

A low-angle, upward-looking photograph of several modern skyscrapers with glass facades against a blue sky with scattered white clouds. In the foreground, there is a large, colorful geometric graphic composed of overlapping triangles in shades of orange, yellow, and red. The graphic is partially obscured by a dark, curved architectural element on the right side of the frame.

Keppel REIT

**Full Year 2016
Financial Results
24 January 2017**



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Key Highlights – FY 2016

Financial Highlights & Capital Management	\$208.1 mil Distributable Income	6.37 cents⁽¹⁾ DPU	6.2% Distribution Yield
	Aggregate leverage at 38.5%	All-in interest 2.51%	ICR at 4.7x
	No refinancing requirements until 2018	75% fixed-rate loans	
		84% unencumbered assets	
Portfolio Performance	Concluded 136 leases or 2.2 mil sf of spaces (attributable NLA: 1.3 mil sf)	Ave. signing rent for Singapore office leases \$9.60 psf⁽²⁾	
	Long WALE 9.3 years & 6.1 years Top 10 tenants & overall portfolio	High portfolio committed occupancy 99.2%	95% Tenant retention rate Rent reversion -9%⁽³⁾

(1) DPU for 4Q 2016 was 1.48 cents. There is no distribution of other gains in 4Q 2016.

(2) For the office leases signed in FY 2016 for all Singapore assets, and calculated on a simple average basis.

(3) For new, renewal, forward renewal and review leases for all assets in the Keppel REIT portfolio for FY 2016.

Financial Highlights & Capital Management

1929

19

61

two radio towers and a clock

8 Exhibition Street, Melbourne

	4Q 2016	4Q 2015	Change (%)	Remarks
Property income	S\$40.0m	S\$42.8m	(6.5)%	<ul style="list-style-type: none"> Absence of income from 77 King Street (77KS)⁽¹⁾ Lower income contribution from Bugis Junction Towers
Net property income	S\$31.4m	S\$34.8m	(9.6)%	
Share of Results of Associates and Joint Ventures	S\$27.7m	S\$22.0m	25.9%	<ul style="list-style-type: none"> Better performance from One Raffles Quay, Marina Bay Financial Centre and 8 Chifley Square Higher contribution from David Malcolm Justice Centre (DMJC)⁽²⁾
Distribution to Unitholders	S\$48.7m	S\$54.0m	(9.8)%	
DPU	1.48 cents	1.68 cents	(11.9)%	<ul style="list-style-type: none"> No distribution of other gains in 4Q 2016

(1) 77KS was divested on 29 January 2016.

(2) DMJC in Perth was completed and handed over to the Government of Western Australia in November 2015.

	FY 2016	FY 2015	Change (%)	Remarks
Property income	S\$161.3m	S\$170.3m	(5.3)%	<ul style="list-style-type: none"> • Absence of income from 77 King Street (77KS)⁽¹⁾ • Lower income contribution from Bugis Junction Towers
Net property income	S\$128.4m	S\$137.5 m	(6.6)%	
Share of Results of Associates and Joint Ventures	S\$114.2m	S\$92.9m	22.9%	<ul style="list-style-type: none"> • Better performance from One Raffles Quay and 8 Chifley Square • Higher contribution from David Malcolm Justice Centre (DMJC)⁽²⁾
Distributable Income	S\$208.1m	S\$217.3m	(4.2)%	<ul style="list-style-type: none"> • Includes one-off income of approximately \$10 million in FY 2016
DPU	6.37 cents	6.80 cents	(6.3)%	<ul style="list-style-type: none"> • No distribution of other gains in 4Q 2016⁽³⁾

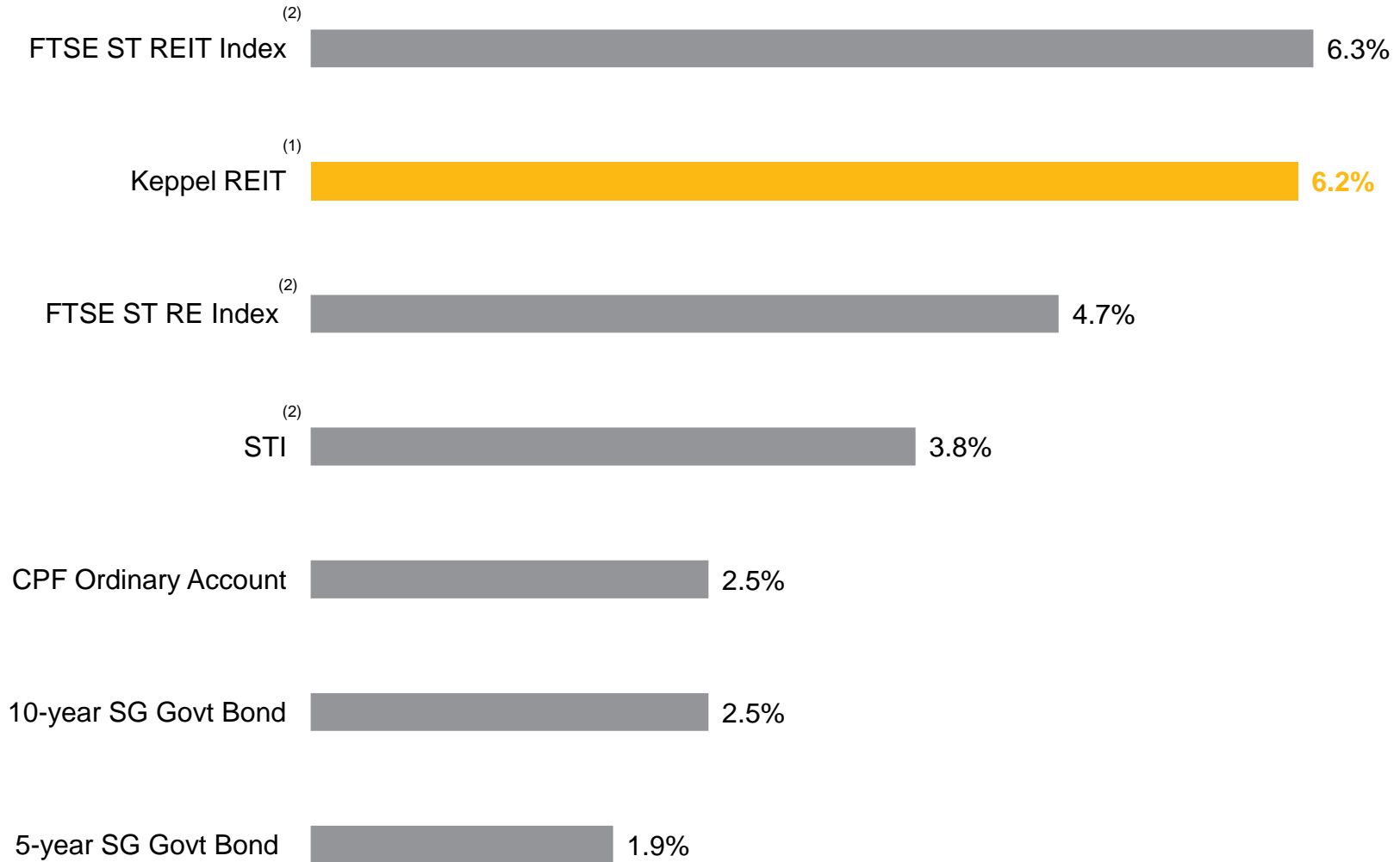
(1) 77KS was divested on 29 January 2016.

