

NEWS RELEASE
FOR IMMEDIATE RELEASE
PARKWAY LIFE REIT REPORTS STRONG 3Q 2010 PERFORMANCE

- Gross revenue grew 28.3% to S\$21.2 million
- Net property income increased 26.5% to S\$19.4 million
- DPU increased 17.8% to 2.25 cents
- No refinancing requirement until FY2013

TOTAL PORTFOLIO	1 Jul 10 to 30 Sep 10 (3Q 2010) S\$'000	1 Jul 09 to 30 Sep 09 (3Q 2009) S\$'000	Inc / (Dec) %	1 Jan 10 to 30 Sep 10 (YTD 2010) S\$'000	1 Jan 09 to 30 Sep 09 (YTD 2009) S\$'000	Inc / (Dec) %
Gross revenue	21,171	16,498	28.3	58,556	48,935	19.7
Net property income	19,437	15,371	26.5	53,947	45,521	18.5
Income available for distribution	13,616	11,559	17.8	38,740	34,333	12.8
Available Distribution Per Unit (cents)¹						
- DPU for the period	2.25	1.91	17.8	6.41	5.69	12.8
- Annualised DPU	9.00	7.65	17.8	8.54	7.58	12.8
Annualised Distribution Yield (%), based on closing market price of S\$1.60 as at 30 Sep 2010	5.63	4.78	17.8	5.34	4.74	12.8

Singapore, 8 November 2010 – 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 figures for the third quarter (“3Q 2010”) and nine months (“YTD 2010”) ended 30 September 2010.

For 3Q 2010, PLife REIT registered gross revenue of S\$21.2 million, a 28.3% increase from S\$16.5 million in the previous corresponding period (“3Q 2009”). For YTD 2010, PLife REIT achieved gross revenue of S\$58.6 million, up 19.7% from the same period last year (“YTD 2009”).

¹ The number of units used to calculate the Distribution per Unit (“DPU”) comprises of the number of units in issue and issuable as at 30 September 2010 and 30 September 2009 respectively.

Higher revenue for 3Q 2010 was primarily due to additional revenue contribution amounting to S\$1.8 million from the Japanese properties acquired in the fourth quarter last year. In 3Q 2010, the Group had also recognised revenue contribution amounting to S\$2.3 million from the six Japan properties acquired in June 2010 and the five Japan properties acquired in July 2010. Revenue was further driven by the higher minimum rent of the Singapore properties arising from a rental growth rate of 1.73% (under the CPI + 1% formula) for Year 4 of the lease term commencing 23 August 2010.

Net property income was S\$19.4 million for 3Q 2010 and S\$53.9 million for YTD 2010, up 26.5% and 18.5% from 3Q 2009 and YTD 2009 respectively. As a result of the strong operating performance, distributable income rose 17.8% from S\$11.6 million for 3Q 2009 to S\$13.6 million for 3Q 2010. For YTD 2010, distributable income was S\$38.7 million, a 12.8% rise over the previous corresponding period. Accordingly, Distribution per Unit (“DPU”) increased from 1.91 cents for 3Q 2009 to 2.25 cents for 3Q 2010.

Enhanced capital structure and balance sheet with pre-emptive refinancing

With the improving credit markets, PLife REIT seized the opportunity to further enhance its capital structure by refinancing its debts ahead of time to strengthen its balance sheet. On 16 August 2010, PLife REIT successfully completed the pre-emptive refinancing of its existing JPY 13.66 billion (approximately S\$215.0 million)² loan facilities, which constituted about 46% of the Group’s total loan portfolio, due in the second half of 2011. By replacing the existing debt facilities with a combination of 4-year and 5-year committed term loan facilities, it effectively lengthened PLife REIT’s weighted average debt maturity period to 4.20 years³ with no near term refinancing requirements until FY2013.

Leveraging on the tightening of credit spreads, PLife REIT was also able to lower the weighted average all-in cost of debt to 2.13%, and achieved significant interest cost savings of approximately S\$1.0 million. As at 30 September 2010, the gearing level of the Group stood at a healthy 35%.

Yield-accretive maiden asset enhancement initiative for Japan nursing home

In September 2010, PLife REIT successfully completed asset enhancement initiatives (“AEI”) at one of its Japan nursing homes, Maison Des Centenaire Haruki. The AEI, which involved the

² Based on the exchange rate of S\$1.574 per JPY100 as at 30 September 2010

³ Figures above are as at 30 September 2010

conversion of existing clinic space to three income producing rooms and a common area for administrative use at the nursing home, yielded an attractive ROI of 32.3% and a 8.63% increase in gross rent for the unexpired lease term of approximately 17 years.

Commented Mr Yong, “This asset enhancement initiative is symbolic as it marks PLife REIT’s maiden step forward in enhancing its nursing home portfolio. With collaborative AEI being a relatively new concept for nursing home operators in Japan, PLife REIT is setting a new benchmark for the nursing homes business in Japan. This also paves the way forward as we continue to explore AEI opportunities for the rest of our nursing home portfolio.”

On solid ground for continual growth

Moving ahead, PLife REIT is well-poised for continual growth given its sturdy business fundamentals and clear growth strategy. To deliver sustainable returns to its Unitholders, PLife REIT will be pursuing growth opportunities, in particular, in its core markets, to further boost geographical diversity.

Mr Yong said, “We are positive about our growth prospects and will continue to be on the lookout for opportunities to explore collaborative partnerships with high quality healthcare operators in expanding healthcare markets, to grow our portfolio. The key is to work with good and credible operators to maintain the high standards of our portfolio.”

PLife REIT also expects to continue to benefit from the resilient growth in demand for quality private healthcare and elderly care facilities, augmented by improving market conditions and the Group’s high quality healthcare assets. Through proactive asset management strategies, the Group will strive to improve operating performance and preserve revenue resiliency of its entire property portfolio.

- ENDS -

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\$1.3 billion as at 30 September 2010. 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 1,039 licensed beds. In addition, it has 29 assets located in Japan, namely one pharmaceutical product distributing and manufacturing facility in Chiba Prefecture, and 28 high quality nursing home and care facility properties in various prefectures of Japan.

For media queries, please contact:

Kreab Gavin Anderson ***Tel: +65 6339 9110***

Jean Zhuang / Archanaa Raja

Mobile: +65 9061 1075 / +65 9066 7432

Email: jzhuang@kreabgavinanderson.com / araja@kreabgavinanderson.com

Important Notice

This Announcement 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 ("Parkway Life REIT" and the units in Parkway Life 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 Parkway Life REIT (the "Manager"), 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 Parkway Life 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 Parkway Life REIT or the Manager is not necessarily indicative of the future performance of Parkway Life REIT or the Manager. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.