



ParkwayLife REIT

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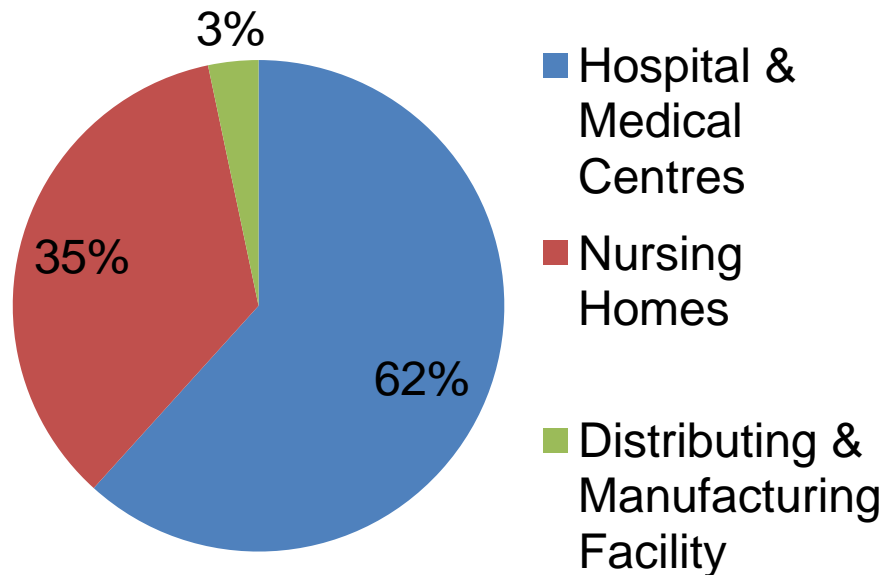
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Company Background

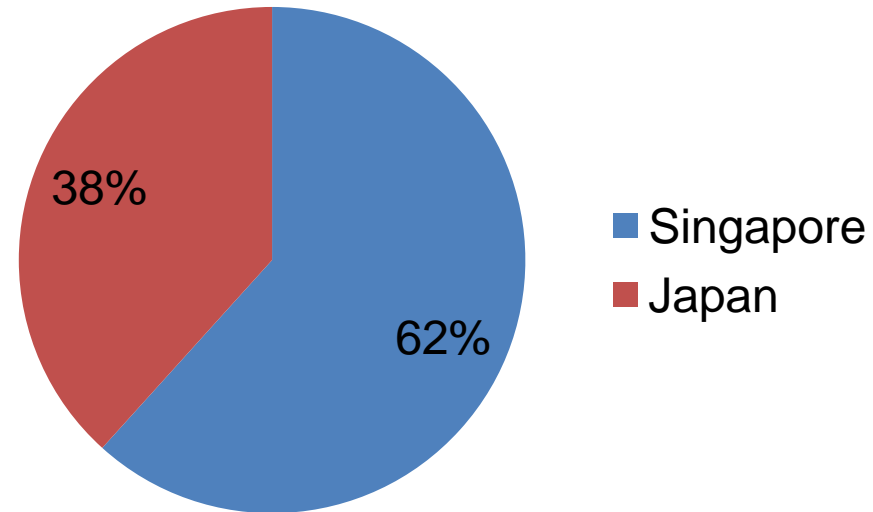
- ❖ Plife REIT is one of Asia's largest listed healthcare REITS.
- ❖ It invests in income producing real estate that are used for healthcare or healthcare related purpose.
- ❖ Total portfolio size of S\$1.4B with 36 properties.
- ❖ Their aim is to deliver regular and stable distributions and achieve long term-growth

Company Background

Portfolio by Asset Class



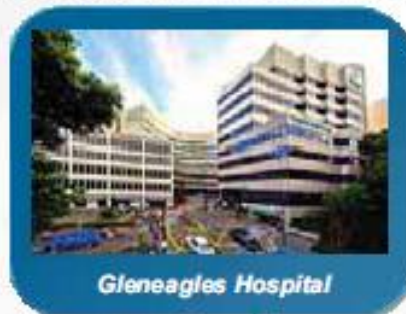
Portfolio by Geography



Company Background

Our Properties - Singapore

- ❑ A portfolio of 3 strategically-located world-class local private hospitals worth S\$924 million¹
- ❑ Master Lease with Parkway Hospitals Singapore Pte. Ltd, a wholly owned subsidiary of Parkway Pantai Limited ("Parkway"), the largest private healthcare operator in Singapore and a key regional healthcare player
 - ✓ Parkway is an established brand name with a network of 16 hospitals across Asia
- ❑ Singapore Hospital Properties contribute approximately 60% of total gross revenue²



