across the page. These shapes vary in size and orientation, creating a modern, minimalist aesthetic.

**FY2016
FINANCIAL PERFORMANCE**

PERFORMANCE AT A GLANCE

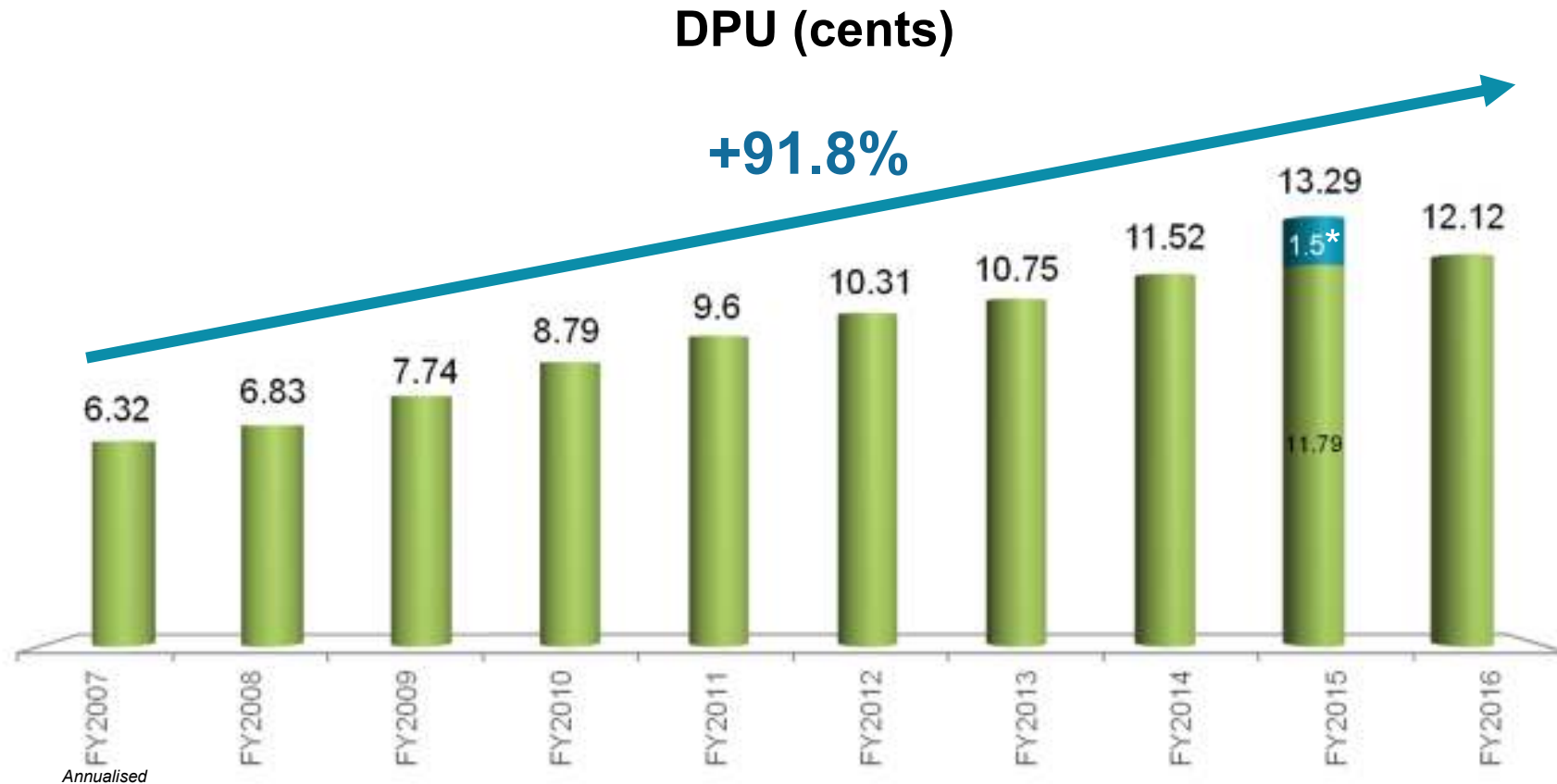
(S\$'000)	FY2016	FY2015	Inc / (Dec) (%)
Gross revenue	110,123	102,694	7.2
Net property income	102,426	95,997	6.7
Distributable income to Unitholders	73,306	80,385	(8.8)
Less one-off divestment gains	<u>0</u>	<u>(9,110)</u>	n.m. ²
<ul style="list-style-type: none"> Gross revenue and net property income grew by 7.2% and 6.7% respectively DPU fell by 8.8% due to the absence of one-off distribution of divestment gain in FY2016 Overall, DPU from recurring operations has grown by 2.8% from FY2015 (Y-O-Y) 			

1 In relation to PLife REIT's maiden divestment of seven Japan nursing homes in December 2014 as announced on 26 December 2014.

