

**NEWS RELEASE
FOR IMMEDIATE RELEASE**

**PARKWAY LIFE REIT'S MAIDEN 4QFY2007 RESULTS EXCEED
FORECAST**

- **Gross Revenue of S\$16.90 million for the period 23 August to 31 December 2007 exceeds forecast figures by 5.04%**
- **Distribution Per Unit ("DPU") of 2.27 cents**
- **Strong fundamentals, positive credit rating and low gearing provides financial flexibility for future expansion**

	For the period 23 August to 31 December 2007		Variance
	Actual (S\$ million)	Forecast (S\$ million)	Percentage (%)
Gross Revenue	16.90	16.09	5.04
Distributable Income	13.64	12.89	5.81
DPU (cents)	2.27	2.14	5.81
Annualised DPU (cents)	6.32	5.96	5.81

Singapore, 19 February 2008 – Parkway Life Real Estate Investment Trust ("Parkway Life REIT") releases its maiden fourth quarter and full year results for the financial year ending 31 December 2007 ("FY2007"). Parkway Life REIT was listed on the Singapore Exchange Securities Trading Limited ("SGX-ST") on 23 August 2007.

Parkway Life REIT is also pleased to announce that it has today received an investment grade rating of "BBB+" by Fitch Ratings.

For the period 23 August to 31 December 2007, gross revenue was S\$16.90 million, which exceeds the forecast figure of S\$16.09 million by 5.04%. Net property income was S\$15.81 million versus the forecast amount of S\$15.16 million and this represents a 4.32% variance. Income available for distribution was S\$13.64 million which is 5.81% higher than the forecast amount of S\$12.89 million.

DPU for the period 23 August to 31 December 2007 is 2.27 cents or a 5.81% increase over the forecast figure. The annualised DPU is 6.32 cents, compared to the forecast of 5.96 cents.

"This is a very good set of results announcement for Parkway Life REIT and we are pleased that actual performance has exceeded forecast figures. This is due to the strong performance from our hospital and medical office portfolio," said Ms Justine Wingrove, Chief Executive Officer of Parkway Trust Management Limited, the manager of Parkway Life REIT.

Rental Contribution from Hospitals

The portfolio of Parkway Life REIT comprises The Mount Elizabeth Hospital Property, The Gleneagles Hospital Property and the East Shore Hospital Property. Under the long-term Master Lease Agreement, rental income for Parkway Life REIT is based on an annual base rent of S\$30.00 million and a variable rent of 3.8% of adjusted hospital revenue (subject to a minimum rental of S\$45.0 million (on an annualised basis) comprising an aggregate base rental of S\$30.0 million plus a variable rental of S\$15.0 million). For 4QFY2007, the base rent was S\$10.73 million and variable rent was S\$6.17 million.

The strong revenue contribution from the Hospitals is a result of efforts to drive organic growth by constant asset enhancement initiatives to increase revenue intensity. Hence, there is an increase in adjusted hospital revenue largely driven by increased foreign patient revenue, higher consumption of diagnostic outpatient services, and contribution from Parkway Cancer Centre. The rental contribution from the Mount Elizabeth Hospital Property accounted for 62.8% of revenue, while rental contribution from The Gleneagles Hospital Property and The East Shore Hospital Property was 32.3% and 4.9%, respectively.

Financial flexibility to fuel acquisition growth

Parkway Life REIT recorded a net change in the fair value of its properties and this resulted in a 7.3% revaluation gain of S\$56.29 million. As such, the gearing level decreased from 4.3% to 4.0%.

In addition, Parkway Life REIT's newly assigned "BBB+" credit rating by Fitch Ratings increases the company's efficiency of debt financing.

Outlook for 2008

Parkway Life REIT will continue to benefit from the growing demand for healthcare services in Singapore, Asia and the Middle East. In addition, the anticipated increase in foreign patients coming to Singapore will more than double to reach one million by 2012.

"Despite current market sentiments, demand for healthcare remains positive. Parkway Life REIT will continue to focus on enhancing the value of our properties as well as pursuing yield accretive acquisitions and thereby delivering stable distributions and long-term growth for Unitholders," added Ms Wingrove.

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About Parkway Life REIT

Parkway Life Real Estate Investment Trust ("Parkway Life REIT") is established by Parkway Holdings Limited (the "Sponsor") 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).

The portfolio of Parkway Life REIT comprises The Mount Elizabeth Hospital Property, The Gleneagles Hospital Property and The East Shore Hospital Property (together known as the "Properties"). The Properties, comprising the three hospitals, 68 medical offices and 559 carpark lots have a combined appraised value of approximately S\$831.6 million as at 31 December 2007 and a total of 1,039 licensed beds.

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