



Third Quarter & Nine Months 2018 Financial Results

15 October 2018



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- **Distributable Income** **\$142.9 m**
- **Distribution per Unit** **4.20 cents**
- **Aggregate Leverage** **39.1%**
- **All-in Interest Rate** **2.80% p.a.**



- **Leases Committed** **1,885,200 sf**
(Attributable area ~855,300 sf)
- **Portfolio Committed Occupancy** **98.0%**
- **Portfolio WALE** **5.7 years**
- **Tenant Retention** **84%**

Financial Performance & Capital Management

A low-angle, upward-looking photograph of several modern skyscrapers with glass facades. The sun is shining brightly from the left, creating a lens flare effect. The buildings are set against a clear blue sky. The perspective makes the buildings appear to converge towards the top of the frame.

Marina Bay Financial Centre, Singapore



	3Q 2018	3Q 2017	9M 2018	9M 2017
Property Income	\$36.7 m	\$40.4 m	\$128.0 m ⁽¹⁾	\$120.1 m
Net Property Income	\$28.2 m	\$31.7 m	\$102.6 m	\$95.0 m
Share of Results of Associates and Joint Ventures	\$25.0 m	\$28.6 m	\$79.9 m	\$88.3 m
Distribution to Unitholders	\$46.3 m	\$47.0 m	\$142.9 m	\$142.5 m
Distribution per Unit (DPU)	1.36 cents	1.40 cents	4.20 cents	4.27 cents

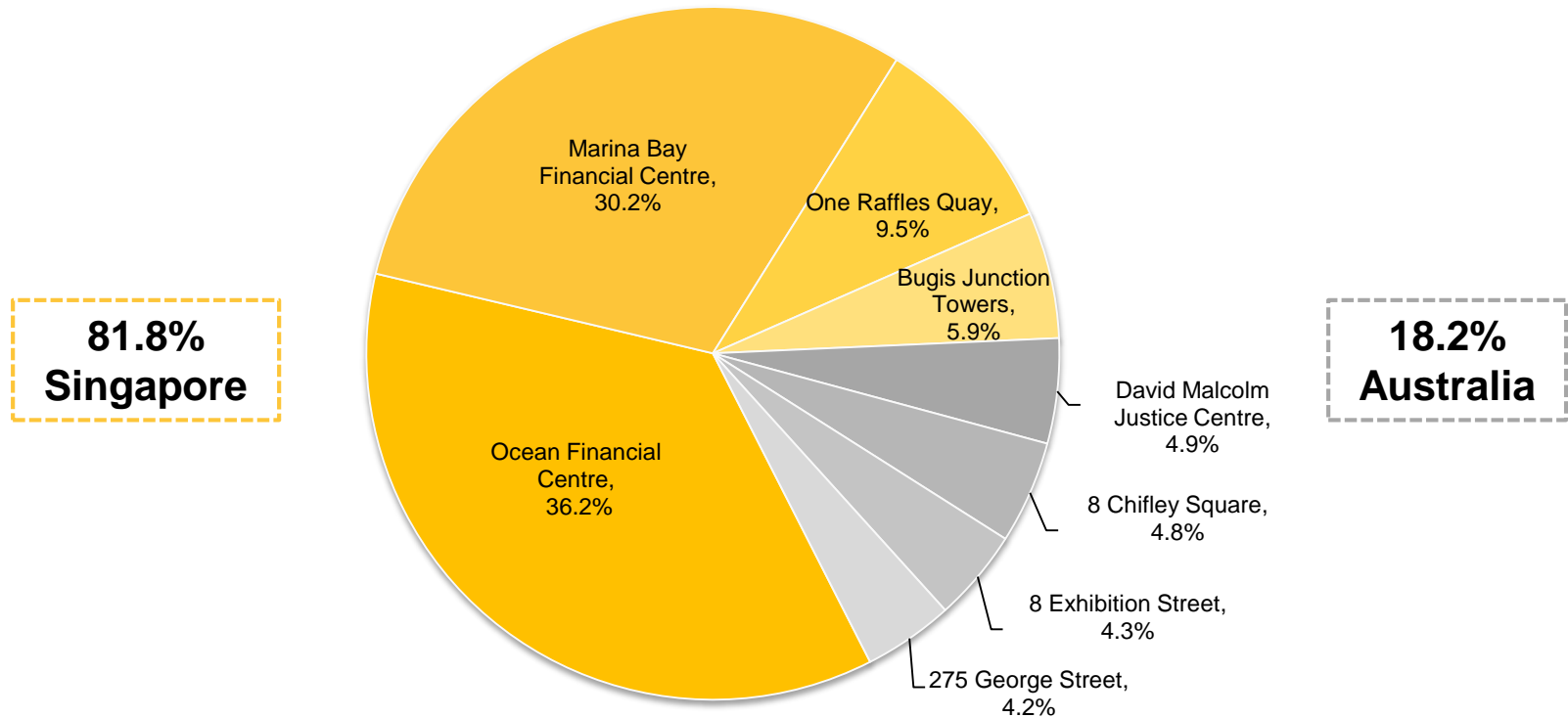
Distribution Timetable for 3Q 2018	Ex-Date	Fri, 19 Oct 2018
	Books Closure Date	Tue, 23 Oct 2018
	Payment Date	Tue, 27 Nov 2018

(1) The year-on-year increase was mainly contributed by one-off income for early surrender of leases.