(2) DMJC in Perth was completed and handed over to the Government of Western Australia in November 2015.

(3) Total of S\$48 million of other gains not distributed as at end-2016.



Distribution Yield of 6.2%



(1) Based on market closing unit price of \$1.02 as at 31 December 2016.

(2) Based on Bloomberg's dividend yield data for the FTSE ST Real Estate Investment Trust (REIT) Index, FTSE ST Real Estate (RE) Index and Straits Times Index (STI) as at 31 December 2016.



	As at 31 December 2016	As at 31 December 2015
Total assets	\$7,535 mil	\$7,425 mil
Borrowings ⁽¹⁾	\$3,329 mil	\$3,341 mil
Total liabilities	\$2,637 mil	\$2,648 mil
Unitholders' funds	\$4,747 mil	\$4,626 mil
Adjusted NAV per Unit ⁽²⁾	\$1.43	\$1.42
Discount to NAV ⁽³⁾	-28.7%	-34.5%

(1) These included borrowings accounted for at the level of associates and excluded the unamortised portion of upfront fees in relation to the borrowings.

(2) For 31 December 2016 and 2015, these excluded the distributions to be paid and paid in February 2017 and 2016 respectively.

(3) Based on the market closing price per unit of \$1.02 as at 31 December 2016, and \$0.93 as at 31 December 2015.



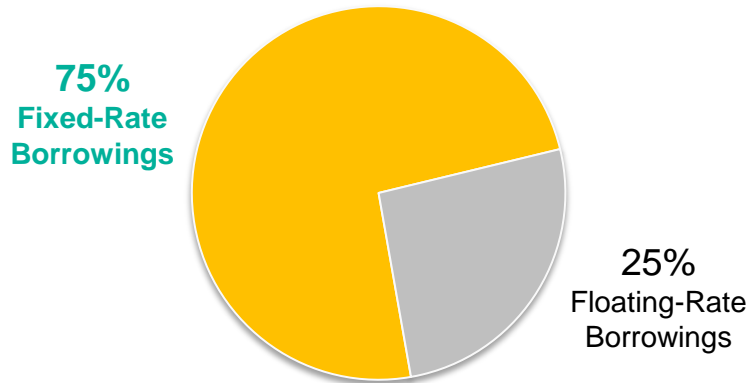
Distribution Per Unit (DPU)	
4Q 2016	1.48 cents
FY 2016	6.37 cents

Distribution Timetable	
Trading on “Ex” Basis	Tuesday, 31 January 2017
Books Closure Date	Thursday, 2 February 2017
Distribution Payment Date	Tuesday, 28 February 2017

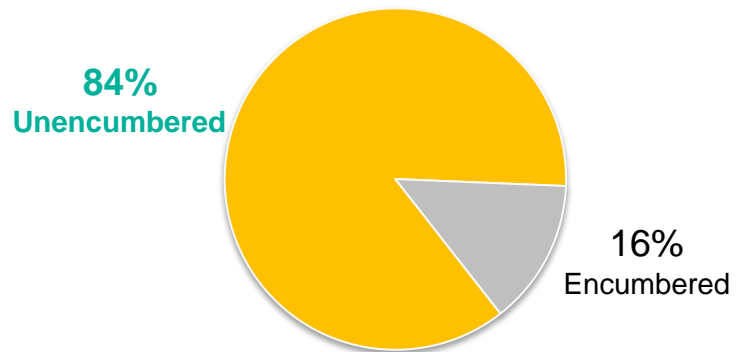


	As at 31 Dec 2016	As at 30 Sep 2016
Gross Borrowings	\$3,329 mil	\$3,324 mil
Interest Coverage Ratio	4.7x	4.7x
All-in Interest Rate	2.51%	2.53%
Weighted Average Term to Maturity	3.5 years	3.7 years
Aggregate Leverage	38.5%	39.0%

Borrowings on Fixed-Rate (as at end-2016)



% of Assets Unencumbered (as at end-2016)