Divestment gain of 1.5 cents (S\$9.11 million) was equally distributed in the four quarters in FY2015

2 The term "n.m." denotes "not meaningful"

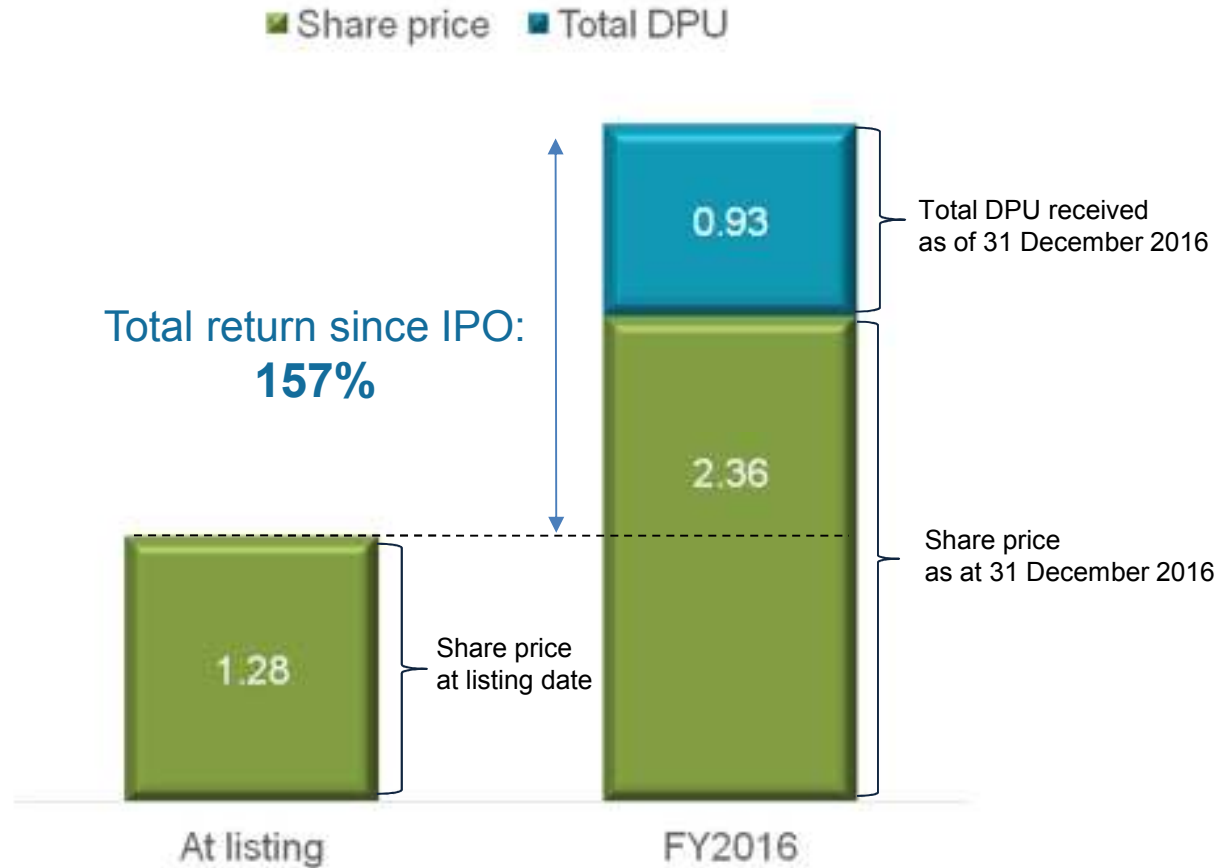
STEADY DPU GROWTH



- DPU has grown steadily at a rate of **91.8%** since IPO
- DPU from recurring operations has grown by **2.8%** from FY15 (Y-O-Y)

* One-off divestment gain of 1.5 cents (S\$9.11 million) was equally distributed in the four quarters in FY2015

HEALTHY TOTAL RETURN SINCE IPO



The total return of 157% on invested equity is contributed by: 1) the appreciation of share price since IPO; and 2) total distribution to Unitholders as of 31 December 2016