- A young and diversified portfolio of premium Grade A office space in Singapore and Australia that generates long-term returns

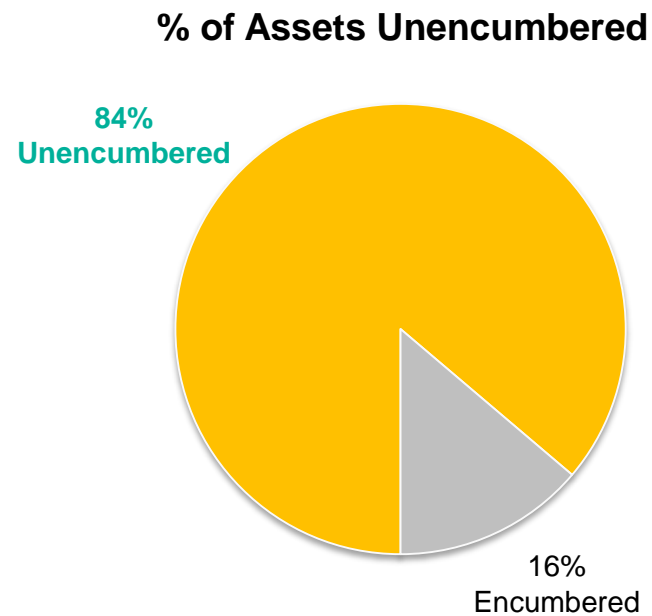
**Income Contribution*
by Asset & Geography**
(for 9M 2018)



* Comprised net property income of directly held properties, distribution/dividend income from associates & joint ventures, rental support income, as well as interest income on advances to associates.



	As at 30 Sep 2018	As at 30 Jun 2018
Total Assets	\$7,620 m	\$7,623 m
Borrowings⁽¹⁾	\$3,408 m	\$3,371 m
Total Liabilities	\$2,709 m	\$2,666 m
Unitholders' Funds	\$4,757 m	\$4,806 m
Adjusted NAV per Unit⁽²⁾	\$1.38	\$1.40

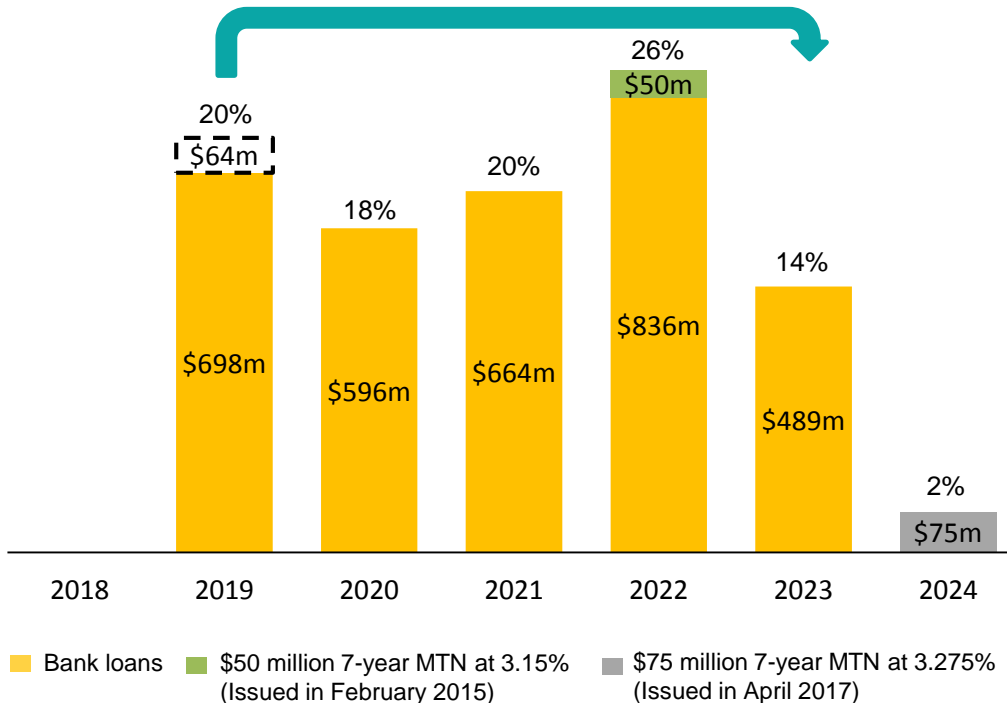


(1) Included borrowings accounted for at the level of associates and excluded the unamortised portion of upfront fees in relation to the borrowings.

(2) For 30 September 2018 and 30 June 2018, these excluded the distributions to be paid in November 2018 and paid in August 2018 respectively.

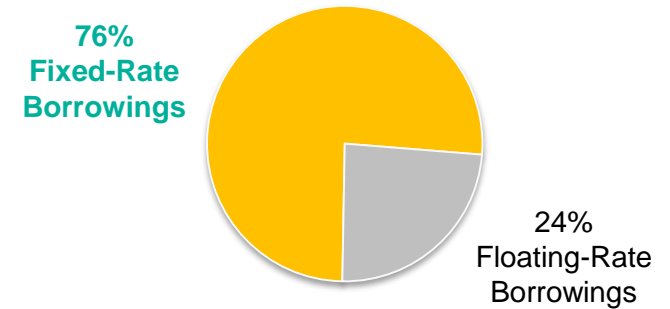
- Obtained facility to refinance a \$64 million loan that is due in 2019
- Weighted average term to maturity of 2.8 years⁽¹⁾
- 0.16% of issued units purchased and cancelled in unit buy-back exercises initiated in 3Q 2018

Debt Maturity Profile



30 Sep 2018	
Interest Coverage Ratio	4.0x
All-in Interest Rate (p.a.)	2.80%
Aggregate Leverage	39.1%

Managing interest rate exposure



Sensitivity to SOR⁽²⁾

Every 50 bps $\uparrow\downarrow$ in SOR translates to ~0.10 cents $\downarrow\uparrow$ in DPU

(1) This takes into account the facility obtained by the Manager to refinance a \$64 million loan that is due in 2019.

(2) Based on the Group's borrowings including those accounted for at the level of associates, and number of units in issue as at 30 September 2018.