DPU Change⁽¹⁾

Every **100 bps** in SOR

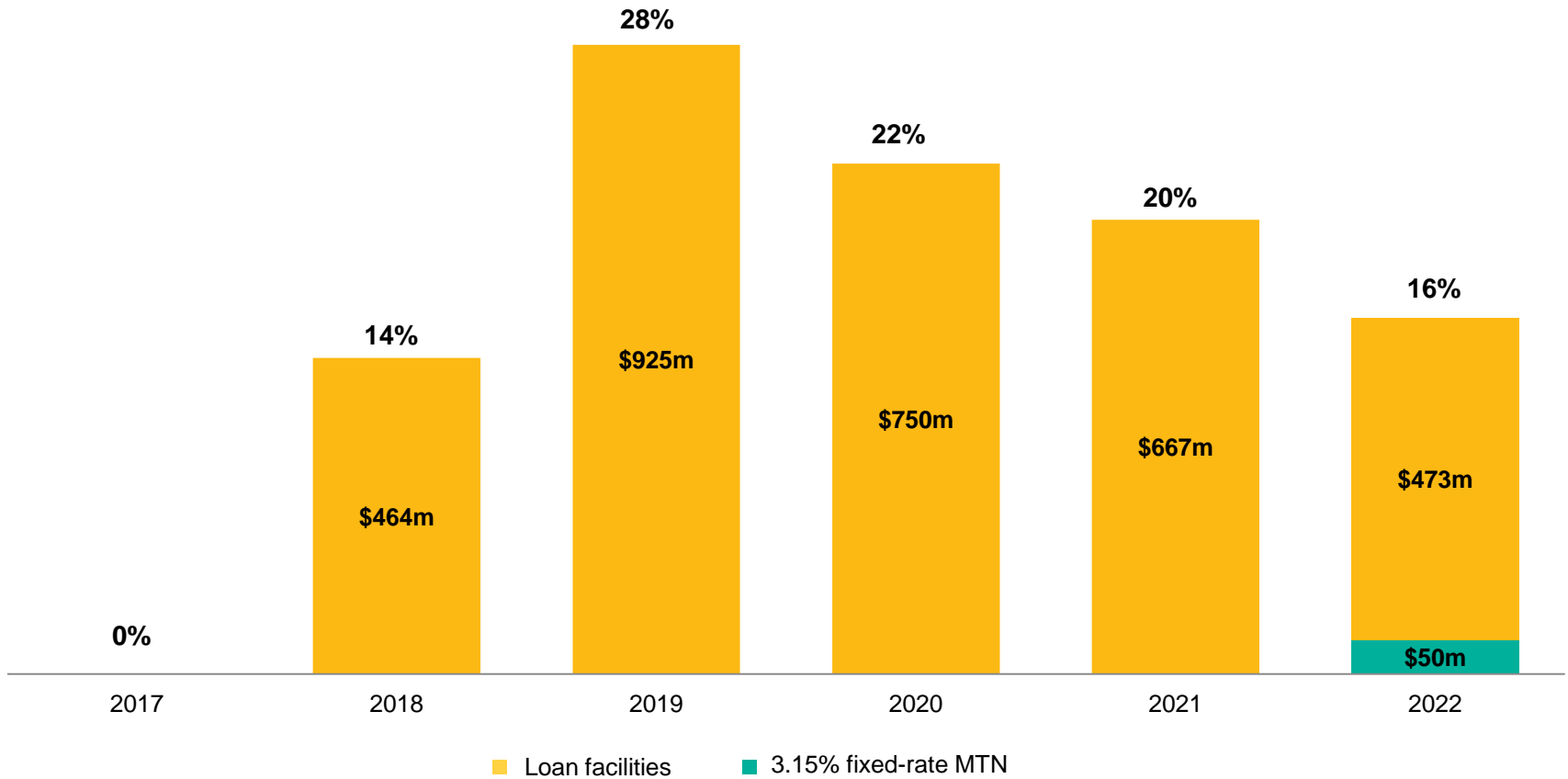
~0.12 cents in DPU

(1) Based on the Group's borrowings and number of Units as at 31 December 2016.



- Weighted average term to maturity at 3.5 years
- Completed all refinancing requirements for 2017

No refinancing requirements until 2018



Portfolio Performance



Case Name	Case Number	Case Type	Case Status	Case Date
Case 1	12345	...	...	...
Case 2	67890	...	...	...
Case 3	11111	...	...	...
Case 4	22222	...	...	...
Case 5	33333	...	...	...
Case 6	44444	...	...	...
Case 7	55555	...	...	...
Case 8	66666	...	...	...
Case 9	77777	...	...	...
Case 10	88888	...	...	...

Small plaque or sign on the wall.



David Malcolm Justice Centre, Perth



Difficult year for the Singapore office market given the oncoming supply of office space and aggressive leasing efforts from newly completed buildings.

Concluded Leases	28 leases in 4Q 2016	~621,000 sf (Attributable ~264,000 sf)
	136 leases in FY 2016	~2.2 mil sf (Attributable ~1.3 mil sf)
Tenant Retention	95% Portfolio retention rate in FY 2016	
Rents	-9% ⁽¹⁾ Rent reversion for FY 2016	\$9.60 psf ⁽²⁾ Average signing rent for Singapore office leases



UNION BANCAIRE PRIVÉE



NOURISHING THE BEST START IN LIFE

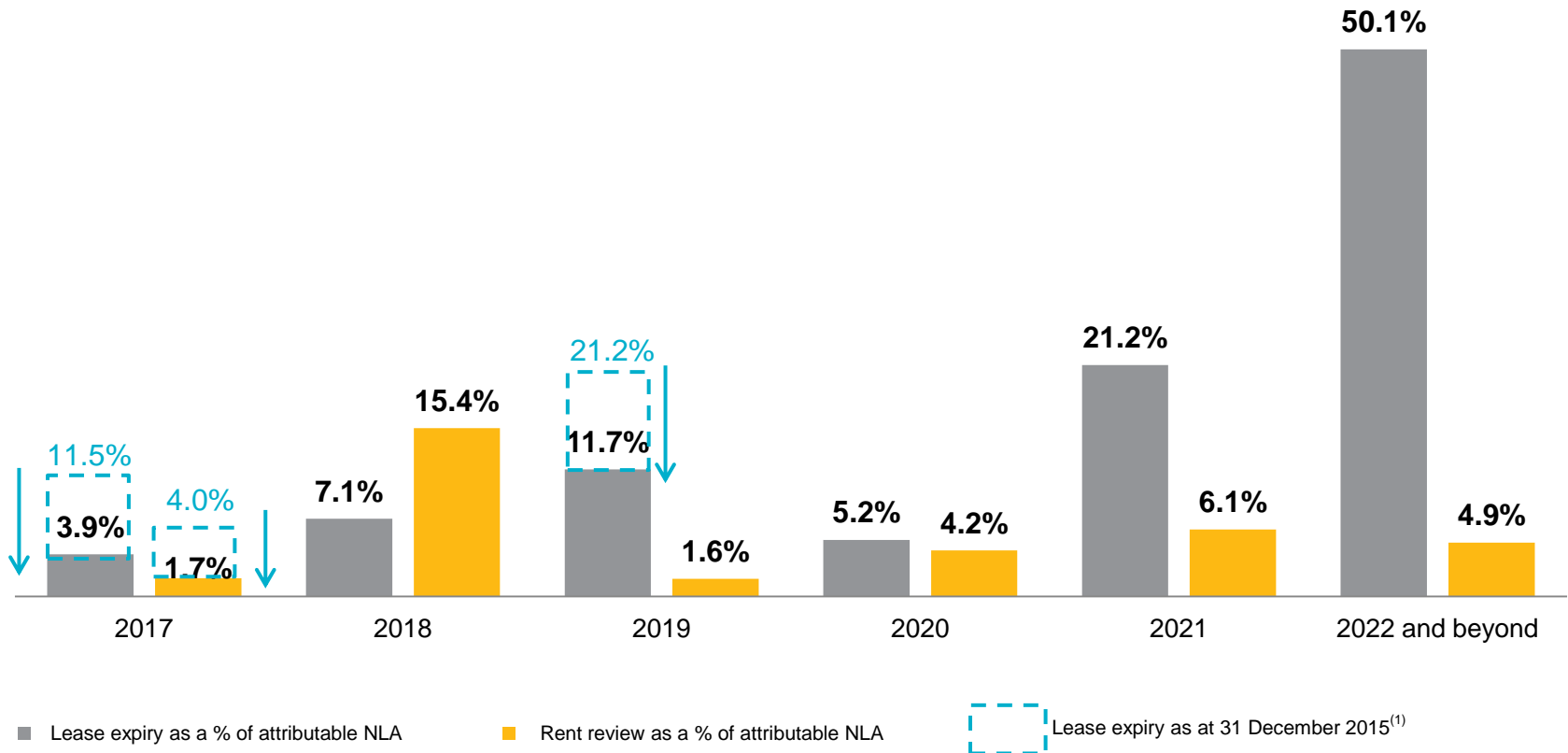
(1) For new, renewal, forward renewal and review leases for all assets in the Keppel REIT portfolio for FY 2016.