Notes:

1. Based on appraised values as at 31 Dec. 2011

2. Based on Gross Revenue as at 30 Jun. 2012



ParkwayLife REITTM

Company Background

Our Properties - Japan

- ❑ A portfolio of 33 high quality healthcare properties worth S\$512 million¹, comprising:
 - ✓ 1 pharmaceutical product distributing and manufacturing facility (P-Life Matsudo)
 - ✓ 32 private nursing homes
- ❑ Master tenancy with 17 lessees²
- ❑ Nursing Home Properties strategically located in dense residential districts in major cities



P-Life Matsudo



Bon Sejour Shin-Yamashita



Palmery Inn Akashi



Palmery Inn Suma



Senior Chonaikai Makuhari Kan

Note:

1. Based on appraised values as at 1 Oct and 31 Dec 2011 and at exchange rate of S\$1.00 to JPY59.74.
2. K.K. Sawayaka Club includes K.K. Sawayaka Amanogawa as both are wholly owned subsidiaries of Uchiyama Holdings.



ParkwayLife REIT™

Company Background

Our Portfolio - Summary

Portfolio	Singapore	Japan	Total
Type	Hospital & Medical Centre	32 nursing homes; 1 pharmaceutical product distribution & manufacturing facility	3 Hospitals & medical center; 32 nursing homes; 1 pharmaceutical product distributing & manufacturing facility
Land Tenure	3 Leasehold	30 Freehold & 3 Leasehold	30 Freehold & 6 Leasehold
Land Area (sq m)	36,354	79,346	115,700
Net Lettable Area (sq m)	118,136	104,163	222,299
Beds	730	-	730
Strata Units/ Car Park Lots	40 strata units/ 559 car park lots	-	40 strata units/ 559 car park lots
Number of Units (Rooms)	-	2,359	2,359
Year of Completion	1979 to 1993	1987 to 2010	1979 to 2010
Committed Occupancy	100.0%		
Master Leases/ Lessees	3 Master Leases; 1 Lessee	34 Master Leases; 17 Lessees	37 Master Leases; 18 Lessees
Year of Acquisition	2007	2008 to 2012	-
Appraised Value ¹	S\$924m Knight Frank Pte Ltd	¥30,618m (S\$512m) Colliers International / DTZ / IAI	S\$1,436m

Note:

1. Based on Appraised Values as at 1 Oct 11 and 31 Dec 11



ParkwayLife REIT™

Company Background

Top Ten Tenants

S/N	Tenant	%	S/N	Tenant	%
1	Parkway Hospitals Singapore Pte. Ltd.	61.7%	6	Nippon Express Co., Ltd	3.3%
2	K.K. Sawayaka Club	7.4%	7	Y.K. Shonan Fureai no sono	2.7%
3	Riei Co., Ltd	3.7%	8	K.K. Medis Corporation	2.5%
4	Bon Sejour Corporation	3.5%	9	City Estate Co., Ltd	2.2%
5	K.K. Asset	3.3%	10	Planning Care Co., Ltd	2.1%

Market Review

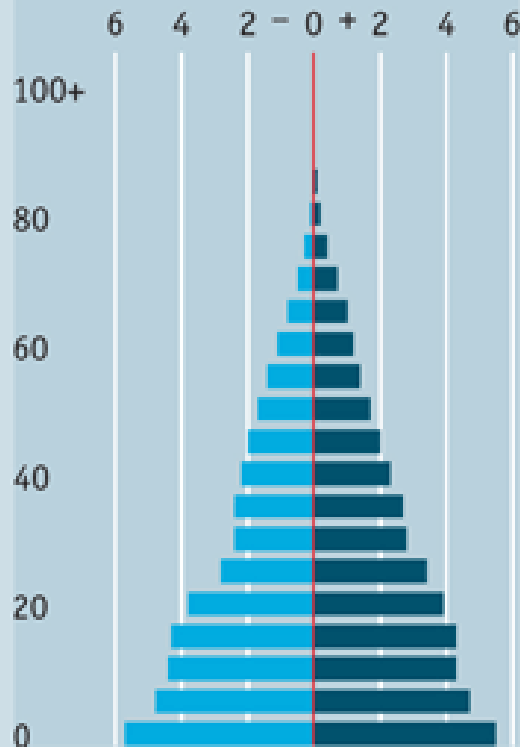
- ❖ According to a report by CLSA, Asians are getting richer have more spending power.
- ❖ Government around the region are encouraging citizens to take up private health insurance.
- ❖ World Health Organization ranked Singapore's health care system sixth best in the world and the highest in Asia
- ❖ Ageing population fuelling demand for quality elderly care