Portfolio Review

8 Chifley Square, Sydney

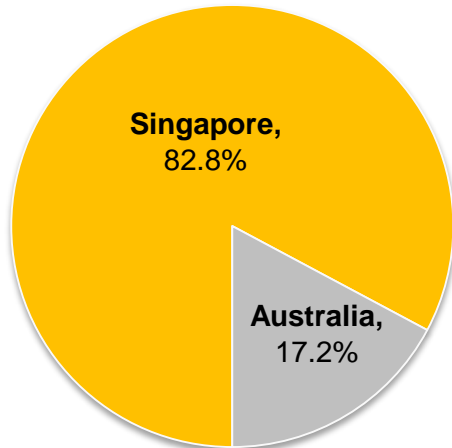


Leasing Updates for 9M 2018

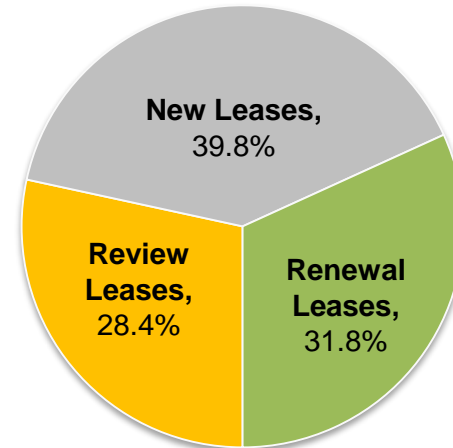
Committed Leases	91 Leases	~1,885,200 sf (Attributable ~855,300 sf)	98.0% Portfolio Committed Occupancy
Tenant Retention & WALE	84% Retention Rate	~5.7 years Portfolio WALE	~8.1 years Top 10 Tenants' WALE

Leases Committed in 9M 2018

Breakdown by Geography⁽¹⁾:



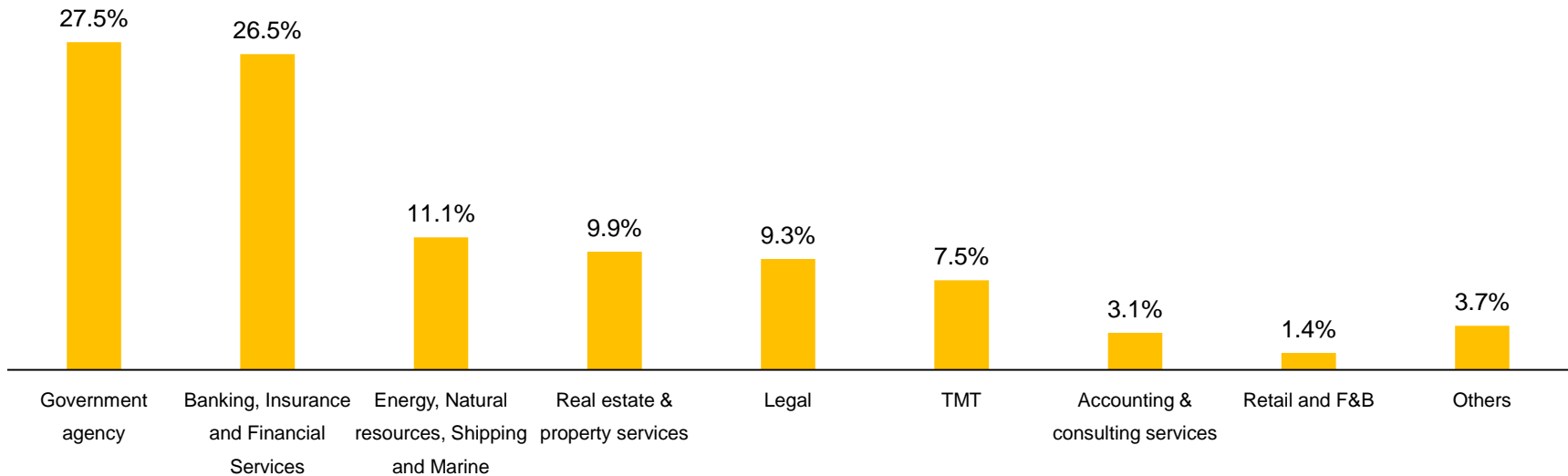
Breakdown by Type⁽¹⁾:



(1) Based on attributable area.

- Average signing rent for the Singapore office leases was ~\$10.88 psf pm⁽¹⁾ for 9M 2018
- New leasing demand mainly contributed by government agencies and the banking, insurance and financial services sector
 - HSBC's relocation of headquarters to MBFC Tower 2 is testament to the asset's quality and ability to attract established tenants

New leases committed in 9M 2018 (by attributable area)