(2) For the office leases signed in FY 2016 for all Singapore assets, and calculated on a simple average basis.



- Average rents for Singapore office leases due for renewal and review in 2017 and 2018 are at low \$9s

Portfolio Lease Profile (By Attributable NLA) as at 31 December 2016

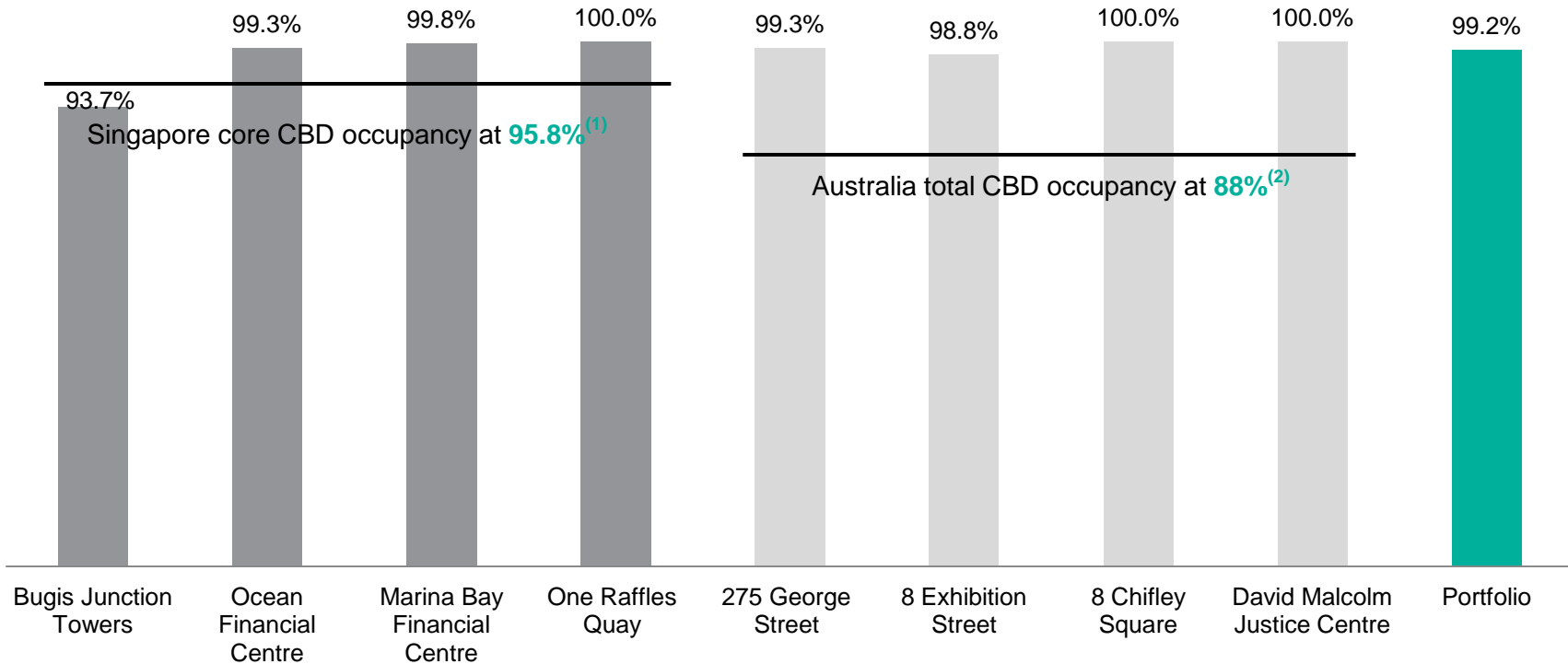
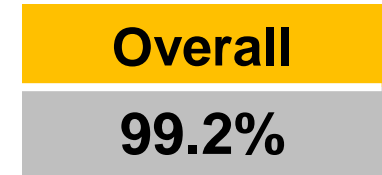
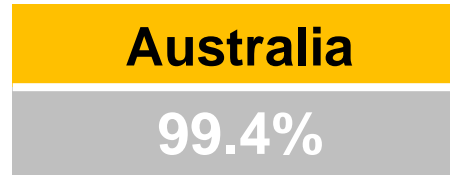
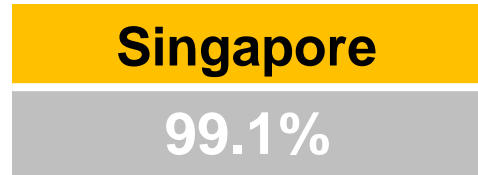


(1) Excludes 77 King Street which was divested in 1Q 2016.



Committed Occupancy Levels

- Maintained high portfolio committed occupancy of 99.2%



(1) CBRE, 4Q 2016.
(2) JLL, October 2016.