Market Review

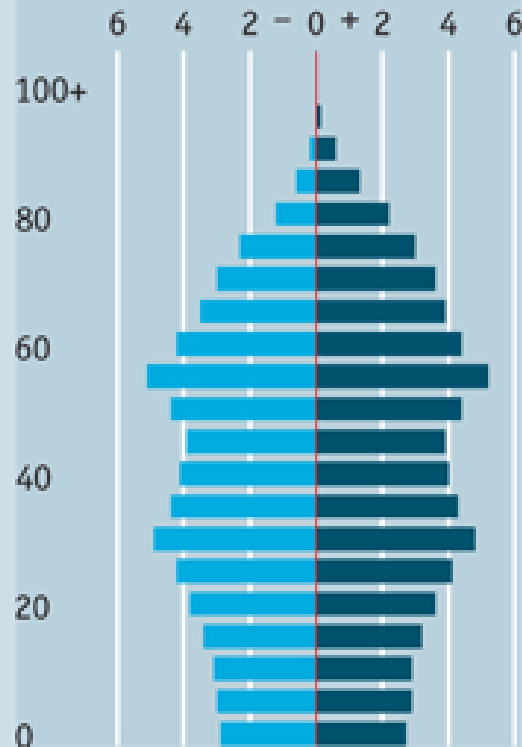
From pyramid to kite

Japan's population by age group, m

1950



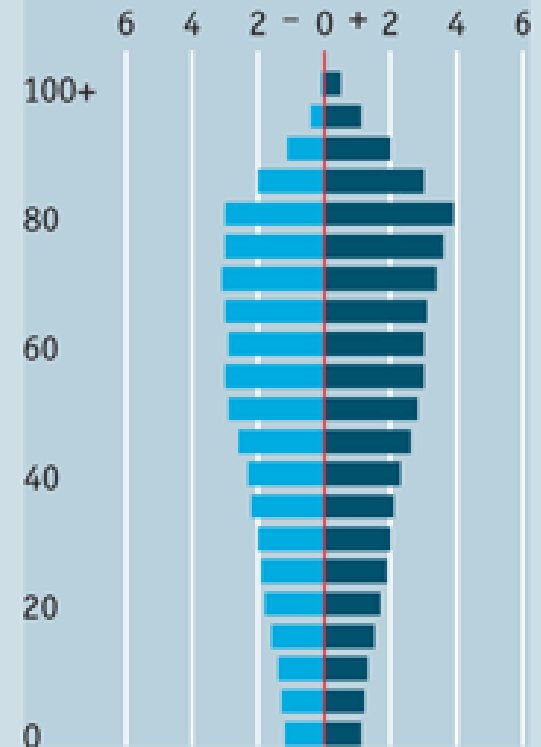
2005



Male

Female

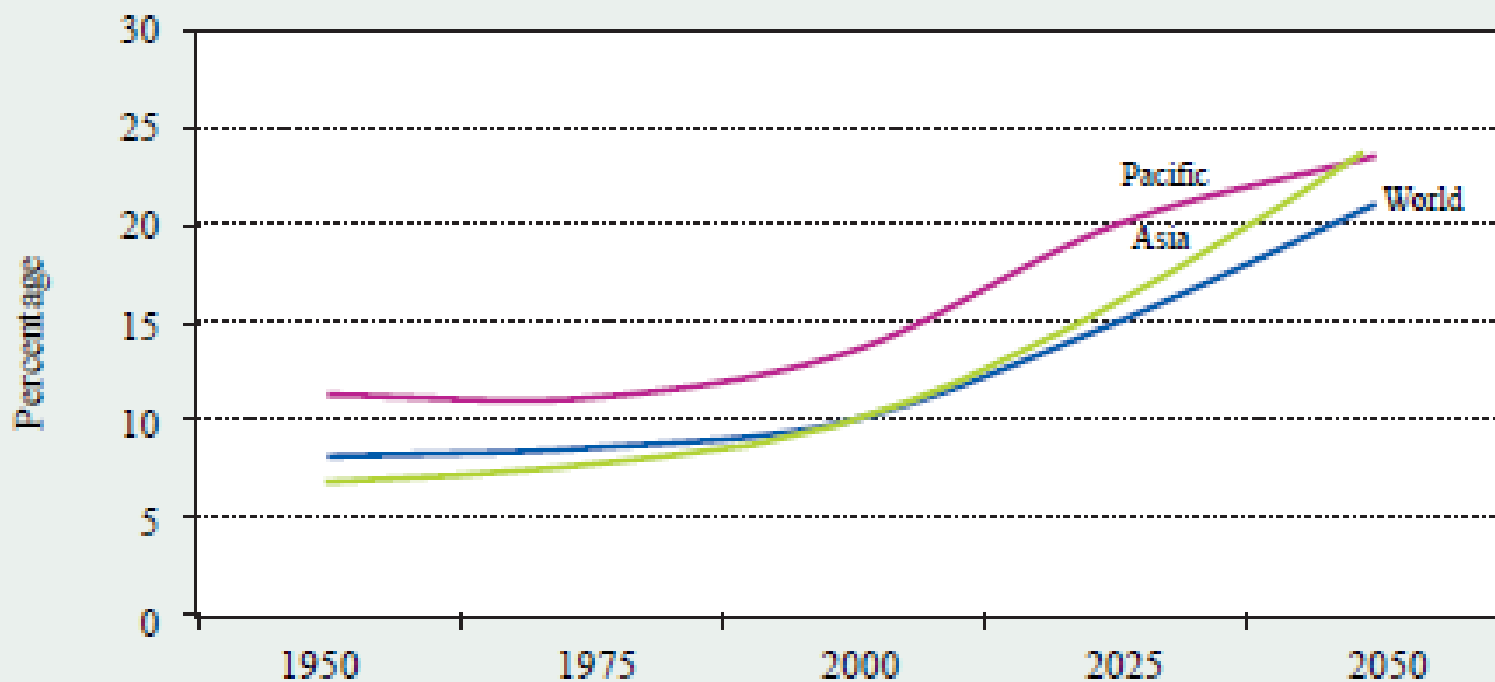
2055 forecast



Source: National Institute of Population and Social Security Research

Market Review

Figure III.1. Proportion of population aged 60 and over



Source: *World Population Ageing 1950-2050* (United Nations publication, Sales No. E.02.XIII.3).

Growth Driver

- ❖ Min guaranteed rent for Singapore hospitals to increase by 6.31%
 - Based on $CPI + 1\%$ formula
- ❖ Organic growth – completion of Ishizugawa AEI
 - Low capital outlay with attractive return
 - ROI of 18.5%
 - 2% increase in gross rent

Growth Driver

- ❖ Plife REIT's regional investment strategy is to build long term strategic partnership with credible local operators.
- ❖ This allows Plife to benefit from their experience and local knowledge, while Plife seeks to expand its footprint to achieve economies of scale and more effective portfolio management.

Debt Analysis

Healthy Balance Sheet

□ Healthy gearing of 36.4% as at 30 June 2012

Consolidated Balance Sheet (in S\$'000)	As at 30 Jun 2012	As at 31 Dec 2011	Variance Commentary
Total Assets	1,470,386	1,429,613	Increase is mainly due to the acquisition of three nursing home properties in March 2012, offset by the depreciation of Japanese Yen.
Total Debt ¹	535,914	497,066	Increase is mainly due to the draw down of loan facility to finance the March 2012 acquisition, offset by the depreciation of Japanese Yen.
Unitholders' Funds	896,435	896,176	-
Gearing ² (%)	36.4	34.8	-