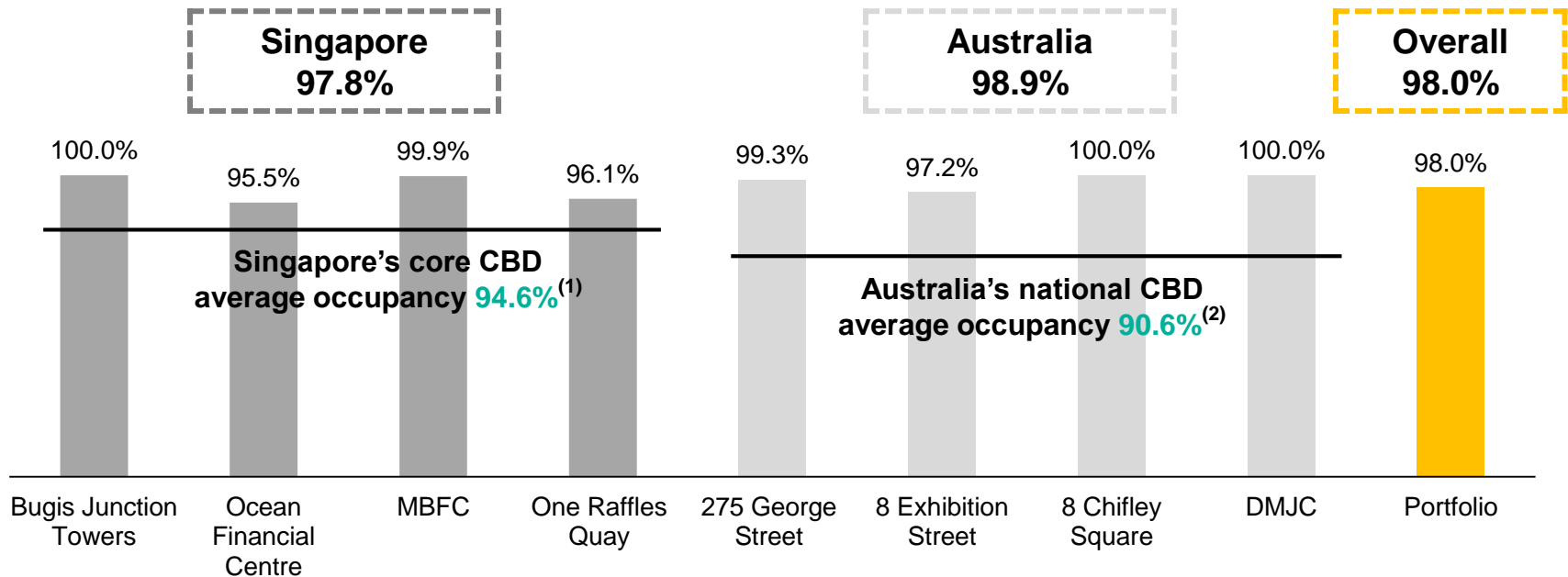


(1) For the Singapore office leases concluded in 9M 2018, and based on a simple average calculation.

- Committed occupancies for the Singapore and Australia assets remain well above market average
- The Manager will strive for an optimal balance between maintaining high occupancy levels and maximising returns from the assets

High Portfolio Committed Occupancy

(as at 30 Sep 2018)



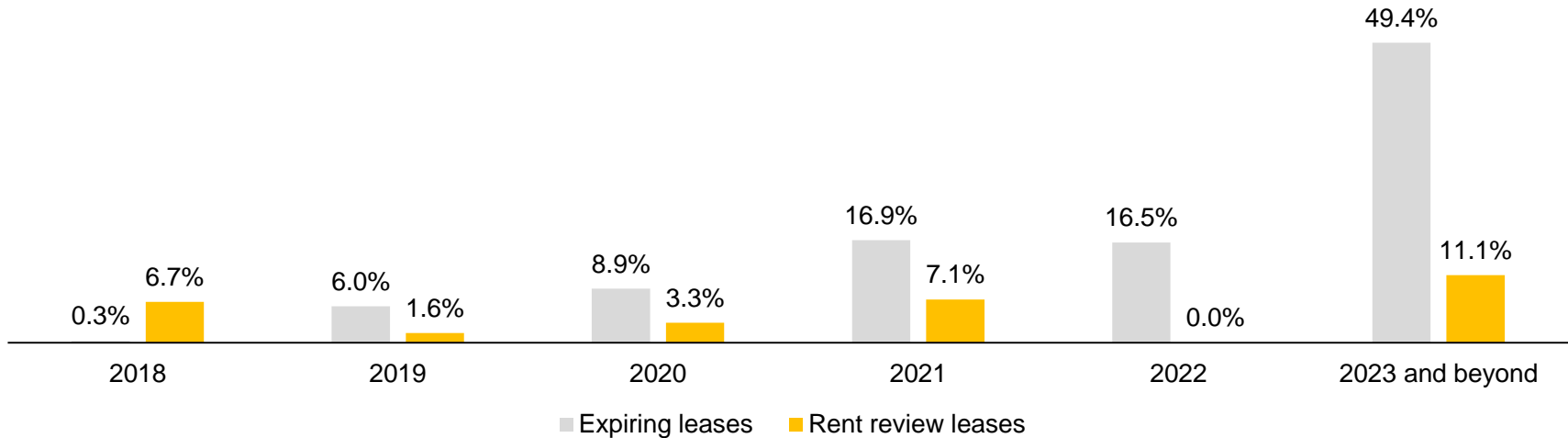
Sources: (1) CBRE, 3Q 2018 (2) JLL, end June 2018



- Portfolio WALE extended from 5.2 years as at 30 June 2018 to 5.7 years as at 30 September 2018
- 7% of portfolio NLA remaining for renewal and review in 2018

Portfolio Lease Expiry Profile

(by attributable area)