Weighted Average Lease Expiry (WALE) ⁽¹⁾

Approx. 9.3 years
(till year 2025)

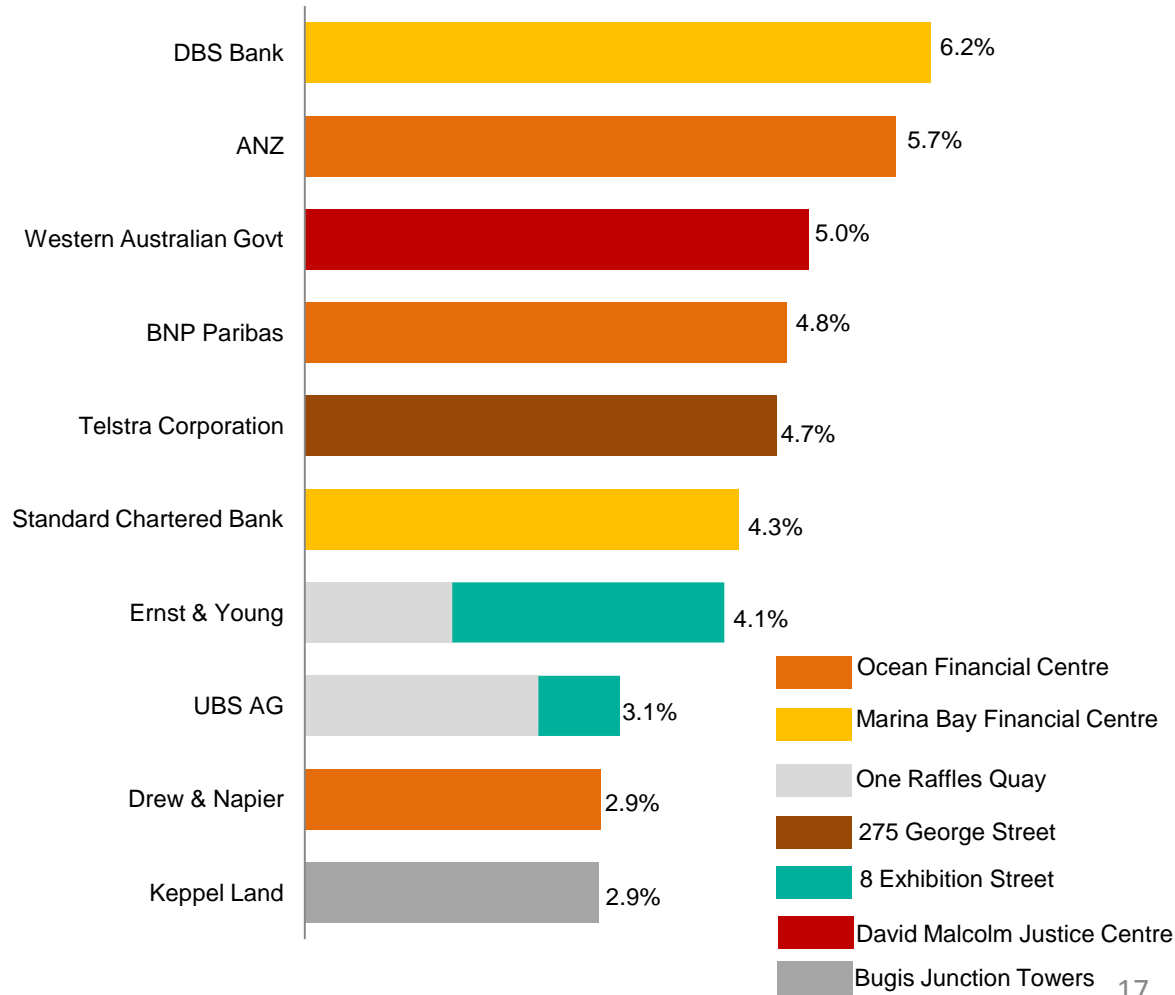


Approx. 6.1 years
(till year 2022)



Top Ten Tenants⁽²⁾

- 44% of portfolio NLA
- 40% of gross rental income



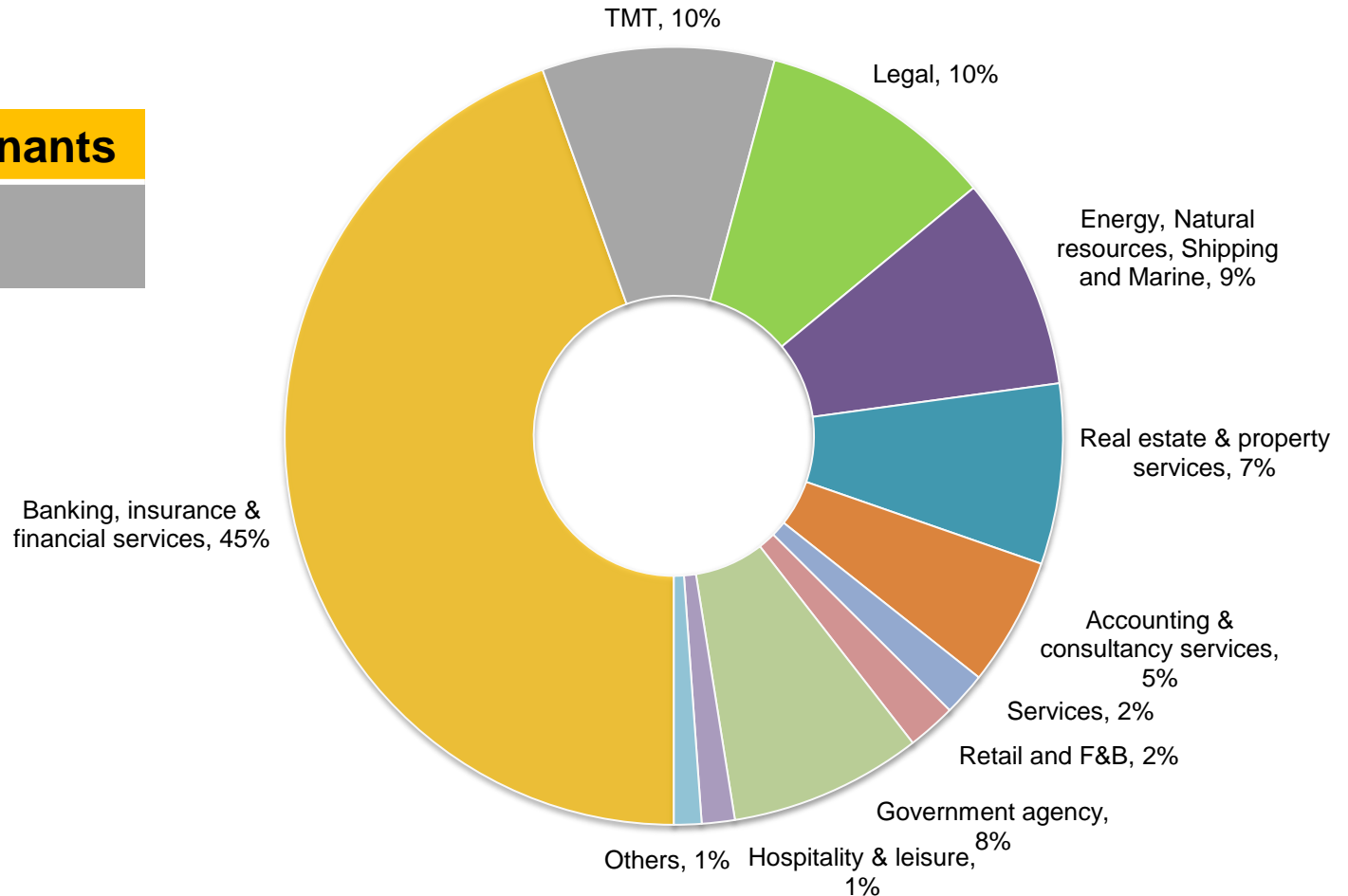
(1) As at end-2016.