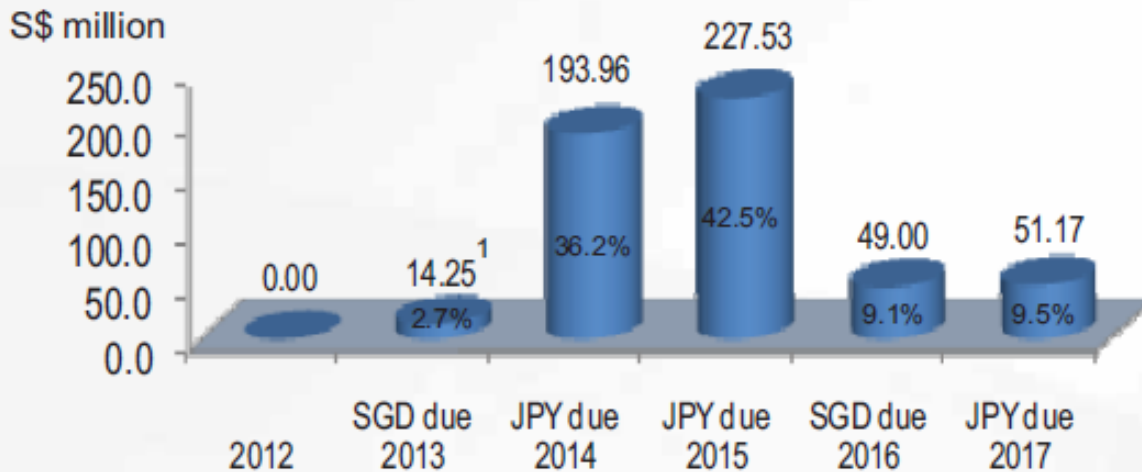
Notes:

1. Total Gross Borrowings before transaction costs
2. Total Debt ÷ Total Assets

Debt Analysis

Debt Maturity Profile

As at 30 June 2012



- ❑ Weighted average term to maturity is 2.92 years
- ❑ Current effective all-in cost of debt of 1.60%
- ❑ Interest cover ratio of 8.6 times

Note:

1. Covered by the 4-year S\$80 million RCF maturing in FY2016.



ParkwayLife REIT™

Risk Factors

- ❖ Major debt refinancing needed in 2014 (abt SGD200m)
- ❖ Foreign exchange risk
- ❖ Political risk

Trading Data

52 week range	\$1.69 - \$2.04
Market Capitalization	\$1.21 B
Share Outstanding	604 M
Average Daily Volume (3 mth)	357 K

Valuation

- ❖ Use Dividend Discount Model (DDM)

Valuation – Financial Forecast

Fiscal Period	FY2010	FY2011	FY2012E	FY2013E	FY2014E
Gross Revenue	80,048	87,863	89,786	81,094	84,698
Net property income	73,625	80,408	80,260	75,069	78,341
Income available for distribution	72,510	107,658	89,649	86,344	89,040
DPU (cents)	10.03	10.52	12.11	10.20	10.71
<u>Dividend Yield %</u> <u>(at \$1.95)</u>	5.14	5.40	6.21	5.23	5.49

Valuation Calculation

Description(\$m)	FY2010	FY2011	FY2012E	FY2013E	FY2014E
Distributions to Unitholders	10.03	10.52	12.11	10.20	10.71
Terminal Value					237.7
Beta	0.58				
Cost of Equity	7.64%				
<u>Fair Value(NPV)</u>	<u>\$2.19</u>				

Peer Comparison

Name	Price	NAV (M)	Dividend Yield (%)	Gearing (%)	P/BV	Asset Type
Plife REIT	1.95	1.46	5.10	36.40	1.33	Hospital
First REIT	0.97	0.80	7.29	15.90	1.22	Hospital & Hotel
Frasers CT	1.75	1.41	5.73	31.70	1.24	Retail
Ascott REIT	1.19	1.42	7.62	39.70	0.84	Serviced Apt
Capital Comm	1.38	1.58	5.79	30.10	0.84	Office, Retail & Hotel

Future Direction

- ❖ Seek out collaborative AEI and yield accretive acquisition opportunities in the regional healthcare market
- ❖ Long term plan to build a “healthcare ecosystem” that offers a spectrum of healthcare services

The background features a blue wavy design with three glowing spheres (two on the right, one on the left) and faint binary code (0s and 1s) scattered across the lower half.

Thank You !
Questions Please