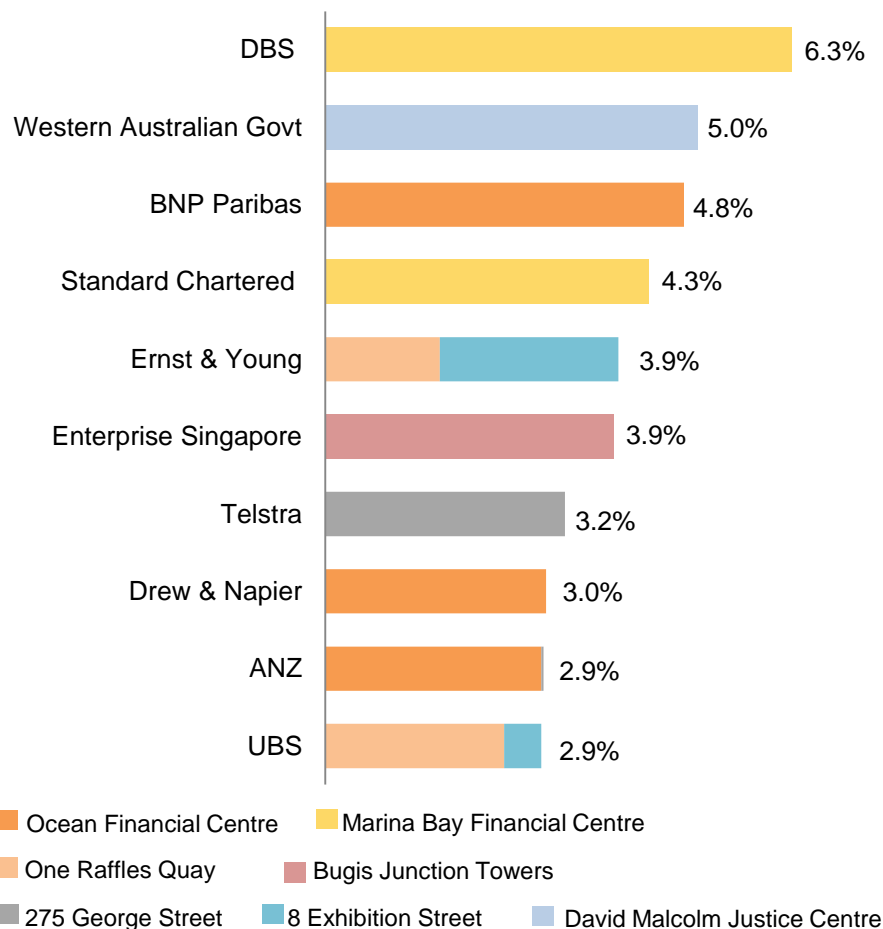


All data as at 30 September 2018. Remaining lease term to expiry based on portfolio committed NLA.



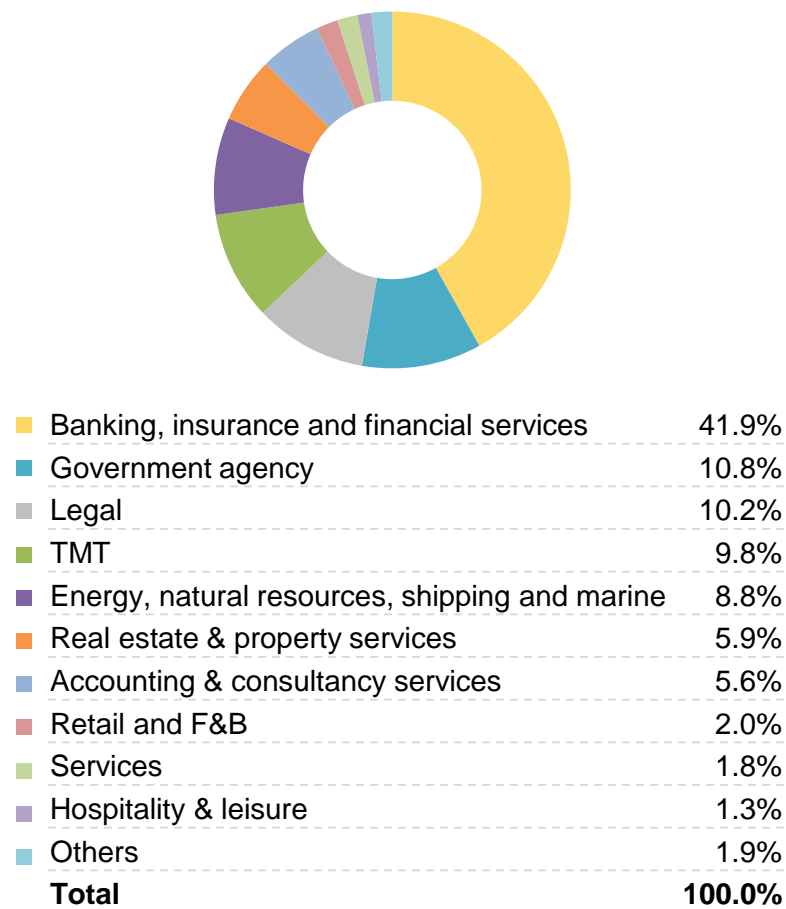
Top 10 Tenants⁽¹⁾

Occupies 40.2% of portfolio NLA
Contributes 36.7% of gross rental income



Profile of Tenant Base⁽¹⁾

Number of Tenants: 340⁽²⁾



(1) All data as at 30 September 2018, and based on portfolio committed NLA.

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

- Construction of freehold Grade A office tower is in progress

Development in Progress



Artist's Impression of Completed Tower



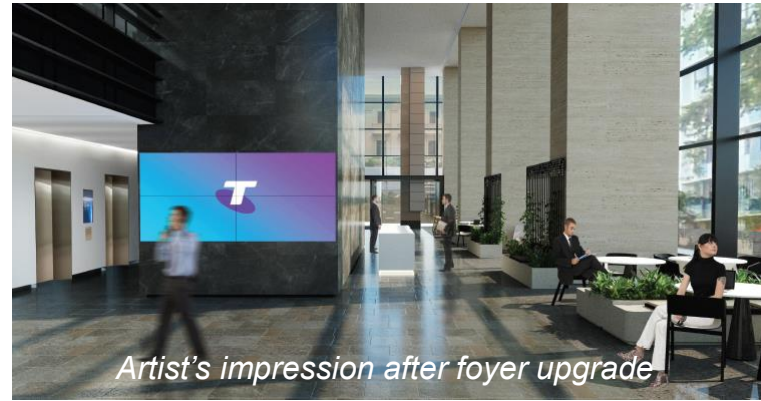


- Ongoing enhancements at 275 George Street to attract and retain tenants
- Similar initiatives planned at 8 Exhibition Street to enhance tenants' experience and future-proof assets