(2) Top 10 Tenants by attributable NLA.



- New tenants secured in 2016 were mainly from the banking, insurance and financial services, legal, real estate and property services, government agency, and TMT sectors

Number of tenants
307⁽¹⁾



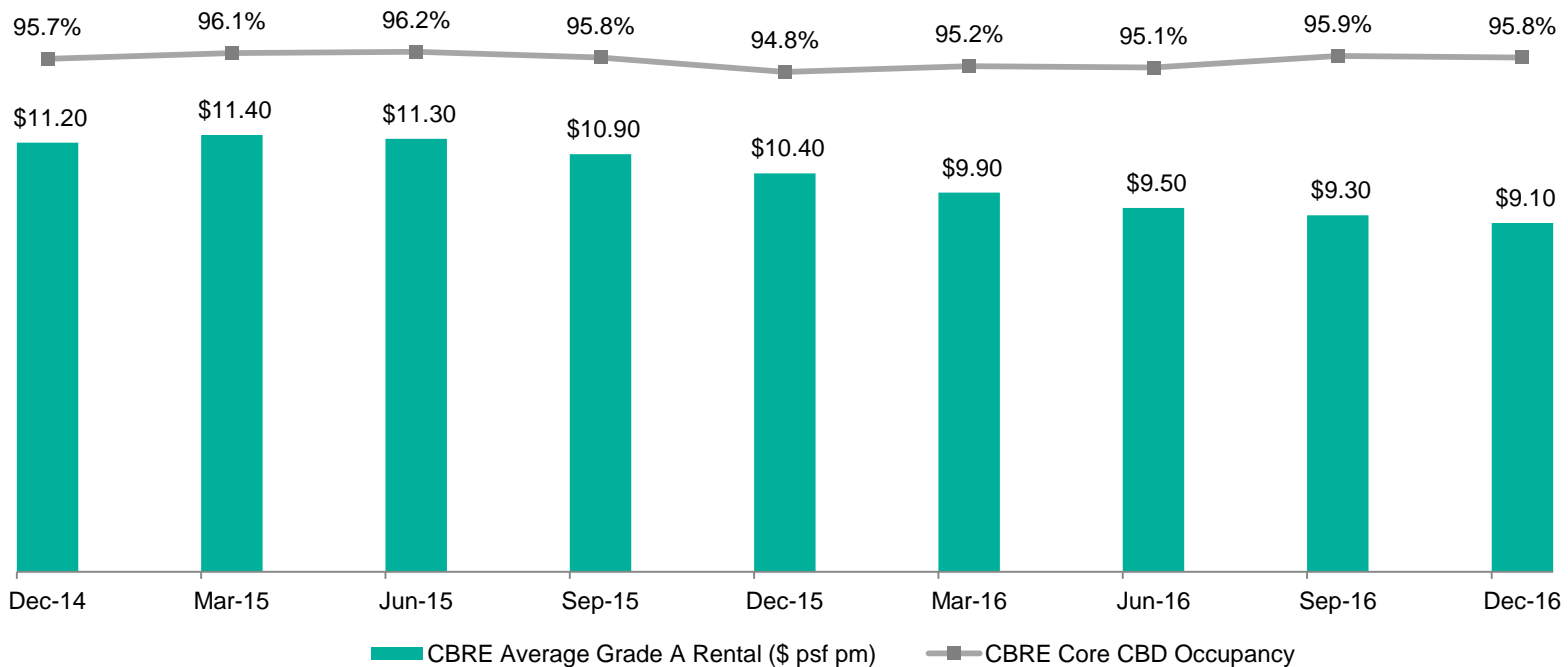
(1) Tenants with multiple leases were accounted as one tenant.

Market Update

8 Chifley Square, Sydney



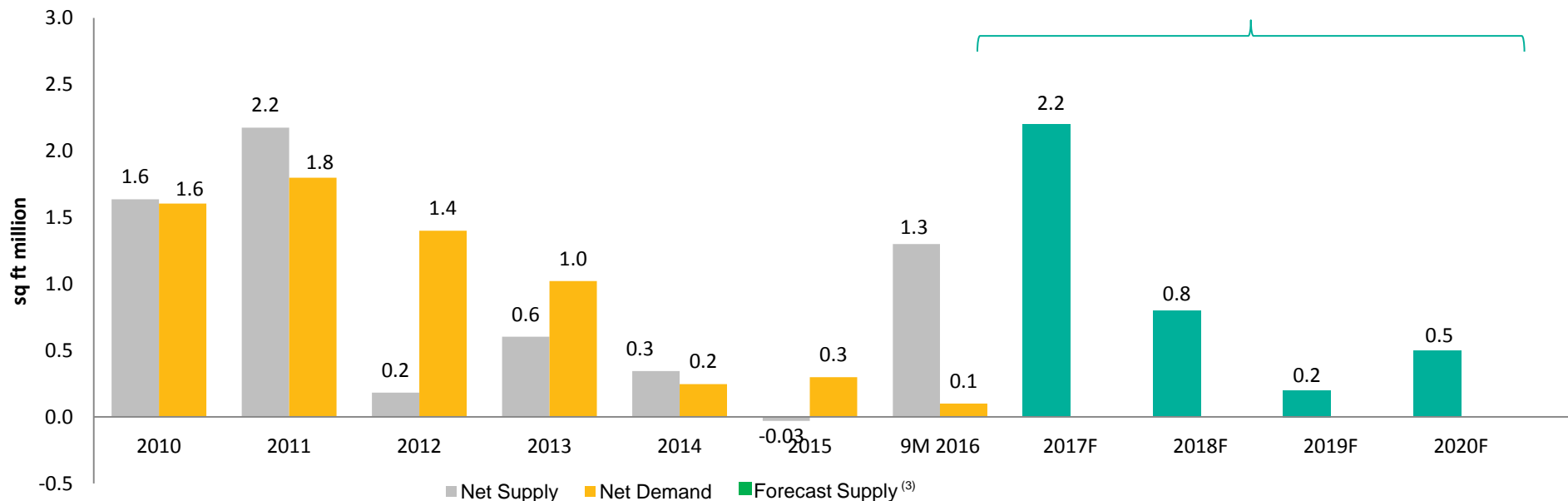
- Singapore's weaker economic growth and cautious sentiments continued to weigh in on the office sector
- Occupancy for Singapore's core CBD office market was 95.8%
- Average Grade A rents eased further to \$9.10 psf in 4Q 2016
- New office demand was driven mainly by tenants in the fin-tech, technology and co-working sectors
- The banking and energy sectors were faced with a challenging operating environment





