



(Constituted in the Republic of Singapore pursuant to a Trust Deed dated 12 July 2007)

ANNOUNCEMENT

**ESTABLISHMENT OF WHOLLY-OWNED SUBSIDIARY
PARKWAY LIFE JAPAN2 PTE. LTD.
(COMPANY REGISTRATION NUMBER 200808957H)**

Parkway Trust Management Limited, as manager of Parkway Life Real Estate Investment Trust ("**Parkway Life REIT**"), wishes to announce that HSBC Institutional Trust Services (Singapore) Limited, as trustee of Parkway Life REIT, had on 26 May 2008 acquired the following as its wholly-owned subsidiary:

Name	:	Parkway Life Japan2 Pte. Ltd.
Principal Activity	:	Investment Holding
Share Capital	:	S\$1 comprising 1 ordinary share

None of the directors of the Manager or the controlling unitholders of Parkway Life REIT has any interest, direct or indirect, in the above transaction.

By Order of the Board
Parkway Trust Management Limited
(Company registration no. 200706697Z)
As manager of Parkway Life Real Estate Investment Trust

June Tay Kwok Fung
Ho Li Li
Company Secretaries
27 May 2008

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

Important Notice

This Announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for 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 the Sponsor, the Manager, HSBC Institutional Trust Services (Singapore) Limited as trustee of Parkway Life REIT, the Joint Lead Underwriters, DBS Bank Ltd, or any of their affiliates. Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on 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.

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.