Before

After

275 George Street,
Brisbane



Artist's impression after foyer upgrade

8 Exhibition Street,
Melbourne



Artist's impression after foyer upgrade

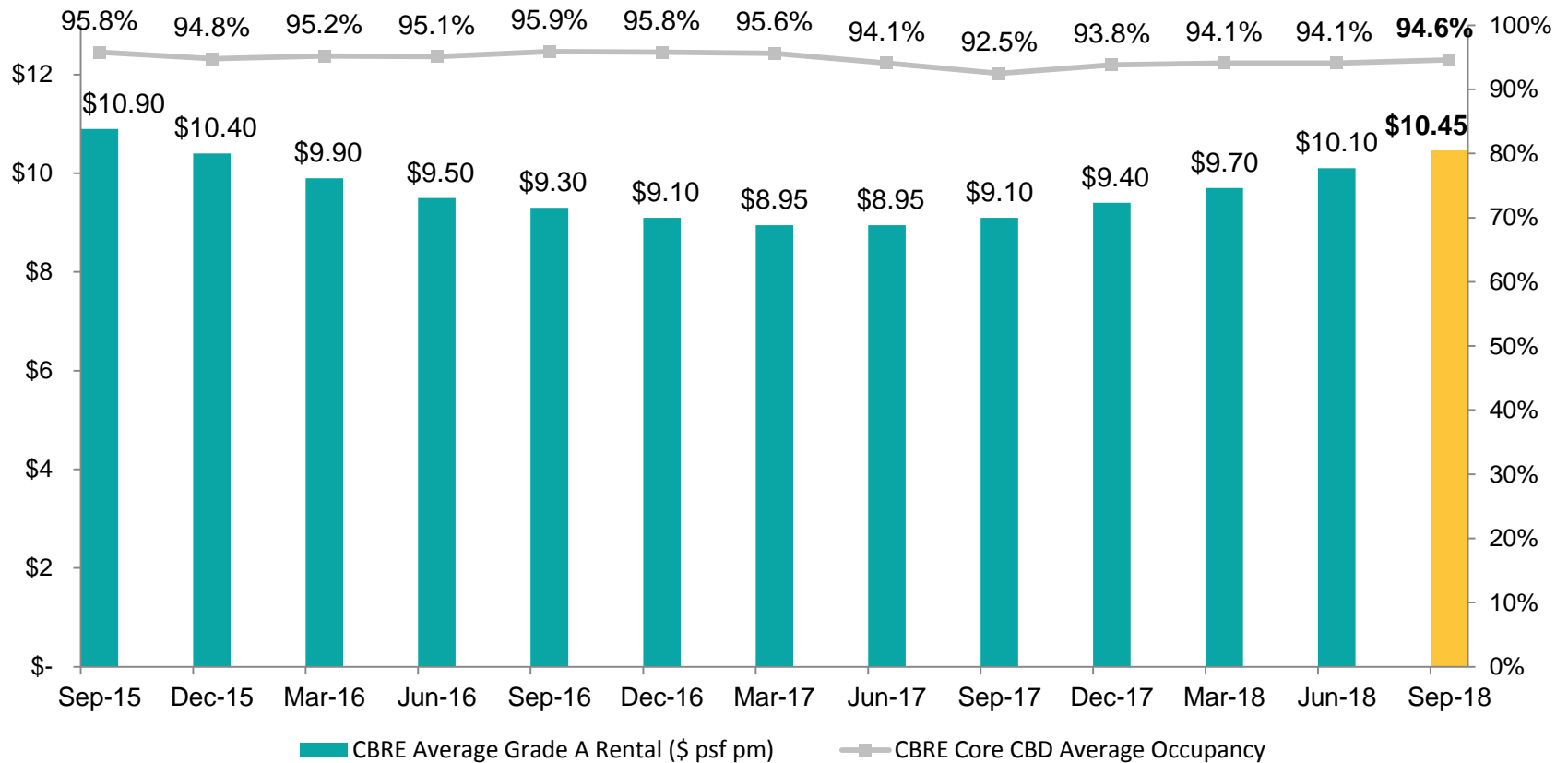


Looking Ahead

Ocean Financial Centre, Singapore



- Occupancy in the core CBD rose to 94.6% in 3Q 2018, while average Grade A office rental rose to \$10.45 psf pm
- Office market outlook remains positive in view of tapering supply pipeline and continued demand from a wide range of sectors





- National CBD office average occupancy improved to 90.6%
- Healthy leasing activities observed from various sectors including finance, insurance and flexible working space industries



275 George Street in Brisbane saw improved committed occupancy



Governance & Disclosure

- **Keppel REIT:** 4th in the REIT and business trust category of the Singapore Governance and Transparency Index (SGTI)

Sustainability & Environmental Performance

- **Keppel REIT:** Green Star Status at the Global Real Estate Sustainability Benchmark (GRESB)
- **David Malcolm Justice Centre:**
 - Western Australia Commercial Property of the Year Award (over 20,000 sm)
 - Environmentally Sustainable Design & Sustainability Award (Premium/A Grade)



David Malcolm Justice Centre attained Perth's first GBCA 6 Star Green Star performance rating

Red Light-Up for World Heart Day



Ocean Financial Centre's façade was lit in red in support of Singapore Heart Foundation's Red Light-Up for World Heart Day

Workplace Safety and Health



Annual safety exhibition at various office lobbies to raise safety awareness amongst stakeholders