6 years (2010 – 2015) Ave annual net demand ⁽¹⁾	~1.1 mil sf
6 years (2010 – 2015) Ave annual net supply ^{(1) (2)}	~0.8 mil sf
Ave forecast annual supply over next 4 years (2017 – 2020) ⁽³⁾	~0.9mil sf

2017	Marina One (>30% ⁽⁴⁾ pre-committed)
2018	Frasers Tower & redevelopment of Robinson Towers
2019	Redevelopment of Funan DigitalLife Mall
2020	79 Robinson Road (Former CPF Building)



Sources: URA and CBRE

(1) Net demand and supply of office space in Downtown Core, Orchard and Rest of Central Area.

(2) Supply is calculated as net change of stock over the quarter and may include office stock removed from market due to demolitions or change use.

(3) Forecast new supply excludes strata offices.

(4) According to The Business Times and The Straits Times, 22 June 2016.



- Moderate growth at 1.8% y-o-y in 3Q 2016 amid weaker government and consumer spending on top of softer trade
- Official cash rate unchanged at 1.5%
- Full-year growth for 2016 is estimated at between 2.5% and 3.5%, with similar forecast for 2017
- Australia's national CBD office occupancy remained steady at 88% in 3Q 2016



Additional Information



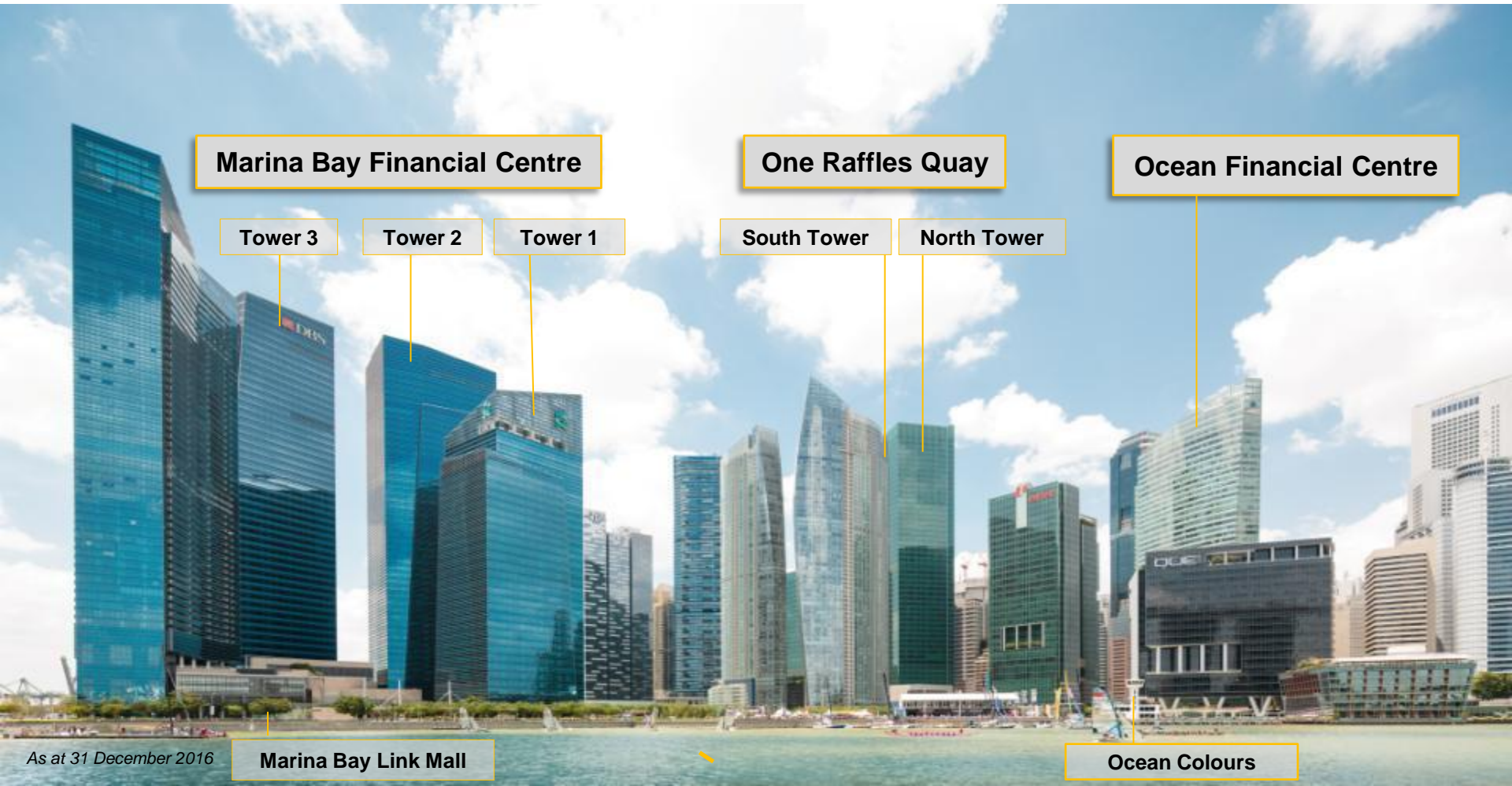
Keppel **REIT**

Bugis Junction Towers



Portfolio Overview

Best-in-Class Assets in Strategic Locations	Largest Portfolio of Premium Office Assets	Assets Under Management	Well-Diversified Tenant Base
11 office towers in 8 quality Premium Grade and Grade A assets in the business and financial districts of Singapore and Australia	3.3 million sf total attributable NLA	S\$8.4 billion	307 tenants diversified across various business sectors