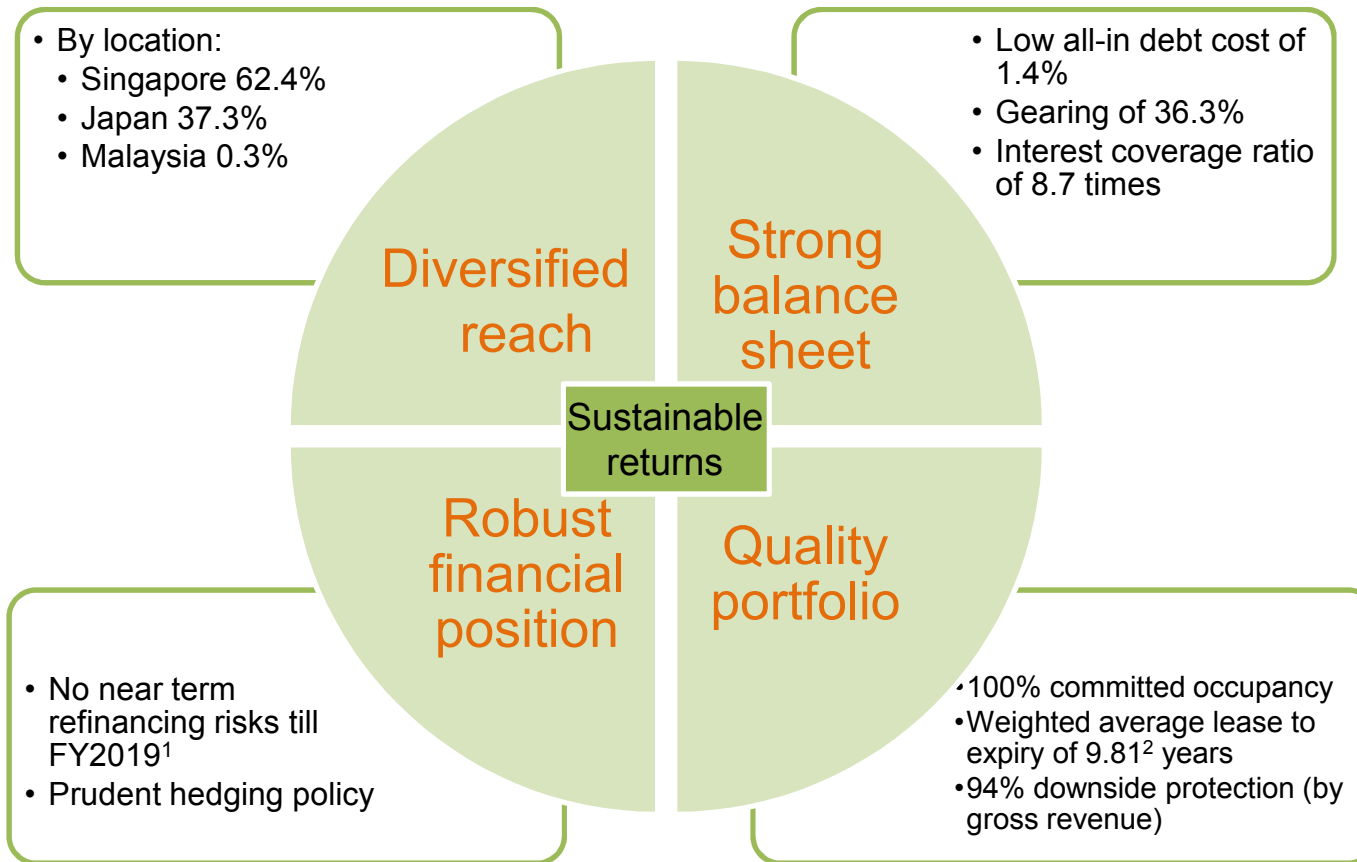
The background is a solid teal color. It features several white, horizontally-oriented ovals of varying sizes scattered across the page. The ovals are positioned around the central text, with some overlapping the edges of the text area.

OVERALL PORTFOLIO REVIEW
- Key attributes and strengths

PERFORMANCE REVIEW OF PLIFE REIT

(as at 31 December 2016)

One of the largest listed healthcare REITs in Asia with an enlarged portfolio of S\$1.7 billion



1 Post latest refinancing exercise to term out the remaining loans due in 2H 2018 on 4 January 2017

2 Post 2nd asset recycling completion in February 2017

The image features a solid teal background. Scattered across the background are several white, horizontally-oriented ovals of varying sizes. The ovals are arranged in a somewhat circular pattern around the central text. The largest oval is at the bottom center, while the smallest is at the top center. The text "THANK YOU" is centered in the middle of the composition.

THANK YOU