Nurturing Community

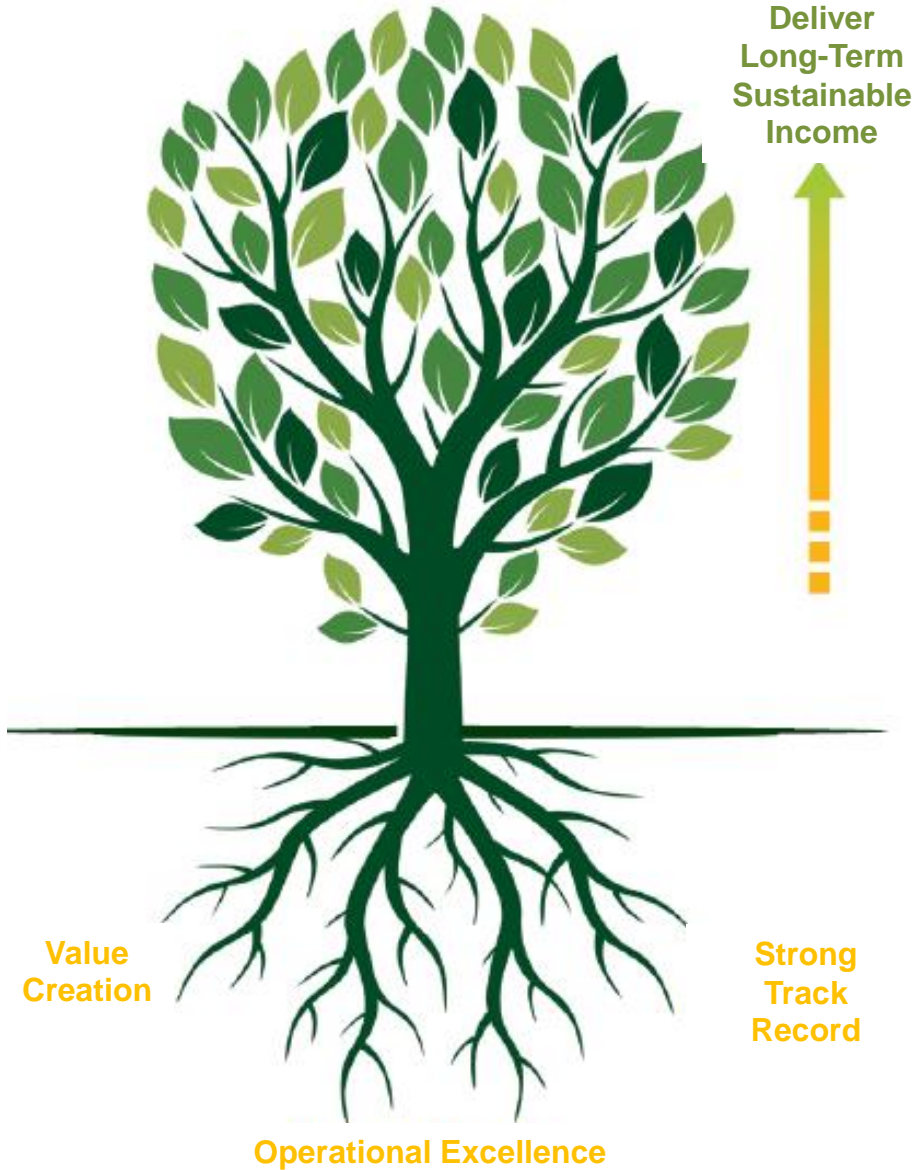


Visit to Maritime Experiential Museum with Muscular Dystrophy Association of Singapore (MDAS)

Giving Back



Packing and distribution of cleaning kits to beneficiaries of Fei Yue Family Service Centre



Strategy in Action

Our goal is to generate **sustainable income** and create **long-term value** for unitholders through achieving **operational excellence** in all that we do.

Our foundation stems from:

Our Strong Track Record

- ✓ Delivering sustainable income
- ✓ Maintaining high portfolio occupancy and WALE

Value Creation through Active Management

- ✓ Strong capital creation and preservation
- ✓ Quality assets managed with a tenant-centric approach

Operational Excellence

- ✓ Prudent management of costs and capital
- ✓ Sustained performance during market volatility



Additional Information

8 Exhibition Street, Melbourne



Best-in-Class Assets in Strategic Locations

9 quality Premium Grade and Grade A assets in the business and financial districts of Singapore and Australia⁽¹⁾

Largest Portfolio of Premium Office Assets

3.7 million sf total attributable NLA⁽¹⁾

Assets Under Management

S\$8.5 billion⁽¹⁾



Marina Bay Financial Centre

Tower 3

Tower 2

Tower 1

One Raffles Quay

South Tower

North Tower

Ocean Financial Centre

Marina Bay Link Mall

Ocean Colours

(1) As at 30 September 2018 and includes the office tower under development at 311 Spencer Street in Melbourne.



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*

87%

Australia*

13%



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)



311 Spencer Street, Melbourne
(50% interest)
-Under construction-

* Based on Keppel REIT's total assets under management of approximately S\$8.5 billion as at 30 September 2018, and includes the office tower under development at 311 Spencer Street in Melbourne.

	Ocean Financial Centre	Marina Bay Financial Centre ⁽⁴⁾	One Raffles Quay	Bugis Junction Towers
Attributable NLA (sf)	877,067	1,025,522	442,576	248,013
Ownership	99.9%	33.33%	33.33%	100.0%
Principal tenants ⁽¹⁾	BNP Paribas, Drew & Napier, ANZ	DBS Bank, Standard Chartered Bank, Barclays	UBS, Deutsche Bank, Ernst & Young	Enterprise Singapore, InterContinental Hotels Group
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 ⁽²⁾	S\$2,623.0m	S\$1,693.0m ⁽⁵⁾ S\$1,300.3m ⁽⁶⁾	S\$1,273.0m	S\$525.0m
Capitalisation rates	3.75%	3.75%	3.75%	3.75%

1) On committed basis.

2) Valuation as at 31 December 2017 based on Keppel REIT's interest in the respective properties.

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.