- 8 premium office assets with 11 office towers strategically located in the central business districts of Singapore, as well as key cities of Sydney, Melbourne, Brisbane and Perth in Australia



Ocean Financial Centre
(99.9% interest)



Marina Bay Financial Centre
(33.3% interest)



One Raffles Quay
(33.3% interest)



Bugis Junction Towers
(100% interest)

Singapore

89%*

Australia

11%*



8 Chifley Square,
Sydney
(50% interest)



8 Exhibition Street,
Melbourne
(50% interest)



275 George Street,
Brisbane
(50% interest)



David Malcolm Justice
Centre, Perth
(50% interest)

* Based on Keppel REIT's total assets under management of approximately \$8.4 billion, as at 31 December 2016.



Offices

- A. Ocean Financial Centre
- B. One Raffles Quay
- C. Marina Bay Financial Centre
- D. Bugis Junction Towers

Location of Singapore Properties



MRT Stations

- | | |
|------------------|--------------------|
| 1. Raffles Place | 9. City Hall |
| 2. Telok Ayer | 10. Dhoby Ghaut |
| 3. Downtown | 11. Somerset |
| 4. Bayfront | 12. Bugis |
| 5. Chinatown | 13. Outram Park |
| 6. Promenade | 14. Clarke Quay |
| 7. Esplanade | 15. Nicoll Highway |
| 8. Bras Basah | 16. Marina Bay |

- Core CBD
- East West Line
- North South Line
- Downtown Line
- Circle Line
- North East Line



» Keppel REIT's AUM is approximately S\$8.4 billion as at 31 December 2016

	Ocean Financial Centre ⁽²⁾	Marina Bay Financial Centre ^{(2) (4)}	One Raffles Quay ⁽²⁾	Bugis Junction Towers
Description	43-storey premium Grade A office tower	Comprises three premium Grade A office towers and a subterranean mall	A pair of 50 and 29 storey premium Grade A office towers	15-storey Grade A office tower
Attributable NLA (sf)	881,323	1,026,319	443,603	244,989
Ownership	99.9%	33.33%	33.33%	100.0%
Number of tenants	61	163	53	11
Principal tenants	ANZ, BNP Paribas, Drew & Napier	DBS Bank, Standard Chartered Bank, BHP Billiton	Deutsche Bank, Ernst & Young, UBS	IE Singapore, InterContinental Hotels Group, Keppel Land
Tenure	99 years expiring 13 Dec 2110	99 years expiring 10 Oct 2104 ⁽⁵⁾ and 7 Mar 2106 ⁽⁶⁾	99 years expiring 12 Jun 2100	99 years expiring 9 Sep 2089
Purchase Price (on acquisition)	S\$2,298.8m ⁽³⁾	S\$1,426.8m ⁽⁵⁾ S\$1,248m ⁽⁶⁾	S\$941.5m	S\$159.5m
Valuation ⁽¹⁾	S\$2,627m	S\$1,693m ⁽⁵⁾ S\$1,316m ⁽⁶⁾	S\$1,273m	S\$540m
Valuer	Savills	Savills ⁽⁵⁾ , Colliers ⁽⁶⁾	Savills	Colliers
Capitalisation rates	3.75%	3.75%	3.75%	3.75%
Committed occupancy (As at 31 Dec 2016)	99.3%	99.8%	100.0%	93.7%

1) Valuation as at 31 December 2016 based on Keppel REIT's interest in the respective properties.

2) Refers to Keppel REIT's respective interest in the development and not as a whole unless otherwise stated.

3) 87.5% interest of the building was acquired on 14 December 2011 and 12.4% interest of the building was acquired on 25 June 2012.

4) Comprises Marina Bay Financial Centre (MBFC) office Towers 1, 2 and 3 and Marina Bay Link Mall (MBLM).

5) Refers to MBFC Towers 1 and 2 and MBLM.

6) Refers to MBFC Tower 3.



Portfolio Information: Australia

	8 Chifley Square, Sydney ⁽³⁾	8 Exhibition Street, Melbourne ⁽⁴⁾	275 George Street, Brisbane ⁽³⁾	David Malcolm Justice Centre, Perth ⁽³⁾
Description	34-storey Grade A office tower	35-storey Grade A office tower and 5 retail units	30-storey Grade A office tower	33-storey Grade A office tower and its annexe
Attributable NLA (sf)	104,138	247,033	224,688	167,784
Ownership	50.0%	50.0% ⁽⁴⁾	50.0%	50.0%
Number of tenants	8	21	7	2
Principal tenants	Corrs Chambers Westgarth, QBE Insurance Group, Quantum Group	Ernst & Young, UBS, CBRE	Queensland Gas Company, Telstra Corporation	Government of Western Australia
Tenure	99 years expiring 5 Apr 2105	Freehold	Freehold	99 years expiring 30 Aug 2114
Purchase Price (on acquisition)	A\$167m	A\$169m	A\$166m	A\$165m
Valuation ⁽¹⁾⁽²⁾	A\$222.5m S\$235.9m	A\$223.5m S\$236.9m ⁽⁴⁾	A\$201.8m S\$213.9m	A\$207.5m S\$220.0m
Valuer	Colliers	Colliers	m3Property	Colliers
Capitalisation rates	5.00%	5.25% ⁽⁴⁾	6.25%	5.50%
Committed occupancy (As at 31 Dec 2016)	100.0%	98.8%	99.3%	100.0%

1) Valuation as at 31 December 2016 based on Keppel REIT's interest in the respective properties unless otherwise stated.

2) Based on the exchange rate of A\$1 = S\$1.06.

3) Refers to Keppel REIT's respective interest in the development and not as a whole unless otherwise stated.

4) Keppel REIT owns a 50% interest in the 8 Exhibition Street office building and two retail units, as well as a 100% interest in the adjoining three retail units.



Thank You

275 George Street, Brisbane