	8 Chifley Square, Sydney	8 Exhibition Street, Melbourne ⁽³⁾	275 George Street, Brisbane	David Malcolm Justice Centre, Perth	311 Spencer Street, Melbourne <i>(Under construction)</i>
Attributable NLA (sf)	104,138	245,954	224,693	167,784	358,683
Ownership	50.0%	50.0%	50.0%	50.0%	50.0%
Principal tenants ⁽¹⁾	Corrs Chambers Westgarth, Quantum Group, QBE Insurance Group	Ernst & Young, Minister for Finance - State of Victoria, UBS	Telstra Corporation, Queensland Gas Company	Government of Western Australia	Assistant Treasurer - State of Victoria
Tenure	99 years expiring 5 Apr 2105	Freehold	Freehold	99 years expiring 30 Aug 2114	Freehold
Purchase Price (on acquisition)	S\$197.8m	S\$201.3m ⁽³⁾	S\$209.4m	S\$208.1m	S\$362.4m ⁽⁶⁾
Valuation ⁽²⁾	S\$247.4m	S\$256.0m ⁽³⁾	S\$219.3m	S\$216.8m	S\$148.9m ⁽⁷⁾
Capitalisation rates	5.00%	5.00% ⁽⁴⁾ 4.50% ⁽⁵⁾	5.63%	5.50%	4.63%

1) On committed basis.

2) Valuation as at 31 December 2017 based on Keppel REIT's interest in the respective properties.

Based on the exchange rate of A\$1 = S\$1.02 as at 31 December 2017.

3) Keppel REIT owns a 50% interest in the 8 Exhibition Street office building and a 100% interest in another three retail units.

4) Refers to Keppel REIT's 50% interest in the office building.

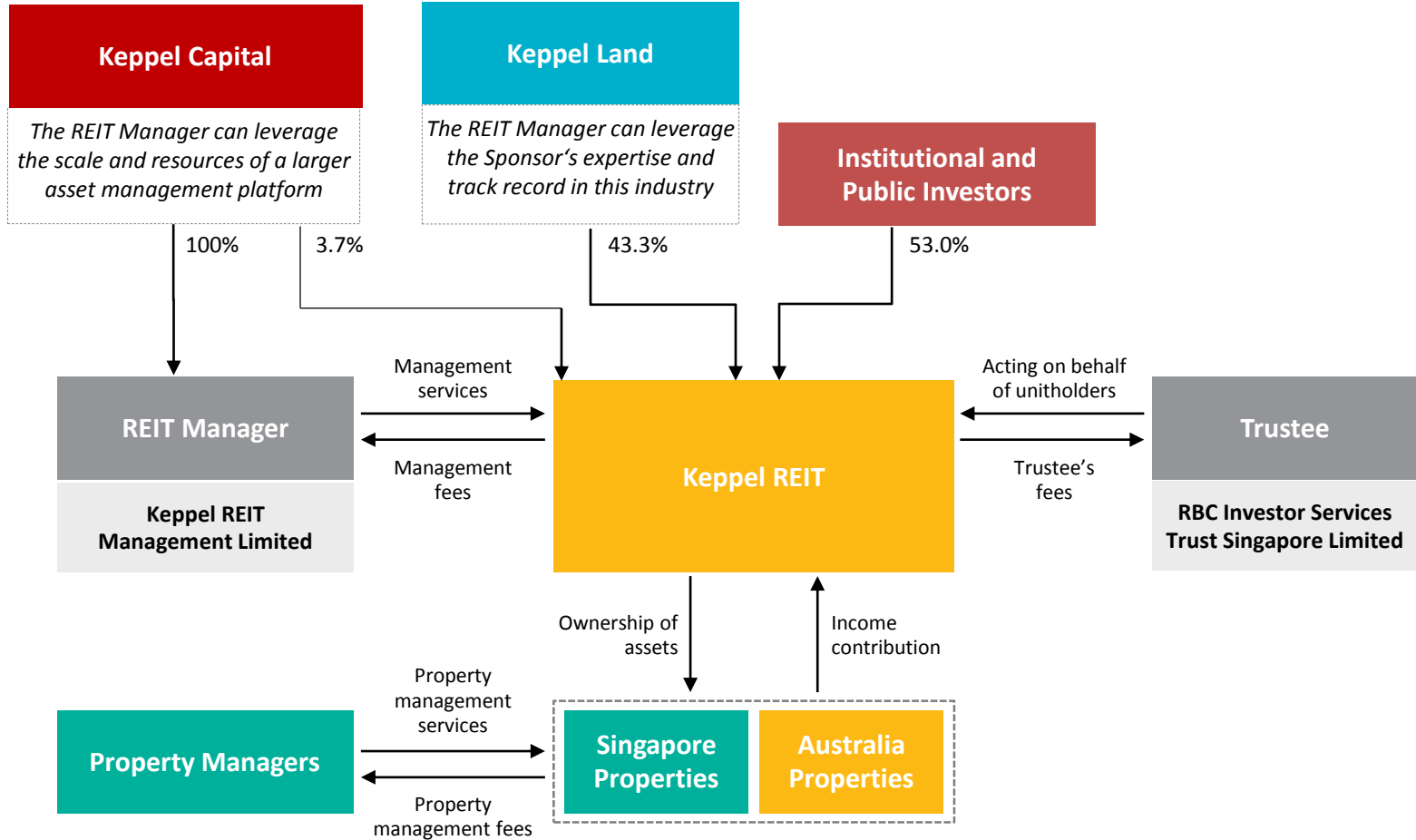
5) Refers to Keppel REIT's 100% interest in the three retail units.

6) Based on the aggregate consideration paid-to-date and to be paid, including development costs of the building, at the exchange rate of A\$1=S\$1.042 as disclosed in the announcement dated 29 June 2017.

7) Based on "as is" valuation as at 31 December 2017.



Keppel REIT Structure





Thank You